Pennsylvania Public Utility Commission, v. Aqua Pennsylvania, Inc.	Docket Nos.: R-2024-3047822 (Water) R-2024-3047824 (Wastewater)
Call-In Telephonic Evidentiary Hearing	

Pages 1095 - 1154

Judge's Chambers

Commonwealth Keystone Building - Plaza Level

400 North Street

Harrisburg, PA

October 11, 2024

Commencing at 9:06 a.m.

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Hearing Date: October 11, 2024

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VIA ELECTRONIC FILING

May 23, 2024

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

Re: General Base Rate Filing for Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc. at Docket Nos. R-2024-3047822 and R-2024-3047824

Dear Secretary Chiavetta:

Aqua Pennsylvania, Inc. ("AP") and Aqua Pennsylvania Wastewater, Inc. ("APW"), (collectively "Aqua PA" or the "Company") herewith file for an increase in water and wastewater rates based on a fully projected future test year ("FPFTY") ending December 31, 2025. In compliance with the Pennsylvania Public Utility Commission's ("Commission") general rate case filing requirements, as set forth at 52 Pa. Code § 53.53, and the Commission's Secretary Bureau's directions for electronically filing a general rate case, the Company is submitting to the Commission: (1) one electronic copy of the following documents via the Secretary Bureau's electronic SharePoint system, and (2) one hard copy and one CD/DVD of the following documents by Federal Express:

Volume 1:	Filing Letter, Statement of Specific Reasons for Proposed Increase in Rates, Customer Notices, Press Release, Proposed Tariffs bearing a proposed effective date of July 22, 2024, Original Tariff Water-Pa. P.U.C. No. 4 and Original Tariff Sewer-Pa. P.U.C. No. 4	
Volume 2:	Exhibit 1-A	Water Base Operations - Revenue and Expense Data and Rate Base Claims – Test Years Ended December 31, 2023 (HTY), December 31, 2024 (FTY), & December 31, 2025 (FPFTY)
	Exhibit 1-B	Shenandoah Water - Revenue and Expense Data and Rate Base Claims – Test Years Ended December 31, 2023 (HTY), December 31, 2024 (FTY), & December 31, 2025 (FPFTY)
	Exhibit 1-C	Wastewater Base Operations - Revenue and Expense Data and Rate Base Claims – Test Years Ended December 31, 2023 (HTY), December 31, 2024 (FTY), & December 31, 2025 (FPFTY)

	Exhibit 1-D	Lower Makefield Wastewater - Revenue and Expense Data and Rate Base Claims – Test Years Ended December 31, 2023 (HTY), December 31, 2024 (FTY), & December 31, 2025 (FPFTY)
	Exhibit 1-E	East Whiteland Wastewater - Revenue and Expense Data and Rate Base Claims – Test Years Ended December 31, 2023 (HTY), December 31, 2024 (FTY), & December 31, 2025 (FPFTY)
Volume 3:	Exhibit 2	Payroll Calculations
	Exhibit 3	Original Cost Data for New Acquisitions Closed Subsequent to Last Rate Case
Volume 4:	Exhibit 4-A	Cost of Capital
	Statement No. 7	Direct Testimony of Paul R. Moul
Volume 5:	Exhibit 5-A, Parts I, II, Appendix A – Cost of Service Allocation Study, Operating Revenues from the Sales of Water, & Application of Present and Proposed Rates	
	Exhibit 5-B, Parts I & II, Appendix A – Cost of Service Allocation Study, Operating Revenues from the Sales of Wastewater, & Application of Present and Proposed Rates	
Volume 6:	Exhibit 6-A, Part I – Water Base Operations Depreciation Study - Calculated Annual Depreciation Accruals Related to Utility Plant at December 31, 2023	
Volume 7:	Exhibit 6-A, Part II – Water Base Operations Depreciation Study - Calculated Annual Depreciation Accruals Related to Utility Plant at December 31, 2024	
Volume 8:	Exhibit 6-A, Part III – Water Base Operations Depreciation Study - Calculated Annual Depreciation Accruals Related to Utility Plant at December 31, 2025	
Volume 9:	Exhibits 6-B, Parts I, II, III – Shenandoah Water Depreciation Study - Calculated Annual Depreciation Accruals Related to Utility Plant at December 31, 2023, December 31, 2024, and December 31, 2025	
Volume 10:	Exhibits 6-C, Parts I, II, III – Wastewater Base Operations Depreciation Study - Calculated Annual Depreciation Accruals Related to Utility Plant at December 31, 2023, December 31, 2024, and December 31, 2025	
Volume 11:	Exhibits 6-D, Parts I, II, III – Lower Makefield Wastewater Depreciation Study - Calculated Annual Depreciation Accruals Related to Utility Plant at December 31, 2023, December 31, 2024, and December 31, 2025	

Volume 12:	Exhibits 6-E, Parts I, II, III – East Whiteland Wastewater Depreciation Study - Calculated Annual Depreciation Accruals Related to Utility Plant at December 31, 2023, December 31, 2024, and December 31, 2025	
Volume 13:	Exhibit 7	Calculation of Cash Working Capital Based on Lead-Lag Study
Volume 14:	Statement No. 1	Direct Testimony of William C. Packer
	Statement No. 2	Direct Testimony of Renee T. Marquis
	Statement No. 3	Direct Testimony of Christopher E. Manning
	Statement No. 4	Direct Testimony of Michael S. Ercolino
	Statement No. 5	Direct Testimony of Constance E. Heppenstall
	Statement No. 6	Direct Testimony of John J. Spanos
	Statement No. 8	Direct Testimony of Panpilas Fischer
	Statement No. 9	Direct Testimony of Harold C. Walker III
	Statement No. 10	Direct Testimony of Gregory R. Herbert
	Statement No. 11	Direct Testimony of Todd M. Duerr
	Statement No. 12	Direct Testimony of Michael L. Convery
	Statement No. 13	Direct Testimony of Rita F. Black
Volume 15:	Minimum Filing Requirements (A) through (F)	
Volume 16:	Minimum Filing Requirements (G)	
Volume 17:	Minimum Filing Requirements (H) through (K)	
Volume 18:	Documents Marked Confidential	

As noted above, the Company's general rate filing includes information that the Company considers to be proprietary and confidential. Both the electronic and hard copies of these documents have been conspicuously labeled as "CONFIDENTIAL" have been separately compiled and submitted to the Commission in electronic and hard copy format. The Company requests that the copies of the materials that have been labeled "CONFIDENTIAL" and that have been separately submitted to the Commission as "CONFIDENTIAL" documents be given confidential treatment by the Commission, including its various offices and bureaus. That is, the Company requests that the confidential materials be excluded from the Commission's public document folder and that the confidential copies not be disclosed to the public.

In addition, and in accordance with the Commission's regulations, the Company is concurrently serving copies of the above-captioned general rate increase filing, comprised of the documents listed above upon the Commission's Bureau of Technical Utility Services ("TUS"), the Commission's Bureau of Investigation and Enforcement ("I&E"), the Commission's Office of the Administrative Law Judge ("OALJ"), the Office of Consumer Advocate ("OCA") and the Office of Small Business Advocate ("OSBA"), as follows:

- By prior agreement, filing letter only via email will be provided to TUS;

- By prior agreement, three hard copies of the filing will be provided to I&E;
- By prior agreement, one electronic copy of the filing will be provided to OALJ (paper copy if requested);
- By prior agreement, one electronic copy will be provided to the OCA; and
- By prior agreement, four electronic copies will be provided to the OSBA via USB flash drives.

The Company is being represented in this proceeding by the following counsel and requests that they be included on the official service list:

Michael W. Hassell, Esquire
Garrett Lent, Esquire
Nicholas Stobbe, Esquire
Post & Schell
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Aqua Pennsylvania
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Bryn Mawr, PA 19010
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If you have any questions regarding the enclosed filing or supporting data, please contact any of Aqua PA's legal counsel listed above.

Finally, I, Renee T. Marquis, hereby certify that a printed Notice of Proposed Rate Changes was mailed on or before May 23, 2024 to all customers of the Company affected thereby. True and correct copies of said notices are attached hereto.

Sincerely,

Renee T. Marquis
Manager, Rates
Essential Utilities, Inc.
RTMarquis@essential.co

cc: Chairman Stephen M. DeFrank (*Letter and Certificate of Service only*)
Vice-Chair Kimberly M. Barrow (*Letter and Certificate of Service only*)
Commissioner Ralph V. Yanora (*Letter and Certificate of Service only*)
Commissioner Kathryn L. Zerfuss (*Letter and Certificate of Service only*)
Commissioner John F. Coleman, Jr. (*Letter and Certificate of Service only*)
Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Aqua Pennsylvania, Inc.	:	Docket No. R-2024-3047822
Aqua Pennsylvania Wastewater, Inc.	:	Docket No. R-2024-3047824

CERTIFICATE OF SERVICE

I hereby certify that I have this day served copies of the foregoing documents upon the persons in the manner indicated below:

Patrick M. Cicero, Esq.
Gina Miller, Esq.
Melanie El Atieh, Esq.
Office of Consumer Advocate
555 Walnut Street,
Fifth Floor Forum Place
Harrisburg, PA 17101-1923
(electronic copy via Federal Express)

Steven C. Gray, Esq.
Office of Small Business Advocate
555 Walnut Street
First Floor Forum Place
Harrisburg, PA 17101-1921
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Allison Kaster, Esq.
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor West
Harrisburg, PA 17105-3265
(via Federal Express)

The Honorable Charles E. Rainey, Jr.
Chief Administrative Law Judge
Office of Administrative Law Judge
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
(electronic copy via Federal Express)

Paul Diskin
Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
(letter only via email, no copy of the filing requested)

Dated: May 23, 2024

Renee T. Marquis
Manager, Rates
Essential Utilities, Inc.
762 W. Lancaster Ave.
Bryn Mawr, PA 19010
RTMarquis@essential.co

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

STATEMENT OF SPECIFIC REASONS FOR PROPOSED INCREASE IN RATES

Aqua Pennsylvania, Inc. ("Aqua PA" or the "Company") on its own behalf and on behalf of its wholly-owned subsidiary Aqua Pennsylvania Wastewater, Inc., filed, respectively, Original Tariff Water – PA P.U.C. No. 4 ("Tariff Water No. 4") and Original Tariff Sewer – PA P.U.C. No. 4 ("Tariff Sewer No. 4") to become effective on July 22, 2024. Based on the financial and accounting data submitted in support of those tariffs, the Company's proposed base rates will produce an increase in total annual operating revenues of $126,675,472, or approximately 18.88% over the level of revenues anticipated for the fully projected future test year ending December 31, 2025. The proposed base rates set forth Tariff Water No. 4 and Tariff Sewer No. 4 in the majority of the Company's divisions will have a proposed rate increase in charges for water and wastewater service by varying amounts. The specific reasons for the proposed increase in total operating revenues are summarized below.

Rate Increase

The Company last filed for base rate increases for its water and wastewater operations in August 2021 - almost three years ago. During the intervening period since the end of the fully projected future test year in the last case, the Company will have invested approximately $950 million in utility infrastructure through December 31, 2025, which represents an increase of approximately 16% in the original cost of the Company's physical assets (property, plant and equipment) used and useful in providing utility service. These substantial investments in new utility infrastructure, include, but are not limited to, distribution main replacement, water and wastewater treatment plant rehabilitation, addressing emerging contaminants, well rehabilitation, and upgrades to pumping facilities. Investments such as this and similar projects are crucial to maintain the indispensable service the Company's customers have come to expect. This includes addressing aging infrastructure and enabling the Company to meet increasingly stringent state and federal environmental regulations.

The Company has invested in projects that have reduced its production costs and purchased water expense. In addition, the Company has engaged in concerted efforts to control discretionary operating expenditures. However, various operating expenses have increased consistent with national trends, increasingly stringent standards and regulations related to emerging contaminants, and these increases are reflected in the filing.

Due in large part to its substantial additional investment in utility plant and increases in various non-discretionary cost items, the Company's overall rate of return, at present rates, is projected to be only 6.02% for the fully projected future test year. More importantly, the indicated return on common equity under present rates is anticipated to be 7.47%, which is inadequate and less than required to provide the Company with a reasonable opportunity to attract the additional capital needed to finance future water and wastewater plant improvements.

The requested rate levels would produce an overall rate of return of 7.90% and a rate of return on common equity of 10.95% on the Company's claimed original cost measure of value. These return levels are consistent with those recommended by Mr. Paul R. Moul – an expert on the subject of rate of return.[1]

Supporting Data

Along with Tariff Water No. 4 and Tariff Sewer No. 4, the Company filed all of the supporting data required by the Pennsylvania Public Utility Commission's ("PUC" or the "Commission") regulations for the historical test year ended December 31, 2023, the future test year ending December 31, 2024, and the fully projected future test year ending December 31, 2025. The Company is submitting separate revenue requirement studies for its water and wastewater operations (*see* AP Exhibit Nos. 1-A through 1-B (Water) and 1-C through 1-E (Wastewater)). The Company has included the revenue requirement studies in a consolidated rate increase filing pursuant to authority conferred by Section 1311(c) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1311(c). Because the Company is basing its claim principally on the

[1] Mr. Moul's rate of return recommendations are being filed herewith as Exhibit 4 and are summarized as follows:

	Ratio	Cost Rate	Weighted Cost Rate
Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	10.95%	5.91%
Total	100%		7.90%

level of operations for the fully projected future test year, pursuant to Section 315(e) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 315(e), the discussion that follows will address the fully projected future test year data.

The revenue and expense data for the fully projected future test year have been prepared in a manner consistent with the Company's prior rate filings and in accordance with the accepted practices of the Commission. To establish anticipated operating revenues under the proposed rates, operating revenues for the historic test year ended December 31, 2023, were adjusted to reflect (1) changes in the number of customers, as well as the consumption by specific customers, during the twelve-month periods ending December 31, 2023, December 31, 2024, and December 31, 2025, and (2) required annualization adjustments and system acquisitions; and (3) adjustments for declining usage.

After extensive and careful review of the Company's accounts, actual operating expenses for the historic test year ended December 31, 2023, were increased to reflect currently effective and anticipated expense levels, as summarized at page C-2 of Exhibits 1-A through Exhibits 1-E. Such adjustments capture, among other things: chemical costs; group insurance costs; labor and labor related costs; healthcare costs; and the impact of inflation on expense items not otherwise specifically adjusted to fully projected future test year levels. Certain other adjustments were also made, including downward adjustments to reflect reductions in expense levels from those experienced during the year ended December 31, 2023. In addition, an adjustment has been made to reflect the increase in the Company's annual depreciation expense accrual under the straight-line remaining life method.

The rate base elements that are reflected in the Company's proposed revenue requirement in this filing have also been determined on a basis that is consistent with past rate filings and in accordance with accepted practices of the Commission. Fully projected future test year plant levels reflect the original cost of the Company's utility plant, as taken from the Company's continuing property records, together with the anticipated additions and retirements during the years ending December 31, 2024, and December 31, 2025. Gannett Fleming Valuation and Rate Consultants, LLC computed the applicable accrued depreciation under the straight-line remaining life method, which was then deducted from the original cost of the Company's

depreciable plant. The resulting claim for depreciated utility plant in service equals $5,381,519,964, consisting of $4,840,309,962 for water and $541,210,003 for wastewater.

From the depreciated utility plant in service figures, the Company has deducted contributions in aid of construction, customer advances for construction, and deferred income taxes. The Company has added an allowance for materials and supplies and cash working capital. The resulting claimed original cost measure of value as of December 31, 2025 is $4,838,116,230, consisting of $ $4,334,260,435 for water and $503,855,795 for wastewater. This represents an approximate 16% increase over the Company's combined rate base claims in its last water and wastewater base rate proceedings.

As is evident from the foregoing and the voluminous supporting data filed herewith, the proposed rate increase is just and reasonable and represents the minimum rate increase necessary to enable the Company to earn a reasonable return on its investment in property devoted to the public service, to maintain the integrity of existing capital and to attract new capital.

Rate Structure

The Company's rate structure proposal was developed in accordance with system-wide cost of service studies for water and wastewater service performed by Gannett Fleming Valuation and Rate Consultants, LLC. A copy of that study was submitted with this filing as Aqua Exhibits 5-A and 5-B.

The Company's long-term goal is to charge all customers a uniform set of rates regardless of geographic location. The Company's acquisition of smaller systems across the state has presented unique circumstances that require it to maintain separate rates for certain systems with the long-term goal of consolidation. For specific information on certain rate zones, please refer to Tariff Water No. 4 and Tariff Sewer No. 4.

Public fire hydrant rates in a small number of rate divisions currently exceed 25% of the indicated cost of service and, consistent with Section 1328(b) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1328(b), have been held at existing levels. The Company has, however, proposed to increase public hydrant rates in rate divisions where the present charges are below the 25% benchmark.

The Company has also proposed combining a portion of the revenue requirement of its wastewater operations with the revenue requirement of its water operations, as permitted by Section 1311(c) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1311(c).

Finally, Tariff Water No. 4 and Tariff Sewer No. 4 will reset the respective water and wastewater Distribution System Improvement Charges to zero at the effective date of new base rates.

Summary

In summary, the instant filing was prepared in a manner substantially consistent with the Commission's findings in many prior rate proceedings and in accordance with the accepted practices of the Commission. The proposed increase in revenues is the minimum increase necessary to permit the Company to provide reliable utility service and to maintain the integrity of its existing capital, attract additional necessary capital at reasonable costs, and have an opportunity to actually achieve a fair rate of return, particularly on its common equity capital. For these and other reasons set forth above, the rates proposed in Tariff Water No. 4 and Tariff Sewer No. 4 should be permitted to become effective as filed.

An Essential Utilities Company

Press Release

For Release: May 23, 2024

Aqua Pennsylvania Files Rate Request Based on Water and Wastewater Operations, Infrastructure Improvements and Repairs Across the Commonwealth

Request reflects Aqua's commitment to reliability and service for customers

BRYN MAWR, Pa. [May 23, 2024]-- Aqua Pennsylvania Inc. (Aqua) filed an application with the Pennsylvania Public Utility Commission (PUC) today requesting an adjustment in water and wastewater rates for its customers. This rate request reflects recovery of the $953 million in infrastructure investments through the end of 2025 and highlights Aqua's commitment to improving reliability and service for its customers across the commonwealth.

"We are at a critical point when it comes to our water and wastewater infrastructure here in Pennsylvania and across the country," said Aqua Pennsylvania President Marc Lucca. "I am proud to share that our replacement of older pipes that deliver drinking water not only improves customer service by reducing the number of water main breaks and leaks, but also decreases environmental impacts that may occur from these breaks. In addition, we are aggressively responding to new regulations requiring treatment of source water to remove PFAS and replacement of lead service lines, as well as defending against threats from cyber-attacks, which is becoming a more common occurrence throughout our industry."

The request, Aqua's first in almost three years, covers capital investments and system repairs that Aqua has made since April 2023 and is projected to make through the end of 2025. This includes the replacement of approximately 200 miles of aging water main, as well as associated valves and customer service lines, throughout the approximately 5,900-mile distribution system. Aqua has also replaced hundreds of fire hydrants, drastically improving public safety in the communities we serve.

"While I'm proud of the work we have done, and will continue to do, in modernizing our water and wastewater infrastructure, I also understand rate changes can be difficult for our customers," said Lucca. "That's why we are aggressively seeking grants and low-interest loans to moderate rate impacts. In fact, in the past few years, we have successfully secured approximately $32 million in state grants and low-interest loans and have an additional pending request for nearly $85 million to benefit our customers. We commit to continue pursuing these grants and low-interest loans."

Aqua also offers several options for customers seeking financial assistance. "We want to help our customers with limited incomes connect with programs and resources that make utility bills more affordable," said Director of Community Assistance Programs Rita Black. "Anyone who is concerned about being unable to pay their bill is encouraged to learn more about these programs on our website."

Aqua's requested base rate increase requires investigation and approval by the PUC. The rate review process can take up to nine months, which means customers can expect any approved increases to take effect at the end of February, 2025.

If the company's full request were to be approved, it would increase the residential water bill for a typical customer using 3,870 gallons per month from $80.91 to $97.01, an increase of about $16.10 per month (54 cents per day). The average monthly residential wastewater bill would increase from $81.18 to $96.10. The typical Aqua residential customer would still be able to have a day's worth of water, approximately 129 gallons, for approximately $2.44 - or about 2 cents per gallon for quality water delivered directly to the customer's home. This usage includes cooking, drinking, showering, washing clothes and dishes, and sanitation. Aqua is requesting an overall rate increase of $126.7 million per year for our water and wastewater operations.

The process to modify base rates is transparent and involves multiple opportunities for public participation. Customers can call Aqua at 877.987.2782 for more information about the rate request.

About Aqua Pennsylvania
Aqua Pennsylvania provides water and wastewater service to approximately 1.5 million people in 32 counties throughout the Commonwealth of Pennsylvania. Visit AquaWater.com for more information or follow @MyAquaWater on Facebook and @MyAquaWater on X.

About Essential
Essential Utilities, Inc. (NYSE:WTRG) ("Essential" or the "Company") delivers safe, clean, reliable services that improve quality of life for individuals, families, and entire communities. With a focus on water, wastewater and natural gas, Essential is committed to sustainable growth, operational excellence, a superior customer experience, and premier employer status. We are advocates for the communities we serve and are dedicated stewards of natural lands, protecting more than 7,600 acres of forests and other habitats throughout our footprint.

Operating as the Aqua and Peoples brands, Essential serves approximately 5.5 million people across nine states. Essential is one of the most significant publicly traded water, wastewater service and natural gas providers in the U.S. Learn more at www.essential.co.

Forward-Looking Statements
This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which generally include words such as “believes,” “expects,” “intends,” “anticipates,” “estimates” and similar expressions. The Company can give no assurance that any actual or future results or events discussed in these statements will be achieved. Any forward-looking statements represent its views only as of today and should not be relied upon as representing its views as of any subsequent date. Readers are cautioned that such forward-looking statements are subject to a variety of risks and uncertainties that could cause the Company’s actual results to differ materially from the statements contained in this release. Such forward-looking statements include, but are not limited to, statements relating to the capital to be invested in Aqua’s water and wastewater infrastructure, that it will continue to seek and receive grants and low-interest loans, and that it will receive its requested rate increase. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including the factors discussed in the Company’s Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q, which are filed with the Securities and Exchange Commission. For more information regarding risks and uncertainties associated with the Company’s business, please refer to the Company’s annual, quarterly and other SEC filings. The Company is not under any obligation - and expressly disclaims any such obligation - to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

Media Contact:
Patrick Wenger
Aqua Communications Manager
O: 610.645.1175
PMWenger@aquawater.com

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

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THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY
The investments Aqua has made in our water and wastewater systems have increased system reliability and capacity and helped prevent service interruptions. The rates you pay for are used for repairs and improvements including, but not limited to, the following:

- Replacement and rehabilitation of approximately 200 miles of aging water mains
- Replacement and repair of valves, fire hydrants, customer service lines and other parts of our approximately 5,900-mile distribution system
- Replacement and repair of treatment plants and wells, the installation of critical equipment, including laboratory equipment, that ensures compliance with all water quality regulations, disinfection, treatment for PFAS and other contaminants
- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8-inch meter using 3,870 gallons a month would increase from $78.21 to $97.01 per month.
- Commercial customers with a 5/8-inch meter using 37,900 gallons a month would increase from $512.33 to $634.36 per month.
- Industrial customer with a 5/8-inch meter using 227,600 gallons a month would increase from $2,519.88 to $3,129.86 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

PUC ROLE
The state agency that approves rates for public utilities is the PUC. The PUC will review and investigate the requested rate increase. Aqua must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some or none of the request or may reduce existing rates. **As a result, the final effect on your bill may be different than Aqua's request.**

ACTIONS YOU CAN TAKE
You may challenge the Company's request by:

1. Sending a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the Company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

2. Attending or presenting testimony at PUC public input hearings. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of the Company's rate increase request and if there is enough interest in the case. At these hearings you

may present your views in person to the PUC judge and to Company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.

3. Becoming a party by filing a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before Jul. 22, 2024. If no one files a formal complaint, the PUC may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its website: www.puc.pa.gov.

MAIN DIVISION

Main Division

M1

AQUA℠
An Essential Utilities Company
762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

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EAGLE ROCK

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
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SOUTHEASTERN, PA
PERMIT NO. 229

Eagle Rock

M2

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BENSALEM

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SOUTHEASTERN, PA
PERMIT NO. 229

Return Service Requested

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

An Essential Utilities Company

M3

Bensalem

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- Commercial customers with a 5/8" meter using 7,400 gallons a month would increase from $128.68 to $157.46 per month.
- Industrial customers with a 2" meter using 42,600 gallons a month would increase from $710.69 to $863.39 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

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CHALFONT

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Chalfont

M4

NOTICE OF PROPOSED WATER RATE CHANGES

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- Industrial customers with a 5/8" meter using 51,300 gallons a month would increase from $664.49 to $820.64 per month.

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OAKLAND

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

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- Replacement and repair of valves, fire hydrants, customer service lines and other parts of our approximately 5,900-mile distribution system
- Replacement and repair of treatment plants and wells, the installation of critical equipment, including laboratory equipment, that ensures compliance with all water quality regulations, disinfection, treatment for PFAS and other contaminants
- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $80.63 to $97.01 per month.
- Commercial customers with a 5/8" meter using 13,900 gallons a month would increase from $226.54 to $276.22 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

PUC ROLE
The state agency that approves rates for public utilities is the PUC. The PUC will review and investigate the requested rate increase. Aqua must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some or none of the request or may reduce existing rates. **As a result, the final effect on your bill may be different than Aqua's request.**

ACTIONS YOU CAN TAKE
You may challenge the Company's request by:

1. Sending a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the Company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

2. Attending or presenting testimony at PUC public input hearings. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of the Company's rate increase request and if there is enough interest in the case. At these hearings you may present your views in person to the PUC judge and to Company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.

3. Becoming a party by filing a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before Jul. 22, 2024. If no one files a formal complaint, the PUC may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its website: www.puc.pa.gov.

MASTHOPE

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

Aqua Pennsylvania, Inc. ("Aqua" or "Company") filed a request with the Pennsylvania Public Utility Commission ("PUC") on May 23, 2024 to increase your water rates as of July 22, 2024. A full investigation of this request by the PUC could delay the change until February 2025. This notice describes our request, the PUC's role, and what actions you can take.

AQUA'S RATE REQUEST
Aqua is requesting a total overall rate increase of $126.7 million per year for our water and wastewater operations. This covers capital investments in system repairs and improvements that Aqua made since April 2023 and are projected through December 2025. It also covers the cost of operation and maintenance, like chemicals and power, essential to providing reliable utility service. Since the last rate case, Aqua plans to invest approximately $950 million in infrastructure and other service improvements.

THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY
The investments Aqua has made in our water and wastewater systems have increased system reliability and capacity and helped prevent service interruptions. The rates you pay for are used for repairs and improvements including, but not limited to, the following:

- Replacement and rehabilitation of approximately 200 miles of aging water mains
- Replacement and repair of valves, fire hydrants, customer service lines and other parts of our approximately 5,900-mile distribution system
- Replacement and repair of treatment plants and wells, the installation of critical equipment, including laboratory equipment, that ensures compliance with all water quality regulations, disinfection, treatment for PFAS and other contaminants
- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $78.21 to $97.01 per month.
- Commercial customers with a 5/8" meter using 36,200 gallons a month would increase from $546.83 to $698.49 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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CC GARDENS

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Return Service Requested

CC Gardens

M7

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

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AQUA'S RATE REQUEST
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- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $78.21 to $97.01 per month.
- Commercial customers with a 5/8" meter using 37,900 gallons a month would increase from $512.33 to $634.36 per month.
- Industrial customers with a 5/8" meter using 227,600 gallons a month would increase from $2,519.88 to $3,129.86 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.

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HONESDALE

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Honesdale

M8

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

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- Focus on protecting system operations and customer information from cyberattack

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If the Company's entire request is approved, the typical water bill for:

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- Commercial customers with a 5/8" meter using 36,200 gallons a month would increase from $546.83 to $698.49 per month.

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SAND SPRINGS

AQUA℠
An Essential Utilities Company
762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

NOTICE OF PROPOSED WATER RATE CHANGES

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To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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MIFFLIN

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Mifflin

M10

NOTICE OF PROPOSED WATER RATE CHANGES

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- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $45.93 to $66.80 per month.
- Commercial customers with a 5/8" meter using 39,800 gallons a month would increase from $275.11 to $465.04 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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BEECH MOUNTAIN

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

An Essential Utilities Company

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Return Service Requested

Beech Mountain

M11

NOTICE OF PROPOSED WATER RATE CHANGES

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Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $58.14 to $88.01 per month.
- Commercial customers with a 5/8" meter using 46,200 gallons a month would increase from $461.69 to $789.30 per month.

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To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

PUC ROLE
The state agency that approves rates for public utilities is the PUC. The PUC will review and investigate the requested rate increase. Aqua must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some or none of the request or may reduce existing rates. **As a result, the final effect on your bill may be different than Aqua's request.**

ACTIONS YOU CAN TAKE
You may challenge the Company's request by:

1. Sending a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the Company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

2. Attending or presenting testimony at PUC public input hearings. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of the Company's rate increase request and if there is enough interest in the case. At these hearings you may present your views in person to the PUC judge and to Company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.

3. Becoming a party by filing a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before Jul. 22, 2024. If no one files a formal complaint, the PUC may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its website: www.puc.pa.gov.

TREASURE LAKE

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Treasure Lake

M12

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

Aqua Pennsylvania, Inc. ("Aqua" or "Company") filed a request with the Pennsylvania Public Utility Commission ("PUC") on May 23, 2024 to increase your water rates as of July 22, 2024. A full investigation of this request by the PUC could delay the change until February 2025. This notice describes our request, the PUC's role, and what actions you can take.

AQUA'S RATE REQUEST
Aqua is requesting a total overall rate increase of $126.7 million per year for our water and wastewater operations. This covers capital investments in system repairs and improvements that Aqua made since April 2023 and are projected through December 2025. It also covers the cost of operation and maintenance, like chemicals and power, essential to providing reliable utility service. Since the last rate case, Aqua plans to invest approximately $950 million in infrastructure and other service improvements.

THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY
The investments Aqua has made in our water and wastewater systems have increased system reliability and capacity and helped prevent service interruptions. The rates you pay for are used for repairs and improvements including, but not limited to, the following:

- Replacement and rehabilitation of approximately 200 miles of aging water mains
- Replacement and repair of valves, fire hydrants, customer service lines and other parts of our approximately 5,900-mile distribution system
- Replacement and repair of treatment plants and wells, the installation of critical equipment, including laboratory equipment, that ensures compliance with all water quality regulations, disinfection, treatment for PFAS and other contaminants
- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $63.60 to $91.04 per month.
- Commercial customers with a 4" meter using 331,900 gallons a month would increase from $3,653.65 to $5,782.03 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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2. Attending or presenting testimony at PUC public input hearings. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of the Company's rate increase request and if there is enough interest in the case. At these hearings you may present your views in person to the PUC judge and to Company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.

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CONCORD PARK

Concord Park

M13

AQUA℠
An Essential Utilities Company
762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

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- Replacement and repair of valves, fire hydrants, customer service lines and other parts of our approximately 5,900-mile distribution system
- Replacement and repair of treatment plants and wells, the installation of critical equipment, including laboratory equipment, that ensures compliance with all water quality regulations, disinfection, treatment for PFAS and other contaminants
- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $55.62 to $83.63 per month.
- Commercial customers with a 5/8" meter using 15,500 gallons a month would increase from $246.29 to $303.64 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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BRISTOL TWP

AQUA℠
An Essential Utilities Company
762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Bristol Twp

M14

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

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- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $78.21 to $97.01 per month.
- Commercial customers with a 5/8" meter using 37,900 gallons a month would increase from $512.33 to $634.36 per month.
- Industrial customers with a 5/8" meter using 227,600 gallons a month would increase from $2,519.88 to $3,129.86 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.

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MT JEWETT

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Mt Jewett

M15

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

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THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY
The investments Aqua has made in our water and wastewater systems have increased system reliability and capacity and helped prevent service interruptions. The rates you pay for are used for repairs and improvements including, but not limited to, the following:

- Replacement and rehabilitation of approximately 200 miles of aging water mains
- Replacement and repair of valves, fire hydrants, customer service lines and other parts of our approximately 5,900-mile distribution system
- Replacement and repair of treatment plants and wells, the installation of critical equipment, including laboratory equipment, that ensures compliance with all water quality regulations, disinfection, treatment for PFAS and other contaminants
- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $38.92 to $65.75 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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BUNKER HILL

AQUA℠
An Essential Utilities Company
762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Bunker Hill

M16

NOTICE OF PROPOSED WATER RATE CHANGES

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- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers using 3,870 gallons a month would increase from $38.69 to $65.36 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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SUN VALLEY

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SOUTHEASTERN, PA
PERMIT NO. 229

Return Service Requested

Sun Valley

M17

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If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $78.21 to $97.01 per month.
- Commercial customers with a 5/8" meter using 7,400 gallons a month would increase from $128.68 to $157.46 per month.

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3. Becoming a party by filing a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before Jul. 22, 2024. If no one files a formal complaint, the PUC may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its website: www.puc.pa.gov.

SUPERIOR

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
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PERMIT NO. 229

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

Aqua Pennsylvania, Inc. ("Aqua" or "Company") filed a request with the Pennsylvania Public Utility Commission ("PUC") on May 23, 2024 to increase your water rates as of July 22, 2024. A full investigation of this request by the PUC could delay the change until February 2025. This notice describes our request, the PUC's role, and what actions you can take.

AQUA'S RATE REQUEST
Aqua is requesting a total overall rate increase of $126.7 million per year for our water and wastewater operations. This covers capital investments in system repairs and improvements that Aqua made since April 2023 and are projected through December 2025. It also covers the cost of operation and maintenance, like chemicals and power, essential to providing reliable utility service. Since the last rate case, Aqua plans to invest approximately $950 million in infrastructure and other service improvements.

THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY
The investments Aqua has made in our water and wastewater systems have increased system reliability and capacity and helped prevent service interruptions. The rates you pay for are used for repairs and improvements including, but not limited to, the following:

- Replacement and rehabilitation of approximately 200 miles of aging water mains
- Replacement and repair of valves, fire hydrants, customer service lines and other parts of our approximately 5,900-mile distribution system
- Replacement and repair of treatment plants and wells, the installation of critical equipment, including laboratory equipment, that ensures compliance with all water quality regulations, disinfection, treatment for PFAS and other contaminants
- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $22.87 to $38.65 per month.
- Commercial customers with a 5/8" meter using 19,700 gallons a month would increase from $95.67 to $161.65 per month.
- Industrial customers with a 5/8" meter using 4,200 gallons a month would increase from $24.39 to $41.21 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

PUC ROLE
The state agency that approves rates for public utilities is the PUC. The PUC will review and investigate the requested rate increase. Aqua must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some or none of the request or may reduce existing rates. **As a result, the final effect on your bill may be different than Aqua's request.**

ACTIONS YOU CAN TAKE
You may challenge the Company's request by:

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under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.

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PHOENIXVILLE

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

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Phoenixville

M19

NOTICE OF PROPOSED WATER RATE CHANGES

Dear Customer:

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The investments Aqua has made in our water and wastewater systems have increased system reliability and capacity and helped prevent service interruptions. The rates you pay for are used for repairs and improvements including, but not limited to, the following:

- Replacement and rehabilitation of approximately 200 miles of aging water mains
- Replacement and repair of valves, fire hydrants, customer service lines and other parts of our approximately 5,900-mile distribution system
- Replacement and repair of treatment plants and wells, the installation of critical equipment, including laboratory equipment, that ensures compliance with all water quality regulations, disinfection, treatment for PFAS and other contaminants
- Replacement and repair of pumping stations, water storage tanks, emergency generators to ensure the continued ability to meet system demands and all regulatory requirements
- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8-inch meter using 3,870 gallons a month would increase from $56.14 to $77.36 per month.
- Commercial customers with a 5/8-inch meter using 9,100 gallons a month would increase from $94.28 to $130.65 per month.
- Industrial customers with a 5/8-inch meter using 5,200 gallons a month would increase from $62.57 to $84.90 per month.
- Industrial customers with a 2-inch meter or larger using 1,584,200 gallons a month would increase from $4,949.10 to $8,015.32 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

PUC ROLE
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SHENANDOAH

Shenandoah

M20

AQUA℠

An Essential Utilities Company

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

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SOUTHEASTERN, PA
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NOTICE OF PROPOSED WATER RATE CHANGES

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- Replacement and rehabilitation of approximately 200 miles of aging water mains
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- Focus on protecting system operations and customer information from cyberattack

Aqua's commitment to ongoing system investments helps ensure water quality and uninterrupted service. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical water bill for:

- Residential customers with a 5/8" meter using 3,870 gallons a month would increase from $50.00 to $75.07 per month.
- Unmetered Residential customers would increase from $50.00 to $75.07 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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BELLE AIRE ACRES

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Belle Aire Acres

M21

Return Service Requested

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NOTICE OF PROPOSED WASTEWATER RATE CHANGES

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AQUA'S RATE REQUEST

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THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY

The investments Aqua has made in our water and wastewater systems throughout the state have increased reliability and capacity and helped prevent service interruptions. These improvements include, but are not limited to, the following: collection system replacement and repair, treatment plant rehabilitation, electrical and power system improvements, installation of remote monitoring systems, and installation of emergency generators.

Aqua's commitment to ongoing system investments helps ensure uninterrupted service and the appropriate treatment of wastewater to protect the environment. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would decrease from $94.62 to $92.85 per month.
- Unmetered Residential customers would decrease from $96.17 to $92.85 per month.
- Non-Residential customers using 22,700 gallons a month would decrease from $313.12 to $308.10 per month.
- Unmetered Non-Residential customers would decrease from $94.46 to $92.04 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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1-WW

AQUA℠
An Essential Utilities Company
762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

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SOUTHEASTERN, PA
PERMIT NO. 229

1-WW

NOTICE OF PROPOSED WASTEWATER RATE CHANGES

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If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would decrease from $94.62 to $92.85 per month.
- Unmetered Residential customers would decrease from $96.17 to $92.85 per month.
- Non-Residential customers using 160,600 gallons a month would decrease from $2,030.48 to $1,995.17 per month.
- Unmetered Non-Residential customers would decrease from $94.46 to $92.04 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

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1A-WW

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Return Service Requested

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

An Essential Utilities Company

1A-WW

M23

NOTICE OF PROPOSED WASTEWATER RATE CHANGES

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Aqua's commitment to ongoing system investments helps ensure uninterrupted service and the appropriate treatment of wastewater to protect the environment. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would decrease from $105.40 to $104.63 per month.
- Unmetered Residential customers would decrease from $102.54 to $101.80 per month.
- Non-Residential customers using 9,800 gallons a month would decrease from $177.39 to $176.11 per month.
- Unmetered Non-Residential customers would decrease from $100.73 to $100.00 per month.

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2-WW

2-WW

762 W. Lancaster Ave.
Bryn Mawr, PA 19010

Return Service Requested

PRESORTED
FIRST-CLASS MAIL
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M24

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Aqua is requesting a total overall rate increase of $126.7 million per year for our water and wastewater operations. This covers capital investments in system repairs and improvements that Aqua made since April 2023 and are projected through December 2025. It also covers the cost of operation and maintenance, like chemicals and power, essential to providing reliable utility service. Since the last rate case, Aqua plans to invest approximately $950 million in infrastructure and other service improvements.

THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY

The investments Aqua has made in our water and wastewater systems throughout the state have increased reliability and capacity and helped prevent service interruptions. These improvements include, but are not limited to, the following: collection system replacement and repair, treatment plant rehabilitation, electrical and power system improvements, installation of remote monitoring systems, and installation of emergency generators.

Aqua's commitment to ongoing system investments helps ensure uninterrupted service and the appropriate treatment of wastewater to protect the environment. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would decrease from $114.66 to $113.83 per month.
- Unmetered Residential customers would decrease from $115.87 to $115.00 per month.
- Non-Residential customers using 3,400 gallons a month would decrease from $106.94 to $106.16 per month.
- Unmetered Non-Residential customers would decrease from $113.82 to $113.00 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

PUC ROLE

The state agency that approves rates for public utilities is the PUC. The PUC will review and investigate the requested rate increase. Aqua must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates. **As a result, the final effect on your bill may be different than Aqua's request.**

ACTIONS YOU CAN TAKE

You may challenge the Company's request by:

1. Sending a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the Company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

2. Attending or presenting testimony at PUC public input hearings. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of the Company's rate increase request and if there is enough interest in the case. At these hearings you may present your views in person to the PUC judge and to Company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company. For more information, call the PUC at 800.692.7380.

3. Becoming a party by filing a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before Jul. 22, 2024. If no one files a formal complaint, the PUC may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its website: www.puc.pa.gov.

3-WW

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Bryn Mawr, PA 19010

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M25

NOTICE OF PROPOSED WASTEWATER RATE CHANGES

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Aqua's commitment to ongoing system investments helps ensure uninterrupted service and the appropriate treatment of wastewater to protect the environment. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would decrease from $136.18 to $135.20 per month.
- Unmetered Residential customers would increase from $134.32 to $135.20 per month.
- Non-Residential customers using 5,400 gallons a month would decrease from $152.98 to $151.87 per month.
- Unmetered Non-Residential customers would increase from $131.96 to $134.33 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

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M26

NOTICE OF PROPOSED WASTEWATER RATE CHANGES

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Aqua's commitment to ongoing system investments helps ensure uninterrupted service and the appropriate treatment of wastewater to protect the environment. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would decrease from $149.71 to $148.63 per month.
- Unmetered Residential customers would decrease from $152.50 to $148.63 per month.
- Non-Residential customers using 25,200 gallons a month would decrease from $418.00 to $414.97 per month.
- Unmetered Non-Residential customers would decrease from $148.72 to $147.75 per month.

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Aqua's commitment to ongoing system investments helps ensure uninterrupted service and the appropriate treatment of wastewater to protect the environment. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical wastewater bill for:

- Commercial customers would decrease from $11,005.12 to $10,933.55 per month.

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If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would decrease from $70.74 to $69.41 per month.
- Non-Residential customers would decrease from $93.32 to $91.58 per EDU per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

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If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would increase from $77.92 to $92.85 per month.
- Commercial customers using 5,700 gallons a month would increase from $93.02 to $113.04 per month.

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If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would increase from $103.78 to $104.63 per month.
- Non-Residential customers using 88,700 gallons a month would increase from $1,070.72 to $1,152.53 per month.

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M31

NOTICE OF PROPOSED WASTEWATER RATE CHANGES

Dear Customer:

Aqua Pennsylvania, Inc. ("Aqua" or "Company") filed a request with the Pennsylvania Public Utility Commission ("PUC") on May 23, 2024 to increase your water rates as of July 22, 2024. A full investigation of this request by the PUC could delay the change until February 2025. This notice describes our request, the PUC's role, and what actions you can take.

AQUA'S RATE REQUEST

Aqua is requesting a total overall rate increase of $126.7 million per year for our water and wastewater operations. This covers capital investments in system repairs and improvements that Aqua made since April 2023 and are projected through December 2025. It also covers the cost of operation and maintenance, like chemicals and power, essential to providing reliable utility service. Since the last rate case, Aqua plans to invest approximately $950 million in infrastructure and other service improvements.

THE RATES YOU PAY DIRECTLY BENEFIT YOUR COMMUNITY

The investments Aqua has made in our water and wastewater systems throughout the state have increased reliability and capacity and helped prevent service interruptions. These improvements include, but are not limited to, the following: collection system replacement and repair, treatment plant rehabilitation, electrical and power system improvements, installation of remote monitoring systems, and installation of emergency generators.

Aqua's commitment to ongoing system investments helps ensure uninterrupted service and the appropriate treatment of wastewater to protect the environment. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would increase from $61.31 to $92.85 per month.
- Non-Residential customers using 3,300 gallons a month would increase from $56.08 to $85.50 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

To learn more about our request, or to address any other questions you might have, contact Aqua at 877.987.2782. You can find the rates we asked for in Original Tariff Water – PA P.U.C. No. 4 and Original Tariff Sewer – PA P.U.C. No. 4, filed with the PUC or on our website at Aquawater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain-language summary of why we need to raise our rates.

PUC ROLE

The state agency that approves rates for public utilities is the PUC. The PUC will review and investigate the requested rate increase. Aqua must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates. **As a result, the final effect on your bill may be different than Aqua's request.**

ACTIONS YOU CAN TAKE

You may challenge the Company's request by:

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M32

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If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would increase from $65.95 to $92.85 per month.
- Non-Residential customers using 38,500 gallons a month would increase from $329.54 to $489.39 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

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If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would decrease from $136.46 to $104.63 per month.
- Commercial 1 and Public customers using 3,500 gallons a month would decrease from $185.84 to $99.20 per month.
- Commercial 2 customers using 3,500 gallons a month would decrease from $220.15 to $99.20 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

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If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would increase from $70.51 to $92.85 per month.
- Unmetered Residential customers would increase from $89.74 to $92.85 per month.
- Non-Residential customers using 5,400 gallons a month would decrease from $122.15 to $109.60 per month.
- Unmetered Non-Residential customers would increase from $89.74 to $92.04 per month.

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Aqua's commitment to ongoing system investments helps ensure uninterrupted service and the appropriate treatment of wastewater to protect the environment. It also helps protect our customers from critical systems failures that many U.S. communities are now facing due to aging water and wastewater infrastructure.

If the Company's entire request is approved, the typical wastewater bill for:

- District A and B customers using 3,870 gallons a month would increase from $33.33 to $73.90 per month.
- District C customers using 3,870 gallons a month would increase from $45.17 to $73.90 per month.
- District D customers using 3,870 gallons a month would increase from $50.00 to $73.90 per month.
- District E customers using 3,870 gallons a month would increase from $40.00 to $73.90 per month.
- High Volume Users customers using 168,600 gallons a month would increase from $1,045.32 to $2,222.64 per month.

Aqua's filing with the PUC also requests a combined revenue requirement for the Company's water and wastewater operations.

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If the Company's entire request is approved, the typical wastewater bill for:

- Residential customers using 3,870 gallons a month would increase from $65.96 to $92.69 per month.
- Commercial customers using 54,100 gallons a month would increase from $485.99 to $666.33 per month.
- Unmetered customers would increase from $79.14 to $92.53 per month.

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AQUA PENNSYLVANIA, INC.
(hereinafter referred to as the “Company”)

RATES, RULES, AND REGULATIONS

GOVERNING THE DISTRIBUTION AND SALE OF

WATER SERVICE

IN PORTIONS OF

ADAMS, BERKS, BRADFORD, BUCKS, CARBON, CHESTER, CLARION, CLEARFIELD, COLUMBIA, CRAWFORD, CUMBERLAND, DELAWARE, FOREST, JUNIATA, LACKAWANNA, LAWRENCE, LEHIGH, LUZERNE, MERCER, MCKEAN, MONROE, MONTGOMERY, NORTHHAMPTON, NORTHUMBERLAND, PIKE, SCHUYLKILL, SUSQUEHANNA, SNYDER, VENANGO, WARREN, WAYNE, AND WYOMING COUNTIES

IN THE COMMONWEALTH OF PENNSYLVANIA

ISSUED: May 23, 2024
By:
Marc Lucca, President
Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, Pennsylvania 19010

EFFECTIVE: July 22, 2024

NOTICE

THIS TARIFF PROPOSES INCREASES IN RATES AND CHANGES IN RULES AND REGULATIONS OF SERVICE.

LIST OF CHANGES MADE BY THIS TARIFF

This proposed TARIFF WATER-PA P.U.C. NO. 4 as filed by Aqua Pennsylvania, Inc. on May 23, 2024 supersedes TARIFF WATER-PA P.U.C. NO. 3 and its related supplements.

This proposed tariff also resets both the Distribution System Improvement Charge (DSIC) to zero percent and the State Tax Adjustment Surcharge (STAS) to zero percent, simultaneously with the effective date of new base rates.

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DESCRIPTION OF TERRITORIES SERVED

RATE ZONE 1 – MAIN DIVISION – All territories subject to Rate Zone 1 rates unless otherwise noted

Adams County
The Townships of Mount Joy and Cumberland

Berks County
The Townships of Bern, Centre, Cumru (portion), Marion, Robeson, and Union

Bradford County
The Boroughs of Athens, Sayre, and South Waverly and the Township of Athens

Bucks County
The Borough of Bristol and the Townships of Bensalem, Bristol, Chalfont, Lower Southampton, New Britain, Solebury, and Upper Southampton

Carbon County
The Township of Kidder

Chester County
The Boroughs of Malvern and West Chester and the Townships of Birmingham, Caln, Charlestown, East Bradford, East Brandywine, East Caln, East Fallowfield, East Goshen, East Marlborough, East Nantmeal, East Whiteland, Easttown, Franklin, Honey Brook, Newlin, Pennsbury, Pocopson, Schuylkill, Thornbury, Tredyffrin, Upper Uwchlan, Uwchlan, Wallace, West Bradford, West Brandywine, West Goshen, West Pikeland, West Vincent, West Whiteland, Westtown, and Willistown

Clarion County
The Township of Richland

Columbia County
The Borough of Centralia and the Township of Mifflin

Cumberland County
The Townships of Monroe and South Middleton

Delaware County
The Boroughs of Aldan, Chester Heights, Clifton Heights, Collingdale, Colwyn, Darby, East Lansdowne, Eddystone, Folcroft, Glenolden, Landowne, Media, Middletown, Millbourne, Morton, Norwood, Prospect Park, Ridley Park, Rose Valley, Rutledge, Sharon Hill, Swarthmore, and Yeadon and the Townships of Aston, Darby, Edgemont, Haverford, Marple, Nether Providence, Newtown, Radnor, Ridley, Springfield, Thornbury, Tinicum, Upper Darby, and Upper Providence

Forest County
The Township of Jenks

Juniata County
The Township of Delaware

DESCRIPTION OF TERRITORIES SERVED

RATE ZONE 1 – MAIN DIVISION (cont'd) – All territories subject to Rate Zone 1 rates unless otherwise noted

Lackawanna County
The Borough of Moscow and the Townships of Covington, Glenburn, Jefferson, Lehigh, Madison, North Abington, Roaring Brook, South Abington, and Thornhurst

Lawrence County
The Townships of Mahoning, Pulaski, and Wilmington

Lehigh County
The Townships of Lower Macungie, South Whitehall, and Salisbury

Luzerne County
The Borough of Harveys Lake, Penn Lake, and White Haven and the Townships of Bear Creek, Butler, Conyngham (Portion), Dallas, Dennison, Exeter, Jackson, Kingston, Lake, Lehman, Rice, and Union

McKean County
The Borough of Mount Jewett and the Township of Hamlin

Mercer County
The Cities of Ferrell, Hermitage, and Sharon, the Boroughs of Mercer, and West Middlesex and the Townships of Coolspring, East Lackawannok, Findley, Jefferson, Lackawanna, Shenango, and Wilmington

Monroe County
The Townships of Barret, Hamilton, Polk, and Ross

Montgomery County
The Boroughs of Bryn Athyn, Conshohocken, Hatboro, Jenkintown, Narberth, Rockledge, and West Conshohocken and the Townships of Abington, Cheltenham, Horsham, Lower Merion, Lower Moreland, Perkiomen, Plymouth, Springfield, Upper Dublin, Upper Merion, Upper Moreland, Upper Providence, and Whitemarsh

Northampton County
The Township of Moore

Northumberland County
The City of Shamokin, the Boroughs of Kulpmont, Marion Heights, and Mount Carmel and the Townships of Coal, East Cameron, Mount Carmel, Ralpho, Shamokin, and Zerbe

Pike County
The Townships of Blooming Grove, Lackawaxen, and Palmyra

Schuylkill County
The Boroughs of Ashland, Deer Lake, Girardville, Gordon, and Shenandoah and the Townships of Barry, Butler, Conyngham, East Union, Mahanoy, Mount Carmel, North Union, West Brunswick, and West Mahanoy

DESCRIPTION OF TERRITORIES SERVED

RATE ZONE 1 – MAIN DIVISION (cont'd) – All territories subject to Rate Zone 1 rates unless otherwise noted

Snyder County
The Townships of Jackson, Monroe, and Penn

Susquehanna County
The Borough of Hop Bottom and the Township of Brooklyn

Venango County
The Borough of Emlenton and the Township of Richland

Warren County
The Borough of Clarendon and the Township of Mead

Wayne County
The Boroughs of Hawley, Honesdale, and Waymart and the Townships of Canaan (portion), Lake, Lehigh, Palmyra, Paupack, and Texas

Wyoming County
The Borough of Factoryville and the Townships of Tunkhannock and Washington

Consumption Charge Exceptions, Private Fire Service Charge Exceptions, and Public Fire Service Charge Exceptions apply for customers in the divisions formerly known as:

Beech Mountain Lake: The Townships of Butler and Dennison in Luzerne County

Belle Aire Acres: The Township of Jefferson in Lackawanna County

Bensalem Township: The Township of Bensalem in Bucks County

Bristol Township: The Townships of Bristol and Bensalem in Bucks County

Honesdale: The Borough of Honesdale and the Township of Texas in Wayne County

Kratzerville: The Townships of Jackson and Penn in Snyder County

Mifflin Township: The Township of Mifflin in Columbia County

Mount Jewett: The Township of Hamlin in McKean County

Robin Hood Lakes: The Township of Polk in Monroe County

Sand Springs: The Township of Butler in Luzerne County

Shenandoah: The Boroughs of Shenandoah and Girardville, and the Townships of West Mahanoy, Mahanoy, and Butler in Schuylkill County

DESCRIPTION OF TERRITORIES SERVED

RATE ZONE 2 – All territories subject to Rate Zone 2 rates unless otherwise noted

Chalfont Division
The Township of New Britain in Bucks County

Concord Park Division
The Township of Bensalem in Bucks County

Superior Division
The Townships of Washington in Berks County, North Coventry in Chester County, and Douglass, New Hanover, Lower Pottsgrove, Upper Frederick, Upper Pottsgrove, and Worcester in Montgomery County

Treasure Lake Division
The Township of Sandy in Clearfield County

RATE ZONE 3 – All territories subject to Rate Zone 3 rates unless otherwise noted

Oakland Beach Division
The Townships of Sadsbury and Summit in Crawford County

CS Water (Masthope) Division
The Township of Lackawaxen in Pike County

Eagle Rock Division
The Townships of Black Creek and Hazle in Luzerne County, Tobyhanna in Monroe County, and East Union and North Union in Schuylkill County

BUNKER HILL DIVISION
The Township of Clinton in Wyoming County

SUN VALLEY DIVISION
The Township of Chestnuthill in Monroe County

PHOENIXVILLE DIVISION
A portion of Upper Providence Township in Montgomery County and portions of East Pikeland and Schuylkill Townships in Chester County

DESCRIPTION OF TERRITORIES SERVED

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SCHEDULE OF RATES

METERED AND UNMETERED SERVICE CHARGE

The rates under this schedule apply to all customer classes in the territories served subject to the Rate Zones as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 1 & 2	Rate Zone 3	Bunker Hill Division	Sun Valley Division	Phoenixville Division
Fixed (per Customer)					
Meter Size:					
5/8 inch	$ 23.90	$ 33.90	$ 20.65	$ 31.50	$ 8.58
3/4 inch	41.00	33.90			8.60
1 inch	69.70	69.70			17.30
1-1/2 inch	134.20	134.20			30.30
2 inch	191.10	191.10			64.80
3 inch	383.00	383.00			108.00
4 inch	625.00	625.00			215.90
6 inch	1,288.00	1,288.00			345.50
8 inch	2,254.00	2,254.00			734.20
10 inch	3,330.00	3,330.00			
12 inch	4,033.00	4,033.00			
Unmetered Charge	$ 97.01	$ 97.01			
Special Unmetered Charges					
Belle Aire Acres Division					
	$ 75.07				

SCHEDULE OF RATES

CONSUMPTION CHARGE - RESIDENTIAL

The rates under this schedule apply to all metered customers for water consumed per 1,000 gallons unless otherwise specifically identified below.

MONTHLY CONSUMPTION CHARGE

	Rate Zones 1 & 2	Rate Zone 3	Other
Residential			
Up to 2,000 Gallons	$ 17.349		
Over 2,000 Gallons	20.540		
Up to 4,000 Gallons		$ 16.307	
Over 4,000 Gallons		20.540	

Consumption Charge Exceptions:
Rate per 1,000 gallons:

Beech Mountain Lake	$ 11.084		
Bristol Township	15.435		
Concord Park	17.349		
Treasure Lake	16.567		
Belle Aire			
Up to 2,000 Gallons	12.144		
Over 2,000 Gallons	14.378		
Shenandoah			
Up to 2,000 Gallons	12.687		
Over 2,000 Gallons	15.021		
Bunker Hill			$ 11.655
Sun Valley			$ 8.750
Phoenixville			
Up to 333,300 Gallons			$ 7.770
Next 1,333,400 Gallons			$ 6.346
Over 1,666,700 Gallons			$ 5.180

SCHEDULE OF RATES

CONSUMPTION CHARGE – COMMERCIAL AND PUBLIC

The rates under this schedule apply to all metered customers for water consumed per 1,000 gallons unless otherwise specifically identified below.

MONTHLY CONSUMPTION CHARGE

	Rate Zones 1, 2 & 3	Other
Commercial and Public		
Up to 10,000 Gallons	$ 18.048	
Next 23,300 Gallons	15.857	
Next 300,000 Gallons	13.155	
Over 333,300 Gallons	12.040	
Consumption Charge Exceptions - Rate per 1,000 gallons:		
Country Club Gardens and Sand Springs	$ 18.635	
Phoenixville		
Up to 333,300 Gallons		$ 7.770
Next 1,333,400 Gallons		6.346
Over 1,666,700 Gallons		5.180
Commercial Consumption Charge Exceptions - Rate per 1,000 gallons:		
Beech Mountain Lake	$ 11.084	
Bristol Township	18.048	
Concord Park	17.349	
Treasure Lake	16.567	
Shenandoah		
Up to 10,000 Gallons	11.731	
Next 23,300 Gallons	10.307	
Next 300,000 Gallons	4.867	
Over 333,300 Gallons	4.455	
Public Consumption Charge Exceptions - Rate per 1,000 gallons:		
Beech Mountain Lake	$ 8.187	
Bristol Township	18.635	
Concord Park	18.048	
Treasure Lake	15.857	
Shenandoah		
Up to 10,000 Gallons	11.731	
Next 23,300 Gallons	10.307	
Next 300,000 Gallons	4.999	
Over 333,300 Gallons	4.575	

SCHEDULE OF RATES

CONSUMPTION CHARGE – INDUSTRIAL AND OTHER WATER UTILITIES

The rates under this schedule apply to all metered customers for water consumed per 1,000 gallons unless otherwise specifically identified below.

MONTHLY CONSUMPTION CHARGE

	Rate Zones 1, 2 & 3	Other
Industrial		
Up to 10,000 Gallons	$ 18.048	
Next 23,300 Gallons	15.857	
Next 300,000 Gallons	13.155	
Next 9,666,700 Gallons	12.040	
Over 10,000,000 Gallons	9.682	
Consumption Charge Exceptions - Rate per 1,000 gallons:		
Shenandoah		
Up to 10,000 Gallons	$ 11.731	
Next 23,300 Gallons	10.307	
Next 300,000 Gallons	4.867	
Next 9,666,700 Gallons	4.455	
Over 10,000,000 Gallons	3.582	
Phoenixville		
Up to 333,300 Gallons		$ 7.770
Next 1,333,400 Gallons		6.346
Over 1,666,700 Gallons		5.180
Sales to Other Utilities: Rate per 1,000 gallons	$ 18.048	
Tank Sales: Rate per 1,000 gallons	$ 18.048	

SCHEDULE OF RATES

METERED AND UNMETERED PRIVATE FIRE SERVICE

The rates under this schedule apply throughout the territories served subject to the Rate Zones as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

MONTHLY PRIVATE FIRE SERVICE CHARGE

Customer Charge ($)	Rate Zones 1, 2 & 3
Meter Size:	
1 inch	$ 8.10
1-1/2 inch	18.60
2 inch	45.90
3 inch	74.50
4 inch	126.00
6 inch	277.70
8 inch	484.20
10 inch	737.50
12 inch	2,042.80

Consumption Charge: Rate per 1,000 gallons	
	$ 17.349

Charge Exceptions:

Shenandoah

Customer Charge ($)	
Meter Size:	
1 inch	$ 569.00
Automatic Sprinkler System Flat Rate	$ 86.13
Automatic Sprinkler System Additional Charge per square foot	$ 0.00724

SCHEDULE OF RATES

METERED AND UNMETERED PRIVATE FIRE SERVICE

The rates under this schedule apply throughout the territories served subject to the Rate Zones as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

MONTHLY PRIVATE FIRE SERVICE CHARGE

Residential Multiple Meter Fire Service Customer Charge ($)

Domestic Meter Size:	Fire Meter Size:		
5/8 inch	3/4 inch	$	26.11
5/8 inch	1 inch		26.46
5/8 inch	1-1/2 inch		29.79
5/8 inch	2 inch		31.90
3/4 inch	1 inch		43.56
3/4 inch	1-1/2 inch		46.89
3/4 inch	2 inch		49.00
1 inch	1 inch		72.26
1 inch	1-1/2 inch		75.59
1 inch	2 inch		77.70
1-1/2 inch	1 inch		114.96
1-1/2 inch	1-1/2 inch		118.29
1-1/2 inch	2 inch		120.40
2 inch	1-1/2 inch		153.79
2 inch	2 inch		155.90

Consumption Charges will be billed at the appropriate residential metered water rates.

Private Hydrants	$	51.10

Private Fire Hydrant Service Exceptions:		
Peddlers View	$	42.60
Eagle Rock		40.50
Honesdale		42.60
Sand Springs		42.60
Phoenixville		40.30
Shenandoah		50.98

Qualified Private Fire Hydrant	$	42.60

SCHEDULE OF RATES

PUBLIC FIRE SERVICE

The rates under this schedule apply throughout the territories served subject to the Rate Zones as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

MONTHLY SERVICE CHARGE FOR EACH PUBLIC FIRE HYDRANT

Public Fire Hydrant	$	32.38

Public Fire Service Exceptions:

Bensalem Township	$	28.60
Bristol Township		27.50
Chalfont		31.10
Concord Park		24.60
Media Service Area = > 6" connection		34.00
Mifflin Township		25.90
Mount Jewett		22.30
Shenandoah		20.23

SCHEDULE OF RATES

INDUSTRIAL STANDBY RATE

I. Applicability

This rate applies throughout the territory served under this tariff.

II. Availability

This rate is available to a new industrial customer that has an alternative supply source or an existing industrial customer that purchases water from the Company and develops or obtains a new source of supply. In order to obtain service under this rate, the customer must execute a Service Agreement with the Company for a period of not less than two (2) years.

An alternative source of supply for a new customer or a new source of supply for an existing customer, for purposes of this tariff, means any external or internal source of water supply other than the Company, including expansion of, or additions to, an existing source of water supply, that has capacity available to supply the customer with at least 100,000 gallons per day of water on average and, in the case of an existing customer, was added after the effective date of Supplement 21 to Tariff Water Pa. P.U.C. No. 1 (January 3, 2000).

III. Nomination of Standby Service

The Service Agreement with the Company will identify the nature and amount of the customer's requirements for Stand by Service. Standby Service will be available on a firm basis, an interruptible basis or combinations thereof.

The amounts of Standby Service to be nominated are the customer's requirements to meet Average Day Demand, Maximum Day Demand and Maximum Hour Demand. The sum of the customer's nominated firm and interruptible Maximum Day Demand shall be equal to the maximum day capacity of the new customer’s alternative supply or the existing customer's new source of supply or such other reasonable amount agreed to by the Company and the customer.

IV. Rate

Service Charge: The monthly Service Charges under this rate schedule will be the same as those set forth on the Schedule of Rates applicable to Rate Zone 1 - Main Division for the Industrial rate classification.

Demand Charges: The monthly Demand Charges under this rate schedule will be applied to the customer’s nominated firm and interruptible standby demands in hundred gallons as set forth in the Service Agreement and are as follows:

	Firm Standby Service	Interruptible Standby Service
Average Day Demand	10.8601	2.0658
Maximum Day Demand	1.3260	0.3320
Maximum Hour Demand	21.9230	2.3868

SCHEDULE OF RATES

INDUSTRIAL STANDBY RATE

IV. Rate (cont'd)

Consumption Charges: In addition to the Service Charges and the Demand Charges, Consumption Charges will be rendered for all water delivered during the standby event in accordance with the following schedule:

Up to Average Daily Deliveries by Company during the seven days preceding the beginning of the standby event multiplied by the days during the standby event	Rate Zone 1 - Main Division Industrial Rates
Next gallons – Firm Average Day Demand Nomination multiplied by the days during the standby event	0.0709 per hundred gallons
Next gallons – Interruptible Average Day Demand Nomination multiplied by the days during the standby event	0.5377 per hundred gallons
All amounts above sum of previously described amounts	Rate Zone 1 - Main Division Industrial First Block

V. Terms and Conditions

Initial Notification of Company: Each customer that develops or obtains a new source of supply and retains a connection to the Company's system becomes a Standby Service customer and shall notify the Company within ten (10) days of so doing. The notification shall include the Maximum Day capacity of the source of supply and the customer's nominations of firm and interruptible standby demand requirements. The customer shall within thirty (30) days of developing or obtaining such new source of supply enter into a Service Agreement with the Company for Standby Service.

Each customer that is taking service under a Standby Service Agreement and increases the capacity of its source of supply shall be subject to the same notification requirements with respect to the additional capacity.

Notification of Standby Event: When a customer requires deliveries of water pursuant to this rate schedule, the customer shall notify the Company representative designated in the Service Agreement as soon as practical. The customer shall advise the Company representative of the probable daily quantities and the expected duration of the standby event. The customer also shall provide the Company with a notarized affidavit within thirty (30) days of the beginning of the standby event that describes the cause of the interruption of the customer's alternative supply. When the customer no longer requires deliveries of water pursuant to this rate schedule, the customer shall notify the Company representative. The time between these two notifications shall constitute the duration of the standby event.

SCHEDULE OF RATES

INDUSTRIAL STANDBY RATE

V. Terms and Conditions (cont'd)

Use in Excess of Contractual Demands: If and when the actual amounts of Standby Service Demands exceed the nominated amounts set forth in the Service Agreement, the actual demands shall become the nominated demands for the remainder of the term of the Service Agreement. Further, the customer will be billed an additional charge equal to the difference between the actual demand and the previously nominated demand multiplied by the applicable demand charge and the number of months since the beginning of the term of the Service Agreement.

Metering Equipment: The customer shall pay the Company the cost, including installation, of all metering equipment, including meter interface units, that the Company, in its sole judgment, determines is necessary to properly implement Standby Service and to monitor the customer's compliance with its terms and conditions.

SCHEDULE OF RATES

RESALE AND ELECTRIC GENERATION STANDBY RATE

I. Applicability

This rate applies throughout the territory served under this tariff.

II. Availability

This rate is available to a new customer that has an alternative supply source or an existing customer that purchases water from the Company and develops or obtains a new source of supply. In order to obtain service under this rate, the customer must purchase water from the Company for resale or electric generation purposes and execute a Service Agreement with the Company for a period of not less than ten (10) years.

An alternative source of supply for a new customer or a new source of supply for an existing customer, for purposes of this tariff, means any external or internal source of water supply other than the Company, including expansion of, or additions to, an existing source of water supply, that has capacity available to supply the customer with at least 100,000 gallons per day of water on average and, in the case of an existing customer, was added after the effective date of Supplement 21 to Tariff Water Pa. P.U.C. No. 1 (January 3, 2000).

III. Nomination of Standby Service

The Service Agreement with the Company will identify the nature and amount of the customer's requirements for Standby Service. Standby Service will be available on a firm basis.

The amounts of Standby Service to be nominated are the customer's requirements to meet Average Day Demand, Maximum Day Demand and Maximum Hour Demand. The customer's nominated firm Maximum Day Demand shall be equal to the maximum day capacity of the new customer's alternative supply or the existing customer's new source of supply or such other reasonable amount agreed to by the Company and the customer.

IV. Rate

Service Charge: The monthly Service Charges under this rate schedule will be the same as those set forth on the Schedule of Rates applicable to Rate Zone 1 - Main Division for the customer's rate classification.

Demand Charges: The monthly Demand Charges under this rate schedule will be applied to the customer's nominated firm standby demands in hundred gallons as set forth in the Service Agreement and are as follows:

	Firm Standby Service
Average Day Demand	10.8601
Maximum Day Demand	1.3260
Maximum Hour Demand	21.9230

SCHEDULE OF RATES

RESALE AND ELECTRIC GENERATION STANDBY RATE

IV. Rate (cont'd)

Consumption Charges: In addition to the Service Charges and the Demand Charges, Consumption Charges will be rendered for all water delivered during the standby event in accordance with the following schedule:

Up to Average Daily Deliveries by Company during the seven days preceding the beginning of the standby event multiplied by the days during the standby event	Rate Zone 1 - Main Division Rates
Next gallons – Firm Average Day Demand Nomination multiplied by the days during the standby event	0.0709 per hundred gallons
All amounts above sum of previously described amounts	Rate Zone 1 - Main Division First Block

V. Terms and Conditions

Initial Notification of Company: Each customer that develops or obtains a new source of supply and retains a connection to the Company's system becomes a Standby Service customer and shall notify the Company within ten (10) days of so doing. The notification shall include the Maximum Day capacity of the source of supply and the customer's nominations of firm standby demand requirements. The customer shall within thirty (30) days of developing or obtaining such new source of supply enter into a Service Agreement with the Company for Standby Service.

Each customer that is taking service under a Standby Service Agreement and increases the capacity of its source of supply shall be subject to the same notification requirements with respect to the additional capacity.

Notification of Standby Event: When a customer requires deliveries of water pursuant to this rate schedule, the customer shall notify the Company representative designated in the Service Agreement as soon as practical. The customer shall advise the Company representative of the probable daily quantities and the expected duration of the standby event. The customer also shall provide the Company with a notarized affidavit within thirty (30) days of the beginning of the standby event that describes the cause of the interruption of the customer's alternative supply. When the customer no longer requires deliveries of water pursuant to this rate schedule, the customer shall notify the Company representative. The time between these two notifications shall constitute the duration of the standby event.

SCHEDULE OF RATES

RESALE AND ELECTRIC GENERATION STANDBY RATE

V. Terms and Conditions (cont'd)

Use in Excess of Contractual Demands: If and when the actual amounts of Standby Service Demands exceed the nominated amounts set forth in the Service Agreement, the actual demands shall become the nominated demands for the remainder of the term of the Service Agreement. Further, the customer will be billed an additional charge equal to the difference between the actual demand and the previously nominated demand multiplied by the applicable demand charge and the number of months since the beginning of the term of the Service Agreement.

Metering Equipment: The customer shall pay the Company the cost, including installation, of all metering equipment, including meter interface units, that the Company, in its sole judgment, determines is necessary to properly implement Standby Service and to monitor the customer's compliance with its terms and conditions.

SCHEDULE OF RATES

RIDER DIS – DEMAND BASED INDUSTRIAL SERVICE

I. Applicability

This rate applies throughout the territory served under this tariff.

II. Availability

This rider is available to a customer or prospective customer that:

1. purchases or intends to purchase water from the Company for industrial purposes;

2. enters into a Service Agreement for a term of not less than 2 years;

3. during the original and any renewal terms of the Service Agreement, agrees to purchase a minimum of 10 million gallons of water per month at a daily load factor of not less than 0.60; and

4. has a viable competitive alternative to service from the Company and intends to select that alternative to the detriment of the Company and its other customers.

The Company shall require documentation to establish, to the Company's satisfaction, the existence of a competitive alternative. Such documentation may include, but is not limited to, an affidavit of the customer or, if the customer is a corporation, an affidavit of one or more of its officers.

III. Rate

The rate(s) to be charged qualifying customers under this rider will be as set forth in the Service Agreement, provided, however, that such rate(s): (1) shall not exceed the Maximum Rate; (2) shall not be less than the Minimum Rate; and (3) shall be subject to an Escalation Clause, as hereafter defined.

Maximum Rate: The Maximum Rate shall be the charges specified in the Company's Rate Schedule that would otherwise apply to the qualifying customer absent this rider.

Minimum Rate: The Minimum Rate shall be sufficient to recover: (1) the Production Cost of Water; (2) the fixed costs (depreciation and pre-tax return) associated with the facilities necessary to serve the customer; and (3) some portion of the fixed costs of the Company's other facilities. For purposes of this rider, the Production Cost of Water shall be the variable cost the Company incurs to produce additional treated water, which consists of expenses for electric power, chemicals and purchased water (where applicable).

Escalation Clause: The rate set forth in the Service Agreement shall be subject to an Escalation Clause, during the original and any renewal terms of the Service Agreement, based upon changes in published price indices and/or changes in the Company's cost of service, as the Company and the qualifying customer shall agree.

Filing With The Pennsylvania Public Utility Commission/Confidentiality: Service Agreements entered into between the Company and qualifying customers under this rider shall be filed with the Commission on a confidential basis within thirty (30) days of their execution and shall not be subject to disclosure except by Petition made to and granted by the Commission pursuant to 52 PA Code §1.74.

SCHEDULE OF RATES

RIDER DRS – DEMAND BASED RESALE SERVICE

I. Applicability

This rate applies throughout the territory served under this tariff.

II. Availability

This rider is available to a customer or prospective customer that:

1. purchases or intends to purchase water from the Company for resale purposes;

2. enters into a Service Agreement for a term of not less than 10 years;

3. during the original and any renewal terms of the Service Agreement, agrees to maintain a daily load factor of not less than 0.60; and

4. has a viable competitive alternative to service from the Company and intends to select that alternative to the detriment of the Company and its other customers.

The Company shall require documentation to establish, to the Company's satisfaction, the existence of a competitive alternative. Such documentation may include, but is not limited to, an affidavit of the customer or, if the customer is a corporation, an affidavit of one or more of its officers.

III. Rate

The rate(s) to be charged qualifying customers under this rider will be as set forth in the Service Agreement, provided, however, that such rate(s): (1) shall not exceed the Maximum Rate; (2) shall not be less than the Minimum Rate; and (3) shall be subject to an Escalation Clause, as hereafter defined.

Maximum Rate: The Maximum Rate shall be the charges specified in the Company's Rate Schedule that would otherwise apply to the qualifying customer absent this rider.

Minimum Rate: The Minimum Rate shall be sufficient to recover: (1) the Production Cost of Water; (2) the fixed costs (depreciation and pre-tax return) associated with the facilities necessary to serve the customer; and (3) some portion of the fixed costs of the Company's other facilities. For purposes of this rider, the Production Cost of Water shall be the variable cost the Company incurs to produce additional treated water, which consists of expenses for electric power, chemicals and purchased water (where applicable).

Escalation Clause: The rate set forth in the Service Agreement shall be subject to an Escalation Clause, during the original and any renewal terms of the Service Agreement, based upon changes in published price indices and/or changes in the Company's cost of service, as the Company and the qualifying customer shall agree.

Filing With The Pennsylvania Public Utility Commission/Confidentiality: Service Agreements entered into between the Company and qualifying customers under this rider shall be filed with the Commission on a confidential basis within thirty (30) days of their execution and shall not be subject to disclosure except by Petition made to and granted by the Commission pursuant to 52 PA Code §1.74.

SCHEDULE OF RATES

RIDER EGS – ELECTRIC GENERATION SERVICE

I. Applicability

This rate applies throughout the territory served under this tariff.

II. Availability

This rider is available to the electric generating facilities of a customer or prospective customer that:

1. is engaged in the business of generating electric power for sale to the public or public utilities;

2. enters into a Service Agreement for a term of not less than 10 years;

3. during the original and any renewal terms of the Service Agreement, agrees to purchase a minimum of 10 million gallons of water per month; and

4. has a viable competitive alternative to service from the Company and intends to select that alternative to the detriment of the Company and its other customers.

The Company shall require documentation to establish, to the Company's satisfaction, the existence of a competitive alternative. Such documentation may include, but is not limited to, an affidavit of the customer or, if the customer is a corporation, an affidavit of one or more of its officers.

III. Rate

The rate(s) to be charged qualifying customers under this rider will be as set forth in the Service Agreement, provided, however, that such rate(s): (1) shall not exceed the Maximum Rate; (2) shall not be less than the Minimum Rate; and (3) shall be subject to an Escalation Clause, as hereafter defined.

Maximum Rate: The Maximum Rate shall be the charges specified in the Company's Rate Schedule that would otherwise apply to the qualifying customer absent this rider.

Minimum Rate: The Minimum Rate shall be sufficient to recover: (1) the Production Cost of Water; (2) the fixed costs (depreciation and pre-tax return) associated with the facilities necessary to serve the customer; and (3) some portion of the fixed costs of the Company's other facilities. For purposes of this rider, the Production Cost of Water shall be the variable cost the Company incurs to produce additional treated water, which consists of expenses for electric power, chemicals and purchased water (where applicable).

Escalation Clause: The rate set forth in the Service Agreement shall be subject to an Escalation Clause, during the original and any renewal terms of the Service Agreement, based upon changes in published price indices and/or changes in the Company's cost of service, as the Company and the qualifying customer shall agree.

Filing With The Pennsylvania Public Utility Commission/Confidentiality: Service Agreements entered into between the Company and qualifying customers under this rider shall be filed with the Commission on a confidential basis within thirty (30) days of their execution and shall not be subject to disclosure except by Petition made to and granted by the Commission pursuant to 52 PA Code §1.74.

SCHEDULE OF RATES

RIDER OPI – OFF PEAK/INTERRUPTIBLE RATE SERVICE

I. Applicability

This rate applies throughout the territory served under this tariff where the capacity exists to provide this service.

II. Availability

This rider is available to a customer or prospective customer that:

1. purchases or intends to purchase water from the Company for any purposes;
2. purchases at least 80% of its water from the Company during the off-peak hours of 10:00PM to 5:00AM;
3. purchases a minimum of six million gallons of water per year during the contracted period; and
4. enters into a Service Agreement for a term of not less than one year.

III. Rate

The rate(s) to be charged qualifying customers under this rider will be as set forth in the Service Agreement, provided, however, that such rate(s): (1) shall not exceed the Maximum Rate; (2) shall not be less than the Minimum Rate; (3) may include a Minimum Charge upon the discretion of the Company, if it is anticipated that there are other customer expenses to be incurred besides the Metering Equipment; and (4) shall be subject to an Escalation Clause, as hereafter defined. If during the month, the customer purchases less than 80% of its water during the off-peak hours, the rate to be charged for consumption will be the Maximum Rate.

Maximum Rate: The Maximum Rate shall be the otherwise applicable volumetric charges specified in the Company's Rate Schedule for the Main Division.

Minimum Rate: The Minimum Rate shall be sufficient to recover: (1) the Production Cost of Water and (2) some portion of the fixed costs of the Company's other facilities. For purposes of this rider, the Production Cost of Water shall be the variable cost the Company incurs to produce additional treated water, which consists of expenses for electric power, chemicals and purchased water (where applicable).

Escalation Clause: The rate set forth in the Service Agreement shall be subject to an Escalation Clause, during the original and any renewal terms of the Service Agreement, based upon changes in published price indices and/or changes in the Company's cost of service, as the Company and the qualifying customer shall agree.

SCHEDULE OF RATES

RIDER OPI – OFF PEAK/INTERRUPTIBLE RATE SERVICE

I. Terms and Conditions

Interruption of Service: The Company may require the customer to interrupt its water usage to assist the Company in addressing a system emergency, including insufficiency, for any reason, of the Company's source of supply, treatment/purification, pumping, transmission, storage, or distribution capacity to serve other customers' demands. The customer will be provided not less than one hour's notice before an interruption is expected to begin. Notice may be by telephone to the customer contact identified in the Service Agreement.

Failure to Interrupt: Failure to comply with the Company's request for interruption shall result in all usage by the customer, during the billing period in which such interruption was requested, being billed at the Company's otherwise applicable Schedule of Rates for the Rate Zone 1 - Main Division plus $0.05 per hundred gallons. If the customer fails to comply with the Company's requests for interruption three times during any one year period, measured in twelve month intervals commencing on the effective date of the Service Agreement, the customer shall cease to be eligible for service under this rider and shall thereafter be billed under the otherwise applicable Schedule of Rates.

Metering Equipment: The customer shall pay the Company the cost, including installation, of all metering equipment, including meter interface units, that the Company, in its sole judgment, determines is necessary to properly implement the rate and to monitor the customer's compliance with the availability criteria and terms and conditions hereof.

Inspection: The customer shall permit Company personnel and the Company's authorized agents, representatives, consultants and experts access to the customer's facilities during regular business hours and upon not less than 24 hours' notice and shall permit inspection thereof to determine, to the Company's satisfaction, whether the customer is in compliance with the availability criteria and terms and conditions hereof.

Filing With The Pennsylvania Public Utility Commission/Confidentiality: Service Agreements entered into between the Company and qualifying customers under this rider shall be filed with the Commission on a confidential basis within thirty (30) days of their execution and shall not be subject to disclosure except by Petition made to and granted by the Commission pursuant to 52 PA Code §1.74.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the net charges provided for in this Tariff, a surcharge of 0.00% shall apply to all bills issued, excluding public fire hydrants, on or after the Effective Date at the bottom of this page.

I. General Description

Purpose: To recover the reasonable and prudent costs incurred to repair, improve or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems. The costs of extending facilities to serve new customers are not recoverable through the DSIC. Utility projects receiving PENNVEST funding or using PENNVEST surcharges are not DSIC-eligible property.

Eligible Property: The DSIC-eligible property will consist of the following:

- Services (account 3330), meters (account 3340) and hydrants (account 3350) installed as in-kind replacements for customers;

- Mains and valves (account 3310) installed as replacements for existing facilities that have worn out, are in deteriorated condition, or upgraded to meet Chapter 65 regulations of Title 52;

- Main extensions (account 3310) installed to eliminate dead ends and to implement solutions to regional water supply problems that have been documented as presenting a significant health and safety concern for customers currently receiving service from the Company or the acquired Company;

- Main cleaning and relining (account 3310) projects;

- Unreimbursed funds related to capital projects to relocate Company facilities due to highway relocations (account 3310); and

- Other related capitalized costs.

Effective Date: The DSIC will become effective for bills issued on and after January 1, 1997.

II. Computation of the DSIC

Calculation: The initial charge, effective January 1, 1997, will be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Company's rates or rate base and will have been placed in service between September 1, 1996 and November 30, 1996. Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three month periods ending one month prior to the effective date of each DSIC update. Thus, changes in the DSIC rate will occur as follows:

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

II. Computation of the DSIC (cont'd)

Effective Date of Change	Date to Which DSIC Eligible Plant Additions Reflected
April 1	December 1 to February 28/29
July 1	March 1 to May 31
October 1	June 1 to August 31
January 1	September 1 to November 30

The fixed costs of eligible distribution system improvement projects will consist of depreciation and pre-tax return, calculated as follows:

Depreciation: The depreciation expense will be calculated by applying to the original cost of DSIC-eligible property the annual accrual rates employed in the Company's last base rate case for the plant accounts in which each retirement unit of DSIC-eligible property is recorded.

Pre-tax Return: The pre-tax return will be calculated using the statutory state and federal income tax rates, the Company's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day of the three month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Company's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission staff in the latest Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

DSIC Surcharge Amount: The charge will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for service under the Company's otherwise applicable rates and charges, excluding amounts billed for public fire protection and the State Tax Adjustment Surcharge (STAS). To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by the Company's projected revenue for sales of water (including all applicable clauses and riders) for the quarterly period during which the charge will be collected, exclusive of revenues from public fire protection service and STAS.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

II. Computation of the DSIC (cont'd)

Formula: The formula for calculation of the DSIC surcharge is as follows:

$$DSIC = \frac{(DSI * PTRR + STFT + Dep + e) \times 1/(1-T)}{PQR}$$

Where:

DSI = Original cost of eligible distribution system improvement projects net of accrued depreciation and associated accumulated deferred income taxes pertaining to property-related book/tax depreciation timing differences resulting from the use of accelerated depreciation per Internal Revenue Code, 26 U.S. Code § 168.

PTRR = Pre-tax return rate applicable to DSIC-eligible property.

STFT = (State Tax Flow Through) Pre-tax flow through calculated on book-tax timing differences between accelerated tax depreciation and book depreciation net of federal tax.

Dep = Depreciation expense related to DSIC-eligible property.

e = Amount calculated (+/-) under the annual reconciliation feature or Commission audit, as described below.

T = If applicable, Pennsylvania Gross Receipts Tax rate in effect during the billing month, expressed in decimal form.

PQR = Projected quarterly revenue will be based on the applicable three-month period, (including all applicable clauses and riders) including revenue from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

Quarterly Updates: Supporting data for each quarterly update will be filed with the Commission and served upon the Bureau of Investigation & Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

III. Safeguards

All Customer Classes: The DSIC shall be applied equally to all customer classes, with the exception of any future customers with negotiated contracts for which a reduction or exemption is shown to be reasonably necessary.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

III. Safeguards (cont'd)

Cap: The DSIC will be capped at 7.50% of the amount billed to customers (including all applicable clauses and riders) under otherwise applicable rates and charges.

Audits/Reconciliation: The DSIC will be subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, et seq., shall be credited to customer accounts. It will also be subject to an annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year or the utility may elect to subject the DSIC to quarterly reconciliation but only upon request and approval by the Commission. The revenue received under the DSIC for the reconciliation period will be compared to the Company's eligible costs for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year, or in the next quarter if permitted by the Commission. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on the over-collections and credits will be calculated at the residential mortgage-lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P. S. sec.101, et seq.) and will be refunded in the same manner as an over-collection. The utility is not permitted to accrue interest on under collections.

New Base Rates: The charge will be reset at zero, as of the effective date of new base rates that provide for prospective recovery of the annual costs that had theretofore been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in the Company's rates or rate base would be reflected in the quarterly updates of the DSIC.

Earning Reports: The charge will also be reset at zero if, in any quarter, data filed with the Commission in the Company's then most recent Annual or Quarterly Earnings Report show that the Company will earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the Pre-tax return section. The utility shall file a tariff supplement implementing the reset to zero due to overearnings on one days' notice and such supplement shall be filed simultaneously with the filing of the most recent Annual or Quarterly Earnings reports indicating that the utility has earned a rate of return that would exceed the allowable rate of return used to calculate its fixed costs.

Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

Residual E-Factor Recovery Upon Reset to Zero: The utility shall file with the Commission interim rate revisions to resolve the residual over/under collection or E-factor amount after the DSIC rate has been reset to zero. The utility can collect or credit the residual over/under collection balance when the DSIC rate is reset to zero. The utility shall refund any over-collection to customers and is entitled to recover any under collection as set forth in Section III Safeguards – Audits/Reconciliations. Once the utility determines the specific amount of the residual over or under collection amount after the DSIC rate is reset to zero, the utility shall file a tariff supplement with supporting data to address that residual amount. The tariff supplement shall be served upon the Commission's Bureau of Investigation and Enforcement, the Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the supplement.

Public Fire Protection: The DSIC of a water utility will not apply to public fire protection customers.

SCHEDULE OF RATES

STATE TAX ADJUSTMENT SURCHARGE (STAS)

In addition to the net charges provided for in this Tariff, a surcharge of 0.00% will apply to all bills issued on or after the Effective Date at the bottom of this page.

The above surcharge will be recalculated using the element prescribed by the Commission in its policy at 52 PA Code section 69.51 et seq.:

- On or before March 31 of each year; and/or

- Whenever the Company experiences a material change in any of the taxes used in calculation of the surcharge due to a change in the applicable tax rates, or in the basis of calculating such tax rates, or due to changes in the state tax liability arising under the law.

The recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recalculation or as prescribed in the Commission's regulations or orders. If the recalculated surcharge is less than the one in effect, the Company will, or if the recalculated surcharge is more than the one in effect, the Company may, submit with such recalculation a tariff or supplement to reflect such recalculated surcharge. The effective date of such tariff or supplement shall be 10 days after filing or as prescribed in the Commission's regulations or orders. In the event that the Company files an increased surcharge subsequent to 10 days after the occurrence of an event which occasions a recalculation, the effective date of such tariff or supplement shall be 60 days after filing in accordance with section 1308(a) of the Public Utility Code, 66 Pa.C.S. § 1308(a) (regarding voluntary changes in rates), unless otherwise directed by the Commission.

The surcharge shall be rolled into base rates when increased or decreased base rates are made effective.

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SCHEDULE OF RATES

CUSTOMER ASSISTANCE PROGRAM RIDER

Customer Assistance Program ("CAP"):

I. Availability

The CAP is a program designed to enroll residential Customers who satisfy the criteria set forth below ("CAP Program").

Processing and verification by authorized agencies upon referral by the Company's offices, other agencies, or the Commissions Bureau of Consumer Services.

Residential Customer of the Company.

Annual income no greater than 200 percent of the federal poverty limit ("FPL"). For payment purposes Customers will be defined as follows:

a. Tier 1 – Customers whose annual income has been verified as being at or below 100 percent of FPL.

b. Tier 2 – Customers whose annual income has been verified as being at or above 100 percent FPL or less than 150 percent of FPL.

c. Tier 3 – Customers whose annual income has been verified as being at or above 150 percent FPL or less than 200 percent of FPL.

II. Rate Table

Eligible Customers will receive the discounted rates in the rate zone where service is rendered as set forth below:

Tier	Customer Charge	Consumption Charge
1	100% discount on Customer Charge	100% discount on first 2,000 gallons per month
2	100% discount on Customer Charge	50% discount on first 2,000 gallons per month
3	100% discount on Customer Charge	0% discount on first 2,000 gallons per month

SCHEDULE OF RATES

CUSTOMER ASSISTANCE PROGRAM RIDER (cont'd)

III. Surcharges

All surcharges applicable under the Company's Rules and Regulations shall still apply to Customers under the CAP Program.

IV. Late Payment Charges

No late payment charges shall be applied to arrearages existing at the time the Customer begins receiving service under the CAP Program. Late payment charges will not be applied during participation in the CAP Program.

V. Rules and Regulations

If, at any time after acceptance into CAP, a Customer's family size or income changes, the Customer must notify the Company of the change within 30 days of the change. Failure to do so may result in the Company ending the Customer's opportunity to receive service under the CAP Program.

If a balance is owed at the time of enrollment such balance will be frozen as preprogram arrears and is eligible for a monthly credit of $25.00 for each on-time monthly payment.

If a Customer no longer satisfies the criteria set forth under Availability, the Customer will no longer be eligible to receive service under the CAP Program and any pre-program arrearages will become due.

At the time of application to the CAP Program, the Customer will be advised of the importance of timely payments and water conservation. The CAP Program screening administrator will review relevant assistance programs and offer help in applying for such programs.

Failure to make payments will result in the Company returning the participant to the regular collection cycle and may lead to termination of service. To avoid termination, the participant must pay the amount set forth in the termination notice prior to the scheduled termination date.

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RULES AND REGULATIONS

INTRODUCTION

1. Effect of Rules and Regulations: These Rules and Regulations, filed as part of the Company's Tariff, shall govern the manner in which water service is provided to all Applicants and Customers. The Company may supplement these Rules and Regulations, and may revise and amend these Rules and Regulations from time to time subject to the approval of the Pennsylvania Public Utility Commission ("Commission"). The Company will follow Commission regulations not specifically addressed in these Rules and Regulations.

2. Types of Service Provided: There are four general types of service that are provided by the Company, as follows:

General Metered Service: Water service provided for general use by any of the following customer classes: residential, commercial, industrial, other water utility, or public. This type of service is also referred to as "domestic" service.

Fire Service: Water service provided to an unmetered fire hydrant, whether public or private, or through a separately metered service line to be utilized exclusively for fire protection of a building and/or property.

Qualified Private Fire Protection Service: Water service provided to an unmetered, privately-owned fire hydrant located in the public right-of-way which does not otherwise qualify for Public Fire Hydrant rates. Said hydrant shall be located on a service line serving that hydrant exclusively, and must be in the open, be visible, and shall not be more than fifty (50) feet from the Company main servicing the hydrant

Combined Fire & Domestic Service: Water service provided at the request of the Customer, subject to the Company's approval for all non-residential Customer classifications which utilize a single service line for both fire and domestic service. This service can be provided in accordance with the requirements of Rule 41 when the fire/domestic meter size is at least 4 inches.

In addition to the general application of these Rules and Regulations, special rules for the provision of fire service are contained in Rules 41 through 50, and special Rules for the provision of Construction Service are contained in Rules 39 and 40.

INTRODUCTION (cont'd)

3. Classes of General Metered Service: There are five classes of general metered service, based on the nature of the Customer and the use of the property receiving service, as follows:

Residential Class: An individually metered dwelling unit intended for human habitation (including a detached house, row home, townhouse, condominium and mobile home) or an individually metered home or building consisting of not more than two dwelling units.

Commercial Class: A building, store, restaurant, or office which is primarily a site for the buying or selling of goods or the provision of professional or consumer services. In addition, apartments, condominium complexes, colleges, private and public schools, car washes, laundromats, construction sites, hotels, motels, and tanks filled at the Company's premise are included in this class.

Industrial Class: A building or factory which is primarily a site for the manufacture or production of goods.

Other Water Utility: A public water utility, Municipal Corporation, or water authority which purchases water for resale to its customers.

Public: A public building, library, park or playground which is owned by a governmental unit which has the power of taxation.

RULES AND REGULATIONS

DEFINITIONS

4. Definitions: Wherever used in the Rules and Regulations or elsewhere in the Company's tariff, the following terms shall have the meanings hereinafter set forth:

Applicant: A person, at least 18 years of age, who is not currently receiving service but has applied to the Company for service and whose name appears on the mortgage, deed, or lease of the property for which service is requested.

Auxiliary Water Supply: A water supply, other than that provided by the Company, that is on or available to the Customer's premises, including, but not limited to, a supply from another public water supply agency, from a natural source such as a well, lake or spring, or from a source containing used water or industrial fluids.

Builder: Any person(s) requesting an extension to provide service to an existing lot or group of lots, either existing or to be subdivided, where service is to be provided to something other than a preexisting Residential Structure; namely, a newly constructed structure, structures to be constructed in the future, or to a preexisting non-residential structure.

Commission: The Pennsylvania Public Utility Commission

Company: Aqua Pennsylvania, Inc. and its duly authorized officers, agents, and employees; each acting within the scope of his/her authority and employment.

Company Service Line: The service line owned by the Company that extends from the water main to the curb stop or curb line or such point as designated by the Company.

Construction Costs: All direct and indirect costs attributable to the material and installation of the subject main extension, services and appurtenances, and/or removal of existing Company facilities (including the net book value of property replaced or retired) whether incurred by the Builder or the Company.

Construction Services: Water service provided for construction purposes.

Creditworthiness: An assessment of an applicant's or customer's ability to meet bill payment obligations for utility service.

Curb Box: A cylindrical device with a lid, normally placed by the curb which affords access to the curb stop. Normally, this device is initially installed by the Company, but may be subject to having its condition or position adjusted by natural forces or the work of the developer or a plumber. Accordingly, it is the responsibility of the Customer to maintain the Curb Box in a safe condition, or to notify the Company either in writing or by telephone to make the necessary repairs or relocation to the Curb Box or Curb Box lid.

Curb Stop: A device owned, installed, maintained and controlled by the Company that can be turned to an open or closed position for the purpose of controlling the supply of water to the service property.

Customer: A person at least 18 years of age whose name is listed on the account and who is primarily responsible for the utility bill OR adult occupant whose name appears on the mortgage, deed, or lease for the service address.

DEFINITIONS (cont'd)

Customer Service Line: The service line owned by the Customer that extends from the Curb Stop or curb-line (or such point as designated by the Company) to the property or building being served.

Depositor: Any person(s) acting on behalf of Prospective Customer(s) for the purpose of entering into any type of agreement that requires a deposit of funds for extension of the Company's facilities.

Meter: A device furnished, installed, maintained and owned by the Company to register the consumption or use of water at the Customer's Property.

Meter Box/Vault: A structure which is owned and maintained by the Customer, having been installed by an agent for or on behalf of the Customer, in accordance with Company specifications, for the purpose of housing the Meter outside of the Customer's building, at an underground location mutually agreed upon between the Customer and Company. It is the responsibility of the Customer, as the owner of the Meter Box/Vault to maintain the Meter Box/Vault and lid in a safe condition.

Metered Manifold: A domestic service line that contains more than one metered service. When more than one meter is installed upon a Customer's premise at the request of a Customer or due to conditions existing upon the premise of the Customer, then each meter shall be treated separately as if it belonged to a separate Customer.

Person: Any individual, firm, company, association, society, corporation, institution, group, or any other legal entity.

Plumbing Fixture Standards: The water use standards that have been adopted by the Delaware River Basin Commission (at Resolution 88-2 Revised) and subsequently recommended by the Commission for plumbing fixtures installed in new construction and in existing structures undergoing renovations involving replacement of such fixtures, as follows:

Plumbing Fixture	Water Use Standard
Showerheads	3.0 gallons/minute
Lavatory faucet	3.0 gallons/minute
Kitchen faucet	3.0 gallons/minute
Water closets	1.6 gallons/flush
Urinals	1.5 gallons/minute

Premise: A single lot or piece of ground consisting of a single residential unit, together with all buildings and structures erected thereon.

Private Fire Hydrant: A fire hydrant furnished, installed, owned and maintained by the Company that has been requested by an Applicant and approved by the municipality, but where the municipality has refused to accept payment of the applicable rate as set forth in the Company's rate schedule.

DEFINITIONS (cont'd)

Property: In general terms, a separate parcel of land owned in fee simple absolute, including any home(s), condominium(s), Home Owner's Association or building(s) affixed thereto, which is delineated by the description contained on the recorded deed, and which may be further delineated by any public roads.

Prospective Customer: Any owner, tenant, or lessee of a Property that is expected to be receiving water service for at least one year following the commencement of water service.

Public Fire Hydrant: A fire hydrant furnished, installed, owned and maintained by the Company that has been requested by the municipality, or requested by an Applicant and approved by the municipality, where the municipality has accepted responsibility for payment of the applicable rate as set forth in the Company's rate schedule.

Qualified Private Fire Protection Service: Water service provided to an unmetered, privately-owned fire hydrant located in the public right-of-way which does not otherwise qualify for Public Fire Hydrant rates. Said hydrant shall be located on a service line serving that hydrant exclusively and must be in the open, be visible, and shall not be more than fifty (50) feet from the Company main servicing the hydrant.

Residential Structure: When used with respect to metered Residential Fire Service, a home or building which contains metered dwelling units intended for human habitation.

Service Connection: The installation by the Company of the Company Service Line. See Definition for Company Service Line.

Shall: is mandatory; May is permissive

Special Devices: Devices that are owned and maintained by the Customer on the Customer's plumbing system at the requirement of the Company. Special Devices include, but are not limited to, the following:

Backflow Preventer: A device designed to prevent a potential backflow of contaminants from the Customer's activities or property into the Company's distribution system.

Check Valve: A device designed to allow the flow of water only in one direction.

Control Valve: A device designed to stop the flow of water when the valve is closed.

Pressure Reducing Valve: A device designed to reduce the water pressure within the Customer's building below that which exists on the Company's distribution system.

Pressure Relief Valve: A device designed to relieve pressure on the internal plumbing system of the Customer's property.

RULES AND REGULATIONS

APPLICATION FOR SERVICE

5. Notification of Change in Ownership or Occupancy at an Existing Service Property: Upon any change in ownership of property where the owner is the Customer, or in the tenancy where the tenant is the Customer, or in the type of service rendered, the Customer must so advise the Company which shall thereafter have the right to discontinue the water supply until a new application has been made and approved for the new Customer.

6. Application for Water Service by a New Owner or Occupant at an Existing Service Property: Where a Customer's Service Line exists on a property to be served in compliance with the Company's rules, water service will be furnished by the Company as soon as reasonably practicable after written application of the owner or tenant of the property or such person's properly authorized agent. The Customer receiving service takes such service subject to the Company's Tariff, including its Rules and Regulations.

7. Application for Water Service to a Proposed Service Property: Where an adequate water distribution main abuts the Customer's property, a service connection will be made as soon as reasonably practicable after the appropriate application forms have been completed by the property owner or the owner's properly authorized agent and subsequently submitted to, and approved by, the Company. Where an adequate water distribution main does not abut the Customer's Property, the Customer must make necessary arrangements with the Company's New Business Office for the extension of a water distribution main in accordance with the Company's Rules and Regulations. Service Connection application forms will be furnished by the Company on request.

DEPOSITS AND CREDIT STANDARDS

8. General: Deposits may be required from Applicants for new service and extension of service. Residential Customers will not be required to pay a security deposit in order to receive service from the Company. The Company will pay income tax on any deposit, advance, contribution or other like amounts received from an Applicant which shall constitute taxable income to the Company as defined by the Internal Revenue Service and required by the Pennsylvania Public Utility Commission. Such income taxes shall be segregated in a deferred account for inclusion in rate base in a future base rate case proceeding. Such income tax associated with a deposit, advance, or contribution will not be charged to the Person providing such deposit, advance, or contribution.

9. Creditworthiness: Upon application for water service, the Company may require the Applicant/Customer to provide valid identification, a valid deed lease or mortgage evidencing the Applicant/Customer's residency at the Property/Premise, and/or payment of an outstanding balance owed by the Customer which accrued within the past 4 years for which the Applicant/Customer is legally responsible.

The Company may determine liability for a past due balance by:

- Use of Company records that contain information previously provided to the Company;
- Information contained on a valid mortgage, lease or deed;
- Use of commercially available public records databases; and
- Government and property ownership record.

10. Reserved for Future Use

RULES AND REGULATIONS

BILLING AND PAYMENT

11. Methods of Payment: Bills are payable by mail, by direct debit, in person at any authorized pay agency or as otherwise authorized by the Company. Amounts due for services must be made in one of the following formats: cash at a valid payment center, credit card, debit card, atm card, or personal check, business check, or money order issued by a properly licensed financial institution, or other commercially acceptable form of payment as determined by the Company.

12. Landlord Assumption of Responsibility: If an Applicant for service, who is a landlord, assumes responsibility for rates and charges related to water or wastewater service provided to tenants and is billed for such service, the landlord must assume responsibility and be billed for both water and wastewater service, if such service is provided or billed by the Company.

13. Bills and Billing History: Bills based on estimated water use shall be subject to review upon the Customer's request and submission by the Customer of information as to unusual water use**.** In all other cases, billing shall be made as soon as practicable after the reading of respective meters. In the case of fire hydrants, bills will be rendered for each applicable period. Where a Customer receives water service during a period when a water meter is not installed at the Property, the Company may issue the Customer a bill based on the estimated usage for that period. A Customer may obtain from the Company, at no charge to the Customer, the billing history for up to ten accounts per year in the name of the Customer, provided that the Customer submits a written request for such information directly to the Company. Additional requests will be processed subject to the Company's right to charge the Customer its incremental costs of providing such billing histories.

14. Delinquent Bills: If a rendered bill remains unpaid for a period of 20 days for residential Customers and 15 days for non-residential Customers, it shall be classified as delinquent. However, if the last day of such period falls on a Saturday, Sunday, a holiday or day when the Company's offices are closed, the delinquency date shall be the next succeeding business day. Payments by mail will be deemed made on the date of the postmark. Payments to the Company drop box or authorized payment agent will be deemed received when paid at that location. Service may be terminated for non-payment of bills in accordance with the Commission's regulations. If service is thus terminated it will not be restored until all outstanding charges provided by the Commission's regulations and the tariff of the Company are paid or satisfactory arrangements are entered for payment. If a dispute of a water bill has arisen as defined in the Commission's regulations, the Customer is responsible for paying the undisputed portion of such bill and termination of service may occur if the undisputed billings become delinquent.

15. Late Payment Charge: If payment has not been received by the Company for five days after the bill has been classified as delinquent, a late charge (penalty) of 1.50% will be applied to the account and such late charge (penalty) will be calculated every thirty days thereafter only on the overdue portion of the bill excluding previous late charges (penalties), and in no event shall the late charge (penalty) exceed more than 18% annually (simple interest).

BILLING AND PAYMENT (cont'd)

16. Return Check and Return Electronic Payment Charge: The Customer will be responsible for the payment of a charge of $20.00 per incident where a check or electronic payment, which has been presented to the Company for payment of any bill, is returned by the bank for any reason including, but not limited to, non-sufficient funds, account closed, payment stopped, two signatures required, postdated, stale date, account garnished, no account, drawn against uncollected funds, balance held, and unauthorized signature. This charge is in addition to any and all charges assessed against the Customer by the bank. If a Customer's account shows a history of submitting payments that have been returned for insufficient funds or any other reason outlined above, the Company may require turn-on charges to be paid by cash, certified check, money order, or credit card or service may be terminated without additional notice in accordance with Commission regulations.

17. Turn-on Charge: When service has been terminated to any premise because of violation of the Company's Rules and Regulations or at the Customer's request, a charge of fifty dollars ($50.00) payable in advance will be made for restoration of service. If the Company incurs out of the ordinary expense to affect termination of service for non-payment of bills or due to lack of access to the Company's facilities, or for restoration of service outside of normal business hours, the Customer must reimburse the Company for those expenses in addition to the $50.00 turn-on charge prior to service reconnection. This charge applies to new Customers only when service is required to be physically restored to the Premise. If the Company terminates water service for an emergency purpose, no turn-on fee will be applied to restore service. This charge applies to new Customers who require service to be physically restored to the Premise.

18. Turn-off at Customer's Request: Customers desiring to avoid payment for water service during periods when Properties are vacant or during extended absences shall give notice in writing at the office of the Company requesting the water to be shut off. A turn-on charge as set forth in Rule 17 shall be applied to the Customer's account when the Customer requests restoration of water service. If a minimum charge or Customer charge for water use is applicable, the bill will be based on the proportion that the period when water service was available bears to the entire period on which such minimum charge or Customer charge is based. Metered consumption in excess of such adjusted minimum shall be billed at normal rates.

RULES AND REGULATIONS

SERVICE CONNECTIONS

19. Company's Service Lines:

Except for service connections made in accordance with Rule 65, the Company will make all connections to its mains and furnish, install and maintain the Company's service main to and including the Curb Stop, which under normal circumstances will be placed inside the curb-line. The Company's service line will be the property of the Company and under its control. The point of delivery and sale for any water service furnished to the Customer shall be at the Curb Stop.

The maximum Company investment per Company service line shall be calculated using the same formula set forth in the definition of Company Contribution in Rule 62.

The cost of any Company service line in excess of the applicable maximum Company investment shall be paid by the Customer, plus all applicable taxes including income taxes occasioned by the contract. The Company may require payment of the estimated amount of such excess cost in advance of the installation and will make a partial repayment of the extent the actual cost is determined to be less than the estimate.

Whenever it is necessary to install a service line in advance of the date on which the premises are occupied and a meter is set, a deposit may be required in an amount not to exceed the estimated cost of installation, which deposit will be refunded to the depositor when the service becomes active (i.e., the meter has been set and the premises occupied), provided that event occurs within five years from the date of deposit.

20.1. Customer Service Line: The Customer's service line shall extend from the Property to the Curb Stop or curb line or such point as designated by the Company. All connections, service lines and fixtures owned by the Customer shall be maintained by the Customer in good order, and all meters and appurtenances owned by the Company and located on the Property of the Customer shall be protected properly by the Customer. All leaks in or other deteriorated condition of the Customer's service line or any other pipe or fixture in or upon the premises supplied must be repaired immediately by the owner or occupant of the premises.

a. Notwithstanding the terms and conditions set forth in Rules 20.1, 20.2, and 25, the Company is authorized to replace customer-owned lead service lines ("COLSLs") in Mercer County in accordance with the Pennsylvania Public Utility Commission Order at Docket No. P-2020-3021766 entered on July 15, 2021.

SERVICE CONNECTIONS (cont'd)

20.2. Customer Owned Lead Service Line Replacements: Notwithstanding Rules 20.1, 21, and 25, the Company shall, provided the customer provides consent, replace lead Customer Owned Service Lines ("COLSLs") pursuant to the Company's Lead Service Line Replacement Program ("Replacement Program"). Pursuant to Part 1 of the Company's Replacement Program, the Company will replace COLSLs it encounters when replacing its mains, up to 200 COLSL replacements per year within a maximum budgeted amount of $800,000 per year. Pursuant to Part 2 of the Company's Replacement Program, the Company will replace a COLSL upon a Customer's request subject to the following requirements: (i) verification that the Customer has a COLSL, (ii) the date that the Company will replace the COLSL will depend on the number of other customer requests in the same operating division, (iii) the annual cap of 200 COLSL replacements, and (iv) availability of funds in the annual budget allotment of $800,000.

Replacements under Part 1 of the Company's Replacement Program will have priority over replacements under Part 2 of the Company's Replacement Program. For replacements under Part 2 of the Company's Replacement Program, the Company will seek to prioritize replacements for low-income customers. Any portion of the annual budgetary allotment of $800,000 that is not spent on COLSL replacements in that year will roll over to the next subsequent year, subject to annual cap of 200 COLSL replacements per year. If the Company does not use the excess budgeted amount that carried over from the previous year, that excess budgeted amount will not carry forward into the following year. The Company may petition the Commission to modify its annual budgeted amount and/or the cap on COLSL replacements per year if, in the Company's sole discretion, the Company determines these amounts are not adequate to meet the needs of the Replacement Program. Any petition to modify the budgeted amount or maximum number of COLSLs replaced per year is subject to Commission approval. Costs incurred by the Company under the Replacement Program shall be subject to Act 120 of 2018 (P.L. 738, No. 120) and the accounting and ratemaking treatment approved by the Pennsylvania Public Utility Commission entered July 15, 2021 at Docket No. P-2020-3021766. After a COLSL is replaced by the Company or the Company's contractor, the Customer shall own and have full responsibility for the repair, replacement, and maintenance of the new Customer Service Line installed, and which, thereafter, Rules 20.1, 21, and 25 shall apply.:

a. The Customer shall enter into an Agreement for the replacement of the COLSL for either a Part 1 or Part 2 replacement, in a form provided by the Company, prior to the initiation of any work by the Company or its contractors to replace a COLSL. The Company shall provide a two-year warranty on workmanship and materials for any COLSL that the Company or its contractor replaces.

b. For Customer requests under Part 2 of the Company's Replacement Program, the Company will verify the Customer has a COLSL, and if verified, the Company will provide the Customer with testing materials within seven business days of the verification of the COLSL. The Company will notify the Customer within five business days of the results of the test. Notwithstanding Rule 20.1, a Customer who has a verified COLSL and has requested that the Company replace the COLSL, the Customer will not be responsible for repairing a leaking COLSL prior to the Company's replacement of that Customer's COLSL.

SERVICE CONNECTIONS (cont'd)

20.2. Customer Owned Lead Service Line Replacements (cont'd):

c. The Company will provide a National Sanitation Foundation approved water filter (pitcher or tap filter) to residential customers who request (or if the Customer occupies a rental property, the property-owner has made, or authorized the Customer to make, such request) that the Company replace the COLSL provided that:

1. The Company has verified that the Customer has a COLSL; and

2. The Company's testing of water from the customer's tap shows that the water has a lead level above the action level established by the Pennsylvania Department of Environmental Protection under the Environmental Protection Agency's Lead and Copper Rule.

The Company will offer a reimbursement under Part 1 of the Company's Replacement Program to a Customer or property owner (as applicable), at the lower of the Customer's or property owner's (as applicable) actual cost or what it would have cost the Company to replace the COLSL, who paid for the replacement of the COLSL if the Company commences a main replacement project that would have affected the Customer or property owner as follows:

a. 100% for work performed within one year of the commencement of a main replacement project.

b. 50% for work performed within two years of the commencement of a main replacement project.

c. 25% for work performed within three years of the commencement of a main replacement project.

The sliding scale reimbursement related to a Part 1 main replacement project will be applicable until the 3rd anniversary of the effective date of Aqua's Lead Service Line replacement program, after which customers will only be eligible for reimbursement if the customer replaced their COLSL within one year of the commencement of a main replacement project. For acquired systems the same sliding scale time period will apply from the date of closing the acquired system and will cease after the 3rd anniversary of the acquisition of the system, and thereafter customer will only be eligible for reimbursement if the customer replaced their COLSL within one year of the commencement of a main replacement project.

SERVICE CONNECTIONS (cont'd)

20.2. Customer Owned Lead Service Line Replacements (cont'd):
The Company will also offer a reimbursement under Part 2 of the Company's Replacement Program to a Customer or property owner (as applicable), at the lower of the Customer's or property owner's (as applicable) actual cost or what the Company would have incurred to replace the COLSL, who paid for the replacement of the COLSL within one year prior to the start of Part 2 of the Company's Replacement Program. The Company will also provide a sliding scale reimbursement to customers, at the lower of the actual cost or what the Company would have incurred to replace the COLSL, as follows:

a. 100% for work performed within one year of the commencement of a main replacement project.

b. 50% for work performed within two years of the commencement of a main replacement project.

c. 25% for work performed within three years of the commencement of a main replacement project.

The reimbursement for replacements under Part 2 of the Company's Replacement Program will cease after the 3rd anniversary of the effective date of the Company's COLSL Replacement Program. For acquired systems the same sliding scale time period will apply from the date of closing the acquired system and will cease after the 3rd anniversary of the acquisition of the system.

For any reimbursement under Part 1 or Part 2, the Customer or property owner must provide the Company with a paid invoice, a certification from a certified plumber, and other documentation required by the Company, in its sole discretion, to verify the replacement. The reimbursement (or portion thereof as set forth above) will be at the lower of the customer's actual costs for the replacement of the COLSL as supported and verified by documentation sufficient for the Company or the cost the Company would have incurred to replace the customer service line with a similar size and material.

A main replacement project under Part 1 will commence on the date the Company begins physical excavation for pipe installation for a main replacement project in the project area that includes the Customer or property owner's (as applicable) premise, and a Part 2 program will begin upon the date the Commission issues an order approving the Company's petition at Docket No. P-2020-3021766.

RULES AND REGULATIONS

SERVICE CONNECTIONS (cont'd)

21. Size, Kind, and Location of Service Lines: The Company reserves the right to determine the size, kind and location of the service line, from the main to the curb, and from the curb to the property to be served. However, the determination of the size of the fire service line shall be the responsibility of a professional engineer or similar professional retained by the Customer. The Customer's Service Line shall not cross intervening properties unless the property is landlocked and there is no other way in which service can be provided (for example, because the property does not abut a public road) and an appropriate easement is obtained by the Customer for the Customer's benefit, a copy of which must be furnished to the Company. The service line from the curb stop to the property shall be furnished, installed, owned, and maintained by the owner of the property, and where possible shall be laid in a straight line at right angles to the curb line within the building limits of the structure to be served and at a minimum depth of cover specified by the Company, and bedded in at least 6 inches of sand, in property owned in fee simple absolute. Type K Copper shall be used throughout for service lines up to three inches in diameter. At the Company's discretion, other industry approved materials may be used should field conditions, water quality requirements, or regulatory permit requirements dictate the use of non-metallic materials. Service lines over three inches in diameter shall be cement-lined ductile or cement-lined cast iron pipe. The minimum size of a Customer's domestic Service Line shall be 3/4 inch in diameter. The Company reserves the right to inspect the installation of the Customer's Service Line to ensure its conformity with the specifications in this paragraph.

22. Separate Trench: No water service line shall be laid in the same trench with a gas pipe, electric line, drain or sewer pipe, or any other facility of another public service company, nor within three feet of any open excavation, retaining wall or vault.

23. Renewal of Company Service Line: Where renewal of the Company's Service Line from the street main to the curb is found to be necessary in the Company's opinion due to age or condition, the Company will renew said service in the same location as the old one at its own expense. If, in connection with such renewal, the property owner, or Customer, for his own convenience, desires the new service line to be installed at some other location or in a larger size and agrees to pay all expenses of such work in excess of the cost of renewing the originally-sized service line in its original location, the Company will install the new service line at the location desired, provided that the new line complies with all applicable Rules and Regulations.

24. Replacement of Abandonment of Company Service Lines: Where the Company Service Line needs to be replaced, relocated, removed or abandoned for the convenience of the Customer or due to any reason other than a routine Company renewal due to age or condition, the Company will perform such work and the Customer shall pay all expenses in connection with such work.

25. Company Not Responsible: The Company shall in no event be responsible for the condition of, or for maintaining or replacing, any portion of the Customer's Service Line or other lines or fixtures on the Customer's Property, or for damage done by water or other matter passing through said lines or fixtures or escaping therefrom. The Customer shall at all times comply with all federal, state, local and municipal laws, codes and regulations with reference thereto, and make changes therein, required on account of change of grade, relocation of mains, or otherwise.

SERVICE CONNECTIONS (cont'd)

26. Single Service Line for each Property: A Customer's Service Line (whether fire or domestic) shall not supply more than one property, as hereinafter defined, but any such property upon proper application of the owner may be supplied by two or more metered service connections, each of which for billing purposes shall be considered as being separate customer accounts, and provided that the supply of each such service connection has an individual control valve at or near the curb. A separate service line shall be required for each of the following types of "property", as defined herein, unless an exemption to the Rule applies, as determined by the Company in its sole discretion:

a. A residential dwelling unit - either detached, or one side of a double house, or a house in a row of houses; provided, that a garage, and similar features incidental to the family life, shall be considered as a portion of the dwelling.

b. A building or complex of buildings containing residential dwelling units not divided by a public road or property line, which are either rental apartments, condominiums, or cooperative units and the commercial and service facilities incidental thereto.

c. An industrial, commercial or manufacturing establishment held in common ownership and not divided by a public road or property line and not covered by subparagraphs (b) and (d) of this Rule.

d. Each of the premises within a single building (stores or offices or any combination thereof) entirely separated from other premises within said building by a party wall or walls.

e. A detached building comprised of stores or offices or any combination thereof, not separated by a party wall or walls.

f. A Housing Development owned and operated as a unit by the United States Government.

27. Single Service Line with Two or More Customers: Where two or more Customers are now supplied through a single service line, any violation of the Rules and Regulations of the Company, with reference to either or any of said Customers, shall be deemed a violation as to all, and unless said violation is corrected after reasonable notice, the Company may take such action as can be taken for a single Customer, except that such action will not be taken until either or all of said Customers who have not violated the Company's Rules and Regulations have been given a reasonable opportunity to apply to the Company for separate service lines in accordance with these Rules and Regulations.

RULES AND REGULATIONS

METERS AND METER LOCATIONS

28. Responsibility for Meter and Meter/Box Vault: All Company Meters will be furnished, installed, maintained and owned by the Company and remain the property of the Company and be accessible to and subject to its control.

Meter Boxes/Vaults shall be owned, furnished, installed, and maintained by the Customer, unless otherwise agreed to by the Company. At the Company's discretion, the Company has the right to install a Meter Box/Vault for a Customer's property.

29. All Services to Be Metered: A Meter shall be installed on each domestic and on each fire service line owned by the Customer. The Company reserves the right to determine the size and type of Meter to be installed in the Customer's Property, including whether such Meter shall be a manual read Meter or a Meter that can be read remotely from outside the building being served, or automatically using TV cable, telephone, or similar lines or radio signal communication. As a condition of providing service and continuing to provide service, the Company shall have the right to install such equipment, connections and wiring in the manner and location it deems appropriate. The equipment necessary to read Meters using the designated mode of communication will be installed by the Company and will remain the property of the Company.

30. Location: For new services the Meter shall be required to be installed outside the building in a Meter Box/Vault. The location of the Meter Box/Vault shall be subject to the express approval of the Company; in most cases, the Meter Box/Vault shall be located inside the Property line by the Customer.

For existing Premises and circumstances, subject to the Company's approval, a Meter may be set within the structure to be served, at a location approved by the Company, after the Customer has had the plumbing arranged (including the installation of Special Devices if required by the Company) to receive the Meter at a convenient point inspected and approved by the Company so as to control the entire supply of water to the Property. At the Company's discretion, the Company has the right to install a Meter Box/Vault for a Customer's Property, and dedicate the Meter Box/Vault to the Customer who shall thereafter own, operate, and maintain the Meter Box/Vault. A Meter Box/Vault shall be required to be installed, furnished, owned, and maintained by the Customer at the Customer's expense when circumstances at an existing Premise change including but not limited to: a) building renovations (including demolitions/rebuilds) or b) renewal of or repair of Company or Customer Service Lines.

In cases where the Meter is located outside the building, a concrete vault, with a suitable iron cover, or other approved Meter Box/Vault, shall be located inside the Property line by the Customer. The size and dimensions of the Meter Box/Vault shall be as approved by the Company, give adequate access to the Meter, and permit its installation or removal. When a concrete vault is used, a 10 foot wide (min.) paved surface from the road to the vault, including curb depression, must be provided and maintained for vehicle access. The Company has the authority to require a Customer or owner, at their expense, to install a Meter Box/Vault where there has been unauthorized use of water after the Company shut off service and the Customer or owner, or their agent has restored the service without authorization.

METERS AND METER LOCATIONS (cont'd)

31. Valves Required: A Control Valve shall be placed by the Customer on the Customer Service Line on the inlet and outlet sides of the Meter. When required, a suitable Check Valve should be placed by the Customer between the Meter and the Control Valve on the outlet side of the Meter. When a Check Valve, backflow preventer or Pressure Reducing Valve is installed, the Customer shall install a Pressure Relief Valve or thermal expansion tank (to be sized and designed by the Customer or his agent) at some convenient point on the house piping to relieve pressure fluctuations and/or excess pressure due to heating water. In accordance with the specifications of the Company, the Customer shall install a Pressure Reducing Valve, to be set at a pressure not to exceed the applicable limits, as follows: 1) on the domestic service line when the pressure on the Company's distribution system exceeds 80 pounds per square inch (psi); 2) on the residential fire service line when the pressure exceeds 100 psi; 3) on the commercial fire service line when the pressure exceeds 150 psi; or 4) when required in the discretion of the Company where it is believed that the pressure may exceed either limit. The Customer or his authorized agent shall check with the Company to determine whether a Pressure Reducing Valve is required prior to finalizing the design of the internal plumbing system. In all cases, the Pressure Reducing Valve must be installed at an approved location after the inlet control valve and before the Meter, but in the case of the domestic service line an additional Control Valve must be installed between the Pressure Reducing Valve and the Meter. When approved for a manifold set-up, the inlet control valve (2-inch and smaller) that abuts the Meter must be a full-port, locking ball device.

32. Responsibility for Damage: Meters and other related equipment owned by the Company will be maintained by the Company so far as ordinary wear and tear are concerned; but the cost to repair damage caused by the Customer or due to freezing, hot water or causes not within the reasonable control of the Company shall be paid by the Customer.

33. Cost of Re-installation: The charge for the re-installation, reconnection or changing of a Meter or other related equipment owned by the Company when removed by the Customer or because of damage in any way due to the negligence or intentional conduct of the Customer shall be assessed against the Customer at cost.

34. Minimum Charge/Customer Charge: In Divisions with a minimum charge and a water allowance, customers will be subject to a fixed minimum charge in accordance with the rates thereof, for which certain quantities of water will be allowed, without additional charge. Such minimum charges shall be non-refundable for non-use of water, and non-cumulative against subsequent consumption. In the case of fractional bills covering less than a billing period, minimum charges and allowances shall be prorated.

In Divisions with a customer charge and no water allowance, customers will be subject to a fixed customer charge in accordance with the rates thereof, for which no quantity of water will be allowed without additional charge. The customer charge will be non-refundable and payable whether or not the customer uses any water. In the case of fractional bills covering less than a billing period, the customer charge shall be prorated.

METERS AND METER LOCATIONS (cont'd)

35. Company Notified Meter Not Working: The Customer shall immediately notify the Company of damage to, or the non-working of, the Meter as soon as it comes to his/her knowledge.

36. Registration Conclusive: The quantity recorded by the Meter shall be conclusive on both the Customer and the Company, except when the meter has been found to be registering inaccurately or has ceased to register. In such case, the quantity may be determined by the average registration of the Meter when in order.

37. Disputed Account: In case of a disputed account involving the accuracy of a Meter, such Meter will be tested upon the request of the Customer in conformity with the regulations of the Commission. In the event that the test of the Meter shows an error in registration in excess of the permissible range, an appropriate adjustment to the bill will be made in accordance with the Commission's regulations. Bills will not be adjusted if the Meter tests within the permissible tolerance limit.

38. Request Test: Upon a written request of a Customer, or that of the Customer's authorized representative, the Company shall test the accuracy of the Meter in service at the involved Premises. When a Customer desires, either personally or through a representative, to witness the testing of a Meter, the Meter may be required by the Customer to be sealed before removal, in the presence of the witness, which seal shall not be broken until the test is made. If the Meter so tested is found to be accurate within the limits specified above, a fee determined from the schedule provided in the Commission's regulations shall be paid to the Company by the Customer requesting such test, but if not so found then the cost thereof shall be borne by the Company. When making such requests, the Customer shall agree to the basis of payment herein specified. A report of such test shall be made to the Customer and a complete record of such test shall be kept as specified in the Commission's regulations. The results of such tests shall be conclusive upon the Company and Customer unless a written objection thereto is received by the Company or Customer, as appropriate, within thirty days of notice of the test results. If the Meter tested is found to be accurate, the Company has the absolute right to re-install that same Meter at the Customer's property.

RULES AND REGULATIONS

CONSTRUCTION SERVICE

39. Metered Building Construction Service: Where service has been requested by a Builder for purposes of construction of a building to be served by the Company and service is to be provided through a Company Service Line that will be retained to provide service to the building after construction is completed, metered water service shall be provided. Each such metered service will be subject to these Rules and Regulations and the charges for Commercial Service shown in the rate schedule. Installation of the Company Service Line shall be in accordance with the "SERVICE CONNECTIONS" provisions of this tariff. The Builder is responsible for protecting the Meter during construction. If the Meter is damaged due to construction activities, the Builder will be responsible for any costs associated with repairing or replacing the Meter.

40. Temporary Metered Construction Service: Where metered service is required or requested for temporary construction purposes, or where the Company Service Line will not be retained to provide service after construction, the Applicant shall pay the estimated cost of installation and removal of the service line, which costs are not refundable. In addition, the Applicant shall pay a deposit for the Meter, which will be refunded upon return of the Meter. Each such metered service will be subject to these Rules and Regulations and the charges for Commercial Service shown in the rate schedule. The Builder is responsible for protecting the Meter during construction. If the Meter is damaged due to construction activities, the Builder will be responsible for any costs associated with repairing or replacing the Meter.

METERED FIRE SERVICE

41. Metered Fire Service for Non-Residential Structures: For automatic fire sprinklers or other automatic fire service devices located inside of a non-residential structure or for fire hydrants located on a fire service line, a separate service line will be required to be used exclusively for fire service when Combined Fire and Domestic Service Rule (see Rule 2) does not apply. Each such fire line shall be metered and subject to the charges shown in the rate schedule. Subject to the approval of the Company, fire hydrants that are owned and maintained by the Customer outside of buildings may be connected to said service line, provided they are located downstream of the Meter and backflow prevention device. The Customer will be responsible for paying the Company for the cost of installing the Company Service Line in excess of the maximum Company investment, as set forth in Rule 19 of this tariff. Company reserves the right to refuse an application for metered fire service where, in the judgment of the Company, the size and pressure of the street main is not sufficient to render proper service. The Customer shall be responsible for the design and sufficiency of the fire protection system (including the installation of a pressure tank and pumps, if required) and shall submit appropriate certification of such to the Company at the time of application. The Customer shall not use a dedicated fire line for domestic service and shall not allow a cross-connection between the domestic and fire systems. The Company shall have the right to require Special Devices as deemed necessary on Customer fire service lines. Meters for fire service will be furnished and maintained by the Company. Meters will be located as specified by the Company on the Property of the Customer, and if Meter Boxes/Vaults are required, they shall be constructed and maintained in accordance with the Company’s specifications at the expense of the Customer.

42. Metered Fire Service for Residential Structures: To obtain service for automatic fire sprinklers or other automatic fire suppression related devices located inside a Residential Structure, the Customer must install a separate Customer fire service line from the curb to the fire protection system. Each such fire line shall be metered in accordance with the Company's Rules and Regulations. Both the Customer's fire service line and domestic line shall be connected to a single Company Service Line. To accommodate service to the Customer's fire line in addition to the domestic line, the Company may install a larger Company Service Line than it would otherwise install. The Customer will be responsible for paying the Company for the costs of upsizing the Company Service Line and appurtenances, and for the cost of the fire meter and its installation, together with any and all applicable taxes. Recovery of these costs by the Company shall be achieved through the application of the Company's rate schedule for "Residential Multiple Meter Sets", which shall be applicable to all Residential Structures equipped with residential fire service under these Rules and Regulations. The Company reserves the right to refuse an application for automatic fire service where, in the judgment of the Company, the size and pressure of the street main is not sufficient to render proper service. The Customer shall be responsible for the design and sufficiency of the fire protection system (including the installation of a pressure tank and pumps, if required) and shall submit appropriate certification of such to the Company. The Customer shall not use the fire line for domestic service and shall not allow a cross-connection between the domestic and fire systems. The Company shall have the right to require Special Devices as deemed necessary on residential fire service lines.

RULES AND REGULATIONS

UNMETERED FIRE SERVICE

43. Payment of Applicable Rate: All fire hydrants installed by the Company are subject to the payment of the applicable rate. A hydrant will not be installed without the request or the approval of the appropriate municipality. If the municipality agrees to pay the applicable rate, the hydrant shall be a public fire hydrant; otherwise a private entity must agree to pay the applicable rate in which case the hydrant shall be a private hydrant. In the event the applicable rate is not paid, the Company, at its option, may remove the hydrant.

44. Payment of Installation Costs:

Hydrants installed on new or proposed water mains: All fire hydrants, whether public or private, to be installed in connection with a main extension shall be paid for by the Applicant or Depositor pursuant to any type of agreement for the extension of the Company's water mains.

Hydrants installed on existing water mains: The installation costs of all private, or public fire hydrants where a municipality requires a public fire hydrant for an Applicant, to be installed on an existing water main shall be paid for by the Applicant. The installation costs of a public fire hydrant to be installed on an existing water main at the request of a municipality shall be paid for by the Company provided that no existing fire hydrant is located within a 600-foot radius of the requested fire hydrant, and provided that all other Rules and Regulations of the Company are complied with. Fire hydrants requested at closer intervals of spacing shall be reviewed by the Company and these installations shall be paid for by the municipality or Applicant. Payment for the installation of a fire hydrant shall include the entire cost for material and installation and all applicable taxes pursuant to an agreement prepared by the Company.

45. Hydrant Location: Upon written request to the Company's New Business Office from the duly authorized officials of any municipality supplied by the Company, the Company (subject to its Rules and Regulations on the payment of installation costs and the applicable rate), will install a standard fire hydrant at a location mutually agreed upon by the municipality and the Company, provided that the size of the existing main and surrounding distribution system and the available pressure and flow in said main is, in the judgment of the Company, sufficient to enable the provision of proper service at the fire hydrant under normal and ordinary conditions. Where a requested fire hydrant would be connected to a water main located in the public right-of-way, the hydrant shall be located within close proximity to the nearest curb line, and where a requested fire hydrant would be connected to a water main located in an easement held by the Company, the hydrant shall be located within that easement area.

46. Availability of Supply: With regard to public fire hydrant service or private hydrant sprinkler and hose service, the Company shall have no greater duty than to supply only such volumes of water at such pressures as may be available at the time of operation.

RULES AND REGULATIONS

UNMETERED FIRE SERVICE

47. Maintenance and Obstructions: All fire hydrants owned by the Company will be maintained by the Company. Said maintenance shall include, but not be limited to, painting as required. Painting of hydrants by parties other than the Company personnel or its authorized contractor is strictly forbidden. The Company shall not be responsible for the condition of the hydrant following intervening use by a fire department or any authorized or unauthorized person.

It is the responsibility of the Customer paying the fire hydrant rental to keep the area directly surrounding the hydrant free of all obstructions (including, but not limited to trees, bushes, snow, dirt, mailboxes or other obstructions) that would impact the safe operations or would not allow the hydrant to be easily seen from or accessed by an emergency vehicle.

Municipalities, at their own expense, are allowed to attach marking devices on public fire hydrants owned and operated by the Company solely to facilitate the location of such hydrants. The Company shall be notified and shall approve in advance the municipality's plans to install hydrant markers and will permit plan designs that are consistent with normal, intended, and safe operation of such hydrants. Municipalities that take advantage of this provision shall be responsible for the maintenance of all markers that they install.

48. Allowable Use: Only persons authorized by the Company shall take water from any fire hydrant, except for the use of the Fire Department in case of fire, and no fire hydrant shall be used for any reason other than firefighting or training purposes without the consent of the Company. The use of fire hydrants, whether owned by the Company or by the Customer, will be restricted to the taking of water for the extinguishing of above-ground fires. Water shall not be taken from any fire hydrant for construction purposes, extinguishing underground fires, sprinkling streets, flushing sewers or gutters or for any other use unless specifically permitted by the Company for the particular time and occasion. If the Company grants permission to use fire hydrants for purposes other than the extinguishment of fires, such use will be applied only if an approved backflow prevention device is attached to the hydrant. Said device shall be furnished by the Customer.

49. Change of Location: Whenever a municipality desires a change in the location of any fire hydrant, the Company, upon written notice from the municipality to the Company's New Business Office, will make such change at the expense of the municipality pursuant to an agreement prepared by the Company.

50. Inspection: In addition to its periodic program of inspection and testing, the Company will, upon request of the duly authorized officials of any municipality, make inspections of specific hydrants at convenient times and at reasonable intervals as determined by the Company to determine the condition of the fire hydrant in question. Flow testing will be conducted by the Company, upon request, following the completion of changes to the supporting distribution system either due to capital construction or operational modifications. Inspections shall be made by a representative of the Company and a duly authorized representative of the municipality.

RULES AND REGULATIONS

RESPONSIBILITY FOR SERVICE

51. Liability of Company: In the course of furnishing service that needs to be adequate, but not perfect, it is recognized that there will be times when service is subject to interruption or disruption as a result of water main breaks, the failure of equipment or facilities, and for other reasons. Accordingly, the liability of the Company shall be limited to two thousand dollars ($2,000.00) in any legal action brought against the Company for damages in connection with: 1) a service interruption or delay, or cessation or lack of adequate, efficient, safe and reasonable service and facilities; and/or 2) a failure of equipment or supply, including, but not limited to, a break or leak in a water main, service line or Meter owned by the Company.

In any legal action where a court does not recognize, or is being asked to interfere with or hamper, the jurisdiction of the Commission to authorize limitations of liability or to exclusively determine whether the service and facilities of a public utility are in conformity with the regulations and Orders of the Commission, the public utility may certify to the Commission the question of the appropriateness of such court action by filing a petition for declaratory judgment with the Commission.

Furthermore, the Company shall not be liable in any action where the loss or damage involves an act of God or does not involve a duty of the Company, including breaks or leaks on facilities that are not owned by the Company, such as breaks, leaks, defects or conditions in the Customer's Service Line, Meter Box/Vault, internal plumbing or fixtures, or due to the materials out of which those facilities are made. Further, the Company shall not be liable in any action where the loss or damage does not involve a breach of a duty of the Company, including where the Company does not receive actual notice, either written or oral, that a Company facility (located within the public right-of-way, in a sidewalk or on a Customer's Property) is in need of repair, such as the condition or elevation of a Curb Box or valve box that is not proven to have been in that condition at the time of installation or that is caused by a plumber, developer, or the person or event.

From time to time, the Company may provide public notices, specific notices, correspondence or other notifications ("Notices") regarding the presence of conditions affecting the quality and/or quantity of water service provided by the Company. (Examples of such Notices include, but are not limited to, boil water alerts, notice of hydrant and main flushing, and notice of water quality testing results.) These Notices may contain information about actions members of the public may wish to, are recommended to, or should take in response to the conditions identified in the Notice. In the event the Company issues a Notice, the Company will not be liable for any expenses or costs incurred by a Customer or end-user for any action taken in response to any condition identified in the Notice.

52. Complaints: Complaints with regard to the character of the service furnished or the reading of Meters, or of the bills rendered, must be to the Company's office either orally, by telephone, in person with appointment, or in writing, and a record of such complaint will be kept by the Company, giving the name and address of the complainant, the date, the nature of the complaint and the response.

SYSTEM INSPECTION AND INTEGRITY

53. Inspections: All pipes, Meters, Special Devices and fixtures shall be subject, at all reasonable hours, to inspection by properly identified employees of the Company. In addition, the Company shall have the right, upon reasonable notice and at reasonable times, to gain access into the Customer's Premises for the purpose of taking water samples in order to determine the quality of the water. No plumber, owner or other unauthorized person shall turn the water on or off at any corporation stop, Curb Stop, or disconnect, or remove the Meter without the consent of the Company. No agent or employee of the Company has authority to bind it by any promise, agreement or representation not provided for in these Rules and Regulations.

54. Right to Refuse Connections: The Company may refuse to connect with any piping system or furnish water through one already connected: 1) if the Customer's Service Line is not a sufficient depth to prevent freezing or is installed in too close proximity to any other utility line; 2) if lead-based solder or a lead-based fixture has been used in the Customer's plumbing system in contravention of any national, state or local regulation; 3) where the intended use of the water delivered to the Customer's Property would involve the return of water directly back to the Company's distribution system; 4) where the Customer's Service Line is connected to a separate or auxiliary water supply that could constitute a cross-connection; or 5) if such system has not otherwise been properly installed and maintained. It shall be the Customer's responsibility to assure compliance with these requirements. The Company may, from time to time, require the Customer to provide verification that the Customer's piping system complies with these requirements.

55. Cross-Connection Control: A cross-connection is created when a Customer connects to the Company's distribution system. To prevent contamination of the public water supply from a cross-connection, all new Customer connections to the Company's distribution system must be equipped with backflow prevention, cross-connection control or other Special Device approved by the Company and furnished, installed, and maintained at the Customer's expense in accordance with Company specifications and at a location and in the manner approved by the Company. A Customer with an existing connection to the Company's distribution system will furnish, install, and maintain a Company approved backflow prevention, cross-connection control, or other Special Device at the Company's request. The furnishing, installation, and maintenance of the backflow prevention, cross-connection control or other Special Device at existing connections will be made at the Customer's expense in accordance with Company specifications and at a location and in the manner approved by the Company. The Company shall have the right, upon reasonable notice and at reasonable times to conduct surveys and investigations of water use and practices at a Customer's Premises to determine the backflow prevention, cross-connection control or other Special Device appropriate for Customer's connection. In addition, the Customer shall be required, at such Customer's expense, to comply with the yearly testing and overhauling requirements of the Company for backflow prevention, cross-connection control or other Special Devices. The Company may authorize persons (with the appropriate training or certification) to inspect Premises, perform installations and testing of such Special Device or make corrections of adverse existing conditions. A yearly administrative fee of $10.50 will be required per return certification.

TERMINATION OF SERVICE

56. By Company: Service may be terminated for any of the following reasons which shall constitute a violation of the Rules and Regulations of the Company:

a. For the use of water for any other Property or purpose other than that described in the application.

b. For willful waste of water through improper or imperfect pipes, fixtures or otherwise, including failure to promptly repair a leak on the Customer Service Line.

c. For molesting any service pipe, Meter, Meter interface unit, Curb Stop or seal, or any other appliance of the Company.

d. For non-payment of any charge accruing under the Company's tariff or Rules and Regulations.

e. For refusal of reasonable access to Property for purposes of inspecting or for reading, caring for, removing, or installing Meters, including remote and automatic Meters and the associated wiring and connections to the Customer's telephone line.

f. For making, or refusing to sever, any cross-connection between a pipe or fixture carrying water furnished by the Company, and a pipe or fixture carrying water or other substances from any other source.

g. For failing to comply with the inspection, installation, maintenance or testing requirements of the Company under its back-flow prevention and cross-connection control program instituted for the purpose of protecting the public water supply.

h. For vacancy of a Premises.

i. For failure to make payments under the Company's Water System Connection Loan Program, as described in Rule 66.

j. For violation of any other Rules or Regulations of the Company.

k. For violation of Pennsylvania law (Criminal Code 18 PA C.S.A. Section 3926) which prohibits the activation of a public utility service line without a measuring device (water Meter).

l. For any other reasons set forth in the Commission's regulations.

m. In accordance with the terms of any agreement with a non-Company wastewater provider for non-payment of wastewater service when due.

Service termination will be performed in the manner prescribed by the Commission's regulations. In addition, service may be terminated for nonpayment of a sewer bill upon proper request of the municipality or municipal authority and receipt of a fifty dollar ($50.00) fee per account. The terms and conditions for termination of water for non-payment of sewer are found in Attachment A and conform to the Water Services Act 53 P.S. §3102.201 et seq.

If you are a victim of domestic violence and have a Protection From Abuse Order or other court order that shows clear evidence of domestic violence, there are special protections available.

TERMINATION OF SERVICE (cont'd)

57. Turn-Off Without Authority: The Customer shall not turn the water on or off at any corporation stop or Curb Stop, or disconnect or remove the Meter, or permit its disconnection or removal, without the consent of the Company.

58. Due to Emergency: As necessity may arise in case of breakdown, emergency, or for any other unavoidable cause, the Company shall have the right to suspend services temporarily, in order to make necessary repairs, connections, etc.; but, the Company will use all reasonable and practical measures to notify the Customer of such discontinuance of service. The Company shall not be liable for any damage or inconvenience suffered by the Customer or any claim against it at any time for interruption in service, or for any causes beyond its control. When a supply of water is to be temporarily cut off, notice will be given, when practicable, to all Customers affected by the shutting off, stating the probable duration of the interruption of service, and also the purpose for which the shut-off is made.

59. Restoration of Service: After termination of service it will not be reconnected until all amounts due to the Company have been paid plus the cost of a fifty dollar ($50.00) turn-on charge prior to service reconnection (with the exception of the Masthope Division) subject to the provisions of Section 1407(c)(2) of the Public Utility Code, 66 Pa.C.S. § 1407(c)(2) (regarding payment to restore service) unless otherwise directed by the Commission.

WATER CONSERVATION AND DROUGHT EMERGENCY

60. Water Conservation Contingency Plan:

General: The Company shall have the right to reserve a sufficient supply of water at all times in its reservoirs, to provide for fire and other emergencies, or may restrict or regulate the quantity of water used by the Customer in case of scarcity, or whenever the public welfare may require it. If the Company is experiencing a short-term supply shortage, the Company may request general conservation measures to reduce or eliminate nonessential uses of water.

Voluntary Conservation: The Company shall first request voluntary curtailment of all nonessential uses of water.

Mandatory Conservation: If voluntary cooperation does not achieve satisfactory results, mandatory compliance with a ban on nonessential uses will be imposed. If any Customer refuses to comply with such mandatory measures, the Company may adjust the outside water valve connection in a manner which will restrict water flow by up to 1/2, otherwise restrict flow such as by the insertion of a plug device, or terminate service.

Nonessential uses of water may include, but are not limited to, the following items:

a. The use of hoses, sprinklers, or other means for sprinkling or watering of shrubbery, trees, lawns, grass, plants, vines, garden, vegetables, flowers, or any other vegetation.

b. The use of water for washing automobiles, trucks, trailers, trailer houses, or any other type of mobile equipment.

c. The washing of streets, driveways, parking lots, service station aprons, office buildings, exteriors of homes, sidewalks, apartments, or other outdoor surfaces.

d. The operation of any ornamental fountain or other structures making a similar use of water.

e. The use of water for filling of swimming or wading pools.

f. The operation of any water-cooled comfort air conditioning which does not have water-conserving equipment.

g. The use of water from fire hydrants for construction purposes or fire drills.

h. The use of water to flush a sewer line or sewer manhole.

i. The use of water for commercial farms and nurseries other than a bare minimum to preserve plants, crops, and livestock.

WATER CONSERVATION AND DROUGHT EMERGENCY (cont'd)

60. Water Conservation Contingency Plan (cont'd):

Water Rationing Plan: In addition to the provisions as set forth above, the Pennsylvania Emergency Management Agency is authorized to promulgate, adopt, and enforce a Water Rationing Plan by virtue of the Emergency Management Services Code, 35 Pa.C.S. § 1701 et seq. as implemented by the Drought Emergency Proclamation dated November 6, 1980.

Excess Use Charges: In the event of a drought emergency (as declared by a river basin commission and/or by a proclamation or executive order issued by the Governor), the Company is authorized to collect fines and/or excess use charges set forth in its Local Water Rationing Plan as filed with and approved by the Pennsylvania Emergency Management Agency.

RULES AND REGULATIONS

MAIN EXTENSIONS

61. Main Extensions to Existing Residential Structures: Where an adequate water distribution main does not abut a Prospective Customer's Property such that a service connection cannot be made to serve such Property in accordance with these Rules and Regulations, the Prospective Customer (or an authorized agent for the Prospective Customer) must apply to the Company for a main extension.

Any required or requested main extension to serve a Prospective Customer at a preexisting structure will be paid for by the Depositor or Prospective Customer in accordance with the provisions of the subsections below:

a. When an extension to serve a Prospective Customer is required or requested, such extension will be made under the terms of an "Extension Agreement". The Company shall have the exclusive right to determine the type, the material, the size, the routing and the location of mains to be installed and the other facilities required to render adequate service. No main(s) smaller than 6" in diameter shall be installed, except at the Company's sole discretion.

b. The terminal point of the required or requested extension shall be a point in the curb line equidistant from the side building lines of the last building or dwelling to be served. As a further condition of extending the existing distribution mains, the Company shall be provided with, at no cost to the Company, any rights of way, temporary construction easements, or permanent construction easements necessary to complete the extension of the distribution mains, Company Service Line(s), appurtenances and other facilities, or to provide future access for repair, maintenance, replacement, or for other related reasons. Where the Prospective Customer's Property is landlocked, the Prospective Customer may be required to obtain, at no cost to the Company, an easement or right-of-way that shall not cross multiple properties. The Prospective Customer shall present the Company with a certified copy of a duly recorded instrument that is recorded in the County Office of the Recorder of Deeds.

c. The Company reserves the right to require the Depositor or Prospective Customer to pay for the extension of the main beyond the last building in a street in order to connect to an existing main which would provide more adequate and reliable service.

d. The Prospective Customer must have complied with all other conditions of service provided elsewhere in these Rules and Regulations in order to receive water service from the main extension.

Any required or requested main extension to serve a lot or lots that do not contain an existing Residential Structure shall be installed by the Builder in accordance with the provisions of Rule 65.

RULES AND REGULATIONS

MAIN EXTENSIONS

62. Main Extensions to Bona Fide Service Applicants:

62.1 Where an adequate water distribution main does not abut a Bona Fide Service Applicant's ("Applicant") Property such that a service connection cannot be made to serve such Property in accordance with these Rules and Regulations, the Applicant (or an authorized agent for the Applicant) must apply to the Company for a main extension. Such extension will be made under and pursuant to the terms of an Extension Agreement (which may include a reasonable allowance for overhead costs) subject to applicable provisions of these Rules and Regulations. The construction of facilities to serve such Applicant will not commence until an Extension Agreement has been executed and all applicable terms and conditions therein have been satisfied by the Applicant.

In conjunction with executing an Extension Agreement, an Applicant shall deposit with the Company an amount totaling $1,000, representing a Service Line Deposit. If the total cost to connect the Applicant exceeds the total of the Service Line Deposit and the Company's contribution to the extension, the Applicant will be required to pay the difference. However, if the Company's contribution to the extension fully funds the amount needed to connect the Applicant, the Service Line Deposit will be refunded to the Applicant within 90 days after the Applicant's requesting and receiving water service from the Company, provided, however, that if the Applicant does not request connection to the Company's main extension within six months of the completion of the main extension, the Service Line Deposit shall become non-refundable.

Where a proposed main extension is capable of serving multiple structures or facilities and at least 80% of the Prospective Customers who could receive service from the main extension become Bona Fide Service Applicants and satisfy all applicable terms and conditions of the foregoing provisions, the Customer Advance, if any, required of each Bona Fide Service Applicant shall be calculated as if 100% of such Prospective Customers had become Bona Fide Service Applicants.

For a period of ten (10) years following completion of the main extension, the Company shall refund to each Bona Fide Service Applicant his/her pro rata share of an amount equal to the Company Contribution for each additional Customer who attaches a service line to the main extension and requests service. No refunds shall be made, however, in those situations where at least 80%, but less than 100%, of the Prospective Customers who could receive service from the main extension become Bona Fide Service Applicants and their Customer Advances are calculated as if 100% of such Prospective Customers had participated in the initial funding of the project. In addition, the total amount refunded shall not exceed the amount of the Customer Advance paid by the Bona Fide Service Applicant.

62.2 The Company shall have the exclusive right to determine the type, the material, the size, the routing and the location of mains to be installed and the other facilities required to render adequate service. No main(s) smaller than 6" in diameter shall be installed except at the Company's sole discretion, and where called for by good engineering practices.

62.3 The terminal point of the required extension shall be a point in the curb line equidistant from the side property lines of the last lot to be served or the side building lines of the last building or dwelling to be served, whichever is greater. As a further condition of extending the existing distribution mains, the Company shall be provided with, at no cost to the Company, any rights of way, temporary construction easements, or permanent construction easements necessary to complete the extension of the distribution mains, Company Service Line(s), appurtenances and other facilities, or to provide future access for repair, maintenance, replacement, or for other related reasons.

RULES AND REGULATIONS

MAIN EXTENSIONS (cont'd)

62. Main Extensions to Bona Fide Service Applicants (cont'd):

62.4 The Bona Fide Service Applicant must have complied with all other conditions of service provided elsewhere in these Rules and Regulations in order to receive water service from the main extension.

62.5 Any required or requested main extension to serve an Applicant other than a Bona Fide Service Applicant shall be installed in accordance with the provisions of Tariff Rule 65.

62.6 Definitions:

Bona Fide Service Applicant: shall mean a person or entity applying for General Metered Service to an existing or proposed structure or facility within the Company's certificated service territory, and which is either: (1) the primary residence of the Applicant; (2) a place of business; or (3) a public school, building, library, park or playground which is owned by a governmental unit or school district having the power of taxation. A person or entity shall not be deemed a Bona Fide Service Applicant if: (1) applying for water service to a building lot, subdivision, or a secondary residence; (2) the request for water service is part of a plan for the development of a residential dwelling or subdivision; (3) the request is for service other than the main water supply for the primary residence, such as service for external landscaping or agricultural purposes only; or (4) requesting Special Utility Service. To become an Applicant, a person or entity must file a signed application to connect the qualifying structure or facility with the Company's distribution system and request water service to begin immediately following such connection.

Company Contribution: shall mean that portion of the main extension costs which generate annual line extension costs equal to annual revenue from the line extension and that the Company will fund based upon the following formula, where X equals the Company Contribution attributed to each Bona Fide Applicant:

$$X = \frac{AR - O\&M}{(P*I) + D}$$

Whereby:

AR = the expected average annual revenue from the Bona Fide Service Applicant based upon the Company's currently effective tariff rates as established in the Company's last base rate case and on the average annual usage of customers similar in nature and size to the Bona Fide Service Applicant.

O&M = the average annual operating and maintenance expenses associated with serving an additional Customer, including customer accounting, billing and collection, water purchased, power purchased, chemicals, and other variable costs based on the current total Company level of such costs, as well as any costs particular to the specific needs of the Bona Fide Service Applicant.

I = the Company's current debt ratio multiplied by its weighted cost of long-term debt as established in the Company's last base rate case; and

D = the Company's depreciation accrual rate for facilities to be installed, as established in the Company's last base rate case.

MAIN EXTENSIONS (cont'd)

62. Main Extensions to Bona Fide Service Applicants (cont'd):

Customer Advance: shall mean (1) the Estimated Cost of the water main extension less (2) the Company Contribution.

Line extensions to Bona Fide Service Applicants shall be funded without Customer Advance where the annual revenue from the line extension will equal or exceed the Company's line extension costs.

If the annual revenue from the line extension will not equal or exceed the Company's line extension costs, a Bona Fide Service Applicant may be required to provide a Customer Advance to the Company's cost of construction for the line extension.

Where a Customer Advance is required, and the Bona Fide Service Applicant is unable to advance the entire amount due, the Company, at its sole option, will either (1) allow the Bona Fide Service Applicant to pay the remaining portion of the Customer Advance ratably over a period of not less than three years beginning with the Applicant's first bill for water service, or (2) provide information to the Applicant on financial institutions that may offer financing to the Bona Fide Service Applicant for the line extension. If the Company chooses option (1), it may require that up to one-third of the total Customer Advance be deposited prior to extending its facilities and may recover from the Bona Fide Service Applicant, over the payment term selected, its costs of financing the construction by applying to the amount outstanding interest charges calculated at the then-prevailing residential mortgage lending rate specified by the Secretary of Banking in accordance with the act of January 30, 1974 (P.L. 13, No. 6), known as the Loan Interest and Protection Law.

Special Utility Service: shall mean residential or business service which exceeds that required for ordinary residential purposes. By way of illustration and not limitation, Special Utility Service shall include: the installation of facilities such as over-sized mains, booster pumps and storage tanks as necessary to provide adequate flows or to meet specific pressure criteria, or service to large water consuming commercial and industrial facilities. An otherwise Bona Fide Service Applicant requesting service which includes a "Special Utility Service" component is entitled to a Bona Fide Service Applicant status, including the corresponding Company Contribution toward the costs of the line extension which does not meet the Special Utility Service criteria.

63. Economic Development Main Extension Policy: The Company may negotiate and enter into customized Extension Deposit Agreements for the purpose of promoting economic development or enhancing the efficiency and operation of the waterworks system. These agreements may include special provisions that differ from the standard terms of the "Extension Agreement". Where substantial public need exists and the public health and safety may be compromised by the absence of a public water supply in a portion of the Company's authorized service territory, the Company, subject to the Commission's prior approval, may install main extensions and Special Utility Services without the payment of the Customer Contribution that would otherwise be required hereunder.

64. Main Extensions with Governmental Bodies: The Company may negotiate and enter into customized Extension Agreements with Governmental Agencies where the main extension is for a public purpose and is funded entirely with public funds. These agreements may include a waiver of the tax requirements of the "Extension Agreement;" provided, however, that where such waiver is given, the Company will not refund any portion of the cost of the main extension.

RULES AND REGULATIONS

MAIN EXTENSIONS (cont'd)

65. Main Extensions and Services by Builder: In the event any main extension is requested or required to provide service to newly constructed structure(s) to be constructed in the future on existing or subdivided lots, or to preexisting non-Residential Structures except as provided below, the Builder shall be required to install the water main and service lines through a pre-qualified contractor retained by the Builder and to pay all costs related thereto. The Company has the sole right to accept or reject the proposed contractor. At the sole discretion of the Company, the Company may undertake construction of facilities otherwise subject to this Rule, in which event, the "Extension Agreement", referred to in the provisions of Rule 61 and Rule 62 pertaining to construction of facilities to serve existing Residential Structures, shall be applicable except that the Builder will retain financial responsibility for the installation of service lines and appurtenances as specified herein.

Under the provisions of this Rule, prior to construction, the Builder must enter into a Builder's Main Extension Agreement, in a form acceptable to the Company, detailing the terms and conditions under which the Company will accept, and provide service through, facilities constructed by Builder. All construction costs, whether initially incurred by the Company or the Builder, related to the main extension shall be the responsibility of the Builder. The Builder's Main Extension Agreement shall contain, at a minimum, the following terms and conditions:

a. Main and service line installation work shall be performed in accordance with the specifications and conditions of the Company.

b. All costs of material and installation required to serve Builder's lots shall be the responsibility of Builder. Builder shall contract directly with a pre-qualified contractor, recognized and approved by the Company, for all main and service line installation work, and all appurtenances (including fire hydrants) required to serve the project.

c. Any specialty material required to interconnect with the Company's existing facilities shall be provided by the Company.

d. Any construction involving preexisting facilities of the Company, including but not limited to relocation of existing facilities and connections of mains or services with existing facilities, shall be performed only by the Company except where otherwise agreed upon by the Company in its sole discretion.

e. Builder's estimate of the cost of construction must be acceptable to the Company. Estimates which appear to be understated may be rejected by the Company in its sole discretion.

f. Builder shall obtain all necessary permits from federal, state and local authorities. If any of these authorities require the Company to obtain such permits, the Builder shall do all engineering, design, research and complete the application for the Company's submittal. Any fees associated with any such permits shall be the sole responsibility Builder.

g. All construction shall be subject to inspection by Company personnel. No trenches shall be backfilled prior to approval from Company representatives.

MAIN EXTENSIONS (cont'd)

66. Water System Connection Loan Program: Where the Company offers a Bona Fide Service Applicant the option to apply for a loan from the Company for a new single family-residential service connection under Rule 7 or for a main extension under Rule 61 for single-family residential service to cover Eligible Costs (as defined herein), such loan shall be subject to the terms and conditions set forth in this Rule.

To be eligible for a loan, an Applicant must (a) own a single-family residence which will take water service from the Company; (b) demonstrate intent to be the continuing Customer of the Company at the residence; and (c) enter into a financing agreement.

For purposes of this Rule, Eligible Costs include actual costs for (a) a water main extension in accordance with Rule 61; (b) the Customer Service Line; (c) a Meter Box/Vault; (d) shut-off valves and/or Special Devices required under these Rules; (e) alterations of or additions to plumbing within the Customer's residence which are necessary to permit the Customer to take service from the Company; or (f) any other facilities necessary to permit the Customer to take water service from the Company. The maximum principal balance of a loan made under this Rule will be $8,000.

Any such loan shall be subject to the following terms and conditions.

a. The existence of a loan made under this Rule does not alter the responsibility of the Customer for maintenance or replacement of the Customer Service Line or any other facilities as determined by the applicable provisions of the Company's Rule(s).

b. The initial principal balance of the loan shall be the amount of Eligible Costs which the Customer elects to borrow from the Company. The principal balance of the loan plus interest will be repaid to the Company through a fixed surcharge added to the Customer's regular monthly bill for water service. The surcharge will be reflected as a separate service type for the Customer's account.

c. The Customer will enter into a financing agreement with the Company which specifies, inter alia, the initial principal balance of the loan, the applicable interest rate determined in accordance with subsection (e) of this Rule, the term of the loan and the amount of the monthly surcharge. The Company in its sole discretion will determine whether a financing agreement should be established for a loan related to facilities owned and maintained by the Customer under the applicable provisions of the Company's Rules. The Customer will agree to repay the loan over a term selected by the Customer, which is no less than three years (36 months), nor greater than 8 years (96 months).

d. Through the surcharge, the Customer will make equal monthly installments over the loan term to pay the principal amount of the loan together with daily simple interest on the unpaid balance of the principal amount from time to time outstanding at the applicable rate of interest determined in accordance with subsection (e) of this Rule. The Customer's payment schedule will amortize the unpaid balance over the loan term. Daily simple interest means that interest is charged each day after applying any payment the Customer has made. All payments will be first applied to interest that is due and then to principal and other charges. Prepayment of the loan will be permitted without penalty.

e. The interest rate will be fixed for the term of a loan, at the weighted cost of long-term debt.

MAIN EXTENSIONS (cont'd)

66. Water System Connection Loan Program (cont'd):

f. Notwithstanding the provisions of subsection (e), the interest rate shall not exceed 8% per annum. In the event that the weighted cost of long term debt as calculated pursuant to subsection (e) would, except for the provisions of this subsection (f), exceed 8% per annum, the Company shall have the option to suspend the making of loans under this Rule.

g. A Customer account which includes a loan payment surcharge will not be transferred to any tenant or non-owner occupant of the residence for which a loan is made. During the loan term, the owner of the residence will remain the Customer in whose name the bill for water service will be issued. If the residence is sold, a new owner who demonstrates intent to be the continuing Customer of the Company at the residence may elect in writing on a form provided by the Company to assume responsibility for the loan payments, subject to the terms of the financing agreement. A copy of the election form will be returned to the Company prior to sale of the residence. If the new owner does not elect in writing on a form provided by the Company to assume responsibility for the loan payments or does not demonstrate intent to be the continuing Customer at the residence, the loan and accrued interest shall become immediately due and payable upon sale of the premises.

h. The loan surcharge reflected on Customer bills will be collected by the Company, subject to all provisions of Rules 11 through 18 and 54 regarding billing for water service, terms of payment, late-payment charges and discontinuance of water service for non-payment. A partial payment of a bill for water service shall be first applied to cover the Customer's obligation under the loan and then to charges for other water service.

For accounting purposes, the Company will establish subaccounts in which loan payments shall be recorded. In one subaccount, the Company will record amounts applied to principal and interest for the portion of the loan, if any, which relates to facilities owned and maintained by the Company under the applicable Rules. In another subaccount, the Company will record amounts applied to principal and interest for the portion of the loan, if any, which relates to facilities owned and maintained by the Customer under the applicable Rules. Loan payments shall be allocated between the two subaccounts based upon the relative initial cost of the facilities covered by that subaccount as compared to the total amount of the loan. For each subaccount, amounts received as loan payments will be first applied to interest that is due and then to principal and other charges.

If a loan becomes uncollectible, the unpaid principal balance of the portion of the loan, if any, which relates to facilities owned and maintained by the Company will be recorded as a debit to Contributions-In-Aid-Of-Construction, and as a credit to Accounts Receivable. The unpaid balance of interest with respect to such portion of the loan (as of the time of the debit) shall be recorded as an uncollectible account. The unpaid balance of principal and interest for the portion of a loan, if any, which relates to facilities owned and maintained by the Customer, shall be recorded as a non-utility expense.

The Company's capital structure used for rate-making purposes will not include short-term debt issued by the Company to finance loans under this Rule.

PRO-RATION OF BASE RATES ON CUSTOMER BILLS

67. Pro-ration of Base Rates on Customer Bills: During a period of changes to base rates, billing of base rates for Customers involves proration of the different base rates based on days of invoice. The fixed charge and the consumption for the entire period is divided by the number of service days to develop an average rate per day for purposes of bifurcating the consolidated charges at the old rate and at the new rate.

WAIVERS

68. Waivers: The Company may, at its sole discretion, waive any of the Rules contained herein that operate for the benefit of the Company; provided, that no such waiver will be valid unless in writing and signed by an authorized representative of the Company, and provided that no waiver will be allowed where the waiver would constitute a violation of the Public Utility Code, the regulations of the Commission or of any other applicable statute, law or regulation.

AMENDMENT OF COMMISSION REGULATIONS

69. Amendment of Commission Regulations: Whenever Commission regulations in Title 52 of the Pennsylvania Code are duly amended in such a way as would produce a difference between Commission regulations and this tariff, the tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 52 is discretionary, this tariff will remain unchanged.

PRIVILEGE TO INVESTIGATE/RIGHT TO ACCESS

70. Privilege to Investigate/Right to Access: The Company shall have the right by its employees to have access at all reasonable times to all parts of any Premises connected with the system, including Meters, service connections and other property owned by it on the Premises of the Customer for the purpose of examining and inspecting the connections and fixtures, including the water and/or wastewater metering arrangement, or for disconnecting service for any proper cause or for purposes of replacement, maintenance, operation or repair thereof.

RULES AND REGULATIONS

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ATTACHMENT A

WATER SERVICE TERMINATION

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the terms and conditions herein stated, the parties hereto, intending to be legally bound, agree as follows:

1. In order to initiate water service termination to a customer of the Water Company, by reason of that customer's delinquent sewer charges payable to the Authority, an authorized and responsible officer of the Authority shall cause to be delivered to the Water Company a written request for such termination, together with the following information:

    a. The name and address of the sewer service customer; if premises is tenant occupied, the name and address of the landlord and the name and address of the tenant;

    b. The address and lot number of the premises for which water service termination is sought;

    c. A statement that the sewer charges for such premises remain unpaid for a period of at least thirty days from the due date thereof;

    d. A statement setting forth: (i) that the Authority has fulfilled all applicable notice and procedural steps required of it by law, statute, regulations ordinances and other authorities, including, without limitation those mandated by the Water Services Act (53 P.S. §3102.501 et seq) and (ii) that the Authority has not received written or other information the effect of which would be to make water service termination unlawful.

2. Upon receipt of the information specified under Paragraph 1 hereof, the Water Company will promptly initiate water service termination procedures, in accordance with

the procedures outlined in this Agreement, unless it should decline to do so, in which event the Water Company shall notify the Authority of the reasons therefore.

3. The Water Company may decline to initiate water service termination in the following instances:

a. The involved premises is not receiving water service from the Water Company;

b. The Water Company's customer at the involved premises is a different person or entity than the Authority's sewer customer;

c. The water service to be terminated will adversely affect service to other Water Company customers, other premises served by the Water Company or the Water Company's delivery system;

d. The Water Company has received verbal or written notice prohibiting or requiring deferral of water service termination;

e. The nature of the facilities at the involved premises makes service termination impracticable;

f. The Water Company receives advice from its legal counsel that water service should not be terminated under the particular circumstances;

g. The termination of water service under the particular circumstances would be a violation of law or of applicable regulations;

h. Other reasons mutually agreed between the Authority and the Water Company.

In the event that the Water Company so declines to initiate water service termination procedures for any reason, the Water Company shall, upon request from the Authority, supply the Authority with a written statement of the reasons why the Water Company has declined to terminate water service at the particular premises. If the Authority should desire to contest the reasons offered by the Water Company, then such dispute shall be

resolved pursuant to the provisions of the Public Utility Code and/or the regulations of the Commission.

4. Under circumstances where the Authority initiates a request for water service termination procedures, it is understood and agreed that the Authority will comply with all applicable notice and procedural requirements relative to water service termination contained in the Water Services Act, the Utility Services Tenants Rights Act, the Pennsylvania Public Utility Code, the rules and regulations of the Commission, and the Water Company's rules and regulations contained in its tariff on file with the Commission

5. Exclusive of contact between the Water Company and its customer required to effect termination, it is understood that the Authority shall conduct all interaction and negotiations with the involved sewer customer, including without limitation, negotiations for payment of arrearages and all contact regarding pre-termination through post-termination procedures for dispute resolution. In addition, the Authority shall prepare and deliver to the Water Company a copy of the notice to the involved sewer customer, notifying such customer that inquiries as to the arrearage or any dispute relative thereto should be directed to a named representative or department of the Authority at a given telephone number and that no contact should be made to the Water Company. Furthermore, the Authority shall, at the request of the Water Company, cause an authorized representative to be present at the involved premises at the time of water service termination and at any time when the premises must be visited to effectuate required notices or perform service termination procedures. Such representative of the Authority will be the participant exclusively in any discussions with the involved customer. The final decision whether to terminate water service shall be made by the Authority representative in attendance, and the Water Company employee may rely exclusively upon that decision.

6. Concurrent with the delivery of the written request required under Paragraph 1 hereof, the Authority shall pay to the Water Company the fee as set forth in the Water Company's Tariff (see Termination of Service), as amended from time to time, per involved premises, which shall not be refundable unless the Water Company should decline to initiate water service termination. It is understood that the fee described above shall be automatically increased to coincide with the charges for shutting off water service contained in the Company's tariff as on file with and approved by the Commission. Except as otherwise provided herein, said sum shall constitute payment in full to the Water Company for its services hereunder, including conducting service termination and restoration visits to the involved premises and completing water service termination procedures. In addition, the Authority shall pay to the Water Company the fee as set forth in Rule 56 in Aqua's Water Tariff on file with the Commission, as amended from time to time, for each visit beyond the two visits per premises, which are required to effectuate water service termination at a particular premises. Furthermore, in the event that more than one hour is required to perform either the termination or restoration of water service to any involved premises, including travel time and time actually spent at the premises, the Authority shall pay the Water Company's actual costs of such visit, including labor, material, transportation and other fixed charges to the extent that such actual costs exceed the fee as set forth Rule 56 in Aqua's Water Tariff on file with the Commission, unless such additional costs are the result of error or lack of effort on the part of the Water Company or Water Company personnel.

7. As to each premises for which water service is terminated hereunder, the Authority shall pay to the Water Company the estimated loss of water revenues resulting therefrom which shall be calculated in the same manner that the Water Company uses in the ordinary course of business to calculate estimated monthly water bills. The estimated monthly consumption per premises shall be applied to the Water Company's tariff rates in effect

during the estimation period, including all minimum charges and surcharges. The total monthly estimated bill, so calculated, will be divided by 30 to determine the estimated daily rate. Estimated lost revenues shall be equal to the product of the estimated daily rate and the number of days water service was actually terminated at the involved premises. Estimated lost revenues shall be billed by the Water Company to the Authority, periodically, and at approximately the same time as the Water Company would have billed the involved customer if water service had not been terminated. The Authority shall pay each such bill within 30 days of receipt thereof. Upon request the Water Company will provide to the Authority the estimated daily rate of lost revenue for specific premises for which service termination is contemplated. The Authority's liability for the estimated loss of water revenues resulting from such shut off shall terminate when the Authority authorizes the Water Company to restore water service or when water service is actually restored, whichever is earlier.

8. The Authority agrees to hold the Water Company harmless from any liability that the Water Company may incur in performing or attempting to perform water service termination and the procedures therefore in accordance with the terms of this Agreement. The Authority further agrees that it will, at its sole expense, legally defend and prosecute any action arising out of such performance or attempted performance, brought against the Authority, the Water Company or their respective agents or employees as a result of which the Water Company may incur any such liability. The Water Company reserves the right to retain its own counsel and participate independently in such proceedings.

9. If a dispute shall arise between the Authority and the Water Company regarding the cost of the Water Company's services hereunder, the amount of revenues lost, or the interpretation of the provisions of this or any subsequent agreement between the Water Company and the Authority concerning payment for such services and lost revenues, such

dispute shall be submitted by either party to the Commission, pursuant to the Water Services Act (53 P.S. §3102.505(d)).

10. This Agreement shall continue until terminated by either party on not less than 30 days written notice to the other party.

11. The Water Company complies with the Commission's heat-related moratorium that runs from December 1 to April 1. The Authority may request that the Water Company discontinue water service for non-payment of sewer charges for non-heat related accounts between December 1 to April 1.

AQUA PENNSYLVANIA WASTEWATER, INC.
(hereinafter referred to as the “Company”)

RATES, RULES, AND REGULATIONS

GOVERNING THE COLLECTIONS OF

WASTEWATER

IN PORTIONS OF

ADAMS, BERKS, BUCKS, CARBON, CHESTER, CLARION, CLEARFIELD, DELAWARE, LACKAWANNA, LUZERNE, MONROE, MONTGOMERY, PIKE, SCHUYLKILL, VENANGO, AND WYOMING COUNTIES

IN THE COMMONWEALTH OF PENNSYLVANIA

ISSUED: May 23, 2024
By:
Marc Lucca, President
Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, Pennsylvania 19010

EFFECTIVE: July 22, 2024

NOTICE

THIS TARIFF PROPOSES INCREASES IN RATES AND CHANGES IN RULES AND REGULATIONS OF SERVICE.

LIST OF CHANGES MADE BY THIS TARIFF

This proposed TARIFF SEWER-PA P.U.C. NO. 4 as filed by Aqua Pennsylvania Wastewater, Inc. on May 23, 2024 supersedes TARIFF SEWER-PA P.U.C. NO. 3 and its related supplements.

This proposed tariff also resets both the Distribution System Improvement Charge (DSIC) to zero percent and the State Tax Adjustment Surcharge (STAS) to zero percent, simultaneously with the effective date of new base rates.

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DESCRIPTION OF TERRITORIES SERVED

	Township	County
RATE ZONE 1		
Bunker Hill Subdivision (Rate Zone 1A)	Clinton	Wyoming
Bridlewood Division	Thornbury (portion)	Chester
Cheltenham Township Division	Cheltenham	Montgomery
Cheltenham Township Division	Jenkintown Borough (portion)	Montgomery
Eagle Rock Division	Black Creek (portion)	Luzerne
Eagle Rock Division	Hazle (portion)	Luzerne
Eagle Rock Division	East Union (portion)	Schuylkill
Eagle Rock Division	North Union (portion)	Schuylkill
East Norriton Township Division	East Norriton	Montgomery
Limerick Division	Limerick (portion)	Montgomery
Lower Makefield Township Division	Lower Makefield	Bucks
Media Division*	Media	Delaware
North Heidelberg Sewer Division	Jefferson	Berks
North Heidelberg Sewer Division	North Heidelberg	Berks
Penn Township Division	Penn	Chester
Treasure Lake Division (Rate Zone 1A)*	Sandy	Clearfield
Village at Valley Forge Division (Rate Zone 1A)*	Upper Merion	Montgomery
RATE ZONE 2		
East Bradford Township Division	East Bradford (portion)	Chester
East Bradford Township Division	Birmingham (portion)	Chester
Emlenton Borough Division	Richland (portion)	Clarion
Emlenton Borough Division	Salem (portion)	Clarion
Emlenton Borough Division	Emlenton	Venango
Emlenton Borough Division	Richland (portion)	Venango
New Garden Township Division	New Garden	Chester
Pinecrest Division	Tobyhanna (portion)	Monroe
Rivercrest Division	Tunkhannock	Wyoming
Rivercrest Division	Washington	Wyoming
White Haven Division (Kidder)	Dennison (portion)	Carbon
White Haven Division (Kidder)	East Side (portion)	Carbon
White Haven Division (Kidder)	Dennison (portion)	Luzerne
White Haven Division (Kidder)	White Haven Borough	Luzerne

DESCRIPTION OF TERRITORIES SERVED

	Township	County
RATE ZONE 3		
Beech Mountain Lakes Division	Butler	Luzerne
Beech Mountain Lakes Division	Dennison	Luzerne
Deerfield Knoll Division	Willistown (portion)	Chester
Laurel Lakes Division (Wilbar)	Rice	Luzerne
Links at Gettysburg Division	Cumberland	Adams
Links at Gettysburg Division	Mount Joy	Adams
Stony Creek Division	Worcester (portion)	Montgomery
Thornhurst Division	Lehigh	Lackawanna
Willistown Woods Division (Chesterdale)	Westtown (portion)	Chester
Willistown Woods Division (Chesterdale)	Willistown (portion)	Chester
Woodloch Springs Division	Lackawaxen (portion)	Pike
Woodloch Springs Division (Woodloch Pines)	Lackawaxen (portion)	Pike
RATE ZONE 4		
Honeycroft Village Division	Londonderry (portion)	Chester
Lake Harmony Division	Kidder	Carbon
New Daleville Division	Londonderry (portion)	Chester
Peddlers View Division	Solebury (portion)	Bucks
Tobyhanna Township Division	Tobyhanna (portion)	Monroe
Twin Hills Division	West Pikeland (portion)	Chester
RATE ZONE 5		
Avon Grove School District	New London (portion)	Chester
Avon Grove School District	Penn (portion)	Chester
East Bradford Division (Brandywine)	East Bradford (portion)	Chester
Little Washington Division	East Brandywine (portion)	Chester
Plumsock Division*	Willistown (portion)	Chester
The Greens at Penn Oaks Division	Thornbury (portion)	Chester
Newlin Green Division	Newlin	Chester
Sage Hill Division	Thornbury (portion)	Chester
RATE ZONE 6		
CS Sewer Division (Masthope)	Lackawaxen	Pike
RATE ZONE 7		
East Whiteland Township Division	East Whiteland	Chester

*All Divisions and Subdivisions above are billed on a per EDU basis, with the exception of the Media Division, Plumsock Division, Treasure Lake Division, and Village of Valley Forge Division

DESCRIPTION OF TERRITORIES SERVED

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DESCRIPTION OF TERRITORIES SERVED

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SCHEDULE OF RATES

RATE ZONE 1 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 1 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 1	Rate Zone 1A
Fixed (per EDU)	$ 47.64	$ 47.64
Meter Size:		
5/8 inch	47.64	47.64
3/4 inch	71.46	47.64
1 inch	119.10	47.64
1-1/2 inch	238.20	95.28
2 inch	381.12	152.45
3 inch	714.60	285.84
4 inch	1,191.00	476.40
6 inch	2,382.00	768.39
8 inch	3,811.20	
10 inch	5,478.60	
Unmetered Charge (per EDU)	$ 92.85	$ 92.85

MONTHLY CONSUMPTION CHARGE

Consumption Charge for all divisions (per 1,000 gallons water used)	$ 11.6810	$ 11.6810

QUARTERLY SPECIAL CHARGES

Lower Makefield Township Division - Quarterly Customers

Customer Charge ($)		
Fixed (per EDU)	$ 142.92	
Consumption Charge (per 1,000 gallons water used)		$ 11.6810
Unmetered Charge (per EDU)	$ 278.55	

SCHEDULE OF RATES

RATE ZONE 1 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 1	Rate Zone 1A
Fixed (per EDU)	$ 47.64	$ 47.64
Meter Size:		
5/8 inch	47.64	47.64
3/4 inch	71.46	47.64
1 inch	119.10	47.64
1-1/2 inch	238.20	95.28
2 inch	381.12	152.45
3 inch	714.60	285.84
4 inch	1,191.00	476.40
6 inch	2,382.00	768.39
8 inch	3,811.20	
10 inch	5,478.60	
Unmetered Charge (per EDU)	$ 92.04	$ 92.04

Special Charges

Bridlewood Division - Unmetered:

Apartment Complex will be billed at 217 EDU's

Children's World Daycare will be billed at 7 EDU's

MONTHLY CONSUMPTION CHARGE

Consumption Charge for all divisions (per 1,000 gallons water used)	$ 11.4740	$ 11.4740

QUARTERLY SPECIAL CHARGES

Lower Makefield Township Division - Quarterly Customers

Customer Charge ($)		
Fixed (per EDU)	$ 142.92	
Consumption Charge (per 1,000 gallons water used)		$ 11.4740
Unmetered Charge (per EDU)	$ 276.12	

RATE ZONE 1 – (cont'd)

Sewer Charge Adjustment for the Limerick Division

The Company is authorized to allow deductions on sewer bills for water which is used but does not enter the Company's system from April through October. A request for deduction shall be subject to the following regulations:

A. To be an eligible Customer for this credit, the Customer shall have applied for or shall have been currently using the credit as of the execution date of November 16, 2016, of the Asset Purchase Agreement between the Company and Limerick Township.

B. No deduction shall be granted for customers who do not have a metered water supply

C. No deduction shall be granted for customers who are delinquent in their payment for service.

D. One hundred percent of any used water for which a deduction is requested must have been prevented from entering the system.

E. It is the responsibility of the customer to purchase, install, and maintain the Company approved deduct meter at the approved and inspected water outlet on their property. The meter shall measure water not entering the system and shall be eligible for deduction of that used water monthly.

F. Customers are responsible for the installation and removal of their meters at the approved service locations each year to prevent freezing and damage. Deduct meters shall be inspected by the Company at the time of installation at which time the customer agrees to allow the Company the right to enter upon their property for inspection. Every deduct meter shall be required to be inspected annually by the Company in order for the customer to be eligible for sewer adjustment charges. The administrative fee charged by the Company to the customer is $50.00.

G. All deduct meters shall be of a design approved by the Company, shall be registered with the Company prior to use, and shall be used only by the customer to whom it is registered and at the service location to which it is assigned in accordance with the Company's records.

H. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company. The Company shall then credit the customer's total gallons consumed by the gallons recorded from the customer's deduct meter.

I. The Company shall be authorized to inspect meters for accuracy and calibration at any time the meter readings are suspect and/or not considered representative of usage. The customer shall be responsible for obtaining calibration of the meter if the Company determines it is not accurate. Failure to make such change or provide such calibration data will result in disqualification from the program.

J. All approved meters will be subject to the Company's backflow requirements.

RATE ZONE 1 – (cont'd)

Sewer Charge Adjustment for the Cheltenham Township Division

The Company is authorized to allow deductions on sewer bills for water which is used but does not enter the Company's system. A request for deduction shall be subject to the following regulations:

A. Deductions apply within the Cheltenham Division and, in particular, to those customers identified on Exhibit G of the Application filed by Aqua Pennsylvania Wastewater, Inc., dated March 13, 2019. The Application of the Company was approved by the Pennsylvania Public Utility Commission in its Order entered on November 5, 2019, at PUC Docket Number A-2019-3008491.

B. No deduction shall be granted for customers who do not have a metered water supply

C. No deduction shall be granted for customers who are delinquent in their payment for service.

D. One hundred percent of any used water for which a deduction is requested must have been prevented from entering the system.

E. It is the responsibility of the customer to purchase, install, and maintain the deduct meter at the approved and inspected water outlet on their property. The meter shall measure water not entering the system and shall be eligible for deduction of that used water monthly.

F. Customers are responsible for the installation and removal of their meters at the approved service locations each year to prevent freezing and damage. Deduct meters shall be inspected by the Company at the time of installation at which time the customer agrees to allow the Company the right to enter upon their property for inspection. Every deduct meter shall be required to be inspected annually by the Company in order for the customer to be eligible for sewer adjustment charges. The inspection fee charged by the Company to the customer is $100.00.

G. All deduct meters shall be of a design approved by the Company, shall be registered with the Company prior to use, and shall be used only by the customer to whom it is registered and at the service location to which it is assigned in accordance with the Company's records.

H. Customers are responsible for making their meter accessible to the Company for reading on a monthly basis. The Company shall then credit the customer's total gallons consumed by the gallons recorded from the customer's deduct meter.

I. The Company shall be authorized to inspect meters for accuracy and calibration at any time the meter readings are suspect and/or not considered representative of usage. The customer shall be responsible for obtaining calibration of the meter if the Company determines it is not accurate.

Wastewater customers in Cheltenham Township are required to comply with the City of Philadelphia's wastewater control regulations adopted by Cheltenham Township and included in Exhibit H to the Application filed at Docket No. A-2019-3008491.

Sewer Charge Adjustment for the East Norriton Township Division

The Company is authorized to allow deductions on sewer bills for water which is used but does not enter the Company's system from April through October. A request for deduction shall be subject to the following regulations:

A. To be an eligible Customer for this credit, the Customer shall have applied for or shall have been currently using the credit as of the execution date of October 29, 2018, of the Asset Purchase Agreement between the Company and East Norriton Township.

B. No deduction shall be granted for customers who do not have a metered water supply

C. No deduction shall be granted for customers who are delinquent in their payment for service.

D. One hundred percent of any used water for which a deduction is requested must have been prevented from entering the system.

E. It is the responsibility of the customer to purchase, install, and maintain the Company approved deduct meter at the approved and inspected water outlet on their property. The meter shall measure water not entering the system and shall be eligible for deduction of that used water monthly.

F. Customers are responsible for the installation and removal of their meters at the approved service locations each year to prevent freezing and damage. Deduct meters shall be inspected by the Company at the time of installation at which time the customer agrees to allow the Company the right to enter upon their property for inspection. Every deduct meter shall be required to be inspected annually by the Company in order for the customer to be eligible for sewer adjustment charges. The administrative fee charged by the Company to the customer is $50.00.

G. All deduct meters shall be of a design approved by the Company, shall be registered with the Company prior to use, and shall be used only by the customer to whom it is registered and at the service location to which it is assigned in accordance with the Company's records.

H. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company. The Company shall then credit the customer's total gallons consumed by the gallons recorded from the customer's deduct meter.

I. The Company shall be authorized to inspect meters for accuracy and calibration at any time the meter readings are suspect and/or not considered representative of usage. The customer shall be responsible for obtaining calibration of the meter if the Company determines it is not accurate. Failure to make such change or provide such calibration data will result in disqualification from the program.

J. All approved meters will be subject to the Company's backflow requirements.

Sewer Charge Adjustment for the Lower Makefield Township Division

The Company is authorized to allow deductions on sewer bills for water which is used but does not enter the Company's system from April through October. A request for deduction shall be subject to the following regulations:

A. To be an eligible Customer for this credit, the Customer shall have applied for or shall have been currently using the credit as of the execution date of September 17, 2020, of the Asset Purchase Agreement between the Company and Lower Makefield Township.

B. No deduction shall be granted for customers who do not have a metered water supply

C. No deduction shall be granted for customers delinquent in their payment for service.

D. One hundred percent of any used water for which a deduction is requested must have been prevented from entering the system.

E. It is the responsibility of the customer to purchase, install, and maintain the Company approved deduct meter at the approved and inspected water outlet on their property. The meter shall measure water not entering the system and shall be eligible for deduction of that used water monthly.

F. Customers are responsible for the installation and removal of their meters at the approved service locations each year to prevent freezing and damage. Deduct meters shall be inspected by the Company at the time of installation at which time the customer agrees to allow the Company the right to enter upon their property for inspection. Every deduct meter shall be required to be inspected annually by the Company in order for the customer to be eligible for sewer adjustment charges. The administrative fee charged by the Company to the customer is $50.00.

G. All deduct meters shall be of a design approved by the Company, shall be registered with the Company prior to use, and shall be used only by the customer to whom it is registered and at the service location to which it is assigned in accordance with the Company's records.

H. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company. The Company shall then credit the customer's total gallons consumed by the gallons recorded from the customer's deduct meter.

I. The Company shall be authorized to inspect meters for accuracy and calibration at any time the meter readings are suspect and/or not considered representative of usage. The customer shall be responsible for obtaining calibration of the meter if the Company determines it is not accurate. Failure to make such change or provide such calibration data will result in disqualification from the program.

J. All approved meters will be subject to the Company's backflow requirements.

Wastewater customers in Lower Makefield Township are required to comply with the wastewater control regulations adopted by Lower Makefield Township and included in Exhibit H to the Application filed at Docket No. A-2021-3024267.

SCHEDULE OF RATES

RATE ZONE 2 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 2 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 2
Fixed (per EDU)	$ 55.93
Meter Size:	
5/8 inch	55.93
3/4 inch	83.90
1 inch	139.83
1-1/2 inch	279.65
2 inch	447.44
3 inch	838.95
4 inch	1,398.25
6 inch	2,796.50
8 inch	4,474.40
10 inch	6,431.95

Unmetered Charge (per EDU)	$ 101.80

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 12.5850

QUARTERLY SPECIAL CHARGES

New Garden Township Division - Quarterly Customers

Customer Charge ($)	
Fixed (per EDU)	$ 167.79
Consumption Charge (per 1,000 gallons water used)	$ 12.5850

Thompson Property Development	
Residential Flat (per EDU)	$ 415.49

SCHEDULE OF RATES

RATE ZONE 2 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 2
Fixed (per EDU)	$ 54.95
Meter Size:	
5/8 inch	54.95
3/4 inch	82.42
1 inch	137.37
1-1/2 inch	274.73
2 inch	439.57
3 inch	824.20
4 inch	1,373.67
6 inch	2,747.34
8 inch	4,395.75
10 inch	6,318.88

Unmetered Charge (per EDU)	$ 100.00

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 12.3630

Special Charges

East Bradford Township Division

Customer Charge ($)

Fixed (per EDU) $ 55.93

QUARTERLY SPECIAL CHARGES

New Garden Township Division - Quarterly Customers

Customer Charge ($)

Fixed (per EDU) $ 167.79

Consumption Charge (per 1,000 gallons water used)	$ 12.3630

SCHEDULE OF RATES

RATE ZONE 3 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 3 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 3
Fixed (per EDU)	$ 66.37
Meter Size:	
5/8 inch	66.37
3/4 inch	99.56
1 inch	165.93
1-1/2 inch	331.85
2 inch	530.96
3 inch	995.55
4 inch	1,659.25
6 inch	3,318.50
8 inch	5,309.60
10 inch	7,632.55

Unmetered Charge (per EDU)	$	115.03

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.2640

QUARTERLY SPECIAL CHARGES

Stony Creek - Whitehall Estates		
Customer Charge ($)		
Fixed (per EDU)	$ 199.11	
Consumption Charge (per 1,000 gallons water used)	$	12.2640

SCHEDULE OF RATES

RATE ZONE 3 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 3
Fixed (per EDU)	$ 65.20
Meter Size:	
5/8 inch	65.20
3/4 inch	97.80
1 inch	163.00
1-1/2 inch	326.00
2 inch	521.60
3 inch	978.00
4 inch	1,630.00
6 inch	3,260.00
8 inch	5,216.00
10 inch	7,498.00

Unmetered Charge (per EDU)	$	113.00

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.0480

QUARTERLY SPECIAL CHARGES

Stony Creek – Whitehall Estates		
Customer Charge ($)		
Fixed (per EDU)	$	195.60
Consumption Charge (per 1,000 gallons water used)	$	12.0480

SCHEDULE OF RATES

RATE ZONE 4 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 4 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 4
Fixed (per EDU)	$ 86.12
Meter Size:	
5/8 inch	86.12
3/4 inch	129.18
1 inch	215.30
1-1/2 inch	430.60
2 inch	688.96
3 inch	1,291.80
4 inch	2,153.00
6 inch	4,306.00
8 inch	6,889.60
10 inch	9,903.80

Unmetered Charge (per EDU)	$	135.20

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.6810

SCHEDULE OF RATES

RATE ZONE 4 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 4
Fixed (per EDU)	$ 84.60
Meter Size:	
5/8 inch	84.60
3/4 inch	126.90
1 inch	211.50
1-1/2 inch	423.00
2 inch	676.80
3 inch	1,269.00
4 inch	2,115.00
6 inch	4,230.00
8 inch	6,768.00
10 inch	9,729.00

Unmetered Charge (per EDU)	$	134.33

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.4573

SCHEDULE OF RATES

RATE ZONE 5 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 5 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 5
Fixed (per EDU)	$ 98.95
Meter Size:	
5/8 inch	98.95
3/4 inch	148.43
1 inch	247.38
1-1/2 inch	494.75
2 inch	791.60
3 inch	1,484.25
4 inch	2,473.75
6 inch	4,947.50
8 inch	7,916.00
10 inch	11,379.25

Unmetered Charge (per EDU)	$	148.63

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.8370

SCHEDULE OF RATES

RATE ZONE 5 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 5
Fixed (per EDU)	$ 97.20
Meter Size:	
5/8 inch	97.20
3/4 inch	145.80
1 inch	243.00
1-1/2 inch	486.00
2 inch	777.60
3 inch	1,458.00
4 inch	2,430.00
6 inch	4,860.00
8 inch	7,776.00
10 inch	11,178.00

Unmetered Charge (per EDU)	$	147.75

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.6100

Special Charges

Avon Grove School District - Flat Rate	$	10,933.55
East Brandywine Township Water & Sewer Authority - Wastewater Treatment Plant Consumption Rate (per 1,000 gallons)	$	13.5000

SCHEDULE OF RATES

RATE ZONE 6 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 6 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 6	
Fixed (per EDU)	$ 58.86	
Unmetered Charge (per EDU)		$ 69.41

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 2.7270

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 6	
Fixed (per EDU)	$ 57.82	
Unmetered Charge (per EDU)		$ 69.41

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 2.6790

SCHEDULE OF RATES

RATE ZONE 7 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 7 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 7	
Fixed (per EDU)	$ 37.92	
Unmetered Charge (per EDU)		$ 73.90

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 9.2970

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 7	
Fixed (per EDU)	$ 37.92	
Unmetered Charge (per EDU)		$ 73.90

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 9.1320

Special Charges – High Volume Users

Customer Charge ($)		
Fixed (per EDU)	$ 37.92	
Consumption Charge (per 1,000 gallons water used)		$ 12.9580

RATE ZONE 7 – (cont'd)

Commercial and Industrial Users: a "High Volume User" is any commercial and industrial user, whose total quarterly sewage discharge or water consumption is greater than 100,000 gallons.

Wastewater customers in East Whiteland Township are required to comply with the wastewater control regulations adopted by East Whiteland Township and included in Exhibit H to the Application filed at Docket No. A-2021-3026132.

Special Charges:

Customers may apply for a credit to domestic water utilized outside of the property which does not enter the Company's sanitary sewer system; provided, that to be an eligible Customer for this credit, the Customer shall have applied for or shall have been currently using the credit as of the execution date of January 8, 2021 of the Asset Purchase Agreement between the Company and East Whiteland Township. Eligible Customers must have a properly calibrated outside meter upon their premises for the purpose of recording outside usage, and such meter shall be approved by the Company. All such costs of maintenance, repair, furnishing and installation of an approved meter shall be borne by the eligible Customer. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the net charges provided for in this Tariff, a surcharge of 0.00% shall apply to all bills issued on or after the Effective Date at the bottom of this page.

I. General Description

Purpose: To recover the reasonable and prudent costs incurred to repair, improve or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems. The costs of extending facilities to serve new customers are not recoverable through the DSIC. Utility projects receiving PENNVEST funding or using PENNVEST surcharges are not DSIC-eligible property.

Eligible Property: The DSIC-eligible property will consist of the following:

- Collection sewers, collecting mains and service laterals, including sewer taps, curb stops and lateral cleanouts installed as in-kind replacements for customers. Accounts. (360 & 361)

- Collection mains and valves for gravity and pressure systems and related facilities such as manholes, grinder pumps, air and vacuum release chambers, cleanouts, main line flow meters, valve vaults, and lift stations installed as replacements or upgrades for existing facilities that have worn out, are in deteriorated condition or are required to be upgraded by law, regulation or order. Accounts (360;361;362;363;364; & 365)

- Collection main extensions installed to implement solutions to wastewater problems that present a significant health and safety concern for customers currently receiving service from the wastewater utility. Accounts (360 & 361)

- Collection Main rehabilitation including inflow and infiltration projects. (Account 361)

- Unreimbursed cost related to highway relocation projects where a wastewater utility must relocate its facilities. Account (360;361;362;363;364; & 365)

- Other related capitalized costs. Account (389.2)

Effective Date: The DSIC will become effective for bills rendered on and after October 1, 2013.

II. Computation of the DSIC

Calculation: The initial charge, effective October 1, 2013, will be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Company's rates or rate base and will have been placed in service between June 1, 2013 and August 31, 2013. Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three month periods ending one month prior to the effective date of each DSIC update. Thus, changes in the DSIC rate will occur as follows:

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Effective Date of Change	Date to Which DSIC Eligible Plant Additions Reflected
April 1	December 1 to February 28/29
July 1	March 1 to May 31
October 1	June 1 to August 31
January 1	September 1 to November 30

The fixed costs of eligible distribution system improvement projects will consist of depreciation and pre-tax return, calculated as follows:

Depreciation: The depreciation expense will be calculated by applying to the original cost of DSIC-eligible property the annual accrual rates employed in the Company's last base rate case for the plant accounts in which each retirement unit of DSIC-eligible property is recorded.

Pre-tax Return: The pre-tax return will be calculated using the statutory state and federal income tax rates, the Company's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day of the three month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Company's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission staff in the latest Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

DSIC Surcharge Amount: The charge will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for service under the Company's otherwise applicable rates and charges, excluding amounts billed for the State Tax Adjustment Surcharge (STAS). To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by the Company's projected revenue for wastewater service (including all applicable clauses and riders) for the quarterly period during which the charge will be collected.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Formula: The formula for calculation of the DSIC surcharge is as follows:

$$DSIC = \frac{(DSI * PTRR + STFT + Dep + e) \times 1/(1-T)}{PQR}$$

Where:

DSI = Original cost of eligible distribution system improvement projects net of accrued depreciation and associated accumulated deferred income taxes pertaining to property-related book/tax depreciation timing differences resulting from the use of accelerated depreciation per Internal Revenue Code, 26 U.S. Code § 168.

PTRR = Pre-tax return rate applicable to DSIC-eligible property.

STFT = (State Tax Flow Through) Pre-tax flow through calculated on book-tax timing differences between accelerated tax depreciation and book depreciation net of federal tax.

Dep = Depreciation expense related to DSIC-eligible property.

e = Amount calculated (+/-) under the annual reconciliation feature or Commission audit, as described below.

T = If applicable, Pennsylvania Gross Receipts Tax rate in effect during the billing month, expressed in decimal form.

PQR = Projected quarterly revenue will be based on the applicable three-month period, (including all applicable clauses and riders) including revenue from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

Quarterly Updates: Supporting data for each quarterly update will be filed with the Commission and served upon the Bureau of Investigation & Enforcement, the Office of Consumer Advocate, Bureau of Audits and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

III. Customer Safeguards

All Customer Classes: The DSIC shall be applied equally to all customer classes, with the exception of Woodloch Pines and any future customers with negotiated contracts for which a reduction or exemption is shown to be reasonably necessary.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Cap: The DSIC is capped at 5.00% of the amount billed to customers (including all applicable clauses and riders) as determined on an annualized basis.

Audits/Reconciliation: The DSIC will be subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, et seq., shall be credited to customer accounts. It will also be subject to an annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year or the utility may elect to subject the DSIC to quarterly reconciliation but only upon request and approval by the Commission. The revenue received under the DSIC for the reconciliation period will be compared to the Company's eligible costs for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year, or in the next quarter if permitted by the Commission. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on the over-collections and credits will be calculated at the residential mortgage-lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P. S. sec.101, et seq.) and will be refunded in the same manner as an over-collection. The utility is not permitted to accrue interest on under collections.

New Base Rates: The charge will be reset at zero as of the effective date of new base rates that provide for prospective recovery of the annual costs that had theretofore been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in the Company's rates or rate base would be reflected in the quarterly updates of the DSIC.

Earning Reports: The charge will also be reset at zero if, in any quarter, data filed with the Commission in the Company's then most recent Annual or Quarterly Earnings Report show that the Company will earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the Pre-tax return section. The utility shall file a tariff supplement implementing the reset to zero due to overearnings on one-days' notice and such supplement shall be filed simultaneously with the filing of the most recent Annual or Quarterly Earnings reports indicating that the utility has earned a rate of return that would exceed the allowable rate of return used to calculate its fixed costs.

Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

Residual E-Factor Recovery Upon Reset to Zero: The utility shall file with the Commission interim rate revisions to resolve the residual over/under collection or E-factor amount after the DSIC rate has been reset to zero. The utility can collect or credit the residual over/under collection balance when the DSIC rate is reset to zero. The utility shall refund any over-collection to customers and is entitled to recover any under collections as set forth in Section III Safeguards – Audits/Reconciliations. Once the utility determines the specific amount of the residual over or under collection amount after the DSIC rate is reset to zero, the utility shall file a tariff supplement with supporting data to address that residual amount. The tariff supplement shall be served upon the Commission's Bureau of Investigation and Enforcement, the Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the supplement.

SCHEDULE OF RATES

STATE TAX ADJUSTMENT SURCHARGE (STAS)

In addition to the net charges provided for in this Tariff, a surcharge of 0.00% will apply to all bills issued on or after the Effective Date at the bottom of this page for Rate Zones 1, 2, 3, 4, 5, 6, and 7.

The above surcharge will be recalculated using the element prescribed by the Commission in its policy at 52 PA Code section 69.51 et seq.:

- On or before March 31 of each year; and/or

- Whenever the Company experiences a material change in any of the taxes used in calculation of the surcharge due to a change in the applicable tax rates, or in the basis of calculating such tax rates, or due to changes in the state tax liability arising under the law.

The recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recalculation or as prescribed in the Commission's regulations or orders. If the recalculated surcharge is less than the one in effect, the Company will, or if the recalculated surcharge is more than the one in effect, the Company may, submit with such recalculation a tariff or supplement to reflect such recalculated surcharge. The effective date of such tariff or supplement shall be 10 days after filing or as prescribed in the Commission's regulations or orders. In the event that the Company files an increased surcharge subsequent to 10 days after the occurrence of an event which occasions a recalculation, the effective date of such tariff or supplement shall be 60 days after filing in accordance with Section 1308(a) of the Public Utility Code, 66 Pa.C.S. § 1308(a) (regarding voluntary changes in rates), unless otherwise directed by the Commission.

The surcharge shall be rolled into base rates when increased or decreased base rates are made effective.

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SCHEDULE OF RATES

CUSTOMER ASSISTANCE PROGRAM RIDER

Customer Assistance Program ("CAP"):

I. Availability

The CAP is a program designed to enroll residential Customers who satisfy the criteria set forth below ("CAP Program").

Processing and verification by authorized agencies upon referral by the Company's offices, other agencies, or the Commissions Bureau of Consumer Services.

Residential Customer of the Company.

Annual income no greater than 200 percent of the federal poverty limit ("FPL"). For payment purposes Customers will be defined as follows:

a. Tier 1 – Customers whose annual income has been verified as being at or below 100 percent of FPL.

b. Tier 2 – Customers whose annual income has been verified as being at or above 100 percent FPL or less than 150 percent of FPL.

c. Tier 3 – Customers whose annual income has been verified as being at or above 150 percent FPL or less than 200 percent of FPL.

II. Rate Table

Eligible Customers will receive the discounted rate as set forth below:

Tier	Customer Charge	Consumption Charge
1	75% discount on Customer Charge	100% discount on first 2,000 gallons per month (or 6,000 per quarter)
2	65% discount on Customer Charge	50% discount on first 2,000 gallons per month (or 6,000 per quarter)
3	50% discount on Customer Charge	0% discount on first 2,000 gallons per month (or 6,000 per quarter)

Customers billed a flat bill

Rate Zone	Tier 1 Discount	Tier 2 Discount	Tier 3 Discount
1	63.65%	45.93%	25.66%
2	64.15%	46.77%	26.73%
3	65.28%	48.67%	29.15%
4	66.53%	50.78%	31.85%
5	67.21%	51.91%	33.29%
6	71.45%	59.05%	42.40%
7	63.65%	45.93%	25.66%

SCHEDULE OF RATES

CUSTOMER ASSISTANCE PROGRAM RIDER (cont'd)

III. Surcharges

All surcharges applicable under the Company's Rules and Regulations shall still apply to Customers under the CAP Program.

IV. Late Payment Charges

No late payment charges shall be applied to arrearages existing at the time the Customer begins receiving service under the CAP Program. Late payment charges will not be applied during participation in the CAP Program.

V. Rules and Regulations

If, at any time after acceptance into CAP, a Customer's family size or income changes, the Customer must notify the Company of the change within 30 days of the change. Failure to do so may result in the Company ending the Customer's opportunity to receive service under the CAP Program.

If a balance is owed at the time of enrollment such balance will be frozen as preprogram arrears and is eligible for a monthly credit of $25.00 for each on-time monthly payment.

If a Customer no longer satisfies the criteria set forth under Availability, the Customer will no longer be eligible to receive service under the CAP Program and any pre-program arrearages will become due.

At the time of application to the CAP Program, the Customer will be advised of the importance of timely payments. The CAP Program screening administrator will review relevant assistance programs and offer help in applying for such programs.

Failure to make payments will result in the Company returning the participant to the regular collection cycle and may lead to termination of service. To avoid termination, the participant must pay the amount set forth in the termination notice prior to the scheduled termination date.

SCHEDULE OF RATES

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SCHEDULE OF RATES

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RULES AND REGULATIONS

SECTION A – INTRODUCTION

These Rules and Regulations, files as part of the Company's Tariff, shall govern the manner in which wastewater service is provided to all Applicants and Customers. The Company may supplement these Rules and Regulations, and may revise and amend these Rules and Regulations from time to time subject to the approval of the Pennsylvania Public Utility Commission ("Commission"). The Company will follow Commission regulations not specifically addressed in these Rules and Regulations.

There are four classes of general metered service, based on the nature of the Customer and the use of the property receiving service, as follows:

Residential Class: An individually-metered or flat rate billed dwelling unit intended for human habitation (including a detached house, rowhome, townhouse, condominium and mobile home) or an individually-metered or flat rate billed home or building consisting of not more than two dwelling units.

Commercial Class: A building, store, restaurant, or office which is primarily a site for the buying or selling of goods or the provision of professional or consumer services. In addition, apartments, condominium complexes, colleges, private and public schools, car washes, laundromats, construction sites, hotels, and motels are included in this class.

Industrial Class: A building or factory which is primarily a site for the manufacture or production of goods.

Public: A public building, library, park, or playground which is owned by a governmental unit having the power of taxation.

RULES AND REGULATIONS

SECTION B - DEFINITIONS

Wherever used in the Rules and Regulations or elsewhere in the Company's Tariff, the following terms shall have the meanings hereinafter set forth:

Applicant: A person, at least 18 years of age, who is not currently receiving service but has applied to the Company for service and whose name appears on the mortgage, deed, or lease of the property for which service is requested.

Authorized or Duly Authorized Representative of the User:

(1) If the User is a corporation:

(a) The president, secretary, treasurer, or a vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation; or

(b) The manager of one or more manufacturing, production, or operating facilities, provided the manager is authorized to make management decisions that govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can ensure that the necessary systems are established or actions taken to gather complete and accurate information for individual wastewater discharge permit requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.

(2) If the User is a partnership or sole proprietorship: a general partner or proprietor, respectively.

(3) If the User is a Federal, State, or local governmental facility: a director or highest official appointed or designated to oversee the operation and performance of the activities of the government facility, or their designee.

(4) The individuals described in paragraphs 1 through 3, above, may designate a Duly Authorized Representative if the authorization is in writing, the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for entity, and the written authorization is submitted to the Company.

Best Management Practices or BMPs: means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in Section 2.1 of Section H of this tariff. BMPs include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage.

RULES AND REGULATIONS

SECTION B – DEFINITIONS (cont'd)

Biochemical Oxygen Demand or BOD5: The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures for five (5) days at 20 degrees centigrade, usually expressed as a concentration (e.g., mg/l).

Builder: Any person(s) requesting an extension to provide service to an existing lot or group of lots, either existing or to be subdivided, where service is to be provided to something other than a preexisting Residential Structure; namely, a newly constructed structure, structures to be constructed in the future, or to a preexisting non-residential structure.

Categorical Industrial User: An Industrial User who, if it were discharging to a POTW, would be subject to a categorical pretreatment standard or categorical standard.

Categorical Pretreatment Standard or Categorical Standard: Any regulation containing pollutant discharge limits promulgated by EPA in accordance with sections 307(b) and (c) of the FWPCA (33 U.S.C. § 1317) that apply to a specific category of Users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

Chemical Oxygen Demand or COD: A measure of the oxygen required to oxidize all compounds, both organic and inorganic, in water.

Commission: The Pennsylvania Public Utility Commission.

Company: Aqua Pennsylvania Wastewater, Inc. and its duly authorized officers, agents, and employees; each acting within the scope of his/her authority and employment.

Company Service Lateral: The pipe or line extending laterally out from the Company collection Main that connects to the building service line at the hypothetical or actual curb line, edge of the right-of-way, or the actual property line, or easement line in the case where the Company collection Main is located within an easement.

Company's System: The aggregate of the Company's wastewater disposal plant, pumping equipment, trunk lines or Mains, and connection facilities to the curb-line at each premise.

Construction Costs: All direct and indirect costs attributable to the material and installation of the subject Main extension, services and appurtenances, and/or removal of existing Company facilities (including the net book value of property replaced or retired) whether incurred by the Builder or the Company.

Contributory Industrial User: Any Industrial User that the Company has determined discharges specific pollutants to the treatment works at concentrations greater than are found in typical domestic/commercial wastewaters.

Customer: A person at least 18 years of age, or entity who is an owner, occupant or who contracts with the Company for or who takes or receives wastewater collection, treatment and/or disposal service.

Customer Service Lateral: The connecting facilities owned by the Customer from the Company wastewater supply lines or Mains at the curb-line, Right-of-way line, or easement line into and within the Customer's premises.

SECTION B – DEFINITIONS (cont'd)

Daily Maximum: The arithmetic average of all effluent samples for a pollutant collected during a calendar day.

Daily Maximum Limit: The maximum allowable discharge limit of a pollutant during a calendar day. Where Daily Maximum Limits are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where Daily Maximum Limits are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.

Domestic Wastes: A combination of water-carried wastes, consisting of wash water, culinary wastes, and liquid wastes containing only human excreta and similar matter flowing in or from a building drainage system of sewer originating from residences, business buildings, institutions, and commercial establishments.

Environmental Protection Agency or EPA: The U.S. Environmental Protection Agency.

Equivalent Dwelling Unit or "EDU"**:** Except for existing Customers acquired by the Company through a purchase or acquisition and for billing purposes only, the EDU is a measure assigned by the Company based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP regulation at 25 Pa. Code § 73.17(b) divided by the Company's typical estimated average daily wastewater flow from a current single-family unit. Residential Customers are designated as one (1) EDU; however, in the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property.

For existing customers without a predetermined EDU allocation, the EDU is a measure based upon the estimated average daily wastewater flow for the type of business based on water usage, divided by the typical estimated average daily wastewater flow from a current single-family unit. For other existing customers acquired by the Company through a purchase or acquisition, the number of equivalent dwelling units is available at https://www.aquawater.com/about/states-we-serve/pennsylvania/index.php.

Any Customer who modifies their properties in a manner that impacts the EDU calculation, including in areas previously acquired by the Company, will be subject to the EDU definition described above. The Company will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence, satisfactory to the Company in its sole discretion. The Customer shall bear the burden of proof for all such requests.

Existing Source: Any source of discharge that is not a "New Source."

Federal Water Pollution Control Act (FWPCA), also known as the Clean Water Act, as amended, 33 U.S.C. § 1251 et seq.

SECTION B – DEFINITIONS (cont'd)

Grab Sample: A sample that is taken from a wastestream without regard to the flow in the wastestream and over a period of time not to exceed fifteen (15) minutes.

Grinder Pump: Any mechanical or powered device used to grind, macerate or fluidize waste so that it can be discharged into the Company's System. This device is a component of the Customer Service Lateral and the sole responsibility of the Customer to own, maintain, and operate along with the balance of their Customer Service Lateral. The Customer shall be responsible for all power to operate the device in accordance with the manufacturer's specifications and guidelines. If required by the PaDEP, the Customer shall enter into an operations and maintenance agreement with the respective municipality.

Indirect Discharge or Discharge: The introduction of pollutants into the Company's System from any nondomestic source.

Industrial Waste Discharge Permit or Contract: A wastewater permit or contract issued as required by the Company to an Industrial User.

Industrial Waste Pretreatment Program: A program established by the Company that requires discharges to monitor, test, treat and control as necessary, pollutants in a Customer's wastewater prior to discharge into the sanitary and/or combined sewer.

Instantaneous Limit: The maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.

Interference: A discharge that, alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the Company's System, its treatment processes or operations or its sludge processes, use or disposal; and therefore, is a cause of a violation of the Company's NPDES permit or of the prevention of sewage sludge use or disposal in compliance with any of the following statutory/regulatory provisions or permits issued thereunder, or any more stringent State or local regulations: section 405 of the FWPCA; the Solid Waste Disposal Act, including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any State regulations contained in any State sludge management plan prepared pursuant to Subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research, and Sanctuaries Act.

Line or Main Extension: An addition to the Company's System Mains which is necessary to serve the Premises of an Applicant or Customer.

Local Limit: Specific discharge limits developed and enforced by the Company upon industrial or commercial facilities to implement the general and specific discharge prohibitions identified in Section H of this tariff.

SECTION B – DEFINITIONS (cont'd)

Main: The Company's pipe used in transporting Wastewater, excluding Service Connections, which is located in a public highway, street, alley, or private right-of-way.

Maximum Allowable Industrial Loading: The maximum mass of pollutants that is allowed to be discharged to the treatment works from all contributory Industrial Users.

Medical Waste: Isolation wastes, infectious agents, human blood and blood products, pathological wastes, sharps, body parts, contaminated bedding, surgical wastes, potentially contaminated laboratory wastes, and dialysis wastes.

Monthly Average: The sum of all "daily discharges" measured during a calendar month divided by the number of "daily discharges" measured during that month.

Monthly Average Limit: The highest allowable average of "daily discharges" over a calendar month, calculated as the sum of all "daily discharges" measured during a calendar month divided by the number of "daily discharges" measured during that month.

SECTION B – DEFINITIONS (cont'd)

New Source:

(1) Any building, structure, facility, or installation from which there is (or may be) a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under section 307(c) of the FWPCA that will be applicable to such source if such standards are thereafter promulgated in accordance with that section, and if such source were to discharge to a POTW, provided that:

(a) The building, structure, facility, or installation is constructed at a site at which no other source is located; or

(b) The building, structure, facility, or installation totally replaces the process or production equipment that causes the discharge of pollutants at an Existing Source; or

(c) The production or wastewater generating processes of the building, structure, facility, or installation are substantially independent of an Existing Source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the Existing Source, should be considered.

(2) Construction on a site at which an Existing Source is located results in a modification rather than a New Source if the construction does not create a new building, structure, facility, or installation meeting the criteria of Section (1)(b) or (c) above but otherwise alters, replaces, or adds to existing process or production equipment.

(3) Construction of a New Source as defined under this paragraph has commenced if the owner or operator has:

(a) Begun, or caused to begin, as part of a continuous onsite construction program

(i) any placement, assembly, or installation of facilities or equipment; or

(ii) significant site preparation work including clearing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or

(b) Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this paragraph.

SECTION B – DEFINITIONS (cont'd)

Noncontact Cooling Water: Water used for cooling that does not come into direct contact with any raw material, intermediate product, waste product, or finished product.

Nondomestic Waste or Industrial Waste: Any wastewater resulting from any process of industry, manufacturing, trade, or business or from the development or recovery of any natural resource, or any mixture of such waste with water or domestic wastewater, as distinct from domestic wastewater.

PaDEP: The Pennsylvania Department of Environmental Protection.

Pass Through: A discharge which exits the Company's System into waters of the United States in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the Company's NPDES permit, including an increase in the magnitude or duration of a violation.

Person: Any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity, or any other legal entity; or their legal representatives, agents, or assigns. This definition includes all Federal, State, and local governmental entities.

pH: A measure of the acidity or alkalinity of a solution, expressed in standard units.

Pollutant: Dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, Medical Wastes, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural and industrial wastes, and certain characteristics of wastewater (e.g., pH, temperature, TSS, turbidity, color, BOD5, COD, toxicity, or odor).

Premise: A single lot or piece of ground consisting of a single Residential Structure, together with all buildings and structures erected thereon.

Pretreatment: Pretreatment. The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to, or in lieu of, introducing such pollutants into the Company's System. This reduction or alteration can be obtained by physical, chemical, or biological processes; by process changes; or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable pretreatment standard.

Pretreatment Requirements: Any substantive or procedural requirement related to pretreatment imposed on a User, other than a pretreatment standard.

Pretreatment Standards or Standards: Pretreatment Standards shall mean prohibited discharge standards, categorical pretreatment standards, and local limits.

Prohibited Discharge Standards or Prohibited Discharges: Absolute prohibitions against the discharge of certain substances; these prohibitions appear in Section 2.1 of Section H of this tariff.

RULES AND REGULATIONS

SECTION B – DEFINITIONS (cont'd)

Property: In general terms, a separate parcel of land owned in fee simple absolute, including any home(s), condominium(s), Home Owner's Association or building(s) affixed thereto, which is delineated by the description contained on the recorded deed, and which may be further delineated by any public roads.

Prospective Customer: Any owner, tenant, or lessee of a Property that is expected to be receiving wastewater service for at least one year following the commencement of wastewater service.

Publicly Owned Treatment Works or POTW: A treatment works defined by EPA in 40 CFR § 403.3(q).

Residential Structure: A home or building which contains metered or flat rate dwelling units intended for human habitation.

Sanitary Sewer: A sewer which primarily carries sanitary wastewater, together with such storm, surface and ground water as may be present.

Service Connection: The point at which the Company Service Lateral connects with the Customer Service Lateral.

Septic Tank Waste: Any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks.

Shall: is mandatory; May is permissive.

SECTION B – DEFINITIONS (cont'd)

Significant Industrial User ("SIU"): A Significant Industrial User is:

(1) An Industrial User subject to categorial pretreatment standards, if it were discharging to a POTW; or

(2) An Industrial User that:

(a) Discharges an average of twenty-five thousand (25,000) gallons per day or more of process wastewater to the Company's System (excluding sanitary, noncontact cooling and boiler blowdown wastewater;

(b) Contributes a process wastestream which makes up five (5) percent or more of the average dry weather hydraulic or organic capacity of the Company's treatment plant; or

(c) Is designated as such by the Company on the basis that it has a reasonable potential for adversely affecting the Company's System operation or for violating any pretreatment standard or requirement.

(3) The Company may determine that an Industrial User subject to categorical pretreatment standards is a Non-Significant Categorical Industrial User rather than an SIU on a finding that the Industrial User never discharges more than 100 gallons per day of total categorical wastewater (excluding sanitary, noncontact cooling and boiler blowdown wastewater, unless specifically included in the pretreatment standard) and the following conditions are met:

(a) The Industrial User, prior to the Company's finding, has consistently complied with all applicable categorial pretreatment standards and requirements;

(b) The Industrial User annually submits the certification requirement in Section 6.13 of Section H of this tariff, together with any additional information necessary to support the certification statement; and

(c) The Industrial User never discharges any untreated concentrated wastewater.

(4) Upon a finding that a User meeting the criteria in subsection 2 of this definition has no reasonable potential for adversely affecting the Company's System operation or for violating an pretreatment standard or requirement, the Company may at any time, on it is own initiative or in response to a request received from an Industrial User, determine that such User should not be considered an SIU.

RULES AND REGULATIONS

SECTION B – DEFINITIONS (cont'd)

Slug Load or Slug Discharge: Any discharge at a flow rate or concentration, which could cause a violation of the prohibited discharge standards in Section 2.1 of Section H of this tariff. A Slug Discharge is any Discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate these rules, local limits or permit conditions.

Stormwater: Any flow occurring during or following any form of natural precipitation, and resulting from such precipitation, including snowmelt.

Tariff: All the service rates, rules and regulations issued by the Company, together with any supplements and revisions thereto, officially approved by the Commission and contained in this document.

Total Suspended Solids (TSS) or Suspended Solids: The total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquid, and that is removable by laboratory filtering.

User or Discharger: Any person that discharges, causes, or permits the discharge of wastewater into the Company's System.

Waste: Rejected, unutilized, or superfluous substances in liquid, gaseous, or solid form resulting from domestic and nondomestic activities.

Wastewater: A combination of the water-carried waste from residences, businesses, buildings, institutions, and industrial establishments, together with any ground, surface, and storm water that may be present, whether treated or untreated, discharged into or permitted to enter the Company's System.

Wastewater Treatment Plant or Treatment Plant: That portion of the Company's System which is designed to provide treatment of domestic waste and industrial waste.

RULES AND REGULATIONS

SECTION C – APPLICATION FOR SERVICE

1. Application for Wastewater Service by a New Owner or Occupant at an Existing Service Property: Where a Customer's Service Lateral exists on a Property, service will be furnished by the Company as soon as reasonably practicable after written application of the Applicant or the Applicant's authorized agent is made and such application is approved by the Company. The Customer receiving service takes such service subject to the Company's Tariff, including its Rules and Regulations.

2. Application for Wastewater Service to a Proposed Service Property: Where an adequate sewer Main abuts the Customer's Property, a Service Connection will be made as soon as reasonably practicable after written application of the Applicant or the Applicant's authorized agent and such application is approved by the Company. Service Connection application forms will be furnished by the Company on request.

Where an adequate sewer Main does not abut the Customer's Property, the Customer must make necessary arrangements with the Company's New Business Office for the extension of sewer in accordance with the Company's Rules and Regulations, as discussed further in Section I of this Tariff.

3. Application and Discharge Requirements. All applications for service must be in writing on a form provided by the Company and signed by the owner or owners of the Property to which wastewater collection service will be provided; except that where a lessee of a Property occupies or uses the Property under a lease having a fixed term of more than six (6) months, the lessee may request service as an Applicant. The Company may, at its sole discretion, require that a separate contract for service be signed by the Applicant. The Applicant must provide all necessary and required documentation as determined in Company's sole discretion to evaluate the request for service.

Non-residential service Customers which desire to discharge Nondomestic Wastes into the Company's System or existing Industrial/Commercial Users which desire to commence operations of a new facility or a new or different process that will affect the characteristics of the wastewater discharging into the Sanitary Sewer, shall notify the Company prior to the commencement of the new or different operations at the facility and provide such other information regarding the proposed discharge as the Company may request, including an application for an Industrial Waste Discharge Permit when deemed necessary.

RULES AND REGULATIONS

SECTION D – CONSTRUCTION AND MAINTENANCE OF FACILITIES

1. Provision of Service:

- Connection of a Premise to the Company's System constitutes a contract for service subject to all Rules and Regulations and rate schedules as provided for in this Tariff.

- The Company will install a Company Service Lateral from the main to the curb, or such point as determined by the Company of a size and material determined by the Company in its discretion. Any additional or larger connection facilities requested by the Customer may be installed provided the proposed discharge into the system is within the capability of the system, complies with these Rules and Regulations, and the Customer pays the additional costs for the installation.

- No owner or tenant of any Premises connected with the Mains of the Company will be allowed to permit another person or premises to use or connect with its Customer Service Lateral, except upon written permit from the Company.

- Any violation of the Rules and Regulations of the Company shall render the contract between the Customer and the Company void, and service may be discontinued after due notice, remaining so until such time as the Company is satisfied that the Customer will observe the Rules and Regulations. Service will not be connected until the actual costs of the discontinuing and reconnections are paid in full.

Customer Service Lateral Inspection Fee

- Charge for the Company’s time involved in the inspection of a Customer Service Lateral tie-in to the Company’s wastewater system shall be fifty dollars ($50.00) per Customer Service Lateral.

2. Customer Service Lateral: The Customer Service Lateral shall extend from the Property to the Curb Stop or cleanout or such point as designated by the Company. All connections, Service Laterals and fixtures owned by the Customer shall be maintained by the Customer in good order, and all meters and appurtenances owned by the Company and located on the Property of the Customer shall be protected properly by the Customer. All leaks in or other deteriorated condition of the Customer’s Service Line or any other pipe or fixture in or upon the Premises supplied must be repaired immediately by the owner or occupant of the Premises.

3. Size, Kind, and Location of Service Laterals: The Company reserves the right to determine the size, kind and location of the Service Laterals, from the main to the curb, and from the curb to the property to be served. The Customer's Service Lateral shall not cross intervening properties unless the property is landlocked and there is no other way in which service can be provided (for example, because the property does not abut a public road) and an appropriate easement is obtained by the Customer for the Customer's benefit, a copy of which must be furnished to the Company. The service line from the curb stop or cleanout to the property shall be furnished, installed, owned, and maintained by the owner of the property, and where possible shall be laid in a straight line at right angles to the curb line within the building limits of the structure to be served and at a minimum depth of cover specified by the Company, and bedded in at least 6 inches of sand, in property owned in fee simple absolute.

SECTION D – CONSTRUCTION AND MAINTENANCE OF FACILITIES (cont'd)

4. Right to Reject: The Company may refuse to connect with any Customer Service Lateral or furnish wastewater collection, treatment and/or disposal through a service already connected if such system or service is not properly installed or maintained.

5. Separate Trench: The Customer Service Lateral shall not be laid in the same trench with drain or water pipe, the facilities of any other public utility or of any municipality or municipal authority that provides a utility service.

6. Customer Grinder Pump: In areas of the Company's System where the Company has installed a pressure sewage collection system or where required as determined by the Company, the Customer, in conjunction with the construction of their Customer Service Lateral, shall install, own, operate, and maintain and replace a Grinder Pump and holding tank at the Customer's expense as specified by the Company prior to connection and shall maintain such facilities in good order and repair. The Grinder Pump shall meet specifications as provided by the Company. The failure of a Customer to properly install and maintain a Grinder Pump, including replacement, shall construe grounds for the Company to initiate action to terminate service to the Customer and seek recovery for any damage to the Company's facilities caused by an improperly functioning Grinder Pump. In the case where PaDEP approval of the grinder pump installation is required to ensure the long-term operation and maintenance of the grinder pump in accordance with PaDEP regulation Title 25 Pa Code §71.72, the Customer may have to enter into an operations and maintenance agreement with the municipality in which the Customer is located.

RULES AND REGULATIONS

SECTION D – CONSTRUCTION AND MAINTENANCE OF FACILITIES (cont'd)

7. Individual Service Lines: Except as otherwise expressly authorized by the Company, each individual Customer shall be served only through a separate Customer Service Lateral connected directly to the Company Service Lateral, and that Customer Service Lateral shall not cross over the Property of or serve any other Customer or Premise. The maximum Customer Service Lateral length shall be two hundred and fifty (250) feet from the Service Connection(s) with clean-outs every 50 feet. The Company shall have the right to waive this maximum length requirement at its sole discretion. No additional attachment may be made to any Customer Service Lateral for any purpose without the express written approval of the Company.

8. Customer Responsibilities:

a. Use shall be restricted to Domestic Wastes, unless a special agreement is made satisfactory to the Company as to other uses. No Customer shall discharge into the system roof, storm, surface or ground water, swimming pools, drainage from cesspools or drain fields, cistern, combustible gases or liquids, insoluble solids, industrial type waste or other harmful substances. Any Customer discharging any unauthorized matter into the system, which causes damage to Company facilities or interferes with the operation of the system, will be required to cease using the system and pay whatever damages and costs are incurred as a result.

b. Each Customer Service Lateral shall be installed and maintained by or on behalf of the Customer at its expense and in full accordance with the Company's specifications as to materials, size, location and underground construction, starting at the curb-line at a location designated by the Company.

c. No sewer connection, or disconnection, shall be made to the Company's Main except under the supervision, control and approval of the Company's authorized representative. All such connections shall be property of the Company and shall be accessible to it and under its control. The Company will furnish, install, and maintain all Company Service Laterals from the Main to the property line or right of way.

d. No repairs, alterations, or additions to any drain or Service Connection with the Company's System shall be made, unless the person desiring to make the same shall first receive permission from the Company for doing so.

e. Connections with sewers that run through private property shall, in all respects, be governed by these Rules and Regulations.

SECTION D – CONSTRUCTION AND MAINTENANCE OF FACILITIES (cont'd)

9. Company's Service Lateral:

Except for Service Connections made in accordance with the section, "Main Extensions", the Company will make all connections to its Mains and furnish, install and maintain the Company Service Laterals from the Main up to the hypothetical or actual curb line, edge of the right-of-way or the actual property line. The Company Service Laterals will be the property of the Company and under its control.

The maximum Company investment per Company Service Lateral to a Bona Fide Service Applicant shall be calculated under the same formula as described in the "Company Contribution" of Section I, "Main Extensions", of this Tariff.

The cost of any Company Service Lateral in excess of the applicable maximum Company investment shall be paid by the Customer. The Company may require payment of the estimated amount of such excess cost in advance of the installation and will make a partial repayment of the extent the actual cost is determined to be less than the estimate.

RULES AND REGULATIONS

SECTION E – TERMINATION, DISCONTINUANCE, RESTORATION OF SERVICE, AND SERVICE CONTINUITY

Termination and Discontinuance of Service:

Termination and Discontinuance by the Company

1. Service may be terminated by the Company for any one of the following reasons:

a. Failure of a Customer to maintain and repair its Customer Service Lateral(s);

b. Failure of a Customer to pay a bill for service in accordance with the Commission's regulations;

c. Vacancy of the Premises;

d. Violation by a Customer, or with his consent, of any of these Rules and Regulations.

2. The Company may, without notice, discontinue wastewater service if an emergency reasonably requires it in order to make necessary repairs or connections or to meet any other emergency; however, the Company will give notice of any discontinuance of service if it is reasonably possible to do so.

3. If you are a victim of domestic violence and have a Protection From Abuse Order or other court order that shows clear evidence of domestic violence, there are special protections available.

Discontinuance by the Customer

1. A Customer desiring the discontinuance of wastewater service shall give written notice to the office of the Company and the Customer will be responsible for service charges until such notice is given. A new application must be made on any change of Customers on a Property as required at the office of the Company, and the Company shall be at liberty to discontinue the service until such new application has been made and approved.

2. The Customer desiring abatement from wastewater bills shall report same in writing or call in person at the office of the Company. All vacancies shall date from the day reported at the office of the Company. When vacancy is properly reported, an allowance will be made for the period of vacancy, but not for less than one month.

Restoration of Service: After termination of service it will not be reconnected until all amounts due to the Company have been paid plus the cost of a fifty dollar ($50.00) turn-on charge prior to service reconnection (with the exception of the Masthope Division).

SECTION E – TERMINATION, DISCONTINUANCE, RESTORATION OF SERVICE, AND SERVICE CONTINUITY (cont'd)

Service Continuity and Liability:

In the course of furnishing service that needs to be adequate, but not perfect, it is recognized that there will be times when service is subject to interruption or disruption as a result of Main breaks, the failure of equipment or facilities, and for other reasons. Accordingly, the liability of the Company shall be limited to two thousand dollars ($2,000.00) in any legal action brought against the Company for damages in connection with: 1) a service interruption or delay, or cessation or lack of adequate, efficient, safe and reasonable service and facilities; and/or 2) a failure of equipment, including, but not limited to, a break or leak in a Main, service line or Meter owned by the Company.

In any legal action where a court does not recognize, or is being asked to interfere with or hamper, the jurisdiction of the Commission to authorize limitations of liability or to exclusively determine whether the service and facilities of a public utility are in conformity with the regulations and Orders of the Commission, the public utility may certify to the Commission the question of the appropriateness of such court action by filing a petition for declaratory judgment with the Commission.

Furthermore, the Company shall not be liable in any action where the loss or damage involves an act of God or does not involve a duty of the Company, including breaks or leaks on facilities that are not owned by the Company, such as breaks, leaks, defects or conditions in the Customer's Service Line, Meter, internal plumbing or fixtures, or due to the materials out of which those facilities are made. Further, the Company shall not be liable in any action where the loss or damage does not involve a breach of a duty of the Company, including where the Company does not receive actual notice, either written or oral, that a Company facility (located within the public right-of-way, in a sidewalk or on a Customer's Property) is in need of repair that is not proven to have been in that condition at the time of installation or that is caused by a plumber, developer, or the person or event.

From time to time, the Company may provide public notices, specific notices, correspondence or other notifications ("Notices") regarding the presence of conditions affecting the wastewater service provided by the Company. These Notices may contain information about actions members of the public may wish to, are recommended to, or should take in response to the conditions identified in the Notice. In the event the Company issues a Notice, the Company will not be liable for any expenses or costs incurred by a Customer or end-user for any action taken in response to any condition identified in the Notice.

SECTION F – BILLING AND COLLECTION

Methods of Payment: Bills are payable by mail, by direct debit, in person at any authorized pay agency or as otherwise authorized by the Company. Amounts due for services must be made in one of the following formats: cash at a valid payment center, credit card, debit card, atm card, or personal check, business check, or money order issued by a properly licensed financial institution, or other commercially acceptable form of payment as determined by the Company.

Landlord Assumption of Responsibility: If an Applicant for service, who is a landlord, assumes responsibility for rates and charges related to wastewater service provided to tenants and is billed for such service, the landlord must assume responsibility and be billed for both water and wastewater service, if such service is provided or billed by the Company.

Billing History: A Customer may obtain from the Company; at no charge to the Customer, the billing history for up to ten accounts per year in the name of the Customer, provided that the Customer submits a written request for such information directly to the Company. Additional requests will be processed subject to the Company's right to charge the Customer its incremental costs of providing such billing histories.

Delinquent Bills: If a rendered bill remains unpaid for a period of 20 days for Residential Customers and 15 days for Non-Residential Customers, it shall be classified as delinquent. However, if the last day of such period falls on a Saturday, Sunday, a holiday or day when the Company's offices are closed, the delinquency date shall be the next succeeding business day. Payments by mail will be deemed made on the date of the postmark. Payments to the Company drop box or authorized payment agent will be deemed received when paid at that location. Service may be terminated for non-payment of bills in accordance with the Commission's regulations. If service is thus terminated, it will not be restored until all outstanding charges provided by the Commission's regulations and the Tariff of the Company are paid or satisfactory arrangements are entered for payment.

Late Payment Charge: If payment has not been received by the Company for five days after the bill has been classified as delinquent, a late charge (penalty) of 1.50% will be applied to the account and such late charge (penalty) will be calculated every thirty days thereafter only on the overdue portion of the bill excluding previous late charges (penalties), and in no event shall the late charge (penalty) exceed more than 18% annually (simple interest).

Return Check Charge and Return Electronic Payment Charge: The Customer will be responsible for the payment of a charge of $20.00 per incident where a check or electronic payment, which has been presented to the Company for payment of any bill, is returned by the bank for any reason including, but not limited to, non-sufficient funds, account closed, payment stopped, two signatures required, postdated, stale date, account garnished, no account, drawn against uncollected funds, balance held, and unauthorized signature. This charge is in addition to any and all charges assessed against the Customer by the bank. If a Customer's account shows a history of submitting payments that have been returned for insufficient funds or any other reason outlined above, the Company may require deposit or turn-on charges to be paid by cash, certified check, money order, or credit card or service may be terminated without additional notice in accordance with Commission regulations.

RULES AND REGULATIONS

SECTION F – BILLING AND COLLECTION (cont'd)

Turn-on Charge: When service has been terminated to any Premise because of violation of the Company's Rules and Regulations or at the Customer's request, a charge of fifty dollars ($50.00) payable in advance will be made for restoration of service. If the Customer request for restoration of service requires the Company to incur overtime or holiday costs, the Company reserves the right to bill the Customer for the additional cost incurred. If the Company incurs out of the ordinary expense to affect termination of service for non-payment of bills or due to lack of access to the Company's facilities, the Customer must reimburse the Company for those expenses in addition to the $50.00 turn-on charge prior to service reconnection.

Turn-off at Customer's Request: Customers desiring to avoid payment for wastewater service during periods when Properties are vacant or during extended absences shall give notice in writing at the office of the Company requesting the wastewater to be shut off. If a minimum charge or Customer charge for water use is applicable, the bill will be based on the proportion that the period when wastewater service was available bears to the entire period on which such minimum charge or Customer charge is based. Metered consumption in excess of such adjusted minimum shall be billed at normal rates.

Pro-ration of Base Rates on Customer Bills: During a period of changes to base rates, billing of base rates for Customers involves proration of the different base rates based on days of invoice. The fixed charge and the consumption for the entire period is divided by the number of service days to develop an average rate per day for purposes of bifurcating the consolidated charges at the old rate and at the new rate.

SECTION G – DEPOSITS AND CREDIT STANDARDS

General: Deposits may be required from Applicants for new service or extension of service. Residential Customers will not be required to pay a security deposit in order to receive service from the Company. The Company will pay income tax on any deposit, advance, contribution or other like amounts received from an Applicant which shall constitute taxable income to the Company as defined by the Internal Revenue Service and required by the Commission. Such income taxes shall be segregated in a deferred account for inclusion in rate base in a future base rate case proceeding. Such income tax associated with a deposit, advance, or contribution will not be charged to the Person providing such deposit, advance, or contribution.

Creditworthiness: Upon application for wastewater service, the Company may require the Applicant/Customer to provide valid identification, a valid deed lease or mortgage evidencing the Applicant/Customer's residency at the Property/Premise, and/or payment of an outstanding balance owed by the Customer which accrued within the past 4 years for which the Applicant/Customer is legally responsible.

The Company may determine liability for a past due balance by:

- Use of Company records that contain information previously provided to the Company;
- Information contained on a valid mortgage, lease or deed;
- Use of commercially available public records databases; and
- Government and property ownership record.

SECTION H – WASTEWATER CONTROL REGULATIONS

1. GENERAL PROVISIONS

1.1 Purpose and Policy

(a) These rules set forth uniform requirements applicable to Users of the wastewater collection, treatment, and disposal services provided by the Company and the nature of wastes acceptable for discharge into the Company's System, either directly or indirectly. In developing these rules, the Company was guided by the "EPA Model Pretreatment Ordinance" (January 2007) published by the U.S. Environmental Protection Agency ("EPA") for use by municipalities operating Publicly Owned Treatment Works ("POTWs") as well as EPA regulations designed to control pollutants discharged to POTWs at 40 CFR Part 403 (General Pretreatment Regulations for Existing and New Sources of Pollution). These rules shall apply throughout the Company's service territory.

(b) The objectives of these rules are:

(i) To prohibit the introduction of pollutants into the Company's System that will interfere with its operation or impact the quality or classification of the resulting sludge;

(ii) To prohibit the introduction of pollutants into the Company's System that will pass through the treatment works, inadequately treated, into receiving waters, or otherwise be incompatible with the System;

(iii) To protect both the Company's personnel who may be affected by wastewater and sludge in the course of their employment and the general public;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(iv) To promote reuse and recycling of industrial wastewater and sludge from the Company's System;

(v) To provide for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the Company's System;

(vi) To enable the Company to comply with its National Pollutant Discharge Elimination System permit conditions, its Water Quality Management ("WQM") Permit in the case of land application treated effluent disposal systems, sludge use and disposal requirements, and any other federal or state laws to which the Company's System is subject;

(vii) To require the pretreatment of wastewater discharged into the Company's System as appropriate and consistent with standards for pretreatment of wastewater that have been promulgated by the EPA or otherwise imposed by the PaDEP; and

(viii) To otherwise provide the conditions of wastewater collection, treatment and disposal service by the Company.

(c) These rules shall apply to all Users of the Company's System. These rules authorize the issuance of wastewater discharge permits; provide for monitoring, compliance, and enforcement activities; establish administrative review procedures; require user reporting; and provide for the setting of fees for the equitable distribution of costs resulting from the program established herein.

1.2 Administration

Except as otherwise provided herein, the Company shall administer, implement, and enforce these rules. Any powers granted to or duties imposed upon the Company may be delegated by the Company a duly authorized Company employee.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

1.3 Abbreviations

The following abbreviations, when used in these rules, or in the implementation of these rules, shall have the designated meanings:

BOD5 - Biochemical Oxygen Demand (5-day)

BMP - Best Management Practice

C - Celsius

CERCLA - Comprehensive Environmental Response, Compensation and Liability Act

CFR - Code of Federal Regulations

CIU - Categorical Industrial User

COD - Chemical Oxygen Demand

PaDEP - Pennsylvania Department of Environmental Protection

EPA - U.S. Environmental Protection Agency

F - Fahrenheit

FOG - Fats, Oils and Grease

gpd - gallons per day

IU - Industrial User

IPP - Industrial Pretreatment Program

IWDC - Individual Wastewater Discharge Contract

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

mg/l - milligrams per liter

MGD - Million Gallons per Day

NH3-N - Ammonia Nitrogen

NPDES - National Pollutant Discharge Elimination System

NSCIU - Non-Significant Categorical Industrial User

RCRA - Resource Conservation and Recovery Act

SIU - Significant Industrial User

TDS - Total Dissolved Solids

TKN - Total Kjeldahl Nitrogen

TN - Total Nitrogen

TP - Total Phosphorus

TSS - Total Suspended Solids

U.S.C. - United States Code

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

2. GENERAL SANITARY SEWER USE REQUIREMENTS

2.1 Prohibited Discharge Standards

(a) General Prohibitions. No User shall introduce or cause to be introduced into the Company's System any pollutant or wastewater which causes pass through or interference or damages the Company's System. These general prohibitions apply to all Users of the Company's System whether or not they are subject to categorical pretreatment standards or any other national, state, or local pretreatment standard or requirement.

(b) Specific Prohibitions. No User shall introduce or cause to be introduced into the Company's System the following pollutants, substances, or wastewater:

(i) Liquids, solids or gases that by reason of their nature or amount are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any way to persons, the Company's System or the operation of the Company's System, including, but not limited to, any discharge with a closed-cup flashpoint of less than 140° F (60°C) using the test methods specified in 40 CFR § 261.21. At no time shall any wastewater cause two successive readings on an explosion hazard meter, at the point of discharge into the Company's System (or at any point in the Company's System), to be more than five percent (5%) nor any single reading to be over ten percent (10%) of the Lower Explosive Limit (LEL) of the meter.

(ii) Wastewater having a pH less than 6.0 or higher than 9.0 as measured by a grab sample, unless otherwise specified by the Company in an IWDC, or wastewater having other corrosive properties capable of causing damage or hazard to structures, equipment, or personnel of the Company's System.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(iii) Solid or viscous substances which may cause obstruction to the flow in the Company's System or other interference with the operation of the Company's System such as, but not limited to, grease, garbage (not properly shredded), animal guts or tissues, paunch manure, bones, hair, hides or fleshings, entrails, whole blood, feathers, ashes, cinders, sand, spent limestone or marble dust, bentonite, lye, building materials, rubber, leather, porcelain, china, metal glass, straw, shavings, grass clippings, rags, spent grains, spent hops, waste paper, wood, plastics, tar, asphalt residues, residues from refining or processing of fuel or lubricating oil, mud, or glass grinding or polishing wastes or any material which can be disposed of as trash.

(iv) Pollutants, including oxygen-demanding pollutants (BODS, etc.), released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause interference with the Company's System.

(v) Wastewater with a temperature at the introduction into the Company's System which exceeds 120 degrees F (49 degrees C), or less than 32°F, or which will inhibit biological activity in the treatment plant resulting in interference, but in no case wastewater which causes the temperature at the introduction into the treatment plant to exceed 104 degrees F (40 degrees C).

(vi) Petroleum oil, motor oils or lubricants removed from vehicles or machinery, non-biodegradable cutting oil, or products of mineral oil origin, in amounts that will cause interference or pass through.

(vii) Pollutants in sufficient quantity which, either alone or by interaction with other pollutants, would result in the presence of toxic gases, vapors or fumes, cause worker injury or disruption of any wastewater treatment process, including the disposal of sludge, or be in non-compliance with any categorical or pretreatment standards established in accord with 40 CFR § 403.6.

(viii) Trucked or hauled pollutants, except at discharge points designated by the Company in accordance with subsection 2.10 of Section H of this tariff.

(ix) Noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance or a hazard to life, or to prevent entry into the Company's System for maintenance or repair.

RULES AND REGULATIONS

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(x) Wastewater which imparts color which cannot be removed by the treatment process, and which consequently imparts color to the treatment plant's effluent.

(xi) Wastewater containing any radioactive wastes or isotopes with half-lives or concentrations that exceed (A) measured background or naturally-occurring levels or (b) limits established by the Company.

(xii) Storm water, surface water, ground water, artesian well water, roof runoff, subsurface drainage, swimming pool drainage, condensate, deionized water, noncontact cooling water, and unpolluted wastewater, unless specifically authorized by the Company.

(xiii) Sludges, screenings, or other residues from the pretreatment of industrial wastes

(xiv) Medical wastes, except as specifically authorized by the Company in an IWDC.

(xv) Wastewater causing, alone or in conjunction with other sources, the treatment plant's effluent to fail toxicity test or otherwise create a toxic effect in receiving waters.

(xvi) Detergents, surface-active agents, or other substances that might cause excessive foaming in the Company's System.

(xvii) Discharge which is or contains hazardous waste or, if otherwise disposed of, would be considered hazardous waste.

(xviii) Any substance which may cause the treatment plant's effluent or any other product of the treatment plant, such as residues, sludge or scum, to be unsuitable for reclamation and reuse or to interfere with the reclamation process. In no case shall a substance discharged to the Company's System cause the Company to be in non-compliance with sludge use or disposal criteria, guidelines or regulations developed under Section 405 of the Federal Water Pollution Control Act ("FWPCA"), nor any criteria, guidelines, or regulations affecting sludge use or disposal developed pursuant to the Solid Waste Disposal Act, the Clean Air Act, the Toxic Substances Control Act, or state criteria applicable to the sludge management methods being used by the Company.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(xix) Any pollutant, including oxygen demanding pollutants and suspended solids, released at a flow rate and/or pollutant concentration which a User knows or has reason to know will cause interference or pass through to the Company's System. In no case shall a slug load have a flow rate or contain a concentration or quantity of a pollutant that exceeds for any time period longer than fifteen (15) minutes more than five (5) times the average twenty-four (24) hour permitted concentration, quantity, or flow during normal operation.

(xx) Any wastewater which because of its chemical nature or composition causes the sewer atmosphere to contain airborne chemical concentrations in excess of concentrations established by the U.S. Department of Labor, Occupational Safety and Health Administration ("OSHA") under 29 CFR Part 1910, regardless of duration of exposure experienced by any individual, unless written authorization is granted by the Company.

(xxi) Substances which will cause pass through or interference or otherwise cause the Company to violate its NPDES permit or air quality or receiving water quality standards, or that are prohibited by any permit issued by the Company, the Commonwealth of Pennsylvania or EPA.

(xxii) Wastes which are not amenable to biological treatment or reduction in existing treatment facilities, including but not limited to nonbiodegradable complex carbon compounds.

(xxiii) Wastewater containing any organic compounds of endrin, lindane, methoxychlor, toxaphene, dichlorophenoxyacetic acide, trichlorophenoxypropionic acid or other herbicides, pesticides or rodenticides.

(xxiv) Wastewater containing any of the pollutants listed on EPA's "Priority Pollutant List" (40 CFR Part 423, Appendix A), without authorization from the Company in an IWDC.

RULES AND REGULATIONS

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(c) Pollutants, substances, or wastewater prohibited by this section shall not be processed or stored in such a manner that they could be discharged to the Company's System.

(d) No User shall discharge wastewater to the Company's System in an amount exceeding the below general prohibitions. The Company may impose different limitations depending on the needs of a particular treatment plant or the Company's System:

Wastewater raw Waste strength shall be limited to that illustrated below:

		Maximum Allowable Limits (Grab Sample)	Maximum Allowable Limits (24 Hour Composite Sample)
BOD_5	(mg/l)	250	250
TSS	(mg/l)	250	250
COD	(mg/l)	500	500
Total Kjeldahl Nitrogen	(mg/l)	50	50
Total Phosphorus	(mg/l)	8	8
Ammonia Nitrogen	(mg/l)	45	45
pH	(s.u.)	6-9	N/A
Oil and Grease	(mg/l)	100	N/A

2.2 National Categorical Pretreatment Standards

(a) The National Categorical Standards found at 40 CFR Chapter I, Subchapter N, Parts 405-471 are hereby incorporated by reference. Any industrial User that would be a categorical industrial User under the provisions of one or more categorical standards if it were discharging to a POTW is a Significant Industrial User under these rules and is required to obtain an WDC as described in subsection 4 of this Section H, unless otherwise determined by the Company pursuant to these rules. The IWDC will reflect the effluent limitations and standards of the pertinent categorical standard(s). Although the Company is not subject to EPA's pretreatment regulations, the Company will use pertinent standards and requirements contained in 40 CFR, Chapter I, Subchapter N, Part 403 as guidance in administering and applying the categorical standards. Any categorical standard or local limit, if more stringent than the limitations imposed under an IWDC, shall immediately supersede the limitations imposed under the IWDC.

RULES AND REGULATIONS

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(b) Where a categorical standard is expressed only in terms of either the mass or the concentration of a pollutant in wastewater, the Company may impose equivalent concentration or mass limits in the manner described in 40 CFR § 403.6(c).

(c) When the limits in a categorical standard are expressed only in terms of mass of pollutant per unit of production, the Company may convert the limits to equivalent limitations expressed either as mass of pollutant discharged per day or effluent concentrations for purposes of calculating effluent limitations applicable to individual industrial Users.

(d) When wastewater subject to a categorical standard is mixed with wastewater not regulated by the same standard, the Company shall impose an alternate limit using the combined waste stream formula in 40 CFR § 403.6(e).

(e) Once included in its IWDC, an industrial User must comply with the equivalent limitations developed in this subsection 2.2 of this Section H in lieu of the categorical standard from which the equivalent limitations were derived.

(f) Where a categorical standard specifies one limit for calculating maximum daily discharge limitations and a second limit for calculating maximum monthly average (or 4-day average) limitations, the same production flow figure shall be used in calculating both the average and the maximum equivalent limitation.

(g) Any industrial User operating under an IWDC incorporating equivalent mass or concentration limits calculated from a production-based standard, as provided in paragraph (c) of this subsection 2.2, shall notify the Company within two (2) business days after the User has reasonable basis to know that the production level will significantly change within the next calendar month. Any User not notifying the Company of such anticipated change will be required to meet the mass or concentration limits in its IWDC that was based on the original estimate of the long term average production rate.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

2.3 Modification of National Categorical Pretreatment Standards

The Company may modify specific limits in a categorical pretreatment standard where appropriate for purposes of these rules or an IWDC. Although not subject to EPA's pretreatment regulations, the Company will utilize the standards and requirements contained in 40 CFR, Chapter I, subchapter N, Part 403 generally, and particularly sections 403.7 (removal credits), 403.13 (fundamentally different factors), and 403.15 (net limits), as guidance in considering any such modifications.

2.4 State and Federal Requirements

Applicable state or federal requirements and limitations on discharges shall apply in any case where they are more stringent than those in these rules.

2.5 Specific Pollutant Discharge Limitations - Local Limits

(a) All industrial Users shall be subject to the local limits applicable to their service area as specified in the Company's IPP.

(b) Local limits are the highest allowable concentrations in a discharge, unless otherwise specified in an IWDC.

(c) Local limits apply at the point where wastewater is discharged to the Company's System or at the point designated by the Company.

(d) The Company reserves the right to allocate among Users the total loading applicable to a particular pollutant by establishing maximum daily industrial concentrations specific to each User, provided that the total maximum allowable daily industrial load for the treatment plant is not exceeded.

(e) In addition to industrial Users, the Company reserves the right to apply local limits to any User's wastewater.

(f) The Company reserves the right to establish alternate limits in IWDCs in order to protect against pass through or interference or to assure that the Company complies with its NPDES permit and federal and state law. The alternate limits, if more stringent than the categorical standards, shall immediately supersede the categorical standards.

(g) The Company may develop BMPs in IWDCs to implement local limits and the requirements of subsection 2.1 of this Section H.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

2.6 Reservation of Right to Impose More Stringent Requirements

The Company reserves the right to establish, in IWDCs, more stringent limits or requirements on discharges to the Company's System, if deemed necessary, consistent with the purpose of these rules.

2.7 Dilution

No User shall ever increase the use of process water, or in any way attempt to dilute a discharge as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable pretreatment standard or requirement. The Company may impose mass limitations on Users who are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of mass limitations is appropriate.

2.8 Compliance with Other Applicable Standards and Requirements

Compliance with these rules and IWDCs or compliance or cessation directives issued hereunder does not relieve the industrial user from its obligations to comply with any and all applicable local, state, and federal standards and requirements including any such applicable standard or requirement that may become effective during the term of a permit or directive or these rules.

2.9 Grease Traps

Users shall install, operate and maintain interceptor/collector devices (e.g., traps) to capture and remove fats, oils and grease prior to discharge to the treatment works whenever the Company determines that such devices are necessary for the proper handling of wastewater. All such devices shall be designed and installed so as to accommodate the maximum flow rate expected to occur and to be readily and easily accessible for cleaning and inspection. The User shall be responsible for operating and maintaining the devices, including regular cleaning, to ensure that they consistently remove FOG prior to discharge to the Company's System. Alternatively, or in addition, the Company may require users to implement BMPs in order to eliminate FOG at the point of use and thereby reduce the generation of FOG in wastewater.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

3. PRETREATMENT OF WASTEWATER

3.1 Pretreatment Facilities - General

Users shall provide wastewater treatment as necessary to comply with these rules and shall achieve compliance with all categorical pretreatment standards, local limits, and the prohibitions set out in subsection 2.1 of this Section H within the time limitations specified by EPA, the state, or the Company, whichever is more stringent. Any facilities necessary for compliance, including the design, construction, operation, and maintenance of these facilities, shall be at the User's expense. Detailed plans describing such facilities and operating procedures shall be submitted to the Company for review, and shall be acceptable to the Company before such facilities are constructed. The review of such plans and operating procedures shall in no way relieve the User from the responsibility of modifying such facilities or procedures as necessary to produce a discharge acceptable to the Company under the provisions of these rules.

3.2 Additional Pretreatment Measures

(a) Whenever Deemed necessary, the Company may require Users to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate sewage wastestreams from industrial wastestreams, and such other conditions as may be necessary to protect the Company's System and determine the User's compliance with the requirements of these rules.

(b) The Company may require any person discharging to the Company's System to install maintain, on their property and at their expense, a suitable storage and flow-control facility to ensure equalization of flow. Provisions regarding flow equalization may be required in an IWDC.

(c) Grease, oil and sand interceptors or traps shall be provided when, in the opinion of the Company, they are necessary for the proper handling of wastewater containing grease and/or oil, or sand. All interception/trap units shall be of the type and capacity acceptable to the Company, and shall be located as to be readily and easily accessible for cleaning and inspection. Such interceptors/traps shall be inspected, cleaned and repaired by the User at the User's expense.

(d) Users are prohibited from discharging combustible or flammable substances into the Company's system. Users with the potential to discharge combustible or flammable substances may be required to install and maintain an approved combustible gas detection meter. The User shall immediately notify the Company in the event of a potential combustible or flammable discharge.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

3.3 Accidental Discharge/Slug Discharge Control Plans

(a) The Company shall evaluate whether each SIU needs an accidental discharge/slug discharge control plan or other action to control slug discharges. The Company may require any User to develop, submit for approval, and implement such a plan or take such other action that may be necessary to control slug discharges. Alternatively, the Company may develop such a plan for any User. An accidental discharge/slug discharge control plan shall address, at minimum, the following:

(i) Description of discharge practices, including nonroutine batch discharges;

(ii) Description of stored chemicals;

(iii) Procedures for immediately notifying the Company of any accidental or slug discharge, as required by subsection 6.6 of this Section H; and

(iv) Procedures to prevent adverse impact from any accidental or slug discharge. Such procedures include, but are not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants, including solvents, and/or measures and equipment for emergency response.

(b) The Company may include conditions relating to implementation of an accidental discharge/slug discharge control plan when issuing an IWDC.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

3.4 Hauled Wastewater

(a) Septic tank waste may be introduced into the Company's System only at locations designated by the Company, and at such times as are established by the Company. Such waste shall not violate subsection 2 of this Section H or any other requirements established by the Company. The Company may require septic tank waste haulers to enter a separate agreement with the Company.

(b) The Company may require haulers of industrial waste to enter into an IWDC. The Company may require generators of hauled waste to enter into an IWDC. The Company also may prohibit the disposal of hauled industrial waste. The discharge of hauled industrial waste is subject to all other requirements of these rules.

(c) Industrial waste haulers may discharge loads only at locations designated by the Company. No load may be discharged without prior consent of the Company. The Company may collect samples of each hauled load to ensure compliance with applicable standards. The Company may require the industrial waste hauler to provide a waste analysis of any load prior to discharge.

(d) Industrial waste haulers must provide a waste-tracking form for every load. This form shall include, at a minimum, the name and address of the industrial waste hauler, the IWDC (as applicable), truck identification, names and addresses of sources of waste, and volume and characteristics of waste. The form shall identify the type of industry and all known or suspected waste constituents and confirm that no wastes are RCRA hazardous wastes.

3.5 Damage Liability

The person producing or introducing waste to the Company's System shall be liable for all damages, increased costs of treatment or maintenance, or other costs incurred by the Company directly attributable to such waste, including the costs of repairs, testing, consulting and all other costs associated with the damage. Any User violating any of the provisions of these rules shall be liable to the Company for all expenses, losses, or damages occasioned by the Company by reason of such violation, whether incidental or consequential.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

4. INDIVIDUAL WASTEWATER DISCHARGE CONTRACTS

4.1 Wastewater Analysis

When requested by the Company, a User must submit information on the nature and characteristics of its wastewater. Upon receipt of a questionnaire or IWDC application from the Company, a User shall have sixty (60) days (unless extended by the Company for good reason) to return the completed questionnaire or application, signed by an authorized representative of the User. The Company may periodically require Users to update this information.

4.2 IWDC Requirements

(a) No SIU shall discharge wastewater into the Company's System without first obtaining an IWDC from the Company.

(b) No person discharging industrial waste to the treatment works shall undertake any significant wastewater modification without first notifying the Company and obtaining a new or amended IWDC from the Company, except as authorized by the Company in accordance with the provisions of these rules.

(c) The Company may require that other Users obtain IWDCs as necessary to carry out the purposes of these rules.

(d) Any violation of the terms and conditions of an IWDC shall be deemed a violation of these rules and subjects the User to the sanctions set out in subsection 10 through subsection 11 of this Section H. Obtaining an IWDC does not relieve a User of its obligation to comply with all federal and state standards or requirements or with any other requirement of federal, state, and local law.

4.3 IWDC: Existing Connections

Any User required to obtain a IWDC who was discharging wastewater into the Company's System prior to the effective date of these rules and who wishes to continue such discharges in the future, shall, within ninety 90 days after said date, apply to the Company for an IWDC, and shall not cause or allow discharges to the Company's System after 180 days after the effective date of these rules except in accordance with an IWDC issued by the Company. Any User with an existing IWDC shall comply with their existing IWDC until the term of the IWDC ends, and shall be subject to these rules for any new IWDC required by the Company.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

4.4 IWDC: New Connections

Any User required to obtain an IWDC who proposes to begin or recommence discharging into the Company's System must obtain such IWDC prior to the beginning or recommencing of such discharge. An application for this IWDC must be filed at least 180 days prior to the date upon which any discharge will begin or recommence.

4.5 IWDC Application Contents

(a) All Users required to obtain an IWDC must submit a permit application. The Company shall provide the information requirements to the User upon request for an IWDC application, including, at minimum, the following:

(i) Identifying Information

1) The name and address of the facility, including the name of the operator and owner; and

2) Contact information, description of activities, facilities, and plant production processes on the premises.

(ii) Environmental Permits. A list of any environmental control permits held by or for the facility.

(iii) Description of Operations

1) A brief description of the nature, rate of production (including each product produced by type, amount, processes, and rate of production), and standard industrial classifications of the operation(s) carried out by such User. This description should include a schematic process diagram, which indicates points of discharge to the Company's System from the regulated processes;

2) Types of wastes generated, and a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or intentionally be, discharged to the Company's System;

3) Number and type of employees, hours of operation, and proposed or actual hours of operation;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

4) Type and amount of raw materials processed (average and maximum per day);

5) Site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation, and all points of discharge.

(iv) Time and duration of discharges.

(v) The location for monitoring all wastes covered by the IWDC.

(vi) Flow Measurement. Information showing the measured average daily, maximum daily, and 30 minute flow rates, in gallons per day, including daily, monthly, and seasonal variations if any, to the Company's System from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula set out in subsection 2.2(d) of this Section H (40 CFR §403.6(e)).

(vii) Measurement of Pollutants

1) The categorical pretreatment standards applicable to each regulated process and any new categorically regulated processes for existing sources.

2) The results of sampling and analysis identifying the nature and concentration, and/or mass, where required by the standard or by the Company, of regulated pollutants in the discharge from each regulated process.

3) Instantaneous, daily maximum, and long-term average concentrations, or mass, where required, shall be reported.

4) The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in subsection 6.9 of this Section H. Where the standard requires compliance with a BMP or pollution prevention alternative, the User shall submit documentation as required by the Company or the applicable standards to determine compliance with the standard.

5) Sampling must be performed in accordance with procedures set out in subsection 6.10 of this Section H.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(b) Incomplete or inaccurate applications will not be processed and will be returned to the User for revision.

(c) Applicants wishing to claim confidentiality of information required in the application shall indicate on the application which information is of a confidential nature. Wastewater constituents and characteristics shall not be considered as confidential information.

4.6 Application Signatories and Certifications

(a) All wastewater IWDC applications, User reports and certification statements must be signed by an authorized representative of the User and comply with the requirements of the Company.

(b) If the designation of an authorized representative of the User is no longer accurate because a different individual or position has responsibility for the overall operation of the facility or overall responsibility for environmental matters for the User, a new written authorization satisfying the requirements of this Section must be submitted to the Company prior to or together with any reports to be signed by the authorized representative of the User.

(c) A facility determined to be a non-SIU by the Company must annually submit the signed certification statement in subsection 6.13 of this Section H.

4.7 IWDC Decisions

The Company will evaluate the data furnished by the User and may require additional information. The Company will determine whether to issue IWDC and may deny any application for an IWDC.

4.8 IWDC Renewal

(a) A user with an expiring IWDC shall apply for an IWDC reissuance by submitting an application to the Company a minimum of one hundred twenty (120) days prior to the expiration of the User's existing IWDC, unless the deadline is extended in writing by the Company.

(b) In the event that a timely and complete application to renew an IWDC has been submitted and the IWDC cannot be reissued before the expiration date, through no fault of the User, the terms and conditions of the existing IWDC will be automatically continued and will remain fully effective and enforceable pending the granting or denial of the application for IWDC renewal.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

5. INDIVIDUAL WASTEWATER DISCHARGE CONTRACT ISSUANCE

5.1 IWDC Duration

Individual IWDCs shall be issued for a specified time period, not to exceed five (5) years. A IWDC may be issued for a period less than five (5) years at the discretion of the Company. Each IWDC will indicate a specific date upon which it will expire.

5.2 IWDC Contents

(a) IWDCs shall be expressly subject to all provisions of these rules, the Company's IPP, and such other conditions as are deemed reasonably necessary by the Company to prevent pass through or interference, protect the quality of the water body receiving the treatment plant's effluent, protect worker health and safety, facilitate sludge management and disposal, and protect against damage to the Company's System.

5.3 IWDC Modification

(a) The Company may modify an IWDC for good cause, including, but not limited to, the following reasons:

(i) To incorporate any new or revised federal, state, or local pretreatment standards or requirements;

(ii) To address significant alterations or additions to the User's operation, processes, or wastewater volume or character since the time of the IWDC issuance;

(iii) A change in the Company's System that requires either a temporary or permanent reduction or elimination of the authorized discharge;

(iv) Information indicating that the permitted discharge poses a threat to the Company's System, Company personnel or the receiving waters;

(v) Violation of any terms or conditions of the IWDC;

(vi) Misrepresentations or failure to fully disclose all relevant facts in the IWDC application or in any required reporting;

(vii) Revision of or a grant of variance from categorical pretreatment standards as provided in 40 CFR § 403.13;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(viii) To correct typographical or other errors in the IWDC; or

(ix) To reflect a transfer of the facility ownership or operation to a new owner or operator where requested in accordance with subsection 5.4 of this Section H;

5.4 IWDC Transfer

(a) IWDCs may be transferred to a new owner or operator only if the User gives at least thirty (30) days advance notice to the Company and the Company approves the IWDC transfer. The notice to the Company must include a written certification by the new owner or operator which:

(i) States that the new owner and/or operator has no immediate intent to change the facility's operations and processes;

(ii) Identifies the specific date on which the transfer is to occur; and

(iii) Acknowledges full responsibility for complying with the existing IWDC.

(b) Failure to provide advance notice of a transfer renders the IWDC void as of the date of facility transfer.

5.5 IWDC Revocation

(a) The Company may revoke an IWDC for good cause, including, but not limited to, the following reasons:

(i) Failure to notify the Company of significant changes to the wastewater prior to the changed discharge;

(ii) Failure to provide prior notification to the Company of changed conditions pursuant to subsection 6.5 of this Section H;

(iii) Misrepresentation or failure to fully disclose all relevant facts in an IWDC application;

(iv) Falsifying self-monitoring reports and certification statements;

(v) Tampering with monitoring equipment;

(vi) Refusing to allow the Company timely access to the facility premises and records;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(vii) Failure to meet effluent limitations;

(viii) Failure to pay fees or sewer charges;

(ix) Failure to meet compliance schedules;

(x) Failure to complete a wastewater survey or the IWDC application;

(xi) Failure to provide advance notice of the transfer of business ownership of a facility with an IWDC; or

(xii) Violation of any pretreatment standard or requirement or any terms of an IWDC or these rules.

(b) If an IDWC is revoked, the Company may take steps it deems advisable, including severance of the sewer connection to terminate service, in order to promote compliance with these rules. The Company reserves the right to terminate wastewater service for violation of any provision of these rules, subject to the Commission's rules and regulations.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6. REPORTING REQUIREMENTS

6.1 Baseline Monitoring Reports

(a) Within either one hundred eighty (180) days after the effective date of a categorical pretreatment standard, or the final administrative decision on a category determination under 40 CFR § 403.6(a)(4), whichever is later, existing categorical industrial Users currently discharging to or scheduled to discharge to the Company's System shall submit to the Company a report which contains the information listed in paragraph (b), below. At least ninety (90) days prior to commencement of their discharge, new sources, and sources that become categorical industrial Users subsequent to the promulgation of an applicable categorical standard, shall submit to the Company a report which contains the information listed in paragraph (b), below. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.

(b) Users described above shall submit the information set forth below.

(i) All information required in subsections 4.5(a)(i)(1), 4.5(a)(ii), 4.5(a)(iii)(1), and 4.5(a)(vi).

(ii) Measurement of pollutants.

1) The user shall provide the information required in subsection 4.5(a)(vii)(1) through 4.5(a)(vii)(4)

2) The User shall take a minimum of one representative sample to compile that data necessary to comply with the requirements of this paragraph.

3) Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment, the User should measure the flows and concentrations necessary to allow use of the combined wastestream formula in 40 CFR § 403.6(e) to evaluate compliance with the pretreatment standards. Where an alternate concentration or mass limit has been calculated in accordance with subsection 2.2 and 40 CFR § 403.6(e) this adjusted limit along with supporting data shall be submitted to the Company;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

4) Sampling and analysis shall be performed in accordance with subsections 6.9 and 6.10;

5) The Company may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;

6) The baseline report shall indicate the time, date and place of sampling and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant discharges to the Company's System.

(iii) Compliance Certification. A statement, reviewed by the authorized representative of the User and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and, if not, whether additional operation and maintenance ("O&M") and/or additional pretreatment is required to meet the pretreatment standards and requirements.

(iv) Compliance Schedule. If additional pretreatment and/or O&M will be required to meet the pretreatment standards, the shortest schedule by which the user will provide such additional pretreatment and/or O&M must be provided. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. A compliance schedule pursuant to this section must meet the requirements set out in subsection of this Section H.

(v) Signature and Report Certification. All baseline monitoring reports must be certified in accordance with subsection 6.13 of this Section H and signed by an authorized representative of the user.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.2 Compliance Schedule Progress Reports

The following conditions shall apply to the compliance schedule required by subsection 6.1(b)(iv) of this Section H.

(a) The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the User to meet the applicable pretreatment standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation);

(b) No increment referred to above shall exceed nine (9) months;

(c) The User shall submit a progress report to the Company no later than fourteen (14) days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the User to return to the established schedule; and

(d) In no event shall more than nine (9) months elapse between such progress reports to the Company.

6.3 Reports on Compliance with Categorical Pretreatment Standard Deadline

Within ninety (90) days following the date for final compliance with applicable categorical pretreatment standards, or in the case of a new source following commencement of the introduction of wastewater into the Company's System, any User subject to such pretreatment standards and requirements shall submit to the Company a report containing the information described in subsections 4.5(a)(vi), 4.5(a)(vii) and 6.1(b)(ii) of this Section H. For Users subject to equivalent mass or concentration limits established in accordance with the procedures in Section 2.2(d) of this Section H, this report shall contain a reasonable measure of the User's long-term production rate. For all other users subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation), this report shall include the User's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with subsection 6.13 of this Section H. All sampling will be done in conformance with subsection 6.10.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.4 Periodic Compliance Reports

(a) All SIUs must submit reports to the Company on a quarterly basis, within thirty (30) days following the end of each calendar quarter, or on a more frequent basis as specified in the User's IWDC, indicating the nature, concentration of pollutants in the discharge which are limited by pretreatment standards and the measured or estimated average and maximum daily flows for the reporting period. In cases where the pretreatment standard requires compliance with BMPs or pollution prevention alternatives, the User must submit documentation required by the Company or the pretreatment standard necessary to determine the compliance status of the User.

(b) All periodic compliance reports must be signed and certified in accordance with subsection 6.13 of this Section H.

(c) All wastewater samples must be representative of the User's discharge. Wastewater monitoring and flow measurement facilities shall be properly operated, kept clean, and maintained in good working order at all times. The failure of a User to keep its monitoring facility in good working order shall not be grounds for the User to claim that sample results are unrepresentative of its discharge.

(d) If a User subject to the reporting requirement in this section monitors any regulated pollutant at the appropriate sampling location more frequently than required by the Company, using the procedures prescribed in subsection 6.10 of this Section H, the results of this monitoring shall be included in the report.

(e) SIUs not subject to categorical pretreatment standards under these rules shall submit periodic compliance reports as specified by the User's IWDC.

6.5 Reports of Changed Conditions

(a) Each User must notify the Company of any significant wastewater modification at least ninety (90) days before the change.

(b) The Company may require the User to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of an IWDC application.

(c) The Company may issue a new IWDC or modify an existing IWDC in response to changed conditions or anticipated changed conditions.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.6 Reports of Potential Problems

(a) In the case of any discharge, including, but not limited to, an accidental discharge, a discharge of a nonroutine, episodic nature, a non-customary batch discharge, or a slug discharge or slug load, that might cause potential problems for the Company's System, the User, upon discovery, and after assessing the situation and taking initial corrective action, shall immediately telephone and notify the Company of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the User.

(b) Within five (5) days following such discharge, the User shall, unless waived by the Company, submit a detailed written report including the date, time and duration of the discharge and describing the cause(s) of the discharge, all corrective actions implemented or attempted, and the measures to be taken by the User to prevent similar future occurrences. Such notification shall not relieve the User of any expense, loss, damage, or other liability which might be incurred as a result of damage to the Company's System, natural resources, or any other damage to person or property; nor shall such notification relieve the User of any fees or other liability which may be imposed pursuant to these rules.

(c) A notice shall be permanently posted on the User's bulletin board or other prominent place advising employees who to call in the event of a discharge described in paragraph (a), above. Employers shall ensure that all employees are advised of the emergency notification procedure.

(d) SIUs are required to notify the Company immediately of any changes at its facility affecting the potential for a slug discharge.

6.7 Reports from Users without an IWDC

All Users not required to obtain an IWDC shall provide appropriate reports to the Company as the Company may require.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.8 Notice of Violation/Repeat Sampling and Reporting

If sampling performed by a User indicates a violation, the User must notify the Company within twenty-four (24) hours of becoming aware of the violation. The User shall also repeat the sampling and analysis and submit the results of the repeat analysis to the Company within thirty (30) days after becoming aware of the violation. Resampling by the User is not required if the Company performs sampling at the User's facility at least once a month, or if the Company performs sampling at the User between the time when the initial sampling was conducted and the time when the User or receives the results of this sampling, or if the Company has performed the sampling and analysis in lieu of the User.

6.9 Analytical Requirements

All pollutant analyses, including sampling techniques, to be submitted as part of a IWDC or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical pretreatment standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the Company determines that the Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analyses shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the Company. The Company may specify appropriate alternative procedures in a User's IWDC.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.10 Sample Collection

(a) Samples collected to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that are representative of conditions occurring during the reporting period.

(b) Except as indicated in subsections (c) and (d) below, the User must collect wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional composite sampling or grab sampling is authorized by the Company. Where time-proportional composite sampling or grab sampling is authorized by the Company, the samples must be representative of the discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides, the samples may be composited in the laboratory or in the field; for volatile organics and oil and grease, the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the Company, as appropriate. In addition, grab samples may be required to show compliance with instantaneous limits.

(c) Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques.

(d) For sampling required in support of baseline monitoring and 90-day compliance reports required in subsections 6.1 and 6.3, a minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the Company may authorize a lower minimum. For the reports required by subsection 6.4, the User is required to collect the number of grab samples necessary to assess and assure compliance with applicable pretreatment standards and requirements.

6.11 Date of Receipt of Reports

Written reports will be deemed to have been submitted on the date postmarked. For reports which are not mailed, postage prepaid, into a mail facility serviced by the United States Postal Service, including reports submitted by electronic mail, the date of receipt of the report shall govern.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.12 Recordkeeping

Users subject to the reporting requirements of these rules shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by these rules, any additional records of information obtained pursuant to monitoring activities undertaken by the User independent of such requirements, and documentation associated with BMPs established under subsection 2.5(g) of this Section H. Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation concerning the User or the Company, or where the User has been specifically notified of a longer retention period by the Company.

6.13 Certification Statements

(a) Certification of Permit Applications, User Reports and Initial Monitoring Waiver - The following certification statement is required to be signed and submitted by Users submitting permit applications in accordance with subsection 4.6; Users submitting baseline monitoring reports under subsection 6.1(b)(v); Users submitting reports on compliance with the categorical pretreatment standard deadlines under subsection 6.3; and Users submitting periodic compliance reports required by subsection 6.4. The following certification statement must be signed by an authorized representative of the User:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(b) A facility determined by the Company to be a non-SIU must annually submit the following certification statement signed an authorized representative of the User. This certification must accompany an alternative report required by the Company:

Based on my inquiry of the person or persons directly responsible for managing compliance with the Categorical Pretreatment Standards under 40 CFR_____, I certify that, to the best of my knowledge and belief that during the period from_____ to_____ [months, days, year]:

(a) The facility described as_____ [facility name] met the definition of a Non-Significant Categorical Industrial User as described in Section B of the rules and regulations specified in Aqua Pennsylvania Wastewater, Inc.'s Tariff under the definition of SIU; and

(b) The facility complied with all applicable Pretreatment Standards and requirements during this reporting period; and

(c) *The facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period*.

This compliance certification is based on the following information:

_____

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

7. COMPLIANCE MONITORING

7.1 Right of Entry: Inspection and Sampling

(a) In addition to the rights afforded to the Company as set forth in this tariff, the Company shall have the right to enter the premises of any User to determine whether the User is complying with all requirements of these rules and any IDWC or compliance directive issued hereunder. Users shall allow the Company ready access to all parts of the premises for the purpose of inspection, sampling, records examination and copying, and the performance of any additional duties.

(b) Where a User has security measures in force which require proper identification and clearance before entry into its premises, the User shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, the Company shall be permitted to enter without delay for the purposes of performing specific responsibilities.

(c) The Company shall have the right to set up on the User's property, or require installation of, such devices as are necessary to conduct sampling or metering of the User's operations.

(d) The Company may require the User to install monitoring equipment as necessary. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the User at its own expense. All devices used to measure wastewater flow and quality shall be calibrated at least one per year, and more frequently if necessary, to ensure their accuracy.

(e) Any temporary or permanent obstruction to safe and easy access to the facility to be inspected or sampled shall be promptly removed by the User at the written or verbal request of the Company and shall not be replaced. The costs of clearing such access shall be borne by the User.

(f) Unreasonable delays in allowing the Company access to the User's premises shall be a violation of these rules.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

8. CONFIDENTIAL INFORMATION

Information and data on a User obtained from reports, surveys, IWDC applications, IWDCs, and monitoring programs, and from the Company's inspection and sampling activities, shall be made available at the discretion of the Company, unless the User specifically requests, and is able to demonstrate to the satisfaction of the Company that the release of such information would divulge information, processes, or methods of production entitled to protection as trade secrets under applicable state or federal law. Any such request must be asserted at the time of submission of the information or data. When requested and demonstrated by the User furnishing a report that such information should be held confidential, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, but shall be made available immediately upon request to governmental agencies for uses related to the NPDES program or pretreatment program, and in enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics and other effluent data, as defined at 40 CFR § 2.302, shall not be recognized as confidential information and may be available to the public.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

9. FEES AND CHARGES

9.1 General Fees.

(a) IWDC Application Fee: $500.00

(b) IWDC Transfer/Modification/Renewal Fee: $200.00

(c) Facility Inspection Fee: $200.00 per inspection.

(d) Monitoring Report Review Fee: $200.00 per report.

(e) Accidental Discharge, Slug Control, and/or Monitoring Fee: Actual cost of response to accidental discharges or discharges of slugs loads, including but not limited to the costs incurred for any additional treatment or other actions required to manage such discharges, monitor and respond to such discharges, correct any resulting contamination or other impacts to the Company's System.

(f) Compliance and Enforcement Fee: Administrative and Legal: Actual cost incurred by the Company for investigation and actions to address a User's non-compliance with the terms of these rules or any IWDC.

(g) Damage Repair: Actual cost for cleaning, repair, replacement or correction of any damage to the Company's System caused or contributed to by a User's discharge.

9.2 Administration.

(a) All fees shall be payable by the User within forty-five (45) days of notification, or the User will be subject to such enforcement action deemed appropriate by the Company, including, but not limited to, termination of service and a revocation of the IWDC.

(b) Fees may be modified or amended as the Company deems necessary, subject to review and approval by the Commission.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

10. ADMINISTRATIVE ENFORCEMENT REMEDIES

10.1 General

Users of the Company's System are obligated to comply with applicable provisions of these rules, pretreatment standards, and the terms and conditions of IWDCs issued by the Company. Failure to comply with these requirements may lead to suspension or termination of service, IWDC revocation, assessment of costs, and/or legal action. In determining what enforcement remedies are appropriate, the Company, in its discretion, may consider the nature and extent of the violation, the harm or threat of harm presented by the discharge, the compliance history of the user, and whether the user is in "significant noncompliance" as defined by 40 CFR § 403.8(f)(2)(viii)(A)-(H), among other factors.

10.2 Notice of Violation

When the Company finds that a User has violated, or continues to violate, any provision of these rules, an IWDC, a compliance or cessation directive issued hereunder, or any pretreatment standard or requirement, the Company may deliver to that User a written notice of violation stating the nature of the violation(s). Within the timeframe set forth in such notice, an explanation of the violation and a plan for the satisfactory correction and prevention thereof, to include specific remedial actions, shall be submitted by the User to the Company. Submission of such a plan in no way relieves the User of liability for any violations occurring before or after receipt the notice. Nothing in this section shall limit the authority of the Company to take any action, including emergency actions or any other enforcement action, without first issuing a notice of violation.

10.3 Compliance Orders

When the Company finds that a User has violated, or continues to violate, any provision of these rules, an IDWC, a compliance order or Discontinue Notice issued hereunder, or any pretreatment standard or requirement, the Company may issue a compliance order to the User responsible for the discharge directing that the User come into compliance within a specified time. If the User does not come into compliance within the time provided, sewer service may be discontinued unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated. Compliance orders also may contain other requirements to address the noncompliance, including additional self-monitoring and management practices designed to minimize the amount of pollutants discharged to the Company's System. A compliance order may not extend the deadline for compliance established for a pretreatment standard or requirement, nor does a compliance order relieve the User of liability for any violation, including any continuing violation. Issuance of a compliance order shall not be a bar against, or a prerequisite for, taking any other action against the User.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

10.4 Discontinue Notice

(a) When the Company finds that a User has violated, or continues to violate, any provision of these rules, an IWDC, a compliance order or Discontinue Notice issued hereunder, or any pretreatment standard or requirement, or that the User's past violations are likely to recur, the Company may issue a Discontinue Notice to the User directing it to cease and desist all such violations and directing the User to:

(i) Immediately comply with all requirements; and

(ii) Take such appropriate remedial or preventive action as may be needed to properly address a continuing or threatened violation, including halting operations and/or terminating the discharge. Issuance of a cessation directive shall not be a bar against, or a prerequisite for, taking any other action against the user.

10.5 Emergency Response

(a) The Company may immediately suspend a User's discharge or the IWDC of any User, upon notice to the User, whenever such suspension is necessary, in the opinion of the Company, to stop an actual or threatened discharge, which presents or reasonably appears to present, or cause, an imminent or substantial endangerment to the health or welfare of persons. The Company may also immediately suspend a User's discharge, upon notice to the User, that causes or contributes to a violation of any condition of the Company's NPDES permit, or threatens to interfere with the operation of the Company's System, or which presents, or may present, an endangerment to the environment.

(b) Any User notified of a suspension of its discharge shall immediately stop or eliminate its discharge to the Company's System. In the event of a User's failure to immediately comply voluntarily with the suspension notice, the Company may take such steps as deemed necessary, including immediate severance of the sewer connection, to prevent or minimize damage to the Company's System, its receiving stream, or endangerment to any individuals or the environment.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

11. JUDICIAL ENFORCEMENT REMEDIES

11.1 Injunctive Relief and Civil Actions

When the Company finds that a User has violated, or continues to violate, any provision of these rules, an IWDC, a compliance order or Discontinue Notice issued hereunder, or any pretreatment standard or requirement, the Company may petition the Court of Common Pleas in the county in which the User is located for the issuance of a temporary or permanent injunction, as appropriate, which restrains or compels the specific performance of the IWDC, compliance order, Discontinue Notice, or other requirement imposed by these rules. The Company also may seek such other action as is appropriate for legal or equitable relief, including a requirement for the User to conduct environmental remediation. A petition for injunctive or other judicial relief shall not be a bar against, or a prerequisite for, taking any other action against a User.

11.2 Remedies Nonexclusive

The remedies provided for in these rules are not exclusive and the Company may take any, all, or any combination of actions against a noncompliant User. As a general policy, however, the Company will seek to resolve compliance matters informally with a User before pursuing formal enforcement proceedings.

12. PROTECTION OF COLLECTION SYSTEMS

12.1 Service Areas Where the Company Provides Collection and Conveyance Only Service

In circumstances where the Company provides wastewater collection and conveyance services but not wastewater treatment services within a service territory, all Users shall comply with all rules, regulations and requirements established by the treatment plant operator and/or the municipality where wastewater is treated, including but not limited to requirements specifying prohibited discharges, assuring compliance with applicable pretreatment standards and discharge limitations, providing for user permitting, and assessing administrative and pollutant loading fees with respect to wastewaters that are not composed entirely of sanitary sewage.

RULES AND REGULATIONS

SECTION I – MAIN EXTENSIONS

General Provisions:

1. A Bona Fide Service Applicant ("Applicant") or Builder must include with the initial written request for a Main extension to the Company, the following information: location for service, gallons/day flow, and type of use. The Company will evaluate its ability to serve for the requested Main extension. Applicant or Builder must provide all necessary and required documentation as determined in Company's sole discretion to determine whether Main extension can be made. Once the Company has determined the Main extension can be made, Application and Company will develop and enter into an appropriate agreement(s).

2. The Company shall have the exclusive right to determine the type and size of Mains to be installed, and any other facilities or fixtures required to render adequate service

3. In determining the length and size of, and necessity for Main extensions, the terminal point of such extensions will, in all cases, be at that point in the curb-line which is equidistant from the side property lines of the lot for which wastewater service is requested. A street Service Connection will be provided only for service lines from the curb to the premises to be served, and will be installed in a straight line, at right angles, to the curb line. Where the Prospective Customer's Property is landlocked, the Prospective Customer may be required to obtain, at no cost to the Company, an easement or right-of-way that shall not cross multiple properties. The Prospective Customer shall present the Company with a certified copy of a duly recorded instrument that is recorded in the County Office of the Recorder of Deeds.

4. Should it be necessary, at the Company's sole discretion, to extend beyond the last lot in any street to connect to an existing Main to provide more adequate and reasonable service, this additional extension shall be considered part of the total and orderly system development so long as the last lot in the street is not more than one hundred fifty (150) feet from that existing Main, and may be included in the cost of the extension to be paid for by the Applicant or Potential Customer.

SECTION I – MAIN EXTENSIONS (cont'd)

Bona Fide Service Applicant Initiated Main Extensions:

1. Where an adequate wastewater collection Main does not abut an Applicant's Property such that a service connection cannot be made to serve such Property in accordance with these Rules and Regulations, the Applicant (or an authorized agent for the Applicant) must apply to the Company for a Main extension. Such extension will be made under and pursuant to the terms of a Sewer Extension Agreement (which may include a reasonable allowance for overhead costs) subject to applicable provisions of these Rules and Regulations. The construction of facilities to serve such Applicant will not commence until a Sewer Extension Agreement has been executed and all applicable terms and conditions therein have been satisfied by the Applicant.

   In conjunction with executing a Sewer Extension Agreement, an Applicant shall deposit with the Company an amount totaling $1,000, representing a Service Line Deposit. If the total cost to connect the Applicant exceeds the total of the Service Line Deposit and the Company's contribution to the extension, the Applicant will be required to pay the difference. However, if the Company's contribution to the extension fully funds the amount needed to connect the Applicant, the Service Line Deposit will be refunded to the Applicant within 90 days after the Applicant's requesting and receiving wastewater service from the Company, provided, however, that if the Applicant does not request connection to the Company's Main extension within six months of the completion of the Main extension, the Service Line Deposit shall become non-refundable.

   Where a proposed Main extension is capable of serving multiple structures or facilities and at least 80% of the Prospective Customers who could receive service from the Main extension become Bona Fide Service Applicants and satisfy all applicable terms and conditions of the foregoing provisions, the Customer Advance, if any, required of each Bona Fide Service Applicant shall be calculated as if 100% of such Prospective Customers had become Bona Fide Service Applicants.

   For a period of ten (10) years following completion of the Main extension, the Company shall refund to each Applicant his/her pro rata share of an amount equal to the Company Contribution for each additional Customer who attaches a service line to the main extension and requests service. No refunds shall be made, however, in those situations where at least 80%, but less than 100%, of the Prospective Customers who could receive service from the Main extension become Applicants and their Customer Advances are calculated as if 100% of such Prospective Customers had participated in the initial funding of the project. In addition, the total amount refunded shall not exceed the amount of the Customer Advance paid by the Applicant.

2. The Applicant must have complied with all other conditions of service provided elsewhere in these Rules and Regulations in order to receive wastewater service from the Main extension.

SECTION I – MAIN EXTENSIONS (cont'd)

Definitions:

Bona Fide Service Applicant ("Applicant"): shall mean a person or entity applying for wastewater service to an existing or proposed structure or facility within the Company's certificated service territory, and which is either: (1) the primary residence of the Applicant; (2) a place of business; or (3) a public school, building, library, park or playground which is owned by a governmental unit or school district having the power of taxation. A person or entity shall not be deemed a Bona Fide Service Applicant if: (1) applying for service to a building lot, subdivision, or a secondary residence; (2) the request for service is part of a plan for the development of a residential dwelling or subdivision; or (3) requesting Special Utility Service. To become an Applicant, a person or entity must file a signed application to connect the qualifying structure or facility with the Company's distribution system and request service to begin immediately following such connection.

Builder: Any person(s) requesting an extension to provide service to an existing lot or group of lots, either existing or to be subdivided, where service is to be provided to something other than a preexisting Residential Structure; namely, a newly constructed structure, structures to be constructed in the future, or to a preexisting non-Residential Structure.

Company Contribution: shall mean that portion of the Main extension costs which generate annual line extension costs equal to annual revenue from the line extension and that the Company will fund based upon the following formula, where X equals the Company Contribution attributed to each Bona Fide Service Applicant:

$$X = \frac{AR - O\&M}{(P*I) + D}$$

Whereby:

AR = the expected annual revenue from the Bona Fide Service Applicant based upon the Company's currently effective Tariff rates as established in the Company's last base rate case and on the average annual usage of customers similar in nature and size to the Bona Fide Service Applicant.

O&M = the average annual operating and maintenance expenses associated with serving an additional Customer, including customer accounting, billing and collection, wastewater treated, power purchased, chemicals, and other variable costs based on the current total Company level of such costs, as well as any costs particular to the specific needs of the Bona Fide Service Applicant.

I = the Company's current debt ratio multiplied by its weighted cost of long-term debt as established in the Company's last base rate case; and

D = the Company's depreciation accrual rate for facilities to be installed, as established in the Company's last base rate case.

RULES AND REGULATIONS

SECTION I – MAIN EXTENSIONS (cont'd)

Customer Advance: shall mean (1) the Estimated Cost of the wastewater Main extension less (2) the Company Contribution.

Line extensions to Bona Fide Service Applicants shall be funded without Customer Advance where the annual revenue from the line extension will equal or exceed the Company's line extension costs. If the annual revenue from the line extension will not equal or exceed the Company's line extension costs, a Bona Fide Service Applicant may be required to provide a Customer Advance to the Company's cost of construction for the line extension.

Where a Customer Advance is required, and the Bona Fide Service Applicant is unable to advance the entire amount due, the Company, at its sole option, will either (1) allow the Bona Fide Service Applicant to pay the remaining portion of the Customer Advance ratably over a period of not less than three years, or (2) provide information to the applicant on financial institutions that may offer financing to the Bona Fide Service Applicant for the line extension. If the Company chooses option (1), it may require that up to one-third of the total Customer Advance be deposited prior to extending its facilities and may recover from the Bona Fide Service Applicant, over the payment term selected, its costs of financing the construction by applying to the amount outstanding interest charges calculated at the then-prevailing residential mortgage lending rate specified by the Secretary of Banking in accordance with the act of January 30, 1974 (P.L. 13, No. 6), known as the Loan Interest and Protection Law.

RULES AND REGULATIONS

SECTION I – MAIN EXTENSIONS (cont'd)

Special Utility Service: shall mean residential or business service which exceeds that required for ordinary residential purposes. By way of illustration and not limitation, Special Utility Service shall include: the installation of facilities such as oversized mains, lift stations, disposal systems, wastewater treatment facility ("WWTF") expansion, etc., as necessary to handle increased flows, hydraulic loading and / or organic loading, or service to large wastewater producing commercial and industrial facilities. An otherwise Bona Fide Service Applicant requesting service which includes a "Special Utility Service" component is entitled to a Bona Fide Service Applicant status, including the corresponding Company contribution toward the costs of the line extension which does not meet the Special Utility Service criteria.

Builder Initiated Main Extensions: In the event any Main extension is requested or required to provide service to newly constructed structure(s) to be constructed in the future on existing or subdivided lots, or to preexisting non-Residential Structures except as provided below, the Builder shall be required to install the wastewater Main and service lines through a pre-qualified contractor retained by the Builder and to pay all costs related thereto. The Company has the sole right to accept or reject the proposed contractor. At the sole discretion of the Company, the Company may undertake construction of facilities otherwise subject to this Rule, in which event, a Builder's Extension Agreement shall be applicable except that the Builder will retain financial responsibility for the installation of the wastewater Main, service lines and appurtenances as specified herein.

Under the provisions of this Rule, prior to construction, the Builder must enter into a Builder's Extension Agreement, in a form acceptable to the Company, detailing the terms and conditions under which the Company will accept, and provide service through, facilities constructed by Builder. All construction costs, whether initially incurred by the Company or the Builder, related to the Main extension shall be the responsibility of the Builder. The Builder's Extension Agreement shall contain, at a minimum, the following terms and conditions:

1. Main and service line installation work shall be performed in accordance with the specifications and conditions of the Company.

2. All costs of material and installation required to serve Builder's lots shall be the responsibility of Builder. Builder shall contract directly with a pre-qualified contractor, recognized and approved by the Company, for all Main and service line installation work, and all appurtenances required to serve the project.

3. Any specialty material required to interconnect with the Company's existing facilities shall be provided by the Company.

4. Any construction involving preexisting facilities of the Company, including but not limited to relocation of existing facilities and connections of Mains or services with existing facilities, shall be performed only by the Company except where otherwise agreed upon by the Company in its sole discretion.

5. Builder's estimate of the cost of construction must be acceptable to the Company. Estimates which appear to be understated may be rejected by the Company in its sole discretion.

RULES AND REGULATIONS

SECTION I – MAIN EXTENSIONS (cont'd)

6. Builder shall obtain all necessary permits from federal, state and local authorities. If any of these authorities require the Company to obtain such permits, the Builder shall do all engineering, design, research and complete the application for the Company's submittal. Any fees associated with any such permits shall be the sole responsibility Builder.

7. All construction shall be subject to inspection by Company personnel. No trenches shall be backfilled prior to approval from Company inspectors.

Main Extensions to Governmental Bodies: The Company may negotiate and enter into customized Extension Agreements with Governmental Agencies where the main extension is for a public purpose and is funded entirely with public funds. These agreements may include a waiver of the tax requirements of the "Extension Agreement;" provided, however, that where such waiver is given, the Company will not refund any portion of the cost of the main extension.

SECTION J – WAIVERS

The Company may, at its sole discretion, waive any of the Rules and Regulations contained herein that operate for the benefit of the Company; provided, that no such waiver will be valid unless in writing and signed by an authorized representative of the Company, and provided that no waiver will be allowed where the waiver would constitute a violation of the Public Utility Code, the regulations of the Commission or of any other applicable statute, law or regulation.

SECTION K – AMENDMENT OF COMMISSION REGULATIONS

Whenever Commission regulations in Title 52 of the Pennsylvania Code are duly amended in such a way as would produce a difference between Commission regulations and this Tariff, the Tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 52 is discretionary, this Tariff will remain unchanged.

SECTION L – PRIVILEGE TO INVESTIGATE/RIGHT TO ACCESS

The Company shall have the right by its employees to have access at all reasonable times to all parts of any Premises connected with the Company's System, including meters, Service Connections and other Property owned by it on the Premises of the Customer for the purpose of examining and inspecting the connections and fixtures, including the water and/or wastewater metering arrangement, or for disconnecting service for any proper cause or for purposes of replacement, maintenance, operation or repair thereof. The existing ground grade over any Sanitary Sewer in the utilities right of way shall not be changed nor shall any manhole be covered with earth and no shrubbery or trees be placed over Sanitary Sewer lines or facilities.

SECTION M – INDUSTRIAL AND COMMERCIAL SERVICE LIMITATIONS

Pretreatment: At the User's expense, all industrial and commercial waste proposed for discharge into the wastewater system shall be studied to determine the degree of Pretreatment, if any, necessary in order that the Waste will not adversely affect the Company's System, and for compliance with Section H of this tariff. The Company will have the authority to properly control any Waste discharged into the Company's System by regulating the rate of any Waste discharged into the Company's System by requiring necessary Pretreatment, and excluding certain Waste, if necessary, to protect the integrity of the Company's System.

Customer Limitations: Users specifically agree that service applies exclusively for domestic/household sewage. If any User discharges industrial or commercial Waste that:

- The existing wastewater treatment plant is unable to satisfactorily treat; or,

- Is not in compliance with discharge permit standards, disrupts the normal functioning of the existing wastewater treatment plant; or

- Requires the utilization of more wastewater treatment plant capacity per gallon of effluent than that required by average typical domestic wastewater.

Then the User shall provide, at the User's own expense, such Pretreatment as may be necessary before such Waste is discharged into the Company's System. No commercial or industrial Waste, whether pretreated or not, may be discharged without prior written authorization from the Company.

Company Limitations: The Company will not be liable nor bound to increase wastewater treatment plant operations to accommodate industrial or commercial Waste.

Specific Dangers: In general, any Waste will be considered harmful to the Company's System if it may cause any of the following damaging effects:

- Chemical reaction either directly or indirectly with the materials of construction of the Company's System in such a manner as to impair the strength or durability of the sewer structures;

- Mechanical action that will destroy the sewer structures;

- Restriction of the hydraulic capacity of the sewer structures;

- Restriction of the normal inspection or maintenance of the sewer structures;

- Danger to public health and safety; or

- Obnoxious condition contrary to public interest.

AQUA PENNSYLVANIA, INC. - WATER BASE

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AQUA PENNSYLVANIA, INC. - WATER BASE

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Docket No. R-2024-3047822

AQUA PENNSYLVANIA, INC. - WATER BASE

WATER AND WASTEWATER REVENUE REQUIREMENT - SUMMARY

		Total Company	Water Base Operations	Water Shenandoah	Wastewater Base Operations	Wastewater Lower Makefield	Wastewater East Whiteland
Present Rate Revenue	(1)	$ 670,994,640	$ 596,344,820	$ 1,828,304	$ 57,682,604	$ 11,613,830	$ 3,525,082
Additional Revenue Requirement	(2)	126,675,472	87,930,589	2,267,908	25,957,548	3,526,708	6,992,719
Cost of Service Allocation	(3)	-	1,465,438	(1,465,438)	-	-	-
Act 11 Allocation	(4)	-	21,850,629	-	(17,747,873)	(958,164)	(3,144,592)
Proposed Revenues		$ 797,670,111	$ 707,591,475	$ 2,630,774	$ 65,892,280	$ 14,182,374	$ 7,373,208
Rate Increase/(Decrease) - $		$ 126,675,472	$ 111,246,656	$ 802,470	$ 8,209,676	$ 2,568,544	$ 3,848,126
Rate Increase/(Decrease) - %		18.88%	18.65%	43.89%	14.23%	22.12%	109.16%

Notes:

(1) Present Rate Revenues are developed in the schedules of Exhibits 1-A through 1-E that relate to each of these operations.

(2) Additional Revenue Requirement are developed in the schedules of Exhibits 1-A through 1-E that relate to each of these operations.

(3) Cost of Service Allocation from Water Shenandoah to Water Base Operations.

(4) Act 11 Allocation is the allocation between wastewater operations and water operations is achieved by the proposed consolidation of water and wastewater revenue requirements to derive the water and wastewater rates proposed by the Company in this case.

Docket No. R-2024-3047822
Exhibit 1-A

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA, INC. - WATER BASE

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	564,324,528	$ 1,183,789	565,508,317	$ 32,890,404	$ 598,398,721	$ (2,053,902)	$ 596,344,820	$ 87,930,589	$ 684,275,408
2	Operating Expenses	122,259,439	(990,436)	121,269,003	9,656,458	130,925,461	14,717,698	145,643,159	386,944	146,030,102
3	Depreciation	116,808,845	16,864,708	133,673,553	4,745,054	138,418,607	3,844,349	142,262,956		142,262,956
4	Taxes, other than income :									
5	PUC assessment	2,280,687	165,057	2,445,744	142,246	2,587,990	(8,883)	2,579,107	380,287	2,959,395
6	OCA & SBA assessments	959,581	197,782	1,157,363	67,313	1,224,676	(4,203)	1,220,472	179,958	1,400,430
7	Public Utility Realty tax	4,373,227	326,773	4,700,000	-	4,700,000	-	4,700,000	-	4,700,000
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	1,162,341	-	1,162,341	-	1,162,341	-	1,162,341	-	1,162,341
10	Federal & State payroll tax	2,487,473	434,260	2,921,733	252,193	3,173,926	149,200	3,323,126	-	3,323,126
11	Total Taxes, other than income	11,263,310	1,123,871	12,387,181	461,753	12,848,934	136,114	12,985,047	560,245	13,545,292
12	Utility Operating Income Before Tax	313,992,933	(15,814,353)	298,178,580	18,027,140	316,205,720	(20,752,062)	295,453,658	86,983,400	382,437,058
13	Income Taxes:									
14	Federal Tax-Current	4,753,143	10,596,627	15,349,771	8,244,427	23,594,198	(5,132,157)	18,462,040	16,807,019	35,269,060
15	Pa. CNI Tax-Current	2,735,986	4,279,004	7,014,990	(1,126,843)	5,888,147	(1,568,309)	4,319,838	6,949,974	11,269,812
16	Federal Tax-Deferred	(2,075,765)	2,788,818	713,053	(1,372,488)	(659,435)	(6,590,223)	(7,249,658)	-	(7,249,658)
17	Pa. CNI Tax-Deferred	17,371,174	(18,188,067)	(816,893)	3,262,154	2,445,261	(191,500)	2,253,761	-	2,253,761
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	(253,412)	-	(253,412)	151,272	(102,140)	-	(102,140)	-	(102,140)
20	Total Income Taxes	22,531,127	(523,617)	22,007,510	9,158,521	31,166,030	(13,482,190)	17,683,841	23,756,993	41,440,834
21	Total Operating Revenue Deductions	272,862,721	16,474,526	289,337,247	24,021,785	313,359,032	5,215,971	318,575,003	24,704,182	343,279,185
22	Utility Operating Income	291,461,807	(15,290,736)	276,171,070	8,868,619	285,039,690	(7,269,873)	277,769,817	63,226,407	340,996,224
23	Income Deductions:									
24	Interest on Long-Term debt	85,178,589	(3,566,463)	81,612,127	(2,332,617)	79,279,509	6,632,997	85,912,507		85,912,507
25	Amort. Of debt discount & expense	692,396	(692,396)	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(6,955,870)	6,955,870	-	-	-	-	-		-
28	Total Income Deductions	78,915,115	2,697,012	81,612,127	(2,332,617)	79,279,509	6,632,997	85,912,507	-	85,912,507
29	Net Income	$ 212,546,692	$ (17,987,748)	$ 194,558,944	$ 11,201,237	$ 205,760,180	$ (13,902,870)	$ 191,857,311	$ 63,226,407	$ 255,083,717
30	Preferred Dividend									
31	Net Income-Common	$ 212,546,692	$ (17,987,748)	$ 194,558,944	$ 11,201,237	$ 205,760,180	$ (13,902,870)	$ 191,857,311	$ 63,226,407	$ 255,083,717

AQUA PENNSYLVANIA, INC. - WATER BASE

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Metered:							
2	Residential	406,878	408,864	410,498	412,132	411,848	-	284
3	Commercial	23,102	23,365	23,535	23,705	23,677	-	28
4	Industrial	722	720	720	720	716	-	4
5	Public	1,212	1,197	1,197	1,197	1,192	-	5
6	Bulk Water	-	-	-	-	-	-	-
7	Private Fire Protection	5,729	5,770	5,770	5,770	5,770	-	-
8	Sales to Water Utilities	21	22	22	22	22	-	-
9	Total Metered Customers	437,664	439,938	441,742	443,546	443,225	-	321
10	Other:							
11	Unmetered	875	1,009	1,009	1,009	989	-	20
12	Availability Charge	-	-	-	-	-	-	-
13	Public Fire Protection	265	264	264	264	264	-	-
14	Private Fire Protection	838	847	847	847	847	-	-
15	Total Customers	439,642	442,058	443,862	445,666	445,325	-	341

AQUA PENNSYLVANIA, INC. - WATER BASE

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
		YEAR 1			
1	Pro Forma Rate Base	Schedule G-1		$	4,318,247,093
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	340,996,224
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	277,769,817
5	Operating Income Deficit		=	$	63,226,407
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3907
7	Revenue Deficit		=	$	87,930,589

AQUA PENNSYLVANIA, INC. - WATER BASE

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ 276,171,070	$ 3,948,804,824	6.99%
2	Present Rates December 31, 2024	$ 285,039,690	$ 4,127,048,593	6.91%
3	Present Rates December 31, 2025	$ 277,769,817	$ 4,318,247,093	6.43%
4	Proposed Rates December 31, 2025	$ 340,996,224	$ 4,318,247,093	7.90%

AQUA PENNSYLVANIA, INC. - WATER BASE

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**0.440%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9892
7	State Tax Rate	**7.990%**		
8	State Tax $$ ============>		$	0.0790
9	State Factor		$	0.9102
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ============>		$	0.1911
12	Combined Income Tax Factor on Gross Revenues			27.02%
13	Net Operating Income Factor			**71.90%**
14	Gross Revenue Conversion Factor			**1.39073**

Docket No. R-2024-3047822
Exhibit 1-A

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA, INC. - WATER BASE

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Metered Sales:										
2	Residential	$ 367,856,225	$ 618,595	$ 368,474,821	$ 20,628,721	$ 389,103,542	$ (3,032,595)	$ 386,070,947	15.7%	$ 60,633,876	$ 446,704,823
3	Commercial	133,408,984	191,172	133,600,156	9,264,997	142,865,153	94,741	142,959,894	14.4%	20,605,214	163,565,108
4	Industrial	22,687,969	(107,177)	22,580,792	1,509,027	24,089,819	214,492	24,304,311	13.6%	3,300,677	27,604,987
5	Public	10,112,996	489,569	10,602,565	219,784	10,822,349	1,368	10,823,717	15.5%	1,680,493	12,504,211
6	Bulk Water	135,692	-	135,692	(738)	134,955	-	134,955	0.0%		134,955
7	Private Fire Protection	15,240,196	22,071	15,262,267	1,002,223	16,264,489	-	16,264,489	0.0%		16,264,489
8	Sales to Water Utilities	3,668,949	1,053	3,670,002	166,870	3,836,871	668,093	4,504,964	0.6%	27,917	4,532,881
9	Total Metered Sales	553,111,012	1,215,283	554,326,295	32,790,883	587,117,178	(2,053,902)	585,063,276	14.7%	86,248,177	671,311,454
10	Other:										
11	Unmetered	18,135	124	18,259	(8,813)	9,446	-	9,446	7.2%	677	10,123
12	Availability Charge	-	-	-	-	-	-	-	0.0%		-
13	Public Fire Protection	7,347,754	(17,231)	7,330,523	(75,445)	7,255,078	-	7,255,078	10.2%	736,651	7,991,729
14	Private Fire Protection	2,701,963	(14,387)	2,687,576	174,637	2,862,213	-	2,862,213	33.0%	945,084	3,807,296
15	Total Sales to General Customers	563,178,863	1,183,789	564,362,652	32,881,262	597,243,915	(2,053,902)	595,190,013	14.8%	87,930,589	683,120,601
16	Other Water Revenue:										
17	Forfeited Discounts	-	-	-	-	-	-	-	0.0%		-
18	Miscellaneous Service Revenue	1,145,665	-	1,145,665	9,142	1,154,807	-	1,154,807	0.0%		1,154,807
19	Sub-Total	1,145,665	-	1,145,665	9,142	1,154,807	-	1,154,807	0.0%	-	1,154,807
20	Total Operating Revenue	$ 564,324,528	$ 1,183,789	$ 565,508,317	$ 32,890,404	$ 598,398,721	$ (2,053,902)	$ 596,344,820	14.7%	$ 87,930,589	$ 684,275,408

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 564,324,528				
2	Present Rates at 12/31/23					$ 565,508,317		
3	Present Rates at 12/31/24							$ 598,398,721
4	Unbilled Revenue Adjustment	Schedule B-3	269,110		-		-	
5	DSIC Annualization	Schedule B-4	-		35,639,834		-	
6	Change In Customers	Schedule B-5	596,522		1,269,217		1,269,218	
7	Customer Assistance Program	Schedule B-6	65,284		(4,054,528)		(2,987,822)	
8	Declining Residential Consumption Adjustment	Schedule B-7	-		(1,219,249)		(1,219,250)	
9	Miscellaneous Revenue Adjustments	Schedule B-8	-		-		-	
10	Specific Customer Adjustments	Schedule B-9	461,000		1,255,130		883,953	
11	Eliminate Twin Lakes And Venango Revenue	Schedule B-10	(208,127)		-		-	
12	Pro Forma Adjustment			1,183,789		32,890,404		(2,053,902)
13	Pro Forma Present Rates at December 31, 2023			$ 565,508,317				
14	Pro Forma Present Rates at December 31, 2024					$ 598,398,721		
15	Pro Forma Present Rates at December 31, 2025							$ 596,344,820

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT
1	Metered Sales:	
2	Residential	$ (209,779)
3	Commercial	(146,309)
4	Industrial	107,177
5	Public	(28,569)
6	Bulk Water	-
7	Private Fire Protection	(22,071)
8	Sales to Water Utilities	(1,053)
9	Total Metered Sales	(300,603)
10	Other:	
11	Unmetered	(124)
12	Availability Charge	-
13	Public Fire Protection	17,231
14	Private Fire Protection	14,387
15	Total Sales to General Customers	(269,110)
16	Other Water Revenue:	
17	Forfeited Discounts	
18	Miscellaneous Service Revenue	
19	Sub-Total	-
20	Total Operating Revenue	$ (269,110)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

DSIC ANNUALIZATION

This revenue adjustment is being made to reflect the annualization of the Distribution System Improvement Charge revenues for December 31, 2024 based on the Company's pro forma level at December 31, 2024 and the 7.16% rate that is expected to become effective on January 1, 2025.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 DSIC REVENUE	ANNUALIZED PRESENT RATES 12/31/2024 DSIC REVENUE	PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Metered Sales:				
2	Residential	$ 2,001,257	$ 25,795,079	$ 23,793,822	
3	Commercial	726,170	9,562,757	8,836,587	
4	Industrial	103,347	1,353,752	1,250,405	
5	Public	47,476	624,697	577,221	
6	Bulk Water	738	-	(738)	
7	Private Fire Protection	82,984	1,085,207	1,002,223	
8	Sales to Water Utilities	(2,105)	1,193	3,298	
9	Total Metered Sales	2,959,867	38,422,684	35,462,818	-
10	Other:				
11	Unmetered	99	631	532	
12	Availability Charge	-	-	-	
13	Public Fire Protection	-	-	-	
14	Private Fire Protection	14,613	191,097	176,484	
15	Total Sales to General Customers	2,974,579	38,614,413	35,639,834	-
16	Other Water Revenue:				
17	Forfeited Discounts	-	-	-	
18	Miscellaneous Service Revenue	-	-	-	
19	Sub-Total	-	-	-	-
20	Total Operating Revenue	$ 2,974,579	$ 38,614,413	$ 35,639,834	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CHANGE IN CUSTOMERS

The following adjustment reflects the change in revenues due to the average change in number of customers during the three years ending December 31, 2025. Projections were based on a three year historical growth average exclusive of acquisitions.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Metered Sales:			
2	Residential	$ 551,659	$ 1,174,477	$ 1,174,477
3	Commercial	44,863	94,740	94,741
4	Industrial			
5	Public			
6	Bulk Water			
7	Private Fire Protection			
8	Sales to Water Utilities			
9	Total Metered Sales	596,522	1,269,217	1,269,218
10	Other:			
11	Unmetered			
12	Availability Charge			
13	Public Fire Protection			
14	Private Fire Protection			
15	Total Sales to General Customers	596,522	1,269,217	1,269,218
16	Other Water Revenue:			
17	Forfeited Discounts			
18	Miscellaneous Service Revenue			
19	Sub-Total	-	-	-
20	Total Operating Revenue	$ 596,522	$ 1,269,217	$ 1,269,218

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CUSTOMER ASSISTANCE PROGRAM

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Metered Sales:				
2	Residential	$ (492,494)	$ (427,210)	$ (4,481,738)	$ (7,469,560)
3	Commercial				
4	Industrial				
5	Public				
6	Bulk Water				
7	Private Fire Protection				
8	Sales to Water Utilities				
9	Total Metered Sales	(492,494)	(427,210)	(4,481,738)	(7,469,560)
10	Other:				
11	Unmetered				
12	Availability Charge				
13	Public Fire Protection				
14	Private Fire Protection				
15	Total Sales to General Customers	(492,494)	(427,210)	(4,481,738)	(7,469,560)
16	Other Water Revenue:				
17	Forfeited Discounts				
18	Miscellaneous Service Revenue				
19	Sub-Total	-	-	-	-
20	Total Operating Revenue	$ (492,494)	$ (427,210)	$ (4,481,738)	$ (7,469,560)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

DECLINING RESIDENTIAL CONSUMPTION ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Metered Sales:		
2	Residential	$ (1,219,249)	$ (1,219,250)
3	Commercial		
4	Industrial		
5	Public		
6	Bulk Water		
7	Private Fire Protection		
8	Sales to Water Utilities		
9	Total Metered Sales	(1,219,249)	(1,219,250)
10	Other:		
11	Unmetered		
12	Availability Charge		
13	Public Fire Protection		
14	Private Fire Protection		
15	Total Sales to General Customers	(1,219,249)	(1,219,250)
16	Other Water Revenue:		
17	Forfeited Discounts		
18	Miscellaneous Service Revenue		
19	Sub-Total	-	-
20	Total Operating Revenue	$ (1,219,249)	$ (1,219,250)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION		PER BOOKS 12/31/2023 AMOUNT	12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2023 AMOUNT
1	Metered Sales:				
2	Residential			$ -	$ -
3	Commercial			-	-
4	Industrial			-	-
5	Public			-	-
6	Bulk Water			-	-
7	Private Fire Protection			-	-
8	Sales to Water Utilities			-	-
9	Total Metered Sales		-	-	-
10	Other:				
11	Unmetered	(b)		-	-
12	Availability Charge			-	-
13	Public Fire Protection			-	-
14	Private Fire Protection			-	-
15	Total Sales to General Customers		-	-	-
16	Other Water Revenue:				
17	Forfeited Discounts			-	-
18	Miscellaneous Service Revenue			-	-
19	Sub-Total		-	-	-
20	Total Operating Revenue		$ -	$ -	$ -

(a)
(b) Eliminate Backbills

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

SPECIFIC CUSTOMER ADJUSTMENTS

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT		PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Metered Sales:						
2	Residential	(a)		$ 924,799	(b)	$ 9,400	
3	Commercial	(a)		333,670			
4	Industrial	(a)		3,217	(d)	255,404	214,492
5	Public	(a)	461,000	(420,321)	(d)	62,885	1,368
6	Bulk Water						
7	Private Fire Protection	(c)					
8	Sales to Water Utilities	(a)		401,740	(d)	(238,169)	668,093
9	Total Metered Sales		461,000	1,243,105		89,521	883,953
10	Other:						
11	Unmetered			55	(b)	(9,400)	
12	Availability Charge						
13	Public Fire Protection	(a)		(75,445)			
14	Private Fire Protection	(a)		(1,847)			
15	Total Sales to General Customers		461,000	1,165,868		80,121	883,953
16	Other Water Revenue:						
17	Forfeited Discounts						
18	Miscellaneous Service Revenue	(a)		9,142	(d)		
19	Sub-Total		-	9,142		-	-
20	Total Operating Revenue		$ 461,000	$ 1,175,010		$ 80,121	$ 883,953

(a) Refer to AP Statement No. 10
(b) Move from Flat Rate to Unmetered
(c) Private Fire Adjustment
(d) Contract Customer inflation. Refer to AP Statement No. 10

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

ELIMINATE TWIN LAKES AND VENANGO REVENUE

Beginning January 15, 2021, the Company was appointed receiver for Twin Lakes Utilities, Inc. at Docket No. P-2020-3020914.
Beginning August 12, 2023, the Company was appointed receiver for the Venango Water Company at Docket No. M-2023-3042180.
The following adjustment removes the revenue collected from Twin Lakes and Venango during the test year which
was recorded above the line. Refer to Schedule C-10.1 and Schedule C-10.2 of this exhibit for the removal of Twin Lakes and Venango expenses.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PER BOOKS 12/31/2023 AMOUNT	12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2023 AMOUNT
		Twin Lakes	**Venango**		
1	Metered Sales:				
2	Residential	$ 208,127	$ -	$ (208,127)	$ -
3	Commercial	-	-	-	-
4	Industrial	-	-	-	-
5	Public	-	-	-	-
6	Bulk Water	-	-	-	-
7	Private Fire Protection	-	-	-	-
8	Sales to Water Utilities	-	-	-	-
9	Total Metered Sales	208,127	-	(208,127)	-
10	Other:				
11	Unmetered	-	-	-	-
12	Availability Charge	-	-	-	-
13	Public Fire Protection	-	-	-	-
14	Private Fire Protection	-	-	-	-
15	Total Sales to General Customers	208,127	-	(208,127)	-
16	Other Water Revenue:				
17	Forfeited Discounts	-	-	-	-
18	Miscellaneous Service Revenue	-	-	-	-
19	Sub-Total	-	-	-	-
20	Total Operating Revenue	$ 208,127	$ -	$ (208,127)	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		Source of Supply				
2		-Operations-				
3	6011	Labor	$ 697,153	$ 686,809	$ 796,503	$ 836,081
4	6041	Employee Benefits	181,515	178,969	183,309	187,525
5	6101	Purchased Water	5,295,423	5,295,423	6,013,578	5,343,627
6	6151	Purchased Power	6,368,552	6,405,893	6,402,047	8,638,697
7	6161	Purchased Power	167,117	168,254	168,157	273,760
8	6201	Supplies	59,473	59,473	60,915	62,316
9	6311	OS Engineer	(16,663)	(16,663)	(17,067)	(17,460)
10	6351	OS Lab Testing	(49)	(49)	(50)	(51)
11	6361	OS Other	327,725	327,725	335,672	343,393
12	6501	Transportation	45,951	45,379	46,479	47,548
13	6751	Other	16,795	16,795	17,203	17,598
14		-Maintenance-				
15	6012	Labor	104,794	104,794	121,321	127,306
16	6042	Employee Benefits	47,580	47,580	48,734	49,855
17	6202	Supplies	91,740	91,740	93,965	96,126
18	6312	OS Engineer	24,643	24,643	25,241	25,821
19	6362	OS Other	254,754	254,754	260,932	266,933
20	6502	Transportation	6,980	6,980	7,149	7,313
21	6752	Other	674	674	690	706
22						
23		Total Source of Supply Expense	$ 13,674,156	$ 13,699,171	$ 14,564,777	$ 16,307,096
24						
25		--Treatment--				
26		-Operations-				

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
27	6013	Labor	7,668,498	7,668,498	8,877,870	9,315,901
28	6043	Employee Benefits	2,186,920	2,186,920	2,239,953	2,291,472
29	6153	Purchased Power	109,373	110,116	108,605	149,987
30	6163	Purchased Power	59,975	60,383	60,348	81,413
31	6183	Chemicals	12,621,737	10,189,853	12,817,582	16,199,379
32	6203	Supplies	526,497	526,497	539,264	551,668
33	6313	OS Engineer	(12,020)	(12,020)	(12,311)	(12,595)
34	6353	OS Lab Testing	496,530	496,530	508,571	520,268
35	6363	OS Other	(928,007)	(928,007)	(950,511)	(352,973)
36	6423	Leases	4,201	4,201	4,201	4,201
37	6503	Transportation	483,628	483,628	495,356	506,749
38	6504	Transportation	2,831	2,830	2,899	2,966
39	6753	Other	194,387	194,387	199,101	203,680
40		-Maintenance-				
41	6014	Labor	43,292	43,288	50,115	52,588
42	6044	Employee Benefits	13,839	13,837	14,173	14,499
43	6204	Supplies	201,065	201,065	205,940	210,677
44	6314	OS Engineer	38,720	38,720	39,659	40,571
45	6354	OS Lab Testing	12,030	12,030	12,322	12,606
46	6364	OS Other	1,910,504	2,410,504	2,456,833	2,501,840
47	6424	Leases	2,321	2,321	2,321	2,321
48	6754	Other	69,734	69,734	71,425	73,068
49						
50		Total Treatment Expense	$ 25,706,055	$ 23,775,316	$ 27,743,717	$ 32,370,287
51						
52		--Transmission and Distribution--				

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
53		-Operations-				
54	6015	Labor	4,989,070	4,987,625	5,774,399	6,059,344
55	6045	Employee Benefits	1,400,594	1,400,256	1,434,212	1,467,199
56	6155	Purchased Power	1,106,700	1,114,227	1,113,584	1,502,284
57	6165	Purchased Power	5,451	5,489	5,485	7,400
58	6205	Supplies	125,031	125,031	128,063	131,008
59	6315	OS Engineer	3,370	3,370	3,452	3,531
60	6355	OS Lab Testing	1,094	1,094	1,121	1,146
61	6365	OS Other	542,094	540,337	553,440	566,170
62	6415	Leases	50,214	50,214	50,214	50,214
63	6505	Transportation	306,224	306,134	313,558	320,770
64	6755	Other	16,913	16,913	17,323	17,722
65		-Maintenance-				
66	6016	Labor	1,100,451	1,100,424	1,273,971	1,336,829
67	6046	Employee Benefits	294,373	294,367	301,506	308,440
68	6206	Supplies	294,745	294,745	301,892	308,836
69	6316	OS Engineer	3,330	3,330	3,410	3,489
70	6366	OS Other	1,290,655	1,290,655	1,321,953	1,352,358
71	6506	Transportation	60,987	60,985	62,464	63,901
72	6756	Other	19,267	19,267	19,734	20,188
73						
74		Total Transmission and Distribution Expense	$ 11,610,562	$ 11,614,462	$ 12,679,782	$ 13,520,829
75						
76		--Customer Accounting--				
77	6017	Labor	3,038,810	3,036,657	3,515,845	3,689,374
78	6047	Employee Benefits	735,310	734,967	752,790	770,104

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
79	6207	Supplies	194,774	194,774	199,497	204,086
80	6347	Management Fees	5,331,527	5,331,527	5,460,816	5,586,415
81	6367	OS Other	87,513	87,513	89,635	101,788
82	6507	Transportation	182,430	182,340	186,762	191,057
83	6757	Other	8,928	8,928	9,144	9,354
84	6707	Bad Debt	1,837,023	3,058,282	3,857,783	4,674,136
85						
86		Total Customer Accounting Expense	$ 11,416,315	$ 12,634,988	$ 14,072,272	$ 15,226,314
87						
88		--Administrative and General--				
89	6018	Labor	11,956,653	11,956,653	13,842,294	14,525,268
90	6038	Labor	1,588,529	1,587,490	1,837,987	1,928,700
91	6048	Employee Benefits	5,640,177	3,932,094	2,906,131	2,702,789
92	6158	Purchased Power	231,858	233,435	233,301	314,735
93	6168	Purchased Power	69,175	69,646	69,605	93,901
94	6208	Supplies	1,078,439	1,078,439	1,104,591	1,129,997
95	6318	OS Engineer	135,136	135,136	138,413	141,596
96	6328	OS Accounting	776,660	596,778	586,743	591,312
97	6338	OS Legal	815,255	745,787	745,787	745,787
98	6348	Management Fees	20,090,234	20,090,234	20,577,422	21,050,703
99	6349	Management Fees	-	23,022	182,926	376,585
100	6358	OS Lab Testing	98,017	98,017	100,394	102,703
101	6368	OS Other	5,743,079	7,826,232	8,016,018	8,905,387
102	6418	Leases	531,377	531,377	531,377	531,377
103	6428	Leases	25,405	25,405	25,405	25,405
104	6508	Transportation	692,743	692,743	709,543	725,862

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
105	6568	Insurance	-	(527)	3,847	13,481
106	6578	Insurance	3,550,261	3,533,087	3,619,248	3,862,294
107	6588	Insurance	626,750	623,215	666,175	742,082
108	6598	Insurance	1,377,763	1,369,993	1,484,408	1,695,204
109	6608	Other	58,879	58,879	60,307	166,694
110	6758	Other	4,357,230	3,929,197	4,024,480	4,117,044
111	6668	Amortization of Rate Case	315,844	315,844	315,844	1,149,461
112	6678	Amortization Other	-	-	-	2,511,175
113	4060	Amortization of UPAA	92,889	92,889	82,667	69,092
114						
115		Total Admin & General Expense	$ 59,852,352	$ 59,545,065	$ 61,864,912	$ 68,218,632
116						
117		Total Operating Expenses	$ 122,259,439	$ 121,269,003	$ 130,925,461	$ 145,643,159

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 31,187,250	$ (15,012)	$ 31,172,238	$ 4,918,068	$ 36,090,305	$ 1,781,087	$ 37,871,393
2	Employee Benefits	10,500,308	(1,711,316)	8,788,992	(908,183)	7,880,809	(88,924)	7,791,885
3	Purchased Water	5,295,423	-	5,295,423	718,155	6,013,578	(669,951)	5,343,627
4	Purchased Wastewater	-	-	-	-	-	-	-
5	Sludge	-	-	-	-	-	-	-
6	Purchased Power	8,118,202	49,241	8,167,442	(6,310)	8,161,133	2,901,044	11,062,177
7	Chemicals	12,621,737	(2,431,884)	10,189,853	2,627,729	12,817,582	3,381,798	16,199,379
8	Supplies	2,571,762	-	2,571,762	62,365	2,634,128	60,585	2,694,713
9	OS Engineer	176,515	-	176,515	4,280	180,796	4,158	184,954
10	OS Accounting	776,660	(179,881)	596,778	(10,035)	586,743	4,569	591,312
11	OS Legal	815,255	(69,468)	745,787	-	745,787	-	745,787
12	OS Lab Testing	607,623	-	607,623	14,735	622,358	14,314	636,672
13	OS Other	9,228,316	2,581,397	11,809,713	274,261	12,083,973	1,600,922	13,684,895
14	Management Fees	25,421,761	23,022	25,444,783	776,382	26,221,164	792,539	27,013,703
15	Leases	613,518	-	613,518	-	613,518	-	613,518
16	Transportation	1,781,774	(755)	1,781,020	43,190	1,824,209	41,957	1,866,166
17	Insurance	5,554,774	(29,006)	5,525,768	247,909	5,773,677	539,384	6,313,061
18	Other	4,742,807	(428,033)	4,314,774	104,633	4,419,407	206,646	4,626,053
19	Bad Debt	1,837,023	1,221,260	3,058,282	799,500	3,857,783	816,354	4,674,136
20	Amortization of Rate Case	315,844	-	315,844	-	315,844	833,617	1,149,461
21	Amortization of UPAA	92,889	-	92,889	(10,221)	82,667	(13,576)	69,092
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	2,511,175	2,511,175
24	Total Operating Expenses	$ 122,259,439		$ 121,269,003		$ 130,925,461		$ 145,643,159
25	Pro Forma Adjustments		$ (990,436)		$ 9,656,458		$ 14,717,698	
26	Uncollectibles @ Proposed Rates							$ 386,944
27	Proposed Rates @ 12/31/25							$ 146,030,102

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 122,259,439				
2	Present Rates at 12/31/23					$ 121,269,003		
3	Present Rates at 12/31/24							$ 130,925,461
4	Present Rates at 12/31/25							
5	General Price Level Adjustment	Schedule C-4.1	-		658,553		639,668	
6	Uncollectible Accounts	Schedule C-4.2	1,229,868		799,709		816,557	
7	Additional Cost Of Serving Customers	Schedule C-4.3	-		-		148,303	
8	Rate Case Expense	Schedule C-4.4	-		-		833,617	
9	Payroll	Schedule C-4.5	-		4,918,432		1,781,441	
10	Insurance Expense	Schedule C-4.6	(29,006)		247,909		539,384	
11	Management Service & Sundry	Schedule C-4.7	23,022		627,725		648,126	
12	Page Held For Future Use	Schedule C-4.8	-		-		-	
13	Miscellaneous Expense Adjustments	Schedule C-4.9	2,038,439		-		3,940,575	
14	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
15	Audit Fee Expense	Schedule C-4.11	(179,881)		(10,035)		4,569	
16	Adjustment To Amortization Of Acquisition Adjustments	Schedule C-5.1	-		(10,221)		(13,576)	
17	Page Held For Future Use	Schedule C-5.2	-		-		-	
18	Purchased Power Expense	Schedule C-6.1	55,216		(4,717)		2,851,309	
19	Chemicals	Schedule C-6.2	(2,431,884)		2,630,001		3,308,804	
20	Purchased Water Expense	Schedule C-7.1	-		718,155		(692,601)	
21	Water Production Adjustment	Schedule C-7.2	-		(3,720)		7,392	
22	Dredging Expense	Schedule C-7.3	500,000		-		-	
23	Employee Group Insurance	Schedule C-8.1	(88,379)		516,995		473,502	
24	Pension	Schedule C-8.2	(67,800)		(2,733,200)		-	
25	Post Retirement Benefits	Schedule C-8.3	(85,220)		15,036		(634,035)	
26	401K Expense	Schedule C-8.4	(36,125)		626,318		171,281	
27	Remove Intracompany Benefits	Schedule C-8.5	(1,430,559)		659,518		(106,618)	
28	Legal Expense	Schedule C-9.1	(69,468)		-		-	
29	Eliminate NAWC Lobbying Expense	Schedule C-9.2	(43,494)		-		-	
30	Eliminate Twin Lakes Expenses	Schedule C-10.1	(375,029)		-		-	
31	Eliminate Venango Expenses	Schedule C-10.2	(136)		-		-	
32	Pro Forma Adjustments			$ (990,436)		$ 9,656,458		$ 14,717,698
33	Pro Forma Present Rates at December 31, 2023			$ 121,269,003				
34	Pro Forma Present Rates at December 31, 2024					$ 130,925,461		
35	Pro Forma Present Rates at December 31, 2025							$ 145,643,159

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 121,269,003	
3	Present Rates 12/31/2024		$ 130,925,461
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	31,187,250	36,105,682
6	Employee Benefits	8,494,150	7,578,818
7	Purchased Water	5,295,423	6,013,578
8	Purchased Power	8,173,417	8,168,700
9	Chemicals	10,189,853	12,819,854
10	Supplies	-	-
11	OS Engineer	-	-
12	OS Accounting	596,778	586,743
13	OS Legal	745,787	745,787
14	OS Lab Testing	-	-
15	OS Other	500,000	500,000
16	Management Fees	19,314,615	19,942,340
17	Leases	613,518	613,518
18	Transportation	-	-
19	Insurance	5,525,768	5,773,677
20	Other	-	-
21	Bad Debt	3,066,891	3,866,600
22	Amortization of Rate Case	315,844	315,844
23	Amortization of UPAA	92,889	82,667
24	Amortization of Tank Painting	-	-
25	Amortization Other	-	-
26	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 94,112,183	$ 103,113,807
27	Total Operating Expenses Subject to Effects of Inflation	$ 27,156,820	$ 27,811,653
28	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
29	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 658,553	$ 639,668

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)		
1	First Quarter	2024	2.500% (a)
2	Second Quarter	2024	2.500% (a)
3	Third Quarter	2024	2.400% (a)
4	Fourth Quarter	2024	2.300% (a)
5	Annual Average for the Period Ending 12/31/2024		2.425%
6	First Quarter	2025	2.300% (b)
7	Second Quarter	2025	2.300% (b)
8	Third Quarter	2025	2.300% (b)
9	Fourth Quarter	2025	2.300% (b)
10	Annual Average for the Period Ending 12/31/2025		2.300%

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 0.44006% with regard to sales to general customers.

LINE NO.	DESCRIPTION		PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue		$ 560,204,284	$ 564,362,652	$ 597,243,915	$ 595,190,013	
2	Annualized Uncollectible Account based on Experience Factor @	0.44006%		2,483,511	2,628,207	2,619,169	‡
3	Arrearage Forgiveness			583,380	1,238,393	2,063,988	‡
4	Less: Amount Charged to Operating Expense						
5	During the Twelve Months Ended 12/31/2023			1,837,023			
6	Less: Present Rates 12/31/2023				3,066,891		
7	Less: Present Rates 12/31/2024					3,866,600	
8	Increase/(Decrease)			$ 1,229,868	$ 799,709	$ 816,557	
9	Pro Forma Adjustment:						
10	6707			$ 1,229,868	$ 799,709	$ 816,557	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

DERIVATION OF UNCOLLECTIBLE ACCOUNTS

BASED ON THREE YEARS OF HISTORY

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2021 AMOUNT	PRESENT RATES 12/31/2022 AMOUNT	PRESENT RATES 12/31/2023 AMOUNT	THREE YEAR AVERAGE
1	Net Write-Offs	$ 2,519,463	$ 2,606,997	$ 1,837,023	
2	Sales to General Customers	$ 492,110,720	$ 542,811,406	$ 560,204,284	
3	Factor	0.0051197	0.0048028	0.0032792	0.0044006

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADDITIONAL COST OF SERVING CUSTOMERS

The Company computes the additional cost of providing service to customers connected during the three years ending December 31, 2025, exclusive of acquisitions.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT
1	Estimated Additional Revenue from New Customers		
2	connected during the three years ended December 31, 2025	Schedule B-5	$ 2,538,435
3	Operating Ratio		5.84%
4	Cost of Providing Service to New Customers		$ 148,303
5	The operating ratio specifically related to the adjusted cost of serving new customers		
6	was computed as follows:		
7	Purchased Power Expense		$ 11,020,010
8	Chemical Expense		$ 16,128,658
9	Bill Processing & Postage Expense		$ 2,370,529
10	Purchased Water Expense		$ 5,320,977
11	Total		$ 34,840,174
12	Total Water Sales at Present Rates	Schedule B-1	$ 596,344,820
13	Operating Ratio		5.84%
14	Pro Forma Adjustment:		
15	6161		$ 46,908
16	6183		$ 68,654
17	6367		$ 10,091
18	6101		$ 22,650
19	Total		$ 148,303

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of water customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants & Regulatory Support			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Water - Current Exhibit	88.08%	$	2,298,922	$ 1,149,461
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	315,844	$ 1,149,461 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			315,844	
19	Less: Present Rates 12/31/2024				315,844
20	Increase/(Decrease)		$	-	$ 833,617
21	Pro Forma Adjustment:				
22	6668			-	$ 833,617

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ 19,742,612	$ 21,174,682	
3	Capital Payroll		6,252,485	6,706,022	
4	Non-Operating Payroll		232,963	249,861	
5	Expense Payroll	11,451,231	13,257,164	14,218,799	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ 1,805,933	$ 961,635	
7	**Union Payroll**				
8	Gross Payroll		$ 34,026,087	$ 35,246,945	
9	Capital Payroll		10,776,062	11,162,707	
10	Non-Operating Payroll		401,508	415,914	
11	Expense Payroll	19,736,019	22,848,518	23,668,323	‡
12	Union Expense Payroll Increase/(Decrease)		$ 3,112,498	$ 819,806	
13	Total Expense Payroll Increase/(Decrease)		$ 4,918,432	$ 1,781,441	
14	Pro Forma Adjustment:				
15	6011		$ 109,945	$ 39,822	
16	6012		$ 16,527	$ 5,986	
17	6013		$ 1,209,372	$ 438,031	
18	6014		$ 6,827	$ 2,473	
19	6015		$ 786,809	$ 284,980	
20	6016		$ 173,548	$ 62,859	
21	6017		$ 479,240	$ 173,579	
22	6018		$ 1,885,642	$ 682,974	
23	6038		$ 250,521	$ 90,738	
24	65052		$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		4,384,344	$ 4,282,139	$ 4,710,353	
2	Workers Compensation		902,313	886,663	975,329	
3	Vehicle		134,646	139,692	153,661	
4	Other (Exec Risk, Property, Surety Bond)		1,983,524	2,585,309	2,843,840	
5			7,404,826	7,893,804	8,683,184	
6	Capitalized portion not charged to operating expense	31.67%	(2,345,108)	(2,499,968)	(2,749,964)	
7	Property Damages		466,050	379,841	379,841	
8	Subtotal Insurance		$ 5,525,768	$ 5,773,677	$ 6,313,061	‡
9	Less: Amount Charged to Operating Expense					
10	During the Twelve Months Ended 12/31/2023		5,554,774			
11	Less: Present Rates 12/31/2023			5,525,768		
12	Less: Present Rates 12/31/2024				5,773,677	
13	Increase/(Decrease)		$ (29,006)	$ 247,909	$ 539,384	
14	Pro Forma Adjustment:					
15	6578		$ (17,174)	$ 134,483	$ 292,599	
16	6588		$ (3,534)	$ 27,846	$ 60,586	
17	6568		$ (527)	$ 4,387	$ 9,545	
18	6598		$ (7,770)	$ 81,193	$ 176,654	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 19,314,615	$ 19,314,615	$ 19,942,340	‡
2	Payroll & Benefit Increase		627,725	648,126	‡
3	Management Fees All Other	6,130,168	6,130,168	6,130,168	
4	Total Expense Claim	$ 25,444,783	$ 26,072,508	$ 26,720,634	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	25,421,761			
7	Less: Present Rates 12/31/2023		25,444,783		
8	Less: Present Rates 12/31/2024			26,072,508	
9	Increase/(Decrease)	$ 23,022	$ 627,725	$ 648,126	
10	Pro Forma Adjustment:				
11	6349	$ 23,022	$ 627,725	$ 648,126	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma expenses.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	**Additions:**			
2	IDA Reimbursement	$ 2,083,153		
3	GAC Changeout			$ 619,400
4	ROW Clearing			$ 480,000
5	Residual Hauling			$ 105,000
6	OM OS Other			$ 225,000
7	Amortization of COVID Reg Asset over 2 Year Period			$ 2,511,175
8	**Deductions:**			
9	Fines	$ (44,714)		
10	Increase/(Decrease)	$ 2,038,439	$ -	$ 3,940,575
11	Pro Forma Adjustment:			
12	6368	$ 2,083,153		$ 225,000
13	6363			$ 619,400
14	6368			$ 480,000
15	6608			$ 105,000
16	6678			$ 2,511,175
17	6758	$ (44,714)		

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	613,518	$ 613,518	$ 613,518	‡
2	Total Specific Expenses Not Subject to Increase	$ 613,518	$ 613,518	$ 613,518	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 873,377	$ 858,690	$ 865,376	
			873,377	858,690	865,376	
2	Capitalized portion not charged to operating expense	31.67%	(276,598)	(271,947)	(274,065)	
3	Subtotal Audit Fees		$ 596,778	$ 586,743	$ 591,312	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		776,660			
6	Less: Present Rates 12/31/2023			596,778		
7	Less: Present Rates 12/31/2024				586,743	
8	Increase/(Decrease)		$ (179,881)	$ (10,035)	$ 4,569	
9	Pro Forma Adjustment:					
10	6328		$ (179,881)	$ (10,035)	$ 4,569	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADJUSTMENT TO AMORTIZATION OF ACQUISITION ADJUSTMENTS

The Company is making an adjustment to remove the acquisition adjustments that will be fully amortized before the end of the full-projected future test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	N.U.I.	$ 61,077	$ 35,628	$ -
2	White Rock	$ 11,378	$ 6,637	$ -
3	Schickshinny Lake	$ (14,658)	$ (9,772)	$ -
4	Ariana	$ (408)	$ (272)	$ -
5	Jefferson Heights	$ (3,444)	$ (2,296)	$ -
6	Maple Crest	$ (278)	$ (185)	$ -
7	DLWB	$ (7,376)	$ (4,918)	$ -
8	Bristol Township Water	$ (22,493)	$ (11,247)	$ -
9		$ 23,797	$ 13,576	$ -
10	Less: Amount Charged to Operating Expense			
11	During the Twelve Months Ended 12/31/2023	$ 23,797		
12	Less: Present Rates 12/31/2023		$ 23,797	
13	Less: Present Rates 12/31/2024			$ 13,576
14	Increase/(Decrease)	$ -	$ (10,221)	$ (13,576)
15	Pro Forma Adjustment:			
16	4060	-	(10,221)	(13,576)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	ORIGINAL ACQUISITION ADJUSTMENT	DATE OF OWNERSHIP	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 7,727,099	$ 7,743,161	$ 10,556,253	
2	Claimed Purchased Power Expense - Gas	446,318	425,539	463,757	
3		$ 8,173,417	$ 8,168,700	$ 11,020,010	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	8,118,202			
6	Less: Present Rates 12/31/2023		8,173,417		
7	Less: Present Rates 12/31/2024			8,168,700	
8	Increase/(Decrease)	$ 55,216	$ (4,717)	$ 2,851,309	
9	Pro Forma Adjustment:				
10	6151	$ 43,316	$ (3,700)	$ 2,236,790	
11	6153	$ 744	$ (64)	$ 38,414	
12	6155	$ 7,527	$ (643)	$ 388,700	
13	6158	$ 1,577	$ (135)	$ 81,434	
14	6161	$ 1,137	$ (97)	$ 58,696	
15	6163	$ 408	$ (35)	$ 21,065	
16	6165	$ 37	$ (3)	$ 1,915	
17	6167	$ -	$ -	$ -	
18	6168	$ 470	$ (40)	$ 24,296	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	Southeastern Pennsylvania	102,850,603	$ 5,914,350	102,850,603	$ 5,914,350	102,850,603	$ 8,121,574
2	PP&L	Southeastern Pennsylvania	289,303	$ 20,982	289,303	$ 20,982	289,303	$ 28,632
3	MetEd	Southeastern Pennsylvania	1,585,441	$ 144,748	1,585,441	$ 147,601	1,585,441	$ 180,737
4	PP&L	Roaring Creek	4,506,987	$ 270,084	4,506,987	$ 270,084	4,506,987	$ 389,249
5	MetEd	Roaring Creek	143,062	$ 13,814	143,062	$ 14,071	143,062	$ 17,061
6	Adams Co-op	Roaring Creek	89,664	$ 10,836	89,664	$ 10,890	89,664	$ 11,195
7	PenElec	Susquehanna	172,615	$ 15,033	172,615	$ 15,246	172,615	$ 19,494
8	TriCounty REC	Susquehanna	8,539	$ 1,657	8,539	$ 1,666	8,539	$ 1,712
9	PenElec	Shenango	1,642,577	$ 147,813	1,642,577	$ 149,834	1,642,577	$ 190,257
10	Penn Power	Shenango	8,694,210	$ 536,540	8,694,210	$ 540,626	8,694,210	$ 742,071
11	United Electric Co-op	Shenango	47,187	$ 8,568	47,187	$ 8,610	47,187	$ 8,851
12	West Penn Power	Shenango	113,369	$ 9,455	113,369	$ 9,500	113,369	$ 12,152
13	PP&L	White Haven	6,377,036	$ 493,360	6,377,036	$ 493,360	6,377,036	$ 661,969
14	UGI	White Haven	736,458	$ 123,750	736,458	$ 124,369	736,458	$ 127,851
15	Claverack	White Haven	35,274	$ 5,227	35,274	$ 5,253	35,274	$ 5,400
16	PenElec	White Haven	659,837	$ 55,803	659,837	$ 56,615	659,837	$ 72,853
17	MetEd	White Haven	243,502	$ 19,666	243,502	$ 20,105	243,502	$ 25,194
18	PJM Demand Response (CPower)	Southeastern Pennsylvania		$ (14,809)		$ (20,000)		$ (20,000)
19	Constellation Energy Peak Response Rebate PECO	Southeastern Pennsylvania		$ (29,164)		$ (22,000)		$ (22,000)
20	Constellation Energy Peak Response Rebate PPL	Roaring Creek		$ (12,454)		$ (10,000)		$ (10,000)
21	Constellation Energy Peak Response Rebate Penn Power	Shenango		$ (8,160)		$ (8,000)		$ (8,000)
22	Solar Generated Power	Pickering	1,887,163		1,796,389		1,787,407	
23	Solar Generated Power	Ingrams	769,200		789,774		785,825	
24				$ 7,727,099		$ 7,743,161		$ 10,556,253

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - GAS

LINE NO.	UTILITY	LOCATION	HISTORIC THERMS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE THERMS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE THERMS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	Southeastern Pennsylvania	230,027	$ 223,606	228,566	$ 231,740	228,566	$ 257,000
2	UGI Utilities Inc	Southeastern Pennsylvania	1,597	$ 2,587	1,882	$ 3,180	1,882	$ 3,526
3	UGI Utilities Inc	Roaring Creek	9,674	$ 13,051	10,410	$ 14,648	10,410	$ 16,245
4	Columbia Gas of Pennsylvania	Shenango	4,190	$ 6,086	4,210	$ 6,378	4,210	$ 7,074
5	National Fuel / Marathon Energy	Shenango	69,690	$ 66,203	64,469	$ 63,877	64,469	$ 70,839
6	UGI Utilities Inc	White Haven	5,188	$ 9,564	6,116	$ 11,757	6,116	$ 13,039
7	Direct Purchases - Fuel Oil, Propane, and Generator Diesel	All PA	-	$ 123,053	-	$ 91,747	-	$ 93,582
8	Valley Energy	Susquehanna	1,957	$ 2,169	1,913	$ 2,212	1,913	$ 2,453
9				$ 446,318		$ 425,539		$ 463,757

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The company utilizes various chemicals in the water treatment process. The chemical expense claim is based on the total production gallons for the twelve months ended December 31, 2023 multiplied by the normalized chemical treatment cost per million gallons. The cost per million gallons for the historic test year was increased by a normalized average year over year growth rate to arrive at the treatment cost per million gallons for the future and fully projected future test years.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Chemical Treatment Cost Per Million Gallons	$ 246.20	$ 309.74	$ 389.68	
2	Claimed Production Sendout	41,389 MG			
3	Claimed Chemical Expense	$ 10,189,853	$ 12,819,854	$ 16,128,658	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	12,621,737			
6	Less: Present Rates 12/31/2023		10,189,853		
7	Less: Present Rates 12/31/2024			12,819,854	
8	Increase/(Decrease)	$ (2,431,884)	$ 2,630,001	$ 3,308,804	
9	Pro Forma Adjustment:				
10	6183	$ (2,431,884)	$ 2,630,001	$ 3,308,804	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WATER EXPENSE

The Company summarized the actual gallons and expenses from each of its purchased water vendors and projected the Future Test Year and Fully Projected Future Test Year expense claim using historical test year and future test year gallons, adjusted to reflect known changes in gallons purchased and new rates that are scheduled to be in effect during the future test years.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Water Expense	$ 6,013,578	$ 5,320,977	‡
2	Less: Amount Charged to Operating Expense			
3	During the Twelve Months Ended 12/31/2023	5,295,423		
4	Less: Present Rates 12/31/2024		6,013,578	
5	Increase/(Decrease)	$ 718,155	$ (692,601)	
6	Pro Forma Adjustment:			
7	6101	$ 718,155	$ (692,601)	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WATER - DETAIL BY SUPPLIER

LINE NO.	Supplier	Account Name	PRESENT RATES 12/31/2021 GALLONS	PRESENT RATES 12/31/2021 AMOUNT $	PRESENT RATES 12/31/2022 GALLONS	PRESENT RATES 12/31/2022 AMOUNT $	PRESENT RATES 12/31/2023 GALLONS	PRESENT RATES 12/31/2023 AMOUNT $	PRESENT RATES 12/31/2024 GALLONS	PRESENT RATES 12/31/2024 AMOUNT $	PRESENT RATES 12/31/2025 GALLONS	PRESENT RATES 12/31/2025 AMOUNT $
1	Aqua Ohio	Mahoning	48,515,500	$ 392,218	35,946,900	$ 304,021	41,159,500	$ 363,454	41,159,500	$ 379,806	41,159,500	$ 396,909
2	Bucks County Water Authority and Sewer	Bensalem & Southhampton	3,041,000	$ 7,907	-	$ -	-	$ -	-	$ -	-	$ -
3	CANDO	Sand Springs	13,942,000	$ 48,069	14,370,000	$ 49,182	19,167,000	$ 61,654	19,167,000	$ 61,654	19,167,000	$ 61,654
4	Chester Water Authority	Birney Highway	39,051,000	$ 129,354	38,403,000	$ 132,972	38,811,000	$ 142,317	38,811,000	$ 153,903	38,811,000	$ 160,941
5	Chester Water Authority	Cheyney Rd	55,458,000	$ 198,732	54,959,000	$ 205,962	51,970,000	$ 207,454	44,744,000	$ 193,886	-	$ 9,474
6	Chester Water Authority	Eddystone	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
7	Chester Water Authority	Pocopson	-	$ 4,391	-	$ 4,501	-	$ 4,726	-	$ 5,196	-	$ 5,542
8	Chester Water Authority	Ridley	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
9	Downingtown Municipal Authority	Rock Raymond	104,135,000	$ 108,098	117,096,000	$ 129,627	122,382,200	$ 934,008	51,735,000	$ 698,423	-	$ -
10	Philadelphia Water Department	Knights Rd	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
11	Philadelphia Water Department	Miquon	1,808,664	$ 11,725	-	$ 3,657	-	$ 3,657	-	$ 3,657	-	$ 3,657
12	Philadelphia Water Department	Tinicum and Cheltenham	506,400,000	$ 3,680,591	685,200,000	$ 3,334,348	464,700,000	$ 3,461,295	632,000,000	$ 4,296,378	632,000,000	$ 4,457,627
13	Phoenixville Water	Schuylkill	1,921,400	$ 5,764	2,351,000	$ 7,053	1,750,000	$ 5,250	1,504,000	$ 4,512	1,504,000	$ 4,512
14	Phoenixville Water	Upper Prov. and East Pikeland	46,609,000	$ 110,418	51,395,000	$ 119,990	54,185,000	$ 125,570	49,000,000	$ 126,200	49,000,000	$ 126,200
15	Pottstown Water	Farmingham	-	$ -	-	$ -	3,597,240	$ 14,677	21,000,000	$ 89,964	21,000,000	$ 94,462
16	Total		820,881,564	$ 4,697,267	999,720,900	$ 4,291,312	797,721,940	$ 5,324,062	899,120,500	$ 6,013,578	802,641,500	$ 5,320,977

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

WATER PRODUCTION ADJUSTMENT

The company is claiming an increase to the costs associated with increased production caused by the adjustment to consumption in the future and fully projected future test years.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	The production cost specifically related to the adjusted cost of the change in production			
2	was computed as follows:			
3	Purchased Power Expense	Schedule C-6.1	$ 8,168,700	$ 11,020,010
4	Chemical Expense	Schedule C-6.2	$ 12,819,854	$ 16,128,658
5			$ 20,988,554	$ 27,148,668
6	Estimated Production Gallons (Thousands)		41,389,308	41,389,308
7	Production Cost per 1,000 Gallons		$ 0.51	$ 0.66
8	Increased Gallons from Reduced Purchased Water	Schedule C-7.1.i	77,873	96,479
9	Decreased Gallons From Declining Residential Consumption	Schedule B-7	(85,209)	(85,209)
10	Estimated Change in Production Gallons (Thousands)		(7,336)	11,270
11	Total Production Cost Increase / (Decrease)		$ (3,720)	$ 7,392
12	Pro Forma Adjustment:			
13	6153		$ (1,448)	$ 3,001
14	6183		$ (2,272)	$ 4,392

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

DREDGING EXPENSE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Total Cost of Dredging at Crum Treatment Plant	$ 1,500,000				
2	Occuring once every	3 Years				
3	Claimed Dredging Expense Normalization		$ 500,000	$ 500,000	$ 500,000	‡
4	Less: Amount Charged to Operating Expense During the Twelve Months Ended 12/31/2023		-			
5	Less: Present Rates 12/31/2023			500,000		
6	Less: Present Rates 12/31/2024				500,000	
7	Increase/(Decrease)		$ 500,000	$ -	$ -	
8	Pro Forma Adjustment:					
9	6364		$ 500,000	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE GROUP INSURANCE

The Company offers group insurance coverage to all full time employees. The following amounts summarize the Company's estimated annualized group insurance expense, less the employee co-pay, and adjusted for the portion not charged to operations. This results from the calculation of group insurance levels projected to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Medical/Prescription/Vision/Dental		$ 7,497,770	$ 8,149,076	$ 8,808,008	
2	Life/ADD/LTD		323,384	428,694	462,726	
3						
4			7,821,155	8,577,770	9,270,734	
5	Capitalized portion not charged to operating expense	31.67%	(2,476,960)	(2,716,580)	(2,936,041)	
6	Sub-Total		$ 5,344,195	$ 5,861,190	$ 6,334,692	‡
7	Less: Amount Charged to Operating Expense					
8	During the Twelve Months Ended 12/31/2023		5,432,574			
9	Less: Present Rates 12/31/2023			5,344,195		
10	Less: Present Rates 12/31/2024				5,861,190	
11	Increase/(Decrease)		$ (88,379)	$ 516,995	$ 473,502	
12	Pro Forma Adjustment:					
13	6048		$ (88,379)	$ 516,995	$ 473,502	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PENSION

The Company's pension expense claim is based on its analysis of ERISA minimum and IRS maximum deductible pension contribution data provided by its outside actuary, Towers Watson.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Aqua Pennsylvania's claim based on range of actuarial results		$ 6,000,000	$ 2,000,000	$ 2,000,000	
2	Less: Capitalized Portion	31.67%	(1,900,200)	(633,400)	(633,400)	
3			$ 4,099,800	$ 1,366,600	$ 1,366,600	‡
4	Less:	Amount Charged to Operating Expense				
5		During the Twelve Months Ended 12/31/2023	4,167,600			
6	Less:	Present Rates 12/31/2023		4,099,800		
7	Less:	Present Rates 12/31/2024			1,366,600	
8	Increase/(Decrease)		$ (67,800)	$ (2,733,200)	$ -	
9	Pro Forma Adjustment:					
10	6048		$ (67,800)	$ (2,733,200)	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

POST RETIREMENT BENEFITS

The following adjustment is based on the results of the most recent valuation of post-retirement benefits (SFAS 106) which was performed for AP by Towers Watson. Included in the claim is the amortization of the funding deficit that conforms to the Commission's 1997 Order at Docket No. R-00973952.

LINE NO.	DESCRIPTION			PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	SFAS 106						
2	Annual Expense for Aqua PA Employees			$ (84,989)	$ (62,984)	$ (62,984)	
3	Funding Deficit (1/1/25 - 12/31/26) - 2 Year Amortization	$	(1,855,803)			(927,902)	
4	Less: Capitalized Portion		31.67%	26,916	19,947	313,813	
5				$ (58,073)	$ (43,037)	$ (677,072)	‡
6	Less: Amount Charged to Operating Expense						
7	During the Twelve Months Ended 12/31/2023			27,147			
8	Less: Present Rates 12/31/2023				(58,073)		
9	Less: Present Rates 12/31/2024					(43,037)	
10	Increase/(Decrease)			$ (85,220)	$ 15,036	$ (634,035)	
11	Pro Forma Adjustment:						
12	6048			$ (85,220)	$ 15,036	$ (634,035)	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

401K Expense

The following adjustment is being made to annualize the employer 401k contributions, adjusted for the portion not charged to operating expense, based on the annualized compensation claim at December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Annualized 401k - Company Match		$ 3,196,868	$ 4,113,476	$ 4,364,143	
2			3,196,868	4,113,476	4,364,143	
3	Capitalized portion not charged to operating expense	31.67%	(1,012,448)	(1,302,738)	(1,382,124)	
4	Sub-Total		$ 2,184,420	$ 2,810,738	$ 2,982,019	‡
5	Less:	Amount Charged to Operating Expense				
6		During the Twelve Months Ended 12/31/2023	2,220,545			
7	Less:	Present Rates 12/31/2023		2,184,420		
8	Less:	Present Rates 12/31/2024			2,810,738	
9	Increase/(Decrease)		$ (36,125)	$ 626,318	$ 171,281	
10	Pro Forma Adjustment:					
11	6048		$ (36,125)	$ 626,318	$ 171,281	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

REMOVE INTRACOMPANY BENEFITS

The Company charges a portion of employee benefits and other related overheads to Shenandoah and Wastewater through an intracompany transaction which is allocated based on approximately 60% of payroll expense.
Refer to the Exhibits 1-B through 1-E, Schedule C-8.1 for the corresponding entry.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Exhibit 1-B Shenandoah Water - Schedule C-8.1	$ (127,464)	$ (206,410)	$ (210,511)	
2	Exhibit 1-C Wastewater Base - Schedule C-8.1	$ (2,662,384)	$ (2,016,957)	$ (2,114,321)	
3	Exhibit 1-D WW LOWER MAKEFIELD - Schedule C-8.1	$ (153,124)	$ (94,059)	$ (96,559)	
4	Exhibit 1-E WW EAST WHITELAND - Schedule C-8.1	$ (133,220)	$ (99,247)	$ (101,900)	
5					
6					
7	Total Intracompany Benefits	$ (3,076,192)	$ (2,416,674)	$ (2,523,291)	‡
8	Less: Amount Charged to Operating Expense				
9	During the Twelve Months Ended 12/31/2023	(1,645,632)			
10	Less: Present Rates 12/31/2023		(3,076,192)		
11	Less: Present Rates 12/31/2024			(2,416,674)	
12	Increase/(Decrease)	$ (1,430,559)	$ 659,518	$ (106,618)	
13	Pro Forma Adjustment:				
14	6048	$ (1,430,559)	$ 659,518	$ (106,618)	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

LEGAL EXPENSE

The Company incurs cost for general legal services during the normal course of business to protect and defend the Company's interests in a variety of legal matters. This adjustment normalizes the Company's legal expense claim experienced in the historic test year to levels that are expected to be realized during the first year rates are in effect and more in line with prior experience.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Legal Expense Claim (3 Year Average)	$ 745,787	$ 745,787	$ 745,787	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	815,255			
4	Less: Present Rates 12/31/2023		745,787		
5	Less: Present Rates 12/31/2024			745,787	
6	Increase/(Decrease)	$ (69,468)	$ -	$ -	
7	Pro Forma Adjustment:				
8	6338	$ (69,468)	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ELIMINATE NAWC LOBBYING EXPENSE

This adjustment removes the lobbying expense portion, approximately 11%, of the National Association of Water Companies annual dues for the historic test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT
1	Claimed Lobbying Expense	$ -
2	Less: Amount Charged to Operating Expense	
3	During the Twelve Months Ended 12/31/2023	43,494
4	Increase/(Decrease)	$ (43,494)
5	Pro Forma Adjustment:	
6	6758	$ (43,494)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ELIMINATE TWIN LAKES EXPENSES

Beginning January 15, 2021, the Company was appointed receiver for the Twin Lakes Water System at Docket No. P-2020-3020914. The following adjustment removes the expenses incurred from operating the Twin Lakes Water System which were recorded above the line during the test year. Refer to Schedule B-10 of this exhibit for the removal of Twin Lakes revenues.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT
1	Claimed Twin Lakes Water Expenses	$ -
2	Less: Amount Charged to Operating Expense	
3	During the Twelve Months Ended 12/31/2023	375,029
4	Increase/(Decrease)	$ (375,029)
	Pro Forma Adjustment:	
5	6011	(10,344)
6	6014	(4)
7	6015	(1,446)
8	6016	(27)
9	6017	(2,153)
10	6038	(1,039)
11	6041	(2,545)
12	6044	(2)
13	6045	(338)
14	6046	(5)
15	6047	(343)
16	6151	(5,975)
17	6365	(1,757)
18	6501	(572)
19	6504	(0)
20	6505	(90)
21	6506	(2)
22	6507	(91)
23	6707	(8,473)
24	6758	(339,825)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ELIMINATE VENANGO EXPENSES

Beginning August 12, 2023, the Company was appointed receiver for the Venango Water Company at Docket No. M-2023-3042180. The following adjustment removes the expenses incurred from operating the Venango Water System which were recorded above the line during the test year. Refer to Schedule B-10 of this exhibit for the removal of Venango revenues.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT
1	Claimed Venango Water Expenses	$ -
2	Less: Amount Charged to Operating Expense	
3	During the Twelve Months Ended 12/31/2023	136
4	Increase/(Decrease)	$ (136)
	Pro Forma Adjustment:	
5	6707	(136)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 133,673,553	$ 138,418,607	$ 142,262,956
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	116,808,845		
4	Less: Present Rates 12/31/2023		133,673,553	
5	Less: Present Rates 12/31/2024			138,418,607
6	Less: Present Rates 12/31/2024			
7	Increase/(Decrease)	$ 16,864,708	$ 4,745,054	$ 3,844,349
8	Pro Forma Adjustment:			
9		$ 16,864,708	$ 4,745,054	$ 3,844,349

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 11,263,310						
2	Present Rates at 12/31/23				$ 12,387,181				
3	Present Rates at 12/31/24						$ 12,848,934		
4	Present Rates at 12/31/25								$ 12,985,047
5	General Assessment Fees By The Pennsylvania Public Utility Commission	165,057		142,246		(8,883)		380,287	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	197,782		67,313		(4,203)		179,958	
7	Public Utility Realty Tax	326,773		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Payroll Taxes	434,260		252,193		149,200			
10	Pro Forma Adjustment		$ 1,123,871		$ 461,753		$ 136,114		$ 560,245
11	Pro Forma Present Rates at December 31, 2023		$ 12,387,181						
12	Pro Forma Present Rates at December 31, 2024				$ 12,848,934				
13	Pro Forma Present Rates at December 31, 2025						$ 12,985,047		
14	Pro Forma Proposed Rates at December 31, 2025								$ 13,545,292

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 565,508,317	$ 598,398,721	$ 596,344,820	$ 684,275,408
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	2,445,744	2,587,990	2,579,107	2,959,395
4	Total General Assessment Fees		$ 2,445,744	$ 2,587,990	$ 2,579,107	$ 2,959,395
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		2,280,687			
7	Less: Present Rates 12/31/2023			2,445,744		
8	Less: Present Rates 12/31/2024				2,587,990	
9	Less: Present Rates 12/31/2025					2,579,107
10	Increase/(Decrease)		$ 165,057	$ 142,246	$ (8,883)	$ 380,287
11	Pro Forma Adjustment:					
12	4081		$ 165,057	$ 142,246	$ (8,883)	$ 380,287

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 565,508,317	$ 598,398,721	$ 596,344,820	$ 684,275,408
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	985,336	1,042,644	1,039,065	1,192,274
4	Small Business Advocate Fee At	0.000303478942	171,620	181,601	180,978	207,663
5	Damage Prevention Fee At	0.000000719937	407	431	429	493
6	Total General Assessment Fees		$ 1,157,363	$ 1,224,676	$ 1,220,472	$ 1,400,430
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		959,581			
9	Less: Present Rates 12/31/2023			1,157,363		
10	Less: Present Rates 12/31/2024				1,224,676	
11	Less: Present Rates 12/31/2025					1,220,472
12	Increase/(Decrease)		$ 197,782	$ 67,313	$ (4,203)	$ 179,958
13	Pro Forma Adjustment:					
14	4081		$ 197,782	$ 67,313	$ (4,203)	$ 179,958

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

PURTA for the future test year and fully projected future test year are based on the year 2023 estimated tax liability.
This is the latest statement that the Company has received from the Commonwealth of Pennsylvania.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ 4,700,000	$ 4,700,000	$ 4,700,000
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	4,373,227		
4	Less: Present Rates 12/31/2023		4,700,000	
5	Less: Present Rates 12/31/2024			4,700,000
6	Increase/(Decrease)	$ 326,773	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ 326,773	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ 1,162,341	$ 1,162,341	$ 1,162,341
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	1,162,341		
4	Less: Present Rates 12/31/2023		1,162,341	
5	Less: Present Rates 12/31/2024			1,162,341
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made to annualize payroll tax expense based on
the annualized compensation claim made at December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI		$ 3,315,637	$ 3,621,835	$ 3,794,701
2	FICA Medicare		789,942	864,426	906,659
3	FICA Total		4,105,579	4,486,261	4,701,359
4	FUTA		29,033	26,337	26,872
5	SUTA		141,304	132,399	135,117
6	Annualized Payroll Taxes		4,275,915	4,644,996	4,863,348
7	Capitalized portion not charged to operating expense	31.67%	(1,354,182)	(1,471,070)	(1,540,222)
8	Sub-Total		$ 2,921,733	$ 3,173,926	$ 3,323,126
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		2,487,473		
11	Less: Present Rates 12/31/2023			2,921,733	
12	Less: Present Rates 12/31/2024				3,173,926
13	Increase/(Decrease)		$ 434,260	$ 252,193	$ 149,200
14	Pro Forma Adjustment:				
15	40812		$ 434,260	$ 252,193	$ 149,200

AQUA PENNSYLVANIA, INC. - WATER BASE

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

			PRESENT RATES 12/31/23		PRESENT RATES 12/31/24		PRESENT RATES 12/31/25
6							
7	Calculation of Interest:						
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$ 3,948,804,824	Schedule G-1 Col 4, Row 15	$ 4,127,048,593	Schedule G-1 Col 5, Row 15	$ 4,318,247,093
9	Applicable Percentage		48.52%		45.31%		46.05%
10	Applicable Portion of Rate Base		$ 1,915,777,620		$ 1,869,799,752		$ 1,988,715,430
11	Cost Rate		4.26%		4.24%		4.32%
12	Pro-Forma Long-term Interest Expense		$ 81,612,127		$ 79,279,509		$ 85,912,507
13	Less: Interest on Long Term Debt Per Books 12/31/23		85,178,589				
14	Less: Interest on Long Term Debt Present Rates at 12/31/23				81,612,127		
15	Less: Interest on Long Term Debt Present Rates at 12/31/24						79,279,509
16	Long Term Debt Pro Forma Adjustment		$ (3,566,463)		$ (2,332,617)		$ 6,632,997

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

Since the debt discount and expense is considered in calculating the cost rate of debt used to calculate interest on long-term debt, it should be eliminated.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ 692,396	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	(692,396)	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ (692,396)	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

Other Interest Charges for the year ending December 31, 2023 were principally for funds borrowed through bank loans to finance the Company's capital expenditures. The bank loans outstanding are anticipated to be refinanced with long-term debt prior to the end of the future test year. Therefore, the interest on bank loans is eliminated.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (6,955,870)	$ -	$ -
2	Eliminate Interest During Construction	6,955,870	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 6,955,870	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	YEAR 1 PRESENT RATES 12/31/25 AMOUNT	YEAR 1 PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ 15,349,771	$ 23,594,198	$ 18,462,040	$ 35,269,060
2	Less: Per Book	Schedule A-1	4,753,143			
3	Less: Present Rates at 12/31/23			15,349,771		
4	Less: Present Rates at 12/31/24				23,594,198	
5	Less: Present Rates at 12/31/25					18,462,040
6	Pro Forma Adjustment		$ 10,596,627	$ 8,244,427	$ (5,132,157)	$ 16,807,019
7	State Income Tax - Current	Schedule F-2	$ 7,014,990	$ 5,888,147	$ 4,319,838	$ 11,269,812
8	Less: Per Book	Schedule A-1	2,735,986			
9	Less: Present Rates at 12/31/23			7,014,990		
10	Less: Present Rates at 12/31/24				5,888,147	
11	Less: Present Rates at 12/31/25					4,319,838
12	Pro Forma Adjustment		$ 4,279,004	$ (1,126,843)	$ (1,568,309)	$ 6,949,974
13	Federal Income Tax - Deferred	Schedule F-2	$ 713,053	$ (659,435)	$ (7,249,658)	$ (7,249,658)
14	Less: Per Book	Schedule A-1	(2,075,765)			
15	Less: Present Rates at 12/31/23			713,053		
16	Less: Present Rates at 12/31/24				(659,435)	
17	Less: Present Rates at 12/31/25					(7,249,658)
18	Pro Forma Adjustment		$ 2,788,818	$ (1,372,488)	$ (6,590,223)	$ -
19	State Income Tax - Deferred	Schedule F-2	$ (816,893)	$ 2,445,261	$ 2,253,761	$ 2,253,761
20	Less: Per Book	Schedule A-1	17,371,174			
21	Less: Present Rates at 12/31/23			(816,893)		
22	Less: Present Rates at 12/31/24				2,445,261	
23	Less: Present Rates at 12/31/25					2,253,761
24	Pro Forma Adjustment		$ (18,188,067)	$ 3,262,154	$ (191,500)	$ -
25	Income Tax Credit Amortization	Schedule F-2	$ (253,412)	$ (102,140)	$ (102,140)	$ (102,140)
26	Less: Per Book	Schedule A-1	(253,412)			
27	Less: Present Rates at 12/31/23			(253,412)		
28	Less: Present Rates at 12/31/24				(102,140)	
29	Less: Present Rates at 12/31/25					(102,140)
30	Pro Forma Adjustment		$ -	$ 151,272	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ 298,178,580	$ 298,178,580	$ 316,205,720	$ 316,205,720	$ 295,453,658	$ 295,453,658	$ 382,437,058	$ 382,437,058
2	Interest Expense	Schedule A-1	(81,612,127)	(81,612,127)	(79,279,509)	(79,279,509)	(85,912,507)	(85,912,507)	(85,912,507)	(85,912,507)
3	State Income Tax	[12]	(7,014,990)		(5,888,147)		(4,319,838)		(11,269,812)	
4	Tax Repair Deduction		(180,662,792)	(180,662,792)	(158,600,000)	(158,600,000)	(158,600,000)	(158,600,000)	(158,600,000)	(158,600,000)
5	Book Depreciation	Schedule A-1	133,673,553	133,673,553	138,418,607	138,418,607	142,262,956	142,262,956	142,262,956	142,262,956
6	Tax Depreciation		(86,642,786)	(88,720,887)	(88,360,355)	(91,508,095)	(86,505,415)	(89,240,151)	(86,505,415)	(89,240,151)
7	COR & Other Basis Differences, net of book		(2,825,291)	(2,825,291)	(10,142,994)	(10,142,994)	(14,464,377)	(14,464,377)	(14,464,377)	(14,464,377)
8	Taxable Income	Sum of Lines [1] : [7]	$ 73,094,147	$ 78,031,036	$ 112,353,321	$ 115,093,729	$ 87,914,478	$ 89,499,580	$ 167,947,904	$ 176,482,980
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	15,349,771	7,014,990	23,594,198	9,771,458	18,462,040	7,151,016	35,269,060	14,100,990
11	Other - NOL		-	-	-	(3,883,310)	-	(2,831,178)	-	(2,831,178)
12	Total - Current Income Tax	[10] + [11]	$ 15,349,771	$ 7,014,990	$ 23,594,198	$ 5,888,147	$ 18,462,040	$ 4,319,838	$ 35,269,060	$ 11,269,812
13	Normalized Book Depreciation		(71,506,714)	(3,059,152)	(84,968,590)	(222,073)	(88,209,879)	(214,147)	(88,209,879)	(214,147)
14	Normalized Tax Depreciation		86,641,579	477,089	88,359,148	414,851	86,504,208	485,534	86,504,208	485,534
15	Normalized Basis Differences		2,825,291	-	10,142,994	-	14,464,377	-	14,464,377	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	3,771,633	(183,381)	2,842,046	12,930	2,679,328	17,130	2,679,328	17,130
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	3,067,815	-	2,236,631	-	2,236,631
19	Flowback of Catch Up Adjustment		(845,134)	(633,512)	(845,134)	(635,484)	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		(2,456,195)	-	(2,899,096)	-	(2,997,502)	-	(2,997,502)	-
21	Flowback of TCJA 2017 - 10 Years		242,749	-	242,749	-	242,749	-	242,749	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	(2,436,764)	-	(2,436,764)	-
23	Flowback of Tax Repairs Collar		-	-	-	-	(4,737,469)	-	(4,737,469)	-
24	Total Flow Through	Sum of Lines [19] : [23]	(3,058,579)	(633,512)	(3,501,481)	(635,484)	(9,928,987)	-	(9,928,987)	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ 713,053	$ (816,893)	$ (659,435)	$ 2,445,261	$ (7,249,658)	$ 2,253,761	$ (7,249,658)	$ 2,253,761
26	Amortization of Income Tax Credit		(253,412)		(102,140)		(102,140)		(102,140)	
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ 15,809,412	$ 6,198,097	$ 22,832,622	$ 8,333,408	$ 11,110,242	$ 6,573,599	$ 27,917,261	$ 13,523,573

AQUA PENNSYLVANIA, INC. - WATER BASE

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 5,713,177,283	$ 5,992,711,834	$ 6,283,245,854
2	Utility Plant Acquisition Adjustment	Schedule G-3	3,296,760	2,917,936	2,581,377
3			5,716,474,043	5,995,629,770	6,285,827,230
4	Less: Accumulated Depreciation	Schedule G-2	(1,259,730,162)	(1,357,233,703)	(1,461,389,326)
5	Net Plant in Service		4,456,743,881	4,638,396,067	4,824,437,904
6	Additions:				
7	Materials & Supplies	Schedule G-4	16,367,534	17,396,771	17,396,771
8	Cash Working Capital	Schedule G-5	7,707,000	7,707,000	7,707,000
9			24,074,534	25,103,771	25,103,771
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	(204,907,721)	(206,078,931)	(201,180,696)
12	Deferred Income Taxes	Schedule G-7	(327,105,870)	(330,372,314)	(330,113,886)
13	Investment Tax Credit		-	-	-
14			(532,013,591)	(536,451,245)	(531,294,582)
15	Total Rate Base		$ 3,948,804,824	$ 4,127,048,593	$ 4,318,247,093

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 5,713,177,283	$ 5,713,177,283	$ 5,992,711,834
2	Plus: Additions		312,651,283	321,611,171
3	Less: Retirements		(33,116,732)	(31,077,152)
4	Utility Plant in Service	$ 5,713,177,283	$ 5,992,711,834	$ 6,283,245,854
5	Accumulated Depreciation	$ (1,259,730,162)	$ (1,357,233,703)	$ (1,461,389,326)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

The following adjustment reflects the recognition of the positive Utility Plant Acquisition Adjustments (UPAA) associated with the acquisition of various water utility assets pursuant to the terms of the Commission-approved settlement of the Company's rate cases at Docket Nos. R-00038805, R-00051030, R-00072711, R-2009-2132019, and R-2018-3003558.

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE
1	N.U.I.	R-00038805	$ 1,221,535	6/26/2002	8/04 - 7/24	$ 35,628	$ 35,628	$ 0	$ -	$ 0
2	White Rock	R-00038805	227,554	11/22/2002	8/04 - 7/24	6,637	6,637	(0)	-	(0)
3	Marienville	R-00051030	467,205	3/30/2004	7/06 - 6/26	58,402	23,360	35,041	23,360	11,681
4	Meribah	R-00051030	13,387	3/31/2004	7/06 - 6/26	1,673	669	1,004	669	334
5	Hex Acres	R-00051030	85,923	4/30/2004	7/06 - 6/26	10,741	4,296	6,445	4,296	2,149
6	Tambur	R-00051030	36,314	4/30/2004	7/06 - 6/26	4,539	1,816	2,724	1,816	908
7	Barret Water	R-00051030	34,881	4/30/2004	7/06 - 6/26	4,360	1,744	2,616	1,744	872
8	Oneida	R-00051030	76,172	6/24/2004	7/06 - 6/26	9,522	3,809	5,713	3,809	1,905
9	Christian Springs	R-00051030	6,055	8/19/2004	7/06 - 6/26	757	303	454	303	151
10	Stanton	R-00051030	41,903	2/25/2005	7/06 - 6/26	5,238	2,095	3,143	2,095	1,048
11	Meadowcrest	R-00051030	101,156	8/18/2005	7/06 - 6/26	12,645	5,058	7,587	5,058	2,529
12	Garbush	R-00072711	65,216	10/19/2005	8/08 - 7/28	15,217	3,261	11,956	3,261	8,696
13	C S Water	R-00072711	887,125	1/20/2006	8/08 - 7/28	203,302	44,356	158,946	44,356	114,590
14	Country Club Gardens	R-00072711	60,900	11/28/2006	8/08 - 7/28	13,956	3,045	10,911	3,045	7,866
15	Lakeside Acres	R-00072711	108,602	12/19/2007	8/08 - 7/28	24,888	5,430	19,458	5,430	14,027
16	Honesdale	R-2009-2132019	1,521,927	9/30/2008	7/10 - 6/30	494,626	76,096	418,529	76,096	342,433
17	Washington Park (1)	R-2009-2132019	(11,493)	3/31/2009	7/10 - 6/30	(3,735)	(575)	(3,160)	(575)	(2,585)
18	Sleepy Hollow (1)	R-2009-2132019	(99,921)	3/31/2009	7/10 - 6/30	(32,474)	(4,996)	(27,478)	(4,996)	(22,482)
19	Clarendon	R-2009-2132019	201,107	4/30/2009	7/10 - 6/30	65,361	10,055	55,305	10,055	45,250
20	Kratzerville	R-2009-2132019	56,599	5/29/2009	7/10 - 6/30	18,395	2,830	15,565	2,830	12,735
21	Treasure Lake	R-2018-3003558	3,024,801	2/28/2013	4/19 - 3/39	2,306,411	151,240	2,155,171	151,240	2,003,931
22	Mt Jewett Water	R-2018-3003558	49,459	5/5/2015	4/19 - 3/39	37,712	2,473	35,239	2,473	32,766
23	Sun Valley Water	R-2018-3003558	3,883	1/29/2018	4/19 - 3/39	2,961	194	2,766	194	2,572
24	Effect to Rate Base Element		$ 8,180,291			$ 3,296,760	$ 378,824	$ 2,917,936	$ 336,559	$ 2,581,377

(1) Washington Park and Sleepy Hollow are exceptions to the treatment of negative acquisition adjustments as provided for in Section 1327 of the Public Utility Code because it was stipulated in the order approving their acquisition (Docket No. A-230550F2000) that rate base for rate making purposes would be limited to purchase price. To accomplish that requirement, the negative acquisition adjustment had to be included as a deduction to rate base.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

The Company's claim for materials and supplies at December 31, 2024 and December 31, 2025 is calculated on the basis of the average monthly balances in the materials and supplies account during the period December 2022 to December 2023.

LINE NO.	MONTH	YEAR		BALANCE
1	December	2022	$	19,696,718
2	January	2023		19,374,554
3	February	2023		18,714,106
4	March	2023		18,112,695
5	April	2023		16,948,305
6	May	2023		16,750,637
7	June	2023		15,108,709
8	July	2023		15,851,162
9	August	2023		16,425,305
10	September	2023		17,640,031
11	October	2023		17,657,017
12	November	2023		17,511,251
13	December	2023		16,367,534
14	Total		$	226,158,025
15	13 Month Average		$	17,396,771
16	Allowance for Materials & Supplies			
17	At 12/31/2024 and 12/31/2025		$	17,396,771

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ 11,017,000	$ 11,017,000	$ 11,017,000
2	Cash Working Capital - Taxes	Schedule G-5.3	5,846,000	5,846,000	5,846,000
3	Cash Working Capital - Interest	Schedule G-5.4	(9,156,000)	(9,156,000)	(9,156,000)
4	Total Cash Working Capital Requirement		$ 7,707,000	$ 7,707,000	$ 7,707,000

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR	BALANCE
	(1)	(2)	(3)
1	December	2022	$ 61,510,177
2	January	2023	52,266,091
3	February	2023	51,701,480
4	March	2023	45,720,027
5	April	2023	54,123,269
6	May	2023	49,340,617
7	June	2023	55,621,757
8	July	2023	55,115,872
9	August	2023	47,868,980
10	September	2023	59,539,177
11	October	2023	50,522,557
12	November	2023	50,710,009
13	December	2023	55,985,866
14	Total		$ 690,025,877
15	Average Accounts Receivable Balance		$ 53,078,914
16	Gross Utility Water Revenues recorded		
17	During the Twelve Months Ended 12/31/2023		$ 564,324,528
16	Average Daily Billing		$ 1,546,095
18	Lag in Receipt of Payment		34.3
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		51.5

Reference:
(a) One-half of monthly billing period.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 23,668,323	5.5	(a)	$ 130,175,779
2	Non-Union Labor	14,218,799	9.0	(a)	127,969,193
3	Management Fee	27,013,703	15.7	(a)	424,115,142
4	Electric Power	11,062,177	43.3	(a)	478,992,266
5	Water Purchased	5,343,627	41.6	(a)	222,294,875
6	Employee Group Insurance	6,334,692	16.3	(a)	103,255,487
7	Liability Insurance	6,313,061	(46.4)	(a)	(292,926,026)
8	SFI Postage	1,406,166	(5.4)	(a)	(7,593,296)
9	Pension	1,366,600	440.0	(a)	601,304,000
10	SFAS106	(677,072)	45.1	(a)	(30,552,882)
11	All Other Expenses (b)	41,189,218	31.3	(a)	1,289,222,522
12	Total	$ 137,239,295			$ 3,046,257,060
13	Average Lag Days in Payment of Expenses		22.2	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		51.5	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		29.3	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 375,998	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ 11,016,743	[16] * [18]	
20	USE		$ 11,017,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 2,579,107	(198.5)	(a)	$ (511,952,829)
2	OCA & SBA - General Assessments	1,220,472	(198.5)	(a)	(242,263,770)
3	Public Utility Realty Tax	4,700,000	(48.3)	(a)	(227,010,000)
4	Local, County, School, & Municipal Tax	1,162,341	(92.9)	(a)	(107,981,517)
5	FICA Taxes - Hourly	2,765,833	5.5	(a)	15,212,079
6	FICA Taxes - Executive & Exempt	1,935,527	9.0	(a)	17,419,742
7	Federal Unemployment Tax	26,872	75.9	(a)	2,038,883
8	PA Unemployment Tax	135,117	75.9	(a)	10,252,013
9	PA State Income Tax	4,319,838	36.5	(a)	157,674,092
10	Federal Income Tax	18,462,040	36.5	(a)	673,864,471
11	Total	$ 37,307,148			$ (212,746,837)
12	Average Lag Days in Payment of Taxes		(5.7)	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		51.5	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		57.2	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ 102,211	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ 5,846,490	[15] * [17]	
19	USE		$ 5,846,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 85,492,302	90.8	(a)	$ 7,758,426,421
2	PennVest-Interest	420,204	14.7	(a)	6,180,507
3	Total	$ 85,912,507			$ 7,764,606,928
4	Average Lag Days in Payment of Interest		90.4	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		51.5	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(38.9)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 235,377		
10	Cash Working Capital Required		$ (9,156,155)		
11	USE		$ (9,156,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ 204,907,721	$ 204,907,721	$ 206,078,931
2	Plus: Contributions		6,100,000	-
3	Less: Amortization		(4,928,790)	(4,898,235)
4	Customer Advances and Contributions In Aid Of Construction	$ (204,907,721)	$ (206,078,931)	$ (201,180,696)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ 327,105,870	$ 327,105,870	$ 330,372,314
2					
3	Change in Deferred Tax	Schedule F-2		3,266,444	(258,428)
4	Deferred Income Taxes		$ (327,105,870)	$ (330,372,314)	$ (330,113,886)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

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AQUA PENNSYLVANIA, INC. - SHENANDOAH

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AQUA PENNSYLVANIA, INC. - SHENANDOAH

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Docket No. R-2024-3047822
Exhibit 1-B

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA, INC. - SHENANDOAH

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	732,434	$ 1,096,802	1,829,237	$ (932)	$ 1,828,305	$ (0)	$ 1,828,304	$ 2,267,908	$ 4,096,212
2	Operating Expenses	808,634	478,140	1,286,774	365,951	1,652,725	125,031	1,777,756	9,980	1,787,736
3	Depreciation	711	774,425	775,136	(149,307)	625,829	34,405	660,234		660,234
4	Taxes, other than income :									
5	PUC assessment	-	7,911	7,911	(4)	7,907	(0)	7,907	9,808	17,716
6	OCA & SBA assessments	-	3,744	3,744	(2)	3,742	(0)	3,742	4,641	8,383
7	Public Utility Realty tax	-	-	-	-	-	-	-	-	-
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	-	-	-	-	-	-	-	-	-
10	Federal & State payroll tax	12,975	(12,975)	-	-	-	-	-	-	-
11	Total Taxes, other than income	12,975	(1,320)	11,655	(6)	11,649	(0)	11,649	14,450	26,099
12	Utility Operating Income Before Tax	(89,886)	(154,442)	(244,328)	(217,570)	(461,898)	(159,436)	(621,334)	2,243,478	1,622,143
13	Income Taxes:									
14	Federal Tax-Current	-	(54,544)	(54,544)	(88,468)	(143,012)	(33,702)	(176,714)	433,487	256,773
15	Pa. CNI Tax-Current	-	(25,657)	(25,657)	(37,525)	(63,182)	(9,892)	(73,074)	179,254	106,180
16	Federal Tax-Deferred	-	(50,148)	(50,148)	47,188	(2,960)	(2,364)	(5,324)	-	(5,324)
17	Pa. CNI Tax-Deferred	-	-	-	-	-	-	-	-	-
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	-	-	-	-	-	-	-	-	-
20	Total Income Taxes	-	(130,350)	(130,350)	(78,805)	(209,155)	(45,958)	(255,113)	612,741	357,628
21	Total Operating Revenue Deductions	822,320	1,120,894	1,943,215	137,833	2,081,048	113,478	2,194,526	637,171	2,831,697
22	Utility Operating Income	(89,886)	(24,092)	(113,978)	(138,765)	(252,743)	(113,478)	(366,222)	1,630,737	1,264,515
23	Income Deductions:									
24	Interest on Long-Term debt	-	279,866	279,866	16,526	296,392	22,197	318,589		318,589
25	Amort. Of debt discount & expense	-	-	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(1,080)	1,080	-	-	-	-	-		-
28	Total Income Deductions	(1,080)	280,947	279,866	16,526	296,392	22,197	318,589	-	318,589
29	Net Income	$ (88,806)	$ (305,039)	$ (393,845)	$ (155,291)	$ (549,136)	$ (135,675)	$ (684,811)	$ 1,630,737	$ 945,926
30	Preferred Dividend									
31	Net Income-Common	$ (88,806)	$ (305,039)	$ (393,845)	$ (155,291)	$ (549,136)	$ (135,675)	$ (684,811)	$ 1,630,737	$ 945,926

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Metered:							
2	Residential	-	2,675	2,675	2,675	2,675	-	-
3	Commercial	-	214	214	214	214	-	-
4	Industrial	-	4	4	4	4	-	-
5	Public	-	30	30	30	30	-	-
6	Bulk Water	-	-	-	-	-	-	-
7	Private Fire Protection	-	-	-	-	-	-	-
8	Sales to Water Utilities	-	-	-	-	-	-	-
9	Total Metered Customers	-	2,923	2,923	2,923	2,923	-	-
10	Other:							
11	Unmetered	-	21	21	21	21	-	-
12	Availability Charge	-	-	-	-	-	-	-
13	Public Fire Protection	-	3	3	3	3	-	-
14	Private Fire Protection	-	2	2	2	2	-	-
15	Total Customers	-	2,949	2,949	2,949	2,949	-	-

AQUA PENNSYLVANIA, INC. - SHENANDOAH

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
1	Pro Forma Rate Base	Schedule G-1		$	16,013,341
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	1,264,515
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	(366,222)
5	Operating Income Deficit		=	$	1,630,737
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3907
7	Revenue Deficit		=	$	2,267,908

AQUA PENNSYLVANIA, INC. - SHENANDOAH

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ (113,978)	$ 13,541,347	-0.84%
2	Present Rates December 31, 2024	$ (252,743)	$ 15,429,265	-1.64%
3	Present Rates December 31, 2025	$ (366,222)	$ 16,013,341	-2.29%
4	Proposed Rates December 31, 2025	$ 1,264,515	$ 16,013,341	7.90%

AQUA PENNSYLVANIA, INC. - SHENANDOAH

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**0.440%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9892
7	State Tax Rate	**7.990%**		
8	State Tax $$ ============>		$	0.0790
9	State Factor		$	0.9102
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ============>		$	0.1911
12	Combined Income Tax Factor on Gross Revenues			27.02%
13	Net Operating Income Factor			**71.90%**
14	Gross Revenue Conversion Factor			**1.39073**

Docket No. R-2024-3047822
Exhibit 1-B

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA, INC. - SHENANDOAH

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Metered Sales:										
2	Residential	$ 588,775	$ 868,383	$ 1,457,158	$ (7,015)	$ 1,450,143	$ (0)	$ 1,450,143	120.7%	$ 1,750,720	$ 3,200,863
3	Commercial	100,820	112,990	213,811	5,833	219,644	-	219,644	108.1%	237,530	457,173
4	Industrial	26,436	37,455	63,891	-	63,891	-	63,891	169.4%	108,215	172,106
5	Public	2,673	54,055	56,728	250	56,978	-	56,978	168.7%	96,127	153,105
6	Bulk Water	-	-	-	-	-	-	-	0.0%		-
7	Private Fire Protection	-	-	-	-	-	-	-	0.0%		-
8	Sales to Water Utilities	-	-	-	-	-	-	-	0.0%	-	-
9	Total Metered Sales	718,704	1,072,884	1,791,588	(932)	1,790,656	(0)	1,790,655	122.4%	2,192,591	3,983,246
10	Other:										
11	Unmetered	-	-	-	-	-	-	-	0.0%	-	-
12	Availability Charge	-	-	-	-	-	-	-	0.0%		-
13	Public Fire Protection	3,028	5,141	8,170	-	8,170	-	8,170	921.9%	75,317	83,486
14	Private Fire Protection	4,339	18,757	23,096	-	23,096	-	23,096	0.0%	-	23,096
15	Total Sales to General Customers	726,071	1,096,782	1,822,854	(932)	1,821,922	(0)	1,821,921	124.5%	2,267,908	4,089,829
16	Other Water Revenue:										
17	Forfeited Discounts	-	-	-	-	-	-	-	0.0%		-
18	Miscellaneous Service Revenue	6,363	20	6,383	-	6,383	-	6,383	0.0%		6,383
19	Sub-Total	6,363	20	6,383	-	6,383	-	6,383	0.0%	-	6,383
20	Total Operating Revenue	$ 732,434	$ 1,096,802	$ 1,829,237	$ (932)	$ 1,828,305	$ (0)	$ 1,828,304	124.0%	$ 2,267,908	$ 4,096,212

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 732,434				
2	Present Rates at 12/31/23					$ 1,829,237		
3	Present Rates at 12/31/24							$ 1,828,305
4	Unbilled Revenue Adjustment	Schedule B-3	(113,473)		-		-	
5	Page Held For Future Use	Schedule B-4	-		-		-	
6	Page Held For Future Use	Schedule B-5	-		-		-	
7	Customer Assistance Program	Schedule B-6	216		(12,262)		(0)	
8	Page Held For Future Use	Schedule B-7	-		-		-	
9	Miscellaneous Revenue Adjustments	Schedule B-8	-		-		-	
10	Specific Customer Adjustments	Schedule B-9	-		11,330		-	
11	Annualization Of Acquisition	Schedule B-10	1,210,059		-		-	
12	Pro Forma Adjustment			1,096,802		(932)		(0)
13	Pro Forma Present Rates at December 31, 2023			$ 1,829,237				
14	Pro Forma Present Rates at December 31, 2024					$ 1,828,305		
15	Pro Forma Present Rates at December 31, 2025							$ 1,828,304

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT
1	Metered Sales:	
2	Residential	$ 90,313
3	Commercial	14,638
4	Industrial	3,915
5	Public	4,466
6	Bulk Water	-
7	Private Fire Protection	-
8	Sales to Water Utilities	
9	Total Metered Sales	113,333
10	Other:	
11	Unmetered	
12	Availability Charge	
13	Public Fire Protection	45
14	Private Fire Protection	94
15	Total Sales to General Customers	113,473
16	Other Water Revenue:	
17	Forfeited Discounts	
18	Miscellaneous Service Revenue	
19	Sub-Total	-
20	Total Operating Revenue	$ 113,473

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CUSTOMER ASSISTANCE PROGRAM

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Metered Sales:				
2	Residential	$ (1,748)	$ (1,532)	$ (13,794)	$ (13,794)
3	Commercial				
4	Industrial				
5	Public				
6	Bulk Water				
7	Private Fire Protection				
8	Sales to Water Utilities				
9	Total Metered Sales	(1,748)	(1,532)	(13,794)	(13,794)
10	Other:				
11	Unmetered				
12	Availability Charge				
13	Public Fire Protection				
14	Private Fire Protection				
15	Total Sales to General Customers	(1,748)	(1,532)	(13,794)	(13,794)
16	Other Water Revenue:				
17	Forfeited Discounts				
18	Miscellaneous Service Revenue				
19	Sub-Total	-	-	-	-
20	Total Operating Revenue	$ (1,748)	$ (1,532)	$ (13,794)	$ (13,794)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2023 AMOUNT
1	Metered Sales:			
2	Residential		$ -	$ -
3	Commercial		-	-
4	Industrial		-	-
5	Public		-	-
6	Bulk Water		-	-
7	Private Fire Protection		-	-
8	Sales to Water Utilities		-	-
9	Total Metered Sales	-	-	-
10	Other:			
11	Unmetered		-	-
12	Availability Charge		-	-
13	Public Fire Protection		-	-
14	Private Fire Protection		-	-
15	Total Sales to General Customers	-	-	-
16	Other Water Revenue:			
17	Forfeited Discounts		-	-
18	Miscellaneous Service Revenue		-	-
19	Sub-Total	-	-	-
20	Total Operating Revenue	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

SPECIFIC CUSTOMER ADJUSTMENTS

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2024 ADJUSTMENT
1	Metered Sales:		
2	Residential	(a)	$ 5,247
3	Commercial	(a)	5,833
4	Industrial		
5	Public	(a)	250
6	Bulk Water		
7	Private Fire Protection		
8	Sales to Water Utilities		
9	Total Metered Sales		11,330
10	Other:		
11	Unmetered		
12	Availability Charge		
13	Public Fire Protection		
14	Private Fire Protection		
15	Total Sales to General Customers		11,330
16	Other Water Revenue:		
17	Forfeited Discounts		
18	Miscellaneous Service Revenue		
19	Sub-Total		-
20	Total Operating Revenue		$ 11,330

(a) Refer to AP Statement No. 10

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

ANNUALIZATION OF ACQUISITION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 ADJUSTMENT
1	Metered Sales:	
2	Residential	$ 958,480
3	Commercial	127,629
4	Industrial	41,371
5	Public	58,521
6	Bulk Water	
7	Private Fire Protection	
8	Sales to Water Utilities	
9	Total Metered Sales	1,186,001
10	Other:	
11	Unmetered	
12	Availability Charge	
13	Public Fire Protection	5,187
14	Private Fire Protection	18,851
15	Total Sales to General Customers	1,210,039
16	Other Water Revenue:	
17	Forfeited Discounts	
18	Miscellaneous Service Revenue	20
19	Sub-Total	20
20	Total Operating Revenue	$ 1,210,059

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		Source of Supply				
2		-Operations-				
3	6151	Purchased Power	9,763	10,401	23,713	30,051
4	6201	Supplies	5,856	5,856	5,998	6,136
5		-Maintenance-				
6	6202	Supplies	6,754	6,754	6,917	7,077
7						
8		Total Source of Supply Expense	$ 22,373	$ 23,010	$ 36,628	$ 43,263
9						
10		--Treatment--				
11		-Operations-				
12	6013	Labor	150,454	150,454	243,640	248,480
13	6043	Employee Benefits	48,761	48,761	49,944	51,092
14	6153	Purchased Power	3,133	3,338	7,611	9,645
15	6183	Chemicals	30,680	100,232	126,102	158,649
16	6203	Supplies	15,315	20,315	20,807	21,286
17	6353	OS Lab Testing	15,248	15,248	15,618	15,977
18	6363	OS Other	23,650	23,650	24,224	24,781
19	6503	Transportation	14,803	40,942	41,935	42,900
20		-Maintenance-				
21	6204	Supplies	1,532	1,532	1,569	1,605
22	6364	OS Other	216,313	216,313	221,558	226,654
23						
24		Total Treatment Expense	$ 519,889	$ 620,785	$ 753,008	$ 801,069
25						
26		--Transmission and Distribution--				

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
27		-Operations-				
28	6015	Labor	2,762	2,762	4,472	4,561
29	6045	Employee Benefits	1,281	1,281	1,312	1,343
30	6155	Purchased Power	67,402	71,802	163,707	207,459
31	6205	Supplies	109	109	112	115
32	6365	OS Other	82,895	82,895	84,905	86,858
33	6415	Leases	576	576	576	576
34	6505	Transportation	179	179	183	188
35	6755	Other	242	242	248	254
36		-Maintenance-				
37	6016	Labor	3,301	3,301	5,346	5,452
38	6046	Employee Benefits	300	300	307	314
39	6206	Supplies	644	644	660	675
40	6366	OS Other	12,696	12,696	13,003	13,302
41	6506	Transportation	56	56	57	59
42						
43		Total Transmission and Distribution Expense	$ 172,443	$ 176,843	$ 274,890	$ 321,155
44						
45		--Customer Accounting--				
46	6017	Labor	12,571	12,571	20,357	20,761
47	6047	Employee Benefits	4,490	4,490	4,599	4,705
48	6207	Supplies	323	323	330	338
49	6507	Transportation	829	829	849	869
50	6707	Bad Debt	3,979	8,022	8,017	8,017
51						
52		Total Customer Accounting Expense	$ 22,192	$ 26,234	$ 34,153	$ 34,690

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
53						
54		--Administrative and General--				
55	6018	Labor	39,836	39,836	64,508	65,790
56	6038	Labor	3,516	3,516	5,694	5,807
57	6048	Employee Benefits	15,063	72,631	150,248	153,057
58	6158	Purchased Power	122	129	295	374
59	6328	OS Accounting	-	3,981	3,914	3,945
60	6349	Management Fees	-	169,744	174,923	180,210
61	6368	OS Other	8,119	108,119	110,741	113,288
62	6508	Transportation	2,804	2,804	2,872	2,939
63	6568	Insurance	-	670	700	763
64	6578	Insurance	-	21,826	22,723	24,673
65	6588	Insurance	-	4,492	4,678	5,081
66	6598	Insurance	-	9,874	10,416	11,597
67	6758	Other	2,277	2,277	2,332	2,386
68	6668	Amortization of Rate Case	-	-	-	7,668
69						
70		Total Admin & General Expense	$ 71,737	$ 439,901	$ 554,045	$ 577,579
71						
72		Total Operating Expenses	$ 808,634	$ 1,286,774	$ 1,652,725	$ 1,777,756

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 212,440	$ -	$ 212,440	$ 131,578	$ 344,017	$ 6,834	$ 350,852
2	Employee Benefits	69,896	57,568	127,464	78,947	206,410	4,101	210,511
3	Purchased Water	-	-	-	-	-	-	-
4	Purchased Wastewater	-	-	-	-	-	-	-
5	Sludge	-	-	-	-	-	-	-
6	Purchased Power	80,420	5,249	85,670	109,657	195,327	52,201	247,528
7	Chemicals	30,680	69,552	100,232	25,870	126,102	32,547	158,649
8	Supplies	30,532	5,000	35,532	862	36,394	837	37,231
9	OS Engineer	-	-	-	-	-	-	-
10	OS Accounting	-	3,981	3,981	(67)	3,914	30	3,945
11	OS Legal	-	-	-	-	-	-	-
12	OS Lab Testing	15,248	-	15,248	370	15,618	359	15,977
13	OS Other	343,673	100,000	443,673	10,759	454,432	10,452	464,884
14	Management Fees	-	169,744	169,744	5,179	174,923	5,287	180,210
15	Leases	576	-	576	-	576	-	576
16	Transportation	18,671	26,140	44,811	1,087	45,897	1,056	46,953
17	Insurance	-	36,863	36,863	1,654	38,517	3,598	42,115
18	Other	2,519	-	2,519	61	2,580	59	2,639
19	Bad Debt	3,979	4,042	8,022	(4)	8,017	(0)	8,017
20	Amortization of Rate Case	-	-	-	-	-	7,668	7,668
21	Amortization of UPAA	-	-	-	-	-	-	-
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	-	-
24	Total Operating Expenses	$ 808,634		$ 1,286,774		$ 1,652,725		$ 1,777,756
25	Pro Forma Adjustments		$ 478,140		$ 365,951		$ 125,031	
26	Uncollectibles @ Proposed Rates							$ 9,980
27	Proposed Rates @ 12/31/25							$ 1,787,736

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 808,634				
2	Present Rates at 12/31/23					$ 1,286,774		
3	Present Rates at 12/31/24							$ 1,652,725
4	Present Rates at 12/31/25							
5	General Price Level Adjustment	Schedule C-4.1	-		14,130		13,727	
6	Uncollectible Accounts	Schedule C-4.2	4,042		(4)		(0)	
7	Additional Cost Of Serving Customers	Schedule C-4.3	-		-		-	
8	Rate Case Expense	Schedule C-4.4	-		-		7,668	
9	Payroll	Schedule C-4.5	-		131,578		6,834	
10	Insurance Expense	Schedule C-4.6	36,863		1,654		3,598	
11	Management Service & Sundry	Schedule C-4.7	169,744		4,188		4,324	
12	Page Held For Future Use	Schedule C-4.8	-		-		-	
13	Miscellaneous Expense Adjustments	Schedule C-4.9	131,140		-		-	
14	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
15	Audit Fee Expense	Schedule C-4.11	3,981		(67)		30	
16	Page Held For Future Use	Schedule C-5.1	-		-		-	
17	Purchased Power Expense	Schedule C-6.1	5,249		109,657		52,201	
18	Chemicals	Schedule C-6.2	69,552		25,870		32,547	
19	Purchased Water Expense	Schedule C-7.1	-		-		-	
20	Water Production Adjustment	Schedule C-7.2	-		-		-	
21	Employee Benefits	Schedule C-8.1	57,568		78,947		4,101	
22	Page Held For Future Use	Schedule C-9.1	-		-		-	
23	Page Held For Future Use	Schedule C-9.2	-		-		-	
24	Page Held For Future Use	Schedule C-10.1	-		-		-	
25	Page Held For Future Use	Schedule C-10.2	-		-		-	
26	Pro Forma Adjustments			$ 478,140		$ 365,951		$ 125,031
27	Pro Forma Present Rates at December 31, 2023			$ 1,286,774				
28	Pro Forma Present Rates at December 31, 2024					$ 1,652,725		
29	Pro Forma Present Rates at December 31, 2025							$ 1,777,756

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 1,286,774	
3	Present Rates 12/31/2024		$ 1,652,725
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	212,440	344,017
6	Employee Benefits	127,464	206,410
7	Purchased Water	-	-
8	Purchased Power	85,670	195,327
9	Chemicals	100,232	126,102
10	Supplies	-	-
11	OS Engineer	-	-
12	OS Accounting	3,981	3,914
13	OS Legal	-	-
14	OS Lab Testing	-	-
15	OS Other	-	-
16	Management Fees	128,849	133,037
17	Leases	576	576
18	Transportation	-	-
19	Insurance	36,863	38,517
20	Other	-	-
21	Bad Debt	8,022	8,017
22	Amortization of Rate Case	-	-
23	Amortization of UPAA	-	-
24	Amortization of Tank Painting	-	-
25	Amortization Other	-	-
26	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 704,096	$ 1,055,917
27	Total Operating Expenses Subject to Effects of Inflation	$ 582,678	$ 596,808
28	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
29	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 14,130	$ 13,727

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)		
1	First Quarter	2024	2.500% (a)
2	Second Quarter	2024	2.500% (a)
3	Third Quarter	2024	2.400% (a)
4	Fourth Quarter	2024	2.300% (a)
5	Annual Average for the Period Ending 12/31/2024		2.425%
6	First Quarter	2025	2.300% (b)
7	Second Quarter	2025	2.300% (b)
8	Third Quarter	2025	2.300% (b)
9	Fourth Quarter	2025	2.300% (b)
10	Annual Average for the Period Ending 12/31/2025		2.300%

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 0.44006% with regard to sales to general customers.

LINE NO.	DESCRIPTION		PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue		$ 726,071	$ 1,822,854	$ 1,821,922	$ 1,821,921	
2	Annualized Uncollectible Account based on Experience Factor @	0.44006%		8,022	8,017	8,017	‡
3	Less: Amount Charged to Operating Expense						
4	During the Twelve Months Ended 12/31/2023			3,979			
5	Less: Present Rates 12/31/2023				8,022		
6	Less: Present Rates 12/31/2024					8,017	
7	Increase/(Decrease)			$ 4,042	$ (4)	$ (0)	
8	Pro Forma Adjustment:						
9	6707			$ 4,042	$ (4)	$ (0)	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADDITIONAL COST OF SERVING CUSTOMERS

The Company computes the additional cost of providing service to customers connected during the three years ending December 31, 2025, exclusive of acquisitions.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT
1	Estimated Additional Revenue from New Customers		
2	connected during the three years ended December 31, 2025	Schedule B-5	$ -
3	Operating Ratio		22.73%
4	Cost of Providing Service to New Customers		$ -
5	The operating ratio specifically related to the adjusted cost of serving new customers		
6	was computed as follows:		
7	Purchased Power Expense		$ 247,528
8	Chemical Expense		$ 158,649
9	Bill Processing & Postage Expense		9,381
10	Purchased Water Expense		$ -
11	Total		$ 415,558
12	Total Water Sales at Present Rates	Schedule B-1	$ 1,828,304
13	Operating Ratio		22.73%
14	Pro Forma Adjustment:		
15	6161		$ -
16	6183		$ -
17	6367		$ -
18	6101		$ -
19	Total		$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of water customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Water - Current Exhibit	0.59%	$	15,336	$ 7,668
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	-	$ 7,668 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			-	
19	Less: Present Rates 12/31/2024				-
20	Increase/(Decrease)		$	-	$ 7,668
21	Pro Forma Adjustment:				
22	6668				$ 7,668

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ 144,912	$ 148,313	
3	Capital Payroll		45,894	46,971	
4	Non-Operating Payroll		1,710	1,750	
5	Expense Payroll	60,090	97,308	99,592	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ 37,218	$ 2,284	
7	**Union Payroll**				
8	Gross Payroll		$ 367,400	$ 374,176	
9	Capital Payroll		116,356	118,502	
10	Non-Operating Payroll		4,335	4,415	
11	Expense Payroll	152,349	246,709	251,259	‡
12	Union Expense Payroll Increase/(Decrease)		$ 94,360	$ 4,550	
13	Total Expense Payroll Increase/(Decrease)		$ 131,578	$ 6,834	
14	Pro Forma Adjustment:				
15	6011		$ -	$ -	
16	6012		$ -	$ -	
17	6013		$ 93,186	$ 4,840	
18	6014		$ -	$ -	
19	6015		$ 1,710	$ 89	
20	6016		$ 2,045	$ 106	
21	6017		$ 7,786	$ 404	
22	6018		$ 24,673	$ 1,282	
23	6038		$ 2,178	$ 113	
24	65052		$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		$ 29,248	$ 28,566	$ 31,423	
2	Workers Compensation		6,019	5,915	6,506	
3	Vehicle		898	932	1,025	
4	Other (Exec Risk, Property, Surety Bond)		13,232	17,247	18,971	
5			49,398	52,660	57,926	
6	Capitalized portion not charged to operating expense	31.67%	(15,644)	(16,677)	(18,345)	
7	Property Damages		3,109	2,534	2,534	
8	Subtotal Insurance		$ 36,863	$ 38,517	$ 42,115	‡
						‡
9	Less: Amount Charged to Operating Expense					
10	During the Twelve Months Ended 12/31/2023		-			
11	Less: Present Rates 12/31/2023			36,863		
12	Less: Present Rates 12/31/2024				38,517	
13	Increase/(Decrease)		$ 36,863	$ 1,654	$ 3,598	
14	Pro Forma Adjustment:					
15	6578		$ 21,826	$ 897	$ 1,952	
16	6588		$ 4,492	$ 186	$ 404	
17	6568		$ 670	$ 29	$ 64	
18	6598		$ 9,874	$ 542	$ 1,178	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 128,849	$ 128,849	$ 133,037	‡
2	Payroll & Benefit Increase		4,188	4,324	‡
3	Management Fees All Other	40,895	40,895	40,895	
4	Total Expense Claim	$ 169,744	$ 173,932	$ 178,255	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	-			
7	Less: Present Rates 12/31/2023		169,744		
8	Less: Present Rates 12/31/2024			173,932	
9	Increase/(Decrease)	$ 169,744	$ 4,188	$ 4,324	
10	Pro Forma Adjustment:				
11	6349	$ 169,744	$ 4,188	$ 4,324	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	OM OS Other	$ 100,000		
2	Supplies	5,000		
3	Transportation	26,140		
4	Increase/(Decrease)	$ 131,140	$ -	$ -
5	Pro Forma Adjustment:			
6	6368	$ 100,000		
7	6203	$ 5,000		
8	6503	$ 26,140		

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	$ 576	$ 576	$ 576	‡
2	Total Specific Expenses Not Subject to Increase	$ 576	$ 576	$ 576	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 5,826	$ 5,728	$ 5,773	
			5,826	5,728	5,773	
2	Capitalized portion not charged to operating expense	31.67%	(1,845)	(1,814)	(1,828)	
3	Subtotal Audit Fees		$ 3,981	$ 3,914	$ 3,945	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		-			
6	Less: Present Rates 12/31/2023			3,981		
7	Less: Present Rates 12/31/2024				3,914	
8	Increase/(Decrease)		$ 3,981	$ (67)	$ 30	
9	Pro Forma Adjustment:					
10	6328		$ 3,981	$ (67)	$ 30	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	ORIGINAL ACQUISITION ADJUSTMENT	DATE OF OWNERSHIP	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 85,670	$ 195,327	$ 247,528	
2	Claimed Purchased Power Expense - Gas	-	-	-	
3		$ 85,670	$ 195,327	$ 247,528	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	80,420			
6	Less: Present Rates 12/31/2023		85,670		
7	Less: Present Rates 12/31/2024			195,327	
8	Increase/(Decrease)	$ 5,249	$ 109,657	$ 52,201	
9	Pro Forma Adjustment:				
10	6151	$ 637	$ 13,313	$ 6,337	
11	6153	$ 205	$ 4,273	$ 2,034	
12	6155	$ 4,400	$ 91,906	$ 43,751	
13	6158	$ 8	$ 166	$ 79	
14	6161	$ -	$ -	$ -	
15	6163	$ -	$ -	$ -	
16	6165	$ -	$ -	$ -	
17	6167	$ -	$ -	$ -	
18	6168	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	PP&L	Shenandoah	865,937	$ 85,670	1,974,336	$ 195,327	1,974,336	$ 247,528
2				$ 85,670		$ 195,327		$ 247,528

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The company utilizes various chemicals in the water treatment process. The chemical expense claim is based on the total production gallons annualized for the twelve months ended December 31, 2023 multiplied by the normalized chemical treatment cost per million gallons. The cost per million gallons for the historic test year was increased by an average year over year growth rate to arrive at the treatment cost per million gallons for the future and fully projected future test years.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Chemical Treatment Cost Per Million Gallons	$ 130.72	$ 164.46	$ 206.91	
2	Claimed Production Sendout	0,767 MG			
3	Claimed Chemical Expense	$ 100,232	$ 126,102	$ 158,649	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	30,680			
6	Less: Present Rates 12/31/2023		100,232		
7	Less: Present Rates 12/31/2024			126,102	
8	Increase/(Decrease)	$ 69,552	$ 25,870	$ 32,547	
9	Pro Forma Adjustment:				
10	6183	$ 69,552	$ 25,870	$ 32,547	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WATER EXPENSE

The Company is not making a claim for Purchased Water expense for Shenandoah in this case.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Water Expense	$ -	$ -	‡
2	Less: Amount Charged to Operating Expense			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2024		-	
5	Increase/(Decrease)	$ -	$ -	
6	Pro Forma Adjustment:			
7	6101	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

WATER PRODUCTION ADJUSTMENT

The company is claiming an increase to the costs associated with increased production caused by the adjustment to consumption in the future and fully projected future test years.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	The production cost specifically related to the adjusted cost of the change in production			
2	was computed as follows:			
3	Purchased Power Expense	Schedule C-6.1	$ 195,327	$ 247,528
4	Chemical Expense	Schedule C-6.2	$ 126,102	$ 158,649
5			$ 321,429	$ 406,177
6	Estimated Production Gallons (Thousands)		766,753	766,753
7	Production Cost per 1,000 Gallons		$ 0.42	$ 0.53
8				
9				
10	Estimated Change in Production Gallons (Thousands)		-	-
11	Total Production Cost Increase / (Decrease)		$ -	$ -
12	Pro Forma Adjustment:			
13	6153		$ -	$ -
14	6183		$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE BENEFITS

The Company offers group insurance coverage to all full time employees. The following amounts summarize the Company's estimated annualized group insurance expense, less the employee co-pay, and adjusted for the portion not charged to operations. This results from the calculation of group insurance levels projected to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Water Intracompany Benefits	$ 127,464	$ 206,410	$ 210,511	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	69,896			
4	Less: Present Rates 12/31/2023		127,464		
5	Less: Present Rates 12/31/2024			206,410	
6	Increase/(Decrease)	$ 57,568	$ 78,947	$ 4,101	
7	Pro Forma Adjustment:				
8	6048	$ 57,568	$ 78,947	$ 4,101	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Legal Expense Claim (3 Year Average)				‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	-			
4	Less: Present Rates 12/31/2023		-		
5	Less: Present Rates 12/31/2024			-	
6	Increase/(Decrease)	$ -	$ -	$ -	
7	Pro Forma Adjustment:				
8	6338	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 775,136	$ 625,829	$ 660,234
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	711		
4	Less: Present Rates 12/31/2023		775,136	
5	Less: Present Rates 12/31/2024			625,829
6	Increase/(Decrease)	$ 774,425	$ (149,307)	$ 34,405
7	Pro Forma Adjustment:			
8		$ 774,425	$ (149,307)	$ 34,405

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 12,975						
2	Present Rates at 12/31/23				$ 11,655				
3	Present Rates at 12/31/24						$ 11,649		
4	Present Rates at 12/31/25								$ 11,649
5	General Assessment Fees By The Pennsylvania Public Utility Commission	7,911		(4)		(0)		9,808	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	3,744		(2)		(0)		4,641	
7	Public Utility Realty Tax	-		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Payroll Taxes	(12,975)		-		-			
10	Pro Forma Adjustment		$ (1,320)		$ (6)		$ (0)		$ 14,450
11	Pro Forma Present Rates at December 31, 2023		$ 11,655						
12	Pro Forma Present Rates at December 31, 2024				$ 11,649				
13	Pro Forma Present Rates at December 31, 2025						$ 11,649		
14	Pro Forma Proposed Rates at December 31, 2025								$ 26,099

Docket No. R-2024-3047822
Exhibit 1-B

Schedule D-2.1
Witness: Renee T. Marquis

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 1,829,237	$ 1,828,305	$ 1,828,304	$ 4,096,212
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	7,911	7,907	7,907	17,716
4	Total General Assessment Fees		$ 7,911	$ 7,907	$ 7,907	$ 17,716
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		-			
7	Less: Present Rates 12/31/2023			7,911		
8	Less: Present Rates 12/31/2024				7,907	
9	Less: Present Rates 12/31/2025					7,907
10	Increase/(Decrease)		$ 7,911	$ (4)	$ (0)	$ 9,808
11	Pro Forma Adjustment:					
12	4081		$ 7,911	$ (4)	$ (0)	$ 9,808

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 1,829,237	$ 1,828,305	$ 1,828,304	$ 4,096,212
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	3,187	3,186	3,186	7,137
4	Small Business Advocate Fee At	0.000303478942	555	555	555	1,243
5	Damage Prevention Fee At	0.000000719937	1	1	1	3
6	Total General Assessment Fees		$ 3,744	$ 3,742	$ 3,742	$ 8,383
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			3,744		
10	Less: Present Rates 12/31/2024				3,742	
11	Less: Present Rates 12/31/2025					3,742
12	Increase/(Decrease)		$ 3,744	$ (2)	$ (0)	$ 4,641
13	Pro Forma Adjustment:					
14	4081		$ 3,744	$ (2)	$ (0)	$ 4,641

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made move payroll taxes per books to Intracompany Benefits, Schedule C-8.1, for ratemaking purposes.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI				
2	FICA Medicare				
3	FICA Total		-	-	-
4	FUTA				
5	SUTA				
6	Annualized Payroll Taxes		-	-	-
7	Capitalized portion not charged to operating expense	31.67%	-	-	-
8	Sub-Total		$ -	$ -	$ -
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		12,975		
11	Less: Present Rates 12/31/2023			-	
12	Less: Present Rates 12/31/2024				-
13	Increase/(Decrease)		$ (12,975)	$ -	$ -
14	Pro Forma Adjustment:				
15	40812		$ (12,975)	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

			PRESENT RATES 12/31/23		PRESENT RATES 12/31/24		PRESENT RATES 12/31/25
6							
7	Calculation of Interest:						
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$ 13,541,347	Schedule G-1 Col 4, Row 15	$ 15,429,265	Schedule G-1 Col 5, Row 15	$ 16,013,341
9	Applicable Percentage		48.52%		45.31%		46.05%
10	Applicable Portion of Rate Base		$ 6,569,636		$ 6,990,379		$ 7,374,747
11	Cost Rate		4.26%		4.24%		4.32%
12	Pro-Forma Long-term Interest Expense		$ 279,866		$ 296,392		$ 318,589
13	Less: Interest on Long Term Debt Per Books 12/31/23		-				
14	Less: Interest on Long Term Debt Present Rates at 12/31/23				279,866		
15	Less: Interest on Long Term Debt Present Rates at 12/31/24						296,392
16	Long Term Debt Pro Forma Adjustment		$ 279,866		$ 16,526		$ 22,197

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

Since the debt discount and expense is considered in calculating the cost rate of debt used to calculate interest on long-term debt, it should be eliminated.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ -	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (1,080)	$ -	$ -
2	Eliminate Interest During Construction	1,080	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 1,080	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT	PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ (54,544)	$ (143,012)	$ (176,714)	$ 256,773
2	Less: Per Book	Schedule A-1	-			
3	Less: Present Rates at 12/31/23			(54,544)		
4	Less: Present Rates at 12/31/24				(143,012)	
5	Less: Present Rates at 12/31/25					(176,714)
6	Pro Forma Adjustment		$ (54,544)	$ (88,468)	$ (33,702)	$ 433,487
7	State Income Tax - Current	Schedule F-2	$ (25,657)	$ (63,182)	$ (73,074)	$ 106,180
8	Less: Per Book	Schedule A-1	-			
9	Less: Present Rates at 12/31/23			(25,657)		
10	Less: Present Rates at 12/31/24				(63,182)	
11	Less: Present Rates at 12/31/25					(73,074)
12	Pro Forma Adjustment		$ (25,657)	$ (37,525)	$ (9,892)	$ 179,254
13	Federal Income Tax - Deferred	Schedule F-2	$ (50,148)	$ (2,960)	$ (5,324)	$ (5,324)
14	Less: Per Book	Schedule A-1	-			
15	Less: Present Rates at 12/31/23			(50,148)		
16	Less: Present Rates at 12/31/24				(2,960)	
17	Less: Present Rates at 12/31/25					(5,324)
18	Pro Forma Adjustment		$ (50,148)	$ 47,188	$ (2,364)	$ -
19	State Income Tax - Deferred	Schedule F-2	$ -	$ -	$ -	$ -
20	Less: Per Book	Schedule A-1	-			
21	Less: Present Rates at 12/31/23			-		
22	Less: Present Rates at 12/31/24				-	
23	Less: Present Rates at 12/31/25					-
24	Pro Forma Adjustment		$ -	$ -	$ -	$ -
25	Income Tax Credit Amortization	Schedule F-2	$ -	$ -	$ -	$ -
26	Less: Per Book	Schedule A-1	-			
27	Less: Present Rates at 12/31/23			-		
28	Less: Present Rates at 12/31/24				-	
29	Less: Present Rates at 12/31/25					-
30	Pro Forma Adjustment		$ -	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ (244,328)	$ (244,328)	$ (461,898)	$ (461,898)	$ (621,334)	$ (621,334)	$ 1,622,143	$ 1,622,143
2	Interest Expense	Schedule A-1	(279,866)	(279,866)	(296,392)	(296,392)	(318,589)	(318,589)	(318,589)	(318,589)
3	State Income Tax	[12]	25,657		63,182		73,074		(106,180)	
4	Tax Repair Deduction		-	-	-	-	-	-	-	-
5	Book Depreciation	Schedule A-1	775,136	775,136	625,829	625,829	660,234	660,234	660,234	660,234
6	Tax Depreciation		(536,334)	(536,334)	(611,732)	(611,732)	(634,882)	(634,882)	(634,882)	(634,882)
7	COR & Other Basis Differences, net of book		-	-	-	-	-	-	-	-
8	Taxable Income	Sum of Lines [1] : [7]	$ (259,736)	$ (285,392)	$ (681,011)	$ (744,193)	$ (841,497)	$ (914,572)	$ 1,222,727	$ 1,328,906
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	(54,544)	(25,657)	(143,012)	(63,182)	(176,714)	(73,074)	256,773	106,180
11	Other - NOL		-	-	-	-	-	-	-	-
12	Total - Current Income Tax	[10] + [11]	$ (54,544)	$ (25,657)	$ (143,012)	$ (63,182)	$ (176,714)	$ (73,074)	$ 256,773	$ 106,180
13	Normalized Book Depreciation		(775,136)	-	(625,829)	-	(660,234)	-	(660,234)	-
14	Normalized Tax Depreciation		536,334	-	611,732	-	634,882	-	634,882	-
15	Normalized Basis Differences		-	-	-	-	-	-	-	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	(50,148)	-	(2,960)	-	(5,324)	-	(5,324)	-
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	-	-	-	-	-
19	Flowback of Catch Up Adjustment		-	-	-	-	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		-	-	-	-	-	-	-	-
21	Flowback of TCJA 2017 - 10 Years		-	-	-	-	-	-	-	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	-	-	-	-
23	Flowback of Tax Repairs Collar		-	-	-	-	-	-	-	-
24	Total Flow Through	Sum of Lines [19] : [23]	-	-	-	-	-	-	-	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ (50,148)	$ -	$ (2,960)	$ -	$ (5,324)	$ -	$ (5,324)	$ -
26	Amortization of Income Tax Credit		-	-	-	-	-	-	-	-
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ (104,693)	$ (25,657)	$ (145,973)	$ (63,182)	$ (182,038)	$ (73,074)	$ 251,449	$ 106,180

AQUA PENNSYLVANIA, INC. - SHENANDOAH

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 13,474,666	$ 16,065,109	$ 17,240,275
2	Utility Plant Acquisition Adjustment	Schedule G-3	-	-	-
3			13,474,666	16,065,109	17,240,275
4	Less: Accumulated Depreciation	Schedule G-2	(66,319)	(771,805)	(1,368,218)
5	Net Plant in Service		13,408,347	15,293,305	15,872,057
6	Additions:				
7	Materials & Supplies	Schedule G-4	-	-	-
8	Cash Working Capital	Schedule G-5	133,000	133,000	133,000
9			133,000	133,000	133,000
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	-	-	-
12	Deferred Income Taxes	Schedule G-7	-	2,960	8,284
13	Investment Tax Credit		-	-	-
14			-	2,960	8,284
15	Total Rate Base		$ 13,541,347	$ 15,429,265	$ 16,013,341

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 13,474,666	$ 13,474,666	$ 16,065,109
2	Plus: Additions		2,692,071	1,213,000
3	Less: Retirements		(101,628)	(37,834)
4	Utility Plant in Service	$ 13,474,666	$ 16,065,109	$ 17,240,275
5	Accumulated Depreciation	$ (66,319)	$ (771,805)	$ (1,368,218)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

The Company's claim for materials and supplies at December 31, 2024 and December 31, 2025 is calculated on the basis of the average monthly balances in the materials and supplies account during the period December 2022 to December 2023.

LINE NO.	MONTH	YEAR	BALANCE
1	December	2022	$ -
2	January	2023	-
3	February	2023	-
4	March	2023	-
5	April	2023	-
6	May	2023	-
7	June	2023	-
8	July	2023	-
9	August	2023	-
10	September	2023	-
11	October	2023	-
12	November	2023	-
13	December	2023	-
14	Total		$ -
15	13 Month Average		$ -
16	Allowance for Materials & Supplies		
17	At 12/31/2024 and 12/31/2025		$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ 168,000	$ 168,000	$ 168,000
2	Cash Working Capital - Taxes	Schedule G-5.3	(6,000)	(6,000)	(6,000)
3	Cash Working Capital - Interest	Schedule G-5.4	(29,000)	(29,000)	(29,000)
4	Total Cash Working Capital Requirement		$ 133,000	$ 133,000	$ 133,000

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR	BALANCE
	(1)	(2)	(3)
1	December	2022	
2	January	2023	
3	February	2023	
4	March	2023	
5	April	2023	
6	May	2023	
7	June	2023	
8	July	2023	
9	August	2023	253,457
10	September	2023	207,135
11	October	2023	172,072
12	November	2023	139,782
13	December	2023	196,001
14	Total		$ 968,447
15	Average Accounts Receivable Balance		$ 193,689
16	Gross Utility Water Revenues recorded		
17	During the Five Months Ended 12/31/2023		$ 732,434
16	Average Daily Billing		$ 4,819
18	Lag in Receipt of Payment		40.2
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		57.4

Reference:
(a) One-half of monthly billing period.

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 251,259	5.5	(a)	$ 1,381,926
2	Non-Union Labor	99,592	9.0	(a)	896,332
3	Management Fee	180,210	15.7	(a)	2,829,302
4	Electric Power	247,528	43.3	(a)	10,717,962
5	Water Purchased	0	41.6	(a)	0
6	Employee Group Insurance	206,410	16.3	(a)	3,364,489
7	Liability Insurance	42,115	(46.4)	(a)	(1,954,130)
8	SFI Postage	9,381	(5.4)	(a)	(50,655)
9	Pension	0	440.0	(a)	0
10	SFAS106	0	45.1	(a)	0
11	All Other Expenses (b)	725,574	31.3	(a)	22,710,465
12	Total	$ 1,762,070			$ 39,895,690
13	Average Lag Days in Payment of Expenses		22.6	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		57.4	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		34.8	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 4,828	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ 168,000	[16] * [18]	
20	USE		$ 168,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 7,907	(198.5)	(a)	$ (1,569,571)
2	OCA & SBA - General Assessments	3,742	(198.5)	(a)	(742,745)
3	Public Utility Realty Tax	-	(48.3)	(a)	-
4	Local, County, School, & Municipal Tax	-	(92.9)	(a)	-
5	FICA Taxes - Hourly	-	5.5	(a)	-
6	FICA Taxes - Executive & Exempt	-	9.0	(a)	-
7	Federal Unemployment Tax	-	75.9	(a)	-
8	PA Unemployment Tax	-	75.9	(a)	-
9	PA State Income Tax	(73,074)	36.5	(a)	(2,667,211)
10	Federal Income Tax	(176,714)	36.5	(a)	(6,450,077)
11	Total	$ (238,140)			$ (11,429,604)
12	Average Lag Days in Payment of Taxes		48.0	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		57.4	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		9.4	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ (652)	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ (6,133)	[15] * [17]	
19	USE		$ (6,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 318,589	90.8	(a)	$ 28,911,957
2	PennVest-Interest	-	14.7	(a)	-
3	Total	$ 318,589			$ 28,911,957
4	Average Lag Days in Payment of Interest		90.8	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		57.4	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(33.4)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 873		
10	Cash Working Capital Required		$ (29,153)		
11	USE		$ (29,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ -	$ -	$ -
2	Plus: Contributions		-	-
3	Less: Amortization		-	-
4	Customer Advances and Contributions In Aid Of Construction	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ -	$ -	$ (2,960)
2	Change in Deferred Tax	Schedule F-2		(2,960)	(5,324)
3	Deferred Income Taxes		$ -	$ 2,960	$ 8,284

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

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	Calculation Of Revenue Deficiency And Rate Of Return At Current And Proposed Rates December 31, 2025	A-3	William C. Packer
	Statement Of Utility's Calculation Of Rate Of Return - Earned In The Year Ended December 31, 2023 And Anticipated Under Present And Proposed Rates For The Test Years Ended December 31, 2024 And December 31, 2025	A-4	William C. Packer
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AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

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	Operating Expenses - Employee Benefits	C-8.1	William C. Packer
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AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

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Docket No. R-2024-3047824
Exhibit 1-C

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	$ 58,270,675	$ (729,175)	$ 57,541,500	$ 279,748	$ 57,821,248	$ (138,643)	$ 57,682,604	$ 25,957,548	$ 83,640,152
2	Operating Expenses	25,256,428	175,578	25,432,006	1,061,469	26,493,476	3,050,847	29,544,323	272,763	29,817,086
3	Depreciation	12,514,888	244,465	12,759,353	737,479	13,496,832	635,877	14,132,709		14,132,709
4	Taxes, other than income :									
5	PUC assessment	228,404	20,455	248,859	1,210	250,069	(600)	249,469	112,263	361,732
6	OCA & SBA assessments	93,192	24,572	117,764	573	118,336	(284)	118,053	53,124	171,177
7	Public Utility Realty tax	-	-	-	-	-	-	-	-	-
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	306,067	-	306,067	-	306,067	-	306,067	-	306,067
10	Federal & State payroll tax	343,351	-	343,351	-	343,351	-	343,351	-	343,351
11	Total Taxes, other than income	971,014	45,027	1,016,041	1,782	1,017,823	(883)	1,016,940	165,387	1,182,327
12	Utility Operating Income Before Tax	19,528,345	(1,194,245)	18,334,100	(1,520,983)	16,813,117	(3,824,484)	12,988,633	25,519,398	38,508,031
13	Income Taxes:									
14	Federal Tax-Current	2,425,720	(2,168,854)	256,867	(389,724)	(132,858)	(966,060)	(1,098,918)	4,930,884	3,831,966
15	Pa. CNI Tax-Current	601,735	(489,208)	112,528	(32,334)	80,194	58,357	138,551	2,039,000	2,177,551
16	Federal Tax-Deferred	2,396,570	(651,405)	1,745,164	(352,325)	1,392,839	87,825	1,480,664	-	1,480,664
17	Pa. CNI Tax-Deferred	(2,026)	(33,443)	(35,469)	1,972	(33,497)	33,497	-	-	-
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	-		-		-		-		-
20	Total Income Taxes	5,421,999	(3,342,910)	2,079,090	(772,411)	1,306,678	(786,381)	520,297	6,969,884	7,490,180
21	Total Operating Revenue Deductions	44,164,330	(2,877,840)	41,286,490	1,028,319	42,314,809	2,899,459	45,214,268	7,408,034	52,622,302
22	Utility Operating Income	14,106,345	2,148,665	16,255,010	(748,571)	15,506,439	(3,038,103)	12,468,336	18,549,515	31,017,851
23	Income Deductions:									
24	Interest on Long-Term debt	3,295	7,406,504	7,409,799	(254,982)	7,154,817	659,995	7,814,812		7,814,812
25	Amort. Of debt discount & expense	949	(949)	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(808,107)	808,107	-	-	-	-	-		-
28	Total Income Deductions	(803,863)	8,213,662	7,409,799	(254,982)	7,154,817	659,995	7,814,812	-	7,814,812
29	Net Income	$ 14,910,208	$ (6,064,997)	$ 8,845,211	$ (493,589)	$ 8,351,622	$ (3,698,097)	$ 4,653,524	$ 18,549,515	$ 23,203,039
30	Preferred Dividend									
31	Net Income-Common	$ 14,910,208	$ (6,064,997)	$ 8,845,211	$ (493,589)	$ 8,351,622	$ (3,698,097)	$ 4,653,524	$ 18,549,515	$ 23,203,039

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Residential	38,643	39,065	39,504	39,943	39,943	-	-
2	Commercial	2,257	2,267	2,267	2,267	2,267	-	-
3	Industrial	9	9	9	9	9	-	-
4	Public	60	58	58	58	58	-	-
5	Miscellaneous	-	-	-	-	-	-	-
6	Availability Charge	-	-	-	-	-	-	-
7	Total Customers	40,969	41,399	41,838	42,277	42,277	-	-

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
1	Pro Forma Rate Base	Schedule G-1		$	392,798,320
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	31,017,851
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	12,468,336
5	Operating Income Deficit		=	$	18,549,515
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3994
7	Revenue Deficit		=	$	25,957,548

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ 16,255,010	$ 358,523,317	4.53%
2	Present Rates December 31, 2024	$ 15,506,439	$ 372,457,873	4.16%
3	Present Rates December 31, 2025	$ 12,468,336	$ 392,798,320	3.17%
4	Proposed Rates December 31, 2025	$ 31,017,851	$ 392,798,320	7.90%

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**1.051%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9831
7	State Tax Rate	**7.990%**		
8	State Tax $$ ============>		$	0.0786
9	State Factor		$	0.9046
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ============>		$	0.1900
12	Combined Income Tax Factor on Gross Revenues			26.85%
13	Net Operating Income Factor			**71.46%**
14	Gross Revenue Conversion Factor			**1.39937**

Docket No. R-2024-3047824
Exhibit 1-C

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Residential	$ 39,779,101	$ (334,441)	$ 39,444,659	$ 82,924	$ 39,527,584	$ (138,643)	$ 39,388,940	40.8%	$ 16,084,978	$ 55,473,918
2	Commercial	16,860,336	(729,430)	16,130,906	192,100	16,323,006	-	16,323,006	59.4%	9,690,550	26,013,557
3	Industrial	7,024	(122)	6,901	83	6,984	-	6,984	133.2%	9,305	16,290
4	Public	1,525,711	333,622	1,859,333	4,675	1,864,008	-	1,864,008	9.3%	172,715	2,036,723
5	Other	24,169	(691)	23,477	(34)	23,443	-	23,443	0.0%		23,443
6	Availability Charge	-	-	-	-	-	-	-	0.0%		-
7	Total Sales to General Customers	58,196,341	(731,063)	57,465,278	279,748	57,745,026	(138,643)	57,606,382	45.1%	25,957,548	83,563,931
8	Forfeited Discounts	95,385	-	95,385	-	95,385	-	95,385	0.0%		95,385
9	Other WW Revenues	(21,051)	1,887	(19,163)	-	(19,163)	-	(19,163)	0.0%		(19,163)
10	Miscellaneous WW Service Revenues	-	-	-	-	-	-	-	0.0%		-
11	Total Other WW Revenues	74,334	1,887	76,222	-	76,222	-	76,222	0.0%	-	76,222
12	Total Operating Revenue	$ 58,270,675	$ (729,175)	$ 57,541,500	$ 279,748	$ 57,821,248	$ (138,643)	$ 57,682,604	45.0%	$ 25,957,548	$ 83,640,152

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 58,270,675				
2	Present Rates at 12/31/23					$ 57,541,500		
3	Present Rates at 12/31/24							$ 57,821,248
4	Unbilled Revenue Adjustment	Schedule B-3	(1,197,955)		-		-	
5	DSIC Annualization	Schedule B-4	-		660,431		-	
6	Change In Customers	Schedule B-5	192,284		399,232		383,532	
7	Customer Assistance Program	Schedule B-6	33,413		(779,915)		(522,175)	
8	Miscellaneous Revenue Adjustments	Schedule B-7	243,082		-		-	
9	Pro Forma Adjustment			(729,175)		279,748		(138,643)
10	Pro Forma Present Rates at December 31, 2023			$ 57,541,500				
11	Pro Forma Present Rates at December 31, 2024					$ 57,821,248		
12	Pro Forma Present Rates at December 31, 2025							$ 57,682,604

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOK 12/31/2023 AMOUNT
1	Residential	$ 547,887
2	Commercial	648,469
3	Industrial	122
4	Public	786
5	Other	691
6	Availability Charge	
7	Total Sales to General Customers	1,197,955
8	Forfeited Discounts	
9	Other WW Revenues	
10	Miscellaneous WW Service Revenues	
11	Total Other WW Revenues	-
12	Total Operating Revenue	$ 1,197,955

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

DSIC ANNUALIZATION

This revenue adjustment is being made to reflect the annualization of the Distribution System Improvement Charge revenues for December 31, 2024 based on the Company's pro forma level at December 31, 2024 and the 1.34% rate that is expected to become effective on January 1, 2025.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 DSIC REVENUE	ANNUALIZED PRESENT RATES 12/31/2024 DSIC REVENUE	PRESENT RATES 12/31/2024 ADJUSTMENT
1	Residential	$ 57,439	$ 521,046	$ 463,607
2	Commercial	23,736	215,836	192,100
3	Industrial	10	93	83
4	Public	(15)	4,660	4,675
5	Other	34	-	(34)
6	Availability Charge	-	-	-
7	Total Sales to General Customers	81,204	741,635	660,431
8	Forfeited Discounts	-		-
9	Other WW Revenues	-		-
10	Miscellaneous WW Service Revenues	-		-
11	Total Other WW Revenues	-	-	-
12	Total Operating Revenue	$ 81,204	$ 741,635	$ 660,431

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CHANGE IN CUSTOMERS

The following adjustment reflects the change in revenues due to the average change in number of residential customers during the three years ending December 31, 2025. Projections were based on a three year historical growth average exclusive of acquisitions.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Residential	$ 192,284	$ 399,232	$ 383,532
2	Commercial			
3	Industrial			
4	Public			
5	Other			
6	Availability Charge			
7	Total Sales to General Customers	192,284	399,232	383,532
8	Forfeited Discounts			
9	Other WW Revenues			
10	Miscellaneous WW Service Revenues			
11	Total Other WW Revenues	-	-	-
12	Total Operating Revenue	$ 192,284	$ 399,232	$ 383,532

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CUSTOMER ASSISTANCE PROGRAM

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Residential	$ (37,260)	$ (3,846)	$ (783,761)	$ (1,305,937)
2	Commercial				
3	Industrial				
4	Public				
5	Other				
6	Availability Charge				
7	Total Sales to General Customers	(37,260)	(3,846)	(783,761)	(1,305,937)
8	Forfeited Discounts				
9	Other WW Revenues				
10	Miscellaneous WW Service Revenues				
11	Total Other WW Revenues	-	-	-	-
12	Total Operating Revenue	$ (37,260)	$ (3,846)	$ (783,761)	$ (1,305,937)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 AMOUNT		PRESENT RATES 12/31/2023 ADJUSTMENT
1	Residential	(a) & (b)	$ (229,519)		(c)	$ 217,267
2	Commercial	(b)	(27,177)		(c)	(53,784)
3	Industrial					
4	Public				(c)	334,408
5	Other					
6	Availability Charge					
7	Total Sales to General Customers		(256,696)	-		497,891
8	Forfeited Discounts					
9	Other WW Revenues					1,887
10	Miscellaneous WW Service Revenues					
11	Total Other WW Revenues		-	-		1,887
12	Total Operating Revenue		$ (256,696)	$ -		$ 499,778

(a) Deduct Meter Credits
(b) Adjustment for change of flat rate to metered customers in Zone 1-A, 2, 3 and 5.

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		--Collection--				
2		-Operations-				
3	7011	Labor	354,524	354,524	268,579	281,544
4	7041	Employee Benefits	80,086	80,086	78,476	77,729
5	7151	Purchased Power	1,277,812	1,256,183	1,258,822	1,619,104
6	7161	Purchased Power	63,812	62,732	62,863	79,674
7	7201	Supplies	4,634	4,634	4,747	4,856
8	7311	OS Engineer	73,066	73,066	74,838	76,559
9	7351	OS Lab Testing	1,305	1,305	1,337	1,367
10	7361	OS Other	181,413	181,413	185,812	190,086
11	7411	Leases	35,461	35,461	35,461	35,461
12	7501	Transportation	20,463	20,463	20,960	21,442
13	7751	Other	56,789	56,789	58,167	59,504
14		-Maintenance-				
15	7012	Labor	2,534	2,534	1,920	2,013
16	7042	Employee Benefits	466	466	457	452
17	7202	Supplies	2,519	2,519	2,580	2,640
18	7362	OS Other	438,159	438,159	448,785	459,107
19	7502	Transportation	116	116	118	121
20	7752	Other	1,154	1,154	1,182	1,209
21						
22		Total Collection Expense	$ 2,594,315	$ 2,571,606	$ 2,505,103	$ 2,912,868
23						
24		--Pumping--				
25		-Operations-				
26	7013	Labor	225,471	225,471	170,811	179,056
27	7043	Employee Benefits	56,023	56,023	54,897	54,375
28	7153	Purchased Power	664	653	655	830
29	7163	Purchased Power	177	174	174	221
30	7183	Chemicals	25,597	25,597	375,268	877,072
31	7203	Supplies	35,963	35,963	36,835	37,682
32	7353	OS Lab Testing	1,253	1,253	1,283	1,312

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
33	7363	OS Other	145,496	145,496	149,025	152,452
34	7503	Transportation	13,123	13,123	13,441	13,750
35	7753	Other	14,178	14,178	14,522	14,856
36		-Maintenance-				
37	7014	Labor	1,819	1,819	1,378	1,445
38	7044	Employee Benefits	277	277	271	269
39	7204	Supplies	29,305	29,305	30,015	30,706
40	7354	OS Lab Testing	77,669	77,669	79,553	81,383
41	7364	OS Other	195,138	195,138	199,870	204,467
42	7504	Transportation	84	84	86	88
43	7754	Other	2,061	2,061	2,111	2,159
44						
45		Total Pumping Expense	$ 824,297	$ 824,283	$ 1,130,195	$ 1,652,123
46						
47		--Treatment & Disposal--				
48		-Operations-				
49	7015	Labor	1,534,063	1,534,063	1,162,169	1,218,270
50	7045	Employee Benefits	445,907	445,907	436,946	432,787
51	7105	Purchased Wastewater	5,995,393	6,319,296	8,254,408	8,825,200
52	7115	Sludge	1,721,015	1,721,015	1,762,750	1,826,648
53	7165	Purchased Power	16,591	16,310	16,344	20,715
54	7185	Chemicals	1,109,517	1,109,517	1,136,423	1,162,561
55	7205	Supplies	122,567	122,567	125,539	128,427
56	7315	OS Engineer	25,760	25,760	26,384	26,991
57	7355	OS Lab Testing	421,362	421,362	431,580	441,507
58	7365	OS Other	951,839	951,839	974,922	997,345
59	7415	Leases	3,350	3,350	3,350	3,350
60	7425	Leases	4,621	4,621	4,621	4,621
61	7505	Transportation	96,333	96,333	98,669	100,938
62	7755	Other	59,042	59,042	60,473	61,864
63		-Maintenance-				
64	7016	Labor	7,284	7,284	5,518	5,784

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
65	7046	Employee Benefits	863	863	846	838
66	7186	Chemicals	11,152	11,152	11,422	11,685
67	7206	Supplies	23,654	23,654	24,228	24,785
68	7316	OS Engineer	4,572	4,572	4,683	4,791
69	7366	OS Other	430,855	430,855	441,303	451,453
70	7506	Transportation	268	268	274	280
71	7756	Other	599	599	614	628
72						
73		Total Treatment & Disposal Expense	$ 12,986,608	$ 13,310,230	$ 14,983,466	$ 15,751,467
74						
75		--Reclaimed Water Treatment--				
76		-Operations-				
77						
78						
79		--Customer Accounting--				
80	7017	Labor	7,377	7,377	5,589	5,859
81	7047	Employee Benefits	2,045	2,045	2,004	1,985
82	7207	Supplies	60	60	61	62
83	7347	Management Fees	727,026	727,026	744,657	761,784
84	7357	OS Lab Testing	2,261	2,261	2,316	2,369
85	7367	OS Other	6,830	6,830	6,996	11,192
86	7507	Transportation	468	468	479	490
87	7757	Other	5	5	5	5
88	7707	Bad Debt	530,848	612,037	743,796	836,698
89						
90		Total Customer Accounting Expense	$ 1,276,920	$ 1,358,109	$ 1,505,903	$ 1,620,444
91						
92		--Administrative and General--				
93	7018	Labor	2,071,440	2,071,440	1,569,272	1,645,026
94	7038	Labor	232,794	232,794	176,359	184,872
95	7048	Employee Benefits	870,178	2,076,717	1,443,060	1,545,887
96	7158	Purchased Power	33,035	32,476	32,544	41,247

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
97	7168	Purchased Power	4,359	4,285	4,294	5,442
98	7208	Supplies	164,334	164,334	168,319	172,190
99	7318	OS Engineer	297,797	297,797	305,019	312,034
100	7328	OS Accounting	105,908	55,889	54,949	55,377
101	7338	OS Legal	233,944	58,328	58,328	58,328
102	7348	Management Fees	2,739,577	2,739,577	2,806,011	2,870,550
103	7349	Management Fees	-	(1,083,684)	(1,095,040)	(1,102,484)
104	7358	OS Lab Testing	18,681	18,681	19,134	19,574
105	7368	OS Other	1,070,566	1,070,566	1,096,527	1,121,748
106	7418	Leases	84,661	84,661	84,661	84,661
107	7428	Leases	655	655	655	655
108	7508	Transportation	128,994	128,994	132,122	135,161
109	7578	Insurance	129,312	48,373	33,514	36,125
110	7588	Insurance	5,304	(589)	(1,145)	(1,115)
111	7598	Insurance	14,640	(1,625)	(3,983)	(3,786)
112	7758	Other	403,055	403,055	412,829	422,324
113	7608	Other	8,029	8,029	8,224	8,413
114	7668	Amortization of Rate Case	23,524	23,524	23,524	107,648
115	4060	Amortization of UPAA	(1,066,498)	(1,066,498)	(960,368)	(532,417)
116	7678	Amortization Other	-	-	-	419,962
117						
118		Total Admin & General Expense	$ 7,574,288	$ 7,367,778	$ 6,368,809	$ 7,607,421
119						
120		Total Operating Expenses	$ 25,256,428	$ 25,432,006	$ 26,493,476	$ 29,544,323

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 4,437,307	$ -	$ 4,437,307	$ (1,075,712)	$ 3,361,595	$ 162,274	$ 3,523,869
2	Employee Benefits	1,455,845	1,206,538	2,662,384	(645,427)	2,016,957	97,364	2,114,321
3	Purchased Water	-	-	-	-	-	-	-
4	Purchased Wastewater	5,995,393	323,903	6,319,296	1,935,111	8,254,408	570,792	8,825,200
5	Sludge	1,721,015	-	1,721,015	41,735	1,762,750	63,898	1,826,648
6	Purchased Power	1,396,450	(23,637)	1,372,813	2,883	1,375,696	391,536	1,767,231
7	Chemicals	1,146,266	-	1,146,266	376,848	1,523,113	528,204	2,051,318
8	Supplies	383,035	-	383,035	9,289	392,324	9,023	401,347
9	OS Engineer	401,195	-	401,195	9,729	410,924	9,451	420,375
10	OS Accounting	105,908	(50,019)	55,889	(940)	54,949	428	55,377
11	OS Legal	233,944	(175,616)	58,328	-	58,328	-	58,328
12	OS Lab Testing	522,531	-	522,531	12,671	535,203	12,310	547,512
13	OS Other	3,420,297	-	3,420,297	82,942	3,503,239	84,610	3,587,850
14	Management Fees	3,466,603	(1,083,684)	2,382,919	72,709	2,455,628	74,222	2,529,850
15	Leases	128,749	-	128,749	-	128,749	-	128,749
16	Transportation	259,848	-	259,848	6,301	266,149	6,121	272,270
17	Insurance	149,256	(103,096)	46,160	(17,774)	28,386	2,839	31,224
18	Other	544,912	-	544,912	13,214	558,126	12,837	570,963
19	Bad Debt	530,848	81,189	612,037	131,759	743,796	92,901	836,698
20	Amortization of Rate Case	23,524	-	23,524	-	23,524	84,123	107,648
21	Amortization of UPAA	(1,066,498)	-	(1,066,498)	106,130	(960,368)	427,951	(532,417)
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	419,962	419,962
24	Total Operating Expenses	$ 25,256,428		$ 25,432,006		$ 26,493,476		$ 29,544,323
25	Pro Forma Adjustments		$ 175,578		$ 1,061,469		$ 3,050,847	
26	Uncollectibles @ Proposed Rates							$ 272,763
27	Proposed Rates @ 12/31/25							$ 29,817,086

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 25,256,428				
2	Present Rates at 12/31/23					$ 25,432,006		
3	Present Rates at 12/31/24							$ 26,493,476
4	General Price Level Adjustment	Schedule C-4.1	-		190,002		187,536	
5	Uncollectible Accounts	Schedule C-4.2	81,189		131,561		89,750	
6	Additional Cost Of Serving Customers	Schedule C-4.3	-		-		196,671	
7	Rate Case Expense	Schedule C-4.4	-		-		84,123	
8	Payroll	Schedule C-4.5	-		(1,075,712)		162,274	
9	Insurance Expense	Schedule C-4.6	(103,096)		(17,774)		2,839	
10	Management Service & Sundry	Schedule C-4.7	(1,083,684)		58,787		60,697	
11	Page Held For Future Use	Schedule C-4.8	-		-		-	
12	Miscellaneous Expense Adjustments	Schedule C-4.9	-		-		419,962	
13	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
14	Audit Fee Expense	Schedule C-4.11	(50,019)		(940)		428	
15	Adjustment To Amortization Of Acquisition Adjustments	Schedule C-5.1	-		136,132		427,951	
16	Amortization Of New Negative Acquisition Adjustments	Schedule C-5.2	-		(30,002)		-	
17	Purchased Power Expense	Schedule C-6.1	(23,637)		2,883		367,875	
18	Chemicals	Schedule C-6.2	-		376,848		500,740	
19	Purchased Wastewater Treatment Expense	Schedule C-7.1	323,903		1,935,111		452,636	
20	Employee Benefits	Schedule C-8.1	1,206,538		(645,427)		97,364	
21	Legal Expense	Schedule C-9.1	(175,616)		-		-	
22	Pro Forma Adjustments			$ 175,578		$ 1,061,469		$ 3,050,847
23	Pro Forma Present Rates at December 31, 2023			$ 25,432,006				
24	Pro Forma Present Rates at December 31, 2024					$ 26,493,476		
25	Pro Forma Present Rates at December 31, 2025							$ 29,544,323

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 25,432,006	
3	Present Rates 12/31/2024		$ 26,493,476
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	4,437,307	3,361,595
6	Employee Benefits	2,662,384	2,016,957
7	Purchased Wastewater	6,319,296	8,254,408
8	Sludge	-	-
9	Purchased Power	1,372,813	1,375,696
10	Chemicals	1,146,266	1,523,113
11	Supplies	-	-
12	OS Engineer	-	-
13	OS Accounting	55,889	54,949
14	OS Legal	58,328	58,328
15	OS Lab Testing	-	-
16	OS Other	-	-
17	Management Fees	1,808,825	1,867,612
18	Leases	128,749	128,749
19	Transportation	-	-
20	Insurance	46,160	28,386
21	Other	-	-
22	Bad Debt	603,847	606,787
23	Amortization of Rate Case	23,524	23,524
24	Amortization of UPAA	(1,066,498)	(960,368)
25	Amortization of Tank Painting	-	-
26	Amortization Other	-	-
27	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 17,596,889	$ 18,339,736
28	Total Operating Expenses Subject to Effects of Inflation	$ 7,835,118	$ 8,153,740
29	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
30	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 190,002	$ 187,536

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)		
1	First Quarter	2024	2.500% (a)
2	Second Quarter	2024	2.500% (a)
3	Third Quarter	2024	2.400% (a)
4	Fourth Quarter	2024	2.300% (a)
5	Annual Average for the Period Ending 12/31/2024		2.425%
6	First Quarter	2025	2.300% (b)
7	Second Quarter	2025	2.300% (b)
8	Third Quarter	2025	2.300% (b)
9	Fourth Quarter	2025	2.300% (b)
10	Annual Average for the Period Ending 12/31/2025		2.300%

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 1.05080% with regard to sales to general customers.

LINE NO.	DESCRIPTION		PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue		$ 58,196,341	$ 57,465,278	$ 57,745,026	$ 57,606,382	
2	Annualized Uncollectible Account based on Experience Factor @	1.05080%		603,847	606,787	605,330	‡
3	Arrearage Forgiveness			8,190	136,811	228,018	
4	Less: Amount Charged to Operating Expense						
5	During the Twelve Months Ended 12/31/2023			530,848			
6	Less: Present Rates 12/31/2023				612,037		
7	Less: Present Rates 12/31/2024					743,598	
8	Increase/(Decrease)			$ 81,189	$ 131,561	$ 89,750	
9	Pro Forma Adjustment:						
10	7707			$ 81,189	$ 131,561	$ 89,750	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

DERIVATION OF UNCOLLECTIBLE ACCOUNTS

BASED ON THREE YEARS OF HISTORY NORMALIZED

LINE NO.	DESCRIPTION	12/31/2021 AMOUNT	12/31/2022 AMOUNT	12/31/2023 AMOUNT	THREE YEAR AVERAGE
1	Net Write-Offs	$ 429,184	$ 524,704	$ 530,848	
2	Sales to General Customers	$ 36,396,442	$ 49,451,319	$ 58,196,341	
3	Factor	0.0117919	0.0106105	0.0091217	0.0105080

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADDITIONAL COST OF SERVING CUSTOMERS

The Company computes the additional cost of providing service to customers connected during the three years ending December 31, 2025, exclusive of acquisitions.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT
1	Estimated Additional Revenue from New Customers		
2	connected during the three years ended December 31, 2025	Schedule B-5	$ 782,764
3	Operating Ratio		25.13%
4	Cost of Providing Service to New Customers		$ 196,671
5	The operating ratio specifically related to the adjusted cost of serving new customers		
6	was computed as follows:		
7	Purchased Power Expense		$ 1,743,571
8	Chemical Expense		2,023,854
9	Bill Processing & Postage Expense		297,406
10	Purchased Wastewater Expense		8,707,044
11	Sludge Expense		1,721,015
12	Total		$ 14,492,890
13	Total Wastewater Sales at Present Rates	Schedule B-1	$ 57,682,604
14	Operating Ratio		25.13%
15	Pro Forma Adjustment:		
16	7151		$ 23,661
17	7183		$ 27,464
18	7367		$ 4,036
19	7105		$ 118,156
20	7115		$ 23,355
21	Total		$ 196,671

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of wastewater customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Wastewater - Current Exhibit	8.25%	$	215,295	$ 107,648
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	23,524	$ 107,648 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			23,524	
19	Less: Present Rates 12/31/2024				23,524
20	Increase/(Decrease)		$	-	$ 84,123
21	Pro Forma Adjustment:				
22	7668			-	$ 84,123

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ 2,392,450	$ 2,562,460	
3	Capital Payroll		757,689	811,531	
4	Non-Operating Payroll		28,231	30,237	
5	Expense Payroll	2,120,620	1,606,530	1,720,692	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ (514,090)	$ 114,162	
7	**Union Payroll**				
8	Gross Payroll		$ 2,613,648	$ 2,685,297	
9	Capital Payroll		827,742	850,433	
10	Non-Operating Payroll		30,841	31,687	
11	Expense Payroll	2,316,686	1,755,065	1,803,177	‡
12	Union Expense Payroll Increase/(Decrease)		$ (561,621)	$ 48,112	
13	Total Expense Payroll Increase/(Decrease)		$ (1,075,712)	$ 162,274	
14	Pro Forma Adjustment:				
15	7011		$ (85,945)	$ 12,965	
16	7012		$ (614)	$ 93	
17	7013		$ (54,660)	$ 8,246	
18	7014		$ (441)	$ 67	
19	7015		$ (371,894)	$ 56,101	
20	7016		$ (1,766)	$ 266	
21	7017		$ (1,788)	$ 270	
22	7018		$ (502,168)	$ 75,753	
23	7038		$ (56,435)	$ 8,513	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		$ 53,035	$ 35,205	$ 38,725	
2	Workers Compensation		3,861	1,174	1,292	
3	Other (Exec Risk, Property, Surety Bond)		10,658	5,163	5,680	
4			67,554	41,542	45,697	
5	Capitalized portion not charged to operating expense	31.67%	(21,394)	(13,156)	(14,472)	
6	Subtotal Insurance		$ 46,160	$ 28,386	$ 31,224	‡
7	Less: Amount Charged to Operating Expense					
8	During the Twelve Months Ended 12/31/2023		149,256			
9	Less: Present Rates 12/31/2023			46,160		
10	Less: Present Rates 12/31/2024				28,386	
11	Increase/(Decrease)		$ (103,096)	$ (17,774)	$ 2,839	
12	Pro Forma Adjustment:					
13	7578		$ (80,938)	$ (15,062)	$ 2,406	
14	7588		$ (5,893)	$ (502)	$ 80	
15	7598		$ (16,265)	$ (2,209)	$ 353	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania Wastewater during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 1,808,825	$ 1,808,825	$ 1,867,612	‡
2	Payroll & Benefit Increase		58,787	60,697	‡
3	Management Fees All Other	574,094	574,094	574,094	
4	Total Expense Claim	$ 2,382,919	$ 2,441,706	$ 2,502,404	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	3,466,603			
7	Less: Present Rates 12/31/2023		2,382,919		
8	Less: Present Rates 12/31/2024			2,441,706	
9	Increase/(Decrease)	$ (1,083,684)	$ 58,787	$ 60,697	
10	Pro Forma Adjustment:				
11	7349	$ (1,083,684)	$ 58,787	$ 60,697	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	**Additions:**			
2	Amortization of COVID Reg Asset over 2 Year Period			419,962
3				
4				
5				
6				
7	Increase/(Decrease)	$ -	$ -	$ 419,962
8	Pro Forma Adjustment:			
9	7678			$ 419,962
10				
11				

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	$ 128,749	$ 128,749	$ 128,749	‡
2	Total Specific Expenses Not Subject to Increase	$ 128,749	$ 128,749	$ 128,749	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 81,792	$ 80,417	$ 81,043	
			81,792	80,417	81,043	
2	Capitalized portion not charged to operating expense	31.67%	(25,904)	(25,468)	(25,666)	
3	Subtotal Audit Fees		$ 55,889	$ 54,949	$ 55,377	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		105,908			
6	Less: Present Rates 12/31/2023			55,889		
7	Less: Present Rates 12/31/2024				54,949	
8	Increase/(Decrease)		$ (50,019)	$ (940)	$ 428	
9	Pro Forma Adjustment:					
10	7328		$ (50,019)	$ (940)	$ 428	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADJUSTMENT TO AMORTIZATION OF ACQUISITION ADJUSTMENTS

The Company is making an adjustment to remove the acquisition adjustments that will be fully amortized before the end of the full-projected future test year.

LINE NO.	DESCRIPTION	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Pinecrest	1/04 - 12/23	$ (16,220)	$ -	$ -
2	Eagle Rock	7/04 - 6/24	$ (105,365)	$ (52,683)	$ -
3	Thornhurst	9/04 - 8/24	$ (13,408)	$ (8,939)	$ -
4	Links @ Gettysburgh	1/05 - 12/24	$ (46,645)	$ (46,645)	$ -
5	Deerfield Knoll	7/05 - 6/25	$ (8,495)	$ (8,495)	$ (4,247)
6	Beech Mountain WW	6/13 - 5/23	$ (736)	$ -	$ -
7	Village at Valley Forge	6/13 - 5/23	$ (49,218)	$ -	$ -
8	Kidder Twp	2/14 - 1/24	$ (13,971)	$ (1,164)	$ -
9	Penn Township Sewer	4/15 - 3/25	$ (419,031)	$ (419,031)	$ (104,758)
10			$ (673,088)	$ (536,956)	$ (109,005)
11	Less: Amount Charged to Operating Expense				
12	During the Twelve Months Ended 12/31/2023		$ (673,088)		
13	Less: Present Rates 12/31/2023			$ (673,088)	
14	Less: Present Rates 12/31/2024				$ (536,956)
15	Increase/(Decrease)		$ -	$ 136,132	$ 427,951
16	Pro Forma Adjustment:				
17	4060		-	136,132	427,951

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AMORTIZATION OF NEW NEGATIVE ACQUISITION ADJUSTMENTS

The Company is proposing to amortize certain negative acquisition adjustments involving acquisitions that were closed after the last AP rate case was filed. A twenty year amortization period was selected similar to the treatment of prior acquisition adjustments approved by the Commission.

LINE NO.	DESCRIPTION	ORIGINAL ACQUISITION ADJUSTMENT	DATE OF OWNERSHIP	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	North Heidelberg WW	$ (600,038)	3/31/2023	$ -	$ (30,002)	$ (30,002)
2		$ (600,038)		$ -	$ (30,002)	$ (30,002)
3	Amortization Period	20 Years				
4	Annual Amortization	$ (30,002)				
5	Less: Amount Charged to Operating Expense					
6	During the Twelve Months Ended 12/31/2023			$ -		
7	Less: Present Rates 12/31/2023				$ -	
8	Less: Present Rates 12/31/2024					$ (30,002)
9	Increase/(Decrease)			$ -	$ (30,002)	$ -
10	Pro Forma Adjustment:					
11	4060			-	(30,002)	-

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 1,294,571	$ 1,300,703	$ 1,668,207	
2	Claimed Purchased Power Expense - Gas	78,242	74,993	75,363	
3		$ 1,372,813	$ 1,375,696	$ 1,743,571	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	1,396,450			
6	Less: Present Rates 12/31/2023		1,372,813		
7	Less: Present Rates 12/31/2024			1,375,696	
8	Increase/(Decrease)	$ (23,637)	$ 2,883	$ 367,875	
9	Pro Forma Adjustment:				
10	7151	$ (21,629)	$ 2,638	$ 336,622	
11	7153	$ (11)	$ 1	$ 175	
12	7155	$ -	$ -	$ -	
13	7158	$ (559)	$ 68	$ 8,703	
14	7161	$ (1,080)	$ 132	$ 16,810	
15	7163	$ (3)	$ 0	$ 47	
16	7165	$ (281)	$ 34	$ 4,371	
17	7168	$ (74)	$ 9	$ 1,148	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	Adams Co-op	Wastewater	144,908	$ 16,540	144,908	$ 16,623	144,908	$ 16,706
2	Central Electric Co-op	Wastewater	1,620	$ 695	1,620	$ 698	1,620	$ 702
3	Met-Ed	Wastewater	244,258	$ 21,817	244,258	$ 22,256	244,258	$ 27,361
4	PECO	Wastewater	11,257,018	$ 833,053	11,257,018	$ 833,053	11,257,018	$ 1,086,907
5	PenElec	Wastewater	777,521	$ 64,954	777,521	$ 65,279	777,521	$ 65,605
6	PP&L	Wastewater	3,960,002	$ 291,309	4,018,583	$ 295,618	4,018,583	$ 401,870
7	United Electric Co-op	Wastewater	488,256	$ 66,203	492,960	$ 67,175	492,960	$ 69,056
8				$ 1,294,571		$ 1,300,703		$ 1,668,207

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - GAS

LINE NO.	UTILITY	LOCATION	HISTORIC THERMS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE THERMS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE THERMS	PRESENT RATES 12/31/2025 AMOUNT
1	COLUMBIA GAS OF PA	Wastewater	1,218	$ 2,039	1,433	$ 2,503	1,433	$ 2,503
2	PECO	Wastewater	50,079	$ 54,595	45,266	$ 51,470	45,266	$ 51,470
3	UGI UTILITIES , INC	Wastewater	1,039	$ 1,458	1,704	$ 2,494	1,704	$ 2,494
4	Direct Purchases - Fuel Oil, Propane and Generator Diesel	Wastewater		$ 20,149		$ 18,526		$ 18,896
5				$ 78,242		$ 74,993		$ 75,363

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The chemical expense claim was based on a three year, year over year average growth rate for the three years ended December 31, 2023.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Chemical Expense Claim	$ 1,146,266	$ 1,523,113	$ 2,023,854	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	1,146,266			
4	Less: Present Rates 12/31/2023		1,146,266		
5	Less: Present Rates 12/31/2024			1,523,113	
6	Increase/(Decrease)	$ -	$ 376,848	$ 500,740	
7	Pro Forma Adjustment:				
8	7183	$ -	$ 376,848	$ 500,740	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WASTEWATER TREATMENT EXPENSE

The Company's claim for purchased wastewater treatment expense normalizes the cost of services provided by wastewater treatment providers for the Company's Beech Mountain, Cheltenham, East Bradford, East Norriton, Limerick, Media, New Garden and Village at Valley Forge areas. The service providers are Butler Township Sewer Authority, Philadelphia Water Department, West Chester Borough, East Norriton-Plymouth-Whitpain JSA, PA American Water, Nether Providence Township, Avondale, Kennett, and Upper Merion Township.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Wastewater Expense	$ 6,319,296	$ 8,254,408	$ 8,707,044	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	5,995,393			
4	Less: Present Rates 12/31/2023		6,319,296		
5	Less: Present Rates 12/31/2024			$ 8,254,408	
6	Increase/(Decrease)	$ 323,903	$ 1,935,111	$ 452,636	
7	Pro Forma Adjustment:				
8	7105	$ 323,903	$ 1,935,111	$ 452,636	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE BENEFITS

Aqua Pennsylvania Water Operations charges a portion of employee benefits and other related overheads to Aqua Pennsylvania Wastewater through an intracompany transaction which is calculated based on approximately 60% of wastewater payroll expense.
Refer to Exhibit 1-A Water, Schedule C-8.5 for the corresponding entry.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Wastewater Intracompany Benefits	$ 2,662,384	$ 2,016,957	$ 2,114,321	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	1,455,845			
4	Less: Present Rates 12/31/2023		2,662,384		
5	Less: Present Rates 12/31/2024			2,016,957	
6	Increase/(Decrease)	$ 1,206,538	$ (645,427)	$ 97,364	
7	Pro Forma Adjustment:				
8	7048	$ 1,206,538	$ (645,427)	$ 97,364	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

LEGAL EXPENSE

The Company incurs cost for general legal services during the normal course of business to protect and defend the Company's interests in a variety of legal matters. This adjustment normalizes the Company's legal expense claim experienced in the historic test year to levels that are expected to be realized during the first year rates are in effect and more in line with prior experience.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Legal Expense Claim (3 Year Average)	$ 58,328	$ 58,328	$ 58,328	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	233,944			
4	Less: Present Rates 12/31/2023		58,328		
5	Less: Present Rates 12/31/2024			58,328	
6	Increase/(Decrease)	$ (175,616)	$ -	$ -	
7	Pro Forma Adjustment:				
8	7338	$ (175,616)	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 12,759,353	$ 13,496,832	$ 14,132,709
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	12,514,888		
4	Less: Present Rates 12/31/2023		12,759,353	
5	Less: Present Rates 12/31/2024			13,496,832
6	Increase/(Decrease)	$ 244,465	$ 737,479	$ 635,877
7	Pro Forma Adjustment:			
8		$ 244,465	$ 737,479	$ 635,877

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 971,014						
2	Present Rates at 12/31/23				$ 1,016,041				
3	Present Rates at 12/31/24						$ 1,017,823		
4	Present Rates at 12/31/25								$ 1,016,940
5	General Assessment Fees By The Pennsylvania Public Utility Commission	20,455		1,210		(600)		112,263	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	24,572		573		(284)		53,124	
7	Public Utility Realty Tax	-		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Pro Forma Adjustment		$ 45,027		$ 1,782		$ (883)		$ 165,387
10	Pro Forma Present Rates at December 31, 2023		$ 1,016,041						
11	Pro Forma Present Rates at December 31, 2024				$ 1,017,823				
12	Pro Forma Present Rates at December 31, 2025						$ 1,016,940		
13	Pro Forma Proposed Rates at December 31, 2025								$ 165,387

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 57,541,500	$ 57,821,248	$ 57,682,604	$ 83,640,152
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	248,859	250,069	249,469	361,732
4	Total General Assessment Fees		$ 248,859	$ 250,069	$ 249,469	$ 361,732
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		228,404			
7	Less: Present Rates 12/31/2023			248,859		
8	Less: Present Rates 12/31/2024				250,069	
9	Less: Present Rates 12/31/2025					249,469
10	Increase/(Decrease)		$ 20,455	$ 1,210	$ (600)	$ 112,263
11	Pro Forma Adjustment:					
12	4081		$ 20,455	$ 1,210	$ (600)	$ 112,263

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 57,541,500	$ 57,821,248	$ 57,682,604	$ 83,640,152
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	100,260	100,747	100,506	145,734
4	Small Business Advocate Fee At	0.000303478942	17,463	17,548	17,505	25,383
5	Damage Prevention Fee At	0.000000719937	41	42	42	60
6	Total General Assessment Fees		$ 117,764	$ 118,336	$ 118,053	$ 171,177
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		93,192			
9	Less: Present Rates 12/31/2023			117,764		
10	Less: Present Rates 12/31/2024				118,336	
11	Less: Present Rates 12/31/2025					118,053
12	Increase/(Decrease)		$ 24,572	$ 573	$ (284)	$ 53,124
13	Pro Forma Adjustment:					
14	4081		$ 24,572	$ 573	$ (284)	$ 53,124

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ 306,067	$ 306,067	$ 306,067
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	306,067		
4	Less: Present Rates 12/31/2023		306,067	
5	Less: Present Rates 12/31/2024			306,067
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made move payroll taxes per books to Intracompany Benefits, Schedule C-8.1, for ratemaking purposes.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI				
2	FICA Medicare				
3	FICA Total		-	-	-
4	FUTA				
5	SUTA				
6	Annualized Payroll Taxes		-	-	-
7	Capitalized portion not charged to operating expense	31.67%	-	-	-
8	Sub-Total		-	-	-
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		343,351		
11	Less: Present Rates 12/31/2023			-	
12	Less: Present Rates 12/31/2024				-
13	Increase/(Decrease)		$ 343,351	$ -	$ -
14	Pro Forma Adjustment:				
15	40812		$ 343,351	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

			PRESENT RATES 12/31/23		PRESENT RATES 12/31/24		PRESENT RATES 12/31/25
6							
7	Calculation of Interest:						
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$ 358,523,317	Schedule G-1 Col 4, Row 15	$ 372,457,873	Schedule G-1 Col 5, Row 15	$ 392,798,320
9	Applicable Percentage		48.52%		45.31%		46.05%
10	Applicable Portion of Rate Base		$ 173,938,945		$ 168,745,684		$ 180,898,421
11	Cost Rate		4.26%		4.24%		4.32%
12	Pro-Forma Long-term Interest Expense		$ 7,409,799		$ 7,154,817		$ 7,814,812
13	Less: Interest on Long Term Debt Per Books 12/31/23		3,295				
14	Less: Interest on Long Term Debt Present Rates at 12/31/23				7,409,799		
15	Less: Interest on Long Term Debt Present Rates at 12/31/24						7,154,817
16	Long Term Debt Pro Forma Adjustment		$ 7,406,504		$ (254,982)		$ 659,995

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ 949	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	(949)	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ (949)	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (808,107)	$ -	$ -
2	Eliminate Interest During Construction	808,107	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 808,107	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT	PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ 256,867	$ (132,858)	$ (1,098,918)	$ 3,831,966
2	Less: Per Book	Schedule A-1	2,425,720			
3	Less: Present Rates at 12/31/23			256,867		
4	Less: Present Rates at 12/31/24				(132,858)	
5	Less: Present Rates at 12/31/25					(1,098,918)
6	Pro Forma Adjustment		$ (2,168,854)	$ (389,724)	$ (966,060)	$ 4,930,884
7	State Income Tax - Current	Schedule F-2	$ 112,528	$ 80,194	$ 138,551	$ 2,177,551
8	Less: Per Book	Schedule A-1	601,735			
9	Less: Present Rates at 12/31/23			112,528		
10	Less: Present Rates at 12/31/24				80,194	
11	Less: Present Rates at 12/31/25					138,551
12	Pro Forma Adjustment		$ (489,208)	$ (32,334)	$ 58,357	$ 2,039,000
13	Federal Income Tax - Deferred	Schedule F-2	$ 1,745,164	$ 1,392,839	$ 1,480,664	$ 1,480,664
14	Less: Per Book	Schedule A-1	2,396,570			
15	Less: Present Rates at 12/31/23			1,745,164		
16	Less: Present Rates at 12/31/24				1,392,839	
17	Less: Present Rates at 12/31/25					1,480,664
18	Pro Forma Adjustment		$ (651,405)	$ (352,325)	$ 87,825	$ -
19	State Income Tax - Deferred	Schedule F-2	$ (35,469)	$ (33,497)	$ -	$ -
20	Less: Per Book	Schedule A-1	(2,026)			
21	Less: Present Rates at 12/31/23			(35,469)		
22	Less: Present Rates at 12/31/24				(33,497)	
23	Less: Present Rates at 12/31/25					-
24	Pro Forma Adjustment		$ (33,443)	$ 1,972	$ 33,497	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ 18,334,100	$ 18,334,100	$ 16,813,117	$ 16,813,117	$ 12,988,633	$ 12,988,633	$ 38,508,031	$ 38,508,031
2	Interest Expense	Schedule A-1	(7,409,799)	(7,409,799)	(7,154,817)	(7,154,817)	(7,814,812)	(7,814,812)	(7,814,812)	(7,814,812)
3	State Income Tax	[12]	(112,528)		(80,194)		(138,551)		(2,177,551)	
4	Tax Repair Deduction		(5,017,876)	(5,017,876)	(4,460,000)	(4,460,000)	(4,460,000)	(4,460,000)	(4,460,000)	(4,460,000)
5	Book Depreciation	Schedule A-1	12,759,353	12,759,353	13,496,832	13,496,832	14,132,709	14,132,709	14,132,709	14,132,709
6	Tax Depreciation		(17,367,400)	(17,451,403)	(18,415,380)	(18,499,383)	(19,814,747)	(19,890,523)	(19,814,747)	(19,890,523)
7	COR & Other Basis Differences, net of book		37,324	37,324	(832,214)	(832,214)	(126,176)	(126,176)	(126,176)	(126,176)
8	Taxable Income	Sum of Lines [1] : [7]	$ 1,223,174	$ 1,251,699	$ (632,656)	$ (636,465)	$ (5,232,943)	$ (5,170,169)	$ 18,247,455	$ 20,349,230
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	256,867	112,528	(132,858)	(54,036)	(1,098,918)	(413,096)	3,831,966	1,625,903
11	Other - NOL		-	-	-	134,230	-	551,647	-	551,647
12	Total - Current Income Tax	[10] + [11]	$ 256,867	$ 112,528	$ (132,858)	$ 80,194	$ (1,098,918)	$ 138,551	$ 3,831,966	$ 2,177,551
13	Normalized Book Depreciation		(8,553,659)	-	(12,153,050)	-	(12,754,931)	-	(12,754,931)	-
14	Normalized Tax Depreciation		17,367,400	-	18,415,380	-	19,814,747	-	19,814,747	-
15	Normalized Basis Differences		(37,324)	-	832,214	-	126,176	-	126,176	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	1,843,048	-	1,489,854	-	1,509,058	-	1,509,058	-
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	-	-	-	-	-
19	Flowback of Catch Up Adjustment		(55,013)	(35,469)	(55,013)	(33,497)	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		(43,421)	-	(42,553)	-	(28,945)	-	(28,945)	-
21	Flowback of TCJA 2017 - 10 Years		551	-	551	-	551	-	551	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	-	-	-	-
23	Flowback of Tax Repairs Collar		-	-	-	-	-	-	-	-
24	Total Flow Through	Sum of Lines [19] : [23]	(97,883)	(35,469)	(97,015)	(33,497)	(28,394)	-	(28,394)	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ 1,745,164	$ (35,469)	$ 1,392,839	$ (33,497)	$ 1,480,664	$ -	$ 1,480,664	$ -
26	Amortization of Income Tax Credit		-	-	-	-	-	-	-	-
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ 2,002,031	$ 77,059	$ 1,259,981	$ 46,697	$ 381,746	$ 138,551	$ 5,312,630	$ 2,177,551

Docket No. R-2024-3047824
Exhibit 1-C

Schedule G-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 574,603,489	$ 602,778,002	$ 637,496,786
2	Utility Plant Acquisition Adjustment	Schedule G-3	1,259,216	1,157,873	1,056,529
3			575,862,706	603,935,875	638,553,315
4	Less: Accumulated Depreciation	Schedule G-2	(183,282,942)	(196,145,527)	(209,545,011)
5	Net Plant in Service		392,579,764	407,790,348	429,008,304
6	Additions:				
7	Materials & Supplies	Schedule G-4	-	-	-
8	Cash Working Capital	Schedule G-5	1,247,000	1,247,000	1,247,000
9			1,247,000	1,247,000	1,247,000
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	(24,872,177)	(24,594,178)	(24,703,546)
12	Deferred Income Taxes	Schedule G-7	(10,431,270)	(11,985,297)	(12,753,439)
13	Investment Tax Credit		-	-	-
14			(35,303,447)	(36,579,475)	(37,456,985)
15	Total Rate Base		$ 358,523,317	$ 372,457,873	$ 392,798,320

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Exhibit 1-C

Schedule G-2
Witness: Renee T. Marquis & John J. Spanos

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 574,603,489	$ 574,603,489	$ 602,778,002
2	Plus: Additions		29,056,854	35,929,062
3	Less: Retirements		(882,342)	(1,210,278)
4	Utility Plant in Service	$ 574,603,489	$ 602,778,002	$ 637,496,786
5	Accumulated Depreciation	(183,282,942)	(196,145,527)	(209,545,011)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

The following adjustment reflects the recognition of the positive Utility Plant Acquisition Adjustments (UPAA) associated with the acquisition of various water utility assets pursuant to the terms of the Commission-approved settlement of the Company's rate cases at Docket Nos. R-00072319, R-2008-2081738, and R-2010-2207833, and R-2018-3003558.

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE
1	Rivercrest	R-00072319	$ 41,118	6/27/2002	10/06 - 9/26	$ 5,654	$ 2,056	$ 3,598	$ 2,056	$ 1,542
2	White Haven	R-2008-2081738	267,972	3/11/2002	10/08 - 9/28	63,644	13,399	50,245	13,399	36,847
3	Masthope	R-2010-2207833	309,404	1/20/2006	6/11 - 5/31	116,026	15,470	100,556	15,470	85,086
4	Treasure Lake	R-2018-3003558	1,298,027	2/28/2012	4/19 - 3/39	989,746	64,901	924,844	64,901	859,943
5	Bunker Hill WW	R-2018-3003558	35,598	8/11/2015	4/19 - 3/39	27,144	1,780	25,364	1,780	23,584
6	Avon Grove	R-2018-3003558	74,758	9/7/2017	4/19 - 3/39	57,003	3,738	53,265	3,738	49,527
7	Effect to Rate Base Element		$ 2,026,877			$ 1,259,216	$ 101,344	$ 1,157,873	$ 101,344	$ 1,056,529

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

LINE NO.	MONTH	YEAR	BALANCE
1	December	2022	$ -
2	January	2023	-
3	February	2023	-
4	March	2023	-
5	April	2023	-
6	May	2023	-
7	June	2023	-
8	July	2023	-
9	August	2023	-
10	September	2023	-
11	October	2023	-
12	November	2023	-
13	December	2023	-
14	Total		$ -
15	13 Month Average		$ -
16	Allowance for Materials & Supplies		
17	At 12/31/2024 and 12/31/2025		$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ 1,707,000	$ 1,707,000	$ 1,707,000
2	Cash Working Capital - Taxes	Schedule G-5.3	332,000	332,000	332,000
3	Cash Working Capital - Interest	Schedule G-5.4	(792,000)	(792,000)	(792,000)
4	Total Cash Working Capital Requirement		$ 1,247,000	$ 1,247,000	$ 1,247,000

Docket No. R-2024-3047824
Exhibit 1-C

Schedule G-5.1
Witness: Harold C. Walker

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR	BALANCE
	(1)	(2)	(3)
1	December	2022	$ 7,130,340
2	January	2023	5,536,846
3	February	2023	6,855,431
4	March	2023	4,756,415
5	April	2023	5,397,316
6	May	2023	4,930,228
7	June	2023	5,908,335
8	July	2023	5,719,491
9	August	2023	5,352,732
10	September	2023	6,678,882
11	October	2023	5,473,376
12	November	2023	5,448,339
13	December	2023	6,470,309
14	Total		$ 75,658,040
15	Average Accounts Receivable Balance		$ 5,819,849
16	Gross Utility Wastewater Revenues recorded		
17	During the Twelve Months Ended 12/31/2023		$ 58,270,675
16	Average Daily Billing		$ 159,646
18	Lag in Receipt of Payment		36.5
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		53.7

Reference:
(a) One-half of monthly billing period.

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 1,803,177	5.5	(a)	$ 9,917,472
2	Non-Union Labor	1,720,692	9.0	(a)	15,486,229
3	Management Fee	2,529,850	15.7	(a)	39,718,640
4	Electric Power	1,767,231	43.3	(a)	76,521,113
5	Purchased Wastewater	8,825,200	49.8	(a)	439,494,967
6	Employee Group Insurance	2,114,321	16.3	(a)	34,463,437
7	Liability Insurance	31,224	(46.4)	(a)	(1,448,815)
8	SFI Postage	132,592	(5.4)	(a)	(715,996)
9	Pension	0	440.0	(a)	0
10	SFAS106	0	45.1	(a)	0
11	All Other Expenses (b)	9,788,145	31.3	(a)	306,368,942
12	Total	$ 28,712,433			$ 919,805,990
13	Average Lag Days in Payment of Expenses		32.0	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		53.7	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		21.7	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 78,664	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ 1,707,013	[16] * [18]	
20	USE		$ 1,707,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 249,469	(198.5)	(a)	$ (49,519,626)
2	OCA & SBA - General Assessments	118,053	(198.5)	(a)	(23,433,431)
3	Public Utility Realty Tax	-	(48.3)	(a)	-
4	Local, County, School, & Municipal Tax	306,067	(92.9)	(a)	(28,433,634)
5	FICA Taxes - Hourly	-	5.5	(a)	-
6	FICA Taxes - Executive & Exempt	-	9.0	(a)	-
7	Federal Unemployment Tax	-	75.9	(a)	-
8	PA Unemployment Tax	-	75.9	(a)	-
9	PA State Income Tax	138,551	36.5	(a)	5,057,100
10	Federal Income Tax	(1,098,918)	36.5	(a)	(40,110,510)
11	Total	$ (286,779)			$ (136,440,100)
12	Average Lag Days in Payment of Taxes		475.8	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		53.7	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		(422.1)	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ (786)	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ 331,642	[15] * [17]	
19	USE		$ 332,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

Docket No. R-2024-3047824
Exhibit 1-C

Schedule G-5.4
Witness: Harold C. Walker

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 7,810,195	90.8	(a)	$ 708,775,160
2	PennVest-Interest	4,617	14.7	(a)	67,911
3	Total	$ 7,814,812			$ 708,843,071
4	Average Lag Days in Payment of Interest		90.7	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		53.7	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(37.0)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 21,410		
10	Cash Working Capital Required		$ (792,186)		
11	USE		$ (792,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ 24,872,177	$ 24,872,177	$ 24,594,178
2	Plus: Contributions		409,121	802,735
3	Less: Amortization		(687,120)	(693,367)
4	Customer Advances and Contributions In Aid Of Construction	$ (24,872,177)	$ (24,594,178)	$ (24,703,546)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ 10,431,270	$ 10,431,270	$ 11,985,297
2	Change in Deferred Tax	Schedule F-2		1,554,027	768,142
3	Deferred Income Taxes		$ (10,431,270)	$ (11,985,297)	$ (12,753,439)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

TABLE OF CONTENTS TO EXHIBIT 1-D WASTEWATER LOWER MAKEFIELD

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	Number Of Customers Served And Whose Bills Will Be Changed	A-2	William C. Packer
	Calculation Of Revenue Deficiency And Rate Of Return At Current And Proposed Rates December 31, 2025	A-3	William C. Packer
	Statement Of Utility's Calculation Of Rate Of Return - Earned In The Year Ended December 31, 2023 And Anticipated Under Present And Proposed Rates For The Test Years Ended December 31, 2024 And December 31, 2025	A-4	William C. Packer
	Calculation Of Gross Revenue Conversion Factor	A-5	William C. Packer
B	**Operating Revenues**		
	Statement Of Operating Revenue For The Twelve Months Ending December 31, 2023, December 31, 2024 And December 31, 2025 Under Present And Proposed Rates	B-1	Gregory R. Herbert & Constance Heppenstall
	Summary Of Adjustments To Operating Revenues	B-2	Gregory R. Herbert
	Operating Revenues - Unbilled Revenue Adjustment	B-3	Gregory R. Herbert
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	Operating Revenues - Miscellaneous Revenue Adjustments	B-7	Gregory R. Herbert
C	**Operating Expenses**		
	Notes To Statement Of Income Operating Expenses Expense Detail Accounts	C-1	William C. Packer
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	Operating Expenses - Uncollectible Accounts	C-4.2	Renee T. Marquis
	Operating Expenses - Derivation Of Uncollectible Accounts Based On Three Years Of History Normalized	C-4.2.i	Renee T. Marquis
	Operating Expenses - Page Held For Future Use	C-4.3	N/A
	Operating Expenses - Rate Case Expense	C-4.4	Michael S. Ercolino
	Operating Expenses - Payroll	C-4.5	Christopher E. Manning
	Operating Expenses - Insurance Expense	C-4.6	Christopher E. Manning
	Operating Expenses - Management Service & Sundry	C-4.7	William C. Packer
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	Operating Expenses - Miscellaneous Expense Adjustments	C-4.9	Christopher E. Manning
	Operating Expenses - Specific Expenses Not Subject To Increase	C-4.10	Michael S. Ercolino
	Operating Expenses - Audit Fee Expense	C-4.11	Michael S. Ercolino
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AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

TABLE OF CONTENTS TO EXHIBIT 1-D WASTEWATER LOWER MAKEFIELD

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	Statement Of Depreciation	D-1	Renee T. Marquis & John J. Spanos
	Summary Of Adjustments To Taxes Other Than Income	D-2	Renee T. Marquis
	Taxes Other Than Income - General Assessment Fees By The Pennsylvania Public Utility Commission	D-2.1	Renee T. Marquis
	Taxes Other Than Income - General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	D-2.2	Renee T. Marquis
	Taxes Other Than Income - Public Utility Realty Tax	D-2.3	Michael S. Ercolino
	Taxes Other Than Income - Pennsylvania Property Tax	D-2.4	Michael S. Ercolino
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	Computation Of Federal And State Income Taxes Under Present And Proposed Rates	F-2	Panpilas Fischer
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	Rate Base As Of December 31, 2023, December 31, 2024 And December 31, 2025 Under Present And Proposed Rates	G-1	William C. Packer
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	Rate Base - Cash Working Capital - Calculation Of Lag Days In Payment Of Taxes	G-5.3	Harold C. Walker
	Rate Base - Cash Working Capital - Calculation Of Lag Days In Payment Of Interest	G-5.4	Harold C. Walker
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Exhibit 1-D

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	$ 11,809,110	$ (195,280)	$ 11,613,830	$ -	$ 11,613,830	$ -	$ 11,613,830	$ 3,526,708	$ 15,140,538
2	Operating Expenses	4,737,346	1,242,096	5,979,441	1,074,156	7,053,597	628,724	7,682,321	37,059	7,719,380
3	Depreciation	914,836	1,337,249	2,252,085	(49,097)	2,202,988	(12,449)	2,190,539		2,190,539
4	Taxes, other than income :									
5	PUC assessment	-	50,228	50,228	-	50,228	-	50,228	15,253	65,481
6	OCA & SBA assessments	-	23,769	23,769	-	23,769	-	23,769	7,218	30,986
7	Public Utility Realty tax	-	-	-	-	-	-	-	-	-
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	-	-	-	-	-	-	-	-	-
10	Federal & State payroll tax	16,873	-	16,873	-	16,873	-	16,873	-	16,873
11	Total Taxes, other than income	16,873	73,997	90,870	-	90,870	-	90,870	22,470	113,340
12	Utility Operating Income Before Tax	6,140,056	(2,848,622)	3,291,434	(1,025,059)	2,266,375	(616,275)	1,650,100	3,467,179	5,117,279
13	Income Taxes:									
14	Federal Tax-Current	-	442,606	442,606	(170,630)	271,977	(116,052)	155,925	669,932	825,857
15	Pa. CNI Tax-Current	-	208,194	208,194	(88,037)	120,158	(55,680)	64,478	277,028	341,505
16	Federal Tax-Deferred	-	(24,991)	(24,991)	(3,442)	(28,433)	(5,280)	(33,713)	-	(33,713)
17	Pa. CNI Tax-Deferred	-	-	-	-	-	-	-	-	-
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	-		-		-		-		-
20	Total Income Taxes	-	625,810	625,810	(262,108)	363,702	(177,012)	186,690	946,960	1,133,650
21	Total Operating Revenue Deductions	5,669,054	3,279,151	8,948,206	762,951	9,711,157	439,263	10,150,420	1,006,489	11,156,909
22	Utility Operating Income	6,140,056	(3,474,432)	2,665,624	(762,951)	1,902,673	(439,263)	1,463,410	2,520,220	3,983,630
23	Income Deductions:									
24	Interest on Long-Term debt	-	1,094,595	1,094,595	(108,112)	986,483	17,175	1,003,658		1,003,658
25	Amort. Of debt discount & expense	-	-	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(21,534)	21,534	-	-	-	-	-		-
28	Total Income Deductions	(21,534)	1,116,128	1,094,595	(108,112)	986,483	17,175	1,003,658	-	1,003,658
29	Net Income	$ 6,161,589	$ (4,590,560)	$ 1,571,029	$ (654,839)	$ 916,190	$ (456,438)	$ 459,752	$ 2,520,220	$ 2,979,972
30	Preferred Dividend									
31	Net Income-Common	$ 6,161,589	$ (4,590,560)	$ 1,571,029	$ (654,839)	$ 916,190	$ (456,438)	$ 459,752	$ 2,520,220	$ 2,979,972

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Residential	11,132	11,168	11,168	11,168	11,168	-	-
2	Commercial	267	270	270	270	270	-	-
3	Industrial	-	-	-	-	-	-	-
4	Public	7	7	7	7	7	-	-
5	Miscellaneous	-	-	-	-	-	-	-
6	Availability Charge	-	-	-	-	-	-	-
7	Total Customers	11,406	11,445	11,445	11,445	11,445	-	-

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
1	Pro Forma Rate Base	Schedule G-1		$	50,447,179
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	3,983,630
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	1,463,410
5	Operating Income Deficit		=	$	2,520,220
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3994
7	Revenue Deficit		=	$	3,526,708

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ 2,665,624	$ 52,961,998	5.03%
2	Present Rates December 31, 2024	$ 1,902,673	$ 51,353,282	3.71%
3	Present Rates December 31, 2025	$ 1,463,410	$ 50,447,179	2.90%
4	Proposed Rates December 31, 2025	$ 3,983,630	$ 50,447,179	7.90%

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**1.051%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9831
7	State Tax Rate	**7.990%**		
8	State Tax $$ ============>		$	0.0786
9	State Factor		$	0.9046
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ============>		$	0.1900
12	Combined Income Tax Factor on Gross Revenues			26.85%
13	Net Operating Income Factor			**71.46%**
14	Gross Revenue Conversion Factor			**1.39937**

Docket No. R-2024-3047824
Exhibit 1-D

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Residential	$ 9,900,220	$ (141,113)	$ 9,759,107	$ -	$ 9,759,107	$ -	$ 9,759,107	42.7%	$ 4,166,514	$ 13,925,620
2	Commercial	1,799,179	(58,488)	1,740,691	-	1,740,691	-	1,740,691	-34.7%	(604,337)	1,136,354
3	Industrial	-	-	-	-	-	-	-	0.0%	-	-
4	Public	51,982	3,906	55,889	-	55,889	-	55,889	-63.5%	(35,468)	20,420
5	Other	-	-	-	-	-	-	-	0.0%		-
6	Availability Charge	-	-	-	-	-	-	-	0.0%		-
7	Total Sales to General Customers	11,751,382	(195,695)	11,555,687	-	11,555,687	-	11,555,687	30.5%	3,526,708	15,082,395
8	Forfeited Discounts	47,145	-	47,145	-	47,145	-	47,145	0.0%		47,145
9	Other WW Revenues	10,583	-	10,583	-	10,583	-	10,583	0.0%		10,583
10	Miscellaneous WW Service Revenues	-	415	415	-	415	-	415	0.0%		415
11	Total Other WW Revenues	57,728	415	58,143	-	58,143	-	58,143	0.0%	-	58,143
12	Total Operating Revenue	$ 11,809,110	$ (195,280)	$ 11,613,830	$ -	$ 11,613,830	$ -	$ 11,613,830	30.4%	$ 3,526,708	$ 15,140,538

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 11,809,110				
2	Present Rates at 12/31/23					$ 11,613,830		
3	Present Rates at 12/31/24							$ 11,613,830
4	Unbilled Revenue Adjustment	Schedule B-3	(175,866)		-		-	
5	Page Held For Future Use	Schedule B-4	-		-		-	
6	Page Held For Future Use	Schedule B-5	-		-		-	
7	Page Held For Future Use	Schedule B-6	-		-		-	
8	Miscellaneous Revenue Adjustments	Schedule B-7	(19,414)		-		-	
9	Pro Forma Adjustment			(195,280)		-		-
10	Pro Forma Present Rates at December 31, 2023			$ 11,613,830				
11	Pro Forma Present Rates at December 31, 2024					$ 11,613,830		
12	Pro Forma Present Rates at December 31, 2025							$ 11,613,830

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION		PER BOOK 12/31/2023 AMOUNT
1	Residential	$	127,096
2	Commercial		52,667
3	Industrial		-
4	Public		(3,897)
5	Other		
6	Availability Charge		
7	Total Sales to General Customers		175,866
8	Forfeited Discounts		
9	Other WW Revenues		
10	Miscellaneous WW Service Revenues		
11	Total Other WW Revenues		-
12	Total Operating Revenue	$	175,866

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT		PRESENT RATES 12/31/2023 ADJUSTMENT
1	Residential	(a)	$ (11,682)		(b)	$ (2,335)
2	Commercial				(b)	(5,821)
3	Industrial					
4	Public				(b)	9
5	Other					
6	Availability Charge					
7	Total Sales to General Customers		(11,682)	-		(8,147)
8	Forfeited Discounts					
9	Other WW Revenues					
10	Miscellaneous WW Service Revenues				(b)	415
11	Total Other WW Revenues		-	-		415
12	Total Operating Revenue		$ (11,682)	$ -		$ (7,732)

(a) Deduct Meter Credits
(b) Refer to AP Statement No. 10

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		--Collection--				
2		-Operations-				
3	7011	Labor	37,740	37,740	23,183	23,799
4	7041	Employee Benefits	7,651	7,651	7,408	7,329
5	7151	Purchased Power	49,768	52,609	52,418	65,314
6	7361	OS Other	11,179	11,179	11,450	11,713
7	7501	Transportation	2,173	2,173	2,225	2,277
8	7751	Other	10,472	10,472	10,726	10,973
9		-Maintenance-				
10	7012	Labor	1,298	1,298	798	819
11	7042	Employee Benefits	250	250	242	240
12	7202	Supplies	2,157	2,157	2,209	2,260
13	7362	OS Other	115,901	115,901	118,712	121,442
14	7502	Transportation	94	94	96	98
15	7752	Other	5,797	5,797	5,938	6,074
16						
17		Total Collection Expense	$ 244,480	$ 247,322	$ 235,406	$ 252,338
18						
19		--Pumping--				
20		-Operations-				
21	7013	Labor	9,514	9,514	5,844	6,000
22	7043	Employee Benefits	2,013	2,013	1,949	1,928
23	7203	Supplies	891	891	912	933
24	7363	OS Other	6,363	6,363	6,517	6,667
25	7503	Transportation	595	595	609	623
26	7753	Other	686	686	702	718
27		-Maintenance-				
28	7204	Supplies	5,211	5,211	5,338	5,460
29	7364	OS Other	65,325	65,325	66,910	68,448
30	7754	Other	2,380	2,380	2,438	2,494
31						
32		Total Pumping Expense	$ 92,978	$ 92,978	$ 91,219	$ 93,273

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
33						
34		--Treatment & Disposal--				
35		-Operations-				
36	7015	Labor	108,498	108,498	66,647	68,418
37	7045	Employee Benefits	38,178	38,178	36,966	36,572
38	7105	Purchased Wastewater	4,029,647	4,394,824	5,604,104	6,154,656
39	7115	Sludge	15,158	15,158	15,525	15,882
40	7365	OS Other	7,251	7,251	7,427	7,598
41	7505	Transportation	6,771	6,771	6,935	7,095
42		-Maintenance-				
43	7366	OS Other	10,901	10,901	11,165	11,422
44						
45		Total Treatment & Disposal Expense	$ 4,216,403	$ 4,581,580	$ 5,748,770	$ 6,301,643
46						
47		--Reclaimed Water Treatment--				
48		-Operations-				
49						
50						
51		--Customer Accounting--				
52	7707	Bad Debt	21,122	121,428	121,428	121,428
53						
54		Total Customer Accounting Expense	$ 21,122	$ 121,428	$ 121,428	$ 121,428
55						
56		--Administrative and General--				
57	7018	Labor	97,007	97,007	59,588	61,172
58	7038	Labor	1,149	1,149	706	725
59	7048	Employee Benefits	18,245	105,032	47,493	50,491
60	7208	Supplies	3,913	3,913	4,008	4,100
61	7318	OS Engineer	45,670	45,670	46,778	47,853
62	7328	OS Accounting	-	15,451	15,191	15,309
63	7349	Management Fees	-	658,772	678,873	699,392
64	7368	OS Other	14,086	14,086	14,428	14,760

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
65	7508	Transportation	5,433	5,433	5,565	5,693
66	7578	Insurance	-	10,018	5,854	6,512
67	7588	Insurance	-	729	590	616
68	7598	Insurance	-	2,013	1,403	1,504
69	7758	Other	(23,140)	(23,140)	(23,701)	(24,247)
70	7668	Amortization of Rate Case	-	-	-	29,760
71						
72		Total Admin & General Expense	$ 162,362	$ 936,134	$ 856,775	$ 913,640
73						
74		Total Operating Expenses	$ 4,737,346	$ 5,979,441	$ 7,053,597	$ 7,682,321

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 255,207	$ -	$ 255,207	$ (98,441)	$ 156,765	$ 4,167	$ 160,932
2	Employee Benefits	66,336	86,788	153,124	(59,065)	94,059	2,500	96,559
3	Purchased Water	-	-	-	-	-	-	-
4	Purchased Wastewater	4,029,647	365,177	4,394,824	1,209,280	5,604,104	550,552	6,154,656
5	Sludge	15,158	-	15,158	368	15,525	357	15,882
6	Purchased Power	49,768	2,841	52,609	(191)	52,418	12,896	65,314
7	Chemicals	-	-	-	-	-	-	-
8	Supplies	12,172	-	12,172	295	12,467	287	12,754
9	OS Engineer	45,670	-	45,670	1,107	46,778	1,076	47,853
10	OS Accounting	-	15,451	15,451	(260)	15,191	118	15,309
11	OS Legal	-	-	-	-	-	-	-
12	OS Lab Testing	-	-	-	-	-	-	-
13	OS Other	231,007	-	231,007	5,602	236,609	5,442	242,051
14	Management Fees	-	658,772	658,772	20,101	678,873	20,519	699,392
15	Leases	-	-	-	-	-	-	-
16	Transportation	15,066	-	15,066	365	15,431	355	15,786
17	Insurance	-	12,761	12,761	(4,914)	7,847	785	8,632
18	Other	(3,806)	-	(3,806)	(92)	(3,898)	(90)	(3,987)
19	Bad Debt	21,122	100,306	121,428	-	121,428	-	121,428
20	Amortization of Rate Case	-	-	-	-	-	29,760	29,760
21	Amortization of UPAA	-	-	-	-	-	-	-
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	-	-
24	Total Operating Expenses	$ 4,737,346		$ 5,979,441		$ 7,053,597		$ 7,682,321
25	Pro Forma Adjustments		$ 1,242,096		$ 1,074,156		$ 628,724	
26	Uncollectibles @ Proposed Rates							$ 37,059
27	Proposed Rates @ 12/31/25							$ 7,719,380

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 4,737,346				
2	Present Rates at 12/31/23					$ 5,979,441		
3	Present Rates at 12/31/24							$ 7,053,597
4	General Price Level Adjustment	Schedule C-4.1	-		11,494		11,166	
5	Uncollectible Accounts	Schedule C-4.2	100,306		-		-	
6	Page Held For Future Use	Schedule C-4.3	-		-		-	
7	Rate Case Expense	Schedule C-4.4	-		-		29,760	
8	Payroll	Schedule C-4.5	-		(98,441)		4,167	
9	Insurance Expense	Schedule C-4.6	12,761		(4,914)		785	
10	Management Service & Sundry	Schedule C-4.7	658,772		16,252		16,780	
11	Page Held For Future Use	Schedule C-4.8	-		-		-	
12	Miscellaneous Expense Adjustments	Schedule C-4.9	-		-		-	
13	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
14	Audit Fee Expense	Schedule C-4.11	15,451		(260)		118	
15	Page Held For Future Use	Schedule C-5.1	-		-		-	
16	Purchased Power Expense	Schedule C-6.1	2,841		(191)		12,896	
17	Chemicals	Schedule C-6.2	-		-		-	
18	Purchased Wastewater Treatment Expense	Schedule C-7.1	365,177		1,209,280		550,552	
19	Employee Benefits	Schedule C-8.1	86,788		(59,065)		2,500	
20	Pro Forma Adjustments			$ 1,242,096		$ 1,074,156		$ 628,724
21	Pro Forma Present Rates at December 31, 2023			$ 5,979,441				
22	Pro Forma Present Rates at December 31, 2024					$ 7,053,597		
23	Pro Forma Present Rates at December 31, 2025							$ 7,682,321

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 5,979,441	
3	Present Rates 12/31/2024		$ 7,053,597
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	255,207	156,765
6	Employee Benefits	153,124	94,059
7	Purchased Wastewater	4,394,824	5,604,104
8	Sludge	-	-
9	Purchased Power	52,609	52,418
10	Chemicals	-	-
11	Supplies	-	-
12	OS Engineer	-	-
13	OS Accounting	15,451	15,191
14	OS Legal	-	-
15	OS Lab Testing	-	-
16	OS Other	-	-
17	Management Fees	500,061	516,313
18	Leases	-	-
19	Transportation	-	-
20	Insurance	12,761	7,847
21	Other	-	-
22	Bad Debt	121,428	121,428
23	Amortization of Rate Case	-	-
24	Amortization of UPAA	-	-
25	Amortization of Tank Painting	-	-
26	Amortization Other	-	-
27	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 5,505,463	$ 6,568,126
28	Total Operating Expenses Subject to Effects of Inflation	$ 473,978	$ 485,472
29	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
30	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 11,494	$ 11,166

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)		
1	First Quarter	2024	2.500% (a)
2	Second Quarter	2024	2.500% (a)
3	Third Quarter	2024	2.400% (a)
4	Fourth Quarter	2024	2.300% (a)
5	Annual Average for the Period Ending 12/31/2024		2.425%
6	First Quarter	2025	2.300% (b)
7	Second Quarter	2025	2.300% (b)
8	Third Quarter	2025	2.300% (b)
9	Fourth Quarter	2025	2.300% (b)
10	Annual Average for the Period Ending 12/31/2025		2.300%

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 1.05080% with regard to sales to general customers.

LINE NO.	DESCRIPTION		PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue		$ 11,751,382	$ 11,555,687	$ 11,555,687	$ 11,555,687	
2	Annualized Uncollectible Account based on Experience Factor @	1.05080%		121,428	121,428	121,428	‡
3	Less: Amount Charged to Operating Expense						
4	During the Twelve Months Ended 12/31/2023			21,122			
5	Less: Present Rates 12/31/2023				121,428		
6	Less: Present Rates 12/31/2024					121,428	
7	Increase/(Decrease)			$ 100,306	$ -	$ -	
8	Pro Forma Adjustment:						
9	7707			$ 100,306	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of wastewater customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Wastewater - Current Exhibit	2.28%	$	59,520	$ 29,760
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	-	$ 29,760 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			-	
19	Less: Present Rates 12/31/2024				-
20	Increase/(Decrease)		$	-	$ 29,760
21	Pro Forma Adjustment:				
22	7668				$ 29,760

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ -	$ -	
3	Capital Payroll		-	-	
4	Non-Operating Payroll		-	-	
5	Expense Payroll	-	-	-	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ -	$ -	
7	**Union Payroll**				
8	Gross Payroll		$ 233,456	$ 239,661	
9	Capital Payroll		73,935	75,901	
10	Non-Operating Payroll		2,755	2,828	
11	Expense Payroll	255,207	156,765	160,932	‡
12	Union Expense Payroll Increase/(Decrease)		$ (98,441)	$ 4,167	
13	Total Expense Payroll Increase/(Decrease)		$ (98,441)	$ 4,167	
14	Pro Forma Adjustment:				
15	7011		$ (14,558)	$ 616	
16	7012		$ (501)	$ 21	
17	7013		$ (3,670)	$ 155	
18	7015		$ (41,851)	$ 1,772	
19	7018		$ (37,419)	$ 1,584	
20	7038		$ (443)	$ 19	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		$ 14,662	$ 9,733	$ 10,706	
2	Workers Compensation		1,067	325	357	
3	Other (Exec Risk, Property, Surety Bond)		2,946	1,427	1,570	
4			18,676	11,485	12,633	
5	Capitalized portion not charged to operating expense	31.67%	(5,915)	(3,637)	(4,001)	
6	Subtotal Insurance		$ 12,761	$ 7,847	$ 8,632	‡
7	Less: Amount Charged to Operating Expense					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			12,761		
10	Less: Present Rates 12/31/2024				7,847	
11	Increase/(Decrease)		$ 12,761	$ (4,914)	$ 785	
12	Pro Forma Adjustment:					
13	7578		$ 10,018	$ (4,164)	$ 665	
14	7588		$ 729	$ (139)	$ 22	
15	7598		$ 2,013	$ (611)	$ 98	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania Wastewater during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 500,061	$ 500,061	$ 516,313	‡
2	Payroll & Benefit Increase		16,252	16,780	‡
3	Management Fees All Other	158,712	158,712	158,712	
4	Total Expense Claim	$ 658,772	$ 675,024	$ 691,804	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	-			
7	Less: Present Rates 12/31/2023		658,772		
8	Less: Present Rates 12/31/2024			675,024	
9	Increase/(Decrease)	$ 658,772	$ 16,252	$ 16,780	
10	Pro Forma Adjustment:				
11	7349	$ 658,772	$ 16,252	$ 16,780	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1				
2				
3				
4				
5				
6				
7	Increase/(Decrease)	$ -	$ -	$ -
8	Pro Forma Adjustment:			
9				
10				
11				
12				

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	$ -	$ -	$ -	‡
2	Total Specific Expenses Not Subject to Increase	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 22,612	$ 22,232	$ 22,405	
			22,612	22,232	22,405	
2	Capitalized portion not charged to operating expense	31.67%	(7,161)	(7,041)	(7,096)	
3	Subtotal Audit Fees		$ 15,451	$ 15,191	$ 15,309	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		-			
6	Less: Present Rates 12/31/2023			15,451		
7	Less: Present Rates 12/31/2024				15,191	
8	Increase/(Decrease)		$ 15,451	$ (260)	$ 118	
9	Pro Forma Adjustment:					
10	7328		$ 15,451	$ (260)	$ 118	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 52,008	$ 52,008	$ 64,904	
2	Claimed Purchased Power Expense - Gas	601	411	411	
3		$ 52,609	$ 52,418	$ 65,314	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	49,768			
6	Less: Present Rates 12/31/2023		52,609		
7	Less: Present Rates 12/31/2024			52,418	
8	Increase/(Decrease)	$ 2,841	$ (191)	$ 12,896	
9	Pro Forma Adjustment:				
10	7151	$ 2,841	$ (191)	$ 12,896	
11	7153	$ -	$ -	$ -	
12	7155	$ -	$ -	$ -	
13	7158	$ -	$ -	$ -	
14	7161	$ -	$ -	$ -	
15	7163	$ -	$ -	$ -	
16	7165	$ -	$ -	$ -	
17	7168	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	Lower Makefield	533,294	$ 52,008	533,294	$ 52,008	533,294	$ 64,904
2				$ 52,008		$ 52,008		$ 64,904

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - GAS

LINE NO.	UTILITY	LOCATION	HISTORIC THERMS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE THERMS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE THERMS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	Lower Makefield	202	$ 601	132	$ 411	132	$ 411
2				$ 601		$ 411		$ 411

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The company is not making a claim for chemical expenses for Lower Makefield in this case.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Chemical Expense Claim	$ -	$ -	$ -	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	-			
4	Less: Present Rates 12/31/2023		-		
5	Less: Present Rates 12/31/2024			-	
6	Increase/(Decrease)	$ -	$ -	$ -	
7	Pro Forma Adjustment:				
8	7183	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WASTEWATER TREATMENT EXPENSE

The Company's claim for purchased wastewater treatment expense normalizes the cost of services provided by wastewater treatment providers for the Company's Lower Makefield service area.The service providers are Bucks Countyy Water and Sewer Authority, Morrisville Municipal Authority, the Township of Falls Authority, and Yardley Borough.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Wastewater Expense	$ 4,394,824	$ 5,604,104	$ 6,154,656	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	4,029,647			
4	Less: Present Rates 12/31/2023		4,394,824		
5	Less: Present Rates 12/31/2024			$ 5,604,104	
6	Increase/(Decrease)	$ 365,177	$ 1,209,280	$ 550,552	
7	Pro Forma Adjustment:				
8	7105	$ 365,177	$ 1,209,280	$ 550,552	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE BENEFITS

Aqua Pennsylvania Water Operations charges a portion of employee benefits and other related overheads to Aqua Pennsylvania Wastewater through an intracompany transaction which is calculated based on approximately 60% of wastewater payroll expense.
Refer to Exhibit 1-A Water, Schedule C-8.5 for the corresponding entry.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Wastewater Intracompany Benefits	$ 153,124	$ 94,059	$ 96,559	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	66,336			
4	Less: Present Rates 12/31/2023		153,124		
5	Less: Present Rates 12/31/2024			94,059	
6	Increase/(Decrease)	$ 86,788	$ (59,065)	$ 2,500	
7	Pro Forma Adjustment:				
8	7048	$ 86,788	$ (59,065)	$ 2,500	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 2,252,085	$ 2,202,988	$ 2,190,539
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	914,836		
4	Less: Present Rates 12/31/2023		2,252,085	
5	Less: Present Rates 12/31/2024			2,202,988
6	Increase/(Decrease)	$ 1,337,249	$ (49,097)	$ (12,449)
7	Pro Forma Adjustment:			
8		$ 1,337,249	$ (49,097)	$ (12,449)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 16,873						
2	Present Rates at 12/31/23				$ 90,870				
3	Present Rates at 12/31/24						$ 90,870		
4	Present Rates at 12/31/25								$ 90,870
5	General Assessment Fees By The Pennsylvania Public Utility Commission	50,228		-		-		15,253	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	23,769		-		-		7,218	
7	Public Utility Realty Tax	-		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Pro Forma Adjustment		$ 73,997		$ -		$ -		$ 22,470
10	Pro Forma Present Rates at December 31, 2023		$ 90,870						
11	Pro Forma Present Rates at December 31, 2024				$ 90,870				
12	Pro Forma Present Rates at December 31, 2025						$ 90,870		
13	Pro Forma Proposed Rates at December 31, 2025								$ 22,470

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 11,613,830	$ 11,613,830	$ 11,613,830	$ 15,140,538
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	50,228	50,228	50,228	65,481
4	Total General Assessment Fees		$ 50,228	$ 50,228	$ 50,228	$ 65,481
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		-			
7	Less: Present Rates 12/31/2023			50,228		
8	Less: Present Rates 12/31/2024				50,228	
9	Less: Present Rates 12/31/2025					50,228
10	Increase/(Decrease)		$ 50,228	$ -	$ -	$ 15,253
11	Pro Forma Adjustment:					
12	4081		$ 50,228	$ -	$ -	$ 15,253

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 11,613,830	$ 11,613,830	$ 11,613,830	$ 15,140,538
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	20,236	20,236	20,236	26,381
4	Small Business Advocate Fee At	0.000303478942	3,525	3,525	3,525	4,595
5	Damage Prevention Fee At	0.000000719937	8	8	8	11
6	Total General Assessment Fees		$ 23,769	$ 23,769	$ 23,769	$ 30,986
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			23,769		
10	Less: Present Rates 12/31/2024				23,769	
11	Less: Present Rates 12/31/2025					23,769
12	Increase/(Decrease)		$ 23,769	$ -	$ -	$ 7,218
13	Pro Forma Adjustment:					
14	4081		$ 23,769	$ -	$ -	$ 7,218

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made move payroll taxes per books to Intracompany Benefits, Schedule C-8.1, for ratemaking purposes.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI				
2	FICA Medicare				
3	FICA Total		-	-	-
4	FUTA				
5	SUTA				
6	Annualized Payroll Taxes		-	-	-
7	Capitalized portion not charged to operating expense	31.67%	-	-	-
8	Sub-Total		-	-	-
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		16,873		
11	Less: Present Rates 12/31/2023			-	
12	Less: Present Rates 12/31/2024				-
13	Increase/(Decrease)		$ 16,873	$ -	$ -
14	Pro Forma Adjustment:				
15	40812		$ 16,873	$ -	$ -

Docket No. R-2024-3047824
Exhibit 1-D

Schedule E-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

			PRESENT RATES 12/31/23		PRESENT RATES 12/31/24		PRESENT RATES 12/31/25
6							
7	Calculation of Interest:						
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$ 52,961,998	Schedule G-1 Col 4, Row 15	$ 51,353,282	Schedule G-1 Col 5, Row 15	$ 50,447,179
9	Applicable Percentage		48.52%		45.31%		46.05%
10	Applicable Portion of Rate Base		$ 25,694,714		$ 23,266,107		$ 23,232,826
11	Cost Rate		4.26%		4.24%		4.32%
12	Pro-Forma Long-term Interest Expense		$ 1,094,595		$ 986,483		$ 1,003,658
13	Less: Interest on Long Term Debt Per Books 12/31/23		-				
14	Less: Interest on Long Term Debt Present Rates at 12/31/23				1,094,595		
15	Less: Interest on Long Term Debt Present Rates at 12/31/24						986,483
16	Long Term Debt Pro Forma Adjustment		$ 1,094,595		$ (108,112)		$ 17,175

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ -	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (21,534)	$ -	$ -
2	Eliminate Interest During Construction	21,534	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 21,534	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT	PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ 442,606	$ 271,977	$ 155,925	$ 825,857
2	Less: Per Book	Schedule A-1	-			
3	Less: Present Rates at 12/31/23			442,606		
4	Less: Present Rates at 12/31/24				271,977	
5	Less: Present Rates at 12/31/25					155,925
6	Pro Forma Adjustment		$ 442,606	$ (170,630)	$ (116,052)	$ 669,932
7	State Income Tax - Current	Schedule F-2	$ 208,194	$ 120,158	$ 64,478	$ 341,505
8	Less: Per Book	Schedule A-1	-			
9	Less: Present Rates at 12/31/23			208,194		
10	Less: Present Rates at 12/31/24				120,158	
11	Less: Present Rates at 12/31/25					64,478
12	Pro Forma Adjustment		$ 208,194	$ (88,037)	$ (55,680)	$ 277,028
13	Federal Income Tax - Deferred	Schedule F-2	$ (24,991)	$ (28,433)	$ (33,713)	$ (33,713)
14	Less: Per Book	Schedule A-1	-			
15	Less: Present Rates at 12/31/23			(24,991)		
16	Less: Present Rates at 12/31/24				(28,433)	
17	Less: Present Rates at 12/31/25					(33,713)
18	Pro Forma Adjustment		$ (24,991)	$ (3,442)	$ (5,280)	$ -
19	State Income Tax - Deferred	Schedule F-2	$ -	$ -	$ -	$ -
20	Less: Per Book	Schedule A-1	-			
21	Less: Present Rates at 12/31/23			-		
22	Less: Present Rates at 12/31/24				-	
23	Less: Present Rates at 12/31/25					-
24	Pro Forma Adjustment		$ -	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ 3,291,434	$ 3,291,434	$ 2,266,375	$ 2,266,375	$ 1,650,100	$ 1,650,100	$ 5,117,279	$ 5,117,279
2	Interest Expense	Schedule A-1	(1,094,595)	(1,094,595)	(986,483)	(986,483)	(1,003,658)	(1,003,658)	(1,003,658)	(1,003,658)
3	State Income Tax	[12]	(208,194)		(120,158)		(64,478)		(341,505)	
4	Tax Repair Deduction		-	-	-	-	-	-	-	-
5	Book Depreciation	Schedule A-1	2,252,085	2,252,085	2,202,988	2,202,988	2,190,539	2,190,539	2,190,539	2,190,539
6	Tax Depreciation		(2,133,080)	(2,133,080)	(2,067,594)	(2,067,594)	(2,030,001)	(2,030,001)	(2,030,001)	(2,030,001)
7	COR & Other Basis Differences, net of book		-	-	-	-	-	-	-	-
8	Taxable Income	Sum of Lines [1] : [7]	$ 2,107,650	$ 2,315,844	$ 1,295,128	$ 1,415,286	$ 742,502	$ 806,980	$ 3,932,654	$ 4,274,159
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	442,606	208,194	271,977	120,158	155,925	64,478	825,857	341,505
11	Other - NOL		-	-	-	-	-	-	-	-
12	Total - Current Income Tax	[10] + [11]	$ 442,606	$ 208,194	$ 271,977	$ 120,158	$ 155,925	$ 64,478	$ 825,857	$ 341,505
13	Normalized Book Depreciation		(2,252,085)	-	(2,202,988)	-	(2,190,539)	-	(2,190,539)	-
14	Normalized Tax Depreciation		2,133,080	-	2,067,594	-	2,030,001	-	2,030,001	-
15	Normalized Basis Differences		-	-	-	-	-	-	-	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	(24,991)	-	(28,433)	-	(33,713)	-	(33,713)	-
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	-	-	-	-	-
19	Flowback of Catch Up Adjustment		-	-	-	-	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		-	-	-	-	-	-	-	-
21	Flowback of TCJA 2017 - 10 Years		-	-	-	-	-	-	-	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	-	-	-	-
23	Flowback of Tax Repairs Collar		-	-	-	-	-	-	-	-
24	Total Flow Through	Sum of Lines [19] : [23]	-	-	-	-	-	-	-	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ (24,991)	$ -	$ (28,433)	$ -	$ (33,713)	$ -	$ (33,713)	$ -
26	Amortization of Income Tax Credit		-		-		-		-	
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ 417,615	$ 208,194	$ 243,544	$ 120,158	$ 122,212	$ 64,478	$ 792,144	$ 341,505

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 54,568,266	$ 55,169,646	$ 56,469,936
2	Utility Plant Acquisition Adjustment	Schedule G-3	-	-	-
3			54,568,266	55,169,646	56,469,936
4	Less: Accumulated Depreciation	Schedule G-2	(1,185,150)	(3,424,745)	(5,665,883)
5	Net Plant in Service		53,383,116	51,744,901	50,804,053
6	Additions:				
7	Materials & Supplies	Schedule G-4	-	-	-
8	Cash Working Capital	Schedule G-5	(365,000)	(365,000)	(365,000)
9			(365,000)	(365,000)	(365,000)
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	(56,118)	(55,052)	(54,019)
12	Deferred Income Taxes	Schedule G-7	-	28,433	62,146
13	Investment Tax Credit		-	-	-
14			(56,118)	(26,619)	8,126
15	Total Rate Base		$ 52,961,998	$ 51,353,282	$ 50,447,179

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 54,568,266	$ 54,568,266	$ 55,169,646
2	Plus: Additions		635,753	1,334,714
3	Less: Retirements		(34,373)	(34,424)
4	Utility Plant in Service	$ 54,568,266	$ 55,169,646	$ 56,469,936
5	Accumulated Depreciation	(1,185,150)	(3,424,745)	(5,665,883)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

LINE NO.	MONTH	YEAR	BALANCE
1	December	2022	$ -
2	January	2023	-
3	February	2023	-
4	March	2023	-
5	April	2023	-
6	May	2023	-
7	June	2023	-
8	July	2023	-
9	August	2023	-
10	September	2023	-
11	October	2023	-
12	November	2023	-
13	December	2023	-
14	Total		$ -
15	13 Month Average		$ -
16	Allowance for Materials & Supplies		
17	At 12/31/2024 and 12/31/2025		$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ (248,000)	$ (248,000)	$ (248,000)
2	Cash Working Capital - Taxes	Schedule G-5.3	44,000	44,000	44,000
3	Cash Working Capital - Interest	Schedule G-5.4	(161,000)	(161,000)	(161,000)
4	Total Cash Working Capital Requirement		$ (365,000)	$ (365,000)	$ (365,000)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR	BALANCE
	(1)	(2)	(3)
1	December	2022	$ 532,241
2	January	2023	504,968
3	February	2023	398,494
4	March	2023	431,567
5	April	2023	459,800
6	May	2023	396,920
7	June	2023	527,916
8	July	2023	481,674
9	August	2023	436,388
10	September	2023	631,454
11	October	2023	509,073
12	November	2023	473,408
13	December	2023	475,768
14	Total		$ 6,259,671
15	Average Accounts Receivable Balance		$ 481,513
16	Gross Utility Wastewater Revenues recorded		
17	During the Twelve Months Ended 12/31/2023		$ 11,809,110
16	Average Daily Billing		$ 32,354
18	Lag in Receipt of Payment		14.9
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		32.1

Reference:
(a) One-half of monthly billing period.

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 160,932	5.5	(a)	$ 885,128
2	Non-Union Labor	0	9.0	(a)	0
3	Management Fee	699,392	15.7	(a)	10,980,455
4	Electric Power	65,314	43.3	(a)	2,828,108
5	Purchased Wastewater	6,154,656	49.8	(a)	306,501,868
6	Employee Group Insurance	96,559	16.3	(a)	1,573,919
7	Liability Insurance	8,632	(46.4)	(a)	(400,533)
8	SFI Postage	36,656	(5.4)	(a)	(197,941)
9	Pension	0	440.0	(a)	0
10	SFAS106	0	45.1	(a)	0
11	All Other Expenses (b)	308,992	31.3	(a)	9,671,444
12	Total	$ 7,531,134			$ 331,842,447
13	Average Lag Days in Payment of Expenses		44.1	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		32.1	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		(12.0)	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 20,633	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ (247,599)	[16] * [18]	
20	USE		$ (248,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

Docket No. R-2024-3047824
Exhibit 1-D

Schedule G-5.3
Witness: Harold C. Walker

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 50,228	(198.5)	(a)	$ (9,970,294)
2	OCA & SBA - General Assessments	23,769	(198.5)	(a)	(4,718,093)
3	Public Utility Realty Tax	-	(48.3)	(a)	-
4	Local, County, School, & Municipal Tax	-	(92.9)	(a)	-
5	FICA Taxes - Hourly	-	5.5	(a)	-
6	FICA Taxes - Executive & Exempt	-	9.0	(a)	-
7	Federal Unemployment Tax	-	75.9	(a)	-
8	PA Unemployment Tax	-	75.9	(a)	-
9	PA State Income Tax	64,478	36.5	(a)	2,353,435
10	Federal Income Tax	155,925	36.5	(a)	5,691,277
11	Total	$ 294,400			$ (6,643,675)
12	Average Lag Days in Payment of Taxes		(22.6)	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		32.1	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		54.7	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ 807	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ 44,120	[15] * [17]	
19	USE		$ 44,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 1,003,658	90.8	(a)	$ 91,081,972
2	PennVest-Interest	-	14.7	(a)	-
3	Total	$ 1,003,658			$ 91,081,972
4	Average Lag Days in Payment of Interest		90.8	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		32.1	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(58.7)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 2,750		
10	Cash Working Capital Required		$ (161,410)		
11	USE		$ (161,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ 56,118	$ 56,118	$ 55,052
2	Plus: Contributions		-	-
3	Less: Amortization		(1,066)	(1,032)
4	Customer Advances and Contributions In Aid Of Construction	$ (56,118)	$ (55,052)	$ (54,019)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ -	$ -	$ (28,433)
2	Change in Deferred Tax	Schedule F-2		(28,433)	(33,713)
3	Deferred Income Taxes		$ -	$ 28,433	$ 62,146

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

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AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

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Docket No. R-2024-3047824
Exhibit 1-E

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	$ 3,516,854	$ 8,228	$ 3,525,082	$ -	$ 3,525,082	$ -	$ 3,525,082	$ 6,992,719	$ 10,517,800
2	Operating Expenses	1,858,500	344,744	2,203,244	6,354	2,209,598	178,722	2,388,320	73,480	2,461,799
3	Depreciation	943,369	820,186	1,763,555	140,310	1,903,865	(13,702)	1,890,163		1,890,163
4	Taxes, other than income :									
5	PUC assessment	-	15,245	15,245	-	15,245	-	15,245	30,243	45,488
6	OCA & SBA assessments	-	7,214	7,214	-	7,214	-	7,214	14,311	21,526
7	Public Utility Realty tax	-	-	-	-	-	-	-	-	-
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	-	-	-	-	-	-	-	-	-
10	Federal & State payroll tax	14,661	-	14,661	-	14,661	-	14,661	-	14,661
11	Total Taxes, other than income	14,661	22,460	37,121	-	37,121	-	37,121	44,554	81,675
12	Utility Operating Income Before Tax	700,324	(1,179,162)	(478,838)	(146,664)	(625,502)	(165,020)	(790,522)	6,874,685	6,084,163
13	Income Taxes:									
14	Federal Tax-Current	-	(401,378)	(401,378)	(52,117)	(453,495)	(37,485)	(490,981)	1,328,334	837,353
15	Pa. CNI Tax-Current	-	(188,801)	(188,801)	(11,550)	(200,352)	(2,677)	(203,028)	549,287	346,259
16	Federal Tax-Deferred	-	98,400	98,400	18,334	116,734	(2,357)	114,377	-	114,377
17	Pa. CNI Tax-Deferred	-	-	-	-	-	-	-	-	-
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	-		-		-		-		-
20	Total Income Taxes	-	(491,779)	(491,779)	(45,334)	(537,113)	(42,519)	(579,632)	1,877,621	1,297,989
21	Total Operating Revenue Deductions	2,816,530	695,610	3,512,140	101,331	3,613,471	122,501	3,735,972	1,995,654	5,731,626
22	Utility Operating Income	700,324	(687,383)	12,941	(101,331)	(88,389)	(122,501)	(210,890)	4,997,064	4,786,174
23	Income Deductions:									
24	Interest on Long-Term debt	-	1,152,716	1,152,716	25,759	1,178,475	27,380	1,205,856		1,205,856
25	Amort. Of debt discount & expense	-	-	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(56,179)	56,179	-	-	-	-	-		-
28	Total Income Deductions	(56,179)	1,208,895	1,152,716	25,759	1,178,475	27,380	1,205,856	-	1,205,856
29	Net Income	$ 756,503	$ (1,896,277)	$ (1,139,775)	$ (127,090)	$ (1,266,864)	$ (149,881)	$ (1,416,746)	$ 4,997,064	$ 3,580,318
30	Preferred Dividend									
31	Net Income-Common	$ 756,503	$ (1,896,277)	$ (1,139,775)	$ (127,090)	$ (1,266,864)	$ (149,881)	$ (1,416,746)	$ 4,997,064	$ 3,580,318

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Residential	3,349	3,353	3,353	3,353	3,353	-	-
2	Commercial	600	600	600	600	600	-	-
3	Industrial	68	68	68	68	68	-	-
4	Public	3	3	3	3	3	-	-
5	Miscellaneous	-	-	-	-	-	-	-
6	Availability Charge	-	-	-	-	-	-	-
7	Total Customers	4,020	4,024	4,024	4,024	4,024	-	-

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
1	Pro Forma Rate Base	Schedule G-1		$	60,610,296
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	4,786,174
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	(210,890)
5	Operating Income Deficit		=	$	4,997,064
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3994
7	Revenue Deficit		=	$	6,992,719

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ 12,941	$ 55,774,192	0.02%
2	Present Rates December 31, 2024	$ (88,389)	$ 61,347,808	-0.14%
3	Present Rates December 31, 2025	$ (210,890)	$ 60,610,296	-0.35%
4	Proposed Rates December 31, 2025	$ 4,786,174	$ 60,610,296	7.90%

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**1.051%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9831
7	State Tax Rate	**7.990%**		
8	State Tax $$ ============>		$	0.0786
9	State Factor		$	0.9046
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ============>		$	0.1900
12	Combined Income Tax Factor on Gross Revenues			26.85%
13	Net Operating Income Factor			**71.46%**
14	Gross Revenue Conversion Factor			**1.39937**

Docket No. R-2024-3047824
Exhibit 1-E

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Residential	$ 1,439,064	$ 3,774	$ 1,442,838	$ -	$ 1,442,838	$ -	$ 1,442,838	197.2%	$ 2,844,774	$ 4,287,612
2	Commercial	1,702,220	3,831	1,706,051	-	1,706,051	-	1,706,051	194.7%	3,322,068	5,028,119
3	Industrial	366,475	(224)	366,251	-	366,251	-	366,251	220.5%	807,420	1,173,671
4	Public	1,862	846	2,708	-	2,708	-	2,708	681.5%	18,457	21,166
5	Other	-	-	-	-	-	-	-	0.0%		-
6	Availability Charge	-	-	-	-	-	-	-	0.0%		-
7	Total Sales to General Customers	3,509,621	8,228	3,517,849	-	3,517,849	-	3,517,849	198.8%	6,992,719	10,510,567
8	Forfeited Discounts	6,953	-	6,953	-	6,953	-	6,953	0.0%		6,953
9	Other WW Revenues	280	-	280	-	280	-	280	0.0%		280
10	Miscellaneous WW Service Revenues	-	-	-	-	-	-	-	0.0%		-
11	Total Other WW Revenues	7,233	-	7,233	-	7,233	-	7,233	0.0%	-	7,233
12	Total Operating Revenue	$ 3,516,854	$ 8,228	$ 3,525,082	$ -	$ 3,525,082	$ -	$ 3,525,082	198.4%	$ 6,992,719	$ 10,517,800

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 3,516,854				
2	Present Rates at 12/31/23					$ 3,525,082		
3	Present Rates at 12/31/24							$ 3,525,082
4	Unbilled Revenue Adjustment	Schedule B-3	(3,351)		-		-	
5	Page Held For Future Use	Schedule B-4	-		-		-	
6	Page Held For Future Use	Schedule B-5	-		-		-	
7	Page Held For Future Use	Schedule B-6	-		-		-	
8	Miscellaneous Revenue Adjustments	Schedule B-7	11,579		-		-	
9	Pro Forma Adjustment			8,228		-		-
10	Pro Forma Present Rates at December 31, 2023			$ 3,525,082				
11	Pro Forma Present Rates at December 31, 2024					$ 3,525,082		
12	Pro Forma Present Rates at December 31, 2025							$ 3,525,082

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOK 12/31/2023 AMOUNT
1	Residential	$ 5,712
2	Commercial	(2,574)
3	Industrial	258
4	Public	(44)
5	Other	
6	Availability Charge	
7	Total Sales to General Customers	3,351
8	Forfeited Discounts	
9	Other WW Revenues	
10	Miscellaneous WW Service Revenues	
11	Total Other WW Revenues	-
12	Total Operating Revenue	$ 3,351

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT
1	Residential	(a)	$ 9,486	
2	Commercial	(a)	1,257	
3	Industrial	(a)	34	
4	Public	(a)	802	
5	Other			
6	Availability Charge			
7	Total Sales to General Customers		11,579	-
8	Forfeited Discounts			
9	Other WW Revenues			
10	Miscellaneous WW Service Revenues			
11	Total Other WW Revenues		-	-
12	Total Operating Revenue		$ 11,579	$ -

(a) Adjustment for change of flat rate to metered customers.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		--Collection--				
2		-Operations-				
3	7011	Labor	62,511	62,511	46,570	47,815
4	7041	Employee Benefits	18,640	46,369	13,520	16,484
5	7151	Purchased Power	52,982	51,708	51,708	64,081
6	7201	Supplies	69	69	70	72
7	7361	OS Other	1,694	1,694	1,735	1,775
8	7501	Transportation	4,085	4,085	4,184	4,280
9	7751	Other	8,549	8,549	8,757	8,958
10		-Maintenance-				
11	7012	Labor	304	304	227	233
12	7042	Employee Benefits	66	163	167	171
13	7202	Supplies	66	66	67	69
14	7362	OS Other	18,252	18,252	18,695	19,125
15	7502	Transportation	19	19	19	20
16						
17		Total Collection Expense	$ 167,236	$ 193,788	$ 145,719	$ 163,081
18						
19		--Pumping--				
20		-Operations-				
21	7013	Labor	247	247	184	189
22	7043	Employee Benefits	13	31	32	33
23	7163	Purchased Power	2,062	2,012	2,012	2,493
24	7203	Supplies	669	669	685	701
25	7363	OS Other	270,001	270,001	276,548	282,909
26	7503	Transportation	5	5	5	5

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
27	7753	Other	209	209	214	219
28		-Maintenance-				
29	7204	Supplies	1,359	1,359	1,392	1,424
30	7364	OS Other	17,239	17,239	17,657	18,063
31	7754	Other	7	7	7	8
32						
33		Total Pumping Expense	$ 291,810	$ 291,779	$ 298,737	$ 306,044
34						
35		--Treatment & Disposal--				
36		-Operations-				
37	7015	Labor	65,839	65,839	49,049	50,360
38	7045	Employee Benefits	17,742	44,134	45,204	46,244
39	7105	Purchased Wastewater	1,123,416	1,123,309	1,239,464	1,369,146
40	7205	Supplies	186	186	191	195
41	7365	OS Other	7,542	7,542	7,725	7,902
42	7505	Transportation	3,201	3,201	3,278	3,354
43		-Maintenance-				
44						
45		Total Treatment & Disposal Expense	$ 1,217,926	$ 1,244,210	$ 1,344,911	$ 1,477,201
46						
47		--Reclaimed Water Treatment--				
48		-Operations-				
49						
50						
51		--Customer Accounting--				
52	7047	Employee Benefits	-	-	(33,973)	(32,102)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
53	7707	Bad Debt	11,995	36,966	36,966	36,966
54						
55		Total Customer Accounting Expense	$ 11,995	$ 36,966	$ 2,993	$ 4,864
56						
57		--Administrative and General--				
58	7018	Labor	93,132	93,132	69,382	71,237
59	7048	Employee Benefits	17,094	42,523	40,323	38,968
60	7318	OS Engineer	33,750	33,750	34,568	35,363
61	7328	OS Accounting	-	5,432	5,341	5,383
62	7349	Management Fees	-	231,621	238,688	245,902
63	7368	OS Other	1,613	1,613	1,653	1,691
64	7508	Transportation	5,121	5,121	5,246	5,366
65	7578	Insurance	-	3,522	2,058	2,290
66	7588	Insurance	-	256	208	217
67	7598	Insurance	-	708	493	529
68	7758	Other	18,822	18,822	19,278	19,722
69	7668	Amortization of Rate Case	-	-	-	10,463
70						
71		Total Admin & General Expense	$ 169,533	$ 436,501	$ 417,239	$ 437,130
72						
73		Total Operating Expenses	$ 1,858,500	$ 2,203,244	$ 2,209,598	$ 2,388,320

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 222,033	$ -	$ 222,033	$ (56,621)	$ 165,412	$ 4,421	$ 169,833
2	Employee Benefits	53,555	79,665	133,220	(67,945)	65,274	4,524	69,798
3	Purchased Water	-	-	-	-	-	-	-
4	Purchased Wastewater	1,123,416	(108)	1,123,309	116,155	1,239,464	129,682	1,369,146
5	Sludge	-	-	-	-	-	-	-
6	Purchased Power	55,044	(1,324)	53,720	-	53,720	12,855	66,574
7	Chemicals	-	-	-	-	-	-	-
8	Supplies	2,348	-	2,348	57	2,405	55	2,461
9	OS Engineer	33,750	-	33,750	818	34,568	795	35,363
10	OS Accounting	-	5,432	5,432	(91)	5,341	42	5,383
11	OS Legal	-	-	-	-	-	-	-
12	OS Lab Testing	-	-	-	-	-	-	-
13	OS Other	316,341	-	316,341	7,671	324,012	7,452	331,464
14	Management Fees	-	231,621	231,621	7,067	238,688	7,214	245,902
15	Leases	-	-	-	-	-	-	-
16	Transportation	12,431	-	12,431	301	12,732	293	13,025
17	Insurance	-	4,487	4,487	(1,728)	2,759	276	3,035
18	Other	27,587	-	27,587	669	28,256	650	28,906
19	Bad Debt	11,995	24,971	36,966	-	36,966	-	36,966
20	Amortization of Rate Case	-	-	-	-	-	10,463	10,463
21	Amortization of UPAA	-	-	-	-	-	-	-
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	-	-
24	Total Operating Expenses	$ 1,858,500		$ 2,203,244		$ 2,209,598		$ 2,388,320
25	Pro Forma Adjustments		$ 344,744		$ 6,354		$ 178,722	
26	Uncollectibles @ Proposed Rates							$ 73,480
27	Proposed Rates @ 12/31/25							$ 2,461,799

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 1,858,500				
2	Present Rates at 12/31/23					$ 2,203,244		
3	Present Rates at 12/31/24							$ 2,209,598
4	General Price Level Adjustment	Schedule C-4.1	-		10,870		9,779	
5	Uncollectible Accounts	Schedule C-4.2	24,971		-		-	
6	Page Held For Future Use	Schedule C-4.3	-		-		-	
7	Rate Case Expense	Schedule C-4.4	-		-		10,463	
8	Payroll	Schedule C-4.5	-		(56,621)		4,421	
9	Insurance Expense	Schedule C-4.6	4,487		(1,728)		276	
10	Management Service & Sundry	Schedule C-4.7	231,621		5,714		5,900	
11	Page Held For Future Use	Schedule C-4.8	-		-		-	
12	Miscellaneous Expense Adjustments	Schedule C-4.9	-		-		-	
13	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
14	Audit Fee Expense	Schedule C-4.11	5,432		(91)		42	
15	Page Held For Future Use	Schedule C-5.1	-		-		-	
16	Purchased Power Expense	Schedule C-6.1	(1,324)		-		12,855	
17	Chemicals	Schedule C-6.2	-		-		-	
18	Purchased Wastewater Treatment Expense	Schedule C-7.1	(108)		116,155		129,682	
19	Employee Benefits	Schedule C-8.1	79,665		(67,945)		5,305	
20	Pro Forma Adjustments			$ 344,744		$ 6,354		$ 178,722
21	Pro Forma Present Rates at December 31, 2023			$ 2,203,244				
22	Pro Forma Present Rates at December 31, 2024					$ 2,209,598		
23	Pro Forma Present Rates at December 31, 2025							$ 2,388,320

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 2,203,244	
3	Present Rates 12/31/2024		$ 2,209,598
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	222,033	165,412
6	Employee Benefits	133,220	99,247
7	Purchased Wastewater	1,123,309	1,239,464
8	Sludge	-	-
9	Purchased Power	53,720	53,720
10	Chemicals	-	-
11	Supplies	-	-
12	OS Engineer	-	-
13	OS Accounting	5,432	5,341
14	OS Legal	-	-
15	OS Lab Testing	-	-
16	OS Other	-	-
17	Management Fees	175,819	181,533
18	Leases	-	-
19	Transportation	-	-
20	Insurance	4,487	2,759
21	Other	-	-
22	Bad Debt	36,966	36,966
23	Amortization of Rate Case	-	-
24	Amortization of UPAA	-	-
25	Amortization of Tank Painting	-	-
26	Amortization Other	-	-
27	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 1,754,985	$ 1,784,441
28	Total Operating Expenses Subject to Effects of Inflation	$ 448,259	$ 425,157
29	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
30	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 10,870	$ 9,779

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)		
1	First Quarter	2024	2.500% (a)
2	Second Quarter	2024	2.500% (a)
3	Third Quarter	2024	2.400% (a)
4	Fourth Quarter	2024	2.300% (a)
5	Annual Average for the Period Ending 12/31/2024		2.425%
6	First Quarter	2025	2.300% (b)
7	Second Quarter	2025	2.300% (b)
8	Third Quarter	2025	2.300% (b)
9	Fourth Quarter	2025	2.300% (b)
10	Annual Average for the Period Ending 12/31/2025		2.300%

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 1.05080% with regard to sales to general customers.

LINE NO.	DESCRIPTION	PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue	$ 3,509,621	$ 3,517,849	$ 3,517,849	$ 3,517,849	
2	Annualized Uncollectible Account based on Experience Factor @ 1.05080%		36,966	36,966	36,966	‡
3	Less: Amount Charged to Operating Expense					
4	During the Twelve Months Ended 12/31/2023		11,995			
5	Less: Present Rates 12/31/2023			36,966		
6	Less: Present Rates 12/31/2024				36,966	
7	Increase/(Decrease)		$ 24,971	$ -	$ -	
8	Pro Forma Adjustment:					
9	7707		$ 24,971	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of wastewater customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Wastewater - Current Exhibit	0.80%	$	20,927	$ 10,463
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	-	$ 10,463 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			-	
19	Less: Present Rates 12/31/2024				-
20	Increase/(Decrease)		$	-	$ 10,463
21	Pro Forma Adjustment:				
22	7668				$ 10,463

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ -	$ -	
3	Capital Payroll		-	-	
4	Non-Operating Payroll		-	-	
5	Expense Payroll	-	-	-	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ -	$ -	
7	**Union Payroll**				
8	Gross Payroll		$ 246,332	$ 252,916	
9	Capital Payroll		78,013	80,098	
10	Non-Operating Payroll		2,907	2,984	
11	Expense Payroll	222,033	165,412	169,833	‡
12	Union Expense Payroll Increase/(Decrease)		$ (56,621)	$ 4,421	
13	Total Expense Payroll Increase/(Decrease)		$ (56,621)	$ 4,421	
14	Pro Forma Adjustment:				
15	7011		$ (15,941)	$ 1,245	
16	7012		$ (78)	$ 6	
17	7013		$ (63)	$ 5	
18	7015		$ (16,790)	$ 1,311	
19	7018		$ (23,750)	$ 1,854	
20	7038		$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		$ 5,155	$ 3,422	$ 3,764	
2	Workers Compensation		375	114	126	
3	Other (Exec Risk, Property, Surety Bond)		1,036	502	552	
4			6,566	4,038	4,442	
5	Capitalized portion not charged to operating expense	31.67%	(2,080)	(1,279)	(1,407)	
6	Subtotal Insurance		$ 4,487	$ 2,759	$ 3,035	‡
7	Less: Amount Charged to Operating Expense					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			4,487		
10	Less: Present Rates 12/31/2024				2,759	
11	Increase/(Decrease)		$ 4,487	$ (1,728)	$ 276	
12	Pro Forma Adjustment:					
13	7578		$ 3,522	$ (1,464)	$ 234	
14	7588		$ 256	$ (49)	$ 8	
15	7598		$ 708	$ (215)	$ 34	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania Wastewater during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 175,819	$ 175,819	$ 181,533	‡
2	Payroll & Benefit Increase		5,714	5,900	‡
3	Management Fees All Other	55,802	55,802	55,802	
4	Total Expense Claim	$ 231,621	$ 237,335	$ 243,235	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	-			
7	Less: Present Rates 12/31/2023		231,621		
8	Less: Present Rates 12/31/2024			237,335	
9	Increase/(Decrease)	$ 231,621	$ 5,714	$ 5,900	
10	Pro Forma Adjustment:				
11	7349	$ 231,621	$ 5,714	$ 5,900	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1				
2				
3				
4				
5				
6				
7	Increase/(Decrease)	$ -	$ -	$ -
8	Pro Forma Adjustment:			
9				
10				
11				
12				

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	$ -	$ -	$ -	‡
2	Total Specific Expenses Not Subject to Increase	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 7,950	$ 7,817	$ 7,877	
			7,950	7,817	7,877	
2	Capitalized portion not charged to operating expense	31.67%	(2,518)	(2,476)	(2,495)	
3	Subtotal Audit Fees		$ 5,432	$ 5,341	$ 5,383	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		-			
6	Less: Present Rates 12/31/2023			5,432		
7	Less: Present Rates 12/31/2024				5,341	
8	Increase/(Decrease)		$ 5,432	$ (91)	$ 42	
9	Pro Forma Adjustment:					
10	7328		$ 5,432	$ (91)	$ 42	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 53,720	$ 53,720	$ 66,574	
2	Claimed Purchased Power Expense - Gas	-	-	-	
3		$ 53,720	$ 53,720	$ 66,574	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	55,044			
6	Less: Present Rates 12/31/2023		53,720		
7	Less: Present Rates 12/31/2024			53,720	
8	Increase/(Decrease)	$ (1,324)	$ -	$ 12,855	
9	Pro Forma Adjustment:				
10	7151	$ (1,274)	$ -	$ 12,373	
11	7153	$ -	$ -	$ -	
12	7155	$ -	$ -	$ -	
13	7158	$ -	$ -	$ -	
14	7161	$ -	$ -	$ -	
15	7163	$ (50)	$ -	$ 481	
16	7165	$ -	$ -	$ -	
17	7168	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	East Whiteland	524,300	$ 53,720	524,300	$ 53,720	524,300	$ 66,574
2				$ 53,720		$ 53,720		$ 66,574

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - GAS

LINE NO.	UTILITY	LOCATION	HISTORIC THERMS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE THERMS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE THERMS	PRESENT RATES 12/31/2025 AMOUNT
1				$ -		$ -		$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The company is not making a claim for chemical expenses for East Whiteland in this case.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Chemical Expense Claim	$ -	$ -	$ -	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	-			
4	Less: Present Rates 12/31/2023		-		
5	Less: Present Rates 12/31/2024			-	
6	Increase/(Decrease)	$ -	$ -	$ -	
7	Pro Forma Adjustment:				
8	7183	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WASTEWATER TREATMENT EXPENSE

The Company's claim for purchased wastewater treatment expense normalizes the cost of services provided by wastewater treatment providers for the Company's East Whiteland service area.
The service providers are Valley Forge Sewer Authority, East Goshen, and Tredyffrin Township.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Wastewater Expense	$ 1,123,309	$ 1,239,464	$ 1,369,146	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	1,123,416			
4	Less: Present Rates 12/31/2023		1,123,309		
5	Less: Present Rates 12/31/2024			$ 1,239,464	
6	Increase/(Decrease)	$ (108)	$ 116,155	$ 129,682	
7	Pro Forma Adjustment:				
8	7105	$ (108)	$ 116,155	$ 129,682	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE BENEFITS

Aqua Pennsylvania Water Operations charges a portion of employee benefits and other related overheads to Aqua Pennsylvania Wastewater through an intracompany transaction which is calculated based on approximately 60% of wastewater payroll expense.
Refer to Exhibit 1-A Water, Schedule C-8.5 for the corresponding entry.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Wastewater Intracompany Benefits	$ 133,220	$ 99,247	$ 101,900	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	53,555			
4	Less: Present Rates 12/31/2023		133,220		
5	Less: Present Rates 12/31/2024			99,247	
6	Increase/(Decrease)	$ 79,665	$ (33,973)	$ 2,653	
7	Pro Forma Adjustment:				
8	7041	$ 27,728	$ (33,973)	$ 2,653	
9	7042	$ 98	$ -	$ -	
10	7043	$ 19	$ -	$ -	
11	7044	$ -	$ -	$ -	
12	7045	$ 26,392	$ -	$ -	
13	7046	$ -	$ -	$ -	
14	7047	$ -	$ (33,973)	$ 2,653	
15	7048	$ 25,429	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 1,763,555	$ 1,903,865	$ 1,890,163
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	943,369		
4	Less: Present Rates 12/31/2023		1,763,555	
5	Less: Present Rates 12/31/2024			1,903,865
6	Increase/(Decrease)	$ 820,186	$ 140,310	$ (13,702)
7	Pro Forma Adjustment:			
8		$ 820,186	$ 140,310	$ (13,702)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 14,661						
2	Present Rates at 12/31/23				$ 37,121				
3	Present Rates at 12/31/24						$ 37,121		
4	Present Rates at 12/31/25								$ 37,121
5	General Assessment Fees By The Pennsylvania Public Utility Commission	15,245		-		-		30,243	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	7,214		-		-		14,311	
7	Public Utility Realty Tax	-		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Pro Forma Adjustment		$ 22,460		$ -		$ -		$ 44,554
10	Pro Forma Present Rates at December 31, 2023		$ 37,121						
11	Pro Forma Present Rates at December 31, 2024				$ 37,121				
12	Pro Forma Present Rates at December 31, 2025						$ 37,121		
13	Pro Forma Proposed Rates at December 31, 2025								$ 44,554

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 3,525,082	$ 3,525,082	$ 3,525,082	$ 10,517,800
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	15,245	15,245	15,245	45,488
4	Total General Assessment Fees		$ 15,245	$ 15,245	$ 15,245	$ 45,488
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		-			
7	Less: Present Rates 12/31/2023			15,245		
8	Less: Present Rates 12/31/2024				15,245	
9	Less: Present Rates 12/31/2025					15,245
10	Increase/(Decrease)		$ 15,245	$ -	$ -	$ 30,243
11	Pro Forma Adjustment:					
12	4081		$ 15,245	$ -	$ -	$ 30,243

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 3,525,082	$ 3,525,082	$ 3,525,082	$ 10,517,800
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	6,142	6,142	6,142	18,326
4	Small Business Advocate Fee At	0.000303478942	1,070	1,070	1,070	3,192
5	Damage Prevention Fee At	0.000000719937	3	3	3	8
6	Total General Assessment Fees		$ 7,214	$ 7,214	$ 7,214	$ 21,526
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			7,214		
10	Less: Present Rates 12/31/2024				7,214	
11	Less: Present Rates 12/31/2025					7,214
12	Increase/(Decrease)		$ 7,214	$ -	$ -	$ 14,311
13	Pro Forma Adjustment:					
14	4081		$ 7,214	$ -	$ -	$ 14,311

Docket No. R-2024-3047824
Exhibit 1-E

Schedule D-2.3
Witness: Michael S. Ercolino

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made move payroll taxes per books to Intracompany Benefits, Schedule C-8.1, for ratemaking purposes.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI				
2	FICA Medicare				
3	FICA Total		-	-	-
4	FUTA				
5	SUTA				
6	Annualized Payroll Taxes		-	-	-
7	Capitalized portion not charged to operating expense	31.67%	-	-	-
8	Sub-Total		-	-	-
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		14,661		
11	Less: Present Rates 12/31/2023			-	
12	Less: Present Rates 12/31/2024				-
13	Increase/(Decrease)		$ 14,661	$ -	$ -
14	Pro Forma Adjustment:				
15	40812		$ 14,661	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

			PRESENT RATES 12/31/23		PRESENT RATES 12/31/24		PRESENT RATES 12/31/25
6							
7	Calculation of Interest:						
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$ 55,774,192	Schedule G-1 Col 4, Row 15	$ 61,347,808	Schedule G-1 Col 5, Row 15	$ 60,610,296
9	Applicable Percentage		48.52%		45.31%		46.05%
10	Applicable Portion of Rate Base		$ 27,059,060		$ 27,794,225		$ 27,913,324
11	Cost Rate		4.26%		4.24%		4.32%
12	Pro-Forma Long-term Interest Expense		$ 1,152,716		$ 1,178,475		$ 1,205,856
13	Less: Interest on Long Term Debt Per Books 12/31/23		-				
14	Less: Interest on Long Term Debt Present Rates at 12/31/23				1,152,716		
15	Less: Interest on Long Term Debt Present Rates at 12/31/24						1,178,475
16	Long Term Debt Pro Forma Adjustment		$ 1,152,716		$ 25,759		$ 27,380

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ -	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (56,179)	$ -	$ -
2	Eliminate Interest During Construction	56,179	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 56,179	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT	PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ (401,378)	$ (453,495)	$ (490,981)	$ 837,353
2	Less: Per Book	Schedule A-1	-			
3	Less: Present Rates at 12/31/23			(401,378)		
4	Less: Present Rates at 12/31/24				(453,495)	
5	Less: Present Rates at 12/31/25					(490,981)
6	Pro Forma Adjustment		$ (401,378)	$ (52,117)	$ (37,485)	$ 1,328,334
7	State Income Tax - Current	Schedule F-2	$ (188,801)	$ (200,352)	$ (203,028)	$ 346,259
8	Less: Per Book	Schedule A-1	-			
9	Less: Present Rates at 12/31/23			(188,801)		
10	Less: Present Rates at 12/31/24				(200,352)	
11	Less: Present Rates at 12/31/25					(203,028)
12	Pro Forma Adjustment		$ (188,801)	$ (11,550)	$ (2,677)	$ 549,287
13	Federal Income Tax - Deferred	Schedule F-2	$ 98,400	$ 116,734	$ 114,377	$ 114,377
14	Less: Per Book	Schedule A-1	-			
15	Less: Present Rates at 12/31/23			98,400		
16	Less: Present Rates at 12/31/24				116,734	
17	Less: Present Rates at 12/31/25					114,377
18	Pro Forma Adjustment		$ 98,400	$ 18,334	$ (2,357)	$ -
19	State Income Tax - Deferred	Schedule F-2	$ -	$ -	$ -	$ -
20	Less: Per Book	Schedule A-1	-			
21	Less: Present Rates at 12/31/23			-		
22	Less: Present Rates at 12/31/24				-	
23	Less: Present Rates at 12/31/25					-
24	Pro Forma Adjustment		$ -	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ (478,838)	$ (478,838)	$ (625,502)	$ (625,502)	$ (790,522)	$ (790,522)	$ 6,084,163	$ 6,084,163
2	Interest Expense	Schedule A-1	(1,152,716)	(1,152,716)	(1,178,475)	(1,178,475)	(1,205,856)	(1,205,856)	(1,205,856)	(1,205,856)
3	State Income Tax	[12]	188,801		200,352		203,028		(346,259)	
4	Tax Repair Deduction		-	-	-	-	-	-	-	-
5	Book Depreciation	Schedule A-1	1,763,555	1,763,555	1,903,865	1,903,865	1,890,163	1,890,163	1,890,163	1,890,163
6	Tax Depreciation		(2,232,128)	(2,232,128)	(2,459,742)	(2,459,742)	(2,434,816)	(2,434,816)	(2,434,816)	(2,434,816)
7	COR & Other Basis Differences, net of book		-	-	-	-	-	-	-	-
8	Taxable Income	Sum of Lines [1] : [7]	$ (1,911,325)	$ (2,100,127)	$ (2,159,502)	$ (2,359,854)	$ (2,338,002)	$ (2,541,031)	$ 3,987,395	$ 4,333,654
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	(401,378)	(188,801)	(453,495)	(200,352)	(490,981)	(203,028)	837,353	346,259
11	Other - NOL		-	-	-	-	-	-	-	-
12	Total - Current Income Tax	[10] + [11]	$ (401,378)	$ (188,801)	$ (453,495)	$ (200,352)	$ (490,981)	$ (203,028)	$ 837,353	$ 346,259
13	Normalized Book Depreciation		(1,763,555)	-	(1,903,865)	-	(1,890,163)	-	(1,890,163)	-
14	Normalized Tax Depreciation		2,232,128	-	2,459,742	-	2,434,816	-	2,434,816	-
15	Normalized Basis Differences		-	-	-	-	-	-	-	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	98,400	-	116,734	-	114,377	-	114,377	-
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	-	-	-	-	-
19	Flowback of Catch Up Adjustment		-	-	-	-	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		-	-	-	-	-	-	-	-
21	Flowback of TCJA 2017 - 10 Years		-	-	-	-	-	-	-	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	-	-	-	-
23	Flowback of Tax Repairs Collar		-	-	-	-	-	-	-	-
24	Total Flow Through	Sum of Lines [19] : [23]	-	-	-	-	-	-	-	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ 98,400	$ -	$ 116,734	$ -	$ 114,377	$ -	$ 114,377	$ -
26	Amortization of Income Tax Credit		-	-	-	-	-	-	-	-
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ (302,978)	$ (188,801)	$ (336,761)	$ (200,352)	$ (376,603)	$ (203,028)	$ 951,730	$ 346,259

Docket No. R-2024-3047824
Exhibit 1-E

Schedule G-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 57,299,468	$ 64,821,192	$ 66,114,136
2	Utility Plant Acquisition Adjustment	Schedule G-3	-	-	-
3			57,299,468	64,821,192	66,114,136
4	Less: Accumulated Depreciation	Schedule G-2	(947,569)	(2,789,868)	(4,716,491)
5	Net Plant in Service		56,351,899	62,031,324	61,397,645
6	Additions:				
7	Materials & Supplies	Schedule G-4	-	-	-
8	Cash Working Capital	Schedule G-5	(29,000)	(29,000)	(29,000)
9			(29,000)	(29,000)	(29,000)
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	(548,707)	(537,783)	(527,238)
12	Deferred Income Taxes	Schedule G-7	-	(116,734)	(231,111)
13	Investment Tax Credit		-	-	-
14			(548,707)	(654,517)	(758,349)
15	Total Rate Base		$ 55,774,192	$ 61,347,808	$ 60,610,296

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 57,299,468	$ 57,299,468	$ 64,821,192
2	Plus: Additions		7,562,970	1,300,934
3	Less: Retirements		(41,245)	(7,990)
4	Utility Plant in Service	$ 57,299,468	$ 64,821,192	$ 66,114,136
5	Accumulated Depreciation	(947,569)	(2,789,868)	(4,716,491)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

LINE NO.	MONTH	YEAR	BALANCE
1	December	2022	$ -
2	January	2023	-
3	February	2023	-
4	March	2023	-
5	April	2023	-
6	May	2023	-
7	June	2023	-
8	July	2023	-
9	August	2023	-
10	September	2023	-
11	October	2023	-
12	November	2023	-
13	December	2023	-
14	Total		$ -
15	13 Month Average		$ -
16	Allowance for Materials & Supplies		
17	At 12/31/2024 and 12/31/2025		$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ 109,000	$ 109,000	$ 109,000
2	Cash Working Capital - Taxes	Schedule G-5.3	(20,000)	(20,000)	(20,000)
3	Cash Working Capital - Interest	Schedule G-5.4	(118,000)	(118,000)	(118,000)
4	Total Cash Working Capital Requirement		$ (29,000)	$ (29,000)	$ (29,000)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR	BALANCE
	(1)	(2)	(3)
1	December	2022	$ 405,947
2	January	2023	359,706
3	February	2023	395,951
4	March	2023	394,182
5	April	2023	407,203
6	May	2023	354,454
7	June	2023	339,041
8	July	2023	346,628
9	August	2023	343,027
10	September	2023	332,120
11	October	2023	332,592
12	November	2023	356,121
13	December	2023	365,270
14	Total		$ 4,732,241
15	Average Accounts Receivable Balance		$ 364,019
16	Gross Utility Wastewater Revenues recorded		
17	During the Twelve Months Ended 12/31/2023		$ 3,516,854
16	Average Daily Billing		$ 9,635
18	Lag in Receipt of Payment		37.8
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		55.0

Reference:
(a) One-half of monthly billing period.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 169,833	5.5	(a)	$ 934,080
2	Non-Union Labor	0	9.0	(a)	0
3	Management Fee	245,902	15.7	(a)	3,860,668
4	Electric Power	66,574	43.3	(a)	2,882,661
5	Purchased Wastewater	1,369,146	49.8	(a)	68,183,462
6	Employee Group Insurance	101,900	16.3	(a)	1,660,965
7	Liability Insurance	3,035	(46.4)	(a)	(140,825)
8	SFI Postage	12,888	(5.4)	(a)	(69,595)
9	Pension	0	440.0	(a)	0
10	SFAS106	0	45.1	(a)	0
11	All Other Expenses (b)	371,613	31.3	(a)	11,631,473
12	Total	$ 2,340,890			$ 88,942,889
13	Average Lag Days in Payment of Expenses		38.0	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		55.0	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		17.0	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 6,413	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ 109,028	[16] * [18]	
20	USE		$ 109,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 15,245	(198.5)	(a)	$ (3,026,228)
2	OCA & SBA - General Assessments	7,214	(198.5)	(a)	(1,432,057)
3	Public Utility Realty Tax	-	(48.3)	(a)	-
4	Local, County, School, & Municipal Tax	-	(92.9)	(a)	-
5	FICA Taxes - Hourly	-	5.5	(a)	-
6	FICA Taxes - Executive & Exempt	-	9.0	(a)	-
7	Federal Unemployment Tax	-	75.9	(a)	-
8	PA Unemployment Tax	-	75.9	(a)	-
9	PA State Income Tax	(203,028)	36.5	(a)	(7,410,535)
10	Federal Income Tax	(490,981)	36.5	(a)	(17,920,789)
11	Total	$ (671,549)			$ (29,789,609)
12	Average Lag Days in Payment of Taxes		44.4	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		55.0	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		10.6	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ (1,840)	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ (19,503)	[15] * [17]	
19	USE		$ (20,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 1,205,856	90.8	(a)	$ 109,431,397
2	PennVest-Interest	-	14.7	(a)	-
3	Total	$ 1,205,856			$ 109,431,397
4	Average Lag Days in Payment of Interest		90.8	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		55.0	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(35.8)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 3,304		
10	Cash Working Capital Required		$ (118,273)		
11	USE		$ (118,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ 548,707	$ 548,707	$ 537,783
2	Plus: Contributions		-	-
3	Less: Amortization		(10,924)	(10,545)
4	Customer Advances and Contributions In Aid Of Construction	$ (548,707)	$ (537,783)	$ (527,238)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ -	$ -	$ 116,734
2	Change in Deferred Tax	Schedule F-2		116,734	114,377
3	Deferred Income Taxes		$ -	$ (116,734)	$ (231,111)

Docket Nos. R-2024-3047822 & R-2024-3047824

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

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AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 1**

Payroll Expense by Category
For the Twelve Months Ending December 31, 2023

Aqua Pennsylvania Water Operations

	Total
Operations - Source of Supply	697,153
Operations - T&D	4,991,832
Operations - Treatment	7,818,952
Maintenance - Source of Supply	104,794
Maintenance - T&D	1,103,752
Maintenance - Treatment	43,292
Customer Accounting - Customer Accounting	3,051,381
A&G - A&G	13,588,533
Total Water	$ 31,399,690

Aqua Pennsylvania Wastewater Operations

	Total
Operations - Collection	471,184
Operations - Pumping	235,251
Operations - Treatment & Disposal	1,708,401
Maintenance - Collection	4,301
Maintenance - Pumping	1,848
Maintenance - Treatment & Disposal	7,284
Customer Accounting - Customer Accounting	7,377
A&G - A&G	2,495,522
	$ 4,931,168

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 2**

Aqua Pennsylvania Water & Wastewater Non-Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
1	$ 49,614	$ 1,422	$ 51,037
2	$ 41,804	$ 1,204	$ 43,008
3	$ 40,260	$ 1,154	$ 41,414
4	$ 37,535	$ 1,056	$ 38,591
5	$ 34,231	$ 983	$ 35,214
6	$ 29,305	$ 720	$ 30,025
7	$ 36,565	$ 1,028	$ 37,593
8	$ 93,643	$ 2,696	$ 96,339
9	$ 97,664	$ 2,825	$ 100,488
10	$ 68,478	$ 2,015	$ 70,493
11	$ 111,711	$ 3,157	$ 114,869
12	$ 65,553	$ 2,011	$ 67,564
13	$ 86,734	$ 2,501	$ 89,236
14	$ 93,588	$ 2,703	$ 96,290
15	$ 121,089	$ 3,701	$ 124,791
16	$ 121,462	$ 3,513	$ 124,975
17	$ 49,327	$ 1,623	$ 50,950
18	$ 188,412	$ 5,707	$ 194,120
19	$ 50,722	$ 1,488	$ 52,210
20	$ 49,997	$ 1,201	$ 51,198
21	$ 123,529	$ 2,941	$ 126,470
22	$ 75,594	$ 2,759	$ 78,353
23	$ 218,880	$ 6,630	$ 225,510
24	$ 67,722	$ 1,947	$ 69,669
25	$ 66,088	$ 1,887	$ 67,975
26	$ 66,077	$ 1,938	$ 68,015
27	$ 69,912	$ 2,026	$ 71,938
28	$ 59,558	$ 1,712	$ 61,270
29	$ 81,102	$ 2,359	$ 83,461
30	$ 62,967	$ 1,922	$ 64,888
31	$ 94,799	$ 2,730	$ 97,529
32	$ 211,351	$ 5,657	$ 217,007
33	$ 83,369	$ 2,396	$ 85,765
34	$ 107,594	$ 5,635	$ 113,229
35	$ 184,312	$ 5,493	$ 189,804
36	$ 65,568	$ 1,886	$ 67,454
37	$ 55,889	$ 1,609	$ 57,498
38	$ 49,552	$ 1,430	$ 50,982
39	$ 122,085	$ 3,531	$ 125,616
40	$ 52,774	$ 1,486	$ 54,260
41	$ 50,404	$ 1,427	$ 51,830

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 2**

Aqua Pennsylvania Water & Wastewater Non-Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
42	$ 99,696	$ 2,828	$ 102,524
43	$ 50,734	$ 1,666	$ 52,401
44	$ 130,307	$ 3,984	$ 134,291
45	$ 96,051	$ 2,782	$ 98,833
46	$ 133,353	$ 4,269	$ 137,622
47	$ 86,803	$ 2,757	$ 89,560
48	$ 200,375	$ 5,972	$ 206,347
49	$ 117,177	$ 2,784	$ 119,960
50	$ 79,682	$ 2,245	$ 81,927
51	$ 232,536	$ 7,407	$ 239,943
52	$ 112,875	$ 3,265	$ 116,140
53	$ 143,514	$ 4,630	$ 148,144
54	$ 76,834	$ 2,266	$ 79,100
55	$ 40,693	$ 1,169	$ 41,863
56	$ 55,558	$ 1,456	$ 57,015
57	$ 119,782	$ 3,419	$ 123,200
58	$ 127,118	$ 3,677	$ 130,794
59	$ 111,602	$ 3,413	$ 115,015
60	$ 105,587	$ 3,056	$ 108,643
61	$ 94,729	$ 2,763	$ 97,492
62	$ 122,969	$ 3,627	$ 126,596
63	$ 166,408	$ 4,875	$ 171,284
64	$ 85,600	$ 2,708	$ 88,308
65	$ 304,120	$ 13,006	$ 317,126
66	$ 86,443	$ 2,592	$ 89,035
67	$ 68,526	$ 1,932	$ 70,458
68	$ 69,681	$ 2,888	$ 72,569
69	$ 81,326	$ 2,290	$ 83,616
70	$ 111,215	$ 3,155	$ 114,370
71	$ 72,630	$ 2,061	$ 74,691
72	$ 178,865	$ 5,237	$ 184,102
73	$ 279,055	$ 9,257	$ 288,313
74	$ 65,497	$ 1,847	$ 67,344
75	$ 56,676	$ 1,651	$ 58,326
76	$ 61,383	$ 1,765	$ 63,148
77	$ 175,423	$ 5,229	$ 180,652
78	$ 127,765	$ 3,715	$ 131,480
79	$ 121,354	$ 3,712	$ 125,067
80	$ 102,119	$ 2,953	$ 105,072
81	$ 132,826	$ 4,146	$ 136,972
82	$ 77,786	$ 3,001	$ 80,787

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
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Aqua Pennsylvania Water & Wastewater Non-Union Payroll Detail
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Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
83	$ 100,305	$ 2,836	$ 103,141
84	$ 126,414	$ 3,612	$ 130,027
85	$ 163,022	$ 4,808	$ 167,829
86	$ 103,430	$ 2,924	$ 106,354
87	$ 68,250	$ 1,962	$ 70,212
88	$ 226,275	$ (226,275)	$ -
89	$ 60,590	$ 1,782	$ 62,373
90	$ 48,544	$ 1,481	$ 50,025
91	$ 89,616	$ 2,605	$ 92,221
92	$ 62,128	$ 1,900	$ 64,028
93	$ 189,658	$ 5,746	$ 195,404
94	$ 98,672	$ 2,403	$ 101,075
95	$ 150,288	$ 4,694	$ 154,982
96	$ 161,064	$ 4,723	$ 165,786
97	$ 91,016	$ 2,632	$ 93,648
98	$ 65,568	$ 1,886	$ 67,454
99	$ 148,692	$ 4,507	$ 153,200
100	$ 70,607	$ 2,047	$ 72,654
101	$ 106,768	$ 3,065	$ 109,833
102	$ 65,590	$ 1,859	$ 67,449
103	$ 101,668	$ 2,934	$ 104,602
104	$ 156,455	$ 4,683	$ 161,137
105	$ 109,057	$ 2,875	$ 111,933
106	$ 92,952	$ 2,764	$ 95,717
107	$ 51,366	$ 1,482	$ 52,848
108	$ 55,568	$ 1,618	$ 57,186
109	$ 190,578	$ 6,059	$ 196,637
110	$ 141,710	$ 4,123	$ 145,833
111	$ 97,597	$ 2,938	$ 100,535
112	$ 98,670	$ 2,796	$ 101,466
113	$ 79,487	$ 2,287	$ 81,774
114	$ 79,087	$ 2,599	$ 81,686
115	$ 58,487	$ 1,642	$ 60,130
116	$ 50,313	$ 1,418	$ 51,731
117	$ 65,609	$ 1,886	$ 67,495
118	$ 79,135	$ 2,282	$ 81,417
119	$ 97,018	$ 2,798	$ 99,816
120	$ 123,208	$ 3,699	$ 126,907
121	$ 51,215	$ 1,321	$ 52,536
122	$ 131,571	$ 4,246	$ 135,817
123	$ 47,870	$ 1,376	$ 49,246

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 2**

Aqua Pennsylvania Water & Wastewater Non-Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
124	$ 100,098	$ 2,950	$ 103,048
125	$ 75,044	$ 2,395	$ 77,439
126	$ 75,458	$ 2,894	$ 78,353
127	$ 454,032	$ 13,651	$ 467,683
128	$ 111,827	$ 3,487	$ 115,314
129	$ 137,966	$ 4,014	$ 141,980
130	$ 48,432	$ 1,391	$ 49,822
131	$ 166,488	$ 5,207	$ 171,695
132	$ 144,947	$ 4,449	$ 149,396
133	$ 145,811	$ 4,548	$ 150,359
134	$ 54,435	$ 1,575	$ 56,010
135	$ 201,604	$ 6,207	$ 207,811
136	$ 135,815	$ 4,095	$ 139,910
137	$ 74,655	$ 2,146	$ 76,801
138	$ 48,116	$ 1,385	$ 49,501
139	$ 77,648	$ 2,475	$ 80,123
140	$ 132,803	$ 4,145	$ 136,948
141	$ 80,401	$ 2,228	$ 82,629
142	$ 79,891	$ 2,716	$ 82,607
143	$ 121,795	$ 3,594	$ 125,389
144	$ 74,491	$ 1,986	$ 76,477
145	$ 123,281	$ 6,902	$ 130,183
146	$ 70,105	$ 1,989	$ 72,093
147	$ 70,866	$ 2,085	$ 72,951
148	$ 104,945	$ 3,032	$ 107,978
149	$ 49,553	$ 1,429	$ 50,982
150	$ 88,761	$ 2,526	$ 91,286
151	$ 263,652	$ 8,293	$ 271,945
152	$ 67,006	$ 1,887	$ 68,893
153	$ 73,797	$ 2,272	$ 76,068
154	$ 131,384	$ 4,167	$ 135,552
155	$ 52,693	$ 1,473	$ 54,165
156	$ 63,198	$ 1,833	$ 65,030
157	$ 190,010	$ 5,754	$ 195,764
158	$ 54,102	$ 1,589	$ 55,690
159	$ 118,758	$ 3,434	$ 122,191
160	$ 57,474	$ 1,682	$ 59,157
161	$ 144,377	$ 4,498	$ 148,875
162	$ 100,115	$ 2,949	$ 103,064
163	$ 69,570	$ 2,089	$ 71,659
164	$ 159,198	$ 4,585	$ 163,783

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 2**

Aqua Pennsylvania Water & Wastewater Non-Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
165	$ 53,823	$ 1,768	$ 55,590
166	$ 62,924	$ 1,809	$ 64,733
167	$ 204,642	$ 10,105	$ 214,747
168	$ 116,361	$ 3,445	$ 119,806
169	$ 149,338	$ 4,343	$ 153,682
170	$ 172,841	$ 4,556	$ 177,397
171	$ 69,767	$ 1,732	$ 71,499
172	$ 128,341	$ 3,926	$ 132,267
173	$ 131,686	$ 3,732	$ 135,418
174	$ 93,430	$ 2,774	$ 96,203
175	$ 103,437	$ 3,089	$ 106,526
176	$ 99,744	$ 2,876	$ 102,620
177	$ 152,681	$ 4,475	$ 157,156
178	$ 38,818	$ 1,093	$ 39,911
179	$ 85,012	$ 2,441	$ 87,453
180	$ 77,326	$ 2,185	$ 79,512
181	$ 125,490	$ 3,626	$ 129,115
182	$ 56,304	$ 1,633	$ 57,937
183	$ 164,584	$ 4,699	$ 169,283
184	$ 143,777	$ 4,487	$ 148,264
185	$ 82,325	$ 2,321	$ 84,646
186	$ 160,852	$ 5,191	$ 166,043
187	$ 107,837	$ 3,359	$ 111,196
188	$ 67,243	$ 1,736	$ 68,979
189	$ 44,836	$ 1,133	$ 45,968
190	$ 70,652	$ 2,100	$ 72,752
191	$ 68,999	$ 1,942	$ 70,941
192	$ 58,791	$ 1,413	$ 60,204
193	$ 95,546	$ 2,810	$ 98,356
194	$ 102,153	$ 2,564	$ 104,716
195	$ 48,948	$ 1,407	$ 50,355
196	$ 44,035	$ 1,266	$ 45,301
197	$ 69,520	$ 1,793	$ 71,313
198	$ 74,780	$ 2,147	$ 76,927
199	$ 54,402	$ 1,569	$ 55,971
200	$ 122,085	$ 3,531	$ 125,616
201	$ 66,893	$ 1,945	$ 68,839
202	$ 75,864	$ 2,228	$ 78,092
203	$ 76,765	$ 2,242	$ 79,007
204	$ 96,397	$ 2,499	$ 98,895
205	$ 176,313	$ 5,168	$ 181,481

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
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Aqua Pennsylvania Water & Wastewater Non-Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
206	$ 84,550	$ 2,439	$ 86,988
207	$ 102,594	$ 3,036	$ 105,630
208	$ 151,064	$ 4,393	$ 155,457
209	$ 66,315	$ 1,961	$ 68,276
210	$ 72,859	$ 2,115	$ 74,974
211	$ 81,198	$ 2,341	$ 83,540
212	$ 139,332	$ 4,052	$ 143,384
213	$ 196,932	$ 5,769	$ 202,701
214	$ 139,757	$ 4,064	$ 143,821
215	$ 204,296	$ (204,296)	$ -
216	$ 79,782	$ 1,683	$ 81,465
217	$ 119,200	$ 3,447	$ 122,648
218	$ -	$ 115,314	$ 115,314
219	$ -	$ 227,371	$ 227,371
220	$ -	$ 160,546	$ 160,546
221	$ -	$ 85,523	$ 85,523
222	$ -	$ 94,887	$ 94,887
223	$ -	$ 96,980	$ 96,980
224	$ -	$ 106,940	$ 106,940
225	$ -	$ 49,976	$ 49,976
226	$ -	$ 139,260	$ 139,260
227	$ -	$ 86,086	$ 86,086
228	$ -	$ 86,086	$ 86,086
229	$ -	$ 74,854	$ 74,854
230	$ -	$ 82,234	$ 82,234
231	$ 44,229	$ 925	$ 45,154
232	$ 8,060	$ -	$ 8,060
233	$ 8,060	$ -	$ 8,060
234	$ 8,060	$ -	$ 8,060
235	$ 8,060	$ -	$ 8,060
236	$ 8,060	$ -	$ 8,060
237	$ 8,060	$ -	$ 8,060
238	$ 8,060	$ -	$ 8,060
239	$ 8,060	$ -	$ 8,060
240	$ 8,060	$ -	$ 8,060
241	$ 8,060	$ -	$ 8,060
242	$ 8,060	$ -	$ 8,060
243	$ 8,060	$ -	$ 8,060
244	$ 8,060	$ -	$ 8,060
245	$ 8,060	$ -	$ 8,060
246	$ 8,060	$ -	$ 8,060

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
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Aqua Pennsylvania Water & Wastewater Non-Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
247	$ 8,060	$ -	$ 8,060
248	$ 8,060	$ -	$ 8,060
249	$ 8,060	$ -	$ 8,060
250	$ 8,060	$ -	$ 8,060
251	$ 8,060	$ -	$ 8,060
252	$ 8,060	$ -	$ 8,060
253	$ 8,060	$ -	$ 8,060
254	$ 8,060	$ -	$ 8,060
255	$ 8,060	$ -	$ 8,060
256	$ 8,060	$ -	$ 8,060
257	$ 10,949	$ -	$ 10,949
258	$ 8,060	$ -	$ 8,060
259	$ 8,060	$ -	$ 8,060
260	$ 8,060	$ -	$ 8,060
261	$ 8,060	$ -	$ 8,060
262	$ 8,060	$ -	$ 8,060
263	$ 8,060	$ -	$ 8,060
264	$ 8,548	$ -	$ 8,548
265	$ 8,060	$ -	$ 8,060
266	$ 8,060	$ -	$ 8,060
	$ 22,712,356	$ 1,637,738	$ 24,350,094

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
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Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
267	$ 119,327	$ 3,321	$ 122,648
268	$ 84,567	$ 4,488	$ 89,055
269	$ 158,593	$ 4,523	$ 163,116
270	$ 78,633	$ 2,099	$ 80,732
271	$ 127,769	$ 3,629	$ 131,399
272	$ 89,720	$ 2,487	$ 92,207
273	$ 71,312	$ 1,279	$ 72,592
274	$ 113,635	$ 3,144	$ 116,779
275	$ 64,315	$ 1,145	$ 65,460
276	$ 98,798	$ 2,580	$ 101,378
277	$ 57,325	$ 1,507	$ 58,832
278	$ 72,667	$ 4,221	$ 76,888
279	$ 88,041	$ 2,438	$ 90,479
280	$ 89,706	$ 2,486	$ 92,192
281	$ 116,354	$ 3,231	$ 119,585
282	$ 72,169	$ 1,337	$ 73,506
283	$ 93,256	$ 2,591	$ 95,848
284	$ 74,377	$ 4,317	$ 78,694
285	$ 82,671	$ 2,313	$ 84,984
286	$ 56,352	$ 1,254	$ 57,607
287	$ 110,270	$ 3,086	$ 113,356
288	$ 156,762	$ 4,469	$ 161,231
289	$ 53,944	$ 987	$ 54,931
290	$ 73,058	$ 1,267	$ 74,325
291	$ 80,307	$ 4,604	$ 84,911
292	$ 117,915	$ 3,263	$ 121,178
293	$ 123,078	$ 3,450	$ 126,528
294	$ 87,922	$ 5,119	$ 93,041
295	$ 54,805	$ 1,012	$ 55,818
296	$ 89,715	$ 4,081	$ 93,796
297	$ 109,755	$ 6,009	$ 115,764
298	$ 91,314	$ 2,535	$ 93,849
299	$ 134,723	$ 3,830	$ 138,553
300	$ 155,892	$ 4,421	$ 160,313
301	$ 113,767	$ 3,203	$ 116,969
302	$ 143,136	$ 4,043	$ 147,179
303	$ 72,311	$ 1,282	$ 73,592
304	$ 125,752	$ 3,496	$ 129,248
305	$ 107,018	$ 3,022	$ 110,040
306	$ 87,168	$ 2,387	$ 89,555
307	$ 118,057	$ 3,314	$ 121,371

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
308	$ 106,197	$ 2,977	$ 109,174
309	$ 114,146	$ 3,151	$ 117,297
310	$ 90,939	$ 4,122	$ 95,061
311	$ 91,275	$ 4,964	$ 96,239
312	$ 79,239	$ 2,083	$ 81,321
313	$ 88,948	$ 2,465	$ 91,412
314	$ 108,130	$ 2,996	$ 111,127
315	$ 75,377	$ 1,983	$ 77,360
316	$ 90,366	$ 2,540	$ 92,906
317	$ 112,518	$ 3,176	$ 115,694
318	$ 85,188	$ 2,381	$ 87,569
319	$ 90,922	$ 2,516	$ 93,437
320	$ 109,879	$ 3,128	$ 113,006
321	$ 97,259	$ 5,198	$ 102,457
322	$ 74,809	$ 1,321	$ 76,130
323	$ 108,923	$ 3,006	$ 111,929
324	$ 105,602	$ 2,992	$ 108,594
325	$ 117,691	$ 3,255	$ 120,946
326	$ 85,357	$ 3,931	$ 89,288
327	$ 84,845	$ 4,503	$ 89,348
328	$ 105,722	$ 2,959	$ 108,681
329	$ 90,529	$ 4,106	$ 94,634
330	$ 99,605	$ 4,386	$ 103,991
331	$ 70,153	$ 1,809	$ 71,961
332	$ 125,862	$ 3,588	$ 129,450
333	$ 149,890	$ 4,243	$ 154,133
334	$ 103,005	$ 2,914	$ 105,919
335	$ 120,645	$ 3,432	$ 124,076
336	$ 96,401	$ 2,685	$ 99,086
337	$ 87,899	$ 2,461	$ 90,360
338	$ 121,309	$ 3,361	$ 124,670
339	$ 113,985	$ 3,196	$ 117,182
340	$ 79,878	$ 4,505	$ 84,383
341	$ 116,759	$ 3,228	$ 119,987
342	$ 86,128	$ 2,381	$ 88,509
343	$ 106,633	$ 4,547	$ 111,180
344	$ 134,447	$ 3,845	$ 138,291
345	$ 79,293	$ 2,071	$ 81,363
346	$ 88,900	$ 4,702	$ 93,602
347	$ 105,926	$ 2,910	$ 108,836
348	$ 102,433	$ 2,870	$ 105,303

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
349	$ 91,718	$ 2,576	$ 94,293
350	$ 77,957	$ 1,388	$ 79,345
351	$ 104,399	$ 2,865	$ 107,264
352	$ 107,943	$ 4,589	$ 112,532
353	$ 109,909	$ 3,035	$ 112,944
354	$ 92,106	$ 2,557	$ 94,664
355	$ 128,307	$ 3,625	$ 131,932
356	$ 94,832	$ 2,634	$ 97,467
357	$ 52,389	$ 968	$ 53,358
358	$ 70,741	$ 1,316	$ 72,058
359	$ 114,466	$ 4,789	$ 119,254
360	$ 104,264	$ 2,913	$ 107,177
361	$ 113,426	$ 3,203	$ 116,629
362	$ 97,562	$ 2,719	$ 100,281
363	$ 92,178	$ 2,554	$ 94,732
364	$ 69,174	$ 1,546	$ 70,720
365	$ 103,438	$ 2,896	$ 106,334
366	$ 104,147	$ 2,906	$ 107,053
367	$ 81,579	$ 2,187	$ 83,766
368	$ 90,179	$ 2,500	$ 92,679
369	$ 122,023	$ 3,449	$ 125,471
370	$ 126,204	$ 3,533	$ 129,737
371	$ 75,446	$ 2,040	$ 77,486
372	$ 50,538	$ 928	$ 51,465
373	$ 113,333	$ 3,177	$ 116,511
374	$ 62,775	$ 1,424	$ 64,199
375	$ 116,308	$ 3,216	$ 119,523
376	$ 135,662	$ 3,842	$ 139,504
377	$ 118,207	$ 3,271	$ 121,479
378	$ 82,821	$ 2,317	$ 85,138
379	$ 139,090	$ 3,943	$ 143,033
380	$ 83,656	$ 2,241	$ 85,897
381	$ 97,476	$ 2,718	$ 100,194
382	$ 72,660	$ 1,637	$ 74,297
383	$ 107,379	$ 3,006	$ 110,385
384	$ 126,191	$ 3,570	$ 129,761
385	$ 127,958	$ 3,663	$ 131,621
386	$ 85,960	$ 2,376	$ 88,336
387	$ 125,745	$ 3,564	$ 129,310
388	$ 97,674	$ 2,718	$ 100,391
389	$ 101,113	$ 2,857	$ 103,970

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
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Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
390	$ 147,701	$ 4,224	$ 151,925
391	$ 77,385	$ 4,446	$ 81,831
392	$ 56,616	$ 1,061	$ 57,677
393	$ 116,909	$ 3,294	$ 120,203
394	$ 87,839	$ 5,114	$ 92,953
395	$ 112,361	$ 3,118	$ 115,478
396	$ 90,453	$ 2,419	$ 92,872
397	$ 96,319	$ 2,548	$ 98,867
398	$ 145,252	$ 4,127	$ 149,379
399	$ 119,122	$ 3,297	$ 122,419
400	$ 84,141	$ 1,935	$ 86,076
401	$ 116,360	$ 3,280	$ 119,640
402	$ 119,758	$ 3,316	$ 123,074
403	$ 99,450	$ 5,709	$ 105,159
404	$ 77,410	$ 1,406	$ 78,815
405	$ 113,321	$ 3,224	$ 116,545
406	$ 115,463	$ 3,246	$ 118,710
407	$ 112,283	$ 3,181	$ 115,464
408	$ 101,326	$ 2,872	$ 104,199
409	$ 87,089	$ 2,405	$ 89,494
410	$ 89,988	$ 2,495	$ 92,484
411	$ 88,479	$ 4,060	$ 92,539
412	$ 86,587	$ 2,311	$ 88,898
413	$ 116,844	$ 3,304	$ 120,148
414	$ 84,048	$ 2,234	$ 86,281
415	$ 117,089	$ 4,856	$ 121,946
416	$ 53,471	$ 1,201	$ 54,672
417	$ 55,890	$ 1,245	$ 57,134
418	$ 112,227	$ 3,095	$ 115,321
419	$ 74,929	$ 1,935	$ 76,864
420	$ 59,582	$ 1,537	$ 61,119
421	$ 110,474	$ 3,044	$ 113,518
422	$ 128,083	$ 3,574	$ 131,657
423	$ 114,885	$ 3,173	$ 118,057
424	$ 92,503	$ 2,600	$ 95,104
425	$ 87,032	$ 2,333	$ 89,364
426	$ 86,329	$ 2,387	$ 88,716
427	$ 51,706	$ 1,155	$ 52,861
428	$ 92,286	$ 2,490	$ 94,777
429	$ 84,601	$ 2,243	$ 86,845
430	$ 78,638	$ 1,444	$ 80,083

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
431	$ 92,132	$ 2,559	$ 94,691
432	$ 91,440	$ 2,443	$ 93,883
433	$ 104,363	$ 2,864	$ 107,226
434	$ 132,376	$ 3,700	$ 136,076
435	$ 110,689	$ 3,049	$ 113,738
436	$ 119,718	$ 3,380	$ 123,098
437	$ 93,999	$ 2,637	$ 96,636
438	$ 114,217	$ 3,226	$ 117,443
439	$ 90,290	$ 4,102	$ 94,392
440	$ 109,404	$ 3,067	$ 112,470
441	$ 73,980	$ 2,004	$ 75,984
442	$ 132,965	$ 5,283	$ 138,248
443	$ 61,277	$ 1,623	$ 62,900
444	$ 83,973	$ 2,189	$ 86,163
445	$ 93,157	$ 2,589	$ 95,747
446	$ 88,594	$ 2,363	$ 90,957
447	$ 84,377	$ 4,698	$ 89,074
448	$ 109,585	$ 6,035	$ 115,621
449	$ 84,839	$ 2,277	$ 87,116
450	$ 85,658	$ 3,934	$ 89,592
451	$ 118,687	$ 3,298	$ 121,986
452	$ 120,882	$ 3,412	$ 124,295
453	$ 104,512	$ 2,959	$ 107,472
454	$ 54,559	$ 1,229	$ 55,788
455	$ 82,977	$ 2,292	$ 85,269
456	$ 145,162	$ 4,124	$ 149,286
457	$ 95,261	$ 2,665	$ 97,926
458	$ 95,413	$ 2,601	$ 98,014
459	$ 89,271	$ 2,503	$ 91,775
460	$ 84,752	$ 4,932	$ 89,685
461	$ 96,748	$ 4,225	$ 100,972
462	$ 84,901	$ 4,792	$ 89,693
463	$ 81,103	$ 2,155	$ 83,258
464	$ 103,284	$ 2,841	$ 106,125
465	$ 100,961	$ 4,423	$ 105,384
466	$ 76,892	$ 1,407	$ 78,299
467	$ 94,674	$ 2,579	$ 97,253
468	$ 93,927	$ 2,606	$ 96,533
469	$ 91,297	$ 2,534	$ 93,832
470	$ 85,580	$ 2,397	$ 87,976
471	$ 114,975	$ 3,183	$ 118,158

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
472	$ 114,477	$ 3,165	$ 117,642
473	$ 87,074	$ 2,318	$ 89,392
474	$ 140,885	$ 3,976	$ 144,861
475	$ 107,746	$ 3,022	$ 110,769
476	$ 103,938	$ 5,894	$ 109,831
477	$ 138,302	$ 3,920	$ 142,223
478	$ 138,224	$ 3,858	$ 142,082
479	$ 108,001	$ 3,028	$ 111,029
480	$ 127,159	$ 3,607	$ 130,766
481	$ 111,711	$ 4,660	$ 116,371
482	$ 72,113	$ 4,184	$ 76,297
483	$ 96,507	$ 5,468	$ 101,974
484	$ 116,273	$ 3,268	$ 119,541
485	$ 86,648	$ 2,396	$ 89,045
486	$ 123,013	$ 3,476	$ 126,488
487	$ 87,586	$ 2,333	$ 89,919
488	$ 113,953	$ 3,192	$ 117,145
489	$ 147,795	$ 4,245	$ 152,040
490	$ 109,695	$ 3,082	$ 112,776
491	$ 74,920	$ 1,926	$ 76,846
492	$ 151,995	$ 4,277	$ 156,272
493	$ 128,321	$ 3,625	$ 131,946
494	$ 96,564	$ 2,681	$ 99,245
495	$ 111,992	$ 3,133	$ 115,126
496	$ 109,438	$ 2,989	$ 112,426
497	$ 96,527	$ 2,673	$ 99,200
498	$ 111,619	$ 3,094	$ 114,713
499	$ 84,561	$ 2,242	$ 86,803
500	$ 84,104	$ 2,350	$ 86,454
501	$ 86,052	$ 2,407	$ 88,459
502	$ 117,716	$ 3,260	$ 120,976
503	$ 77,633	$ 1,402	$ 79,034
504	$ 82,413	$ 2,303	$ 84,716
505	$ 108,260	$ 2,983	$ 111,243
506	$ 80,481	$ 2,174	$ 82,656
507	$ 113,203	$ 6,155	$ 119,358
508	$ 73,552	$ 1,947	$ 75,499
509	$ 118,759	$ 3,389	$ 122,148
510	$ 130,252	$ 3,734	$ 133,985
511	$ 102,217	$ 2,858	$ 105,075
512	$ 121,235	$ 3,359	$ 124,594

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
513	$ 93,853	$ 4,205	$ 98,058
514	$ 101,101	$ 2,825	$ 103,926
515	$ 121,510	$ 3,440	$ 124,950
516	$ 87,370	$ 2,418	$ 89,788
517	$ 86,363	$ 2,388	$ 88,751
518	$ 110,873	$ 3,115	$ 113,988
519	$ 82,032	$ 2,201	$ 84,233
520	$ 101,774	$ 2,883	$ 104,658
521	$ 96,134	$ 4,248	$ 100,382
522	$ 126,967	$ 3,533	$ 130,501
523	$ 90,772	$ 2,555	$ 93,327
524	$ 131,714	$ 3,740	$ 135,454
525	$ 89,722	$ 4,858	$ 94,580
526	$ 125,297	$ 3,478	$ 128,775
527	$ 96,478	$ 5,622	$ 102,100
528	$ 87,005	$ 4,530	$ 91,535
529	$ 127,499	$ 3,557	$ 131,056
530	$ 137,729	$ 3,883	$ 141,612
531	$ 89,646	$ 2,078	$ 91,724
532	$ 94,794	$ 2,588	$ 97,382
533	$ 88,097	$ 2,468	$ 90,565
534	$ 83,111	$ 2,323	$ 85,433
535	$ 63,074	$ 1,637	$ 64,711
536	$ 155,130	$ 4,367	$ 159,497
537	$ 132,494	$ 3,690	$ 136,184
538	$ 71,699	$ 4,163	$ 75,861
539	$ 110,011	$ 3,030	$ 113,041
540	$ 118,164	$ 3,274	$ 121,438
541	$ 111,948	$ 3,182	$ 115,131
542	$ 108,533	$ 3,089	$ 111,622
543	$ 82,744	$ 2,315	$ 85,059
544	$ 86,584	$ 2,423	$ 89,007
545	$ 111,931	$ 3,086	$ 115,017
546	$ 116,805	$ 3,229	$ 120,034
547	$ 91,382	$ 2,532	$ 93,913
548	$ 123,639	$ 3,479	$ 127,118
549	$ 98,093	$ 2,754	$ 100,848
550	$ 86,945	$ 2,401	$ 89,346
551	$ 83,369	$ 4,423	$ 87,792
552	$ 60,707	$ 1,370	$ 62,077
553	$ 96,665	$ 2,694	$ 99,359

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
554	$ 121,586	$ 3,461	$ 125,047
555	$ 77,956	$ 1,430	$ 79,386
556	$ 87,108	$ 2,307	$ 89,415
557	$ 176,270	$ 5,024	$ 181,294
558	$ 84,329	$ 2,359	$ 86,688
559	$ 83,330	$ 2,205	$ 85,536
560	$ 112,302	$ 3,097	$ 115,399
561	$ 68,638	$ 1,764	$ 70,403
562	$ 86,420	$ 2,425	$ 88,846
563	$ 73,689	$ 1,338	$ 75,028
564	$ 126,347	$ 3,564	$ 129,912
565	$ 121,303	$ 3,450	$ 124,753
566	$ 120,614	$ 3,348	$ 123,963
567	$ 123,375	$ 3,499	$ 126,873
568	$ 113,027	$ 3,170	$ 116,197
569	$ 89,842	$ 2,521	$ 92,363
570	$ 76,063	$ 4,249	$ 80,313
571	$ 119,487	$ 3,344	$ 122,831
572	$ 113,060	$ 3,153	$ 116,213
573	$ 84,769	$ 2,344	$ 87,113
574	$ 125,229	$ 3,533	$ 128,763
575	$ 89,821	$ 2,494	$ 92,315
576	$ 139,912	$ 3,966	$ 143,878
577	$ 74,552	$ 4,332	$ 78,884
578	$ 63,982	$ 1,660	$ 65,642
579	$ 91,196	$ 2,542	$ 93,738
580	$ 61,514	$ 1,109	$ 62,623
581	$ 116,009	$ 6,376	$ 122,385
582	$ 103,239	$ 2,892	$ 106,132
583	$ 54,383	$ 1,224	$ 55,607
584	$ 122,009	$ 3,438	$ 125,448
585	$ 78,516	$ 4,565	$ 83,081
586	$ 92,038	$ 5,201	$ 97,239
587	$ 76,358	$ 2,006	$ 78,364
588	$ 94,137	$ 4,192	$ 98,329
589	$ 80,038	$ 4,600	$ 84,639
590	$ 125,761	$ 3,543	$ 129,305
591	$ 80,370	$ 2,143	$ 82,513
592	$ 108,302	$ 6,144	$ 114,445
593	$ 109,838	$ 3,024	$ 112,863
594	$ 80,471	$ 4,646	$ 85,118

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
595	$ 126,446	$ 3,579	$ 130,024
596	$ 63,477	$ 1,442	$ 64,919
597	$ 102,336	$ 2,867	$ 105,203
598	$ 53,203	$ 971	$ 54,174
599	$ 82,587	$ 4,381	$ 86,968
600	$ 96,382	$ 2,664	$ 99,046
601	$ 93,767	$ 2,605	$ 96,372
602	$ 86,407	$ 4,588	$ 90,995
603	$ 86,061	$ 2,379	$ 88,440
604	$ 100,730	$ 2,744	$ 103,474
605	$ 147,994	$ 4,213	$ 152,208
606	$ 112,536	$ 3,154	$ 115,689
607	$ 79,874	$ 2,102	$ 81,976
608	$ 85,686	$ 2,396	$ 88,082
609	$ 161,487	$ 4,586	$ 166,073
610	$ 81,928	$ 2,295	$ 84,224
611	$ 88,750	$ 4,694	$ 93,444
612	$ 60,846	$ 1,130	$ 61,975
613	$ 101,717	$ 2,815	$ 104,531
614	$ 96,079	$ 2,620	$ 98,699
615	$ 83,692	$ 2,304	$ 85,996
616	$ 102,629	$ 2,784	$ 105,413
617	$ 126,773	$ 3,522	$ 130,295
618	$ 79,344	$ 1,392	$ 80,736
619	$ 61,781	$ 1,148	$ 62,929
620	$ 100,847	$ 2,766	$ 103,613
621	$ 87,571	$ 2,333	$ 89,904
622	$ 104,512	$ 2,868	$ 107,380
623	$ 138,274	$ 3,919	$ 142,193
624	$ 98,274	$ 2,732	$ 101,005
625	$ 91,309	$ 2,534	$ 93,843
626	$ 66,305	$ 1,216	$ 67,521
627	$ 101,929	$ 2,850	$ 104,779
628	$ 133,698	$ 3,793	$ 137,491
629	$ 99,572	$ 5,432	$ 105,004
630	$ 82,345	$ 2,264	$ 84,609
631	$ 72,172	$ 1,268	$ 73,440
632	$ 87,454	$ 4,944	$ 92,398
633	$ 92,767	$ 5,030	$ 97,797
634	$ 73,024	$ 1,276	$ 74,300
635	$ 80,847	$ 1,511	$ 82,358

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 3**

Aqua Pennsylvania Water & Wastewater Union Payroll Detail
For the Twelve Months Ending December 31, 2024 and 2025

Ref No.	Future Test Year 12/31/2024	Adjustment FPFTY Salaries	Fully Projected Future Test Year 12/31/2025
(1)	(2)	(3)	(4)
636	$ 145,971	$ 4,137	$ 150,108
637	$ 67,018	$ 1,126	$ 68,144
638	$ 110,452	$ 3,102	$ 113,554
639	$ 78,802	$ 2,069	$ 80,872
640	$ 78,227	$ 2,087	$ 80,314
641	$ 74,904	$ 1,987	$ 76,892
642	$ 115,586	$ 3,292	$ 118,878
643	$ 95,729	$ 2,702	$ 98,430
644	$ 91,229	$ 2,555	$ 93,784
645	$ 80,642	$ 2,257	$ 82,899
646	$ 99,851	$ 2,837	$ 102,688
647	$ 84,858	$ 2,387	$ 87,245
648	$ 105,129	$ 2,977	$ 108,106
649	$ 109,709	$ 3,124	$ 112,833
650	$ 99,428	$ 2,824	$ 102,252
651	$ -	$ 83,248	$ 83,248
652	$ -	$ 83,248	$ 83,248
653	$ 60,976	$ 1,380	$ 62,356
654	$ 53,450	$ 1,397	$ 54,848
	$ 38,108,524	$ 1,334,184	$ 39,442,708

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.
Exhibit 2 **Schedule 4**

Payroll Increase Assumptions

		FTY		FPFTY	
Location	**Union Code**	**Effective Date**	**Increase %**	**Effective Date**	**Increase %**
All	Non-Union	4/1/2024	3.2500%	4/1/2025	3.2500%
Shenango, PA	285-WS	5/1/2024	1.0000%	5/1/2025	1.0000%
Shenango, PA	285-BS	5/1/2024	3.0000%	5/1/2025	3.0000%
Roaring Creek, PA	334	5/24/2024	2.2000%	5/24/2025	2.2000%
Susquehanna, PA	563	8/15/2024	2.2000%	8/15/2025	2.2000%
White Haven, PA	IUOE542-WH	4/1/2024	2.6000%	4/1/2025	2.6000%
Southeastern PA	Op Eng SEPA	10/1/2024	3.2500%	10/1/2025	3.0000%
Media Wastewater, PA	Op Eng LWWC	11/1/2024	3.2500%	11/1/2025	3.0000%
Limerick and Superior PA	542- LCS	4/1/2024	3.0000%	4/1/2025	3.0000%

AQUA PENNSYLVANIA WASTEWATER, INC.
North Heidelberg Wastewater Costs
5550M00038
Journal Entry

Accounting Unit	Account Number	Description	Amount	
			Debit	Credit
P5550201	114000	U Plant Acq Adj		600,038.00
P5550201	300000	PPE-Utility Plant in Service	1,611,073.91	
P5550201	104000	Utility Plant Purchased/Sold		1,011,035.91
	Total		**1,611,073.91**	**1,611,073.91**

January 2, 2024

VIA E-FILING

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

Re: Docket No. M-2018-2645983
Pa. P.U.C. v. North Heidelberg Sewer Company

Docket No. I-2018-3001161
Section 529 Investigation – North Heidelberg Sewer Company

Dear Secretary Chiavetta:

Pursuant to the Commission's Statement Policy relating to water and wastewater system acquisitions at 52 Pa. Code § 69.721(f) enclosed is a copy of the original plant-in-service valuation of the wastewater system assets acquired from the North Heidelberg Sewer Company on March 31, 2023. Aqua Pennsylvania Wastewater, Inc. is also serving these documents to the Bureau of Technical Utility Services.

Should you have any questions regarding this filing, please contact me at (610) 520-6359.

Sincerely,

Erin Feeney

Erin M. Feeney
Manager of Rates
Aqua Pennsylvania, Inc.

Enclosures
cc: Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pa. P.U.C. v. North Heidelberg Sewer Company	:	Docket No. M-2018-2645983
	:	
	:	
Section 529 Investigation – North Heidelberg Sewer Company	:	Docket No. I-2018-3001161
	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the following document, the original cost plant-in-service valuation, in accordance with the requirements of 52 Pa. Code § 1.54 upon the person(s) and in the manner indicated below:

VIA EMAIL

Christine Hoover, Esq.
Office of Consumer Advocate
email to: choover@paoca.org

NazAarah Sabree
Office of Small Business Advocate
email to: nsabree@pa.gov

Richard Kanaskie, Director
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
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Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
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Lori Burger
Bureau of Audits
Pennsylvania Public Utility Commission
email to: lburger@pa.gov

Dated: January 2, 2024

Erin Feeney

Erin M. Feeney
Manager of Rates
Aqua Pennsylvania, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010
610-520-6359
EFDomzalski@aquaamerica.com

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

ORIGINAL COST AND RELATED ACCRUED DEPRECIATION OF NORTH HEIDELBERG WASTEWATER SYSTEM AS OF DECEMBER 31, 2022

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

ORIGINAL COST AND RELATED ACCRUED DEPRECIATION OF NORTH HEIDELBERG WASTEWATER SYSTEM AS OF DECEMBER 31, 2022

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC
Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

June 26, 2023

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Gentlemen:

Pursuant to your request, we have determined the original cost and related accrued depreciation as of December 31, 2022, of the wastewater assets of the North Heidelberg Wastewater System.

The attached report includes a brief description of the system, a description of the methods used in the determination of original cost and accrued depreciation, the itemized original cost of wastewater system facilities by account and installation year, and the detailed calculations of accrued depreciation.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JJS/mle

074923.000

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PART I. INTRODUCTION

AQUA PENNSYLVANIA, INC.

ORIGINAL COST AND RELATED ACCRUED DEPRECIATION OF
NORTH HEIDELBERG WASTEWATER SYSTEM
AS OF DECEMBER 31, 2022

PART I. INTRODUCTION

PLAN OF REPORT

The purpose of the study was to determine the original cost and related accrued depreciation as of December 31, 2022, of the wastewater assets for the North Heidelberg wastewater system.

The study is presented in three parts. Part I, Introduction, contains statements with respect to the plan of the report, the system facilities, the procedures employed, and a summary of the results of the study. Part II, Original Cost, presents the detailed analysis of the original cost by account and vintage year. Part III, Calculation of Accrued Depreciation, develops the accrued depreciation related to the original cost as of December 31, 2022.

DESCRIPTION OF SYSTEM

The North Heidelberg Wastewater System provides service to approximately 273 wastewater customers in Berks County, PA. The wastewater system assets include land and land rights, a wastewater treatment facility, PVC, cast iron and vitrified clay mains of varying sizes, services, manholes and four pump stations. The system originally began to provide service in 1971.

DETERMINATION OF ORIGINAL COST

The cost of system facilities was determined from the North Heidelberg records and unit costs typical of other wastewater utilities in the region. The unit costs were developed from typical unit costs experienced by other wastewater companies within the same region or published unit costs.

CALCULATION OF ACCRUED DEPRECIATION

The accrued depreciation calculation in Part III of the report was based on recognized methods using estimated survivor characteristics and the straight line depreciation method. The estimated survivor curves are similar to those used by other Pennsylvania wastewater companies. The average service life procedure was used to apply the methods of depreciation to group properties for which a survivor curve was used to recognize the existence of life dispersion.

A summary table of accrued depreciation applicable to original cost is set forth in Part III of the report. The detailed calculations by account and vintage follow the summary table.

RESULTS OF STUDY

The table on page II-2 summarizes the original cost and related accrued depreciation by account for the North Heidelberg wastewater system as of December 31, 2022. The original cost was brought forward from Part II of the report and the accrued depreciation from Part III of the report.

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

TABLE 1. SUMMARY OF ORIGINAL COST AND ACCRUED DEPRECIATION OF WASTEWATER SYSTEM AS OF DECEMBER 31, 2022

ACCOUNT	DESCRIPTION	ORIGINAL COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	20,000.00	-
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	7,531.56	5,221
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	29,081.02	16,435
355.00	POWER GENERATING EQUIPMENT	10,454.90	7,130
360.00	COLLECTION MAINS - FORCE	110,884.61	60,850
361.00	COLLECTION MAINS - GRAVITY	679,746.75	349,793
361.21	COLLECTION SEWERS - MANHOLES	65,894.22	45,795
363.00	CUSTOMER SERVICE LINES	68,275.48	44,328
370.30	RECEIVING WELLS	4,091.47	3,332
371.00	PUMPING EQUIPMENT	3,866.44	3,000
380.00	TREATMENT AND DISPOSAL EQUIPMENT	201,394.71	65,299
396.00	COMMUNICATION EQUIPMENT	7,666.67	7,667
	TOTAL WASTEWATER PLANT	**1,208,887.83**	**608,850**

PART II. ORIGINAL COST

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

TABLE 2. SUMMARY OF ANALYSIS OF ORIGINAL COST OF WASTEWATER SYSTEM AS OF DECEMBER 31, 2022

ACCOUNT	DESCRIPTION	ORIGINAL COST
(1)	(2)	(3)
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	20,000.00
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	7,531.56
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	29,081.02
355.00	POWER GENERATING EQUIPMENT	10,454.90
360.00	COLLECTION MAINS - FORCE	110,884.61
361.00	COLLECTION MAINS - GRAVITY	679,746.75
361.21	COLLECTION SEWERS - MANHOLES	65,894.22
363.00	CUSTOMER SERVICE LINES	68,275.48
370.30	RECEIVING WELLS	4,091.47
371.00	PUMPING EQUIPMENT	3,866.44
380.00	TREATMENT AND DISPOSAL EQUIPMENT	201,394.71
396.00	COMMUNICATION EQUIPMENT	7,666.67
	TOTAL WASTEWATER PLANT	**1,208,887.83**

DETAILED ORIGINAL COST AS OF DECEMBER 31, 2022

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

DETAILED ORIGINAL COST AS OF DECEMBER 31, 2022

	DEPR GROUP	QUANTITY	SIZE	VINTAGE	ORIGINAL COST
	(1)	(2)	(3)	(4)	(5)
353.40	**LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL**				
	TREATMENT PLANT LAND	1		1971	20,000
					20,000
354.30	**STRUCTURES AND IMPROVEMENTS - PUMPING**				
	GOLF PUMP STATION	1		1973	2,086
	PATRICIA PUMP STATION	1		1975	1,680
	WALNUT PUMP STATION	1		1978	2,549
	GROUND ZERO PUMP STATION	1		1971	1,217
					7,532
354.40	**STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL**				
	WASTEWATER TREATMENT PLANT	1		1971	20,925
	UV SYSTEM CONTAINMENT SHED	1		2021	8,156
					29,081
355.00	**POWER GENERATING EQUIPMENT**				
	GENERATOR	1		2003	9,235
	DIESEL TANK	1		1971	1,219
					9,235
360.00	**COLLECTION MAINS - FORCE**				
	FORCE MAINS (PVC)	1,748	6"	1980	42,911
	FORCE MAINS (PVC)	749	6"	1990	27,398
	FORCE MAINS (CAST IRON)	842	6"	1971	8,336
	FORCE MAINS (VITRIFIED CLAY)	1,817	6"	1975	32,239
		5,156			***110,885***
361.00	**COLLECTION MAINS - GRAVITY**				
	GRAVITY MAINS (PVC)	11,220	8"	1980	291,175
	GRAVITY MAINS (PVC)	4,808	8"	1990	185,926
	GRAVITY MAINS (PVC)	870	10"	2003	52,077
	GRAVITY MAINS (DUCTILE IRON)	398	8"	1985	12,989
	GRAVITY MAINS (VITRIFIED CLAY)	401	6"	1971	3,361
	GRAVITY MAINS (VITRIFIED CLAY)	6,438	8"	1971	73,551
	GRAVITY MAINS (VITRIFIED CLAY)	374	10"	1975	7,520
	GRAVITY MAINS (VITRIFIED CLAY)	779	8"	1978	16,387
	GRAVITY MAINS (VITRIFIED CLAY)	2,426	8"	1976	36,760
		27,716			***679,747***
361.21	**COLLECTION SEWERS - MANHOLES**				
	MANHOLES	12		1978	9,851
	MANHOLES	24		1975	16,628
	MANHOLES	37		1973	17,558
	MANHOLES	49		1971	21,857
		122			***21,857***
363.00	**SERVICES**				
	SERVICE LATERALS - RESIDENTIAL	27		1990	14,246
	SERVICE LATERALS - RESIDENTIAL	41		1978	11,972
	SERVICE LATERALS - RESIDENTIAL	54		1975	13,376
	SERVICE LATERALS - RESIDENTIAL	68		1973	13,694
	SERVICE LATERALS - RESIDENTIAL	82		1971	14,697
	SERVICE LATERALS - COMMERCIAL	1		1978	292
		273			***68,275***

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

DETAILED ORIGINAL COST AS OF DECEMBER 31, 2022

	DEPR GROUP	QUANTITY	SIZE	VINTAGE	ORIGINAL COST
	(1)	(2)	(3)	(4)	(5)
370.30	**RECEIVING WELLS**				
	WET WELL - GOLF PUMP STATION	1		1973	888
	WET WELL - PATRICIA PUMP STATION	1		1975	1,127
	WET WELL - WALNUT PUMP STATION	1		1978	1,314
	WET WELL - GROUND ZERO PUMP STATION	1		1971	763
					4,091
371.00	**PUMPING EQUIPMENT**				
	EQUALIZATION PUMPS	2		1971	1,367
	PUMP STATION PUMPS	2		1973	210
	PUMP STATION PUMPS	2		1975	325
	PUMP STATION PUMPS	2		1978	403
	PUMP STATION PUMPS	2		1971	195
	TREATMENT PLANT PUMPS	2		1971	1,367
					3,866
380.00	**TREATMENT AND DISPOSAL EQUIPMENT**				
	BLOWERS	1		2003	13,417
	BLOWERS	2		1971	5,250
	SPARE BLOWER	1		1971	1,688
	UV DISINFECTION SYSTEM	1		2021	34,821
	EFFLUENT SAMPLER	1		2021	3,634
	CLARIFIERS	2	10,000 gal	2003	42,167
	EQ TANK	1	25,000 gal	1971	1,124
	EQ TANK	1	10,000 gal	1971	937
	AERATION TANKS	2	50,000 gal	2003	15,321
	AERATION TRAINS	2		2003	38,301
	FILTER	1	2,000 gal	1971	749
	BASINS	2		1971	75
	FLOW METER	1		2003	1,149
	MANUAL BAR SCREEN	1		1971	2,494
	CHEMICAL TREATMENT EQUIPMENT	1		2021	18,183
	SURGE TANK	1		1971	1,873
	SLUDGE HOLDING TANK	1	25,000 gal	1971	12,713
	SLUDGE HOLDING TANK	1	10,000 gal	1971	7,500
					201,395
396.00	**COMMUNICATION EQUIPMENT**				
	SCADA EQUIPMENT	1		2003	7,667
					7,667
					1,208,888

PART III. CALCULATION OF ACCRUED DEPRECIATION

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

TABLE 3. SUMMARY OF SURVIVOR CURVES, ORIGINAL COST AND CALCULATED ACCRUED DEPRECIATION OF WASTEWATER SYSTEM AS OF DECEMBER 31, 2022

ACCOUNT	DESCRIPTION	SURVIVOR CURVE	ORIGINAL COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)	(5)
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	20,000.00	-
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	50-S1.5	7,531.56	5,221
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	50-R2.5	29,081.02	16,435
355.00	POWER GENERATING EQUIPMENT	25-R2.5	10,454.90	7,130
360.00	COLLECTION MAINS - FORCE	65-R2.5	110,884.61	60,850
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	679,746.75	349,793
361.21	COLLECTION SEWERS - MANHOLES	60-R3	65,894.22	45,795
363.00	CUSTOMER SERVICE LINES	60-R3	68,275.48	44,328
370.30	RECEIVING WELLS	40-S2	4,091.47	3,332
371.00	PUMPING EQUIPMENT	30-L2	3,866.44	3,000
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	201,394.71	65,299
396.00	COMMUNICATION EQUIPMENT	10-SQ	7,666.67	7,667
	TOTAL WASTEWATER PLANT		**1,208,887.83**	**608,850**

DETAILED DEPRECIATION CALCULATIONS

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 354.30 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 50-S1.5							
NET SALVAGE PERCENT.. 0							
1971	1,217.10	50.00	2.00	24.34	13.78	0.7244	882
1973	2,085.51	50.00	2.00	41.71	14.56	0.7088	1,478
1975	1,680.26	50.00	2.00	33.61	15.38	0.6924	1,163
1978	2,548.69	50.00	2.00	50.97	16.69	0.6662	1,698
	7,531.56			150.63			5,221

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 2.00

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 354.40 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 50-R2.5							
NET SALVAGE PERCENT.. 0							
1971	20,925.27	50.00	2.00	418.51	11.28	0.7744	16,205
2021	8,155.75	50.00	2.00	163.12	48.59	0.0282	230
	29,081.02			581.63			16,435

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 2.00

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 355.00 POWER GENERATING EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 25-R2.5							
NET SALVAGE PERCENT.. 0							
1971	1,219.41	25.00				1.0000	1,219
2003	9,235.49	25.00	4.00	369.42	9.00	0.6400	5,911
	10,454.90			369.42			7,130

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 3.53

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 360.00 COLLECTION MAINS - FORCE

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 65-R2.5							
NET SALVAGE PERCENT.. 0							
1971	8,336.19	65.00	1.54	128.38	22.90	0.6477	5,399
1975	32,239.13	65.00	1.54	496.48	25.48	0.6080	19,601
1980	42,910.97	65.00	1.54	660.83	28.93	0.5549	23,812
1990	27,398.32	65.00	1.54	421.93	36.44	0.4394	12,038
	110,884.61			1,707.62			60,850

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 1.54

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 361.00 COLLECTION MAINS - GRAVITY

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 65-R2.5							
NET SALVAGE PERCENT.. 0							
1971	76,911.79	65.00	1.54	1,184.44	22.90	0.6477	49,815
1975	7,520.49	65.00	1.54	115.82	25.48	0.6080	4,572
1976	36,760.33	65.00	1.54	566.11	26.16	0.5975	21,966
1978	16,387.39	65.00	1.54	252.37	27.53	0.5765	9,447
1980	291,174.58	65.00	1.54	4,484.09	28.93	0.5549	161,579
1985	12,989.47	65.00	1.54	200.04	32.59	0.4986	6,477
1990	185,926.03	65.00	1.54	2,863.26	36.44	0.4394	81,692
2003	52,076.67	65.00	1.54	801.98	47.22	0.2735	14,245
	679,746.75			10,468.11			349,793

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 1.54

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 361.21 COLLECTION SEWERS - MANHOLES

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 60-R3							
NET SALVAGE PERCENT.. 0							
1971	21,857.18	60.00	1.67	365.01	16.66	0.7223	15,788
1973	17,557.87	60.00	1.67	293.22	17.89	0.7018	12,323
1975	16,627.78	60.00	1.67	277.68	19.18	0.6803	11,312
1978	9,851.39	60.00	1.67	164.52	21.19	0.6468	6,372
	65,894.22			1,100.43			45,795

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 1.67

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 363.00 SERVICES

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	EXP. (6)	--ACCRUED DEPREC.-- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 60-R3							
NET SALVAGE PERCENT.. 0							
1971	14,696.63	60.00	1.67	245.43	16.66	0.7223	10,616
1973	13,693.76	60.00	1.67	228.69	17.89	0.7018	9,611
1975	13,375.58	60.00	1.67	223.37	19.18	0.6803	9,100
1978	12,263.97	60.00	1.67	204.81	21.19	0.6468	7,933
1990	14,245.54	60.00	1.67	237.90	30.23	0.4962	7,068
	68,275.48			1,140.20			44,328

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 1.67

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 370.30 RECEIVING WELLS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 40-S2							
NET SALVAGE PERCENT.. 0							
1971	763.27	40.00	2.50	19.08	6.26	0.8435	644
1973	887.52	40.00	2.50	22.19	6.85	0.8288	736
1975	1,127.15	40.00	2.50	28.18	7.47	0.8133	917
1978	1,313.53	40.00	2.50	32.84	8.47	0.7883	1,035
	4,091.47			102.29			3,332

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 2.50

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 371.00 PUMPING EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 30-L2							
NET SALVAGE PERCENT.. 0							
1971	2,928.68	30.00	3.33	97.53	6.45	0.7850	2,299
1973	209.79	30.00	3.33	6.99	6.90	0.7700	162
1975	325.17	30.00	3.33	10.83	7.37	0.7543	245
1978	402.80	30.00	3.33	13.41	8.09	0.7303	294
	3,866.44			128.76			3,000

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 3.33

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 380.00 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	EXP. (6)	--ACCRUED DEPREC.-- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 40-S0							
NET SALVAGE PERCENT.. 0							
1971	34,402.29	40.00	2.50	860.06	10.97	0.7258	24,967
2003	110,354.37	40.00	2.50	2,758.86	26.11	0.3473	38,321
2021	56,638.05	40.00	2.50	1,415.95	38.58	0.0355	2,011
	201,394.71			5,034.87			65,299

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 2.50

AQUA PENNSYLVANIA, INC.
NORTH HEIDELBERG WASTEWATER

ACCOUNT 396.00 COMMUNICATION EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2022

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 10-SQUARE							
NET SALVAGE PERCENT.. 0							
2003	7,666.67	10.00				1.0000	7,667
	7,666.67						7,667

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 0.00

AP EXHIBIT 4-A

AQUA PENNSYLVANIA, INC.

Docket No. R-2024-3047822

EXHIBIT TO ACCOMPANY

THE DIRECT TESTIMONY OF
PAUL R. MOUL
WITH REGARD TO
COST OF CAPITAL

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

May 23, 2024

AQUA PENNSYLVANIA, INC.
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Aqua Pennsylvania, Inc.
Summary Cost of Capital
Estimated at December 31, 2025

Type of Capital	Ratios	Cost Rate	Weighted Cost Rate
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	10.95%	5.91%
Total	100.00%		7.90%

Indicated levels of fixed charge coverage assuming that the Company could actually achieve its overall cost of capital:

Pre-tax coverage of interest expense based upon a 28.8921% composite federal and state income tax rate (10.30% ÷ 1.99%)	5.18 x
Post-tax coverage of interest expense (7.90% ÷ 1.99%)	3.97 x

Aqua Pennsylvania, Inc.
Cost of Equity
With Market Data through
March 31, 2024

Discounted Cash Flow (DCF)	***D_1/P_0*** [1]	**+**	***g*** [2]	**+**	***lev.*** [3]	**=**	***k***
Water Group	2.63%	+	6.75%	+	1.20%	=	10.58%

Risk Premium (RP)			***I*** [4]	**+**	***RP*** [5]	**=**	***k***
Water Group			5.00%	+	6.50%	=	11.50%

Capital Asset Pricing Model (CAPM	***Rf*** [6]	**+**	***ß*** [7]	***x (Rm-Rf*** [8]	**) +**	***size*** [9]	**=**	***k***
Water Group	3.75%	+	1.10	x (8.21%	) +	1.02%	=	13.80%

Comparable Earnings (CE) [10]	***Historical***	***Forecast***	***Average***
Comparable Earnings Group	12.7%	13.1%	12.90%

References
[1] Schedule 7, page 1
[2] Schedule 9, page 1
[3] Schedule 10, page 1
[4] risk-free rate of return (Schedule 13, page 2) and a yield
[5] Schedule 12, page 1
[6] Schedule 13, page 2
[7] Schedule 9, page 1
[8] Schedule 13, page 2
[9] Schedule 13, page 3
[10] Schedule 14, page 2

Aqua Pennsylvania, Inc.
Capitalization and Financial Statistics
2022-2018, Inclusive

	2022	2021	2020	2019	2018	
			(Millions of Dollars)			
Amount of Capital Employed						
Permanent Capital	$ 4,384.6	$ 3,960.6	$ 3,725.2	$ 3,466.0	$ 3,169.8	
Short-Term Debt	$ 20.0	$ 35.0	$ 49.2	$ 25.7	$ 15.4	
Total Capital	$ 4,404.6	$ 3,995.6	$ 3,774.4	$ 3,491.7	$ 3,185.3	
Capital Structure Ratios						
Based on Permanent Capital:						Average
Long-Term Debt	43.8%	45.5%	48.7%	48.8%	46.5%	46.7%
Common Equity [1]	56.2%	54.5%	51.3%	51.2%	53.5%	53.3%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Based on Total Capital:						
Total Debt incl. Short Term	44.1%	46.0%	49.3%	49.2%	46.8%	47.1%
Common Equity [1]	55.9%	54.0%	50.7%	50.8%	53.2%	52.9%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Rate of Return on Book Common Equity [1]	9.9%	9.8%	10.2%	11.2%	11.3%	10.5%
Operating Ratio [2]	48.7%	51.1%	48.7%	50.4%	51.4%	50.1%
Coverage incl. AFUDC [3]						
Pre-tax: All Interest Charges	4.44 x	3.76 x	3.49 x	3.51 x	3.68 x	3.78 x
Post-tax: All Interest Charges	4.09 x	3.73 x	3.49 x	3.80 x	4.00 x	3.82 x
Coverage excl. AFUDC [3]						
Pre-tax: All Interest Charges	4.28 x	3.63 x	3.41 x	3.37 x	3.52 x	3.64 x
Post-tax: All Interest Charges	3.92 x	3.60 x	3.41 x	3.65 x	3.84 x	3.68 x
Quality of Earnings & Cash Flow						
AFC/Income Avail. for Common Equity	5.3%	36.7%	3.3%	5.3%	5.3%	11.2%
Effective Income Tax Rate	10.3%	1.1%	0.1%	-11.4%	-11.8%	-2.3%
Internal Cash Generation/Construction [4]	110.5%	89.8%	69.8%	52.1%	54.3%	75.3%
Gross Cash Flow/ Avg. Total Debt [5]	18.1%	16.4%	15.2%	16.9%	17.7%	16.9%
Gross Cash Flow Interest Coverage [6]	5.54 x	5.10 x	5.04 x	5.28 x	5.48 x	5.29 x
Common Dividend Coverage [7]	#DIV/0! x	#DIV/0! x	5.43 x	2.72 x	3.12 x	#DIV/0! x

See Page 2 for Notes.

Aqua Pennsylvania, Inc.
Capitalization and Financial Statistics
2018-2022, Inclusive

Notes:

(1) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account.

(2) Total operating expenses, maintenance, depreciation and taxes other than income as a percentage of operating revenues.

(3) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.

(4) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends divided by gross construction expenditures.

(5) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less AFUDC) as a percentage of average total debt.

(6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) plus interest charges, divided by interest charges.

(7) Common dividend coverage is the relationship of internally generated funds from operations after payment of preferred stock dividends to common dividends paid.

Source of Information: Certified Annual Reports by PricewaterhouseCoopers LLP

Water Group
Capitalization and Financial Statistics [1]
2018-2022, Inclusive

	2022	2021	2020	2019	2018	Average
			(Millions of Dollars)			
Amount of Capital Employed						
Permanent Capital	$ 4,807.3	$ 4,528.6	$ 4,107.0	$ 3,466.3	$ 2,855.0	
Short-Term Debt	$ 245.5	$ 102.2	$ 241.8	$ 142.1	$ 151.3	
Total Capital	$ 5,052.8	$ 4,630.8	$ 4,348.8	$ 3,608.4	$ 3,006.3	
Market-Based Financial Ratios						
Price-Earnings Multiple	33 x	32 x	30 x	39 x	30 x	33 x
Market/Book Ratio	321.7%	344.7%	311.6%	325.1%	299.2%	320.5%
Dividend Yield	1.8%	1.8%	2.0%	1.9%	2.1%	1.9%
Dividend Payout Ratio	60.8%	54.1%	56.9%	71.4%	60.6%	60.8%
Capital Structure Ratios						
Based on Permanent Capital:						
Long-Term Debt	48.5%	50.6%	50.5%	48.8%	45.7%	48.8%
Preferred Stock	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Common Equity [2]	51.5%	49.4%	49.4%	51.2%	54.3%	51.1%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Based on Total Capital:						
Total Debt incl. Short Term	51.6%	51.8%	53.1%	50.4%	48.1%	51.0%
Preferred Stock	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%
Common Equity [2]	48.4%	48.1%	46.9%	49.6%	51.8%	49.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Rate of Return on Book Common Equity [2]	9.7%	11.0%	10.5%	9.5%	10.0%	10.1%
Operating Ratio [3]	72.3%	72.1%	71.0%	71.3%	69.0%	71.1%
Coverage incl. AFUDC [4]						
Pre-tax: All Interest Charges	3.89 x	4.21 x	3.99 x	3.67 x	3.77 x	3.91 x
Post-tax: All Interest Charges	3.57 x	3.86 x	3.65 x	3.31 x	3.35 x	3.55 x
Overall Coverage: All Int. & Pfd. Div.	3.56 x	3.85 x	3.64 x	3.30 x	3.33 x	3.54 x
Coverage excl. AFUDC [4]						
Pre-tax: All Interest Charges	3.75 x	4.07 x	3.83 x	3.50 x	3.67 x	3.76 x
Post-tax: All Interest Charges	3.43 x	3.72 x	3.49 x	3.15 x	3.24 x	3.41 x
Overall Coverage: All Int. & Pfd. Div.	3.42 x	3.71 x	3.48 x	3.14 x	3.23 x	3.40 x
Quality of Earnings & Cash Flow						
AFC/Income Avail. for Common Equity	5.6%	5.3%	6.1%	8.7%	5.1%	6.2%
Effective Income Tax Rate	10.9%	9.4%	10.9%	14.9%	15.9%	12.4%
Internal Cash Generation/Construction [5]	48.1%	51.8%	50.3%	45.9%	50.8%	49.4%
Gross Cash Flow/ Avg. Total Debt [6]	16.7%	16.7%	17.1%	17.4%	20.3%	17.6%
Gross Cash Flow Interest Coverage [7]	5.46 x	5.58 x	5.25 x	4.78 x	5.18 x	5.25 x
Common Dividend Coverage [8]	3.21 x	3.24 x	3.28 x	2.91 x	3.30 x	3.19 x

See Page 2 for Notes.

Water Group
Capitalization and Financial Statistics
2018-2022, Inclusive

Notes:

(1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.
(2) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account.
(3) Total operating expenses, maintenance, depreciation and taxes other than income taxes as a percent of operating revenues.
(4) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
(5) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends divided by gross construction expenditures.
(6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) plus interest charges, divided by interest charges.
(7) Gross Cash Flow plus interest charges divided by interest charges.
(8) Common dividend coverage is the relationship of internally-generated funds from operations after payment of preferred stock dividends to common dividends paid.

Basis of Selection:

The Water Group companies have the following common characteristics: (i) they are listed in the "Water Utility Industry" section (basic and expanded editions) of The Value Line Investment Survey, and (ii) their stock is publicly traded.

Ticker	Company	Corporate Credit Ratings Moody's	Corporate Credit Ratings S&P	Stock Traded	Value Line Beta
AWR	American States Water	A2	A+	NYSE	0.70
AWK	American Water Works Co.	A3	A	NYSE	0.95
ARTNA	Artesian Resources Corp.	-	-	NASDAQ	0.75
CWT	California Water Serv. Grp.	-	A+	NYSE	0.75
WTRG	Essential Utilities, Inc.	Baa2	A	NASDAQ	1.00
MSEX	Middlesex Water Company	-	A	NASDAQ	0.75
SJW	SJW Corporation	-	A-	NYSE	0.85
YORW	York Water Company	-	A-	NASDAQ	0.80
	Average	A3	A		0.82

Note: Ratings are those of utility subsidiaries

Source of Information: Utility COMPUSTAT
Moody's Investors Service
Standard & Poor's Corporation

Standard & Poor's Public Utilities
Capitalization and Financial Statistics [1]
2018-2022, Inclusive

	2022	2021	2020	2019	2018	
			(Millions of Dollars)			
Amount of Capital Employed						
Permanent Capital	$ 42,136.6	$ 40,154.3	$ 38,732.9	$ 36,461.6	$ 32,871.6	
Short-Term Debt	$ 1,713.7	$ 1,397.4	$ 1,154.1	$ 1,221.9	$ 1,420.3	
Total Capital	$ 43,850.3	$ 41,551.7	$ 39,887.0	$ 37,683.5	$ 34,291.9	
Market-Based Financial Ratios						Average
Price-Earnings Multiple	23 x	22 x	23 x	20 x	21 x	22 x
Market/Book Ratio	219.2%	220.7%	218.2%	220.9%	204.4%	216.7%
Dividend Yield	3.3%	3.5%	3.6%	3.2%	3.5%	3.4%
Dividend Payout Ratio	72.5%	72.9%	78.0%	62.7%	68.7%	71.0%
Capital Structure Ratios						
Based on Permanent Captial:						
Long-Term Debt	58.3%	57.4%	58.1%	56.7%	55.0%	57.1%
Preferred Stock	2.2%	2.3%	2.6%	2.4%	2.5%	2.4%
Common Equity [2]	39.6%	40.4%	39.4%	41.0%	42.5%	40.5%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Based on Total Capital:						
Total Debt incl. Short Term	60.0%	58.9%	59.4%	58.1%	57.0%	58.7%
Preferred Stock	2.1%	2.2%	2.5%	2.3%	2.4%	2.3%
Common Equity [2]	37.9%	38.9%	38.1%	39.6%	40.7%	39.1%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Rate of Return on Book Common Equity [2]	9.9%	9.4%	10.2%	10.3%	10.3%	10.0%
Operating Ratio [3]	83.1%	83.1%	79.8%	79.3%	79.8%	81.0%
Coverage incl. AFUDC [4]						
Pre-tax: All Interest Charges	3.28 x	3.16 x	2.80 x	3.05 x	2.94 x	3.05 x
Post-tax: All Interest Charges	2.94 x	2.87 x	2.60 x	3.10 x	2.59 x	2.82 x
Overall Coverage: All Int. & Pfd. Div.	2.89 x	2.81 x	2.55 x	3.04 x	2.55 x	2.77 x
Coverage excl. AFUDC [4]						
Pre-tax: All Interest Charges	3.17 x	3.06 x	2.70 x	2.95 x	2.84 x	2.94 x
Post-tax: All Interest Charges	2.84 x	2.78 x	2.50 x	3.00 x	2.48 x	2.72 x
Overall Coverage: All Int. & Pfd. Div.	2.79 x	2.72 x	2.46 x	2.94 x	2.44 x	2.67 x
Quality of Earnings & Cash Flow						
AFC/Income Avail. for Common Equity	7.1%	7.4%	6.8%	6.0%	7.3%	6.9%
Effective Income Tax Rate	12.9%	10.6%	9.9%	12.2%	42.0%	17.5%
Internal Cash Generation/Construction [5]	60.2%	60.5%	58.6%	65.9%	66.2%	62.3%
Gross Cash Flow/ Avg. Total Debt [6]	15.1%	15.0%	15.9%	17.5%	17.4%	16.2%
Gross Cash Flow Interest Coverage [7]	5.70 x	5.17 x	4.90 x	4.97 x	4.98 x	5.14 x
Common Dividend Coverage [8]	3.49 x	3.47 x	3.52 x	5.56 x	4.80 x	4.17 x

See Page 2 for Notes.

Standard & Poor's Public Utilities
Capitalization and Financial Statistics
2018-2022, Inclusive

Notes:

(1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.
(2) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account
(3) Total operating expenses, maintenance, depreciation and taxes other than income taxes as a percent of operating revenues.
(4) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
(5) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends divided by gross construction expenditures.
(6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) as a percentage of average total debt.
(7) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) plus interest charges, divided by interest charges.
(8) Common dividend coverage is the relationship of internally-generated funds from operations after payment of preferred stock dividends to common dividends paid.

Source of Information: Annual Reports to Shareholders
Utility COMPUSTAT

Standard & Poor's Public Utilities

Company Identities

	Ticker	Credit Rating [1] Moody's	Credit Rating [1] S&P	Common Stock Traded	Value Line Beta
Alliant Energy Corporation	LNT	Baa1	A-	NYSE	0.85
Ameren Corporation	AEE	Baa1	BBB+	NYSE	0.85
American Electric Power	AEP	Baa1	A-	NYSE	0.75
American Water Works	AWK	Baa1	A	NYSE	0.90
CenterPoint Energy	CNP	Baa1	BBB+	NYSE	1.10
CMS Energy	CMS	Baa1	A-	NYSE	0.80
Consolidated Edison	ED	Baa1	A-	NYSE	0.75
Dominion Energy	D	A2	BBB+	NYSE	0.85
DTE Energy Co.	DTE	A2	A-	NYSE	0.95
Duke Energy	DUK	A2	BBB+	NYSE	0.85
Edison Int'l	EIX	Baa1	BBB	NYSE	0.95
Entergy Corp.	ETR	Baa1	BBB+	NYSE	0.95
Evergy, Inc.	EVRG	Baa1	A-	NYSE	0.90
Eversource	ES	A3	A	NYSE	0.90
Exelon Corp.	EXC	A2	BBB+	NDQ	NMF
FirstEnergy Corp.	FE	A3	BBB	NYSE	0.85
NextEra Energy Inc.	NEE	A1	A	NYSE	0.95
NiSource Inc.	NI	Baa2	BBB+	NYSE	0.85
NRG Energy Inc.	NRG	Ba1	BB	NYSE	1.10
Pinnacle West Capital	PNW	A3	BBB+	NYSE	0.90
PPL Corp.	PPL	A3	A	NYSE	1.05
Public Serv. Enterprise Inc.	PEG	A3	A-	NYSE	0.90
Sempra Energy	SRE	A3	BBB+	NYSE	0.95
Southern Co.	SO	Baa1	BBB+	NYSE	0.90
WEC Energy Corp.	WEC	A2	A-	NYSE	0.80
Xcel Energy Inc	XEL	A2	A-	NYSE	0.80
Average for S&P Utilities		A3	BBB+		0.90

Note: [1] Ratings are those of utility subsidiaries

Source of Information: Moody's Investors Service, Inc.
S&P Global Inc.
The Value Line Investment Survey

Aqua Pennsylvania, Inc.
Capitalization and Related Capital Structure Ratios
Actual at December 31, 2023 and Estimated at December 31, 2024 and December 31, 2025

	Actual at December 31, 2023			Estimated at December 31, 2024			Estimated at December 31, 2025		
	Amount Outstanding	Ratios		Amount Outstanding	Ratios		Amount Outstanding	Ratios	
		Excl. S-T Debt	Incl. S-T Debt		Excl. S-T Debt	Incl. S-T Debt		Excl. S-T Debt	Incl. S-T Debt
Long-Term Debt[1]	$2,218,808,602	48.52%	48.27%	$2,204,911,964 [2]	45.31%	44.85%	$2,312,128,264 [2]	46.05%	45.60%
Common Equity									
Common stock, net of Treasury stock	109,000			109,000			109,000		
Capital in excess of par value	(58,754,203)			18,245,797 [3]			18,245,797		
Retained earnings	2,413,249,516			2,643,446,270 [4]			2,690,014,594 [4]		
Total Common Equity	2,354,604,313	51.48%	51.23%	2,661,801,067	54.69%	54.14%	2,708,369,391	53.95%	53.41%
Total Permanent Capital	4,573,412,915	100.00%	99.50%	4,866,713,032	100.00%	98.98%	5,020,497,654	100.00%	99.01%
Revolving Credit Facility	23,123,092		0.50%	50,000,000 [5]		1.02%	50,000,000 [5]		0.99%
Total Capital Employed	$4,596,536,008		100.00%	$4,916,713,032		100.00%	$5,070,497,654		100.00%

Notes: [1] Includes current portion of long-term debt.

[2] Reflects the issuance and retirement of long-term debt as follows:

Redemptions & maturities	$ (13,896,638)	$ (17,783,701)
New issuance of FMBs	-	125,000,000
Total	$ (13,896,638)	$ 107,216,299

[3] Reflects capital contribution $ 77,000,000

[4] Reflects build-up of Retained Earnings of:

Net Income	$ 230,196,754	$ 252,568,323
Dividends	-	(206,000,000)
Total	$ 230,196,754	$ 46,568,323

[5] Projection of short-term debt.

Source of Information: Company provided data

Aqua Pennsylvania, Inc.
Calculation of the Embedded Cost of Long-Term Debt
Actual at December 31, 2023

Series	Date of Maturity	Principal Amount Outstanding	Percent to Total	Effective [1] Cost Rate	Weighted Cost Rate
First Mortgage Bonds	09/15/26	11,800,000	0.53%	9.30%	0.05%
First Mortgage Bonds	05/15/25	15,000,000	0.68%	7.73%	0.05%
First Mortgage Bonds	05/10/27	15,000,000	0.68%	6.06%	0.04%
First Mortgage Bonds	05/10/27	5,000,000	0.23%	6.06%	0.01%
First Mortgage Bonds	05/15/28	3,000,000	0.14%	5.98%	0.01%
First Mortgage Bonds	12/01/41	40,000,000	1.80%	3.89%	0.07%
First Mortgage Bonds	12/01/42	20,000,000	0.90%	3.89%	0.04%
First Mortgage Bonds	12/01/47	20,000,000	0.90%	3.94%	0.04%
First Mortgage Bonds	11/01/31	25,000,000	1.13%	4.00%	0.05%
First Mortgage Bonds	11/01/45	25,000,000	1.13%	4.67%	0.05%
First Mortgage Bonds	11/01/46	25,000,000	1.13%	4.68%	0.05%
First Mortgage Bonds	01/15/35	25,000,000	1.13%	3.73%	0.04%
First Mortgage Bonds	01/15/40	15,000,000	0.68%	4.10%	0.03%
First Mortgage Bonds	01/15/45	13,000,000	0.59%	4.14%	0.02%
First Mortgage Bonds	12/29/54	12,000,000	0.54%	4.19%	0.02%
First Mortgage Bonds	01/15/36	65,000,000	2.93%	3.85%	0.11%
First Mortgage Bonds	01/15/37	20,000,000	0.90%	3.90%	0.04%
First Mortgage Bonds	01/15/38	25,000,000	1.13%	3.93%	0.04%
First Mortgage Bonds	01/15/46	60,000,000	2.70%	4.23%	0.11%
First Mortgage Bonds	01/15/47	20,000,000	0.90%	4.25%	0.04%
First Mortgage Bonds	01/15/48	20,000,000	0.90%	4.27%	0.04%
First Mortgage Bonds	01/15/51	25,000,000	1.13%	3.89%	0.04%
First Mortgage Bonds	01/15/56	60,000,000	2.70%	3.99%	0.11%
First Mortgage Bonds	02/01/42	10,000,000	0.45%	3.69%	0.02%
First Mortgage Bonds	02/01/44	40,000,000	1.80%	3.73%	0.07%
First Mortgage Bonds	07/15/55	40,000,000	1.80%	4.05%	0.07%
First Mortgage Bonds	07/15/57	40,000,000	1.80%	4.07%	0.07%
First Mortgage Bonds	10/15/54	35,000,000	1.58%	4.07%	0.06%
First Mortgage Bonds	10/15/55	20,000,000	0.90%	4.08%	0.04%
First Mortgage Bonds	10/15/57	20,000,000	0.90%	4.10%	0.04%
First Mortgage Bonds	07/15/42	25,000,000	1.13%	4.02%	0.05%
First Mortgage Bonds	07/15/45	10,000,000	0.45%	4.07%	0.02%
First Mortgage Bonds	07/15/48	65,000,000	2.93%	4.12%	0.12%
First Mortgage Bonds	11/15/47	65,000,000	2.93%	4.47%	0.13%
First Mortgage Bonds	11/15/52	30,000,000	1.35%	4.52%	0.06%
First Mortgage Bonds	11/15/53	30,000,000	1.35%	4.54%	0.06%
First Mortgage Bonds	05/31/49	75,000,000	3.38%	4.03%	0.14%
First Mortgage Bonds	05/31/54	25,000,000	1.13%	4.08%	0.05%
First Mortgage Bonds	05/31/59	25,000,000	1.13%	4.13%	0.05%
First Mortgage Bonds	09/26/54	50,000,000	2.25%	4.10%	0.09%
First Mortgage Bonds	09/26/58	75,000,000	3.38%	4.14%	0.14%
First Mortgage Bonds	09/26/59	50,000,000	2.25%	4.15%	0.09%
First Mortgage Bonds	01/01/52	75,000,000	3.38%	3.47%	0.12%
First Mortgage Bonds	01/01/53	50,000,000	2.25%	3.49%	0.08%
First Mortgage Bonds	06/01/51	75,000,000	3.38%	3.50%	0.12%
First Mortgage Bonds	06/01/55	50,000,000	2.25%	3.55%	0.08%
First Mortgage Bonds	06/01/56	50,000,000	2.25%	3.56%	0.08%
First Mortgage Bonds	12/01/53	50,000,000	2.25%	2.92%	0.07%
First Mortgage Bonds	12/01/57	50,000,000	2.25%	2.95%	0.07%
First Mortgage Bonds	12/01/57	50,000,000	2.25%	2.96%	0.07%
First Mortgage Bonds	12/01/52	125,000,000	5.63%	4.52%	0.25%
First Mortgage Bonds	02/01/43	75,000,000	3.38%	5.62%	0.19%
First Mortgage Bonds	08/01/53	175,000,000	7.89%	5.49%	0.43%
First Mortgage Bonds	08/01/61	50,000,000	2.25%	5.57%	0.13%
Unsecured Note	03/30/24	10,000,000	0.45%	5.95%	0.03%
Unsecured Note	03/30/33	10,000,000	0.45%	5.96%	0.03%
Unsecured Note	03/30/34	10,000,000	0.45%	5.96%	0.03%
Pennvest	03/01/24	85,663	0.00%	2.75%	0.00%
Pennvest	04/01/24	46,850	0.00%	2.79%	0.00%
Pennvest	01/01/25	313,538	0.01%	3.49%	0.00%
Pennvest	05/01/25	613,432	0.03%	3.48%	0.00%
Pennvest	03/01/24	28,579	0.00%	2.79%	0.00%
Pennvest	06/01/24	10,451	0.00%	2.79%	0.00%
Pennvest	04/01/35	23,459	0.00%	1.03%	0.00%
Pennvest	03/23/25	217,754	0.01%	2.70%	0.00%
Pennvest	05/01/26	231,331	0.01%	2.74%	0.00%
Pennvest	04/01/26	138,129	0.01%	2.80%	0.00%
Pennvest	05/01/26	45,326	0.00%	3.50%	0.00%
Pennvest	05/01/27	102,612	0.00%	2.80%	0.00%
Pennvest	10/01/26	414,178	0.02%	3.08%	0.00%
Pennvest	10/01/26	186,268	0.01%	3.40%	0.00%
Pennvest	07/01/27	439,761	0.02%	2.81%	0.00%
Pennvest	04/01/27	562,334	0.03%	2.59%	0.00%
Pennvest	10/01/27	247,222	0.01%	3.24%	0.00%
Pennvest	05/01/28	530,967	0.02%	2.59%	0.00%
Pennvest	10/01/28	360,075	0.02%	2.58%	0.00%
Pennvest	02/01/29	140,671	0.01%	2.59%	0.00%
Pennvest	02/01/30	436,224	0.02%	2.59%	0.00%
Pennvest	07/01/29	707,508	0.03%	2.59%	0.00%
Pennvest	08/01/29	204,680	0.01%	3.09%	0.00%
Pennvest	05/01/30	489,231	0.02%	2.59%	0.00%
Pennvest	09/01/30	580,352	0.03%	2.60%	0.00%
Pennvest	01/01/31	429,364	0.02%	2.60%	0.00%
Pennvest	11/01/30	486,672	0.02%	2.74%	0.00%
Pennvest	09/01/30	474,864	0.02%	2.60%	0.00%
Pennvest	02/01/31	513,138	0.02%	3.20%	0.00%
Pennvest	10/01/30	855,711	0.04%	1.56%	0.00%
Pennvest	12/01/30	1,214,786	0.05%	2.60%	0.00%
Pennvest	01/01/31	328,877	0.01%	2.61%	0.00%
Pennvest	01/01/34	963,089	0.04%	1.56%	0.00%
Pennvest	04/01/31	438,859	0.02%	1.05%	0.00%
Pennvest	09/01/39	4,293,886	0.19%	1.16%	0.00%
Pennvest	12/01/33	569,396	0.03%	2.59%	0.00%
Pennvest	12/01/33	895,037	0.04%	2.59%	0.00%
Pennvest - LWW	02/01/23	41,369	0.00%	1.19%	0.00%
Pennvest - LWW	01/01/32	346,959	0.02%	1.04%	0.00%
Long Term- Debt		$ 2,218,808,602	100.00%		4.24%

Notes: [1] As calculated on page 4 of this schedule.

Source of Information: Company provided data

Aqua Pennsylvania, Inc.
Calculation of the Embedded Cost of Long-Term Debt
Actual at December 31, 2024

Series	Date of Maturity	Principal Amount Outstanding	Percent to Total	Effective [1] Cost Rate	Weighted Cost Rate
First Mortgage Bonds	09/15/26	11,800,000	0.54%	9.30%	0.05%
First Mortgage Bonds	05/15/25	15,000,000	0.68%	7.73%	0.05%
First Mortgage Bonds	05/10/27	15,000,000	0.68%	6.06%	0.04%
First Mortgage Bonds	05/10/27	5,000,000	0.23%	6.06%	0.01%
First Mortgage Bonds	05/15/28	3,000,000	0.14%	5.98%	0.01%
First Mortgage Bonds	12/01/41	40,000,000	1.81%	3.89%	0.07%
First Mortgage Bonds	12/01/42	20,000,000	0.91%	3.89%	0.04%
First Mortgage Bonds	12/01/47	20,000,000	0.91%	3.94%	0.04%
First Mortgage Bonds	11/01/31	25,000,000	1.13%	4.00%	0.05%
First Mortgage Bonds	11/01/45	25,000,000	1.13%	4.67%	0.05%
First Mortgage Bonds	11/01/46	25,000,000	1.13%	4.68%	0.05%
First Mortgage Bonds	01/15/35	25,000,000	1.13%	3.73%	0.04%
First Mortgage Bonds	01/15/40	15,000,000	0.68%	4.10%	0.03%
First Mortgage Bonds	01/15/45	13,000,000	0.59%	4.14%	0.02%
First Mortgage Bonds	12/29/54	12,000,000	0.54%	4.19%	0.02%
First Mortgage Bonds	01/15/36	65,000,000	2.95%	3.85%	0.11%
First Mortgage Bonds	01/15/37	20,000,000	0.91%	3.90%	0.04%
First Mortgage Bonds	01/15/38	25,000,000	1.13%	3.93%	0.04%
First Mortgage Bonds	01/15/46	60,000,000	2.72%	4.23%	0.12%
First Mortgage Bonds	01/15/47	20,000,000	0.91%	4.25%	0.04%
First Mortgage Bonds	01/15/48	20,000,000	0.91%	4.27%	0.04%
First Mortgage Bonds	01/15/51	25,000,000	1.13%	3.89%	0.04%
First Mortgage Bonds	01/15/56	60,000,000	2.72%	3.99%	0.11%
First Mortgage Bonds	02/01/42	10,000,000	0.45%	3.69%	0.02%
First Mortgage Bonds	02/01/44	40,000,000	1.81%	3.73%	0.07%
First Mortgage Bonds	07/15/55	40,000,000	1.81%	4.05%	0.07%
First Mortgage Bonds	07/15/57	40,000,000	1.81%	4.07%	0.07%
First Mortgage Bonds	10/15/54	35,000,000	1.59%	4.07%	0.06%
First Mortgage Bonds	10/15/55	20,000,000	0.91%	4.08%	0.04%
First Mortgage Bonds	10/15/57	20,000,000	0.91%	4.10%	0.04%
First Mortgage Bonds	07/15/42	25,000,000	1.13%	4.02%	0.05%
First Mortgage Bonds	07/15/45	10,000,000	0.45%	4.07%	0.02%
First Mortgage Bonds	07/15/48	65,000,000	2.95%	4.12%	0.12%
First Mortgage Bonds	11/15/47	65,000,000	2.95%	4.47%	0.13%
First Mortgage Bonds	11/15/52	30,000,000	1.36%	4.52%	0.06%
First Mortgage Bonds	11/15/53	30,000,000	1.36%	4.54%	0.06%
First Mortgage Bonds	05/31/49	75,000,000	3.40%	4.03%	0.14%
First Mortgage Bonds	05/31/54	25,000,000	1.13%	4.08%	0.05%
First Mortgage Bonds	05/31/59	25,000,000	1.13%	4.13%	0.05%
First Mortgage Bonds	09/26/54	50,000,000	2.27%	4.10%	0.09%
First Mortgage Bonds	09/26/58	75,000,000	3.40%	4.14%	0.14%
First Mortgage Bonds	09/26/59	50,000,000	2.27%	4.15%	0.09%
First Mortgage Bonds	01/01/52	75,000,000	3.40%	3.47%	0.12%
First Mortgage Bonds	01/01/53	50,000,000	2.27%	3.49%	0.08%
First Mortgage Bonds	06/01/51	75,000,000	3.40%	3.50%	0.12%
First Mortgage Bonds	06/01/55	50,000,000	2.27%	3.55%	0.08%
First Mortgage Bonds	06/01/56	50,000,000	2.27%	3.56%	0.08%
First Mortgage Bonds	12/01/53	50,000,000	2.27%	2.92%	0.07%
First Mortgage Bonds	12/01/57	50,000,000	2.27%	2.95%	0.07%
First Mortgage Bonds	12/01/57	50,000,000	2.27%	2.96%	0.07%
First Mortgage Bonds	12/01/52	125,000,000	5.67%	4.52%	0.26%
First Mortgage Bonds	02/01/43	75,000,000	3.40%	5.62%	0.19%
First Mortgage Bonds	08/01/53	175,000,000	7.94%	5.49%	0.44%
First Mortgage Bonds	08/01/61	50,000,000	2.27%	5.57%	0.13%
Unsecured Note	03/30/33	10,000,000	0.45%	5.96%	0.03%
Unsecured Note	03/30/34	10,000,000	0.45%	5.96%	0.03%
Pennvest	03/23/25	199,517	0.01%	2.70%	0.00%
Pennvest	05/01/26	93,767	0.00%	2.74%	0.00%
Pennvest	04/01/26	82,066	0.00%	2.80%	0.00%
Pennvest	05/01/26	26,259	0.00%	3.50%	0.00%
Pennvest	05/01/27	61,191	0.00%	2.80%	0.00%
Pennvest	10/01/26	296,986	0.01%	3.08%	0.00%
Pennvest	10/01/26	122,355	0.01%	3.40%	0.00%
Pennvest	07/01/27	289,309	0.01%	2.81%	0.00%
Pennvest	04/01/27	410,979	0.02%	2.59%	0.00%
Pennvest	10/01/27	175,252	0.01%	3.24%	0.00%
Pennvest	05/01/28	398,652	0.02%	2.59%	0.00%
Pennvest	10/01/28	282,065	0.01%	2.58%	0.00%
Pennvest	02/01/29	112,968	0.01%	2.59%	0.00%
Pennvest	02/01/30	356,208	0.02%	2.59%	0.00%
Pennvest	07/01/29	600,183	0.03%	2.59%	0.00%
Pennvest	08/01/29	170,088	0.01%	3.09%	0.00%
Pennvest	05/01/30	408,909	0.02%	2.59%	0.00%
Pennvest	09/01/30	496,022	0.02%	2.60%	0.00%
Pennvest	01/01/31	370,313	0.02%	2.60%	0.00%
Pennvest	11/01/30	423,166	0.02%	2.74%	0.00%
Pennvest	09/01/30	411,544	0.02%	2.60%	0.00%
Pennvest	02/01/31	446,179	0.02%	3.20%	0.00%
Pennvest	10/01/30	744,672	0.03%	1.56%	0.00%
Pennvest	12/01/30	1,053,064	0.05%	2.60%	0.00%
Pennvest	01/01/31	292,180	0.01%	2.61%	0.00%
Pennvest	01/01/34	845,044	0.04%	1.56%	0.00%
Pennvest	04/01/31	390,438	0.02%	1.05%	0.00%
Pennvest	09/01/39	3,885,745	0.18%	1.16%	0.00%
Pennvest	12/01/33	503,547	0.02%	2.59%	0.00%
Pennvest	12/01/33	842,302	0.04%	2.59%	0.00%
Pennvest - LWW	02/01/23	15,454	0.00%	1.19%	0.00%
Pennvest - LWW	01/01/32	305,541	0.01%	1.04%	0.00%
Long Term- Debt		$2,204,911,964	100.00%		4.24%

Notes: [1] As calculated on page 4 of this schedule.

Source of Information: Company provided data

Aqua Pennsylvania, Inc.
Calculation of the Embedded Cost of Long-Term Debt
Actual at December 31, 2025

Series	Date of Maturity	Principal Amount Outstanding	Percent to Total	Effective [1] Cost Rate	Weighted Cost Rate
First Mortgage Bonds	09/15/26	11,800,000	0.51%	9.30%	0.05%
First Mortgage Bonds	05/15/25	-	0.00%	7.73%	0.00%
First Mortgage Bonds	05/10/27	15,000,000	0.65%	6.06%	0.04%
First Mortgage Bonds	05/10/27	5,000,000	0.22%	6.06%	0.01%
First Mortgage Bonds	05/15/28	3,000,000	0.13%	5.98%	0.01%
First Mortgage Bonds	12/01/41	40,000,000	1.73%	3.89%	0.07%
First Mortgage Bonds	12/01/42	20,000,000	0.87%	3.89%	0.03%
First Mortgage Bonds	12/01/47	20,000,000	0.87%	3.94%	0.03%
First Mortgage Bonds	11/01/31	25,000,000	1.08%	4.00%	0.04%
First Mortgage Bonds	11/01/45	25,000,000	1.08%	4.67%	0.05%
First Mortgage Bonds	11/01/46	25,000,000	1.08%	4.68%	0.05%
First Mortgage Bonds	01/15/35	25,000,000	1.08%	3.73%	0.04%
First Mortgage Bonds	01/15/40	15,000,000	0.65%	4.10%	0.03%
First Mortgage Bonds	01/15/45	13,000,000	0.56%	4.14%	0.02%
First Mortgage Bonds	12/29/54	12,000,000	0.52%	4.19%	0.02%
First Mortgage Bonds	01/15/36	65,000,000	2.81%	3.85%	0.11%
First Mortgage Bonds	01/15/37	20,000,000	0.87%	3.90%	0.03%
First Mortgage Bonds	01/15/38	25,000,000	1.08%	3.93%	0.04%
First Mortgage Bonds	01/15/46	60,000,000	2.60%	4.23%	0.11%
First Mortgage Bonds	01/15/47	20,000,000	0.87%	4.25%	0.04%
First Mortgage Bonds	01/15/48	20,000,000	0.87%	4.27%	0.04%
First Mortgage Bonds	01/15/51	25,000,000	1.08%	3.89%	0.04%
First Mortgage Bonds	01/15/56	60,000,000	2.60%	3.99%	0.10%
First Mortgage Bonds	02/01/42	10,000,000	0.43%	3.69%	0.02%
First Mortgage Bonds	02/01/44	40,000,000	1.73%	3.73%	0.06%
First Mortgage Bonds	07/15/55	40,000,000	1.73%	4.05%	0.07%
First Mortgage Bonds	07/15/57	40,000,000	1.73%	4.07%	0.07%
First Mortgage Bonds	10/15/54	35,000,000	1.51%	4.07%	0.06%
First Mortgage Bonds	10/15/55	20,000,000	0.87%	4.08%	0.04%
First Mortgage Bonds	10/15/57	20,000,000	0.87%	4.10%	0.04%
First Mortgage Bonds	07/15/42	25,000,000	1.08%	4.02%	0.04%
First Mortgage Bonds	07/15/45	10,000,000	0.43%	4.07%	0.02%
First Mortgage Bonds	07/15/48	65,000,000	2.81%	4.12%	0.12%
First Mortgage Bonds	11/15/47	65,000,000	2.81%	4.47%	0.13%
First Mortgage Bonds	11/15/52	30,000,000	1.30%	4.52%	0.06%
First Mortgage Bonds	11/15/53	30,000,000	1.30%	4.54%	0.06%
First Mortgage Bonds	05/31/49	75,000,000	3.24%	4.03%	0.13%
First Mortgage Bonds	05/31/54	25,000,000	1.08%	4.08%	0.04%
First Mortgage Bonds	05/31/59	25,000,000	1.08%	4.13%	0.04%
First Mortgage Bonds	09/26/54	50,000,000	2.16%	4.10%	0.09%
First Mortgage Bonds	09/26/58	75,000,000	3.24%	4.14%	0.13%
First Mortgage Bonds	09/26/59	50,000,000	2.16%	4.15%	0.09%
First Mortgage Bonds	01/01/52	75,000,000	3.24%	3.47%	0.11%
First Mortgage Bonds	01/01/53	50,000,000	2.16%	3.49%	0.08%
First Mortgage Bonds	06/01/51	75,000,000	3.24%	3.50%	0.11%
First Mortgage Bonds	06/01/55	50,000,000	2.16%	3.55%	0.08%
First Mortgage Bonds	06/01/56	50,000,000	2.16%	3.56%	0.08%
First Mortgage Bonds	12/01/53	50,000,000	2.16%	2.92%	0.06%
First Mortgage Bonds	12/01/57	50,000,000	2.16%	2.95%	0.06%
First Mortgage Bonds	12/01/57	50,000,000	2.16%	2.96%	0.06%
First Mortgage Bonds	12/01/52	125,000,000	5.41%	4.52%	0.24%
First Mortgage Bonds	02/01/43	75,000,000	3.24%	5.62%	0.18%
First Mortgage Bonds	08/01/53	175,000,000	7.57%	5.49%	0.42%
First Mortgage Bonds	08/01/61	50,000,000	2.16%	5.57%	0.12%
First Mortgage Bonds	08/31/55	125,000,000	5.41%	6.07%	0.33%
Unsecured Note	03/30/33	10,000,000	0.43%	5.96%	0.03%
Unsecured Note	03/30/34	10,000,000	0.43%	5.96%	0.03%
Pennvest	03/23/25	181,097	0.01%	2.70%	0.00%
Pennvest	05/01/26	(0)	0.00%	2.74%	0.00%
Pennvest	04/01/26	24,464	0.00%	2.80%	0.00%
Pennvest	05/01/26	6,656	0.00%	3.50%	0.00%
Pennvest	05/01/27	18,310	0.00%	2.80%	0.00%
Pennvest	10/01/26	176,501	0.01%	3.08%	0.00%
Pennvest	10/01/26	56,464	0.00%	3.40%	0.00%
Pennvest	07/01/27	133,716	0.01%	2.81%	0.00%
Pennvest	04/01/27	255,371	0.01%	2.59%	0.00%
Pennvest	10/01/27	101,421	0.00%	3.24%	0.00%
Pennvest	05/01/28	262,047	0.01%	2.59%	0.00%
Pennvest	10/01/28	202,039	0.01%	2.58%	0.00%
Pennvest	02/01/29	84,552	0.00%	2.59%	0.00%
Pennvest	02/01/30	274,130	0.01%	2.59%	0.00%
Pennvest	07/01/29	490,092	0.02%	2.59%	0.00%
Pennvest	08/01/29	134,604	0.01%	3.09%	0.00%
Pennvest	05/01/30	326,105	0.01%	2.59%	0.00%
Pennvest	09/01/30	409,518	0.02%	2.60%	0.00%
Pennvest	01/01/31	309,740	0.01%	2.60%	0.00%
Pennvest	11/01/30	358,024	0.02%	2.74%	0.00%
Pennvest	09/01/30	346,500	0.01%	2.60%	0.00%
Pennvest	02/01/31	377,494	0.02%	3.20%	0.00%
Pennvest	10/01/30	630,092	0.03%	1.56%	0.00%
Pennvest	12/01/30	888,884	0.04%	2.60%	0.00%
Pennvest	01/01/31	254,538	0.01%	2.61%	0.00%
Pennvest	01/01/34	723,957	0.03%	1.56%	0.00%
Pennvest	04/01/31	340,770	0.01%	1.05%	0.00%
Pennvest	09/01/39	3,471,399	0.15%	1.16%	0.00%
Pennvest	12/01/33	437,036	0.02%	2.59%	0.00%
Pennvest	12/01/33	789,037	0.03%	2.59%	0.00%
Pennvest - LWW	02/01/23		0.00%	1.19%	0.00%
Pennvest - LWW	01/01/32	263,706	0.01%	1.04%	0.00%
Long Term- Debt		$2,312,128,264	100.00%		4.32%

Notes: [1] As calculated on page 4 of this schedule.

Source of Information: Company provided data

Aqua Pennsylvania, Inc.
Calculation of the Effective Cost of Long-Term Debt by Series

Series	Date of Issue	Date of Maturity	Coupon Rate	Principal Amount Issued	Discount and Expense	Net Proceeds	Net Proceeds Ratio	Effective Cost Rate [1]
First Mortgage Bonds	11/01/91	09/15/26	9.29%	12,000,000	14,126	11,985,874	99.88%	9.30%
First Mortgage Bonds	05/19/95	05/15/25	7.72%	15,000,000	21,914	14,978,086	99.85%	7.73%
First Mortgage Bonds	05/10/04	05/10/27	6.06%	15,000,000		15,000,000	100.00%	6.06%
First Mortgage Bonds	05/10/04	05/10/27	6.06%	5,000,000		5,000,000	100.00%	6.06%
First Mortgage Bonds	05/10/04	05/15/28	5.98%	3,000,000		3,000,000	100.00%	5.98%
First Mortgage Bonds	11/13/12	12/01/41	3.79%	40,000,000	659,070	39,340,930	98.35%	3.89%
First Mortgage Bonds	11/13/12	12/01/42	3.80%	20,000,000	334,026	19,665,974	98.33%	3.89%
First Mortgage Bonds	11/13/12	12/01/47	3.85%	20,000,000	352,633	19,647,367	98.24%	3.94%
First Mortgage Bonds	10/24/13	11/01/31	3.94%	25,000,000	201,066	24,798,934	99.20%	4.00%
First Mortgage Bonds	10/24/13	11/01/45	4.61%	25,000,000	263,207	24,736,793	98.95%	4.67%
First Mortgage Bonds	10/24/13	11/01/46	4.62%	25,000,000	265,632	24,734,368	98.94%	4.68%
First Mortgage Bonds	12/29/14	01/15/35	3.64%	25,000,000	305,400	24,694,600	98.78%	3.73%
First Mortgage Bonds	12/29/14	01/15/40	4.01%	15,000,000	199,703	14,800,297	98.67%	4.10%
First Mortgage Bonds	12/29/14	01/15/45	4.06%	13,000,000	182,732	12,817,268	98.59%	4.14%
First Mortgage Bonds	12/29/14	12/29/54	4.11%	12,000,000	180,056	11,819,944	98.50%	4.19%
First Mortgage Bonds	12/03/15	01/15/36	3.77%	65,000,000	707,954	64,292,046	98.91%	3.85%
First Mortgage Bonds	12/03/15	01/15/37	3.82%	20,000,000	221,531	19,778,469	98.89%	3.90%
First Mortgage Bonds	12/03/15	01/15/38	3.85%	25,000,000	281,120	24,718,880	98.88%	3.93%
First Mortgage Bonds	12/03/15	01/15/46	4.16%	60,000,000	731,351	59,268,649	98.78%	4.23%
First Mortgage Bonds	12/03/15	01/15/47	4.18%	20,000,000	245,464	19,754,536	98.77%	4.25%
First Mortgage Bonds	12/03/15	01/15/48	4.20%	20,000,000	247,296	19,752,704	98.76%	4.27%
First Mortgage Bonds	12/15/16	01/15/51	3.85%	25,000,000	196,629	24,803,371	99.21%	3.89%
First Mortgage Bonds	12/15/16	01/15/56	3.95%	60,000,000	479,934	59,520,066	99.20%	3.99%
First Mortgage Bonds	01/31/17	02/01/42	3.65%	10,000,000	70,479	9,929,521	99.30%	3.69%
First Mortgage Bonds	01/31/17	02/01/44	3.69%	40,000,000	281,977	39,718,023	99.30%	3.73%
First Mortgage Bonds	07/21/17	07/15/55	4.04%	40,000,000	58,486	39,941,514	99.85%	4.05%
First Mortgage Bonds	07/21/17	07/15/57	4.06%	40,000,000	58,746	39,941,254	99.85%	4.07%
First Mortgage Bonds	10/26/17	10/15/54	4.06%	35,000,000	50,700	34,949,300	99.86%	4.07%
First Mortgage Bonds	10/26/17	10/15/55	4.07%	20,000,000	29,050	19,970,950	99.85%	4.08%
First Mortgage Bonds	10/26/17	10/15/57	4.09%	20,000,000	29,195	19,970,805	99.85%	4.10%
First Mortgage Bonds	06/29/18	07/15/42	3.99%	25,000,000	111,417	24,888,583	99.55%	4.02%
First Mortgage Bonds	06/29/18	07/15/45	4.04%	10,000,000	45,080	9,954,920	99.55%	4.07%
First Mortgage Bonds	06/29/18	07/15/48	4.09%	65,000,000	295,698	64,704,302	99.55%	4.12%
First Mortgage Bonds	11/15/18	11/15/47	4.44%	65,000,000	353,337	64,646,663	99.46%	4.47%
First Mortgage Bonds	11/15/18	11/15/52	4.49%	30,000,000	165,356	29,834,644	99.45%	4.52%
First Mortgage Bonds	11/15/18	11/15/53	4.51%	30,000,000	165,653	29,834,347	99.45%	4.54%
First Mortgage Bonds	05/31/19	05/31/49	4.02%	75,000,000	166,939	74,833,061	99.78%	4.03%
First Mortgage Bonds	05/31/19	05/31/54	4.07%	25,000,000	56,159	24,943,841	99.78%	4.08%
First Mortgage Bonds	05/31/19	05/31/59	4.12%	25,000,000	56,543	24,943,457	99.77%	4.13%
First Mortgage Bonds	09/26/19	09/26/54	4.09%	50,000,000	98,153	49,901,847	99.80%	4.10%
First Mortgage Bonds	09/26/19	09/26/58	4.13%	75,000,000	147,930	74,852,070	99.80%	4.14%
First Mortgage Bonds	09/26/19	09/26/59	4.14%	50,000,000	98,722	49,901,278	99.80%	4.15%
First Mortgage Bonds	12/20/19	01/01/52	3.39%	75,000,000	1,193,179	73,806,821	98.41%	3.47%
First Mortgage Bonds	12/20/19	01/01/53	3.41%	50,000,000	796,715	49,203,285	98.41%	3.49%
First Mortgage Bonds	05/01/20	06/01/51	3.49%	75,000,000	204,488	74,795,512	99.73%	3.50%
First Mortgage Bonds	05/01/20	06/01/55	3.54%	50,000,000	136,761	49,863,239	99.73%	3.55%
First Mortgage Bonds	05/01/20	06/01/56	3.55%	50,000,000	136,855	49,863,145	99.73%	3.56%
First Mortgage Bonds	11/20/20	12/01/53	2.85%	50,000,000	719,562	49,280,438	98.56%	2.92%
First Mortgage Bonds	11/20/20	12/01/57	2.89%	50,000,000	720,181	49,279,819	98.56%	2.95%
First Mortgage Bonds	11/20/20	12/01/57	2.90%	50,000,000	720,316	49,279,684	98.56%	2.96%
First Mortgage Bonds	10/20/22	12/01/52	4.50%	125,000,000	398,259	124,601,741	99.68%	4.52%
First Mortgage Bonds	01/31/23	02/01/43	5.60%	75,000,000	207,565	74,792,435	99.72%	5.62%
First Mortgage Bonds	08/24/23	08/01/53	5.48%	175,000,000	370,583	174,629,417	99.79%	5.49%
First Mortgage Bonds	08/24/23	08/01/61	5.56%	50,000,000	106,185	49,893,815	99.79%	5.57%
First Mortgage Bonds	08/31/25	08/31/55	6.05%	125,000,000	402,875	124,597,125	99.68%	6.07%
Unsecured Note	03/31/06	03/30/24	5.95%	10,000,000	4,663	9,995,337	99.95%	5.95%
Unsecured Note	03/31/06	03/30/33	5.95%	10,000,000	12,451	9,987,549	99.88%	5.96%
Unsecured Note	03/31/06	03/30/34	5.95%	10,000,000	12,988	9,987,012	99.87%	5.96%
Unsecured Note	09/29/06	09/30/21	5.64%	5,461,000	517	5,460,483	99.99%	5.64%
Pennvest	06/27/02	03/01/24	2.730%	5,538,900	16,000	5,522,900	99.71%	2.75%
Pennvest	11/05/02	04/01/24	2.774%	2,201,840	6,741	2,195,099	99.69%	2.79%
Pennvest	08/07/03	01/01/25	3.470%	6,365,625	22,551	6,343,074	99.65%	3.49%
Pennvest	08/07/03	05/01/25	3.460%	9,975,741	35,461	9,940,280	99.64%	3.48%
Pennvest	12/19/03	03/01/24	2.774%	1,646,400	5,335	1,641,065	99.68%	2.79%
Pennvest	06/01/04	06/01/24	2.774%	333,878	1,057	332,821	99.68%	2.79%
Pennvest	12/01/04	04/01/35	1.000%	600,000	4,313	595,687	99.28%	1.03%
Pennvest	03/23/05	03/23/25	2.668%	2,122,850	9,551	2,113,299	99.55%	2.70%
Pennvest	04/21/05	05/01/26	2.711%	1,054,868	4,599	1,050,269	99.56%	2.74%
Pennvest	05/25/05	04/01/26	2.774%	321,522	1,537	319,985	99.52%	2.80%
Pennvest	05/25/05	05/01/26	3.468%	677,839	3,383	674,456	99.50%	3.50%
Pennvest	08/02/05	05/01/27	2.774%	2,311,200	11,634	2,299,566	99.50%	2.80%
Pennvest	08/25/05	10/01/26	3.052%	1,151,000	5,691	1,145,309	99.51%	3.08%
Pennvest	10/02/05	10/01/26	3.365%	2,249,960	13,381	2,236,579	99.41%	3.40%
Pennvest	04/05/06	07/01/27	2.774%	2,611,380	15,469	2,595,911	99.41%	2.81%
Pennvest	07/25/06	04/01/27	2.556%	1,253,000	7,042	1,245,958	99.44%	2.59%
Pennvest	07/25/06	10/01/27	3.195%	2,225,000	14,115	2,210,885	99.37%	3.24%
Pennvest	04/18/07	05/01/28	2.554%	1,395,800	9,121	1,386,679	99.35%	2.59%
Pennvest	05/27/08	10/01/28	2.547%	698,000	3,446	694,554	99.51%	2.58%
Pennvest	06/04/08	02/01/29	2.547%	1,708,100	10,436	1,697,664	99.39%	2.59%
Pennvest	06/17/08	02/01/30	2.547%	2,045,000	15,976	2,029,024	99.22%	2.59%
Pennvest	09/30/08	07/01/29	2.547%	723,069	4,772	718,297	99.34%	2.59%
Pennvest	09/30/08	08/01/29	3.046%	1,493,848	11,274	1,482,574	99.25%	3.09%
Pennvest	02/05/09	05/01/30	2.547%	1,697,000	12,948	1,684,052	99.24%	2.59%
Pennvest	07/22/09	09/01/30	2.547%	1,132,200	9,438	1,122,762	99.17%	2.60%
Pennvest	01/26/10	01/01/31	2.547%	1,226,000	10,552	1,215,448	99.14%	2.60%
Pennvest	04/15/10	11/01/30	2.690%	1,217,305	10,346	1,206,959	99.15%	2.74%
Pennvest	09/09/10	09/01/30	2.547%	1,402,518	11,126	1,391,392	99.21%	2.60%
Pennvest	09/09/10	02/01/31	3.143%	2,144,750	18,475	2,126,275	99.14%	3.20%
Pennvest	10/07/10	10/01/30	1.510%	3,138,825	26,608	3,112,217	99.15%	1.56%
Pennvest	12/15/10	12/01/30	2.547%	2,347,056	20,558	2,326,498	99.12%	2.60%
Pennvest	01/27/11	01/01/31	2.547%	975,645	9,141	966,504	99.06%	2.61%
Pennvest	01/27/11	01/01/34	1.510%	9,955,500	86,991	9,868,509	99.13%	1.56%
Pennvest	04/12/11	04/01/31	1.000%	1,413,729	12,069	1,401,660	99.15%	1.05%
Pennvest	04/16/19	09/01/39	1.000%	586,692	17,472	569,221	97.02%	1.16%
Pennvest	11/30/10	12/01/33	2.547%	882,000	6,867	875,133	99.22%	2.59%
Pennvest	11/30/10	12/01/33	2.547%	882,000	6,867	875,133	99.22%	2.59%
Pennvest - LWW	03/01/13	02/01/23	1.156%	1,635,581	5,531	1,630,050	99.66%	1.19%
Pennvest - LWW	09/22/10	01/01/32	1.000%	975,645	7,411	968,234	99.24%	1.04%

Notes: [1] The effective cost for each issue is the yield to maturity using as inputs the date of issue, the date of maturity, the coupon rate, and the net proceeds ratio.

Company provided data

Monthly Dividend Yields for
Water Group
for the Twelve Months Ending March 2024

Company	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	12-Month Average	6-Month Average	3-Month Average
American States Water Co (AWR)	1.80%	1.79%	1.83%	1.95%	2.04%	2.19%	2.21%	2.15%	2.14%	2.32%	2.41%	2.39%			
American Water Works Co Inc (AWK)	1.92%	1.96%	1.99%	1.93%	2.04%	2.29%	2.42%	2.15%	2.15%	2.29%	2.39%	2.32%			
Artesian Resource Corp Class A (ARTNA)	2.08%	2.30%	2.41%	2.51%	2.46%	2.71%	2.97%	2.76%	2.81%	3.20%	3.37%	3.14%			
California Water Service Group (CWT)	1.86%	1.83%	2.02%	1.97%	2.07%	2.21%	2.15%	2.06%	2.01%	2.31%	2.27%	2.24%			
Essential Utilities, Inc. (WTRG)	2.70%	2.82%	2.89%	2.92%	3.34%	3.60%	3.70%	3.46%	3.30%	3.45%	3.54%	3.33%			
Middlesex Water Co (MSEX)	1.72%	1.54%	1.55%	1.56%	1.66%	1.89%	2.06%	2.04%	1.99%	2.33%	2.56%	2.48%			
SJW Corp (SJW)	2.01%	1.99%	2.18%	2.17%	2.32%	2.54%	2.45%	2.32%	2.33%	2.71%	2.91%	2.84%			
The York Water Co (YORW)	1.93%	1.92%	1.96%	1.97%	2.00%	2.16%	2.34%	2.22%	2.18%	2.36%	2.38%	2.33%			
Average	**2.00%**	**2.02%**	**2.10%**	**2.12%**	**2.24%**	**2.45%**	**2.54%**	**2.40%**	**2.36%**	**2.62%**	**2.73%**	**2.63%**	**2.35%**	**2.55%**	**2.66%**

Note: Monthly dividend yields are calculated by dividing the annualized quarterly dividend by the month-end closing stock price adjusted by the fraction of the ex-dividend.

Source of Information: http://performance.morningstar.com/stock/performance-return
http://www.nasdaq.com

Forward-looking Dividend Yield		D_0/P_0		D_1/P_0
	1/2 Growth	2.55%	1.033750	2.63%
	Discrete	2.55%	1.041843	2.65%
	Quarterly	0.6367%	1.016464	2.61%
	Average			2.63%
	Growth rate			6.75%
	K			9.38%

$$K = \frac{D_0(1+g)^0 + D_0(1+g)^0 + D_0(1+g)^1 + D_0(1+g)^1}{P_0} + g$$

$$K = \frac{D_0(1+g)^{.25} + D_0(1+g)^{.50} + D_0(1+g)^{.75} + D_0(1+g)^{1.00}}{P_0} + g$$

$$K = \left[\left(1 + \frac{D_0(1+g)^{.25}}{P_0}\right)^4 - 1\right] + g$$

Historical Growth Rates
Earnings Per Share, Dividends Per Share,
Book Value Per Share, and Cash Flow Per Share

Company	Earnings per Share		Dividends per Share		Book Value per Share		Cash Flow per Share	
	Value Line		Value Line		Value Line		Value Line	
	5 Year	10 Year	5 Year	10 Year	5 Year	10 Year	5 Year	10 Year
American States Water	9.00%	7.00%	9.00%	9.00%	6.50%	5.00%	6.00%	4.50%
American Water Works Co., Inc.	15.00%	11.00%	9.50%	10.00%	7.50%	6.00%	10.50%	8.00%
Artesian Res. Corp.	3.50%	-	3.50%	-	5.00%	-	4.00%	-
California Water Serv. Grp.	4.00%	5.00%	6.50%	4.50%	10.00%	7.50%	5.00%	5.00%
Essential Utilities, Inc.	7.00%	6.50%	7.00%	7.50%	14.00%	10.00%	8.00%	6.50%
Middlesex Water Company	5.50%	8.50%	6.50%	5.00%	9.50%	7.00%	7.50%	8.00%
SJW Corporation	-0.50%	7.50%	8.00%	7.50%	8.00%	9.50%	5.00%	7.00%
York Water Company	8.00%	-	4.00%	-	8.50%	-	7.50%	-
Average	6.44%	7.58%	6.75%	7.25%	8.63%	7.50%	6.69%	6.50%

Source of Information: Value Line Investment Survey, April 5, 2024

Earnings Per Share, Dividends Per Share,
Book Value Per Share, and Cash Flow Per Share

Water Group	I/B/E/S First Call	Zacks	Value Line Earnings Per Share	Value Line Dividends Per Share	Value Line Book Value Per Share	Value Line Cash Flow Per Share	Value Line Percent Retained to Common Equity
American States Water	4.40%	6.30%	6.50%	8.50%	11.50%	5.50%	4.50%
American Water Works	7.50%	7.80%	3.00%	8.50%	6.50%	3.00%	4.50%
Artesian Resources Corp.	4.00%	NA	-	-	-	-	-
California Water Serv. Grp.	10.80%	NA	10.00%	6.00%	4.50%	3.50%	4.50%
Essential Utilities, Inc.	5.20%	5.60%	7.00%	8.00%	4.50%	6.50%	3.50%
Middlesex Water Company	2.70%	NA	6.50%	5.00%	1.00%	3.00%	6.00%
SJW Corporation	7.50%	7.50%	6.50%	4.50%	3.50%	-1.50%	3.50%
York Water Company	4.90%	NA	-	-	-	-	-
Average	5.88%	6.80%	6.58%	6.75%	5.25%	3.33%	4.42%

Source of Information :

Yahoo First Call, April 3, 2024
Zacks, April 3, 2024
Value Line, April 5, 2024

Water Group
Financial Risk Adjustment

	American States Water Co (NYSE:AWR)	American Water Works Co. (NYSE:AWK)	Artesian Resources Corp (NDS:ARTNA)	California Water Service Group (NYSE:CWT)	Essential Utilities, Inc. (NYSE:WTRG)	Middlesex Water Co. (NDS:MSEX)	SJW Corp (NYSE:SJW)	The York Water Company (NDS:YORW)	Average
Fiscal Year	12/31/23	12/31/23	12/31/23	12/31/23	12/31/23	12/31/23	12/31/23	12/31/23	
Capitalization at Fair Values									
Debt(D)	$556,214	$11,376,000	$162,720	$965,444	$5,980,722	$363,045	$1,394,412	$175,000	2,621,695
Preferred(P)	0	3,000	0	0	0	2,084	0	0	636
Equity(E)	2,973,981	25,702,427	426,313	2,994,144	10,207,606	1,169,414	2,092,703	553,511	5,765,012
Total	$3,530,195	$37,081,427	$589,033	$3,959,588	$16,188,328	$1,534,543	$3,487,115	$728,511	8,387,343
Capital Structure Ratios									
Debt(D)	15.76%	30.68%	27.62%	24.38%	36.94%	23.66%	39.99%	24.02%	27.88%
Preferred(P)	0.00%	0.01%	0.00%	0.00%	0.00%	0.14%	0.00%	0.00%	0.02%
Equity(E)	84.24%	69.31%	72.38%	75.62%	63.06%	76.21%	60.01%	75.98%	72.10%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.01%	100.00%	100.00%	100.00%
Common Stock									
Issued	36,980.612	200,144.968	10,285.000	57,724.000	276,595.228	17,821.000	32,023.004	14,332.245	
Treasury	0.000	5,414.867	0.000	0.000	3,299.191	0.000	0.000	0.000	
Outstanding	36,980.612	194,730.101	10,285.000	57,724.000	273,296.037	17,821.000	32,023.004	14,332.245	
Market Price`	$80.42	$131.99	$41.45	$51.87	$37.35	$65.62	$65.35	$38.62	
Capitalization at Carrying Amounts									Average
Debt(D)	$579,047	$12,190,000	$180,542	$1,053,440	$6,938,009	$364,674	$1,583,441	$182,643	2,883,975
Preferred(P)	0	3,000	0	0	0	2,084	0	0	636
Equity(E)	776,109	9,797,000	230,397	1,430,312	5,896,183	422,991	1,233,397	221,178	2,500,946
Total	$1,355,156	$21,990,000	$410,939	$2,483,752	$12,834,192	$789,749	$2,816,838	$403,821	5,385,556
Capital Structure Ratios									
Debt(D)	42.73%	55.43%	43.93%	42.41%	54.06%	46.18%	56.21%	45.23%	48.27%
Preferred(P)	0.00%	0.01%	0.00%	0.00%	0.00%	0.26%	0.00%	0.00%	0.03%
Equity(E)	57.27%	44.55%	56.07%	57.59%	45.94%	53.56%	43.79%	54.77%	51.69%
Total	100.00%	99.99%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.99%
Betas Value Line	0.70	0.95	0.75	0.75	1.00	0.75	0.85	0.80	0.82

Hamada

Bl	=	Bu	[1+	(1 - t)	D/E	+	P/E	]	
0.82	=	Bu	[1+	(1-0.21)	0.3867	+	0.0003	]	
0.82	=	Bu	[1+	0.79	0.3867	+	0.0003	]	
0.82	=	Bu	1.3058						
0.63	=	Bu							

Hamada

Bl	=	0.63	[1+	(1 - t)	D/E	+	P/E	]	
Bl	=	0.63	[1+	0.79	0.9338	+	0.0006	]	
Bl	=	0.63	1.7383						
Bl	=	1.10							

M&M

ku	=	ke	-	(((	ku	-	i	)		1-t	)		D	/	E	) - (	ku	-	d	) P / E
8.53%	=	9.38%	-	(((	8.53%	-	5.72%	)		0.79	)		27.88%	/	72.10%	) - (	8.52%	-	5.68%	) 0.02% / 72.10%
8.53%	=	9.38%	-	(((	2.81%			)		0.79	)		0.3867			) - (	2.84%			) 0.0003
8.53%	=	9.38%	-	((	2.22%						)		0.3867			) - (	2.84%			) 0.0003
8.53%	=	9.38%	-		0.86%											-	0.00%			

M&M

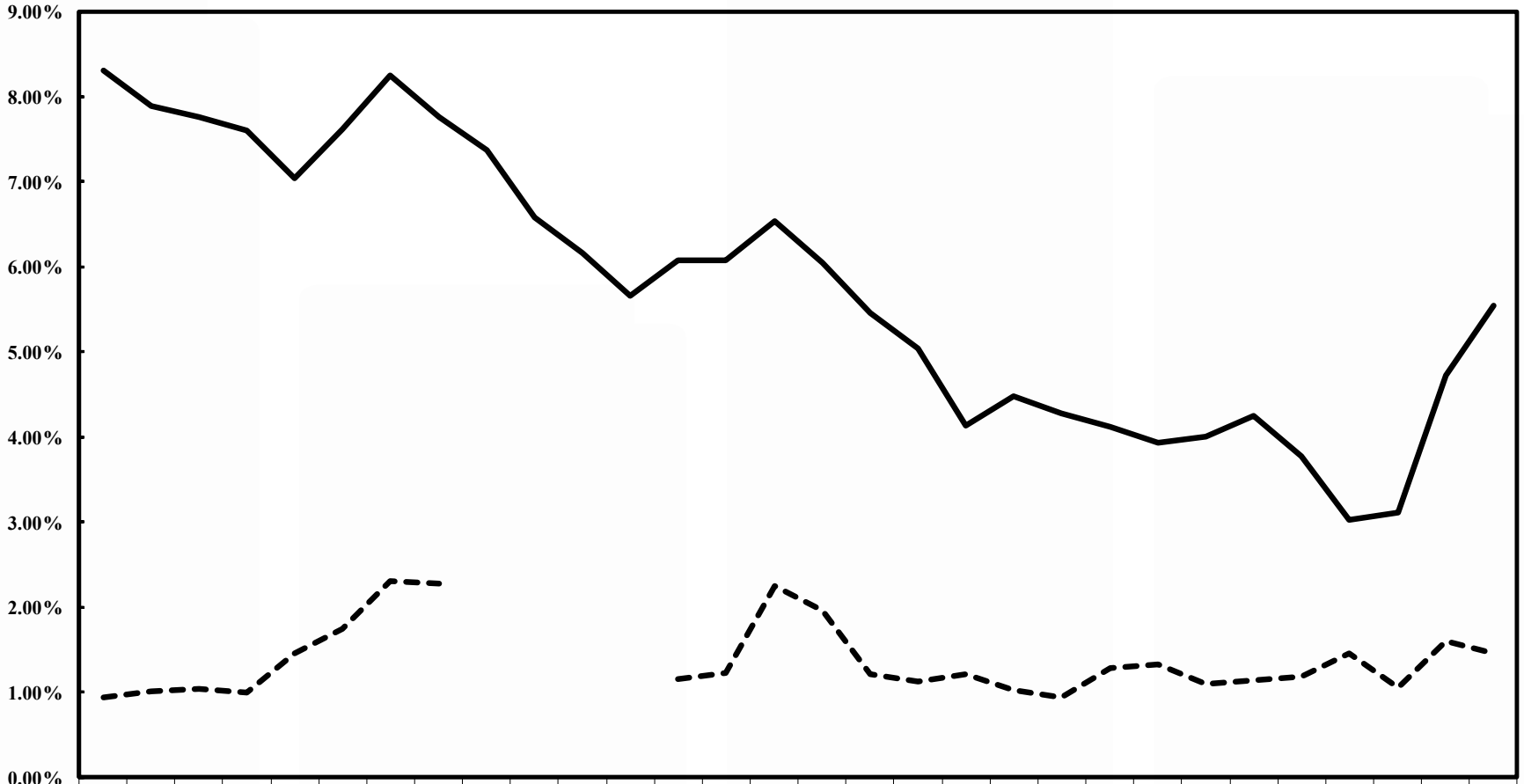
ke	=	ku	+	(((	ku	-	i	)		1-t	)		D	/	E	) + (	ku	-	d	) P / E
10.58%	=	8.53%	+	(((	8.53%	-	5.72%	)		0.79	)		48.27%	/	51.69%	) + (	8.53%	-	5.68%	) 0.03% / 51.69%
10.58%	=	8.53%	+	(((	2.81%			)		0.79	)		0.9338			) + (	2.85%			) 0.0006
10.58%	=	8.53%	+	((	2.22%						)		0.9338			) + (	2.85%			) 0.0006
10.58%	=	8.53%	+		2.07%											+	0.00%			

Interest Rates for Investment Grade Public Utility Bonds
Yearly for 2018-2022 and 2023
and the Twelve Months Ended March 2024

Years	Aa Rated	A Rated	Baa Rated	Average
2018	4.09%	4.25%	4.67%	4.34%
2019	3.61%	3.77%	4.19%	3.86%
2020	2.79%	3.02%	3.39%	3.07%
2021	2.97%	3.11%	3.36%	3.15%
2022	4.53%	4.72%	5.03%	4.77%
Five-Year Average	3.60%	3.77%	4.13%	3.84%
2023	5.39%	5.54%	5.84%	5.59%
Months				
Apr-23	5.00%	5.13%	5.47%	5.20%
May-23	5.24%	5.36%	5.71%	5.44%
Jun-23	5.26%	5.38%	5.73%	5.46%
Jul-23	5.30%	5.41%	5.73%	5.48%
Aug-23	5.58%	5.71%	6.08%	5.77%
Sep-23	5.72%	5.86%	6.15%	5.91%
Oct-23	6.19%	6.34%	6.61%	6.38%
Nov-23	5.82%	5.96%	6.20%	5.99%
Dec-23	5.27%	5.42%	5.68%	5.46%
Jan-24	5.34%	5.48%	5.73%	5.51%
Feb-24	5.42%	5.56%	5.79%	5.59%
Mar-24	5.43%	5.55%	5.79%	5.59%
Twelve-Month Average	5.46%	5.60%	5.89%	5.65%
Six-Month Average	5.58%	5.72%	5.97%	5.75%
Three-Month Average	5.40%	5.53%	5.77%	5.56%

Source: Mergent Bond Record

Yields on
A-rated Public Utility Bonds and
Spreads over 30-Year Treasuries



	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
A-rated Public Utility	8.31	7.89	7.75	7.60	7.04	7.62	8.24	7.76	7.37	6.58	6.16	5.65	6.07	6.07	6.53	6.04	5.46	5.04	4.13	4.48	4.28	4.12	3.93	4.00	4.25	3.77	3.02	3.11	4.72	5.54
Spread vs. 30-year	0.94	1.01	1.04	0.99	1.46	1.75	2.30	2.27					1.16	1.23	2.25	1.96	1.21	1.13	1.21	1.03	0.94	1.28	1.33	1.10	1.14	1.19	1.46	1.06	1.60	1.45

A rated Public Utility Bonds over 30-Year Treasuries

Year	A-rated Public Utility	30-Year Treasuries Yield	30-Year Treasuries Spread
Jan-99	6.97%	5.16%	1.81%
Feb-99	7.09%	5.37%	1.72%
Mar-99	7.26%	5.58%	1.68%
Apr-99	7.22%	5.55%	1.67%
May-99	7.47%	5.81%	1.66%
Jun-99	7.74%	6.04%	1.70%
Jul-99	7.71%	5.98%	1.73%
Aug-99	7.91%	6.07%	1.84%
Sep-99	7.93%	6.07%	1.86%
Oct-99	8.06%	6.26%	1.80%
Nov-99	7.94%	6.15%	1.79%
Dec-99	8.14%	6.35%	1.79%
Jan-00	8.35%	6.63%	1.72%
Feb-00	8.25%	6.23%	2.02%
Mar-00	8.28%	6.05%	2.23%
Apr-00	8.29%	5.85%	2.44%
May-00	8.70%	6.15%	2.55%
Jun-00	8.36%	5.93%	2.43%
Jul-00	8.25%	5.85%	2.40%
Aug-00	8.13%	5.72%	2.41%
Sep-00	8.23%	5.83%	2.40%
Oct-00	8.14%	5.80%	2.34%
Nov-00	8.11%	5.78%	2.33%
Dec-00	7.84%	5.49%	2.35%
Jan-01	7.80%	5.54%	2.26%
Feb-01	7.74%	5.45%	2.29%
Mar-01	7.68%	5.34%	2.34%
Apr-01	7.94%	5.65%	2.29%
May-01	7.99%	5.78%	2.21%
Jun-01	7.85%	5.67%	2.18%
Jul-01	7.78%	5.61%	2.17%
Aug-01	7.59%	5.48%	2.11%
Sep-01	7.75%	5.48%	2.27%
Oct-01	7.63%	5.32%	2.31%
Nov-01	7.57%	5.12%	2.45%
Dec-01	7.83%	5.48%	2.35%
Jan-02	7.66%	5.45%	2.21%
Feb-02	7.54%	5.40%	2.14%
Mar-02	7.76%		
Apr-02	7.57%		
May-02	7.52%		
Jun-02	7.42%		
Jul-02	7.31%		
Aug-02	7.17%		
Sep-02	7.08%		
Oct-02	7.23%		
Nov-02	7.14%		
Dec-02	7.07%		
Jan-03	7.07%		
Feb-03	6.93%		
Mar-03	6.79%		
Apr-03	6.64%		
May-03	6.36%		
Jun-03	6.21%		
Jul-03	6.57%		
Aug-03	6.78%		
Sep-03	6.56%		
Oct-03	6.43%		
Nov-03	6.37%		
Dec-03	6.27%		
Jan-04	6.15%		
Feb-04	6.15%		
Mar-04	5.97%		
Apr-04	6.35%		
May-04	6.62%		
Jun-04	6.46%		
Jul-04	6.27%		
Aug-04	6.14%		
Sep-04	5.98%		
Oct-04	5.94%		
Nov-04	5.97%		
Dec-04	5.92%		
Jan-05	5.78%		
Feb-05	5.61%		
Mar-05	5.83%		
Apr-05	5.64%		
May-05	5.53%		
Jun-05	5.40%		
Jul-05	5.51%		
Aug-05	5.50%		
Sep-05	5.52%		
Oct-05	5.79%		
Nov-05	5.88%		
Dec-05	5.80%		

Year	A-rated Public Utility	30-Year Treasuries Yield	30-Year Treasuries Spread
Jan-06	5.75%		
Feb-06	5.82%	4.54%	1.28%
Mar-06	5.98%	4.73%	1.25%
Apr-06	6.29%	5.06%	1.23%
May-06	6.42%	5.20%	1.22%
Jun-06	6.40%	5.15%	1.25%
Jul-06	6.37%	5.13%	1.24%
Aug-06	6.20%	5.00%	1.20%
Sep-06	6.00%	4.85%	1.15%
Oct-06	5.98%	4.85%	1.13%
Nov-06	5.80%	4.69%	1.11%
Dec-06	5.81%	4.68%	1.13%
Jan-07	5.96%	4.85%	1.11%
Feb-07	5.90%	4.82%	1.08%
Mar-07	5.85%	4.72%	1.13%
Apr-07	5.97%	4.87%	1.10%
May-07	5.99%	4.90%	1.09%
Jun-07	6.30%	5.20%	1.10%
Jul-07	6.25%	5.11%	1.14%
Aug-07	6.24%	4.93%	1.31%
Sep-07	6.18%	4.79%	1.39%
Oct-07	6.11%	4.77%	1.34%
Nov-07	5.97%	4.52%	1.45%
Dec-07	6.16%	4.53%	1.63%
Jan-08	6.02%	4.33%	1.69%
Feb-08	6.21%	4.52%	1.69%
Mar-08	6.21%	4.39%	1.82%
Apr-08	6.29%	4.44%	1.85%
May-08	6.28%	4.60%	1.68%
Jun-08	6.38%	4.69%	1.69%
Jul-08	6.40%	4.57%	1.83%
Aug-08	6.37%	4.50%	1.87%
Sep-08	6.49%	4.27%	2.22%
Oct-08	7.56%	4.17%	3.39%
Nov-08	7.60%	4.00%	3.60%
Dec-08	6.52%	2.87%	3.65%
Jan-09	6.39%	3.13%	3.26%
Feb-09	6.30%	3.59%	2.71%
Mar-09	6.42%	3.64%	2.78%
Apr-09	6.48%	3.76%	2.72%
May-09	6.49%	4.23%	2.26%
Jun-09	6.20%	4.52%	1.68%
Jul-09	5.97%	4.41%	1.56%
Aug-09	5.71%	4.37%	1.34%
Sep-09	5.53%	4.19%	1.34%
Oct-09	5.55%	4.19%	1.36%
Nov-09	5.64%	4.31%	1.33%
Dec-09	5.79%	4.49%	1.30%
Jan-10	5.77%	4.60%	1.17%
Feb-10	5.87%	4.62%	1.25%
Mar-10	5.84%	4.64%	1.20%
Apr-10	5.81%	4.69%	1.12%
May-10	5.50%	4.29%	1.21%
Jun-10	5.46%	4.13%	1.33%
Jul-10	5.26%	3.99%	1.27%
Aug-10	5.01%	3.80%	1.21%
Sep-10	5.01%	3.77%	1.24%
Oct-10	5.10%	3.87%	1.23%
Nov-10	5.37%	4.19%	1.18%
Dec-10	5.56%	4.42%	1.14%
Jan-11	5.57%	4.52%	1.05%
Feb-11	5.68%	4.65%	1.03%
Mar-11	5.56%	4.51%	1.05%
Apr-11	5.55%	4.50%	1.05%
May-11	5.32%	4.29%	1.03%
Jun-11	5.26%	4.23%	1.03%
Jul-11	5.27%	4.27%	1.00%
Aug-11	4.69%	3.65%	1.04%
Sep-11	4.48%	3.18%	1.30%
Oct-11	4.52%	3.13%	1.39%
Nov-11	4.25%	3.02%	1.23%
Dec-11	4.33%	2.98%	1.35%
Jan-12	4.34%	3.03%	1.31%
Feb-12	4.36%	3.11%	1.25%
Mar-12	4.48%	3.28%	1.20%
Apr-12	4.40%	3.18%	1.22%
May-12	4.20%	2.93%	1.27%
Jun-12	4.08%	2.70%	1.38%
Jul-12	3.93%	2.59%	1.34%
Aug-12	4.00%	2.77%	1.23%
Sep-12	4.02%	2.88%	1.14%
Oct-12	3.91%	2.90%	1.01%
Nov-12	3.84%	2.80%	1.04%
Dec-12	4.00%	2.88%	1.12%

Year	A-rated Public Utility	30-Year Treasuries Yield	30-Year Treasuries Spread
Jan-13	4.15%	3.08%	1.07%
Feb-13	4.18%	3.17%	1.01%
Mar-13	4.20%	3.16%	1.04%
Apr-13	4.00%	2.93%	1.07%
May-13	4.17%	3.11%	1.06%
Jun-13	4.53%	3.40%	1.13%
Jul-13	4.68%	3.61%	1.07%
Aug-13	4.73%	3.76%	0.97%
Sep-13	4.80%	3.79%	1.01%
Oct-13	4.70%	3.68%	1.02%
Nov-13	4.77%	3.80%	0.97%
Dec-13	4.81%	3.89%	0.92%
Jan-14	4.63%	3.77%	0.86%
Feb-14	4.53%	3.66%	0.87%
Mar-14	4.51%	3.62%	0.89%
Apr-14	4.41%	3.52%	0.89%
May-14	4.26%	3.39%	0.87%
Jun-14	4.29%	3.42%	0.87%
Jul-14	4.23%	3.33%	0.90%
Aug-14	4.13%	3.20%	0.93%
Sep-14	4.24%	3.26%	0.98%
Oct-14	4.06%	3.04%	1.02%
Nov-14	4.09%	3.04%	1.05%
Dec-14	3.95%	2.83%	1.12%
Jan-15	3.58%	2.46%	1.12%
Feb-15	3.67%	2.57%	1.10%
Mar-15	3.74%	2.63%	1.11%
Apr-15	3.75%	2.59%	1.16%
May-15	4.17%	2.96%	1.21%
Jun-15	4.39%	3.11%	1.28%
Jul-15	4.40%	3.07%	1.33%
Aug-15	4.25%	2.86%	1.39%
Sep-15	4.39%	2.95%	1.44%
Oct-15	4.29%	2.89%	1.40%
Nov-15	4.40%	3.03%	1.37%
Dec-15	4.35%	2.97%	1.38%
Jan-16	4.27%	2.86%	1.41%
Feb-16	4.11%	2.62%	1.49%
Mar-16	4.16%	2.68%	1.48%
Apr-16	4.00%	2.62%	1.38%
May-16	3.93%	2.63%	1.30%
Jun-16	3.78%	2.45%	1.33%
Jul-16	3.57%	2.23%	1.34%
Aug-16	3.59%	2.26%	1.33%
Sep-16	3.66%	2.35%	1.31%
Oct-16	3.77%	2.50%	1.27%
Nov-16	4.08%	2.86%	1.22%
Dec-16	4.27%	3.11%	1.16%
Jan-16	4.27%	2.86%	1.41%
Feb-16	4.11%	2.62%	1.49%
Mar-16	4.16%	2.68%	1.48%
Apr-16	4.00%	2.62%	1.38%
May-16	3.93%	2.63%	1.30%
Jun-16	3.78%	2.45%	1.33%
Jul-16	3.57%	2.23%	1.34%
Aug-16	3.59%	2.26%	1.33%
Sep-16	3.66%	2.35%	1.31%
Oct-16	3.77%	2.50%	1.27%
Nov-16	4.08%	2.86%	1.22%
Dec-16	4.27%	3.11%	1.16%
Jan-17	4.14%	3.02%	1.12%
Feb-17	4.18%	3.03%	1.15%
Mar-17	4.23%	3.08%	1.15%
Apr-17	4.12%	2.94%	1.18%
May-17	4.12%	2.96%	1.16%
Jun-17	3.94%	2.80%	1.14%
Jul-17	3.99%	2.88%	1.11%
Aug-17	3.86%	2.80%	1.06%
Sep-17	3.87%	2.78%	1.09%
Oct-17	3.91%	2.88%	1.03%
Nov-17	3.83%	2.80%	1.03%
Dec-17	3.79%	2.77%	1.02%
Jan-18	3.86%	2.88%	0.98%
Feb-18	4.09%	3.13%	0.96%
Mar-18	4.13%	3.09%	1.04%
Apr-18	4.17%	3.07%	1.10%
May-18	4.28%	3.13%	1.15%
Jun-18	4.27%	3.05%	1.22%
Jul-18	4.27%	3.01%	1.26%
Aug-18	4.26%	3.04%	1.22%
Sep-18	4.32%	3.15%	1.17%
Oct-18	4.45%	3.34%	1.11%
Nov-18	4.52%	3.36%	1.16%
Dec-18	4.37%	3.10%	1.27%

Year	A-rated Public Utility	30-Year Treasuries Yield	30-Year Treasuries Spread
Jan-19	4.35%	3.04%	1.31%
Feb-19	4.25%	3.02%	1.23%
Mar-19	4.16%	2.98%	1.18%
Apr-19	4.08%	2.94%	1.14%
May-19	3.98%	2.82%	1.16%
Jun-19	3.82%	2.57%	1.25%
Jul-19	3.69%	2.57%	1.12%
Aug-19	3.29%	2.12%	1.17%
Sep-19	3.37%	2.16%	1.21%
Oct-19	3.39%	2.19%	1.20%
Nov-19	3.43%	2.28%	1.15%
Dec-19	3.40%	2.30%	1.10%
Jan-20	3.29%	2.22%	1.07%
Feb-20	3.11%	1.97%	1.14%
Mar-20	3.50%	1.46%	2.04%
Apr-20	3.19%	1.27%	1.92%
May-20	3.14%	1.38%	1.76%
Jun-20	3.07%	1.49%	1.58%
Jul-20	2.74%	1.31%	1.43%
Aug-20	2.73%	1.36%	1.37%
Sep-20	2.84%	1.42%	1.42%
Oct-20	2.95%	1.57%	1.38%
Nov-20	2.85%	1.62%	1.23%
Dec-20	2.77%	1.67%	1.10%
Jan-21	2.91%	1.82%	1.09%
Feb-21	3.09%	2.04%	1.05%
Mar-21	3.44%	2.34%	1.10%
Apr-21	3.30%	2.30%	1.00%
May-21	3.33%	2.32%	1.01%
Jun-21	3.16%	2.16%	1.00%
Jul-21	2.95%	1.94%	1.01%
Aug-21	2.95%	1.92%	1.03%
Sep-21	2.96%	1.94%	1.02%
Oct-21	3.09%	2.06%	1.03%
Nov-21	3.02%	1.94%	1.08%
Dec-21	3.13%	1.85%	1.28%
Jan-22	3.33%	2.10%	1.23%
Feb-22	3.68%	2.25%	1.43%
Mar-22	3.98%	2.41%	1.57%
Apr-22	4.32%	2.81%	1.51%
May-22	4.75%	3.07%	1.68%
Jun-22	4.86%	3.25%	1.61%
Jul-22	4.78%	3.10%	1.68%
Aug-22	4.76%	3.13%	1.63%
Sep-22	5.28%	3.56%	1.72%
Oct-22	5.88%	4.04%	1.84%
Nov-22	5.75%	4.00%	1.75%
Dec-22	5.28%	3.66%	1.62%
Jan-23	5.20%	3.66%	1.54%
Feb-23	5.29%	3.80%	1.49%
Mar-23	5.39%	3.77%	1.62%
Apr-23	5.13%	3.68%	1.45%
May-23	5.36%	3.86%	1.50%
Jun-23	5.38%	3.87%	1.51%
Jul-23	5.41%	3.96%	1.45%
Aug-23	5.71%	4.28%	1.43%
Sep-23	5.86%	4.47%	1.39%
Oct-23	6.34%	4.95%	1.39%
Nov-23	5.96%	4.66%	1.30%
Dec-23	5.42%	4.14%	1.28%
Jan-24	5.48%	4.26%	1.22%
Feb-24	5.56%	4.38%	1.18%
Mar-24	5.55%	4.36%	1.19%

Recent Average:	12-month:	1.36%
	6-month:	1.26%
	3-month:	1.20%

Common Equity Risk Premiums
Years 1926-2022

	Large Common Stocks	Long-Term Corp. Bonds	Equity Risk Premium	Long-Term Govt. Bonds Yields
Low Interest Rates	12.40%	5.27%	7.13%	2.83%
Average Across All Interest Rates	12.02%	6.06%	5.96%	4.91%
High Interest Rates	11.63%	6.87%	4.76%	7.03%

Source of Information: 2023 SBBI Yearbook Stocks, Bonds, Bills, and Inflation

Basic Series
Annual Total Returns (except yields)

Year	Large Common Stocks	Long-Term Corp. Bonds	Long-Term Govt. Bonds Yields
1926	11.62%	7.37%	3.54%
1927	37.49%	7.44%	3.17%
1928	43.61%	2.84%	3.40%
1929	-8.42%	3.27%	3.40%
1930	-24.90%	7.98%	3.30%
1931	-43.34%	-1.85%	4.07%
1932	-8.19%	10.82%	3.15%
1933	53.99%	10.38%	3.36%
1934	-1.44%	13.84%	2.93%
1935	47.67%	9.61%	2.76%
1936	33.92%	6.74%	2.55%
1937	-35.03%	2.75%	2.73%
1938	31.12%	6.13%	2.52%
1939	-0.41%	3.97%	2.26%
1940	-9.78%	3.39%	1.94%
1941	-11.59%	2.73%	2.04%
1942	20.34%	2.60%	2.46%
1943	25.90%	2.83%	2.48%
1944	19.75%	4.73%	2.46%
1945	36.44%	4.08%	1.99%
1946	-8.07%	1.72%	2.12%
1947	5.71%	-2.34%	2.43%
1948	5.50%	4.14%	2.37%
1949	18.79%	3.31%	2.09%
1950	31.71%	2.12%	2.24%
1951	24.02%	-2.69%	2.69%
1952	18.37%	3.52%	2.79%
1953	-0.99%	3.41%	2.74%
1954	52.62%	5.39%	2.72%
1955	31.56%	0.48%	2.95%
1956	6.56%	-6.81%	3.45%
1957	-10.78%	8.71%	3.23%
1958	43.36%	-2.22%	3.82%
1959	11.96%	-0.97%	4.47%
1960	0.47%	9.07%	3.80%
1961	26.89%	4.82%	4.15%
1962	-8.73%	7.95%	3.95%
1963	22.80%	2.19%	4.17%
1964	16.48%	4.77%	4.23%
1965	12.45%	-0.46%	4.50%
1966	-10.06%	0.20%	4.55%
1967	23.98%	-4.95%	5.56%
1968	11.06%	2.57%	5.98%
1969	-8.50%	-8.09%	6.87%
1970	3.86%	18.37%	6.48%
1971	14.30%	11.01%	5.97%
1972	18.99%	7.26%	5.99%
1973	-14.69%	1.14%	7.26%
1974	-26.47%	-3.06%	7.60%
1975	37.23%	14.64%	8.05%
1976	23.93%	18.65%	7.21%
1977	-7.16%	1.71%	8.03%
1978	6.57%	-0.07%	8.98%
1979	18.61%	-4.18%	10.12%
1980	32.50%	-2.76%	11.99%
1981	-4.92%	-1.24%	13.34%
1982	21.55%	42.56%	10.95%
1983	22.56%	6.26%	11.97%
1984	6.27%	16.86%	11.70%
1985	31.73%	30.09%	9.56%
1986	18.67%	19.85%	7.89%
1987	5.25%	-0.27%	9.20%
1988	16.61%	10.70%	9.19%
1989	31.69%	16.23%	8.16%
1990	-3.10%	6.78%	8.44%
1991	30.47%	19.89%	7.30%
1992	7.62%	9.39%	7.26%
1993	10.08%	13.19%	6.54%
1994	1.32%	-5.76%	7.99%
1995	37.58%	27.20%	6.03%
1996	22.96%	1.40%	6.73%
1997	33.36%	12.95%	6.02%
1998	28.58%	10.76%	5.42%
1999	21.04%	-7.45%	6.82%
2000	-9.10%	12.87%	5.58%
2001	-11.89%	10.65%	5.75%
2002	-22.10%	16.33%	4.84%
2003	28.68%	5.27%	5.11%
2004	10.88%	8.72%	4.84%
2005	4.91%	5.87%	4.61%
2006	15.79%	3.24%	4.91%
2007	5.49%	2.60%	4.50%
2008	-37.00%	8.78%	3.03%
2009	26.46%	3.02%	4.58%
2010	15.06%	12.44%	4.14%
2011	2.11%	17.95%	2.55%
2012	16.00%	10.68%	2.46%
2013	32.39%	-7.07%	3.78%
2014	13.69%	17.28%	2.46%
2015	1.38%	-1.02%	2.68%
2016	11.96%	6.70%	2.72%
2017	21.83%	12.25%	2.54%
2018	-4.38%	-4.73%	2.84%
2019	31.49%	19.95%	2.25%
2020	18.40%	15.40%	1.37%
2021	28.71%	-2.66%	1.88%
2022	-18.11%	-26.18%	4.24%

Yields for Treasury Constant Maturities
Yearly for 2018-2022 and 2023
and the Twelve Months Ended March 2024

Years	1-Year	2-Year	3-Year	5-Year	7-Year	10-Year	20-Year	30-Year
2018	2.33%	2.53%	2.63%	2.75%	2.85%	2.91%	3.02%	3.11%
2019	2.05%	1.97%	1.94%	1.96%	2.05%	2.14%	2.40%	2.58%
2020	0.38%	0.40%	0.43%	0.54%	0.73%	0.89%	1.35%	1.56%
2021	0.10%	0.27%	0.46%	0.86%	1.19%	1.44%	1.98%	2.05%
2022	2.79%	2.98%	3.05%	3.00%	3.01%	2.95%	3.30%	3.12%
Five-Year Average	1.53%	1.63%	1.70%	1.82%	1.97%	2.07%	2.41%	2.48%
2023	5.08%	4.58%	4.30%	4.06%	4.02%	3.96%	4.25%	4.09%
Months								
Apr-23	4.68%	4.02%	3.76%	3.54%	3.50%	3.46%	3.80%	3.68%
May-23	4.91%	4.13%	3.82%	3.59%	3.58%	3.57%	3.96%	3.86%
Jun-23	5.24%	4.64%	4.27%	3.95%	3.85%	3.75%	4.04%	3.87%
Jul-23	5.37%	4.83%	4.47%	4.14%	4.03%	3.90%	4.15%	3.96%
Aug-23	5.37%	4.90%	4.59%	4.31%	4.26%	4.17%	4.46%	4.28%
Sep-23	5.44%	5.02%	4.74%	4.49%	4.46%	4.38%	4.65%	4.47%
Oct-23	5.42%	5.07%	4.89%	4.77%	4.82%	4.80%	5.13%	4.95%
Nov-23	5.28%	4.88%	4.64%	4.49%	4.53%	4.50%	4.84%	4.66%
Dec-23	4.96%	4.46%	4.19%	4.00%	4.04%	4.02%	4.32%	4.14%
Jan-24	4.79%	4.32%	4.11%	3.98%	4.03%	4.06%	4.39%	4.26%
Feb-24	4.92%	4.54%	4.33%	4.19%	4.21%	4.21%	4.49%	4.38%
Mar-24	4.99%	4.59%	4.38%	4.20%	4.21%	4.21%	4.46%	4.36%
Twelve-Month Average	5.11%	4.62%	4.35%	4.14%	4.13%	4.09%	4.39%	4.24%
Six-Month Average	5.06%	4.64%	4.42%	4.27%	4.31%	4.30%	4.61%	4.46%
Three-Month Average	4.90%	4.48%	4.27%	4.12%	4.15%	4.16%	4.45%	4.33%

Source: Federal Reserve statistical release H.15

Measures of the Risk-Free Rate & Corporate Bond Yields

The forecast of Treasury and Corporate yields
per the consensus of nearly 50 economists
reported in the Blue Chip Financial Forecasts dated December 1, 2023 and April 1, 2024

		Treasury					Corporate	
Year	Quarter	1-Year Bill	2-Year Note	5-Year Note	10-Year Note	30-Year Bond	Aaa Bond	Baa Bond
2024	Second	4.8%	4.4%	4.1%	4.1%	4.3%	5.0%	5.9%
2024	Third	4.5%	4.1%	3.9%	4.0%	4.2%	4.9%	5.8%
2024	Fourth	4.2%	3.9%	3.8%	3.9%	4.2%	4.9%	5.8%
2025	First	3.9%	3.7%	3.7%	3.9%	4.1%	4.8%	5.8%
2025	Second	3.7%	3.6%	3.6%	3.8%	4.1%	4.8%	5.8%
2025	Third	3.6%	3.5%	3.6%	3.8%	4.0%	4.8%	5.7%
Long-range CONSENSUS								
2025		3.7%	3.7%	3.7%	3.9%	4.1%	5.0%	6.0%
2026		3.4%	3.5%	3.7%	3.9%	4.1%	4.9%	6.0%
2027		3.3%	3.4%	3.7%	3.9%	4.1%	4.9%	6.0%
2028		3.3%	3.4%	3.7%	3.9%	4.2%	5.0%	6.0%
2029		3.2%	3.4%	3.7%	3.9%	4.2%	5.0%	6.0%
Averages:								
	2025-2029	3.4%	3.5%	3.7%	3.9%	4.1%	4.9%	6.0%
	2030-2034	3.2%	3.4%	3.7%	3.9%	4.2%	5.0%	6.0%

Measures of the Market Premium

Historical Market Premium

Avg. to Low Interest Rates	(Rm)	(Rf)	
1926-2022 Arith. mean	12.21%	3.87%	8.34%

Forecast Market Premium

Value Line	Dividend Yield		Median Appreciation Potential		Median Total Return
As of: 29-Mar-24	2.1%	+	9.73%	=	11.83%
Risk-free Rate of Return (Rf)					3.75%
					8.08%
Average - Historical/Forecast					8.21%

Comparable Earnings Approach
Using Non-Utility Companies with
Timeliness of 3, 4 & 5; Safety Rank of 1, 2 & 3; Financial Strength of B+, B++, & A;
Price Stability of 80 to 100; Betas of .70 to 1.00; and Technical Rank of 3, 4 & 5

Company	Industry	Timeliness Rank	Safety Rank	Financial Strength	Price Stability	Beta	Technical Rank
Altria Group Inc	Tobacco	3	2	A	95	0.85	3
Analog Devices Inc	Semiconductor	4	2	A	90	1.00	3
Arthur J Gallagher and Company	Financial Svcs. (Div.)	4	1	A	95	0.95	3
Avnet Inc	Electronics	3	3	B++	80	1.00	3
Baxter International Inc	Med Supp Invasive	3	2	A	95	0.70	4
Brady Corp	Diversified Co.	3	2	B++	90	0.95	3
Casella Waste Systems Inc	Environmental	5	3	B+	85	0.85	3
Caseys General Stores Inc	Retail/Wholesale Food	3	2	B++	90	0.90	3
CH Robinson Worldwide Inc	Industrial Services	3	2	A	90	0.70	3
Commerce Bancshares Inc	Bank (Midwest)	3	3	B++	90	0.90	3
CSG Systems International Inc	IT Services	3	2	B+	95	0.75	3
Dolby Laboratories Inc	Entertainment Tech	4	2	A	90	0.95	3
Exponent Inc.	Information Services	4	3	B+	80	0.95	4
Federal Signal Corp	Heavy Truck & Equip	3	3	B++	90	0.95	3
GATX Corp	Railroad	3	3	B++	85	0.95	3
Heartland Express Inc	Trucking	3	2	A	95	0.75	3
Henry Schein Inc	Med Supp Non-Invasive	3	3	B++	80	1.00	3
Houlihan Lokey	Investment Banking	4	2	A	90	0.75	3
IDEX Corporation	Machinery	4	2	B++	100	0.95	3
J and J Snack Foods Corp	Food Processing	4	2	A	85	0.90	3
Keysight Technologies	Precision Instrument	3	2	A	80	0.90	3
Kimberly Clark Corp	Household Products	4	1	A	100	0.70	5
Kraft Heinz Co.	Food Processing	3	3	B++	90	0.75	5
Landstar System	Trucking	4	1	A	100	0.80	3
McCormick and Co	Food Processing	5	1	A	95	0.80	5
Motorola Solutions Inc	Telecom. Equipment	3	2	B++	95	0.95	3
MSA Safety	Machinery	3	2	A	85	0.95	3
Northwest Bancshares Inc	Thrift	3	3	B+	95	0.90	3
O Reilly Automotive Inc	Retail Automotive	3	2	B++	90	0.90	3
OSI Systems Inc	Precision Instrument	3	2	B++	90	0.90	3
Otis Worldwide	Machinery	3	2	B++	100	0.95	3
Packaging Corp	Packaging & Container	3	2	B++	90	0.95	3
Pfizer Inc	Drug	3	2	A	90	0.80	3
Philip Morris International Inc	Tobacco	4	2	A	90	0.95	4
Premier Inc.	Healthcare Information	3	2	A	80	0.70	5
Quest Diagnostics Inc	Medical Services	3	2	B++	90	0.75	5
Republic Services Inc	Environmental	3	1	A	100	0.85	3
Royal Gold Inc	Precious Metals	3	3	B++	80	0.75	5
SBA Communications	Wireless Networking	4	3	B+	80	0.90	4
Schneider National	Trucking	4	3	B++	85	0.75	4
Sensient Technologies Corp	Food Processing	4	2	B++	90	0.90	4
Sherwin Williams	Retail Building Supply	3	2	A	90	0.95	3
Silgan Holdings Inc	Packaging & Container	3	2	B+	100	0.85	5
Sonoco Products	Packaging & Container	3	2	A	95	1.00	4
Stepan Company	Chemical (Specialty)	4	2	B++	85	0.80	3
Toro Co	Machinery	3	3	B++	80	1.00	3
Trimas Corporation	Diversified Co.	3	3	B+	80	0.85	5
UniFirst Corp	Industrial Services	4	2	A	90	0.90	3
VeriSign Inc	Internet	3	2	A	95	0.90	3
Werner Enterprises Inc	Trucking	4	2	B++	95	0.75	3
Average		3	2	B++	90	0.87	3
Water Group	Average	4	2	B++	91	0.82	4

Source of Information: Value Line Investment Survey for Windows, April 2024

Comparable Earnings Approach
Five -Year Average Historical Earned Returns
for Years 2019-2023 and
Projected 3-5 Year Returns

Company	2019	2020	2021	2022	2023	Average	Projected 2027-29
Altria Group Inc	NMF	NMF	-	NMF	NMF	-	NMF
Analog Devices Inc	16.3%	15.2%	6.8%	13.6%	14.2%	13.2%	15.5%
Arthur J Gallagher and Company	12.8%	13.2%	10.7%	8.9%	12.5%	11.6%	18.0%
Avnet Inc	11.0%	5.4%	6.6%	16.5%	16.2%	11.1%	10.5%
Baxter International Inc	21.8%	18.4%	20.2%	30.4%	24.0%	23.0%	25.0%
Brady Corp	15.4%	13.0%	13.5%	16.5%	17.6%	15.2%	17.0%
Casella Waste Systems Inc	25.8%	25.2%	9.7%	10.7%	3.5%	15.0%	7.5%
Caseys General Stores Inc	16.1%	16.2%	15.2%	16.8%	15.5%	16.0%	16.0%
CH Robinson Worldwide Inc	34.5%	26.9%	41.8%	69.5%	27.8%	40.1%	53.0%
Commerce Bancshares Inc	13.4%	10.4%	15.4%	19.8%	16.2%	15.0%	14.0%
CSG Systems International Inc	20.9%	13.9%	16.6%	12.4%	19.0%	16.6%	22.5%
Dolby Laboratories Inc	11.1%	9.5%	11.9%	8.2%	8.5%	9.8%	10.0%
Exponent Inc.	23.5%	22.8%	24.3%	31.9%	28.2%	26.1%	27.0%
Federal Signal Corp	17.2%	14.7%	13.9%	14.0%	15.5%	15.1%	16.5%
GATX Corp	10.9%	6.5%	9.0%	10.7%	11.3%	9.7%	14.0%
Heartland Express Inc	10.7%	9.8%	10.9%	9.6%	1.7%	8.5%	8.5%
Henry Schein Inc	23.4%	12.0%	18.4%	15.6%	13.0%	16.5%	16.0%
Houlihan Lokey	18.7%	22.6%	30.3%	16.0%	15.0%	20.5%	23.0%
IDEX Corporation	19.6%	15.6%	17.2%	20.3%	17.6%	18.1%	14.5%
J and J Snack Foods Corp	11.4%	2.3%	6.6%	5.5%	8.7%	6.9%	12.5%
Keysight Technologies	30.0%	27.8%	30.8%	33.4%	32.0%	30.8%	25.0%
Kimberly Clark Corp	-	NMF	NMF	236.6%	231.3%	234.0%	85.5%
Kraft Heinz Co.	6.8%	7.1%	7.3%	7.1%	7.4%	7.1%	9.0%
Landstar System	31.6%	27.8%	44.3%	48.6%	26.9%	35.8%	22.0%
McCormick and Co	20.8%	19.4%	18.7%	14.6%	14.4%	17.6%	16.0%
Motorola Solutions Inc	-	-	-	-	-	-	32.0%
MSA Safety	25.9%	22.4%	22.1%	24.1%	28.7%	24.6%	23.5%
Northwest Bancshares Inc	8.2%	4.9%	9.7%	9.0%	8.7%	8.1%	8.5%
O Reilly Automotive Inc	350.1%	1249.3%	-	NMF	NMF	799.7%	NMF
OSI Systems Inc	11.7%	13.2%	11.6%	18.1%	12.6%	13.4%	13.5%
Otis Worldwide	-	NMF	NMF	NMF	NMF	-	NMF
Packaging Corp	22.7%	16.9%	24.8%	28.4%	19.6%	22.5%	26.0%
Pfizer Inc	25.8%	11.0%	29.0%	32.8%	2.4%	20.2%	22.0%
Philip Morris International Inc	-	-	-	-	-	-	NMF
Premier Inc.	20.9%	18.1%	13.7%	13.5%	12.8%	15.8%	12.0%
Quest Diagnostics Inc	15.9%	22.6%	28.4%	20.0%	15.3%	20.4%	17.0%
Republic Services Inc	13.2%	13.4%	14.8%	16.1%	16.0%	14.7%	16.0%
Royal Gold Inc	4.4%	6.9%	9.5%	8.2%	8.1%	7.4%	14.0%
SBA Communications	-	-	-	NMF	NMF	-	NMF
Schneider National	6.6%	10.3%	16.7%	16.1%	8.0%	11.5%	12.5%
Sensient Technologies Corp	14.2%	11.7%	14.1%	13.9%	8.9%	12.6%	12.0%
Sherwin Williams	47.9%	62.6%	89.3%	73.6%	72.0%	69.1%	NMF
Silgan Holdings Inc	18.9%	24.6%	23.0%	25.7%	16.8%	21.8%	16.5%
Sonoco Products	19.8%	18.2%	19.4%	22.6%	19.6%	19.9%	16.5%
Stepan Company	11.6%	12.9%	12.8%	12.6%	4.0%	10.8%	8.0%
Toro Co	31.9%	29.6%	35.6%	32.8%	21.8%	30.3%	39.0%
Trimas Corporation	9.5%	11.8%	9.1%	10.2%	5.9%	9.3%	11.5%
UniFirst Corp	10.0%	7.8%	8.1%	5.4%	5.2%	7.3%	8.0%
VeriSign Inc	-	-	-	-	NMF	-	NMF
Werner Enterprises Inc	15.0%	15.1%	17.6%	16.5%	8.0%	14.4%	10.5%
Average						40.6%	19.0%
Median						15.5%	16.0%
Average (excluding companies with values >20%)						12.7%	13.1%

Comparable Earnings Approach
Screening Parameters

Timeliness Rank

The rank for a stock's probable relative market performance in the year ahead. Stocks ranked 1 (Highest) or 2 (Above Average) are likely to outpace the year-ahead market. Those ranked 4 (Below Average) or 5 (Lowest) are not expected to outperform most stocks over the next 12 months. Stocks ranked 3 (Average) will probably advance or decline with the market in the year ahead. Investors should try to limit purchases to stocks ranked 1 (Highest) or 2 (Above Average) for Timeliness.

Safety Rank

A measure of potential risk associated with individual common stocks rather than large diversified portfolios (for which Beta is good risk measure). Safety is based on the stability of price, which includes sensitivity to the market (see Beta) as well as the stock's inherent volatility, adjusted for trend and other factors including company size, the penetration of its markets, product market volatility, the degree of financial leverage, the earnings quality, and the overall condition of the balance sheet. Safety Ranks range from 1 (Highest) to 5 (Lowest). Conservative investors should try to limit purchases to equities ranked 1 (Highest) or 2 (Above Average) for Safety.

Financial Strength

The financial strength of each of the more than 1,600 companies in the VS II data base is rated relative to all the others. The ratings range from A++ to C in nine steps. (For screening purposes, think of an A rating as "greater than" a B). Companies that have the best relative financial strength are given an A++ rating, indicating ability to weather hard times better than the vast majority of other companies. Those who don't quite merit the top rating are given an A+ grade, and so on. A rating as low as C++ is considered satisfactory. A rating of C+ is well below average, and C is reserved for companies with very serious financial problems. The ratings are based upon a computer analysis of a number of key variables that determine (a) financial leverage, (b) business risk, and (c) company size, plus the judgment of Value Line's analysts and senior editors regarding factors that cannot be quantified across-the-board for companies. The primary variables that are indexed and studied include equity coverage of debt, equity coverage of intangibles, "quick ratio", accounting methods, variability of return, fixed charge coverage, stock price stability, and company size.

Price Stability Index

An index based upon a ranking of the weekly percent changes in the price of the stock over the last five years. The lower the standard deviation of the changes, the more stable the stock. Stocks ranking in the top 5% (lowest standard deviations) carry a Price Stability Index of 100; the next 5%, 95; and so on down to 5. One standard deviation is the range around the average weekly percent change in the price that encompasses about two thirds of all the weekly percent change figures over the last five years. When the range is wide, the standard deviation is high and the stock's Price Stability Index is low.

Beta

A measure of the sensitivity of the stock's price to overall fluctuations in the New York Stock Exchange Composite Average. A Beta of 1.50 indicates that a stock tends to rise (or fall) 50% more than the New York Stock Exchange Composite Average. Use Beta to measure the stock market risk inherent in any diversified portfolio of, say, 15 or more companies. Otherwise, use the Safety Rank, which measures total risk inherent in an equity, including that portion attributable to market fluctuations. Beta is derived from a least squares regression analysis between weekly percent changes in the price of a stock and weekly percent changes in the NYSE Average over a period of five years. In the case of shorter price histories, a smaller time period is used, but two years is the minimum. The Betas are periodically adjusted for their long-term tendency to regress toward 1.00.

Technical Rank

A prediction of relative price movement, primarily over the next three to six months. It is a function of price action relative to all stocks followed by Value Line. Stocks ranked 1 (Highest) or 2 (Above Average) are likely to outpace the market. Those ranked 4 (Below Average) or 5 (Lowest) are not expected to outperform most stocks over the next six months. Stocks ranked 3 (Average) will probably advance or decline with the market. Investors should use the Technical and Timeliness Ranks as complements to one another.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF PAUL R. MOUL

Topics Addressed:

Cost of Capital

DATE SERVED: May 23, 2024
DATE ADMITTED: _____

Aqua Statement No. 7

Aqua Pennsylvania, Inc.
Direct Testimony of Paul R. Moul
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Appendix A - Educational Background, Business Experience and Qualifications

GLOSSARY OF ACRONYMS AND DEFINED TERMS	
ACRONYM	**DEFINED TERM**
AFUDC	Allowance for Funds Used During Construction
AP	Aqua Pennsylvania, Inc.
b	Represents the retention rate that consists of the fraction of earnings that are not paid out as dividends
β	Beta
b x r	Represents internal growth
CAPM	Capital Asset Pricing Model
CCR	Corporate Credit Rating
CE	Comparable Earnings
CWIP	Construction Work in Progress
DCF	Discounted Cash Flow
DDBP	Disinfectants/Disinfection By-Products
EPA	Environmental Protection Agency
ESWTR	Enhanced Surface Water Treatment Rule
EU	Essential Utilities, Inc.
FOMC	Federal Open Market Committee
G	Growth rate
FPFTY	Fully Projected Future Test Year
FTY	Future test year
GDP	Gross Domestic Product
HTY	Historic test year
IGF	Internally generated funds
Lev	Leverage modification
M&A	Merger and Acquisition
M&M	Modigliani & Miller
PFAS	Per- and Polyfluoroalkyl Substance, also known as “forever chemicals”
PPUC	Pennsylvania Public Utility Commission
r	Represents the expected rate of return on common equity
Rf	Risk-free rate of return

GLOSSARY OF ACRONYMS AND DEFINED TERMS	
ACRONYM	**DEFINED TERM**
Rm	Market return
Rm-Rf	Market premium
RP	Risk Premium
s	Represents the new common shares expected to be issued by a firm
s x v	Represents external growth
S&P	Standard & Poor's
SDWA	Safe Drinking Water Act Amendments of 1996
v	Represents the value that accrues to existing shareholders from selling stock at a price different from book value.

INTRODUCTION AND SUMMARY OF RECOMMENDATIONS

1. Q. PLEASE STATE YOUR NAME, OCCUPATION AND BUSINESS ADDRESS.

A. My name is Paul Ronald Moul. My business address is 251 Hopkins Road, Haddonfield, New Jersey 08033-3062. I am Managing Consultant at the firm P. Moul & Associates, an independent financial and regulatory consulting firm. My educational background, business experience and qualifications are provided in Appendix A that follows my direct testimony.

2. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. My testimony presents evidence, analysis and a recommendation concerning the appropriate cost of equity and overall rate of return that the Pennsylvania Public Utility Commission ("PPUC" or the "Commission") should recognize in the determination of the revenues that Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "AP" or the "Company") should realize as a result of this proceeding. My analysis and recommendation are supported by the detailed financial data contained in AP Exhibit 4-A, which is a multi-page document divided into fourteen (14) schedules.

3. Q. BASED UPON YOUR ANALYSIS, WHAT IS YOUR CONCLUSION CONCERNING THE APPROPRIATE RATE OF RETURN FOR THE COMPANY?

A. Based upon my independent analysis, my conclusion is that the Company should be afforded an opportunity to earn a rate of return on common equity of at least 10.95%. The 10.95% rate of return on common equity that the Company employed to develop its proposed revenue requirement in this case is within the range of returns indicated by the various models I used to determine the Company's cost of equity. However, the Company determined that it would select an equity return rate within the lower end of my range. The Company has

indicated that it selected its proposed equity return rate to moderate the customer impact of its proposed rate increase. Although the Company needs a material increase in rates, and it has been approximately three years since it filed its last base rate case, the Company believes that its proposed equity return rate will support its ability to continue to furnish its customers with high-quality water and wastewater service and enable it to continue to make substantial investments in water and wastewater infrastructure while also mitigating the impact of its proposed increase.

My cost of equity determination should be viewed in the context of the need for supportive regulation at a time of increased infrastructure improvements now underway for the Company. As shown on page 1 of Schedule 1, I have presented the weighted average cost of capital for the Company, which is calculated with the December 31, 2025 Fully Projected Future Test Year ("FPFTY"). The Company's proposed rate of return is shown below:

Type of Capital	Ratios	Cost Rate	Weighted Cost Rate
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	10.95%	5.91%
Total	100.00%		7.90%

The resulting overall cost of capital, which is the product of weighting the individual capital costs by the proportion of each respective type of capital, should establish a compensatory level of return for the use of capital and, if achieved, will provide the Company with the ability to attract capital on reasonable terms.

4. Q. WHAT NOTEWORTHY FACTORS HAVE INFLUENCED YOUR COST OF EQUITY ANALYSIS?

A. My cost of equity analysis reflects the impact of high levels of inflation, which have not been seen for four decades. Indeed, the rate of inflation spiked upward to 9.1% in June 2022, and by March 2024 it had fallen to 3.5%, yet above recent historical levels. High levels of inflation, i.e., those above the Federal Open Market Committee ("FOMC") policy goal of 2%, have an impact on the level of economic activity, the cost of capital – particularly the interest cost of debt, and the need for more cautious financial practices, such as a prudent level of borrowing. While short-term interest rates were at historically low levels during much of the Pandemic, longer-term interest rates began to rise in February 2021 and have continued at higher levels to date. Following the Pandemic, the accommodative policy by the FOMC ended, and higher interest rates have occurred. The FOMC uses its open market operations to control the Fed Funds rate as a means of implementing its dual mandate of healthy employment and price stability. This was revealed by the Fed Funds rate, which increased 525 basis points since the beginning of 2022 through 11 increases in 24 months. The FOMC paused its rate increases and held rates steady at its meeting on June 14, 2023. Thereafter, another rate increase occurred on July 26, 2023. The FOMC paused again at its meetings on September 20, November 1, and December 13, 2023, and January 31, and March 20, 2024. It appears that we are at the end of the current interest rate tightening cycle. Modest reductions in the Fed Funds rate in the future, however, would not reduce the rate to Pandemic or pre-Pandemic levels, which were very low after the financial crisis of 2007-08.

5. Q. WHAT BACKGROUND INFORMATION CONCERNING THE COMPANY HAVE YOU CONSIDERED AS PART OF YOUR TESTIMONY?

A. AP provides water service to approximately 450,000 customers in the five counties that comprise the Philadelphia suburbs, as well as in twenty-seven (27)

additional counties in the northwestern, central, and Pocono Mountains regions of Pennsylvania. The Company meets its customers' needs from surface and ground water supplies and from purchases. The Company also furnishes wastewater service to approximately 53,000 wastewater customers located throughout Pennsylvania. Its service areas are concentrated in Southeastern, Northeastern, and Western areas of the Commonwealth; however, most are not contiguous and are operated independently.

AP has been a leader in implementing the Commission's policy of consolidating separate water utility systems throughout Pennsylvania. The Company's first major acquisition occurred in 1985 with the purchase of the assets of Great Valley Water Company. AP has completed over 200 acquisitions since 1995. Some of these acquisitions included multiple systems.

The benefits of regionalization accrue to all of the Company's constituencies. New customers benefit from the Company's management expertise and access to capital needed for system improvements, which enhances service reliability and water quality of the acquired systems; existing customers benefit from the economies of scale derived from adding new customers; the Company's employees benefit from a wider scope of responsibilities and opportunities for professional development; and investors benefit from the additional growth obtained by Essential Utilities, Inc. ("EU"), the parent company of AP.

6. Q. IN YOUR OPINION, WHAT FACTORS SHOULD THE COMMISSION CONSIDER WHEN DETERMINING THE COMPANY'S COST OF CAPITAL IN THIS PROCEEDING?

A. The Commission's rate of return allowance must be set to cover the Company's interest and dividend payments, provide a reasonable level of earnings retention,

produce an adequate level of internally-generated funds to meet capital requirements, be commensurate with the risk to which the Company's capital is exposed, assure confidence in the financial integrity of the Company, support reasonable credit quality, and allow the Company to raise capital on reasonable terms. The return the Company has selected fulfills these established standards of a fair rate of return set forth by the landmark Bluefield and Hope cases.[1] That is to say, the proposed rate of return is commensurate with returns available on investments having corresponding risks.

7. **Q. HOW HAVE YOU DETERMINED THE COST OF EQUITY FOR THE COMPANY?**

A. My cost of equity recommendation was developed using capital market and financial data relied upon by investors when assessing the relative risk, and hence cost of equity, for a water utility, such as AP. In analyzing the Company's cost of equity, I have relied on four well-recognized measures: the Discounted Cash Flow ("DCF") model, the Risk Premium ("RP") analysis, the Capital Asset Pricing Model ("CAPM"), and the Comparable Earnings ("CE") approach. By considering the results of a variety of approaches, my analysis is consistent with well-recognized principles for determining a fair rate of return. I have measured the cost of equity for the Company using data from a proxy group of eight (8) water companies that are identified on page 2 of Schedule 3. I will refer to my proxy group of eight water companies as the "Water Group."

8. Q. HOW HAVE YOU PERFORMED YOUR COST OF EQUITY ANALYSIS WITH THE MARKET DATA FOR THE WATER GROUP?

A. I have applied the models/methods for estimating the cost of equity using the

[1] Bluefield Water Works & Improvement Co. v. P.S.C. of West Virginia, 262 U.S. 679 (1923) and F.P.C. v. Hope Natural Gas Co., 320 U.S. 591 (1944).

average data for the Water Group. I have not measured separately the cost of equity for the individual companies within the Water Group, because the determination of the cost of equity for an individual company has become increasingly problematic. By employing group average data, rather than individual company analysis, I have helped to minimize the effect of extraneous influences on the market data for an individual company.

9. Q. PLEASE SUMMARIZE THE BASIS FOR YOUR COST OF EQUITY RECOMMENDATION IN THIS PROCEEDING.

A. My recommendation is derived from the results of the four methods/models previously identified. In general, the use of more than one approach provides a superior foundation to arrive at the cost of equity. At any point in time, a single method can provide an incomplete measure of the cost of equity depending upon extraneous factors which may influence market sentiment. The specific application of these methods/models will be described later in my testimony.

The following table provides a summary of the indicated costs of equity using each of these approaches.

	Water Group
DCF	10.58%
Risk Premium	11.50%
CAPM	13.80%
Comparable Earnings	12.90%
Average	12.20%
Median	12.20%
Mid-point	12.19%

As shown above, the market models of the cost of equity (*i.e.*, DCF, RP and CAPM) provide a range of equity returns of 10.58% to 13.80%. Focusing more narrowly on the DCF and RP, the equity return is within the range of 10.58% to 11.50%. It is noteworthy that the Commission has determined in a prior AP base rate cases that the Company's cost of equity should reflect the exemplary performance of its management, including AP's efforts to help the Commission deal with the problems created by small and non-viable water and wastewater systems throughout the Commonwealth. In this regard, I have not made an independent evaluation of the Company's management effectiveness. The Company's excellent management performance once again has been exhibited since its last base rate case, as Mr. Packer and Mr. Duerr explain in their direct testimony (AP Statement No. 1 and No. 11). Witnesses Packer and Duerr have shown that the Company ranks high in customer service and management efficiency. Because of the Company's decision to employ an equity return rate closer to the low end of my recommended range in order to moderate its proposed rate increase, I have not quantified the increment to recognize the Company's superior management performance. The superior performance of AP's management and the increments that the Commission has added to recognize excellent management performance in prior cases, including AP's, are factors the Commission should consider in assessing all of the evidence presented on the issue of cost of capital in this case. That is to say, if the Commission were to select an equity return that is less than the 10.95% that I recommend in this case, then the Commission should make an explicit provision for the Company's superior management performance.

My cost of equity recommendation of 10.95% makes no provision for the prospect that the rate of return may not be achieved due to unforeseen events.

Furthermore, general inflationary pressures can produce cost increases that will negatively impact the Company's return unless provision for them is recognized in the ratesetting process.

10. Q. WHAT INCREMENTS HAS THE COMMISSION RECOGNIZED IN THE PAST FOR SUPERIOR PERFORMANCE OF UTILITY MANAGEMENT?

A. Increments for recognition of superior management performance granted by the Commission have ranged from 0.05% to 0.25%, and the Commission granted AP an increment for superior management performance of 0.25% in its 2021 base rate case at Docket No. R-2021-30277385. The Company's excellent management performance has continued since its last base rate case, as Mr. Packer and Mr. Duerr explain in their direct testimony (AP Statement No. 1 and No. 11). The superior performance of AP's management and the increments that the Commission has added to recognize excellent management performance in prior cases, including AP's, are factors the Commission should consider in assessing all of the evidence presented on the issue of cost of capital in this case.

WATER UTILITY RISK FACTORS

11. Q. PLEASE IDENTIFY SOME OF THE RISK FACTORS WHICH IMPACT THE WATER UTILITY INDUSTRY.

A. The business risk of water utilities has been, and continues to be, strongly influenced by water quality concerns. The Safe Drinking Water Act Amendments of 1996 ("SDWA"), which re-authorized the SDWA for the second time since its original passage in 1974, instituted more rigorous policies and procedures governing water quality. Significant aspects of the 1996 Act provide that the federal Environmental Protection Agency ("EPA"), in conjunction with other interested parties, will develop a list of contaminants for possible regulation that

must be updated every 5 years. From that list, EPA must select at least five contaminants and determine whether to regulate them. This process must be repeated every five years. The EPA may bypass this process and adopt interim regulations for contaminants which pose an urgent health threat.

EPA's current priorities include regulations directed to: microbial, disinfectants and disinfection byproducts, perchlorate, and other contaminants, such as pharmaceuticals, lead and copper, and radionuclides. The regulations EPA issues concerning potentially hazardous substances, such as those noted above, together with the requirements imposed by the Federal Clean Water Act and the Resource Conservation and Recovery Act, contribute directly to the total business risk faced by water utilities. Moreover, most of these regulations affect the entire water industry in contrast with the disparate impact on electric utilities of regulations issued under the Clean Air Act, which may affect only a subset of the individual companies in that industry. Investors are also increasingly sensitive to the business risk water suppliers would face from the range of possible adverse effects of global climate change. All of these business risk factors, together with the inherent importance of maintaining sound and reliable water and wastewater infrastructure capable of meeting customers' current and future needs, has focused increasing public policy attention on the unique challenges faced by water and wastewater utilities.

One of the challenges water utilities face is the legacy of utility-owned and customer-owned lead service lines that remain in service. This issue achieved national prominence after lead pipes and service lines were identified as a source of possible lead contamination in the drinking water of the municipally-owned Flint, Michigan, water system. However, even before the events in Flint – and certainly thereafter – investors have had a heightened awareness of the

implications for public health of exposure to lead and of the steps that water utilities would need to take to deal with this issue, including possible government mandates to remove and replace lead service lines. Significantly, water utilities deliver a product that is ingested by the public and, therefore, they are the only type of utility that faces public health issues related to a product intended for human consumption. As Mr. Packer and Mr. Duerr explains (AP Statement No. 1 and 11), the Company has been vigilant in dealing with the potential risks posed by the presence of lead in both service lines and customers' interior plumbing. AP's efforts have included the use of sound water-treatment processes to prevent the lead from leaching into the water it delivers. For that reason, the Company has consistently complied with the Lead and Copper Rule[2] imposed by the EPA and the Pennsylvania Department of Environmental Protection. Nonetheless, because of the increasing concerns about the need to eliminate the risk of lead in drinking water, the Company is taking proactive steps to remove and replace the lead service lines, both Company-owned and customer-owned, that remain in service.

12. Q. ARE THERE EMERGING WATER QUALITY ISSUES THAT WILL AFFECT THE COMPANY'S RISK PROFILE?

A. Yes. On April 10, 2024, the EPA issued new primary drinking water regulations to deal with Pre- and Polyfluoroalkyl Substances ("PFAS"), commonly known as "forever" chemicals. These regulations will require additional treatment of the Company's drinking water within the next five years. Essential Utilities estimates that system-wide, $450 million of additional capital expenditures will be necessary to comply with these regulations, of which $304 million will be required in

[2] 25 Pa. Code §§ 109.1101 through 109.1108.

Pennsylvania. This will add additional pressure to the Company's capital attraction ability, and could impact the Company's credit quality depending upon the timeliness of rate recovery of these investments.

13. Q. HOW DO THESE ISSUES IMPACT THE WATER UTILITY INDUSTRY?

A. The Company must conform its operations to the requirements of the SDWA, and comply with the Lead and Copper Rule, the Disinfectants/Disinfection By-Products rule, "forever" chemicals, and other contaminant standards. Managers of water utilities have in the past, and will in the future, focus increased attention on environmental and related regulatory issues. Drinking water quality has also received heightened attention out of concern over the integrity of the source of supply, which is often threatened by changing land use and the permissible level of discharged contaminants established by state and federal agencies, and now potential threats from terrorists. Moreover, water companies have experienced increased water treatment and monitoring requirements and escalating costs in order to comply with the increasingly stringent regulatory requirements noted above. Water utilities may also be required to expend resources to undertake research and employ technological innovations to comply with potential regulatory requirements. These factors are symptomatic of the changing business risk faced by water utilities.

14. Q. ARE THERE OTHER FACTORS THAT INFLUENCE THE BUSINESS RISK OF WATER UTILITIES?

A. Yes. Being the sole purveyor of potable water from an established infrastructure does not insulate a water utility's operations from general business conditions, regulatory policy, the influence of weather, and customers' usage habits. It is also important to recognize that water companies face higher degrees of capital intensity than other utilities, more costly waste disposal requirements, and threats

to their sources of supply. Notably, the Company's investment in net plant is 7.85 times its revenue, as compared to the Water Group's investment in net plant which is 4.27 times its revenue. This shows that AP is among the most capital intensive utilities.

15. Q. ARE THERE OTHER STRUCTURAL ISSUES THAT AFFECT THE BUSINESS RISK OF WATER UTILITIES?

A. Yes. As noted above, the high fixed costs of water utilities make earnings vulnerable to significant variations when usage fluctuates with weather, the economy, and customer conservation efforts. Conservation efforts can take the form of low water-use clothes washers, toilets and shower heads, and other reductions due to changes in usage. While the wise use of water is always the objective, the business risk of the water utility industry can be affected by increased customer awareness of conservation. Moreover, current building standards have mandated the use of fixtures which must comply with more stringent water use requirements.

16. Q. HOW IS THE COMPANY'S RISK PROFILE AFFECTED BY ITS CONSTRUCTION PROGRAM?

A. The Company is engaged in a continuing capital expenditure program necessary to meet the needs of its customers and to comply with various regulations. For the future, the Company expects its capital expenditures to be:

Year	Capital Expenditures
2024	$ 333,289,236
2025	$ 362,690,497
2026	$ 438,879,695
2027	$ 441,707,241
2028	$ 377,646,128
Total	$ 1,954,212,797

The Company's total capital expenditures over the next five years will represent approximately 40% ($1,954,212,797 ÷ $4,947,003,706) of its net utility plant in service at December 31, 2023. As previously noted, a fair rate of return for the Company represents a key to a financial profile that will provide the Company the ability to raise the capital necessary to meet its capital needs on reasonable terms.

17. Q. HOW SHOULD THE COMMISSION RESPOND TO THE INCREASED BUSINESS RISK FACING THE COMPANY?

A. The Company faces the need to continue to invest in new facilities and to maintain and upgrade existing facilities in its service territory. Where substantial ongoing capital investment is required to continue to furnish the high-quality service that customers demand, supportive regulation is absolutely essential.

FUNDAMENTAL RISK ANALYSIS

18. Q. IS IT NECESSARY TO CONDUCT A FUNDAMENTAL RISK ANALYSIS TO PROVIDE A FRAMEWORK FOR DETERMINATING A UTILITY'S COST OF EQUITY?

A. Yes. It is necessary to establish a company's relative risk position within its industry through a fundamental analysis of various quantitative and qualitative factors that bear upon investors' assessment of overall risk. The qualitative factors have already been discussed. The quantitative risk analysis follows. For

this purpose, I have compared the Company to the Standard & Poor's Corporation's ("S&P") Public Utilities Index ("S&P Public Utilities") and the Water Group.

19. Q. WHAT ARE THE COMPONENTS OF THE S&P PUBLIC UTILITIES?

A. The S&P Public Utilities is a widely recognized index that is comprised of electric power and natural gas companies contained in the S&P 500 Index. It is recognized as a reasonable proxy for the gas and electric utility industry overall. The companies in the S&P Public Utilities are identified on page 3 of Schedule 4.

20. Q. WHAT CRITERIA HAVE YOU EMPLOYED TO ASSEMBLE YOUR WATER GROUP?

A. The companies in the Water Group have the following common characteristics: (i) they are listed in the "Water Utility Industry" section (basic and expanded) of The Value Line Investment Survey and (ii) their stock is publicly traded. The members of my Water Group are: American States Water, American Water Works Co., Artesian Resources Corp., California Water Serv. Grp., Essential Utilities, Inc., Middlesex Water Company, SJW Corporation, and The York Water Company.

21. Q. IS KNOWLEDGE OF A UTILITY'S CREDIT-QUALITY RATING AN IMPORTANT FACTOR IN ASSESSING ITS RISK AND COST OF CAPITAL?

A. Yes. It is important to know a company's credit quality rating because the cost of each type of capital is directly related to the associated risk of the firm. Therefore, although the yield on a company's bonds and the ratings assigned to those instruments by credit rating agencies measure a company's credit-quality risk, these relative credit risk assessments are also relevant to its cost of equity. This is because a firm's cost of equity is represented by its borrowing cost plus the additional compensation to equity investors that is necessary to recognize the higher risk of owning an equity investment as compared to a debt instrument in

the same company.

22. Q. HOW DO THE CREDIT-QUALITY RATINGS COMPARE FOR AP, THE WATER GROUP, AND THE S&P PUBLIC UTILITIES?

A. S&P provides a corporate credit-quality rating ("CCR"), while Moody's provides a Long-Term ("LT") issuer rating. Both ratings focus upon the credit quality of the issuer of the debt, rather than upon the debt obligation itself. The CCR assigned to AP by S&P is A. For the Water Group, the average CCR assigned by S&P is A, and the average Long Term ("LT") issuer rating assigned by Moody's is A3. For the S&P Public Utilities, the average composite rating is BBB+ by S&P and A3 by Moody's. Many of the financial indicators that I will subsequently discuss are considered during the rating process.

23. Q. HOW DO THE FINANCIAL DATA COMPARE FOR AP, THE WATER GROUP, AND THE S&P PUBLIC UTILITIES?

A. The broad categories of financial data that I will discuss are shown on Schedules 2, 3, and 4. The data cover the five-year period 2018-2022. The important categories of relative risk may be summarized as follows:

Size. In terms of capitalization, the Company is fairly similar to the average size of the Water Group. The average size of the S&P Public Utilities is, however, many times larger than the Water Group and AP. All other things being equal, a smaller company is riskier than a larger company because a given change in revenue and expense has a proportionately greater impact on a small firm. As I will demonstrate later, the size of a firm can impact its cost of equity.

Market Ratios. Market-based financial ratios, such as earnings/price ratios and dividend yields, provide a partial measure of the investor-required cost of equity. If all other factors are equal, investors will require a higher return on equity for companies that exhibit greater risk as compensation for that risk. That

is to say, a firm that investors perceive to have higher risks will experience a lower price per share in relation to expected earnings.

There are no market ratios available for AP because its stock is owned by EU. The five-year average price-earnings multiple for the Water Group was higher than that of the S&P Public Utilities. The five-year average dividend yield was lower for the Water Group than for the S&P Public Utilities. On average, the historical market-to-book ratios were higher for the Water Group than the S&P Public Utilities.

Common Equity Ratio. The level of financial risk is measured by the proportion of long-term debt and other senior capital that is contained in a company's capitalization. Financial risk is also analyzed by comparing common equity ratios (the complement of the ratio of debt and other senior capital). That is to say, a firm with a high common equity ratio has lower financial risk, while a firm with a low common equity ratio has higher financial risk. The five-year average common equity ratios, based on permanent capital, were 53.3% for the Company, 51.1% for the Water Group, and 40.5% for the S&P Public Utilities. The financial risk of AP and the Water Group is similar.

Return on Book Equity. Greater variability (*i.e.*, uncertainty) of a firm's earned returns signifies relative levels of risk, as shown by the coefficient of variation (standard deviation ÷ mean) of the rate of return on book common equity. The higher the coefficient of variation, the greater the degree of variability. For the five-year period, the coefficients of variation were 0.067 (0.7% ÷ 10.5%) for the Company, 0.059 (0.6% ÷ 10.1%) for the Water Group, and 0.040 (0.4% ÷ 10.0%) for the S&P Public Utilities. The earnings variability for the Company was higher than the Water Group and S&P Public Utilities, indicating that the Company has higher risk.

Operating Ratios. I have also compared operating ratios (the percentage of revenues consumed by operating expense, depreciation and taxes other than income).[3] The five-year average operating ratios were 50.1% for the Company, 71.1% for the Water Group, and 81.0% for the S&P Public Utilities. The Company's lower operating ratio (and correspondingly higher operating margin) is a function of its high capital intensity. Because the Company is more capital intensive, a larger percentage of each dollar of revenue is attributed to return and income taxes on that return.

Coverage. The level of fixed charge coverage (*i.e.*, the multiple by which available earnings cover fixed charges, such as interest expense and preferred stock dividends) provides an indication of the earnings protection for creditors. Higher levels of coverage, and hence earnings protection for fixed charges, are usually associated with superior grades of creditworthiness. The five-year average pre-tax interest coverage (excluding AFUDC) was 3.64 times for the Company, 3.76 times for the Water Group, and 2.94 times for the S&P Public Utilities. The credit risk for AP is higher than the Water Group and less than the S&P Public Utilities.

Quality of Earnings. Measures of earnings quality are usually revealed by the percentage of Allowance for Funds Used During Construction ("AFUDC") related to income available for common equity, the effective income tax rate, and other cost deferrals. These measures of earnings quality usually influence a firm's internally generated funds because poor quality of earnings would not generate high levels of cash flow. The Company's low historical effective income tax rate reflects a tax accounting method that permits the expensing of qualifying utility

[3] The complement of the operating ratio is the operating margin, which provides a measure of profitability. The higher the operating ratio, the lower the operating margin.

asset improvement costs that were previously being capitalized and depreciated for book and tax purposes. This accounting provides for flow-through treatment of qualifying income tax benefits, generating a reduction in income tax expense and reducing the amount of taxes currently payable. On balance, AP, the Water Group and the S&P Public Utilities all have similar quality of earnings.

Internally Generated Funds. Internally generated funds ("IGF") provide an important source of new investment capital for a utility and represent a key measure of credit strength. Historically, the five-year average percentage of IGF to capital expenditures was 75.3% for the Company, 49.4% for the Water Group, and 62.3% for the S&P Public Utilities. The Company expects that it will continue to require external capital to finance construction expenditures. Historically, the Company's cash flow to construction has been better than the Water Group and the S&P Public Utilities. The improvement in the IGF to construction in the years 2021 and 2022, shown on Schedule 2, page 1 can be traced to a lack of dividend payments by AP in those years.

Betas. The financial data I have been discussing relate primarily to company-specific risks. Market risk for firms with traded stock is measured by beta coefficients. Beta coefficients attempt to identify systematic risk, *i.e.*, the risk associated with changes in the overall market for common equities. Value Line publishes such a statistical measure of a stock's relative historical volatility to the rest of the market.[4] A comparison of market risk is shown by the average betas of 0.82 for the Water Group (see page 2 of Schedule 3) and 0.90 for the S&P Public Utilities (see page 3 of Schedule 4). The systematic risk is lower for the

[4] The procedure used to calculate the beta coefficient published by Value Line is described on page 3 of Schedule 14. A common stock that has a beta less than 1.0 is considered to have less systematic risk than the market as a whole and would be expected to rise and fall more slowly than the rest of the market. A stock with a beta above 1.0 would have more systematic risk.

Water Group than the S&P Public Utilities.

24. Q. PLEASE SUMMARIZE YOUR RISK EVALUATION OF THE COMPANY AND THE WATER GROUP.

A. The risk of the Company parallels that of the Water Group in certain respects. The Company's size and financial risk are fairly similar to the Water Group. The Company's IGF to construction has been stronger than the Water Group. The Company's operating ratio is lower than the Water Group, but this is the product of much higher capital intensity. The Company's earnings variability is higher, and its interest coverage is weaker, thus pointing to higher risk compared to the Water Group. For the future, the risk of the water industry will be strongly influenced by the regulatory requirements associated with the SDWA, the need to maintain adequate supply, the need to rehabilitate infrastructure, high capital intensity, a low rate of capital recovery, and relatively low percentages of IGF to construction. As such, the Water Group provides a reasonable basis for measuring the Company's cost of equity.

CAPITAL STRUCTURE RATIOS

25. Q. PLEASE EXPLAIN THE SELECTION OF CAPITAL STRUCTURE RATIOS FOR AP.

A. If a public utility raises its own debt directly in the capital markets, as is the case for the Company, it is proper to employ the capital structure ratios and senior capital cost rates of the regulated public utility for rate of return purposes. Furthermore, consistency requires that the embedded cost rate of the Company's senior securities also be employed. This procedure is consistent with the ratesetting procedures used by the Commission in numerous prior rate cases for AP.

26. Q. DOES SCHEDULE 5 PROVIDE THE CAPITALIZATION AND CAPITAL

STRUCTURE RATIOS YOU HAVE CONSIDERED?

A. Yes. Schedule 5 presents the Company's capitalization and related capital structure ratios based upon investor-provided capital. The December 31, 2023 capitalization corresponds with the end of the historic test year ("HTY") and December 31, 2024 is the end of the future test year ("FTY"). The December 31, 2025 capitalization is an estimate of the Company's capitalization as of the end of the FPFTY. The forecast of the Company's December 31, 2025 capital structure reflects redemptions and maturities of $31.680 million of existing debt ($13.897 million in the FTY and $17.784 million in the FPFTY) and the issuance of $125 million of new First Mortgage Bonds in the FPFTY. The Company is also projecting a $77 million equity contribution in the FTY. Retained earnings as of December 31, 2025 are forecasted to increase based upon net income of $482.765 million less common stock dividend payments of $206 million for the next two fiscal years.

27. Q. WHAT CAPITAL STRUCTURE RATIOS DO YOU RECOMMEND BE ADOPTED FOR RATE OF RETURN PURPOSES IN THIS PROCEEDING?

A. Since ratesetting is prospective, the rate of return should, at a minimum, reflect known or reasonably foreseeable changes that will occur during the course of the FTY and FPFTY. As a result, I will adopt the Company's FPFTY-ending (December 31, 2025) capital structure ratios of 46.05% long-term debt and 53.95% common equity. The common equity ratio of 53.95% that I propose in this case is well within the range of the actual capital structure ratios of the Water Group, which provides common equity ratios of 40.8% to 60.2%. It is also compatible with the 53.95% common equity ratio accepted by the Commission in the Company's last case.

These capital structure ratios are the best approximation of the mix of

capital the Company will employ to finance its rate base during the period new rates are in effect. I have excluded short-term debt from these ratios because the amount is less than the balance of construction work in progress ("CWIP"). Short-term debt provides bridge financing for CWIP, until the magnitude of short-term debt reaches a point where a permanent financing with long-term debt and equity is economic. That is to say, short-term debt is temporary financing pending the issuance of long-term debt and equity in the desired proportions that support the Company's capital structure goals. The Company uses a formula for computing AFUDC that assigns short-term debt first to the AFUDC rate and additional amounts, if any, above the CWIP balance are assigned the overall rate of return. Given the Company's procedure of calculating its AFUDC, it has been the Commission's policy to exclude short-term debt from the capital structure.

COST OF SENIOR CAPITAL

28. Q. WHAT COST RATE HAVE YOU ASSIGNED TO THE LONG-TERM DEBT PORTION OF AP'S CAPITAL STRUCTURE?

A. Consistent with the capital structure ratios of the Company, the embedded cost of AP's senior securities must also be employed. As I previously explained, this procedure is consistent with the ratesetting procedures used by the Commission in numerous prior AP rate cases. The determination of the cost of debt is essentially an arithmetic exercise. This is due to the fact that the Company has contracted for the use of this capital for a specific period of time at a specified cost rate. As shown on page 1 of Schedule 6, the actual embedded cost rate of long-term debt was 4.24% on December 31, 2023. By December 31, 2025, the embedded debt cost rate is estimated to be 4.32%, as shown on page 3 of Schedule 6. The Company's FPFTY embedded cost of debt reflects new issuances of First Mortgage Bonds. For the 2025 debt issue of $125 million of

new First Mortgage Bonds to be issued in the FPFTY, the nominal coupon rate is 6.05%. The forecast interest rate is based on a 4.75% yield on 30-year Treasury bonds plus a spread of 1.30%. The details leading to the development of the individual effective cost rates for each series of long-term debt, using the cost rate to maturity technique, are shown on pages 4 of Schedule 6. The cost rate, or yield to maturity, is the rate of discount that equates the present value of all future interest and principal payments with the net proceeds of the bond.

I will use the 4.32% prospective embedded cost of long-term debt for rate of return purposes. The 4.32% long-term debt cost rate is related to the amount of long-term debt shown on Schedule 5 that provides the basis for the 46.05% long-term debt ratio at December 31, 2025.

COST OF EQUITY – GENERAL APPROACH

29. Q. PLEASE DESCRIBE HOW YOU DETERMINED THE COST OF EQUITY FOR THE COMPANY.

A. Although my fundamental financial analysis provides the required framework to establish the risk relationships among AP, the Water Group and the S&P Public Utilities, the cost of equity must be measured by standard financial models I identified above. Differences in risk traits, such as size, business diversification, geographical diversity, regulatory policy, financial leverage and bond ratings, must be considered when analyzing the cost of equity.

It is also important to reiterate that no one method or model of the cost of equity can be applied in an isolated manner. Rather, informed judgment must be used to take into consideration the relative risk traits of the firm. It is for this reason that I have used more than one method to measure the Company's cost of equity. As I describe below, each of the methods used to measure the cost of equity contains certain incomplete and/or overly restrictive assumptions and

constraints that are not optimal. Therefore, I favor considering the results from a variety of methods. In this regard, I applied each of the methods with data taken from the Water Group and arrived at a cost of equity of at least 10.95% for AP, excluding an increment for management performance.

DISCOUNTED CASH FLOW

30. Q. Please describe the DCF model.

A. The DCF model seeks to explain the value of an asset as the present value of future expected cash flows discounted at the appropriate risk-adjusted rate of return. In its simplest form, the DCF-determined return on common stock consists of a current cash (dividend) yield and future price appreciation (growth) of the investment. The dividend discount equation is the familiar DCF valuation model, which assumes that future dividends are systematically related to one another by a constant growth rate. The DCF formula is derived from the standard valuation model: P = D/(k-g), where P = price, D = dividend, k = the cost of equity, and g = growth in cash flows. By rearranging the terms, we obtain the familiar DCF equation: k= D/P + g. All of the terms in the DCF equation represent investors' assessment of expected future cash flows that they will receive in relation to the value that they set for a share of stock (P). The DCF equation is sometimes referred to as the "Gordon" model.[5] My DCF results are provided on page 2 of Schedule1 for the Water Group. The DCF return is 10.58% with the leverage adjustment and 9.38% without the leverage adjustment for the Water Group. The leverage adjustment is discussed more fully below.

Among the limitations of the model, there is a certain element of

[5] Although the popular application of the DCF model is often attributed to the work of Myron J. Gordon in the mid-1950s, J.B. Williams exposited the DCF model in its present form nearly two decades earlier.

circularity in the DCF method when applied in rate cases. This is because investors' expectations for the future depend upon regulatory decisions. In turn, when regulators depend upon the DCF model to set the cost of equity, they rely upon investor expectations that include an assessment of how regulators will decide rate cases. Due to this circularity, the DCF model may not fully reflect the true risk of a utility. Other limitations of the DCF include the constant P-E multiple assertion that does not conform with actual stock market performance. And, indeed, the FERC has moved to using multiple methods for measuring the cost of equity due to the limitations of the DCF.

31. Q. WHAT IS THE DIVIDEND YIELD COMPONENT OF A DCF ANALYSIS?

A. The dividend yield reveals the portion of investors' cash flow that is generated by the return provided by the dividends an investor receives. It is measured by the dividends per share relative to the price per share. The DCF methodology requires the use of an expected dividend yield to establish the investor-required cost of equity. For the 12 months ended March 2024, the monthly dividend yields are shown on Schedule 7. The month-end prices were adjusted to reflect the buildup of the dividend in the price that has occurred since the last ex-dividend date (i.e., the date by which a shareholder must own the shares to be entitled to the dividend payment – usually about two to three weeks prior to the actual payment).

For the 12 months ended March 2024, the average dividend yield was 2.35% for the Water Group based upon a calculation using annualized dividend payments and adjusted month-end stock prices. The dividend yields for the more recent six-month and three-month periods were 2.55% and 2.66%, respectively. In applying the DCF model, I have used the six-month average dividend yield of 2.55% for the Water Group. The use of this dividend yield will reflect current

capital costs while avoiding spot yields. For the purpose of a DCF calculation, the average dividend yield must be adjusted to reflect the prospective nature of the dividend payments, i.e., the higher expected dividends for the future. Recall that the DCF is an expectational model that must reflect investors' anticipated cash flows. I have adjusted the six-month average dividend yield in three different but generally accepted manners and used the average of the three adjusted values as calculated in the lower panel of data presented on Schedule 7.[6] This adjustment adds 8 basis points to the six-month average historical yield, thus producing the 2.63% adjusted dividend yield for the Water Group.

32. Q. WHAT FACTORS INFLUENCE INVESTORS' GROWTH EXPECTATIONS?

A. As noted previously, investors are interested principally in the dividend yield and future growth of their investment (i.e., the price per share of the stock). Future growth in earnings per share is the DCF model's primary focus because, under the model's assumption that the P-E multiple remains constant, the price per share of stock will grow at the same rate as earnings per share. A growth rate analysis considers a variety of variables to reach a consensus on prospective growth, including historical data and widely available analysts' forecasts of earnings, dividends, book value and cash flow (all stated on a per-share basis). A fundamental growth rate analysis is frequently based upon internal growth ("b x

[6] These adjustments are the 1/2 growth approach, the discrete approach, and the quarterly approach. Under the 1/2 approach, the procedure to adjust the average dividend yield for the expectation of a dividend increase during the initial investment period will be at a rate of one-half the growth component, which assumes that half of the dividend payments will be at the expected higher rate during the initial investment period. Under the discrete approach, the "*g*" in the DCF model reflects the discrete growth in the quarterly dividend, which is required for the periodic form of the DCF to properly recognize that dividends are expected to grow on a discrete basis. The quarterly approach takes into account that investors have the opportunity to reinvest quarterly dividend receipts. Recognizing the compounding of the periodic quarterly dividend payments (D_0) results in this third DCF formulation. This DCF equation provides no further recognition of growth in the quarterly dividend. A compounding of the quarterly dividend yield recognizes the necessity for an adjusted dividend yield.

r"), where "r" is the expected rate of return on common equity and "b" is the retention rate (a fraction representing the proportion of earnings not paid out as dividends). To be complete, the internal growth rate should be modified to account for sales of new common stock (external growth), which is represented by the formula s x v, where "s" is the number of new common shares that the firm expects to issue and "v" is the value that accrues to existing shareholders from selling stock at a price above book value. Fundamental growth, which combines internal and external growth, encompasses the factors that cause book value per share to grow over time.

Growth also can be expressed in multiple stages. This expression of growth consists of an initial "growth" stage during which a firm enjoys rapidly expanding markets, high profit margins and abnormally high growth in earnings per share. Thereafter, a firm enters a "transition" stage during which fewer technological advances and increased product saturation begin to reduce the growth rate and profit margins come under pressure. During the "transition" stage, investment opportunities begin to mature, capital requirements decline and a firm begins to pay out a larger percentage of earnings to shareholders. Finally, the mature or "steady-state" stage is reached when a firm's earnings growth, payout ratio and return on equity stabilize at levels where they remain for the life of a firm. The three stages of growth assume a step-down of high initial growth to lower sustainable growth. Even if these three stages of growth can be envisioned for a firm, the third "steady-state" growth stage, which is assumed to remain fixed in perpetuity, represents an unrealistic expectation because the three stages of growth can be repeated. That is to say, the stages can be repeated where growth for a firm ramps up and ramps down in cycles over time. For these reasons, there

is no need to analyze growth rates individually for each cycle but rather to rely upon analysts' growth forecasts used by investors when pricing common stocks.

33. Q. WHAT FACTOR SHOULD BE CONSIDERED IN THE DETERMINATION OF AN APPROPRIATE GROWTH RATE?

A. The growth rate used in a DCF calculation should measure investor expectations. Investors consider both company-specific variables and overall market sentiment (i.e., level of inflation rates, interest rates, economic conditions, etc.) when balancing their capital gains expectations with their dividend yield requirements. Investors are not influenced solely by a single set of company-specific variables weighted in a formulaic manner. Therefore, all relevant growth rate indicators should be evaluated using a variety of techniques when formulating a judgment of investor-expected growth.

34. Q. WHAT DATA FOR THE WATER GROUP HAVE YOU CONSIDERED IN YOUR GROWTH RATE ANALYSIS?

A. I considered the growth in the financial variables shown on Schedule 8 and Schedule 9, which reflect historical (Schedule 8) and projected (Schedule 9) rates of growth in earnings per share, dividends per share, book value per share and cash flow per share for the Water Group. While analysts will review all measures of growth, as I have done, earnings per share growth directly influences the expectations of investors for the future performance of utility stocks. Forecasts of earnings growth are required because the DCF model is forward-looking, and with the constant P-E multiple and constant payout ratio that the DCF model assumes, all other measures of growth will mirror earnings growth. The historical growth rates, which were also reviewed to gain a perspective on the industry, were obtained from the Value Line publication that provides this data. While historical data cannot be ignored, they are much less significant when applying the DCF

model than projections of future growth. Investors cannot purchase the past earnings of a utility. To the contrary, they are only entitled to future earnings, which are the focus of growth projections. Furthermore, if significant weight is assigned to historical performance, the historical data are double-counted because they are already factored into analysts' forecasts of earnings growth.

35. Q. IS A FIVE-YEAR INVESTMENT HORIZON ASSOCIATED WITH THE ANALYSTS' FORECASTS CONSISTENT WITH THE TRADITIONAL DCF MODEL?

A. Yes, it is. Although the constant form of the DCF model assumes an infinite stream of cash flows, investors do not expect to hold an investment indefinitely. Rather than viewing the DCF in the context of an endless stream of growing dividends (e.g., a century of cash flows), the growth in the share value (i.e., capital appreciation or capital gains yield) is most relevant to investors' total return expectations. Hence, the sale price of a stock can be viewed as a liquidating dividend that can be discounted along with the annual dividend receipts during the investment-holding period to arrive at the investors' expected return. The growth in the price per share will equal the growth in earnings per share if, as the DCF model assumes, there is no change in the P-E multiple. As such, my company-specific growth analysis, which focuses principally on five-year forecasts of earnings per share growth, conforms with the type of analysis that influences investors' expectations of their actual total return. Moreover, academic research also focuses on five-year growth rates specifically because market outcomes occurring over that investment horizon are what influence stock prices. Indeed, if investors required forecasts beyond five years in order to properly value common stocks, then it would be reasonable to expect that some investment advisory service would begin publishing that information for individual stocks to

meet the demands of the marketplace. The absence of such a publication suggests that there is no market for this information because investors do not require forecasts for an infinite series of future data points to make informed decisions to purchase and sell stocks.

36. Q. WHAT ARE THE ANALYSTS' FORECASTS OF FUTURE GROWTH THAT YOU CONSIDERED?

A. Schedule 9 provides projected earnings per share growth rates taken from analysts' five-year forecasts compiled by IBES/First Call, Zacks, and Value Line. These are all reliable authorities of projected growth that investors use to make buy, sell and hold decisions. The IBES/First Call and Zacks estimates are obtained from the Internet and are widely available to investors. The growth rates reported by IBES/First Call and Zacks are consensus forecasts taken from a survey of analysts that make growth projections for these companies. Notably, First Call's earnings forecasts are frequently quoted in the financial press. The Value Line forecasts are also widely available to investors and can be obtained by subscription or free of charge at most public and collegiate libraries. The IBES/First Call and Zacks forecasts are limited to earnings per share growth, while Value Line makes projections of other financial variables. The Value Line forecasts of dividends per share, book value per share, and cash flow per share for the Water Group are also included on Schedule 9.

37. Q. WHAT ARE THE PROJECTED GROWTH RATES PUBLISHED BY THE SOURCES YOU DISCUSSED?

A. Schedule 9 shows the prospective five-year earnings per share growth rates projected for the Water Group by IBES/First Call (5.88%), Zacks (6.80%) and Value Line (6.58%).

38. Q. ARE CERTAIN GROWTH RATE FORECASTS ENTITLED TO GREATER WEIGHT IN DEVELOPING A GROWTH RATE FOR USE IN THE DCF MODEL?

A. Yes. While various factors should be examined to reach a reasonable conclusion on the DCF growth rate, growth in earnings per share should receive the greatest emphasis. Growth in earnings per share is the primary determinant of investors' expectations of the total returns they will obtain from stocks because the capital gains yield (i.e., price appreciation) will track earnings growth if the P-E multiple remains constant, as the DCF model assumes. Moreover, earnings per share (derived from net income) are the source of dividend payments and are the primary driver of retention growth and its surrogate, i.e., book value per share growth. As such, under these circumstances, greater emphasis must be placed upon projected earnings per share growth. In fact, Professor Gordon, the foremost proponent of the use of the DCF model in setting utility rates, concluded that the best measure of growth for use in the DCF model is a forecast of earnings per-share growth.[7] Consistent with Professor Gordon's findings, projections of earnings per share growth, such as those published by IBES/First Call, Zacks and Value Line, provide the best indication of investor expectations.

39. Q. WHAT GROWTH RATE DO YOU USE IN YOUR DCF MODEL?

A. The forecasts shown on Schedule 9 for the Water Group exhibit a range of average earnings per share growth rates from 5.88% to 6.80%. DCF growth rates should not be established by mathematical formulation, and I have not done so. In my opinion, a growth rate of 6.75% is a reasonable estimate of investor-expected growth for the Water Group. This value is within the array of analysts' forecasts of five-year earnings per share growth rates. The reasonableness of

[7] Gordon, Gordon & Gould, "Choice Among Methods of Estimating Share Yield," The Journal of Portfolio Management (Spring 1989).

this growth rate is also supported by the expected continuation of water utility infrastructure spending.

40. Q. ARE THE DIVIDEND YIELD AND GROWTH COMPONENTS OF THE DCF ADEQUATE TO ACCURATELY DEPICT THE RATE OF RETURN ON COMMON EQUITY WHEN IT IS USED TO CALCULATE A UTILITY'S WEIGHTED AVERAGE OVERALL COST OF CAPITAL?

A. The components of the DCF model are adequate for that purpose only if the capital structure ratios are measured by the market value of debt and equity. In the case of the Water Group, average capital structure ratios are 27.88% long-term debt, 0.02 preferred stock, and 72.10% common equity, as shown on Schedule 10. If book values are used to compute the capital structure ratios, then a leverage adjustment is required.

41. Q. WHAT IS A LEVERAGE ADJUSTMENT?

A. If a firm's capitalization, as measured by its stock price, diverges from its capitalization, measured at book value, the potential exists for a financial risk difference. Such a risk difference arises because a market-valued capitalization contains more equity and less debt than a book-value capitalization and, therefore, has less risk than the book-value capitalization. A leverage adjustment properly accounts for the risk differential between market-value and book-value capital structures.

42. Q. WHY IS A LEVERAGE ADJUSTMENT NECESSARY?

A. In order to make the DCF results relevant to the capitalization measured at book value (as is done for rate-setting purposes), the market-derived cost rate must be adjusted to account for this difference in financial risk. The only perspective that is important to investors is the return they can realize on the market value of their investment. As I have measured the DCF, the simple yield (D/P) plus growth (g)

provides a return applicable strictly to the price (P) that an investor is willing to pay for a share of stock. The need for the leverage adjustment arises when the results of the DCF model (k) are to be applied to a capital structure that is different from the capital structure indicated by the market price (P). From the market perspective, the financial risk of the Water Group is accurately measured by the capital structure ratios calculated from the market-valued capitalization of a firm. If the ratemaking process utilized the market capitalization ratios, then no additional analysis or adjustment would be required, and the simple yield (D/P) plus growth (g) components of the DCF would satisfy the financial risk associated with the market value of the equity capitalization. Because the ratemaking process uses ratios calculated from a firm's book value capitalization, further analysis is required to synchronize the financial risk of the book capitalization with the required return on the book value of the firm's equity. This adjustment is developed through precise mathematical calculations using well-recognized analytical procedures that are widely accepted in the financial literature. To arrive at that return, the rate of return on common equity is the unleveraged cost of capital (or equity return at 100% equity) plus one or more terms reflecting the increase in financial risk resulting from the use of leverage in the capital structure. The calculations presented in the lower panel of data shown on Schedule 10, under the heading "M&M,"[8] provide a return of 8.53% when applicable to a capital structure with 100% common equity.

[8] Franco Modigliani and Merton H. Miller, "The Cost of Capital, Corporation Finance, and the Theory of Investments," American Economic Review, June 1958, at 261-97. Franco Modigliani and Merton H. Miller, "Taxes and the Cost of Capital: A Correction," American Economic Review, June 1963, at 433-43.

43. Q. ARE THERE SPECIFIC FACTORS THAT INFLUENCE MARKET-TO-BOOK RATIOS THAT DETERMINE WHETHER THE LEVERAGE ADJUSTMENT SHOULD BE MADE?

A. No. The leverage adjustment is not intended, nor was it designed, to address the reasons that stock prices vary from book value. Hence, any observations concerning market prices relative to book value are not on point. The leverage adjustment deals with the issue of financial risk and does not transform the DCF result to a book value return through a market-to-book adjustment. Again, the leverage adjustment that I propose is based on the fundamental financial precept that the cost of equity is equal to the rate of return for an unleveraged firm (i.e., where the overall rate of return equates to the cost of equity with a capital structure that contains 100% equity) plus the additional return required for introducing debt and/or preferred stock leverage into the capital structure.

Further, as noted previously, the relatively high market prices of utility stocks cannot be attributed solely to the notion that these companies are expected to earn a return on the book value of equity that differs from their cost of equity determined from stock market prices. Stock prices above book value are common for utility stocks, and indeed, the stock prices of non-regulated companies exceed book values by even greater margins. It is difficult to accept that the vast majority of all firms operating in our economy are generating returns far in excess of their cost of capital. Certainly, in our free-market economy, competition should contain such “excesses” if they actually exist.

Finally, the leverage adjustment adds stability to the final DCF cost rate. That is to say, as the market capitalization increases relative to its book value, the leverage adjustment increases while the simple yield (D/P) plus growth (g) result declines. The reverse is also true: when the market capitalization declines, the

leverage adjustment also declines as the simple yield (D/P) plus growth (g) result increases.

44. Q. IS THE LEVERAGE ADJUSTMENT THAT YOU PROPOSE DESIGNED TO TRANSFORM THE MARKET RETURN INTO ONE THAT IS DESIGNED TO PRODUCE A PARTICULAR MARKET-TO-BOOK RATIO?

A. No, it is not. What I label a "leverage adjustment" is merely a convenient way of showing the amount that must be added to (or subtracted from) the result of the simple DCF model (i.e., D/P + g) when the DCF return applies to a capital structure used for ratemaking that is computed with book-value weighting rather than market-value weighting. Although I specify a separate factor, which I call the leverage adjustment, there is no need to do so other than to identify this factor. If I were to express my return solely in the context of the book value weighting that we use to calculate the weighted average cost of capital and ignore the familiar D/P + g expression entirely, then a separate element in the DCF cost of equity determination would not be needed to reflect the differential in financial leverage between a market-value and book-value capitalization. As shown in the bottom panel of data on Schedule 10, the equity return applicable to the book value common equity ratio is equal to 8.53%, which is the return for the Water Group appropriate for a capital structure with no debt (i.e., a 100% equity ratio) plus 2.07% to compensate investors for the risk of 48.27% debt ratio and 0.00% for a 0.03% preferred stock ratio. These are the book-value ratios that differ markedly from the market-value based ratios I discussed previously. Under this approach, the parts add up to 10.58% (8.53% + 2.07% + 0.00%), and there is no need to even address the cost of equity in terms of D/P + g. To express this same return in the context of the familiar DCF model, I added the 2.63% dividend yield, the 6.75% growth rate, and 1.20% for the leverage adjustment to arrive at the same

10.58% return computed directly with the M&M formula. I know of no means to mathematically solve for the 1.20% leverage adjustment by expressing it in the terms of any particular relationship of market price to book value. The 1.20% adjustment is merely a convenient way to compare the 10.58% return computed using the Modigliani & Miller formulas to the 9.38% return generated by the DCF model (i.e., D_1/P_0 + g, or the traditional form of the DCF shown on Schedule 7) based on a market-value capital structure. A 9.38% return assigned to anything other than the market value of equity cannot equate to a reasonable return on book value that has higher financial risk. My point is that when we use a market-determined cost of equity developed from the DCF model, it reflects a level of financial risk that is different (in this case, lower) from the capital structure stated at book value. This process has nothing to do with targeting any particular market-to-book ratio.

45. Q. PLEASE PROVIDE THE DCF RETURN BASED UPON YOUR PRECEDING DISCUSSION OF DIVIDEND YIELD, GROWTH, AND LEVERAGE.

A. As explained previously, I have utilized a six-month average dividend yield (D_1/P_0) adjusted in a forward-looking manner for my DCF calculation. This dividend yield is used in conjunction with the growth rate (g) previously developed. The DCF also includes the leverage modification (Lev.) required when the book value equity ratio is used in determining the weighted average cost of capital in the ratemaking process rather than the market value equity ratio related to the price of stock. The resulting DCF cost rate is 10.58%, computed as follows:

	D_1/P_0	+	g	+	*lev.*	=	k
Water Group	2.63%	+	6.75%	+	1.20%	=	10.58%

The DCF result shown above represents the simplified (i.e., Gordon) form of the model that contains a constant-growth assumption. I should reiterate, however, that the DCF-indicated cost rate provides an explanation of the rate of return on common stock market prices without regard to the prospect of a change in the P-E multiple. An assumption that there will be no change in the P-E multiple is not supported by the realities of the equity market because P-E multiples do not remain constant. This is one of the constraints of this model that makes it important to consider the results of other models when determining a company's cost of equity.

RISK PREMIUM ANALYSIS

46. Q. PLEASE DESCRIBE YOUR USE OF THE RISK PREMIUM APPROACH TO DETERMINE THE COST OF EQUITY.

A. With the Risk Premium approach, the cost of equity capital is determined by corporate bond yields plus a premium to account for the fact that common equity is exposed to greater investment risk than debt capital. The result of my Risk Premium study is shown on page 2 of Schedule1. That result is 11.50%.

47. Q. WHAT LONG-TERM PUBLIC UTILITY DEBT COST RATE DID YOU USE IN YOUR RISK PREMIUM ANALYSIS?

A. In my opinion, and as I will explain in more detail further in my testimony, a 5.00% yield represents a reasonable estimate of the prospective yield on long-term, public utility bonds. The 5.00% public utility bond yield I used in the Risk Premium method is very conservative given current interest rates.

48. Q. WHAT HISTORICAL DATA ARE SHOWN BY THE MOODY'S DATA?

A. I have analyzed the historical yields on the Moody's index of long-term public utility debt as shown on Schedule 11, page 1. For the 12 months ended March 2024 the average monthly yield on Moody's index A-rated public utility bonds was

5.60%. For the six- and three-month periods ended March 2024, the yields were 5.72% and 5.53%, respectively. During the 12 months ended March 2024, the range of the yields on A-rated public utility bonds were 5.13% to 6.34%. Page 2 of Schedule11 shows the long-run spread in yields between A-rated public utility bonds and long-term Treasury bonds. As shown on page 3 of Schedule 11, the yields on A-rated public utility bonds have exceeded those on Treasury bonds by 1.36% on a twelve-month average basis, 1.26% on a six-month average basis, and 1.20% on a three-month average basis. With these data, 1.25% represents a reasonable, albeit conservative, spread for the yield on A-rated public utility bonds over Treasury bonds.

49. Q. WHAT FORECASTS OF INTEREST RATES HAVE YOU CONSIDERED IN YOUR ANALYSIS?

A. I have determined the prospective yield on A-rated public utility debt by using the Blue Chip Financial Forecasts ("Blue Chip") along with the spread in the yields that I describe above. Blue Chip is a reliable authority and contains consensus forecasts of various interest rates compiled from a panel of banking, brokerage and investment advisory services. In early 1999, Blue Chip stopped publishing forecasts of yields on A-rated public utility bonds because the Federal Reserve deleted these yields from its Statistical Release H.15. To independently project a forecast of the yields on A-rated public utility bonds, I have combined the forecast yields on long-term Treasury bonds published on April 1, 2024, and a yield spread of 1.25%, derived from recent historical data.

50. Q. HOW HAVE YOU USED THESE DATA TO PROJECT THE YIELD ON A-RATED PUBLIC UTILITY BONDS FOR THE PURPOSE OF YOUR RISK PREMIUM ANALYSES?

A. Shown below is my calculation of the prospective yield on A-rated public utility

bonds using the building blocks discussed above, i.e., the Blue Chip forecast of Treasury bond yields and the public utility bond yield spread. For comparative purposes, I have also shown the Blue Chip forecasts of Aaa-rated and Baa-rated corporate bonds. These forecasts are:

		Blue Chip Financial Forecasts				
		Corporate		30-Year	A-rated Public Utility	
Year	Quarter	Aaa-rated	Baa-rated	Treasury	Spread	Yield
2024	Second	5.0%	5.9%	4.3%	1.25%	5.55%
2024	Third	4.9%	5.8%	4.2%	1.25%	5.45%
2024	Fourth	4.9%	5.8%	4.2%	1.25%	5.45%
2025	First	4.8%	5.8%	4.1%	1.25%	5.35%
2025	Second	4.8%	5.8%	4.1%	1.25%	5.35%
2025	Third	4.8%	5.7%	4.0%	1.25%	5.25%

51. Q. ARE THERE ADDITIONAL FORECASTS OF INTEREST RATES THAT EXTEND BEYOND THOSE SHOWN ABOVE?

A. Yes. Twice yearly, Blue Chip provides long-term forecasts of interest rates. In its December 1, 2023 publication, Blue Chip published longer-term forecasts of interest rates, which were reported to be:

	Blue Chip Financial Forecasts		
	Corporate		30-Year
Averages	Aaa-rated	Baa-rated	Treasury
2025-2029	4.9%	6.0%	4.1%
2030-2034	5.0%	6.0%	4.2%

The longer-term forecasts by Blue Chip suggest that interest rates will continue to be above pre-Pandemic levels. A 5.00% yield on A-rated public utility bonds represents a reasonably conservative benchmark for measuring the cost of equity in this case. All the data I used to formulate my conclusion as to a prospective yield on A-rated public utility debt are available to investors, who regularly rely upon such data to make investment decisions.

52. Q. WHAT EQUITY RISK PREMIUM HAVE YOU DETERMINED FOR PUBLIC UTILITIES?

A. To develop an appropriate equity risk premium, I analyzed the results from 2022 SBBI Yearbook, Stocks, Bonds, Bills and Inflation. My investigation reveals that the equity risk premium varies according to the level of interest rates. That is to say, the equity risk premium increases as interest rates decline, and it declines as interest rates increase. This inverse relationship is revealed by the summary data presented below and shown on Schedule12, page 1.

Common Equity Risk Premiums	
Low Interest Rates	7.13%
Average Across All Interest Rates	5.96%
High Interest Rates	4.76%

Based on my analysis of the historical data, the equity risk premium was 7.13% when the marginal cost of long-term government bonds was low (i.e., 2.83%, which was the average yield during periods of low rates). Conversely, when the yield on long-term government bonds was high (i.e., 7.03% on average during periods of high interest rates), the spread narrowed to 4.76%. Over the entire spectrum of interest rates, the equity risk premium was 5.96% when the average government bond yield was 4.91%. From these data, I have utilized a 6.50% equity risk premium. The equity risk premium of 6.50% is between the premiums associated with low interest rates (i.e., 7.13%) and average for the entire historical period interest rates (i.e., 5.96%).

53. Q. WHAT COMMON EQUITY COST RATE DID YOU DETERMINE BASED ON YOUR RISK PREMIUM ANALYSIS?

A. The cost of equity (i.e., “k”) is represented by the sum of the prospective yield for

long-term public utility debt (i.e., "i") and the equity risk premium (i.e., "RP"). The Risk Premium approach provides a cost of equity of:

	i		*RP*		*k*
Water Group	5.00%	+	6.50%	=	11.50%

CAPITAL ASSET PRICING MODEL

54. Q. HOW IS THE CAPM USED TO MEASURE THE COST OF EQUITY?

A. The CAPM uses the yield on a risk-free interest-bearing obligation plus a rate of return premium that is proportional to the systematic risk of an investment. As shown on page 2 of Schedule 1, the result of the CAPM is 13.80% for the Water Group with the leverage adjustment. Without the leverage adjustment, the CAPM result is 11.50% (13.80% - (0.28 x 8.21%)) through use of the Value Line beta excluding the leverage adjustment (i.e., 1.10 - 0.82 = 0.28). Further excluding the size adjustment, the CAPM result would be 10.48%. To compute the cost of equity with the CAPM, three components are necessary: a risk-free rate of return ("Rf"), the beta measure of systematic risk ("β") and the market risk premium ("Rm-Rf") derived from the total return on the market of equities reduced by the risk-free rate of return. The CAPM specifically accounts for differences in systematic risk (i.e., market risk as measured by the beta) between an individual firm or group of firms and the entire market of equities.

55. Q. WHAT BETAS HAVE YOU CONSIDERED IN THE CAPM?

A. For my CAPM analysis, I initially considered the Value Line betas. As shown on page 2 of Schedule 3, the average beta is 0.82 for the Water Group.

56. Q. DID YOU USE THE VALUE LINE BETAS IN THE CAPM DETERMINED COST OF EQUITY?

A. I used the Value Line betas as a foundation for the leverage-adjusted betas that I used in the CAPM. The Value Line betas are measured over a five-year period. The betas must be reflective of the financial risk associated with the ratemaking capital structure that is measured at book value. Therefore, Value Line betas cannot be used directly in the CAPM, unless the cost rate developed using those betas is applied to a capital structure measured with market values. Since we used book values in this case, the Value Line betas must be adjusted for the higher financial risk associated with the book value capital structure. To develop a CAPM cost rate applicable to a book-value capital structure, the Value Line (market value) betas have been unleveraged and re-leveraged for the book value common equity ratios using the Hamada formula,[9] as follows:

$$\beta l = \beta u \, [1 + (1 - t) \, D/E + P/E]$$

ßl = the leveraged beta, ßu = the unleveraged beta, t = income tax rate, D = debt ratio, P = preferred stock ratio, and E = common equity ratio. The betas published by Value Line have been calculated with the market price of stock and are related to the market value capitalization. By using the formula shown above and the capital structure ratios measured at market value, the beta would become 0.63 for the Water Group if it employed no leverage and was 100% equity financed. Those calculations are shown on Schedule 10 under the section labeled "Hamada," who is credited with developing those formulas. With the unleveraged

[9] Robert S. Hamada, "The Effects of the Firm's Capital Structure on the Systematic Risk of Common Stocks;" The Journal of Finance, Vol. 27, No. 2; Papers and Proceedings of the Thirtieth Annual Meeting of the American Finance Association, New Orleans, Louisiana, Dec. 27-29, 1971. (May 1972), pp. 435-52.

beta as a base, I calculated the leveraged beta of 1.10 for the book value capital structure of the Water Group.

57. Q. WHAT RISK-FREE RATE HAVE YOU USED IN THE CAPM?

A. As shown on page 1 of Schedule 13, I provided the historical yields on Treasury notes and bonds. For the 12 months ended March 2024, the average yield on 30-year Treasury bonds was 4.24%. For the six- and three-months ended March 2024, the yields on 30-year Treasury bonds were 4.46% and 4.33%, respectively. During the 12 months ended March 2024, the range of the yields on 30-year Treasury bonds was 3.68% to 4.95%.

Due to high inflation rates above the policy goal of the FOMC, the accommodative policy was ended by the FOMC in the first quarter of 2022. A tighter monetary policy exists today and has caused higher interest rates that have already occurred. After the FOMC ended its bond-buying program (i.e., quantitative easing) in March 2022, it is in the process of running off its $9 trillion asset portfolio, which will keep interest rates at elevated levels.

Following the extraordinary events associated with the Pandemic that jolted the capital markets, a tighter monetary policy was put in place and resulted in higher interest rates. High interest rates clearly point to high capital costs, as indicated by recent bond yields. The yield on 10-year Treasury bonds moved above the 3% level on May 2, 2022, for the first time since late 2018. By December 2023, the yield on 30-year Treasury bonds moved to 4.14%, or an increase of 2.47% (or 148%) since December 2020.

As shown on page 2 of Schedule 13, forecasts published by Blue Chip on April 1, 2024, indicate that the yields on long-term Treasury bonds are expected to be in the range of 4.0% to 4.3% during the next six quarters. This means that elevated interest rates will continue near current levels. The longer-

term forecasts show that the yields on 30-year Treasury bonds will average 4.1% from 2025 through 2029 and 4.2% from 2030 to 2034. Hence, I have used a conservative 3.75% risk-free rate of return for CAPM purposes, which considers the possibility of some moderation of rates prospectively.

58. Q. WHAT MARKET PREMIUM HAVE YOU USED IN THE CAPM?

A. As shown in the lower panel of data presented on page 2 of Schedule 13, the market premium is derived from historical data and the forecast returns. For the historically based market premium, I have used the arithmetic mean obtained from the data presented on page 1 of Schedule 13. On that schedule, the market return was 12.21% (12.40% + 12.02% = 24.42% ÷ 2) as the midpoint of the "low" and "average" interest rate environments. During those periods, the yield on long-term government bonds was 3.87% (2.83% + 4.91% = 7.74% ÷ 2). The resulting market premium is 8.34% (12.21% - 3.87%) based on historical data, as shown on page 2 of Schedule 13. As also shown on page 2 of Schedule 13, I calculated the forecast returns, which show a 11.83% total market return based on the Value Line forecasts. With these data, I calculated a market premium of 8.08% (11.83% - 3.75%) using the forecast data by Value Line. The resulting market premium applicable to the CAPM derived from these sources equals 8.21% (8.08% + 8.34% = 16.42% ÷ 2).

59. Q. ARE THERE ADJUSTMENTS TO THE CAPM THAT ARE NECESSARY TO FULLY REFLECT THE RATE OF RETURN ON COMMON EQUITY?

A. Yes. The technical literature supports an adjustment relating to the size of the company or portfolio for which the calculation is performed. As the size of a firm decreases, its risk and required return increases. Moreover, in his discussion of the cost of capital, Professor Eugene F. Brigham has indicated that smaller firms have higher capital costs than otherwise similar larger firms. Also, the

Fama/French study (see "The Cross-Section of Expected Stock Returns"; The Journal of Finance, June 1992) established that the size of a firm helps explain stock returns. In an October 15, 1995 article in Public Utility Fortnightly, entitled "Equity and the Small-Stock Effect," it was demonstrated that the CAPM could significantly understate the cost of equity according to a company's size. Indeed, it was demonstrated in the SBBI Yearbook that the returns for stocks in lower deciles (i.e., smaller stocks) had returns in excess of those shown by the simple CAPM. To recognize this fact, I used the mid-cap adjustment of 1.02%, as revealed on page 3 of Schedule 13, for the CAPM calculation. The adjustment here is related to the size of the Water Group.

60. Q. WHAT DOES YOUR CAPM ANALYSIS SHOW?

A. Using the 3.75% risk-free rate of return, the leverage adjusted beta of 1.10 for the Water Group, the 8.21% market premium, and the 1.02% size adjustment, the following result is indicated.

	Rf	**+**	***ß***	***x (Rm-Rf)***	**+**	***size***	**=**	***k***
Water Group	3.75%	+	1.10	x (8.21%)	+	1.02%	=	13.80%

COMPARABLE EARNINGS APPROACH

61. Q. WHAT IS THE COMPARABLE EARNINGS APPROACH?

A. The Comparable Earnings approach estimates a fair return on equity by comparing returns realized by non-regulated companies to returns that a public utility with similar risk characteristics would need to realize to compete for capital. Because regulation is a substitute for competitively determined prices, the returns realized by non-regulated firms with comparable risks to a public utility provide useful insight into investor expectations for public utility returns. The firms selected for the Comparable Earnings approach should be companies whose

prices are not subject to cost-based price ceilings (i.e., non-regulated firms) so that circularity is avoided.

There are two avenues available to implement the Comparable Earnings approach. One method involves the selection of another industry (or industries) with comparable risks to the public utility in question, and the results for all companies within that industry serve as a benchmark. The second approach requires the selection of parameters that represent similar risk traits for the public utility and the comparable risk companies. Using this approach, the business lines of the comparable companies become unimportant. The latter approach is preferable with the further qualification that the comparable risk companies exclude regulated firms in order to avoid the circular reasoning implicit in the use of the achieved earnings/book ratios of other regulated firms. The United States Supreme Court has held that:

> A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public equal to that generally being made at the same time and in the same general part of the country on investments in other business undertakings which are attended by corresponding risks and uncertainties. The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties. Bluefield Water Works v. Public Service Commission, 262 U.S. 668 (1923).

It is important to identify the returns earned by firms that compete for capital with a public utility. This can be accomplished by analyzing the returns of non-regulated firms that are subject to the competitive forces of the marketplace.

62. Q. DID YOU COMPARE THE RESULTS OF YOUR DCF AND CAPM ANALYSES TO THE RESULTS INDICATED BY A COMPARABLE EARNINGS APPROACH?

A. Yes. I selected companies from The Value Line Investment Survey for Windows that have six categories of comparability designed to reflect the risk of the Water Group. These screening criteria were based upon the range as defined by the rankings of the companies in the Water Group. The items considered were Timeliness Rank, Safety Rank, Financial Strength, Price Stability, Value Line betas, and Technical Rank. The definition for these parameters is provided on page 3 of Schedule 14. The identities of the companies comprising the Comparable Earnings group and their associated rankings within the ranges are identified on Schedule 14, page 1.

I relied upon Value Line data because it provides a comprehensive basis for evaluating the risks of the comparable firms. As to the returns calculated by Value Line for these companies, there is some downward bias in the figures shown on page 2 of Schedule 14, because Value Line computes the returns on year-end rather than average book value. If average book values had been employed, the rates of return would have been slightly higher. Nevertheless, these are the returns considered by investors when taking positions in these stocks. Because many of the comparability factors, as well as the published returns, are used by investors in selecting stocks, and the fact that investors rely on the Value Line service to gauge returns, it is an appropriate database for measuring comparable return opportunities.

63. Q. WHAT DATA DID YOU CONSIDER IN YOUR COMPARABLE EARNINGS ANALYSIS?

A. I used both historical realized returns and forecasted returns for non-utility companies. As noted previously, I have not used returns for utility companies to avoid the circularity that arises from using regulatory-influenced returns to determine a regulated return. It is appropriate to consider a relatively long measurement period in the Comparable Earnings approach to cover conditions over an entire business cycle. A ten-year period (five historical years and five projected years) is sufficient to cover an average business cycle. Unlike the DCF and CAPM, the results of the Comparable Earnings method can be applied directly to the book value capitalization. In other words, the Comparable Earnings approach does not contain the potential misspecification contained in market models when the market capitalization and book value capitalization diverge significantly. A point of demarcation was chosen to eliminate the results of highly profitable enterprises, which the Bluefield case stated were not the type of returns that a utility was entitled to earn. For this purpose, I used 20% as the point where those returns could be viewed as highly profitable and should be excluded from the Comparable Earnings approach. The average historical rate of return on book common equity was 12.7% using only the returns that were less than 20%, as shown on page 2 of Schedule 14. The average forecasted rate of return, as published by Value Line, is 13.1% also using values less than 20%, as provided on page 2 of Schedule 14. Using the average of these data, my Comparable Earnings result is 12.90%, as shown on page 2 of Schedule1.

CONCLUSION ON COST OF EQUITY

64. Q. WHAT IS YOUR CONCLUSION REGARDING THE COMPANY'S COST OF COMMON EQUITY?

A. Based upon the application of a variety of methods and models described previously, it is my opinion that the return rate on common equity of 10.95% being employed in this case is within – in fact, nearer the low end – of the range of reasonable equity return rates for AP. The rate of return on common equity used by AP to develop its proposed revenue requirement in this case should be considered in the context of AP's risk characteristics, as well as the general condition of the capital markets. It is essential that the Commission employ a variety of techniques to measure AP's cost of equity because of the limitations/infirmities that are inherent in each method. It is also important that the Commission consider the exemplary performance of the Company's management when making a final determination on the equity return in this case.

65. Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?

A. Yes. However, I reserve the right to supplement my testimony, if necessary, and to respond to witnesses presented by other parties.

EDUCATIONAL BACKGROUND, BUSINESS EXPERIENCE AND QUALIFICATIONS

I was awarded a degree of Bachelor of Science in Business Administration by Drexel University in 1971. While at Drexel, I participated in the Cooperative Education Program which included employment, for one year, with American Water Works Service Company, Inc., as an internal auditor, where I was involved in the audits of several operating water companies of the American Water Works System and participated in the preparation of annual reports to regulatory agencies and assisted in other general accounting matters.

Upon graduation from Drexel University, I was employed by American Water Works Service Company, Inc., in the Eastern Regional Treasury Department where my duties included preparation of rate case exhibits for submission to regulatory agencies, as well as responsibility for various treasury functions of the thirteen New England operating subsidiaries.

In 1973, I joined the Municipal Financial Services Department of Betz Environmental Engineers, a consulting engineering firm, where I specialized in financial studies for municipal water and wastewater systems.

In 1974, I joined Associated Utility Services, Inc., now known as AUS Consultants. I held various positions with the Utility Services Group of AUS Consultants, concluding my employment there as a Senior Vice President.

In 1994, I formed P. Moul & Associates, an independent financial and regulatory consulting firm. In my capacity as Managing Consultant and for the past forty-two years, I have continuously studied the rate of return requirements for cost of service-regulated firms. In this regard, I have supervised the preparation of rate of return studies, which were employed, in connection with my testimony and in the past for other individuals. I have presented direct testimony on the subject of fair rate of return, evaluated rate of return testimony of other witnesses, and presented rebuttal testimony.

My studies and prepared direct testimony have been presented before thirty-seven (37) federal, state and municipal regulatory commissions, consisting of: the Federal Energy Regulatory Commission; state public utility commissions in Alabama, Alaska, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, West Virginia, Wisconsin, and the Philadelphia Gas Commission, and the Texas Commission on Environmental Quality. My testimony has been offered in over 300 rate cases involving electric power, natural gas distribution and transmission, resource recovery, solid waste collection and disposal, telephone, wastewater, and water service utility companies. While my testimony has involved principally fair rate of return and financial matters, I have also testified on capital allocations, capital recovery, cash working capital, income taxes, factoring of accounts receivable, and take-or-pay expense recovery. My testimony has been offered on behalf of municipal and investor-owned public utilities and for the staff of a regulatory commission. I have also testified at an Executive Session of the State of New Jersey Commission of Investigation concerning the BPU regulation of solid waste collection and disposal.

I was a co-author of a verified statement submitted to the Interstate Commerce Commission concerning the 1983 Railroad Cost of Capital (Ex Parte No. 452). I was also co-author of comments submitted to the Federal Energy Regulatory Commission regarding the Generic Determination of Rate of Return on Common Equity for Public Utilities in 1985, 1986 and 1987 (Docket Nos. RM85-19-000, RM86-12-000, RM87-35-000 and RM88-25-000). Further, I have been the consultant to the New York Chapter of the National Association of Water Companies, which represented the water utility group in the Proceeding on Motion of the Commission to Consider Financial Regulatory Policies for New York Utilities (Case 91-M-0509). I have also submitted comments to the Federal Energy Regulatory Commission in

its Notice of Proposed Rulemaking (Docket No. RM99-2-000) concerning Regional Transmission Organizations and on behalf of the Edison Electric Institute in its intervention in the case of Southern California Edison Company (Docket No. ER97-2355-000). Also, I was a member of the panel of participants at the Technical Conference in Docket No. PL07-2 on the Composition of Proxy Groups for Determining Gas and Oil Pipeline Return on Equity.

In late 1978, I arranged for the private placement of bonds on behalf of an investor-owned public utility. I have assisted in the preparation of a report to the Delaware Public Service Commission relative to the operations of the Lincoln and Ellendale Electric Company. I was also engaged by the Delaware P.S.C. to review and report on the proposed financing and disposition of certain assets of Sussex Shores Water Company (P.S.C. Docket Nos. 24-79 and 47-79). I was a co-author of a Report on Proposed Mandatory Solid Waste Collection Ordinance prepared for the Board of County Commissioners of Collier County, Florida.

I have been a consultant to the Bucks County Water and Sewer Authority concerning rates and charges for wholesale contract service with the City of Philadelphia. My municipal consulting experience also included an assignment for Baltimore County, Maryland, regarding the City/County Water Agreement for Metropolitan District customers (Circuit Court for Baltimore County in Case 34/153/87-CSP-2636).

Exhibit No. 5-A, Part I
Docket No. R-2024-3047822
Witness: C.E. Heppenstall

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

WATER OPERATIONS

COST OF SERVICE ALLOCATION STUDY

AS OF DECEMBER 31, 2025

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 5-A, Part I
Docket No. R-2024-3047822
Witness: C.E. Heppenstall

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

WATER OPERATIONS
COST OF SERVICE ALLOCATION STUDY
AS OF DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

PART I

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PART I. INTRODUCTION

AQUA PENNSYLVANIA, INC.

COST OF SERVICE ALLOCATION STUDY
AS OF DECEMBER 31, 2025

PLAN OF REPORT

The report sets forth the results of the cost of service allocation study based on pro forma costs as of December 31, 2025, for Aqua Pennsylvania, Inc. Part I, Introduction, contains statements with respect to the basis of the study, the procedures employed, the customer class demand study, and a summary of the results of the studies. Part II presents the Cost of Service Study for both the Water Base Operations and Shenandoah Water by Customer Classification, including detailed schedules of the allocation of costs to customer classifications, as well as the bases for the allocations. Schedules A and A-S in Part II summarizes the cost allocation and the revenues produced under present and proposed rates. Responses to rate structure and cost of service filing requirements are provided in the Appendix.

BASIS OF STUDY

The purpose of the cost allocation studies are to determine the relative cost of service responsibilities of the several customer classifications based on considerations of quantity of water consumed, variability of rate of consumption, and costs associated with customer metering, billing and accounting. The allocation study incorporated generally-accepted principles and procedures for allocating the several categories of cost to customer classifications in proportion to each classification's use of facilities, commodities and services required in providing water service.

ALLOCATION PROCEDURES

The allocation studies were based on the Base-Extra Capacity Method for allocating costs to customer classifications. The method is described in the 2017 and prior editions of the Water Rates Manual, published by the American Water Works Association. The four basic categories of cost responsibility are base, extra capacity, customer, and fire protection costs. The following discussion presents a brief description of these costs and the manner in which they were allocated.

Base Costs are costs that tend to vary with the quantity of water used, plus costs associated with supplying, treating, pumping, and distributing water to customers under average load conditions, without the elements necessary to meet peak demands. Base costs were allocated to customer classifications on the basis of average daily usage.

Extra Capacity Costs are costs associated with meeting usage requirements in excess of the average. They include operating and capital costs for additional plant and system capacity beyond that required for average use. The extra capacity costs in this study are subdivided into costs necessary to meet maximum day extra demand and costs to meet maximum hour extra demand. The extra capacity costs were allocated to customer classifications on the bases of each classification's maximum day and hour usage in excess of average usage.

Customer Costs are costs associated with serving customers regardless of their usage or demand characteristics. Customer costs include the operating and capital costs related to meters and services, meter reading costs, and billing and

collecting costs. The customer costs were allocated on the bases of capital cost of meters and services and the number of customer bills.

Fire Protection Costs are costs associated with providing the facilities to meet the potential peak demand of fire protection service. Fire Protection costs are subdivided into costs to meet Public Fire Protection and Private Fire Protection demands. The extra capacity costs assigned to fire protection service were allocated to Public and Private Fire Protection and Residential General Service on the basis of the total relative demands of the hydrants, fire service lines, and residential service lines sized to provide fire protection, as well as general service.

RESULTS OF STUDIES

The results of the cost of service allocation studies are set forth in Part II. The data summarized in Schedules A and A-S, "Comparison of Pro Forma Cost of Service with Revenues Under Present and Proposed Rates for the Twelve Months Ending December 31, 2025", constitute the principal results of the cost allocation study and subsequent rate design.

The cost of service by customer classification shown in column 2 of Schedules A and A-S are developed in Schedules D and D-S, "Allocation of Cost of Service to Customer Classifications for the Twelve Months Ended December 31, 2025". The allocation of the total cost of service to the several customer classifications was performed by applying the allocation factors referenced in column 3 of Schedules D and D-S to the cost of service set forth in column 3. The bases for the allocation factors are presented in Schedules E and E-S.

Schedule F, "Summary of Average Daily Send Out, Maximum Daily Use, and Maximum Hourly Use for the Years 1962-2020", presents the determination of the maximum day and hour ratios for the overall system. Schedules G and G-S, "Basis for Allocating Demand Related Costs of Fire Service to Residential and Private and Public Fire Protection Customer Classifications", presents the calculation of the total relative demand of fire hydrants and fire service lines.

Schedule H sets forth the calculation of the firm and interruptible standby rates based on the functional allocation provided in the Appendix. Also provided in the Appendix are responses to Rate Structure and Cost of Service Filing Requirements RS1a through RS1j and RS2.

PART II. COST OF SERVICE BY CUSTOMER CLASSIFICATION

WATER BASE OPERATIONS

AQUA PENNSYLVANIA, INC. - WATER BASE

COMPARISON OF PRO FORMA COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Customer Classification	Pro Forma Cost of Service - FPFTY					Pro Forma Revenues Under Present Rates		Pro Forma Revenues Under Proposed Rates - FPFTY		Proposed Increase	
	Amount	Act 11	Shenandoah Contribution	Water COS Plus Act 11, Shenandoah	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Residential	$ 449,755,095	$ 13,116,320	$ 749,673	$ 463,621,088	66.6%	$ 386,080,392	66.0%	$ 462,791,353	66.5%	$ 76,710,961	19.9%
Commercial	161,916,231	8,245,608	267,782	170,429,620	24.5%	143,094,848	24.5%	169,163,248	24.3%	26,068,400	18.2%
Industrial	25,338,810	340,775	319,052	25,998,637 *	3.7%	20,260,902	3.5%	24,431,574	3.5%	4,170,672	20.6%
Public	9,930,693	147,926	128,879	10,207,497 *	1.5%	9,349,510	1.6%	11,148,842	1.6%	1,799,332	19.2%
Other Water Utilities	5,692			5,692 *	0.0%	17,848	0.0%	19,862	0.0%	2,014	11.3%
Private Fire Protection	17,617,148		155	17,617,303	2.5%	19,126,701	3.3%	20,322,361	2.9%	1,195,659	6.3%
Public Fire Protection	8,187,042			8,187,042	1.2%	7,255,078	1.2%	8,187,042	1.2%	931,964	12.8%
Total Tariff Sales of Water	672,750,710	21,850,629	1,465,540	696,066,880	100.0%	585,185,281	100.0%	696,064,282	100.0%	110,879,001	18.9%
Contract Sales - Industrial	4,048,542			4,048,542		4,043,409		4,048,542		5,133	0.1%
Contract Sales - Public	1,800,928			1,800,928		1,474,207		1,800,928		326,721	22.2%
Contract Sales - OWU	4,520,421			4,520,421		4,487,116		4,520,421		33,305	0.7%
Subtotal Contract Sales	10,369,891	-	-	10,369,891		10,004,732		10,369,891		365,159	3.6%
Total Sales of Water	683,120,601	21,850,629	1,465,540	706,436,771		595,190,013		706,434,173		111,244,160	18.7%
Other Water Revenues	1,154,807			1,154,807		1,154,807		1,154,807		-	0.0%
Subtotal Other Revenue	1,154,807			1,154,807		1,154,807		1,154,807		-	
Total	$ 684,275,408	$ 21,850,629	$ 1,465,540	$ 707,591,578		$ 596,344,820		$ 707,588,980		111,244,160	18.7%

* Contract Sales Excluded.

AQUA PENNSYLVANIA, INC. - BASE WATER

COMPARISON OF PRO FORMA COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Customer Classification	Pro Forma COS - FPFTY Exclude Act 11 Amount	Shenandoah Contribution	Total Amount	Percent of Total	Pro Forma Revenues Under Present Rates Amount	Percent of Total	Pro Forma Revenues Amount	Percent of Total	Proposed Increase Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Residential	$ 449,755,095	$ 749,673	$ 450,504,768	66.8%	$ 386,080,392	66.0%	$ 462,791,353	66.5%	$ 76,710,961	19.9%
Commercial	161,916,231	267,782	162,184,012	24.1%	143,094,848	24.5%	169,163,248	24.3%	26,068,400	18.2%
Industrial	25,338,810 *	319,052	25,657,862	3.8%	20,260,902	3.5%	24,431,574	3.5%	4,170,672	20.6%
Public	9,930,693 *	128,879	10,059,571	1.5%	9,349,510	1.6%	11,148,842	1.6%	1,799,332	19.2%
Other Water Utilities	5,692 *	-	5,692	0.0%	17,848	0.0%	19,862	0.0%	2,014	11.3%
Private Fire Protection	17,617,148	155	17,617,303	2.6%	19,126,701	3.3%	20,322,361	2.9%	1,195,659	6.3%
Public Fire Protection	8,187,042	-	8,187,042	1.2%	7,255,078	1.2%	8,187,042	1.2%	931,964	12.8%
Total Tariff Sales of Water	672,750,710	1,465,540	674,216,250	100.0%	585,185,281	100.0%	696,064,282	100.0%	110,879,001	18.9%
Contract Sales - Industrial	4,048,542		4,048,542		4,048,542		3,157,961		(890,581)	-22.0%
Contract Sales - Public	1,800,928		1,800,928		1,247,315		1,448,398		201,083	16.1%
Contract Sales - OWU	4,520,421		4,520,421		2,886,684		2,960,342		73,657	2.6%
Subtotal Contract Sales	10,369,891		10,369,891		8,182,541		7,566,700		(615,841)	-7.5%
Total Sales of Water	683,120,601	1,465,540	684,586,141		593,367,822		703,630,982		110,263,160	18.6%
Other Revenues - Wheeling Fees							-			
Other Water Revenues	1,154,807		1,154,807		1,154,807		1,154,807		-	0.0%
Subtotal Other Revenue	1,154,807	-	1,154,807		1,154,807		1,154,807		-	
Total	$ 684,275,408	$ 1,465,540	$ 685,740,949		$ 594,522,629		$ 704,785,789		110,263,160	18.5%

* Contract Sales Excluded.

AQUA PENNSYLVANIA, INC. - BASE WATER

DEVELOPMENT OF RATE OF RETURN BY CUSTOMER CLASSIFICATION
UNDER PRESENT RATES

ITEM	COST OF SERVICE	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PUBLIC	OTHER WATER UTILITIES	FIRE PROTECTION	
							PRIVATE	PUBLIC
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. REVENUES FROM SALES	585,185,281	386,080,392	143,094,848	20,260,902	9,349,510	17,848	19,126,701	7,255,078
2. OTHER REVENUES	11,159,539	7,469,397	2,668,883	418,799	163,683	95	283,227	155,455
3. TOTAL OPERATING REVENUES	596,344,820	393,549,790	145,763,732	20,679,701	9,513,193	17,944	19,409,928	7,410,533
4. LESS: OPERATING EXPENSES (INCLUDES REALLOCATION OF FIRE, SHENANDOAH FUNDS & ACT 11)	300,891,162	220,637,157	68,980,390	10,824,449	4,258,931	2,792	5,515,266	-9,327,824
5. RETURN AND INCOME TAXES	295,453,658	172,912,633	76,783,341	9,855,252	5,254,262	15,152	13,894,662	16,738,357
6. LESS: TAXABLE EXCLUSIONS (FACTOR 18)	85,912,507	51,964,066	21,369,611	3,352,680	1,302,442	671	2,784,832	5,138,204
7. TAXABLE INCOME	209,541,151	120,948,567	55,413,730	6,502,572	3,951,820	14,480	11,109,829	11,600,152
8. LESS: INCOME TAXES (TAX. INC.)	17,683,853	10,207,239	4,676,543	548,773	333,507	1,222	937,594	978,974
9. NET RETURN (Line 5 - Line 8)	277,769,805	162,705,393	72,106,798	9,306,479	4,920,755	13,930	12,957,068	15,759,382
10. ORIGINAL COSTS MEASURE OF VALUE	4,315,665,717	2,610,324,675	1,073,465,346	168,416,038	65,425,929	33,721	139,891,221	258,108,780
11. RATE OF RETURN, PERCENT	6.44	6.23	6.72	5.53	7.52	41.31	9.26	6.11
12. RELATIVE RATE OF RETURN	1.00	0.97	1.04	0.86	1.17	6.42	1.44	0.95

AQUA PENNSYLVANIA, INC. - BASE WATER

DEVELOPMENT OF RATE OF RETURN BY CUSTOMER CLASSIFICATION
UNDER PROPOSED RATES

ITEM	COST OF SERVICE	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PUBLIC	OTHER WATER UTILITIES	FIRE PROTECTION	
							PRIVATE	PUBLIC
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. REVENUES FROM SALES	696,064,282	462,791,353	169,163,248	24,431,574	11,148,842	19,862	20,322,361	8,187,042
2. OTHER REVENUES	11,524,698	7,701,263	2,776,410	434,523	170,279	97	302,580	139,547
3. TOTAL OPERATING REVENUES	707,588,980	470,492,616	171,939,658	24,866,097	11,319,121	19,959	20,624,940	8,326,588
4. LESS: OPERATING EXPENSES (INCLUDES REALLOCATION OF FIRE, SHENANDOAH FUNDS & ACT 11)	325,154,520	239,981,127	78,093,506	11,512,830	4,581,007	2,801	5,525,221	-14,541,972
5. RETURN AND INCOME TAXES	382,434,459	230,511,489	93,846,151	13,353,268	6,738,114	17,158	15,099,719	22,868,560
6. LESS: TAXABLE EXCLUSIONS (FACTOR 18)	85,912,507	51,969,609	21,366,536	3,351,775	1,302,214	671	2,784,397	5,137,304
7. TAXABLE INCOME	296,521,953	178,541,880	72,479,615	10,001,493	5,435,900	16,487	12,315,323	17,731,256
8. LESS: INCOME TAXES (TAX. INC.)	41,440,834	24,952,366	10,129,488	1,397,772	759,702	2,304	1,721,145	2,478,056
9. NET RETURN (Line 5 - Line 8)	340,993,626	205,559,123	83,716,663	11,955,495	5,978,412	14,854	13,378,574	20,390,504
10. ORIGINAL COSTS MEASURE OF VALUE	4,315,665,717	2,610,603,159	1,073,310,881	168,370,610	65,414,473	33,722	139,869,333	258,063,540
11. RATE OF RETURN, PERCENT	7.90	7.87	7.80	7.10	9.14	44.05	9.57	7.90
12. RELATIVE RATE OF RETURN	1.00	1.00	0.99	0.90	1.16	5.57	1.21	1.00

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
OPERATION AND MAINTENANCE EXPENSES										
	Source of Supply									
	----Operation----									
601.1	Operation Labor									
	Treatment Plants & Wells	2	791,355	474,767	253,544	43,810	15,389	6	1,487	2,353
	Booster Stations	3	44,726	25,062	13,348	2,306	810	0	1,198	2,002
604.1	Employee Benefits	22	187,525	111,893	59,743	10,323	3,626	1	736	1,202
620.1	Materials and Supplies									
	Treatment Plants & Wells	2	58,982	35,386	18,897	3,265	1,147	0	111	175
	Booster Stations	3	3,334	1,868	995	172	60	0	89	149
631.1	Contract Services Engineering	22	(17,460)	(10,418)	(5,562)	(961)	(338)	(0)	(69)	(112)
635.1	Contract Services - Lab Testing	2	(51)	(31)	(16)	(3)	(1)	(0)	(0)	(0)
636.1	Contract Services Other	22	343,393	204,897	109,400	18,903	6,640	3	1,349	2,201
641.1	Building Rental									
	Treatment Plants & Wells	2	-	-	-	-	-	-	-	-
	Booster Stations	3	-	-	-	-	-	-	-	-
650.1	Transportation	22	47,548	28,371	15,148	2,617	919	0	187	305
675.1	Other	22	17,598	10,501	5,607	969	340	0	69	113
	Total Operation		1,476,951	882,296	471,104	81,403	28,593	11	5,157	8,387
	----Maintenance----									
601.2	Maintenance Labor									
	Treatment Plants & Wells	2	92,806	55,678	29,734	5,138	1,805	1	174	276
	Booster Stations	3	34,500	19,332	10,296	1,779	625	0	924	1,544
604.2	Employee Benefits	22	49,855	29,748	15,883	2,744	964	0	196	320
620.2	Materials and Supplies									
	Treatment Plants & Wells	2	70,075	42,041	22,452	3,879	1,363	1	132	208
	Booster Stations	3	26,051	14,597	7,775	1,343	472	0	698	1,166
631.2	Contractor Services - Engineer									
	Treatment Plants & Wells	2	18,824	11,293	6,031	1,042	366	0	35	56
	Booster Stations	3	6,997	3,921	2,088	361	127	0	187	313
636.2	Contractor Services - other	2	266,933	160,144	85,523	14,778	5,191	2	502	794
675.2	Miscellaneous									
	Treatment Plants & Wells	2	514	309	165	28	10	0	1	2
	Booster Stations	3	191	107	57	10	3	0	5	9
650.1	Transportation	22	7,313	4,364	2,330	403	141	0	29	47
	Total Maintenance		574,061	341,534	182,334	31,506	11,067	4	2,883	4,734
	----Miscellaneous----									
610.1	Water Purchased for Resale	1	5,343,627	3,148,283	1,728,212	325,895	104,893	44	14,059	22,241
615.1	Power Purchased	1	8,638,697	5,089,625	2,793,889	526,854	169,574	71	22,728	35,956
616.1	Power Purchased	1	273,760	161,290	88,538	16,696	5,374	2	720	1,139
	Total Miscellaneous		14,256,084	8,399,198	4,610,640	869,445	279,840	116	37,507	59,336
	Total Source of Supply Expenses		16,307,096	9,623,028	5,264,078	982,353	319,500	131	45,547	72,457

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Water Treatment Expenses									
	----Operation----									
601.3	Operating Labor	2	9,315,901	5,588,990	2,984,743	515,738	181,157	69	17,507	27,696
604.3	Employee Benefits	2	2,291,472	1,374,748	734,170	126,858	44,560	17	4,306	6,812
615.3	Purchased Power	1	149,987	88,367	48,508	9,147	2,944	1	395	624
616.3	Purchased Power	1	81,413	47,966	26,330	4,965	1,598	1	214	339
618.3	Chemicals	1	16,199,379	9,544,122	5,239,132	987,962	317,986	132	42,620	67,424
620.3	Materials and Supplies	2	551,668	330,968	176,750	30,541	10,728	4	1,037	1,640
631.3	Contractor Services	2	(12,595)	(7,556)	(4,035)	(697)	(245)	(0)	(24)	(37)
635.3	Contractor Services - testing	2	520,268	312,130	166,690	28,803	10,117	4	978	1,547
636.3	Contractor Services - other	2	(352,973)	(211,763)	(113,090)	(19,541)	(6,864)	(3)	(663)	(1,049)
642.3	Equipment Rental	2	4,201	2,521	1,346	233	82	0	8	12
650.3	Transportation	2	509,715	305,799	163,309	28,218	9,912	4	958	1,515
675.3	Miscellaneous	2	203,680	122,196	65,257	11,276	3,961	2	383	606
	Total Operation		29,462,117	17,498,488	9,489,111	1,723,503	575,936	231	67,718	107,129
	----Maintenance----									
601.4	Maintenance Labor	2	52,588	31,550	16,849	2,911	1,023	0	99	156
604.4	Employee Benefits	2	14,499	8,699	4,645	803	282	0	27	43
620.4	Materials and Supplies	2	210,677	126,394	67,499	11,663	4,097	2	396	626
631.4	Contractor Services - Eng	2	40,571	24,340	12,999	2,246	789	0	76	121
635.4	Contractor Services - Testing	2	12,606	7,563	4,039	698	245	0	24	37
636.4	Contractor Services - Other	2	2,501,840	1,500,956	801,570	138,505	48,651	19	4,702	7,438
642.4	Equipment Rental	2	2,321	1,392	744	128	45	0	4	7
650.4	Transportation	2	-	-	-	-	-	-	-	-
675.4	Miscellaneous	2	73,068	43,836	23,410	4,045	1,421	1	137	217
	Total Maintenance		2,908,169	1,744,730	931,755	160,999	56,552	22	5,465	8,646
	Total Water Treament Expenses		32,370,287	19,243,218	10,420,866	1,884,502	632,489	252	73,184	115,775

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Transmission & Distribution Expenses									
	----Operation----									
601.5	Operating Labor									
	Supervision & Engineering	12	425,366	318,294	60,548	6,768	4,165	11	14,217	21,364
	Maps & Records	12	816,800	611,196	116,265	12,995	7,998	21	27,299	41,024
	Storage Facilities	5	555,037	328,329	160,864	24,704	9,764	3	11,742	19,631
	12 inch and Over Mains	3	135,123	75,715	40,326	6,968	2,448	1	3,619	6,048
	Under 12 inch Mains	4	730,757	407,851	199,363	30,616	12,101	4	30,216	50,605
	Hydrants	6	186,628	-	-	-	-	-	20,912	165,716
	Removing and Resetting Meters	7	2,796,993	2,429,337	253,841	12,978	20,654	109	80,074	-
	Miscellaneous Meter Expense	7	130,275	113,151	11,823	604	962	5	3,730	-
	Services on Customer's Premises	8	282,365	250,394	19,269	725	1,228	4	10,745	-
604.5	Employee Benefits	12	1,467,199	1,097,878	208,845	23,343	14,366	38	49,037	73,691
6502.2	Operating Labor	12	-	-	-	-	-	-	-	-
615.5	Purchased Power	1	1,502,284	885,095	485,862	91,621	29,489	12	3,952	6,253
615.6	Purchased Power	1	7,400	4,360	2,393	451	145	0	19	31
620.5	Materials and Supplies	12	131,008	98,031	18,648	2,084	1,283	3	4,379	6,580
631.5	Contractor Services - Eng	12	3,531	2,642	503	56	35	0	118	177
635.5	Contractor Services - Lab	2	1,146	688	367	63	22	0	2	3
636.5	Contractor Services - Other	12	566,170	423,654	80,590	9,008	5,544	15	18,923	28,436
641.5	Property Rental	12	50,214	37,574	7,148	799	492	1	1,678	2,522
642.5	Property & Equipment Rental	12	-	-	-	-	-	-	-	-
650.5	Transportation	12	320,770	240,026	45,659	5,103	3,141	8	10,721	16,111
675.5	Miscellaneous	12	17,722	13,261	2,523	282	174	0	592	890
	Total Operation		10,126,788	7,337,476	1,714,837	229,169	114,009	238	291,975	439,083
	----Maintenance----									
601.6	Maintenance Labor									
	Supervision & Engineering	13	87,028	50,779	15,632	2,228	962	1	4,140	13,286
	Structures & Improvements	5	21,790	12,890	6,315	970	383	0	461	771
	12 inch and Over Mains	3	99,861	55,956	29,802	5,150	1,809	1	2,674	4,469
	Under 12 inch Mains	4	591,680	330,230	161,421	24,789	9,798	3	24,466	40,974
	Services	8	309,075	274,079	21,092	793	1,344	5	11,761	-
	Meters	7	64,569	56,082	5,860	300	477	3	1,849	-
	Hydrants	6	162,826	-	-	-	-	-	18,245	144,581
604.6	Employee Benefits	13	308,440	179,969	55,402	7,898	3,408	3	14,673	47,087
620.6	Materials and Supplies	13	308,836	180,200	55,473	7,908	3,413	3	14,692	47,147
631.6	Contractor Services - Eng	13	3,489	2,036	627	89	39	0	166	533
636.6	Contractor Services - Other	13	1,352,358	789,077	242,912	34,628	14,944	12	64,334	206,452
641.6	Equipment Rental	13	-	-	-	-	-	-	-	-
650.6	Transportation	13	63,901	37,285	11,478	1,636	706	1	3,040	9,755
675.6	Miscellaneous	13	20,188	11,779	3,626	517	223	0	960	3,082
	Total Maintenance		3,394,041	1,980,362	609,640	86,905	37,506	31	161,460	518,136
	Total Transmission and Distribution Expenses		13,520,829	9,317,838	2,324,477	316,075	151,515	269	453,436	957,219

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Customer Accounting and Collecting Expense									
601.7	Labor	11	3,689,374	3,551,750	126,185	3,860	6,412	15	310	841
604.7	Employee Benefits	11	770,104	741,377	26,339	806	1,338	3	65	176
616.7	Purchased Power	11	-	-	-	-	-	-	-	-
620.7	Materials and Supplies	9	204,086	191,987	11,093	339	564	1	27	75
634.7	Management Fees	11	5,586,415	5,378,027	191,069	5,845	9,709	22	470	1,273
636.7	Contractor Services - Billing	9	70,907	66,704	3,854	118	196	0	9	26
636.7	Contractor Services - Meter Reading	10	30,881	29,060	1,679	51	85	0	4	-
650.7	Transportation	9	191,057	179,731	10,384	318	528	1	26	70
670.7	Bad Debt Expense	9	2,997,092	2,819,418	162,899	4,983	8,278	19	401	1,095
670.7	Arrearage Forgiveness	DA	2,063,988	2,063,988						
675.7	Miscellaneous	9	9,354	8,800	508	16	26	0	1	3
	Total Customer Accounting and Collecting Expenses		15,613,258	15,030,842	534,011	16,336	27,136	62	1,313	3,559
	Administrative and General Expense									
601.8	Labor	14	14,438,054	10,954,674	2,464,937	369,526	151,326	145	161,454	335,991
601.8	CAP Program Expense	DR	87,214	87,214						
603.8	Officers Labor	14	1,949,517	1,479,169	332,831	49,896	20,433	20	21,801	45,368
603.8	CAP Program Expense	DR	(20,817)	(20,817)						
604.8	Employee Benefits	14	2,702,789	2,050,704	461,434	69,175	28,328	27	30,224	62,897
615.8	Purchased Power	14	314,735	238,801	53,733	8,055	3,299	3	3,520	7,324
616.8	Purchased Power	14	93,901	71,246	16,031	2,403	984	1	1,050	2,185
6208	Materials and Supplies	14	1,129,997	857,369	192,919	28,921	11,844	11	12,636	26,296
631.8	Contractor Services - Engineering	14	141,596	107,434	24,174	3,624	1,484	1	1,583	3,295
632.8	Contractor Services - Accounting	14	591,312	448,650	100,952	15,134	6,198	6	6,612	13,761
633.8	Contractor Services - Legal	14	745,787	565,856	127,324	19,088	7,817	7	8,340	17,355
634.9	Contractor Services - Mgmt Fee	14	21,427,288	16,257,659	3,658,174	548,408	224,581	215	239,611	498,640
635.8	Contractor Services - Lab Testing	2	102,703	61,616	32,905	5,686	1,997	1	193	305
636.8	Contractor Services - Other	14	8,443,630	6,406,488	1,441,539	216,106	88,498	85	94,421	196,494
636.8	CAP Program Expense	DR	461,757	461,757						
641.8	Rent - Building	14	502,722	381,433	85,827	12,867	5,269	5	5,622	11,699
641.8	CAP Program Expense	DR	28,655	28,655						
642.8	Rent - Equipment	14	25,405	19,276	4,337	650	266	0	284	591
650.8	Transportation	14	725,862	550,738	123,923	18,578	7,608	7	8,117	16,892
656.8	Vehicle Insurance	14	13,481	10,228	2,301	345	141	0	151	314
657.8	General Liability Insurance	14	3,862,294	2,930,462	659,390	98,851	40,481	39	43,190	89,880
658.8	A&G Workers Comp Insurance	16	742,082	539,710	143,978	22,094	8,893	8	9,247	18,151
659.8	A&G General Liablity Insurance	14	1,695,204	1,286,213	289,414	43,387	17,768	17	18,957	39,449
660.8	Advertising	14	166,694	126,477	28,459	4,266	1,747	2	1,864	3,879
666.8	Rate Case Amortization	19	1,149,461	768,116	276,916	43,339	16,983	10	30,179	13,918
406.0	Amortization of UPAA	14	2,580,267	1,957,742	440,516	66,039	27,044	26	28,854	60,046
675.8	A & G Miscellaneous	14	4,117,044	3,123,750	702,882	105,371	43,151	41	46,039	95,809
	Subtotal Administrative and General		68,218,632	51,750,618	11,664,897	1,751,809	716,141	678	773,948	1,560,541

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Total Operation & Maintenance Expenses		146,030,102	104,965,544	30,208,330	4,951,076	1,846,781	1,392	1,347,428	2,709,551
503.00	**DEPRECIATION EXPENSE**									
304.20	Power and Pumping Structures									
	Major Treatment Plants	2	656,405	393,804	210,307	36,339	12,764	5	1,234	1,951
	Other Structures	3	1,246,439	698,428	371,983	64,275	22,577	9	33,381	55,787
304.30	Purification Buildings									
	Major Treatment Plants	2	5,141,167	3,084,397	1,647,190	284,620	99,975	38	9,662	15,285
	Other Structures	2	2,167,685	1,300,483	694,510	120,005	42,153	16	4,074	6,444
304.61	Office Buildings	14	2,411,905	1,830,000	411,773	61,730	25,279	24	26,971	56,128
304.62	Stores, Shop and Garage Bldgs.	14	147,672	112,044	25,211	3,780	1,548	1	1,651	3,437
304.63	Misc. Structures and Impr.	14	2,228,216	1,690,628	380,412	57,029	23,354	22	24,917	51,853
305.00	Collecting & Impounding Res.	1	995,352	586,427	321,912	60,704	19,538	8	2,619	4,143
306.00	Lake, River and Other Intakes	2	738,266	442,916	236,535	40,871	14,356	5	1,387	2,195
307.00	Wells and Springs	2	1,965,323	1,179,078	629,674	108,802	38,218	15	3,693	5,843
310.40	Other Power Producing Equipment	3	1,873,661	1,049,884	559,169	96,620	33,938	13	50,178	83,859
311.00	Electric Pumping Equipment	3	3,074,787	1,722,921	917,628	158,558	55,695	21	82,346	137,617
320.00	Purification System									
	Structures	2	2,454,670	1,472,657	786,457	135,893	47,734	18	4,613	7,298
	Wells and Boosters	2	359,929	215,936	115,318	19,926	6,999	3	676	1,070
	Equipment	2	5,272,877	3,163,415	1,689,389	291,912	102,537	39	9,909	15,676
	Computers	2	66,337	39,798	21,254	3,672	1,290	0	125	197
	Painting	2	8,263	4,957	2,647	457	161	0	16	25
	Filter Media	2	397,155	238,270	127,245	21,987	7,723	3	746	1,181
330.00	Distr. Reservoirs & Standpipes									
	Tanks	5	1,590,962	941,123	461,102	70,812	27,987	9	33,658	56,271
	Tank Painting	5	4,270,162	2,525,985	1,237,603	190,059	75,119	25	90,339	151,032
331.00	Mains and Accessories									
	12 inch and Over	3	9,442,316	5,290,893	2,817,930	486,914	171,033	65	252,874	422,607
	Under 12 inch	4	51,359,766	28,665,013	14,011,829	2,151,803	850,473	284	2,123,698	3,556,666
333.00	Services	8	9,635,606	8,544,605	657,562	24,725	41,910	149	366,655	-

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
334.00	Meters									
	Remote	7	4,820,261	4,186,653	437,462	22,366	35,595	187	137,997	-
	ERTS	7A	1,970,311	1,761,757	184,085	9,412	14,978	79	-	-
335.00	Fire Hydrants	6	1,998,855	-	-	-	-	-	223,973	1,774,882
336.00	Back Flow Prevention Devices	7	12,401	10,771	1,125	58	92	0	355	-
339.00	Other Plant and Miscellaneous	14	3,741	2,838	639	96	39	0	42	87
340.00	Office Furniture and Equipment									
	Furniture	14	510,294	387,179	87,120	13,060	5,348	5	5,706	11,875
	Mechanical Equipment	14	117,797	89,377	20,111	3,015	1,235	1	1,317	2,741
	Computers	14	16,950,286	12,860,795	2,893,838	433,824	177,657	170	189,547	394,454
341.00	Transportation Equipment									
	Vehicles	14	2,190,191	1,661,777	373,920	56,056	22,956	22	24,492	50,968
	Other	14	204,186	154,923	34,860	5,226	2,140	2	2,283	4,752
342.00	Stores Equipment	14	173,708	131,799	29,656	4,446	1,821	2	1,942	4,042
343.10	Shop Equipment	14	144,151	109,373	24,610	3,689	1,511	1	1,612	3,355
343.20	Tools & Work Equipment - General	14	939,743	713,017	160,438	24,052	9,850	9	10,509	21,869
344.00	Laboratory Equipment									
	Conventional	2	23,809	14,284	7,628	1,318	463	0	45	71
	Electronic	2	288,639	173,166	92,478	15,979	5,613	2	542	858
345.00	Power Generator Equipment	14	8,318	6,311	1,420	213	87	0	93	194
346.00	Communication Equipment									
	Communication Equipment	14	649,433	492,748	110,874	16,622	6,807	7	7,262	15,113
	SCADA Equipment	3	3,632,921	2,035,665	1,084,196	187,340	65,805	25	97,293	162,598
347	Miscellaneous Equipment	14	116,534	88,419	19,895	2,983	1,221	1	1,303	2,712
348	Other Tangible Plant	14	2,456	1,863	419	63	26	0	27	57
	Total Depreciation Expense		142,262,956	90,076,378	33,899,416	5,291,312	2,075,605	1,289	3,831,764	7,087,192

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	TAXES OTHER THAN INCOME TAXES									
	Federal and State Payroll Taxes	16	3,323,126	2,416,881	644,750	98,938	39,826	38	41,411	81,282
	State Capital Stock Tax	18	-	-	-	-	-	-	-	-
	PUC Assessment	19	2,959,395	1,977,586	712,946	111,580	43,725	25	77,699	35,834
	OCA and SBA Assessments	19	1,400,430	935,823	337,377	52,801	20,692	12	36,768	16,957
	Local Property Taxes and Misc.	18	1,162,341	703,116	289,076	45,347	17,618	9	37,671	69,504
	Public Utility Realty Taxes	18	4,700,000	2,843,092	1,168,895	183,365	71,240	37	152,325	281,046
	Total Taxes Other Than Income Taxes		13,545,292	8,876,498	3,153,044	492,032	193,101	120	345,874	484,623
	INCOME TAXES									
	Federal Income Taxes	18	35,269,060	21,334,720	8,771,455	1,375,981	534,589	276	1,143,059	2,108,981
	State Income Taxes	18	11,269,812	6,817,258	2,802,815	439,678	170,822	88	365,251	673,900
	Deferred Taxes	18	(4,995,897)	(3,022,084)	(1,242,485)	(194,909)	(75,725)	(39)	(161,915)	(298,739)
	ITC-Amortized	18	(102,140)	(61,786)	(25,402)	(3,985)	(1,548)	(1)	(3,310)	(6,108)
	Total Income Taxes		41,440,834	25,068,107	10,306,382	1,616,765	628,137	324	1,343,084	2,478,034
	UTILITY OPERATING INCOME	18	340,996,224	206,273,117	84,806,141	13,303,566	5,168,632	2,664	11,051,578	20,390,526
	Total Cost of Service		684,275,408	435,259,644	162,373,314	25,654,751	9,912,256	5,789	17,919,728	33,149,926
	Less:									
	Other Water Revenues	19	(1,154,807)	(771,688)	(278,204)	(43,540)	(17,062)	(10)	(30,319)	(13,983)
	Revenues from Contract Sales	19	(10,369,891)	(6,929,575)	(2,498,206)	(390,983)	(153,216)	(88)	(272,260)	(125,564)
	Unrecovered Public Fire	20		-	-	-	-	-	-	(24,823,338)
	Reallocate Unrecovered Public Fire	21		22,196,714	2,319,326	118,582	188,716	-	-	-
	Total Cost of Service Related to Sales		672,750,710	449,755,095	161,916,231	25,338,810	9,930,693	5,692	17,617,148	8,187,042
	Act 11		**21,850,629**	**13,116,320**	**8,245,608**	**340,775**	**147,926**			
	Shenandoah Contribution		**1,465,540**	**749,673**	**267,782**	**319,052**	**128,879**		**155**	
	Total Cost of Service		**$ 696,066,880**	**$ 463,621,088**	**$ 170,429,620**	**$ 25,998,637**	**$ 10,207,497**	**$ 5,692**	**$ 17,617,303**	**$ 8,187,042**

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma, future test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, 100 Gallons	Allocation Factor
(1)	(2)	(3)
Residential	505,230	0.589166
Commercial	277,340	0.323416
Industrial	52,299	0.060988
Public	16,833	0.019630
Other Water Utilities	7	0.000008
Private Fire Protection	2,256	0.002631
Public Fire Protection	3,569	0.004162
Total	857,534	1.000000

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capapcity demand for each customer classification , as follows:

	Average Daily Consumption		Maximum Day Extra Capacity		
Customer Classification	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)=(2)x 0.714286	(4)	(5)=(4)x 0.285714	(6)=(3)+(5)
Residential	0.589166	0.420833	0.626879	0.179108	0.59994
Commercial	0.323416	0.231011	0.312834	0.089381	0.32039
Industrial	0.060988	0.043563	0.041295	0.011798	0.05536
Public	0.019630	0.014021	0.018987	0.005425	0.01945
Other Water Utilities	0.000008	0.000006	0.000006	0.000002	0.00001
Private Fire Protection	0.002631	0.001879			0.00188
Public Fire Protection	0.004162	0.002973			0.00297
Total	1.000000	0.714286	1.00000	0.285714	1.00000

The derivation of the maximum day extra capapcity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

AQUA PENNSYLVANIA, INC.- BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

		Maximum Day Extra Capacity		
Customer Classification	Average Daily Consumption, 100 Gallons	Factor*	Rate of Flow, 100 Gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	505,230	1.1	555,753.0	0.626879
Commercial	277,340	1.0	277,340.0	0.312834
Industrial	52,299	0.7	36,609.3	0.041295
Public	16,833	1.0	16,833.0	0.018987
Other Water Utilities	7	0.7	4.9	0.000006
Total	851,709		886,540.2	1.000000

The weightings of the factos is based on the maximum day ratio of 1.40, based on a review of maximum day ratios experienced during the period 1966 through 2017 (see Schedule F)

	Maximum Day Ratio	Weight
Average Day	1.00	0.7143
Maximum Day Extra Capacity	0.40	0.2857
Total	1.40	1.0000

* Ratio of maximum day to average day minus 1.0.

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		
Customer Classification	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)=(2) X 0.665337	(4)	(5)=(4) X 0.266135	(6)	(7)=(6) X 0.068528	(8)=(3)+(5)+(7)
Residential	0.589166	0.391994	0.626879	0.166834	0.022042	0.001511	0.560338
Commercial	0.323416	0.215180	0.312834	0.083256			0.298436
Industrial	0.060988	0.040577	0.041295	0.010990			0.051567
Public	0.019630	0.013060	0.018987	0.005053			0.018113
Other Water Utilities	0.000008	0.000005	0.000006	0.000001			0.000007
Private Fire Protection	0.002631	0.001750			0.365256	0.025030	0.026781
Public Fire Protection	0.004162	0.002769			0.612701	0.041987	0.044757
Total	1.000000	0.665337	1.000000	0.266135	1.000000	0.068528	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weightings of the factors is based on the potential demannd of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.40 and the total system sendout for the test year of 116.5 mgd. The rato is based on a review of the experienced maximum day ratios during the period 1966 through 2023 (see Schedule F). The system demand for fire protection is 20,000 gpm for 10 hours.

	Ratio	Rate of Flow, (GPD)	Weight
Average Day	1.00	116,506,992	0.665337
Maximum Day Extra Capacity	0.40	46,602,797	0.266135
Subtotal	1.40	163,109,789	0.931472
Fire Protection		12,000,000	0.068528
Total		175,109,789	1.000000

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potiential demands (see Schedule G).

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capapcity demand, and the fire protection demand for each customer classification.

	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		
Customer Classification	100 Gals.	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)	(4)=(3) X 0.444998	(5)	(6)=(5) X 0.445000	(7)	(8)=(7) X 0.110002	(9)=(4)+(6)+(8)
Residential	21,051.3	0.589167	0.262178	0.659593	0.293519	0.022042	0.002425	0.558122
Commercial	11,555.8	0.323415	0.143919	0.289659	0.128898			0.272817
Industrial	2,179.1	0.060987	0.027139	0.033163	0.014758			0.041897
Public	701.4	0.019630	0.008735	0.017581	0.007824			0.016559
Other Water Utilities	0.3	0.000008	0.000004	0.000004	0.000002			0.000006
Private Fire Protection	94.0	0.002631	0.001171			0.365256	0.040179	0.041349
Public Fire Protection	148.7	0.004162	0.001852			0.612701	0.067398	0.069250
Total	35,730.6	1.000000	0.444998	1.000000	0.445000	1.000000	0.110002	1.000000

The maximum hour extra capacity factors in column 5 are determined as follows:

AQUA PENNSYLVANIA, INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.

The weightings of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maixmum hour ratio of 2.0 and the total system sendout for the test year of 116.5 mgd. The ratio is based on a review of the experienced maximum hour ratios during the period 1966 through 2023 (see Schedule F) The system demand for fire protection is 20,000 gpm.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	80,908	0.4450
Maximum Hour Extra Capacity	1.00	80,908	0.4450
Subtotal	2.00	161,816	0.8900
Fire Protection		20,000	0.1100
Total		181,816	1.0000

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption 100 Gals.	Maximum Hour Extra Capacity Factor*	Maximum Hour Extra Capacity 100 Gals. Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	21,051.3	3.5	73,679.6	0.659593
Commercial	11,555.8	2.8	32,356.2	0.289659
Industrial	2,179.1	1.7	3,704.5	0.033163
Public	701.4	2.8	1,963.9	0.017581
Other Water Utilities	0.3	1.5	0.5	0.000004
Total	35,487.9		111,704.6	1.000000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule G).

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weightings of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

		Average Hourly Consumption		Maximum Hour Extra Capacity		Fire Protection		
Customer Classification	100 Gals.	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)	(4)=(3) X 0.472742	(5)	(6)=(5) X 0.472742	(7)	(8)=(7) X 0.054516	(9)=(4)+(6)+(8)
Residential	21,051.3	0.589167	0.278524	0.659593	0.311817	0.022042	0.001202	0.591543
Commercial	11,555.8	0.323415	0.152892	0.289659	0.136934			0.289826
Industrial	2,179.1	0.060987	0.028831	0.033163	0.015678			0.044509
Public	701.4	0.019630	0.009280	0.017581	0.008311			0.017591
Other Water Utilities	0.3	0.000008	0.000004	0.000004	0.000002			0.000006
Private Fire Protection	94.0	0.002631	0.001244			0.365256	0.019912	0.021156
Public Fire Protection	148.7	0.004162	0.001967			0.612701	0.033402	0.035369
Total	35,730.6	1.000000	0.472742	1.000000	0.472742	1.000000	0.054516	1.000000

The weighting of the factors is based on the ratio of the capacity required for a 10-hour dmenad of fire flow, as related to total storage capacity. The calculation is shown on the following page.

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 10-hour demand of fire flow, as related to total storage capacity.

Fire Protection Weight = $\frac{\text{20,000 GPM X 60 Min. X 10 Hours}}{\text{220,120,710 Gallons}}$ = 0.0545

General Service Weight = 1.0000 - 0.0545 = 0.9455

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	50.00	0.4727
Extra Capacity Maximum Hour	1.00	50.00	0.4727
Total	2.00	100.00	0.9455

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Factors are based on the number of hydrants, as follows:

Customer Classification	Number of Hydrants	Allocation Factor
(1)	(2)	(3)
Private Fire Protection	2,680	0.1121
Public Fire Protection	21,237	0.8879
Total	23,917	1.0000

FACTOR 7 AND 7A. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below:

Customer Classification	5/8" Dollar Equivalents	Factor 8 Allocation Factor	Factor 8A Allocation Factor
(1)	(2)	(3)	(3)
Residential	402,260	0.868553	0.894152
Commercial	42,032	0.090755	0.093430
Industrial	2,149	0.004640	0.004777
Public	3,420	0.007384	0.007602
Other Water Utilities	18	0.000039	0.000040
Private Fire Protection	13,259	0.028629	
Total	463,138	1.000000	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential Number of Meters	Residential Weighting	Commercial Number of Meters	Commercial Weighting	Industrial Number of Meters	Industrial Weighting	Public Number of Meters	Public Weighting	Other Water Utilities Number of Meters	Other Water Utilities Weighting	Private Fire Protection Number of Meters	Private Fire Protection Weighting	Total Number of Meters	Total Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
5/8	1.00	384,163	384,163	11,377	11,377	182	182	327	327	0	0	13,259	13,259	409,306	409,308
3/4	1.11	10,218	11,342	1,856	2,060	45	50	91	101	0	0	0	0	12,210	13,553
1	1.20	5,295	6,354	3,304	3,964	164	197	211	253	1	1	0	0	8,975	10,769
1-1/2	1.99	134	266	2,305	4,588	56	111	97	192	0	0	0	0	2,591	5,157
2	2.59	52	135	2,856	7,397	144	372	218	565	0	0	0	0	3,270	8,469
3	7.50	0	0	634	4,755	31	232	122	914	0	0	0	0	787	5,901
4	8.26	0	0	555	4,580	44	364	86	712	2	17	0	0	687	5,673
6	13.77	0	0	166	2,287	30	416	14	193	0	0	0	0	210	2,896
8	19.48	0	0	46	894	6	118	7	142	0	0	0	0	59	1,154
10	21.24	0	0	6	130	5	107	1	21	0	0	-	0	12	258
Total		399,862	402,260	23,104	42,032	707	2,149	1,174	3,420	3	18	13,259	13,259	438,107	463,138

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below:

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	402,254	0.886774
Commercial	30,956	0.068243
Industrial	1,164	0.002566
Public	1,973	0.004350
Other Water Utilities	7	0.000015
Private Fire Protection	17,261	0.038052
Total	453,615	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Public		Other Water Utilities		Private Fire Protection		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	394,381	394,381	13,232	13,232	227	227	418	418	0	0	0	0	408,258	408,258
1	1.43	5,295	7,572	3,304	4,724	164	235	211	301	1	1	0	0	8,975	12,833
1-1/2	1.58	134	211	2,305	3,642	56	88	97	152	0	0	0	0	2,591	4,093
2	1.73	52	90	2,856	4,941	144	249	218	378	0	0	6	10	3,276	5,668
4	3.14	0	0	1,189	3,732	75	235	208	654	2	6	1,946	6,110	3,420	10,737
6	3.14	0	0	166	522	30	95	14	44	0	0	2,540	7,976	2,750	8,637
8	3.14	0	0	46	144	6	19	7	23	0	0	952	2,989	1,011	3,175
10	3.14	0	0	6	19	5	16	1	3	0	0	55	173	67	211
12	3.14											1	3	1	3
Total		399,862	402,254	23,104	30,956	707	1,164	1,174	1,973	3	7	5,500	17,261	430,349	453,615

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 9. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on number of bills

Customer Classification	Total Bills	Allocation Factor
(1)	(2)	(3)
Residential	4,798,449	0.940718
Commercial	277,242	0.054352
Industrial	8,481	0.001663
Public	14,088	0.002762
Other Water Utilities	32	0.000006
Private Fire Protection	682	0.000134
Public Fire Protection	1,864	0.000365
Total	5,100,839	1.000000

FACTOR 10. ALLOCATION OF METER READING COSTS.

Factors are based on number of bills for metered customers

Customer Classification	Total Bills	Allocation Factor
(1)	(2)	(3)
Residential	4,798,449	0.941062
Commercial	277,242	0.054372
Industrial	8,481	0.001663
Public	14,088	0.002763
Other Water Utilities	32	0.000006
Private Fire Protection	682	0.000134
Total	5,098,975	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11. ALLOCATION OF CUSTOMERS' ACCOUNTING AND COLLECTING EXPENSES, MATERIALS AND SUPPLIES.

Factors are based on customers' accounting and collecting expenses, meter reading and billing and collecting expenses as follows:

Customer Classification	Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$ 10,737,714	0.962697
Commercial	381,486	0.034202
Industrial	11,670	0.001046
Public	19,385	0.001738
Other Water Utilities	44	0.000004
Private Fire Protection	938	0.000084
Public Fire Protection	2,542	0.000228
Total	$ 11,153,780	1.000000

FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION AND MAINTENANCE SUPERVISION AND ENGINEERING, MAPS AND RECORDS AND OTHER DEPARTMENTAL EXPENSES.

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission and Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$ 3,605,464	0.748282
Commercial	685,853	0.142343
Industrial	76,659	0.015910
Public	47,179	0.009792
Other Water Utilities	126	0.000026
Private Fire Protection	161,040	0.033422
Public Fire Protection	242,004	0.050226
Total	$ 4,818,325	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Labor	Allocation Factor
(1)	(2)	(3)
Residential	$729,237	0.5835
Commercial	224,490	0.1796
Industrial	32,002	0.0256
Public	13,811	0.0111
Other Water Utilities	11	0.0000
Private Fire Protection	59,455	0.0476
Public Fire Protection	190,795	0.1527
Total	$1,249,802	1.0000

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power and chemicals.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$32,871,070	0.7587
Commercial	7,396,397	0.1707
Industrial	1,108,817	0.0256
Public	454,077	0.0105
Other Water Utilities	435	0.0000
Private Fire Protection	484,465	0.0112
Public Fire Protection	1,008,190	0.0233
Total	$43,323,451	1.0000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15. ALLOCATION OF CASH WORKING - EXPENSES

Factors are based on the allocation of total operation and maintenance expenses.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$104,197,428	0.7192
Commercial	29,931,414	0.2066
Industrial	4,907,737	0.0339
Public	1,829,798	0.0126
Other Water Utilities	1,383	0.0000
Private Fire Protection	1,317,249	0.0091
Public Fire Protection	2,695,633	0.0186
Total	$144,880,642	1.0000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	$27,495,255	0.7273
Commercial	7,334,890	0.1940
Industrial	1,125,554	0.0298
Public	453,072	0.0120
Other Water Utilities	427	0.0000
Private Fire Protection	471,102	0.0125
Public Fire Protection	924,697	0.0245
Total	$37,804,996	1.0000

FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS, MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

Factors are based on the allocation of the original cost less depreciaton other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	$2,785,254,921	##########
Commercial	1,146,197,290	##########
Industrial	179,813,416	##########
Public	69,856,058	##########
Other Water Utilities	35,976	##########
Private Fire Protection	149,452,282	##########
Public Fire Protection	275,724,195	##########
Total	$4,606,334,138	##########

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are base on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	$2,610,603,159	0.604913
Commercial	1,073,310,881	0.248701
Industrial	168,370,610	0.039014
Public	65,414,473	0.015157
Other Water Utilities	33,722	0.000008
Private Fire Protection	139,869,333	0.032410
Public Fire Protection	258,063,540	0.059797
Total	$4,315,665,718	1.000000

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	$451,357,952	0.668240
Commercial	162,720,651	0.240910
Industrial	25,466,675	0.037704
Public	9,979,745	0.014775
Other Water Utilities	5,705	0.000008
Private Fire Protection	17,733,671	0.026255
Public Fire Protection	8,178,597	0.012108
Total	$675,442,996	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO
RESIDENTIAL, COMMERCIAL, INDUSTRIAL, PUBLIC, SALES TO OTHER WATER UTILITIES AND FIRE PROTECTION CUSTOMER CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Residential (4)	Commercial (5)	Industrial (6)	Other Public Authority (7)	Other Water Utilities (8)	Private Fire Protection (9)	Public Fire Protection (10)
NONDEPRECIABLE PLANT										
301	Organization	17	7,076,060	4,278,593	1,760,741	276,222	107,310	55	229,582	423,556
302	Franchise and Consents	17	2,883,289	1,743,403	717,451	112,552	43,726	23	93,548	172,587
303	Miscellaneous Intangible Plant	17	4,382,345	2,649,818	1,090,462	171,070	66,459	34	142,185	262,317
303.1	Water Rights	1	1,703,879	1,003,868	551,061	103,916	33,446	14	4,483	7,092
303.1	Reservoir Land	1	2,826,590	1,665,330	914,163	172,387	55,485	23	7,437	11,765
303.1	Other Sources of Supply Land	2	6,878,759	4,126,849	2,203,902	380,815	133,765	51	12,927	20,450
303.2	Power and Pumping Land	3	1,566,726	877,897	467,568	80,792	28,379	11	41,958	70,121
303.3	Purification Land	2	1,408,638	845,100	451,317	77,984	27,392	10	2,647	4,188
303.4	T&D Right of Way	3	1,426,536	799,344	425,730	73,563	25,839	10	38,204	63,847
303.5	Distr. Reservoir & Standpipe Land	5	1,314,949	777,849	381,106	58,527	23,132	8	27,819	46,509
303.6	Office Land	14	3,128,180	2,373,464	534,059	80,062	32,787	31	34,981	72,797
303.6	Stores, Shop and Garage Land	14	1,002,955	760,978	171,229	25,670	10,512	10	11,216	23,340
303.6	Miscellaneous Land	14	1,066,770	809,397	182,124	27,303	11,181	11	11,929	24,825
	Total Nondepreciable Plant		36,665,675	22,711,890	9,850,913	1,640,863	599,413	291	658,916	1,203,394
DEPRECIABLE PLANT										
304.2	Power and Pumping Structures									
	Major Treatment Plants	2	15,842,590	9,504,618	5,075,844	877,062	308,076	117	29,772	47,100
	Other Structures	3	41,425,214	23,212,140	12,362,789	2,136,184	750,353	286	1,109,406	1,854,056
304.3	Purification Buildings									
	Major Treatment Plants	2	126,455,344	75,865,737	40,515,322	7,000,701	2,459,055	937	237,643	375,949
	Other Structures	2	64,602,306	38,757,568	20,698,083	3,576,452	1,256,259	479	121,405	192,061
304.3	Office Buildings	14	53,461,027	40,562,816	9,127,134	1,368,277	560,329	536	597,829	1,244,104

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO
RESIDENTIAL, COMMERCIAL, INDUSTRIAL, PUBLIC, SALES TO OTHER WATER UTILITIES AND FIRE PROTECTION CUSTOMER CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Residential (4)	Commercial (5)	Industrial (6)	Other Public Authority (7)	Other Water Utilities (8)	Private Fire Protection (9)	Public Fire Protection (10)
304.3	Stores, Shop and Garage Bldgs.	14	2,407,991	1,827,030	411,104	61,630	25,238	24	26,927	56,037
304.3	Misc Structures and Impr.	14	33,294,081	25,261,424	5,684,132	852,126	348,958	334	372,312	774,795
305	Collecting & Impounding Res.	1	32,083,661	18,902,599	10,376,357	1,956,707	629,787	262	84,411	133,537
306	Lake, River and Other Intakes	2	13,985,903	8,390,716	4,480,976	774,274	271,970	104	26,283	41,580
307	Wells and Springs	2	58,348,547	35,005,682	18,694,427	3,230,237	1,134,648	432	109,652	173,469
310.4	Other Power Producing Equipment	3	21,208,458	11,883,914	6,329,375	1,093,662	384,158	146	567,982	949,221
311	Electric Pumping Equipment	3	60,049,614	33,648,108	17,920,987	3,096,593	1,087,705	414	1,608,184	2,687,623
320	Purification System									
	Structures	2	48,680,474	29,205,410	15,596,850	2,695,002	946,642	361	91,484	144,726
	Wells & Boosters	2	11,784,514	7,070,012	3,775,668	652,403	229,162	87	22,146	35,035
	Equipment	2	187,254,833	112,341,839	59,995,011	10,366,625	3,641,364	1,388	351,902	556,704
	Computers	2	617,164	370,262	197,735	34,167	12,001	5	1,160	1,835
	Painting	2	35,159	21,093	11,265	1,946	684	-	66	105
	Filter Media	2	2,950,701	1,770,246	945,382	163,354	57,379	22	5,545	8,772
330	Distr. Reservoirs & Standpipes									
	Tanks	5	67,021,813	39,646,297	19,424,648	2,983,053	1,179,014	394	1,417,902	2,370,505
	Tank Painting	5	16,536,160	9,781,853	4,792,605	736,003	290,896	97	349,836	584,870
331	Mains & Accessories									
	12 Inch and Over	3	694,734,492	389,286,449	207,334,018	35,825,545	12,584,025	4,795	18,605,634	31,094,026
	Under 12 Inch	4	2,218,378,445	1,238,125,718	605,211,859	92,942,648	36,734,419	12,265	91,728,744	153,622,792
333	Services	8	486,971,955	431,834,081	33,232,375	1,249,596	2,118,086	7,515	18,530,302	-
334	Meters									
	Remote	7	64,671,758	56,170,863	5,869,273	300,082	477,563	2,513	1,851,463	-
	ERTS	7A	18,921,969	16,919,108	1,767,871	90,387	143,846	757	-	-
335	Fire Hydrants	6	83,854,380	-	-	-	-	-	9,395,931	74,458,449
336	Back Flow Prevention Devices	7	277,858	241,334	25,217	1,289	2,052	11	7,955	-
339	Other Plant and Misc.	14	60,000	45,524	10,244	1,536	629	1	671	1,396
340	Office Furniture & Equipment									
	Furniture	14	4,974,333	3,774,206	849,243	127,313	52,136	50	55,626	115,759
	Mechanical Equipment	14	414,068	314,168	70,692	10,598	4,340	4	4,630	9,636
	Computers	14	96,951,245	73,560,419	16,552,002	2,481,363	1,016,154	973	1,084,159	2,256,176
341	Transporation Equipment									
	Vehicles	14	9,989,627	7,579,492	1,705,479	255,674	104,702	100	111,709	232,471
	Other	14	2,031,995	1,541,748	346,912	52,007	21,298	20	22,723	47,287
342	Stores Equipment	14	1,787,074	1,355,919	305,098	45,738	18,730	18	19,984	41,587
343.1	Shop Equipment	14	2,578,845	1,956,664	440,273	66,003	27,029	26	28,838	60,013
343.2	Tools & Work Equipment - General	14	8,778,790	6,660,786	1,498,759	224,684	92,011	88	98,169	204,293
344	Laboratory Equipment									
	Conventional	2	413,153	247,867	132,371	22,873	8,034	3	776	1,228

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO
RESIDENTIAL, COMMERCIAL, INDUSTRIAL, PUBLIC, SALES TO OTHER WATER UTILITIES AND FIRE PROTECTION CUSTOMER CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Residential (4)	Commercial (5)	Industrial (6)	Other Public Authority (7)	Other Water Utilities (8)	Private Fire Protection (9)	Public Fire Protection (10)
	Electronic	2	4,489,760	2,693,591	1,438,485	248,558	87,308	33	8,437	13,348
345	Power Generating Equipment	14	117,278	88,983	20,022	3,002	1,229	1	1,311	2,729
346	Communication Equipment									
	Communication Equipment	14	6,288,858	4,771,584	1,073,665	160,957	65,914	63	70,325	146,350
	SCADA Equipment	3	18,198,220	10,197,162	5,431,010	938,432	329,632	126	487,365	814,492
347	Miscellaneous Equipment	14	1,043,899	792,044	178,220	26,717	10,941	10	11,673	24,293
348	Other Intangible Plant	14	36,601	27,771	6,249	937	384	-	409	852
	Total Depreciable Plant		4,584,010,157	2,771,214,845	1,139,915,031	178,732,397	69,474,140	35,797	149,258,681	275,379,261
	Total Utility Plant		4,620,675,832	2,793,926,735	1,149,765,944	180,373,260	70,073,553	36,088	149,917,597	276,582,655
OTHER RATE BASE ELEMENTS										
	Materials and Supplies	17	17,396,771	10,519,090	4,328,851	679,102	263,826	136	564,437	1,041,329
	Cash Working Capital	14	7,707,000	5,847,580	1,315,778	197,252	80,778	77	86,184	179,351
	Acquisition Adjustment	17		-	-	-	-	-	-	-
	Deferred Income Taxes	18	(330,113,886)	(199,690,247)	(82,099,692)	(12,879,004)	(5,003,684)	(2,579)	(10,698,884)	(19,739,795)
	Customer Advances	17		-	-	-	-	-	-	-
	Total Other Rate Base Elements		(305,010,115)	(183,323,576)	(76,455,063)	(12,002,650)	(4,659,080)	(2,366)	(10,048,263)	(18,519,115)
	Total Original Cost Measure of Value		4,315,665,717	2,610,603,159	1,073,310,881	168,370,610	65,414,473	33,722	139,869,334	258,063,540

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 20. ALLOCATION OF UNRECOVERED PUBLIC FIRE PROTECTION.

These costs are deducted directly from the Public Fire Protection Classification.

Customer Classification	Allocation Factor
(1)	(2)
Public Fire Protection	1.0000

FACTOR 21. REALLOCATION OF UNRECOVERED PUBLIC FIRE PROTECTION.

These costs are allocated based on meter equivalents.

Customer Classification	5/8" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	402,260	0.894187
Commercial	42,032	0.093433
Industrial	2,149	0.004777
Public	3,420	0.007602
Total	449,861	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 22. ALLOCATION OF SOURCE OF SUPPLY BENEFITS AND OTHER COSTS

These costs are allocated based on the Source of Supply labor allocation.

Customer Classification	Source of Supply Labor	Allocation Factor
(1)	(2)	(3)
Residential	574,838	0.596684
Commercial	306,923	0.318587
Industrial	53,034	0.055049
Public	18,628	0.019336
Other Water Utilities	7	0.000007
Private Fire Protection	3,783	0.003927
Public Fire Protection	6,174	0.006409
Total	963,388	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

SUMMARY OF AVERAGE DAILY SEND OUT,
MAXIMUM DAILY USE AND MAXIMUM HOURLY USE FOR THE YEARS 1962 - 2023

	Average Daily	Maximum Daily Use			Maximum Hourly Use		
Year	Send Out (MGD)	MGD	Ratio to Average	Highest Use Day	MGD	Ratio to Average	Highest Use Hour
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1962	56.90	78.18	1.37	5/19/62	131.83	2.32	6-7PM
1963	59.10	88.52	1.50	6/27/63	145.10	2.46	7-8PM
1966	66.50	94.68	1.42	6/25/66	133.20	2.00	7-8PM
1967	68.80	101.83	1.48	6/16/67	152.40	2.22	8-9PM
1968	72.90	92.06	1.26	7/23/68	152.11	2.09	7-8PM
1969	73.90	93.41	1.26	5/29/69	129.98	1.76	6-7PM
1970	74.60	91.28	1.22	9/24/70	129.46	1.74	6-7PM
1971	76.20	99.97	1.31	7/08/71	145.60	1.91	8-9PM
1972	75.90	94.35	1.24	8/25/72	137.59	1.81	6-7PM
1973	76.30	95.65	1.25	6/11/73	142.13	1.86	10-11AM
1974	77.60	97.21	1.25	6/10/74	134.21	1.73	7-8PM
1975	77.10	90.78	1.18	5/24/75	136.70	1.77	9-10AM
1976	79.40	96.90	1.22	6/10/76	132.20	1.66	7-8AM
1977	79.60	100.51	1.26	5/28/77	149.21	1.87	10-11AM
1978	78.60	91.53	1.16	6/19/78	129.77	1.65	8-9AM
1979	78.20	88.75	1.13	5/10/79	122.81	1.57	7-8AM
1980	80.80	102.04	1.26	7/15/80	147.88	1.83	7-8PM
1981	76.80	86.30	1.12	6/16/81	118.08	1.54	9-10PM
1982	78.50	93.00	1.18	7/26/82	130.01	1.66	N/A
1983	80.70	104.43	1.29	7/16/83	146.66	1.82	10-11AM
1984	82.20	100.75	1.23	6/11/84	152.09	1.85	7-8PM
1985	81.30	92.21	1.13	4/22/85	129.19	1.59	7-8AM
1986	88.00	114.19	1.30	7/07/86	157.94	1.79	7-8PM
1987	87.40	107.84	1.23	8/04/87	147.12	1.68	7-8PM
1988	89.20	117.52	1.32	6/21/88	128.90	1.45	8-9PM
1989	87.90	101.19	1.15	7/11/89	138.00	1.57	7-8AM
1990	88.40	102.75	1.16	7/04/90	151.52	1.71	9-10AM
1991	87.20	113.49	1.30	6/10/91	159.00	1.82	8-9PM
1992	85.40	100.30	1.17	6/15/92	132.00	1.55	9-10AM
1993	89.10	118.80	1.33	7/10/93	170.00	1.91	9-10AM
1994	89.80	113.90	1.27	7/13/94	142.40	1.59	7-8AM
1995	92.60	121.80	1.32	7/15/95	180.15	1.95	9-10AM
1996	94.20	110.00	1.17	6/8/96	161.09	1.71	9-10AM
1997	103.80	142.53	1.37	7/16/97	205.57	1.98	7-8PM
1998	108.80	139.39	1.28	7/29/98	182.65	1.68	7-8AM
1999	108.10	148.16	1.37	7/16/99	198.99	1.84	8-9PM
2000	113.54	136.91	1.21	6/11/00	195.58	1.72	10-11AM
2001	119.11	160.48	1.35	8/8/01	228.58	1.92	11-12AM
2002	115.41	152.07	1.32	8/14/02	196.46	1.70	7-8AM
2003	111.22	130.48	1.17	6/30/03	172.19	1.55	7-8AM
2004	112.93	133.44	1.18	7/11/04	177.15	1.57	8-9PM
2005	116.28	142.40	1.22	6/26/05	192.45	1.66	10-11AM
2006	113.19	142.50	1.26	8/23/06	180.09	1.59	8-9AM
2007	114.41	137.64	1.20	8/4/07	190.15	1.66	9-10AM
2008	113.27	141.79	1.25	7/18/08	192.98	1.70	3-4PM
2009	106.32	123.45	1.16	5/25/09	173.22	1.63	11-12PM
2010	109.92	152.25	1.39	7/7/10	222.17	2.02	6-7PM
2011	108.90	149.69	1.37	7/22/11	210.20	1.93	10-11AM
2012 *	106.33	139.36	1.31	7/9/12	180.20	1.69	10-11PM
2013	129.91	**			**		
2014	125.67	**			**		
2015	121.52	**			**		
2016	121.10	**			**		
2017	116.50	**			**		
2018	116.54	**			**		
2019	115.27	**			**		
2020	114.20	**			**		
2021	113.86	121.80	1.07		**		
2022	114.34	125.70	1.10		**		
2023	115.31	123.50	1.07		**		

* Data for 2012 and prior reflect southeast PA only.
** Maximum day and hour data not available State-wide.

AQUA PENNSYLVANIA, INC. - BASE WATER

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO RESIDENTIAL AND PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description			Restrictive Diameters Squared	Quantity	Relative Demand	Allocation Factor
(1)			(2)	(3)	(4)=(2)x(3)	(5)
GENERAL SERVICE - RESIDENTIAL						
3/4	- inch meter		0.56	47	26	
1	- inch meter		1.00	10,934	10,934	
1-1/2	- inch meter		2.25	2,201	4,953	
2	- inch meter		4.00	76	304	
				13,259	16,217	0.022042
PRIVATE FIRE PROTECTION						
Hydrant	Lead	Nozzle Sizes				
6	6	2-2 1/2",1-4 1/2"	32.75	2,178	71,325	
4	4	2-2 1/2",1-4 1/2"	16.00	200	3,200	
4	4	2-2 1/2"	12.50	200	2,500	
5	6	2-2 1/2",1-4"	25.00	102	2,550	
Fire Lines						
1	-inch		1.00	0	0	
1-1/2	-inch		2.25	0	0	
2	-inch		4.00	6	24	
3	-inch		9.00	3	27	
4	-inch		16.00	1,943	31,088	
6	-inch		36.00	2,540	91,440	
8	-inch		64.00	952	60,928	
10	-inch		100.00	55	5,500	
12	-inch		144.00	1	144	
Total Fire Lines				5,500	189,151	
Total Private Fire Protection				8,180	268,726	0.365256
PUBLIC FIRE PROTECTION						
Hydrant	Lead	Nozzle Sizes				
6	6	2-5"	25.00	14,752	368,800	
6	6	2-2 1/2",	12.50	2,609	32,609	
4	4	2-2 1/2",1-4 1/2"	16.00	95	1,520	
4	4	2-2 1/2"	12.50	590	7,375	
6	4	2-2 1/4",1-4 1/2"	16.00	167	2,672	
5	6	2-2 1/2"	12.50	3,024	37,800	
Total Public Fire Protection				21,237	450,776	0.612701
Total Fire Protection				42,675	735,719	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

CALCULATION OF COMMODITY/DEMAND RATES FOR STANDBY SERVICE

Firm Standby Service:

	Cost of Service		Units	Cost	
	Annual	Per Month	Hundred Gals.	Per Unit	
Description:					
Total Base Costs	303,904,028				
Less: Variable Costs	32,196,547		310,873,785	0.1036	Per Hundred Gallons
Fixed Base Costs	271,707,481	$22,642,290	851,709 Avg Day	26.5845	Per Hundred of Avg Day
Max Day Extra Capacity	59,563,871	$4,963,656	1,738,249 Peak Day	2.8555	Per Hundred of Peak Day
Max Hour Extra Capacity	116,784,751	$9,732,063	147,193 Peak Hour	66.1179	Per Hundred Peak Hour

Interruptible Standby Service:

	Cost of Service		Units	Cost	
	Annual	Per Month	Hundred Gals.	Per Unit	
Description:					
Fixed Base Costs	271,707,481				
Less: Depreciation Return and Taxes	237,850,560				
Total	33,856,921	$2,821,410	851,709 Avg Day	3.3126	Per Hundred of Avg Day
Max Day Extra Capacity	59,563,871				
Less: Depreciation Return and Taxes	47,320,961				
Total	12,242,910	$1,020,243	1,738,249 Peak Day	0.5869	Per Hundred of Peak Day
Max Hour Extra Capacity	116,784,751				
Less: Depreciation Return and Taxes	113,175,967				
Total	3,608,784	$300,732	147,193 Peak Hour	2.0431	Per Hundred Peak Hour
Depreciation, Return & Taxes for Base, Max Day and Max Hour	398,347,488				
Plus: Variable Costs	32,196,547				
Total	430,544,035		310,873,785	$1.3849	Per Hundred Gallons

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rates

Rate Description	Zone 1		
	Current Rates	FPFTY Rates	Change
RESIDENTIAL			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
5/8,3/4	22.72	26.11	14.9%
5/8,1	23.07	26.46	14.7%
5/8,1-1/2	26.40	29.79	12.8%
5/8,2	28.51	31.90	11.9%
3/4,1	37.76	43.56	15.4%
3/4,1-1/2	41.09	46.89	14.1%
3/4,2	43.20	49.00	13.4%
1,1	62.36	72.26	15.9%
1,1-1/2	65.69	75.59	15.1%
1,2	67.80	77.70	14.6%
1-1/2,1	105.06	114.96	9.4%
1-1/2,1-1/2	108.39	118.29	9.1%
1-1/2,2	110.50	120.40	9.0%
2,1-1/2	143.89	153.79	6.9%
2,2	146.00	155.90	6.8%
Consumption Charges:			
1st block	1.3050	1.7349	32.9%
2nd block	1.5451	2.0540	32.9%
3rd block			
Beech Mountain	0.6158	1.1084	80.0%
Bristol Township	0.8575	1.5436	80.0%
Concord Park			
First 20			
Over 20			
Treasure Lake			
First 20			
Over 20			
Block Size (100 gallons)			
First	20	20	
Next or Over	20	20	
Next			
Next			
Over			

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rates

Rate Description	Zone 1 Current Rates	Zone 1 FPFTY Rates	Change
COMMERCIAL			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
Consumption Charges:		0.287605	
1st block	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%
3rd block	1.0217	1.3155	28.8%
4th block	0.9351	1.2040	28.8%
CC Gardens & Sand Springs	1.4017	1.8635	32.9%
Beech Mountain	0.6158	1.1084	80.0%
Bristol Township	1.4017	1.8048	28.8%
Concord Park			
Treasure Lake			
Block Size (100 gallons)			
First	100		
Next	233		
Next	3,000		
Next or Over	3,333		
Over			
First			
Over			
INDUSTRIAL			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
Consumption Charges:			
1st block	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%
3rd block	1.0217	1.3155	28.8%
4th block	0.9351	1.2040	28.8%
5th block	0.9104	1.2040	32.2%
6th block	0.7283	0.9682	32.9%
First	100		
Next	233		
Next	3000		
Next	30,000		
Next or Over	66,667		
Over or First	100,000		
Over			

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rates

Rate Description	Zone 1 Current Rates	Zone 1 FPFTY Rates	Change
Public			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
5/8,1-1/2	26.40	31.90	20.8%
Consumption Charges:			
1st block	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%
3rd block	1.0163	1.3511	32.9%
4th block	0.9301	1.2365	32.9%
CC Gardens & Sand Springs	1.4017	1.8635	32.9%
Beech Mountain	0.6158	0.8187	32.9%
Bristol Township	1.4017	1.8635	32.9%
Concord Park			
Treasure Lake			
First	100		
Next	233		
Next	3,000		
Over	3,333		
Sales to Other Water Utilities			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
Consumption Charges: ##			
All Usage	1.4017	1.8048	28.8%
UNMETERED			
Zone 1, 2 and 3	83.00	97.01	16.9%

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Zone 2			Zone 3		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
RESIDENTIAL						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
5/8,3/4	22.72	26.11	14.9%			
5/8,1	23.07	26.46	14.7%			
5/8,1-1/2	26.40	29.79	12.8%			
5/8,2	28.51	31.90	11.9%			
3/4,1	37.76	43.56	15.4%			
3/4,1-1/2						
3/4,2						
1,1						
1,1-1/2						
1,2						
1-1/2,1						
1-1/2,1-1/2						
1-1/2,2						
2,1-1/2						
2,2						
Consumption Charges:						
1st block	1.3050	1.7349	32.9%	1.2231	1.6307	33.3%
2nd block	1.5451	2.0540	32.9%	1.5451	2.0540	32.9%
3rd block						
Beech Mountain						
Bristol Township						
Concord Park	1.0566	1.7349				
First 20		1.7349				
Over 20						
Treasure Lake	0.9204	1.6567				
First 20		1.6567				
Over 20						
Block Size (100 gallons)						
First	20	20		40	40	
Next or Over	20	20		40	40	
Next						
Next						
Over						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Zone 2			Zone 3		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
COMMERCIAL						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
Consumption Charges:						
1st block	1.4017	1.8048	28.8%	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%	1.2315	1.5857	28.8%
3rd block	1.0217	1.3155	28.8%	1.0217	1.3155	28.8%
4th block	0.9351	1.2040	28.8%	0.9351	1.2040	28.8%
CC Gardens & Sand Spr						
Beech Mountain						
Bristol Township						
Concord Park	1.0566	1.7349	64.2%			
Treasure Lake	0.9204	1.6567	80.0%			
Block Size (100 gallons)						
First	100			100		
Next	233			233		
Next	3,000			3,000		
Next or Over	3,333			3,333		
Over						
Fist						
Over						
INDUSTRIAL						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
Consumption Charges:						
1st block	1.4017	1.8048	28.8%	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%	1.2315	1.5857	28.8%
3rd block	1.0217	1.3155	28.8%	1.0217	1.3155	28.8%
4th block	0.9351	1.2040	28.8%	0.9351	1.2040	28.8%
5th block	0.9104	1.2040	32.2%	0.9104	1.2040	32.2%
6th block	0.7283	0.9682	32.9%	0.7283	0.9682	32.9%
First	100			100		
Next	233			233		
Next	3000			3000		
Next	30,000			30,000		
Next or Over	66,667			66,667		
Over or First	100,000			100,000		
Over						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Zone 2			Zone 3		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
Public						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
5/8,1-1/2						
Consumption Charges:						
1st block	1.4017	1.8048	28.8%	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%	1.2315	1.5857	28.8%
3rd block	1.0163	1.3511	32.9%	1.0163	1.3511	32.9%
4th block	0.9301	1.2365	32.9%	0.9301	1.2365	32.9%
CC Gardens & Sand Spr						
Beech Mountain						
Bristol Township						
Concord Park	1.0566	1.8048	70.8%			
Treasure Lake	0.9204	1.5857	72.3%			
First	100			100		
Next	233			233		
Next	3,000			3,000		
Over	3,333			3,333		
Sales to Other Water Utilitie						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
Consumption Charges:						
All Usage	1.4017	1.8048	28.8%	1.4017	1.8048	28.8%
UNMETERED						
Zone 1, 2 and 3	83.00	97.01	16.9%	83.00	97.01	16.9%

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Bunker Hill/Sun Valley			Phoenixville		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
RESIDENTIAL						
Customer Charges:	Bunker Hill					
5/8	11.80	20.65	75.0%	4.90	8.58	75.1%
3/4	Sun Valley			4.90	8.60	75.5%
1	18.00	31.50	75.0%	9.90	17.30	74.7%
1-1/2				17.30	30.30	75.1%
2				37.00	64.80	75.1%
3				61.70	108.00	75.0%
4				123.30	215.90	75.1%
6				197.30	345.50	75.1%
8				419.30	734.20	75.1%
10						
12						
5/8,3/4						
5/8,1						
5/8,1-1/2						
5/8,2						
3/4,1						
3/4,1-1/2						
3/4,2						
1,1						
1,1-1/2						
1,2						
1-1/2,1						
1-1/2,1-1/2						
1-1/2,2						
2,1-1/2						
2,2						
Consumption Charges:	**Consumption Charges: Bunker Hill**					
1st block	0.6660	1.1655	75.0%	0.4440	0.7770	75.0%
2nd block	**Consumption Charges: Sun Valley**			0.3626	0.6346	75.0%
3rd block	0.5000	0.8750	75.0%	0.2960	0.5180	75.0%
Beech Mountain						
Bristol Township						
Concord Park						
First 20						
Over 20						
Treasure Lake						
First 20						
Over 20						
Block Size (100 gallons)						
First	0			3,333		
Next or Over	0			13,334		
Next				16,667		
Next						
Over						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Bunker Hill/Sun Valley			Phoenixville		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
COMMERCIAL						
Customer Charges:						
5/8				4.90	8.58	75.1%
3/4				4.90	8.60	75.5%
1				9.90	17.30	74.7%
1-1/2				17.30	30.30	75.1%
2				37.00	64.80	75.1%
3				61.70	108.00	75.0%
4				123.30	215.90	75.1%
6				197.30	345.50	75.1%
8				419.30	734.20	75.1%
10						
12						
Consumption Charges:						
1st block				0.4440	0.7770	75.0%
2nd block				0.3626	0.6346	75.0%
3rd block				0.2960	0.5180	75.0%
4th block						
CC Gardens & Sand Spr						
Beech Mountain						
Bristol Township						
Concord Park						
Treasure Lake						
Block Size (100 gallons)						
First				3,333		
Next				13,334		
Next				16,667		
Next or Over						
Over						
Fist						
Over						
INDUSTRIAL						
Customer Charges:						
5/8				4.90	8.58	75.1%
3/4				4.90	8.60	75.5%
1				9.90	17.30	74.7%
1-1/2				17.30	30.30	75.1%
2				37.00	64.80	75.1%
3				61.70	108.00	75.0%
4				123.30	215.90	75.1%
6				197.30	345.50	75.1%
8				419.30	734.20	75.1%
10						
12						
Consumption Charges:						
1st block				0.4440	0.7770	75.0%
2nd block				0.3626	0.6346	75.0%
3rd block				0.2960	0.5180	75.0%
4th block						
5th block						
6th block						
First				3,333		
Next				13,334		
Next				16,667		
Next						
Next or Over						
Over or First						
Over						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Bunker Hill/Sun Valley			Phoenixville		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
Public						
Customer Charges:						
5/8				4.90	8.58	75.1%
3/4				4.90	8.60	75.5%
1				9.90	17.30	74.7%
1-1/2				17.30	30.30	75.1%
2				37.00	64.80	75.1%
3				61.70	108.00	75.0%
4				123.30	215.90	75.1%
6				197.30	345.50	75.1%
8				419.30	734.20	75.1%
10						
12						
5/8,1-1/2						
Consumption Charges:						
1st block				0.4440	0.7770	75.0%
2nd block				0.3626	0.6346	75.0%
3rd block				0.2960	0.5180	75.0%
4th block						
CC Gardens & Sand Spr						
Beech Mountain						
Bristol Township						
Concord Park						
Treasure Lake						
First				3,333		
Next				13,334		
Next				16,667		
Over						
Sales to Other Water Utilitie						
Customer Charges:						
5/8						
3/4						
1						
1-1/2						
2						
3						
4						
6						
8						
10						
12						
Consumption Charges:						
All Usage						
UNMETERED						
Zone 1, 2 and 3						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Shenandoah					Belle Aire		
	Current Rates	Present Allowance	FPFTY Rates	Change	Proposed Allowance	Current Rates	FPFTY Rates	Change
RESIDENTIAL								
Customer Charges:		*(gals.)*			*(gals.)*			
5/8	20.49	1,000	23.90	16.6%	-	50.00	23.90	
3/4	29.88	1,000	41.00	37.2%	-		41.00	
1	40.91	1,000	69.70	70.4%	-		69.70	
1-1/2			134.20		-		134.20	
2	110.29	2,000	191.10	73.3%	-		191.10	
3	679.73	84,000	383.00	-43.7%	-		383.00	
4	1,223.46	150,000	625.00	-48.9%	-		625.00	
6	2,582.84	324,000	1,288.00	-50.1%	-		1,288.00	
8	3,616.05	453,000	2,254.00	-37.7%	-		2,254.00	
10								
12								
5/8,3/4								
5/8,1								
5/8,1-1/2								
5/8,2								
3/4,1								
3/4,1-1/2								
3/4,2								
1,1								
1,1-1/2								
1,2								
1-1/2,1								
1-1/2,1-1/2								
1-1/2,2								
2,1-1/2								
2,2			Fixed					
	Consumption Chg: Allow + Blocks					**Consumption**		
Consumption Charges:	-		1.2687				1.2144	
1st block	2.0490		1.5021	-26.7%			1.4378	
2nd block	1.0960							
3rd block	0.4830							
Beech Mountain	1.0960							
Bristol Township								
Concord Park								
First 20								
Over 20								
Treasure Lake								
First 20								
Over 20								

Block Size (100 gallons)		Residential
First	10	20
Next or Over	10	20
Next	10	
Next	40	
Over	70	

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Shenandoah					Belle Aire		
	Current Rates	Present Allowance	FPFTY Rates	Change	Proposed Allowance	Current Rates	FPFTY Rates	Change
COMMERCIAL								
Customer Charges:					*(gals.)*			
5/8	20.49	1,000	23.90	16.6%	-			
3/4	29.88	1,000	41.00	37.2%	-			
1	40.91	1,000	69.70	70.4%	-			
1-1/2	-		134.20					
2	110.29	2,000	191.10	73.3%	-			
3	679.73	84,000	383.00	-43.7%	-			
4	1,223.46	150,000	625.00	-48.9%	-			
6	2,582.84	324,000	1,288.00	-50.1%	-			
8	3,616.05	453,000	2,254.00	-37.7%	-			
10								
12								
Consumption Charges:	**Consumption Chg: Over Allowance**							
1st block	-		1.173100					
2nd block	2.0490		1.030700	-49.7%				
3rd block	1.0960		0.486700	-55.6%				
4th block	0.4830		0.445500	-7.8%				
CC Gardens & Sand Spr	1.0960			-100.0%				
Beech Mountain								
Bristol Township	**Consumption Chg 2"+: Over Allowance**							
Concord Park	-		RZ 1 Blocking					
Treasure Lake	0.392							
	0.189							
Block Size (100 gallons)								
First	10							
Next	10							
Next	10							
Next or Over	40							
Over	70							
Fist	500		*Greater than 1" Meters					
Over	500		*Greater than 1" Meters					
INDUSTRIAL								
Customer Charges:					*(gals.)*			
5/8	20.49	1,000	23.90	16.6%	-			
3/4	29.88	1,000	41.00	37.2%	-			
1	40.91	1,000	69.70	70.4%	-			
1-1/2	-		134.20					
2	110.29	2,000	191.10	73.3%	-			
3	679.73	84,000	383.00	-43.7%	-			
4	1,223.46	150,000	625.00	-48.9%	-			
6	2,582.84	324,000	1,288.00	-50.1%	-			
8	3,616.05	453,000	2,254.00	-37.7%	-			
10								
12	**Consumption Chg: Over Allowance**							
	-		1.1731					
	2.0490		1.0307					
Consumption Charges:	1.0960		0.4867					
1st block	0.4830		0.4455					
2nd block	1.0960		0.4455					
3rd block			0.3582					
4th block	**Consumption Chg 2"+: Over Allowance**							
5th block	-							
6th block	0.392							
	0.189							
First	10		RZ 1 blocking					
Next	10							
Next	10							
Next	40							
Next or Over	70							
Over or First	500		*Greater than 1" Meters					
Over	500		*Greater than 1" Meters					

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Shenandoah					Belle Aire		
	Current Rates	Present Allowance	FPFTY Rates	Change	Proposed Allowance	Current Rates	FPFTY Rates	Change
Public								
Customer Charges:		*(gals.)*			*(gals.)*			
5/8	20.49	1,000	23.90	16.6%	-			
3/4	29.88	1,000	41.00	37.2%	-			
1	40.91	1,000	69.70	70.4%	-			
1-1/2	-		134.20					
2	110.29	2,000	191.10	73.3%	-			
3	679.73	84,000	383.00	-43.7%	-			
4	1,223.46	150,000	625.00	-48.9%	-			
6	2,582.84	324,000	1,288.00	-50.1%	-			
8	3,616.05	453,000	2,254.00	-37.7%	-			
10								
12								
5/8,1-1/2	**Consumption Chg: Over Allowance**							
	-		1.1731					
	2.0490		1.0307	-49.7%				
Consumption Charges:	1.0960		0.4999	-54.4%				
1st block	0.4830		0.4575	-5.3%				
2nd block	1.0960							
3rd block								
4th block	**Consumption Chg 2"+: Over Allowance**							
CC Gardens & Sand Spr	-							
Beech Mountain	0.392							
Bristol Township	0.189							
Concord Park								
Treasure Lake								
First	10	RZ 1 blocking						
Next	10							
Next	10							
Over	40							
	70							
	500	*Greater than 1" Meters						
	500	*Greater than 1" Meters						
Sales to Other Water Utilitie								
Customer Charges:								
5/8								
3/4								
1								
1-1/2								
2								
3								
4								
6								
8								
10								
12								
Consumption Charges:								
All Usage								
UNMETERED								
Zone 1, 2 and 3						75.07		

SHENANDOAH WATER OPERATIONS

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

COMPARISON OF PRO FORMA COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Customer Classification	Pro Forma Cost of Service - FPFTY				Pro Forma Revenues Under Present Rates		Pro Forma Revenues Under Proposed Rates - FPFTY		Proposed Increase	
	Amount	Base Water Contribution	Water COS Less Water Contribution	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Residential	$ 2,819,285	(749,673)	$ 2,069,612	78.9%	$ 1,450,143	79.6%	$ 2,069,612	78.9%	$ 619,469	42.7%
Commercial	571,472	(267,782)	303,691	11.6%	219,644	12.1%	303,691	11.6%	84,047	38.3%
Industrial	421,234	(319,052)	102,182	3.9%	63,892	3.5%	102,182	3.9%	38,290	59.9%
Public	219,869	(128,879)	90,991	3.5%	56,977	3.1%	90,991	3.5%	34,013	59.7%
Private Fire Protection	23,251	(155)	23,096	0.9%	23,096	1.3%	23,096	0.9%	-	0.0%
Public Fire Protection	34,717		34,717	1.3%	8,170	0.4%	34,820	1.3%	26,650	326.2%
Total Tariff Sales of Water	4,089,829	(1,465,540)	2,624,288	100.0%	1,821,922	100.0%	2,624,391	100.0%	802,469	44.0%
Other Water Revenues	6,383		6,383		6,383		6,383		-	0.0%
Subtotal Other Revenue	6,383		6,383		6,383		6,383		-	
Total	$ 4,096,212	$ (1,465,540)	$ 2,630,671	100.0%	$ 1,828,305	100.0%	$ 2,630,774	100.0%	$ 802,469	43.9%

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
OPERATION AND MAINTENANCE EXPENSES										
	Source of Supply									
	----Operation----									
601.1	Operation Labor									
	Treatment Plants & Wells	2	-	-	-	-	-	-	-	-
	Booster Stations	3	-	-	-	-	-	-	-	-
620.1	Materials and Supplies									
	Treatment Plants & Wells	2	5,807	3,864	874	695	346	-	11	17
	Booster Stations	3	328	203	46	37	18	-	3	21
635.1	Contract Services - Lab Testing	2	-	-	-	-	-	-	-	-
641.1	Building Rental									
	Treatment Plants & Wells	2	-	-	-	-	-	-	-	-
	Booster Stations	3	-	-	-	-	-	-	-	-
	Total Operation		6,136	4,068	920	731	364	-	14	38
	----Maintenance----									
601.2	Maintenance Labor									
	Treatment Plants & Wells	2	-	-	-	-	-	-	-	-
	Booster Stations	3	-	-	-	-	-	-	-	-
620.2	Materials and Supplies									
	Treatment Plants & Wells	2	5,159	3,432	777	617	308	-	10	15
	Booster Stations	3	1,918	1,189	269	214	107	-	20	120
631.2	Contractor Services - Engineer									
	Treatment Plants & Wells	2	-	-	-	-	-	-	-	-
	Booster Stations	3	-	-	-	-	-	-	-	-
636.2	Contractor Services - other	2	-	-	-	-	-	-	-	-
675.2	Miscellaneous									
	Treatment Plants & Wells	2	-	-	-	-	-	-	-	-
	Booster Stations	3	-	-	-	-	-	-	-	-
	Total Maintenance		7,077	4,621	1,046	831	414	-	30	136
	----Miscellaneous----									
610.1	Water Purchased for Resale	1	-	-	-	-	-	-	-	-
615.1	Power Purchased	1	30,051	19,550	4,548	3,948	1,801	-	79	125
616.1	Power Purchased	1	-	-	-	-	-	-	-	-
	Total Miscellaneous		30,051	19,550	4,548	3,948	1,801	-	79	125
	Total Source of Supply Expenses		43,263	28,239	6,514	5,510	2,580	-	123	298

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Water Treatment Expenses									
	----Operation----									
601.3	Operating Labor	2	248,480	165,331	37,406	29,722	14,814	-	467	739
604.3	Employee Benefits	2	51,092	33,995	7,691	6,111	3,046	-	96	152
615.3	Purchased Power	1	9,645	6,274	1,460	1,267	578	-	25	40
616.3	Purchased Power	1	-	-	-	-	-	-	-	-
618.3	Chemicals	1	158,649	103,212	24,010	20,840	9,509	-	417	660
620.3	Materials and Supplies	2	21,286	14,163	3,204	2,546	1,269	-	40	63
631.3	Contractor Services	2	-	-	-	-	-	-	-	-
635.3	Contractor Services - testing	2	15,977	10,631	2,405	1,911	953	-	30	48
636.3	Contractor Services - other	2	24,781	16,489	3,731	2,964	1,477	-	47	74
642.3	Equipment Rental	2	-	-	-	-	-	-	-	-
650.3	Transportation	2	42,900	28,544	6,458	5,132	2,558	-	81	128
675.3	Miscellaneous	2	-	-	-	-	-	-	-	-
	Total Operation		572,810	378,639	86,366	70,494	34,204	-	1,203	1,903
	----Maintenance----									
601.4	Maintenance Labor	2	-	-	-	-	-	-	-	-
604.4	Employee Benefits	2	-	-	-	-	-	-	-	-
620.4	Materials and Supplies	2	1,605	1,068	242	192	96	-	3	5
631.4	Contractor Services - Eng	2	-	-	-	-	-	-	-	-
635.4	Contractor Services - Testing	2	-	-	-	-	-	-	-	-
636.4	Contractor Services - Other	2	226,654	150,809	34,121	27,112	13,513	-	426	674
642.4	Equipment Rental	2	-	-	-	-	-	-	-	-
650.4	Transportation	2	-	-	-	-	-	-	-	-
675.4	Miscellaneous	2	-	-	-	-	-	-	-	-
	Total Maintenance		228,259	151,877	34,362	27,303	13,609	-	429	679
	Total Water Treament Expenses		801,069	530,516	120,728	97,798	47,813	-	1,632	2,582

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Transmission & Distribution Expenses									
	----Operation----									
601.5	Operating Labor									
	Supervision & Engineering	12	320	251	29	10	9	-	2	18
	Maps & Records	12	615	483	56	19	17	-	5	35
	Storage Facilities	5	418	274	57	40	23	-	3	21
	12 inch and Over Mains	3	102	63	14	11	6	-	1	6
	Under 12 inch Mains	4	550	339	71	50	28	-	8	54
	Hydrants	6	140	-	-	-	-	-	13	127
	Removing and Resetting Meters	7	2,105	1,891	166	10	38	-	-	-
	Miscellaneous Meter Expense	7	98	88	8	0	2	-	-	-
	Services on Customer's Premises	8	213	192	16	1	3	-	1	-
604.5	Employee Benefits	12	1,343	1,054	123	42	37	-	10	77
6502.2	Operating Labor	12	-	-	-	-	-	-	-	-
615.5	Purchased Power	1	207,459	134,966	31,397	27,252	12,434	-	546	863
615.6	Purchased Power	1	-	-	-	-	-	-	-	-
620.5	Materials and Supplies	12	115	90	10	4	3	-	1	7
631.5	Contractor Services - Eng	12	-	-	-	-	-	-	-	-
635.5	Contractor Services - Lab	2	-	-	-	-	-	-	-	-
636.5	Contractor Services - Other	12	86,858	68,219	7,957	2,691	2,364	-	639	4,988
641.5	Property Rental	12	576	452	53	18	16	-	4	33
642.5	Property & Equipment Rental	12	-	-	-	-	-	-	-	-
650.5	Transportation	12	188	147	17	6	5	-	1	11
675.5	Miscellaneous	12	254	199	23	8	7	-	2	15
	Total Operation		301,352	208,711	39,998	30,161	14,990	-	1,237	6,255
	----Maintenance----									
601.6	Maintenance Labor									
	Supervision & Engineering	13	355	221	35	19	12	-	8	60
	Structures & Improvements	5	89	58	12	9	5	-	1	4
	12 inch and Over Mains	3	407	252	57	45	23	-	4	26
	Under 12 inch Mains	4	2,413	1,489	310	219	123	-	36	237
	Services	8	1,261	1,138	96	3	18	-	4	-
	Meters	7	263	237	21	1	5	-	-	-
	Hydrants	6	664	-	-	-	-	-	63	601
604.6	Employee Benefits	13	314	196	31	17	11	-	7	54
620.6	Materials and Supplies	13	675	421	66	37	23	-	14	115
631.6	Contractor Services - Eng	13	-	-	-	-	-	-	-	-
636.6	Contractor Services - Other	13	13,302	8,285	1,295	723	452	-	282	2,265
641.6	Equipment Rental	13	-	-	-	-	-	-	-	-
650.6	Transportation	13	59	37	6	3	2	-	1	10
675.6	Miscellaneous	13	-	-	-	-	-	-	-	-
	Total Maintenance		19,803	12,334	1,928	1,077	673	-	421	3,371
	Total Transmission and Distribution Expenses		321,155	221,045	41,926	31,238	15,662	-	1,658	9,626

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Customer Accounting and Collecting Expenses									
601.7	Labor	11	20,761	19,010	1,479	36	235	-	1	1
604.7	Employee Benefits	11	4,705	4,308	335	8	53	-	0	0
616.7	Purchased Power	11	-	-	-	-	-	-	-	-
620.7	Materials and Supplies	9	338	310	24	1	4	-	0	0
636.7	Contractor Services - Billing	9	-	-	-	-	-	-	-	-
636.7	Contractor Services - Meter Reading	10	-	-	-	-	-	-	-	-
650.7	Transportation	9	869	795	62	2	10	-	0	0
670.7	Bad Debt Expense	9	17,998	16,479	1,282	31	204	-	1	1
675.7	Miscellaneous	9	-	-	-	-	-	-	-	-
	Total Customer Accounting and Collecting Expenses		44,670	40,902	3,181	77	506	-	2	1
	Administrative and General Expenses									
601.8	Labor	14	65,790	45,653	9,017	6,568	3,423	-	197	932
603.8	Officers Labor	14	5,807	4,030	796	580	302	-	17	82
604.8	Employee Benefits	14	153,057	106,210	20,978	15,281	7,964	-	457	2,167
615.8	Purchased Power	14	374	260	51	37	19	-	1	5
616.8	Purchased Power	14	-	-	-	-	-	-	-	-
6208	Materials and Supplies	14	-	-	-	-	-	-	-	-
631.8	Contractor Services - Engineering	14	-	-	-	-	-	-	-	-
632.8	Contractor Services - Accounting	14	3,945	2,737	541	394	205	-	12	56
633.8	Contractor Services - Legal	14	-	-	-	-	-	-	-	-
634.9	Contractor Services - Mgmt Fee	14	180,210	125,052	24,700	17,992	9,376	-	539	2,552
635.8	Contractor Services - Lab Testing	2	-	-	-	-	-	-	-	-
636.8	Contractor Services - Other	14	113,288	78,613	15,527	11,310	5,894	-	339	1,604
641.8	Rent - Building	14	-	-	-	-	-	-	-	-
642.8	Rent - Equipment	14	-	-	-	-	-	-	-	-
650.8	Transportation	14	2,939	2,039	403	293	153	-	9	42
656.8	Vehicle Insurance	14	763	530	105	76	40	-	2	11
657.8	General Liability Insurance	14	24,673	17,121	3,382	2,463	1,284	-	74	349
658.8	A&G Workers Comp Insurance	16	5,081	3,490	719	541	276	-	12	43
659.8	A&G General Liablity Insurance	14	11,597	8,047	1,589	1,158	603	-	35	164
660.8	Advertising	14	-	-	-	-	-	-	-	-
666.8	Rate Case Amortization	19	7,668	5,286	1,071	790	412	-	44	65
406.0	Amortization of UPAA	14	-	-	-	-	-	-	-	-
675.8	A & G Miscellaneous	14	2,386	1,655	327	238	124	-	7	34
	Subtotal Administrative and General		577,579	400,723	79,207	57,722	30,077	-	1,744	8,106

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Total Operation & Maintenance Expenses		1,787,736	1,221,425	251,556	192,344	96,639	-	5,158	20,614
503.00	**DEPRECIATION EXPENSE**									
304.30	Purification Buildings									
	Major Treatment Plants	2	247,166	164,457	37,209	29,565	14,736	-	464	735
	Other Structures	2	13,342	8,877	2,009	1,596	795	-	25	40
310.40	Other Power Producing Equipment	3	13,757	8,526	1,929	1,533	764	-	142	862
311.00	Electric Pumping Equipment	3	65,344	40,498	9,163	7,281	3,629	-	677	4,097
320.00	Purification System									
	Structures	2	-	-	-	-	-	-	-	-
	Wells and Boosters	2	-	-	-	-	-	-	-	-
	Equipment	2	2,630	1,750	396	315	157	-	5	8
330.00	Distr. Reservoirs & Standpipes									
	Tanks	5	175,572	115,103	23,960	16,894	9,480	-	1,420	8,715
	Tank Painting	5	-	-	-	-	-	-	-	-
331.00	Mains and Accessories									
	12 inch and Over	3	11,393	7,061	1,598	1,269	633	-	118	714
	Under 12 inch	4	40,833	25,199	5,245	3,698	2,075	-	612	4,003
333.00	Services	8	6,023	5,439	459	16	88	-	20	-

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
334.00	Meters									
	Remote	7	30,567	27,462	2,414	144	547	-	-	-
	ERTS	7A	-	-	-	-	-	-	-	-
335.00	Fire Hydrants	6	7,593	-	-	-	-	-	719	6,874
336.00	Back Flow Prevention Devices	7	-	-	-	-	-	-	-	-
339.00	Other Plant and Miscellaneous	14	629	436	86	63	33	-	2	9
340.00	Office Furniture and Equipment									
	Mechanical Equipment	14	511	355	70	51	27	-	2	7
	Computers	14	-	-	-	-	-	-	-	-
341.00	Transportation Equipment									
	Vehicles	14	19,542	13,561	2,678	1,951	1,017	-	58	277
	Other	14	-	-	-	-	-	-	-	-
342.00	Stores Equipment	14	-	-	-	-	-	-	-	-
343.10	Shop Equipment	14	2,457	1,705	337	245	128	-	7	35
343.20	Tools & Work Equipment - General	14	8,609	5,974	1,180	860	448	-	26	122
346.00	Communication Equipment	14	14,266	9,899	1,955	1,424	742	-	43	202
	Total Depreciation Expense		660,234	436,302	90,688	66,905	35,298	-	4,341	26,699

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	TAXES OTHER THAN INCOME TAXES									
	PUC Assessment	19	17,716	12,212	2,475	1,825	952	-	101	150
	OCA and SBA Assessments	19	8,383	5,779	1,171	863	451	-	48	71
	Total Taxes Other Than Income Taxes		26,099	17,991	3,647	2,688	1,403	-	148	222
	INCOME TAXES									
	Federal Income Taxes	18	256,773	166,903	34,547	25,242	13,456	-	2,159	14,466
	State Income Taxes	18	106,180	69,017	14,286	10,438	5,564	-	893	5,982
	Deferred Taxes	18	(5,324)	(3,461)	(716)	(523)	(279)	-	(45)	(300)
	ITC-Amortized	18	-	-	-	-	-	-	-	-
	Total Income Taxes		357,628	232,459	48,116	35,156	18,742	-	3,007	20,148
	UTILITY OPERATING INCOME	18	1,264,515	821,937	170,132	124,306	66,268	-	10,633	71,240
	Total Cost of Service		4,096,212	2,730,114	564,139	421,400	218,350	-	23,287	138,922
	Less:									
	Other Water Revenues	19	(6,383)	(4,400)	(892)	(657)	(343)	-	(36)	(54)
	Revenues from Contract Sales	19								
	Unrecovered Public Fire	20	(104,151)	-	-	-	-	-	-	(104,151)
	Reallocate Unrecovered Public Fire	21	104,151	93,571	8,225	492	1,863	-	-	-
	Total Cost of Service Related to Sales		4,089,829	2,819,285	571,472	421,234	219,869	-	23,251	34,717
	Act 11									
	Shenandoah Contribution		-							
	Total Cost of Service		**$ 4,089,829**	**$ 2,819,285**	**$ 571,472**	**$ 421,234**	**$ 219,869**	**$ -**	**$ 23,251**	**$ 34,717**

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma, future test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, 100 Gallons	Allocation Factor
(1)	(2)	(3)
Residential	2,605	0.650567
Commercial	606	0.151341
Industrial	526	0.131362
Public	240	0.059937
Other Water Utilities	0	0.000000
Private Fire Protection		0.002631
Public Fire Protection		0.004162
Total	3,977	1.000000

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capapcity demand for each customer classification , as follows:

	Average Daily Consumption		Maximum Day Extra Capacity		
Customer Classification	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)=(2)x 0.714286	(4)	(5)=(4)x 0.285714	(6)=(3)+(5)
Residential	0.650567	0.464691	0.702380	0.200680	0.66537
Commercial	0.151341	0.108101	0.148540	0.042440	0.15054
Industrial	0.131362	0.093830	0.090252	0.025786	0.11962
Public	0.059937	0.042812	0.058828	0.016808	0.05962
Other Water Utilities	0.000000	0.000000	0.000000	0.000000	0.00000
Private Fire Protection	0.002631	0.001879			0.00188
Public Fire Protection	0.004162	0.002973			0.00297
Total	1.000000	0.714286	1.00000	0.285714	1.00000

The derivation of the maximum day extra capapcity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

AQUA PENNSYLVANIA, INC.- SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

		Maximum Day Extra Capacity		
Customer Classification	Average Daily Consumption, 100 Gallons	Factor*	Rate of Flow, 100 Gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	2,605	1.1	2,865.5	0.702380
Commercial	606	1.0	606.0	0.148540
Industrial	526	0.7	368.2	0.090252
Public	240	1.0	240.0	0.058828
Other Water Utilities	0	0.7	0.0	0.000000
Total	3,977		4,079.7	1.000000

The weightings of the factos is based on the maximum day ratio of 1.40, based on a review of maximum day ratios experienced during the period 1966 through 2017 (see Schedule F)

	Maximum Day Ratio	Weight
Average Day	1.00	0.7143
Maximum Day Extra Capacity	0.40	0.2857
Total	1.40	1.0000

* Ratio of maximum day to average day minus 1.0.

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		
Customer Classification	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)=(2) X 0.665337	(4)	(5)=(4) X 0.266135	(6)	(7)=(6) X 0.068528	(8)=(3)+(5)+(7)
Residential	0.650567	0.432846	0.702380	0.186928	0.000000	0.000000	0.619774
Commercial	0.151341	0.100693	0.148540	0.039532			0.140225
Industrial	0.131362	0.087400	0.090252	0.024019			0.111419
Public	0.059937	0.039878	0.058828	0.015656			0.055534
Other Water Utilities	0.000000	0.000000	0.000000	0.000000			0.000000
Private Fire Protection	0.002631	0.001750			0.125579	0.008606	0.010356
Public Fire Protection	0.004162	0.002769			0.874421	0.059923	0.062692
Total	1.000000	0.665337	1.000000	0.266135	1.000000	0.068528	1.000000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weightings of the factors is based on weightings in the base water cost allocation.

	Weight
Average Day	0.665337
Maximum Day Extra Capacity	0.266135
Subtotal	0.931472
Fire Protection	0.068528
Total	1.000000

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potiential demands (see Schedule G).

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capapcity demand, and the fire protection demand for each customer classification.

	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		
Customer Classification	100 Gals.	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)	(4)=(3) X 0.444998	(5)	(6)=(5) X 0.445000	(7)	(8)=(7) X 0.110002	(9)=(4)+(6)+(8)
Residential	108.5	0.650567	0.289501	0.736206	0.327612	0.000000	0.000000	0.617113
Commercial	25.3	0.151341	0.067346	0.137335	0.061114			0.128460
Industrial	21.9	0.131362	0.058456	0.072176	0.032118			0.090574
Public	10.0	0.059937	0.026672	0.054283	0.024156			0.050828
Other Water Utilities	0.0	0.000000	0.000000	0.000000	0.000000			0.000000
Private Fire Protection	0.0	0.002631	0.001171			0.125579	0.013814	0.014985
Public Fire Protection	0.0	0.004162	0.001852			0.874421	0.096188	0.098040
Total	165.7	1.000000	0.444998	1.000000	0.445000	1.000000	0.110002	1.000000

The maximum hour extra capacity factors in column 5 are determined as follows:

AQUA PENNSYLVANIA, INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.

The weightings of the factors is based on weightings in the base water cost allocation.

	Weight
Average Hour	0.4450
Maximum Hour Extra Capacity	0.4450
Subtotal	0.8900
Fire Protection	0.1100
Total	1.0000

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

	Average Hourly	Maximum Hour Extra Capacity		
Customer Classification	Consumption 100 Gals.	Factor*	100 Gals. Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	108.5	3.5	379.8	0.736206
Commercial	25.3	2.8	70.8	0.137335
Industrial	21.9	1.7	37.2	0.072176
Public	10.0	2.8	28.0	0.054283
Other Water Utilities	0.0	1.5	0.0	0.000000
Total	165.7		515.8	1.000000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule G).

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weightings of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

		Average Hourly Consumption		Maximum Hour Extra Capacity		Fire Protection		
Customer Classification	100 Gals.	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)	(4)=(3) X 0.472742	(5)	(6)=(5) X 0.472742	(7)	(8)=(7) X 0.054516	(9)=(4)+(6)+(8)
Residential	108.5	0.650567	0.307550	0.736206	0.348036	0.000000	0.000000	0.655586
Commercial	25.3	0.151341	0.071545	0.137335	0.064924			0.136469
Industrial	21.9	0.131362	0.062100	0.072176	0.034121			0.096221
Public	10.0	0.059937	0.028335	0.054283	0.025662			0.053996
Other Water Utilities	0.0	0.000000	0.000000	0.000000	0.000000			0.000000
Private Fire Protection	0.0	0.002631	0.001244			0.125579	0.006846	0.008090
Public Fire Protection	0.0	0.004162	0.001968			0.874421	0.047670	0.049637
Total	165.7	1.000000	0.472742	1.000000	0.472742	1.000000	0.054516	1.000000

The weighting of the factors is based on the ratio of the capacity required for a 10-hour dmenad of fire flow, as related to total storage capacity. The calculation is shown on the following page.

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity used in the Water Base cost of service study.

Fire Protection Weight = 0.0545

General Service Weight = 0.9455

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	50.00	0.4727
Extra Capacity Maximum Hour	1.00	50.00	0.4727
Total	2.00	100.00	0.9455

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Factors are based on the number of hydrants, as follows:

Customer Classification	Number of Hydrants	Allocation Factor
(1)	(2)	(3)
Private Fire Protection	15	0.0947
Public Fire Protection	143	0.9053
Total	158	1.0000

FACTOR 7 AND 7A. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below:

Customer Classification	5/8" Dollar Equivalents	Factor 8 Allocation Factor	Factor 8A Allocation Factor
(1)	(2)	(3)	(3)
Residential	2,662	0.898414	0.898414
Commercial	234	0.078974	0.078974
Industrial	14	0.004725	0.004725
Public	53	0.017887	0.017887
Other Water Utilities	0	0.000000	0.000000
Private Fire Protection	0	0.000000	
Total	2,963	1.000000	1.000000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Public		Other Water Utilities		Private Fire Protection		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
5/8	1.00	2,655	2,655	174	174	2	2	19	19	0	0	0	0	2,850	2,850
3/4	1.11	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	1.20	6	7	22	26	1	1	5	6	0	0	0	0	34	40
1-1/2	1.99	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	2.59	0	0	10	26	1	3	8	21	0	0	0	0	19	50
3	7.50	0	0	0	0	0	0	1	7	0	0	0	0	1	7
4	8.26	0	0	1	8	1	8	0	0	0	0	0	0	2	16
6	13.77	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	19.48	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	21.24	0	0	0	0	0	0	0	0	0	0	-	0	0	0
Total		2,661	2,662	207	234	5	14	33	53	0	0	0	0	2,906	2,963

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below:

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	2,664	0.903051
Commercial	225	0.076271
Industrial	8	0.002712
Public	43	0.014576
Other Water Utilities	0	0.000000
Private Fire Protection	10	0.003390
Total	2,950	1.000000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Public		Other Water Utilities		Private Fire Protection		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	2,655	2,655	174	174	2	2	19	19	0	0	0	0	2,850	2,850
1	1.43	6	9	22	31	1	1	5	7	0	0	0	0	34	48
1-1/2	1.58	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	1.73	0	0	10	17	1	2	8	14	0	0	6	10	25	43
4	3.14	0	0	1	3	1	3	1	3	0	0	0	0	3	9
6	3.14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	3.14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	3.14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	3.14											0	0	0	0
Total		2,661	2,664	207	225	5	8	33	43	0	0	6	10	2,912	2,950

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 9. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on number of bills

Customer Classification	Total Bills	Allocation Factor
(1)	(2)	(3)
Residential	31,932	0.915642
Commercial	2,484	0.071215
Industrial	60	0.001729
Public	395	0.011335
Other Water Utilities	0	0.000000
Private Fire Protection	2	0.000050
Public Fire Protection	1	0.000029
Total	34,874	1.000000

FACTOR 10. ALLOCATION OF METER READING COSTS.

Factors are based on number of bills for metered customers

Customer Classification	Total Bills	Allocation Factor
(1)	(2)	(3)
Residential	31,932	0.915668
Commercial	2,484	0.071218
Industrial	60	0.001729
Public	395	0.011335
Other Water Utilities	0	0.000000
Private Fire Protection	2	0.000050
Total	34,873	1.000000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11. ALLOCATION OF CUSTOMERS' ACCOUNTING AND COLLECTING EXPENSES, MATERIALS AND SUPPLIES.

Factors are based on customers' accounting and collecting expenses, meter reading and billing and collecting expenses as follows:

Customer Classification	Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$ 17,584	0.915642
Commercial	1,368	0.071215
Industrial	33	0.001729
Public	218	0.011335
Other Water Utilities	-	0.000000
Private Fire Protection	1	0.000050
Public Fire Protection	1	0.000029
Total	$ 19,204	1.000000

FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION AND MAINTENANCE SUPERVISION AND ENGINEERING, MAPS AND RECORDS AND OTHER DEPARTMENTAL EXPENSES.

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission and Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$ 2,848	0.785412
Commercial	332	0.091606
Industrial	112	0.030982
Public	99	0.027214
Other Water Utilities	-	0.000000
Private Fire Protection	27	0.007362
Public Fire Protection	208	0.057424
Total	$ 3,626	1.000000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Labor	Allocation Factor
(1)	(2)	(3)
Residential	$3,175	0.6228
Commercial	496	0.0973
Industrial	277	0.0544
Public	173	0.0340
Other Water Utilities	0	0.0000
Private Fire Protection	108	0.0212
Public Fire Protection	868	0.1702
Total	$5,097	1.0000

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power and chemicals.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$522,704	0.6939
Commercial	103,243	0.1371
Industrial	75,204	0.0998
Public	39,193	0.0520
Other Water Utilities	0	0.0000
Private Fire Protection	2,251	0.0030
Public Fire Protection	10,667	0.0142
Total	$753,262	1.0000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15. ALLOCATION OF CASH WORKING - EXPENSES

Factors are based on the allocation of total operation and maintenance expenses.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$1,216,139	0.6832
Commercial	250,484	0.1407
Industrial	191,554	0.1076
Public	96,226	0.0541
Other Water Utilities	0	0.0000
Private Fire Protection	5,115	0.0029
Public Fire Protection	20,549	0.0115
Total	$1,780,067	1.0000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	$241,002	0.6869
Commercial	49,647	0.1415
Industrial	37,344	0.1064
Public	19,084	0.0544
Other Water Utilities	0	0.0000
Private Fire Protection	831	0.0024
Public Fire Protection	2,943	0.0084
Total	$350,852	1.0000

FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS, MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

Factors are based on the allocation of the original cost less depreciaton other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	$9,974,563	##########
Commercial	2,065,469	##########
Industrial	1,509,167	##########
Public	804,692	##########
Other Water Utilities	0	-
Private Fire Protection	129,803	##########
Public Fire Protection	870,439	##########
Total	$15,354,133	##########

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are base on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	$10,408,706	0.650002
Commercial	2,154,486	0.134543
Industrial	1,574,167	0.098303
Public	839,190	0.052406
Other Water Utilities	0	0.000000
Private Fire Protection	134,649	0.008409
Public Fire Protection	902,151	0.056337
Total	$16,013,349	1.000000

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	$2,800,408	0.689341
Commercial	567,646	0.139730
Industrial	418,414	0.102996
Public	218,397	0.053760
Other Water Utilities	0	0.000000
Private Fire Protection	23,095	0.005685
Public Fire Protection	34,485	0.008489
Total	$4,062,445	1.000000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO
RESIDENTIAL, COMMERCIAL, INDUSTRIAL, PUBLIC, SALES TO OTHER WATER UTILITIES AND FIRE PROTECTION CUSTOMER CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Residential (4)	Commercial (5)	Industrial (6)	Other Public Authority (7)	Other Water Utilities (8)	Private Fire Protection (9)	Public Fire Protection (10)
NONDEPRECIABLE PLANT										
301	Organization	17	517,932	336,466	69,673	50,908	27,144	-	4,379	29,362
303.2	Power and Pumping Land	3	17	11	2	2	1	-	-	1
303.3	Purification Land	2	22,000	14,639	3,312	2,632	1,312	-	41	65
303.4	T&D Right of Way	3	22,663	14,047	3,178	2,525	1,259	-	235	1,421
	Total Nondepreciable Plant		562,612	365,163	76,165	56,067	29,716	0	4,655	30,849
DEPRECIABLE PLANT										
	Major Treatment Plants	2	5,149,689	3,426,451	775,239	615,986	307,025	-	9,678	15,310
	Other Structures	2	264,803	176,192	39,864	31,675	15,788	-	498	787
310.4	Other Power Producing Equipment	3	201,408	124,827	28,242	22,441	11,185	-	2,086	12,627
311	Electric Pumping Equipment	3	606,420	375,843	85,035	67,567	33,677	-	6,280	38,018
	Equipment	2	103,871	69,113	15,637	12,425	6,193	-	195	309
	Tanks	5	4,911,830	3,220,128	670,314	472,622	265,221	-	39,736	243,809
	12 Inch and Over	3	743,061	460,530	104,195	82,791	41,265	-	7,695	46,584
	Under 12 Inch	4	1,697,997	1,047,856	218,126	153,795	86,305	-	25,444	166,471
333	Services	8	355,388	320,933	27,106	964	5,180	-	1,205	-
334	Meters									
	Remote	7	485,192	435,903	38,318	2,293	8,679	-	-	-
	ERTS	7A	-	-	-	-	-	-	-	-
335	Fire Hydrants	6	374,627	-	-	-	-	-	35,469	339,158
339	Other Plant and Misc.	14	10,092	7,003	1,383	1,008	525	-	30	143
340	Office Furniture & Equipment									
	Furniture	14	-	-	-	-	-	-	-	-
	Mechanical Equipment	14	4,205	2,918	576	420	219	-	13	60
	Vehicles	14	104,352	72,412	14,303	10,418	5,430	-	312	1,478
343.1	Shop Equipment	14	49,177	34,126	6,740	4,910	2,559	-	147	696
343.2	Tools & Work Equipment - General	14	106,853	74,148	14,645	10,668	5,560	-	319	1,513
	Communication Equipment	14	140,481	97,483	19,254	14,025	7,309	-	420	1,989
	Total Depreciable Plant		15,309,446	9,945,866	2,058,977	1,504,008	802,120	0	129,527	868,952
	Total Utility Plant		15,872,058	10,311,029	2,135,142	1,560,075	831,836	0	134,182	899,801
OTHER RATE BASE ELEMENTS										
	Cash Working Capital	14	133,000	92,292	18,229	13,278	6,920	-	397	1,883
	Deferred Income Taxes	18	8,284	5,385	1,115	814	434	-	70	467
	Total Other Rate Base Elements		141,284	97,677	19,344	14,092	7,354	-	467	2,350
	Total Original Cost Measure of Value		16,013,342	10,408,706	2,154,486	1,574,167	839,190	0	134,649	902,151

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 20. ALLOCATION OF UNRECOVERED PUBLIC FIRE PROTECTION.

These costs are deducted directly from the Public Fire Protection Classification.

Customer Classification	Allocation Factor
(1)	(2)
Public Fire Protection	1.0000

FACTOR 21. REALLOCATION OF UNRECOVERED PUBLIC FIRE PROTECTION.

These costs are allocated based on meter equivalents.

Customer Classification	5/8" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	2,662	0.898414
Commercial	234	0.078974
Industrial	14	0.004725
Public	53	0.017887
Total	2,963	1.000000

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO RESIDENTIAL AND PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description			Restrictive Diameters Squared	Quantity	Relative Demand	Allocation Factor
(1)			(2)	(3)	(4)=(2)x(3)	(5)
GENERAL SERVICE - RESIDENTIAL						
3/4	- inch meter		0.56	0	0	
1	- inch meter		1.00	0	0	
1-1/2	- inch meter		2.25	0	0	
2	- inch meter		4.00	0	0	
				0	0	0.000000
PRIVATE FIRE PROTECTION						
Hydrant	Lead	Nozzle Sizes				
6	6	2-2 1/2",1-4 1/2"	32.75	15	491	
4	4	2-2 1/2",1-4 1/2"	16.00	0	0	
4	4	2-2 1/2"	12.50	0	0	
5	6	2-2 1/2",1-4"	25.00	0	0	
Fire Lines						
1	-inch		1.00	0	0	
1-1/2	-inch		2.25	0	0	
2	-inch		4.00	6	24	
3	-inch		9.00	0	0	
4	-inch		16.00	0	0	
6	-inch		36.00	0	0	
8	-inch		64.00	0	0	
10	-inch		100.00	0	0	
12	-inch		144.00	0	0	
Total Fire Lines				6	24	
Total Private Fire Protection				21	515	0.125579
PUBLIC FIRE PROTECTION						
Hydrant	Lead	Nozzle Sizes				
6	6	2-5"	25.00	143	3,586	
6	6	2-2 1/2",	12.50		0	
4	4	2-2 1/2",1-4 1/2"	16.00		0	
4	4	2-2 1/2"	12.50		0	
6	4	2-2 1/4",1-4 1/2"	16.00		0	
5	6	2-2 1/2"	12.50		0	
Total Public Fire Protection				143	3,586	0.874421
Total Fire Protection				164	4,101	1.000000

APPENDIX A

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

a. A description of the allocation methods used. A comparison of the allocated cost of service by class with the present and proposed revenues. A cost of service schedule showing the rate of return produced by present and proposed rates by class of service.

RESPONSE

A description of the methods used for the cost of service study is provided on pages 3 through 5 of Exhibit 5-A, Part I and in APA Statement No. 5. A comparison of the allocated cost of service by class with the present and proposed revenues is provides on Schedules A and A-S of Exhibit 5-A, Part I. Schedules B, B-S, C and C-S showing the rate of return produced by present and proposed rates by customer classification are provided in Exhibit No. 5-A, Part I.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

b. Indicate if the method used for establishing the allocation factors in the cost of service study deviates from the previous study submitted in the last rate case. If yes, indicate which allocation factors were changed and discuss the reason for the changes.

RESPONSE

The methods used for establishing the allocation factors in the cost of service study have not deviated from the previous study submitted in the last case.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

c. Supply the average day, the maximum day and the maximum hour deliveries to the system adjusted for storage for the historic test year and 2 prior years. Also provide workpapers, analyses, comparative data or other documentation supporting the estimated maximum day and peak hour demands by customer class reflected in the company's cost of service study.

RESPONSE

Refer to Schedule F of Exhibit 5-A, Part I for the average day and maximum day and maximum hour system deliveries for the years 1962 through 2023, as available. Support for the customer class demand factors is provided on the following pages, which were taken from the discussion of the customer class demand study submitted in the Company's filing at Docket No. R-00973952.

CUSTOMER CLASS DEMAND STUDY

The purpose of the customer class demand study is to develop empirical bases for the maximum day and hour extra capacity factors used in the cost allocation study. The study of customer demands is being conducted in accordance with the plans submitted by the Company to the Pennsylvania Public Utility Commission during the course of the rate proceeding at Docket No. R-911892.

Previous reports on the customer class demand study were submitted as Exhibit No. 9-A in Docket No. R-00922476, and as part of Exhibit No. 50-B in Docket Nos. R-00932868, R-00953343 and R-00973952. The initial report sets forth descriptions of the selection of customers, the initial experience with data collection in 1991, and the data obtained in 1992. Subsequent reports included the observed maximum day and hour use for each customer or group of customers being monitored during the 1992 through 1996 data collection periods.

This report sets forth the data through the 1996 monitoring period as shown in the schedule on pages 7 through 22 of this response. Data during each period were reviewed to determine the maximum day and hour use for each customer or group of customers being monitored. The maximum use was divided by the average use for the year in which the monitoring was performed to develop indications of maximum day and hour ratios for the customer's classification.

The customers and customer groups, i.e., residential neighborhoods, were classified based on their revenue or billing category or, with respect to residential

neighborhoods, the housing density and annual use. The monitoring results were organized in this manner, inasmuch as data related to the proportions of the customer classification represented by these categories were available. For example, the Company prepares an analysis of consumption in each of its load control areas which indicates the housing density, high, medium or low, the number of residential customers and their annual consumption. The neighborhoods were grouped according to housing density and annual consumption, e.g., medium density housing with customers whose average annual use is between 60,000 and 70,000 gallons. Similarly, commercial and public customers were organized by revenue categories such as apartments, colleges, etc., and industrial customers were organized based on their billing frequency, quarterly or monthly.

Average ratios were calculated for each category and also are presented in the schedule on pages 7 through 22 of this response. The average ratios of the categories for which empirical data were available, and estimated ratios for six residential categories representing 3.49 percent of residential consumption, are weighted to determine the composite ratios for the several classifications in the schedule on pages 23 and 24 of this response.

Residential. The residential maximum day and hour ratios used in the most recent cost allocation study were 2.1 and 4.5, respectively. The maximum day ratio used in studies of other water utilities which were based on empirical demands is 2.5 and the maximum hour ratios range from 4.5 to 6.0.

The observed maximum day ratios of selected Philadelphia Suburban residential neighborhoods range from 0.76 to 5.27. The observed maximum hour ratios range from 1.31 to 33.86. The average maximum day and hour ratios by residential neighborhood category range from 1.23 to 3.87 and from 2.57 to 7.31, respectively. The weighted ratios, as shown in the schedule on page 23 of this response, are 2.119 for maximum day and 4.508 for maximum hour. The weighted maximum day and hour ratios of 2.1 and 4.5 confirm their continued use in the cost allocation study.

Commercial and Public. The commercial and public maximum day and hour ratios used in the most recent study were 2.0 and 3.8, respectively. Maximum day and hour ratios used in studies of other water utilities which were based on empirical demands range from 1.6 to 2.5 and 3.3 to 5.0, respectively.

The observed maximum day ratios of selected commercial and public customers range from 0.70 to 9.88. The observed maximum hour ratios range from 1.85 to 39.95. The average maximum day and hour ratios by revenue category range from 1.28 to 6.36 and from 2.52 to 23.84, respectively. The upper end of each range represents data for a golf course. A review of the data indicates that the golf course would likely contribute to the peak day load; however, its peak hour occurs in the early morning and would not occur at the same time as the peak hour of other commercial and public customers.

Thus, the weighted maximum day ratio of 2.0, as shown in the schedule on page 24 of this response, continues to be used for the commercial and public classifications. It includes the effect of the golf course and is within the range of

ratios used in other studies. The weighted maximum hour ratio excluding the golf course data of 3.8 is maintained for use in the cost allocation study and also is within the range of ratios used in other studies.

The weighted ratios for commercial and public customers do not reflect the initial data obtained in 1996 for six small commercial customers as shown in the schedule on page 18 of this response. The ratios for the small customers are generally higher than the weighted ratios of the other commercial and public customers. However, inasmuch as limited data are available, no further increase in the ratios for these classifications is proposed.

Industrial. The industrial maximum day and hour ratios used in the most recent study were 1.7 and 2.7, respectively. Maximum day ratios used in studies of other water utilities which were based on empirical demands range from 1.5 to 1.8 for day and the maximum hour ratio is 2.7.

The observed maximum day ratios of selected industrial customers range from 1.03 to 3.10. The observed maximum hour ratios range from 1.43 to 6.25. The average maximum day ratios by billing frequency are 1.68 and 1.73 and the weighted maximum day ratio is 1.69. The average maximum hour ratios by billing frequency are 2.58 and 3.12 and the weighted maximum hour ratio is 2.73.

Based on the current estimates, estimates of other utilities and the observed ratios during 1992-1996; maximum day and hour ratios of 1.7 and 2.7, respectively, continue to be used in the allocation study.

Sales to Other Water Utilities. The Sales to Other Water Utilities maximum day and hour ratios used in the most recent cost allocation study were

10.0 and 20.0, respectively, for the customers located in the Main Division. Maximum day and hour ratios used in a study for another water utility which were based on empirical demands range from 2.0 to 10.0 for maximum day and 5.0 to 20.0 for maximum hour. The observed maximum day ratios of selected resale customers range from 1.46 to 20.23. The observed maximum hour ratios range from 4.80 to 52.52. The maximum day and hour ratios for the Bristol Division customers in the last study were estimated at 1.5 and 2.0, respectively.

As a result of acquisitions since the last study, the Company has lost and gained Sales to Other Water Utilities customers. There are now several customers with relatively uniform demand characteristics. These customers have been assigned maximum day and hour ratios of 1.50 and 2.00, respectively, and designated as Group A. There also are several customers whose demand characteristics are less favorable, but collectively, not as high as the Main Division customers in the last study. Maximum day and hour ratios of 3.00 and 5.00, respectively, have been assigned to these customers, designated as Group B.

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1992-1996

AREA	LCA	NUMBER OF CUST.	TEST PERIOD FROM	TEST PERIOD TO	AVERAGE ANNUAL CONSUMPTION CORRESPONDING WITH TEST YEAR (gallons) ANNUAL AVG DAY	ANNUAL AVG HOUR	PER DAY PER CUST.	MAXIMUM DAY DURING TEST PERIOD GALLONS	TEST RATIO	DATE	MAXIMUM HOUR DURING TEST PERIOD GALLONS	TEST RATIO	HOUR	DATE
(1)	(2)	(3)	(6)	(6)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
RESIDENTIAL-LOW DENSITY														
ANNUAL USE OF 70-80,000														
Pocopson	527	105	05/01/92	09/31/92	19,523.0	813.5	186.9	32,165.0	1.65	5/23/92	3,041.0	3.74	10-11 AM	5/23/92
		105	05/01/93	09/31/93	21,431.0	893.0	204.1	44,828.0	2.09	7/12/93	4,486.0	5.02	8-9 PM	7/12/93
		105	09/01/94	10/31/94	20,937.0	872.4	199.4	27,164.0	1.30	9/17/94	2,598.0	2.98	10-11 AM	9/17/94
Average for Annual Use of 70-80,000									1.67			3.91		
ANNUAL USE OF 80-90,000														
Narberth	247	37	05/24/93	10/09/93	8,266.0	344.4	223.4	18,427.8	2.23	6/3/93	1,622.7	4.42	11-12 AM	6/3/93
		37	05/02/94	10/21/94	8,812.0	367.2	238.2	17,161.0	1.95	9/7/94	1,361.0	3.69	9-10 AM	9/15/94
		37	05/24/95	10/09/95	8,636.5	359.8	230.8	20,192.0	2.39	8/04/95	1,926.0	5.24	4-5 PM	8/04/95
		37	04/12/96	09/18/96	8,678.0	361.6	234.5	14,009.1	1.61	9/2/96	4,054.4	11.21	11-12 AM	8/31/96
Average for Annual Use of 80-90,000									2.18			4.46		
ANNUAL USE OF 90-100,000														
Abington	346	48	05/14/92	07/31/92	12,271.0	511.3	255.6	35,788.5	2.92	5/16/92	3,648.4	7.14	3-4 PM	5/23/92
		48	05/17/93	10/09/93	12,701.0	529.2	264.6	50,760.4	4.00	7/13/93	5,333.4	10.08	11-12 AM	7/18/93
		48	09/02/94	10/21/94	12,135.0	505.6	252.8	63,940.0	5.27	9/13/94	11,922.0	23.58 *	2-3 AM	9/13/94
		48	05/24/95	10/09/95	12,369.0	515.4	257.7	52,385.0	4.24	6/17/95	4,419.0	8.57	3-4 PM	6/17/95
		48	04/12/96	09/17/96	12,626.0	526.1	263.0	59,447.4	4.71	5/28/96	4,401.6	8.37	2-3 AM	5/28/96
Wheatsheaf	354	40	05/01/92	09/25/92	12,766.0	532.8	319.7	40,927.4	3.20	8/22/92	2,852.7	4.98	4-5 AM	8/22/92
		40	05/17/93	10/09/93	11,891.0	495.5	297.3	39,659.6	3.34	7/10/93	3,066.6	6.19	7-8 PM	7/9/93
		40	05/08/94	10/21/94	11,493.0	478.9	287.3	30,328.0	2.64	6/16/94	2,757.0	5.76	8-9 PM	6/23/94
		40	05/24/95	07/27/95	12,056.7	502.4	301.4	54,896.0	4.54	7/15/95	4,243.0	8.45	10-11 AM	7/04/95
		40	04/12/96	09/17/96	9,515.0	396.5	237.9	21,041.0	2.21	7/23/96	5,239.0	13.21	12-1 PM	4/26/96
Average for Annual Use of 90-100,000									3.87			7.31		
ANNUAL USE OF ≥ 100,000														
Radnor	230	51	05/14/92	10/01/92	17,430.0	726.3	341.8	48,396.0	2.77	7/11/92	3,636.9	5.01	9-10 AM	6/26/92
		51	05/17/93	10/09/93	20,720.0	863.3	406.3	66,636.7	3.38	7/11/93	5,117.1	6.93	9-10 PM	7/11/93
		51	05/02/94	10/21/94	19,227.0	801.1	377.0	56,267.0	2.82	7/13/94	4,374.0	5.46	10-11 AM	6/25/94
		51	05/24/95	10/09/95	19,125.7	796.9	375.0	69,558.0	3.64	8/4/95	4,463.0	5.59	7-8 AM	8/8/95
		51	04/07/96	09/18/96	16,480.0	686.4	322.5	57,209.0	3.48	6/6/96	3,695.7	5.38	7-8 AM	6/7/96
Average for Annual Use of > 100,000									3.18			5.50		

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1992-1996

AREA	LCA	NUMBER OF CUST.	TEST PERIOD FROM	TEST PERIOD TO	AVERAGE ANNUAL CONSUMPTION CORRESPONDS WITH TEST YEAR (gallons) ANNUAL AVG DAY	ANNUAL AVG HOUR	PER DAY PER CUST.	MAXIMUM DAY DURING TEST PERIOD GALLONS	TEST RATIO	DATE	MAXIMUM HOUR DURING TEST PERIOD GALLONS	TEST RATIO	HOUR	DATE
(1)	(2)	(3)	(5)	(6)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
RESIDENTIAL - MEDIUM DENSITY														
ANNUAL USE OF 50-60,000														
Narberth	283	48	05/01/92	09/30/92	6,942.0	289.3	144.6	12,469.7	1.80	7/15/92	3,758.9	13.00 *	6-9 AM	6/15/92
		48	06/06/93	10/06/93	6,572.0	276.9	139.9	10,146.9	1.52	6/19/93	1,301.7	4.68	8-9 PM	7/6/93
		48	04/29/94	10/21/94	5,777.0	240.7	120.4	10,594.0	1.83	6/5/94	1,175.0	4.89	7-8 PM	6/5/94
		48	06/29/95	10/06/95	6,463.7	269.3	134.7	13,499.0	2.09	7/30/95	1,303.0	4.84	6-7 PM	7/30/95
		48	04/12/96	09/16/96	6,826.0	284.4	142.2	8,455.0	1.24	5/5/96	976.2	3.43	9-10 PM	4/20/96
Average for Annual Use of 50-60,000									1.81			4.80		
ANNUAL USE OF 60-70,000														
Frazer	117	54	04/30/92	10/01/92	10,598.0	439.9	196.5	17,535.6	1.66	5/23/92	1,507.9	3.43	9-10 AM	7/11/92
		54	05/17/93	10/06/93	10,640.0	443.3	197.0	16,091.5	1.70	6/23/93	1,676.4	3.78	7-8 PM	7/27/93
		54	05/12/94	10/21/94	9,937.0	414.0	182.8	16,260.0	1.64	7/12/94	1,565.0	3.78	8-9 PM	7/5/94
		54	05/24/95	10/06/95	10,378.3	432.4	191.8	16,848.0	1.62	7/14/95	1,568.0	3.60	8-9 PM	6/14/95
Willow Grove	344	27	05/30/92	10/01/92	4,470.0	186.3	165.9	7,629.0	1.71	6/29/92	674.2	4.69	5-6 AM	7/14/92
		27	05/17/93	10/06/93	4,686.0	195.3	173.6	10,751.4	2.29	6/19/93	1,124.5	5.76	6-7 PM	7/6/93
		27	05/03/94	10/21/94	4,992.0	208.0	184.9	21,315.0	4.27	9/18/94	7,042.0	33.86 *	9-10 AM	9/18/94
		27	05/24/95	10/06/95	4,716.7	196.5	174.7	14,569.0	3.09	7/13/95	1,257.0	6.40	3-4 PM	8/18/95
		27	04/12/96	09/17/96	4,852.0	202.6	180.1	8,764.9	1.80	6/16/96	607.5	3.00	7-8 PM	5/20/96
Strafford	219	23	05/02/92	10/01/92	4,265.0	178.5	186.3	7,634.4	1.79	6/14/92	603.5	4.80	8-9 PM	7/30/92
		23	05/17/93	10/06/93	4,824.0	192.7	201.0	15,630.6	3.38	7/12/93	1,392.9	7.23	6-7 PM	6/28/93
		23	05/02/94	10/21/94	4,500.0	187.5	195.7	12,473.0	2.77	7/10/94	3,709.0	19.78 *	10-11 AM	6/10/94
		23	05/24/95	10/06/95	4,469.7	186.2	194.3	12,616.0	2.87	8/21/95	1,214.0	6.52	1-2 PM	8/24/95
		23	04/12/96	09/16/96	4,611.0	192.1	200.5	8,957.0	1.86	6/27/96	576.3	4.56	7-8 PM	6/2/96
Average for Annual Use of 60-70,000									2.36			4.97		

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1982-1996

AREA	LCA	NUMBER OF CUST.	TEST PERIOD FROM	TEST PERIOD TO	AVERAGE ANNUAL CONSUMPTION CORRESPONDS WITH TEST YEAR (gallons) ANNUAL AVG DAY	ANNUAL AVG HOUR	PER DAY PER CUST.	MAXIMUM DAY DURING TEST PERIOD GALLONS	TEST RATIO	DATE	MAXIMUM HOUR DURING TEST PERIOD GALLONS	TEST RATIO	HOUR	DATE
(1)	(2)	(3)	(5)	(6)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
RESIDENTIAL-MEDIUM DENSITY														
ANNUAL USE OF 50-69,999														
ANNUAL USE OF 70-89,999														
Lawrence Park	405	77	04/30/82	10/01/82	15,540.0	647.5	201.8	28,427.8	1.70	5/23/82	4,006.4	6.19	7-8 PM	5/16/82
		77	05/17/83	10/06/83	15,463.0	645.1	201.1	28,340.0	1.83	6/11/83	2,660.9	4.12	8-9 PM	7/11/83
		77	05/06/84	10/18/84	16,066.0	670.3	209.9	29,777.0	1.85	5/7/84	2,514.0	3.75	8-9 PM	7/6/84
		77	05/24/85	10/06/85	15,703.0	654.3	203.9	24,553.0	1.56	6/16/85	2,316.0	3.54	10-11 AM	6/16/85
		77	04/12/86	09/17/86	14,886.0	620.3	193.4	23,140.5	1.55	6/16/86	2,170.7	3.50	11-12 AM	5/19/86
St. Albans	254	22	03/23/82	09/31/82	4,209.0	175.4	191.3	11,321.5	2.69	4/7/82	902.6	5.15	7-8 AM	4/7/82
		22	05/17/83	10/06/83	4,126.0	171.9	187.5	6,295.9	1.52	7/10/83	884.9	5.15	7-8 PM	7/12/83
		22	05/02/84	10/21/84	4,387.0	182.8	199.4	8,469.0	1.47	7/10/84	692.0	3.79	4-5 PM	7/10/84
		22	05/24/85	10/06/85	4,240.7	176.7	192.8	8,737.0	2.06	8/28/85	901.0	4.83	5-6 PM	7/14/85
		22	05/16/86	09/29/86	3,801.0	158.4	172.8	5,478.9	1.44	5/23/86	707.2	4.47	7-8 PM	6/6/86
Average for Annual Use of 70-89,000									1.81			4.41		
ANNUAL USE OF 90-99,999														
Wyncote	336	35	05/24/83	10/06/83	7,486.0	311.9	213.8	14,099.0	1.88	8/4/83	1,456.6	4.67	3-4 PM	7/18/83
		35	05/03/84	10/21/84	8,227.0	342.8	235.1	23,475.0	2.85	6/6/84	1,654.0	4.83	6-7 PM	8/3/84
		35	05/24/85	10/06/85	7,868.0	327.3	224.5	26,451.0	3.37	7/08/85	2,154.0	6.58	7-8 PM	7/08/85
		35	04/12/86	09/17/86	9,643.0	401.8	275.5	15,094.8	1.57	6/16/86	1,814.0	4.51	12-1 PM	7/14/86
Average for Annual Use of 90-99,000									2.70			5.36		

* Not included in average.

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1992-1996

AREA	LCA	NUMBER OF CUST.	TEST PERIOD FROM	TEST PERIOD TO	AVERAGE ANNUAL CONSUMPTION CORRESPONDS WITH TEST YEAR (gallons) ANNUAL AVG DAY	ANNUAL AVG HOUR	PER DAY PER CUST.	MAXIMUM DAY DURING TEST PERIOD GALLONS	TEST RATIO	DATE	MAXIMUM HOUR DURING TEST PERIOD GALLONS	TEST RATIO	HOUR	DATE
(1)	(2)	(3)	(5)	(6)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
RESIDENTIAL, HIGH DENSITY														
ANNUAL USE OF 50-60,000														
Darby	424	36	05/07/92	09/31/92	5,645.0	235.2	156.8	7,804.6	1.36	8/23/92	731.8	3.11	7-8 AM	6/14/92
		36	05/17/93	10/08/93	5,161.0	215.0	143.4	8,078.7	1.57	7/6/93	736.7	3.44	11-12 AM	7/10/93
		36	05/02/94	10/21/94	5,467.0	228.6	152.4	11,847.0	2.12	8/25/94	901.0	3.94	4-5 PM	6/14/94
		36	05/24/95	10/08/95	5,431.0	226.3	150.9	12,840.0	2.36	7/15/95	785.0	3.47	10-11 AM	7/15/95
		36	04/12/96	07/23/96	5,593.0	233.0	155.4	4,243.4	0.76	6/14/96	304.7	1.31	1-2 PM	6/14/96
Clifton Heights	416	84	05/07/92	10/01/92	12,577.0	524.0	149.7	16,624.4	1.32	6/8/92	1,404.7	2.68	9-10 AM	6/1/92
		84	05/17/93	10/08/93	12,215.0	509.0	145.4	16,368.1	1.28	7/6/93	1,491.5	2.87	10-11 AM	7/11/93
		84	05/02/94	10/21/94	12,717.0	529.9	151.4	17,259.0	1.36	7/10/94	1,536.0	2.90	10-11 AM	6/4/94
		84	05/24/95	10/08/95	12,503.0	521.0	148.8	28,116.0	2.25	7/24/95	4,477.0	8.59	1-2 PM	9/2/95
		84	04/12/96	07/23/96	12,969.0	540.4	154.4	16,041.3	1.24	4/20/96	1,486.7	2.75	11-12 PM	4/21/96
Average for Annual Use of 50-60,000									1.59			3.59		
ANNUAL USE OF 60-70,000														
Upper Darby	412	74	05/07/92	09/31/92	12,691.0	528.8	174.7	13,389.0	1.04	7/16/92	1,254.4	2.33	9-10 AM	6/27/92
		74	05/17/93	10/08/93	11,704.0	487.7	158.2	16,172.1	1.38	7/17/93	1,472.3	3.02	9-10 AM	7/14/93
		74	09/22/94	10/21/94	12,583.0	524.5	171.4	16,315.0	1.29	9/11/94	1,296.0	2.36	10-11 AM	10/6/94
		74	05/24/95	10/08/95	12,439.3	518.3	168.1	15,337.0	1.23	9/20/95	1,318.0	2.54	12-1 PM	8/12/95
		74	04/12/96	09/17/96	11,864.0	494.3	160.3	15,191.0	1.28	8/5/96	1,298.8	2.63	11-12 AM	6/9/96
Average for Annual Use of 60-70,000									1.23			2.57		

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1992-1996

Test Site	Test Period From	Test Period To	Test Days	Average Annual Consumption Corresponds with Test Period (gallons) Average Day	Average Hour	Maximum Day During Test Period Gallons	Ratio	Date	Maximum Hour During Test Period Gallons	Ratio	Hour	Date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
COMMERCIAL AND PUBLIC												
APARTMENTS												
Valley Stream Village	07/13/92	08/03/92	21	26,045.1	1,066.2	29,809.2	1.14	10/4/92	2,955.0	2.72	6-7 AM	9/30/92
	09/14/92	10/05/92	21									
	07/08/93	07/19/93	13	24,909.6	1,037.9	31,017.3	1.25	10/3/93	2,910.0	2.80	7-8 AM	10/1/93
	08/17/93	08/30/93	13									
	09/28/93	10/11/93	13									
	06/06/94	06/21/94	15	24,976.0	1,040.7	30,678.2	1.23	8/20/94	2,754.3	2.65	12-1 PM	10/30/94
	07/05/94	07/18/94	13									
	08/16/94	08/29/94	13									
	10/14/94	11/04/94	21									
Greenhill Condo Assoc.	07/20/93	08/03/93	14	119,980.8	4,999.2	154,990.9	1.29	9/5/93	11,466.6	2.29	10-11 AM	9/5/93
	08/31/93	09/13/93	13									
	10/12/93	10/25/93	13									
	05/24/94	06/06/94	13	119,936.0	4,997.3	163,143.9	1.36	7/21/94	13,144.0	2.63	9-10 AM	5/25/94
	06/20/94	07/05/94	15									
	07/18/94	08/01/94	14									
	08/29/94	09/12/94	14									
Cambridge Hall Apart.	05/06/92	07/30/92	85	26,394.8	1,099.8	46,867.5	1.74	5/6/92	3,979.7	3.62	8-9 AM	5/25/92
	08/31/92	10/01/92	31									
	05/17/93	10/08/93	144	22,231.5	926.3	37,135.9	1.67	5/24/93	3,311.7	3.58	8-9 AM	6/28/93
	06/20/94	10/21/94	123	30,240.0	1,260.0	36,522.0	1.21	7/21/94	3,237.0	2.57	7-8 AM	9/21/94
				28,084.0	1,169.3							
	04/15/96	09/18/96	156	26,734.0	1,113.9	46,521.2	1.70	5/20/96	3,501.0	3.14	7-8 AM	5/17/96
Total Apartments				449,511.8	18,729.7	574,273.1	1.28		47,261.3	2.52		

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1992-1996

Test Site	Test Period From	Test Period To	Test Days	Average Annual Consumption Corresponds with Test Period (gallons) Average Day	Average Hour	Maximum Day During Test Period Gallons	Ratio	Date	Maximum Hour During Test Period Gallons	Ratio	Hour	Date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
HOSPITALS												
Fitzgerald Mercy Hospital	07/07/93	07/20/93	13	37,401.9	1,558.4	51,650.1	1.38	6/24/93	5,254.8	3.37	7-8 AM	7/11/93
	08/17/93	08/30/93	13									
	09/28/93	10/12/93	14									
	09/22/94	07/05/94	13	40,466.0	1,686.0	66,561.2	1.65	8/3/94	5,627.7	3.34	10-11 AM	8/3/94
	08/01/94	08/28/94	28									
	06/26/95	07/24/95	28	38,250.7	1,593.8	58,649.0	1.53	9/29/95	4,747.0	2.98	7-8 AM	7/20/95
	09/05/95	10/03/95	28									
Holy Redeemer Hospital	06/07/93	07/07/93	30	94,141.6	3,922.6	129,821.7	1.38	8/4/93	9,167.7	2.34	2-3 PM	8/3/93
	08/03/93	08/16/93	13									
	07/05/94	07/18/94	13	100,836.0	4,199.1	146,532.5	1.46	7/13/94	10,299.6	2.46	2-3 PM	7/13/94
	08/16/94	08/29/94	13									
	09/12/94	09/27/94	15									
	06/12/95	06/25/95	14	102,691.7	4,278.8	115,941.0	1.13	9/8/95	9,377.0	2.19	12-1 PM	9/8/95
	07/24/95	08/02/95	9									
	09/06/95	09/18/95	13									
Total Hospitals				413,595.9	17,232.7	569,175.5	1.38		44,493.8	2.58		

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1992-1996

Test Site	Test Period From	Test Period To	Test Days	Average Annual Consumption Corresponds with Test Period (gallons) Average Day	Average Hour	Maximum Day During Test Period Gallons	Ratio	Date	Maximum Hour During Test Period Gallons	Ratio	Hour	Date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
RESIDENCE												
Shawbridge & Clothier	07/07/93	07/20/93	13	10,536.2	439.0	22,245.1	2.11	7/14/93	2,255.9	5.14	3-4 PM	7/10/93
	08/17/93	08/30/93	13									
	04/22/94	05/08/94	17	10,307.0	429.5	14,541.2	1.41	4/24/94	1,655.5	3.85	2-3 PM	9/30/94
	09/27/94	10/14/94	17									
	05/15/95	05/31/95	16	10,423.1	434.3	25,926.0	2.49	6/15/95	4,404.0	10.14	11-12 AM	10/16/95
	08/12/95	08/25/95	14									
	08/22/95	09/05/95	14									
	10/16/95	10/31/95	15									
	06/21/96	08/20/96	60	8,536.0	434.3	16,811.5	1.97	6/28/96	1,641.7	3.78	3-4 PM	7/8/96
Stouffer Restaurant & Inn	08/04/93	08/16/93	12	54,169.9	2,257.9	90,500.1	1.68	8/7/93	8,569.7	3.80	8-9 AM	9/2/93
	08/31/93	09/13/93	13									
	10/11/93	10/25/93	14									
	07/05/94	07/18/94	13	50,760.0	2,115.0	116,219.6	2.29	8/3/94	10,810.5	5.11	12-1 PM	6/3/94
	08/01/94	08/16/94	16									
	08/29/94	09/12/94	14									
	09/27/94	10/14/94	17									
	07/24/95	08/08/95	15	55,995.9	2,331.9	94,148.0	1.68	8/3/95	7,176.0	3.08	12-1 PM	8/4/95
	08/22/95	09/05/95	14									
	09/17/95	10/02/95	15									
Arco Chemical Company	06/22/92	07/13/92	21	112,934.4	4,705.6	202,818.4	1.80	6/25/92	13,519.6	2.87	8-9 PM	6/25/92
	08/24/92	09/14/92	21									
	06/07/93	07/05/93	29	118,606.2	4,942.0	206,727.8	1.76	6/20/93	13,623.4	2.76	6-7 AM	6/20/93
	06/24/94	07/07/94	13	122,677.0	5,111.5	218,105.0	1.78	7/20/94	15,644.4	3.06	3-4 PM	7/26/94
	07/16/94	08/01/94	14									
	08/29/94	09/12/94	14									

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
BUSINESS cont.												
Rydal Presbyterian Home	06/03/93	06/30/93	27	71,729.6	2,988.7	101,006.9	1.41	6/9/93	6,663.0	2.30	9-10-AM	6/13/93
	09/28/93	10/12/93	14									
	06/21/94	07/06/94	14	67,368.0	2,807.0	96,711.9	1.32	7/21/94	6,672.2	2.36	2-3 AM	7/25/94
	07/18/94	08/01/94	14									
	06/30/95	06/13/95	14	75,951.6	3,160.5	142,606.0	1.88	6/6/95	18,692.0	5.91	8-9 AM	6/6/95
	07/10/95	07/25/95	15									
	08/07/95	08/21/95	14									
Chef Francisco of PA	06/24/93	06/06/93	15	120,271.2	5,011.3	246,325.9	2.06	6/4/93	23,585.2	4.71	4-5 PM	6/3/93
	06/21/93	07/06/93	15									
	06/03/93	06/16/93	13									
	06/06/94	06/15/94	9	148,250.0	6,177.1	269,158.6	1.82	6/8/94	24,595.1	3.98	12-1 PM	6/13/94
	07/18/94	08/01/94	14									
	06/29/94	09/12/94	14									
	06/30/95	06/12/95	13	167,999.2	6,999.6	378,457.0	2.25	8/10/95	22,184.0	3.17	8-9 AM	8/10/95
	06/28/95	07/11/95	15									
	08/07/95	08/22/95	15									
	10/16/95	10/31/95	15									
CIBA Geigy	07/06/93	07/19/93	13	29,214.5	1,217.3	52,431.0	1.79	8/20/93	5,869.4	4.84	1-2 PM	9/30/93
	06/17/93	06/30/93	13									
	09/28/93	10/11/93	13									
	07/05/94	07/18/94	13	32,496.0	1,354.1	53,995.1	1.66	8/12/94	5,122.3	3.78	1-2 PM	7/12/94
	08/01/94	08/16/94	15									
	09/12/94	09/27/94	15									
	06/12/95	06/26/95	14	26,655.0	1,110.6	42,696.0	1.60	8/5/95	5,385.0	4.85	12-1 PM	7/25/95
	07/24/95	08/08/95	15									
	08/22/95	09/05/95	14									

PHILADELPHIA SUBURBAN WATER COMPANY

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
BUSINESS cont.												
Strawberry Bakery	07/07/93	07/20/93	13	36,512.1	1,684.7	62,367.9	1.62	7/6/93	5,011.2	3.12	4-5 AM	7/11/93
	08/17/93	08/30/93	13									
	04/22/94	05/09/94	17	34,131.0	1,422.1	51,646.2	1.51	6/16/94	2,628.1	1.85	5-6 AM	6/15/94
	06/06/94	06/20/94	14									
	08/29/94	09/12/94	14									
	10/14/94	11/04/94	21									
	05/15/95	05/30/95	15	30,023.0	1,251.0	40,099.0	1.34	10/26/95	3,058.0	2.44	7-8 AM	5/20/95
	05/30/95	06/13/95	14									
	08/21/95	09/05/95	15									
	10/16/95	10/31/95	15									
Total Business				1,397,432.9	58,304.9	2,542,947.1	1.82		208,985.1	3.58		
GOLF COURSE												
Springfield Club Sprinkler	07/20/93	08/03/93	14	34,282.2	1,428.4	192,339.8	5.61	7/28/93	29,280.2	20.50	5-6 AM	8/2/93
	08/31/93	09/13/93	13									
	10/12/93	10/26/93	14									
	06/06/94	06/20/94	14	27,998.0	1,166.5	193,729.8	6.92	6/10/94	27,850.5	23.88	4-5 PM	10/23/94
	07/20/94	08/01/94	12									
	08/16/94	08/29/94	13									
	10/14/94	11/04/94	21									
	06/25/95	07/10/95	14	31,190.7	1,299.6	206,733.0	6.69	9/7/95	36,708.0	27.48	6-7 AM	7/4/95
	08/02/95	08/22/95	20									
	09/06/95	09/19/95	13									
Total Golf Course				93,466.9	3,894.5	594,801.6	6.36		92,838.7	23.84		

PHILADELPHIA SUBURBAN WATER COMPANY

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
HOTELS												
Radisson Hotel	07/07/93	07/20/93	13	46,092.3	1,920.5	78,844.1	1.70	8/29/93	6,371.2	3.32	9-10 AM	8/29/93
	08/17/93	08/30/93	13									
	06/20/94	07/06/94	16	44,422.0	1,850.9	71,194.9	1.60	8/4/94	5,746.5	3.11	7-8 AM	9/15/94
	08/01/94	08/16/94	15									
	09/12/94	09/27/94	16									
	05/30/95	06/12/95	13	34,874.2	1,453.1	79,733.0	2.29	8/27/95	7,586.0	5.22	7-8 AM	8/29/95
	09/22/95	09/06/95	15									
	09/17/95	10/02/95	16									
Total Hotels				125,388.50	5,224.52	229,471.97	1.83		19,707.72	3.77		
COLLEGES												
Swarthmore College	06/24/92	09/14/92	21	79,908.7	3,329.5	134,937.9	1.69	8/25/92	26,744.3	8.03	8-9 PM	8/25/92
	04/28/93	05/11/93	16	85,084.0	3,543.9	59,417.6	0.70	5/3/93	8,883.5	2.51	5-6 PM	4/29/93
	04/22/94	05/09/94	17	79,800.0	3,325.0	118,423.0	1.48	9/14/94	12,370.7	3.72	7-8 PM	4/29/94
	09/12/94	10/10/94	28									
	05/15/95	05/31/95	16	60,741.4	2,530.9	89,491.0	1.47	10/6/95	10,008.0	3.95	7-8 AM	5/26/95
	10/03/95	10/31/95	28									
	08/26/96	09/19/96	24	57,836.0	2,409.8	416,629.5	7.20	8/31/96	65,792.6	27.30	10-11 PM	8/29/96
Immaculata College	04/28/93	05/12/93	16	30,440.5	1,268.4	30,906.6	1.02	5/4/93	3,517.3	2.77	9-10 AM	5/10/93
	09/14/93	09/28/93	14									
	04/22/94	05/09/94	17	35,188.0	1,466.2	57,902.0	1.64	11/2/94	5,008.5	3.42	9-10 AM	4/28/94
	09/27/94	11/04/94	38									
	05/15/95	05/30/95	15	30,205.6	1,258.6	33,765.0	1.12	10/25/95	4,096.0	3.25	9-10 AM	10/25/95
	10/16/95	10/31/95	15									
Total Colleges				459,174.20	19,132.26	941,172.57	2.05		136,430.90	7.13		

PHILADELPHIA SUBURBAN WATER COMPANY

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
PRIVATE SCHOOLS												
V.F. Military Academy	08/24/92	09/14/92	21	16,947.5	706.1	62,541.2	3.69	9/4/92	9,269.5	13.13	7-8 AM	9/4/92
	05/10/93	05/25/93	15	16,817.5	784.1	32,514.4	1.73	9/19/93	3,739.5	4.77	10-11 PM	5/10/93
	09/14/93	09/28/93	14									
	04/22/94	05/12/94	20	21,954.0	914.8	33,058.1	1.51	4/27/94	3,543.7	3.87	5-6 AM	5/5/94
	05/15/95	06/30/95	15	20,827.8	868.5	47,280.0	2.29	10/5/95	4,943.0	5.75	10-11 PM	10/5/95
	10/03/95	10/31/95	28									
	06/17/96	07/20/96	33	30,463.0	1,270.1	82,040.9	2.69	9/1/96	7,845.8	6.18	7-8 AM	9/2/96
	08/20/96	09/19/96	30									
Total Private Schools				108,829.8	4,534.6	257,434.7	2.37		29,341.5	6.47		
PUBLIC SCHOOLS												
Marple Nwtn. High Sch.	09/14/92	10/05/92	21	10,413.9	433.9	23,420.7	2.25	9/30/92	4,291.3	9.89	8-9 AM	9/30/92
	05/10/93	05/25/93	15	6,285.5	261.9	16,235.6	2.58	5/11/93	6,320.7	24.13	12-1 PM	5/11/93
	09/14/93	09/28/93	14									
	04/22/94	05/24/94	32	10,202.0	425.1	19,255.0	1.89	5/11/94	4,284.3	10.03	9-10 AM	9/20/94
	09/12/94	10/14/94	32									
	05/15/95	05/31/95	16	7,037.9	293.2	23,975.0	3.41	5/17/95	8,118.0	27.69	7-8 AM	5/30/95
	09/18/95	10/30/95	42									
Total Public Schools				33,939.3	1,414.1	82,886.3	2.44		22,994.3	16.26		

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
OTHER PUBLIC												
US Postal Service	07/20/93	08/03/93	14	12,357.6	514.9	23,799.0	1.93	7/28/93	1,761.4	3.42	3-4 PM	10/20/93
	08/14/93	08/28/93	14									
	10/11/93	10/25/93	14									
	05/24/94	06/06/94	13	14,216.0	592.4	28,396.9	2.00	5/26/94	3,240.1	5.47	2-3 PM	7/6/94
	07/05/94	07/18/94	13									
	08/01/94	08/16/94	15									
	10/14/94	11/04/94	21									
	06/19/95	06/12/95	24	11,094.7	462.3	21,736.00	1.96	6/31/95	1,543.00	3.34	7-8 AM	6/28/95
	06/28/95	07/11/95	15									
	08/21/95	09/05/95	15									
Total Other Public				37,670.50	1,569.60	73,932.86	1.96		6,544.53	4.17		
SMALL COMMERCIAL												
Great Valley Presb. Church	07/22/96	09/16/96	56	252.00	10.5	2,468.95	9.66	8/14/96	419.50	39.95	1-2 PM	8/30/96
Story Winn Fuel Co.	07/23/96	09/16/96	55	124.00	5.2	251.50	2.03	9/4/96	136.96	26.90	4-5 PM	9/4/96
Stratford Pharmacy	07/22/96	09/16/96	56	64.00	2.7	147.26	2.30	8/24/96	32.58	12.21	9-10 AM	9/3/96
Dayton Sure Grip	07/23/96	09/16/96	55	407.00	17.0	529.55	1.30	9/11/96	86.94	5.07	11-12 AM	8/21/96
Dollar Land	07/22/96	09/16/96	56	386.00	16.1	297.30	0.77	7/29/96	50.80	3.16	1-2 PM	7/25/96
McCausland Jeep Eagle	07/22/96	09/16/96	56	357.00	14.9	2,676.20	7.50	8/21/96	299.30	20.12	3-4 PM	8/28/96
				1,590.00	66.25	6,390.78	4.02		1,027.06	15.50		

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
INDUSTRIAL												
QUARTERLY INDUSTRIAL												
Johnson Matthey, Inc.	07/07/93	07/20/93	13	35,706.8	1,487.8	61,767.8	1.73	7/12/93	3,631.8	2.44	1-2 PM	6/20/93
	09/17/93	09/30/93	13									
	09/28/93	10/11/93	13									
	07/18/94	08/01/94	14	47,696.0	1,987.4	77,228.3	1.62	7/21/94	4,225.5	2.13	1-2 PM	7/21/94
	08/29/94	09/12/94	14									
	10/14/94	11/04/94	21									
	09/12/95	09/26/95	14	38,349.3	1,597.9	67,770.0	1.77	6/15/95	3,969.0	2.48	8-9 PM	6/16/95
	07/07/95	07/22/95	15									
	09/19/95	10/03/95	14									
Martin Marietta	06/03/92	06/22/92	19	63,341.0	2,639.2	153,614.6	2.43	6/19/92	13,017.5	4.93	12-1 PM	6/19/92
	09/10/92	09/24/92	14									
	07/20/93	08/03/93	14	77,567.4	3,232.0	102,563.9	1.32	9/8/93	4,633.3	1.43	8-9 AM	9/8/93
	09/31/93	09/13/93	13									
	07/05/94	07/18/94	13	54,000.0	2,250.0	76,572.3	1.42	7/8/94	3,946.2	1.75	1-2 PM	7/8/94
	10/14/94	11/12/94	29									
	05/31/95	06/12/95	12	29,642.5	1,243.4	42,466.0	1.42	6/2/95	3,636.0	2.93	4-5 PM	6/5/95
	07/25/95	08/07/95	13									
	09/19/95	10/03/95	14									
	06/21/96	06/20/96	60	37,049.0	1,543.7	69,968.0	1.89	6/26/96	4,349.1	2.82	10-11 AM	6/25/96

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
QUARTERLY INDUSTRIAL cont.												
7-UP Bottling Co.	05/03/92	06/22/92	19	35,131.7	1,463.8	74,324.9	2.12	6/11/92	5,353.4	3.66	9-10 PM	6/11/92
	06/03/92	06/24/92	21									
	07/20/93	08/03/93	14	42,365.5	1,766.1	64,942.9	1.53	7/28/93	5,754.0	3.26	3-4 PM	7/28/93
	08/31/93	09/13/93	13									
	10/12/93	10/26/93	14									
	05/12/94	05/24/94	12	49,966.0	2,081.9	92,695.2	1.86	6/9/94	7,940.4	3.81	8-9 AM	6/6/94
	06/21/94	07/05/94	14									
	08/01/94	08/16/94	15									
	09/12/94	09/27/94	15									
	05/31/95	06/13/95	13	46,561.0	1,940.0	82,705.0	1.78	6/23/95	12,121.0	6.25	8-9 AM	6/12/95
	06/21/95	09/05/95	15									
Total Quarterly Industrial				557,596.2	23,233.3	966,638.6	1.73		72,579.1	3.12		
MONTHLY INDUSTRIAL												
Philadelphia Electric	07/13/92	08/03/92	21	327,595.6	13,649.8	936,624.5	2.87	7/15/92	51,953.2	3.81	1-2 PM	7/15/93
	07/20/93	08/03/93	14	540,274.0	22,511.4	867,669.1	1.61	7/27/93	52,709.8	2.34	12-1 AM	7/24/93
	08/31/93	09/28/93	28									
	10/12/93	10/26/93	14									
	05/03/94	05/24/94	15	579,610.0	24,150.4	818,383.2	1.41	5/12/94	49,436.0	2.05	9-10 AM	5/16/94
	09/27/94	11/04/94	38									
	07/24/95	08/02/95	9	277,197.8	11,549.9	361,711.0	1.30	8/8/95	20,922.0	1.81	6-7 AM	8/7/95
	08/22/95	09/06/95	15									
	09/19/95	10/03/95	14									
	06/21/96	09/16/96	87	283,279.0	11,803.3	676,096.0	3.10	6/21/96	47,015.1	3.98	4-5 AM	6/27/96

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1992-1996

Test Site	Test Period From	Test Period To	Test Days	Average Annual Consumption Corresponds with Test Period (gallons) Average Day	Average Hour	Maximum Day During Test Period Gallons	Ratio	Date	Maximum Hour During Test Period Gallons	Ratio	Hour	Date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
MONTHLY INDUSTRIAL cont.												
Boeing Helicopter-Ridley	05/24/93	06/06/93	15	370,620.5	15,436.4	475,667.2	1.28	9/15/93	30,247.6	1.96	6-7 AM	9/16/93
	09/14/93	09/28/93	15									
	06/06/94	06/20/94	14	346,833.0	14,409.7	429,367.2	1.24	9/15/94	25,020.6	1.74	12-1 PM	6/16/94
	09/12/94	09/27/94	14									
	05/15/95	05/30/95	16	305,071.6	12,711.3	607,571.0	1.99	5/25/95	46,207.0	3.64	1-2 PM	5/25/95
	06/26/95	07/10/95	14									
Boeing Helicopter-Essington	05/24/93	06/06/93	15	167,950.4	6,997.9	173,383.6	1.03	6/1/93	15,337.0	2.19	9-10 AM	5/25/93
	06/21/93	07/07/93	16									
	06/06/94	06/20/94	14	186,115.0	7,754.8	206,178.1	1.11	6/15/94	17,661.6	2.28	11-12 AM	6/26/94
	07/05/94	07/20/94	15									
	09/16/94	09/29/94	13									
	05/15/95	05/30/95	15	160,561.6	6,690.9	199,919.0	1.24	6/28/95	22,861.0	3.42	11-12 PM	5/22/95
	06/26/95	07/10/95	14									
McNeil CPC	06/21/93	07/07/93	16	105,772.9	4,407.2	176,254.5	1.67	8/13/93	13,045.5	2.96	10-11 AM	8/16/93
	08/03/93	08/16/93	13									
	09/14/93	09/28/93	14									
	07/05/94	07/18/94	13	104,979.0	4,374.1	180,217.5	1.72	7/8/94	11,920.2	2.73	11-12 AM	7/8/94
	08/16/94	08/29/94	13									
	09/27/94	10/14/94	17									
Total Monthly Industrial				3,754,779.6	156,449.2	6,313,282.1	1.68		404,336.7	2.58		

PHILADELPHIA SUBURBAN WATER COMPANY

SUMMARY OF OBSERVED MAXIMUM DAY AND HOUR DEMAND RATIOS DURING THE PERIOD 1992-1996

Test Site	Test Period From	Test Period To	Test Days	Average Annual Consumption Corresponds with Test Period (gallons) Average Day	Average Hour	Maximum Day During Test Period Gallons	Ratio	Date	Maximum Hour During Test Period Gallons	Ratio	Hour	Date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
SALES TO OTHER WATER UTILITIES												
PA Water Company	05/06/94	05/21/94	15	4,094.0	170.6	70,591.6	17.24	6/6/94	6,524.6	38.25	7-8 AM	6/6/94
	06/16/94	06/28/94	13									
	10/18/94	11/04/94	17									
	05/19/95	05/31/95	12	690.0	28.8	5,470.0	7.93	5/23/95	1,510.0	52.52	10-11 AM	5/23/95
	06/29/95	07/10/95	14									
	08/07/95	08/21/95	14									
	09/19/95	10/03/95	14									
	06/21/96	07/22/96	31	827.0	34.5	1,209.6	1.46	6/29/96	165.4	4.80	10-11 AM	5/23/95
Warminster Township Auth.	07/20/93	08/03/93	14	95,415.1	3,975.6	375,116.9	3.93	7/29/93	74,606.0	18.77	10-11 AM	7/29/93
	08/31/93	09/13/93	13									
	10/12/93	10/25/93	14									
	05/06/94	05/21/94	15	38,925.0	1,621.9	787,331.5	20.23	6/19/94	70,866.6	43.69	8-9 PM	6/19/94
	05/29/94	06/12/94	14									
	10/14/94	11/04/94	21									
	06/12/95	07/11/95	29	67,170.1	2,798.8	715,543.0	10.65	9/12/95	73,146.0	26.13	9-10 AM	6/20/95
	08/07/95	08/21/95	14									
	09/05/95	09/19/95	14									
Total Sales to Other Water Utilities				207,121.20	8,630.10	1,955,262.57	9.44		226,820.60	26.29		

PHILADELPHIA SUBURBAN WATER COMPANY

WEIGHTED MAXIMUM DAY AND HOUR RATIOS BY CUSTOMER CLASSIFICATION

Annual Average Consumption Per Customer	1994 Consumption		Maximum Day Ratio		Maximum Hour Ratio	
	Consumption 1000 Gals	Percent of Total	Average Ratio	Weighted Ratio	Average Ratio	Weighted Ratio
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Residential						
High Density						
60-80,000	166,775	1.03%	1.59	0.016	3.59	0.037
80-70,000	2,549,823	15.61%	1.23	0.192	2.57	0.401
90-100,000	46,030	0.28%	2.00	0.006	4.00	0.012
Subtotal	2,766,728	16.93%		0.214		0.450
Medium Density						
50-60,000	114,094	0.70%	1.81	0.013	4.80	0.034
60-70,000	5,736,801	35.10%	2.35	0.825	4.97	1.744
70-80,000	3,668,377	22.39%	1.81	0.405	4.41	0.987
80-90,000	953,157	5.83%	2.70	0.157	5.36	0.312
90-100,000	139,241	0.85%	2.50	0.021	5.00	0.043
>100,000	114,757	0.70%	2.50	0.018	5.00	0.035
Subtotal	10,716,228	65.57%		1.439		3.155
Low Density						
< 60,000	4,918	0.03%	1.50	0.000	3.50	0.001
50-60,000	106,053	0.65%	2.00	0.013	4.00	0.026
60-70,000	157,800	0.97%	2.00	0.019	4.00	0.039
70-80,000	465,275	2.85%	1.67	0.048	3.91	0.111
80-90,000	860,489	5.27%	2.18	0.115	4.46	0.235
90-100,000	599,022	3.67%	3.87	0.142	7.31	0.268
>100,000	662,817	4.06%	3.18	0.129	5.50	0.223
Subtotal	2,856,373	17.50%		0.466		0.903
Total Residential	16,339,329	100.00%		2.119		4.508

PHILADELPHIA SUBURBAN WATER COMPANY

WEIGHTED MAXIMUM DAY AND HOUR RATIOS BY CUSTOMER CLASSIFICATION

	Annual Consumption		Maximum Day Ratio		Maximum Hour Ratio	
Revenue Class	Consumption (1,000 gals)	Percent of Total	Average Ratio	Weighted Ratio	Average Ratio	Weighted Ratio
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Commercial and Public						
Apartments	335,900	25.17%	1.28	0.322	2.52	0.635
Hospitals	292,454	21.91%	1.38	0.302	2.58	0.566
Business	317,548	23.80%	1.82	0.433	3.58	0.853
Golf Course	94,242	7.06%	6.36	0.449	23.84	1.683
Hotels	37,627	2.82%	1.83	0.052	3.77	0.106
Colleges	220,739	16.54%	2.05	0.339	7.13	1.179
Private Schools	35,994	2.70%	2.37	0.064	6.47	0.175
Total Commercial and Public	1,334,502	1.0000		1.981		5.197
Total Excluding Golf Course				1.627		3.781
Industrial						
Quarterly Industrial	5,573,673	26.73%	1.73	0.46	3.12	0.84
Monthly Industrial	15,276,698	73.27%	1.68	1.23	2.58	1.89
Total Industrial	20,850,371			1.69		2.73

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

d. Explain thoroughly the methodology employed if the company distinguishes between transmission and distribution or collection mains in its allocation of costs.

RESPONSE

For cost allocation purposes, mains that are 12-inch and larger are considered to be transmission mains and are allocated using Factor 3, which is based on average and maximum day extra capacity demands plus the daily requirement for fire demand. Mains sized under 12-inch are considered distribution mains and are allocated using Factor 4, which is based on average and maximum hour extra capacity demands plus the hourly requirement for fire demands.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

e. Provide a detailed explanation of how storage is utilized to meet base, maximum day and maximum hour demands.

RESPONSE

Storage is utilized to meet base, maximum day and maximum hour demands.

The Storage tanks play a major role in supplementing the maximum hourly demands. These facilities are located strategically throughout the Company's service territory to provide peak hour and emergency fire flow demands to all areas. Many of the facilities are also supplied with booster pumping stations, which automatically sense low pressures in the system and operate to pump water from the tanks to meet these peak demands.

For maximum day demands, the tanks are intended primarily to supplement demands during peak periods that exceed maximum send-out capacities are maintained at a level below the industry standard of 150% of average day demand. The Company's storage tank capacity is sufficient to meet at least a 30-day period of system demands in excess of plant capacity.

For meeting base day demands, the tanks are mainly relied on to stabilize pressures in the distribution system. They may be filing or emptying over the course of the day depending on local and system-wide demands. It is difficult to identify the extent to which <u>each</u> facility meets daily or hourly demands because their use varies continuously depending on the location and extent of the demands. Also, the storage facilities often serve areas beyond their actual pressure zones.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

f. Provide workpapers, calculations and supporting documentation which develop the equivalent meters and equivalent service line weights reflected in the company's cost of service study.

RESPONSE

The 5/8-inch dollar equivalent was developed using recent price quotations by meter size, received by the Company, as follows:

5/8-Inch	1.00
¾-Inch	1.11
1-Inch	1.20
1 ½-Inch	1.99
2-Inch	2.59
3-Inch	7.50
4-Inch	8.26
6-Inch	13.77
8-Inch	19.48
10-Inch	21.24

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1f., cont.

The ¾-Inch dollar equivalent was developed using recent price quotations by meter size, received by the Company, as follows:

5/8-Inch	1.00
¾-Inch	1.43
1-Inch	1.58
1 ½-Inch	1.73
2-Inch	3.14
3-Inch	3.14
4-Inch	3.14
6-Inch	3.14
8-Inch	3.14
10-Inch	3.14

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

g. Provide all workpapers and supporting documentation for the fire flow requirement and duration utilized in the cost of service study.

RESPONSE

The source for the estimated fire protection demand of 20,000 gpm is published fire flow criteria for the population served. The 20,000 gpm estimate is the maximum fire flow requirement generally accepted by published authorities, regardless of population size. This maximum has been established by the National Board of Fire Underwrites (now the American Insurance Association).

General fire-fighting requirements, based on population established by the National Board of Fire Underwrites, are as follows:

a) For populations of 200,000 or less,

$$Q = 1020\sqrt{P}\ (1-0.01\ \sqrt{P})$$

Where Q is the fire draft in gpm and P is the population in thousands.

b) For populations in excess of 200,000

Q = 12,000 gpm plus 2,000 to 8,000 gpm for a potential second fire.

Inasmuch as AQUA Pennsylvania serves a population of over 1,000,000, the maximum fire flow of 12,000 gpm would apply. Also, in consideration of the population being well over 200,000, the maximum of the additional allowance to provide for a second fire was selected for a maximum fire flow of 20,000 gpm.

RS1g. cont.

The foregoing requirements were published in Volume I, “Water and Wastewater Engineering,” by Fair, Geyer & Okon, published in 1966 by John Wiley & Sons, Inc.

The required 10 hour fire duration is based on the Insurance Services Office, “Grading Schedule for the Municipal Fire Protection” dated 1974.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

h. Provide a breakdown of the number and size of private fire services according to the general water service class of customer.

RESPONSE

Please refer to Schedules G and G-S of Exhibit 5-A, Part I for a breakdown of the number of private fire lines by size. A breakdown of private fire lines by general water service classification is not available.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

i. Provide a calculation of the company's base cost of water or wastewater per unit of consumption or usage.

RESPONSE

The calculation of the base cost of water per 100 gallons is as follows:

Base Cost of Water (See attached Functional Allocation)	$303,904,028
Pro Forma Water Consumption (100 gallons, excludes Contract Sales)	314,973,000
Base Cost per 100 Gallons	$0.978

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

j. Provide a detailed cost analysis that supports the company's customer charges, by meter size, showing all direct and indirect costs included.

RESPONSE

Please refer to the attached schedules.

AQUA PENNSYLVANIA, INC. - BASE WATER
CALCULATION OF CUSTOMER COST PER MONTH FOR A 5/8-INCH METER

Cost Function	Cost of Service	Total Units		Cost Per 5/8-inch Meter	Cost Per 5/8-inch Meter Monthly Bill
(1)	(2)	(3)		(4)	(5)
Meters	32,182,562	449,879	5/8-inch Equivalents	$ 71.54	$ 5.96
Services	52,896,903	436,354	3/4-inch Equivalents	121.22	10.10
Billing and Collecting	55,801,188	5,098,293	Bills	10.95	10.95
Meter Reading	308,038	5,098,293	Readings	0.06	0.06
Subtotal Customer Costs	$141,188,691				27.07
Unrecovered Public Fire	24,823,338	449,879	5/8-inch Equivalents	55.18	4.60
Total Customer Costs and Public Fire	$166,012,029				$ 31.67

AQUA PENNSYLVANIA, INC.
CALCULATION OF CUSTOMER COST PER MONTH FOR A 5/8-INCH METER
DIRECT CUSTOMER COSTS ONLY

Cost Function	Cost of Service	Total Units		Cost Per 5/8-inch Meter	Cost Per 5/8-inch Meter Monthly Bill
(1)	(2)	(3)		(4)	(5)
Meters	22,507,058	449,879	5/8-inch Equivalents	$ 50.03	$ 4.17
Services	49,941,299	436,354	3/4-inch Equivalents	114.45	9.54
Billing and Collecting	28,734,514	5,098,293	Bills	5.64	5.64
Meter Reading	157,066	5,098,293	Readings	0.03	0.03
Subtotal Customer Costs	$101,339,937				19.38
Unrecovered Public Fire	24,823,338	449,879	5/8-inch Equivalents	55.18	4.60
Total Customer Costs and Public Fire	$126,163,275				$ 23.98

AQUA PENNSYLVANIA, INC. - BASE WATER

ANALYSIS OF DIRECT CUSTOMER COSTS

Description		Meters	Services	Billing and Collecting	Meter Reading
Operation and Maintenance					
Transmission and Distribution Expenses		$ 5,255,587	$ 1,293,172	$ -	$ -
Customer Accounting				16,075,442	86,589
Transportation Expense		88,055	21,666	260,011	1,451
Worker's Compensation*		14,475	1,781	71,982	402
Advertising Expense		20,222	4,976	59,711	333
Rent - Building		60,985	15,006	180,080	1,005
Rent - Equipment		3,082	758	9,100	51
Subtotal		5,442,406	1,337,359	16,656,326	89,831
Depreciation Expense					
Meters		6,652,575			
Services			9,268,951		
Office Buildings		292,589	71,994	863,969	4,821
Office Furniture and Equipment		2,132,441	524,701	6,296,758	35,133
Transportation Equipment		290,463	71,471	857,691	4,785
Subtotal		9,368,068	9,937,117	8,018,418	44,739
Taxes Other than Income					
Payroll Taxes*		64,820	7,975	322,343	1,799
Assessments		368,042	343,847	357,960	1,976
Subtotal		432,862	351,822	680,303	3,775
Rate Base					
Meters		81,742,264			
Services			468,441,653		
Office Buildings		6,485,381	1,595,771	19,150,296	106,851
Office Furniture and Equipment		9,529,935	2,341,780	28,420,832	156,490
Transportation Equipment		1,102,148	270,805	3,289,094	18,094
Other Rate Base Elements		(6,313,667)	(31,931,780)	(2,256,918)	(12,404)
Subtotal		92,546,061	440,718,229	48,603,304	269,031
Return and Income Taxes @	8.9%	8,236,599	39,223,922	4,325,694	23,944
Other Revenue		(972,877)	(908,921)	(946,227)	(5,222)
Total Direct Customer Costs		22,507,058	49,941,299	28,734,514	157,066

* Based on percentage of Direct Labor Expense to Total Labor Expense as shown below:

Labor Ratio		0.0195	0.0024	0.0970	0.0005

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS2. Provide a listing of negotiated special rate contracts which includes a comparison of revenues under special rate contracts and under tariff rates. Provide the cost of service treatment of any deficiency in revenues resulting from the negotiated special rate contracts. Special rates are defined as rates not contained in the currently effective tariff.

RESPONSE

Please refer to the attached schedules for the comparison of the present and proposed tariff revenues with contract revenues for the contract customers.

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Industrial Contract - Mt. Carmel						
TARIFF RATES						
Customer Charge						
1 - Meter	13	-	$ 59.80	$ 777	$ 69.70	$ 906
1 1/2 - Meter	13	-	115.20	1,498	134.20	1,745
6 - Meter	26	-	1,105.00	28,730	$ 1,288.00	33,488
Subtotal	52	-		$ 31,005		$ 36,139
Usage (in 100 Gallons)						
1st block		1,200	1.4017	$ 1,682	1.8048	$ 2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0217	36,781	1.3155	47,358
4th block		360,000	0.9351	336,636	1.2040	433,440
5th block		800,004	0.9104	728,324	1.2040	963,205
6th block		288,231	0.7283	209,919	0.9682	279,065
Subtotal		1,488,231		$ 1,316,785		$ 1,729,668
Total Tariff Revenue	52	1,488,231		$ 1,347,790		$ 1,765,807
CONTRACT RATES						
Customer Charge - Period 1 (Jan. - Jun.)						
1 - Meter	6		$ 59.80	$ 359	$ 69.70	$ 418
1 1/2 - Meter	6		115.20	691	134.20	805
6 - Meter	12		1,105.00	13,260	1,288.00	15,456
Customer Charge - Period 2 (Jul. - Dec.)						
1 - Meter	7		59.80	419	69.70	488
1 1/2 - Meter	7		115.20	806	134.20	939
6 - Meter	14		1,105.00	15,470	1,288.00	18,032
Subtotal	52	-		31,005		36,138
Usage (in 100 Gallons)						
All Usage - Period 1		805,590	0.3200	$ 257,789	0.5050	$ 406,823
All Usage - Period 2		682,641	0.3270	223,224	0.5150	351,560
Subtotal		1,488,231		481,013		758,383
Total Contract	52	1,488,231		$ 512,018		$ 794,521
Industrial Contract - Covanta						
TARIFF RATES						
Customer Charge						
6 - Meter	12	-	$ 1,105.00	$ 13,260	$ 1,288.00	$ 15,456
Subtotal	12	-		13,260		15,456
Usage (in 100 Gallons)						
1st block		1,200	1.4017	$ 1,682	1.8048	$ 2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0217	36,781	1.3155	47,358
4th block		360,000	0.9351	336,636	1.2040	433,440
5th block		800,004	0.9104	728,324	1.2040	963,205
6th block		753,800	0.7283	548,993	0.9682	729,829
Subtotal		1,953,800		$ 1,655,859		$ 2,180,432
Total Tariff Revenue	12	1,953,800		$ 1,669,119		$ 2,195,888
CONTRACT RATES						
Customer Charge						
6 - Meter	12		47,280.00	567,360	50,796.00	609,552
Subtotal	12	-		567,360		609,552
Usage (in 100 Gallons)						
Allowance		1,430,000	-	$ -	-	$ -
Over Allowance		523,800	0.3940	206,377	0.4233	221,725
Subtotal		1,953,800		206,377		221,725
Total Contract	12	1,953,800		$ 773,737		$ 831,277

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Industrial Contract - Liberty Power						
TARIFF RATES						
Customer Charge						
6 - Meter	12	-	$ 1,105.00	$ 13,260	$ 1,288.00	$ 15,456
Subtotal	12	-		13,260		15,456
Usage (in 100 Gallons)						
1st block		1,200	1.4017	$ 1,682	1.8048	$ 2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0217	36,781	1.3155	47,358
4th block		360,000	0.9351	336,636	1.2040	433,440
5th block		800,004	0.9104	728,324	1.2040	963,205
6th block		7,712,000	0.7283	5,616,650	0.9682	7,466,758
Subtotal		8,912,000		$ 6,723,516		$ 8,917,361
Total Industrial	12	8,912,000		$ 6,736,776		$ 8,932,817
CONTRACT RATES						
Customer Charge						
6 - Meter (Jan. @ 2022 Rate)	1		$ 100,874.15	$ 100,874	$ 114,763.38	$ 114,763
6 - Meter	11	-	108,708.74	1,195,796	114,763.38	1,262,397
Subtotal	12	-		1,296,670		1,377,160
Usage (in 100 Gallons)						
All Usage (Jan. @ 2022 Rate)		495,900	0.1040	$ 51,574	0.1173	$ 58,180
All Usage		8,416,100	0.1120	942,603	0.1173	987,402
Subtotal		8,912,000		994,177		1,045,582
Total Contract	12	8,912,000		2,290,847		2,422,742
Public Contract - Canaan Federal Prison						
TARIFF RATES						
Customer Charge						
8 - Meter	12	-	$ 1,934.00	$ 23,208	$ 2,254.00	27,048
Subtotal	12	-		23,208		27,048
Usage (in 100 Gallons)						
1st block		1,200	1.4017	1,682	1.8048	2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0163	36,587	1.3511	48,640
4th block		822,494	0.9301	765,002	1.2365	1,017,014
Subtotal		862,490		806,714		1,072,253
Total Contract	12	862,490		$ 829,922		$ 1,099,301
CONTRACT RATES						
Customer Charge						
8 - Meter	12		$ 25,227.82	$ 302,734	$ 29,667.62	$356,011
Subtotal	12	-		302,734		356,011
Usage (in 100 Gallons)						
Allowance		540,000	-	$ -	-	$ -
Over Allowance		322,490	0.1410	45,471	0.1658	53,469
Subtotal		862,490		45,471		53,469
Total Contract	12	862,490		$ 348,205		$ 409,480

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Public Contract - SCI Forest County Prison						
TARIFF RATES						
Customer Charge						
4 - Meter	12	-	$ 536.00	$ 6,378	$ 625.00	7,438
Subtotal	12	-		6,378		7,438
Usage (in 100 Gallons)						
1st block		1,000	1.4017	1,402	1.8048	1,805
2nd block		2,330	1.2315	2,869	1.5857	3,695
3rd block		30,000	1.0163	30,489	1.3511	40,533
4th block		1,025,416	0.9301	953,739	1.2365	1,267,927
Subtotal		1,058,746		988,499		1,313,959
Total Contract	12	1,058,746		$ 994,877		$ 1,321,397
CONTRACT RATES						
Customer Charge						
4 - Meter	12		$ 536.00	$ 6,378	$ 625.00	$ 7,438
Subtotal	12	-		6,378		7,438
1st block		1,190	1.4017	$ 1,668	1.8048	$ 2,148
2nd block		2,773	1.2315	3,415	1.5857	4,397
3rd block		35,700	1.0163	36,282	1.3511	48,234
4th block		718,215	0.9301	668,012	1.2365	888,073
Consumption True Up		300,868	0.9301	279,837	1.2365	372,023
Total Contract		1,058,746		989,214		1,314,875
Total SCI Forest Contract	12	1,058,746		$ 995,592		$ 1,322,313
Public Contract - SCI Waymart						
TARIFF RATES						
Customer Charge						
8 - Meter	12	-	$ 1,934.00	$ 23,208	$ 2,254.00	27,048
Subtotal	12	-		23,208		27,048
1st block		1,200	$ 1.4017	1,682	$ 1.8048	2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0163	36,587	1.3511	48,640
4th block		558,034	0.9301	519,027	1.2365	690,009
Subtotal Consumption		598,030		560,739		745,248
Total Contract	12	598,030		$ 583,947		$ 772,296
CONTRACT RATES						
Customer Charge						
8 - Meter	12		5,035.78	60,429	5,259.52	63,114
Subtotal	12	-		60,429		63,114
Usage (in 100 Gallons)						
Allowance		566,180	-	$ -	-	$ -
Over Allowance		31,850	0.1810	5,765	0.1890	6,021
Subtotal		598,030		5,765		6,021
Total Contract	12	598,030		66,194		69,135

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Consumption, 100 Gallons	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales for Resale Contract - Veolia Water PA							
TARIFF RATES							
Customer Charge							
2 - Meter	12		$ 164.00	$ 1,968	-	$ 191.10	$ 2,293
Subtotal	12	-		1,968	-		2,293
Usage (in 100 Gallons)							
All Usage		10,290	$ 1.4017	14,423	10,290	1.8048	18,571
Subtotal	-	10,290		14,423	10,290		18,571
Total	12	10,290		$ 16,391			$ 20,865
CONTRACT RATE							
Customer Charge							
2 - Meter	12		$ 5,396.00	$ 64,752	-	$ 6,443.36	$ 77,320
Subtotal	12	-		64,752	-		77,320
Usage (in 100 Gallons)							
Allowance		10,290	-	$ -	10,290	-	-
1st block		-	0.4360	-	-	0.5206	-
Subtotal		10,290		-	10,290		-
Total United Water Contract	12	10,290		$ 64,752	10,290		$ 77,320
Sales for Resale Contract - Chemung							
TARIFF RATES							
Customer Charge							
10 - Meter	12		$ 2,858.00	$ 34,296	-	$ 3,330.00	$ 39,960
Subtotal	12	-		34,296	-		39,960
Usage (in 100 Gallons)							
All Usage		12,385	$ 1.4017	17,360	12,385	1.8048	22,352
Subtotal	-	12,385		17,360	12,385		22,352
Total	12	12,385		$ 51,656	$ 12,385		$ 62,312
CONTRACT RATE							
Customer Charge							
10 - Meter	12		$ 646.50	$ 7,758		$ 737.50	$ 8,850
Subtotal	12	-		7,758	-		8,850
Usage (in 100 Gallons)							
All Usage		12,385	0.8140	$ 10,081	12,385	0.9720	12,038
Subtotal	-	12,385		10,081	12,385		12,038
Total Contract	12	12,385		$ 17,839	12,385		$ 20,888
Sales for Resale Contract - New Wilmington							
TARIFF RATES							
Customer Charge							
4 - Meter	24		$ 536.00	$ 12,864	-	$ 625.00	$ 15,000
Subtotal	24	-		12,864	-		15,000
Usage (in 100 Gallons)							
All Usage		567,373	$ 1.4017	795,287	567,373	1.8048	1,023,995
Subtotal	-	567,373		795,287	567,373		1,023,995
Total	24	567,373		$ 808,151	$ 567,373		$ 1,038,995
CONTRACT RATE							
Customer Charge							
4 - Meter	24		$ 536.00	$ 12,864		$ 625.00	$ 15,000
Subtotal	24	-		12,864	-		15,000
Usage (in 100 Gallons)							
All Usage		567,373	1.4017	$ 795,287	567,373	1.6738	949,652
Subtotal	-	567,373		795,287	567,373		949,652
Total Contract	24	567,373		$ 808,151	567,373		$ 964,652

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Consumption, 100 Gallons	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales for Resale Contract - Warwick							
TARIFF RATES							
Customer Charge							
8 - Meter	12		$ 1,934.00	$ 23,208	-	$ 2,254.00	$ 27,048
Subtotal	12	-		23,208	-		27,048
Usage (in 100 Gallons)							
All Usage		2,406,230	$ 1.4017	3,372,813	2,406,230	1.8048	4,342,764
Subtotal	-	2,406,230		3,372,813	2,406,230		4,342,764
Total	12	2,406,230		$ 3,396,021	$ 2,406,230		$ 4,369,812
CONTRACT RATE							
Customer Charge							
8 - Meter	12		46,092.68	553,112	-	49,436.65	593,240
Subtotal	12	-		553,112	-		593,240
Usage (in 100 Gallons)							
Allowance		2,142,200	-	-	2,142,200	-	-
1st block		259,010	0.2230	57,759	259,010	0.2392	61,965
2nd block		5,020	0.2168	1,088	5,020	0.2325	1,167
Subtotal		2,406,230		58,847	2,406,230		63,132
Total Contract	12	2,406,230		$ 611,959	2,406,230		$ 656,372
Sales for Resale Contract - Borough of Sharpsville							
TARIFF RATES							
Customer Charge							
8 - Meter	24		$ 1,934.00	$ 46,416	-	$ 2,254.00	$ 54,096
Subtotal	24	-		46,416	-		54,096
Usage (in 100 Gallons)							
All Usage		1,709,706	$ 1.4017	2,396,495	1,709,706	1.8048	3,085,677
Subtotal	-	1,709,706		2,396,495	1,709,706		3,085,677
Total	24	1,709,706		$ 2,442,911	$ 1,709,706		$ 3,139,773
CONTRACT RATE							
Customer Charge							
8 - Meter - Period 1	22		$ 1,934.00	$ 42,548		$ 2,254.00	$ 49,588
8 - Meter - Period 2	2	-	1,934.00	3,868		2,254.00	4,508
Subtotal	24	-		46,416	-		54,096
Usage (in 100 Gallons)							
All Usage - Period 1		1,551,874	0.2690	$ 417,454	1,551,874	0.2897	449,611
All Usage - Period 2		157,832	0.2830	44,666	157,832	0.2956	46,651
Subtotal		1,709,706		462,120	1,709,706		496,262
Total Sharpsville Contract	24	1,709,706		$ 508,536	1,709,706		$ 550,358
Sales for Resale Contract - Hubbard Township							
TARIFF RATES							
Customer Charge							
6 - Meter	12		$ 1,105.00	$ 13,260	-	$ 1,288.00	$ 15,456
Subtotal	12	-		13,260	-		15,456
Usage (in 100 Gallons)							
All Usage		2,914,800	$ 1.4017	4,085,675	2,914,800	1.8048	5,260,631
Subtotal		2,914,800		4,085,675	2,914,800		5,260,631
Total	12	2,914,800		$ 4,098,935	$ 2,914,800		$ 5,276,087
CONTRACT RATE							
Customer Charge							
6 - Meter	11	-	$ -	$ -	-	$ 1,288.00	$ 14,168
6 - Meter	1	-	-	-	-	1,288.00	1,288
Subtotal	12	-		-	-		15,456
Usage (in 100 Gallons)							
All Usage - Period 1		2,460,350	0.2460	$ 605,246	2,460,350	0.2876	$ 707,661
All Usage - Period 2		454,450	0.2660	120,884	454,450	0.3110	141,339
Subtotal		2,914,800		726,130	2,914,800		848,999
Total Hubbard Contract	12	2,914,800		$ 726,130	2,914,800		$ 864,455

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Consumption, 100 Gallons	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales for Resale Contract - Horsham							
TARIFF RATES							
Customer Charge							
6 - Meter	12		$ 1,105.00	$ 13,260		$ 1,288.00	$ 15,456
Subtotal	12	-		13,260	-		15,456
Usage (in 100 Gallons)							
All Usage		1,258,880	$ 1.4017	1,764,572	182,500	1.8048	329,376
Subtotal	-	1,258,880		1,764,572	182,500		329,376
Total	12	1,258,880		$ 1,777,832	182,500		$ 344,832
CONTRACT RATE							
Customer Charge							
6-inch - Period 1	6		$ 10,809.50	$ 64,857		$ 11,744.97	$ 70,470
6-inch - Period 2	6		11,472.50	68,835		11,982.22	71,893
Subtotal	12	-		133,692	-		142,363
Usage (in 100 Gallons)							
Allowance - Period 1		91,000	-	$ -	91,000	-	$ -
All Usage - Period 1		527,700	0.5320	280,736	527,700	0.5570	293,929
Allowance - Period 2		91,500	-	-	91,500	-	-
All Usage - Period 2		548,680	0.5570	305,615	548,680	0.5683	311,788
Subtotal		1,258,880		586,351	1,258,880		605,717
Total Horsham Contract	12	1,258,880		$ 720,043	1,258,880		$ 748,080
Sales for Resale Contract - Schwenksville							
TARIFF RATES							
Customer Charge							
3-inch	12		$ 329.00	$ 3,948	-	$ 383.00	$ 4,596
Subtotal	12	-		3,948	-		4,596
Usage (in 100 Gallons)							
All Usage		330,728	$ 1.4017	463,581	330,728	1.8048	596,898
Subtotal	-	330,728		463,581	330,728		596,898
Total	12	330,728		$ 467,529	330,728		$ 601,494
CONTRACT RATE							
Customer Charge							
3-inch - Period 1	3		10,809.50	$ 32,429	-	11,744.97	$ 35,235
3-inch - Period 2	9		$ 11,472.50	103,253	-	$ 11,982.22	107,840
Subtotal	12	-		135,681	-		143,075
Usage (in 100 Gallons)							
Allowance - Period 1		76,500	0	-	76,500	0	-
All Usage - Period 1		3,063	0	1,259	3,063	0	1,370
Allowance - Period 2		228,391	-	-	228,391	-	-
All Usage - Period 2		22,774	0.4370	9,952	22,774	0.4564	10,394
Subtotal		330,728		11,211	330,728		11,765
Total Schwenksville Contract	12	330,728		$ 146,892	330,728		$ 154,840

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Consumption, 100 Gallons	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales for Resale Contract - Downingtown							
TARIFF RATES							
Customer Charge							
5/8 - Meter	-		$ 20.51	$ -	-	$ 23.90	$ -
Subtotal	-	-		-	-		-
Usage (in 100 Gallons)							
All Usage		1,905	$ 1.4017	2,670	1,905	1.8048	3,438
Subtotal	-	1,905		2,670	1,905		3,438
Total	-	1,905		$ 2,670	1,905		$ 3,438
CONTRACT RATE							
Customer Charge							
5/8 - Meter	-	-	$ 20.51	$ -	-	$ 23.90	$ -
Subtotal	-	-		-	-		-
Usage (in 100 Gallons)							
All Usage		1,905	0.1180	225	1,905	0.1204	229
Subtotal	-	1,905		225	1,905		229
Total Downingtown Contract	0	1,905		$ 225	1,905		$ 229
Sales for Resale Contract - Masury Water Company							
TARIFF RATES							
Customer Charge							
2 - Meter	12		$ 164.00	$ 1,968	-	$ 191.10	$ 2,293
8 - Meter	12		1,934.00	23,208		2,254.00	27,048
12 - Meter	28		3,461.00	96,908		4,033.00	112,924
Subtotal	52	-		122,084	-		142,265
Usage (in 100 Gallons)							
All Usage		1,217,070	$ 1.4017	1,705,967	1,217,070	1.8048	2,196,568
Subtotal	-	1,217,070		1,705,967	1,217,070		2,196,568
Total	52	1,217,070		$ 1,828,051	$ 1,217,070		$ 2,338,833
CONTRACT RATE							
Customer Charge							
2 - Meter	12		$ 164.00	$ 1,968		$ 191.10	$ 2,293
8 - Meter	12		1,934.00	23,208		2,254.00	27,048
12 - Meter	28		3,461.00	96,908		4,033.00	112,924
Subtotal	52	-		122,084	-		142,265
Usage (in 100 Gallons)							
All Usage		1,217,070	0.2500	304,267	1,217,070	0.2648	322,334
		1,217,070		304,267	1,217,070		322,334
Total Contract	52	1,217,070		$ 426,351	1,217,070		$ 464,599
Sales for Resale Contract - Bristol							
TARIFF RATES							
Customer Charge							
3 - Meter	6		$ 329.00	$ 1,974	-	$ 383.00	$ 2,298
Subtotal	6	-		1,974	-		2,298
Usage (in 100 Gallons)							
All Usage		27,021	$ 1.4017	37,875	27,021	1.8048	48,767
Subtotal	-	27,021		37,875	27,021		48,767
Total	6	27,021		$ 39,849	27,021		$ 51,065
CONTRACT RATE							
Customer Charge							
3 - Meter	6	-	$ 20.51	$ 123		$ 23.90	$ 143
Subtotal	6	-		123	-		143
Usage (in 100 Gallons)							
All Usage		27,021	0.6550	17,699	27,021	0.6841	18,485
Subtotal	-	27,021		17,699	27,021		18,485
Total Contract	6	27,021		$ 17,822	27,021		$ 18,629

Exhibit No. 5-A, Part II
Docket No. R-2024-3047822
Witness: G.R. Herbert

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

OPERATING REVENUE FROM SALES OF WATER

FOR THE TWELVE MONTHS

ENDED DECEMBER 31, 2025

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 5-A, Part II
Docket No. R-2024-3047822
Witness: G.R. Herbert

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

OPERATING REVENUE FROM SALES OF WATER FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

PART II

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AQUA PENNSYLVANIA, INC.

OPERATING REVENUE FROM SALES OF WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

PLAN OF EXHIBIT

Exhibit 5-A sets forth the summaries of the results of applying the proposed rates for sales of water to a detailed analysis of water customers' billing determinants, and the application of proposed rates to the bill analysis.

Schedule 1 and Schedule 1-S present a summary of the pro forma revenues for the consolidated divisions and Shenandoah Operations under proposed rates, for the twelve months ending December 31, 2025. The pro forma revenues under proposed rates are developed in Schedule 2 for the water divisions. Schedule 3 and Schedule 3_S present a summary of the pro forma revenues for the consolidated divisions and Shenandoah Operations under present rates, for the twelve months ending December 31, 2023, 2024 and 2025. The revenues under present rates are developed in Schedule 4 for the water divisions. The application of proposed rates to the consumption analysis for each division are presented on Schedule 5. Schedule 6 presents adjustments to the application of present and proposed rates to account for growth. The application of proposed rates to metered private fire customers, private hydrants and public fire hydrants are shown in Schedules 7A and 7B, respectively.

The results of the application of proposed rates are summarized in Schedule 2 of Exhibit No. 5-A are brought forward to column 3 of Schedule 1 and Schedule 1-S. Schedule 2 sets forth the application of proposed rates to the detailed analysis of bill and consumption by meter size and customer classification for each water division. The

revenues in column 3 of Schedule 1 and Schedule 1-S incorporate the revenue adjustments during the twelve months ended December 31, 2025 shown on Schedule 5, to develop the total revenues projected for the twelve months ended December 31, 2025, under present and proposed rates of Schedule 1 and Schedule 1-S.

A comparison of the present and proposed rates for sales of water for each division is provided in the response to Standard Data Request No. OR-3 and shown in Schedule 8. The response also provides a comparison of the billing for various levels of consumption under present (including DSIC surcharge) and proposed rates for 5/8-inch Residential customers in each division and also for the average Commercial and Industrial customers.

WATER BASE OPERATIONS

AQUA PENNSYLVANIA, INC
WATER OPERATIONS WITHOUT ACQUISITION
SUMMARY OF PRO FORMA REVENUES UNDER PROPOSED RATES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	FPFTY Revenues, Present Rates	FPFTY Revenues, Proposed Rates	FPFTY Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 386,070,947	$ 462,781,051	$ 76,710,104	19.9%
Commercial	143,094,848	169,163,248	26,068,400	18.2%
Industrial	20,260,902	24,431,574	4,170,672	20.6%
Public	9,349,510	11,148,842	1,799,332	19.2%
Sales for Resale	17,848	19,862	2,014	11.3%
Total Sales of Water	558,794,055	667,544,577	108,750,522	
Unmetered Sales (Residential)	9,446	10,302	856	9.1%
Private Fire	19,126,701	20,322,361	1,195,659	6.3%
Public Fire	7,255,078	8,187,042	931,964	12.8%
Contract Revenues Industrial	4,043,409	4,048,542	5,133	0.1%
Contract Revenues Public	1,474,207	1,800,928	326,721	22.2%
Contract Revenues Sales for Resale	4,487,116	4,520,421	33,305	0.7%
Total Contract Revenue	10,004,732	10,369,891	365,159	
Subtotal	595,190,013	706,434,173	111,244,160	
Other Revenues - Wheeling Fee	-	-	-	0.0%
Other Operating Revenues	1,154,807	1,154,807	-	0.0%
Total Water Revenue	$ 596,344,820	$ 707,588,980	$ 111,244,160	18.7%

AQUA PENNSYLVANIA INC - WATER OPERATIONS
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PROPOSED RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Proposed Rate Application - Proforma as of December 31, 2025

Rate Zone 1 - Main Division	$ 448,108,176	$ 167,707,757	$ 24,372,375	$ 11,084,308	$ 19,862	$ 651,292,478
Rate Zone 2	10,286,400	990,706	47,101	64,534		11,388,741
Rate Zone 3	4,086,696	314,510	9,845			4,411,051
Rate Zone Bunker Hill	54,998					54,998
Rate Zone Sun Valley	44,324					44,324
Rate Zone Phoenixville	196,647	150,275	2,253			349,175
Rate Zone Shenandoah	2,069,612	303,691	102,182	90,991		2,566,475
Rate Zone Belle Aire	14,112					14,112
	$ 464,860,965	$ 169,466,939	$ 24,533,756	$ 11,239,833	$ 19,862	$ 670,121,354
Contract Revenues			4,048,542	1,800,928	4,520,421	10,369,891
Private Fire Services (Includes DSIC)						20,345,457
Public Fire Services						8,221,861
Other Operating Revenues						1,161,190
Total Pro Forma @ Proposed Rate	**$ 464,860,965**	**$ 169,466,939**	**$ 28,582,298**	**$ 13,040,761**	**$ 4,540,283**	**$ 710,219,754**

AQUA PENNSYLVANIA INC.
WATER OPERATIONS WITHOUT ACQUISITION
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023 (a)	Adjustment to Per Books Revenue 12/31/2023	Adjusted Revenues, Per Books Present Rates 12/31/2023 (a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)=(10)+(11)
METERED SALES											
Residential	$ 366,191,579	$ -	$ 366,191,579	$ (84,896)	$ 366,106,683	$ (2,798,219)	$ 363,308,464	$ (3,032,596)	$ 360,275,867	$ 25,795,079	$ 386,070,947
Commercial	133,102,367	-	133,102,367	195,381	133,297,748	139,603	133,437,351	94,740	133,532,091	9,562,757	143,094,848
Industrial	18,903,932	-	18,903,932	3,218	18,907,150	-	18,907,150	0	18,907,150	1,353,752	20,260,902
Public Authority	8,279,367	-	8,279,367	445,446	8,724,813	-	8,724,813	1	8,724,814	624,697	9,349,510
Sales for Resale	17,170		17,170	(514)	16,656	-	16,656	(0)	16,656	1,193	17,848
Total Sales of Water	$ 526,494,415	$ -	$ 526,494,415	558,635	$ 527,053,050	$ (2,658,616)	$ 524,394,434	$ (2,937,856)	$ 521,456,578	$ 37,337,477	$ 558,794,055
Unmetered Sales	$ 18,160		$ 18,160	$ 55	$ 18,215	$ (9,400)	$ 8,815	$ (0)	$ 8,815	$ 631	$ 9,446
Private Fire	$ 17,853,507	$ -	$ 17,853,507	$ (3,760)	$ 17,849,747	$ 650	$ 17,850,397	$ -	$ 17,850,397	$ 1,276,304	$ 19,126,701
Public Fire	7,330,523	-	7,330,523	(75,445)	7,255,078	-	7,255,078	-	7,255,078		7,255,078
Contract Revenues Industrial	3,573,513		3,573,513	3,089	3,576,602	252,315	3,828,917	214,492	4,043,409	-	4,043,409
Contract Revenues Public	1,409,954		1,409,954	37	1,409,991	62,848	1,472,839	1,368	1,474,207	-	1,474,207
Contract Revenues Sales for Resale	4,057,192		4,057,192	(8,491)	4,048,701	(229,678)	3,819,023	668,093	4,487,116	-	4,487,116
Total Contract Revenue	9,040,658		9,040,658	(5,364)	9,035,294	85,485	9,120,779	883,953	10,004,732	-	10,004,732
Subtotal	560,737,264	-	560,737,264	474,121	561,211,384	(2,581,881)	558,629,503	(2,053,903)	556,575,600	38,614,413	595,190,013
Other Revenues - Wheeling Fees	-	-	-		-		-		-		-
Other Operating Revenues	1,154,807	-	1,154,807		1,154,807		1,154,807		1,154,807		1,154,807
Total Water Revenue	$ 561,892,071	$ -	$ 561,892,071	$ 474,121	$ 562,366,192	$ (2,581,881)	$ 559,784,310	$ (2,053,903)	$ 557,730,407	$ 38,614,413	$ 596,344,820

(a) Excludes DSIC and Unbilled revenues.

AQUA PENNSYLVANIA INC - WATER OPERATIONS
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Rate Zone	Residential	Commercial	Industrial	Public	Sales for Resale	Total
Present Rate Application - ProForma as of December 31, 2025						
Rate Zone 1 - Main Division	$ 348,955,643	$ 132,477,119	$ 18,860,768	$ 8,672,198	$ 16,656	$ 508,982,384
Rate Zone 2	7,769,275	717,386	37,399	52,616		8,576,676
Rate Zone 3	3,381,772	251,718	7,696			3,641,186
Rate Zone Bunker Hill	31,427					31,427
Rate Zone Sun Valley	25,331					25,331
Rate Zone Phoenixville	111,835	85,868	1,287			198,990
Rate Zone Shenandoah	1,450,143	219,644	63,892	56,977		1,790,656
Rate Zone Belle Aire	9,399					9,399
	$ 361,734,825	$ 133,751,735	$ 18,971,042	$ 8,781,791	$ 16,656	$ 523,256,049
Contract Revenues			4,043,409	1,474,207	4,487,116	10,004,732
Private Fire Services (Includes DSIC)						19,149,797
Public Fire Services						7,263,248
DSIC Revenue	25,795,710	9,562,757	1,353,752	624,697	1,193	37,338,109
Other Operating Revenues						1,161,190
Total Pro Forma @ Present Rate with DSIC	**$ 387,530,535**	**$ 143,314,492**	**$ 24,368,203**	**$ 10,880,695**	**$ 4,504,964**	**$ 598,173,125**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Main Division - Bill Analysis	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	179,052,635	4,538,661	$ 354,424,671	179,051,468	4,594,350	$ 351,829,757	178,786,895	4,613,958	$ 348,955,643	$ 24,985,224	$ 373,940,867	$ 448,108,176	19.83%
Commercial	100,384,655	266,082	132,242,777	100,440,266	269,088	132,382,380	100,478,006	271,128	132,477,119	9,485,362	141,962,481	167,707,757	18.14%
Industrial	19,056,084	8,373	18,860,768	19,056,084	8,373	18,860,768	19,056,084	8,373	18,860,768	1,350,431	20,211,199	24,372,375	20.59%
Public	6,124,231	13,932	8,672,197	6,124,231	13,932	8,672,197	6,124,231	13,932	8,672,198	620,929	9,293,127	11,084,308	19.27%
Sales for Resale	2,588	32	16,656	2,588	32	16,656	2,588	32	16,656	1,193	17,848	19,862	11.28%
Total Rate Zone 1	304,620,193	4,827,080	$ 514,217,069	304,672,049	4,885,775	$ 511,761,758	304,445,216	4,907,423	$ 508,982,384	$ 36,443,139	$ 545,425,522	$ 651,292,478	19.41%

Rate Zone 1 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	4,188,748	$ 20.51	$ 85,911,219	4,234,039	$ 20.51	$ 86,840,138	4,253,647	$ 20.51	$ 87,242,298	$ 6,246,549	$ 93,488,847	$ 23.90	$ 101,662,161	8.74%
3/4 - Meter	119,146	35.20	4,193,936	119,146	35.20	4,193,936	119,146	35.20	4,193,936	300,286	4,494,222	41.00	4,884,982	8.69%
1 - Meter	60,223	59.80	3,601,311	60,223	59.80	3,601,311	60,223	59.80	3,601,311	257,854	3,859,165	69.70	4,197,515	8.77%
1 1/2 - Meter	1,559	115.20	179,597	1,559	115.20	179,597	1,559	115.20	179,597	12,859	192,456	134.20	209,218	8.71%
2 - Meter	579	164.00	94,907	579	164.00	94,907	579	164.00	94,907	6,795	101,702	191.10	110,590	8.74%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	-	536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
5/8,3/4 - Meter	564	22.72	12,823	564	22.72	12,823	564	22.72	12,823	918	13,741	26.11	14,736	7.24%
5/8,1 - Meter	129,405	23.07	2,985,362	129,405	23.07	2,985,362	129,405	23.07	2,985,362	213,752	3,199,114	26.46	3,424,043	7.03%
5/8,1-1/2 - Meter	22,900	26.40	604,552	22,900	26.40	604,552	22,900	26.40	604,552	43,286	647,838	29.79	682,182	5.30%
5/8,2 - Meter	444	28.51	12,664	444	28.51	12,664	444	28.51	12,664	907	13,571	31.90	14,170	4.42%
3/4,1 - Meter	1,164	37.76	43,949	1,164	37.76	43,949	1,164	37.76	43,949	3,147	47,096	43.56	50,699	7.65%
3/4,1-1/2 - Meter	1,896	41.09	77,923	1,896	41.09	77,923	1,896	41.09	77,923	5,579	83,502	46.89	88,922	6.49%
3/4,2 - Meter	84	43.20	3,633	84	43.20	3,633	84	43.20	3,633	260	3,893	49.00	4,121	5.85%
1,1 - Meter	630	62.36	39,281	630	62.36	39,281	630	62.36	39,281	2,813	42,094	72.26	45,517	8.13%
1,1-1/2 - Meter	1,608	65.69	105,649	1,608	65.69	105,649	1,608	65.69	105,649	7,564	113,213	75.59	121,571	7.38%
1,2 - Meter	348	67.80	23,594	348	67.80	23,594	348	67.80	23,594	1,689	25,283	77.70	27,040	6.95%
1-1/2,1 - Meter	12	105.06	1,261	12	105.06	1,261	12	105.06	1,261	90	1,351	114.96	1,380	2.12%
1-1/2,1-1/2 - Meter		108.39	-	-	108.39	-	-	108.39	-	-	-	118.29	-	0.00%
1-1/2,2 - Meter	24	110.50	2,652	24	110.50	2,652	24	110.50	2,652	190	2,842	120.40	2,890	1.69%
2,1-1/2 - Meter	12	143.89	1,727	12	143.89	1,727	12	143.89	1,727	124	1,851	153.79	1,845	-0.31%
2,2 - Meter	12	146.00	1,752	12	146.00	1,752	12	146.00	1,752	125	1,877	155.90	1,871	-0.34%
Subtotal	4,529,358		$ 97,897,792	4,574,649		$ 98,826,711	4,594,257		$ 99,228,871	$ 7,104,787	$ 106,333,658		$ 115,545,453	
Unmetered Customers	93	$ 83.00	$ 7,736	93	$ 83.00	$ 7,736	93	$ 83.00	7,736	$ 554	$ 8,289	$ 97.01	$ 9,041	9.07%
Usage in Blocks (in 100 Gallons)														
Block 1	80,002,549	$ 1.3050	$ 104,403,327	80,186,749	$ 1.3050	$ 104,643,708	80,208,389	$ 1.3050	104,671,947	$ 7,494,511	$ 112,166,458	$ 1.7349	$ 139,153,533	24.06%
Block 2	98,448,102	1.5451	152,112,163	98,527,308	1.5451	152,234,544	98,244,095	1.5451	151,796,951	10,868,662	162,665,613	2.0540	201,793,370	24.05%
Subtotal	178,450,652		256,515,490	178,714,058		256,878,252	178,452,483		256,468,898	$ 18,363,173	$ 274,832,071		$ 340,946,903	
Usage with no Blocks (in 100 Gallons)														
All Usage - Beech Mountain	383,223	0.6158	235,989	383,223	0.6158	235,989	381,315	0.6158	234,814	16,813	251,627	1.1084	422,649	67.97%
All Usage - Bristol Township	218,760	0.8575	187,587	218,760	0.8575	187,587	217,669	0.8575	186,652	13,364	200,016	1.5436	335,995	67.98%
Subtotal	601,983		$ 423,576	601,983		$ 423,576	598,984		$ 421,466	$ 30,177	$ 451,643		$ 758,644	
RZ 1 Residential Bill Analysis Usage	179,052,635													
Low Income: (HTY Discounts)			(419,923)											
Low Income Discount Tier 1						$ (2,491,792)			$ (4,152,987)	$ (297,354)	$ (4,450,341)		(5,352,894)	20.28%
Low Income Discount Tier 2						(1,093,087)			(1,821,812)	(130,442)	(1,952,254)		(2,296,651)	17.64%
Low Income Discount Tier 3						(712,334)			(1,187,224)	(85,005)	(1,272,229)		(1,422,974)	11.85%
RZ 1 Residential Bill Analysis Revenues			**$ 354,424,671**											
Adjustment (1):														
5/8 - Meter	9,210	$ 20.51	$188,897	19,608	$ 20.51	$402,160	19,608	$ 20.51	402,160	$28,795	$430,955	$ 23.90	$468,631	8.74%
Block 1	184,200	$ 1.3050	240,381	392,160	$ 1.3050	511,769	392,160	$1.3050	511,769	36,643	548,411	$1.7349	$680,358	24.06%
Block 2	79,206	1.5451	122,381	168,629	1.5451	260,548	168,629	1.5451	260,548	18,655	279,204	2.0540	$346,364	24.05%
Adjustment (2):														
Block 1				(370,521)	1.3050	(483,530)	(370,521)	1.3050	(483,530)	(34,621)	(518,151)	1.7349	(642,817)	24.06%
Block 2				(451,842)	1.5451	(698,141)	(451,842)	1.5451	(698,141)	(49,987)	(748,128)	2.0540	(928,084)	24.05%
All Usage - Beech Mountain				(1,908)	0.6158	(1,175)	(1,908)	0.6158	(1,175)	(84)	(1,259)	1.1084	(2,115)	67.97%
All Usage - Bristol Township				(1,091)	0.8575	(935)	(1,091)	0.8575	(935)	(67)	(1,002)	1.5436	(1,683)	67.95%
RZ 1 Residential Annualized/Pro Forma Usage	179,316,041			179,051,468			178,786,895							
RZ 1 Residential Annualized/Pro Forma Revenues			**$ 354,976,330**			**$ 351,829,757**			**$ 348,955,643**	**$ 24,985,224**	**$ 373,940,867**		**$ 448,108,176**	19.83%

Note (1) Adjustment to account for the annualized growth (loss) in customers.
Note (2) Adjustment to account for the impact of declining usage.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	128,418	$ 20.51	$ 2,633,851	129,384	$ 20.51	$ 2,653,664	131,424	$ 20.51	$ 2,695,504	$ 192,998	$ 2,888,502	$ 23.90	$ 3,141,031	8.74%
3/4 - Meter	22,159	35.20	779,997	22,159	35.20	779,997	22,159	35.20	779,997	55,848	835,845	41.00	908,519	8.69%
1 - Meter	38,480	59.80	2,301,122	38,480	59.80	2,301,122	38,480	59.80	2,301,122	164,760	2,465,882	69.70	2,682,077	8.77%
1 1/2 - Meter	27,388	115.20	3,155,040	27,388	115.20	3,155,040	27,388	115.20	3,155,040	225,901	3,380,941	134.20	3,675,403	8.71%
2 - Meter	33,778	164.00	5,539,592	33,778	164.00	5,539,592	33,778	164.00	5,539,592	396,635	5,936,227	191.10	6,454,976	8.74%
3 - Meter	7,520	329.00	2,474,014	7,520	329.00	2,474,014	7,520	329.00	2,474,014	177,139	2,651,154	383.00	2,880,083	8.64%
4 - Meter	5,747	536.00	3,080,124	5,747	536.00	3,080,124	5,747	536.00	3,080,124	220,537	3,300,661	625.00	3,591,563	8.81%
6 - Meter	1,993	1,105.00	2,202,597	1,993	1,105.00	2,202,597	1,993	1,105.00	2,202,597	157,706	2,360,302	1,288.00	2,567,370	8.77%
8 - Meter	527	1,934.00	1,018,444	527	1,934.00	1,018,444	527	1,934.00	1,018,444	72,921	1,091,365	2,254.00	1,186,956	8.76%
10 - Meter	73	2,858.00	209,206	73	2,858.00	209,206	73	2,858.00	209,206	14,979	224,185	3,330.00	243,756	8.73%
Subtotal	266,082		$ 23,393,987	267,048		$ 23,413,800	269,088		$23,455,640	$ 1,679,424	$ 25,135,063		$ 27,331,734	
Usage in Blocks (in 100 Gallons)														
Block 1	13,635,308	$ 1.4017	$ 19,112,612	13,653,179	$ 1.4017	$ 19,137,662	13,690,919	$ 1.4017	$ 19,190,562	$ 1,374,044	$ 20,564,606	$ 1.8048	$ 24,709,371	20.15%
Block 2	15,039,159	1.2315	18,520,724	15,039,159	1.2315	18,520,724	15,039,159	1.2315	18,520,724	1,326,084	19,846,808	1.5857	23,847,594	20.16%
Block 3	46,064,408	1.0217	47,064,006	46,064,408	1.0217	47,064,006	46,064,408	1.0217	47,064,006	3,369,783	50,433,788	1.3155	60,597,729	20.15%
Block 4	25,245,398	0.9351	23,606,972	25,245,398	0.9351	23,606,972	25,245,398	0.9351	23,606,972	1,690,259	25,297,231	1.2040	30,395,459	20.15%
Subtotal	99,984,273		108,304,314	100,002,144		108,329,364	100,039,884		$ 108,382,263	$ 7,760,170	$ 116,142,433		$ 139,550,153	
Usage with no Blocks (in 100 Gallons)														
All Usage - CC Gardens & Sand Springs	20,862	1.4017	29,242	20,862	1.4017	29,242	20,862	1.4017	$ 29,242	2,094	31,336	1.8635	38,876	24.06%
All Usage - Beech Mountain	21,300	0.6158	13,117	21,300	0.6158	13,117	21,300	0.6158	13,117	939	14,056	1.1084	23,609	67.97%
All Usage - Bristol Township	273,700	1.4017	383,645	273,700	1.4017	383,645	273,700	1.4017	383,645	27,469	411,114	1.8048	493,974	20.15%
Bulk Commercial Usage	84,520	1.4017	118,472	84,520	1.4017	118,472	84,520	1.4017	118,472	8,483	126,954	1.8048	152,542	20.16%
Subtotal	400,382		$ 544,476	400,382		$ 544,476	400,382		$ 544,476	$ 38,984	$ 583,460		$ 709,001	
RZ 1 Commercial Bill Analysis Usage	100,384,655													
RZ 1 Commercial Bill Analysis Revenues			**$ 132,242,777**											
Adjustment (1):														
5/8 - Meter	966	$ 20.51	$19,813	2,040	$ 20.51	$ 41,840	2,040	20.51	$ 41,840	$ 2,996	$ 44,836	$ 23.90	$ 48,756	8.74%
Block 1	17,871	1.4017	25,050	37,740	1.4017	52,900	37,740	1.40	52,900	3,788	56,688	$ 1.8048	68,113	20.15%
RZ 1 Commercial Annualized/Pro Forma Usage	100,402,526			100,440,266			100,478,006							
RZ 1 Commercial Revenues			**$ 132,287,640**			**$ 132,382,380**			**$ 132,477,119**	**$ 9,485,362**	**$ 141,962,481**		**$ 167,707,757**	**18.14%**

Rate Zone 1 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Bill Analysis (BA) @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	2,155	$ 20.51	$ 44,191	2,155	$ 20.51	$ 44,191	2,155	$ 20.51	$ 44,191	$ 3,164	$ 47,355	$ 23.90	$ 51,495	8.74%
3/4 - Meter	545	35.20	19,180	545	35.20	19,180	545	35.20	19,180	1,373	20,554	41.00	22,341	8.70%
1 - Meter	1,949	59.80	116,556	1,949	59.80	116,556	1,949	59.80	116,556	8,345	124,902	69.70	135,852	8.77%
1 1/2 - Meter	667	115.20	76,804	667	115.20	76,804	667	115.20	76,804	5,499	82,303	134.20	89,471	8.71%
2 - Meter	1,664	164.00	272,830	1,664	164.00	272,830	1,664	164.00	272,830	19,535	292,365	191.10	317,914	8.74%
3 - Meter	371	329.00	121,927	371	329.00	121,927	371	329.00	121,927	8,730	130,657	383.00	141,940	8.64%
4 - Meter	529	536.00	283,276	529	536.00	283,276	529	536.00	283,276	20,283	303,559	625.00	330,313	8.81%
6 - Meter	362	1,105.00	400,342	362	1,105.00	400,342	362	1,105.00	400,342	28,664	429,006	1,288.00	466,642	8.77%
8 - Meter	72	1,934.00	140,022	72	1,934.00	140,022	72	1,934.00	140,022	10,026	150,047	2,254.00	163,190	8.76%
10 - Meter	61	2,858.00	172,909	61	2,858.00	172,909	61	2,858.00	172,909	12,380	185,289	3,330.00	201,465	8.73%
Subtotal	8,373		$ 1,648,037	8,373		$ 1,648,037	8,373		$ 1,648,037	$ 117,999	$ 1,766,037		$ 1,920,623	
Usage (in 100 Gallons)														
Block 1	489,100	$ 1.4017	$ 685,572.0	489,100	$ 1.4017	$ 685,572.0	489,100	$ 1.4017	$ 685,572	$ 49,087.0	$ 734,659.0	$ 1.8048	$ 882,728.0	20.15%
Block 2	602,002	1.2315	741,365	602,002	1.2315	741,365	602,002	1.2315	741,365	53,082	794,447	1.5857	954,594	20.16%
Block 3	2,722,912	1.0217	2,781,999	2,722,912	1.0217	2,781,999	2,722,912	1.0217	2,781,999	199,191	2,981,190	1.3155	3,581,990	20.15%
Block 4	5,912,564	0.9351	5,528,839	5,912,564	0.9351	5,528,839	5,912,564	0.9351	5,528,839	395,865	5,924,704	1.2040	7,118,727	20.15%
Block 5	3,735,731	0.9104	3,401,010	3,735,731	0.9104	3,401,010	3,735,731	0.9104	3,401,010	243,512	3,644,522	1.2040	4,497,820	23.41%
Block 6	5,593,775	0.7283	4,073,946	5,593,775	0.7283	4,073,946	5,593,775	0.7283	4,073,946	291,695	4,365,641	0.9682	5,415,893	24.06%
Subtotal	19,056,084		$ 17,212,731	19,056,084		$ 17,212,731	19,056,084		$ 17,212,731	$ 1,232,432	$ 18,445,163		$ 22,451,752	
RZ 1 Industrial Bill Analysis Usage	19,056,084													
RZ 1 Industrial Bill Analysis Revenues			**$ 18,860,768**											
RZ 1 Industrial Annualized/Pro Forma Usage	19,056,084			19,056,084			19,056,084							
RZ 1 Industrial Annualized/Pro Forma Revenues			**$ 18,860,768**			**$ 18,860,768**			**$ 18,860,768**	**$ 1,350,431**	**$ 20,211,199**		**$ 24,372,375**	**20.59%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Rate Zone 1 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Bill Analysis (BA) @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	3,900	$ 20.51	$ 79,997	3,900	$ 20.51	$ 79,997	3,900	$ 20.51	$ 79,997	$ 5,728	$ 85,725	$ 23.90	$ 93,220	8.74%
3/4 - Meter	1,093	35.20	38,481	1,093	35.20	38,481	1,093	35.20	38,481	2,755	41,236	41.00	44,821	8.69%
1 - Meter	2,469	59.80	147,622	2,469	59.80	147,622	2,469	59.80	147,622	10,570	158,192	69.70	172,061	8.77%
1 1/2 - Meter	1,146	115.20	132,042	1,146	115.20	132,042	1,146	115.20	132,042	9,454	141,496	134.20	153,820	8.71%
2 - Meter	2,595	164.00	425,514	2,595	164.00	425,514	2,595	164.00	425,514	30,467	455,981	191.10	495,828	8.74%
3 - Meter	1,463	329.00	481,294	1,463	329.00	481,294	1,463	329.00	481,294	34,461	515,755	383.00	560,291	8.64%
4 - Meter	999	536.00	535,357	999	536.00	535,357	999	536.00	535,357	38,332	573,688	625.00	624,250	8.81%
6 - Meter	168	1,105.00	185,861	168	1,105.00	185,861	168	1,105.00	185,861	13,308	199,169	1,288.00	216,642	8.77%
8 - Meter	87	1,934.00	168,645	87	1,934.00	168,645	87	1,934.00	168,645	12,075	180,720	2,254.00	196,549	8.76%
10 - Meter	12	2,858.00	34,296	12	2,858.00	34,296	12	2,858.00	34,296	2,456	36,752	3,330.00	39,960	8.73%
Subtotal	13,932		$ 2,229,109	13,932		$ 2,229,109	13,932		$ 2,229,109	$ 159,604	$ 2,388,714		$ 2,597,442	
Usage (in 100 Gallons)														
Block 1	644,586	$ 1.4017	$ 903,516	644,586	$ 1.4017	$ 903,516	644,586	$ 1.4017	$ 903,516	$ 64,692	$ 968,208	$ 1.8048	$ 1,163,349	20.15%
Block 2	795,246	1.2315	979,345	795,246	1.2315	979,345	795,246	1.2315	979,345	70,121	1,049,466	1.5857	1,261,021	20.16%
Block 3	2,358,083	1.0163	2,396,520	2,358,083	1.0163	2,396,520	2,358,083	1.0163	2,396,520	171,591	2,568,111	1.3511	3,186,006	24.06%
Block 4	2,326,317	0.9301	2,163,707	2,326,317	0.9301	2,163,707	2,326,317	0.9301	2,163,707	154,921	2,318,628	1.2365	2,876,490	24.06%
Subtotal	6,124,231		$ 6,443,088	6,124,231		$ 6,443,088	6,124,231		$ 6,443,088	$ 461,325	$ 6,904,413		$ 8,486,866	
RZ 1 Public Bill Analysis Usage	6,124,231													
RZ 1 Public Bill Analysis Revenues			**$ 8,672,197**											
RZ 1 Public Annualized/Pro Forma Usage	6,124,231			6,124,231			6,124,231							
RZ 1 Public Annualized/Pro Forma Revenues			**$ 8,672,197**			**$ 8,672,197**			**$ 8,672,198**	**$ 620,929**	**$ 9,293,127**		**$ 11,084,308**	**19.27%**

Rate Zone 1 - Sales for Resale	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Bill Analysis (BA) @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
1 - Meter	8	$ 20.51	$ 164	8	$ 20.51	$ 164	8	$ 20.51	$ 164	$ 12	$ 176	$ 23.90	$ 191	8.63%
4 - Meter	24	536.00	12,864	24	536.00	12,864	24	536.00	12,864	921	13,785	625.00	15,000	8.81%
Subtotal	32		$ 13,028	32		$ 13,028	32		$ 13,028	$ 933	$ 13,961		$ 15,191	
Usage (in 100 Gallons)														
All Usage	2,588	$ 1.4017	$3,628	2,588	$ 1.4017	$ 3,628	2,588	$ 1.4017	$ 3,628	$ 260	$ 3,887	$ 1.8048	$ 4,671	20.16%
RZ 1 Sales for Resale Annualized/Pro Forma Usage	2,588													
RZ 1 Sales for Resale Bill Analysis Revenues			**$ 16,656**											
RZ 1 Sales for Resale Annualized/Pro Forma Usage	2,588			2,588			2,588							
RZ 1 Sales for Resale Annualized/Pro Forma Revenues			**$ 16,656**			**$ 16,656**			**$ 16,656**	**$ 1,193**	**$ 17,848**		**$ 19,862**	**11.28%**

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Rate Zone 2	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	4,182,060	110,357	$ 7,904,287	4,161,469	110,357	$ 7,830,448	4,140,877	110,357	$ 7,769,275	$ 556,280	$ 8,325,555	$ 10,286,400	23.55%
Commercial	428,763	3,304	717,387	428,763	3,304	717,387	428,763	3,304	717,386	51,365	768,751	990,706	28.87%
Industrial	25,577	60	37,399	25,577	60	37,399	25,577	60	37,399	2,678	40,077	47,101	17.53%
Public	19,697	156	52,616	19,697	156	52,616	19,697	156	52,616	3,767	56,383	64,534	14.46%
Total Rate Zone 2	4,656,097	113,877	$ 8,711,689	4,635,505	113,877	$ 8,637,850	4,614,914	113,877	$ 8,576,676	$ 614,090	$ 9,190,766	$ 11,388,741	23.92%

Rate Zone 2 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	108,591	$ 20.51	$ 2,227,199	108,591	$ 20.51	$ 2,227,199	108,591	$ 20.51	$ 2,227,199	$ 159,467	$ 2,386,667	$ 23.90	$ 2,595,323	8.74%
3/4 - Meter	149	35.20	5,255	149	35.20	5,255	149	35.20	5,255	376	5,632	41.00	6,121	8.69%
1 - Meter	516	59.80	30,857	516	59.80	30,857	516	59.80	30,857	2,209	33,066	69.70	35,965	8.77%
1 1/2 - Meter	-	115.20	-	-	115.20	-	-	115.20	-	-	-	134.20	-	0.00%
2 - Meter	12	164.00	1,968	12	164.00	1,968	12	164.00	1,968	141	2,109	191.10	2,293	8.73%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	-	536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
5/8,3/4 - Meter	348	22.72	7,907	348	22.72	7,907	348	22.72	7,907	566	8,473	26.11	9,086	7.24%
5/8,1 - Meter	716	23.07	16,527	716	23.07	16,527	716	23.07	16,527	1,183	17,711	26.46	18,956	7.03%
5/8,1-1/2 - Meter	12	26.40	317	12	26.40	317	12	26.40	317	23	339	29.79	357	5.16%
5/8,2 - Meter	12	28.51	342	12	28.51	342	12	28.51	342	24	367	31.90	383	4.47%
Subtotal	110,357		$ 2,290,372	110,357		$ 2,290,372	110,357		$ 2,290,372	$ 163,991	$ 2,454,363		$ 2,668,484	
Unmetered Customers	-	$ 83.00	$ -	-	$ 83.00	$ -	-	$ 83.00		$ -	$ -	$ 97.01	$ -	0.00%
Usage in Blocks (in 100 Gallons)														
Block 1	1,530,300	$ 1.3050	$ 1,997,041	1,530,300	$ 1.3050	$ 1,997,041	1,522,791	$ 1.3050	$ 1,987,242	$ 142,287	$ 2,129,529	$ 1.7349	$ 2,641,890	24.06%
Block 2	1,873,988	1.5451	2,895,498	1,873,988	1.5451	2,895,498	1,864,783	1.5451	2,881,277	206,299	3,087,576	2.0540	3,830,265	24.05%
Subtotal	3,404,288		4,892,539	3,404,288		4,892,539	3,387,574		4,868,519	348,586	5,217,105		6,472,155	
Usage with no Blocks (in 100 Gallons)														
All Usage - Concord Park	70,611	1.0566	74,608	70,611	1.0566	74,608	70,258	1.0566	74,235	5,315	79,550	1.7349	121,891	53.23%
								1.0566				1.7349		
All Usage - Treasure Lake	707,161	0.9204	650,871	707,161	0.9204	650,871	703,636	0.9204	647,627	46,370	693,997	1.6567	1,165,714	67.97%
								0.9204				1.6567		
Subtotal	777,772		$ 725,479	777,772		$ 725,479	773,894		$ 721,861	$ 51,685	$ 773,547		$ 1,287,605	
RZ 2 Residential Bill Analysis Usage	4,182,060													
Low Income:			(4,103)											
Low Income Discount Tier 1						($28,632)			($47,720)	($3,417)	($51,137)		($59,993)	17.32%
Low Income Discount Tier 2						(12,920)			(21,534)	(1,542)	(23,076)		($26,468)	14.70%
Low Income Discount Tier 3						(8,752)			(14,586)	(1,044)	(15,630)		($16,997)	8.74%
RZ 2 Residential Bill Analysis Revenues			**$ 7,904,287**											
Adjustment (1):														
Block 1				(7,509)	$1.3050	(9,799)	(7,509)	$1.3050	($9,799)	($702)	($10,501)	$1.7349	($13,027)	24.06%
Block 2				(9,204)	1.5451	(14,222)	(9,204)	1.5451	(14,222)	(1,018)	(15,240)	$2.0540	(18,906)	24.06%
All Usage - Concord Park				(353)	1.0566	(373)	(353)	1.0566	(373)	(27)	(400)	$1.7349	(613)	53.35%
All Usage - Treasure Lake				(3,525)	0.9204	(3,244)	(3,525)	0.9204	(3,244)	(232)	(3,477)	$1.6567	(5,840)	67.98%
RZ 2 Residential Annualized/Pro Forma Usage	4,182,060			4,161,469			4,140,877							
RZ 2 Residential Annualized/Pro Forma Revenues			**$ 7,904,287**			**$ 7,830,448**			**$ 7,769,275**	**$ 556,280**	**$ 8,325,555**		**$ 10,286,400**	**24.00%**

Note (1) Adjustment to account for the impact of declining usage.

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APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 2 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	1,978	$ 20.51	$ 40,567	1,978	$ 20.51	$ 40,567	1,978	$ 20.51	$ 40,567	$ 2,905	$ 43,471	$ 23.90	$ 47,272	8.74%
3/4 - Meter	36	35.20	1,267	36	35.20	1,267	36	35.20	1,267	91	1,358	41.00	1,476	8.69%
1 - Meter	795	59.80	47,511	795	59.80	47,511	795	59.80	47,511	3,402	50,913	69.70	55,377	8.77%
1 1/2 - Meter	96	115.20	11,059	96	115.20	11,059	96	115.20	11,059	792	11,851	134.20	12,883	8.71%
2 - Meter	264	164.00	43,214	264	164.00	43,214	264	164.00	43,214	3,094	46,308	191.10	50,355	8.74%
3 - Meter	52	329.00	17,141	52	329.00	17,141	52	329.00	17,141	1,227	18,368	383.00	19,954	8.63%
4 - Meter	60	536.00	32,106	60	536.00	32,106	60	536.00	32,106	2,299	34,405	625.00	37,438	8.81%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter	24	1,934.00	46,416	24	1,934.00	46,416	24	1,934.00	46,416	3,323	49,739	2,254.00	54,096	8.76%
10 - Meter	-	2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	3,304		$ 239,281	3,304		$ 239,281	3,304		$ 239,282	$ 17,133	$ 256,414		$ 278,851	
Usage in Blocks (in 100 Gallons)														
Block 1	117,369	$ 1.4017	$ 164,517	117,369	$ 1.4017	$ 164,517	117,369	$ 1.4017	$ 164,517	$ 11,779	$ 176,296	$ 1.8048	$ 211,828	20.15%
Block 2	54,904	1.2315	67,614	54,904	1.2315	67,614	54,904	1.2315	67,614	4,841	72,455	1.5857	87,061	20.16%
Block 3	44,184	1.0217	45,143	44,184	1.0217	45,143	44,184	1.0217	45,143	3,232	48,375	1.3155	58,124	20.15%
Block 4	-	0.9351	-	-	0.9351	-	-	0.9351	-	-	-	1.2040	-	0.00%
Subtotal	216,457		277,274	216,457		277,274	216,457		277,273	19,853	297,126		357,013	
Usage with no Blocks (in 100 Gallons)														
All Usage - Concord Park	39,833	1.0566	42,088	39,833	1.0566	42,088	39,833	1.0566	42,088	3,013	45,101	1.7349	69,106	53.22%
All Usage - Treasure Lake	172,473	0.9204	158,744	172,473	0.9204	158,744	172,473	0.9204	158,744	11,366	170,110	1.6567	285,736	67.97%
Subtotal	212,306		$ 200,832	212,306		$ 200,832	212,306		$ 200,832	$ 14,380	$ 215,211		$ 354,842	
RZ 2 Commercial Bill Analysis Usage	428,763													
RZ 2 Commercial Bill Analysis Revenues			**$ 717,387**											
RZ 2 Commercial Annualized/Pro Forma Usage	428,763			428,763			428,763							
RZ 2 Commercial Revenues			**$ 717,387**			**$ 717,387**			**$ 717,386**	**$ 51,365**	**$ 768,751**		**$ 990,706**	**28.87%**

Rate Zone 2 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	-	$ 20.51	$ -	-	$ 20.51	$ -	-	$ 20.51	$ -	$ -	$ -	$ 23.90	$ -	0.00%
3/4 - Meter	-	35.20	-	-	35.20	-	-	35.20	-	-	-	41.00	-	0.00%
1 - Meter	12	59.80	718	12	59.80	718	12	59.80	718	51	769	69.70	836	8.72%
1 1/2 - Meter	-	115.20	-	-	115.20	-	-	115.20	-	-	-	134.20	-	0.00%
2 - Meter	48	164.00	7,888	48	164.00	7,888	48	164.00	7,888	565	8,453	191.10	9,192	8.74%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	-	536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter	-	1,934.00	-	-	1,934.00	-	-	1,934.00	-	-	-	2,254.00	-	0.00%
10 - Meter	-	2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	60		$ 8,606	60		$ 8,606	60		$ 8,606	$ 616	$ 9,222		$ 10,028	
Usage (in 100 Gallons)														
Block 1	3,924	$ 1.4017	$ 5,500.0	3,924	$ 1.4017	$ 5,500.0	3,924	$ 1.4017	$ 5,500.3	$ 393.8	$ 5,894.1	$ 1.8048	$ 7,082.0	20.15%
Block 2	5,576	1.2315	6,867	5,576	1.2315	6,867	5,576	1.2315	6,867	492	7,359	1.5857	8,842	20.16%
Block 3	16,077	1.0217	16,426	16,077	1.0217	16,426	16,077	1.0217	16,426	1,176	17,602	1.3155	21,149	20.15%
Block 4	-	0.9351	-	-	0.9351	-	-	0.9351	-	-	-	1.2040	-	0.00%
Block 5	-	0.9104	-	-	0.9104	-	-	0.9104	-	-	-	1.2040	-	0.00%
Block 6	-	0.7283	-	-	0.7283	-	-	0.7283	-	-	-	0.9682	-	0.00%
Subtotal	25,577		$ 28,793	25,577		$ 28,793	25,577		$ 28,793	$ 2,062	$ 30,855		$ 37,073	
RZ 2 Industrial Bill Analysis Usage	25,577													
RZ 2 Industrial Bill Analysis Revenues			**$ 37,399**											
RZ 2 Industrial Annualized/Pro Forma Usage	25,577			25,577			25,577							
RZ 2 Industrial Annualized/Pro Forma Revenues			**$ 37,399**			**$ 37,399**			**$ 37,399**	**$ 2,678**	**$ 40,077**		**$ 47,101**	**18.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 2 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	24	$ 20.51	$ 492	24	$ 20.51	$ 492	24	$ 20.51	$ 492	$ 35	$ 527	$ 23.90	$ 574	8.82%
3/4 - Meter	-	35.20	-	-	35.20	-	-	35.20	-	-	-	41.00	-	0.00%
1 - Meter	60	59.80	3,570	60	59.80	3,570	60	59.80	3,570	256	3,826	69.70	4,161	8.77%
1 1/2 - Meter	12	115.20	1,382	12	115.20	1,382	12	115.20	1,382	99	1,481	134.20	1,610	8.68%
2 - Meter	24	164.00	3,969	24	164.00	3,969	24	164.00	3,969	284	4,253	191.10	4,625	8.75%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	36	536.00	19,296	36	536.00	19,296	36	536.00	19,296	1,382	20,678	625.00	22,500	8.81%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter	-	1,934.00	-	-	1,934.00	-	-	1,934.00	-	-	-	2,254.00	-	0.00%
10 - Meter	-	2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	156		$ 28,709	156		$ 28,709	156		$ 28,710	$ 2,056	$ 30,765		$ 33,470	
Usage (in 100 Gallons)														
Block 1	5,874	$ 1.4017	$ 8,234	5,874	$ 1.4017	$ 8,234	5,874	$ 1.4017	$ 8,234	$ 590	$ 8,823	$ 1.8048	$ 10,601	20.15%
Block 2	7,542	1.2315	9,288	7,542	1.2315	9,288	7,542	1.2315	9,288	665	9,953	1.5857	11,959	20.15%
Block 3	6,241	1.0163	6,343	6,241	1.0163	6,343	6,241	1.0163	6,343	454	6,797	1.3511	8,432	24.06%
Block 4	-	0.9301	-	-	0.9301	-	-	0.9301	-	-	-	1.2365	-	0.00%
Subtotal	19,657		$ 23,865	19,657		$ 23,865	19,657		$ 23,864	$ 1,709	$ 25,573		$ 30,992	
Usage with no Blocks (in 100 Gallons)														
All Usage - Concord Park	40	$ 1.0566	$ 42	40	$ 1.0566	$ 42	40	$ 1.0566	$ 42	$ 3	$ 45	$ 1.8048	$ 72	58.98%
Subtotal	40		$ 42	40		$ 42	40		$ 42	$ 3	$ 45		$ 72	
RZ 2 Public Bill Analysis Usage	19,697													
RZ 2 Public Bill Analysis Revenues			**$ 52,616**											
RZ 2 Public Annualized/Pro Forma Usage	19,697			19,697			19,697							
RZ 2 Public Annualized/Pro Forma Revenues			**$ 52,616**			**$ 52,616**			**$ 52,616**	**$ 3,767**	**$ 56,383**		**$ 64,534**	**14.46%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 3	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	1,229,730	66,934	$ 3,615,730	1,223,595	66,934	$ 3,478,175	1,217,459	66,934	$ 3,381,772	$ 242,135	$ 3,623,907	$ 4,086,696	12.77%
Commercial	155,130	1,115	251,717	155,130	1,115	251,717	155,130	1,115	251,718	18,023	269,741	314,510	16.60%
Industrial	6,154	12	7,696	6,154	12	7,696	6,154	12	7,696	551	8,247	9,845	19.38%
Total Rate Zone 3	1,391,014	68,061	$ 3,875,143	1,384,879	68,061	$ 3,737,588	1,378,743	68,061	$ 3,641,186	$ 260,709	$ 3,901,895	$ 4,411,051	13.05%

Rate Zone 3 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	66,561	$ 30.51	$ 2,030,773	66,561	$ 30.51	$ 2,030,773	66,561	$ 30.51	$ 2,030,773	$ 145,403	$ 2,176,176	$ 33.90	$ 2,256,415	3.69%
3/4 - Meter	180	30.51	5,498	180	30.51	5,498	180	30.51	5,498	394	5,892	33.90	6,109	3.69%
1 - Meter	168	59.80	10,052	168	59.80	10,052	168	59.80	10,052	720	10,772	69.70	11,717	8.77%
1 1/2 - Meter		115.20	-	-	115.20	-	-	115.20	-	-	-	134.20	-	0.00%
2 - Meter	12	164.00	1,968	12	164.00	1,968	12	164.00	1,968	141	2,109	191.10	2,293	8.73%
3 - Meter		329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter		536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter		1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
Subtotal	66,921		$ 2,048,291	66,921		$ 2,048,291	66,921		$ 2,048,291	$ 146,658	$ 2,194,949		$ 2,276,534	
Unmetered Customers	13	$ 83.00	$ 1,079	13	$ 83.00	$ 1,079	13	$ 83.00	$ 1,079	$ 77	$ 1,156	$ 97.01	$ 1,261	9.06%
Usage (in 100 Gallons)														
Block 1	1,026,592	$ 1.2231	$ 1,255,625	1,026,592	$ 1.2231	$ 1,255,625	1,021,470	$ 1.2231	$ 1,249,359	$ 89,454	$ 1,338,814	$ 1.6307	$ 1,665,703	24.42%
Block 2	203,138	1.5451	313,869	203,138	1.5451	313,869	202,125	1.5451	312,304	22,361	334,665	2.0540	415,165	24.05%
Subtotal	1,229,730		$ 1,569,494	1,229,730		$ 1,569,494	1,223,595		$ 1,561,663	$ 111,815	$ 1,673,478		$ 2,080,868	
RZ 3 Residential Bill Analysis Usage	1,229,730													
Low Income:			(3,134)											
Low Income Discount Tier 1						($69,086)			($115,144)	($8,244)	($123,388)		($139,379)	12.96%
Low Income Discount Tier 2						(37,841)			(63,068)	(4,516)	(67,583)		($74,114)	9.66%
Low Income Discount Tier 3						(25,932)			(43,219)	(3,095)	(46,314)		($48,039)	3.73%
RZ 3 Residential Bill Analysis Revenues			**$ 3,615,730**											
Adjustment (1):														
Block 1				(5,123)	$1.2231	(6,265)	(5,123)	$1.2231	($6,265)	($449)	($6,714)	$1.6307	($8,353)	24.41%
Block 2				(1,013)	1.5451	(1,565)	(1,013)	1.5451	(1,565)	(112)	(1,677)	$2.0540	(2,081)	24.07%
RZ 3 Residential Annualized/Pro Forma Usage	1,229,730			1,223,595			1,217,459							
RZ 3 Residential Annualized/Pro Forma Revenues			**$ 3,615,730**			**$ 3,478,175**			**$ 3,381,772**	**$ 242,135**	**$ 3,623,907**		**$ 4,086,696**	**12.77%**

Note (1) Adjustment to account for the impact of declining usage.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 3 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	716	$ 30.51	$ 21,848	716	$ 30.51	$ 21,848	716	$ 30.51	$ 21,848	$ 1,564	$ 23,413	$ 33.90	$ 24,276	3.69%
3/4 - Meter	36	30.51	1,098	36	30.51	1,098	36	30.51	1,098	79	1,177	33.90	1,220	3.65%
1 - Meter	138	59.80	8,270	138	59.80	8,270	138	59.80	8,270	592	8,862	69.70	9,640	8.77%
1 1/2 - Meter	36	115.20	4,147	36	115.20	4,147	36	115.20	4,147	297	4,444	134.20	4,831	8.70%
2 - Meter	177	164.00	28,962	177	164.00	28,962	177	164.00	28,962	2,074	31,036	191.10	33,748	8.74%
3 - Meter	12	329.00	3,948	12	329.00	3,948	12	329.00	3,948	283	4,231	383.00	4,596	8.64%
4 - Meter		536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter		1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter		1,934.00	-	-	1,934.00	-	-	1,934.00	-	-	-	2,254.00	-	0.00%
10 - Meter		2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	1,115		$ 68,273	1,115		$ 68,273	1,115		$ 68,275	$ 4,888	$ 73,163		$ 78,311	
Usage (in 100 Gallons)														
Block 1	44,190	$ 1.4017	$ 61,942	44,190	$ 1.4017	$ 61,942	44,190	$ 1.4017	$ 61,942	$ 4,435	$ 66,377	$ 1.8048	$ 79,755	20.16%
Block 2	41,242	1.2315	50,790	41,242	1.2315	50,790	41,242	1.2315	50,790	3,637	54,426	1.5857	65,398	20.16%
Block 3	63,952	1.0217	65,339	63,952	1.0217	65,339	63,952	1.0217	65,339	4,678	70,018	1.3155	84,128	20.15%
Block 4	5,746	0.9351	5,373	5,746	0.9351	5,373	5,746	0.9351	5,373	385	5,758	1.2040	6,918	20.15%
Subtotal	155,130		$ 183,444	155,130		$ 183,444	155,130		$ 183,444	$ 13,135	$ 196,578		$ 236,199	
RZ 3 Commercial Bill Analysis Usage	155,130													
RZ 3 Commercial Bill Analysis Revenues			**$ 251,717**											
RZ 3 Commercial Annualized/Pro Forma Usage	155,130			155,130			155,130							
RZ 3 Commercial Revenues			**$ 251,717**			**$ 251,717**			**$ 251,718**	**$ 18,023**	**$ 269,741**		**$ 314,510**	**16.60%**

Rate Zone 3 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	12	$ 30.51	$ 366	12	$ 30.51	$ 366	12	$ 30.51	$ 366	$ 26	$ 392	$ 33.90	$ 407	3.74%
3/4 - Meter	-	30.51	-	-	30.51	-	-	30.51	-	-	-	33.90	-	0.00%
1 - Meter	-	59.80	-	-	59.80	-	-	59.80	-	-	-	69.70	-	0.00%
1 1/2 - Meter	-	115.20	-	-	115.20	-	-	115.20	-	-	-	134.20	-	0.00%
2 - Meter	-	164.00	-	-	164.00	-	-	164.00	-	-	-	191.10	-	0.00%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	-	536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter	-	1,934.00	-	-	1,934.00	-	-	1,934.00	-	-	-	2,254.00	-	0.00%
10 - Meter	-	2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	12		$ 366	12		$ 366	12		$ 366	$ 26	$ 392		$ 407	
Usage (in 100 Gallons)														
Block 1	1,200	$ 1.4017	$ 1,682.0	1,200	$ 1.4017	$ 1,682	1,200	$ 1.4017	$ 1,682	$ 120	$ 1,802	$ 1.8048	$ 2,166	20.17%
Block 2	2,795	1.2315	3,442	2,795	1.2315	3,442	2,795	1.2315	3,442	246	3,688	1.5857	4,432	20.16%
Block 3	2,159	1.0217	2,206	2,159	1.0217	2,206	2,159	1.0217	2,206	158	2,364	1.3155	2,840	20.15%
Block 4	-	0.9351	-	-	0.9351	-	-	0.9351	-	-	-	1.2040	-	0.00%
Block 5	-	0.9104	-	-	0.9104	-	-	0.9104	-	-	-	1.2040	-	0.00%
Block 6	-	0.7283	-	-	0.7283	-	-	0.7283	-	-	-	0.9682	-	0.00%
Subtotal	6,154		$ 7,330	6,154		$ 7,330	6,154		$ 7,330	$ 525	$ 7,855		$ 9,438	
RZ 3 Industrial Bill Analysis Usage	6,154													
RZ 3 Industrial Bill Analysis Revenues			**$ 7,696**											
RZ 3 Industrial Annualized/Pro Forma Usage	6,154			6,154			6,154							
RZ 3 Industrial Annualized/Pro Forma Revenues			**$ 7,696**			**$ 7,696**			**$ 7,696**	**$ 551**	**$ 8,247**		**$ 9,845**	**19.38%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
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Bunker Hill and Sun Valley Divisions	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Bunker Hill - Residential	32,438	833	$ 31,380	32,438	833	$ 31,429	32,438	833	$ 31,427	$ 2,250	$ 33,677	$ 54,998	63.00%
Sun Valley - Residential	23,684	750	25,333	23,684	750	25,330	23,684	750	25,331	1,814	27,144	44,324	63.00%
Total Zone 3	56,122	1,582	$ 56,713	56,122	1,582	$ 56,758	56,122	1,582	$ 56,758	$ 4,064	$ 60,822	$ 99,322	63.00%

Bunker Hill - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	833	$ 11.80	$ 9,826	833	$ 11.80	$ 9,826	833	$ 11.80	$ 9,826	$ 704	$ 10,529	$ 20.65	$ 17,195	63.00%
Subtotal	833		$ 9,826	833		$ 9,826	833		$ 9,826	$ 704	$ 10,529		$ 17,195	
Usage (in 100 Gallons)														
All Usage	32,438	$ 0.6660	$ 21,604	32,438	$ 0.6660	$ 21,604	32,438	$ 0.6660	$ 21,604	$ 1,547	$ 23,151	$ 1.1655	$ 37,806	63.00%
Subtotal	32,438		$ 21,604	32,438		$ 21,604	32,438		$ 21,604	$ 1,547	$ 23,151		$ 37,806	
RZ Bunker Hill Residential Bill Analysis Usage	32,438													
Low Income:			(50)											
Low Income Discount Tier 1						($1)			($1)	($0)	($1)		($2)	33.00%
Low Income Discount Tier 2						(0)			(1)	(0)	(1)		($1)	32.00%
Low Income Discount Tier 3						(0)			(0)	(0)	(0)		($1)	29.00%
RZ Bunker Hill Residential Bill Analysis Revenues			**$ 31,380**											
RZ Bunker Hill Residential Annualized/Pro Forma Usage	32,438			32,438			32,438							
RZ Bunker Hill Residential Annualized/Pro Forma Revenues			**$ 31,380**			**$ 31,429**			**$ 31,427**	**$ 2,250**	**$ 33,677**		**$ 54,998**	**63.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Sun Valley - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	750	$ 18.00	$ 13,491	750	$ 18.00	$ 13,491	750	$ 18.00	$ 13,491	$ 966	$ 14,457	$ 31.50	$ 23,609	63.00%
Subtotal	750		$ 13,491	750		$ 13,491	750		$ 13,491	$ 966	$ 14,457		$ 23,609	
Usage (in 100 Gallons)														
All Usage	23,684	$ 0.5000	$ 11,842	23,684	$ 0.5000	$ 11,842	23,684	$ 0.5000	$ 11,842	$ 848	$ 12,690	$ 0.8750	$ 20,723	63.00%
Subtotal	23,684		$ 11,842	23,684		$ 11,842	23,684		$ 11,842	$ 848	$ 12,690		$ 20,723	
RZ Bunker Hill Residential Bill Analysis Usage	23,684													
Low Income:														
Low Income Discount Tier 1						($2)			($1)	($0)	($1)		($4)	186.00%
Low Income Discount Tier 2						(1)			(1)	(0)	(1)		($2)	214.00%
Low Income Discount Tier 3						(1)			(0)	(0)	(0)		($1)	207.00%
Low Income Discount Tier 4														
RZ Bunker Hill Residential Bill Analysis Revenues			**$ 25,333**											
RZ Bunker Hill Residential Annualized/Pro Forma Usage	23,684			23,684			23,684							
RZ Bunker Hill Residential Annualized/Pro Forma Revenues			**$ 25,333**			**$ 25,330**			**$ 25,331**	**$ 1,814**	**$ 27,144**		**$ 44,324**	**63.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Phoenixville Division	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Annualized Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	195,927	5,431	$ 114,097	195,927	5,431	$ 112,740	195,927	5,431	$ 111,835	$ 8,007	$ 119,843	$ 196,647	64.00%
Commercial	167,236	848	85,867	167,236	848	85,867	167,236	848	85,868	6,148	92,016	150,275	63.00%
Industrial	1,498	36	1,287	1,498	36	1,287	1,498	36	1,287	92	1,379	2,253	63.00%
Total Phoenixville Division	364,661	6,314	$ 201,251	364,661	6,314	$ 199,894	364,661	6,314	$ 198,990	$ 14,248	$ 213,238	$ 349,175	64.00%

Rate Zone Phoenixville - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	5,373	$ 4.90	$ 26,328	5,373	$ 4.90	$ 26,328	5,373	$ 4.90	$ 26,328	$ 1,885	$ 28,213	$ 8.58	$ 46,101	63.00%
1 - Meter	50	9.90	492	50	9.90	492	50	9.90	492	35	527	17.30	860	63.00%
2 - Meter	8	37.00	285	8	37.00	285	8	37.00	285	20	305	64.80	499	63.00%
Subtotal	5,431		$ 27,105	5,431		$ 27,105	5,431		$ 27,105	$ 1,941	$ 29,046		$ 47,460	
Usage (in 100 Gallons)														
Block 1	195,927	$ 0.4440	$ 86,992	195,927	$ 0.4440	$ 86,992	195,927	$ 0.4440	$ 86,992	$ 6,229	$ 93,220	$ 0.7770	$ 152,235	63.00%
Block 2	-	0.3626	-	-	0.3626	-	-	0.3626	-	-	-	0.6346	-	0.00%
Block 3	-	0.2960	-	-	0.2960	-	-	0.2960	-	-	-	0.5180	-	0.00%
Subtotal	195,927		$ 86,992	195,927		$ 86,992	195,927		$ 86,992	$ 6,229	$ 93,220		$ 152,235	
RZ Phoenixville Residential Bill Analysis Usage	195,927													
Low Income:														
Low Income Discount Tier 1						($797)			($1,328)	($95)	($1,423)		($1,819)	28.00%
Low Income Discount Tier 2						(336)			(560)	(40)	(600)		($752)	25.00%
Low Income Discount Tier 3						(224)			(374)	(27)	(401)		($478)	19.00%
RZ Phoenixville Residential Bill Analysis Revenues			**$ 114,097**											
RZ Phoenixville Residential Usage	195,927			195,927			195,927							
RZ Phoenixville Residential Annualized/Pro Forma Revenues			**$ 114,097**			**$ 112,740**			**$ 111,835**	**$ 8,007**	**$ 119,843**		**$ 196,647**	**64.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
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Rate Zone Phoenixville - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	362	$ 4.90	$ 1,771	362	$ 4.90	$ 1,771	362	$ 4.90	$ 1,771	$ 127	$ 1,898	$ 8.58	$ 3,102	63.00%
3/4 - Meter	36	4.90	176	36	4.90	176	36	4.90	176	13	189	8.60	310	64.00%
1 - Meter	229	9.90	2,268	229	9.90	2,268	229	9.90	2,268	162	2,430	17.30	3,963	63.00%
1 1/2 - Meter	145	17.30	2,505	145	17.30	2,505	145	17.30	2,505	179	2,684	30.30	4,387	63.00%
2 - Meter	52	37.00	1,935	52	37.00	1,935	52	37.00	1,935	139	2,074	64.80	3,389	63.00%
4 - Meter	24	123.30	2,959	24	123.30	2,959	24	123.30	2,959	212	3,171	215.90	5,182	63.00%
Subtotal	848		$ 11,614	848		$ 11,614	848		$ 11,615	$ 832	$ 12,447		$ 20,333	
Usage (in 100 Gallons)														
Block 1	167,236	$ 0.4440	$ 74,253	167,236	$ 0.4440	$ 74,253	167,236	$ 0.4440	$ 74,253	$ 5,316	$ 79,569	$ 0.7770	$ 129,942	63.00%
Block 2	-	0.3626	-	-	0.3626	-	-	0.3626	-	-	-	0.6346	-	0.00%
Block 3	-	0.2960	-	-	0.2960	-	-	0.2960	-	-	-	0.5180	-	0.00%
Subtotal	167,236		$ 74,253	167,236		$ 74,253	167,236		$ 74,253	$ 5,316	$ 79,569		$ 129,942	
RZ Phoenixville Commercial Bill Analysis Usage	167,236													
RZ Phoenixville Commercial Bill Analysis Revenues			**$ 85,867**											
RZ Phoenixville Commercial Annualized/Pro Forma Usage	167,236			167,236			167,236							
RZ Phoenixville Commercial Annualized/Pro Forma Revenues			**$ 85,867**			**$ 85,867**			**$ 85,868**	**$ 6,148**	**$ 92,016**		**$ 150,275**	**63.00%**

Rate Zone Phoenixville - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	12	$ 4.90	$ 59	12	$ 4.90	$ 59	12	$ 4.90	$ 59	$ 4	$ 63	$ 8.58	$ 103	63.00%
1 - Meter	12	9.90	119	12	9.90	119	12	9.90	119	9	127	17.30	208	63.00%
2 - Meter	12	37.00	444	12	37.00	444	12	37.00	444	32	476	64.80	778	64.00%
Subtotal	36		$ 622	36		$ 622	36		$ 622	$ 45	$ 666		$ 1,089	
Usage (in 100 Gallons)														
Block 1	1,498	$ 0.4440	$ 665	1,498	$ 0.4440	$ 665	1,498	$ 0.4440	$ 665	$ 48	$ 713	$ 0.7770	$ 1,164	63.00%
Block 2	-	0.3626	-	-	0.3626	-	-	0.3626	-	-	-	0.6346	-	0.00%
Block 3	-	0.2960	-	-	0.2960	-	-	0.2960	-	-	-	0.5180	-	0.00%
Subtotal	1,498		$ 665	1,498		$ 665	1,498		$ 665	$ 48	$ 713		$ 1,164	
RZ Phoenixville Industrial Bill Analysis Usage	1,498													
RZ Phoenixville Industrial Bill Analysis Revenues			**$ 1,287**											
RZ Phoenixville Industrial Annualized/Pro Forma Usage	1,498			1,498			1,498							
RZ Phoenixville Industrial Annualized/Pro Forma Revenues			**$ 1,287**			**$ 1,287**			**$ 1,287**	**$ 92**	**$ 1,379**		**$ 2,253**	**63.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Zone Shenandoah	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate		12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	956,100	31,932	$ 1,457,242	950,808	31,932	$ 1,450,143	950,808	31,932	$ 1,450,143	$ -	$ 1,450,143		$ 2,069,612	43.00%
Commercial	217,967	2,388	214,171	221,154	2,484	219,644	221,154	2,484	219,644	-	219,644		303,691	38.00%
Industrial	191,970	60	63,891	191,970	60	63,891	191,970	60	63,892	-	63,892		102,182	60.00%
Public	87,587	395	56,976	87,587	395	56,976	87,587	395	56,977	-	56,977		90,991	60.00%
Total Zone Shenandoah	1,453,624	34,776	$ 1,792,280	1,451,519	34,872	$ 1,790,654	1,451,519	34,872	$ 1,790,656	$ -	$ 1,790,656		$ 2,566,475	43.00%

Rate Zone Shenandoah - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Billing Determinants	Proposed Rates	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge															
5/8 - Meter	31,860	$ 20.49	$ 652,818	31,860	$ 20.49	$ 652,818	31,860	$ 20.49	$ 652,818	$ -	$ 652,818	31,860	$ 23.90	$ 761,461	17.00%
1 - Meter	72	40.91	2,954	72	40.91	2,954	72	40.91	2,954	-	2,954	72	69.70	5,032	70.00%
Subtotal	31,932		$ 655,772	31,932		$ 655,772	31,932		$ 655,771	$ -	$ 655,771	31,932		$ 766,493	
Usage in Blocks (in 100 Gallons) - Present Rates															
Allowance	273,273	$ -	$ -	273,273	$ -	$ -	273,273	$ -	$ -	$ -	$ -				
Block 1	203,573	2.0490	417,121	203,573	2.0490	417,121	203,573	2.0490	417,121	-	417,121				
Block 2	142,020	1.0960	155,654	142,020	1.0960	155,654	142,020	1.0960	155,654	-	155,654				
Block 3	217,914	0.4830	105,252	217,914	0.4830	105,252	217,914	0.4830	105,252	-	105,252				
Block 4	114,029	1.0960	124,975	114,029	1.0960	124,975	114,029	1.0960	124,975	-	124,975				
Subtotal	950,808		803,002	950,808		803,002	950,808		803,003	-	803,003				
Usage in Blocks (in 100 Gallons) - Present Rates															
Block 1												476,846	1.2687	604,974	
Block 2												473,962	1.5021	711,939	
												950,808		1,316,913	
RZ Shenandoah Residential Bill Analysis Usage	950,808														
Low Income:			(1,532)			(5,163)			$ (5,163)	$ -	$ (5,163)			(5,163)	0.00%
Low Income Discount Tier 1						($6,935)			(6,935)	-	(6,935)			(6,935)	0.00%
Low Income Discount Tier 2						(1,696)			(1,696)	-	(1,696)			(1,696)	0.00%
Low Income Discount Tier 3						0			-	-	-			-	0.00%
RZ Shenandoah Residential Bill Analysis Revenues			**$ 1,457,242**												
Adjustment (1):															
5/8-Meter - Low-Income	252	$ (20.49)	($5,163)												
All Usage Low Income Tier 1	3,385	(2.0490)	(6,935)												
All Usage Low Income Tier 2	1,655	(1.0245)	(1,696)												
All Usage Low Income Tier 3	0	-	0												
RZ Shenandoah Residential Annualized/Pro Forma Usage	956,100			950,808			950,808								
RZ Shenandoah Residential Annualized/Pro Forma Revenues			**$ 1,444,980**			**$ 1,450,143**			**$ 1,450,143**	**$ -**	**$ 1,450,143**			**$ 2,069,612**	**43.00%**

Note (1) Adjustment to account for ProForma Low-Income customer discounts.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Rate Zone Shenandoah - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Billing Determinants	Proposed Rates	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge															
5/8 - Meter	2,004	$ 20.49	$ 41,068	2,088	$ 20.49	$ 42,789	2,088	$ 20.49	$ 42,789	$ -	$ 42,789	2,088	$ 23.90	$ 49,910	17.00%
1 - Meter	264	40.91	10,784	264	40.91	10,784	264	40.91	10,784	-	10,784	264	69.70	$ 18,373	70.00%
2 - Meter	108	110.29	11,878	120	110.29	13,202	120	110.29	13,202	-	13,202	120	191.10	$ 22,875	73.00%
4 - Meter	12	1,223.46	14,682	12	1,223.46	14,682	12	1,223.46	14,682	-	14,682	12	625.00	$ 7,500	-49.00%
Subtotal	2,388		$ 78,412	2,484		$ 81,457	2,484		$ 81,456	$ -	$ 81,456	2,484		$ 98,658	
Usage 5/8" to 1" (in 100 Gallons) - Present Rates															
Allowance	17,763	$ -	$ -	18,441	$ -	$ -	18,441	$ -	$ -	$ -	$ -				
Block 1	14,750	2.0490	30,222	15,270	2.0490	31,287	15,270	2.0490	31,287	-	31,287				
Block 2	10,497	1.0960	11,505	10,897	1.0960	11,943	10,897	1.0960	11,943	-	11,943				
Block 3	25,755	0.4830	12,440	26,535	0.4830	12,817	26,535	0.4830	12,817	-	12,817				
Block 4	43,948	1.0960	48,167	44,400	1.0960	48,662	44,400	1.0960	48,662	-	48,662				
Subtotal	112,713		$ 102,334	115,543		$ 104,709	115,543		$ 104,710	$ -	$ 104,710				
Usage 2" (in 100 Gallons) - Present Rates															
Allowance	2,109	-	-	2,329	-	-	2,329	-	-	-	-				
Block 1	70,486	0.3920	27,631	70,623	0.3920	27,684	70,623	0.3920	27,684	-	27,684				
Block 2	-	0.1890	-	-	0.1890	-	-	0.1890	-	-	-				
Subtotal	72,595		$ 27,631	72,952		$ 27,684	72,952		$ 27,684	$ -	$ 27,684				
Usage 4" (in 100 Gallons) - Present Rates															
Allowance	17,880	-	-	17,880	-	-	17,880	-	-	-	-				
Block 1	14,780	0.3920	5,794	14,780	0.3920	5,794	14,780	0.3920	5,794	-	5,794				
Block 2	-	0.1890	-	-	0.1890	-	-	0.1890	-	-	-				
Subtotal	32,660		$ 5,794	32,660		$ 5,794	32,660		$ 5,794	$ -	$ 5,794				
All Usage (in 100 Gallons) - Proposed Rates															
Block 1												127,980	1.17310	$ 150,133	
Block 2												17,951	1.03070	18,502	
Block 3												70,033	0.48670	34,085	
Block 4												5,190	0.44550	2,312	
												221,154		205,033	
RZ Shenandoah Commercial Bill Analysis Usage	217,967														
RZ Shenandoah Commercial Bill Analysis Revenues			**$ 214,171**												
Adjustment (1):															
2 - Meter	12	$ 110.29	$ 1,323												
Allowance	220	-	-												
Block 1	137	0.3920	54												
Block 2	0	0.1890	-												
5/8 - Meter	84	$ 20.49	$ 1,721												
Allowance	678	-	-												
Block 1	520	2.0490	1,065												
Block 2	400	1.0960	438												
Block 3	780	0.4830	377												
Block 4	452	1.0960	495												
RZ Shenandoah Commercial Annualized/Pro Forma Usage	221,154			221,154			221,154					221,154			
RZ Shenandoah Commercial Annualized/Pro Forma Revenues			**$ 219,644**			**$ 219,644**			**$ 219,644**	**$ -**	**$ 219,644**			**$ 303,691**	**38.00%**

Note (1) Adjustment to account for free service customers moving to metered rates.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone Shenandoah - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Billing Determinants	Proposed Rates	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge															
5/8 - Meter	24	$ 20.49	$ 494	24	$ 20.49	$ 494	24	$ 20.49	$ 494	$ -	$ 494	24	$ 23.90	$ 576	17.00%
1 - Meter	12	40.91	499	12	40.91	499	12	40.91	499	-	499	12	69.70	$ 850	70.00%
2 - Meter	12	110.29	1,301	12	110.29	1,301	12	110.29	1,301	-	1,301	12	191.10	$ 2,255	73.00%
4 - Meter	12	1,223.46	14,926	12	1,223.46	14,926	12	1,223.46	14,926	-	14,926	12	625.00	$ 7,625	-49.00%
Subtotal	60		$ 17,220	60		$ 17,220	60		$ 17,221	$ -	$ 17,221			$ 11,306	
Usage in Blocks (in 100 Gallons) - Present Rates															
Allowance	327	$ -	$ -	327	$ -	$ -	327	$ -	$ -	$ -	$ -				
Block 1	181	2.0490	372	181	2.0490	372	181	2.0490	372	-	372				
Block 2	118	1.0960	129	118	1.0960	129	118	1.0960	129	-	129				
Block 3	168	0.4830	81	168	0.4830	81	168	0.4830	81	-	81				
Block 4	1,076	1.0960	1,179	1,076	1.0960	1,179	1,076	1.0960	1,179	-	1,179				
Subtotal	1,870		$ 1,761	1,870		$ 1,761	1,870		$ 1,761	$ -	$ 1,761				
Usage 2" (in 100 Gallons) - Present Rates															
Allowance	-	$ -	-	-	$ -	-	-	$ -	-	-	-				
Block 1	-	0.3920	-		0.3920	-		0.3920	-	-	-				
Block 2	-	0.1890	-	-	0.1890	-	-	0.1890	-	-	-				
Subtotal	-		$ -	-		$ -	-		$ -	$ -	$ -				
Usage 4" (in 100 Gallons) - Present Rates															
Allowance	18,000	-	-	18,000	-	-	18,000	-	-	-	-				
Block 1	61,000	0.3920	23,912	61,000	0.3920	23,912	61,000	0.3920	23,912	-	23,912				
Block 2	111,100	0.1890	20,998	111,100	0.1890	20,998	111,100	0.1890	20,998	-	20,998				
Subtotal	190,100		$ 44,910	190,100		$ 44,910	190,100		$ 44,910	$ -	$ 44,910				
Usage (in 100 Gallons) - Proposed Rates															
Block 1												3,070	1.17310	$ 3,601	
Block 2												2,796	1.03070	$ 2,882	
Block 3												36,000	0.48670	$ 17,521	
Block 4												150,104	0.44550	$ 66,871	
Block 5												-	0.44550	$ -	
Block 6												-	0.35820	$ -	
												191,970		90,876	
RZ Shenandoah Industrial Bill Analysis Usage	191,970														
RZ Shenandoah Industrial Bill Analysis Revenues			**$ 63,891**												
RZ Shenandoah Industrial Annualized/Pro Forma Usage	191,970			191,970			191,970					191,970			
RZ Shenandoah Industrial Annualized/Pro Forma Revenues			**$ 63,891**			**$ 63,891**			**$ 63,892**	**$ -**	**$ 63,892**			**$ 102,182**	**60.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone Shenandoah - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Billing Determinants	Proposed Rates	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge															
5/8 - Meter	228	$ 20.49	$ 4,661	228	$ 20.49	$ 4,661	228	$ 20.49	$ 4,661	$ -	$ 4,661	228	$ 23.90	$ 5,437	17.00%
1 - Meter	60	40.91	2,467	60	40.91	2,467	60	40.91	2,467	-	2,467	60	69.70	4,203	70.00%
2 - Meter	96	110.29	10,555	96	110.29	10,555	96	110.29	10,555	-	10,555	96	191.10	18,288	73.00%
3 - Meter	12	679.73	8,021	12	679.73	8,021	12	679.73	8,021	-	8,021	12	383.00	4,519	-44.00%
Subtotal	395		$ 25,704	395		$ 25,704	395		$ 25,704	$ -	$ 25,704			$ 32,448	26.00%
Usage in Blocks (in 100 Gallons) - Present Rates															
Allowance	1,783	$ -	$ -	1,783	$ -	$ -	1,783	$ -	$ -	$ -	$ -				
Block 1	1,032	2.0490	2,114	1,032	2.0490	2,114	1,032	2.0490	2,114	-	2,114				
Block 2	670	1.0960	734	670	1.0960	734	670	1.0960	734	-	734				
Block 3	1,050	0.4830	507	1,050	0.4830	507	1,050	0.4830	507	-	507				
Block 4	722	1.0960	791	722	1.0960	791	722	1.0960	791	-	791				
Subtotal	5,257		$ 4,146	5,257		$ 4,146	5,257		$ 4,147	$ -	$ 4,147				
Usage 2" (in 100 Gallons) - Present Rates															
Allowance	1,591	-	$ -	1,591	-	$ -	1,591	-	$ -	$ -	$ -				
Block 1	56,589	0.3920	22,183	56,589	0.3920	22,183	56,589	0.3920	22,183	-	22,183				
Block 2	3,140	0.1890	593	3,140	0.1890	593	3,140	0.1890	593	-	593				
Subtotal	61,320		$ 22,776	61,320		$ 22,776	61,320		$ 22,776	$ -	$ 22,776				
Usage 3" (in 100 Gallons) - Present Rates															
Allowance	9,912	-	-	9,912	-	-	9,912	-	-	-	-				
Block 1	11,098	0.3920	4,350	11,098	0.3920	4,350	11,098	0.3920	4,350	-	4,350				
Block 2	-	0.1890	-	-	0.1890	-	-	0.1890	-	-	-				
Subtotal	21,010		$ 4,350	21,010		$ 4,350	21,010		$ 4,350	$ -	$ 4,350				
All Usage (in 100 Gallons) - Proposed Rates															
Block 1												12,477	1.17310	$ 14,637	
Block 2												12,453	1.03070	12,835	
Block 3												56,725	0.49990	28,357	
Block 4												5,932	0.45750	2,714	
												87,587		$ 58,543	
RZ Shenandoah Public Bill Analysis Usage	87,587														
RZ Shenandoah Public Bill Analysis Revenues			**$ 56,976**												
RZ Shenandoah Public Annualized/Pro Forma Usage	87,587			87,587			87,587					87,587			
RZ Shenandoah Public Annualized/Pro Forma Revenues			**$ 56,976**			**$ 56,976**			**$ 56,977**	**$ -**	**$ 56,977**			**$ 90,991**	**60.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Belle Aire Divisions	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	7,426	188	$ 9,400	7,426	188	$ 9,400	7,426	188	$ 9,399	$ -	$ 9,399	$ 14,112	50.00%
Total Zone 3	7,426	188	$ 9,400	7,426	188	$ 9,400	7,426	188	$ 9,399	$ -	$ 9,399	$ 14,112	50.00%

Belle Aire - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge	188	50.00	$ 9,400											
Customer Charge														
5/8 - Meter		$ 50.00		188	$ 50.00	$ 9,400	188	$ 50.00	$ 9,400	$ -	$ 9,400	$ 75.07	$ 14,114	50.00%
Subtotal				188		$ 9,400	188		$ 9,400	$ -	$ 9,400		$ 14,114	
Usage (in 100 Gallons)														
Block 1		$ -		3,760	$ -	$ -	3,760	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Block 2		-		3,666	-	$ -	3,666	-	-	-	-	-	-	0.00%
Subtotal				7,426		$ -	7,426		$ -	$ -	$ -		$ -	
RZ Belle Aire Residential Bill Analysis Usage	0													
Low Income:														
Low Income Discount Tier 1						(0)			$ (0)	$ -	$ (0)		(1)	
Low Income Discount Tier 2						(0)			(0)	-	(0)		(1)	
Low Income Discount Tier 3						(0)			(0)	-	(0)		(0)	
RZ Belle Aire Residential Bill Analysis Revenues			**$ 9,400**											
Adjustment (1):														
Flat Rate	(188)	$ 50.00	($9,400)											
5/8 - Meter	188	50.00	9,400											
All Usage - Block 1	3,760	$0.0000	0											
All Usage - Block 2	3,666	-	0											
RZ Belle Aire Residential Annualized/Pro Forma Usage	7,426			7,426			7,426							
RZ Belle Aire Residential Annualized/Pro Forma Revenues			**$ 9,400**			**$ 9,400**			**$ 9,399**	**$ -**	**$ 9,399**		**$ 14,112**	**50.00%**

Note (1) Adjustment to account for the change from flat rate to metered rates.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Contract Customers	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Mt. Carmel - Industrial	1,488,231	52	$ 512,018	1,488,231	52	$ 639,167	1,488,231	52	$ -	$ 789,388	$ 794,521	1.00%
Covanta - Industrial	1,953,800	12	773,737	1,953,800	12	814,977	1,953,800	12	-	831,277	831,277	0.00%
Liberty Power - Industrial	8,912,000	12	2,290,847	8,912,000	12	2,374,773	8,912,000	12	-	2,422,744	2,422,744	0.00%
Contract Industrial	12,354,031	76	$ 3,576,602	12,354,031	76	$ 3,828,917	12,354,031	76	$ -	$ 4,043,409	$ 4,048,542	
Canaan Federal Prison - Public	862,490	12	$ 348,205	862,490	12	$ 409,480	862,490	12	$ -	$ 409,480	$ 409,480	0.00%
SCI Forest County Prison - Public	1,058,746	12	995,592	1,058,746	12	995,592	1,058,746	12	-	995,592	1,322,313	33.00%
SCI Waymart - Public	598,030	12	66,194	598,030	12	67,767	598,030	12	-	69,135	69,135	0.00%
Contract Public	2,519,266	36	$ 1,409,991	2,519,266	36	$ 1,472,839	2,519,266	36	-	$ 1,474,207	$ 1,800,928	
Veolia Water PA - Sales for Resale	10,290	12	$ 64,752	10,290	12	$ 64,752	10,290	12	$ -	$ 77,320	$ 77,320	0.00%
Chemung - Sales for Resale	12,385	12	17,839	12,385	12	17,839	12,385	12	-	19,796	20,888	6.00%
New Wilmington - Sales for Resale	567,373	24	808,151	567,373	24	417,401	567,373	24	-	962,516	964,652	0.00%
Warwick - Sales for Resale	2,406,230	12	611,959	2,406,230	12	643,376	2,406,230	12	-	656,372	656,372	0.00%
Borough of Sharpsville - Sales for Resale	1,709,706	24	508,536	1,709,706	24	531,323	1,709,706	24	-	542,678	550,358	1.00%
Hubbard Township - Sales for Resale	2,914,800	12	726,130	2,914,800	12	798,425	2,914,800	12	-	862,260	864,456	0.00%
Horsham - Sales for Resale	1,258,880	12	720,043	1,258,880	12	738,849	1,258,880	12	-	748,080	748,080	0.00%
Schwenksville - Sales for Resale	330,728	12	146,893	330,728	12	151,651	330,728	12	-	154,839	154,839	0.00%
Downingtown - Sales for Resale	1,905	-	225	1,905	-	225	1,905	-	-	229	229	0.00%
Bristol - Sales for Resale	27,021	6	17,822	27,021	6	18,242	27,021	6	-	18,608	18,628	0.00%
Masury Water Co. - Sales for Resale	1,217,070	52	426,351	1,217,070	52	436,940	1,217,070	52	-	444,418	464,599	5.00%
Contacts Sales for Resale	10,456,388	178	$ 4,048,701	10,456,388	178	$ 3,819,023	10,456,388	178	$ -	$ 4,487,116	$ 4,520,421	
Total Zone 3	25,329,685	290	$ 9,035,294	25,329,685	290	$ 9,120,779	25,329,685	290	$ -	$ 10,004,732	$ 10,369,891	4.00%

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Contracts - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Mt. Carmel Contract													
Customer Charge - Period 1 (Jan. - Jun.)													
1 - Meter	6	$ 59.80	$ 359	6	$ 59.80	$ 359	6	$ 59.80	$ -	$ 359	$ 69.70	$ 418	16.00%
1 1/2 - Meter	6	115.20	691	6	115.20	691	6	115.20	-	691	134.20	805	16.00%
6 - Meter	12	1,105.00	13,260	12	1,105.00	13,260	12	1,105.00	-	13,260	1,288.00	15,456	17.00%
Customer Charge - Period 2 (Jul. - Dec.)													
1 - Meter	7	59.80	419	7	59.80	419	7	59.80	-	419	69.70	488	16.00%
1 1/2 - Meter	7	115.20	806	7	115.20	806	7	115.20	-	806	134.20	939	17.00%
6 - Meter	14	1,105.00	15,470	14	1,105.00	15,470	14	1,105.00	-	15,470	1,288.00	18,032	17.00%
Subtotal	52		$ 31,005	52		$ 31,005	52		$ -	$ 31,005		$ 36,138	
Usage (in 100 Gallons)													
All Usage - Period 1	805,590	$ 0.3200	$ 257,789	805,590	$ 0.3270	$ 263,428	805,590	$ 0.5050	$ -	$ 406,823	$ 0.5050	$ 406,823	0.00%
All Usage - Period 2	682,641	$ 0.3270	223,224	682,641	$ 0.5050	344,734	682,641	$ 0.5150	-	351,560	$ 0.5150	351,560	0.00%
Subtotal	1,488,231		$ 481,013	1,488,231		$ 608,162	1,488,231		$ -	$ 758,383		$ 758,383	
Total Mt. Carmel Contract Revenue			**$ 512,018**			**$ 639,167**				**$ 789,388**		**$ 794,521**	**1.00%**
Covanta Contract													
Customer Charge													
6 - Meter	12	$ 47,280.00	$ 567,360	12	$ 49,800.00	$ 597,600	12	$ 50,796.00	$ -	$ 609,552	$ 50,796.00	$ 609,552	0.00%
Subtotal	12		$ 567,360	12		$ 597,600	12		$ -	$ 609,552		$ 609,552	
Usage (in 100 Gallons)													
Allowance	1,430,000	$ -	$ -	1,430,000	$ -	$ -	1,430,000	$ -	$ -	$ -	$ -	$ -	0.00%
Over Allowance	523,800	$ 0.3940	206,377	523,800	0.4150	217,377	523,800	0.4233	-	221,725	0.4233	221,725	0.00%
Subtotal	1,953,800		$ 206,377	1,953,800		$ 217,377	1,953,800		$ -	$ 221,725		$ 221,725	
Total Covanta Contract Revenue			**$ 773,737**			**$ 814,977**				**$ 831,277**		**$ 831,277**	**0.00%**
Liberty Contract													
Customer Charge													
6 - Meter (Jan. @ 2022 Rate)	1	$ 100,874.15	$ 100,874										
6 - Meter	11	$ 108,708.74	1,195,796	12	$ 112,491.06	$ 1,349,893	12	$ 114,763.38	$ -	$ 1,377,161	$ 114,763.38	$ 1,377,161	0.00%
Subtotal	12		$ 1,296,670	12		$ 1,349,893	12		$ -	$ 1,377,161		$ 1,377,161	
Usage (in 100 Gallons)													
All Usage (Jan. @ 2022 Rate)	495,900	0.1040	51,574										
All Usage	8,416,100	$ 0.1120	$ 942,603	8,912,000	$ 0.1150	$ 1,024,880	8,912,000	$ 0.1173	$ -	$ 1,045,583	$ 0.1173	$ 1,045,583	0.00%
Subtotal	8,912,000		$ 994,177	8,912,000		$ 1,024,880	8,912,000		$ -	$ 1,045,583		$ 1,045,583	
Total Liberty Contract Revenue			**$ 2,290,847**			**$ 2,374,773**				**$ 2,422,744**		**$ 2,422,744**	**0.00%**
RZ Contracts Industrial Annualized/Pro Forma Usage	12,354,031			12,354,031			12,354,031						
RZ Contracts Industrial Annualized/Pro Forma Revenues			**$ 3,576,602**			**$ 3,828,917**			**$ -**	**$ 4,043,409**		**$ 4,048,542**	**0.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Contracts - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Canaan Federal Prison Contract													
Customer Charge													
8 - Meter	12	$ 25,227.82	$ 302,734	12	$ 29,667.62	$ 356,011	12	$ 29,667.62	$ -	$ 356,011	$ 29,667.62	$ 356,011	0.00%
Subtotal	12		$ 302,734	12		$ 356,011	12		$ -	$ 356,011		$ 356,011	
Usage (in 100 Gallons)													
Allowance	540,000	$ -	$ -	540,000	$ -	$ -	540,000	$ -	$ -	$ -	$ -	$ -	0.00%
Over Allowance	322,490	0.1410	45,471	322,490	0.1658	53,469	322,490	0.1658	-	53,469	0.1658	53,469	0.00%
Subtotal	862,490		$ 45,471	862,490		$ 53,469	862,490		$ -	$ 53,469		$ 53,469	
Total Canaan Federal Prison Contract Revenue			**$ 348,205**			**$ 409,480**				**$ 409,480**		**$ 409,480**	0.00%
SCI Forest County Prison Contract													
Customer Charge													
4 - Meter	12	$ 536.00	$ 6,378	12	$ 536.00	$ 6,378	12	$ 536.00	$ -	$ 6,378	$ 625.00	$ 7,438	17.00%
Subtotal	12		$ 6,378	12		$ 6,378	12		$ -	$ 6,378		$ 7,438	
Usage (in 100 Gallons)													
Block 1	1,190	$ 1.4017	$ 1,668	1,190	$ 1.4017	$ 1,668	1,190	$ 1.4017	$ -	$ 1,668	$ 1.8048	$ 2,148	29.00%
Block 2	2,773	1.2315	3,415	2,773	1.2315	3,415	2,773	1.2315	-	3,415	1.5857	4,397	29.00%
Block 3	35,700	1.0163	36,282	35,700	1.0163	36,282	35,700	1.0163	-	36,282	1.3511	48,234	33.00%
Block 4	718,215	0.9301	668,012	718,215	0.9301	668,012	718,215	0.9301	-	668,012	1.2365	888,073	33.00%
True-Up Consumption	300,868	0.9301	279,837	300,868	0.9301	279,837	300,868	0.9301	-	279,837	1.2365	372,023	33.00%
Subtotal	1,058,746		$ 989,214	1,058,746		$ 989,214	1,058,746		$ -	$ 989,214		$ 1,314,875	
			$ 995,592			**$ 995,592**				**$ 995,592**		**$ 1,322,313**	33.00%
SCI Waymart Prison Contract													
Customer Charge													
8 - Meter	12	$ 5,035.78	$ 60,429	12	$ 5,155.38	$ 61,865	12	$ 5,259.52	$ -	$ 63,114	$ 5,259.52	$ 63,114	0.00%
Subtotal	12		$ 60,429	12		$ 61,865	12		$ -	$ 63,114		$ 63,114	
Usage (in 100 Gallons)													
Allowance	566,180	$ -	$ -	566,180	$ -	$ -	566,180	$ -	$ -	$ -	$ -	$ -	0.00%
Over Allowance	31,850	0.1810	5,765	31,850	0.1853	5,902	31,850	0.1890	-	6,021	0.1890	6,021	0.00%
Subtotal	598,030		$ 5,765	598,030		$ 5,902	598,030		$ -	$ 6,021		$ 6,021	
Total SCI Waymart Prison Contract Revenue			**$ 66,194**			**$ 67,767**				**$ 69,135**		**$ 69,135**	0.00%
RZ Contracts Public Annualized/Pro Forma Usage	2,519,266			2,519,266			2,519,266						
RZ Contracts Public Annualized/Pro Forma Revenues			**$ 1,409,991**			**$ 1,472,839**			**$ -**	**$ 1,474,207**		**$ 1,800,928**	**22.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Contracts - Sales for Resale	12/31/2023 Billing Determinants	Current Rate	3,576,602 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	3,828,917 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	Proforma DSIC Revenues	4,043,409 Proforma @ Present Rate	Proposed Rate	4,048,542 Proforma @ Proposed Rate	% Percent Change
Veolia Water PA Contract													
Customer Charge													
2 - Meter	12	$ 5,396.00	$ 64,752	12	$ 5,396.00	$ 64,752	12	$ 6,443.36	$ -	$ 77,320	$ 6,443.36	$ 77,320	0.00%
Subtotal	12		$ 64,752	12		$ 64,752	12		$ -	$ 77,320		$ 77,320	
Usage (in 100 Gallons)													
Allowance	10,290	-	-	10,290	-	-	10,290	-	-	-	-	-	0.00%
Subtotal	10,290		$ -	10,290		$ -	10,290		$ -	$ -		$ -	
Total Veolia Water PA Contract Revenue			**$ 64,752**			**$ 64,752**				**$ 77,320**		**$ 77,320**	0.00%
Chemung Contract													
Customer Charge													
10 - Meter	12	$ 646.50	$ 7,758	12	$ 646.50	$ 7,758	12	$ 646.50	$ -	$ 7,758	$ 737.50	$ 8,850	14.00%
Subtotal	12		$ 7,758	12		$ 7,758	12		$ -	$ 7,758		$ 8,850	
Usage (in 100 Gallons)													
All Usage	12,385	0.8140	10,081	12,385	0.8140	10,081	12,385	0.9720	-	12,038	0.9720	12,038	0.00%
Subtotal	12,385		$ 10,081	12,385		$ 10,081	12,385		$ -	$ 12,038		$ 12,038	
Total Chemung Contract Revenue			**$ 17,839**			**$ 17,839**				**$ 19,796**		**$ 20,888**	6.00%
New Wilmington Contract													
Customer Charge													
4 - Meter	24	$ 536.00	$ 12,864	24	$ 536.00	$ 12,864	24	$ 536.00	$ -	$ 12,864	$ 625.00	$ 15,000	17.00%
Subtotal	24		$ 12,864	24		$ 12,864	24		$ -	$ 12,864		$ 15,000	
Usage (in 100 Gallons)													
All Usage	567,373	1.4017	795,287	567,373	0.7130	404,537	567,373	1.6738	-	949,652	1.6738	949,652	0.00%
Subtotal	567,373		$ 795,287	567,373		$ 404,537	567,373		$ -	$ 949,652		$ 949,652	
Total New Wilmington Contract Revenue			**$ 808,151**			**$ 417,401**				**$ 962,516**		**$ 964,652**	0.00%
Warwick Contract													
Customer Charge													
8 - Meter	12	$ 46,092.68	$ 553,112	12	$ 48,457.80	$ 581,494	12	$ 49,436.65	$ -	$ 593,240	$ 49,436.65	$ 593,240	0.00%
Subtotal	12		$ 553,112	12		$ 581,494	12		$ -	$ 593,240		$ 593,240	
Usage (in 100 Gallons)													
Allowance	2,142,200	-	$ -	2,142,200	-	-	2,142,200	-	$ -	$ -	-	$ -	0.00%
Block 1	259,010	0.2230	57,759	259,010	0.2345	60,738	259,010	0.2392	-	61,965	0.2392	61,965	0.00%
Block 2	5,020	0.2168	1,088	5,020	0.2279	1,144	5,020	0.2325	-	1,167	0.2325	1,167	0.00%
Subtotal	2,406,230		$ 58,847	2,406,230		$ 61,882	2,406,230		$ -	$ 63,132		$ 63,132	
Total Warwick Contract Revenue			**$ 611,959**			**$ 643,376**				**$ 656,372**		**$ 656,372**	0.00%

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Sharpsville Contract																								
Customer Charge - Period 1 (Jan. - Nov.)																								
8 - Meter	22	$	1,934.00	$	42,548	22	$	1,934.00	$	42,548	22	$	1,934.00	$	-	$	42,548	$	2,254.00	$	49,588	17.00%		
Customer Charge - Period 2 (Dec. - Dec.)																								
8 - Meter	2		1,934.00		3,868	2	$	1,934.00		3,868	2	$	1,934.00	$	-		3,868	$	2,254.00		4,508	17.00%		
Subtotal	24			$	46,416	24			$	46,416	24			$	-	$	46,416			$	54,096				
Usage (in 100 Gallons)																								
All Usage - Period 1	1,551,874	$	0.2690	$	417,454	1,551,874	$	0.2830	$	439,180	1,551,874	$	0.2897	$	-	$	449,611	$	0.2897	$	449,611	0.00%		
All Usage - Period 2	157,832		0.2830		44,666	157,832		0.2897		45,727	157,832		0.2956		-		46,651		0.2956		46,651	0.00%		
Subtotal	1,709,706			$	462,120	1,709,706			$	484,907	1,709,706			$	-	$	496,262			$	496,262				
Total Sharpsville Contract Revenue				**$**	**508,536**				**$**	**531,323**						**$**	**542,678**			**$**	**550,358**	1.00%		
Hubbard Township Contract																								
Customer Charge - Period 1 (Jan. - Nov.)																								
6 - Meter	11	$	-	$	-	11	$	1,105.00	$	12,155	11	$	1,105.00	$	-	$	12,155	$	1,288.00	$	14,168	17.00%		
Customer Charge - Period 2 (Dec. - Dec.)																								
6 - Meter	1		-		-	1	$	1,105.00		1,105	1	$	1,105.00		-		1,105	$	1,288.00		1,288	17.00%		
Subtotal	12			$	-	12			$	13,260	12			$	-	$	13,260			$	15,456				
Usage (in 100 Gallons)																								
All Usage - Period 1	2,460,350	$	0.2460	$	605,246	2,460,350	$	0.2660	$	654,453	2,460,350	$	0.2876	$	-	$	707,661	$	0.2876	$	707,661	0.00%		
All Usage - Period 2	454,450	$	0.2660		120,884	454,450		0.2876		130,712	454,450		0.3110		-		141,339		0.3110		141,339	0.00%		
Subtotal	2,914,800			$	726,130	2,914,800			$	785,165	2,914,800			$	-	$	849,000			$	849,000				
Total Hubbard Township Contract Revenue				**$**	**726,130**				**$**	**798,425**						**$**	**862,260**			**$**	**864,456**	0.00%		
Horsham Contract																								
Customer Charge - Period 1 (Jan. - Jun.)																								
6 - Meter	6	$	10,809.50	$	64,857	6	$	11,472.50	$	68,835	6	$	11,744.97	$	-	$	70,470	$	11,744.97	$	70,470	0.00%		
Customer Charge - Period 2 (Jul. - Dec.)																								
6 - Meter	6		11,472.50		68,835	6	$	11,744.97		70,470	6		11,982.22		-		71,893		11,982.22		71,893	0.00%		
Subtotal	12			$	133,692	12			$	139,305	12			$	-	$	142,363			$	142,363				
Usage (in 100 Gallons)																								
Allowance - Period 1	91,000	$	-	$	-	91,000	$	-	$	-	91,000	$	-	$	-	$	-	$	-	$	-	0.00%		
All Usage - Period 1	527,700	$	0.5320		280,736	527,700		0.5570		293,929	527,700		0.5570		-		293,929		0.5570		293,929	0.00%		
Allowance - Period 2	91,500	$	-		-	91,500		-		-	91,500		-		-		-		-		-	0.00%		
All Usage - Period 2	548,680	$	0.5570		305,615	548,680		0.5570		305,615	548,680		0.5683		-		311,788		0.5683		311,788	0.00%		
Subtotal	1,258,880			$	586,351	1,258,880			$	599,544	1,258,880			$	-	$	605,717			$	605,717				
Total Horsham Contract Revenue				**$**	**720,043**				**$**	**738,849**						**$**	**748,080**			**$**	**748,080**	0.00%		
Schwenksville Contract																								
Customer Charge - Period 1 (Jan. - Mar.)																								
3 - Meter	3	$	10,809.50	$	32,429	3	$	11,472.50	$	34,418	3	$	11,744.97	$	-	$	35,235	$	11,744.97	$	35,235	0.00%		
Customer Charge - Period 2 (Apr. - Dec.)																								
3 - Meter	9		11,472.50		103,253	9	$	11,744.97		105,705	9		11,982.22		-		107,840		11,982.22		107,840	0.00%		
Subtotal	12			$	135,682	12			$	140,123	12			$	-	$	143,075			$	143,075				
Usage (in 100 Gallons)																								
Allowance - Period 1	76,500	$	-	$	-	76,500	$	-	$	-	76,500	$	-	$	-	$	-	$	-	$	-	0.00%		
All Usage - Period 1	3,063	$	0.4110		1,259	3,063		0.4370		1,339	3,063		0.4474		-		1,370		0.4474		1,370	0.00%		
Allowance - Period 2	228,391	$	-		-	228,391		-		-	228,391		-		-		-		-		-	0.00%		
All Usage - Period 2	22,774	$	0.4370		9,952	22,774		0.4474		10,189	22,774		0.4564		-		10,394		0.4564		10,394	0.00%		
Subtotal	330,728			$	11,211	330,728			$	11,528	330,728			$	-	$	11,764			$	11,764				
Total Schwenksville Contract Revenue				**$**	**146,893**				**$**	**151,651**						**$**	**154,839**			**$**	**154,839**	0.00%		
Downingtown Contract																								
Customer Charge																								
5/8 - Meter	-	$	20.51	$	-	-	$	20.51	$	-	-	$	20.51	$	-	$	-	$	23.90	$	-	0.00%		
Subtotal	-			$	-	-			$	-	-			$	-	$	-			$	-				
Usage (in 100 Gallons)																								
All Usage	1,905		0.1180		225	1,905		0.1180		225	1,905		0.1204		-		229		0.1204		229	0.00%		
Subtotal	1,905			$	225	1,905			$	225	1,905			$	-	$	229			$	229				
Total Downingtown Contract Revenue				**$**	**225**				**$**	**225**						**$**	**229**			**$**	**229**	0.00%		

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Bristol Contract																				
Customer Charge																				
5/8 - Meter	6	$	20.51	$	123	6	$	20.51	$	123	6	$	20.51	$	-	$	123	$	23.90	$	143	16.00%
Subtotal	6			$	123	6			$	123	6			$	-	$	123			$	143	
Usage (in 100 Gallons)																				
All Usage	27,021		0.6550		17,699	27,021		0.6706		18,119	27,021		0.6841		-		18,485		0.6841		18,485	0.00%
Subtotal	27,021			$	17,699	27,021			$	18,119	27,021			$	-	$	18,485			$	18,485	
Total Bristol Contract Revenue				**$**	**17,822**				**$**	**18,242**						**$**	**18,608**			**$**	**18,628**	0.00%
Masury Contract																				
Customer Charge																				
2 - Meter	12	$	164.00	$	1,968	12	$	164.00	$	1,968	12	$	164.00	$	-	$	1,968	$	191.10	$	2,293	17.00%
8 - Meter	12		1,934.00		23,208	12		1,934.00		23,208	12		1,934.00		-		23,208		2,254.00		27,048	17.00%
12 - Meter	28		3,461.00		96,908	28		3,461.00		96,908	28		3,461.00		-		96,908		4,033.00		112,924	17.00%
Subtotal	52			$	122,084	52			$	122,084	52			$	-	$	122,084			$	142,265	
Usage (in 100 Gallons)																				
All Usage	1,217,070		0.2500		304,267	1,217,070		0.2587		314,856	1,217,070		0.2648		-		322,334		0.2648		322,334	0.00%
Subtotal	1,217,070			$	304,267	1,217,070			$	314,856	1,217,070			$	-	$	322,334			$	322,334	
Total Masury Contract Revenue				**$**	**426,351**				**$**	**436,940**						**$**	**444,418**			**$**	**464,599**	5.00%
RZ Contracts Sales for Resale Annualized/Pro Forma Usage	10,456,388					10,456,388					10,456,388											
RZ Contracts Sales for Resale Annualized/Pro Forma Revenues				**$**	**4,048,701**				**$**	**3,819,023**				**$**	**-**	**$**	**4,487,116**			**$**	**4,520,421**	**1.00%**

AQUA PENNSYLVANIA, INC.
RATE ZONE 1
CUSTOMER GROWTH REVENUE ADJUSTMENT UNDER PRESENT RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2023, 2024 AND 2025

		Residential	Commercial	Total
	Historic TY Customer Growth Calculation			
1	Number of Customers as of 12/31/23	387,583	21,930	409,513
2	Number of Customer as of 12/31/22	386,048	21,769	407,817
3	Projected Daily Usage in gallons	94.03	60.82	155
4	Monthly Volumes per Normalization (Gallons) Line 3 X (365 Days/12 Months)	2,860	1,850	4,710
5	HTY Customer Annualized Growth Bills (Line 2-Line 1) X 12 Divided by 2	9,210	966	10,176
6	HTY Customer Annualized Growth Volumes (Line 4 X Line 5 / 100)	263,406	17,871	281,277
	Priced At First Block	184,200	17,871	202,071
	Priced At Second Block	79,206		79,206
	Priced At Third Block			-
	Priced At Fourth Block			-
	Priced At Fifth Block			
	Priced At Sixth Block			
	Future Test Year Customer Growth Calculation			
7	Forecasted Customer Growth	1,634	170	1,804
8	Annualized Bills (Line 7 X 12)	19,608	2,040	21,648
9	HTY Customer Annualized Growth Volumes (Line 4 X Line 8)	560,789	37,740	598,529
10	Average Volumes Per Normalization			
	Priced At First Block	392,160	37,740	429,900
	Priced At Second Block	168,629		168,629
	Priced At Third Block			-
	Priced At Fourth Block			-
	Priced At Fifth Block			-
	Priced At Sixth Block			-

AQUA PENNSYLVANIA, INC.
RATE ZONE 1
CUSTOMER GROWTH REVENUE ADJUSTMENT UNDER PRESENT RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2021, 2022 AND 2023

Fully Projected Future Test Year Customer Growth Calculation

11	Monthly Volumes per Normalization (Gallons) Line 3 X (366 Days/12 Months)	2,860	1,850	4,710
12	Forecasted Customer Growth	1,634	170	1,804
13	Annualized Bills (Line 12 X 12)	19,608	2,040	21,648
14	HTY Customer Annualized Growth Volumes (Line 11 X Line 12)	560,789	37,740	598,529
15	Average Volumes Per Normalization			
16	Priced At First Block	392,160	37,740	429,900
17	Priced At Second Block	168,629		168,629
18	Priced At Third Block			-
19	Priced At Fourth Block			-
20	Priced At Fifth Block			-
21	Priced At Sixth Block			-
22	Total Bills	48,426	5,046	53,472
23	Priced At First Block	968,520	93,351	1,061,871
24	Priced At Second Block	416,464	-	416,464
25	Priced At Third Block	-	-	-
26	Priced At Fourth Block	-	-	-
27	Priced At Fifth Block	-	-	-
28	Priced At Sixth Block	-	-	-

	Number of Customers	Residential	Commercial
29	**Period Ending 12/31/21**	384,315	21,590
30	**Period Ending 12/31/22**	386,048	21,769
31	**Historic Test Year Period Ending 12/31/23**	387,583	21,930
32	**Increase 2021-2022**	1,733	179
33	**Increase 2022-2023**	1,535	161
34	**Average Growth/(Decline)**	1,634	170

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT AND PROPOSED RATES TO METERED PRIVATE FIRE CUSTOMERS AND PRIVATE HYDRANTS
AS OF DECEMBER 31, 2023, 2024 AND 2025

Service Connection Size	2023 Rates Number	2023 Rates Rate	2023 Rates Revenue	2024 Present Rates Number	2024 Present Rates Rate	2024 Present Rates Revenue	2025 Present Rates Number	2025 Present Rates Rate	2025 Present Rates Revenue	2025 Proposed Rates Rate	2025 Proposed Rates Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Main Division											
1" or A or F1	694	7.10	$ 4,928	694	$7.10	$ 4,928	694	$7.10	$ 4,928	8.10	$ 5,622
1 1/2" or B or F1.5	1,806	16.30	29,438	1,806	16.30	29,438	1,806	16.30	29,438	18.60	33,592
2" or C or F2	4,859	40.20	195,320	4,859	40.20	195,320	4,859	40.20	195,320	45.90	223,014
3" or D or F3	24	65.30	1,587	24	65.30	1,587	24	65.30	1,587	74.50	1,810
4" or E or F4	23,166	110.50	2,559,876	23,166	110.50	2,559,876	23,166	110.50	2,559,876	126.00	2,918,954
6" or G or F6	29,989	243.40	7,299,274	29,989	243.40	7,299,274	29,989	243.40	7,299,274	277.70	8,327,890
8" or K or F8	11,188	424.50	4,749,094	11,188	424.50	4,749,094	11,188	424.50	4,749,094	484.20	5,416,988
10" or L or F10	617	646.50	398,826	617	646.50	398,826	617	646.50	398,826	737.50	454,964
12" or F12	12	1,790.80	21,490	12	1,790.80	21,490	12	1,790.80	21,490	2,042.80	24,514
All Usage	555,989	1.3861	770,656	555,989	1.3861	770,656	555,989	1.3861	770,656	1.7349	964,585
Superior											
1" or A or F1	5,530	7.10	$ 39,264	5,530	7.10	$ 39,264	5,530	7.10	$ 39,264	8.10	$ 44,795
2" or C or F2	26	30.00	768	26	30.00	768	26	30.00	768	45.90	1,175
4" or E or F4	97	110.50	10,696	97	110.50	10,696	97	110.50	10,696	126.00	12,197
6" or G or F6	168	243.40	40,964	168	243.40	40,964	168	243.40	40,964	277.70	46,737
8" or K or F8	36	424.50	15,282	36	424.50	15,282	36	424.50	15,282	484.20	17,431
Bristol Township											
3" or D or F3	12	65.30	$ 784	12	65.30	$ 784	12	65.30	$ 784	74.50	$ 894
4" or E or F4	50	110.50	5,536	50	110.50	5,536	50	110.50	5,536	126.00	6,313
6" or G or F6	321	221.40	70,981	321	221.40	70,981	321	221.40	70,981	277.70	89,031
8" or K or F8	204	366.40	74,746	204	366.40	74,746	204	366.40	74,746	484.20	98,777
10" or L or F10	48	548.40	26,323	48	548.40	26,323	48	548.40	26,323	737.50	35,400
All Usage	136	1.3861	189	136	1.3861	189	136	1.3861	189	1.7349	236
Shenandoah - Quarterly Rates											
Automatic Sprinkler System	24	86.13	$ 2,067	24	86.13	$ 2,067	24	86.13	$ 2,067	86.13	$ 2,067
Sprinkler + Sq. Ft.	12	245.64	2,948	12	245.64	2,948	12	245.64	2,948	245.64	2,948
Sprinkler + Sq. Ft.	12	276.31	3,316	12	276.31	3,316	12	276.31	3,316	276.31	3,316
Sprinkler + Sq. Ft.	12	276.00	3,312	12	276.00	3,312	12	276.00	3,312	276.00	3,312
Sprinkler + Sq. Ft.	12	189.77	2,277	12	189.77	2,277	12	189.77	2,277	189.77	2,277
Liberty Power Contract											
10" or L or F10	12	-	$ -		-	$ -		-	$ -	-	$ -
All Usage	216,700	0.1120	24,270	216,700	0.1150	24,921	216,700	0.1150	24,921	0.1173	25,424
Private Hydrants											
Hydrants (Main)	25,941	51.10	$ 1,325,580	25,941	51.10	$ 1,325,580	25,941	51.10	$ 1,325,580	51.10	$ 1,325,580
Eagle Rock	4,880	29.80	145,424	4,880	29.80	145,424	4,880	29.80	145,424	40.50	197,640
Honesdale/Peddlers View	252	34.10	8,593	252	34.10	8,593	252	34.10	8,593	42.60	10,735
Sand Springs	516	34.10	17,596	516	34.10	17,596	516	34.10	17,596	42.60	21,982
Phoenixville	222	29.50	6,534	222	29.50	6,534	222	29.50	6,534	40.30	8,926
Qualified Hydrant	168	34.10	5,729	168	34.10	5,729	168	34.10	5,729	42.60	7,157
Shenandoah	180	50.98	9,176	180	50.98	9,176	180	50.98	9,176	50.98	9,176
Subtotal									17,873,493		
DSIC @ 7.16%									$ 1,276,304		
Total Private Fire	111,089		$ 17,872,843	111,077		$ 17,873,493	111,077		$ 19,149,797		$ 20,345,457

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT AND PROPOSED RATES TO PUBLIC FIRE HYDRANTS
AS OF DECEMBER 31, 2023, 2024 AND 2025

Service Area	2023 Billed Number of Hydrants	Current Monthly Rate	Bill Analysis Revenues	12 ME Dec. 2024 Number of Hydrants	Monthly Present Rate	12 ME Dec. 2024 Revenues	12 ME Dec. 2025 Number of Hydrants	Monthly Present Rate	12 ME Dec. 2025 Revenues	FPFTY Monthly Proposed Rate	Pro Forma Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All Territories	223,235	$28.57	$ 6,377,813	223,235	$ 28.57	$ 6,377,813	223,235	$ 28.57	$ 6,377,813	$ 32.38	$ 7,228,336
Exceptions:											
Bensalem Township	16,860	24.90	419,814	16,860	24.90	419,814	16,860	24.90	419,814	28.60	482,196
Bristol Township	1,068	22.30	23,816	1,068	22.30	23,816	1,068	22.30	23,816	27.50	29,370
Chalfont	2,662	29.80	79,328	2,662	29.80	79,328	2,662	29.80	79,328	31.10	82,788
Concord Park	48	16.90	811	48	16.90	811	48	16.90	811	24.60	1,181
Kratzerville and Chalfont	216	29.80	6,437	216	29.80	6,437	216	29.80	6,437	32.38	6,994
Media Division => 6"	9,408	34.00	319,872	9,408	34.00	319,872	9,408	34.00	319,872	34.00	319,872
Mifflin Township	348	19.50	6,786	348	19.50	6,786	348	19.50	6,786	25.90	9,013
Mount Jewett	492	12.20	6,002	492	12.20	6,002	492	12.20	6,002	22.30	10,972
Phoenixville	504	28.57	14,399	504	28.57	14,399	504	28.57	14,399	32.38	16,320
Shenandoah	1,721	4.75	8,170	1,721	4.75	8,170	1,721	4.75	8,170	20.23	34,820
Total Public Fire Revenue	256,562		$ 7,263,248	256,562		$ 7,263,248	256,562		$ 7,263,248		$ 8,221,861

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	35.96	41.25	5.29	14.70%
2,000	49.95	58.60	8.65	17.32%
3,000	66.50	79.14	12.63	19.00%
3,870	80.91	97.01	16.10	19.90%
4,000	83.06	99.68	16.62	20.00%
5,000	99.62	120.22	20.60	20.68%
6,000	116.18	140.76	24.58	21.16%
7,000	132.73	161.30	28.56	21.52%
8,000	149.29	181.84	32.55	21.80%
9,000	165.85	202.38	36.53	22.03%
10,000	182.41	222.92	40.51	22.21%
11,000	198.96	243.46	44.50	22.36%
12,000	215.52	264.00	48.48	22.49%
13,000	232.08	284.54	52.46	22.60%
14,000	248.63	305.08	56.44	22.70%
15,000	265.19	325.62	60.43	22.79%
16,000	281.75	346.16	64.41	22.86%
17,000	298.31	366.70	68.39	22.93%
18,000	314.86	387.24	72.37	22.99%
19,000	331.42	407.78	76.36	23.04%
20,000	347.98	428.32	80.34	23.09%
25,000	430.76	531.02	100.25	23.27%
30,000	513.55	633.72	120.17	23.40%
35,000	596.34	736.42	140.08	23.49%
40,000	679.12	839.12	159.99	23.56%
45,000	761.91	941.82	179.91	23.61%
50,000	844.70	1,044.52	199.82	23.66%
60,000	1,010.27	1,249.92	239.65	23.72%
70,000	1,175.84	1,455.32	279.47	23.77%
80,000	1,341.42	1,660.72	319.30	23.80%
90,000	1,506.99	1,866.12	359.13	23.83%
100,000	1,672.56	2,071.52	398.96	23.85%
110,000	1,838.13	2,276.92	438.78	23.87%
120,000	2,003.71	2,482.32	478.61	23.89%
130,000	2,169.28	2,687.72	518.44	23.90%
140,000	2,334.85	2,893.12	558.26	23.91%
150,000	2,500.43	3,098.52	598.09	23.92%
160,000	2,666.00	3,303.92	637.92	23.93%
170,000	2,831.57	3,509.32	677.75	23.94%
180,000	2,997.15	3,714.72	717.57	23.94%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.28	596.21	97.93	19.65%
40,000	553.02	661.99	108.96	19.70%
45,000	607.77	727.76	119.99	19.74%
50,000	662.51	793.54	131.03	19.78%
60,000	771.99	925.09	153.09	19.83%
70,000	881.48	1,056.64	175.16	19.87%
80,000	990.97	1,188.19	197.22	19.90%
90,000	1,100.45	1,319.74	219.29	19.93%
100,000	1,209.94	1,451.29	241.35	19.95%
110,000	1,319.42	1,582.84	263.41	19.96%
120,000	1,428.91	1,714.39	285.48	19.98%
130,000	1,538.39	1,845.94	307.54	19.99%
140,000	1,647.88	1,977.49	329.61	20.00%
150,000	1,757.36	2,109.04	351.67	20.01%
160,000	1,866.85	2,240.59	373.74	20.02%
170,000	1,976.33	2,372.14	395.80	20.03%
180,000	2,085.82	2,503.69	417.87	20.03%
190,000	2,195.30	2,635.24	439.93	20.04%
200,000	2,304.79	2,766.79	462.00	20.05%
210,000	2,414.28	2,898.34	484.06	20.05%
220,000	2,523.76	3,029.89	506.13	20.05%
230,000	2,633.25	3,161.44	528.19	20.06%
240,000	2,742.73	3,292.99	550.25	20.06%
250,000	2,852.22	3,424.54	572.32	20.07%
260,000	2,961.70	3,556.09	594.38	20.07%
270,000	3,071.19	3,687.64	616.45	20.07%
280,000	3,180.67	3,819.19	638.51	20.07%
290,000	3,290.16	3,950.74	660.58	20.08%
300,000	3,399.64	4,082.29	682.64	20.08%
310,000	3,509.13	4,213.84	704.71	20.08%
320,000	3,618.61	4,345.39	726.77	20.08%
330,000	3,728.10	4,476.94	748.84	20.09%
340,000	3,831.09	4,600.68	769.59	20.09%
350,000	3,931.29	4,721.08	789.79	20.09%
360,000	4,031.50	4,841.48	809.98	20.09%
370,000	4,131.71	4,961.88	830.18	20.09%
380,000	4,231.91	5,082.28	850.37	20.09%
390,000	4,332.12	5,202.68	870.57	20.10%
400,000	4,432.32	5,323.08	890.76	20.10%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
16,000	251.37	299.52	48.16	19.16%
17,000	264.56	315.38	50.82	19.21%
18,000	277.76	331.24	53.48	19.25%
19,000	290.96	347.09	56.14	19.29%
20,000	304.15	362.95	58.80	19.33%
100,000	1,209.94	1,451.29	241.35	19.95%
200,000	2,304.79	2,766.79	462.00	20.05%
300,000	3,399.64	4,082.29	682.64	20.08%
400,000	4,432.32	5,323.08	890.76	20.10%
500,000	5,434.37	6,527.08	1,092.71	20.11%
600,000	6,436.43	7,731.08	1,294.65	20.11%
700,000	7,438.48	8,935.08	1,496.60	20.12%
1,000,000	10,444.64	12,547.08	2,102.44	20.13%
1,980,000	20,264.76	24,346.28	4,081.52	20.14%
1,990,000	20,364.97	24,466.68	4,101.72	20.14%
2,000,000	20,465.17	24,587.08	4,121.91	20.14%
3,000,000	30,485.70	36,627.08	6,141.38	20.15%
4,000,000	40,329.69	48,667.08	8,337.39	20.67%
5,000,000	50,085.54	60,707.08	10,621.55	21.21%
6,000,000	59,841.38	72,747.08	12,905.70	21.57%
7,000,000	69,597.23	84,787.08	15,189.85	21.83%
8,000,000	79,353.08	96,827.08	17,474.01	22.02%
9,000,000	89,108.92	108,867.08	19,758.16	22.17%
10,000,000	98,864.77	120,907.08	22,042.31	22.30%
11,000,000	106,669.23	130,589.08	23,919.85	22.42%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
PUBLIC - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
16,000	251.37	299.52	48.16	19.16%
17,000	264.56	315.38	50.82	19.21%
18,000	277.76	331.24	53.48	19.25%
19,000	290.96	347.09	56.14	19.29%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.18	596.82	98.63	19.80%
40,000	552.64	664.37	111.74	20.22%
45,000	607.09	731.93	124.84	20.56%
50,000	661.54	799.48	137.94	20.85%
60,000	770.45	934.59	164.14	21.30%
70,000	879.36	1,069.70	190.35	21.65%
80,000	988.26	1,204.81	216.55	21.91%
90,000	1,097.17	1,339.92	242.75	22.13%
100,000	1,206.08	1,475.03	268.96	22.30%
110,000	1,314.98	1,610.14	295.16	22.45%
120,000	1,423.89	1,745.25	321.36	22.57%
130,000	1,532.80	1,880.36	347.56	22.68%
140,000	1,641.70	2,015.47	373.77	22.77%
150,000	1,750.61	2,150.58	399.97	22.85%
160,000	1,859.52	2,285.69	426.17	22.92%
170,000	1,968.42	2,420.80	452.38	22.98%
180,000	2,077.33	2,555.91	478.58	23.04%
190,000	2,186.24	2,691.02	504.78	23.09%
200,000	2,295.14	2,826.13	530.99	23.14%
210,000	2,404.05	2,961.24	557.19	23.18%
220,000	2,512.96	3,096.35	583.39	23.22%
230,000	2,621.86	3,231.46	609.60	23.25%
240,000	2,730.77	3,366.57	635.80	23.28%
250,000	2,839.68	3,501.68	662.00	23.31%
260,000	2,948.58	3,636.79	688.21	23.34%
270,000	3,057.49	3,771.90	714.41	23.37%
280,000	3,166.40	3,907.01	740.61	23.39%
290,000	3,275.30	4,042.12	766.82	23.41%
300,000	3,384.21	4,177.23	793.02	23.43%
310,000	3,493.12	4,312.34	819.22	23.45%
320,000	3,602.02	4,447.45	845.43	23.47%
330,000	3,710.93	4,582.56	871.63	23.49%
340,000	3,813.37	4,709.65	896.28	23.50%
350,000	3,913.04	4,833.30	920.26	23.52%
360,000	4,012.71	4,956.95	944.24	23.53%
370,000	4,112.38	5,080.60	968.22	23.54%
380,000	4,212.05	5,204.25	992.20	23.56%
390,000	4,311.72	5,327.90	1,016.18	23.57%
400,000	4,411.39	5,451.55	1,040.16	23.58%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - BEECH MOUNTAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	28.58	34.98	6.41	22.42%
2,000	35.18	46.07	10.89	30.96%
3,000	41.78	57.15	15.38	36.81%
3,870	47.52	66.80	19.28	40.57%
4,000	48.37	68.24	19.86	41.06%
5,000	54.97	79.32	24.35	44.29%
6,000	61.57	90.40	28.83	46.83%
7,000	68.17	101.49	33.32	48.87%
8,000	74.77	112.57	37.80	50.56%
9,000	81.37	123.66	42.29	51.97%
10,000	87.97	134.74	46.77	53.17%
11,000	94.57	145.82	51.26	54.20%
12,000	101.17	156.91	55.74	55.10%
13,000	107.76	167.99	60.23	55.89%
14,000	114.36	179.08	64.71	56.59%
15,000	120.96	190.16	69.20	57.21%
16,000	127.56	201.24	73.68	57.76%
17,000	134.16	212.33	78.17	58.26%
18,000	140.76	223.41	82.65	58.72%
19,000	147.36	234.50	87.14	59.13%
20,000	153.96	245.58	91.62	59.51%
25,000	186.95	301.00	114.05	61.00%
30,000	219.95	356.42	136.47	62.05%
35,000	252.94	411.84	158.90	62.82%
40,000	285.94	467.26	181.32	63.41%
45,000	318.93	522.68	203.75	63.89%
50,000	351.92	578.10	226.18	64.27%
60,000	417.91	688.94	271.03	64.85%
70,000	483.90	799.78	315.88	65.28%
80,000	549.89	910.62	360.73	65.60%
90,000	615.88	1,021.46	405.58	65.85%
100,000	681.87	1,132.30	450.43	66.06%
110,000	747.86	1,243.14	495.28	66.23%
120,000	813.85	1,353.98	540.13	66.37%
130,000	879.84	1,464.82	584.98	66.49%
140,000	945.83	1,575.66	629.83	66.59%
150,000	1,011.82	1,686.50	674.68	66.68%
160,000	1,077.80	1,797.34	719.54	66.76%
170,000	1,143.79	1,908.18	764.39	66.83%
180,000	1,209.78	2,019.02	809.24	66.89%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - BRISTOL TOWNSHIP DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	31.17	39.34	8.17	26.21%
2,000	40.36	54.77	14.42	35.72%
3,000	49.55	70.21	20.66	41.70%
3,870	57.54	83.64	26.10	45.36%
4,000	58.73	85.64	26.91	45.82%
5,000	67.92	101.08	33.16	48.81%
6,000	77.11	116.52	39.40	51.10%
7,000	86.30	131.95	45.65	52.90%
8,000	95.49	147.39	51.90	54.35%
9,000	104.68	162.82	58.14	55.55%
10,000	113.87	178.26	64.39	56.55%
11,000	123.06	193.70	70.64	57.40%
12,000	132.25	209.13	76.89	58.14%
13,000	141.44	224.57	83.13	58.78%
14,000	150.62	240.00	89.38	59.34%
15,000	159.81	255.44	95.63	59.84%
16,000	169.00	270.88	101.87	60.28%
17,000	178.19	286.31	108.12	60.68%
18,000	187.38	301.75	114.37	61.04%
19,000	196.57	317.18	120.62	61.36%
20,000	205.76	332.62	126.86	61.66%
25,000	251.70	409.80	158.10	62.81%
30,000	297.65	486.98	189.33	63.61%
35,000	343.59	564.16	220.57	64.19%
40,000	389.54	641.34	251.80	64.64%
45,000	435.48	718.52	283.04	64.99%
50,000	481.43	795.70	314.27	65.28%
60,000	573.32	950.06	376.74	65.71%
70,000	665.21	1,104.42	439.21	66.03%
80,000	757.10	1,258.78	501.68	66.26%
90,000	848.99	1,413.14	564.15	66.45%
100,000	940.88	1,567.50	626.62	66.60%
110,000	1,032.77	1,721.86	689.09	66.72%
120,000	1,124.65	1,876.22	751.57	66.83%
130,000	1,216.54	2,030.58	814.04	66.91%
140,000	1,308.43	2,184.94	876.51	66.99%
150,000	1,400.32	2,339.30	938.98	67.05%
160,000	1,492.21	2,493.66	1,001.45	67.11%
170,000	1,584.10	2,648.02	1,063.92	67.16%
180,000	1,675.99	2,802.38	1,126.39	67.21%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	35.96	41.25	5.29	14.70%
2,000	49.95	58.60	8.65	17.32%
3,000	66.50	79.14	12.63	19.00%
3,870	80.91	97.01	16.10	19.90%
4,000	83.06	99.68	16.62	20.00%
5,000	99.62	120.22	20.60	20.68%
6,000	116.18	140.76	24.58	21.16%
7,000	132.73	161.30	28.56	21.52%
8,000	149.29	181.84	32.55	21.80%
9,000	165.85	202.38	36.53	22.03%
10,000	182.41	222.92	40.51	22.21%
11,000	198.96	243.46	44.50	22.36%
12,000	215.52	264.00	48.48	22.49%
13,000	232.08	284.54	52.46	22.60%
14,000	248.63	305.08	56.44	22.70%
15,000	265.19	325.62	60.43	22.79%
16,000	281.75	346.16	64.41	22.86%
17,000	298.31	366.70	68.39	22.93%
18,000	314.86	387.24	72.37	22.99%
19,000	331.42	407.78	76.36	23.04%
20,000	347.98	428.32	80.34	23.09%
25,000	430.76	531.02	100.25	23.27%
30,000	513.55	633.72	120.17	23.40%
35,000	596.34	736.42	140.08	23.49%
40,000	679.12	839.12	159.99	23.56%
45,000	761.91	941.82	179.91	23.61%
50,000	844.70	1,044.52	199.82	23.66%
60,000	1,010.27	1,249.92	239.65	23.72%
70,000	1,175.84	1,455.32	279.47	23.77%
80,000	1,341.42	1,660.72	319.30	23.80%
90,000	1,506.99	1,866.12	359.13	23.83%
100,000	1,672.56	2,071.52	398.96	23.85%
110,000	1,838.13	2,276.92	438.78	23.87%
120,000	2,003.71	2,482.32	478.61	23.89%
130,000	2,169.28	2,687.72	518.44	23.90%
140,000	2,334.85	2,893.12	558.26	23.91%
150,000	2,500.43	3,098.52	598.09	23.92%
160,000	2,666.00	3,303.92	637.92	23.93%
170,000	2,831.57	3,509.32	677.75	23.94%
180,000	2,997.15	3,714.72	717.57	23.94%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.28	596.21	97.93	19.65%
40,000	553.02	661.99	108.96	19.70%
45,000	607.77	727.76	119.99	19.74%
50,000	662.51	793.54	131.03	19.78%
60,000	771.99	925.09	153.09	19.83%
70,000	881.48	1,056.64	175.16	19.87%
80,000	990.97	1,188.19	197.22	19.90%
90,000	1,100.45	1,319.74	219.29	19.93%
100,000	1,209.94	1,451.29	241.35	19.95%
110,000	1,319.42	1,582.84	263.41	19.96%
120,000	1,428.91	1,714.39	285.48	19.98%
130,000	1,538.39	1,845.94	307.54	19.99%
140,000	1,647.88	1,977.49	329.61	20.00%
150,000	1,757.36	2,109.04	351.67	20.01%
160,000	1,866.85	2,240.59	373.74	20.02%
170,000	1,976.33	2,372.14	395.80	20.03%
180,000	2,085.82	2,503.69	417.87	20.03%
190,000	2,195.30	2,635.24	439.93	20.04%
200,000	2,304.79	2,766.79	462.00	20.05%
210,000	2,414.28	2,898.34	484.06	20.05%
220,000	2,523.76	3,029.89	506.13	20.05%
230,000	2,633.25	3,161.44	528.19	20.06%
240,000	2,742.73	3,292.99	550.25	20.06%
250,000	2,852.22	3,424.54	572.32	20.07%
260,000	2,961.70	3,556.09	594.38	20.07%
270,000	3,071.19	3,687.64	616.45	20.07%
280,000	3,180.67	3,819.19	638.51	20.07%
290,000	3,290.16	3,950.74	660.58	20.08%
300,000	3,399.64	4,082.29	682.64	20.08%
310,000	3,509.13	4,213.84	704.71	20.08%
320,000	3,618.61	4,345.39	726.77	20.08%
330,000	3,728.10	4,476.94	748.84	20.09%
340,000	3,831.09	4,600.68	769.59	20.09%
350,000	3,931.29	4,721.08	789.79	20.09%
360,000	4,031.50	4,841.48	809.98	20.09%
370,000	4,131.71	4,961.88	830.18	20.09%
380,000	4,231.91	5,082.28	850.37	20.09%
390,000	4,332.12	5,202.68	870.57	20.10%
400,000	4,432.32	5,323.08	890.76	20.10%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
16,000	251.37	299.52	48.16	19.16%
17,000	264.56	315.38	50.82	19.21%
18,000	277.76	331.24	53.48	19.25%
19,000	290.96	347.09	56.14	19.29%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.28	596.21	97.93	19.65%
40,000	553.02	661.99	108.96	19.70%
100,000	1,209.94	1,451.29	241.35	19.95%
200,000	2,304.79	2,766.79	462.00	20.05%
300,000	3,399.64	4,082.29	682.64	20.08%
400,000	4,432.32	5,323.08	890.76	20.10%
500,000	5,434.37	6,527.08	1,092.71	20.11%
700,000	7,438.48	8,935.08	1,496.60	20.12%
1,000,000	10,444.64	12,547.08	2,102.44	20.13%
2,000,000	20,465.17	24,587.08	4,121.91	20.14%
3,000,000	30,485.70	36,627.08	6,141.38	20.15%
4,000,000	40,329.69	48,667.08	8,337.39	20.67%
5,000,000	50,085.54	60,707.08	10,621.55	21.21%
5,970,000	59,548.71	72,385.88	12,837.17	21.56%
5,980,000	59,646.27	72,506.28	12,860.02	21.56%
5,990,000	59,743.82	72,626.68	12,882.86	21.56%
6,000,000	59,841.38	72,747.08	12,905.70	21.57%
7,000,000	69,597.23	84,787.08	15,189.85	21.83%
8,000,000	79,353.08	96,827.08	17,474.01	22.02%
9,000,000	89,108.92	108,867.08	19,758.16	22.17%
10,000,000	98,864.77	120,907.08	22,042.31	22.30%
11,000,000	106,669.23	130,589.08	23,919.85	22.42%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
PUBLIC - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
16,000	251.37	299.52	48.16	19.16%
17,000	264.56	315.38	50.82	19.21%
18,000	277.76	331.24	53.48	19.25%
19,000	290.96	347.09	56.14	19.29%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.18	596.82	98.63	19.80%
40,000	552.64	664.37	111.74	20.22%
45,000	607.09	731.93	124.84	20.56%
50,000	661.54	799.48	137.94	20.85%
60,000	770.45	934.59	164.14	21.30%
70,000	879.36	1,069.70	190.35	21.65%
80,000	988.26	1,204.81	216.55	21.91%
90,000	1,097.17	1,339.92	242.75	22.13%
100,000	1,206.08	1,475.03	268.96	22.30%
110,000	1,314.98	1,610.14	295.16	22.45%
120,000	1,423.89	1,745.25	321.36	22.57%
130,000	1,532.80	1,880.36	347.56	22.68%
140,000	1,641.70	2,015.47	373.77	22.77%
150,000	1,750.61	2,150.58	399.97	22.85%
160,000	1,859.52	2,285.69	426.17	22.92%
170,000	1,968.42	2,420.80	452.38	22.98%
180,000	2,077.33	2,555.91	478.58	23.04%
190,000	2,186.24	2,691.02	504.78	23.09%
200,000	2,295.14	2,826.13	530.99	23.14%
210,000	2,404.05	2,961.24	557.19	23.18%
220,000	2,512.96	3,096.35	583.39	23.22%
230,000	2,621.86	3,231.46	609.60	23.25%
240,000	2,730.77	3,366.57	635.80	23.28%
250,000	2,839.68	3,501.68	662.00	23.31%
260,000	2,948.58	3,636.79	688.21	23.34%
270,000	3,057.49	3,771.90	714.41	23.37%
280,000	3,166.40	3,907.01	740.61	23.39%
290,000	3,275.30	4,042.12	766.82	23.41%
300,000	3,384.21	4,177.23	793.02	23.43%
310,000	3,493.12	4,312.34	819.22	23.45%
320,000	3,602.02	4,447.45	845.43	23.47%
330,000	3,710.93	4,582.56	871.63	23.49%
340,000	3,813.37	4,709.65	896.28	23.50%
350,000	3,913.04	4,833.30	920.26	23.52%
360,000	4,012.71	4,956.95	944.24	23.53%
370,000	4,112.38	5,080.60	968.22	23.54%
380,000	4,212.05	5,204.25	992.20	23.56%
390,000	4,311.72	5,327.90	1,016.18	23.57%
400,000	4,411.39	5,451.55	1,040.16	23.58%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - CONCORD PARK DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	33.30	41.25	7.95	23.87%
2,000	44.62	58.60	13.97	31.32%
3,000	55.95	75.95	20.00	35.75%
3,870	65.80	91.04	25.24	38.37%
4,000	67.27	93.30	26.03	38.69%
5,000	78.59	110.65	32.05	40.79%
6,000	89.91	127.99	38.08	42.35%
7,000	101.24	145.34	44.11	43.57%
8,000	112.56	162.69	50.13	44.54%
9,000	123.88	180.04	56.16	45.33%
10,000	135.20	197.39	62.19	45.99%
11,000	146.53	214.74	68.21	46.55%
12,000	157.85	232.09	74.24	47.03%
13,000	169.17	249.44	80.27	47.45%
14,000	180.49	266.79	86.29	47.81%
15,000	191.82	284.14	92.32	48.13%
16,000	203.14	301.48	98.35	48.41%
17,000	214.46	318.83	104.37	48.67%
18,000	225.78	336.18	110.40	48.90%
19,000	237.11	353.53	116.42	49.10%
20,000	248.43	370.88	122.45	49.29%
25,000	305.04	457.63	152.58	50.02%
30,000	361.65	544.37	182.72	50.52%
35,000	418.27	631.12	212.85	50.89%
40,000	474.88	717.86	242.98	51.17%
45,000	531.49	804.61	273.11	51.39%
50,000	588.10	891.35	303.25	51.56%
60,000	701.33	1,064.84	363.51	51.83%
70,000	814.56	1,238.33	423.77	52.03%
80,000	927.78	1,411.82	484.04	52.17%
90,000	1,041.01	1,585.31	544.30	52.29%
100,000	1,154.23	1,758.80	604.57	52.38%
110,000	1,267.46	1,932.29	664.83	52.45%
120,000	1,380.68	2,105.78	725.10	52.52%
130,000	1,493.91	2,279.27	785.36	52.57%
140,000	1,607.13	2,452.76	845.63	52.62%
150,000	1,720.36	2,626.25	905.89	52.66%
160,000	1,833.58	2,799.74	966.16	52.69%
170,000	1,946.81	2,973.23	1,026.42	52.72%
180,000	2,060.03	3,146.72	1,086.69	52.75%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - TREASURE LAKE DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATI
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	31.84	40.47	8.63	27.09%
2,000	41.70	57.03	15.33	36.76%
3,000	51.57	73.60	22.03	42.73%
3,870	60.15	88.01	27.87	46.33%
4,000	61.43	90.17	28.74	46.78%
5,000	71.29	106.74	35.44	49.71%
6,000	81.16	123.30	42.15	51.93%
7,000	91.02	139.87	48.85	53.67%
8,000	100.88	156.44	55.55	55.07%
9,000	110.75	173.00	62.26	56.22%
10,000	120.61	189.57	68.96	57.18%
11,000	130.47	206.14	75.67	57.99%
12,000	140.33	222.70	82.37	58.70%
13,000	150.20	239.27	89.07	59.30%
14,000	160.06	255.84	95.78	59.84%
15,000	169.92	272.41	102.48	60.31%
16,000	179.79	288.97	109.19	60.73%
17,000	189.65	305.54	115.89	61.11%
18,000	199.51	322.11	122.59	61.45%
19,000	209.38	338.67	129.30	61.75%
20,000	219.24	355.24	136.00	62.03%
25,000	268.55	438.08	169.52	63.12%
30,000	317.87	520.91	203.04	63.88%
35,000	367.18	603.75	236.56	64.43%
40,000	416.50	686.58	270.08	64.85%
45,000	465.81	769.42	303.60	65.18%
50,000	515.13	852.25	337.12	65.44%
60,000	613.76	1,017.92	404.16	65.85%
70,000	712.39	1,183.59	471.20	66.14%
80,000	811.02	1,349.26	538.24	66.37%
90,000	909.65	1,514.93	605.28	66.54%
100,000	1,008.28	1,680.60	672.32	66.68%
110,000	1,106.91	1,846.27	739.36	66.80%
120,000	1,205.54	2,011.94	806.40	66.89%
130,000	1,304.17	2,177.61	873.44	66.97%
140,000	1,402.80	2,343.28	940.48	67.04%
150,000	1,501.43	2,508.95	1,007.52	67.10%
160,000	1,600.06	2,674.62	1,074.56	67.16%
170,000	1,698.69	2,840.29	1,141.60	67.20%
180,000	1,797.32	3,005.96	1,208.64	67.25%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.69	$ 33.90	$ 1.21	3.69%
1,000	45.80	50.21	4.41	9.62%
2,000	58.91	66.51	7.61	12.91%
3,000	72.01	82.82	10.81	15.01%
3,870	83.42	97.01	13.59	16.29%
4,000	85.12	99.13	14.01	16.45%
5,000	101.68	119.67	17.99	17.69%
6,000	118.24	140.21	21.97	18.58%
7,000	134.79	160.75	25.95	19.25%
8,000	151.35	181.29	29.94	19.78%
9,000	167.91	201.83	33.92	20.20%
10,000	184.47	222.37	37.90	20.55%
11,000	201.02	242.91	41.89	20.84%
12,000	217.58	263.45	45.87	21.08%
13,000	234.14	283.99	49.85	21.29%
14,000	250.69	304.53	53.83	21.47%
15,000	267.25	325.07	57.82	21.63%
16,000	283.81	345.61	61.80	21.77%
17,000	300.37	366.15	65.78	21.90%
18,000	316.92	386.69	69.76	22.01%
19,000	333.48	407.23	73.75	22.11%
20,000	350.04	427.77	77.73	22.21%
25,000	432.82	530.47	97.64	22.56%
30,000	515.61	633.17	117.56	22.80%
35,000	598.40	735.87	137.47	22.97%
40,000	681.18	838.57	157.38	23.10%
45,000	763.97	941.27	177.30	23.21%
50,000	846.76	1,043.97	197.21	23.29%
60,000	1,012.33	1,249.37	237.04	23.42%
70,000	1,177.90	1,454.77	276.86	23.50%
80,000	1,343.48	1,660.17	316.69	23.57%
90,000	1,509.05	1,865.57	356.52	23.63%
100,000	1,674.62	2,070.97	396.35	23.67%
110,000	1,840.19	2,276.37	436.17	23.70%
120,000	2,005.77	2,481.77	476.00	23.73%
130,000	2,171.34	2,687.17	515.83	23.76%
140,000	2,336.91	2,892.57	555.65	23.78%
150,000	2,502.49	3,097.97	595.48	23.80%
160,000	2,668.06	3,303.37	635.31	23.81%
170,000	2,833.63	3,508.77	675.14	23.83%
180,000	2,999.20	3,714.17	714.96	23.84%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.69	$ 33.90	$ 1.21	3.69%
1,000	47.72	51.95	4.23	8.87%
2,000	62.74	70.00	7.26	11.57%
3,000	77.76	88.04	10.29	13.23%
4,000	92.78	106.09	13.32	14.35%
5,000	107.80	124.14	16.34	15.16%
6,000	122.82	142.19	19.37	15.77%
7,000	137.84	160.24	22.40	16.25%
8,000	152.86	178.28	25.42	16.63%
9,000	167.88	196.33	28.45	16.95%
10,000	182.90	214.38	31.48	17.21%
11,000	196.10	230.24	34.14	17.41%
12,000	209.29	246.09	36.80	17.58%
13,000	222.49	261.95	39.46	17.74%
14,000	235.69	277.81	42.12	17.87%
15,000	248.88	293.67	44.78	17.99%
20,000	314.87	372.95	58.08	18.45%
25,000	380.85	452.24	71.38	18.74%
30,000	446.84	531.52	84.68	18.95%
35,000	509.00	606.21	97.21	19.10%
40,000	563.74	671.99	108.25	19.20%
45,000	618.48	737.76	119.28	19.29%
50,000	673.23	803.54	130.31	19.36%
60,000	782.71	935.09	152.38	19.47%
70,000	892.20	1,066.64	174.44	19.55%
80,000	1,001.68	1,198.19	196.50	19.62%
90,000	1,111.17	1,329.74	218.57	19.67%
100,000	1,220.65	1,461.29	240.63	19.71%
110,000	1,330.14	1,592.84	262.70	19.75%
120,000	1,439.62	1,724.39	284.76	19.78%
130,000	1,549.11	1,855.94	306.83	19.81%
140,000	1,658.59	1,987.49	328.89	19.83%
150,000	1,768.08	2,119.04	350.96	19.85%
160,000	1,877.56	2,250.59	373.02	19.87%
170,000	1,987.05	2,382.14	395.09	19.88%
180,000	2,096.54	2,513.69	417.15	19.90%
190,000	2,206.02	2,645.24	439.22	19.91%
200,000	2,315.51	2,776.79	461.28	19.92%
210,000	2,424.99	2,908.34	483.35	19.93%
220,000	2,534.48	3,039.89	505.41	19.94%
230,000	2,643.96	3,171.44	527.47	19.95%
240,000	2,753.45	3,302.99	549.54	19.96%
250,000	2,862.93	3,434.54	571.60	19.97%
260,000	2,972.42	3,566.09	593.67	19.97%
270,000	3,081.90	3,697.64	615.73	19.98%
280,000	3,191.39	3,829.19	637.80	19.98%
290,000	3,300.87	3,960.74	659.86	19.99%
300,000	3,410.36	4,092.29	681.93	20.00%
310,000	3,519.85	4,223.84	703.99	20.00%
320,000	3,629.33	4,355.39	726.06	20.01%
330,000	3,738.82	4,486.94	748.12	20.01%
340,000	3,841.81	4,610.68	768.88	20.01%
350,000	3,942.01	4,731.08	789.07	20.02%
360,000	4,042.22	4,851.48	809.27	20.02%
370,000	4,142.42	4,971.88	829.46	20.02%
380,000	4,242.63	5,092.28	849.65	20.03%
390,000	4,342.83	5,212.68	869.85	20.03%
400,000	4,443.04	5,333.08	890.04	20.03%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.69	$ 33.90	$ 1.21	3.69%
1,000	$ 47.72	$ 51.95	$ 4.23	8.87%
2,000	62.74	70.00	7.26	11.57%
3,000	77.76	88.04	10.29	13.23%
4,000	92.78	106.09	13.32	14.35%
5,000	107.80	124.14	16.34	15.16%
6,000	122.82	142.19	19.37	15.77%
7,000	137.84	160.24	22.40	16.25%
8,000	152.86	178.28	25.42	16.63%
9,000	167.88	196.33	28.45	16.95%
10,000	182.90	214.38	31.48	17.21%
20,000	314.87	372.95	58.08	18.45%
30,000	446.84	531.52	84.68	18.95%
40,000	578.80	690.09	111.29	19.23%
50,000	710.77	848.66	137.89	19.40%
60,000	842.74	1,007.23	164.49	19.52%
70,000	974.71	1,165.80	191.09	19.61%
80,000	1,106.67	1,324.37	217.70	19.67%
90,000	1,238.64	1,482.94	244.30	19.72%
100,000	1,370.61	1,641.51	270.90	19.77%
200,000	2,690.28	3,227.21	536.93	19.96%
300,000	4,009.96	4,812.91	802.95	20.02%
400,000	5,329.63	6,398.61	1,068.98	20.06%
500,000	5,600.07	6,723.29	1,123.22	20.06%
600,000	6,694.92	8,038.79	1,343.87	20.07%
700,000	7,789.77	9,354.29	1,564.51	20.08%
800,000	8,884.63	10,669.79	1,785.16	20.09%
900,000	9,979.48	11,985.29	2,005.80	20.10%
1,000,000	11,074.34	13,300.79	2,226.45	20.10%
1,100,000	12,169.19	14,616.29	2,447.10	20.11%
1,200,000	13,264.04	15,931.79	2,667.74	20.11%
1,300,000	14,358.90	17,247.29	2,888.39	20.12%
1,400,000	15,453.75	18,562.79	3,109.04	20.12%
1,500,000	16,548.60	19,878.29	3,329.68	20.12%
1,600,000	17,643.46	21,193.79	3,550.33	20.12%
1,700,000	18,738.31	22,509.29	3,770.97	20.12%
1,800,000	19,833.17	23,824.79	3,991.62	20.13%
1,900,000	20,928.02	25,140.29	4,212.27	20.13%
2,000,000	22,022.87	26,455.79	4,432.91	20.13%
3,000,000	32,971.41	39,610.79	6,639.38	20.14%
4,000,000	43,919.95	52,765.79	8,845.84	20.14%
5,000,000	54,868.48	65,920.79	11,052.30	20.14%
6,000,000	65,817.02	79,075.79	13,258.76	20.14%
7,000,000	76,765.56	92,230.79	15,465.23	20.15%
8,000,000	87,714.10	105,385.79	17,671.69	20.15%
9,000,000	98,662.63	118,540.79	19,878.15	20.15%
10,000,000	109,611.17	131,695.79	22,084.62	20.15%
11,000,000	120,559.71	144,850.79	24,291.08	20.15%
12,000,000	131,508.25	158,005.79	26,497.54	20.15%
13,000,000	142,456.78	171,160.79	28,704.00	20.15%
14,000,000	153,405.32	184,315.79	30,910.47	20.15%
15,000,000	164,353.86	197,470.79	33,116.93	20.15%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
PUBLIC - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.69	$ 33.90	$ 1.21	3.69%
1,000	47.72	51.95	4.23	8.87%
2,000	62.74	70.00	7.26	11.57%
3,000	77.76	88.04	10.29	13.23%
4,000	92.78	106.09	13.32	14.35%
5,000	107.80	124.14	16.34	15.16%
6,000	122.82	142.19	19.37	15.77%
7,000	137.84	160.24	22.40	16.25%
8,000	152.86	178.28	25.42	16.63%
9,000	167.88	196.33	28.45	16.95%
10,000	182.90	214.38	31.48	17.21%
11,000	196.10	230.24	34.14	17.41%
12,000	209.29	246.09	36.80	17.58%
13,000	222.49	261.95	39.46	17.74%
14,000	235.69	277.81	42.12	17.87%
15,000	248.88	293.67	44.78	17.99%
16,000	262.08	309.52	47.44	18.10%
17,000	275.28	325.38	50.10	18.20%
18,000	288.47	341.24	52.76	18.29%
19,000	301.67	357.09	55.42	18.37%
20,000	314.87	372.95	58.08	18.45%
25,000	380.85	452.24	71.38	18.74%
30,000	446.84	531.52	84.68	18.95%
35,000	508.90	606.82	97.92	19.24%
40,000	563.35	674.37	111.02	19.71%
45,000	617.81	741.93	124.12	20.09%
50,000	672.26	809.48	137.22	20.41%
60,000	781.17	944.59	163.43	20.92%
70,000	890.07	1,079.70	189.63	21.30%
80,000	998.98	1,214.81	215.83	21.61%
90,000	1,107.89	1,349.92	242.04	21.85%
100,000	1,216.79	1,485.03	268.24	22.04%
110,000	1,325.70	1,620.14	294.44	22.21%
120,000	1,434.61	1,755.25	320.65	22.35%
130,000	1,543.51	1,890.36	346.85	22.47%
140,000	1,652.42	2,025.47	373.05	22.58%
150,000	1,761.33	2,160.58	399.26	22.67%
160,000	1,870.23	2,295.69	425.46	22.75%
170,000	1,979.14	2,430.80	451.66	22.82%
180,000	2,088.05	2,565.91	477.87	22.89%
190,000	2,196.95	2,701.02	504.07	22.94%
200,000	2,305.86	2,836.13	530.27	23.00%
210,000	2,414.77	2,971.24	556.48	23.04%
220,000	2,523.67	3,106.35	582.68	23.09%
230,000	2,632.58	3,241.46	608.88	23.13%
240,000	2,741.49	3,376.57	635.09	23.17%
250,000	2,850.39	3,511.68	661.29	23.20%
260,000	2,959.30	3,646.79	687.49	23.23%
270,000	3,068.21	3,781.90	713.69	23.26%
280,000	3,177.11	3,917.01	739.90	23.29%
290,000	3,286.02	4,052.12	766.10	23.31%
300,000	3,394.93	4,187.23	792.30	23.34%
310,000	3,503.83	4,322.34	818.51	23.36%
320,000	3,612.74	4,457.45	844.71	23.38%
330,000	3,721.65	4,592.56	870.91	23.40%
340,000	3,824.09	4,719.65	895.56	23.42%
350,000	3,923.76	4,843.30	919.54	23.44%
360,000	4,023.43	4,966.95	943.52	23.45%
370,000	4,123.10	5,090.60	967.50	23.47%
380,000	4,222.77	5,214.25	991.48	23.48%
390,000	4,322.44	5,337.90	1,015.46	23.49%
400,000	4,422.10	5,461.55	1,039.44	23.51%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
BUNKER HILL DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 12.64	$ 20.65	$ 8.01	63.31%
1,000	19.78	32.31	12.52	63.31%
2,000	26.92	43.96	17.04	63.31%
3,000	34.06	55.62	21.56	63.31%
3,870	40.26	65.75	25.49	63.31%
4,000	41.19	67.27	26.08	63.31%
5,000	48.33	78.93	30.60	63.31%
6,000	55.47	90.58	35.11	63.31%
7,000	62.60	102.24	39.63	63.31%
8,000	69.74	113.89	44.15	63.31%
9,000	76.88	125.55	48.67	63.31%
10,000	84.01	137.20	53.19	63.31%
11,000	91.15	148.86	57.70	63.31%
12,000	98.29	160.51	62.22	63.31%
13,000	105.42	172.17	66.74	63.31%
14,000	112.56	183.82	71.26	63.31%
15,000	119.70	195.48	75.78	63.31%
16,000	126.83	207.13	80.30	63.31%
17,000	133.97	218.79	84.81	63.31%
18,000	141.11	230.44	89.33	63.31%
19,000	148.25	242.10	93.85	63.31%
20,000	155.38	253.75	98.37	63.31%
25,000	191.07	312.03	120.96	63.31%
30,000	226.75	370.30	143.55	63.31%
35,000	262.43	428.58	166.14	63.31%
40,000	298.12	486.85	188.73	63.31%
45,000	333.80	545.13	211.32	63.31%
50,000	369.49	603.40	233.91	63.31%
60,000	440.86	719.95	279.09	63.31%
70,000	512.22	836.50	324.28	63.31%
80,000	583.59	953.05	369.46	63.31%
90,000	654.96	1,069.60	414.64	63.31%
100,000	726.33	1,186.15	459.82	63.31%
110,000	797.70	1,302.70	505.00	63.31%
120,000	869.07	1,419.25	550.18	63.31%
130,000	940.44	1,535.80	595.36	63.31%
140,000	1,011.80	1,652.35	640.55	63.31%
150,000	1,083.17	1,768.90	685.73	63.31%
160,000	1,154.54	1,885.45	730.91	63.31%
170,000	1,225.91	2,002.00	776.09	63.31%
180,000	1,297.28	2,118.55	821.27	63.31%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
SUN VALLEY DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	BILLS UNDER FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 19.29	$ 31.50	$ 12.21	63.31%
1,000	24.65	40.25	15.60	63.31%
2,000	30.00	49.00	19.00	63.31%
3,000	35.36	57.75	22.39	63.31%
3,870	40.02	65.36	25.34	63.31%
4,000	40.72	66.50	25.78	63.31%
5,000	46.08	75.25	29.17	63.31%
6,000	51.44	84.00	32.56	63.31%
7,000	56.79	92.75	35.96	63.31%
8,000	62.15	101.50	39.35	63.31%
9,000	67.51	110.25	42.74	63.31%
10,000	72.87	119.00	46.13	63.31%
11,000	78.23	127.75	49.52	63.31%
12,000	83.58	136.50	52.92	63.31%
13,000	88.94	145.25	56.31	63.31%
14,000	94.30	154.00	59.70	63.31%
15,000	99.66	162.75	63.09	63.31%
16,000	105.02	171.50	66.48	63.31%
17,000	110.37	180.25	69.88	63.31%
18,000	115.73	189.00	73.27	63.31%
19,000	121.09	197.75	76.66	63.31%
20,000	126.45	206.50	80.05	63.31%
25,000	153.24	250.25	97.01	63.31%
30,000	180.03	294.00	113.97	63.31%
35,000	206.82	337.75	130.93	63.31%
40,000	233.61	381.50	147.89	63.31%
45,000	260.40	425.25	164.85	63.31%
50,000	287.19	469.00	181.81	63.31%
60,000	340.77	556.50	215.73	63.31%
70,000	394.35	644.00	249.65	63.31%
80,000	447.93	731.50	283.57	63.31%
90,000	501.51	819.00	317.49	63.31%
100,000	555.09	906.50	351.41	63.31%
110,000	608.67	994.00	385.33	63.31%
120,000	662.25	1,081.50	419.25	63.31%
130,000	715.83	1,169.00	453.17	63.31%
140,000	769.41	1,256.50	487.09	63.31%
150,000	822.99	1,344.00	521.01	63.31%
160,000	876.57	1,431.50	554.93	63.31%
170,000	930.15	1,519.00	588.85	63.31%
180,000	983.73	1,606.50	622.77	63.31%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
PHOENIXVILLE DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 5.25	$ 8.58	$ 3.33	63.40%
1,000	10.01	16.35	6.34	63.36%
2,000	14.77	24.12	9.35	63.34%
3,000	19.52	31.89	12.37	63.33%
3,870	23.66	38.65	14.99	63.33%
4,000	24.28	39.66	15.38	63.33%
5,000	29.04	47.43	18.39	63.32%
6,000	33.80	55.20	21.40	63.32%
7,000	38.56	62.97	24.41	63.32%
8,000	43.31	70.74	27.43	63.32%
9,000	48.07	78.51	30.44	63.32%
10,000	52.83	86.28	33.45	63.32%
11,000	57.59	94.05	36.46	63.32%
12,000	62.35	101.82	39.47	63.32%
13,000	67.10	109.59	42.49	63.31%
14,000	71.86	117.36	45.50	63.31%
15,000	76.62	125.13	48.51	63.31%
16,000	81.38	132.90	51.52	63.31%
17,000	86.14	140.67	54.53	63.31%
18,000	90.89	148.44	57.55	63.31%
19,000	95.65	156.21	60.56	63.31%
20,000	100.41	163.98	63.57	63.31%
25,000	124.20	202.83	78.63	63.31%
30,000	147.99	241.68	93.69	63.31%
35,000	171.78	280.53	108.75	63.31%
40,000	195.57	319.38	123.81	63.31%
45,000	219.36	358.23	138.87	63.31%
50,000	243.15	397.08	153.93	63.31%
60,000	290.73	474.78	184.05	63.31%
70,000	338.30	552.48	214.18	63.31%
80,000	385.88	630.18	244.30	63.31%
90,000	433.46	707.88	274.42	63.31%
100,000	481.04	785.58	304.54	63.31%
110,000	528.62	863.28	334.66	63.31%
120,000	576.20	940.98	364.78	63.31%
130,000	623.78	1,018.68	394.90	63.31%
140,000	671.36	1,096.38	425.02	63.31%
150,000	718.94	1,174.08	455.14	63.31%
160,000	766.52	1,251.78	485.26	63.31%
170,000	814.09	1,329.48	515.39	63.31%
180,000	861.67	1,407.18	545.51	63.31%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
SHENANDOAH DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 20.49	$ 23.90	$ 3.41	16.64%
1,000	20.49	36.59	16.10	78.56%
2,000	40.98	49.27	8.29	20.24%
3,000	51.94	64.30	12.36	23.79%
3,870	56.14	77.36	21.22	37.80%
4,000	56.77	79.32	22.55	39.71%
5,000	61.60	94.34	32.74	53.14%
6,000	66.43	109.36	42.93	64.62%
7,000	71.26	124.38	53.12	74.54%
8,000	82.22	139.40	57.18	69.55%
9,000	93.18	154.42	61.24	65.72%
10,000	104.14	169.44	65.30	62.71%
11,000	115.10	184.46	69.36	60.26%
12,000	126.06	199.48	73.42	58.25%
13,000	137.02	214.51	77.49	56.55%
14,000	147.98	229.53	81.55	55.11%
15,000	158.94	244.55	85.61	53.86%
16,000	169.90	259.57	89.67	52.78%
17,000	180.86	274.59	93.73	51.82%
18,000	191.82	289.61	97.79	50.98%
19,000	202.78	304.63	101.85	50.23%
20,000	213.74	319.65	105.91	49.55%
25,000	268.54	394.76	126.22	47.00%
30,000	323.34	469.86	146.52	45.32%
35,000	378.14	544.97	166.83	44.12%
40,000	432.94	620.07	187.13	43.22%
45,000	487.74	695.18	207.44	42.53%
50,000	542.54	770.28	227.74	41.98%
60,000	652.14	920.49	268.35	41.15%
70,000	761.74	1,070.70	308.96	40.56%
80,000	871.34	1,220.91	349.57	40.12%
90,000	980.94	1,371.12	390.18	39.78%
100,000	1,090.54	1,521.33	430.79	39.50%
110,000	1,200.14	1,671.54	471.40	39.28%
120,000	1,309.74	1,821.75	512.01	39.09%
130,000	1,419.34	1,971.96	552.62	38.94%
140,000	1,528.94	2,122.17	593.23	38.80%
150,000	1,638.54	2,272.38	633.84	38.68%
160,000	1,748.14	2,422.59	674.45	38.58%
170,000	1,857.74	2,572.80	715.06	38.49%
180,000	1,967.34	2,723.01	755.67	38.41%

AQUA PENNSYLVANIA INC.
SHENANDOAH DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
2 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 110.29	$ 191.10	$ 80.81	73.27%
1,000	110.29	202.83	92.54	83.91%
2,000	110.29	214.56	104.27	94.54%
3,000	114.21	224.87	110.66	96.89%
4,000	118.13	235.18	117.05	99.08%
5,000	122.05	245.48	123.43	101.13%
6,000	125.97	255.79	129.82	103.06%
7,000	129.89	266.10	136.21	104.86%
8,000	133.81	276.40	142.59	106.56%
9,000	137.73	286.71	148.98	108.17%
10,000	141.65	297.02	155.37	109.68%
11,000	145.57	307.33	161.76	111.12%
12,000	149.49	317.63	168.14	112.48%
13,000	153.41	327.94	174.53	113.77%
14,000	157.33	338.25	180.92	114.99%
15,000	161.25	348.55	187.30	116.16%
16,000	165.17	358.86	193.69	117.27%
17,000	169.09	369.17	200.08	118.33%
18,000	173.01	379.47	206.46	119.34%
19,000	176.93	389.78	212.85	120.30%
20,000	180.85	400.09	219.24	121.23%
50,000	298.45	709.30	410.85	137.66%
75,000	396.45	966.97	570.52	143.91%
100,000	494.45	1,224.65	730.20	147.68%
250,000	1,082.45	2,770.70	1,688.25	155.97%
500,000	2,062.45	5,347.45	3,285.00	159.28%
1,000,000	3,007.45	7,780.95	4,773.50	158.72%
2,000,000	4,897.45	12,647.95	7,750.50	158.26%
3,000,000	6,787.45	17,514.95	10,727.50	158.05%
4,000,000	8,677.45	22,381.95	13,704.50	157.93%
5,000,000	10,567.45	27,248.95	16,681.50	157.86%
6,000,000	12,457.45	32,115.95	19,658.50	157.81%
7,000,000	14,347.45	36,982.95	22,635.50	157.77%
8,000,000	16,237.45	41,849.95	25,612.50	157.74%
9,000,000	18,127.45	46,716.95	28,589.50	157.71%
10,000,000	20,017.45	51,583.95	31,566.50	157.69%
11,000,000	21,907.45	56,450.95	34,543.50	157.68%
12,000,000	23,797.45	61,317.95	37,520.50	157.67%
13,000,000	25,687.45	66,184.95	40,497.50	157.65%
14,000,000	27,577.45	71,051.95	43,474.50	157.65%

AQUA PENNSYLVANIA INC.
SHENANDOAH DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
4 INCH METERS

ACTUAL CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
1,275,000	$ 4,060.21	$ 6,637.84	$ 2,577.63	63.49%
1,326,000	4,156.60	6,865.04	2,708.44	65.16%
1,469,000	4,426.87	7,502.11	3,075.24	69.47%
1,506,000	4,496.80	7,666.94	3,170.14	70.50%
1,545,000	4,570.51	7,840.69	3,270.18	71.55%
1,570,000	4,617.76	7,952.06	3,334.30	72.21%
1,609,000	4,691.47	8,125.81	3,434.34	73.20%
1,659,000	4,785.97	8,348.56	3,562.59	74.44%
1,665,000	4,797.31	8,375.29	3,577.98	74.58%
1,673,000	4,812.43	8,410.93	3,598.50	74.78%
1,707,000	4,876.69	8,562.40	3,685.71	75.58%
1,771,000	4,997.65	8,847.52	3,849.87	77.03%

AQUA PENNSYLVANIA INC.
BELLE AIRE DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 50.00	$ 75.07	$ 25.07	50.15%
1,000	50.00	75.07	25.07	50.15%
2,000	50.00	75.07	25.07	50.15%
3,000	50.00	75.07	25.07	50.15%
3,870	50.00	75.07	25.07	50.15%
4,000	50.00	75.07	25.07	50.15%
5,000	50.00	75.07	25.07	50.15%
6,000	50.00	75.07	25.07	50.15%
7,000	50.00	75.07	25.07	50.15%
8,000	50.00	75.07	25.07	50.15%
9,000	50.00	75.07	25.07	50.15%
10,000	50.00	75.07	25.07	50.15%

* Present rates include 7.16% DSIC.

SHENANDOAH WATER OPERATIONS

AQUA PENNSYLVANIA, INC
WATER OPERATIONS ACQUISITION
SUMMARY OF PRO FORMA REVENUES UNDER PROPOSED RATES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	FPFTY Revenues, Present Rates	FPFTY Revenues, Proposed Rates	FPFTY Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 1,450,143	$ 2,069,612	$ 619,469	42.7%
Commercial	219,644	303,691	84,047	38.3%
Industrial	63,892	102,182	38,290	59.9%
Public	56,977	90,991	34,013	59.7%
Sales for Resale	-	-	-	0.0%
Total Sales of Water	1,790,656	2,566,475	775,819	
Unmetered Sales (Residential)	-	-	-	0.0%
Private Fire	23,096	23,096	-	0.0%
Public Fire	8,170	34,820	26,650	326.2%
Contract Revenues Industrial	-	-	-	0.0%
Contract Revenues Public	-	-	-	0.0%
Contract Revenues Sales for Resale	-	-	-	0.0%
Total Contract Revenue	-	-	-	
Subtotal	1,821,922	2,624,391	802,469	
Other Revenues - Wheeling Fee	-	-	-	0.0%
Other Operating Revenues	6,383	6,383	-	0.0%
Total Water Revenue	$ 1,828,305	$ 2,630,774	$ 802,469	43.9%

AQUA PENNSYLVANIA INC.
WATER OPERATIONS ACQUISITION
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023 (a)	Adjustment to Per Books Revenue 12/31/2023	Adjusted Revenues, Per Books Present Rates 12/31/2023 (a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)=(10)+(11)
METERED SALES											
Residential	$ 498,762	$ 958,480 (b)	$ 1,457,242	$ -	$ 1,457,242	$ (7,099)	$ 1,450,143	$ (0)	$ 1,450,143	$ -	$ 1,450,143
Commercial	86,542	127,629	214,171	-	214,171	5,473	219,644	(0)	219,644	-	219,644
Industrial	22,520	41,371	63,891	-	63,891	-	63,891	1	63,892	-	63,892
Public Authority	(1,545)	58,521	56,976	-	56,976	-	56,976	1	56,977	-	56,977
Sales for Resale	-		-	-		-	-	-	-		-
Total Sales of Water	$ 606,279	$ 1,186,001	$ 1,792,280	-	$ 1,792,280	$ (1,626)	$ 1,790,654	$ 2	$ 1,790,656	$ -	$ 1,790,656
Unmetered Sales	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Private Fire	$ 4,245	$ 18,851	$ 23,096	$ -	$ 23,096	$ -	$ 23,096	$ -	$ 23,096	$ -	$ 23,096
Public Fire	2,983	5,187	8,170	-	8,170	-	8,170	-	8,170		8,170
Contract Revenues Industrial	-		-	-	-	-	-	-	-	-	-
Contract Revenues Public	-		-	-	-	-	-	-	-	-	-
Contract Revenues Sales for Resale	-		-	-	-	-	-	-	-	-	-
Total Contract Revenue	-		-	-	-	-	-	-	-	-	-
Subtotal	613,507	1,210,039	1,823,546	-	1,823,546	(1,626)	1,821,920	2	1,821,922	-	1,821,922
Other Revenues - Wheeling Fees	-	-	-		-		-		-		-
Other Operating Revenues	6,383	-	6,383		6,383		6,383		6,383		6,383
Total Water Revenue	$ 619,890	$ 1,210,039	$ 1,829,929	$ -	$ 1,829,929	$ (1,626)	$ 1,828,303	$ 2	$ 1,828,305	$ -	$ 1,828,305

(a) Excludes Unbilled revenues.
(b) Adjustment to per books revenue to reflect the full twelve months of billing determinants of the historic test year.

Exhibit 5-B, Part I
Docket No. R-2024-3047824
Witness: C.E. Heppenstall

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

WASTEWATER OPERATIONS

COST OF SERVICE ALLOCATION STUDY

AS OF DECEMBER 31, 2025

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 5-B, Part I
Docket No. R-2024-3047824
Witness: C.E. Heppenstall

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

WASTEWATER OPERATIONS
COST OF SERVICE ALLOCATION STUDY
AS OF DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

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PART I

WASTEWATER
COST OF SERVICE ALLOCATION STUDY

AQUA PENNSYLVANIA, INC.

WASTEWATER OPERATION

WASTEWATER COST OF SERVICE ALLOCATION STUDIES
AS OF DECEMBER 31, 2025
AND PROPOSED CUSTOMER RATES

PLAN OF REPORT

The reports set forth the results of the cost of service allocation studies for the Wastewater Operations based on pro forma costs as of December 31, 2025, for Aqua Pennsylvania, Inc. The studies include cost of service studies for the Company's Wastewater Base Operations and separately for the wastewater divisions of LLower Makefield and East Whiteland. The introduction contains statements with respect to the basis of the study, the procedures employed, and a summary of the results of the study. Schedule A of each study summarizes the cost allocation for the wastewater operations and total revenues under present and proposed rates. Cost of Service by Customer Classification of each area presents detailed schedules of the allocation of costs to customer classifications, as well as the basis for the allocations. Schedule WW-F, Comparisons of Present and Proposed Customer Rates, sets forth the proposed rate schedules for wastewater service.

BASIS OF STUDY

The method used for the allocation of wastewater cost of service incorporates the functional cost allocation methodology described in the text "Financing and Charges for Wastewater Systems," Manual of Practice No. 27, published by the Water Environment

Federation. This method is recognized for allocating the cost of providing wastewater service to customer classifications in proportion to the classifications' use of the commodity, facilities, and services. It is generally accepted as a sound method for allocating the cost of wastewater service. Under the functional cost method, costs are assigned to cost components using predominant operational purposes as cost-causative factors.

Each element of the cost of service is allocated to customer classifications according to the functional categories. The cost functions are flow, infiltration and inflow (I&I), customer facilities and customer accounting. The functional costs are allocated to customer classifications based on the amount of flow contributed to the system, the amount of I&I allocated to each class, and the number and relative size of customers.

The results of the allocation of wastewater cost of service is summarized on Schedule A of each study, column 4. The cost allocation results can be compared with revenues under present and proposed rates in columns 6 and 8 of Schedule A. The proposed increase and percentage increase in revenues are shown in columns 10 and 11.

The cost of service by customer classification is developed in Schedule D of each study. The allocation factors referenced in column 2 are applied to the costs by account in column 3. The allocation factors are set forth in Schedule E of each study.

The comparison of present and proposed wastewater rates by wastewater service areas are shown in Schedule WW-F for all areas.

WASTEWATER BASE OPERATIONS

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WASTEWATER
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Customer Classification	Cost of Service				Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Act 11	Revised COS	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Residential	$ 55,467,974	$ (10,991,786)	$ 44,476,188	69.2%	$ 39,388,940	70.2%	$ 44,476,187	69.2%	$ 5,087,247	12.9%
Non-Residential	26,560,948	$ (6,756,087)	$ 19,804,861	30.8%	16,682,432	29.8%	19,804,861	30.8%	3,122,429	18.7%
Total Sales	82,028,922	(17,747,873)	64,281,049	100.0%	56,071,372	100.0%	64,281,048	100.0%	8,209,676	14.6%
Contract and Third Party	1,535,032		1,535,032		1,535,032		1,535,032		-	
Other Revenues*	76,200		76,200		76,200		76,200		-	0.0%
Total	$ 83,640,154		$ 65,892,281		$ 57,682,604		$ 65,892,280		$ 8,209,676	14.2%

* Includes Contract Revenue.

AQUA PENNSYLVANIA, INC

WASTEWATER BASE OPERATIONS

ALLOCATION OF COST OF SERVICE BY FUNCTION TO CUSTOMER CLASSIFICATIONS

Description	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting	Total
	Collection	Treatment				
(1)	(2)			(5)	(6)	(7)
Total Cost of Service	$ 19,625,313	$ 20,430,747	$ 36,081,671	$ 1,734,748	$ 4,156,442	$ 82,028,920
Less CAP Costs	$ -	$ -	$ -	$ -	$ (275,357)	$ (275,357)
	$ 19,625,313	$ 20,430,747	$ 36,081,671	$ 1,734,748	$ 3,881,085	$ 81,753,563
Factor Reference	A	A1	C	B	B	
Residential						
Factor	0.6216	0.6216	0.7199	0.7690	0.7690	
Cost of Service	$ 12,199,095	$ 12,699,752	$ 25,975,195	$ 1,334,021	$ 2,984,554	55,192,617
Plus Alloc. Of Cap Costs	$ -	$ -	$ -	$ -	$ 275,357	275,357
	12,199,096	12,699,753	25,975,196	1,334,022	3,259,912	55,467,974
Non-Residential						
Factor	0.3784	0.3784	0.2801	0.2310	0.2310	
Cost of Service	$ 7,426,219	$ 7,730,995	$ 10,106,476	$ 400,727	$ 896,531	$ 26,560,948
Total	19,625,315	20,430,748	36,081,672	1,734,749	4,156,443	82,028,922

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS

FACTOR A. ALLOCATION OF FLOW COLLECTION COSTS.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Classification	Average Daily Consumption, 100 gallons	Allocation Factor
(1)	(2)	(3)
Residential	45,087	0.6216
Non-Residential	27,443	0.3784
Total	72,530	1.0000

FACTOR A1. ALLOCATION OF FLOW TREATMENT COSTS.

Factors are based on the pro forma test year average daily consumption for each customer

Classification	Average Daily Consumption, 100 gallons	Allocation Factor
(1)	(2)	(3)
Residential	45,087	0.6216
Non-Residential	27,443	0.3784
Total	72,530	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS

FACTOR B. ALLOCATION OF COSTS ASSOCIATED WITH BILLING AND COLLECTING.

Factors are based on the number of customers.

Customer Classification	Number of Customers	Allocation Factor
(1)	(2)	(3)
Residential	40,611	0.7690
Non-Residential	12,198	0.2310
Total	52,809	1.0000

FACTOR C. ALLOCATION OF COSTS ASSOCIATED WITH INFILTRATION AND INFLOW.

Factors are based on a 1/3-2/3 weighting of flow and number of customers.

Customer	Average Daily Flow		Number of Bills		Allocation
Classification	Factor A	Weight	Factor C	Weight	Factor
(1)	(2)	(3)=(2) x 0.3333	(4)	(5)=(4) x 0.6667	(6)=(3)+(5)
Residential	0.6216	0.2072	0.7690	0.5127	0.7199
Non-Residential	0.3784	0.1261	0.2310	0.1540	0.2801
Total	1.0000	0.3333	1.0000	0.6667	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
OPERATION AND MAINTENANCE EXPENSES							
COLLECTION							
Labor	1	$ 283,557	$ 149,179	$ -	$ 134,378	$ -	$ -
Employee Benefits	1	78,181	41,131	-	37,050	-	-
Purchased Power	1	1,619,104	851,811	-	767,293	-	-
Purchased Power	1	79,674	41,916	-	37,757	-	-
Supplies	1	7,496	3,943	-	3,552	-	-
OS Engineer	1	76,559	40,278	-	36,281	-	-
OS Lab Testing	1	1,367	719	-	648	-	-
OS Other	1	649,193	341,540	-	307,652	-	-
Leases	1	35,461	18,656	-	16,805	-	-
Transportation	1	21,563	11,344	-	10,219	-	-
Other	1	60,713	31,941	-	28,772	-	-
TOTAL COLLECTION EXPENSE		$ 2,912,868	$ 1,532,460	$ -	$ 1,380,408	$ -	$ -
PUMPING							
Labor	1	$ 180,501	$ 94,962	$ -	$ 85,540	$ -	$ -
Employee Benefits	1	54,643	28,748	-	25,895	-	-
Purchased Power	1	830	436	-	393	-	-
Purchased Power	1	221	116	-	105	-	-
Chemicals	1	877,072	461,428	-	415,644	-	-
Supplies	1	68,388	35,979	-	32,409	-	-
OS Lab Testing	1	82,695	43,506	-	39,189	-	-
OS Other	1	356,919	187,775	-	169,144	-	-
Transportation	1	13,839	7,280	-	6,558	-	-
Other	1	17,016	8,952	-	8,064	-	-
		$ 1,652,123	$ 869,182	$ -	$ 782,941	$ -	$ -
SEWAGE TREATMENT							
Labor	1A	$ 1,224,055	$ -	$ 643,975	$ 580,079	$ -	$ -
Employee Benefits	1A	433,625	-	228,130	205,495	-	-
Purchased Wastewater	1A	8,825,200	-	4,642,938	4,182,262	-	-
Sludge Disposal	1A	1,826,648	-	960,999	865,648	-	-
Purchased Power	1A	20,715	-	10,898	9,817	-	-
Chemicals	1A	1,174,246	-	617,771	556,475	-	-

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Lab Testing	1A		-	-	-	-	-
Supplies	1A	153,212	-	80,605	72,607	-	-
OS Engineer	1A	31,782	-	16,720	15,061	-	-
OS Lab Testing	1A	441,507	-	232,277	209,230	-	-
OS Other	1A	1,448,798	-	762,212	686,585	-	-
Leases	1A	7,971	-	4,194	3,778	-	-
Transporation	1A	101,218	-	53,251	47,967	-	-
OS Other	1A	62,492	-	32,877	29,615	-	-
TOTAL SEWAGE TREATMENT EXPENSE		$ 15,751,467	$ -	$ 8,286,847	$ 7,464,620	$ -	$ -

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
CUSTOMER ACCOUNTS							
Labor	3	$ 5,859	$ -	$ -	$ -	$ -	$ 5,859
Employee Benefits	3	1,985	-	-	-	-	1,985
Supplies	3	62	-	-	-	-	62
Management Feees	3	761,784	-	-	-	-	761,784
OS Lab Testing	3	2,369	-	-	-	-	2,369
OS Other	3	11,192	-	-	-	-	11,192
Transportation	3	490	-	-	-	-	490
Other	3	5	-	-	-	-	5
Uncollectible Accounts	3	881,442	-	-	-	-	881,442
Arrearage Forgiveness	3	228,018	-	-	-	-	228,018
TOTAL CUSTOMER ACCOUNTING EXPENSE		$ 1,893,207	$ -	$ -	$ -	$ -	$ 1,893,207
ADMINISTRATIVE AND GENERAL EXPENSES							
Labor	4	$ 1,819,674	$ 244,448	$ 480,102	$ 652,659	$ -	$ 442,466
CAP Program Expense	3	10,223	-	-	-	-	10,223
Employee Benefits	4	1,545,887	207,668	407,866	554,460	-	375,893
Purchased Power	4	46,689	6,272	12,318	16,746	-	11,353
Supplies	4	172,190	23,131	45,430	61,759	-	41,869
OS Engineer	4	312,034	41,917	82,327	111,917	-	75,873
OS Accounting	4	55,377	7,439	14,611	19,862	-	13,465
OS Legal	4	58,328	7,836	15,389	20,920	-	14,183
Management Fees	4	1,768,066	237,515	466,485	634,149	-	429,917
OS Lab Testing	4	19,574	2,630	5,164	7,021	-	4,760
OS Other	4	1,087,818	146,133	287,009	390,166	-	264,510
CAP Program Expense	3	33,930	-	-	-	-	33,930
Leases	4	82,130	11,033	21,669	29,458	-	19,971
CAP Program Expense	3	3,186	-	-	-	-	3,186
Transportation	4	135,161	18,157	35,661	48,478	-	32,865
Insurance other than Group	4	31,224	4,195	8,238	11,199	-	7,592
Other	4	430,737	57,863	113,645	154,492	-	104,737
Amortization of Rate Case Expense	8	107,648	25,873	26,795	47,442	2,300	5,237
Other	4	(532,417)	(71,523)	(140,472)	(190,961)	-	(129,461)
Amortization - Other	4	419,962	56,416	110,802	150,627	-	102,116
TOTAL A & G EXPENSE		$ 7,607,421	$ 1,027,003	$ 1,993,040	$ 2,720,392	$ 2,300	$ 1,864,685

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Total Operation & Maintenance Expenses		$ 29,817,085	$ 3,428,645	$ 10,279,886	$ 12,348,361	$ 2,300	$ 3,757,892
DEPRECIATION EXPENSE							
Structures and Improvements							
Collection	1	$ 1,335,450	$ 702,580	$ -	$ 632,870	$ -	$ -
Pumping	1	394,901	207,757	-	187,144	-	-
Treatment and Disposal	1A	1,666,025	-	876,496	789,529	-	-
Reclaimed Water Treatment	1A	58,938	-	31,007	27,931	-	-
General	4	27,318	3,670	7,208	9,798	-	6,643

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Power Operting Equipment							
Collection	1	11,033	5,804	-	5,229	-	-
Pumping	1	54,070	28,446	-	25,624	-	-
Treatment and Disposal	1A	213,259	-	112,196	101,063	-	-
Collection Mains - Gravity	1	1,233,633	649,014	-	584,619	-	-
Collection Mains - Force	1	3,065,564	1,612,793	-	1,452,771	-	-
Special Collecting Structures	1	302	159	-	143	-	-
Services	2	344,829	-	-	-	344,829	-
Meters	2	38,111	-	-	-	38,111	-
Receiving Wells	1	96,276	50,651	-	45,625	-	-
Pumping Equipment	1	1,237,166	650,873	-	586,293	-	-
RWT Pumping Equipment	1A	6,442	-	3,389	3,053	-	-
Treatment and Disposal Equipment	1A	3,266,770	-	1,718,648	1,548,122	-	-
Plant Sewers							
Treatment and Disposal	1A	3,367	-	1,771	1,596	-	-
Reclaimed Water Treatment Equipment	1A	180	-	95	85	-	-
Outfall Lines	1	10,514	5,531	-	4,983	-	-
Other Plant and Misc. Equipment							
Collection	1	24,413	12,844	-	11,569	-	-
Pumping	1	2,884	1,517	-	1,367	-	-
Treatment and Disposal	1A	337	-	177	160	-	-
Office Furniture	4	1,587	213	419	569	-	386
Office Equipment	4	30,265	4,066	7,985	10,855	-	7,359
Computer Hardware	4	107,217	14,403	28,288	38,455	-	26,071
Computer Software	4	118,205	15,879	31,187	42,396	-	28,742
Transportation Equipment	4	77,828	10,455	20,534	27,914	-	18,924
Stores Equipment	4	439	59	116	157	-	107
Tools, Shop and Gargage Equipment	4	53,989	7,253	14,244	19,364	-	13,128
Laboratory Equipment	1A	38,978	-	20,506	18,472	-	-
Power Opreated Equipment	4	6,779	911	1,789	2,431	-	1,648
Communication Equipment							
General	4	133,735	17,965	35,285	47,966	-	32,519

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
SCADA	4	470,741	63,237	124,200	168,840	-	114,464
Miscellaneous Equipment	4	1,164	156	307	417	-	283
Other Tangible Plant	4	-	-	-	-	-	-
Total Depreciation Expense		$ 14,132,709	$ 4,066,239	$ 3,035,846	$ 6,397,411	$ 382,940	$ 250,273
Taxes Other Than Income							
PUC Assessment	7	$ 361,732	$ 114,641	$ 68,088	$ 164,599	$ 12,723	$ 1,681
OCA, OSBA Assessment	7	171,177	54,250	32,220	77,891	6,021	796
Local Property Tax	7	306,067	96,999	57,611	139,270	10,765	1,422
Payroll Tax	5	343,351	47,745	109,844	141,952	-	43,810
Total Taxes, Other Than Income		$ 1,182,327	$ 313,635	$ 267,763	$ 523,711	$ 29,509	$ 47,709
Total Operating Expense		$ 45,132,121	$ 7,808,518	$ 13,583,496	$ 19,269,483	$ 414,749	$ 4,055,874
Income Taxes	7	$ 7,490,180	$ 2,373,805	$ 1,409,865	$ 3,408,252	$ 263,450	$ 34,809
Utility Income Available for Return	7	$ 31,017,851	$ 9,830,247	$ 5,838,442	$ 14,114,031	$ 1,090,980	$ 144,150
Total Cost of Service		$ 83,640,152	$ 20,012,570	$ 20,831,803	$ 36,791,767	$ 1,769,179	$ 4,234,833
Less: Other Revenues							
Contract Revenue	8	$ 355,458	$ 85,434	$ 88,478	$ 156,656	$ 7,596	$ 17,294
Third Party Sales	8	1,179,574	283,508	293,611	519,857	25,207	57,390
Other Operating Revenues	8	76,200	18,315	18,967	33,583	1,628	3,707
Total Cost of Service Related to Sales of Wastewater Services		$ 82,028,920	$ 19,625,313	$ 20,430,747	$ 36,081,671	$ 1,734,748	$ 4,156,442

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS

FACTORS FOR ALLOCATING COST OF SERVICE TO COST FUNCTIONS

Reference	Flow	Infiltration & Inflow	Customer Facilities	Customer Accounting	Total
Factor 1 - Flow and I&I	0.5261	0.4739			1.0000
Factor 2 - Customer Facilities			1.0000		1.0000
Factor 3 - Customer Accounting				1.0000	1.0000
Factor 4 - O&M Exp less Power and Chemicals					
Cost	$ 1,045,934	$ 2,792,574	$ -	$ 1,893,207	$ 7,785,957
Factor	0.1343	0.3587	0.0000	0.2432	1.0000
Factor 5 - Labor Expense					
Cost	$ 488,589	$ 1,452,656	$ -	$ 448,325	$ 3,513,645
Factor	0.1391	0.4134	0.0000	0.1276	1.0000
Factor 6 - Rate Base less Allocated Costs					
Cost	$ 128,054,727	$ 183,534,927	$ 14,228,094	$ 1,719,441	$ 403,233,729
Factor	0.3176	0.4552	0.0353	0.0043	1.0000
Factor 7 - Rate Base					
Cost	$ 124,147,095	$ 178,247,401	$ 13,778,089	$ 1,820,480	$ 391,727,290
Factor	0.3169	0.4550	0.0352	0.0046	1.0000
Factor 8 - Total Cost of Service					
Cost	$ 19,872,418	$ 36,439,206	$ 1,766,879	$ 4,022,743	$ 82,681,806
Factor	0.2403	0.4407	0.0214	0.0487	1.0000
Factor 9 - O&M Exp					
Cost	$ 3,346,356	$ 12,150,292	$ -	$ 3,650,539	$ 29,289,476
Factor	0.1143	0.4148	0.0000	0.1246	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
RATE BASE							
Organization	1	$ 4,400,256	$ 2,314,975	$ -	$ 2,085,281	$ -	$ -
Land and Land Rights - Collection	1	52,284	27,507	-	24,777	-	-
Land and Land Rights - Pumping	1	2,121,792	1,116,275	-	1,005,517	-	-
Land and Land Rights - Treatment and Disp.	1A	7,571,636	-	3,983,438	3,588,198	-	-
Structures and Improvements							
Collection	1	37,043,059	19,488,353	-	17,554,706	-	-
Pumping	1	11,316,527	5,953,625	-	5,362,902	-	-
Treatment and Disposal	1A	40,064,012	-	21,077,677	18,986,335	-	-
Reclaimed Water Treatment	1A	1,323,523	-	696,305	627,218	-	-
General	4	540,634	72,627	142,640	193,908	-	131,459
Power Operting Equipment							
Collection	1	232,209	122,165	-	110,044	-	-
Pumping	1	688,448	362,192	-	326,256	-	-
Treatment and Disposal	1A	4,268,092	-	2,245,443	2,022,649	-	-
Collection Mains - Gravity	1	48,170,771	25,342,643	-	22,828,128	-	-
Collection Mains - Force	1	114,692,830	60,339,898	-	54,352,932	-	-
Special Collecting Structures	1	4,896	2,576	-	2,320	-	-
Services	2	13,586,894	-	-	-	13,586,894	-
Meters	2	641,200	-	-	-	641,200	-
Receiving Wells	1	1,327,087	698,180	-	628,907	-	-
Pumping Equipment	1	21,218,121	11,162,853	-	10,055,268	-	-
RWT Pumping Equipment	1A	93,555	-	49,219	44,336	-	-
Treatment and Disposal Equipment	1A	86,301,348	-	45,403,139	40,898,209	-	-
Plant Sewers							
Treatment and Disposal	1A	72,761	-	38,280	34,481	-	-
Reclaimed Water Treatment Equipment	1A	3,923	-	2,064	1,859	-	-
Outfall Lines	1	173,843	91,459	-	82,384	-	-
Other Plant and Misc. Equipment							
Collection	1	136,551	71,839	-	64,712	-	-
Pumping	1	19,487	10,252	-	9,235	-	-
Treatment and Disposal	1A	2,950	-	1,552	1,398	-	-

AQUA PENNSYLVANIA, INC
WASTEWATER BASE OPERATIONS
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Office Furniture	4	24,277	3,261	6,405	8,707	-	5,903
Office Equipment	4	44,833	6,023	11,829	16,080	-	10,901
Computer Hardware	4	374,920	50,365	98,919	134,472	-	91,164
Computer Software	4	1,078,217	144,843	284,476	386,722	-	262,176
Transportation Equipment	4	589,709	79,219	155,588	211,510	-	143,392
Stores Equipment	4	1,536	206	405	551	-	373
Tools, Shop and Gargage Equipment	4	730,551	98,139	192,748	262,025	-	177,638
Laboratory Equipment	1A	634,345	-	333,729	300,616	-	-
Power Opreated Equipment	4	27,762	3,729	7,325	9,957	-	6,751
Communication Equipment							
General	4	1,280,005	171,951	337,716	459,097	-	311,242
SCADA	4	2,363,874	317,553	623,683	847,846	-	574,792
Miscellaneous Equipment	4	15,010	2,016	3,960	5,384	-	3,650
Other Tangible Plant	4	-	-	-	-	-	-
TOTAL UTILITY PLANT IN SERVICE SEWER		$ 403,233,729	$ 128,054,727	$ 75,696,540	$ 183,534,927	$ 14,228,094	$ 1,719,441
Other Rate Base Items:							
Deferred Taxes	6	$ (12,753,439)	$ (4,050,103)	$ (2,394,123)	$ (5,804,826)	$ (450,005)	$ (54,382)
Working Capital	9	1,247,000	142,471	431,808	517,299	-	155,422
Total Other Rate Base Elements		(11,506,439)	(3,907,632)	(1,962,315)	(5,287,527)	(450,005)	101,039
Total Original Cost Measure of Value		$ 391,727,290	$ 124,147,095	$ 73,734,225	$ 178,247,401	$ 13,778,089	$ 1,820,480

LOWER MAKEFIELD WASTEWATER OPERATIONS

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WASTEWATER
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Customer Classification	Cost of Service				Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Act 11	Revised COS	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Residential	$ 13,587,321	$ (793,692)	$ 12,793,629	90.6%	$ 9,759,106	84.5%	$ 12,793,629	90.6%	$ 3,034,523	31.1%
Non-Residential	1,495,074	$ (164,472)	$ 1,330,602	9.4%	1,796,580	15.5%	1,330,602	9.4%	(465,978)	-25.9%
Total Sales	15,082,395	(958,164)	14,124,231	100.0%	11,555,686	100.0%	14,124,231	100.0%	2,568,545	22.2%
Other Revenues	58,143		58,143		58,143		58,143		-	0.0%
Total	$ 15,140,538		$ 14,182,374		$ 11,613,829		$ 14,182,374		$ 2,568,545	22.1%

AQUA PENNSYLVANIA, INC

WASTEWATER BASE OPERATIONS - LOWER MAKEFIELD

ALLOCATION OF COST OF SERVICE BY FUNCTION TO CUSTOMER CLASSIFICATIONS

Description	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting	Total
	Collection	Treatment				
(1)	(2)			(5)	(6)	(7)
Total Cost of Service	$ 3,802,581	$ 3,876,644	$ 6,917,287	$ 38,013	$ 447,871	$ 15,082,395
Factor Reference	A	A1	C	B	B	
Residential						
Factor	0.8885	0.8885	0.9129	0.9252	0.9252	
Cost of Service	$ 3,378,593	$ 3,444,398	$ 6,314,791	35,169	414,370	13,587,321
Non-Residential						
Factor	0.1115	0.1115	0.0871	0.0748	0.0748	
Cost of Service	$ 423,988	$ 432,246	$ 602,496	2,843	33,501	$ 1,495,074
Total	3,802,581	3,876,644	6,917,287	38,012	447,871	15,082,395

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS

FACTOR A. ALLOCATION OF FLOW COLLECTION COSTS.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Classification	Average Daily Consumption, 100 gallons	Allocation Factor
(1)	(2)	(3)
Residential	15,077	0.8885
Non-Residential	1,892	0.1115
Total	16,969	1.0000

FACTOR A1. ALLOCATION OF FLOW TREATMENT COSTS.

Factors are based on the pro forma test year average daily consumption for each customer

Classification	Average Daily Consumption, 100 gallons	Allocation Factor
(1)	(2)	(3)
Residential	15,077	0.8885
Non-Residential	1,892	0.1115
Total	16,969	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS

FACTOR B. ALLOCATION OF COSTS ASSOCIATED WITH BILLING AND COLLECTING.

Factors are based on the number of customers.

Customer Classification	Number of Customers	Allocation Factor
(1)	(2)	(3)
Residential	11,134	0.9252
Non-Residential	900	0.0748
Total	12,034	1.0000

FACTOR C. ALLOCATION OF COSTS ASSOCIATED WITH INFILTRATION AND INFLOW.

Factors are based on a 1/3-2/3 weighting of flow and number of customers.

Customer	Average Daily Flow		Number of Bills		Allocation
Classification	Factor A	Weight	Factor C	Weight	Factor
(1)	(2)	(3)=(2) x 0.3333	(4)	(5)=(4) x 0.6667	(6)=(3)+(5)
Residential	0.8885	0.2961	0.9252	0.6168	0.9129
Non-Residential	0.1115	0.0372	0.0748	0.0499	0.0871
Total	1.0000	0.3333	1.0000	0.6667	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
OPERATION AND MAINTENANCE EXPENSES							
COLLECTION							
Labor	1	24,618	12,951	0	11,666	0	0
Employee Benefits	1	7,569	3,982	0	3,587	0	0
Purchased Power	1	65,314	34,362	0	30,952	0	0
Purchased Power	1	0	0	0	0	0	0
Supplies	1	2,260	1,189	0	1,071	0	0
OS Engineer	1	0	0	0	0	0	0
OS Lab Testing	1	0	0	0	0	0	0
OS Other	1	133,156	70,053	0	63,102	0	0
Leases	1	0	0	0	0	0	0
Transportation	1	2,375	1,249	0	1,125	0	0
Other	1	17,047	8,968	0	8,078	0	0
TOTAL COLLECTION EXPENSE		252,338	132,755	0	119,583	0	0
PUMPING							
Labor	1	6,000	3,156	0	2,843	0	0
Employee Benefits	1	1,928	1,014	0	914	0	0
Purchased Power	1	0	0	0	0	0	0
Purchased Power	1	0	0	0	0	0	0
Chemicals	1	0	0	0	0	0	0
Supplies	1	6,394	3,364	0	3,030	0	0
OS Lab Testing	1	0	0	0	0	0	0
OS Other	1	75,115	39,518	0	35,597	0	0
Transportation	1	623	328	0	295	0	0
Other	1	3,212	1,690	0	1,522	0	0
		93,273	49,071	0	44,202	0	0
SEWAGE TREATMENT							
Labor	1A	68,418	0	35,995	32,423	0	0
Employee Benefits	1A	36,572	0	19,240	17,331	0	0
Purchased Wastewater	1A	6,154,656	0	3,237,965	2,916,691	0	0
Sludge Disposal	1A	15,882	0	8,356	7,527	0	0
Purchased Power	1A	0	0	0	0	0	0

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Chemicals	1A	0	0	0	0	0	0
Lab Testing	1A		0	0	0	0	0
Supplies	1A	0	0	0	0	0	0
OS Engineer	1A	0	0	0	0	0	0
OS Lab Testing	1A	0	0	0	0	0	0
OS Other	1A	19,020	0	10,006	9,013	0	0
Leases	1A	0	0	0	0	0	0
Transporation	1A	7,095	0	3,733	3,362	0	0
OS Other	1A	0	0	0	0	0	0
TOTAL SEWAGE TREATMENT EXPENSE		6,301,643	0	3,315,294	2,986,348	0	0

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
CUSTOMER ACCOUNTS							
Labor	3	0	0	0	0	0	0
Employee Benefits	3	0	0	0	0	0	0
Supplies	3	0	0	0	0	0	0
Management Feees	3	0	0	0	0	0	0
OS Lab Testing	3	0	0	0	0	0	0
OS Other	3	0	0	0	0	0	0
Transportation	3	0	0	0	0	0	0
Other	3	-	0	0	0	0	0
Uncollectible Accounts	3	158,486	0	0	0	0	158,486
TOTAL CUSTOMER ACCOUNTING EXPENSE		158,486	0	0	0	0	158,486
ADMINISTRATIVE AND GENERAL EXPENSES							
Labor	4	61,897	16,016	7,491	21,175	0	17,214
Employee Benefits	4	50,491	13,065	6,111	17,273	0	14,042
Purchased Power	4	0	0	0	0	0	0
Supplies	4	4,100	1,061	496	1,403	0	1,140
OS Engineer	4	47,853	12,383	5,792	16,371	0	13,308
OS Accounting	4	15,309	3,961	1,853	5,237	0	4,258
OS Legal	4	0	0	0	0	0	0
Management Fees	4	699,392	180,975	84,648	239,268	0	194,502
OS Lab Testing	4	0	0	0	0	0	0
OS Other	4	14,760	3,819	1,786	5,049	0	4,105
Leases	4	0	0	0	0	0	0
Transportation	4	5,693	1,473	689	1,948	0	1,583
Insurance other than Group	4	8,632	2,234	1,045	2,953	0	2,401
Other	4	(24,247)	(6,274)	(2,935)	(8,295)	0	(6,743)
Amortization of Rate Case Expense	8	29,760	7,503	7,643	13,643	75	896
Other	4	0	0	0	0	0	0
Employee Benefits	5		0	0	0	0	0
TOTAL A & G EXPENSE		913,640	236,216	114,620	316,026	75	246,704
Total Operation & Maintenance Expenses		7,719,380	418,042	3,429,914	3,466,159	75	405,190

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
DEPRECIATION EXPENSE							
Structures and Improvements							
Collection	1	912	480	-	432	-	-
Pumping	1	179,969	94,682	-	85,287	-	-
Treatment and Disposal	1A	400,281	-	210,588	189,693	-	-
Reclaimed Water Treatment	1A	5	-	3	2	-	-
General	4	55	14	7	19	-	15

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Power Operting Equipment							
Collection	1	1,002	527	-	475	-	-
Pumping	1	26,265	13,818	-	12,447	-	-
Treatment and Disposal	1A	1,191	-	627	564	-	-
Collection Mains - Gravity	1	53,808	28,308	-	25,500	-	-
Collection Mains - Force	1	1,234,363	649,398	-	584,965	-	-
Special Collecting Structures	1	97,273	51,175	-	46,098	-	-
Services	2	20,090	-	-	-	20,090	-
Meters	2	-	-	-	-	-	-
Receiving Wells	1	-	-	-	-	-	-
Pumping Equipment	1	101,405	53,349	-	48,056	-	-
RWT Pumping Equipment	1A	5	-	3	2	-	-
Tools, Shop and Gargage Equipment	4	4,345	1,124	526	1,486	-	1,208
Laboratory Equipment	1A	-	-	-	-	-	-
Power Opreated Equipment	4	1,824	472	221	624	-	507
Communication Equipment							
General	4	19,281	4,989	2,334	6,596	-	5,362

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
SCADA	4	48,465	12,541	5,866	16,580	-	13,478
Total Depreciation Expense		2,190,539	910,878	220,172	1,018,827	20,090	20,571
Taxes Other Than Income							
PUC Assessment	7	65,481	31,209	2,976	30,793	226	277
OCA, OSBA Assessment	7	30,986	14,769	1,408	14,572	107	131
Local Property Tax	7	0	-	-	-	-	-
Payroll Tax	5	16,873	3,368	4,559	7,141	-	1,805
Total Taxes, Other Than Income		113,340	49,346	8,943	52,505	333	2,213
Total Operating Expense		10,023,259	1,378,267	3,659,029	4,537,492	20,498	427,974
Income Taxes	7	1,133,650	540,315	51,517	533,110	3,913	4,796
Utility Income Available for Return	7	3,983,630	1,898,659	181,030	1,873,341	13,749	16,852
Total Cost of Service		$ 15,140,538	$ 3,817,241	$ 3,891,576	$ 6,943,942	$ 38,159	$ 449,621
Less: Other Revenues							
Other Operating Revenues	8	$ 58,143	$ 14,660	$ 14,932	$ 26,655	$ 146	$ 1,750
Total Cost of Service Related to Sales of Wastewater Services		$ 15,082,395	$ 3,802,581	$ 3,876,644	$ 6,917,287	$ 38,013	$ 447,871

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD

FACTORS FOR ALLOCATING COST OF SERVICE TO COST FUNCTIONS

Reference	Flow	Infiltration & Inflow	Customer Facilities	Customer Accounting	Total
Factor 1 - Flow and I&I	0.5261	0.4739			1.0000
Factor 2 - Customer Facilities			1.0000		1.0000
Factor 3 - Customer Accounting				1.0000	1.0000
Factor 4 - O&M Exp less Power and Chemicals					
Cost	147,464	194,963	0	158,486	569,888
Factor	0.2588	0.3421	0.0000	0.2781	1.0000
Factor 5 - Labor Expense					
Cost	32,124	68,108	0	17,214	160,932
Factor	0.1996	0.4232	0.0000	0.1070	1.0000
Factor 6 - Rate Base less Allocated Costs					
Cost	24,033,958	23,857,942	173,893	232,308	50,750,033
Factor	0.4736	0.4701	0.0034	0.0046	1.0000
Factor 7 - Rate Base					
Cost	24,043,902	23,723,278	174,106	213,402	50,447,179
Factor	0.4766	0.4703	0.0035	0.0042	1.0000
Factor 8 - Total Cost of Service					
Cost	3,816,011	6,938,594	38,084	455,468	15,135,025
Factor	0.2521	0.4584	0.0025	0.0301	1.0000
Factor 9 - O&M Exp					
Cost	410,539	3,452,516	0	404,294	7,689,620
Factor	0.0534	0.4490	0.0000	0.0526	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
RATE BASE							
Organization	1	665,282	350,005	0	315,277	0	0
Land and Land Rights - Collection	1	0	0	0	0	0	0
Land and Land Rights - Pumping	1	628	330	0	298	0	0
Land and Land Rights - Treatment and Disp.	1A	0	0	0	0	0	0
Structures and Improvements							
Collection	1	28,250	14,862	0	13,388	0	0
Pumping	1	3,738,371	1,966,757	0	1,771,614	0	0
Treatment and Disposal	1A	4,438,753	0	2,335,228	2,103,525	0	0
Reclaimed Water Treatment	1A	248	0	130	118	0	0
General	4	2,235	578	271	765	0	622
Power Operting Equipment							
Collection	1	23,974	12,613	0	11,361	0	0
Pumping	1	143,777	75,641	0	68,136	0	0
Treatment and Disposal	1A	29,305	0	15,417	13,888	0	0
Collection Mains - Gravity	1	1,782,470	937,757	0	844,713	0	0
Collection Mains - Force	1	34,638,106	18,223,108	0	16,414,998	0	0
Special Collecting Structures	1	2,985,957	1,570,912	0	1,415,045	0	0
Services	2	173,893	0	0	0	173,893	0
Meters	2	0	0	0	0	0	0
Receiving Wells	1	0	0	0	0	0	0
Pumping Equipment	1	1,265,580	665,822	0	599,758	0	0
RWT Pumping Equipment	1A	104	0	55	49	0	0
Tools, Shop and Gargage Equipment	4	74,384	19,248	9,003	25,447	0	20,686
Laboratory Equipment	1A	0	0	0	0	0	0
Power Opreated Equipment	4	33,508	8,671	4,056	11,463	0	9,319
Communication Equipment							
General	4	267,491	69,216	32,375	91,511	0	74,390
SCADA	4	457,717	118,439	55,398	156,589	0	127,292
TOTAL UTILITY PLANT IN SERVICE SEWER		$ 50,750,033	$ 24,033,958	$ 2,451,932	$ 23,857,942	$ 173,893	$ 232,308
Other Rate Base Items:							
Deferred Taxes	6	62,146	29,431	3,002	29,215	213	284

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - LOWER MAKEFIELD
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Working Capital	9	(365,000)	(19,487)	(162,444)	(163,879)	0	(19,190)
Customer Contributions	6		0	0	0	0	0
Total Other Rate Base Elements		(302,854)	9,944	(159,441)	(134,664)	213	(18,906)
Total Original Cost Measure of Value		$ 50,447,179	$ 24,043,902	$ 2,292,491	$ 23,723,278	$ 174,106	$ 213,402

EAST WHITELAND WASTEWATER OPERATIONS

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WASTEWATER
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Customer Classification	Cost of Service				Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Act 11	Revised COS	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Residential	$ 4,339,173	$ (1,330,842)	$ 3,008,331	40.8%	$ 1,442,838	41.0%	$ 3,008,331	40.8%	$ 1,565,493	108.5%
Non-Residential	6,171,394	$ (1,813,750)	$ 4,357,644	59.2%	2,075,010	59.0%	4,357,644	59.2%	2,282,634	110.0%
Total Sales	10,510,567	(3,144,592)	7,365,975	100.0%	3,517,848	100.0%	7,365,975	100.0%	3,848,127	109.4%
Other Revenues*	7,233		7,233		7,233		7,233		-	0.0%
Total	$ 10,517,800		$ 7,373,208		$ 3,525,081		$ 7,373,208		$ 3,848,127	109.2%

* Includes Contract Revenue.

AQUA PENNSYLVANIA, INC

WASTEWATER BASE OPERATIONS

ALLOCATION OF COST OF SERVICE BY FUNCTION TO CUSTOMER CLASSIFICATIONS

Description	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting	Total
	Collection	Treatment				
(1)	(2)			(5)	(6)	(7)
Total Cost of Service	$ 3,406,906	$ 1,586,375	$ 4,497,844	$ 869,835	$ 149,607	$ 10,510,567
Factor Reference	A	A1	C	B	B	
Residential						
Factor	0.4126	0.4126	0.4130	0.4133	0.4133	
Cost of Service	$ 1,405,689	$ 654,538	$ 1,857,610	359,503	61,833	4,339,173
Non-Residential						
Factor	0.5874	0.5874	0.5870	0.5867	0.5867	
Cost of Service	$ 2,001,216	$ 931,837	$ 2,640,234	510,332	87,775	$ 6,171,394
Total	3,406,905	1,586,375	4,497,844	869,835	149,608	10,510,567

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS

FACTOR A. ALLOCATION OF FLOW COLLECTION COSTS.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Classification	Average Daily Consumption, 100 gallons	Allocation Factor
(1)	(2)	(3)
Residential	4,373	0.4126
Non-Residential	6,225	0.5874
Total	10,598	1.0000

FACTOR A1. ALLOCATION OF FLOW TREATMENT COSTS.

Factors are based on the pro forma test year average daily consumption for each customer

Classification	Average Daily Consumption, 100 gallons	Allocation Factor
(1)	(2)	(3)
Residential	4,373	0.4126
Non-Residential	6,225	0.5874
Total	10,598	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
FACTORS FOR ALLOCATING COSTS BY FUNCTION TO CUSTOMER CLASSIFICATIONS

FACTOR B. ALLOCATION OF COSTS ASSOCIATED WITH BILLING AND COLLECTING.

Factors are based on the number of customers.

Customer Classification	Number of Customers	Allocation Factor
(1)	(2)	(3)
Residential	3,350	0.4133
Non-Residential	4,756	0.5867
Total	8,105	1.0000

FACTOR C. ALLOCATION OF COSTS ASSOCIATED WITH INFILTRATION AND INFLOW.

Factors are based on a 1/3-2/3 weighting of flow and number of customers.

Customer	Average Daily Flow		Number of Bills		Allocation
Classification	Factor A	Weight	Factor C	Weight	Factor
(1)	(2)	(3)=(2) x 0.3333	(4)	(5)=(4) x 0.6667	(6)=(3)+(5)
Residential	0.4126	0.1375	0.4133	0.2755	0.4130
Non-Residential	0.5874	0.1958	0.5867	0.3912	0.5870
Total	1.0000	0.3333	1.0000	0.6667	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
OPERATION AND MAINTENANCE EXPENSES							
COLLECTION							
Labor	1	$ 48,047	$ 25,278	$ -	$ 22,770	$ -	$ -
Employee Benefits	1	16,655	8,762	-	7,893	-	-
Purchased Power	1	64,081	33,713	-	30,368	-	-
Purchased Power	1	-	-	-	-	-	-
Supplies	1	141	74	-	67	-	-
OS Engineer	1	-	-	-	-	-	-
OS Lab Testing	1	-	-	-	-	-	-
OS Other	1	20,899	10,995	-	9,904	-	-
Leases	1	-	-	-	-	-	-
Transportation	1	4,300	2,262	-	2,038	-	-
Other	1	8,958	4,713	-	4,245	-	-
TOTAL COLLECTION EXPENSE		$ 163,081	$ 85,797	$ -	$ 77,284	$ -	$ -
PUMPING							
Labor	1	$ 189	$ 99	$ -	$ 90	$ -	$ -
Employee Benefits	1	33	17	-	16	-	-
Purchased Power	1	-	-	-	-	-	-
Purchased Power	1	2,493	1,312	-	1,182	-	-
Chemicals	1	-	-	-	-	-	-
Supplies	1	2,125	1,118	-	1,007	-	-
OS Lab Testing	1	-	-	-	-	-	-
OS Other	1	300,972	158,341	-	142,631	-	-
Transportation	1	5	3	-	2	-	-
Other	1	226	119	-	107	-	-
		$ 306,044	$ 161,010	$ -	$ 145,034	$ -	$ -
SEWAGE TREATMENT							
Labor	1A	$ 50,360	$ -	$ 26,494	$ 23,866	$ -	$ -
Employee Benefits	1A	46,244	-	24,329	21,915	-	-
Purchased Wastewater	1A	1,369,146	-	720,308	648,838	-	-
Sludge Disposal	1A	-	-	-	-	-	-
Purchased Power	1A	-	-	-	-	-	-

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Chemicals	1A	-	-	-	-	-	-
Lab Testing	1A		-	-	-	-	-
Supplies	1A	195	-	103	92	-	-
OS Engineer	1A	-	-	-	-	-	-
OS Lab Testing	1A	-	-	-	-	-	-
OS Other	1A	7,902	-	4,157	3,745	-	-
Leases	1A	-	-	-	-	-	-
Transporation	1A	3,354	-	1,764	1,589	-	-
OS Other	1A	-	-	-	-	-	-
TOTAL SEWAGE TREATMENT EXPENSE		$ 1,477,201	$ -	$ 777,155	$ 700,045	$ -	$ -
CUSTOMER ACCOUNTS							
Labor	3	$ -	$ -	$ -	$ -	$ -	$ -
Employee Benefits	3	(32,102)	-	-	-	-	(32,102)
Supplies	3	-	-	-	-	-	-
Management Feees	3	-	-	-	-	-	-
OS Lab Testing	3	-	-	-	-	-	-
OS Other	3	-	-	-	-	-	-
Transportation	3	-	-	-	-	-	-
Other	3	-	-	-	-	-	-
Uncollectible Accounts	3	110,445	-	-	-	-	110,445
TOTAL CUSTOMER ACCOUNTING EXPENSE		$ 78,344	$ -	$ -	$ -	$ -	$ 78,344
ADMINISTRATIVE AND GENERAL EXPENSES							
Labor	4	71,237	25,616	6,876	29,268	-	9,476
Employee Benefits	4	38,968	14,013	3,761	16,010	-	5,184
Purchased Power	4	-	-	-	-	-	-
Supplies	4	-	-	-	-	-	-
OS Engineer	4	35,363	12,716	3,413	14,529	-	4,704
OS Accounting	4	5,383	1,936	520	2,212	-	716
OS Legal	4	-	-	-	-	-	-
Management Fees	4	245,902	88,425	23,735	101,032	-	32,711
OS Lab Testing	4	-	-	-	-	-	-

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
OS Other	4	1,691	608	163	695	-	225
Leases	4	-	-	-	-	-	-
Transportation	4	5,366	1,930	518	2,205	-	714
Insurance other than Group	4	3,035	1,091	293	1,247	-	404
Other	4	19,722	7,092	1,904	8,103	-	2,623
Amortization of Rate Case Expense	8	10,463	3,391	1,580	4,478	868	147
Other	4	-	-	-	-	-	-
Employee Benefits	5		-	-	-	-	-
TOTAL A & G EXPENSE		$ 437,130	$ 156,817	$ 42,764	$ 179,778	$ 868	$ 56,903
Total Operation & Maintenance Expenses		$ 2,461,799	$ 403,624	$ 819,919	$ 1,102,142	$ 868	$ 135,247
DEPRECIATION EXPENSE							
Structures and Improvements							
Collection	1	$ 919	$ 483	$ -	$ 436	$ -	$ -
Pumping	1	243,330	128,016	-	115,314	-	-
Treatment and Disposal	1A	388,014	-	204,134	183,880	-	-
Power Operting Equipment							
Collection	1	233	123	-	110	-	-
Pumping	1	4,434	2,333	-	2,101	-	-
Treatment and Disposal	1A	261	-	137	124	-	-
Collection Mains - Gravity	1	105,467	55,486	-	49,981	-	-
Collection Mains - Force	1	934,541	491,662	-	442,879	-	-
Special Collecting Structures	1	-	-	-	-	-	-
Services	2	166,060	-	-	-	166,060	-
Meters	2	10,539	-	-	-	10,539	-
Receiving Wells	1	-	-	-	-	-	-
Pumping Equipment	1	5,622	2,958	-	2,664	-	-
Miscellaneous Equipment	4	30,743	11,055	2,967	12,631	-	4,090
Other Tangible Plant	4	-	-	-	-	-	-
Total Depreciation Expense		$ 1,890,163	$ 692,116	$ 207,239	$ 810,120	$ 176,599	$ 4,090

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Taxes Other Than Income							
PUC Assessment	7	$ 45,488	$ 17,076	$ 4,122	$ 19,095	$ 5,125	$ 71
OCA, OSBA Assessment	7	21,526	8,081	1,951	9,036	2,425	33
Local Property Tax	7	-	-	-	-	-	-
Payroll Tax	5	14,661	4,402	2,881	6,560	-	818
Total Taxes, Other Than Income		$ 81,675	$ 29,559	$ 8,954	$ 34,691	$ 7,549	$ 922
Total Operating Expense		$ 4,433,637	$ 1,125,298	$ 1,036,112	$ 1,946,953	$ 185,016	$ 140,259
Income Taxes	7	$ 1,297,989	$ 487,256	$ 117,626	$ 544,865	$ 146,227	$ 2,016
Utility Income Available for Return	7	$ 4,786,174	$ 1,796,696	$ 433,730	$ 2,009,122	$ 539,192	$ 7,434
Total Cost of Service		$ 10,517,800	$ 3,409,250	$ 1,587,468	$ 4,500,940	$ 870,435	$ 149,709
Less: Other Revenues							
Other Operating Revenues	8	7,233	2,344	1,092	3,095	600	101
Total Cost of Service Related to Sales of Wastewater Services		$ 10,510,567	$ 3,406,906	$ 1,586,375	$ 4,497,844	$ 869,835	$ 149,607

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND

FACTORS FOR ALLOCATING COST OF SERVICE TO COST FUNCTIONS

Reference	Flow	Infiltration & Inflow	Customer Facilities	Customer Accounting	Total
Factor 1 - Flow and I&I	0.5261	0.4739			1.0000
Factor 2 - Customer Facilities			1.0000		1.0000
Factor 3 - Customer Accounting				1.0000	1.0000
Factor 4 - O&M Exp less Power and Chemicals					
Cost	211,782	241,976	0	78,344	588,949
Factor	0.3596	0.4109	0.0000	0.1330	1.0000
Factor 5 - Labor Expense					
Cost	50,993	75,993	0	9,476	169,833
Factor	0.3003	0.4475	0.0000	0.0558	1.0000
Factor 6 - Rate Base less Allocated Costs					
Cost	22,844,146	25,552,761	6,854,150	96,105	60,870,409
Factor	0.3753	0.4198	0.1126	0.0016	1.0000
Factor 7 - Rate Base					
Cost	22,752,677	25,442,757	6,828,126	94,142	60,610,298
Factor	0.3754	0.4198	0.1127	0.0016	1.0000
Factor 8 - Total Cost of Service					
Cost	3,398,767	4,488,359	869,567	146,939	10,487,615
Factor	0.3241	0.4280	0.0829	0.0140	1.0000
Factor 9 - O&M Exp					
Cost	400,233	1,097,664	0	135,100	2,451,336
Factor	0.1633	0.4478	0.0000	0.0551	1.0000

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
RATE BASE							
Organization	1	$ 479,509	$ 252,270	$ -	$ 227,239	$ -	$ -
Land and Land Rights - Collection	1	668	351	-	317	-	-
Land and Land Rights - Pumping	1	13	7	-	6	-	-
Land and Land Rights - Treatment and Disp.	1A	-	-	-	-	-	-
Structures and Improvements							
Collection	1	28,322	14,900	-	13,422	-	-
Pumping	1	7,859,470	4,134,867	-	3,724,603	-	-
Treatment and Disposal	1A	10,359,576	-	5,450,173	4,909,403	-	-
Power Operting Equipment							
Collection	1	5,563	2,927	-	2,636	-	-
Pumping	1	74,369	39,126	-	35,243	-	-
Treatment and Disposal	1A	6,343	-	3,337	3,006	-	-
Collection Mains - Gravity	1	3,642,758	1,916,455	-	1,726,303	-	-
Collection Mains - Force	1	30,769,502	16,187,835	-	14,581,667	-	-
Special Collecting Structures	1	-	-	-	-	-	-
Services	2	6,793,548	-	-	-	6,793,548	-
Meters	2	60,602	-	-	-	60,602	-
Receiving Wells	1	-	-	-	-	-	-
Pumping Equipment	1	67,693	35,613	-	32,080	-	-
RWT Pumping Equipment	1A	-	-	-	-	-	-
Treatment and Disposal Equipment	1A	3	-	2	1	-	-
Miscellaneous Equipment	4	722,470	259,795	69,736	296,834	-	96,105
Other Tangible Plant	4	-	-	-	-	-	-
TOTAL UTILITY PLANT IN SERVICE SEWER		$ 60,870,409	$ 22,844,146	$ 5,523,247	$ 25,552,761	$ 6,854,150	$ 96,105

AQUA PENNSYLVANIA, INC
WASTEWATER OPERATIONS - EAST WHITELAND
COST OF SERVICE ALLOCATED TO COST FUNCTIONS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Account	Factor Ref.	Cost of Service	Flow		Infiltration & Inflow	Customer Facilities	Customer Accounting
			Collection	Treatment			
(1)	(2)	(3)	(4)	(5)	(7)	(8)	(8)
Other Rate Base Items:							
Deferred Taxes	6	$ (231,111)	$ (86,734)	$ (20,971)	$ (97,018)	$ (26,024)	$ (365)
Working Capital	9	$ (29,000)	$ (4,735)	$ (9,681)	$ (12,986)	$ -	$ (1,598)
Customer Contributions	6		$ -	$ -	$ -	$ -	$ -
Total Other Rate Base Elements		$ (260,111)	$ (91,469)	$ (30,652)	$ (110,004)	$ (26,024)	$ (1,963)
Total Original Cost Measure of Value		$ 60,610,298	$ 22,752,677	$ 5,492,595	$ 25,442,757	$ 6,828,126	$ 94,142

APPENDIX A

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

a. A description of the allocation methods used. A comparison of the allocated cost of service by class with the present and proposed revenues. A cost of service schedule showing the rate of return produced by present and proposed rates by class of service.

RESPONSE

A description of the methods used for the cost of service study is provided in Exhibit No. 5-B, Part I and in Statement No. 5. A comparison of the allocated cost of service by class with the present and proposed revenues is provided on Schedules A, A-LM and A-EW of Exhibit No. 5-B, part I.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

b. Indicate if the method used for establishing the allocation factors in the cost of service study deviates from the previous study submitted in the last rate case. If yes, indicate which allocation factors were changed and discuss the reason for the changes.

RESPONSE

The method used for establishing the allocation factors in the cost of service study does not deviate from the previous study submitted in the last rate case.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

c. Supply the average day, the maximum day and the maximum hour deliveries to the system adjusted for storage for the historic test year and 2 prior years. Also provide workpapers, analyses, comparative data or other documentation supporting the estimated maximum day and peak hour demands by customer class reflected in the company's cost of service study.

RESPONSE

Not applicable.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

d. Explain thoroughly the methodology employed if the company distinguishes between transmission and distribution or collection mains in its allocation of costs.

RESPONSE

Not applicable.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

e. Provide a detailed explanation of how storage is utilized to meet base, maximum day and maximum hour demands.

RESPONSE

There is no storage for the wastewater system.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

f. Provide workpapers, calculations and supporting documentation which develop the equivalent meters and equivalent service line weights reflected in the company's cost of service study.

RESPONSE

There are no meter or service equivalents calculated for this study.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

g. Provide all workpapers and supporting documentation for the fire flow requirement and duration utilized in the cost of service study.

RESPONSE

Because this is a wastewater operation, there is no fire flow requirement.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

h. Provide a breakdown of the number and size of private fire services according to the general water service class of customer.

RESPONSE

Not applicable.

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

h. Provide a calculation of the company's base cost of water or wastewater per unit of consumption or usage.

RESPONSE

Please refer to the functional allocation schedule attached. The calculation of the average flow cost per hundred gallons for the Wastewater Base Operations is as follows:

Total Flow Costs (includes collection and treatment expenses and 1/3 of I&I Expenses)	$52,071,256
Pro Forma Usage	26,473,447
Flow Cost per 100 gallons	$1.97

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE

AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water uses (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study and shall include the following.

h. Provide a detailed cost analysis that supports the company's customer charges, by meter size, showing all direct and indirect costs included.

RESPONSE

Please refer to attached schedule.

AQUA PENNSYLVANIA INC.
WASTEWATER BASE OPERATIONS

CALCULATION OF CUSTOMER COST PER MONTH

			Per Month
(1)	Cost Related to Customer Facilities	$ 1,734,748	
(2)	Service Equivalents X 12	633,708	
(3)	Cost per Bill - Meter related		$ 2.74
(4)	Cost Related to Customer Accounting	$ 4,156,442	
(5)	Number of Bills	633,708	
(6)	Cost per Bill		$ 6.56
(7)	Cost Related to I&I	$ 36,081,671	
(8)	Percentage of I&I Cost to to be recoverd in Customer Charge	66.67%	
(9)	Net Cost Related to I&I to be recovered in Customer Charge	$ 24,055,650	
(10)	Service Equivalents X 12	633,708	
(11)	Cost per Bill - I&I Related		$ 37.96
(12)	Total Customer Costs (3)+(6)+(11)		$ 47.26

AQUA PENNSYLVANIA, INC.

RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

RS2. Provide a listing of negotiated special rate contracts which includes a comparison of revenues under special rate contracts and under tariff rates. Provide the cost of service treatment of any deficiency in revenues resulting from the negotiated special rate contracts. Special rates are defined as rates not contained in the currently effective tariff.

RESPONSE

Please refer to attached schedule.

AQUA PENNSYLVANIA, INC.
WASTEWATER
CONTRACT SALES
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2021

Rate Block, 100 Gallons		Number of Bills	Consumption 100 Gallons		Present Rate	Present Revenue	Proposed Rate	Proposed Revenue
(1)		(2)	(3)		(4)	(5)	(6)	(7)
			Woodloch Pines - Monthly					
TARIFF RATES								
Customer Charge								
Zone Three Rates (220 EDU)	(a)	12	-		$ 66.37	$ 175,217	$ 66.37	$ 175,217
All Usage		-	84,584	(b)	1.2048	$ 101,907	$ 1.2048	$ 101,907
Total Tariff Rate		12	84,584			$ 277,124		$ 277,124
CONTRACT RATE								
Flat Rate								
Contract Rate		12	-		$ 27,921.14	$ 335,054	$ 29,621.54	$ 355,458
		12	-			335,054		355,458
TOTAL DIVISION		12	-			$ 335,054		$ 355,458

(a) Tariff rates projected under Zone Three or Woodloch Springs Division Rates
(b) Consumption is provided by the Woodloch Pines, Aqua PA water contract.

Exhibit No. 5-B, Part II
Docket No. R-2024-3047824
Witness: G.R. Herbert

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

OPERATING REVENUE FROM SALES OF WASTEWATER

FOR THE TWELVE MONTHS

ENDED DECEMBER 31, 2025

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 5-B, Part II
Docket No. R-2024-3047824
Witness: G.R. Herbert

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

OPERATING REVENUE FROM SALES OF WASTEWATER FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

PART II

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AQUA PENNSYLVANIA, INC.

OPERATING REVENUE FROM SALES OF WASTEWATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

PLAN OF EXHIBIT

Exhibit 5-B sets forth the summaries of the results of applying the present rates for sales of wastewater to a detailed analysis of wastewater customers' billing determinants, and the application of proposed rates to the bill analysis.

WASTEWATER BASE OPERATIONS

Schedule 1-WW presents a summary of the pro forma revenues for the wastewater base divisions under proposed rates, for the twelve months ending December 31, 2025. The revenues under proposed rates are developed in Schedule 2-WW for each wastewater division. Schedule 3-WW presents a summary of the proforma revenues for the wastewater base divisions under present rates, for the twelve months ending December 31, 2023, 2024 and 2025. The pro forma revenues under present rates are developed in Schedule 4-WW for each wastewater division. The application of proposed rates to the consumption analysis for each division are presented on Schedule 5-WW. Schedule 6-WW presents adjustments to the application of present and proposed rates to account for customer growth.

The results of the application of proposed rates are summarized in Schedule 2-WW of Exhibit No. 5-B are brought forward to column 3 of Schedule 1-WW. Schedule 5-WW sets forth the application of proposed rates to the detailed analysis of bill and consumption by meter size or per number of EDUs and customer classification for each wastewater rate division. The revenues in column 3 of Schedule 1 include pro forma

adjustments during the twelve months ended December 31, 2025, to develop the total revenues projected for the twelve months ended December 31, 2025, under present and proposed rates of Schedule 1.

A comparison of the present and proposed rates for sales of water for each division is provided in the response to Standard Data Request No. OR-3 and is included in Schedule 7-WW. The response also provides a comparison of the billing for various levels of consumption under present (including DSIC surcharge) and proposed rates for 5/8-inch or per EDU customers in each division.

LOWER MAKEFIELD WASTEWATER OPERATIONS

Schedule 1-LM presents a summary of the pro forma revenues for the Lower Makefield Wastewater Operations under present and proposed rates, for the twelve months ending December 31, 2025. Schedule 3-LM presents a summary of the proforma revenues for Lower Makefield under present rates, for the twelve months ending December 31, 2023, 2024 and 2025.

EAST WHITELAND WASTEWATER OPERATIONS

Schedule 1-EW presents a summary of the pro forma revenues for the East Whiteland Wastewater Operations under present and proposed rates, for the twelve months ending December 31, 2025. Schedule 3-WW presents a summary of the proforma revenues for East Whiteland under present rates, for the twelve months ending December 31, 2023, 2024 and 2025.

WASTEWATER BASE OPERATIONS

AQUA PENNSYLVANIA INC.
WASTEWATER WITHOUT ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PROPOSED RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	Pro Forma Revenues, Present Rates	Bill Analysis Revenues, Proposed Rates	Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 39,388,940	$ 44,476,187	$ 5,087,247	12.9%
Commercial	16,323,006	19,387,867	3,064,861	18.8%
Industrial	7,007	9,950	2,943	42.0%
Public Authority	352,419	407,044	54,625	15.5%
Third Party Sales	1,179,574	1,179,574	-	0.0%
Total Sales Related to Wastewater	$ 57,250,946	$ 65,460,622	$ 8,209,676	14.3%
Contract Revenues	355,458	355,458	-	0.0%
Other Operating Revenues	76,200	76,200	-	0.0%
Total Wastewater Revenue	$ 57,682,604	$ 65,892,280	$ 8,209,676	14.2%

AQUA PENNSYLVANIA INC.
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PROPOSED RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Rate Zone	Residential	Commercial	Industrial	Public Authority	Bulk User	Total
Proposed Rate Application - Proforma as of December 31, 2025						
Zone 1	$ 4,104,558	$ 2,163,630	$ 1,213	$ 187,816		$ 6,457,217
Zone 1A	2,087,940	1,635,795				3,723,735
Zone 2	1,760,110	647,299		3,754		2,411,163
Zone 3	3,963,725	366,322				4,330,047
Zone 4	4,076,688	1,029,464				5,106,152
Zone 5	1,068,377	148,635				1,217,012
Zone 6	1,031,457	10,007				1,041,464
Zone 7	6,053,395	3,244,010		38,168		9,335,573
Zone 8	1,503,765	468,075		10,121		1,981,961
Zone 9	11,030,182	7,165,257	8,737	162,251		18,366,427
Zone 10	4,967,094	1,987,571				6,954,665
Zone 11	2,520,739	513,776		4,934		3,039,449
Zone 12	12,793,629	1,300,545		30,057		14,124,231
Zone 13	3,008,331	3,534,201	810,578	12,865		7,365,975
Zone 14	308,157	8,026				316,183
	$ 60,278,147	$ 24,222,613	$ 820,528	$ 449,966	$ -	$ 85,771,254
Contract Sales		355,458				355,458
Third Party Sales						
Southdown Homes					$ 121,322	$ 121,322
Foster Twp					170,172	170,172
Dennison					36,540	36,540
Upper Providence					581,784	581,784
Elwyn					105,594	105,594
Penn Lake					87,870	87,870
East Side					76,292	76,292
Total Third Party Revenues	$ -	$ -	$ -	$ -	$ 1,179,574	$ 1,179,574
Other Operating Revenues						141,576
Total @ Proposed Rate	**$ 60,278,147**	**$ 24,578,071**	**$ 820,528**	**$ 449,966**	**$ 1,179,574**	**$ 87,447,862**

AQUA PENNSYLVANIA INC.
WASTEWATER WITHOUT ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023(a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)=(8)+(9)
METERED SALES									
Residential	$ 39,381,606	$ 42,845	$ 39,424,451	$ (417,912)	$ 39,006,539	$ (138,644)	$ 38,867,894	$ 521,046	$ 39,388,940
Commercial	16,190,901	(56,554)	16,134,347	(27,177)	16,107,170	-	16,107,170	215,836	16,323,006
Industrial	6,914	0	6,914	-	6,914	-	6,914	93	7,007
Public Authority	346,227	1,532	347,759	-	347,759	-	347,759	4,660	352,419
Third Party/Bulk Sales	1,181,248	(1,674)	1,179,574	-	1,179,574	-	1,179,574	-	1,179,574
Total Sales Related to Wastewater	$ 57,106,895	$ (13,850)	$ 57,093,045	$ (445,089)	$ 56,647,956	$ (138,644)	$ 56,509,311	$ 741,635	$ 57,250,946
Contract Revenues	335,118	(64)	335,054	20,404	355,458		355,458		355,458
Other Operating Revenues	76,200	-	76,200	-	76,200		76,200		76,200
Total Wastewater Revenue	$ 57,518,213	$ (13,915)	$ 57,504,298	$ (424,685)	$ 57,079,613	$ (138,644)	$ 56,940,969	$ 741,635	$ 57,682,604

(a) Excludes DSIC and Unbilled Revenue.

AQUA PENNSYLVANIA INC.
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Rate Zone	Residential	Commercial	Industrial	Public Authority	Contract	Total
Present Rate Application - ProForma as of December 31, 2025						
Zone 1	$ 4,160,675	$ 2,180,872	$ 1,217	$ 188,531		$ 6,531,295
Zone 1A	2,117,150	1,651,218				3,768,368
Zone 2	1,759,757	647,299		3,754		2,410,810
Zone 3	3,974,202	366,322				4,340,524
Zone 4	4,030,485	1,009,158				5,039,643
Zone 5	1,068,313	148,536				1,216,849
Zone 6	1,043,890	10,086				1,053,976
Zone 7	4,948,481	2,644,581		29,944		7,623,006
Zone 8	1,489,486	431,700		9,153		1,930,339
Zone 9	7,216,201	4,664,905	5,697	104,435		11,991,238
Zone 10	3,482,860	1,329,774				4,812,634
Zone 11	3,362,541	1,020,311		11,942		4,394,794
Zone 12	9,759,106	1,740,691		55,889		11,555,686
Zone 13	1,442,838	1,706,051	366,251	2,708		3,517,848
Zone 14	213,855	2,408				216,263
	$ 50,069,838	$ 19,553,912	$ 373,165	$ 406,356	$ -	$ 70,403,271
Contract Sales		355,458				355,458
Third Party Sales						
Southdown Homes					$ 121,322	$ 121,322
Foster Twp					170,172	170,172
Dennison					36,540	36,540
Upper Providence					581,784	581,784
Elwyn					105,594	105,594
Penn Lake					87,870	87,870
East Side					76,292	76,292
Total Third Party Revenues	$ -	$ -	$ -	$ -	$ 1,179,574	$ 1,179,574
DSIC Revenue	521,046	215,836	93	4,660	-	741,635
Other Operating Revenues						141,576
Total @ Present Rate	**$ 50,590,884**	**$ 20,125,206**	**$ 373,258**	**$ 411,016**	**$ 1,179,574**	**$ 72,821,514**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Bil Analysis Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	1,449,087	49,227	$ 4,131,011	1,486,231	51,003	$ 4,143,936	1,513,963	52,329	$ 4,160,675	$ 55,755	$ 4,216,430	$ 4,104,558	-2.65%
Commercial	1,182,227	5,272	2,180,872	1,182,227	5,272	2,180,872	1,182,227	5,272	2,180,872	29,222	2,210,094	2,163,630	-2.10%
Industrial	559	12	1,217	559	12	1,217	559	12	1,217	17	1,234	1,213	-1.70%
Public	91,170	373	188,531	91,170	373	188,531	91,170	373	188,531	2,525	191,056	187,816	-1.70%
Total Rate Zone 1	2,723,043	54,883	$ 6,501,631	2,760,187	56,659	$ 6,514,556	2,787,919	57,985	$ 6,531,295	$ 87,519	$ 6,618,814	$ 6,457,217	-2.44%

Rate Zone 1 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	19,919	$ 48.20	$ 960,081	20,160	$ 48.20	$ 971,721	20,872	$48.20	$ 1,006,020	$ 13,481	$ 1,019,501	$ 47.64	$ 994,331	-2.47%
3/4 - Meter	80	72.30	5,813	80	72.30	5,813	80	72.30	5,813	78	5,891	71.46	5,745	-2.48%
1 - Meter	324	120.50	39,054	324	120.50	39,054	324	120.50	39,054	523	39,577	119.10	38,600	-2.47%
1 1/2 - Meter	96	241.00	23,136	96	241.00	23,136	96	241.00	23,136	310	23,446	238.20	22,867	-2.47%
2 - Meter	12	385.60	4,627	12	385.60	4,627	12	385.60	4,627	62	4,689	381.12	4,573	-2.47%
3 - Meter	-	723.00	-	-	723.00	-	-	723.00	-	-	-	714.60	-	0.00%
4 - Meter	-	1,205.00	-	-	1,205.00	-	-	1,205.00	-	-	-	1,191.00	-	0.00%
6 - Meter	-	2,410.00	-	-	2,410.00	-	-	2,410.00	-	-	-	2,382.00	-	0.00%
8 - Meter	-	3,856.00	-	-	3,856.00	-	-	3,856.00	-	-	-	3,811.20	-	0.00%
Subtotal	20,431		$ 1,032,711	20,673		$1,044,351	21,384		$1,078,650	$14,454	$1,093,104		$1,066,116	
Charge by Number oF EDUs														
EDU	28,732	$ 48.20	$ 1,384,863	28,940	$ 48.20	$ 1,394,913	29,555	$48.20	$ 1,424,528	$ 19,089	$ 1,443,617	$ 47.64	$ 1,407,978	-2.47%
N	12	48.20	578	12	48.20	578	12	48.20	578	8	586	47.64	572	-2.39%
O	24	48.20	1,157	24	48.20	1,157	24	48.20	1,157	16	1,173	47.64	1,143	-2.56%
Subtotal	28,768		$ 1,386,598	28,976		$1,396,648	29,591		$ 1,426,263	$ 19,113	$ 1,445,376		1,409,693	
Unmetered Customers	28	$ 95.47	$ 2,664	28	$ 95.47	$ 2,664	28	$ 95.47	$ 2,664	$ 36	$ 2,700	$ 92.85	$ 2,590	-4.07%
Usage (in 100 Gallons)														
All Usage	1,449,087	$ 1.1817	$ 1,712,386	1,458,499	$1.1817	$ 1,723,508	1,486,231	$1.1817	$ 1,756,279	$ 23,534	$ 1,779,813	$1.1681	$ 1,736,066	-2.46%
Low Income:														
Low Income Discount Tier 1			($2,177)			($69,928)			($116,547)	($1,562)	($118,109)		$ (119,843)	1.47%
Low Income Discount Tier 2			(833)			($30,996)			(51,660)	(692)	(52,352)		(53,067)	1.37%
Low Income Discount Tier 3			(337)			($18,996)			(31,659)	(424)	(32,083)		(32,561)	1.49%
RZ 1 Residential Bill Analysis Revenues			**$ 4,131,011**											
Adjustment (1):														
5/8 - Meter	241	$ 48.20	$ 11,640	712	$ 48.20	$ 34,299	712	$ 48.20	$ 34,299	$ 460	$ 34,759	$ 47.64	$ 33,900	-2.47%
EDU	209	48.20	10,050	614	48.20	29,615	614	48.20	29,615	397	30,012	47.64	29,271	-2.47%
All Usage	9,411	$1.1817	11,122	27,732	$1.1817	32,771	27,732	$1.1817	32,771	439	33,210	$1.1681	32,394	-2.46%
RZ 1 Residential Usage	1,458,499			1,486,231			1,513,963							
RZ 1 Residential Annualized/Profroma Revenues			**$ 4,163,823**			**$ 4,143,936**			**$ 4,160,675**	**$ 55,755**	**$ 4,216,430**		**$ 4,104,558**	**-2.65%**

Note (1) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	2,737	$ 47.35	$ 129,611	2,737	$ 47.35	$ 129,611	2,737	$47.35	$ 129,611	$ 1,737	$ 131,348	$ 47.64	$ 130,405	-0.72%
3/4 - Meter	48	71.03	3,424	48	71.03	3,424	48	71.03	3,424	46	3,470	71.46	3,444	-0.75%
1 - Meter	588	118.38	69,655	588	118.38	69,655	588	118.38	69,655	933	70,588	119.10	70,078	-0.72%
1 1/2 - Meter	355	236.75	84,141	355	236.75	84,141	355	236.75	84,141	1,127	85,268	238.20	84,656	-0.72%
2 - Meter	204	378.80	77,275	204	378.80	77,275	204	378.80	77,275	1,035	78,310	381.12	77,748	-0.72%
3 - Meter	108	710.25	76,778	108	710.25	76,778	108	710.25	76,778	1,029	77,807	714.60	77,248	-0.72%
4 - Meter	48	1,183.75	56,820	48	1,183.75	56,820	48	1,183.75	56,820	761	57,581	1,191.00	57,168	-0.72%
6 - Meter	-	2,367.50	-	-	2,367.50	-	-	2,367.50	-	-	-	2,382.00	-	0.00%
8 - Meter	-	3,788.00	-	-	3,788.00	-	-	3,788.00	-	-	-	3,811.20	-	0.00%
Subtotal	4,089		$497,704	4,089		$ 497,704	4,089		$ 497,704	$ 6,668	$ 504,372		$ 500,747	
Charge by Number oF EDUs														
EDU	1,122	$ 47.35	$ 53,131	1,122	$ 47.35	$ 53,131	1,122	$ 47.35	$ 53,131	$ 712	$ 53,843	$ 47.64	$ 53,457	-0.72%
Subtotal	1,122		$53,131	1,122		$ 53,131	1,122		$ 53,131	$ 712	$ 53,843		$ 53,457	-0.72%
Unmetered Customers	60	$ 93.78	$ 5,627	60	$ 93.78	$ 5,627	60	$ 93.78	$ 5,627	$ 75	$ 5,702	$ 92.04	$ 5,523	-3.14%
Unmetered Apartment Complex	12	20,350.26	244,203	12	20,350.26	244,203	12	20,350.26	244,203	3,272	247,475	19,973.63	239,684	-3.15%
Unmetered Daycare	12	656.46	7,878	12	656.46	7,878	12	656.46	7,878	106	7,984	644.31	7,732	-3.16%
Subtotal	84		$ 257,708	84		$ 257,708	84		$ 257,708	$ 3,453	$ 261,161		$ 252,939	
Usage (in 100 Gallons)														
All Usage	1,182,227	$1.1608	$ 1,372,329	1,182,227	$1.1608	$1,372,329	1,182,227	$1.1608	$ 1,372,329	$ 18,389	$ 1,390,718	$1.1474	$ 1,356,487	-2.46%
RZ 1 Commercial Usage	1,182,227			1,182,227			1,182,227							
RZ 1 Commercial Revenues			**$ 2,180,872**			**$ 2,180,872**			**$ 2,180,872**	**$ 29,222**	**$ 2,210,094**		**$ 2,163,630**	**-2.10%**

Rate Zone 1 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	12	$ 47.35	$568	12	$ 47.35	$568	12	$47.35	$ 568	$ 8	$ 576	$ 47.64	$572	-0.69%
3/4 - Meter	-	71.03	0	-	71.03	-	-	71.03	-	-	-	71.46	-	0.00%
1 - Meter	-	118.38	0	-	118.38	-	-	118.38	-	-	-	119.10	-	0.00%
1 1/2 - Meter	-	236.75	0	-	236.75	-	-	236.75	-	-	-	238.20	-	0.00%
2 - Meter	-	378.80	0	-	378.80	-	-	378.80	-	-	-	381.12	-	0.00%
3 - Meter	-	710.25	0	-	710.25	-	-	710.25	-	-	-	714.60	-	0.00%
4 - Meter	-	1,183.75	0	-	1,183.75	-	-	1,183.75	-	-	-	1,191.00	-	0.00%
6 - Meter	-	2,367.50	0	-	2,367.50	-	-	2,367.50	-	-	-	2,382.00	-	0.00%
8 - Meter	-	3,788.00	0	-	3,788.00	-	-	3,788.00	-	-	-	3,811.20	-	0.00%
Subtotal	12		$568	12		$568	12		$568	$8	$576		$572	
Unmetered Customers	-	$ 93.78	$ -	0	$ 93.78	$ -	0	$ 93.78	$ -	$ -	$ -	$ 92.04	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	559	$1.1608	$649	559	$1.1608	$649	559	$1.1608	$ 649	$ 9	$ 658	$1.1474	$641	-2.58%
RZ 1 Industrial Usage	559			559			559							
RZ 1 Industrial Revenues			**$1,217**			**$1,217**			**$1,217**	**$17**	**$1,234**		**$1,213**	**-1.70%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	157	$ 47.35	$ 7,415	157	$ 47.35	$ 7,415	157	$ 47.35	$ 7,415	$ 99	$ 7,514	$ 47.64	$ 7,460	-0.72%
3/4 - Meter	12	71.03	852	12	71.03	852	12	71.03	852	11	863	71.46	858	-0.58%
1 - Meter	96	118.38	11,364	96	118.38	11,364	96	118.38	11,364	152	11,516	119.10	11,434	-0.71%
1 1/2 - Meter	36	236.75	8,523	36	236.75	8,523	36	236.75	8,523	114	8,637	238.20	8,575	-0.72%
2 - Meter	24	378.80	9,091	24	378.80	9,091	24	378.80	9,091	122	9,213	381.12	9,147	-0.72%
3 - Meter	24	710.25	17,046	24	710.25	17,046	24	710.25	17,046	228	17,274	714.60	17,150	-0.72%
4 - Meter	24	1,183.75	28,410	24	1,183.75	28,410	24	1,183.75	28,410	381	28,791	1,191.00	28,584	-0.72%
6 - Meter	-	2,367.50	-	0	2,367.50	-	0	2,367.50	-	-	-	2,382.00	-	0.00%
8 - Meter	-	3,788.00	-	0	3,788.00	-	0	3,788.00	-	-	-	3,811.20	-	0.00%
Subtotal	373		$82,701	373		$82,701	373		$82,701	$1,107	$83,808		$83,208	
Unmetered Customers	-	$ 93.78	$0	0	$ 93.78	$0	0	$ 93.78	$ -	$ -	$ -	$ 92.04	$0	0.00%
Usage (in 100 Gallons)														
All Usage	91,170	$ 1.1608	$105,830	91,170	$ 1.1608	$ 105,830	91,170	$ 1.1608	$ 105,830	$ 1,418	$ 107,248	$ 1.1474	$ 104,608	-2.46%
RZ 1 Public Usage	91,170			91,170			91,170							
RZ 1 Public Revenues			**$188,531**			**$188,531**			**$188,531**	**$2,525**	**$191,056**		**$187,816**	**-1.70%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1A - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	707,077	27,104	$ 2,196,694	743,806	27,350	$ 2,148,824	746,614	27,506	$ 2,117,150	$ 28,371	$ 2,145,521	$ 2,087,940	-2.68%
Commercial	1,239,728	820	1,651,218	1,239,728	820	1,651,218	1,239,728	820	1,651,218	22,126	1,673,344	1,635,795	-2.24%
Total Rate Zone 1A	1,946,805	27,924	$ 3,847,912	1,983,534	28,170	$ 3,800,042	1,986,342	28,326	$ 3,768,368	$ 50,497	$ 3,818,865	$ 3,723,735	-2.49%

Rate Zone 1A - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	25,909	$ 48.20	$ 1,248,823	26,832	$ 48.20	$ 1,293,298	26,988	$ 48.20	$ 1,300,817	$ 17,431	$ 1,318,248	$ 47.64	$ 1,285,704	-2.47%
3/4 - Meter	12	48.20	578	12	48.20	578	12	48.20	578	8	586	47.64	572	-2.39%
1 - Meter	24	48.20	1,157	24	48.20	1,157	24	48.20	1,157	16	1,173	47.64	1,143	-2.56%
1 1/2 - Meter	-	96.40	-	-	96.40	-	-	96.40	-	-	-	95.28	-	0.00%
2 - Meter	-	154.24	-	-	154.24	-	-	154.24	-	-	-	152.45	-	0.00%
3 - Meter	-	289.20	-	-	289.20	-	-	289.20	-	-	-	285.84	-	0.00%
4 - Meter	-	482.00	-	-	482.00	-	-	482.00	-	-	-	476.40	-	0.00%
6 - Meter	-	777.42	-	-	777.42	-	-	777.42	-	-	-	768.39	-	0.00%
8 - Meter	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
Subtotal	25,945		$ 1,250,558	26,868		$1,295,033	27,024		$1,302,552	$17,455	$1,320,007		$1,287,419	-2.47%
Unmetered Customers	1,158	$ 95.47	$ 110,583	326	$ 95.47	$ 31,085	326	$ 95.47	$ 31,085	$ 417	$ 31,502	$ 92.85	$ 30,230	-4.04%
Usage (in 100 Gallons)														
All Usage	707,077	$ 1.1817	$ 835,553	740,998	$1.1817	$ 875,637	743,806	$1.1817	$ 878,956	$ 11,778	$ 890,734	$1.1681	$ 868,840	-2.46%
Low Income:														
Low Income Discount Tier 1						($37,185)			$ (61,975)	$ (830)	$ (62,805)		($63,728)	1.47%
Low Income Discount Tier 2						(16,482)			(27,471)	$ (368)	$ (27,839)		($28,219)	1.37%
Low Income Discount Tier 3						(10,101)			(16,835)	$ (226)	$ (17,061)		($17,314)	1.48%
RZ 1A Residential Bill Analysis Revenues			**2,196,694**											
Adjustment (1):														
Unmetered Rate	(833)	$ 95.47	$ (79,498)											
5/8 - Meter	833	48.20	40,136											
All Usage	32,301	1.1817	38,170											
Adjustment (2):														
5/8 - Meter	90	$48.20	$4,338	156	$48.20	$7,519	156	$48.20	$ 7,519	$ 101	$ 7,620	$47.64	$7,432	-2.47%
All Usage	1,620	$1.1817	1,914	2,808	$1.1817	3,318	2,808	$1.1817	3,318	44	3,362	$1.1681	$3,280	-2.44%
RZ 1A Residential Usage	708,697			743,806			746,614							
RZ 1A Residential Annualized/Proforma Revenues			**$ 2,201,754**			**$ 2,148,824**			**$ 2,117,150**	**$ 28,371**	**$ 2,145,521**		**$ 2,087,940**	**-2.68%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1A - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1A - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	221	$ 47.35	$ 10,460	221	$ 47.35	$ 10,460	221	$47.35	$ 10,460	$ 140	$ 10,600	$ 47.64	$ 10,524	-0.72%
3/4 - Meter	-	47.35	-	-	47.35	-	-	47.35	-	-	-	47.64	-	0.00%
1 - Meter	36	47.35	1,705	36	47.35	1,705	36	47.35	1,705	23	1,728	47.64	1,715	-0.75%
1 1/2 - Meter	-	94.70	-	-	94.70	-	-	94.70	-	-	-	95.28	-	0.00%
2 - Meter	227	151.52	34,365	227	151.52	34,365	227	151.52	34,365	460	34,825	152.45	34,576	-0.72%
3 - Meter	36	284.10	10,228	36	284.10	10,228	36	284.10	10,228	137	10,365	285.84	10,290	-0.72%
4 - Meter	144	473.50	68,326	144	473.50	68,326	144	473.50	68,326	916	69,242	476.40	68,745	-0.72%
6 - Meter	108	763.71	82,557	108	763.71	82,557	108	763.71	82,557	1,106	83,663	768.39	83,063	-0.72%
8 - Meter	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
Subtotal	772		$207,641	772		$ 207,641	772		$ 207,641	$ 2,782	$ 210,423		$ 208,913	-0.72%
Unmetered Customers	48	$ 93.78	$ 4,501	48	$ 93.78	$ 4,501	48	$ 93.78	$ 4,501	$ 60	$ 4,561	$ 92.04	$ 4,418	-3.14%
Usage (in 100 Gallons)														
All Usage	1,239,728	$1.1608	$ 1,439,076	1,239,728	$1.1608	$1,439,076	1,239,728	$1.1608	$ 1,439,076	$ 19,284	$ 1,458,360	$1.1474	$ 1,422,464	-2.46%
RZ 1A Commercial Usage	1,239,728			1,239,728			1,239,728							
RZ 1A Commercial Revenues			**$ 1,651,218**			**$ 1,651,218**			**$ 1,651,218**	**$ 22,126**	**$ 1,673,344**		**$ 1,635,795**	**-2.24%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 2 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	365,148	20,920	$ 1,981,421	484,771	21,364	$ 1,791,665	489,001	21,646	$ 1,759,757	$ 23,581	$ 1,783,338	$ 1,760,110	-1.30%
Commercial	237,520	4,830	658,750	237,520	4,830	647,299	237,520	4,830	647,299	8,674	655,973	647,299	-1.32%
Public	370	60	3,754	370	60	3,754	370	60	3,754	50	3,804	3,754	-1.31%
Total Rate Zone 2	603,038	25,810	$ 2,643,925	722,661	26,254	$ 2,442,718	726,891	26,536	$ 2,410,810	$ 32,305	$ 2,443,115	$ 2,411,163	-1.31%

Rate Zone 2 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number of EDUs														
EDU	13,250	$ 55.93	$ 741,056	19,639	$ 55.93	$ 1,098,389	19,921	$55.93	$ 1,114,161	$ 14,930	$ 1,129,091	$ 55.93	$ 1,114,161	-1.32%
Subtotal	13,250		$ 741,056	19,639		$ 1,098,389	19,921		$ 1,114,161	$ 14,930	$ 1,129,091		$ 1,114,161	-1.32%
Unmetered Customers	7,670	$ 101.80	$ 780,826	1,443	$ 101.80	$ 146,925	1,443	$ 101.80	$ 146,925	$ 1,969	$ 148,894	$ 101.80	$ 146,925	-1.32%
Usage (in 100 Gallons)														
All Usage	365,148	$ 1.2585	$ 459,539	480,541	$1.2585	$ 604,761	484,771	$1.2585	$ 610,084	$ 8,175	$ 618,259	$1.2585	$ 610,084	-1.32%
Low Income:														
Low Income Discount Tier 1						($46,139)			$ (76,898)	$ (1,030)	$ (77,928)		$ (76,687)	-1.59%
Low Income Discount Tier 2						(21,425)			(35,708)	(478)	(36,186)		(35,617)	-1.57%
Low Income Discount Tier 3						(11,941)			(19,901)	(267)	(20,168)		(19,852)	-1.57%
RZ 2 Residential Bill Analysis Revenues			**$ 1,981,421**											
Adjustment (1):														
Unmetered Rate	(6,227)	$ 101.80	($633,902)											
EDU	6,227	55.93	348,272											
All Usage	112,963	1.2585	142,164											
Adjustment (2):														
5/8 - Meter	162	$ 55.93	$9,061	282	$55.93	$15,772	282	$55.93	$ 15,772	$ 211	$ 15,983	$ 55.93	$15,772	-1.32%
All Usage	2,430	$ 1.2585	3,058	4,230	$ 1.2585	5,323	4,230	$ 1.2585	5,323	71	5,394	$ 1.2585	$5,323	-1.32%
RZ 2 Residential Usage	480,541			484,771			489,001							
RZ 2 Residential Annualized/Proforma Revenues			**$ 1,850,074**			**$ 1,791,665**			**$ 1,759,757**	**$ 23,581**	**$ 1,783,338**		**$ 1,760,110**	**-1.30%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 2 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 2 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	2,303	$ 54.95	$ 126,572	2,871	$ 54.95	$ 157,783	2,871	$ 54.95	$ 157,783	$ 2,114	$ 159,897	$ 54.95	$ 157,783	-1.32%
Subtotal	2,303		$126,572	2,871		$ 157,783	2,871		$ 157,783	$ 2,114	$ 159,897		$ 157,783	-1.32%
Unmetered Customers	2,527	$ 100.00	$ 252,670	1,959	$ 100.00	$ 195,870	1,959	$ 100.00	$ 195,870	$ 2,625	$ 198,495	$ 100.00	$ 195,870	-1.32%
Usage (in 100 Gallons)														
All Usage	226,084	$1.2363	$ 279,508	237,520	$1.2363	$293,646	237,520	$1.2363	$ 293,646	$ 3,935	$ 297,581	$1.2363	$ 293,646	-1.32%
Adjustment (1):														
Unmetered Rate	(568)													
EDU	568													
All Usage	11,436													
RZ 2 Commercial Usage	237,520			237,520			237,520							
RZ 2 Commercial Revenues			**$ 658,750**			**$ 647,299**			**$ 647,299**	**$ 8,674**	**$ 655,973**		**$ 647,299**	**-1.32%**

Note (1) Adjustment for change of flat rate to metered customers.

Rate Zone 2 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs													
EDU	60	$ 54.95	$ 3,297	60	$ 54.95	$ 3,297	60	$ 54.95	$ 44	$ 3,341	$ 54.95	$ 3,297	-1.32%
Subtotal	60		$3,297	60		$3,297	60		$44	$3,341		$3,297	-1.32%
Unmetered Customers	-	$ 100.00	$0	0	$ 100.00	$0	0	$ 100.00	$ -	$ -	$ 100.00	$0	0.00%
Usage (in 100 Gallons)													
All Usage	370	$ 1.2363	$457	370	$ 1.2363	$ 457	370	$ 1.2363	$ 6	$ 463	$ 1.2363	$ 457	-1.30%
RZ 2 Public Usage	370			370			370						
RZ 2 Public Revenues			**$3,754**			**$3,754**			**$50**	**$3,804**		**$3,754**	**-1.31%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 3 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	754,932	39,646	$ 4,127,521	1,151,745	40,552	$ 3,994,648	1,161,915	41,230	$ 3,974,202	$ 53,255	$ 4,027,457	$ 3,963,725	-1.58%
Commercial	70,360	3,472	382,048	70,360	3,472	366,322	70,360	3,472	366,322	4,909	371,231	366,322	-1.32%
Total Rate Zone 3	825,292	43,118	$ 4,509,569	1,222,105	44,024	$ 4,360,970	1,232,275	44,702	$ 4,340,524	$ 58,164	$ 4,398,688	$ 4,330,047	-1.56%

Rate Zone 3 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU*	27,917	$ 66.37	$ 1,852,871	39,718	$ 66.37	$ 2,636,084	40,396	$66.37	$ 2,681,083	$ 35,927	$ 2,717,010	$ 66.37	$ 2,681,083	-1.32%
Subtotal	27,917		$ 1,852,871	39,718		$ 2,636,084	40,396		$ 2,681,083	$ 35,927	$ 2,717,010		$ 2,681,083	-1.32%
Unmetered Customers	11,729	$ 115.00	$ 1,348,801	156	$ 115.00	$ 17,940	156	$ 115.00	$ 17,940	$ 240	$ 18,180	$ 115.00	$ 17,940	-1.32%
Usage (in 100 Gallons)														
All Usage	754,932	$ 1.2264	$ 925,849	1,141,575	$1.2264	$ 1,400,028	1,151,745	$1.2264	$ 1,412,500	$ 18,928	$ 1,431,428	$1.2264	$ 1,412,500	-1.32%
Low Income:														
Low Income Discount Tier 1						($67,390)			$ (112,316)	$ (1,505)	$ (113,821)		($118,472)	4.09%
Low Income Discount Tier 2						(30,275)			(50,458)	(676)	(51,134)		($53,105)	3.86%
Low Income Discount Tier 3						(19,210)			(32,017)	(429)	(32,446)		($33,691)	3.84%
RZ 3 Residential Bill Analysis Revenues			**$ 4,127,521**											
Adjustment (1):														
Unmetered Rate	(11,573)	115.00000	($1,330,861)											
EDU	11,573	66.37000	768,080											
All Usage	383,223	1.22640	469,985											
Adjustment (2):														
5/8 - Meter	228	$ 66.37	$15,132	678	$ 66.37	$44,999	678	$ 66.37	$ 44,999	$ 603	$ 45,602	$ 66.37	$44,999	-1.32%
All Usage	3,420	$ 1.2264	4,194	10,170	$ 1.2264	12,472	10,170	$ 1.2264	12,472	167	12,639	$ 1.2264	$12,472	-1.32%
RZ 3 Residential Usage	1,141,575			1,151,745			1,161,915							
RZ 3 Residential Annualized/Proforma Revenues			**$ 4,054,051**			**$ 3,994,648**			**$ 3,974,202**	**$ 53,255**	**$ 4,027,457**		**$ 3,963,725**	**-1.58%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 3 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 3 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU*	1,452	$ 65.20	$ 94,670	2,318	$ 65.20	$ 151,127	2,318	$ 65.20	$ 151,127	$ 2,025	$ 153,152	$ 65.20	$ 151,127	-1.32%
Subtotal	1,452		$94,670	2,318		$ 151,127	2,318		$ 151,127	$ 2,025	$ 153,152		$ 151,127	-1.32%
Unmetered Customers	2,020	$ 113.00	$ 228,271	1,154	$ 113.00	$ 130,425	1,154	$ 113.00	$ 130,425	$ 1,748	$ 132,173	$ 113.00	$ 130,425	-1.32%
Usage (in 100 Gallons)														
All Usage	49,060	$1.2048	$ 59,107	70,360	$1.2048	$84,770	70,360	$1.2048	$ 84,770	$ 1,136	$ 85,906	$1.2048	$ 84,770	-1.32%
Adjustment (1):														
Unmetered Rate	(866)													
EDU	866													
All Usage	21,300													
RZ 3 Commercial Usage	70,360			70,360			70,360							
RZ 3 Commercial Revenues			**$ 382,048**			**$ 366,322**			**$ 366,322**	**$ 4,909**	**$ 371,231**		**$ 366,322**	**-1.32%**

Note (1) Adjustment for change of flat rate to metered customers.
*Billing determinants Includes Stony Creek - Whitehall Estates customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 4 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	259,669	31,496	$ 4,209,160	276,469	32,564	$ 4,104,783	293,269	33,236	$ 4,030,485	$ 54,008	$ 4,084,493	$ 4,076,688	-0.19%
Commercial	74,429	7,486	1,009,158	74,429	7,486	1,009,158	74,429	7,486	1,009,158	13,522	1,022,680	1,029,464	0.66%
Total Rate Zone 4	334,098	38,983	$ 5,218,318	350,898	40,051	$ 5,113,941	367,698	40,723	$ 5,039,643	$ 67,530	$ 5,107,173	$ 5,106,152	-0.02%

Rate Zone 4 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	6,513	$ 86.12	$ 560,865	6,909	$ 86.12	$ 594,969	7,581	$86.12	$ 652,841	$ 8,748	$ 661,589	$ 86.12	$ 652,841	-1.32%
Subtotal	6,513		$ 560,865	6,909		$594,969	7,581		$652,841	$8,748	$661,589		652,841	-1.32%
Unmetered Customers	24,984	$ 133.35	$ 3,331,563	24,984	$ 133.35	$ 3,331,563	24,984	$ 133.35	$ 3,331,563	$ 44,643	$ 3,376,206	$ 135.20	$ 3,377,670	0.04%
Usage (in 100 Gallons)														
All Usage	249,769	$ 1.2681	$ 316,732	259,669	$1.2681	$ 329,286	276,469	$1.2681	$ 350,590	$ 4,698	$ 355,288	$1.2681	$ 350,590	-1.32%
Low Income:														
Low Income Discount Tier 1						($128,392)			$ (213,986)	$ (2,867)	$ (216,853)		$ (213,927)	-1.35%
Low Income Discount Tier 2						(58,375)			(97,291)	(1,304)	(98,595)		(97,278)	-1.34%
Low Income Discount Tier 3						(43,445)			(72,408)	(970)	(73,378)		(72,386)	-1.35%
RZ 4 Residential Bill Analysis Revenues			**4,209,160**											
Adjustment (1):														
5/8 - Meter	396	$ 86.12	$34,104	672	$86.12	$57,873	672	$86.12	$ 57,873	$ 775	$ 58,648	$ 86.12	$57,873	-1.32%
All Usage	9,900	$1.2681	12,554	16,800	$1.2681	21,304	16,800	$1.2681	21,304	285	21,589	$1.2681	$21,304	-1.32%
RZ 4 Residential Usage	259,669			276,469			293,269							
RZ 4 Residential Annualized/Proforma Revenues			**$ 4,255,818**			**$ 4,104,783**			**$ 4,030,485**	**$ 54,008**	**$ 4,084,493**		**$ 4,076,688**	**-0.19%**

Note (1) Adjustment to account for the growth (loss) in customers.

Rate Zone 4 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	1,385	$ 84.60	$ 117,196	1,385	$ 84.60	$ 117,196	1,385	$ 84.60	$ 117,196	$ 1,570	$ 118,766	$ 84.60	$ 117,196	-1.00%
Subtotal	1,385		$117,196	1,385		$ 117,196	1,385		$ 117,196	$ 1,570	$ 118,766		$ 117,196	-1.00%
Unmetered Customers	6,101	$ 131.00	$ 799,244	6,101	$ 131.00	$ 799,244	6,101	$ 131.00	$ 799,244	$ 10,710	$ 809,954	$ 134.33	$ 819,552	1.00%
Usage (in 100 Gallons)														
All Usage	74,429	$1.2457	$ 92,718	74,429	$1.2457	$92,718	74,429	$1.2457	$ 92,718	$ 1,242	$ 93,960	$1.2457	$ 92,716	-1.00%
RZ 4 Commercial Usage	74,429			74,429			74,429							
RZ 4 Commercial Revenues			**$ 1,009,158**			**$ 1,009,158**			**$ 1,009,158**	**$ 13,522**	**$ 1,022,680**		**$ 1,029,464**	**1.00%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 5 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	264,432	7,279	$ 1,073,249	284,617	7,297	$ 1,075,731	284,746	7,303	$ 1,068,313	$ 14,316	$ 1,082,629	$ 1,068,377	-1.32%
Commercial	10,587	54	148,536	10,587	54	148,536	10,587	54	148,536	1,991	150,527	148,635	-1.26%
Total Rate Zone 5	275,019	7,333	$ 1,221,785	295,204	7,351	$ 1,224,267	295,333	7,357	$ 1,216,849	$ 16,307	$ 1,233,156	$ 1,217,012	-1.31%

Rate Zone 5 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	456	$ 98.95	$ 45,121	456	$ 98.95	$ 45,121	456	$98.95	$ 45,121	$ 605	$ 45,726	$ 98.95	$ 45,121	-1.32%
3/4 - Meter	-	148.43	-	-	148.43	-	-	148.43	-	-	-	148.43	-	0.00%
1 - Meter	-	247.38	-	-	247.38	-	-	247.38	-	-	-	247.38	-	0.00%
1 1/2 - Meter	-	494.75	-	-	494.75	-	-	494.75	-	-	-	494.75	-	0.00%
2 - Meter	-	791.60	-	-	791.60	-	-	791.60	-	-	-	791.60	-	0.00%
3 - Meter	-	1,484.25	-	-	1,484.25	-	-	1,484.25	-	-	-	1,484.25	-	0.00%
4 - Meter	-	2,473.75	-	-	2,473.75	-	-	2,473.75	-	-	-	2,473.75	-	0.00%
6 - Meter	-	4,947.50	-	-	4,947.50	-	-	4,947.50	-	-	-	4,947.50	-	0.00%
8 - Meter	-	7,916.00	-	-	7,916.00	-	-	7,916.00	-	-	-	7,916.00	-	0.00%
Subtotal	456		$ 45,121	456		$45,121	456		$45,121	$605	$45,726		$45,121	-1.32%
Charge by Number oF EDUs														
EDU	6,559	$ 98.95	$ 648,983	6,823	$ 98.95	$ 675,116	6,829	$98.95	$ 675,710	$ 9,055	$ 684,765	$ 98.95	$ 675,710	-1.32%
Subtotal	6,559		$ 648,983	6,823		$675,116	6,829		$675,710	$9,055	$684,765		675,710	-1.32%
Unmetered Customers	264	$ 150.30	$ 39,694	12	$ 150.30	$ 1,804	12	$ 150.30	$ 1,804	$ 24	$ 1,828	$ 147.75	$ 1,773	-3.01%
Usage (in 100 Gallons)														
All Usage	264,432	$ 1.2837	$ 339,451	284,488	$1.2837	$ 365,198	284,617	$1.2837	$ 365,363	$ 4,896	$ 370,259	$1.2837	$ 365,363	-1.32%
Low Income:														
Low Income Discount Tier 1						($6,967)			$ (11,611)	$ (156)	$ (11,767)		$ (11,551)	-1.83%
Low Income Discount Tier 2						(3,129)			(5,216)	(70)	(5,286)		(5,202)	-1.57%
Low Income Discount Tier 3						(2,171)			(3,619)	(48)	(3,667)		(3,596)	-1.93%
RZ 5 Residential Bill Analysis Revenues			**$ 1,073,249**											
Adjustment (1):														
Unmetered Rate	(252)	150.30000	($37,891)											
EDU	252	98.95000	24,945											
All Usage	19,799	1.28370	25,416											
Adjustment (2):														
EDU	12	$98.95	$1,187	6	$98.95	$594	6	$98.95	$ 594	$ 8	$ 602	$98.95	$594	-1.33%
All Usage	257	$1.2837	331	129	$1.2837	165	129	$1.2837	166	2	168	$1.2837	$166	-1.19%
RZ 5 Residential Usage	284,488			284,617			284,746							
RZ 5 Residential Annualized/Proforma Revenues			**$ 1,087,237**			**$ 1,075,731**			**$ 1,068,313**	**$ 14,316**	**$ 1,082,629**		**$ 1,068,377**	**-1.32%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 5 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 5 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	42	$ 97.20	$ 4,082	42	$ 97.20	$ 4,082	42	$ 97.20	$ 4,082	$ 55	$ 4,137	$ 97.20	$ 4,082	-1.33%
Subtotal	42		$4,082	42		$ 4,082	42		$ 4,082	$ 55	$ 4,137		$ 4,082	-1.33%
Unmetered - Avon Grove School	12	$ 10,925.36	$ 131,104	12	#########	$ 131,104	12	#########	$ 131,104	$ 1,757	$ 132,861	#########	$ 131,203	-1.25%
Usage (in 100 Gallons)														
All Usage	10,587	$1.2610	$ 13,350	10,587	$1.2610	$13,350	10,587	$1.2610	$ 13,350	$ 179	$ 13,529	$1.2610	$ 13,350	-1.32%
RZ 5 Commercial Usage	10,587			10,587			10,587							
RZ 5 Commercial Revenues			**$ 148,536**			**$ 148,536**			**$ 148,536**	**$ 1,991**	**$ 150,527**		**$ 148,635**	**-1.26%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 6 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	213,133	16,755	$ 1,056,960	216,193	16,959	$ 1,049,958	217,908	17,073	$ 1,043,890	$ 13,988	$ 1,057,878	$ 1,031,457	-2.50%
Commercial	12,642	112	10,086	12,642	112	10,086	12,642	112	10,086	135	10,221	10,007	-2.09%
Total Rate Zone 6	225,775	16,867	$ 1,067,046	228,835	17,071	$ 1,060,044	230,550	17,185	$ 1,053,976	$ 14,123	$ 1,068,099	$ 1,041,464	-2.49%

Rate Zone 6 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	16,719	$ 59.55	$ 995,616	16,809	$ 59.55	$ 1,000,976	16,923	$59.55	$ 1,007,765	$ 13,504	$ 1,021,269	$ 58.86	$ 996,088	-2.47%
Subtotal	16,719		$ 995,616	16,809		$1,000,976	16,923		$ 1,007,765	$ 13,504	$ 1,021,269		996,088	-2.47%
Unmetered Customers	36	$ 70.59	$ 2,541	36	$ 70.59	$ 2,541	36	$ 70.59	$ 2,541	$ 34	$ 2,575	$ 69.41	$ 2,499	-2.95%
Usage (in 100 Gallons)														
All Usage	213,133	$ 0.2759	$ 58,803	214,483	$0.2759	$ 59,176	216,193	$0.2759	$ 59,648	$ 799	$ 60,447	$0.2727	$ 58,959	-2.46%
Low Income:														
Low Income Discount Tier 1						($11,260)			$ (18,767)	$ (251)	$ (19,018)		$ (18,736)	-1.48%
Low Income Discount Tier 2						(5,281)			(8,802)	(118)	(8,920)		(8,786)	-1.50%
Low Income Discount Tier 3						(3,455)			(5,758)	(77)	(5,835)		(5,746)	-1.53%
RZ 6 Residential Bill Analysis Revenues			**$ 1,056,960**											
Adjustment (1):														
5/8 - Meter	90	$ 59.55	$5,360	114	$59.55	$6,789	114	$59.55	$ 6,789	$ 91	$ 6,880	$ 58.86	$6,710	-2.47%
All Usage	1,350	$0.2759	372	1,710	$0.2759	472	1,715	$0.2759	473	6	479	$0.2727	$468	-2.30%
RZ 6 Residential Usage	214,483			216,193			217,908							
RZ 6 Residential Annualized/Proforma Revenues			**$ 1,062,692**			**$ 1,049,958**			**$ 1,043,890**	**$ 13,988**	**$ 1,057,878**		**$ 1,031,457**	**-2.50%**

Note (1) Adjustment to account for the growth (loss) in customers.

Rate Zone 6 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	100	$ 58.50	$ 5,856	100	$ 58.50	$ 5,856	100	$ 58.50	$ 5,856	$ 78	$ 5,934	$ 57.82	$ 5,788	-2.46%
Subtotal	100		$5,856	100		$ 5,856	100		$ 5,856	$ 78	$ 5,934		$ 5,788	-2.46%
Unmetered Customers	12	$ 67.00	$ 804	12	$ 67.00	$ 804	12	$ 67.00	$ 804	$ 11	$ 815	$ 69.41	$ 833	2.21%
Usage (in 100 Gallons)														
All Usage	12,642	$0.2710	$ 3,426	12,642	$0.2710	$3,426	12,642	$0.2710	$ 3,426	$ 46	$ 3,472	$0.2679	$ 3,386	-2.48%
RZ 6 Commercial Usage	12,642			12,642			12,642							
RZ 6 Commercial Revenues			**$ 10,086**			**$ 10,086**			**$ 10,086**	**$ 135**	**$ 10,221**		**$ 10,007**	**-2.09%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 7 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	2,284,019	63,909	$ 4,870,246	2,307,119	65,325	$ 4,917,017	2,330,282	66,249	$ 4,948,481	$ 66,310	$ 5,014,791	$ 6,053,395	20.71%
Commercial	1,613,664	28,863	2,644,581	1,613,664	28,863	2,644,581	1,613,664	28,863	2,644,581	35,438	2,680,019	3,244,010	21.04%
Public	31,271	48	29,944	31,271	48	29,944	31,271	48	29,944	402	30,346	38,168	25.78%
Total Rate Zone 7	3,928,954	92,821	$ 7,544,771	3,952,054	94,237	$ 7,591,542	3,975,217	95,161	$ 7,623,006	$ 102,150	$ 7,725,156	$ 9,335,573	20.85%

Rate Zone 7 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	58,212	$ 42.13	$ 2,452,483	58,704	$ 42.13	$ 2,473,211	59,628	$42.13	$ 2,512,139	$ 33,663	$ 2,545,802	$ 47.64	$ 2,840,691	11.58%
Subtotal	58,212		$ 2,452,483	58,704		$2,473,211	59,628		$ 2,512,139	$ 33,663	$ 2,545,802		2,840,691	11.58%
Unmetered Customers	5,697	$ 61.08	$ 347,987	5,697	$ 61.08	$ 347,987	5,697	$ 61.08	$ 347,987	$ 4,663	$ 352,650	$ 92.85	$ 528,962	50.00%
Usage (in 100 Gallons)														
All Usage	2,274,229	$ 0.9101	$ 2,069,776	2,284,019	$0.9101	$ 2,078,686	2,307,119	$0.9101	$ 2,099,709	$ 28,136	$ 2,127,845	$1.1681	$ 2,694,946	26.65%
Low Income:														
Low Income Discount Tier 1						($24,654)			$ (41,090)	($551)	($41,641)		$ (47,509)	14.09%
Low Income Discount Tier 2						(10,857)			(18,095)	(242)	(18,337)		(20,846)	13.68%
Low Income Discount Tier 3						(7,306)			(12,177)	(163)	(12,340)		(13,925)	12.84%
RZ 7 Residential Bill Analysis Revenues			**$ 4,870,246**											
Adjustment (1):														
5/8 - Meter	492	$ 42.13	$ 20,728	924	$ 42.13	$ 38,928	924	$ 42.13	$ 38,928	$ 522	$ 39,450	$ 47.64	$ 44,019	11.58%
All Usage	12,300	$0.9101	11,194	23,100	$ 0.9101	21,023	23,163	$ 0.9101	21,081	282	21,363	$1.1681	27,057	26.65%
Adjustment (2):														
Deduct Meter Usage	(2,510)	$0.9101	$ (2,284)											
RZ 7 Residential Usage	2,284,019			2,307,119			2,330,282							
RZ 7 Residential Annualized/Proforma Revenues			**$ 4,899,884**			**$ 4,917,017**			**$ 4,948,481**	**$ 66,310**	**$ 5,014,791**		**$ 6,053,395**	**20.71%**

Note (1) Adjustment to account for the growth (loss) in customers.
Note (2) Adjustment to account for Deduct Meter usage.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 7 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 7 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	28,471	$ 41.39	$ 1,178,406	28,471	$ 41.39	$ 1,178,406	28,471	$ 41.39	$ 1,178,406	$ 15,791	$ 1,194,197	$ 47.64	$ 1,356,349	13.58%
Subtotal	28,471		$1,178,406	28,471		$ 1,178,406	28,471		$ 1,178,406	$ 15,791	$ 1,194,197		$ 1,356,349	13.58%
Unmetered Customers	393	$ 60.00	$ 23,560	393	$ 60.00	$ 23,560	393	$ 60.00	$ 23,560	$ 316	$ 23,876	$ 92.04	$ 36,143	51.38%
Usage (in 100 Gallons)														
All Usage	1,613,664	$0.8940	$ 1,442,615	1,613,664	$0.8940	$1,442,615	1,613,664	$0.8940	$ 1,442,615	$ 19,331	$ 1,461,946	$1.1474	$ 1,851,518	26.65%
RZ 7 Commercial Usage	1,613,664			1,613,664			1,613,664							
RZ 7 Commercial Revenues			**$ 2,644,581**			**$ 2,644,581**			**$ 2,644,581**	**$ 35,438**	**$ 2,680,019**		**$ 3,244,010**	**21.04%**

Rate Zone 7 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	48	$ 41.39	$ 1,988	48	$ 41.39	$ 1,988	48	$ 41.39	$ 1,988	$ 27	$ 2,015	$ 47.64	$ 2,288	13.55%
Subtotal	48		$1,988	48		$1,988	48		$ 1,988	$ 27	$ 2,015		$2,288	13.55%
Unmetered Customers	-	$ 60.00	$0	0	$ 60.00	$0	0	$ 60.00	$ -	$ -	$ -	$ 92.04	$0	0.00%
Usage (in 100 Gallons)														
All Usage	31,271	$ 0.8940	$27,956	31,271	$ 0.8940	$ 27,956	31,271	$ 0.8940	$ 27,956	$ 375	$ 28,331	$ 1.1474	$ 35,880	26.65%
RZ 7 Public Usage	31,271			31,271			31,271							
RZ 7 Public Revenues			**$29,944**			**$29,944**			**$29,944**	**$402**	**$30,346**		**$38,168**	**25.78%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 8 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	480,738	15,153	$ 1,448,510	484,698	15,423	$ 1,458,136	488,669	15,621	$ 1,466,025	$ 19,644	$ 1,485,669	$ 1,480,965	-0.32%
Commercial	360,238	406	431,700	360,238	406	431,700	360,238	406	431,700	5,785	437,485	468,075	6.99%
Public	7,101	24	9,153	7,101	24	9,153	7,101	24	9,153	123	9,276	10,121	9.11%
Other - Residential	-	228	23,461	-	228	23,461	-	228	23,461	314	23,775	22,800	-4.10%
Total Rate Zone 8	848,077	15,811	$ 1,912,824	852,037	16,081	$ 1,922,450	856,008	16,279	$ 1,930,339	$ 25,866	$ 1,956,205	$ 1,981,961	1.32%

Rate Zone 8 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	14,877	$ 57.61	$ 857,047	14,949	$ 57.61	$ 861,195	15,147	$57.61	$ 872,601	$ 11,693	$ 884,294	$ 55.93	$ 847,155	-4.20%
Subtotal	14,877		$ 857,047	14,949		$861,195	15,147		$ 872,601	$ 11,693	$ 884,294		847,155	-4.20%
Unmetered Customers	276	$ 104.75	$ 28,911	276	$ 104.75	$ 28,911	276	$ 104.75	$ 28,911	$ 387	$ 29,298	$ 101.80	$ 28,097	-4.10%
Usage (in 100 Gallons)														
All Usage	479,298	$ 1.1737	$ 562,552	480,738	$1.1737	$ 564,242	484,698	$1.1737	$ 568,890	$ 7,623	$ 576,513	$1.2585	$ 609,992	5.81%
Low Income:														
Low Income Discount Tier 1						($6,967)			$ (11,611)	$ (156)	$ (11,767)		$ (11,551)	-1.83%
Low Income Discount Tier 2						(3,129)			(5,216)	(70)	(5,286)		(5,202)	-1.57%
Low Income Discount Tier 3						(2,171)			(3,619)	(48)	(3,667)		(3,596)	-1.93%
RZ 8 Residential Bill Analysis Revenues			**$ 1,448,510**											
Adjustment (1):														
5/8 - Meter	72	$ 57.61	$4,148	198	$57.61	$11,407	198	$57.61	$ 11,407	$ 153	$ 11,560	$ 55.93	$11,074	-4.20%
All Usage	1,440	$1.1737	1,690	3,960	$1.1737	4,648	3,971	$1.1737	4,661	62	4,723	$1.2585	$4,997	5.80%
RZ 8 Residential Usage	480,738			484,698			488,669							
RZ 8 Residential Annualized/Proforma Revenues			**$ 1,454,348**			**$ 1,458,136**			**$ 1,466,025**	**$ 19,644**	**$ 1,485,669**		**$ 1,480,965**	**-0.32%**

Note (1) Adjustment to account for the growth (loss) in customers.

Rate Zone 8 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	406	$ 40.25	$ 16,346	406	$ 40.25	$ 16,346	406	$ 40.25	$ 16,346	$ 219	$ 16,565	$ 55.93	$ 22,713	37.11%
Subtotal	406		$16,346	406		$ 16,346	406		$ 16,346	$ 219	$ 16,565		$ 22,713	37.11%
Unmetered Customers	-	$ 102.90	$ -	0	$ 102.90	$ -	-	$ 102.90	$ -	$ -	$ -	$ 100.00	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	360,238	$1.1530	$ 415,354	360,238	$1.1530	$415,354	360,238	$1.1530	$ 415,354	$ 5,566	$ 420,920	$1.2363	$ 445,362	5.81%
RZ 8 Commercial Usage	360,238			360,238			360,238							
RZ 8 Commercial Revenues			**$ 431,700**			**$ 431,700**			**$ 431,700**	**$ 5,785**	**$ 437,485**		**$ 468,075**	**6.99%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 8 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 8 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	24	$ 40.25	$ 966	24	$ 40.25	$ 966	24	$40.25	$ 966	$ 13	$ 979	$ 55.93	$ 1,342	37.00%
Subtotal	24		$966	24		$966	24		$ 966	$ 13	$ 979		$1,342	37.00%
Unmetered Customers	-	$ 102.90	$ -	-	$ 102.90	$ -	-	$ 102.90	$ -	$ -	$ -	$ 100.00	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	7,101	$1.1530	$8,187	7,101	$1.1530	$8,187	7,101	$1.1530	$ 8,187	$ 110	$ 8,297	$1.2363	$8,779	6.00%
RZ 8 Public Usage	7,101			7,101			7,101							
RZ 8 Public Revenues			**$9,153**			**$9,153**			**$9,153**	**$123**	**$9,276**		**$10,121**	**9.00%**

Rate Zone 8 - Other Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	-	$ 40.25	$ -	-	$ 40.25	$ -	-	$ 40.25	$ -	$ -	$ -	$ 55.93	$ -	0.00%
Subtotal	-		$ -	-		$ -	-		$ -	$ -	$ -		$ -	0.00%
Unmetered Customers	228	$ 102.90	$23,461	228	$ 102.90	$23,461	228	$ 102.90	$ 23,461	$ 314	$ 23,775	$ 100.00	$22,800	-4.00%
Usage (in 100 Gallons)														
All Usage	-	$ 1.1530	$ -	-	$ 1.1530	$ -	-	$ 1.1530	$ -	$ -	$ -	$ 1.2363	$ -	0.00%
RZ 8 Other Usage	-			-			-							
RZ 8 Other Revenues			**$23,461**			**$23,461**			**$23,461**	**$314**	**$23,775**		**$22,800**	**-4.00%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	4,551,020	119,214	$ 7,204,632	4,567,820	120,174	$ 7,210,577	4,584,666	120,846	$ 7,216,201	$ 96,697	$ 7,312,898	$ 11,030,182	50.83%
Commercial	2,781,963	83,401	4,664,905	2,781,963	83,401	4,664,905	2,781,963	83,401	4,664,905	62,510	4,727,415	7,165,257	51.57%
Industrial	3,189	107	5,697	3,189	107	5,697	3,189	107	5,697	76	5,773	8,737	51.34%
Public	89,566	1,249	104,435	89,566	1,249	104,435	89,566	1,249	104,435	1,400	105,835	162,251	53.31%
Total Rate Zone 9	7,425,738	203,971	$ 11,979,669	7,442,538	204,931	$ 11,985,614	7,459,384	205,603	$ 11,991,238	$ 160,683	$ 12,151,921	$ 18,366,427	51.14%

Rate Zone 9 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	119,214	$ 32.42	$ 3,864,924	119,502	$ 32.42	$ 3,874,261	120,174	32.42	$ 3,896,048	$ 52,207	$ 3,948,255	$ 47.64	$ 5,725,099	45.00%
Subtotal	119,214		$ 3,864,924	119,502		$ 3,874,261	120,174		$ 3,896,048	$ 52,207	$ 3,948,255		$ 5,725,099	45.00%
Unmetered Customers	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	4,543,820	$ 0.7350	$ 3,339,708	4,551,020	$0.7350	$ 3,345,000	4,567,820	$0.7350	$ 3,357,348	$ 44,988	$ 3,402,336	$1.1681	$ 5,335,671	56.82%
Low Income:														
Low Income Discount Tier 1						($24,654)			(41,090)	$ (551)	$ (41,641)		(47,509)	14.09%
Low Income Discount Tier 2						(10,857)			(18,095)	(242)	(18,337)		(20,846)	13.68%
Low Income Discount Tier 3						(7,306)			(12,177)	(163)	(12,340)		(13,925)	12.84%
RZ 9 Residential Bill Analysis Revenues			**$ 7,204,632**											
Adjustment (1):														
5/8 - Meter	288	$ 32.42	$9,337	672	$32.42	$21,786	672	$32.42	$ 21,786	$ 292	$ 22,078	$ 47.64	$32,014	45.00%
All Usage	7,200	$ 0.7350	5,292	16,800	$ 0.7350	12,348	16,846	$ 0.7350	12,382	166	12,548	$ 1.1681	$19,678	56.82%
RZ 9 Residential Usage	4,551,020			4,567,820			4,584,666							
RZ 9 Residential Anualized/Proforma Revenues			**$ 7,219,261**			**$ 7,210,577**			**$ 7,216,201**	**$ 96,697**	**$ 7,312,898**		**$ 11,030,182**	**50.83%**

Note (1) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 9 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	83,401	$ 31.85	$ 2,656,328	83,401	$ 31.85	$ 2,656,328	83,401	$ 31.85	$ 2,656,328	$ 35,595	$ 2,691,923	$ 47.64	$ 3,973,233	47.60%
Subtotal	83,401		$ 2,656,328	83,401		$ 2,656,328	83,401		$ 2,656,328	$ 35,595	$ 2,691,923		$ 3,973,233	47.60%
Unmetered Customers	-	$ -	$0	-	$ -	$0	-	$ -	$ -	$ -	$ -	$ -	$0	0.00%
Usage (in 100 Gallons)														
All Usage	2,781,963	$ 0.7220	$ 2,008,577	2,781,963	$ 0.7220	$2,008,577	2,781,963	$ 0.7220	$ 2,008,577	$ 26,915	$ 2,035,492	$ 1.1474	$ 3,192,024	56.82%
RZ 9 Commercial Usage	2,781,963			2,781,963			2,781,963							
RZ 9 Commercial Revenues			**$ 4,664,905**			**$ 4,664,905**			**$ 4,664,905**	**$ 62,510**	**$ 4,727,415**		**$ 7,165,257**	**51.57%**

Rate Zone 9 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	107	$ 31.85	$ 3,395	107	$ 31.85	$ 3,395	107	$31.85	$ 3,395	$ 45	$ 3,440	$ 47.64	$ 5,078	48.00%
Subtotal	107		$ 3,395	107		$ 3,395	107		$ 3,395	$ 45	$ 3,440		$ 5,078	48.00%
Unmetered Customers	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	3,189	$0.7220	$2,302	3,189	$0.7220	$2,302	3,189	$0.7220	$ 2,302	$ 31	$ 2,333	$1.1474	$3,659	57.00%
RZ 9 Industrial Usage	3,189			3,189			3,189							
RZ 9 Industrial Revenues			**$ 5,697**			**$ 5,697**			**$ 5,697**	**$ 76**	**$ 5,773**		**$ 8,737**	**51.00%**

Rate Zone 9 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	1,249	$ 31.85	$ 39,768	1,249	$ 31.85	$ 39,768	1,249	$ 31.85	$ 39,768	$ 533	$ 40,301	$ 47.64	$ 59,483	48.00%
Subtotal	1,249		$ 39,768	1,249		$ 39,768	1,249		$ 39,768	$ 533	$ 40,301		$ 59,483	48.00%
Unmetered Customers	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	89,566	$ 0.7220	$64,667	89,566	$ 0.7220	$ 64,667	89,566	$ 0.7220	$ 64,667	$ 867	$ 65,534	$ 1.1474	$ 102,768	57.00%
RZ 9 Public Usage	89,566			89,566			89,566							
RZ 9 Public Revenues			**$ 104,435**			**$ 104,435**			**$ 104,435**	**$ 1,400**	**$ 105,835**		**$ 162,251**	**53.00%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 10 - EAST NORRITON WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	1,917,666	55,524	$ 3,525,190	1,924,866	56,094	$ 3,511,406	1,932,086	56,382	$ 3,482,860	$ 46,883	$ 3,545,565	$ 4,967,094	40.09%
Commercial	1,540,066	4,324	1,329,774	1,540,066	4,324	1,329,774	1,540,066	4,324	1,329,774	17,819	1,347,593	1,987,571	47.49%
Total Rate Zone 10	3,457,732	59,848	$ 4,854,964	3,464,932	60,418	$ 4,841,180	3,472,152	60,706	$ 4,812,634	$ 64,702	$ 4,893,158	$ 6,954,665	42.13%

Rate Zone 10 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	53,168	$ 35.57	$ 1,891,186	53,450	$ 35.57	$ 1,901,217	53,738	$35.57	$ 1,911,461	$ 25,614	$ 1,937,075	$ 47.64	$ 2,560,078	32.16%
Subtotal	53,168		$ 1,891,186	53,450		$1,901,217	53,738		$ 1,911,461	$ 25,614	$ 1,937,075		2,560,078	32.16%
Unmetered Customers	2,356	$ 66.06	$ 155,611	2,356	$ 66.06	$ 155,611	2,356	$ 66.06	$ 155,611	$ 2,085	$ 157,696	$ 92.85	$ 218,707	38.69%
Usage (in 100 Gallons)														
All Usage	1,913,530	$ 0.7726	$ 1,478,393	1,917,666	$0.7726	$ 1,481,589	1,924,866	$0.7726	$ 1,487,151	$ 19,928	$ 1,507,079	$1.1681	$ 2,248,436	49.19%
Low Income:														
Low Income Discount Tier 1						($24,654)			$ (41,090)	$ (551)	$ (41,641)		$ (47,509)	14.09%
Low Income Discount Tier 2						(10,857)			(18,095)	(242)	(18,337)		(20,846)	13.68%
Low Income Discount Tier 3						(7,306)			(12,177)	(163)	(12,340)		(13,925)	12.84%
RZ 10 Residential Bill Analysis Revenues			**$ 3,525,190**											
Adjustment (1):														
5/8 - Meter	282	$ 35.57	$10,031	288	$35.57	$10,244	288	$35.57		$137	$10,381	$ 47.64	$13,720	32.16%
All Usage	7,050	$0.7726	5,447	7,200	$0.7726	5,563	7,220	$0.7726		75	5,653	$1.1681	$8,433	49.18%
Adjustment (2):														
Deduct Meter Usage	(2,914)	$0.7726	$ (2,251)											
RZ 10 Residential Usage	1,917,666			1,924,866			1,932,086							
RZ 10 Residential Annualized/Proforma Revenues			**$ 3,540,668**			**$ 3,511,406**			**$ 3,482,860**	**$ 46,883**	**$ 3,545,565**		**$ 4,967,094**	**40.09%**

Note (1) Adjustment to account for the growth (loss) in customers.
Note (2) Adjustment to account for Deduct Meter usage.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 10 - EAST NORRITON WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 10 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	3,998	$ 34.94	$ 139,690	3,998	$ 34.94	$ 139,690	3,998	$ 34.94	$ 139,690	$ 1,872	$ 141,562	$ 47.64	$ 190,465	34.55%
Subtotal	3,998		$ 139,690	3,998		$ 139,690	3,998		$ 139,690	$ 1,872	$ 141,562		$ 190,465	34.55%
Unmetered Customers	326	$ 64.89	$ 21,174	326	$ 64.89	$ 21,174	326	$ 64.89	$ 21,174	$ 284	$ 21,458	$ 92.04	$ 30,034	39.97%
Usage (in 100 Gallons)														
All Usage	1,540,066	$ 0.7590	$ 1,168,910	1,540,066	$ 0.7590	$1,168,910	1,540,066	$ 0.7590	$ 1,168,910	$ 15,663	$ 1,184,573	$ 1.1474	$ 1,767,072	49.17%
RZ 10 Commercial Usage	1,540,066			1,540,066			1,540,066							
RZ 10 Commercial Revenues			**$ 1,329,774**			**$ 1,329,774**			**$ 1,329,774**	**$ 17,819**	**$ 1,347,593**		**$ 1,987,571**	**47.49%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 11 - NEW GARDEN DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	907,472	24,659	$ 3,362,541	907,472	24,659	$3,362,541	907,472	24,659	$ 3,362,541	$ 45,057	$ 3,407,598	$ 2,520,739	-26.03%
Commercial	180,929	5,187	1,020,311	180,929	5,187	1,020,311	180,929	5,187	1,020,311	13,672	1,033,983	513,776	-50.31%
Public	2,340	37	11,942	2,340	37	11,942	2,340	37	11,942	160	12,102	4,934	-59.23%
Total Rate Zone 11 - New Garden Division	1,090,741	29,882	$4,394,794	1,090,741	29,882	$4,394,794	1,090,741	29,882	$4,394,794	$58,889	$4,453,683	$3,039,449	-31.75%

Rate Zone 11 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
EDUs	24,659	$ 45.46	$1,121,003	24,659	$ 45.46	$1,121,003	24,659	$45.46	$ 1,121,003	$ 15,021	$ 1,136,024	$ 55.93	$1,379,183	21.40%
Subtotal	24,659		$1,121,003	24,659		$1,121,003	24,659		$ 1,121,003	$ 15,021	$ 1,136,024		$1,379,183	21.40%
Unmetered Customers	-		$ -	-		$ -	-		$ -	$ -	$ -		$ -	0.00%
Usage (in 100 Gallons)														
Block 1	778,398	$ 2.3259	1,810,476	778,398	$ 2.3259	1,810,476	778,398	$ 2.3259	1,810,476	24,260	1,834,736	$ 1.2585	979,614	-46.61%
Block 2	129,074	3.3435	431,560	129,074	3.3435	431,560	129,074	3.3435	431,560	5,783	437,343	1.2585	162,440	-62.86%
Subtotal	907,472		2,242,036	907,472		2,242,036	907,472		2,242,036	30,043	2,272,079		1,142,054	
Low Income:														
Low Income Discount Tier 1			$ (149)			$ (149)			$ (149)	$ (2)	$ (151)		$ (149)	
Low Income Discount Tier 2			(350)			(350)			(350)	(5)	(355)		(350)	
Low Income Discount Tier 3			-			-			-	-	-		-	
RZ 11 Residential Bill Analysis Revenues			**$ 3,362,541**											
RZ 11 Residential Usage	907,472			907,472			907,472							
RZ 11 Residential Annualized/Proforma Revenues			**$3,362,541**			**$3,362,541**			**$3,362,541**	**$45,057**	**$3,407,598**		**$2,520,739**	**-26.03%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 11 - NEW GARDEN DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 11 - Commercial 1&2	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
Commercial 1 - EDUs	4,712	$ 62.52	$ 294,588	4,712	$ 62.52	$ 294,588	4,712	$62.52	$ 294,588	$ 3,947	$ 298,535	55.93	$ 263,537	-11.72%
Subtotal	4,712		$ 294,588	4,712		$ 294,588	4,712		$ 294,588	$ 3,947	$ 298,535		$ 263,537	-11.72%
Unmetered Customers	-	$0.00	$0	-	$0.00	$0	-	$0.00	$ -	$ -	$ -	$0.00	$0	0.00%
Usage (in 100 Gallons)														
Block 1	120,249	$ 3.4850	419,068	120,249	$ 3.4850	419,068	120,249	$ 3.4850	419,068	5,616	424,684	$ 1.2363	148,664	-64.99%
Block 2	33,550	4.4868	150,532	33,550	4.4868	150,532	33,550	4.4868	150,532	2,017	152,549	1.2363	41,478	-72.81%
Subtotal	153,799		569,600	153,799		569,600	153,799		569,600	7,633	577,233		190,142	
Customer Charge														
Commercial 2 - EDUs	475	$ 62.52	$29,684	475	$ 62.52	$29,684	475	$62.52	$ 29,684	$ 398	$ 30,082	$ 55.93	$ 26,556	-11.72%
Subtotal	475		$29,684	475		$29,684	475		$ 29,684	$ 398	$ 30,082		$ 26,556	-11.72%
Unmetered Customers	-	$0.00	$0	-	$0.00	$0	-	$0.00	$ -	$ -	$ -	$0.00	$0	0.00%
Usage (in 100 Gallons)														
Block 1	16,993	$ 4.4580	75,756	16,993	$ 4.4580	75,756	16,993	$ 4.4580	75,756	1,015	76,771	$ 1.2363	21,009	-72.63%
Block 2	10,137	5.0000	50,683	10,137	5.0000	50,683	10,137	5.0000	50,683	679	51,362	1.2363	12,532	-75.60%
Subtotal	27,130		126,439	27,130		126,439	27,130		126,439	1,694	128,133		33,541	
RZ 11 Commercial Usage	180,929			180,929			180,929							
RZ 11 Commercial Revenues			**$1,020,311**			**$1,020,311**			**$1,020,311**	**$13,672**	**$1,033,983**		**$513,776**	**-50.31%**

Rate Zone 11 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
EDUs	37	$ 62.52	$ 2,282	37	$ 62.52	$ 2,282	37	$ 62.52	$ 2,282	$ 31	$ 2,313	$ 55.93	$ 2,041	-11.76%
Subtotal	37		$ 2,282	37		$ 2,282	37		$ 2,282	$ 31	$ 2,313		$ 2,041	-11.76%
Unmetered Customers	-	$0.00	$0	-	$0.00	$0	-	$0.00	$ -	$ -	$ -	$0.00	$0	0.00%
Usage (in 100 Gallons)														
Block 1	838	$ 3.4850	2,922	838	$ 3.4850	2,922	838	$ 3.4850	2,922	39	2,961	$ 1.2363	1,036	-65.01%
Block 2	1,502	4.4868	6,738	1,502	4.4868	6,738	1,502	4.4868	6,738	90	6,828	1.2363	1,857	-72.80%
Subtotal	2,340		$ 9,660	2,340		$ 9,660	2,340		9,660	129	9,789		$2,893	
RZ 11 Public Usage	2,340			2,340			2,340							
RZ 11 Public Revenues			**$11,942**			**$11,942**			**$11,942**	**$160**	**$12,102**		**$4,934**	**-59.23%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 12 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	5,438,130	133,611	$ 9,768,767	5,438,130	133,611	$ 9,759,106	5,438,130	133,611	$ 9,759,106	$ -	$ 9,759,106	$ 12,793,629	31.09%
Commercial	688,711	10,712	1,740,691	688,711	10,712	1,740,691	688,711	10,712	1,740,691	-	1,740,691	1,300,545	-25.29%
Public	22,674	85	55,889	1,971	85	55,889	1,971	85	55,889	-	55,889	30,057	-46.22%
Total Rate Zone 12	6,149,514	144,408	$ 11,565,347	6,128,811	144,408	$ 11,555,686	6,126,840	144,408	$ 11,555,686	$ -	$ 11,555,686	$ 14,124,231	22.23%

Rate Zone 12 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU - Rate 1	130,076	$ 53.49	$ 6,958,197	130,076	$ 53.49	$ 6,958,197	130,076	$53.49	$ 6,958,197	$ -	$ 6,958,197	$ 47.64	$ 6,196,819	-10.94%
EDU - Rate 2	1,852	89.74	$ 166,204	1,852	89.74	166,204	1,852	89.74	166,204	-	166,204	47.64	88,232	-46.91%
Subtotal	131,928		$ 7,124,401	131,928		$7,124,401	131,928		$ 7,124,401	$ -	$ 7,124,401		$ 6,285,051	
Unmetered Customers	1,683	$ 89.74	$ 151,071	1,683	$ 89.74	$ 151,071	1,683	$ 89.74	$ 151,071	$ -	$ 151,071	$ 92.85	$ 156,299	3.46%
Usage (in 100 Gallons)														
Minimum Usage	189	$ -	$ -	189	$ -	$ -	189	$ -	$ -	$ -	$ -	$1.1681	$ 221	0.00%
Block 1	3,582,506	0.4370	1,565,555	3,560,398	0.4370	1,555,894	3,560,398	0.4370	1,555,894	-	1,555,894	1.1681	4,158,901	167.30%
Block 2	1,179,257	0.4600	542,458	1,179,257	0.4600	542,458	1,179,257	0.4600	542,458	-	542,458	1.1681	1,377,490	153.93%
Block 3	316,136	0.4810	152,061	316,136	0.4810	152,061	316,136	0.4810	152,061	-	152,061	1.1681	369,278	142.85%
Block 4	131,368	0.5290	69,494	131,368	0.5290	69,494	131,368	0.5290	69,494	-	69,494	1.1681	153,451	120.81%
Block 5	69,568	0.5900	41,045	69,568	0.5900	41,045	69,568	0.5900	41,045	-	41,045	1.1681	81,262	97.98%
Block 6	181,214	0.6770	122,682	181,214	0.6770	122,682	181,214	0.6770	122,682	-	122,682	1.1681	211,676	72.54%
Subtotal	5,460,238		2,493,295	5,438,130		$ 2,483,634	5,438,130		$ 2,483,634	$ -	$ 2,483,634		$ 6,352,279	
Low Income:														
Low Income Discount Tier 1						$ -				$ -	$ -			
Low Income Discount Tier 2						-				-	-			
Low Income Discount Tier 3						-				-	-			
RZ 12 Residential Bill Analysis Revenues			**$ 9,768,767**											
Adjustment (1):														
Deduct Meter Usage	(22,108)	$0.5284	$ (11,682)											
RZ 12 Residential Usage	5,438,130			5,438,130			5,438,130							
RZ 12 Residential Annualized/Proforma Revenues			**$ 9,757,085**			**$ 9,759,106**			**$ 9,759,106**	**$ -**	**$ 9,759,106**		**$ 12,793,629**	**31.09%**

Note (1) Adjustment to account for Deduct Meter usage.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 12 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 12 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU - (Apartments)	8,029	$ 53.49	$ 429,494	8,029	$ 53.49	$ 429,494	8,029	$ 53.49	$ 429,494	$ -	$ 429,494	$ 47.64	$ 382,498	-10.94%
EDU - (Other Commercial)	2,683	$ 99.22	$ 266,205	2,683	$ 99.22	$ 266,205	2,683	$ 99.22	266,205	-	266,205	$ 47.64	$ 127,821	-51.98%
Subtotal	10,712		$695,699	10,712		$ 695,699	10,712		$ 695,699	$ -	$ 695,699		$ 510,319	
Unmetered Customers	0	$ 89.74	$ -	-	$ 89.74	$ -	-	$ 89.74	$ -	$ -	$ -	$ 92.04	$ -	0.00%
Usage (in 100 Gallons) - Com. Apartments														
Minimum Usage	309	$ -	$ -	309	$ -	$ -	309	$ -	$ -	$ -	$ -	$ 1.1474	$ 355	0.00%
Block 1	176,753	0.4370	77,241	176,753	0.4370	77,241	176,753	0.4370	77,241	-	77,241	1.1474	202,806	162.56%
Block 2	23,709	0.4600	10,906	23,709	0.4600	10,906	23,709	0.4600	10,906	-	10,906	1.1474	27,204	149.44%
Block 3	1,622	0.4810	780	1,622	0.4810	780	1,622	0.4810	780	-	780	1.1474	1,861	138.59%
Block 4	260	0.5290	138	260	0.5290	138	260	0.5290	138	-	138	1.1474	298	115.94%
Block 5	231	0.5900	136	231	0.5900	136	231	0.5900	136	-	136	1.1474	265	94.85%
Block 6	1,793	0.6770	1,214	1,793	0.6770	1,214	1,793	0.6770	1,214	-	1,214	1.1474	2,057	69.44%
Subtotal	204,677		$ 90,415	204,677		$ 90,415	204,677		$ 90,415	$ -	$ 90,415		$ 234,846	
Usage (in 100 Gallons) - Commercial 2														
Minimum Usage	67,733	0.00000	$ -	67,733	$ -	$ -	67,733	$ -	$ -	$ -	$ -	1.14740	$ 77,717	0.00%
Block 1	416,300	2.29300	954,577	416,300	2.2930	954,577	416,300	2.2930	954,577	-	954,577	1.14740	$ 477,663	-49.96%
Subtotal	484,034		954,577	484,034		954,577	484,034		$ 954,577	$ -	$ 954,577		$ 555,380	
RZ 12 Commercial Usage	688,711			688,711			688,711							
RZ 12 Commercial Revenues			**$ 1,740,691**			**$ 1,740,691**			**$ 1,740,691**	**$ -**	**$ 1,740,691**		**$ 1,300,545**	**-25.29%**

Rate Zone 12 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	85	$ 99.22	$ 8,417	85	$ 99.22	$ 8,417	85	$ 99.22	$ 8,417	$ -	$ 8,417	$ 47.64	$ 4,041	-51.99%
Subtotal	85		$ 8,417	85		$ 8,417	85		$8,417	$0	$8,417		$ 4,041	-51.99%
Unmetered Customers	-	$ 89.74	$0	0	$ 89.74	$0	0	$ 89.74	$ -	$ -	$ -	$ 92.04	$0	0.00%
Usage (in 100 Gallons)														
Minimum Usage	1,971	$ -	$0	1,971	$ -	$ -	1,971	$ -	$ -	$ -	$ -	$ 1.1474	$ 2,261	0.00%
Block 1	20,703	2.2930	$47,472	20,703	2.2930	47,472	20,703	2.2930	47,472	-	47,472	1.1474	23,755	-49.96%
Subtotal	22,674		$47,472	22,674		$ 47,472	22,674		$ 47,472	$ -	$ 47,472		$ 26,016	
RZ 12 Public Usage	22,674			22,674			22,674							
RZ 12 Public Revenues			**$55,889**			**$55,889**			**$55,889**	**$0**	**$55,889**		**$30,057**	**-46.22%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 13 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	1,383,929	40,195	$ 1,442,837	1,383,929	40,195	$ 1,442,838	1,383,929	40,195	$ 1,442,838	$ -	$ 1,442,838	$ 3,008,331	108.50%
Commercial	758,775	46,888	1,705,059	758,775	46,888	1,706,051	758,775	46,888	1,706,051	-	1,706,051	3,534,201	107.16%
Industrial	64,612	10,124	366,251	64,612	10,124	366,251	64,612	10,124	366,251	-	366,251	810,578	121.32%
Public	-	42	1,989	11,713	57	2,708	11,713	57	2,708	-	2,708	12,865	375.07%
Total Rate Zone 13	2,207,316	97,249	$ 3,516,136	2,207,316	97,264	$ 3,517,848	2,207,316	97,264	$ 3,517,848	$ -	$ 3,517,848	$ 7,365,975	109.39%

Rate Zone 13 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge by EDU														
District A/B	30,022	$ 33.33	$ 1,000,743	4,289	$ 33.33	$ 142,966	4,289	$33.33	$ 142,966	$ -	$ 142,966	$ 73.90	$ 316,955	121.70%
District C	372	45.17	16,802	60	45.17	2,710	60	45.17	2,710	-	2,710	73.90	4,434	63.62%
District D	3,325	50.00	166,240	205	50.00	10,248	205	50.00	10,248	-	10,248	73.90	15,147	47.80%
District E	6,476	40.00	259,052	935	40.00	37,389	935	40.00	37,389	-	37,389	73.90	69,077	84.75%
Subtotal	40,195		$ 1,442,837	5,489		$193,313	5,489		$193,313	$0	$193,313		405,613	109.82%
Metered Charge by EDU -Proforma														
District A/B				25,733	$ 33.33	$ 857,778	25,733	$ 33.33	$ 857,778	$ -	$ 857,778	$ 37.92	$ 975,808	13.76%
District C				312	45.17	14,092	312	45.17	14,092	-	14,092	37.92	11,831	-16.04%
District D				3,120	50.00	155,992	3,120	50.00	155,992	-	155,992	37.92	118,304	-24.16%
District E				5,542	40.00	221,663	5,542	40.00	221,663	-	221,663	37.92	210,136	-5.20%
Subtotal				34,707		$1,249,525	34,707		$1,249,525	$0	$1,249,525		1,316,079	5.33%
Usage (in 100 Gallons) -Proforma														
All Usage				1,383,929	$ -	$ -	1,383,929	$ -	$ -	$ -	$ -	$0.9297	$ 1,286,639	0.00%
Low Income:														
Low Income Discount Tier 1						$ -				$ -	$ -			
Low Income Discount Tier 2						-				-	-			
Low Income Discount Tier 3						-				-	-			
RZ 13 Residential Bill Analysis Revenues			**$ 1,442,837**											
Adjustment (1): Flat Rate to Metered														
District A/B	(25,733)	$ 33.33	$ (857,778)											
District C	(312)	45.17	(14,092)											
District D	(3,120)	50.00	(155,992)											
District E	(5,542)	40.00	(221,663)											
District A/B -Metered	25,733	33.33	857,778											
District C - Metered	312	45.17	14,092											
District D - Metered	3,120	50.00	155,992											
District E -Metered	5,542	40.00	221,663											
All Usage	1,383,929	$ -	-											
RZ 13 Residential Usage	1,383,929													
RZ 13 Residential Annualized/Proforma Revenues			**$ 1,442,837**			**$ 1,442,838**			**$ 1,442,838**	**$ -**	**$ 1,442,838**		**$ 3,008,331**	**108.50%**

Note (1) Adjustment for change of flat rate to metered customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 13 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 13 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge by EDU														
District A/B	43,672	$ 33.33	$ 1,455,723	24,497	$ 33.33	$ 816,579	24,497	$33.33	$ 816,579	$ -	$ 816,579	$ 73.90	$ 1,810,356	121.70%
District C	12	45.17	542	12	45.17	542	12	45.17	542	-	542	73.90	887	63.65%
District D	-	50.00	-	-	50.00	-	-	50.00	-	-	-	73.90	-	0.00%
District E	3,084	40.00	123,360	2,892	40.00	115,680	2,892	40.00	115,680	-	115,680	73.90	213,719	84.75%
Subtotal	46,768		$1,579,625	27,401		$ 932,801	27,401		$932,801	$0	$ 932,801		$ 2,024,962	117.08%
Metered Charge by EDU - Proforma														
District A/B				19,174	$ 33.33	$ 639,144	19,174	$ 33.33	$ 639,144	$ -	$ 639,144	$ 37.92	$ 727,090	13.76%
District E				192	45.17	8,672	192	45.17	8,672	-	8,672	37.92	7,281	-16.04%
Subtotal				19,366		$647,816	19,366		$647,816	$0	$647,816		734,371	13.36%
Usage (in 100 Gallons) - Proforma														
All Usage				556,462	$ -	$ -	556,462	$ -	$ -	$ -	$ -	$0.9132	$ 508,161	0.00%
High Volume Users														
EDU	120	$ -	$ -	120	$ -	$ -	120	$ -	$ -	$ -	$ -	$ 37.92	$ 4,550	0.00%
Subtotal	120		$0	120		$ -	120		$ -	$ -	$ -		$ 4,550	0.00%
Usage (in 100 Gallons)														
All Usage	202,313	$0.6200	$ 125,434	202,313	$0.6200	$125,434	202,313	$0.6200	$ 125,434	$ -	$ 125,434	$1.2958	$ 262,157	109.00%
RZ 13 Commercial Bill Analysis Revenues			**$ 1,705,059**											
Adjustment (1): Flat Rate to Metered														
District A/B	(19,174)	$ 33.33	$ (639,144)											
District E	(192)	40.00	(7,680)											
District A/B -Metered	19,174	33.33	639,144											
District E -Metered	192	45.17	8,672											
All Usage	556,462	$0.0000	-											
RZ 13 Commercial Usage	758,775			758,775			758,775							
RZ 13 Commercial Revenues			**$ 1,706,051**			**$ 1,706,051**			**$ 1,706,051**	**$ -**	**$ 1,706,051**		**$ 3,534,201**	**107.16%**

Note (1) Adjustment for change of flat rate to metered customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 13 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 13 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge by EDU														
District A/B	10,088	$ 33.33	$336,267	9,742	$ 33.33	$324,750	9,742	$33.33	$ 324,750	$ -	$ 324,750	$ 73.90	$719,971	121.70%
Subtotal	10,088		$336,267	9,742		$324,750	9,742		$ 324,750	$ -	$ 324,750		$719,971	121.70%
Metered Charge by EDU - Proforma														
District A/B				346	$ 33.33	$ 11,517	346	$ 33.33	$ 11,517	$ -	$ 11,517	$ 37.92	$ 13,101	13.75%
Subtotal				346		$11,517	346		$11,517	$0	$11,517		13,101	13.75%
Usage (in 100 Gallons) - Proforma														
All Usage				16,251	$ -	$ -	16,251	$ -	$ -	$ -	$ -	$ 0.9132	$ 14,840	0.00%
High Volume Users														
EDU	36	$ -	$ -	36	$ -	$ -	36	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Subtotal	36		$0	36		$ -	36		$ -	$ -	$ -		$ -	0.00%
Usage (in 100 Gallons)														
All Usage	48,361	$0.6200	$29,984	48,361	$0.6200	$29,984	48,361	$0.6200	$ 29,984	$ -	$ 29,984	$1.2958	$62,666	109.00%
RZ 13 Industrial Bill Analysis Revenues			**$ 366,251**											
Adjustment (1): Flat Rate to Metered														
District A/B	(346)	$ 33.33	$ (11,517)											
District A/B -Metered	346	33.33	11,517											
All Usage	16,251	$0.0000	-											
RZ 13 Industrial Usage	64,612			64,612			64,612							
RZ 13 Industrial Revenues			**$366,251**			**$366,251**			**$366,251**	**$ -**	**$366,251**		**$810,578**	**121.32%**

Note (1) Adjustment for change of flat rate to metered customers.

Rate Zone 13 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge by EDU														
District A/B	42	$ 47.35	$ 1,989	0	$ 47.35	$ -	0	$ 47.35	$ -	$ -	$ -	$ 47.64	$ -	0.00%
Subtotal	42		$ 1,989	0		$ -	0		$ -	$ -	$ -		$ -	0.00%
Metered Charge by EDU - Proforma														
District A/B				57	$ 47.35	$ 2,708	57	$47.35	$ 2,708	$ -	$ 2,708	$ 37.92	$ 2,169	-19.90%
Subtotal				57		$ 2,708	57		$ 2,708	$ -	$ 2,708		$ 2,169	-19.90%
Usage (in 100 Gallons) -Proforma														
All Usage				11,713	$ -	$ -	11,713	$ -	$ -	$ -	$ -	$ 0.9132	$ 10,696	0.00%
RZ 13 Public Bill Analysis Revenues			**$ 1,989**											
Adjustment (1): Flat Rate to Metered														
District A/B	(42)	$ 47.35	$ (1,989)											
District A/B -Metered	57	47.35	2,708											
All Usage	11,713	-	-											
RZ 13 Public Usage	11,713			11,713			11,713							
RZ 13 Public Revenues			**$ 2,708**			**$ 2,708**			**$ 2,708**	**$ -**	**$ 2,708**		**$ 12,865**	**375.07%**

Note (1) Adjustment for change of flat rate to metered customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 14 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	130,704	3,252	$ 213,855	130,704	3,252	$ 213,855	130,704	3,252	$ 213,855	$ 2,867	$ 216,722	$ 308,157	42.00%
Commercial	6,496	12	2,408	6,496	12	2,408	6,496	12	2,408	33	2,441	8,026	229.00%
Total Rate Zone 14	137,200	3,264	$ 216,263	137,200	3,264	$ 216,263	137,200	3,264	$ 216,263	$ 2,900	$ 219,163	$ 316,183	44.00%

Rate Zone 14 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number of EDUs														
EDU	3,240	$ 28.00	$ 90,728	3,240	$ 28.00	$ 90,728	3,240	$28.00	$ 90,728	$ 1,216	$ 91,944	$ 47.64	$ 154,368	68.00%
Subtotal	3,240		$ 90,728	3,240		$ 90,728	3,240		$ 90,728	$ 1,216	$ 91,944		$ 154,368	68.00%
Unmetered Customers	12	$ 78.00	$ 936	12	$ 78.00	$ 936	12	$ 78.00	$ 936	$ 13	$ 949	$ 92.85	$ 1,114	17.00%
Usage (in 100 Gallons)														
Allowance	31,852	$ -	$ -	31,852	$ -	$ -	31,852	$ -	$ -	$ -	$ -	$ 1.1681	$ 37,206	0.00%
Block 1	85,408	1.3060	111,543	85,408	1.3060	111,543	85,408	1.3060	111,543	1,495	113,038	1.1681	99,765	-12.00%
Block 2	13,444	0.7920	10,648	13,444	0.7920	10,648	13,444	0.7920	10,648	143	10,791	1.1681	15,704	46.00%
Subtotal	130,704		122,191	130,704		122,191	130,704		122,191	1,638	123,829		152,675	
Low Income:														
Low Income Discount Tier 1						$ -				$ -	$ -			
Low Income Discount Tier 2						-				-	-			
Low Income Discount Tier 3						-				-	-			
RZ 14 Residential Bill Analysis Revenues			**$ 213,855**											
RZ 14 Residential Usage	130,704			130,704			130,704							
RZ 14 Residential Annualized/Prforma Revenues			**$ 213,855**			**$ 213,855**			**$ 213,855**	**$ 2,867**	**$ 216,722**		**$ 308,157**	**42.00%**

Rate Zone 14 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number of EDUs														
EDU	12	$ 54.00	$ 648	12	$ 54.00	$ 648	12	$ 54.00	$ 648	$ 9	$ 657	$ 47.64	$ 572	-13.00%
Subtotal	12		$648	12		$ 648	12		$ 648	$ 9	$ 657		$ 572	-13.00%
Unmetered Customers	-	$ 78.00	$ -	-	$ 78.00	$ -	-	$ 78.00	$ -	$ -	$ -	$ 92.04	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	6,496	$ 0.2710	$ 1,760	6,496	$ 0.2710	$1,760	6,496	$ 0.2710	$ 1,760	$ 24	$ 1,784	$ 1.1474	$ 7,454	318.00%
RZ 14 Commercial Usage	6,496			6,496			6,496							
RZ 14 Commercial Revenues			**$ 2,408**			**$ 2,408**			**$ 2,408**	**$ 33**	**$ 2,441**		**$ 8,026**	**229.00%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE Contract - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		12/31/2025 Proforma @ Proposed Rate	% Percent Change
Contract	-	12	$ 335,054	-	12	$ 335,054	-	12	$ 355,458	$ -	$ 355,458		$ 355,458	0.00%
Third Party Sales	89,868	6,274	1,179,574	89,868	6,274	1,179,574	89,868	6,274	1,179,574	-	1,179,574		1,179,574	0.00%
Total Rate Zone Contract	89,868	6,286	$ 1,514,628	89,868	6,286	$ 1,514,628	89,868	6,286	$ 1,535,032	$ -	$ 1,535,032		$ 1,535,032	0.00%

Contract Sales	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
Woodloch Pines	12	$ 27,921.14	$ 335,054	12	$ 27,921.14	$ 335,054	12	$ 29,621.54	$ 355,458	$ -	$ 355,458	$ 29,621.54	$ 355,458	0.00%
Subtotal	12		$ 335,054	12		$ 335,054	12		$ 355,458	$ -	$ 355,458		$ 355,458	0.00%
Contract Revenues			**$ 335,054**			**$ 335,054**			**$ 355,458**	**$ -**	**$ 355,458**		**$ 355,458**	**0.00%**

Third Party Sales	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Flat Rate by Number oF EDUs - Monthly														
Southdown Homes	12	$ -	$ -	12	$ -	$ -	12	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Penn Lake	3,030	29.00	87,870	3,030	29.00	87,870	3,030	29.00	87,870	-	87,870	29.00	87,870	0.00%
Flat Rate by Number oF EDUs - Quarterly														
Foster Twp.	1,956	$ 87.00	$ 170,172	1,956	$ 87.00	$ 170,172	1,956	$ 87.00	$ 170,172	$ -	$ 170,172	$ 87.00	$ 170,172	0.00%
Dennison Twp.	420	87.00	36,540	420	87.00	36,540	420	87.00	36,540	-	36,540	87.00	36,540	0.00%
Upper Providence Twp.	4	145,446.00	581,784	4	145,446.00	581,784	4	145,446.00	581,784	-	581,784	145,446.00	581,784	0.00%
Elwyn Twp.	4	26,398.50	105,594	4	26,398.50	105,594	4	26,398.50	105,594	-	105,594	26,398.50	105,594	0.00%
East Side 1	604	115.00	69,460	604	115.00	69,460	604	115.00	69,460	-	69,460	115.00	69,460	0.00%
East Side 2	244	28.00	6,832	244	28.00	6,832	244	28.00	6,832	-	6,832	28.00	6,832	0.00%
Subtotal	6,274		$ 1,058,252	6,274		$ 1,058,252	6,274		$ 1,058,252	$ -	$ 1,058,252		$ 1,058,252	0.00%
Third Party Usage (in 100 Gallons)														
Southdown Homes	89,868	$ 1.3500	$ 121,322	89,868	$ 1.3500	$121,322	89,868	$ 1.3500	$ 121,322	$ -	$ 121,322	$ 1.3500	$ 121,322	0.00%
Third Party Sales Usage	89,868			89,868			89,868							
Third Party Sales Revenues			**$ 1,179,574**			**$ 1,179,574**			**$ 1,179,574**	**$ -**	**$ 1,179,574**		**$ 1,179,574**	**0.00%**

AQUA PENNSYLVANIA, INC.
CUSTOMER GROWTH REVENUE ADJUSTMENT UNDER PRESENT RATES
FOR THE TEST YEARS ENDING DECEMBER 31, 2023, 2024 AND 2025

	Rate Zone 1 Residential	Rate Zone 1A Residential	Rate Zone 2 Residential	Rate Zone 3 Residential	Rate Zone 4 Residential	Rate Zone 5 Residential	Rate Zone 6 Residential	Rate Zone 7 Residential	Rate Zone 8 Residential	Rate Zone 9 Residential	Rate Zone 10 Residential	Rate Zone 11 Residential
Historic TY Customer Growth Calculation												
1 Number of Customers as of 3/31/23	4,166	2,287	1,770	3,331	2,569	608	1,409	5,341	1,252	9,589	4,665	1,807
2 Number of Customer as of 3/31/22	4,091	2,272	1,743	3,293	2,503	606	1,394	5,259	1,240	9,541	4,618	1,812
3 Projected Daily Usage in gallons	69	59	49	49	82	71	49	82	66	82	82	82
4 Monthly Volumes per Normalization (Gallons) Line 3 X (365 Days/12 Months)	2,091	1,800	1,500	1,500	2,500	2,146	1,500	2,500	2,000	2,500	2,500	2,500
5 HTY Customer Annualized Growth Bills (Line 2-Line 1) X 12 Divided by 2	450	90	162	228	396	12	90	492	72	288	282	(30)
6 HTY Customer Annualized Growth Volumes (HG) (Line 4 X Line 5 / 100)	9,411	1,620	2,430	3,420	9,900	257	1,350	12,300	1,440	7,200	7,050	(750)
Future Test Year Customer Growth Calculation												
7 Forecasted Customer Growth	111	13	24	57	56	1	10	77	17	56	24	(4)
8 Annualized Bills (Line 7 X 12)	1,326	156	282	678	672	6	114	924	198	672	288	(48)
9 HTY Customer Annualized Growth Volumes (HG) (Line 4 X Line 8)	27,732	2,808	4,230	10,170	16,800	129	1,710	23,100	3,960	16,800	7,200	(1,200)
10 Average Volumes Per Normalization												
Fully Projected Future Test Year Customer Growth Calculation												
11 Monthly Volumes per Normalization (Gallons) Line 3 X (366 Days/12 Months)	2,091	1,800	1,500	1,500	2,500	2,151	1,504	2,507	2,005	2,507	2,507	2,507
12 Forecasted Customer Growth	111	13	24	57	56	1	10	77	17	56	24	(4)
13 Annualized Bills (Line 12 X 12)	1,326	156	282	678	672	6	114	924	198	672	288	(48)
14 HTY Customer Annualized Growth Volumes (HG) (Line 11 X Line 12)	27,732	2,808	4,230	10,170	16,800	129	1,715	23,163	3,971	16,846	7,220	(1,203)
15 Average Volumes Per Normalization												
Total Customer Growth Calculation												
22 Total Bills	3,102	402	726	1,584	1,740	24	318	2,340	468	1,632	858	(126)
23 Priced for All Usage	64,876	7,236	10,890	23,760	43,500	515	4,775	58,563	9,371	40,846	21,470	(3,153)

	Number of Customers	Rate Zone 1 Residential	Rate Zone 1A Residential	Rate Zone 2 Residential	Rate Zone 3 Residential	Rate Zone 4 Residential	Rate Zone 5 Residential	Rate Zone 6 Residential	Rate Zone 7 Residential	Rate Zone 8 Residential	Rate Zone 9 Residential	Rate Zone 10 Residential	Rate Zone 11 Residential
29	**Period Ending 12/31/21**	3,945.0	2,261.0	1,723.0	3,218.0	2,457.0	607.0	1,390.0	5,187.0	1,219.0	9,477.0	4,617.0	1,815.0
30	**Period Ending 12/31/22**	4,091.0	2,272.0	1,743.0	3,293.0	2,503.0	606.0	1,394.0	5,259.0	1,240.0	9,541.0	4,618.0	1,812.0
31	**Historic Test Year Period Ending 12/31/23**	4,166.0	2,287.0	1,770.0	3,331.0	2,569.0	608.0	1,409.0	5,341.0	1,252.0	9,589.0	4,665.0	1,807.0
32	**Increase 2021-2022**	146.0	11.0	20.0	75.0	46.0	(1.0)	4.0	72.0	21.0	64.0	1.0	(3.0)
33	**Increase 2022-2023**	75.0	15.0	27.0	38.0	66.0	2.0	15.0	82.0	12.0	48.0	47.0	(5.0)
34	**Average Growth/(Decline)**	110.5	13.0	23.5	56.5	56.0	0.5	9.5	77.0	16.5	56.0	24.0	(4.0)

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - CHARGED BY METER SIZE
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 48.85	$ 47.64	$ (1.21)	-2.47%
1,000	60.82	59.32	(1.50)	-2.47%
2,000	72.80	71.00	(1.79)	-2.47%
3,000	84.77	82.68	(2.09)	-2.46%
3,870	95.19	92.85	(2.35)	-2.46%
4,000	96.75	94.36	(2.38)	-2.46%
5,000	108.72	106.05	(2.68)	-2.46%
6,000	120.70	117.73	(2.97)	-2.46%
7,000	132.67	129.41	(3.27)	-2.46%
8,000	144.65	141.09	(3.56)	-2.46%
9,000	156.62	152.77	(3.86)	-2.46%
10,000	168.60	164.45	(4.15)	-2.46%
11,000	180.57	176.13	(4.44)	-2.46%
12,000	192.55	187.81	(4.74)	-2.46%
13,000	204.53	199.49	(5.03)	-2.46%
14,000	216.50	211.17	(5.33)	-2.46%
15,000	228.48	222.86	(5.62)	-2.46%
16,000	240.45	234.54	(5.92)	-2.46%
17,000	252.43	246.22	(6.21)	-2.46%
18,000	264.40	257.90	(6.50)	-2.46%
19,000	276.38	269.58	(6.80)	-2.46%
20,000	288.35	281.26	(7.09)	-2.46%
25,000	348.23	339.67	(8.56)	-2.46%
30,000	408.11	398.07	(10.04)	-2.46%
35,000	467.98	456.48	(11.51)	-2.46%
40,000	527.86	514.88	(12.98)	-2.46%
45,000	587.74	573.29	(14.45)	-2.46%
50,000	647.61	631.69	(15.92)	-2.46%
60,000	767.37	748.50	(18.87)	-2.46%
70,000	887.12	865.31	(21.81)	-2.46%
80,000	1,006.87	982.12	(24.75)	-2.46%
90,000	1,126.63	1,098.93	(27.70)	-2.46%
100,000	1,246.38	1,215.74	(30.64)	-2.46%
110,000	1,366.13	1,332.55	(33.58)	-2.46%
120,000	1,485.89	1,449.36	(36.53)	-2.46%
130,000	1,605.64	1,566.17	(39.47)	-2.46%
140,000	1,725.39	1,682.98	(42.41)	-2.46%
150,000	1,845.15	1,799.79	(45.36)	-2.46%
160,000	1,964.90	1,916.60	(48.30)	-2.46%
170,000	2,084.66	2,033.41	(51.25)	-2.46%
180,000	2,204.41	2,150.22	(54.19)	-2.46%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - CHARGED BY NUMBER OF EDU
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 48.28	$ 47.64	$ (0.64)	-1.32%
1,000	60.25	59.32	(0.93)	-1.55%
2,000	72.23	71.00	(1.23)	-1.70%
3,000	84.20	82.68	(1.52)	-1.81%
3,870	94.62	92.85	(1.78)	-1.88%
4,000	96.18	94.36	(1.82)	-1.89%
5,000	108.16	106.05	(2.11)	-1.95%
6,000	120.13	117.73	(2.40)	-2.00%
7,000	132.11	129.41	(2.70)	-2.04%
8,000	144.08	141.09	(2.99)	-2.08%
9,000	156.06	152.77	(3.29)	-2.11%
10,000	168.03	164.45	(3.58)	-2.13%
11,000	180.01	176.13	(3.88)	-2.15%
12,000	191.98	187.81	(4.17)	-2.17%
13,000	203.96	199.49	(4.46)	-2.19%
14,000	215.93	211.17	(4.76)	-2.20%
15,000	227.91	222.86	(5.05)	-2.22%
16,000	239.88	234.54	(5.35)	-2.23%
17,000	251.86	246.22	(5.64)	-2.24%
18,000	263.83	257.90	(5.94)	-2.25%
19,000	275.81	269.58	(6.23)	-2.26%
20,000	287.79	281.26	(6.53)	-2.27%
25,000	347.66	339.67	(8.00)	-2.30%
30,000	407.54	398.07	(9.47)	-2.32%
35,000	467.42	456.48	(10.94)	-2.34%
40,000	527.29	514.88	(12.41)	-2.35%
45,000	587.17	573.29	(13.88)	-2.36%
50,000	647.05	631.69	(15.36)	-2.37%
60,000	766.80	748.50	(18.30)	-2.39%
70,000	886.55	865.31	(21.24)	-2.40%
80,000	1,006.31	982.12	(24.19)	-2.40%
90,000	1,126.06	1,098.93	(27.13)	-2.41%
100,000	1,245.81	1,215.74	(30.07)	-2.41%
110,000	1,365.57	1,332.55	(33.02)	-2.42%
120,000	1,485.32	1,449.36	(35.96)	-2.42%
130,000	1,605.07	1,566.17	(38.90)	-2.42%
140,000	1,724.83	1,682.98	(41.85)	-2.43%
150,000	1,844.58	1,799.79	(44.79)	-2.43%
160,000	1,964.33	1,916.60	(47.73)	-2.43%
170,000	2,084.09	2,033.41	(50.68)	-2.43%
180,000	2,203.84	2,150.22	(53.62)	-2.43%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1A
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 48.85	$ 47.64	$ (1.21)	-2.47%
1,000	60.82	59.32	(1.50)	-2.47%
2,000	72.80	71.00	(1.79)	-2.47%
3,000	84.77	82.68	(2.09)	-2.46%
3,870	95.19	92.85	(2.35)	-2.46%
4,000	96.75	94.36	(2.38)	-2.46%
5,000	108.72	106.05	(2.68)	-2.46%
6,000	120.70	117.73	(2.97)	-2.46%
7,000	132.67	129.41	(3.27)	-2.46%
8,000	144.65	141.09	(3.56)	-2.46%
9,000	156.62	152.77	(3.86)	-2.46%
10,000	168.60	164.45	(4.15)	-2.46%
11,000	180.57	176.13	(4.44)	-2.46%
12,000	192.55	187.81	(4.74)	-2.46%
13,000	204.53	199.49	(5.03)	-2.46%
14,000	216.50	211.17	(5.33)	-2.46%
15,000	228.48	222.86	(5.62)	-2.46%
16,000	240.45	234.54	(5.92)	-2.46%
17,000	252.43	246.22	(6.21)	-2.46%
18,000	264.40	257.90	(6.50)	-2.46%
19,000	276.38	269.58	(6.80)	-2.46%
20,000	288.35	281.26	(7.09)	-2.46%
25,000	348.23	339.67	(8.56)	-2.46%
30,000	408.11	398.07	(10.04)	-2.46%
35,000	467.98	456.48	(11.51)	-2.46%
40,000	527.86	514.88	(12.98)	-2.46%
45,000	587.74	573.29	(14.45)	-2.46%
50,000	647.61	631.69	(15.92)	-2.46%
60,000	767.37	748.50	(18.87)	-2.46%
70,000	887.12	865.31	(21.81)	-2.46%
80,000	1,006.87	982.12	(24.75)	-2.46%
90,000	1,126.63	1,098.93	(27.70)	-2.46%
100,000	1,246.38	1,215.74	(30.64)	-2.46%
110,000	1,366.13	1,332.55	(33.58)	-2.46%
120,000	1,485.89	1,449.36	(36.53)	-2.46%
130,000	1,605.64	1,566.17	(39.47)	-2.46%
140,000	1,725.39	1,682.98	(42.41)	-2.46%
150,000	1,845.15	1,799.79	(45.36)	-2.46%
160,000	1,964.90	1,916.60	(48.30)	-2.46%
170,000	2,084.66	2,033.41	(51.25)	-2.46%
180,000	2,204.41	2,150.22	(54.19)	-2.46%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 56.68	$ 55.93	$ (0.75)	-1.32%
1,000	69.43	68.52	(0.92)	-1.32%
2,000	82.19	81.10	(1.09)	-1.32%
3,000	94.94	93.69	(1.26)	-1.32%
3,870	106.04	104.63	(1.40)	-1.32%
4,000	107.69	106.27	(1.42)	-1.32%
5,000	120.45	118.86	(1.59)	-1.32%
6,000	133.20	131.44	(1.76)	-1.32%
7,000	145.95	144.03	(1.93)	-1.32%
8,000	158.71	156.61	(2.10)	-1.32%
9,000	171.46	169.20	(2.27)	-1.32%
10,000	184.22	181.78	(2.44)	-1.32%
11,000	196.97	194.37	(2.60)	-1.32%
12,000	209.72	206.95	(2.77)	-1.32%
13,000	222.48	219.54	(2.94)	-1.32%
14,000	235.23	232.12	(3.11)	-1.32%
15,000	247.98	244.71	(3.28)	-1.32%
16,000	260.74	257.29	(3.45)	-1.32%
17,000	273.49	269.88	(3.62)	-1.32%
18,000	286.24	282.46	(3.78)	-1.32%
19,000	299.00	295.05	(3.95)	-1.32%
20,000	311.75	307.63	(4.12)	-1.32%
25,000	375.52	370.56	(4.97)	-1.32%
30,000	439.29	433.48	(5.81)	-1.32%
35,000	503.06	496.41	(6.65)	-1.32%
40,000	566.83	559.33	(7.50)	-1.32%
45,000	630.59	622.26	(8.34)	-1.32%
50,000	694.36	685.18	(9.18)	-1.32%
60,000	821.90	811.03	(10.87)	-1.32%
70,000	949.43	936.88	(12.55)	-1.32%
80,000	1,076.97	1,062.73	(14.24)	-1.32%
90,000	1,204.51	1,188.58	(15.93)	-1.32%
100,000	1,332.04	1,314.43	(17.61)	-1.32%
110,000	1,459.58	1,440.28	(19.30)	-1.32%
120,000	1,587.12	1,566.13	(20.99)	-1.32%
130,000	1,714.65	1,691.98	(22.67)	-1.32%
140,000	1,842.19	1,817.83	(24.36)	-1.32%
150,000	1,969.73	1,943.68	(26.05)	-1.32%
160,000	2,097.26	2,069.53	(27.73)	-1.32%
170,000	2,224.80	2,195.38	(29.42)	-1.32%
180,000	2,352.33	2,321.23	(31.10)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 67.26	$ 66.37	$ (0.89)	-1.32%
1,000	79.69	78.63	(1.05)	-1.32%
2,000	92.12	90.90	(1.22)	-1.32%
3,000	104.54	103.16	(1.38)	-1.32%
3,870	115.36	113.83	(1.53)	-1.32%
4,000	116.97	115.43	(1.55)	-1.32%
5,000	129.40	127.69	(1.71)	-1.32%
6,000	141.83	139.95	(1.88)	-1.32%
7,000	154.26	152.22	(2.04)	-1.32%
8,000	166.69	164.48	(2.20)	-1.32%
9,000	179.11	176.75	(2.37)	-1.32%
10,000	191.54	189.01	(2.53)	-1.32%
11,000	203.97	201.27	(2.70)	-1.32%
12,000	216.40	213.54	(2.86)	-1.32%
13,000	228.83	225.80	(3.03)	-1.32%
14,000	241.26	238.07	(3.19)	-1.32%
15,000	253.68	250.33	(3.35)	-1.32%
16,000	266.11	262.59	(3.52)	-1.32%
17,000	278.54	274.86	(3.68)	-1.32%
18,000	290.97	287.12	(3.85)	-1.32%
19,000	303.40	299.39	(4.01)	-1.32%
20,000	315.83	311.65	(4.18)	-1.32%
25,000	377.97	372.97	(5.00)	-1.32%
30,000	440.11	434.29	(5.82)	-1.32%
35,000	502.25	495.61	(6.64)	-1.32%
40,000	564.39	556.93	(7.46)	-1.32%
45,000	626.53	618.25	(8.28)	-1.32%
50,000	688.68	679.57	(9.11)	-1.32%
60,000	812.96	802.21	(10.75)	-1.32%
70,000	937.24	924.85	(12.39)	-1.32%
80,000	1,061.53	1,047.49	(14.04)	-1.32%
90,000	1,185.81	1,170.13	(15.68)	-1.32%
100,000	1,310.09	1,292.77	(17.32)	-1.32%
110,000	1,434.38	1,415.41	(18.97)	-1.32%
120,000	1,558.66	1,538.05	(20.61)	-1.32%
130,000	1,682.94	1,660.69	(22.25)	-1.32%
140,000	1,807.23	1,783.33	(23.90)	-1.32%
150,000	1,931.51	1,905.97	(25.54)	-1.32%
160,000	2,055.79	2,028.61	(27.18)	-1.32%
170,000	2,180.08	2,151.25	(28.83)	-1.32%
180,000	2,304.36	2,273.89	(30.47)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 4
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 87.27	$ 86.12	$ (1.15)	-1.32%
1,000	100.12	98.80	(1.32)	-1.32%
2,000	112.98	111.48	(1.49)	-1.32%
3,000	125.83	124.16	(1.66)	-1.32%
3,870	137.01	135.20	(1.81)	-1.32%
4,000	138.68	136.84	(1.83)	-1.32%
5,000	151.53	149.53	(2.00)	-1.32%
6,000	164.38	162.21	(2.17)	-1.32%
7,000	177.23	174.89	(2.34)	-1.32%
8,000	190.08	187.57	(2.51)	-1.32%
9,000	202.93	200.25	(2.68)	-1.32%
10,000	215.78	212.93	(2.85)	-1.32%
11,000	228.63	225.61	(3.02)	-1.32%
12,000	241.49	238.29	(3.19)	-1.32%
13,000	254.34	250.97	(3.36)	-1.32%
14,000	267.19	263.65	(3.53)	-1.32%
15,000	280.04	276.34	(3.70)	-1.32%
16,000	292.89	289.02	(3.87)	-1.32%
17,000	305.74	301.70	(4.04)	-1.32%
18,000	318.59	314.38	(4.21)	-1.32%
19,000	331.44	327.06	(4.38)	-1.32%
20,000	344.29	339.74	(4.55)	-1.32%
25,000	408.55	403.15	(5.40)	-1.32%
30,000	472.80	466.55	(6.25)	-1.32%
35,000	537.06	529.96	(7.10)	-1.32%
40,000	601.31	593.36	(7.95)	-1.32%
45,000	665.57	656.77	(8.80)	-1.32%
50,000	729.82	720.17	(9.65)	-1.32%
60,000	858.33	846.98	(11.35)	-1.32%
70,000	986.84	973.79	(13.05)	-1.32%
80,000	1,115.35	1,100.60	(14.75)	-1.32%
90,000	1,243.86	1,227.41	(16.45)	-1.32%
100,000	1,372.37	1,354.22	(18.15)	-1.32%
110,000	1,500.88	1,481.03	(19.85)	-1.32%
120,000	1,629.39	1,607.84	(21.55)	-1.32%
130,000	1,757.89	1,734.65	(23.24)	-1.32%
140,000	1,886.40	1,861.46	(24.94)	-1.32%
150,000	2,014.91	1,988.27	(26.64)	-1.32%
160,000	2,143.42	2,115.08	(28.34)	-1.32%
170,000	2,271.93	2,241.89	(30.04)	-1.32%
180,000	2,400.44	2,368.70	(31.74)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 4 - FLAT RATE TO METERED CUSTOMERS
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS (1)	BILLS UNDER PRESENT RATES (2)	PROPOSED RATES (3)	INCREASE AMOUNT (4)	INCREASE PERCENT (5)
0	$ 135.14	$ 86.12	$ (49.02)	-36.27%
1,000	135.14	98.80	(36.34)	-26.89%
2,000	135.14	111.48	(23.65)	-17.50%
3,000	135.14	124.16	(10.97)	-8.12%
3,870	135.14	135.20	0.06	0.04%
4,000	135.14	136.84	1.71	1.26%
5,000	135.14	149.53	14.39	10.65%
6,000	135.14	162.21	27.07	20.03%
7,000	135.14	174.89	39.75	29.41%
8,000	135.14	187.57	52.43	38.80%
9,000	135.14	200.25	65.11	48.18%
10,000	135.14	212.93	77.79	57.57%
11,000	135.14	225.61	90.47	66.95%
12,000	135.14	238.29	103.16	76.33%
13,000	135.14	250.97	115.84	85.72%
14,000	135.14	263.65	128.52	95.10%
15,000	135.14	276.34	141.20	104.49%
16,000	135.14	289.02	153.88	113.87%
17,000	135.14	301.70	166.56	123.25%
18,000	135.14	314.38	179.24	132.64%
19,000	135.14	327.06	191.92	142.02%
20,000	135.14	339.74	204.60	151.40%
25,000	135.14	403.15	268.01	198.32%
30,000	135.14	466.55	331.41	245.24%
35,000	135.14	529.96	394.82	292.16%
40,000	135.14	593.36	458.22	339.08%
45,000	135.14	656.77	521.63	386.00%
50,000	135.14	720.17	585.03	432.92%
60,000	135.14	846.98	711.84	526.76%
70,000	135.14	973.79	838.65	620.60%
80,000	135.14	1,100.60	965.46	714.43%
90,000	135.14	1,227.41	1,092.27	808.27%
100,000	135.14	1,354.22	1,219.08	902.11%
110,000	135.14	1,481.03	1,345.89	995.95%
120,000	135.14	1,607.84	1,472.70	1089.79%
130,000	135.14	1,734.65	1,599.51	1183.62%
140,000	135.14	1,861.46	1,726.32	1277.46%
150,000	135.14	1,988.27	1,853.13	1371.30%
160,000	135.14	2,115.08	1,979.94	1465.14%
170,000	135.14	2,241.89	2,106.75	1558.98%
180,000	135.14	2,368.70	2,233.56	1652.82%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 5 - CHARGED BY METER SIZE
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 100.28	$ 98.95	$ (1.33)	-1.32%
1,000	113.28	111.79	(1.50)	-1.32%
2,000	126.29	124.62	(1.67)	-1.32%
3,000	139.30	137.46	(1.84)	-1.32%
3,870	150.62	148.63	(1.99)	-1.32%
4,000	152.31	150.30	(2.01)	-1.32%
5,000	165.32	163.14	(2.19)	-1.32%
6,000	178.33	175.97	(2.36)	-1.32%
7,000	191.34	188.81	(2.53)	-1.32%
8,000	204.35	201.65	(2.70)	-1.32%
9,000	217.36	214.48	(2.87)	-1.32%
10,000	230.37	227.32	(3.05)	-1.32%
11,000	243.38	240.16	(3.22)	-1.32%
12,000	256.38	252.99	(3.39)	-1.32%
13,000	269.39	265.83	(3.56)	-1.32%
14,000	282.40	278.67	(3.73)	-1.32%
15,000	295.41	291.51	(3.91)	-1.32%
16,000	308.42	304.34	(4.08)	-1.32%
17,000	321.43	317.18	(4.25)	-1.32%
18,000	334.44	330.02	(4.42)	-1.32%
19,000	347.45	342.85	(4.59)	-1.32%
20,000	360.46	355.69	(4.77)	-1.32%
25,000	425.50	419.88	(5.63)	-1.32%
30,000	490.55	484.06	(6.49)	-1.32%
35,000	555.59	548.25	(7.35)	-1.32%
40,000	620.64	612.43	(8.21)	-1.32%
45,000	685.68	676.62	(9.07)	-1.32%
50,000	750.73	740.80	(9.93)	-1.32%
60,000	880.82	869.17	(11.65)	-1.32%
70,000	1,010.91	997.54	(13.37)	-1.32%
80,000	1,141.00	1,125.91	(15.09)	-1.32%
90,000	1,271.09	1,254.28	(16.81)	-1.32%
100,000	1,401.18	1,382.65	(18.53)	-1.32%
110,000	1,531.27	1,511.02	(20.25)	-1.32%
120,000	1,661.36	1,639.39	(21.97)	-1.32%
130,000	1,791.45	1,767.76	(23.69)	-1.32%
140,000	1,921.54	1,896.13	(25.41)	-1.32%
150,000	2,051.63	2,024.50	(27.13)	-1.32%
160,000	2,181.72	2,152.87	(28.85)	-1.32%
170,000	2,311.81	2,281.24	(30.57)	-1.32%
180,000	2,441.90	2,409.61	(32.29)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 5 - CHARGED BY NUMBER OF EDU
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 100.28	$ 98.95	$ (1.33)	-1.32%
1,000	113.28	111.79	(1.50)	-1.32%
2,000	126.29	124.62	(1.67)	-1.32%
3,000	139.30	137.46	(1.84)	-1.32%
3,870	150.62	148.63	(1.99)	-1.32%
4,000	152.31	150.30	(2.01)	-1.32%
5,000	165.32	163.14	(2.19)	-1.32%
6,000	178.33	175.97	(2.36)	-1.32%
7,000	191.34	188.81	(2.53)	-1.32%
8,000	204.35	201.65	(2.70)	-1.32%
9,000	217.36	214.48	(2.87)	-1.32%
10,000	230.37	227.32	(3.05)	-1.32%
11,000	243.38	240.16	(3.22)	-1.32%
12,000	256.38	252.99	(3.39)	-1.32%
13,000	269.39	265.83	(3.56)	-1.32%
14,000	282.40	278.67	(3.73)	-1.32%
15,000	295.41	291.51	(3.91)	-1.32%
16,000	308.42	304.34	(4.08)	-1.32%
17,000	321.43	317.18	(4.25)	-1.32%
18,000	334.44	330.02	(4.42)	-1.32%
19,000	347.45	342.85	(4.59)	-1.32%
20,000	360.46	355.69	(4.77)	-1.32%
25,000	425.50	419.88	(5.63)	-1.32%
30,000	490.55	484.06	(6.49)	-1.32%
35,000	555.59	548.25	(7.35)	-1.32%
40,000	620.64	612.43	(8.21)	-1.32%
45,000	685.68	676.62	(9.07)	-1.32%
50,000	750.73	740.80	(9.93)	-1.32%
60,000	880.82	869.17	(11.65)	-1.32%
70,000	1,010.91	997.54	(13.37)	-1.32%
80,000	1,141.00	1,125.91	(15.09)	-1.32%
90,000	1,271.09	1,254.28	(16.81)	-1.32%
100,000	1,401.18	1,382.65	(18.53)	-1.32%
110,000	1,531.27	1,511.02	(20.25)	-1.32%
120,000	1,661.36	1,639.39	(21.97)	-1.32%
130,000	1,791.45	1,767.76	(23.69)	-1.32%
140,000	1,921.54	1,896.13	(25.41)	-1.32%
150,000	2,051.63	2,024.50	(27.13)	-1.32%
160,000	2,181.72	2,152.87	(28.85)	-1.32%
170,000	2,311.81	2,281.24	(30.57)	-1.32%
180,000	2,441.90	2,409.61	(32.29)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 5 - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 152.31	$ 98.95	$ (53.36)	-35.04%
1,000	152.31	111.79	(40.53)	-26.61%
2,000	152.31	124.62	(27.69)	-18.18%
3,000	152.31	137.46	(14.85)	-9.75%
3,870	152.31	148.63	(3.68)	-2.42%
4,000	152.31	150.30	(2.02)	-1.32%
5,000	152.31	163.14	10.82	7.10%
6,000	152.31	175.97	23.66	15.53%
7,000	152.31	188.81	36.49	23.96%
8,000	152.31	201.65	49.33	32.39%
9,000	152.31	214.48	62.17	40.82%
10,000	152.31	227.32	75.01	49.24%
11,000	152.31	240.16	87.84	57.67%
12,000	152.31	252.99	100.68	66.10%
13,000	152.31	265.83	113.52	74.53%
14,000	152.31	278.67	126.35	82.96%
15,000	152.31	291.51	139.19	91.38%
16,000	152.31	304.34	152.03	99.81%
17,000	152.31	317.18	164.86	108.24%
18,000	152.31	330.02	177.70	116.67%
19,000	152.31	342.85	190.54	125.10%
20,000	152.31	355.69	203.38	133.52%
25,000	152.31	419.88	267.56	175.66%
30,000	152.31	484.06	331.75	217.80%
35,000	152.31	548.25	395.93	259.94%
40,000	152.31	612.43	460.12	302.08%
45,000	152.31	676.62	524.30	344.22%
50,000	152.31	740.80	588.49	386.36%
60,000	152.31	869.17	716.86	470.64%
70,000	152.31	997.54	845.23	554.92%
80,000	152.31	1,125.91	973.60	639.20%
90,000	152.31	1,254.28	1,101.97	723.48%
100,000	152.31	1,382.65	1,230.34	807.76%
110,000	152.31	1,511.02	1,358.71	892.04%
120,000	152.31	1,639.39	1,487.08	976.32%
130,000	152.31	1,767.76	1,615.45	1060.60%
140,000	152.31	1,896.13	1,743.82	1144.88%
150,000	152.31	2,024.50	1,872.19	1229.16%
160,000	152.31	2,152.87	2,000.56	1313.44%
170,000	152.31	2,281.24	2,128.93	1397.72%
180,000	152.31	2,409.61	2,257.30	1482.00%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 5 - AVON GROVE SCHOOL DISTRICT DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
6 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	BILLS UNDER PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
1,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
2,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
3,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
3,870	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
4,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
5,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
6,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
7,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
8,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
9,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
10,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
11,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
12,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
13,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
14,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
15,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
16,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
17,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
18,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
19,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
20,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
25,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
30,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
35,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
40,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
45,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
50,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
60,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
70,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
80,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
90,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
100,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
110,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
120,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
130,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
140,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
150,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
160,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
170,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
180,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 6
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 60.35	$ 58.86	$ (1.49)	-2.47%
1,000	63.14	61.59	(1.56)	-2.47%
2,000	65.94	64.31	(1.63)	-2.47%
3,000	68.74	67.04	(1.69)	-2.47%
3,870	71.17	69.41	(1.75)	-2.46%
4,000	71.53	69.77	(1.76)	-2.46%
5,000	74.33	72.50	(1.83)	-2.46%
6,000	77.12	75.22	(1.90)	-2.46%
7,000	79.92	77.95	(1.97)	-2.46%
8,000	82.72	80.68	(2.04)	-2.46%
9,000	85.51	83.40	(2.11)	-2.46%
10,000	88.31	86.13	(2.18)	-2.46%
11,000	91.10	88.86	(2.24)	-2.46%
12,000	93.90	91.59	(2.31)	-2.46%
13,000	96.70	94.31	(2.38)	-2.46%
14,000	99.49	97.04	(2.45)	-2.46%
15,000	102.29	99.77	(2.52)	-2.46%
16,000	105.08	102.49	(2.59)	-2.46%
17,000	107.88	105.22	(2.66)	-2.46%
18,000	110.68	107.95	(2.73)	-2.46%
19,000	113.47	110.68	(2.80)	-2.46%
20,000	116.27	113.40	(2.86)	-2.46%
25,000	130.25	127.04	(3.21)	-2.46%
30,000	144.23	140.67	(3.55)	-2.46%
35,000	158.21	154.31	(3.90)	-2.46%
40,000	172.19	167.95	(4.24)	-2.46%
45,000	186.17	181.58	(4.58)	-2.46%
50,000	200.15	195.22	(4.93)	-2.46%
60,000	228.11	222.49	(5.62)	-2.46%
70,000	256.07	249.76	(6.30)	-2.46%
80,000	284.03	277.03	(6.99)	-2.46%
90,000	311.99	304.30	(7.68)	-2.46%
100,000	339.95	331.58	(8.37)	-2.46%
110,000	367.90	358.85	(9.06)	-2.46%
120,000	395.86	386.12	(9.75)	-2.46%
130,000	423.82	413.39	(10.43)	-2.46%
140,000	451.78	440.66	(11.12)	-2.46%
150,000	479.74	467.93	(11.81)	-2.46%
160,000	507.70	495.21	(12.50)	-2.46%
170,000	535.66	522.48	(13.19)	-2.46%
180,000	563.62	549.75	(13.87)	-2.46%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 7
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 42.69	$ 47.64	$ 4.95	11.58%
1,000	51.92	59.32	7.40	14.26%
2,000	61.14	71.00	9.86	16.13%
3,000	70.36	82.68	12.32	17.51%
3,870	78.39	92.85	14.46	18.44%
4,000	79.59	94.36	14.78	18.57%
5,000	88.81	106.05	17.24	19.41%
6,000	98.03	117.73	19.69	20.09%
7,000	107.26	129.41	22.15	20.65%
8,000	116.48	141.09	24.61	21.13%
9,000	125.70	152.77	27.07	21.53%
10,000	134.92	164.45	29.53	21.88%
11,000	144.15	176.13	31.98	22.19%
12,000	153.37	187.81	34.44	22.46%
13,000	162.59	199.49	36.90	22.69%
14,000	171.82	211.17	39.36	22.91%
15,000	181.04	222.86	41.82	23.10%
16,000	190.26	234.54	44.27	23.27%
17,000	199.48	246.22	46.73	23.43%
18,000	208.71	257.90	49.19	23.57%
19,000	217.93	269.58	51.65	23.70%
20,000	227.15	281.26	54.11	23.82%
25,000	273.27	339.67	66.40	24.30%
30,000	319.38	398.07	78.69	24.64%
35,000	365.50	456.48	90.98	24.89%
40,000	411.61	514.88	103.27	25.09%
45,000	457.73	573.29	115.56	25.25%
50,000	503.84	631.69	127.85	25.37%
60,000	596.07	748.50	152.43	25.57%
70,000	688.30	865.31	177.01	25.72%
80,000	780.53	982.12	201.59	25.83%
90,000	872.76	1,098.93	226.17	25.91%
100,000	964.99	1,215.74	250.75	25.98%
110,000	1,057.22	1,332.55	275.33	26.04%
120,000	1,149.45	1,449.36	299.91	26.09%
130,000	1,241.68	1,566.17	324.49	26.13%
140,000	1,333.91	1,682.98	349.07	26.17%
150,000	1,426.14	1,799.79	373.65	26.20%
160,000	1,518.37	1,916.60	398.23	26.23%
170,000	1,610.60	2,033.41	422.81	26.25%
180,000	1,702.83	2,150.22	447.39	26.27%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 8
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 58.38	$ 55.93	$ (2.45)	-4.20%
1,000	70.28	68.52	(1.76)	-2.51%
2,000	82.17	81.10	(1.07)	-1.30%
3,000	94.06	93.69	(0.38)	-0.40%
3,870	104.41	104.63	0.22	0.21%
4,000	105.96	106.27	0.31	0.29%
5,000	117.85	118.86	1.00	0.85%
6,000	129.75	131.44	1.69	1.30%
7,000	141.64	144.03	2.38	1.68%
8,000	153.54	156.61	3.07	2.00%
9,000	165.43	169.20	3.76	2.28%
10,000	177.32	181.78	4.46	2.51%
11,000	189.22	194.37	5.15	2.72%
12,000	201.11	206.95	5.84	2.90%
13,000	213.01	219.54	6.53	3.06%
14,000	224.90	232.12	7.22	3.21%
15,000	236.80	244.71	7.91	3.34%
16,000	248.69	257.29	8.60	3.46%
17,000	260.58	269.88	9.29	3.57%
18,000	272.48	282.46	9.98	3.66%
19,000	284.37	295.05	10.67	3.75%
20,000	296.27	307.63	11.36	3.84%
25,000	355.74	370.56	14.82	4.16%
30,000	415.21	433.48	18.27	4.40%
35,000	474.68	496.41	21.72	4.58%
40,000	534.15	559.33	25.18	4.71%
45,000	593.62	622.26	28.63	4.82%
50,000	653.10	685.18	32.08	4.91%
60,000	772.04	811.03	38.99	5.05%
70,000	890.98	936.88	45.90	5.15%
80,000	1,009.92	1,062.73	52.81	5.23%
90,000	1,128.87	1,188.58	59.71	5.29%
100,000	1,247.81	1,314.43	66.62	5.34%
110,000	1,366.75	1,440.28	73.53	5.38%
120,000	1,485.70	1,566.13	80.43	5.41%
130,000	1,604.64	1,691.98	87.34	5.44%
140,000	1,723.58	1,817.83	94.25	5.47%
150,000	1,842.52	1,943.68	101.16	5.49%
160,000	1,961.47	2,069.53	108.06	5.51%
170,000	2,080.41	2,195.38	114.97	5.53%
180,000	2,199.35	2,321.23	121.88	5.54%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 9 - CHELTENHAM TOWNSHIP DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.85	$ 47.64	$ 14.79	45.00%
1,000	40.30	59.32	19.02	47.19%
2,000	47.75	71.00	23.25	48.69%
3,000	55.20	82.68	27.48	49.79%
3,870	61.68	92.85	31.17	50.53%
4,000	62.65	94.36	31.72	50.62%
5,000	70.10	106.05	35.95	51.28%
6,000	77.55	117.73	40.18	51.82%
7,000	84.99	129.41	44.41	52.25%
8,000	92.44	141.09	48.65	52.62%
9,000	99.89	152.77	52.88	52.94%
10,000	107.34	164.45	57.11	53.21%
11,000	114.79	176.13	61.34	53.44%
12,000	122.24	187.81	65.58	53.65%
13,000	129.68	199.49	69.81	53.83%
14,000	137.13	211.17	74.04	53.99%
15,000	144.58	222.86	78.27	54.14%
16,000	152.03	234.54	82.51	54.27%
17,000	159.48	246.22	86.74	54.39%
18,000	166.93	257.90	90.97	54.50%
19,000	174.38	269.58	95.20	54.60%
20,000	181.82	281.26	99.44	54.69%
25,000	219.07	339.67	120.60	55.05%
30,000	256.31	398.07	141.76	55.31%
35,000	293.55	456.48	162.92	55.50%
40,000	330.79	514.88	184.09	55.65%
45,000	368.04	573.29	205.25	55.77%
50,000	405.28	631.69	226.41	55.87%
60,000	479.76	748.50	268.74	56.01%
70,000	554.25	865.31	311.06	56.12%
80,000	628.73	982.12	353.39	56.21%
90,000	703.22	1,098.93	395.71	56.27%
100,000	777.70	1,215.74	438.04	56.32%
110,000	852.19	1,332.55	480.36	56.37%
120,000	926.67	1,449.36	522.69	56.40%
130,000	1,001.16	1,566.17	565.01	56.44%
140,000	1,075.64	1,682.98	607.34	56.46%
150,000	1,150.13	1,799.79	649.66	56.49%
160,000	1,224.61	1,916.60	691.99	56.51%
170,000	1,299.10	2,033.41	734.31	56.52%
180,000	1,373.58	2,150.22	776.64	56.54%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 10
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 36.05	$ 47.64	$ 11.59	32.16%
1,000	43.88	59.32	15.44	35.20%
2,000	51.71	71.00	19.30	37.32%
3,000	59.54	82.68	23.15	38.88%
3,870	66.35	92.85	26.50	39.94%
4,000	67.36	94.36	27.00	40.08%
5,000	75.19	106.05	30.85	41.03%
6,000	83.02	117.73	34.70	41.80%
7,000	90.85	129.41	38.55	42.44%
8,000	98.68	141.09	42.41	42.97%
9,000	106.51	152.77	46.26	43.43%
10,000	114.34	164.45	50.11	43.82%
11,000	122.17	176.13	53.96	44.17%
12,000	130.00	187.81	57.81	44.47%
13,000	137.83	199.49	61.66	44.74%
14,000	145.66	211.17	65.51	44.98%
15,000	153.49	222.86	69.37	45.19%
16,000	161.32	234.54	73.22	45.39%
17,000	169.15	246.22	77.07	45.56%
18,000	176.98	257.90	80.92	45.72%
19,000	184.81	269.58	84.77	45.87%
20,000	192.64	281.26	88.62	46.01%
25,000	231.78	339.67	107.88	46.54%
30,000	270.93	398.07	127.14	46.93%
35,000	310.08	456.48	146.39	47.21%
40,000	349.23	514.88	165.65	47.43%
45,000	388.38	573.29	184.91	47.61%
50,000	427.52	631.69	204.17	47.76%
60,000	505.82	748.50	242.68	47.98%
70,000	584.11	865.31	281.20	48.14%
80,000	662.41	982.12	319.71	48.26%
90,000	740.70	1,098.93	358.23	48.36%
100,000	819.00	1,215.74	396.74	48.44%
110,000	897.29	1,332.55	435.26	48.51%
120,000	975.59	1,449.36	473.77	48.56%
130,000	1,053.89	1,566.17	512.28	48.61%
140,000	1,132.18	1,682.98	550.80	48.65%
150,000	1,210.48	1,799.79	589.31	48.68%
160,000	1,288.77	1,916.60	627.83	48.72%
170,000	1,367.07	2,033.41	666.34	48.74%
180,000	1,445.36	2,150.22	704.86	48.77%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 11
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 46.07	$ 55.93	$ 9.86	21.40%
1,000	69.64	68.52	(1.12)	-1.62%
2,000	93.21	81.10	(12.11)	-12.99%
3,000	116.78	93.69	(23.10)	-19.78%
3,870	139.04	104.63	(34.41)	-24.75%
4,000	140.35	106.27	(34.08)	-24.28%
5,000	163.92	118.86	(45.07)	-27.49%
6,000	197.81	131.44	(66.37)	-33.55%
7,000	231.69	144.03	(87.66)	-37.84%
8,000	265.57	156.61	(108.96)	-41.03%
9,000	299.45	169.20	(130.26)	-43.50%
10,000	333.34	181.78	(151.56)	-45.47%
11,000	367.22	194.37	(172.86)	-47.07%
12,000	401.10	206.95	(194.15)	-48.40%
13,000	434.99	219.54	(215.45)	-49.53%
14,000	468.87	232.12	(236.75)	-50.49%
15,000	502.75	244.71	(258.05)	-51.33%
16,000	536.64	257.29	(279.35)	-52.06%
17,000	570.52	269.88	(300.64)	-52.70%
18,000	604.40	282.46	(321.94)	-53.27%
19,000	638.28	295.05	(343.24)	-53.78%
20,000	672.17	307.63	(364.54)	-54.23%
25,000	841.58	370.56	(471.03)	-55.97%
30,000	1,011.00	433.48	(577.52)	-57.12%
35,000	1,180.41	496.41	(684.01)	-57.95%
40,000	1,349.83	559.33	(790.50)	-58.56%
45,000	1,519.24	622.26	(896.99)	-59.04%
50,000	1,688.66	685.18	(1,003.48)	-59.42%
60,000	2,027.49	811.03	(1,216.46)	-60.00%
70,000	2,366.32	936.88	(1,429.44)	-60.41%
80,000	2,705.15	1,062.73	(1,642.42)	-60.71%
90,000	3,043.98	1,188.58	(1,855.40)	-60.95%
100,000	3,382.81	1,314.43	(2,068.38)	-61.14%
110,000	3,721.64	1,440.28	(2,281.36)	-61.30%
120,000	4,060.47	1,566.13	(2,494.34)	-61.43%
130,000	4,399.30	1,691.98	(2,707.32)	-61.54%
140,000	4,738.13	1,817.83	(2,920.30)	-61.63%
150,000	5,076.96	1,943.68	(3,133.28)	-61.72%
160,000	5,415.79	2,069.53	(3,346.26)	-61.79%
170,000	5,754.62	2,195.38	(3,559.24)	-61.85%
180,000	6,093.45	2,321.23	(3,772.22)	-61.91%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 12
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - PER DWELLING UNIT - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 53.49	$ 47.64	$ (5.85)	-10.94%
1,000	57.86	59.32	1.46	2.52%
2,000	62.23	71.00	8.77	14.09%
3,000	66.60	82.68	16.08	24.14%
3,870	70.51	92.85	22.33	31.67%
4,000	71.11	94.36	23.25	32.70%
5,000	75.71	106.05	30.33	40.06%
6,000	80.31	117.73	37.41	46.59%
7,000	84.97	129.41	44.43	52.29%
8,000	89.78	141.09	51.30	57.14%
9,000	94.59	152.77	58.17	61.50%
10,000	99.40	164.45	65.05	65.44%
11,000	104.69	176.13	71.44	68.23%
12,000	109.98	187.81	77.83	70.76%
13,000	115.27	199.49	84.22	73.06%
14,000	120.93	211.17	90.24	74.62%
15,000	126.83	222.86	96.02	75.71%
16,000	132.73	234.54	101.81	76.70%
17,000	138.89	246.22	107.33	77.27%
18,000	145.66	257.90	112.24	77.05%
19,000	152.43	269.58	117.15	76.85%
20,000	159.20	281.26	122.06	76.67%
25,000	193.05	339.67	146.61	75.95%
30,000	226.90	398.07	171.17	75.44%
35,000	260.75	456.48	195.72	75.06%
40,000	294.60	514.88	220.28	74.77%
45,000	328.45	573.29	244.83	74.54%
50,000	362.30	631.69	269.39	74.35%
60,000	430.00	748.50	318.50	74.07%
70,000	497.70	865.31	367.61	73.86%
80,000	565.40	982.12	416.72	73.70%
90,000	633.10	1,098.93	465.83	73.58%
100,000	700.80	1,215.74	514.94	73.48%
110,000	768.50	1,332.55	564.05	73.40%
120,000	836.20	1,449.36	613.16	73.33%
130,000	903.90	1,566.17	662.27	73.27%
140,000	971.60	1,682.98	711.38	73.22%
150,000	1,039.30	1,799.79	760.49	73.17%
160,000	1,107.00	1,916.60	809.60	73.13%
170,000	1,174.70	2,033.41	858.71	73.10%
180,000	1,242.40	2,150.22	907.82	73.07%

AQUA PENNSYLVANIA INC.
RATE ZONE 12
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - PER TWO-UNIT DWELLING UNITS - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 89.74	$ 47.64	$ (42.10)	-46.91%
1,000	94.11	59.32	(34.79)	-36.97%
2,000	98.48	71.00	(27.48)	-27.90%
3,000	102.85	82.68	(20.17)	-19.61%
3,870	106.76	92.85	(13.91)	-13.03%
4,000	107.36	94.36	(12.99)	-12.10%
5,000	111.96	106.05	(5.91)	-5.28%
6,000	116.56	117.73	1.17	1.00%
7,000	121.22	129.41	8.19	6.75%
8,000	126.03	141.09	15.06	11.95%
9,000	130.84	152.77	21.93	16.76%
10,000	135.65	164.45	28.80	21.23%
11,000	140.94	176.13	35.19	24.97%
12,000	146.23	187.81	41.58	28.44%
13,000	151.52	199.49	47.97	31.66%
14,000	157.18	211.17	54.00	34.35%
15,000	163.08	222.86	59.78	36.66%
16,000	168.98	234.54	65.56	38.80%
17,000	175.14	246.22	71.08	40.58%
18,000	181.91	257.90	75.99	41.77%
19,000	188.68	269.58	80.90	42.88%
20,000	195.45	281.26	85.81	43.91%
25,000	229.30	339.67	110.37	48.13%
30,000	263.15	398.07	134.92	51.27%
35,000	297.00	456.48	159.48	53.70%
40,000	330.85	514.88	184.03	55.62%
45,000	364.70	573.29	208.59	57.19%
50,000	398.55	631.69	233.14	58.50%
60,000	466.25	748.50	282.25	60.54%
70,000	533.95	865.31	331.36	62.06%
80,000	601.65	982.12	380.47	63.24%
90,000	669.35	1,098.93	429.58	64.18%
100,000	737.05	1,215.74	478.69	64.95%
110,000	804.75	1,332.55	527.80	65.59%
120,000	872.45	1,449.36	576.91	66.13%
130,000	940.15	1,566.17	626.02	66.59%
140,000	1,007.85	1,682.98	675.13	66.99%
150,000	1,075.55	1,799.79	724.24	67.34%
160,000	1,143.25	1,916.60	773.35	67.65%
170,000	1,210.95	2,033.41	822.46	67.92%
180,000	1,278.65	2,150.22	871.57	68.16%

AQUA PENNSYLVANIA INC.
RATE ZONE 13, RATES A/B - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	BILLS UNDER PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 33.33	$ 37.92	$ 4.59	13.76%
1,000	33.33	47.22	13.88	41.65%
2,000	33.33	56.51	23.18	69.54%
3,000	33.33	65.81	32.48	97.43%
3,870	33.33	73.90	40.57	121.70%
4,000	33.33	75.11	41.77	125.32%
5,000	33.33	84.41	51.07	153.22%
6,000	33.33	93.70	60.37	181.11%
7,000	33.33	103.00	69.67	209.00%
8,000	33.33	112.30	78.96	236.89%
9,000	33.33	121.59	88.26	264.78%
10,000	33.33	130.89	97.56	292.67%
11,000	33.33	140.19	106.85	320.56%
12,000	33.33	149.48	116.15	348.45%
13,000	33.33	158.78	125.45	376.34%
14,000	33.33	168.08	134.74	404.23%
15,000	33.33	177.38	144.04	432.13%
16,000	33.33	186.67	153.34	460.02%
17,000	33.33	195.97	162.64	487.91%
18,000	33.33	205.27	171.93	515.80%
19,000	33.33	214.56	181.23	543.69%
20,000	33.33	223.86	190.53	571.58%
25,000	33.33	270.35	237.01	711.04%
30,000	33.33	316.83	283.50	850.49%
35,000	33.33	363.32	329.98	989.95%
40,000	33.33	409.80	376.47	1129.40%
45,000	33.33	456.29	422.95	1268.86%
50,000	33.33	502.77	469.44	1408.31%
60,000	33.33	595.74	562.41	1687.22%
70,000	33.33	688.71	655.38	1966.13%
80,000	33.33	781.68	748.35	2245.04%
90,000	33.33	874.65	841.32	2523.95%
100,000	33.33	967.62	934.29	2802.86%
110,000	33.33	1,060.59	1,027.26	3081.77%
120,000	33.33	1,153.56	1,120.23	3360.68%
130,000	33.33	1,246.53	1,213.20	3639.59%
140,000	33.33	1,339.50	1,306.17	3918.50%
150,000	33.33	1,432.47	1,399.14	4197.41%
160,000	33.33	1,525.44	1,492.11	4476.32%
170,000	33.33	1,618.41	1,585.08	4755.23%
180,000	33.33	1,711.38	1,678.05	5034.14%

AQUA PENNSYLVANIA INC.
RATE ZONE 13 -R ATE C - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	BILLS UNDER PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 45.17	$ 37.92	$ (7.25)	-16.04%
1,000	45.17	47.22	2.05	4.54%
2,000	45.17	56.51	11.35	25.12%
3,000	45.17	65.81	20.64	45.71%
3,870	45.17	73.90	28.73	63.61%
4,000	45.17	75.11	29.94	66.29%
5,000	45.17	84.41	39.24	86.87%
6,000	45.17	93.70	48.54	107.46%
7,000	45.17	103.00	57.83	128.04%
8,000	45.17	112.30	67.13	148.63%
9,000	45.17	121.59	76.43	169.21%
10,000	45.17	130.89	85.72	189.79%
11,000	45.17	140.19	95.02	210.38%
12,000	45.17	149.48	104.32	230.96%
13,000	45.17	158.78	113.61	251.54%
14,000	45.17	168.08	122.91	272.13%
15,000	45.17	177.38	132.21	292.71%
16,000	45.17	186.67	141.51	313.30%
17,000	45.17	195.97	150.80	333.88%
18,000	45.17	205.27	160.10	354.46%
19,000	45.17	214.56	169.40	375.05%
20,000	45.17	223.86	178.69	395.63%
25,000	45.17	270.35	225.18	498.55%
30,000	45.17	316.83	271.66	601.47%
35,000	45.17	363.32	318.15	704.39%
40,000	45.17	409.80	364.63	807.31%
45,000	45.17	456.29	411.12	910.23%
50,000	45.17	502.77	457.60	1013.14%
60,000	45.17	595.74	550.57	1218.98%
70,000	45.17	688.71	643.54	1424.82%
80,000	45.17	781.68	736.51	1630.66%
90,000	45.17	874.65	829.48	1836.49%
100,000	45.17	967.62	922.45	2042.33%
110,000	45.17	1,060.59	1,015.42	2248.17%
120,000	45.17	1,153.56	1,108.39	2454.01%
130,000	45.17	1,246.53	1,201.36	2659.85%
140,000	45.17	1,339.50	1,294.33	2865.68%
150,000	45.17	1,432.47	1,387.30	3071.52%
160,000	45.17	1,525.44	1,480.27	3277.36%
170,000	45.17	1,618.41	1,573.24	3483.20%
180,000	45.17	1,711.38	1,666.21	3689.03%

AQUA PENNSYLVANIA INC.
RATE ZONE 13 - RATE D - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	BILLS UNDER PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 50.00	$ 37.92	$ (12.08)	-24.16%
1,000	50.00	47.22	(2.78)	-5.57%
2,000	50.00	56.51	6.51	13.03%
3,000	50.00	65.81	15.81	31.62%
3,870	50.00	73.90	23.90	47.80%
4,000	50.00	75.11	25.11	50.22%
5,000	50.00	84.41	34.41	68.81%
6,000	50.00	93.70	43.70	87.40%
7,000	50.00	103.00	53.00	106.00%
8,000	50.00	112.30	62.30	124.59%
9,000	50.00	121.59	71.59	143.19%
10,000	50.00	130.89	80.89	161.78%
11,000	50.00	140.19	90.19	180.37%
12,000	50.00	149.48	99.48	198.97%
13,000	50.00	158.78	108.78	217.56%
14,000	50.00	168.08	118.08	236.16%
15,000	50.00	177.38	127.38	254.75%
16,000	50.00	186.67	136.67	273.34%
17,000	50.00	195.97	145.97	291.94%
18,000	50.00	205.27	155.27	310.53%
19,000	50.00	214.56	164.56	329.13%
20,000	50.00	223.86	173.86	347.72%
25,000	50.00	270.35	220.35	440.69%
30,000	50.00	316.83	266.83	533.66%
35,000	50.00	363.32	313.32	626.63%
40,000	50.00	409.80	359.80	719.60%
45,000	50.00	456.29	406.29	812.57%
50,000	50.00	502.77	452.77	905.54%
60,000	50.00	595.74	545.74	1091.48%
70,000	50.00	688.71	638.71	1277.42%
80,000	50.00	781.68	731.68	1463.36%
90,000	50.00	874.65	824.65	1649.30%
100,000	50.00	967.62	917.62	1835.24%
110,000	50.00	1,060.59	1,010.59	2021.18%
120,000	50.00	1,153.56	1,103.56	2207.12%
130,000	50.00	1,246.53	1,196.53	2393.06%
140,000	50.00	1,339.50	1,289.50	2579.00%
150,000	50.00	1,432.47	1,382.47	2764.94%
160,000	50.00	1,525.44	1,475.44	2950.88%
170,000	50.00	1,618.41	1,568.41	3136.82%
180,000	50.00	1,711.38	1,661.38	3322.76%

AQUA PENNSYLVANIA INC.
RATE ZONE 13 - RATE E - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	BILLS UNDER PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 40.00	$ 37.92	$ (2.08)	-5.20%
1,000	40.00	47.22	7.22	18.04%
2,000	40.00	56.51	16.51	41.29%
3,000	40.00	65.81	25.81	64.53%
3,870	40.00	73.90	33.90	84.75%
4,000	40.00	75.11	35.11	87.77%
5,000	40.00	84.41	44.41	111.01%
6,000	40.00	93.70	53.70	134.26%
7,000	40.00	103.00	63.00	157.50%
8,000	40.00	112.30	72.30	180.74%
9,000	40.00	121.59	81.59	203.98%
10,000	40.00	130.89	90.89	227.23%
11,000	40.00	140.19	100.19	250.47%
12,000	40.00	149.48	109.48	273.71%
13,000	40.00	158.78	118.78	296.95%
14,000	40.00	168.08	128.08	320.20%
15,000	40.00	177.38	137.38	343.44%
16,000	40.00	186.67	146.67	366.68%
17,000	40.00	195.97	155.97	389.92%
18,000	40.00	205.27	165.27	413.17%
19,000	40.00	214.56	174.56	436.41%
20,000	40.00	223.86	183.86	459.65%
25,000	40.00	270.35	230.35	575.86%
30,000	40.00	316.83	276.83	692.08%
35,000	40.00	363.32	323.32	808.29%
40,000	40.00	409.80	369.80	924.50%
45,000	40.00	456.29	416.29	1040.71%
50,000	40.00	502.77	462.77	1156.93%
60,000	40.00	595.74	555.74	1389.35%
70,000	40.00	688.71	648.71	1621.78%
80,000	40.00	781.68	741.68	1854.20%
90,000	40.00	874.65	834.65	2086.63%
100,000	40.00	967.62	927.62	2319.05%
110,000	40.00	1,060.59	1,020.59	2551.48%
120,000	40.00	1,153.56	1,113.56	2783.90%
130,000	40.00	1,246.53	1,206.53	3016.33%
140,000	40.00	1,339.50	1,299.50	3248.75%
150,000	40.00	1,432.47	1,392.47	3481.18%
160,000	40.00	1,525.44	1,485.44	3713.60%
170,000	40.00	1,618.41	1,578.41	3946.03%
180,000	40.00	1,711.38	1,671.38	4178.45%

AQUA PENNSYLVANIA INC.
RATE ZONE 14
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 28.00	$ 47.64	$ 19.64	70.14%
1,000	28.00	59.32	31.32	111.86%
2,000	41.06	71.00	29.94	72.92%
3,000	54.12	82.68	28.56	52.78%
3,870	65.48	92.85	27.36	41.79%
4,000	67.18	94.36	27.18	40.46%
5,000	80.24	106.05	25.81	32.16%
6,000	93.30	117.73	24.43	26.18%
7,000	101.22	117.73	16.51	16.31%
8,000	109.14	117.73	8.59	7.87%
9,000	117.06	117.73	0.67	0.57%
10,000	124.98	117.73	(7.25)	-5.80%
11,000	132.90	117.73	(15.17)	-11.42%
12,000	140.82	117.73	(23.09)	-16.40%
13,000	148.74	117.73	(31.01)	-20.85%
14,000	156.66	117.73	(38.93)	-24.85%
15,000	164.58	117.73	(46.85)	-28.47%
16,000	172.50	117.73	(54.77)	-31.75%
17,000	180.42	117.73	(62.69)	-34.75%
18,000	188.34	117.73	(70.61)	-37.49%
19,000	196.26	117.73	(78.53)	-40.02%
20,000	204.18	117.73	(86.45)	-42.34%
25,000	243.78	117.73	(126.05)	-51.71%
30,000	283.38	117.73	(165.65)	-58.46%
35,000	322.98	117.73	(205.25)	-63.55%
40,000	362.58	117.73	(244.85)	-67.53%
45,000	402.18	117.73	(284.45)	-70.73%
50,000	441.78	117.73	(324.05)	-73.35%
60,000	520.98	117.73	(403.25)	-77.40%
70,000	600.18	117.73	(482.45)	-80.38%
80,000	679.38	117.73	(561.65)	-82.67%
90,000	758.58	117.73	(640.85)	-84.48%
100,000	837.78	117.73	(720.05)	-85.95%
110,000	916.98	117.73	(799.25)	-87.16%
120,000	996.18	117.73	(878.45)	-88.18%
130,000	1,075.38	117.73	(957.65)	-89.05%
140,000	1,154.58	117.73	(1,036.85)	-89.80%
150,000	1,233.78	117.73	(1,116.05)	-90.46%
160,000	1,312.98	117.73	(1,195.25)	-91.03%
170,000	1,392.18	117.73	(1,274.45)	-91.54%
180,000	1,471.38	117.73	(1,353.65)	-92.00%

LOWER MAKEFIELD WASTEWATER OPERATIONS

AQUA PENNSYLVANIA INC.
WASTEWATER ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PROPOSED RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	Pro Forma Revenues, Present Rates	Bill Analysis Revenues, Proposed Rates	Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 9,759,106	$ 12,793,629	$ 3,034,523	31.1%
Commercial	1,740,691	1,300,545	(440,146)	-25.3%
Industrial	-	-	-	0.0%
Public Authority	55,889	30,057	(25,832)	-46.2%
Third Party Sales	-	-	-	0.0%
Total Sales Related to Wastewater	$ 11,555,686	$ 14,124,231	$ 2,568,545	22.2%
Contract Revenues	-	-	-	0.0%
Other Operating Revenues	58,143	58,143	-	0.0%
Total Wastewater Revenue	$ 11,613,829	$ 14,182,374	$ 2,568,545	22.1%

AQUA PENNSYLVANIA INC.
WASTEWATER ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023(a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)=(8)+(9)
METERED SALES									
Residential	$ 9,774,401	$ (5,634)	$ 9,768,767	$ (9,661)	$ 9,759,106	$ -	$ 9,759,106	$ -	$ 9,759,106
Commercial	1,741,357	(666)	1,740,691	-	1,740,691	-	1,740,691	-	1,740,691
Industrial	-	-	-	-	-	-	-	-	-
Public Authority	55,880	9	55,889	-	55,889	-	55,889	-	55,889
Third Party/Bulk Sales	-	-	-	-	-	-	-	-	-
Total Sales Related to Wastewater	$ 11,571,638	$ (6,291)	$ 11,565,347	$ (9,661)	$ 11,555,686	$ -	$ 11,555,686	$ -	$ 11,555,686
Contract Revenues	-	-	-	-	-		-		-
Other Operating Revenues	58,143	-	58,143	-	58,143		58,143		58,143
Total Wastewater Revenue	$ 11,629,781	$ (6,291)	$ 11,623,490	$ (9,661)	$ 11,613,829	$ -	$ 11,613,829	$ -	$ 11,613,829

(a) Excludes DSIC and Unbilled Revenue.

EAST WHITELAND WASTEWATER OPERATIONS

AQUA PENNSYLVANIA INC.
WASTEWATER ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PROPOSED RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	Pro Forma Revenues, Present Rates	Bill Analysis Revenues, Proposed Rates	Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 1,442,838	$ 3,008,331	$ 1,565,493	108.5%
Commercial	1,706,051	3,534,201	1,828,150	107.2%
Industrial	366,251	810,578	444,327	121.3%
Public Authority	2,708	12,865	10,157	375.1%
Third Party Sales	-	-	-	0.0%
Total Sales Related to Wastewater	$ 3,517,848	$ 7,365,975	$ 3,848,127	109.4%
Contract Revenues	-	-	-	0.0%
Other Operating Revenues	7,233	7,233	-	0.0%
Total Wastewater Revenue	$ 3,525,081	$ 7,373,208	$ 3,848,127	109.2%

AQUA PENNSYLVANIA INC.
WASTEWATER ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023(a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)=(8)+(9)
METERED SALES									
Residential	$ 1,434,607	$ 8,230	$ 1,442,837	$ 1	$ 1,442,838	$ -	$ 1,442,838	$ -	$ 1,442,838
Commercial	1,704,792	267	1,705,059	992	1,706,051	-	1,706,051	-	1,706,051
Industrial	366,217	34	366,251	-	366,251	-	366,251	-	366,251
Public Authority	1,906	83	1,989	719	2,708	-	2,708	-	2,708
Third Party/Bulk Sales	-	-	-	-	-	-	-	-	-
Total Sales Related to Wastewater	$ 3,507,524	$ 8,612	$ 3,516,136	$ 1,712	$ 3,517,848	$ -	$ 3,517,848	$ -	$ 3,517,848
Contract Revenues	-	-	-	-	-		-		-
Other Operating Revenues	7,233	-	7,233	-	7,233		7,233		7,233
Total Wastewater Revenue	$ 3,514,757	$ 8,612	$ 3,523,369	$ 1,712	$ 3,525,081	$ -	$ 3,525,081	$ -	$ 3,525,081

(a) Excludes DSIC and Unbilled Revenue.

Exhibit No. 6-A, Part 1
Docket No. R-2024-3047822
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

WATER BASE OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2023

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-A, Part 1
Docket No. R-2024-3047822
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

WATER BASE OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2023

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to water plant as of December 31, 2023. Summaries of the original cost, annual accruals, the book depreciation reserve and amortization of net salvage are presented in Tables 1 and 2, beginning on page I-3 of the attached report.

A description of the methods and procedures upon which the study was based, as well as support for the service life estimates, is set forth in a companion report "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2024".

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

MELISSA M. HOWARD
Assistant Project Manager

JJS:mle

077367.100

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

SUMMARY OF RESULTS

Table 1 summarizes the results of the depreciation study, which sets forth the book reserve and the calculated annual depreciation expense related to original cost as of December 31, 2023, and the annual amortization of negative net salvage. Table 2 presents the calculation of the amortization of experienced net salvage, by account, based on the five-year period, 2019-2023.

DETAILED TABULATIONS OF DEPRECIATION CALCULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-9. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage, and cost of removal are set forth by account for the years 2019 through 2023, on pages III-2 through III-6.

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2023

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	WATER PLANT								
	INTANGIBLE PLANT								
301	ORGANIZATION	NONDEPR.		7,076,059.95					
302	FRANCHISES AND CONSENTS	NONDEPR.		2,944,957.32					
303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.		4,379,844.75					
	TOTAL INTANGIBLE PLANT			**14,400,862.02**					
	NONDEPRECIABLE PLANT								
303.11	WATER RIGHTS	NONDEPR.		1,703,879.22					
303.12	RESERVOIR LAND	NONDEPR.		2,826,590.02					
303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.		6,878,759.36					
303.2	POWER AND PUMPING LAND	NONDEPR.		1,577,342.01					
303.3	PURIFICATION LAND	NONDEPR.		1,408,637.63					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		1,431,041.39					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.		1,323,147.51					
303.61	OFFICE LAND	NONDEPR.		3,128,180.15					
303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.		1,002,954.67					
303.63	MISCELLANEOUS LAND	NONDEPR.		1,066,770.08					
	TOTAL NONDEPRECIABLE PLANT			**22,347,302.04**					
	DEPRECIABLE PLANT								
304.2	POWER AND PUMPING STRUCTURES								
	MAJOR TREATMENT PLANTS	85-S0.5	*	23,283,412.15	6,521,944	16,761,469	636,696	2.73	26.3
	OTHER STRUCTURES	50-R3		50,312,433.54	13,585,402	36,727,031	1,095,700	2.18	33.5
	TOTAL ACCOUNT 304.2			73,595,845.69	20,107,346	53,488,500	1,732,396		
304.3	PURIFICATION BUILDINGS								
	MAJOR TREATMENT PLANTS	95-S0.5	*	200,422,471.30	63,298,660	137,123,811	5,157,848	2.57	26.6
	OTHER STRUCTURES	50-S0		59,921,919.71	10,757,269	49,164,651	1,648,418	2.75	29.8
	TOTAL ACCOUNT 304.3			260,344,391.01	74,055,929	186,288,462	6,806,266		
304.61	OFFICE BUILDINGS								
	OFFICES	55-R3	*	74,797,266.19	25,621,117	49,176,149	2,085,396	2.79	23.6
	OTHER STRUCTURES	50-R3		3,905,367.07	624,535	3,280,832	85,566	2.19	38.3
	TOTAL ACCOUNT 304.61			78,702,633.26	26,245,652	52,456,981	2,170,962		
304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	*	8,151,790.12	5,445,444	2,706,347	150,378	1.84	18.0
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	47,432,622.63	17,062,423	30,370,199	1,728,888	3.64	17.6
305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	*	37,811,795.33	14,422,640	23,389,157	666,305	1.76	35.1
306	LAKE, RIVER AND OTHER INTAKES	80-R3	*	23,253,999.24	9,457,963	13,796,037	661,831	2.85	20.8
307	WELLS AND SPRINGS	50-R2.5		70,125,181.19	21,957,196	48,167,986	1,533,411	2.19	31.4
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	37,828,785.15	14,263,799	23,564,986	1,824,939	4.82	12.9
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		108,098,175.30	48,804,104	59,294,071	3,006,686	2.78	19.7

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2023

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
320	PURIFICATION SYSTEM								
	STRUCTURES	80-S0	*	94,908,981.23	45,679,664	49,229,318	2,387,551	2.52	20.6
	WELLS AND BOOSTERS	50-R3		15,877,307.88	4,363,287	11,514,021	342,482	2.16	33.6
	SUBTOTAL			110,786,289.11	50,042,951	60,743,339	2,730,033		
	EQUIPMENT	52-R2.5		188,605,362.39	41,802,830	146,802,533	4,166,165	2.21	35.2
	COMPUTERS	10-SQ		6,747,001.72	6,747,002	0	0	-	-
	PAINTING	10-SQ		278,070.16	257,793	20,277	4,506	1.62	4.5
	FILTER MEDIA	10-S3		5,349,369.15	3,516,391	1,832,978	213,817	4.00	8.6
	TOTAL ACCOUNT 320			311,766,092.53	102,366,967	209,399,127	7,114,521		
330	DISTRIBUTION RESERVOIRS AND STANDPIPES								
	TANKS	70-S1		94,455,550.63	27,362,412	67,093,139	1,562,465	1.65	42.9
	TANK PAINTING	10-SQ		78,724,012.59	55,915,970	22,808,043	5,308,173	6.74	4.3
	TOTAL ACCOUNT 330			173,179,563.22	83,278,382	89,901,182	6,870,638		
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		44,799,522.02	7,961,382	36,838,140	1,252,458	2.80	29.4
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		2,239,076,813.54	294,737,880	1,944,338,934	41,116,107	1.84	47.3
	CAST IRON - 12 INCH AND OVER	95-S3		729,949,613.88	78,209,791	651,739,823	8,830,472	1.21	73.8
	STEEL	75-R3		5,342,410.96	1,825,398	3,517,013	107,584	2.01	32.7
	LOCK JOINT	75-R5		4,736,995.08	2,542,495	2,194,500	148,755	3.14	14.8
	VALVES	90-R3		91,530,256.57	9,875,170	81,655,087	1,225,602	1.34	66.6
	SPECIAL CONSTRUCTION	58-R4		26,470,940.91	7,459,766	19,011,175	591,594	2.23	32.1
	CEMENT WROUGHT IRON	90-R3		172,966.10	23,985	148,981	2,837	1.64	52.5
	COPPER	50-S0.5		1,933,353.51	167,077	1,766,277	55,274	2.86	32.0
	ASBESTOS CEMENT	50-S5		3,206,764.38	1,149,128	2,057,636	121,852	3.80	16.9
	PLASTIC	45-R2.5		41,510,278.99	7,226,903	34,283,376	1,219,566	2.94	28.1
	MAIN CLEANING AND LINING	50-L4		124,697,136.96	32,768,148	91,928,989	3,187,984	2.56	28.8
	TOTAL ACCOUNT 331			3,313,427,052.90	443,947,123	2,869,479,931	57,860,085		
333	SERVICES	70-R4		575,759,578.55	125,403,691	450,355,887	8,532,692	1.48	52.8
334	METERS								
	REMOTE	22-R2.5		144,741,175.94	91,238,784	53,502,392	3,949,834	2.73	13.5
	ERTS	18-S2		59,978,301.51	43,673,456	16,304,845	1,608,730	2.68	10.1
	TOTAL ACCOUNT 334			204,719,477.45	134,912,240	69,807,237	5,558,564		
335	FIRE HYDRANTS	60-R4		117,653,848.41	26,549,396	91,104,452	2,086,869	1.77	43.7
336	BACKFLOW PREVENTION DEVICES	35-R2.5		382,337.82	83,086	299,252	12,787	3.34	23.4
340	OFFICE FURNITURE AND EQUIPMENT								
	FURNITURE	20-SQ		8,892,269.44	4,211,318	4,680,952	402,800	**	11.6
	MECHANICAL EQUIPMENT	10-SQ		901,526.63	655,980	245,547	48,106	**	5.1
	COMPUTER HARDWARE	5-SQ		18,039,170.52	4,335,803	13,703,367	9,270,592	**	1.5
	COMPUTER SOFTWARE - 10-YEAR	10-SQ		41,905,680.13	17,943,243	23,962,437	6,065,729	**	4.0
	COMPUTER SOFTWARE - 15-YEAR	15-SQ		64,239,521.17	16,032,651	48,206,870	4,109,264	**	11.7
	TOTAL ACCOUNT 340			133,978,167.89	43,178,995	90,799,173	19,896,491		

AQUA PENNSYLVANIA, INC.
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TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2023

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
341	TRANSPORTATION EQUIPMENT							
	VEHICLES	9-L2.5	27,635,621.20	16,994,178	10,641,443	1,999,334	7.23	5.3
	OTHER	20-SQ	2,844,696.79	796,060	2,048,637	180,720	**	11.3
	TOTAL ACCOUNT 341		30,480,317.99	17,790,238	12,690,080	2,180,054		
342	STORES EQUIPMENT	20-SQ	3,475,743.76	1,410,536	2,065,208	174,301	**	11.8
343.1	SHOP EQUIPMENT	25-SQ	3,258,797.90	1,015,829	2,242,969	133,056	**	16.9
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	18,470,821.53	9,028,070	9,442,752	934,837	**	10.1
344	LABORATORY EQUIPMENT							
	CONVENTIONAL	38-R3	1,283,122.87	847,483	435,640	24,128	1.88	18.1
	ELECTRONIC	25-R2.5	6,749,131.81	3,002,294	3,746,837	238,225	3.53	15.7
	TOTAL ACCOUNT 344		8,032,254.68	3,849,777	4,182,477	262,353		
346	COMMUNICATION EQUIPMENT							
	EQUIPMENT	15-SQ	8,244,315.78	2,924,694	5,319,622	507,669	**	10.5
	SCADA	10-SQ	25,698,913.14	10,604,176	15,094,737	3,105,934	**	4.9
	TOTAL ACCOUNT 346		33,943,228.92	13,528,870	20,414,359	3,613,603		
347	MISCELLANEOUS EQUIPMENT	25-SQ	2,517,118.91	1,545,545	971,573	104,485	**	9.3
348	OTHER TANGIBLE PLANT	25-SQ	39,497.10	18,920	20,577	1,646	**	12.5
	TOTAL DEPRECIABLE PLANT		**5,676,429,118.48**	**1,259,730,162**	**4,416,698,962**	**135,619,044**		
	TOTAL WATER PLANT IN SERVICE		**5,713,177,282.54**	**1,259,730,162**	**4,416,698,962**	**135,619,044**		
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
	NONDEPRECIABLE PLANT							
302	FRANCHISES AND CONSENTS	NONDEPR.	61,668.00					
303.2	POWER AND PUMPING LAND	NONDEPR.	10,616.04					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	4,505.75					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	8,199.00					
	TOTAL NONDEPRECIABLE PLANT		**84,988.79**					
	DEPRECIABLE PLANT							
304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	321,141	88,162	4,616	1.13	19.1
304.3	PURIFICATION BUILDINGS	50-S0	3,388,656.78	31,056	3,357,601	111,002	3.28	30.2
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	175,454.91	32,293	143,162	4,669	2.66	30.7
307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	1,045,735	1,700,076	54,533	1.99	31.2
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	760,129	739,871	30,236	2.02	24.5
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	1,114,516	708,010	49,302	2.71	14.4
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	9,721,907.47	42,159	9,679,748	255,642	2.63	37.9
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	1,391,697	1,529,483	38,023	1.30	40.2

AQUA PENNSYLVANIA, INC.
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TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2023

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
331	MAINS AND ACCESSORIES							
	CAST IRON - 4 INCH AND UNDER	50-L1.5	898,686.06	91,732	806,954	24,854	2.77	32.5
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5	163,961,463.19	40,277,597	123,683,866	3,009,095	1.84	41.1
	CAST IRON - 12 INCH AND OVER	95-S3	20,031,748.58	2,004,286	18,027,463	232,362	1.16	77.6
	STEEL	75-R3	8,899.45	58	8,841	141	1.58	62.7
	VALVES	90-R3	7,349,577.64	472,282	6,877,296	95,066	1.29	72.3
	ASBESTOS CEMENT	50-S5	3,778,030.11	2,705,542	1,072,488	182,060	4.82	5.9
	PLASTIC	45-R2.5	7,167,334.08	1,498,343	5,668,991	196,992	2.75	28.8
	TOTAL ACCOUNT 331		203,195,739.11	47,049,840	156,145,899	3,740,570		
333	SERVICES	70-R4	22,228,245.36	3,325,706	18,902,540	327,123	1.47	57.8
334	METERS	22-R2.5	75,740.42	79,525	(3,785)	0	-	-
335	FIRE HYDRANTS	60-R4	15,406,832.51	3,574,868	11,831,965	257,238	1.67	46.0
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	84	0	0	-	-
344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	1,662	0	0	-	-
	TOTAL DEPRECIABLE PLANT		**263,593,142.62**	**58,770,410**	**204,822,732**	**4,872,954**		
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**263,678,131.41**	**58,770,410**	**204,822,732**	**4,872,954**		
	AMORTIZATION OF NET SALVAGE					2,927,463		
	TOTAL WATER PLANT		**5,449,499,151.13**	**1,200,959,751**	**4,211,876,230**	**133,673,553**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 2. AMORTIZATION OF EXPERIENCED NET SALVAGE

	2019		2020		2021		2022		2023			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
304.2		82,033.69		81,066.67							(163,100.36)	(32,620)
304.3		11,838.83		11,107.43		57,476.44		46,017.15	3,058.55		(123,381.30)	(24,676)
304.63		11,587.95		322,461.19						55,131.82	(389,180.96)	(77,836)
305								308,833.47			(308,833.47)	(61,767)
307		57,776.67		9,461.14		149,453.60	100.93			29,417.81	(246,008.29)	(49,202)
311		275.26		137.52				113.48		245.30	(771.56)	(154)
320		21,071.83				3,455.34		23,944.67	5,680.16		(42,791.68)	(8,558)
330		28,685.50		48,187.28			3.67				(76,869.11)	(15,374)
331		2,429,051.47		1,817,260.37		2,099,925.97		2,376,180.25		2,538,533.32	(11,260,951.38)	(2,252,190)
333		509,881.24		474,188.80		479,667.07		18,065.68		603,176.26	(2,084,979.05)	(416,996)
334.02	18,777.21		4,603.50		53,731.71		106,278.20		40,428.69		223,819.31	44,764
334.03				4,321.34		19,488.04				11,549.23	(35,358.61)	(7,072)
335		101,243.77		66,170.21		75,329.88		164.71		29,130.51	(272,039.08)	(54,408)
341.1	35,850.00		16,500.00		97,325.00						149,675.00	29,935
343.1	4,555.10		50.00		2,950.00						7,555.10	1,511
346		81.58						14,017			(14,098.92)	(2,820)
TOTAL	**59,182.31**	**3,253,527.79**	**21,153.50**	**2,834,361.95**	**154,006.71**	**2,884,796.34**	**106,382.80**	**2,787,336.75**	**49,167.40**	**3,267,184.25**	**(14,637,314.36)**	**(2,927,463)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1882	27,136	24,428	2,708	2,708	0.0
1885	12,893	12,875	18	2,726	0.0
1886	6,473	5,123	1,350	4,076	0.0
1887	40,989	31,435	9,554	13,630	0.0
1890	256	181	75	13,705	0.0
1891	8,228	6,385	1,843	15,548	0.0
1892	15,990	11,015	4,975	20,523	0.0
1893	707	461	246	20,769	0.0
1895	368	240	128	20,897	0.0
1896	153,721	125,242	28,479	49,376	0.0
1897	3,343	2,173	1,170	50,546	0.0
1898	2,009	1,296	713	51,259	0.0
1899	11,547	7,618	3,929	55,188	0.0
1900	7,801	5,112	2,689	57,877	0.0
1901	86	55	31	57,908	0.0
1902	25,320	20,834	4,486	62,394	0.0
1903	1,498	1,407	91	62,485	0.0
1904	24,165	18,852	5,313	67,798	0.0
1905	31,650	20,061	11,589	79,387	0.0
1906	10,948	6,998	3,950	83,337	0.0
1907	34,994	23,313	11,681	95,018	0.0
1908	36,616	23,291	13,325	108,343	0.0
1909	266,875	215,168	51,707	160,050	0.0
1910	84,385	78,239	6,146	166,196	0.0
1911	2,875	1,824	1,051	167,247	0.0
1912	64,064	50,463	13,601	180,848	0.0
1913	26,703	16,726	9,977	190,825	0.0
1914	5,265	3,586	1,679	192,504	0.0
1915	3	1	2	192,506	0.0
1916	35,708	25,582	10,126	202,632	0.0
1918	22,203	13,671	8,532	211,164	0.0
1919	8,431	5,949	2,482	213,646	0.0
1920	73,210	56,521	16,689	230,335	0.0
1921	23,866	20,831	3,035	233,370	0.0
1922	4,649	3,764	885	234,255	0.0
1923	449,869	309,671	140,198	374,453	0.0
1924	667,067	522,713	144,354	518,807	0.0
1925	151,716	97,566	54,150	572,957	0.0
1926	265,051	176,689	88,362	661,319	0.0
1927	125,546	91,264	34,282	695,601	0.0
1928	76,640	55,658	20,982	716,583	0.0
1929	60,410	37,309	23,101	739,684	0.0
1930	35,113	21,714	13,399	753,083	0.0
1931	125,077	87,558	37,519	790,602	0.0
1932	1,713,244	1,221,514	491,730	1,282,332	0.0
1933	28,147	16,395	11,752	1,294,084	0.0

AQUA PENNSYLVANIA, INC.
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CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1934	77,145	48,587	28,558	1,322,642	0.0
1935	81,699	56,423	25,276	1,347,918	0.0
1936	59,681	39,216	20,465	1,368,383	0.0
1937	66,462	46,428	20,034	1,388,417	0.0
1938	53,350	37,848	15,502	1,403,919	0.0
1939	58,878	39,242	19,636	1,423,555	0.0
1940	140,144	87,799	52,345	1,475,900	0.0
1941	89,779	57,530	32,249	1,508,149	0.0
1942	240,362	159,090	81,272	1,589,421	0.0
1943	866,490	559,894	306,596	1,896,017	0.0
1944	52,738	41,979	10,759	1,906,776	0.0
1945	122,217	82,029	40,188	1,946,964	0.0
1946	102,401	86,998	15,403	1,962,367	0.0
1947	536,994	372,552	164,442	2,126,809	0.0
1948	1,356,739	1,044,689	312,050	2,438,859	0.1
1949	593,252	443,143	150,109	2,588,968	0.1
1950	1,254,032	925,260	328,772	2,917,740	0.1
1951	1,273,519	978,167	295,352	3,213,092	0.1
1952	1,018,547	748,876	269,671	3,482,763	0.1
1953	2,978,134	1,861,534	1,116,600	4,599,363	0.1
1954	2,358,005	1,624,618	733,387	5,332,750	0.1
1955	2,289,876	1,611,999	677,877	6,010,627	0.1
1956	2,345,813	1,687,674	658,139	6,668,766	0.2
1957	7,277,136	4,342,558	2,934,578	9,603,344	0.2
1958	2,952,499	1,875,503	1,076,996	10,680,340	0.2
1959	2,535,736	1,552,198	983,538	11,663,878	0.3
1960	2,823,052	1,766,543	1,056,509	12,720,387	0.3
1961	2,621,603	1,788,758	832,845	13,553,232	0.3
1962	2,820,389	1,781,430	1,038,959	14,592,191	0.3
1963	2,410,900	1,548,740	862,160	15,454,351	0.3
1964	3,891,137	2,508,728	1,382,409	16,836,760	0.4
1965	2,966,524	1,782,894	1,183,630	18,020,390	0.4
1966	4,299,982	2,456,775	1,843,207	19,863,597	0.4
1967	3,547,033	1,992,126	1,554,907	21,418,504	0.5
1968	2,346,844	1,430,082	916,762	22,335,266	0.5
1969	3,556,935	2,134,898	1,422,037	23,757,303	0.5
1970	3,064,227	1,815,360	1,248,867	25,006,170	0.6
1971	4,596,856	2,729,032	1,867,824	26,873,994	0.6
1972	9,171,074	6,268,400	2,902,674	29,776,668	0.7
1973	7,747,616	4,520,775	3,226,841	33,003,509	0.7
1974	12,804,694	6,733,858	6,070,836	39,074,345	0.9
1975	9,412,433	4,606,100	4,806,333	43,880,678	1.0
1976	6,957,027	4,369,791	2,587,236	46,467,914	1.1
1977	5,454,403	2,885,859	2,568,544	49,036,458	1.1
1978	9,075,712	4,892,982	4,182,730	53,219,188	1.2
1979	10,503,643	5,143,339	5,360,304	58,579,492	1.3

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1980	9,816,782	5,052,427	4,764,355	63,343,847	1.4
1981	8,087,824	4,037,187	4,050,637	67,394,484	1.5
1982	7,227,566	3,550,612	3,676,954	71,071,438	1.6
1983	7,090,379	3,585,590	3,504,789	74,576,227	1.7
1984	16,043,912	8,473,768	7,570,144	82,146,371	1.9
1985	18,903,510	9,210,293	9,693,217	91,839,588	2.1
1986	18,825,052	9,374,757	9,450,295	101,289,883	2.3
1987	20,325,614	10,348,223	9,977,391	111,267,274	2.5
1988	28,015,632	14,166,122	13,849,510	125,116,784	2.8
1989	33,742,162	15,583,016	18,159,146	143,275,930	3.2
1990	27,144,075	12,550,801	14,593,274	157,869,204	3.6
1991	45,367,628	23,604,785	21,762,843	179,632,047	4.1
1992	22,549,164	9,871,016	12,678,148	192,310,195	4.4
1993	44,812,272	19,853,510	24,958,762	217,268,957	4.9
1994	28,959,943	11,108,434	17,851,509	235,120,466	5.3
1995	48,414,440	22,500,564	25,913,876	261,034,342	5.9
1996	25,830,433	10,510,023	15,320,410	276,354,752	6.3
1997	37,962,906	15,589,575	22,373,331	298,728,083	6.8
1998	81,690,465	31,906,623	49,783,842	348,511,925	7.9
1999	58,720,964	24,246,773	34,474,191	382,986,116	8.7
2000	104,335,915	39,062,108	65,273,807	448,259,923	10.1
2001	72,172,429	25,765,688	46,406,741	494,666,664	11.2
2002	130,629,245	48,170,676	82,458,569	577,125,233	13.1
2003	69,323,158	27,554,849	41,768,309	618,893,542	14.0
2004	113,115,010	49,558,506	63,556,504	682,450,046	15.5
2005	114,159,606	43,563,244	70,596,362	753,046,408	17.0
2006	142,940,751	43,567,450	99,373,301	852,419,709	19.3
2007	132,052,408	38,511,765	93,540,643	945,960,352	21.4
2008	175,591,201	47,586,716	128,004,485	1,073,964,837	24.3
2009	183,684,682	48,328,941	135,355,741	1,209,320,578	27.4
2010	264,810,553	64,027,810	200,782,743	1,410,103,321	31.9
2011	233,384,696	51,195,610	182,189,086	1,592,292,407	36.1
2012	223,563,545	50,679,386	172,884,159	1,765,176,566	40.0
2013	193,974,154	36,661,374	157,312,780	1,922,489,346	43.5
2014	198,530,337	36,890,946	161,639,391	2,084,128,737	47.2
2015	225,503,672	43,390,417	182,113,255	2,266,241,992	51.3
2016	233,893,456	37,262,654	196,630,802	2,462,872,794	55.8
2017	297,599,025	42,363,257	255,235,768	2,718,108,562	61.5
2018	307,201,986	40,611,066	266,590,921	2,984,699,483	67.6
2019	339,377,031	35,491,044	303,885,988	3,288,585,471	74.5
2020	278,374,885	21,577,029	256,797,857	3,545,383,327	80.3
2021	305,456,622	20,652,175	284,804,448	3,830,187,774	86.7
2022	257,860,803	10,750,816	247,109,988	4,077,297,761	92.3
2023	343,736,658	4,335,461	339,401,198	4,416,698,959	100.0
TOTAL	5,676,429,118	1,259,730,162	4,416,698,962		

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1914	3,500	2,692	808	808	0.0
1916	2,062	1,593	469	1,277	0.0
1919	3,453	2,743	710	1,987	0.0
1924	400	312	88	2,075	0.0
1925	36,834	31,841	4,993	7,068	0.0
1926	63,183	53,257	9,926	16,994	0.0
1927	34,913	31,009	3,904	20,898	0.0
1928	44,244	36,997	7,247	28,145	0.0
1929	43,378	36,699	6,679	34,824	0.0
1930	36,660	29,948	6,712	41,536	0.0
1931	24,312	18,926	5,386	46,922	0.0
1932	2,996	2,378	618	47,540	0.0
1933	2,748	2,096	652	48,192	0.0
1934	5,941	4,618	1,323	49,515	0.0
1935	5,210	4,022	1,188	50,703	0.0
1936	13,211	10,113	3,098	53,801	0.0
1937	15,552	11,858	3,694	57,495	0.0
1938	26,948	20,393	6,555	64,050	0.0
1939	9,228	7,143	2,085	66,135	0.0
1940	11,910	9,067	2,843	68,978	0.0
1941	7,064	5,430	1,634	70,612	0.0
1942	3,887	2,921	966	71,578	0.0
1943	1,211	902	309	71,887	0.0
1944	5,673	4,174	1,499	73,386	0.0
1945	14,230	10,439	3,791	77,177	0.0
1946	49,701	36,325	13,376	90,553	0.0
1947	124,210	90,857	33,353	123,906	0.1
1948	201,043	145,875	55,168	179,074	0.1
1949	185,141	133,393	51,748	230,822	0.1
1950	514,987	372,271	142,716	373,538	0.2
1951	362,549	260,905	101,644	475,182	0.2
1952	366,976	262,716	104,260	579,442	0.3
1953	577,452	410,899	166,553	745,995	0.4
1954	539,897	382,377	157,520	903,515	0.4
1955	498,903	352,578	146,325	1,049,840	0.5
1956	347,346	245,007	102,339	1,152,179	0.6
1957	279,212	195,320	83,892	1,236,071	0.6
1958	242,550	167,864	74,686	1,310,757	0.6
1959	273,239	188,556	84,683	1,395,440	0.7
1960	234,311	160,156	74,155	1,469,595	0.7
1961	210,686	142,412	68,274	1,537,869	0.8
1962	138,522	93,778	44,744	1,582,613	0.8
1963	232,324	165,468	66,856	1,649,469	0.8
1964	339,275	237,833	101,442	1,750,911	0.9

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1965	314,368	229,201	85,167	1,836,078	0.9
1966	259,442	182,585	76,857	1,912,935	0.9
1967	288,796	195,130	93,666	2,006,601	1.0
1968	328,393	226,603	101,790	2,108,391	1.0
1969	262,158	185,943	76,215	2,184,606	1.1
1970	471,490	318,353	153,137	2,337,743	1.1
1971	240,215	155,794	84,421	2,422,164	1.2
1972	710,944	454,488	256,456	2,678,620	1.3
1973	910,501	609,672	300,829	2,979,449	1.5
1974	810,604	544,673	265,931	3,245,380	1.6
1975	689,331	444,593	244,738	3,490,118	1.7
1976	606,995	393,335	213,660	3,703,778	1.8
1977	350,135	233,118	117,017	3,820,795	1.9
1978	1,616,124	969,919	646,205	4,467,000	2.2
1979	1,165,626	727,825	437,801	4,904,801	2.4
1980	1,041,829	641,748	400,081	5,304,882	2.6
1981	935,003	563,774	371,229	5,676,111	2.8
1982	803,613	477,433	326,180	6,002,291	2.9
1983	1,339,833	772,670	567,163	6,569,454	3.2
1984	2,028,941	1,136,989	891,952	7,461,406	3.6
1985	1,094,262	658,673	435,589	7,896,995	3.9
1986	2,348,701	1,345,152	1,003,549	8,900,544	4.3
1987	1,826,205	900,964	925,241	9,825,785	4.8
1988	1,839,302	918,160	921,142	10,746,927	5.2
1989	3,845,482	1,768,732	2,076,750	12,823,677	6.3
1990	3,163,679	1,452,976	1,710,703	14,534,380	7.1
1991	2,709,970	1,247,258	1,462,712	15,997,092	7.8
1992	3,169,879	1,427,474	1,742,405	17,739,497	8.7
1993	1,567,559	666,556	901,003	18,640,500	9.1
1994	1,063,142	425,577	637,565	19,278,065	9.4
1995	652,155	262,921	389,234	19,667,299	9.6
1996	896,838	341,800	555,038	20,222,337	9.9
1997	2,165,348	896,814	1,268,534	21,490,871	10.5
1998	5,927,124	2,112,497	3,814,627	25,305,498	12.4
1999	2,330,278	855,520	1,474,758	26,780,256	13.1
2000	2,559,392	865,198	1,694,194	28,474,450	13.9
2001	3,205,101	1,089,305	2,115,796	30,590,246	14.9
2002	10,501,657	3,208,554	7,293,103	37,883,349	18.5
2003	9,879,718	2,935,364	6,944,354	44,827,703	21.9
2004	2,422,274	613,652	1,808,622	46,636,325	22.8
2005	4,641,006	1,246,258	3,394,748	50,031,073	24.4
2006	3,589,279	876,057	2,713,222	52,744,295	25.8
2007	9,721,433	2,336,528	7,384,905	60,129,200	29.4
2008	1,253,222	286,273	966,949	61,096,149	29.8

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2009	1,026,722	186,960	839,762	61,935,911	30.2
2010	2,519,558	473,057	2,046,501	63,982,412	31.2
2011	5,739,512	988,219	4,751,293	68,733,705	33.6
2012	20,812,189	4,090,918	16,721,271	85,454,976	41.7
2013	8,333,561	1,293,180	7,040,381	92,495,357	45.2
2014	8,967,895	1,190,887	7,777,008	100,272,365	49.0
2015	13,989,530	1,750,699	12,238,831	112,511,196	54.9
2016	11,263,529	1,250,336	10,013,191	122,524,389	59.8
2017	19,366,580	2,113,577	17,253,003	139,777,394	68.2
2018	10,830,917	903,046	9,927,873	149,705,267	73.1
2019	14,254,106	904,694	13,349,410	163,054,679	79.6
2020	15,094,486	757,711	14,336,775	177,391,454	86.6
2021	3,824,001	139,770	3,684,232	181,075,686	88.4
2022	777,962	17,064	760,898	181,836,584	88.8
2023	23,108,176	122,022	22,986,154	204,822,738	100.0
TOTAL	263,593,143	58,770,410	204,822,732		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1999	34,593.83	23,814	23,758	10,835	11.09	977
2000	29,929.63	20,328	20,281	9,649	11.10	869
2001	10,860.59	7,257	7,240	3,621	11.17	324
2006	3,047.86	1,862	1,858	1,190	11.15	107
2011	5,123.70	2,696	2,690	2,434	11.25	216
2012	171,273.42	86,459	86,257	85,016	11.28	7,537
2013	229,144.31	110,448	110,190	118,954	11.29	10,536
2014	27,559.71	12,595	12,566	14,994	11.29	1,328
2016	22,323.35	8,907	8,886	13,437	11.30	1,189
2017	4,408.24	1,610	1,606	2,802	11.29	248
2023	605,553.94	25,554	25,494	580,060	11.35	51,107
	1,143,818.58	301,530	300,826	842,993		74,438
PICKERING CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2000	12,406.42	8,893	8,872	3,534	9.29	380
2002	26,605.00	18,592	18,549	8,056	9.27	869
2004	50,625.93	34,254	34,174	16,452	9.32	1,765
2008	4,181.56	2,612	2,606	1,576	9.32	169
2011	104,118.31	59,608	59,469	44,650	9.33	4,786
2012	86,411.03	47,699	47,588	38,823	9.33	4,161
2013	63,063.82	33,373	33,295	29,769	9.34	3,187
2014	159,059.78	80,087	79,900	79,160	9.37	8,448
2017	13,060.67	5,348	5,336	7,725	9.37	824
2018	4,105.34	1,517	1,513	2,592	9.38	276
	523,637.86	291,983	291,301	232,337		24,865
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1909	49,095.04	45,531	45,425	3,670	8.96	410
1926	294.63	270	269	25	8.88	3
1931	10,578.47	9,589	9,567	1,012	9.54	106
1932	8,494.38	7,694	7,676	818	9.52	86
1933	7.78	7	7	1	9.50	

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1935	88.39	80	80	9	9.54	1
1937	1,718.62	1,546	1,542	176	9.65	18
1938	1,973.05	1,771	1,767	206	9.73	21
1940	348.33	314	313	35	9.09	4
1943	89.02	80	80	9	9.59	1
1946	326.31	291	290	36	9.46	4
1948	1,695.95	1,511	1,507	188	9.25	20
1949	576.21	511	510	66	9.53	7
1956	5,253.33	4,610	4,599	654	9.42	69
1965	543.47	464	463	81	9.99	8
1970	6,870.80	5,808	5,794	1,076	9.79	110
1971	386.64	325	324	62	10.00	6
1972	34,434.97	28,905	28,837	5,597	9.85	568
1973	3,708.60	3,109	3,102	607	9.74	62
1975	19,785.20	16,410	16,372	3,414	9.98	342
1976	1,004.27	830	828	176	9.97	18
1977	36,425.51	29,978	29,908	6,518	10.00	652
1978	5,978.89	4,897	4,886	1,093	10.06	109
1979	65,345.44	53,505	53,380	11,965	9.85	1,215
1980	4,858.87	3,952	3,943	916	9.98	92
1981	15,647.09	12,702	12,672	2,975	9.85	302
1982	10,836.43	8,724	8,704	2,133	10.05	212
1983	12,442.51	9,978	9,955	2,488	10.01	249
1984	5,128.45	4,092	4,082	1,046	10.00	105
1986	1,494.54	1,177	1,174	320	10.12	32
1987	23,554.81	18,486	18,443	5,112	10.01	511
1988	22,452.53	17,455	17,414	5,038	10.16	496
1989	40,948.71	31,645	31,571	9,378	10.14	925
1990	36,294.14	27,845	27,780	8,514	10.17	837
1993	7,583.43	5,690	5,677	1,907	10.15	188
2002	36,032.66	24,401	24,344	11,689	10.25	1,140
2005	17,420.60	11,215	11,189	6,232	10.24	609
2007	6,598.07	4,072	4,062	2,536	10.24	248
2008	17,131.67	10,303	10,279	6,853	10.27	667
2011	1,742.71	956	954	789	10.28	77
2012	250.53	132	132	119	10.29	12
2013	249,644.40	126,070	125,775	123,869	10.29	12,038
2014	57,890.15	27,776	27,711	30,179	10.30	2,930
2016	1,489.28	627	626	864	10.32	84

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
2017	486.67	188	188	299	10.34	29
2018	45,801.62	15,893	15,856	29,946	10.35	2,893
2020	41,864.50	10,567	10,542	31,322	10.37	3,020
	912,617.67	591,982	590,599	322,019		31,536
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
1969	5,832.14	4,069	4,059	1,773	23.62	75
1972	10,438.14	7,150	7,133	3,305	23.68	140
1973	122.34	83	83	40	24.13	2
1986	325.57	195	195	131	25.00	5
1992	140.54	78	78	63	25.32	2
1993	7,152.11	3,905	3,896	3,256	25.36	128
1994	884.66	475	474	411	25.45	16
1995	1,414.40	746	744	670	25.56	26
1996	13,182.68	6,815	6,799	6,384	25.69	249
2003	93,473.54	41,007	40,911	52,562	26.23	2,004
2006	25,819.68	10,302	10,278	15,542	26.36	590
2007	146.49	56	56	91	26.42	3
2010	4,017.00	1,351	1,348	2,669	26.66	100
2011	32,759.50	10,444	10,420	22,340	26.71	836
2012	61,975.36	18,605	18,562	43,414	26.81	1,619
2013	30,368.86	8,546	8,526	21,843	26.81	815
2014	171,736.28	44,703	44,599	127,138	27.00	4,709
2015	14,506.75	3,477	3,469	11,038	26.96	409
2017	31,252.14	6,054	6,040	25,212	27.06	932
2020	10,227,885.34	1,163,933	1,161,215	9,066,671	27.27	332,478
	10,733,433.52	1,331,994	1,328,883	9,404,551		345,138
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	101,089.88	51,131	51,012	50,078	32.73	1,530
1991	6,402,419.24	3,183,283	3,175,847	3,226,572	32.86	98,191
1992	53,417.08	26,078	26,017	27,400	33.02	830

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1994	62,666.63	29,391	29,322	33,344	33.40	998
1998	6,079.25	2,604	2,598	3,481	34.02	102
1999	1,916.96	803	801	1,116	33.98	33
2007	39,068.88	12,506	12,477	26,592	35.05	759
2008	8,039.27	2,455	2,449	5,590	35.26	159
2011	6,751.09	1,755	1,751	5,000	35.58	141
2012	45,349.71	11,056	11,030	34,320	35.67	962
2014	25,560.39	5,342	5,330	20,231	35.95	563
2016	67,365.00	11,573	11,546	55,819	36.17	1,543
	6,819,723.38	3,337,977	3,330,180	3,489,543		105,811
EDGELY WELL FIELD PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2086						
2011	3,108,840.15	676,173	674,594	2,434,246	44.97	54,130
2013	6,244.57	1,174	1,171	5,073	45.36	112
2015	1,999.62	313	312	1,687	45.85	37
2017	33,096.80	4,087	4,077	29,019	46.13	629
	3,150,181.14	681,747	680,155	2,470,026		54,908
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1910	17,787.78	17,788	17,788			
1914	805.33	805	805			
1926	5,699.28	5,699	5,699			
1929	522.58	523	523			
1931	1,814.57	1,815	1,815			
1932	2,399.10	2,399	2,399			
1937	116.47	116	116			
1938	1,187.29	1,187	1,187			
1939	65.50	66	66			
1940	2,262.86	2,263	2,263			
1944	896.74	884	882	15	1.15	13
1950	6,047.45	5,822	5,808	239	2.84	84
1951	21,646.87	20,872	20,823	824	2.69	306
1952	4,954.26	4,747	4,736	218	3.13	70

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1953	13,538.70	12,886	12,856	683	3.57	191
1954	73,244.91	69,744	69,581	3,664	3.49	1,050
1955	11,417.50	10,793	10,768	650	3.96	164
1956	48,085.03	45,440	45,334	2,751	3.93	700
1957	14,630.06	13,717	13,685	945	4.43	213
1958	53,592.51	50,195	50,077	3,515	4.43	793
1959	1,158.26	1,076	1,073	85	4.94	17
1961	14,083.18	13,027	12,996	1,087	5.07	214
1962	87.74	80	80	8	5.61	1
1963	30,432.19	27,803	27,738	2,694	5.72	471
1964	5,740.00	5,191	5,179	561	6.29	89
1965	10,333.25	9,309	9,287	1,046	6.44	162
1966	13,615.06	12,213	12,184	1,431	6.60	217
1967	805.55	719	717	88	6.79	13
1968	14,703.87	12,975	12,945	1,759	7.40	238
1969	14,577.20	12,790	12,760	1,817	7.61	239
1970	50,972.00	44,448	44,344	6,628	7.85	844
1971	11,906.22	10,251	10,227	1,679	8.48	198
1972	57,195.21	48,896	48,782	8,414	8.74	963
1973	182,628.71	154,942	154,579	28,050	9.02	3,110
1974	23,920.20	20,012	19,965	3,955	9.67	409
1975	114,396.36	94,880	94,658	19,739	9.98	1,978
1976	7,171.04	5,893	5,879	1,292	10.30	125
1977	4,278.51	3,462	3,454	825	10.97	75
1978	180,766.91	144,758	144,419	36,348	11.32	3,211
1979	28,458.49	22,414	22,362	6,097	12.00	508
1980	30,700.51	23,903	23,847	6,853	12.37	554
1981	94,423.22	72,234	72,065	22,358	13.06	1,712
1982	18,781.82	14,186	14,153	4,629	13.45	344
1983	3,684.97	2,731	2,725	960	14.14	68
1984	17,894.33	13,077	13,046	4,848	14.55	333
1985	146,452.15	104,874	104,628	41,824	15.26	2,741
1986	398,381.04	280,859	280,201	118,180	15.69	7,532
1987	185,299.70	127,820	127,521	57,779	16.41	3,521
1988	447,079.10	303,120	302,410	144,669	16.86	8,581
1989	214,451.23	142,052	141,719	72,732	17.58	4,137
1990	115,393.94	74,614	74,439	40,955	18.31	2,237
1991	206,641.18	130,969	130,662	75,979	18.78	4,046
1992	510,001.03	314,875	314,138	195,863	19.52	10,034
1993	503,073.76	302,247	301,539	201,534	20.26	9,947
1994	304,030.11	178,466	178,048	125,982	20.75	6,071

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1995	817,138.04	465,769	464,678	352,460	21.50	16,393
1996	168,825.13	93,327	93,108	75,717	22.25	3,403
1997	56,960.38	30,645	30,573	26,387	22.76	1,159
1998	250,180.24	130,144	129,839	120,341	23.52	5,117
1999	523,289.94	262,796	262,181	261,109	24.28	10,754
2000	530,493.09	256,812	256,211	274,282	25.04	10,954
2001	786,032.67	367,863	367,002	419,031	25.58	16,381
2002	3,742,878.56	1,682,050	1,678,111	2,064,767	26.34	78,389
2003	174,714.72	75,215	75,039	99,676	27.12	3,675
2004	116,800.19	48,052	47,939	68,861	27.90	2,468
2005	830,791.89	325,837	325,074	505,718	28.67	17,639
2006	1,035,981.83	386,214	385,310	650,672	29.45	22,094
2007	667,048.67	235,535	234,983	432,065	30.23	14,293
2008	1,796,270.21	598,517	597,116	1,199,155	31.01	38,670
2009	621,950.12	194,795	194,339	427,611	31.80	13,447
2010	2,100,032.87	618,040	616,593	1,483,440	32.37	45,828
2011	2,242,359.12	613,958	612,520	1,629,839	33.16	49,151
2012	2,252,573.46	569,901	568,567	1,684,007	33.95	49,603
2013	1,697,031.13	393,711	392,789	1,304,242	34.75	37,532
2014	1,120,093.24	236,228	235,675	884,418	35.55	24,878
2015	3,236,401.12	613,622	612,185	2,624,216	36.34	72,213
2016	3,404,655.38	571,982	570,643	2,834,013	37.14	76,306
2017	2,009,456.60	293,783	293,095	1,716,361	37.95	45,227
2018	5,848,123.87	726,922	725,220	5,122,904	38.75	132,204
2019	5,605,608.79	572,893	571,552	5,034,057	39.55	127,283
2020	2,482,180.15	198,078	197,614	2,284,566	40.36	56,605
2021	218,510.48	12,564	12,535	205,976	40.98	5,026
2022	982,403.94	34,188	34,108	948,296	41.60	22,796
2023	749,414.88	8,843	8,822	740,593	41.87	17,688
	50,312,433.54	13,617,211	13,585,402	36,727,031		1,095,700
	73,595,845.69	20,154,424	20,107,346	53,488,500		1,732,396

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.9 2.35

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
1998	70,473.19	40,973	38,208	32,266	18.36	1,757
1999	72,045.30	41,123	38,347	33,698	18.42	1,829
2000	106,079.27	59,330	55,326	50,754	18.52	2,740
2001	200,093.92	109,852	102,438	97,656	18.48	5,284
2002	211,916.64	113,905	106,217	105,700	18.50	5,714
2003	4,013.73	2,106	1,964	2,050	18.56	110
2004	10,588,687.67	5,429,879	5,063,397	5,525,291	18.52	298,342
2005	657,339.95	328,341	306,180	351,160	18.54	18,941
2006	537,187.67	260,429	242,852	294,336	18.60	15,825
2007	813,159.78	382,348	356,542	456,618	18.59	24,563
2008	1,235,494.02	561,161	523,286	712,208	18.63	38,229
2009	156,169.90	68,153	63,553	92,617	18.72	4,947
2010	47,454.18	19,921	18,576	28,878	18.66	1,548
2011	1,222,652.12	489,061	456,052	766,600	18.75	40,885
2012	21,667.96	8,247	7,690	13,978	18.71	747
2013	30.90	11	10	21	18.74	1
2014	205,134.51	68,802	64,158	140,976	18.83	7,487
2015	398,823.82	124,074	115,700	283,124	18.82	15,044
2016	510,649.74	145,535	135,712	374,937	18.82	19,922
2017	713,385.10	182,698	170,367	543,018	18.88	28,762
2018	2,485,518.98	560,485	522,656	1,962,863	18.89	103,910
2019	310,693.50	59,715	55,685	255,009	18.92	13,478
2020	79,565.74	12,420	11,582	67,984	18.92	3,593
2021	1,169,792.01	136,632	127,410	1,042,382	18.91	55,123
2022	395,671.49	29,042	27,082	368,590	18.95	19,451
2023	184,492.90	4,760	4,439	180,054	18.92	9,517
	22,398,193.99	9,239,003	8,615,429	13,782,765		737,749
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1994	537,861.28	364,939	340,308	197,553	13.98	14,131
1998	479,802.35	309,568	288,674	191,128	14.02	13,633
2000	875,971.94	549,585	512,491	363,480	13.96	26,037
2001	20,283.45	12,505	11,661	8,622	14.00	616
2002	134,012.05	81,252	75,768	58,244	13.96	4,172
2004	40,117.93	23,313	21,740	18,378	14.06	1,307
2005	33,073.44	18,786	17,518	15,555	14.07	1,106

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
2006	114,622.40	63,593	59,301	55,322	14.04	3,940
2007	16,114.55	8,695	8,108	8,006	14.08	569
2008	236,207.88	123,749	115,397	120,811	14.09	8,574
2009	1,025,923.57	520,656	485,515	540,409	14.07	38,409
2010	7,377,510.35	3,605,389	3,362,048	4,015,462	14.12	284,381
2011	74,429.97	34,893	32,538	41,892	14.17	2,956
2012	1,926.10	864	806	1,120	14.14	79
2013	14,247.45	6,074	5,664	8,583	14.13	607
2014	106,422.57	42,665	39,785	66,637	14.20	4,693
2015	432,451.34	162,083	151,143	281,308	14.18	19,838
2016	198,583.98	68,670	64,035	134,549	14.19	9,482
2017	1,764,443.45	554,035	516,641	1,247,802	14.20	87,873
2018	3,502,522.04	976,503	910,595	2,591,927	14.22	182,273
2019	570,771.01	137,156	127,899	442,872	14.23	31,122
2020	318,542.83	62,880	58,636	259,907	14.23	18,265
2021	338,715.37	50,536	47,125	291,590	14.25	20,462
2022	2,084.40	198	185	1,900	14.25	133
2023	7,178,050.52	243,336	226,912	6,951,138	14.25	487,799
	25,394,692.22	8,021,923	7,480,494	17,914,198		1,262,457
PICKERING EAST CARBON HOUSE						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1989	843,453.11	421,895	393,420	450,034	34.47	13,056
1991	40,404.36	19,564	18,244	22,161	34.62	640
1992	2,433.79	1,158	1,080	1,354	34.73	39
1993	62,805.82	29,305	27,327	35,479	34.86	1,018
1998	18,268.77	7,640	7,124	11,144	35.48	314
2006	7,228.32	2,353	2,194	5,034	36.26	139
2007	3,352.09	1,045	974	2,378	36.41	65
	977,946.26	482,960	450,363	527,583		15,271

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
1948	156,036.60	122,520	114,251	41,786	20.65	2,024
1949	549.71	430	401	149	20.74	7
1950	80.33	63	59	22	20.84	1
1951	449.19	348	325	125	20.95	6
1952	114.08	88	82	32	21.09	2
1961	27,535.35	20,481	19,099	8,437	21.53	392
1962	437.64	323	301	136	21.83	6
1963	124.00	92	86	38	21.47	2
1967	895.14	647	603	292	21.62	14
1969	179.10	128	119	60	21.83	3
1972	30,617.43	21,444	19,997	10,621	22.03	482
1974	2,752.50	1,894	1,766	986	22.45	44
1976	5,541.42	3,764	3,510	2,031	22.43	91
1977	2,494.43	1,682	1,568	926	22.47	41
1979	4,240.89	2,812	2,622	1,619	22.62	72
1981	5,086.20	3,329	3,104	1,982	22.44	88
1982	3,896.95	2,523	2,353	1,544	22.60	68
1983	14,327.35	9,168	8,549	5,778	22.79	254
1985	431.41	271	253	179	22.85	8
1986	20,694.35	12,882	12,013	8,682	22.74	382
1987	166,551.39	102,129	95,236	71,315	23.02	3,098
1988	19,486.40	11,828	11,030	8,457	22.98	368
1990	14,489.89	8,593	8,013	6,477	22.99	282
1991	8,885.15	5,198	4,847	4,038	23.06	175
1992	20,318.87	11,712	10,922	9,397	23.15	406
1993	21,666.01	12,291	11,461	10,205	23.26	439
1994	31,368.22	17,582	16,395	14,973	23.13	647
1995	25,287.85	13,908	12,969	12,319	23.32	528
1996	77,776.33	42,139	39,295	38,481	23.26	1,654
1997	18,340.99	9,768	9,109	9,232	23.25	397
1998	1,560,145.77	811,588	756,811	803,335	23.52	34,155
2000	116,496.24	58,318	54,382	62,114	23.45	2,649
2001	31,329.21	15,295	14,263	17,067	23.59	723
2002	25,919.57	12,371	11,536	14,384	23.55	611
2003	5,322.83	2,477	2,310	3,013	23.55	128
2004	40,131.01	18,155	16,930	23,201	23.60	983
2006	213,394.33	90,372	84,272	129,122	23.82	5,421
2009	8,638.67	3,269	3,048	5,590	23.82	235
2010	185,804.58	66,964	62,444	123,360	23.96	5,149
2011	22,097.77	7,568	7,057	15,041	24.00	627

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ACCOUNT 304.3 PURIFICATION BUILDINGS

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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2012	655.57	213	199	457	23.96	19
2013	6,007.96	1,829	1,706	4,302	23.98	179
2014	341,314.11	96,626	90,104	251,210	24.06	10,441
2015	252,699.05	65,954	61,503	191,197	24.07	7,943
2016	196,705.97	46,619	43,473	153,233	24.15	6,345
2017	66,795.45	14,154	13,199	53,597	24.17	2,218
2018	7,516,971.96	1,393,647	1,299,585	6,217,387	24.17	257,236
2019	116,785.20	18,289	17,055	99,731	24.24	4,114
2020	98,961.85	12,469	11,627	87,334	24.28	3,597
2021	1,187,310.59	110,657	103,188	1,084,122	24.31	44,596
2022	708,519.95	41,094	38,320	670,200	24.34	27,535
2023	325,012.43	6,565	6,122	318,891	24.31	13,118
	13,707,675.24	3,334,530	3,109,470	10,598,205		440,003
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
1970	19.68	13	12	8	24.62	
1972	325,707.49	219,722	204,892	120,815	24.84	4,864
1973	47,032.31	31,352	29,236	17,796	25.26	705
1974	5,330.27	3,536	3,297	2,033	25.13	81
1975	4,012.32	2,647	2,468	1,544	25.03	62
1979	2,865.71	1,824	1,701	1,165	25.43	46
1981	2,593.66	1,621	1,512	1,082	25.52	42
1982	2,337.42	1,445	1,347	990	25.61	39
1983	18,818.27	11,509	10,732	8,086	25.72	314
1986	60,826.64	36,040	33,608	27,219	25.79	1,055
1992	2,269.28	1,237	1,154	1,116	26.30	42
1993	5,877,886.40	3,155,249	2,942,290	2,935,597	26.32	111,535
1994	37,454.90	19,776	18,441	19,014	26.37	721
1996	18,383.91	9,354	8,723	9,661	26.55	364
1998	8,088.98	3,960	3,693	4,396	26.58	165
2002	31,373.44	13,961	13,019	18,355	26.81	685
2003	20,102.58	8,696	8,109	11,994	26.89	446
2004	40,117.93	16,898	15,757	24,360	26.80	909
2006	112,766.14	44,407	41,410	71,356	26.94	2,649
2007	608.40	231	215	393	26.98	15
2009	50,245.49	17,485	16,305	33,941	27.17	1,249

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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
2010	20,471.76	6,799	6,340	14,132	27.15	521
2011	50,098.89	15,781	14,716	35,383	27.18	1,302
2012	96,591.76	28,659	26,725	69,867	27.26	2,563
2013	2,837.31	787	734	2,103	27.38	77
2014	93,838.36	24,154	22,524	71,315	27.40	2,603
2015	2,431,329.83	574,523	535,746	1,895,583	27.47	69,006
2016	128,413.15	27,545	25,686	102,727	27.47	3,740
2017	230,191.14	43,990	41,021	189,170	27.51	6,876
2018	50,865.46	8,449	7,879	42,987	27.61	1,557
2019	181,876.68	25,463	23,744	158,132	27.65	5,719
2020	2,929,477.14	329,273	307,049	2,622,428	27.65	94,844
2021	60,473.90	5,007	4,669	55,805	27.71	2,014
	12,945,306.60	4,691,393	4,374,754	8,570,553		316,810
PICKERING EAST (PUMP AND TREAT. BLDG.)						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	30,644.19	15,089	14,071	16,574	34.53	480
1991	6,401,975.90	3,099,837	2,890,618	3,511,358	34.62	101,426
1992	171,005.77	81,330	75,841	95,165	34.73	2,740
1994	13,204.18	6,037	5,630	7,575	35.02	216
1996	2,151.80	947	883	1,269	35.00	36
1999	4,026.13	1,647	1,536	2,490	35.38	70
2000	579,796.25	230,295	214,752	365,045	35.67	10,234
2001	5,861.98	2,269	2,116	3,746	35.64	105
2002	25,919.57	9,697	9,043	16,877	35.97	469
2006	179,409.26	58,398	54,457	124,953	36.26	3,446
2009	109,323.30	31,070	28,973	80,350	36.52	2,200
2010	7,759,984.69	2,084,332	1,943,653	5,816,332	36.75	158,268
2011	233,676.97	59,307	55,304	178,373	36.76	4,852
2012	33,852.81	8,057	7,513	26,340	36.81	716
2013	44,291.18	9,815	9,153	35,139	36.89	953
2014	3,179.89	649	605	2,575	37.01	70
2015	456,566.43	85,013	79,275	377,291	37.16	10,153
2016	131,986.78	22,068	20,579	111,408	37.35	2,983
2017	123,698.34	18,332	17,095	106,604	37.36	2,853
2018	99,169.78	12,714	11,856	87,314	37.42	2,333
2019	464,165.70	49,712	46,357	417,809	37.52	11,136

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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING EAST (PUMP AND TREAT. BLDG.)						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
2020	137,452.17	11,683	10,894	126,558	37.65	3,361
2021	265,379.00	16,507	15,393	249,986	37.66	6,638
2023	244,504.48	3,203	2,987	241,518	37.67	6,411
	17,521,226.55	5,918,008	5,518,580	12,002,647		332,149
MEDIA FILTRATION PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1942	61,383.97	53,030	49,451	11,933	12.84	929
1957	123,834.00	102,931	95,984	27,850	13.50	2,063
1964	4,931.00	4,020	3,749	1,182	13.49	88
1983	9,000.00	6,707	6,254	2,746	13.85	198
1985	345,800.00	254,301	237,137	108,663	13.85	7,846
1988	18,280.00	13,173	12,284	5,996	13.76	436
1989	1,450,483.00	1,035,935	966,016	484,467	13.81	35,081
1991	8,185.00	5,746	5,358	2,827	13.80	205
1994	625.00	424	395	230	13.98	16
1995	62,468.35	42,016	39,180	23,288	13.87	1,679
1996	48,340.59	32,040	29,878	18,463	13.99	1,320
1998	110,214.95	71,111	66,311	43,903	14.02	3,131
2001	45,535.69	28,073	26,178	19,357	14.00	1,383
2006	607,419.39	336,996	314,251	293,168	14.04	20,881
2009	299,038.35	151,762	141,519	157,519	14.07	11,195
	3,195,539.29	2,138,265	1,993,946	1,201,593		86,451
BRISTOL WATER TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2060						
1973	419,576.62	264,837	246,962	172,614	29.50	5,851
1986	2,530.00	1,395	1,301	1,229	30.53	40
1992	444,200.00	223,877	208,767	235,433	31.00	7,595
1997	229,978.49	104,824	97,749	132,229	31.64	4,179
2006	611,007.95	214,953	200,445	410,563	32.25	12,731
2007	66,152.17	22,373	20,863	45,289	32.28	1,403
2008	274,465.91	88,927	82,925	191,541	32.34	5,923
2009	1,624,987.45	501,796	467,928	1,157,060	32.45	35,657

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRISTOL WATER TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2060						
2010	240,383.99	70,433	65,679	174,705	32.58	5,362
2011	58,878.59	16,339	15,236	43,642	32.55	1,341
2013	60,206.32	14,606	13,620	46,586	32.79	1,421
2014	71,912.11	16,123	15,035	56,877	32.87	1,730
2015	45,928.39	9,406	8,771	37,157	33.00	1,126
2016	188,291.94	34,872	32,518	155,774	32.99	4,722
2017	8,669,325.65	1,425,237	1,329,042	7,340,283	33.03	222,231
2018	812,351.57	115,679	107,871	704,480	33.11	21,277
2019	108,765.16	12,965	12,090	96,675	33.24	2,908
2020	4,663.11	444	414	4,249	33.26	128
2021	103,133.66	7,219	6,732	96,402	33.21	2,903
2022	126,847.62	5,454	5,086	121,762	33.34	3,652
	14,163,586.70	3,151,759	2,939,035	11,224,552		342,180
INGRAM'S MILL						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2032						
1972	1,761,751.69	1,524,268	1,421,389	340,362	8.02	42,439
1988	30,907.38	25,016	23,328	7,580	8.36	907
1989	235,613.21	190,211	177,373	58,240	8.24	7,068
1990	10,856.31	8,692	8,105	2,751	8.34	330
1995	21,447.72	16,626	15,504	5,944	8.26	720
1996	7,633.60	5,856	5,461	2,173	8.34	261
1998	96,792.11	73,059	68,128	28,664	8.28	3,462
1999	1,508.00	1,123	1,047	461	8.39	55
2002	203,416.92	146,501	136,613	66,804	8.35	8,000
2008	11,913.72	7,737	7,215	4,699	8.37	561
2009	653.71	414	386	268	8.38	32
2020	34,332.05	10,070	9,390	24,942	8.43	2,959
2021	1,777.56	406	379	1,399	8.44	166
2023	121,614.35	6,798	6,339	115,275	8.44	13,658
	2,540,218.33	2,016,777	1,880,657	659,561		80,618

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FERN HILL						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2073						
1998	8,053,827.96	3,162,738	2,949,273	5,104,555	39.44	129,426
1999	5,179.85	1,980	1,846	3,333	39.60	84
2000	6,156.80	2,286	2,132	4,025	39.79	101
2003	5,188.46	1,755	1,637	3,552	40.11	89
2004	1,161.96	381	355	807	40.02	20
2009	45,679.22	11,986	11,177	34,502	40.75	847
2010	17,682.10	4,392	4,096	13,587	40.85	333
2011	262,897.54	61,465	57,317	205,581	40.97	5,018
2012	4,739.42	1,036	966	3,773	41.13	92
2014	3,905.87	727	678	3,228	41.52	78
2015	2,515.53	428	399	2,116	41.50	51
2016	42,579.73	6,481	6,044	36,536	41.76	875
2017	16,062.48	2,162	2,016	14,046	41.81	336
2019	2,637.33	255	238	2,400	42.01	57
	8,470,214.25	3,258,072	3,038,173	5,432,041		137,407
BEAR GAP TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	5,454,732.85	3,202,474	2,986,327	2,468,406	20.04	123,174
1996	23,854.42	13,776	12,846	11,008	20.12	547
2002	25,919.57	13,374	12,471	13,448	20.17	667
2005	4,386.36	2,094	1,953	2,434	20.26	120
2006	141,778.80	65,502	61,081	80,698	20.38	3,960
2012	19,334.92	6,937	6,469	12,866	20.55	626
	5,670,006.92	3,304,157	3,081,147	2,588,860		129,094
SHENANGO VALLEY TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	25,130,411.99	9,212,809	8,591,003	16,539,409	40.60	407,375
2001	237,134.95	84,301	78,611	158,524	40.79	3,886
2002	577,788.61	198,759	185,344	392,445	41.00	9,572
2003	3,942.90	1,309	1,221	2,722	41.23	66
2010	75,885.32	18,440	17,195	58,690	42.06	1,395
2011	322,395.53	73,764	68,785	253,610	42.14	6,018

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SHENANGO VALLEY TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2075						
2012	2,213,102.94	473,383	441,433	1,771,670	42.26	41,923
2013	5,621.61	1,115	1,040	4,582	42.41	108
2014	13,533.27	2,468	2,301	11,232	42.58	264
2015	25,014.94	4,147	3,867	21,148	42.78	494
2016	234,113.35	34,766	32,420	201,694	43.01	4,689
2017	129,006.84	16,939	15,796	113,211	43.00	2,633
2018	626,246.21	70,954	66,165	560,081	43.04	13,013
2019	2,682,817.75	252,185	235,164	2,447,654	43.35	56,463
2020	142,068.61	10,641	9,923	132,146	43.23	3,057
2021	64,490.00	3,515	3,278	61,212	43.37	1,411
2022	108,390.86	3,609	3,365	105,025	43.55	2,412
2023	13,882.33	158	147	13,735	43.55	315
	32,605,848.01	10,463,262	9,757,058	22,848,790		555,094
INGRAM'S MILL PLANT- NEW						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2077						
2002	25,320,902.96	8,601,511	8,020,963	17,299,940	41.79	413,973
2005	58,508.17	17,751	16,553	41,955	42.48	988
2006	607,419.40	176,455	164,545	442,874	42.74	10,362
2011	12,470.68	2,791	2,603	9,868	43.36	228
2012	4,813.60	1,007	939	3,875	43.45	89
2013	895.98	174	162	734	43.56	17
2014	35,133.40	6,275	5,851	29,282	43.69	670
2015	71,561.83	11,622	10,838	60,724	43.85	1,385
2016	567,643.98	82,592	77,018	490,626	44.05	11,138
2017	246,119.54	31,503	29,377	216,743	44.26	4,897
2018	417,036.15	46,124	43,011	374,025	44.25	8,453
2019	22,930.07	2,114	1,971	20,959	44.28	473
2020	25,193.53	1,834	1,710	23,483	44.58	527
2023	35,037.24	389	363	34,674	44.55	778
	27,425,666.53	8,982,142	8,375,904	19,049,763		453,978

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BUBBLING SPRINGS PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2065						
2004	4,403.54	1,563	1,458	2,946	35.45	83
2005	1,290,445.00	441,590	411,785	878,660	35.56	24,709
2006	43,718.55	14,383	13,412	30,306	35.69	849
2007	13,919.80	4,388	4,092	9,828	35.85	274
2008	15,507.39	4,686	4,370	11,138	35.78	311
2010	4,008,460.96	1,093,107	1,019,329	2,989,132	36.00	83,031
	5,376,455.24	1,559,717	1,454,446	3,922,009		109,257
EMLENTON						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2070						
2010	3,581,595.32	918,679	856,674	2,724,922	39.13	69,638
2011	11,411.03	2,752	2,566	8,845	39.32	225
2013	7,070.06	1,485	1,385	5,685	39.50	144
2016	6,228.85	985	919	5,310	39.90	133
2018	7,048.68	849	792	6,257	40.16	156
2023	12,105.50	148	138	11,967	40.32	297
	3,625,459.44	924,898	862,473	2,762,986		70,593
EAGLE ROCK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2079						
2019	4,350,753.17	391,568	365,139	3,985,614	45.50	87,596
2022	53,682.56	1,707	1,592	52,091	45.67	1,141
	4,404,435.73	393,275	366,731	4,037,705		88,737
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
1944	4,079.11	3,729	3,477	602	7.46	81
1948	22,570.65	20,277	18,908	3,662	8.54	429
1960	3,752.51	3,121	2,910	842	12.84	66
1961	30,228.45	24,938	23,255	6,974	13.26	526
1962	10,986.40	8,987	8,380	2,606	13.68	190
1966	6,950.09	5,515	5,143	1,807	14.96	121

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
1971	250.00	189	176	74	16.94	4
1975	800.35	582	543	258	18.17	14
1977	3,001.15	2,135	1,991	1,010	18.86	54
1978	47,516.01	33,508	31,246	16,270	19.02	855
1979	5,149.07	3,574	3,333	1,816	19.60	93
1980	25,557.54	17,566	16,380	9,177	19.79	464
1981	11,906.46	8,096	7,550	4,357	20.00	218
1982	2,467.84	1,649	1,538	930	20.61	45
1983	6,696.99	4,421	4,123	2,574	20.85	123
1984	68,966.13	44,952	41,918	27,048	21.10	1,282
1985	221,608.95	142,495	132,877	88,731	21.38	4,150
1986	72,074.89	45,681	42,598	29,477	21.67	1,360
1987	105,416.38	65,801	61,360	44,057	21.98	2,004
1988	16,306.68	10,016	9,340	6,967	22.30	312
1989	203,757.62	123,029	114,725	89,032	22.64	3,933
1990	103,271.65	61,240	57,107	46,165	22.99	2,008
1992	69,392.22	39,567	36,896	32,496	23.75	1,368
1994	211,650.08	116,132	108,294	103,356	24.26	4,260
1995	33,784.08	18,102	16,880	16,904	24.69	685
1996	48,802.24	25,631	23,901	24,901	24.86	1,002
1997	328,453.51	168,858	157,461	170,992	25.05	6,826
1998	680,994.08	340,361	317,389	363,605	25.52	14,248
1999	41,713.37	20,339	18,966	22,747	25.75	883
2000	209,669.40	99,530	92,812	116,857	26.00	4,494
2001	87,469.11	40,341	37,618	49,851	26.28	1,897
2002	99,650.24	44,564	41,556	58,094	26.58	2,186
2003	4,826.88	2,088	1,947	2,880	26.89	107
2004	131,962.75	55,068	51,351	80,611	27.23	2,960
2005	229,717.41	92,645	86,392	143,325	27.37	5,237
2006	107,276.31	41,494	38,693	68,583	27.75	2,471
2007	1,197,451.32	444,494	414,493	782,958	27.95	28,013
2008	56,874.26	20,099	18,742	38,132	28.36	1,345
2009	97,277.53	32,724	30,515	66,762	28.60	2,334
2010	908,367.35	290,678	271,059	637,308	28.69	22,214
2011	6,457,006.30	1,944,850	1,813,585	4,643,421	29.00	160,118
2012	5,356,799.42	1,509,546	1,407,661	3,949,138	29.31	134,737
2013	1,021,558.31	268,159	250,060	771,498	29.50	26,152
2014	3,804,599.25	921,474	859,280	2,945,319	29.72	99,102
2015	2,898,444.18	642,875	599,485	2,298,959	29.82	77,095
2016	2,427,685.10	484,323	451,634	1,976,051	30.09	65,671
2017	3,688,108.93	652,058	608,048	3,080,061	30.26	101,787

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
2018	4,699,476.28	720,900	672,244	4,027,232	30.34	132,737
2019	4,851,263.01	624,358	582,218	4,269,045	30.47	140,106
2020	2,635,861.21	270,439	252,186	2,383,675	30.63	77,822
2021	8,322,094.28	628,318	585,911	7,736,184	30.61	252,734
2022	6,890,696.91	322,485	300,719	6,589,978	30.55	215,711
2023	1,349,679.47	21,865	20,389	1,329,290	30.36	43,784
	59,921,919.71	11,535,866	10,757,269	49,164,651		1,648,418
	260,344,391.01	79,416,007	74,055,929	186,288,462		6,806,266
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					27.4	2.61

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2051						
1986	1,092,765.18	737,616	828,341	264,424	18.06	14,641
1987	31,284.20	20,782	23,338	7,946	18.45	431
1988	220,634.58	143,324	160,952	59,682	19.15	3,117
1989	1,995.51	1,281	1,439	557	19.26	29
1990	21,197.95	13,350	14,992	6,206	19.69	315
1991	53,668.54	33,140	37,216	16,452	20.13	817
1992	30,003.53	18,146	20,378	9,626	20.58	468
1993	156,084.26	92,839	104,258	51,826	20.78	2,494
1994	74,535.47	43,320	48,648	25,887	21.26	1,218
1995	44,088.54	25,130	28,221	15,868	21.50	738
1996	79,962.64	44,419	49,882	30,080	22.00	1,367
1997	293,404.64	159,377	178,980	114,425	22.28	5,136
1998	112,351.05	59,591	66,921	45,431	22.58	2,012
1999	144,547.46	75,078	84,312	60,235	22.67	2,657
2000	174,755.89	88,287	99,146	75,610	23.01	3,286
2001	12,856.91	6,336	7,115	5,742	23.16	248
2002	1,739,438.24	830,234	932,351	807,088	23.55	34,271
2003	105,936.03	49,080	55,117	50,819	23.75	2,140
2004	1,494,825.79	670,429	752,890	741,936	23.98	30,940
2005	3,569,426.63	1,551,987	1,742,877	1,826,549	24.05	75,948
2006	7,510,856.15	3,141,040	3,527,380	3,983,476	24.34	163,660
2007	2,246,326.59	904,371	1,015,606	1,230,720	24.48	50,275
2008	1,295,713.32	500,145	561,662	734,052	24.66	29,767
2009	1,715,844.48	631,946	709,674	1,006,171	24.87	40,457
2010	495,745.97	174,007	195,409	300,337	24.96	12,033
2011	13,400.44	4,438	4,984	8,417	25.24	333
2012	13,617.01	4,259	4,783	8,834	25.26	350
2013	120,917.50	35,296	39,637	81,280	25.47	3,191
2014	176,368.69	47,761	53,635	122,733	25.59	4,796
2015	1,008,252.03	251,055	281,934	726,318	25.63	28,339
2016	421,973.53	94,944	106,622	315,352	25.83	12,209
2017	7,961,860.81	1,598,742	1,795,383	6,166,478	25.86	238,456
2018	5,586,313.39	977,046	1,097,220	4,489,093	25.95	172,990
2019	12,138,683.56	1,786,814	2,006,587	10,132,096	26.08	388,501
2020	240,027.22	28,395	31,888	208,140	26.09	7,978
2021	12,208,359.56	1,064,569	1,195,508	11,012,851	26.15	421,142
2022	3,032.05	164	184	2,848	26.20	109
2023	110,296.23	2,074	2,329	107,967	26.03	4,148
	62,721,351.57	15,910,812	17,867,801	44,853,551		1,761,007

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GREAT VALLEY OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2038						
1997	3,295.37	2,183	2,452	844	13.50	63
1998	12,523.31	8,175	9,181	3,343	13.56	247
1999	174,041.85	111,717	125,458	48,584	13.67	3,554
2000	76,486.71	48,355	54,303	22,184	13.67	1,623
2001	128,585.01	79,851	89,672	38,913	13.73	2,834
2002	117,977.54	72,037	80,897	37,080	13.71	2,705
2004	3,525.77	2,063	2,317	1,209	13.83	87
2006	1,311.30	730	820	492	13.95	35
2008	40,965.08	21,523	24,170	16,795	14.00	1,200
2009	14,891.86	7,558	8,488	6,404	14.07	455
2010	114,153.99	55,787	62,649	51,505	14.12	3,648
2011	243,467.12	114,430	128,505	114,963	14.10	8,153
2012	1,530.00	686	770	760	14.14	54
2013	2,708.44	1,152	1,294	1,415	14.19	100
2014	2,802.94	1,124	1,262	1,541	14.20	109
2015	536,590.31	200,685	225,369	311,222	14.23	21,871
2016	120,550.65	41,590	46,705	73,845	14.24	5,186
2017	39,407.86	12,346	13,865	25,543	14.25	1,792
2018	75,018.09	20,878	23,446	51,572	14.26	3,617
2019	35,409.81	8,477	9,520	25,890	14.30	1,810
2020	9,055.80	1,781	2,000	7,056	14.29	494
2021	10,229.65	1,522	1,709	8,520	14.31	595
	1,764,528.46	814,650	914,850	849,678		60,232
UTMA, BELL TAVERN OFFICE						
FULLY ACCRUED						
2003	5,127.76	5,128	5,128			
	5,127.76	5,128	5,128			
EASTERN DIVISION OPERATIONS CENTER						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	3,219,891.02	1,954,474	2,195,055	1,024,836	18.45	55,547
1996	321,193.63	191,688	215,283	105,910	18.58	5,700
1997	35.77	21	24	12	18.75	1

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
EASTERN DIVISION OPERATIONS CENTER						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2045						
1998	5,353.18	3,072	3,450	1,903	18.94	100
1999	22,850.40	12,876	14,461	8,389	18.98	442
2000	18,353.25	10,092	11,334	7,019	19.24	365
2002	131,885.13	69,187	77,703	54,182	19.48	2,781
2003	55,004.03	28,190	31,660	23,344	19.50	1,197
2004	47.68	24	27	21	19.72	1
2005	7,947.42	3,837	4,309	3,638	19.82	184
2006	372,116.31	173,853	195,253	176,863	19.96	8,861
2008	90,845.90	39,572	44,443	46,403	20.09	2,310
2009	9,183.22	3,835	4,307	4,876	20.22	241
2010	1,500.05	599	673	827	20.28	41
2011	306,105.94	116,320	130,638	175,468	20.39	8,606
2012	47,118.06	16,963	19,051	28,067	20.45	1,372
2013	69,478.95	23,567	26,468	43,011	20.46	2,102
2014	50,647.86	16,025	17,998	32,650	20.53	1,590
2015	189,077.22	55,135	61,922	127,156	20.65	6,158
2016	16,476.58	4,386	4,926	11,551	20.67	559
2017	38,145.67	9,102	10,222	27,923	20.75	1,346
2018	11,594.87	2,430	2,729	8,866	20.75	427
2019	21,928.93	3,899	4,379	17,550	20.82	843
2020	29,679.96	4,268	4,793	24,887	20.83	1,195
2021	204,295.99	21,860	24,551	179,745	20.86	8,617
2022	1,275,929.70	85,487	96,010	1,179,920	20.87	56,537
2023	8,782.69	206	231	8,551	20.78	412
	6,525,469.41	2,850,968	3,201,901	3,323,568		167,535
GLENSIDE BUILDING						
FULLY ACCRUED						
1957	16,729.16	16,729	16,729			
	16,729.16	16,729	16,729			
SHAMOKIN OFFICE BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
1979	1,956.93	1,898	1,957			
1981	751.41	725	751			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
SHAMOKIN OFFICE BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
1984	7,087.46	6,831	7,087			
1985	4,503.74	4,335	4,504			
1986	15,680.45	15,113	15,680			
1989	5,533.35	5,307	5,533			
1990	743,356.45	712,210	743,356			
1991	35,970.37	34,370	35,970			
1992	8,819.93	8,418	8,820			
1993	27,286.97	26,048	27,287			
1994	30,495.03	29,056	30,495			
1995	6,910.36	6,558	6,910			
1996	50,618.27	48,027	50,618			
1997	28,222.30	26,698	28,222			
1998	19,875.74	18,753	19,876			
2000	28,400.84	26,697	28,401			
2001	68,390.99	64,164	68,391			
2002	79,929.91	74,750	79,930			
2003	15,044.05	14,033	15,044			
2004	27,422.58	25,454	27,423			
2005	46,930.64	43,411	46,931			
2006	5,742.42	5,286	5,742			
2007	53,705.39	49,269	53,705			
2008	14,326.12	13,057	14,326			
2009	12,869.26	11,662	12,869			
2010	183,782.88	165,478	183,783			
2011	442.90	395	443			
2013	4,584.80	4,010	4,585			
	1,528,641.54	1,442,013	1,528,642			
BUTLER BUILDING						
FULLY ACCRUED						
2006	1,827.34	1,827	1,827			
	1,827.34	1,827	1,827			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
WHITE HAVEN OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2027						
1977	98,502.03	92,060	98,502			
2007	19,308.81	15,930	18,683	626	3.50	179
2008	101,333.87	82,770	97,074	4,260	3.48	1,224
2010	963,471.56	766,153	898,556	64,916	3.48	18,654
2011	6,683.78	5,221	6,123	561	3.50	160
2012	2,277.62	1,747	2,049	229	3.49	66
2013	695.74	522	612	84	3.49	24
2015	1,384.63	982	1,152	233	3.49	67
2016	8,363.92	5,708	6,694	1,669	3.49	478
2017	3,926.93	2,555	2,997	930	3.49	266
	1,205,948.89	973,648	1,132,442	73,507		21,118
OAKLAND BEACH						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
1997	51,750.88	44,299	51,523	227	4.46	51
1998	7,820.00	6,660	7,746	74	4.44	17
2009	1,246.99	953	1,108	139	4.47	31
	60,817.87	51,912	60,378	440		99
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1989	22,705.86	22,404	22,706			
2002	22,713.32	22,218	22,713			
2008	1,334.47	1,293	1,334			
2009	348,869.51	337,427	348,870			
2010	964.25	929	964			
2011	3,027.06	2,910	3,027			
2014	4,677.08	4,443	4,677			
2016	16,824.58	15,773	16,825			
2017	1,530.77	1,422	1,531			
2019	213,786.51	192,408	213,787			
2023	330,390.78	165,195	254,986	75,405	0.50	75,405
	966,824.19	766,422	891,419	75,405		75,405

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1973	6,738.00	5,717	6,649	89	9.02	10
1981	1,800.00	1,377	1,602	198	13.06	15
2009	51,640.37	16,174	18,812	32,829	31.80	1,032
2010	38,074.67	11,205	13,032	25,042	32.37	774
2011	117,163.83	32,079	37,311	79,853	33.16	2,408
2012	107,696.89	27,247	31,691	76,006	33.95	2,239
2013	141,001.41	32,712	38,047	102,954	34.75	2,963
2014	797.55	168	195	602	35.55	17
2015	221,543.46	42,005	48,856	172,688	36.34	4,752
2016	239,916.45	40,306	46,880	193,037	37.14	5,198
2017	490,461.57	71,705	83,400	407,062	37.95	10,726
2018	390,169.52	48,498	56,408	333,762	38.75	8,613
2019	1,899,272.80	194,106	225,763	1,673,510	39.55	42,314
2020	106,873.25	8,528	9,919	96,954	40.36	2,402
2021	88,532.23	5,091	5,921	82,611	40.98	2,016
2023	3,685.07	43	50	3,635	41.87	87
	3,905,367.07	536,961	624,535	3,280,832		85,566
	78,702,633.26	23,371,070	26,245,652	52,456,981		2,170,962

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.2 2.76

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
2004	5,312.35	4,931	5,312			
2006	6,572.82	6,050	6,573			
	11,885.17	10,981	11,885			
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
2004	3,866.29	3,589	3,866			
	3,866.29	3,589	3,866			
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1909	1,889.70	1,890	1,890			
1971	634.85	543	607	28	8.85	3
1981	1,982.15	1,617	1,806	176	9.58	18
1989	688.44	534	597	92	9.95	9
1993	10,948.11	8,248	9,214	1,734	9.98	174
2000	30,704.27	21,432	23,942	6,762	10.17	665
2002	13,273.65	8,989	10,042	3,232	10.25	315
2004	23,957.89	15,697	17,535	6,423	10.26	626
2017	2,238.92	860	961	1,278	10.42	123
	86,317.98	59,810	66,593	19,725		1,933
IRONWORKS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1955	183.83	183	184			
1994	23,915.98	23,495	23,916			
1995	1,368.26	1,345	1,368			
2002	5,352.67	5,236	5,353			
	30,820.74	30,259	30,821			

AQUA PENNSYLVANIA, INC.
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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2033						
1993	25,266.00	19,419	21,633	3,633	9.18	396
1994	2,727.12	2,084	2,322	406	9.11	45
1997	2,414.77	1,792	1,996	418	9.21	45
1999	46,457.24	33,691	37,532	8,925	9.28	962
2001	1,267.90	899	1,001	266	9.24	29
2004	20,209.87	13,674	15,233	4,977	9.32	534
2005	502.49	334	372	130	9.35	14
2012	13,769.40	7,569	8,432	5,337	9.42	567
2017	5,574.48	2,276	2,535	3,039	9.42	323
2019	20,577.40	6,638	7,395	13,183	9.45	1,395
	138,766.67	88,376	98,452	40,315		4,310
GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2031						
1997	197.43	155	173	25	7.28	3
1999	175,296.52	134,856	150,232	25,065	7.35	3,410
2002	53,481.21	39,785	44,321	9,160	7.40	1,238
2003	12,557.70	9,216	10,267	2,291	7.43	308
2004	7,027.93	5,098	5,679	1,349	7.38	183
2006	5,234.04	3,673	4,092	1,142	7.44	153
2007	119.77	83	92	27	7.42	4
2009	16,517.38	10,921	12,166	4,351	7.43	586
2014	13,877.40	7,778	8,665	5,213	7.45	700
2015	2,301.17	1,227	1,367	934	7.45	125
2016	9,397.67	4,708	5,245	4,153	7.47	556
2017	15,510.86	7,219	8,042	7,469	7.47	1,000
	311,519.08	224,719	250,341	61,178		8,266
SPRINGFIELD OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1984	2,119,924.59	1,490,519	1,660,721	459,204	16.68	27,530
1985	24,926.45	17,369	19,352	5,574	16.75	333
1987	32,825.75	22,285	24,830	7,996	17.26	463

AQUA PENNSYLVANIA, INC.
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGFIELD OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1988	3,596.76	2,413	2,689	908	17.41	52
1990	57,617.76	37,636	41,934	15,684	17.78	882
1991	3,149.64	2,037	2,270	880	17.75	50
1992	15,524.86	9,878	11,006	4,519	18.00	251
1993	8,731.17	5,486	6,112	2,619	18.04	145
1994	2,926.47	1,804	2,010	916	18.34	50
1996	7,830.00	4,673	5,207	2,623	18.58	141
1997	170,386.68	100,238	111,684	58,703	18.55	3,165
1998	13,639.55	7,860	8,758	4,882	18.75	260
1999	2,881,392.86	1,630,868	1,817,096	1,064,297	18.79	56,642
2000	8,077.34	4,480	4,992	3,086	18.87	164
2002	11,385.36	6,022	6,710	4,676	19.15	244
2003	2,415.62	1,248	1,391	1,025	19.18	53
2004	995.67	501	558	437	19.26	23
2005	49,658.55	24,253	27,022	22,636	19.38	1,168
2006	87,210.78	41,355	46,077	41,133	19.40	2,120
2007	36,096.70	16,558	18,449	17,648	19.47	906
2008	8,508.23	3,759	4,188	4,320	19.59	221
2009	279,692.47	118,813	132,380	147,312	19.63	7,504
2010	116,736.74	47,594	53,029	63,708	19.61	3,249
2011	477,915.43	185,192	206,339	271,576	19.76	13,744
2012	1,027.24	378	421	606	19.75	31
2014	7,851.99	2,544	2,834	5,017	19.82	253
2015	54,058.24	16,174	18,021	36,037	19.91	1,810
2017	17,551.19	4,312	4,804	12,747	19.96	639
2018	22,673.05	4,888	5,446	17,227	20.01	861
	6,524,327.14	3,811,137	4,246,329	2,277,998		122,954
MEDIA - OLD GARAGE						
FULLY ACCRUED						
1964	28,863.00	28,863	28,863			
1984	6,366.00	6,366	6,366			
1989	175.00	175	175			
1995	9,492.30	9,492	9,492			
	44,896.30	44,896	44,896			

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MEDIA - NEW GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1984	247,793.00	198,680	222,980	24,813	9.76	2,542
1985	42,277.00	33,695	37,816	4,461	9.81	455
1990	16,940.00	13,052	14,648	2,292	9.98	230
2008	11,286.60	6,770	7,598	3,689	10.34	357
	318,296.60	252,197	283,043	35,254		3,584
COMMERCE STREET GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
1971	2,806.83	2,726	2,807			
1972	281.95	274	282			
1973	68.38	66	68			
1974	110.62	107	111			
1986	9,876.02	9,481	9,876			
1987	13,215.15	12,687	13,215			
1988	475.94	456	476			
1990	3,345.30	3,205	3,345			
2014	5,983.57	5,167	5,984			
	36,163.76	34,169	36,164			
FENCE AT PIPE YARD - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2022						
2008	10,521.68	10,522	10,522			
	10,521.68	10,522	10,522			
GARAGE AND TOOL HOUSE AT RESERVOIR NO. 6						
FULLY ACCRUED						
1907	2,822.87	2,823	2,823			
1987	8,590.29	8,590	8,590			

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GARAGE AND TOOL HOUSE AT RESERVOIR NO. 6						
FULLY ACCRUED						
1988	880.00	880	880			
1989	10,152.56	10,153	10,153			
2011	2,309.51	2,310	2,309			
	24,755.23	24,756	24,755			
BUILDING AT RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2021						
1921	641.37	641	641			
1981	10,140.88	10,141	10,141			
2008	13,047.53	13,048	13,048			
	23,829.78	23,830	23,830			
SHENANGO VALLEY TREATMENT PLANT GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	450,000.00	188,235	217,774	232,226	32.68	7,106
2003	6,824.44	2,532	2,929	3,895	34.75	112
2008	4,603.80	1,342	1,553	3,051	37.69	81
	461,428.24	192,109	222,256	239,172		7,299
WAYMART GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1992	925.00	702	812	113	9.99	11
2003	5,910.45	3,938	4,556	1,354	10.27	132
2010	3,950.45	2,234	2,585	1,366	10.37	132
	10,785.90	6,874	7,953	2,833		275

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WESTERN UTILITIES						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2046						
1997	235.55	134	155	81	20.23	4
1998	44.80	25	29	16	20.16	1
2000	8,540.51	4,556	5,271	3,270	20.56	159
2008	17,418.79	7,344	8,496	8,923	21.26	420
	26,239.65	12,059	13,951	12,289		584
FAWN LAKE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2040						
1990	29,050.03	20,143	23,304	5,746	14.81	388
1991	22,891.42	15,699	18,163	4,729	14.89	318
1992	140.00	95	110	30	15.01	2
1993	4,907.00	3,278	3,792	1,115	15.16	74
1994	9,557.62	6,316	7,307	2,250	15.14	149
1995	14,955.84	9,718	11,243	3,713	15.36	242
	81,501.91	55,249	63,919	17,583		1,173
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
2011	5,868.00	5,640	5,868			
	5,868.00	5,640	5,868			
	8,151,790.12	4,891,172	5,445,444	2,706,347		150,378
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					18.0	1.84

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2051						
1971	11,059.91	9,406	10,505	555	9.23	60
1990	827.32	574	641	186	14.81	13
1991	24.02	16	18	6	15.12	
1992	13,867.77	9,305	10,392	3,476	15.45	225
1993	3,440.41	2,267	2,532	909	15.80	58
1994	2,175.88	1,406	1,570	606	16.16	38
1995	1,056.10	671	749	307	16.34	19
2004	20,592.03	10,321	11,527	9,065	19.41	467
2008	3,915,511.54	1,675,056	1,870,774	2,044,738	20.73	98,637
2009	5,227,966.51	2,129,874	2,378,734	2,849,233	21.09	135,099
2010	1,438,903.31	555,561	620,474	818,429	21.47	38,120
2011	391,169.74	142,777	159,459	231,710	21.75	10,653
2012	122,346.81	41,928	46,827	75,520	22.06	3,423
2013	188,260.58	60,093	67,114	121,146	22.39	5,411
2014	154,291.08	45,439	50,748	103,543	22.76	4,549
2015	93,691.65	25,241	28,190	65,501	23.05	2,842
2016	24,784.68	6,023	6,727	18,058	23.36	773
2017	3,617.04	778	869	2,748	23.71	116
2018	495,571.80	92,375	103,168	392,403	24.00	16,350
2022	345,905.05	19,509	21,788	324,117	25.10	12,913
2023	9,617,557.27	186,581	208,382	9,409,176	25.34	371,317
	22,072,620.50	5,015,201	5,601,190	16,471,430		701,083
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2029						
2004	20.70	16	18	3	5.32	1
2005	4,312.86	3,351	3,743	570	5.31	107
2006	6,455.14	4,948	5,526	929	5.33	174
2008	16,879.35	12,531	13,995	2,884	5.38	536
2011	34,133.88	23,808	26,590	7,544	5.42	1,392
2012	80,600.22	54,776	61,176	19,424	5.42	3,584
2017	7,644.65	4,154	4,639	3,005	5.46	550
	150,046.80	103,584	115,687	34,360		6,344

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GREEN LANE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1985	35,032.39	28,460	31,785	3,247	8.89	365
1992	10,660.99	8,194	9,151	1,510	9.48	159
2008	15,867.06	9,371	10,466	5,401	10.75	502
2013	15,635.25	7,617	8,507	7,128	11.05	645
2014	9,444.14	4,360	4,869	4,575	11.08	413
2015	10,126.15	4,381	4,893	5,233	11.15	469
2016	41,004.32	16,451	18,373	22,631	11.19	2,022
2017	17,757.04	6,510	7,271	10,486	11.23	934
2018	7,043.05	2,313	2,583	4,460	11.25	396
2019	3,694.93	1,052	1,175	2,520	11.30	223
2021	6,062.29	1,092	1,220	4,843	11.37	426
	172,327.61	89,801	100,294	72,034		6,554
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1976	911.98	788	880	32	7.45	4
1984	1,635.12	1,350	1,508	127	8.34	15
1987	12,373.44	10,026	11,197	1,176	8.55	138
1988	288.24	232	259	29	8.56	3
1992	1,454.78	1,136	1,269	186	8.82	21
1993	12,466.00	9,619	10,743	1,723	9.03	191
2007	398.21	249	278	120	9.88	12
2011	5,798.75	3,211	3,586	2,213	10.07	220
2013	58,121.06	29,537	32,988	25,133	10.16	2,474
2014	4,487.15	2,165	2,418	2,069	10.19	203
2015	4,599.07	2,088	2,332	2,267	10.23	222
2017	98,741.58	38,252	42,721	56,020	10.28	5,449
2018	168,520.69	58,578	65,422	103,098	10.32	9,990
2019	41,868.20	12,699	14,183	27,685	10.34	2,677
2020	40,611.63	10,250	11,448	29,164	10.37	2,812
2021	44,247.35	8,575	9,577	34,670	10.40	3,334
2022	17,438.17	2,194	2,450	14,988	10.42	1,438
2023	2,630,115.32	120,196	134,240	2,495,875	10.44	239,068
	3,144,076.74	311,145	347,500	2,796,577		268,271

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IRONWORKS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2028						
1943	2,087.84	2,034	2,088			
1945	278.82	269	279			
1964	257.05	242	257			
1968	1,492.97	1,400	1,493			
1969	2,353.57	2,206	2,354			
1975	934.99	866	935			
2005	77,566.84	62,705	70,105	7,462	4.38	1,704
2007	54,601.02	43,064	48,146	6,455	4.42	1,460
2008	3,875.38	3,015	3,371	505	4.42	114
2013	23,279.99	16,352	18,282	4,998	4.45	1,123
2014	58,108.85	39,526	44,191	13,918	4.47	3,114
2015	129,020.44	84,560	94,539	34,481	4.47	7,714
2016	94,671.74	59,283	66,279	28,392	4.48	6,338
2017	22,157.22	13,122	14,671	7,487	4.48	1,671
2019	75,742.72	37,932	42,409	33,334	4.49	7,424
2020	18,890.99	8,278	9,255	9,636	4.49	2,146
	565,320.43	374,854	418,653	146,667		32,808
GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1987	86,760.91	67,136	74,980	11,781	10.67	1,104
1988	799,825.00	613,306	684,966	114,859	10.80	10,635
1989	334,259.13	253,703	283,346	50,913	10.95	4,650
1990	11,395.05	8,590	9,594	1,801	10.94	165
1991	163,258.18	121,497	135,693	27,565	11.17	2,468
1994	10,974.15	7,899	8,822	2,152	11.48	187
1998	13,527.87	9,176	10,248	3,280	12.09	271
2004	6,630.64	4,008	4,476	2,154	12.76	169
2007	1,466,564.73	817,903	913,469	553,096	13.09	42,253
2009	71,575.33	37,362	41,727	29,848	13.28	2,248
2011	7,735.00	3,722	4,157	3,578	13.48	265
2013	131,495.23	57,161	63,840	67,655	13.65	4,956
2014	67,317.94	27,560	30,780	36,538	13.70	2,667
2015	244,805.00	93,222	104,114	140,691	13.82	10,180
2016	10,894.05	3,824	4,271	6,623	13.87	478
2018	6,172.54	1,738	1,941	4,231	14.03	302
2020	17,732.76	3,518	3,929	13,804	14.14	976

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GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
2021	176,532.27	26,445	29,535	146,997	14.19	10,359
2022	6,199.92	590	659	5,541	14.25	389
2023	44,163.48	1,493	1,667	42,496	14.29	2,974
	3,677,819.18	2,159,853	2,412,215	1,265,604		97,696
FOXCROFT QUARRY						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2031						
1986	478,038.53	406,906	454,450	23,589	6.56	3,596
1987	5,025.24	4,273	4,772	253	6.42	39
1989	39,871.32	33,428	37,334	2,538	6.65	382
1990	59,724.13	49,822	55,643	4,081	6.66	613
1991	1,490.13	1,235	1,379	111	6.71	17
1992	5,813.08	4,798	5,359	454	6.67	68
1996	12,378.00	9,905	11,062	1,316	6.87	192
1998	48,707.86	38,255	42,725	5,983	6.97	858
2003	22,845.91	16,954	18,935	3,911	7.12	549
2007	178,209.63	124,087	138,586	39,624	7.20	5,503
	852,103.83	689,663	770,245	81,859		11,817
PICKERING WEST						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2039						
2003	753.80	457	510	243	13.28	18
2007	326,548.43	177,806	198,581	127,967	13.80	9,273
2008	173,912.65	91,652	102,361	71,552	13.91	5,144
2009	2,616,588.98	1,327,919	1,483,076	1,133,513	14.07	80,562
2010	84,633.03	41,360	46,193	38,440	14.12	2,722
2011	164,136.04	76,734	85,700	78,436	14.24	5,508
2012	4,400,501.05	1,958,223	2,187,026	2,213,475	14.34	154,357
2013	219,713.48	92,499	103,307	116,407	14.44	8,061
2017	9,148.34	2,788	3,114	6,035	14.82	407
	7,995,935.80	3,769,438	4,209,868	3,786,068		266,052

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1992	14,474.67	10,077	11,255	3,220	13.75	234
2007	3,949.05	1,942	2,169	1,780	17.06	104
2008	2,249.22	1,063	1,187	1,062	17.29	61
2011	14,105.28	5,800	6,478	7,628	17.90	426
2012	2,782.68	1,082	1,208	1,574	18.09	87
2014	7,905.80	2,689	3,003	4,903	18.43	266
2020	185,309.46	28,352	31,665	153,644	19.38	7,928
	230,776.16	51,005	56,965	173,811		9,106
INGRAM'S MILL SHED						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1990	2,257.94	1,763	1,969	289	9.42	31
2005	70,161.91	44,651	49,868	20,294	10.57	1,920
2006	65,836.17	40,897	45,676	20,161	10.67	1,890
2007	15,415.09	9,360	10,454	4,961	10.67	465
2008	65,252.38	38,538	43,041	22,211	10.75	2,066
2012	4,391.61	2,248	2,511	1,881	10.97	171
	223,315.10	137,457	153,518	69,797		6,543
DWELLING AND GARAGE AT BEAR GAP PUMPING STATION						
FULLY ACCRUED						
1892	1,165.07	1,165	1,165			
1938	266.69	267	267			
1940	753.51	754	754			
1947	144.38	144	144			
1949	490.00	490	490			
1961	2,996.93	2,997	2,997			
1964	1,089.01	1,089	1,089			
1970	3,593.78	3,594	3,594			
1978	309.07	309	309			
1981	3,614.99	3,615	3,615			
1983	5,843.36	5,843	5,843			
1986	97.08	97	97			
1988	4,484.11	4,484	4,484			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
DWELLING AND GARAGE AT BEAR GAP PUMPING STATION						
FULLY ACCRUED						
1990	394.15	394	394			
1991	574.30	574	574			
1994	1,350.00	1,350	1,350			
	27,166.43	27,166	27,166			
BRIDGE DECK - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1994	2,926.97	1,977	2,211	716	14.17	51
1996	2,873.14	1,873	2,094	779	14.69	53
2009	3,583.33	1,626	1,818	1,765	17.45	101
2017	30,475.52	7,783	8,702	21,773	18.95	1,149
	39,858.96	13,259	14,825	25,034		1,354
HAWLEY TELEMETRY BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1994	66,387.19	50,919	56,932	9,455	8.96	1,055
2017	1,910.06	740	827	1,083	10.28	105
2019	350,537.16	106,318	118,873	231,664	10.34	22,405
	418,834.41	157,977	176,632	242,202		23,565
CHALFONT						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2036						
1991	884.19	675	755	129	10.05	13
1997	8,005.03	5,706	6,380	1,625	10.68	152
2001	38.67	26	29	10	11.06	1
2007	48,723.24	28,698	32,087	16,636	11.51	1,445
2015	4,771.54	1,975	2,208	2,563	12.03	213
2019	108,335.25	29,099	32,535	75,800	12.25	6,188
	170,757.92	66,179	73,994	96,764		8,012

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MONROE MANOR						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2022						
1977	2,522.65	2,523	2,523			
1987	2,219.38	2,219	2,219			
1989	599.24	599	599			
2000	1,296.90	1,297	1,297			
	6,638.17	6,638	6,638			
EMBREEVILLE STORAGE SHED						
FULLY ACCRUED						
1948	3,210.00	3,210	3,210			
	3,210.00	3,210	3,210			
EMBREEVILLE CONTROL VALVE BUILDING						
FULLY ACCRUED						
1948	1,441.74	1,442	1,442			
2017	4,660.61	4,661	4,660			
	6,102.35	6,103	6,102			
WAYMART WAREHOUSE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2003	112,725.49	63,780	71,364	41,362	15.73	2,629
2008	34,732.97	16,741	18,732	16,001	16.66	960
2009	93.30	43	48	45	16.85	3
2011	25,208.23	10,618	11,881	13,328	17.18	776
	172,759.99	91,182	102,024	70,736		4,368

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
DEER LAKE BOROUGH						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
2005	19,037.71	9,862	11,035	8,003	17.21	465
	19,037.71	9,862	11,035	8,003		465
SPRINGFIELD						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2008	187,631.74	82,014	91,766	95,866	19.96	4,803
2010	54,256.89	21,535	24,096	30,161	20.51	1,471
2011	8,176.25	3,066	3,431	4,746	20.83	228
2013	272,569.09	89,866	100,552	172,017	21.35	8,057
2014	158,188.89	48,248	53,985	104,204	21.65	4,813
2015	60,533.77	16,925	18,938	41,596	21.90	1,899
2017	124,514.32	27,916	31,235	93,279	22.49	4,148
2018	1,684.05	329	368	1,316	22.67	58
2021	15,389.81	1,485	1,662	13,728	23.41	586
2022	29,377.99	1,754	1,963	27,415	23.63	1,160
2023	126,885.03	2,601	2,910	123,975	23.89	5,189
	1,039,207.83	295,739	330,905	708,303		32,412
COMMERCE STREET						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2008	162,572.87	71,061	79,511	83,062	19.96	4,161
	162,572.87	71,061	79,511	83,062		4,161
COVE VILLAGE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2025						
1973	905.50	883	906			
1974	353.76	343	354			
2005	1,124.71	1,040	1,125			
	2,383.97	2,266	2,384			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SECURITY SYSTEMS						
SURVIVOR CURVE.. IOWA 25-S3						
1982	135,299.91	131,944	135,300			
2001	68,217.59	54,949	61,888	6,329	5.43	1,166
2002	8,860.00	6,972	7,852	1,008	5.82	173
2005	5,445.00	3,908	4,402	1,043	7.27	143
2006	851.71	587	661	191	7.88	24
2007	64.63	43	48	16	8.44	2
2013	8,802.60	3,928	4,424	4,379	13.03	336
2014	594,778.77	240,707	271,105	323,674	13.97	23,169
2015	1,204,670.82	438,259	493,604	711,066	14.86	47,851
2016	794,447.09	255,018	287,223	507,224	15.86	31,981
2017	1,631,922.88	454,980	512,437	1,119,486	16.81	66,596
2018	132,789.91	31,338	35,296	97,494	17.81	5,474
2019	564,419.42	108,933	122,690	441,730	18.81	23,484
2020	135,433.70	20,342	22,911	112,523	19.81	5,680
2021	450,586.19	48,303	54,403	396,183	20.81	19,038
2022	299,949.42	19,317	21,756	278,193	21.81	12,755
2023	243,210.23	5,205	5,862	237,348	22.81	10,405
	6,279,749.87	1,824,733	2,041,862	4,237,888		248,277
	47,432,622.63	15,277,376	17,062,423	30,370,199		1,728,888

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.6 3.64

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2045						
1920	66,188.74	56,174	52,226	13,963	18.45	757
1988	45,736.60	28,901	26,870	18,867	20.68	912
1993	96,686.46	57,509	53,467	43,219	20.78	2,080
1999	5,791.51	3,122	2,903	2,889	20.95	138
2001	210,077.18	108,715	101,074	109,003	20.98	5,196
2002	24,104.79	12,231	11,371	12,733	20.87	610
2003	4,272.48	2,111	1,963	2,310	21.00	110
2004	13,112.91	6,315	5,871	7,242	20.99	345
2005	65,067.93	30,575	28,426	36,642	20.87	1,756
2006	57,786.33	26,293	24,445	33,341	20.96	1,591
2007	274,513.92	120,951	112,450	162,064	20.95	7,736
2008	22,260.45	9,454	8,790	13,471	21.00	641
2009	48,880.01	19,987	18,582	30,298	20.96	1,446
2010	37,080.00	14,517	13,497	23,583	20.98	1,124
2011	33,085.11	12,367	11,498	21,587	20.94	1,031
2014	65,768.11	20,493	19,053	46,715	20.99	2,226
2015	387,864.44	112,093	104,215	283,650	20.91	13,565
2016	30,978.06	8,178	7,603	23,375	20.91	1,118
2017	40,000.79	9,488	8,821	31,180	20.90	1,492
2021	98,803.75	10,621	9,875	88,929	20.76	4,284
2023	172,225.25	4,133	3,843	168,383	20.29	8,299
	1,800,284.82	674,228	626,842	1,173,443		56,457
CRUM CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1974	83,928.29	83,928	83,928			
1976	953.84	954	954			
2008	2,607.41	2,607	2,608			
	87,489.54	87,489	87,490			
CRUM CREEK SILTATION BASIN						
FULLY ACCRUED						
2005	2,160.08	2,160	2,160			
2007	11,565.29	11,565	11,565			
	13,725.37	13,725	13,725			

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2054						
1982	800.00	475	441	359	28.43	13
1999	367,493.54	168,386	156,470	211,024	28.97	7,284
2001	38,678.21	16,883	15,688	22,990	29.05	791
2004	9,395.89	3,774	3,507	5,889	29.04	203
2005	3,637.80	1,413	1,313	2,325	29.12	80
2006	15,988.64	5,988	5,564	10,424	29.23	357
2009	220,771.47	73,296	68,109	152,662	29.17	5,234
2010	23,576.01	7,448	6,921	16,655	29.24	570
2011	33,945.74	10,184	9,463	24,482	29.17	839
2012	1,274.78	361	335	939	29.15	32
2014	9,252.74	2,276	2,115	7,138	29.11	245
2015	13,315.73	2,999	2,787	10,529	29.24	360
2017	30,861.14	5,635	5,236	25,625	29.09	881
2018	12,003.66	1,909	1,774	10,230	29.10	352
2019	143,614.95	19,259	17,896	125,719	29.06	4,326
2020	2,436.91	263	244	2,193	28.97	76
	927,047.21	320,549	297,865	629,182		21,643
PICKERING CREEK TRAVELING SCREEN						
FULLY ACCRUED						
2008	40,908.73	40,909	40,909			
	40,908.73	40,909	40,909			
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2044						
1909	15,825.27	13,771	12,794	3,032	17.08	178
1994	222,083.35	132,339	122,947	99,136	20.00	4,957
1996	22,824.87	13,243	12,303	10,522	19.90	529
2001	26,351.60	13,935	12,946	13,406	20.05	669
2005	43,579.82	20,962	19,474	24,105	19.96	1,208
2007	3,327.96	1,505	1,398	1,930	20.00	96
2008	7,884.47	3,446	3,201	4,683	19.96	235
2013	670,405.77	230,888	214,503	455,903	19.99	22,807

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2044						
2014	32,072.16	10,327	9,594	22,478	20.00	1,124
2016	12,262.60	3,348	3,110	9,152	19.97	458
2017	2,405.29	591	549	1,856	19.96	93
	1,059,023.16	444,355	412,821	646,202		32,354
PERKIOMEN CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2056						
1931	29,990.71	23,303	21,649	8,341	26.55	314
1957	10,622.72	7,417	6,891	3,732	28.74	130
1958	1,257.56	873	811	447	28.84	15
1959	59.07	41	38	21	28.95	1
1965	5,612.07	3,743	3,477	2,135	29.22	73
1981	2,452.85	1,428	1,327	1,126	30.50	37
1986	828.49	457	425	404	30.53	13
1990	340,329.63	177,856	165,235	175,095	30.60	5,722
1996	6,665.10	3,153	2,929	3,736	30.64	122
1998	22,480.17	10,204	9,480	13,000	30.68	424
1999	22,212.84	9,849	9,150	13,063	30.75	425
2001	4,938.30	2,078	1,931	3,008	30.97	97
2002	23,594.81	9,688	9,000	14,594	30.86	473
2007	3,215.98	1,120	1,041	2,175	30.89	70
2010	6,975.41	2,119	1,969	5,007	30.94	162
2011	10,189.28	2,929	2,721	7,468	30.98	241
2015	56,867.41	12,278	11,407	45,461	30.87	1,473
2016	4,339.75	846	786	3,554	30.96	115
2017	38,338.61	6,679	6,205	32,134	30.81	1,043
2018	18,032.19	2,726	2,533	15,500	30.87	502
	609,002.95	278,787	259,003	350,000		11,452
PERKIOMEN CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1957	583.27	583	583			
1958	783.85	784	784			
1959	1,076.19	1,076	1,076			
1973	10,429.67	10,430	10,430			

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PERKIOMEN CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1984	4,421.25	4,421	4,421			
1985	46,618.30	46,618	46,618			
1986	27,505.50	27,506	27,506			
1989	9,832.18	9,832	9,832			
1990	1,859.63	1,860	1,860			
1999	1,725.40	1,725	1,725			
2000	1,176.55	1,177	1,177			
	106,011.79	106,012	106,012			
GREEN LANE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2082						
1957	5,368,867.06	3,213,267	2,983,449	2,385,418	44.61	53,473
1958	10,135.71	6,041	5,609	4,527	44.40	102
1962	139.46	80	74	65	46.02	1
1963	1,084.72	617	573	512	45.88	11
1967	1,009.05	553	513	496	46.60	11
1970	2,862.53	1,516	1,408	1,455	47.52	31
1978	1,742.59	840	780	963	48.84	20
1981	32,915.31	15,246	14,156	18,760	49.25	381
1993	5,425.05	2,035	1,889	3,536	50.80	70
1997	532.84	182	169	364	51.02	7
1998	14,738.92	4,923	4,571	10,168	50.84	200
1999	2,888.32	934	867	2,021	51.26	39
2004	12,233.94	3,364	3,123	9,111	51.42	177
2005	300,406.38	79,488	73,803	226,603	51.43	4,406
2006	2,875.60	730	678	2,198	51.46	43
2013	97,350.95	16,452	15,275	82,076	51.61	1,590
2015	344,414.15	48,597	45,121	299,293	51.74	5,785
2017	99,551.62	11,190	10,390	89,162	51.31	1,738
2019	40,915.89	3,314	3,077	37,839	51.06	741
2020	26,001.94	1,675	1,555	24,447	50.85	481
2021	32,940.79	1,555	1,444	31,497	50.41	625
	6,399,032.82	3,412,599	3,168,525	3,230,508		69,932

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2057						
1932	1,638,594.13	1,259,423	1,169,347	469,247	27.55	17,033
1939	875.79	659	612	264	27.87	9
1940	886.19	659	612	274	28.85	9
1959	12,635.73	8,639	8,021	4,615	29.84	155
1964	3,632.50	2,399	2,227	1,405	30.59	46
1968	2,433.32	1,567	1,455	978	30.71	32
1975	777.28	475	441	336	30.87	11
1978	7,415.31	4,420	4,104	3,311	30.84	107
1980	1,710.55	997	926	785	31.13	25
1981	46,993.29	27,162	25,219	21,774	31.03	702
1982	6,625.51	3,794	3,523	3,103	30.96	100
1983	17,832.28	10,040	9,322	8,510	31.44	271
1984	12,681.07	7,063	6,558	6,123	31.42	195
1985	30,310.25	16,689	15,495	14,815	31.43	471
1986	28,144.30	15,305	14,210	13,934	31.46	443
1987	5,036.26	2,702	2,509	2,528	31.52	80
1988	77,538.05	41,289	38,336	39,202	31.17	1,258
1989	52,581.90	27,574	25,602	26,980	31.29	862
1990	3,170.36	1,636	1,519	1,651	31.44	53
1991	88,633.22	44,937	41,723	46,910	31.60	1,484
1992	3,962.38	1,984	1,842	2,120	31.40	68
1993	25,075.36	12,312	11,431	13,644	31.61	432
1994	5,660.71	2,739	2,543	3,118	31.48	99
1995	184,044.78	87,072	80,844	103,200	31.74	3,251
1996	9,424.27	4,380	4,067	5,358	31.67	169
1997	158,058.79	72,043	66,890	91,168	31.64	2,881
1999	600,328.08	261,803	243,078	357,250	31.68	11,277
2002	14,680.96	5,934	5,510	9,171	31.69	289
2003	35,517.99	13,909	12,914	22,604	31.85	710
2004	105,864.75	40,250	37,371	68,493	31.78	2,155
2007	142,968.47	48,838	45,345	97,623	31.81	3,069
2008	13,245.67	4,331	4,021	9,224	31.90	289
2009	42,599.08	13,342	12,388	30,211	31.80	950
2010	80,845.28	24,011	22,294	58,552	31.95	1,833
2011	87,942.02	24,729	22,960	64,982	31.95	2,034
2012	3,074.63	817	759	2,316	31.79	73
2013	19,887.37	4,928	4,576	15,312	31.87	480
2016	7,495.04	1,433	1,331	6,165	31.72	194

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2057						
2017	286,972.09	48,670	45,189	241,783	31.82	7,598
2020	56,263.12	5,632	5,229	51,034	31.47	1,622
2021	474,723.01	35,035	32,529	442,194	31.40	14,083
	4,397,141.14	2,191,621	2,034,873	2,362,268		76,902
IRONWORKS CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2068						
1943	851,710.91	589,639	547,467	304,244	35.78	8,503
1945	27,587.61	19,058	17,695	9,893	35.14	282
1946	609.41	416	386	223	36.14	6
1950	4,336.62	2,900	2,693	1,644	36.40	45
1951	7,040.87	4,696	4,360	2,681	36.20	74
1953	349.69	229	213	137	37.03	4
1954	1,408.54	920	854	554	36.88	15
1955	830.75	541	502	328	36.76	9
1961	1,475.62	922	856	620	37.50	17
1981	2,061.06	1,069	993	1,069	39.47	27
1983	2,645.75	1,329	1,234	1,412	40.15	35
1987	8,431.01	4,001	3,715	4,716	40.42	117
1992	4,402.33	1,927	1,789	2,613	40.45	65
1993	3,039.83	1,307	1,214	1,826	40.43	45
1997	4,503.82	1,778	1,651	2,853	40.62	70
1998	3,133.00	1,206	1,120	2,013	40.73	49
2000	843,147.80	307,074	285,112	558,036	41.02	13,604
2002	18,695.56	6,431	5,971	12,725	41.00	310
2004	46,791.43	15,057	13,980	32,811	41.10	798
2005	130,517.18	40,565	37,664	92,853	41.02	2,264
2006	1,105,258.51	330,693	307,041	798,217	40.98	19,478
2007	791,580.23	227,263	211,009	580,571	40.97	14,171
2008	38,622.20	10,598	9,840	28,782	40.99	702
2009	10,702.25	2,793	2,593	8,109	41.06	197
2010	33,486.43	8,271	7,679	25,807	41.15	627
2011	13,892.30	3,248	3,016	10,877	40.97	265
2013	38,626.22	7,868	7,305	31,321	41.05	763

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
IRONWORKS CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2068						
2016	112,222.58	17,338	16,098	96,125	41.04	2,342
2017	66,243.89	9,089	8,439	57,805	40.89	1,414
2019	660,403.45	65,644	60,949	599,454	40.75	14,711
	4,833,756.85	1,683,870	1,563,437	3,270,320		81,009
RIDLEY CREEK DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2067						
1942	48,831.00	34,226	31,778	17,053	34.78	490
1957	45,168.94	29,134	27,050	18,119	36.60	495
2002	29,131.51	10,147	9,421	19,710	40.23	490
2003	255,656.70	86,463	80,279	175,377	40.11	4,372
2004	10,479.22	3,412	3,168	7,311	40.38	181
2006	41,816.26	12,662	11,756	30,060	40.30	746
2008	14,763.89	4,096	3,803	10,961	40.37	272
2009	14,860.33	3,922	3,642	11,219	40.45	277
2013	10,296.96	2,129	1,977	8,320	40.26	207
2017	46,621.43	6,485	6,021	40,600	40.23	1,009
	517,626.24	192,676	178,896	338,730		8,539
TOWNSHIP LINE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2094						
1934	62,256.13	42,347	39,318	22,938	42.08	545
1988	35,013.13	13,424	12,464	22,549	57.09	395
1989	18,049.36	6,787	6,302	11,748	57.25	205
1990	16,250.50	5,988	5,560	10,691	57.41	186
1994	425,033.22	142,939	132,716	292,317	58.22	5,021
1996	9,960.54	3,205	2,976	6,985	57.97	120
2009	46,537.33	9,112	8,460	38,077	59.57	639
2010	14,825.54	2,743	2,547	12,279	59.49	206
2011	445,190.30	77,374	71,840	373,350	59.44	6,281
2012	118,942.61	19,292	17,912	101,030	59.42	1,700

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TOWNSHIP LINE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2094						
2013	8,623.04	1,295	1,202	7,421	59.43	125
2015	24,453.40	3,057	2,838	21,615	59.52	363
2017	47,187.47	4,662	4,329	42,859	59.29	723
	1,272,322.57	332,225	308,464	963,859		16,509
SHENANGO RIVER DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2051						
1927	21,675.62	17,570	16,313	5,362	22.55	238
1948	32.89	25	23	10	24.50	
2006	2,544.43	1,011	939	1,606	26.56	60
2011	1,910,697.67	611,423	567,693	1,343,005	26.56	50,565
2019	29,068.84	4,238	3,935	25,134	26.36	953
	1,964,019.45	634,267	588,903	1,375,116		51,816
RESERVOIR NO. 1 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2067						
1891	7,531.44	6,387	5,930	1,601	23.75	67
1916	16,713.69	13,117	12,179	4,535	29.48	154
2000	16,335.07	6,028	5,597	10,738	40.19	267
2010	90,295.31	22,673	21,051	69,244	40.26	1,720
2017	1,812,308.05	252,092	234,062	1,578,246	40.23	39,231
2019	3,606.21	365	339	3,267	39.95	82
	1,946,789.77	300,662	279,158	1,667,632		41,521
RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1916	8,025.93	6,212	5,768	2,258	31.39	72
1923	394,184.44	297,136	275,884	118,300	32.83	3,603
1936	13,192.99	9,351	8,682	4,511	35.95	125
1941	5,687.34	3,941	3,659	2,028	36.55	55
1942	3,355.56	2,297	2,133	1,223	37.55	33

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CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1986	1,403,126.02	647,122	600,839	802,287	43.80	18,317
1989	3,397.11	1,489	1,383	2,015	44.24	46
1990	12,927.99	5,587	5,187	7,741	44.02	176
1993	6,233.82	2,548	2,366	3,868	44.13	88
1995	9,166.91	3,579	3,323	5,844	44.50	131
1996	13,584.79	5,192	4,821	8,764	44.45	197
2000	489,488.23	169,069	156,977	332,511	44.53	7,467
2002	3,849.76	1,250	1,161	2,689	44.73	60
2009	127,814.32	31,136	28,909	98,905	45.02	2,197
2011	13,616.99	2,962	2,750	10,867	44.97	242
2015	8,317.08	1,322	1,227	7,090	44.97	158
2017	23,013.12	2,918	2,709	20,304	44.78	453
2018	256,218.10	28,030	26,025	230,193	44.75	5,144
2019	382,460.30	35,110	32,599	349,861	44.52	7,859
2021	632,163.37	34,010	31,578	600,586	44.01	13,647
	3,809,824.17	1,290,261	1,197,979	2,611,845		60,070
RESERVOIR NO. 4 - TROUT RUN						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2038						
2011	8,976.44	4,185	3,886	5,091	14.31	356
2015	10,711.61	3,998	3,712	6,999	14.28	490
2017	21,201.81	6,628	6,154	15,048	14.29	1,053
2020	8,154.55	1,610	1,495	6,660	14.23	468
	49,044.41	16,421	15,247	33,797		2,367
RESERVOIR NO. 6 - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
1896	151,794.63	133,549	123,997	27,797	17.42	1,596
1902	23,803.28	20,823	19,334	4,470	17.39	257
1904	19,557.05	17,062	15,842	3,715	17.48	213
1909	20,890.90	17,941	16,658	4,233	18.83	225
1912	60,474.45	51,923	48,209	12,265	18.36	668
1924	349,934.14	292,475	271,557	78,377	19.55	4,009
1935	3,022.53	2,461	2,285	738	20.20	37

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 6 - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
1936	6,891.54	5,608	5,207	1,685	20.02	84
1937	4,291.63	3,490	3,240	1,051	19.88	53
1938	8,607.87	6,991	6,491	2,117	19.77	107
1939	2,287.32	1,836	1,705	583	20.76	28
1941	302.46	242	225	78	20.60	4
1973	4,119.06	2,892	2,685	1,434	21.44	67
1974	21,410.12	14,944	13,875	7,535	21.42	352
1985	1,444,815.07	923,381	857,339	587,476	21.74	27,023
1991	10,879.28	6,506	6,041	4,839	21.85	221
1993	4,741.73	2,763	2,565	2,176	21.85	100
1994	22,873.37	13,157	12,216	10,657	21.78	489
2000	35,407.57	18,391	17,076	18,332	21.75	843
2001	41,896.66	21,304	19,780	22,116	21.75	1,017
2002	14,092.51	6,998	6,497	7,595	21.79	349
2003	53,889.03	26,072	24,207	29,682	21.87	1,357
2005	187,721.51	86,127	79,967	107,754	21.82	4,938
2007	3,007.71	1,295	1,202	1,805	21.82	83
2008	479,590.06	198,454	184,260	295,330	21.96	13,449
2009	8,858.66	3,533	3,280	5,578	21.86	255
2011	2,781.00	1,012	940	1,841	21.86	84
2012	64,654.42	22,228	20,638	44,016	21.95	2,005
2015	9,221.57	2,578	2,394	6,828	21.90	312
2016	30,346.63	7,763	7,208	23,139	21.82	1,060
2017	41,710.77	9,568	8,884	32,827	21.83	1,504
2019	218,376.44	37,342	34,671	183,705	21.82	8,419
2020	28,338.59	3,928	3,647	24,692	21.75	1,135
	3,380,589.56	1,964,637	1,824,123	1,556,467		72,343
BRUSH VALLEY RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2027						
1882	23,655.70	23,097	21,445	2,211	3.42	646
1921	21,100.18	20,330	18,876	2,224	3.88	573
1924	12,924.99	12,475	11,583	1,342	3.59	374
1935	17,538.93	16,918	15,708	1,831	3.25	563
1941	233.27	223	207	26	3.71	7
1983	1,385.81	1,274	1,183	203	3.55	57
1986	3,118.80	2,854	2,650	469	3.48	135

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRUSH VALLEY RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2027						
1994	23,385.72	20,902	19,407	3,979	3.50	1,137
1996	3,332.71	2,960	2,748	584	3.46	169
2000	35,753.28	31,170	28,941	6,813	3.46	1,969
2001	113,136.70	97,999	90,990	22,147	3.48	6,364
2002	5,775.00	4,966	4,611	1,164	3.50	333
2003	1,154.81	987	916	238	3.48	68
2009	24,519.47	19,768	18,354	6,165	3.49	1,766
	287,015.37	255,923	237,619	49,396		14,161
ROADWAYS - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1882	2,508.82	2,166	2,011	498	22.43	22
1886	6,473.02	5,518	5,123	1,350	23.79	57
1887	2,504.15	2,154	2,000	504	22.22	23
1900	749.15	620	576	173	25.76	7
1916	8,474.13	6,559	6,090	2,384	31.39	76
1919	8,186.61	6,245	5,798	2,388	32.49	73
1924	29,026.24	21,659	20,110	8,917	33.84	264
1931	3,846.25	2,775	2,577	1,270	35.71	36
1932	4,051.43	2,928	2,719	1,333	35.09	38
1934	91.24	65	60	31	35.50	1
1935	5,001.59	3,541	3,288	1,714	36.50	47
1936	3,195.60	2,265	2,103	1,093	35.95	30
1940	2,015.93	1,397	1,297	719	36.99	19
	76,124.16	57,892	53,751	22,373		693
ROADWAYS - PAVING ROARING CREEK						
FULLY ACCRUED						
1967	6,355.75	6,356	6,356			
1991	1,086.86	1,087	1,087			
	7,442.61	7,443	7,443			

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 1 - MT. CARMEL						
FULLY ACCRUED						
1885	11,955.77	11,956	11,956			
1902	1,471.03	1,471	1,471			
1904	177.42	177	177			
1986	12,191.79	12,192	12,192			
1994	1,522.25	1,522	1,522			
2009	93,619.03	93,619	93,619			
2010	37,012.45	37,012	37,013			
	157,949.74	157,949	157,950			
RESERVOIR NO. 2 - MT. CARMEL						
FULLY ACCRUED						
1887	7,006.80	7,007	7,007			
1947	4,655.91	4,656	4,656			
1986	44,145.78	44,146	44,146			
1994	1,522.25	1,522	1,523			
	57,330.74	57,331	57,331			
CITIZENS WATER CO. DAM						
FULLY ACCRUED						
1984	75.66	76	76			
	75.66	76	76			
NORTH WAYNE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2102						
2002	186,994.91	47,441	43,285	143,710	63.25	2,272
2003	13,760.83	3,358	3,064	10,697	63.53	168
2004	23,749.57	5,557	5,070	18,679	63.83	293
2019	105,406.90	7,020	6,405	99,002	63.07	1,570
	329,912.21	63,376	57,824	272,088		4,303

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NUI FACILITIES						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2082						
2002	66,019.60	19,449	17,745	48,274	51.49	938
2003	38,703.34	11,030	10,064	28,640	51.44	557
2004	10,864.60	2,988	2,726	8,138	51.42	158
2005	259.34	69	63	196	51.43	4
2006	874.94	222	203	672	51.46	13
	116,721.82	33,758	30,801	85,921		1,670
WAPWALLOPEN						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2025						
1925	437.76	431	393	45	1.50	30
1970	800.35	779	711	90	1.45	62
	1,238.11	1,210	1,104	134		92
CORNOG QUARRY						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2128						
2003	2,444,421.18	531,173	484,642	1,959,780	73.84	26,541
2004	4,470.37	933	851	3,619	73.96	49
2009	255,890.14	41,557	37,917	217,974	74.79	2,914
2015	173,414.66	17,550	16,013	157,402	75.53	2,084
	2,878,196.35	591,213	539,422	2,338,774		31,588
RED SHALE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2103						
2003	1,879.56	455	415	1,464	64.25	23
2009	11,981.00	2,189	1,997	9,984	64.87	154
	13,860.56	2,644	2,412	11,449		177

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2034						
1934	112.63	101	92	20	10.50	2
1944	832.18	741	676	156	9.79	16
1945	106.71	95	87	20	10.00	2
1961	1,138.10	974	889	249	10.50	24
1962	507.01	433	395	112	10.45	11
1963	601.80	513	468	134	10.43	13
1964	2,990.72	2,545	2,322	668	10.43	64
2014	936.09	446	407	529	10.42	51
2022	5,510.29	698	637	4,873	10.35	471
	12,735.53	6,546	5,973	6,763		654
BRISTOL						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
2006	30,977.51	13,770	12,564	18,414	21.87	842
2011	10,776.01	3,920	3,577	7,199	21.86	329
2015	4,312.65	1,206	1,100	3,212	21.90	147
	46,066.17	18,896	17,241	28,825		1,318
MT. JEWETT						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2070						
1990	613,485.75	273,369	249,421	364,065	41.68	8,735
	613,485.75	273,369	249,421	364,065		8,735
	37,811,795.33	15,512,919	14,422,640	23,389,157		666,305
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					35.1	1.76

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SCHUYLKILL RIVER INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2041						
1961	278,314.89	226,131	235,653	42,662	14.42	2,959
1962	31,179.29	25,118	26,176	5,004	14.84	337
1963	9,204.05	7,406	7,718	1,486	14.69	101
1973	758.40	578	602	156	15.72	10
1981	92,817.42	67,061	69,885	22,933	16.32	1,405
1982	30,077.41	21,596	22,505	7,572	16.30	465
1994	7,283.64	4,641	4,836	2,447	16.80	146
1995	1,505.51	944	984	522	16.95	31
1996	79,870.96	49,424	51,505	28,366	16.94	1,674
1997	28,108.48	17,132	17,853	10,255	16.98	604
1998	35,579.34	21,319	22,217	13,363	17.06	783
1999	83,493.77	49,295	51,371	32,123	17.00	1,890
2000	16,184.29	9,393	9,789	6,396	16.99	376
2002	107,429.32	59,817	62,336	45,093	17.11	2,635
2003	21,176.29	11,547	12,033	9,143	17.09	535
2004	29,588.60	15,753	16,416	13,172	17.13	769
2005	7,788.75	4,035	4,205	3,584	17.21	208
2006	3,239.37	1,633	1,702	1,538	17.22	89
2007	1,846.36	905	943	903	17.17	53
2009	6,129.65	2,800	2,918	3,212	17.24	186
2010	6,716,883.79	2,947,369	3,071,479	3,645,404	17.27	211,083
2011	212,505.97	89,253	93,011	119,495	17.26	6,923
2015	5,260.20	1,735	1,808	3,452	17.27	200
2016	14,947.71	4,517	4,707	10,241	17.32	591
2017	30,213.64	8,248	8,595	21,618	17.31	1,249
	7,851,387.10	3,647,650	3,801,248	4,050,139		235,302
SCHUYLKILL RIVER TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1961	2,864.30	2,847	2,864			
1962	8,853.48	8,767	8,853			
1963	637.58	633	638			
1964	105.07	104	105			
1967	289.62	286	290			
1968	524.57	521	525			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SCHUYLKILL RIVER TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1989	100,303.37	98,969	100,303			
2003	126,825.27	123,756	126,825			
2005	7,354.19	7,156	7,354			
	247,757.45	243,039	247,757			
PICKERING EAST INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2064						
1989	623,634.28	316,307	329,963	293,672	33.52	8,761
1990	922,319.02	457,286	477,028	445,291	34.07	13,070
1991	16,040.68	7,820	8,158	7,883	34.17	231
1992	220.50	106	111	110	34.29	3
1998	134,429.06	55,869	58,281	76,148	35.85	2,124
1999	134,564.48	54,727	57,090	77,475	35.74	2,168
2000	15,867.04	6,264	6,534	9,333	36.02	259
2001	18,374.64	7,028	7,331	11,043	36.32	304
2002	11,276.39	4,195	4,376	6,900	36.30	190
2003	10,500.65	3,768	3,931	6,570	36.64	179
2004	148,507.59	51,547	53,772	94,735	36.68	2,583
2006	37,515.92	12,013	12,532	24,984	37.15	673
2008	178,677.55	52,353	54,613	124,064	37.41	3,316
2009	90,883.16	25,302	26,394	64,489	37.58	1,716
2010	348,555.38	92,228	96,210	252,346	37.52	6,726
2011	310,851.13	77,340	80,679	230,172	37.75	6,097
2012	3,130.45	731	763	2,368	37.76	63
2017	23,858.56	3,459	3,608	20,250	38.34	528
2020	38,297.10	3,190	3,328	34,969	38.52	908
	3,067,503.58	1,231,533	1,284,701	1,782,803		49,899
PICKERING EAST INTAKE TRAVELING SCREEN						
FULLY ACCRUED						
1989	90,471.19	90,471	90,471			
	90,471.19	90,471	90,471			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1969	274,071.70	207,637	216,811	57,260	17.44	3,283
1971	554,483.94	413,368	431,632	122,852	17.92	6,856
1972	226,165.15	167,724	175,135	51,030	17.94	2,844
1974	828.62	607	634	195	18.07	11
1979	7,009.16	4,928	5,146	1,863	18.79	99
1983	2,232.66	1,519	1,586	647	19.02	34
1984	386,608.60	261,115	272,652	113,957	18.98	6,004
1985	1,121.85	752	785	337	18.97	18
1993	32,224.59	19,657	20,526	11,699	19.50	600
1997	28,539.94	16,336	17,058	11,482	19.80	580
1998	16,614.49	9,364	9,778	6,837	19.75	346
1999	4,710.60	2,608	2,723	1,987	19.75	101
2000	9,065.21	4,921	5,138	3,927	19.79	198
2001	329.05	175	183	146	19.87	7
2002	49,306.05	25,654	26,787	22,519	19.82	1,136
	1,593,311.61	1,136,365	1,186,574	406,738		22,117
CHESTER CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2036						
1996	205,482.32	141,824	148,090	57,392	12.34	4,651
1997	3,083.69	2,108	2,201	883	12.26	72
1998	17,083.55	11,545	12,055	5,028	12.23	411
2001	689.00	445	465	224	12.34	18
2004	36,336.77	22,249	23,232	13,105	12.35	1,061
2008	13,110.53	7,295	7,617	5,493	12.36	444
2015	240,594.90	97,754	102,073	138,522	12.42	11,153
2016	15,554.59	5,856	6,115	9,440	12.42	760
	531,935.35	289,076	301,848	230,087		18,570
RIDLEY CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
1942	1,214.71	1,158	1,209	6	3.97	2
1957	15,740.91	14,759	15,411	330	4.43	74
1997	3,210.13	2,748	2,869	341	4.46	76

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RIDLEY CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
2001	10,105.13	8,436	8,809	1,296	4.45	291
2002	1,656.00	1,371	1,432	224	4.47	50
2003	124,745.83	102,292	106,811	17,934	4.50	3,985
2005	1,859.34	1,496	1,562	297	4.49	66
2011	36,347.55	26,759	27,941	8,406	4.48	1,876
2012	53,948.41	38,778	40,491	13,457	4.50	2,990
2013	12,574.50	8,807	9,196	3,378	4.49	752
2014	18,529.58	12,585	13,141	5,389	4.49	1,200
2015	30,521.19	19,976	20,859	9,663	4.49	2,152
2016	5,978.89	3,740	3,905	2,074	4.49	462
2017	15,603.90	9,230	9,638	5,966	4.49	1,329
2019	3,177.69	1,590	1,660	1,517	4.49	338
	335,213.76	253,725	264,935	70,279		15,643
BRISTOL WATER TREATMENT INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2060						
1964	96,762.00	69,088	72,140	24,622	23.83	1,033
2017	1,927.10	302	315	1,612	35.00	46
2021	979,969.84	65,168	68,047	911,923	35.09	25,988
	1,078,658.94	134,558	140,503	938,156		27,067
INGRAM'S MILL INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2050						
1972	12,595.35	8,822	9,212	3,384	22.03	154
2005	731.03	308	322	409	25.36	16
2007	12,029.71	4,724	4,933	7,097	25.52	278
2008	3,737.81	1,408	1,470	2,268	25.65	88
2010	82,356.89	28,347	29,599	52,757	25.72	2,051
2011	670,101.24	219,458	229,154	440,947	25.67	17,178
2012	128,278.77	39,536	41,283	86,996	25.81	3,371
2013	148,067.92	42,910	44,806	103,262	25.73	4,013

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INGRAM'S MILL INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2050						
2014	4,199.29	1,129	1,179	3,020	25.84	117
2015	1,430.11	354	370	1,060	25.86	41
2016	2,022,646.46	455,095	475,203	1,547,444	25.83	59,909
	3,086,174.58	802,091	837,530	2,248,645		87,216
NEW BEAR GAP INTAKE CHAMBERS						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2070						
1995	151,996.52	64,538	67,389	84,607	38.62	2,191
1996	26,687.97	11,081	11,571	15,117	38.73	390
1999	10,785.00	4,122	4,304	6,481	39.60	164
2012	41,483.20	8,828	9,218	32,265	42.55	758
	230,952.69	88,569	92,482	138,471		3,503
NEW SHENANGO VALLEY RAW WATER INTAKE AND PUMPING STRUCTURE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	1,100,180.00	390,344	407,591	692,589	42.73	16,208
2002	2,893.65	958	1,000	1,893	43.44	44
2017	12,120.41	1,481	1,546	10,574	46.69	226
2023	37.38			37	46.89	1
	1,115,231.44	392,783	410,138	705,093		16,479
NEW SHENANGO VALLEY TRAVELLING SCREEN AND COMPRESSOR						
SURVIVOR CURVE.. 20-SQUARE						
2000	254,915.32	254,915	254,915			
	254,915.32	254,915	254,915			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
EMBREEVILLE HOSPITAL - SLUDGE LAGOON						
INTERIM SURVIVOR CURVE.. SQUARE						
PROBABLE RETIREMENT YEAR.. 6-2053						
2003	17,592.00	17,592	17,592			
2004	28.52	28	29			
	17,620.52	17,620	17,621			
EMLENTON						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2041						
1909	3,358.00	3,230	3,358			
1960	332.48	270	289	44	14.62	3
1961	69.98	57	61	9	14.42	1
2013	72,789.87	27,515	29,407	43,382	17.28	2,511
2021	3,657,079.77	460,792	492,484	3,164,595	17.34	182,503
2022	19,235.61	1,535	1,641	17,595	17.30	1,017
	3,752,865.71	493,399	527,240	3,225,626		186,035
	23,253,999.24	9,075,794	9,457,963	13,796,037		661,831
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					20.8	2.85

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
1909	1,400.24	1,400	1,400			
1925	8,988.01	8,988	8,988			
1957	5,639.69	5,176	5,297	343	5.96	58
1958	4,145.06	3,774	3,862	283	6.45	44
1959	6,887.82	6,264	6,410	478	6.43	74
1960	25,881.03	23,337	23,882	1,999	6.92	289
1961	11,332.69	10,199	10,437	896	6.94	129
1962	18,227.99	16,256	16,635	1,593	7.46	214
1963	26,709.91	23,756	24,311	2,399	7.52	319
1964	57,685.42	51,144	52,338	5,347	7.61	703
1965	153,114.27	134,358	137,494	15,620	8.17	1,912
1966	51,921.83	45,380	46,439	5,483	8.29	661
1967	97,433.44	84,777	86,756	10,677	8.44	1,265
1968	47,740.55	41,066	42,025	5,716	9.02	634
1969	173,370.90	148,336	151,798	21,573	9.20	2,345
1970	106,633.22	90,137	92,241	14,392	9.79	1,470
1971	58,695.38	49,304	50,455	8,240	10.00	824
1972	60,894.96	50,805	51,991	8,904	10.23	870
1973	165,683.02	136,390	139,574	26,109	10.85	2,406
1974	239,541.20	195,657	200,224	39,317	11.10	3,542
1975	23,724.81	19,217	19,666	4,059	11.38	357
1976	1,941.77	1,550	1,586	356	12.02	30
1977	4,468.83	3,533	3,615	854	12.32	69
1978	647,421.33	503,694	515,451	131,970	12.98	10,167
1979	152,581.32	117,457	120,199	32,382	13.31	2,433
1980	201,544.10	153,415	156,996	44,548	13.65	3,264
1981	208,170.23	155,711	159,346	48,824	14.32	3,409
1982	39,683.11	29,314	29,998	9,685	14.68	660
1983	21,865.86	15,853	16,223	5,643	15.36	367
1984	622,781.22	445,289	455,683	167,098	15.75	10,609
1985	194,499.10	136,286	139,467	55,032	16.45	3,345
1986	327,025.53	225,648	230,915	96,111	16.85	5,704
1987	296,933.54	200,490	205,170	91,764	17.56	5,226
1988	475,378.40	315,556	322,922	152,456	17.98	8,479
1989	355,169.84	230,363	235,740	119,430	18.69	6,390
1990	414,198.92	263,638	269,792	144,407	19.13	7,549
1991	391,662.05	243,144	248,819	142,843	19.85	7,196
1992	217,187.44	132,050	135,132	82,055	20.31	4,040
1993	127,790.26	75,613	77,378	50,412	21.05	2,395
1994	179,652.25	103,875	106,300	73,352	21.52	3,409
1995	614,876.62	345,192	353,249	261,628	22.26	11,753
1996	102,423.65	56,046	57,354	45,070	22.75	1,981

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
1997	368,762.24	195,444	200,006	168,756	23.50	7,181
1998	577,970.26	297,712	304,661	273,309	24.00	11,388
1999	1,451,509.82	721,981	738,833	712,677	24.76	28,783
2000	1,671,241.08	805,204	823,999	847,242	25.28	33,514
2001	119,333.19	55,311	56,602	62,731	26.04	2,409
2002	6,857,730.61	3,066,777	3,138,360	3,719,371	26.58	139,931
2003	662,926.82	283,998	290,627	372,300	27.35	13,612
2004	1,427,834.46	587,411	601,122	826,712	27.90	29,631
2005	1,123,110.11	440,484	450,766	672,344	28.67	23,451
2006	1,860,689.61	696,828	713,093	1,147,597	29.23	39,261
2007	2,352,057.76	834,510	853,989	1,498,069	30.01	49,919
2008	5,003,198.16	1,683,076	1,722,361	3,280,837	30.58	107,287
2009	3,122,093.39	991,577	1,014,722	2,107,371	31.16	67,631
2010	4,699,773.87	1,395,833	1,428,414	3,271,360	31.95	102,390
2011	2,591,851.60	719,239	736,027	1,855,825	32.55	57,015
2012	5,118,871.89	1,318,621	1,349,400	3,769,472	33.14	113,744
2013	1,436,941.69	340,986	348,945	1,087,997	33.75	32,237
2014	827,819.59	178,478	182,644	645,176	34.56	18,668
2015	1,691,587.50	329,183	336,867	1,354,720	35.17	38,519
2016	2,045,639.08	355,941	364,249	1,681,390	35.60	47,230
2017	1,217,534.44	185,187	189,509	1,028,025	36.24	28,367
2018	2,523,787.41	327,588	335,234	2,188,553	36.87	59,359
2019	3,010,029.41	323,879	331,439	2,678,590	37.34	71,735
2020	1,333,072.08	113,311	115,956	1,217,116	37.65	32,327
2021	844,326.44	52,179	53,397	790,929	37.98	20,825
2022	5,367,575.25	204,505	209,279	5,158,296	37.87	136,211
2023	3,875,006.62	51,925	53,137	3,821,870	36.68	104,195
	70,125,181.19	21,456,606	21,957,196	48,167,986		1,533,411

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 31.4 2.19

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
2010	185,043.56	103,920	101,204	83,839	10.54	7,954
2011	26,867.28	14,541	14,161	12,706	10.60	1,199
2014	6,259.76	2,950	2,873	3,387	10.66	318
2015	983,796.50	436,511	425,104	558,692	10.66	52,410
2016	3,305.17	1,363	1,327	1,978	10.68	185
2018	2,561.32	872	849	1,712	10.66	161
2019	45,740.49	13,585	13,230	32,510	10.65	3,053
2020	22,267.17	5,518	5,374	16,893	10.62	1,591
2022	3,598,539.42	452,696	440,866	3,157,673	10.42	303,040
	4,874,380.67	1,031,956	1,004,989	3,869,392		369,911
GREAT VALLEY						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2031						
1986	23,220.03	19,853	19,334	3,886	6.36	611
2008	240,347.39	164,662	160,359	79,989	7.12	11,234
	263,567.42	184,515	179,693	83,874		11,845
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2007	14,006.29	9,129	8,890	5,116	8.82	580
2009	946,692.67	587,517	572,164	374,529	8.86	42,272
2011	7,418,110.46	4,330,693	4,217,524	3,200,587	8.91	359,213
2012	4,454.98	2,510	2,444	2,011	8.91	226
2013	14,266.12	7,699	7,498	6,768	8.96	755
2014	14,703.26	7,571	7,373	7,330	8.95	819
2015	148,297.38	72,221	70,334	77,964	8.95	8,711
2016	2,053.02	935	911	1,142	8.98	127
2017	12,647.80	5,311	5,172	7,476	8.98	833
2018	16,399.71	6,232	6,069	10,331	8.97	1,152
2019	339,694.13	113,594	110,626	229,069	8.96	25,566
2020	13,355.79	3,758	3,660	9,696	8.94	1,085
2021	26,296.07	5,764	5,613	20,683	8.90	2,324
	8,970,977.68	5,152,934	5,018,278	3,952,700		443,663

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
POCOPSON						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2032						
1987	19,315.33	16,215	15,791	3,524	6.98	505
	19,315.33	16,215	15,791	3,524		505
SPROUL ROAD						
FULLY ACCRUED						
2007	3,500.06	3,500	3,500			
	3,500.06	3,500	3,500			
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	977,654.44	445,224	433,584	544,070	19.73	27,576
2008	46,975.93	20,533	19,996	26,980	19.96	1,352
2013	1,404.09	469	457	947	20.95	45
2014	9,937.89	3,087	3,006	6,932	21.08	329
2017	44,225.06	10,349	10,078	34,147	21.28	1,605
2019	5,899.66	1,030	1,003	4,897	21.27	230
2020	290,059.94	41,218	40,140	249,920	21.13	11,828
2021	5,482.69	588	573	4,910	20.81	236
	1,381,639.70	522,498	508,838	872,802		43,201
MEDIA						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2008	1,116.71	711	692	425	8.83	48
	1,116.71	711	692	425		48

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CROYDON						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2018						
2007	12,072.91	12,073	12,073			
2022	3,765.07	3,765	3,765			
	15,837.98	15,838	15,838			
BRISTOL TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2040						
1975	20,015.37	17,181	16,731	3,284	8.00	410
1991	800.00	588	573	227	11.75	19
2007	12,072.92	6,534	6,363	5,710	13.99	408
2017	83,238.05	25,754	25,079	58,159	14.51	4,008
2018	355,289.64	97,705	95,145	260,144	14.50	17,941
2021	14,576.92	2,172	2,115	12,462	14.28	873
2022	838.58	81	79	760	14.03	54
	486,831.48	150,015	146,085	340,746		23,713
NUI TRAILER MOUNTED GENERATORS						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2003	31,885.14	22,422	21,835	10,051	8.65	1,162
2004	5,284.34	3,648	3,552	1,732	8.75	198
2006	54,126.72	35,994	35,051	19,076	8.82	2,163
	91,296.20	62,064	60,438	30,858		3,523
FIELD CREST						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2005	74,845.96	50,820	49,489	25,357	8.75	2,898
2006	219.06	146	142	77	8.82	9
	75,065.02	50,966	49,631	25,434		2,907

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2051						
2006	407,478.01	194,693	189,593	217,885	19.13	11,390
2008	32,145.44	14,202	13,830	18,315	19.59	935
2009	52,906.28	22,326	21,741	31,165	19.86	1,569
2011	157,521.24	60,252	58,674	98,848	20.18	4,898
2013	3,918.24	1,325	1,290	2,628	20.56	128
2014	20,731.51	6,518	6,347	14,384	20.71	695
2019	382,841.48	68,069	66,286	316,556	20.82	15,204
	1,057,542.20	367,385	357,761	699,781		34,819
BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	148,617.66	67,680	65,907	82,711	19.73	4,192
2008	5,853.67	2,559	2,492	3,362	19.96	168
2013	813.60	272	265	549	20.95	26
2015	1,724.93	494	481	1,244	21.18	59
2016	36,513.42	9,530	9,280	27,233	21.24	1,282
2017	1,509.41	353	344	1,166	21.28	55
	195,032.69	80,888	78,769	116,264		5,782
CHESTER VALLEY						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	55,514.18	25,281	24,618	30,896	19.73	1,566
2008	20,558.00	8,986	8,751	11,807	19.96	592
	76,072.18	34,267	33,369	42,703		2,158
CHALFONT						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	167,502.86	82,562	80,399	87,104	15.95	5,461
	167,502.86	82,562	80,399	87,104		5,461

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SIDLEY HILL						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	115,232.44	56,798	55,310	59,922	15.95	3,757
	115,232.44	56,798	55,310	59,922		3,757
BELL TAVERN						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	122,469.87	60,365	58,784	63,686	15.95	3,993
	122,469.87	60,365	58,784	63,686		3,993
VARIOUS GENERATORS						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1990	26,471.03	19,154	18,652	7,819	12.80	611
1992	28,000.00	19,667	19,152	8,848	13.35	663
1996	14,989.33	9,851	9,593	5,396	14.34	376
2000	93,326.16	56,798	55,310	38,016	15.11	2,516
2003	2,537.89	1,436	1,398	1,140	15.73	72
2009	52,774.75	24,561	23,918	28,857	16.65	1,733
2010	430,438.88	191,761	186,738	243,701	16.80	14,506
2011	538,768.24	229,623	223,608	315,161	16.83	18,726
2012	123,836.45	49,980	48,671	75,166	16.99	4,424
2013	302,623.45	115,360	112,338	190,285	17.05	11,160
2014	195,159.31	69,711	67,885	127,274	17.10	7,443
2015	1,052,517.03	348,909	339,769	712,748	17.14	41,584
2016	400,644.04	121,716	118,527	282,117	17.19	16,412
2017	465,064.64	127,567	124,225	340,839	17.20	19,816
2018	1,552,548.97	376,648	366,781	1,185,768	17.17	69,060
2019	4,972,535.34	1,033,790	1,006,708	3,965,827	17.15	231,244
2020	1,908,292.14	325,173	316,655	1,591,638	17.03	93,461
2021	637,042.14	82,306	80,150	556,892	16.84	33,070
2022	469,885.65	39,282	38,253	431,633	16.45	26,239
2023	109,932.31	3,474	3,383	106,549	15.30	6,964
	13,377,387.75	3,246,767	3,161,713	10,215,675		600,080

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INGRAM'S MILL SOLAR						
INTERIM SURVIVOR CURVE.. SQUARE						
PROBABLE RETIREMENT YEAR.. 6-2035						
2010	6,510,805.00	3,515,835	3,423,732	3,087,073	11.50	268,441
2011	13,029.87	6,786	6,608	6,422	11.50	558
2017	10,182.04	3,677	3,581	6,601	11.50	574
	6,534,016.91	3,526,298	3,433,921	3,100,096		269,573
	37,828,785.15	14,646,542	14,263,799	23,564,986		1,824,939
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					12.9	4.82

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1953	1,529.85	1,530	1,530			
1956	824.60	818	825			
1963	620.77	601	614	7	2.00	4
1967	317.40	303	309	8	2.67	3
1970	8,480.04	7,985	8,154	326	3.32	98
1971	1,984.27	1,865	1,904	80	3.36	24
1980	8,006.92	7,141	7,292	715	5.28	135
1985	6,863.53	5,866	5,990	874	6.55	133
1986	243,426.72	205,403	209,739	33,688	6.94	4,854
1987	2,905,627.92	2,428,524	2,479,784	425,844	7.17	59,392
1988	1,070,835.81	881,940	900,556	170,280	7.60	22,405
1989	1,165,867.83	949,250	969,286	196,582	7.87	24,979
1990	1,045,376.73	840,483	858,224	187,153	8.17	22,907
1991	7,933,481.11	6,265,863	6,398,120	1,535,361	8.65	177,498
1992	845,553.09	657,840	671,725	173,828	8.99	19,336
1993	2,935,618.70	2,247,510	2,294,950	640,669	9.34	68,594
1994	948,244.38	710,520	725,517	222,727	9.87	22,566
1995	3,057,209.95	2,247,966	2,295,415	761,795	10.26	74,249
1996	1,307,836.84	942,296	962,186	345,651	10.67	32,395
1997	2,283,756.41	1,603,654	1,637,503	646,253	11.24	57,496
1998	1,622,691.20	1,113,166	1,136,662	486,029	11.67	41,648
1999	2,271,678.03	1,513,846	1,545,800	725,878	12.26	59,207
2000	4,340,169.44	2,804,617	2,863,816	1,476,353	12.87	114,713
2001	2,014,541.52	1,264,729	1,291,424	723,118	13.34	54,207
2002	989,641.81	600,020	612,685	376,957	13.96	27,003
2003	585,706.16	342,170	349,392	236,314	14.59	16,197
2004	1,520,170.82	850,688	868,644	651,527	15.34	42,472
2005	2,426,180.51	1,301,646	1,329,121	1,097,060	15.98	68,652
2006	3,088,475.62	1,578,211	1,611,523	1,476,953	16.75	88,176
2007	6,747,752.37	3,273,335	3,342,427	3,405,325	17.51	194,479
2008	2,033,530.65	932,984	952,677	1,080,854	18.28	59,128
2009	2,593,400.23	1,120,608	1,144,261	1,449,139	19.06	76,030
2010	2,483,794.96	1,005,937	1,027,170	1,456,625	19.83	73,456
2011	5,143,388.64	1,934,943	1,975,785	3,167,604	20.72	152,877
2012	4,861,320.87	1,688,337	1,723,974	3,137,347	21.61	145,180
2013	3,562,951.90	1,133,731	1,157,661	2,405,291	22.50	106,902
2014	2,070,055.81	597,832	610,451	1,459,605	23.39	62,403
2015	5,075,360.79	1,315,534	1,343,302	3,732,059	24.29	153,646
2016	2,131,558.77	489,193	499,519	1,632,040	25.18	64,815
2017	4,170,489.30	829,510	847,019	3,323,470	26.18	126,947
2018	3,614,808.86	608,372	621,213	2,993,596	27.18	110,140
2019	2,991,530.87	411,934	420,629	2,570,902	28.18	91,231

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
2020	4,073,340.59	437,477	446,711	3,626,630	29.07	124,755
2021	5,650,780.82	433,980	443,141	5,207,640	30.07	173,184
2022	3,551,896.85	163,387	166,836	3,385,061	31.07	108,950
2023	2,711,495.04	41,757	42,638	2,668,857	32.07	83,220
	108,098,175.30	47,795,302	48,804,104	59,294,071		3,006,686
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					19.7	2.78

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2049						
1909	40,187.42	35,429	36,784	3,404	15.38	221
1922	3,327.91	2,837	2,945	382	17.55	22
1924	10,039.80	8,591	8,919	1,120	16.78	67
1926	2,027.14	1,719	1,785	242	17.45	14
1931	16,491.87	13,729	14,254	2,238	18.61	120
1932	7,452.60	6,205	6,442	1,010	18.40	55
1935	788.13	656	681	107	17.88	6
1939	201.07	165	171	30	18.60	2
1943	84.64	68	71	14	19.50	1
1948	392,712.35	311,342	323,246	69,466	19.73	3,521
1949	2,392.03	1,889	1,961	431	19.84	22
1950	241.49	190	197	44	19.96	2
1952	9.12	7	7	2	20.24	
1953	140.71	110	114	27	19.59	1
1956	591.08	455	472	119	20.22	6
1961	30,709.28	23,222	24,110	6,599	20.15	327
1962	101,146.77	75,890	78,792	22,355	20.47	1,092
1963	272.96	203	211	62	20.80	3
1965	1,464.18	1,079	1,120	344	20.87	16
1967	8,808.53	6,420	6,665	2,143	21.02	102
1969	32.92	24	25	8	20.69	
1970	572.71	411	427	146	21.13	7
1971	806.02	575	597	209	21.03	10
1972	391,228.01	278,046	288,677	102,551	20.96	4,893
1973	5,543.31	3,919	4,069	1,474	20.93	70
1974	8,368.83	5,841	6,064	2,304	21.42	108
1975	2,128.45	1,476	1,532	596	21.43	28
1976	1,365.27	940	976	389	21.46	18
1977	3,019.07	2,064	2,143	876	21.52	41
1978	33,177.31	22,644	23,510	9,668	21.17	457
1979	1,995.09	1,349	1,401	595	21.29	28
1981	6,126.68	4,062	4,217	1,909	21.60	88
1982	8,014.56	5,288	5,490	2,524	21.40	118
1984	363.39	234	243	120	21.85	5
1985	12,483.79	7,978	8,283	4,201	21.74	193
1986	18,228.06	11,553	11,995	6,233	21.67	288
1987	6,447.73	4,048	4,203	2,245	21.64	104
1988	30,183.77	18,645	19,358	10,826	21.97	493
1990	26,675.36	16,085	16,700	9,975	22.06	452
1991	70,000.61	41,860	43,461	26,540	21.85	1,215

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2049						
1992	89.94	53	55	35	21.98	2
1993	22,337.41	12,945	13,440	8,897	22.13	402
1994	98,270.40	56,240	58,390	39,880	22.05	1,809
1995	105,966.70	59,490	61,765	44,202	22.26	1,986
1996	44,385.64	24,536	25,474	18,912	22.25	850
1997	15,913.55	8,644	8,975	6,939	22.28	311
1999	12,931.56	6,780	7,039	5,892	22.23	265
2001	134,198.77	67,341	69,916	64,283	22.34	2,877
2003	102,953.30	49,170	51,050	51,903	22.42	2,315
2004	6,905,410.10	3,204,801	3,327,337	3,578,073	22.52	158,884
2005	832,343.19	375,720	390,086	442,257	22.48	19,673
2006	31,511.34	13,786	14,313	17,198	22.50	764
2008	48,344.56	19,633	20,384	27,961	22.67	1,233
2010	3,063,542.41	1,141,476	1,185,120	1,878,422	22.73	82,641
2012	19,640,442.95	6,595,261	6,847,432	12,793,011	22.75	562,330
2013	2,978,796.80	938,321	974,198	2,004,599	22.83	87,805
2019	11,974.89	1,961	2,036	9,939	22.97	433
	35,295,263.53	13,493,406	14,009,328	21,285,936		938,796
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2035						
2001	107,333.73	72,214	74,975	32,359	10.94	2,958
2002	1,469,395.50	973,034	1,010,238	459,157	10.97	41,856
2003	159,733.56	103,795	107,764	51,970	11.05	4,703
2004	233.40	149	155	79	10.99	7
2005	13,215.86	8,289	8,606	4,610	11.00	419
2006	429,861.45	263,290	273,357	156,505	11.07	14,138
2007	21,995.80	13,175	13,679	8,317	11.05	753
2008	53,632.42	31,257	32,452	21,180	11.10	1,908
2009	1,638.46	929	965	674	11.07	61
2010	144,742.55	79,522	82,563	62,180	11.07	5,617
2011	3,865,616.14	2,048,777	2,127,112	1,738,504	11.08	156,905
2012	81,187.20	41,267	42,845	38,342	11.12	3,448
2018	0.01		0			
2019	335,216.71	96,241	99,921	235,296	11.17	21,065
	6,683,802.79	3,731,939	3,874,630	2,809,173		253,838

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2043						
1958	2,338.97	1,869	1,940	399	16.47	24
1995	17,935.46	11,091	11,515	6,420	17.59	365
1996	811,007.05	492,930	511,777	299,230	17.75	16,858
1997	1,389,310.97	832,058	863,872	525,439	17.75	29,602
1999	6,100.65	3,542	3,677	2,423	17.70	137
2000	20,796.88	11,827	12,279	8,518	17.82	478
2001	174,671.38	97,467	101,194	73,478	17.82	4,123
2002	53,943.81	29,459	30,585	23,358	17.87	1,307
2003	160,945.12	86,106	89,398	71,547	17.82	4,015
2006	11,960,270.22	5,902,393	6,128,072	5,832,198	17.96	324,733
2007	612,233.49	292,954	304,155	308,078	17.98	17,134
2008	189,721.05	87,917	91,279	98,443	17.95	5,484
2009	18,477.24	8,252	8,568	9,910	17.97	551
2010	26,725.75	11,439	11,876	14,849	18.04	823
2012	2,873.19	1,117	1,160	1,713	18.09	95
2018	4,974.79	1,155	1,199	3,776	18.20	207
2019	48,233.46	9,550	9,915	38,318	18.23	2,102
	15,500,559.48	7,881,126	8,182,462	7,318,097		408,038
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2053						
1972	439,179.91	300,838	312,341	126,839	23.68	5,356
1973	9,902.82	6,752	7,010	2,893	23.57	123
1974	283.95	193	200	84	23.49	4
1975	1,591.82	1,073	1,114	478	23.44	20
1976	785.47	522	542	244	23.93	10
1979	413.19	268	278	135	23.99	6
1983	811,642.93	509,549	529,032	282,611	24.01	11,771
1984	13,830.43	8,578	8,906	4,924	24.19	204
1985	1,353.12	828	860	493	24.39	20
1991	10,456.01	5,947	6,174	4,282	24.64	174
1992	72.45	41	43	30	24.68	1
1993	3,676,556.97	2,029,459	2,107,056	1,569,501	24.75	63,414
1994	5,449.47	2,958	3,071	2,378	24.85	96
2007	17,282.67	6,787	7,047	10,236	25.52	401
2008	196,628.28	74,365	77,208	119,420	25.48	4,687

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2053						
2009	816,364.83	295,932	307,247	509,118	25.50	19,965
2010	31,836.76	11,003	11,424	20,413	25.56	799
2019	49,286.40	7,294	7,573	41,714	25.90	1,611
2020	3,801,583.06	452,388	469,685	3,331,898	25.91	128,595
	9,884,500.54	3,714,775	3,856,810	6,027,691		237,257
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	798,998.22	412,203	427,964	371,035	31.44	11,801
1991	4,600,990.63	2,332,702	2,421,893	2,179,098	31.60	68,959
1992	9,423.18	4,690	4,869	4,554	31.79	143
1994	5,320.33	2,558	2,656	2,665	31.85	84
2001	2,348.63	956	993	1,356	32.75	41
2003	43,538.97	16,780	17,422	26,117	32.69	799
2004	17,846.13	6,646	6,900	10,946	32.86	333
2007	2,035.02	678	704	1,331	33.00	40
2008	250,743.52	80,062	83,123	167,620	33.04	5,073
2009	130,943.67	39,872	41,397	89,547	33.12	2,704
2010	743,896.24	214,912	223,129	520,767	33.23	15,672
2012	1,943.67	498	517	1,427	33.35	43
2018	80,024.04	11,219	11,648	68,376	33.72	2,028
2019	7,233.92	853	886	6,348	33.67	189
	6,695,286.17	3,124,629	3,244,099	3,451,187		107,909
MEDIA FILTRATION PLANT						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2038						
1916	0.57	1	1			
1957	32,967.89	27,624	28,680	4,288	12.87	333
1982	80,542.00	60,833	63,159	17,383	13.45	1,292
1986	0.14		0			
1987	0.21		0			
1988	2,780,999.00	2,013,999	2,091,005	689,994	13.52	51,035
1989	749,306.00	537,702	558,261	191,045	13.58	14,068

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MEDIA FILTRATION PLANT						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2038						
1992	28,000.00	19,580	20,329	7,671	13.55	566
1995	40,188.48	27,260	28,302	11,886	13.52	879
1997	131,839.49	86,988	90,314	41,525	13.66	3,040
	3,843,843.78	2,773,987	2,880,051	963,793		71,213
BRISTOL TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2060						
1973	75,799.09	49,376	51,264	24,535	27.02	908
1977	109,276.90	68,604	71,227	38,050	27.57	1,380
1992	20,000.00	10,458	10,858	9,142	28.74	318
1993	548,159.00	280,877	291,616	256,543	29.02	8,840
1996	2,500.00	1,217	1,264	1,236	28.99	43
1998	7,046,445.86	3,287,872	3,413,584	3,632,862	29.15	124,626
1999	3,133,628.95	1,427,995	1,482,594	1,651,035	29.26	56,426
2000	511,575.28	227,242	235,931	275,645	29.41	9,372
2001	5,808.52	2,509	2,605	3,204	29.58	108
2005	14,176.09	5,429	5,637	8,540	29.81	286
2007	15,325.76	5,462	5,671	9,655	29.80	324
2008	32,543.54	11,097	11,521	21,022	29.95	702
2009	10,667.52	3,480	3,613	7,054	29.95	236
2010	85,800.59	26,641	27,660	58,141	29.98	1,939
	11,611,707.10	5,408,259	5,615,044	5,996,663		205,508
WELLS AND BOOSTERS						
SURVIVOR CURVE.. IOWA 50-R3						
1927	162.17	162	162			
1948	319.00	311	319			
1961	1,908.28	1,765	1,832	76	5.07	15
1962	2,059.80	1,888	1,960	100	5.61	18
1963	2,927.59	2,675	2,777	150	5.72	26
1964	12,915.86	11,681	12,128	788	6.29	125
1965	2,645.62	2,383	2,474	172	6.44	27
1966	836.06	750	779	57	6.60	9
1967	4,809.89	4,294	4,458	352	6.79	52
1968	20,616.32	18,192	18,888	1,729	7.40	234

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
WELLS AND BOOSTERS						
SURVIVOR CURVE.. IOWA 50-R3						
1969	1,991.28	1,747	1,814	177	7.61	23
1970	3,820.38	3,331	3,458	362	7.85	46
1971	530.44	457	474	56	8.48	7
1972	713.59	610	633	80	8.74	9
1975	2,395.63	1,987	2,063	333	9.98	33
1985	2,931.81	2,099	2,179	753	15.26	49
1987	207,967.79	143,456	148,941	59,026	16.41	3,597
1988	23,694.01	16,065	16,679	7,015	16.86	416
1990	2,700.00	1,746	1,813	887	18.31	48
1991	2,698.82	1,711	1,776	922	18.78	49
1992	89.94	56	58	32	19.52	2
1993	86.86	52	54	33	20.26	2
1994	48,335.52	28,373	29,458	18,878	20.75	910
1997	35,000.00	18,830	19,550	15,450	22.76	679
2001	61,214.23	28,648	29,743	31,471	25.58	1,230
2002	27,873.28	12,526	13,005	14,868	26.34	564
2004	4,102.18	1,688	1,753	2,350	27.90	84
2005	19,982.22	7,837	8,137	11,846	28.67	413
2006	430,024.23	160,313	166,443	263,581	29.45	8,950
2007	65,766.34	23,222	24,110	41,656	30.23	1,378
2008	143,842.89	47,928	49,761	94,082	31.01	3,034
2009	1,132,371.86	354,659	368,220	764,152	31.80	24,030
2010	1,065,627.94	313,614	325,606	740,022	32.37	22,861
2011	41,284.03	11,304	11,736	29,548	33.16	891
2012	5,544,884.14	1,402,856	1,456,498	4,088,386	33.95	120,424
2013	6,431,910.42	1,492,203	1,549,261	4,882,649	34.75	140,508
2015	151,508.14	28,726	29,824	121,684	36.34	3,348
2016	41,911.93	7,041	7,310	34,602	37.14	932
2017	185,970.02	27,189	28,229	157,741	37.95	4,157
2018	145,433.63	18,077	18,768	126,665	38.75	3,269
2019	1,443.74	148	154	1,290	39.55	33
	15,877,307.88	4,202,600	4,363,287	11,514,021		342,482
SHENANGO CLARIFIER AND PIPING						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2026						
1976	707,085.58	671,731	697,415	9,671	2.50	3,868
1999	431.06	392	407	24	2.45	10

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SHENANGO CLARIFIER AND PIPING						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2026						
2010	530,034.06	447,932	465,059	64,975	2.47	26,306
2012	1,187,368.92	976,255	1,013,582	173,787	2.49	69,794
2020	43,976.46	25,691	26,673	17,303	2.49	6,949
	2,468,896.08	2,122,001	2,203,136	265,760		106,927
BEAR GAP TREATMENT PLANT - STRUCTURES						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	2,768,610.12	1,657,013	1,720,369	1,048,241	19.12	54,824
1997	155,244.00	89,684	93,113	62,131	19.37	3,208
2006	1,267.64	599	622	646	19.54	33
	2,925,121.76	1,747,296	1,814,104	1,111,018		58,065
	110,786,289.11	48,200,018	50,042,951	60,743,339		2,730,033
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					22.3	2.46

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
1943	1,427.03	1,356	1,408	19	4.25	4
1960	1,028.97	921	956	73	7.42	10
1961	711.30	631	655	56	7.92	7
1964	56,189.64	48,812	50,678	5,512	8.99	613
1965	31,521.76	27,292	28,336	3,186	9.07	351
1966	9,152.83	7,894	8,196	957	9.17	104
1967	7,329.27	6,253	6,492	837	9.72	86
1968	97,462.22	82,765	85,930	11,532	9.86	1,170
1969	11,490.68	9,644	10,013	1,478	10.44	142
1970	39,073.60	32,611	33,858	5,216	10.60	492
1971	48,535.06	40,003	41,533	7,002	11.20	625
1972	1,590,895.75	1,302,625	1,352,431	238,465	11.40	20,918
1973	176,550.71	142,653	148,107	28,444	12.00	2,370
1974	36,001.08	28,869	29,973	6,028	12.23	493
1975	67,706.93	53,529	55,576	12,131	12.85	944
1976	23,955.91	18,777	19,495	4,461	13.10	341
1977	41,199.07	31,802	33,018	8,181	13.74	595
1978	48,171.05	36,600	37,999	10,172	14.38	707
1979	53,495.01	40,228	41,766	11,729	14.67	800
1980	96,112.96	71,076	73,794	22,319	15.32	1,457
1981	131,725.79	96,292	99,974	31,752	15.64	2,030
1982	155,997.90	112,006	116,289	39,709	16.30	2,436
1983	211,718.38	150,066	155,804	55,914	16.64	3,360
1984	165,897.92	115,332	119,742	46,156	17.32	2,665
1985	615,225.62	419,215	435,244	179,982	18.00	9,999
1986	251,538.97	168,833	175,288	76,251	18.37	4,151
1987	260,410.72	171,090	177,632	82,779	19.06	4,343
1988	1,161,265.56	750,294	778,981	382,285	19.45	19,655
1989	1,163,325.27	734,524	762,609	400,716	20.14	19,897
1990	809,991.17	499,279	518,369	291,622	20.85	13,987
1991	2,094,141.12	1,265,908	1,314,310	779,831	21.26	36,681
1992	679,014.31	399,939	415,231	263,783	21.98	12,001
1993	652,665.63	374,238	388,547	264,119	22.69	11,640
1994	776,962.48	435,487	452,138	324,824	23.13	14,043
1995	3,636,513.12	1,979,718	2,055,412	1,581,101	23.85	66,294
1996	952,666.00	505,675	525,009	427,657	24.31	17,592
1997	537,327.09	276,240	286,802	250,525	25.05	10,001
1998	1,487,953.11	739,810	768,097	719,856	25.78	27,923
1999	897,249.94	433,013	449,569	447,681	26.26	17,048
2000	2,635,160.76	1,226,140	1,273,021	1,362,140	27.01	50,431
2001	1,015,706.58	454,833	472,224	543,483	27.75	19,585
2002	1,253,793.61	541,890	562,609	691,185	28.25	24,467

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
2003	598,269.81	247,744	257,216	341,054	29.00	11,760
2004	1,236,697.26	491,958	510,768	725,929	29.52	24,591
2005	1,099,039.64	416,756	432,691	666,349	30.28	22,006
2006	1,165,475.30	422,135	438,275	727,200	30.81	23,603
2007	2,748,684.36	943,348	979,417	1,769,267	31.58	56,025
2008	24,233,145.70	7,887,889	8,189,483	16,043,663	32.12	499,491
2009	8,365,862.81	2,559,954	2,657,834	5,708,029	32.89	173,549
2010	475,429.40	136,733	141,961	333,468	33.45	9,969
2011	10,063,432.18	2,691,968	2,794,895	7,268,537	34.23	212,344
2012	4,326,158.53	1,074,618	1,115,706	3,210,453	34.80	92,254
2013	5,384,947.25	1,232,614	1,279,743	4,105,204	35.37	116,065
2014	3,111,609.77	647,215	671,961	2,439,649	36.16	67,468
2015	7,581,763.28	1,423,855	1,478,296	6,103,467	36.75	166,081
2016	4,235,326.17	708,147	735,223	3,500,103	37.35	93,711
2017	6,396,168.08	935,120	970,874	5,425,294	37.95	142,959
2018	11,446,289.57	1,435,365	1,490,247	9,956,043	38.36	259,542
2019	9,091,657.04	945,532	981,685	8,109,972	38.79	209,074
2020	9,642,997.12	789,761	819,957	8,823,040	39.24	224,848
2021	4,116,040.89	244,904	254,268	3,861,773	39.52	97,717
2022	23,417,405.67	857,077	889,847	22,527,559	39.48	570,607
2023	25,884,700.68	336,501	349,368	25,535,333	38.11	670,043
	188,605,362.39	40,263,357	41,802,830	146,802,533		4,166,165

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 35.2 2.21

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.3 PURIFICATION SYSTEM - COMPUTERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
1990	15,782.57	15,783	15,783			
1991	2,805.52	2,806	2,806			
1993	28,543.01	28,543	28,543			
1994	1,916.34	1,916	1,916			
1997	17,091.38	17,091	17,091			
2000	2,491,613.13	2,491,613	2,491,613			
2003	16,758.82	16,759	16,759			
2004	80,763.12	80,763	80,763			
2005	220,367.24	220,367	220,367			
2006	3,628.76	3,629	3,629			
2007	2,481,132.96	2,481,133	2,481,133			
2008	1,164,900.23	1,164,900	1,164,900			
2009	221,698.64	221,699	221,699			
	6,747,001.72	6,747,002	6,747,002			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.4 PURIFICATION SYSTEM - PAINTING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
SURVIVOR CURVE.. 10-SQUARE						
1984	64,439.24	64,439	64,439			
1986	15,122.71	15,123	15,123			
1987	44,693.32	44,693	44,693			
1989	31,121.90	31,122	31,122			
1990	3,338.57	3,339	3,339			
1991	23.76	24	24			
2014	17,390.22	16,521	17,390			
2018	101,940.44	56,067	81,663	20,277	4.50	4,506
	278,070.16	231,328	257,793	20,277		4,506

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.5 1.62

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.5 PURIFICATION SYSTEM - FILTER MEDIA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 10-S3						
1965	3,598.68	3,599	3,599			
1981	19,529.11	19,529	19,529			
1982	143,790.21	143,790	143,790			
1984	29,803.31	29,803	29,803			
1985	69,517.18	69,517	69,517			
1986	136,314.32	136,314	136,314			
1987	114,243.71	114,244	114,244			
1988	67,139.42	67,139	67,139			
1991	35,360.49	35,360	35,360			
1993	183,083.17	183,083	183,083			
1994	68,886.00	68,886	68,886			
1995	526,156.36	526,156	526,156			
1996	84,738.80	84,739	84,739			
1998	78,474.29	78,474	78,474			
1999	209,459.32	209,459	209,459			
2000	266,349.11	266,349	266,349			
2001	269,303.00	269,303	269,303			
2004	45,007.99	45,008	45,008			
2007	294,822.38	290,400	294,822			
2008	106,142.00	103,149	106,142			
2012	24,784.82	22,202	24,785			
2013	55,832.46	48,362	55,832			
2014	79,686.15	66,012	79,686			
2016	62,367.53	45,092	62,368			
2020	37,883.96	14,161	33,455	4,429	5.86	756
2021	345,007.79	92,531	218,601	126,407	6.82	18,535
2022	146,702.99	23,634	55,835	90,868	7.81	11,635
2023	1,845,384.60	99,097	234,113	1,611,272	8.81	182,891
	5,349,369.15	3,155,392	3,516,391	1,832,978		213,817

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.6 4.00

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
1882	971.76	972	972			
1885	936.99	934	919	18	0.39	18
1892	330.85	326	321	10	1.84	5
1899	426.97	415	408	19	3.71	5
1909	42,276.65	39,694	39,055	3,222	7.45	432
1910	62,263.37	58,652	57,708	4,556	6.99	652
1924	180,170.04	161,342	158,744	21,426	11.61	1,845
1926	40,528.66	36,354	35,769	4,760	11.20	425
1927	38,715.43	34,372	33,819	4,897	12.20	401
1928	30,593.54	27,173	26,735	3,858	12.02	321
1931	215.95	190	187	29	12.76	2
1937	11,474.00	9,826	9,668	1,806	14.51	124
1938	177.32	150	148	30	15.52	2
1940	1,935.28	1,632	1,606	330	15.50	21
1943	610.00	506	498	112	16.58	7
1944	2,043.94	1,690	1,663	381	16.65	23
1945	3,299.29	2,694	2,651	649	17.65	37
1946	1,368.69	1,114	1,096	273	17.73	15
1947	81.99	66	65	17	17.84	1
1948	150,002.88	121,172	119,221	30,782	17.96	1,714
1949	479.11	382	376	103	18.95	5
1950	165,786.08	131,601	129,482	36,304	19.09	1,902
1951	289,265.86	228,578	224,898	64,368	19.25	3,344
1952	14,337.96	11,277	11,095	3,243	19.41	167
1953	86,148.11	67,420	66,334	19,814	19.59	1,011
1954	183,582.90	141,616	139,336	44,247	20.59	2,149
1955	109,259.19	83,824	82,474	26,785	20.79	1,288
1956	342,821.73	261,504	257,294	85,528	20.99	4,075
1957	796.63	604	594	202	21.22	10
1958	13,274.08	9,998	9,837	3,437	21.46	160
1959	29,221.13	21,863	21,511	7,710	21.71	355
1960	24,751.76	18,391	18,095	6,657	21.97	303
1961	571,250.73	417,699	410,974	160,277	22.97	6,978
1962	303,508.71	220,256	216,710	86,799	23.25	3,733
1963	609,235.51	438,650	431,587	177,648	23.53	7,550
1964	471,306.28	336,513	331,095	140,211	23.83	5,884
1965	24,442.86	17,301	17,022	7,420	24.15	307
1966	208,544.09	146,294	143,939	64,606	24.47	2,640
1967	3,612.72	2,511	2,471	1,142	24.80	46
1968	41,909.30	28,842	28,378	13,532	25.15	538
1969	78,516.32	53,485	52,624	25,892	25.50	1,015

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
1970	36,987.69	24,933	24,532	12,456	25.87	481
1971	110,853.52	73,917	72,727	38,127	26.24	1,453
1972	749,147.84	493,838	485,887	263,261	26.62	9,890
1973	1,620,477.53	1,055,579	1,038,583	581,894	27.02	21,536
1974	22,683.48	14,597	14,362	8,322	27.42	304
1975	577,199.16	366,752	360,847	216,352	27.83	7,774
1976	2,932,460.25	1,838,653	1,809,049	1,123,411	28.26	39,753
1977	109,726.92	67,855	66,762	42,964	28.69	1,498
1978	475,560.25	289,949	285,281	190,280	29.13	6,532
1979	299,917.27	181,510	178,588	121,330	29.03	4,179
1980	1,879,391.53	1,120,117	1,102,082	777,309	29.49	26,358
1981	182,786.41	107,204	105,478	77,308	29.96	2,580
1982	6,239.54	3,599	3,541	2,698	30.45	89
1983	2,875.57	1,630	1,604	1,272	30.93	41
1984	163,354.85	90,989	89,524	73,831	31.42	2,350
1985	812,685.56	444,295	437,142	375,544	31.92	11,765
1986	634,498.35	342,629	337,112	297,386	31.94	9,311
1987	146,378.14	77,463	76,216	70,162	32.47	2,161
1988	1,153,200.04	597,704	588,081	565,119	32.99	17,130
1989	1,809,035.47	917,543	902,770	906,266	33.52	27,037
1990	219,911.34	109,032	107,277	112,635	34.07	3,306
1991	592,988.90	289,082	284,428	308,561	34.17	9,030
1992	3,452,411.17	1,641,967	1,615,530	1,836,881	34.73	52,890
1993	614,903.78	285,069	280,479	334,425	35.29	9,476
1994	906,692.02	409,281	402,691	504,001	35.86	14,055
1995	624,672.23	274,169	269,755	354,918	36.44	9,740
1996	1,832,148.67	785,992	773,337	1,058,812	36.60	28,929
1997	1,925,347.88	800,945	788,049	1,137,299	37.20	30,573
1998	384,295.91	154,833	152,340	231,956	37.79	6,138
1999	970,978.11	378,293	372,202	598,776	38.39	15,597
2000	2,625,024.75	993,309	977,316	1,647,709	38.61	42,676
2001	1,486,848.94	541,956	533,230	953,619	39.23	24,308
2002	2,463,998.49	863,385	849,484	1,614,515	39.85	40,515
2003	645,435.92	216,996	213,502	431,934	40.48	10,670
2004	391,305.10	126,665	124,626	266,679	40.74	6,546
2005	1,217,799.22	376,300	370,241	847,558	41.38	20,482
2006	2,434,217.04	715,660	704,137	1,730,080	42.02	41,173
2007	3,923,070.75	1,093,752	1,076,142	2,846,929	42.67	66,720
2008	4,293,548.74	1,131,350	1,113,135	3,180,414	43.32	73,417
2009	772,073.53	191,474	188,391	583,682	43.98	13,272
2010	5,464,023.75	1,276,396	1,255,845	4,208,179	44.30	94,993

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
2011	3,336,000.44	725,580	713,898	2,622,103	44.97	58,308
2012	2,229,988.50	448,674	441,450	1,788,538	45.65	39,179
2013	182,976.42	33,814	33,270	149,707	46.32	3,232
2014	7,759,811.35	1,305,200	1,284,185	6,475,626	46.99	137,809
2015	183,741.12	27,635	27,190	156,551	48.00	3,261
2016	1,454,611.05	194,191	191,064	1,263,547	48.68	25,956
2017	313,062.33	36,440	35,853	277,209	49.36	5,616
2018	1,683,941.92	166,710	164,026	1,519,916	50.06	30,362
2019	4,359,870.63	353,150	347,464	4,012,407	51.06	78,582
2020	2,203,605.55	139,709	137,460	2,066,146	51.75	39,926
2021	7,931,954.46	358,524	352,752	7,579,203	52.75	143,682
2022	2,518,765.00	68,762	67,655	2,451,110	53.45	45,858
2023	5,189,591.59	47,225	46,465	5,143,127	54.45	94,456
	94,455,550.63	27,810,159	27,362,412	67,093,139		1,562,465
TANK PAINTING						
SURVIVOR CURVE.. 10-SQUARE						
1988	308,396.52	308,397	308,397			
1989	224,751.94	224,752	224,752			
1990	139,789.51	139,790	139,790			
1991	411,271.42	411,271	411,271			
1992	241,689.28	241,689	241,689			
1993	719,568.10	719,568	719,568			
1994	161,329.08	161,329	161,329			
1996	65,886.34	65,886	65,886			
1997	1,352,375.85	1,352,376	1,352,376			
1998	244,432.30	244,432	244,432			
2000	293,325.37	293,325	293,325			
2001	999,556.65	999,557	999,557			
2002	639,030.93	639,031	639,031			
2003	998,397.72	998,398	998,398			
2004	9,430.21	9,430	9,430			
2005	68,620.50	68,620	68,621			
2006	746,193.69	746,194	746,194			
2007	916,877.37	916,877	916,877			
2008	2,393,972.38	2,393,972	2,393,972			
2009	5,096,907.06	5,096,907	5,096,907			
2010	4,223,263.28	4,223,263	4,223,263			
2011	1,516,320.64	1,516,321	1,516,321			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANK PAINTING						
SURVIVOR CURVE.. 10-SQUARE						
2012	4,174,492.92	4,174,493	4,174,493			
2013	2,336,976.32	2,336,976	2,336,976			
2014	2,415,696.16	2,294,911	2,221,358	194,339	0.50	194,339
2015	8,155,014.05	6,931,762	6,709,594	1,445,420	1.50	963,613
2016	5,897,457.03	4,423,093	4,281,330	1,616,127	2.50	646,451
2017	8,289,125.07	5,387,931	5,215,244	3,073,881	3.50	878,252
2018	6,649,025.59	3,656,964	3,539,756	3,109,270	4.50	690,949
2019	8,643,852.32	3,889,734	3,765,065	4,878,787	5.50	887,052
2020	1,865,419.78	652,897	631,971	1,233,449	6.50	189,761
2021	2,361,310.44	590,328	571,408	1,789,903	7.50	238,654
2022	4,122,670.99	618,401	598,581	3,524,090	8.50	414,599
2023	2,041,585.78	102,079	98,807	1,942,778	9.50	204,503
	78,724,012.59	56,830,954	55,915,970	22,808,043		5,308,173
	173,179,563.22	84,641,113	83,278,382	89,901,182		6,870,638

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.1 3.97

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1911	19.91	19	13	7	6.55	1
1924	90.43	83	58	32	9.20	3
1925	7,721.59	7,073	4,911	2,811	9.03	311
1926	1,711.88	1,552	1,078	634	10.02	63
1927	1,026.53	931	646	381	9.88	39
1928	972.34	882	612	360	9.77	37
1929	699.74	635	441	259	9.67	27
1930	2,357.52	2,116	1,469	889	10.67	83
1931	2,637.93	2,367	1,644	994	10.60	94
1932	333.51	299	208	126	10.54	12
1933	577.63	518	360	218	10.51	21
1934	788.49	706	490	298	10.50	28
1935	16,056.10	14,210	9,867	6,189	11.50	538
1936	134.74	119	83	52	11.50	5
1937	768.19	678	471	297	11.54	26
1938	1,269.99	1,118	776	494	11.59	43
1939	1,989.91	1,749	1,214	776	11.65	67
1940	12,574.16	11,025	7,656	4,918	11.73	419
1941	1,082.40	947	658	424	11.84	36
1942	1,694.71	1,478	1,026	669	11.96	56
1944	2,491.89	2,140	1,486	1,006	13.09	77
1945	4,756.38	4,070	2,826	1,930	13.25	146
1946	966.02	824	572	394	13.41	29
1947	3,081.25	2,617	1,817	1,264	13.59	93
1949	3,755.40	3,161	2,195	1,560	14.00	111
1950	15,352.16	12,864	8,932	6,420	14.22	451
1952	4,993.05	4,177	2,900	2,093	13.97	150
1953	1,423.60	1,184	822	602	14.25	42
1955	11,853.82	9,744	6,766	5,088	14.83	343
1956	8,727.98	7,129	4,950	3,778	15.14	250
1957	6,259.87	5,079	3,527	2,733	15.47	177
1958	8,693.86	7,061	4,903	3,791	15.15	250
1959	6,051.82	4,879	3,388	2,664	15.50	172
1960	252,634.22	202,133	140,357	112,277	15.87	7,075
1961	4,596.71	3,649	2,534	2,063	16.24	127
1962	63,520.52	50,397	34,995	28,526	16.02	1,781
1963	4,374.62	3,441	2,389	1,986	16.42	121
1964	45,797.91	35,970	24,977	20,821	16.26	1,281
1965	19,854.48	15,447	10,726	9,128	16.69	547
1966	3,628.51	2,816	1,955	1,674	16.58	101
1967	1,688.18	1,297	901	787	17.03	46
1968	22,437.30	17,185	11,933	10,504	16.96	619

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1969	20,587.43	15,597	10,830	9,757	17.44	559
1970	8,702.99	6,566	4,559	4,144	17.42	238
1971	28,002.60	20,876	14,496	13,507	17.92	754
1972	13,421.31	9,953	6,911	6,510	17.94	363
1973	12,682.15	9,351	6,493	6,189	17.99	344
1974	67,218.44	49,244	34,194	33,024	18.07	1,828
1975	90,916.19	66,142	45,928	44,988	18.17	2,476
1976	32,707.68	23,615	16,398	16,310	18.29	892
1977	95,956.16	68,714	47,714	48,242	18.44	2,616
1978	186,668.58	132,497	92,003	94,666	18.60	5,090
1979	145,179.13	102,075	70,879	74,300	18.79	3,954
1980	103,930.81	72,336	50,229	53,702	19.00	2,826
1981	30,380.82	20,917	14,524	15,857	19.23	825
1982	87,022.49	59,228	41,127	45,895	19.48	2,356
1983	82,033.76	55,151	38,296	43,738	19.74	2,216
1984	53,968.28	36,029	25,018	28,950	19.67	1,472
1985	104,025.88	68,491	47,559	56,467	19.98	2,826
1986	79,774.26	52,053	36,144	43,630	19.97	2,185
1987	86,227.87	55,393	38,464	47,764	20.32	2,351
1988	79,523.46	50,529	35,086	44,437	20.37	2,181
1989	52,473.61	32,765	22,751	29,723	20.75	1,432
1990	148,244.67	91,378	63,451	84,794	20.85	4,067
1991	59,675.89	36,271	25,186	34,490	20.97	1,645
1992	33,314.04	19,835	13,773	19,541	21.41	913
1993	63,396.26	37,125	25,779	37,617	21.58	1,743
1994	168,044.51	96,659	67,118	100,927	21.78	4,634
1995	65,871.73	37,171	25,811	40,061	22.01	1,820
1996	100,972.59	55,818	38,759	62,214	22.25	2,796
1997	352,352.27	190,482	132,267	220,085	22.52	9,773
1998	443,859.06	233,159	161,901	281,958	23.04	12,238
1999	253,774.75	129,933	90,223	163,552	23.35	7,004
2000	162,455.30	80,935	56,200	106,255	23.67	4,489
2001	1,472,086.76	712,196	494,534	977,553	24.01	40,714
2002	1,105,739.50	518,260	359,869	745,870	24.37	30,606
2003	1,409,329.15	638,426	443,309	966,020	24.75	39,031
2004	1,022,770.70	446,746	310,211	712,560	25.14	28,344
2005	553,337.60	232,402	161,375	391,963	25.55	15,341
2006	4,309,391.44	1,734,530	1,204,420	3,104,971	25.98	119,514
2007	1,785,361.88	686,293	476,547	1,308,815	26.42	49,539
2008	1,631,312.35	594,124	412,547	1,218,765	27.06	45,039
2009	218,500.00	75,404	52,359	166,141	27.52	6,037
2010	137,815.00	44,845	31,139	106,676	27.99	3,811

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
2011	962,641.18	293,606	203,874	758,767	28.48	26,642
2012	714,237.64	202,843	140,850	573,388	28.99	19,779
2013	1,494,140.03	392,212	272,343	1,221,797	29.50	41,417
2014	1,210,353.57	290,969	202,043	1,008,311	30.02	33,588
2015	1,859,123.13	404,545	280,907	1,578,216	30.56	51,643
2016	1,264,247.07	245,517	170,482	1,093,765	31.11	35,158
2017	1,102,675.13	187,786	130,394	972,281	31.67	30,700
2018	1,524,302.42	222,243	154,321	1,369,981	32.23	42,506
2019	3,323,396.41	400,802	278,308	3,045,088	32.81	92,810
2020	3,623,897.42	343,545	238,550	3,385,347	33.40	101,358
2021	2,468,865.04	169,858	117,946	2,350,919	33.86	69,431
2022	1,999,733.49	83,589	58,042	1,941,691	34.34	56,543
2023	5,741,452.89	82,677	57,409	5,684,044	34.22	166,103
	44,799,522.02	11,465,475	7,961,382	36,838,140		1,252,458

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 29.4 2.80

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1923	4,258.91	4,066	2,823	1,436	4.76	302
1924	12,049.68	11,389	7,908	4,142	5.77	718
1925	51,134.96	48,353	33,575	17,560	5.67	3,097
1926	61,379.57	58,053	40,311	21,069	5.59	3,769
1927	38,237.84	36,162	25,110	13,128	5.54	2,370
1928	27,369.04	25,615	17,787	9,582	6.54	1,465
1929	26,391.67	24,692	17,146	9,246	6.51	1,420
1930	16,618.22	15,538	10,789	5,829	6.50	897
1931	20,039.24	18,721	12,999	7,040	6.51	1,081
1932	37,743.30	35,226	24,460	13,283	6.54	2,031
1933	3,624.78	3,346	2,323	1,302	7.54	173
1934	9,760.10	8,997	6,247	3,513	7.59	463
1935	31,009.51	28,541	19,818	11,192	7.65	1,463
1936	32,736.81	30,079	20,886	11,851	7.73	1,533
1937	25,239.11	23,142	16,069	9,170	7.84	1,170
1938	31,856.57	29,142	20,236	11,621	7.96	1,460
1939	38,741.53	35,356	24,550	14,192	8.09	1,754
1940	47,048.95	42,824	29,736	17,313	8.24	2,101
1941	42,562.61	38,626	26,821	15,742	8.41	1,872
1942	37,089.74	33,551	23,297	13,793	8.59	1,606
1943	3,924.75	3,539	2,457	1,468	8.79	167
1944	13,008.32	11,583	8,043	4,965	9.79	507
1945	49,868.76	44,234	30,715	19,154	10.00	1,915
1946	21,538.56	19,029	13,213	8,326	10.22	815
1947	28,105.72	24,727	17,170	10,936	10.45	1,047
1948	90,121.98	78,929	54,807	35,315	10.71	3,297
1949	69,661.91	60,717	42,161	27,501	10.97	2,507
1950	180,680.06	158,023	109,728	70,952	10.54	6,732
1951	127,202.85	110,666	76,844	50,359	10.83	4,650
1952	129,474.89	112,022	77,786	51,689	11.14	4,640
1953	209,947.20	180,576	125,388	84,559	11.47	7,372
1954	252,600.23	215,923	149,932	102,668	11.80	8,701
1955	374,048.33	317,717	220,616	153,432	12.15	12,628
1956	307,623.75	259,573	180,242	127,382	12.50	10,191
1957	167,462.82	140,317	97,433	70,030	12.87	5,441
1958	201,356.15	167,488	116,300	85,056	13.24	6,424
1959	236,905.64	195,589	135,813	101,093	13.62	7,422
1960	450,255.95	368,850	256,122	194,134	14.02	13,847
1961	157,187.87	127,715	88,683	68,505	14.42	4,751
1962	272,321.21	221,070	153,506	118,815	14.26	8,332
1963	161,848.90	130,224	90,425	71,424	14.69	4,862
1964	574,605.05	458,133	318,118	256,487	15.13	16,952

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1965	385,303.32	304,313	211,308	173,995	15.57	11,175
1966	668,498.60	522,766	362,998	305,501	16.03	19,058
1967	547,948.15	424,112	294,494	253,454	16.50	15,361
1968	497,848.97	381,303	264,769	233,080	16.96	13,743
1969	545,236.43	416,015	288,872	256,364	16.93	15,143
1970	778,137.87	587,027	407,619	370,519	17.42	21,270
1971	1,187,176.60	885,040	614,553	572,624	17.92	31,954
1972	851,633.57	627,143	435,475	416,159	18.43	22,581
1973	1,280,942.39	931,501	646,814	634,128	18.94	33,481
1974	6,207,623.80	4,455,832	3,094,035	3,113,589	19.46	159,999
1975	1,222,929.57	865,956	601,301	621,629	19.99	31,097
1976	1,422,376.24	993,103	689,590	732,786	20.53	35,693
1977	1,742,881.25	1,199,451	832,873	910,008	21.07	43,190
1978	3,233,237.37	2,192,135	1,522,172	1,711,065	21.61	79,179
1979	3,252,800.77	2,171,245	1,507,666	1,745,135	22.17	78,716
1980	2,709,464.21	1,779,576	1,235,700	1,473,764	22.73	64,838
1981	2,841,699.29	1,835,738	1,274,697	1,567,002	23.29	67,282
1982	2,054,210.99	1,304,424	905,764	1,148,447	23.86	48,133
1983	2,560,675.95	1,597,094	1,108,988	1,451,688	24.44	59,398
1984	7,165,985.18	4,387,016	3,046,250	4,119,735	25.02	164,658
1985	5,136,206.81	3,084,806	2,142,024	2,994,183	25.60	116,960
1986	7,088,589.30	4,173,761	2,898,171	4,190,418	26.19	160,001
1987	7,760,960.74	4,475,746	3,107,863	4,653,098	26.79	173,688
1988	9,901,829.90	5,588,593	3,880,600	6,021,230	27.40	219,753
1989	11,709,186.30	6,463,471	4,488,097	7,221,089	28.00	257,896
1990	7,843,666.10	4,204,205	2,919,310	4,924,356	29.00	169,805
1991	7,264,838.97	3,800,964	2,639,308	4,625,531	29.61	156,215
1992	7,332,270.88	3,741,658	2,598,128	4,734,143	30.23	156,604
1993	14,152,644.55	7,036,695	4,886,131	9,266,514	30.85	300,373
1994	6,488,721.81	3,119,777	2,166,307	4,322,415	31.85	135,712
1995	10,661,376.45	4,983,127	3,460,177	7,201,199	32.48	221,712
1996	5,411,399.32	2,440,541	1,694,660	3,716,739	33.48	111,014
1997	11,705,684.19	5,117,725	3,553,639	8,152,045	34.11	238,993
1998	18,400,483.43	7,788,925	5,408,464	12,992,019	34.74	373,979
1999	13,320,946.09	5,417,629	3,761,886	9,559,060	35.74	267,461
2000	19,662,325.67	7,670,273	5,326,074	14,336,252	36.74	390,208
2001	20,629,319.19	7,752,498	5,383,170	15,246,149	37.38	407,869
2002	25,837,398.20	9,275,626	6,440,797	19,396,601	38.38	505,383
2003	32,522,711.26	11,200,822	7,777,612	24,745,099	39.02	634,165
2004	34,492,126.06	11,299,620	7,846,216	26,645,910	40.02	665,815
2005	49,859,016.51	15,496,182	10,760,219	39,098,798	41.02	953,164
2006	46,605,392.69	13,701,985	9,514,367	37,091,026	42.02	882,699

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
2007	68,616,570.51	19,130,300	13,283,673	55,332,898	42.67	1,296,763
2008	74,563,938.21	19,535,752	13,565,210	60,998,728	43.67	1,396,811
2009	102,679,438.94	25,156,463	17,468,112	85,211,327	44.67	1,907,574
2010	139,962,874.94	31,939,528	22,178,128	117,784,747	45.67	2,579,040
2011	112,727,826.08	23,808,117	16,531,849	96,195,977	46.67	2,061,195
2012	82,509,146.37	16,039,778	11,137,680	71,371,466	47.67	1,497,199
2013	67,123,013.89	11,981,458	8,319,669	58,803,345	48.32	1,216,957
2014	92,769,788.67	14,982,321	10,403,405	82,366,384	49.32	1,670,040
2015	89,586,047.74	12,945,184	8,988,860	80,597,188	50.32	1,601,693
2016	122,976,672.13	15,679,526	10,887,529	112,089,143	51.32	2,184,122
2017	137,948,990.89	15,243,363	10,584,667	127,364,324	52.32	2,434,333
2018	132,148,712.68	12,355,905	8,579,677	123,569,036	53.32	2,317,499
2019	141,556,447.27	10,829,068	7,519,475	134,036,972	54.32	2,467,544
2020	108,676,482.74	6,466,251	4,490,027	104,186,456	55.32	1,883,342
2021	119,296,729.14	5,070,111	3,520,577	115,776,152	56.32	2,055,685
2022	101,320,005.10	2,583,660	1,794,038	99,525,967	57.32	1,736,322
2023	124,995,780.26	1,062,464	737,753	124,258,027	58.32	2,130,625
	2,239,076,813.54	424,462,731	294,737,880	1,944,338,934		41,116,107
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					47.3	1.84

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1887	26,894.40	25,698	17,844	9,050	6.36	1,423
1890	222.55	211	147	76	7.35	10
1891	696.09	655	455	241	8.34	29
1892	14,494.55	13,723	9,529	4,966	7.39	672
1893	706.84	664	461	246	8.39	29
1895	368.44	346	240	128	8.49	15
1896	1,926.44	1,793	1,245	681	9.48	72
1897	3,342.53	3,129	2,173	1,170	8.64	135
1898	2,009.12	1,866	1,296	713	9.64	74
1899	11,119.78	10,384	7,210	3,910	8.83	443
1900	7,052.34	6,532	4,536	2,516	9.84	256
1901	85.52	79	55	31	10.83	3
1902	45.47	42	29	16	10.08	2
1903	247.27	226	157	90	11.08	8
1904	4,291.98	3,949	2,742	1,550	10.36	150
1905	31,099.46	28,375	19,703	11,396	11.38	1,001
1906	7,194.59	6,594	4,579	2,616	10.71	244
1907	29,403.26	26,719	18,553	10,850	11.71	927
1908	25,118.48	22,918	15,914	9,204	11.09	830
1909	88,897.25	80,416	55,839	33,058	12.08	2,737
1910	2,949.88	2,678	1,860	1,090	11.50	95
1911	1,163.13	1,047	727	436	12.50	35
1912	3,238.25	2,925	2,031	1,207	11.95	101
1913	18,244.67	16,329	11,339	6,906	12.96	533
1914	4,458.85	4,004	2,780	1,679	12.45	135
1916	2,486.08	2,218	1,540	946	12.99	73
1918	21,550.80	19,098	13,261	8,290	13.55	612
1919	145.61	128	89	57	14.55	4
1920	6,666.92	5,866	4,073	2,594	14.14	183
1921	56.52	49	34	23	15.15	2
1923	44,187.11	38,191	26,519	17,668	15.78	1,120
1924	68,664.55	59,436	41,271	27,394	15.45	1,773
1925	79,798.19	68,387	47,486	32,312	16.44	1,965
1926	145,992.53	125,262	86,979	59,014	16.14	3,656
1927	23,029.43	19,557	13,580	9,449	17.14	551
1928	13,634.17	11,589	8,047	5,587	16.85	332
1929	30,716.69	25,833	17,938	12,779	17.87	715
1930	14,516.10	12,215	8,482	6,034	17.61	343
1931	35,713.44	29,731	20,645	15,068	18.61	810
1932	13,214.78	11,003	7,640	5,575	18.40	303
1933	23,474.46	19,334	13,425	10,049	19.38	519
1934	3,822.00	3,147	2,185	1,637	19.20	85

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1935	7,281.34	5,993	4,161	3,120	19.03	164
1936	905.97	737	512	394	20.02	20
1937	16,139.82	13,123	9,112	7,028	19.88	354
1938	297.91	239	166	132	20.88	6
1939	6,507.97	5,225	3,628	2,880	20.76	139
1940	62,180.17	49,321	34,247	27,933	21.77	1,283
1941	27,697.16	21,936	15,232	12,465	21.67	575
1942	76,543.89	59,888	41,585	34,959	22.67	1,542
1943	666.91	521	362	305	22.60	13
1944	4,838.74	3,732	2,591	2,248	23.59	95
1945	15,607.22	12,007	8,337	7,270	23.54	309
1946	3,197.66	2,429	1,687	1,511	24.54	62
1947	287,328.46	217,623	151,113	136,215	24.51	5,558
1948	225,859.75	168,808	117,217	108,643	25.52	4,257
1949	196,469.15	146,370	101,636	94,833	25.50	3,719
1950	347,705.68	255,564	177,458	170,248	26.50	6,424
1951	235,502.77	172,435	119,735	115,768	26.51	4,367
1952	256,346.09	185,133	128,552	127,794	27.50	4,647
1953	1,011,894.32	727,653	505,267	506,627	27.54	18,396
1954	672,461.72	476,708	331,016	341,446	28.54	11,964
1955	289,975.07	204,606	142,074	147,901	28.58	5,175
1956	178,215.25	123,895	86,030	92,185	29.59	3,115
1957	138,199.71	95,579	66,368	71,832	29.65	2,423
1958	403,500.01	274,864	190,860	212,640	30.65	6,938
1959	1,105,677.05	748,764	519,926	585,751	30.74	19,055
1960	524,768.19	349,915	242,974	281,794	31.73	8,881
1961	632,525.42	419,048	290,978	341,547	31.84	10,727
1962	965,807.22	629,610	437,188	528,619	32.84	16,097
1963	656,199.03	420,820	292,208	363,991	33.84	10,756
1964	1,119,385.88	712,601	494,815	624,571	33.96	18,391
1965	1,161,321.14	726,987	504,804	656,517	34.95	18,784
1966	1,932,930.23	1,189,139	825,713	1,107,217	35.96	30,790
1967	1,688,387.49	1,030,254	715,386	973,001	36.09	26,960
1968	612,600.63	367,193	254,971	357,630	37.09	9,642
1969	479,420.14	282,187	195,945	283,475	38.09	7,442
1970	840,001.76	489,889	340,168	499,834	38.24	13,071
1971	1,106,369.99	633,065	439,587	666,783	39.25	16,988
1972	1,238,015.86	695,022	482,608	755,408	40.24	18,773
1973	1,478,921.61	821,541	570,461	908,461	40.41	22,481
1974	3,042,484.19	1,656,633	1,150,331	1,892,153	41.41	45,693
1975	4,925,535.57	2,627,773	1,824,670	3,100,866	42.41	73,116
1976	320,294.33	167,354	116,207	204,087	43.41	4,701

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1977	1,124,257.52	580,342	402,977	721,281	43.59	16,547
1978	1,470,611.42	742,659	515,687	954,924	44.59	21,416
1979	3,270,094.13	1,615,427	1,121,718	2,148,376	45.59	47,124
1980	1,913,281.32	923,732	641,420	1,271,861	46.59	27,299
1981	1,712,474.12	807,945	561,020	1,151,454	47.59	24,195
1982	2,002,386.11	930,709	646,265	1,356,121	47.79	28,377
1983	632,710.11	286,997	199,285	433,425	48.79	8,883
1984	1,445,331.21	639,415	443,996	1,001,335	49.79	20,111
1985	3,261,682.76	1,406,438	976,601	2,285,082	50.79	44,991
1986	1,904,069.72	799,709	555,301	1,348,769	51.79	26,043
1987	2,895,541.90	1,183,698	821,935	2,073,607	52.79	39,280
1988	3,715,486.07	1,477,277	1,025,790	2,689,696	53.79	50,004
1989	6,088,313.53	2,352,524	1,633,542	4,454,772	54.79	81,306
1990	3,042,740.82	1,141,636	792,728	2,250,013	55.79	40,330
1991	2,959,706.30	1,077,333	748,077	2,211,629	56.79	38,944
1992	1,970,861.74	701,627	487,195	1,483,667	56.99	26,034
1993	6,386,199.02	2,200,684	1,528,108	4,858,091	58.00	83,760
1994	8,693,449.81	2,898,396	2,012,584	6,680,866	58.99	113,254
1995	6,768,879.98	2,179,579	1,513,453	5,255,427	60.00	87,590
1996	4,904,460.02	1,524,306	1,058,446	3,846,014	60.99	63,060
1997	5,483,726.19	1,641,828	1,140,050	4,343,676	62.00	70,059
1998	19,737,995.29	5,688,490	3,949,966	15,788,029	62.99	250,643
1999	11,880,169.07	3,288,431	2,283,416	9,596,753	64.00	149,949
2000	16,782,489.61	4,457,429	3,095,144	13,687,346	64.99	210,607
2001	16,405,671.54	4,170,322	2,895,783	13,509,889	66.00	204,695
2002	12,648,369.00	3,073,554	2,134,210	10,514,159	66.99	156,951
2003	8,412,142.95	1,948,252	1,352,825	7,059,318	68.00	103,814
2004	13,177,393.48	2,904,298	2,016,683	11,160,710	68.99	161,773
2005	12,358,224.86	2,582,869	1,793,489	10,564,736	70.00	150,925
2006	22,041,198.93	4,359,749	3,027,317	19,013,882	70.99	267,839
2007	6,397,354.52	1,192,467	828,024	5,569,331	72.00	77,352
2008	11,613,304.22	2,034,651	1,412,818	10,200,486	72.99	139,752
2009	6,487,709.69	1,062,687	737,907	5,749,803	74.00	77,700
2010	3,195,864.62	487,689	338,641	2,857,224	74.99	38,101
2011	19,429,610.34	2,743,461	1,905,001	17,524,609	76.00	230,587
2012	28,199,339.95	3,665,914	2,545,532	25,653,808	76.99	333,210
2013	44,768,839.77	5,309,584	3,686,862	41,081,978	78.00	526,692
2014	30,204,766.88	3,243,992	2,252,559	27,952,208	78.99	353,870
2015	31,121,344.05	2,987,649	2,074,560	29,046,784	80.00	363,085
2016	22,587,599.82	1,915,428	1,330,032	21,257,568	80.99	262,472
2017	33,972,005.22	2,493,545	1,731,464	32,240,541	82.00	393,177
2018	30,695,668.18	1,909,271	1,325,757	29,369,911	82.99	353,897

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
2019	45,160,386.99	2,294,148	1,593,008	43,567,379	84.00	518,659
2020	48,943,665.01	1,938,169	1,345,823	47,597,842	84.99	560,040
2021	36,516,393.90	1,029,762	715,045	35,801,349	86.00	416,295
2022	25,789,610.93	438,423	304,432	25,485,179	86.99	292,967
2023	70,667,322.27	395,737	274,791	70,392,531	88.00	799,915
	729,949,613.88	112,632,762	78,209,791	651,739,823		8,830,472
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					73.8	1.21

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
1930	0.21					
1947	5,800.95	4,926	3,421	2,380	13.59	175
1948	113.27	96	67	46	13.79	3
1949	2,250.02	1,894	1,315	935	14.00	67
1950	355.91	296	206	150	14.99	10
1951	181.96	150	104	78	15.22	5
1952	326.76	269	187	140	15.46	9
1953	836,673.34	684,231	475,115	361,558	15.71	23,015
1954	82,605.61	66,597	46,244	36,362	16.71	2,176
1955	244,889.57	196,255	136,275	108,615	16.97	6,400
1956	75,321.90	59,994	41,659	33,663	17.25	1,951
1957	4,716.86	3,701	2,570	2,147	18.25	118
1958	1,874.69	1,461	1,014	861	18.54	46
1959	367.38	284	197	170	18.83	9
1960	13,234.28	10,085	7,003	6,231	19.83	314
1961	43,711.76	33,055	22,953	20,759	20.15	1,030
1962	17,465.89	13,105	9,100	8,366	20.47	409
1963	66,231.48	48,885	33,945	32,286	21.47	1,504
1964	4,748.34	3,475	2,413	2,335	21.80	107
1965	66,707.31	48,389	33,600	33,107	22.15	1,495
1966	7,783.79	5,550	3,854	3,930	23.15	170
1967	3,451.52	2,437	1,692	1,760	23.50	75
1968	26,192.73	18,317	12,719	13,474	23.87	564
1969	884,644.58	607,485	421,824	462,821	24.87	18,610
1970	22,840.84	15,518	10,775	12,066	25.24	478
1971	28,080.69	18,870	13,103	14,978	25.62	585
1972	26,791.98	17,661	12,263	14,529	26.62	546
1973	47,440.87	30,903	21,458	25,983	27.02	962
1974	12,849.23	8,206	5,698	7,151	28.02	255
1975	50,087.81	31,580	21,928	28,160	28.42	991
1976	4,143.67	2,578	1,790	2,354	28.84	82
1977	3,407.48	2,076	1,442	1,965	29.83	66
1978	405.31	243	169	236	30.26	8
1979	51,868.08	30,467	21,156	30,712	31.26	982
1980	48,531.62	28,080	19,498	29,034	31.68	916
1981	60,311.12	34,347	23,850	36,461	32.13	1,135
1983	157,758.42	86,262	59,898	97,860	33.57	2,915
1984	5,242.49	2,795	1,941	3,301	34.58	95
1985	119,959.14	62,811	43,615	76,344	35.03	2,179
1986	7,496.66	3,823	2,655	4,842	36.03	134
1991	357.96	162	112	246	39.44	6
1992	227,009.24	100,111	69,515	157,494	39.93	3,944

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
1993	17,043.98	7,278	5,054	11,990	40.93	293
1997	23,912.55	8,998	6,248	17,665	43.92	402
1999	2,105.80	738	512	1,594	45.43	35
2000	7,909.60	2,677	1,859	6,051	45.94	132
2001	12,097.49	3,920	2,722	9,375	46.94	200
2002	101,069.83	31,291	21,728	79,342	47.94	1,655
2003	105,512.70	31,358	21,774	83,739	48.47	1,728
2004	367,496.30	103,928	72,165	295,331	49.46	5,971
2006	36,371.03	9,293	6,453	29,918	50.99	587
2007	499.16	121	84	415	51.52	8
2012	128,042.98	21,947	15,240	112,803	55.61	2,028
2013	226,271.26	35,389	24,573	201,698	56.62	3,562
2014	55,344.91	7,887	5,477	49,868	57.17	872
2015	76,043.84	9,696	6,733	69,311	58.17	1,192
2016	106,693.89	12,078	8,387	98,307	58.73	1,674
2018	596,695.92	49,884	34,637	562,059	60.29	9,323
2020	1,915.02	103	72	1,843	61.86	30
2021	99,760.29	3,841	2,667	97,093	62.44	1,555
2022	4,432.71	104	72	4,361	62.60	70
2023	108,958.98	861	598	108,361	62.79	1,726
	5,342,410.96	2,628,822	1,825,398	3,517,013		107,584

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.7 2.01

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R5						
1926	3,628.51	3,573	2,481	1,148	1.50	765
1948	1,806.51	1,650	1,146	661	7.14	93
1949	7.91	7	5	3	7.47	
1950	15.16	14	10	5	7.80	1
1954	161,914.94	141,789	98,455	63,460	9.87	6,430
1955	233,836.27	203,438	141,263	92,573	10.24	9,040
1956	390,516.58	337,406	234,288	156,229	10.62	14,711
1957	528,229.97	449,629	312,213	216,017	11.62	18,590
1958	1,481,646.22	1,251,991	869,356	612,290	12.02	50,939
1959	210,855.41	175,432	121,816	89,039	13.02	6,839
1960	609,649.19	503,265	349,456	260,193	13.42	19,388
1961	25,026.15	20,334	14,119	10,907	14.42	756
1965	7,738.03	5,975	4,149	3,589	17.26	208
1967	28,511.51	21,424	14,876	13,636	18.69	730
1973	304,545.32	207,639	144,180	160,365	23.57	6,804
1977	260,984.38	163,846	113,772	147,212	27.57	5,340
1981	67,605.50	39,076	27,134	40,472	31.03	1,304
1983	121,307.42	66,816	46,395	74,912	33.03	2,268
1989	109,738.43	51,489	35,753	73,985	39.03	1,896
2017	189,431.67	16,746	11,628	177,804	67.03	2,653
	4,736,995.08	3,661,539	2,542,495	2,194,500		148,755

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.8 3.14

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1904	138.92	131	91	48	7.09	7
1905	550.06	515	358	192	8.08	24
1906	3,753.29	3,484	2,419	1,334	9.09	147
1907	2,354.94	2,195	1,524	831	8.50	98
1908	2,698.20	2,493	1,731	967	9.50	102
1909	528.49	490	340	188	8.96	21
1910	77.21	71	49	28	9.95	3
1911	119.86	111	77	43	9.45	5
1912	4.51	4	3	2	10.45	
1913	0.01					
1914	0.92	1	1			
1915	2.67	2	1	2	10.55	
1916	7.68	7	5	3	11.55	
1918	150.86	137	95	56	10.78	5
1919	98.69	89	62	37	11.78	3
1920	354.16	319	222	132	11.45	12
1921	2,068.00	1,844	1,280	788	12.44	63
1922	1,269.92	1,134	787	483	12.14	40
1923	7,138.45	6,313	4,384	2,754	13.14	210
1924	4,167.62	3,691	2,563	1,605	12.85	125
1925	3,635.63	3,187	2,213	1,423	13.87	103
1926	3,762.28	3,301	2,292	1,470	13.61	108
1927	2,605.58	2,263	1,571	1,035	14.61	71
1928	4,022.57	3,496	2,428	1,595	14.40	111
1929	2,031.27	1,747	1,213	818	15.38	53
1930	1,531.03	1,317	914	617	15.20	41
1931	3,651.58	3,107	2,157	1,495	16.20	92
1932	761.19	648	450	311	16.02	19
1933	357.54	301	209	149	17.03	9
1934	190.00	160	111	79	16.88	5
1935	826.98	688	478	349	17.88	20
1936	1,995.83	1,659	1,152	844	17.77	47
1937	836.63	688	478	359	18.76	19
1938	1,602.74	1,316	914	689	18.67	37
1939	1,619.01	1,313	912	707	19.67	36
1940	1,193.57	967	671	523	19.59	27
1941	2,651.07	2,121	1,473	1,178	20.60	57
1942	3,130.06	2,500	1,736	1,394	20.54	68
1943	378.74	299	208	171	21.54	8
1944	403.45	318	221	182	21.52	8
1945	315.14	245	170	145	22.51	6
1946	754.06	584	406	348	22.50	15

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1947	1,816.71	1,390	965	852	23.50	36
1948	1,923.74	1,467	1,019	905	23.50	39
1949	4,124.60	3,103	2,155	1,970	24.51	80
1950	4,674.89	3,505	2,434	2,241	24.54	91
1951	32,340.54	23,916	16,607	15,734	25.54	616
1952	77,874.49	57,347	39,821	38,053	25.59	1,487
1953	167,079.70	121,333	84,251	82,829	26.58	3,116
1954	115,655.13	82,786	57,485	58,170	27.59	2,108
1955	91,856.43	65,439	45,439	46,417	27.65	1,679
1956	105,818.30	74,284	51,581	54,237	28.65	1,893
1957	92,019.19	64,248	44,612	47,407	28.74	1,650
1958	119,730.63	82,351	57,183	62,548	29.73	2,104
1959	163,516.26	111,796	77,629	85,887	29.84	2,878
1960	157,498.53	106,012	73,612	83,887	30.84	2,720
1961	111,985.69	74,896	52,006	59,980	30.95	1,938
1962	175,622.32	115,559	80,242	95,380	31.96	2,984
1963	162,474.38	105,186	73,039	89,435	32.95	2,714
1964	124,806.69	80,201	55,690	69,117	33.09	2,089
1965	184,676.07	116,678	81,019	103,657	34.09	3,041
1966	168,402.77	105,555	73,295	95,108	34.24	2,778
1967	147,921.13	91,090	63,251	84,670	35.25	2,402
1968	146,366.01	88,551	61,488	84,878	36.24	2,342
1969	147,726.67	88,562	61,496	86,231	36.41	2,368
1970	127,898.10	75,268	52,264	75,634	37.41	2,022
1971	172,967.49	100,805	69,997	102,970	37.59	2,739
1972	207,485.02	118,598	82,352	125,133	38.59	3,243
1973	180,921.35	101,425	70,427	110,494	39.59	2,791
1974	181,204.10	100,460	69,757	111,447	39.79	2,801
1975	152,631.30	82,909	57,570	95,061	40.79	2,330
1976	78,392.99	42,081	29,220	49,173	40.99	1,200
1977	185,204.19	97,306	67,567	117,637	42.00	2,801
1978	334,664.68	172,085	119,492	215,173	42.99	5,005
1979	291,155.25	147,703	102,562	188,593	43.22	4,364
1980	221,143.39	109,665	76,149	144,994	44.22	3,279
1981	232,893.93	113,839	79,047	153,847	44.45	3,461
1982	346,859.28	165,521	114,934	231,925	45.46	5,102
1983	305,174.61	142,150	98,706	206,469	46.45	4,445
1984	352,356.70	161,450	112,107	240,250	46.71	5,143
1985	477,201.65	213,118	147,985	329,217	47.71	6,900
1986	425,474.58	185,081	128,516	296,959	48.71	6,096
1987	405,780.11	173,268	120,314	285,466	48.97	5,829
1988	471,940.87	196,044	136,129	335,812	49.97	6,720

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1989	496,948.34	200,568	139,270	357,678	50.97	7,017
1990	621,737.63	245,773	170,660	451,078	51.25	8,802
1991	549,688.93	210,806	146,379	403,310	52.25	7,719
1992	265,286.40	98,607	68,471	196,815	53.25	3,696
1993	561,907.24	203,972	141,634	420,273	53.53	7,851
1994	915,659.46	321,396	223,170	692,489	54.54	12,697
1995	823,999.04	279,500	194,079	629,920	55.53	11,344
1996	703,987.39	232,316	161,315	542,672	55.83	9,720
1997	931,665.89	296,270	205,724	725,942	56.83	12,774
1998	705,321.79	215,828	149,866	555,456	57.83	9,605
1999	993,146.73	294,369	204,404	788,743	58.15	13,564
2000	911,857.53	259,332	180,075	731,783	59.14	12,374
2001	687,718.52	187,197	129,986	557,733	60.15	9,272
2002	1,136,116.82	298,003	206,927	929,190	60.47	15,366
2003	245,962.99	61,515	42,715	203,248	61.47	3,306
2004	983,930.92	234,077	162,538	821,393	62.47	13,149
2005	523,630.96	119,178	82,755	440,876	62.80	7,020
2006	1,452,354.84	312,547	217,026	1,235,329	63.80	19,363
2007	1,174,651.56	238,454	165,577	1,009,075	64.80	15,572
2008	1,297,409.32	249,362	173,152	1,124,257	65.15	17,256
2009	957,936.94	172,237	119,598	838,339	66.15	12,673
2010	3,502,009.82	586,236	407,069	3,094,941	67.15	46,090
2011	2,933,645.35	458,235	318,188	2,615,457	67.50	38,748
2012	4,111,134.04	591,181	410,503	3,700,631	68.50	54,024
2013	2,571,684.60	337,405	234,287	2,337,398	69.50	33,632
2014	3,316,490.51	396,984	275,657	3,040,834	69.87	43,521
2015	5,154,897.67	552,090	383,359	4,771,539	70.87	67,328
2016	4,223,090.77	399,082	277,114	3,945,977	71.87	54,904
2017	6,244,285.25	515,778	358,145	5,886,140	72.24	81,480
2018	7,601,521.21	530,586	368,428	7,233,093	73.24	98,759
2019	6,394,877.77	368,345	255,771	6,139,107	73.62	83,389
2020	5,794,341.04	259,586	180,251	5,614,090	74.62	75,236
2021	4,589,903.80	147,795	102,625	4,487,279	75.02	59,814
2022	4,562,366.19	88,966	61,776	4,500,590	75.42	59,674
2023	5,868,088.44	38,729	26,893	5,841,195	75.26	77,614
	91,530,256.57	14,221,592	9,875,170	81,655,087		1,225,602

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 66.6 1.34

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R4						
1950	474.31	453	315	159	3.42	46
1952	65.55	62	43	23	3.68	6
1954	11,965.15	11,226	7,795	4,170	4.58	910
1955	2,059.75	1,933	1,342	718	4.50	160
1956	19,310.79	17,988	12,490	6,821	4.96	1,375
1957	5,200.04	4,841	3,361	1,839	4.93	373
1958	13,116.05	12,114	8,412	4,704	5.42	868
1959	11,582.89	10,609	7,367	4,216	5.92	712
1960	1,290.98	1,180	819	472	5.94	79
1961	2,853.30	2,586	1,796	1,057	6.47	163
1962	8,178.16	7,393	5,134	3,044	6.53	466
1963	11,356.39	10,169	7,061	4,295	7.07	607
1964	13,726.56	12,170	8,451	5,276	7.61	693
1965	13,594.07	12,009	8,339	5,255	7.72	681
1966	36,916.49	32,265	22,404	14,512	8.29	1,751
1967	46,300.56	40,022	27,790	18,511	8.86	2,089
1968	31,601.73	27,184	18,876	12,726	9.02	1,411
1969	34,276.43	29,142	20,236	14,040	9.60	1,462
1970	24,640.59	20,698	14,372	10,269	10.19	1,008
1971	19,933.62	16,535	11,482	8,452	10.79	783
1972	38,458.71	31,490	21,866	16,593	11.40	1,456
1973	14,773.35	11,937	8,289	6,484	12.00	540
1974	17,310.91	13,797	9,580	7,731	12.61	613
1975	73,995.39	58,138	40,370	33,625	13.23	2,542
1976	11,224.29	8,690	6,034	5,190	13.85	375
1977	5,974.71	4,556	3,164	2,811	14.48	194
1978	2,598.88	1,951	1,355	1,244	15.10	82
1979	980.29	724	503	477	15.74	30
1980	1,099.55	799	555	545	16.38	33
1981	13,797.21	9,851	6,840	6,957	17.02	409
1982	25,193.54	17,671	12,270	12,924	17.67	731
1983	471.90	325	226	246	18.32	13
1984	869.90	588	408	462	18.98	24
1985	59,979.48	39,490	27,421	32,558	19.98	1,630
1986	106.21	69	48	58	20.64	3
1987	189.87	120	83	107	21.31	5
1988	453,104.14	279,882	194,344	258,760	21.97	11,778
1989	321,015.84	192,706	133,811	187,205	22.97	8,150
1990	2,562,494.74	1,502,134	1,043,050	1,519,445	23.65	64,247
1991	804,129.58	459,962	319,388	484,742	24.32	19,932
1992	623,482.07	345,658	240,018	383,464	25.32	15,145
1993	466,689.30	251,919	174,927	291,762	26.00	11,222

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R4						
1994	504,718.80	263,564	183,013	321,706	26.99	11,919
1995	95,142.76	48,266	33,515	61,628	27.68	2,226
1996	564,986.25	276,561	192,038	372,948	28.68	13,004
1997	14,790.20	7,016	4,872	9,918	29.36	338
1998	8,547.24	3,901	2,709	5,838	30.37	192
1999	17,203.07	7,545	5,239	11,964	31.36	382
2000	1,607,739.64	680,074	472,229	1,135,511	32.06	35,418
2001	273,830.82	110,901	77,007	196,824	33.06	5,954
2002	7,145,583.56	2,765,341	1,920,193	5,225,391	34.06	153,417
2003	873,125.48	323,930	224,930	648,195	34.75	18,653
2004	1,085,757.89	383,273	266,137	819,621	35.75	22,926
2005	276,296.63	92,504	64,233	212,064	36.75	5,770
2006	1,606,083.62	508,807	353,305	1,252,779	37.75	33,186
2007	206,048.50	61,876	42,965	163,084	38.45	4,241
2008	3,389,830.88	956,271	664,014	2,725,817	39.45	69,095
2009	1,021,415.52	269,552	187,171	834,245	40.45	20,624
2010	1,865,506.80	458,355	318,272	1,547,235	41.45	37,328
2011	66,246.15	15,071	10,465	55,781	42.45	1,314
2012	21,009.61	4,397	3,053	17,957	43.45	413
2016	20,694.22	2,839	1,971	18,723	47.15	397
	26,470,940.91	10,743,080	7,459,766	19,011,175		591,594

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.1 2.23

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1908	8,799.66	8,131	5,646	3,154	9.50	332
1909	2,526.04	2,343	1,627	899	8.96	100
1910	1,307.07	1,202	835	472	9.95	47
1911	1,572.10	1,450	1,007	565	9.45	60
1912	347.17	317	220	127	10.45	12
1913	8,457.91	7,758	5,387	3,071	9.98	308
1918	500.90	454	315	186	10.78	17
1922	51.32	46	32	19	12.14	2
1923	99.63	88	61	39	13.14	3
1927	6.70	6	4	3	14.61	
1959	49.81	34	24	26	29.84	1
1962	63.95	42	29	35	31.96	1
2006	0.14					
2010	15,288.57	2,559	1,777	13,512	67.15	201
2011	46,774.31	7,306	5,073	41,701	67.50	618
2021	87,120.82	2,805	1,948	85,173	75.02	1,135
	172,966.10	34,541	23,985	148,981		2,837

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 52.5 1.64

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
1925	0.25					
1926	26.27	26	26			
1927	86.24	85	59	27	1.54	18
1928	48.42	48	48			
1929	48.43	48	48			
1930	89.81	87	60	30	2.65	11
1931	96.53	94	65	32	2.74	12
1932	80.43	78	54	26	2.84	9
1933	104.97	102	71	34	2.95	12
1934	124.29	119	83	41	3.96	10
1935	85.86	82	57	29	4.09	7
1936	77.55	74	51	27	4.24	6
1937	102.76	98	68	35	4.41	8
1938	243.85	231	160	84	4.59	18
1939	137.30	130	90	47	4.79	10
1940	161.82	151	105	57	5.79	10
1941	40.94	38	26	15	6.00	2
1942	9.31	9	9			
1943	1.68	2	2			
1944	13.69	13	9	5	6.71	1
1945	110.90	102	71	40	6.97	6
1946	169.34	155	108	61	7.25	8
1947	128.72	117	81	48	7.53	6
1948	282.26	256	178	104	7.83	13
1949	1,107.68	998	693	415	8.15	51
1950	721.47	647	449	272	8.47	32
1951	210.92	188	131	80	8.80	9
1952	1,734.55	1,538	1,068	667	9.15	73
1953	215.88	190	132	84	9.50	9
1954	477.11	418	290	187	9.87	19
1955	623.47	542	376	247	10.24	24
1956	667.16	576	400	267	10.62	25
1957	621.64	533	370	252	11.02	23
1958	243.22	209	145	98	10.84	9
1959	899.40	766	532	367	11.26	33
1960	42.63	36	25	18	11.68	2
1961	118.91	100	69	50	12.13	4
1962	208.92	175	121	88	12.03	7
1963	51.95	43	30	22	12.50	2
1964	173.11	142	99	74	12.96	6
1965	91.48	74	51	40	13.44	3
1966	1,837.74	1,490	1,034	804	13.42	60

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
1967	811.53	651	452	360	13.92	26
1968	1,007.34	799	555	452	14.43	31
1969	2,598.49	2,053	1,425	1,173	14.47	81
1970	2,346.41	1,833	1,272	1,074	14.99	72
1971	370.09	288	200	170	15.07	11
1972	2,483.50	1,906	1,323	1,160	15.61	74
1973	710.69	542	376	335	15.72	21
1974	3,468.15	2,609	1,811	1,657	16.29	102
1975	3,346.59	2,500	1,736	1,611	16.44	98
1976	5,049.52	3,742	2,598	2,452	16.60	148
1977	7,620.24	5,563	3,862	3,758	17.20	218
1978	7,838.40	5,670	3,936	3,902	17.40	224
1979	8,811.02	6,312	4,382	4,429	17.61	252
1980	9,843.60	6,937	4,816	5,028	18.23	276
1981	942.96	657	456	487	18.48	26
1982	4,082.85	2,813	1,953	2,130	18.74	114
1983	22,808.76	15,519	10,774	12,035	19.02	633
1984	1,108.29	744	516	592	19.32	31
1985	4,274.78	2,831	1,965	2,310	19.64	118
1986	8,290.99	5,379	3,734	4,557	20.30	224
1988	3,662.82	2,315	1,607	2,056	20.68	99
1989	2,157.54	1,340	930	1,228	21.06	58
1990	17,942.69	10,940	7,595	10,348	21.45	482
1991	12,541.10	7,500	5,207	7,334	21.85	336
1992	13,838.41	8,108	5,629	8,209	22.26	369
1993	2,493.26	1,430	993	1,500	22.69	66
1994	1,680.63	947	657	1,024	22.86	45
1996	4,013.07	2,152	1,494	2,519	23.78	106
1997	2,041.88	1,071	744	1,298	24.01	54
1999	253.93	126	87	167	24.76	7
2000	22,847.26	11,008	7,642	15,205	25.28	601
2001	3,193.62	1,495	1,038	2,156	25.58	84
2003	675.71	295	205	471	26.45	18
2011	81,270.32	24,178	16,785	64,485	29.52	2,184
2012	11,833.72	3,280	2,277	9,557	29.99	319
2013	66,200.04	17,027	11,820	54,380	30.32	1,794
2014	33,843.66	7,974	5,536	28,308	30.82	918
2015	23,667.22	5,070	3,520	20,147	31.18	646
2016	19,918.79	3,824	2,655	17,264	31.56	547
2017	31,794.46	5,373	3,730	28,064	31.96	878
2019	12,252.28	1,478	1,026	11,226	32.81	342
2020	82,521.42	7,889	5,476	77,045	33.13	2,326

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
2021	77,020.74	5,353	3,716	73,305	33.47	2,190
2022	415,217.83	17,605	12,222	402,996	33.84	11,909
2023	880,338.05	12,677	8,800	871,538	34.10	25,558
	1,933,353.51	240,613	167,077	1,766,277		55,274
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					32.0	2.86

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
1939	82.83	83	83			
1940	0.31					
1941	9.52	10	10			
1942	0.64	1	1			
1943	0.02					
1946	14.69	15	15			
1947	6.01	6	6			
1948	9.01	9	9			
1949	0.60	1	1			
1952	395.72	390	271	125	0.96	125
1954	818.28	808	561	257	0.92	257
1955	129.58	128	89	41	0.94	41
1956	0.01					
1957	0.03					
1958	543.85	531	369	175	1.61	109
1959	0.01					
1960	220.44	214	149	71	1.86	38
1961	849.25	823	571	278	2.01	138
1962	3,062.96	2,976	2,066	997	1.79	557
1964	0.01					
1965	6,303.16	6,047	4,199	2,104	2.48	848
1971	2,482.00	2,319	1,610	872	3.68	237
1972	11,274.99	10,452	7,257	4,018	4.06	990
1973	5,321.97	4,891	3,396	1,926	4.45	433
1974	85,092.52	77,928	54,110	30,983	4.55	6,809
1975	110,755.21	100,455	69,751	41,004	4.97	8,250
1976	80,599.33	72,362	50,245	30,354	5.41	5,611
1977	51,554.46	45,791	31,795	19,759	5.85	3,378
1978	105,889.10	92,992	64,570	41,319	6.31	6,548
1979	215,959.60	186,438	129,454	86,506	7.05	12,270
1980	130,972.69	111,667	77,537	53,436	7.52	7,106
1981	64,297.15	53,830	37,377	26,920	8.26	3,259
1982	96,020.24	78,900	54,785	41,235	9.01	4,577
1983	108,595.78	87,528	60,776	47,820	9.75	4,905
1984	130,529.66	103,118	71,600	58,930	10.50	5,612
1985	262,849.22	203,393	141,227	121,622	11.25	10,811
1993	38,600.24	23,901	16,596	22,004	18.76	1,173
2000	25,108.11	11,977	8,316	16,792	25.76	652
2001	14,448.43	6,600	4,583	9,865	26.76	369
2002	27,797.07	12,131	8,423	19,374	27.76	698
2003	105,030.75	43,714	30,353	74,678	28.76	2,597
2004	75.90	30	21	55	29.76	2

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
2006	57,218.38	20,324	14,112	43,106	31.76	1,357
2007	737.22	247	172	565	32.76	17
2008	40,524.31	12,749	8,852	31,672	33.76	938
2011	790,097.00	200,527	139,237	650,860	36.76	17,706
2012	194,103.63	45,304	31,457	162,647	37.76	4,307
2015	15,765.78	2,721	1,889	13,877	40.76	340
2016	51,686.41	7,867	5,463	46,223	41.76	1,107
2020	192,357.29	13,657	9,483	182,874	45.76	3,996
2021	177,935.28	9,039	6,276	171,659	46.76	3,671
2023	637.73	7	5	633	48.76	13
	3,206,764.38	1,654,901	1,149,128	2,057,636		121,852

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.9 3.80

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
1966	42,499.11	38,368	26,642	15,857	6.19	2,562
1970	859.07	758	526	333	7.10	47
1971	4,221.63	3,702	2,571	1,651	7.38	224
1972	2,802.11	2,439	1,694	1,108	7.67	144
1973	300,179.45	259,235	180,007	120,172	7.98	15,059
1974	290,583.00	248,855	172,800	117,783	8.30	14,191
1975	105,747.01	89,758	62,326	43,421	8.64	5,026
1976	35,171.46	29,572	20,534	14,637	8.99	1,628
1977	36,216.15	30,146	20,933	15,283	9.36	1,633
1978	164,181.91	135,220	93,894	70,288	9.75	7,209
1979	106,884.37	87,047	60,444	46,440	10.14	4,580
1980	307,375.95	247,376	171,773	135,603	10.55	12,853
1981	39,521.75	31,412	21,812	17,710	10.97	1,614
1982	111,612.35	87,549	60,792	50,820	11.41	4,454
1983	1,835.28	1,420	986	849	11.85	72
1984	62,195.48	47,418	32,926	29,269	12.31	2,378
1985	1,609,024.39	1,208,056	838,848	770,176	12.78	60,264
1986	198,231.52	146,453	101,694	96,538	13.26	7,280
1987	68,340.93	49,643	34,471	33,870	13.75	2,463
1988	126,831.91	90,507	62,846	63,986	14.25	4,490
1989	216,485.57	151,626	105,286	111,200	14.76	7,534
1990	920,800.41	632,406	439,129	481,671	15.28	31,523
1991	28,817.05	19,293	13,397	15,420	16.04	961
1992	167,674.74	109,860	76,284	91,391	16.58	5,512
1993	182,707.64	117,024	81,259	101,449	17.12	5,926
1994	138,632.68	86,701	60,203	78,430	17.67	4,439
1995	649,667.40	396,232	275,135	374,532	18.23	20,545
1996	19,893.32	11,817	8,205	11,688	18.80	622
1997	10,132.32	5,853	4,064	6,068	19.37	313
1998	100,576.55	56,162	38,998	61,579	20.16	3,055
1999	54,039.27	29,257	20,315	33,724	20.75	1,625
2000	569,577.83	298,459	207,244	362,334	21.35	16,971
2001	850,973.59	430,763	299,113	551,861	21.95	25,142
2002	166,574.52	81,288	56,445	110,130	22.56	4,882
2003	170,093.64	79,842	55,441	114,653	23.17	4,948
2004	78,104.96	35,030	24,324	53,781	23.98	2,243
2005	24,593.22	10,555	7,329	17,264	24.60	702
2006	1,171,966.09	479,920	333,246	838,720	25.24	33,230
2007	193,049.31	75,173	52,199	140,850	25.87	5,445
2008	321,654.54	118,658	82,394	239,261	26.52	9,022
2010	2,343.00	765	531	1,812	27.82	65
2011	898,834.61	274,145	190,360	708,475	28.48	24,876

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
2012	1,263,120.24	357,337	248,127	1,014,993	29.15	34,820
2013	1,877,766.78	488,970	339,530	1,538,237	29.82	51,584
2014	643,699.80	153,458	106,558	537,142	30.34	17,704
2015	1,112,713.37	239,233	166,118	946,595	31.03	30,506
2016	1,713,082.02	327,541	227,437	1,485,645	31.72	46,836
2017	6,956,455.24	1,166,598	810,061	6,146,394	32.26	190,527
2018	2,111,821.53	303,258	210,576	1,901,246	32.81	57,947
2019	3,116,141.55	370,198	257,057	2,859,085	33.38	85,653
2020	3,701,654.30	347,215	241,099	3,460,555	33.81	102,353
2021	1,848,805.32	126,089	87,553	1,761,252	34.13	51,604
2022	3,462,708.78	145,434	100,987	3,361,722	34.21	98,267
2023	3,150,802.97	46,632	32,380	3,118,423	33.17	94,013
	41,510,278.99	10,407,726	7,226,903	34,283,376		1,219,566

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.1 2.94

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.99 MAINS AND ACCESSORIES - MAIN CLEANING AND LINING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L4						
1986	771,557.44	570,027	395,815	375,742	13.26	28,337
1987	412,682.96	298,246	207,096	205,587	14.01	14,674
1988	341,676.12	241,360	167,595	174,081	14.75	11,802
1989	692,091.32	477,543	331,596	360,495	15.50	23,258
1990	718,707.25	486,349	337,710	380,997	16.00	23,812
1991	784,060.65	517,323	359,218	424,843	16.76	25,349
1992	838,960.50	539,116	374,351	464,610	17.52	26,519
1993	2,139,088.84	1,337,358	928,633	1,210,456	18.28	66,218
1994	1,908,942.80	1,160,065	805,524	1,103,419	19.04	57,953
1995	2,277,007.46	1,343,434	932,852	1,344,155	19.81	67,852
1996	2,293,600.93	1,305,518	906,524	1,387,077	20.81	66,654
1997	3,075,501.54	1,695,216	1,177,122	1,898,380	21.58	87,969
1998	3,886,247.65	2,071,370	1,438,315	2,447,933	22.34	109,576
1999	5,312,733.48	2,733,401	1,898,015	3,414,718	23.12	147,695
2000	6,020,851.29	2,971,290	2,063,200	3,957,651	24.12	164,082
2001	5,791,254.02	2,749,687	1,909,324	3,881,930	24.89	155,963
2002	8,475,209.07	3,844,355	2,669,438	5,805,771	25.90	224,161
2003	226,552.76	98,007	68,054	158,499	26.89	5,894
2005	1,799,779.57	705,874	490,144	1,309,636	28.67	45,680
2006	7,477,272.69	2,774,068	1,926,254	5,551,019	29.67	187,092
2007	4,249,150.86	1,486,353	1,032,092	3,217,059	30.67	104,893
2008	9,399,542.06	3,088,690	2,144,720	7,254,822	31.67	229,076
2009	9,383,302.28	2,884,427	2,002,885	7,380,417	32.67	225,908
2010	18,159,267.42	5,197,182	3,608,812	14,550,455	33.67	432,149
2011	9,446,744.91	2,503,387	1,738,299	7,708,446	34.67	222,338
2012	4,967,528.73	1,211,084	840,951	4,126,578	35.67	115,688
2013	8,229,611.06	1,831,911	1,272,040	6,957,571	36.67	189,735
2014	2,620,752.17	527,819	366,506	2,254,246	37.67	59,842
2015	2,997,459.13	540,142	375,063	2,622,396	38.67	67,815
	124,697,136.96	47,190,602	32,768,148	91,928,989		3,187,984

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.8 2.56

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1887	4,583.87	4,584	4,584			
1890	33.69	34	34			
1907	413.15	413	413			
1932	119.44	115	119			
1934	0.01					
1935	0.04					
1936	549.80	524	540	10	4.24	2
1937	5,774.89	5,495	5,663	112	4.41	25
1938	5,866.44	5,567	5,737	129	4.59	28
1939	6,369.43	6,028	6,212	157	4.79	33
1940	8,782.77	8,287	8,540	243	4.99	49
1941	9,512.48	8,946	9,219	293	5.22	56
1942	7,108.04	6,662	6,865	243	5.46	45
1943	5,508.11	5,099	5,254	254	6.45	39
1944	24,129.70	22,252	22,931	1,199	6.71	179
1945	20,286.18	18,631	19,199	1,087	6.97	156
1946	73,456.43	67,176	69,224	4,232	7.25	584
1947	205,843.99	187,400	193,114	12,730	7.53	1,691
1948	308,600.04	279,592	288,118	20,482	7.83	2,616
1949	311,388.03	280,685	289,244	22,144	8.15	2,717
1950	527,560.69	473,064	487,489	40,072	8.47	4,731
1951	559,677.41	499,120	514,340	45,337	8.80	5,152
1952	527,920.54	468,054	482,327	45,594	9.15	4,983
1953	649,192.54	572,068	589,512	59,681	9.50	6,282
1954	801,270.45	701,673	723,069	78,201	9.87	7,923
1955	918,912.01	799,453	823,831	95,081	10.24	9,285
1956	862,035.19	744,798	767,510	94,525	10.62	8,901
1957	698,845.33	599,470	617,750	81,095	11.02	7,359
1958	636,266.60	537,645	554,040	82,227	12.02	6,841
1959	728,534.10	610,876	629,504	99,030	12.42	7,973
1960	734,247.67	610,747	629,371	104,877	12.84	8,168
1961	647,054.62	533,820	550,098	96,957	13.26	7,312
1962	819,724.58	665,452	685,744	133,981	14.26	9,396
1963	655,950.80	527,778	543,872	112,079	14.69	7,630
1964	1,179,499.86	940,415	969,092	210,408	15.13	13,907
1965	751,501.06	589,102	607,066	144,435	16.13	8,954
1966	980,991.69	761,446	784,665	196,327	16.58	11,841
1967	806,976.64	620,081	638,989	167,988	17.03	9,864
1968	659,742.63	497,974	513,159	146,584	18.03	8,130
1969	757,777.91	565,757	583,009	174,769	18.50	9,447
1970	844,771.55	623,695	642,714	202,058	18.96	10,657
1971	1,050,546.44	761,121	784,330	266,216	19.96	13,337

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1972	922,336.09	660,208	680,340	241,996	20.45	11,834
1973	1,194,977.79	844,849	870,611	324,367	20.93	15,498
1974	2,044,462.48	1,416,812	1,460,016	584,446	21.93	26,651
1975	1,575,141.07	1,077,081	1,109,925	465,216	22.43	20,741
1976	1,050,610.68	703,699	725,157	325,454	23.42	13,896
1977	1,353,738.06	893,873	921,130	432,608	23.92	18,086
1978	1,697,042.18	1,096,459	1,129,894	567,148	24.92	22,759
1979	2,045,060.22	1,301,476	1,341,163	703,897	25.43	27,680
1980	1,675,750.28	1,049,690	1,081,699	594,051	25.94	22,901
1981	1,727,218.87	1,057,058	1,089,291	637,928	26.94	23,680
1982	1,441,245.63	861,288	887,552	553,694	27.94	19,817
1983	1,612,554.47	946,892	975,766	636,788	28.47	22,367
1984	2,472,730.52	1,416,380	1,459,570	1,013,161	29.46	34,391
1985	3,100,066.18	1,742,547	1,795,683	1,304,383	29.99	43,494
1986	2,535,035.47	1,387,932	1,430,255	1,104,780	30.99	35,650
1987	3,091,877.71	1,659,102	1,709,694	1,382,184	31.52	43,851
1988	3,299,469.79	1,721,663	1,774,163	1,525,307	32.53	46,889
1989	3,562,417.80	1,806,858	1,861,955	1,700,463	33.52	50,730
1990	3,603,057.43	1,786,396	1,840,870	1,762,187	34.07	51,723
1991	2,849,413.22	1,370,568	1,412,361	1,437,052	35.07	40,977
1992	3,358,195.79	1,565,591	1,613,331	1,744,865	36.07	48,374
1993	3,566,026.56	1,609,704	1,658,790	1,907,237	37.07	51,450
1994	3,497,397.52	1,537,456	1,584,338	1,913,060	37.61	50,866
1995	4,304,211.69	1,827,568	1,883,297	2,420,915	38.62	62,686
1996	3,453,646.50	1,415,304	1,458,462	1,995,184	39.61	50,371
1997	4,381,907.93	1,729,977	1,782,730	2,599,178	40.62	63,988
1998	7,390,576.57	2,826,896	2,913,098	4,477,479	41.17	108,756
1999	5,783,480.97	2,125,429	2,190,241	3,593,240	42.17	85,208
2000	6,957,722.45	2,452,597	2,527,385	4,430,337	43.17	102,625
2001	9,983,617.09	3,369,471	3,472,218	6,511,399	44.17	147,417
2002	14,765,192.94	4,761,775	4,906,978	9,858,215	45.17	218,247
2003	3,329,710.38	1,023,886	1,055,108	2,274,602	46.17	49,266
2004	11,284,038.04	3,322,021	3,423,321	7,860,717	46.73	168,216
2005	10,815,360.72	3,021,812	3,113,958	7,701,403	47.72	161,387
2006	12,934,423.87	3,417,275	3,521,480	9,412,944	48.73	193,165
2007	12,365,874.01	3,081,576	3,175,544	9,190,330	49.72	184,842
2008	13,618,134.52	3,186,643	3,283,815	10,334,320	50.73	203,712
2009	15,359,405.78	3,363,710	3,466,281	11,893,125	51.72	229,952
2010	21,022,054.21	4,284,295	4,414,938	16,607,116	52.73	314,946
2011	19,979,599.32	3,772,148	3,887,174	16,092,425	53.72	299,561
2012	24,173,628.33	4,196,542	4,324,509	19,849,119	54.73	362,673
2013	23,300,895.74	3,695,522	3,808,212	19,492,684	55.72	349,833

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
2014	22,099,173.85	3,169,022	3,265,657	18,833,517	56.73	331,985
2015	28,136,290.32	3,635,209	3,746,059	24,390,231	57.29	425,733
2016	27,469,088.54	3,131,476	3,226,966	24,242,123	58.29	415,888
2017	28,894,662.45	2,854,793	2,941,846	25,952,816	59.29	437,727
2018	29,126,592.86	2,434,983	2,509,234	26,617,359	60.29	441,489
2019	29,903,050.53	2,045,369	2,107,739	27,795,312	61.29	453,505
2020	26,379,513.08	1,403,390	1,446,184	24,933,329	62.29	400,278
2021	31,520,514.23	1,197,780	1,234,305	30,286,209	63.29	478,531
2022	26,091,784.65	594,893	613,034	25,478,751	64.29	396,310
2023	29,862,274.33	226,953	233,873	29,628,401	65.29	453,797
	575,759,578.55	121,692,996	125,403,691	450,355,887		8,532,692
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					52.8	1.48

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
1971	762.42	762	762			
1973	15,123.00	15,123	15,123			
1979	23,314.80	23,315	23,315			
1981	244.55	245	245			
1984	28.22	28	28			
1985	1,081.68	1,066	1,082			
1987	5,730.10	5,563	5,730			
1988	8,221.76	7,939	8,222			
1989	4,683.52	4,476	4,684			
1990	1,793.21	1,706	1,793			
1991	10,068.76	9,490	10,069			
1992	7,177.12	6,715	7,177			
1993	24,326.62	22,556	24,327			
1994	208,772.55	192,154	208,773			
1995	328,125.70	298,332	328,126			
1996	486,505.91	437,466	486,506			
1997	473,523.56	420,394	473,524			
1998	6,036,215.02	5,294,968	6,036,215			
1999	4,802,313.33	4,141,515	4,802,313			
2000	3,396,971.26	2,881,990	3,396,971			
2001	4,316,750.73	3,583,766	4,316,751			
2002	5,052,025.56	4,095,172	5,052,026			
2003	5,494,871.63	4,348,092	5,439,275	55,597	5.41	10,277
2004	16,191,161.53	12,439,669	15,561,489	629,673	5.88	107,087
2005	9,487,761.29	7,056,048	8,826,811	660,950	6.38	103,597
2006	4,047,839.93	2,904,325	3,633,185	414,655	6.89	60,182
2007	1,569,247.66	1,082,310	1,353,923	215,325	7.42	29,020
2008	1,363,561.21	898,314	1,123,752	239,809	8.03	29,864
2009	2,794,316.22	1,754,272	2,194,519	599,797	8.60	69,744
2010	2,525,928.57	1,503,938	1,881,361	644,568	9.17	70,291
2011	3,133,205.24	1,754,595	2,194,923	938,282	9.82	95,548
2012	3,862,933.77	2,025,722	2,534,091	1,328,843	10.43	127,406
2013	4,221,235.92	2,056,586	2,572,700	1,648,536	11.05	149,189
2014	4,179,499.94	1,874,088	2,344,403	1,835,097	11.69	156,980
2015	3,970,287.38	1,619,877	2,026,396	1,943,891	12.33	157,655
2016	2,825,704.73	1,034,208	1,293,750	1,531,955	12.99	117,933
2017	7,566,975.24	2,439,593	3,051,825	4,515,150	13.66	330,538
2018	12,066,999.15	3,352,212	4,193,473	7,873,526	14.30	550,596
2019	8,889,527.87	2,056,148	2,572,152	6,317,376	14.96	422,284
2020	4,925,569.23	903,349	1,130,051	3,795,518	15.58	243,615

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
2021	7,139,530.74	958,125	1,198,573	5,940,958	16.12	368,546
2022	6,249,400.60	518,700	648,871	5,600,530	16.58	337,788
2023	7,031,858.71	207,440	259,499	6,772,360	16.45	411,694
	144,741,175.94	74,232,352	91,238,784	53,502,392		3,949,834
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					13.5	2.73

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.03 METERS - ERTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 18-S2						
1999	240,519.78	219,787	240,520			
2001	783,990.32	696,811	783,990			
2002	4,473,526.94	3,914,336	4,473,527			
2003	6,524,983.09	5,604,960	6,524,983			
2004	6,548,693.16	5,516,619	6,535,061	13,632	3.65	3,735
2005	8,895,294.95	7,322,607	8,674,459	220,836	3.97	55,626
2006	991,853.57	796,657	943,731	48,123	4.29	11,217
2007	958,195.21	747,776	885,826	72,369	4.64	15,597
2008	1,214,952.72	918,990	1,088,648	126,305	4.99	25,312
2009	946,595.53	689,027	816,231	130,365	5.42	24,053
2010	798,832.42	557,585	660,523	138,309	5.84	23,683
2011	1,276,814.09	849,081	1,005,833	270,981	6.30	43,013
2012	1,783,140.76	1,121,596	1,328,658	454,483	6.78	67,033
2013	1,742,218.34	1,026,167	1,215,611	526,607	7.33	71,843
2014	1,741,916.30	951,435	1,127,083	614,833	7.89	77,926
2015	1,924,437.92	961,834	1,139,401	785,037	8.51	92,249
2016	2,005,403.19	900,827	1,067,132	938,271	9.20	101,986
2017	2,096,458.61	829,778	982,966	1,113,493	9.92	112,247
2018	2,978,424.88	1,010,877	1,197,498	1,780,927	10.71	166,286
2019	5,103,863.53	1,431,123	1,695,327	3,408,537	11.55	295,111
2020	2,343,322.27	514,125	609,039	1,734,283	12.45	139,300
2021	3,011,958.40	474,383	561,961	2,449,997	13.37	183,246
2022	747,962.97	70,757	83,819	664,144	14.35	46,282
2023	844,942.56	26,700	31,629	813,313	15.35	52,985
	59,978,301.51	37,153,838	43,673,456	16,304,845		1,608,730

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.1 2.68

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1903	1,250.25	1,250	1,250			
1959	20,258.52	18,423	17,872	2,387	6.43	371
1960	23,462.68	21,156	20,523	2,940	6.92	425
1961	21,074.17	18,836	18,273	2,801	7.43	377
1962	17,278.94	15,409	14,948	2,331	7.46	312
1963	10,561.84	9,329	9,050	1,512	7.99	189
1964	85,926.50	75,151	72,903	13,024	8.53	1,527
1965	136,157.97	117,886	114,360	21,798	9.07	2,403
1966	165,473.14	141,777	137,536	27,937	9.61	2,907
1967	143,369.91	122,323	118,664	24,706	9.72	2,542
1968	122,163.25	103,057	99,975	22,188	10.29	2,156
1969	122,251.29	101,933	98,884	23,367	10.86	2,152
1970	153,340.92	126,338	122,559	30,782	11.44	2,691
1971	193,009.55	157,071	152,373	40,637	12.01	3,384
1972	165,123.55	132,660	128,692	36,432	12.60	2,891
1973	181,032.42	143,523	139,230	41,802	13.20	3,167
1974	406,884.49	316,231	306,772	100,112	14.19	7,055
1975	265,878.83	203,743	197,649	68,230	14.79	4,613
1976	233,280.17	176,173	170,904	62,376	15.40	4,050
1977	171,693.28	127,740	123,919	47,774	16.00	2,986
1978	424,074.00	310,677	301,385	122,689	16.61	7,386
1979	468,107.75	337,459	327,366	140,742	17.23	8,168
1980	447,505.30	317,281	307,791	139,714	17.85	7,827
1981	422,912.06	294,770	285,953	136,959	18.48	7,411
1982	413,542.27	281,457	273,039	140,503	19.48	7,213
1983	341,440.21	228,150	221,326	120,114	20.11	5,973
1984	397,299.87	260,510	252,718	144,582	20.74	6,971
1985	657,254.48	422,615	409,974	247,280	21.38	11,566
1986	455,800.02	285,422	276,885	178,915	22.38	7,994
1987	844,753.23	518,003	502,509	342,244	23.02	14,867
1988	763,024.54	457,815	444,122	318,903	23.67	13,473
1989	677,197.58	394,806	382,997	294,201	24.67	11,925
1990	867,236.74	493,891	479,119	388,118	25.32	15,329
1991	397,068.50	219,380	212,818	184,250	26.32	7,000
1992	794,101.40	427,703	414,910	379,191	26.98	14,055
1993	744,057.76	388,101	376,493	367,565	27.98	13,137
1994	954,687.96	484,409	469,920	484,768	28.64	16,926
1995	754,516.41	369,864	358,801	395,715	29.64	13,351
1996	1,296,756.39	616,997	598,543	698,213	30.30	23,043
1997	1,625,009.52	744,904	722,624	902,386	31.31	28,821
1998	1,553,080.21	685,219	664,724	888,356	32.30	27,503
1999	1,514,757.32	645,741	626,427	888,330	32.97	26,944

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
2000	1,700,505.58	695,337	674,539	1,025,967	33.97	30,202
2001	2,290,829.56	896,860	870,035	1,420,795	34.97	40,629
2002	2,233,425.48	840,215	815,084	1,418,341	35.65	39,785
2003	1,779,737.21	638,570	619,470	1,160,267	36.64	31,667
2004	2,237,710.38	763,507	740,670	1,497,040	37.65	39,762
2005	2,137,662.77	692,175	671,472	1,466,191	38.64	37,945
2006	2,233,353.38	687,873	667,299	1,566,054	39.32	39,828
2007	2,409,479.09	699,713	678,784	1,730,695	40.32	42,924
2008	3,486,423.59	951,096	922,649	2,563,775	41.32	62,047
2009	2,185,449.70	557,727	541,045	1,644,405	42.32	38,856
2010	4,113,362.30	977,335	948,103	3,165,259	43.32	73,067
2011	4,188,817.33	921,540	893,976	3,294,841	44.32	74,342
2012	5,411,952.82	1,095,379	1,062,616	4,349,337	45.32	95,969
2013	3,816,102.76	705,216	684,123	3,131,980	46.32	67,616
2014	3,729,564.55	627,313	608,550	3,121,015	46.99	66,419
2015	5,268,109.75	792,324	768,625	4,499,485	48.00	93,739
2016	4,474,332.10	594,191	576,419	3,897,913	48.99	79,565
2017	7,897,038.22	908,159	880,996	7,016,042	50.00	140,321
2018	7,336,198.17	714,546	693,174	6,643,024	50.99	130,281
2019	6,551,129.98	521,470	505,873	6,045,257	52.00	116,255
2020	5,211,324.20	323,102	313,438	4,897,886	52.99	92,430
2021	5,889,558.42	260,318	252,531	5,637,027	54.00	104,389
2022	4,862,463.81	129,342	125,473	4,736,991	54.99	86,143
2023	6,755,662.07	59,450	57,672	6,697,990	56.00	119,607
	117,653,848.41	27,367,941	26,549,396	91,104,452		2,086,869

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 43.7 1.77

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 336 BACKFLOW PREVENTION DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 35-R2.5						
1998	10,250.00	6,927	6,423	3,827	12.23	313
2007	829.87	400	371	459	17.75	26
2013	13,803.20	4,508	4,180	9,623	21.65	444
2014	19,651.92	5,880	5,452	14,200	22.25	638
2015	235,633.52	63,692	59,059	176,575	22.95	7,694
2016	8,573.57	2,071	1,920	6,654	23.56	282
2017	6,164.22	1,306	1,211	4,953	24.17	205
2018	2,771.18	503	466	2,305	24.80	93
2019	7,862.16	1,182	1,096	6,766	25.44	266
2020	1,985.33	236	219	1,766	25.91	68
2021	14,062.51	1,221	1,133	12,930	26.32	491
2022	15,360.34	820	760	14,600	26.59	549
2023	45,390.00	858	796	44,594	25.96	1,718
	382,337.82	89,604	83,086	299,252		12,787

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.4 3.34

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2004	46,012.95	44,863	46,013			
2005	423,068.49	391,338	407,637	15,431	1.50	10,287
2006	327,637.83	286,683	298,623	29,015	2.50	11,606
2007	1,448,085.26	1,194,670	1,244,427	203,658	3.50	58,188
2008	250,173.31	193,884	201,959	48,214	4.50	10,714
2009	215,195.64	156,017	162,515	52,681	5.50	9,578
2010	392,214.07	264,744	275,771	116,443	6.50	17,914
2011	53,478.86	33,424	34,816	18,663	7.50	2,488
2012	168,858.87	97,094	101,138	67,721	8.50	7,967
2013	159,879.08	83,937	87,433	72,446	9.50	7,626
2014	64,526.72	30,650	31,927	32,600	10.50	3,105
2015	358,313.95	152,283	158,625	199,689	11.50	17,364
2016	907,789.67	340,421	354,599	553,191	12.50	44,255
2017	403,525.55	131,146	136,608	266,918	13.50	19,772
2018	1,326,542.63	364,799	379,993	946,550	14.50	65,279
2019	559,332.46	125,850	131,092	428,240	15.50	27,628
2020	177,809.76	31,117	32,413	145,397	16.50	8,812
2021	186,078.49	23,260	24,229	161,849	17.50	9,249
2022	1,236,964.33	92,772	96,635	1,140,329	18.50	61,639
2023	186,781.52	4,670	4,865	181,917	19.50	9,329
	8,892,269.44	4,043,622	4,211,318	4,680,952		402,800

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.6 4.53

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.2 OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2014	65,891.02	62,596	65,891			
2015	15,567.14	13,232	15,567			
2016	22,491.66	16,869	21,994	498	2.50	199
2017	375,178.90	243,866	317,952	57,227	3.50	16,351
2018	156,661.87	86,164	112,341	44,321	4.50	9,849
2019	151,299.27	68,085	88,769	62,530	5.50	11,369
2020	45,306.60	15,857	20,674	24,633	6.50	3,790
2021	14,376.31	3,594	4,686	9,690	7.50	1,292
2022	34,791.17	5,219	6,805	27,986	8.50	3,292
2023	19,962.69	998	1,301	18,662	9.50	1,964
	901,526.63	516,480	655,980	245,547		48,106

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.1 5.34

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
2009	10,422.67	10,423	10,423			
2010	234,928.87	234,929	234,929			
2011	231,277.77	231,278	231,278			
2012	1,013,470.90	1,013,471	1,013,471			
2016	499,753.71	499,754	499,754			
2017	313,525.23	313,525	313,525			
2018	81,101.81	81,102	81,102			
2019	5,691,012.59	5,121,911	960,973	4,730,040	0.50	4,730,040
2020	5,846,619.75	4,092,634	767,860	5,078,760	1.50	3,385,840
2021	1,389,268.64	694,634	130,327	1,258,942	2.50	503,577
2022	1,092,155.95	327,647	61,474	1,030,682	3.50	294,481
2023	1,635,632.63	163,563	30,687	1,604,945	4.50	356,654
	18,039,170.52	12,784,871	4,335,803	13,703,367		9,270,592
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					1.5	51.39

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.4 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10-YEAR

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2014	6,689,148.99	6,354,692	5,207,959	1,481,190	0.50	1,481,190
2015	5,079,280.36	4,317,388	3,538,296	1,540,984	1.50	1,027,323
2016	5,097,003.69	3,822,753	3,132,920	1,964,084	2.50	785,634
2017	3,601,268.61	2,340,825	1,918,413	1,682,856	3.50	480,816
2018	2,518,304.36	1,385,067	1,135,125	1,383,179	4.50	307,373
2019	792,718.76	356,723	292,351	500,368	5.50	90,976
2020	2,526,829.46	884,390	724,798	1,802,031	6.50	277,236
2021	5,582,417.73	1,395,604	1,143,761	4,438,657	7.50	591,821
2022	5,357,612.76	803,642	658,621	4,698,992	8.50	552,823
2023	4,661,095.41	233,055	190,999	4,470,097	9.50	470,537
	41,905,680.13	21,894,139	17,943,243	23,962,437		6,065,729
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.0						14.47

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.41 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15-YEAR

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
2013	4,476,152.23	3,133,307	3,429,108	1,047,044	4.50	232,676
2014	495,395.98	313,749	343,369	152,027	5.50	27,641
2015	1,456,463.32	825,334	903,250	553,213	6.50	85,110
2016	1,643,982.82	821,991	899,591	744,392	7.50	99,252
2017	1,886,471.00	817,464	894,637	991,834	8.50	116,686
2018	5,644,283.28	2,069,589	2,264,970	3,379,313	9.50	355,717
2019	631,721.93	189,517	207,408	424,314	10.50	40,411
2020	3,138,419.50	732,287	801,419	2,337,000	11.50	203,217
2021	26,707,477.77	4,451,335	4,871,565	21,835,913	12.50	1,746,873
2022	10,346,905.00	1,034,690	1,132,371	9,214,534	13.50	682,558
2023	7,812,248.34	260,382	284,963	7,527,285	14.50	519,123
	64,239,521.17	14,649,645	16,032,651	48,206,870		4,109,264

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.7 6.40

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L2.5						
1993	14,499.99	14,500	14,500			
1999	22,796.70	22,509	22,797			
2000	3,333.00	3,298	3,333			
2001	27,680.00	27,215	27,680			
2002	59,714.60	58,162	59,715			
2005	24,155.30	22,836	24,155			
2007	26,547.04	24,529	26,547			
2008	248,135.23	225,753	248,135			
2009	84,578.73	75,664	84,579			
2010	157,891.34	138,550	157,891			
2011	241,548.07	207,127	241,548			
2012	626,525.02	523,086	626,525			
2013	657,446.51	533,584	657,447			
2014	1,340,318.25	1,056,841	1,340,318			
2015	477,391.04	363,581	477,391			
2016	1,474,151.16	1,071,413	1,437,921	36,230	2.82	12,848
2017	2,363,739.88	1,605,452	2,154,644	209,096	3.07	68,109
2018	2,786,527.89	1,712,043	2,297,698	488,830	3.45	141,690
2019	3,256,232.36	1,730,362	2,322,284	933,948	3.97	235,251
2020	2,886,853.75	1,245,966	1,672,185	1,214,669	4.61	263,486
2021	3,002,917.27	957,931	1,285,620	1,717,297	5.34	321,591
2022	6,369,479.36	1,250,966	1,678,896	4,690,583	6.14	763,939
2023	1,483,158.71	98,630	132,369	1,350,790	7.02	192,420
	27,635,621.20	12,969,998	16,994,178	10,641,443		1,999,334

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.3 7.23

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 341.2 TRANSPORTATION EQUIPMENT - OTHER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2001	2,539.44	2,539	2,539			
2002	47,262.44	47,262	47,262			
2003	42,925.04	42,925	42,925			
2004	4,916.52	4,794	3,400	1,517	0.50	1,517
2005	26,008.46	24,058	17,061	8,947	1.50	5,965
2006	52,975.39	46,353	32,872	20,103	2.50	8,041
2008	188,287.25	145,923	103,484	84,803	4.50	18,845
2009	18,957.12	13,744	9,747	9,210	5.50	1,675
2010	161,646.41	109,111	77,378	84,268	6.50	12,964
2011	112,922.42	70,577	50,051	62,871	7.50	8,383
2012	218,174.62	125,450	88,966	129,209	8.50	15,201
2013	34,163.51	17,936	12,720	21,444	9.50	2,257
2014	46,875.64	22,266	15,790	31,086	10.50	2,961
2015	205,604.38	87,382	61,969	143,635	11.50	12,490
2016	85,799.65	32,175	22,818	62,982	12.50	5,039
2017	33,806.36	10,987	7,792	26,014	13.50	1,927
2018	542,186.12	149,101	105,738	436,448	14.50	30,100
2019	406,468.03	91,455	64,857	341,611	15.50	22,039
2020	39,910.62	6,984	4,953	34,958	16.50	2,119
2021	119,243.65	14,905	10,570	108,674	17.50	6,210
2022	144,351.10	10,826	7,677	136,674	18.50	7,388
2023	309,672.62	7,742	5,491	304,182	19.50	15,599
	2,844,696.79	1,084,495	796,060	2,048,637		180,720

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.3 6.35

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 342 STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2005	46,861.57	43,347	43,224	3,638	1.50	2,425
2006	83,458.46	73,026	72,819	10,639	2.50	4,256
2009	14,798.30	10,729	10,699	4,099	5.50	745
2011	374,303.77	233,940	233,276	141,028	7.50	18,804
2012	14,997.75	8,624	8,600	6,398	8.50	753
2013	249,399.81	130,935	130,563	118,837	9.50	12,509
2014	634,884.73	301,570	300,714	334,171	10.50	31,826
2015	419,168.19	178,146	177,641	241,527	11.50	21,002
2016	381,433.80	143,038	142,632	238,802	12.50	19,104
2018	643,807.29	177,047	176,545	467,262	14.50	32,225
2019	331,435.01	74,573	74,361	257,074	15.50	16,585
2020	114,984.31	20,122	20,065	94,919	16.50	5,753
2021	152,968.67	19,121	19,067	133,902	17.50	7,652
2023	13,242.10	331	330	12,912	19.50	662
	3,475,743.76	1,414,549	1,410,536	2,065,208		174,301

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.8 5.01

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 343.1 SHOP EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
1999	16,165.00	15,842	15,609	556	0.50	556
2000	93,678.10	88,057	86,763	6,915	1.50	4,610
2001	13,131.32	11,818	11,644	1,487	2.50	595
2002	102,942.08	88,530	87,229	15,713	3.50	4,489
2003	152,805.90	125,301	123,459	29,347	4.50	6,522
2004	70,796.25	55,221	54,409	16,387	5.50	2,979
2005	14,206.42	10,513	10,359	3,847	6.50	592
2006	289,408.71	202,586	199,609	89,800	7.50	11,973
2007	20,701.71	13,663	13,462	7,240	8.50	852
2008	141,872.66	87,961	86,668	55,205	9.50	5,811
2009	141,702.86	82,188	80,980	60,723	10.50	5,783
2010	16,903.61	9,128	8,994	7,910	11.50	688
2011	238,356.53	119,178	117,426	120,931	12.50	9,674
2012	7,149.18	3,289	3,241	3,908	13.50	289
2013	18,259.75	7,669	7,556	10,704	14.50	738
2014	26,319.15	10,001	9,854	16,465	15.50	1,062
2015	28,314.21	9,627	9,486	18,828	16.50	1,141
2016	814.11	244	240	574	17.50	33
2017	4,620.77	1,201	1,183	3,438	18.50	186
2018	4,878.88	1,073	1,057	3,822	19.50	196
2020	61,065.73	8,549	8,423	52,643	21.50	2,449
2021	1,289.20	129	127	1,162	22.50	52
2022	1,083,634.36	65,018	64,064	1,019,570	23.50	43,386
2023	709,781.41	14,196	13,987	695,794	24.50	28,400
	3,258,797.90	1,030,982	1,015,829	2,242,969		133,056

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.9 4.08

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2001	920.10	920	920			
2004	121,145.56	118,117	117,210	3,936	0.50	3,936
2005	970,619.09	897,823	890,929	79,690	1.50	53,127
2006	365,404.23	319,729	317,274	48,130	2.50	19,252
2007	271,716.78	224,166	222,445	49,272	3.50	14,078
2008	1,123,695.32	870,864	864,177	259,518	4.50	57,671
2009	1,757,289.93	1,274,035	1,264,252	493,038	5.50	89,643
2010	721,054.56	486,712	482,975	238,080	6.50	36,628
2011	1,345,843.59	841,152	834,693	511,151	7.50	68,153
2012	869,119.42	499,744	495,907	373,212	8.50	43,907
2013	290,391.62	152,456	151,285	139,107	9.50	14,643
2014	1,518,976.75	721,514	715,974	803,003	10.50	76,476
2015	1,961,505.76	833,640	827,239	1,134,267	11.50	98,632
2016	2,194,946.64	823,105	816,785	1,378,162	12.50	110,253
2017	707,281.82	229,867	228,102	479,180	13.50	35,495
2018	1,168,654.50	321,380	318,912	849,742	14.50	58,603
2019	947,922.85	213,283	211,645	736,278	15.50	47,502
2020	788,478.47	137,984	136,925	651,553	16.50	39,488
2021	822,271.24	102,784	101,995	720,276	17.50	41,159
2022	311,128.02	23,335	23,156	287,972	18.50	15,566
2023	212,455.28	5,311	5,270	207,185	19.50	10,625
	18,470,821.53	9,097,921	9,028,070	9,442,752		934,837

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.1 5.06

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 38-R3						
1978	440.95	401	441			
1984	17,213.84	14,756	16,934	280	6.58	43
1985	50,446.45	42,728	49,036	1,410	6.95	203
1986	29,406.23	24,589	28,219	1,187	7.35	161
1987	64,925.77	53,557	61,464	3,462	7.75	447
1988	36,783.85	29,905	34,320	2,464	8.17	302
1989	7,917.96	6,311	7,243	675	8.79	77
1990	23,930.73	18,759	21,528	2,403	9.24	260
1991	33,519.35	25,817	29,628	3,891	9.70	401
1992	12,012.97	9,043	10,378	1,635	10.34	158
1993	40,553.80	29,933	34,352	6,202	10.82	573
1994	42,362.56	30,620	35,141	7,222	11.31	639
1995	4,000.33	2,816	3,232	768	11.98	64
1996	81,321.01	55,908	64,162	17,159	12.50	1,373
1997	11,677.45	7,798	8,949	2,728	13.18	207
1998	149,859.10	97,064	111,394	38,465	13.87	2,773
1999	44,068.75	27,746	31,842	12,227	14.41	849
2001	2,840.92	1,668	1,914	927	15.82	59
2002	37,737.06	21,420	24,582	13,155	16.38	803
2003	51,819.49	28,257	32,429	19,390	17.09	1,135
2004	13,956.93	7,294	8,371	5,586	17.81	314
2005	31,966.86	15,967	18,324	13,643	18.54	736
2006	54,540.70	25,961	29,794	24,747	19.26	1,285
2007	30,242.83	13,673	15,692	14,551	20.00	728
2008	79,333.86	33,939	38,950	40,384	20.73	1,948
2009	210,424.36	84,822	97,345	113,079	21.47	5,267
2012	11,978.82	3,912	4,490	7,489	23.71	316
2013	48,901.92	14,685	16,853	32,049	24.47	1,310
2014	3,946.87	1,080	1,239	2,708	25.22	107
2015	14,116.11	3,467	3,979	10,137	26.10	388
2016	10,391.32	2,267	2,601	7,790	26.87	290
2017	4,739.10	902	1,035	3,704	27.63	134
2020	11,375.33	1,190	1,366	10,009	29.95	334
2023	14,369.29	223	256	14,113	31.76	444
	1,283,122.87	738,478	847,483	435,640		24,128

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.1 1.88

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-R2.5						
1994	98,732.60	87,082	98,733			
1995	228,762.56	198,840	228,285	478	4.29	111
1996	28,667.78	24,597	28,239	429	4.55	94
1997	241,292.04	203,988	234,195	7,097	4.85	1,463
1998	12,420.41	10,294	11,818	602	5.27	114
1999	143,850.92	117,008	134,335	9,516	5.62	1,693
2000	231,280.99	183,706	210,910	20,371	6.09	3,345
2001	50,135.13	38,805	44,551	5,584	6.57	850
2002	252,018.51	190,173	218,334	33,685	6.99	4,819
2003	51,601.51	37,762	43,354	8,248	7.51	1,098
2004	237,594.85	168,170	193,073	44,522	8.05	5,531
2005	124,591.56	85,046	97,640	26,952	8.60	3,134
2006	139,407.02	91,479	105,026	34,381	9.17	3,749
2007	128,335.05	80,671	92,617	35,718	9.75	3,663
2008	52,317.64	31,380	36,027	16,291	10.34	1,576
2009	59,733.20	34,036	39,076	20,657	10.95	1,886
2010	339,289.39	182,741	209,802	129,487	11.56	11,201
2011	74,229.77	37,575	43,139	31,091	12.19	2,551
2012	10,646.71	5,032	5,777	4,870	12.83	380
2013	65,315.85	28,595	32,829	32,487	13.48	2,410
2014	59,498.12	23,906	27,446	32,052	14.14	2,267
2015	347,676.88	126,763	145,535	202,142	14.81	13,649
2016	670,542.98	219,268	251,738	418,805	15.44	27,125
2017	277,567.85	79,745	91,554	186,014	16.12	11,539
2018	438,794.15	108,382	124,432	314,362	16.77	18,745
2019	323,521.77	66,516	76,366	247,156	17.38	14,221
2020	355,929.87	58,052	66,648	289,282	17.96	16,107
2021	98,677.23	11,743	13,482	85,195	18.51	4,603
2022	903,897.64	66,436	76,274	827,624	18.91	43,766
2023	702,801.83	18,343	21,059	681,742	18.66	36,535
	6,749,131.81	2,616,134	3,002,294	3,746,837		238,225

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.7 3.53

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 346 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COMMUNICATION EQUIPMENT						
SURVIVOR CURVE.. 15-SQUARE						
2009	385,652.96	372,799	385,653			
2011	32,274.68	26,895	28,446	3,829	2.50	1,532
2012	150,817.39	115,627	122,294	28,524	3.50	8,150
2013	50,187.61	35,131	37,157	13,031	4.50	2,896
2014	72,467.83	45,896	48,542	23,926	5.50	4,350
2015	108,330.41	61,388	64,927	43,403	6.50	6,677
2016	157,997.86	78,999	83,554	74,444	7.50	9,926
2017	545,298.19	236,294	249,918	295,380	8.50	34,751
2018	2,364,174.26	866,872	916,853	1,447,321	9.50	152,350
2019	1,249,910.48	374,973	396,593	853,318	10.50	81,268
2020	1,749,888.53	408,301	431,843	1,318,046	11.50	114,613
2021	453,608.24	75,603	79,962	373,646	12.50	29,892
2022	657,884.08	65,788	69,581	588,303	13.50	43,578
2023	265,823.26	8,860	9,371	256,452	14.50	17,686
	8,244,315.78	2,773,426	2,924,694	5,319,622		507,669
SCADA EQUIPMENT						
SURVIVOR CURVE.. 10-SQUARE						
2011	48,805.47	48,805	48,805			
2012	207,549.35	207,549	207,549			
2014	666,017.07	632,716	548,738	117,280	0.50	117,280
2015	3,166,980.38	2,691,933	2,334,641	832,340	1.50	554,893
2016	2,487,138.28	1,865,354	1,617,771	869,367	2.50	347,747
2017	1,927,905.76	1,253,139	1,086,814	841,092	3.50	240,312
2018	1,858,360.93	1,022,099	886,439	971,922	4.50	215,983
2019	4,389,124.38	1,975,106	1,712,956	2,676,168	5.50	486,576
2020	5,415,856.11	1,895,550	1,643,959	3,771,897	6.50	580,292
2021	1,428,934.65	357,234	309,819	1,119,115	7.50	149,215
2022	332,029.54	49,804	43,194	288,836	8.50	33,981
2023	3,770,211.22	188,511	163,491	3,606,721	9.50	379,655
	25,698,913.14	12,187,800	10,604,176	15,094,737		3,105,934
	33,943,228.92	14,961,226	13,528,870	20,414,359		3,613,603

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.6 10.65

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 347 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
1999	1,818.50	1,782	1,754	64	0.50	64
2000	19,132.92	17,985	17,699	1,434	1.50	956
2003	7,650.07	6,273	6,173	1,477	4.50	328
2004	427,374.47	333,352	328,056	99,318	5.50	18,058
2005	932,608.11	690,130	679,165	253,443	6.50	38,991
2006	338,789.32	237,153	233,385	105,404	7.50	14,054
2007	259,547.69	171,301	168,579	90,969	8.50	10,702
2008	10,815.94	6,706	6,599	4,217	9.50	444
2009	2,486.98	1,442	1,419	1,068	10.50	102
2010	24,981.30	13,490	13,276	11,705	11.50	1,018
2011	60,385.55	30,193	29,713	30,673	12.50	2,454
2012	6,731.91	3,097	3,048	3,684	13.50	273
2013	3,762.59	1,580	1,555	2,208	14.50	152
2014	3,201.93	1,217	1,198	2,004	15.50	129
2015	13,461.20	4,577	4,504	8,957	16.50	543
2016	16,251.30	4,875	4,798	11,453	17.50	654
2017	150,147.30	39,038	38,418	111,729	18.50	6,039
2018	1,931.25	425	418	1,513	19.50	78
2021	14,521.88	1,452	1,429	13,093	22.50	582
2023	221,518.70	4,430	4,359	217,159	24.50	8,864
	2,517,118.91	1,570,498	1,545,545	971,573		104,485

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.3 4.15

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 348 OTHER INTANGIBLE PLANT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2011	39,497.10	19,749	18,920	20,577	12.50	1,646
	39,497.10	19,749	18,920	20,577		1,646
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					12.5	4.17

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
1970	4,550.00	3,968	4,550			
1980	3,182.00	2,478	2,965	217	12.37	18
1986	305,819.57	215,603	257,945	47,875	15.69	3,051
1992	51,500.00	31,796	38,041	13,459	19.52	689
2008	44,251.38	14,745	17,640	26,611	31.01	858
	409,302.95	268,590	321,141	88,162		4,616

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.1 1.13

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0						
1998	79,623.76	39,796	13,079	66,545	25.52	2,608
2022	35,750.00	1,673	550	35,200	30.55	1,152
2023	3,273,283.02	53,027	17,427	3,255,856	30.36	107,242
	3,388,656.78	94,496	31,056	3,357,601		111,002
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					30.2	3.28

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1.5						
2012	11,059.91	3,243	3,007	8,053	27.72	291
2015	69,395.00	15,336	14,221	55,174	29.96	1,842
2017	95,000.00	16,245	15,065	79,935	31.52	2,536
	175,454.91	34,824	32,293	143,162		4,669
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					30.7	2.66

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
1965	1,385.14	1,215	1,368	17	8.17	2
1970	8,080.00	6,830	7,690	390	9.79	40
1972	5,443.93	4,542	5,114	330	10.23	32
1974	8,053.15	6,578	7,406	647	11.10	58
1980	1,752.00	1,334	1,502	250	13.65	18
1985	22,929.97	16,067	18,090	4,840	16.45	294
1986	1,502.45	1,037	1,168	334	16.85	20
1987	3,004.89	2,029	2,284	721	17.56	41
1988	85,438.20	56,714	63,855	21,583	17.98	1,200
1989	200,576.54	130,094	146,475	54,102	18.69	2,895
1990	73,619.85	46,859	52,759	20,861	19.13	1,090
1991	224,844.39	139,583	157,159	67,685	19.85	3,410
1992	36,809.93	22,380	25,198	11,612	20.31	572
1993	41,230.00	24,396	27,468	13,762	21.05	654
1995	13,800.00	7,747	8,722	5,078	22.26	228
1998	13,705.00	7,059	7,948	5,757	24.00	240
1999	22,197.44	11,041	12,431	9,766	24.76	394
2001	11,773.00	5,457	6,144	5,629	26.04	216
2002	256,438.00	114,679	129,119	127,319	26.58	4,790
2007	300.00	106	119	181	30.01	6
2008	95,597.33	32,159	36,209	59,388	30.58	1,942
2012	434,622.75	111,959	126,057	308,566	33.14	9,311
2013	220,194.81	52,252	58,832	161,363	33.75	4,781
2017	439,317.88	66,820	75,234	364,084	36.24	10,046
2018	160,000.00	20,768	23,383	136,617	36.87	3,705
2019	363,194.02	39,080	44,001	319,194	37.34	8,548
	2,745,810.67	928,785	1,045,735	1,700,076		54,533

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 31.2 1.99

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R1.5						
2012	1,500,000.00	479,550	760,129	739,871	24.47	30,236
	1,500,000.00	479,550	760,129	739,871		30,236
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					24.5	2.02

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1965	1,577.41	1,513	1,532	45	2.48	18
1970	11,500.00	10,828	10,962	538	3.32	162
1973	317.09	295	299	18	3.85	5
1980	3,063.00	2,732	2,766	297	5.28	56
1983	10,081.00	8,779	8,887	1,194	6.01	199
1986	185,300.39	156,356	158,287	27,013	6.94	3,892
1997	225,916.00	158,638	160,597	65,319	11.24	5,811
1998	68,953.00	47,302	47,886	21,067	11.67	1,805
2000	39,745.00	25,683	26,000	13,745	12.87	1,068
2001	161,003.00	101,078	102,327	58,676	13.34	4,399
2002	94,381.00	57,223	57,930	36,451	13.96	2,611
2003	407,578.60	238,107	241,048	166,531	14.59	11,414
2007	522,440.77	253,436	256,566	265,875	17.51	15,184
2009	87,950.00	38,003	38,473	49,477	19.06	2,596
2012	2,719.75	945	956	1,764	21.61	82
	1,822,526.01	1,100,918	1,114,516	708,010		49,302

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.4 2.71

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
1970	18,915.00	15,786	4,156	14,759	10.60	1,392
1986	27,693.81	18,588	4,893	22,801	18.37	1,241
2023	9,675,298.66	125,779	33,110	9,642,188	38.11	253,009
	9,721,907.47	160,153	42,159	9,679,748		255,642
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					37.9	2.63

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-S1						
1970	2,961.54	1,996	2,634	328	25.87	13
1973	27,633.00	18,000	23,752	3,881	27.02	144
1974	2,997.38	1,929	2,545	452	27.42	16
1975	13,950.21	8,864	11,696	2,254	27.83	81
1976	10,907.76	6,839	9,024	1,884	28.26	67
1977	8,766.02	5,421	7,153	1,613	28.69	56
1978	8,331.06	5,079	6,702	1,629	29.13	56
1979	3,583.34	2,169	2,862	721	29.03	25
1989	417,241.00	211,625	279,247	137,994	33.52	4,117
1992	249,888.45	118,847	156,823	93,065	34.73	2,680
1995	13,850.00	6,079	8,021	5,829	36.44	160
1997	171,649.00	71,406	94,223	77,426	37.20	2,081
1998	98,472.00	39,674	52,351	46,121	37.79	1,220
1999	195,000.00	75,972	100,248	94,752	38.39	2,468
2000	95,242.00	36,040	47,556	47,686	38.61	1,235
2001	202,998.00	73,993	97,636	105,362	39.23	2,686
2003	305,339.50	102,655	135,457	169,882	40.48	4,197
2005	545,027.77	168,414	222,229	322,799	41.38	7,801
2008	26,838.87	7,072	9,332	17,507	43.32	404
2012	419,729.21	84,450	111,435	308,294	45.65	6,753
2019	100,774.32	8,163	10,771	90,003	51.06	1,763
	2,921,180.43	1,054,687	1,391,697	1,529,483		38,023

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.2 1.30

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1914	3,500.00	3,258	2,692	808	8.14	99
1916	2,062.00	1,928	1,593	469	7.45	63
1925	3,440.00	3,151	2,604	836	9.03	93
1926	3,231.00	2,930	2,421	810	10.02	81
1955	412.20	339	280	132	14.83	9
1958	118.50	96	79	40	15.15	3
1960	495.00	396	327	168	15.87	11
1961	1,050.00	833	688	362	16.24	22
1963	3,045.00	2,395	1,979	1,066	16.42	65
1965	300.00	233	193	107	16.69	6
1966	709.00	550	454	255	16.58	15
1967	521.50	401	331	190	17.03	11
1983	2,195.00	1,476	1,220	975	19.74	49
1984	141.00	94	78	63	19.67	3
1988	3,114.96	1,979	1,635	1,480	20.37	73
1997	1,502.45	812	671	831	22.52	37
2005	9,152.80	3,844	3,176	5,977	25.55	234
2008	42,284.00	15,400	12,726	29,558	27.06	1,092
2012	24,204.80	6,874	5,680	18,525	28.99	639
2013	3,534.81	928	767	2,768	29.50	94
2014	1,058.45	254	210	848	30.02	28
2016	571.93	111	92	480	31.11	15
2017	6,952.62	1,184	978	5,975	31.67	189
2018	96,707.35	14,100	11,651	85,056	32.23	2,639
2019	126,936.04	15,308	12,649	114,287	32.81	3,483
2020	250,894.21	23,785	19,655	231,239	33.40	6,923
2021	39,216.60	2,698	2,229	36,988	33.86	1,092
2022	63,815.86	2,668	2,205	61,611	34.34	1,794
2023	207,518.98	2,988	2,469	205,050	34.22	5,992
	898,686.06	111,013	91,732	806,954		24,854

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.5 2.77

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1919	3,453.00	3,320	2,743	710	4.20	169
1924	400.00	378	312	88	5.77	15
1925	19,008.14	17,974	14,852	4,156	5.67	733
1926	41,728.74	39,467	32,612	9,117	5.59	1,631
1927	17,861.02	16,891	13,957	3,904	5.54	705
1928	31,976.50	29,927	24,729	7,248	6.54	1,108
1929	29,433.23	27,538	22,755	6,678	6.51	1,026
1930	29,513.58	27,595	22,802	6,712	6.50	1,033
1931	23,616.70	22,063	18,231	5,386	6.51	827
1932	2,700.74	2,521	2,083	618	6.54	94
1933	2,747.77	2,536	2,096	652	7.54	86
1934	5,550.85	5,117	4,228	1,323	7.59	174
1935	4,959.56	4,565	3,772	1,188	7.65	155
1936	12,865.59	11,821	9,768	3,098	7.73	401
1937	15,242.07	13,975	11,548	3,694	7.84	471
1938	26,858.49	24,570	20,303	6,555	7.96	823
1939	8,477.61	7,737	6,393	2,085	8.09	258
1940	11,469.72	10,440	8,627	2,843	8.24	345
1941	6,533.93	5,930	4,900	1,634	8.41	194
1942	3,826.82	3,462	2,861	966	8.59	112
1943	1,211.05	1,092	902	309	8.79	35
1944	5,672.60	5,051	4,174	1,499	9.79	153
1945	14,195.24	12,591	10,404	3,791	10.00	379
1946	49,551.03	43,778	36,175	13,376	10.22	1,309
1947	122,169.57	107,485	88,817	33,353	10.45	3,192
1948	199,662.93	174,865	144,495	55,168	10.71	5,151
1949	184,961.47	161,212	133,213	51,748	10.97	4,717
1950	514,661.88	450,123	371,946	142,716	10.54	13,540
1951	361,589.32	314,583	259,947	101,642	10.83	9,385
1952	365,701.24	316,405	261,452	104,249	11.14	9,358
1953	575,661.94	495,127	409,134	166,528	11.47	14,519
1954	536,161.66	458,311	378,712	157,450	11.80	13,343
1955	489,978.52	416,188	343,905	146,074	12.15	12,023
1956	337,597.77	284,865	235,390	102,208	12.50	8,177
1957	272,245.75	228,115	188,496	83,750	12.87	6,507
1958	238,496.25	198,381	163,926	74,570	13.24	5,632
1959	265,310.69	219,041	180,998	84,313	13.62	6,190
1960	227,925.48	186,717	154,288	73,637	14.02	5,252
1961	206,438.91	167,732	138,601	67,838	14.42	4,704
1962	135,611.09	110,089	90,969	44,642	14.26	3,131
1963	150,672.06	121,231	100,176	50,496	14.69	3,437

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1964	242,000.67	192,947	159,436	82,565	15.13	5,457
1965	165,727.40	130,892	108,159	57,568	15.57	3,697
1966	156,512.36	122,393	101,136	55,376	16.03	3,455
1967	179,807.34	139,171	115,000	64,807	16.50	3,928
1968	219,197.90	167,884	138,726	80,472	16.96	4,745
1969	141,913.83	108,280	89,474	52,440	16.93	3,097
1970	288,158.27	217,387	179,632	108,526	17.42	6,230
1971	196,679.03	146,624	121,159	75,520	17.92	4,214
1972	493,415.11	363,351	300,245	193,170	18.43	10,481
1973	326,411.86	237,367	196,141	130,271	18.94	6,878
1974	413,368.41	296,716	245,183	168,185	19.46	8,643
1975	475,246.06	336,522	278,075	197,171	19.99	9,863
1976	373,657.74	260,888	215,577	158,081	20.53	7,700
1977	162,660.93	111,943	92,501	70,160	21.07	3,330
1978	1,268,300.64	859,908	710,560	557,741	21.61	25,809
1979	690,767.83	461,088	381,007	309,761	22.17	13,972
1980	603,831.10	396,596	327,716	276,115	22.73	12,148
1981	525,304.74	339,347	280,410	244,895	23.29	10,515
1982	464,648.53	295,052	243,808	220,841	23.86	9,256
1983	856,627.14	534,278	441,485	415,142	24.44	16,986
1984	1,371,696.24	839,752	693,905	677,791	25.02	27,090
1985	438,954.10	263,636	217,848	221,106	25.60	8,637
1986	1,667,105.01	981,591	811,109	855,996	26.19	32,684
1987	1,671,531.42	963,972	796,551	874,980	26.79	32,661
1988	1,558,391.72	879,556	726,796	831,596	27.40	30,350
1989	1,737,574.28	959,141	792,559	945,015	28.00	33,751
1990	2,903,810.89	1,556,443	1,286,122	1,617,689	29.00	55,782
1991	2,381,595.28	1,246,051	1,029,638	1,351,957	29.61	45,659
1992	2,752,809.10	1,404,758	1,160,781	1,592,028	30.23	52,664
1993	1,434,409.26	713,188	589,322	845,087	30.85	27,393
1994	970,546.15	466,639	385,594	584,952	31.85	18,366
1995	566,508.95	264,786	218,798	347,711	32.48	10,705
1996	824,210.78	371,719	307,159	517,052	33.48	15,444
1997	1,729,766.09	756,254	624,909	1,104,857	34.11	32,391
1998	5,587,889.95	2,365,354	1,954,542	3,633,348	34.74	104,587
1999	1,703,305.07	692,734	572,421	1,130,884	35.74	31,642
2000	2,341,046.79	913,242	754,631	1,586,416	36.74	43,180
2001	2,793,201.17	1,049,685	867,377	1,925,824	37.38	51,520
2002	10,068,162.90	3,614,470	2,986,714	7,081,449	38.38	184,509
2003	8,305,681.65	2,860,477	2,363,673	5,942,009	39.02	152,281
2004	1,717,639.49	562,699	464,970	1,252,669	40.02	31,301

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
2005	2,197,535.56	682,994	564,372	1,633,164	41.02	39,814
2006	3,486,602.62	1,025,061	847,030	2,639,573	42.02	62,817
2007	8,580,706.77	2,392,301	1,976,809	6,603,898	42.67	154,767
2008	720,722.83	188,829	156,033	564,690	43.67	12,931
2009	280,573.39	68,740	56,801	223,772	44.67	5,009
2010	2,404,610.56	548,732	453,429	1,951,182	45.67	42,723
2011	5,145,232.52	1,086,673	897,941	4,247,292	46.67	91,007
2012	9,370,718.03	1,821,668	1,505,283	7,865,435	47.67	164,998
2013	4,482,394.50	800,107	661,146	3,821,248	48.32	79,082
2014	6,297,091.56	1,016,980	840,352	5,456,740	49.32	110,639
2015	9,352,726.78	1,351,469	1,116,748	8,235,979	50.32	163,672
2016	7,084,751.64	903,306	746,421	6,338,331	51.32	123,506
2017	8,461,721.37	935,020	772,627	7,689,094	52.32	146,963
2018	7,008,446.85	655,290	541,480	6,466,967	53.32	121,286
2019	6,593,177.80	504,378	416,778	6,176,400	54.32	113,704
2020	7,259,755.76	431,955	356,934	6,902,822	55.32	124,780
2021	2,077,991.46	88,315	72,977	2,005,014	56.32	35,600
2022	281,232.90	7,171	5,925	275,308	57.32	4,803
2023	4,551,696.60	38,689	31,970	4,519,727	58.32	77,499
	163,961,463.19	48,743,268	40,277,597	123,683,866		3,009,095

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 41.1 1.84

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON- 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1967	25,168.00	15,358	12,691	12,477	36.09	346
1972	44,122.00	24,770	20,468	23,654	40.24	588
1973	71,445.00	39,688	32,795	38,650	40.41	956
1977	2,101.00	1,085	897	1,204	43.59	28
1980	6,862.00	3,313	2,738	4,124	46.59	89
1988	5,000.00	1,988	1,643	3,357	53.79	62
1989	1,255,450.91	485,106	400,853	854,598	54.79	15,598
1990	1,538.00	577	477	1,061	55.79	19
1994	39,986.12	13,331	11,016	28,970	58.99	491
1995	8,709.00	2,804	2,317	6,392	60.00	107
2003	664,045.89	153,793	127,082	536,964	68.00	7,897
2004	562,198.26	123,908	102,388	459,810	68.99	6,665
2005	977,790.33	204,358	168,865	808,925	70.00	11,556
2007	559,029.59	104,203	86,105	472,925	72.00	6,568
2008	273,813.19	47,972	39,640	234,173	72.99	3,208
2009	640,894.14	104,978	86,746	554,148	74.00	7,488
2010	69,851.74	10,659	8,808	61,044	74.99	814
2011	375,320.44	52,995	43,791	331,529	76.00	4,362
2012	3,035,349.27	394,595	326,062	2,709,287	76.99	35,190
2013	912,518.91	108,225	89,428	823,091	78.00	10,552
2014	884,283.36	94,972	78,477	805,806	78.99	10,201
2015	702,647.85	67,454	55,739	646,909	80.00	8,086
2016	596,793.04	50,608	41,818	554,975	80.99	6,852
2017	764,383.84	56,106	46,362	718,022	82.00	8,756
2018	205,616.41	12,789	10,568	195,048	82.99	2,350
2019	3,035,927.89	154,225	127,439	2,908,489	84.00	34,625
2020	1,841,737.45	72,933	60,266	1,781,471	84.99	20,961
2021	277,558.97	7,827	6,468	271,091	86.00	3,152
2022	233,265.66	3,966	3,277	229,989	86.99	2,644
2023	1,958,340.32	10,967	9,062	1,949,278	88.00	22,151
	20,031,748.58	2,425,553	2,004,286	18,027,463		232,362

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 77.6 1.16

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
2023	8,899.45	70	58	8,841	62.79	141
	8,899.45	70	58	8,841		141
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					62.7	1.58

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1972	1,795.00	1,026	848	947	38.59	25
1973	10,018.00	5,616	4,641	5,377	39.59	136
1974	9,510.00	5,272	4,356	5,154	39.79	130
1980	2,534.00	1,257	1,039	1,495	44.22	34
1981	14,594.00	7,134	5,895	8,699	44.45	196
1982	1,350.00	644	532	818	45.46	18
1987	380.33	162	134	246	48.97	5
1988	613.60	255	211	403	49.97	8
1999	68,568.76	20,324	16,794	51,775	58.15	890
2003	24,150.33	6,040	4,991	19,159	61.47	312
2004	15,965.66	3,798	3,138	12,828	62.47	205
2005	7,906.10	1,799	1,487	6,419	62.80	102
2006	14,515.17	3,124	2,581	11,934	63.80	187
2011	32,737.12	5,114	4,226	28,511	67.50	422
2012	694,400.64	99,855	82,512	611,889	68.50	8,933
2013	488,668.22	64,113	52,978	435,690	69.50	6,269
2014	355,085.13	42,504	35,122	319,963	69.87	4,579
2015	269,038.58	28,814	23,810	245,229	70.87	3,460
2016	417,989.19	39,500	32,640	385,349	71.87	5,362
2017	703,800.00	58,134	48,037	655,763	72.24	9,078
2018	361,933.03	25,263	20,875	341,058	73.24	4,657
2019	1,215,860.46	70,034	57,870	1,157,990	73.62	15,729
2020	1,427,640.18	63,958	52,850	1,374,790	74.62	18,424
2021	383,526.60	12,350	10,205	373,322	75.02	4,976
2023	826,997.54	5,458	4,510	822,488	75.26	10,929
	7,349,577.64	571,548	472,282	6,877,296		95,066

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 72.3 1.29

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
1963	74,569.11	72,183	59,646	14,923	2.00	7,462
1964	87,665.54	84,501	69,825	17,841	2.23	8,000
1965	124,152.32	119,112	98,425	25,727	2.48	10,374
1966	42,990.73	41,035	33,908	9,083	2.74	3,315
1967	68,853.41	65,741	54,323	14,530	2.67	5,442
1968	82,283.97	78,087	64,525	17,759	2.98	5,959
1969	93,921.85	88,550	73,171	20,751	3.31	6,269
1970	118,926.88	111,982	92,533	26,394	3.32	7,950
1971	32,479.34	30,352	25,080	7,399	3.68	2,011
1972	104,170.48	96,566	79,795	24,375	4.06	6,004
1973	161,498.80	148,434	122,654	38,845	4.45	8,729
1974	227,030.27	207,914	171,804	55,226	4.55	12,138
1975	131,589.42	119,352	98,623	32,966	4.97	6,633
1976	160,859.58	144,420	119,337	41,523	5.41	7,675
1977	128,838.26	114,434	94,559	34,279	5.85	5,860
1978	246,981.94	216,900	179,229	67,753	6.31	10,737
1979	337,290.93	291,183	240,611	96,680	7.05	13,713
1980	246,979.93	210,575	174,003	72,977	7.52	9,704
1981	133,656.06	111,897	92,463	41,193	8.26	4,987
1982	202,246.72	166,186	137,323	64,924	9.01	7,206
1983	314,122.03	253,182	209,209	104,913	9.75	10,760
1984	297,917.09	235,355	194,479	103,438	10.50	9,851
1985	337,682.45	261,299	215,917	121,765	11.25	10,824
2008	10,571.00	3,326	2,748	7,823	33.76	232
2016	10,752.00	1,636	1,352	9,400	41.76	225
	3,778,030.11	3,274,202	2,705,542	1,072,488		182,060

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.9 4.82

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
1966	41,066.18	37,075	30,636	10,430	6.19	1,685
1972	36,880.50	32,101	26,526	10,354	7.67	1,350
1973	270,288.00	233,421	192,881	77,407	7.98	9,700
1974	88,499.00	75,791	62,628	25,871	8.30	3,117
1980	45,992.00	37,014	30,585	15,407	10.55	1,460
1981	143,194.00	113,811	94,044	49,150	10.97	4,480
1984	97,561.00	74,381	61,463	36,098	12.31	2,932
1999	300,711.54	162,805	134,529	166,183	20.75	8,009
2013	620,550.27	161,591	133,526	487,024	29.82	16,332
2017	4,946,971.81	829,607	685,522	4,261,450	32.26	132,097
2018	64,643.46	9,283	7,671	56,972	32.81	1,736
2019	284,387.73	33,785	27,917	256,471	33.38	7,683
2020	83,113.45	7,796	6,442	76,671	33.81	2,268
2021	26,610.55	1,815	1,500	25,111	34.13	736
2022	46,464.25	1,951	1,612	44,852	34.21	1,311
2023	70,400.34	1,042	861	69,539	33.17	2,096
	7,167,334.08	1,813,269	1,498,343	5,668,991		196,992

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.8 2.75

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1925	14,385.45	14,170	14,385			
1926	18,223.71	17,947	18,224			
1927	17,052.38	16,619	17,052			
1928	12,267.53	11,950	12,268			
1929	13,944.27	13,573	13,944			
1930	7,146.10	6,949	7,146			
1931	695.08	675	695			
1932	295.00	283	295			
1934	390.00	373	390			
1935	250.00	239	250			
1936	345.00	329	345			
1937	310.00	295	310			
1938	90.00	85	90			
1939	750.00	710	750			
1940	440.00	415	440			
1941	530.00	498	530			
1942	60.00	56	60			
1945	35.00	32	35			
1946	150.00	137	150			
1947	2,040.00	1,857	2,040			
1948	1,380.00	1,250	1,380			
1949	180.00	162	180			
1950	325.00	291	325			
1951	960.00	856	958	2	8.80	
1952	1,275.00	1,130	1,264	11	9.15	1
1953	1,790.00	1,577	1,765	25	9.50	3
1954	3,460.00	3,030	3,390	70	9.87	7
1955	4,460.00	3,880	4,341	119	10.24	12
1956	3,940.00	3,404	3,809	131	10.62	12
1957	3,545.00	3,041	3,403	142	11.02	13
1958	1,405.00	1,187	1,328	77	12.02	6
1959	5,990.00	5,023	5,620	370	12.42	30
1960	5,045.00	4,196	4,695	350	12.84	27
1961	965.00	796	891	74	13.26	6
1962	1,065.00	865	968	97	14.26	7
1963	3,680.83	2,962	3,314	367	14.69	25
1964	9,608.98	7,661	8,572	1,037	15.13	69
1965	11,655.25	9,137	10,223	1,432	16.13	89
1966	10,657.90	8,273	9,257	1,401	16.58	84
1967	10,592.66	8,139	9,107	1,486	17.03	87
1968	20,600.82	15,549	17,398	3,203	18.03	178

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1969	13,058.59	9,750	10,909	2,150	18.50	116
1970	8,976.56	6,627	7,415	1,562	18.96	82
1971	5,709.77	4,137	4,629	1,081	19.96	54
1972	12,314.67	8,815	9,863	2,452	20.45	120
1973	19,164.57	13,549	15,160	4,005	20.93	191
1974	30,757.58	21,315	23,849	6,909	21.93	315
1975	33,128.66	22,653	25,347	7,782	22.43	347
1976	34,751.65	23,277	26,045	8,707	23.42	372
1977	22,740.99	15,016	16,801	5,940	23.92	248
1978	42,482.49	27,448	30,712	11,770	24.92	472
1979	64,180.58	40,845	45,702	18,479	25.43	727
1980	44,427.02	27,829	31,138	13,289	25.94	512
1981	18,656.38	11,418	12,776	5,880	26.94	218
1982	87,849.30	52,499	58,741	29,108	27.94	1,042
1983	73,781.41	43,324	48,475	25,306	28.47	889
1984	72,679.30	41,631	46,581	26,098	29.46	886
1985	95,371.78	53,608	59,982	35,390	29.99	1,180
1986	13,919.80	7,621	8,527	5,393	30.99	174
1987	20,808.11	11,166	12,494	8,314	31.52	264
1988	15,085.63	7,872	8,808	6,278	32.53	193
1989	40,447.61	20,515	22,954	17,494	33.52	522
1990	49,234.05	24,410	27,312	21,922	34.07	643
1991	44,145.02	21,234	23,759	20,386	35.07	581
1992	10,990.50	5,124	5,733	5,258	36.07	146
1993	49,326.98	22,266	24,914	24,413	37.07	659
1994	11,800.00	5,187	5,804	5,996	37.61	159
1995	26,810.78	11,384	12,738	14,073	38.62	364
1996	54,462.58	22,319	24,973	29,490	39.61	745
1997	32,517.93	12,838	14,365	18,153	40.62	447
1998	43,999.00	16,830	18,831	25,168	41.17	611
1999	3,258.74	1,198	1,340	1,919	42.17	46
2000	17,729.29	6,250	6,993	10,736	43.17	249
2003	109,796.47	33,762	37,776	72,020	46.17	1,560
2004	97,862.38	28,811	32,237	65,625	46.73	1,404
2005	830,098.49	231,930	259,508	570,590	47.72	11,957
2006	80,300.64	21,215	23,738	56,563	48.73	1,161
2007	48,301.00	12,037	13,468	34,833	49.72	701
2010	30,861.00	6,289	7,037	23,824	52.73	452
2011	102,395.71	19,332	21,631	80,765	53.72	1,503
2012	1,074,382.48	186,513	208,690	865,692	54.73	15,818
2013	1,210,747.79	192,025	214,858	995,890	55.72	17,873

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
2014	1,169,731.65	167,740	187,685	982,047	56.73	17,311
2015	2,763,355.03	357,025	399,477	2,363,878	57.29	41,262
2016	2,119,518.29	241,625	270,355	1,849,163	58.29	31,724
2017	2,110,220.10	208,490	233,281	1,876,939	59.29	31,657
2018	2,089,491.95	174,682	195,453	1,894,039	60.29	31,415
2019	1,466,877.02	100,334	112,264	1,354,613	61.29	22,102
2020	3,245,452.11	172,658	193,188	3,052,264	62.29	49,001
2021	577,070.81	21,929	24,536	552,535	63.29	8,730
2023	1,795,234.16	13,644	15,267	1,779,967	65.29	27,262
	22,228,245.36	2,979,597	3,325,706	18,902,540		327,123

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 57.8 1.47

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 334 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
1965	1,010.67	1,011	1,011			
1969	260.72	261	261			
1970	1,248.24	1,248	1,248			
1971	664.38	664	664			
1972	1,228.10	1,228	1,228			
1973	2,717.94	2,718	2,718			
1974	3,702.43	3,702	3,702			
1975	3,450.77	3,451	3,451			
1976	4,483.59	4,484	4,484			
1977	2,249.85	2,250	2,250			
1978	9,514.72	9,515	9,515			
1979	6,991.14	6,991	6,991			
1980	6,304.61	6,305	6,305			
1981	2,415.94	2,416	2,416			
1982	3,484.54	3,485	3,485			
1983	5,284.88	5,285	5,285			
1984	7,109.92	7,077	7,110			
1985	12,351.51	12,174	12,352			
2015	800.00	326	800			
2016	466.47	171	4,249	3,782-		
	75,740.42	74,762	79,525	3,785-		

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1954	275.45	257	275			
1955	4,052.20	3,747	4,052			
1956	5,807.77	5,371	5,808			
1957	3,421.42	3,140	3,421			
1958	2,530.75	2,304	2,531			
1959	1,938.04	1,762	1,938			
1960	845.74	763	846			
1961	2,232.12	1,995	2,232			
1962	1,845.77	1,646	1,841	5	7.46	1
1963	357.34	316	353	4	7.99	1
1965	8,559.65	7,411	8,290	270	9.07	30
1966	7,505.67	6,431	7,194	312	9.61	32
1967	3,853.21	3,288	3,678	175	9.72	18
1968	6,309.90	5,323	5,954	356	10.29	35
1969	13,003.51	10,842	12,128	876	10.86	81
1970	8,173.13	6,734	7,533	640	11.44	56
1971	4,682.24	3,810	4,262	420	12.01	35
1972	11,573.77	9,298	10,401	1,173	12.60	93
1973	21,007.20	16,655	18,631	2,376	13.20	180
1974	26,685.90	20,740	23,200	3,486	14.19	246
1975	31,965.41	24,495	27,401	4,564	14.79	309
1976	22,334.63	16,867	18,868	3,467	15.40	225
1977	22,777.91	16,947	18,957	3,821	16.00	239
1978	40,513.00	29,680	33,201	7,312	16.61	440
1979	62,812.07	45,281	50,652	12,160	17.23	706
1980	76,901.20	54,523	60,991	15,910	17.85	891
1981	97,181.44	67,735	75,770	21,411	18.48	1,159
1982	43,949.80	29,912	33,460	10,490	19.48	539
1983	77,741.20	51,947	58,109	19,632	20.11	976
1984	181,836.63	119,230	133,373	48,464	20.74	2,337
1985	186,972.05	120,223	134,484	52,488	21.38	2,455
1986	147,359.59	92,277	103,223	44,137	22.38	1,972
1987	130,479.77	80,010	89,501	40,979	23.02	1,780
1988	171,657.78	102,995	115,212	56,446	23.67	2,385
1989	194,191.83	113,214	126,644	67,548	24.67	2,738
1990	135,476.57	77,154	86,306	49,171	25.32	1,942
1991	59,384.97	32,810	36,702	22,683	26.32	862
1992	67,880.79	36,561	40,898	26,983	26.98	1,000
1993	42,593.24	22,217	24,852	17,741	27.98	634
1994	40,809.62	20,707	23,163	17,647	28.64	616
1995	22,476.27	11,018	12,325	10,151	29.64	342

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1996	18,164.98	8,643	9,668	8,497	30.30	280
1997	3,996.71	1,832	2,049	1,948	31.31	62
1998	32,819.72	14,480	16,198	16,622	32.30	515
1999	37,236.49	15,874	17,757	19,479	32.97	591
2000	65,628.45	26,835	30,018	35,610	33.97	1,048
2001	36,125.69	14,143	15,821	20,305	34.97	581
2002	82,675.00	31,102	34,791	47,884	35.65	1,343
2003	63,125.80	22,650	25,337	37,789	36.64	1,031
2004	28,607.84	9,761	10,919	17,689	37.65	470
2005	73,494.60	23,798	26,621	46,874	38.64	1,213
2006	7,861.04	2,421	2,708	5,153	39.32	131
2007	10,655.00	3,094	3,461	7,194	40.32	178
2008	39,143.75	10,678	11,945	27,199	41.32	658
2009	17,304.20	4,416	4,940	12,364	42.32	292
2010	14,234.90	3,382	3,783	10,452	43.32	241
2011	83,825.71	18,442	20,630	63,196	44.32	1,426
2012	4,245,001.84	859,188	961,106	3,283,896	45.32	72,460
2013	394,951.78	72,987	81,645	313,307	46.32	6,764
2014	260,645.21	43,841	49,041	211,604	46.99	4,503
2015	831,566.37	125,068	139,904	691,662	48.00	14,410
2016	1,032,686.03	137,141	153,409	879,277	48.99	17,948
2017	1,838,214.72	211,395	236,471	1,601,744	50.00	32,035
2018	844,079.81	82,213	91,965	752,115	50.99	14,750
2019	1,066,970.26	84,931	95,006	971,964	52.00	18,692
2020	985,893.01	61,125	68,376	917,517	52.99	17,315
2021	442,027.38	19,538	21,855	420,172	54.00	7,781
2022	117,432.88	3,124	3,495	113,938	54.99	2,072
2023	740,506.79	6,516	7,289	733,218	56.00	13,093
	15,406,832.51	3,196,254	3,574,868	11,831,965		257,238

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 46.0 1.67

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
1982	84.00	84	84			
	84.00	84	84			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-R2.5						
1998	1,662.00	1,377	1,662			
	1,662.00	1,377	1,662			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

PART III. EXPERIENCED NET SALVAGE

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2019 TRANSACTION YEAR				
304.20	208,441.50	82,033.69		82,033.69-
304.30	728,626.06	11,838.83		11,838.83-
304.61	316,494.46			
304.62	185,854.66			
304.63	20,793.80	11,587.95		11,587.95-
305.00	28,041.05			
306.00	2,613.93			
307.00	741,023.90	57,776.67		57,776.67-
310.40	36,548.41			
311.01	360,397.29	275.26		275.26-
320.00	1,465,037.66	21,071.83		21,071.83-
330.00	1,322,396.88	28,685.50		28,685.50-
331.00	10,657,686.65	2,429,051.47		2,429,051.47-
333.00	475,377.25	509,881.24		509,881.24-
334.02	5,598,896.28		18,777.21	18,777.21
335.00	620,603.28	101,243.77		101,243.77-
336.00	2,256.85			
340.10	60,799.75			
340.20	19,532.05			
340.30	5,620,461.82			
340.40	16,636.75			
341.10	2,430,098.81		35,850.00	35,850.00
341.20	33,607.74			
343.10			4,555.10	4,555.10
343.20	576,732.43			
344.00	484,548.08			
346.01	20,218.31			
346.02	560,970.28	81.58		81.58-
347.00	2,283.84			
	32,596,979.77	3,253,527.79	59,182.31	3,194,345.48-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2020 TRANSACTION YEAR				
304.20	24,265.73	81,066.67		81,066.67-
304.30	232,194.99	11,107.43		11,107.43-
304.61	1,832,621.11			
304.62	27,333.59			
304.63	456.84	322,461.19		322,461.19-
305.00	59,053.26			
307.00	131,201.31	9,461.14		9,461.14-
310.40	8,584.17			
311.01	273,186.86	137.52		137.52-
320.00	520,063.48			
330.00	240,390.12	48,187.28		48,187.28-
331.00	6,406,400.50	1,817,260.37		1,817,260.37-
333.00	251,177.68	474,188.80		474,188.80-
334.02	1,597,880.71		4,603.50	4,603.50
334.03	17.01	4,321.34		4,321.34-
335.00	331,387.11	66,170.21		66,170.21-
340.10	49,753.57			
340.20	1,219.78			
340.30	3,204,485.72			
340.40	9,072,650.99			
341.10	2,044,911.25		16,500.00	16,500.00
341.20	74,466.12			
343.10	3,379.36		50.00	50.00
343.20	420,440.56			
344.00	29,009.73			
346.01	517,524.81			
346.02	239,186.24			
347.00	2,647.86			
	27,595,890.46	2,834,361.95	21,153.50	2,813,208.45-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2021 TRANSACTION YEAR				
304.20	119,835.63			
304.30	29,836.27	57,476.44		57,476.44-
304.61	79,306.50			
304.62	41,391.42			
304.63	7,724.07			
305.00	7,191.85			
307.00	260,241.05	149,453.60		149,453.60-
310.40	104,413.57			
311.01	125,517.08			
320.00	137,604.05	3,455.34		3,455.34-
330.00	163,083.25			
331.00	8,443,316.01	2,099,925.97		2,099,925.97-
333.00	403,982.09	479,667.07		479,667.07-
334.02	2,072,361.82		53,731.71	53,731.71
334.03	3,199.49	19,488.04		19,488.04-
335.00	390,959.83	75,329.88		75,329.88-
336.00	892.54			
340.10	146,972.63			
340.20	7,030.00			
340.30	6,388,263.09			
340.40	1,814,063.97			
341.10	1,913,278.06		97,325.00	97,325.00
343.10	595.00		2,950.00	2,950.00
343.20	92,563.92			
344.00	32,939.90			
346.01	647,501.22			
346.02	905,048.85			
347.00	4,863.66			
	24,343,976.82	2,884,796.34	154,006.71	2,730,789.63-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2022 TRANSACTION YEAR				
304.30		46,017.15		46,017.15-
305.00		308,833.47		308,833.47-
307.00			100.93	100.93
311.01		113.48		113.48-
320.00		23,944.67		23,944.67-
330.00			3.67	3.67
331.00	8,943,445.86	2,376,180.25		2,376,180.25-
333.00		18,065.68		18,065.68-
334.02			106,278.20	106,278.20
335.00		164.71		164.71-
340.10	139,598.70			
340.20	110,347.09			
340.30	1,574,900.66			
340.40	2,056,766.06			
341.10	3,970,728.18			
341.20	230,867.65			
343.10	5,160.49			
343.20	1,155,229.85			
344.00	44,762.18			
346.01	79,133.12			
346.02	1,187,195.21	14,017.34		14,017.34-
347.00	2,068.74			
	19,500,203.79	2,787,336.75	106,382.80	2,680,953.95-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2023 TRANSACTION YEAR				
304.20	359,871.79			
304.30	3,200,338.82		3,058.55	3,058.55
304.61	2,853,118.36			
304.62	2,218.06			
304.63	74,798.88	55,131.82		55,131.82-
305.00	2,739.49			
307.00	418,097.55	29,417.81		29,417.81-
310.40	10,546.32			
311.00	73,970.85	245.30		245.30-
320.00	4,943,332.28		5,680.16	5,680.16
330.00	134,141.04			
331.00	5,243,747.42	2,538,533.32		2,538,533.32-
333.00	1,465,239.16	603,176.26		603,176.26-
334.02	1,581,207.33		40,428.69	40,428.69
334.03	46,663.64	11,549.23		11,549.23-
335.00	519,355.28	29,130.51		29,130.51-
340.10	73,431.62			
340.20	7,074.28			
340.30	7,656,272.57			
340.40	3,635,396.82			
341.10	2,207,848.75			
341.20	2,458.26			
343.20	211,003.35			
344.00	62,887.02			
346.01	127,409.51			
346.02	3,485,344.85			
347.00	134,522.10			
	38,533,035.40	3,267,184.25	49,167.40	3,218,016.85-
TOTAL	142,570,086.24	15,027,207.08	389,892.72	14,637,314.36-

Exhibit No. 6-A, Part 2
Docket No. R-2024-3047822
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

WATER BASE OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2024

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-A, Part 2
Docket No. R-2024-3047822
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

WATER BASE OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2024

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to water plant. The results of our study as of December 31, 2024, are presented in the attached report. The results of our study as of December 31, 2023, are presented in our report, "2023 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2023." The same methods, procedures and estimates are used in both studies.

The attached report sets forth a description of the methods and procedures upon which the studies were based, the estimates of survivor curves, and the calculated annual depreciation as of December 31, 2024.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

MELISSA M. HOWARD
Assistant Project Manager

JJS:mle
077367.100

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PART I. INTRODUCTION

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report presents the results of the depreciation study prepared for Aqua Pennsylvania, Inc. (the Company) as applied to water plant in service as of December 31, 2024. The study results include annual depreciation rates and amounts for regulatory reporting. The regulatory rates and amounts are based on the straight line remaining life method of depreciation. The report also describes the concepts, methods and basic judgments which underlie recommended annual depreciation accrual rates and amounts related to current water plant in service.

PLAN OF REPORT

Part I, Introduction, contains statements with respect to the plan of the report, and the basis of the study. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and the methods used in the service life and net salvage studies. Part III, Service Life Considerations, presents the factors and judgment utilized in the average service life analysis. Part IV, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part V, Results of Study, presents a summary by depreciable group of annual depreciation accrual rates and amounts. Part VI, Service Life Statistics presents the statistical analysis of service life estimates; Part VII, Detailed Depreciation Calculations presents the detailed tabulations of annual depreciation; and Part VIII, Experienced and Estimated Net Salvage presents the cost of removal and gross salvage recorded for the period 2020-2024.

BASIS OF THE STUDY

Depreciation

Depreciation, in public utility regulation, is the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among causes to be given consideration are wear and tear, deterioration, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and the requirements of public authorities.

Depreciation, as used in accounting, is a method of distributing fixed capital costs, less net salvage, over a period of time by allocating annual amounts to expense. Each annual amount of such depreciation expense is part of that year's total cost of providing utility service. Normally, the period of time over which the fixed capital cost is allocated to the cost of service is equal to the period of time over which an item renders service, that is, the item's service life. The most prevalent method of allocation is to distribute an equal amount of cost to each year of service life. This method is known as the straight line method of depreciation.

For most accounts, the annual depreciation was calculated by the straight line remaining life method using the equal life group procedure. For certain General Plant accounts, the annual depreciation is based on amortization accounting. Both types of calculations were based on original cost, attained ages of plant in service and the estimated service life characteristics of each depreciable group.

Service Life Estimates

The service life estimates used in the depreciation and amortization calculations were based on informed judgment which incorporated a review of management's plans,

policies and outlook, a general knowledge of the water utility industry, and comparisons of the service life estimates from our studies of other water utilities. The use of survivor curves to reflect the expected dispersion of retirement provides a consistent method of estimating depreciation for water plant. Iowa type survivor curves were used to depict the estimated survivor curves for the plant accounts not subject to amortization accounting.

The procedure for estimating service lives consisted of compiling historical data for the plant accounts or depreciable groups, analyzing this history through the use of widely accepted techniques, and forecasting the survivor characteristics for each depreciable group on the basis of interpretations of the historical data analyses and the probable future. The combination of the historical experience and estimates of future experience yielded estimated survivor curves from which the average service lives were derived.

The Company's service life estimates used in the depreciation calculation incorporated historical data compiled through December 2019 from the property records of the Company. This represents the last service life study approved. Such data included plant additions, retirements, transfers and other activity. Generally, retirement data for the years through 2019 were used in the actuarial life table computations which were the primary statistical support of the service life estimates.

A general understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirement was obtained through discussions with operating and management personnel conducted during the course of the service life study. Information regarding plans for the future was incorporated in the interpretation and extrapolation of the statistical analyses.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements (or the portion of the frequency curve with the highest level of retirements) in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family. A higher number designates a higher mode curve.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

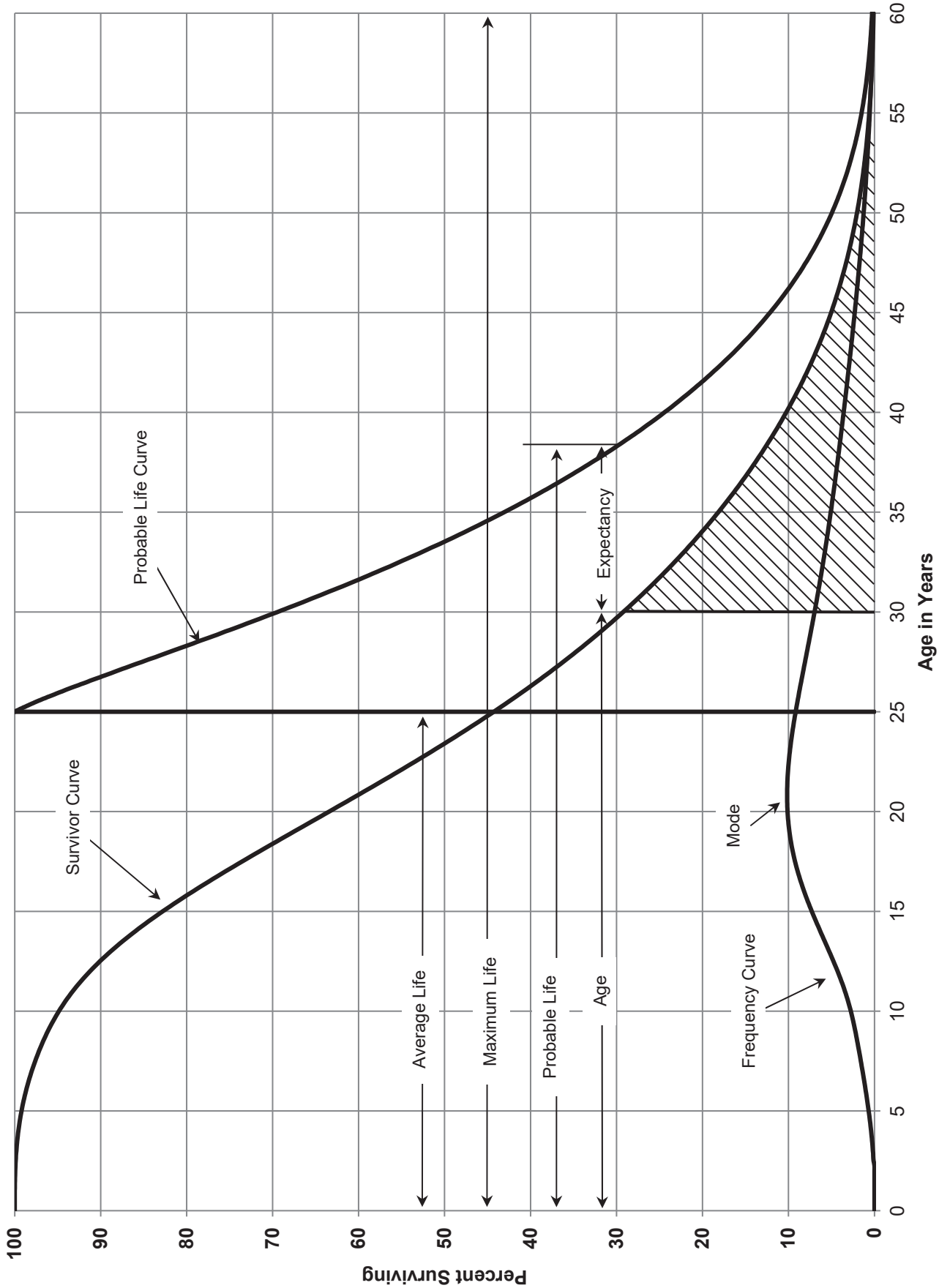


FIGURE 1. TYPICAL SURVIVOR CURVE AND DERIVED CURVES

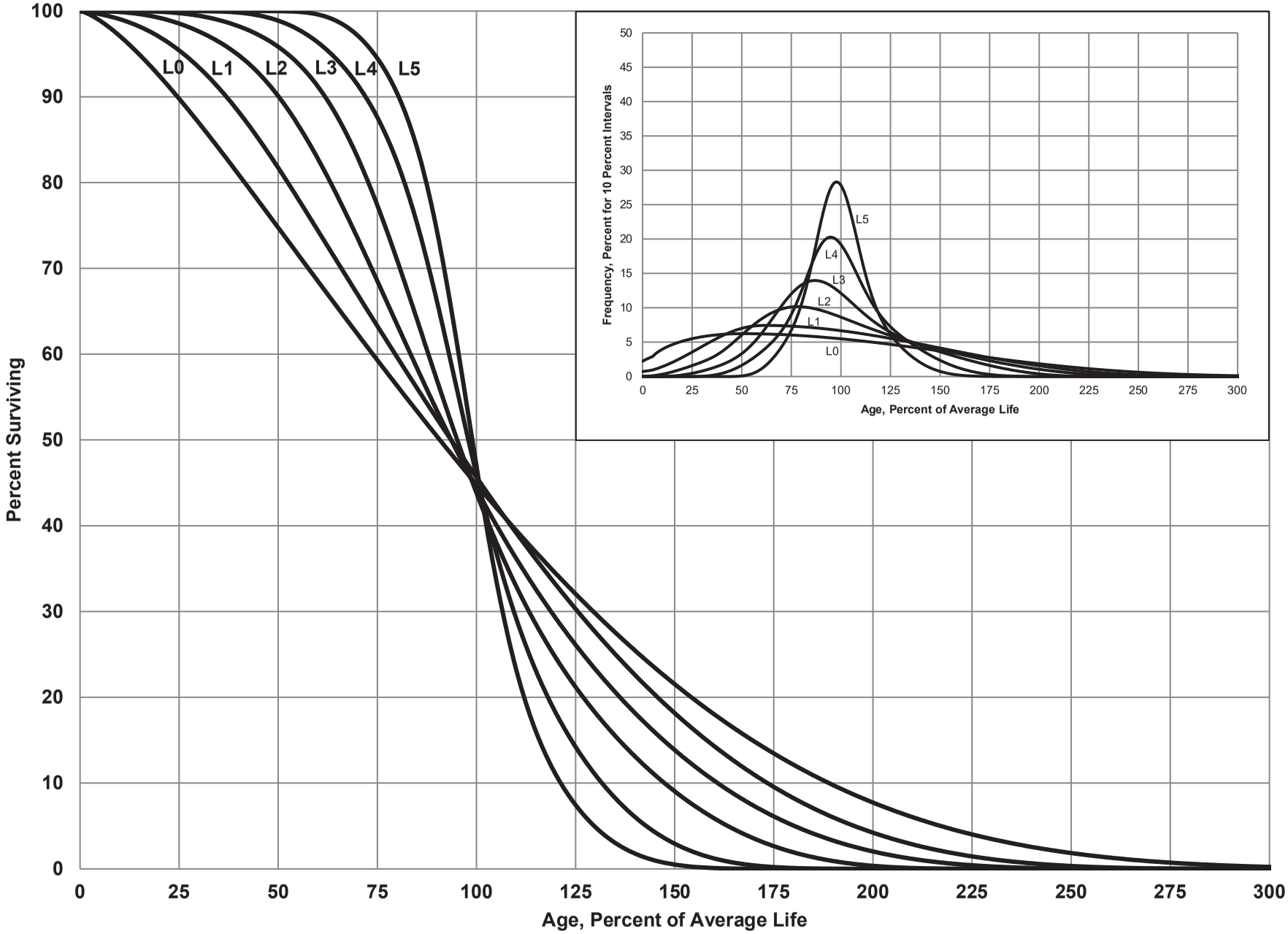


FIGURE 2. LEFT MODAL OR "L" IOWA TYPE SURVIVOR CURVES

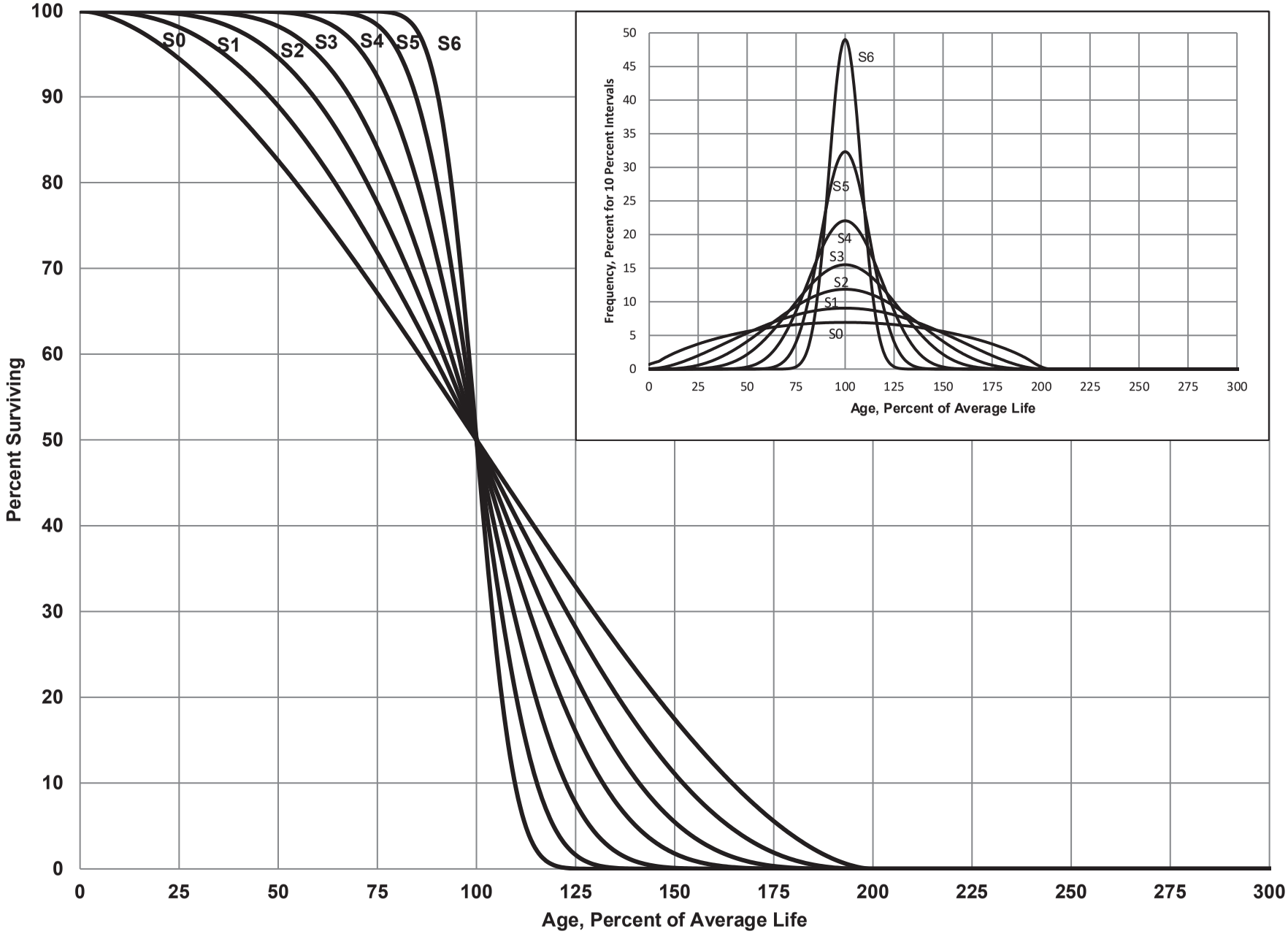


FIGURE 3. SYMMETRICAL OR "S" IOWA TYPE SURVIVOR CURVES

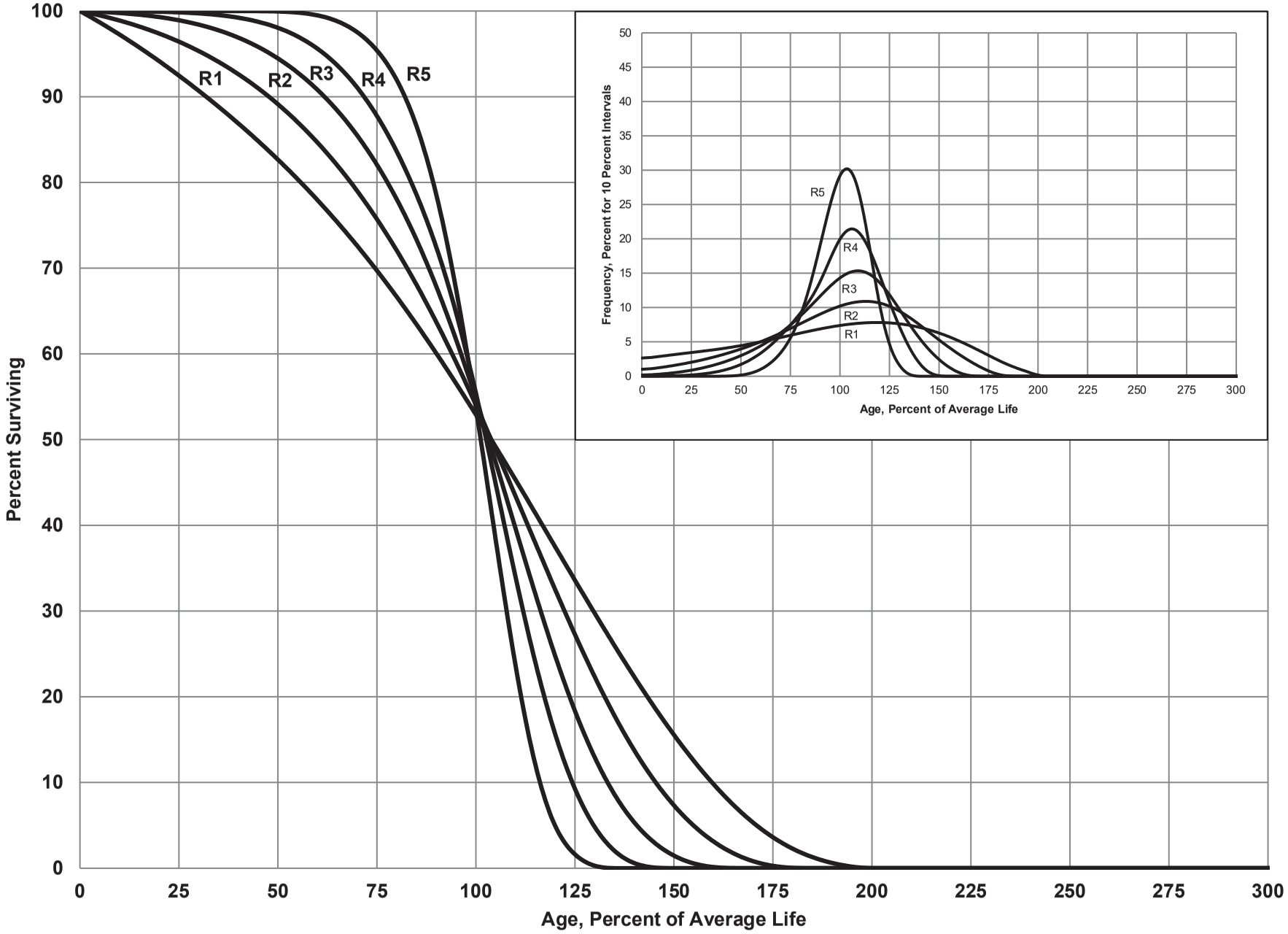


FIGURE 4. RIGHT MODAL OR "R" IOWA TYPE SURVIVOR CURVES

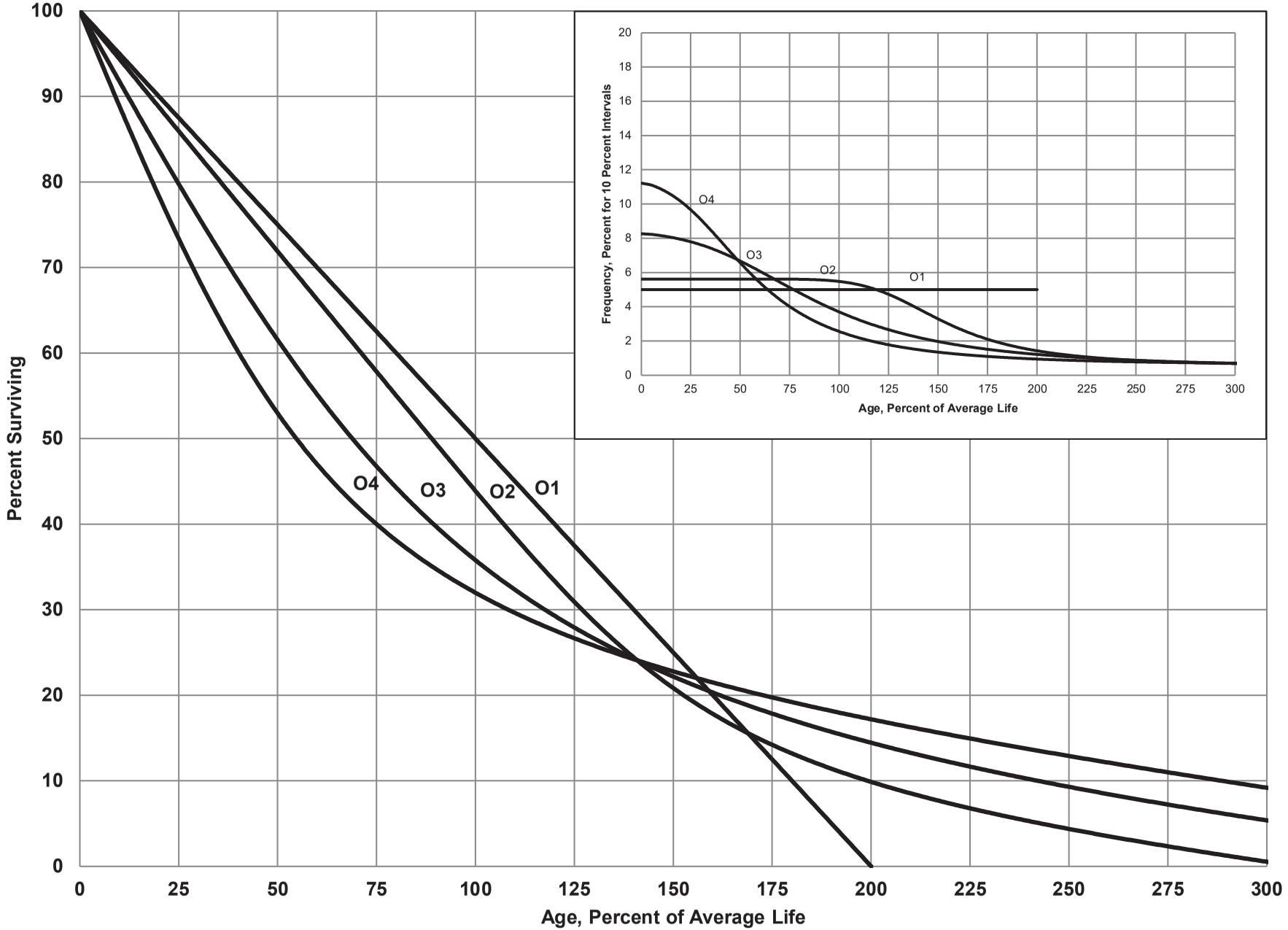


FIGURE 5. ORIGIN MODAL OR "O" IOWA TYPE SURVIVOR CURVES

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."[1] In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student, submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text and is also explained in several publications including "Statistical Analyses of Industrial Property Retirements,"[2] "Engineering Valuation and Depreciation,"[3] and "Depreciation Systems."[4]

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band. The band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

[1]Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

[2]Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College, Engineering Experiment Station, Bulletin 125. 1935.

[3]Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

[4]Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

Schedules of Annual Transactions in Plant Records

The property group used to illustrate the retirement rate method is observed for the experience band 2014-2023 for which there were placements during the years 2009-2023. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, $10,000 of the dollars invested in 2009 were retired in 2014. The $10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of $143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2014 retirements of 2009 installations and ending with the 2023 retirements of the 2018 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Retirements, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	10	11	12	13	14	16	23	24	25	26	26	13½-14½
2010	11	12	13	15	16	18	20	21	22	19	44	12½-13½
2011	11	12	13	14	16	17	19	21	22	18	64	11½-12½
2012	8	9	10	11	11	13	14	15	16	17	83	10½-11½
2013	9	10	11	12	13	14	16	17	19	20	93	9½-10½
2014	4	9	10	11	12	13	14	15	16	20	105	8½-9½
2015		5	11	12	13	14	15	16	18	20	113	7½-8½
2016			6	12	13	15	16	17	19	19	124	6½-7½
2017				6	13	15	16	17	19	19	131	5½-6½
2018					7	14	16	17	19	20	143	4½-5½
2019						8	18	20	22	23	146	3½-4½
2020							9	20	22	25	150	2½-3½
2021								11	23	25	151	1½-2½
2022									11	24	153	½-1½
2023										13	80	0-½
Total	53	68	86	106	128	157	196	231	273	308	1,606	

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Acquisitions, Transfers and Sales, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	-	-	-	-	-	-	60[a]	-	-	-	-	13½-14½
2010	-	-	-	-	-	-	-	-	-	-	-	12½-13½
2011	-	-	-	-	-	-	-	-	-	-	-	11½-12½
2012	-	-	-	-	-	-	-	(5)[b]	-	-	60	10½-11½
2013	-	-	-	-	-	-	-	6[a]	-	-	-	9½-10½
2014	-	-	-	-	-	-	-	-	-	-	(5)	8½-9½
2015		-	-	-	-	-	-	-	-	-	6	7½-8½
2016			-	-	-	-	-	-	-	-	-	6½-7½
2017				-	-	-	-	(12)[b]	-	-	-	5½-6½
2018					-	-	-	-	22[a]	-	-	4½-5½
2019						-	-	(19)[b]	-	-	10	3½-4½
2020							-	-	-	-	-	2½-3½
2021								-	-	(102)[c]	(121)	1½-2½
2022									-	-	-	½-1½
2023											-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	

[a] Transfer Affecting Exposures at Beginning of Year
[b] Transfer Affecting Exposures at End of Year
[c] Sale with Continued Use
Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements, but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2014 through 2023 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2019 are calculated in the following manner:

Exposures at age 0	= amount of addition	= $750,000
Exposures at age ½	= $750,000 - $ 8,000	= $742,000
Exposures at age 1½	= $742,000 - $18,000	= $724,000
Exposures at age 2½	= $724,000 - $20,000 - $19,000	= $685,000
Exposures at age 3½	= $685,000 - $22,000	= $663,000

SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
JANUARY 1 OF EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023

Placement Band 2009-2023

Year Placed	Exposures, Thousands of Dollars Annual Survivors at the Beginning of the Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total at Beginning of Age Interval	Age Interval
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	255	245	234	222	209	195	239	216	192	167	167	13½-14½
2010	279	268	256	243	228	212	194	174	153	131	323	12½-13½
2011	307	296	284	271	257	241	224	205	184	162	531	11½-12½
2012	338	330	321	311	300	289	276	262	242	226	823	10½-11½
2013	376	367	357	346	334	321	307	297	280	261	1,097	9½-10½
2014	420[a]	416	407	397	386	374	361	347	332	316	1,503	8½-9½
2015		460[a]	455	444	432	419	405	390	374	356	1,952	7½-8½
2016			510[a]	504	492	479	464	448	431	412	2,463	6½-7½
2017				580[a]	574	561	546	530	501	482	3,057	5½-6½
2018					660[a]	653	639	623	628	609	3,789	4½-5½
2019						750[a]	742	724	685	663	4,332	3½-4½
2020							850[a]	841	821	799	4,955	2½-3½
2021								960[a]	949	926	5,719	1½-2½
2022									1,080[a]	1,069	6,579	½-1½
2023										1,220[a]	7,490	0-½
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	

[a]Additions during the year

For the entire experience band 2014-2023, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15				
Exposures at age 4½	=	3,789,000				
Retirements from age 4½ to 5½	=	143,000				
Retirement Ratio	=	143,000	÷	3,789,000	=	0.0377
Survivor Ratio	=	1.000	-	0.0377	=	0.9623
Percent surviving at age 5½	=	(88.15)	x	(0.9623)	=	84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

SCHEDULE 4. ORIGINAL LIFE TABLE
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2014-2023 Placement Band 2009-2023

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
					35.66
Total	44,780	1,606			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.
Column 3 from Schedule 1, Column 12, Retirements for Each Year.
Column 4 = Column 3 Divided by Column 2.
Column 5 = 1.0000 Minus Column 4.
Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

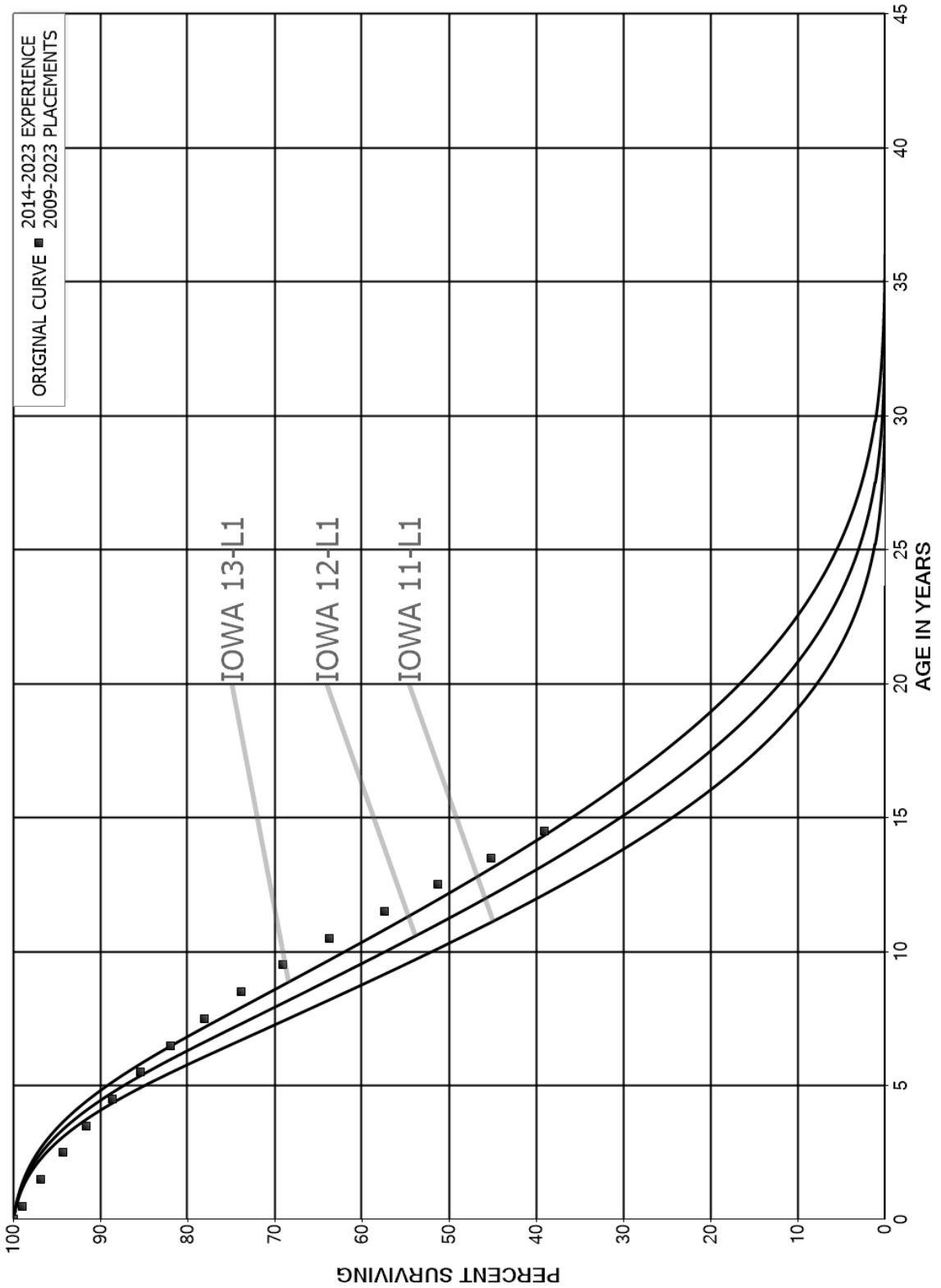


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

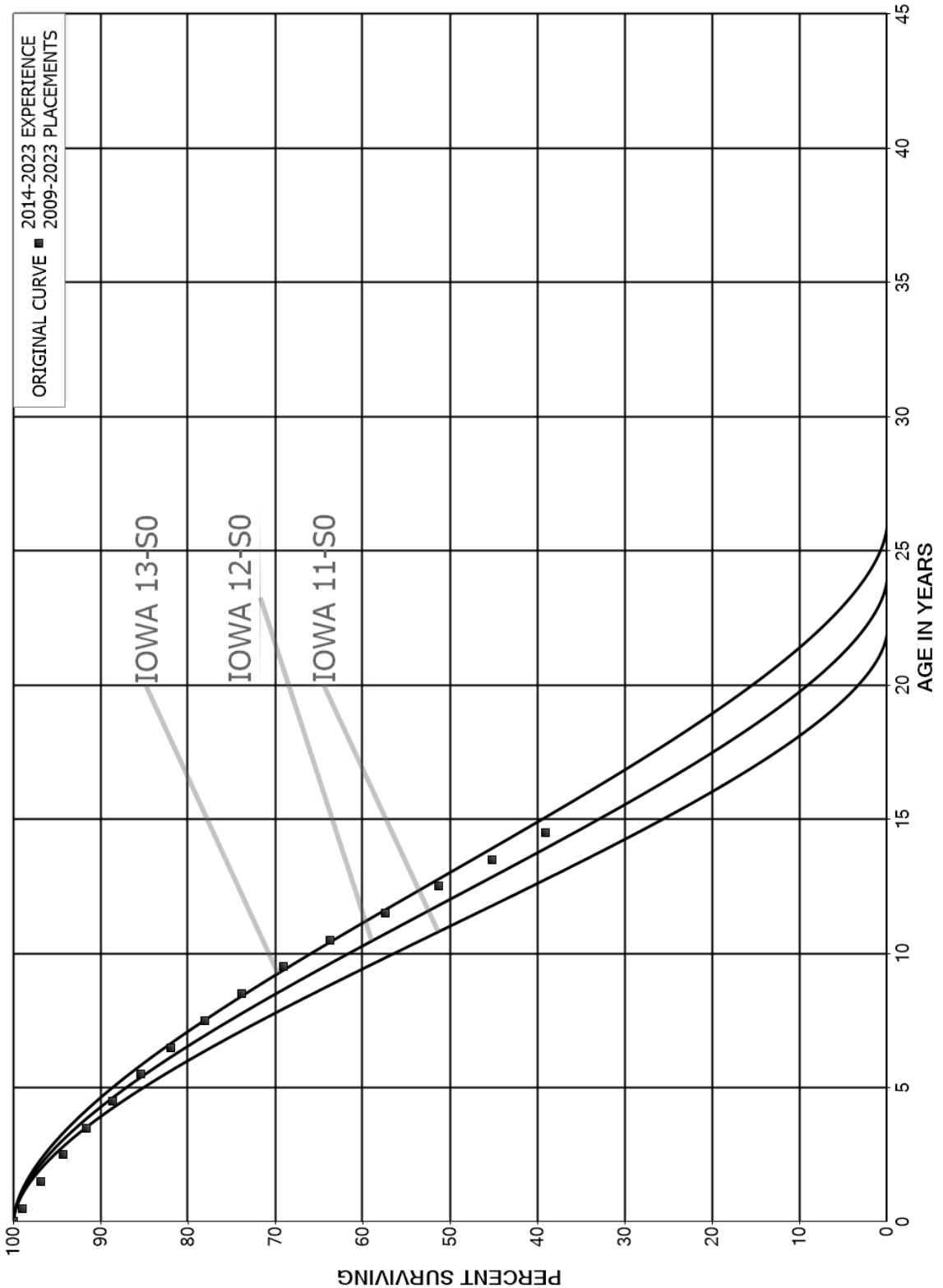


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

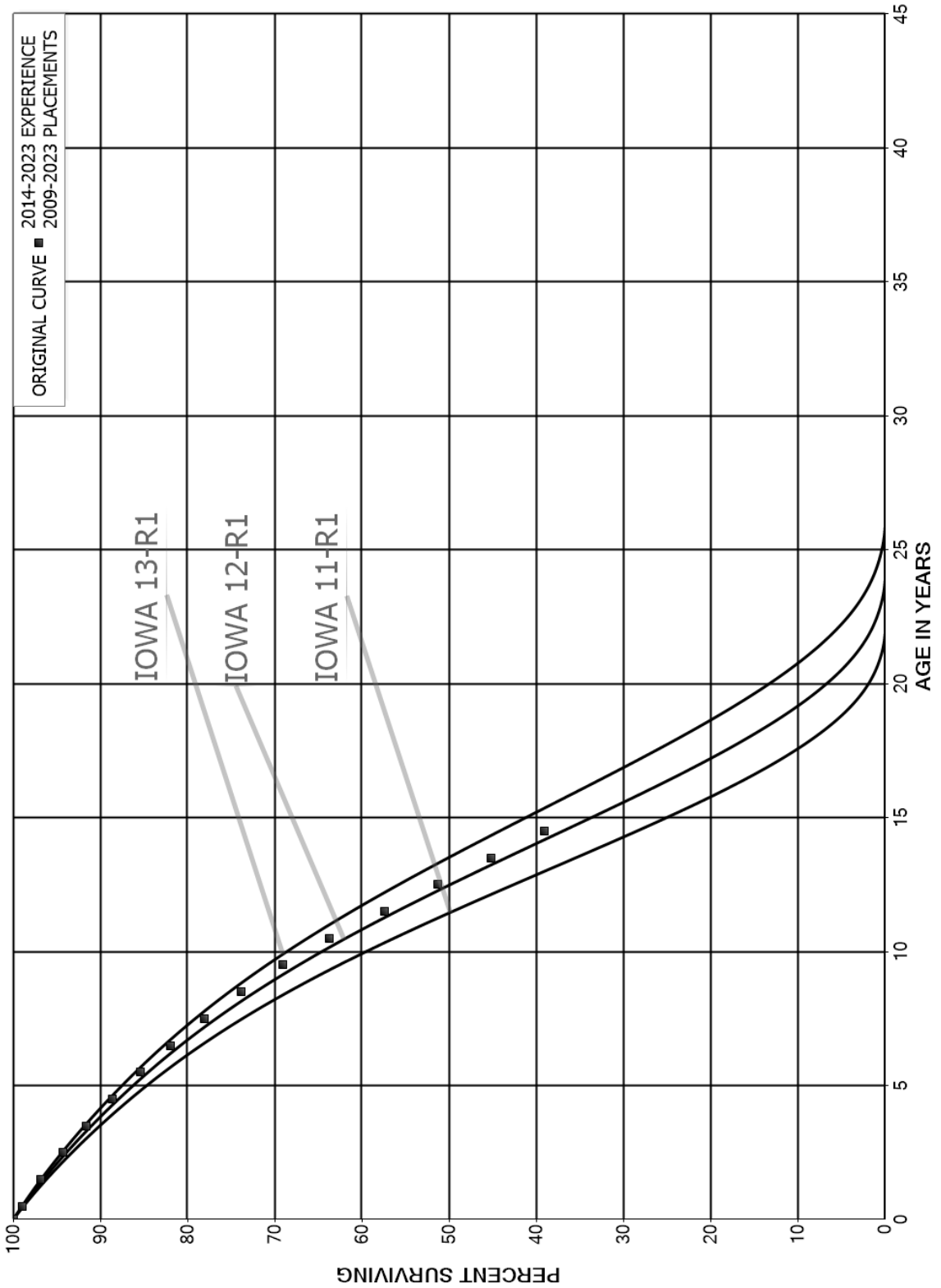
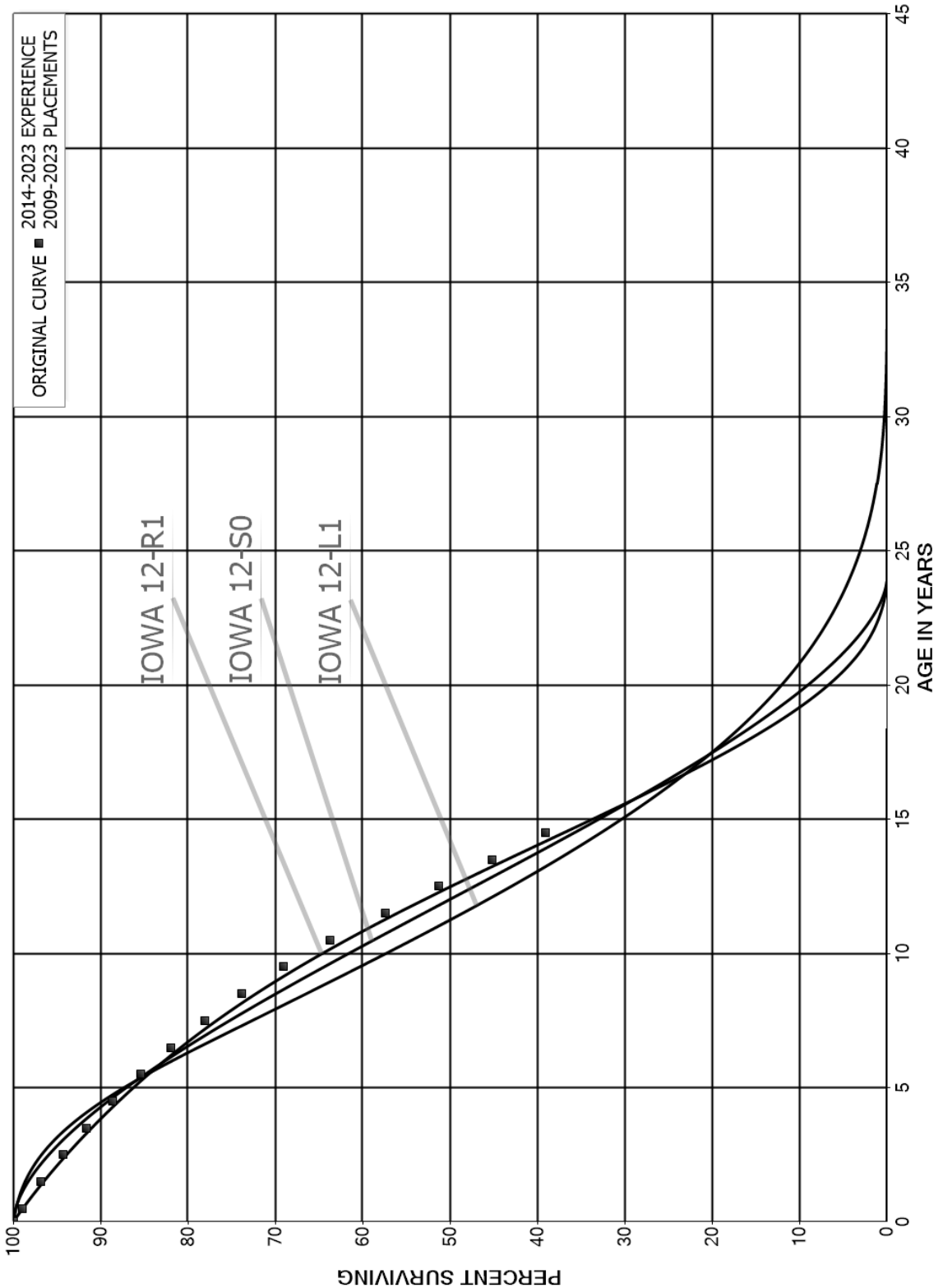


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

FIELD TRIPS

In order to be familiar with the operation of the Company and observe representative portions of the plant, field trips have been periodically conducted, however, due to travel restrictions during the conduct of the service life study a trip was not possible. A general understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirements are obtained during field trips. This knowledge and information were incorporated in the interpretation and extrapolation of the statistical analyses.

The plant facilities visited in 1987, 1989, 1992, 1993, 1994, 1995, 1997, 1998, 2005 and 2015 are set forth in the following list by date visited.

August 5, 2015

Pickering East Treatment Plant
Pickering West Treatment Plant
Schuylkill Intake Pump Station
Schuylkill Air Intake Facility
Perkiomen Creek Intake
Devon Booster Station and Tank
North Wayne Booster Station and Tank
Babbs Well and Building

August 25, 2005

Bryn Mawr Office Complex
Crum Creek Plant
Ridley Treatment Plant
Netherwood Booster Station
Netherwood Standpipe
Seacane Pump Station
Seacane Standpipe
Springfield Operations Center

December 9, 1998

Springfield Operations Center
Crum Creek Plant
Media Treatment Plant
Blackhorse Tanks and Booster Station
Chester Creek Intake

December 10, 1998

Upper Merion Plant
Maple Glen Tank and Booster Station
Willow Grove Operations Center
Bristol Treatment Plant
Edgely Well Field
Neshaminy Plant
Bryn Mawr General Office and Shop Complex

December 16, 1998

Ship Road Tank
Uwchlan Booster
Valley Hill Tank and Booster Station
Hillside Drive Well
Bell Tavern Wells
Robert Dean Well
Schoen Road
Marchwood Tank and Booster Station
Lionville Tank
Great Valley Operations Center
Fern Hill Tank and Booster Station
Hoopes Park Tank
Hollow Run Well
Highland Glen Well
Fern Hill Treatment Plant
Ingram's Mill Treatment Plant
Pickering Creek Plant

April 15, 1997

Shenango River Treatment Plant
Lincoln Street Standpipe
Boyd Street Booster Station
Homewood Standpipe
Keel Ridge Booster Station
East State Standpipe (Keel Ridge)
Mercer Booster Station
Gail Drive Standpipe
Lakewood Booster Station

Mitchell Road Standpipe & Booster Station (West Middlesex)
New Wilmington Standpipe
Lunn Standpipe
Carnegie View Standpipe and Booster Station
Becker Building

November 29, 1995

Hatboro Booster Station No. 1 and Standpipe
Hatboro Well House No. 8
Hatboro Well House No. 9
Hatboro Well House No. 20
Hatboro Well House No. 21
Hatboro Well House No. 6
Hatboro Well House No. 18
Hatboro Well House No. 17
Hatboro Well House No. 14
Hatboro Booster Station No. 2 and Standpipe

August 30, 1994

Upper Merion Plant
Pickering East Plant

March 2, 1993

Shamokin Office Building
Bunker Hill Booster Station
Ferndale Booster Station
Ferndale Elevated Tank
Edgewood Standpipe
Edgewood Booster Station
Trout Run Chlorinator House
Reservoir No. 4 - Trout Run
Watershed Maintenance Garage at Bear Gap
Bear Gap Pumping Station
Aristes Standpipe
Natalie Standpipe
Brush Valley Wells
Brush Valley Pumping Station
Garage and Tool House at Reservoir No. 6
Reservoir No. 2 - Bear Gap
Chemical Treatment Building at Reservoir No. 6
Dwelling and Garage at Bear Gap Pumping Station

September 22, 1992

Uwchlan Tank No. 1
Bell Tavern Well and Booster Station

Bell Tavern Office
Whitford Well and Booster Station
Uwchlan Tank No. 2
Uwchlan Tank No. 3
Schoen Road Well and Booster Station
Uwchlan Tank No. 4
Milford Well and Booster Station
Saybrooke Well and Booster Station
Stonehedge Well and Booster Station
Blackhorse Tank
Uwchlan Office Building
West Whiteland Well Station
West Whiteland Tank
West Whiteland Well No. 3

February 14, 1989

Cynwyd Tank and Booster Station
Highland Park Tank
Netherwood Tank and Booster Station
Tinicum Tank and Booster Station
Eddystone Booster Station
Ridley Park Booster Station
Crum Creek Plant
Newtown Tank
Marydell Booster Station
Hunt Country Well
Great Valley Operations Center
King Road Booster Station
Great Valley Well
Paoli Tank
Devon Tank and Booster Station

February 15, 1989

Montgomery Avenue Booster Station
Barren Hill Tank and Booster Station
Thomas Road Well
Oreland Well
Enfield Well
Cheltenham Booster Station
Plymouth No. 2 Well
Plymouth No. 1 Well and Tank
Karr's Lane Well
Cedar Grove Well
Upper Merion Well
Upper Merion Intake and Plant
Green Lane Reservoir

Green Lane Maintenance Building
Pickering Creek Plant

February 16, 1989

Babb Well
Tredyffrin Well
Wyndmoor Tank
Hillside Tanks and Booster Station
Moreland Tank
Willow Grove Tank and Booster Station
Upper Moreland Tank and Booster Station
Maple Glen Tank and Booster Station
Southampton Booster Station
Neshaminy Plant
Ironworks Creek Reservoir

October 6, 1987

Firethorn Well
Grand Oak Well
Goshen Downs Well
Boot Road Tank
Birnham Well
Greentree Well
Pottstown Pike Well
Whiteland Glen Booster Station
Highland Glen Well
Pomona Park Well
Mount Bradford Well
Birmingham Road Booster Station
Radley Mews Well
Pocopson Well
Radley Run Well
Radley Run Tank
South New Street Booster Station
Westtown Park Well
Dilworthtown Oaks Well
Oakbourn Well
Chateau Drive Well
Edgewood Chase Well
Pennwood Well
Milltown Tank

October 7,1987

Oakmont Tank and Booster Station
Foxcroft Quarry
Sproul Road Tank and Booster Station

Springfield Operations Center
Primos Tank and Booster Station
Clifton Heights Tank and Booster Station
North Wayne Tanks and Booster Station
Mitchell Tank and Booster Station
Bryn Mawr General Office and Shop Complex
Flourtown Well
North Hills Well
Chester Valley Well and Booster Station
Pickering Treatment Plant
Cabot Well

Judgments

The survivor curve estimates were based on judgment which considered factors including statistical analyses of retirements; Company policies and outlook as determined during discussions with management; and survivor curve estimates from previous studies of the Company, as well as other water utilities. For depreciable groups which consist of numerous similar items of property, the distribution of the lives of the units in the group was judged on the basis of an average survival pattern for the entire group. The judgments for a life span group were made by estimating the life of the major facility in the group and assigning lives to the related items of property which terminate at the probable retirement date of the major facility.

The life span estimates for structures and equipment in Accounts 304, 305, 306, 310 and 320 were based on the type of construction, attained age and specific plans of management. The following tabulation sets forth, for each life span group, the location, type of construction and the estimated life span.

Life Span Group	Type of Construction	Life Span
Account 304.2, Power and Pumping Structures		
Crum Creek	Stone, Concrete	36,136
Neshaminy	Stone, Concrete	125
Pickering	Stone, Brick, Concrete	33,137
Pickering East	Brick, Concrete	75

Life Span Group	Type of Construction	Life Span
Upper Merion, Intake	Prefabricated Steel	33,84
Edgely Well Field	Brick, Concrete	75
Account 304.3, Purification Buildings		
Crum Creek	Brick, Concrete	39,86
Neshaminy	Brick, Concrete	51, 101
Pickering	Brick, Concrete	75
Pickering East	Brick, Concrete	56,75
Media	Brick, Concrete	49,96
Upper Merion	Brick, Concrete	60,84
Bristol	Brick, Concrete	51,87
Ingram's Mill	Brick, Concrete	60
Fern Hill	Stone, Concrete	75
Bear Gap	Prefabricated Steel	50
New Shenango Valley	Brick, Concrete	75
Ingram's Mill - New	Brick, Concrete	75
Bubbling Springs	Brick, Concrete	60
Emlenton	Brick, Concrete	60
Account 304.61, Office Buildings		
Bryn Mawr - Office Complex	Brick, Concrete	65, 109
Eastern Division Operations	Steel, Concrete Block	50
Small Offices and Improvements	Various	Various
Shamokin Office Building	Brick	35,100
Account 304.62, Stores, Shop and Garage Buildings		
Bryn Mawr - Garage	Brick, Concrete	100
Neshaminy - Storage Building	Stone	125
Springfield Operations	Prefabricated Steel, Concrete Block	60
Great Valley	Wood Frame	45
Ironworks	Fuel Tanks	25
Media	Steel	50
Commerce St. Garage	Brick	110
Shenango Valley Garage	Concrete Block	75
Small Garages	Various	Various
Account 304.63, Miscellaneous Structures		
Bryn Mawr - Garage and Office	Brick, Concrete	43,80
Foxcroft Quarry Improvements	Fence, Roads, Concrete	45
Springton	Prefabricated Steel	70
Green Lane Maintenance Building	Concrete Block	50
Ironworks Creek	Wood Frame, Prefabricated Steel	55,85
Pickering West	Concrete	30,63
Great Valley Division Headquarters	Brick, Concrete	31,50
Improvements	Various	Various

Life Span Group	Type of Construction	Life Span
Account 305, Collecting and Impounding Reservoirs		
Reservoirs	Concrete, Earth-Masonry	100-150
Traveling Screens	Electrical - Mechanical	20
Crum Creek - Siltation Basin	Gabion	18
Account 306, Lake, River and Other Intakes		
Schuylkill River - Intake	Concrete	80
Upper Merion - Intake	Deep Well	75
Pickering East - Intake	Concrete	75
Traveling Screens	Electrical - Mechanical	25
Bristol Water Treatment Intake	Concrete	96
Ingram's Mill Intake	Concrete	34,78
New Bear Gap Intake	Concrete	75
New Shenango Valley Intake	Concrete	75
Account 310.4, Other Power Production Equipment		
Diesel Generators	Mechanical	45
Account 320, Purification System - Structures		
Neshaminy	Concrete, Cast Iron, Steel	45,140
Pickering	Concrete, Cast Iron, Steel	42,142
Pickering East	Concrete, Cast Iron, Steel	75
Crum Creek	Concrete, Cast Iron, Steel	37,85
Media	Concrete, Cast Iron, Steel	50
Upper Merion	Concrete, Cast Iron, Steel	60,81
Bristol Treatment Plant	Concrete	62,87
Shenango Valley Clarifier	Concrete, Steel	50
Bear Gap	Concrete, Cast Iron, Steel	50

Further discussion of several of the estimates set forth above follows. The life span estimates for several groups were based primarily on the attained age. The age of these groups is approximately equal to or greater than the estimate typically made for the property group. The property groups for which the life span was based primarily on attained age are related to some assets at Neshaminy, Pickering and Crum Creek.

The life span estimates for several groups resulted from the use of the same probable retirement year as another life span group. That is, concurrent retirement of the facilities is expected. The life span of the Bryn Mawr - Garage and Office in Account 304.63,

Miscellaneous Structures and Improvements, was based on the probable retirement year of the Bryn Mawr Complex in Account 304.61, Office Buildings, to which it is attached.

For reservoirs and intakes, the expectation is that there will be very minor retirements prior to the final retirement of the group. The interim survivor curves are 120-R2 Iowa curve for Account 305.00, Collecting and Impounding Reservoirs, as presented on page VI-42; and an 80-R3 Iowa type survivor curve for Account 306.00, Lake, River and Other Intakes, as presented on page VI-55. For the other life span groups, the expectation is that there will be more significant retirements prior to the final retirement of the structures. Interim survivor curves were estimated for these structures based on judgment which incorporated statistical analyses of interim retirements and the nature of the structures. The interim survivor curves are a 85-S0.5 Iowa type survivor curve for Account 304.20, Power and Pumping Structures, as presented on page VI-2; a 95-S0.5 Iowa type survivor curve for Account 304.3, Purification Buildings, as presented on page VI-9; a 55-R3 Iowa type survivor curve for Account 304.61, Office Buildings, as presented on page VI-19; a 60-R3 Iowa type survivor curve for Account 304.62, Stores, Shop and Garage Buildings, as presented on page VI-26; a 45-S1.5 Iowa type survivor curve for Account 304.63, Miscellaneous Structures and Improvements, as presented on page VI-33; and a 80-S0 Iowa type survivor curve for Account 320.1 Purification Systems - Structures, as presented on page VI-76.

The average survivor curves estimated for depreciable groups with numerous similar items were based on statistical analyses, Company policies, and previous estimates made for this and other companies. For 18 of the 37 mass plant accounts and subaccounts for which survivor curves were estimated, the statistical analysis resulted in good indications of the survivor patterns experienced. Generally, the statistical analyses were the primary bases for the estimates for the following accounts:

	Property Group	Survivor Curve
307	Wells and Springs	50-R2.5
311	Electric Pumping Equipment	36-S2.5
320.2	Purification System - Equipment	52-R2.5
330	Distribution Reservoirs and Standpipes	70-S1
331	Mains and Accessories	
	Cast Iron Mains, 4-Inch and Under	50-L1.5
	Cast Iron Mains, 6-, 8- and 10-Inch	65-S2.5
	Cast Iron Mains, 12-Inch and Over	95-S3
	Steel	75-R3
	Valves	90-R3
	Special Construction	58-R4
	Copper	50-S0.5
	Asbestos Cement	50-S5
334	Meters - Remote	22-R2.5
335	Fire Hydrants	60-R4
341.1	Transportation Equipment - Vehicles	9-L2.5
344.1	Laboratory Equipment - Conventional	38-R3
344.2	Laboratory Equipment - Electronic	25-R2.5

The average survivor curves for 5 of the property groups in Account 331, Mains and Accessories, and for Account 333, Services, were based on judgment incorporating the statistical analyses, the size and nature of the property, and previous studies for this and other companies. The average survivor curves for these property groups are as follows:

Mains and Accessories:	
Lock Joint	75-R5
Cement Wrought Iron	90-R3
Plastic	45-R2.5
Main Cleaning and Lining	50-L4
Services	70-R4

The results of the statistical analyses for these groups were inconclusive, because the average service lives are quite long and the average ages of surviving property are

relatively young. Generally, the survivor curve estimates are typical of those used in the water industry.

The survivor curve for remote meters which were installed in 1990 and subsequent years is a 22-R2.5. The assets in Account 334, Meters, were reclassified as a result of management plans to install radio frequency devices which will determine remaining life characteristics. All remote meters, which were installed subsequent to 1990, can be retrofit with ERT devices. The new ERT devices will have a survivor curve of 18-S2.

Similar studies were performed for the remaining plant accounts. Each of the judgments represented a consideration of statistical analyses of aged plant activity, management's outlook for the future, and the typical range of lives used by other water utilities.

The amortization periods selected for general plant Accounts 340, 341, 342, 343, 346, 347 and 348 are discussed in the section, "Calculation of Annual and Accrued Amortization."

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

BOOK RESERVE

The book reserve of the Company as of December 31, 2023, is the result of a bringforward of the book reserve as of March 31, 1985, as adjusted in accordance with the Order of the Pennsylvania Public Utility Commission in Docket No. R-850174. The book reserve activity subsequent to March 31, 1985, consists of accruals, retirements, cost of removal, gross salvage and other debits and credits recorded to the book reserve through December 31, 2023. The book reserves related to the utility plant of Consumers Pennsylvania Water Company also resulted from bringforward of book reserves adjusted in accordance with orders of the Commission, as follows:

Division	Date	Docket No.
Roaring Creek	September 30, 1986	R-870587
Shenango Valley	December 31, 1986	R-870647
Susquehanna	June 30, 1998	R-881134

The projected book reserve as of December 31, 2024, is a bringforward of the December 31, 2023 book reserve based on projected accruals, retirements, cost of removal, gross salvage and other credits.

CALCULATION OF DEPRECIATION

The annual depreciation accruals as of December 31, 2024, are based on the straight line remaining life method and the equal life group procedure. For the purpose of calculating the remaining life accruals as of December 31, 2024, the book reserve is allocated among vintages in proportion to the calculated accrued depreciation as of December 31, 2024.

Group Depreciation Procedures

A group procedure for depreciation is appropriate when considering more than a single item of property. Normally, the items within a group do not have identical service lives but have lives that are dispersed over a range of time.

In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balances of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

In the equal life group procedure, the property group is subdivided according to service life. That is, each equal life group includes that portion of the property which experiences the life of that specific group. The relative size of each equal life group is determined from the property's life dispersion curve. This procedure eliminates the need to base depreciation on average lives, inasmuch as each group is equivalent to a unit having a single life. The full costs of short-lived units are accrued during their lives, leaving no deferral of accruals required to be added to the annual costs associated with long-lived units. The calculated depreciation for the property group is the summation of the calculated depreciation based on the service life of each equal life group.

Remaining Life Annual Accruals

For the purpose of calculating remaining life accrual rates as of December 31, 2024, the estimated book depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation based on the equal life group procedure follow. The detailed calculations are set forth in the Results of The Study section of the report.

Equal Life Group Procedure

In the equal life group procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the composite remaining life for the surviving original cost of that vintage. The composite remaining life is derived by compositing the individual equal life group remaining lives in accordance with the following equation:

$$\text{Composite Remaining Life} = \frac{\sum(\frac{\text{Book Cost}}{\text{Life}} \text{ x Remaining Life})}{\sum \frac{\text{Book Cost}}{\text{Life}}}.$$

The book costs and lives of the several equal life groups which are summed in the foregoing equation are defined by the estimated survivor curve.

Inasmuch as book cost divided by life equals the whole life annual accrual, the foregoing equation reduces to the following form:

$$\text{Composite Remaining Life} = \frac{\sum \text{Whole Life Future Accruals}}{\sum \text{Whole Life Annual Accruals}}$$

or

$$\text{Composite Remaining Life} = \frac{\sum \text{Book Cost - Calc. Reserve}}{\sum \text{Whole Life Annual Accrual}}.$$

The annual accrual rate for each account is equal to the sum of the remaining life annual accruals for all vintages divided by the account's total original cost. The account's "composite remaining life" is calculated by dividing the sum of the future book accruals for all vintages by the sum of the remaining life annual accruals for all vintages.

The calculated accrued depreciation in the equal life group procedure also represents that portion of depreciable cost which will not be allocated to expense through future accruals. However, the calculation is based at the equal life group level rather than the vintage group level and does not require the use of averages. The equal life group accrued depreciation ratio is calculated as follows:

$$Ratio = 1 - \left(\frac{Remaining\ Life}{Service\ Life}\right)$$

Inasmuch as service life minus remaining life equals age, when averages are not employed, the foregoing equation reduces to:

$$Ratio = \left(\frac{Age}{Service\ Life}\right)$$

CALCULATION OF ANNUAL AND ACCRUED AMORTIZATION

Amortization, as defined in the Uniform System of Accounts, is the gradual extinguishment of an amount in an account by prorating such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. Normally, the proration of the amount is in equal amounts to each year of the amortization period.

The calculation of annual and accrued amortization requires the selection of an amortization period. The amortization periods used in this report were based on judgment which incorporated a consideration of the period during which the assets will render most of their service, the amortization periods and service lives used by other utilities, and the service life estimates previously used for the asset under depreciation accounting.

Amortization accounting is used for certain accounts that represent numerous units of property, but a very small portion of depreciable utility plant in service. The accounts and their amortization periods are as follows:

Account		Amortization Period, Years
340.00	Office Furniture and Equipment	
	Furniture	20
	Mechanical Equipment	10
	Computer Hardware	5
	Computer Software-10 Year	10
	Computer Software-15 Year	15
341.00	Transportation Equipment - Other	20
342.00	Stores Equipment	20
343.10	Shop Equipment	25
343.20	Tools and Work Equipment - General Equipment	20
346.10	Communication Equipment	15
346.20	Communication Equipment - SCADA	10
347.00	Miscellaneous Equipment	25
348.00	Other Tangible Plant	25

For the purpose of calculating annual amortization amounts as of December 31, 2024 the estimated book depreciation reserve for each plant account or subaccount is assigned or allocated to vintages. The book reserve assigned to vintages with an age greater than the amortization period is equal to the vintage's original cost. The remaining book reserve is allocated among vintages with an age less than the amortization period in proportion to the calculated accrued amortization. The calculated accrued amortization

is equal to the original cost multiplied by the ratio of the vintage's age to its amortization period. The annual amortization amount is determined by dividing the future amortizations (original cost less allocated book reserve) by the remaining period of amortization for the vintage.

NET SALVAGE

Experienced net salvage is incorporated in the results of the study as it was reported on the Company's books and records for the period January 1, 2020 through December 31, 2023 and estimated for the period January 1, 2024 through December 31, 2024. The calculation of the amortization is shown in Table 4 on page V-13. The amounts of gross salvage and removal cost by account for each year are set forth in the section beginning on page VIII-2.

Net salvage is presented in this manner to determine the amount of net salvage to be amortized to the cost of service for ratemaking purposes. In order to be consistent with this manner of recognizing net salvage, no adjustments for net salvage were made to the annual depreciation calculated for the individual accounts.

PART V. RESULTS OF STUDY

PART V. RESULTS OF STUDY

QUALIFICATION OF RESULTS

The calculated annual and accrued depreciation are the principal results of the study. Continued surveillance and periodic revisions are normally required to maintain continued use of appropriate annual depreciation accrual rates. An assumption that accrual rates can remain unchanged over a long period of time implies a disregard for the inherent variability in service lives and net salvage and for the change of the composition of property in service. The annual accrual rates were calculated in accordance with the straight line remaining life method of depreciation, using the equal life group procedure based on estimates which reflect considerations of current historical evidence and expected future conditions.

The annual depreciation accrual rates are applicable specifically to the water in service as of December 31, 2024. For most plant accounts, the application of such rates to future balances that reflect additions subsequent to December 31, 2024, is reasonable for a period of three to five years.

DESCRIPTION OF DETAILED TABULATIONS

Table 1 summarizes the results of the depreciation study which sets forth, by depreciable group, the estimated survivor curve, calculated annual accruals and book reserve related to original cost and the annual amortization of net salvage. Table 2 presents the bringforward to December 31, 2024 of the book reserve as of December 31, 2023. Table 3 sets forth the calculation of estimated depreciation accruals for the twelve months ended December 31, 2024. Table 4 presents the amortization of experienced

and estimated net salvage, by account, based on the five-year period, 2020-2024. The total amortization amount is incorporated in the total annual accrual in Table 1.

Supporting statistical data for the estimates of average service lives and survivor curves, the annual depreciation calculations, and gross salvage and cost of removal for the years 2020-2024 are presented in three sections.

The section beginning on page VI-2 sets forth, for each depreciable group analyzed by the retirement rate method, a chart depicting the original and estimated survivor curves followed by a tabular presentation of the original life table plotted on the chart. A cumulative summary, by year installed, for utility plant and the supporting data for the original cost depreciation calculations are presented in the section beginning on page VII-3. The tabulations of experienced and estimated net salvage, by year and account for the five-year period 2020-2024, are presented in the section beginning on page VIII-2.

In the first section, the survivor curves estimated for the depreciable groups are shown as dark smooth curves on the charts. Each smooth survivor curve is denoted by a numeral followed by the type curve designation. The numeral used is the average life derived from the entire curve from 100 percent to zero percent surviving. In cases where only a segment of the estimated curve is used in the depreciation calculation, the numeral used for identification purposes is not a designation of the average life of the group. The titles of the charts indicate the group, the symbol used to plot the points of the original life table, and the experience and placement bands of the life tables which were plotted. The experience band indicates the range of years for which the retirements were used to develop the stub survivor curve. The placements indicate, for the related experience band, the range of years of installations which appear in the experience.

The tables of the calculated annual depreciation related to original cost are presented in account sequence in the second section and indicate the estimated average survivor curves used in the calculations. The tables set forth, for each installation year, the original cost, calculated accrued depreciation, allocated book reserve, remaining life expectancy, and the calculated annual accrual.

Detailed tabulations setting forth the cost of removal, gross salvage and net salvage amounts, by account and year, are presented in the third section. The net salvage amounts, by account and year, are carried forward to Table 4, which presents the five-year amortization of net salvage.

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2024

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	WATER PLANT								
	INTANGIBLE PLANT								
301	ORGANIZATION	NONDEPR.		7,076,059.95					
302	FRANCHISES AND CONSENTS	NONDEPR.		2,944,957.32					
303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.		4,382,344.75					
	TOTAL INTANGIBLE PLANT			**14,403,362.02**					
	NONDEPRECIABLE PLANT								
303.11	WATER RIGHTS	NONDEPR.		1,703,879.22					
303.12	RESERVOIR LAND	NONDEPR.		2,826,590.02					
303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.		6,878,759.36					
303.2	POWER AND PUMPING LAND	NONDEPR.		1,577,342.01					
303.3	PURIFICATION LAND	NONDEPR.		1,408,637.63					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		1,431,041.39					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.		1,323,147.51					
303.61	OFFICE LAND	NONDEPR.		3,128,180.15					
303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.		1,002,954.67					
303.63	MISCELLANEOUS LAND	NONDEPR.		1,066,770.08					
	TOTAL NONDEPRECIABLE PLANT			**22,347,302.04**					
	DEPRECIABLE PLANT								
304.2	POWER AND PUMPING STRUCTURES								
	MAJOR TREATMENT PLANTS	85-S0.5	*	23,283,412.15	7,159,167	16,124,246	631,597	2.71	25.5
	OTHER STRUCTURES	50-R3		52,003,946.47	14,665,282	37,338,664	1,126,366	2.17	33.1
	TOTAL ACCOUNT 304.2			75,287,358.62	21,824,449	53,462,910	1,757,963		
304.3	PURIFICATION BUILDINGS								
	MAJOR TREATMENT PLANTS	95-S0.5	*	200,422,471.30	68,556,876	131,865,595	5,121,435	2.56	25.7
	OTHER STRUCTURES	50-S0		64,902,485.56	12,223,540	52,678,946	1,770,001	2.73	29.8
	TOTAL ACCOUNT 304.3			265,324,956.86	80,780,416	184,544,541	6,891,436		
304.61	OFFICE BUILDINGS								
	OFFICES	55-R3	*	76,018,914.41	27,541,292	48,477,622	2,043,584	2.69	23.7
	OTHER STRUCTURES	50-R3		3,905,367.07	855,274	3,050,093	81,121	2.08	37.6
	TOTAL ACCOUNT 304.61			79,924,281.48	28,396,566	51,527,715	2,124,705		
304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	*	8,151,790.12	5,595,437	2,556,354	148,547	1.82	17.2
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	48,936,189.67	18,753,357	30,182,833	1,782,257	3.64	16.9
305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	*	37,958,370.39	14,829,579	23,128,792	683,951	1.80	33.8
306	LAKE, RIVER AND OTHER INTAKES	80-R3	*	24,841,621.47	10,140,067	14,701,556	740,649	2.98	19.8
307	WELLS AND SPRINGS	50-R2.5		79,979,712.71	19,987,739	59,991,973	1,859,848	2.33	32.3
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	38,704,132.93	16,091,129	22,613,004	1,856,651	4.80	12.2
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		112,827,320.88	51,629,436	61,197,885	3,102,506	2.75	19.7

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2024

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
320	PURIFICATION SYSTEM								
	STRUCTURES	80-S0	*	95,744,342.81	48,027,960	47,716,383	2,373,128	2.48	20.1
	WELLS AND BOOSTERS	50-R3		16,766,011.42	4,635,215	12,130,796	362,145	2.16	33.5
	SUBTOTAL			112,510,354.23	52,663,175	59,847,179	2,735,273		
	EQUIPMENT	52-R2.5		208,001,095.04	44,689,744	163,311,351	4,613,054	2.22	35.4
	COMPUTERS	10-SQ		6,854,755.79	6,738,733	116,022	12,213	0.18	9.5
	PAINTING	10-SQ		278,070.16	257,793	20,277	5,793	2.08	3.5
	FILTER MEDIA	10-S3		5,672,631.36	3,711,875	1,960,757	255,165	4.50	7.7
	TOTAL ACCOUNT 320			333,316,906.58	108,061,320	225,255,586	7,621,498		
330	DISTRIBUTION RESERVOIRS AND STANDPIPES								
	TANKS	70-S1		95,026,777.44	28,882,931	66,143,846	1,558,062	1.64	42.5
	TANK PAINTING	10-SQ		79,210,613.21	61,188,888	18,021,725	4,734,203	5.98	3.8
	TOTAL ACCOUNT 330			174,237,390.65	90,071,819	84,165,571	6,292,265		
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		48,105,251.77	9,182,301	38,922,951	1,320,772	2.75	29.5
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		2,351,223,695.28	332,825,823	2,018,397,872	42,930,404	1.83	47.0
	CAST IRON - 12 INCH AND OVER	95-S3		771,568,751.42	85,645,646	685,923,105	9,294,331	1.20	73.8
	STEEL	75-R3		5,425,054.21	1,938,301	3,486,753	106,611	1.97	32.7
	LOCK JOINT	75-R5		9,695,589.70	2,539,848	7,155,742	211,678	2.18	33.8
	VALVES	90-R3		91,662,485.76	11,357,087	80,305,399	1,215,167	1.33	66.1
	SPECIAL CONSTRUCTION	58-R4		26,470,940.91	8,050,068	18,420,873	589,000	2.23	31.3
	CEMENT WROUGHT IRON	90-R3		197,759.08	27,705	170,054	2,961	1.50	57.4
	COPPER	50-S0.5		1,933,353.51	222,932	1,710,422	53,844	2.79	31.8
	ASBESTOS CEMENT	50-S5		3,248,086.00	1,615,570	1,632,516	75,709	2.33	21.6
	PLASTIC	45-R2.5		44,485,435.76	8,352,345	36,133,091	1,279,207	2.88	28.2
	MAIN CLEANING AND LINING	50-L4		124,697,136.96	35,960,395	88,736,742	3,176,696	2.55	27.9
	TOTAL ACCOUNT 331			3,478,713,540.36	497,718,021	2,980,995,520	60,256,380		
333	SERVICES	70-R4		609,920,143.08	133,894,052	476,026,091	9,040,505	1.48	52.7
334	METERS								
	REMOTE	22-R2.5		155,271,415.54	92,651,192	62,620,223	4,635,175	2.99	13.5
	ERTS	18-S2		63,123,697.76	44,364,579	18,759,119	1,853,302	2.94	10.1
	TOTAL ACCOUNT 334			218,395,113.30	137,015,771	81,379,342	6,488,477		
335	FIRE HYDRANTS	60-R4		121,769,109.94	28,472,525	93,296,585	2,156,905	1.77	43.3
336	BACKFLOW PREVENTION DEVICES	35-R2.5		384,180.50	95,730	288,451	12,581	3.27	22.9
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3		65,814.77	1,978	63,837	3,834	5.83	16.7

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2024

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
340	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	9,306,189.19	4,620,266	4,685,923	404,888	**	11.6
	MECHANICAL EQUIPMENT	10-SQ	927,622.15	681,546	246,076	44,576	**	5.5
	COMPUTER HARDWARE	5-SQ	13,643,138.59	1,578,941	12,064,198	7,182,020	**	1.7
	COMPUTER SOFTWARE - 10-YEAR	10-SQ	40,735,723.57	13,235,764	27,499,959	7,023,999	**	3.9
	COMPUTER SOFTWARE - 15-YEAR	15-SQ	72,886,255.97	20,605,796	52,280,460	4,667,799	**	11.2
	TOTAL ACCOUNT 340		137,498,929.47	40,722,313	96,776,616	19,323,282		
341	TRANSPORTATION EQUIPMENT							
	VEHICLES	9-L2.5	29,708,777.87	18,469,532	11,239,246	2,262,960	7.62	5.0
	OTHER	20-SQ	2,946,343.45	843,192	2,103,151	197,445	**	10.7
	TOTAL ACCOUNT 341		32,655,121.32	19,312,724	13,342,397	2,460,405		
342	STORES EQUIPMENT	20-SQ	3,517,043.76	1,585,356	1,931,688	175,311	**	11.0
343.1	SHOP EQUIPMENT	25-SQ	3,667,357.45	1,150,046	2,517,312	145,584	**	17.3
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	19,137,530.03	9,846,213	9,291,317	950,263	**	9.8
344	LABORATORY EQUIPMENT							
	CONVENTIONAL	38-R3	1,296,841.38	869,213	427,629	24,072	1.86	17.8
	ELECTRONIC	25-R2.5	7,421,338.93	3,128,831	4,292,508	272,608	3.67	15.7
	TOTAL ACCOUNT 344		8,718,180.31	3,998,044	4,720,137	296,680		
345	POWER OPERATED EQUIPMENT	20-R2	131,411.12	4,829	126,582	9,301	7.08	13.6
346	COMMUNICATION EQUIPMENT							
	EQUIPMENT	15-SQ	9,160,956.76	3,118,906	6,042,051	590,580	**	10.2
	SCADA	10-SQ	29,985,717.01	12,467,082	17,518,635	3,567,467	**	4.9
	TOTAL ACCOUNT 346		39,146,673.77	15,585,988	23,560,686	4,158,047		
347	MISCELLANEOUS EQUIPMENT	25-SQ	2,701,491.30	1,648,099	1,053,392	112,200	**	9.4
348	OTHER TANGIBLE PLANT	25-SQ	49,497.10	20,700	28,797	2,051	**	14.0
	TOTAL DEPRECIABLE PLANT		**5,955,961,169.94**	**1,357,233,703**	**4,598,727,470**	**140,454,082**		
	TOTAL WATER PLANT IN SERVICE		**5,992,711,834.00**	**1,357,233,703**	**4,598,727,470**	**140,454,082**		
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
	NONDEPRECIABLE PLANT							
302	FRANCHISES AND CONSENTS	NONDEPR.	61,668.00					
303.2	POWER AND PUMPING LAND	NONDEPR.	10,616.04					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	4,505.75					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	8,199.00					
	TOTAL NONDEPRECIABLE PLANT		**84,988.79**					

AQUA PENNSYLVANIA, INC.
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TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2024

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	DEPRECIABLE PLANT							
304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	325,767	83,536	4,490	1.10	18.6
304.3	PURIFICATION BUILDINGS	50-S0	3,388,656.78	142,204	3,246,453	106,624	3.15	30.4
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	175,454.91	36,960	138,495	4,622	2.63	30.0
307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	1,100,376	1,645,435	53,777	1.96	30.6
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	790,429	709,571	29,406	1.96	24.1
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	1,163,907	658,619	47,741	2.62	13.8
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	9,721,907.47	297,845	9,424,062	239,581	2.46	39.3
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	1,429,672	1,491,508	37,662	1.29	39.6
331	MAINS AND ACCESSORIES							
	CAST IRON - 4 INCH AND UNDER	50-L1.5	977,986.06	117,724	860,262	26,623	2.72	32.3
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5	168,109,463.19	43,332,649	124,776,814	3,056,884	1.82	40.8
	CAST IRON - 12 INCH AND OVER	95-S3	21,556,748.58	2,245,499	19,311,249	249,512	1.16	77.4
	STEEL	75-R3	33,299.45	391	32,908	525	1.58	62.7
	VALVES	90-R3	7,532,577.64	568,272	6,964,306	96,991	1.29	71.8
	ASBESTOS CEMENT	50-S5	3,814,630.11	2,888,525	926,105	161,099	4.22	5.7
	PLASTIC	45-R2.5	7,271,034.08	1,696,871	5,574,164	195,486	2.69	28.5
	TOTAL ACCOUNT 331		209,295,739.11	50,849,931	158,445,808	3,787,120		
333	SERVICES	70-R4	22,228,245.36	3,652,461	18,575,784	326,855	1.47	56.8
334	METERS	22-R2.5	75,740.42	75,740	0	0	-	-
335	FIRE HYDRANTS	60-R4	15,406,832.51	3,832,162	11,574,671	257,152	1.67	45.0
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	84	0	0	-	-
344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	1,662	0	0	-	-
	TOTAL DEPRECIABLE PLANT		**269,693,142.62**	**63,699,200**	**205,993,942**	**4,895,030**		
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**269,778,131.41**	**63,699,200**	**205,993,942**	**4,895,030**		
	AMORTIZATION OF NET SALVAGE					2,859,555		
	TOTAL WATER PLANT		**5,722,933,702.59**	**1,293,534,503**	**4,392,733,528**	**138,418,607**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2024 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023	+ DEPRECIATION ACCRUALS	+ AMORTIZATION OF NET SALVAGE	- PROJECTED RETIREMENTS	+ PROJECTED GROSS SALVAGE	- PROJECTED COST OF REMOVAL	+ ACQUISITIONS AND ADJUSTMENTS	= RESERVE AT END OF PERIOD	BOOK RESERVE AS A PERCENT OF ORIGINAL COST
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
WATER PLANT IN SERVICE									
304.2	20,107,346	1,749,378	32,620	52,806		12,089		21,824,449	28.99
304.3	74,055,929	6,859,985	24,676	155,483		4,691		80,780,416	30.45
304.61	26,245,652	2,189,051		38,137				28,396,566	35.53
304.62	5,445,444	149,993						5,595,437	68.64
304.63	17,062,423	1,753,912	77,836	46,938		93,876		18,753,357	38.32
305	14,422,640	666,777	61,767	268,004		53,601		14,829,579	39.07
306	9,457,963	685,363		3,259				10,140,067	40.82
307	21,957,196	1,643,649	49,202	3,160,642		501,665		19,987,739	24.99
310.4	14,263,799	1,844,443		17,114				16,091,129	41.57
311	48,804,104	3,070,864	154	245,459		227		51,629,436	45.76
320.1	50,042,951	2,746,549	6,775	132,298	106	908		52,663,175	46.81
320.2	41,802,830	4,382,501	1,783	1,488,357	1,196	10,210		44,689,744	21.49
320.3	6,747,002			8,269				6,738,733	98.31
320.4	257,793							257,793	92.71
320.5	3,516,391	220,440		24,806	20	170		3,711,875	65.43
330.01	27,362,412	1,563,229	15,374	55,779		2,305		28,882,931	30.39
330.02	55,915,970	5,322,397		47,515		1,964		61,188,888	77.25
331.01	7,961,382	1,300,667	77,987	122,877		34,859		9,182,301	19.09
331.02	294,737,880	42,230,765	1,208,350	4,168,586		1,182,585		332,825,823	14.16
331.03	78,209,791	9,084,186	337,557	1,547,016		438,873		85,645,646	11.10
331.04	1,825,398	108,213	8,634	3,072		871		1,938,301	35.73
331.05	2,542,495	226,592	7,365	184,315		52,288		2,539,848	26.20
331.06	9,875,170	1,227,391	260,835	4,915		1,394		11,357,087	12.39
331.07	7,459,766	590,302						8,050,068	30.41
331.08	23,985	3,040	1,863	922		261		27,705	14.01
331.10	167,077	55,294	561					222,932	11.53
331.11	1,149,128	122,642	345,771	1,536		436		1,615,570	49.74
331.13	7,226,903	1,264,137	3,267	110,589		31,373		8,352,345	18.78
331.99	32,768,148	3,192,247						35,960,395	28.84
333	125,403,691	8,774,030	416,970	388,549		312,090		133,894,052	21.95
334.02	91,238,784	4,095,172	(44,676)	2,693,651	55,564			92,651,192	59.67
334.03	43,673,456	1,649,567	7,072	804,597		160,919		44,364,579	70.28
335	26,549,396	2,118,893	54,277	218,172		31,870		28,472,525	23.38
336	83,086	12,801		157				95,730	24.92
339	0	1,978						1,978	3.00
340.1	4,211,318	454,961		46,013				4,620,266	49.65
340.2	655,980	91,457		65,891				681,546	73.47
340.3	4,335,803	3,168,231		8,075,494			2,150,400	1,578,941	11.57
340.4	17,943,243	4,132,070		6,689,149			(2,150,400)	13,235,764	32.49
340.41	16,032,651	4,573,145						20,605,796	28.27
341.1	16,994,178	2,073,000	(29,935)	574,555	6,843			18,469,532	62.17
341.2	796,060	144,776		97,643				843,192	28.62
342	1,410,536	174,820						1,585,356	45.08
343.1	1,015,829	138,523	(1,511)	16,165	13,369			1,150,046	31.36
343.2	9,028,070	940,209		122,066				9,846,213	51.45

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TABLE 2. BRINGFORWARD TO DECEMBER 31, 2024 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		ACQUISITIONS AND ADJUSTMENTS		RESERVE AT END OF PERIOD	BOOK RESERVE AS A PERCENT OF ORIGINAL COST
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	+	(8)	=	(9)	(10)
344.1	847,483		24,252				2,522								869,213	67.03
344.2	3,002,294		250,109				123,572								3,128,831	42.16
345	0		4,829												4,829	3.68
346.01	2,924,694		580,466		99		385,653				700				3,118,906	34.05
346.02	10,604,176		2,784,232		2,721		922,372				1,674				12,467,082	41.58
347	1,545,545		104,372				1,819								1,648,099	61.01
348	18,920		1,780												20,700	41.82
TOTAL WATER PLANT IN SERVICE	**1,259,730,162**		**130,547,679**		**2,927,394**		**33,116,732**		**77,100**		**2,931,900**		**0**		**1,357,233,703**	
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION																
304.2	(321,141)		(4,625)												(325,767)	79.59
304.3	(31,056)		(111,148)												(142,204)	4.20
304.63	(32,293)		(4,667)												(36,960)	21.07
307	(1,045,735)		(54,642)												(1,100,376)	40.07
310.4	(760,129)		(30,300)												(790,429)	52.70
311	(1,114,516)		(49,390)												(1,163,907)	63.86
320.2	(42,159)		(255,686)												(297,845)	3.06
330.01	(1,391,697)		(37,975)												(1,429,672)	48.94
331.01	(91,732)		(25,992)												(117,724)	12.04
331.02	(40,277,597)		(3,055,053)												(43,332,649)	25.78
331.03	(2,004,286)		(241,213)												(2,245,499)	10.42
331.04	(58)		(333)												(391)	1.18
331.06	(472,282)		(95,990)												(568,272)	7.54
331.11	(2,705,542)		(182,983)												(2,888,525)	75.72
331.13	(1,498,343)		(198,528)												(1,696,871)	23.34
333	(3,325,706)		(326,755)												(3,652,461)	16.43
334	(79,525)												3,785		(75,740)	100.00
335	(3,574,868)		(257,294)												(3,832,162)	24.87
343.2	(84)														(84)	100.00
344.2	(1,662)														(1,662)	100.00
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS	**(58,770,410)**		**(4,932,575)**		**0**		**0**		**0**		**0**		**3,785**		**(63,699,200)**	
TOTAL PLANT IN SERVICE	**1,200,959,751**		**125,615,104**		**2,927,394**		**33,116,732**		**77,100**		**2,931,900**		**3,785**		**1,293,534,503**	

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2024

	DEPRECIABLE GROUP	ORIGINAL COST AS OF DECEMBER 31, 2023	ORIGINAL COST AS OF DECEMBER 31, 2024	COMPOSITE ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)	(5)
	WATER PLANT IN SERVICE				
304.2	POWER AND PUMPING STRUCTURES	73,595,845.69	75,287,358.62	2.35	1,749,378
304.3	PURIFICATION BUILDINGS	260,344,391.01	265,324,956.86	2.61	6,859,985
304.61	OFFICE BUILDINGS	78,702,633.26	79,924,281.48	2.76	2,189,051
304.62	STORES, SHOP AND GARAGE BUILDINGS	8,151,790.12	8,151,790.12	1.84	149,993
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	47,432,622.63	48,936,189.67	3.64	1,753,912
305	COLLECTING AND IMPOUNDING RESERVOIRS	37,811,795.33	37,958,370.39	1.76	666,777
306	LAKE, RIVER AND OTHER INTAKES	23,253,999.24	24,841,621.47	2.85	685,363
307	WELLS AND SPRINGS	70,125,181.19	79,979,712.71	2.19	1,643,649
310.4	OTHER POWER PRODUCTION EQUIPMENT	37,828,785.15	38,704,132.93	4.82	1,844,443
311	ELECTRIC PUMPING EQUIPMENT	108,098,175.30	112,827,320.88	2.78	3,070,864
320	PURIFICATION SYSTEM				
	STRUCTURES	110,786,289.11	112,510,354.23	2.46	2,746,549
	EQUIPMENT	188,605,362.39	208,001,095.04	2.21	4,382,501
	COMPUTERS	6,747,001.72	6,854,755.79	-	0
	PAINTING	278,070.16	278,070.16	1.62	0
	FILTER MEDIA	5,349,369.15	5,672,631.36	4.00	220,440
	TOTAL ACCOUNT 320	311,766,092.53	333,316,906.58		7,349,490
330	DISTRIBUTION RESERVOIRS AND STANDPIPES				
	TANKS	94,455,550.63	95,026,777.44	1.65	1,563,229
	TANK PAINTING	78,724,012.59	79,210,613.21	6.74	5,322,397
	TOTAL ACCOUNT 330	173,179,563.22	174,237,390.65		6,885,626
331	MAINS AND ACCESSORIES				
	CAST IRON - 4 INCH AND UNDER	44,799,522.02	48,105,251.77	2.80	1,300,667
	CAST IRON - 6, 8 AND 10 INCH	2,239,076,813.54	2,351,223,695.28	1.84	42,230,765
	CAST IRON - 12 INCH AND OVER	729,949,613.88	771,568,751.42	1.21	9,084,186
	STEEL	5,342,410.96	5,425,054.21	2.01	108,213
	LOCK JOINT	4,736,995.08	9,695,589.70	3.14	226,592
	VALVES	91,530,256.57	91,662,485.76	1.34	1,227,391
	SPECIAL CONSTRUCTION	26,470,940.91	26,470,940.91	2.23	590,302
	CEMENT WROUGHT IRON	172,966.10	197,759.08	1.64	3,040
	COPPER	1,933,353.51	1,933,353.51	2.86	55,294
	ASBESTOS CEMENT	3,206,764.38	3,248,086.00	3.80	122,642
	PLASTIC	41,510,278.99	44,485,435.76	2.94	1,264,137
	MAIN CLEANING AND LINING	124,697,136.96	124,697,136.96	2.56	3,192,247
	TOTAL ACCOUNT 331	3,313,427,052.90	3,478,713,540.36		59,405,475
333	SERVICES	575,759,578.55	609,920,143.08	1.48	8,774,030
334	METERS				
	REMOTE	144,741,175.94	155,271,415.54	2.73	4,095,172
	ERTS	59,978,301.51	63,123,697.76	2.68	1,649,567
	TOTAL ACCOUNT 334	204,719,477.45	218,395,113.30		5,744,739
335	FIRE HYDRANTS	117,653,848.41	121,769,109.94	1.77	2,118,893
336	BACKFLOW PREVENTION DEVICES	382,337.82	384,180.50	3.34	12,801
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	0.00	65,814.77	6.01	1,978
340	OFFICE FURNITURE AND EQUIPMENT				
	FURNITURE	8,892,269.44	9,306,189.19	5.00 *	454,961
	MECHANICAL EQUIPMENT	901,526.63	927,622.15	10.00 *	91,457
	COMPUTER HARDWARE	18,039,170.52	13,643,138.59	20.00 *	3,168,231
	COMPUTER SOFTWARE - 10-YEAR	41,905,680.13	40,735,723.57	10.00 *	4,132,070
	COMPUTER SOFTWARE - 15-YEAR	64,239,521.17	72,886,255.97	6.67 *	4,573,145
	TOTAL ACCOUNT 340	133,978,167.89	137,498,929.47		12,419,865
341	TRANSPORTATION EQUIPMENT				
	VEHICLES	27,635,621.20	29,708,777.87	7.23	2,073,000
	OTHER	2,844,696.79	2,946,343.45	5.00 *	144,776
	TOTAL ACCOUNT 341	30,480,317.99	32,655,121.32		2,217,776
342	STORES EQUIPMENT	3,475,743.76	3,517,043.76	5.00 *	174,820
343.1	SHOP EQUIPMENT	3,258,797.90	3,667,357.45	4.00 *	138,523
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	18,470,821.53	19,137,530.03	5.00 *	940,209
344	LABORATORY EQUIPMENT				
	CONVENTIONAL	1,283,122.87	1,296,841.38	1.88	24,252
	ELECTRONIC	6,749,131.81	7,421,338.93	3.53	250,109
	TOTAL ACCOUNT 344	8,032,254.68	8,718,180.31		274,360
345	POWER OPERATED EQUIPMENT	0.00	131,411.12	7.35	4,829
346	COMMUNICATION EQUIPMENT				
	EQUIPMENT	8,244,315.78	9,160,956.76	6.67 *	580,466
	SCADA	25,698,913.14	29,985,717.01	10.00 *	2,784,232
	TOTAL ACCOUNT 346	33,943,228.92	39,146,673.77		3,364,697
347	MISCELLANEOUS EQUIPMENT	2,517,118.91	2,701,491.30	4.00 *	104,372
348	OTHER TANGIBLE PLANT	39,497.10	49,497.10	4.00 *	1,780
	TOTAL WATER PLANT IN SERVICE	**5,676,429,118.48**	**5,955,961,169.94**		**130,547,679**

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2024

	DEPRECIABLE GROUP	ORIGINAL COST AS OF DECEMBER 31, 2023	ORIGINAL COST AS OF DECEMBER 31, 2024	COMPOSITE ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)	(5)
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION				
304.2	POWER AND PUMPING STRUCTURES	409,302.95	409,302.95	1.13	4,625
304.3	PURIFICATION BUILDINGS	3,388,656.78	3,388,656.78	3.28	111,148
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	175,454.91	175,454.91	2.66	4,667
307	WELLS AND SPRINGS	2,745,810.67	2,745,810.67	1.99	54,642
310.4	OTHER POWER PRODUCTION EQUIPMENT	1,500,000.00	1,500,000.00	2.02	30,300
311	ELECTRIC PUMPING EQUIPMENT	1,822,526.01	1,822,526.01	2.71	49,390
320	PURIFICATION SYSTEM - EQUIPMENT	9,721,907.47	9,721,907.47	2.63	255,686
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	2,921,180.43	2,921,180.43	1.30	37,975
331	MAINS AND ACCESSORIES				
	CAST IRON - 4 INCH AND UNDER	898,686.06	977,986.06	2.77	25,992
	CAST IRON - 6, 8 AND 10 INCH	163,961,463.19	168,109,463.19	1.84	3,055,053
	CAST IRON - 12 INCH AND OVER	20,031,748.58	21,556,748.58	1.16	241,213
	STEEL	8,899.45	33,299.45	1.58	333
	VALVES	7,349,577.64	7,532,577.64	1.29	95,990
	ASBESTOS CEMENT	3,778,030.11	3,814,630.11	4.82	182,983
	PLASTIC	7,167,334.08	7,271,034.08	2.75	198,528
	TOTAL ACCOUNT 331	203,195,739.11	209,295,739.11		3,800,092
333	SERVICES	22,228,245.36	22,228,245.36	1.47	326,755
334	METERS	75,740.42	75,740.42	-	0
335	FIRE HYDRANTS	15,406,832.51	15,406,832.51	1.67	257,294
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	84.00	84.00	-	0
344.2	LABORATORY EQUIPMENT - ELECTRONIC	1,662.00	1,662.00	-	0
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**263,593,142.62**	**269,693,142.62**		**4,932,575**
	TOTAL WATER PLANT	**5,412,835,975.86**	**5,686,268,027.32**		**125,615,104**

* ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

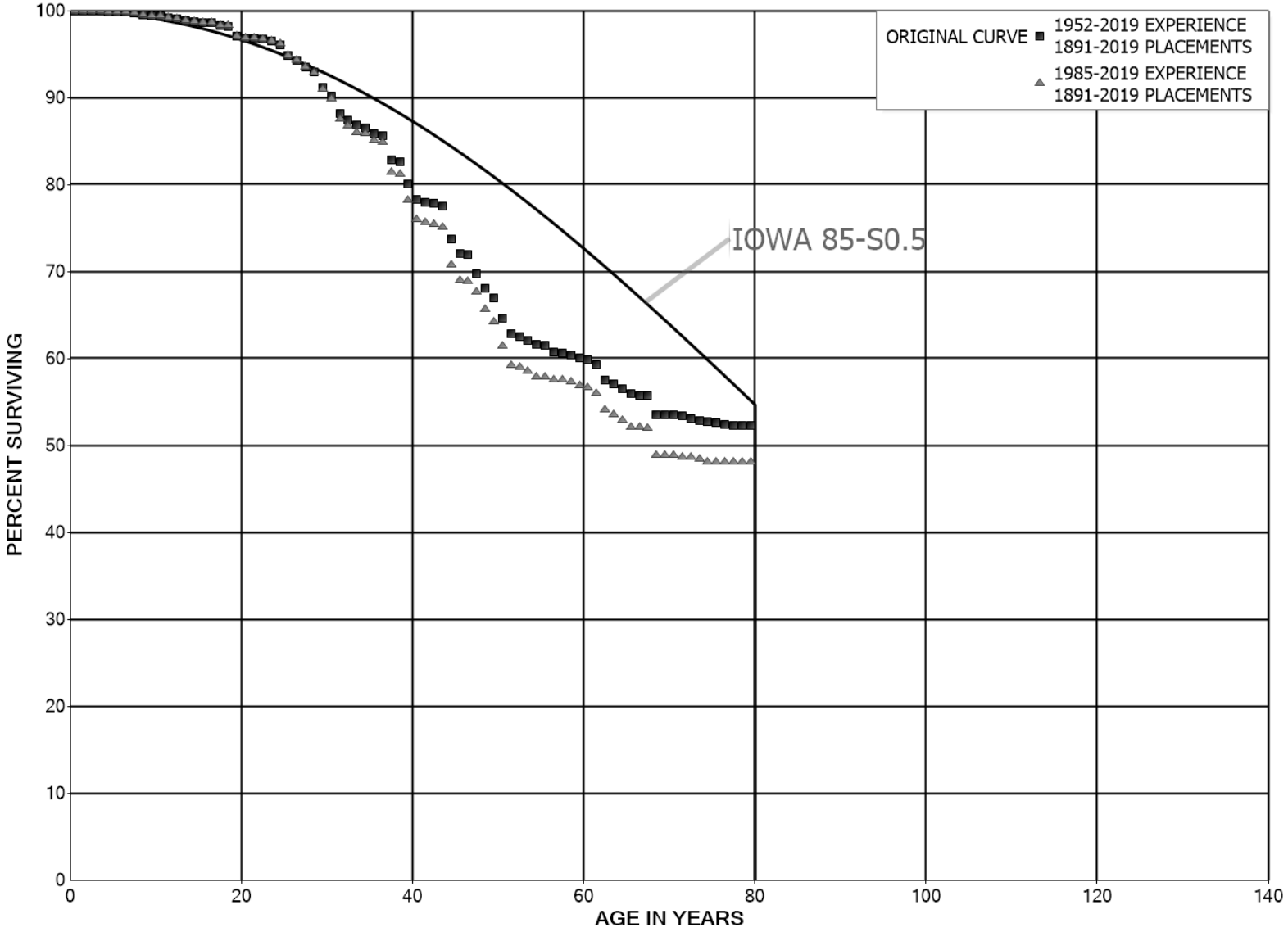
TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2020		2021		2022		2023		2024			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
304.2		81,066.67								12,089.30	(93,155.97)	(18,631)
304.3		11,107.43		57,476.44		46,017.15	3,058.55			4,690.83	(116,233.30)	(23,247)
304.63		322,461.19						55,131.82		93,876.48	(471,469.49)	(94,294)
305						308,833.47				53,600.79	(362,434.26)	(72,487)
307		9,461.14		149,453.60	100.93			29,417.81		501,664.73	(689,896.35)	(137,979)
311		137.52				113.48		245.30		227.33	(723.63)	(145)
320				3,455.34		23,944.67	5,680.16		1,322.73	11,287.59	(31,684.71)	(6,337)
330		48,187.28			3.67					4,269.07	(52,452.68)	(10,491)
331		1,817,260.37		2,099,925.97		2,376,180.25		2,538,533.32		1,742,940.81	(10,574,840.72)	(2,114,968)
333		474,188.80		479,667.07		18,065.68		603,176.26		312,090.18	(1,887,187.99)	(377,438)
334.02	4,603.50		53,731.71		106,278.20		40,428.69		55,564.23		260,606.33	52,121
334.03		4,321.34		19,488.04				11,549.23		160,919.42	(196,278.03)	(39,256)
335		66,170.21		75,329.88		164.71		29,130.51		31,869.81	(202,665.12)	(40,533)
341.1	16,500.00		97,325.00						6,843.11		120,668.11	24,134
343.1	50.00		2,950.00						13,369.48		16,369.48	3,274
346						14,017.34				2,373.60	(16,390.94)	(3,278)
TOTAL	**21,153.50**	**2,834,361.95**	**154,006.71**	**2,884,796.34**	**106,382.80**	**2,787,336.75**	**49,167.40**	**3,267,184.25**	**77,099.55**	**2,931,899.94**	**(14,297,769.27)**	**(2,859,555)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART VI. SERVICE LIFE STATISTICS

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.2 POWER AND PUMPING STRUCTURES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	55,136,946		0.0000	1.0000	100.00
0.5	52,369,460	278	0.0000	1.0000	100.00
1.5	46,866,702	3,472	0.0001	0.9999	100.00
2.5	44,724,199	22,344	0.0005	0.9995	99.99
3.5	41,703,225	25,393	0.0006	0.9994	99.94
4.5	38,531,078	28,358	0.0007	0.9993	99.88
5.5	37,401,441	7,375	0.0002	0.9998	99.81
6.5	35,971,754	17,666	0.0005	0.9995	99.79
7.5	33,590,652	91,523	0.0027	0.9973	99.74
8.5	28,318,500	10,742	0.0004	0.9996	99.47
9.5	26,543,324	19,895	0.0007	0.9993	99.43
10.5	25,994,659	36,381	0.0014	0.9986	99.36
11.5	24,418,111	24,951	0.0010	0.9990	99.22
12.5	23,871,571	57,268	0.0024	0.9976	99.11
13.5	22,757,057	30,328	0.0013	0.9987	98.88
14.5	21,968,383	32,215	0.0015	0.9985	98.75
15.5	21,747,582	7,438	0.0003	0.9997	98.60
16.5	21,357,290	57,733	0.0027	0.9973	98.57
17.5	17,485,018	13,543	0.0008	0.9992	98.30
18.5	16,803,901	198,587	0.0118	0.9882	98.22
19.5	16,031,628	29,746	0.0019	0.9981	97.06
20.5	15,772,884	6,264	0.0004	0.9996	96.88
21.5	15,551,288	17,286	0.0011	0.9989	96.84
22.5	15,763,108	42,993	0.0027	0.9973	96.74
23.5	15,570,787	69,436	0.0045	0.9955	96.47
24.5	14,821,414	186,930	0.0126	0.9874	96.04
25.5	14,380,358	88,090	0.0061	0.9939	94.83
26.5	13,623,035	100,866	0.0074	0.9926	94.25
27.5	13,020,969	88,596	0.0068	0.9932	93.55
28.5	6,351,211	115,577	0.0182	0.9818	92.92
29.5	5,985,646	67,565	0.0113	0.9887	91.23
30.5	5,759,688	129,446	0.0225	0.9775	90.20
31.5	5,187,484	44,304	0.0085	0.9915	88.17
32.5	4,878,166	34,484	0.0071	0.9929	87.42
33.5	4,364,158	12,687	0.0029	0.9971	86.80
34.5	4,101,856	33,415	0.0081	0.9919	86.55
35.5	3,541,899	7,604	0.0021	0.9979	85.84
36.5	3,358,508	109,735	0.0327	0.9673	85.66
37.5	3,219,380	9,121	0.0028	0.9972	82.86
38.5	3,103,681	94,507	0.0305	0.9695	82.62

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,901,585	65,005	0.0224	0.9776	80.11
40.5	2,669,575	12,367	0.0046	0.9954	78.31
41.5	2,443,907	5,171	0.0021	0.9979	77.95
42.5	2,351,388	9,692	0.0041	0.9959	77.78
43.5	2,350,682	113,102	0.0481	0.9519	77.46
44.5	1,979,139	44,564	0.0225	0.9775	73.74
45.5	1,908,849	4,222	0.0022	0.9978	72.08
46.5	1,716,879	52,006	0.0303	0.9697	71.92
47.5	1,529,330	35,783	0.0234	0.9766	69.74
48.5	1,466,498	25,799	0.0176	0.9824	68.11
49.5	1,374,651	46,914	0.0341	0.9659	66.91
50.5	1,307,424	35,306	0.0270	0.9730	64.63
51.5	1,170,697	6,731	0.0057	0.9943	62.88
52.5	1,196,665	8,507	0.0071	0.9929	62.52
53.5	1,146,966	8,959	0.0078	0.9922	62.07
54.5	1,122,559	1,253	0.0011	0.9989	61.59
55.5	1,134,381	15,282	0.0135	0.9865	61.52
56.5	1,066,426	1,927	0.0018	0.9982	60.69
57.5	781,097	2,503	0.0032	0.9968	60.58
58.5	740,876	3,705	0.0050	0.9950	60.39
59.5	726,411	2,762	0.0038	0.9962	60.09
60.5	723,090	7,354	0.0102	0.9898	59.86
61.5	638,833	18,605	0.0291	0.9709	59.25
62.5	604,273	5,095	0.0084	0.9916	57.52
63.5	546,326	4,661	0.0085	0.9915	57.04
64.5	528,734	5,592	0.0106	0.9894	56.55
65.5	439,060	1,989	0.0045	0.9955	55.95
66.5	422,970	144	0.0003	0.9997	55.70
67.5	418,508	16,078	0.0384	0.9616	55.68
68.5	380,359	252	0.0007	0.9993	53.54
69.5	373,645	0	0.0000	1.0000	53.51
70.5	373,069	570	0.0015	0.9985	53.51
71.5	370,803	2,406	0.0065	0.9935	53.42
72.5	368,382	1,804	0.0049	0.9951	53.08
73.5	366,221	1,013	0.0028	0.9972	52.82
74.5	363,403	111	0.0003	0.9997	52.67
75.5	360,481	2,039	0.0057	0.9943	52.66
76.5	357,576	223	0.0006	0.9994	52.36
77.5	356,648		0.0000	1.0000	52.33
78.5	306,490		0.0000	1.0000	52.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	284,457	318	0.0011	0.9989	52.33
80.5	275,516		0.0000	1.0000	52.27
81.5	271,656	1,654	0.0061	0.9939	52.27
82.5	192,678		0.0000	1.0000	51.95
83.5	190,836		0.0000	1.0000	51.95
84.5	190,520	600	0.0031	0.9969	51.95
85.5	189,920	10,109	0.0532	0.9468	51.78
86.5	179,803		0.0000	1.0000	49.03
87.5	168,909	264	0.0016	0.9984	49.03
88.5	156,252	539	0.0034	0.9966	48.95
89.5	144,365	3,025	0.0210	0.9790	48.78
90.5	140,817		0.0000	1.0000	47.76
91.5	139,863	10	0.0001	0.9999	47.76
92.5	139,356		0.0000	1.0000	47.76
93.5	133,362		0.0000	1.0000	47.76
94.5	133,362		0.0000	1.0000	47.76
95.5	133,362		0.0000	1.0000	47.76
96.5	133,175		0.0000	1.0000	47.76
97.5	133,175		0.0000	1.0000	47.76
98.5	133,175		0.0000	1.0000	47.76
99.5	132,837		0.0000	1.0000	47.76
100.5	132,837		0.0000	1.0000	47.76
101.5	132,837		0.0000	1.0000	47.76
102.5	132,837		0.0000	1.0000	47.76
103.5	132,837	2,233	0.0168	0.9832	47.76
104.5	130,604	142	0.0011	0.9989	46.95
105.5	129,656	40	0.0003	0.9997	46.90
106.5	129,615	328	0.0025	0.9975	46.89
107.5	129,287	774	0.0060	0.9940	46.77
108.5	128,513	4,384	0.0341	0.9659	46.49
109.5	106,341	1,198	0.0113	0.9887	44.90
110.5	20,288		0.0000	1.0000	44.40
111.5	20,288		0.0000	1.0000	44.40
112.5	20,288		0.0000	1.0000	44.40
113.5					44.40

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	51,999,782		0.0000	1.0000	100.00
0.5	49,289,224		0.0000	1.0000	100.00
1.5	43,953,684	3,472	0.0001	0.9999	100.00
2.5	41,845,562	20,814	0.0005	0.9995	99.99
3.5	38,919,047	25,393	0.0007	0.9993	99.94
4.5	35,727,511	25,067	0.0007	0.9993	99.88
5.5	34,674,065	5,684	0.0002	0.9998	99.81
6.5	33,408,335	17,409	0.0005	0.9995	99.79
7.5	31,111,574	88,530	0.0028	0.9972	99.74
8.5	25,694,768	8,749	0.0003	0.9997	99.45
9.5	24,219,701	16,412	0.0007	0.9993	99.42
10.5	24,261,312	35,370	0.0015	0.9985	99.35
11.5	22,865,429	23,205	0.0010	0.9990	99.21
12.5	22,377,330	50,772	0.0023	0.9977	99.11
13.5	21,249,594	28,177	0.0013	0.9987	98.88
14.5	20,546,704	29,577	0.0014	0.9986	98.75
15.5	20,356,548	7,300	0.0004	0.9996	98.61
16.5	20,017,139	56,474	0.0028	0.9972	98.57
17.5	16,245,433	9,321	0.0006	0.9994	98.30
18.5	15,577,847	194,503	0.0125	0.9875	98.24
19.5	14,924,326	28,565	0.0019	0.9981	97.01
20.5	14,605,285	136	0.0000	1.0000	96.83
21.5	14,421,820	11,503	0.0008	0.9992	96.83
22.5	14,668,344	37,644	0.0026	0.9974	96.75
23.5	14,516,649	50,667	0.0035	0.9965	96.50
24.5	13,671,016	185,151	0.0135	0.9865	96.16
25.5	13,246,208	83,780	0.0063	0.9937	94.86
26.5	12,627,140	100,285	0.0079	0.9921	94.26
27.5	12,041,070	80,895	0.0067	0.9933	93.51
28.5	5,461,169	111,361	0.0204	0.9796	92.89
29.5	5,123,881	64,506	0.0126	0.9874	90.99
30.5	5,016,826	129,036	0.0257	0.9743	89.85
31.5	4,471,890	43,359	0.0097	0.9903	87.53
32.5	4,167,566	33,494	0.0080	0.9920	86.69
33.5	3,692,609	6,929	0.0019	0.9981	85.99
34.5	3,452,188	32,689	0.0095	0.9905	85.83
35.5	2,897,033	7,443	0.0026	0.9974	85.02
36.5	2,756,257	109,735	0.0398	0.9602	84.80
37.5	2,617,832	8,846	0.0034	0.9966	81.42
38.5	2,503,730	92,145	0.0368	0.9632	81.15

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,306,616	64,366	0.0279	0.9721	78.16
40.5	2,093,839	11,337	0.0054	0.9946	75.98
41.5	2,131,590	4,941	0.0023	0.9977	75.57
42.5	1,977,118	9,692	0.0049	0.9951	75.39
43.5	1,977,444	112,701	0.0570	0.9430	75.02
44.5	1,609,327	40,172	0.0250	0.9750	70.75
45.5	1,542,734	4,222	0.0027	0.9973	68.98
46.5	1,354,441	22,221	0.0164	0.9836	68.79
47.5	1,198,645	35,329	0.0295	0.9705	67.66
48.5	1,136,297	25,537	0.0225	0.9775	65.67
49.5	1,044,801	46,400	0.0444	0.9556	64.19
50.5	980,001	34,936	0.0356	0.9644	61.34
51.5	844,431	3,091	0.0037	0.9963	59.16
52.5	838,145	6,530	0.0078	0.9922	58.94
53.5	854,067	8,959	0.0105	0.9895	58.48
54.5	848,642	995	0.0012	0.9988	57.87
55.5	839,123	4,198	0.0050	0.9950	57.80
56.5	782,952	719	0.0009	0.9991	57.51
57.5	591,434	2,251	0.0038	0.9962	57.46
58.5	559,362	3,705	0.0066	0.9934	57.24
59.5	545,125	2,762	0.0051	0.9949	56.86
60.5	540,529	5,683	0.0105	0.9895	56.57
61.5	457,943	15,925	0.0348	0.9652	55.98
62.5	426,064	4,116	0.0097	0.9903	54.03
63.5	369,096	4,661	0.0126	0.9874	53.51
64.5	371,411	5,592	0.0151	0.9849	52.83
65.5	281,737		0.0000	1.0000	52.04
66.5	268,590	144	0.0005	0.9995	52.04
67.5	264,128	16,078	0.0609	0.9391	52.01
68.5	225,979	252	0.0011	0.9989	48.84
69.5	219,265	0	0.0000	1.0000	48.79
70.5	219,574	570	0.0026	0.9974	48.79
71.5	217,495		0.0000	1.0000	48.66
72.5	217,480	1,410	0.0065	0.9935	48.66
73.5	215,713	1,013	0.0047	0.9953	48.35
74.5	231,070	50	0.0002	0.9998	48.12
75.5	294,165		0.0000	1.0000	48.11
76.5	293,795		0.0000	1.0000	48.11
77.5	293,091		0.0000	1.0000	48.11
78.5	244,191		0.0000	1.0000	48.11

AQUA PENNSYLVANIA, INC.

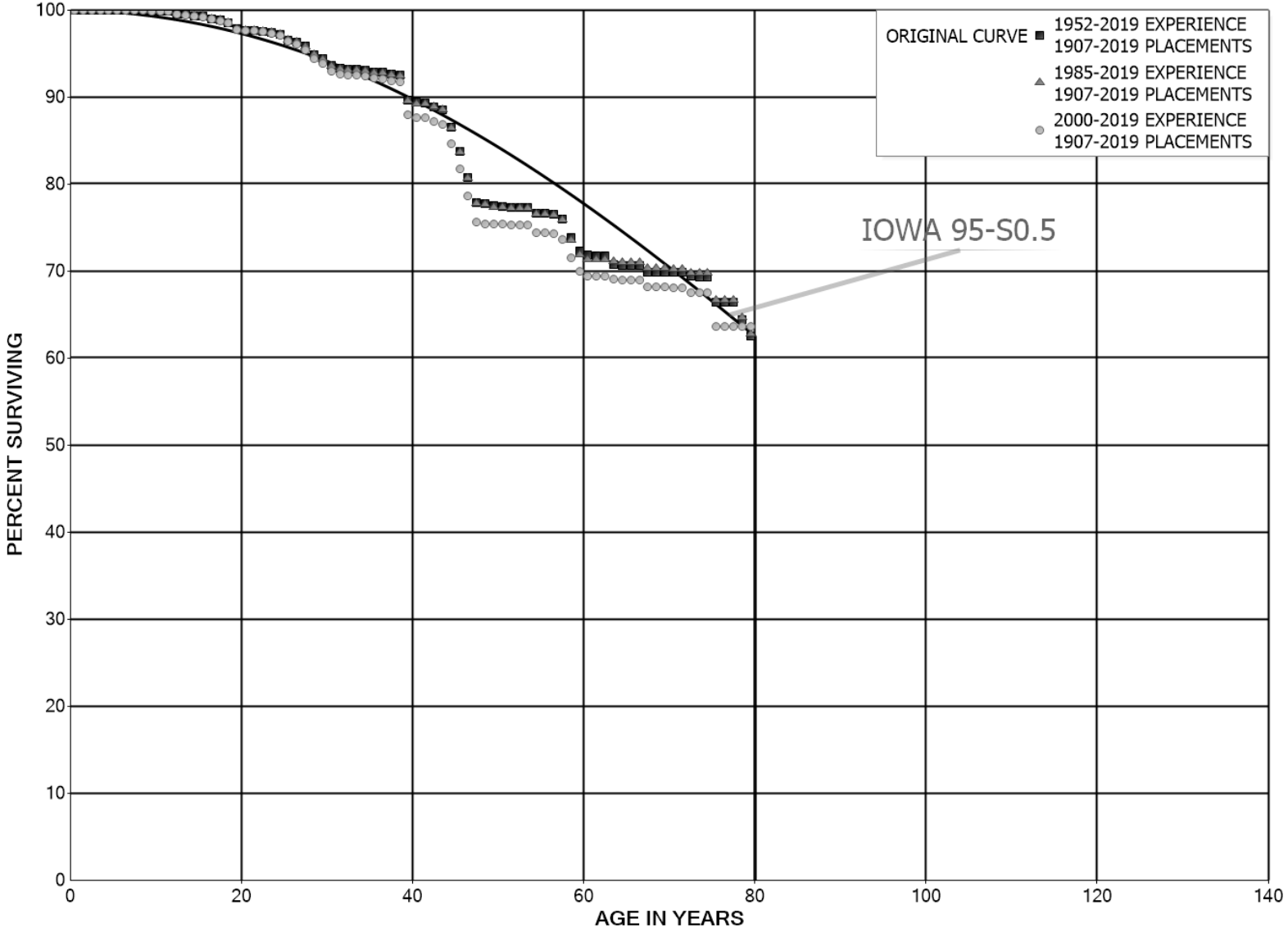
ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	222,159	94	0.0004	0.9996	48.11
80.5	213,441		0.0000	1.0000	48.09
81.5	209,581	1,654	0.0079	0.9921	48.09
82.5	130,603		0.0000	1.0000	47.71
83.5	129,200		0.0000	1.0000	47.71
84.5	128,884	600	0.0047	0.9953	47.71
85.5	167,350	10,109	0.0604	0.9396	47.49
86.5	157,233		0.0000	1.0000	44.62
87.5	146,339	264	0.0018	0.9982	44.62
88.5	154,069	539	0.0035	0.9965	44.54
89.5	142,182	3,025	0.0213	0.9787	44.38
90.5	138,634		0.0000	1.0000	43.44
91.5	137,680	10	0.0001	0.9999	43.44
92.5	137,172		0.0000	1.0000	43.43
93.5	133,362		0.0000	1.0000	43.43
94.5	133,362		0.0000	1.0000	43.43
95.5	133,362		0.0000	1.0000	43.43
96.5	133,175		0.0000	1.0000	43.43
97.5	133,175		0.0000	1.0000	43.43
98.5	133,175		0.0000	1.0000	43.43
99.5	132,837		0.0000	1.0000	43.43
100.5	132,837		0.0000	1.0000	43.43
101.5	132,837		0.0000	1.0000	43.43
102.5	132,837		0.0000	1.0000	43.43
103.5	132,837	2,233	0.0168	0.9832	43.43
104.5	130,604	142	0.0011	0.9989	42.70
105.5	129,656	40	0.0003	0.9997	42.66
106.5	129,615	328	0.0025	0.9975	42.64
107.5	129,287	774	0.0060	0.9940	42.54
108.5	128,513	4,384	0.0341	0.9659	42.28
109.5	106,341	1,198	0.0113	0.9887	40.84
110.5	20,288		0.0000	1.0000	40.38
111.5	20,288		0.0000	1.0000	40.38
112.5	20,288		0.0000	1.0000	40.38
113.5					40.38

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.3 PURIFICATION BUILDINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	224,403,837		0.0000	1.0000	100.00
0.5	202,568,287	3,538	0.0000	1.0000	100.00
1.5	181,757,842	12,065	0.0001	0.9999	100.00
2.5	165,819,633	12,173	0.0001	0.9999	99.99
3.5	161,955,590	24,601	0.0002	0.9998	99.98
4.5	165,530,955	5,415	0.0000	1.0000	99.97
5.5	162,419,378	10,574	0.0001	0.9999	99.97
6.5	161,264,366	62,215	0.0004	0.9996	99.96
7.5	153,460,375	16,495	0.0001	0.9999	99.92
8.5	144,959,944	38,976	0.0003	0.9997	99.91
9.5	121,080,690	894	0.0000	1.0000	99.88
10.5	117,973,068	10,053	0.0001	0.9999	99.88
11.5	115,088,250	444,343	0.0039	0.9961	99.87
12.5	112,379,536	31,342	0.0003	0.9997	99.49
13.5	108,045,842	147,693	0.0014	0.9986	99.46
14.5	105,577,789	80,998	0.0008	0.9992	99.32
15.5	94,597,792	230,240	0.0024	0.9976	99.25
16.5	94,185,802	204,653	0.0022	0.9978	99.01
17.5	67,334,145	176,997	0.0026	0.9974	98.79
18.5	66,560,779	493,310	0.0074	0.9926	98.53
19.5	38,860,990	55,374	0.0014	0.9986	97.80
20.5	38,764,025	25,780	0.0007	0.9993	97.66
21.5	27,625,540	14,622	0.0005	0.9995	97.60
22.5	28,395,021	58,892	0.0021	0.9979	97.55
23.5	28,148,546	46,782	0.0017	0.9983	97.34
24.5	22,646,048	149,942	0.0066	0.9934	97.18
25.5	23,746,686	61,649	0.0026	0.9974	96.54
26.5	17,703,937	93,169	0.0053	0.9947	96.29
27.5	16,036,468	151,665	0.0095	0.9905	95.78
28.5	9,419,597	51,006	0.0054	0.9946	94.88
29.5	9,193,004	73,580	0.0080	0.9920	94.36
30.5	6,386,387	22,080	0.0035	0.9965	93.61
31.5	6,241,081	5,059	0.0008	0.9992	93.28
32.5	5,955,428	2,782	0.0005	0.9995	93.21
33.5	5,788,394	3,901	0.0007	0.9993	93.16
34.5	5,208,810	13,273	0.0025	0.9975	93.10
35.5	5,055,217	1,430	0.0003	0.9997	92.86
36.5	4,987,117	11,569	0.0023	0.9977	92.84
37.5	5,074,978	9,031	0.0018	0.9982	92.62
38.5	5,049,094	156,309	0.0310	0.9690	92.46

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	4,854,953	13,151	0.0027	0.9973	89.59
40.5	4,763,051	3,802	0.0008	0.9992	89.35
41.5	4,592,041	21,554	0.0047	0.9953	89.28
42.5	4,526,201	15,533	0.0034	0.9966	88.86
43.5	4,505,127	105,266	0.0234	0.9766	88.56
44.5	4,392,261	139,936	0.0319	0.9681	86.49
45.5	4,244,195	150,126	0.0354	0.9646	83.73
46.5	3,574,072	127,741	0.0357	0.9643	80.77
47.5	1,318,121	2,087	0.0016	0.9984	77.88
48.5	1,315,784	5,014	0.0038	0.9962	77.76
49.5	1,310,751	337	0.0003	0.9997	77.46
50.5	1,310,019	2,022	0.0015	0.9985	77.44
51.5	952,334	379	0.0004	0.9996	77.32
52.5	714,654	112	0.0002	0.9998	77.29
53.5	596,190	5,038	0.0085	0.9915	77.28
54.5	591,152		0.0000	1.0000	76.63
55.5	586,221	675	0.0012	0.9988	76.63
56.5	585,422	4,088	0.0070	0.9930	76.54
57.5	569,540	16,500	0.0290	0.9710	76.01
58.5	495,276	9,905	0.0200	0.9800	73.80
59.5	481,445	3,317	0.0069	0.9931	72.33
60.5	477,888	712	0.0015	0.9985	71.83
61.5	477,177	98	0.0002	0.9998	71.72
62.5	353,244	5,093	0.0144	0.9856	71.71
63.5	348,036	523	0.0015	0.9985	70.67
64.5	353,398		0.0000	1.0000	70.57
65.5	353,398		0.0000	1.0000	70.57
66.5	342,753	3,339	0.0097	0.9903	70.57
67.5	339,300		0.0000	1.0000	69.88
68.5	338,851		0.0000	1.0000	69.88
69.5	338,770	437	0.0013	0.9987	69.88
70.5	337,784	34	0.0001	0.9999	69.79
71.5	129,953	705	0.0054	0.9946	69.78
72.5	129,248	126	0.0010	0.9990	69.40
73.5	129,122		0.0000	1.0000	69.34
74.5	129,122	5,505	0.0426	0.9574	69.34
75.5	117,802		0.0000	1.0000	66.38
76.5	103,511		0.0000	1.0000	66.38
77.5	24,723	750	0.0303	0.9697	66.38
78.5	23,654	700	0.0296	0.9704	64.37

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	22,954		0.0000	1.0000	62.46
80.5	22,954		0.0000	1.0000	62.46
81.5	22,196		0.0000	1.0000	62.46
82.5	16,322		0.0000	1.0000	62.46
83.5	16,322		0.0000	1.0000	62.46
84.5	16,322		0.0000	1.0000	62.46
85.5	16,322		0.0000	1.0000	62.46
86.5	5,119		0.0000	1.0000	62.46
87.5	5,119		0.0000	1.0000	62.46
88.5	5,119		0.0000	1.0000	62.46
89.5	5,119	1,009	0.1971	0.8029	62.46
90.5	4,110	0	0.0000	1.0000	50.15
91.5	4,110		0.0000	1.0000	50.15
92.5	4,110	508	0.1237	0.8763	50.15
93.5	3,602		0.0000	1.0000	43.95
94.5	3,602		0.0000	1.0000	43.95
95.5	3,602		0.0000	1.0000	43.95
96.5	1,992		0.0000	1.0000	43.95
97.5	1,992		0.0000	1.0000	43.95
98.5	1,992		0.0000	1.0000	43.95
99.5	1,992		0.0000	1.0000	43.95
100.5	1,992		0.0000	1.0000	43.95
101.5	1,992		0.0000	1.0000	43.95
102.5	1,992		0.0000	1.0000	43.95
103.5	1,992	1,459	0.7325	0.2675	43.95
104.5	533	278	0.5215	0.4785	11.76
105.5	255		0.0000	1.0000	5.63
106.5	255	255	1.0000		5.63
107.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	222,106,336		0.0000	1.0000	100.00
0.5	200,342,002	3,538	0.0000	1.0000	100.00
1.5	179,584,044	11,723	0.0001	0.9999	100.00
2.5	163,654,847	9,083	0.0001	0.9999	99.99
3.5	159,639,464	24,601	0.0002	0.9998	99.99
4.5	163,350,007	5,415	0.0000	1.0000	99.97
5.5	160,250,693	9,285	0.0001	0.9999	99.97
6.5	159,136,535	62,215	0.0004	0.9996	99.96
7.5	151,350,628	16,103	0.0001	0.9999	99.92
8.5	142,865,706	38,976	0.0003	0.9997	99.91
9.5	119,000,079	524	0.0000	1.0000	99.88
10.5	115,985,069	9,880	0.0001	0.9999	99.88
11.5	113,171,147	444,330	0.0039	0.9961	99.88
12.5	110,858,938	30,888	0.0003	0.9997	99.48
13.5	106,526,615	147,571	0.0014	0.9986	99.46
14.5	104,093,762	75,995	0.0007	0.9993	99.32
15.5	93,166,477	230,240	0.0025	0.9975	99.25
16.5	92,767,417	204,493	0.0022	0.9978	99.00
17.5	65,959,314	176,518	0.0027	0.9973	98.78
18.5	65,186,853	492,865	0.0076	0.9924	98.52
19.5	37,476,333	42,605	0.0011	0.9989	97.77
20.5	37,386,914	25,265	0.0007	0.9993	97.66
21.5	26,252,408	14,311	0.0005	0.9995	97.60
22.5	27,033,593	53,338	0.0020	0.9980	97.54
23.5	26,852,364	46,681	0.0017	0.9983	97.35
24.5	21,418,102	148,036	0.0069	0.9931	97.18
25.5	22,646,122	58,645	0.0026	0.9974	96.51
26.5	16,970,626	93,047	0.0055	0.9945	96.26
27.5	15,591,774	150,393	0.0096	0.9904	95.73
28.5	9,064,131	50,399	0.0056	0.9944	94.81
29.5	8,838,330	72,409	0.0082	0.9918	94.28
30.5	6,032,069	22,080	0.0037	0.9963	93.51
31.5	5,886,763	5,059	0.0009	0.9991	93.17
32.5	5,601,224	2,430	0.0004	0.9996	93.09
33.5	5,434,992	3,826	0.0007	0.9993	93.05
34.5	4,855,736	13,273	0.0027	0.9973	92.98
35.5	4,704,409	881	0.0002	0.9998	92.73
36.5	4,841,876	9,525	0.0020	0.9980	92.71
37.5	4,999,250	9,031	0.0018	0.9982	92.53
38.5	4,972,330	156,060	0.0314	0.9686	92.36

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	4,778,437	13,151	0.0028	0.9972	89.46
40.5	4,686,535		0.0000	1.0000	89.21
41.5	4,526,357	21,554	0.0048	0.9952	89.21
42.5	4,460,517	14,585	0.0033	0.9967	88.79
43.5	4,440,390	105,266	0.0237	0.9763	88.50
44.5	4,324,082	139,183	0.0322	0.9678	86.40
45.5	4,176,770	150,126	0.0359	0.9641	83.62
46.5	3,506,647	124,214	0.0354	0.9646	80.61
47.5	1,254,222	2,087	0.0017	0.9983	77.76
48.5	1,251,886	5,014	0.0040	0.9960	77.63
49.5	1,246,852	337	0.0003	0.9997	77.32
50.5	1,246,120	1,391	0.0011	0.9989	77.30
51.5	889,067	379	0.0004	0.9996	77.21
52.5	668,791		0.0000	1.0000	77.18
53.5	552,775	5,038	0.0091	0.9909	77.18
54.5	547,736		0.0000	1.0000	76.48
55.5	542,805	675	0.0012	0.9988	76.48
56.5	542,765	4,088	0.0075	0.9925	76.38
57.5	532,757	16,500	0.0310	0.9690	75.80
58.5	458,493	9,905	0.0216	0.9784	73.46
59.5	444,661	3,317	0.0075	0.9925	71.87
60.5	455,395		0.0000	1.0000	71.33
61.5	466,696	98	0.0002	0.9998	71.33
62.5	342,764	1,238	0.0036	0.9964	71.32
63.5	342,927	523	0.0015	0.9985	71.06
64.5	348,289		0.0000	1.0000	70.95
65.5	348,289		0.0000	1.0000	70.95
66.5	337,645	3,339	0.0099	0.9901	70.95
67.5	334,192		0.0000	1.0000	70.25
68.5	333,742		0.0000	1.0000	70.25
69.5	333,662	437	0.0013	0.9987	70.25
70.5	332,675	34	0.0001	0.9999	70.16
71.5	126,511	705	0.0056	0.9944	70.15
72.5	125,806	126	0.0010	0.9990	69.76
73.5	125,680		0.0000	1.0000	69.69
74.5	125,680	5,505	0.0438	0.9562	69.69
75.5	114,360		0.0000	1.0000	66.64
76.5	100,070		0.0000	1.0000	66.64
77.5	24,723	750	0.0303	0.9697	66.64
78.5	23,654	700	0.0296	0.9704	64.62

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	22,954		0.0000	1.0000	62.70
80.5	22,954		0.0000	1.0000	62.70
81.5	22,196		0.0000	1.0000	62.70
82.5	16,322		0.0000	1.0000	62.70
83.5	16,322		0.0000	1.0000	62.70
84.5	16,322		0.0000	1.0000	62.70
85.5	16,322		0.0000	1.0000	62.70
86.5	5,119		0.0000	1.0000	62.70
87.5	5,119		0.0000	1.0000	62.70
88.5	5,119		0.0000	1.0000	62.70
89.5	5,119	1,009	0.1971	0.8029	62.70
90.5	4,110	0	0.0000	1.0000	50.35
91.5	4,110		0.0000	1.0000	50.35
92.5	4,110	508	0.1237	0.8763	50.35
93.5	3,602		0.0000	1.0000	44.12
94.5	3,602		0.0000	1.0000	44.12
95.5	3,602		0.0000	1.0000	44.12
96.5	1,992		0.0000	1.0000	44.12
97.5	1,992		0.0000	1.0000	44.12
98.5	1,992		0.0000	1.0000	44.12
99.5	1,992		0.0000	1.0000	44.12
100.5	1,992		0.0000	1.0000	44.12
101.5	1,992		0.0000	1.0000	44.12
102.5	1,992		0.0000	1.0000	44.12
103.5	1,992	1,459	0.7325	0.2675	44.12
104.5	533	278	0.5215	0.4785	11.80
105.5	255		0.0000	1.0000	5.65
106.5	255	255	1.0000		5.65
107.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	188,407,985		0.0000	1.0000	100.00
0.5	166,881,346	3,538	0.0000	1.0000	100.00
1.5	157,309,189	11,723	0.0001	0.9999	100.00
2.5	141,610,281	8,802	0.0001	0.9999	99.99
3.5	137,288,164	24,527	0.0002	0.9998	99.98
4.5	146,373,294	5,346	0.0000	1.0000	99.97
5.5	142,410,800	9,285	0.0001	0.9999	99.96
6.5	147,400,350	62,215	0.0004	0.9996	99.96
7.5	140,321,961	16,103	0.0001	0.9999	99.91
8.5	138,297,487	38,976	0.0003	0.9997	99.90
9.5	114,123,529	524	0.0000	1.0000	99.87
10.5	114,162,135	9,880	0.0001	0.9999	99.87
11.5	111,440,518	444,330	0.0040	0.9960	99.87
12.5	109,058,979	29,833	0.0003	0.9997	99.47
13.5	104,913,131	147,571	0.0014	0.9986	99.44
14.5	103,018,070	75,995	0.0007	0.9993	99.30
15.5	92,075,696	230,240	0.0025	0.9975	99.23
16.5	91,725,033	202,492	0.0022	0.9978	98.98
17.5	64,887,607	176,518	0.0027	0.9973	98.76
18.5	64,168,474	492,865	0.0077	0.9923	98.49
19.5	36,658,687	40,910	0.0011	0.9989	97.73
20.5	36,534,969	21,705	0.0006	0.9994	97.63
21.5	25,437,133	14,311	0.0006	0.9994	97.57
22.5	24,773,240	53,338	0.0022	0.9978	97.51
23.5	24,555,848	46,681	0.0019	0.9981	97.30
24.5	19,104,481	148,036	0.0077	0.9923	97.12
25.5	18,181,857	58,363	0.0032	0.9968	96.37
26.5	13,662,462	91,881	0.0067	0.9933	96.06
27.5	14,495,893	150,393	0.0104	0.9896	95.41
28.5	7,869,463	49,832	0.0063	0.9937	94.42
29.5	7,680,143	72,409	0.0094	0.9906	93.82
30.5	4,915,957	17,661	0.0036	0.9964	92.94
31.5	4,788,000	3,090	0.0006	0.9994	92.60
32.5	4,546,406	2,430	0.0005	0.9995	92.54
33.5	4,380,151	3,526	0.0008	0.9992	92.49
34.5	3,807,171	11,973	0.0031	0.9969	92.42
35.5	3,660,326	881	0.0002	0.9998	92.13
36.5	3,596,239	9,525	0.0026	0.9974	92.11
37.5	3,582,183	3,601	0.0010	0.9990	91.86
38.5	3,619,766	149,413	0.0413	0.9587	91.77

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,514,952	13,151	0.0037	0.9963	87.98
40.5	3,537,947		0.0000	1.0000	87.65
41.5	3,729,967	21,217	0.0057	0.9943	87.65
42.5	4,088,424	14,585	0.0036	0.9964	87.16
43.5	4,163,709	105,266	0.0253	0.9747	86.84
44.5	4,047,587	139,183	0.0344	0.9656	84.65
45.5	3,900,976	150,126	0.0385	0.9615	81.74
46.5	3,230,853	124,214	0.0384	0.9616	78.59
47.5	978,542	2,087	0.0021	0.9979	75.57
48.5	976,655	117	0.0001	0.9999	75.41
49.5	976,772	337	0.0003	0.9997	75.40
50.5	978,305	1,391	0.0014	0.9986	75.37
51.5	809,969	379	0.0005	0.9995	75.27
52.5	572,362		0.0000	1.0000	75.23
53.5	455,166	4,838	0.0106	0.9894	75.23
54.5	450,328		0.0000	1.0000	74.43
55.5	445,397	675	0.0015	0.9985	74.43
56.5	455,243	4,088	0.0090	0.9910	74.32
57.5	506,386	14,484	0.0286	0.9714	73.65
58.5	434,138	9,905	0.0228	0.9772	71.55
59.5	420,306	3,317	0.0079	0.9921	69.91
60.5	416,749		0.0000	1.0000	69.36
61.5	416,749		0.0000	1.0000	69.36
62.5	292,915	1,238	0.0042	0.9958	69.36
63.5	291,561	523	0.0018	0.9982	69.07
64.5	296,923		0.0000	1.0000	68.94
65.5	296,923		0.0000	1.0000	68.94
66.5	286,279	3,339	0.0117	0.9883	68.94
67.5	300,230		0.0000	1.0000	68.14
68.5	300,099		0.0000	1.0000	68.14
69.5	300,019	437	0.0015	0.9985	68.14
70.5	299,032	34	0.0001	0.9999	68.04
71.5	91,960	705	0.0077	0.9923	68.03
72.5	97,129	69	0.0007	0.9993	67.51
73.5	97,060		0.0000	1.0000	67.46
74.5	97,060	5,505	0.0567	0.9433	67.46
75.5	100,029		0.0000	1.0000	63.64
76.5	96,942		0.0000	1.0000	63.64
77.5	18,153		0.0000	1.0000	63.64
78.5	19,353		0.0000	1.0000	63.64

AQUA PENNSYLVANIA, INC.

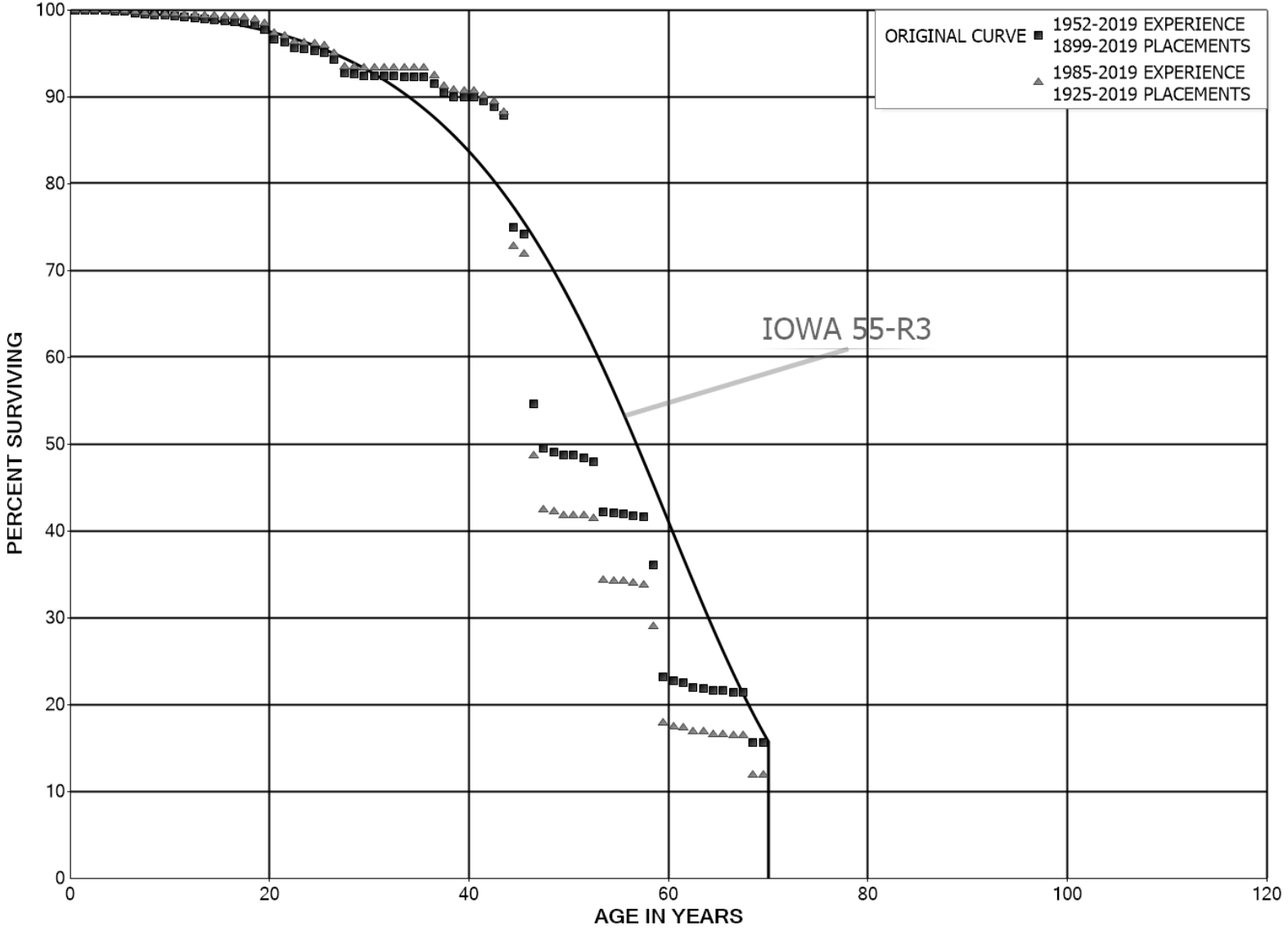
ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	19,353		0.0000	1.0000	63.64
80.5	19,353		0.0000	1.0000	63.64
81.5	18,594		0.0000	1.0000	63.64
82.5	12,720		0.0000	1.0000	63.64
83.5	12,720		0.0000	1.0000	63.64
84.5	12,720		0.0000	1.0000	63.64
85.5	12,720		0.0000	1.0000	63.64
86.5	3,127		0.0000	1.0000	63.64
87.5	3,127		0.0000	1.0000	63.64
88.5	3,127		0.0000	1.0000	63.64
89.5	3,127	1,009	0.3225	0.6775	63.64
90.5	2,119	0	0.0001	0.9999	43.11
91.5	2,118		0.0000	1.0000	43.11
92.5	4,110	508	0.1237	0.8763	43.11
93.5	3,602		0.0000	1.0000	37.77
94.5	3,602		0.0000	1.0000	37.77
95.5	3,602		0.0000	1.0000	37.77
96.5	1,992		0.0000	1.0000	37.77
97.5	1,992		0.0000	1.0000	37.77
98.5	1,992		0.0000	1.0000	37.77
99.5	1,992		0.0000	1.0000	37.77
100.5	1,992		0.0000	1.0000	37.77
101.5	1,992		0.0000	1.0000	37.77
102.5	1,992		0.0000	1.0000	37.77
103.5	1,992	1,459	0.7325	0.2675	37.77
104.5	533	278	0.5215	0.4785	10.11
105.5	255		0.0000	1.0000	4.84
106.5	255	255	1.0000		4.84
107.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.61 OFFICE BUILDINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1899-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	63,711,997		0.0000	1.0000	100.00
0.5	54,683,546	1,218	0.0000	1.0000	100.00
1.5	50,112,879	2,840	0.0001	0.9999	100.00
2.5	42,828,001	20,075	0.0005	0.9995	99.99
3.5	40,948,745	31,854	0.0008	0.9992	99.95
4.5	38,960,836	14,891	0.0004	0.9996	99.87
5.5	39,223,414	76,020	0.0019	0.9981	99.83
6.5	38,808,371	58,574	0.0015	0.9985	99.64
7.5	38,553,638	37,780	0.0010	0.9990	99.49
8.5	37,832,329	6,998	0.0002	0.9998	99.39
9.5	36,112,286	32,071	0.0009	0.9991	99.37
10.5	33,886,248	36,954	0.0011	0.9989	99.28
11.5	32,298,113	28,530	0.0009	0.9991	99.17
12.5	29,948,385	41,584	0.0014	0.9986	99.09
13.5	22,018,514	16,915	0.0008	0.9992	98.95
14.5	18,358,832	23,038	0.0013	0.9987	98.87
15.5	16,777,214	13,949	0.0008	0.9992	98.75
16.5	16,582,562	27,806	0.0017	0.9983	98.67
17.5	14,491,284	38,369	0.0026	0.9974	98.50
18.5	13,778,001	71,480	0.0052	0.9948	98.24
19.5	13,408,734	146,196	0.0109	0.9891	97.73
20.5	12,917,043	56,928	0.0044	0.9956	96.66
21.5	12,694,898	85,106	0.0067	0.9933	96.24
22.5	12,232,464	14,004	0.0011	0.9989	95.59
23.5	11,803,192	23,341	0.0020	0.9980	95.48
24.5	8,787,494	20,400	0.0023	0.9977	95.29
25.5	8,662,063	74,876	0.0086	0.9914	95.07
26.5	8,432,816	133,759	0.0159	0.9841	94.25
27.5	8,273,459	12,997	0.0016	0.9984	92.76
28.5	8,170,823	14,733	0.0018	0.9982	92.61
29.5	7,391,535		0.0000	1.0000	92.44
30.5	7,368,007	1,701	0.0002	0.9998	92.44
31.5	7,145,671	132	0.0000	1.0000	92.42
32.5	7,114,255	8,446	0.0012	0.9988	92.42
33.5	2,260,983		0.0000	1.0000	92.31
34.5	2,227,646	90	0.0000	1.0000	92.31
35.5	2,222,243	19,495	0.0088	0.9912	92.31
36.5	2,198,397	24,888	0.0113	0.9887	91.50
37.5	2,014,811	10,067	0.0050	0.9950	90.46
38.5	1,993,685	1,945	0.0010	0.9990	90.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1899-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,965,238	633	0.0003	0.9997	89.92
40.5	1,407,853	6,482	0.0046	0.9954	89.89
41.5	1,354,123	9,407	0.0069	0.9931	89.48
42.5	1,227,918	13,924	0.0113	0.9887	88.86
43.5	1,213,994	177,492	0.1462	0.8538	87.85
44.5	1,036,502	10,859	0.0105	0.9895	75.01
45.5	1,010,811	266,526	0.2637	0.7363	74.22
46.5	737,548	69,929	0.0948	0.9052	54.65
47.5	667,619	4,985	0.0075	0.9925	49.47
48.5	662,483	4,714	0.0071	0.9929	49.10
49.5	657,768		0.0000	1.0000	48.75
50.5	657,456	4,226	0.0064	0.9936	48.75
51.5	653,231	5,829	0.0089	0.9911	48.44
52.5	651,586	79,563	0.1221	0.8779	48.00
53.5	549,023	958	0.0017	0.9983	42.14
54.5	548,065	880	0.0016	0.9984	42.07
55.5	547,185	3,352	0.0061	0.9939	42.00
56.5	543,437	1,710	0.0031	0.9969	41.74
57.5	541,727	72,301	0.1335	0.8665	41.61
58.5	469,426	167,681	0.3572	0.6428	36.06
59.5	301,649	5,869	0.0195	0.9805	23.18
60.5	295,780	3,322	0.0112	0.9888	22.73
61.5	292,458	7,263	0.0248	0.9752	22.47
62.5	268,466	433	0.0016	0.9984	21.91
63.5	268,034	3,766	0.0141	0.9859	21.88
64.5	264,267	138	0.0005	0.9995	21.57
65.5	264,130	1,663	0.0063	0.9937	21.56
66.5	261,933	538	0.0021	0.9979	21.42
67.5	248,483	67,139	0.2702	0.7298	21.38
68.5	181,129		0.0000	1.0000	15.60
69.5	181,129	534	0.0029	0.9971	15.60
70.5	180,551	11	0.0001	0.9999	15.56
71.5	180,540		0.0000	1.0000	15.56
72.5	180,540		0.0000	1.0000	15.56
73.5	180,540		0.0000	1.0000	15.56
74.5	176,041		0.0000	1.0000	15.56
75.5	176,041		0.0000	1.0000	15.56
76.5	176,041		0.0000	1.0000	15.56
77.5	176,041		0.0000	1.0000	15.56
78.5	176,041		0.0000	1.0000	15.56

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1899-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	176,041		0.0000	1.0000	15.56
80.5	176,041		0.0000	1.0000	15.56
81.5	176,041		0.0000	1.0000	15.56
82.5	176,041		0.0000	1.0000	15.56
83.5	176,041	1,721	0.0098	0.9902	15.56
84.5	174,319	636	0.0036	0.9964	15.40
85.5	173,683	865	0.0050	0.9950	15.35
86.5	172,819	1,142	0.0066	0.9934	15.27
87.5	171,677	4,681	0.0273	0.9727	15.17
88.5	166,996	23,861	0.1429	0.8571	14.76
89.5	143,135	96,221	0.6722	0.3278	12.65
90.5	46,914	20,070	0.4278	0.5722	4.15
91.5	26,844		0.0000	1.0000	2.37
92.5	26,844		0.0000	1.0000	2.37
93.5	26,844	16,486	0.6142	0.3858	2.37
94.5					0.92

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1925-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	61,027,952		0.0000	1.0000	100.00
0.5	52,167,959		0.0000	1.0000	100.00
1.5	47,617,795		0.0000	1.0000	100.00
2.5	40,494,556	19,494	0.0005	0.9995	100.00
3.5	38,642,429	13,618	0.0004	0.9996	99.95
4.5	36,700,627	12,574	0.0003	0.9997	99.92
5.5	37,555,600	55,880	0.0015	0.9985	99.88
6.5	37,249,049	38,616	0.0010	0.9990	99.73
7.5	37,026,672	36,512	0.0010	0.9990	99.63
8.5	36,327,763	2,051	0.0001	0.9999	99.53
9.5	34,806,237	8,503	0.0002	0.9998	99.53
10.5	32,638,157	19,689	0.0006	0.9994	99.50
11.5	31,101,105	13,465	0.0004	0.9996	99.44
12.5	29,083,960	25,096	0.0009	0.9991	99.40
13.5	21,213,350	15,298	0.0007	0.9993	99.31
14.5	17,577,411	9,603	0.0005	0.9995	99.24
15.5	16,049,859	1,332	0.0001	0.9999	99.19
16.5	15,867,838	22,906	0.0014	0.9986	99.18
17.5	13,780,331	34,049	0.0025	0.9975	99.04
18.5	13,130,368	51,430	0.0039	0.9961	98.79
19.5	12,862,401	140,914	0.0110	0.9890	98.40
20.5	12,385,238	51,060	0.0041	0.9959	97.33
21.5	12,177,777	83,086	0.0068	0.9932	96.93
22.5	11,720,521	9,763	0.0008	0.9992	96.26
23.5	11,280,139	16,329	0.0014	0.9986	96.18
24.5	8,252,466	17,525	0.0021	0.9979	96.04
25.5	8,427,667	74,876	0.0089	0.9911	95.84
26.5	8,174,652	133,032	0.0163	0.9837	94.99
27.5	8,007,918	1,064	0.0001	0.9999	93.44
28.5	7,924,378	14,733	0.0019	0.9981	93.43
29.5	7,145,416		0.0000	1.0000	93.26
30.5	7,133,312		0.0000	1.0000	93.26
31.5	6,913,284		0.0000	1.0000	93.26
32.5	6,897,475	1,000	0.0001	0.9999	93.26
33.5	1,984,748		0.0000	1.0000	93.24
34.5	2,020,194		0.0000	1.0000	93.24
35.5	2,014,923	19,445	0.0097	0.9903	93.24
36.5	1,991,875	24,888	0.0125	0.9875	92.34
37.5	1,808,465	9,683	0.0054	0.9946	91.19
38.5	1,787,723	1,945	0.0011	0.9989	90.70

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1925-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,759,276	633	0.0004	0.9996	90.60
40.5	1,202,705	6,482	0.0054	0.9946	90.57
41.5	1,148,974	9,407	0.0082	0.9918	90.08
42.5	1,022,769	13,924	0.0136	0.9864	89.34
43.5	1,008,846	176,098	0.1746	0.8254	88.13
44.5	832,748	10,859	0.0130	0.9870	72.75
45.5	821,889	265,435	0.3230	0.6770	71.80
46.5	549,716	69,929	0.1272	0.8728	48.61
47.5	479,787	3,331	0.0069	0.9931	42.43
48.5	476,304	4,714	0.0099	0.9901	42.13
49.5	471,590		0.0000	1.0000	41.71
50.5	471,278	271	0.0006	0.9994	41.71
51.5	471,008	3,699	0.0079	0.9921	41.69
52.5	466,686	79,563	0.1705	0.8295	41.36
53.5	364,123	958	0.0026	0.9974	34.31
54.5	363,165	880	0.0024	0.9976	34.22
55.5	362,285	2,538	0.0070	0.9930	34.14
56.5	359,747	1,710	0.0048	0.9952	33.90
57.5	507,388	72,301	0.1425	0.8575	33.74
58.5	435,087	167,681	0.3854	0.6146	28.93
59.5	296,843	5,670	0.0191	0.9809	17.78
60.5	291,172	3,322	0.0114	0.9886	17.44
61.5	287,851	7,263	0.0252	0.9748	17.24
62.5	263,859	325	0.0012	0.9988	16.81
63.5	263,534	3,766	0.0143	0.9857	16.79
64.5	259,768	138	0.0005	0.9995	16.55
65.5	259,630	1,663	0.0064	0.9936	16.54
66.5	257,433	538	0.0021	0.9979	16.43
67.5	243,983	67,139	0.2752	0.7248	16.40
68.5	176,629		0.0000	1.0000	11.89
69.5	176,629	534	0.0030	0.9970	11.89
70.5	176,051	11	0.0001	0.9999	11.85
71.5	176,041		0.0000	1.0000	11.85
72.5	176,041		0.0000	1.0000	11.85
73.5	176,041		0.0000	1.0000	11.85
74.5	176,041		0.0000	1.0000	11.85
75.5	176,041		0.0000	1.0000	11.85
76.5	176,041		0.0000	1.0000	11.85
77.5	176,041		0.0000	1.0000	11.85
78.5	176,041		0.0000	1.0000	11.85

AQUA PENNSYLVANIA, INC.

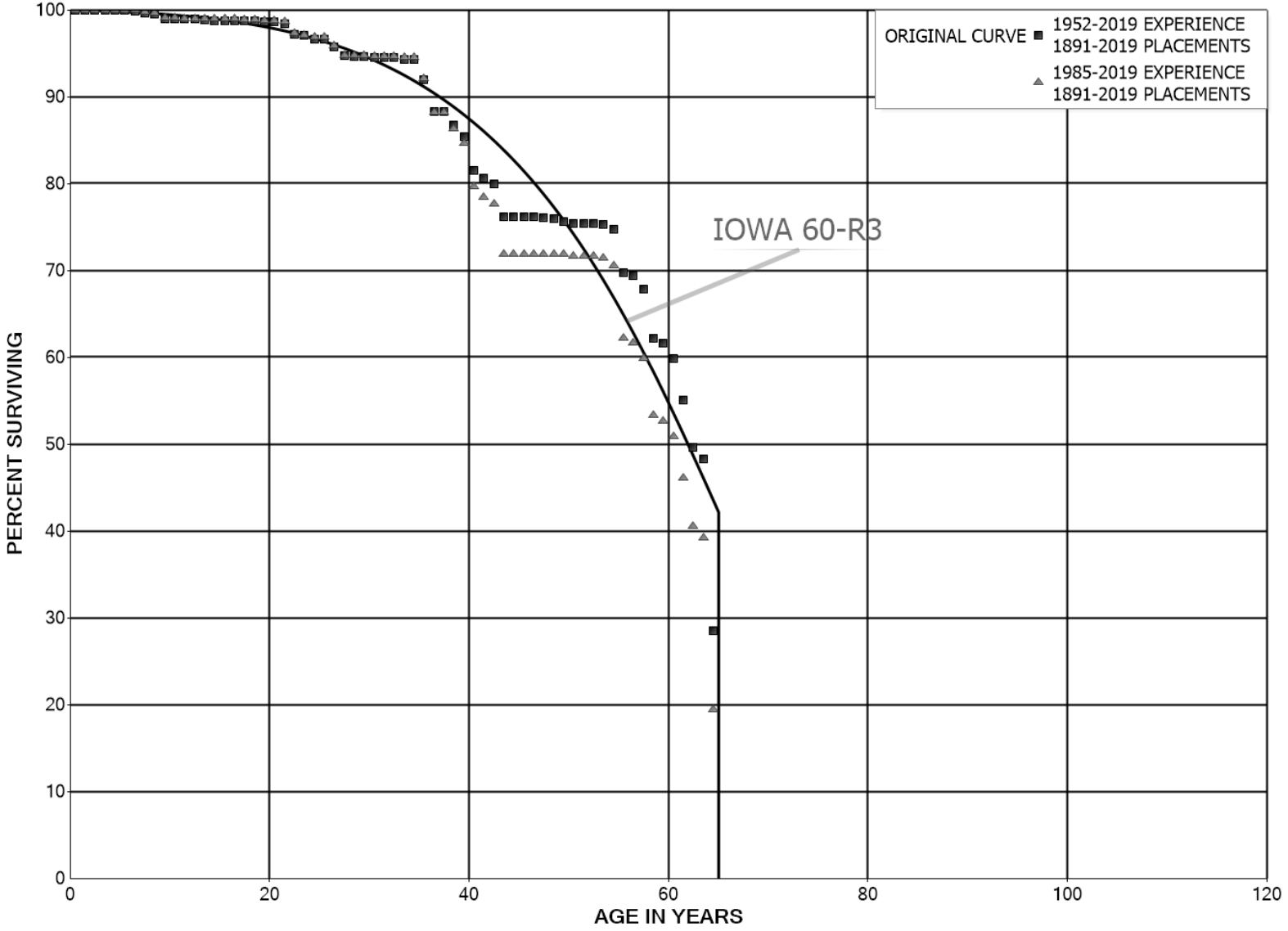
ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1925-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	176,041		0.0000	1.0000	11.85
80.5	176,041		0.0000	1.0000	11.85
81.5	176,041		0.0000	1.0000	11.85
82.5	176,041		0.0000	1.0000	11.85
83.5	176,041	1,721	0.0098	0.9902	11.85
84.5	174,319	636	0.0036	0.9964	11.73
85.5	173,683	865	0.0050	0.9950	11.69
86.5	172,819	1,142	0.0066	0.9934	11.63
87.5	171,677	4,681	0.0273	0.9727	11.55
88.5	166,996	23,861	0.1429	0.8571	11.24
89.5	143,135	96,221	0.6722	0.3278	9.63
90.5	46,914	20,070	0.4278	0.5722	3.16
91.5	26,844		0.0000	1.0000	1.81
92.5	26,844		0.0000	1.0000	1.81
93.5	26,844	16,486	0.6142	0.3858	1.81
94.5					0.70

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	9,141,843		0.0000	1.0000	100.00
0.5	9,177,081		0.0000	1.0000	100.00
1.5	8,784,439		0.0000	1.0000	100.00
2.5	8,807,521	1,100	0.0001	0.9999	100.00
3.5	8,792,163	714	0.0001	0.9999	99.99
4.5	8,753,218	5,419	0.0006	0.9994	99.98
5.5	8,709,638	7,403	0.0008	0.9992	99.92
6.5	8,722,799	20,582	0.0024	0.9976	99.83
7.5	8,697,293	8,215	0.0009	0.9991	99.60
8.5	8,204,405	43,409	0.0053	0.9947	99.50
9.5	8,086,206	2,164	0.0003	0.9997	98.98
10.5	8,057,252	4,376	0.0005	0.9995	98.95
11.5	7,966,774	83	0.0000	1.0000	98.90
12.5	7,908,645	9,054	0.0011	0.9989	98.90
13.5	7,756,719	600	0.0001	0.9999	98.78
14.5	7,699,690	250	0.0000	1.0000	98.77
15.5	7,625,255	46	0.0000	1.0000	98.77
16.5	7,593,289	2,419	0.0003	0.9997	98.77
17.5	7,498,903	1,589	0.0002	0.9998	98.74
18.5	7,476,380	10,830	0.0014	0.9986	98.72
19.5	6,950,314	688	0.0001	0.9999	98.58
20.5	3,840,168	5,215	0.0014	0.9986	98.57
21.5	3,821,072	49,826	0.0130	0.9870	98.43
22.5	3,589,015	4,023	0.0011	0.9989	97.15
23.5	3,603,930	15,720	0.0044	0.9956	97.04
24.5	3,596,458	1,200	0.0003	0.9997	96.62
25.5	3,504,204	31,635	0.0090	0.9910	96.58
26.5	3,425,565	35,832	0.0105	0.9895	95.71
27.5	3,373,143	1,500	0.0004	0.9996	94.71
28.5	3,345,602	1,859	0.0006	0.9994	94.67
29.5	3,236,083	3,991	0.0012	0.9988	94.62
30.5	3,249,520		0.0000	1.0000	94.50
31.5	3,246,222	485	0.0001	0.9999	94.50
32.5	3,190,177	5,738	0.0018	0.9982	94.48
33.5	3,170,803		0.0000	1.0000	94.31
34.5	3,098,696	76,336	0.0246	0.9754	94.31
35.5	488,234	19,833	0.0406	0.9594	91.99
36.5	455,783		0.0000	1.0000	88.25
37.5	453,820	7,598	0.0167	0.9833	88.25
38.5	434,099	6,687	0.0154	0.9846	86.78

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	427,412	19,729	0.0462	0.9538	85.44
40.5	384,523	4,405	0.0115	0.9885	81.50
41.5	382,088	2,958	0.0077	0.9923	80.56
42.5	271,881	12,622	0.0464	0.9536	79.94
43.5	259,259		0.0000	1.0000	76.23
44.5	263,903		0.0000	1.0000	76.23
45.5	263,793		0.0000	1.0000	76.23
46.5	263,724	650	0.0025	0.9975	76.23
47.5	262,792	150	0.0006	0.9994	76.04
48.5	259,107	1,390	0.0054	0.9946	76.00
49.5	257,717	640	0.0025	0.9975	75.59
50.5	261,787	26	0.0001	0.9999	75.40
51.5	261,761		0.0000	1.0000	75.39
52.5	277,482	393	0.0014	0.9986	75.39
53.5	276,371	2,000	0.0072	0.9928	75.29
54.5	274,370	18,451	0.0672	0.9328	74.74
55.5	216,947	869	0.0040	0.9960	69.72
56.5	179,396	4,182	0.0233	0.9767	69.44
57.5	175,099	14,600	0.0834	0.9166	67.82
58.5	156,464	1,476	0.0094	0.9906	62.16
59.5	154,988	4,365	0.0282	0.9718	61.58
60.5	151,304	12,120	0.0801	0.9199	59.84
61.5	139,184	13,809	0.0992	0.9008	55.05
62.5	125,375	3,314	0.0264	0.9736	49.59
63.5	121,190	49,590	0.4092	0.5908	48.28
64.5	71,416	1,516	0.0212	0.9788	28.52
65.5	69,900	694	0.0099	0.9901	27.92
66.5	70,156	117	0.0017	0.9983	27.64
67.5	70,039	21,573	0.3080	0.6920	27.59
68.5	48,393		0.0000	1.0000	19.09
69.5	48,393		0.0000	1.0000	19.09
70.5	48,103		0.0000	1.0000	19.09
71.5	48,103		0.0000	1.0000	19.09
72.5	48,103		0.0000	1.0000	19.09
73.5	48,103		0.0000	1.0000	19.09
74.5	48,103	4,709	0.0979	0.9021	19.09
75.5	43,393		0.0000	1.0000	17.22
76.5	43,393		0.0000	1.0000	17.22
77.5	43,393	1,063	0.0245	0.9755	17.22
78.5	42,330	355	0.0084	0.9916	16.80

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	41,975	200	0.0048	0.9952	16.66
80.5	41,775	431	0.0103	0.9897	16.58
81.5	41,344	400	0.0097	0.9903	16.41
82.5	40,944	52	0.0013	0.9987	16.25
83.5	40,892		0.0000	1.0000	16.23
84.5	40,892	42	0.0010	0.9990	16.23
85.5	35,239	3,695	0.1049	0.8951	16.22
86.5	31,543	694	0.0220	0.9780	14.51
87.5	30,850		0.0000	1.0000	14.20
88.5	30,850		0.0000	1.0000	14.20
89.5	30,850	68	0.0022	0.9978	14.20
90.5	30,782	18,901	0.6140	0.3860	14.16
91.5	11,880		0.0000	1.0000	5.47
92.5	11,880		0.0000	1.0000	5.47
93.5	11,880	309	0.0260	0.9740	5.47
94.5	11,571		0.0000	1.0000	5.32
95.5	11,571		0.0000	1.0000	5.32
96.5	11,571		0.0000	1.0000	5.32
97.5	11,571	578	0.0499	0.9501	5.32
98.5	10,352	872	0.0843	0.9157	5.06
99.5	9,480	1,901	0.2005	0.7995	4.63
100.5	7,579	476	0.0628	0.9372	3.70
101.5	7,103		0.0000	1.0000	3.47
102.5	7,103		0.0000	1.0000	3.47
103.5	7,103	681	0.0959	0.9041	3.47
104.5	6,402		0.0000	1.0000	3.14
105.5	6,402	1,501	0.2345	0.7655	3.14
106.5	4,901		0.0000	1.0000	2.40
107.5	4,901	158	0.0322	0.9678	2.40
108.5	4,743	30	0.0063	0.9937	2.32
109.5	4,713		0.0000	1.0000	2.31
110.5	2,823		0.0000	1.0000	2.31
111.5	2,823		0.0000	1.0000	2.31
112.5					2.31

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	6,211,816		0.0000	1.0000	100.00
0.5	8,503,019		0.0000	1.0000	100.00
1.5	8,183,368		0.0000	1.0000	100.00
2.5	8,123,824	1,100	0.0001	0.9999	100.00
3.5	8,127,154	714	0.0001	0.9999	99.99
4.5	8,098,001		0.0000	1.0000	99.98
5.5	8,105,193	4,101	0.0005	0.9995	99.98
6.5	8,146,249	20,178	0.0025	0.9975	99.93
7.5	8,140,168	4,979	0.0006	0.9994	99.68
8.5	7,684,452	42,922	0.0056	0.9944	99.62
9.5	7,617,399	650	0.0001	0.9999	99.06
10.5	7,602,351	4,204	0.0006	0.9994	99.05
11.5	7,511,998		0.0000	1.0000	99.00
12.5	7,453,660	6,773	0.0009	0.9991	99.00
13.5	7,307,550		0.0000	1.0000	98.91
14.5	7,250,319		0.0000	1.0000	98.91
15.5	7,176,135		0.0000	1.0000	98.91
16.5	7,145,141	2,419	0.0003	0.9997	98.91
17.5	7,050,836	153	0.0000	1.0000	98.88
18.5	7,030,672	9,018	0.0013	0.9987	98.87
19.5	6,510,003	688	0.0001	0.9999	98.75
20.5	3,402,596	2,940	0.0009	0.9991	98.74
21.5	3,387,043	48,530	0.0143	0.9857	98.65
22.5	3,160,665	4,023	0.0013	0.9987	97.24
23.5	3,176,397	10,457	0.0033	0.9967	97.11
24.5	3,140,492		0.0000	1.0000	96.79
25.5	3,049,064	30,719	0.0101	0.9899	96.79
26.5	2,968,493	34,269	0.0115	0.9885	95.82
27.5	2,917,864		0.0000	1.0000	94.71
28.5	2,915,867	638	0.0002	0.9998	94.71
29.5	2,812,821	3,010	0.0011	0.9989	94.69
30.5	2,971,192		0.0000	1.0000	94.59
31.5	2,998,124	18	0.0000	1.0000	94.59
32.5	2,944,463	1,811	0.0006	0.9994	94.59
33.5	2,948,656		0.0000	1.0000	94.53
34.5	2,881,453	76,336	0.0265	0.9735	94.53
35.5	382,703	15,877	0.0415	0.9585	92.03
36.5	350,863		0.0000	1.0000	88.21
37.5	357,543	7,598	0.0213	0.9787	88.21
38.5	337,822	6,687	0.0198	0.9802	86.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	331,135	19,729	0.0596	0.9404	84.63
40.5	290,097	4,405	0.0152	0.9848	79.58
41.5	285,692	2,958	0.0104	0.9896	78.38
42.5	172,052	12,622	0.0734	0.9266	77.56
43.5	159,430		0.0000	1.0000	71.87
44.5	159,430		0.0000	1.0000	71.87
45.5	159,319		0.0000	1.0000	71.87
46.5	159,251		0.0000	1.0000	71.87
47.5	159,755		0.0000	1.0000	71.87
48.5	156,220		0.0000	1.0000	71.87
49.5	156,220	640	0.0041	0.9959	71.87
50.5	155,580		0.0000	1.0000	71.58
51.5	155,580		0.0000	1.0000	71.58
52.5	155,580	381	0.0024	0.9976	71.58
53.5	154,533	2,000	0.0129	0.9871	71.40
54.5	152,533	18,064	0.1184	0.8816	70.48
55.5	105,606	869	0.0082	0.9918	62.13
56.5	104,737	3,083	0.0294	0.9706	61.62
57.5	133,827	14,600	0.1091	0.8909	59.81
58.5	116,350	1,476	0.0127	0.9873	53.28
59.5	131,594	4,365	0.0332	0.9668	52.61
60.5	127,229	12,120	0.0953	0.9047	50.86
61.5	115,109	13,809	0.1200	0.8800	46.02
62.5	101,300	3,314	0.0327	0.9673	40.50
63.5	97,985	49,590	0.5061	0.4939	39.17
64.5	48,211	1,516	0.0314	0.9686	19.35
65.5	46,695	694	0.0149	0.9851	18.74
66.5	46,952	117	0.0025	0.9975	18.46
67.5	46,835	21,573	0.4606	0.5394	18.41
68.5	25,188		0.0000	1.0000	9.93
69.5	29,036		0.0000	1.0000	9.93
70.5	29,036		0.0000	1.0000	9.93
71.5	29,036		0.0000	1.0000	9.93
72.5	29,036		0.0000	1.0000	9.93
73.5	29,036		0.0000	1.0000	9.93
74.5	29,036		0.0000	1.0000	9.93
75.5	32,457		0.0000	1.0000	9.93
76.5	32,457		0.0000	1.0000	9.93
77.5	37,101	1,063	0.0287	0.9713	9.93
78.5	36,038	355	0.0098	0.9902	9.65

AQUA PENNSYLVANIA, INC.

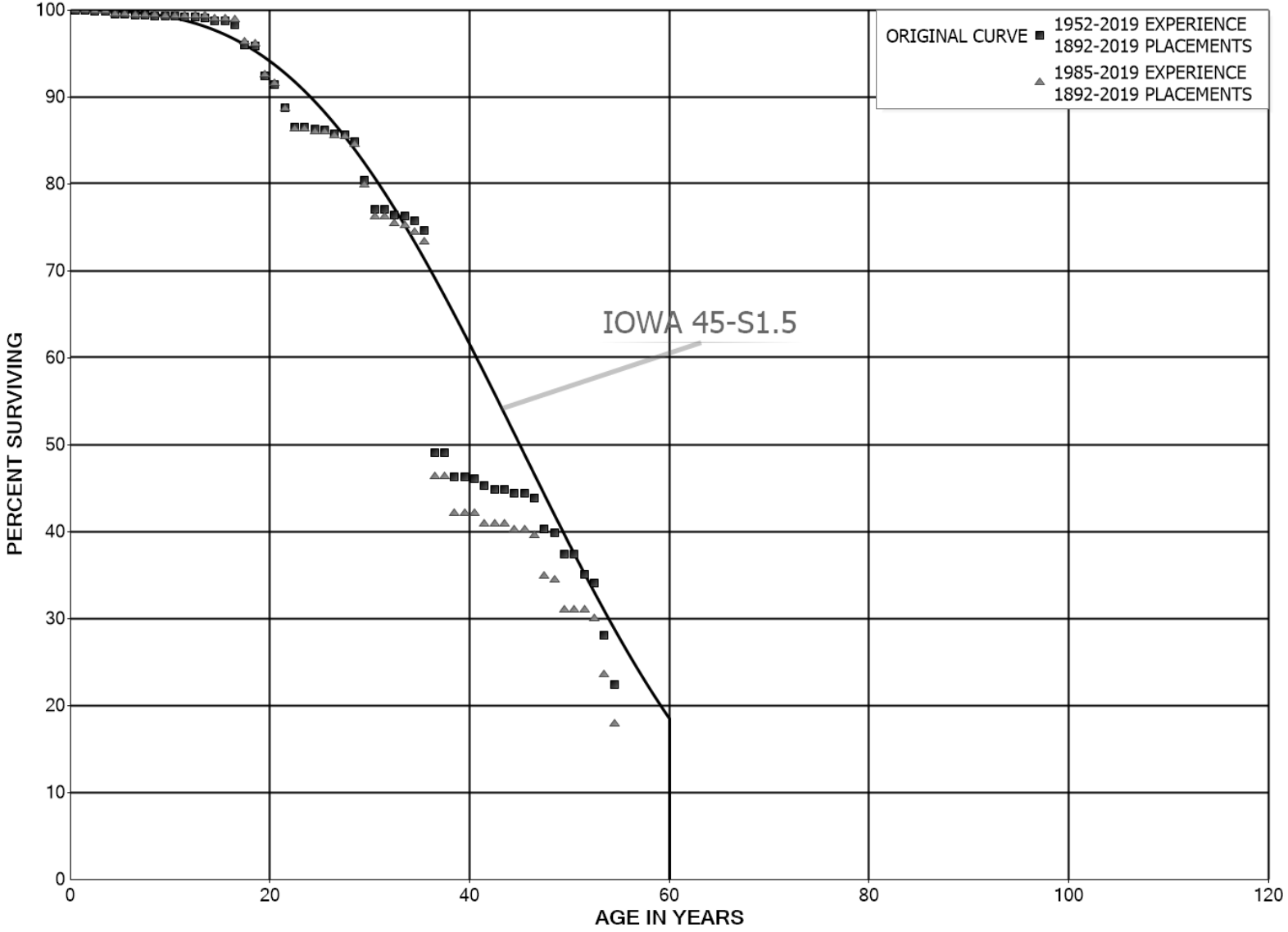
ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	35,683	200	0.0056	0.9944	9.55
80.5	35,483	431	0.0121	0.9879	9.50
81.5	35,052	400	0.0114	0.9886	9.38
82.5	34,652	52	0.0015	0.9985	9.28
83.5	34,600		0.0000	1.0000	9.26
84.5	34,600	42	0.0012	0.9988	9.26
85.5	34,558	3,695	0.1069	0.8931	9.25
86.5	30,862	694	0.0225	0.9775	8.26
87.5	30,169		0.0000	1.0000	8.08
88.5	30,169		0.0000	1.0000	8.08
89.5	30,169	68	0.0022	0.9978	8.08
90.5	30,101	18,901	0.6279	0.3721	8.06
91.5	11,200		0.0000	1.0000	3.00
92.5	11,200		0.0000	1.0000	3.00
93.5	11,880	309	0.0260	0.9740	3.00
94.5	11,571		0.0000	1.0000	2.92
95.5	11,571		0.0000	1.0000	2.92
96.5	11,571		0.0000	1.0000	2.92
97.5	11,571	578	0.0499	0.9501	2.92
98.5	10,352	872	0.0843	0.9157	2.77
99.5	9,480	1,901	0.2005	0.7995	2.54
100.5	7,579	476	0.0628	0.9372	2.03
101.5	7,103		0.0000	1.0000	1.90
102.5	7,103		0.0000	1.0000	1.90
103.5	7,103	681	0.0959	0.9041	1.90
104.5	6,402		0.0000	1.0000	1.72
105.5	6,402	1,501	0.2345	0.7655	1.72
106.5	4,901		0.0000	1.0000	1.32
107.5	4,901	158	0.0322	0.9678	1.32
108.5	4,743	30	0.0063	0.9937	1.27
109.5	4,713		0.0000	1.0000	1.27
110.5	2,823		0.0000	1.0000	1.27
111.5	2,823		0.0000	1.0000	1.27
112.5					1.27

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	35,224,769		0.0000	1.0000	100.00
0.5	34,332,019	9,812	0.0003	0.9997	100.00
1.5	33,685,424	34,674	0.0010	0.9990	99.97
2.5	30,418,121	363	0.0000	1.0000	99.87
3.5	29,448,197	101,262	0.0034	0.9966	99.87
4.5	27,600,908	15,375	0.0006	0.9994	99.52
5.5	26,475,228	28,938	0.0011	0.9989	99.47
6.5	25,528,188	3,512	0.0001	0.9999	99.36
7.5	20,886,726	2,668	0.0001	0.9999	99.35
8.5	20,196,186	7,926	0.0004	0.9996	99.33
9.5	18,605,538	7,712	0.0004	0.9996	99.29
10.5	10,691,872	9,544	0.0009	0.9991	99.25
11.5	6,305,861	349	0.0001	0.9999	99.16
12.5	4,054,749	4,007	0.0010	0.9990	99.16
13.5	3,906,395	14,759	0.0038	0.9962	99.06
14.5	3,715,591	390	0.0001	0.9999	98.69
15.5	3,681,051	15,997	0.0043	0.9957	98.68
16.5	3,523,286	81,955	0.0233	0.9767	98.25
17.5	3,428,097	5,669	0.0017	0.9983	95.96
18.5	3,273,171	114,771	0.0351	0.9649	95.80
19.5	3,178,192	36,216	0.0114	0.9886	92.44
20.5	3,080,894	90,279	0.0293	0.9707	91.39
21.5	2,909,148	70,797	0.0243	0.9757	88.71
22.5	2,843,475	873	0.0003	0.9997	86.55
23.5	2,836,263	8,284	0.0029	0.9971	86.53
24.5	2,840,909	3,736	0.0013	0.9987	86.27
25.5	2,747,261	13,470	0.0049	0.9951	86.16
26.5	2,716,990	5,342	0.0020	0.9980	85.74
27.5	2,665,945	23,143	0.0087	0.9913	85.57
28.5	2,474,272	129,467	0.0523	0.9477	84.83
29.5	2,270,019	94,936	0.0418	0.9582	80.39
30.5	2,081,100		0.0000	1.0000	77.03
31.5	1,278,013	10,813	0.0085	0.9915	77.03
32.5	1,160,170	2,188	0.0019	0.9981	76.38
33.5	678,132	4,740	0.0070	0.9930	76.23
34.5	572,895	8,101	0.0141	0.9859	75.70
35.5	558,360	190,903	0.3419	0.6581	74.63
36.5	240,605	50	0.0002	0.9998	49.11
37.5	108,650	6,129	0.0564	0.9436	49.10
38.5	98,906		0.0000	1.0000	46.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	98,596	468	0.0048	0.9952	46.33
40.5	109,188	1,892	0.0173	0.9827	46.11
41.5	106,986	1,003	0.0094	0.9906	45.31
42.5	103,461		0.0000	1.0000	44.89
43.5	102,092	1,086	0.0106	0.9894	44.89
44.5	100,071	94	0.0009	0.9991	44.41
45.5	101,754	1,301	0.0128	0.9872	44.37
46.5	99,548	8,046	0.0808	0.9192	43.80
47.5	89,644	909	0.0101	0.9899	40.26
48.5	77,177	4,748	0.0615	0.9385	39.85
49.5	55,759		0.0000	1.0000	37.40
50.5	53,406	3,360	0.0629	0.9371	37.40
51.5	39,957	1,170	0.0293	0.9707	35.05
52.5	42,364	7,480	0.1766	0.8234	34.02
53.5	39,758	7,928	0.1994	0.8006	28.02
54.5	34,377	2,437	0.0709	0.9291	22.43
55.5	30,594		0.0000	1.0000	20.84
56.5	30,594		0.0000	1.0000	20.84
57.5	30,594		0.0000	1.0000	20.84
58.5	27,597		0.0000	1.0000	20.84
59.5	32,507		0.0000	1.0000	20.84
60.5	32,507	1,010	0.0311	0.9689	20.84
61.5	31,496	552	0.0175	0.9825	20.19
62.5	30,945		0.0000	1.0000	19.84
63.5	30,945	100	0.0032	0.9968	19.84
64.5	30,845	75	0.0024	0.9976	19.77
65.5	30,770		0.0000	1.0000	19.72
66.5	30,770		0.0000	1.0000	19.72
67.5	30,770		0.0000	1.0000	19.72
68.5	30,770		0.0000	1.0000	19.72
69.5	30,770	679	0.0221	0.9779	19.72
70.5	29,601	1,877	0.0634	0.9366	19.29
71.5	23,072	664	0.0288	0.9712	18.07
72.5	22,263	573	0.0257	0.9743	17.55
73.5	21,690	4,520	0.2084	0.7916	17.09
74.5	16,891	4,120	0.2439	0.7561	13.53
75.5	12,771		0.0000	1.0000	10.23
76.5	9,981		0.0000	1.0000	10.23
77.5	9,981		0.0000	1.0000	10.23
78.5	17,103		0.0000	1.0000	10.23

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	16,349		0.0000	1.0000	10.23
80.5	7,097		0.0000	1.0000	10.23
81.5	6,830		0.0000	1.0000	10.23
82.5	4,458	599	0.1343	0.8657	10.23
83.5	3,859		0.0000	1.0000	8.86
84.5	3,859		0.0000	1.0000	8.86
85.5	3,859		0.0000	1.0000	8.86
86.5	3,859		0.0000	1.0000	8.86
87.5	3,859		0.0000	1.0000	8.86
88.5	3,859		0.0000	1.0000	8.86
89.5	3,859		0.0000	1.0000	8.86
90.5	3,859		0.0000	1.0000	8.86
91.5	3,859		0.0000	1.0000	8.86
92.5	3,859		0.0000	1.0000	8.86
93.5	3,859		0.0000	1.0000	8.86
94.5	3,859		0.0000	1.0000	8.86
95.5	3,859		0.0000	1.0000	8.86
96.5	3,859		0.0000	1.0000	8.86
97.5	3,859		0.0000	1.0000	8.86
98.5	3,859		0.0000	1.0000	8.86
99.5	3,859		0.0000	1.0000	8.86
100.5	3,859		0.0000	1.0000	8.86
101.5	3,859		0.0000	1.0000	8.86
102.5	3,859		0.0000	1.0000	8.86
103.5	3,859		0.0000	1.0000	8.86
104.5	3,859		0.0000	1.0000	8.86
105.5	3,859		0.0000	1.0000	8.86
106.5	3,859		0.0000	1.0000	8.86
107.5	3,859		0.0000	1.0000	8.86
108.5	3,859		0.0000	1.0000	8.86
109.5	3,859	2,509	0.6502	0.3498	8.86
110.5	1,350		0.0000	1.0000	3.10
111.5	1,350		0.0000	1.0000	3.10
112.5	1,350		0.0000	1.0000	3.10
113.5	1,350		0.0000	1.0000	3.10
114.5	1,350		0.0000	1.0000	3.10
115.5	1,350		0.0000	1.0000	3.10
116.5	1,350		0.0000	1.0000	3.10
117.5	1,350		0.0000	1.0000	3.10
118.5	1,350		0.0000	1.0000	3.10

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	1,350		0.0000	1.0000	3.10
120.5	1,350		0.0000	1.0000	3.10
121.5	1,350		0.0000	1.0000	3.10
122.5	1,350		0.0000	1.0000	3.10
123.5	1,350	185	0.1370	0.8630	3.10
124.5	1,165		0.0000	1.0000	2.67
125.5	1,165		0.0000	1.0000	2.67
126.5	1,165		0.0000	1.0000	2.67
127.5					2.67

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	34,653,175		0.0000	1.0000	100.00
0.5	33,780,871	4,238	0.0001	0.9999	100.00
1.5	33,015,560	33,187	0.0010	0.9990	99.99
2.5	29,806,344		0.0000	1.0000	99.89
3.5	28,849,310	101,262	0.0035	0.9965	99.89
4.5	27,045,897	15,299	0.0006	0.9994	99.54
5.5	25,955,312	28,938	0.0011	0.9989	99.48
6.5	25,029,753	3,512	0.0001	0.9999	99.37
7.5	20,472,849	2,668	0.0001	0.9999	99.36
8.5	19,785,692	4,149	0.0002	0.9998	99.34
9.5	18,208,136	6,185	0.0003	0.9997	99.32
10.5	10,301,489	1,267	0.0001	0.9999	99.29
11.5	5,923,612	0	0.0000	1.0000	99.28
12.5	3,675,526		0.0000	1.0000	99.28
13.5	3,548,610	10,255	0.0029	0.9971	99.28
14.5	3,371,378		0.0000	1.0000	98.99
15.5	3,341,999	6,437	0.0019	0.9981	98.99
16.5	3,200,385	81,900	0.0256	0.9744	98.80
17.5	3,109,646	5,669	0.0018	0.9982	96.27
18.5	3,030,275	113,817	0.0376	0.9624	96.09
19.5	2,935,323	32,571	0.0111	0.9889	92.48
20.5	2,859,688	89,275	0.0312	0.9688	91.46
21.5	2,688,945	70,797	0.0263	0.9737	88.60
22.5	2,610,851	873	0.0003	0.9997	86.27
23.5	2,598,094	8,284	0.0032	0.9968	86.24
24.5	2,593,176	1,199	0.0005	0.9995	85.97
25.5	2,500,756	13,434	0.0054	0.9946	85.93
26.5	2,471,297	3,126	0.0013	0.9987	85.47
27.5	2,421,608	23,143	0.0096	0.9904	85.36
28.5	2,232,233	123,764	0.0554	0.9446	84.54
29.5	2,033,871	94,700	0.0466	0.9534	79.85
30.5	1,845,187		0.0000	1.0000	76.14
31.5	1,042,305	10,813	0.0104	0.9896	76.14
32.5	924,987	2,188	0.0024	0.9976	75.35
33.5	448,653	4,740	0.0106	0.9894	75.17
34.5	531,404	8,101	0.0152	0.9848	74.37
35.5	517,359	190,215	0.3677	0.6323	73.24
36.5	200,292		0.0000	1.0000	46.31
37.5	65,998	6,129	0.0929	0.9071	46.31
38.5	56,254		0.0000	1.0000	42.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	56,700		0.0000	1.0000	42.01
40.5	67,760	1,892	0.0279	0.9721	42.01
41.5	75,458	0	0.0000	1.0000	40.84
42.5	72,936		0.0000	1.0000	40.84
43.5	71,567	1,086	0.0152	0.9848	40.84
44.5	70,299		0.0000	1.0000	40.22
45.5	69,945	1,301	0.0186	0.9814	40.22
46.5	69,005	8,046	0.1166	0.8834	39.47
47.5	60,959	909	0.0149	0.9851	34.87
48.5	48,492	4,748	0.0979	0.9021	34.35
49.5	40,150		0.0000	1.0000	30.99
50.5	37,797	59	0.0016	0.9984	30.99
51.5	36,244	1,170	0.0323	0.9677	30.94
52.5	35,075	7,480	0.2133	0.7867	29.94
53.5	32,469	7,928	0.2442	0.7558	23.55
54.5	24,540	2,437	0.0993	0.9007	17.80
55.5	20,757		0.0000	1.0000	16.03
56.5	20,757		0.0000	1.0000	16.03
57.5	20,757		0.0000	1.0000	16.03
58.5	18,359		0.0000	1.0000	16.03
59.5	18,359		0.0000	1.0000	16.03
60.5	19,342		0.0000	1.0000	16.03
61.5	19,342	552	0.0285	0.9715	16.03
62.5	18,790		0.0000	1.0000	15.58
63.5	18,790		0.0000	1.0000	15.58
64.5	18,790		0.0000	1.0000	15.58
65.5	18,790		0.0000	1.0000	15.58
66.5	18,790		0.0000	1.0000	15.58
67.5	18,790		0.0000	1.0000	15.58
68.5	18,790		0.0000	1.0000	15.58
69.5	18,790	679	0.0361	0.9639	15.58
70.5	17,621	1,877	0.1065	0.8935	15.01
71.5	11,092	664	0.0599	0.9401	13.41
72.5	10,283	516	0.0502	0.9498	12.61
73.5	9,767	4,520	0.4627	0.5373	11.98
74.5	4,969	560	0.1128	0.8872	6.44
75.5	4,408		0.0000	1.0000	5.71
76.5	1,619		0.0000	1.0000	5.71
77.5	1,619		0.0000	1.0000	5.71
78.5	10,871		0.0000	1.0000	5.71

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	10,118		0.0000	1.0000	5.71
80.5	865		0.0000	1.0000	5.71
81.5	599		0.0000	1.0000	5.71
82.5	599	599	1.0000		5.71
83.5					
84.5					
85.5	2,509		0.0000		
86.5	2,509		0.0000		
87.5	2,509		0.0000		
88.5	2,509		0.0000		
89.5	2,509		0.0000		
90.5	2,509		0.0000		
91.5	2,509		0.0000		
92.5	3,859		0.0000		
93.5	3,859		0.0000		
94.5	3,859		0.0000		
95.5	3,859		0.0000		
96.5	3,859		0.0000		
97.5	3,859		0.0000		
98.5	3,859		0.0000		
99.5	3,859		0.0000		
100.5	3,859		0.0000		
101.5	3,859		0.0000		
102.5	3,859		0.0000		
103.5	3,859		0.0000		
104.5	3,859		0.0000		
105.5	3,859		0.0000		
106.5	3,859		0.0000		
107.5	3,859		0.0000		
108.5	3,859		0.0000		
109.5	3,859	2,509	0.6502		
110.5	1,350		0.0000		
111.5	1,350		0.0000		
112.5	1,350		0.0000		
113.5	1,350		0.0000		
114.5	1,350		0.0000		
115.5	1,350		0.0000		
116.5	1,350		0.0000		
117.5	1,350		0.0000		
118.5	1,350		0.0000		

AQUA PENNSYLVANIA, INC.

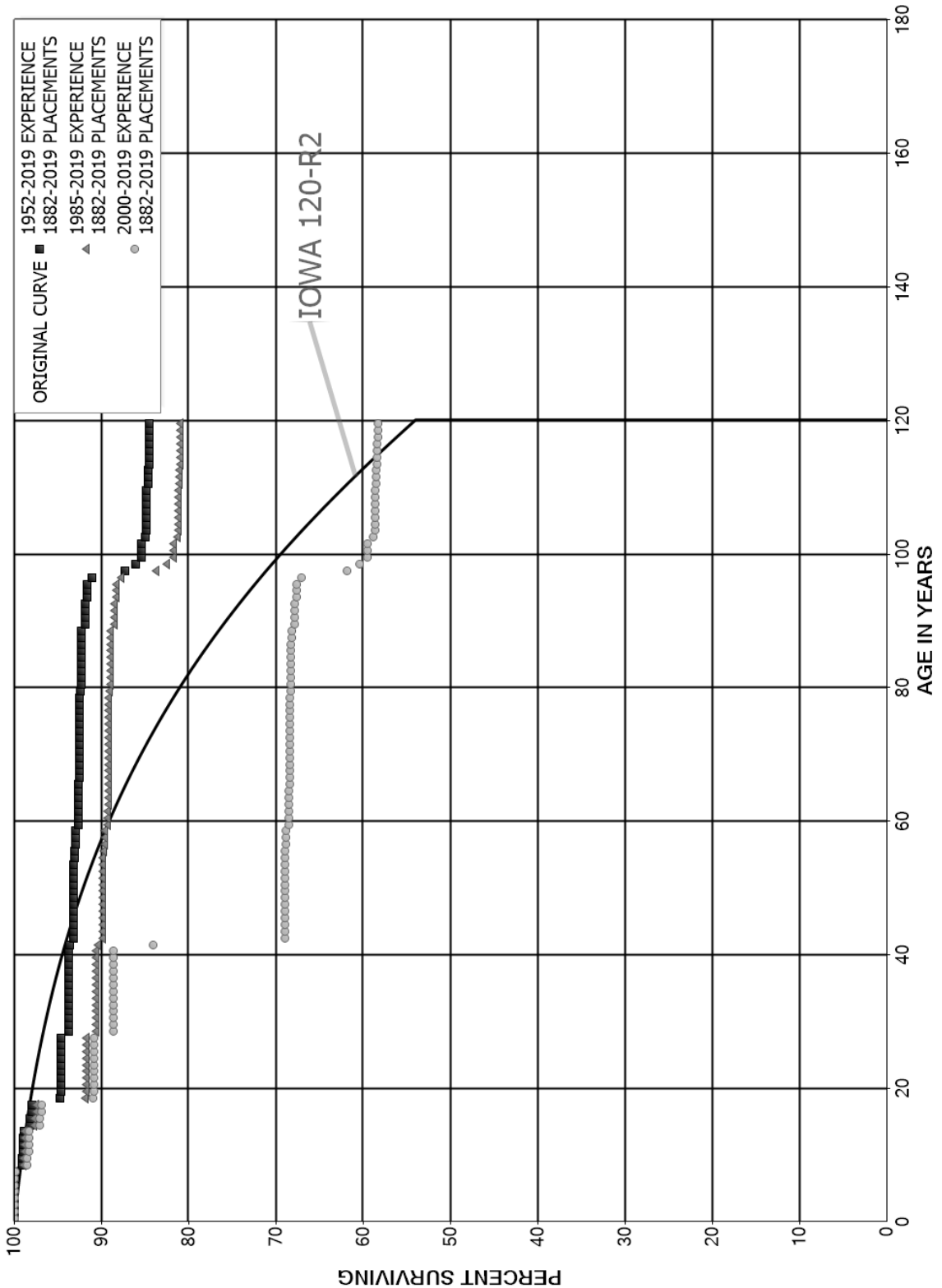
ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	1,350		0.0000		
120.5	1,350		0.0000		
121.5	1,350		0.0000		
122.5	1,350		0.0000		
123.5	1,350	185	0.1370		
124.5	1,165		0.0000		
125.5	1,165		0.0000		
126.5	1,165		0.0000		
127.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	34,664,711		0.0000	1.0000	100.00
0.5	32,915,463	1,339	0.0000	1.0000	100.00
1.5	32,721,063	52	0.0000	1.0000	100.00
2.5	30,252,074	2,643	0.0001	0.9999	100.00
3.5	30,659,145	752	0.0000	1.0000	99.99
4.5	29,620,781	26,998	0.0009	0.9991	99.98
5.5	29,482,316	9,403	0.0003	0.9997	99.89
6.5	27,404,140	18,616	0.0007	0.9993	99.86
7.5	27,209,659	212,730	0.0078	0.9922	99.79
8.5	25,331,664	619	0.0000	1.0000	99.01
9.5	24,819,078	19,721	0.0008	0.9992	99.01
10.5	23,034,503	9,029	0.0004	0.9996	98.93
11.5	22,369,295		0.0000	1.0000	98.89
12.5	21,142,274	4,315	0.0002	0.9998	98.89
13.5	19,852,619	144,612	0.0073	0.9927	98.87
14.5	18,987,566	41	0.0000	1.0000	98.15
15.5	18,778,070	28,972	0.0015	0.9985	98.15
16.5	15,905,306	1,506	0.0001	0.9999	98.00
17.5	15,517,796	524,302	0.0338	0.9662	97.99
18.5	14,564,187	5,047	0.0003	0.9997	94.68
19.5	14,802,274		0.0000	1.0000	94.65
20.5	13,838,017		0.0000	1.0000	94.65
21.5	13,788,522		0.0000	1.0000	94.65
22.5	13,912,191	420	0.0000	1.0000	94.65
23.5	13,845,700		0.0000	1.0000	94.65
24.5	14,370,354		0.0000	1.0000	94.65
25.5	13,658,323	76	0.0000	1.0000	94.65
26.5	13,517,045	52	0.0000	1.0000	94.65
27.5	13,851,959	128,978	0.0093	0.9907	94.64
28.5	14,016,582	1,172	0.0001	0.9999	93.76
29.5	13,027,387	431	0.0000	1.0000	93.76
30.5	12,964,979		0.0000	1.0000	93.75
31.5	12,945,500	3,293	0.0003	0.9997	93.75
32.5	12,940,714		0.0000	1.0000	93.73
33.5	11,418,186	71	0.0000	1.0000	93.73
34.5	9,896,371	2,350	0.0002	0.9998	93.73
35.5	9,913,293	559	0.0001	0.9999	93.71
36.5	9,890,871		0.0000	1.0000	93.70
37.5	9,929,578	184	0.0000	1.0000	93.70
38.5	9,845,781	770	0.0001	0.9999	93.70

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	9,903,774		0.0000	1.0000	93.69
40.5	9,908,430	11,127	0.0011	0.9989	93.69
41.5	9,919,444	38,549	0.0039	0.9961	93.59
42.5	9,918,146	556	0.0001	0.9999	93.22
43.5	9,919,627		0.0000	1.0000	93.22
44.5	9,919,451		0.0000	1.0000	93.22
45.5	9,814,162	400	0.0000	1.0000	93.22
46.5	9,800,605		0.0000	1.0000	93.21
47.5	9,820,741		0.0000	1.0000	93.21
48.5	9,820,741		0.0000	1.0000	93.21
49.5	9,840,988		0.0000	1.0000	93.21
50.5	9,840,988	2,400	0.0002	0.9998	93.21
51.5	9,834,536	4,757	0.0005	0.9995	93.19
52.5	9,871,245	2,109	0.0002	0.9998	93.15
53.5	9,871,638	2,118	0.0002	0.9998	93.13
54.5	9,863,907	2,269	0.0002	0.9998	93.11
55.5	10,011,396	11,846	0.0012	0.9988	93.08
56.5	9,997,864		0.0000	1.0000	92.97
57.5	10,014,343	431	0.0000	1.0000	92.97
58.5	10,011,298	36,878	0.0037	0.9963	92.97
59.5	9,977,004	2,650	0.0003	0.9997	92.63
60.5	9,968,122	25	0.0000	1.0000	92.60
61.5	9,955,921	1,313	0.0001	0.9999	92.60
62.5	4,529,446		0.0000	1.0000	92.59
63.5	4,592,534		0.0000	1.0000	92.59
64.5	4,594,208	451	0.0001	0.9999	92.59
65.5	4,598,821	1,271	0.0003	0.9997	92.58
66.5	4,605,893		0.0000	1.0000	92.56
67.5	4,605,836		0.0000	1.0000	92.56
68.5	4,598,796		0.0000	1.0000	92.56
69.5	4,620,625		0.0000	1.0000	92.56
70.5	4,620,625	38	0.0000	1.0000	92.56
71.5	4,620,554	107	0.0000	1.0000	92.56
72.5	4,615,791	107	0.0000	1.0000	92.55
73.5	4,611,205	280	0.0001	0.9999	92.55
74.5	4,553,015	834	0.0002	0.9998	92.55
75.5	4,551,349	2,867	0.0006	0.9994	92.53
76.5	3,664,266		0.0000	1.0000	92.47
77.5	3,609,536		0.0000	1.0000	92.47
78.5	3,603,313	3,662	0.0010	0.9990	92.47

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	3,595,082	1,841	0.0005	0.9995	92.38
80.5	3,281,096	265	0.0001	0.9999	92.33
81.5	3,272,223		0.0000	1.0000	92.32
82.5	3,184,559	113	0.0000	1.0000	92.32
83.5	3,161,344		0.0000	1.0000	92.32
84.5	3,135,781	34	0.0000	1.0000	92.32
85.5	3,073,949	201	0.0001	0.9999	92.32
86.5	3,073,749	1,073	0.0003	0.9997	92.31
87.5	1,424,498		0.0000	1.0000	92.28
88.5	1,390,661	6,868	0.0049	0.9951	92.28
89.5	1,383,793		0.0000	1.0000	91.82
90.5	1,383,793		0.0000	1.0000	91.82
91.5	1,383,793		0.0000	1.0000	91.82
92.5	1,362,117	2,369	0.0017	0.9983	91.82
93.5	1,359,748		0.0000	1.0000	91.66
94.5	1,359,311		0.0000	1.0000	91.66
95.5	967,425	5,913	0.0061	0.9939	91.66
96.5	567,328	24,042	0.0424	0.9576	91.10
97.5	543,286	7,448	0.0137	0.9863	87.24
98.5	514,738	4,098	0.0080	0.9920	86.05
99.5	420,046		0.0000	1.0000	85.36
100.5	422,646		0.0000	1.0000	85.36
101.5	422,646	2,168	0.0051	0.9949	85.36
102.5	432,433	636	0.0015	0.9985	84.92
103.5	398,584		0.0000	1.0000	84.80
104.5	381,458		0.0000	1.0000	84.80
105.5	381,458		0.0000	1.0000	84.80
106.5	381,458		0.0000	1.0000	84.80
107.5	320,984	32	0.0001	0.9999	84.80
108.5	320,952		0.0000	1.0000	84.79
109.5	320,952	503	0.0016	0.9984	84.79
110.5	283,733		0.0000	1.0000	84.66
111.5	279,389		0.0000	1.0000	84.66
112.5	279,389	443	0.0016	0.9984	84.66
113.5	270,253		0.0000	1.0000	84.52
114.5	270,253		0.0000	1.0000	84.52
115.5	250,519		0.0000	1.0000	84.52
116.5	250,519	107	0.0004	0.9996	84.52
117.5	225,138		0.0000	1.0000	84.49
118.5	225,138	0	0.0000	1.0000	84.49

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	224,388	524	0.0023	0.9977	84.49
120.5	223,864		0.0000	1.0000	84.29
121.5	223,864	1,633	0.0073	0.9927	84.29
122.5	222,231	140	0.0006	0.9994	83.67
123.5	68,007	2,585	0.0380	0.9620	83.62
124.5	65,422		0.0000	1.0000	80.44
125.5	65,422		0.0000	1.0000	80.44
126.5	65,422		0.0000	1.0000	80.44
127.5	65,422	7	0.0001	0.9999	80.44
128.5	57,884		0.0000	1.0000	80.44
129.5	57,884		0.0000	1.0000	80.44
130.5	57,884		0.0000	1.0000	80.44
131.5	57,884		0.0000	1.0000	80.44
132.5	44,593		0.0000	1.0000	80.44
133.5	38,120		0.0000	1.0000	80.44
134.5	26,165		0.0000	1.0000	80.44
135.5	26,165		0.0000	1.0000	80.44
136.5	26,165		0.0000	1.0000	80.44
137.5					80.44

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	28,496,447		0.0000	1.0000	100.00
0.5	26,878,450		0.0000	1.0000	100.00
1.5	26,702,385		0.0000	1.0000	100.00
2.5	24,295,873		0.0000	1.0000	100.00
3.5	24,909,977		0.0000	1.0000	100.00
4.5	23,874,776	4,171	0.0002	0.9998	100.00
5.5	23,760,288	9,403	0.0004	0.9996	99.98
6.5	21,663,211	18,616	0.0009	0.9991	99.94
7.5	21,468,121	211,739	0.0099	0.9901	99.86
8.5	18,707,760	0	0.0000	1.0000	98.87
9.5	18,193,157	19,721	0.0011	0.9989	98.87
10.5	16,507,698	9,029	0.0005	0.9995	98.77
11.5	15,853,121		0.0000	1.0000	98.71
12.5	14,622,373	4,315	0.0003	0.9997	98.71
13.5	13,324,109	144,612	0.0109	0.9891	98.68
14.5	12,449,010		0.0000	1.0000	97.61
15.5	12,212,047	28,701	0.0024	0.9976	97.61
16.5	9,321,692	0	0.0000	1.0000	97.38
17.5	8,980,563	524,302	0.0584	0.9416	97.38
18.5	8,016,964	3,412	0.0004	0.9996	91.70
19.5	6,601,148		0.0000	1.0000	91.66
20.5	5,604,341		0.0000	1.0000	91.66
21.5	5,563,653		0.0000	1.0000	91.66
22.5	5,395,883	420	0.0001	0.9999	91.66
23.5	5,332,384		0.0000	1.0000	91.65
24.5	5,752,658		0.0000	1.0000	91.65
25.5	5,064,348		0.0000	1.0000	91.65
26.5	4,937,690		0.0000	1.0000	91.65
27.5	10,315,905	128,978	0.0125	0.9875	91.65
28.5	10,085,572		0.0000	1.0000	90.50
29.5	9,098,379	180	0.0000	1.0000	90.50
30.5	9,013,988		0.0000	1.0000	90.50
31.5	8,856,850	3,293	0.0004	0.9996	90.50
32.5	8,840,090		0.0000	1.0000	90.47
33.5	7,324,603		0.0000	1.0000	90.47
34.5	5,807,196		0.0000	1.0000	90.47
35.5	5,790,018	559	0.0001	0.9999	90.47
36.5	5,767,654		0.0000	1.0000	90.46
37.5	5,806,592	184	0.0000	1.0000	90.46
38.5	5,722,595		0.0000	1.0000	90.46

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,748,579		0.0000	1.0000	90.46
40.5	5,753,686	11,127	0.0019	0.9981	90.46
41.5	6,608,065	38,549	0.0058	0.9942	90.28
42.5	6,572,929		0.0000	1.0000	89.76
43.5	6,581,189		0.0000	1.0000	89.76
44.5	6,584,299		0.0000	1.0000	89.76
45.5	6,482,737		0.0000	1.0000	89.76
46.5	6,478,188		0.0000	1.0000	89.76
47.5	6,491,233		0.0000	1.0000	89.76
48.5	6,518,740		0.0000	1.0000	89.76
49.5	6,546,501		0.0000	1.0000	89.76
50.5	6,547,539		0.0000	1.0000	89.76
51.5	6,552,728	1,968	0.0003	0.9997	89.76
52.5	8,248,988	1,920	0.0002	0.9998	89.73
53.5	8,281,105	2,118	0.0003	0.9997	89.71
54.5	8,275,042	2,269	0.0003	0.9997	89.68
55.5	8,575,132	11,846	0.0014	0.9986	89.66
56.5	8,561,599		0.0000	1.0000	89.54
57.5	8,664,720	431	0.0000	1.0000	89.54
58.5	8,661,676	36,878	0.0043	0.9957	89.53
59.5	8,624,797	2,650	0.0003	0.9997	89.15
60.5	9,000,262	25	0.0000	1.0000	89.12
61.5	9,383,201	1,313	0.0001	0.9999	89.12
62.5	3,956,725		0.0000	1.0000	89.11
63.5	4,043,457		0.0000	1.0000	89.11
64.5	4,180,634	451	0.0001	0.9999	89.11
65.5	4,190,928		0.0000	1.0000	89.10
66.5	4,190,578		0.0000	1.0000	89.10
67.5	4,190,521		0.0000	1.0000	89.10
68.5	4,219,931		0.0000	1.0000	89.10
69.5	4,215,595		0.0000	1.0000	89.10
70.5	4,215,595	38	0.0000	1.0000	89.10
71.5	4,216,333	107	0.0000	1.0000	89.10
72.5	4,272,045	107	0.0000	1.0000	89.10
73.5	4,267,459	280	0.0001	0.9999	89.10
74.5	4,239,297	834	0.0002	0.9998	89.09
75.5	4,274,882	2,867	0.0007	0.9993	89.07
76.5	3,387,799		0.0000	1.0000	89.01
77.5	3,333,069		0.0000	1.0000	89.01
78.5	3,326,846	3,662	0.0011	0.9989	89.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	3,318,615	1,841	0.0006	0.9994	88.91
80.5	3,024,629	265	0.0001	0.9999	88.87
81.5	3,015,756		0.0000	1.0000	88.86
82.5	2,952,002	113	0.0000	1.0000	88.86
83.5	2,928,787		0.0000	1.0000	88.85
84.5	2,903,973	34	0.0000	1.0000	88.85
85.5	2,842,141	201	0.0001	0.9999	88.85
86.5	2,846,285	1,073	0.0004	0.9996	88.85
87.5	1,197,034		0.0000	1.0000	88.81
88.5	1,319,578	6,868	0.0052	0.9948	88.81
89.5	1,312,710		0.0000	1.0000	88.35
90.5	1,329,836		0.0000	1.0000	88.35
91.5	1,329,836		0.0000	1.0000	88.35
92.5	1,310,745	2,369	0.0018	0.9982	88.35
93.5	1,315,914		0.0000	1.0000	88.19
94.5	1,315,476		0.0000	1.0000	88.19
95.5	923,591	5,913	0.0064	0.9936	88.19
96.5	523,494	24,042	0.0459	0.9541	87.63
97.5	501,956	7,448	0.0148	0.9852	83.60
98.5	479,881	4,098	0.0085	0.9915	82.36
99.5	393,881		0.0000	1.0000	81.66
100.5	396,481		0.0000	1.0000	81.66
101.5	396,481	2,168	0.0055	0.9945	81.66
102.5	432,433	636	0.0015	0.9985	81.21
103.5	398,584		0.0000	1.0000	81.09
104.5	381,458		0.0000	1.0000	81.09
105.5	381,458		0.0000	1.0000	81.09
106.5	381,458		0.0000	1.0000	81.09
107.5	320,984	32	0.0001	0.9999	81.09
108.5	320,952		0.0000	1.0000	81.08
109.5	320,952	503	0.0016	0.9984	81.08
110.5	283,733		0.0000	1.0000	80.96
111.5	279,389		0.0000	1.0000	80.96
112.5	279,389	443	0.0016	0.9984	80.96
113.5	270,253		0.0000	1.0000	80.83
114.5	270,253		0.0000	1.0000	80.83
115.5	250,519		0.0000	1.0000	80.83
116.5	250,519	107	0.0004	0.9996	80.83
117.5	225,138		0.0000	1.0000	80.79
118.5	225,138	0	0.0000	1.0000	80.79

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	224,388	524	0.0023	0.9977	80.79
120.5	223,864		0.0000	1.0000	80.61
121.5	223,864	1,633	0.0073	0.9927	80.61
122.5	222,231	140	0.0006	0.9994	80.02
123.5	68,007	2,585	0.0380	0.9620	79.97
124.5	65,422		0.0000	1.0000	76.93
125.5	65,422		0.0000	1.0000	76.93
126.5	65,422		0.0000	1.0000	76.93
127.5	65,422	7	0.0001	0.9999	76.93
128.5	57,884		0.0000	1.0000	76.92
129.5	57,884		0.0000	1.0000	76.92
130.5	57,884		0.0000	1.0000	76.92
131.5	57,884		0.0000	1.0000	76.92
132.5	44,593		0.0000	1.0000	76.92
133.5	38,120		0.0000	1.0000	76.92
134.5	26,165		0.0000	1.0000	76.92
135.5	26,165		0.0000	1.0000	76.92
136.5	26,165		0.0000	1.0000	76.92
137.5					76.92

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	21,013,585		0.0000	1.0000	100.00
0.5	20,425,275		0.0000	1.0000	100.00
1.5	20,246,447		0.0000	1.0000	100.00
2.5	18,162,610		0.0000	1.0000	100.00
3.5	18,219,120		0.0000	1.0000	100.00
4.5	17,379,439	4,171	0.0002	0.9998	100.00
5.5	17,991,231	8,871	0.0005	0.9995	99.98
6.5	16,026,731	18,616	0.0012	0.9988	99.93
7.5	15,823,858	211,739	0.0134	0.9866	99.81
8.5	13,145,845	0	0.0000	1.0000	98.48
9.5	13,196,286	19,721	0.0015	0.9985	98.48
10.5	12,332,972	2,511	0.0002	0.9998	98.33
11.5	11,828,652		0.0000	1.0000	98.31
12.5	11,140,487	810	0.0001	0.9999	98.31
13.5	11,365,209	144,612	0.0127	0.9873	98.30
14.5	12,008,991		0.0000	1.0000	97.05
15.5	11,789,206	28,701	0.0024	0.9976	97.05
16.5	8,907,154	0	0.0000	1.0000	96.81
17.5	8,576,092	524,302	0.0611	0.9389	96.81
18.5	7,816,915	3,412	0.0004	0.9996	90.89
19.5	6,393,905		0.0000	1.0000	90.86
20.5	5,395,224		0.0000	1.0000	90.86
21.5	5,362,610		0.0000	1.0000	90.86
22.5	5,194,700	420	0.0001	0.9999	90.86
23.5	5,132,909		0.0000	1.0000	90.85
24.5	5,553,960		0.0000	1.0000	90.85
25.5	4,957,218		0.0000	1.0000	90.85
26.5	4,830,564		0.0000	1.0000	90.85
27.5	4,773,646	119,059	0.0249	0.9751	90.85
28.5	4,553,047		0.0000	1.0000	88.58
29.5	3,567,886		0.0000	1.0000	88.58
30.5	3,482,266		0.0000	1.0000	88.58
31.5	3,338,339		0.0000	1.0000	88.58
32.5	3,370,785		0.0000	1.0000	88.58
33.5	1,848,257		0.0000	1.0000	88.58
34.5	332,125		0.0000	1.0000	88.58
35.5	318,580		0.0000	1.0000	88.58
36.5	297,801		0.0000	1.0000	88.58
37.5	290,515		0.0000	1.0000	88.58
38.5	208,246		0.0000	1.0000	88.58

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	206,535		0.0000	1.0000	88.58
40.5	220,306	11,127	0.0505	0.9495	88.58
41.5	214,566	38,549	0.1797	0.8203	84.11
42.5	5,647,186		0.0000	1.0000	69.00
43.5	5,649,223		0.0000	1.0000	69.00
44.5	5,649,878		0.0000	1.0000	69.00
45.5	5,546,455		0.0000	1.0000	69.00
46.5	5,533,648		0.0000	1.0000	69.00
47.5	5,533,784		0.0000	1.0000	69.00
48.5	5,540,825		0.0000	1.0000	69.00
49.5	5,541,498		0.0000	1.0000	69.00
50.5	5,541,498		0.0000	1.0000	69.00
51.5	5,536,755		0.0000	1.0000	69.00
52.5	5,534,278		0.0000	1.0000	69.00
53.5	5,534,887	678	0.0001	0.9999	69.00
54.5	5,556,291		0.0000	1.0000	68.99
55.5	5,550,119	10,886	0.0020	0.9980	68.99
56.5	6,412,210		0.0000	1.0000	68.85
57.5	6,463,807	254	0.0000	1.0000	68.85
58.5	6,467,163	31,205	0.0048	0.9952	68.85
59.5	6,438,860	2,650	0.0004	0.9996	68.52
60.5	6,425,708	25	0.0000	1.0000	68.49
61.5	6,422,115	1,313	0.0002	0.9998	68.49
62.5	1,006,649		0.0000	1.0000	68.48
63.5	1,034,744		0.0000	1.0000	68.48
64.5	1,059,664	451	0.0004	0.9996	68.48
65.5	1,121,098		0.0000	1.0000	68.45
66.5	1,130,738		0.0000	1.0000	68.45
67.5	2,781,238		0.0000	1.0000	68.45
68.5	2,808,235		0.0000	1.0000	68.45
69.5	2,805,566		0.0000	1.0000	68.45
70.5	3,114,548		0.0000	1.0000	68.45
71.5	3,114,516	107	0.0000	1.0000	68.45
72.5	3,213,520	107	0.0000	1.0000	68.44
73.5	3,208,934	280	0.0001	0.9999	68.44
74.5	3,180,772	834	0.0003	0.9997	68.44
75.5	3,570,991	1,308	0.0004	0.9996	68.42
76.5	3,080,607		0.0000	1.0000	68.39
77.5	3,028,420		0.0000	1.0000	68.39
78.5	3,043,297	3,662	0.0012	0.9988	68.39

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	3,173,074	1,841	0.0006	0.9994	68.31
80.5	2,869,643	265	0.0001	0.9999	68.27
81.5	2,860,771		0.0000	1.0000	68.27
82.5	2,773,540	113	0.0000	1.0000	68.27
83.5	2,786,165		0.0000	1.0000	68.26
84.5	2,760,602	34	0.0000	1.0000	68.26
85.5	2,698,108	201	0.0001	0.9999	68.26
86.5	2,697,907	1,073	0.0004	0.9996	68.26
87.5	1,109,131		0.0000	1.0000	68.23
88.5	1,075,294	6,868	0.0064	0.9936	68.23
89.5	1,068,426		0.0000	1.0000	67.79
90.5	1,105,677		0.0000	1.0000	67.79
91.5	1,105,677		0.0000	1.0000	67.79
92.5	1,084,002	2,369	0.0022	0.9978	67.79
93.5	1,081,633		0.0000	1.0000	67.65
94.5	1,081,195		0.0000	1.0000	67.65
95.5	709,487	5,913	0.0083	0.9917	67.65
96.5	309,390	24,042	0.0777	0.9223	67.08
97.5	310,729	7,448	0.0240	0.9760	61.87
98.5	282,180	4,098	0.0145	0.9855	60.39
99.5	188,238		0.0000	1.0000	59.51
100.5	180,051		0.0000	1.0000	59.51
101.5	184,395	2,168	0.0118	0.9882	59.51
102.5	182,227	636	0.0035	0.9965	58.81
103.5	304,759		0.0000	1.0000	58.60
104.5	304,759		0.0000	1.0000	58.60
105.5	304,759		0.0000	1.0000	58.60
106.5	304,759		0.0000	1.0000	58.60
107.5	246,869	32	0.0001	0.9999	58.60
108.5	254,376		0.0000	1.0000	58.60
109.5	254,376	503	0.0020	0.9980	58.60
110.5	217,156		0.0000	1.0000	58.48
111.5	212,812		0.0000	1.0000	58.48
112.5	226,103	443	0.0020	0.9980	58.48
113.5	232,133		0.0000	1.0000	58.37
114.5	244,089		0.0000	1.0000	58.37
115.5	224,354		0.0000	1.0000	58.37
116.5	224,354	107	0.0005	0.9995	58.37
117.5	225,138		0.0000	1.0000	58.34
118.5	225,138	0	0.0000	1.0000	58.34

AQUA PENNSYLVANIA, INC.

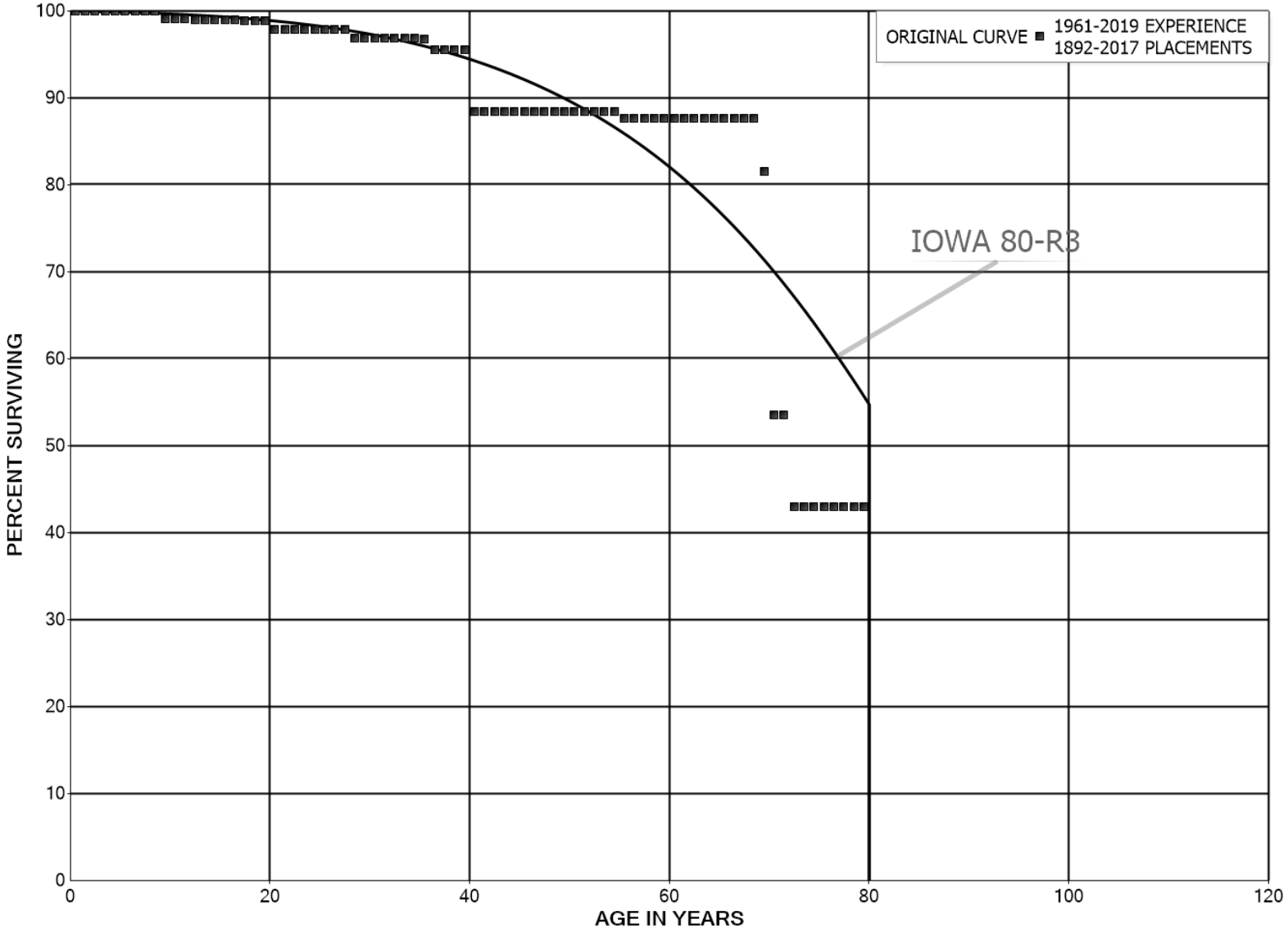
ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	224,388	524	0.0023	0.9977	58.34
120.5	223,864		0.0000	1.0000	58.20
121.5	223,864	1,633	0.0073	0.9927	58.20
122.5	222,231	140	0.0006	0.9994	57.78
123.5	68,007	2,585	0.0380	0.9620	57.74
124.5	65,422		0.0000	1.0000	55.55
125.5	65,422		0.0000	1.0000	55.55
126.5	65,422		0.0000	1.0000	55.55
127.5	65,422	7	0.0001	0.9999	55.55
128.5	57,884		0.0000	1.0000	55.54
129.5	57,884		0.0000	1.0000	55.54
130.5	57,884		0.0000	1.0000	55.54
131.5	57,884		0.0000	1.0000	55.54
132.5	44,593		0.0000	1.0000	55.54
133.5	38,120		0.0000	1.0000	55.54
134.5	26,165		0.0000	1.0000	55.54
135.5	26,165		0.0000	1.0000	55.54
136.5	26,165		0.0000	1.0000	55.54
137.5					55.54

AQUA PENNSYLVANIA, INC.
ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1892-2017 EXPERIENCE BAND 1961-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	18,350,099	0	0.0000	1.0000	100.00
0.5	18,350,927	0	0.0000	1.0000	100.00
1.5	18,480,733		0.0000	1.0000	100.00
2.5	18,395,765	1,901	0.0001	0.9999	100.00
3.5	16,334,737		0.0000	1.0000	99.99
4.5	16,205,438		0.0000	1.0000	99.99
5.5	16,182,709	197	0.0000	1.0000	99.99
6.5	16,090,835	7,448	0.0005	0.9995	99.99
7.5	15,856,546	3,177	0.0002	0.9998	99.94
8.5	14,623,563	118,884	0.0081	0.9919	99.92
9.5	7,356,882	5,022	0.0007	0.9993	99.11
10.5	7,254,848		0.0000	1.0000	99.04
11.5	7,059,322	4,865	0.0007	0.9993	99.04
12.5	7,040,581		0.0000	1.0000	98.97
13.5	6,999,825		0.0000	1.0000	98.97
14.5	6,979,716		0.0000	1.0000	98.97
15.5	6,763,071		0.0000	1.0000	98.97
16.5	6,462,231	7,614	0.0012	0.9988	98.97
17.5	6,331,361		0.0000	1.0000	98.86
18.5	6,191,309		0.0000	1.0000	98.86
19.5	4,821,704	48,723	0.0101	0.9899	98.86
20.5	4,536,798	652	0.0001	0.9999	97.86
21.5	4,332,439		0.0000	1.0000	97.84
22.5	4,269,497		0.0000	1.0000	97.84
23.5	3,957,456		0.0000	1.0000	97.84
24.5	3,803,954		0.0000	1.0000	97.84
25.5	3,933,955		0.0000	1.0000	97.84
26.5	3,901,404	579	0.0001	0.9999	97.84
27.5	3,900,605	39,668	0.0102	0.9898	97.83
28.5	3,844,896		0.0000	1.0000	96.83
29.5	2,922,577		0.0000	1.0000	96.83
30.5	2,108,168		0.0000	1.0000	96.83
31.5	2,204,930		0.0000	1.0000	96.83
32.5	2,204,930		0.0000	1.0000	96.83
33.5	2,204,930		0.0000	1.0000	96.83
34.5	2,193,785	1,656	0.0008	0.9992	96.83
35.5	1,805,521	23,459	0.0130	0.9870	96.76
36.5	1,779,829		0.0000	1.0000	95.50
37.5	1,769,938		0.0000	1.0000	95.50
38.5	1,677,121		0.0000	1.0000	95.50

AQUA PENNSYLVANIA, INC.

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2017 EXPERIENCE BAND 1961-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,677,121	124,690	0.0743	0.9257	95.50
40.5	1,545,422		0.0000	1.0000	88.40
41.5	1,545,422		0.0000	1.0000	88.40
42.5	1,545,422		0.0000	1.0000	88.40
43.5	1,545,422		0.0000	1.0000	88.40
44.5	1,545,422		0.0000	1.0000	88.40
45.5	1,544,593		0.0000	1.0000	88.40
46.5	1,543,776		0.0000	1.0000	88.40
47.5	1,305,086		0.0000	1.0000	88.40
48.5	751,266		0.0000	1.0000	88.40
49.5	751,266		0.0000	1.0000	88.40
50.5	477,194		0.0000	1.0000	88.40
51.5	476,670		0.0000	1.0000	88.40
52.5	480,020		0.0000	1.0000	88.40
53.5	480,020		0.0000	1.0000	88.40
54.5	480,020	4,445	0.0093	0.9907	88.40
55.5	378,708		0.0000	1.0000	87.59
56.5	368,866		0.0000	1.0000	87.59
57.5	328,834		0.0000	1.0000	87.59
58.5	47,584		0.0000	1.0000	87.59
59.5	20,096		0.0000	1.0000	87.59
60.5	20,096		0.0000	1.0000	87.59
61.5	20,096		0.0000	1.0000	87.59
62.5	4,355		0.0000	1.0000	87.59
63.5	4,355		0.0000	1.0000	87.59
64.5	4,355		0.0000	1.0000	87.59
65.5	4,355		0.0000	1.0000	87.59
66.5	4,355		0.0000	1.0000	87.59
67.5	4,355		0.0000	1.0000	87.59
68.5	5,516	383	0.0694	0.9306	87.59
69.5	5,133	1,763	0.3435	0.6565	81.51
70.5	3,370		0.0000	1.0000	53.51
71.5	3,370	662	0.1965	0.8035	53.51
72.5	2,708		0.0000	1.0000	43.00
73.5	2,708		0.0000	1.0000	43.00
74.5	2,708		0.0000	1.0000	43.00
75.5	2,708		0.0000	1.0000	43.00
76.5	2,708		0.0000	1.0000	43.00
77.5	1,493		0.0000	1.0000	43.00
78.5	1,493		0.0000	1.0000	43.00

AQUA PENNSYLVANIA, INC.

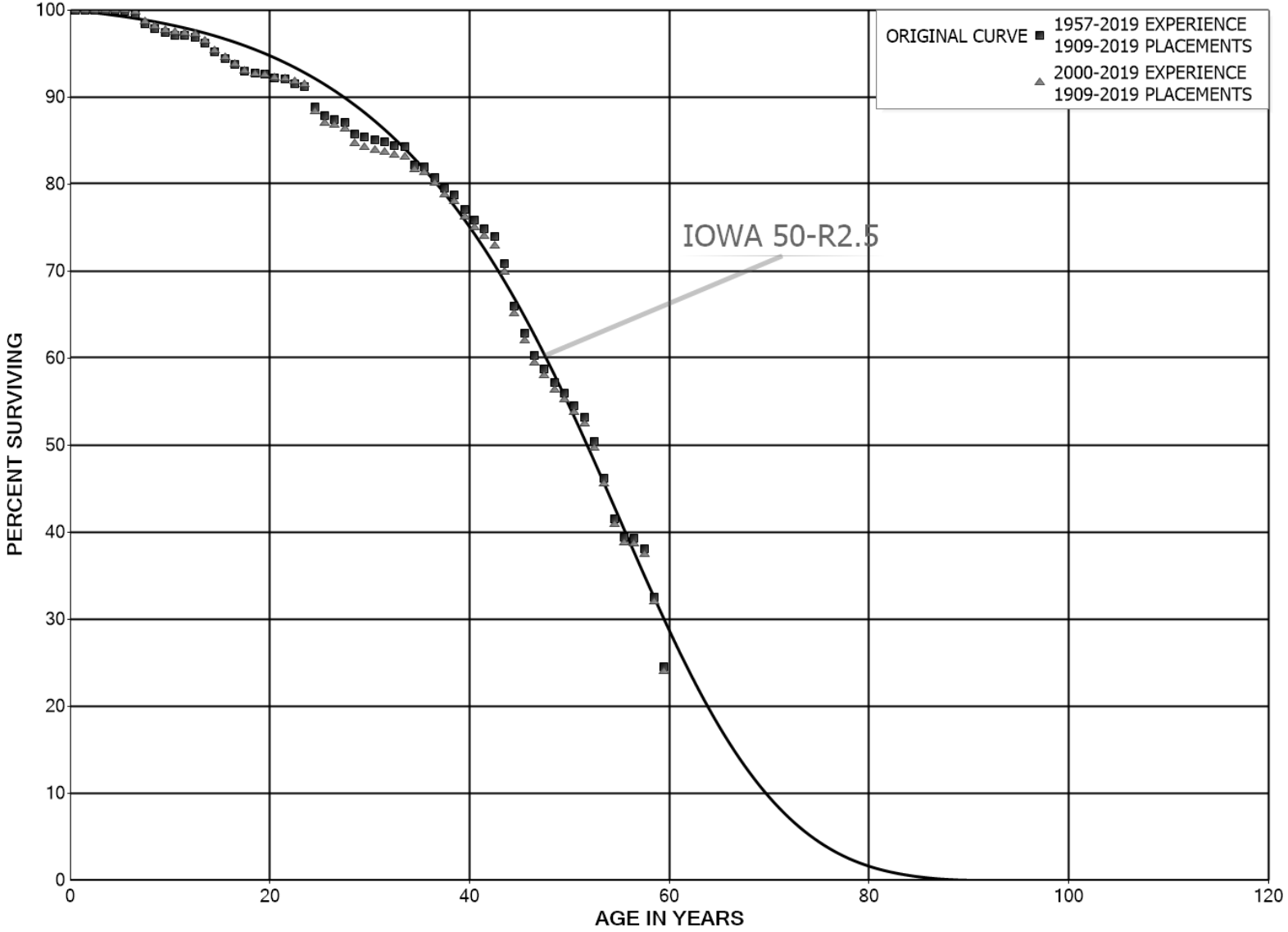
ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2017 EXPERIENCE BAND 1961-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,493		0.0000	1.0000	43.00
80.5	1,493		0.0000	1.0000	43.00
81.5	1,493		0.0000	1.0000	43.00
82.5	1,493	332	0.2222	0.7778	43.00
83.5	1,161		0.0000	1.0000	33.44
84.5	1,161		0.0000	1.0000	33.44
85.5	1,161		0.0000	1.0000	33.44
86.5	1,161		0.0000	1.0000	33.44
87.5	1,161		0.0000	1.0000	33.44
88.5	1,161		0.0000	1.0000	33.44
89.5	1,161		0.0000	1.0000	33.44
90.5	1,161		0.0000	1.0000	33.44
91.5	1,161		0.0000	1.0000	33.44
92.5	1,161		0.0000	1.0000	33.44
93.5	1,161		0.0000	1.0000	33.44
94.5	1,161		0.0000	1.0000	33.44
95.5	1,161		0.0000	1.0000	33.44
96.5	1,161		0.0000	1.0000	33.44
97.5	1,161		0.0000	1.0000	33.44
98.5	1,161		0.0000	1.0000	33.44
99.5	10,592		0.0000	1.0000	33.44
100.5	10,592		0.0000	1.0000	33.44
101.5	10,592		0.0000	1.0000	33.44
102.5	10,592	1,161	0.1097	0.8903	33.44
103.5	9,431	6,073	0.6439	0.3561	29.78
104.5	3,358		0.0000	1.0000	10.60
105.5	3,358		0.0000	1.0000	10.60
106.5	3,358		0.0000	1.0000	10.60
107.5	3,358		0.0000	1.0000	10.60
108.5	3,358		0.0000	1.0000	10.60
109.5	3,358		0.0000	1.0000	10.60
110.5					10.60

AQUA PENNSYLVANIA, INC.
ACCOUNT 307 WELLS AND SPRINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1957-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	82,717,650	2,681	0.0000	1.0000	100.00
0.5	76,444,894	3,167	0.0000	1.0000	100.00
1.5	72,384,063	44,183	0.0006	0.9994	99.99
2.5	55,672,143	8,810	0.0002	0.9998	99.93
3.5	54,057,850	7,006	0.0001	0.9999	99.92
4.5	45,637,266	53,082	0.0012	0.9988	99.90
5.5	45,198,826	114,321	0.0025	0.9975	99.79
6.5	44,201,019	511,142	0.0116	0.9884	99.53
7.5	38,979,145	227,650	0.0058	0.9942	98.38
8.5	36,735,023	159,438	0.0043	0.9957	97.81
9.5	32,028,385	107,690	0.0034	0.9966	97.38
10.5	28,978,326	9,744	0.0003	0.9997	97.06
11.5	24,216,173	49,508	0.0020	0.9980	97.02
12.5	22,125,737	146,635	0.0066	0.9934	96.83
13.5	20,500,586	223,962	0.0109	0.9891	96.18
14.5	19,231,902	147,595	0.0077	0.9923	95.13
15.5	17,861,947	129,141	0.0072	0.9928	94.40
16.5	17,210,582	140,251	0.0081	0.9919	93.72
17.5	10,362,761	27,918	0.0027	0.9973	92.96
18.5	10,432,155	9,655	0.0009	0.9991	92.71
19.5	8,908,754	43,064	0.0048	0.9952	92.62
20.5	8,160,049	11,503	0.0014	0.9986	92.17
21.5	8,019,697	49,924	0.0062	0.9938	92.04
22.5	7,701,360	24,471	0.0032	0.9968	91.47
23.5	7,689,135	196,507	0.0256	0.9744	91.18
24.5	7,411,693	83,090	0.0112	0.9888	88.85
25.5	7,167,347	36,025	0.0050	0.9950	87.85
26.5	7,051,587	31,428	0.0045	0.9955	87.41
27.5	6,865,031	106,122	0.0155	0.9845	87.02
28.5	6,411,806	20,608	0.0032	0.9968	85.68
29.5	5,995,887	24,526	0.0041	0.9959	85.40
30.5	5,643,489	16,531	0.0029	0.9971	85.05
31.5	5,159,247	21,922	0.0042	0.9958	84.80
32.5	4,864,399	7,771	0.0016	0.9984	84.44
33.5	4,952,226	123,677	0.0250	0.9750	84.31
34.5	4,499,021	14,252	0.0032	0.9968	82.20
35.5	3,858,604	56,209	0.0146	0.9854	81.94
36.5	3,796,542	59,453	0.0157	0.9843	80.75
37.5	3,672,686	34,215	0.0093	0.9907	79.48
38.5	3,447,644	71,951	0.0209	0.9791	78.74

AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1957-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,113,852	50,531	0.0162	0.9838	77.10
40.5	2,941,025	37,547	0.0128	0.9872	75.85
41.5	2,265,357	29,732	0.0131	0.9869	74.88
42.5	2,238,446	93,956	0.0420	0.9580	73.90
43.5	2,138,291	144,988	0.0678	0.9322	70.80
44.5	1,947,903	91,793	0.0471	0.9529	66.00
45.5	1,609,115	66,254	0.0412	0.9588	62.89
46.5	1,382,309	35,592	0.0257	0.9743	60.30
47.5	1,287,476	34,569	0.0268	0.9732	58.74
48.5	1,195,887	25,083	0.0210	0.9790	57.17
49.5	1,063,609	27,363	0.0257	0.9743	55.97
50.5	835,599	21,061	0.0252	0.9748	54.53
51.5	730,914	37,793	0.0517	0.9483	53.15
52.5	595,500	50,010	0.0840	0.9160	50.40
53.5	492,638	49,974	0.1014	0.8986	46.17
54.5	288,607	14,411	0.0499	0.9501	41.49
55.5	216,244	884	0.0041	0.9959	39.42
56.5	182,949	5,488	0.0300	0.9700	39.26
57.5	158,038	23,162	0.1466	0.8534	38.08
58.5	120,779	29,522	0.2444	0.7556	32.50
59.5	63,116	3,336	0.0529	0.9471	24.55
60.5	52,892	7,333	0.1386	0.8614	23.26
61.5	41,413	9,548	0.2305	0.7695	20.03
62.5	11,257	589	0.0523	0.9477	15.41
63.5	10,668	5,223	0.4896	0.5104	14.61
64.5	5,445	493	0.0906	0.9094	7.46
65.5	4,952		0.0000	1.0000	6.78
66.5	3,318		0.0000	1.0000	6.78
67.5	6,681	212	0.0317	0.9683	6.78
68.5	6,469		0.0000	1.0000	6.57
69.5	3,220		0.0000	1.0000	6.57
70.5	3,220		0.0000	1.0000	6.57
71.5	3,220		0.0000	1.0000	6.57
72.5	3,220	32	0.0099	0.9901	6.57
73.5	3,188	1,535	0.4814	0.5186	6.50
74.5	1,654		0.0000	1.0000	3.37
75.5	1,654		0.0000	1.0000	3.37
76.5	1,861		0.0000	1.0000	3.37
77.5	37,715		0.0000	1.0000	3.37
78.5	37,715		0.0000	1.0000	3.37

AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1957-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	37,715		0.0000	1.0000	3.37
80.5	37,715		0.0000	1.0000	3.37
81.5	37,715		0.0000	1.0000	3.37
82.5	37,715		0.0000	1.0000	3.37
83.5	37,715		0.0000	1.0000	3.37
84.5	37,715		0.0000	1.0000	3.37
85.5	37,715		0.0000	1.0000	3.37
86.5	37,715		0.0000	1.0000	3.37
87.5	37,715		0.0000	1.0000	3.37
88.5	37,715		0.0000	1.0000	3.37
89.5	37,715	372	0.0099	0.9901	3.37
90.5	37,343	52	0.0014	0.9986	3.34
91.5	37,291	21	0.0006	0.9994	3.33
92.5	37,270	536	0.0144	0.9856	3.33
93.5	36,735	26,093	0.7103	0.2897	3.28
94.5	1,654		0.0000	1.0000	0.95
95.5	1,654		0.0000	1.0000	0.95
96.5	5,700		0.0000	1.0000	0.95
97.5	5,700		0.0000	1.0000	0.95
98.5	5,700		0.0000	1.0000	0.95
99.5	5,700	541	0.0949	0.9051	0.95
100.5	5,159	2,313	0.4483	0.5517	0.86
101.5	2,846	1,193	0.4190	0.5810	0.47
102.5	1,654	60	0.0363	0.9637	0.28
103.5	1,594		0.0000	1.0000	0.27
104.5	1,594		0.0000	1.0000	0.27
105.5	1,594		0.0000	1.0000	0.27
106.5	1,594		0.0000	1.0000	0.27
107.5	1,594		0.0000	1.0000	0.27
108.5	1,594	14	0.0088	0.9912	0.27
109.5	1,579		0.0000	1.0000	0.26
110.5					0.26

AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	77,348,489	2,681	0.0000	1.0000	100.00
0.5	72,806,460	0	0.0000	1.0000	100.00
1.5	69,263,139		0.0000	1.0000	100.00
2.5	52,503,043	4,517	0.0001	0.9999	100.00
3.5	50,772,667	6,741	0.0001	0.9999	99.99
4.5	42,398,282	13,585	0.0003	0.9997	99.97
5.5	41,603,965	104,910	0.0025	0.9975	99.94
6.5	40,592,189	447,709	0.0110	0.9890	99.69
7.5	35,505,595	199,401	0.0056	0.9944	98.59
8.5	33,337,740	155,032	0.0047	0.9953	98.04
9.5	29,040,143	67,332	0.0023	0.9977	97.58
10.5	26,150,675	7,194	0.0003	0.9997	97.36
11.5	21,529,606	43,079	0.0020	0.9980	97.33
12.5	19,786,554	141,742	0.0072	0.9928	97.13
13.5	18,349,453	223,787	0.0122	0.9878	96.44
14.5	17,111,359	144,977	0.0085	0.9915	95.26
15.5	15,622,075	126,827	0.0081	0.9919	94.45
16.5	14,927,822	118,156	0.0079	0.9921	93.69
17.5	7,857,905	27,918	0.0036	0.9964	92.95
18.5	8,109,259	6,980	0.0009	0.9991	92.62
19.5	6,581,210	24,479	0.0037	0.9963	92.54
20.5	6,029,487	8,895	0.0015	0.9985	92.19
21.5	5,773,566	22,116	0.0038	0.9962	92.06
22.5	5,739,644	20,931	0.0036	0.9964	91.70
23.5	5,760,205	195,946	0.0340	0.9660	91.37
24.5	5,420,304	82,979	0.0153	0.9847	88.26
25.5	5,608,794	12,852	0.0023	0.9977	86.91
26.5	5,688,120	31,428	0.0055	0.9945	86.71
27.5	5,487,094	106,122	0.0193	0.9807	86.23
28.5	5,061,069	20,608	0.0041	0.9959	84.56
29.5	4,766,133	24,526	0.0051	0.9949	84.22
30.5	4,589,157	9,420	0.0021	0.9979	83.79
31.5	4,242,212	18,813	0.0044	0.9956	83.61
32.5	4,136,464	6,351	0.0015	0.9985	83.24
33.5	4,262,780	76,650	0.0180	0.9820	83.12
34.5	4,040,059	14,252	0.0035	0.9965	81.62
35.5	3,550,734	56,209	0.0158	0.9842	81.33
36.5	3,521,677	59,453	0.0169	0.9831	80.05
37.5	3,443,224	34,215	0.0099	0.9901	78.69
38.5	3,271,229	71,951	0.0220	0.9780	77.91

AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,980,186	50,531	0.0170	0.9830	76.20
40.5	2,807,359	37,547	0.0134	0.9866	74.91
41.5	2,146,795	29,732	0.0138	0.9862	73.90
42.5	2,231,464	93,956	0.0421	0.9579	72.88
43.5	2,131,309	144,988	0.0680	0.9320	69.81
44.5	1,940,921	91,793	0.0473	0.9527	65.06
45.5	1,604,804	66,254	0.0413	0.9587	61.99
46.5	1,380,645	35,592	0.0258	0.9742	59.43
47.5	1,284,158	34,569	0.0269	0.9731	57.90
48.5	1,192,569	25,083	0.0210	0.9790	56.34
49.5	1,060,292	27,363	0.0258	0.9742	55.15
50.5	832,281	21,061	0.0253	0.9747	53.73
51.5	727,596	37,793	0.0519	0.9481	52.37
52.5	592,183	50,010	0.0845	0.9155	49.65
53.5	489,320	49,974	0.1021	0.8979	45.46
54.5	286,954	14,411	0.0502	0.9498	40.81
55.5	214,590	884	0.0041	0.9959	38.76
56.5	181,295	5,488	0.0303	0.9697	38.60
57.5	156,384	23,162	0.1481	0.8519	37.44
58.5	119,126	29,522	0.2478	0.7522	31.89
59.5	61,463	3,336	0.0543	0.9457	23.99
60.5	51,238	7,333	0.1431	0.8569	22.69
61.5	39,760	9,548	0.2401	0.7599	19.44
62.5	9,603	589	0.0613	0.9387	14.77
63.5	9,014	5,223	0.5794	0.4206	13.86
64.5	3,792	493	0.1301	0.8699	5.83
65.5	3,299		0.0000	1.0000	5.07
66.5	1,664		0.0000	1.0000	5.07
67.5	5,028	212	0.0422	0.9578	5.07
68.5	4,816		0.0000	1.0000	4.86
69.5	1,567		0.0000	1.0000	4.86
70.5	1,567		0.0000	1.0000	4.86
71.5	1,567		0.0000	1.0000	4.86
72.5	1,567	32	0.0204	0.9796	4.86
73.5	1,535	1,535	1.0000		4.76
74.5					
75.5					
76.5	208		0.0000		
77.5	36,062		0.0000		
78.5	36,062		0.0000		

AQUA PENNSYLVANIA, INC.

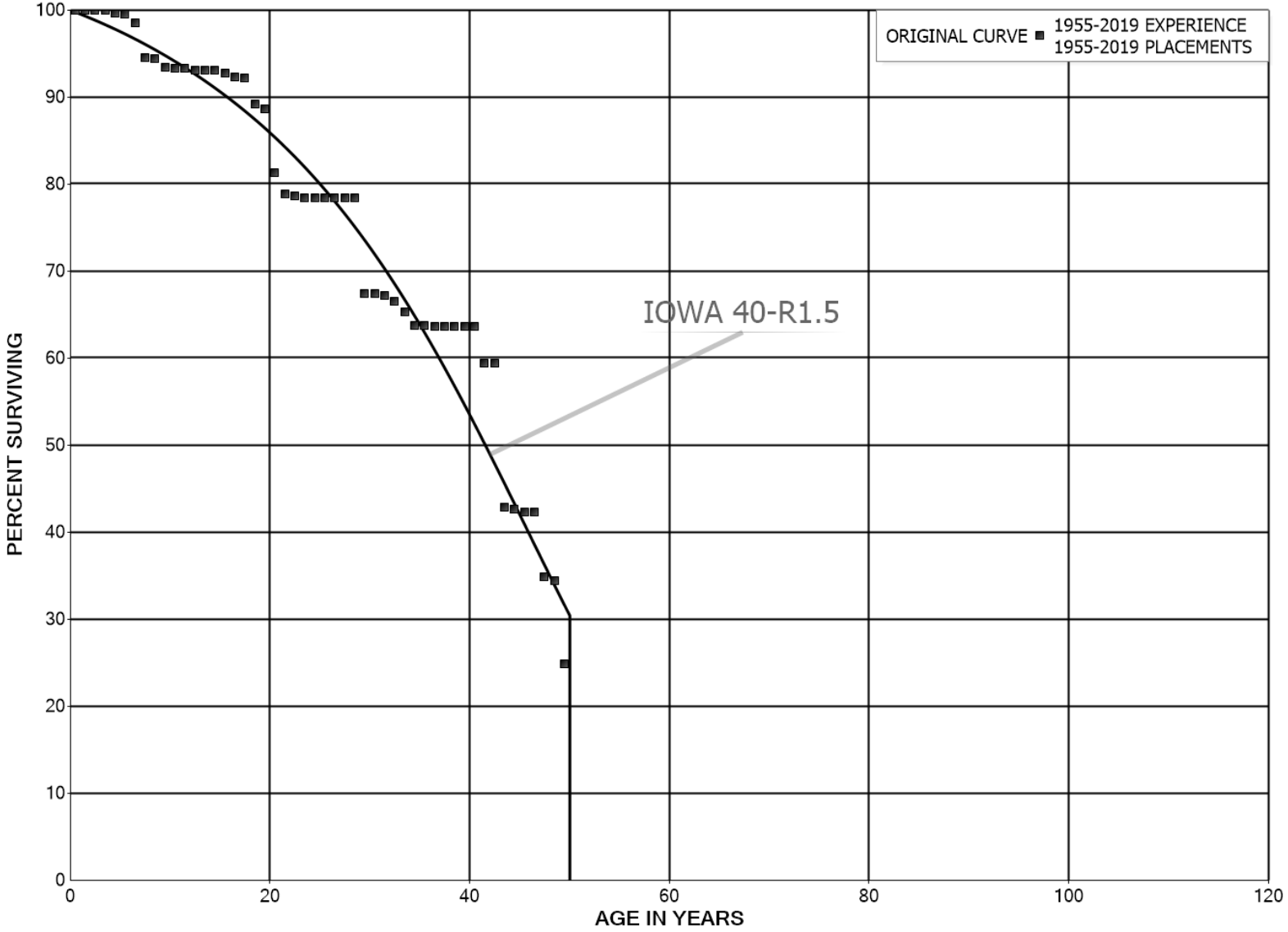
ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	36,062		0.0000		
80.5	36,062		0.0000		
81.5	36,062		0.0000		
82.5	36,062		0.0000		
83.5	36,062		0.0000		
84.5	36,062		0.0000		
85.5	36,062		0.0000		
86.5	36,062		0.0000		
87.5	36,062		0.0000		
88.5	36,062		0.0000		
89.5	36,062	372	0.0103		
90.5	37,343	52	0.0014		
91.5	37,291	21	0.0006		
92.5	37,270	536	0.0144		
93.5	36,735	26,093	0.7103		
94.5	1,654		0.0000		
95.5	1,654		0.0000		
96.5	5,700		0.0000		
97.5	5,700		0.0000		
98.5	5,700		0.0000		
99.5	5,700	541	0.0949		
100.5	5,159	2,313	0.4483		
101.5	2,846	1,193	0.4190		
102.5	1,654	60	0.0363		
103.5	1,594		0.0000		
104.5	1,594		0.0000		
105.5	1,594		0.0000		
106.5	1,594		0.0000		
107.5	1,594		0.0000		
108.5	1,594	14	0.0088		
109.5	1,579		0.0000		
110.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1955-2019 EXPERIENCE BAND 1955-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	31,745,134		0.0000	1.0000	100.00
0.5	26,674,569	0	0.0000	1.0000	100.00
1.5	24,747,769		0.0000	1.0000	100.00
2.5	24,130,902	4,216	0.0002	0.9998	100.00
3.5	23,684,170	92,658	0.0039	0.9961	99.98
4.5	21,406,776	8,980	0.0004	0.9996	99.59
5.5	21,147,229	215,057	0.0102	0.9898	99.55
6.5	20,676,550	849,234	0.0411	0.9589	98.54
7.5	19,705,645	28,095	0.0014	0.9986	94.49
8.5	11,512,996	117,443	0.0102	0.9898	94.36
9.5	4,268,866	3,339	0.0008	0.9992	93.39
10.5	3,186,367		0.0000	1.0000	93.32
11.5	2,426,173	5,936	0.0024	0.9976	93.32
12.5	1,211,789	755	0.0006	0.9994	93.09
13.5	749,210		0.0000	1.0000	93.03
14.5	674,364	1,930	0.0029	0.9971	93.03
15.5	760,477	4,205	0.0055	0.9945	92.77
16.5	716,416	420	0.0006	0.9994	92.25
17.5	521,640	16,901	0.0324	0.9676	92.20
18.5	504,739	3,365	0.0067	0.9933	89.21
19.5	408,047	33,963	0.0832	0.9168	88.62
20.5	501,754	14,989	0.0299	0.9701	81.24
21.5	486,765	1,337	0.0027	0.9973	78.82
22.5	813,028	1,660	0.0020	0.9980	78.60
23.5	796,378		0.0000	1.0000	78.44
24.5	822,849		0.0000	1.0000	78.44
25.5	822,849		0.0000	1.0000	78.44
26.5	822,849	675	0.0008	0.9992	78.44
27.5	659,175	160	0.0002	0.9998	78.37
28.5	658,215	92,202	0.1401	0.8599	78.35
29.5	539,542		0.0000	1.0000	67.38
30.5	549,772	1,929	0.0035	0.9965	67.38
31.5	483,798	4,317	0.0089	0.9911	67.14
32.5	460,166	8,551	0.0186	0.9814	66.54
33.5	428,395	10,230	0.0239	0.9761	65.31
34.5	315,565	175	0.0006	0.9994	63.75
35.5	315,390	381	0.0012	0.9988	63.71
36.5	315,010		0.0000	1.0000	63.64
37.5	315,010		0.0000	1.0000	63.64
38.5	315,010		0.0000	1.0000	63.64

AQUA PENNSYLVANIA, INC.

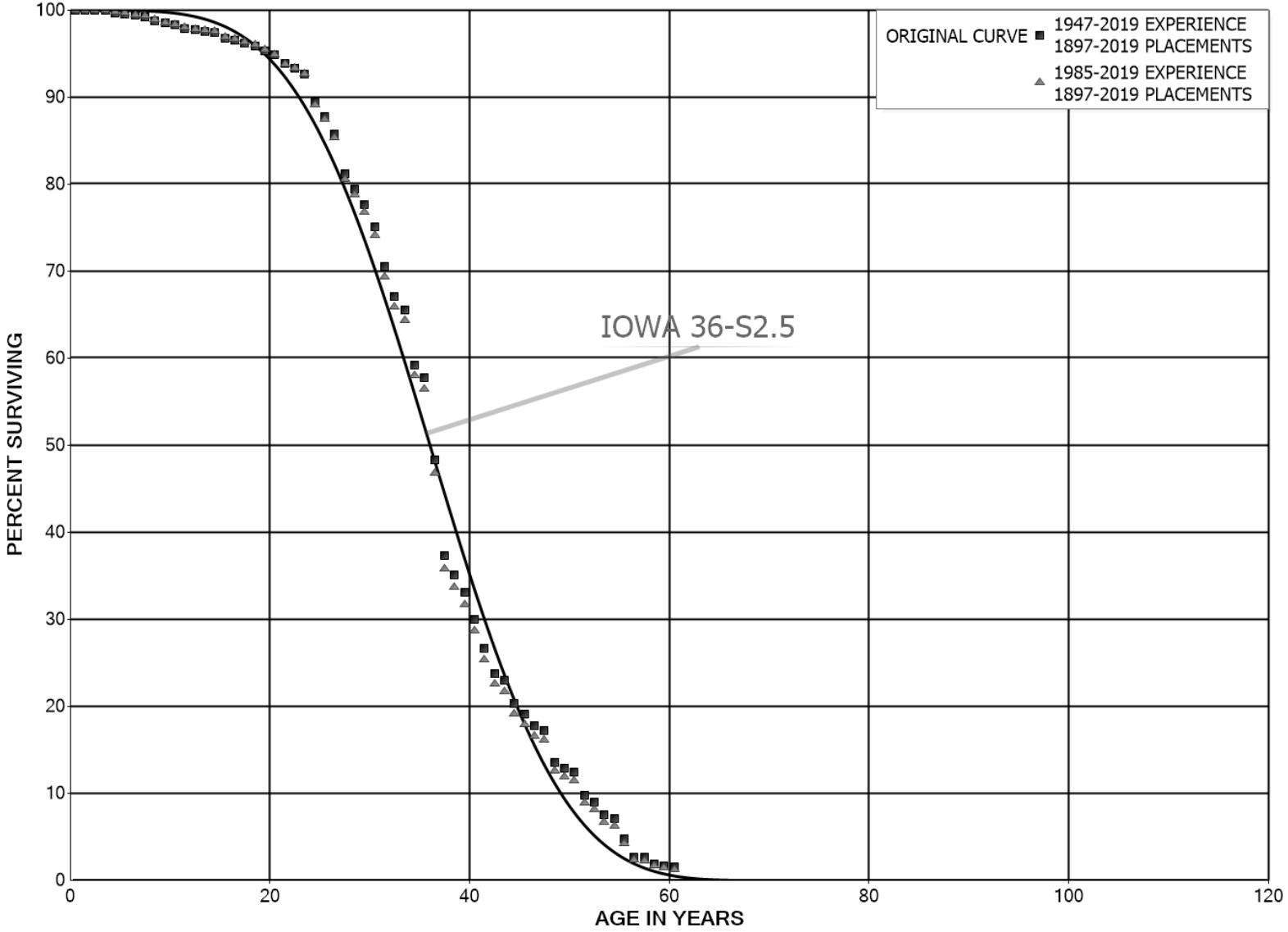
ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1955-2019 EXPERIENCE BAND 1955-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	315,010		0.0000	1.0000	63.64
40.5	315,010	21,215	0.0673	0.9327	63.64
41.5	293,795		0.0000	1.0000	59.35
42.5	293,795	81,541	0.2775	0.7225	59.35
43.5	212,254	1,043	0.0049	0.9951	42.88
44.5	191,195	1,478	0.0077	0.9923	42.67
45.5	189,718		0.0000	1.0000	42.34
46.5	189,718	33,660	0.1774	0.8226	42.34
47.5	156,057	1,808	0.0116	0.9884	34.83
48.5	154,250	42,783	0.2774	0.7226	34.42
49.5	111,467	111,467	1.0000		24.87
50.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	98,869,191	0	0.0000	1.0000	100.00
0.5	96,543,601	2,729	0.0000	1.0000	100.00
1.5	98,517,029	55,238	0.0006	0.9994	100.00
2.5	94,124,565	47,349	0.0005	0.9995	99.94
3.5	91,733,490	203,272	0.0022	0.9978	99.89
4.5	87,258,984	108,846	0.0012	0.9988	99.67
5.5	85,340,121	154,052	0.0018	0.9982	99.55
6.5	81,841,441	148,144	0.0018	0.9982	99.37
7.5	77,006,405	348,815	0.0045	0.9955	99.19
8.5	72,911,715	200,870	0.0028	0.9972	98.74
9.5	70,565,962	148,702	0.0021	0.9979	98.46
10.5	68,084,781	272,132	0.0040	0.9960	98.26
11.5	66,152,812	96,727	0.0015	0.9985	97.86
12.5	59,804,401	105,726	0.0018	0.9982	97.72
13.5	56,395,383	106,850	0.0019	0.9981	97.55
14.5	53,209,107	325,812	0.0061	0.9939	97.36
15.5	51,578,851	147,286	0.0029	0.9971	96.77
16.5	50,694,030	160,926	0.0032	0.9968	96.49
17.5	49,955,304	179,676	0.0036	0.9964	96.18
18.5	48,155,967	256,343	0.0053	0.9947	95.84
19.5	43,663,871	239,477	0.0055	0.9945	95.33
20.5	41,737,163	439,010	0.0105	0.9895	94.81
21.5	39,734,098	204,155	0.0051	0.9949	93.81
22.5	38,546,894	275,960	0.0072	0.9928	93.33
23.5	36,717,667	1,299,209	0.0354	0.9646	92.66
24.5	32,249,658	604,691	0.0188	0.9812	89.38
25.5	30,942,035	707,893	0.0229	0.9771	87.70
26.5	27,258,467	1,434,248	0.0526	0.9474	85.70
27.5	25,034,874	547,113	0.0219	0.9781	81.19
28.5	16,508,458	379,113	0.0230	0.9770	79.41
29.5	15,106,574	494,661	0.0327	0.9673	77.59
30.5	13,479,902	823,533	0.0611	0.9389	75.05
31.5	11,673,300	560,273	0.0480	0.9520	70.46
32.5	8,211,858	195,812	0.0238	0.9762	67.08
33.5	7,688,727	734,954	0.0956	0.9044	65.48
34.5	6,993,555	175,730	0.0251	0.9749	59.22
35.5	6,843,388	1,123,668	0.1642	0.8358	57.74
36.5	5,730,532	1,308,589	0.2284	0.7716	48.26
37.5	4,483,568	264,620	0.0590	0.9410	37.24
38.5	4,234,984	238,286	0.0563	0.9437	35.04

AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,993,946	372,473	0.0933	0.9067	33.07
40.5	3,637,609	405,991	0.1116	0.8884	29.98
41.5	3,235,556	348,642	0.1078	0.8922	26.64
42.5	2,898,414	98,977	0.0341	0.9659	23.77
43.5	2,808,862	320,255	0.1140	0.8860	22.95
44.5	2,492,168	160,435	0.0644	0.9356	20.34
45.5	2,331,733	163,148	0.0700	0.9300	19.03
46.5	2,169,163	61,351	0.0283	0.9717	17.70
47.5	2,110,464	446,513	0.2116	0.7884	17.20
48.5	1,661,132	88,216	0.0531	0.9469	13.56
49.5	1,570,382	51,417	0.0327	0.9673	12.84
50.5	1,518,965	329,266	0.2168	0.7832	12.42
51.5	1,189,699	98,877	0.0831	0.9169	9.73
52.5	1,105,855	175,629	0.1588	0.8412	8.92
53.5	930,226	59,167	0.0636	0.9364	7.50
54.5	871,059	278,860	0.3201	0.6799	7.02
55.5	592,200	266,100	0.4493	0.5507	4.78
56.5	325,479	5,316	0.0163	0.9837	2.63
57.5	325,912	88,301	0.2709	0.7291	2.59
58.5	237,611	33,657	0.1416	0.8584	1.89
59.5	203,954	20,485	0.1004	0.8996	1.62
60.5	183,470	88,542	0.4826	0.5174	1.46
61.5	97,199	761	0.0078	0.9922	0.75
62.5	96,438	13,211	0.1370	0.8630	0.75
63.5	82,402	17,351	0.2106	0.7894	0.65
64.5	65,051	7,692	0.1182	0.8818	0.51
65.5	57,359	3,967	0.0692	0.9308	0.45
66.5	49,220	15,745	0.3199	0.6801	0.42
67.5	34,955		0.0000	1.0000	0.28
68.5	65,343	3,750	0.0574	0.9426	0.28
69.5	61,594	6,332	0.1028	0.8972	0.27
70.5	55,262		0.0000	1.0000	0.24
71.5	55,262	363	0.0066	0.9934	0.24
72.5	57,481		0.0000	1.0000	0.24
73.5	57,481		0.0000	1.0000	0.24
74.5	57,481	28,488	0.4956	0.5044	0.24
75.5	28,993	4,265	0.1471	0.8529	0.12
76.5	24,728	233	0.0094	0.9906	0.10
77.5	24,495	14,146	0.5775	0.4225	0.10
78.5	10,349	1,641	0.1586	0.8414	0.04

AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	8,708		0.0000	1.0000	0.04
80.5	8,708		0.0000	1.0000	0.04
81.5	8,708		0.0000	1.0000	0.04
82.5	8,708	3,854	0.4425	0.5575	0.04
83.5	4,854		0.0000	1.0000	0.02
84.5	4,854	2,272	0.4681	0.5319	0.02
85.5	2,582		0.0000	1.0000	0.01
86.5	2,582		0.0000	1.0000	0.01
87.5	2,582		0.0000	1.0000	0.01
88.5	2,582		0.0000	1.0000	0.01
89.5	2,582		0.0000	1.0000	0.01
90.5	2,582		0.0000	1.0000	0.01
91.5	2,582		0.0000	1.0000	0.01
92.5	2,582		0.0000	1.0000	0.01
93.5	2,582		0.0000	1.0000	0.01
94.5	2,582		0.0000	1.0000	0.01
95.5	2,582		0.0000	1.0000	0.01
96.5	2,582		0.0000	1.0000	0.01
97.5	2,582		0.0000	1.0000	0.01
98.5	2,582		0.0000	1.0000	0.01
99.5	2,582		0.0000	1.0000	0.01
100.5	2,582		0.0000	1.0000	0.01
101.5	2,582		0.0000	1.0000	0.01
102.5	2,582		0.0000	1.0000	0.01
103.5	2,582		0.0000	1.0000	0.01
104.5	2,582		0.0000	1.0000	0.01
105.5	2,582		0.0000	1.0000	0.01
106.5	2,582		0.0000	1.0000	0.01
107.5	2,582		0.0000	1.0000	0.01
108.5	2,582		0.0000	1.0000	0.01
109.5	2,582		0.0000	1.0000	0.01
110.5	2,582		0.0000	1.0000	0.01
111.5	2,582	2,582	1.0000		0.01
112.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	90,111,359	0	0.0000	1.0000	100.00
0.5	87,961,694	800	0.0000	1.0000	100.00
1.5	90,182,774	46,898	0.0005	0.9995	100.00
2.5	86,023,116	39,743	0.0005	0.9995	99.95
3.5	83,869,737	185,122	0.0022	0.9978	99.90
4.5	79,540,620	75,554	0.0009	0.9991	99.68
5.5	77,786,575	147,775	0.0019	0.9981	99.59
6.5	74,519,401	121,380	0.0016	0.9984	99.40
7.5	69,799,677	295,578	0.0042	0.9958	99.23
8.5	65,876,702	190,164	0.0029	0.9971	98.81
9.5	63,866,652	136,671	0.0021	0.9979	98.53
10.5	61,481,895	264,567	0.0043	0.9957	98.32
11.5	60,008,472	75,051	0.0013	0.9987	97.90
12.5	54,580,111	87,034	0.0016	0.9984	97.77
13.5	51,365,897	84,302	0.0016	0.9984	97.62
14.5	48,295,568	316,313	0.0065	0.9935	97.46
15.5	46,943,776	111,494	0.0024	0.9976	96.82
16.5	46,242,881	153,250	0.0033	0.9967	96.59
17.5	45,968,405	166,710	0.0036	0.9964	96.27
18.5	44,292,500	251,746	0.0057	0.9943	95.92
19.5	40,101,054	236,924	0.0059	0.9941	95.37
20.5	38,329,116	430,555	0.0112	0.9888	94.81
21.5	36,477,716	196,272	0.0054	0.9946	93.75
22.5	35,355,326	253,231	0.0072	0.9928	93.24
23.5	34,158,590	1,287,379	0.0377	0.9623	92.57
24.5	29,776,286	574,012	0.0193	0.9807	89.08
25.5	28,698,540	697,443	0.0243	0.9757	87.37
26.5	25,451,230	1,425,413	0.0560	0.9440	85.24
27.5	23,345,266	507,934	0.0218	0.9782	80.47
28.5	15,047,833	375,413	0.0249	0.9751	78.72
29.5	13,710,946	478,637	0.0349	0.9651	76.75
30.5	12,578,419	808,542	0.0643	0.9357	74.08
31.5	11,113,944	558,367	0.0502	0.9498	69.31
32.5	7,670,976	179,933	0.0235	0.9765	65.83
33.5	7,346,833	728,629	0.0992	0.9008	64.29
34.5	6,684,496	174,422	0.0261	0.9739	57.91
35.5	6,547,595	1,117,615	0.1707	0.8293	56.40
36.5	5,556,830	1,307,937	0.2354	0.7646	46.77
37.5	4,310,553	263,799	0.0612	0.9388	35.76
38.5	4,076,453	236,337	0.0580	0.9420	33.58

AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,837,535	372,324	0.0970	0.9030	31.63
40.5	3,514,689	402,915	0.1146	0.8854	28.56
41.5	3,116,648	348,642	0.1119	0.8881	25.29
42.5	2,779,507	98,977	0.0356	0.9644	22.46
43.5	2,699,540	320,172	0.1186	0.8814	21.66
44.5	2,386,030	156,515	0.0656	0.9344	19.09
45.5	2,237,620	161,664	0.0722	0.9278	17.84
46.5	2,075,956	58,485	0.0282	0.9718	16.55
47.5	2,020,241	446,513	0.2210	0.7790	16.08
48.5	1,570,908	88,216	0.0562	0.9438	12.53
49.5	1,484,226	51,417	0.0346	0.9654	11.82
50.5	1,432,809	327,989	0.2289	0.7711	11.41
51.5	1,110,921	98,877	0.0890	0.9110	8.80
52.5	1,027,226	175,629	0.1710	0.8290	8.02
53.5	907,136	59,167	0.0652	0.9348	6.65
54.5	847,969	275,413	0.3248	0.6752	6.21
55.5	572,557	265,476	0.4637	0.5363	4.20
56.5	306,823	5,316	0.0173	0.9827	2.25
57.5	307,257	88,060	0.2866	0.7134	2.21
58.5	228,259	33,657	0.1474	0.8526	1.58
59.5	194,602	20,485	0.1053	0.8947	1.34
60.5	174,512	88,542	0.5074	0.4926	1.20
61.5	88,242	761	0.0086	0.9914	0.59
62.5	87,481	13,211	0.1510	0.8490	0.59
63.5	74,273	17,351	0.2336	0.7664	0.50
64.5	56,922	7,692	0.1351	0.8649	0.38
65.5	49,230		0.0000	1.0000	0.33
66.5	45,058	15,745	0.3494	0.6506	0.33
67.5	30,793		0.0000	1.0000	0.22
68.5	61,181	1,579	0.0258	0.9742	0.22
69.5	59,601	5,715	0.0959	0.9041	0.21
70.5	53,887		0.0000	1.0000	0.19
71.5	55,199	363	0.0066	0.9934	0.19
72.5	54,836		0.0000	1.0000	0.19
73.5	54,836		0.0000	1.0000	0.19
74.5	54,899	28,488	0.5189	0.4811	0.19
75.5	26,411	4,265	0.1615	0.8385	0.09
76.5	22,146	233	0.0105	0.9895	0.08
77.5	21,913	14,146	0.6456	0.3544	0.08
78.5	7,767	1,641	0.2113	0.7887	0.03

AQUA PENNSYLVANIA, INC.

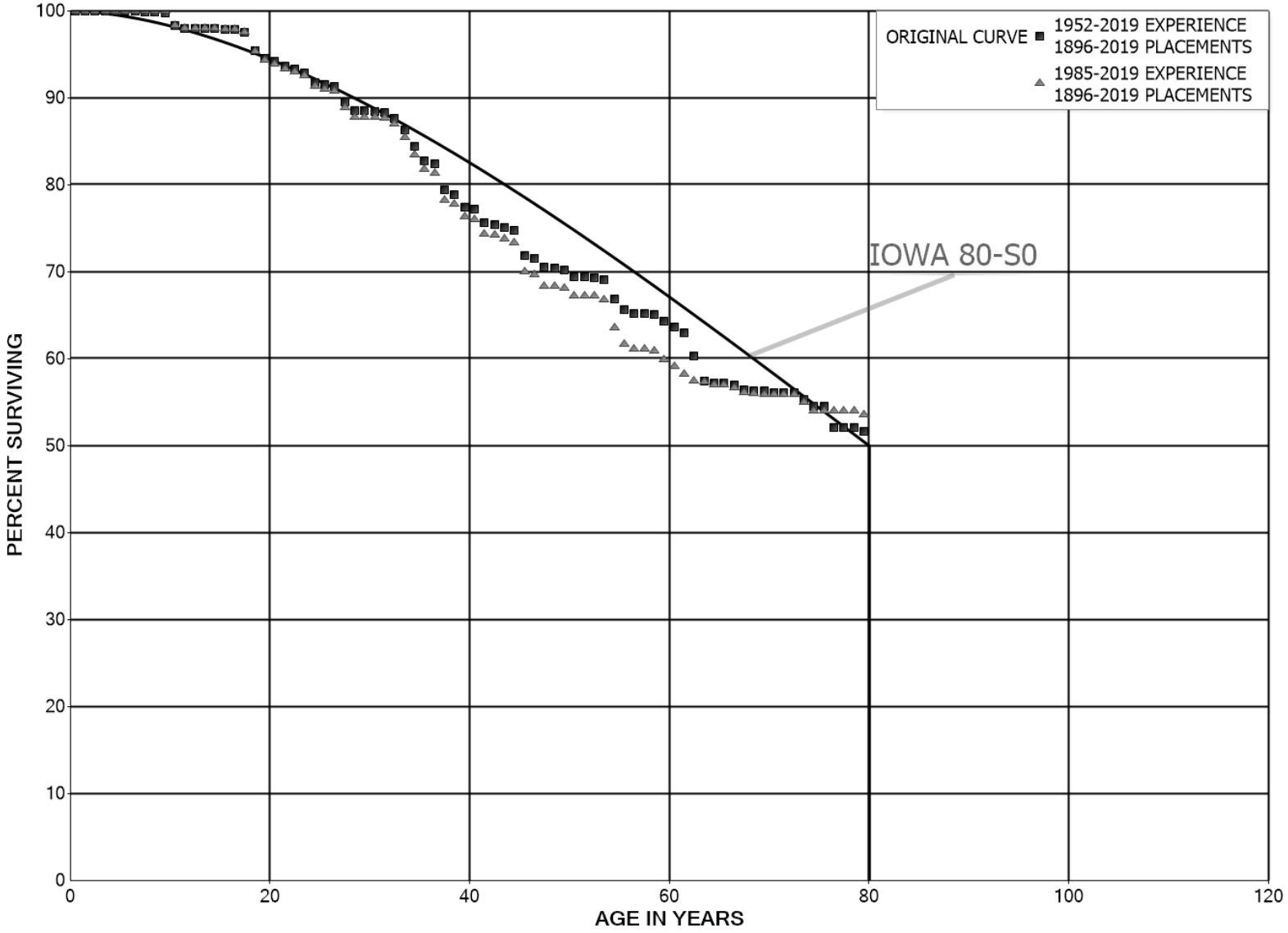
ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	6,126		0.0000	1.0000	0.02
80.5	6,126		0.0000	1.0000	0.02
81.5	6,126		0.0000	1.0000	0.02
82.5	6,126	3,854	0.6291	0.3709	0.02
83.5	2,272		0.0000	1.0000	0.01
84.5	2,272	2,272	1.0000		0.01
85.5					
86.5					
87.5	2,582		0.0000		
88.5	2,582		0.0000		
89.5	2,582		0.0000		
90.5	2,582		0.0000		
91.5	2,582		0.0000		
92.5	2,582		0.0000		
93.5	2,582		0.0000		
94.5	2,582		0.0000		
95.5	2,582		0.0000		
96.5	2,582		0.0000		
97.5	2,582		0.0000		
98.5	2,582		0.0000		
99.5	2,582		0.0000		
100.5	2,582		0.0000		
101.5	2,582		0.0000		
102.5	2,582		0.0000		
103.5	2,582		0.0000		
104.5	2,582		0.0000		
105.5	2,582		0.0000		
106.5	2,582		0.0000		
107.5	2,582		0.0000		
108.5	2,582		0.0000		
109.5	2,582		0.0000		
110.5	2,582		0.0000		
111.5	2,582	2,582	1.0000		
112.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	112,173,118	12	0.0000	1.0000	100.00
0.5	112,148,982	4,176	0.0000	1.0000	100.00
1.5	112,298,883	1,410	0.0000	1.0000	100.00
2.5	126,537,062	39,010	0.0003	0.9997	100.00
3.5	128,223,187	20,480	0.0002	0.9998	99.96
4.5	124,534,510	28,916	0.0002	0.9998	99.95
5.5	125,233,943	7,797	0.0001	0.9999	99.93
6.5	118,560,020	47,148	0.0004	0.9996	99.92
7.5	92,132,658	25,802	0.0003	0.9997	99.88
8.5	88,901,675	70,246	0.0008	0.9992	99.85
9.5	82,911,136	1,227,485	0.0148	0.9852	99.77
10.5	79,391,669	277,743	0.0035	0.9965	98.30
11.5	78,174,554	4,083	0.0001	0.9999	97.95
12.5	77,226,636	11,554	0.0001	0.9999	97.95
13.5	64,312,282	5,022	0.0001	0.9999	97.93
14.5	62,749,935	60,009	0.0010	0.9990	97.92
15.5	54,407,019	5,867	0.0001	0.9999	97.83
16.5	53,158,988	160,245	0.0030	0.9970	97.82
17.5	50,774,551	1,112,093	0.0219	0.9781	97.52
18.5	48,974,181	458,357	0.0094	0.9906	95.39
19.5	46,062,070	181,850	0.0039	0.9961	94.50
20.5	43,068,918	249,595	0.0058	0.9942	94.12
21.5	35,459,655	108,041	0.0030	0.9970	93.58
22.5	31,869,413	138,284	0.0043	0.9957	93.29
23.5	29,972,840	374,968	0.0125	0.9875	92.89
24.5	26,603,370	69,086	0.0026	0.9974	91.73
25.5	26,294,093	61,499	0.0023	0.9977	91.49
26.5	21,675,459	425,177	0.0196	0.9804	91.27
27.5	21,000,576	230,854	0.0110	0.9890	89.48
28.5	16,147,141	8,057	0.0005	0.9995	88.50
29.5	15,086,655	4,419	0.0003	0.9997	88.46
30.5	14,309,385	15,079	0.0011	0.9989	88.43
31.5	11,589,303	95,957	0.0083	0.9917	88.34
32.5	11,243,886	174,627	0.0155	0.9845	87.60
33.5	11,044,155	240,098	0.0217	0.9783	86.24
34.5	10,758,578	211,425	0.0197	0.9803	84.37
35.5	9,287,897	35,928	0.0039	0.9961	82.71
36.5	7,584,658	275,205	0.0363	0.9637	82.39
37.5	7,369,060	48,147	0.0065	0.9935	79.40
38.5	7,180,702	133,604	0.0186	0.9814	78.88

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,986,229	23,687	0.0034	0.9966	77.42
40.5	6,482,503	131,998	0.0204	0.9796	77.15
41.5	5,574,535	10,418	0.0019	0.9981	75.58
42.5	5,322,758	23,379	0.0044	0.9956	75.44
43.5	4,588,122	26,339	0.0057	0.9943	75.11
44.5	4,393,325	167,298	0.0381	0.9619	74.68
45.5	4,179,057	16,359	0.0039	0.9961	71.83
46.5	4,057,838	61,248	0.0151	0.9849	71.55
47.5	3,111,798	4,125	0.0013	0.9987	70.47
48.5	3,096,664	10,931	0.0035	0.9965	70.38
49.5	3,079,852	30,204	0.0098	0.9902	70.13
50.5	2,950,203	2,003	0.0007	0.9993	69.44
51.5	2,676,261	2,547	0.0010	0.9990	69.40
52.5	2,009,062	8,494	0.0042	0.9958	69.33
53.5	1,597,609	49,863	0.0312	0.9688	69.04
54.5	1,543,328	29,977	0.0194	0.9806	66.88
55.5	1,469,966	8,170	0.0056	0.9944	65.58
56.5	1,441,523	394	0.0003	0.9997	65.22
57.5	1,331,663	3,815	0.0029	0.9971	65.20
58.5	1,292,678	15,099	0.0117	0.9883	65.01
59.5	1,277,560	13,179	0.0103	0.9897	64.25
60.5	1,262,053	13,748	0.0109	0.9891	63.59
61.5	1,243,792	52,411	0.0421	0.9579	62.90
62.5	1,143,860	53,145	0.0465	0.9535	60.25
63.5	1,088,120	5,176	0.0048	0.9952	57.45
64.5	1,082,945		0.0000	1.0000	57.18
65.5	1,082,657	4,567	0.0042	0.9958	57.18
66.5	1,077,379	9,279	0.0086	0.9914	56.93
67.5	1,068,033	2,055	0.0019	0.9981	56.44
68.5	1,065,720	1,285	0.0012	0.9988	56.34
69.5	1,064,194	3,620	0.0034	0.9966	56.27
70.5	1,057,617		0.0000	1.0000	56.08
71.5	664,586		0.0000	1.0000	56.08
72.5	664,586	9,202	0.0138	0.9862	56.08
73.5	654,034	8,851	0.0135	0.9865	55.30
74.5	645,183		0.0000	1.0000	54.55
75.5	645,135	28,984	0.0449	0.9551	54.55
76.5	551,138		0.0000	1.0000	52.10
77.5	495,281	716	0.0014	0.9986	52.10
78.5	424,735	3,582	0.0084	0.9916	52.03

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	410,613		0.0000	1.0000	51.59
80.5	410,090		0.0000	1.0000	51.59
81.5	408,413		0.0000	1.0000	51.59
82.5	314,055	76	0.0002	0.9998	51.59
83.5	313,979		0.0000	1.0000	51.57
84.5	301,263		0.0000	1.0000	51.57
85.5	300,224		0.0000	1.0000	51.57
86.5	209,087		0.0000	1.0000	51.57
87.5	201,635		0.0000	1.0000	51.57
88.5	185,143		0.0000	1.0000	51.57
89.5	184,611		0.0000	1.0000	51.57
90.5	184,611		0.0000	1.0000	51.57
91.5	184,611		0.0000	1.0000	51.57
92.5	184,449	870	0.0047	0.9953	51.57
93.5	181,552		0.0000	1.0000	51.33
94.5	181,132	154	0.0009	0.9991	51.33
95.5	170,938		0.0000	1.0000	51.29
96.5	155,553	83	0.0005	0.9995	51.29
97.5	146,711	627	0.0043	0.9957	51.26
98.5	146,083	39,074	0.2675	0.7325	51.04
99.5	107,010	1,236	0.0116	0.9884	37.39
100.5	74,364		0.0000	1.0000	36.96
101.5	74,364		0.0000	1.0000	36.96
102.5	74,364		0.0000	1.0000	36.96
103.5	74,364		0.0000	1.0000	36.96
104.5	74,364	558	0.0075	0.9925	36.96
105.5	73,806	5,856	0.0793	0.9207	36.68
106.5	67,950	259	0.0038	0.9962	33.77
107.5	67,690	583	0.0086	0.9914	33.64
108.5	67,107	695	0.0104	0.9896	33.35
109.5	66,412	2,691	0.0405	0.9595	33.00
110.5	4,673		0.0000	1.0000	31.67
111.5	4,673		0.0000	1.0000	31.67
112.5	4,673	4,673	1.0000		31.67
113.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	101,477,072		0.0000	1.0000	100.00
0.5	101,533,697		0.0000	1.0000	100.00
1.5	102,889,440		0.0000	1.0000	100.00
2.5	117,299,139	263	0.0000	1.0000	100.00
3.5	118,665,311	144	0.0000	1.0000	100.00
4.5	115,113,006	26,252	0.0002	0.9998	100.00
5.5	115,949,642		0.0000	1.0000	99.98
6.5	109,394,967	3,264	0.0000	1.0000	99.98
7.5	83,049,394	5,443	0.0001	0.9999	99.97
8.5	80,966,406	9,610	0.0001	0.9999	99.97
9.5	75,080,712	1,216,943	0.0162	0.9838	99.96
10.5	72,980,816	273,428	0.0037	0.9963	98.34
11.5	72,458,137	1,394	0.0000	1.0000	97.97
12.5	72,619,903	10,072	0.0001	0.9999	97.97
13.5	59,866,613	3,334	0.0001	0.9999	97.95
14.5	58,372,930	56,295	0.0010	0.9990	97.95
15.5	50,125,623	5,229	0.0001	0.9999	97.85
16.5	49,201,074	152,173	0.0031	0.9969	97.84
17.5	47,080,459	1,110,481	0.0236	0.9764	97.54
18.5	45,297,457	457,927	0.0101	0.9899	95.24
19.5	42,496,012	179,729	0.0042	0.9958	94.28
20.5	39,419,122	245,768	0.0062	0.9938	93.88
21.5	31,807,385	108,041	0.0034	0.9966	93.29
22.5	28,351,213	128,537	0.0045	0.9955	92.97
23.5	26,545,250	372,388	0.0140	0.9860	92.55
24.5	23,584,634	65,292	0.0028	0.9972	91.25
25.5	23,893,417	61,489	0.0026	0.9974	91.00
26.5	19,533,059	423,968	0.0217	0.9783	90.77
27.5	19,532,995	228,573	0.0117	0.9883	88.80
28.5	15,045,126	7,903	0.0005	0.9995	87.76
29.5	13,977,282	4,180	0.0003	0.9997	87.71
30.5	13,250,849	6,048	0.0005	0.9995	87.69
31.5	10,579,333	87,519	0.0083	0.9917	87.65
32.5	10,253,619	174,547	0.0170	0.9830	86.92
33.5	10,057,507	239,627	0.0238	0.9762	85.44
34.5	9,772,661	200,835	0.0206	0.9794	83.41
35.5	8,305,405	35,908	0.0043	0.9957	81.69
36.5	7,029,676	274,511	0.0391	0.9609	81.34
37.5	6,814,965	35,945	0.0053	0.9947	78.16
38.5	6,612,804	128,548	0.0194	0.9806	77.75

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,422,962	23,683	0.0037	0.9963	76.24
40.5	5,881,530	129,530	0.0220	0.9780	75.96
41.5	4,923,982	9,920	0.0020	0.9980	74.28
42.5	4,586,714	23,379	0.0051	0.9949	74.13
43.5	3,852,335	25,910	0.0067	0.9933	73.76
44.5	3,659,852	166,731	0.0456	0.9544	73.26
45.5	3,446,916	16,160	0.0047	0.9953	69.92
46.5	3,325,897	60,658	0.0182	0.9818	69.60
47.5	2,382,146	68	0.0000	1.0000	68.33
48.5	2,371,584	10,734	0.0045	0.9955	68.32
49.5	2,355,289	27,461	0.0117	0.9883	68.02
50.5	2,228,785	138	0.0001	0.9999	67.22
51.5	1,959,141	836	0.0004	0.9996	67.22
52.5	1,312,651	8,277	0.0063	0.9937	67.19
53.5	1,028,992	49,863	0.0485	0.9515	66.77
54.5	988,771	29,496	0.0298	0.9702	63.53
55.5	911,385	8,170	0.0090	0.9910	61.64
56.5	885,320	394	0.0004	0.9996	61.08
57.5	874,518	2,735	0.0031	0.9969	61.06
58.5	838,640	14,518	0.0173	0.9827	60.86
59.5	825,645	10,173	0.0123	0.9877	59.81
60.5	886,224	13,080	0.0148	0.9852	59.07
61.5	972,129	14,295	0.0147	0.9853	58.20
62.5	920,589	1,260	0.0014	0.9986	57.35
63.5	916,734	5,176	0.0056	0.9944	57.27
64.5	912,090		0.0000	1.0000	56.94
65.5	911,802	4,527	0.0050	0.9950	56.94
66.5	906,564	9,279	0.0102	0.9898	56.66
67.5	897,219	2,055	0.0023	0.9977	56.08
68.5	905,292	1,196	0.0013	0.9987	55.95
69.5	905,313		0.0000	1.0000	55.88
70.5	902,566		0.0000	1.0000	55.88
71.5	528,592		0.0000	1.0000	55.88
72.5	528,592	9,159	0.0173	0.9827	55.88
73.5	518,084	8,612	0.0166	0.9834	54.91
74.5	509,472		0.0000	1.0000	54.00
75.5	593,055		0.0000	1.0000	54.00
76.5	528,042		0.0000	1.0000	54.00
77.5	472,185	562	0.0012	0.9988	54.00
78.5	401,793	3,582	0.0089	0.9911	53.93

AQUA PENNSYLVANIA, INC.

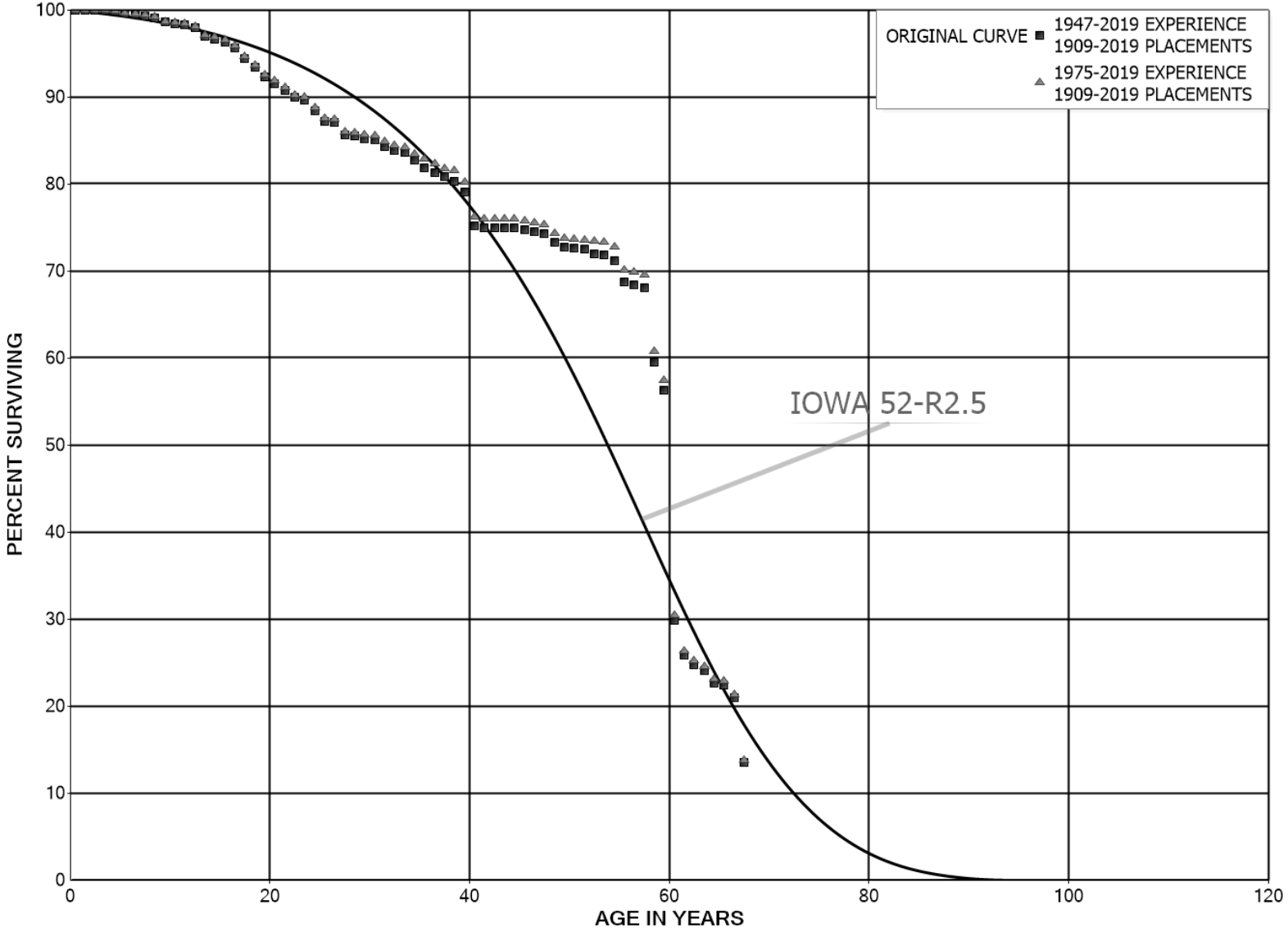
ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	387,671		0.0000	1.0000	53.45
80.5	387,148		0.0000	1.0000	53.45
81.5	385,776		0.0000	1.0000	53.45
82.5	291,418	76	0.0003	0.9997	53.45
83.5	291,342		0.0000	1.0000	53.44
84.5	278,626		0.0000	1.0000	53.44
85.5	295,551		0.0000	1.0000	53.44
86.5	204,414		0.0000	1.0000	53.44
87.5	196,961		0.0000	1.0000	53.44
88.5	185,143		0.0000	1.0000	53.44
89.5	184,611		0.0000	1.0000	53.44
90.5	184,611		0.0000	1.0000	53.44
91.5	184,611		0.0000	1.0000	53.44
92.5	184,449	870	0.0047	0.9953	53.44
93.5	181,552		0.0000	1.0000	53.19
94.5	181,132	154	0.0009	0.9991	53.19
95.5	170,938		0.0000	1.0000	53.14
96.5	155,553	83	0.0005	0.9995	53.14
97.5	146,711	627	0.0043	0.9957	53.11
98.5	146,083	39,074	0.2675	0.7325	52.89
99.5	107,010	1,236	0.0116	0.9884	38.74
100.5	74,364		0.0000	1.0000	38.29
101.5	74,364		0.0000	1.0000	38.29
102.5	74,364		0.0000	1.0000	38.29
103.5	74,364		0.0000	1.0000	38.29
104.5	74,364	558	0.0075	0.9925	38.29
105.5	73,806	5,856	0.0793	0.9207	38.01
106.5	67,950	259	0.0038	0.9962	34.99
107.5	67,690	583	0.0086	0.9914	34.86
108.5	67,107	695	0.0104	0.9896	34.56
109.5	66,412	2,691	0.0405	0.9595	34.20
110.5	4,673		0.0000	1.0000	32.81
111.5	4,673		0.0000	1.0000	32.81
112.5	4,673	4,673	1.0000		32.81
113.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	128,601,313		0.0000	1.0000	100.00
0.5	118,030,411	5,286	0.0000	1.0000	100.00
1.5	104,423,875	5,270	0.0001	0.9999	100.00
2.5	98,466,140	14,927	0.0002	0.9998	99.99
3.5	94,694,966	158,355	0.0017	0.9983	99.98
4.5	87,318,970	163,358	0.0019	0.9981	99.81
5.5	84,117,754	141,883	0.0017	0.9983	99.62
6.5	79,867,016	100,208	0.0013	0.9987	99.45
7.5	75,676,176	177,884	0.0024	0.9976	99.33
8.5	65,771,327	338,408	0.0051	0.9949	99.10
9.5	65,319,241	99,442	0.0015	0.9985	98.59
10.5	57,236,968	61,445	0.0011	0.9989	98.44
11.5	32,959,099	138,748	0.0042	0.9958	98.33
12.5	30,089,421	302,257	0.0100	0.9900	97.92
13.5	28,652,408	79,667	0.0028	0.9972	96.93
14.5	27,499,963	97,930	0.0036	0.9964	96.66
15.5	26,156,541	186,378	0.0071	0.9929	96.32
16.5	25,312,844	320,430	0.0127	0.9873	95.63
17.5	23,604,015	257,924	0.0109	0.9891	94.42
18.5	22,346,854	269,977	0.0121	0.9879	93.39
19.5	19,481,034	155,270	0.0080	0.9920	92.26
20.5	18,447,487	156,783	0.0085	0.9915	91.53
21.5	16,825,084	156,200	0.0093	0.9907	90.75
22.5	16,468,235	55,667	0.0034	0.9966	89.91
23.5	14,996,125	203,299	0.0136	0.9864	89.60
24.5	11,130,884	154,688	0.0139	0.9861	88.39
25.5	11,818,088	11,053	0.0009	0.9991	87.16
26.5	11,122,885	183,084	0.0165	0.9835	87.08
27.5	10,265,205	12,267	0.0012	0.9988	85.64
28.5	8,158,797	33,374	0.0041	0.9959	85.54
29.5	7,321,539	15,323	0.0021	0.9979	85.19
30.5	6,156,917	51,537	0.0084	0.9916	85.01
31.5	4,946,348	28,283	0.0057	0.9943	84.30
32.5	4,658,762	14,367	0.0031	0.9969	83.82
33.5	4,405,175	42,391	0.0096	0.9904	83.56
34.5	3,748,941	40,343	0.0108	0.9892	82.76
35.5	3,547,774	23,070	0.0065	0.9935	81.87
36.5	3,312,985	21,059	0.0064	0.9936	81.33
37.5	3,136,636	18,881	0.0060	0.9940	80.82
38.5	3,038,261	49,148	0.0162	0.9838	80.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,893,216	140,503	0.0486	0.9514	79.03
40.5	2,699,217	6,937	0.0026	0.9974	75.19
41.5	2,647,455	1,814	0.0007	0.9993	75.00
42.5	2,624,162	896	0.0003	0.9997	74.95
43.5	2,600,208	307	0.0001	0.9999	74.92
44.5	2,532,794	7,070	0.0028	0.9972	74.91
45.5	2,489,723	5,035	0.0020	0.9980	74.71
46.5	2,308,137	8,613	0.0037	0.9963	74.55
47.5	709,340	9,969	0.0141	0.9859	74.28
48.5	651,866	4,337	0.0067	0.9933	73.23
49.5	608,455	1,092	0.0018	0.9982	72.74
50.5	595,872	1,020	0.0017	0.9983	72.61
51.5	497,389	3,694	0.0074	0.9926	72.49
52.5	486,367	609	0.0013	0.9987	71.95
53.5	476,605	4,269	0.0090	0.9910	71.86
54.5	440,814	15,676	0.0356	0.9644	71.22
55.5	363,019	1,497	0.0041	0.9959	68.69
56.5	351,598	1,451	0.0041	0.9959	68.40
57.5	343,724	43,226	0.1258	0.8742	68.12
58.5	274,185	15,177	0.0554	0.9446	59.55
59.5	257,867	121,355	0.4706	0.5294	56.26
60.5	136,512	18,175	0.1331	0.8669	29.78
61.5	118,337	4,883	0.0413	0.9587	25.82
62.5	113,454	3,389	0.0299	0.9701	24.75
63.5	110,065	6,174	0.0561	0.9439	24.01
64.5	103,891	1,067	0.0103	0.9897	22.66
65.5	104,448	7,107	0.0680	0.9320	22.43
66.5	97,342	34,612	0.3556	0.6444	20.91
67.5	62,730	13,431	0.2141	0.7859	13.47
68.5	49,299	2,393	0.0485	0.9515	10.59
69.5	46,906	213	0.0045	0.9955	10.07
70.5	46,693	30	0.0006	0.9994	10.03
71.5	46,663	969	0.0208	0.9792	10.02
72.5	45,695	1,387	0.0304	0.9696	9.81
73.5	44,307		0.0000	1.0000	9.52
74.5	44,307		0.0000	1.0000	9.52
75.5	44,307	168	0.0038	0.9962	9.52
76.5	42,712		0.0000	1.0000	9.48
77.5	42,712		0.0000	1.0000	9.48
78.5	42,712		0.0000	1.0000	9.48

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	42,712	857	0.0201	0.9799	9.48
80.5	41,855	52	0.0012	0.9988	9.29
81.5	41,804		0.0000	1.0000	9.28
82.5	41,804	23,319	0.5578	0.4422	9.28
83.5	18,485	53	0.0029	0.9971	4.10
84.5	18,432	1,823	0.0989	0.9011	4.09
85.5	16,609	160	0.0097	0.9903	3.69
86.5	16,448		0.0000	1.0000	3.65
87.5	16,448	4,662	0.2834	0.7166	3.65
88.5	11,787	879	0.0746	0.9254	2.62
89.5	10,908	1,424	0.1305	0.8695	2.42
90.5	9,484	1,037	0.1094	0.8906	2.10
91.5	8,447	3,669	0.4344	0.5656	1.87
92.5	4,778	4,778	1.0000		1.06
93.5					
94.5					
95.5					
96.5					
97.5					
98.5					
99.5					
100.5	13,484		0.0000		
101.5	13,008		0.0000		
102.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1975-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	126,962,948		0.0000	1.0000	100.00
0.5	116,420,988	0	0.0000	1.0000	100.00
1.5	102,879,255	3,393	0.0000	1.0000	100.00
2.5	97,081,569	5,408	0.0001	0.9999	100.00
3.5	93,383,848	152,628	0.0016	0.9984	99.99
4.5	86,054,871	161,112	0.0019	0.9981	99.83
5.5	82,875,009	123,712	0.0015	0.9985	99.64
6.5	78,733,694	94,979	0.0012	0.9988	99.49
7.5	74,607,461	175,872	0.0024	0.9976	99.37
8.5	64,723,016	322,737	0.0050	0.9950	99.14
9.5	64,364,181	85,892	0.0013	0.9987	98.64
10.5	56,523,096	52,359	0.0009	0.9991	98.51
11.5	32,272,160	119,378	0.0037	0.9963	98.42
12.5	29,438,163	300,097	0.0102	0.9898	98.06
13.5	28,052,954	77,531	0.0028	0.9972	97.06
14.5	26,888,979	82,257	0.0031	0.9969	96.79
15.5	25,588,430	179,277	0.0070	0.9930	96.49
16.5	24,897,309	307,203	0.0123	0.9877	95.82
17.5	23,287,185	247,515	0.0106	0.9894	94.63
18.5	22,116,119	260,317	0.0118	0.9882	93.63
19.5	19,241,686	150,627	0.0078	0.9922	92.53
20.5	18,223,938	156,679	0.0086	0.9914	91.80
21.5	16,609,686	148,311	0.0089	0.9911	91.01
22.5	16,276,531	52,235	0.0032	0.9968	90.20
23.5	14,784,521	200,519	0.0136	0.9864	89.91
24.5	10,912,795	145,927	0.0134	0.9866	88.69
25.5	11,618,244	11,053	0.0010	0.9990	87.51
26.5	10,978,635	181,431	0.0165	0.9835	87.42
27.5	10,127,106	12,267	0.0012	0.9988	85.98
28.5	8,023,923	25,571	0.0032	0.9968	85.87
29.5	7,194,536	10,219	0.0014	0.9986	85.60
30.5	6,036,292	42,152	0.0070	0.9930	85.48
31.5	4,835,184	27,917	0.0058	0.9942	84.88
32.5	4,548,119	14,145	0.0031	0.9969	84.39
33.5	4,291,454	39,254	0.0091	0.9909	84.13
34.5	3,638,557	24,980	0.0069	0.9931	83.36
35.5	3,454,272	23,070	0.0067	0.9933	82.79
36.5	3,219,484	20,938	0.0065	0.9935	82.23
37.5	3,042,911	6,923	0.0023	0.9977	81.70
38.5	2,956,494	49,148	0.0166	0.9834	81.51

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1975-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,813,235	140,503	0.0499	0.9501	80.16
40.5	2,619,237	6,232	0.0024	0.9976	76.15
41.5	2,569,246	1,814	0.0007	0.9993	75.97
42.5	2,568,034	230	0.0001	0.9999	75.92
43.5	2,545,439	307	0.0001	0.9999	75.91
44.5	2,483,706	6,999	0.0028	0.9972	75.90
45.5	2,440,706	4,518	0.0019	0.9981	75.69
46.5	2,259,638	8,613	0.0038	0.9962	75.55
47.5	668,305	8,617	0.0129	0.9871	75.26
48.5	613,839	4,337	0.0071	0.9929	74.29
49.5	570,428	1,092	0.0019	0.9981	73.77
50.5	560,563	1,020	0.0018	0.9982	73.63
51.5	481,745	393	0.0008	0.9992	73.49
52.5	486,022	609	0.0013	0.9987	73.43
53.5	476,260	4,269	0.0090	0.9910	73.34
54.5	440,470	15,676	0.0356	0.9644	72.68
55.5	362,675	1,497	0.0041	0.9959	70.10
56.5	351,254	1,451	0.0041	0.9959	69.81
57.5	343,379	43,226	0.1259	0.8741	69.52
58.5	273,841	15,177	0.0554	0.9446	60.77
59.5	257,523	121,355	0.4712	0.5288	57.40
60.5	136,168	18,175	0.1335	0.8665	30.35
61.5	117,992	4,883	0.0414	0.9586	26.30
62.5	113,109	3,389	0.0300	0.9700	25.21
63.5	109,721	6,174	0.0563	0.9437	24.46
64.5	103,546	1,067	0.0103	0.9897	23.08
65.5	104,448	7,107	0.0680	0.9320	22.84
66.5	97,342	34,612	0.3556	0.6444	21.29
67.5	62,730	13,431	0.2141	0.7859	13.72
68.5	49,299	2,393	0.0485	0.9515	10.78
69.5	46,906	213	0.0045	0.9955	10.26
70.5	46,693	30	0.0006	0.9994	10.21
71.5	46,663	969	0.0208	0.9792	10.20
72.5	45,695	1,387	0.0304	0.9696	9.99
73.5	44,307		0.0000	1.0000	9.69
74.5	44,307		0.0000	1.0000	9.69
75.5	44,307	168	0.0038	0.9962	9.69
76.5	42,712		0.0000	1.0000	9.65
77.5	42,712		0.0000	1.0000	9.65
78.5	42,712		0.0000	1.0000	9.65

AQUA PENNSYLVANIA, INC.

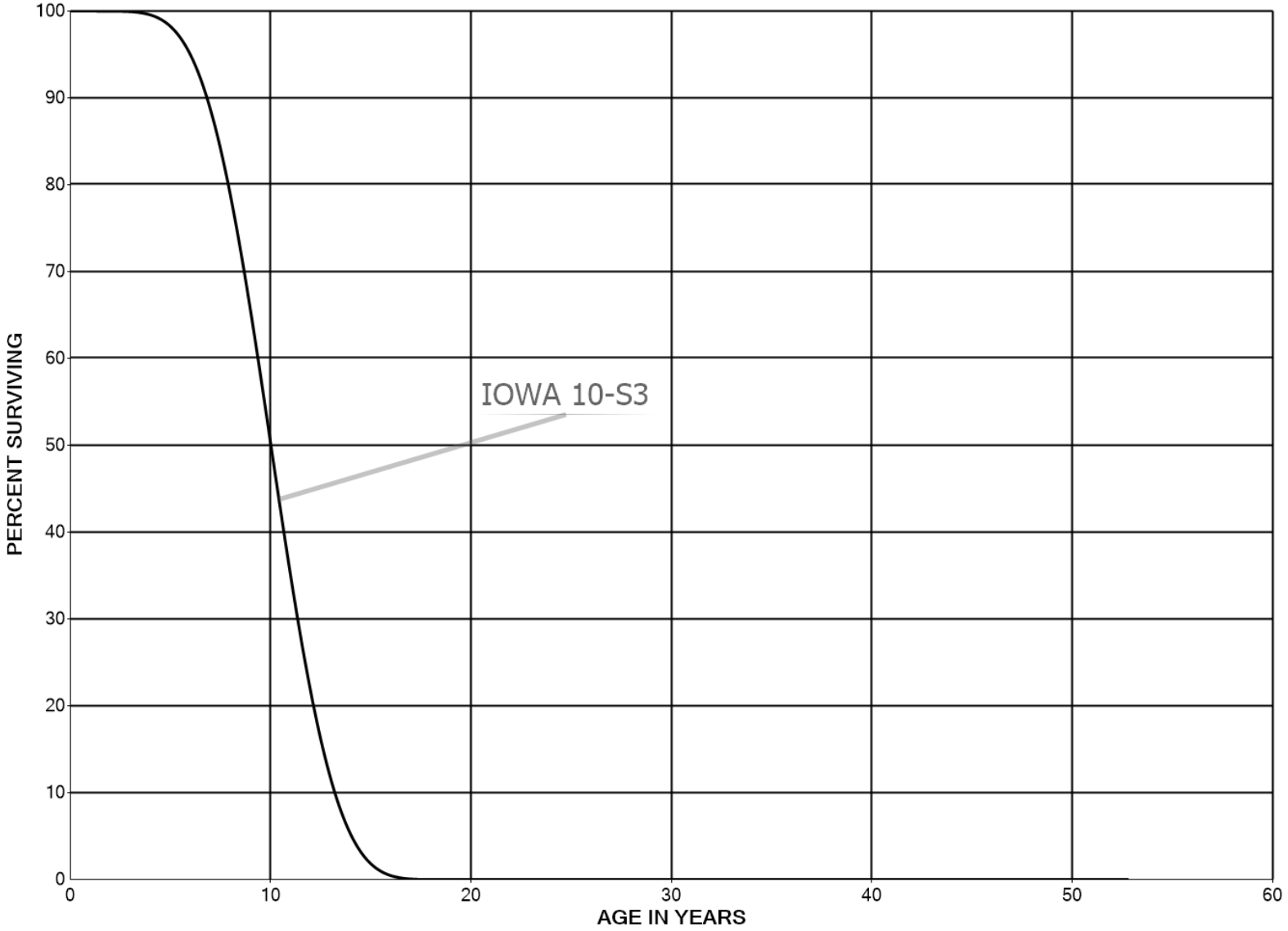
ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

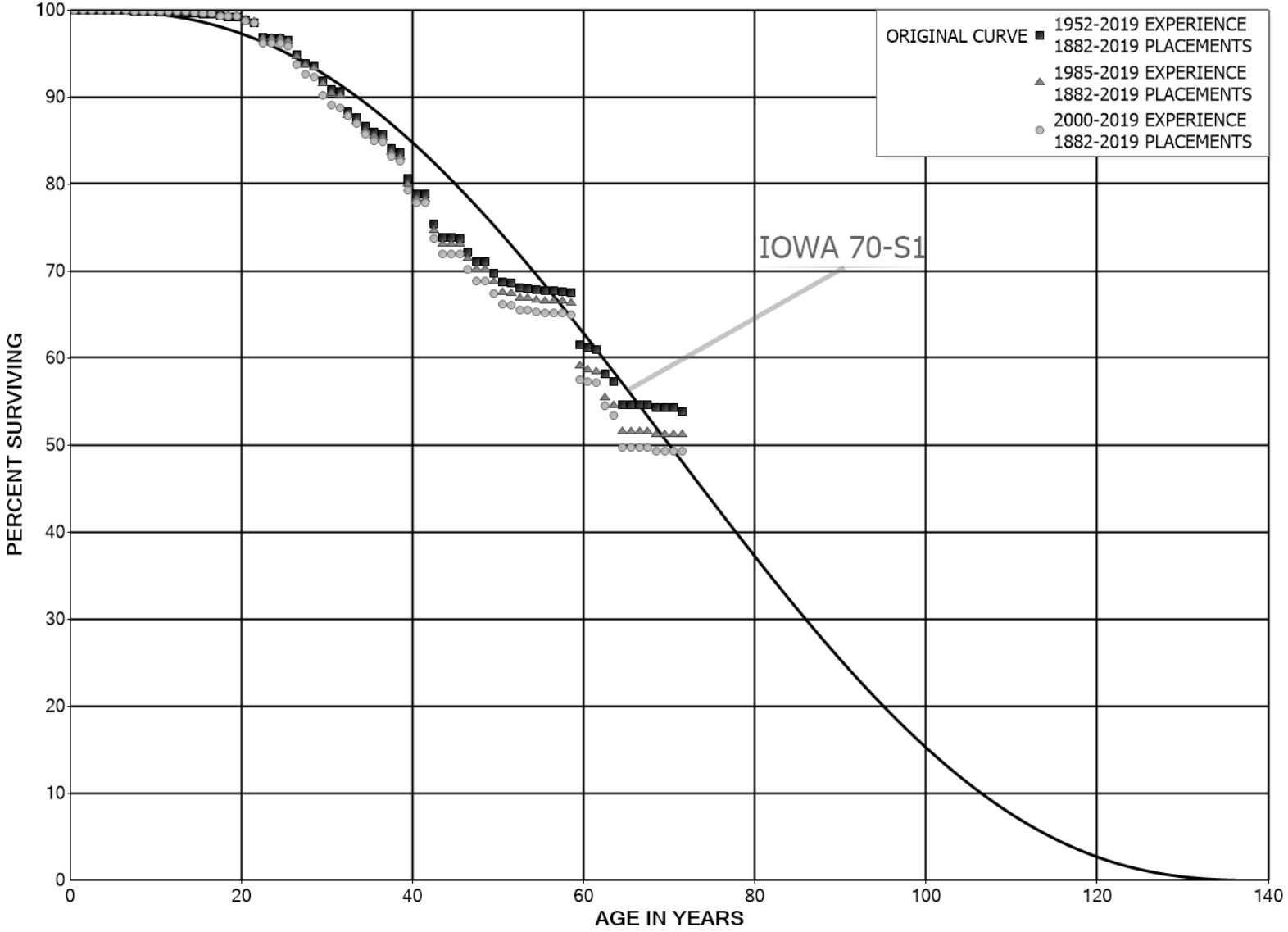
PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1975-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	42,712	857	0.0201	0.9799	9.65
80.5	41,855	52	0.0012	0.9988	9.46
81.5	41,804		0.0000	1.0000	9.45
82.5	41,804	23,319	0.5578	0.4422	9.45
83.5	18,485	53	0.0029	0.9971	4.18
84.5	18,432	1,823	0.0989	0.9011	4.17
85.5	16,609	160	0.0097	0.9903	3.75
86.5	16,448		0.0000	1.0000	3.72
87.5	16,448	4,662	0.2834	0.7166	3.72
88.5	11,787	879	0.0746	0.9254	2.66
89.5	10,908	1,424	0.1305	0.8695	2.47
90.5	9,484	1,037	0.1094	0.8906	2.14
91.5	8,447	3,669	0.4344	0.5656	1.91
92.5	4,778	4,778	1.0000		1.08
93.5					
94.5					
95.5					
96.5					
97.5					
98.5					
99.5					
100.5	13,484		0.0000		
101.5	13,008		0.0000		
102.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 320.5 PURIFICATION SYSTEM - FILTER MEDIA
SMOOTH SURVIVOR CURVE



AQUA PENNSYLVANIA, INC.
ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	129,371,839	0	0.0000	1.0000	100.00
0.5	117,566,615	0	0.0000	1.0000	100.00
1.5	110,148,034	0	0.0000	1.0000	100.00
2.5	103,711,780	410	0.0000	1.0000	100.00
3.5	96,585,849	991	0.0000	1.0000	100.00
4.5	88,815,995	10,806	0.0001	0.9999	100.00
5.5	80,117,178	810	0.0000	1.0000	99.99
6.5	80,084,903	84,047	0.0010	0.9990	99.99
7.5	74,074,654	5,761	0.0001	0.9999	99.88
8.5	69,266,319	25,318	0.0004	0.9996	99.87
9.5	60,828,199	61,049	0.0010	0.9990	99.84
10.5	57,050,377	8,304	0.0001	0.9999	99.74
11.5	50,843,373	23,171	0.0005	0.9995	99.72
12.5	46,749,222	13,652	0.0003	0.9997	99.68
13.5	43,697,664	7,146	0.0002	0.9998	99.65
14.5	43,044,935	65,637	0.0015	0.9985	99.63
15.5	43,292,453	5,852	0.0001	0.9999	99.48
16.5	41,867,285	88,702	0.0021	0.9979	99.47
17.5	39,176,389	24,893	0.0006	0.9994	99.25
18.5	37,339,390	3,435	0.0001	0.9999	99.19
19.5	35,059,707	122,893	0.0035	0.9965	99.18
20.5	34,222,521	100,140	0.0029	0.9971	98.83
21.5	33,643,941	602,261	0.0179	0.9821	98.55
22.5	31,427,819	1,667	0.0001	0.9999	96.78
23.5	29,679,779	7,693	0.0003	0.9997	96.78
24.5	29,163,995	89,237	0.0031	0.9969	96.75
25.5	28,448,880	480,069	0.0169	0.9831	96.46
26.5	26,700,362	275,597	0.0103	0.9897	94.83
27.5	23,190,085	77,945	0.0034	0.9966	93.85
28.5	22,174,041	399,934	0.0180	0.9820	93.53
29.5	21,455,003	234,343	0.0109	0.9891	91.85
30.5	19,316,817	56,155	0.0029	0.9971	90.84
31.5	17,802,256	452,041	0.0254	0.9746	90.58
32.5	17,302,710	131,249	0.0076	0.9924	88.28
33.5	16,498,949	196,891	0.0119	0.9881	87.61
34.5	15,525,470	108,277	0.0070	0.9930	86.56
35.5	15,306,897	39,821	0.0026	0.9974	85.96
36.5	15,297,371	290,198	0.0190	0.9810	85.74
37.5	15,038,180	94,811	0.0063	0.9937	84.11
38.5	14,761,825	532,743	0.0361	0.9639	83.58

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	12,567,841	268,052	0.0213	0.9787	80.56
40.5	12,156,200	2,701	0.0002	0.9998	78.85
41.5	11,822,134	521,889	0.0441	0.9559	78.83
42.5	11,231,542	226,954	0.0202	0.9798	75.35
43.5	7,979,193	2,013	0.0003	0.9997	73.83
44.5	7,430,083	5,369	0.0007	0.9993	73.81
45.5	7,478,853	154,912	0.0207	0.9793	73.75
46.5	5,714,993	94,379	0.0165	0.9835	72.23
47.5	4,946,304	374	0.0001	0.9999	71.03
48.5	4,793,691	86,230	0.0180	0.9820	71.03
49.5	4,670,255	71,870	0.0154	0.9846	69.75
50.5	4,519,816	6,700	0.0015	0.9985	68.68
51.5	4,425,240	35,875	0.0081	0.9919	68.57
52.5	4,517,927	642	0.0001	0.9999	68.02
53.5	4,435,506	12,098	0.0027	0.9973	68.01
54.5	4,393,661	8,444	0.0019	0.9981	67.82
55.5	3,924,559	81	0.0000	1.0000	67.69
56.5	3,315,243	1,690	0.0005	0.9995	67.69
57.5	3,009,602	8,356	0.0028	0.9972	67.66
58.5	2,445,893	215,126	0.0880	0.9120	67.47
59.5	2,222,198	13,552	0.0061	0.9939	61.54
60.5	2,179,376	8,620	0.0040	0.9960	61.16
61.5	2,114,398	95,840	0.0453	0.9547	60.92
62.5	1,996,849	29,109	0.0146	0.9854	58.16
63.5	1,608,310	75,844	0.0472	0.9528	57.31
64.5	1,428,992	57	0.0000	1.0000	54.61
65.5	1,234,719		0.0000	1.0000	54.60
66.5	1,167,502		0.0000	1.0000	54.60
67.5	1,153,165	6,086	0.0053	0.9947	54.60
68.5	853,813		0.0000	1.0000	54.32
69.5	734,468		0.0000	1.0000	54.32
70.5	733,989	7,160	0.0098	0.9902	54.32
71.5	576,826	135	0.0002	0.9998	53.79
72.5	579,235	3,758	0.0065	0.9935	53.77
73.5	574,109	1,702	0.0030	0.9970	53.42
74.5	568,231		0.0000	1.0000	53.27
75.5	566,187		0.0000	1.0000	53.27
76.5	565,577	21,908	0.0387	0.9613	53.27
77.5	543,669	922	0.0017	0.9983	51.20
78.5	542,747	2,489	0.0046	0.9954	51.12

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	538,323		0.0000	1.0000	50.88
80.5	538,323	216	0.0004	0.9996	50.88
81.5	537,930	41	0.0001	0.9999	50.86
82.5	526,415	15,326	0.0291	0.9709	50.86
83.5	511,089	113	0.0002	0.9998	49.38
84.5	510,976		0.0000	1.0000	49.37
85.5	510,976		0.0000	1.0000	49.37
86.5	510,976		0.0000	1.0000	49.37
87.5	510,976	14,670	0.0287	0.9713	49.37
88.5	496,090	22,897	0.0462	0.9538	47.95
89.5	466,250	6,760	0.0145	0.9855	45.74
90.5	459,570	45	0.0001	0.9999	45.07
91.5	428,931	10,420	0.0243	0.9757	45.07
92.5	379,796	4,883	0.0129	0.9871	43.97
93.5	334,384		0.0000	1.0000	43.41
94.5	334,384		0.0000	1.0000	43.41
95.5	153,234		0.0000	1.0000	43.41
96.5	153,234		0.0000	1.0000	43.41
97.5	153,234		0.0000	1.0000	43.41
98.5	153,234		0.0000	1.0000	43.41
99.5	162,093		0.0000	1.0000	43.41
100.5	162,093		0.0000	1.0000	43.41
101.5	162,093	2,293	0.0141	0.9859	43.41
102.5	159,800	191	0.0012	0.9988	42.79
103.5	159,609	5,070	0.0318	0.9682	42.74
104.5	154,539	383	0.0025	0.9975	41.38
105.5	154,155	3,695	0.0240	0.9760	41.28
106.5	150,460	1,644	0.0109	0.9891	40.29
107.5	148,816	10,462	0.0703	0.9297	39.85
108.5	138,354	451	0.0033	0.9967	37.05
109.5	72,216		0.0000	1.0000	36.93
110.5	29,939		0.0000	1.0000	36.93
111.5	29,939	17,994	0.6010	0.3990	36.93
112.5	11,945		0.0000	1.0000	14.73
113.5	11,945		0.0000	1.0000	14.73
114.5	11,945		0.0000	1.0000	14.73
115.5	11,945		0.0000	1.0000	14.73
116.5	11,945		0.0000	1.0000	14.73
117.5	11,945	9,267	0.7758	0.2242	14.73
118.5	2,678		0.0000	1.0000	3.30

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	2,678		0.0000	1.0000	3.30
120.5	2,251		0.0000	1.0000	3.30
121.5	2,251		0.0000	1.0000	3.30
122.5	2,251		0.0000	1.0000	3.30
123.5	2,251		0.0000	1.0000	3.30
124.5	2,251		0.0000	1.0000	3.30
125.5	2,251		0.0000	1.0000	3.30
126.5	2,251		0.0000	1.0000	3.30
127.5	1,920		0.0000	1.0000	3.30
128.5	1,920		0.0000	1.0000	3.30
129.5	1,920		0.0000	1.0000	3.30
130.5	1,920		0.0000	1.0000	3.30
131.5	1,920		0.0000	1.0000	3.30
132.5	1,920		0.0000	1.0000	3.30
133.5	1,920		0.0000	1.0000	3.30
134.5	983		0.0000	1.0000	3.30
135.5	983		0.0000	1.0000	3.30
136.5	983	11	0.0116	0.9884	3.30
137.5					3.26

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	118,966,322	0	0.0000	1.0000	100.00
0.5	106,892,121	0	0.0000	1.0000	100.00
1.5	99,487,288	0	0.0000	1.0000	100.00
2.5	93,052,837		0.0000	1.0000	100.00
3.5	86,024,825	805	0.0000	1.0000	100.00
4.5	80,303,209	10,449	0.0001	0.9999	100.00
5.5	71,632,428	0	0.0000	1.0000	99.99
6.5	71,733,969	83,889	0.0012	0.9988	99.99
7.5	65,748,274	3,905	0.0001	0.9999	99.87
8.5	64,377,304	1,680	0.0000	1.0000	99.86
9.5	56,602,515	13,209	0.0002	0.9998	99.86
10.5	52,901,153	7,717	0.0001	0.9999	99.84
11.5	46,707,624	19,016	0.0004	0.9996	99.82
12.5	42,684,633	12,819	0.0003	0.9997	99.78
13.5	39,638,540	6,834	0.0002	0.9998	99.75
14.5	38,988,872	65,344	0.0017	0.9983	99.73
15.5	39,239,747	5,582	0.0001	0.9999	99.57
16.5	37,967,122	88,630	0.0023	0.9977	99.55
17.5	35,277,030	20,219	0.0006	0.9994	99.32
18.5	33,673,615	3,146	0.0001	0.9999	99.26
19.5	31,439,812	122,363	0.0039	0.9961	99.25
20.5	31,003,599	79,200	0.0026	0.9974	98.87
21.5	31,106,554	601,233	0.0193	0.9807	98.62
22.5	28,901,466	1,370	0.0000	1.0000	96.71
23.5	27,744,229	617	0.0000	1.0000	96.71
24.5	27,201,508	89,237	0.0033	0.9967	96.70
25.5	26,474,437	475,898	0.0180	0.9820	96.39
26.5	24,739,610	274,218	0.0111	0.9889	94.65
27.5	21,069,414	72,245	0.0034	0.9966	93.60
28.5	20,545,081	399,934	0.0195	0.9805	93.28
29.5	20,045,290	234,209	0.0117	0.9883	91.47
30.5	18,321,217	54,564	0.0030	0.9970	90.40
31.5	16,975,805	433,691	0.0255	0.9745	90.13
32.5	16,508,564	129,590	0.0078	0.9922	87.83
33.5	15,983,341	196,353	0.0123	0.9877	87.14
34.5	15,124,415	107,394	0.0071	0.9929	86.07
35.5	14,906,927	38,700	0.0026	0.9974	85.46
36.5	14,962,551	289,092	0.0193	0.9807	85.23
37.5	14,707,557	94,811	0.0064	0.9936	83.59
38.5	14,432,571	531,943	0.0369	0.9631	83.05

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	12,245,548	268,052	0.0219	0.9781	79.99
40.5	11,837,582	2,701	0.0002	0.9998	78.24
41.5	11,412,611	521,889	0.0457	0.9543	78.22
42.5	10,780,995	224,781	0.0208	0.9792	74.64
43.5	7,504,356	2,013	0.0003	0.9997	73.09
44.5	6,957,181	5,255	0.0008	0.9992	73.07
45.5	7,006,066	153,408	0.0219	0.9781	73.01
46.5	5,233,468	94,095	0.0180	0.9820	71.41
47.5	4,465,062	335	0.0001	0.9999	70.13
48.5	4,312,489	86,230	0.0200	0.9800	70.12
49.5	4,189,053	71,747	0.0171	0.9829	68.72
50.5	4,038,737	6,377	0.0016	0.9984	67.54
51.5	3,944,484	35,875	0.0091	0.9909	67.44
52.5	4,005,607	237	0.0001	0.9999	66.82
53.5	3,886,900	9,086	0.0023	0.9977	66.82
54.5	3,836,630	8,358	0.0022	0.9978	66.66
55.5	3,356,966		0.0000	1.0000	66.52
56.5	2,749,968	902	0.0003	0.9997	66.52
57.5	2,487,273	8,356	0.0034	0.9966	66.50
58.5	1,975,101	215,126	0.1089	0.8911	66.27
59.5	1,753,701	13,492	0.0077	0.9923	59.05
60.5	1,901,088	7,716	0.0041	0.9959	58.60
61.5	1,878,756	95,840	0.0510	0.9490	58.36
62.5	1,761,293	29,109	0.0165	0.9835	55.39
63.5	1,372,888	75,416	0.0549	0.9451	54.47
64.5	1,193,999		0.0000	1.0000	51.48
65.5	1,010,530		0.0000	1.0000	51.48
66.5	924,382		0.0000	1.0000	51.48
67.5	910,044	5,786	0.0064	0.9936	51.48
68.5	610,993		0.0000	1.0000	51.15
69.5	488,694		0.0000	1.0000	51.15
70.5	488,215		0.0000	1.0000	51.15
71.5	338,212	135	0.0004	0.9996	51.15
72.5	340,621	3,758	0.0110	0.9890	51.13
73.5	335,495		0.0000	1.0000	50.57
74.5	420,208		0.0000	1.0000	50.57
75.5	458,800		0.0000	1.0000	50.57
76.5	458,190		0.0000	1.0000	50.57
77.5	458,190		0.0000	1.0000	50.57
78.5	458,190	2,489	0.0054	0.9946	50.57

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	464,186		0.0000	1.0000	50.29
80.5	464,186	216	0.0005	0.9995	50.29
81.5	463,792	41	0.0001	0.9999	50.27
82.5	452,278	3,987	0.0088	0.9912	50.26
83.5	448,291	113	0.0003	0.9997	49.82
84.5	448,178		0.0000	1.0000	49.81
85.5	448,605		0.0000	1.0000	49.81
86.5	448,605		0.0000	1.0000	49.81
87.5	448,605	14,670	0.0327	0.9673	49.81
88.5	433,719	0	0.0000	1.0000	48.18
89.5	426,776	6,760	0.0158	0.9842	48.18
90.5	420,096	45	0.0001	0.9999	47.42
91.5	389,458	10,420	0.0268	0.9732	47.41
92.5	350,615	4,883	0.0139	0.9861	46.14
93.5	305,203		0.0000	1.0000	45.50
94.5	305,203		0.0000	1.0000	45.50
95.5	124,053		0.0000	1.0000	45.50
96.5	124,053		0.0000	1.0000	45.50
97.5	124,053		0.0000	1.0000	45.50
98.5	124,053		0.0000	1.0000	45.50
99.5	151,843		0.0000	1.0000	45.50
100.5	151,843		0.0000	1.0000	45.50
101.5	151,843	2,293	0.0151	0.9849	45.50
102.5	159,800	191	0.0012	0.9988	44.81
103.5	159,609	5,070	0.0318	0.9682	44.76
104.5	154,539	383	0.0025	0.9975	43.34
105.5	154,155	3,695	0.0240	0.9760	43.23
106.5	150,460	1,644	0.0109	0.9891	42.19
107.5	148,816	10,462	0.0703	0.9297	41.73
108.5	138,354	451	0.0033	0.9967	38.80
109.5	72,216		0.0000	1.0000	38.67
110.5	29,939		0.0000	1.0000	38.67
111.5	29,939	17,994	0.6010	0.3990	38.67
112.5	11,945		0.0000	1.0000	15.43
113.5	11,945		0.0000	1.0000	15.43
114.5	11,945		0.0000	1.0000	15.43
115.5	11,945		0.0000	1.0000	15.43
116.5	11,945		0.0000	1.0000	15.43
117.5	11,945	9,267	0.7758	0.2242	15.43
118.5	2,678		0.0000	1.0000	3.46

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	2,678		0.0000	1.0000	3.46
120.5	2,251		0.0000	1.0000	3.46
121.5	2,251		0.0000	1.0000	3.46
122.5	2,251		0.0000	1.0000	3.46
123.5	2,251		0.0000	1.0000	3.46
124.5	2,251		0.0000	1.0000	3.46
125.5	2,251		0.0000	1.0000	3.46
126.5	2,251		0.0000	1.0000	3.46
127.5	1,920		0.0000	1.0000	3.46
128.5	1,920		0.0000	1.0000	3.46
129.5	1,920		0.0000	1.0000	3.46
130.5	1,920		0.0000	1.0000	3.46
131.5	1,920		0.0000	1.0000	3.46
132.5	1,920		0.0000	1.0000	3.46
133.5	1,920		0.0000	1.0000	3.46
134.5	983		0.0000	1.0000	3.46
135.5	983		0.0000	1.0000	3.46
136.5	983	11	0.0116	0.9884	3.46
137.5					3.42

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	106,723,218	0	0.0000	1.0000	100.00
0.5	94,171,224	0	0.0000	1.0000	100.00
1.5	86,904,363	0	0.0000	1.0000	100.00
2.5	80,481,251		0.0000	1.0000	100.00
3.5	74,963,183	805	0.0000	1.0000	100.00
4.5	66,796,706	758	0.0000	1.0000	100.00
5.5	58,597,422	0	0.0000	1.0000	100.00
6.5	59,806,869	83,889	0.0014	0.9986	100.00
7.5	57,030,508	3,905	0.0001	0.9999	99.86
8.5	53,288,173	1,680	0.0000	1.0000	99.85
9.5	45,040,786	13,209	0.0003	0.9997	99.85
10.5	43,359,758	7,717	0.0002	0.9998	99.82
11.5	38,607,309		0.0000	1.0000	99.80
12.5	34,278,070	0	0.0000	1.0000	99.80
13.5	31,578,369	6,834	0.0002	0.9998	99.80
14.5	31,539,510	65,344	0.0021	0.9979	99.78
15.5	31,734,631		0.0000	1.0000	99.57
16.5	30,441,920	88,630	0.0029	0.9971	99.57
17.5	27,742,871	5,983	0.0002	0.9998	99.28
18.5	25,616,880	3,146	0.0001	0.9999	99.26
19.5	25,300,266	119,528	0.0047	0.9953	99.25
20.5	24,572,584	79,200	0.0032	0.9968	98.78
21.5	24,202,555	557,284	0.0230	0.9770	98.46
22.5	20,627,437		0.0000	1.0000	96.19
23.5	22,944,189	617	0.0000	1.0000	96.19
24.5	23,065,153	87,305	0.0038	0.9962	96.19
25.5	21,992,040	475,854	0.0216	0.9784	95.83
26.5	21,864,901	268,233	0.0123	0.9877	93.75
27.5	18,656,500	60,922	0.0033	0.9967	92.60
28.5	17,647,035	399,934	0.0227	0.9773	92.30
29.5	17,078,925	212,609	0.0124	0.9876	90.21
30.5	15,049,894	52,282	0.0035	0.9965	89.09
31.5	13,695,077	150,161	0.0110	0.9890	88.78
32.5	13,404,094	128,393	0.0096	0.9904	87.80
33.5	12,823,879	187,780	0.0146	0.9854	86.96
34.5	11,906,573	107,394	0.0090	0.9910	85.69
35.5	12,123,593	4,290	0.0004	0.9996	84.92
36.5	12,726,348	256,303	0.0201	0.9799	84.89
37.5	12,607,408	89,919	0.0071	0.9929	83.18
38.5	12,905,953	519,924	0.0403	0.9597	82.58

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	10,595,782	188,321	0.0178	0.9822	79.26
40.5	10,297,764		0.0000	1.0000	77.85
41.5	9,868,277	521,889	0.0529	0.9471	77.85
42.5	9,258,283	218,029	0.0235	0.9765	73.73
43.5	6,466,293		0.0000	1.0000	71.99
44.5	6,105,360	5,255	0.0009	0.9991	71.99
45.5	6,338,879	153,408	0.0242	0.9758	71.93
46.5	4,753,826	92,459	0.0194	0.9806	70.19
47.5	3,926,557	335	0.0001	0.9999	68.83
48.5	4,079,245	86,230	0.0211	0.9789	68.82
49.5	4,117,171	71,747	0.0174	0.9826	67.37
50.5	3,967,528	6,377	0.0016	0.9984	66.19
51.5	3,935,437	35,875	0.0091	0.9909	66.09
52.5	3,996,031	237	0.0001	0.9999	65.48
53.5	3,878,261	9,086	0.0023	0.9977	65.48
54.5	3,831,432	8,358	0.0022	0.9978	65.33
55.5	3,353,811		0.0000	1.0000	65.18
56.5	2,745,186	902	0.0003	0.9997	65.18
57.5	2,443,775	8,356	0.0034	0.9966	65.16
58.5	1,868,593	213,932	0.1145	0.8855	64.94
59.5	1,630,345	7,331	0.0045	0.9955	57.50
60.5	1,593,744	685	0.0004	0.9996	57.25
61.5	1,574,001	75,863	0.0482	0.9518	57.22
62.5	1,487,989	29,109	0.0196	0.9804	54.46
63.5	1,099,409	75,416	0.0686	0.9314	53.40
64.5	920,520		0.0000	1.0000	49.74
65.5	736,937		0.0000	1.0000	49.74
66.5	650,789		0.0000	1.0000	49.74
67.5	636,492	5,786	0.0091	0.9909	49.74
68.5	337,872		0.0000	1.0000	49.28
69.5	172,200		0.0000	1.0000	49.28
70.5	171,721		0.0000	1.0000	49.28
71.5	52,311		0.0000	1.0000	49.28
72.5	94,931	141	0.0015	0.9985	49.28
73.5	147,809		0.0000	1.0000	49.21
74.5	144,510		0.0000	1.0000	49.21
75.5	324,655		0.0000	1.0000	49.21
76.5	328,666		0.0000	1.0000	49.21
77.5	328,666		0.0000	1.0000	49.21
78.5	328,666		0.0000	1.0000	49.21

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	326,730		0.0000	1.0000	49.21
80.5	326,730	216	0.0007	0.9993	49.21
81.5	326,337	41	0.0001	0.9999	49.18
82.5	314,823	3,987	0.0127	0.9873	49.17
83.5	310,836	113	0.0004	0.9996	48.55
84.5	310,722		0.0000	1.0000	48.53
85.5	310,722		0.0000	1.0000	48.53
86.5	310,722		0.0000	1.0000	48.53
87.5	310,722	14,670	0.0472	0.9528	48.53
88.5	295,836	0	0.0000	1.0000	46.24
89.5	382,237	6,760	0.0177	0.9823	46.24
90.5	409,249	45	0.0001	0.9999	45.42
91.5	378,611		0.0000	1.0000	45.42
92.5	339,895	4,883	0.0144	0.9856	45.42
93.5	294,483		0.0000	1.0000	44.76
94.5	294,483		0.0000	1.0000	44.76
95.5	113,333		0.0000	1.0000	44.76
96.5	113,333		0.0000	1.0000	44.76
97.5	113,333		0.0000	1.0000	44.76
98.5	113,333		0.0000	1.0000	44.76
99.5	122,192		0.0000	1.0000	44.76
100.5	122,619		0.0000	1.0000	44.76
101.5	122,619	2,293	0.0187	0.9813	44.76
102.5	120,326	191	0.0016	0.9984	43.93
103.5	120,135	5,070	0.0422	0.9578	43.86
104.5	115,065	383	0.0033	0.9967	42.01
105.5	114,681	3,695	0.0322	0.9678	41.87
106.5	110,986	1,644	0.0148	0.9852	40.52
107.5	119,635	10,462	0.0875	0.9125	39.92
108.5	109,173	451	0.0041	0.9959	36.43
109.5	43,034		0.0000	1.0000	36.28
110.5	758		0.0000	1.0000	36.28
111.5	758		0.0000	1.0000	36.28
112.5	758		0.0000	1.0000	36.28
113.5	758		0.0000	1.0000	36.28
114.5	1,695		0.0000	1.0000	36.28
115.5	1,695		0.0000	1.0000	36.28
116.5	1,695		0.0000	1.0000	36.28
117.5	11,945	9,267	0.7758	0.2242	36.28
118.5	2,678		0.0000	1.0000	8.13

AQUA PENNSYLVANIA, INC.

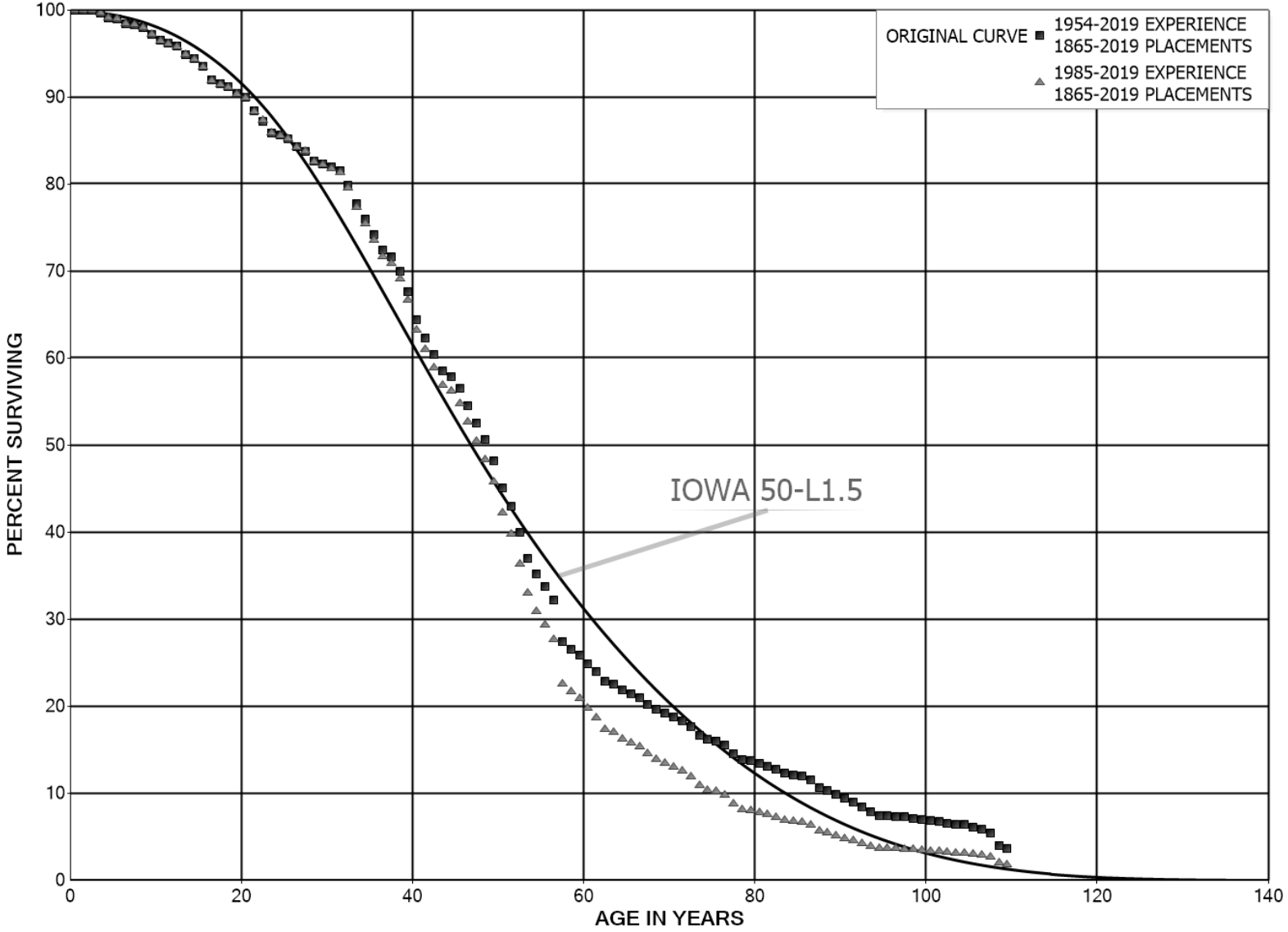
ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	2,678		0.0000	1.0000	8.13
120.5	2,251		0.0000	1.0000	8.13
121.5	2,251		0.0000	1.0000	8.13
122.5	2,251		0.0000	1.0000	8.13
123.5	2,251		0.0000	1.0000	8.13
124.5	2,251		0.0000	1.0000	8.13
125.5	2,251		0.0000	1.0000	8.13
126.5	2,251		0.0000	1.0000	8.13
127.5	1,920		0.0000	1.0000	8.13
128.5	1,920		0.0000	1.0000	8.13
129.5	1,920		0.0000	1.0000	8.13
130.5	1,920		0.0000	1.0000	8.13
131.5	1,920		0.0000	1.0000	8.13
132.5	1,920		0.0000	1.0000	8.13
133.5	1,920		0.0000	1.0000	8.13
134.5	983		0.0000	1.0000	8.13
135.5	983		0.0000	1.0000	8.13
136.5	983	11	0.0116	0.9884	8.13
137.5					8.04

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	29,915,498		0.0000	1.0000	100.00
0.5	27,663,984	8,836	0.0003	0.9997	100.00
1.5	26,207,733	4,556	0.0002	0.9998	99.97
2.5	25,152,698	85,248	0.0034	0.9966	99.95
3.5	23,868,160	118,787	0.0050	0.9950	99.61
4.5	21,967,494	45,199	0.0021	0.9979	99.12
5.5	20,781,888	103,288	0.0050	0.9950	98.91
6.5	19,310,121	30,741	0.0016	0.9984	98.42
7.5	18,706,795	57,720	0.0031	0.9969	98.26
8.5	17,797,226	136,925	0.0077	0.9923	97.96
9.5	17,612,899	131,821	0.0075	0.9925	97.21
10.5	17,290,237	61,936	0.0036	0.9964	96.48
11.5	15,664,401	54,716	0.0035	0.9965	96.13
12.5	13,826,515	133,210	0.0096	0.9904	95.80
13.5	9,393,834	49,322	0.0053	0.9947	94.88
14.5	8,791,696	85,005	0.0097	0.9903	94.38
15.5	7,742,485	125,452	0.0162	0.9838	93.46
16.5	6,181,711	28,455	0.0046	0.9954	91.95
17.5	5,068,494	21,562	0.0043	0.9957	91.53
18.5	3,586,469	27,369	0.0076	0.9924	91.14
19.5	3,394,188	17,583	0.0052	0.9948	90.44
20.5	3,168,710	55,586	0.0175	0.9825	89.97
21.5	2,698,781	35,754	0.0132	0.9868	88.40
22.5	2,315,529	35,577	0.0154	0.9846	87.22
23.5	2,313,179	8,201	0.0035	0.9965	85.88
24.5	2,401,302	11,884	0.0049	0.9951	85.58
25.5	2,267,281	24,271	0.0107	0.9893	85.16
26.5	2,337,872	13,564	0.0058	0.9942	84.24
27.5	2,427,776	32,453	0.0134	0.9866	83.76
28.5	2,480,542	10,202	0.0041	0.9959	82.64
29.5	2,410,747	10,192	0.0042	0.9958	82.30
30.5	2,499,220	12,910	0.0052	0.9948	81.95
31.5	2,422,362	50,901	0.0210	0.9790	81.52
32.5	2,303,252	60,435	0.0262	0.9738	79.81
33.5	2,341,632	54,017	0.0231	0.9769	77.72
34.5	2,191,554	51,886	0.0237	0.9763	75.92
35.5	2,115,897	48,754	0.0230	0.9770	74.13
36.5	2,066,833	23,356	0.0113	0.9887	72.42
37.5	2,027,279	45,443	0.0224	0.9776	71.60
38.5	1,957,858	67,440	0.0344	0.9656	70.00

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ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,792,357	85,187	0.0475	0.9525	67.58
40.5	1,864,193	60,651	0.0325	0.9675	64.37
41.5	1,631,674	50,560	0.0310	0.9690	62.28
42.5	1,487,330	46,421	0.0312	0.9688	60.35
43.5	1,559,804	17,624	0.0113	0.9887	58.46
44.5	1,472,452	34,386	0.0234	0.9766	57.80
45.5	1,398,280	48,382	0.0346	0.9654	56.45
46.5	1,357,601	50,902	0.0375	0.9625	54.50
47.5	1,317,893	47,610	0.0361	0.9639	52.46
48.5	1,220,428	56,751	0.0465	0.9535	50.56
49.5	1,179,042	76,408	0.0648	0.9352	48.21
50.5	1,104,844	53,618	0.0485	0.9515	45.09
51.5	1,049,487	73,168	0.0697	0.9303	42.90
52.5	1,006,220	73,239	0.0728	0.9272	39.91
53.5	955,574	47,109	0.0493	0.9507	37.00
54.5	1,395,938	57,281	0.0410	0.9590	35.18
55.5	1,280,336	58,939	0.0460	0.9540	33.74
56.5	1,226,037	183,494	0.1497	0.8503	32.18
57.5	988,084	29,495	0.0299	0.9701	27.37
58.5	965,593	27,087	0.0281	0.9719	26.55
59.5	636,956	22,758	0.0357	0.9643	25.80
60.5	683,232	26,862	0.0393	0.9607	24.88
61.5	658,153	30,209	0.0459	0.9541	23.90
62.5	647,242	9,064	0.0140	0.9860	22.81
63.5	646,513	20,039	0.0310	0.9690	22.49
64.5	615,756	12,091	0.0196	0.9804	21.79
65.5	619,493	11,940	0.0193	0.9807	21.36
66.5	621,174	22,098	0.0356	0.9644	20.95
67.5	621,737	19,773	0.0318	0.9682	20.21
68.5	620,500	12,824	0.0207	0.9793	19.56
69.5	607,599	14,176	0.0233	0.9767	19.16
70.5	590,607	12,525	0.0212	0.9788	18.71
71.5	583,816	22,328	0.0382	0.9618	18.31
72.5	568,849	31,309	0.0550	0.9450	17.61
73.5	539,691	16,339	0.0303	0.9697	16.64
74.5	519,349	4,765	0.0092	0.9908	16.14
75.5	555,823	16,450	0.0296	0.9704	15.99
76.5	548,174	36,091	0.0658	0.9342	15.52
77.5	515,855	25,340	0.0491	0.9509	14.50
78.5	501,163	2,824	0.0056	0.9944	13.79

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AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	486,760	9,772	0.0201	0.9799	13.71
80.5	481,157	12,078	0.0251	0.9749	13.43
81.5	479,196	12,796	0.0267	0.9733	13.10
82.5	466,621	17,027	0.0365	0.9635	12.75
83.5	452,765	6,097	0.0135	0.9865	12.28
84.5	430,877	7,522	0.0175	0.9825	12.12
85.5	422,809	14,882	0.0352	0.9648	11.90
86.5	411,741	30,798	0.0748	0.9252	11.48
87.5	381,129	10,880	0.0285	0.9715	10.63
88.5	367,611	18,135	0.0493	0.9507	10.32
89.5	347,839	16,505	0.0475	0.9525	9.81
90.5	334,281	13,579	0.0406	0.9594	9.35
91.5	332,771	20,276	0.0609	0.9391	8.97
92.5	355,772	24,470	0.0688	0.9312	8.42
93.5	330,872	17,215	0.0520	0.9480	7.84
94.5	311,255	2,497	0.0080	0.9920	7.43
95.5	314,185	2,701	0.0086	0.9914	7.37
96.5	311,483	1,856	0.0060	0.9940	7.31
97.5	309,627	6,871	0.0222	0.9778	7.27
98.5	310,692	5,368	0.0173	0.9827	7.11
99.5	315,060	6,521	0.0207	0.9793	6.98
100.5	313,151	3,141	0.0100	0.9900	6.84
101.5	320,628	12,268	0.0383	0.9617	6.77
102.5	310,691	4,304	0.0139	0.9861	6.51
103.5	306,712	3,529	0.0115	0.9885	6.42
104.5	303,183	14,027	0.0463	0.9537	6.35
105.5	289,156	12,742	0.0441	0.9559	6.05
106.5	276,414	18,106	0.0655	0.9345	5.79
107.5	258,308	67,353	0.2607	0.7393	5.41
108.5	198,823	20,940	0.1053	0.8947	4.00
109.5	177,883	12,512	0.0703	0.9297	3.58
110.5	165,370	12,637	0.0764	0.9236	3.33
111.5	152,734	24,550	0.1607	0.8393	3.07
112.5	128,183	21,190	0.1653	0.8347	2.58
113.5	106,994	3,226	0.0302	0.9698	2.15
114.5	103,768	9,513	0.0917	0.9083	2.09
115.5	94,254	6,069	0.0644	0.9356	1.90
116.5	88,185	9,421	0.1068	0.8932	1.77
117.5	78,765	3,696	0.0469	0.9531	1.58
118.5	75,069	15,278	0.2035	0.7965	1.51

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AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	59,791	4,951	0.0828	0.9172	1.20
120.5	54,840	3,563	0.0650	0.9350	1.10
121.5	51,278	12,045	0.2349	0.7651	1.03
122.5	39,232	24,208	0.6170	0.3830	0.79
123.5	15,024	9,152	0.6092	0.3908	0.30
124.5	5,872	349	0.0594	0.9406	0.12
125.5	5,523	493	0.0893	0.9107	0.11
126.5	5,030	2,170	0.4314	0.5686	0.10
127.5	2,860	7	0.0023	0.9977	0.06
128.5	2,854	1,446	0.5067	0.4933	0.06
129.5	8,222	489	0.0595	0.9405	0.03
130.5	7,733	4	0.0006	0.9994	0.03
131.5	7,728	411	0.0532	0.9468	0.03
132.5	7,317	317	0.0434	0.9566	0.03
133.5	7,000	186	0.0265	0.9735	0.02
134.5	6,814		0.0000	1.0000	0.02
135.5	6,814		0.0000	1.0000	0.02
136.5	6,814		0.0000	1.0000	0.02
137.5	6,814		0.0000	1.0000	0.02
138.5	6,814		0.0000	1.0000	0.02
139.5	6,814		0.0000	1.0000	0.02
140.5	6,814		0.0000	1.0000	0.02
141.5	6,814	110	0.0162	0.9838	0.02
142.5	6,704		0.0000	1.0000	0.02
143.5	6,704	6,704	1.0000		0.02
144.5					

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ORIGINAL LIFE TABLE

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0.0	29,329,739		0.0000	1.0000	100.00
0.5	27,106,923	6,032	0.0002	0.9998	100.00
1.5	25,695,385	4,556	0.0002	0.9998	99.98
2.5	24,671,090	85,248	0.0035	0.9965	99.96
3.5	23,390,581	118,739	0.0051	0.9949	99.61
4.5	21,490,618	44,344	0.0021	0.9979	99.11
5.5	20,340,232	102,342	0.0050	0.9950	98.90
6.5	18,884,192	30,741	0.0016	0.9984	98.41
7.5	18,289,362	57,306	0.0031	0.9969	98.25
8.5	17,381,269	136,925	0.0079	0.9921	97.94
9.5	17,209,094	131,821	0.0077	0.9923	97.17
10.5	16,891,567	61,849	0.0037	0.9963	96.42
11.5	15,264,301	53,369	0.0035	0.9965	96.07
12.5	13,458,598	132,896	0.0099	0.9901	95.73
13.5	9,030,617	48,091	0.0053	0.9947	94.79
14.5	8,429,784	83,288	0.0099	0.9901	94.28
15.5	7,408,615	124,066	0.0167	0.9833	93.35
16.5	5,852,395	24,672	0.0042	0.9958	91.79
17.5	4,746,765	19,353	0.0041	0.9959	91.40
18.5	3,272,174	25,775	0.0079	0.9921	91.03
19.5	3,088,207	14,884	0.0048	0.9952	90.31
20.5	2,903,715	50,392	0.0174	0.9826	89.88
21.5	2,451,235	28,350	0.0116	0.9884	88.32
22.5	2,094,746	35,087	0.0168	0.9832	87.30
23.5	2,115,053	7,177	0.0034	0.9966	85.83
24.5	2,218,363	9,510	0.0043	0.9957	85.54
25.5	2,114,223	24,129	0.0114	0.9886	85.18
26.5	2,196,124	13,564	0.0062	0.9938	84.20
27.5	2,295,048	32,453	0.0141	0.9859	83.68
28.5	2,336,946	10,202	0.0044	0.9956	82.50
29.5	2,267,337	10,192	0.0045	0.9955	82.14
30.5	2,348,252	12,910	0.0055	0.9945	81.77
31.5	2,271,325	50,901	0.0224	0.9776	81.32
32.5	2,152,460	59,919	0.0278	0.9722	79.50
33.5	2,193,556	54,017	0.0246	0.9754	77.29
34.5	2,043,643	50,995	0.0250	0.9750	75.38
35.5	1,949,731	48,754	0.0250	0.9750	73.50
36.5	1,913,738	22,779	0.0119	0.9881	71.66
37.5	1,872,927	45,108	0.0241	0.9759	70.81
38.5	1,803,748	65,006	0.0360	0.9640	69.11

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AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,641,902	85,187	0.0519	0.9481	66.61
40.5	1,716,165	59,560	0.0347	0.9653	63.16
41.5	1,479,944	50,560	0.0342	0.9658	60.97
42.5	1,337,264	46,421	0.0347	0.9653	58.88
43.5	1,409,935	17,486	0.0124	0.9876	56.84
44.5	1,316,776	33,591	0.0255	0.9745	56.13
45.5	1,239,509	48,355	0.0390	0.9610	54.70
46.5	1,197,358	49,847	0.0416	0.9584	52.57
47.5	1,155,032	47,263	0.0409	0.9591	50.38
48.5	1,048,861	56,708	0.0541	0.9459	48.32
49.5	998,141	76,132	0.0763	0.9237	45.71
50.5	915,087	53,612	0.0586	0.9414	42.22
51.5	839,427	73,039	0.0870	0.9130	39.75
52.5	790,284	73,134	0.0925	0.9075	36.29
53.5	733,043	47,109	0.0643	0.9357	32.93
54.5	1,162,616	56,011	0.0482	0.9518	30.81
55.5	1,037,622	58,939	0.0568	0.9432	29.33
56.5	986,347	183,190	0.1857	0.8143	27.66
57.5	746,392	28,603	0.0383	0.9617	22.53
58.5	723,820	26,616	0.0368	0.9632	21.66
59.5	402,478	21,919	0.0545	0.9455	20.87
60.5	458,320	26,765	0.0584	0.9416	19.73
61.5	438,281	30,055	0.0686	0.9314	18.58
62.5	424,522	8,720	0.0205	0.9795	17.30
63.5	407,458	19,120	0.0469	0.9531	16.95
64.5	377,632	9,720	0.0257	0.9743	16.15
65.5	385,626	11,157	0.0289	0.9711	15.74
66.5	412,188	21,542	0.0523	0.9477	15.28
67.5	388,066	18,531	0.0478	0.9522	14.48
68.5	387,792	12,390	0.0320	0.9680	13.79
69.5	377,248	10,869	0.0288	0.9712	13.35
70.5	364,673	12,177	0.0334	0.9666	12.97
71.5	357,063	20,135	0.0564	0.9436	12.53
72.5	352,000	29,975	0.0852	0.9148	11.83
73.5	324,416	16,339	0.0504	0.9496	10.82
74.5	305,832	4,367	0.0143	0.9857	10.27
75.5	348,563	15,654	0.0449	0.9551	10.13
76.5	349,686	35,579	0.1017	0.8983	9.67
77.5	322,211	24,601	0.0764	0.9236	8.69
78.5	311,783	1,885	0.0060	0.9940	8.03

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79.5	308,621	8,385	0.0272	0.9728	7.98
80.5	314,304	11,160	0.0355	0.9645	7.76
81.5	324,677	11,830	0.0364	0.9636	7.48
82.5	333,464	16,730	0.0502	0.9498	7.21
83.5	325,277	5,696	0.0175	0.9825	6.85
84.5	313,537	6,867	0.0219	0.9781	6.73
85.5	315,431	14,858	0.0471	0.9529	6.58
86.5	313,338	30,798	0.0983	0.9017	6.27
87.5	283,989	10,880	0.0383	0.9617	5.66
88.5	278,564	18,024	0.0647	0.9353	5.44
89.5	263,052	16,505	0.0627	0.9373	5.09
90.5	257,613	13,579	0.0527	0.9473	4.77
91.5	261,194	17,624	0.0675	0.9325	4.52
92.5	294,301	24,132	0.0820	0.9180	4.21
93.5	273,629	17,215	0.0629	0.9371	3.87
94.5	270,529	2,497	0.0092	0.9908	3.62
95.5	275,751	2,216	0.0080	0.9920	3.59
96.5	275,593	1,784	0.0065	0.9935	3.56
97.5	274,240	6,792	0.0248	0.9752	3.54
98.5	297,616	5,368	0.0180	0.9820	3.45
99.5	309,037	6,521	0.0211	0.9789	3.39
100.5	307,129	3,141	0.0102	0.9898	3.32
101.5	315,104	12,268	0.0389	0.9611	3.28
102.5	307,346	4,304	0.0140	0.9860	3.15
103.5	303,367	3,529	0.0116	0.9884	3.11
104.5	301,303	14,027	0.0466	0.9534	3.07
105.5	287,766	12,742	0.0443	0.9557	2.93
106.5	275,024	18,106	0.0658	0.9342	2.80
107.5	257,477	67,150	0.2608	0.7392	2.62
108.5	198,634	20,940	0.1054	0.8946	1.93
109.5	177,883	12,512	0.0703	0.9297	1.73
110.5	165,370	12,637	0.0764	0.9236	1.61
111.5	152,734	24,550	0.1607	0.8393	1.49
112.5	128,183	21,190	0.1653	0.8347	1.25
113.5	106,994	3,226	0.0302	0.9698	1.04
114.5	103,768	9,513	0.0917	0.9083	1.01
115.5	94,254	6,069	0.0644	0.9356	0.92
116.5	88,185	9,421	0.1068	0.8932	0.86
117.5	78,765	3,696	0.0469	0.9531	0.77
118.5	75,069	15,278	0.2035	0.7965	0.73

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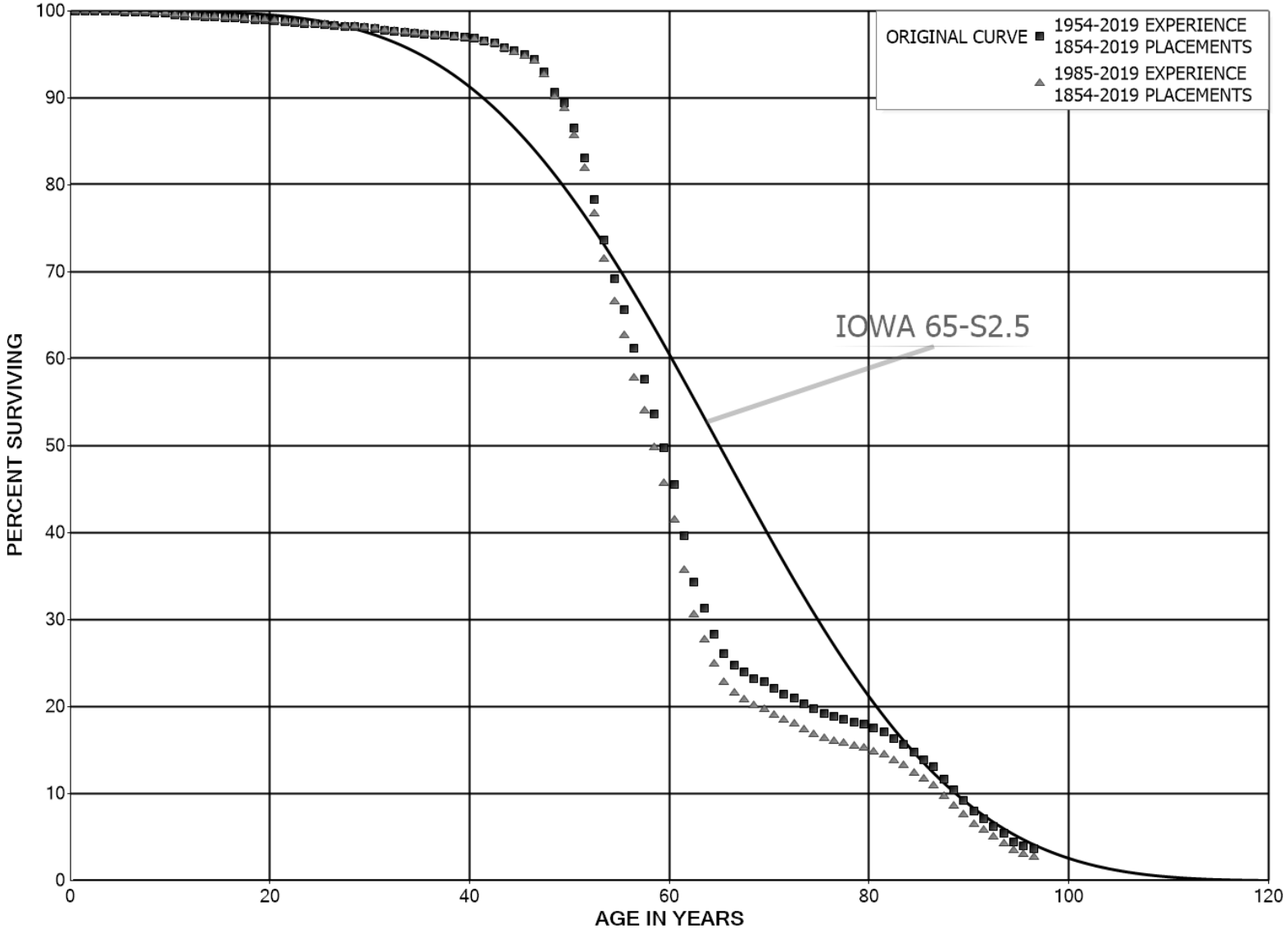
119.5	59,791	4,951	0.0828	0.9172	0.58
120.5	54,840	3,563	0.0650	0.9350	0.53
121.5	51,278	12,045	0.2349	0.7651	0.50
122.5	39,232	24,208	0.6170	0.3830	0.38
123.5	15,024	9,152	0.6092	0.3908	0.15
124.5	5,872	349	0.0594	0.9406	0.06
125.5	5,523	493	0.0893	0.9107	0.05
126.5	5,030	2,170	0.4314	0.5686	0.05
127.5	2,860	7	0.0023	0.9977	0.03
128.5	2,854	1,446	0.5067	0.4933	0.03
129.5	8,222	489	0.0595	0.9405	0.01
130.5	7,733	4	0.0006	0.9994	0.01
131.5	7,728	411	0.0532	0.9468	0.01
132.5	7,317	317	0.0434	0.9566	0.01
133.5	7,000	186	0.0265	0.9735	0.01
134.5	6,814		0.0000	1.0000	0.01
135.5	6,814		0.0000	1.0000	0.01
136.5	6,814		0.0000	1.0000	0.01
137.5	6,814		0.0000	1.0000	0.01
138.5	6,814		0.0000	1.0000	0.01
139.5	6,814		0.0000	1.0000	0.01
140.5	6,814		0.0000	1.0000	0.01
141.5	6,814	110	0.0162	0.9838	0.01
142.5	6,704		0.0000	1.0000	0.01
143.5	6,704	6,704	1.0000		0.01
144.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,727,789,332	4,382	0.0000	1.0000	100.00
0.5	1,596,197,114	135,098	0.0001	0.9999	100.00
1.5	1,469,498,773	390,107	0.0003	0.9997	99.99
2.5	1,341,747,179	385,352	0.0003	0.9997	99.96
3.5	1,220,824,651	374,832	0.0003	0.9997	99.94
4.5	1,134,508,145	345,872	0.0003	0.9997	99.91
5.5	1,045,587,199	261,156	0.0002	0.9998	99.87
6.5	982,754,052	389,567	0.0004	0.9996	99.85
7.5	903,674,120	487,119	0.0005	0.9995	99.81
8.5	795,859,356	439,775	0.0006	0.9994	99.76
9.5	659,027,016	1,157,444	0.0018	0.9982	99.70
10.5	559,557,355	461,300	0.0008	0.9992	99.53
11.5	487,123,397	260,987	0.0005	0.9995	99.44
12.5	420,483,622	242,676	0.0006	0.9994	99.39
13.5	377,086,639	164,158	0.0004	0.9996	99.33
14.5	328,610,566	240,082	0.0007	0.9993	99.29
15.5	296,484,646	189,971	0.0006	0.9994	99.22
16.5	264,668,940	353,858	0.0013	0.9987	99.15
17.5	240,515,259	128,466	0.0005	0.9995	99.02
18.5	221,296,994	83,193	0.0004	0.9996	98.97
19.5	202,167,974	139,969	0.0007	0.9993	98.93
20.5	191,752,950	302,452	0.0016	0.9984	98.86
21.5	175,091,134	74,701	0.0004	0.9996	98.71
22.5	163,849,342	174,557	0.0011	0.9989	98.67
23.5	158,870,340	163,338	0.0010	0.9990	98.56
24.5	150,939,903	128,713	0.0009	0.9991	98.46
25.5	152,517,849	142,336	0.0009	0.9991	98.37
26.5	140,737,917	84,374	0.0006	0.9994	98.28
27.5	134,657,063	64,142	0.0005	0.9995	98.22
28.5	130,000,014	141,472	0.0011	0.9989	98.18
29.5	123,385,959	132,175	0.0011	0.9989	98.07
30.5	112,958,036	237,985	0.0021	0.9979	97.97
31.5	103,225,200	124,196	0.0012	0.9988	97.76
32.5	96,877,407	131,233	0.0014	0.9986	97.64
33.5	92,424,686	88,803	0.0010	0.9990	97.51
34.5	88,264,044	73,422	0.0008	0.9992	97.42
35.5	84,734,831	113,717	0.0013	0.9987	97.33
36.5	82,410,051	68,717	0.0008	0.9992	97.20
37.5	80,621,997	46,029	0.0006	0.9994	97.12
38.5	78,062,275	115,540	0.0015	0.9985	97.07

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	75,577,766	90,695	0.0012	0.9988	96.92
40.5	72,215,160	240,437	0.0033	0.9967	96.81
41.5	68,220,190	164,648	0.0024	0.9976	96.48
42.5	66,219,639	380,052	0.0057	0.9943	96.25
43.5	64,368,606	238,254	0.0037	0.9963	95.70
44.5	62,808,613	282,028	0.0045	0.9955	95.35
45.5	54,969,292	326,042	0.0059	0.9941	94.92
46.5	51,661,319	777,190	0.0150	0.9850	94.35
47.5	49,374,689	1,227,283	0.0249	0.9751	92.93
48.5	45,863,847	616,326	0.0134	0.9866	90.62
49.5	44,065,378	1,433,556	0.0325	0.9675	89.41
50.5	42,340,708	1,659,081	0.0392	0.9608	86.50
51.5	40,103,873	2,312,621	0.0577	0.9423	83.11
52.5	37,139,058	2,215,402	0.0597	0.9403	78.32
53.5	33,514,987	2,041,883	0.0609	0.9391	73.64
54.5	30,947,609	1,586,965	0.0513	0.9487	69.16
55.5	28,118,518	1,920,014	0.0683	0.9317	65.61
56.5	25,935,683	1,481,618	0.0571	0.9429	61.13
57.5	23,961,605	1,651,221	0.0689	0.9311	57.64
58.5	22,047,820	1,601,685	0.0726	0.9274	53.67
59.5	19,501,272	1,651,421	0.0847	0.9153	49.77
60.5	17,250,362	2,244,681	0.1301	0.8699	45.55
61.5	14,654,883	1,964,991	0.1341	0.8659	39.63
62.5	12,565,127	1,104,355	0.0879	0.9121	34.31
63.5	10,958,874	1,045,718	0.0954	0.9046	31.30
64.5	9,480,979	749,612	0.0791	0.9209	28.31
65.5	8,534,062	426,624	0.0500	0.9500	26.07
66.5	7,980,517	273,182	0.0342	0.9658	24.77
67.5	7,605,320	221,047	0.0291	0.9709	23.92
68.5	7,320,531	140,229	0.0192	0.9808	23.23
69.5	7,215,245	238,466	0.0331	0.9669	22.78
70.5	6,932,372	195,432	0.0282	0.9718	22.03
71.5	6,738,883	156,191	0.0232	0.9768	21.41
72.5	6,532,682	204,578	0.0313	0.9687	20.91
73.5	6,295,382	181,309	0.0288	0.9712	20.26
74.5	6,062,630	146,271	0.0241	0.9759	19.67
75.5	6,180,348	133,685	0.0216	0.9784	19.20
76.5	6,044,801	85,871	0.0142	0.9858	18.78
77.5	5,928,247	119,027	0.0201	0.9799	18.52
78.5	5,853,849	76,238	0.0130	0.9870	18.14

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	5,847,519	140,339	0.0240	0.9760	17.91
80.5	5,667,318	135,225	0.0239	0.9761	17.48
81.5	5,467,475	244,032	0.0446	0.9554	17.06
82.5	5,203,821	207,777	0.0399	0.9601	16.30
83.5	4,972,334	308,463	0.0620	0.9380	15.65
84.5	4,617,675	254,472	0.0551	0.9449	14.68
85.5	4,270,353	242,268	0.0567	0.9433	13.87
86.5	4,026,116	448,530	0.1114	0.8886	13.08
87.5	3,544,690	375,873	0.1060	0.8940	11.62
88.5	3,133,056	363,690	0.1161	0.8839	10.39
89.5	2,735,458	385,624	0.1410	0.8590	9.19
90.5	2,289,807	226,523	0.0989	0.9011	7.89
91.5	1,970,882	252,259	0.1280	0.8720	7.11
92.5	1,648,004	210,720	0.1279	0.8721	6.20
93.5	1,346,996	247,266	0.1836	0.8164	5.41
94.5	1,053,369	105,724	0.1004	0.8996	4.41
95.5	913,651	86,184	0.0943	0.9057	3.97
96.5	786,318	45,263	0.0576	0.9424	3.60
97.5	743,928	31,445	0.0423	0.9577	3.39
98.5	729,270	56,299	0.0772	0.9228	3.25
99.5	692,660	21,703	0.0313	0.9687	3.00
100.5	672,907	45,444	0.0675	0.9325	2.90
101.5	641,690	36,776	0.0573	0.9427	2.71
102.5	633,402	14,265	0.0225	0.9775	2.55
103.5	622,329	29,229	0.0470	0.9530	2.49
104.5	603,996	18,856	0.0312	0.9688	2.38
105.5	585,493	53,021	0.0906	0.9094	2.30
106.5	533,489	44,288	0.0830	0.9170	2.09
107.5	489,908	46,374	0.0947	0.9053	1.92
108.5	455,277	47,193	0.1037	0.8963	1.74
109.5	415,092	54,099	0.1303	0.8697	1.56
110.5	362,328	42,687	0.1178	0.8822	1.36
111.5	319,641	20,750	0.0649	0.9351	1.20
112.5	300,327	17,867	0.0595	0.9405	1.12
113.5	282,460	13,675	0.0484	0.9516	1.05
114.5	274,376	6,348	0.0231	0.9769	1.00
115.5	268,028	9,236	0.0345	0.9655	0.98
116.5	258,793	36,879	0.1425	0.8575	0.94
117.5	221,914	7,077	0.0319	0.9681	0.81
118.5	214,837	12,306	0.0573	0.9427	0.78

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	202,531	16,434	0.0811	0.9189	0.74
120.5	186,097	10,492	0.0564	0.9436	0.68
121.5	175,605	15,165	0.0864	0.9136	0.64
122.5	160,440	4,752	0.0296	0.9704	0.58
123.5	155,688	38,276	0.2458	0.7542	0.57
124.5	117,412	21,056	0.1793	0.8207	0.43
125.5	96,356	16,179	0.1679	0.8321	0.35
126.5	80,177	39,830	0.4968	0.5032	0.29
127.5	41,605	13,037	0.3134	0.6866	0.15
128.5	28,567	10,639	0.3724	0.6276	0.10
129.5	17,928	5,114	0.2853	0.7147	0.06
130.5	12,814	264	0.0206	0.9794	0.05
131.5	12,550	1,109	0.0883	0.9117	0.04
132.5	16,738	718	0.0429	0.9571	0.04
133.5	16,020	9,045	0.5646	0.4354	0.04
134.5	6,975	1,678	0.2406	0.7594	0.02
135.5	5,297		0.0000	1.0000	0.01
136.5	5,297		0.0000	1.0000	0.01
137.5	5,297		0.0000	1.0000	0.01
138.5	5,297		0.0000	1.0000	0.01
139.5	5,297		0.0000	1.0000	0.01
140.5	5,297		0.0000	1.0000	0.01
141.5	5,297		0.0000	1.0000	0.01
142.5	5,523		0.0000	1.0000	0.01
143.5	9,062	226	0.0249	0.9751	0.01
144.5	8,836	241	0.0273	0.9727	0.01
145.5	8,594		0.0000	1.0000	0.01
146.5	8,594	5,056	0.5883	0.4117	0.01
147.5	3,539		0.0000	1.0000	0.00
148.5	3,539		0.0000	1.0000	0.00
149.5	3,539		0.0000	1.0000	0.00
150.5	3,539		0.0000	1.0000	0.00
151.5	3,539		0.0000	1.0000	0.00
152.5	3,539	222	0.0628	0.9372	0.00
153.5	3,317		0.0000	1.0000	0.00
154.5	3,317	3,317	1.0000		0.00
155.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,684,102,336	2,023	0.0000	1.0000	100.00
0.5	1,554,041,639	116,084	0.0001	0.9999	100.00
1.5	1,428,187,355	361,729	0.0003	0.9997	99.99
2.5	1,300,798,712	351,459	0.0003	0.9997	99.97
3.5	1,181,036,155	336,405	0.0003	0.9997	99.94
4.5	1,095,541,232	318,512	0.0003	0.9997	99.91
5.5	1,008,365,405	232,189	0.0002	0.9998	99.88
6.5	946,960,523	359,731	0.0004	0.9996	99.86
7.5	868,492,530	459,448	0.0005	0.9995	99.82
8.5	761,692,620	420,671	0.0006	0.9994	99.77
9.5	625,937,035	1,132,205	0.0018	0.9982	99.71
10.5	527,646,710	440,034	0.0008	0.9992	99.53
11.5	456,251,746	250,313	0.0005	0.9995	99.45
12.5	390,442,733	220,892	0.0006	0.9994	99.40
13.5	347,539,827	152,640	0.0004	0.9996	99.34
14.5	299,769,847	232,729	0.0008	0.9992	99.30
15.5	268,706,133	171,090	0.0006	0.9994	99.22
16.5	237,711,319	336,948	0.0014	0.9986	99.16
17.5	214,445,944	114,964	0.0005	0.9995	99.02
18.5	196,503,091	66,082	0.0003	0.9997	98.96
19.5	178,557,838	126,302	0.0007	0.9993	98.93
20.5	169,258,370	287,617	0.0017	0.9983	98.86
21.5	153,414,359	64,407	0.0004	0.9996	98.69
22.5	143,315,501	157,478	0.0011	0.9989	98.65
23.5	139,177,268	150,652	0.0011	0.9989	98.54
24.5	131,954,751	126,234	0.0010	0.9990	98.43
25.5	134,443,680	98,804	0.0007	0.9993	98.34
26.5	123,688,023	77,733	0.0006	0.9994	98.27
27.5	118,378,285	53,980	0.0005	0.9995	98.21
28.5	115,201,319	138,467	0.0012	0.9988	98.16
29.5	110,063,132	130,213	0.0012	0.9988	98.04
30.5	100,757,239	229,772	0.0023	0.9977	97.93
31.5	92,405,534	111,721	0.0012	0.9988	97.70
32.5	86,930,144	119,439	0.0014	0.9986	97.59
33.5	83,658,713	77,653	0.0009	0.9991	97.45
34.5	80,597,303	66,007	0.0008	0.9992	97.36
35.5	77,756,564	112,877	0.0015	0.9985	97.28
36.5	76,226,792	61,749	0.0008	0.9992	97.14
37.5	74,860,124	41,774	0.0006	0.9994	97.06
38.5	72,485,636	105,040	0.0014	0.9986	97.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	70,071,357	87,156	0.0012	0.9988	96.87
40.5	66,747,172	237,664	0.0036	0.9964	96.75
41.5	62,808,598	151,662	0.0024	0.9976	96.40
42.5	60,920,432	370,241	0.0061	0.9939	96.17
43.5	59,257,743	236,764	0.0040	0.9960	95.58
44.5	57,947,553	280,180	0.0048	0.9952	95.20
45.5	50,322,714	323,435	0.0064	0.9936	94.74
46.5	47,098,810	773,029	0.0164	0.9836	94.13
47.5	44,960,936	1,218,851	0.0271	0.9729	92.59
48.5	41,565,708	607,993	0.0146	0.9854	90.08
49.5	39,771,162	1,432,048	0.0360	0.9640	88.76
50.5	38,076,326	1,657,403	0.0435	0.9565	85.56
51.5	35,837,740	2,311,381	0.0645	0.9355	81.84
52.5	32,906,714	2,202,606	0.0669	0.9331	76.56
53.5	29,430,118	2,037,970	0.0692	0.9308	71.44
54.5	27,032,867	1,585,391	0.0586	0.9414	66.49
55.5	24,510,487	1,919,074	0.0783	0.9217	62.59
56.5	22,673,849	1,478,813	0.0652	0.9348	57.69
57.5	21,078,041	1,650,888	0.0783	0.9217	53.93
58.5	19,692,383	1,601,159	0.0813	0.9187	49.70
59.5	17,748,987	1,651,382	0.0930	0.9070	45.66
60.5	15,918,981	2,242,104	0.1408	0.8592	41.41
61.5	13,661,028	1,964,377	0.1438	0.8562	35.58
62.5	11,756,014	1,103,681	0.0939	0.9061	30.46
63.5	10,260,168	1,044,134	0.1018	0.8982	27.60
64.5	8,838,051	748,882	0.0847	0.9153	24.80
65.5	7,932,482	425,015	0.0536	0.9464	22.69
66.5	7,457,307	271,745	0.0364	0.9636	21.48
67.5	7,067,601	220,362	0.0312	0.9688	20.70
68.5	6,781,377	140,229	0.0207	0.9793	20.05
69.5	6,675,770	238,466	0.0357	0.9643	19.64
70.5	6,389,791	193,470	0.0303	0.9697	18.93
71.5	6,175,877	156,110	0.0253	0.9747	18.36
72.5	5,974,205	204,401	0.0342	0.9658	17.90
73.5	5,751,064	181,109	0.0315	0.9685	17.28
74.5	5,527,950	145,202	0.0263	0.9737	16.74
75.5	5,687,308	128,889	0.0227	0.9773	16.30
76.5	5,592,228	84,624	0.0151	0.9849	15.93
77.5	5,548,438	118,627	0.0214	0.9786	15.69
78.5	5,498,829	76,171	0.0139	0.9861	15.35

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	5,520,125	139,821	0.0253	0.9747	15.14
80.5	5,377,031	134,384	0.0250	0.9750	14.76
81.5	5,179,657	243,729	0.0471	0.9529	14.39
82.5	4,945,882	207,777	0.0420	0.9580	13.71
83.5	4,718,963	306,987	0.0651	0.9349	13.14
84.5	4,383,261	254,472	0.0581	0.9419	12.28
85.5	4,052,093	241,285	0.0595	0.9405	11.57
86.5	3,826,721	448,443	0.1172	0.8828	10.88
87.5	3,356,943	375,873	0.1120	0.8880	9.61
88.5	2,952,880	362,857	0.1229	0.8771	8.53
89.5	2,573,697	385,624	0.1498	0.8502	7.48
90.5	2,139,283	226,523	0.1059	0.8941	6.36
91.5	1,821,898	249,083	0.1367	0.8633	5.69
92.5	1,507,296	210,720	0.1398	0.8602	4.91
93.5	1,213,483	247,266	0.2038	0.7962	4.22
94.5	923,229	105,595	0.1144	0.8856	3.36
95.5	798,375	86,184	0.1079	0.8921	2.98
96.5	678,861	45,263	0.0667	0.9333	2.66
97.5	636,558	31,445	0.0494	0.9506	2.48
98.5	650,069	56,299	0.0866	0.9134	2.36
99.5	625,024	21,703	0.0347	0.9653	2.15
100.5	620,037	45,444	0.0733	0.9267	2.08
101.5	591,284	36,776	0.0622	0.9378	1.93
102.5	611,970	14,265	0.0233	0.9767	1.81
103.5	605,212	28,881	0.0477	0.9523	1.76
104.5	587,802	18,856	0.0321	0.9679	1.68
105.5	569,300	53,021	0.0931	0.9069	1.63
106.5	517,499	44,288	0.0856	0.9144	1.47
107.5	475,195	46,374	0.0976	0.9024	1.35
108.5	441,250	44,800	0.1015	0.8985	1.22
109.5	413,365	54,099	0.1309	0.8691	1.09
110.5	362,328	42,687	0.1178	0.8822	0.95
111.5	319,641	20,750	0.0649	0.9351	0.84
112.5	300,327	17,867	0.0595	0.9405	0.78
113.5	282,460	13,675	0.0484	0.9516	0.74
114.5	274,376	6,348	0.0231	0.9769	0.70
115.5	268,028	9,236	0.0345	0.9655	0.69
116.5	258,793	36,879	0.1425	0.8575	0.66
117.5	221,914	7,077	0.0319	0.9681	0.57
118.5	214,837	12,306	0.0573	0.9427	0.55

AQUA PENNSYLVANIA, INC.

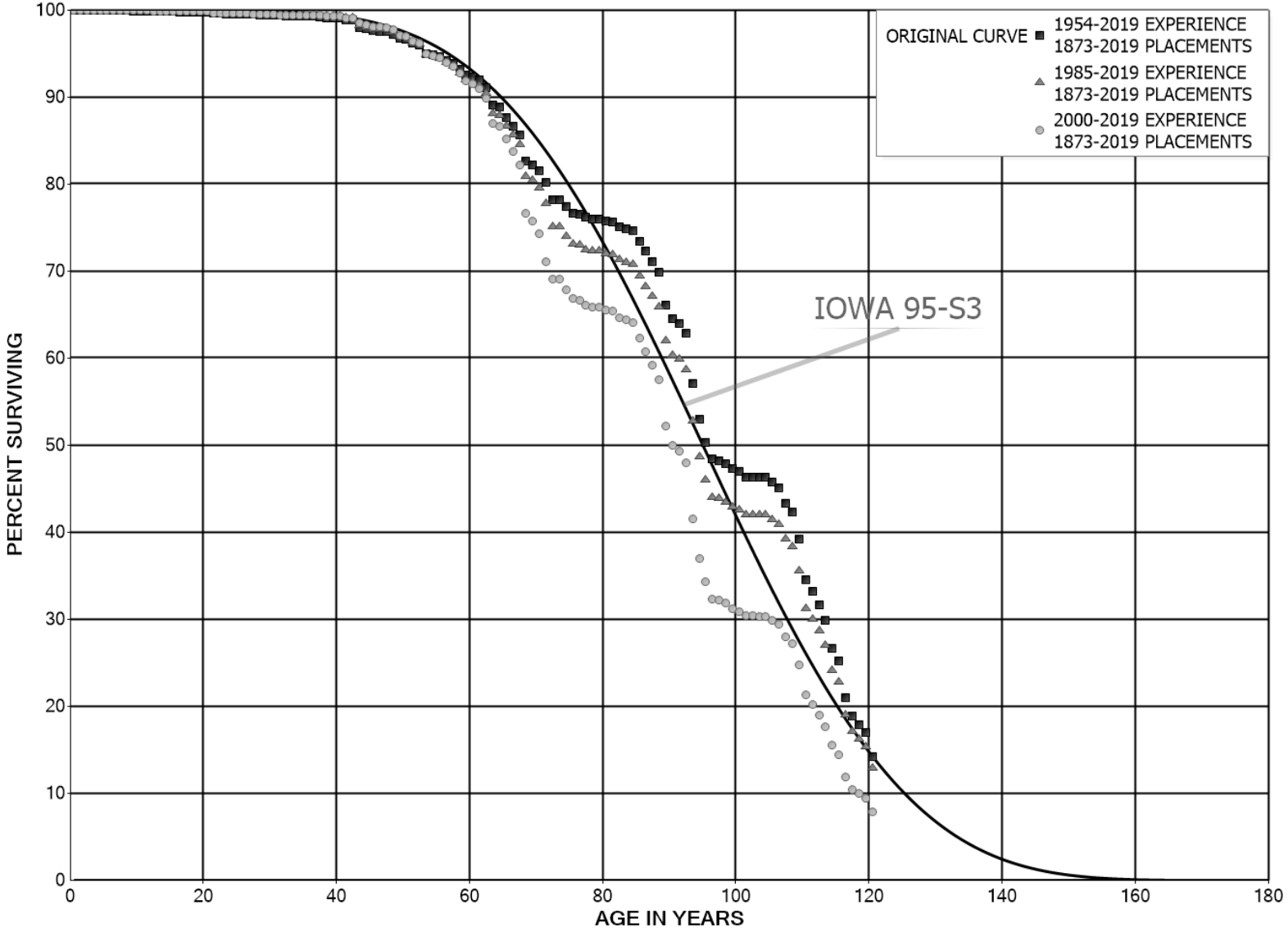
ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	202,531	16,434	0.0811	0.9189	0.52
120.5	186,097	10,492	0.0564	0.9436	0.48
121.5	175,605	15,165	0.0864	0.9136	0.45
122.5	160,440	4,752	0.0296	0.9704	0.41
123.5	155,688	38,276	0.2458	0.7542	0.40
124.5	117,412	21,056	0.1793	0.8207	0.30
125.5	96,356	16,179	0.1679	0.8321	0.25
126.5	80,177	39,830	0.4968	0.5032	0.20
127.5	41,605	13,037	0.3134	0.6866	0.10
128.5	28,567	10,639	0.3724	0.6276	0.07
129.5	17,928	5,114	0.2853	0.7147	0.04
130.5	12,814	264	0.0206	0.9794	0.03
131.5	12,550	1,109	0.0883	0.9117	0.03
132.5	16,738	718	0.0429	0.9571	0.03
133.5	16,020	9,045	0.5646	0.4354	0.03
134.5	6,975	1,678	0.2406	0.7594	0.01
135.5	5,297		0.0000	1.0000	0.01
136.5	5,297		0.0000	1.0000	0.01
137.5	5,297		0.0000	1.0000	0.01
138.5	5,297		0.0000	1.0000	0.01
139.5	5,297		0.0000	1.0000	0.01
140.5	5,297		0.0000	1.0000	0.01
141.5	5,297		0.0000	1.0000	0.01
142.5	5,523		0.0000	1.0000	0.01
143.5	9,062	226	0.0249	0.9751	0.01
144.5	8,836	241	0.0273	0.9727	0.01
145.5	8,594		0.0000	1.0000	0.01
146.5	8,594	5,056	0.5883	0.4117	0.01
147.5	3,539		0.0000	1.0000	0.00
148.5	3,539		0.0000	1.0000	0.00
149.5	3,539		0.0000	1.0000	0.00
150.5	3,539		0.0000	1.0000	0.00
151.5	3,539		0.0000	1.0000	0.00
152.5	3,539	222	0.0628	0.9372	0.00
153.5	3,317		0.0000	1.0000	0.00
154.5	3,317	3,317	1.0000		0.00
155.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	511,351,353		0.0000	1.0000	100.00
0.5	467,956,392	3,437	0.0000	1.0000	100.00
1.5	438,402,748	14,484	0.0000	1.0000	100.00
2.5	409,246,061	34,981	0.0001	0.9999	100.00
3.5	388,768,951	41,376	0.0001	0.9999	99.99
4.5	359,590,843	68,710	0.0002	0.9998	99.98
5.5	331,238,173	33,951	0.0001	0.9999	99.96
6.5	287,825,754	102,505	0.0004	0.9996	99.95
7.5	260,298,837	42,446	0.0002	0.9998	99.91
8.5	241,476,592	32,008	0.0001	0.9999	99.90
9.5	239,007,764	21,487	0.0001	0.9999	99.88
10.5	235,995,992	34,785	0.0001	0.9999	99.87
11.5	225,751,018	70,321	0.0003	0.9997	99.86
12.5	221,395,736	35,055	0.0002	0.9998	99.83
13.5	199,902,314	40,986	0.0002	0.9998	99.81
14.5	187,843,111	18,373	0.0001	0.9999	99.79
15.5	175,855,193	7,995	0.0000	1.0000	99.78
16.5	168,052,461	4,839	0.0000	1.0000	99.78
17.5	155,627,440	20,981	0.0001	0.9999	99.77
18.5	139,878,873	17,851	0.0001	0.9999	99.76
19.5	123,098,289	2,021	0.0000	1.0000	99.75
20.5	115,111,570	141,173	0.0012	0.9988	99.75
21.5	95,593,643	22,879	0.0002	0.9998	99.62
22.5	90,563,035	59,905	0.0007	0.9993	99.60
23.5	86,901,863	13,412	0.0002	0.9998	99.53
24.5	81,055,040	4,232	0.0001	0.9999	99.52
25.5	73,757,653	12,657	0.0002	0.9998	99.51
26.5	67,709,903	20,217	0.0003	0.9997	99.50
27.5	66,599,856	49,261	0.0007	0.9993	99.47
28.5	64,407,149	1,056	0.0000	1.0000	99.39
29.5	61,605,260	7,729	0.0001	0.9999	99.39
30.5	55,704,202	17,347	0.0003	0.9997	99.38
31.5	51,989,766	8,772	0.0002	0.9998	99.35
32.5	49,525,187	608	0.0000	1.0000	99.33
33.5	48,368,593	21,761	0.0004	0.9996	99.33
34.5	45,360,456	616	0.0000	1.0000	99.29
35.5	44,651,602	10,413	0.0002	0.9998	99.28
36.5	44,122,472	42,826	0.0010	0.9990	99.26
37.5	42,867,573	47,915	0.0011	0.9989	99.16
38.5	42,017,353	7,484	0.0002	0.9998	99.05

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	40,104,613	406	0.0000	1.0000	99.04
40.5	36,919,284	56,198	0.0015	0.9985	99.04
41.5	35,559,822	8,357	0.0002	0.9998	98.88
42.5	34,648,003	322,713	0.0093	0.9907	98.86
43.5	34,029,883	48,060	0.0014	0.9986	97.94
44.5	29,523,462	66,283	0.0022	0.9978	97.80
45.5	26,553,897	16,281	0.0006	0.9994	97.58
46.5	25,117,889	16,542	0.0007	0.9993	97.52
47.5	24,069,931	61,779	0.0026	0.9974	97.46
48.5	23,104,157	125,372	0.0054	0.9946	97.21
49.5	22,157,857	9,601	0.0004	0.9996	96.68
50.5	21,674,857	115,547	0.0053	0.9947	96.64
51.5	20,941,690	31,280	0.0015	0.9985	96.12
52.5	19,221,494	207,914	0.0108	0.9892	95.98
53.5	17,144,566	26,754	0.0016	0.9984	94.94
54.5	16,188,683	36,366	0.0022	0.9978	94.79
55.5	15,178,021	68,188	0.0045	0.9955	94.58
56.5	14,455,795	57,551	0.0040	0.9960	94.16
57.5	13,438,682	84,142	0.0063	0.9937	93.78
58.5	12,725,343	93,902	0.0074	0.9926	93.19
59.5	12,108,234	27,975	0.0023	0.9977	92.51
60.5	10,879,837	46,393	0.0043	0.9957	92.29
61.5	10,339,609	88,884	0.0086	0.9914	91.90
62.5	10,066,766	222,620	0.0221	0.9779	91.11
63.5	9,646,800	31,398	0.0033	0.9967	89.09
64.5	9,261,390	119,672	0.0129	0.9871	88.80
65.5	8,385,231	95,278	0.0114	0.9886	87.66
66.5	6,652,075	77,506	0.0117	0.9883	86.66
67.5	6,204,390	223,582	0.0360	0.9640	85.65
68.5	5,578,290	29,390	0.0053	0.9947	82.56
69.5	4,998,303	37,256	0.0075	0.9925	82.13
70.5	4,726,485	79,960	0.0169	0.9831	81.52
71.5	4,362,215	103,935	0.0238	0.9762	80.14
72.5	3,840,271	768	0.0002	0.9998	78.23
73.5	3,833,572	39,852	0.0104	0.9896	78.21
74.5	3,771,034	36,983	0.0098	0.9902	77.40
75.5	3,769,194	5,286	0.0014	0.9986	76.64
76.5	3,763,567	19,975	0.0053	0.9947	76.53
77.5	3,643,177	5,661	0.0016	0.9984	76.13
78.5	3,602,769	1,725	0.0005	0.9995	76.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	3,518,055	13,386	0.0038	0.9962	75.97
80.5	3,496,163	4,508	0.0013	0.9987	75.68
81.5	3,491,547	23,986	0.0069	0.9931	75.59
82.5	3,423,589	10,090	0.0029	0.9971	75.07
83.5	3,411,554	10,551	0.0031	0.9969	74.85
84.5	3,361,848	56,759	0.0169	0.9831	74.61
85.5	3,288,842	49,953	0.0152	0.9848	73.35
86.5	3,163,084	52,167	0.0165	0.9835	72.24
87.5	3,077,866	52,198	0.0170	0.9830	71.05
88.5	2,944,523	159,975	0.0543	0.9457	69.84
89.5	2,743,684	65,471	0.0239	0.9761	66.05
90.5	2,585,413	20,935	0.0081	0.9919	64.47
91.5	2,520,271	45,002	0.0179	0.9821	63.95
92.5	2,423,232	223,379	0.0922	0.9078	62.81
93.5	1,951,811	137,900	0.0707	0.9293	57.02
94.5	1,776,090	89,383	0.0503	0.9497	52.99
95.5	1,598,628	61,318	0.0384	0.9616	50.32
96.5	1,438,758	5,003	0.0035	0.9965	48.39
97.5	1,437,974	10,374	0.0072	0.9928	48.23
98.5	1,426,945	19,067	0.0134	0.9866	47.88
99.5	1,389,966	9,640	0.0069	0.9931	47.24
100.5	1,381,544	17,483	0.0127	0.9873	46.91
101.5	1,329,395	163	0.0001	0.9999	46.32
102.5	1,329,232	1,171	0.0009	0.9991	46.31
103.5	1,349,266	10	0.0000	1.0000	46.27
104.5	1,360,591	16,686	0.0123	0.9877	46.27
105.5	1,339,090	19,229	0.0144	0.9856	45.70
106.5	1,276,716	50,289	0.0394	0.9606	45.05
107.5	1,220,102	29,220	0.0239	0.9761	43.27
108.5	1,188,504	84,988	0.0715	0.9285	42.24
109.5	1,122,463	134,706	0.1200	0.8800	39.22
110.5	840,747	32,541	0.0387	0.9613	34.51
111.5	782,023	35,709	0.0457	0.9543	33.17
112.5	716,343	42,336	0.0591	0.9409	31.66
113.5	665,845	69,691	0.1047	0.8953	29.79
114.5	549,371	31,237	0.0569	0.9431	26.67
115.5	513,069	85,833	0.1673	0.8327	25.15
116.5	421,319	42,428	0.1007	0.8993	20.95
117.5	377,655	19,149	0.0507	0.9493	18.84
118.5	356,568	18,035	0.0506	0.9494	17.88

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	325,963	53,174	0.1631	0.8369	16.98
120.5	250,349	7,268	0.0290	0.9710	14.21
121.5	235,320	2,909	0.0124	0.9876	13.79
122.5	228,819	764	0.0033	0.9967	13.62
123.5	225,371	3,845	0.0171	0.9829	13.58
124.5	217,405	11,780	0.0542	0.9458	13.35
125.5	205,102	1,617	0.0079	0.9921	12.62
126.5	201,967	44,341	0.2195	0.7805	12.52
127.5	141,223	8,269	0.0586	0.9414	9.77
128.5	130,673	5,472	0.0419	0.9581	9.20
129.5	124,444	7,086	0.0569	0.9431	8.82
130.5	117,359	6,255	0.0533	0.9467	8.31
131.5	111,104	635	0.0057	0.9943	7.87
132.5	78,261	3,789	0.0484	0.9516	7.83
133.5	32,443	2,980	0.0918	0.9082	7.45
134.5	29,464	8,012	0.2719	0.7281	6.76
135.5	6,446	6,446	1.0000		4.92
136.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	485,516,395		0.0000	1.0000	100.00
0.5	441,027,473	3,233	0.0000	1.0000	100.00
1.5	411,438,901	11,701	0.0000	1.0000	100.00
2.5	383,682,972	34,415	0.0001	0.9999	100.00
3.5	364,272,240	33,619	0.0001	0.9999	99.99
4.5	336,065,701	25,865	0.0001	0.9999	99.98
5.5	309,736,462	29,657	0.0001	0.9999	99.97
6.5	266,822,337	56,989	0.0002	0.9998	99.96
7.5	239,548,701	27,431	0.0001	0.9999	99.94
8.5	220,920,095	23,206	0.0001	0.9999	99.93
9.5	219,669,574	21,487	0.0001	0.9999	99.92
10.5	217,418,742	30,515	0.0001	0.9999	99.91
11.5	208,182,634	30,629	0.0001	0.9999	99.89
12.5	204,733,519	27,049	0.0001	0.9999	99.88
13.5	183,600,692	26,064	0.0001	0.9999	99.87
14.5	172,324,730	18,373	0.0001	0.9999	99.85
15.5	160,712,617	5,650	0.0000	1.0000	99.84
16.5	153,447,831	4,839	0.0000	1.0000	99.84
17.5	142,301,942	12,261	0.0001	0.9999	99.83
18.5	128,164,918	16,826	0.0001	0.9999	99.83
19.5	112,402,189	1,691	0.0000	1.0000	99.81
20.5	104,981,308	134,932	0.0013	0.9987	99.81
21.5	86,003,116	16,226	0.0002	0.9998	99.68
22.5	81,429,517	52,395	0.0006	0.9994	99.66
23.5	78,390,458	12,662	0.0002	0.9998	99.60
24.5	72,890,135	3,475	0.0000	1.0000	99.58
25.5	65,972,028	4,608	0.0001	0.9999	99.58
26.5	60,418,190	19,977	0.0003	0.9997	99.57
27.5	58,825,114	35,586	0.0006	0.9994	99.54
28.5	56,620,424	610	0.0000	1.0000	99.48
29.5	54,077,573	2,018	0.0000	1.0000	99.48
30.5	48,824,590	5,548	0.0001	0.9999	99.47
31.5	46,850,277	4,894	0.0001	0.9999	99.46
32.5	44,830,037	465	0.0000	1.0000	99.45
33.5	44,054,217	15,446	0.0004	0.9996	99.45
34.5	41,560,053	442	0.0000	1.0000	99.42
35.5	41,070,405	3,488	0.0001	0.9999	99.42
36.5	41,196,333	7,811	0.0002	0.9998	99.41
37.5	40,487,008	47,915	0.0012	0.9988	99.39
38.5	39,663,778	2,545	0.0001	0.9999	99.27

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	37,758,783	317	0.0000	1.0000	99.26
40.5	34,577,222	55,722	0.0016	0.9984	99.26
41.5	33,205,077	8,357	0.0003	0.9997	99.10
42.5	32,391,632	307,824	0.0095	0.9905	99.08
43.5	31,838,259	47,921	0.0015	0.9985	98.14
44.5	26,946,836	64,366	0.0024	0.9976	97.99
45.5	23,912,844	9,224	0.0004	0.9996	97.76
46.5	22,407,836	5,659	0.0003	0.9997	97.72
47.5	21,365,025	56,957	0.0027	0.9973	97.69
48.5	20,243,734	121,360	0.0060	0.9940	97.43
49.5	19,289,093	5,885	0.0003	0.9997	96.85
50.5	18,810,167	114,822	0.0061	0.9939	96.82
51.5	18,165,354	27,762	0.0015	0.9985	96.23
52.5	16,479,134	205,616	0.0125	0.9875	96.08
53.5	14,454,180	26,754	0.0019	0.9981	94.88
54.5	13,306,564	36,366	0.0027	0.9973	94.71
55.5	12,328,652	66,141	0.0054	0.9946	94.45
56.5	11,677,857	55,580	0.0048	0.9952	93.94
57.5	10,743,806	84,142	0.0078	0.9922	93.49
58.5	10,665,719	91,064	0.0085	0.9915	92.76
59.5	10,328,359	27,975	0.0027	0.9973	91.97
60.5	9,324,681	42,889	0.0046	0.9954	91.72
61.5	8,953,003	87,817	0.0098	0.9902	91.30
62.5	8,687,509	221,053	0.0254	0.9746	90.40
63.5	8,261,933	28,794	0.0035	0.9965	88.10
64.5	7,880,330	104,313	0.0132	0.9868	87.80
65.5	7,020,117	83,458	0.0119	0.9881	86.63
66.5	5,423,733	66,675	0.0123	0.9877	85.60
67.5	4,924,137	214,231	0.0435	0.9565	84.55
68.5	4,327,493	28,492	0.0066	0.9934	80.87
69.5	3,738,413	37,256	0.0100	0.9900	80.34
70.5	3,474,582	79,301	0.0228	0.9772	79.54
71.5	3,082,901	103,935	0.0337	0.9663	77.72
72.5	2,574,866	768	0.0003	0.9997	75.10
73.5	2,572,281	39,852	0.0155	0.9845	75.08
74.5	2,520,630	29,282	0.0116	0.9884	73.92
75.5	2,865,650	5,286	0.0018	0.9982	73.06
76.5	2,939,142	19,975	0.0068	0.9932	72.92
77.5	2,893,802	5,606	0.0019	0.9981	72.43
78.5	2,913,528	1,725	0.0006	0.9994	72.29

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	2,983,663	12,802	0.0043	0.9957	72.25
80.5	2,973,422	4,508	0.0015	0.9985	71.94
81.5	2,968,806	23,986	0.0081	0.9919	71.83
82.5	2,908,437	10,090	0.0035	0.9965	71.25
83.5	2,906,237	10,551	0.0036	0.9964	71.00
84.5	2,915,302	56,759	0.0195	0.9805	70.74
85.5	3,054,078	49,953	0.0164	0.9836	69.36
86.5	2,935,178	52,167	0.0178	0.9822	68.23
87.5	2,853,713	52,198	0.0183	0.9817	67.02
88.5	2,723,815	159,975	0.0587	0.9413	65.79
89.5	2,527,271	65,471	0.0259	0.9741	61.93
90.5	2,373,196	20,935	0.0088	0.9912	60.32
91.5	2,314,283	45,002	0.0194	0.9806	59.79
92.5	2,235,600	223,379	0.0999	0.9001	58.63
93.5	1,767,144	137,900	0.0780	0.9220	52.77
94.5	1,600,224	89,383	0.0559	0.9441	48.65
95.5	1,422,762	61,318	0.0431	0.9569	45.93
96.5	1,262,892	5,003	0.0040	0.9960	43.96
97.5	1,308,731	10,374	0.0079	0.9921	43.78
98.5	1,369,298	19,067	0.0139	0.9861	43.43
99.5	1,332,319	9,640	0.0072	0.9928	42.83
100.5	1,333,888	17,483	0.0131	0.9869	42.52
101.5	1,281,777	163	0.0001	0.9999	41.96
102.5	1,318,474	1,171	0.0009	0.9991	41.96
103.5	1,338,508	10	0.0000	1.0000	41.92
104.5	1,349,833	16,686	0.0124	0.9876	41.92
105.5	1,328,333	19,229	0.0145	0.9855	41.40
106.5	1,265,958	50,289	0.0397	0.9603	40.80
107.5	1,209,980	29,220	0.0241	0.9759	39.18
108.5	1,178,383	84,988	0.0721	0.9279	38.23
109.5	1,112,341	134,706	0.1211	0.8789	35.48
110.5	834,292	32,541	0.0390	0.9610	31.18
111.5	782,023	35,709	0.0457	0.9543	29.96
112.5	716,343	42,336	0.0591	0.9409	28.60
113.5	665,845	69,691	0.1047	0.8953	26.91
114.5	549,371	31,237	0.0569	0.9431	24.09
115.5	513,069	85,833	0.1673	0.8327	22.72
116.5	421,319	42,428	0.1007	0.8993	18.92
117.5	377,655	19,149	0.0507	0.9493	17.01
118.5	356,568	18,035	0.0506	0.9494	16.15

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	325,963	53,174	0.1631	0.8369	15.33
120.5	250,349	7,268	0.0290	0.9710	12.83
121.5	235,320	2,909	0.0124	0.9876	12.46
122.5	228,819	764	0.0033	0.9967	12.31
123.5	225,371	3,845	0.0171	0.9829	12.27
124.5	217,405	11,780	0.0542	0.9458	12.06
125.5	205,102	1,617	0.0079	0.9921	11.40
126.5	201,967	44,341	0.2195	0.7805	11.31
127.5	141,223	8,269	0.0586	0.9414	8.83
128.5	130,673	5,472	0.0419	0.9581	8.31
129.5	124,444	7,086	0.0569	0.9431	7.96
130.5	117,359	6,255	0.0533	0.9467	7.51
131.5	111,104	635	0.0057	0.9943	7.11
132.5	78,261	3,789	0.0484	0.9516	7.07
133.5	32,443	2,980	0.0918	0.9082	6.73
134.5	29,464	8,012	0.2719	0.7281	6.11
135.5	6,446	6,446	1.0000		4.45
136.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	412,678,668		0.0000	1.0000	100.00
0.5	377,741,086	3,233	0.0000	1.0000	100.00
1.5	367,181,289	11,701	0.0000	1.0000	100.00
2.5	338,656,337	31,295	0.0001	0.9999	100.00
3.5	321,112,498	26,069	0.0001	0.9999	99.99
4.5	296,815,377	24,479	0.0001	0.9999	99.98
5.5	275,846,402	29,657	0.0001	0.9999	99.97
6.5	237,916,762	56,989	0.0002	0.9998	99.96
7.5	211,809,663	25,597	0.0001	0.9999	99.94
8.5	195,593,536	23,206	0.0001	0.9999	99.92
9.5	195,825,404	21,487	0.0001	0.9999	99.91
10.5	195,281,432	13,257	0.0001	0.9999	99.90
11.5	187,660,607	30,629	0.0002	0.9998	99.89
12.5	184,840,506	27,049	0.0001	0.9999	99.88
13.5	164,998,424	20,672	0.0001	0.9999	99.86
14.5	155,948,792	18,032	0.0001	0.9999	99.85
15.5	144,302,464	5,481	0.0000	1.0000	99.84
16.5	136,640,375	4,671	0.0000	1.0000	99.84
17.5	125,787,009	12,261	0.0001	0.9999	99.83
18.5	111,316,678	16,826	0.0002	0.9998	99.82
19.5	96,444,332	1,691	0.0000	1.0000	99.81
20.5	87,773,861	133,584	0.0015	0.9985	99.81
21.5	69,257,467	367	0.0000	1.0000	99.65
22.5	64,898,138	50,812	0.0008	0.9992	99.65
23.5	60,252,713	78	0.0000	1.0000	99.57
24.5	59,229,115	3,198	0.0001	0.9999	99.57
25.5	53,656,585	1,024	0.0000	1.0000	99.57
26.5	48,950,530	19,977	0.0004	0.9996	99.57
27.5	48,185,982	34,098	0.0007	0.9993	99.53
28.5	46,149,283	188	0.0000	1.0000	99.46
29.5	43,954,278	2,018	0.0000	1.0000	99.46
30.5	38,358,262	5,334	0.0001	0.9999	99.45
31.5	35,290,154	4,275	0.0001	0.9999	99.44
32.5	34,089,206	465	0.0000	1.0000	99.43
33.5	34,454,450	9,629	0.0003	0.9997	99.42
34.5	32,705,425	198	0.0000	1.0000	99.40
35.5	32,445,202	3,361	0.0001	0.9999	99.40
36.5	32,511,818	7,271	0.0002	0.9998	99.39
37.5	31,715,236	29,635	0.0009	0.9991	99.36
38.5	30,631,701	2,545	0.0001	0.9999	99.27

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	29,344,962	317	0.0000	1.0000	99.26
40.5	27,414,657	55,645	0.0020	0.9980	99.26
41.5	26,603,229	1,564	0.0001	0.9999	99.06
42.5	25,859,749	145,447	0.0056	0.9944	99.05
43.5	25,656,616	44,593	0.0017	0.9983	98.50
44.5	21,076,426	63,949	0.0030	0.9970	98.33
45.5	18,820,831	2,186	0.0001	0.9999	98.03
46.5	19,156,245	5,659	0.0003	0.9997	98.02
47.5	18,352,753	56,007	0.0031	0.9969	97.99
48.5	17,680,131	121,022	0.0068	0.9932	97.69
49.5	17,407,761	5,885	0.0003	0.9997	97.02
50.5	17,305,112	114,619	0.0066	0.9934	96.99
51.5	17,218,285	27,691	0.0016	0.9984	96.34
52.5	16,017,809	205,616	0.0128	0.9872	96.19
53.5	13,899,493	26,754	0.0019	0.9981	94.95
54.5	12,735,543	36,270	0.0028	0.9972	94.77
55.5	11,587,387	66,141	0.0057	0.9943	94.50
56.5	10,864,344	55,528	0.0051	0.9949	93.96
57.5	9,957,856	84,142	0.0084	0.9916	93.48
58.5	9,296,773	91,064	0.0098	0.9902	92.69
59.5	8,794,862	27,796	0.0032	0.9968	91.78
60.5	7,526,324	42,702	0.0057	0.9943	91.49
61.5	6,979,254	87,817	0.0126	0.9874	90.97
62.5	6,765,700	221,035	0.0327	0.9673	89.83
63.5	6,318,787	18,021	0.0029	0.9971	86.90
64.5	6,025,372	104,313	0.0173	0.9827	86.65
65.5	5,111,235	83,458	0.0163	0.9837	85.15
66.5	3,427,193	63,619	0.0186	0.9814	83.76
67.5	2,964,359	202,438	0.0683	0.9317	82.20
68.5	2,468,364	28,492	0.0115	0.9885	76.59
69.5	1,932,420	35,705	0.0185	0.9815	75.70
70.5	1,790,199	79,184	0.0442	0.9558	74.31
71.5	1,469,540	40,247	0.0274	0.9726	71.02
72.5	1,095,785	741	0.0007	0.9993	69.07
73.5	1,654,198	28,532	0.0172	0.9828	69.03
74.5	1,883,980	29,282	0.0155	0.9845	67.84
75.5	2,055,073	5,269	0.0026	0.9974	66.78
76.5	2,225,281	19,975	0.0090	0.9910	66.61
77.5	2,114,122	5,606	0.0027	0.9973	66.01
78.5	2,068,367	1,725	0.0008	0.9992	65.84

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	2,023,793	8,084	0.0040	0.9960	65.78
80.5	2,001,335	4,508	0.0023	0.9977	65.52
81.5	2,163,729	23,890	0.0110	0.9890	65.37
82.5	2,109,534	9,189	0.0044	0.9956	64.65
83.5	2,118,410	10,551	0.0050	0.9950	64.37
84.5	2,068,704	56,759	0.0274	0.9726	64.05
85.5	2,003,723	49,953	0.0249	0.9751	62.29
86.5	1,886,755	48,791	0.0259	0.9741	60.74
87.5	1,818,822	52,182	0.0287	0.9713	59.17
88.5	1,689,598	155,756	0.0922	0.9078	57.47
89.5	1,503,850	65,471	0.0435	0.9565	52.17
90.5	1,680,212	20,935	0.0125	0.9875	49.90
91.5	1,691,460	45,002	0.0266	0.9734	49.28
92.5	1,665,276	223,362	0.1341	0.8659	47.97
93.5	1,253,049	137,783	0.1100	0.8900	41.53
94.5	1,235,943	89,383	0.0723	0.9277	36.97
95.5	1,075,887	61,318	0.0570	0.9430	34.29
96.5	916,016	5,003	0.0055	0.9945	32.34
97.5	915,892	10,342	0.0113	0.9887	32.16
98.5	914,729	19,042	0.0208	0.9792	31.80
99.5	943,445	9,640	0.0102	0.9898	31.14
100.5	1,145,300	17,483	0.0153	0.9847	30.82
101.5	1,100,009	163	0.0001	0.9999	30.35
102.5	1,105,079	1,171	0.0011	0.9989	30.34
103.5	1,102,816	10	0.0000	1.0000	30.31
104.5	1,118,434	16,663	0.0149	0.9851	30.31
105.5	1,104,371	19,229	0.0174	0.9826	29.86
106.5	1,048,225	50,289	0.0480	0.9520	29.34
107.5	1,009,966	29,220	0.0289	0.9711	27.93
108.5	981,311	84,988	0.0866	0.9134	27.12
109.5	924,071	130,476	0.1412	0.8588	24.78
110.5	646,585	32,541	0.0503	0.9497	21.28
111.5	587,861	35,709	0.0607	0.9393	20.21
112.5	568,804	42,336	0.0744	0.9256	18.98
113.5	585,671	69,691	0.1190	0.8810	17.57
114.5	469,198	31,237	0.0666	0.9334	15.48
115.5	465,414	85,833	0.1844	0.8156	14.45
116.5	373,701	42,428	0.1135	0.8865	11.78
117.5	366,898	19,149	0.0522	0.9478	10.44
118.5	345,810	18,035	0.0522	0.9478	9.90

AQUA PENNSYLVANIA, INC.

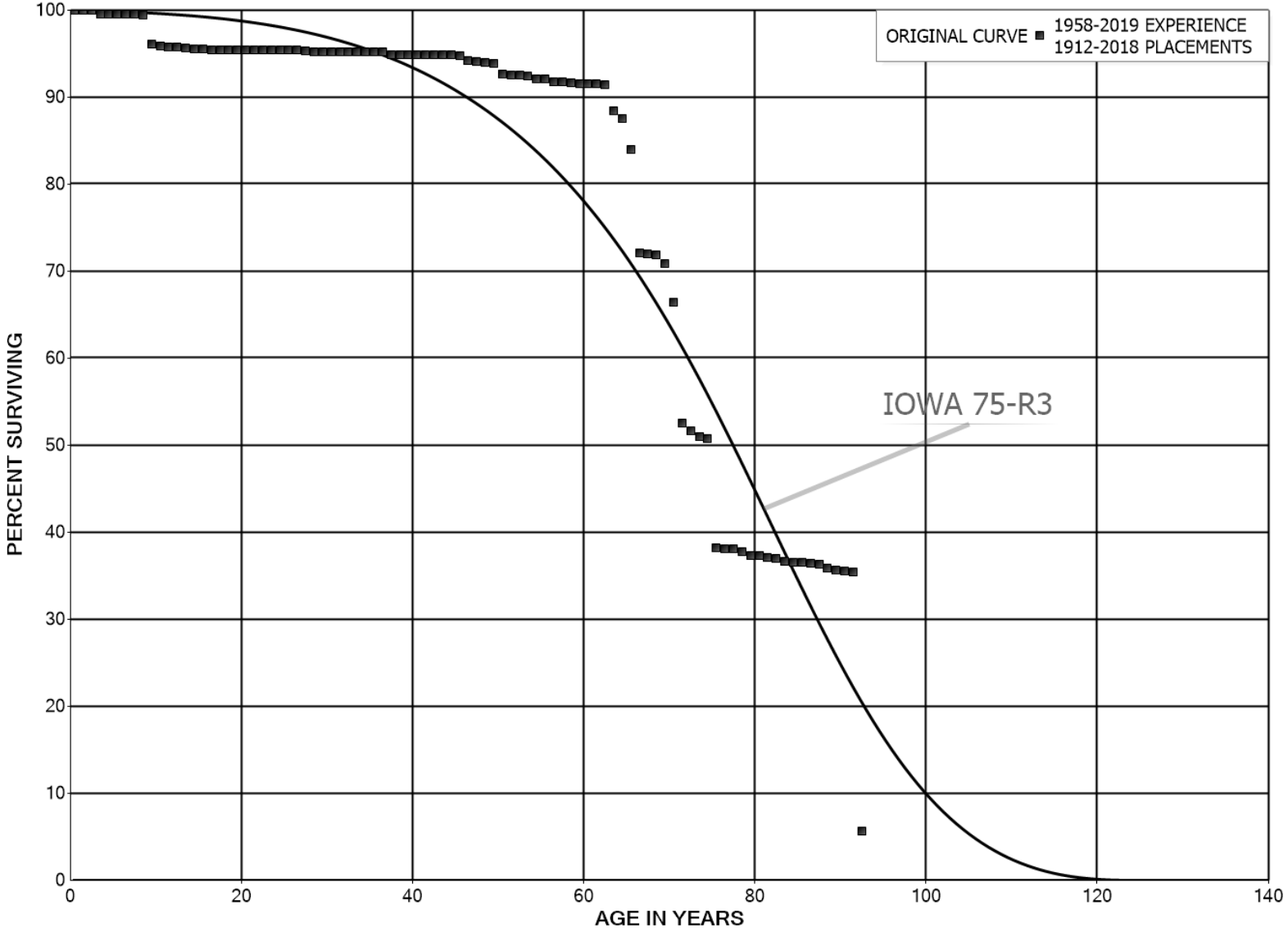
ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	315,205	53,174	0.1687	0.8313	9.38
120.5	239,591	7,268	0.0303	0.9697	7.80
121.5	224,562	2,909	0.0130	0.9870	7.56
122.5	218,697	764	0.0035	0.9965	7.47
123.5	215,249	3,845	0.0179	0.9821	7.44
124.5	207,284	11,780	0.0568	0.9432	7.31
125.5	198,647	1,617	0.0081	0.9919	6.89
126.5	201,967	44,341	0.2195	0.7805	6.84
127.5	141,223	8,269	0.0586	0.9414	5.33
128.5	130,673	5,472	0.0419	0.9581	5.02
129.5	124,444	7,086	0.0569	0.9431	4.81
130.5	117,359	6,255	0.0533	0.9467	4.54
131.5	111,104	635	0.0057	0.9943	4.30
132.5	78,261	3,789	0.0484	0.9516	4.27
133.5	32,443	2,980	0.0918	0.9082	4.06
134.5	29,464	8,012	0.2719	0.7281	3.69
135.5	6,446	6,446	1.0000		2.69
136.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1912-2018 EXPERIENCE BAND 1958-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,872,166		0.0000	1.0000	100.00
0.5	3,876,730	670	0.0002	0.9998	100.00
1.5	3,375,312		0.0000	1.0000	99.98
2.5	3,788,251	16,820	0.0044	0.9956	99.98
3.5	3,757,455	407	0.0001	0.9999	99.54
4.5	6,363,266		0.0000	1.0000	99.53
5.5	6,308,791		0.0000	1.0000	99.53
6.5	6,082,520		0.0000	1.0000	99.53
7.5	5,954,826	6,528	0.0011	0.9989	99.53
8.5	6,048,416	202,105	0.0334	0.9666	99.42
9.5	5,970,277	19,022	0.0032	0.9968	96.10
10.5	6,486,662	1,498	0.0002	0.9998	95.79
11.5	6,489,110	3,574	0.0006	0.9994	95.77
12.5	6,493,102	4,973	0.0008	0.9992	95.72
13.5	6,453,845	6,178	0.0010	0.9990	95.64
14.5	6,655,312	4,252	0.0006	0.9994	95.55
15.5	6,310,747	3,044	0.0005	0.9995	95.49
16.5	6,202,158		0.0000	1.0000	95.44
17.5	6,099,774		0.0000	1.0000	95.44
18.5	6,087,675	1,357	0.0002	0.9998	95.44
19.5	6,078,253	723	0.0001	0.9999	95.42
20.5	6,075,448	2,129	0.0004	0.9996	95.41
21.5	6,073,488	169	0.0000	1.0000	95.38
22.5	6,047,466		0.0000	1.0000	95.38
23.5	6,047,466	563	0.0001	0.9999	95.38
24.5	6,047,016		0.0000	1.0000	95.37
25.5	6,047,199		0.0000	1.0000	95.37
26.5	6,030,183	3,032	0.0005	0.9995	95.37
27.5	5,794,187	10,105	0.0017	0.9983	95.32
28.5	5,784,493		0.0000	1.0000	95.15
29.5	5,784,631		0.0000	1.0000	95.15
30.5	5,784,637		0.0000	1.0000	95.15
31.5	6,136,605		0.0000	1.0000	95.15
32.5	6,136,654		0.0000	1.0000	95.15
33.5	6,129,027		0.0000	1.0000	95.15
34.5	6,006,980		0.0000	1.0000	95.15
35.5	6,002,452		0.0000	1.0000	95.15
36.5	5,847,246	21,228	0.0036	0.9964	95.15
37.5	5,826,018		0.0000	1.0000	94.81
38.5	5,784,072		0.0000	1.0000	94.81

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1912-2018 EXPERIENCE BAND 1958-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,807,938	21	0.0000	1.0000	94.81
40.5	5,769,696	14	0.0000	1.0000	94.81
41.5	5,788,052		0.0000	1.0000	94.81
42.5	5,811,852	5	0.0000	1.0000	94.81
43.5	5,810,003		0.0000	1.0000	94.81
44.5	5,759,967	5,708	0.0010	0.9990	94.81
45.5	5,743,030	31,021	0.0054	0.9946	94.71
46.5	5,666,435	7,865	0.0014	0.9986	94.20
47.5	5,630,366	10,077	0.0018	0.9982	94.07
48.5	5,607,187	3,471	0.0006	0.9994	93.90
49.5	5,591,182	71,784	0.0128	0.9872	93.84
50.5	4,557,387	5,261	0.0012	0.9988	92.64
51.5	4,525,069	1,649	0.0004	0.9996	92.53
52.5	4,523,384	3,546	0.0008	0.9992	92.50
53.5	4,509,324	16,719	0.0037	0.9963	92.43
54.5	4,426,438	2,003	0.0005	0.9995	92.08
55.5	4,421,454	12,987	0.0029	0.9971	92.04
56.5	4,343,099	2,672	0.0006	0.9994	91.77
57.5	4,326,342	7,150	0.0017	0.9983	91.71
58.5	4,284,179	3,338	0.0008	0.9992	91.56
59.5	4,295,034	765	0.0002	0.9998	91.49
60.5	4,297,790	714	0.0002	0.9998	91.47
61.5	4,297,470	1,586	0.0004	0.9996	91.46
62.5	4,291,511	141,930	0.0331	0.9669	91.43
63.5	4,074,169	39,104	0.0096	0.9904	88.40
64.5	3,787,803	157,033	0.0415	0.9585	87.55
65.5	3,547,523	499,756	0.1409	0.8591	83.92
66.5	996,025	2,336	0.0023	0.9977	72.10
67.5	1,001,895	1,799	0.0018	0.9982	71.93
68.5	1,003,761	14,004	0.0140	0.9860	71.80
69.5	985,216	61,284	0.0622	0.9378	70.80
70.5	907,539	189,424	0.2087	0.7913	66.40
71.5	716,680	11,878	0.0166	0.9834	52.54
72.5	482,414	6,912	0.0143	0.9857	51.67
73.5	476,864	2,158	0.0045	0.9955	50.93
74.5	471,980	116,107	0.2460	0.7540	50.70
75.5	357,382	1,089	0.0030	0.9970	38.23
76.5	341,064	662	0.0019	0.9981	38.11
77.5	340,766	2,704	0.0079	0.9921	38.04
78.5	342,357	3,720	0.0109	0.9891	37.73

AQUA PENNSYLVANIA, INC.

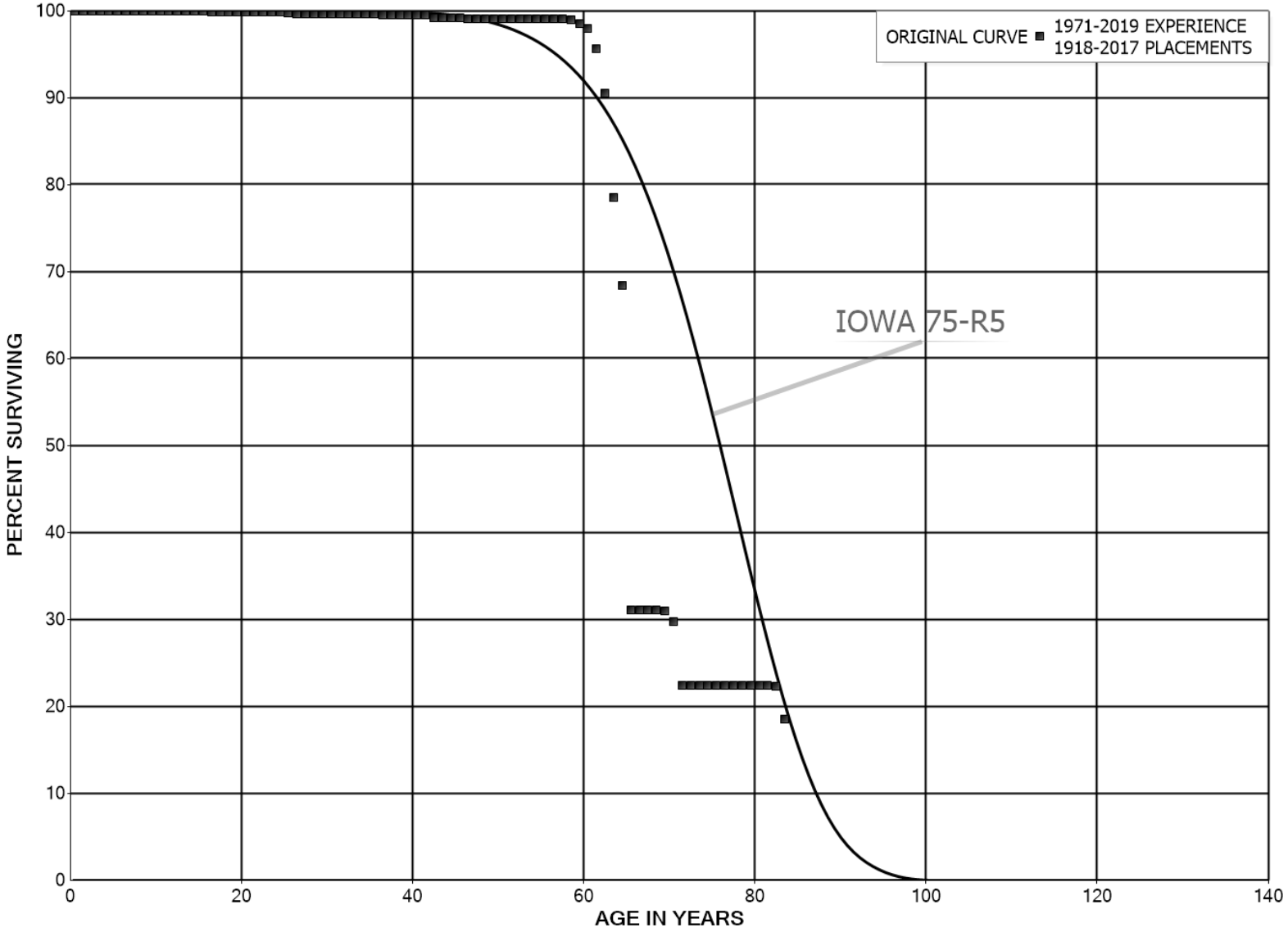
ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1912-2018 EXPERIENCE BAND 1958-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	337,502	810	0.0024	0.9976	37.32
80.5	337,456	1,343	0.0040	0.9960	37.23
81.5	337,110	1,290	0.0038	0.9962	37.09
82.5	337,667	2,594	0.0077	0.9923	36.94
83.5	336,303	1,046	0.0031	0.9969	36.66
84.5	335,869	351	0.0010	0.9990	36.55
85.5	336,952	963	0.0029	0.9971	36.51
86.5	337,980	886	0.0026	0.9974	36.40
87.5	341,834	4,575	0.0134	0.9866	36.31
88.5	342,871	1,797	0.0052	0.9948	35.82
89.5	346,001	1,042	0.0030	0.9970	35.63
90.5	345,020	1,354	0.0039	0.9961	35.53
91.5	344,482	289,641	0.8408	0.1592	35.39
92.5	55,822	22,169	0.3971	0.6029	5.63
93.5	15,369	2,626	0.1709	0.8291	3.40
94.5	13,240	3,757	0.2838	0.7162	2.82
95.5	9,274	164	0.0177	0.9823	2.02
96.5	28,265	641	0.0227	0.9773	1.98
97.5	27,595	5,404	0.1958	0.8042	1.94
98.5	21,900	472	0.0216	0.9784	1.56
99.5	21,128	267	0.0126	0.9874	1.52
100.5	20,817	95	0.0045	0.9955	1.50
101.5	20,650	426	0.0206	0.9794	1.50
102.5	20,224	41	0.0020	0.9980	1.47
103.5	20,183	221	0.0109	0.9891	1.46
104.5	19,963	193	0.0096	0.9904	1.45
105.5	19,770	16,104	0.8146	0.1854	1.43
106.5	3,666	243	0.0662	0.9338	0.27
107.5					0.25

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1918-2017 EXPERIENCE BAND 1971-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,121,793		0.0000	1.0000	100.00
0.5	1,121,793		0.0000	1.0000	100.00
1.5	1,121,793		0.0000	1.0000	100.00
2.5	932,362	880	0.0009	0.9991	100.00
3.5	964,309		0.0000	1.0000	99.91
4.5	964,309		0.0000	1.0000	99.91
5.5	973,287		0.0000	1.0000	99.91
6.5	973,337		0.0000	1.0000	99.91
7.5	973,337		0.0000	1.0000	99.91
8.5	973,337		0.0000	1.0000	99.91
9.5	1,001,236		0.0000	1.0000	99.91
10.5	1,678,036		0.0000	1.0000	99.91
11.5	1,915,766		0.0000	1.0000	99.91
12.5	3,606,222		0.0000	1.0000	99.91
13.5	4,494,447		0.0000	1.0000	99.91
14.5	5,110,718		0.0000	1.0000	99.91
15.5	5,514,764	900	0.0002	0.9998	99.91
16.5	5,997,526		0.0000	1.0000	99.89
17.5	5,997,526		0.0000	1.0000	99.89
18.5	5,997,526		0.0000	1.0000	99.89
19.5	5,960,770		0.0000	1.0000	99.89
20.5	5,960,932		0.0000	1.0000	99.89
21.5	5,961,056		0.0000	1.0000	99.89
22.5	5,985,266		0.0000	1.0000	99.89
23.5	5,985,266		0.0000	1.0000	99.89
24.5	5,985,266	8,389	0.0014	0.9986	99.89
25.5	5,976,877	8,223	0.0014	0.9986	99.75
26.5	5,968,655		0.0000	1.0000	99.61
27.5	5,968,655		0.0000	1.0000	99.61
28.5	5,968,655		0.0000	1.0000	99.61
29.5	5,968,655	934	0.0002	0.9998	99.61
30.5	5,852,883		0.0000	1.0000	99.60
31.5	5,852,883		0.0000	1.0000	99.60
32.5	5,852,883		0.0000	1.0000	99.60
33.5	5,852,883		0.0000	1.0000	99.60
34.5	5,852,883		0.0000	1.0000	99.60
35.5	5,852,883	2,392	0.0004	0.9996	99.60
36.5	5,724,363		0.0000	1.0000	99.56
37.5	5,724,363	934	0.0002	0.9998	99.56
38.5	5,651,517		0.0000	1.0000	99.54

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1918-2017 EXPERIENCE BAND 1971-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,651,559		0.0000	1.0000	99.54
40.5	5,651,559		0.0000	1.0000	99.54
41.5	5,651,559	20,527	0.0036	0.9964	99.54
42.5	5,358,478		0.0000	1.0000	99.18
43.5	5,358,478		0.0000	1.0000	99.18
44.5	5,413,124		0.0000	1.0000	99.18
45.5	5,413,124	5,286	0.0010	0.9990	99.18
46.5	5,091,561		0.0000	1.0000	99.08
47.5	5,091,561		0.0000	1.0000	99.08
48.5	5,091,561		0.0000	1.0000	99.08
49.5	5,091,561		0.0000	1.0000	99.08
50.5	5,091,561		0.0000	1.0000	99.08
51.5	5,091,561	2,367	0.0005	0.9995	99.08
52.5	5,058,994		0.0000	1.0000	99.04
53.5	5,058,994	982	0.0002	0.9998	99.04
54.5	5,050,017		0.0000	1.0000	99.02
55.5	5,050,017		0.0000	1.0000	99.02
56.5	5,050,017		0.0000	1.0000	99.02
57.5	5,050,017	1,491	0.0003	0.9997	99.02
58.5	5,022,118	25,986	0.0052	0.9948	98.99
59.5	4,345,318	20,896	0.0048	0.9952	98.47
60.5	4,104,497	98,305	0.0240	0.9760	98.00
61.5	2,426,480	131,099	0.0540	0.9460	95.65
62.5	1,545,518	204,647	0.1324	0.8676	90.49
63.5	929,247	119,509	0.1286	0.8714	78.50
64.5	562,858	307,320	0.5460	0.4540	68.41
65.5	79,196	25	0.0003	0.9997	31.06
66.5	79,171		0.0000	1.0000	31.05
67.5	79,171		0.0000	1.0000	31.05
68.5	79,171	185	0.0023	0.9977	31.05
69.5	78,965	3,267	0.0414	0.9586	30.97
70.5	75,683	18,740	0.2476	0.7524	29.69
71.5	54,656		0.0000	1.0000	22.34
72.5	54,656		0.0000	1.0000	22.34
73.5	54,656		0.0000	1.0000	22.34
74.5	54,656		0.0000	1.0000	22.34
75.5	54,656		0.0000	1.0000	22.34
76.5	54,656		0.0000	1.0000	22.34
77.5	54,656		0.0000	1.0000	22.34
78.5	54,656		0.0000	1.0000	22.34

AQUA PENNSYLVANIA, INC.

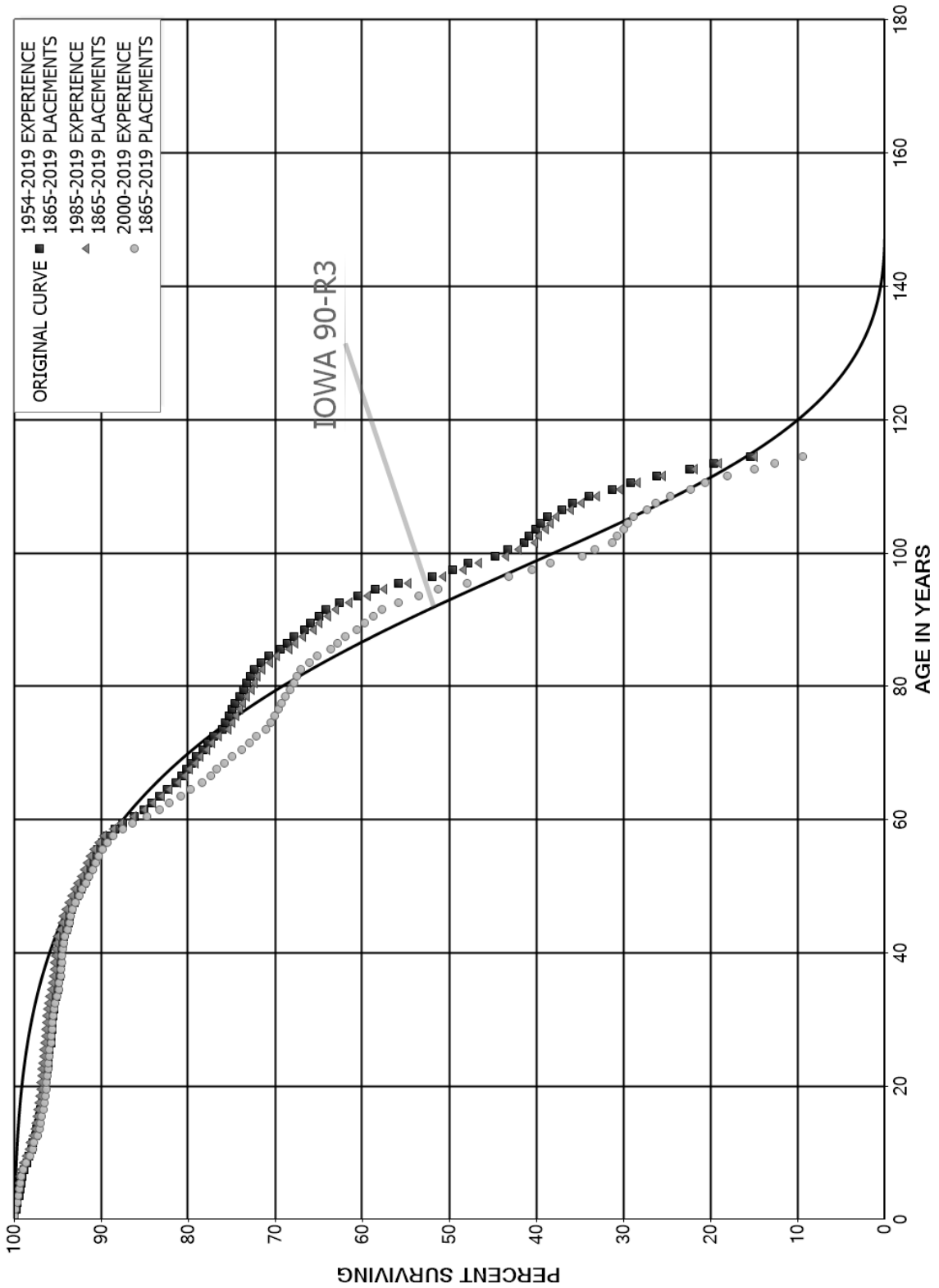
ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1918-2017 EXPERIENCE BAND 1971-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	54,656		0.0000	1.0000	22.34
80.5	54,656		0.0000	1.0000	22.34
81.5	54,656	11	0.0002	0.9998	22.34
82.5	54,645	9,297	0.1701	0.8299	22.34
83.5	45,349		0.0000	1.0000	18.54
84.5	45,349		0.0000	1.0000	18.54
85.5	45,349		0.0000	1.0000	18.54
86.5	45,349		0.0000	1.0000	18.54
87.5	45,349		0.0000	1.0000	18.54
88.5	45,349		0.0000	1.0000	18.54
89.5	45,349		0.0000	1.0000	18.54
90.5	45,349		0.0000	1.0000	18.54
91.5	45,349	2,158	0.0476	0.9524	18.54
92.5	43,190	36,993	0.8565	0.1435	17.65
93.5					2.53

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	68,653,216	5,375	0.0001	0.9999	100.00
0.5	63,297,803	144,313	0.0023	0.9977	99.99
1.5	55,795,840	94,584	0.0017	0.9983	99.76
2.5	49,814,612	94,792	0.0019	0.9981	99.60
3.5	45,717,989	54,950	0.0012	0.9988	99.41
4.5	40,719,805	46,662	0.0011	0.9989	99.29
5.5	37,519,592	45,659	0.0012	0.9988	99.17
6.5	35,070,468	66,868	0.0019	0.9981	99.05
7.5	30,998,693	95,515	0.0031	0.9969	98.86
8.5	28,053,221	76,984	0.0027	0.9973	98.56
9.5	24,545,478	82,046	0.0033	0.9967	98.29
10.5	23,585,548	31,050	0.0013	0.9987	97.96
11.5	22,362,356	74,379	0.0033	0.9967	97.83
12.5	21,142,537	33,964	0.0016	0.9984	97.50
13.5	19,769,243	25,653	0.0013	0.9987	97.35
14.5	19,297,090	28,558	0.0015	0.9985	97.22
15.5	18,368,134	25,363	0.0014	0.9986	97.08
16.5	18,148,491	35,453	0.0020	0.9980	96.94
17.5	16,994,459	17,735	0.0010	0.9990	96.75
18.5	16,356,587	21,774	0.0013	0.9987	96.65
19.5	15,452,903	21,284	0.0014	0.9986	96.52
20.5	14,448,094	14,018	0.0010	0.9990	96.39
21.5	13,771,524	13,511	0.0010	0.9990	96.30
22.5	12,869,692	11,404	0.0009	0.9991	96.20
23.5	12,214,043	11,601	0.0009	0.9991	96.12
24.5	11,430,731	14,845	0.0013	0.9987	96.03
25.5	10,542,088	16,972	0.0016	0.9984	95.90
26.5	10,006,647	6,775	0.0007	0.9993	95.75
27.5	9,857,176	7,365	0.0007	0.9993	95.68
28.5	9,419,208	4,830	0.0005	0.9995	95.61
29.5	8,863,730	4,497	0.0005	0.9995	95.56
30.5	8,544,382	7,503	0.0009	0.9991	95.51
31.5	8,148,185	7,532	0.0009	0.9991	95.43
32.5	7,758,042	12,091	0.0016	0.9984	95.34
33.5	7,371,444	17,650	0.0024	0.9976	95.19
34.5	6,929,737	4,016	0.0006	0.9994	94.97
35.5	6,609,721	10,666	0.0016	0.9984	94.91
36.5	6,298,496	4,214	0.0007	0.9993	94.76
37.5	5,968,129	4,338	0.0007	0.9993	94.69
38.5	5,764,240	3,265	0.0006	0.9994	94.63

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,584,619	6,103	0.0011	0.9989	94.57
40.5	5,310,016	5,511	0.0010	0.9990	94.47
41.5	4,982,490	5,736	0.0012	0.9988	94.37
42.5	4,797,355	16,249	0.0034	0.9966	94.26
43.5	4,715,811	9,573	0.0020	0.9980	93.94
44.5	4,562,407	7,108	0.0016	0.9984	93.75
45.5	4,381,702	11,893	0.0027	0.9973	93.61
46.5	4,199,444	13,385	0.0032	0.9968	93.35
47.5	3,990,483	14,704	0.0037	0.9963	93.05
48.5	3,811,702	15,894	0.0042	0.9958	92.71
49.5	3,680,643	13,904	0.0038	0.9962	92.32
50.5	3,522,902	12,478	0.0035	0.9965	91.98
51.5	3,375,439	12,375	0.0037	0.9963	91.65
52.5	3,220,543	12,030	0.0037	0.9963	91.31
53.5	3,047,085	9,077	0.0030	0.9970	90.97
54.5	2,874,529	11,271	0.0039	0.9961	90.70
55.5	2,744,016	15,126	0.0055	0.9945	90.35
56.5	2,570,169	15,258	0.0059	0.9941	89.85
57.5	2,382,408	24,700	0.0104	0.9896	89.31
58.5	2,249,025	22,295	0.0099	0.9901	88.39
59.5	2,072,779	31,175	0.0150	0.9850	87.51
60.5	1,880,872	23,925	0.0127	0.9873	86.20
61.5	1,739,055	17,929	0.0103	0.9897	85.10
62.5	1,630,748	18,244	0.0112	0.9888	84.22
63.5	1,508,062	15,597	0.0103	0.9897	83.28
64.5	1,401,410	16,779	0.0120	0.9880	82.42
65.5	1,269,911	10,684	0.0084	0.9916	81.43
66.5	1,094,071	7,726	0.0071	0.9929	80.75
67.5	1,009,559	7,536	0.0075	0.9925	80.18
68.5	900,920	6,331	0.0070	0.9930	79.58
69.5	789,854	6,980	0.0088	0.9912	79.02
70.5	727,184	5,323	0.0073	0.9927	78.32
71.5	663,221	5,877	0.0089	0.9911	77.75
72.5	586,626	7,257	0.0124	0.9876	77.06
73.5	572,935	3,243	0.0057	0.9943	76.11
74.5	563,413	2,625	0.0047	0.9953	75.67
75.5	555,650	2,930	0.0053	0.9947	75.32
76.5	538,197	2,617	0.0049	0.9951	74.93
77.5	527,950	3,125	0.0059	0.9941	74.56
78.5	515,433	3,250	0.0063	0.9937	74.12

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	499,548	2,784	0.0056	0.9944	73.65
80.5	482,447	2,428	0.0050	0.9950	73.24
81.5	474,787	3,128	0.0066	0.9934	72.87
82.5	460,798	5,271	0.0114	0.9886	72.39
83.5	448,593	5,417	0.0121	0.9879	71.56
84.5	436,510	8,256	0.0189	0.9811	70.70
85.5	425,366	4,552	0.0107	0.9893	69.36
86.5	414,765	4,716	0.0114	0.9886	68.62
87.5	404,854	7,055	0.0174	0.9826	67.84
88.5	376,560	4,228	0.0112	0.9888	66.66
89.5	357,648	4,918	0.0138	0.9862	65.91
90.5	342,785	4,584	0.0134	0.9866	65.00
91.5	321,171	7,795	0.0243	0.9757	64.13
92.5	289,757	9,655	0.0333	0.9667	62.58
93.5	218,605	6,994	0.0320	0.9680	60.49
94.5	176,163	8,211	0.0466	0.9534	58.56
95.5	152,542	10,668	0.0699	0.9301	55.83
96.5	129,864	5,757	0.0443	0.9557	51.92
97.5	119,954	4,261	0.0355	0.9645	49.62
98.5	113,377	7,499	0.0661	0.9339	47.86
99.5	105,413	3,367	0.0319	0.9681	44.69
100.5	102,865	4,577	0.0445	0.9555	43.27
101.5	98,498	1,137	0.0115	0.9885	41.34
102.5	99,794	2,008	0.0201	0.9799	40.86
103.5	99,674	1,411	0.0142	0.9858	40.04
104.5	98,256	1,743	0.0177	0.9823	39.47
105.5	96,478	4,253	0.0441	0.9559	38.77
106.5	91,373	3,039	0.0333	0.9667	37.06
107.5	88,316	4,574	0.0518	0.9482	35.83
108.5	83,338	6,700	0.0804	0.9196	33.98
109.5	76,437	5,067	0.0663	0.9337	31.24
110.5	68,201	6,886	0.1010	0.8990	29.17
111.5	58,255	8,419	0.1445	0.8555	26.23
112.5	47,312	6,017	0.1272	0.8728	22.44
113.5	37,179	8,043	0.2163	0.7837	19.58
114.5	28,163	3,598	0.1278	0.8722	15.35
115.5	23,884	2,829	0.1185	0.8815	13.39
116.5	20,051	1,768	0.0882	0.9118	11.80
117.5	18,262	1,152	0.0631	0.9369	10.76
118.5	16,945	683	0.0403	0.9597	10.08

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	16,048	567	0.0353	0.9647	9.67
120.5	15,349	388	0.0253	0.9747	9.33
121.5	14,845	2,071	0.1395	0.8605	9.10
122.5	12,395	2,646	0.2135	0.7865	7.83
123.5	9,513	748	0.0786	0.9214	6.16
124.5	8,098	1,280	0.1581	0.8419	5.67
125.5	6,381	527	0.0826	0.9174	4.78
126.5	5,811	311	0.0536	0.9464	4.38
127.5	5,164	443	0.0858	0.9142	4.15
128.5	4,478	1,165	0.2601	0.7399	3.79
129.5	3,294	402	0.1221	0.8779	2.81
130.5	2,744	1,361	0.4960	0.5040	2.46
131.5	1,383	698	0.5047	0.4953	1.24
132.5	685	561	0.8190	0.1810	0.61
133.5	124	124	1.0000		0.11
134.5					
135.5					
136.5					
137.5					
138.5					
139.5					
140.5					
141.5					
142.5	32		0.0000		
143.5	32	32	1.0000		
144.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	63,452,236	5,375	0.0001	0.9999	100.00
0.5	58,205,621	100,567	0.0017	0.9983	99.99
1.5	50,896,835	56,631	0.0011	0.9989	99.82
2.5	45,051,358	76,296	0.0017	0.9983	99.71
3.5	41,000,996	39,326	0.0010	0.9990	99.54
4.5	36,114,567	34,704	0.0010	0.9990	99.44
5.5	33,102,345	34,825	0.0011	0.9989	99.35
6.5	30,859,878	58,347	0.0019	0.9981	99.24
7.5	26,907,102	74,748	0.0028	0.9972	99.06
8.5	24,054,360	71,499	0.0030	0.9970	98.78
9.5	20,681,003	70,669	0.0034	0.9966	98.49
10.5	19,861,629	23,262	0.0012	0.9988	98.15
11.5	18,771,083	57,864	0.0031	0.9969	98.04
12.5	17,715,148	31,702	0.0018	0.9982	97.73
13.5	16,440,487	20,192	0.0012	0.9988	97.56
14.5	16,049,339	23,841	0.0015	0.9985	97.44
15.5	15,245,635	19,132	0.0013	0.9987	97.29
16.5	15,149,899	19,826	0.0013	0.9987	97.17
17.5	14,150,525	10,363	0.0007	0.9993	97.04
18.5	13,682,888	13,502	0.0010	0.9990	96.97
19.5	12,931,750	9,305	0.0007	0.9993	96.88
20.5	12,068,465	6,120	0.0005	0.9995	96.81
21.5	11,559,956	10,603	0.0009	0.9991	96.76
22.5	10,807,060	8,731	0.0008	0.9992	96.67
23.5	10,256,469	4,654	0.0005	0.9995	96.59
24.5	9,617,871	8,537	0.0009	0.9991	96.55
25.5	8,893,083	11,259	0.0013	0.9987	96.46
26.5	8,465,104	5,006	0.0006	0.9994	96.34
27.5	8,354,715	4,224	0.0005	0.9995	96.28
28.5	7,997,154	3,979	0.0005	0.9995	96.23
29.5	7,523,881	3,981	0.0005	0.9995	96.19
30.5	7,309,396	7,114	0.0010	0.9990	96.14
31.5	7,086,576	4,048	0.0006	0.9994	96.04
32.5	6,782,455	11,398	0.0017	0.9983	95.99
33.5	6,516,849	15,526	0.0024	0.9976	95.83
34.5	6,195,683	3,010	0.0005	0.9995	95.60
35.5	5,941,806	10,039	0.0017	0.9983	95.55
36.5	5,701,362	3,447	0.0006	0.9994	95.39
37.5	5,450,225	3,836	0.0007	0.9993	95.33
38.5	5,256,845	2,797	0.0005	0.9995	95.27

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,082,307	4,784	0.0009	0.9991	95.21
40.5	4,813,229	4,551	0.0009	0.9991	95.12
41.5	4,501,464	5,424	0.0012	0.9988	95.04
42.5	4,324,394	15,466	0.0036	0.9964	94.92
43.5	4,254,401	9,267	0.0022	0.9978	94.58
44.5	4,111,354	6,162	0.0015	0.9985	94.38
45.5	3,945,102	10,477	0.0027	0.9973	94.23
46.5	3,768,543	12,749	0.0034	0.9966	93.98
47.5	3,568,266	12,795	0.0036	0.9964	93.67
48.5	3,391,218	14,495	0.0043	0.9957	93.33
49.5	3,257,408	12,871	0.0040	0.9960	92.93
50.5	3,101,258	11,735	0.0038	0.9962	92.56
51.5	2,957,970	12,089	0.0041	0.9959	92.21
52.5	2,806,387	11,419	0.0041	0.9959	91.84
53.5	2,655,187	8,666	0.0033	0.9967	91.46
54.5	2,494,699	10,865	0.0044	0.9956	91.16
55.5	2,380,883	14,885	0.0063	0.9937	90.77
56.5	2,225,231	14,716	0.0066	0.9934	90.20
57.5	2,063,925	24,376	0.0118	0.9882	89.60
58.5	2,003,018	21,856	0.0109	0.9891	88.54
59.5	1,873,197	30,702	0.0164	0.9836	87.58
60.5	1,708,257	23,651	0.0138	0.9862	86.14
61.5	1,591,555	17,796	0.0112	0.9888	84.95
62.5	1,496,717	18,126	0.0121	0.9879	84.00
63.5	1,381,788	15,063	0.0109	0.9891	82.98
64.5	1,282,588	16,545	0.0129	0.9871	82.08
65.5	1,154,276	10,309	0.0089	0.9911	81.02
66.5	988,764	6,864	0.0069	0.9931	80.30
67.5	905,752	7,180	0.0079	0.9921	79.74
68.5	800,097	5,983	0.0075	0.9925	79.11
69.5	690,910	6,605	0.0096	0.9904	78.52
70.5	629,396	4,954	0.0079	0.9921	77.76
71.5	567,177	5,755	0.0101	0.9899	77.15
72.5	492,214	7,085	0.0144	0.9856	76.37
73.5	481,065	2,873	0.0060	0.9940	75.27
74.5	475,328	2,556	0.0054	0.9946	74.82
75.5	475,575	2,701	0.0057	0.9943	74.42
76.5	463,834	2,331	0.0050	0.9950	74.00
77.5	460,534	2,864	0.0062	0.9938	73.62
78.5	454,725	3,103	0.0068	0.9932	73.17

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	446,687	2,636	0.0059	0.9941	72.67
80.5	439,185	2,088	0.0048	0.9952	72.24
81.5	434,661	2,775	0.0064	0.9936	71.89
82.5	424,592	5,212	0.0123	0.9877	71.44
83.5	414,584	5,125	0.0124	0.9876	70.56
84.5	407,605	8,084	0.0198	0.9802	69.69
85.5	401,721	4,251	0.0106	0.9894	68.30
86.5	393,944	4,697	0.0119	0.9881	67.58
87.5	386,846	7,046	0.0182	0.9818	66.78
88.5	360,287	4,100	0.0114	0.9886	65.56
89.5	343,321	4,907	0.0143	0.9857	64.81
90.5	330,744	4,584	0.0139	0.9861	63.89
91.5	310,965	7,795	0.0251	0.9749	63.00
92.5	280,956	9,565	0.0340	0.9660	61.42
93.5	210,624	6,756	0.0321	0.9679	59.33
94.5	169,352	8,170	0.0482	0.9518	57.43
95.5	146,056	10,657	0.0730	0.9270	54.66
96.5	123,871	5,696	0.0460	0.9540	50.67
97.5	114,676	4,231	0.0369	0.9631	48.34
98.5	110,153	7,499	0.0681	0.9319	46.56
99.5	102,847	3,323	0.0323	0.9677	43.39
100.5	101,184	4,577	0.0452	0.9548	41.98
101.5	96,888	1,137	0.0117	0.9883	40.09
102.5	98,741	2,008	0.0203	0.9797	39.62
103.5	98,838	1,349	0.0136	0.9864	38.81
104.5	97,525	1,734	0.0178	0.9822	38.28
105.5	95,887	4,253	0.0444	0.9556	37.60
106.5	90,782	3,039	0.0335	0.9665	35.93
107.5	87,725	4,574	0.0521	0.9479	34.73
108.5	82,792	6,700	0.0809	0.9191	32.92
109.5	76,028	5,067	0.0666	0.9334	30.25
110.5	68,077	6,886	0.1011	0.8989	28.24
111.5	58,255	8,419	0.1445	0.8555	25.38
112.5	47,312	6,017	0.1272	0.8728	21.71
113.5	37,179	8,043	0.2163	0.7837	18.95
114.5	28,163	3,598	0.1278	0.8722	14.85
115.5	23,884	2,829	0.1185	0.8815	12.95
116.5	20,051	1,768	0.0882	0.9118	11.42
117.5	18,262	1,152	0.0631	0.9369	10.41
118.5	16,945	683	0.0403	0.9597	9.76

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	16,048	567	0.0353	0.9647	9.36
120.5	15,349	388	0.0253	0.9747	9.03
121.5	14,845	2,071	0.1395	0.8605	8.80
122.5	12,395	2,646	0.2135	0.7865	7.58
123.5	9,513	748	0.0786	0.9214	5.96
124.5	8,098	1,280	0.1581	0.8419	5.49
125.5	6,381	527	0.0826	0.9174	4.62
126.5	5,811	311	0.0536	0.9464	4.24
127.5	5,164	443	0.0858	0.9142	4.01
128.5	4,478	1,165	0.2601	0.7399	3.67
129.5	3,294	402	0.1221	0.8779	2.71
130.5	2,744	1,361	0.4960	0.5040	2.38
131.5	1,383	698	0.5047	0.4953	1.20
132.5	685	561	0.8190	0.1810	0.59
133.5	124	124	1.0000		0.11
134.5					
135.5					
136.5					
137.5					
138.5					
139.5					
140.5					
141.5					
142.5	32		0.0000		
143.5	32	32	1.0000		
144.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	55,000,010	5,375	0.0001	0.9999	100.00
0.5	50,346,158	100,567	0.0020	0.9980	99.99
1.5	43,460,174	55,571	0.0013	0.9987	99.79
2.5	38,271,017	68,550	0.0018	0.9982	99.66
3.5	34,685,982	37,980	0.0011	0.9989	99.48
4.5	30,303,479	34,246	0.0011	0.9989	99.38
5.5	27,860,221	34,825	0.0013	0.9987	99.26
6.5	25,821,861	58,112	0.0023	0.9977	99.14
7.5	21,947,133	74,748	0.0034	0.9966	98.92
8.5	19,548,284	71,499	0.0037	0.9963	98.58
9.5	16,548,072	67,734	0.0041	0.9959	98.22
10.5	15,996,671	22,414	0.0014	0.9986	97.82
11.5	15,210,921	55,983	0.0037	0.9963	97.68
12.5	14,386,659	31,519	0.0022	0.9978	97.32
13.5	13,367,755	19,394	0.0015	0.9985	97.11
14.5	13,262,643	20,550	0.0015	0.9985	96.97
15.5	12,613,063	19,132	0.0015	0.9985	96.82
16.5	12,660,234	19,826	0.0016	0.9984	96.67
17.5	11,739,871	10,363	0.0009	0.9991	96.52
18.5	11,279,888	13,412	0.0012	0.9988	96.43
19.5	10,554,147	8,846	0.0008	0.9992	96.32
20.5	9,844,509	5,732	0.0006	0.9994	96.24
21.5	9,464,923	9,097	0.0010	0.9990	96.18
22.5	8,719,975	6,021	0.0007	0.9993	96.09
23.5	8,129,608	4,548	0.0006	0.9994	96.02
24.5	7,466,631	5,904	0.0008	0.9992	95.97
25.5	6,707,419	9,163	0.0014	0.9986	95.89
26.5	6,284,414	4,710	0.0007	0.9993	95.76
27.5	6,217,014	3,067	0.0005	0.9995	95.69
28.5	5,846,242	3,849	0.0007	0.9993	95.64
29.5	5,358,732	3,788	0.0007	0.9993	95.58
30.5	5,143,744	6,554	0.0013	0.9987	95.51
31.5	4,870,324	3,349	0.0007	0.9993	95.39
32.5	4,625,413	11,240	0.0024	0.9976	95.32
33.5	4,399,791	10,366	0.0024	0.9976	95.09
34.5	4,108,504	2,504	0.0006	0.9994	94.87
35.5	3,904,442	6,525	0.0017	0.9983	94.81
36.5	3,763,571	3,016	0.0008	0.9992	94.65
37.5	3,609,597	1,939	0.0005	0.9995	94.58
38.5	3,525,517	1,861	0.0005	0.9995	94.53

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,503,887	2,194	0.0006	0.9994	94.48
40.5	3,411,869	3,904	0.0011	0.9989	94.42
41.5	3,215,619	5,074	0.0016	0.9984	94.31
42.5	3,142,273	9,860	0.0031	0.9969	94.16
43.5	3,190,514	8,202	0.0026	0.9974	93.86
44.5	3,137,394	5,170	0.0016	0.9984	93.62
45.5	3,081,058	7,121	0.0023	0.9977	93.47
46.5	3,081,241	10,711	0.0035	0.9965	93.25
47.5	2,958,108	12,351	0.0042	0.9958	92.93
48.5	2,898,513	12,688	0.0044	0.9956	92.54
49.5	2,880,652	11,723	0.0041	0.9959	92.14
50.5	2,797,249	11,343	0.0041	0.9959	91.76
51.5	2,716,881	11,926	0.0044	0.9956	91.39
52.5	2,639,023	11,374	0.0043	0.9957	90.99
53.5	2,472,259	8,411	0.0034	0.9966	90.60
54.5	2,299,597	10,378	0.0045	0.9955	90.29
55.5	2,172,736	14,802	0.0068	0.9932	89.88
56.5	2,012,723	14,264	0.0071	0.9929	89.27
57.5	1,833,633	24,199	0.0132	0.9868	88.63
58.5	1,713,064	21,515	0.0126	0.9874	87.46
59.5	1,552,696	29,796	0.0192	0.9808	86.37
60.5	1,380,086	23,229	0.0168	0.9832	84.71
61.5	1,249,330	17,234	0.0138	0.9862	83.28
62.5	1,155,422	17,812	0.0154	0.9846	82.13
63.5	1,042,019	14,377	0.0138	0.9862	80.87
64.5	944,167	16,342	0.0173	0.9827	79.75
65.5	816,176	9,928	0.0122	0.9878	78.37
66.5	647,102	6,103	0.0094	0.9906	77.42
67.5	567,073	6,465	0.0114	0.9886	76.69
68.5	485,432	5,503	0.0113	0.9887	75.81
69.5	392,089	6,107	0.0156	0.9844	74.95
70.5	349,232	4,032	0.0115	0.9885	73.79
71.5	307,238	3,221	0.0105	0.9895	72.94
72.5	260,135	4,133	0.0159	0.9841	72.17
73.5	320,121	2,238	0.0070	0.9930	71.02
74.5	357,307	2,255	0.0063	0.9937	70.53
75.5	377,205	2,516	0.0067	0.9933	70.08
76.5	386,393	2,091	0.0054	0.9946	69.61
77.5	390,788	2,560	0.0066	0.9934	69.24
78.5	387,502	2,753	0.0071	0.9929	68.78

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	379,556	2,501	0.0066	0.9934	68.30
80.5	365,564	1,736	0.0047	0.9953	67.85
81.5	364,689	2,383	0.0065	0.9935	67.52
82.5	354,124	5,105	0.0144	0.9856	67.08
83.5	344,890	5,011	0.0145	0.9855	66.12
84.5	334,953	7,890	0.0236	0.9764	65.15
85.5	325,476	4,057	0.0125	0.9875	63.62
86.5	316,784	4,504	0.0142	0.9858	62.83
87.5	308,750	6,832	0.0221	0.9779	61.93
88.5	283,039	3,782	0.0134	0.9866	60.56
89.5	268,038	4,776	0.0178	0.9822	59.75
90.5	260,637	4,483	0.0172	0.9828	58.69
91.5	243,023	7,555	0.0311	0.9689	57.68
92.5	218,534	9,400	0.0430	0.9570	55.89
93.5	156,606	6,585	0.0420	0.9580	53.48
94.5	122,278	7,896	0.0646	0.9354	51.23
95.5	108,192	10,613	0.0981	0.9019	47.93
96.5	88,831	5,670	0.0638	0.9362	43.22
97.5	82,478	4,183	0.0507	0.9493	40.47
98.5	78,037	7,420	0.0951	0.9049	38.41
99.5	74,423	3,265	0.0439	0.9561	34.76
100.5	75,864	4,562	0.0601	0.9399	33.24
101.5	73,300	1,078	0.0147	0.9853	31.24
102.5	76,239	1,902	0.0250	0.9750	30.78
103.5	77,490	1,330	0.0172	0.9828	30.01
104.5	77,894	1,628	0.0209	0.9791	29.49
105.5	78,719	4,234	0.0538	0.9462	28.88
106.5	75,473	3,018	0.0400	0.9600	27.33
107.5	73,895	4,530	0.0613	0.9387	26.23
108.5	69,607	6,502	0.0934	0.9066	24.62
109.5	63,788	5,037	0.0790	0.9210	22.32
110.5	56,160	6,738	0.1200	0.8800	20.56
111.5	47,200	8,322	0.1763	0.8237	18.09
112.5	38,116	5,967	0.1565	0.8435	14.90
113.5	30,671	7,881	0.2570	0.7430	12.57
114.5	24,415	3,598	0.1474	0.8526	9.34
115.5	22,336	2,829	0.1267	0.8733	7.96
116.5	18,573	1,768	0.0952	0.9048	6.96
117.5	17,343	1,152	0.0665	0.9335	6.29
118.5	16,242	683	0.0421	0.9579	5.87

AQUA PENNSYLVANIA, INC.

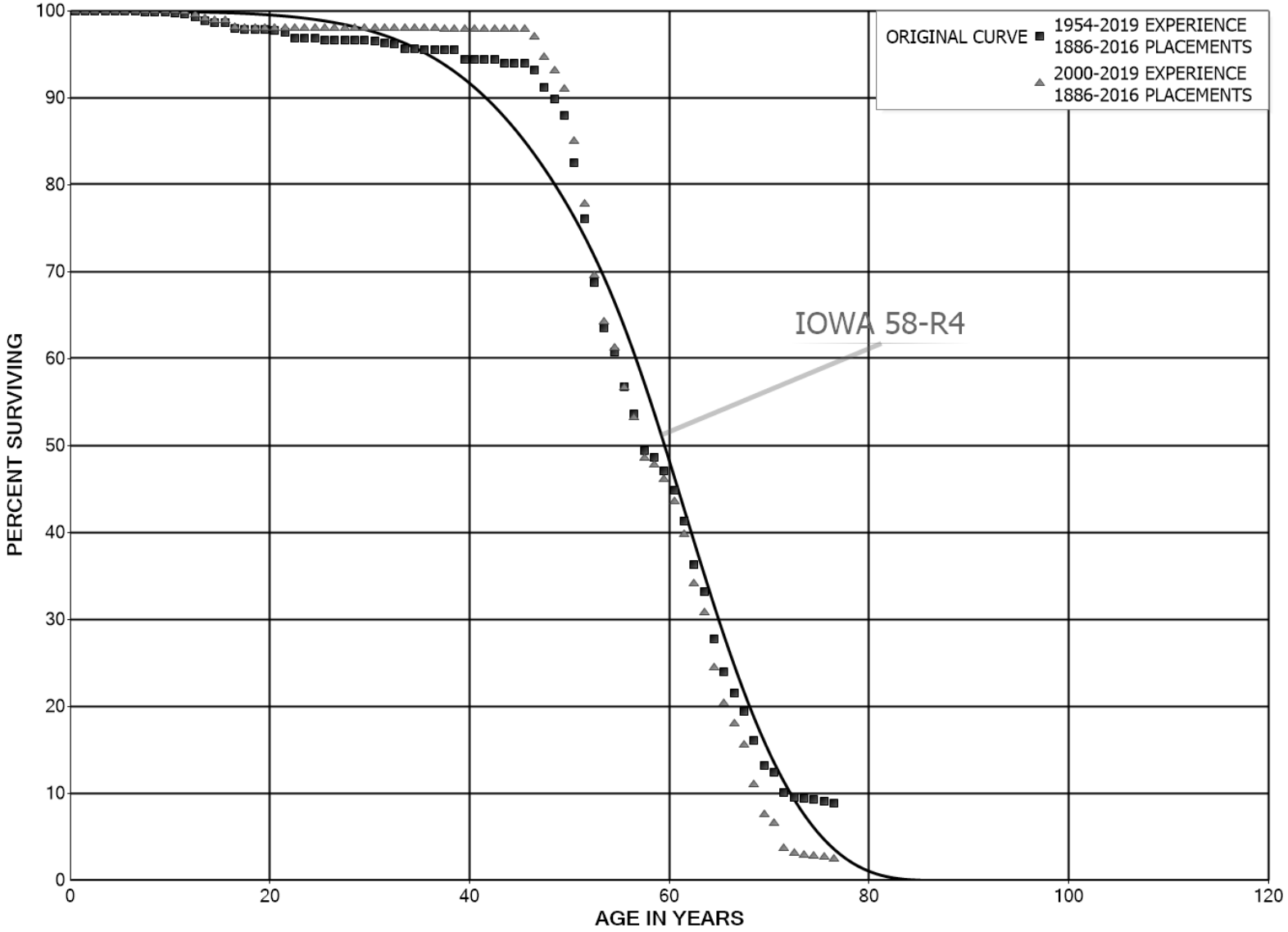
ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	15,388	567	0.0368	0.9632	5.63
120.5	14,758	388	0.0263	0.9737	5.42
121.5	14,254	2,071	0.1453	0.8547	5.28
122.5	11,804	2,646	0.2241	0.7759	4.51
123.5	8,967	748	0.0834	0.9166	3.50
124.5	7,689	1,280	0.1665	0.8335	3.21
125.5	6,257	527	0.0842	0.9158	2.67
126.5	5,811	311	0.0536	0.9464	2.45
127.5	5,164	443	0.0858	0.9142	2.32
128.5	4,478	1,165	0.2601	0.7399	2.12
129.5	3,294	402	0.1221	0.8779	1.57
130.5	2,744	1,361	0.4960	0.5040	1.38
131.5	1,383	698	0.5047	0.4953	0.69
132.5	685	561	0.8190	0.1810	0.34
133.5	124	124	1.0000		0.06
134.5					
135.5					
136.5					
137.5					
138.5					
139.5					
140.5					
141.5					
142.5	32		0.0000		
143.5	32	32	1.0000		
144.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	28,384,206		0.0000	1.0000	100.00
0.5	28,441,993	752	0.0000	1.0000	100.00
1.5	28,745,000	371	0.0000	1.0000	100.00
2.5	28,771,333	3,234	0.0001	0.9999	100.00
3.5	28,785,952	7,418	0.0003	0.9997	99.98
4.5	28,787,642	8,187	0.0003	0.9997	99.96
5.5	28,878,760	4,887	0.0002	0.9998	99.93
6.5	29,849,042	15,087	0.0005	0.9995	99.91
7.5	29,814,366	15,768	0.0005	0.9995	99.86
8.5	29,737,829	6,217	0.0002	0.9998	99.81
9.5	28,127,948	3,679	0.0001	0.9999	99.79
10.5	27,113,966	57,445	0.0021	0.9979	99.78
11.5	23,663,270	68,459	0.0029	0.9971	99.57
12.5	23,381,376	106,939	0.0046	0.9954	99.28
13.5	21,664,474	37,220	0.0017	0.9983	98.82
14.5	21,351,380	1,839	0.0001	0.9999	98.65
15.5	20,264,037	154,230	0.0076	0.9924	98.64
16.5	19,236,516	9,909	0.0005	0.9995	97.89
17.5	11,790,496	167	0.0000	1.0000	97.84
18.5	11,517,116	6,374	0.0006	0.9994	97.84
19.5	9,876,464	3,856	0.0004	0.9996	97.79
20.5	9,855,948	22,273	0.0023	0.9977	97.75
21.5	9,837,042	69,661	0.0071	0.9929	97.53
22.5	9,767,974	1,908	0.0002	0.9998	96.84
23.5	9,195,807	728	0.0001	0.9999	96.82
24.5	9,100,866	14,928	0.0016	0.9984	96.81
25.5	8,579,034	1,797	0.0002	0.9998	96.65
26.5	8,112,257	1,208	0.0001	0.9999	96.63
27.5	7,492,229	454	0.0001	0.9999	96.62
28.5	6,696,680	825	0.0001	0.9999	96.61
29.5	4,063,116	2,108	0.0005	0.9995	96.60
30.5	3,634,854	10,125	0.0028	0.9972	96.55
31.5	2,673,931	1,774	0.0007	0.9993	96.28
32.5	2,677,146	16,186	0.0060	0.9940	96.22
33.5	2,664,647	1,586	0.0006	0.9994	95.64
34.5	2,435,328	1,128	0.0005	0.9995	95.58
35.5	2,431,648	82	0.0000	1.0000	95.53
36.5	2,432,126	113	0.0000	1.0000	95.53
37.5	2,334,563	1,075	0.0005	0.9995	95.53
38.5	2,278,830	24,841	0.0109	0.9891	95.48

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,250,413	564	0.0003	0.9997	94.44
40.5	2,246,209	339	0.0002	0.9998	94.42
41.5	2,238,082	69	0.0000	1.0000	94.40
42.5	2,211,794	9,809	0.0044	0.9956	94.40
43.5	2,160,000	66	0.0000	1.0000	93.98
44.5	1,861,381	171	0.0001	0.9999	93.98
45.5	1,788,598	14,791	0.0083	0.9917	93.97
46.5	1,745,459	38,467	0.0220	0.9780	93.19
47.5	1,564,485	23,005	0.0147	0.9853	91.14
48.5	1,478,941	30,228	0.0204	0.9796	89.80
49.5	1,362,682	84,499	0.0620	0.9380	87.96
50.5	1,175,717	91,101	0.0775	0.9225	82.51
51.5	1,016,977	98,565	0.0969	0.9031	76.12
52.5	826,344	63,417	0.0767	0.9233	68.74
53.5	688,594	29,361	0.0426	0.9574	63.46
54.5	637,668	42,897	0.0673	0.9327	60.76
55.5	581,003	31,401	0.0540	0.9460	56.67
56.5	539,369	42,023	0.0779	0.9221	53.61
57.5	489,036	8,287	0.0169	0.9831	49.43
58.5	477,832	14,636	0.0306	0.9694	48.59
59.5	461,813	22,610	0.0490	0.9510	47.11
60.5	427,501	33,776	0.0790	0.9210	44.80
61.5	380,697	46,259	0.1215	0.8785	41.26
62.5	329,093	27,493	0.0835	0.9165	36.25
63.5	281,934	47,006	0.1667	0.8333	33.22
64.5	232,817	31,649	0.1359	0.8641	27.68
65.5	177,893	18,131	0.1019	0.8981	23.92
66.5	156,783	15,000	0.0957	0.9043	21.48
67.5	156,891	26,949	0.1718	0.8282	19.42
68.5	124,056	22,342	0.1801	0.8199	16.09
69.5	99,302	6,064	0.0611	0.9389	13.19
70.5	93,205	17,676	0.1896	0.8104	12.38
71.5	75,321	3,918	0.0520	0.9480	10.04
72.5	71,305	1,030	0.0144	0.9856	9.51
73.5	70,243	1,053	0.0150	0.9850	9.38
74.5	69,186	1,189	0.0172	0.9828	9.24
75.5	67,998	1,463	0.0215	0.9785	9.08
76.5	66,533	467	0.0070	0.9930	8.88
77.5	66,044	641	0.0097	0.9903	8.82
78.5	65,396	214	0.0033	0.9967	8.73

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	65,176	4	0.0001	0.9999	8.71
80.5	65,172	1,497	0.0230	0.9770	8.71
81.5	63,675	13	0.0002	0.9998	8.51
82.5	63,662		0.0000	1.0000	8.50
83.5	63,662	474	0.0074	0.9926	8.50
84.5	63,188	870	0.0138	0.9862	8.44
85.5	62,317	429	0.0069	0.9931	8.32
86.5	61,888	6,850	0.1107	0.8893	8.27
87.5	55,031	3,408	0.0619	0.9381	7.35
88.5	51,585	569	0.0110	0.9890	6.90
89.5	51,010	374	0.0073	0.9927	6.82
90.5	50,633	462	0.0091	0.9909	6.77
91.5	50,171	3,787	0.0755	0.9245	6.71
92.5	46,381	2,746	0.0592	0.9408	6.20
93.5	43,616	731	0.0168	0.9832	5.83
94.5	42,862	303	0.0071	0.9929	5.74
95.5	42,559	404	0.0095	0.9905	5.70
96.5	42,155	286	0.0068	0.9932	5.64
97.5	41,869	979	0.0234	0.9766	5.60
98.5	40,890	1,951	0.0477	0.9523	5.47
99.5	38,939	766	0.0197	0.9803	5.21
100.5	38,173	25	0.0006	0.9994	5.11
101.5	38,149		0.0000	1.0000	5.11
102.5	38,149		0.0000	1.0000	5.11
103.5	38,149	31	0.0008	0.9992	5.11
104.5	38,117	1	0.0000	1.0000	5.10
105.5	38,116	221	0.0058	0.9942	5.10
106.5	37,894	771	0.0203	0.9797	5.07
107.5	37,123	10,285	0.2771	0.7229	4.97
108.5	26,838	3,363	0.1253	0.8747	3.59
109.5	23,475		0.0000	1.0000	3.14
110.5	23,475	3,992	0.1701	0.8299	3.14
111.5	19,482	1,226	0.0629	0.9371	2.61
112.5	18,256	317	0.0174	0.9826	2.44
113.5	17,939		0.0000	1.0000	2.40
114.5	17,939	926	0.0516	0.9484	2.40
115.5	17,013		0.0000	1.0000	2.28
116.5	17,013		0.0000	1.0000	2.28
117.5	17,013		0.0000	1.0000	2.28
118.5	17,013		0.0000	1.0000	2.28

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	17,013		0.0000	1.0000	2.28
120.5	17,013	381	0.0224	0.9776	2.28
121.5	16,632		0.0000	1.0000	2.23
122.5	16,632		0.0000	1.0000	2.23
123.5	16,632		0.0000	1.0000	2.23
124.5	16,632		0.0000	1.0000	2.23
125.5	16,632		0.0000	1.0000	2.23
126.5	16,632		0.0000	1.0000	2.23
127.5	16,632	3,063	0.1842	0.8158	2.23
128.5	13,569	13,052	0.9619	0.0381	1.82
129.5	517		0.0000	1.0000	0.07
130.5	517		0.0000	1.0000	0.07
131.5	517	517	1.0000		0.07
132.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	19,987,645		0.0000	1.0000	100.00
0.5	20,005,061	571	0.0000	1.0000	100.00
1.5	20,197,440	41	0.0000	1.0000	100.00
2.5	20,197,400	169	0.0000	1.0000	100.00
3.5	20,749,447	145	0.0000	1.0000	100.00
4.5	20,845,203	1,363	0.0001	0.9999	100.00
5.5	21,353,081	2,065	0.0001	0.9999	99.99
6.5	21,821,610	2,288	0.0001	0.9999	99.98
7.5	22,396,609	4	0.0000	1.0000	99.97
8.5	23,137,694	5,488	0.0002	0.9998	99.97
9.5	23,940,742		0.0000	1.0000	99.94
10.5	23,362,074	32,734	0.0014	0.9986	99.94
11.5	20,893,021	60,046	0.0029	0.9971	99.80
12.5	20,626,911	101,843	0.0049	0.9951	99.52
13.5	18,914,413	30,377	0.0016	0.9984	99.03
14.5	18,838,082	206	0.0000	1.0000	98.87
15.5	17,752,371	153,641	0.0087	0.9913	98.87
16.5	16,726,080	972	0.0001	0.9999	98.01
17.5	9,386,642	167	0.0000	1.0000	98.01
18.5	9,166,542	392	0.0000	1.0000	98.00
19.5	7,531,872	0	0.0000	1.0000	98.00
20.5	7,514,883		0.0000	1.0000	98.00
21.5	7,507,488	113	0.0000	1.0000	98.00
22.5	7,514,085	2	0.0000	1.0000	98.00
23.5	6,983,595	1	0.0000	1.0000	98.00
24.5	7,186,894	56	0.0000	1.0000	98.00
25.5	6,746,298	32	0.0000	1.0000	98.00
26.5	6,338,172		0.0000	1.0000	98.00
27.5	5,894,798	383	0.0001	0.9999	98.00
28.5	5,178,987		0.0000	1.0000	97.99
29.5	2,656,663	16	0.0000	1.0000	97.99
30.5	2,383,095	32	0.0000	1.0000	97.99
31.5	1,572,710	241	0.0002	0.9998	97.99
32.5	1,783,524	57	0.0000	1.0000	97.97
33.5	1,950,589	1,266	0.0006	0.9994	97.97
34.5	1,770,779	170	0.0001	0.9999	97.91
35.5	1,827,124	82	0.0000	1.0000	97.90
36.5	1,873,051	113	0.0001	0.9999	97.89
37.5	1,807,292	164	0.0001	0.9999	97.89
38.5	1,764,165	158	0.0001	0.9999	97.88

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,765,787	243	0.0001	0.9999	97.87
40.5	1,812,471	202	0.0001	0.9999	97.86
41.5	1,858,925	69	0.0000	1.0000	97.84
42.5	1,855,416	79	0.0000	1.0000	97.84
43.5	1,891,083	66	0.0000	1.0000	97.84
44.5	1,598,660	46	0.0000	1.0000	97.83
45.5	1,618,566	14,791	0.0091	0.9909	97.83
46.5	1,569,159	38,467	0.0245	0.9755	96.94
47.5	1,396,058	22,255	0.0159	0.9841	94.56
48.5	1,335,607	29,398	0.0220	0.9780	93.05
49.5	1,257,398	83,341	0.0663	0.9337	91.00
50.5	1,069,360	91,101	0.0852	0.9148	84.97
51.5	930,056	98,565	0.1060	0.8940	77.73
52.5	758,318	57,916	0.0764	0.9236	69.50
53.5	627,530	29,361	0.0468	0.9532	64.19
54.5	576,603	42,897	0.0744	0.9256	61.18
55.5	520,391	31,401	0.0603	0.9397	56.63
56.5	480,133	42,023	0.0875	0.9125	53.22
57.5	432,039	7,406	0.0171	0.9829	48.56
58.5	421,945	14,636	0.0347	0.9653	47.73
59.5	406,618	22,224	0.0547	0.9453	46.07
60.5	372,691	32,810	0.0880	0.9120	43.55
61.5	326,786	46,259	0.1416	0.8584	39.72
62.5	275,182	26,960	0.0980	0.9020	34.10
63.5	228,555	47,006	0.2057	0.7943	30.76
64.5	179,438	30,064	0.1675	0.8325	24.43
65.5	126,099	14,852	0.1178	0.8822	20.34
66.5	108,267	14,772	0.1364	0.8636	17.94
67.5	92,252	26,949	0.2921	0.7079	15.49
68.5	70,448	22,342	0.3171	0.6829	10.97
69.5	46,209	6,064	0.1312	0.8688	7.49
70.5	40,266	17,676	0.4390	0.5610	6.51
71.5	22,382	3,918	0.1750	0.8250	3.65
72.5	19,102	1,030	0.0539	0.9461	3.01
73.5	22,900	1,053	0.0460	0.9540	2.85
74.5	24,166	1,189	0.0492	0.9508	2.72
75.5	22,978	1,463	0.0637	0.9363	2.58
76.5	22,198	467	0.0211	0.9789	2.42
77.5	21,875	573	0.0262	0.9738	2.37
78.5	21,510	214	0.0099	0.9901	2.31

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	22,011	4	0.0002	0.9998	2.28
80.5	26,284	1,497	0.0569	0.9431	2.28
81.5	24,788	13	0.0005	0.9995	2.15
82.5	25,301		0.0000	1.0000	2.15
83.5	25,301	474	0.0187	0.9813	2.15
84.5	24,827	870	0.0351	0.9649	2.11
85.5	23,970	429	0.0179	0.9821	2.04
86.5	23,541	6,850	0.2910	0.7090	2.00
87.5	16,684	3,408	0.2043	0.7957	1.42
88.5	13,238	569	0.0430	0.9570	1.13
89.5	12,663	374	0.0295	0.9705	1.08
90.5	12,982	462	0.0356	0.9644	1.05
91.5	12,520	3,787	0.3025	0.6975	1.01
92.5	26,868	2,746	0.1022	0.8978	0.71
93.5	24,103	731	0.0303	0.9697	0.63
94.5	23,349	303	0.0130	0.9870	0.61
95.5	23,046	404	0.0175	0.9825	0.61
96.5	25,142	286	0.0114	0.9886	0.60
97.5	24,856	979	0.0394	0.9606	0.59
98.5	23,877	1,951	0.0817	0.9183	0.57
99.5	21,926	766	0.0349	0.9651	0.52
100.5	21,160	25	0.0012	0.9988	0.50
101.5	21,136		0.0000	1.0000	0.50
102.5	21,136		0.0000	1.0000	0.50
103.5	21,136	31	0.0015	0.9985	0.50
104.5	21,104	1	0.0001	0.9999	0.50
105.5	21,103	221	0.0105	0.9895	0.50
106.5	20,881	771	0.0369	0.9631	0.49
107.5	20,110	10,285	0.5114	0.4886	0.48
108.5	9,825	3,363	0.3423	0.6577	0.23
109.5	6,462		0.0000	1.0000	0.15
110.5	6,462	3,992	0.6179	0.3821	0.15
111.5	2,469	1,226	0.4965	0.5035	0.06
112.5	1,243	317	0.2549	0.7451	0.03
113.5	17,939		0.0000	1.0000	0.02
114.5	17,939	926	0.0516	0.9484	0.02
115.5	17,013		0.0000	1.0000	0.02
116.5	17,013		0.0000	1.0000	0.02
117.5	17,013		0.0000	1.0000	0.02
118.5	17,013		0.0000	1.0000	0.02

AQUA PENNSYLVANIA, INC.

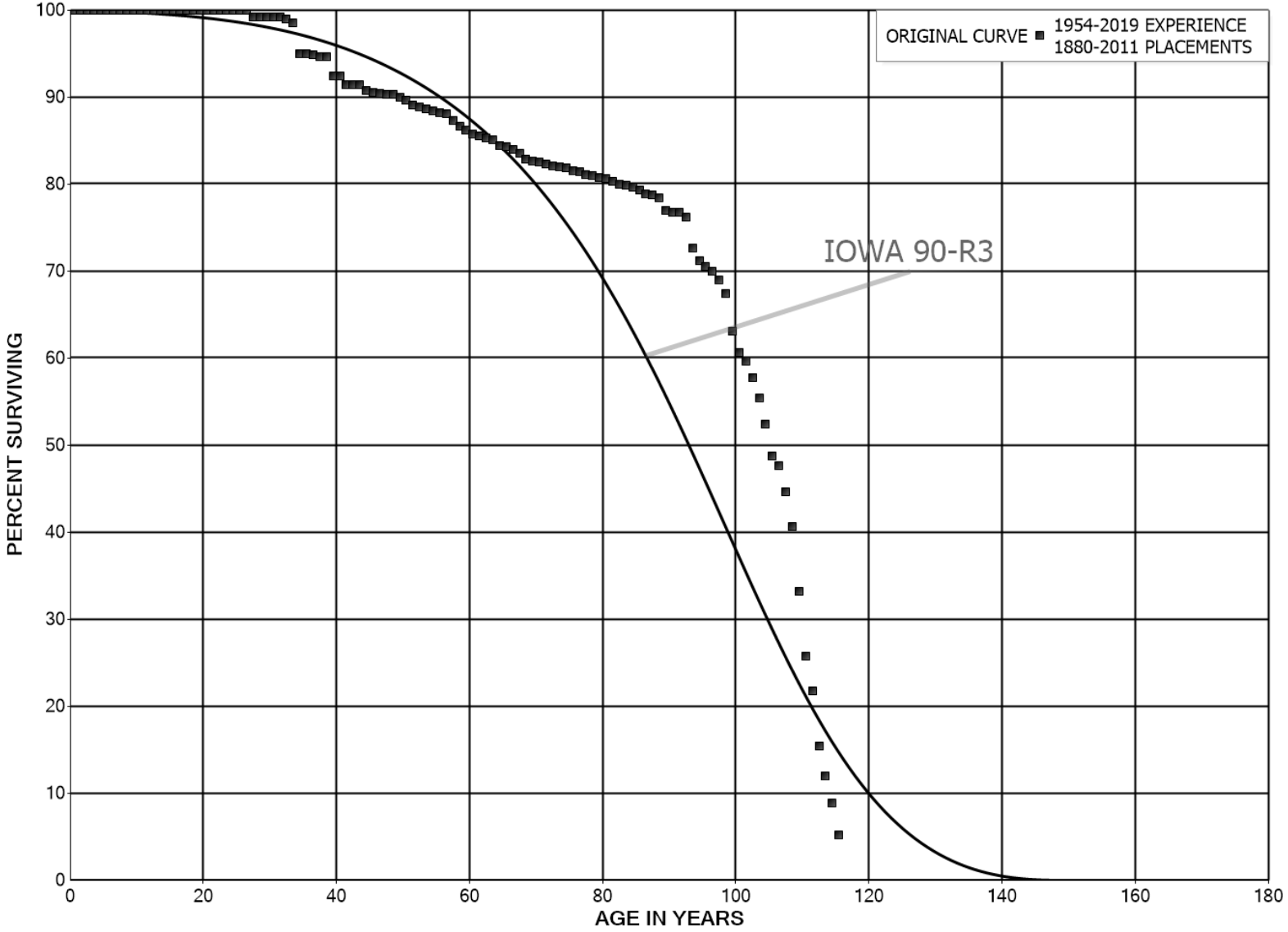
ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	17,013		0.0000	1.0000	0.02
120.5	17,013	381	0.0224	0.9776	0.02
121.5	16,632		0.0000	1.0000	0.02
122.5	16,632		0.0000	1.0000	0.02
123.5	16,632		0.0000	1.0000	0.02
124.5	16,632		0.0000	1.0000	0.02
125.5	16,632		0.0000	1.0000	0.02
126.5	16,632		0.0000	1.0000	0.02
127.5	16,632	3,063	0.1842	0.8158	0.02
128.5	13,569	13,052	0.9619	0.0381	0.02
129.5	517		0.0000	1.0000	0.00
130.5	517		0.0000	1.0000	0.00
131.5	517	517	1.0000		0.00
132.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

ORIGINAL LIFE TABLE

PLACEMENT BAND 1880-2011 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	93,576		0.0000	1.0000	100.00
0.5	93,576		0.0000	1.0000	100.00
1.5	103,081		0.0000	1.0000	100.00
2.5	99,226		0.0000	1.0000	100.00
3.5	99,226		0.0000	1.0000	100.00
4.5	99,226		0.0000	1.0000	100.00
5.5	87,416		0.0000	1.0000	100.00
6.5	77,455		0.0000	1.0000	100.00
7.5	77,455		0.0000	1.0000	100.00
8.5	30,681		0.0000	1.0000	100.00
9.5	15,393		0.0000	1.0000	100.00
10.5	15,393		0.0000	1.0000	100.00
11.5	15,393		0.0000	1.0000	100.00
12.5	15,393		0.0000	1.0000	100.00
13.5	15,392		0.0000	1.0000	100.00
14.5	15,392		0.0000	1.0000	100.00
15.5	15,392		0.0000	1.0000	100.00
16.5	15,392		0.0000	1.0000	100.00
17.5	15,392		0.0000	1.0000	100.00
18.5	15,392		0.0000	1.0000	100.00
19.5	15,392		0.0000	1.0000	100.00
20.5	15,392		0.0000	1.0000	100.00
21.5	15,392		0.0000	1.0000	100.00
22.5	15,392		0.0000	1.0000	100.00
23.5	15,392		0.0000	1.0000	100.00
24.5	15,445		0.0000	1.0000	100.00
25.5	15,445		0.0000	1.0000	100.00
26.5	15,580	129	0.0083	0.9917	100.00
27.5	15,515		0.0000	1.0000	99.17
28.5	16,617		0.0000	1.0000	99.17
29.5	17,279		0.0000	1.0000	99.17
30.5	18,484		0.0000	1.0000	99.17
31.5	22,054	58	0.0026	0.9974	99.17
32.5	38,407	152	0.0040	0.9960	98.91
33.5	40,060	1,448	0.0361	0.9639	98.52
34.5	41,992		0.0000	1.0000	94.96
35.5	52,697	56	0.0011	0.9989	94.96
36.5	83,818	237	0.0028	0.9972	94.86
37.5	140,161		0.0000	1.0000	94.59
38.5	173,612	4,053	0.0233	0.9767	94.59

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1880-2011 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	180,851		0.0000	1.0000	92.39
40.5	221,286	2,284	0.0103	0.9897	92.39
41.5	253,450	99	0.0004	0.9996	91.43
42.5	337,785	32	0.0001	0.9999	91.40
43.5	396,594	2,995	0.0076	0.9924	91.39
44.5	459,141	1,042	0.0023	0.9977	90.70
45.5	509,659	371	0.0007	0.9993	90.49
46.5	587,607	838	0.0014	0.9986	90.43
47.5	680,361	149	0.0002	0.9998	90.30
48.5	783,762	2,927	0.0037	0.9963	90.28
49.5	917,955	3,170	0.0035	0.9965	89.94
50.5	963,073	5,688	0.0059	0.9941	89.63
51.5	1,011,987	3,549	0.0035	0.9965	89.10
52.5	1,056,266	2,493	0.0024	0.9976	88.79
53.5	1,204,503	2,248	0.0019	0.9981	88.58
54.5	1,308,208	4,117	0.0031	0.9969	88.41
55.5	1,375,525	579	0.0004	0.9996	88.13
56.5	1,498,064	12,965	0.0087	0.9913	88.10
57.5	1,540,003	12,483	0.0081	0.9919	87.33
58.5	1,575,423	7,225	0.0046	0.9954	86.63
59.5	1,629,429	9,446	0.0058	0.9942	86.23
60.5	1,675,350	5,327	0.0032	0.9968	85.73
61.5	1,709,099	3,243	0.0019	0.9981	85.46
62.5	1,705,857	4,908	0.0029	0.9971	85.30
63.5	1,702,176	13,350	0.0078	0.9922	85.05
64.5	1,688,825	1,296	0.0008	0.9992	84.38
65.5	1,687,529	8,277	0.0049	0.9951	84.32
66.5	1,685,975	7,759	0.0046	0.9954	83.90
67.5	1,678,216	13,972	0.0083	0.9917	83.52
68.5	1,666,027	4,181	0.0025	0.9975	82.82
69.5	1,661,847	2,781	0.0017	0.9983	82.61
70.5	1,659,065	3,063	0.0018	0.9982	82.48
71.5	1,656,002	4,433	0.0027	0.9973	82.32
72.5	1,651,569	4,255	0.0026	0.9974	82.10
73.5	1,648,359	1,704	0.0010	0.9990	81.89
74.5	1,646,655	7,107	0.0043	0.9957	81.81
75.5	1,639,549	266	0.0002	0.9998	81.45
76.5	1,639,283	6,833	0.0042	0.9958	81.44
77.5	1,632,450	2,679	0.0016	0.9984	81.10
78.5	1,629,771	4,058	0.0025	0.9975	80.97

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1880-2011 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,625,713	3,121	0.0019	0.9981	80.77
80.5	1,622,592	7,614	0.0047	0.9953	80.61
81.5	1,614,978	5,504	0.0034	0.9966	80.23
82.5	1,609,474	2,328	0.0014	0.9986	79.96
83.5	1,607,146	4,256	0.0026	0.9974	79.84
84.5	1,602,890	7,986	0.0050	0.9950	79.63
85.5	1,594,904	7,049	0.0044	0.9956	79.24
86.5	1,587,854	4,084	0.0026	0.9974	78.89
87.5	1,583,770	4,834	0.0031	0.9969	78.68
88.5	1,578,936	30,348	0.0192	0.9808	78.44
89.5	1,548,588	4,677	0.0030	0.9970	76.94
90.5	1,543,911	165	0.0001	0.9999	76.70
91.5	1,543,746	11,083	0.0072	0.9928	76.70
92.5	1,532,656	70,078	0.0457	0.9543	76.14
93.5	1,462,578	30,894	0.0211	0.9789	72.66
94.5	1,431,685	13,267	0.0093	0.9907	71.13
95.5	1,418,418	10,658	0.0075	0.9925	70.47
96.5	1,407,661	19,295	0.0137	0.9863	69.94
97.5	1,388,315	32,293	0.0233	0.9767	68.98
98.5	1,356,022	86,857	0.0641	0.9359	67.38
99.5	1,269,166	49,750	0.0392	0.9608	63.06
100.5	1,219,416	19,540	0.0160	0.9840	60.59
101.5	1,199,375	37,899	0.0316	0.9684	59.62
102.5	1,161,476	47,689	0.0411	0.9589	57.73
103.5	1,113,787	58,869	0.0529	0.9471	55.36
104.5	1,054,917	74,556	0.0707	0.9293	52.44
105.5	980,362	23,088	0.0236	0.9764	48.73
106.5	945,470	58,375	0.0617	0.9383	47.58
107.5	885,528	81,013	0.0915	0.9085	44.65
108.5	802,943	145,210	0.1808	0.8192	40.56
109.5	655,993	148,755	0.2268	0.7732	33.23
110.5	503,118	77,360	0.1538	0.8462	25.69
111.5	410,711	119,155	0.2901	0.7099	21.74
112.5	287,094	65,272	0.2274	0.7726	15.43
113.5	214,992	55,725	0.2592	0.7408	11.92
114.5	156,542	65,545	0.4187	0.5813	8.83
115.5	90,997	48,243	0.5302	0.4698	5.14
116.5	42,754	35,604	0.8328	0.1672	2.41
117.5	7,150		0.0000	1.0000	0.40
118.5	7,150	219	0.0306	0.9694	0.40

AQUA PENNSYLVANIA, INC.

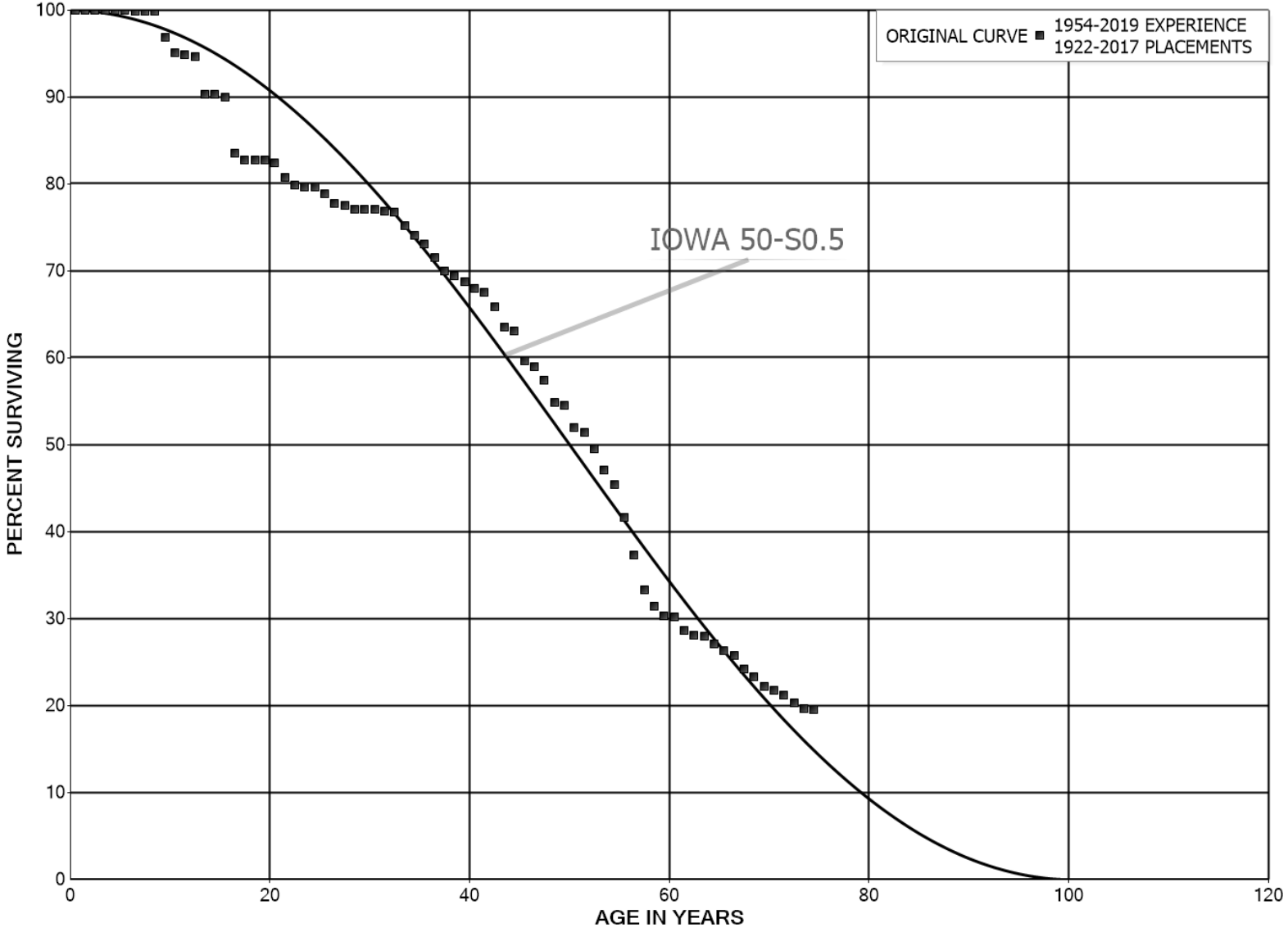
ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1880-2011 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	6,931		0.0000	1.0000	0.39
120.5	6,931		0.0000	1.0000	0.39
121.5	6,931	6,590	0.9508	0.0492	0.39
122.5	341		0.0000	1.0000	0.02
123.5	341	132	0.3880	0.6120	0.02
124.5	209		0.0000	1.0000	0.01
125.5	209		0.0000	1.0000	0.01
126.5	209		0.0000	1.0000	0.01
127.5	209		0.0000	1.0000	0.01
128.5	209	209	1.0000		0.01
129.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1922-2017 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	661,437		0.0000	1.0000	100.00
0.5	662,611	204	0.0003	0.9997	100.00
1.5	663,915		0.0000	1.0000	99.97
2.5	627,638	172	0.0003	0.9997	99.97
3.5	610,533		0.0000	1.0000	99.94
4.5	589,207		0.0000	1.0000	99.94
5.5	558,211	456	0.0008	0.9992	99.94
6.5	493,358		0.0000	1.0000	99.86
7.5	482,698	334	0.0007	0.9993	99.86
8.5	401,410	12,103	0.0302	0.9698	99.79
9.5	389,577	7,048	0.0181	0.9819	96.78
10.5	382,559	877	0.0023	0.9977	95.03
11.5	381,925	718	0.0019	0.9981	94.81
12.5	393,013	17,945	0.0457	0.9543	94.64
13.5	376,751	139	0.0004	0.9996	90.31
14.5	378,958	1,202	0.0032	0.9968	90.28
15.5	380,779	27,465	0.0721	0.9279	89.99
16.5	356,108	3,276	0.0092	0.9908	83.50
17.5	355,678	191	0.0005	0.9995	82.73
18.5	353,001		0.0000	1.0000	82.69
19.5	330,455	1,380	0.0042	0.9958	82.69
20.5	330,290	6,348	0.0192	0.9808	82.35
21.5	326,793	3,769	0.0115	0.9885	80.76
22.5	322,797	676	0.0021	0.9979	79.83
23.5	323,064	178	0.0006	0.9994	79.66
24.5	326,727	3,079	0.0094	0.9906	79.62
25.5	324,478	4,560	0.0141	0.9859	78.87
26.5	319,442	1,203	0.0038	0.9962	77.76
27.5	306,910	1,562	0.0051	0.9949	77.47
28.5	294,333	243	0.0008	0.9992	77.07
29.5	277,342		0.0000	1.0000	77.01
30.5	276,007	509	0.0018	0.9982	77.01
31.5	273,796	505	0.0018	0.9982	76.87
32.5	276,030	5,480	0.0199	0.9801	76.73
33.5	265,544	3,988	0.0150	0.9850	75.20
34.5	260,258	3,668	0.0141	0.9859	74.07
35.5	259,282	5,425	0.0209	0.9791	73.03
36.5	232,566	4,907	0.0211	0.9789	71.50
37.5	225,442	1,966	0.0087	0.9913	69.99
38.5	225,318	2,220	0.0099	0.9901	69.38

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1922-2017 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	214,982	2,290	0.0107	0.9893	68.70
40.5	205,766	1,277	0.0062	0.9938	67.97
41.5	199,556	5,078	0.0254	0.9746	67.55
42.5	184,019	6,641	0.0361	0.9639	65.83
43.5	172,767	1,066	0.0062	0.9938	63.45
44.5	168,813	9,221	0.0546	0.9454	63.06
45.5	156,273	1,627	0.0104	0.9896	59.62
46.5	154,206	4,267	0.0277	0.9723	58.99
47.5	148,254	6,604	0.0445	0.9555	57.36
48.5	141,250	804	0.0057	0.9943	54.81
49.5	140,316	6,465	0.0461	0.9539	54.50
50.5	129,390	1,443	0.0112	0.9888	51.98
51.5	128,382	4,789	0.0373	0.9627	51.40
52.5	122,916	5,949	0.0484	0.9516	49.49
53.5	116,973	4,121	0.0352	0.9648	47.09
54.5	113,916	9,510	0.0835	0.9165	45.43
55.5	104,283	10,949	0.1050	0.8950	41.64
56.5	95,114	10,043	0.1056	0.8944	37.27
57.5	85,837	4,987	0.0581	0.9419	33.33
58.5	82,043	2,856	0.0348	0.9652	31.40
59.5	79,344	201	0.0025	0.9975	30.30
60.5	77,777	4,118	0.0529	0.9471	30.23
61.5	72,805	1,459	0.0200	0.9800	28.63
62.5	68,420	246	0.0036	0.9964	28.05
63.5	64,654	2,118	0.0328	0.9672	27.95
64.5	59,483	1,766	0.0297	0.9703	27.04
65.5	55,461	1,050	0.0189	0.9811	26.23
66.5	53,598	3,261	0.0608	0.9392	25.74
67.5	47,614	1,762	0.0370	0.9630	24.17
68.5	45,710	2,145	0.0469	0.9531	23.28
69.5	42,256	782	0.0185	0.9815	22.18
70.5	39,539	1,178	0.0298	0.9702	21.77
71.5	36,028	1,495	0.0415	0.9585	21.13
72.5	33,745	1,093	0.0324	0.9676	20.25
73.5	31,769	160	0.0050	0.9950	19.59
74.5	30,838	185	0.0060	0.9940	19.49
75.5	30,952	413	0.0133	0.9867	19.38
76.5	30,527	811	0.0266	0.9734	19.12
77.5	29,638	830	0.0280	0.9720	18.61
78.5	28,548	2,978	0.1043	0.8957	18.09

AQUA PENNSYLVANIA, INC.

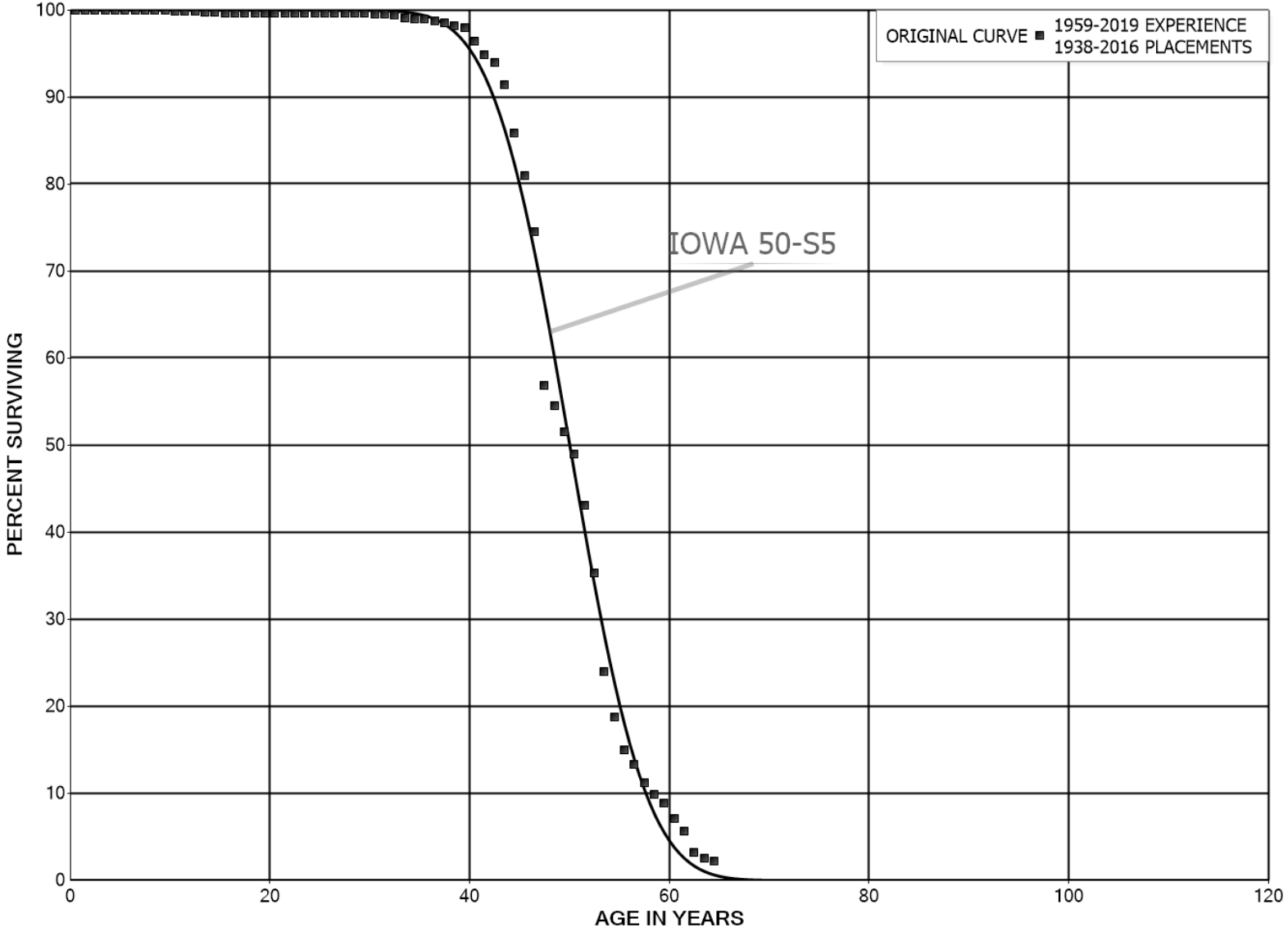
ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1922-2017 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	23,477	1,397	0.0595	0.9405	16.20
80.5	20,445	1,485	0.0726	0.9274	15.24
81.5	17,022	1,505	0.0884	0.9116	14.13
82.5	14,197	1,518	0.1069	0.8931	12.88
83.5	11,703	1,851	0.1581	0.8419	11.50
84.5	8,919	1,661	0.1862	0.8138	9.69
85.5	6,904	1,236	0.1790	0.8210	7.88
86.5	5,563	1,775	0.3191	0.6809	6.47
87.5	3,707	1,091	0.2942	0.7058	4.41
88.5	2,520	1,228	0.4874	0.5126	3.11
89.5	1,202	719	0.5983	0.4017	1.59
90.5	434	101	0.2336	0.7664	0.64
91.5	285	106	0.3708	0.6292	0.49
92.5	93		0.0000	1.0000	0.31
93.5	24		0.0000	1.0000	0.31
94.5					0.31

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1938-2016 EXPERIENCE BAND 1959-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,409,818		0.0000	1.0000	100.00
0.5	1,409,818	277	0.0002	0.9998	100.00
1.5	1,411,722	284	0.0002	0.9998	99.98
2.5	2,147,676		0.0000	1.0000	99.96
3.5	2,513,803		0.0000	1.0000	99.96
4.5	2,918,021		0.0000	1.0000	99.96
5.5	3,272,023		0.0000	1.0000	99.96
6.5	3,534,597		0.0000	1.0000	99.96
7.5	3,717,702	1,079	0.0003	0.9997	99.96
8.5	3,557,867	1,351	0.0004	0.9996	99.93
9.5	3,889,232	1,276	0.0003	0.9997	99.89
10.5	4,096,853		0.0000	1.0000	99.86
11.5	4,371,359	3,459	0.0008	0.9992	99.86
12.5	4,572,480	1,768	0.0004	0.9996	99.78
13.5	4,848,858		0.0000	1.0000	99.74
14.5	5,172,539	5,540	0.0011	0.9989	99.74
15.5	5,322,297		0.0000	1.0000	99.64
16.5	5,258,328		0.0000	1.0000	99.64
17.5	5,459,959		0.0000	1.0000	99.64
18.5	5,892,172	3,711	0.0006	0.9994	99.64
19.5	6,128,808	332	0.0001	0.9999	99.57
20.5	6,233,084		0.0000	1.0000	99.57
21.5	6,335,127		0.0000	1.0000	99.57
22.5	6,681,043		0.0000	1.0000	99.57
23.5	6,924,812	312	0.0000	1.0000	99.57
24.5	7,025,905		0.0000	1.0000	99.56
25.5	7,032,211		0.0000	1.0000	99.56
26.5	7,015,157		0.0000	1.0000	99.56
27.5	7,111,161		0.0000	1.0000	99.56
28.5	7,185,667	97	0.0000	1.0000	99.56
29.5	8,124,936	6,536	0.0008	0.9992	99.56
30.5	8,163,416	1,523	0.0002	0.9998	99.48
31.5	8,178,236	8,092	0.0010	0.9990	99.46
32.5	8,276,240	24,054	0.0029	0.9971	99.37
33.5	8,346,690	7,619	0.0009	0.9991	99.08
34.5	7,563,789	4,667	0.0006	0.9994	98.99
35.5	7,714,876	19,706	0.0026	0.9974	98.92
36.5	7,316,934	16,370	0.0022	0.9978	98.67
37.5	7,046,532	18,109	0.0026	0.9974	98.45
38.5	6,776,330	13,559	0.0020	0.9980	98.20

AQUA PENNSYLVANIA, INC.

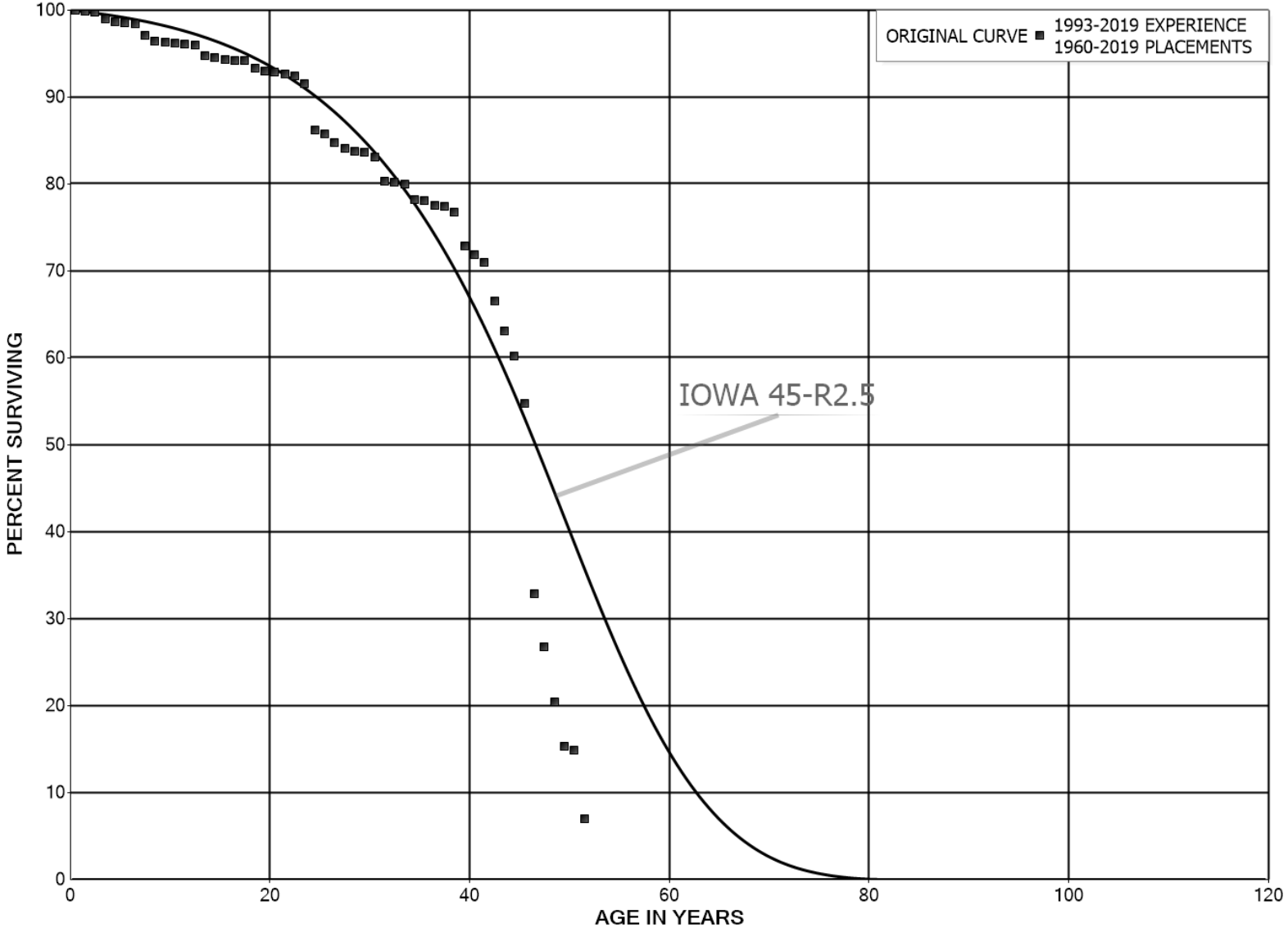
ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1938-2016 EXPERIENCE BAND 1959-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,499,981	103,463	0.0159	0.9841	98.00
40.5	5,639,405	91,561	0.0162	0.9838	96.44
41.5	5,460,978	52,601	0.0096	0.9904	94.88
42.5	5,286,131	144,249	0.0273	0.9727	93.96
43.5	4,952,684	302,019	0.0610	0.9390	91.40
44.5	4,567,245	257,784	0.0564	0.9436	85.82
45.5	4,395,792	352,636	0.0802	0.9198	80.98
46.5	3,935,127	934,517	0.2375	0.7625	74.48
47.5	2,736,589	111,851	0.0409	0.9591	56.80
48.5	2,412,628	132,347	0.0549	0.9451	54.47
49.5	2,223,674	108,578	0.0488	0.9512	51.49
50.5	2,070,144	249,898	0.1207	0.8793	48.97
51.5	1,791,004	325,237	0.1816	0.8184	43.06
52.5	1,448,859	465,310	0.3212	0.6788	35.24
53.5	936,538	204,631	0.2185	0.7815	23.92
54.5	725,350	144,195	0.1988	0.8012	18.70
55.5	651,631	76,010	0.1166	0.8834	14.98
56.5	576,235	90,326	0.1568	0.8432	13.23
57.5	482,266	57,974	0.1202	0.8798	11.16
58.5	423,307	40,261	0.0951	0.9049	9.82
59.5	380,657	76,462	0.2009	0.7991	8.88
60.5	306,072	65,483	0.2139	0.7861	7.10
61.5	241,538	104,418	0.4323	0.5677	5.58
62.5	140,274	29,288	0.2088	0.7912	3.17
63.5	110,917	13,673	0.1233	0.8767	2.51
64.5	97,165	3,300	0.0340	0.9660	2.20
65.5	93,371	5,607	0.0601	0.9399	2.12
66.5	92,357	1,162	0.0126	0.9874	2.00
67.5	90,690	4,040	0.0445	0.9555	1.97
68.5	86,650	951	0.0110	0.9890	1.88
69.5	85,699	48,214	0.5626	0.4374	1.86
70.5	37,484	16,844	0.4494	0.5506	0.81
71.5	20,630	11,309	0.5482	0.4518	0.45
72.5	9,307	5,880	0.6319	0.3681	0.20
73.5	3,406	1,053	0.3092	0.6908	0.07
74.5	2,344	1,030	0.4394	0.5606	0.05
75.5	1,314	576	0.4379	0.5621	0.03
76.5	739	552	0.7477	0.2523	0.02
77.5	184	13	0.0688	0.9312	0.00
78.5	120	5	0.0417	0.9583	0.00
79.5	114		0.0000	1.0000	0.00
80.5					0.00

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2019 EXPERIENCE BAND 1993-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	18,637,763	28	0.0000	1.0000	100.00
0.5	18,212,216	20,885	0.0011	0.9989	100.00
1.5	16,318,933	32,889	0.0020	0.9980	99.89
2.5	10,019,538	78,130	0.0078	0.9922	99.68
3.5	8,765,013	24,378	0.0028	0.9972	98.91
4.5	8,566,835	8,279	0.0010	0.9990	98.63
5.5	7,979,367	13,908	0.0017	0.9983	98.54
6.5	6,145,609	84,466	0.0137	0.9863	98.36
7.5	5,015,022	31,213	0.0062	0.9938	97.01
8.5	4,159,622	3,845	0.0009	0.9991	96.41
9.5	4,737,054	5,133	0.0011	0.9989	96.32
10.5	4,858,055	7,359	0.0015	0.9985	96.22
11.5	5,000,997	6,765	0.0014	0.9986	96.07
12.5	5,484,735	68,393	0.0125	0.9875	95.94
13.5	4,355,862	9,723	0.0022	0.9978	94.74
14.5	5,309,490	14,406	0.0027	0.9973	94.53
15.5	5,531,231	4,081	0.0007	0.9993	94.28
16.5	6,155,458	379	0.0001	0.9999	94.21
17.5	6,249,841	62,244	0.0100	0.9900	94.20
18.5	5,437,055	19,324	0.0036	0.9964	93.26
19.5	5,156,422	3,163	0.0006	0.9994	92.93
20.5	4,718,253	14,836	0.0031	0.9969	92.87
21.5	4,727,946	9,348	0.0020	0.9980	92.58
22.5	4,811,495	48,818	0.0101	0.9899	92.40
23.5	4,923,886	284,178	0.0577	0.9423	91.46
24.5	4,260,477	24,822	0.0058	0.9942	86.18
25.5	4,145,365	44,808	0.0108	0.9892	85.68
26.5	4,150,759	33,091	0.0080	0.9920	84.75
27.5	4,620,183	20,817	0.0045	0.9955	84.08
28.5	4,999,866	7,356	0.0015	0.9985	83.70
29.5	4,269,640	24,178	0.0057	0.9943	83.58
30.5	4,730,915	161,893	0.0342	0.9658	83.10
31.5	4,997,932	6,717	0.0013	0.9987	80.26
32.5	5,322,471	15,827	0.0030	0.9970	80.15
33.5	5,400,430	119,080	0.0221	0.9779	79.91
34.5	3,085,296	3,408	0.0011	0.9989	78.15
35.5	2,902,684	20,756	0.0072	0.9928	78.06
36.5	2,902,550	5,356	0.0018	0.9982	77.51
37.5	2,825,998	21,940	0.0078	0.9922	77.36
38.5	2,547,337	129,197	0.0507	0.9493	76.76

AQUA PENNSYLVANIA, INC.

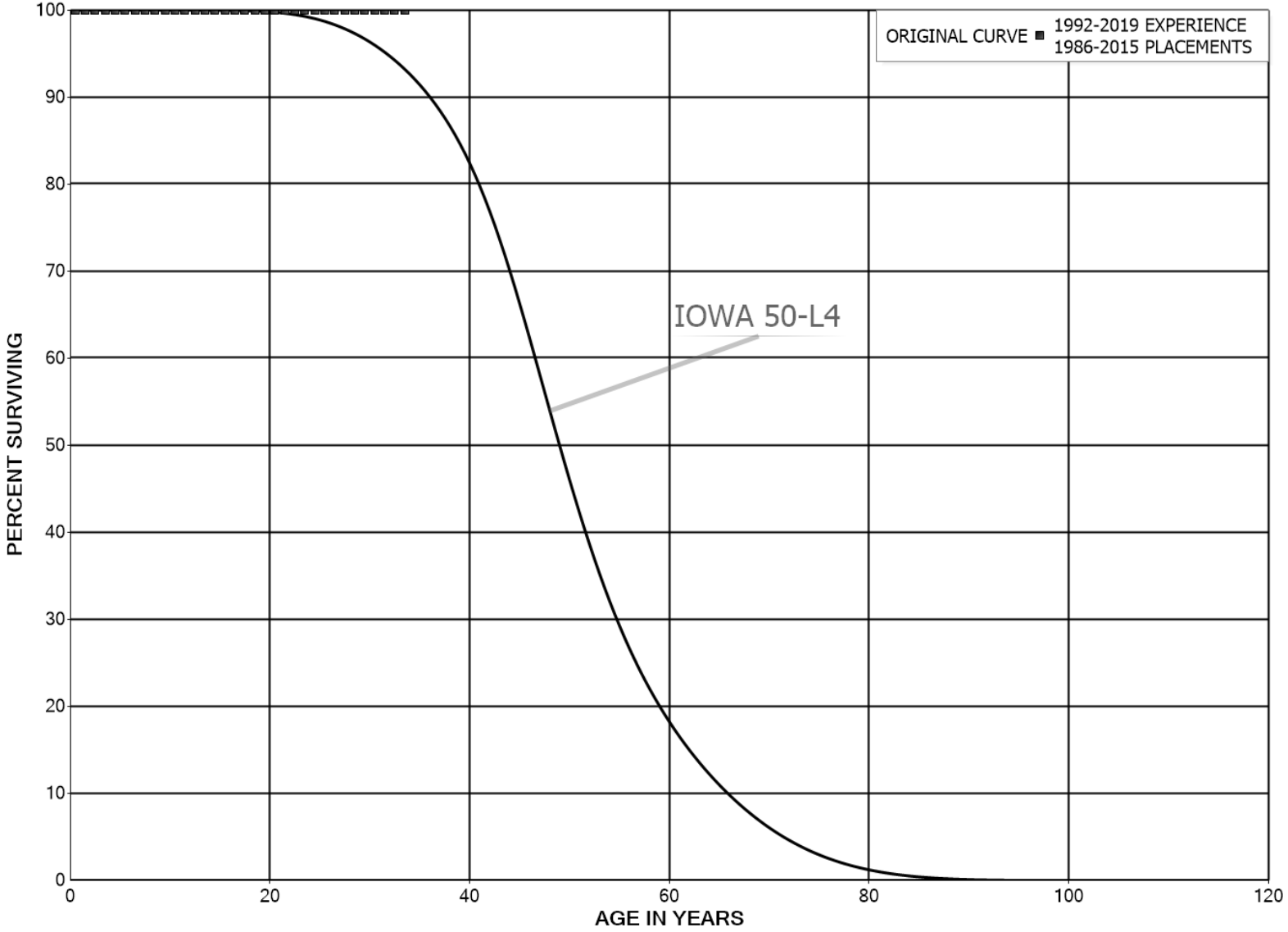
ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2019 EXPERIENCE BAND 1993-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,736,371	40,851	0.0149	0.9851	72.87
40.5	2,784,689	31,776	0.0114	0.9886	71.78
41.5	2,592,647	161,449	0.0623	0.9377	70.96
42.5	2,394,357	123,779	0.0517	0.9483	66.54
43.5	2,234,741	104,100	0.0466	0.9534	63.10
44.5	2,219,647	202,178	0.0911	0.9089	60.16
45.5	1,726,024	690,088	0.3998	0.6002	54.68
46.5	655,029	122,088	0.1864	0.8136	32.82
47.5	430,997	101,631	0.2358	0.7642	26.70
48.5	249,667	62,040	0.2485	0.7515	20.41
49.5	174,750	6,189	0.0354	0.9646	15.34
50.5	168,013	88,984	0.5296	0.4704	14.79
51.5	73,399	11,098	0.1512	0.8488	6.96
52.5	62,241	375	0.0060	0.9940	5.91
53.5	19,351	18,468	0.9543	0.0457	5.87
54.5					0.27

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.99 MAINS AND ACCESSORIES - MAIN CLEANING AND LINING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

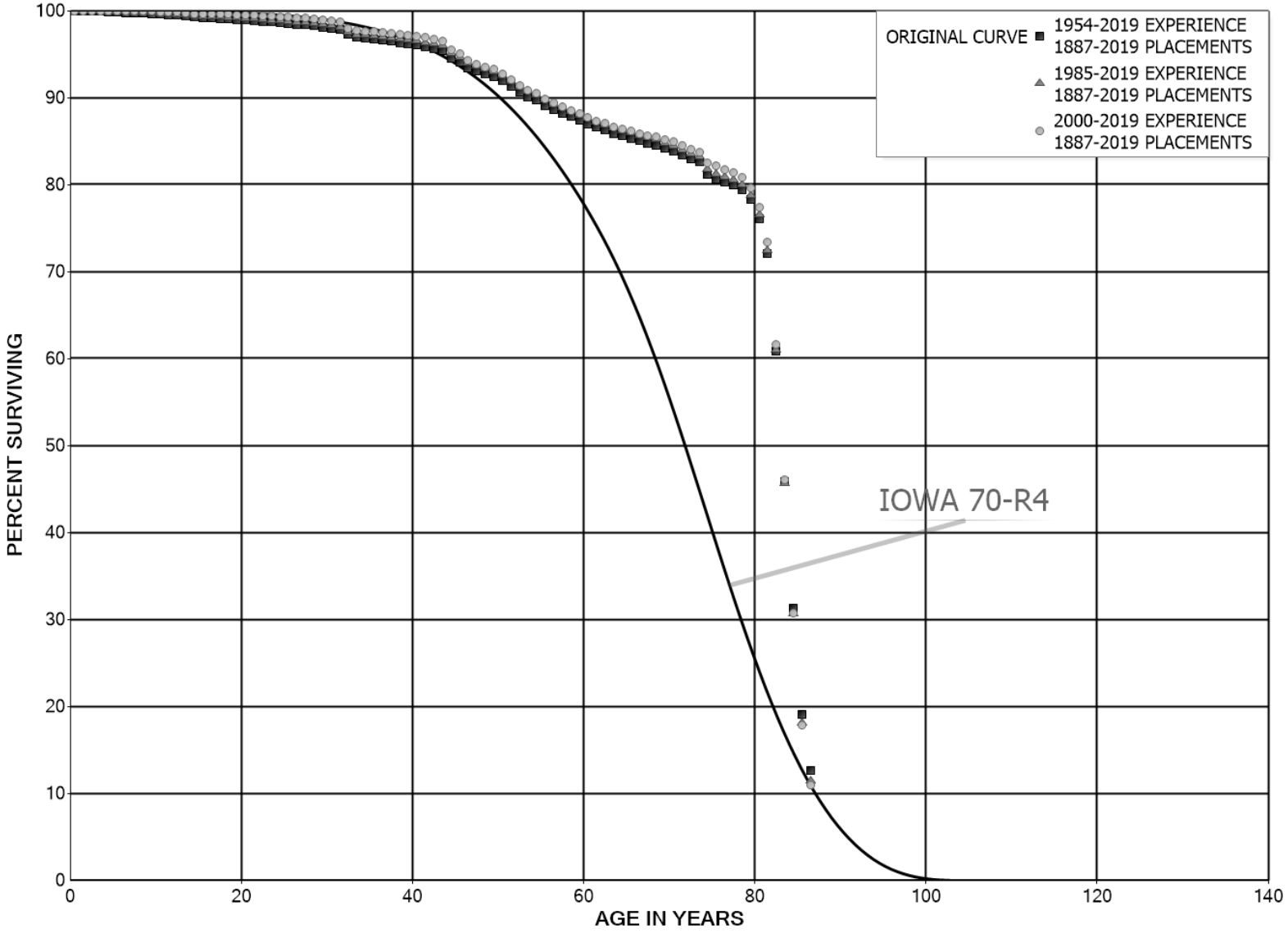
ACCOUNT 331.99 MAINS AND ACCESSORIES - MAIN CLEANING AND LINING

ORIGINAL LIFE TABLE

PLACEMENT BAND 1986-2015 EXPERIENCE BAND 1992-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	120,950,462		0.0000	1.0000	100.00
0.5	121,708,998		0.0000	1.0000	100.00
1.5	122,427,705		0.0000	1.0000	100.00
2.5	123,119,796		0.0000	1.0000	100.00
3.5	123,461,472		0.0000	1.0000	100.00
4.5	120,876,696		0.0000	1.0000	100.00
5.5	119,027,502		0.0000	1.0000	100.00
6.5	110,797,890		0.0000	1.0000	100.00
7.5	105,830,362		0.0000	1.0000	100.00
8.5	96,409,517		0.0000	1.0000	100.00
9.5	78,250,249		0.0000	1.0000	100.00
10.5	68,866,947		0.0000	1.0000	100.00
11.5	59,467,405		0.0000	1.0000	100.00
12.5	55,218,254		0.0000	1.0000	100.00
13.5	47,740,982		0.0000	1.0000	100.00
14.5	45,941,202		0.0000	1.0000	100.00
15.5	45,941,202		0.0000	1.0000	100.00
16.5	45,740,173		0.0000	1.0000	100.00
17.5	37,264,964		0.0000	1.0000	100.00
18.5	31,473,710		0.0000	1.0000	100.00
19.5	25,452,859		0.0000	1.0000	100.00
20.5	20,140,125		0.0000	1.0000	100.00
21.5	16,253,878		0.0000	1.0000	100.00
22.5	13,178,376		0.0000	1.0000	100.00
23.5	10,884,775		0.0000	1.0000	100.00
24.5	8,607,768		0.0000	1.0000	100.00
25.5	6,698,825		0.0000	1.0000	100.00
26.5	4,559,736		0.0000	1.0000	100.00
27.5	3,720,776		0.0000	1.0000	100.00
28.5	2,936,715		0.0000	1.0000	100.00
29.5	2,218,008		0.0000	1.0000	100.00
30.5	1,525,917		0.0000	1.0000	100.00
31.5	1,184,240		0.0000	1.0000	100.00
32.5	771,557		0.0000	1.0000	100.00
33.5					100.00

AQUA PENNSYLVANIA, INC.
ACCOUNT 333 SERVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	438,312,943	325	0.0000	1.0000	100.00
0.5	410,060,032	106,674	0.0003	0.9997	100.00
1.5	382,230,692	81,219	0.0002	0.9998	99.97
2.5	354,990,134	211,956	0.0006	0.9994	99.95
3.5	328,355,398	127,179	0.0004	0.9996	99.89
4.5	301,353,644	92,115	0.0003	0.9997	99.85
5.5	280,507,783	135,267	0.0005	0.9995	99.82
6.5	259,348,751	155,201	0.0006	0.9994	99.78
7.5	236,428,058	79,245	0.0003	0.9997	99.72
8.5	217,592,688	112,832	0.0005	0.9995	99.68
9.5	197,554,562	107,933	0.0005	0.9995	99.63
10.5	183,463,558	65,586	0.0004	0.9996	99.58
11.5	170,250,900	125,303	0.0007	0.9993	99.54
12.5	158,511,755	136,543	0.0009	0.9991	99.47
13.5	146,036,680	165,491	0.0011	0.9989	99.38
14.5	135,577,506	57,981	0.0004	0.9996	99.27
15.5	125,014,493	71,615	0.0006	0.9994	99.23
16.5	122,439,381	74,786	0.0006	0.9994	99.17
17.5	108,361,972	59,371	0.0005	0.9995	99.11
18.5	98,720,492	66,826	0.0007	0.9993	99.06
19.5	91,989,863	63,305	0.0007	0.9993	98.99
20.5	87,087,823	57,036	0.0007	0.9993	98.92
21.5	80,205,514	63,138	0.0008	0.9992	98.86
22.5	76,064,519	79,124	0.0010	0.9990	98.78
23.5	72,775,402	59,441	0.0008	0.9992	98.67
24.5	68,736,885	50,324	0.0007	0.9993	98.59
25.5	66,748,199	61,279	0.0009	0.9991	98.52
26.5	63,743,621	54,582	0.0009	0.9991	98.43
27.5	60,723,567	64,501	0.0011	0.9989	98.35
28.5	58,425,727	80,942	0.0014	0.9986	98.24
29.5	55,075,392	74,683	0.0014	0.9986	98.11
30.5	51,711,758	91,366	0.0018	0.9982	97.97
31.5	48,486,133	273,113	0.0056	0.9944	97.80
32.5	45,583,095	135,934	0.0030	0.9970	97.25
33.5	43,526,882	43,520	0.0010	0.9990	96.96
34.5	40,535,261	36,578	0.0009	0.9991	96.86
35.5	38,768,880	48,364	0.0012	0.9988	96.78
36.5	37,252,815	55,411	0.0015	0.9985	96.65
37.5	35,864,156	67,337	0.0019	0.9981	96.51
38.5	34,189,610	48,931	0.0014	0.9986	96.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	32,550,848	52,557	0.0016	0.9984	96.19
40.5	30,652,818	67,961	0.0022	0.9978	96.04
41.5	28,913,927	60,380	0.0021	0.9979	95.82
42.5	27,531,741	81,187	0.0029	0.9971	95.62
43.5	26,435,623	224,533	0.0085	0.9915	95.34
44.5	24,615,274	112,660	0.0046	0.9954	94.53
45.5	22,481,346	159,672	0.0071	0.9929	94.10
46.5	21,078,927	86,911	0.0041	0.9959	93.43
47.5	20,012,141	78,209	0.0039	0.9961	93.05
48.5	18,833,784	55,121	0.0029	0.9971	92.68
49.5	17,939,213	96,473	0.0054	0.9946	92.41
50.5	17,133,183	112,955	0.0066	0.9934	91.91
51.5	16,354,278	124,909	0.0076	0.9924	91.31
52.5	15,412,465	85,287	0.0055	0.9945	90.61
53.5	14,326,556	60,982	0.0043	0.9957	90.11
54.5	13,580,885	92,160	0.0068	0.9932	89.73
55.5	12,376,885	68,904	0.0056	0.9944	89.12
56.5	11,674,278	51,593	0.0044	0.9956	88.62
57.5	10,801,622	52,019	0.0048	0.9952	88.23
58.5	10,098,720	48,724	0.0048	0.9952	87.80
59.5	9,291,118	40,166	0.0043	0.9957	87.38
60.5	8,565,659	42,043	0.0049	0.9951	87.00
61.5	7,890,824	28,139	0.0036	0.9964	86.58
62.5	7,196,935	33,742	0.0047	0.9953	86.27
63.5	6,302,782	21,974	0.0035	0.9965	85.86
64.5	5,341,095	14,074	0.0026	0.9974	85.56
65.5	4,542,418	15,548	0.0034	0.9966	85.34
66.5	3,888,097	12,441	0.0032	0.9968	85.05
67.5	3,347,517	8,495	0.0025	0.9975	84.77
68.5	2,788,066	12,652	0.0045	0.9955	84.56
69.5	2,250,966	8,265	0.0037	0.9963	84.17
70.5	1,932,276	10,333	0.0053	0.9947	83.86
71.5	1,620,581	9,350	0.0058	0.9942	83.42
72.5	1,405,298	6,094	0.0043	0.9957	82.94
73.5	1,267,945	20,718	0.0163	0.9837	82.58
74.5	1,129,365	8,154	0.0072	0.9928	81.23
75.5	1,075,061	4,689	0.0044	0.9956	80.64
76.5	1,048,824	4,097	0.0039	0.9961	80.29
77.5	998,032	7,237	0.0073	0.9927	79.97
78.5	887,944	12,796	0.0144	0.9856	79.39

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	753,390	20,619	0.0274	0.9726	78.25
80.5	627,804	33,665	0.0536	0.9464	76.11
81.5	544,697	84,944	0.1559	0.8441	72.03
82.5	420,019	103,084	0.2454	0.7546	60.80
83.5	281,529	89,779	0.3189	0.6811	45.87
84.5	180,192	70,332	0.3903	0.6097	31.25
85.5	102,485	34,862	0.3402	0.6598	19.05
86.5	65,634	24,957	0.3802	0.6198	12.57
87.5	40,756	8,988	0.2205	0.7795	7.79
88.5	32,112	5,613	0.1748	0.8252	6.07
89.5	26,547	6,067	0.2285	0.7715	5.01
90.5	22,520	6,770	0.3006	0.6994	3.87
91.5	15,750	54	0.0035	0.9965	2.70
92.5	15,696	2,522	0.1607	0.8393	2.69
93.5	13,174	433	0.0329	0.9671	2.26
94.5	12,741	261	0.0205	0.9795	2.19
95.5	12,480	60	0.0048	0.9952	2.14
96.5	14,420	414	0.0287	0.9713	2.13
97.5	14,007	93	0.0066	0.9934	2.07
98.5	13,914	919	0.0660	0.9340	2.06
99.5	12,995	1,083	0.0833	0.9167	1.92
100.5	11,912	2,022	0.1697	0.8303	1.76
101.5	10,657	27	0.0025	0.9975	1.46
102.5	10,630	16	0.0015	0.9985	1.46
103.5	10,614		0.0000	1.0000	1.46
104.5	10,614	51	0.0048	0.9952	1.46
105.5	10,563	80	0.0076	0.9924	1.45
106.5	10,483	1,110	0.1059	0.8941	1.44
107.5	9,373	315	0.0336	0.9664	1.29
108.5	9,058	154	0.0170	0.9830	1.24
109.5	8,904		0.0000	1.0000	1.22
110.5	8,904	230	0.0259	0.9741	1.22
111.5	8,674		0.0000	1.0000	1.19
112.5	8,260	466	0.0564	0.9436	1.19
113.5	7,795		0.0000	1.0000	1.12
114.5	7,795		0.0000	1.0000	1.12
115.5	7,795		0.0000	1.0000	1.12
116.5	7,795	56	0.0072	0.9928	1.12
117.5	7,739	159	0.0205	0.9795	1.11
118.5	7,580	37	0.0048	0.9952	1.09

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	7,543	384	0.0509	0.9491	1.09
120.5	7,160	1,611	0.2250	0.7750	1.03
121.5	5,549	3	0.0005	0.9995	0.80
122.5	5,546		0.0000	1.0000	0.80
123.5	5,546	929	0.1675	0.8325	0.80
124.5	4,618		0.0000	1.0000	0.67
125.5	4,618		0.0000	1.0000	0.67
126.5	4,618		0.0000	1.0000	0.67
127.5	4,618		0.0000	1.0000	0.67
128.5	4,618		0.0000	1.0000	0.67
129.5	4,584		0.0000	1.0000	0.67
130.5	4,584		0.0000	1.0000	0.67
131.5	4,584		0.0000	1.0000	0.67
132.5					0.67

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	410,291,291		0.0000	1.0000	100.00
0.5	383,072,204	54,146	0.0001	0.9999	100.00
1.5	356,172,375	45,020	0.0001	0.9999	99.99
2.5	329,741,085	182,397	0.0006	0.9994	99.97
3.5	304,274,381	100,733	0.0003	0.9997	99.92
4.5	278,268,833	67,028	0.0002	0.9998	99.88
5.5	258,523,746	106,038	0.0004	0.9996	99.86
6.5	238,354,384	126,623	0.0005	0.9995	99.82
7.5	216,347,710	56,117	0.0003	0.9997	99.77
8.5	198,342,703	87,861	0.0004	0.9996	99.74
9.5	179,135,753	87,651	0.0005	0.9995	99.70
10.5	165,880,573	43,631	0.0003	0.9997	99.65
11.5	153,369,724	100,290	0.0007	0.9993	99.62
12.5	142,346,473	116,601	0.0008	0.9992	99.56
13.5	130,542,082	140,735	0.0011	0.9989	99.48
14.5	120,662,565	38,272	0.0003	0.9997	99.37
15.5	110,789,001	51,945	0.0005	0.9995	99.34
16.5	108,820,860	55,263	0.0005	0.9995	99.29
17.5	95,371,349	38,838	0.0004	0.9996	99.24
18.5	86,412,443	49,188	0.0006	0.9994	99.20
19.5	80,301,861	45,947	0.0006	0.9994	99.14
20.5	76,100,460	39,150	0.0005	0.9995	99.09
21.5	69,845,019	45,365	0.0006	0.9994	99.03
22.5	66,422,188	67,326	0.0010	0.9990	98.97
23.5	63,718,932	48,594	0.0008	0.9992	98.87
24.5	60,306,340	40,513	0.0007	0.9993	98.79
25.5	58,959,257	48,946	0.0008	0.9992	98.73
26.5	56,571,895	40,011	0.0007	0.9993	98.65
27.5	54,223,294	50,851	0.0009	0.9991	98.58
28.5	52,764,922	67,031	0.0013	0.9987	98.48
29.5	50,185,083	60,799	0.0012	0.9988	98.36
30.5	47,489,209	78,761	0.0017	0.9983	98.24
31.5	44,883,583	262,323	0.0058	0.9942	98.08
32.5	42,497,397	125,470	0.0030	0.9970	97.50
33.5	40,977,796	33,264	0.0008	0.9992	97.22
34.5	38,387,260	26,715	0.0007	0.9993	97.14
35.5	36,948,213	35,304	0.0010	0.9990	97.07
36.5	35,760,021	37,466	0.0010	0.9990	96.98
37.5	34,594,985	53,024	0.0015	0.9985	96.87
38.5	33,043,127	34,983	0.0011	0.9989	96.73

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	31,480,199	38,868	0.0012	0.9988	96.62
40.5	29,642,417	59,668	0.0020	0.9980	96.50
41.5	27,937,329	48,437	0.0017	0.9983	96.31
42.5	26,620,536	68,728	0.0026	0.9974	96.14
43.5	25,641,559	216,619	0.0084	0.9916	95.90
44.5	23,913,972	106,759	0.0045	0.9955	95.09
45.5	21,866,886	155,258	0.0071	0.9929	94.66
46.5	20,535,016	83,075	0.0040	0.9960	93.99
47.5	19,531,261	73,901	0.0038	0.9962	93.61
48.5	18,420,824	52,502	0.0029	0.9971	93.25
49.5	17,564,769	93,310	0.0053	0.9947	92.99
50.5	16,798,699	110,415	0.0066	0.9934	92.49
51.5	16,043,493	121,854	0.0076	0.9924	91.89
52.5	15,131,720	82,564	0.0055	0.9945	91.19
53.5	14,084,563	57,756	0.0041	0.9959	90.69
54.5	13,374,378	91,074	0.0068	0.9932	90.32
55.5	12,201,386	66,573	0.0055	0.9945	89.70
56.5	11,544,112	49,423	0.0043	0.9957	89.21
57.5	10,708,289	50,121	0.0047	0.9953	88.83
58.5	10,044,966	48,647	0.0048	0.9952	88.42
59.5	9,242,576	40,166	0.0043	0.9957	87.99
60.5	8,523,560	42,043	0.0049	0.9951	87.61
61.5	7,868,978	28,139	0.0036	0.9964	87.17
62.5	7,181,031	33,742	0.0047	0.9953	86.86
63.5	6,285,755	21,974	0.0035	0.9965	86.45
64.5	5,334,051	14,074	0.0026	0.9974	86.15
65.5	4,535,374	15,548	0.0034	0.9966	85.92
66.5	3,875,114	12,441	0.0032	0.9968	85.63
67.5	3,335,530	8,495	0.0025	0.9975	85.36
68.5	2,776,079	12,652	0.0046	0.9954	85.14
69.5	2,238,979	8,265	0.0037	0.9963	84.75
70.5	1,920,289	10,333	0.0054	0.9946	84.44
71.5	1,608,794	9,350	0.0058	0.9942	83.98
72.5	1,395,475	6,094	0.0044	0.9956	83.49
73.5	1,258,122	20,718	0.0165	0.9835	83.13
74.5	1,119,542	8,154	0.0073	0.9927	81.76
75.5	1,065,238	4,689	0.0044	0.9956	81.17
76.5	1,039,001	4,097	0.0039	0.9961	80.81
77.5	988,949	7,237	0.0073	0.9927	80.49
78.5	878,861	12,796	0.0146	0.9854	79.90

AQUA PENNSYLVANIA, INC.

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ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	744,307	20,619	0.0277	0.9723	78.74
80.5	618,721	33,665	0.0544	0.9456	76.56
81.5	535,614	84,944	0.1586	0.8414	72.39
82.5	410,936	103,084	0.2509	0.7491	60.91
83.5	272,446	89,779	0.3295	0.6705	45.63
84.5	172,367	70,332	0.4080	0.5920	30.59
85.5	94,660	34,862	0.3683	0.6317	18.11
86.5	57,809	24,957	0.4317	0.5683	11.44
87.5	32,931	8,988	0.2729	0.7271	6.50
88.5	24,288	5,613	0.2311	0.7689	4.73
89.5	18,723	6,067	0.3241	0.6759	3.63
90.5	14,696	6,770	0.4607	0.5393	2.46
91.5	7,926	54	0.0069	0.9931	1.33
92.5	7,871	2,522	0.3204	0.6796	1.32
93.5	5,350	433	0.0810	0.9190	0.89
94.5	6,040	261	0.0432	0.9568	0.82
95.5	5,779	60	0.0104	0.9896	0.79
96.5	7,719	414	0.0536	0.9464	0.78
97.5	14,007	93	0.0066	0.9934	0.74
98.5	13,914	919	0.0660	0.9340	0.73
99.5	12,995	1,083	0.0833	0.9167	0.68
100.5	11,912	2,022	0.1697	0.8303	0.63
101.5	10,657	27	0.0025	0.9975	0.52
102.5	10,630	16	0.0015	0.9985	0.52
103.5	10,614		0.0000	1.0000	0.52
104.5	10,614	51	0.0048	0.9952	0.52
105.5	10,563	80	0.0076	0.9924	0.52
106.5	10,483	1,110	0.1059	0.8941	0.51
107.5	9,373	315	0.0336	0.9664	0.46
108.5	9,058	154	0.0170	0.9830	0.44
109.5	8,904		0.0000	1.0000	0.43
110.5	8,904	230	0.0259	0.9741	0.43
111.5	8,674		0.0000	1.0000	0.42
112.5	8,260	466	0.0564	0.9436	0.42
113.5	7,795		0.0000	1.0000	0.40
114.5	7,795		0.0000	1.0000	0.40
115.5	7,795		0.0000	1.0000	0.40
116.5	7,795	56	0.0072	0.9928	0.40
117.5	7,739	159	0.0205	0.9795	0.40
118.5	7,580	37	0.0048	0.9952	0.39

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	7,543	384	0.0509	0.9491	0.39
120.5	7,160	1,611	0.2250	0.7750	0.37
121.5	5,549	3	0.0005	0.9995	0.28
122.5	5,546		0.0000	1.0000	0.28
123.5	5,546	929	0.1675	0.8325	0.28
124.5	4,618		0.0000	1.0000	0.24
125.5	4,618		0.0000	1.0000	0.24
126.5	4,618		0.0000	1.0000	0.24
127.5	4,618		0.0000	1.0000	0.24
128.5	4,618		0.0000	1.0000	0.24
129.5	4,584		0.0000	1.0000	0.24
130.5	4,584		0.0000	1.0000	0.24
131.5	4,584		0.0000	1.0000	0.24
132.5					0.24

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ORIGINAL LIFE TABLE

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	361,245,852		0.0000	1.0000	100.00
0.5	337,430,943	14,407	0.0000	1.0000	100.00
1.5	315,950,188	7,615	0.0000	1.0000	100.00
2.5	291,754,164	64,053	0.0002	0.9998	99.99
3.5	267,668,357	2,018	0.0000	1.0000	99.97
4.5	243,892,259	3,313	0.0000	1.0000	99.97
5.5	225,225,607	9,506	0.0000	1.0000	99.97
6.5	206,643,936	70,913	0.0003	0.9997	99.97
7.5	186,144,419	16,623	0.0001	0.9999	99.93
8.5	169,556,160	39,150	0.0002	0.9998	99.92
9.5	152,702,322	29,204	0.0002	0.9998	99.90
10.5	140,983,395	23,027	0.0002	0.9998	99.88
11.5	130,501,232	67,834	0.0005	0.9995	99.86
12.5	121,373,964	74,741	0.0006	0.9994	99.81
13.5	111,040,486	99,057	0.0009	0.9991	99.75
14.5	103,129,188	11,073	0.0001	0.9999	99.66
15.5	94,139,952	25,210	0.0003	0.9997	99.65
16.5	92,901,603	18,419	0.0002	0.9998	99.62
17.5	79,843,345	20,525	0.0003	0.9997	99.60
18.5	71,661,905	30,186	0.0004	0.9996	99.58
19.5	66,448,784	25,416	0.0004	0.9996	99.54
20.5	62,779,129	21,617	0.0003	0.9997	99.50
21.5	57,080,582	26,317	0.0005	0.9995	99.46
22.5	54,073,035	39,698	0.0007	0.9993	99.42
23.5	51,715,081	18,767	0.0004	0.9996	99.35
24.5	49,153,969	25,592	0.0005	0.9995	99.31
25.5	48,069,184	28,029	0.0006	0.9994	99.26
26.5	45,829,242	24,124	0.0005	0.9995	99.20
27.5	43,632,431	32,171	0.0007	0.9993	99.15
28.5	42,054,084	50,547	0.0012	0.9988	99.07
29.5	39,361,000	42,969	0.0011	0.9989	98.96
30.5	36,682,095	56,564	0.0015	0.9985	98.85
31.5	34,148,394	240,202	0.0070	0.9930	98.69
32.5	31,878,220	106,775	0.0033	0.9967	98.00
33.5	30,474,754	17,763	0.0006	0.9994	97.67
34.5	28,171,774	11,556	0.0004	0.9996	97.62
35.5	27,092,482	20,125	0.0007	0.9993	97.58
36.5	26,259,220	24,035	0.0009	0.9991	97.50
37.5	25,700,714	37,145	0.0014	0.9986	97.41
38.5	24,678,638	19,853	0.0008	0.9992	97.27

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	23,706,335	23,811	0.0010	0.9990	97.19
40.5	22,422,967	46,641	0.0021	0.9979	97.10
41.5	21,351,158	37,767	0.0018	0.9982	96.89
42.5	20,690,009	57,941	0.0028	0.9972	96.72
43.5	20,470,527	207,047	0.0101	0.9899	96.45
44.5	19,572,587	89,484	0.0046	0.9954	95.48
45.5	18,110,749	143,459	0.0079	0.9921	95.04
46.5	17,362,200	74,336	0.0043	0.9957	94.29
47.5	16,839,964	64,918	0.0039	0.9961	93.88
48.5	16,236,383	45,024	0.0028	0.9972	93.52
49.5	15,866,659	86,704	0.0055	0.9945	93.26
50.5	15,337,493	106,136	0.0069	0.9931	92.75
51.5	14,893,710	117,718	0.0079	0.9921	92.11
52.5	14,171,081	80,577	0.0057	0.9943	91.38
53.5	13,206,423	54,450	0.0041	0.9959	90.86
54.5	12,574,482	86,936	0.0069	0.9931	90.49
55.5	11,352,774	63,110	0.0056	0.9944	89.86
56.5	10,674,742	46,555	0.0044	0.9956	89.36
57.5	9,850,598	46,567	0.0047	0.9953	88.97
58.5	9,260,480	43,447	0.0047	0.9953	88.55
59.5	8,581,323	37,526	0.0044	0.9956	88.14
60.5	7,923,833	38,719	0.0049	0.9951	87.75
61.5	7,312,804	23,512	0.0032	0.9968	87.32
62.5	6,650,962	31,793	0.0048	0.9952	87.04
63.5	5,821,338	18,784	0.0032	0.9968	86.63
64.5	4,941,985	12,180	0.0025	0.9975	86.35
65.5	4,170,463	12,287	0.0029	0.9971	86.13
66.5	3,531,377	9,605	0.0027	0.9973	85.88
67.5	3,045,880	6,293	0.0021	0.9979	85.65
68.5	2,524,863	8,247	0.0033	0.9967	85.47
69.5	2,026,210	6,800	0.0034	0.9966	85.19
70.5	1,750,241	9,113	0.0052	0.9948	84.91
71.5	1,478,355	7,296	0.0049	0.9951	84.46
72.5	1,297,292	5,374	0.0041	0.9959	84.05
73.5	1,198,788	17,092	0.0143	0.9857	83.70
74.5	1,070,205	4,961	0.0046	0.9954	82.50
75.5	1,024,595	4,689	0.0046	0.9954	82.12
76.5	1,019,154	4,083	0.0040	0.9960	81.75
77.5	974,318	7,177	0.0074	0.9926	81.42
78.5	863,149	12,796	0.0148	0.9852	80.82

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	738,505	20,602	0.0279	0.9721	79.62
80.5	612,935	31,798	0.0519	0.9481	77.40
81.5	531,913	84,944	0.1597	0.8403	73.38
82.5	407,487	103,084	0.2530	0.7470	61.67
83.5	268,998	89,742	0.3336	0.6664	46.07
84.5	167,698	70,332	0.4194	0.5806	30.70
85.5	90,498	34,862	0.3852	0.6148	17.82
86.5	53,847	24,957	0.4635	0.5365	10.96
87.5	30,735	8,988	0.2924	0.7076	5.88
88.5	22,091	5,613	0.2541	0.7459	4.16
89.5	16,526	6,067	0.3671	0.6329	3.10
90.5	12,499	6,770	0.5416	0.4584	1.96
91.5	5,927	54	0.0092	0.9908	0.90
92.5	6,613	2,522	0.3814	0.6186	0.89
93.5	4,091	433	0.1059	0.8941	0.55
94.5	3,658	261	0.0713	0.9287	0.49
95.5	3,397	60	0.0177	0.9823	0.46
96.5	5,337	414	0.0775	0.9225	0.45
97.5	4,923	93	0.0189	0.9811	0.42
98.5	4,830	919	0.1902	0.8098	0.41
99.5	5,170	1,083	0.2094	0.7906	0.33
100.5	4,087	2,022	0.4947	0.5053	0.26
101.5	2,832	27	0.0095	0.9905	0.13
102.5	2,805	16	0.0056	0.9944	0.13
103.5	2,790		0.0000	1.0000	0.13
104.5	2,790	51	0.0184	0.9816	0.13
105.5	2,738	51	0.0184	0.9816	0.13
106.5	2,688	1,110	0.4130	0.5870	0.13
107.5	1,578	315	0.1994	0.8006	0.07
108.5	1,263	154	0.1219	0.8781	0.06
109.5	2,203		0.0000	1.0000	0.05
110.5	2,203	230	0.1046	0.8954	0.05
111.5	1,973		0.0000	1.0000	0.05
112.5	8,260	466	0.0564	0.9436	0.05
113.5	7,795		0.0000	1.0000	0.04
114.5	7,795		0.0000	1.0000	0.04
115.5	7,795		0.0000	1.0000	0.04
116.5	7,795	56	0.0072	0.9928	0.04
117.5	7,739	159	0.0205	0.9795	0.04
118.5	7,580	37	0.0048	0.9952	0.04

AQUA PENNSYLVANIA, INC.

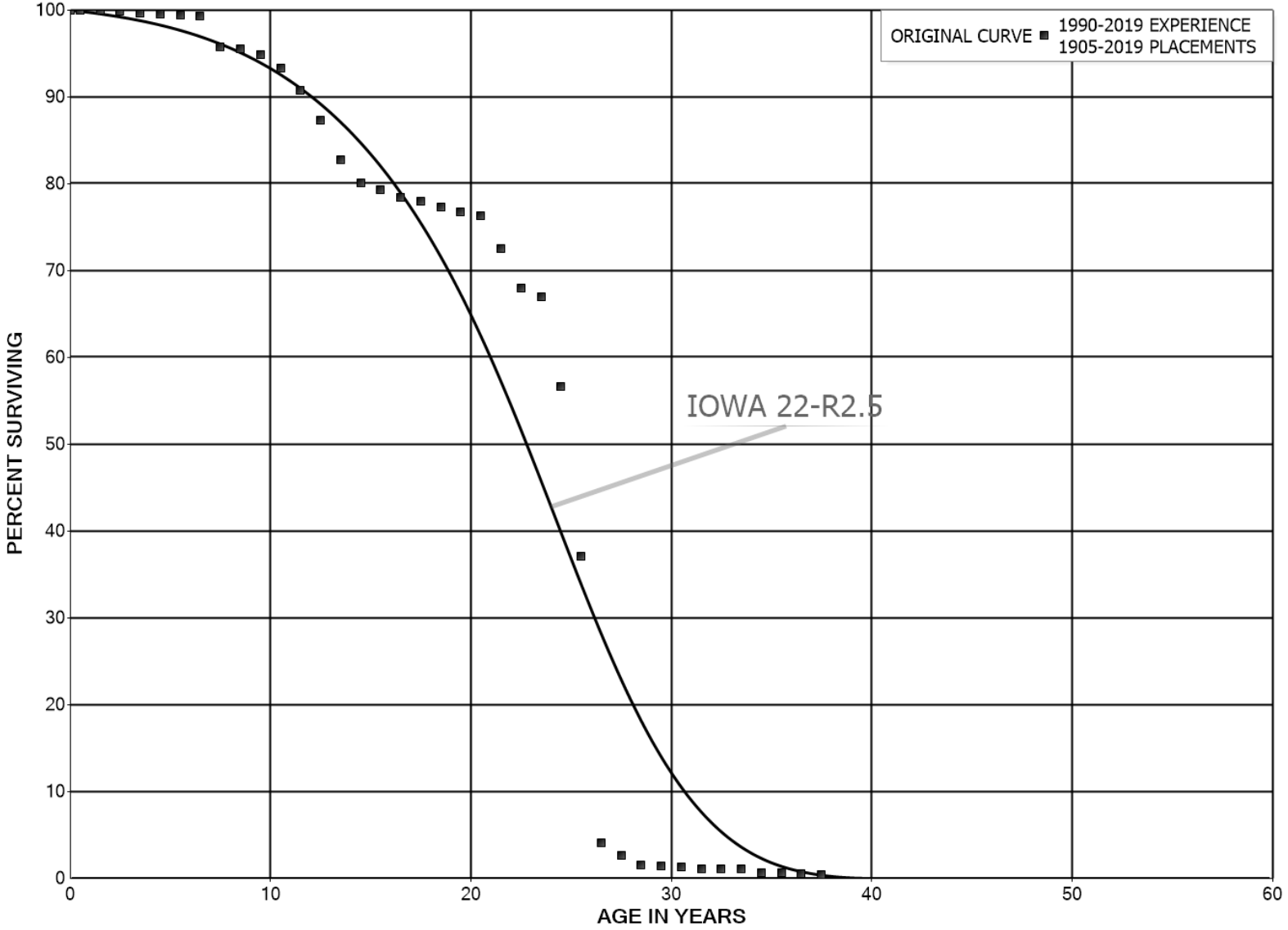
ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	7,543	384	0.0509	0.9491	0.04
120.5	7,160	1,611	0.2250	0.7750	0.04
121.5	5,549	3	0.0005	0.9995	0.03
122.5	5,546		0.0000	1.0000	0.03
123.5	5,546	929	0.1675	0.8325	0.03
124.5	4,618		0.0000	1.0000	0.03
125.5	4,618		0.0000	1.0000	0.03
126.5	4,618		0.0000	1.0000	0.03
127.5	4,618		0.0000	1.0000	0.03
128.5	4,618		0.0000	1.0000	0.03
129.5	4,584		0.0000	1.0000	0.03
130.5	4,584		0.0000	1.0000	0.03
131.5	4,584		0.0000	1.0000	0.03
132.5					0.03

AQUA PENNSYLVANIA, INC.
ACCOUNT 334.02 METERS - REMOTE
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 334.02 METERS - REMOTE

ORIGINAL LIFE TABLE

PLACEMENT BAND 1905-2019 EXPERIENCE BAND 1990-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	146,234,848		0.0000	1.0000	100.00
0.5	137,914,550	87,946	0.0006	0.9994	100.00
1.5	132,825,670	102,406	0.0008	0.9992	99.94
2.5	126,334,854	271,476	0.0021	0.9979	99.86
3.5	123,213,068	118,733	0.0010	0.9990	99.64
4.5	119,326,146	169,680	0.0014	0.9986	99.55
5.5	115,414,637	125,553	0.0011	0.9989	99.41
6.5	111,457,239	3,991,610	0.0358	0.9642	99.30
7.5	104,672,931	308,683	0.0029	0.9971	95.74
8.5	101,605,133	620,540	0.0061	0.9939	95.46
9.5	98,767,456	1,704,632	0.0173	0.9827	94.88
10.5	94,539,562	2,502,850	0.0265	0.9735	93.24
11.5	90,970,779	3,539,467	0.0389	0.9611	90.77
12.5	86,173,693	4,484,735	0.0520	0.9480	87.24
13.5	77,718,065	2,447,257	0.0315	0.9685	82.70
14.5	65,877,253	709,274	0.0108	0.9892	80.10
15.5	48,908,931	487,120	0.0100	0.9900	79.23
16.5	42,901,971	264,857	0.0062	0.9938	78.44
17.5	37,631,814	310,195	0.0082	0.9918	77.96
18.5	33,202,519	257,788	0.0078	0.9922	77.32
19.5	29,573,809	175,777	0.0059	0.9941	76.72
20.5	24,591,836	1,215,654	0.0494	0.9506	76.26
21.5	17,285,390	1,072,870	0.0621	0.9379	72.49
22.5	15,732,875	247,778	0.0157	0.9843	67.99
23.5	11,928,796	1,840,065	0.1543	0.8457	66.92
24.5	8,345,240	2,872,488	0.3442	0.6558	56.60
25.5	4,946,238	4,400,246	0.8896	0.1104	37.12
26.5	518,570	188,337	0.3632	0.6368	4.10
27.5	334,674	142,796	0.4267	0.5733	2.61
28.5	184,810	6,329	0.0342	0.9658	1.50
29.5	171,250	15,932	0.0930	0.9070	1.44
30.5	133,976	20,563	0.1535	0.8465	1.31
31.5	90,806	1,721	0.0190	0.9810	1.11
32.5	65,791		0.0000	1.0000	1.09
33.5	35,607	15,277	0.4290	0.5710	1.09
34.5	50,768	4,692	0.0924	0.9076	0.62
35.5	46,047	547	0.0119	0.9881	0.56
36.5	45,768	14,242	0.3112	0.6888	0.56
37.5	32,918	102	0.0031	0.9969	0.38
38.5	34,012		0.0000	1.0000	0.38

AQUA PENNSYLVANIA, INC.

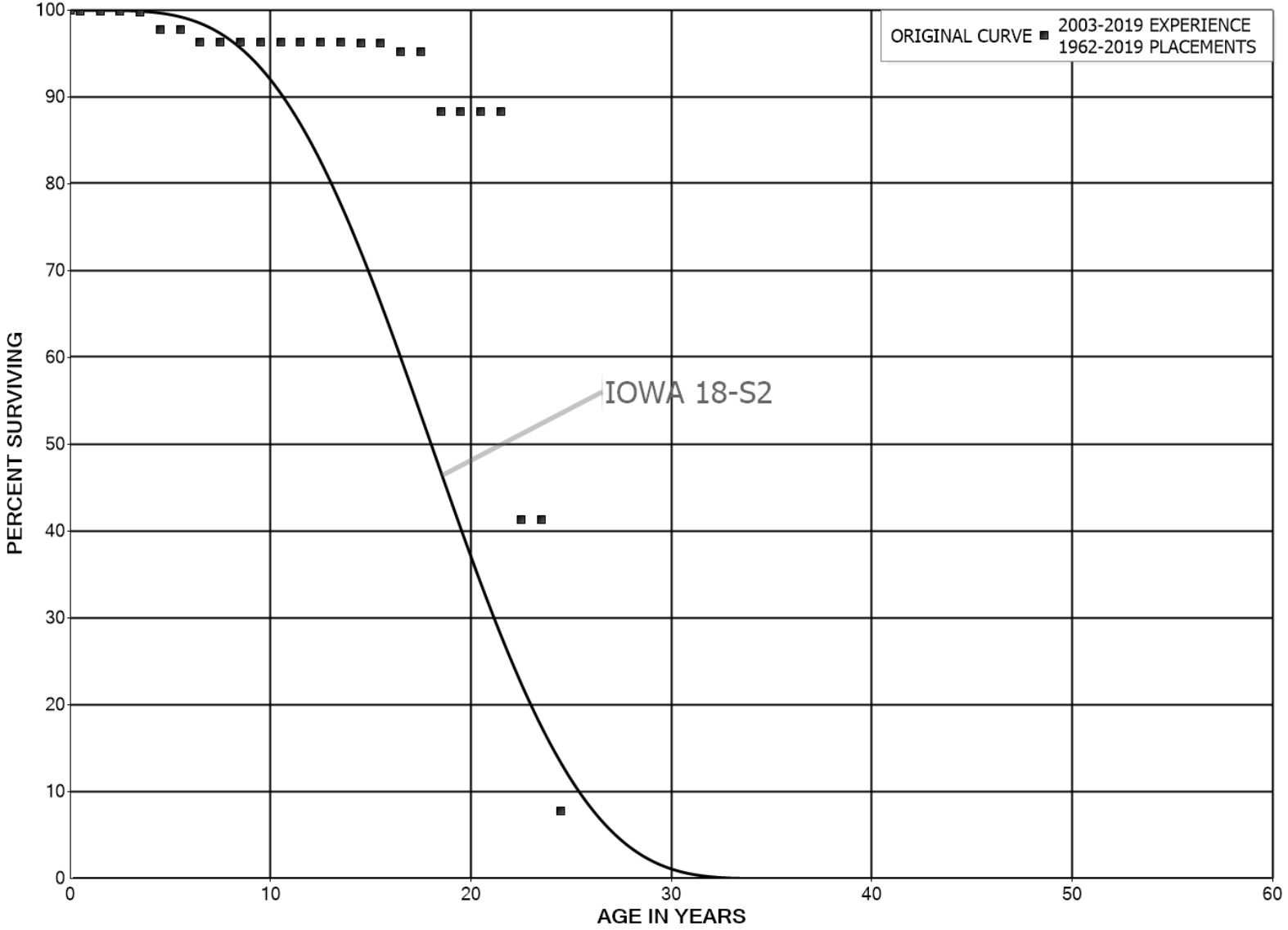
ACCOUNT 334.02 METERS - REMOTE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2019 EXPERIENCE BAND 1990-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	33,212	5,409	0.1629	0.8371	0.38
40.5	38,125		0.0000	1.0000	0.32
41.5	39,513	867	0.0219	0.9781	0.32
42.5	45,924	2,292	0.0499	0.9501	0.31
43.5	43,633		0.0000	1.0000	0.30
44.5	41,576		0.0000	1.0000	0.30
45.5	42,674	4,809	0.1127	0.8873	0.30
46.5	14,967	3,879	0.2592	0.7408	0.26
47.5	11,088	2,552	0.2302	0.7698	0.20
48.5	1,000	790	0.7902	0.2099	0.15
49.5	48		0.0000	1.0000	0.03
50.5	48		0.0000	1.0000	0.03
51.5	48		0.0000	1.0000	0.03
52.5	48		0.0000	1.0000	0.03
53.5	48		0.0000	1.0000	0.03
54.5	4,668		0.0000	1.0000	0.03
55.5	4,668		0.0000	1.0000	0.03
56.5	4,668	3,693	0.7913	0.2087	0.03
57.5	974		0.0000	1.0000	0.01
58.5	974		0.0000	1.0000	0.01
59.5					0.01

AQUA PENNSYLVANIA, INC.
ACCOUNT 334.03 METERS - ERTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 334.03 METERS - ERTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1962-2019 EXPERIENCE BAND 2003-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	48,999,132	54,827	0.0011	0.9989	100.00
0.5	48,320,232		0.0000	1.0000	99.89
1.5	46,479,141		0.0000	1.0000	99.89
2.5	44,382,682	86,008	0.0019	0.9981	99.89
3.5	42,621,098	839,226	0.0197	0.9803	99.69
4.5	39,857,434	7,622	0.0002	0.9998	97.73
5.5	38,116,496	556,162	0.0146	0.9854	97.71
6.5	35,528,264		0.0000	1.0000	96.29
7.5	33,779,687		0.0000	1.0000	96.29
8.5	32,502,873		0.0000	1.0000	96.29
9.5	31,728,204		0.0000	1.0000	96.29
10.5	30,750,359		0.0000	1.0000	96.29
11.5	29,542,391	8,528	0.0003	0.9997	96.29
12.5	28,764,804	8,586	0.0003	0.9997	96.26
13.5	27,764,880	856	0.0000	1.0000	96.23
14.5	18,865,142		0.0000	1.0000	96.23
15.5	12,345,007	129,231	0.0105	0.9895	96.23
16.5	5,686,963		0.0000	1.0000	95.22
17.5	1,211,008	88,715	0.0733	0.9267	95.22
18.5	306,336		0.0000	1.0000	88.24
19.5	307,330		0.0000	1.0000	88.24
20.5	17,085		0.0000	1.0000	88.24
21.5	16,599	8,827	0.5318	0.4682	88.24
22.5	6,777		0.0000	1.0000	41.31
23.5	6,529	5,306	0.8128	0.1872	41.31
24.5	1,473	39	0.0265	0.9735	7.74
25.5	1,981	32	0.0162	0.9838	7.53
26.5	1,368	75	0.0546	0.9454	7.41
27.5	1,400	142	0.1014	0.8986	7.00
28.5	711		0.0000	1.0000	6.29
29.5	711	82	0.1149	0.8851	6.29
30.5	273		0.0000	1.0000	5.57
31.5	273	27	0.0988	0.9012	5.57
32.5	246	1	0.0044	0.9956	5.02
33.5	245		0.0000	1.0000	5.00
34.5	245	2	0.0093	0.9907	5.00
35.5	242	242	1.0000		4.95
36.5					
37.5					
38.5					

AQUA PENNSYLVANIA, INC.

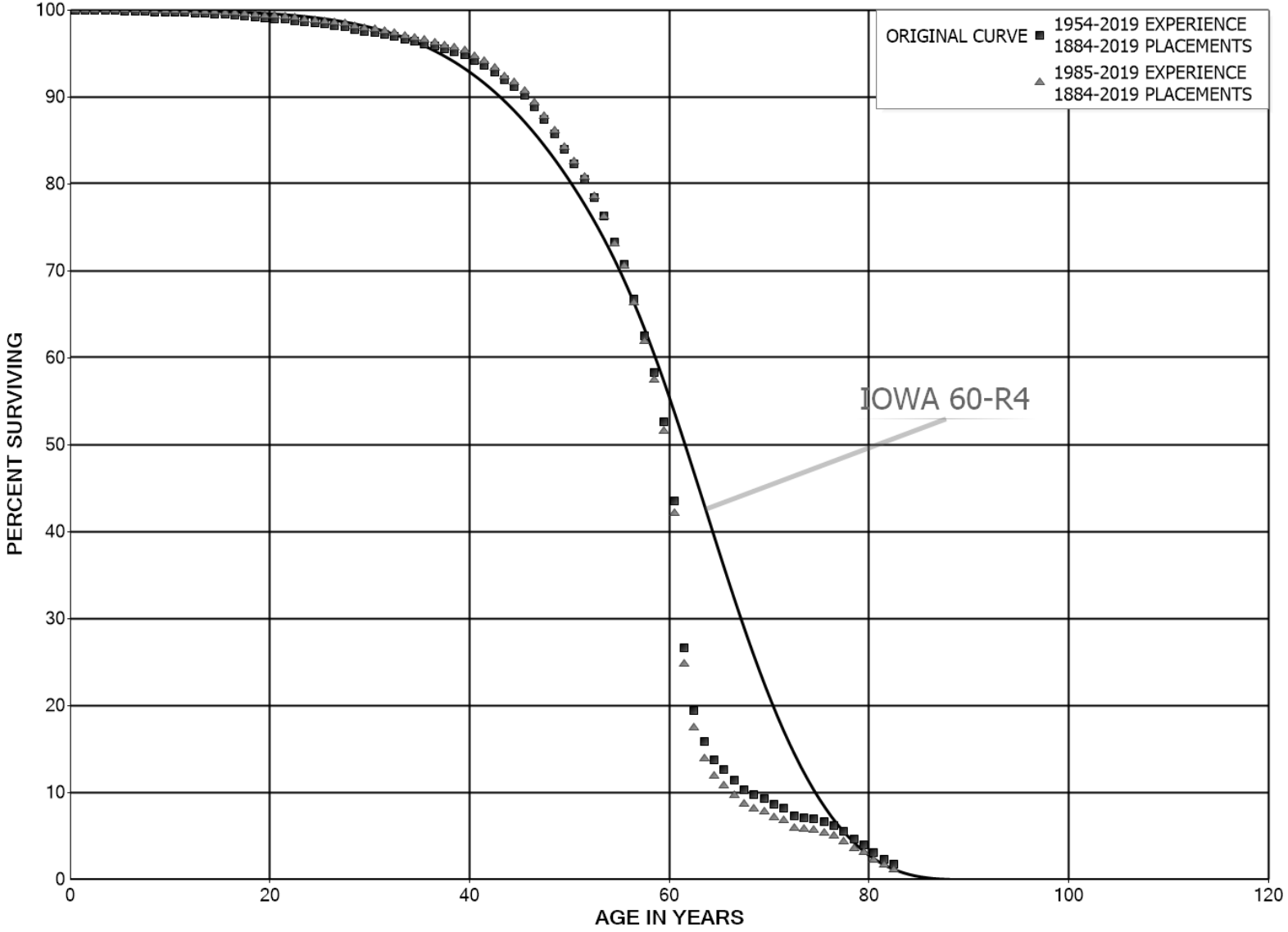
ACCOUNT 334.03 METERS - ERTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1962-2019 EXPERIENCE BAND 2003-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5					
41.5					
42.5					
43.5					
44.5					
45.5					
46.5	48		0.0000		
47.5	48		0.0000		
48.5	48		0.0000		
49.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 335 FIRE HYDRANTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	92,111,533		0.0000	1.0000	100.00
0.5	85,961,822	14,360	0.0002	0.9998	100.00
1.5	78,965,328	15,095	0.0002	0.9998	99.98
2.5	71,631,297	18,168	0.0003	0.9997	99.96
3.5	67,495,780	28,068	0.0004	0.9996	99.94
4.5	62,582,837	12,758	0.0002	0.9998	99.90
5.5	59,284,082	23,616	0.0004	0.9996	99.88
6.5	55,795,829	9,445	0.0002	0.9998	99.84
7.5	50,601,441	21,245	0.0004	0.9996	99.82
8.5	46,703,045	16,316	0.0003	0.9997	99.78
9.5	42,973,944	18,495	0.0004	0.9996	99.74
10.5	41,121,158	10,652	0.0003	0.9997	99.70
11.5	37,815,422	26,321	0.0007	0.9993	99.67
12.5	35,562,767	14,951	0.0004	0.9996	99.61
13.5	33,541,225	16,576	0.0005	0.9995	99.56
14.5	31,547,133	15,782	0.0005	0.9995	99.51
15.5	29,495,741	22,830	0.0008	0.9992	99.46
16.5	27,821,490	39,935	0.0014	0.9986	99.39
17.5	25,637,912	21,450	0.0008	0.9992	99.24
18.5	23,460,242	19,018	0.0008	0.9992	99.16
19.5	21,812,751	20,185	0.0009	0.9991	99.08
20.5	20,510,386	14,716	0.0007	0.9993	98.99
21.5	19,075,011	33,092	0.0017	0.9983	98.92
22.5	17,479,439	26,123	0.0015	0.9985	98.75
23.5	16,217,324	22,598	0.0014	0.9986	98.60
24.5	15,578,462	13,823	0.0009	0.9991	98.46
25.5	14,868,534	27,890	0.0019	0.9981	98.37
26.5	14,196,206	21,756	0.0015	0.9985	98.19
27.5	13,440,503	37,791	0.0028	0.9972	98.04
28.5	13,069,265	30,861	0.0024	0.9976	97.76
29.5	12,303,247	17,078	0.0014	0.9986	97.53
30.5	11,720,053	22,470	0.0019	0.9981	97.40
31.5	10,975,084	33,235	0.0030	0.9970	97.21
32.5	10,180,007	30,583	0.0030	0.9970	96.92
33.5	9,694,866	25,551	0.0026	0.9974	96.63
34.5	9,059,465	23,698	0.0026	0.9974	96.37
35.5	8,716,297	30,432	0.0035	0.9965	96.12
36.5	8,352,026	28,356	0.0034	0.9966	95.78
37.5	7,963,212	22,142	0.0028	0.9972	95.46
38.5	7,536,580	30,071	0.0040	0.9960	95.19

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	7,080,666	46,509	0.0066	0.9934	94.81
40.5	6,624,260	41,724	0.0063	0.9937	94.19
41.5	6,240,321	48,521	0.0078	0.9922	93.60
42.5	6,031,453	63,149	0.0105	0.9895	92.87
43.5	5,744,068	42,990	0.0075	0.9925	91.90
44.5	5,277,168	59,497	0.0113	0.9887	91.21
45.5	4,807,828	70,984	0.0148	0.9852	90.18
46.5	4,536,485	76,454	0.0169	0.9831	88.85
47.5	4,263,273	77,594	0.0182	0.9818	87.35
48.5	3,933,995	85,067	0.0216	0.9784	85.76
49.5	3,664,150	70,654	0.0193	0.9807	83.91
50.5	3,453,507	73,021	0.0211	0.9789	82.29
51.5	3,251,356	86,530	0.0266	0.9734	80.55
52.5	3,005,944	82,616	0.0275	0.9725	78.41
53.5	2,755,061	107,852	0.0391	0.9609	76.25
54.5	2,452,856	83,525	0.0341	0.9659	73.27
55.5	2,224,476	126,013	0.0566	0.9434	70.77
56.5	2,000,768	127,333	0.0636	0.9364	66.76
57.5	1,748,350	119,696	0.0685	0.9315	62.51
58.5	1,528,827	148,340	0.0970	0.9030	58.23
59.5	1,313,688	228,158	0.1737	0.8263	52.58
60.5	1,056,807	408,745	0.3868	0.6132	43.45
61.5	647,521	175,020	0.2703	0.7297	26.65
62.5	472,792	88,432	0.1870	0.8130	19.44
63.5	384,863	50,597	0.1315	0.8685	15.81
64.5	333,037	28,324	0.0850	0.9150	13.73
65.5	305,327	29,368	0.0962	0.9038	12.56
66.5	276,826	26,936	0.0973	0.9027	11.35
67.5	251,013	12,370	0.0493	0.9507	10.25
68.5	239,096	10,569	0.0442	0.9558	9.74
69.5	229,011	16,687	0.0729	0.9271	9.31
70.5	212,760	10,239	0.0481	0.9519	8.63
71.5	202,752	22,141	0.1092	0.8908	8.22
72.5	180,718	5,119	0.0283	0.9717	7.32
73.5	175,599	3,438	0.0196	0.9804	7.11
74.5	172,910	8,145	0.0471	0.9529	6.97
75.5	170,439	10,888	0.0639	0.9361	6.65
76.5	159,939	18,707	0.1170	0.8830	6.22
77.5	141,461	22,720	0.1606	0.8394	5.49
78.5	119,921	15,975	0.1332	0.8668	4.61

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	103,946	25,197	0.2424	0.7576	4.00
80.5	78,789	20,330	0.2580	0.7420	3.03
81.5	59,062	14,364	0.2432	0.7568	2.25
82.5	44,698	7,146	0.1599	0.8401	1.70
83.5	37,552	4,739	0.1262	0.8738	1.43
84.5	32,813	5,962	0.1817	0.8183	1.25
85.5	26,851	933	0.0347	0.9653	1.02
86.5	25,918	3,758	0.1450	0.8550	0.99
87.5	22,161	2,238	0.1010	0.8990	0.84
88.5	20,030	411	0.0205	0.9795	0.76
89.5	19,619	1,682	0.0857	0.9143	0.74
90.5	18,580	1,568	0.0844	0.9156	0.68
91.5	17,011	1,725	0.1014	0.8986	0.62
92.5	15,286	1,194	0.0781	0.9219	0.56
93.5	14,092	92	0.0065	0.9935	0.51
94.5	14,000	1,229	0.0878	0.9122	0.51
95.5	13,088	967	0.0739	0.9261	0.47
96.5	12,121	529	0.0436	0.9564	0.43
97.5	12,077	380	0.0315	0.9685	0.41
98.5	11,697	1,779	0.1521	0.8479	0.40
99.5	9,918	1,750	0.1764	0.8236	0.34
100.5	8,168	929	0.1137	0.8863	0.28
101.5	7,240	367	0.0507	0.9493	0.25
102.5	6,873	2,147	0.3124	0.6876	0.24
103.5	4,726	286	0.0606	0.9394	0.16
104.5	4,439	1,191	0.2682	0.7318	0.15
105.5	3,249	756	0.2327	0.7673	0.11
106.5	2,493	99	0.0395	0.9605	0.09
107.5	2,394	172	0.0717	0.9283	0.08
108.5	2,223	151	0.0681	0.9319	0.08
109.5	2,071	60	0.0291	0.9709	0.07
110.5	2,011		0.0000	1.0000	0.07
111.5	2,011	84	0.0415	0.9585	0.07
112.5	1,927	13	0.0065	0.9935	0.07
113.5	1,915	62	0.0322	0.9678	0.07
114.5	1,853	6	0.0032	0.9968	0.06
115.5	1,847	77	0.0415	0.9585	0.06
116.5	1,770	13	0.0071	0.9929	0.06
117.5	1,758	868	0.4937	0.5063	0.06
118.5	890	399	0.4485	0.5515	0.03

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	491	206	0.4205	0.5795	0.02
120.5	284	284	1.0000		0.01
121.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	85,952,990		0.0000	1.0000	100.00
0.5	79,979,052	1,049	0.0000	1.0000	100.00
1.5	73,118,731	4,635	0.0001	0.9999	100.00
2.5	66,000,037	5,918	0.0001	0.9999	99.99
3.5	62,138,501	9,978	0.0002	0.9998	99.98
4.5	57,412,028	8,629	0.0002	0.9998	99.97
5.5	54,385,633	18,951	0.0003	0.9997	99.95
6.5	51,093,794	4,046	0.0001	0.9999	99.92
7.5	46,003,946	12,840	0.0003	0.9997	99.91
8.5	42,300,207	12,843	0.0003	0.9997	99.88
9.5	38,765,206	9,391	0.0002	0.9998	99.85
10.5	37,200,986	5,420	0.0001	0.9999	99.83
11.5	34,047,543	19,532	0.0006	0.9994	99.81
12.5	31,924,936	11,051	0.0003	0.9997	99.76
13.5	30,083,668	11,354	0.0004	0.9996	99.72
14.5	28,287,312	9,100	0.0003	0.9997	99.68
15.5	26,409,379	14,833	0.0006	0.9994	99.65
16.5	24,871,492	34,932	0.0014	0.9986	99.60
17.5	22,852,045	13,701	0.0006	0.9994	99.46
18.5	20,857,024	14,757	0.0007	0.9993	99.40
19.5	19,430,812	17,618	0.0009	0.9991	99.33
20.5	18,287,523	9,700	0.0005	0.9995	99.24
21.5	16,990,632	26,723	0.0016	0.9984	99.18
22.5	15,556,494	23,493	0.0015	0.9985	99.03
23.5	14,440,463	19,505	0.0014	0.9986	98.88
24.5	13,943,618	11,000	0.0008	0.9992	98.74
25.5	13,399,831	23,229	0.0017	0.9983	98.67
26.5	12,887,037	18,856	0.0015	0.9985	98.49
27.5	12,267,447	33,857	0.0028	0.9972	98.35
28.5	12,019,437	27,978	0.0023	0.9977	98.08
29.5	11,398,566	15,237	0.0013	0.9987	97.85
30.5	10,928,403	19,818	0.0018	0.9982	97.72
31.5	10,292,965	31,476	0.0031	0.9969	97.54
32.5	9,565,833	27,975	0.0029	0.9971	97.24
33.5	9,160,760	22,240	0.0024	0.9976	96.96
34.5	8,576,524	20,399	0.0024	0.9976	96.72
35.5	8,291,143	28,345	0.0034	0.9966	96.49
36.5	7,971,344	25,437	0.0032	0.9968	96.16
37.5	7,611,292	19,873	0.0026	0.9974	95.86
38.5	7,198,476	28,081	0.0039	0.9961	95.61

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,749,095	43,438	0.0064	0.9936	95.23
40.5	6,305,041	38,435	0.0061	0.9939	94.62
41.5	5,929,531	46,090	0.0078	0.9922	94.04
42.5	5,730,674	59,975	0.0105	0.9895	93.31
43.5	5,460,006	40,041	0.0073	0.9927	92.34
44.5	5,006,465	56,801	0.0113	0.9887	91.66
45.5	4,548,448	68,048	0.0150	0.9850	90.62
46.5	4,281,422	73,750	0.0172	0.9828	89.26
47.5	4,020,110	74,032	0.0184	0.9816	87.73
48.5	3,696,358	82,404	0.0223	0.9777	86.11
49.5	3,432,615	67,555	0.0197	0.9803	84.19
50.5	3,228,464	70,619	0.0219	0.9781	82.53
51.5	3,026,848	84,227	0.0278	0.9722	80.73
52.5	2,790,862	80,217	0.0287	0.9713	78.48
53.5	2,552,120	104,492	0.0409	0.9591	76.23
54.5	2,271,249	80,762	0.0356	0.9644	73.11
55.5	2,067,338	122,779	0.0594	0.9406	70.51
56.5	1,864,405	124,834	0.0670	0.9330	66.32
57.5	1,630,596	118,043	0.0724	0.9276	61.88
58.5	1,429,713	146,428	0.1024	0.8976	57.40
59.5	1,233,993	226,533	0.1836	0.8164	51.52
60.5	986,230	407,678	0.4134	0.5866	42.06
61.5	588,435	173,237	0.2944	0.7056	24.68
62.5	422,194	86,003	0.2037	0.7963	17.41
63.5	341,649	49,453	0.1447	0.8553	13.86
64.5	291,614	27,312	0.0937	0.9063	11.86
65.5	265,912	28,507	0.1072	0.8928	10.75
66.5	240,918	25,582	0.1062	0.8938	9.59
67.5	217,445	11,755	0.0541	0.9459	8.58
68.5	206,780	10,037	0.0485	0.9515	8.11
69.5	197,630	15,964	0.0808	0.9192	7.72
70.5	183,383	9,466	0.0516	0.9484	7.09
71.5	175,972	21,951	0.1247	0.8753	6.73
72.5	155,169	4,573	0.0295	0.9705	5.89
73.5	151,972	3,063	0.0202	0.9798	5.72
74.5	151,888	7,736	0.0509	0.9491	5.60
75.5	151,109	10,578	0.0700	0.9300	5.32
76.5	141,747	18,296	0.1291	0.8709	4.94
77.5	125,774	22,354	0.1777	0.8223	4.31
78.5	106,495	15,728	0.1477	0.8523	3.54

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	93,194	25,152	0.2699	0.7301	3.02
80.5	69,495	20,201	0.2907	0.7093	2.20
81.5	50,328	14,327	0.2847	0.7153	1.56
82.5	39,115	7,111	0.1818	0.8182	1.12
83.5	32,329	4,569	0.1413	0.8587	0.91
84.5	28,233	5,962	0.2112	0.7888	0.79
85.5	23,066	921	0.0399	0.9601	0.62
86.5	22,471	3,758	0.1672	0.8328	0.59
87.5	18,885	2,188	0.1159	0.8841	0.50
88.5	17,023	411	0.0241	0.9759	0.44
89.5	16,622	1,582	0.0952	0.9048	0.43
90.5	15,682	1,489	0.0949	0.9051	0.39
91.5	14,365	1,447	0.1007	0.8993	0.35
92.5	12,931	1,101	0.0852	0.9148	0.31
93.5	11,891	91	0.0077	0.9923	0.29
94.5	11,849	1,229	0.1037	0.8963	0.29
95.5	11,026	967	0.0877	0.9123	0.26
96.5	10,072	529	0.0525	0.9475	0.23
97.5	10,896	363	0.0333	0.9667	0.22
98.5	11,102	1,766	0.1591	0.8409	0.21
99.5	9,542	1,658	0.1738	0.8262	0.18
100.5	8,168	929	0.1137	0.8863	0.15
101.5	7,240	367	0.0507	0.9493	0.13
102.5	6,873	2,147	0.3124	0.6876	0.13
103.5	4,726	286	0.0606	0.9394	0.09
104.5	4,439	1,191	0.2682	0.7318	0.08
105.5	3,249	756	0.2327	0.7673	0.06
106.5	2,493	99	0.0395	0.9605	0.05
107.5	2,394	172	0.0717	0.9283	0.04
108.5	2,223	151	0.0681	0.9319	0.04
109.5	2,071	60	0.0291	0.9709	0.04
110.5	2,011		0.0000	1.0000	0.04
111.5	2,011	84	0.0415	0.9585	0.04
112.5	1,927	13	0.0065	0.9935	0.04
113.5	1,915	62	0.0322	0.9678	0.03
114.5	1,853	6	0.0032	0.9968	0.03
115.5	1,847	77	0.0415	0.9585	0.03
116.5	1,770	13	0.0071	0.9929	0.03
117.5	1,758	868	0.4937	0.5063	0.03
118.5	890	399	0.4485	0.5515	0.02

AQUA PENNSYLVANIA, INC.

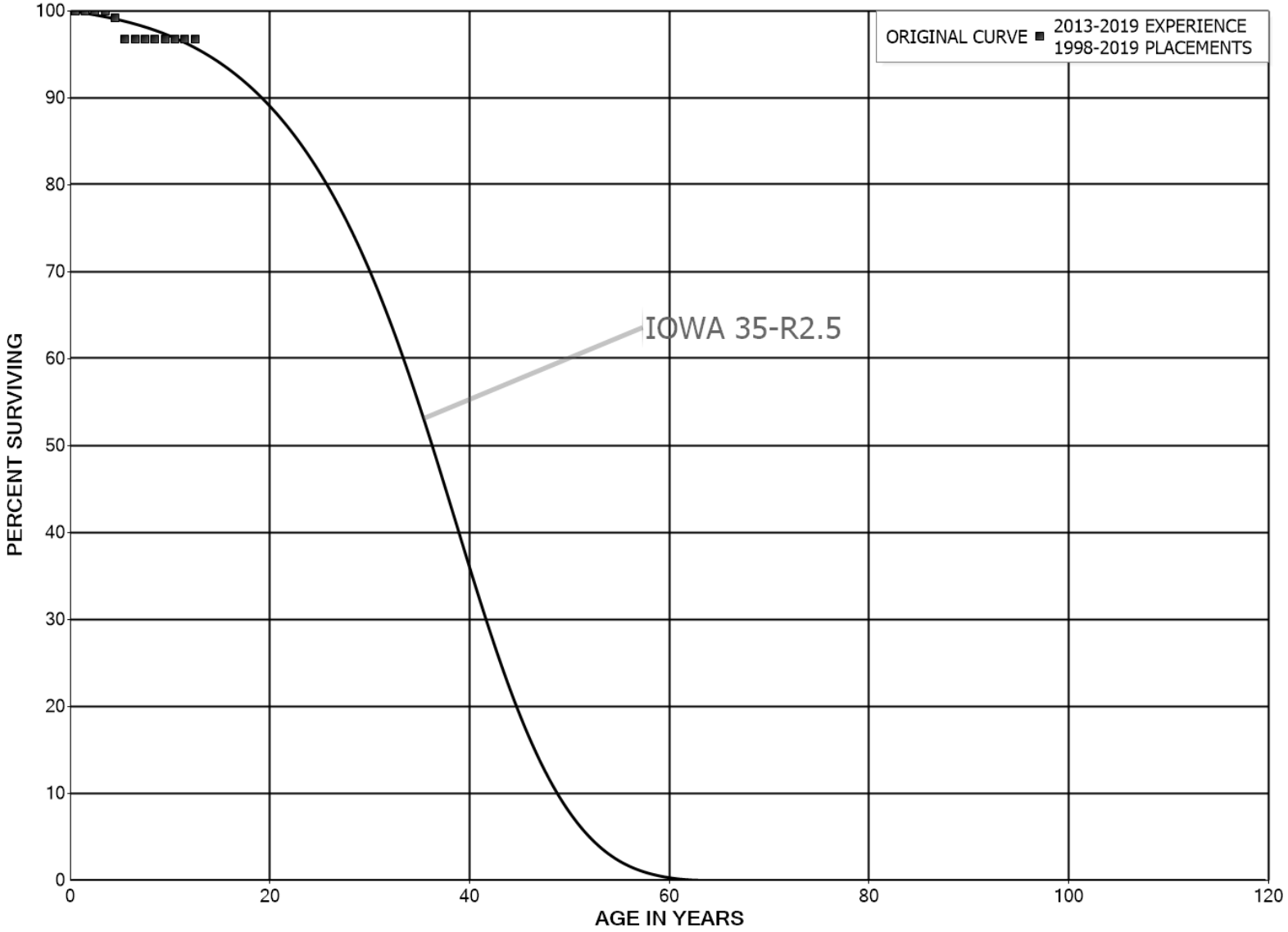
ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	491	206	0.4205	0.5795	0.01
120.5	284	284	1.0000		0.01
121.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 336 BACKLFLOW PREVENTION DEVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

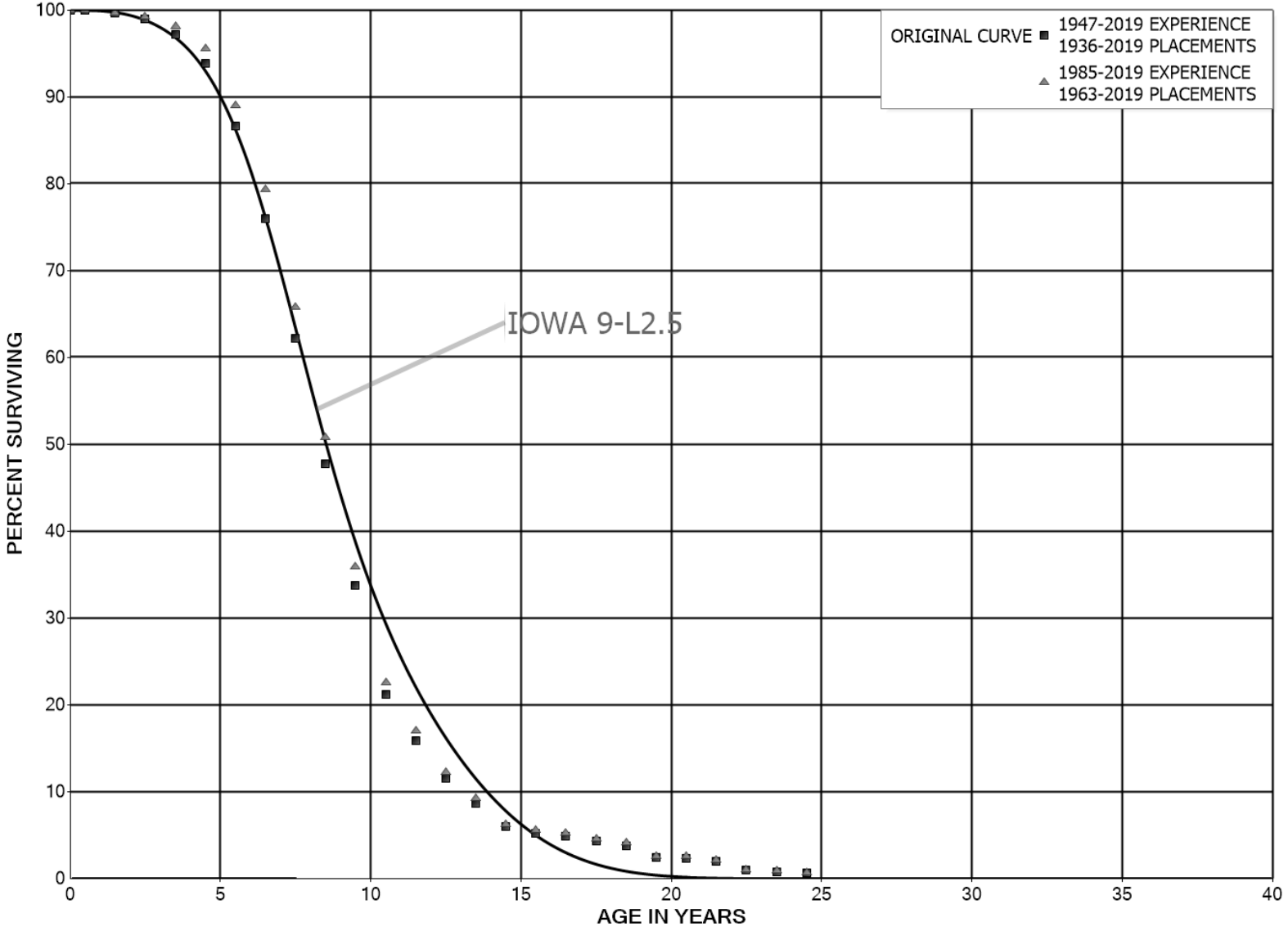
ACCOUNT 336 BACKLFLOW PREVENTION DEVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1998-2019 EXPERIENCE BAND 2013-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	296,440		0.0000	1.0000	100.00
0.5	290,587	0	0.0000	1.0000	100.00
1.5	287,816		0.0000	1.0000	100.00
2.5	281,652		0.0000	1.0000	100.00
3.5	273,078	2,257	0.0083	0.9917	100.00
4.5	34,295	840	0.0245	0.9755	99.17
5.5	13,803		0.0000	1.0000	96.74
6.5	830		0.0000	1.0000	96.74
7.5	830		0.0000	1.0000	96.74
8.5	830		0.0000	1.0000	96.74
9.5	830		0.0000	1.0000	96.74
10.5	830		0.0000	1.0000	96.74
11.5	830		0.0000	1.0000	96.74
12.5					96.74
13.5					
14.5					
15.5	10,250		0.0000		
16.5	10,250		0.0000		
17.5	10,250		0.0000		
18.5	10,250		0.0000		
19.5	10,250		0.0000		
20.5	10,250		0.0000		
21.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	39,287,163	15,928	0.0004	0.9996	100.00
0.5	41,931,166	163,426	0.0039	0.9961	99.96
1.5	32,121,984	215,425	0.0067	0.9933	99.57
2.5	30,224,583	521,136	0.0172	0.9828	98.90
3.5	28,052,504	955,039	0.0340	0.9660	97.20
4.5	27,007,128	2,104,309	0.0779	0.9221	93.89
5.5	23,341,403	2,848,487	0.1220	0.8780	86.57
6.5	17,902,511	3,261,188	0.1822	0.8178	76.01
7.5	13,251,137	3,068,225	0.2315	0.7685	62.16
8.5	9,153,132	2,688,350	0.2937	0.7063	47.77
9.5	6,966,881	2,586,132	0.3712	0.6288	33.74
10.5	4,570,509	1,148,209	0.2512	0.7488	21.21
11.5	3,138,192	859,125	0.2738	0.7262	15.89
12.5	2,381,749	592,732	0.2489	0.7511	11.54
13.5	1,498,104	473,519	0.3161	0.6839	8.67
14.5	937,754	119,831	0.1278	0.8722	5.93
15.5	839,242	58,875	0.0702	0.9298	5.17
16.5	724,966	86,591	0.1194	0.8806	4.81
17.5	466,105	52,172	0.1119	0.8881	4.23
18.5	257,357	94,310	0.3665	0.6335	3.76
19.5	161,670	3,428	0.0212	0.9788	2.38
20.5	152,051	27,526	0.1810	0.8190	2.33
21.5	130,070	68,347	0.5255	0.4745	1.91
22.5	91,807	18,518	0.2017	0.7983	0.91
23.5	73,289	12,361	0.1687	0.8313	0.72
24.5	60,928	234	0.0038	0.9962	0.60
25.5	60,694		0.0000	1.0000	0.60
26.5	46,194		0.0000	1.0000	0.60
27.5	46,194	5,986	0.1296	0.8704	0.60
28.5	40,208	371	0.0092	0.9908	0.52
29.5	39,837	1,956	0.0491	0.9509	0.52
30.5	37,881	37,566	0.9917	0.0083	0.49
31.5	315		0.0000	1.0000	0.00
32.5	315		0.0000	1.0000	0.00
33.5	315	315	1.0000		0.00
34.5					

AQUA PENNSYLVANIA, INC.

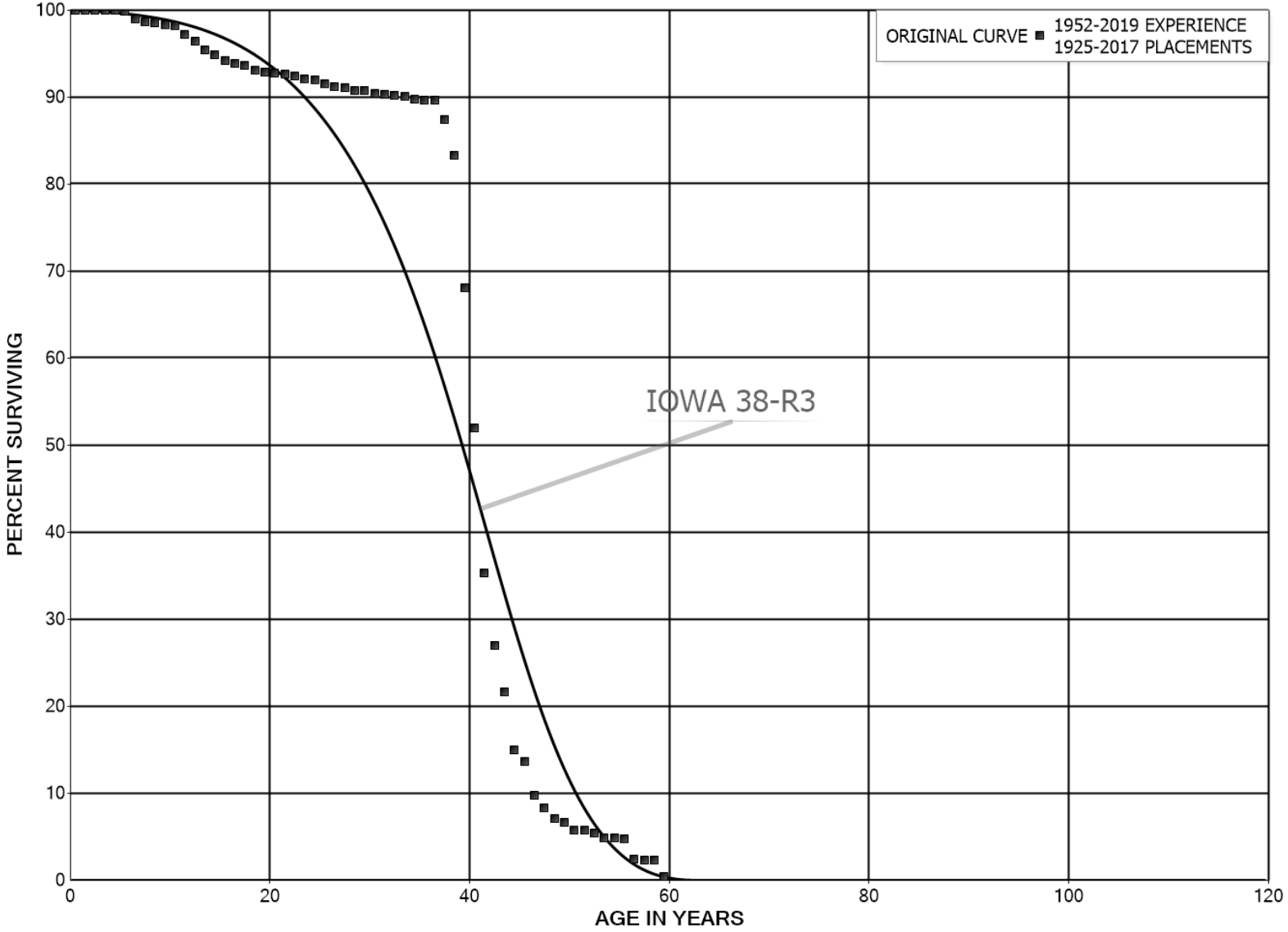
ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1963-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	35,135,661	7,641	0.0002	0.9998	100.00
0.5	38,047,183	128,213	0.0034	0.9966	99.98
1.5	28,529,151	132,884	0.0047	0.9953	99.64
2.5	26,926,029	290,632	0.0108	0.9892	99.18
3.5	25,143,149	671,064	0.0267	0.9733	98.11
4.5	24,570,738	1,671,433	0.0680	0.9320	95.49
5.5	21,550,413	2,360,715	0.1095	0.8905	88.99
6.5	16,739,032	2,867,216	0.1713	0.8287	79.24
7.5	12,591,457	2,874,916	0.2283	0.7717	65.67
8.5	8,697,836	2,556,196	0.2939	0.7061	50.68
9.5	6,677,506	2,476,856	0.3709	0.6291	35.78
10.5	4,423,949	1,100,344	0.2487	0.7513	22.51
11.5	3,057,863	848,108	0.2774	0.7226	16.91
12.5	2,312,437	575,069	0.2487	0.7513	12.22
13.5	1,446,454	466,896	0.3228	0.6772	9.18
14.5	892,728	108,817	0.1219	0.8781	6.22
15.5	811,477	50,242	0.0619	0.9381	5.46
16.5	705,834	80,564	0.1141	0.8859	5.12
17.5	452,999	45,230	0.0998	0.9002	4.54
18.5	251,370	94,310	0.3752	0.6248	4.08
19.5	155,683	241	0.0015	0.9985	2.55
20.5	149,252	27,526	0.1844	0.8156	2.55
21.5	127,586	66,467	0.5210	0.4790	2.08
22.5	91,202	18,518	0.2030	0.7970	1.00
23.5	72,684	12,361	0.1701	0.8299	0.79
24.5	60,323		0.0000	1.0000	0.66
25.5	60,323		0.0000	1.0000	0.66
26.5	45,823		0.0000	1.0000	0.66
27.5	45,823	5,986	0.1306	0.8694	0.66
28.5	39,837		0.0000	1.0000	0.57
29.5	39,837	1,956	0.0491	0.9509	0.57
30.5	37,881	37,566	0.9917	0.0083	0.54
31.5	315		0.0000	1.0000	0.00
32.5	315		0.0000	1.0000	0.00
33.5	315	315	1.0000		0.00
34.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1925-2017 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,587,007		0.0000	1.0000	100.00
0.5	1,587,295	61	0.0000	1.0000	100.00
1.5	1,602,341	770	0.0005	0.9995	100.00
2.5	1,596,908	455	0.0003	0.9997	99.95
3.5	1,587,778	319	0.0002	0.9998	99.92
4.5	1,579,598	1,127	0.0007	0.9993	99.90
5.5	1,574,851	12,947	0.0082	0.9918	99.83
6.5	1,514,882	5,189	0.0034	0.9966	99.01
7.5	1,497,963	2,338	0.0016	0.9984	98.67
8.5	1,498,127	3,996	0.0027	0.9973	98.51
9.5	1,497,344	1,102	0.0007	0.9993	98.25
10.5	1,286,362	13,035	0.0101	0.9899	98.18
11.5	1,194,617	9,777	0.0082	0.9918	97.18
12.5	1,157,871	12,024	0.0104	0.9896	96.39
13.5	1,081,013	6,572	0.0061	0.9939	95.39
14.5	1,045,000	7,568	0.0072	0.9928	94.81
15.5	1,015,109	3,181	0.0031	0.9969	94.12
16.5	957,545	1,778	0.0019	0.9981	93.83
17.5	920,387	5,287	0.0057	0.9943	93.65
18.5	912,259	2,613	0.0029	0.9971	93.11
19.5	909,778	1,493	0.0016	0.9984	92.85
20.5	865,368	813	0.0009	0.9991	92.70
21.5	715,135	1,367	0.0019	0.9981	92.61
22.5	708,984	2,937	0.0041	0.9959	92.43
23.5	624,883	449	0.0007	0.9993	92.05
24.5	622,552	3,065	0.0049	0.9951	91.98
25.5	577,125	2,438	0.0042	0.9958	91.53
26.5	534,640	472	0.0009	0.9991	91.14
27.5	522,155	1,776	0.0034	0.9966	91.06
28.5	486,859	34	0.0001	0.9999	90.75
29.5	462,894	1,855	0.0040	0.9960	90.75
30.5	453,974	684	0.0015	0.9985	90.38
31.5	416,506	361	0.0009	0.9991	90.25
32.5	351,219	514	0.0015	0.9985	90.17
33.5	321,740	974	0.0030	0.9970	90.04
34.5	270,320	560	0.0021	0.9979	89.76
35.5	252,547		0.0000	1.0000	89.58
36.5	189,660	4,573	0.0241	0.9759	89.58
37.5	152,294	7,205	0.0473	0.9527	87.42
38.5	135,530	24,724	0.1824	0.8176	83.28

AQUA PENNSYLVANIA, INC.

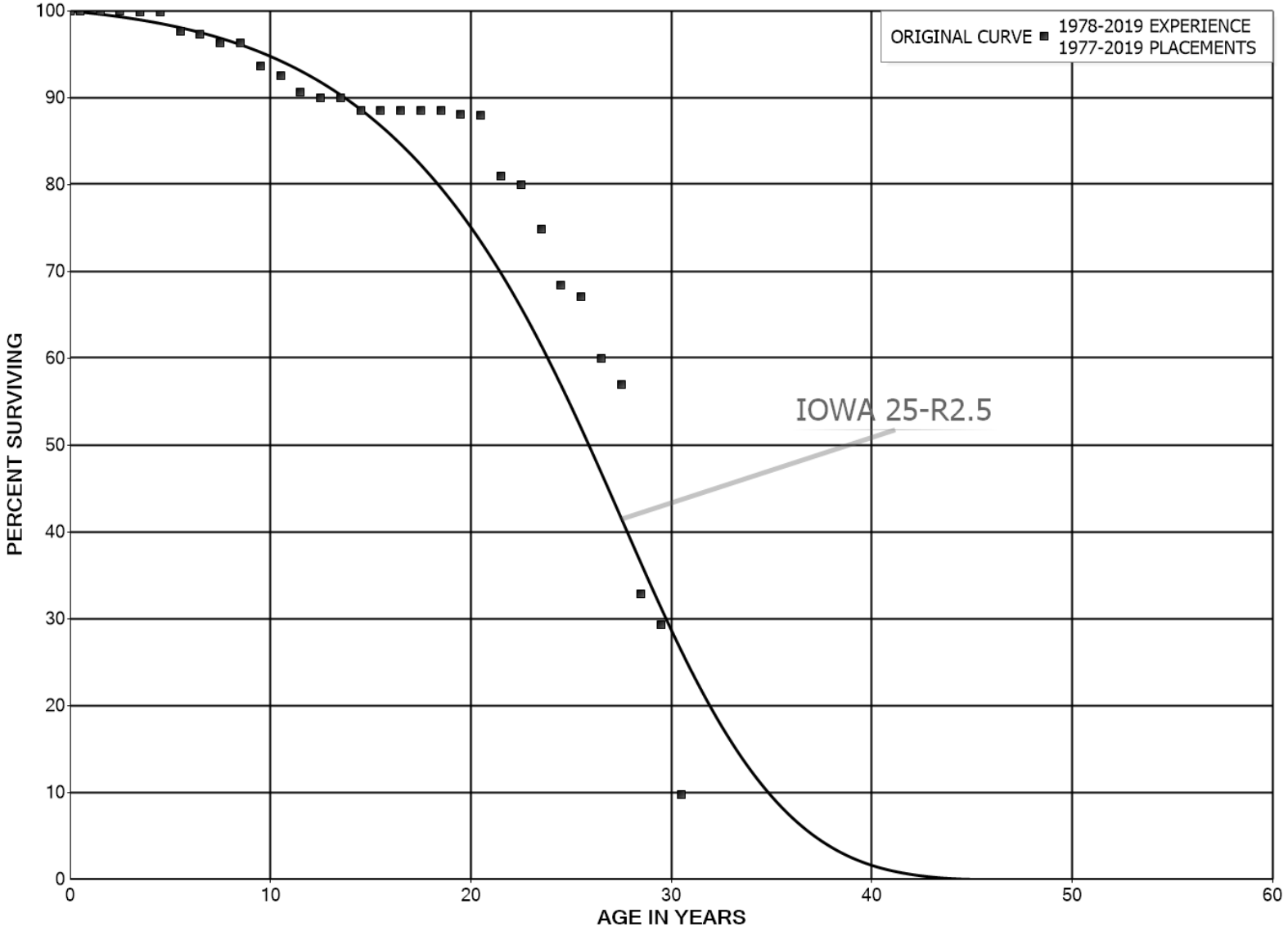
ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1925-2017 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	110,805	26,234	0.2368	0.7632	68.09
40.5	84,603	27,072	0.3200	0.6800	51.97
41.5	57,091	13,542	0.2372	0.7628	35.34
42.5	43,549	8,567	0.1967	0.8033	26.96
43.5	34,982	10,766	0.3078	0.6922	21.65
44.5	24,216	2,211	0.0913	0.9087	14.99
45.5	22,004	6,329	0.2876	0.7124	13.62
46.5	15,676	2,326	0.1484	0.8516	9.70
47.5	13,350	2,001	0.1499	0.8501	8.26
48.5	11,349	748	0.0659	0.9341	7.03
49.5	10,601	1,295	0.1222	0.8778	6.56
50.5	9,306		0.0000	1.0000	5.76
51.5	9,306	614	0.0660	0.9340	5.76
52.5	8,692	856	0.0985	0.9015	5.38
53.5	7,835		0.0000	1.0000	4.85
54.5	7,835	285	0.0364	0.9636	4.85
55.5	7,550	3,687	0.4883	0.5117	4.67
56.5	3,863	114	0.0294	0.9706	2.39
57.5	3,750	68	0.0181	0.9819	2.32
58.5	3,682	3,123	0.8482	0.1518	2.28
59.5	559		0.0000	1.0000	0.35
60.5	559		0.0000	1.0000	0.35
61.5	559	125	0.2236	0.7764	0.35
62.5	434		0.0000	1.0000	0.27
63.5	434		0.0000	1.0000	0.27
64.5	434		0.0000	1.0000	0.27
65.5	434		0.0000	1.0000	0.27
66.5	434	169	0.3884	0.6116	0.27
67.5	265	58	0.2178	0.7822	0.16
68.5	208	18	0.0852	0.9148	0.13
69.5	190		0.0000	1.0000	0.12
70.5	190	54	0.2839	0.7161	0.12
71.5	136		0.0000	1.0000	0.08
72.5	136		0.0000	1.0000	0.08
73.5	136		0.0000	1.0000	0.08
74.5	136		0.0000	1.0000	0.08
75.5	136		0.0000	1.0000	0.08
76.5	136		0.0000	1.0000	0.08
77.5	136	136	1.0000		0.08
78.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

ORIGINAL LIFE TABLE

PLACEMENT BAND 1977-2019 EXPERIENCE BAND 1978-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	5,930,833	0	0.0000	1.0000	100.00
0.5	5,683,712		0.0000	1.0000	100.00
1.5	5,250,015	0	0.0000	1.0000	100.00
2.5	4,974,846	7,306	0.0015	0.9985	100.00
3.5	4,297,349	0	0.0000	1.0000	99.85
4.5	3,949,672	89,187	0.0226	0.9774	99.85
5.5	3,800,987	11,321	0.0030	0.9970	97.60
6.5	3,760,460	38,630	0.0103	0.9897	97.31
7.5	3,711,184	2,991	0.0008	0.9992	96.31
8.5	3,633,963	96,824	0.0266	0.9734	96.23
9.5	3,197,850	39,517	0.0124	0.9876	93.67
10.5	3,098,599	61,683	0.0199	0.9801	92.51
11.5	2,984,599	22,167	0.0074	0.9926	90.67
12.5	2,834,096		0.0000	1.0000	89.99
13.5	2,695,584	43,547	0.0162	0.9838	89.99
14.5	2,535,767		0.0000	1.0000	88.54
15.5	2,298,172		0.0000	1.0000	88.54
16.5	2,246,570		0.0000	1.0000	88.54
17.5	1,998,697		0.0000	1.0000	88.54
18.5	1,948,562	10,337	0.0053	0.9947	88.54
19.5	1,706,943	2,538	0.0015	0.9985	88.07
20.5	1,562,911	124,825	0.0799	0.9201	87.94
21.5	1,425,666	17,676	0.0124	0.9876	80.92
22.5	1,169,129	74,229	0.0635	0.9365	79.91
23.5	1,066,232	91,591	0.0859	0.9141	74.84
24.5	746,117	14,575	0.0195	0.9805	68.41
25.5	632,809	67,726	0.1070	0.8930	67.07
26.5	534,312	26,456	0.0495	0.9505	59.90
27.5	478,847	202,368	0.4226	0.5774	56.93
28.5	276,478	30,233	0.1093	0.8907	32.87
29.5	246,246	164,001	0.6660	0.3340	29.28
30.5	82,361	65,506	0.7954	0.2046	9.78
31.5	16,855	16,739	0.9931	0.0069	2.00
32.5	116		0.0000	1.0000	0.01
33.5	116		0.0000	1.0000	0.01
34.5	116		0.0000	1.0000	0.01
35.5	116		0.0000	1.0000	0.01
36.5	116		0.0000	1.0000	0.01
37.5	116		0.0000	1.0000	0.01
38.5	116		0.0000	1.0000	0.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1977-2019 EXPERIENCE BAND 1978-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	116		0.0000	1.0000	0.01
40.5	116	116	1.0000		0.01
41.5					

PART VII. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1882	27,126	24,588	2,538	2,538	0.0
1885	12,884	12,884		2,538	0.0
1886	6,473	5,162	1,311	3,849	0.0
1887	9,511	8,990	521	4,370	0.0
1891	7,531	5,977	1,554	5,924	0.0
1892	1,493	1,484	9	5,933	0.0
1896	115,492	95,100	20,392	26,325	0.0
1899	3,554	2,480	1,074	27,399	0.0
1900	3,075	2,121	954	28,353	0.0
1901	36	24	12	28,365	0.0
1902	21,676	18,019	3,657	32,022	0.0
1903	120	79	41	32,063	0.0
1904	19,489	15,565	3,924	35,987	0.0
1905	17,809	11,714	6,095	42,082	0.0
1906	7,972	5,351	2,621	44,703	0.0
1907	23,215	16,288	6,927	51,630	0.0
1908	27,004	18,244	8,760	60,390	0.0
1909	231,905	195,604	36,301	96,691	0.0
1910	80,443	75,105	5,338	102,029	0.0
1911	2,434	1,679	755	102,784	0.0
1912	57,424	45,796	11,628	114,412	0.0
1913	21,265	14,226	7,039	121,451	0.0
1914	3,960	2,786	1,174	122,625	0.0
1915	3	1	2	122,627	0.0
1916	34,399	24,956	9,443	132,070	0.0
1918	17,294	10,947	6,347	138,417	0.0
1919	8,400	5,995	2,405	140,822	0.0
1920	59,339	46,339	13,000	153,822	0.0
1921	23,854	21,117	2,737	156,559	0.0
1922	4,648	3,847	801	157,360	0.0
1923	412,425	288,190	124,235	281,595	0.0
1924	627,621	501,784	125,837	407,432	0.0
1925	111,008	71,467	39,541	446,973	0.0
1926	216,851	149,754	67,097	514,070	0.0
1927	109,991	83,157	26,834	540,904	0.0
1928	66,667	50,525	16,142	557,046	0.0
1929	48,908	31,365	17,543	574,589	0.0
1930	28,861	18,513	10,348	584,937	0.0
1931	85,315	61,608	23,707	608,644	0.0
1932	1,702,876	1,229,275	473,601	1,082,245	0.0
1933	24,409	14,801	9,608	1,091,853	0.0
1934	74,678	47,813	26,865	1,118,718	0.0
1935	74,276	53,574	20,702	1,139,420	0.0
1936	52,614	35,694	16,920	1,156,340	0.0
1937	59,603	43,084	16,519	1,172,859	0.0

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1938	47,114	34,656	12,458	1,185,317	0.0
1939	51,360	35,605	15,755	1,201,072	0.0
1940	125,837	82,049	43,788	1,244,860	0.0
1941	80,045	53,071	26,974	1,271,834	0.0
1942	227,587	155,882	71,705	1,343,539	0.0
1943	864,225	565,046	299,179	1,642,718	0.0
1944	49,459	40,395	9,064	1,651,782	0.0
1945	113,609	78,412	35,197	1,686,979	0.0
1946	97,059	83,883	13,176	1,700,155	0.0
1947	505,942	359,342	146,600	1,846,755	0.0
1948	1,319,991	1,036,477	283,514	2,130,269	0.0
1949	563,889	430,358	133,531	2,263,800	0.0
1950	1,198,024	904,637	293,387	2,557,187	0.1
1951	1,231,657	963,554	268,103	2,825,290	0.1
1952	978,932	737,433	241,499	3,066,789	0.1
1953	2,884,407	1,860,279	1,024,128	4,090,917	0.1
1954	2,268,714	1,607,774	660,940	4,751,857	0.1
1955	2,209,153	1,594,727	614,426	5,366,283	0.1
1956	2,271,696	1,673,778	597,918	5,964,201	0.1
1957	7,210,787	4,374,014	2,836,773	8,800,974	0.2
1958	2,834,600	1,855,834	978,766	9,779,740	0.2
1959	2,440,459	1,535,129	905,330	10,685,070	0.2
1960	2,701,896	1,741,203	960,693	11,645,763	0.3
1961	2,557,993	1,782,979	775,014	12,420,777	0.3
1962	2,731,310	1,775,175	956,135	13,376,912	0.3
1963	2,336,923	1,534,198	802,725	14,179,637	0.3
1964	3,714,197	2,434,260	1,279,937	15,459,574	0.3
1965	2,725,606	1,648,814	1,076,792	16,536,366	0.4
1966	4,127,016	2,420,308	1,706,708	18,243,074	0.4
1967	3,350,677	1,906,378	1,444,299	19,687,373	0.4
1968	2,216,690	1,375,813	840,877	20,528,250	0.4
1969	3,329,479	2,014,718	1,314,761	21,843,011	0.5
1970	2,880,452	1,728,429	1,152,023	22,995,034	0.5
1971	4,436,862	2,707,517	1,729,345	24,724,379	0.5
1972	8,819,415	6,122,272	2,697,143	27,421,522	0.6
1973	7,482,338	4,456,422	3,025,916	30,447,438	0.7
1974	12,336,261	6,745,822	5,590,439	36,037,877	0.8
1975	9,243,416	4,711,838	4,531,578	40,569,455	0.9
1976	6,884,209	4,465,262	2,418,947	42,988,402	0.9
1977	5,363,999	2,949,760	2,414,239	45,402,641	1.0
1978	8,717,288	4,834,776	3,882,512	49,285,153	1.1
1979	10,290,821	5,262,192	5,028,629	54,313,782	1.2
1980	9,636,831	5,150,676	4,486,155	58,799,937	1.3
1981	7,920,677	4,102,624	3,818,053	62,617,990	1.4
1982	7,123,236	3,647,488	3,475,748	66,093,738	1.4

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1983	7,002,062	3,692,261	3,309,801	69,403,539	1.5
1984	15,734,901	8,605,113	7,129,788	76,533,327	1.7
1985	18,669,799	9,506,030	9,163,769	85,697,096	1.9
1986	18,586,337	9,583,317	9,003,020	94,700,116	2.1
1987	20,055,232	10,563,717	9,491,515	104,191,631	2.3
1988	27,650,847	14,462,602	13,188,245	117,379,876	2.6
1989	33,437,194	16,078,907	17,358,287	134,738,163	2.9
1990	26,909,948	12,940,197	13,969,751	148,707,914	3.2
1991	45,093,017	24,208,445	20,884,572	169,592,486	3.7
1992	22,406,787	10,223,731	12,183,056	181,775,542	4.0
1993	44,601,260	20,644,081	23,957,179	205,732,721	4.5
1994	28,805,567	11,554,288	17,251,279	222,984,000	4.8
1995	48,118,128	23,217,342	24,900,786	247,884,786	5.4
1996	25,708,375	10,908,166	14,800,209	262,684,995	5.7
1997	37,786,285	16,189,681	21,596,604	284,281,599	6.2
1998	81,147,615	32,794,123	48,353,492	332,635,091	7.2
1999	58,205,504	24,841,172	33,364,332	365,999,423	8.0
2000	103,948,771	40,586,717	63,362,054	429,361,477	9.3
2001	71,838,044	26,754,755	45,083,289	474,444,766	10.3
2002	129,903,745	49,749,472	80,154,273	554,599,039	12.1
2003	68,814,768	28,137,539	40,677,229	595,276,268	12.9
2004	112,198,544	50,446,193	61,752,351	657,028,619	14.3
2005	113,596,976	44,955,449	68,641,527	725,670,146	15.8
2006	142,675,041	46,151,101	96,523,940	822,194,086	17.9
2007	131,830,533	40,875,426	90,955,107	913,149,193	19.9
2008	175,162,865	50,525,552	124,637,313	1,037,786,506	22.6
2009	183,003,301	51,253,890	131,749,411	1,169,535,917	25.4
2010	264,337,011	69,076,802	195,260,209	1,364,796,126	29.7
2011	232,857,305	55,481,707	177,375,598	1,542,171,724	33.5
2012	222,078,366	53,452,910	168,625,456	1,710,797,180	37.2
2013	193,784,652	39,958,668	153,825,984	1,864,623,164	40.5
2014	190,930,318	34,401,120	156,529,198	2,021,152,362	44.0
2015	225,376,205	48,167,680	177,208,525	2,198,360,887	47.8
2016	233,268,138	41,285,201	191,982,937	2,390,343,824	52.0
2017	297,127,517	48,186,642	248,940,875	2,639,284,699	57.4
2018	306,949,823	47,408,211	259,541,613	2,898,826,311	63.0
2019	333,546,744	42,001,814	291,544,931	3,190,371,241	69.4
2020	278,295,742	27,638,286	250,657,457	3,441,028,697	74.8
2021	305,392,434	28,316,299	277,076,134	3,718,104,831	80.9
2022	257,765,517	17,379,357	240,386,161	3,958,490,991	86.1
2023	343,663,099	12,149,277	331,513,823	4,290,004,814	93.3
2024	312,648,783	3,926,131	308,722,652	4,598,727,466	100.0
TOTAL	5,955,961,169	1,357,233,703	4,598,727,470		

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1914	3,500	2,875	625	625	0.0
1916	2,062	1,683	379	1,004	0.0
1919	3,453	2,801	652	1,656	0.0
1924	400	323	77	1,733	0.0
1925	36,834	32,321	4,513	6,246	0.0
1926	63,183	54,155	9,028	15,274	0.0
1927	34,913	31,326	3,587	18,861	0.0
1928	44,244	37,820	6,424	25,285	0.0
1929	43,378	37,221	6,157	31,442	0.0
1930	36,660	30,479	6,181	37,623	0.0
1931	24,312	19,354	4,958	42,581	0.0
1932	2,996	2,427	569	43,150	0.0
1933	2,748	2,167	581	43,731	0.0
1934	5,941	4,720	1,221	44,952	0.0
1935	5,210	4,113	1,097	46,049	0.0
1936	13,211	10,350	2,861	48,910	0.0
1937	15,552	12,143	3,409	52,319	0.0
1938	26,948	20,899	6,049	58,368	0.0
1939	9,228	7,303	1,925	60,293	0.0
1940	11,910	9,284	2,626	62,919	0.0
1941	7,064	5,555	1,509	64,428	0.0
1942	3,887	2,995	892	65,320	0.0
1943	1,211	926	285	65,605	0.0
1944	5,673	4,321	1,352	66,957	0.0
1945	14,230	10,715	3,515	70,472	0.0
1946	49,701	37,289	12,412	82,884	0.0
1947	124,210	93,245	30,965	113,849	0.1
1948	201,043	149,812	51,231	165,080	0.1
1949	185,141	137,058	48,083	213,163	0.1
1950	514,987	379,365	135,622	348,785	0.2
1951	362,549	268,174	94,375	443,160	0.2
1952	366,976	270,097	96,879	540,039	0.3
1953	577,452	422,609	154,843	694,882	0.3
1954	539,897	393,313	146,584	841,466	0.4
1955	498,903	362,577	136,326	977,792	0.5
1956	347,346	251,903	95,443	1,073,235	0.5
1957	279,212	200,918	78,294	1,151,529	0.6
1958	242,550	172,806	69,744	1,221,273	0.6
1959	273,239	194,011	79,228	1,300,501	0.6
1960	234,311	164,878	69,433	1,369,934	0.7
1961	210,686	146,752	63,934	1,433,868	0.7
1962	138,522	95,904	42,618	1,476,486	0.7
1963	232,324	172,262	60,062	1,536,548	0.7
1964	339,275	247,022	92,253	1,628,801	0.8

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1965	314,368	238,643	75,725	1,704,526	0.8
1966	259,442	189,580	69,862	1,774,388	0.9
1967	288,796	202,251	86,545	1,860,933	0.9
1968	328,393	235,286	93,107	1,954,040	0.9
1969	262,158	192,822	69,336	2,023,376	1.0
1970	471,490	337,937	133,553	2,156,929	1.0
1971	240,215	161,622	78,593	2,235,522	1.1
1972	710,944	472,355	238,589	2,474,111	1.2
1973	910,501	635,563	274,938	2,749,049	1.3
1974	810,604	567,371	243,233	2,992,282	1.5
1975	689,331	461,345	227,986	3,220,268	1.6
1976	606,995	409,477	197,518	3,417,786	1.7
1977	350,135	243,012	107,123	3,524,909	1.7
1978	1,616,124	1,009,343	606,781	4,131,690	2.0
1979	1,165,626	760,519	405,107	4,536,797	2.2
1980	1,041,829	668,872	372,957	4,909,754	2.4
1981	935,003	587,922	347,081	5,256,835	2.6
1982	803,613	498,695	304,918	5,561,753	2.7
1983	1,339,833	807,527	532,306	6,094,059	3.0
1984	2,028,941	1,186,108	842,833	6,936,892	3.4
1985	1,094,262	686,498	407,764	7,344,656	3.6
1986	2,348,701	1,397,891	950,810	8,295,466	4.0
1987	1,826,205	937,209	888,996	9,184,462	4.5
1988	1,839,302	953,419	885,883	10,070,345	4.9
1989	3,845,482	1,834,378	2,011,104	12,081,449	5.9
1990	3,163,679	1,523,638	1,640,041	13,721,490	6.7
1991	2,709,970	1,300,960	1,409,010	15,130,500	7.3
1992	3,169,879	1,488,038	1,681,841	16,812,341	8.2
1993	1,567,559	697,492	870,067	17,682,408	8.6
1994	1,063,142	448,854	614,288	18,296,696	8.9
1995	652,155	275,396	376,759	18,673,455	9.1
1996	896,838	360,955	535,883	19,209,338	9.3
1997	2,165,348	939,266	1,226,082	20,435,420	9.9
1998	5,927,124	2,242,562	3,684,562	24,119,982	11.7
1999	2,330,278	906,818	1,423,460	25,543,442	12.4
2000	2,559,392	918,242	1,641,150	27,184,592	13.2
2001	3,205,101	1,150,090	2,055,011	29,239,603	14.2
2002	10,501,657	3,426,903	7,074,754	36,314,357	17.6
2003	9,879,718	3,118,871	6,760,847	43,075,204	20.9
2004	2,422,274	657,833	1,764,441	44,839,645	21.8
2005	4,641,006	1,323,822	3,317,184	48,156,829	23.4
2006	3,589,279	946,111	2,643,168	50,799,997	24.7
2007	9,721,433	2,515,659	7,205,774	58,005,771	28.2
2008	1,253,222	309,222	944,000	58,949,771	28.6

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2009	1,026,722	203,360	823,362	59,773,133	29.0
2010	2,519,558	518,963	2,000,595	61,773,728	30.0
2011	5,739,512	1,090,308	4,649,204	66,422,932	32.2
2012	20,812,189	4,441,676	16,370,513	82,793,445	40.2
2013	8,333,561	1,433,275	6,900,286	89,693,731	43.5
2014	8,967,895	1,336,950	7,630,945	97,324,676	47.2
2015	13,989,530	1,977,617	12,011,913	109,336,589	53.1
2016	11,263,529	1,428,804	9,834,724	119,171,314	57.9
2017	19,366,582	2,478,717	16,887,864	136,059,179	66.1
2018	10,830,918	1,079,595	9,751,323	145,810,503	70.8
2019	14,254,105	1,120,978	13,133,127	158,943,631	77.2
2020	15,094,485	986,035	14,108,451	173,052,082	84.0
2021	3,824,001	198,168	3,625,833	176,677,916	85.8
2022	777,961	29,923	748,038	177,425,955	86.1
2023	23,108,176	599,314	22,508,862	199,934,817	97.1
2024	6,100,000	40,869	6,059,131	205,993,948	100.0
TOTAL	269,693,143	63,699,200	205,993,942		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1999	34,593.83	24,700	24,783	9,811	10.21	961
2000	29,929.63	21,118	21,189	8,741	10.22	855
2001	10,860.59	7,581	7,606	3,254	10.17	320
2006	3,047.86	1,962	1,969	1,079	10.24	105
2011	5,123.70	2,905	2,915	2,209	10.31	214
2012	171,273.42	93,995	94,311	76,963	10.28	7,487
2013	229,144.31	120,942	121,348	107,796	10.29	10,476
2014	27,559.71	13,918	13,965	13,595	10.29	1,321
2016	22,323.35	10,077	10,111	12,212	10.33	1,182
2017	4,408.24	1,855	1,861	2,547	10.32	247
2023	605,553.94	76,481	76,738	528,816	10.38	50,946
	1,143,818.58	375,534	376,796	767,023		74,114
PICKERING CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2000	12,406.42	9,270	9,301	3,105	8.29	375
2002	26,605.00	19,454	19,519	7,086	8.27	857
2004	50,625.93	36,015	36,136	14,490	8.32	1,742
2008	4,181.56	2,774	2,783	1,398	8.38	167
2011	104,118.31	64,241	64,457	39,661	8.38	4,733
2012	86,411.03	51,743	51,917	34,494	8.38	4,116
2013	63,063.82	36,476	36,599	26,465	8.38	3,158
2014	159,059.78	88,342	88,639	70,421	8.40	8,383
2017	13,060.67	6,162	6,183	6,878	8.40	819
2018	4,105.34	1,791	1,797	2,308	8.40	275
	523,637.86	316,268	317,331	206,307		24,625
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1909	49,095.04	45,933	46,087	3,008	7.95	378
1926	294.63	273	274	21	7.88	3
1931	10,578.47	9,693	9,726	853	8.54	100
1932	8,494.38	7,779	7,805	689	8.51	81
1933	7.78	7	7	1	8.50	

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1935	88.39	81	81	7	8.54	1
1937	1,718.62	1,564	1,569	149	8.65	17
1938	1,973.05	1,792	1,798	175	8.74	20
1940	348.33	315	316	32	8.95	4
1943	89.02	81	81	8	8.59	1
1946	326.31	295	296	30	8.45	4
1948	1,695.95	1,518	1,523	173	8.97	19
1949	576.21	518	520	56	8.54	7
1956	5,253.33	4,642	4,658	596	9.02	66
1965	543.47	472	474	70	8.99	8
1970	6,870.80	5,916	5,936	935	8.79	106
1971	386.64	331	332	55	9.00	6
1972	34,434.97	29,469	29,568	4,867	8.85	550
1973	3,708.60	3,152	3,163	546	9.10	60
1975	19,785.20	16,746	16,802	2,983	8.98	332
1976	1,004.27	848	851	153	8.97	17
1977	36,425.51	30,627	30,730	5,696	8.99	634
1978	5,978.89	5,004	5,021	958	9.06	106
1979	65,345.44	54,407	54,590	10,756	9.15	1,176
1980	4,858.87	4,044	4,058	801	8.97	89
1981	15,647.09	12,932	12,975	2,672	9.13	293
1982	10,836.43	8,935	8,965	1,871	9.05	207
1983	12,442.51	10,224	10,258	2,184	9.01	242
1984	5,128.45	4,196	4,210	918	9.00	102
1986	1,494.54	1,208	1,212	282	9.12	31
1987	23,554.81	18,903	18,967	4,588	9.23	497
1988	22,452.53	17,949	18,009	4,443	9.16	485
1989	40,948.71	32,562	32,671	8,277	9.14	906
1990	36,294.14	28,672	28,768	7,526	9.17	821
1993	7,583.43	5,876	5,896	1,688	9.15	184
2002	36,032.66	25,540	25,626	10,407	9.24	1,126
2005	17,420.60	11,787	11,827	5,594	9.32	600
2007	6,598.07	4,307	4,321	2,277	9.31	245
2008	17,131.67	10,940	10,977	6,155	9.34	659
2011	1,742.71	1,030	1,033	709	9.33	76
2012	250.53	143	143	107	9.33	11
2013	249,644.40	137,804	138,267	111,377	9.33	11,938
2014	57,890.15	30,635	30,738	27,152	9.34	2,907
2016	1,489.28	709	711	778	9.36	83

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
2017	486.67	216	217	270	9.36	29
2018	45,801.62	18,756	18,819	26,983	9.37	2,880
2020	41,864.50	13,564	13,610	28,255	9.39	3,009
	912,617.67	622,395	624,487	288,131		31,116
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
1969	5,832.14	4,143	4,157	1,675	22.62	74
1972	10,438.14	7,234	7,258	3,180	23.26	137
1973	122.34	84	84	38	23.13	2
1986	325.57	199	200	126	24.39	5
1992	140.54	80	80	60	24.64	2
1993	7,152.11	4,010	4,023	3,129	24.68	127
1994	884.66	488	490	395	24.75	16
1995	1,414.40	768	771	644	24.85	26
1996	13,182.68	7,026	7,050	6,133	24.97	246
2003	93,473.54	42,811	42,955	50,519	25.45	1,985
2006	25,819.68	10,844	10,880	14,939	25.55	585
2007	146.49	59	59	87	25.60	3
2010	4,017.00	1,445	1,450	2,567	25.82	99
2011	32,759.50	11,233	11,271	21,489	25.87	831
2012	61,975.36	20,142	20,210	41,766	25.96	1,609
2013	30,368.86	9,290	9,321	21,048	26.09	807
2014	171,736.28	49,220	49,385	122,351	26.13	4,682
2015	14,506.75	3,859	3,872	10,635	26.21	406
2017	31,252.14	6,938	6,961	24,291	26.28	924
2020	10,227,885.34	1,487,135	1,492,133	8,735,752	26.46	330,149
	10,733,433.52	1,667,008	1,672,611	9,060,823		342,715
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	101,089.88	52,314	52,490	48,600	32.17	1,511
1991	6,402,419.24	3,260,112	3,271,070	3,131,350	32.29	96,976
1992	53,417.08	26,735	26,825	26,592	32.44	820

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1994	62,666.63	30,199	30,301	32,366	32.79	987
1998	6,079.25	2,691	2,700	3,379	33.38	101
1999	1,916.96	831	834	1,083	33.32	33
2007	39,068.88	13,197	13,241	25,828	34.31	753
2008	8,039.27	2,600	2,609	5,431	34.52	157
2011	6,751.09	1,886	1,892	4,859	34.81	140
2012	45,349.71	11,963	12,003	33,347	34.89	956
2014	25,560.39	5,879	5,899	19,662	35.16	559
2016	67,365.00	13,055	13,099	54,266	35.36	1,535
	6,819,723.38	3,421,462	3,432,962	3,386,761		104,528
EDGELY WELL FIELD PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2086						
2011	3,108,840.15	726,225	728,666	2,380,174	44.30	53,729
2013	6,244.57	1,278	1,282	4,962	44.68	111
2015	1,999.62	348	349	1,650	45.15	37
2017	33,096.80	4,667	4,683	28,414	45.69	622
	3,150,181.14	732,518	734,980	2,415,201		54,499
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1910	15,290.33	15,290	15,290			
1914	710.90	711	711			
1926	5,270.50	5,270	5,271			
1929	487.57	488	488			
1931	1,702.31	1,702	1,702			
1932	2,256.90	2,257	2,257			
1937	110.94	111	111			
1938	1,133.46	1,133	1,133			
1939	62.67	63	63			
1940	2,169.60	2,170	2,170			
1944	866.43	858	861	6	0.80	6
1950	5,898.24	5,712	5,731	167	2.42	69
1951	21,139.86	20,353	20,422	718	2.84	253
1952	4,844.12	4,671	4,687	157	2.69	58

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1953	13,253.58	12,698	12,741	513	3.13	164
1954	71,786.02	68,326	68,556	3,230	3.57	905
1955	11,201.68	10,666	10,702	500	3.49	143
1956	47,222.37	44,639	44,789	2,433	3.96	614
1957	14,381.74	13,591	13,637	745	3.93	190
1958	52,731.48	49,441	49,608	3,124	4.43	705
1959	1,140.59	1,068	1,072	69	4.43	16
1961	13,890.39	12,878	12,921	969	4.99	194
1962	86.60	80	80	6	5.07	1
1963	30,056.99	27,544	27,637	2,420	5.61	431
1964	5,672.76	5,183	5,200	472	5.72	83
1965	10,218.90	9,242	9,273	946	6.29	150
1966	13,471.96	12,137	12,178	1,294	6.44	201
1967	797.50	715	717	80	6.60	12
1968	14,564.22	13,001	13,045	1,519	6.79	224
1969	14,446.43	12,748	12,791	1,655	7.40	224
1970	50,537.12	44,341	44,490	6,047	7.61	795
1971	11,809.61	10,298	10,333	1,477	7.85	188
1972	56,754.50	48,866	49,031	7,724	8.48	911
1973	181,297.91	154,992	155,514	25,784	8.74	2,950
1974	23,754.42	20,153	20,221	3,534	9.02	392
1975	113,642.41	95,073	95,393	18,249	9.67	1,887
1976	7,126.23	5,910	5,930	1,196	9.98	120
1977	4,253.21	3,495	3,507	746	10.30	72
1978	179,751.06	145,437	145,927	33,824	10.97	3,083
1979	28,306.53	22,668	22,744	5,562	11.32	491
1980	30,545.48	24,058	24,139	6,406	12.00	534
1981	93,972.07	73,167	73,413	20,559	12.37	1,662
1982	18,696.64	14,303	14,351	4,345	13.06	333
1983	3,669.12	2,771	2,780	889	13.45	66
1984	17,821.77	13,209	13,253	4,568	14.14	323
1985	145,890.64	106,617	106,976	38,915	14.55	2,675
1986	396,934.29	284,245	285,202	111,732	15.26	7,322
1987	184,662.73	130,187	130,625	54,037	15.69	3,444
1988	445,636.92	307,400	308,435	137,202	16.41	8,361
1989	213,797.93	144,955	145,443	68,355	16.86	4,054
1990	115,061.89	76,217	76,474	38,588	17.58	2,195
1991	206,080.30	133,252	133,701	72,380	18.31	3,953
1992	508,707.27	322,419	323,505	185,202	18.78	9,862
1993	501,871.17	309,855	310,899	190,973	19.52	9,783
1994	303,345.89	182,250	182,864	120,482	20.26	5,947

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1995	815,412.43	478,647	480,259	335,153	20.75	16,152
1996	168,492.75	96,041	96,364	72,128	21.50	3,355
1997	56,855.10	31,429	31,535	25,320	22.25	1,138
1998	249,746.58	134,364	134,817	114,930	22.76	5,050
1999	522,443.83	271,775	272,690	249,754	23.52	10,619
2000	529,695.72	266,013	266,909	262,787	24.28	10,823
2001	784,928.11	379,984	381,264	403,664	25.04	16,121
2002	3,737,967.49	1,749,369	1,755,261	1,982,707	25.58	77,510
2003	174,502.31	78,421	78,685	95,817	26.34	3,638
2004	116,668.59	50,226	50,395	66,273	27.12	2,444
2005	829,920.92	341,429	342,579	487,342	27.90	17,467
2006	1,034,972.59	405,916	407,283	627,690	28.67	21,894
2007	666,451.15	248,453	249,290	417,161	29.45	14,165
2008	1,794,783.80	633,738	635,872	1,158,911	30.23	38,336
2009	621,473.72	207,075	207,772	413,701	31.01	13,341
2010	2,098,546.18	657,265	659,479	1,439,068	31.80	45,254
2011	2,240,911.76	659,500	661,721	1,579,191	32.37	48,786
2012	2,251,235.11	616,388	618,464	1,632,771	33.16	49,239
2013	1,696,103.24	429,114	430,559	1,265,544	33.95	37,277
2014	1,119,531.14	259,731	260,606	858,925	34.75	24,717
2015	3,234,930.86	682,247	684,545	2,550,386	35.55	71,741
2016	3,403,238.67	645,254	647,427	2,755,812	36.34	75,834
2017	2,008,692.02	337,460	338,597	1,670,096	37.14	44,968
2018	5,846,100.42	854,700	857,579	4,988,522	37.95	131,450
2019	5,603,862.67	696,560	698,906	4,904,957	38.75	126,580
2020	2,481,476.51	253,607	254,461	2,227,015	39.55	56,309
2021	218,454.24	17,433	17,492	200,963	40.36	4,979
2022	982,176.49	56,475	56,665	925,511	40.98	22,584
2023	749,259.48	26,074	26,162	723,098	41.60	17,382
2024	1,744,318.44	20,583	20,652	1,723,666	41.87	41,167
	52,003,946.47	14,616,155	14,665,282	37,338,664		1,126,366
	75,287,358.62	21,751,340	21,824,449	53,462,910		1,757,963

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.4 2.34

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
1998	70,473.19	42,397	40,072	30,401	17.55	1,732
1999	72,045.30	42,622	40,284	31,761	17.60	1,805
2000	106,079.27	61,855	58,463	47,617	17.52	2,718
2001	200,093.92	114,254	107,988	92,106	17.65	5,218
2002	211,916.64	118,716	112,205	99,711	17.66	5,646
2003	4,013.73	2,209	2,088	1,926	17.56	110
2004	10,588,687.67	5,687,184	5,375,283	5,213,405	17.67	295,043
2005	657,339.95	344,841	325,929	331,411	17.67	18,756
2006	537,187.67	274,288	259,245	277,942	17.73	15,676
2007	813,159.78	404,140	381,976	431,184	17.71	24,347
2008	1,235,494.02	595,261	562,615	672,879	17.75	37,909
2009	156,169.90	72,869	68,873	87,297	17.72	4,926
2010	47,454.18	21,331	20,161	27,293	17.76	1,537
2011	1,222,652.12	526,474	497,601	725,051	17.85	40,619
2012	21,667.96	8,938	8,448	13,220	17.80	743
2013	30.90	12	11	20	17.82	1
2014	205,134.51	76,023	71,854	133,281	17.83	7,475
2015	398,823.82	138,312	130,727	268,097	17.90	14,977
2016	510,649.74	164,531	155,508	355,142	17.88	19,863
2017	713,385.10	210,306	198,772	514,613	17.94	28,685
2018	2,485,518.98	660,651	624,419	1,861,100	17.95	103,682
2019	310,693.50	72,795	68,803	241,891	17.97	13,461
2020	79,565.74	15,929	15,055	64,510	17.97	3,590
2021	1,169,792.01	190,442	179,998	989,794	18.00	54,989
2022	395,671.49	48,272	45,625	350,047	17.99	19,458
2023	184,492.90	14,169	13,392	171,101	18.03	9,490
	22,398,193.99	9,908,821	9,365,393	13,032,801		732,456
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1994	537,861.28	377,310	356,617	181,244	12.98	13,963
1998	479,802.35	321,659	304,018	175,784	13.03	13,491
2000	875,971.94	570,871	539,563	336,409	13.09	25,700
2001	20,283.45	13,061	12,345	7,939	13.00	611
2002	134,012.05	84,722	80,076	53,936	13.09	4,120
2004	40,117.93	24,508	23,164	16,954	13.06	1,298
2005	33,073.44	19,798	18,712	14,361	13.07	1,099

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
2006	114,622.40	67,008	63,333	51,289	13.15	3,900
2007	16,114.55	9,193	8,689	7,426	13.17	564
2008	236,207.88	131,332	124,129	112,079	13.18	8,504
2009	1,025,923.57	555,025	524,586	501,338	13.15	38,125
2010	7,377,510.35	3,861,389	3,649,619	3,727,891	13.20	282,416
2011	74,429.97	37,676	35,610	38,820	13.17	2,948
2012	1,926.10	936	885	1,041	13.21	79
2013	14,247.45	6,636	6,272	7,975	13.19	605
2014	106,422.57	47,156	44,570	61,853	13.20	4,686
2015	432,451.34	180,765	170,851	261,600	13.23	19,773
2016	198,583.98	77,646	73,388	125,196	13.24	9,456
2017	1,764,443.45	637,846	602,865	1,161,579	13.25	87,666
2018	3,502,522.04	1,151,979	1,088,801	2,413,721	13.26	182,030
2019	570,771.01	167,350	158,172	412,599	13.26	31,116
2020	318,542.83	80,719	76,292	242,251	13.26	18,269
2021	338,715.37	70,656	66,781	271,934	13.28	20,477
2022	2,084.40	330	312	1,772	13.30	133
2023	7,178,050.52	727,854	687,936	6,490,114	13.29	488,346
	25,394,692.22	9,223,425	8,717,586	16,677,106		1,259,375
PICKERING EAST CARBON HOUSE						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1989	843,453.11	431,173	407,526	435,927	33.94	12,844
1991	40,404.36	20,032	18,933	21,471	34.07	630
1992	2,433.79	1,186	1,121	1,313	34.17	38
1993	62,805.82	30,071	28,422	34,384	34.29	1,003
1998	18,268.77	7,892	7,459	10,810	34.85	310
2006	7,228.32	2,474	2,338	4,890	35.56	138
2007	3,352.09	1,103	1,043	2,310	35.69	65
	977,946.26	493,931	466,842	511,104		15,028

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
1948	156,036.60	122,957	116,214	39,823	20.58	1,935
1949	549.71	432	408	141	20.65	7
1950	80.33	63	60	21	19.84	1
1951	449.19	353	334	116	19.96	6
1952	114.08	89	84	30	20.09	1
1961	27,535.35	20,806	19,665	7,870	20.54	383
1962	437.64	328	310	128	20.83	6
1963	124.00	92	87	37	21.14	2
1967	895.14	654	618	277	21.24	13
1969	179.10	129	122	57	21.42	3
1972	30,617.43	21,702	20,512	10,106	21.57	469
1974	2,752.50	1,932	1,826	926	21.44	43
1976	5,541.42	3,844	3,633	1,908	21.43	89
1977	2,494.43	1,718	1,624	871	21.46	41
1979	4,240.89	2,875	2,717	1,524	21.61	71
1981	5,086.20	3,385	3,199	1,887	21.86	86
1982	3,896.95	2,567	2,426	1,471	22.01	67
1983	14,327.35	9,394	8,879	5,449	21.79	250
1985	431.41	278	263	169	21.85	8
1986	20,694.35	13,145	12,424	8,270	22.11	374
1987	166,551.39	104,927	99,172	67,379	22.02	3,060
1988	19,486.40	12,163	11,496	7,990	21.98	364
1990	14,489.89	8,798	8,315	6,174	22.32	277
1991	8,885.15	5,328	5,036	3,849	22.37	172
1992	20,318.87	12,019	11,360	8,959	22.45	399
1993	21,666.01	12,694	11,998	9,668	22.26	434
1994	31,368.22	18,081	17,089	14,279	22.41	637
1995	25,287.85	14,399	13,609	11,679	22.31	523
1996	77,776.33	43,446	41,063	36,713	22.52	1,630
1997	18,340.99	10,088	9,535	8,806	22.50	391
1998	1,560,145.77	843,415	797,160	762,986	22.52	33,880
2000	116,496.24	60,508	57,190	59,307	22.67	2,616
2001	31,329.21	15,978	15,102	16,227	22.58	719
2002	25,919.57	12,887	12,180	13,739	22.75	604
2003	5,322.83	2,586	2,444	2,879	22.75	127
2004	40,131.01	19,006	17,964	22,167	22.79	973
2006	213,394.33	95,537	90,297	123,097	22.82	5,394
2009	8,638.67	3,481	3,290	5,349	22.96	233
2010	185,804.58	71,665	67,735	118,070	23.09	5,113
2011	22,097.77	8,145	7,698	14,399	23.13	623

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2012	655.57	230	217	438	23.09	19
2013	6,007.96	1,997	1,887	4,120	23.10	178
2014	341,314.11	106,422	100,586	240,729	23.17	10,390
2015	252,699.05	73,460	69,431	183,268	23.18	7,906
2016	196,705.97	52,678	49,789	146,917	23.24	6,322
2017	66,795.45	16,285	15,392	51,404	23.27	2,209
2018	7,516,971.96	1,637,196	1,547,407	5,969,565	23.35	255,656
2019	116,785.20	22,283	21,061	95,724	23.32	4,105
2020	98,961.85	15,992	15,115	83,847	23.35	3,591
2021	1,187,310.59	154,588	146,110	1,041,201	23.38	44,534
2022	708,519.95	68,372	64,622	643,898	23.41	27,505
2023	325,012.43	19,566	18,493	306,519	23.44	13,077
	13,707,675.24	3,750,963	3,545,249	10,162,426		437,516
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
1970	19.68	14	13	6	24.24	
1972	325,707.49	222,295	210,104	115,604	24.42	4,734
1973	47,032.31	31,973	30,220	16,813	24.26	693
1974	5,330.27	3,607	3,409	1,921	24.13	80
1975	4,012.32	2,681	2,534	1,478	24.58	60
1979	2,865.71	1,864	1,762	1,104	24.43	45
1981	2,593.66	1,658	1,567	1,027	24.53	42
1982	2,337.42	1,480	1,399	939	24.62	38
1983	18,818.27	11,792	11,145	7,673	24.73	310
1986	60,826.64	36,764	34,748	26,079	25.20	1,035
1992	2,269.28	1,276	1,206	1,063	25.31	42
1993	5,877,886.40	3,258,700	3,079,983	2,797,903	25.32	110,502
1994	37,454.90	20,450	19,328	18,126	25.36	715
1996	18,383.91	9,692	9,160	9,223	25.56	361
1998	8,088.98	4,095	3,870	4,219	25.85	163
2002	31,373.44	14,542	13,744	17,629	26.04	677
2003	20,102.58	9,119	8,619	11,484	25.90	443
2004	40,117.93	17,684	16,714	23,404	26.01	900
2006	112,766.14	46,730	44,167	68,599	26.14	2,624
2007	608.40	244	231	378	26.17	14
2009	50,245.49	18,611	17,590	32,655	26.34	1,240

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
2010	20,471.76	7,272	6,873	13,599	26.32	517
2011	50,098.89	16,974	16,043	34,056	26.34	1,293
2012	96,591.76	31,025	29,323	67,268	26.41	2,547
2013	2,837.31	858	811	2,026	26.52	76
2014	93,838.36	26,603	25,144	68,694	26.54	2,588
2015	2,431,329.83	639,926	604,831	1,826,499	26.60	68,665
2016	128,413.15	31,102	29,396	99,017	26.59	3,724
2017	230,191.14	50,596	47,821	182,370	26.63	6,848
2018	50,865.46	9,949	9,403	41,462	26.72	1,552
2019	181,876.68	31,010	29,309	152,567	26.76	5,701
2020	2,929,477.14	421,845	398,710	2,530,767	26.75	94,608
2021	60,473.90	6,985	6,602	53,872	26.80	2,010
	12,945,306.60	4,989,416	4,715,782	8,229,525		314,847
PICKERING EAST (PUMP AND TREAT. BLDG.)						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	30,644.19	15,435	14,588	16,056	33.99	472
1991	6,401,975.90	3,174,100	3,000,023	3,401,953	34.07	99,852
1992	171,005.77	83,365	78,793	92,213	34.17	2,699
1994	13,204.18	6,202	5,862	7,342	34.44	213
1996	2,151.80	975	922	1,230	34.39	36
1999	4,026.13	1,704	1,611	2,416	34.74	70
2000	579,796.25	238,644	225,556	354,240	35.02	10,115
2001	5,861.98	2,355	2,226	3,636	34.98	104
2002	25,919.57	10,148	9,591	16,328	34.97	467
2006	179,409.26	61,394	58,027	121,382	35.56	3,413
2009	109,323.30	33,038	31,226	78,097	35.78	2,183
2010	7,759,984.69	2,227,892	2,105,708	5,654,277	36.01	157,020
2011	233,676.97	63,724	60,229	173,448	36.00	4,818
2012	33,852.81	8,717	8,239	25,614	36.04	711
2013	44,291.18	10,696	10,109	34,182	36.12	946
2014	3,179.89	715	676	2,504	36.23	69
2015	456,566.43	94,555	89,369	367,197	36.37	10,096
2016	131,986.78	24,906	23,540	108,447	36.55	2,967
2017	123,698.34	21,053	19,898	103,800	36.56	2,839
2018	99,169.78	14,955	14,135	85,035	36.60	2,323
2019	464,165.70	60,527	57,208	406,958	36.69	11,092

AQUA PENNSYLVANIA, INC.
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING EAST (PUMP AND TREAT. BLDG.)						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
2020	137,452.17	14,969	14,148	123,304	36.82	3,349
2021	265,379.00	23,035	21,772	243,607	36.82	6,616
2023	244,504.48	9,536	9,013	235,491	36.96	6,372
	17,521,226.55	6,202,640	5,862,469	11,658,758		328,842
MEDIA FILTRATION PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1942	61,383.97	53,680	50,736	10,648	11.84	899
1957	123,834.00	104,491	98,760	25,074	12.50	2,006
1964	4,931.00	4,087	3,863	1,068	12.50	85
1983	9,000.00	6,872	6,495	2,505	12.85	195
1985	345,800.00	260,872	246,565	99,235	12.86	7,717
1988	18,280.00	13,478	12,739	5,541	13.00	426
1989	1,450,483.00	1,065,815	1,007,363	443,120	12.81	34,592
1991	8,185.00	5,895	5,572	2,613	13.01	201
1994	625.00	438	414	211	12.98	16
1995	62,468.35	43,303	40,928	21,540	13.06	1,649
1996	48,340.59	33,200	31,379	16,961	13.00	1,305
1998	110,214.95	73,888	69,836	40,379	13.03	3,099
2001	45,535.69	29,320	27,712	17,824	13.00	1,371
2006	607,419.39	355,097	335,623	271,797	13.15	20,669
2009	299,038.35	161,780	152,908	146,131	13.15	11,113
	3,195,539.29	2,212,216	2,090,892	1,104,647		85,343
BRISTOL WATER TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2060						
1973	419,576.62	270,123	255,309	164,268	28.50	5,764
1986	2,530.00	1,422	1,344	1,186	29.99	40
1992	444,200.00	229,563	216,973	227,227	30.39	7,477
1997	229,978.49	108,780	102,814	127,164	30.64	4,150
2006	611,007.95	226,073	213,674	397,333	31.50	12,614
2007	66,152.17	23,616	22,321	43,831	31.52	1,391
2008	274,465.91	94,197	89,031	185,435	31.58	5,872
2009	1,624,987.45	533,971	504,686	1,120,301	31.67	35,374

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BRISTOL WATER TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2060						
2010	240,383.99	75,288	71,159	169,225	31.80	5,322
2011	58,878.59	17,569	16,605	42,273	31.75	1,331
2013	60,206.32	15,925	15,052	45,155	31.98	1,412
2014	71,912.11	17,748	16,775	55,137	32.05	1,720
2015	45,928.39	10,472	9,898	36,031	32.17	1,120
2016	188,291.94	39,372	37,213	151,079	32.15	4,699
2017	8,669,325.65	1,638,503	1,548,643	7,120,683	32.18	221,277
2018	812,351.57	136,231	128,760	683,592	32.26	21,190
2019	108,765.16	15,793	14,927	93,838	32.38	2,898
2020	4,663.11	569	538	4,125	32.40	127
2021	103,133.66	10,035	9,485	93,649	32.47	2,884
2022	126,847.62	9,070	8,573	118,275	32.47	3,643
	14,163,586.70	3,474,320	3,283,778	10,879,809		340,305
INGRAM'S MILL						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2032						
1972	1,761,751.69	1,544,704	1,459,988	301,764	7.38	40,889
1988	30,907.38	25,721	24,310	6,597	7.36	896
1989	235,613.21	194,899	184,210	51,403	7.42	6,928
1990	10,856.31	8,952	8,461	2,395	7.34	326
1995	21,447.72	17,145	16,205	5,243	7.40	709
1996	7,633.60	6,070	5,737	1,896	7.34	258
1998	96,792.11	75,672	71,522	25,270	7.40	3,415
1999	1,508.00	1,169	1,105	403	7.39	55
2002	203,416.92	153,336	144,927	58,490	7.35	7,958
2008	11,913.72	8,217	7,766	4,147	7.42	559
2009	653.71	442	418	236	7.44	32
2020	34,332.05	12,929	12,220	22,112	7.45	2,968
2021	1,777.56	568	537	1,241	7.45	167
2023	121,614.35	20,358	19,242	102,373	7.46	13,723
	2,540,218.33	2,070,182	1,956,647	583,571		78,883

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FERN HILL						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2073						
1998	8,053,827.96	3,265,022	3,085,959	4,967,869	38.86	127,840
1999	5,179.85	2,061	1,948	3,232	38.60	84
2000	6,156.80	2,383	2,252	3,904	38.79	101
2003	5,188.46	1,829	1,729	3,460	39.48	88
2004	1,161.96	398	376	786	39.38	20
2009	45,679.22	12,745	12,046	33,633	40.06	840
2010	17,682.10	4,693	4,436	13,246	40.14	330
2011	262,897.54	66,014	62,394	200,504	40.26	4,980
2012	4,739.42	1,119	1,058	3,682	40.41	91
2014	3,905.87	800	756	3,150	40.78	77
2015	2,515.53	473	447	2,068	41.01	50
2016	42,579.73	7,311	6,910	35,670	41.00	870
2017	16,062.48	2,482	2,346	13,717	41.04	334
2019	2,637.33	310	293	2,344	41.23	57
	8,470,214.25	3,367,640	3,182,949	5,287,265		135,762
BEAR GAP TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	5,454,732.85	3,314,841	3,133,046	2,321,687	19.04	121,937
1996	23,854.42	14,277	13,494	10,360	19.12	542
2002	25,919.57	13,940	13,175	12,744	19.34	659
2005	4,386.36	2,198	2,077	2,309	19.41	119
2006	141,778.80	68,990	65,206	76,572	19.52	3,923
2012	19,334.92	7,517	7,105	12,230	19.65	622
	5,670,006.92	3,421,763	3,234,104	2,435,903		127,802
SHENANGO VALLEY TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	25,130,411.99	9,544,530	9,021,081	16,109,331	40.01	402,633
2001	237,134.95	87,503	82,704	154,431	40.19	3,843
2002	577,788.61	206,733	195,395	382,393	40.39	9,468
2003	3,942.90	1,365	1,290	2,653	40.61	65
2010	75,885.32	19,700	18,620	57,266	41.36	1,385
2011	322,395.53	79,213	74,869	247,527	41.45	5,972

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SHENANGO VALLEY TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2075						
2012	2,213,102.94	511,669	483,608	1,729,495	41.56	41,614
2013	5,621.61	1,215	1,148	4,473	41.69	107
2014	13,533.27	2,715	2,566	10,967	41.85	262
2015	25,014.94	4,610	4,357	20,658	42.05	491
2016	234,113.35	39,191	37,042	197,072	42.26	4,663
2017	129,006.84	19,454	18,387	110,620	42.25	2,618
2018	626,246.21	83,040	78,486	547,760	42.52	12,882
2019	2,682,817.75	306,914	290,082	2,392,736	42.58	56,194
2020	142,068.61	13,553	12,810	129,259	42.67	3,029
2021	64,490.00	4,875	4,608	59,882	42.80	1,399
2022	108,390.86	5,983	5,655	102,736	42.75	2,403
2023	13,882.33	469	443	13,439	42.94	313
	32,605,848.01	10,932,732	10,333,150	22,272,698		549,341
INGRAM'S MILL PLANT- NEW						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2077						
2002	25,320,902.96	8,943,343	8,452,864	16,868,039	41.20	409,418
2005	58,508.17	18,594	17,574	40,934	41.85	978
2006	607,419.40	186,538	176,308	431,112	41.74	10,329
2011	12,470.68	2,997	2,833	9,638	42.68	226
2012	4,813.60	1,089	1,029	3,784	42.75	89
2013	895.98	190	180	716	42.85	17
2014	35,133.40	6,900	6,522	28,612	42.97	666
2015	71,561.83	12,917	12,209	59,353	43.13	1,376
2016	567,643.98	93,094	87,988	479,656	43.32	11,072
2017	246,119.54	36,180	34,196	211,924	43.52	4,870
2018	417,036.15	54,215	51,242	365,794	43.50	8,409
2019	22,930.07	2,559	2,419	20,511	43.76	469
2020	25,193.53	2,348	2,219	22,974	43.81	524
2023	35,037.24	1,156	1,093	33,945	43.95	772
	27,425,666.53	9,362,120	8,848,674	18,576,993		449,215

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BUBBLING SPRINGS PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2065						
2004	4,403.54	1,634	1,544	2,859	34.75	82
2005	1,290,445.00	463,012	437,619	852,826	34.85	24,471
2006	43,718.55	15,127	14,297	29,421	34.97	841
2007	13,919.80	4,652	4,397	9,523	34.86	273
2008	15,507.39	4,964	4,692	10,816	35.05	309
2010	4,008,460.96	1,168,066	1,104,006	2,904,455	35.25	82,396
	5,376,455.24	1,657,455	1,566,555	3,809,900		108,372
EMLENTON						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2070						
2010	3,581,595.32	981,357	927,537	2,654,058	38.41	69,098
2011	11,411.03	2,958	2,796	8,615	38.58	223
2013	7,070.06	1,618	1,529	5,541	38.75	143
2016	6,228.85	1,112	1,051	5,178	39.12	132
2018	7,048.68	999	944	6,104	39.37	155
2023	12,105.50	441	417	11,689	39.65	295
	3,625,459.44	988,485	934,274	2,691,185		70,046
EAGLE ROCK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2079						
2019	4,350,753.17	475,972	449,869	3,900,885	44.75	87,171
2022	53,682.56	2,818	2,663	51,019	45.12	1,131
	4,404,435.73	478,790	452,532	3,951,904		88,302
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
1944	3,978.81	3,651	3,451	528	7.22	73
1948	22,187.85	20,029	18,931	3,257	8.25	395
1960	3,700.81	3,103	2,933	768	12.42	62
1961	29,819.17	24,804	23,444	6,375	12.84	496
1962	10,840.26	8,943	8,453	2,388	13.26	180
1966	6,863.90	5,501	5,199	1,665	14.50	115

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OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
1971	247.16	189	179	69	16.43	4
1975	791.92	584	552	240	17.61	14
1977	2,970.72	2,145	2,027	943	18.29	52
1978	47,043.22	33,467	31,632	15,412	18.86	817
1979	5,098.83	3,596	3,399	1,700	19.02	89
1980	25,313.21	17,572	16,608	8,705	19.60	444
1981	11,794.83	8,107	7,662	4,132	19.79	209
1982	2,445.16	1,663	1,572	873	20.00	44
1983	6,636.74	4,435	4,192	2,445	20.61	119
1984	68,358.46	45,130	42,655	25,704	20.85	1,233
1985	219,696.17	143,198	135,345	84,352	21.10	3,998
1986	71,465.87	45,953	43,433	28,033	21.38	1,311
1987	104,546.16	66,261	62,627	41,919	21.67	1,934
1988	16,174.96	10,096	9,542	6,633	21.98	302
1989	202,147.71	124,159	117,350	84,798	22.30	3,803
1990	102,475.07	61,874	58,481	43,994	22.64	1,943
1992	68,881.98	40,076	37,878	31,004	23.36	1,327
1994	210,172.52	117,949	111,480	98,692	23.85	4,138
1995	33,554.17	18,411	17,401	16,153	24.26	666
1996	48,478.68	25,975	24,550	23,928	24.69	969
1997	326,336.53	171,392	161,992	164,344	24.86	6,611
1998	676,734.80	347,909	328,829	347,906	25.05	13,888
1999	41,459.84	20,722	19,586	21,874	25.52	857
2000	208,432.18	101,632	96,058	112,374	25.75	4,364
2001	86,970.38	41,285	39,021	47,950	26.00	1,844
2002	99,100.43	45,705	43,198	55,902	26.28	2,127
2003	4,801.12	2,147	2,029	2,772	26.58	104
2004	131,283.22	56,793	53,678	77,605	26.89	2,886
2005	228,581.72	95,387	90,156	138,426	27.23	5,084
2006	106,765.84	43,059	40,698	66,068	27.37	2,414
2007	1,191,977.56	461,057	435,771	756,206	27.75	27,251
2008	56,626.17	21,020	19,867	36,759	27.95	1,315
2009	96,873.03	34,235	32,357	64,516	28.36	2,275
2010	904,767.90	304,364	287,672	617,096	28.60	21,577
2011	6,432,713.44	2,058,468	1,945,576	4,487,138	28.69	156,401
2012	5,337,905.84	1,607,777	1,519,602	3,818,304	29.00	131,666
2013	1,018,167.45	286,920	271,184	746,983	29.31	25,486
2014	3,792,778.43	995,604	941,002	2,851,776	29.50	96,670
2015	2,890,121.66	699,987	661,598	2,228,524	29.72	74,984
2016	2,421,311.99	537,047	507,594	1,913,718	29.82	64,176
2017	3,679,288.09	734,018	693,762	2,985,526	30.09	99,220

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OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
2018	4,689,374.60	829,081	783,612	3,905,763	30.26	129,073
2019	4,842,260.89	742,803	702,066	4,140,195	30.34	136,460
2020	2,631,697.95	338,700	320,125	2,311,573	30.47	75,864
2021	8,311,356.58	852,745	805,978	7,505,379	30.63	245,034
2022	6,884,105.56	519,750	491,245	6,392,860	30.61	208,849
2023	1,348,959.27	63,131	59,669	1,289,291	30.55	42,203
2024	5,136,048.75	83,204	78,641	5,057,408	30.36	166,581
	64,902,485.56	12,932,813	12,223,540	52,678,946		1,770,001
	265,324,956.86	85,467,712	80,780,416	184,544,541		6,891,436
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					26.8	2.60

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2051						
1986	1,089,021.29	750,553	825,605	263,416	17.36	15,174
1987	31,182.92	21,048	23,153	8,030	18.06	445
1988	219,960.44	146,120	160,731	59,229	18.45	3,210
1989	1,989.78	1,300	1,430	560	18.85	30
1990	21,140.44	13,640	15,004	6,136	18.97	323
1991	53,531.08	33,896	37,285	16,246	19.41	837
1992	29,931.09	18,581	20,439	9,492	19.85	478
1993	155,732.05	95,168	104,684	51,048	20.05	2,546
1994	74,377.09	44,463	48,909	25,468	20.52	1,241
1995	44,000.40	25,828	28,411	15,590	20.75	751
1996	79,812.37	45,948	50,543	29,270	21.00	1,394
1997	292,891.31	164,312	180,743	112,149	21.52	5,211
1998	112,166.87	61,826	68,008	44,159	21.58	2,046
1999	144,325.40	77,647	85,411	58,914	21.90	2,690
2000	174,504.56	91,493	100,642	73,863	22.23	3,323
2001	12,839.74	6,578	7,236	5,604	22.37	251
2002	1,737,275.89	863,774	950,148	787,128	22.75	34,599
2003	105,813.14	51,192	56,311	49,502	22.94	2,158
2004	1,493,209.77	700,913	771,002	722,208	23.17	31,170
2005	3,565,852.95	1,627,099	1,789,802	1,776,051	23.24	76,422
2006	7,503,908.97	3,303,971	3,634,355	3,869,554	23.52	164,522
2007	2,244,397.20	954,318	1,049,746	1,194,651	23.65	50,514
2008	1,294,681.20	529,784	582,760	711,921	23.82	29,888
2009	1,714,582.37	672,459	739,702	974,880	24.02	40,586
2010	495,411.90	186,077	204,684	290,728	24.11	12,058
2011	13,392.10	4,792	5,271	8,121	24.23	335
2012	13,609.19	4,611	5,072	8,537	24.40	350
2013	120,853.61	38,504	42,354	78,499	24.60	3,191
2014	176,284.09	52,568	57,825	118,459	24.71	4,794
2015	1,007,807.86	279,566	307,521	700,286	24.75	28,294
2016	421,803.13	107,560	118,316	303,488	24.83	12,223
2017	7,958,918.47	1,838,510	2,022,354	5,936,565	24.97	237,748
2018	5,584,449.22	1,150,397	1,265,432	4,319,017	25.05	172,416
2019	12,134,998.75	2,175,805	2,393,377	9,741,622	25.17	387,033
2020	239,960.85	36,378	40,016	199,945	25.18	7,941
2021	12,205,291.58	1,486,605	1,635,260	10,570,032	25.24	418,781

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2051						
2022	3,031.37	273	300	2,731	25.28	108
2023	110,273.81	6,175	6,792	103,481	25.31	4,089
2024	1,259,785.54	24,440	26,884	1,232,902	25.21	48,905
	63,942,999.79	17,694,172	19,463,519	44,479,481		1,808,075
GREAT VALLEY OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2038						
1997	3,295.37	2,257	2,483	813	12.66	64
1998	12,523.31	8,463	9,309	3,214	12.71	253
1999	174,041.85	116,277	127,904	46,138	12.67	3,642
2000	76,486.71	50,221	55,243	21,244	12.81	1,658
2001	128,585.01	83,092	91,401	37,184	12.87	2,889
2002	117,977.54	75,128	82,640	35,337	12.83	2,754
2004	3,525.77	2,161	2,377	1,149	12.94	89
2006	1,311.30	769	846	465	13.05	36
2008	40,965.08	22,846	25,131	15,835	13.09	1,210
2009	14,891.86	8,079	8,887	6,005	13.07	459
2010	114,153.99	59,919	65,911	48,243	13.12	3,677
2011	243,467.12	123,243	135,567	107,900	13.17	8,193
2012	1,530.00	744	818	712	13.21	54
2013	2,708.44	1,262	1,388	1,320	13.19	100
2014	2,802.94	1,239	1,363	1,440	13.25	109
2015	536,590.31	224,295	246,724	289,867	13.23	21,910
2016	120,550.65	47,039	51,743	68,808	13.29	5,177
2017	39,407.86	14,218	15,640	23,768	13.29	1,788
2018	75,018.09	24,621	27,083	47,935	13.30	3,604
2019	35,409.81	10,361	11,397	24,013	13.30	1,805
2020	9,055.80	2,286	2,515	6,541	13.33	491
2021	10,229.65	2,127	2,340	7,890	13.34	591
	1,764,528.46	880,647	968,708	795,820		60,553

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UTMA, BELL TAVERN OFFICE						
FULLY ACCRUED						
2003	5,127.76	5,128	5,128			
	5,127.76	5,128	5,128			
EASTERN DIVISION OPERATIONS CENTER						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	3,219,891.02	2,023,380	2,225,854	994,037	17.45	56,965
1996	321,193.63	197,727	217,513	103,681	17.80	5,825
1997	35.77	22	24	12	17.95	1
1998	5,353.18	3,192	3,511	1,842	17.95	103
1999	22,850.40	13,345	14,680	8,170	18.17	450
2000	18,353.25	10,522	11,575	6,778	18.24	372
2002	131,885.13	72,115	79,331	52,554	18.65	2,818
2003	55,004.03	29,449	32,396	22,608	18.66	1,212
2004	47.68	25	28	20	18.87	1
2005	7,947.42	4,029	4,432	3,515	18.96	185
2006	372,116.31	183,825	202,220	169,896	18.95	8,965
2008	90,845.90	41,971	46,171	44,675	19.21	2,326
2009	9,183.22	4,085	4,494	4,689	19.34	242
2010	1,500.05	642	706	794	19.40	41
2011	306,105.94	125,626	138,197	167,909	19.39	8,660
2012	47,118.06	18,376	20,215	26,903	19.55	1,376
2013	69,478.95	25,728	28,303	41,176	19.56	2,105
2014	50,647.86	17,656	19,423	31,225	19.62	1,591
2015	189,077.22	61,601	67,765	121,312	19.66	6,170
2016	16,476.58	4,958	5,454	11,022	19.75	558
2017	38,145.67	10,471	11,519	26,627	19.82	1,343
2018	11,594.87	2,864	3,151	8,444	19.82	426
2019	21,928.93	4,752	5,228	16,701	19.88	840
2020	29,679.96	5,476	6,024	23,656	19.89	1,189
2021	204,295.99	30,522	33,576	170,720	19.92	8,570
2022	1,275,929.70	141,883	156,081	1,119,849	19.97	56,077
2023	8,782.69	614	675	8,107	19.96	406
	6,525,469.41	3,034,856	3,338,545	3,186,924		168,817

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GLENSIDE BUILDING						
FULLY ACCRUED						
1957	16,729.16	16,729	16,729			
	16,729.16	16,729	16,729			
SHAMOKIN OFFICE BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
1979	1,956.93	1,932	1,957			
1981	751.41	742	751			
1984	7,087.46	7,004	7,087			
1985	4,503.74	4,447	4,504			
1986	15,680.45	15,455	15,680			
1989	5,533.35	5,461	5,533			
1990	743,356.45	733,470	743,356			
1991	35,970.37	35,427	35,970			
1992	8,819.93	8,686	8,820			
1993	27,286.97	26,905	27,287			
1994	30,495.03	30,044	30,495			
1995	6,910.36	6,789	6,910			
1996	50,618.27	49,768	50,618			
1997	28,222.30	27,709	28,222			
1998	19,875.74	19,488	19,876			
2000	28,400.84	27,833	28,401			
2001	68,390.99	67,023	68,391			
2002	79,929.91	78,235	79,930			
2003	15,044.05	14,716	15,044			
2004	27,422.58	26,759	27,423			
2005	46,930.64	45,757	46,931			
2006	5,742.42	5,588	5,742			
2007	53,705.39	52,255	53,705			
2008	14,326.12	13,899	14,326			
2009	12,869.26	12,468	12,869			
2010	183,782.88	177,755	183,783			
2011	442.90	427	443			
2013	4,584.80	4,392	4,585			
	1,528,641.54	1,500,434	1,528,642			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BUTLER BUILDING						
FULLY ACCRUED						
2006	1,827.34	1,827	1,827			
	1,827.34	1,827	1,827			
WHITE HAVEN OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2027						
1977	98,502.03	93,577	98,502			
2007	19,308.81	16,895	19,309			
2008	101,333.87	88,120	101,334			
2010	963,471.56	821,456	949,882	13,590	2.51	5,414
2011	6,683.78	5,640	6,522	162	2.50	65
2012	2,277.62	1,899	2,196	82	2.49	33
2013	695.74	572	661	34	2.49	14
2015	1,384.63	1,097	1,269	116	2.49	47
2016	8,363.92	6,462	7,472	892	2.50	357
2017	3,926.93	2,945	3,405	522	2.50	209
	1,205,948.89	1,038,663	1,190,552	15,397		6,139
OAKLAND BEACH						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
1997	51,750.88	45,965	51,751			
1998	7,820.00	6,921	7,820			
2009	1,246.99	1,019	1,247			
	60,817.87	53,905	60,818			
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1989	22,705.86	22,706	22,706			
2002	22,713.32	22,713	22,713			
2008	1,334.47	1,334	1,334			
2009	348,869.51	348,870	348,870			
2010	964.25	964	964			
2011	3,027.06	3,027	3,027			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
2014	4,677.08	4,677	4,677			
2016	16,824.58	16,825	16,825			
2017	1,530.77	1,531	1,531			
2019	213,786.51	213,787	213,787			
2023	330,390.78	330,391	330,391			
	966,824.19	966,825	966,824			
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1973	6,738.00	5,760	6,738			
1981	1,800.00	1,401	1,800			
2009	51,640.37	17,207	23,698	27,942	31.01	901
2010	38,074.67	11,925	16,424	21,651	31.80	681
2011	117,163.83	34,481	47,489	69,675	32.37	2,152
2012	107,696.89	29,487	40,611	67,086	33.16	2,023
2013	141,001.41	35,673	49,130	91,871	33.95	2,706
2014	797.55	185	255	543	34.75	16
2015	221,543.46	46,724	64,350	157,193	35.55	4,422
2016	239,916.45	45,488	62,648	177,269	36.34	4,878
2017	490,461.57	82,398	113,482	376,980	37.14	10,150
2018	390,169.52	57,043	78,562	311,608	37.95	8,211
2019	1,899,272.80	236,080	325,139	1,574,134	38.75	40,623
2020	106,873.25	10,922	15,042	91,831	39.55	2,322
2021	88,532.23	7,065	9,730	78,802	40.36	1,952
2023	3,685.07	128	176	3,509	41.60	84
	3,905,367.07	621,967	855,274	3,050,093		81,121
	79,924,281.48	25,815,153	28,396,566	51,527,715		2,124,705

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.3 2.66

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
2004	5,312.35	5,184	5,312			
2006	6,572.82	6,396	6,573			
	11,885.17	11,580	11,885			
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
2004	3,866.29	3,773	3,866			
	3,866.29	3,773	3,866			
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1909	1,889.70	1,890	1,890			
1971	634.85	554	615	20	7.85	3
1981	1,982.15	1,655	1,836	146	8.58	17
1989	688.44	550	610	78	8.94	9
1993	10,948.11	8,484	9,412	1,536	9.15	168
2000	30,704.27	22,267	24,704	6,000	9.28	647
2002	13,273.65	9,408	10,438	2,836	9.24	307
2004	23,957.89	16,454	18,255	5,703	9.35	610
2017	2,238.92	992	1,101	1,138	9.42	121
	86,317.98	62,254	68,860	17,458		1,882
IRONWORKS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1955	183.83	184	184			
1994	23,915.98	23,916	23,916			
1995	1,368.26	1,368	1,368			
2002	5,352.67	5,353	5,353			
	30,820.74	30,821	30,821			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2033						
1993	25,266.00	20,056	22,198	3,068	8.18	375
1994	2,727.12	2,146	2,375	352	8.26	43
1997	2,414.77	1,859	2,058	357	8.21	43
1999	46,457.24	35,066	38,810	7,647	8.28	924
2001	1,267.90	936	1,036	232	8.35	28
2004	20,209.87	14,335	15,866	4,344	8.40	517
2005	502.49	352	390	113	8.36	14
2012	13,769.40	8,227	9,105	4,664	8.42	554
2017	5,574.48	2,621	2,901	2,674	8.45	316
2019	20,577.40	8,116	8,983	11,595	8.45	1,372
	138,766.67	93,714	103,721	35,046		4,186
GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2031						
1997	197.43	160	177	20	6.40	3
1999	175,296.52	140,360	155,347	19,949	6.35	3,142
2002	53,481.21	41,635	46,081	7,401	6.40	1,156
2003	12,557.70	9,666	10,698	1,860	6.43	289
2004	7,027.93	5,345	5,916	1,112	6.45	172
2006	5,234.04	3,883	4,298	936	6.44	145
2007	119.77	88	97	22	6.42	3
2009	16,517.38	11,674	12,921	3,597	6.43	559
2014	13,877.40	8,582	9,498	4,379	6.48	676
2015	2,301.17	1,369	1,515	786	6.47	121
2016	9,397.67	5,336	5,906	3,492	6.47	540
2017	15,510.86	8,329	9,218	6,293	6.47	973
	311,519.08	236,427	261,672	49,847		7,779
SPRINGFIELD OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1984	2,119,924.59	1,519,562	1,682,156	437,768	16.00	27,360
1985	24,926.45	17,723	19,619	5,307	16.06	330
1987	32,825.75	22,775	25,212	7,614	16.55	460

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGFIELD OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1988	3,596.76	2,468	2,732	865	16.69	52
1990	57,617.76	38,765	42,913	14,705	16.78	876
1991	3,149.64	2,089	2,313	837	17.01	49
1992	15,524.86	10,141	11,226	4,299	17.25	249
1993	8,731.17	5,639	6,242	2,489	17.28	144
1994	2,926.47	1,865	2,065	862	17.35	50
1996	7,830.00	4,842	5,360	2,470	17.59	140
1997	170,386.68	103,561	114,642	55,745	17.75	3,141
1998	13,639.55	8,132	9,002	4,637	17.95	258
1999	2,881,392.86	1,689,937	1,870,762	1,010,631	17.98	56,209
2000	8,077.34	4,651	5,149	2,929	18.05	162
2002	11,385.36	6,302	6,976	4,409	18.15	243
2003	2,415.62	1,303	1,442	973	18.34	53
2004	995.67	525	581	414	18.41	22
2005	49,658.55	25,564	28,299	21,359	18.38	1,162
2006	87,210.78	43,562	48,223	38,988	18.54	2,103
2007	36,096.70	17,500	19,373	16,724	18.60	899
2008	8,508.23	4,001	4,429	4,079	18.59	219
2009	279,692.47	127,036	140,629	139,064	18.63	7,465
2010	116,736.74	50,944	56,395	60,342	18.72	3,223
2011	477,915.43	200,008	221,409	256,506	18.76	13,673
2012	1,027.24	410	454	573	18.85	30
2014	7,851.99	2,803	3,103	4,749	18.91	251
2015	54,058.24	18,077	20,011	34,047	18.91	1,800
2017	17,551.19	4,963	5,494	12,057	19.02	634
2018	22,673.05	5,777	6,395	16,278	19.01	856
	6,524,327.14	3,940,925	4,362,607	2,161,720		122,113
MEDIA - OLD GARAGE						
FULLY ACCRUED						
1964	28,863.00	28,863	28,863			
1984	6,366.00	6,366	6,366			
1989	175.00	175	175			
1995	9,492.30	9,492	9,492			
	44,896.30	44,896	44,896			

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MEDIA - NEW GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1984	247,793.00	203,735	227,027	20,766	8.76	2,371
1985	42,277.00	34,566	38,518	3,759	8.81	427
1990	16,940.00	13,442	14,979	1,961	8.98	218
2008	11,286.60	7,208	8,032	3,255	9.34	349
	318,296.60	258,951	288,555	29,742		3,365
COMMERCE STREET GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
1971	2,806.83	2,778	2,807			
1972	281.95	280	282			
1973	68.38	68	68			
1974	110.62	109	111			
1986	9,876.02	9,734	9,876			
1987	13,215.15	13,033	13,215			
1988	475.94	469	476			
1990	3,345.30	3,301	3,345			
2014	5,983.57	5,711	5,984			
	36,163.76	35,483	36,164			
FENCE AT PIPE YARD - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2022						
2008	10,521.68	10,522	10,522			
	10,521.68	10,522	10,522			
GARAGE AND TOOL HOUSE AT RESERVOIR NO. 6						
FULLY ACCRUED						
1907	2,822.87	2,823	2,823			
1987	8,590.29	8,590	8,590			

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GARAGE AND TOOL HOUSE AT RESERVOIR NO. 6						
FULLY ACCRUED						
1988	880.00	880	880			
1989	10,152.56	10,153	10,153			
2011	2,309.51	2,310	2,309			
	24,755.23	24,756	24,755			
BUILDING AT RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2021						
1921	641.37	641	641			
1981	10,140.88	10,141	10,141			
2008	13,047.53	13,048	13,048			
	23,829.78	23,830	23,830			
SHENANGO VALLEY TREATMENT PLANT GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	450,000.00	195,120	224,443	225,557	32.00	7,049
2003	6,824.44	2,656	3,055	3,769	33.75	112
2008	4,603.80	1,421	1,635	2,969	36.97	80
	461,428.24	199,197	229,133	232,295		7,241
WAYMART GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1992	925.00	722	831	94	9.17	10
2003	5,910.45	4,130	4,751	1,160	9.27	125
2010	3,950.45	2,400	2,761	1,190	9.37	127
	10,785.90	7,252	8,342	2,444		262

AQUA PENNSYLVANIA, INC.
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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
WESTERN UTILITIES						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2046						
1997	235.55	139	160	76	19.23	4
1998	44.80	26	30	15	19.37	1
2000	8,540.51	4,750	5,464	3,077	19.55	157
2008	17,418.79	7,790	8,960	8,458	20.40	415
	26,239.65	12,705	14,614	11,626		577
FAWN LAKE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2040						
1990	29,050.03	20,646	23,748	5,302	14.04	378
1991	22,891.42	16,104	18,524	4,368	14.12	309
1992	140.00	97	112	28	14.23	2
1993	4,907.00	3,385	3,894	1,013	14.16	72
1994	9,557.62	6,501	7,478	2,080	14.34	145
1995	14,955.84	10,059	11,571	3,385	14.36	236
	81,501.91	56,792	65,326	16,176		1,142
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
2011	5,868.00	5,868	5,868			
	5,868.00	5,868	5,868			
	8,151,790.12	5,059,746	5,595,437	2,556,354		148,547
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					17.2	1.82

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2051						
1971	10,501.54	8,989	9,876	625	9.00	69
1990	810.66	573	630	181	14.28	13
1991	23.56	16	18	6	14.58	
1992	13,620.15	9,341	10,263	3,357	14.89	225
1993	3,382.74	2,280	2,505	878	15.23	58
1994	2,141.72	1,417	1,557	585	15.59	38
1995	1,040.60	675	742	299	15.95	19
2004	20,448.67	10,691	11,746	8,703	18.71	465
2008	3,898,051.28	1,762,309	1,936,241	1,961,811	20.00	98,091
2009	5,207,451.53	2,251,702	2,473,935	2,733,517	20.34	134,391
2010	1,433,974.89	590,511	648,792	785,183	20.71	37,913
2011	390,010.84	152,689	167,759	222,252	20.98	10,594
2012	122,036.81	45,154	49,610	72,426	21.28	3,403
2013	187,857.35	65,243	71,682	116,175	21.61	5,376
2014	154,015.83	49,963	54,894	99,122	21.86	4,534
2015	93,554.86	27,992	30,755	62,800	22.25	2,822
2016	24,755.70	6,798	7,469	17,287	22.46	770
2017	3,613.74	894	982	2,632	22.80	115
2018	495,232.29	108,803	119,541	375,691	23.09	16,271
2022	345,872.41	32,443	35,645	310,227	24.17	12,835
2023	9,617,285.09	556,841	611,799	9,005,486	24.41	368,926
2024	1,007,828.43	20,056	22,035	985,793	24.63	40,024
	23,033,510.69	5,705,380	6,268,475	16,765,036		736,952
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2029						
2004	20.70	17	19	2	4.38	
2005	4,312.86	3,524	3,872	441	4.37	101
2006	6,455.14	5,218	5,733	722	4.38	165
2008	16,879.35	13,313	14,627	2,252	4.42	510
2011	34,133.88	25,669	28,202	5,931	4.45	1,333
2012	80,600.22	59,443	65,310	15,290	4.45	3,436
2017	7,644.65	4,787	5,259	2,385	4.48	532
	150,046.80	111,971	123,022	27,025		6,077

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GREEN LANE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1985	35,032.39	28,923	31,778	3,255	8.34	390
1992	10,660.99	8,385	9,213	1,448	8.82	164
2008	15,867.06	9,923	10,902	4,965	9.88	503
2013	15,635.25	8,324	9,146	6,490	10.10	643
2014	9,444.14	4,800	5,274	4,170	10.16	410
2015	10,126.15	4,887	5,369	4,757	10.19	467
2016	41,004.32	18,612	20,449	20,555	10.23	2,009
2017	17,757.04	7,497	8,237	9,520	10.26	928
2018	7,043.05	2,728	2,997	4,046	10.28	394
2019	3,694.93	1,284	1,411	2,284	10.32	221
2021	6,062.29	1,530	1,681	4,381	10.37	422
	172,327.61	96,893	106,456	65,872		6,551
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1976	911.98	796	875	37	7.06	5
1984	1,635.12	1,377	1,513	122	7.58	16
1987	12,373.44	10,255	11,267	1,106	7.75	143
1988	288.24	237	260	28	7.95	4
1992	1,454.78	1,163	1,278	177	8.15	22
1993	12,466.00	9,896	10,873	1,593	8.18	195
2007	398.21	263	289	109	8.96	12
2011	5,798.75	3,460	3,801	1,997	9.12	219
2013	58,121.06	32,280	35,466	22,655	9.20	2,462
2014	4,487.15	2,389	2,625	1,862	9.22	202
2015	4,599.07	2,329	2,559	2,040	9.26	220
2017	98,741.58	44,058	48,406	50,335	9.31	5,407
2018	168,520.69	69,127	75,950	92,571	9.35	9,901
2019	41,868.20	15,500	17,030	24,838	9.36	2,654
2020	40,611.63	13,158	14,457	26,155	9.39	2,785
2021	44,247.35	12,000	13,184	31,063	9.40	3,305
2022	17,438.17	3,659	4,020	13,418	9.42	1,424
2023	2,630,115.32	360,589	396,178	2,233,938	9.44	236,646
	3,144,076.74	582,536	640,030	2,504,047		265,622

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
IRONWORKS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2028						
1943	2,087.84	2,042	2,088			
1945	278.82	273	279			
1964	257.05	246	257			
1968	1,492.97	1,417	1,493			
1969	2,353.57	2,234	2,354			
1975	934.99	879	935			
2005	77,566.84	65,947	72,518	5,049	3.44	1,468
2007	54,601.02	45,581	50,123	4,478	3.46	1,294
2008	3,875.38	3,203	3,522	353	3.46	102
2013	23,279.99	17,884	19,666	3,614	3.47	1,041
2014	58,108.85	43,628	47,975	10,134	3.49	2,904
2015	129,020.44	94,378	103,782	25,239	3.49	7,232
2016	94,671.74	67,113	73,800	20,872	3.49	5,981
2017	22,157.22	15,122	16,629	5,529	3.49	1,584
2019	75,742.72	46,324	50,940	24,803	3.49	7,107
2020	18,890.99	10,636	11,696	7,195	3.49	2,062
	565,320.43	416,907	458,054	107,266		30,775
GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1987	86,760.91	68,645	75,420	11,341	9.90	1,146
1988	799,825.00	627,703	689,654	110,171	10.01	11,006
1989	334,259.13	259,853	285,499	48,760	10.16	4,799
1990	11,395.05	8,767	9,632	1,763	10.34	171
1991	163,258.18	124,142	136,394	26,864	10.56	2,544
1994	10,974.15	8,100	8,899	2,075	10.82	192
1998	13,527.87	9,499	10,437	3,091	11.24	275
2004	6,630.64	4,187	4,600	2,030	11.97	170
2007	1,466,564.73	864,980	950,350	516,215	12.17	42,417
2009	71,575.33	39,717	43,637	27,938	12.43	2,248
2011	7,735.00	4,010	4,406	3,329	12.54	265
2013	131,495.23	62,460	68,625	62,871	12.71	4,947
2014	67,317.94	30,320	33,312	34,005	12.81	2,655
2015	244,805.00	103,944	114,203	130,602	12.87	10,148
2016	10,894.05	4,325	4,752	6,142	12.91	476
2018	6,172.54	2,051	2,253	3,919	13.07	300
2020	17,732.76	4,517	4,963	12,770	13.17	970

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GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
2021	176,532.27	36,948	40,595	135,938	13.22	10,283
2022	6,199.92	983	1,080	5,120	13.27	386
2023	44,163.48	4,469	4,910	39,253	13.32	2,947
	3,677,819.18	2,269,620	2,493,621	1,184,198		98,345
FOXCROFT QUARRY						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2031						
1986	478,038.53	415,941	456,992	21,046	5.75	3,660
1987	5,025.24	4,353	4,783	243	5.79	42
1989	39,871.32	34,253	37,634	2,238	5.82	385
1990	59,724.13	51,100	56,143	3,581	5.82	615
1991	1,490.13	1,268	1,393	97	5.87	17
1992	5,813.08	4,912	5,397	416	5.96	70
1996	12,378.00	10,230	11,240	1,138	5.98	190
1998	48,707.86	39,629	43,540	5,168	6.07	851
2003	22,845.91	17,733	19,483	3,363	6.20	542
2007	178,209.63	131,305	144,264	33,945	6.25	5,431
	852,103.83	710,724	780,869	71,235		11,803
PICKERING WEST						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2039						
2003	753.80	476	523	231	12.51	18
2007	326,548.43	187,439	205,938	120,610	12.99	9,285
2008	173,912.65	96,991	106,564	67,349	13.09	5,145
2009	2,616,588.98	1,415,575	1,555,286	1,061,303	13.15	80,707
2010	84,633.03	44,178	48,538	36,095	13.28	2,718
2011	164,136.04	82,429	90,564	73,572	13.38	5,499
2012	4,400,501.05	2,117,521	2,326,511	2,073,990	13.48	153,857
2013	219,713.48	100,805	110,754	108,959	13.56	8,035
2017	9,148.34	3,211	3,528	5,620	13.87	405
	7,995,935.80	4,048,625	4,448,206	3,547,730		265,669

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NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1992	14,474.67	10,303	11,320	3,155	13.16	240
2007	3,949.05	2,046	2,248	1,701	16.28	104
2008	2,249.22	1,125	1,236	1,013	16.50	61
2011	14,105.28	6,246	6,862	7,243	16.99	426
2012	2,782.68	1,172	1,288	1,495	17.18	87
2014	7,905.80	2,963	3,255	4,650	17.51	266
2020	185,309.46	36,358	39,947	145,363	18.44	7,883
	230,776.16	60,213	66,156	164,620		9,067
INGRAM'S MILL SHED						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1990	2,257.94	1,807	1,985	273	8.60	32
2005	70,161.91	46,924	51,555	18,607	9.66	1,926
2006	65,836.17	43,116	47,371	18,465	9.75	1,894
2007	15,415.09	9,873	10,847	4,568	9.82	465
2008	65,252.38	40,809	44,837	20,416	9.88	2,066
2012	4,391.61	2,432	2,672	1,720	10.07	171
	223,315.10	144,961	159,268	64,047		6,554
DWELLING AND GARAGE AT BEAR GAP PUMPING STATION						
FULLY ACCRUED						
1892	1,165.07	1,165	1,165			
1938	266.69	267	267			
1940	753.51	754	754			
1947	144.38	144	144			
1949	490.00	490	490			
1961	2,996.93	2,997	2,997			
1964	1,089.01	1,089	1,089			
1970	3,593.78	3,594	3,594			
1978	309.07	309	309			
1981	3,614.99	3,615	3,615			
1983	5,843.36	5,843	5,843			
1986	97.08	97	97			
1988	4,484.11	4,484	4,484			

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DWELLING AND GARAGE AT BEAR GAP PUMPING STATION						
FULLY ACCRUED						
1990	394.15	394	394			
1991	574.30	574	574			
1994	1,350.00	1,350	1,350			
	27,166.43	27,166	27,166			
BRIDGE DECK - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1994	2,926.97	2,018	2,219	708	13.75	51
1996	2,873.14	1,924	2,116	758	14.05	54
2009	3,583.33	1,727	1,899	1,684	16.66	101
2017	30,475.52	8,960	9,852	20,623	18.01	1,145
	39,858.96	14,629	16,086	23,773		1,351
HAWLEY TELEMETRY BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1994	66,387.19	52,240	57,444	8,943	8.26	1,083
2017	1,910.06	852	937	973	9.31	105
2019	350,537.16	129,769	142,697	207,840	9.36	22,205
	418,834.41	182,861	201,078	217,756		23,393
CHALFONT						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2036						
1991	884.19	690	759	125	9.42	13
1997	8,005.03	5,900	6,488	1,517	9.81	155
2001	38.67	27	30	9	10.17	1
2007	48,723.24	30,267	33,282	15,441	10.67	1,447
2015	4,771.54	2,203	2,422	2,349	11.08	212
2019	108,335.25	35,577	39,121	69,214	11.25	6,152
	170,757.92	74,664	82,102	88,656		7,980

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MONROE MANOR						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2022						
1977	2,522.65	2,523	2,523			
1987	2,219.38	2,219	2,219			
1989	599.24	599	599			
2000	1,296.90	1,297	1,297			
	6,638.17	6,638	6,638			
EMBREEVILLE STORAGE SHED						
FULLY ACCRUED						
1948	3,210.00	3,210	3,210			
	3,210.00	3,210	3,210			
EMBREEVILLE CONTROL VALVE BUILDING						
FULLY ACCRUED						
1948	1,441.74	1,442	1,442			
2017	4,660.61	4,661	4,660			
	6,102.35	6,103	6,102			
WAYMART WAREHOUSE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2003	112,725.49	66,407	73,063	39,662	15.00	2,644
2008	34,732.97	17,707	19,482	15,251	15.86	962
2009	93.30	46	51	43	16.04	3
2011	25,208.23	11,399	12,542	12,667	16.35	775
	172,759.99	95,559	105,137	67,623		4,384

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
DEER LAKE BOROUGH						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
2005	19,037.71	10,320	11,354	7,684	16.47	467
	19,037.71	10,320	11,354	7,684		467
SPRINGFIELD						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2008	187,631.74	86,686	95,375	92,257	19.21	4,803
2010	54,256.89	22,972	25,275	28,982	19.75	1,467
2011	8,176.25	3,300	3,631	4,545	19.95	228
2013	272,569.09	97,798	107,600	164,969	20.55	8,028
2014	158,188.89	53,151	58,478	99,711	20.75	4,805
2015	60,533.77	18,802	20,687	39,847	21.08	1,890
2017	124,514.32	32,125	35,345	89,169	21.57	4,134
2018	1,684.05	386	425	1,259	21.83	58
2021	15,389.81	2,075	2,283	13,107	22.47	583
2022	29,377.99	2,914	3,206	26,172	22.69	1,153
2023	126,885.03	7,803	8,585	118,300	22.89	5,168
	1,039,207.83	328,012	360,889	678,319		32,317
COMMERCE STREET						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2008	162,572.87	75,109	82,637	79,936	19.21	4,161
	162,572.87	75,109	82,637	79,936		4,161
COVE VILLAGE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2025						
1973	905.50	895	906			
1974	353.76	350	354			
2005	1,124.71	1,097	1,125			
	2,383.97	2,342	2,384			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SECURITY SYSTEMS						
SURVIVOR CURVE.. IOWA 25-S3						
1982	135,299.91	132,837	135,300			
2001	68,217.59	56,109	62,049	6,169	5.07	1,217
2002	8,860.00	7,137	7,893	967	5.43	178
2005	5,445.00	4,035	4,462	983	6.82	144
2006	851.71	611	676	176	7.27	24
2007	64.63	45	50	15	7.88	2
2013	8,802.60	4,272	4,724	4,078	12.20	334
2014	594,778.77	265,390	293,485	301,294	13.03	23,123
2015	1,204,670.82	487,530	539,142	665,529	13.97	47,640
2016	794,447.09	289,020	319,617	474,830	14.86	31,954
2017	1,631,922.88	523,847	579,303	1,052,620	15.86	66,369
2018	132,789.91	37,022	40,941	91,849	16.81	5,464
2019	564,419.42	133,203	147,304	417,115	17.81	23,420
2020	135,433.70	26,139	28,906	106,528	18.81	5,663
2021	450,586.19	67,678	74,843	375,744	19.81	18,967
2022	299,949.42	32,155	35,559	264,390	20.81	12,705
2023	243,210.23	15,663	17,321	225,889	21.81	10,357
2024	542,676.85	11,613	12,842	529,834	22.81	23,228
	6,822,426.72	2,094,306	2,304,417	4,518,010		270,789
	48,936,189.67	17,068,749	18,753,357	30,182,833		1,782,257

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.9 3.64

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2045						
1920	53,709.78	46,024	42,800	10,909	17.45	625
1988	45,341.52	29,458	27,395	17,947	19.68	912
1993	96,022.67	58,977	54,846	41,177	19.78	2,082
1999	5,761.30	3,232	3,006	2,756	19.95	138
2001	209,080.41	113,008	105,092	103,988	19.98	5,205
2002	23,995.63	12,689	11,800	12,195	20.05	608
2003	4,254.06	2,204	2,050	2,204	19.99	110
2004	13,058.84	6,613	6,150	6,909	19.98	346
2005	64,813.06	31,979	29,739	35,074	20.02	1,752
2006	57,570.09	27,691	25,751	31,819	19.96	1,594
2007	273,535.69	127,796	118,845	154,691	19.96	7,750
2008	22,184.94	10,030	9,327	12,857	20.00	643
2009	48,721.71	21,296	19,804	28,917	19.96	1,449
2010	36,966.15	15,544	14,455	22,511	19.98	1,127
2011	32,988.13	13,271	12,341	20,647	20.06	1,029
2014	65,602.30	22,593	21,010	44,592	19.99	2,231
2015	386,938.12	124,594	115,867	271,071	20.00	13,554
2016	30,907.56	9,223	8,577	22,331	19.99	1,117
2017	39,914.62	10,897	10,134	29,781	19.97	1,491
2021	98,631.03	14,735	13,703	84,928	19.92	4,263
2023	171,955.74	12,140	11,290	160,666	19.73	8,143
	1,781,953.35	713,994	663,983	1,117,970		56,169
CRUM CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1974	83,928.29	83,928	83,928			
1976	953.84	954	954			
2008	2,607.41	2,607	2,608			
	87,489.54	87,489	87,490			
CRUM CREEK SILTATION BASIN						
FULLY ACCRUED						
2005	2,160.08	2,160	2,160			
2007	11,565.29	11,565	11,565			
	13,725.37	13,725	13,725			

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2054						
1999	308,704.56	146,419	136,095	172,610	28.26	6,108
2001	33,829.94	15,345	14,263	19,567	28.31	691
2004	8,599.46	3,613	3,358	5,241	28.28	185
2005	3,368.56	1,373	1,276	2,092	28.34	74
2006	14,957.10	5,922	5,504	9,453	28.23	335
2009	211,391.69	74,706	69,438	141,953	28.36	5,005
2010	22,705.09	7,704	7,161	15,544	28.24	550
2011	32,855.53	10,599	9,852	23,004	28.34	812
2012	1,239.19	379	352	887	28.32	31
2014	9,057.74	2,454	2,281	6,777	28.26	240
2015	13,072.18	3,292	3,060	10,012	28.23	355
2017	30,437.73	6,392	5,941	24,496	28.21	868
2018	11,861.46	2,220	2,063	9,798	28.22	347
2019	142,150.23	23,227	21,589	120,561	28.17	4,280
2020	2,415.57	333	310	2,106	28.18	75
2024	107,500.00	1,956	1,818	105,682	27.05	3,907
	954,146.03	305,934	284,362	669,784		23,863
PICKERING CREEK TRAVELING SCREEN						
FULLY ACCRUED						
2008	40,908.73	40,909	40,909			
	40,908.73	40,909	40,909			
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2044						
1909	15,825.27	13,891	12,909	2,916	16.08	181
1994	222,083.35	136,826	127,151	94,932	19.00	4,996
1996	22,824.87	13,727	12,756	10,068	18.89	533
2001	26,351.60	14,551	13,522	12,829	19.06	673
2005	43,579.82	22,008	20,452	23,128	19.11	1,210
2007	3,327.96	1,596	1,483	1,845	19.00	97
2008	7,884.47	3,655	3,397	4,488	19.09	235
2013	670,405.77	252,073	234,249	436,156	19.08	22,859

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2044						
2014	32,072.16	11,382	10,577	21,495	19.09	1,126
2016	12,262.60	3,784	3,516	8,746	19.05	459
2017	2,405.29	680	632	1,773	19.02	93
	1,059,023.16	474,173	440,645	618,378		32,462
PERKIOMEN CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2056						
1957	8,636.24	6,121	5,688	2,948	27.73	106
1958	1,038.92	732	680	359	27.84	13
1959	49.48	35	33	17	27.96	1
1965	4,973.87	3,344	3,108	1,866	28.99	64
1981	2,345.73	1,398	1,299	1,047	29.49	36
1986	802.50	454	422	381	29.52	13
1990	332,155.00	178,766	166,126	166,029	29.60	5,609
1996	6,558.10	3,196	2,970	3,588	29.98	120
1998	22,164.92	10,395	9,660	12,505	30.00	417
1999	21,921.24	10,062	9,351	12,571	30.06	418
2001	4,881.68	2,145	1,993	2,888	29.98	96
2002	23,341.61	10,032	9,323	14,019	29.85	470
2007	3,191.42	1,173	1,090	2,101	30.12	70
2010	6,932.12	2,252	2,093	4,839	30.14	161
2011	10,130.25	3,132	2,911	7,220	30.17	239
2015	56,620.13	13,611	12,649	43,972	30.02	1,465
2016	4,322.23	952	885	3,438	30.11	114
2017	38,194.66	7,620	7,081	31,113	30.09	1,034
2018	17,969.42	3,200	2,974	14,996	30.00	500
2024	75,801.00	1,304	1,212	74,589	28.65	2,603
	642,030.52	259,924	241,545	400,486		13,549
PERKIOMEN CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1957	583.27	583	583			
1958	783.85	784	784			
1959	1,076.19	1,076	1,076			
1973	10,429.67	10,430	10,430			

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PERKIOMEN CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1984	4,421.25	4,421	4,421			
1985	46,618.30	46,618	46,618			
1986	27,505.50	27,506	27,506			
1989	9,832.18	9,832	9,832			
1990	1,859.63	1,860	1,860			
1999	1,725.40	1,725	1,725			
2000	1,176.55	1,177	1,177			
	106,011.79	106,012	106,012			
GREEN LANE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2082						
1957	5,368,867.06	3,261,587	3,029,215	2,339,652	43.61	53,649
1958	10,135.71	6,066	5,634	4,502	44.61	101
1962	139.46	81	75	64	45.03	1
1963	1,084.72	627	582	502	44.88	11
1967	1,009.05	563	523	486	45.59	11
1970	2,862.53	1,545	1,435	1,428	46.51	31
1978	1,742.59	859	798	945	47.84	20
1981	32,915.31	15,608	14,496	18,419	48.24	382
1993	5,425.05	2,102	1,952	3,473	49.80	70
1997	532.84	189	176	357	50.02	7
1998	14,738.92	5,078	4,716	10,023	50.42	199
1999	2,888.32	972	903	1,986	50.26	40
2004	12,233.94	3,511	3,261	8,973	50.93	176
2005	300,406.38	83,183	77,257	223,150	50.92	4,382
2006	2,875.60	766	711	2,164	50.94	42
2013	97,350.95	17,913	16,637	80,714	51.00	1,583
2015	344,414.15	54,004	50,156	294,258	51.10	5,758
2017	99,551.62	12,763	11,854	87,698	50.98	1,720
2019	40,915.89	4,006	3,721	37,195	50.68	734
2020	26,001.94	2,130	1,978	24,024	50.45	476
2021	32,940.79	2,154	2,001	30,940	49.98	619
2024	35,569.00	377	350	35,219	46.67	755
	6,434,601.82	3,476,084	3,228,430	3,206,171		70,767

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2057						
1932	1,638,594.13	1,273,188	1,182,480	456,114	26.55	17,179
1939	875.79	666	619	257	26.85	10
1940	886.19	666	619	268	27.87	10
1959	12,635.73	8,773	8,148	4,488	28.84	156
1964	3,632.50	2,440	2,266	1,366	29.59	46
1968	2,433.32	1,595	1,481	952	29.71	32
1975	777.28	485	450	327	29.87	11
1978	7,415.31	4,517	4,195	3,220	29.83	108
1980	1,710.55	1,020	947	763	30.13	25
1981	46,993.29	27,801	25,820	21,173	30.03	705
1982	6,625.51	3,857	3,582	3,043	30.50	100
1983	17,832.28	10,286	9,553	8,279	30.45	272
1984	12,681.07	7,241	6,725	5,956	30.43	196
1985	30,310.25	17,119	15,899	14,411	30.43	474
1986	28,144.30	15,710	14,591	13,554	30.47	445
1987	5,036.26	2,776	2,578	2,458	30.53	81
1988	77,538.05	42,165	39,161	38,377	30.62	1,253
1989	52,581.90	28,184	26,176	26,406	30.73	859
1990	3,170.36	1,684	1,564	1,606	30.44	53
1991	88,633.22	46,320	43,020	45,613	30.60	1,491
1992	3,962.38	2,035	1,890	2,072	30.79	67
1993	25,075.36	12,718	11,812	13,263	30.61	433
1994	5,660.71	2,815	2,614	3,046	30.85	99
1995	184,044.78	90,127	83,706	100,339	30.74	3,264
1996	9,424.27	4,539	4,216	5,209	30.67	170
1997	158,058.79	74,762	69,436	88,623	30.64	2,892
1999	600,328.08	272,489	253,076	347,253	30.68	11,319
2002	14,680.96	6,178	5,738	8,943	30.97	289
2003	35,517.99	14,584	13,545	21,973	30.86	712
2004	105,864.75	42,325	39,310	66,555	30.78	2,162
2007	142,968.47	51,540	47,868	95,100	31.04	3,064
2008	13,245.67	4,612	4,283	8,962	30.89	290
2009	42,599.08	14,194	13,183	29,416	31.01	949
2010	80,845.28	25,790	23,953	56,893	30.95	1,838
2011	87,942.02	26,717	24,814	63,128	30.94	2,040
2012	3,074.63	884	821	2,254	30.98	73
2013	19,887.37	5,374	4,991	14,896	31.06	480
2016	7,495.04	1,618	1,503	5,992	30.87	194
2017	286,972.09	55,960	51,973	234,999	30.96	7,590

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CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2057						
2020	56,263.12	7,190	6,678	49,585	30.71	1,615
2021	474,723.01	48,707	45,237	429,486	30.63	14,022
2024	15,000.00	250	232	14,768	29.44	502
	4,412,141.14	2,261,901	2,100,752	2,311,389		77,570
IRONWORKS CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2068						
1943	851,710.91	596,964	554,433	297,278	34.78	8,547
1945	27,587.61	19,080	17,721	9,867	35.45	278
1946	609.41	421	391	218	35.14	6
1950	4,336.62	2,940	2,731	1,606	35.38	45
1951	7,040.87	4,761	4,422	2,619	35.20	74
1953	349.69	233	216	133	36.02	4
1954	1,408.54	933	867	542	35.88	15
1955	830.75	548	509	322	35.77	9
1961	1,475.62	937	870	605	36.50	17
1981	2,061.06	1,085	1,008	1,053	39.14	27
1983	2,645.75	1,362	1,265	1,381	39.15	35
1987	8,431.01	4,110	3,817	4,614	39.42	117
1992	4,402.33	1,989	1,847	2,555	39.44	65
1993	3,039.83	1,341	1,245	1,794	39.93	45
1997	4,503.82	1,833	1,702	2,801	40.07	70
1998	3,133.00	1,254	1,165	1,968	39.72	50
2000	843,147.80	320,228	297,413	545,734	40.01	13,640
2002	18,695.56	6,730	6,251	12,445	40.00	311
2004	46,791.43	15,825	14,698	32,094	40.11	800
2005	130,517.18	42,496	39,468	91,049	40.38	2,255
2006	1,105,258.51	347,604	322,839	782,420	40.32	19,405
2007	791,580.23	239,690	222,613	568,967	40.30	14,118
2008	38,622.20	11,216	10,417	28,205	40.32	700
2009	10,702.25	2,969	2,757	7,945	40.37	197
2010	33,486.43	8,837	8,207	25,279	40.45	625
2011	13,892.30	3,488	3,239	10,653	40.26	265
2013	38,626.22	8,575	7,964	30,662	40.31	761
2016	112,222.58	19,549	18,156	94,066	40.28	2,335

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
IRONWORKS CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2068						
2017	66,243.89	10,433	9,690	56,554	40.12	1,410
2019	660,403.45	79,909	74,216	586,188	39.95	14,673
2024	4,681.00	61	57	4,624	37.67	123
	4,838,437.85	1,757,401	1,632,195	3,206,243		81,022
RIDLEY CREEK DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2067						
1942	48,831.00	34,646	32,178	16,653	33.78	493
1957	45,168.94	29,577	27,470	17,699	35.59	497
2002	29,131.51	10,618	9,862	19,270	39.23	491
2003	255,656.70	90,145	83,723	171,934	39.48	4,355
2004	10,479.22	3,588	3,332	7,147	39.38	181
2006	41,816.26	13,381	12,428	29,389	39.31	748
2008	14,763.89	4,361	4,050	10,714	39.36	272
2009	14,860.33	4,192	3,893	10,967	39.45	278
2013	10,296.96	2,321	2,156	8,141	39.52	206
2017	46,621.43	7,450	6,919	39,702	39.45	1,006
	517,626.24	200,279	186,010	331,616		8,527
TOWNSHIP LINE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2094						
1934	62,256.13	42,820	39,769	22,487	41.08	547
1988	35,013.13	13,802	12,819	22,194	56.09	396
1989	18,049.36	6,985	6,487	11,562	56.24	206
1990	16,250.50	6,167	5,728	10,523	56.41	187
1994	425,033.22	147,784	137,255	287,778	57.22	5,029
1996	9,960.54	3,293	3,058	6,902	57.71	120
2009	46,537.33	9,666	8,977	37,560	59.13	635
2010	14,825.54	2,924	2,716	12,110	59.03	205
2011	445,190.30	82,939	77,030	368,160	58.96	6,244
2012	118,942.61	20,815	19,332	99,611	58.93	1,690

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TOWNSHIP LINE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2094						
2013	8,623.04	1,408	1,308	7,315	58.92	124
2015	24,453.40	3,392	3,150	21,303	58.99	361
2017	47,187.47	5,342	4,961	42,226	58.73	719
	1,272,322.57	347,337	322,591	949,732		16,463
SHENANGO RIVER DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2051						
1927	21,675.62	17,540	16,290	5,385	22.99	234
1948	32.89	25	23	10	23.50	
2006	2,544.43	1,069	993	1,552	25.55	61
2011	1,910,697.67	660,337	613,291	1,297,406	25.56	50,759
2019	29,068.84	5,163	4,795	24,274	25.46	953
	1,964,019.45	684,134	635,393	1,328,626		52,007
RESERVOIR NO. 1 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2067						
1891	7,531.44	6,435	5,977	1,555	22.75	68
1916	16,713.69	13,237	12,294	4,420	28.49	155
2000	16,335.07	6,282	5,834	10,501	39.20	268
2010	90,295.31	24,217	22,492	67,804	39.56	1,714
2017	1,812,308.05	289,607	268,974	1,543,334	39.45	39,121
2019	3,606.21	444	412	3,194	39.14	82
	1,946,789.77	340,222	315,983	1,630,807		41,408
RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1916	7,333.07	5,729	5,321	2,012	30.39	66
1923	368,143.18	280,231	260,266	107,877	31.84	3,388
1936	12,629.90	9,053	8,408	4,222	34.96	121
1941	5,484.46	3,801	3,530	1,954	36.99	53
1942	3,240.15	2,245	2,085	1,155	36.55	32

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1986	1,394,346.54	660,363	613,315	781,031	42.80	18,248
1989	3,378.23	1,523	1,414	1,964	43.24	45
1990	12,858.84	5,722	5,314	7,545	43.02	175
1993	6,204.19	2,600	2,415	3,789	43.68	87
1995	9,126.75	3,689	3,426	5,701	43.49	131
1996	13,527.46	5,360	4,978	8,549	43.44	197
2000	487,730.86	174,461	162,032	325,699	43.99	7,404
2002	3,837.00	1,295	1,203	2,634	44.17	60
2009	127,499.16	32,997	30,646	96,853	44.38	2,182
2011	13,586.05	3,174	2,948	10,638	44.30	240
2015	8,301.26	1,467	1,362	6,939	44.26	157
2017	22,973.02	3,343	3,105	19,868	44.05	451
2018	255,791.63	32,920	30,575	225,217	44.01	5,117
2019	381,850.15	42,424	39,401	342,449	44.00	7,783
2021	631,245.67	46,838	43,501	587,745	43.67	13,459
	3,769,087.57	1,319,235	1,225,246	2,543,842		59,396
RESERVOIR NO. 4 - TROUT RUN						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2038						
2011	8,976.44	4,521	4,199	4,777	13.31	359
2015	10,711.61	4,457	4,140	6,572	13.33	493
2017	21,201.81	7,633	7,089	14,112	13.33	1,059
2020	8,154.55	2,062	1,915	6,239	13.29	469
	49,044.41	18,673	17,343	31,701		2,380
RESERVOIR NO. 6 - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
1896	115,491.85	102,395	95,100	20,392	16.43	1,241
1902	20,183.74	17,802	16,534	3,650	16.39	223
1904	16,900.12	14,865	13,806	3,094	16.49	188
1909	18,679.91	16,181	15,028	3,652	17.84	205
1912	54,813.13	47,479	44,096	10,717	17.38	617
1924	328,229.19	277,091	257,350	70,880	18.55	3,821
1935	2,893.18	2,382	2,212	681	19.20	35

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 6 - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
1936	6,606.61	5,437	5,050	1,557	19.03	82
1937	4,120.40	3,389	3,148	973	18.88	52
1938	8,276.38	6,730	6,251	2,026	19.88	102
1939	2,202.32	1,789	1,662	541	19.77	27
1941	292.00	237	220	72	19.59	4
1973	4,077.18	2,918	2,710	1,367	20.45	67
1974	21,200.97	15,095	14,020	7,181	20.43	351
1985	1,435,603.67	941,325	874,260	561,344	20.74	27,066
1991	10,824.43	6,672	6,197	4,628	20.85	222
1993	4,719.54	2,839	2,637	2,083	20.86	100
1994	22,770.88	13,544	12,579	10,192	20.78	490
2000	35,282.61	19,017	17,662	17,620	20.95	841
2001	41,754.30	22,080	20,507	21,247	20.94	1,015
2002	14,046.52	7,269	6,751	7,295	20.98	348
2003	53,720.60	27,258	25,316	28,405	20.87	1,361
2005	187,179.98	90,146	83,724	103,456	20.99	4,929
2007	2,999.72	1,365	1,268	1,732	20.96	83
2008	478,369.40	210,770	195,754	282,616	20.95	13,490
2009	8,837.07	3,753	3,486	5,351	21.00	255
2011	2,774.77	1,086	1,009	1,766	20.98	84
2012	64,515.71	24,116	22,398	42,118	20.94	2,011
2015	9,204.20	2,868	2,664	6,541	20.99	312
2016	30,291.79	8,754	8,130	22,161	20.91	1,060
2017	41,638.91	10,993	10,210	31,429	20.91	1,503
2019	218,031.25	45,438	42,201	175,830	20.89	8,417
2020	28,295.97	5,017	4,660	23,636	20.88	1,132
2024	117,994.00	2,832	2,630	115,364	20.29	5,686
	3,412,822.30	1,960,932	1,821,225	1,591,597		77,420
BRUSH VALLEY RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2027						
1882	23,655.70	23,258	21,601	2,055	2.43	846
1921	21,100.18	20,528	19,065	2,035	2.88	707
1924	12,924.99	12,599	11,701	1,224	2.60	471
1935	17,538.93	17,111	15,892	1,647	2.24	735
1941	233.27	226	210	23	2.71	8
1983	1,385.81	1,305	1,212	174	2.56	68

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRUSH VALLEY RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2027						
1986	3,118.80	2,930	2,721	398	2.48	160
1994	23,385.72	21,613	20,073	3,313	2.50	1,325
1996	3,332.71	3,068	2,849	483	2.46	196
2000	35,753.28	32,410	30,101	5,652	2.53	2,234
2001	113,136.70	102,366	95,073	18,064	2.47	7,313
2002	5,775.00	5,198	4,828	947	2.50	379
2003	1,154.81	1,035	961	194	2.48	78
2009	24,519.47	21,131	19,626	4,894	2.49	1,965
	287,015.37	264,778	245,914	41,101		16,485
ROADWAYS - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1882	2,508.82	2,181	2,026	483	21.44	23
1886	6,473.02	5,558	5,162	1,311	22.79	58
1887	2,504.15	2,135	1,983	521	23.79	22
1900	749.15	616	572	177	27.02	7
1916	8,474.13	6,620	6,148	2,326	30.39	77
1919	8,186.61	6,305	5,856	2,331	31.48	74
1924	29,026.24	21,880	20,321	8,705	32.83	265
1931	3,846.25	2,805	2,605	1,241	34.71	36
1932	4,051.43	2,961	2,750	1,301	34.08	38
1934	91.24	66	61	30	34.50	1
1935	5,001.59	3,581	3,326	1,676	35.50	47
1936	3,195.60	2,291	2,128	1,068	34.96	31
1940	2,015.93	1,414	1,313	703	35.98	20
	76,124.16	58,413	54,251	21,873		699
ROADWAYS - PAVING ROARING CREEK						
FULLY ACCRUED						
1967	6,355.75	6,356	6,356			
1991	1,086.86	1,087	1,087			
	7,442.61	7,443	7,443			

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 1 - MT. CARMEL						
FULLY ACCRUED						
1885	11,955.77	11,956	11,956			
1902	1,471.03	1,471	1,471			
1904	177.42	177	177			
1986	12,191.79	12,192	12,192			
1994	1,522.25	1,522	1,522			
2009	93,619.03	93,619	93,619			
2010	37,012.45	37,012	37,013			
	157,949.74	157,949	157,950			
RESERVOIR NO. 2 - MT. CARMEL						
FULLY ACCRUED						
1887	7,006.80	7,007	7,007			
1947	4,655.91	4,656	4,656			
1986	44,145.78	44,146	44,146			
1994	1,522.25	1,522	1,523			
	57,330.74	57,331	57,331			
CITIZENS WATER CO. DAM						
FULLY ACCRUED						
1984	75.66	76	76			
	75.66	76	76			
NORTH WAYNE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2102						
2002	186,994.91	49,217	44,953	142,042	62.97	2,256
2003	13,760.83	3,520	3,215	10,546	62.54	169
2004	23,749.57	5,842	5,336	18,414	62.83	293
2019	105,406.90	8,464	7,731	97,676	62.99	1,551
	329,912.21	67,043	61,235	268,677		4,269

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NUI FACILITIES						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2082						
2002	66,019.60	20,347	18,584	47,435	50.50	939
2003	38,703.34	11,565	10,563	28,140	50.45	558
2004	10,864.60	3,118	2,848	8,017	50.93	157
2005	259.34	72	66	194	50.92	4
2006	874.94	233	213	662	50.94	13
	116,721.82	35,335	32,274	84,448		1,671
WAPWALLOPEN						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2025						
1925	437.76	436	398	40	0.50	40
1970	800.35	794	725	75	0.45	75
	1,238.11	1,230	1,123	115		115
CORNOG QUARRY						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2128						
2003	2,444,421.18	551,950	504,139	1,940,283	73.73	26,316
2004	4,470.37	971	887	3,583	73.84	49
2009	255,890.14	44,013	40,200	215,690	74.59	2,892
2015	173,414.66	19,440	17,756	155,659	75.25	2,069
	2,878,196.35	616,374	562,982	2,315,214		31,326
RED SHALE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2103						
2003	1,879.56	477	436	1,444	63.25	23
2009	11,981.00	2,340	2,137	9,844	63.87	154
	13,860.56	2,817	2,573	11,288		177

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2034						
1934	112.63	102	93	19	9.50	2
1944	832.18	744	680	153	9.59	16
1945	106.71	96	88	19	8.99	2
1961	1,138.10	990	904	234	9.49	25
1962	507.01	440	402	105	9.44	11
1963	601.80	522	477	125	9.42	13
1964	2,990.72	2,588	2,364	627	9.43	66
2014	936.09	493	450	486	9.42	52
2022	5,510.29	1,157	1,057	4,454	9.40	474
2024	50,534.00	2,577	2,354	48,180	9.31	5,175
	63,269.53	9,709	8,868	54,402		5,836
BRISTOL						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
2006	30,977.51	14,556	13,295	17,682	20.87	847
2011	10,776.01	4,219	3,854	6,922	20.98	330
2015	4,312.65	1,344	1,228	3,085	20.99	147
2024	7,500.00	180	164	7,336	20.29	362
	53,566.17	20,299	18,541	35,025		1,686
MT. JEWETT						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2070						
1990	613,485.75	279,381	255,179	358,307	41.26	8,684
	613,485.75	279,381	255,179	358,307		8,684
	37,958,370.39	15,946,536	14,829,579	23,128,792		683,951
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					33.8	1.80

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SCHUYLKILL RIVER INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2041						
1961	277,573.34	227,388	235,571	42,002	14.02	2,996
1962	31,099.01	25,464	26,380	4,719	13.83	341
1963	9,181.15	7,453	7,721	1,460	14.26	102
1973	757.10	585	606	151	15.17	10
1981	92,703.36	68,554	71,021	21,682	15.32	1,415
1982	30,041.90	21,961	22,751	7,291	15.64	466
1994	7,278.64	4,773	4,945	2,334	16.01	146
1995	1,504.53	976	1,011	493	15.95	31
1996	79,821.67	51,182	53,024	26,798	15.95	1,680
1997	28,091.93	17,768	18,407	9,684	15.98	606
1998	35,559.37	22,146	22,943	12,616	16.05	786
1999	83,449.10	51,288	53,134	30,315	15.99	1,896
2000	16,176.05	9,749	10,100	6,076	16.15	376
2002	107,380.49	62,581	64,833	42,547	16.11	2,641
2003	21,167.14	12,105	12,541	8,627	16.09	536
2004	29,576.45	16,551	17,147	12,430	16.13	771
2005	7,785.71	4,251	4,404	3,382	16.21	209
2006	3,238.19	1,725	1,787	1,451	16.22	89
2007	1,845.72	959	994	852	16.17	53
2009	6,127.75	2,992	3,100	3,028	16.25	186
2010	6,714,910.22	3,164,066	3,277,935	3,436,975	16.27	211,246
2011	212,447.48	96,366	99,834	112,613	16.26	6,926
2015	5,259.06	1,933	2,003	3,256	16.34	199
2016	14,944.67	5,120	5,304	9,640	16.31	591
2017	30,207.91	9,515	9,857	20,350	16.31	1,248
2024	731,896.69	21,811	22,596	709,301	16.28	43,569
	8,580,024.63	3,909,262	4,049,950	4,530,075		279,115
SCHUYLKILL RIVER TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1961	2,864.30	2,864	2,864			
1962	8,853.48	8,853	8,853			
1963	637.58	638	638			
1964	105.07	105	105			
1967	289.62	290	290			
1968	524.57	525	525			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SCHUYLKILL RIVER TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1989	100,303.37	100,303	100,303			
2003	126,825.27	126,825	126,825			
2005	7,354.19	7,354	7,354			
	247,757.45	247,757	247,757			
PICKERING EAST INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2064						
1989	623,634.28	323,230	335,374	288,260	32.99	8,738
1990	922,319.02	470,936	488,630	433,689	33.07	13,114
1991	16,040.68	8,060	8,363	7,678	33.17	231
1992	220.50	108	112	108	33.72	3
1998	134,429.06	58,073	60,255	74,174	34.85	2,128
1999	134,564.48	56,625	58,753	75,812	35.10	2,160
2000	15,867.04	6,493	6,737	9,130	35.38	258
2001	18,374.64	7,341	7,617	10,758	35.32	305
2002	11,276.39	4,364	4,528	6,748	35.64	189
2003	10,500.65	3,950	4,098	6,402	35.65	180
2004	148,507.59	53,879	55,903	92,604	36.00	2,572
2006	37,515.92	12,703	13,180	24,336	36.14	673
2008	178,677.55	55,712	57,805	120,872	36.41	3,320
2009	90,883.16	27,047	28,063	62,820	36.58	1,717
2010	348,555.38	98,571	102,275	246,281	36.78	6,696
2011	310,851.13	83,495	86,632	224,219	36.75	6,101
2012	3,130.45	790	820	2,311	37.00	62
2017	23,858.56	3,989	4,139	19,720	37.35	528
2020	38,297.10	4,102	4,256	34,041	37.52	907
2024	285,948.93	3,775	3,917	282,032	37.38	7,545
	3,353,452.51	1,283,243	1,331,457	2,021,996		57,427
PICKERING EAST INTAKE TRAVELING SCREEN						
FULLY ACCRUED						
1989	90,471.19	90,471	90,471			
	90,471.19	90,471	90,471			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1969	274,071.70	209,912	217,966	56,105	16.96	3,308
1971	554,483.94	421,241	437,404	117,080	16.92	6,920
1972	226,165.15	169,805	176,321	49,845	17.43	2,860
1974	828.62	615	639	190	17.52	11
1979	7,009.16	5,039	5,232	1,777	17.79	100
1983	2,232.66	1,557	1,617	616	18.02	34
1984	386,608.60	266,180	276,393	110,215	18.32	6,016
1985	1,121.85	767	796	325	18.30	18
1993	32,224.59	20,301	21,080	11,145	18.50	602
1997	28,539.94	16,953	17,603	10,936	18.80	582
1998	16,614.49	9,729	10,102	6,512	18.75	347
1999	4,710.60	2,703	2,807	1,904	18.94	101
2000	9,065.21	5,131	5,328	3,737	18.79	199
2001	329.05	182	189	140	18.87	7
2002	49,306.05	26,734	27,760	21,546	19.00	1,134
	1,593,311.61	1,156,849	1,201,238	392,074		22,239
CHESTER CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2036						
1996	205,482.32	147,002	152,642	52,840	11.34	4,660
1997	3,083.69	2,188	2,272	812	11.26	72
1998	17,083.55	11,952	12,411	4,673	11.38	411
2001	689.00	465	483	206	11.34	18
2004	36,336.77	23,390	24,287	12,049	11.35	1,062
2008	13,110.53	7,744	8,041	5,069	11.43	443
2015	240,594.90	109,254	113,446	127,149	11.42	11,134
2016	15,554.59	6,637	6,892	8,663	11.42	759
2024	49,586.36	2,083	2,163	47,423	11.42	4,153
	581,521.71	310,715	322,637	258,885		22,712
RIDLEY CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
1942	1,214.71	1,172	1,215			
1957	15,740.91	14,982	15,557	184	3.42	54

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RIDLEY CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
1997	3,210.13	2,851	2,960	250	3.46	72
2001	10,105.13	8,810	9,148	957	3.46	277
2002	1,656.00	1,434	1,489	167	3.48	48
2003	124,745.83	107,281	111,398	13,348	3.50	3,814
2005	1,859.34	1,577	1,638	222	3.49	64
2011	36,347.55	28,853	29,960	6,387	3.51	1,820
2012	53,948.41	42,144	43,761	10,187	3.50	2,911
2013	12,574.50	9,645	10,015	2,559	3.49	733
2014	18,529.58	13,912	14,446	4,084	3.49	1,170
2015	30,521.19	22,299	23,155	7,366	3.50	2,105
2016	5,978.89	4,238	4,401	1,578	3.49	452
2017	15,603.90	10,639	11,047	4,557	3.50	1,302
2019	3,177.69	1,942	2,017	1,161	3.50	332
2024	31,248.22	3,912	4,062	27,186	3.50	7,767
	366,461.98	275,691	286,269	80,193		22,921
BRISTOL WATER TREATMENT INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2060						
1964	96,762.00	70,249	72,945	23,817	22.83	1,043
2017	1,927.10	348	361	1,566	33.99	46
2021	979,969.84	91,235	94,736	885,234	34.09	25,968
2024	100,551.27	1,468	1,524	99,027	33.86	2,925
	1,179,210.21	163,300	169,566	1,009,644		29,982
INGRAM'S MILL INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2050						
1972	12,595.35	8,993	9,338	3,257	21.03	155
2005	731.03	324	336	395	24.56	16
2007	12,029.71	5,010	5,202	6,827	24.52	278
2008	3,737.81	1,499	1,557	2,181	24.65	88
2010	82,356.89	30,456	31,625	50,732	24.71	2,053
2011	670,101.24	236,144	245,205	424,896	24.81	17,126
2012	128,278.77	42,973	44,622	83,657	24.81	3,372
2013	148,067.92	46,819	48,615	99,452	24.87	3,999

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INGRAM'S MILL INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2050						
2014	4,199.29	1,248	1,296	2,903	24.83	117
2015	1,430.11	395	410	1,020	24.87	41
2016	2,022,646.46	514,157	533,885	1,488,761	24.94	59,694
2024	287,689.41	5,667	5,884	281,805	24.88	11,327
	3,373,863.99	893,685	927,976	2,445,888		98,266
NEW BEAR GAP INTAKE CHAMBERS						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2070						
1995	151,996.52	66,818	69,382	82,615	37.61	2,197
1996	26,687.97	11,409	11,847	14,841	38.17	389
1999	10,785.00	4,262	4,426	6,359	39.02	163
2012	41,483.20	9,591	9,959	31,524	41.56	759
	230,952.69	92,080	95,613	135,340		3,508
NEW SHENANGO VALLEY RAW WATER INTAKE AND PUMPING STRUCTURE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	1,100,180.00	407,067	422,687	677,493	41.72	16,239
2002	2,893.65	1,003	1,041	1,852	42.44	44
2017	12,120.41	1,699	1,764	10,356	45.98	225
2023	37.38	1	1	36	46.58	1
2024	103,960.51	1,112	1,155	102,806	46.23	2,224
	1,219,191.95	410,882	426,648	792,544		18,733
NEW SHENANGO VALLEY TRAVELLING SCREEN AND COMPRESSOR						
SURVIVOR CURVE.. 20-SQUARE						
2000	254,915.32	254,915	254,915			
	254,915.32	254,915	254,915			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
EMBREEVILLE HOSPITAL - SLUDGE LAGOON						
INTERIM SURVIVOR CURVE.. SQUARE						
PROBABLE RETIREMENT YEAR.. 6-2053						
2003	17,592.00	17,592	17,592			
2004	28.52	29	29			
	17,620.52	17,621	17,621			
EMLENTON						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2041						
1909	3,358.00	3,219	3,358			
1960	332.48	274	289	44	13.62	3
1961	69.98	57	60	10	14.02	1
2013	72,789.87	30,135	31,755	41,035	16.28	2,521
2021	3,657,079.77	645,109	679,796	2,977,284	16.34	182,208
2022	19,235.61	2,554	2,691	16,544	16.33	1,013
	3,752,865.71	681,348	717,949	3,034,917		185,746
	24,841,621.47	9,787,819	10,140,067	14,701,556		740,649
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					19.8	2.98

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
1972	1,191.38	1,001	959	232	10.00	23
1973	43,332.64	36,152	34,652	8,681	10.23	849
1974	97,959.37	80,640	77,294	20,665	10.85	1,905
1975	12,163.55	9,935	9,523	2,641	11.10	238
1976	1,142.72	926	888	255	11.38	22
1977	2,840.40	2,267	2,173	667	12.02	55
1978	432,708.52	342,056	327,864	104,845	12.32	8,510
1979	105,741.27	82,267	78,854	26,887	12.98	2,071
1980	144,338.58	111,112	106,502	37,837	13.31	2,843
1981	153,266.66	116,667	111,826	41,441	13.65	3,036
1982	29,991.21	22,433	21,502	8,489	14.32	593
1983	16,892.69	12,479	11,961	4,932	14.68	336
1984	491,158.71	356,090	341,316	149,843	15.36	9,755
1985	156,113.45	111,621	106,990	49,123	15.75	3,119
1986	266,989.78	187,080	179,318	87,672	16.45	5,330
1987	246,144.84	169,840	162,793	83,352	16.85	4,947
1988	400,135.08	270,171	258,962	141,173	17.56	8,039
1989	303,264.11	201,307	192,955	110,309	17.98	6,135
1990	358,748.77	232,684	223,030	135,719	18.69	7,262
1991	343,854.66	218,863	209,782	134,073	19.13	7,009
1992	193,189.48	119,932	114,956	78,233	19.85	3,941
1993	115,080.33	69,969	67,066	48,014	20.31	2,364
1994	163,650.52	96,832	92,814	70,837	21.05	3,365
1995	566,104.68	327,322	313,741	252,364	21.52	11,727
1996	95,205.72	53,448	51,230	43,976	22.26	1,976
1997	345,784.10	189,213	181,363	164,421	22.75	7,227
1998	546,116.26	289,442	277,433	268,683	23.50	11,433
1999	1,380,998.90	711,353	681,839	699,160	24.00	29,132
2000	1,599,513.58	795,598	762,589	836,925	24.76	33,801
2001	114,818.65	55,320	53,025	61,794	25.28	2,444
2002	6,628,237.28	3,072,188	2,944,723	3,683,514	26.04	141,456
2003	643,336.23	287,700	275,763	367,573	26.58	13,829
2004	1,390,437.22	595,663	570,949	819,488	27.35	29,963
2005	1,097,086.49	451,341	432,615	664,471	27.90	23,816
2006	1,822,432.20	714,758	685,103	1,137,329	28.67	39,670
2007	2,309,248.24	864,813	828,932	1,480,316	29.23	50,644
2008	4,922,423.87	1,746,476	1,674,015	3,248,409	30.01	108,244
2009	3,077,520.68	1,035,278	992,325	2,085,196	30.58	68,188
2010	4,640,377.05	1,473,784	1,412,637	3,227,740	31.16	103,586
2011	2,562,957.11	761,198	729,616	1,833,341	31.95	57,382
2012	5,068,517.03	1,406,513	1,348,157	3,720,360	32.55	114,297
2013	1,424,515.52	366,955	351,730	1,072,786	33.14	32,371

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
2014	821,527.33	194,948	186,860	634,667	33.75	18,805
2015	1,680,326.88	362,278	347,247	1,333,080	34.56	38,573
2016	2,033,718.21	395,762	379,342	1,654,376	35.17	47,039
2017	1,211,343.36	210,774	202,029	1,009,314	35.60	28,352
2018	2,512,595.91	382,166	366,310	2,146,286	36.24	59,224
2019	2,998,420.63	389,195	373,047	2,625,374	36.87	71,206
2020	1,328,603.49	142,958	137,027	1,191,576	37.34	31,912
2021	841,871.53	71,559	68,590	773,282	37.65	20,539
2022	5,354,048.52	330,880	317,152	5,036,897	37.98	132,620
2023	3,866,553.65	147,316	141,204	3,725,350	37.87	98,372
2024	13,015,173.67	174,403	167,166	12,848,007	36.68	350,273
	79,979,712.71	20,852,926	19,987,739	59,991,973		1,859,848

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.3 2.33

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
2010	185,043.56	110,804	109,199	75,845	9.71	7,811
2011	26,867.28	15,596	15,370	11,497	9.76	1,178
2014	6,259.76	3,240	3,193	3,067	9.78	314
2015	983,796.50	484,126	477,113	506,683	9.81	51,650
2016	3,305.17	1,534	1,512	1,793	9.82	183
2018	2,561.32	1,019	1,004	1,557	9.84	158
2019	45,740.49	16,403	16,165	29,575	9.84	3,006
2020	22,267.17	7,005	6,904	15,364	9.81	1,566
2022	3,598,539.42	734,822	724,178	2,874,362	9.74	295,109
	4,874,380.67	1,374,549	1,354,638	3,519,743		360,975
GREAT VALLEY						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2031						
1986	23,220.03	20,294	20,000	3,220	5.55	580
2008	240,347.39	174,492	171,964	68,383	6.23	10,976
2024	107,095.40	8,150	8,032	99,063	6.07	16,320
	370,662.82	202,936	199,996	170,667		27,876
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2007	14,006.29	9,634	9,494	4,512	7.94	568
2009	946,692.67	625,101	616,046	330,647	7.97	41,486
2011	7,418,110.46	4,646,704	4,579,394	2,838,716	8.05	352,636
2012	4,454.98	2,712	2,673	1,782	8.03	222
2013	14,266.12	8,383	8,262	6,005	8.07	744
2014	14,703.26	8,322	8,201	6,502	8.05	808
2015	148,297.38	80,170	79,009	69,289	8.07	8,586
2016	2,053.02	1,052	1,037	1,016	8.08	126
2017	12,647.80	6,081	5,993	6,655	8.10	822
2018	16,399.71	7,301	7,195	9,204	8.10	1,136

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2019	339,694.13	137,508	135,516	204,178	8.09	25,238
2020	13,355.79	4,772	4,703	8,653	8.09	1,070
2021	26,296.07	7,952	7,837	18,459	8.07	2,287
	8,970,977.68	5,545,692	5,465,360	3,505,618		435,729
POCOPSON						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2032						
1987	19,315.33	16,515	16,276	3,039	6.36	478
	19,315.33	16,515	16,276	3,039		478
SPROUL ROAD						
FULLY ACCRUED						
2007	3,500.06	3,500	3,500			
	3,500.06	3,500	3,500			
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	977,654.44	467,123	460,354	517,301	19.13	27,041
2008	46,975.93	21,628	21,315	25,661	19.34	1,327
2013	1,404.09	507	500	904	20.35	44
2014	9,937.89	3,360	3,311	6,627	20.56	322
2017	44,225.06	11,711	11,541	32,684	20.83	1,569
2019	5,899.66	1,229	1,211	4,688	20.89	224
2020	290,059.94	51,573	50,826	239,234	20.82	11,491
2021	5,482.69	794	782	4,700	20.65	228
	1,381,639.70	557,925	549,840	831,800		42,246

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MEDIA						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2008	1,116.71	754	743	374	7.95	47
2024	8,924.62	543	535	8,390	7.72	1,087
	10,041.33	1,297	1,278	8,763		1,134
CROYDON						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2018						
2007	12,072.91	12,073	12,073			
2022	3,765.07	3,765	3,765			
2024	4,462.31	4,462	4,462			
	20,300.29	20,300	20,300			
BRISTOL TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2040						
1975	20,015.37	17,337	17,085	2,930	7.65	383
1991	800.00	600	591	209	11.14	19
2007	12,072.92	6,867	6,767	5,306	13.27	400
2017	83,238.05	29,341	28,915	54,323	13.78	3,942
2018	355,289.64	113,835	112,181	243,108	13.78	17,642
2021	14,576.92	2,965	2,922	11,655	13.71	850
2022	838.58	130	128	710	13.58	52
	486,831.48	171,075	168,590	318,241		23,288
NUI TRAILER MOUNTED GENERATORS						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2003	31,885.14	23,378	23,038	8,847	7.82	1,131
2004	5,284.34	3,824	3,768	1,516	7.83	194
2006	54,126.72	37,851	37,301	16,826	7.96	2,114
	91,296.20	65,053	64,108	27,188		3,439

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FIELD CREST						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2005	74,845.96	53,275	52,501	22,345	7.90	2,828
2006	219.06	153	151	68	7.96	9
	75,065.02	53,428	52,652	22,413		2,837
BRYN MAWR						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2051						
2006	407,478.01	203,535	200,579	206,899	18.54	11,160
2008	32,145.44	14,903	14,687	17,459	19.09	915
2009	52,906.28	23,617	23,274	29,632	19.22	1,542
2011	157,521.24	64,221	63,288	94,233	19.61	4,805
2013	3,918.24	1,433	1,412	2,506	19.95	126
2014	20,731.51	7,119	7,016	13,716	20.08	683
2019	382,841.48	81,277	80,097	302,745	20.41	14,833
2024	123,159.70	3,375	3,326	119,834	17.78	6,740
	1,180,701.90	399,480	393,678	787,024		40,804
BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	148,617.66	71,010	69,978	78,639	19.13	4,111
2008	5,853.67	2,695	2,656	3,198	19.34	165
2013	813.60	294	290	524	20.35	26
2015	1,724.93	542	534	1,191	20.71	58
2016	36,513.42	10,614	10,460	26,054	20.74	1,256
2017	1,509.41	400	394	1,115	20.83	54
2024	8,032.15	215	212	7,820	18.12	432
	203,064.84	85,770	84,524	118,541		6,102

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CHESTER VALLEY						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	55,514.18	26,525	26,140	29,374	19.13	1,535
2008	20,558.00	9,465	9,328	11,230	19.34	581
2024	3,569.85	96	95	3,475	18.12	192
	79,642.03	36,086	35,562	44,080		2,308
CHALFONT						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	167,502.86	87,068	85,804	81,699	15.24	5,361
2024	7,139.69	241	237	6,902	14.29	483
	174,642.55	87,309	86,041	88,602		5,844
SIDLEY HILL						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	115,232.44	59,898	59,028	56,204	15.24	3,688
	115,232.44	59,898	59,028	56,204		3,688
BELL TAVERN						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	122,469.87	63,660	62,736	59,734	15.24	3,920
2024	5,354.77	181	178	5,176	14.29	362
	127,824.64	63,841	62,914	64,911		4,282
VARIOUS GENERATORS						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1990	26,420.85	19,507	19,224	7,197	12.23	588
1992	27,949.29	20,073	19,781	8,168	12.75	641
1996	14,963.72	10,106	9,959	5,005	13.70	365

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
VARIOUS GENERATORS						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
2000	93,174.57	58,439	57,590	35,584	14.56	2,444
2003	2,533.93	1,487	1,465	1,069	15.13	71
2009	52,698.88	25,975	25,598	27,101	15.95	1,699
2010	429,826.90	203,824	200,863	228,963	16.08	14,239
2011	538,016.95	244,798	241,242	296,775	16.17	18,353
2012	123,665.60	53,795	53,014	70,652	16.24	4,350
2013	302,210.54	124,753	122,941	179,270	16.36	10,958
2014	194,898.21	75,932	74,829	120,069	16.45	7,299
2015	1,051,123.87	384,501	378,916	672,208	16.47	40,814
2016	400,119.57	136,041	134,065	266,055	16.50	16,125
2017	464,467.82	144,914	142,809	321,659	16.54	19,447
2018	1,550,577.96	437,418	431,064	1,119,514	16.54	67,685
2019	4,966,291.77	1,240,083	1,222,070	3,744,221	16.53	226,511
2020	1,905,944.09	408,253	402,323	1,503,621	16.51	91,073
2021	636,266.75	111,792	110,168	526,099	16.42	32,040
2022	469,319.97	62,654	61,744	407,576	16.23	25,113
2023	109,802.66	9,465	9,328	100,475	15.89	6,323
2024	553,326.21	18,094	17,831	535,495	14.79	36,207
	13,913,600.11	3,791,904	3,736,826	10,176,774		622,345
INGRAM'S MILL SOLAR						
INTERIM SURVIVOR CURVE.. SQUARE						
PROBABLE RETIREMENT YEAR.. 6-2035						
2010	6,510,805.00	3,776,267	3,721,416	2,789,389	10.50	265,656
2011	13,029.87	7,329	7,223	5,807	10.50	553
2017	10,182.04	4,243	4,181	6,001	10.50	572
2024	71,396.93	3,245	3,198	68,199	10.50	6,495
	6,605,413.84	3,791,084	3,736,018	2,869,396		273,276
	38,704,132.93	16,327,642	16,091,129	22,613,004		1,856,651
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					12.2	4.80

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1953	1,266.05	1,266	1,266			
1956	770.76	766	771			
1963	590.29	574	589	1	1.79	1
1967	304.42	291	299	5	2.74	2
1970	8,181.34	7,758	7,967	214	2.97	72
1971	1,917.90	1,806	1,855	63	3.32	19
1980	7,851.25	7,057	7,247	604	5.00	121
1985	6,771.25	5,831	5,988	783	6.37	123
1986	240,427.23	205,493	211,018	29,409	6.55	4,490
1987	2,872,671.66	2,423,960	2,489,133	383,539	6.94	55,265
1988	1,059,684.68	885,684	909,497	150,188	7.17	20,947
1989	1,154,829.93	951,118	976,691	178,139	7.60	23,439
1990	1,036,365.71	843,809	866,496	169,870	7.87	21,584
1991	7,871,286.23	6,328,514	6,498,668	1,372,618	8.17	168,007
1992	839,580.14	663,100	680,929	158,651	8.65	18,341
1993	2,916,981.00	2,269,411	2,330,428	586,553	8.99	65,245
1994	942,828.99	721,830	741,238	201,591	9.34	21,584
1995	3,041,634.13	2,279,096	2,340,374	701,260	9.87	71,050
1996	1,301,940.11	957,317	983,056	318,884	10.26	31,080
1997	2,274,611.54	1,638,858	1,682,922	591,690	10.67	55,454
1998	1,616,960.85	1,135,430	1,165,958	451,003	11.24	40,125
1999	2,264,709.35	1,553,591	1,595,362	669,347	11.67	57,356
2000	4,328,524.76	2,884,529	2,962,085	1,366,440	12.26	111,455
2001	2,009,843.42	1,298,761	1,333,681	676,162	12.87	52,538
2002	987,678.71	620,065	636,737	350,942	13.34	26,307
2003	584,709.98	354,510	364,042	220,668	13.96	15,807
2004	1,517,969.46	886,798	910,641	607,328	14.59	41,626
2005	2,423,254.74	1,356,053	1,392,513	1,030,742	15.34	67,193
2006	3,085,373.68	1,655,303	1,699,809	1,385,565	15.98	86,706
2007	6,742,137.72	3,445,232	3,537,864	3,204,274	16.75	191,300
2008	2,032,161.51	985,802	1,012,307	1,019,855	17.51	58,244
2009	2,592,001.69	1,189,210	1,221,184	1,370,818	18.28	74,990
2010	2,482,730.23	1,072,788	1,101,632	1,381,098	19.06	72,461
2011	5,141,675.53	2,082,379	2,138,368	3,003,308	19.83	151,453
2012	4,860,101.45	1,828,370	1,877,529	2,982,572	20.72	143,947
2013	3,562,281.17	1,237,180	1,270,444	2,291,837	21.61	106,054
2014	2,069,773.12	658,602	676,310	1,393,463	22.50	61,932
2015	5,074,889.52	1,465,628	1,505,034	3,569,856	23.39	152,623
2016	2,131,424.83	552,465	567,319	1,564,106	24.29	64,393
2017	4,170,321.89	957,089	982,822	3,187,500	25.18	126,589
2018	3,614,727.13	718,969	738,300	2,876,427	26.18	109,871
2019	2,991,494.28	503,468	517,005	2,474,489	27.18	91,041

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
2020	4,073,317.41	560,896	575,977	3,497,340	28.18	124,107
2021	5,650,769.52	606,893	623,210	5,027,560	29.07	172,947
2022	3,551,894.90	272,786	280,120	3,271,775	30.07	108,805
2023	2,711,495.04	124,729	128,083	2,583,412	31.07	83,148
2024	4,974,604.38	76,609	78,668	4,895,936	32.07	152,664
	112,827,320.88	50,277,674	51,629,436	61,197,885		3,102,506
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					19.7	2.75

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2049						
1909	40,187.42	35,743	37,095	3,093	14.36	215
1922	3,327.91	2,865	2,973	355	16.55	21
1924	10,039.80	8,576	8,900	1,139	17.15	66
1926	2,027.14	1,737	1,803	224	16.44	14
1931	16,491.87	13,878	14,403	2,089	17.61	119
1932	7,452.60	6,274	6,511	941	17.38	54
1935	788.13	656	681	107	18.02	6
1939	201.07	165	171	30	18.67	2
1943	84.64	69	72	13	18.50	1
1948	392,712.35	315,427	327,356	65,356	18.74	3,488
1949	2,392.03	1,914	1,986	406	18.84	22
1950	241.49	193	200	41	18.95	2
1952	9.12	7	7	2	19.25	
1953	140.71	111	115	26	19.41	1
1956	591.08	462	479	112	19.22	6
1961	30,709.28	23,400	24,285	6,424	19.83	324
1962	101,146.77	76,487	79,380	21,767	20.15	1,080
1963	272.96	206	214	59	19.80	3
1965	1,464.18	1,098	1,140	325	19.87	16
1967	8,808.53	6,534	6,781	2,027	20.02	101
1969	32.92	24	25	8	20.26	
1970	572.71	418	434	139	20.13	7
1971	806.02	582	604	202	20.58	10
1972	391,228.01	281,371	292,012	99,216	20.50	4,840
1973	5,543.31	3,968	4,118	1,425	20.45	70
1974	8,368.83	5,959	6,184	2,184	20.43	107
1975	2,128.45	1,507	1,564	564	20.43	28
1976	1,365.27	960	996	369	20.47	18
1977	3,019.07	2,108	2,188	831	20.53	40
1978	33,177.31	22,985	23,854	9,323	20.62	452
1979	1,995.09	1,371	1,423	572	20.73	28
1981	6,126.68	4,131	4,287	1,839	21.02	87
1982	8,014.56	5,382	5,586	2,429	20.79	117
1984	363.39	240	249	114	20.85	5
1985	12,483.79	8,137	8,445	4,039	21.10	191
1986	18,228.06	11,790	12,236	5,992	21.02	285
1987	6,447.73	4,134	4,290	2,157	20.98	103
1988	30,183.77	19,170	19,895	10,289	20.97	491
1990	26,675.36	16,565	17,191	9,484	21.06	450
1991	70,000.61	42,910	44,533	25,468	21.15	1,204

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2049						
1992	89.94	54	56	34	21.26	2
1993	22,337.41	13,300	13,803	8,534	21.41	399
1994	98,270.40	57,842	60,030	38,241	21.32	1,794
1995	105,966.70	61,270	63,587	42,379	21.52	1,969
1996	44,385.64	25,300	26,257	18,129	21.50	843
1997	15,913.55	8,928	9,266	6,648	21.52	309
1999	12,931.56	7,024	7,290	5,642	21.45	263
2001	134,198.77	70,011	72,659	61,540	21.55	2,856
2003	102,953.30	51,127	53,061	49,893	21.79	2,290
2004	6,905,410.10	3,354,648	3,481,519	3,423,891	21.70	157,783
2005	832,343.19	392,783	407,638	424,705	21.82	19,464
2006	31,511.34	14,457	15,004	16,508	21.82	757
2008	48,344.56	20,817	21,604	26,740	21.82	1,225
2010	3,063,542.41	1,217,145	1,263,177	1,800,366	22.00	81,835
2012	19,640,442.95	7,119,661	7,388,923	12,251,520	21.98	557,394
2013	2,978,796.80	1,020,834	1,059,441	1,919,355	22.06	87,006
2019	11,974.89	2,378	2,468	9,507	22.20	428
	35,295,263.53	14,367,093	14,910,450	20,384,814		930,691
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2035						
2001	107,333.73	75,166	78,009	29,325	10.06	2,915
2002	1,469,395.50	1,015,058	1,053,447	415,949	10.07	41,306
2003	159,733.56	108,523	112,627	47,106	10.15	4,641
2004	233.40	156	162	72	10.08	7
2005	13,215.86	8,711	9,040	4,175	10.09	414
2006	429,861.45	277,519	288,015	141,847	10.15	13,975
2007	21,995.80	13,934	14,461	7,535	10.12	745
2008	53,632.42	33,188	34,443	19,189	10.17	1,887
2009	1,638.46	990	1,027	611	10.14	60
2010	144,742.55	85,210	88,433	56,310	10.13	5,559
2011	3,865,616.14	2,207,267	2,290,745	1,574,871	10.14	155,313
2012	81,187.20	44,750	46,442	34,745	10.18	3,413
2018	0.01		0			
2019	335,216.71	117,259	121,694	213,523	10.22	20,893
	6,683,802.79	3,987,731	4,138,545	2,545,258		251,128

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2043						
1958	2,338.97	1,898	1,970	369	15.47	24
1995	17,935.46	11,428	11,860	6,075	16.80	362
1996	811,007.05	508,501	527,732	283,275	16.95	16,712
1997	1,389,310.97	859,706	892,220	497,091	16.94	29,344
1999	6,100.65	3,671	3,810	2,291	16.87	136
2000	20,796.88	12,278	12,742	8,055	17.00	474
2001	174,671.38	101,379	105,213	69,458	16.99	4,088
2002	53,943.81	30,705	31,866	22,078	17.03	1,296
2003	160,945.12	89,614	93,003	67,942	17.11	3,971
2006	11,960,270.22	6,216,948	6,452,070	5,508,200	17.09	322,305
2007	612,233.49	309,668	321,379	290,854	17.10	17,009
2008	189,721.05	92,963	96,479	93,242	17.17	5,431
2009	18,477.24	8,764	9,095	9,382	17.18	546
2010	26,725.75	12,246	12,709	14,017	17.15	817
2012	2,873.19	1,207	1,253	1,621	17.26	94
2018	4,974.79	1,355	1,406	3,569	17.37	205
2019	48,233.46	11,595	12,034	36,200	17.38	2,083
	15,500,559.48	8,273,926	8,586,842	6,913,717		404,897
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2053						
1972	439,179.91	306,635	318,232	120,948	22.69	5,330
1973	9,902.82	6,834	7,092	2,810	23.13	121
1974	283.95	195	202	82	23.03	4
1975	1,591.82	1,087	1,128	464	22.96	20
1976	785.47	533	553	232	22.93	10
1979	413.19	273	283	130	23.46	6
1983	811,642.93	518,721	538,339	273,304	23.44	11,660
1984	13,830.43	8,738	9,068	4,762	23.60	202
1985	1,353.12	844	876	477	23.79	20
1991	10,456.01	6,095	6,326	4,130	23.97	172
1992	72.45	42	44	29	24.00	1
1993	3,676,556.97	2,084,608	2,163,447	1,513,110	24.06	62,889
1994	5,449.47	3,042	3,157	2,292	24.14	95
2007	17,282.67	7,169	7,440	9,843	24.69	399
2008	196,628.28	78,514	81,483	115,145	24.82	4,639

AQUA PENNSYLVANIA, INC.
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ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2053						
2009	816,364.83	313,811	325,679	490,686	24.82	19,770
2010	31,836.76	11,725	12,168	19,668	24.87	791
2019	49,286.40	8,837	9,171	40,115	25.17	1,594
2020	3,801,583.06	576,320	598,116	3,203,467	25.18	127,223
	9,884,500.54	3,934,023	4,082,806	5,801,695		234,946
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	798,998.22	421,711	437,660	361,338	30.86	11,709
1991	4,600,990.63	2,388,834	2,479,179	2,121,812	31.02	68,401
1992	9,423.18	4,808	4,990	4,433	31.20	142
1994	5,320.33	2,612	2,711	2,610	31.61	83
2001	2,348.63	993	1,031	1,318	32.06	41
2003	43,538.97	17,411	18,069	25,469	32.26	789
2004	17,846.13	6,951	7,214	10,632	32.13	331
2007	2,035.02	712	739	1,296	32.50	40
2008	250,743.52	84,400	87,592	163,152	32.52	5,017
2009	130,943.67	42,216	43,813	87,131	32.58	2,674
2010	743,896.24	228,674	237,322	506,574	32.67	15,506
2012	1,943.67	537	557	1,386	32.75	42
2018	80,024.04	13,108	13,604	66,420	33.18	2,002
2019	7,233.92	1,030	1,069	6,165	33.11	186
	6,695,286.17	3,213,997	3,335,549	3,359,737		106,963
MEDIA FILTRATION PLANT						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2038						
1916	0.57	1	1			
1957	32,967.89	28,039	29,099	3,868	11.87	326
1982	80,542.00	62,299	64,655	15,887	12.45	1,276
1986	0.14		0			
1987	0.21		0			
1988	2,780,999.00	2,070,732	2,149,046	631,953	12.52	50,475
1989	749,306.00	553,288	574,213	175,093	12.58	13,918

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MEDIA FILTRATION PLANT						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2038						
1992	28,000.00	20,202	20,966	7,034	12.55	560
1995	40,188.48	28,100	29,163	11,026	12.69	869
1997	131,839.49	90,284	93,699	38,141	12.66	3,013
	3,843,843.78	2,852,945	2,960,842	883,002		70,437
BRISTOL TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2060						
1973	75,799.09	49,967	51,857	23,942	26.62	899
1977	109,276.90	69,555	72,186	37,091	27.13	1,367
1992	20,000.00	10,724	11,130	8,870	28.11	316
1993	548,159.00	288,332	299,237	248,922	28.38	8,771
1996	2,500.00	1,254	1,301	1,199	28.32	42
1998	7,046,445.86	3,379,475	3,507,285	3,539,160	28.75	123,101
1999	3,133,628.95	1,478,446	1,534,360	1,599,269	28.55	56,016
2000	511,575.28	235,632	244,544	267,032	28.69	9,307
2001	5,808.52	2,607	2,706	3,103	28.86	108
2005	14,176.09	5,695	5,910	8,266	29.04	285
2007	15,325.76	5,739	5,956	9,370	29.23	321
2008	32,543.54	11,761	12,206	20,338	29.16	697
2009	10,667.52	3,687	3,826	6,841	29.35	233
2010	85,800.59	28,366	29,439	56,362	29.36	1,920
2024	649,725.23	10,785	11,193	638,532	29.62	21,557
	12,261,432.33	5,582,025	5,793,135	6,468,297		224,940
WELLS AND BOOSTERS						
SURVIVOR CURVE.. IOWA 50-R3						
1965	32.11	29	30	2	6.29	
1966	137.73	124	129	9	6.44	1
1967	1,507.83	1,353	1,404	104	6.60	16
1968	8,832.26	7,885	8,183	649	6.79	96
1969	1,025.12	905	939	86	7.40	12
1970	2,217.24	1,945	2,019	199	7.61	26
1971	335.95	293	304	32	7.85	4
1972	481.59	415	431	51	8.48	6
1975	1,812.87	1,517	1,574	238	9.67	25

AQUA PENNSYLVANIA, INC.
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ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
WELLS AND BOOSTERS						
SURVIVOR CURVE.. IOWA 50-R3						
1985	2,623.13	1,917	1,990	634	14.55	44
1987	190,171.66	134,071	139,142	51,030	15.69	3,252
1988	21,875.97	15,090	15,661	6,215	16.41	379
1990	2,534.77	1,679	1,742	792	17.58	45
1991	2,551.78	1,650	1,712	839	18.31	46
1992	85.58	54	56	30	18.78	2
1993	83.13	51	53	30	19.52	2
1994	46,491.91	27,932	28,988	17,504	20.26	864
1997	34,063.69	18,830	19,542	14,522	22.25	653
2001	60,187.21	29,137	30,239	29,948	25.04	1,196
2002	27,456.83	12,850	13,336	14,121	25.58	552
2004	4,053.79	1,745	1,811	2,243	27.12	83
2005	19,773.26	8,135	8,443	11,331	27.90	406
2006	426,044.17	167,095	173,414	252,630	28.67	8,812
2007	65,229.14	24,317	25,237	39,992	29.45	1,358
2008	142,809.42	50,426	52,333	90,476	30.23	2,993
2009	1,125,242.91	374,931	389,111	736,132	31.01	23,739
2010	1,059,788.92	331,926	344,479	715,310	31.80	22,494
2011	41,087.58	12,092	12,549	28,538	32.37	882
2012	5,522,076.87	1,511,945	1,569,126	3,952,951	33.16	119,208
2013	6,409,165.50	1,621,519	1,682,844	4,726,321	33.95	139,214
2015	151,119.18	31,871	33,076	118,043	35.55	3,320
2016	41,821.37	7,929	8,229	33,592	36.34	924
2017	185,632.96	31,186	32,365	153,268	37.14	4,127
2018	145,214.13	21,230	22,033	123,181	37.95	3,246
2019	1,441.94	179	186	1,256	38.75	32
2024	1,021,001.92	12,048	12,504	1,008,498	41.87	24,086
	16,766,011.42	4,466,301	4,635,215	12,130,796		362,145
SHENANGO CLARIFIER AND PIPING						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2026						
1976	707,085.58	685,873	707,086			
1999	431.06	407	424	7	1.53	5
2010	530,034.06	480,317	499,924	30,110	1.50	20,073
2012	1,187,368.92	1,061,270	1,104,592	82,777	1.49	55,555
2020	43,976.46	32,991	34,338	9,639	1.50	6,426
	2,468,896.08	2,260,858	2,346,363	122,533		82,059

AQUA PENNSYLVANIA, INC.
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ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BEAR GAP TREATMENT PLANT - STRUCTURES						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	2,768,610.12	1,707,125	1,771,687	996,923	18.34	54,358
1997	155,244.00	92,650	96,154	59,090	18.58	3,180
2006	1,267.64	631	655	613	18.68	33
2024	185,636.35	4,752	4,932	180,705	19.03	9,496
	3,110,758.11	1,805,158	1,873,428	1,237,330		67,067
	112,510,354.23	50,744,057	52,663,175	59,847,179		2,735,273
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					21.9	2.43

AQUA PENNSYLVANIA, INC.
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ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
1960	526.69	472	484	43	7.44	6
1961	532.66	477	489	44	7.42	6
1964	44,336.33	38,892	39,905	4,431	8.47	523
1965	25,248.97	21,934	22,505	2,744	8.99	305
1966	7,432.50	6,435	6,603	830	9.07	92
1967	6,025.41	5,197	5,332	693	9.17	76
1968	81,077.01	69,175	70,977	10,100	9.72	1,039
1969	9,655.78	8,200	8,414	1,242	9.86	126
1970	33,172.49	27,842	28,567	4,605	10.44	441
1971	41,559.02	34,685	35,589	5,970	10.60	563
1972	1,374,691.38	1,133,021	1,162,541	212,150	11.20	18,942
1973	153,765.01	125,903	129,183	24,582	11.40	2,156
1974	31,615.58	25,545	26,211	5,405	12.00	450
1975	59,918.11	48,048	49,300	10,618	12.23	868
1976	21,364.84	16,891	17,331	4,034	12.85	314
1977	37,019.00	29,015	29,771	7,248	13.10	553
1978	43,602.02	33,656	34,533	9,069	13.74	660
1979	48,767.99	37,054	38,019	10,749	14.38	747
1980	88,224.51	66,345	68,074	20,151	14.67	1,374
1981	121,716.45	90,009	92,354	29,362	15.32	1,917
1982	145,058.36	106,038	108,801	36,257	15.64	2,318
1983	198,042.77	142,195	145,900	52,143	16.30	3,199
1984	156,063.50	110,618	113,500	42,564	16.64	2,558
1985	581,769.28	404,446	414,984	166,785	17.32	9,630
1986	239,031.12	162,876	167,120	71,911	18.00	3,995
1987	248,569.21	166,840	171,187	77,382	18.37	4,212
1988	1,113,068.27	731,286	750,339	362,729	19.06	19,031
1989	1,119,260.67	723,154	741,996	377,265	19.45	19,397
1990	781,992.60	493,750	506,614	275,379	20.14	13,673
1991	2,028,141.86	1,250,147	1,282,719	745,423	20.85	35,752
1992	659,463.76	398,646	409,033	250,431	21.26	11,779
1993	635,535.58	374,330	384,083	251,453	21.98	11,440
1994	758,297.13	434,808	446,137	312,160	22.69	13,758
1995	3,556,865.93	1,993,623	2,045,566	1,511,300	23.13	65,339
1996	933,542.13	508,220	521,462	412,080	23.85	17,278
1997	527,476.09	279,984	287,279	240,197	24.31	9,881
1998	1,462,947.86	752,101	771,697	691,251	25.05	27,595
1999	883,457.76	439,255	450,700	432,758	25.78	16,787
2000	2,598,050.62	1,253,819	1,286,487	1,311,564	26.26	49,945
2001	1,002,610.12	466,514	478,669	523,941	27.01	19,398
2002	1,239,001.66	554,825	569,281	669,721	27.75	24,134
2003	591,804.74	255,778	262,442	329,363	28.25	11,659

AQUA PENNSYLVANIA, INC.
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ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
2004	1,224,493.77	507,063	520,274	704,220	29.00	24,283
2005	1,089,107.03	433,247	444,535	644,572	29.52	21,835
2006	1,155,881.91	438,310	449,730	706,152	30.28	23,321
2007	2,727,984.36	988,076	1,013,820	1,714,164	30.81	55,637
2008	24,067,231.90	8,259,874	8,475,082	15,592,150	31.58	493,735
2009	8,313,586.60	2,706,072	2,776,578	5,537,009	32.12	172,385
2010	472,731.12	144,656	148,425	324,306	32.89	9,860
2011	10,011,468.10	2,879,298	2,954,317	7,057,151	33.45	210,976
2012	4,305,888.03	1,151,825	1,181,835	3,124,053	34.23	91,267
2013	5,362,065.98	1,331,937	1,366,640	3,995,426	34.80	114,811
2014	3,099,621.16	709,503	727,989	2,371,632	35.37	67,052
2015	7,555,358.62	1,571,515	1,612,460	5,942,899	36.16	164,350
2016	4,221,959.19	792,884	813,542	3,408,417	36.75	92,746
2017	6,377,977.02	1,066,398	1,094,183	5,283,794	37.35	141,467
2018	11,416,805.37	1,669,137	1,712,626	9,704,179	37.95	255,710
2019	9,070,605.37	1,137,454	1,167,090	7,903,515	38.36	206,035
2020	9,622,805.28	1,000,772	1,026,847	8,595,958	38.79	221,602
2021	4,108,294.09	336,469	345,236	3,763,058	39.24	95,899
2022	23,377,646.88	1,390,970	1,427,211	21,950,436	39.52	555,426
2023	25,845,191.06	945,934	970,579	24,874,612	39.48	630,056
2024	20,884,089.43	271,493	278,567	20,605,522	38.11	540,685
	208,001,095.04	43,554,936	44,689,744	163,311,351		4,613,054

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 35.4 2.22

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.3 PURIFICATION SYSTEM - COMPUTERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
1990	7,513.92	7,514	7,514			
1991	2,805.52	2,806	2,806			
1993	28,543.01	28,543	28,543			
1994	1,916.34	1,916	1,916			
1997	17,091.38	17,091	17,091			
2000	2,491,613.13	2,491,613	2,491,613			
2003	16,758.82	16,759	16,759			
2004	80,763.12	80,763	80,763			
2005	220,367.24	220,367	220,367			
2006	3,628.76	3,629	3,629			
2007	2,481,132.96	2,481,133	2,481,133			
2008	1,164,900.23	1,164,900	1,164,900			
2009	221,698.64	221,699	221,699			
2024	116,022.72	5,801	0	116,022	9.50	12,213
	6,854,755.79	6,744,534	6,738,733	116,022		12,213

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.5 0.18

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.4 PURIFICATION SYSTEM - PAINTING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
SURVIVOR CURVE.. 10-SQUARE						
1984	64,439.24	64,439	64,439			
1986	15,122.71	15,123	15,123			
1987	44,693.32	44,693	44,693			
1989	31,121.90	31,122	31,122			
1990	3,338.57	3,339	3,339			
1991	23.76	24	24			
2014	17,390.22	17,390	17,390			
2018	101,940.44	66,261	81,663	20,277	3.50	5,793
	278,070.16	242,391	257,793	20,277		5,793

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 3.5 2.08

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.5 PURIFICATION SYSTEM - FILTER MEDIA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 10-S3						
1965	3,266.36	3,266	3,266			
1981	18,864.72	18,865	18,865			
1982	139,272.55	139,273	139,273			
1984	29,012.00	29,012	29,012			
1985	67,829.59	67,830	67,830			
1986	133,300.84	133,301	133,301			
1987	111,953.72	111,954	111,954			
1988	65,924.81	65,925	65,925			
1991	34,904.80	34,905	34,905			
1993	181,257.69	181,258	181,258			
1994	68,288.20	68,288	68,288			
1995	522,212.97	522,213	522,213			
1996	84,194.90	84,195	84,195			
1998	78,115.04	78,115	78,115			
1999	208,661.98	208,662	208,662			
2000	265,515.69	265,516	265,516			
2001	268,618.94	268,619	268,619			
2004	44,952.08	44,952	44,952			
2007	294,669.57	292,902	294,670			
2008	106,102.73	104,511	106,103			
2012	24,783.09	22,830	24,783			
2013	55,830.14	50,013	55,830			
2014	79,684.29	69,023	79,684			
2016	62,367.16	48,721	62,367			
2020	37,883.96	18,018	27,344	10,540	4.96	2,125
2021	345,007.79	128,964	195,711	149,297	5.86	25,477
2022	146,702.99	39,346	59,710	86,993	6.82	12,756
2023	1,845,384.60	297,291	451,159	1,394,226	7.81	178,518
2024	348,068.16	18,691	28,365	319,703	8.81	36,289
	5,672,631.36	3,416,459	3,711,875	1,960,757		255,165

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 7.7 4.50

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
1882	961.87	962	962			
1885	928.31	928	928			
1892	328.04	322	319	9	2.64	3
1899	423.64	409	406	18	4.36	4
1909	41,987.63	39,766	39,436	2,551	6.45	396
1910	61,843.49	58,065	57,584	4,260	7.45	572
1924	179,178.17	162,067	160,723	18,455	10.61	1,739
1926	40,311.53	36,135	35,835	4,476	11.38	393
1927	38,512.28	34,546	34,260	4,253	11.20	380
1928	30,435.10	27,020	26,796	3,639	12.20	298
1931	214.88	189	187	27	12.88	2
1937	11,422.65	9,795	9,714	1,709	14.54	118
1938	176.55	151	150	27	14.51	2
1940	1,927.08	1,628	1,615	313	15.50	20
1943	607.56	505	501	107	16.54	6
1944	2,035.93	1,688	1,674	362	16.58	22
1945	3,286.54	2,717	2,694	592	16.65	36
1946	1,363.53	1,113	1,104	260	17.65	15
1947	81.69	66	65	16	17.73	1
1948	149,455.42	121,193	120,188	29,267	17.84	1,641
1949	477.41	386	383	95	17.96	5
1950	165,207.38	131,703	130,611	34,596	18.95	1,826
1951	288,274.62	228,832	226,935	61,340	19.09	3,213
1952	14,290.17	11,292	11,198	3,092	19.25	161
1953	85,865.33	67,533	66,973	18,892	19.41	973
1954	182,994.31	143,211	142,024	40,971	19.59	2,091
1955	108,917.43	84,019	83,322	25,595	20.59	1,243
1956	341,766.42	262,203	260,029	81,737	20.79	3,932
1957	794.25	606	601	193	20.99	9
1958	13,235.23	10,034	9,951	3,284	21.22	155
1959	29,137.02	21,946	21,764	7,373	21.46	344
1960	24,683.02	18,468	18,315	6,368	21.71	293
1961	569,691.56	423,281	419,771	149,920	21.97	6,824
1962	302,698.58	221,333	219,498	83,201	22.97	3,622
1963	607,662.13	440,980	437,324	170,339	23.25	7,326
1964	470,110.83	338,480	335,673	134,437	23.53	5,713
1965	24,382.63	17,409	17,265	7,118	23.83	299
1966	208,045.12	147,254	146,033	62,012	24.15	2,568
1967	3,604.24	2,528	2,507	1,097	24.47	45
1968	41,814.43	29,061	28,820	12,994	24.80	524
1969	78,343.02	53,916	53,469	24,874	25.15	989

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
1970	36,907.69	25,142	24,934	11,974	25.50	470
1971	110,624.19	74,572	73,954	36,671	25.87	1,418
1972	747,629.84	498,520	494,387	253,243	26.24	9,651
1973	1,617,284.78	1,066,114	1,057,274	560,010	26.62	21,037
1974	22,640.58	14,748	14,626	8,015	27.02	297
1975	576,131.26	370,740	367,666	208,465	27.42	7,603
1976	2,927,232.08	1,859,963	1,844,541	1,082,691	27.83	38,904
1977	109,538.31	68,681	68,112	41,427	28.26	1,466
1978	474,761.80	293,593	291,159	183,603	28.69	6,400
1979	299,437.08	182,567	181,053	118,384	29.13	4,064
1980	1,876,475.47	1,135,643	1,126,227	750,249	29.03	25,844
1981	182,510.18	108,776	107,874	74,636	29.49	2,531
1982	6,230.64	3,654	3,624	2,607	29.96	87
1983	2,871.57	1,656	1,642	1,229	30.45	40
1984	163,136.15	92,498	91,731	71,405	30.93	2,309
1985	811,653.86	452,091	448,342	363,311	31.42	11,563
1986	633,715.61	346,452	343,579	290,136	31.92	9,089
1987	146,206.43	78,951	78,296	67,910	31.94	2,126
1988	1,151,910.75	609,591	604,537	547,374	32.47	16,858
1989	1,807,075.23	936,607	928,841	878,234	32.99	26,621
1990	219,688.23	111,426	110,502	109,186	33.52	3,257
1991	592,411.88	293,718	291,283	301,129	34.07	8,839
1992	3,449,174.12	1,681,472	1,667,530	1,781,644	34.17	52,141
1993	614,371.15	292,195	289,772	324,599	34.73	9,346
1994	905,934.90	419,991	416,509	489,426	35.29	13,869
1995	624,178.00	281,754	279,418	344,760	35.86	9,614
1996	1,830,804.08	803,540	796,877	1,033,927	36.44	28,373
1997	1,923,991.69	825,392	818,548	1,105,443	36.60	30,203
1998	384,044.81	159,763	158,438	225,606	37.20	6,065
1999	970,386.30	390,969	387,727	582,659	37.79	15,418
2000	2,623,497.50	1,022,115	1,013,640	1,609,857	38.39	41,934
2001	1,486,067.67	562,328	557,665	928,402	38.61	24,046
2002	2,462,781.91	897,684	890,241	1,572,541	39.23	40,085
2003	645,135.67	226,056	224,182	420,954	39.85	10,563
2004	391,144.44	131,503	130,413	260,732	40.48	6,441
2005	1,217,327.73	394,049	390,782	826,546	40.74	20,288
2006	2,433,356.67	751,907	745,673	1,687,684	41.38	40,785
2007	3,921,846.50	1,153,023	1,143,463	2,778,384	42.02	66,121
2008	4,292,299.95	1,196,693	1,186,771	3,105,529	42.67	72,780
2009	771,877.48	203,390	201,704	570,174	43.32	13,162
2010	5,462,797.60	1,354,774	1,343,541	4,119,257	43.98	93,662

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
2011	3,335,314.55	779,129	772,669	2,562,646	44.30	57,848
2012	2,229,614.06	484,941	480,920	1,748,694	44.97	38,886
2013	182,949.21	36,809	36,504	146,445	45.65	3,208
2014	7,758,798.38	1,433,826	1,421,937	6,336,861	46.32	136,806
2015	183,722.90	30,902	30,646	153,077	46.99	3,258
2016	1,454,485.30	218,755	216,941	1,237,544	48.00	25,782
2017	313,041.05	41,791	41,444	271,597	48.68	5,579
2018	1,683,860.28	196,001	194,376	1,489,484	49.36	30,176
2019	4,359,700.11	431,610	428,031	3,931,669	50.06	78,539
2020	2,203,553.01	178,488	177,008	2,026,545	51.06	39,689
2021	7,931,838.41	502,879	498,709	7,433,129	51.75	143,635
2022	2,518,742.31	113,847	112,903	2,405,839	52.75	45,608
2023	5,189,583.34	141,676	140,501	5,049,082	53.45	94,464
2024	627,005.73	5,706	5,659	621,347	54.45	11,411
	95,026,777.44	29,124,401	28,882,931	66,143,846		1,558,062
TANK PAINTING						
SURVIVOR CURVE.. 10-SQUARE						
1988	260,881.15	260,881	260,881			
1989	224,751.94	224,752	224,752			
1990	139,789.51	139,790	139,790			
1991	411,271.42	411,271	411,271			
1992	241,689.28	241,689	241,689			
1993	719,568.10	719,568	719,568			
1994	161,329.08	161,329	161,329			
1996	65,886.34	65,886	65,886			
1997	1,352,375.85	1,352,376	1,352,376			
1998	244,432.30	244,432	244,432			
2000	293,325.37	293,325	293,325			
2001	999,556.65	999,557	999,557			
2002	639,030.93	639,031	639,031			
2003	998,397.72	998,398	998,398			
2004	9,430.21	9,430	9,430			
2005	68,620.50	68,620	68,621			
2006	746,193.69	746,194	746,194			
2007	916,877.37	916,877	916,877			
2008	2,393,972.38	2,393,972	2,393,972			
2009	5,096,907.06	5,096,907	5,096,907			
2010	4,223,263.28	4,223,263	4,223,263			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANK PAINTING						
SURVIVOR CURVE.. 10-SQUARE						
2011	1,516,320.64	1,516,321	1,516,321			
2012	4,174,492.92	4,174,493	4,174,493			
2013	2,336,976.32	2,336,976	2,336,976			
2014	2,415,696.16	2,415,696	2,415,696			
2015	8,155,014.05	7,747,263	7,611,525	543,489	0.50	543,489
2016	5,897,457.03	5,012,838	4,925,009	972,448	1.50	648,299
2017	8,289,125.07	6,216,844	6,107,920	2,181,205	2.50	872,482
2018	6,649,025.59	4,321,867	4,246,144	2,402,881	3.50	686,537
2019	8,643,852.32	4,754,119	4,670,823	3,973,029	4.50	882,895
2020	1,865,419.78	839,439	824,731	1,040,688	5.50	189,216
2021	2,361,310.44	826,459	811,979	1,549,332	6.50	238,359
2022	4,122,670.99	1,030,668	1,012,610	3,110,061	7.50	414,675
2023	2,041,585.78	306,238	300,872	1,740,713	8.50	204,790
2024	534,115.99	26,706	26,238	507,878	9.50	53,461
	79,210,613.21	61,733,475	61,188,888	18,021,725		4,734,203
	174,237,390.65	90,857,876	90,071,819	84,165,571		6,292,265
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					13.4	3.61

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1924	76.21	70	52	24	9.38	3
1925	7,489.33	6,856	5,074	2,415	9.20	262
1926	1,660.94	1,521	1,126	535	9.03	59
1927	996.32	903	668	328	10.02	33
1928	944.08	856	634	310	9.88	31
1929	679.59	617	457	223	9.77	23
1930	2,290.42	2,078	1,538	752	9.67	78
1931	2,563.71	2,301	1,703	861	10.67	81
1932	324.21	291	215	109	10.60	10
1933	561.71	504	373	189	10.54	18
1934	766.98	687	508	259	10.51	25
1935	15,622.23	13,982	10,348	5,274	10.50	502
1936	131.14	116	86	45	11.50	4
1937	747.84	661	489	259	11.50	23
1938	1,236.70	1,091	807	430	11.54	37
1939	1,938.29	1,707	1,263	675	11.59	58
1940	12,250.58	10,766	7,968	4,283	11.65	368
1941	1,054.84	925	685	370	11.73	32
1942	1,651.97	1,445	1,069	583	11.84	49
1944	2,430.25	2,093	1,549	881	12.95	68
1945	4,639.71	3,984	2,948	1,692	13.09	129
1946	942.55	806	596	347	13.25	26
1947	3,007.18	2,564	1,898	1,109	13.41	83
1949	3,666.79	3,101	2,295	1,372	13.79	99
1950	14,993.43	12,621	9,340	5,653	14.00	404
1952	4,878.71	4,103	3,037	1,842	13.71	134
1953	1,391.31	1,164	861	530	13.97	38
1955	11,590.87	9,586	7,094	4,497	14.54	309
1956	8,536.25	7,017	5,193	3,343	14.83	225
1957	6,124.02	5,002	3,702	2,422	15.14	160
1958	8,507.43	6,902	5,108	3,399	15.47	220
1959	5,923.55	4,811	3,560	2,364	15.15	156
1960	247,350.14	199,414	147,580	99,770	15.50	6,437
1961	4,501.79	3,602	2,666	1,836	15.87	116
1962	62,226.65	49,396	36,557	25,670	16.24	1,581
1963	4,286.81	3,401	2,517	1,770	16.02	110
1964	44,891.69	35,307	26,130	18,762	16.42	1,143
1965	19,467.77	15,290	11,316	8,152	16.26	501
1966	3,558.98	2,769	2,049	1,510	16.69	90
1967	1,656.37	1,286	952	704	16.58	42
1968	22,021.97	16,922	12,523	9,499	17.03	558
1969	20,213.35	15,481	11,457	8,756	16.96	516

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1970	8,547.90	6,476	4,793	3,755	17.44	215
1971	27,513.49	20,756	15,361	12,152	17.42	698
1972	13,191.90	9,835	7,279	5,913	17.92	330
1973	12,470.09	9,248	6,844	5,626	17.94	314
1974	66,120.00	48,750	36,078	30,042	17.99	1,670
1975	89,467.16	65,544	48,507	40,960	18.07	2,267
1976	32,199.09	23,425	17,336	14,863	18.17	818
1977	94,503.47	68,232	50,496	44,007	18.29	2,406
1978	183,920.43	131,705	97,471	86,449	18.44	4,688
1979	143,100.16	101,572	75,170	67,930	18.60	3,652
1980	102,488.43	72,060	53,329	49,159	18.79	2,616
1981	29,971.95	20,860	15,438	14,534	19.00	765
1982	85,888.60	59,134	43,763	42,126	19.23	2,191
1983	81,005.37	55,132	40,802	40,203	19.48	2,064
1984	53,314.44	35,843	26,526	26,788	19.74	1,357
1985	102,815.00	68,639	50,798	52,017	19.67	2,644
1986	78,885.05	51,938	38,438	40,447	19.98	2,024
1987	85,305.68	55,662	41,194	44,112	19.97	2,209
1988	78,713.23	50,565	37,422	41,291	20.32	2,032
1989	51,963.47	33,018	24,436	27,527	20.37	1,351
1990	146,870.07	91,706	67,869	79,001	20.75	3,807
1991	59,152.77	36,462	26,984	32,169	20.85	1,543
1992	33,036.22	20,079	14,860	18,176	20.97	867
1993	62,895.71	37,448	27,714	35,182	21.41	1,643
1994	166,792.64	97,674	72,286	94,507	21.58	4,379
1995	65,406.37	37,622	27,843	37,563	21.78	1,725
1996	100,301.59	56,600	41,888	58,414	22.01	2,654
1997	350,138.67	193,557	143,246	206,893	22.25	9,299
1998	441,218.47	238,523	176,524	264,694	22.52	11,754
1999	252,358.63	132,564	98,107	154,252	23.04	6,695
2000	161,596.33	82,737	61,231	100,365	23.35	4,298
2001	1,464,741.28	729,734	540,054	924,687	23.67	39,066
2002	1,100,561.10	532,451	394,051	706,510	24.01	29,426
2003	1,403,104.94	657,635	486,696	916,409	24.37	37,604
2004	1,018,556.51	461,406	341,473	677,084	24.75	27,357
2005	551,210.28	240,769	178,186	373,024	25.14	14,838
2006	4,293,911.27	1,803,443	1,334,674	2,959,237	25.55	115,821
2007	1,779,472.95	716,238	530,066	1,249,407	25.98	48,091
2008	1,626,325.02	625,159	462,662	1,163,663	26.42	44,045
2009	217,885.54	79,354	58,728	159,158	27.06	5,882
2010	137,462.97	47,438	35,107	102,356	27.52	3,719
2011	960,389.93	312,511	231,280	729,110	27.99	26,049

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
2012	712,733.06	217,384	160,879	551,854	28.48	19,377
2013	1,491,312.65	423,533	313,444	1,177,869	28.99	40,630
2014	1,208,290.27	317,176	234,733	973,557	29.50	33,002
2015	1,856,344.83	446,265	330,267	1,526,078	30.02	50,835
2016	1,262,571.32	274,736	203,324	1,059,247	30.56	34,661
2017	1,101,391.93	213,890	158,294	943,098	31.11	30,315
2018	1,522,782.63	259,330	191,922	1,330,861	31.67	42,023
2019	3,320,509.31	484,130	358,290	2,962,219	32.23	91,909
2020	3,621,225.33	436,720	323,204	3,298,021	32.81	100,519
2021	2,467,327.36	233,903	173,105	2,294,222	33.40	68,689
2022	1,998,669.75	137,508	101,766	1,896,904	33.86	56,022
2023	5,738,918.22	239,887	177,533	5,561,385	34.34	161,951
2024	3,428,606.28	49,372	36,539	3,392,068	34.22	99,125
	48,105,251.77	12,407,337	9,182,301	38,922,951		1,320,772

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 29.5 2.75

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1923	915.09	873	632	283	4.88	58
1924	7,487.18	7,149	5,174	2,313	4.76	486
1925	33,117.06	31,302	22,653	10,464	5.77	1,814
1926	41,410.81	39,158	28,339	13,072	5.67	2,305
1927	26,684.96	25,239	18,265	8,420	5.59	1,506
1928	19,649.79	18,583	13,449	6,201	5.54	1,119
1929	19,409.25	18,165	13,146	6,263	6.54	958
1930	12,472.34	11,669	8,445	4,027	6.51	619
1931	15,280.73	14,287	10,339	4,942	6.50	760
1932	29,257.97	27,333	19,781	9,477	6.51	1,456
1933	2,851.09	2,661	1,926	925	6.54	141
1934	7,777.16	7,179	5,195	2,582	7.54	342
1935	24,999.47	23,045	16,678	8,321	7.59	1,096
1936	26,659.88	24,538	17,758	8,902	7.65	1,164
1937	20,733.81	19,050	13,786	6,948	7.73	899
1938	26,408.69	24,214	17,524	8,885	7.84	1,133
1939	32,386.36	29,627	21,441	10,945	7.96	1,375
1940	39,637.23	36,173	26,178	13,459	8.09	1,664
1941	36,117.48	32,874	23,791	12,326	8.24	1,496
1942	31,673.16	28,743	20,801	10,872	8.41	1,293
1943	3,371.76	3,050	2,207	1,165	8.59	136
1944	11,243.83	10,137	7,336	3,908	8.79	445
1945	43,354.55	38,603	27,937	15,418	9.79	1,575
1946	18,828.19	16,701	12,087	6,741	10.00	674
1947	24,697.63	21,820	15,791	8,907	10.22	872
1948	79,564.78	70,001	50,660	28,905	10.45	2,766
1949	61,786.77	54,113	39,162	22,625	10.71	2,113
1950	161,001.95	140,329	101,556	59,446	10.97	5,419
1951	113,856.17	99,579	72,065	41,791	10.54	3,965
1952	116,388.01	101,258	73,280	43,108	10.83	3,980
1953	189,507.67	163,962	118,659	70,849	11.14	6,360
1954	228,872.65	196,853	142,462	86,411	11.47	7,534
1955	340,202.90	290,805	210,455	129,748	11.80	10,996
1956	280,849.39	238,553	172,641	108,208	12.15	8,906
1957	153,445.91	129,478	93,703	59,743	12.50	4,779
1958	185,154.28	155,141	112,275	72,879	12.87	5,663
1959	218,588.84	181,822	131,584	87,005	13.24	6,571
1960	416,774.64	344,089	249,017	167,758	13.62	12,317
1961	145,970.96	119,579	86,539	59,432	14.02	4,239
1962	253,687.40	206,121	149,170	104,517	14.42	7,248
1963	151,236.48	122,774	88,851	62,385	14.26	4,375
1964	538,525.77	433,298	313,578	224,948	14.69	15,313

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1965	362,153.13	288,745	208,965	153,188	15.13	10,125
1966	630,079.33	497,637	360,140	269,939	15.57	17,337
1967	517,879.00	404,981	293,085	224,794	16.03	14,023
1968	471,786.83	365,163	264,268	207,519	16.50	12,577
1969	518,034.94	396,763	287,137	230,898	16.96	13,614
1970	741,180.96	565,521	409,267	331,914	16.93	19,605
1971	1,133,564.85	855,161	618,880	514,685	17.42	29,546
1972	815,127.91	607,678	439,776	375,352	17.92	20,946
1973	1,228,880.30	904,947	654,910	573,970	18.43	31,143
1974	5,968,729.25	4,340,460	3,141,189	2,827,540	18.94	149,289
1975	1,178,431.52	845,878	612,161	566,271	19.46	29,099
1976	1,373,517.52	972,588	703,861	669,657	19.99	33,500
1977	1,686,484.11	1,177,503	852,158	834,326	20.53	40,639
1978	3,134,925.87	2,157,456	1,561,350	1,573,576	21.07	74,683
1979	3,159,944.60	2,142,442	1,550,484	1,609,461	21.61	74,478
1980	2,636,989.33	1,760,190	1,273,849	1,363,140	22.17	61,486
1981	2,770,620.85	1,819,744	1,316,948	1,453,673	22.73	63,954
1982	2,006,268.60	1,296,050	937,951	1,068,318	23.29	45,870
1983	2,505,110.74	1,590,745	1,151,221	1,353,890	23.86	56,743
1984	7,021,812.44	4,379,504	3,169,445	3,852,367	24.44	157,625
1985	5,040,505.74	3,085,798	2,233,191	2,807,315	25.02	112,203
1986	6,966,597.13	4,184,138	3,028,059	3,938,538	25.60	153,849
1987	7,637,946.17	4,497,223	3,254,638	4,383,308	26.19	167,366
1988	9,757,710.07	5,627,271	4,072,453	5,685,257	26.79	212,216
1989	11,553,562.69	6,520,831	4,719,122	6,834,441	27.40	249,432
1990	7,748,712.14	4,277,289	3,095,472	4,653,240	28.00	166,187
1991	7,184,888.98	3,851,100	2,787,039	4,397,850	29.00	151,650
1992	7,259,184.56	3,798,005	2,748,614	4,510,571	29.61	152,333
1993	14,025,368.38	7,157,145	5,179,622	8,845,746	30.23	292,615
1994	6,436,290.36	3,200,124	2,315,928	4,120,362	30.85	133,561
1995	10,584,619.75	5,089,085	3,682,968	6,901,652	31.85	216,692
1996	5,376,746.76	2,513,091	1,818,723	3,558,024	32.48	109,545
1997	11,639,244.25	5,249,299	3,798,915	7,840,329	33.48	234,179
1998	18,308,387.58	8,004,427	5,792,800	12,515,588	34.11	366,918
1999	13,262,474.62	5,614,006	4,062,853	9,199,622	34.74	264,814
2000	19,587,077.56	7,966,064	5,765,037	13,822,041	35.74	386,739
2001	20,561,353.58	8,020,984	5,804,782	14,756,572	36.74	401,649
2002	25,764,156.66	9,682,170	7,006,982	18,757,175	37.38	501,797
2003	32,443,899.19	11,647,360	8,429,189	24,014,710	38.38	625,709
2004	34,421,242.93	11,854,676	8,579,223	25,842,020	39.02	662,276
2005	49,772,861.85	16,305,590	11,800,348	37,972,514	40.02	948,838
2006	46,538,359.04	14,464,122	10,467,678	36,070,681	41.02	879,344

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
2007	68,535,960.83	20,149,572	14,582,236	53,953,725	42.02	1,284,001
2008	74,492,534.44	20,768,519	15,030,167	59,462,367	42.67	1,393,540
2009	102,600,337.66	26,881,288	19,453,975	83,146,363	43.67	1,903,970
2010	139,877,328.16	34,269,945	24,801,143	115,076,185	44.67	2,576,140
2011	112,674,370.36	25,712,291	18,607,973	94,066,397	45.67	2,059,698
2012	82,479,343.26	17,419,637	12,606,583	69,872,760	46.67	1,497,166
2013	67,105,164.36	13,045,244	9,440,837	57,664,327	47.67	1,209,657
2014	92,751,920.63	16,556,218	11,981,727	80,770,194	48.32	1,671,569
2015	89,573,977.97	14,466,197	10,469,180	79,104,798	49.32	1,603,909
2016	122,965,591.84	17,768,528	12,859,075	110,106,517	50.32	2,188,126
2017	137,941,130.07	17,587,494	12,728,061	125,213,069	51.32	2,439,849
2018	132,144,331.82	14,601,949	10,567,423	121,576,909	52.32	2,323,718
2019	141,553,994.07	13,235,298	9,578,379	131,975,615	53.32	2,475,162
2020	108,675,617.67	8,313,685	6,016,609	102,659,009	54.32	1,889,893
2021	119,296,367.67	7,098,134	5,136,916	114,159,452	55.32	2,063,620
2022	101,319,924.04	4,306,097	3,116,320	98,203,604	56.32	1,743,672
2023	124,995,780.26	3,187,392	2,306,714	122,689,066	57.32	2,140,423
2024	116,315,468.06	988,681	715,508	115,599,960	58.32	1,982,167
	2,351,223,695.28	459,895,051	332,825,823	2,018,397,872		42,930,404
	COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..				47.0	1.83

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1899	3,130.38	2,907	2,074	1,056	9.64	110
1900	2,325.77	2,172	1,549	777	8.83	88
1901	36.05	33	24	12	9.84	1
1902	21.26	20	14	7	10.83	1
1903	119.87	111	79	41	10.08	4
1904	2,273.04	2,082	1,485	788	11.08	71
1905	17,258.90	15,882	11,329	5,930	10.36	572
1906	4,219.95	3,850	2,746	1,474	11.38	130
1907	17,883.20	16,390	11,691	6,192	10.71	578
1908	15,863.86	14,415	10,283	5,581	11.71	477
1909	57,926.47	52,852	37,701	20,225	11.09	1,824
1910	1,974.58	1,786	1,274	701	12.08	58
1911	799.44	726	518	281	11.50	24
1912	2,271.15	2,044	1,458	813	12.50	65
1913	13,094.77	11,827	8,437	4,658	11.95	390
1914	3,248.42	2,907	2,074	1,174	12.96	91
1916	1,870.01	1,664	1,187	683	13.45	51
1918	16,656.25	14,724	10,503	6,153	13.98	440
1919	114.40	101	72	42	13.55	3
1920	5,274.89	4,630	3,303	1,972	14.55	136
1921	45.37	40	29	16	14.14	1
1923	36,133.18	31,541	22,499	13,634	14.78	922
1924	56,492.61	48,827	34,830	21,663	15.78	1,373
1925	66,328.99	57,414	40,955	25,374	15.45	1,642
1926	122,087.86	104,629	74,635	47,453	16.44	2,886
1927	19,424.36	16,666	11,888	7,536	16.14	467
1928	11,568.31	9,824	7,008	4,560	17.14	266
1929	26,251.99	22,314	15,917	10,335	16.85	613
1930	12,477.75	10,494	7,486	4,992	17.87	279
1931	30,889.66	25,994	18,542	12,348	17.61	701
1932	11,493.23	9,568	6,825	4,668	18.61	251
1933	20,526.47	17,090	12,191	8,335	18.40	453
1934	3,359.73	2,767	1,974	1,386	19.38	72
1935	6,430.93	5,295	3,777	2,654	19.20	138
1936	804.19	662	472	332	19.03	17
1937	14,386.77	11,708	8,352	6,035	20.02	301
1938	266.82	217	155	112	19.88	6
1939	5,850.79	4,702	3,354	2,497	20.88	120
1940	56,152.98	45,080	32,157	23,996	20.76	1,156
1941	25,098.37	19,908	14,201	10,897	21.77	501
1942	69,655.86	55,167	39,352	30,304	21.67	1,398
1943	608.82	476	340	269	22.67	12

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1944	4,434.70	3,463	2,470	1,965	22.60	87
1945	14,346.84	11,064	7,892	6,455	23.59	274
1946	2,950.07	2,269	1,619	1,331	23.54	57
1947	265,856.77	201,918	144,033	121,824	24.54	4,964
1948	209,669.34	158,804	113,279	96,390	24.51	3,933
1949	182,903.48	136,702	97,513	85,390	25.52	3,346
1950	324,674.86	241,883	172,542	152,133	25.50	5,966
1951	220,505.93	162,072	115,610	104,896	26.50	3,958
1952	240,692.33	176,235	125,713	114,979	26.51	4,337
1953	952,596.51	687,965	490,744	461,853	27.50	16,795
1954	634,703.39	456,415	325,573	309,130	27.54	11,225
1955	274,378.07	194,507	138,747	135,631	28.54	4,752
1956	169,041.88	119,276	85,083	83,959	28.58	2,938
1957	131,397.33	91,347	65,160	66,237	29.59	2,238
1958	384,525.60	265,938	189,701	194,825	29.65	6,571
1959	1,056,045.69	719,378	513,151	542,895	30.65	17,713
1960	502,312.30	340,166	242,649	259,663	30.74	8,447
1961	606,734.29	404,570	288,590	318,144	31.73	10,027
1962	928,364.75	615,042	438,726	489,639	31.84	15,378
1963	632,002.71	412,003	293,893	338,110	32.84	10,296
1964	1,080,266.24	692,775	494,175	586,091	33.84	17,319
1965	1,122,791.80	714,769	509,864	612,928	33.96	18,049
1966	1,872,378.18	1,172,109	836,096	1,036,282	34.95	29,650
1967	1,638,283.41	1,007,872	718,942	919,341	35.96	25,566
1968	595,503.09	363,376	259,206	336,297	36.09	9,318
1969	466,782.46	279,789	199,581	267,201	37.09	7,204
1970	819,250.84	482,211	343,974	475,277	38.09	12,478
1971	1,080,656.69	630,239	449,566	631,091	38.24	16,503
1972	1,211,152.83	693,022	494,351	716,802	39.25	18,262
1973	1,448,869.58	813,395	580,216	868,654	40.24	21,587
1974	2,984,994.24	1,658,164	1,182,812	1,802,182	40.41	44,597
1975	4,838,842.59	2,634,750	1,879,437	2,959,406	41.41	71,466
1976	315,074.50	168,092	119,904	195,170	42.41	4,602
1977	1,107,296.87	578,563	412,704	694,593	43.41	16,001
1978	1,450,163.21	748,574	533,978	916,185	43.59	21,018
1979	3,228,303.54	1,630,293	1,162,931	2,065,373	44.59	46,319
1980	1,890,856.66	934,083	666,306	1,224,551	45.59	26,860
1981	1,694,177.28	817,949	583,465	1,110,712	46.59	23,840
1982	1,982,870.48	935,518	667,330	1,315,540	47.59	27,643
1983	627,141.00	291,495	207,931	419,210	47.79	8,772
1984	1,433,794.49	650,369	463,925	969,869	48.79	19,878
1985	3,238,419.91	1,432,677	1,021,966	2,216,454	49.79	44,516

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1986	1,891,833.37	815,759	581,902	1,309,931	50.79	25,791
1987	2,879,116.12	1,209,229	862,575	2,016,541	51.79	38,937
1988	3,696,627.68	1,511,181	1,077,965	2,618,663	52.79	49,605
1989	6,061,412.46	2,410,018	1,719,130	4,342,282	53.79	80,727
1990	3,030,816.49	1,171,107	835,382	2,195,434	54.79	40,070
1991	2,949,746.54	1,106,745	789,470	2,160,277	55.79	38,722
1992	1,965,051.96	715,279	510,227	1,454,825	56.79	25,618
1993	6,370,232.06	2,267,803	1,617,684	4,752,548	56.99	83,393
1994	8,674,711.11	2,989,305	2,132,350	6,542,361	58.00	112,799
1995	6,756,673.41	2,252,675	1,606,893	5,149,780	58.99	87,299
1996	4,896,974.78	1,576,826	1,124,792	3,772,183	60.00	62,870
1997	5,476,832.57	1,702,200	1,214,224	4,262,609	60.99	69,890
1998	19,717,441.75	5,903,402	4,211,053	15,506,389	62.00	250,103
1999	11,870,157.03	3,420,979	2,440,275	9,429,882	62.99	149,704
2000	16,771,066.41	4,642,231	3,311,426	13,459,640	64.00	210,307
2001	16,396,815.78	4,354,994	3,106,532	13,290,284	64.99	204,497
2002	12,643,015.68	3,213,855	2,292,528	10,350,488	66.00	156,826
2003	8,409,385.86	2,043,481	1,457,669	6,951,717	66.99	103,772
2004	13,174,126.52	3,051,128	2,176,450	10,997,677	68.00	161,731
2005	12,355,918.45	2,723,244	1,942,562	10,413,356	68.99	150,940
2006	22,038,218.98	4,605,988	3,285,573	18,752,646	70.00	267,895
2007	6,396,724.96	1,265,272	902,552	5,494,173	70.99	77,394
2008	11,612,520.69	2,164,574	1,544,048	10,068,473	72.00	139,840
2009	6,487,404.48	1,136,593	810,762	5,676,642	72.99	77,773
2010	3,195,768.29	523,467	373,403	2,822,365	74.00	38,140
2011	19,429,222.90	2,964,899	2,114,941	17,314,282	74.99	230,888
2012	28,199,011.14	3,981,700	2,840,252	25,358,759	76.00	333,668
2013	44,768,518.78	5,819,907	4,151,494	40,617,025	76.99	527,562
2014	30,204,654.52	3,582,272	2,555,329	27,649,326	78.00	354,479
2015	31,121,282.74	3,342,426	2,384,241	28,737,042	78.99	363,806
2016	22,587,578.59	2,168,408	1,546,783	21,040,796	80.00	263,010
2017	33,971,990.95	2,880,825	2,054,969	31,917,022	80.99	394,086
2018	30,695,663.58	2,253,062	1,607,169	29,088,495	82.00	354,738
2019	45,160,385.18	2,808,976	2,003,717	43,156,668	82.99	520,023
2020	48,943,665.01	2,486,338	1,773,570	47,170,095	84.00	561,549
2021	36,516,393.90	1,446,049	1,031,505	35,484,889	84.99	417,518

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
2022	25,789,610.93	727,267	518,779	25,270,832	86.00	293,847
2023	70,667,322.27	1,201,344	856,950	69,810,372	86.99	802,510
2024	43,166,153.07	241,730	172,432	42,993,721	88.00	488,565
	771,568,751.42	120,065,145	85,645,646	685,923,105		9,294,331
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					73.8	1.20

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
1947	5,792.67	4,938	3,564	2,229	13.41	166
1948	113.12	96	69	44	13.59	3
1949	2,247.02	1,900	1,371	876	13.79	64
1950	355.45	299	216	139	14.00	10
1951	181.73	151	109	73	14.99	5
1952	326.36	270	195	131	15.22	9
1953	835,683.11	687,099	495,880	339,803	15.46	21,979
1954	82,509.15	67,476	48,697	33,812	15.71	2,152
1955	244,616.62	197,210	142,327	102,290	16.71	6,121
1956	75,239.20	60,297	43,516	31,723	16.97	1,869
1957	4,711.86	3,753	2,709	2,003	17.25	116
1958	1,872.76	1,470	1,061	812	18.25	44
1959	367.01	286	206	161	18.54	9
1960	13,221.48	10,233	7,385	5,836	18.83	310
1961	43,670.06	33,277	24,016	19,654	19.83	991
1962	17,449.99	13,196	9,524	7,926	20.15	393
1963	66,172.25	49,649	35,832	30,340	20.47	1,482
1964	4,744.24	3,502	2,527	2,217	21.47	103
1965	66,651.46	48,776	35,202	31,449	21.80	1,443
1966	7,777.41	5,642	4,072	3,705	22.15	167
1967	3,448.82	2,459	1,775	1,674	23.15	72
1968	26,172.52	18,483	13,339	12,834	23.50	546
1969	883,993.27	618,176	446,138	437,855	23.87	18,343
1970	22,824.38	15,674	11,312	11,512	24.87	463
1971	28,061.12	19,065	13,759	14,302	25.24	567
1972	26,773.97	17,992	12,985	13,789	25.62	538
1973	47,409.60	31,252	22,555	24,855	26.62	934
1974	12,841.18	8,365	6,037	6,804	27.02	252
1975	50,056.91	31,966	23,070	26,987	28.02	963
1976	4,141.23	2,611	1,884	2,257	28.42	79
1977	3,405.52	2,119	1,529	1,877	28.84	65
1978	405.08	247	178	227	29.83	8
1979	51,840.41	31,135	22,470	29,370	30.26	971
1980	48,506.20	28,493	20,563	27,943	31.26	894
1981	60,281.26	34,879	25,172	35,109	31.68	1,108
1983	157,685.08	87,689	63,285	94,400	33.13	2,849
1984	5,240.12	2,865	2,068	3,172	33.57	94
1985	119,906.68	63,934	46,141	73,766	34.58	2,133
1986	7,493.53	3,924	2,832	4,662	35.03	133
1991	357.83	165	119	239	38.96	6
1992	226,932.13	102,528	73,995	152,937	39.44	3,878
1993	17,038.48	7,514	5,423	11,615	39.93	291

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
1997	23,905.89	9,335	6,737	17,169	42.92	400
1999	2,105.25	768	554	1,551	44.43	35
2000	7,907.66	2,771	2,000	5,908	45.43	130
2001	12,094.58	4,093	2,954	9,141	45.94	199
2002	101,046.98	32,739	23,628	77,419	46.94	1,649
2003	105,489.44	32,660	23,571	81,918	47.94	1,709
2004	367,418.93	109,197	78,808	288,611	48.47	5,954
2006	36,363.91	9,822	7,089	29,275	49.99	586
2007	499.07	128	92	407	50.99	8
2012	128,023.93	23,838	17,204	110,820	54.62	2,029
2013	226,238.47	38,777	27,985	198,253	55.61	3,565
2014	55,337.45	8,655	6,246	49,091	56.62	867
2015	76,033.80	10,835	7,820	68,214	57.17	1,193
2016	106,680.67	13,602	9,817	96,864	58.17	1,665
2018	596,627.75	58,589	42,283	554,345	59.72	9,282
2020	1,914.82	132	95	1,820	60.86	30
2021	99,750.61	5,347	3,859	95,892	61.86	1,550
2022	4,432.29	171	123	4,309	62.44	69
2023	108,949.28	2,549	1,840	107,109	62.60	1,711
2024	85,715.16	677	489	85,226	62.79	1,357
	5,425,054.21	2,685,740	1,938,301	3,486,753		106,611

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.7 1.97

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R5						
1948	1,483.69	1,362	966	518	6.83	76
1949	6.97	6	4	3	7.14	
1950	13.53	12	9	5	7.47	1
1954	150,276.70	132,424	93,964	56,313	9.50	5,928
1955	218,691.96	191,509	135,889	82,803	9.87	8,389
1956	367,894.92	320,069	227,112	140,783	10.24	13,748
1957	500,896.66	432,775	307,084	193,813	10.62	18,250
1958	1,413,139.51	1,202,864	853,517	559,623	11.62	48,160
1959	202,251.19	170,902	121,267	80,984	12.02	6,737
1960	587,465.20	488,771	346,818	240,647	13.02	18,483
1961	24,228.04	20,000	14,191	10,037	13.42	748
1965	7,590.64	5,962	4,230	3,361	16.26	207
1967	28,100.27	21,491	15,249	12,851	17.68	727
1973	302,692.04	208,888	148,221	154,471	23.13	6,678
1977	260,117.01	166,787	118,348	141,769	26.58	5,334
1981	67,498.64	39,932	28,335	39,164	30.03	1,304
1983	121,184.18	68,396	48,532	72,652	32.03	2,268
1989	109,717.46	52,972	37,587	72,130	38.03	1,897
2017	189,431.67	19,322	13,710	175,722	66.03	2,661
2024	5,142,909.42	34,972	24,815	5,118,094	73.03	70,082
	9,695,589.70	3,579,416	2,539,848	7,155,742		211,678

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 33.8 2.18

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1904	138.87	131	97	42	7.71	5
1905	549.89	519	385	165	7.09	23
1906	3,752.11	3,513	2,605	1,147	8.08	142
1907	2,354.20	2,185	1,620	734	9.09	81
1908	2,697.35	2,514	1,864	833	8.50	98
1909	528.33	488	362	166	9.50	17
1910	77.19	72	53	24	8.96	3
1911	119.82	110	82	38	9.95	4
1912	4.51	4	3	2	9.45	
1913	0.01					
1914	0.92	1	1			
1915	2.67	2	1	2	10.99	
1916	7.68	7	5	3	10.55	
1918	150.82	137	102	49	11.15	4
1919	98.66	90	67	32	10.78	3
1920	354.07	318	236	118	11.78	10
1921	2,067.48	1,862	1,381	686	11.45	60
1922	1,269.60	1,132	839	431	12.44	35
1923	7,136.66	6,374	4,726	2,411	12.14	199
1924	4,166.61	3,685	2,732	1,435	13.14	109
1925	3,634.77	3,219	2,387	1,248	12.85	97
1926	3,761.39	3,297	2,445	1,316	13.87	95
1927	2,604.96	2,286	1,695	910	13.61	67
1928	4,021.66	3,493	2,590	1,432	14.61	98
1929	2,030.82	1,765	1,309	722	14.40	50
1930	1,530.69	1,316	976	555	15.38	36
1931	3,650.77	3,140	2,328	1,323	15.20	87
1932	761.03	648	481	280	16.20	17
1933	357.46	304	225	132	16.02	8
1934	189.96	160	119	71	17.03	4
1935	826.81	696	516	311	16.88	18
1936	1,995.44	1,660	1,231	764	17.88	43
1937	836.46	695	515	321	17.77	18
1938	1,602.42	1,317	977	625	18.76	33
1939	1,618.69	1,329	985	634	18.67	34
1940	1,193.35	968	718	475	19.67	24
1941	2,650.58	2,147	1,592	1,059	19.59	54
1942	3,129.48	2,504	1,857	1,272	20.60	62
1943	378.67	302	224	155	20.54	8
1944	403.38	318	236	167	21.54	8
1945	315.09	248	184	131	21.52	6
1946	753.93	586	435	319	22.51	14

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1947	1,816.40	1,408	1,044	772	22.50	34
1948	1,923.43	1,471	1,091	832	23.50	35
1949	4,123.93	3,145	2,332	1,792	23.50	76
1950	4,674.13	3,517	2,608	2,066	24.51	84
1951	32,335.47	24,242	17,976	14,359	24.54	585
1952	77,862.54	57,579	42,696	35,167	25.54	1,377
1953	167,054.07	123,019	91,221	75,833	25.59	2,963
1954	115,637.40	83,976	62,270	53,367	26.58	2,008
1955	91,843.06	65,741	48,748	43,095	27.59	1,562
1956	105,803.10	75,374	55,891	49,912	27.65	1,805
1957	92,005.97	64,588	47,893	44,113	28.65	1,540
1958	119,713.43	83,584	61,979	57,734	28.74	2,009
1959	163,494.21	112,451	83,385	80,109	29.73	2,695
1960	157,477.35	107,667	79,837	77,640	29.84	2,602
1961	111,970.64	75,367	55,886	56,085	30.84	1,819
1962	175,598.87	117,441	87,085	88,514	30.95	2,860
1963	162,453.96	106,895	79,265	83,189	31.96	2,603
1964	124,791.01	80,790	59,907	64,884	32.95	1,969
1965	184,652.86	118,658	87,987	96,666	33.09	2,921
1966	168,381.97	106,384	78,886	89,496	34.09	2,625
1967	147,903.76	92,706	68,743	79,161	34.24	2,312
1968	146,348.83	90,122	66,827	79,522	35.25	2,256
1969	147,709.33	89,364	66,265	81,444	36.24	2,247
1970	127,883.50	76,666	56,849	71,034	36.41	1,951
1971	172,948.55	101,780	75,472	97,477	37.41	2,606
1972	207,462.30	120,909	89,656	117,806	37.59	3,134
1973	180,901.54	103,403	76,675	104,227	38.59	2,701
1974	181,185.00	101,572	75,318	105,867	39.59	2,674
1975	152,615.72	84,610	62,740	89,876	39.79	2,259
1976	78,384.99	42,579	31,573	46,812	40.79	1,148
1977	185,185.29	99,407	73,712	111,473	40.99	2,720
1978	334,632.17	175,816	130,371	204,261	42.00	4,863
1979	291,127.57	149,698	111,004	180,124	42.99	4,190
1980	221,122.37	112,175	83,180	137,942	43.22	3,192
1981	232,871.79	115,481	85,631	147,241	44.22	3,330
1982	346,828.27	169,530	125,710	221,118	44.45	4,975
1983	305,147.63	145,616	107,977	197,171	45.46	4,337
1984	352,325.55	164,113	121,693	230,633	46.45	4,965
1985	477,159.47	218,634	162,121	315,038	46.71	6,745
1986	425,439.63	190,001	140,890	284,550	47.71	5,964
1987	405,746.78	176,500	130,878	274,869	48.71	5,643
1988	471,902.11	201,502	149,418	322,484	48.97	6,585

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1989	496,907.97	206,416	153,062	343,846	49.97	6,881
1990	621,690.23	250,914	186,058	435,632	50.97	8,547
1991	549,647.02	217,275	161,114	388,533	51.25	7,581
1992	265,266.18	101,730	75,435	189,831	52.25	3,633
1993	561,865.35	208,845	154,863	407,002	53.25	7,643
1994	915,594.74	332,361	246,452	669,143	53.53	12,500
1995	823,940.81	289,203	214,450	609,491	54.54	11,175
1996	703,937.64	238,776	177,057	526,881	55.53	9,488
1997	931,602.26	307,429	227,965	703,637	55.83	12,603
1998	705,275.64	224,278	166,307	538,969	56.83	9,484
1999	993,081.76	303,883	225,335	767,747	57.83	13,276
2000	911,797.87	270,257	200,401	711,397	58.15	12,234
2001	687,675.55	195,575	145,023	542,653	59.14	9,176
2002	1,136,048.06	309,232	229,302	906,746	60.15	15,075
2003	245,948.10	64,512	47,837	198,111	60.47	3,276
2004	983,871.38	246,066	182,463	801,408	61.47	13,037
2005	523,601.07	124,565	92,367	431,234	62.47	6,903
2006	1,452,273.60	330,537	245,100	1,207,174	62.80	19,223
2007	1,174,585.86	252,771	187,435	987,151	63.80	15,473
2008	1,297,336.76	263,359	195,286	1,102,051	64.80	17,007
2009	957,887.10	184,106	136,518	821,369	65.15	12,607
2010	3,501,829.18	629,629	466,882	3,034,947	66.15	45,880
2011	2,933,494.04	491,067	364,136	2,569,358	67.15	38,263
2012	4,110,922.83	642,126	476,149	3,634,774	67.50	53,849
2013	2,571,562.39	369,791	274,207	2,297,355	68.50	33,538
2014	3,316,332.88	435,103	322,637	2,993,696	69.50	43,075
2015	5,154,652.72	617,012	457,526	4,697,127	69.87	67,227
2016	4,222,893.28	452,272	335,368	3,887,525	70.87	54,854
2017	6,244,012.11	590,059	437,540	5,806,472	71.87	80,791
2018	7,601,188.64	627,858	465,569	7,135,620	72.24	98,777
2019	6,394,598.01	446,343	330,972	6,063,626	73.24	82,791
2020	5,794,094.80	333,740	247,475	5,546,620	73.62	75,341
2021	4,589,719.22	205,619	152,471	4,437,248	74.62	59,465
2022	4,562,182.77	146,902	108,931	4,453,252	75.02	59,361
2023	5,867,852.48	114,423	84,846	5,783,006	75.42	76,677
2024	137,144.25	905	672	136,473	75.26	1,813
	91,662,485.76	15,315,962	11,357,087	80,305,399		1,215,167

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 66.1 1.33

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R4						
1950	474.31	456	328	146	3.02	48
1952	65.55	63	45	21	3.26	6
1954	11,965.15	11,303	8,129	3,836	4.13	929
1955	2,059.75	1,932	1,390	670	4.58	146
1956	19,310.79	18,121	13,033	6,278	4.50	1,395
1957	5,200.04	4,844	3,484	1,716	4.96	346
1958	13,116.05	12,211	8,782	4,334	4.93	879
1959	11,582.89	10,698	7,694	3,889	5.42	718
1960	1,290.98	1,182	850	441	5.92	74
1961	2,853.30	2,609	1,876	977	5.94	164
1962	8,178.16	7,411	5,330	2,848	6.47	440
1963	11,356.39	10,266	7,384	3,972	6.53	608
1964	13,726.56	12,291	8,840	4,887	7.07	691
1965	13,594.07	12,053	8,669	4,925	7.61	647
1966	36,916.49	32,612	23,455	13,461	7.72	1,744
1967	46,300.56	40,467	29,105	17,196	8.29	2,074
1968	31,601.73	27,317	19,647	11,955	8.86	1,349
1969	34,276.43	29,485	21,206	13,070	9.02	1,449
1970	24,640.59	20,949	15,067	9,574	9.60	997
1971	19,933.62	16,744	12,043	7,891	10.19	774
1972	38,458.71	31,901	22,944	15,515	10.79	1,438
1973	14,773.35	12,096	8,700	6,073	11.40	533
1974	17,310.91	13,987	10,060	7,251	12.00	604
1975	73,995.39	58,974	42,415	31,580	12.61	2,504
1976	11,224.29	8,819	6,343	4,881	13.23	369
1977	5,974.71	4,626	3,327	2,648	13.85	191
1978	2,598.88	1,982	1,425	1,174	14.48	81
1979	980.29	736	529	451	15.10	30
1980	1,099.55	812	584	516	15.74	33
1981	13,797.21	10,022	7,208	6,589	16.38	402
1982	25,193.54	17,988	12,937	12,257	17.02	720
1983	471.90	331	238	234	17.67	13
1984	869.90	599	431	439	18.32	24
1985	59,979.48	40,510	29,136	30,843	18.98	1,625
1986	106.21	70	50	56	19.98	3
1987	189.87	122	88	102	20.64	5
1988	453,104.14	286,090	205,762	247,342	21.31	11,607
1989	321,015.84	198,291	142,615	178,401	21.97	8,120
1990	2,562,494.74	1,538,266	1,106,354	1,456,141	22.97	63,393
1991	804,129.58	471,381	339,027	465,103	23.65	19,666
1992	623,482.07	356,632	256,497	366,985	24.32	15,090
1993	466,689.30	258,733	186,086	280,603	25.32	11,082

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R4						
1994	504,718.80	272,447	195,950	308,769	26.00	11,876
1995	95,142.76	49,684	35,734	59,409	26.99	2,201
1996	564,986.25	286,618	206,142	358,844	27.68	12,964
1997	14,790.20	7,240	5,207	9,583	28.68	334
1998	8,547.24	4,055	2,916	5,631	29.36	192
1999	17,203.07	7,851	5,647	11,556	30.37	381
2000	1,607,739.64	705,155	507,163	1,100,577	31.36	35,095
2001	273,830.82	115,830	83,307	190,524	32.06	5,943
2002	7,145,583.56	2,893,961	2,081,399	5,064,185	33.06	153,182
2003	873,125.48	337,900	243,025	630,100	34.06	18,500
2004	1,085,757.89	402,816	289,714	796,044	34.75	22,908
2005	276,296.63	97,533	70,148	206,149	35.75	5,766
2006	1,606,083.62	537,717	386,737	1,219,347	36.75	33,180
2007	206,048.50	65,276	46,948	159,100	37.75	4,215
2008	3,389,830.88	1,017,966	732,143	2,657,688	38.45	69,121
2009	1,021,415.52	288,141	207,237	814,179	39.45	20,638
2010	1,865,506.80	492,307	354,077	1,511,430	40.45	37,365
2011	66,246.15	16,277	11,707	54,539	41.45	1,316
2012	21,009.61	4,780	3,438	17,572	42.45	414
2016	20,694.22	3,220	2,316	18,378	46.14	398
	26,470,940.91	11,192,756	8,050,068	18,420,873		589,000

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 31.3 2.23

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1908	8,442.34	7,868	6,097	2,345	8.50	276
1909	2,426.95	2,243	1,738	689	9.50	73
1910	1,257.57	1,166	904	354	8.96	40
1911	1,514.65	1,393	1,079	436	9.95	44
1912	334.93	309	239	96	9.45	10
1913	8,170.48	7,470	5,789	2,381	10.45	228
1918	486.80	441	342	145	11.15	13
1922	50.09	45	35	15	12.44	1
1923	97.33	87	67	30	12.14	2
1927	6.57	6	5	2	13.61	
1959	49.54	34	26	24	29.73	1
1962	63.65	43	33	31	30.95	1
2006	0.14					
2010	15,282.29	2,748	2,130	13,152	66.15	199
2011	46,756.37	7,827	6,066	40,690	67.15	606
2021	87,104.83	3,902	3,024	84,081	74.62	1,127
2024	25,714.55	170	131	25,583	75.26	340
	197,759.08	35,752	27,705	170,054		2,961

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 57.4 1.50

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
1925	0.25					
1926	26.27	26	26			
1927	86.24	86	86			
1928	48.42	48	48			
1929	48.43	48	48			
1930	89.81	88	68	22	1.65	13
1931	96.53	94	73	24	2.65	9
1932	80.43	78	60	20	2.74	7
1933	104.97	102	79	26	2.84	9
1934	124.29	120	93	31	2.95	11
1935	85.86	82	63	23	3.96	6
1936	77.55	74	57	21	4.09	5
1937	102.76	98	76	27	4.24	6
1938	243.85	232	179	65	4.41	15
1939	137.30	130	100	37	4.59	8
1940	161.82	153	118	44	4.79	9
1941	40.94	38	29	12	5.79	2
1942	9.31	9	9			
1943	1.68	2	2			
1944	13.69	13	10	4	6.45	1
1945	110.90	102	79	32	6.71	5
1946	169.34	156	121	48	6.97	7
1947	128.72	118	91	38	7.25	5
1948	282.26	257	199	83	7.53	11
1949	1,107.68	1,004	776	332	7.83	42
1950	721.47	650	502	219	8.15	27
1951	210.92	189	146	65	8.47	8
1952	1,734.55	1,547	1,195	540	8.80	61
1953	215.88	191	148	68	9.15	7
1954	477.11	420	324	153	9.50	16
1955	623.47	546	422	201	9.87	20
1956	667.16	580	448	219	10.24	21
1957	621.64	537	415	207	10.62	19
1958	243.22	209	161	82	11.02	7
1959	899.40	772	596	303	10.84	28
1960	42.63	36	28	15	11.26	1
1961	118.91	100	77	42	11.68	4
1962	208.92	175	135	74	12.13	6
1963	51.95	43	33	19	12.03	2
1964	173.11	143	110	63	12.50	5
1965	91.48	75	58	33	12.96	3
1966	1,837.74	1,494	1,154	684	13.44	51

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
1967	811.53	658	508	304	13.42	23
1968	1,007.34	808	624	383	13.92	28
1969	2,598.49	2,062	1,593	1,005	14.43	70
1970	2,346.41	1,854	1,432	914	14.47	63
1971	370.09	289	223	147	14.99	10
1972	2,483.50	1,930	1,491	992	15.07	66
1973	710.69	545	421	290	15.61	19
1974	3,468.15	2,645	2,043	1,425	15.72	91
1975	3,346.59	2,518	1,945	1,402	16.29	86
1976	5,049.52	3,771	2,913	2,137	16.44	130
1977	7,620.24	5,647	4,363	3,257	16.60	196
1978	7,838.40	5,722	4,421	3,417	17.20	199
1979	8,811.02	6,374	4,924	3,887	17.40	223
1980	9,843.60	7,052	5,448	4,396	17.61	250
1981	942.96	665	514	429	18.23	24
1982	4,082.85	2,846	2,199	1,884	18.48	102
1983	22,808.76	15,713	12,140	10,669	18.74	569
1984	1,108.29	754	583	525	19.02	28
1985	4,274.78	2,871	2,218	2,057	19.32	106
1986	8,290.99	5,490	4,241	4,050	19.64	206
1988	3,662.82	2,340	1,808	1,855	20.64	90
1989	2,157.54	1,363	1,053	1,105	20.68	53
1990	17,942.69	11,142	8,608	9,335	21.06	443
1991	12,541.10	7,646	5,907	6,634	21.45	309
1992	13,838.41	8,275	6,393	7,445	21.85	341
1993	2,493.26	1,461	1,129	1,364	22.26	61
1994	1,680.63	964	745	936	22.69	41
1996	4,013.07	2,207	1,705	2,308	23.32	99
1997	2,041.88	1,095	846	1,196	23.78	50
1999	253.93	130	100	154	24.50	6
2000	22,847.26	11,364	8,780	14,067	24.76	568
2001	3,193.62	1,539	1,189	2,005	25.28	79
2003	675.71	307	237	439	25.90	17
2011	81,270.32	25,779	19,916	61,354	29.06	2,111
2012	11,833.72	3,521	2,720	9,114	29.52	309
2013	66,200.04	18,351	14,178	52,022	29.99	1,735
2014	33,843.66	8,705	6,725	27,119	30.32	894
2015	23,667.22	5,576	4,308	19,359	30.82	628
2016	19,918.79	4,267	3,297	16,622	31.18	533
2017	31,794.46	6,105	4,717	27,077	31.56	858
2019	12,252.28	1,779	1,374	10,878	32.38	336
2020	82,521.42	9,952	7,689	74,832	32.81	2,281

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
2021	77,020.74	7,363	5,689	71,332	33.13	2,153
2022	415,217.83	28,858	22,295	392,923	33.47	11,740
2023	880,338.05	37,326	28,838	851,500	33.84	25,163
	1,933,353.51	288,494	222,932	1,710,422		53,844
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					31.8	2.79

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
1939	61.02	61	61			
1940	0.24					
1941	7.35	7	7			
1942	0.50					
1943	0.02					
1946	12.15	12	12			
1947	5.04	5	5			
1948	7.64	8	8			
1949	0.52	1	1			
1952	351.03	346	327	24	1.03	23
1954	740.12	730	691	49	0.93	49
1955	118.28	117	111	7	0.92	7
1956	0.01					
1957	0.03					
1958	508.90	498	471	38	1.52	25
1959	0.01					
1960	209.27	204	193	16	1.72	9
1961	811.23	788	745	66	1.86	35
1962	2,944.60	2,853	2,699	246	2.01	122
1964	0.01					
1965	6,149.93	5,928	5,608	542	2.23	243
1971	2,465.39	2,321	2,196	269	3.32	81
1972	11,215.67	10,481	9,914	1,302	3.68	354
1973	5,301.18	4,914	4,648	653	4.06	161
1974	84,844.07	77,980	73,765	11,079	4.45	2,490
1975	110,520.15	101,214	95,743	14,777	4.55	3,248
1976	80,478.77	72,994	69,048	11,431	4.97	2,300
1977	51,499.59	46,236	43,737	7,763	5.41	1,435
1978	105,814.86	93,985	88,905	16,910	5.85	2,891
1979	215,855.04	189,564	179,317	36,538	6.31	5,790
1980	130,933.24	113,035	106,925	24,008	7.05	3,405
1981	64,284.53	54,809	51,846	12,439	7.52	1,654
1982	96,008.84	80,379	76,034	19,975	8.26	2,418
1983	108,588.09	89,227	84,404	24,184	9.01	2,684
1984	130,524.25	105,203	99,516	31,008	9.75	3,180
1985	262,843.32	207,646	196,422	66,421	10.50	6,326
1993	38,600.24	24,681	23,347	15,253	17.76	859
2000	25,108.11	12,489	11,814	13,294	24.76	537
2001	14,448.43	6,892	6,519	7,929	25.76	308
2002	27,797.07	12,698	12,012	15,785	26.76	590
2003	105,030.75	45,835	43,357	61,674	27.76	2,222
2004	75.90	32	30	46	28.76	2

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
2006	57,218.38	21,491	20,329	36,889	30.76	1,199
2007	737.22	262	248	489	31.76	15
2008	40,524.31	13,576	12,842	27,682	32.76	845
2011	790,097.00	216,487	204,785	585,312	35.76	16,368
2012	194,103.63	49,264	46,601	147,503	36.76	4,013
2015	15,765.78	3,040	2,876	12,890	39.76	324
2016	51,686.41	8,921	8,439	43,247	40.76	1,061
2020	192,357.29	17,581	16,630	175,727	44.76	3,926
2021	177,935.28	12,633	11,950	165,985	45.76	3,627
2023	637.73	19	18	620	47.76	13
2024	42,857.58	437	414	42,444	48.76	870
	3,248,086.00	1,707,884	1,615,570	1,632,516		75,709

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.6 2.33

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
1966	41,301.19	37,691	27,822	13,479	5.60	2,407
1970	840.45	747	551	289	6.85	42
1971	4,135.09	3,650	2,694	1,441	7.10	203
1972	2,747.99	2,409	1,778	970	7.38	131
1973	294,704.91	256,511	189,348	105,357	7.67	13,736
1974	285,573.17	246,621	182,047	103,526	7.98	12,973
1975	104,030.08	89,091	65,764	38,266	8.30	4,610
1976	34,630.70	29,395	21,698	12,933	8.64	1,497
1977	35,691.16	30,009	22,152	13,539	8.99	1,506
1978	161,931.39	134,792	99,499	62,432	9.36	6,670
1979	105,497.89	86,888	64,138	41,360	9.75	4,242
1980	303,616.41	247,265	182,522	121,094	10.14	11,942
1981	39,063.39	31,438	23,206	15,857	10.55	1,503
1982	110,391.03	87,739	64,766	45,625	10.97	4,159
1983	1,816.27	1,425	1,052	764	11.41	67
1984	61,585.30	47,642	35,168	26,417	11.85	2,229
1985	1,594,128.92	1,215,364	897,140	696,989	12.31	56,620
1986	196,490.36	147,525	108,898	87,592	12.78	6,854
1987	67,774.61	50,072	36,961	30,814	13.26	2,324
1988	125,836.45	91,408	67,474	58,362	13.75	4,245
1989	214,877.06	153,336	113,187	101,690	14.25	7,136
1990	914,346.10	640,408	472,727	441,619	14.76	29,920
1991	28,625.47	19,660	14,512	14,113	15.28	924
1992	166,624.25	111,555	82,346	84,278	16.04	5,254
1993	181,624.14	119,000	87,842	93,782	16.58	5,656
1994	137,855.40	88,296	65,177	72,678	17.12	4,245
1995	646,235.00	404,155	298,333	347,902	17.67	19,689
1996	19,793.76	12,072	8,911	10,883	18.23	597
1997	10,084.63	5,990	4,422	5,663	18.80	301
1998	100,128.99	57,845	42,699	57,430	19.37	2,965
1999	53,812.37	30,049	22,181	31,631	20.16	1,569
2000	567,328.01	307,151	226,728	340,600	20.75	16,414
2001	847,794.88	444,245	327,926	519,869	21.35	24,350
2002	165,990.73	84,025	62,024	103,967	21.95	4,737
2003	169,530.98	82,731	61,069	108,462	22.56	4,808
2004	77,861.72	36,548	26,978	50,884	23.17	2,196
2005	24,521.31	10,998	8,118	16,403	23.98	684
2006	1,168,731.12	501,619	370,278	798,453	24.60	32,457
2007	192,550.62	78,849	58,204	134,347	25.24	5,323
2008	320,871.47	124,947	92,232	228,639	25.87	8,838
2010	2,337.98	814	601	1,737	27.17	64
2011	897,019.01	293,056	216,324	680,695	27.82	24,468

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
2012	1,260,737.92	384,525	283,843	976,895	28.48	34,301
2013	1,874,433.54	530,277	391,432	1,483,002	29.15	50,875
2014	642,628.73	167,341	123,525	519,104	29.82	17,408
2015	1,110,980.14	264,858	195,509	915,471	30.34	30,174
2016	1,710,571.18	367,773	271,478	1,439,093	31.03	46,377
2017	6,946,954.12	1,328,258	980,475	5,966,479	31.72	188,098
2018	2,109,109.62	353,698	261,088	1,848,022	32.26	57,285
2019	3,112,396.66	446,940	329,916	2,782,481	32.81	84,806
2020	3,697,494.57	439,262	324,248	3,373,247	33.38	101,056
2021	1,846,852.25	173,235	127,876	1,718,976	33.81	50,842
2022	3,459,305.87	235,925	174,152	3,285,154	34.13	96,254
2023	3,147,893.75	132,212	97,595	3,050,299	34.21	89,164
2024	3,085,745.65	45,669	33,711	3,052,035	33.17	92,012
	44,485,435.76	11,315,004	8,352,345	36,133,091		1,279,207

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.2 2.88

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.99 MAINS AND ACCESSORIES - MAIN CLEANING AND LINING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L4						
1986	771,557.44	579,285	418,872	352,685	12.78	27,597
1987	412,682.96	304,890	220,461	192,222	13.26	14,496
1988	341,676.12	246,929	178,551	163,125	14.01	11,643
1989	692,091.32	488,893	353,511	338,580	14.75	22,955
1990	718,707.25	495,908	358,584	360,123	15.50	23,234
1991	784,060.65	530,574	383,650	400,411	16.00	25,026
1992	838,960.50	553,546	400,261	438,700	16.76	26,175
1993	2,139,088.84	1,374,578	993,936	1,145,153	17.52	65,363
1994	1,908,942.80	1,193,471	862,981	1,045,962	18.28	57,219
1995	2,277,007.46	1,383,737	1,000,559	1,276,448	19.04	67,040
1996	2,293,600.93	1,353,225	978,496	1,315,105	19.81	66,386
1997	3,075,501.54	1,750,575	1,265,814	1,809,688	20.81	86,962
1998	3,886,247.65	2,142,100	1,548,920	2,337,328	21.58	108,310
1999	5,312,733.48	2,831,687	2,047,550	3,265,183	22.34	146,159
2000	6,020,851.29	3,097,728	2,239,920	3,780,931	23.12	163,535
2001	5,791,254.02	2,857,984	2,066,564	3,724,690	24.12	154,423
2002	8,475,209.07	4,024,029	2,909,714	5,565,495	24.89	223,604
2003	226,552.76	102,764	74,307	152,246	25.90	5,878
2005	1,799,779.57	744,029	537,996	1,261,784	27.67	45,601
2006	7,477,272.69	2,932,586	2,120,508	5,356,765	28.67	186,842
2007	4,249,150.86	1,576,435	1,139,896	3,109,255	29.67	104,795
2008	9,399,542.06	3,287,960	2,377,474	7,022,068	30.67	228,956
2009	9,383,302.28	3,083,353	2,229,525	7,153,777	31.67	225,885
2010	18,159,267.42	5,582,159	4,036,374	14,122,893	32.67	432,289
2011	9,446,744.91	2,703,658	1,954,974	7,491,771	33.67	222,506
2012	4,967,528.73	1,316,395	951,865	4,015,664	34.67	115,825
2013	8,229,611.06	2,006,379	1,450,782	6,778,829	35.67	190,043
2014	2,620,752.17	583,379	421,832	2,198,920	36.67	59,965
2015	2,997,459.13	603,688	436,518	2,560,941	37.67	67,984
	124,697,136.96	49,731,924	35,960,395	88,736,742		3,176,696

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 27.9 2.55

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1907	154.29	154	154			
1932	109.83	107	110			
1934	0.01					
1935	0.04					
1936	514.16	491	505	9	4.09	2
1937	5,422.26	5,172	5,324	98	4.24	23
1938	5,529.58	5,261	5,416	114	4.41	26
1939	6,026.18	5,719	5,887	139	4.59	30
1940	8,340.16	7,893	8,125	215	4.79	45
1941	9,065.63	8,554	8,806	260	4.99	52
1942	6,797.09	6,393	6,581	216	5.22	41
1943	5,284.19	4,952	5,098	186	5.46	34
1944	23,219.95	21,497	22,129	1,091	6.45	169
1945	19,582.57	18,059	18,590	993	6.71	148
1946	71,103.08	65,301	67,222	3,881	6.97	557
1947	199,755.36	182,676	188,050	11,705	7.25	1,614
1948	300,173.90	273,278	281,318	18,856	7.53	2,504
1949	303,560.93	275,026	283,117	20,444	7.83	2,611
1950	515,350.98	464,537	478,203	37,148	8.15	4,558
1951	547,662.41	491,089	505,536	42,126	8.47	4,974
1952	517,375.19	461,395	474,969	42,406	8.80	4,819
1953	637,083.22	564,838	581,455	55,628	9.15	6,080
1954	787,343.00	693,807	714,218	73,125	9.50	7,697
1955	903,894.77	791,541	814,827	89,068	9.87	9,024
1956	848,749.47	738,412	760,135	88,614	10.24	8,654
1957	688,679.86	595,019	612,524	76,156	10.62	7,171
1958	627,554.67	538,316	554,153	73,402	11.02	6,661
1959	719,176.22	607,704	625,582	93,594	12.02	7,787
1960	725,367.02	608,220	626,113	99,254	12.42	7,991
1961	639,692.44	532,096	547,750	91,942	12.84	7,161
1962	810,959.26	669,041	688,724	122,235	13.26	9,218
1963	649,407.51	527,189	542,698	106,710	14.26	7,483
1964	1,168,484.16	940,162	967,821	200,663	14.69	13,660
1965	744,925.42	593,929	611,402	133,523	15.13	8,825
1966	972,958.27	762,702	785,140	187,818	16.13	11,644
1967	800,812.63	621,591	639,878	160,935	16.58	9,707
1968	655,069.53	503,355	518,163	136,907	17.03	8,039
1969	752,771.04	568,192	584,908	167,863	18.03	9,310
1970	839,571.11	626,824	645,265	194,306	18.50	10,503
1971	1,044,528.11	771,175	793,862	250,666	18.96	13,221
1972	917,460.69	664,700	684,255	233,206	19.96	11,684
1973	1,189,131.64	851,180	876,221	312,911	20.45	15,301

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1974	2,035,188.36	1,438,878	1,481,208	553,980	20.93	26,468
1975	1,568,524.48	1,086,987	1,118,965	449,559	21.93	20,500
1976	1,046,537.23	715,622	736,675	309,862	22.43	13,815
1977	1,348,936.57	903,518	930,099	418,838	23.42	17,884
1978	1,691,489.93	1,116,891	1,149,749	541,741	23.92	22,648
1979	2,038,897.02	1,317,331	1,356,086	682,811	24.92	27,400
1980	1,671,105.10	1,063,491	1,094,778	576,327	25.43	22,663
1981	1,722,855.71	1,079,197	1,110,946	611,910	25.94	23,589
1982	1,437,921.96	880,008	905,897	532,025	26.94	19,749
1983	1,609,148.38	961,627	989,917	619,231	27.94	22,163
1984	2,467,954.00	1,449,183	1,491,817	976,137	28.47	34,287
1985	3,094,605.28	1,772,590	1,824,738	1,269,867	29.46	43,105
1986	2,531,014.96	1,422,684	1,464,538	1,066,477	29.99	35,561
1987	3,087,413.26	1,690,359	1,740,088	1,347,325	30.99	43,476
1988	3,295,139.68	1,768,172	1,820,190	1,474,950	31.52	46,794
1989	3,558,175.79	1,856,656	1,911,277	1,646,899	32.53	50,627
1990	3,599,202.34	1,825,515	1,879,220	1,719,982	33.52	51,312
1991	2,846,674.68	1,411,381	1,452,902	1,393,773	34.07	40,909
1992	3,355,281.38	1,613,890	1,661,369	1,693,912	35.07	48,301
1993	3,563,237.32	1,661,181	1,710,051	1,853,186	36.07	51,377
1994	3,494,936.83	1,577,614	1,624,026	1,870,911	37.07	50,470
1995	4,301,535.82	1,890,955	1,946,585	2,354,951	37.61	62,615
1996	3,451,720.97	1,465,601	1,508,718	1,943,003	38.62	50,311
1997	4,379,721.52	1,794,810	1,847,612	2,532,110	39.61	63,926
1998	7,387,283.57	2,916,500	3,002,301	4,384,983	40.62	107,951
1999	5,781,202.08	2,211,310	2,276,365	3,504,837	41.17	85,131
2000	6,955,306.67	2,556,075	2,631,272	4,324,035	42.17	102,538
2001	9,980,537.51	3,518,139	3,621,639	6,358,899	43.17	147,299
2002	14,761,157.21	4,981,891	5,128,453	9,632,704	44.17	218,082
2003	3,328,905.84	1,073,572	1,105,155	2,223,751	45.17	49,231
2004	11,281,674.01	3,469,115	3,571,173	7,710,501	46.17	167,002
2005	10,813,367.07	3,183,455	3,277,109	7,536,258	46.73	161,272
2006	12,932,328.70	3,613,293	3,719,593	9,212,736	47.72	193,058
2007	12,364,117.13	3,266,600	3,362,700	9,001,417	48.73	184,720
2008	13,616,456.98	3,393,221	3,493,046	10,123,411	49.72	203,608
2009	15,357,773.97	3,593,719	3,699,443	11,658,331	50.73	229,811
2010	21,020,108.72	4,603,404	4,738,832	16,281,277	51.72	314,797
2011	19,977,993.51	4,071,515	4,191,295	15,786,699	52.73	299,387
2012	24,171,944.07	4,563,663	4,697,922	19,474,022	53.72	362,510
2013	23,299,519.67	4,044,797	4,163,791	19,135,729	54.73	349,639
2014	22,098,051.84	3,504,751	3,607,857	18,490,195	55.72	331,841
2015	28,135,061.66	4,034,568	4,153,261	23,981,801	56.73	422,736

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
2016	27,468,061.05	3,548,873	3,653,277	23,814,784	57.29	415,688
2017	28,893,743.21	3,293,887	3,390,790	25,502,953	58.29	437,518
2018	29,125,816.57	2,877,631	2,962,288	26,163,529	59.29	441,281
2019	29,902,371.39	2,499,838	2,573,381	27,328,990	60.29	453,292
2020	26,379,004.99	1,804,324	1,857,406	24,521,599	61.29	400,091
2021	31,520,000.75	1,676,864	1,726,196	29,793,805	62.29	478,308
2022	26,091,435.54	991,475	1,020,643	25,070,793	63.29	396,126
2023	29,861,939.57	680,852	700,882	29,161,058	64.29	453,586
2024	34,549,113.40	262,573	270,297	34,278,816	65.29	525,024
	609,920,143.08	130,067,593	133,894,052	476,026,091		9,040,505
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					52.7	1.48

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
1979	14,680.29	14,680	14,680			
1981	176.52	177	177			
1984	21.95	22	22			
1985	858.10	854	858			
1987	4,704.02	4,604	4,704			
1988	6,854.51	6,655	6,855			
1989	3,964.95	3,829	3,965			
1990	1,540.27	1,472	1,540			
1991	8,773.44	8,347	8,773			
1992	6,339.45	5,975	6,339			
1993	21,768.42	20,367	21,768			
1994	189,104.35	175,338	189,104			
1995	300,567.40	276,642	300,567			
1996	450,246.51	409,364	450,247			
1997	442,301.04	397,717	442,301			
1998	5,684,922.76	5,047,074	5,684,923			
1999	4,556,055.34	3,996,572	4,556,055			
2000	3,243,436.49	2,797,140	3,243,436			
2001	4,144,980.86	3,516,602	4,144,981			
2002	4,874,571.71	4,046,869	4,874,572			
2003	5,324,767.24	4,316,256	5,229,835	94,932	5.02	18,911
2004	15,747,605.79	12,461,080	15,098,593	649,013	5.41	119,965
2005	9,258,328.26	7,113,174	8,618,749	639,579	5.88	108,772
2006	3,961,099.25	2,945,870	3,569,393	391,706	6.38	61,396
2007	1,539,527.18	1,104,611	1,338,413	201,114	6.89	29,189
2008	1,340,691.32	924,675	1,120,392	220,299	7.42	29,690
2009	2,752,911.19	1,813,618	2,197,488	555,423	8.03	69,168
2010	2,492,862.95	1,565,019	1,896,271	596,592	8.60	69,371
2011	3,097,038.62	1,843,977	2,234,273	862,766	9.17	94,086
2012	3,823,690.35	2,141,267	2,594,488	1,229,202	9.82	125,173
2013	4,183,529.48	2,193,843	2,658,192	1,525,337	10.43	146,245
2014	4,146,793.94	2,020,318	2,447,938	1,698,856	11.05	153,743
2015	3,943,056.33	1,768,066	2,142,295	1,800,761	11.69	154,043
2016	2,808,808.42	1,145,994	1,388,555	1,420,253	12.33	115,187
2017	7,527,442.52	2,755,044	3,338,177	4,189,266	12.99	322,499
2018	12,012,285.84	3,872,761	4,692,470	7,319,816	13.66	535,858
2019	8,854,434.75	2,459,762	2,980,395	5,874,040	14.30	410,772
2020	4,908,736.58	1,135,391	1,375,708	3,533,029	14.96	236,165
2021	7,118,367.09	1,305,509	1,581,833	5,536,534	15.58	355,362

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
2022	6,233,394.32	836,522	1,013,580	5,219,814	16.12	323,810
2023	7,016,284.97	582,352	705,613	6,310,672	16.58	380,620
2024	13,223,890.77	390,105	472,674	12,751,217	16.45	775,150
	155,271,415.54	77,425,514	92,651,192	62,620,223		4,635,175
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					13.5	2.99

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.03 METERS - ERTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 18-S2						
1999	230,177.49	213,052	230,177			
2001	757,849.53	683,883	757,850			
2002	4,339,342.63	3,856,808	4,339,343			
2003	6,350,136.96	5,556,370	6,350,137			
2004	6,393,082.96	5,491,658	6,337,865	55,218	3.37	16,385
2005	8,709,285.72	7,336,702	8,467,210	242,076	3.65	66,322
2006	973,770.06	801,608	925,127	48,643	3.97	12,253
2007	943,123.72	757,517	874,242	68,882	4.29	16,056
2008	1,198,664.02	935,437	1,079,578	119,086	4.64	25,665
2009	935,927.02	707,935	817,020	118,907	4.99	23,829
2010	791,383.85	576,048	664,811	126,573	5.42	23,353
2011	1,267,147.82	884,469	1,020,756	246,392	5.84	42,190
2012	1,772,440.05	1,178,673	1,360,294	412,146	6.30	65,420
2013	1,734,119.92	1,090,761	1,258,836	475,284	6.78	70,101
2014	1,735,833.62	1,022,406	1,179,948	555,886	7.33	75,837
2015	1,919,573.40	1,048,471	1,210,030	709,543	7.89	89,929
2016	2,001,898.46	1,000,549	1,154,723	847,175	8.51	99,551
2017	2,094,068.44	940,656	1,085,601	1,008,467	9.20	109,616
2018	2,976,371.65	1,178,048	1,359,573	1,616,799	9.92	162,984
2019	5,101,944.54	1,731,600	1,998,422	3,103,523	10.71	289,778
2020	2,342,910.35	656,952	758,181	1,584,729	11.55	137,206
2021	3,011,760.63	660,780	762,600	2,249,161	12.45	180,656
2022	747,950.55	117,802	135,954	611,997	13.37	45,774
2023	844,941.02	79,931	92,247	752,694	14.35	52,453
2024	3,949,993.35	124,820	144,054	3,805,940	15.35	247,944
	63,123,697.76	38,632,936	44,364,579	18,759,119		1,853,302

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.1 2.94

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1959	18,041.19	16,425	15,986	2,055	6.45	319
1960	21,142.20	19,227	18,713	2,429	6.43	378
1961	19,144.21	17,262	16,801	2,343	6.92	339
1962	15,819.31	14,139	13,761	2,058	7.43	277
1963	9,743.50	8,689	8,457	1,286	7.46	172
1964	79,844.29	70,526	68,642	11,202	7.99	1,402
1965	127,406.86	111,430	108,453	18,954	8.53	2,222
1966	155,875.62	134,957	131,352	24,524	9.07	2,704
1967	135,882.80	116,424	113,314	22,569	9.61	2,348
1968	116,438.90	99,346	96,692	19,747	9.72	2,032
1969	117,159.73	98,836	96,196	20,964	10.29	2,037
1970	147,629.96	123,094	119,806	27,824	10.86	2,562
1971	186,571.33	153,716	149,610	36,961	11.44	3,231
1972	160,190.43	130,363	126,881	33,309	12.01	2,773
1973	176,151.78	141,520	137,740	38,412	12.60	3,049
1974	396,879.13	314,646	306,241	90,638	13.20	6,867
1975	259,880.36	201,979	196,583	63,297	14.19	4,461
1976	228,457.02	175,067	170,390	58,067	14.79	3,926
1977	168,421.86	127,192	123,794	44,628	15.40	2,898
1978	416,640.51	309,981	301,700	114,941	16.00	7,184
1979	460,605.04	337,439	328,425	132,180	16.61	7,958
1980	440,951.76	317,882	309,390	131,562	17.23	7,636
1981	417,247.96	295,829	287,926	129,322	17.85	7,245
1982	408,493.00	284,720	277,114	131,379	18.48	7,109
1983	337,670.92	229,819	223,680	113,991	19.48	5,852
1984	393,314.14	262,813	255,792	137,522	20.11	6,838
1985	651,276.60	427,042	415,634	235,643	20.74	11,362
1986	452,073.22	290,683	282,918	169,155	21.38	7,912
1987	838,539.77	525,094	511,067	327,473	22.38	14,632
1988	757,972.14	464,789	452,373	305,599	23.02	13,275
1989	673,179.41	403,908	393,118	280,061	23.67	11,832
1990	862,666.78	502,935	489,500	373,167	24.67	15,126
1991	395,199.02	225,066	219,054	176,145	25.32	6,957
1992	790,770.79	436,901	425,230	365,541	26.32	13,888
1993	741,308.35	399,269	388,603	352,705	26.98	13,073
1994	951,572.08	496,340	483,081	468,491	27.98	16,744
1995	752,340.93	381,738	371,541	380,800	28.64	13,296
1996	1,293,474.37	634,061	617,123	676,351	29.64	22,819
1997	1,621,432.10	771,477	750,868	870,564	30.30	28,731
1998	1,550,086.33	710,560	691,579	858,507	31.31	27,420
1999	1,512,209.83	667,187	649,364	862,846	32.30	26,713
2000	1,698,045.26	723,877	704,540	993,505	32.97	30,134

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
2001	2,287,963.88	935,548	910,557	1,377,407	33.97	40,548
2002	2,231,011.63	873,441	850,109	1,380,903	34.97	39,488
2003	1,778,089.47	668,917	651,048	1,127,041	35.65	31,614
2004	2,235,951.18	802,259	780,828	1,455,123	36.64	39,714
2005	2,136,225.74	728,880	709,409	1,426,817	37.65	37,897
2006	2,232,075.14	722,746	703,439	1,528,636	38.64	39,561
2007	2,408,325.79	741,764	721,949	1,686,377	39.32	42,889
2008	3,485,015.94	1,012,049	985,014	2,500,002	40.32	62,004
2009	2,184,707.22	595,988	580,067	1,604,640	41.32	38,834
2010	4,112,199.26	1,049,433	1,021,399	3,090,800	42.32	73,034
2011	4,187,839.56	995,031	968,451	3,219,389	43.32	74,316
2012	5,410,902.26	1,190,398	1,158,599	4,252,303	44.32	95,945
2013	3,815,490.52	772,255	751,626	3,063,865	45.32	67,605
2014	3,729,080.41	689,134	670,725	3,058,355	46.32	66,027
2015	5,267,549.81	886,002	862,334	4,405,216	46.99	93,748
2016	4,473,944.16	672,881	654,906	3,819,038	48.00	79,563
2017	7,896,488.00	1,048,654	1,020,641	6,875,847	48.99	140,352
2018	7,335,790.65	843,616	821,081	6,514,710	50.00	130,294
2019	6,550,837.24	638,052	621,008	5,929,829	50.99	116,294
2020	5,211,138.35	414,807	403,726	4,807,412	52.00	92,450
2021	5,889,395.33	365,143	355,389	5,534,006	52.99	104,435
2022	4,862,357.51	214,916	209,175	4,653,183	54.00	86,170
2023	6,755,546.55	179,698	174,898	6,580,649	54.99	119,670
2024	4,333,433.55	38,134	37,115	4,296,319	56.00	76,720
	121,769,109.94	29,253,994	28,472,525	93,296,585		2,156,905

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 43.3 1.77

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 336 BACKFLOW PREVENTION DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 35-R2.5						
1998	10,243.36	7,112	6,748	3,495	11.67	299
2007	829.44	420	399	430	17.10	25
2013	13,797.12	4,887	4,637	9,160	20.97	437
2014	19,643.40	6,416	6,088	13,555	21.65	626
2015	235,534.63	70,472	66,868	168,667	22.25	7,581
2016	8,570.06	2,316	2,198	6,372	22.95	278
2017	6,161.74	1,488	1,412	4,750	23.56	202
2018	2,770.11	587	557	2,213	24.17	92
2019	7,859.17	1,426	1,353	6,506	24.80	262
2020	1,984.59	298	283	1,702	25.44	67
2021	14,057.45	1,673	1,587	12,470	25.91	481
2022	15,354.91	1,333	1,265	14,090	26.32	535
2023	45,374.52	2,423	2,298	43,077	26.59	1,620
2024	2,000.00	38	37	1,963	25.96	76
	384,180.50	100,889	95,730	288,451		12,581

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.9 3.27

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 339 OTHER PLANT AND MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-R3						
2024	65,814.77	1,922	1,978	63,837	16.65	3,834
	65,814.77	1,922	1,978	63,837		3,834
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					16.7	5.83

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2005	423,068.49	412,492	423,068			
2006	327,637.83	303,065	314,851	12,787	1.50	8,525
2007	1,448,085.26	1,267,075	1,316,351	131,734	2.50	52,694
2008	250,173.31	206,393	214,420	35,753	3.50	10,215
2009	215,195.64	166,777	173,263	41,933	4.50	9,318
2010	392,214.07	284,355	295,414	96,800	5.50	17,600
2011	53,478.86	36,098	37,502	15,977	6.50	2,458
2012	168,858.87	105,537	109,641	59,218	7.50	7,896
2013	159,879.08	91,930	95,505	64,374	8.50	7,573
2014	64,526.72	33,877	35,194	29,333	9.50	3,088
2015	358,313.95	170,199	176,818	181,496	10.50	17,285
2016	907,789.67	385,811	400,815	506,975	11.50	44,085
2017	403,525.55	151,322	157,207	246,319	12.50	19,706
2018	1,326,542.63	431,126	447,893	878,650	13.50	65,085
2019	559,332.46	153,816	159,798	399,534	14.50	27,554
2020	177,809.76	40,007	41,563	136,247	15.50	8,790
2021	186,078.49	32,564	33,830	152,248	16.50	9,227
2022	1,236,964.33	154,621	160,634	1,076,330	17.50	61,505
2023	186,781.52	14,009	14,554	172,228	18.50	9,310
2024	459,932.70	11,498	11,945	447,987	19.50	22,974
	9,306,189.19	4,452,572	4,620,266	4,685,923		404,888

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.6 4.35

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.2 OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2015	15,567.14	14,789	15,567			
2016	22,491.66	19,118	22,492			
2017	375,178.90	281,384	356,333	18,846	2.50	7,538
2018	156,661.87	101,830	128,953	27,709	3.50	7,917
2019	151,299.27	83,215	105,380	45,919	4.50	10,204
2020	45,306.60	20,388	25,819	19,488	5.50	3,543
2021	14,376.31	5,032	6,372	8,004	6.50	1,231
2022	34,791.17	8,698	11,015	23,776	7.50	3,170
2023	19,962.69	2,994	3,791	16,172	8.50	1,903
2024	91,986.54	4,599	5,824	86,162	9.50	9,070
	927,622.15	542,047	681,546	246,076		44,576

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.5 4.81

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
2020	5,846,619.75	5,261,958	1,087,596	4,759,024	0.50	4,759,024
2021	1,389,268.64	972,488	201,004	1,188,265	1.50	792,177
2022	1,092,155.95	546,078	112,869	979,287	2.50	391,715
2023	1,635,632.63	490,690	101,421	1,534,212	3.50	438,346
2024	3,679,461.62	367,946	76,051	3,603,411	4.50	800,758
	13,643,138.59	7,639,160	1,578,941	12,064,198		7,182,020
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					1.7	52.64

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.4 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10-YEAR

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2015	5,079,280.36	4,825,316	3,302,816	1,776,464	0.50	1,776,464
2016	5,097,003.69	4,332,453	2,965,463	2,131,541	1.50	1,421,027
2017	3,601,268.61	2,700,951	1,848,738	1,752,531	2.50	701,012
2018	2,518,304.36	1,636,898	1,120,418	1,397,886	3.50	399,396
2019	792,718.76	435,995	298,428	494,291	4.50	109,842
2020	2,526,829.46	1,137,073	778,300	1,748,529	5.50	317,914
2021	5,582,417.73	1,953,846	1,337,362	4,245,056	6.50	653,086
2022	5,357,612.76	1,339,403	916,790	4,440,823	7.50	592,110
2023	4,661,095.41	699,164	478,561	4,182,534	8.50	492,063
2024	5,519,192.43	275,960	188,888	5,330,304	9.50	561,085
	40,735,723.57	19,337,059	13,235,764	27,499,959		7,023,999

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 3.9 17.24

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.41 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15-YEAR

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
2013	4,476,152.23	3,431,732	3,679,098	797,054	3.50	227,730
2014	495,395.98	346,777	371,773	123,623	4.50	27,472
2015	1,456,463.32	922,422	988,912	467,551	5.50	85,009
2016	1,643,982.82	931,596	998,747	645,236	6.50	99,267
2017	1,886,471.00	943,236	1,011,226	875,245	7.50	116,699
2018	5,644,283.28	2,445,837	2,622,138	3,022,145	8.50	355,546
2019	631,721.93	231,633	248,330	383,392	9.50	40,357
2020	3,138,419.50	941,526	1,009,393	2,129,026	10.50	202,764
2021	26,707,477.77	6,231,656	6,680,846	20,026,632	11.50	1,741,446
2022	10,346,905.00	1,724,519	1,848,826	8,498,079	12.50	679,846
2023	7,812,248.34	781,225	837,537	6,974,711	13.50	516,645
2024	8,646,734.80	288,196	308,970	8,337,765	14.50	575,018
	72,886,255.97	19,220,355	20,605,796	52,280,460		4,667,799

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.2 6.40

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L2.5						
1993	9,740.16	9,740	9,740			
1999	17,991.53	16,379	17,992			
2000	2,677.14	2,643	2,677			
2001	22,583.39	22,344	22,583			
2002	49,380.47	48,551	49,380			
2005	20,497.40	19,585	20,497			
2007	22,689.36	21,242	22,689			
2008	212,964.24	196,779	212,964			
2009	73,079.46	66,488	73,079			
2010	137,889.07	123,356	137,889			
2011	214,080.86	187,856	214,081			
2012	565,337.18	484,777	565,337			
2013	604,815.71	504,961	604,816			
2014	1,256,466.98	1,019,749	1,256,467			
2015	455,030.76	358,792	446,081	8,950	2.55	3,510
2016	1,424,346.94	1,084,783	1,348,695	75,652	2.66	28,441
2017	2,308,382.01	1,677,732	2,085,900	222,482	2.82	78,894
2018	2,742,471.28	1,862,686	2,315,851	426,620	3.07	138,964
2019	3,221,585.46	1,979,342	2,460,887	760,698	3.45	220,492
2020	2,866,922.02	1,523,482	1,894,123	972,799	3.97	245,038
2021	2,991,190.16	1,290,998	1,605,079	1,386,111	4.61	300,675
2022	6,358,488.42	2,028,358	2,521,828	3,836,660	5.34	718,476
2023	1,482,456.57	291,154	361,988	1,120,469	6.14	182,487
2024	2,647,711.30	176,073	218,909	2,428,803	7.02	345,983
	29,708,777.87	14,997,850	18,469,532	11,239,246		2,262,960

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.0 7.62

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 341.2 TRANSPORTATION EQUIPMENT - OTHER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2005	26,008.46	25,358	18,933	7,075	0.50	7,075
2006	52,975.39	49,002	36,587	16,388	1.50	10,925
2008	188,287.25	155,337	115,981	72,306	3.50	20,659
2009	18,957.12	14,692	10,970	7,987	4.50	1,775
2010	161,646.41	117,194	87,502	74,144	5.50	13,481
2011	112,922.42	76,223	56,911	56,011	6.50	8,617
2012	218,174.62	136,359	101,812	116,363	7.50	15,515
2013	34,163.51	19,644	14,667	19,497	8.50	2,294
2014	46,875.64	24,610	18,375	28,501	9.50	3,000
2015	205,604.38	97,662	72,919	132,685	10.50	12,637
2016	85,799.65	36,465	27,226	58,574	11.50	5,093
2017	33,806.36	12,677	9,465	24,341	12.50	1,947
2018	542,186.12	176,210	131,566	410,620	13.50	30,416
2019	406,468.03	111,779	83,459	323,009	14.50	22,276
2020	39,910.62	8,980	6,705	33,206	15.50	2,142
2021	119,243.65	20,868	15,581	103,663	16.50	6,283
2022	144,351.10	18,044	13,473	130,878	17.50	7,479
2023	309,672.62	23,225	17,341	292,332	18.50	15,802
2024	199,290.10	4,982	3,719	195,571	19.50	10,029
	2,946,343.45	1,129,311	843,192	2,103,151		197,445

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.7 6.70

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 342 STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2005	46,861.57	45,690	45,575	1,287	0.50	1,287
2006	83,458.46	77,199	77,004	6,454	1.50	4,303
2009	14,798.30	11,469	11,440	3,358	4.50	746
2011	374,303.77	252,655	252,017	122,287	6.50	18,813
2012	14,997.75	9,374	9,350	5,648	7.50	753
2013	249,399.81	143,405	143,043	106,357	8.50	12,513
2014	634,884.73	333,314	332,473	302,412	9.50	31,833
2015	419,168.19	199,105	198,602	220,566	10.50	21,006
2016	381,433.80	162,109	161,700	219,734	11.50	19,107
2018	643,807.29	209,237	208,709	435,098	13.50	32,229
2019	331,435.01	91,145	90,915	240,520	14.50	16,588
2020	114,984.31	25,871	25,806	89,178	15.50	5,753
2021	152,968.67	26,770	26,702	126,267	16.50	7,653
2023	13,242.10	993	990	12,252	18.50	662
2024	41,300.00	1,032	1,030	40,270	19.50	2,065
	3,517,043.76	1,589,368	1,585,356	1,931,688		175,311

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.0 4.98

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 343.1 SHOP EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2000	93,678.10	91,805	91,543	2,135	0.50	2,135
2001	13,131.32	12,343	12,308	823	1.50	549
2002	102,942.08	92,648	92,383	10,559	2.50	4,224
2003	152,805.90	131,413	131,038	21,768	3.50	6,219
2004	70,796.25	58,053	57,887	12,909	4.50	2,869
2005	14,206.42	11,081	11,049	3,157	5.50	574
2006	289,408.71	214,162	213,550	75,859	6.50	11,671
2007	20,701.71	14,491	14,450	6,252	7.50	834
2008	141,872.66	93,636	93,369	48,504	8.50	5,706
2009	141,702.86	87,856	87,605	54,098	9.50	5,695
2010	16,903.61	9,804	9,776	7,128	10.50	679
2011	238,356.53	128,713	128,345	110,012	11.50	9,566
2012	7,149.18	3,575	3,565	3,584	12.50	287
2013	18,259.75	8,399	8,375	9,885	13.50	732
2014	26,319.15	11,054	11,022	15,297	14.50	1,055
2015	28,314.21	10,759	10,728	17,586	15.50	1,135
2016	814.11	277	276	538	16.50	33
2017	4,620.77	1,386	1,382	3,239	17.50	185
2018	4,878.88	1,269	1,265	3,614	18.50	195
2020	61,065.73	10,992	10,961	50,105	20.50	2,444
2021	1,289.20	180	179	1,110	21.50	52
2022	1,083,634.36	108,363	108,054	975,580	22.50	43,359
2023	709,781.41	42,587	42,466	667,315	23.50	28,396
2024	424,724.55	8,494	8,470	416,255	24.50	16,990
	3,667,357.45	1,153,340	1,150,046	2,517,312		145,584

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.3 3.97

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2005	970,619.09	946,354	939,690	30,929	0.50	30,929
2006	365,404.23	337,999	335,619	29,785	1.50	19,857
2007	271,716.78	237,752	236,078	35,639	2.50	14,256
2008	1,123,695.32	927,049	920,521	203,174	3.50	58,050
2009	1,757,289.93	1,361,900	1,352,310	404,980	4.50	89,996
2010	721,054.56	522,765	519,084	201,971	5.50	36,722
2011	1,345,843.59	908,444	902,047	443,797	6.50	68,276
2012	869,119.42	543,200	539,375	329,744	7.50	43,966
2013	290,391.62	166,975	165,799	124,593	8.50	14,658
2014	1,518,976.75	797,463	791,847	727,130	9.50	76,540
2015	1,961,505.76	931,715	925,154	1,036,352	10.50	98,700
2016	2,194,946.64	932,852	926,283	1,268,664	11.50	110,319
2017	707,281.82	265,231	263,363	443,919	12.50	35,514
2018	1,168,654.50	379,813	377,138	791,516	13.50	58,631
2019	947,922.85	260,679	258,843	689,080	14.50	47,523
2020	788,478.47	177,408	176,159	612,319	15.50	39,504
2021	822,271.24	143,897	142,884	679,387	16.50	41,175
2022	311,128.02	38,891	38,617	272,511	17.50	15,572
2023	212,455.28	15,934	15,822	196,633	18.50	10,629
2024	788,774.16	19,719	19,580	769,194	19.50	39,446
	19,137,530.03	9,916,040	9,846,213	9,291,317		950,263

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.8 4.97

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 38-R3						
1978	437.51	401	438			
1984	17,130.95	14,847	16,928	203	6.23	33
1985	50,216.42	43,046	49,081	1,135	6.58	172
1986	29,279.87	24,800	28,277	1,003	6.95	144
1987	64,663.36	54,072	61,652	3,011	7.35	410
1988	36,643.31	30,227	34,464	2,179	7.75	281
1989	7,889.50	6,414	7,313	576	8.17	71
1990	23,850.05	19,008	21,673	2,177	8.79	248
1991	33,412.75	26,192	29,864	3,549	9.24	384
1992	11,977.11	9,225	10,518	1,459	9.70	150
1993	40,440.61	30,444	34,712	5,729	10.34	554
1994	42,251.31	31,186	35,558	6,693	10.82	619
1995	3,990.49	2,884	3,288	702	11.31	62
1996	81,134.73	57,119	65,126	16,009	11.98	1,336
1997	11,652.36	8,011	9,134	2,518	12.50	201
1998	149,558.41	99,875	113,876	35,682	13.18	2,707
1999	43,986.71	28,490	32,484	11,503	13.87	829
2001	2,836.32	1,726	1,968	868	15.11	57
2002	37,680.58	22,126	25,228	12,453	15.82	787
2003	51,747.22	29,372	33,490	18,257	16.38	1,115
2004	13,938.87	7,601	8,667	5,272	17.09	308
2005	31,928.84	16,686	19,025	12,904	17.81	725
2006	54,480.50	27,213	31,028	23,452	18.54	1,265
2007	30,211.98	14,381	16,397	13,815	19.26	717
2008	79,259.86	35,833	40,856	38,404	20.00	1,920
2009	210,242.92	89,942	102,551	107,692	20.73	5,195
2012	11,970.87	4,220	4,812	7,159	22.96	312
2013	48,872.16	15,962	18,199	30,673	23.71	1,294
2014	3,944.70	1,185	1,351	2,594	24.47	106
2015	14,109.00	3,860	4,401	9,708	25.22	385
2016	10,386.55	2,551	2,909	7,478	26.10	287
2017	4,737.15	1,034	1,179	3,558	26.87	132
2020	11,371.88	1,519	1,732	9,640	29.17	330
2023	14,366.14	655	747	13,619	31.39	434
2024	16,240.39	252	287	15,954	31.76	502
	1,296,841.38	762,359	869,213	427,629		24,072

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.8 1.86

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-R2.5						
1994	88,718.97	79,279	88,719			
1995	208,322.32	183,740	206,881	1,441	3.95	365
1996	26,394.27	22,942	25,831	563	4.29	131
1997	224,366.14	192,506	216,751	7,615	4.55	1,674
1998	11,652.78	9,851	11,092	561	4.85	116
1999	136,018.64	112,732	126,930	9,089	5.27	1,725
2000	220,216.52	179,124	201,684	18,533	5.62	3,298
2001	48,024.79	38,146	42,950	5,075	6.09	833
2002	242,682.43	187,836	211,493	31,189	6.57	4,747
2003	49,919.03	37,669	42,413	7,506	6.99	1,074
2004	230,755.98	168,867	190,135	40,621	7.51	5,409
2005	121,431.64	85,949	96,774	24,658	8.05	3,063
2006	136,281.09	93,025	104,741	31,540	8.60	3,667
2007	125,793.68	82,546	92,942	32,852	9.17	3,583
2008	51,402.85	32,312	36,381	15,022	9.75	1,541
2009	58,810.19	35,274	39,717	19,093	10.34	1,847
2010	334,675.16	190,698	214,715	119,960	10.95	10,955
2011	73,339.53	39,501	44,476	28,864	11.56	2,497
2012	10,534.57	5,333	6,005	4,530	12.19	372
2013	64,712.12	30,583	34,435	30,277	12.83	2,360
2014	59,016.22	25,837	29,091	29,925	13.48	2,220
2015	345,220.09	138,709	156,178	189,042	14.14	13,369
2016	666,404.31	242,971	273,572	392,832	14.81	26,525
2017	276,079.37	90,278	101,648	174,431	15.44	11,297
2018	436,748.57	125,478	141,281	295,468	16.12	18,329
2019	322,213.82	79,587	89,610	232,604	16.77	13,870
2020	354,685.56	72,923	82,107	272,579	17.38	15,683
2021	98,378.50	16,046	18,067	80,312	17.96	4,472
2022	901,541.18	107,283	120,795	780,746	18.51	42,180
2023	701,219.29	51,540	58,031	643,188	18.91	34,013
2024	795,779.32	20,770	23,386	772,393	18.66	41,393
	7,421,338.93	2,779,335	3,128,831	4,292,508		272,608

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.7 3.67

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 345 POWER OPERATED EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-R2						
2024	131,411.12	4,652	4,829	126,582	13.61	9,301
	131,411.12	4,652	4,829	126,582		9,301

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.6 7.08

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 346 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COMMUNICATION EQUIPMENT						
SURVIVOR CURVE.. 15-SQUARE						
2011	32,274.68	29,047	30,524	1,750	1.50	1,167
2012	150,817.39	125,681	132,074	18,744	2.50	7,498
2013	50,187.61	38,477	40,434	9,753	3.50	2,787
2014	72,467.83	50,727	53,307	19,161	4.50	4,258
2015	108,330.41	68,609	72,099	36,232	5.50	6,588
2016	157,997.86	89,533	94,087	63,911	6.50	9,832
2017	545,298.19	272,649	286,517	258,781	7.50	34,504
2018	2,364,174.26	1,024,468	1,076,578	1,287,596	8.50	151,482
2019	1,249,910.48	458,305	481,617	768,294	9.50	80,873
2020	1,749,888.53	524,967	551,670	1,198,219	10.50	114,116
2021	453,608.24	105,840	111,224	342,385	11.50	29,773
2022	657,884.08	109,650	115,227	542,657	12.50	43,413
2023	265,823.26	26,582	27,934	237,889	13.50	17,621
2024	1,302,293.94	43,405	45,613	1,256,681	14.50	86,668
	9,160,956.76	2,967,940	3,118,906	6,042,051		590,580
SCADA EQUIPMENT						
SURVIVOR CURVE.. 10-SQUARE						
2015	3,166,980.38	3,008,631	2,672,172	494,809	0.50	494,809
2016	2,487,138.28	2,114,068	1,877,649	609,489	1.50	406,326
2017	1,927,905.76	1,445,929	1,284,229	643,677	2.50	257,471
2018	1,858,360.93	1,207,935	1,072,850	785,511	3.50	224,432
2019	4,389,124.38	2,414,018	2,144,055	2,245,069	4.50	498,904
2020	5,415,856.11	2,437,135	2,164,587	3,251,269	5.50	591,140
2021	1,428,934.65	500,127	444,197	984,738	6.50	151,498
2022	332,029.54	83,007	73,724	258,305	7.50	34,441
2023	3,770,211.22	565,532	502,288	3,267,923	8.50	384,462
2024	5,209,175.76	260,459	231,332	4,977,844	9.50	523,984
	29,985,717.01	14,036,841	12,467,082	17,518,635		3,567,467
	39,146,673.77	17,004,781	15,585,988	23,560,686		4,158,047

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.7 10.62

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 347 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2000	19,132.92	18,750	18,470	663	0.50	663
2003	7,650.07	6,579	6,481	1,169	3.50	334
2004	427,374.47	350,447	345,220	82,154	4.50	18,256
2005	932,608.11	727,434	716,585	216,023	5.50	39,277
2006	338,789.32	250,704	246,965	91,824	6.50	14,127
2007	259,547.69	181,683	178,974	80,574	7.50	10,743
2008	10,815.94	7,139	7,033	3,783	8.50	445
2009	2,486.98	1,542	1,519	968	9.50	102
2010	24,981.30	14,489	14,273	10,708	10.50	1,020
2011	60,385.55	32,608	32,122	28,264	11.50	2,458
2012	6,731.91	3,366	3,316	3,416	12.50	273
2013	3,762.59	1,731	1,705	2,058	13.50	152
2014	3,201.93	1,345	1,325	1,877	14.50	129
2015	13,461.20	5,115	5,039	8,422	15.50	543
2016	16,251.30	5,525	5,443	10,808	16.50	655
2017	150,147.30	45,044	44,371	105,776	17.50	6,044
2018	1,931.25	502	495	1,436	18.50	78
2021	14,521.88	2,033	2,003	12,519	21.50	582
2023	221,518.70	13,291	13,092	208,427	23.50	8,869
2024	186,190.89	3,724	3,668	182,523	24.50	7,450
	2,701,491.30	1,673,051	1,648,099	1,053,392		112,200

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.4 4.15

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 348 OTHER INTANGIBLE PLANT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2011	39,497.10	21,328	20,507	18,990	11.50	1,651
2024	10,000.00	200	193	9,807	24.50	400
	49,497.10	21,528	20,700	28,797		2,051
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					14.0	4.14

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
1970	4,550.00	3,992	4,550			
1980	3,182.00	2,506	2,984	198	12.00	16
1986	305,819.57	218,997	260,762	45,058	15.26	2,953
1992	51,500.00	32,641	38,866	12,634	18.78	673
2008	44,251.38	15,625	18,605	25,647	30.23	848
	409,302.95	273,761	325,767	83,536		4,490

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.6 1.10

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0						
1998	79,623.76	40,935	29,575	50,049	25.05	1,998
2022	35,750.00	2,699	1,950	33,800	30.61	1,104
2023	3,273,283.02	153,190	110,679	3,162,604	30.55	103,522
	3,388,656.78	196,824	142,204	3,246,453		106,624
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					30.4	3.15

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1.5						
2012	11,059.91	3,497	3,305	7,755	27.03	287
2015	69,395.00	17,009	16,075	53,320	29.26	1,822
2017	95,000.00	18,601	17,580	77,420	30.81	2,513
	175,454.91	39,107	36,960	138,495		4,622
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					30.0	2.63

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
1965	1,385.14	1,228	1,378	7	7.61	1
1970	8,080.00	6,913	7,760	320	9.20	35
1972	5,443.93	4,573	5,133	311	10.00	31
1974	8,053.15	6,629	7,441	612	10.85	56
1980	1,752.00	1,349	1,514	238	13.31	18
1985	22,929.97	16,395	18,403	4,527	15.75	287
1986	1,502.45	1,053	1,182	320	16.45	19
1987	3,004.89	2,073	2,327	678	16.85	40
1988	85,438.20	57,688	64,753	20,685	17.56	1,178
1989	200,576.54	133,143	149,449	51,128	17.98	2,844
1990	73,619.85	47,750	53,598	20,022	18.69	1,071
1991	224,844.39	143,113	160,640	64,204	19.13	3,356
1992	36,809.93	22,852	25,651	11,159	19.85	562
1993	41,230.00	25,068	28,138	13,092	20.31	645
1995	13,800.00	7,979	8,956	4,844	21.52	225
1998	13,705.00	7,264	8,154	5,551	23.50	236
1999	22,197.44	11,434	12,834	9,363	24.00	390
2001	11,773.00	5,672	6,367	5,406	25.28	214
2002	256,438.00	118,859	133,416	123,022	26.04	4,724
2007	300.00	112	126	174	29.23	6
2008	95,597.33	33,918	38,072	57,525	30.01	1,917
2012	434,622.75	120,608	135,379	299,244	32.55	9,193
2013	220,194.81	56,722	63,669	156,526	33.14	4,723
2017	439,317.88	76,441	85,803	353,515	35.60	9,930
2018	160,000.00	24,336	27,316	132,684	36.24	3,661
2019	363,194.02	47,143	52,917	310,277	36.87	8,415
	2,745,810.67	980,315	1,100,376	1,645,435		53,777

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.6 1.96

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R1.5						
2012	1,500,000.00	511,800	790,429	709,571	24.13	29,406
	1,500,000.00	511,800	790,429	709,571		29,406
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					24.1	1.96

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1965	1,577.41	1,520	1,553	24	2.23	11
1970	11,500.00	10,905	11,142	358	2.97	121
1973	317.09	296	302	15	3.75	4
1980	3,063.00	2,753	2,813	250	5.00	50
1983	10,081.00	8,827	9,019	1,062	5.90	180
1986	185,300.39	158,376	161,825	23,475	6.55	3,584
1997	225,916.00	162,772	166,317	59,599	10.67	5,586
1998	68,953.00	48,419	49,473	19,480	11.24	1,733
2000	39,745.00	26,486	27,063	12,682	12.26	1,034
2001	161,003.00	104,040	106,306	54,697	12.87	4,250
2002	94,381.00	59,252	60,542	33,839	13.34	2,537
2003	407,578.60	247,115	252,496	155,083	13.96	11,109
2007	522,440.77	266,967	272,781	249,660	16.75	14,905
2009	87,950.00	40,351	41,229	46,721	18.28	2,556
2012	2,719.75	1,023	1,046	1,674	20.72	81
	1,822,526.01	1,139,102	1,163,907	658,619		47,741

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.8 2.62

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
1970	18,915.00	15,875	12,159	6,756	10.44	647
1986	27,693.81	18,871	14,454	13,240	18.00	736
2023	9,675,298.66	354,116	271,232	9,404,066	39.48	238,198
	9,721,907.47	388,862	297,845	9,424,062		239,581
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					39.3	2.46

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-S1						
1970	2,961.54	2,017	2,635	327	25.50	13
1973	27,633.00	18,216	23,794	3,839	26.62	144
1974	2,997.38	1,952	2,550	447	27.02	17
1975	13,950.21	8,977	11,726	2,224	27.42	81
1976	10,907.76	6,931	9,053	1,855	27.83	67
1977	8,766.02	5,496	7,179	1,587	28.26	56
1978	8,331.06	5,152	6,730	1,601	28.69	56
1979	3,583.34	2,185	2,854	729	29.13	25
1989	417,241.00	216,256	282,478	134,763	32.99	4,085
1992	249,888.45	121,821	159,125	90,763	34.17	2,656
1995	13,850.00	6,252	8,167	5,683	35.86	158
1997	171,649.00	73,637	96,186	75,463	36.60	2,062
1998	98,472.00	40,964	53,508	44,964	37.20	1,209
1999	195,000.00	78,566	102,625	92,375	37.79	2,444
2000	95,242.00	37,106	48,469	46,773	38.39	1,218
2001	202,998.00	76,814	100,336	102,662	38.61	2,659
2003	305,339.50	106,991	139,754	165,586	39.85	4,155
2005	545,027.77	176,425	230,450	314,578	40.74	7,722
2008	26,838.87	7,483	9,774	17,065	42.67	400
2012	419,729.21	91,291	119,247	300,482	44.97	6,682
2019	100,774.32	9,977	13,032	87,742	50.06	1,753
	2,921,180.43	1,094,509	1,429,672	1,491,508		37,662

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 39.6 1.29

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1914	3,500.00	3,287	2,875	625	7.15	87
1916	2,062.00	1,924	1,683	379	7.78	49
1925	3,440.00	3,149	2,755	685	9.20	74
1926	3,231.00	2,960	2,589	642	9.03	71
1955	412.20	341	298	114	14.54	8
1958	118.50	96	84	34	15.47	2
1960	495.00	399	349	146	15.50	9
1961	1,050.00	840	735	315	15.87	20
1963	3,045.00	2,416	2,113	932	16.02	58
1965	300.00	236	206	94	16.26	6
1966	709.00	552	483	226	16.69	14
1967	521.50	405	354	168	16.58	10
1983	2,195.00	1,494	1,307	888	19.48	46
1984	141.00	95	83	58	19.74	3
1988	3,114.96	2,001	1,750	1,365	20.32	67
1997	1,502.45	831	727	775	22.25	35
2005	9,152.80	3,998	3,497	5,656	25.14	225
2008	42,284.00	16,254	14,219	28,065	26.42	1,062
2012	24,204.80	7,382	6,458	17,747	28.48	623
2013	3,534.81	1,004	878	2,657	28.99	92
2014	1,058.45	278	243	815	29.50	28
2016	571.93	124	108	464	30.56	15
2017	6,952.62	1,350	1,181	5,772	31.11	186
2018	96,707.35	16,469	14,407	82,300	31.67	2,599
2019	126,936.04	18,507	16,190	110,746	32.23	3,436
2020	250,894.21	30,258	26,471	224,423	32.81	6,840
2021	39,216.60	3,718	3,253	35,964	33.40	1,077
2022	63,815.86	4,391	3,841	59,975	33.86	1,771
2023	207,518.98	8,674	7,588	199,931	34.34	5,822
2024	79,300.00	1,142	999	78,301	34.22	2,288
	977,986.06	134,575	117,724	860,262		26,623

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.3 2.72

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1919	3,453.00	3,315	2,801	652	4.40	148
1924	400.00	382	323	77	4.76	16
1925	19,008.14	17,966	15,181	3,827	5.77	663
1926	41,728.74	39,459	33,342	8,387	5.67	1,479
1927	17,861.02	16,893	14,274	3,587	5.59	642
1928	31,976.50	30,240	25,552	6,424	5.54	1,160
1929	29,433.23	27,547	23,277	6,156	6.54	941
1930	29,513.58	27,613	23,333	6,181	6.51	949
1931	23,616.70	22,082	18,659	4,958	6.50	763
1932	2,700.74	2,523	2,132	569	6.51	87
1933	2,747.77	2,564	2,167	581	6.54	89
1934	5,550.85	5,124	4,330	1,221	7.54	162
1935	4,959.56	4,572	3,863	1,097	7.59	145
1936	12,865.59	11,841	10,005	2,861	7.65	374
1937	15,242.07	14,004	11,833	3,409	7.73	441
1938	26,858.49	24,627	20,809	6,049	7.84	772
1939	8,477.61	7,755	6,553	1,925	7.96	242
1940	11,469.72	10,467	8,844	2,626	8.09	325
1941	6,533.93	5,947	5,025	1,509	8.24	183
1942	3,826.82	3,473	2,935	892	8.41	106
1943	1,211.05	1,096	926	285	8.59	33
1944	5,672.60	5,114	4,321	1,352	8.79	154
1945	14,195.24	12,639	10,680	3,515	9.79	359
1946	49,551.03	43,952	37,139	12,412	10.00	1,241
1947	122,169.57	107,937	91,205	30,965	10.22	3,030
1948	199,662.93	175,663	148,432	51,231	10.45	4,902
1949	184,961.47	161,989	136,878	48,083	10.71	4,490
1950	514,661.88	448,579	379,041	135,621	10.97	12,363
1951	361,589.32	316,246	267,222	94,367	10.54	8,953
1952	365,701.24	318,160	268,840	96,861	10.83	8,944
1953	575,661.94	498,063	420,854	154,808	11.14	13,897
1954	536,161.66	461,153	389,666	146,496	11.47	12,772
1955	489,978.52	418,834	353,907	136,072	11.80	11,532
1956	337,597.77	286,756	242,304	95,294	12.15	7,843
1957	272,245.75	229,721	194,110	78,136	12.50	6,251
1958	238,496.25	199,836	168,858	69,638	12.87	5,411
1959	265,310.69	220,685	186,475	78,836	13.24	5,954
1960	227,925.48	188,175	159,005	68,920	13.62	5,060
1961	206,438.91	169,115	142,899	63,540	14.02	4,532
1962	135,611.09	110,184	93,104	42,507	14.42	2,948
1963	150,672.06	122,316	103,355	47,317	14.26	3,318

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1964	242,000.67	194,714	164,530	77,471	14.69	5,274
1965	165,727.40	132,134	111,651	54,076	15.13	3,574
1966	156,512.36	123,613	104,451	52,061	15.57	3,344
1967	179,807.34	140,609	118,812	60,995	16.03	3,805
1968	219,197.90	169,659	143,359	75,839	16.50	4,596
1969	141,913.83	108,692	91,843	50,071	16.96	2,952
1970	288,158.27	219,865	185,782	102,376	16.93	6,047
1971	196,679.03	148,375	125,374	71,305	17.42	4,093
1972	493,415.11	367,841	310,819	182,596	17.92	10,190
1973	326,411.86	240,370	203,108	123,304	18.43	6,690
1974	413,368.41	300,602	254,003	159,365	18.94	8,414
1975	475,246.06	341,132	288,251	186,995	19.46	9,609
1976	373,657.74	264,587	223,571	150,087	19.99	7,508
1977	162,660.93	113,570	95,965	66,696	20.53	3,249
1978	1,268,300.64	872,845	737,539	530,762	21.07	25,190
1979	690,767.83	468,341	395,740	295,028	21.61	13,652
1980	603,831.10	403,057	340,576	263,255	22.17	11,874
1981	525,304.74	345,020	291,536	233,769	22.73	10,285
1982	464,648.53	300,163	253,632	211,017	23.29	9,060
1983	856,627.14	543,958	459,635	396,992	23.86	16,638
1984	1,371,696.24	855,527	722,905	648,791	24.44	26,546
1985	438,954.10	268,728	227,070	211,884	25.02	8,469
1986	1,667,105.01	1,001,263	846,050	821,055	25.60	32,072
1987	1,671,531.42	984,198	831,630	839,901	26.19	32,070
1988	1,558,391.72	898,725	759,407	798,985	26.79	29,824
1989	1,737,574.28	980,687	828,663	908,911	27.40	33,172
1990	2,903,810.89	1,602,904	1,354,426	1,549,385	28.00	55,335
1991	2,381,595.28	1,276,535	1,078,650	1,302,945	29.00	44,929
1992	2,752,809.10	1,440,270	1,217,003	1,535,806	29.61	51,868
1993	1,434,409.26	731,979	618,509	815,900	30.23	26,990
1994	970,546.15	482,556	407,751	562,795	30.85	18,243
1995	566,508.95	272,378	230,155	336,354	31.85	10,561
1996	824,210.78	385,236	325,518	498,693	32.48	15,354
1997	1,729,766.09	780,125	659,192	1,070,574	33.48	31,977
1998	5,587,889.95	2,443,025	2,064,313	3,523,577	34.11	103,300
1999	1,703,305.07	721,009	609,240	1,094,065	34.74	31,493
2000	2,341,046.79	952,104	804,511	1,536,536	35.74	42,992
2001	2,793,201.17	1,089,628	920,717	1,872,484	36.74	50,966
2002	10,068,162.90	3,783,616	3,197,089	6,871,074	37.38	183,817
2003	8,305,681.65	2,981,740	2,519,518	5,786,164	38.38	150,760
2004	1,717,639.49	591,555	499,854	1,217,785	39.02	31,209

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
2005	2,197,535.56	719,913	608,314	1,589,222	40.02	39,711
2006	3,486,602.62	1,083,636	915,653	2,570,950	41.02	62,676
2007	8,580,706.77	2,522,728	2,131,661	6,449,046	42.02	153,476
2008	720,722.83	200,938	169,789	550,934	42.67	12,912
2009	280,573.39	73,510	62,115	218,458	43.67	5,002
2010	2,404,610.56	589,130	497,804	1,906,807	44.67	42,687
2011	5,145,232.52	1,174,142	992,129	4,153,104	45.67	90,937
2012	9,370,718.03	1,979,096	1,672,301	7,698,417	46.67	164,954
2013	4,482,394.50	871,377	736,298	3,746,096	47.67	78,584
2014	6,297,091.56	1,124,031	949,787	5,347,305	48.32	110,664
2015	9,352,726.78	1,510,465	1,276,316	8,076,411	49.32	163,755
2016	7,084,751.64	1,023,747	865,048	6,219,704	50.32	123,603
2017	8,461,721.37	1,078,869	911,626	7,550,095	51.32	147,118
2018	7,008,446.85	774,433	654,382	6,354,065	52.32	121,446
2019	6,593,177.80	616,462	520,900	6,072,278	53.32	113,884
2020	7,259,755.76	555,371	469,279	6,790,477	54.32	125,009
2021	2,077,991.46	123,640	104,473	1,973,518	55.32	35,675
2022	281,232.90	11,952	10,099	271,134	56.32	4,814
2023	4,551,696.60	116,068	98,076	4,453,621	57.32	77,698
2024	4,148,000.00	35,258	29,792	4,118,208	58.32	70,614
	168,109,463.19	51,282,308	43,332,649	124,776,814		3,056,884

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.8 1.82

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON- 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1967	25,168.00	15,483	13,070	12,098	35.96	336
1972	44,122.00	25,247	21,312	22,810	39.25	581
1973	71,445.00	40,109	33,858	37,587	40.24	934
1977	2,101.00	1,098	927	1,174	43.41	27
1980	6,862.00	3,390	2,862	4,000	45.59	88
1988	5,000.00	2,044	1,725	3,275	52.79	62
1989	1,255,450.91	499,167	421,373	834,078	53.79	15,506
1990	1,538.00	594	501	1,037	54.79	19
1994	39,986.12	13,779	11,632	28,354	58.00	489
1995	8,709.00	2,904	2,451	6,258	58.99	106
2003	664,045.89	161,363	136,215	527,831	66.99	7,879
2004	562,198.26	130,205	109,913	452,285	68.00	6,651
2005	977,790.33	215,505	181,919	795,871	68.99	11,536
2007	559,029.59	110,576	93,343	465,687	70.99	6,560
2008	273,813.19	51,039	43,085	230,728	72.00	3,205
2009	640,894.14	112,285	94,786	546,108	72.99	7,482
2010	69,851.74	11,442	9,659	60,193	74.00	813
2011	375,320.44	57,274	48,348	326,972	74.99	4,360
2012	3,035,349.27	428,591	361,797	2,673,552	76.00	35,178
2013	912,518.91	118,627	100,139	812,380	76.99	10,552
2014	884,283.36	104,876	88,531	795,752	78.00	10,202
2015	702,647.85	75,464	63,703	638,945	78.99	8,089
2016	596,793.04	57,292	48,363	548,430	80.00	6,855
2017	764,383.84	64,820	54,718	709,666	80.99	8,762
2018	205,616.41	15,092	12,740	192,876	82.00	2,352
2019	3,035,927.89	188,835	159,406	2,876,522	82.99	34,661
2020	1,841,737.45	93,560	78,979	1,762,758	84.00	20,985
2021	277,558.97	10,991	9,278	268,281	84.99	3,157
2022	233,265.66	6,578	5,553	227,713	86.00	2,648
2023	1,958,340.32	33,292	28,104	1,930,236	86.99	22,189
2024	1,525,000.00	8,540	7,209	1,517,791	88.00	17,248
	21,556,748.58	2,660,062	2,245,499	19,311,249		249,512

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 77.4 1.16

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
2023	8,899.45	208	203	8,696	62.60	139
2024	24,400.00	193	188	24,212	62.79	386
	33,299.45	401	391	32,908		525

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 62.7 1.58

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1972	1,795.00	1,046	895	900	37.59	24
1973	10,018.00	5,726	4,900	5,118	38.59	133
1974	9,510.00	5,331	4,562	4,948	39.59	125
1980	2,534.00	1,285	1,100	1,434	43.22	33
1981	14,594.00	7,237	6,194	8,400	44.22	190
1982	1,350.00	660	565	785	44.45	18
1987	380.33	165	141	239	48.71	5
1988	613.60	262	224	390	48.97	8
1999	68,568.76	20,982	17,957	50,612	57.83	875
2003	24,150.33	6,335	5,422	18,728	60.47	310
2004	15,965.66	3,993	3,417	12,549	61.47	204
2005	7,906.10	1,881	1,610	6,296	62.47	101
2006	14,515.17	3,304	2,828	11,687	62.80	186
2011	32,737.12	5,480	4,690	28,047	67.15	418
2012	694,400.64	108,465	92,828	601,573	67.50	8,912
2013	488,668.22	70,270	60,139	428,529	68.50	6,256
2014	355,085.13	46,587	39,871	315,214	69.50	4,535
2015	269,038.58	32,204	27,561	241,478	69.87	3,456
2016	417,989.19	44,767	38,313	379,676	70.87	5,357
2017	703,800.00	66,509	56,920	646,880	71.87	9,001
2018	361,933.03	29,896	25,586	336,347	72.24	4,656
2019	1,215,860.46	84,867	72,632	1,143,228	73.24	15,609
2020	1,427,640.18	82,232	70,377	1,357,263	73.62	18,436
2021	383,526.60	17,182	14,705	368,822	74.62	4,943
2023	826,997.54	16,126	13,801	813,197	75.42	10,782
2024	183,000.00	1,208	1,034	181,966	75.26	2,418
	7,532,577.64	664,000	568,272	6,964,306		96,991

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 71.8 1.29

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
1963	74,569.11	72,459	63,137	11,432	1.79	6,387
1964	87,665.54	84,860	73,943	13,723	2.00	6,862
1965	124,152.32	119,670	104,274	19,878	2.23	8,914
1966	42,990.73	41,245	35,939	7,052	2.48	2,844
1967	68,853.41	65,721	57,266	11,587	2.74	4,229
1968	82,283.97	78,565	68,457	13,827	2.67	5,179
1969	93,921.85	89,132	77,665	16,257	2.98	5,455
1970	118,926.88	112,124	97,699	21,228	3.31	6,413
1971	32,479.34	30,583	26,648	5,831	3.32	1,756
1972	104,170.48	97,347	84,823	19,347	3.68	5,257
1973	161,498.80	149,709	130,449	31,050	4.06	7,648
1974	227,030.27	208,664	181,819	45,211	4.45	10,160
1975	131,589.42	120,510	105,006	26,583	4.55	5,842
1976	160,859.58	145,900	127,130	33,730	4.97	6,787
1977	128,838.26	115,671	100,790	28,048	5.41	5,184
1978	246,981.94	219,369	191,147	55,835	5.85	9,544
1979	337,290.93	296,209	258,101	79,190	6.31	12,550
1980	246,979.93	213,218	185,787	61,193	7.05	8,680
1981	133,656.06	113,955	99,295	34,361	7.52	4,569
1982	202,246.72	169,321	147,538	54,709	8.26	6,623
1983	314,122.03	258,114	224,907	89,215	9.01	9,902
1984	297,917.09	240,121	209,229	88,688	9.75	9,096
1985	337,682.45	266,769	232,448	105,234	10.50	10,022
2008	10,571.00	3,541	3,086	7,485	32.76	228
2016	10,752.00	1,856	1,617	9,135	40.76	224
2024	36,600.00	373	325	36,275	48.76	744
	3,814,630.11	3,315,006	2,888,525	926,105		161,099

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.7 4.22

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
1966	41,066.18	37,477	32,269	8,797	5.60	1,571
1972	36,880.50	32,337	27,844	9,036	7.38	1,224
1973	270,288.00	235,259	202,568	67,720	7.67	8,829
1974	88,499.00	76,428	65,808	22,691	7.98	2,843
1980	45,992.00	37,456	32,251	13,741	10.14	1,355
1981	143,194.00	115,243	99,229	43,965	10.55	4,167
1984	97,561.00	75,473	64,986	32,575	11.85	2,749
1999	300,711.54	167,917	144,584	156,128	20.16	7,744
2013	620,550.27	175,554	151,159	469,391	29.15	16,103
2017	4,946,971.81	945,861	814,427	4,132,545	31.72	130,282
2018	64,643.46	10,841	9,335	55,308	32.26	1,714
2019	284,387.73	40,838	35,163	249,225	32.81	7,596
2020	83,113.45	9,874	8,502	74,611	33.38	2,235
2021	26,610.55	2,496	2,149	24,462	33.81	724
2022	46,464.25	3,169	2,729	43,735	34.13	1,281
2023	70,400.34	2,957	2,546	67,854	34.21	1,983
2024	103,700.00	1,535	1,322	102,378	33.17	3,086
	7,271,034.08	1,970,715	1,696,871	5,574,164		195,486

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.5 2.69

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1925	14,385.45	14,170	14,385			
1926	18,223.71	17,950	18,224			
1927	17,052.38	16,793	17,052			
1928	12,267.53	11,956	12,268			
1929	13,944.27	13,583	13,944			
1930	7,146.10	6,956	7,146			
1931	695.08	676	695			
1932	295.00	287	295			
1934	390.00	374	390			
1935	250.00	239	250			
1936	345.00	330	345			
1937	310.00	296	310			
1938	90.00	86	90			
1939	750.00	712	750			
1940	440.00	416	440			
1941	530.00	500	530			
1942	60.00	56	60			
1945	35.00	32	35			
1946	150.00	138	150			
1947	2,040.00	1,866	2,040			
1948	1,380.00	1,256	1,380			
1949	180.00	163	180			
1950	325.00	293	324	1	8.15	
1951	960.00	861	952	8	8.47	1
1952	1,275.00	1,137	1,257	18	8.80	2
1953	1,790.00	1,587	1,755	35	9.15	4
1954	3,460.00	3,049	3,372	88	9.50	9
1955	4,460.00	3,906	4,320	140	9.87	14
1956	3,940.00	3,428	3,791	149	10.24	15
1957	3,545.00	3,063	3,387	158	10.62	15
1958	1,405.00	1,205	1,333	72	11.02	7
1959	5,990.00	5,062	5,598	392	12.02	33
1960	5,045.00	4,230	4,678	367	12.42	30
1961	965.00	803	888	77	12.84	6
1962	1,065.00	879	972	93	13.26	7
1963	3,680.83	2,988	3,304	377	14.26	26
1964	9,608.98	7,731	8,549	1,060	14.69	72
1965	11,655.25	9,293	10,277	1,378	15.13	91
1966	10,657.90	8,355	9,240	1,418	16.13	88
1967	10,592.66	8,222	9,092	1,501	16.58	91
1968	20,600.82	15,830	17,506	3,095	17.03	182

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1969	13,058.59	9,857	10,901	2,158	18.03	120
1970	8,976.56	6,702	7,412	1,565	18.50	85
1971	5,709.77	4,216	4,662	1,048	18.96	55
1972	12,314.67	8,922	9,867	2,448	19.96	123
1973	19,164.57	13,718	15,170	3,995	20.45	195
1974	30,757.58	21,746	24,048	6,710	20.93	321
1975	33,128.66	22,958	25,389	7,740	21.93	353
1976	34,751.65	23,763	26,279	8,473	22.43	378
1977	22,740.99	15,232	16,845	5,896	23.42	252
1978	42,482.49	28,051	31,021	11,461	23.92	479
1979	64,180.58	41,467	45,857	18,324	24.92	735
1980	44,427.02	28,273	31,266	13,161	25.43	518
1981	18,656.38	11,686	12,923	5,733	25.94	221
1982	87,849.30	53,764	59,456	28,393	26.94	1,054
1983	73,781.41	44,092	48,760	25,021	27.94	896
1984	72,679.30	42,677	47,195	25,484	28.47	895
1985	95,371.78	54,629	60,412	34,960	29.46	1,187
1986	13,919.80	7,824	8,652	5,268	29.99	176
1987	20,808.11	11,392	12,598	8,210	30.99	265
1988	15,085.63	8,095	8,952	6,134	31.52	195
1989	40,447.61	21,106	23,340	17,108	32.53	526
1990	49,234.05	24,972	27,616	21,618	33.52	645
1991	44,145.02	21,887	24,204	19,941	34.07	585
1992	10,990.50	5,286	5,846	5,144	35.07	147
1993	49,326.98	22,996	25,431	23,896	36.07	662
1994	11,800.00	5,327	5,891	5,909	37.07	159
1995	26,810.78	11,786	13,034	13,777	37.61	366
1996	54,462.58	23,125	25,573	28,890	38.62	748
1997	32,517.93	13,326	14,737	17,781	39.61	449
1998	43,999.00	17,371	19,210	24,789	40.62	610
1999	3,258.74	1,246	1,378	1,881	41.17	46
2000	17,729.29	6,516	7,206	10,523	42.17	250
2003	109,796.47	35,409	39,158	70,638	45.17	1,564
2004	97,862.38	30,093	33,279	64,583	46.17	1,399
2005	830,098.49	244,381	270,253	559,845	46.73	11,980
2006	80,300.64	22,436	24,811	55,490	47.72	1,163
2007	48,301.00	12,761	14,112	34,189	48.73	702
2010	30,861.00	6,759	7,475	23,386	51.72	452
2011	102,395.71	20,868	23,077	79,319	52.73	1,504
2012	1,074,382.48	202,843	224,317	850,065	53.72	15,824
2013	1,210,747.79	210,186	232,438	978,310	54.73	17,875

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
2014	1,169,731.65	185,519	205,159	964,573	55.72	17,311
2015	2,763,355.03	396,265	438,216	2,325,139	56.73	40,986
2016	2,119,518.29	273,842	302,833	1,816,685	57.29	31,710
2017	2,110,220.10	240,565	266,033	1,844,187	58.29	31,638
2018	2,089,491.95	206,442	228,297	1,861,195	59.29	31,391
2019	1,466,877.02	122,631	135,613	1,331,264	60.29	22,081
2020	3,245,452.11	221,989	245,490	2,999,962	61.29	48,947
2021	577,070.81	30,700	33,950	543,121	62.29	8,719
2023	1,795,234.16	40,931	45,265	1,749,969	64.29	27,220
	22,228,245.36	3,309,385	3,652,461	18,575,784		326,855

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 56.8 1.47

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 334 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
1965	1,010.67	1,011	1,011			
1969	260.72	261	261			
1970	1,248.24	1,248	1,248			
1971	664.38	664	664			
1972	1,228.10	1,228	1,228			
1973	2,717.94	2,718	2,718			
1974	3,702.43	3,702	3,702			
1975	3,450.77	3,451	3,451			
1976	4,483.59	4,484	4,484			
1977	2,249.85	2,250	2,250			
1978	9,514.72	9,515	9,515			
1979	6,991.14	6,991	6,991			
1980	6,304.61	6,305	6,305			
1981	2,415.94	2,416	2,416			
1982	3,484.54	3,485	3,485			
1983	5,284.88	5,285	5,285			
1984	7,109.92	7,110	7,110			
1985	12,351.51	12,295	12,352			
2015	800.00	359	800			
2016	466.47	190	464			
	75,740.42	74,968	75,740			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1954	275.45	258	275			
1955	4,052.20	3,774	4,052			
1956	5,807.77	5,371	5,808			
1957	3,421.42	3,164	3,421			
1958	2,530.75	2,322	2,531			
1959	1,938.04	1,764	1,938			
1960	845.74	769	846			
1961	2,232.12	2,013	2,230	2	6.92	
1962	1,845.77	1,650	1,828	18	7.43	2
1963	357.34	319	353	4	7.46	1
1965	8,559.65	7,486	8,293	267	8.53	31
1966	7,505.67	6,498	7,198	308	9.07	34
1967	3,853.21	3,301	3,657	196	9.61	20
1968	6,309.90	5,384	5,964	346	9.72	36
1969	13,003.51	10,970	12,152	852	10.29	83
1970	8,173.13	6,815	7,550	623	10.86	57
1971	4,682.24	3,858	4,274	408	11.44	36
1972	11,573.77	9,419	10,434	1,140	12.01	95
1973	21,007.20	16,877	18,696	2,311	12.60	183
1974	26,685.90	21,157	23,438	3,248	13.20	246
1975	31,965.41	24,844	27,522	4,443	14.19	313
1976	22,334.63	17,115	18,960	3,375	14.79	228
1977	22,777.91	17,202	19,056	3,722	15.40	242
1978	40,513.00	30,142	33,391	7,122	16.00	445
1979	62,812.07	46,016	50,976	11,836	16.61	713
1980	76,901.20	55,438	61,414	15,487	17.23	899
1981	97,181.44	68,902	76,329	20,852	17.85	1,168
1982	43,949.80	30,633	33,935	10,015	18.48	542
1983	77,741.20	52,911	58,614	19,127	19.48	982
1984	181,836.63	121,503	134,600	47,237	20.11	2,349
1985	186,972.05	122,598	135,813	51,159	20.74	2,467
1986	147,359.59	94,752	104,966	42,394	21.38	1,983
1987	130,479.77	81,706	90,513	39,967	22.38	1,786
1988	171,657.78	105,261	116,608	55,050	23.02	2,391
1989	194,191.83	116,515	129,075	65,117	23.67	2,751
1990	135,476.57	78,983	87,497	47,980	24.67	1,945
1991	59,384.97	33,820	37,466	21,919	25.32	866
1992	67,880.79	37,504	41,547	26,334	26.32	1,001
1993	42,593.24	22,941	25,414	17,179	26.98	637
1994	40,809.62	21,286	23,580	17,230	27.98	616
1995	22,476.27	11,404	12,633	9,843	28.64	344

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1996	18,164.98	8,904	9,864	8,301	29.64	280
1997	3,996.71	1,902	2,107	1,890	30.30	62
1998	32,819.72	15,045	16,667	16,153	31.31	516
1999	37,236.49	16,429	18,200	19,036	32.30	589
2000	65,628.45	27,977	30,993	34,635	32.97	1,051
2001	36,125.69	14,772	16,364	19,762	33.97	582
2002	82,675.00	32,367	35,856	46,819	34.97	1,339
2003	63,125.80	23,748	26,308	36,818	35.65	1,033
2004	28,607.84	10,264	11,370	17,238	36.64	470
2005	73,494.60	25,076	27,779	45,716	37.65	1,214
2006	7,861.04	2,545	2,819	5,042	38.64	130
2007	10,655.00	3,282	3,636	7,019	39.32	179
2008	39,143.75	11,367	12,592	26,552	40.32	659
2009	17,304.20	4,721	5,230	12,074	41.32	292
2010	14,234.90	3,633	4,025	10,210	42.32	241
2011	83,825.71	19,917	22,064	61,762	43.32	1,426
2012	4,245,001.84	933,900	1,034,569	3,210,433	44.32	72,438
2013	394,951.78	79,938	88,555	306,397	45.32	6,761
2014	260,645.21	48,167	53,359	207,286	46.32	4,475
2015	831,566.37	139,869	154,946	676,620	46.99	14,399
2016	1,032,686.03	155,316	172,058	860,628	48.00	17,930
2017	1,838,214.72	244,115	270,429	1,567,786	48.99	32,002
2018	844,079.81	97,069	107,532	736,548	50.00	14,731
2019	1,066,970.26	103,923	115,125	951,845	50.99	18,667
2020	985,893.01	78,477	86,937	898,956	52.00	17,288
2021	442,027.38	27,406	30,360	411,667	52.99	7,769
2022	117,432.88	5,191	5,751	111,682	54.00	2,068
2023	740,506.79	19,697	21,820	718,687	54.99	13,069
	15,406,832.51	3,459,662	3,832,162	11,574,671		257,152

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 45.0 1.67

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
SURVIVOR CURVE.. 20-SQUARE						
1982	84.00	84	84			
	84.00	84	84			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-R2.5						
1998	1,662.00	1,405	1,662			
	1,662.00	1,405	1,662			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

PART VIII. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2020 TRANSACTION YEAR				
304.20	24,265.73	81,066.67		81,066.67-
304.30	232,194.99	11,107.43		11,107.43-
304.61	1,832,621.11			
304.62	27,333.59			
304.63	456.84	322,461.19		322,461.19-
305.00	59,053.26			
307.00	131,201.31	9,461.14		9,461.14-
310.40	8,584.17			
311.01	273,186.86	137.52		137.52-
320.00	520,063.48			
330.00	240,390.12	48,187.28		48,187.28-
331.00	6,406,400.50	1,817,260.37		1,817,260.37-
333.00	251,177.68	474,188.80		474,188.80-
334.02	1,597,880.71		4,603.50	4,603.50
334.03	17.01	4,321.34		4,321.34-
335.00	331,387.11	66,170.21		66,170.21-
340.10	49,753.57			
340.20	1,219.78			
340.30	3,204,485.72			
340.40	9,072,650.99			
341.10	2,044,911.25		16,500.00	16,500.00
341.20	74,466.12			
343.10	3,379.36		50.00	50.00
343.20	420,440.56			
344.00	29,009.73			
346.01	517,524.81			
346.02	239,186.24			
347.00	2,647.86			
	27,595,890.46	2,834,361.95	21,153.50	2,813,208.45-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2021 TRANSACTION YEAR				
304.20	119,835.63			
304.30	29,836.27	57,476.44		57,476.44-
304.61	79,306.50			
304.62	41,391.42			
304.63	7,724.07			
305.00	7,191.85			
307.00	260,241.05	149,453.60		149,453.60-
310.40	104,413.57			
311.01	125,517.08			
320.00	137,604.05	3,455.34		3,455.34-
330.00	163,083.25			
331.00	8,443,316.01	2,099,925.97		2,099,925.97-
333.00	403,982.09	479,667.07		479,667.07-
334.02	2,072,361.82		53,731.71	53,731.71
334.03	3,199.49	19,488.04		19,488.04-
335.00	390,959.83	75,329.88		75,329.88-
336.00	892.54			
340.10	146,972.63			
340.20	7,030.00			
340.30	6,388,263.09			
340.40	1,814,063.97			
341.10	1,913,278.06		97,325.00	97,325.00
343.10	595.00		2,950.00	2,950.00
343.20	92,563.92			
344.00	32,939.90			
346.01	647,501.22			
346.02	905,048.85			
347.00	4,863.66			
	24,343,976.82	2,884,796.34	154,006.71	2,730,789.63-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2022 TRANSACTION YEAR				
304.30		46,017.15		46,017.15-
305.00		308,833.47		308,833.47-
307.00			100.93	100.93
311.01		113.48		113.48-
320.00		23,944.67		23,944.67-
330.00			3.67	3.67
331.00	8,943,445.86	2,376,180.25		2,376,180.25-
333.00		18,065.68		18,065.68-
334.02			106,278.20	106,278.20
335.00		164.71		164.71-
340.10	139,598.70			
340.20	110,347.09			
340.30	1,574,900.66			
340.40	2,056,766.06			
341.10	3,970,728.18			
341.20	230,867.65			
343.10	5,160.49			
343.20	1,155,229.85			
344.00	44,762.18			
346.01	79,133.12			
346.02	1,187,195.21	14,017.34		14,017.34-
347.00	2,068.74			
	19,500,203.79	2,787,336.75	106,382.80	2,680,953.95-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2023 TRANSACTION YEAR				
304.20	359,871.79			
304.30	3,200,338.82		3,058.55	3,058.55
304.61	2,853,118.36			
304.62	2,218.06			
304.63	74,798.88	55,131.82		55,131.82-
305.00	2,739.49			
307.00	418,097.55	29,417.81		29,417.81-
310.40	10,546.32			
311.01	73,970.85	245.30		245.30-
320.00	4,943,332.28		5,680.16	5,680.16
330.00	134,141.04			
331.00	5,243,747.42	2,538,533.32		2,538,533.32-
333.00	1,465,239.16	603,176.26		603,176.26-
334.02	1,581,207.33		40,428.69	40,428.69
334.03	46,663.64	11,549.23		11,549.23-
335.00	519,355.28	29,130.51		29,130.51-
340.10	73,431.62			
340.20	7,074.28			
340.30	7,656,272.57			
340.40	3,635,396.82			
341.10	2,207,848.75			
341.20	2,458.26			
343.20	211,003.35			
344.00	62,887.02			
346.01	127,409.51			
346.02	3,485,344.85			
347.00	134,522.10			
	38,533,035.40	3,267,184.25	49,167.40	3,218,016.85-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2024 TRANSACTION YEAR				
304.20	52,805.51	12,089.30		12,089.30-
304.30	155,482.90	4,690.83		4,690.83-
304.61	38,137.32			
304.63	46,938.24	93,876.48		93,876.48-
305.00	268,003.94	53,600.79		53,600.79-
306.00	3,259.16			
307.00	3,160,642.15	501,664.73		501,664.73-
310.40	17,113.85			
311.01	245,458.80	227.33		227.33-
320.00	1,653,730.00	11,287.59	1,322.73	9,964.86-
330.00	103,294.00	4,269.07		4,269.07-
331.00	6,143,827.00	1,742,940.81		1,742,940.81-
333.00	388,548.87	312,090.18		312,090.18-
334.02	2,693,651.17		55,564.23	55,564.23
334.03	804,597.10	160,919.42		160,919.42-
335.00	218,172.02	31,869.81		31,869.81-
336.00	157.32			
340.10	46,012.95			
340.20	65,891.02			
340.30	8,075,493.55			
340.40	6,689,148.99			
341.10	574,554.63		6,843.11	6,843.11
341.20	97,643.44			
343.10	16,165.00		13,369.48	13,369.48
343.20	122,065.66			
344.00	126,094.00			
346.01	385,652.96	699.83		699.83-
346.02	922,371.89	1,673.77		1,673.77-
347.00	1,818.50			
	33,116,731.94	2,931,899.94	77,099.55	2,854,800.39-
TOTAL	143,089,838.41	14,705,579.23	407,809.96	14,297,769.27-

Exhibit No. 6-A, Part 3
Docket No. R-2024-3047822
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

WATER BASE OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2025

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-A, Part 3
Docket No. R-2024-3047822
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to water plant as of December 31, 2025. The results of our study as of December 31, 2024 are presented in our report titled "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2024". The same methods, procedures and estimates are used in both studies.

Summaries of the original cost, annual accruals, book depreciation reserve and amortization of net salvage are presented in Tables 1 through 4, beginning on page I-3 of the attached report.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

MELISSA M. HOWARD
Assistant Project Manager

JJS:mle

077367.100

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

DESCRIPTION OF SUMMARY TABULATIONS

Tables 1 through 4 presented on pages I-3 through I-11 summarize the results of the depreciation study as of December 31, 2025. Table 1 sets forth, by depreciable group, the estimated survivor curve, original cost, book depreciation reserve as of December 31, 2025, future book accruals, calculated annual accrual amount and rate, and composite remaining life for plant in service. Table 2 presents the bringforward of the book reserve to December 31, 2025. Table 3 sets forth the calculation of the depreciation accruals for the twelve months ended December 31, 2025. Table 4 presents the annual amortization of experienced and estimated net salvage based on the period 2021 through 2025.

DESCRIPTION OF DETAILED TABULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-9. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage and cost of removal are set forth by account for the years 2021 through 2025, beginning on pages III-2 through III-6.

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	WATER PLANT								
	INTANGIBLE PLANT								
301	ORGANIZATION	NONDEPR.		7,076,059.95					
302	FRANCHISES AND CONSENTS	NONDEPR.		2,944,957.32					
303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.		4,382,344.75					
	TOTAL INTANGIBLE PLANT			**14,403,362.02**					
	NONDEPRECIABLE PLANT								
303.11	WATER RIGHTS	NONDEPR.		1,703,879.22					
303.12	RESERVOIR LAND	NONDEPR.		2,826,590.02					
303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.		6,878,759.36					
303.2	POWER AND PUMPING LAND	NONDEPR.		1,577,342.01					
303.3	PURIFICATION LAND	NONDEPR.		1,408,637.63					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		1,431,041.39					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.		1,323,147.51					
303.61	OFFICE LAND	NONDEPR.		3,128,180.15					
303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.		1,002,954.67					
303.63	MISCELLANEOUS LAND	NONDEPR.		1,066,770.08					
	TOTAL NONDEPRECIABLE PLANT			**22,347,302.04**					
	DEPRECIABLE PLANT								
304.2	POWER AND PUMPING STRUCTURES								
	MAJOR TREATMENT PLANTS	85-S0.5	*	23,625,022.72	7,782,433	15,842,590	656,405	2.78	24.1
	OTHER STRUCTURES	50-R3		57,146,972.71	15,642,724	41,504,248	1,241,434	2.17	33.4
	TOTAL ACCOUNT 304.2			80,771,995.43	23,425,157	57,346,838	1,897,839		
304.3	PURIFICATION BUILDINGS								
	MAJOR TREATMENT PLANTS	95-S0.5	*	203,155,039.53	73,559,984	129,595,054	5,218,998	2.57	24.8
	OTHER STRUCTURES	50-S0		78,319,125.72	13,716,820	64,602,306	2,167,685	2.77	29.8
	TOTAL ACCOUNT 304.3			281,474,165.25	87,276,804	194,197,360	7,386,683		
304.61	OFFICE BUILDINGS								
	OFFICES	55-R3	*	76,985,229.49	29,518,059	47,467,171	2,259,376	2.93	21.0
	OTHER STRUCTURES	50-R3		6,900,178.58	906,323	5,993,856	152,529	2.21	39.3
	TOTAL ACCOUNT 304.61			83,885,408.07	30,424,382	53,461,027	2,411,905		
304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	*	8,151,790.12	5,743,800	2,407,991	147,672	1.81	16.3
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	53,811,422.38	20,383,461	33,427,961	2,173,305	4.04	15.4
305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	*	47,725,712.85	15,642,053	32,083,661	921,084	1.93	34.8
306	LAKE, RIVER AND OTHER INTAKES	80-R3	*	24,866,568.97	10,880,666	13,985,903	738,266	2.97	18.9
307	WELLS AND SPRINGS	50-R2.5		81,386,762.20	21,446,598	59,940,164	1,865,670	2.29	32.1
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	39,853,182.79	17,964,554	21,888,629	1,902,397	4.77	11.5
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		115,220,987.87	54,560,505	60,660,483	3,120,708	2.71	19.4

AQUA PENNSYLVANIA, INC.
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TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
320	PURIFICATION SYSTEM								
	STRUCTURES	80-S0	*	98,973,591.77	50,293,118	48,680,474	2,446,604	2.47	19.9
	WELLS AND BOOSTERS	50-R3		16,766,011.42	4,981,497	11,784,514	359,929	2.15	32.7
	SUBTOTAL			115,739,603.19	55,274,615	60,464,988	2,806,533		
	EQUIPMENT	52-R2.5		244,330,145.84	47,890,410	196,439,736	5,506,004	2.25	35.7
	COMPUTERS	10-SQ		7,360,610.22	6,743,446	617,164	66,337	0.90	9.3
	PAINTING	10-SQ		296,911.27	261,753	35,159	8,263	2.78	4.3
	FILTER MEDIA	10-S3		5,955,248.05	3,943,068	2,012,180	290,626	4.88	6.9
	FILTER MEDIA - PFAS	10-S3		1,000,000.00	61,479	938,521	106,529	10.65	8.8
	TOTAL ACCOUNT 320			374,682,518.57	114,174,771	260,507,748	8,784,292		
330	DISTRIBUTION RESERVOIRS AND STANDPIPES								
	TANKS	70-S1		98,417,090.11	29,941,452	68,475,638	1,612,302	1.64	42.5
	TANK PAINTING	10-SQ		82,098,657.34	65,562,497	16,536,160	4,270,162	5.20	3.9
	TOTAL ACCOUNT 330			180,515,747.45	95,503,949	85,011,798	5,882,464		
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		50,914,639.58	10,387,078	40,527,562	1,377,245	2.71	29.4
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		2,446,532,176.52	371,407,682	2,075,124,495	44,475,431	1.82	46.7
	CAST IRON - 12 INCH AND OVER	95-S3		806,938,943.87	93,143,261	713,795,683	9,691,765	1.20	73.6
	STEEL	75-R3		5,495,288.91	2,040,889	3,454,400	105,640	1.92	32.7
	LOCK JOINT	75-R5		13,909,671.40	2,562,026	11,347,645	266,040	1.91	42.7
	VALVES	90-R3		91,774,861.27	12,568,980	79,205,881	1,210,042	1.32	65.5
	SPECIAL CONSTRUCTION	58-R4		26,470,940.91	8,640,370	17,830,571	586,182	2.21	30.4
	CEMENT WROUGHT IRON	90-R3		218,829.49	29,336	189,493	3,198	1.46	59.3
	COPPER	50-S0.5		1,933,353.51	276,872	1,656,481	52,590	2.72	31.5
	ASBESTOS CEMENT	50-S5		3,283,203.35	1,689,170	1,594,033	74,115	2.26	21.5
	PLASTIC	45-R2.5		47,013,884.78	9,528,863	37,485,021	1,325,230	2.82	28.3
	MAIN CLEANING AND LINING	50-L4		124,697,136.96	39,140,172	85,556,965	3,163,172	2.54	27.0
	TOTAL ACCOUNT 331			3,619,182,930.55	551,414,699	3,067,768,230	62,330,650		
333	SERVICES	70-R4		648,002,000.30	142,781,016	505,220,984	9,610,950	1.48	52.6
334	METERS								
	REMOTE	22-R2.5		160,572,977.07	95,901,219	64,671,758	4,877,256	3.04	13.3
	ERTS	18-S2		64,707,281.07	45,785,312	18,921,969	1,918,938	2.97	9.9
	TOTAL ACCOUNT 334			225,280,258.14	141,686,531	83,593,727	6,796,194		
335	FIRE HYDRANTS	60-R4		125,626,999.61	30,455,243	95,171,757	2,222,470	1.77	42.8
336	BACKFLOW PREVENTION DEVICES	35-R2.5		386,014.90	108,157	277,858	12,401	3.21	22.4
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3		65,814.77	5,815	60,000	3,741	5.68	16.0

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TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
340	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	9,323,803.30	4,349,470	4,974,333	510,294	**	9.7
	MECHANICAL EQUIPMENT	10-SQ	1,000,191.53	586,124	414,068	117,797	**	3.5
	COMPUTER HARDWARE	5-SQ	11,321,979.64	70,590	11,251,390	4,565,505	**	2.5
	COMPUTER SOFTWARE - 10-YEAR	10-SQ	40,944,634.41	12,029,735	28,914,899	6,978,214	**	4.1
	COMPUTER SOFTWARE - 15-YEAR	15-SQ	81,171,088.85	24,386,133	56,784,956	5,406,567	**	10.5
	TOTAL ACCOUNT 340		143,761,697.73	41,422,052	102,339,646	17,578,377		
341	TRANSPORTATION EQUIPMENT							
	VEHICLES	9-L2.5	30,506,717.87	20,517,091	9,989,627	2,211,533	7.25	4.5
	OTHER	20-SQ	2,997,334.99	965,340	2,031,995	204,186	**	10.0
	TOTAL ACCOUNT 341		33,504,052.86	21,482,432	12,021,622	2,415,719		
342	STORES EQUIPMENT	20-SQ	3,499,982.19	1,712,908	1,787,074	173,708	**	10.3
343.1	SHOP EQUIPMENT	25-SQ	3,793,864.35	1,215,019	2,578,845	150,225	**	17.2
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	18,575,825.94	9,797,036	8,778,790	939,743	**	9.3
344	LABORATORY EQUIPMENT							
	CONVENTIONAL	38-R3	1,303,708.29	890,555	413,153	23,809	1.83	17.4
	ELECTRONIC	25-R2.5	7,757,817.62	3,268,057	4,489,760	288,639	3.72	15.6
	TOTAL ACCOUNT 344		9,061,525.91	4,158,612	4,902,913	312,448		
345	POWER OPERATED EQUIPMENT	20-R2	131,411.12	14,133	117,278	8,318	6.33	14.1
346	COMMUNICATION EQUIPMENT							
	EQUIPMENT	15-SQ	10,051,956.76	3,763,099	6,288,858	644,951	**	9.8
	SCADA	10-SQ	30,382,736.63	12,184,516	18,198,220	3,632,921	**	5.0
	TOTAL ACCOUNT 346		40,434,693.39	15,947,615	24,487,078	4,277,872		
347	MISCELLANEOUS EQUIPMENT	25-SQ	2,782,358.38	1,738,459	1,043,899	116,534	**	9.0
348	OTHER TANGIBLE PLANT	25-SQ	59,497.10	22,896	36,601	2,456	**	14.9
	TOTAL DEPRECIABLE PLANT		**6,246,495,189.19**	**1,461,389,326**	**4,785,105,865**	**144,184,091**		
	TOTAL WATER PLANT IN SERVICE		**6,283,245,853.25**	**1,461,389,326**	**4,785,105,865**	**144,184,091**		
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
	NONDEPRECIABLE PLANT							
302	FRANCHISES AND CONSENTS	NONDEPR.	61,668.00					
303.2	POWER AND PUMPING LAND	NONDEPR.	10,616.04					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	4,505.75					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	8,199.00					
	TOTAL NONDEPRECIABLE PLANT		**84,988.79**					

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TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	DEPRECIABLE PLANT							
304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	330,269	79,034	4,402	1.08	18.0
304.3	PURIFICATION BUILDINGS	50-S0	3,388,656.78	248,947	3,139,710	102,903	3.04	30.5
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	175,454.91	41,574	133,880	4,597	2.62	29.1
307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	1,154,194	1,591,617	52,989	1.93	30.0
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	819,829	680,171	28,736	1.92	23.7
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	1,211,657	610,869	46,079	2.53	13.3
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	9,721,907.47	537,004	9,184,903	233,127	2.40	39.4
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	1,467,356	1,453,825	37,131	1.27	39.2
331	MAINS AND ACCESSORIES							
	CAST IRON - 4 INCH AND UNDER	50-L1.5	977,986.06	144,325	833,661	26,126	2.67	31.9
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5	168,109,463.19	46,392,241	121,717,222	3,035,643	1.81	40.1
	CAST IRON - 12 INCH AND OVER	95-S3	21,556,748.58	2,495,558	19,061,191	249,449	1.16	76.4
	STEEL	75-R3	33,299.45	917	32,382	518	1.56	62.5
	VALVES	90-R3	7,532,577.64	665,442	6,867,136	96,536	1.28	71.1
	ASBESTOS CEMENT	50-S5	3,814,630.11	3,049,502	765,128	139,651	3.66	5.5
	PLASTIC	45-R2.5	7,271,034.08	1,892,461	5,378,573	191,663	2.64	28.1
	TOTAL ACCOUNT 331		209,295,739.11	54,640,448	154,655,293	3,739,586		
333	SERVICES	70-R4	22,228,245.36	3,979,216	18,249,029	326,537	1.47	55.9
334	METERS	22-R2.5	75,740.42	75,740	0	0	-	-
335	FIRE HYDRANTS	60-R4	15,406,832.51	4,089,456	11,317,377	256,915	1.67	44.1
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	84	0	0	-	-
344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	1,662	0	0	-	-
	TOTAL DEPRECIABLE PLANT		**269,693,142.62**	**68,597,435**	**201,095,708**	**4,833,002**		
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**269,778,131.41**	**68,597,435**	**201,095,708**	**4,833,002**		
	AMORTIZATION OF NET SALVAGE					2,911,867		
	TOTAL WATER PLANT		**6,013,467,721.84**	**1,392,791,891**	**4,584,010,157**	**142,262,956**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
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TABLE 2. BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2024

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2024	+ DEPRECIATION ACCRUALS	+ AMORTIZATION OF NET SALVAGE	- PROJECTED RETIREMENTS	+ PROJECTED GROSS SALVAGE	- PROJECTED COST OF REMOVAL	+ ACQUISITIONS AND ADJUSTMENTS	= RESERVE AT END OF PERIOD	BOOK RESERVE AS A PERCENT OF ORIGINAL COST
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
WATER PLANT IN SERVICE									
304.2	21,824,449	1,825,894	18,631	208,873		34,944		23,425,157	29.00
304.3	80,780,416	7,108,389	23,247	615,014		20,234		87,276,804	31.01
304.61	28,396,566	2,178,669		150,852				30,424,382	36.27
304.62	5,595,437	148,363						5,743,800	70.46
304.63	18,753,357	1,870,007	94,294	185,665		148,532		20,383,461	37.88
305	14,829,579	771,157	72,487	22,264		8,906		15,642,053	32.77
306	10,140,067	740,652		53				10,880,666	43.76
307	19,987,739	1,879,919	137,979	476,265		82,775		21,446,598	26.35
310.4	16,091,129	1,885,376		11,950				17,964,554	45.08
311	51,629,436	3,135,664	145	204,536		204		54,560,505	47.35
320.1	52,663,175	2,773,237	517	161,619	162	857		55,274,615	47.76
320.2	44,689,744	5,020,877	5,820	1,818,213	1,818	9,636		47,890,410	19.60
320.3	6,738,733	12,794		8,081				6,743,446	91.62
320.4	257,793	5,980		2,020				261,753	88.16
320.5	3,711,875	261,627		30,304	30	161		3,943,068	66.21
320.51	0	61,479						61,479	6.15
330.01	28,882,931	1,586,240	5,665	493,052		40,332		29,941,452	30.42
330.02	61,188,888	4,823,147	4,826	420,007		34,357		65,562,497	79.86
331.01	9,182,301	1,361,523	42,371	153,167		45,950		10,387,078	20.40
331.02	332,825,823	43,899,466	1,437,450	5,196,198		1,558,860		371,407,682	15.18
331.03	85,645,646	9,471,046	533,456	1,928,375		578,513		93,143,261	11.54
331.04	1,938,301	107,565		3,829		1,149		2,040,889	37.14
331.05	2,539,848	257,297	63,557	229,751		68,925		2,562,026	18.42
331.06	11,357,087	1,219,858		6,127		1,838		12,568,980	13.70
331.07	8,050,068	590,302						8,640,370	32.64
331.08	27,705	3,124		1,149		345		29,336	13.41
331.10	222,932	53,941						276,872	14.32
331.11	1,615,570	76,090		1,915		574		1,689,170	51.45
331.13	8,352,345	1,317,590	38,134	137,851		41,355		9,528,863	20.27
331.99	35,960,395	3,179,777						39,140,172	31.39
333	133,894,052	9,308,624	377,438	456,132		342,966		142,781,016	22.03
334.02	92,651,192	4,721,874	(52,121)	1,448,700	28,974			95,901,219	59.72
334.03	44,364,579	1,879,115	39,256	432,728		64,909		45,785,312	70.76
335	28,472,525	2,189,456	40,533	217,266		30,004		30,455,243	24.24
336	95,730	12,593		166				108,157	28.02
339	1,978	3,837						5,815	8.83
340.1	4,620,266	456,973		423,068			(304,700)	4,349,470	46.65
340.2	681,546	96,044		15,567			(175,900)	586,124	58.60
340.3	1,578,941	2,477,169		5,846,620			1,861,100	70,590	0.62
340.4	13,235,764	3,873,252		5,079,280				12,029,735	29.38
340.41	20,605,796	5,160,837					(1,380,500)	24,386,133	30.04
341.1	18,469,532	2,294,210	(24,134)	225,060	2,543			20,517,091	67.25
341.2	843,192	148,156		26,008				965,340	32.21
342	1,585,356	174,414		46,862				1,712,908	48.94
343.1	1,150,046	147,874	(3,274)	93,678	14,052			1,215,019	32.03
343.2	9,846,213	921,442		970,619				9,797,036	52.74

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TABLE 2. BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2024

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2024	+	DEPRECIATION ACCRUALS	+	AMORTIZATION OF NET SALVAGE	-	PROJECTED RETIREMENTS	+	PROJECTED GROSS SALVAGE	-	PROJECTED COST OF REMOVAL	+	ACQUISITIONS AND ADJUSTMENTS	=	RESERVE AT END OF PERIOD	BOOK RESERVE AS A PERCENT OF ORIGINAL COST
(1)	(2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)	(10)
344.1	869,213		24,185				2,843								890,555	68.31
344.2	3,128,831		278,538				139,311								3,268,057	42.13
345	4,829		9,304												14,133	10.76
346.01	3,118,906		643,227		966										3,763,099	37.44
346.02	12,467,082		2,888,119		2,312		3,166,980				6,017				12,184,516	40.10
347	1,648,099		109,493				19,133								1,738,459	62.48
348	20,700		2,197												22,896	38.48
TOTAL WATER PLANT IN SERVICE	**1,357,233,703**		**135,447,983**		**2,859,555**		**31,077,152**		**47,579**		**3,122,342**		**0**		**1,461,389,326**	
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION																
304.2	(325,767)		(4,502.28)												(330,269)	80.69
304.3	(142,204)		(106,742.64)												(248,947)	7.35
304.63	(36,960)		(4,614.48)												(41,574)	23.70
307	(1,100,376)		(53,817.84)												(1,154,194)	42.03
310.4	(790,429)		(29,400.00)												(819,829)	54.66
311	(1,163,907)		(47,750.16)												(1,211,657)	66.48
320.2	(297,845)		(239,158.92)												(537,004)	5.52
330.01	(1,429,672)		(37,683.24)												(1,467,356)	50.23
331.01	(117,724)		(26,601.24)												(144,325)	14.76
331.02	(43,332,649)		(3,059,592.24)												(46,392,241)	27.60
331.03	(2,245,499)		(250,058.28)												(2,495,558)	11.58
331.04	(391)		(526.08)												(917)	2.76
331.06	(568,272)		(97,170.24)												(665,442)	8.83
331.11	(2,888,525)		(160,977.36)												(3,049,502)	79.94
331.13	(1,696,871)		(195,590.76)												(1,892,461)	26.03
333	(3,652,461)		(326,755.20)												(3,979,216)	17.90
334	(75,740)														(75,740)	100.00
335	(3,832,162)		(257,294.16)												(4,089,456)	26.54
343.2	(84)														(84)	100.00
344.2	(1,662)														(1,662)	100.00
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS	**(63,699,200)**		**(4,898,235)**		**0**		**0**		**0**		**0**		**0**		**(68,597,435)**	
TOTAL PLANT IN SERVICE	**1,293,534,503**		**130,549,748**		**2,859,555**		**31,077,152**		**47,579**		**3,122,342**		**0**		**1,392,791,891**	

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

	DEPRECIABLE GROUP	ORIGINAL COST AS OF DECEMBER 31, 2024	ORIGINAL COST AS OF DECEMBER 31, 2025	COMPOSITE ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT *
	(1)	(2)	(3)	(4)	(5)
	WATER PLANT IN SERVICE				
304.2	POWER AND PUMPING STRUCTURES	75,287,358.62	80,771,995.43	2.34	1,825,894
304.3	PURIFICATION BUILDINGS	265,324,956.86	281,474,165.25	2.60	7,108,389
304.61	OFFICE BUILDINGS	79,924,281.48	83,885,408.07	2.66	2,178,669
304.62	STORES, SHOP AND GARAGE BUILDINGS	8,151,790.12	8,151,790.12	1.82	148,363
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	48,936,189.67	53,811,422.38	3.64	1,870,007
305	COLLECTING AND IMPOUNDING RESERVOIRS	37,958,370.39	47,725,712.85	1.80	771,157
306	LAKE, RIVER AND OTHER INTAKES	24,841,621.47	24,866,568.97	2.98	740,652
307	WELLS AND SPRINGS	79,979,712.71	81,386,762.20	2.33	1,879,919
310.4	OTHER POWER PRODUCTION EQUIPMENT	38,704,132.93	39,853,182.79	4.80	1,885,376
311	ELECTRIC PUMPING EQUIPMENT	112,827,320.88	115,220,987.87	2.75	3,135,664
320	PURIFICATION SYSTEM				
	STRUCTURES	112,510,354.23	115,739,603.19	2.48	2,773,237
	EQUIPMENT	208,001,095.04	244,330,145.84	2.16	5,020,877
	COMPUTERS	6,854,755.79	7,360,610.22	2.22	12,794
	PAINTING	278,070.16	296,911.27	0.18	5,980
	FILTER MEDIA	5,672,631.36	5,955,248.05	2.08	261,627
	FILTER MEDIA - PFAS	0.00	1,000,000.00	4.50	61,479
	TOTAL ACCOUNT 320	333,316,906.58	374,682,518.57		8,135,994
330	DISTRIBUTION RESERVOIRS AND STANDPIPES				
	TANKS	95,026,777.44	98,417,090.11	1.64	1,586,240
	TANK PAINTING	79,210,613.21	82,098,657.34	5.98	4,823,147
	TOTAL ACCOUNT 330	174,237,390.65	180,515,747.45		6,409,387
331	MAINS AND ACCESSORIES				
	CAST IRON - 4 INCH AND UNDER	48,105,251.77	50,914,639.58	2.75	1,361,523
	CAST IRON - 6, 8 AND 10 INCH	2,351,223,695.28	2,446,532,176.52	1.83	43,899,466
	CAST IRON - 12 INCH AND OVER	771,568,751.42	806,938,943.87	1.20	9,471,046
	STEEL	5,425,054.21	5,495,288.91	1.97	107,565
	LOCK JOINT	9,695,589.70	13,909,671.40	2.18	257,297
	VALVES	91,662,485.76	91,774,861.27	1.33	1,219,858
	SPECIAL CONSTRUCTION	26,470,940.91	26,470,940.91	2.23	590,302
	CEMENT WROUGHT IRON	197,759.08	218,829.49	1.50	3,124
	COPPER	1,933,353.51	1,933,353.51	2.79	53,941
	ASBESTOS CEMENT	3,248,086.00	3,283,203.35	2.33	76,090
	PLASTIC	44,485,435.76	47,013,884.78	2.88	1,317,590
	MAIN CLEANING AND LINING	124,697,136.96	124,697,136.96	2.55	3,179,777
	TOTAL ACCOUNT 331	3,478,713,540.36	3,619,182,930.55		61,537,581
333	SERVICES	609,920,143.08	648,002,000.30	1.48	9,308,624
334	METERS				
	REMOTE	155,271,415.54	160,572,977.07	2.99	4,721,874
	ERTS	63,123,697.76	64,707,281.07	2.94	1,879,115
	TOTAL ACCOUNT 334	218,395,113.30	225,280,258.14		6,600,989
335	FIRE HYDRANTS	121,769,109.94	125,626,999.61	1.77	2,189,456
336	BACKFLOW PREVENTION DEVICES	384,180.50	386,014.90	3.27	12,593
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	65,814.77	65,814.77	5.83	3,837
340	OFFICE FURNITURE AND EQUIPMENT				
	FURNITURE	9,306,189.19	9,323,803.30	5.00 **	456,973
	MECHANICAL EQUIPMENT	927,622.15	1,000,191.53	10.00 **	96,044
	COMPUTER HARDWARE	13,643,138.59	11,321,979.64	20.00 **	2,477,169
	COMPUTER SOFTWARE - 10-YEAR	40,735,723.57	40,944,634.41	10.00 **	3,873,252
	COMPUTER SOFTWARE - 15-YEAR	72,886,255.97	81,171,088.85	6.67 **	5,160,837
	TOTAL ACCOUNT 340	137,498,929.47	143,761,697.73		12,064,275
341	TRANSPORTATION EQUIPMENT				
	VEHICLES	29,708,777.87	30,506,717.87	7.62	2,294,210
	OTHER	2,946,343.45	2,997,334.99	5.00 **	148,156
	TOTAL ACCOUNT 341	32,655,121.32	33,504,052.86		2,442,367
342	STORES EQUIPMENT	3,517,043.76	3,499,982.19	5.00 **	174,414
343.1	SHOP EQUIPMENT	3,667,357.45	3,793,864.35	4.00 **	147,874
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	19,137,530.03	18,575,825.94	5.00 **	921,442
344	LABORATORY EQUIPMENT				
	CONVENTIONAL	1,296,841.38	1,303,708.29	1.86	24,185
	ELECTRONIC	7,421,338.93	7,757,817.62	3.67	278,538
	TOTAL ACCOUNT 344	8,718,180.31	9,061,525.91		302,723
345	POWER OPERATED EQUIPMENT	131,411.12	131,411.12	7.08	9,304
346	COMMUNICATION EQUIPMENT				
	EQUIPMENT	9,160,956.76	10,051,956.76	6.67 **	643,227
	SCADA	29,985,717.01	30,382,736.63	10.00 **	2,888,119
	TOTAL ACCOUNT 346	39,146,673.77	40,434,693.39		3,531,346
347	MISCELLANEOUS EQUIPMENT	2,701,491.30	2,782,358.38	4.00 **	109,493
348	OTHER TANGIBLE PLANT	49,497.10	59,497.10	4.00 **	2,197
	TOTAL WATER PLANT IN SERVICE	**5,955,961,169.94**	**6,246,495,189.19**		**135,447,983**

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

	DEPRECIABLE GROUP	ORIGINAL COST AS OF DECEMBER 31, 2024	ORIGINAL COST AS OF DECEMBER 31, 2025	COMPOSITE ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT *
	(1)	(2)	(3)	(4)	(5)
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION				
304.2	POWER AND PUMPING STRUCTURES	409,302.95	409,302.95	1.10	4,502
304.3	PURIFICATION BUILDINGS	3,388,656.78	3,388,656.78	3.15	106,743
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	175,454.91	175,454.91	2.63	4,614
307	WELLS AND SPRINGS	2,745,810.67	2,745,810.67	1.96	53,818
310.4	OTHER POWER PRODUCTION EQUIPMENT	1,500,000.00	1,500,000.00	1.96	29,400
311	ELECTRIC PUMPING EQUIPMENT	1,822,526.01	1,822,526.01	2.62	47,750
320	PURIFICATION SYSTEM - EQUIPMENT	9,721,907.47	9,721,907.47	2.46	239,159
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	2,921,180.43	2,921,180.43	1.29	37,683
331	MAINS AND ACCESSORIES				
	CAST IRON - 4 INCH AND UNDER	977,986.06	977,986.06	2.72	26,601
	CAST IRON - 6, 8 AND 10 INCH	168,109,463.19	168,109,463.19	1.82	3,059,592
	CAST IRON - 12 INCH AND OVER	21,556,748.58	21,556,748.58	1.16	250,058
	STEEL	33,299.45	33,299.45	1.58	526
	VALVES	7,532,577.64	7,532,577.64	1.29	97,170
	ASBESTOS CEMENT	3,814,630.11	3,814,630.11	4.22	160,977
	PLASTIC	7,271,034.08	7,271,034.08	2.69	195,591
	TOTAL ACCOUNT 331	209,295,739.11	209,295,739.11		3,790,516
333	SERVICES	22,228,245.36	22,228,245.36	1.47	326,755
334	METERS	75,740.42	75,740.42	-	0
335	FIRE HYDRANTS	15,406,832.51	15,406,832.51	1.67	257,294
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	84.00	84.00	-	0
344.2	LABORATORY EQUIPMENT - ELECTRONIC	1,662.00	1,662.00	-	0
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**269,693,142.62**	**269,693,142.62**		**4,898,235**
	TOTAL WATER PLANT	**5,686,268,027.32**	**5,976,802,046.57**		**130,549,748**

* ACCRUALS CALCULATED BASED ON MONTHLY AVERAGES
** ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2021		2022		2023		2024		2025			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
304.20								12,089.30		34,944.37	(47,033.67)	(9,407)
304.30		57,476.44		46,017.15	3,058.55			4,690.83		20,233.92	(125,359.79)	(25,072)
304.63						55,131.82		93,876.48		148,531.66	(297,539.96)	(59,508)
305.00				308,833.47				53,600.79		8,905.58	(371,339.84)	(74,268)
307.00		149,453.60	100.93			29,417.81		501,664.73		82,774.80	(763,210.01)	(152,642)
311.00				113.48		245.30		227.33		204.48	(790.59)	(158)
320.00		3,455.34		23,944.67	5,680.16		1,322.73	11,287.59	2,010.24	10,653.60	(40,328.07)	(8,066)
330.00			3.67					4,269.07		74,688.24	(78,953.64)	(15,791)
331.00		2,099,925.97		2,376,180.25		2,538,533.32		1,742,940.81		2,297,508.59	(11,055,088.94)	(2,211,018)
333.00		479,667.07		18,065.68		603,176.26		312,090.18		342,965.92	(1,755,965.11)	(351,193)
334.02	53,731.71		106,278.20		40,428.69		55,564.23		28,974.00		284,976.83	56,995
334.03		19,488.04				11,549.23		160,919.42		64,909.31	(256,866.00)	(51,373)
335.00		75,329.88		164.71		29,130.51		31,869.81		30,004.44	(166,499.35)	(33,300)
341.10	97,325.00						6,843.11		2,543.16		106,711.27	21,342
343.10	2,950.00						13,369.48		14,051.72		30,371.20	6,074
346.00				14,017.34				2,373.60		6,017.26	(22,408.20)	(4,482)
TOTAL	**154,006.71**	**2,884,796.34**	**106,382.80**	**2,787,336.75**	**49,167.40**	**3,267,184.25**	**77,099.55**	**2,931,899.94**	**47,579.12**	**3,122,342.17**	**(14,559,323.87)**	**(2,911,867)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1882	26,165	24,076	2,089	2,089	0.0
1885	11,956	11,956		2,089	0.0
1886	6,473	5,262	1,211	3,300	0.0
1887	9,511	9,027	484	3,784	0.0
1891	7,531	6,092	1,439	5,223	0.0
1892	1,206	1,206		5,223	0.0
1896	115,492	96,985	18,507	23,730	0.0
1899	346	334	12	23,742	0.0
1900	749	584	165	23,907	0.0
1902	21,655	18,102	3,553	27,460	0.0
1904	17,216	14,172	3,044	30,504	0.0
1905	550	396	154	30,658	0.0
1906	4,862	3,459	1,403	32,061	0.0
1907	10,650	8,154	2,496	34,557	0.0
1908	17,201	12,130	5,071	39,628	0.0
1909	193,536	170,410	23,126	62,754	0.0
1910	57,857	53,800	4,057	66,811	0.0
1911	1,969	1,410	559	67,370	0.0
1912	56,396	45,502	10,894	78,264	0.0
1913	15,333	10,626	4,707	82,971	0.0
1914	1,958	1,290	668	83,639	0.0
1915	3	2	1	83,640	0.0
1916	33,430	24,837	8,593	92,233	0.0
1918	11,970	7,823	4,147	96,380	0.0
1919	8,365	6,101	2,264	98,644	0.0
1920	57,839	46,394	11,445	110,089	0.0
1921	23,841	21,563	2,278	112,367	0.0
1922	4,549	3,821	728	113,095	0.0
1923	390,370	275,940	114,430	227,525	0.0
1924	598,020	487,275	110,745	338,270	0.0
1925	77,506	51,002	26,504	364,774	0.0
1926	162,191	114,641	47,550	412,324	0.0
1927	91,984	71,659	20,325	432,649	0.0
1928	54,767	43,101	11,666	444,315	0.0
1929	36,213	23,672	12,541	456,856	0.0
1930	22,257	14,728	7,529	464,385	0.0
1931	72,835	54,006	18,829	483,214	0.0
1932	1,689,734	1,247,486	442,248	925,462	0.0
1933	20,261	12,576	7,685	933,147	0.0
1934	72,102	47,319	24,783	957,930	0.0
1935	66,665	50,105	16,560	974,490	0.0
1936	45,975	32,053	13,922	988,412	0.0
1937	52,036	38,712	13,324	1,001,736	0.0
1938	40,450	30,664	9,786	1,011,522	0.0
1939	43,629	31,293	12,336	1,023,858	0.0

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1940	109,539	73,338	36,201	1,060,059	0.0
1941	69,773	47,761	22,012	1,082,071	0.0
1942	213,593	150,249	63,344	1,145,415	0.0
1943	863,303	577,901	285,402	1,430,817	0.0
1944	41,752	34,783	6,969	1,437,786	0.0
1945	104,326	74,292	30,034	1,467,820	0.0
1946	91,049	79,848	11,201	1,479,021	0.0
1947	469,885	342,430	127,455	1,606,476	0.0
1948	1,247,343	990,791	256,552	1,863,028	0.0
1949	530,044	413,380	116,664	1,979,692	0.0
1950	1,129,091	869,848	259,243	2,238,935	0.0
1951	1,173,635	931,463	242,172	2,481,107	0.1
1952	932,513	715,912	216,601	2,697,708	0.1
1953	2,771,773	1,838,096	933,677	3,631,385	0.1
1954	2,152,832	1,557,656	595,176	4,226,561	0.1
1955	2,113,106	1,561,847	551,259	4,777,820	0.1
1956	2,173,379	1,631,453	541,926	5,319,746	0.1
1957	7,139,275	4,397,318	2,741,957	8,061,703	0.2
1958	2,690,301	1,812,580	877,721	8,939,424	0.2
1959	2,335,097	1,515,315	819,782	9,759,206	0.2
1960	2,589,333	1,717,793	871,540	10,630,746	0.2
1961	2,484,211	1,765,726	718,485	11,349,231	0.2
1962	2,642,484	1,757,271	885,213	12,234,444	0.3
1963	2,271,401	1,525,747	745,654	12,980,098	0.3
1964	3,583,427	2,400,600	1,182,827	14,162,925	0.3
1965	2,626,959	1,626,449	1,000,510	15,163,435	0.3
1966	3,980,698	2,407,941	1,572,757	16,736,192	0.3
1967	3,237,293	1,897,598	1,339,695	18,075,887	0.4
1968	2,135,253	1,353,891	781,362	18,857,249	0.4
1969	3,266,461	2,036,479	1,229,982	20,087,231	0.4
1970	2,790,278	1,717,164	1,073,114	21,160,345	0.4
1971	4,318,735	2,701,603	1,617,132	22,777,477	0.5
1972	8,478,873	5,985,829	2,493,044	25,270,521	0.5
1973	7,293,464	4,446,907	2,846,557	28,117,078	0.6
1974	11,942,213	6,759,726	5,182,487	33,299,565	0.7
1975	9,037,277	4,763,768	4,273,509	37,573,074	0.8
1976	6,763,684	4,474,407	2,289,277	39,862,351	0.8
1977	5,255,853	2,989,124	2,266,729	42,129,080	0.9
1978	8,508,561	4,864,879	3,643,682	45,772,762	1.0
1979	10,086,280	5,345,874	4,740,406	50,513,168	1.1
1980	9,458,758	5,203,438	4,255,320	54,768,488	1.1
1981	7,771,767	4,156,767	3,615,000	58,383,488	1.2
1982	6,870,976	3,572,966	3,298,010	61,681,498	1.3
1983	6,900,015	3,762,726	3,137,289	64,818,787	1.4
1984	15,493,996	8,759,881	6,734,115	71,552,902	1.5

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1985	18,418,236	9,735,084	8,683,152	80,236,054	1.7
1986	18,356,130	9,777,620	8,578,510	88,814,564	1.9
1987	19,806,309	10,797,291	9,009,018	97,823,582	2.0
1988	27,071,369	14,494,137	12,577,232	110,400,814	2.3
1989	32,934,114	16,342,862	16,591,252	126,992,066	2.7
1990	26,688,583	13,331,806	13,356,777	140,348,843	2.9
1991	44,819,214	24,762,512	20,056,702	160,405,545	3.4
1992	22,228,643	10,521,526	11,707,117	172,112,662	3.6
1993	44,353,228	21,314,967	23,038,261	195,150,923	4.1
1994	28,635,409	11,968,729	16,666,680	211,817,603	4.4
1995	47,816,944	23,886,408	23,930,536	235,748,139	4.9
1996	25,581,114	11,288,974	14,292,140	250,040,279	5.2
1997	37,602,281	16,772,188	20,830,093	270,870,372	5.7
1998	80,763,721	33,856,298	46,907,423	317,777,795	6.6
1999	57,926,686	25,585,265	32,341,421	350,119,216	7.3
2000	103,526,033	42,007,481	61,518,552	411,637,768	8.6
2001	71,558,211	27,813,262	43,744,949	455,382,717	9.5
2002	129,493,580	51,627,036	77,866,544	533,249,261	11.1
2003	68,489,656	28,983,240	39,506,416	572,755,677	12.0
2004	111,687,614	51,809,339	59,878,275	632,633,952	13.2
2005	111,730,185	45,083,227	66,646,958	699,280,910	14.6
2006	142,446,707	48,735,977	93,710,730	792,991,640	16.6
2007	131,595,998	43,209,617	88,386,382	881,378,021	18.4
2008	174,760,828	53,433,998	121,326,831	1,002,704,851	21.0
2009	182,748,397	54,541,931	128,206,466	1,130,911,317	23.6
2010	264,093,438	74,337,454	189,755,984	1,320,667,301	27.6
2011	232,538,053	59,899,613	172,638,440	1,493,305,741	31.2
2012	221,764,088	57,451,173	164,312,915	1,657,618,656	34.6
2013	193,626,159	43,121,230	150,504,929	1,808,123,585	37.8
2014	190,760,224	37,466,149	153,294,075	1,961,417,660	41.0
2015	216,957,857	46,434,876	170,522,981	2,131,940,641	44.6
2016	233,140,567	46,030,832	187,109,735	2,319,050,376	48.5
2017	296,964,379	54,338,951	242,625,428	2,561,675,804	53.5
2018	306,774,698	54,166,677	252,608,021	2,814,283,825	58.8
2019	333,377,407	49,287,608	284,089,799	3,098,373,624	64.8
2020	272,363,451	32,243,638	240,119,813	3,338,493,437	69.8
2021	305,301,810	35,375,370	269,926,440	3,608,419,877	75.4
2022	257,648,272	23,692,011	233,956,261	3,842,376,138	80.3
2023	343,582,032	19,574,150	324,007,882	4,166,384,020	87.1
2024	312,556,930	11,266,602	301,290,328	4,467,674,348	93.4
2025	321,611,171	4,179,656	317,431,515	4,785,105,863	100.0
TOTAL	6,246,495,189	1,461,389,326	4,785,105,865		

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1914	3,500	2,985	515	515	0.0
1916	2,062	1,747	315	830	0.0
1919	3,453	2,852	601	1,431	0.0
1924	400	329	71	1,502	0.0
1925	36,834	32,884	3,950	5,452	0.0
1926	63,183	54,896	8,287	13,739	0.0
1927	34,913	31,602	3,311	17,050	0.0
1928	44,244	38,322	5,922	22,972	0.0
1929	43,378	37,924	5,454	28,426	0.0
1930	36,660	30,942	5,718	34,144	0.0
1931	24,312	19,730	4,582	38,726	0.0
1932	2,996	2,470	526	39,252	0.0
1933	2,748	2,211	537	39,789	0.0
1934	5,941	4,853	1,088	40,877	0.0
1935	5,210	4,194	1,016	41,893	0.0
1936	13,211	10,562	2,649	44,542	0.0
1937	15,552	12,396	3,156	47,698	0.0
1938	26,948	21,350	5,598	53,296	0.0
1939	9,228	7,446	1,782	55,078	0.0
1940	11,910	9,479	2,431	57,509	0.0
1941	7,064	5,667	1,397	58,906	0.0
1942	3,887	3,061	826	59,732	0.0
1943	1,211	947	264	59,996	0.0
1944	5,673	4,420	1,253	61,249	0.0
1945	14,230	11,060	3,170	64,419	0.0
1946	49,701	38,159	11,542	75,961	0.0
1947	124,210	95,394	28,816	104,777	0.1
1948	201,043	153,348	47,695	152,472	0.1
1949	185,141	140,369	44,772	197,244	0.1
1950	514,987	388,631	126,356	323,600	0.2
1951	362,549	272,456	90,093	413,693	0.2
1952	366,976	276,792	90,184	503,877	0.3
1953	577,452	433,204	144,248	648,125	0.3
1954	539,897	403,270	136,627	784,752	0.4
1955	498,903	371,727	127,176	911,928	0.5
1956	347,346	258,195	89,151	1,001,079	0.5
1957	279,212	206,015	73,197	1,074,276	0.5
1958	242,550	177,318	65,232	1,139,508	0.6
1959	273,239	199,079	74,160	1,213,668	0.6
1960	234,311	169,210	65,101	1,278,769	0.6
1961	210,686	150,717	59,969	1,338,738	0.7
1962	138,522	98,505	40,017	1,378,755	0.7
1963	232,324	177,021	55,303	1,434,058	0.7
1964	339,275	255,235	84,040	1,518,098	0.8

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1965	314,368	246,894	67,474	1,585,572	0.8
1966	259,442	195,630	63,812	1,649,384	0.8
1967	288,796	209,072	79,724	1,729,108	0.9
1968	328,393	242,530	85,863	1,814,971	0.9
1969	262,158	199,601	62,557	1,877,528	0.9
1970	471,490	349,335	122,155	1,999,683	1.0
1971	240,215	166,743	73,472	2,073,155	1.0
1972	710,944	488,637	222,307	2,295,462	1.1
1973	910,501	658,552	251,949	2,547,411	1.3
1974	810,604	588,246	222,358	2,769,769	1.4
1975	689,331	476,429	212,902	2,982,671	1.5
1976	606,995	424,037	182,958	3,165,629	1.6
1977	350,135	252,119	98,016	3,263,645	1.6
1978	1,616,124	1,045,548	570,576	3,834,221	1.9
1979	1,165,626	789,542	376,084	4,210,305	2.1
1980	1,041,829	694,705	347,124	4,557,429	2.3
1981	935,003	609,483	325,520	4,882,949	2.4
1982	803,613	518,357	285,256	5,168,205	2.6
1983	1,339,833	840,677	499,156	5,667,361	2.8
1984	2,028,941	1,231,687	797,254	6,464,615	3.2
1985	1,094,262	712,911	381,351	6,845,966	3.4
1986	2,348,701	1,440,690	908,011	7,753,977	3.9
1987	1,826,205	972,386	853,819	8,607,796	4.3
1988	1,839,302	987,592	851,710	9,459,506	4.7
1989	3,845,482	1,897,222	1,948,260	11,407,766	5.7
1990	3,163,679	1,584,646	1,579,033	12,986,799	6.5
1991	2,709,970	1,358,493	1,351,477	14,338,276	7.1
1992	3,169,879	1,545,890	1,623,989	15,962,265	7.9
1993	1,567,559	727,058	840,501	16,802,766	8.4
1994	1,063,142	469,087	594,055	17,396,821	8.7
1995	652,155	288,852	363,303	17,760,124	8.8
1996	896,838	377,748	519,090	18,279,214	9.1
1997	2,165,348	983,556	1,181,792	19,461,006	9.7
1998	5,927,124	2,359,650	3,567,474	23,028,480	11.5
1999	2,330,278	953,609	1,376,669	24,405,149	12.1
2000	2,559,392	970,846	1,588,546	25,993,695	12.9
2001	3,205,101	1,215,352	1,989,749	27,983,444	13.9
2002	10,501,657	3,622,016	6,879,641	34,863,085	17.3
2003	9,879,718	3,315,761	6,563,957	41,427,042	20.6
2004	2,422,274	698,733	1,723,541	43,150,583	21.5
2005	4,641,006	1,398,487	3,242,519	46,393,102	23.1
2006	3,589,279	1,015,883	2,573,396	48,966,498	24.3
2007	9,721,433	2,705,595	7,015,838	55,982,336	27.8
2008	1,253,222	331,080	922,142	56,904,478	28.3

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2009	1,026,722	219,582	807,140	57,711,618	28.7
2010	2,519,558	565,441	1,954,117	59,665,735	29.7
2011	5,739,512	1,192,069	4,547,443	64,213,178	31.9
2012	20,812,189	4,794,324	16,017,865	80,231,043	39.9
2013	8,333,561	1,576,861	6,756,700	86,987,743	43.3
2014	8,967,895	1,478,992	7,488,903	94,476,646	47.0
2015	13,989,530	2,208,568	11,780,961	106,257,608	52.8
2016	11,263,528	1,611,087	9,652,441	115,910,050	57.6
2017	19,366,581	2,847,184	16,519,396	132,429,447	65.9
2018	10,830,989	1,258,250	9,572,668	142,002,116	70.6
2019	14,254,105	1,340,217	12,913,888	154,916,005	77.0
2020	15,094,486	1,217,487	13,876,999	168,793,004	83.9
2021	3,824,002	257,509	3,566,493	172,359,497	85.7
2022	777,962	42,856	735,106	173,094,603	86.1
2023	23,108,176	1,082,052	22,026,124	195,120,727	97.0
2024	6,100,000	125,015	5,974,985	201,095,712	100.0
TOTAL	269,693,143	68,597,435	201,095,708		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1999	34,593.83	25,669	25,793	8,801	9.21	956
2000	29,929.63	21,980	22,086	7,844	9.22	851
2001	10,860.59	7,876	7,914	2,947	9.28	318
2006	3,047.86	2,062	2,072	976	9.32	105
2011	5,123.70	3,120	3,135	1,989	9.31	214
2012	171,273.42	101,274	101,761	69,512	9.33	7,450
2013	229,144.31	131,185	131,816	97,328	9.33	10,432
2014	27,559.71	15,213	15,286	12,274	9.33	1,316
2016	22,323.35	11,240	11,294	11,029	9.37	1,177
2017	4,408.24	2,098	2,108	2,300	9.36	246
2023	605,553.94	127,166	127,778	477,776	9.40	50,827
	1,143,818.58	448,883	451,043	692,776		73,892
PICKERING CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2000	12,406.42	9,617	9,663	2,743	7.39	371
2002	26,605.00	20,257	20,354	6,251	7.36	849
2004	50,625.93	37,661	37,842	12,784	7.40	1,728
2008	4,181.56	2,942	2,956	1,225	7.38	166
2011	104,118.31	68,989	69,321	34,797	7.38	4,715
2012	86,411.03	55,761	56,029	30,382	7.42	4,095
2013	63,063.82	39,573	39,763	23,300	7.42	3,140
2014	159,059.78	96,772	97,238	61,822	7.40	8,354
2017	13,060.67	6,972	7,006	6,055	7.42	816
2018	4,105.34	2,063	2,073	2,032	7.43	273
2025	113,870.19	7,162	7,196	106,674	7.45	14,319
	637,508.05	347,769	349,442	288,066		38,826
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1909	49,095.04	46,326	46,549	2,546	6.96	366
1926	294.63	273	274	20	8.02	2
1931	10,578.47	9,797	9,844	734	7.54	97
1932	8,494.38	7,862	7,900	595	7.52	79

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1933	7.78	7	7	1	7.50	
1935	88.39	82	82	6	7.54	1
1937	1,718.62	1,582	1,590	129	7.65	17
1938	1,973.05	1,813	1,822	151	7.73	20
1940	348.33	319	321	28	7.96	4
1943	89.02	82	82	7	7.59	1
1946	326.31	296	297	29	8.22	4
1948	1,695.95	1,538	1,545	151	7.97	19
1949	576.21	525	528	49	7.53	7
1956	5,253.33	4,710	4,733	521	8.02	65
1965	543.47	480	482	61	7.99	8
1970	6,870.80	5,987	6,016	855	8.19	104
1971	386.64	337	339	48	8.00	6
1972	34,434.97	29,845	29,989	4,446	8.23	540
1973	3,708.60	3,212	3,227	481	8.11	59
1975	19,785.20	17,086	17,168	2,617	7.98	328
1976	1,004.27	865	869	135	7.97	17
1977	36,425.51	31,268	31,418	5,007	8.00	626
1978	5,978.89	5,112	5,137	842	8.06	104
1979	65,345.44	55,609	55,877	9,469	8.14	1,163
1980	4,858.87	4,112	4,132	727	8.26	88
1981	15,647.09	13,230	13,294	2,353	8.13	289
1982	10,836.43	9,145	9,189	1,647	8.05	205
1983	12,442.51	10,417	10,467	1,975	8.26	239
1984	5,128.45	4,278	4,299	830	8.25	101
1986	1,494.54	1,240	1,246	249	8.12	31
1987	23,554.81	19,407	19,500	4,054	8.23	493
1988	22,452.53	18,438	18,527	3,926	8.16	481
1989	40,948.71	33,480	33,641	7,308	8.14	898
1990	36,294.14	29,507	29,649	6,645	8.17	813
1993	7,583.43	6,038	6,067	1,516	8.32	182
2002	36,032.66	26,588	26,716	9,317	8.35	1,116
2005	17,420.60	12,393	12,453	4,968	8.32	597
2007	6,598.07	4,553	4,575	2,023	8.31	243
2008	17,131.67	11,602	11,658	5,474	8.34	656
2011	1,742.71	1,104	1,109	633	8.38	76
2012	250.53	155	156	95	8.38	11
2013	249,644.40	149,487	150,206	99,438	8.38	11,866
2014	57,890.15	33,484	33,645	24,245	8.38	2,893
2016	1,489.28	791	795	694	8.39	83

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
2017	486.67	245	246	240	8.39	29
2018	45,801.62	21,609	21,713	24,089	8.40	2,868
2020	41,864.50	16,553	16,633	25,232	8.41	3,000
2025	85,402.64	4,783	4,806	80,597	8.43	9,561
	998,020.31	657,652	660,816	337,204		40,456
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
1969	5,832.14	4,185	4,205	1,627	22.24	73
1972	10,438.14	7,371	7,406	3,032	22.26	136
1973	122.34	85	85	37	22.69	2
1986	325.57	204	205	121	23.40	5
1992	140.54	82	82	58	23.97	2
1993	7,152.11	4,114	4,134	3,018	24.00	126
1994	884.66	502	504	380	24.06	16
1995	1,414.40	790	794	621	24.14	26
1996	13,182.68	7,233	7,268	5,915	24.26	244
2003	93,473.54	44,587	44,802	48,672	24.67	1,973
2006	25,819.68	11,379	11,434	14,386	24.75	581
2007	146.49	63	63	83	24.79	3
2010	4,017.00	1,538	1,545	2,472	24.99	99
2011	32,759.50	12,016	12,074	20,686	25.03	826
2012	61,975.36	21,667	21,771	40,204	25.11	1,601
2013	30,368.86	10,058	10,106	20,262	25.24	803
2014	171,736.28	53,719	53,977	117,759	25.26	4,662
2015	14,506.75	4,250	4,270	10,236	25.34	404
2017	31,252.14	7,838	7,876	23,376	25.40	920
2020	10,227,885.34	1,811,358	1,820,074	8,407,812	25.56	328,944
	10,733,433.52	2,003,039	2,012,677	8,720,757		341,446
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	101,089.88	53,477	53,734	47,356	31.61	1,498
1991	6,402,419.24	3,335,660	3,351,710	3,050,709	31.72	96,176

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1992	53,417.08	27,382	27,514	25,903	31.86	813
1994	62,666.63	30,995	31,144	31,522	32.19	979
1998	6,079.25	2,792	2,805	3,274	32.38	101
1999	1,916.96	858	862	1,055	32.67	32
2007	39,068.88	13,877	13,944	25,125	33.58	748
2008	8,039.27	2,743	2,756	5,283	33.78	156
2011	6,751.09	2,017	2,027	4,724	34.04	139
2012	45,349.71	12,798	12,860	32,490	34.34	946
2014	25,560.39	6,408	6,439	19,122	34.37	556
2016	67,365.00	14,463	14,533	52,832	34.75	1,520
2025	142,337.74	1,993	2,003	140,335	35.34	3,971
	6,962,061.12	3,505,463	3,522,330	3,439,731		107,635
EDGELY WELL FIELD PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 85-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2086						
2011	3,108,840.15	775,345	779,075	2,329,765	43.64	53,386
2013	6,244.57	1,374	1,381	4,864	44.32	110
2015	1,999.62	380	382	1,618	44.75	36
2017	33,096.80	5,262	5,287	27,809	44.97	618
	3,150,181.14	782,361	786,125	2,364,056		54,150
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1938	473.43	473	473			
1939	34.86	35	35			
1940	1,317.92	1,318	1,318			
1944	644.98	641	644	1	0.47	1
1950	4,914.11	4,786	4,809	105	2.02	52
1951	17,808.07	17,247	17,330	478	2.42	198
1952	4,121.24	3,968	3,987	134	2.84	47
1953	11,372.55	10,965	11,018	355	2.69	132
1954	62,111.11	59,509	59,795	2,316	3.13	740
1955	9,769.03	9,298	9,343	426	3.57	119
1956	41,491.71	39,508	39,698	1,794	3.49	514
1957	12,726.59	12,030	12,088	639	3.96	161

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
1958	46,981.19	44,397	44,611	2,371	3.93	603
1959	1,022.83	959	964	59	4.43	13
1961	12,610.56	11,713	11,769	841	4.94	170
1962	79.09	73	73	6	4.99	1
1963	27,605.35	25,535	25,658	1,947	5.07	384
1964	5,238.45	4,801	4,824	414	5.61	74
1965	9,485.73	8,666	8,708	778	5.72	136
1966	12,567.71	11,366	11,421	1,147	6.29	182
1967	747.52	673	676	71	6.44	11
1968	13,713.19	12,301	12,360	1,353	6.60	205
1969	13,660.42	12,195	12,254	1,407	6.79	207
1970	47,980.00	42,338	42,542	5,438	7.40	735
1971	11,254.53	9,875	9,923	1,332	7.61	175
1972	54,279.22	47,331	47,559	6,720	7.85	856
1973	173,978.57	149,796	150,517	23,462	8.48	2,767
1974	22,866.14	19,548	19,642	3,224	8.74	369
1975	109,708.43	93,077	93,525	16,184	9.02	1,794
1976	6,897.96	5,771	5,799	1,099	9.67	114
1977	4,127.18	3,423	3,439	688	9.98	69
1978	174,824.68	143,671	144,362	30,462	10.30	2,957
1979	27,589.83	22,323	22,430	5,159	10.97	470
1980	29,831.04	23,889	24,004	5,827	11.32	515
1981	91,938.69	72,411	72,759	19,179	12.00	1,598
1982	18,322.27	14,266	14,335	3,988	12.37	322
1983	3,601.11	2,755	2,768	833	13.06	64
1984	17,515.92	13,230	13,294	4,222	13.45	314
1985	143,571.55	106,415	106,927	36,644	14.14	2,592
1986	391,102.34	285,818	287,193	103,909	14.55	7,142
1987	182,148.54	130,437	131,065	51,084	15.26	3,348
1988	440,012.05	310,208	311,701	128,311	15.69	8,178
1989	211,295.96	145,752	146,453	64,843	16.41	3,951
1990	113,813.49	77,166	77,537	36,276	16.86	2,152
1991	204,007.61	135,135	135,785	68,222	17.58	3,881
1992	503,970.41	325,867	327,435	176,535	18.31	9,641
1993	497,550.35	315,347	316,865	180,686	18.78	9,621
1994	300,927.67	185,793	186,687	114,241	19.52	5,853
1995	809,397.82	486,286	488,626	320,772	20.26	15,833
1996	167,343.77	98,231	98,704	68,640	20.75	3,308
1997	56,497.04	32,203	32,358	24,139	21.50	1,123
1998	248,295.70	137,258	137,919	110,377	22.25	4,961
1999	519,654.96	279,574	280,919	238,736	22.76	10,489

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
2000	527,096.23	274,195	275,514	251,582	23.52	10,697
2001	781,389.40	392,414	394,302	387,087	24.28	15,943
2002	3,722,512.36	1,802,068	1,810,740	1,911,772	25.04	76,349
2003	173,841.81	81,358	81,750	92,092	25.58	3,600
2004	116,265.09	52,250	52,501	63,764	26.34	2,421
2005	827,305.81	356,155	357,869	469,437	27.12	17,310
2006	1,032,014.38	424,571	426,614	605,400	27.90	21,699
2007	664,721.39	260,704	261,959	402,763	28.67	14,048
2008	1,790,563.52	667,522	670,734	1,119,829	29.45	38,025
2009	620,153.01	218,976	220,030	400,123	30.23	13,236
2010	2,094,525.88	697,896	701,254	1,393,271	31.01	44,930
2011	2,237,051.78	700,645	704,017	1,533,035	31.80	48,209
2012	2,247,768.72	661,518	664,701	1,583,067	32.37	48,905
2013	1,693,771.78	463,755	465,987	1,227,785	33.16	37,026
2014	1,118,158.81	282,894	284,255	833,903	33.95	24,563
2015	3,231,405.53	749,686	753,294	2,478,112	34.75	71,313
2016	3,399,951.94	717,050	720,501	2,679,451	35.55	75,371
2017	2,006,978.58	380,523	382,354	1,624,624	36.34	44,706
2018	5,841,713.06	981,408	986,131	4,855,582	37.14	130,737
2019	5,600,192.35	818,748	822,688	4,777,504	37.95	125,889
2020	2,480,055.66	308,271	309,754	2,170,301	38.75	56,008
2021	218,345.30	22,315	22,422	195,923	39.55	4,954
2022	981,751.61	78,344	78,721	903,031	40.36	22,374
2023	748,979.46	43,066	43,273	705,706	40.98	17,221
2024	1,743,757.89	60,683	60,975	1,682,783	41.60	40,452
2025	5,351,898.89	63,152	63,456	5,288,443	41.87	126,306
	57,146,972.71	15,567,818	15,642,724	41,504,248		1,241,434
	80,771,995.43	23,312,985	23,425,157	57,346,838		1,897,839

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.2 2.35

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
1998	70,473.19	43,989	41,878	28,595	16.56	1,727
1999	72,045.30	44,293	42,168	29,877	16.60	1,800
2000	106,079.27	64,114	61,038	45,041	16.69	2,699
2001	200,093.92	119,136	113,420	86,674	16.65	5,206
2002	211,916.64	124,014	118,064	93,853	16.66	5,633
2003	4,013.73	2,303	2,193	1,821	16.71	109
2004	10,588,687.67	5,964,608	5,678,432	4,910,256	16.67	294,556
2005	657,339.95	361,143	343,816	313,524	16.81	18,651
2006	537,187.67	289,114	275,243	261,945	16.73	15,657
2007	813,159.78	425,770	405,342	407,818	16.83	24,232
2008	1,235,494.02	629,114	598,930	636,564	16.87	37,733
2009	156,169.90	77,304	73,595	82,575	16.83	4,906
2010	47,454.18	22,731	21,640	25,814	16.86	1,531
2011	1,222,652.12	565,599	538,462	684,190	16.85	40,605
2012	21,667.96	9,625	9,163	12,505	16.89	740
2013	30.90	13	12	19	16.91	1
2014	205,134.51	83,038	79,054	126,081	16.91	7,456
2015	398,823.82	152,430	145,117	253,707	16.97	14,950
2016	510,649.74	183,374	174,576	336,074	16.96	19,816
2017	713,385.10	237,700	226,295	487,090	17.01	28,636
2018	2,485,518.98	760,569	724,078	1,761,441	17.01	103,553
2019	310,693.50	85,814	81,697	228,997	17.03	13,447
2020	79,565.74	19,430	18,498	61,068	17.02	3,588
2021	1,169,792.01	244,253	232,534	937,258	17.05	54,971
2022	395,671.49	67,304	64,075	331,597	17.08	19,414
2023	184,492.90	23,578	22,447	162,046	17.07	9,493
2025	838,211.11	23,805	22,663	815,548	17.08	47,749
	23,236,405.10	10,624,165	10,114,428	13,121,977		778,859
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1994	537,861.28	389,680	370,984	166,878	11.98	13,930
1998	479,802.35	333,846	317,828	161,974	12.02	13,475
2000	875,971.94	594,172	565,664	310,308	12.09	25,667
2001	20,283.45	13,566	12,915	7,368	12.13	607
2002	134,012.05	88,502	84,256	49,756	12.09	4,115
2004	40,117.93	25,619	24,390	15,728	12.17	1,292

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
2005	33,073.44	20,747	19,752	13,322	12.18	1,094
2006	114,622.40	70,630	67,241	47,381	12.15	3,900
2007	16,114.55	9,719	9,253	6,862	12.17	564
2008	236,207.88	139,315	132,631	103,577	12.17	8,511
2009	1,025,923.57	589,085	560,821	465,102	12.24	37,999
2010	7,377,510.35	4,128,455	3,930,376	3,447,134	12.20	282,552
2011	74,429.97	40,363	38,426	36,004	12.24	2,942
2012	1,926.10	1,012	963	963	12.21	79
2013	14,247.45	7,195	6,850	7,398	12.25	604
2014	106,422.57	51,530	49,058	57,365	12.25	4,683
2015	432,451.34	199,360	189,795	242,656	12.28	19,760
2016	198,583.98	86,583	82,429	116,155	12.29	9,451
2017	1,764,443.45	721,304	686,697	1,077,747	12.29	87,693
2018	3,502,522.04	1,326,755	1,263,099	2,239,423	12.30	182,067
2019	570,771.01	197,373	187,903	382,868	12.30	31,127
2020	318,542.83	98,462	93,738	224,805	12.29	18,292
2021	338,715.37	90,708	86,356	252,359	12.31	20,500
2022	2,084.40	461	439	1,646	12.32	134
2023	7,178,050.52	1,209,502	1,151,471	6,026,579	12.34	488,378
	25,394,692.22	10,433,944	9,933,334	15,461,358		1,259,416
PICKERING EAST CARBON HOUSE						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1989	843,453.11	443,319	422,049	421,404	32.94	12,793
1991	40,404.36	20,630	19,640	20,764	33.07	628
1992	2,433.79	1,223	1,164	1,269	33.17	38
1993	62,805.82	31,026	29,537	33,268	33.29	999
1998	18,268.77	8,188	7,795	10,474	33.85	309
2006	7,228.32	2,594	2,470	4,759	34.85	137
2007	3,352.09	1,160	1,104	2,248	34.97	64
	977,946.26	508,140	483,760	494,186		14,968

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
1948	156,036.60	124,548	118,572	37,464	19.59	1,912
1949	549.71	437	416	134	19.65	7
1950	80.33	64	61	19	19.73	1
1951	449.19	355	338	111	19.84	6
1952	114.08	90	86	28	19.96	1
1961	27,535.35	20,957	19,952	7,584	20.25	375
1962	437.64	333	317	121	19.83	6
1963	124.00	94	89	35	20.15	2
1967	895.14	665	633	262	20.24	13
1969	179.10	132	126	53	20.42	3
1972	30,617.43	22,112	21,051	9,566	20.58	465
1974	2,752.50	1,956	1,862	890	20.96	42
1976	5,541.42	3,895	3,708	1,833	20.92	88
1977	2,494.43	1,742	1,658	836	20.94	40
1979	4,240.89	2,919	2,779	1,462	21.07	69
1981	5,086.20	3,463	3,297	1,789	20.86	86
1982	3,896.95	2,627	2,501	1,396	21.02	66
1983	14,327.35	9,559	9,100	5,227	21.20	247
1985	431.41	283	269	162	21.23	8
1986	20,694.35	13,489	12,842	7,853	21.10	372
1987	166,551.39	107,093	101,955	64,597	21.38	3,021
1988	19,486.40	12,423	11,827	7,659	21.32	359
1990	14,489.89	9,053	8,619	5,871	21.32	275
1991	8,885.15	5,487	5,224	3,661	21.36	171
1992	20,318.87	12,388	11,794	8,525	21.45	397
1993	21,666.01	13,026	12,401	9,265	21.56	430
1994	31,368.22	18,576	17,685	13,683	21.69	631
1995	25,287.85	14,809	14,098	11,189	21.58	518
1996	77,776.33	44,970	42,812	34,964	21.52	1,625
1997	18,340.99	10,403	9,904	8,437	21.75	388
1998	1,560,145.77	870,873	829,089	731,056	21.76	33,596
2000	116,496.24	62,675	59,668	56,828	21.90	2,595
2001	31,329.21	16,579	15,784	15,546	21.80	713
2002	25,919.57	13,400	12,757	13,162	21.95	600
2003	5,322.83	2,694	2,565	2,758	21.95	126
2004	40,131.01	19,845	18,893	21,238	21.98	966
2006	213,394.33	100,295	95,483	117,911	21.99	5,362
2009	8,638.67	3,692	3,515	5,124	22.11	232
2010	185,804.58	76,607	72,931	112,873	22.09	5,110
2011	22,097.77	8,746	8,326	13,771	22.13	622

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2012	655.57	248	236	419	22.21	19
2013	6,007.96	2,163	2,059	3,949	22.22	178
2014	341,314.11	116,183	110,609	230,705	22.28	10,355
2015	252,699.05	80,914	77,032	175,667	22.29	7,881
2016	196,705.97	58,677	55,862	140,844	22.35	6,302
2017	66,795.45	18,395	17,512	49,283	22.36	2,204
2018	7,516,971.96	1,883,001	1,792,657	5,724,315	22.44	255,094
2019	116,785.20	26,265	25,005	91,780	22.40	4,097
2020	98,961.85	19,486	18,551	80,411	22.43	3,585
2021	1,187,310.59	197,687	188,202	999,108	22.53	44,346
2022	708,519.95	95,225	90,656	617,864	22.54	27,412
2023	325,012.43	32,436	30,880	294,133	22.56	13,038
	13,707,675.24	4,164,034	3,964,248	9,743,427		436,057
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
1970	19.68	14	13	6	23.24	
1972	325,707.49	226,530	215,661	110,046	23.42	4,699
1973	47,032.31	32,593	31,029	16,003	23.26	688
1974	5,330.27	3,651	3,476	1,854	23.68	78
1975	4,012.32	2,736	2,605	1,408	23.57	60
1979	2,865.71	1,892	1,801	1,064	23.92	44
1981	2,593.66	1,685	1,604	990	23.99	41
1982	2,337.42	1,505	1,433	905	24.07	38
1983	18,818.27	11,997	11,421	7,397	24.17	306
1986	60,826.64	37,725	35,915	24,912	24.19	1,030
1992	2,269.28	1,308	1,245	1,024	24.64	42
1993	5,877,886.40	3,343,342	3,182,932	2,694,955	24.64	109,373
1994	37,454.90	21,001	19,993	17,462	24.68	708
1996	18,383.91	9,979	9,500	8,884	24.85	358
1998	8,088.98	4,248	4,044	4,045	24.86	163
2002	31,373.44	15,188	14,459	16,914	25.04	675
2003	20,102.58	9,498	9,042	11,060	25.12	440
2004	40,117.93	18,458	17,572	22,546	25.23	894
2006	112,766.14	49,031	46,679	66,088	25.35	2,607
2007	608.40	257	245	364	25.36	14
2009	50,245.49	19,731	18,784	31,461	25.52	1,233

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2053						
2010	20,471.76	7,742	7,371	13,101	25.48	514
2011	50,098.89	18,161	17,290	32,809	25.50	1,287
2012	96,591.76	33,382	31,780	64,811	25.56	2,536
2013	2,837.31	929	884	1,953	25.67	76
2014	93,838.36	29,034	27,641	66,197	25.67	2,579
2015	2,431,329.83	704,599	670,793	1,760,537	25.73	68,424
2016	128,413.15	34,646	32,984	95,429	25.71	3,712
2017	230,191.14	57,133	54,392	175,799	25.75	6,827
2018	50,865.46	11,445	10,896	39,970	25.83	1,547
2019	181,876.68	36,521	34,769	147,108	25.86	5,689
2020	2,929,477.14	512,366	487,783	2,441,694	25.95	94,092
2021	60,473.90	8,926	8,498	51,976	25.99	2,000
2025	1,676,422.23	31,517	30,005	1,646,417	26.03	63,251
	14,621,728.83	5,298,770	5,044,540	9,577,189		376,025
PICKERING EAST (PUMP AND TREAT. BLDG.)						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	30,644.19	15,883	15,121	15,523	32.99	471
1991	6,401,975.90	3,268,849	3,112,013	3,289,963	33.07	99,485
1992	171,005.77	85,930	81,807	89,199	33.17	2,689
1994	13,204.18	6,405	6,098	7,106	33.44	212
1996	2,151.80	1,003	955	1,197	33.79	35
1999	4,026.13	1,760	1,676	2,351	34.11	69
2000	579,796.25	248,385	236,468	343,329	34.02	10,092
2001	5,861.98	2,442	2,325	3,537	34.32	103
2002	25,919.57	10,539	10,033	15,886	34.30	463
2006	179,409.26	64,372	61,283	118,126	34.85	3,390
2009	109,323.30	34,994	33,315	76,008	35.05	2,169
2010	7,759,984.69	2,369,899	2,256,194	5,503,791	35.26	156,092
2011	233,676.97	68,093	64,826	168,851	35.25	4,790
2012	33,852.81	9,370	8,920	24,932	35.28	707
2013	44,291.18	11,569	11,014	33,277	35.35	941
2014	3,179.89	779	742	2,438	35.45	69
2015	456,566.43	104,006	99,016	357,551	35.59	10,046
2016	131,986.78	27,717	26,387	105,600	35.75	2,954
2017	123,698.34	23,762	22,622	101,076	35.75	2,827
2018	99,169.78	17,176	16,352	82,818	35.79	2,314

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.3 PURIFICATION BUILDINGS

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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING EAST (PUMP AND TREAT. BLDG.)						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2066						
2019	464,165.70	71,203	67,787	396,379	35.87	11,050
2020	137,452.17	18,226	17,352	120,101	35.99	3,337
2021	265,379.00	29,377	27,968	237,411	36.15	6,567
2023	244,504.48	15,771	15,014	229,490	36.26	6,329
	17,521,226.55	6,507,510	6,195,286	11,325,941		327,201
MEDIA FILTRATION PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1942	61,383.97	53,821	51,239	10,145	11.73	865
1957	123,834.00	106,027	100,940	22,894	11.50	1,991
1964	4,931.00	4,155	3,956	975	11.49	85
1983	9,000.00	7,038	6,700	2,300	11.85	194
1985	345,800.00	267,511	254,676	91,124	11.85	7,690
1988	18,280.00	13,847	13,183	5,097	12.00	425
1989	1,450,483.00	1,090,618	1,038,291	412,192	12.04	34,235
1991	8,185.00	6,072	5,781	2,404	12.01	200
1994	625.00	453	431	194	11.98	16
1995	62,468.35	44,777	42,629	19,840	12.05	1,646
1996	48,340.59	34,370	32,721	15,620	11.99	1,303
1998	110,214.95	76,688	73,009	37,206	12.02	3,095
2001	45,535.69	30,454	28,993	16,543	12.13	1,364
2006	607,419.39	374,292	356,334	251,086	12.15	20,666
2009	299,038.35	171,708	163,470	135,569	12.24	11,076
	3,195,539.29	2,281,831	2,172,351	1,023,188		84,851
BRISTOL WATER TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2060						
1973	419,576.62	273,144	260,039	159,538	28.15	5,667
1986	2,530.00	1,459	1,389	1,141	28.99	39
1992	444,200.00	236,581	225,230	218,970	29.40	7,448
1997	229,978.49	112,092	106,714	123,265	29.98	4,112
2006	611,007.95	237,071	225,697	385,311	30.75	12,530
2007	66,152.17	24,847	23,655	42,497	30.76	1,382
2008	274,465.91	99,412	94,642	179,824	30.81	5,837

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRISTOL WATER TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2060						
2009	1,624,987.45	565,821	538,673	1,086,314	30.89	35,167
2010	240,383.99	80,096	76,253	164,131	31.01	5,293
2011	58,878.59	18,782	17,881	40,998	30.95	1,325
2013	60,206.32	17,231	16,404	43,802	31.17	1,405
2014	71,912.11	19,352	18,424	53,489	31.24	1,712
2015	45,928.39	11,528	10,975	34,953	31.34	1,115
2016	188,291.94	43,834	41,731	146,561	31.31	4,681
2017	8,669,325.65	1,850,034	1,761,271	6,908,055	31.34	220,423
2018	812,351.57	156,621	149,106	663,245	31.41	21,116
2019	108,765.16	18,599	17,707	91,059	31.52	2,889
2020	4,663.11	692	659	4,004	31.54	127
2021	103,133.66	12,850	12,233	90,900	31.60	2,877
2022	126,847.62	12,609	12,004	114,844	31.71	3,622
2025	134,113.78	2,079	1,979	132,135	31.76	4,160
	14,297,700.48	3,794,734	3,612,666	10,685,034		342,927
INGRAM'S MILL						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2032						
1972	1,761,751.69	1,573,949	1,498,433	263,319	6.38	41,273
1988	30,907.38	26,426	25,158	5,749	6.36	904
1989	235,613.21	200,365	190,752	44,861	6.42	6,988
1990	10,856.31	9,210	8,768	2,088	6.34	329
1995	21,447.72	17,729	16,878	4,569	6.40	714
1996	7,633.60	6,282	5,981	1,653	6.34	261
1998	96,792.11	78,518	74,751	22,041	6.40	3,444
1999	1,508.00	1,215	1,157	351	6.39	55
2002	203,416.92	159,662	152,002	51,415	6.44	7,984
2008	11,913.72	8,715	8,297	3,617	6.42	563
2009	653.71	470	447	206	6.44	32
2020	34,332.05	15,786	15,029	19,303	6.46	2,988
2021	1,777.56	730	695	1,083	6.46	168
2023	121,614.35	33,906	32,279	89,335	6.47	13,808
	2,540,218.33	2,132,963	2,030,626	509,592		79,511

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FERN HILL						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2073						
1998	8,053,827.96	3,389,051	3,226,448	4,827,380	37.86	127,506
1999	5,179.85	2,128	2,026	3,154	38.01	83
2000	6,156.80	2,465	2,347	3,810	38.19	100
2003	5,188.46	1,903	1,812	3,377	38.85	87
2004	1,161.96	415	395	767	38.74	20
2009	45,679.22	13,494	12,847	32,833	39.36	834
2010	17,682.10	4,988	4,749	12,933	39.45	328
2011	262,897.54	70,509	67,126	195,771	39.56	4,949
2012	4,739.42	1,203	1,145	3,594	39.69	91
2014	3,905.87	871	829	3,077	40.05	77
2015	2,515.53	520	495	2,020	40.26	50
2016	42,579.73	8,133	7,743	34,837	40.25	866
2017	16,062.48	2,798	2,664	13,399	40.28	333
2019	2,637.33	363	346	2,292	40.67	56
2025	83,821.11	1,006	958	82,863	41.00	2,021
	8,554,035.36	3,499,847	3,331,928	5,222,107		137,401
BEAR GAP TREATMENT PLANT BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	5,454,732.85	3,410,299	3,246,676	2,208,056	18.28	120,791
1996	23,854.42	14,709	14,003	9,851	18.34	537
2002	25,919.57	14,497	13,801	12,118	18.52	654
2005	4,386.36	2,302	2,192	2,195	18.56	118
2006	141,778.80	72,704	69,216	72,563	18.52	3,918
2012	19,334.92	8,117	7,728	11,607	18.66	622
	5,670,006.92	3,522,628	3,353,616	2,316,391		126,640
SHENANGO VALLEY TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	25,130,411.99	9,868,713	9,395,222	15,735,190	39.44	398,965
2001	237,134.95	90,633	86,285	150,850	39.60	3,809
2002	577,788.61	214,533	204,240	373,549	39.79	9,388
2003	3,942.90	1,428	1,359	2,583	39.61	65
2010	75,885.32	20,937	19,932	55,953	40.68	1,375

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SHENANGO VALLEY TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2075						
2011	322,395.53	84,597	80,538	241,857	40.75	5,935
2012	2,213,102.94	549,735	523,359	1,689,744	40.85	41,365
2013	5,621.61	1,314	1,251	4,371	40.97	107
2014	13,533.27	2,957	2,815	10,718	41.13	261
2015	25,014.94	5,068	4,825	20,190	41.32	489
2016	234,113.35	43,592	41,500	192,613	41.52	4,639
2017	129,006.84	21,931	20,879	108,128	41.50	2,605
2018	626,246.21	95,315	90,742	535,504	41.76	12,823
2019	2,682,817.75	361,107	343,781	2,339,036	41.81	55,944
2020	142,068.61	16,480	15,689	126,379	41.90	3,016
2021	64,490.00	6,243	5,943	58,547	42.01	1,394
2022	108,390.86	8,303	7,905	100,486	42.16	2,383
2023	13,882.33	777	740	13,143	42.14	312
	32,605,848.01	11,393,663	10,847,006	21,758,842		544,875
INGRAM'S MILL PLANT- NEW						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2077						
2002	25,320,902.96	9,282,643	8,837,271	16,483,632	40.60	406,001
2005	58,508.17	19,431	18,499	40,009	41.23	970
2006	607,419.40	195,468	186,090	421,330	41.10	10,251
2011	12,470.68	3,200	3,046	9,424	42.00	224
2012	4,813.60	1,170	1,114	3,700	42.06	88
2013	895.98	205	195	701	42.14	17
2014	35,133.40	7,515	7,154	27,979	42.26	662
2015	71,561.83	14,198	13,517	58,045	42.41	1,369
2016	567,643.98	103,538	98,570	469,074	42.58	11,016
2017	246,119.54	40,807	38,849	207,270	42.78	4,845
2018	417,036.15	61,930	58,959	358,077	43.01	8,325
2019	22,930.07	3,011	2,867	20,064	43.00	467
2020	25,193.53	2,854	2,717	22,476	43.04	522
2023	35,037.24	1,910	1,818	33,219	43.37	766
	27,425,666.53	9,737,880	9,270,666	18,155,001		445,523

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BUBBLING SPRINGS PLANT						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2065						
2004	4,403.54	1,704	1,622	2,781	34.06	82
2005	1,290,445.00	484,175	460,945	829,500	34.14	24,297
2006	43,718.55	15,940	15,175	28,543	33.98	840
2007	13,919.80	4,893	4,658	9,262	34.13	271
2008	15,507.39	5,238	4,987	10,521	34.31	307
2010	4,008,460.96	1,242,623	1,183,003	2,825,458	34.50	81,897
	5,376,455.24	1,754,573	1,670,390	3,706,065		107,694
EMLENTON						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2070						
2010	3,581,595.32	1,043,677	993,602	2,587,993	37.69	68,665
2011	11,411.03	3,161	3,009	8,402	37.85	222
2013	7,070.06	1,750	1,666	5,404	38.01	142
2016	6,228.85	1,237	1,178	5,051	38.34	132
2018	7,048.68	1,148	1,093	5,956	38.58	154
2023	12,105.50	729	694	11,411	39.00	293
	3,625,459.44	1,051,702	1,001,242	2,624,217		69,608
EAGLE ROCK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2079						
2019	4,350,753.17	556,896	530,177	3,820,577	44.26	86,321
2022	53,682.56	3,908	3,720	49,962	44.58	1,121
	4,404,435.73	560,804	533,897	3,870,539		87,442
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
1948	1,848.90	1,677	1,597	252	7.97	32
1960	3,250.46	2,747	2,615	635	12.02	53
1961	26,451.73	22,180	21,116	5,336	12.42	430
1962	9,699.52	8,068	7,681	2,019	12.84	157
1966	6,299.71	5,060	4,817	1,482	14.58	102
1971	231.42	179	170	61	15.92	4

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OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
1975	749.64	557	530	219	17.52	12
1977	2,824.55	2,055	1,956	868	18.17	48
1978	44,817.82	32,358	30,805	14,012	18.29	766
1979	4,866.84	3,462	3,296	1,571	18.86	83
1980	24,204.30	17,069	16,250	7,954	19.02	418
1981	11,297.19	7,843	7,467	3,830	19.60	195
1982	2,345.73	1,612	1,535	811	19.79	41
1983	6,376.51	4,336	4,128	2,249	20.00	112
1984	65,772.81	43,949	41,840	23,932	20.61	1,161
1985	211,676.64	139,749	133,044	78,633	20.85	3,771
1986	68,947.60	44,940	42,784	26,164	21.10	1,240
1987	100,989.04	64,936	61,820	39,169	21.38	1,832
1988	15,643.43	9,915	9,439	6,204	21.67	286
1989	195,731.13	122,175	116,313	79,418	21.98	3,613
1990	99,332.73	61,010	58,083	41,250	22.30	1,850
1992	66,910.63	39,678	37,774	29,136	22.99	1,267
1994	204,560.17	116,640	111,044	93,516	23.75	3,938
1995	32,688.68	18,345	17,465	15,224	23.85	638
1996	47,271.48	25,938	24,694	22,578	24.26	931
1997	318,492.80	170,648	162,460	156,032	24.69	6,320
1998	661,039.20	347,178	330,521	330,518	24.86	13,295
1999	40,532.75	20,838	19,838	20,695	25.05	826
2000	203,938.08	101,928	97,038	106,900	25.52	4,189
2001	85,165.19	41,527	39,535	45,631	25.75	1,772
2002	97,119.82	46,103	43,891	53,229	26.00	2,047
2003	4,708.87	2,172	2,068	2,641	26.28	100
2004	128,859.88	57,626	54,861	73,999	26.58	2,784
2005	224,532.36	97,133	92,473	132,060	26.89	4,911
2006	104,954.30	43,797	41,696	63,259	27.23	2,323
2007	1,172,612.71	472,915	450,225	722,388	27.37	26,393
2008	55,748.51	21,564	20,529	35,219	27.75	1,269
2009	95,440.86	35,428	33,728	61,713	27.95	2,208
2010	892,056.01	315,253	300,127	591,929	28.36	20,872
2011	6,347,008.30	2,135,134	2,032,692	4,314,316	28.60	150,850
2012	5,270,670.07	1,686,614	1,605,692	3,664,978	28.69	127,744
2013	1,006,104.38	303,039	288,499	717,605	29.00	24,745
2014	3,750,607.13	1,056,921	1,006,211	2,744,396	29.31	93,633
2015	2,860,243.22	750,814	714,791	2,145,453	29.50	72,727
2016	2,398,107.52	580,822	552,955	1,845,153	29.72	62,085
2017	3,646,976.63	808,899	770,089	2,876,888	29.82	96,475
2018	4,651,998.62	928,074	883,546	3,768,453	30.09	125,239

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ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-S0						
2019	4,807,732.17	850,007	809,224	3,998,508	30.26	132,138
2020	2,615,296.17	401,186	381,937	2,233,359	30.34	73,611
2021	8,267,117.34	1,063,978	1,012,929	7,254,188	30.47	238,076
2022	6,854,633.38	703,285	669,542	6,185,091	30.63	201,929
2023	1,344,641.43	101,520	96,649	1,247,992	30.61	40,771
2024	5,126,345.30	239,913	228,402	4,897,943	30.55	160,325
2025	14,031,654.06	227,313	216,407	13,815,247	30.36	455,048
	78,319,125.72	14,408,107	13,716,820	64,602,306		2,167,685
	281,474,165.25	91,675,295	87,276,804	194,197,360		7,386,683
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					26.3	2.62

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2051						
1986	1,089,021.29	765,691	826,559	262,462	16.68	15,735
1987	31,182.92	21,491	23,199	7,984	17.36	460
1988	219,960.44	149,309	161,178	58,782	17.75	3,312
1989	1,989.78	1,329	1,435	555	18.14	31
1990	21,140.44	13,959	15,069	6,072	18.26	333
1991	53,531.08	34,720	37,480	16,051	18.69	859
1992	29,931.09	19,051	20,565	9,366	19.13	490
1993	155,732.05	97,675	105,440	50,292	19.32	2,603
1994	74,377.09	45,682	49,313	25,064	19.78	1,267
1995	44,000.40	26,572	28,684	15,316	20.01	765
1996	79,812.37	47,329	51,091	28,721	20.25	1,418
1997	292,891.31	170,287	183,824	109,067	20.52	5,315
1998	112,166.87	63,845	68,920	43,247	20.81	2,078
1999	144,325.40	80,317	86,702	57,624	21.12	2,728
2000	174,504.56	94,791	102,326	72,178	21.45	3,365
2001	12,839.74	6,826	7,369	5,471	21.59	253
2002	1,737,275.89	902,341	974,072	763,204	21.75	35,090
2003	105,813.14	53,330	57,569	48,244	22.14	2,179
2004	1,493,209.77	735,256	793,705	699,505	22.17	31,552
2005	3,565,852.95	1,703,051	1,838,434	1,727,419	22.42	77,048
2006	7,503,908.97	3,468,307	3,744,018	3,759,891	22.69	165,707
2007	2,244,397.20	1,004,817	1,084,694	1,159,703	22.82	50,820
2008	1,294,681.20	559,561	604,043	690,638	22.99	30,041
2009	1,714,582.37	715,667	772,559	942,024	23.03	40,904
2010	495,411.90	198,115	213,864	281,548	23.26	12,104
2011	13,392.10	5,126	5,533	7,859	23.38	336
2012	13,609.19	4,961	5,355	8,254	23.54	351
2013	120,853.61	41,840	45,166	75,688	23.60	3,207
2014	176,284.09	57,574	62,151	114,133	23.71	4,814
2015	1,007,807.86	307,986	332,469	675,339	23.86	28,304
2016	421,803.13	119,792	129,315	292,488	23.95	12,212
2017	7,958,918.47	2,077,278	2,242,410	5,716,508	24.07	237,495
2018	5,584,449.22	1,323,514	1,428,726	4,155,723	24.15	172,080
2019	12,134,998.75	2,571,406	2,775,818	9,359,180	24.17	387,223
2020	239,960.85	44,345	47,870	192,091	24.26	7,918
2021	12,205,291.58	1,906,467	2,058,020	10,147,271	24.32	417,240

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2051						
2022	3,031.37	380	410	2,621	24.43	107
2023	110,273.81	10,233	11,046	99,227	24.45	4,058
2024	1,259,785.54	72,942	78,740	1,181,045	24.41	48,384
	63,942,999.79	19,523,163	21,075,145	42,867,855		1,810,186
GREAT VALLEY OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2038						
1997	3,295.37	2,338	2,524	772	11.66	66
1998	12,523.31	8,781	9,479	3,044	11.72	260
1999	174,041.85	120,367	129,936	44,106	11.82	3,731
2000	76,486.71	52,271	56,426	20,060	11.81	1,699
2001	128,585.01	86,641	93,529	35,057	11.86	2,956
2002	117,977.54	78,184	84,399	33,578	11.96	2,808
2004	3,525.77	2,266	2,446	1,080	11.95	90
2006	1,311.30	811	875	436	12.04	36
2008	40,965.08	24,231	26,157	14,808	12.09	1,225
2009	14,891.86	8,575	9,257	5,635	12.15	464
2010	114,153.99	63,881	68,959	45,195	12.20	3,705
2011	243,467.12	132,032	142,528	100,939	12.24	8,247
2012	1,530.00	804	868	662	12.21	54
2013	2,708.44	1,368	1,477	1,232	12.25	101
2014	2,802.94	1,357	1,465	1,338	12.25	109
2015	536,590.31	247,368	267,032	269,558	12.28	21,951
2016	120,550.65	52,560	56,738	63,812	12.29	5,192
2017	39,407.86	16,078	17,356	22,052	12.33	1,788
2018	75,018.09	28,357	30,611	44,407	12.34	3,599
2019	35,409.81	12,223	13,195	22,215	12.33	1,802
2020	9,055.80	2,789	3,011	6,045	12.36	489
2021	10,229.65	2,729	2,946	7,284	12.36	589
2025	555,117.17	21,650	23,371	531,746	12.32	43,161
	2,319,645.63	967,661	1,044,585	1,275,061		104,122

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UTMA, BELL TAVERN OFFICE						
FULLY ACCRUED						
2003	5,127.76	5,128	5,128			
	5,127.76	5,128	5,128			
EASTERN DIVISION OPERATIONS CENTER						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	3,219,891.02	2,081,982	2,247,598	972,293	16.67	58,326
1996	321,193.63	204,665	220,946	100,248	16.80	5,967
1997	35.77	22	24	12	16.95	1
1998	5,353.18	3,298	3,560	1,793	17.14	105
1999	22,850.40	13,806	14,904	7,946	17.36	458
2000	18,353.25	10,906	11,774	6,580	17.42	378
2002	131,885.13	75,306	81,296	50,589	17.65	2,866
2003	55,004.03	30,692	33,133	21,871	17.82	1,227
2004	47.68	26	28	20	17.87	1
2005	7,947.42	4,236	4,573	3,374	17.96	188
2006	372,116.31	193,017	208,371	163,745	18.09	9,052
2008	90,845.90	44,351	47,879	42,967	18.34	2,343
2009	9,183.22	4,349	4,695	4,488	18.34	245
2010	1,500.05	686	741	759	18.40	41
2011	306,105.94	134,503	145,202	160,904	18.50	8,698
2012	47,118.06	19,846	21,425	25,693	18.55	1,385
2013	69,478.95	27,875	30,092	39,387	18.65	2,112
2014	50,647.86	19,277	20,810	29,837	18.71	1,595
2015	189,077.22	67,898	73,299	115,778	18.74	6,178
2016	16,476.58	5,526	5,966	10,511	18.83	558
2017	38,145.67	11,867	12,811	25,335	18.82	1,346
2018	11,594.87	3,295	3,557	8,038	18.89	426
2019	21,928.93	5,601	6,047	15,882	18.95	838
2020	29,679.96	6,678	7,209	22,471	18.95	1,186
2021	204,295.99	39,164	42,279	162,017	18.97	8,541
2022	1,275,929.70	198,279	214,052	1,061,878	19.02	55,830
2023	8,782.69	1,021	1,102	7,680	19.01	404
	6,525,469.41	3,208,172	3,463,373	3,062,096		170,295

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GLENSIDE BUILDING						
FULLY ACCRUED						
1957	16,729.16	16,729	16,729			
	16,729.16	16,729	16,729			
SHAMOKIN OFFICE BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
1979	1,956.93	1,957	1,957			
1981	751.41	751	751			
1984	7,087.46	7,087	7,087			
1985	4,503.74	4,504	4,504			
1986	15,680.45	15,680	15,680			
1989	5,533.35	5,533	5,533			
1990	743,356.45	743,356	743,356			
1991	35,970.37	35,970	35,970			
1992	8,819.93	8,820	8,820			
1993	27,286.97	27,287	27,287			
1994	30,495.03	30,495	30,495			
1995	6,910.36	6,910	6,910			
1996	50,618.27	50,618	50,618			
1997	28,222.30	28,222	28,222			
1998	19,875.74	19,876	19,876			
2000	28,400.84	28,401	28,401			
2001	68,390.99	68,391	68,391			
2002	79,929.91	79,930	79,930			
2003	15,044.05	15,044	15,044			
2004	27,422.58	27,423	27,423			
2005	46,930.64	46,931	46,931			
2006	5,742.42	5,742	5,742			
2007	53,705.39	53,705	53,705			
2008	14,326.12	14,326	14,326			
2009	12,869.26	12,869	12,869			
2010	183,782.88	183,783	183,783			
2011	442.90	443	443			
2013	4,584.80	4,585	4,585			
	1,528,641.54	1,528,639	1,528,642			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BUTLER BUILDING						
FULLY ACCRUED						
2006	1,827.34	1,827	1,827			
	1,827.34	1,827	1,827			
WHITE HAVEN OFFICE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2027						
1977	98,502.03	95,547	98,502			
2007	19,308.81	17,861	19,309			
2008	101,333.87	93,278	101,334			
2010	963,471.56	878,108	963,472			
2011	6,683.78	6,057	6,684			
2012	2,277.62	2,051	2,278			
2013	695.74	621	696			
2015	1,384.63	1,211	1,385			
2016	8,363.92	7,223	8,364			
2017	3,926.93	3,338	3,927			
2025	411,197.91	102,882	149,039	262,159	1.50	174,773
	1,617,146.80	1,208,177	1,354,988	262,159		174,773
OAKLAND BEACH						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
1997	51,750.88	47,642	51,751			
1998	7,820.00	7,183	7,820			
2009	1,246.99	1,084	1,247			
	60,817.87	55,909	60,818			
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1989	22,705.86	22,706	22,706			
2002	22,713.32	22,713	22,713			
2008	1,334.47	1,334	1,334			
2009	348,869.51	348,870	348,870			
2010	964.25	964	964			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.61 OFFICE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 55-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
2011	3,027.06	3,027	3,027			
2014	4,677.08	4,677	4,677			
2016	16,824.58	16,825	16,825			
2017	1,530.77	1,531	1,531			
2019	213,786.51	213,787	213,787			
2023	330,390.78	330,391	330,391			
	966,824.19	966,825	966,824			
OTHER STRUCTURES						
SURVIVOR CURVE.. IOWA 50-R3						
2009	37,835.06	13,360	17,256	20,579	30.23	681
2010	30,088.67	10,026	12,950	17,139	31.01	553
2011	98,156.88	30,743	39,709	58,448	31.80	1,838
2012	94,438.53	27,793	35,898	58,540	32.37	1,808
2013	127,965.47	35,037	45,255	82,711	33.16	2,494
2014	742.32	188	243	499	33.95	15
2015	210,029.06	48,727	62,937	147,092	34.75	4,233
2016	230,550.35	48,623	62,803	167,747	35.55	4,719
2017	476,144.32	90,277	116,605	359,540	36.34	9,894
2018	381,752.12	64,134	82,837	298,915	37.14	8,048
2019	1,869,579.64	273,333	353,045	1,516,534	37.95	39,961
2020	105,693.97	13,138	16,969	88,725	38.75	2,290
2021	87,864.66	8,980	11,599	76,266	39.55	1,928
2023	3,673.55	211	273	3,401	40.98	83
2025	3,145,663.98	37,119	47,944	3,097,720	41.87	73,984
	6,900,178.58	701,689	906,323	5,993,856		152,529
	83,885,408.07	28,183,919	30,424,382	53,461,027		2,411,905

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.2 2.88

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
2004	5,312.35	5,312	5,312			
2006	6,572.82	6,573	6,573			
	11,885.17	11,885	11,885			
PICKERING PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
2004	3,866.29	3,866	3,866			
	3,866.29	3,866	3,866			
NESHAMINY PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1909	1,889.70	1,890	1,890			
1971	634.85	561	617	18	7.23	2
1981	1,982.15	1,685	1,853	129	7.85	16
1989	688.44	563	619	69	8.14	8
1993	10,948.11	8,753	9,624	1,324	8.15	162
2000	30,704.27	23,176	25,482	5,222	8.28	631
2002	13,273.65	9,795	10,770	2,504	8.35	300
2004	23,957.89	17,254	18,971	4,987	8.35	597
2017	2,238.92	1,123	1,235	1,004	8.45	119
	86,317.98	64,800	71,060	15,258		1,835
IRONWORKS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1955	183.83	184	184			
1994	23,915.98	23,916	23,916			
1995	1,368.26	1,368	1,368			
2002	5,352.67	5,353	5,353			
	30,820.74	30,821	30,821			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2033						
1993	25,266.00	20,612	22,615	2,651	7.34	361
1994	2,727.12	2,216	2,431	296	7.26	41
1997	2,414.77	1,920	2,107	308	7.34	42
1999	46,457.24	36,441	39,982	6,475	7.28	889
2001	1,267.90	975	1,070	198	7.35	27
2004	20,209.87	15,034	16,495	3,715	7.40	502
2005	502.49	369	405	98	7.43	13
2012	13,769.40	8,885	9,748	4,021	7.42	542
2017	5,574.48	2,971	3,260	2,315	7.45	311
2019	20,577.40	9,577	10,508	10,070	7.47	1,348
	138,766.67	99,000	108,621	30,146		4,076
GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2031						
1997	197.43	166	182	15	5.40	3
1999	175,296.52	145,391	159,520	15,776	5.45	2,895
2002	53,481.21	43,486	47,712	5,769	5.40	1,068
2003	12,557.70	10,115	11,098	1,460	5.43	269
2004	7,027.93	5,605	6,150	878	5.46	161
2006	5,234.04	4,093	4,491	743	5.44	137
2007	119.77	92	101	19	5.48	3
2009	16,517.38	12,401	13,606	2,911	5.48	531
2014	13,877.40	9,401	10,315	3,563	5.48	650
2015	2,301.17	1,513	1,660	641	5.47	117
2016	9,397.67	5,964	6,544	2,854	5.47	522
2017	15,510.86	9,428	10,344	5,167	5.49	941
	311,519.08	247,655	271,722	39,797		7,297
SPRINGFIELD OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1984	2,119,924.59	1,557,297	1,708,946	410,979	14.99	27,417
1985	24,926.45	18,072	19,832	5,095	15.36	332
1987	32,825.75	23,378	25,655	7,171	15.56	461

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGFIELD OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1988	3,596.76	2,536	2,783	814	15.69	52
1990	57,617.76	39,681	43,545	14,073	16.05	877
1991	3,149.64	2,140	2,348	801	16.26	49
1992	15,524.86	10,454	11,472	4,053	16.25	249
1993	8,731.17	5,789	6,353	2,378	16.52	144
1994	2,926.47	1,917	2,104	823	16.58	50
1996	7,830.00	4,989	5,475	2,355	16.80	140
1997	170,386.68	106,832	117,235	53,151	16.95	3,136
1998	13,639.55	8,440	9,262	4,378	16.94	258
1999	2,881,392.86	1,756,209	1,927,228	954,165	16.98	56,193
2000	8,077.34	4,820	5,289	2,788	17.24	162
2002	11,385.36	6,556	7,194	4,191	17.31	242
2003	2,415.62	1,364	1,497	919	17.34	53
2004	995.67	550	604	392	17.41	23
2005	49,658.55	26,776	29,383	20,275	17.52	1,157
2006	87,210.78	45,916	50,387	36,824	17.54	2,099
2007	36,096.70	18,496	20,297	15,800	17.60	898
2008	8,508.23	4,229	4,641	3,867	17.71	218
2009	279,692.47	134,756	147,878	131,814	17.75	7,426
2010	116,736.74	54,283	59,569	57,168	17.83	3,206
2011	477,915.43	214,106	234,956	242,960	17.86	13,604
2012	1,027.24	442	485	542	17.85	30
2014	7,851.99	3,070	3,369	4,483	17.91	250
2015	54,058.24	19,926	21,866	32,192	17.99	1,789
2017	17,551.19	5,623	6,171	11,381	18.03	631
2018	22,673.05	6,648	7,295	15,378	18.08	851
	6,524,327.14	4,085,295	4,483,119	2,041,208		121,997
MEDIA - OLD GARAGE						
FULLY ACCRUED						
1964	28,863.00	28,863	28,863			
1984	6,366.00	6,366	6,366			
1989	175.00	175	175			
1995	9,492.30	9,492	9,492			
	44,896.30	44,896	44,896			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MEDIA - NEW GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1984	247,793.00	207,725	229,304	18,489	8.00	2,311
1985	42,277.00	35,272	38,936	3,341	8.04	416
1990	16,940.00	13,772	15,203	1,737	8.17	213
2008	11,286.60	7,624	8,416	2,871	8.41	341
	318,296.60	264,393	291,859	26,438		3,281
COMMERCE STREET GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2025						
1971	2,806.83	2,807	2,807			
1972	281.95	282	282			
1973	68.38	68	68			
1974	110.62	111	111			
1986	9,876.02	9,876	9,876			
1987	13,215.15	13,215	13,215			
1988	475.94	476	476			
1990	3,345.30	3,345	3,345			
2014	5,983.57	5,984	5,984			
	36,163.76	36,164	36,164			
FENCE AT PIPE YARD - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2022						
2008	10,521.68	10,522	10,522			
	10,521.68	10,522	10,522			
GARAGE AND TOOL HOUSE AT RESERVOIR NO. 6						
FULLY ACCRUED						
1907	2,822.87	2,823	2,823			
1987	8,590.29	8,590	8,590			

AQUA PENNSYLVANIA, INC.
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GARAGE AND TOOL HOUSE AT RESERVOIR NO. 6						
FULLY ACCRUED						
1988	880.00	880	880			
1989	10,152.56	10,153	10,153			
2011	2,309.51	2,310	2,309			
	24,755.23	24,756	24,755			
BUILDING AT RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2021						
1921	641.37	641	641			
1981	10,140.88	10,141	10,141			
2008	13,047.53	13,048	13,048			
	23,829.78	23,830	23,830			
SHENANGO VALLEY TREATMENT PLANT GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	450,000.00	201,960	229,802	220,198	31.32	7,031
2003	6,824.44	2,764	3,145	3,679	33.06	111
2008	4,603.80	1,506	1,714	2,890	35.98	80
	461,428.24	206,230	234,661	226,767		7,222
WAYMART GARAGE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
1992	925.00	744	847	78	8.17	10
2003	5,910.45	4,309	4,903	1,008	8.36	121
2010	3,950.45	2,559	2,912	1,039	8.42	123
	10,785.90	7,612	8,661	2,125		254

AQUA PENNSYLVANIA, INC.
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ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
WESTERN UTILITIES						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2046						
1997	235.55	143	163	73	18.45	4
1998	44.80	27	31	14	18.58	1
2000	8,540.51	4,922	5,601	2,940	18.75	157
2008	17,418.79	8,260	9,399	8,020	19.40	413
	26,239.65	13,352	15,193	11,047		575
FAWN LAKE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2040						
1990	29,050.03	21,143	24,058	4,992	13.28	376
1991	22,891.42	16,505	18,781	4,111	13.35	308
1992	140.00	100	114	26	13.23	2
1993	4,907.00	3,477	3,956	951	13.37	71
1994	9,557.62	6,684	7,606	1,952	13.55	144
1995	14,955.84	10,355	11,783	3,173	13.55	234
	81,501.91	58,264	66,297	15,205		1,135
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 60-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
2011	5,868.00	5,868	5,868			
	5,868.00	5,868	5,868			
	8,151,790.12	5,239,209	5,743,800	2,407,991		147,672

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.3 1.81

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRYN MAWR						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2051						
1971	10,501.54	9,043	9,737	765	8.79	87
1990	810.66	581	626	185	14.00	13
1991	23.56	17	18	5	14.28	
1992	13,620.15	9,491	10,219	3,401	14.58	233
1993	3,382.74	2,320	2,498	885	14.89	59
1994	2,141.72	1,450	1,561	580	15.01	39
1995	1,040.60	692	745	296	15.37	19
2004	20,448.67	11,124	11,978	8,471	18.02	470
2008	3,898,051.28	1,855,472	1,997,842	1,900,209	19.26	98,661
2009	5,207,451.53	2,379,805	2,562,407	2,645,045	19.60	134,951
2010	1,433,974.89	626,790	674,883	759,091	19.96	38,031
2011	390,010.84	162,869	175,366	214,645	20.22	10,615
2012	122,036.81	48,436	52,152	69,884	20.51	3,407
2013	187,857.35	70,447	75,852	112,005	20.83	5,377
2014	154,015.83	54,368	58,540	95,476	21.07	4,531
2015	93,554.86	30,845	33,212	60,343	21.35	2,826
2016	24,755.70	7,550	8,129	16,626	21.65	768
2017	3,613.74	1,010	1,087	2,526	21.90	115
2018	495,232.29	125,195	134,801	360,431	22.17	16,258
2022	345,872.41	45,378	48,860	297,013	23.17	12,819
2023	9,617,285.09	928,068	999,278	8,618,007	23.41	368,134
2024	1,007,828.43	60,167	64,784	943,045	23.63	39,909
	23,033,510.69	6,431,118	6,924,576	16,108,935		737,322
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2029						
2004	20.70	18	19	1	3.44	
2005	4,312.86	3,696	3,980	333	3.42	97
2006	6,455.14	5,488	5,909	546	3.44	159
2008	16,879.35	14,091	15,172	1,707	3.46	493
2011	34,133.88	27,567	29,682	4,452	3.45	1,290
2012	80,600.22	64,093	69,011	11,589	3.48	3,330
2017	7,644.65	5,419	5,835	1,810	3.49	519
	150,046.80	120,372	129,608	20,439		5,888

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RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GREEN LANE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1985	35,032.39	29,511	31,775	3,257	7.58	430
1992	10,660.99	8,608	9,268	1,393	7.99	174
2008	15,867.06	10,496	11,301	4,566	8.96	510
2013	15,635.25	9,029	9,722	5,913	9.15	646
2014	9,444.14	5,245	5,647	3,797	9.20	413
2015	10,126.15	5,391	5,805	4,322	9.22	469
2016	41,004.32	20,765	22,358	18,646	9.26	2,014
2017	17,757.04	8,483	9,134	8,623	9.29	928
2018	7,043.05	3,143	3,384	3,659	9.31	393
2019	3,694.93	1,516	1,632	2,063	9.35	221
2021	6,062.29	1,964	2,115	3,948	9.39	420
	172,327.61	104,151	112,142	60,186		6,618
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1976	911.98	808	870	42	6.37	7
1984	1,635.12	1,405	1,513	122	6.81	18
1987	12,373.44	10,433	11,234	1,140	7.16	159
1988	288.24	242	261	28	7.14	4
1992	1,454.78	1,194	1,286	169	7.31	23
1993	12,466.00	10,129	10,906	1,560	7.50	208
2007	398.21	278	299	99	8.03	12
2011	5,798.75	3,708	3,993	1,806	8.18	221
2013	58,121.06	35,018	37,705	20,416	8.25	2,475
2014	4,487.15	2,611	2,811	1,676	8.26	203
2015	4,599.07	2,569	2,766	1,833	8.30	221
2017	98,741.58	49,855	53,680	45,061	8.34	5,403
2018	168,520.69	79,626	85,736	82,785	8.37	9,891
2019	41,868.20	18,288	19,691	22,177	8.38	2,646
2020	40,611.63	16,058	17,290	23,322	8.41	2,773
2021	44,247.35	15,411	16,593	27,654	8.42	3,284
2022	17,438.17	5,115	5,507	11,931	8.43	1,415
2023	2,630,115.32	600,192	646,245	1,983,871	8.45	234,778
	3,144,076.74	852,940	918,386	2,225,691		263,741

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
IRONWORKS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2028						
1943	2,087.84	2,050	2,088			
1945	278.82	274	279			
1964	257.05	248	257			
1968	1,492.97	1,434	1,493			
1969	2,353.57	2,261	2,354			
1975	934.99	892	935			
2005	77,566.84	69,174	74,522	3,045	2.49	1,223
2007	54,601.02	48,180	51,905	2,696	2.47	1,091
2008	3,875.38	3,398	3,661	215	2.46	87
2013	23,279.99	19,411	20,912	2,368	2.49	951
2014	58,108.85	47,777	51,471	6,638	2.49	2,666
2015	129,020.44	104,313	112,378	16,643	2.49	6,684
2016	94,671.74	75,008	80,807	13,865	2.49	5,568
2017	22,157.22	17,139	18,464	3,693	2.49	1,483
2019	75,742.72	54,747	58,980	16,763	2.49	6,732
2020	18,890.99	12,997	14,002	4,889	2.49	1,963
2025	404,871.78	67,492	72,710	332,162	2.50	132,865
	970,192.21	526,795	567,216	402,976		161,313
GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
1987	86,760.91	69,808	75,164	11,597	9.35	1,240
1988	799,825.00	638,900	687,923	111,902	9.45	11,841
1989	334,259.13	264,733	285,046	49,213	9.59	5,132
1990	11,395.05	8,941	9,627	1,768	9.75	181
1991	163,258.18	127,292	137,059	26,199	9.75	2,687
1994	10,974.15	8,296	8,933	2,042	10.17	201
1998	13,527.87	9,783	10,534	2,994	10.52	285
2004	6,630.64	4,376	4,712	1,919	11.07	173
2007	1,466,564.73	908,977	978,723	487,842	11.35	42,982
2009	71,575.33	42,158	45,393	26,183	11.51	2,275
2011	7,735.00	4,284	4,613	3,122	11.68	267
2013	131,495.23	67,562	72,746	58,749	11.83	4,966
2014	67,317.94	33,134	35,676	31,642	11.86	2,668
2015	244,805.00	114,642	123,438	121,367	11.92	10,182
2016	10,894.05	4,813	5,182	5,712	12.00	476
2018	6,172.54	2,361	2,542	3,630	12.11	300

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GREAT VALLEY OPERATIONS						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
2020	17,732.76	5,511	5,934	11,799	12.20	967
2021	176,532.27	47,417	51,055	125,477	12.25	10,243
2022	6,199.92	1,376	1,482	4,718	12.27	385
2023	44,163.48	7,455	8,027	36,136	12.31	2,935
2025	759,134.59	29,454	31,714	727,421	12.39	58,710
	4,436,953.77	2,401,273	2,585,522	1,851,432		159,096
FOXCROFT QUARRY						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2031						
1986	478,038.53	424,881	457,482	20,556	4.94	4,161
1987	5,025.24	4,450	4,791	234	4.98	47
1989	39,871.32	35,071	37,762	2,109	5.00	422
1990	59,724.13	52,366	56,384	3,340	4.99	669
1991	1,490.13	1,301	1,401	89	5.03	18
1992	5,813.08	5,043	5,430	383	5.11	75
1996	12,378.00	10,553	11,363	1,015	5.10	199
1998	48,707.86	40,988	44,133	4,575	5.18	883
2003	22,845.91	18,505	19,925	2,921	5.28	553
2007	178,209.63	138,469	149,094	29,116	5.31	5,483
	852,103.83	731,627	787,765	64,339		12,510
PICKERING WEST						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2039						
2003	753.80	495	533	221	11.75	19
2007	326,548.43	197,562	212,721	113,828	12.08	9,423
2008	173,912.65	102,574	110,444	63,468	12.17	5,215
2009	2,616,588.98	1,498,259	1,613,220	1,003,369	12.32	81,442
2010	84,633.03	46,963	50,566	34,067	12.43	2,741
2011	164,136.04	88,305	95,081	69,055	12.45	5,547
2012	4,400,501.05	2,281,220	2,456,257	1,944,244	12.54	155,043

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING WEST						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2039						
2013	219,713.48	109,307	117,694	102,019	12.63	8,078
2017	9,148.34	3,632	3,911	5,238	12.91	406
2025	607,307.67	21,924	23,606	583,701	13.35	43,723
	8,603,243.47	4,350,241	4,684,034	3,919,209		311,637
NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1992	14,474.67	10,523	11,330	3,144	12.58	250
2007	3,949.05	2,148	2,313	1,636	15.51	105
2008	2,249.22	1,185	1,276	973	15.72	62
2011	14,105.28	6,668	7,180	6,926	16.17	428
2012	2,782.68	1,258	1,355	1,428	16.35	87
2014	7,905.80	3,227	3,475	4,431	16.67	266
2020	185,309.46	44,326	47,727	137,582	17.49	7,866
2025	1,265,224.32	34,161	36,782	1,228,442	17.99	68,285
	1,496,000.48	103,496	111,437	1,384,563		77,349
INGRAM'S MILL SHED						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
1990	2,257.94	1,844	1,985	272	7.98	34
2005	70,161.91	49,043	52,806	17,356	8.83	1,966
2006	65,836.17	45,322	48,800	17,037	8.83	1,929
2007	15,415.09	10,408	11,207	4,208	8.90	473
2008	65,252.38	43,164	46,476	18,776	8.96	2,096
2012	4,391.61	2,620	2,821	1,571	9.12	172
	223,315.10	152,401	164,095	59,220		6,670
DWELLING AND GARAGE AT BEAR GAP PUMPING STATION						
FULLY ACCRUED						
1892	1,165.07	1,165	1,165			
1938	266.69	267	267			
1940	753.51	754	754			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
DWELLING AND GARAGE AT BEAR GAP PUMPING STATION						
FULLY ACCRUED						
1947	144.38	144	144			
1949	490.00	490	490			
1961	2,996.93	2,997	2,997			
1964	1,089.01	1,089	1,089			
1970	3,593.78	3,594	3,594			
1978	309.07	309	309			
1981	3,614.99	3,615	3,615			
1983	5,843.36	5,843	5,843			
1986	97.08	97	97			
1988	4,484.11	4,484	4,484			
1990	394.15	394	394			
1991	574.30	574	574			
1994	1,350.00	1,350	1,350			
	27,166.43	27,166	27,166			
BRIDGE DECK - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1994	2,926.97	2,065	2,225	702	13.14	53
1996	2,873.14	1,975	2,128	745	13.42	56
2009	3,583.33	1,827	1,968	1,615	15.86	102
2017	30,475.52	10,130	10,914	19,562	17.07	1,146
	39,858.96	15,997	17,235	22,624		1,357
HAWLEY TELEMETRY BUILDING						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
1994	66,387.19	53,747	57,907	8,480	7.41	1,144
2017	1,910.06	964	1,039	871	8.34	104
2019	350,537.16	153,115	164,966	185,572	8.38	22,145
	418,834.41	207,826	223,911	194,923		23,393

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CHALFONT						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2036						
1991	884.19	708	763	121	8.60	14
1997	8,005.03	6,069	6,539	1,466	9.09	161
2001	38.67	28	30	9	9.40	1
2007	48,723.24	31,909	34,379	14,345	9.75	1,471
2015	4,771.54	2,425	2,613	2,159	10.16	212
2019	108,335.25	41,969	45,217	63,118	10.28	6,140
	170,757.92	83,108	89,540	81,218		7,999
MONROE MANOR						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2022						
1977	2,522.65	2,523	2,523			
1987	2,219.38	2,219	2,219			
1989	599.24	599	599			
2000	1,296.90	1,297	1,297			
	6,638.17	6,638	6,638			
EMBREEVILLE STORAGE SHED						
FULLY ACCRUED						
1948	3,210.00	3,210	3,210			
	3,210.00	3,210	3,210			
EMBREEVILLE CONTROL VALVE BUILDING						
FULLY ACCRUED						
1948	1,441.74	1,442	1,442			
2017	4,660.61	4,661	4,660			
	6,102.35	6,103	6,102			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
WAYMART WAREHOUSE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2003	112,725.49	68,988	74,358	38,368	14.26	2,691
2008	34,732.97	18,659	20,111	14,622	15.07	970
2009	93.30	48	52	42	15.24	3
2011	25,208.23	12,171	13,118	12,090	15.53	778
	172,759.99	99,866	107,639	65,121		4,442
DEER LAKE BOROUGH						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
2005	19,037.71	10,772	11,610	7,428	15.73	472
	19,037.71	10,772	11,610	7,428		472
SPRINGFIELD						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2008	187,631.74	91,283	98,388	89,244	18.47	4,832
2010	54,256.89	24,388	26,286	27,971	18.98	1,474
2011	8,176.25	3,521	3,795	4,381	19.17	229
2013	272,569.09	105,621	113,842	158,727	19.76	8,033
2014	158,188.89	57,850	62,353	95,836	19.95	4,804
2015	60,533.77	20,721	22,334	38,200	20.17	1,894
2017	124,514.32	36,308	39,134	85,380	20.65	4,135
2018	1,684.05	445	480	1,204	20.91	58
2021	15,389.81	2,659	2,866	12,524	21.54	581
2022	29,377.99	4,072	4,389	24,989	21.75	1,149
2023	126,885.03	12,968	13,977	112,908	21.95	5,144
	1,039,207.83	359,836	387,844	651,364		32,333
COMMERCE STREET						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
2008	162,572.87	79,092	85,248	77,325	18.47	4,187
	162,572.87	79,092	85,248	77,325		4,187

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
COVE VILLAGE						
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2025						
1973	905.50	906	906			
1974	353.76	354	354			
2005	1,124.71	1,125	1,125			
	2,383.97	2,385	2,384			
SECURITY SYSTEMS						
SURVIVOR CURVE.. IOWA 25-S3						
2001	52,750.37	44,200	47,644	5,106	4.74	1,077
2002	7,072.37	5,817	6,270	802	5.07	158
2005	4,704.01	3,597	3,877	827	6.31	131
2006	752.12	557	600	152	6.82	22
2007	58.23	42	45	13	7.27	2
2013	8,604.19	4,507	4,858	3,746	11.37	329
2014	585,587.63	284,186	306,330	279,258	12.20	22,890
2015	1,192,639.43	532,156	573,621	619,018	13.03	47,507
2016	789,674.72	319,581	344,483	445,192	13.97	31,868
2017	1,626,526.84	591,730	637,837	988,690	14.86	66,534
2018	132,573.73	42,556	45,872	86,702	15.86	5,467
2019	564,028.44	157,251	169,504	394,525	16.81	23,470
2020	135,400.69	31,955	34,445	100,956	17.81	5,669
2021	450,556.64	86,957	93,733	356,824	18.81	18,970
2022	299,945.93	45,052	48,562	251,384	19.81	12,690
2023	243,209.96	26,072	28,104	215,106	20.81	10,337
2024	542,676.85	34,948	37,671	505,006	21.81	23,155
2025	2,024,358.92	43,321	46,697	1,977,662	22.81	86,702
	8,661,121.07	2,254,485	2,430,153	6,230,968		356,978
	53,811,422.38	18,930,898	20,383,461	33,427,961		2,173,305

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.4 4.04

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2045						
1920	53,709.78	46,464	43,709	10,000	16.45	608
1988	45,341.52	30,098	28,314	17,028	18.99	897
1993	96,022.67	60,542	56,953	39,070	19.05	2,051
1999	5,761.30	3,359	3,160	2,601	18.95	137
2001	209,080.41	117,817	110,832	98,248	18.98	5,176
2002	23,995.63	13,250	12,464	11,531	19.06	605
2003	4,254.06	2,307	2,170	2,084	19.00	110
2004	13,058.84	6,934	6,523	6,536	18.99	344
2005	64,813.06	33,612	31,619	33,194	19.03	1,744
2006	57,570.09	29,073	27,349	30,221	19.11	1,581
2007	273,535.69	134,607	126,627	146,909	19.09	7,696
2008	22,184.94	10,638	10,007	12,178	19.00	641
2009	48,721.71	22,587	21,248	27,474	19.09	1,439
2010	36,966.15	16,561	15,579	21,387	19.10	1,120
2011	32,988.13	14,254	13,409	19,579	19.06	1,027
2014	65,602.30	24,666	23,204	42,399	19.08	2,222
2015	386,938.12	137,324	129,183	257,755	19.09	13,502
2016	30,907.56	10,277	9,668	21,240	19.07	1,114
2017	39,914.62	12,318	11,588	28,327	19.05	1,487
2021	98,631.03	18,858	17,740	80,891	19.03	4,251
2023	171,955.74	20,084	18,893	153,062	18.91	8,094
	1,781,953.35	765,630	720,240	1,061,713		55,846
CRUM CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1974	83,928.29	83,928	83,928			
1976	953.84	954	954			
2008	2,607.41	2,607	2,608			
	87,489.54	87,489	87,490			
CRUM CREEK SILTATION BASIN						
FULLY ACCRUED						
2005	2,160.08	2,160	2,160			
2007	11,565.29	11,565	11,565			
	13,725.37	13,725	13,725			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2054						
1999	308,704.56	152,160	143,081	165,623	27.26	6,076
2001	33,829.94	15,995	15,041	18,789	27.32	688
2004	8,599.46	3,791	3,565	5,035	27.28	185
2005	3,368.56	1,443	1,357	2,012	27.35	74
2006	14,957.10	6,213	5,842	9,115	27.45	332
2009	211,391.69	79,526	74,781	136,611	27.36	4,993
2010	22,705.09	8,201	7,712	14,993	27.42	547
2011	32,855.53	11,388	10,709	22,147	27.34	810
2012	1,239.19	408	384	856	27.48	31
2014	9,057.74	2,677	2,517	6,540	27.41	239
2015	13,072.18	3,624	3,408	9,664	27.38	353
2017	30,437.73	7,220	6,789	23,649	27.34	865
2018	11,861.46	2,553	2,401	9,461	27.34	346
2019	142,150.23	27,350	25,718	116,432	27.28	4,268
2020	2,415.57	405	381	2,035	27.29	75
2024	107,500.00	5,698	5,358	102,142	26.83	3,807
	954,146.03	328,652	309,043	645,103		23,689
PICKERING CREEK TRAVELING SCREEN						
FULLY ACCRUED						
2008	40,908.73	40,909	40,909			
	40,908.73	40,909	40,909			
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2044						
1909	15,825.27	14,012	13,174	2,652	15.08	176
1994	222,083.35	141,312	132,858	89,225	18.00	4,957
1996	22,824.87	14,140	13,294	9,531	18.12	526
2001	26,351.60	15,173	14,265	12,086	18.05	670
2005	43,579.82	23,141	21,757	21,823	18.11	1,205
2007	3,327.96	1,681	1,580	1,748	18.13	96
2008	7,884.47	3,878	3,646	4,238	18.09	234
2013	670,405.77	274,062	257,667	412,739	18.08	22,828

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY CREEK PUMPING STATION						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2044						
2014	32,072.16	12,466	11,720	20,352	18.09	1,125
2016	12,262.60	4,217	3,965	8,298	18.12	458
2017	2,405.29	769	723	1,682	18.10	93
	1,059,023.16	504,851	474,649	584,374		32,368
PERKIOMEN CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2056						
1957	8,636.24	6,152	5,784	2,852	27.65	103
1958	1,038.92	736	692	347	27.73	13
1959	49.48	35	33	17	27.84	1
1965	4,973.87	3,400	3,197	1,777	28.00	63
1981	2,345.73	1,430	1,344	1,001	28.50	35
1986	802.50	466	438	364	28.53	13
1990	332,155.00	182,752	171,819	160,336	29.02	5,525
1996	6,558.10	3,308	3,110	3,448	28.98	119
1998	22,164.92	10,790	10,144	12,020	28.99	415
1999	21,921.24	10,456	9,830	12,091	29.06	416
2001	4,881.68	2,237	2,103	2,779	28.97	96
2002	23,341.61	10,422	9,799	13,543	29.13	465
2007	3,191.42	1,240	1,166	2,026	29.12	70
2010	6,932.12	2,407	2,263	4,669	29.14	160
2011	10,130.25	3,363	3,162	6,968	29.17	239
2015	56,620.13	14,982	14,086	42,534	29.18	1,458
2016	4,322.23	1,063	999	3,323	29.11	114
2017	38,194.66	8,601	8,086	30,108	29.24	1,030
2018	17,969.42	3,680	3,460	14,510	29.13	498
2024	75,801.00	3,790	3,563	72,238	28.53	2,532
	642,030.52	271,310	255,079	386,952		13,365
PERKIOMEN CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1957	583.27	583	583			
1958	783.85	784	784			
1959	1,076.19	1,076	1,076			
1973	10,429.67	10,430	10,430			

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PERKIOMEN CREEK TRAVELING SCREEN						
FULLY ACCRUED						
1984	4,421.25	4,421	4,421			
1985	46,618.30	46,618	46,618			
1986	27,505.50	27,506	27,506			
1989	9,832.18	9,832	9,832			
1990	1,859.63	1,860	1,860			
1999	1,725.40	1,725	1,725			
2000	1,176.55	1,177	1,177			
	106,011.79	106,012	106,012			
GREEN LANE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2082						
1957	5,368,867.06	3,272,861	3,075,635	2,293,232	43.87	52,273
1958	10,135.71	6,157	5,786	4,350	43.61	100
1962	139.46	82	77	62	44.02	1
1963	1,084.72	630	592	493	45.03	11
1967	1,009.05	567	533	476	45.67	10
1970	2,862.53	1,573	1,478	1,384	45.52	30
1978	1,742.59	877	824	918	46.84	20
1981	32,915.31	15,964	15,002	17,913	47.25	379
1993	5,425.05	2,169	2,038	3,387	48.80	69
1997	532.84	194	182	351	49.62	7
1998	14,738.92	5,269	4,951	9,787	49.42	198
1999	2,888.32	1,003	943	1,946	49.83	39
2004	12,233.94	3,682	3,460	8,774	49.93	176
2005	300,406.38	87,448	82,178	218,228	49.92	4,372
2006	2,875.60	807	758	2,117	49.94	42
2013	97,350.95	19,353	18,187	79,164	50.39	1,571
2015	344,414.15	59,653	56,058	288,356	50.11	5,754
2017	99,551.62	14,385	13,518	86,033	50.32	1,710
2019	40,915.89	4,705	4,421	36,494	50.00	730
2020	26,001.94	2,590	2,434	23,568	49.75	474
2021	32,940.79	2,741	2,576	30,365	49.56	613
2024	35,569.00	1,074	1,009	34,560	48.25	716
	6,434,601.82	3,503,784	3,292,642	3,141,960		69,295

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2057						
1932	1,638,594.13	1,286,952	1,209,399	429,195	25.55	16,798
1939	875.79	667	627	249	27.14	9
1940	886.19	674	633	253	26.85	9
1959	12,635.73	8,907	8,370	4,265	27.84	153
1964	3,632.50	2,480	2,331	1,302	28.59	46
1968	2,433.32	1,623	1,525	908	28.71	32
1975	777.28	495	465	312	28.87	11
1978	7,415.31	4,579	4,303	3,112	29.42	106
1980	1,710.55	1,043	980	730	29.13	25
1981	46,993.29	28,234	26,533	20,461	29.57	692
1982	6,625.51	3,949	3,711	2,914	29.49	99
1983	17,832.28	10,535	9,900	7,932	29.44	269
1984	12,681.07	7,421	6,974	5,707	29.42	194
1985	30,310.25	17,556	16,498	13,812	29.43	469
1986	28,144.30	16,121	15,150	12,995	29.46	441
1987	5,036.26	2,851	2,679	2,357	29.52	80
1988	77,538.05	43,328	40,717	36,821	29.61	1,244
1989	52,581.90	28,983	27,236	25,345	29.72	853
1990	3,170.36	1,722	1,618	1,552	29.86	52
1991	88,633.22	47,702	44,827	43,806	29.60	1,480
1992	3,962.38	2,097	1,971	1,992	29.79	67
1993	25,075.36	13,119	12,328	12,747	29.61	430
1994	5,660.71	2,906	2,731	2,930	29.85	98
1995	184,044.78	93,182	87,567	96,478	29.74	3,244
1996	9,424.27	4,699	4,416	5,008	29.67	169
1997	158,058.79	77,038	72,396	85,663	29.98	2,857
1999	600,328.08	281,554	264,587	335,741	30.00	11,191
2002	14,680.96	6,451	6,062	8,619	29.98	287
2003	35,517.99	15,266	14,346	21,172	29.85	709
2004	105,864.75	44,156	41,495	64,370	30.05	2,142
2007	142,968.47	54,485	51,202	91,767	30.04	3,055
2008	13,245.67	4,868	4,575	8,671	30.12	288
2009	42,599.08	15,114	14,203	28,396	30.01	946
2010	80,845.28	27,439	25,785	55,060	30.16	1,826
2011	87,942.02	28,564	26,843	61,099	30.14	2,027
2012	3,074.63	951	894	2,181	30.17	72
2013	19,887.37	5,843	5,491	14,396	30.05	479
2016	7,495.04	1,802	1,693	5,802	30.02	193
2017	286,972.09	63,191	59,383	227,589	30.11	7,559

AQUA PENNSYLVANIA, INC.
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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPRINGTON						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2057						
2020	56,263.12	8,726	8,200	48,063	29.96	1,604
2021	474,723.01	62,189	58,441	416,282	29.86	13,941
2024	15,000.00	729	685	14,315	29.36	488
	4,412,141.14	2,330,191	2,189,771	2,222,370		76,734
IRONWORKS CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2068						
1943	851,710.91	604,289	567,874	283,837	33.78	8,403
1945	27,587.61	19,322	18,158	9,430	34.44	274
1946	609.41	426	400	209	34.14	6
1950	4,336.62	2,979	2,799	1,537	34.40	45
1951	7,040.87	4,774	4,486	2,555	35.38	72
1953	349.69	236	222	128	35.03	4
1954	1,408.54	947	890	519	34.88	15
1955	830.75	551	518	313	35.88	9
1961	1,475.62	942	885	590	36.51	16
1981	2,061.06	1,110	1,043	1,018	38.15	27
1983	2,645.75	1,394	1,310	1,336	38.15	35
1987	8,431.01	4,220	3,966	4,465	38.42	116
1992	4,402.33	2,035	1,912	2,490	38.96	64
1993	3,039.83	1,383	1,300	1,740	38.93	45
1997	4,503.82	1,900	1,786	2,718	39.07	70
1998	3,133.00	1,292	1,214	1,919	39.17	49
2000	843,147.80	333,212	313,132	530,016	39.02	13,583
2002	18,695.56	6,985	6,564	12,131	39.40	308
2004	46,791.43	16,499	15,505	31,287	39.48	792
2005	130,517.18	44,689	41,996	88,521	39.38	2,248
2006	1,105,258.51	366,393	344,314	760,945	39.32	19,353
2007	791,580.23	253,306	238,042	553,539	39.31	14,081
2008	38,622.20	11,896	11,179	27,443	39.32	698
2009	10,702.25	3,161	2,971	7,732	39.36	196
2010	33,486.43	9,447	8,878	24,609	39.45	624
2011	13,892.30	3,726	3,501	10,391	39.56	263
2013	38,626.22	9,270	8,711	29,915	39.58	756
2016	112,222.58	21,749	20,438	91,784	39.52	2,322

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
IRONWORKS CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2068						
2017	66,243.89	11,765	11,056	55,188	39.35	1,402
2019	660,403.45	93,579	87,940	572,464	39.37	14,541
2024	4,681.00	177	166	4,515	38.18	118
	4,838,437.85	1,833,654	1,723,156	3,115,282		80,535
RIDLEY CREEK DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2067						
1942	48,831.00	35,066	32,953	15,878	32.78	484
1957	45,168.94	30,010	28,201	16,967	34.60	490
2002	29,131.51	11,023	10,359	18,773	38.61	486
2003	255,656.70	94,337	88,652	167,005	38.48	4,340
2004	10,479.22	3,762	3,535	6,944	38.38	181
2006	41,816.26	14,025	13,180	28,636	38.64	741
2008	14,763.89	4,599	4,322	10,442	38.68	270
2009	14,860.33	4,437	4,170	10,691	38.75	276
2013	10,296.96	2,510	2,359	7,938	38.78	205
2017	46,621.43	8,401	7,895	38,727	38.67	1,001
	517,626.24	208,170	195,625	322,001		8,474
TOWNSHIP LINE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2094						
1934	62,256.13	43,293	40,684	21,572	40.08	538
1988	35,013.13	14,047	13,201	21,813	55.96	390
1989	18,049.36	7,115	6,686	11,363	56.09	203
1990	16,250.50	6,289	5,910	10,340	56.24	184
1994	425,033.22	152,629	143,432	281,602	56.22	5,009
1996	9,960.54	3,408	3,203	6,758	56.71	119
2009	46,537.33	10,289	9,669	36,868	58.13	634
2010	14,825.54	3,125	2,937	11,889	58.03	205
2011	445,190.30	88,415	83,087	362,103	58.50	6,190
2012	118,942.61	22,314	20,969	97,973	58.45	1,676

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ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TOWNSHIP LINE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2094						
2013	8,623.04	1,519	1,427	7,196	58.43	123
2015	24,453.40	3,722	3,498	20,956	58.47	358
2017	47,187.47	6,016	5,653	41,534	58.17	714
	1,272,322.57	362,181	340,356	931,967		16,343
SHENANGO RIVER DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2051						
1927	21,675.62	17,722	16,654	5,022	21.98	228
1948	32.89	25	23	9	22.50	
2006	2,544.43	1,126	1,058	1,486	24.56	61
2011	1,910,697.67	706,576	663,997	1,246,701	24.71	50,453
2019	29,068.84	6,064	5,699	23,370	24.65	948
	1,964,019.45	731,513	687,431	1,276,588		51,690
RESERVOIR NO. 1 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2067						
1891	7,531.44	6,483	6,092	1,439	21.75	66
1916	16,713.69	13,361	12,556	4,158	27.48	151
2000	16,335.07	6,541	6,147	10,188	38.19	267
2010	90,295.31	25,897	24,336	65,959	38.55	1,711
2017	1,812,308.05	326,578	306,898	1,505,410	38.67	38,930
2019	3,606.21	520	489	3,118	38.55	81
	1,946,789.77	379,380	356,518	1,590,272		41,206
RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1916	7,031.15	5,543	5,209	1,822	29.39	62
1923	355,999.13	270,025	253,753	102,246	32.64	3,133
1936	12,352.04	8,844	8,311	4,041	35.50	114
1941	5,381.79	3,775	3,548	1,834	35.98	51
1942	3,181.44	2,231	2,097	1,085	35.55	31

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 2 - BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1986	1,388,395.27	669,068	628,749	759,646	42.47	17,887
1989	3,365.16	1,560	1,466	1,899	42.24	45
1990	12,810.72	5,821	5,470	7,340	42.62	172
1993	6,183.23	2,672	2,511	3,672	42.69	86
1995	9,097.91	3,774	3,547	5,551	43.03	129
1996	13,486.12	5,490	5,159	8,327	42.96	194
2000	486,433.40	181,099	170,186	316,248	42.99	7,356
2002	3,827.47	1,349	1,268	2,560	43.17	59
2009	127,251.99	35,071	32,958	94,294	43.38	2,174
2011	13,561.53	3,382	3,178	10,383	43.64	238
2015	8,288.35	1,610	1,513	6,775	43.56	156
2017	22,939.85	3,762	3,535	19,405	43.32	448
2018	255,435.88	37,753	35,478	219,958	43.26	5,085
2019	381,338.67	49,803	46,802	334,537	43.25	7,735
2021	630,462.47	59,579	55,989	574,474	43.12	13,323
2025	9,789,606.46	119,433	112,236	9,677,371	40.32	240,014
	13,536,430.03	1,471,644	1,382,961	12,153,469		298,492
RESERVOIR NO. 4 - TROUT RUN						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2038						
2011	8,976.44	4,842	4,550	4,426	12.38	358
2015	10,711.61	4,926	4,629	6,082	12.33	493
2017	21,201.81	8,650	8,129	13,073	12.33	1,060
2020	8,154.55	2,512	2,361	5,794	12.36	469
	49,044.41	20,930	19,669	29,375		2,380
RESERVOIR NO. 6 - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
1896	115,491.85	103,204	96,985	18,507	15.42	1,200
1902	20,183.74	17,697	16,631	3,553	17.35	205
1904	16,900.12	14,784	13,893	3,007	17.39	173
1909	18,679.91	16,323	15,339	3,341	16.83	199
1912	54,813.13	47,282	44,433	10,380	18.08	574
1924	328,229.19	279,848	262,984	65,245	17.55	3,718

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 6 - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
1935	2,893.18	2,409	2,264	629	18.20	35
1936	6,606.61	5,499	5,168	1,439	18.02	80
1937	4,120.40	3,391	3,187	934	19.03	49
1938	8,276.38	6,807	6,397	1,880	18.88	100
1939	2,202.32	1,810	1,701	501	18.76	27
1941	292.00	239	225	67	18.60	4
1973	4,077.18	2,976	2,797	1,281	19.44	66
1974	21,200.97	15,396	14,468	6,733	19.42	347
1985	1,435,603.67	965,156	906,994	528,609	19.74	26,779
1991	10,824.43	6,871	6,457	4,367	19.85	220
1993	4,719.54	2,930	2,753	1,966	19.85	99
1994	22,770.88	13,986	13,143	9,628	19.78	487
2000	35,282.61	19,794	18,601	16,681	19.95	836
2001	41,754.30	23,015	21,628	20,126	19.95	1,009
2002	14,046.52	7,592	7,134	6,912	19.98	346
2003	53,720.60	28,407	26,695	27,025	20.05	1,348
2005	187,179.98	94,788	89,076	98,104	19.98	4,910
2007	2,999.72	1,443	1,356	1,644	19.96	82
2008	478,369.40	223,494	210,026	268,343	19.96	13,444
2009	8,837.07	3,995	3,754	5,083	20.00	254
2011	2,774.77	1,167	1,097	1,678	19.98	84
2012	64,515.71	25,955	24,391	40,125	20.06	2,000
2015	9,204.20	3,170	2,979	6,225	19.99	311
2016	30,291.79	9,754	9,166	21,126	20.00	1,056
2017	41,638.91	12,425	11,676	29,963	19.99	1,499
2019	218,031.25	53,570	50,342	167,689	19.96	8,401
2020	28,295.97	6,118	5,749	22,547	19.94	1,131
2024	117,994.00	8,330	7,828	110,166	19.73	5,584
	3,412,822.30	2,029,625	1,907,317	1,505,505		76,657
BRUSH VALLEY RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2027						
1882	23,655.70	23,424	22,012	1,643	1.42	1,157
1921	21,100.18	20,727	19,478	1,622	1.88	863
1924	12,924.99	12,726	11,959	966	1.59	608
1935	17,538.93	17,300	16,257	1,281	1.25	1,025
1941	233.27	229	215	18	1.71	11

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BRUSH VALLEY RESERVOIR						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2027						
1983	1,385.81	1,337	1,256	129	1.55	83
1986	3,118.80	3,006	2,825	294	1.48	199
1994	23,385.72	22,319	20,974	2,412	1.50	1,608
1996	3,332.71	3,175	2,984	349	1.46	239
2000	35,753.28	33,733	31,700	4,053	1.53	2,649
2001	113,136.70	106,711	100,280	12,856	1.48	8,686
2002	5,775.00	5,428	5,101	674	1.50	449
2003	1,154.81	1,083	1,018	137	1.48	93
2009	24,519.47	22,494	21,138	3,381	1.49	2,269
	287,015.37	273,692	257,199	29,816		19,939
ROADWAYS - ROARING CREEK						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2073						
1882	2,508.82	2,196	2,064	445	20.43	22
1886	6,473.02	5,599	5,262	1,211	21.79	56
1887	2,504.15	2,150	2,020	484	22.79	21
1900	749.15	621	584	166	26.02	6
1916	8,474.13	6,681	6,278	2,196	29.39	75
1919	8,186.61	6,364	5,981	2,206	30.49	72
1924	29,026.24	22,095	20,764	8,263	31.84	260
1931	3,846.25	2,835	2,664	1,182	33.71	35
1932	4,051.43	2,955	2,777	1,274	34.71	37
1934	91.24	66	62	29	35.09	1
1935	5,001.59	3,621	3,403	1,599	34.50	46
1936	3,195.60	2,288	2,150	1,045	35.50	29
1940	2,015.93	1,413	1,328	688	36.45	19
	76,124.16	58,884	55,336	20,788		679
ROADWAYS - PAVING ROARING CREEK						
FULLY ACCRUED						
1967	6,355.75	6,356	6,356			
1991	1,086.86	1,087	1,087			
	7,442.61	7,443	7,443			

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RESERVOIR NO. 1 - MT. CARMEL						
FULLY ACCRUED						
1885	11,955.77	11,956	11,956			
1902	1,471.03	1,471	1,471			
1904	177.42	177	177			
1986	12,191.79	12,192	12,192			
1994	1,522.25	1,522	1,522			
2009	93,619.03	93,619	93,619			
2010	37,012.45	37,012	37,013			
	157,949.74	157,949	157,950			
RESERVOIR NO. 2 - MT. CARMEL						
FULLY ACCRUED						
1887	7,006.80	7,007	7,007			
1947	4,655.91	4,656	4,656			
1986	44,145.78	44,146	44,146			
1994	1,522.25	1,522	1,523			
	57,330.74	57,331	57,331			
CITIZENS WATER CO. DAM						
FULLY ACCRUED						
1984	75.66	76	76			
	75.66	76	76			
NORTH WAYNE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2102						
2002	186,994.91	51,424	47,687	139,308	61.97	2,248
2003	13,760.83	3,654	3,388	10,372	62.25	167
2004	23,749.57	6,075	5,634	18,116	62.54	290
2019	105,406.90	9,929	9,208	96,199	62.47	1,540
	329,912.21	71,082	65,917	263,995		4,245

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YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NUI FACILITIES						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2082						
2002	66,019.60	21,100	19,567	46,453	50.03	929
2003	38,703.34	12,017	11,144	27,559	49.96	552
2004	10,864.60	3,270	3,032	7,832	49.93	157
2005	259.34	75	70	190	49.92	4
2006	874.94	246	228	647	49.94	13
	116,721.82	36,708	34,041	82,681		1,655
WAPWALLOPEN						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2025						
1925	437.76	438	438			
1970	800.35	800	800			
	1,238.11	1,238	1,238			
CORNOG QUARRY						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2128						
2003	2,444,421.18	577,372	535,365	1,909,056	72.74	26,245
2004	4,470.37	1,019	945	3,526	72.84	48
2009	255,890.14	46,444	43,065	212,825	74.41	2,860
2015	173,414.66	21,295	19,746	153,669	74.97	2,050
	2,878,196.35	646,130	599,121	2,279,075		31,203
RED SHALE DAM						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2103						
2003	1,879.56	495	459	1,421	62.97	23
2009	11,981.00	2,470	2,290	9,691	63.50	153
	13,860.56	2,965	2,749	11,112		176

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
HONESDALE						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2034						
1934	112.63	103	96	17	8.50	2
1944	832.18	753	698	134	8.59	16
1945	106.71	97	90	17	8.00	2
1961	1,138.10	1,006	933	205	8.50	24
1962	507.01	447	414	93	8.45	11
1963	601.80	530	491	110	8.43	13
1964	2,990.72	2,630	2,439	552	8.43	65
2014	936.09	539	500	436	8.46	52
2022	5,510.29	1,616	1,498	4,012	8.43	476
2024	50,534.00	7,651	7,095	43,439	8.41	5,165
	63,269.53	15,372	14,254	49,016		5,826
BRISTOL						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2046						
2006	30,977.51	15,284	14,172	16,805	20.02	839
2011	10,776.01	4,531	4,201	6,575	19.98	329
2015	4,312.65	1,485	1,377	2,936	19.99	147
2024	7,500.00	530	491	7,009	19.73	355
	53,566.17	21,830	20,242	33,324		1,670
MT. JEWETT						
INTERIM SURVIVOR CURVE.. IOWA 120-R2						
PROBABLE RETIREMENT YEAR.. 6-2070						
1990	613,485.75	287,479	266,563	346,923	40.26	8,617
	613,485.75	287,479	266,563	346,923		8,617
	47,725,712.85	16,627,829	15,642,053	32,083,661		921,084
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					34.8	1.93

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SCHUYLKILL RIVER INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2041						
1961	277,573.34	230,941	238,452	39,121	13.02	3,005
1962	31,099.01	25,672	26,507	4,592	13.42	342
1963	9,181.15	7,574	7,820	1,361	13.26	103
1973	757.10	596	615	142	14.17	10
1981	92,703.36	69,713	71,980	20,723	14.67	1,413
1982	30,041.90	22,477	23,208	6,834	14.64	467
1994	7,278.64	4,929	5,089	2,189	15.01	146
1995	1,504.53	1,010	1,043	462	14.95	31
1996	79,821.67	52,746	54,461	25,360	15.14	1,675
1997	28,091.93	18,333	18,929	9,163	15.17	604
1998	35,559.37	22,978	23,725	11,834	15.06	786
1999	83,449.10	53,074	54,800	28,649	15.17	1,889
2000	16,176.05	10,147	10,477	5,699	15.15	376
2002	107,380.49	65,352	67,477	39,903	15.11	2,641
2003	21,167.14	12,620	13,030	8,137	15.24	534
2004	29,576.45	17,296	17,859	11,718	15.26	768
2005	7,785.71	4,469	4,614	3,171	15.21	208
2006	3,238.19	1,819	1,878	1,360	15.22	89
2007	1,845.72	1,011	1,044	802	15.28	52
2009	6,127.75	3,185	3,289	2,839	15.24	186
2010	6,714,910.22	3,382,972	3,492,998	3,221,913	15.27	210,996
2011	212,447.48	103,504	106,870	105,577	15.26	6,919
2015	5,259.06	2,137	2,207	3,053	15.34	199
2016	14,944.67	5,707	5,893	9,052	15.38	589
2017	30,207.91	10,760	11,110	19,098	15.37	1,243
2024	731,896.69	65,139	67,258	664,639	15.36	43,271
	8,580,024.63	4,196,161	4,332,634	4,247,390		278,542
SCHUYLKILL RIVER TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1961	2,864.30	2,864	2,864			
1962	8,853.48	8,853	8,853			
1963	637.58	638	638			
1964	105.07	105	105			
1967	289.62	290	290			
1968	524.57	525	525			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SCHUYLKILL RIVER TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2024						
1989	100,303.37	100,303	100,303			
2003	126,825.27	126,825	126,825			
2005	7,354.19	7,354	7,354			
	247,757.45	247,757	247,757			
PICKERING EAST INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2064						
1989	623,634.28	332,335	343,583	280,051	31.99	8,754
1990	922,319.02	484,586	500,987	421,332	32.07	13,138
1991	16,040.68	8,245	8,524	7,517	32.62	230
1992	220.50	112	116	105	32.73	3
1998	134,429.06	60,251	62,290	72,139	33.85	2,131
1999	134,564.48	58,832	60,823	73,741	34.11	2,162
2000	15,867.04	6,756	6,985	8,882	34.38	258
2001	18,374.64	7,607	7,864	10,510	34.67	303
2002	11,276.39	4,558	4,712	6,564	34.64	189
2003	10,500.65	4,111	4,250	6,251	34.97	179
2004	148,507.59	56,522	58,435	90,073	34.99	2,574
2006	37,515.92	13,386	13,839	23,677	35.15	674
2008	178,677.55	58,785	60,775	117,903	35.69	3,304
2009	90,883.16	28,792	29,766	61,117	35.58	1,718
2010	348,555.38	105,333	108,898	239,657	35.78	6,698
2011	310,851.13	89,245	92,266	218,586	36.01	6,070
2012	3,130.45	854	883	2,248	36.00	62
2017	23,858.56	4,502	4,654	19,204	36.55	525
2020	38,297.10	4,994	5,163	33,134	36.69	903
2024	285,948.93	11,209	11,588	274,361	36.81	7,453
	3,353,452.51	1,341,015	1,386,402	1,967,051		57,328
PICKERING EAST INTAKE TRAVELING SCREEN						
FULLY ACCRUED						
1989	90,471.19	90,471	90,471			
	90,471.19	90,471	90,471			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2044						
1969	274,071.70	213,694	221,067	53,005	15.96	3,321
1971	554,483.94	426,065	440,765	113,719	16.43	6,921
1972	226,165.15	173,016	178,985	47,180	16.43	2,872
1974	828.62	627	649	180	16.53	11
1979	7,009.16	5,150	5,328	1,681	16.79	100
1983	2,232.66	1,585	1,640	593	17.38	34
1984	386,608.60	272,752	282,163	104,446	17.32	6,030
1985	1,121.85	786	813	309	17.31	18
1993	32,224.59	20,843	21,562	10,662	17.75	601
1997	28,539.94	17,569	18,175	10,365	17.80	582
1998	16,614.49	10,052	10,399	6,216	17.95	346
1999	4,710.60	2,808	2,905	1,806	17.95	101
2000	9,065.21	5,317	5,500	3,565	17.98	198
2001	329.05	190	197	132	17.87	7
2002	49,306.05	27,927	28,891	20,416	17.99	1,135
	1,593,311.61	1,178,381	1,219,038	374,274		22,277
CHESTER CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2036						
1996	205,482.32	152,139	157,388	48,094	10.34	4,651
1997	3,083.69	2,267	2,345	738	10.26	72
1998	17,083.55	12,403	12,831	4,253	10.38	410
2001	689.00	485	502	187	10.34	18
2004	36,336.77	24,531	25,377	10,959	10.35	1,059
2008	13,110.53	8,214	8,497	4,613	10.43	442
2015	240,594.90	120,755	124,921	115,674	10.42	11,101
2016	15,554.59	7,404	7,659	7,895	10.46	755
2024	49,586.36	6,228	6,443	43,143	10.45	4,129
	581,521.71	334,426	345,964	235,558		22,637
RIDLEY CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
1942	1,214.71	1,177	1,215			
1957	15,740.91	15,203	15,728	13	2.43	5

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
RIDLEY CREEK TRAVELING SCREEN						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2028						
1997	3,210.13	2,955	3,057	153	2.46	62
2001	10,105.13	9,160	9,476	629	2.53	249
2002	1,656.00	1,498	1,550	106	2.47	43
2003	124,745.83	112,271	116,146	8,600	2.50	3,440
2005	1,859.34	1,658	1,715	144	2.49	58
2011	36,347.55	30,990	32,059	4,288	2.51	1,708
2012	53,948.41	45,522	47,093	6,855	2.50	2,742
2013	12,574.50	10,485	10,847	1,728	2.49	694
2014	18,529.58	15,215	15,740	2,789	2.51	1,111
2015	30,521.19	24,643	25,493	5,028	2.50	2,011
2016	5,978.89	4,732	4,895	1,084	2.50	434
2017	15,603.90	12,056	12,472	3,132	2.50	1,253
2019	3,177.69	2,295	2,374	803	2.50	321
2024	31,248.22	11,724	12,129	19,120	2.50	7,648
	366,461.98	301,584	311,989	54,473		21,779
BRISTOL WATER TREATMENT INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2060						
1964	96,762.00	70,810	73,253	23,509	22.54	1,043
2017	1,927.10	395	409	1,518	33.00	46
2021	979,969.84	116,812	120,842	859,127	33.24	25,846
2024	100,551.27	4,344	4,494	96,057	33.22	2,892
	1,179,210.21	192,361	198,998	980,212		29,827
INGRAM'S MILL INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2050						
1972	12,595.35	9,096	9,410	3,186	20.58	155
2005	731.03	340	352	379	23.55	16
2007	12,029.71	5,274	5,456	6,574	23.70	277
2008	3,737.81	1,589	1,644	2,094	23.65	89
2010	82,356.89	32,547	33,670	48,687	23.72	2,053
2011	670,101.24	253,566	262,315	407,786	23.82	17,119
2012	128,278.77	46,411	48,012	80,266	23.81	3,371
2013	148,067.92	50,906	52,662	95,406	23.86	3,999

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INGRAM'S MILL INTAKE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2050						
2014	4,199.29	1,362	1,409	2,790	23.96	116
2015	1,430.11	435	450	980	23.98	41
2016	2,022,646.46	574,432	594,252	1,428,395	23.95	59,641
2024	287,689.41	16,916	17,500	270,190	24.01	11,253
	3,373,863.99	992,874	1,027,131	2,346,733		98,130
NEW BEAR GAP INTAKE CHAMBERS						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2070						
1995	151,958.34	68,594	70,961	80,997	37.07	2,185
1996	26,681.44	11,807	12,214	14,467	37.17	389
1999	10,782.64	4,430	4,583	6,200	38.01	163
2012	41,477.77	10,361	10,719	30,759	40.55	759
2025	25,000.00	298	308	24,692	41.52	595
	255,900.19	95,490	98,785	157,115		4,091
NEW SHENANGO VALLEY RAW WATER INTAKE AND PUMPING STRUCTURE						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2075						
2000	1,100,180.00	420,819	435,338	664,842	41.17	16,149
2002	2,893.65	1,047	1,083	1,811	41.44	44
2017	12,120.41	1,927	1,993	10,127	44.97	225
2023	37.38	2	2	35	45.81	1
2024	103,960.51	3,306	3,420	100,540	45.67	2,201
	1,219,191.95	427,101	441,837	777,355		18,620
NEW SHENANGO VALLEY TRAVELLING SCREEN AND COMPRESSOR						
SURVIVOR CURVE.. 20-SQUARE						
2000	254,915.32	254,915	254,915			
	254,915.32	254,915	254,915			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
EMBREEVILLE HOSPITAL - SLUDGE LAGOON						
INTERIM SURVIVOR CURVE.. SQUARE						
PROBABLE RETIREMENT YEAR.. 6-2053						
2003	17,592.00	17,592	17,592			
2004	28.52	29	29			
	17,620.52	17,621	17,621			
EMLENTON						
INTERIM SURVIVOR CURVE.. IOWA 80-R3						
PROBABLE RETIREMENT YEAR.. 6-2041						
1909	3,358.00	3,247	3,358			
1960	332.48	277	290	43	13.24	3
1961	69.98	58	61	9	13.02	1
2013	72,789.87	32,668	34,150	38,639	15.35	2,517
2021	3,657,079.77	827,963	865,535	2,791,544	15.38	181,505
2022	19,235.61	3,568	3,730	15,506	15.37	1,009
	3,752,865.71	867,781	907,124	2,845,742		185,035
	24,866,568.97	10,537,938	10,880,666	13,985,903		738,266
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					18.9	2.97

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
1972	916.41	775	746	170	9.79	17
1973	39,657.08	33,312	32,073	7,584	10.00	758
1974	90,149.37	75,212	72,414	17,735	10.23	1,734
1975	11,255.29	9,265	8,920	2,335	10.85	215
1976	1,062.98	868	836	227	11.10	20
1977	2,655.57	2,151	2,071	585	11.38	51
1978	406,522.84	324,405	312,338	94,185	12.02	7,836
1979	99,799.55	78,892	75,957	23,843	12.32	1,935
1980	136,819.45	106,446	102,486	34,333	12.98	2,645
1981	145,876.06	112,295	108,118	37,758	13.31	2,837
1982	28,656.00	21,813	21,002	7,654	13.65	561
1983	16,198.05	12,116	11,665	4,533	14.32	317
1984	472,516.10	349,048	336,064	136,452	14.68	9,295
1985	150,648.15	109,220	105,157	45,491	15.36	2,962
1986	258,385.93	184,746	177,874	80,512	15.75	5,112
1987	238,828.88	167,347	161,122	77,707	16.45	4,724
1988	389,164.32	268,523	258,535	130,629	16.85	7,752
1989	295,595.80	199,586	192,162	103,434	17.56	5,890
1990	350,394.69	232,592	223,940	126,455	17.98	7,033
1991	336,460.07	218,228	210,110	126,350	18.69	6,760
1992	189,351.04	120,522	116,039	73,312	19.13	3,832
1993	112,968.17	70,131	67,522	45,446	19.85	2,289
1994	160,879.53	97,815	94,177	66,703	20.31	3,284
1995	557,236.86	329,717	317,452	239,785	21.05	11,391
1996	93,825.66	54,250	52,232	41,594	21.52	1,933
1997	341,148.70	191,521	184,397	156,752	22.26	7,042
1998	539,356.32	295,136	284,158	255,198	22.75	11,217
1999	1,365,176.46	723,544	696,630	668,546	23.50	28,449
2000	1,582,554.15	815,174	784,852	797,702	24.00	33,238
2001	113,693.44	56,551	54,447	59,246	24.76	2,393
2002	6,568,312.19	3,164,613	3,046,897	3,521,415	25.28	139,296
2003	637,959.49	295,694	284,695	353,264	26.04	13,566
2004	1,379,701.06	617,002	594,051	785,650	26.58	29,558
2005	1,089,274.36	466,645	449,287	639,987	27.35	23,400
2006	1,810,488.40	744,835	717,129	1,093,359	27.90	39,188
2007	2,295,294.06	900,214	866,728	1,428,566	28.67	49,828
2008	4,895,019.55	1,833,185	1,764,995	3,130,025	29.23	107,083
2009	3,061,770.41	1,086,316	1,045,908	2,015,862	30.01	67,173
2010	4,618,586.76	1,553,693	1,495,900	3,122,687	30.58	102,115
2011	2,551,895.02	810,482	780,334	1,771,561	31.16	56,854
2012	5,048,426.05	1,499,383	1,443,610	3,604,816	31.95	112,827
2013	1,419,342.22	393,867	379,216	1,040,126	32.55	31,955

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
2014	818,798.30	210,922	203,076	615,722	33.14	18,579
2015	1,675,212.05	397,528	382,741	1,292,471	33.75	38,295
2016	2,028,049.58	437,247	420,983	1,607,067	34.56	46,501
2017	1,208,259.39	235,127	226,381	981,878	35.17	27,918
2018	2,506,760.63	436,176	419,951	2,086,810	35.60	58,618
2019	2,992,055.63	455,092	438,164	2,553,892	36.24	70,472
2020	1,326,027.24	172,118	165,716	1,160,311	36.87	31,470
2021	840,384.14	90,425	87,061	753,323	37.34	20,175
2022	5,345,437.39	454,362	437,461	4,907,976	37.65	130,358
2023	3,860,880.03	238,602	229,727	3,631,153	37.98	95,607
2024	12,997,760.87	495,215	476,794	12,520,967	37.87	330,630
2025	1,883,314.46	25,236	24,297	1,859,017	36.68	50,682
	81,386,762.20	22,275,180	21,446,598	59,940,164		1,865,670

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.1 2.29

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CRUM CREEK						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2035						
2010	185,043.56	117,873	117,281	67,762	8.83	7,674
2011	26,867.28	16,674	16,590	10,277	8.86	1,160
2014	6,259.76	3,527	3,509	2,750	8.91	309
2015	983,796.50	530,955	528,290	455,507	8.96	50,838
2016	3,305.17	1,702	1,693	1,612	8.95	180
2018	2,561.32	1,166	1,160	1,401	8.98	156
2019	45,740.49	19,206	19,110	26,631	8.98	2,966
2020	22,267.17	8,462	8,420	13,848	8.97	1,544
2022	3,598,539.42	1,012,629	1,007,546	2,590,993	8.94	289,820
	4,874,380.67	1,712,194	1,703,600	3,170,781		354,647
GREAT VALLEY						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2031						
1986	23,220.03	20,729	20,625	2,595	4.75	546
2008	240,347.39	184,635	183,708	56,639	5.28	10,727
2024	107,095.40	23,582	23,464	83,632	5.31	15,750
	370,662.82	228,946	227,797	142,866		27,023
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2007	14,006.29	10,132	10,081	3,925	7.07	555
2009	946,692.67	662,306	658,982	287,711	7.08	40,637
2011	7,418,110.46	4,969,392	4,944,449	2,473,661	7.15	345,967
2012	4,454.98	2,911	2,896	1,559	7.16	218
2013	14,266.12	9,076	9,030	5,236	7.15	732
2014	14,703.26	9,063	9,018	5,686	7.16	794
2015	148,297.38	88,133	87,691	60,607	7.17	8,453
2016	2,053.02	1,168	1,162	891	7.20	124
2017	12,647.80	6,848	6,814	5,834	7.20	810
2018	16,399.71	8,364	8,322	8,078	7.21	1,120

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2019	339,694.13	161,185	160,376	179,318	7.20	24,905
2020	13,355.79	5,788	5,759	7,597	7.19	1,057
2021	26,296.07	10,119	10,068	16,228	7.20	2,254
	8,970,977.68	5,944,485	5,914,648	3,056,330		427,626
POCOPSON						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2032						
1987	19,315.33	16,882	16,797	2,518	5.55	454
	19,315.33	16,882	16,797	2,518		454
SPROUL ROAD						
FULLY ACCRUED						
2007	3,500.06	3,500	3,500			
	3,500.06	3,500	3,500			
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	977,654.44	488,338	485,886	491,768	18.54	26,525
2008	46,975.93	22,605	22,492	24,484	18.87	1,298
2013	1,404.09	542	539	865	19.86	44
2014	9,937.89	3,634	3,616	6,322	19.95	317
2017	44,225.06	13,046	12,981	31,245	20.32	1,538
2019	5,899.66	1,423	1,416	4,484	20.45	219
2020	290,059.94	61,580	61,271	228,789	20.41	11,210
2021	5,482.69	992	987	4,496	20.38	221
2025	313,470.00	8,589	8,546	304,924	17.78	17,150
	1,695,109.70	600,749	597,733	1,097,377		58,522

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MEDIA						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2008	1,116.71	795	791	326	7.07	46
2024	8,924.62	1,556	1,548	7,377	7.11	1,038
	10,041.33	2,351	2,339	7,702		1,084
CROYDON						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2018						
2007	12,072.91	12,073	12,073			
2022	3,765.07	3,765	3,765			
2024	4,462.31	4,462	4,462			
	20,300.29	20,300	20,300			
BRISTOL TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2040						
1975	20,015.37	17,485	17,397	2,618	7.31	358
1991	800.00	613	610	190	10.55	18
2007	12,072.92	7,192	7,156	4,917	12.56	391
2017	83,238.05	32,829	32,664	50,574	13.05	3,875
2018	355,289.64	129,752	129,099	226,190	13.03	17,359
2021	14,576.92	3,746	3,727	10,850	13.01	834
2022	838.58	178	177	661	12.98	51
2025	696,600.00	27,864	27,724	668,876	11.99	55,786
	1,183,431.48	219,659	218,554	964,877		78,672
NUI TRAILER MOUNTED GENERATORS						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2003	31,885.14	24,322	24,200	7,686	7.00	1,098
2004	5,284.34	3,988	3,968	1,316	6.99	188
2006	54,126.72	39,794	39,594	14,533	7.02	2,070
	91,296.20	68,104	67,761	23,535		3,356

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FIELD CREST						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2033						
2005	74,845.96	55,700	55,420	19,426	7.05	2,755
2006	219.06	161	160	59	7.02	8
	75,065.02	55,861	55,580	19,485		2,763
BRYN MAWR						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2051						
2006	407,478.01	212,133	211,066	196,412	17.96	10,936
2008	32,145.44	15,639	15,560	16,585	18.47	898
2009	52,906.28	24,792	24,667	28,239	18.71	1,509
2011	157,521.24	68,065	67,723	89,799	19.06	4,711
2013	3,918.24	1,533	1,525	2,393	19.45	123
2014	20,731.51	7,677	7,638	13,093	19.56	669
2019	382,841.48	94,064	93,591	289,251	19.96	14,492
2024	123,159.70	9,015	8,970	114,190	18.99	6,013
	1,180,701.90	432,918	430,740	749,962		39,351
BEAR GAP						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	148,617.66	74,235	73,862	74,756	18.54	4,032
2008	5,853.67	2,817	2,803	3,051	18.87	162
2013	813.60	314	312	501	19.86	25
2015	1,724.93	592	589	1,136	20.08	57
2016	36,513.42	11,655	11,596	24,917	20.26	1,230
2017	1,509.41	445	443	1,067	20.32	53
2024	8,032.15	576	573	7,459	19.42	384
	203,064.84	90,634	90,178	112,887		5,943

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CHESTER VALLEY						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2052						
2007	55,514.18	27,729	27,589	27,925	18.54	1,506
2008	20,558.00	9,893	9,843	10,715	18.87	568
2024	3,569.85	256	255	3,315	19.42	171
	79,642.03	37,878	37,687	41,955		2,245
CHALFONT						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	167,502.86	91,457	90,996	76,507	14.55	5,258
2024	7,139.69	663	660	6,480	14.66	442
	174,642.55	92,120	91,656	82,987		5,700
SIDLEY HILL						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	115,232.44	62,917	62,600	52,632	14.55	3,617
2025	58,050.00	2,038	2,028	56,022	13.75	4,074
	173,282.44	64,955	64,628	108,654		7,691
BELL TAVERN						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2043						
2008	122,469.87	66,869	66,533	55,937	14.55	3,844
2024	5,354.77	497	494	4,860	14.66	332
	127,824.64	67,366	67,027	60,798		4,176
VARIOUS GENERATORS						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1990	26,391.09	19,862	19,762	6,629	11.67	568
1992	27,918.56	20,481	20,378	7,541	12.16	620

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
VARIOUS GENERATORS						
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2044						
1996	14,947.86	10,362	10,310	4,638	13.06	355
2000	93,079.73	60,288	59,985	33,095	13.87	2,386
2003	2,531.42	1,544	1,536	995	14.40	69
2009	52,649.47	27,367	27,229	25,420	15.24	1,668
2010	429,429.92	215,660	214,575	214,855	15.36	13,988
2011	537,522.79	260,322	259,012	278,511	15.44	18,038
2012	123,553.33	57,378	57,089	66,464	15.57	4,269
2013	301,938.62	134,000	133,326	168,613	15.67	10,760
2014	194,724.30	82,174	81,761	112,964	15.75	7,172
2015	1,050,197.41	419,029	416,921	633,277	15.82	40,030
2016	399,768.66	149,993	149,238	250,530	15.82	15,836
2017	464,066.85	161,727	160,913	303,154	15.89	19,078
2018	1,549,241.49	496,067	493,571	1,055,670	15.92	66,311
2019	4,962,093.04	1,438,511	1,431,273	3,530,820	15.92	221,785
2020	1,904,334.08	489,033	486,572	1,417,762	15.91	89,111
2021	635,738.52	140,498	139,791	495,947	15.87	31,251
2022	468,931.73	85,158	84,730	384,202	15.77	24,363
2023	109,713.09	15,140	15,064	94,649	15.62	6,059
2024	552,878.01	49,427	49,178	503,700	15.28	32,965
2025	92,880.00	3,139	3,123	89,757	14.29	6,281
	13,994,529.97	4,337,160	4,315,338	9,679,192		612,963
INGRAM'S MILL SOLAR						
INTERIM SURVIVOR CURVE.. SQUARE						
PROBABLE RETIREMENT YEAR.. 6-2035						
2010	6,510,805.00	4,036,699	4,016,388	2,494,417	9.50	262,570
2011	13,029.87	7,872	7,832	5,197	9.50	547
2017	10,182.04	4,808	4,784	5,398	9.50	568
2024	71,396.93	9,736	9,687	61,710	9.50	6,496
	6,605,413.84	4,059,115	4,038,691	2,566,723		270,181
	39,853,182.79	18,055,177	17,964,554	21,888,629		1,902,397
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					11.5	4.77

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1953	1,088.61	1,089	1,089			
1956	729.69	730	730			
1963	566.64	552	567			
1967	294.26	282	291	3	2.48	1
1970	7,945.96	7,541	7,788	158	2.98	53
1971	1,865.65	1,769	1,827	39	2.97	13
1980	7,726.60	6,996	7,225	502	4.75	106
1985	6,697.08	5,832	6,023	674	6.01	112
1986	237,992.89	204,936	211,636	26,357	6.37	4,138
1987	2,845,924.26	2,432,411	2,511,931	333,993	6.55	50,991
1988	1,050,655.65	886,543	915,526	135,130	6.94	19,471
1989	1,145,787.14	957,649	988,956	156,831	7.17	21,873
1990	1,029,024.94	847,505	875,212	153,813	7.60	20,239
1991	7,820,304.30	6,367,292	6,575,451	1,244,853	7.87	158,177
1992	834,675.92	671,079	693,018	141,658	8.17	17,339
1993	2,901,579.50	2,291,667	2,366,586	534,994	8.65	61,849
1994	938,345.27	730,033	753,899	184,446	8.99	20,517
1995	3,028,742.05	2,318,805	2,394,611	634,131	9.34	67,894
1996	1,296,979.88	971,827	1,003,598	293,382	9.87	29,725
1997	2,266,993.51	1,666,920	1,721,415	545,579	10.26	53,175
1998	1,612,138.05	1,161,545	1,199,518	412,620	10.67	38,671
1999	2,258,787.25	1,586,120	1,637,973	620,814	11.24	55,233
2000	4,318,619.80	2,962,573	3,059,425	1,259,195	11.67	107,900
2001	2,005,821.40	1,336,679	1,380,378	625,443	12.26	51,015
2002	985,984.62	637,143	657,972	328,013	12.87	25,487
2003	583,838.77	366,534	378,517	205,322	13.34	15,391
2004	1,516,060.37	919,187	949,237	566,823	13.96	40,603
2005	2,420,654.88	1,414,147	1,460,378	960,277	14.59	65,817
2006	3,082,598.47	1,725,022	1,781,416	1,301,182	15.34	84,823
2007	6,737,109.89	3,614,459	3,732,623	3,004,487	15.98	188,015
2008	2,030,901.06	1,037,790	1,071,717	959,184	16.75	57,265
2009	2,590,714.29	1,256,756	1,297,842	1,292,872	17.51	73,836
2010	2,481,727.30	1,138,616	1,175,840	1,305,887	18.28	71,438
2011	5,140,051.90	2,221,016	2,293,626	2,846,426	19.06	149,340
2012	4,858,901.06	1,967,855	2,032,188	2,826,713	19.83	142,547
2013	3,561,610.65	1,339,878	1,383,681	2,177,930	20.72	105,112
2014	2,069,487.02	718,733	742,230	1,327,257	21.61	61,419
2015	5,074,372.65	1,614,665	1,667,452	3,406,921	22.50	151,419
2016	2,131,279.07	615,513	635,635	1,495,644	23.39	63,944
2017	4,170,126.33	1,080,897	1,116,234	3,053,892	24.29	125,726
2018	3,614,622.37	829,556	856,676	2,757,946	25.18	109,529
2019	2,991,443.18	594,998	614,450	2,376,993	26.18	90,794

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
2020	4,073,280.38	685,533	707,944	3,365,336	27.18	123,817
2021	5,650,746.75	778,108	803,546	4,847,201	28.18	172,009
2022	3,551,889.36	381,473	393,944	3,157,945	29.07	108,632
2023	2,711,494.01	208,243	215,051	2,496,443	30.07	83,021
2024	4,974,604.38	228,832	236,313	4,738,291	31.07	152,504
2025	2,598,202.81	40,012	41,320	2,556,883	32.07	79,728
	115,220,987.87	52,833,341	54,560,505	60,660,483		3,120,708
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					19.4	2.71

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2049						
1909	38,577.61	34,604	35,836	2,741	13.38	205
1922	3,231.56	2,810	2,910	321	15.55	21
1924	9,761.52	8,422	8,722	1,040	16.14	64
1926	1,973.26	1,689	1,749	224	16.78	13
1931	16,096.14	13,690	14,178	1,919	16.61	116
1932	7,277.30	6,124	6,342	935	17.61	53
1935	770.64	649	672	99	17.03	6
1939	196.93	164	170	27	17.67	2
1943	83.02	68	70	13	17.50	1
1948	385,839.49	310,987	322,062	63,778	18.65	3,420
1949	2,350.90	1,888	1,955	396	18.74	21
1950	237.41	190	197	41	18.84	2
1952	8.97	7	7	2	18.24	
1953	138.45	110	114	25	18.41	1
1956	582.09	457	473	109	18.99	6
1961	30,281.05	23,438	24,273	6,008	18.83	319
1962	99,760.49	76,656	79,386	20,375	19.14	1,065
1963	269.28	205	212	57	19.47	3
1965	1,445.14	1,093	1,132	313	19.50	16
1967	8,697.93	6,513	6,745	1,953	19.62	100
1969	32.52	24	25	8	19.83	
1970	565.89	418	433	133	19.68	7
1971	796.60	586	607	190	19.57	10
1972	386,740.33	283,481	293,576	93,164	19.49	4,780
1973	5,480.86	3,971	4,112	1,368	19.96	69
1974	8,276.25	5,967	6,179	2,097	19.93	105
1975	2,105.36	1,510	1,564	542	19.92	27
1976	1,350.73	963	997	353	19.94	18
1977	2,987.50	2,115	2,190	797	19.99	40
1978	32,837.11	23,084	23,906	8,931	20.07	445
1979	1,975.03	1,378	1,427	548	20.17	27
1981	6,067.40	4,185	4,334	1,733	20.01	87
1982	7,938.64	5,422	5,615	2,324	20.19	115
1984	360.08	242	251	109	20.23	5
1985	12,372.58	8,267	8,561	3,811	20.11	190
1986	18,069.12	11,918	12,342	5,727	20.38	281
1987	6,392.68	4,184	4,333	2,060	20.32	101
1988	29,931.57	19,420	20,112	9,820	20.30	484
1990	26,462.49	16,814	17,413	9,050	20.37	444
1991	69,454.46	43,610	45,163	24,291	20.45	1,188

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
NESHAMINY						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2049						
1992	89.26	55	57	32	20.55	2
1993	22,171.54	13,547	14,029	8,142	20.69	394
1994	97,558.08	59,003	61,104	36,454	20.58	1,771
1995	105,217.73	62,899	65,139	40,079	20.52	1,953
1996	44,080.64	25,875	26,796	17,284	20.75	833
1997	15,807.02	9,146	9,472	6,335	20.76	305
1999	12,849.80	7,186	7,442	5,408	20.89	259
2001	133,399.30	71,902	74,463	58,937	20.95	2,813
2003	102,379.86	52,982	54,869	47,511	20.98	2,265
2004	6,868,205.88	3,484,928	3,609,031	3,259,175	20.87	156,166
2005	828,011.32	409,038	423,604	404,407	21.00	19,257
2006	31,353.81	15,100	15,638	15,716	20.99	749
2008	48,121.49	21,809	22,586	25,536	21.11	1,210
2010	3,050,684.55	1,291,050	1,337,026	1,713,658	21.13	81,101
2012	19,565,825.66	7,607,193	7,878,096	11,687,729	21.22	550,788
2013	2,968,163.39	1,098,220	1,137,329	1,830,834	21.28	86,035
2019	11,948.91	2,781	2,880	9,069	21.43	423
2025	644,264.90	14,689	15,212	629,053	21.38	29,422
	35,777,909.52	15,174,726	15,715,120	20,062,789		949,603
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2035						
2001	107,333.73	78,096	80,877	26,457	9.17	2,885
2002	1,469,395.50	1,056,642	1,094,271	375,125	9.18	40,863
2003	159,733.56	113,571	117,615	42,118	9.15	4,603
2004	233.40	164	170	64	9.17	7
2005	13,215.86	9,130	9,455	3,761	9.18	410
2006	429,861.45	292,564	302,983	126,879	9.15	13,867
2007	21,995.80	14,689	15,212	6,784	9.20	737
2008	53,632.42	35,102	36,352	17,280	9.24	1,870
2009	1,638.46	1,052	1,089	549	9.21	60
2010	144,742.55	90,869	94,105	50,638	9.19	5,510
2011	3,865,616.14	2,359,572	2,443,600	1,422,016	9.25	153,731

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PICKERING						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2035						
2012	81,187.20	48,225	49,942	31,245	9.23	3,385
2018	0.01		0			
2019	335,216.71	138,143	143,062	192,154	9.27	20,729
	6,683,802.79	4,237,819	4,388,734	2,295,069		248,657
CRUM CREEK						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2043						
1958	2,338.97	1,910	1,978	361	15.14	24
1995	17,935.46	11,762	12,181	5,755	16.01	359
1996	811,007.05	526,344	545,088	265,919	15.95	16,672
1997	1,389,310.97	886,936	918,521	470,790	16.14	29,169
1999	6,100.65	3,799	3,934	2,166	16.05	135
2000	20,796.88	12,728	13,181	7,616	16.17	471
2001	174,671.38	105,274	109,023	65,648	16.15	4,065
2002	53,943.81	31,946	33,084	20,860	16.18	1,289
2003	160,945.12	93,429	96,756	64,189	16.26	3,948
2006	11,960,270.22	6,530,308	6,762,862	5,197,409	16.21	320,630
2007	612,233.49	326,198	337,814	274,419	16.22	16,919
2008	189,721.05	98,276	101,776	87,945	16.28	5,402
2009	18,477.24	9,298	9,629	8,848	16.29	543
2010	26,725.75	13,007	13,470	13,256	16.35	811
2012	2,873.19	1,299	1,345	1,528	16.35	93
2018	4,974.79	1,556	1,611	3,363	16.48	204
2019	48,233.46	13,640	14,126	34,108	16.49	2,068
2025	712,082.25	20,935	21,681	690,402	16.53	41,767
	16,212,641.73	8,688,645	8,998,060	7,214,582		444,569
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2053						
1972	439,179.91	310,149	321,194	117,986	22.26	5,300
1973	9,902.82	6,967	7,215	2,688	22.13	121
1974	283.95	197	204	80	22.58	4
1975	1,591.82	1,101	1,140	452	22.50	20
1976	785.47	540	559	226	22.45	10

AQUA PENNSYLVANIA, INC.
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ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
UPPER MERION						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2053						
1979	413.19	279	289	124	22.47	6
1983	811,642.93	527,730	546,523	265,120	22.86	11,598
1984	13,830.43	8,896	9,213	4,618	23.02	201
1985	1,353.12	866	897	456	22.79	20
1991	10,456.01	6,240	6,462	3,994	23.31	171
1992	72.45	43	45	28	23.32	1
1993	3,676,556.97	2,139,021	2,215,194	1,461,363	23.36	62,558
1994	5,449.47	3,124	3,235	2,214	23.45	94
2007	17,282.67	7,515	7,783	9,500	24.05	395
2008	196,628.28	82,938	85,892	110,737	23.99	4,616
2009	816,364.83	332,750	344,600	471,765	23.98	19,673
2010	31,836.76	12,486	12,931	18,906	24.02	787
2019	49,286.40	10,380	10,750	38,537	24.36	1,582
2020	3,801,583.06	698,351	723,220	3,078,363	24.44	125,956
2025	406,904.14	8,179	8,470	398,434	24.38	16,343
	10,291,404.68	4,157,752	4,305,815	5,985,590		249,456
PICKERING EAST						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2066						
1990	798,998.22	431,139	446,492	352,506	30.29	11,638
1991	4,600,990.63	2,444,506	2,531,558	2,069,432	30.44	67,984
1992	9,423.18	4,925	5,100	4,323	30.60	141
1994	5,320.33	2,681	2,776	2,544	31.00	82
2001	2,348.63	1,030	1,067	1,282	31.36	41
2003	43,538.97	18,121	18,766	24,773	31.56	785
2004	17,846.13	7,213	7,470	10,376	31.69	327
2007	2,035.02	745	772	1,263	32.01	39
2008	250,743.52	88,638	91,795	158,949	32.00	4,967
2009	130,943.67	44,508	46,093	84,851	32.04	2,648
2010	743,896.24	242,138	250,761	493,135	32.12	15,353
2012	1,943.67	575	595	1,348	32.16	42
2018	80,024.04	15,005	15,539	64,485	32.50	1,984
2019	7,233.92	1,204	1,247	5,987	32.56	184
2025	271,269.43	4,123	4,270	267,000	32.39	8,243
	6,966,555.60	3,306,551	3,424,302	3,542,254		114,458

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
MEDIA FILTRATION PLANT						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2038						
1916	0.57	1	1			
1957	32,967.89	28,227	29,232	3,736	11.50	325
1982	80,542.00	63,419	65,677	14,865	11.75	1,265
1986	0.14		0			
1987	0.21		0			
1988	2,780,999.00	2,116,896	2,192,282	588,717	11.76	50,061
1989	749,306.00	566,176	586,338	162,968	11.81	13,799
1992	28,000.00	20,731	21,469	6,531	11.75	556
1995	40,188.48	28,928	29,958	10,230	11.87	862
1997	131,839.49	93,184	96,502	35,337	11.82	2,990
2025	339,086.79	13,428	13,906	325,181	12.11	26,852
	4,182,930.57	2,930,990	3,035,367	1,147,564		96,710
BRISTOL TREATMENT PLANT						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2060						
1973	75,799.09	50,543	52,343	23,456	26.24	894
1977	109,276.90	71,019	73,548	35,729	26.13	1,367
1992	20,000.00	10,988	11,379	8,621	27.48	314
1993	548,159.00	295,732	306,263	241,896	27.74	8,720
1996	2,500.00	1,283	1,329	1,171	27.97	42
1998	7,046,445.86	3,487,991	3,612,204	3,434,242	28.06	122,389
1999	3,133,628.95	1,519,810	1,573,933	1,559,696	28.14	55,426
2000	511,575.28	243,919	252,605	258,970	27.98	9,256
2001	5,808.52	2,704	2,800	3,008	28.13	107
2005	14,176.09	5,928	6,139	8,037	28.52	282
2007	15,325.76	6,038	6,253	9,073	28.45	319
2008	32,543.54	12,360	12,800	19,743	28.58	691
2009	10,667.52	3,908	4,047	6,620	28.55	232
2010	85,800.59	30,056	31,126	54,674	28.75	1,902
2024	649,725.23	31,837	32,971	616,754	29.08	21,209
	12,261,432.33	5,774,116	5,979,741	6,281,691		223,150

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
WELLS AND BOOSTERS						
SURVIVOR CURVE.. IOWA 50-R3						
1965	32.11	29	30	2	5.72	
1966	137.73	125	129	8	6.29	1
1967	1,507.83	1,358	1,406	101	6.44	16
1968	8,832.26	7,923	8,205	627	6.60	95
1969	1,025.12	915	948	78	6.79	11
1970	2,217.24	1,956	2,026	192	7.40	26
1971	335.95	295	306	30	7.61	4
1972	481.59	420	435	47	7.85	6
1975	1,812.87	1,538	1,593	220	9.02	24
1985	2,623.13	1,944	2,013	610	14.14	43
1987	190,171.66	136,182	141,032	49,140	15.26	3,220
1988	21,875.97	15,423	15,972	5,904	15.69	376
1990	2,534.77	1,719	1,780	755	16.86	45
1991	2,551.78	1,690	1,750	802	17.58	46
1992	85.58	55	57	29	18.31	2
1993	83.13	53	55	28	18.78	1
1994	46,491.91	28,704	29,726	16,766	19.52	859
1997	34,063.69	19,416	20,107	13,956	21.50	649
2001	60,187.21	30,226	31,302	28,885	24.28	1,190
2002	27,456.83	13,292	13,765	13,691	25.04	547
2004	4,053.79	1,822	1,887	2,167	26.34	82
2005	19,773.26	8,512	8,815	10,958	27.12	404
2006	426,044.17	175,275	181,517	244,527	27.90	8,764
2007	65,229.14	25,583	26,494	38,735	28.67	1,351
2008	142,809.42	53,239	55,135	87,675	29.45	2,977
2009	1,125,242.91	397,323	411,472	713,771	30.23	23,611
2010	1,059,788.92	353,122	365,697	694,092	31.01	22,383
2011	41,087.58	12,869	13,327	27,760	31.80	873
2012	5,522,076.87	1,625,147	1,683,021	3,839,056	32.37	118,599
2013	6,409,165.50	1,754,830	1,817,322	4,591,844	33.16	138,475
2015	151,119.18	35,060	36,309	114,811	34.75	3,304
2016	41,821.37	8,820	9,134	32,687	35.55	919
2017	185,632.96	35,196	36,449	149,184	36.34	4,105
2018	145,214.13	24,396	25,265	119,949	37.14	3,230
2019	1,441.94	211	219	1,223	37.95	32
2024	1,021,001.92	35,531	36,796	984,206	41.60	23,659
	16,766,011.42	4,810,199	4,981,497	11,784,514		359,929

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SHENANGO CLARIFIER AND PIPING						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2026						
1976	707,085.58	700,015	707,086			
1999	431.06	423	431			
2010	530,034.06	513,497	530,034			
2012	1,187,368.92	1,144,505	1,187,369			
2020	43,976.46	40,318	43,976			
	2,468,896.08	2,398,758	2,468,896			
BEAR GAP TREATMENT PLANT - STRUCTURES						
INTERIM SURVIVOR CURVE.. IOWA 80-S0						
PROBABLE RETIREMENT YEAR.. 6-2045						
1995	2,768,610.12	1,756,406	1,833,126	935,484	17.58	53,213
1997	155,244.00	96,003	100,196	55,048	17.59	3,130
2006	1,267.64	660	689	579	17.96	32
2024	185,636.35	14,108	14,724	170,912	18.22	9,380
2025	1,017,260.36	27,161	28,347	988,913	18.23	54,246
	4,128,018.47	1,894,338	1,977,083	2,150,935		120,001
	115,739,603.19	53,373,894	55,274,615	60,464,988		2,806,533
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					21.5	2.42

AQUA PENNSYLVANIA, INC.
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ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
1964	31,829.63	27,991	28,327	3,503	8.43	416
1965	18,769.61	16,465	16,663	2,107	8.47	249
1966	5,635.41	4,895	4,954	681	8.99	76
1967	4,658.16	4,033	4,081	577	9.07	64
1968	63,737.58	54,974	55,635	8,103	9.17	884
1969	7,707.08	6,576	6,655	1,052	9.72	108
1970	26,873.97	22,821	23,095	3,779	9.86	383
1971	34,101.63	28,621	28,965	5,137	10.44	492
1972	1,141,357.56	952,577	964,028	177,330	10.60	16,729
1973	129,116.26	106,418	107,697	21,419	11.20	1,912
1974	26,812.18	21,954	22,218	4,594	11.40	403
1975	51,301.46	41,452	41,950	9,351	12.00	779
1976	18,463.70	14,806	14,984	3,480	12.23	285
1977	32,269.31	25,512	25,819	6,450	12.85	502
1978	38,336.29	30,048	30,409	7,927	13.10	605
1979	43,244.18	33,380	33,781	9,463	13.74	689
1980	78,867.67	59,924	60,644	18,224	14.38	1,267
1981	109,686.74	82,484	83,476	26,211	14.67	1,787
1982	131,745.46	97,426	98,597	33,148	15.32	2,164
1983	181,216.07	132,469	134,061	47,155	15.64	3,015
1984	143,835.10	103,274	104,515	39,320	16.30	2,412
1985	539,845.86	382,643	387,243	152,603	16.64	9,171
1986	223,246.44	155,201	157,067	66,179	17.32	3,821
1987	233,554.58	159,144	161,057	72,498	18.00	4,028
1988	1,051,670.62	705,881	714,366	337,305	18.37	18,362
1989	1,063,084.11	698,446	706,842	356,242	19.06	18,691
1990	746,255.23	482,156	487,952	258,303	19.45	13,280
1991	1,943,817.19	1,227,326	1,242,080	701,737	20.14	34,843
1992	634,587.90	391,160	395,862	238,726	20.85	11,450
1993	613,732.17	371,001	375,461	238,271	21.26	11,207
1994	734,642.48	432,704	437,906	296,736	21.98	13,500
1995	3,456,158.21	1,981,761	2,005,584	1,450,574	22.69	63,930
1996	909,472.31	509,759	515,887	393,585	23.13	17,016
1997	515,093.66	280,417	283,788	231,306	23.85	9,698
1998	1,431,716.53	759,955	769,090	662,627	24.31	27,257
1999	866,250.38	445,339	450,692	415,558	25.05	16,589
2000	2,551,915.34	1,268,812	1,284,065	1,267,850	25.78	49,180
2001	986,393.94	476,034	481,756	504,638	26.26	19,217
2002	1,220,701.12	567,992	574,820	645,881	27.01	23,913
2003	583,834.75	261,441	264,584	319,251	27.75	11,505
2004	1,209,473.17	522,734	529,018	680,455	28.25	24,087
2005	1,076,914.92	445,950	451,311	625,604	29.00	21,573

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
2006	1,144,103.13	455,124	460,595	683,508	29.52	23,154
2007	2,702,701.75	1,024,865	1,037,185	1,665,517	30.28	55,004
2008	23,864,113.71	8,643,582	8,747,487	15,116,627	30.81	490,640
2009	8,249,906.80	2,831,368	2,865,404	5,384,503	31.58	170,504
2010	469,446.44	152,805	154,642	314,804	32.12	9,801
2011	9,948,313.54	3,044,184	3,080,778	6,867,536	32.89	208,803
2012	4,281,326.09	1,231,309	1,246,111	3,035,215	33.45	90,739
2013	5,334,402.82	1,426,953	1,444,107	3,890,296	34.23	113,652
2014	3,085,151.42	766,352	775,564	2,309,587	34.80	66,367
2015	7,523,586.70	1,722,149	1,742,851	5,780,736	35.37	163,436
2016	4,205,947.90	874,837	885,354	3,320,594	36.16	91,831
2017	6,356,159.02	1,193,687	1,208,036	5,148,123	36.75	140,085
2018	11,381,746.23	1,903,028	1,925,905	9,455,841	37.35	253,168
2019	9,045,548.22	1,322,459	1,338,356	7,707,192	37.95	203,088
2020	9,598,889.72	1,203,701	1,218,171	8,380,719	38.36	218,475
2021	4,099,156.06	426,312	431,437	3,667,719	38.79	94,553
2022	23,330,954.77	1,910,805	1,933,775	21,397,180	39.24	545,290
2023	25,798,846.85	1,535,031	1,553,484	24,245,363	39.52	613,496
2024	20,850,655.14	763,134	772,307	20,078,348	39.48	508,570
2025	38,147,263.57	495,914	501,876	37,645,388	38.11	987,809
	244,330,145.84	47,321,555	47,890,410	196,439,736		5,506,004

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 35.7 2.25

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.3 PURIFICATION SYSTEM - COMPUTERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
1991	2,238.49	2,238	2,238			
1993	28,543.01	28,543	28,543			
1994	1,916.34	1,916	1,916			
1997	17,091.38	17,091	17,091			
2000	2,491,613.13	2,491,613	2,491,613			
2003	16,758.82	16,759	16,759			
2004	80,763.12	80,763	80,763			
2005	220,367.24	220,367	220,367			
2006	3,628.76	3,629	3,629			
2007	2,481,132.96	2,481,133	2,481,133			
2008	1,164,900.23	1,164,900	1,164,900			
2009	221,698.64	221,699	221,699			
2024	116,022.72	17,403	5,166	110,857	8.50	13,042
2025	513,935.38	25,697	7,629	506,306	9.50	53,295
	7,360,610.22	6,773,751	6,743,446	617,164		66,337

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.3 0.90

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.4 PURIFICATION SYSTEM - PAINTING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
1984	62,419.00	62,419	62,419			
1986	15,122.71	15,123	15,123			
1987	44,693.32	44,693	44,693			
1989	31,121.90	31,122	31,122			
1990	3,338.57	3,339	3,339			
1991	23.76	24	24			
2014	17,390.22	17,390	17,390			
2018	101,940.44	76,455	86,463	15,477	2.50	6,191
2025	20,861.35	1,043	1,180	19,682	9.50	2,072
	296,911.27	251,608	261,753	35,159		8,263

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.3 2.78

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.5 PURIFICATION SYSTEM - FILTER MEDIA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 10-S3						
1965	2,922.30	2,922	2,922			
1981	18,108.76	18,109	18,109			
1982	134,095.07	134,095	134,095			
1984	28,092.16	28,092	28,092			
1985	65,853.42	65,853	65,853			
1986	129,745.23	129,745	129,745			
1987	109,230.55	109,231	109,231			
1988	64,468.72	64,469	64,469			
1991	34,344.07	34,344	34,344			
1993	178,967.83	178,968	178,968			
1994	67,530.58	67,531	67,531			
1995	517,161.40	517,161	517,161			
1996	83,490.24	83,490	83,490			
1998	77,638.08	77,638	77,638			
1999	207,589.20	207,589	207,589			
2000	264,378.38	264,378	264,378			
2001	267,671.24	267,671	267,671			
2004	44,870.24	44,870	44,870			
2007	294,430.84	294,136	294,431			
2008	106,039.75	105,404	106,040			
2012	24,779.89	23,318	24,780			
2013	55,825.64	51,427	55,826			
2014	79,680.48	71,378	79,680			
2016	62,366.28	51,664	62,366			
2020	37,883.95	21,586	27,340	10,544	4.15	2,541
2021	345,007.76	164,086	207,826	137,182	4.96	27,658
2022	146,702.99	54,838	69,456	77,247	5.86	13,182
2023	1,845,384.60	494,932	626,863	1,218,522	6.82	178,669
2024	348,068.16	56,074	71,021	277,047	7.81	35,473
2025	312,920.24	16,804	21,283	291,637	8.81	33,103
	5,955,248.05	3,701,803	3,943,068	2,012,180		290,626

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 6.9 4.88

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 320.51 PURIFICATION SYSTEM - FILTER MEDIA - PFAS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 10-S3						
2025	1,000,000.00	53,700	61,479	938,521	8.81	106,529
	1,000,000.00	53,700	61,479	938,521		106,529

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.8 10.65

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
1892	41.34	41	41			
1899	345.64	337	334	12	3.38	4
1909	37,592.53	35,472	35,171	2,422	6.96	348
1910	55,622.06	52,680	52,233	3,389	6.45	525
1924	168,389.75	152,123	150,831	17,558	10.85	1,618
1926	38,027.95	34,054	33,765	4,263	11.61	367
1927	36,400.36	32,629	32,352	4,048	11.38	356
1928	28,811.51	25,844	25,625	3,187	11.20	285
1931	204.38	180	178	26	13.03	2
1937	10,949.35	9,399	9,319	1,630	14.60	112
1938	169.43	145	144	26	14.54	2
1940	1,853.34	1,569	1,556	298	15.52	19
1943	586.08	488	484	102	16.51	6
1944	1,965.72	1,634	1,620	346	16.54	21
1945	3,176.14	2,634	2,612	565	16.58	34
1946	1,318.88	1,090	1,081	238	16.65	14
1947	79.08	65	64	15	17.65	1
1948	144,806.54	117,844	116,843	27,963	17.73	1,577
1949	462.93	375	372	91	17.84	5
1950	160,324.58	129,510	128,410	31,914	17.96	1,777
1951	279,965.99	223,189	221,294	58,672	18.95	3,096
1952	13,888.78	11,025	10,931	2,957	19.09	155
1953	83,514.24	65,993	65,433	18,082	19.25	939
1954	178,110.56	140,084	138,895	39,216	19.41	2,020
1955	106,084.39	83,022	82,317	23,767	19.59	1,213
1956	333,102.82	256,956	254,774	78,329	20.59	3,804
1957	774.63	594	589	186	20.79	9
1958	12,916.69	9,853	9,769	3,147	20.99	150
1959	28,453.68	21,571	21,388	7,066	21.22	333
1960	24,119.25	18,167	18,013	6,106	21.46	285
1961	557,016.01	416,759	413,221	143,796	21.71	6,623
1962	296,140.46	220,032	218,164	77,977	21.97	3,549
1963	594,845.15	434,951	431,258	163,587	22.97	7,122
1964	460,455.80	334,153	331,316	129,140	23.25	5,554
1965	23,895.55	17,205	17,059	6,837	23.53	291
1966	203,998.64	145,655	144,418	59,580	23.83	2,500
1967	3,536.11	2,503	2,482	1,054	24.15	44
1968	41,045.32	28,793	28,549	12,497	24.47	511
1969	76,942.79	53,475	53,021	23,922	24.80	965
1970	36,266.57	24,959	24,747	11,519	25.15	458
1971	108,756.95	74,085	73,456	35,301	25.50	1,384

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
1972	735,383.33	495,722	491,513	243,870	25.87	9,427
1973	1,591,540.33	1,061,239	1,052,229	539,312	26.24	20,553
1974	22,291.47	14,695	14,570	7,721	26.62	290
1975	567,503.71	369,672	366,533	200,970	27.02	7,438
1976	2,884,788.08	1,856,361	1,840,600	1,044,189	27.42	38,081
1977	107,998.57	68,622	68,039	39,959	27.83	1,436
1978	468,300.56	293,624	291,131	177,170	28.26	6,269
1979	295,495.37	182,734	181,182	114,313	28.69	3,984
1980	1,852,559.32	1,129,505	1,119,915	732,644	29.13	25,151
1981	180,266.25	109,097	108,171	72,096	29.03	2,483
1982	6,156.51	3,669	3,638	2,519	29.49	85
1983	2,838.67	1,665	1,651	1,188	29.96	40
1984	161,331.22	93,056	92,266	69,065	30.45	2,268
1985	803,010.01	455,307	451,441	351,569	30.93	11,367
1986	627,219.26	349,361	346,395	280,825	31.42	8,938
1987	144,764.04	79,143	78,471	66,293	31.92	2,077
1988	1,141,014.58	616,148	610,917	530,098	31.94	16,597
1989	1,790,626.66	947,600	939,554	851,072	32.47	26,211
1990	217,779.61	112,875	111,917	105,863	32.99	3,209
1991	587,470.17	297,965	295,435	292,035	33.52	8,712
1992	3,421,735.62	1,696,497	1,682,093	1,739,643	34.07	51,061
1993	609,701.34	297,229	294,705	314,996	34.17	9,218
1994	899,372.92	427,742	424,110	475,263	34.73	13,685
1995	619,883.14	287,378	284,938	334,945	35.29	9,491
1996	1,818,808.20	821,010	814,039	1,004,769	35.86	28,019
1997	1,912,098.07	839,220	832,095	1,080,003	36.44	29,638
1998	381,789.66	163,788	162,397	219,392	36.60	5,994
1999	965,034.98	401,455	398,046	566,989	37.20	15,242
2000	2,609,839.70	1,051,504	1,042,576	1,567,263	37.79	41,473
2001	1,478,818.03	576,148	571,256	907,562	38.39	23,641
2002	2,451,543.46	927,664	919,788	1,531,756	38.61	39,673
2003	642,383.60	234,149	232,161	410,223	39.23	10,457
2004	389,600.96	136,516	135,357	254,244	39.85	6,380
2005	1,212,851.58	407,761	404,299	808,553	40.48	19,974
2006	2,425,185.06	785,032	778,367	1,646,818	40.74	40,423
2007	3,909,684.84	1,208,093	1,197,836	2,711,849	41.38	65,535
2008	4,280,217.34	1,258,384	1,247,700	3,032,518	42.02	72,168
2009	769,904.03	214,649	212,827	557,078	42.67	13,055
2010	5,450,214.33	1,436,131	1,423,938	4,026,277	43.32	92,943
2011	3,328,484.99	825,464	818,455	2,510,030	43.98	57,072
2012	2,225,539.99	519,886	515,472	1,710,068	44.30	38,602

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANKS						
SURVIVOR CURVE.. IOWA 70-S1						
2013	182,660.48	39,729	39,392	143,269	44.97	3,186
2014	7,748,075.07	1,558,913	1,545,677	6,202,398	45.65	135,869
2015	183,509.40	33,913	33,625	149,884	46.32	3,236
2016	1,453,059.95	244,405	242,330	1,210,730	46.99	25,766
2017	312,791.09	47,044	46,645	266,147	48.00	5,545
2018	1,682,795.27	224,653	222,746	1,460,050	48.68	29,993
2019	4,357,563.62	507,220	502,913	3,854,650	49.36	78,093
2020	2,202,786.18	218,076	216,224	1,986,562	50.06	39,684
2021	7,929,903.38	642,322	636,868	7,293,035	51.06	142,833
2022	2,518,391.97	159,666	158,310	2,360,082	51.75	45,605
2023	5,189,209.21	234,552	232,561	4,956,649	52.75	93,965
2024	626,992.18	17,117	16,972	610,021	53.45	11,413
2025	3,883,364.78	35,339	35,039	3,848,326	54.45	70,676
	98,417,090.11	30,197,846	29,941,452	68,475,638		1,612,302
TANK PAINTING						
SURVIVOR CURVE.. 10-SQUARE						
1989	65,625.74	65,626	65,626			
1990	139,789.51	139,790	139,790			
1991	411,271.42	411,271	411,271			
1992	241,689.28	241,689	241,689			
1993	719,568.10	719,568	719,568			
1994	161,329.08	161,329	161,329			
1996	65,886.34	65,886	65,886			
1997	1,352,375.85	1,352,376	1,352,376			
1998	244,432.30	244,432	244,432			
2000	293,325.37	293,325	293,325			
2001	999,556.65	999,557	999,557			
2002	639,030.93	639,031	639,031			
2003	998,397.72	998,398	998,398			
2004	9,430.21	9,430	9,430			
2005	68,620.50	68,620	68,621			
2006	746,193.69	746,194	746,194			
2007	916,877.37	916,877	916,877			
2008	2,393,972.38	2,393,972	2,393,972			
2009	5,096,907.06	5,096,907	5,096,907			
2010	4,223,263.28	4,223,263	4,223,263			
2011	1,516,320.64	1,516,321	1,516,321			
2012	4,174,492.92	4,174,493	4,174,493			

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
TANK PAINTING						
SURVIVOR CURVE.. 10-SQUARE						
2013	2,336,976.32	2,336,976	2,336,976			
2014	2,415,696.16	2,415,696	2,415,696			
2015	8,155,014.05	8,155,014	8,155,014			
2016	5,897,457.03	5,602,584	5,528,418	369,039	0.50	369,039
2017	8,289,125.07	7,045,756	6,952,486	1,336,639	1.50	891,093
2018	6,649,025.59	4,986,769	4,920,755	1,728,270	2.50	691,308
2019	8,643,852.32	5,618,504	5,544,128	3,099,725	3.50	885,636
2020	1,865,419.78	1,025,981	1,012,399	853,020	4.50	189,560
2021	2,361,310.44	1,062,590	1,048,524	1,312,787	5.50	238,689
2022	4,122,670.99	1,442,935	1,423,834	2,698,837	6.50	415,206
2023	2,041,585.78	510,396	503,640	1,537,946	7.50	205,059
2024	534,115.99	80,117	79,056	455,060	8.50	53,536
2025	3,308,051.48	165,403	163,213	3,144,838	9.50	331,036
	82,098,657.34	65,927,076	65,562,497	16,536,160		4,270,162
	180,515,747.45	96,124,922	95,503,949	85,011,798		5,882,464

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.5 3.26

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1924	34.80	32	25	10	8.40	1
1925	7,225.86	6,609	5,126	2,100	9.38	224
1926	1,603.31	1,468	1,139	464	9.20	50
1927	962.19	881	683	279	9.03	31
1928	912.15	827	641	271	10.02	27
1929	656.91	596	462	195	9.88	20
1930	2,214.88	2,009	1,558	657	9.77	67
1931	2,480.30	2,250	1,745	735	9.67	76
1932	313.78	282	219	95	10.67	9
1933	543.88	488	378	166	10.60	16
1934	742.88	666	517	226	10.54	21
1935	15,138.16	13,564	10,520	4,618	10.51	439
1936	127.12	114	88	39	10.50	4
1937	725.20	642	498	227	11.50	20
1938	1,199.63	1,060	822	378	11.50	33
1939	1,880.90	1,660	1,287	594	11.54	51
1940	11,891.66	10,472	8,122	3,770	11.59	325
1941	1,024.28	900	698	326	11.65	28
1942	1,604.63	1,407	1,091	514	11.73	44
1944	2,362.09	2,060	1,598	764	11.96	64
1945	4,510.81	3,886	3,014	1,497	12.95	116
1946	916.66	787	610	307	13.09	23
1947	2,925.31	2,503	1,941	984	13.25	74
1949	3,568.95	3,031	2,351	1,218	13.59	90
1950	14,598.01	12,344	9,574	5,024	13.79	364
1952	4,752.58	3,982	3,088	1,665	14.22	117
1953	1,355.68	1,140	884	472	13.71	34
1955	11,300.12	9,401	7,291	4,009	14.25	281
1956	8,324.34	6,884	5,339	2,985	14.54	205
1957	5,973.64	4,910	3,808	2,166	14.83	146
1958	8,300.68	6,780	5,259	3,042	15.14	201
1959	5,781.28	4,690	3,638	2,143	15.47	139
1960	241,471.58	196,123	152,111	89,361	15.15	5,898
1961	4,396.16	3,544	2,749	1,647	15.50	106
1962	60,782.37	48,632	37,719	23,063	15.87	1,453
1963	4,188.65	3,325	2,579	1,610	16.24	99
1964	43,876.11	34,811	26,999	16,877	16.02	1,053
1965	19,033.57	14,970	11,611	7,423	16.42	452
1966	3,480.67	2,734	2,120	1,361	16.26	84
1967	1,620.47	1,261	978	642	16.69	38
1968	21,551.78	16,728	12,974	8,578	16.58	517
1969	19,788.66	15,206	11,794	7,995	17.03	469

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1970	8,371.30	6,412	4,973	3,398	16.96	200
1971	26,954.90	20,421	15,838	11,117	17.44	637
1972	12,928.98	9,754	7,565	5,364	17.42	308
1973	12,226.30	9,115	7,070	5,156	17.92	288
1974	64,853.24	48,095	37,302	27,551	17.94	1,536
1975	87,789.51	64,727	50,202	37,588	17.99	2,089
1976	31,608.42	23,156	17,960	13,648	18.07	755
1977	92,811.00	67,520	52,368	40,443	18.17	2,226
1978	180,704.48	130,469	101,191	79,513	18.29	4,347
1979	140,663.28	100,729	78,125	62,538	18.44	3,391
1980	100,788.53	71,540	55,486	45,303	18.60	2,436
1981	29,488.94	20,734	16,081	13,408	18.79	714
1982	84,544.24	58,843	45,638	38,906	19.00	2,048
1983	79,776.21	54,926	42,600	37,176	19.23	1,933
1984	52,531.15	35,753	27,730	24,801	19.48	1,273
1985	101,354.39	68,141	52,850	48,504	19.74	2,457
1986	77,805.28	51,943	40,287	37,518	19.67	1,907
1987	84,183.07	55,426	42,988	41,195	19.98	2,062
1988	77,716.90	50,710	39,330	38,387	19.97	1,922
1989	51,333.31	32,977	25,577	25,756	20.32	1,268
1990	145,174.89	92,244	71,544	73,631	20.37	3,615
1991	58,499.74	36,527	28,330	30,170	20.75	1,454
1992	32,690.76	20,151	15,629	17,062	20.85	818
1993	62,269.71	37,848	29,355	32,915	20.97	1,570
1994	165,225.25	98,375	76,299	88,926	21.41	4,153
1995	64,824.34	37,961	29,442	35,382	21.58	1,640
1996	99,460.63	57,210	44,372	55,089	21.78	2,529
1997	347,371.49	196,022	152,033	195,338	22.01	8,875
1998	437,935.65	242,091	187,764	250,172	22.25	11,244
1999	250,595.06	135,472	105,071	145,524	22.52	6,462
2000	160,531.80	84,327	65,403	95,129	23.04	4,129
2001	1,455,698.17	745,317	578,062	877,636	23.35	37,586
2002	1,094,145.88	545,103	422,777	671,369	23.67	28,364
2003	1,395,455.42	675,121	523,618	871,837	24.01	36,311
2004	1,013,312.83	474,940	368,360	644,953	24.37	26,465
2005	548,571.36	248,503	192,737	355,834	24.75	14,377
2006	4,274,617.41	1,867,153	1,448,149	2,826,468	25.14	112,429
2007	1,772,080.30	744,274	577,253	1,194,827	25.55	46,764
2008	1,620,043.53	652,068	505,739	1,114,305	25.98	42,891
2009	217,112.38	83,458	64,729	152,383	26.42	5,768
2010	137,014.49	49,901	38,703	98,311	27.06	3,633
2011	957,531.49	330,444	256,290	701,241	27.52	25,481

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
2012	710,808.21	231,297	179,392	531,416	27.99	18,986
2013	1,487,667.51	453,739	351,916	1,135,752	28.48	39,879
2014	1,205,652.18	342,405	265,566	940,086	28.99	32,428
2015	1,852,709.22	486,336	377,198	1,475,511	29.50	50,017
2016	1,260,403.75	303,001	235,005	1,025,399	30.02	34,157
2017	1,099,712.79	239,298	185,598	914,115	30.56	29,912
2018	1,520,792.29	295,338	229,062	1,291,730	31.11	41,521
2019	3,316,715.88	564,837	438,083	2,878,633	31.67	90,895
2020	3,617,730.84	527,465	409,097	3,208,634	32.23	99,554
2021	2,465,289.21	297,314	230,594	2,234,695	32.81	68,110
2022	1,997,297.02	189,344	146,854	1,850,443	33.40	55,402
2023	5,735,604.17	394,610	306,056	5,429,548	33.86	160,353
2024	3,426,962.77	143,247	111,101	3,315,862	34.34	96,560
2025	2,962,555.04	42,661	33,088	2,929,467	34.22	85,607
	50,914,639.58	13,392,452	10,387,078	40,527,562		1,377,245

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 29.4 2.71

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1924	2,369.80	2,261	1,691	679	4.88	139
1925	14,825.05	14,155	10,589	4,236	4.76	890
1926	21,007.15	19,856	14,854	6,153	5.77	1,066
1927	14,834.56	14,028	10,494	4,341	5.67	766
1928	11,714.53	11,080	8,289	3,426	5.59	613
1929	12,231.90	11,568	8,654	3,578	5.54	646
1930	8,220.13	7,693	5,755	2,465	6.54	377
1931	10,444.14	9,772	7,310	3,134	6.51	481
1932	20,579.02	19,241	14,394	6,185	6.50	952
1933	2,059.86	1,924	1,439	621	6.51	95
1934	5,749.37	5,366	4,014	1,735	6.54	265
1935	18,852.83	17,403	13,019	5,834	7.54	774
1936	20,458.06	18,858	14,108	6,350	7.59	837
1937	16,157.50	14,871	11,125	5,032	7.65	658
1938	20,864.19	19,170	14,341	6,523	7.73	844
1939	25,904.43	23,752	17,769	8,135	7.84	1,038
1940	32,060.08	29,329	21,941	10,119	7.96	1,271
1941	29,491.64	26,914	20,135	9,357	8.09	1,157
1942	26,104.09	23,760	17,775	8,329	8.24	1,011
1943	2,803.39	2,544	1,903	900	8.41	107
1944	9,424.80	8,526	6,378	3,047	8.59	355
1945	36,617.04	33,014	24,698	11,919	8.79	1,356
1946	16,015.24	14,260	10,668	5,347	9.79	546
1947	21,149.23	18,759	14,034	7,115	10.00	712
1948	68,563.48	60,576	45,317	23,246	10.22	2,275
1949	53,562.92	47,125	35,255	18,308	10.45	1,752
1950	140,346.47	122,915	91,953	48,393	10.71	4,518
1951	99,771.52	86,961	65,056	34,716	10.97	3,165
1952	102,527.03	89,670	67,083	35,444	10.54	3,363
1953	167,779.91	145,969	109,200	58,580	10.83	5,409
1954	203,611.30	176,164	131,789	71,822	11.14	6,447
1955	304,060.88	261,523	195,647	108,414	11.47	9,452
1956	252,136.10	215,526	161,236	90,900	11.80	7,703
1957	138,353.90	117,518	87,916	50,438	12.15	4,151
1958	167,638.37	141,453	105,822	61,816	12.50	4,945
1959	198,706.95	166,497	124,557	74,150	12.87	5,761
1960	380,300.65	316,334	236,651	143,650	13.24	10,850
1961	133,704.31	110,386	82,580	51,124	13.62	3,754
1962	233,227.60	191,060	142,933	90,295	14.02	6,440
1963	139,537.50	113,374	84,816	54,722	14.42	3,795
1964	498,595.30	404,760	302,804	195,791	14.26	13,730
1965	336,431.88	270,693	202,507	133,925	14.69	9,117

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1966	587,247.76	468,213	350,273	236,975	15.13	15,663
1967	484,211.44	382,430	286,098	198,113	15.57	12,724
1968	442,480.70	346,020	258,860	183,621	16.03	11,455
1969	487,310.98	377,179	282,170	205,141	16.50	12,433
1970	699,266.36	535,568	400,662	298,604	16.96	17,606
1971	1,072,514.54	818,329	612,197	460,318	16.93	27,189
1972	773,367.23	583,428	436,466	336,901	17.42	19,340
1973	1,169,063.91	871,537	652,002	517,062	17.92	28,854
1974	5,693,053.70	4,192,365	3,136,335	2,556,719	18.43	138,726
1975	1,126,858.60	819,452	613,037	513,822	18.94	27,129
1976	1,316,643.20	945,086	707,025	609,618	19.46	31,327
1977	1,620,513.68	1,147,486	858,442	762,072	19.99	38,123
1978	3,019,299.66	2,108,075	1,577,064	1,442,236	20.53	70,250
1979	3,050,287.27	2,099,208	1,570,431	1,479,856	21.07	70,235
1980	2,551,013.55	1,729,587	1,293,915	1,257,099	21.61	58,172
1981	2,685,916.58	1,792,849	1,341,242	1,344,675	22.17	60,653
1982	1,948,872.91	1,280,020	957,591	991,282	22.73	43,611
1983	2,438,195.45	1,575,074	1,178,323	1,259,872	23.29	54,095
1984	6,847,089.80	4,347,902	3,252,693	3,594,397	23.86	150,645
1985	4,923,956.02	3,071,071	2,297,488	2,626,468	24.44	107,466
1986	6,817,294.84	4,173,548	3,122,258	3,695,037	25.02	147,683
1987	7,486,644.07	4,496,478	3,363,844	4,122,800	25.60	161,047
1988	9,579,891.62	5,640,640	4,219,798	5,360,094	26.19	204,662
1989	11,360,136.65	6,551,391	4,901,137	6,459,000	26.79	241,097
1990	7,629,905.22	4,306,319	3,221,584	4,408,321	27.40	160,888
1991	7,084,338.07	3,910,555	2,925,511	4,158,827	28.00	148,530
1992	7,166,786.48	3,841,398	2,873,774	4,293,012	29.00	148,035
1993	13,863,608.90	7,253,440	5,426,344	8,437,265	29.61	284,946
1994	6,369,293.92	3,250,251	2,431,533	3,937,761	30.23	130,260
1995	10,485,597.57	5,213,439	3,900,207	6,585,391	30.85	213,465
1996	5,331,737.69	2,563,499	1,917,770	3,413,968	31.85	107,189
1997	11,552,634.32	5,399,701	4,039,550	7,513,084	32.48	231,314
1998	18,187,809.88	8,202,702	6,136,493	12,051,317	33.48	359,956
1999	13,185,461.53	5,764,684	4,312,596	8,872,866	34.11	260,125
2000	19,487,346.98	8,248,994	6,171,124	13,316,223	34.74	383,311
2001	20,470,094.56	8,325,187	6,228,125	14,241,970	35.74	398,488
2002	25,665,105.86	10,011,958	7,490,009	18,175,097	36.74	494,695
2003	32,336,587.84	12,152,090	9,091,055	23,245,533	37.38	621,871
2004	34,324,007.01	12,322,319	9,218,404	25,105,603	38.38	654,132
2005	49,653,726.54	17,100,743	12,793,174	36,860,553	39.02	944,658
2006	46,444,902.82	15,215,350	11,382,699	35,062,204	40.02	876,117
2007	68,421,897.54	21,265,526	15,908,874	52,513,024	41.02	1,280,181

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
2008	74,390,414.37	21,870,782	16,361,670	58,028,744	42.02	1,380,979
2009	102,485,836.98	28,573,051	21,375,679	81,110,158	42.67	1,900,871
2010	139,751,920.39	36,615,003	27,391,915	112,360,005	43.67	2,572,933
2011	112,594,373.34	27,585,621	20,636,977	91,957,396	44.67	2,058,594
2012	82,433,881.64	18,811,412	14,072,936	68,360,946	45.67	1,496,846
2013	67,076,966.52	14,166,655	10,598,164	56,478,803	46.67	1,210,174
2014	92,722,920.32	18,025,336	13,484,867	79,238,053	47.67	1,662,221
2015	89,553,758.43	15,985,346	11,958,738	77,595,020	48.32	1,605,857
2016	122,946,407.00	19,855,845	14,854,283	108,092,124	49.32	2,191,649
2017	137,926,779.44	19,930,420	14,910,073	123,016,706	50.32	2,444,688
2018	132,135,640.05	16,847,294	12,603,567	119,532,073	51.32	2,329,152
2019	141,548,512.91	15,641,111	11,701,213	129,847,300	52.32	2,481,791
2020	108,673,376.75	10,160,961	7,601,479	101,071,898	53.32	1,895,572
2021	119,295,241.51	9,126,086	6,827,282	112,467,960	54.32	2,070,471
2022	101,319,565.37	6,028,514	4,509,969	96,809,596	55.32	1,749,993
2023	124,995,666.51	5,312,316	3,974,177	121,021,490	56.32	2,148,819
2024	116,315,468.06	2,966,044	2,218,917	114,096,551	57.32	1,990,519
2025	100,504,679.58	854,290	639,100	99,865,580	58.32	1,712,373
	2,446,532,176.52	496,463,786	371,407,682	2,075,124,495		44,475,431

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 46.7 1.82

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1906	1,111.39	1,023	746	365	10.36	35
1907	5,474.45	4,995	3,643	1,831	11.38	161
1908	6,504.85	5,962	4,348	2,157	10.71	201
1909	25,685.39	23,340	17,021	8,664	11.71	740
1910	962.30	878	640	322	11.09	29
1911	406.71	368	268	139	12.08	12
1912	1,258.92	1,143	834	425	11.50	37
1913	7,522.73	6,770	4,937	2,586	12.50	207
1914	1,957.37	1,768	1,289	668	11.95	56
1916	1,202.46	1,080	788	414	12.45	33
1918	11,350.69	10,127	7,385	3,966	12.99	305
1919	79.96	71	52	28	13.98	2
1920	3,775.06	3,345	2,439	1,336	13.55	99
1921	32.92	29	21	12	14.55	1
1923	27,142.57	23,647	17,245	9,898	15.15	653
1924	43,118.75	37,638	27,448	15,671	14.78	1,060
1925	51,383.28	44,411	32,387	18,996	15.78	1,204
1926	95,498.40	82,663	60,282	35,216	15.45	2,279
1927	15,415.06	13,211	9,634	5,781	16.44	352
1928	9,259.74	7,945	5,794	3,466	16.14	215
1929	21,246.03	18,042	13,157	8,089	17.14	472
1930	10,201.73	8,671	6,323	3,879	16.85	230
1931	25,439.61	21,395	15,602	9,838	17.87	551
1932	9,561.42	8,046	5,868	3,693	17.61	210
1933	17,187.42	14,309	10,435	6,752	18.61	363
1934	2,836.02	2,361	1,722	1,114	18.40	61
1935	5,469.16	4,504	3,285	2,184	19.38	113
1936	687.87	566	413	275	19.20	14
1937	12,397.65	10,203	7,441	4,957	19.03	260
1938	231.12	188	137	94	20.02	5
1939	5,099.48	4,146	3,023	2,076	19.88	104
1940	49,224.07	39,561	28,850	20,374	20.88	976
1941	22,105.59	17,746	12,941	9,165	20.76	441
1942	61,701.22	48,941	35,690	26,011	21.77	1,195
1943	541.61	429	313	229	21.67	11
1944	3,964.60	3,102	2,262	1,703	22.67	75
1945	12,884.94	10,061	7,337	5,548	22.60	245
1946	2,660.06	2,051	1,496	1,164	23.59	49
1947	240,808.57	185,254	135,097	105,712	23.54	4,491
1948	190,609.33	144,768	105,572	85,037	24.54	3,465
1949	166,947.53	126,446	92,211	74,737	24.51	3,049
1950	297,471.17	222,330	162,134	135,337	25.52	5,303

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1951	202,725.19	151,030	110,139	92,586	25.50	3,631
1952	222,100.37	163,244	119,046	103,054	26.50	3,889
1953	881,813.37	645,664	470,851	410,962	26.51	15,502
1954	589,517.11	425,749	310,478	279,039	27.50	10,147
1955	255,654.89	183,841	134,066	121,589	27.54	4,415
1956	157,979.02	111,991	81,669	76,310	28.54	2,674
1957	123,174.06	86,912	63,381	59,793	28.58	2,092
1958	361,473.45	251,296	183,258	178,215	29.59	6,023
1959	995,557.46	688,528	502,109	493,448	29.65	16,642
1960	474,828.74	323,453	235,878	238,951	30.65	7,796
1961	575,045.85	389,421	283,985	291,061	30.74	9,468
1962	882,143.58	588,213	428,954	453,190	31.73	14,283
1963	602,032.19	398,846	290,858	311,174	31.84	9,773
1964	1,031,528.53	672,453	490,386	541,143	32.84	16,478
1965	1,074,646.93	689,171	502,578	572,069	33.84	16,905
1966	1,796,219.01	1,143,473	833,878	962,341	33.96	28,337
1967	1,575,067.48	985,992	719,035	856,032	34.95	24,493
1968	573,782.26	352,991	257,419	316,363	35.96	8,798
1969	450,681.96	275,006	200,548	250,134	36.09	6,931
1970	792,584.43	475,075	346,448	446,136	37.09	12,028
1971	1,047,566.19	616,597	449,653	597,913	38.09	15,697
1972	1,176,217.08	685,970	500,244	675,973	38.24	17,677
1973	1,409,759.62	806,664	588,260	821,500	39.25	20,930
1974	2,909,434.01	1,633,356	1,191,125	1,718,309	40.24	42,702
1975	4,724,380.46	2,624,393	1,913,839	2,810,541	40.41	69,551
1976	308,139.97	167,782	122,355	185,785	41.41	4,486
1977	1,084,564.08	578,615	421,955	662,609	42.41	15,624
1978	1,422,670.86	743,346	542,085	880,586	43.41	20,285
1979	3,171,563.96	1,637,161	1,193,900	1,977,664	43.59	45,370
1980	1,860,211.11	939,407	685,063	1,175,148	44.59	26,355
1981	1,669,000.52	824,486	601,257	1,067,744	45.59	23,421
1982	1,955,753.71	944,238	688,586	1,267,168	46.59	27,198
1983	619,359.83	292,214	213,097	406,263	47.59	8,537
1984	1,417,556.37	658,880	480,488	937,068	47.79	19,608
1985	3,205,202.54	1,453,880	1,060,242	2,144,961	48.79	43,963
1986	1,874,383.86	829,227	604,714	1,269,670	49.79	25,501
1987	2,855,126.23	1,231,130	897,802	1,957,324	50.79	38,538
1988	3,669,334.27	1,541,120	1,123,862	2,545,472	51.79	49,150
1989	6,021,413.78	2,461,554	1,795,088	4,226,326	52.79	80,059
1990	3,013,138.57	1,198,024	873,659	2,139,480	53.79	39,775
1991	2,934,675.50	1,133,959	826,940	2,107,736	54.79	38,469
1992	1,956,209.08	733,970	535,248	1,420,961	55.79	25,470

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1993	6,345,626.78	2,309,808	1,684,428	4,661,199	56.79	82,078
1994	8,645,614.89	3,077,839	2,244,514	6,401,101	56.99	112,320
1995	6,737,300.10	2,321,674	1,693,081	5,044,219	58.00	86,969
1996	4,885,107.94	1,628,695	1,187,726	3,697,382	58.99	62,678
1997	5,465,546.53	1,759,906	1,283,412	4,182,135	60.00	69,702
1998	19,684,067.26	6,117,808	4,461,412	15,222,655	60.99	249,593
1999	11,853,396.56	3,548,907	2,588,041	9,265,356	62.00	149,441
2000	16,751,755.22	4,827,856	3,520,714	13,231,041	62.99	210,050
2001	16,381,641.12	4,534,438	3,306,739	13,074,902	64.00	204,295
2002	12,633,556.71	3,355,473	2,446,979	10,186,578	64.99	156,741
2003	8,404,535.13	2,136,433	1,557,994	6,846,541	66.00	103,735
2004	13,168,146.46	3,199,860	2,333,498	10,834,648	66.99	161,735
2005	12,351,652.88	2,860,643	2,086,124	10,265,529	68.00	150,964
2006	22,032,547.36	4,855,973	3,541,219	18,491,328	68.99	268,029
2007	6,395,493.28	1,336,658	974,758	5,420,735	70.00	77,439
2008	11,610,957.34	2,296,647	1,674,830	9,936,127	70.99	139,965
2009	6,486,778.01	1,209,135	881,762	5,605,016	72.00	77,847
2010	3,195,558.75	559,862	408,279	2,787,280	72.99	38,187
2011	19,428,385.45	3,182,370	2,320,744	17,107,641	74.00	231,184
2012	28,198,212.51	4,303,047	3,137,997	25,060,216	74.99	334,181
2013	44,767,776.05	6,321,210	4,609,743	40,158,033	76.00	528,395
2014	30,204,348.85	3,926,565	2,863,448	27,340,901	76.99	355,123
2015	31,121,111.26	3,690,964	2,691,636	28,429,475	78.00	364,480
2016	22,587,515.80	2,425,899	1,769,087	20,818,429	78.99	263,558
2017	33,971,945.09	3,261,307	2,378,309	31,593,636	80.00	394,920
2018	30,695,644.55	2,602,991	1,898,231	28,797,414	80.99	355,568
2019	45,160,376.15	3,314,772	2,417,298	42,743,078	82.00	521,257
2020	48,943,661.09	3,044,296	2,220,053	46,723,608	82.99	563,003
2021	36,516,393.90	1,855,033	1,352,783	35,163,611	84.00	418,614
2022	25,789,610.93	1,021,269	744,761	25,044,850	84.99	294,680
2023	70,667,322.27	1,992,818	1,453,263	69,214,059	86.00	804,815
2024	43,166,153.07	733,825	535,142	42,631,011	86.99	490,068
2025	37,298,567.90	208,872	152,320	37,146,248	88.00	422,116
	806,938,943.87	127,724,709	93,143,261	713,795,683		9,691,765

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 73.6 1.20

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
1947	5,782.37	4,993	3,719	2,063	12.41	166
1948	112.92	96	72	41	13.41	3
1949	2,243.29	1,905	1,419	824	13.59	61
1950	354.87	300	223	132	13.79	10
1951	181.44	153	114	67	14.00	5
1952	325.86	271	202	124	14.99	8
1953	834,426.56	689,654	513,751	320,676	15.22	21,069
1954	82,390.04	67,741	50,463	31,927	15.46	2,065
1955	244,271.66	199,765	148,813	95,459	15.71	6,076
1956	75,135.68	60,574	45,124	30,012	16.71	1,796
1957	4,705.64	3,771	2,809	1,897	16.97	112
1958	1,870.33	1,490	1,110	760	17.25	44
1959	366.55	288	215	152	18.25	8
1960	13,205.44	10,292	7,667	5,538	18.54	299
1961	43,618.12	33,760	25,149	18,469	18.83	981
1962	17,430.20	13,282	9,894	7,536	19.83	380
1963	66,098.63	49,984	37,235	28,864	20.15	1,432
1964	4,739.13	3,556	2,649	2,090	20.47	102
1965	66,582.26	49,144	36,609	29,973	21.47	1,396
1966	7,769.49	5,686	4,236	3,533	21.80	162
1967	3,445.47	2,499	1,862	1,583	22.15	71
1968	26,147.68	18,643	13,888	12,260	23.15	530
1969	883,177.60	623,700	464,618	418,560	23.50	17,811
1970	22,804.23	15,947	11,880	10,924	23.87	458
1971	28,036.83	19,253	14,342	13,695	24.87	551
1972	26,751.75	18,175	13,539	13,213	25.24	523
1973	47,371.47	31,834	23,714	23,657	25.62	923
1974	12,831.09	8,458	6,301	6,530	26.62	245
1975	50,019.56	32,583	24,272	25,748	27.02	953
1976	4,138.20	2,643	1,969	2,169	28.02	77
1977	3,403.12	2,146	1,599	1,804	28.42	63
1978	404.81	252	188	217	28.84	8
1979	51,806.06	31,560	23,510	28,296	29.83	949
1980	48,475.71	29,115	21,689	26,787	30.26	885
1981	60,244.32	35,388	26,362	33,882	31.26	1,084
1983	157,595.88	89,751	66,859	90,737	32.13	2,824
1984	5,237.22	2,912	2,169	3,068	33.13	93
1985	119,843.45	65,530	48,816	71,027	33.57	2,116
1986	7,489.71	3,994	2,975	4,515	34.58	131
1991	357.68	170	127	231	37.96	6
1992	226,838.88	104,868	78,120	148,719	38.96	3,817
1993	17,031.89	7,695	5,732	11,300	39.44	287

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
1997	23,897.86	9,602	7,153	16,745	42.43	395
1999	2,104.60	792	590	1,515	43.92	34
2000	7,905.31	2,882	2,147	5,758	44.43	130
2001	12,091.20	4,237	3,156	8,935	45.43	197
2002	101,019.47	34,185	25,466	75,553	45.94	1,645
2003	105,462.12	34,170	25,455	80,007	46.94	1,704
2004	367,328.02	113,725	84,718	282,610	47.94	5,895
2006	36,355.73	10,281	7,659	28,697	49.46	580
2007	498.96	135	101	398	49.99	8
2012	128,001.72	25,575	19,052	108,950	54.07	2,015
2013	226,200.65	42,119	31,376	194,825	54.62	3,567
2014	55,328.81	9,483	7,064	48,265	55.61	868
2015	76,022.27	11,890	8,857	67,165	56.62	1,186
2016	106,665.40	15,200	11,323	95,342	57.17	1,668
2018	596,548.88	67,529	50,305	546,244	58.73	9,301
2020	1,914.59	160	119	1,796	60.29	30
2021	99,739.40	6,862	5,112	94,627	60.86	1,555
2022	4,431.82	238	177	4,255	61.86	69
2023	108,938.12	4,194	3,124	105,814	62.44	1,695
2024	85,707.01	2,006	1,495	84,212	62.60	1,345
2025	74,063.88	585	436	73,628	62.79	1,173
	5,495,288.91	2,739,671	2,040,889	3,454,400		105,640

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.7 1.92

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R5						
1948	980.21	912	662	318	5.83	55
1949	5.90	5	4	2	6.83	
1950	11.65	11	8	4	7.14	1
1954	136,021.23	121,576	88,209	47,812	8.50	5,625
1955	199,988.11	176,230	127,863	72,125	9.50	7,592
1956	339,547.90	297,342	215,736	123,812	9.87	12,544
1957	466,275.75	405,660	294,326	171,950	10.24	16,792
1958	1,325,749.21	1,145,447	831,078	494,671	10.62	46,579
1959	191,069.14	162,638	118,002	73,067	11.62	6,288
1960	558,677.70	472,083	342,519	216,159	12.02	17,983
1961	23,168.61	19,276	13,986	9,183	13.02	705
1965	7,391.98	5,859	4,251	3,141	15.83	198
1967	27,541.34	21,267	15,430	12,111	17.26	702
1973	300,148.24	211,154	153,203	146,945	22.13	6,640
1977	258,909.57	169,534	123,005	135,905	25.57	5,315
1981	67,338.82	40,753	29,568	37,771	29.03	1,301
1983	120,991.88	69,933	50,740	70,252	31.03	2,264
1989	109,680.52	54,445	39,503	70,178	37.03	1,895
2017	189,431.67	21,898	15,888	173,544	65.03	2,669
2024	5,142,909.42	104,915	76,121	5,066,788	72.03	70,343
2025	4,443,832.55	30,218	21,924	4,421,908	73.03	60,549
	13,909,671.40	3,531,156	2,562,026	11,347,645		266,040

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 42.7 1.91

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1904	138.78	132	101	38	6.71	6
1905	549.63	517	396	154	7.71	20
1906	3,750.33	3,540	2,713	1,037	7.09	146
1907	2,353.09	2,203	1,688	665	8.08	82
1908	2,696.10	2,503	1,918	778	9.09	86
1909	528.09	492	377	151	8.50	18
1910	77.16	71	54	23	9.50	2
1911	119.77	111	85	35	8.96	4
1912	4.51	4	3	2	9.95	
1913	0.01					
1914	0.92	1	1			
1915	2.67	2	2	1	9.98	
1916	7.68	7	5	3	10.99	
1918	150.76	136	104	47	11.55	4
1919	98.62	89	68	31	11.15	3
1920	353.93	321	246	108	10.78	10
1921	2,066.69	1,857	1,423	644	11.78	55
1922	1,269.14	1,143	876	393	11.45	34
1923	7,134.07	6,362	4,876	2,258	12.44	182
1924	4,165.10	3,720	2,851	1,314	12.14	108
1925	3,633.51	3,213	2,462	1,172	13.14	89
1926	3,760.10	3,330	2,552	1,208	12.85	94
1927	2,604.07	2,283	1,750	854	13.87	62
1928	4,020.31	3,528	2,704	1,316	13.61	97
1929	2,030.16	1,763	1,351	679	14.61	46
1930	1,530.19	1,330	1,019	511	14.40	35
1931	3,649.59	3,139	2,406	1,244	15.38	81
1932	760.80	654	501	260	15.20	17
1933	357.35	304	233	124	16.20	8
1934	189.90	162	124	66	16.02	4
1935	826.57	696	533	294	17.03	17
1936	1,994.86	1,678	1,286	709	16.88	42
1937	836.22	696	533	303	17.88	17
1938	1,601.97	1,332	1,021	581	17.77	33
1939	1,618.25	1,330	1,019	599	18.76	32
1940	1,193.02	979	750	443	18.67	24
1941	2,649.86	2,150	1,648	1,002	19.67	51
1942	3,128.68	2,534	1,942	1,187	19.59	61
1943	378.57	303	232	147	20.60	7
1944	403.28	322	247	156	20.54	8
1945	315.01	249	191	124	21.54	6
1946	753.75	593	454	300	21.52	14

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1947	1,815.96	1,411	1,081	735	22.51	33
1948	1,922.97	1,490	1,142	781	22.50	35
1949	4,122.99	3,154	2,417	1,706	23.50	73
1950	4,673.07	3,564	2,731	1,942	23.50	83
1951	32,328.12	24,324	18,642	13,686	24.51	558
1952	77,845.88	58,361	44,727	33,119	24.54	1,350
1953	167,018.34	123,510	94,657	72,361	25.54	2,833
1954	115,612.67	85,137	65,248	50,365	25.59	1,968
1955	91,824.22	66,683	51,105	40,719	26.58	1,532
1956	105,781.84	75,719	58,031	47,751	27.59	1,731
1957	91,987.49	65,532	50,223	41,764	27.65	1,510
1958	119,689.88	84,022	64,394	55,296	28.65	1,930
1959	163,463.38	114,130	87,469	75,994	28.74	2,644
1960	157,447.66	108,293	82,995	74,453	29.73	2,504
1961	111,949.54	76,540	58,660	53,290	29.84	1,786
1962	175,567.82	118,175	90,569	84,999	30.84	2,756
1963	162,425.25	108,630	83,253	79,172	30.95	2,558
1964	124,768.96	82,098	62,919	61,850	31.96	1,935
1965	184,621.57	119,524	91,602	93,020	32.95	2,823
1966	168,354.10	108,184	82,912	85,442	33.09	2,582
1967	147,879.28	93,430	71,604	76,275	34.09	2,237
1968	146,325.09	91,717	70,291	76,034	34.24	2,221
1969	147,686.45	90,945	69,700	77,986	35.25	2,212
1970	127,863.69	77,358	59,287	68,577	36.24	1,892
1971	172,921.76	103,667	79,450	93,472	36.41	2,567
1972	207,432.19	122,074	93,557	113,875	37.41	3,044
1973	180,875.35	105,414	80,789	100,086	37.59	2,663
1974	181,158.77	103,550	79,360	101,799	38.59	2,638
1975	152,594.53	85,544	65,560	87,035	39.59	2,198
1976	78,374.39	43,451	33,301	45,073	39.79	1,133
1977	185,160.24	100,579	77,083	108,077	40.79	2,650
1978	334,587.78	179,607	137,650	196,938	40.99	4,805
1979	291,090.84	152,939	117,211	173,880	42.00	4,140
1980	221,094.47	113,687	87,129	133,965	42.99	3,116
1981	232,842.42	118,121	90,527	142,315	43.22	3,293
1982	346,787.30	171,972	131,798	214,989	44.22	4,862
1983	305,111.74	149,139	114,299	190,813	44.45	4,293
1984	352,284.12	168,110	128,838	223,446	45.46	4,915
1985	477,105.67	222,236	170,320	306,786	46.45	6,605
1986	425,393.03	194,915	149,382	276,011	46.71	5,909
1987	405,702.34	181,187	138,861	266,841	47.71	5,593
1988	471,851.36	205,255	157,306	314,545	48.71	6,458

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1989	496,857.35	212,158	162,597	334,260	48.97	6,826
1990	621,626.90	258,224	197,901	423,726	49.97	8,480
1991	549,591.04	221,815	169,998	379,593	50.97	7,447
1992	265,240.91	104,850	80,356	184,885	51.25	3,608
1993	561,812.18	215,455	165,123	396,689	52.25	7,592
1994	915,508.10	340,294	260,799	654,709	53.25	12,295
1995	823,866.06	299,063	229,200	594,666	53.53	11,109
1996	703,875.81	247,060	189,345	514,531	54.54	9,434
1997	931,520.43	315,972	242,159	689,361	55.53	12,414
1998	705,214.75	232,721	178,356	526,859	55.83	9,437
1999	993,000.90	315,774	242,007	750,994	56.83	13,215
2000	911,723.62	278,987	213,814	697,910	57.83	12,068
2001	687,619.56	203,810	156,199	531,421	58.15	9,139
2002	1,135,961.68	323,068	247,597	888,365	59.14	15,021
2003	245,929.56	66,942	51,304	194,626	60.15	3,236
2004	983,797.22	258,050	197,768	786,029	60.47	12,999
2005	523,563.23	130,943	100,354	423,209	61.47	6,885
2006	1,452,172.33	345,472	264,768	1,187,404	62.47	19,008
2007	1,174,503.95	267,317	204,870	969,634	62.80	15,440
2008	1,297,247.72	279,168	213,953	1,083,295	63.80	16,980
2009	957,825.37	194,439	149,017	808,808	64.80	12,482
2010	3,501,603.49	673,008	515,789	2,985,814	65.15	45,830
2011	2,933,304.99	527,408	404,202	2,529,103	66.15	38,233
2012	4,110,675.77	688,127	527,376	3,583,300	67.15	53,363
2013	2,571,409.55	401,654	307,825	2,263,585	67.50	33,535
2014	3,316,135.75	476,860	365,462	2,950,674	68.50	43,076
2015	5,154,359.07	676,252	518,275	4,636,084	69.50	66,706
2016	4,222,662.02	505,453	387,376	3,835,286	69.87	54,892
2017	6,243,670.25	668,697	512,485	5,731,185	70.87	80,869
2018	7,600,778.58	718,274	550,481	7,050,298	71.87	98,098
2019	6,394,275.64	528,167	404,784	5,989,492	72.24	82,911
2020	5,793,802.77	404,407	309,935	5,483,868	73.24	74,875
2021	4,589,487.91	264,355	202,600	4,386,888	73.62	59,588
2022	4,561,968.46	204,376	156,632	4,405,336	74.62	59,037
2023	5,867,580.66	188,936	144,800	5,722,781	75.02	76,283
2024	137,137.90	2,674	2,049	135,089	75.42	1,791
2025	118,502.20	782	599	117,903	75.26	1,567
	91,774,861.27	16,400,169	12,568,980	79,205,881		1,210,042

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 65.5 1.32

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R4						
1950	474.31	458	340	134	2.62	51
1952	65.55	63	47	19	3.42	6
1954	11,965.15	11,379	8,445	3,520	3.68	957
1955	2,059.75	1,946	1,444	616	4.13	149
1956	19,310.79	18,117	13,445	5,866	4.58	1,281
1957	5,200.04	4,880	3,622	1,578	4.50	351
1958	13,116.05	12,218	9,067	4,049	4.96	816
1959	11,582.89	10,784	8,003	3,580	4.93	726
1960	1,290.98	1,192	885	406	5.42	75
1961	2,853.30	2,613	1,939	914	5.92	154
1962	8,178.16	7,478	5,550	2,628	5.94	442
1963	11,356.39	10,291	7,637	3,719	6.47	575
1964	13,726.56	12,409	9,209	4,518	6.53	692
1965	13,594.07	12,172	9,033	4,561	7.07	645
1966	36,916.49	32,730	24,290	12,626	7.61	1,659
1967	46,300.56	40,902	30,355	15,946	7.72	2,066
1968	31,601.73	27,620	20,498	11,104	8.29	1,339
1969	34,276.43	29,629	21,989	12,287	8.86	1,387
1970	24,640.59	21,196	15,730	8,911	9.02	988
1971	19,933.62	16,948	12,578	7,356	9.60	766
1972	38,458.71	32,305	23,975	14,484	10.19	1,421
1973	14,773.35	12,254	9,094	5,679	10.79	526
1974	17,310.91	14,174	10,519	6,792	11.40	596
1975	73,995.39	59,788	44,371	29,624	12.00	2,469
1976	11,224.29	8,946	6,639	4,585	12.61	364
1977	5,974.71	4,694	3,484	2,491	13.23	188
1978	2,598.88	2,012	1,493	1,106	13.85	80
1979	980.29	748	555	425	14.48	29
1980	1,099.55	826	613	487	15.10	32
1981	13,797.21	10,192	7,564	6,233	15.74	396
1982	25,193.54	18,301	13,582	11,612	16.38	709
1983	471.90	337	250	222	17.02	13
1984	869.90	610	453	417	17.67	24
1985	59,979.48	41,296	30,647	29,332	18.32	1,601
1986	106.21	72	53	53	18.98	3
1987	189.87	125	93	97	19.98	5
1988	453,104.14	292,252	216,891	236,213	20.64	11,444
1989	321,015.84	202,689	150,423	170,593	21.31	8,005
1990	2,562,494.74	1,582,853	1,174,696	1,387,799	21.97	63,168
1991	804,129.58	482,719	358,244	445,886	22.97	19,412
1992	623,482.07	365,485	271,240	352,242	23.65	14,894
1993	466,689.30	266,946	198,111	268,578	24.32	11,044

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R4						
1994	504,718.80	279,816	207,662	297,057	25.32	11,732
1995	95,142.76	51,358	38,115	57,028	26.00	2,193
1996	564,986.25	295,036	218,958	346,028	26.99	12,821
1997	14,790.20	7,503	5,568	9,222	27.68	333
1998	8,547.24	4,184	3,105	5,442	28.68	190
1999	17,203.07	8,161	6,057	11,146	29.36	380
2000	1,607,739.64	733,772	544,560	1,063,180	30.37	35,008
2001	273,830.82	120,102	89,132	184,699	31.36	5,890
2002	7,145,583.56	3,022,582	2,243,174	4,902,410	32.06	152,914
2003	873,125.48	353,616	262,432	610,693	33.06	18,472
2004	1,085,757.89	420,188	311,838	773,920	34.06	22,722
2005	276,296.63	102,506	76,074	200,223	34.75	5,762
2006	1,606,083.62	566,948	420,754	1,185,330	35.75	33,156
2007	206,048.50	68,985	51,196	154,852	36.75	4,214
2008	3,389,830.88	1,073,898	796,981	2,592,850	37.75	68,685
2009	1,021,415.52	306,731	227,637	793,779	38.45	20,644
2010	1,865,506.80	526,259	390,557	1,474,950	39.45	37,388
2011	66,246.15	17,482	12,974	53,272	40.45	1,317
2012	21,009.61	5,162	3,831	17,179	41.45	414
2016	20,694.22	3,597	2,669	18,025	45.15	399
	26,470,940.91	11,642,535	8,640,370	17,830,571		586,182

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.4 2.21

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1908	8,000.05	7,426	5,864	2,136	9.09	235
1909	2,304.01	2,147	1,695	609	8.50	72
1910	1,195.97	1,105	873	323	9.50	34
1911	1,442.95	1,338	1,057	386	8.96	43
1912	319.62	294	232	88	9.95	9
1913	7,809.79	7,205	5,689	2,121	9.45	224
1918	468.91	423	334	135	11.55	12
1922	48.51	44	35	14	11.45	1
1923	94.39	84	66	28	12.44	2
1927	6.40	6	6			
1959	49.22	34	27	22	28.74	1
1962	63.28	43	34	29	30.84	1
2006	0.14					
2010	15,274.93	2,936	2,318	12,957	65.15	199
2011	46,735.37	8,403	6,635	40,100	66.15	606
2021	87,086.46	5,016	3,960	83,126	73.62	1,129
2024	25,710.33	501	395	25,315	75.42	336
2025	22,219.16	147	116	22,103	75.26	294
	218,829.49	37,152	29,336	189,493		3,198

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 59.3 1.46

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
1925	0.25					
1926	26.27	26	26			
1927	86.24	86	86			
1928	48.42	48	48			
1929	48.43	48	48			
1930	89.81	88	73	17	1.59	11
1931	96.53	95	79	18	1.65	11
1932	80.43	78	65	15	2.65	6
1933	104.97	102	84	21	2.74	8
1934	124.29	121	100	24	2.84	8
1935	85.86	83	69	17	2.95	6
1936	77.55	74	61	17	3.96	4
1937	102.76	98	81	22	4.09	5
1938	243.85	233	193	51	4.24	12
1939	137.30	131	108	29	4.41	7
1940	161.82	154	127	35	4.59	8
1941	40.94	39	32	9	4.79	2
1942	9.31	9	9			
1943	1.68	2	2			
1944	13.69	13	11	3	6.22	
1945	110.90	103	85	26	6.45	4
1946	169.34	156	129	40	6.71	6
1947	128.72	118	98	31	6.97	4
1948	282.26	258	213	69	7.25	10
1949	1,107.68	1,008	834	274	7.53	36
1950	721.47	654	541	180	7.83	23
1951	210.92	190	157	54	8.15	7
1952	1,734.55	1,555	1,286	449	8.47	53
1953	215.88	193	160	56	8.80	6
1954	477.11	423	350	127	9.15	14
1955	623.47	549	454	169	9.50	18
1956	667.16	584	483	184	9.87	19
1957	621.64	541	448	174	10.24	17
1958	243.22	210	174	69	10.62	6
1959	899.40	772	639	260	11.02	24
1960	42.63	37	31	12	10.84	1
1961	118.91	101	84	35	11.26	3
1962	208.92	176	146	63	11.68	5
1963	51.95	44	36	16	12.13	1
1964	173.11	145	120	53	12.03	4
1965	91.48	76	63	28	12.50	2
1966	1,837.74	1,509	1,248	590	12.96	46

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
1967	811.53	660	546	266	13.44	20
1968	1,007.34	817	676	331	13.42	25
1969	2,598.49	2,085	1,725	873	13.92	63
1970	2,346.41	1,862	1,540	806	14.43	56
1971	370.09	292	242	128	14.47	9
1972	2,483.50	1,940	1,605	878	14.99	59
1973	710.69	552	457	254	15.07	17
1974	3,468.15	2,661	2,201	1,267	15.61	81
1975	3,346.59	2,552	2,111	1,236	15.72	79
1976	5,049.52	3,799	3,143	1,907	16.29	117
1977	7,620.24	5,692	4,709	2,911	16.44	177
1978	7,838.40	5,808	4,805	3,033	16.60	183
1979	8,811.02	6,432	5,321	3,490	17.20	203
1980	9,843.60	7,121	5,891	3,953	17.40	227
1981	942.96	676	559	384	17.61	22
1982	4,082.85	2,877	2,380	1,703	18.23	93
1983	22,808.76	15,898	13,152	9,657	18.48	523
1984	1,108.29	764	632	476	18.74	25
1985	4,274.78	2,909	2,407	1,868	19.02	98
1986	8,290.99	5,567	4,606	3,685	19.32	191
1988	3,662.82	2,376	1,966	1,697	20.30	84
1989	2,157.54	1,378	1,140	1,018	20.64	49
1990	17,942.69	11,338	9,380	8,563	20.68	414
1991	12,541.10	7,788	6,443	6,098	21.06	290
1992	13,838.41	8,437	6,980	6,858	21.45	320
1993	2,493.26	1,491	1,233	1,260	21.85	58
1994	1,680.63	985	815	866	22.26	39
1996	4,013.07	2,261	1,870	2,143	22.86	94
1997	2,041.88	1,123	929	1,113	23.32	48
1999	253.93	133	110	144	24.01	6
2000	22,847.26	11,652	9,640	13,207	24.50	539
2001	3,193.62	1,589	1,315	1,879	24.76	76
2003	675.71	316	261	415	25.58	16
2011	81,270.32	27,226	22,524	58,746	28.79	2,041
2012	11,833.72	3,754	3,106	8,728	29.06	300
2013	66,200.04	19,695	16,293	49,907	29.52	1,691
2014	33,843.66	9,381	7,761	26,083	29.99	870
2015	23,667.22	6,087	5,036	18,631	30.32	614
2016	19,918.79	4,693	3,882	16,037	30.82	520
2017	31,794.46	6,810	5,634	26,160	31.18	839
2019	12,252.28	2,071	1,713	10,539	31.96	330
2020	82,521.42	11,982	9,913	72,608	32.38	2,242

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0.5						
2021	77,020.74	9,289	7,685	69,336	32.81	2,113
2022	415,217.83	39,695	32,839	382,379	33.13	11,542
2023	880,338.05	61,183	50,615	829,723	33.47	24,790
	1,933,353.51	334,627	276,872	1,656,481		52,590
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					31.5	2.72

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
1939	42.65	43	43			
1940	0.18					
1941	5.62	6	6			
1942	0.39					
1943	0.02					
1946	9.95	10	10			
1947	4.18	4	4			
1948	6.42	6	6			
1949	0.44					
1952	308.78	306	294	15	0.58	15
1954	664.18	655	629	35	0.96	35
1955	107.15	106	102	5	0.93	5
1956	0.01					
1957	0.03					
1958	473.15	463	444	29	1.46	20
1959	0.01					
1960	197.53	193	185	13	1.61	8
1961	770.80	751	721	50	1.72	29
1962	2,816.03	2,736	2,626	190	1.86	102
1964	0.01					
1965	5,978.51	5,787	5,554	425	2.00	212
1971	2,444.48	2,305	2,212	232	3.31	70
1972	11,142.28	10,492	10,069	1,073	3.32	323
1973	5,274.07	4,929	4,730	544	3.68	148
1974	84,526.51	78,356	75,195	9,332	4.06	2,299
1975	110,205.69	101,290	97,204	13,002	4.45	2,922
1976	80,316.53	73,554	70,587	9,730	4.55	2,138
1977	51,424.64	46,642	44,760	6,665	4.97	1,341
1978	105,708.12	94,905	91,077	14,631	5.41	2,704
1979	215,708.01	191,592	183,863	31,845	5.85	5,444
1980	130,872.79	114,932	110,296	20,577	6.31	3,261
1981	64,265.98	55,481	53,243	11,023	7.05	1,564
1982	95,990.62	81,842	78,540	17,451	7.52	2,321
1983	108,576.07	90,900	87,233	21,343	8.26	2,584
1984	130,515.32	107,244	102,918	27,597	9.01	3,063
1985	262,833.16	211,844	203,298	59,535	9.75	6,106
1993	38,600.23	25,468	24,441	14,159	16.76	845
2000	25,108.11	12,996	12,472	12,636	23.76	532
2001	14,448.43	7,187	6,897	7,551	24.76	305
2002	27,797.07	13,259	12,724	15,073	25.76	585
2003	105,030.75	47,978	46,043	58,988	26.76	2,204
2004	75.90	33	32	44	27.76	2

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
2006	57,218.38	22,647	21,733	35,485	29.76	1,192
2007	737.22	277	266	471	30.76	15
2008	40,524.31	14,394	13,813	26,711	31.76	841
2011	790,097.00	232,605	223,221	566,876	34.76	16,308
2012	194,103.63	53,184	51,039	143,065	35.76	4,001
2015	15,765.78	3,361	3,225	12,541	38.76	324
2016	51,686.41	9,965	9,563	42,123	39.76	1,059
2020	192,357.29	21,467	20,601	171,756	43.76	3,925
2021	177,935.28	16,263	15,607	162,328	44.76	3,627
2023	637.73	32	31	607	46.76	13
2024	42,857.58	1,303	1,250	41,608	47.76	871
2025	37,031.94	378	363	36,669	48.76	752
	3,283,203.35	1,760,171	1,689,170	1,594,033		74,115

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.5 2.26

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
1966	39,731.24	36,406	28,283	11,448	5.44	2,104
1970	815.95	729	566	250	6.61	38
1971	4,021.96	3,573	2,776	1,246	6.85	182
1972	2,677.19	2,363	1,836	841	7.10	118
1973	287,554.66	252,128	195,869	91,686	7.38	12,424
1974	279,070.81	242,903	188,703	90,368	7.67	11,782
1975	101,800.73	87,915	68,298	33,503	7.98	4,198
1976	33,931.63	29,059	22,575	11,357	8.30	1,368
1977	35,014.29	29,720	23,088	11,926	8.64	1,380
1978	159,042.24	133,723	103,885	55,157	8.99	6,135
1979	103,723.54	86,339	67,074	36,650	9.36	3,916
1980	298,811.19	246,101	191,187	107,624	9.75	11,038
1981	38,481.89	31,340	24,347	14,135	10.14	1,394
1982	108,840.57	87,595	68,050	40,791	10.55	3,866
1983	1,792.22	1,424	1,106	686	10.97	63
1984	60,818.61	47,706	37,061	23,758	11.41	2,082
1985	1,575,390.09	1,218,722	946,783	628,607	11.85	53,047
1986	194,309.30	148,141	115,086	79,223	12.31	6,436
1987	67,067.76	50,354	39,118	27,950	12.78	2,187
1988	124,596.72	92,052	71,512	53,085	13.26	4,003
1989	212,877.42	154,634	120,130	92,747	13.75	6,745
1990	906,343.25	646,767	502,451	403,892	14.25	28,343
1991	28,389.07	19,884	15,447	12,942	14.76	877
1992	165,324.65	113,545	88,209	77,116	15.28	5,047
1993	180,290.87	120,705	93,772	86,519	16.04	5,394
1994	136,902.18	89,698	69,683	67,219	16.58	4,054
1995	642,017.08	411,212	319,456	322,561	17.12	18,841
1996	19,672.12	12,303	9,558	10,114	17.67	572
1997	10,026.38	6,115	4,751	5,275	18.23	289
1998	99,583.56	59,153	45,954	53,630	18.80	2,853
1999	53,536.32	30,928	24,027	29,509	19.37	1,523
2000	564,599.51	315,272	244,924	319,676	20.16	15,857
2001	843,953.83	456,917	354,963	488,991	20.75	23,566
2002	165,282.65	86,608	67,283	98,000	21.35	4,590
2003	168,854.48	85,474	66,402	102,452	21.95	4,668
2004	77,569.47	37,854	29,407	48,162	22.56	2,135
2005	24,434.76	11,470	8,911	15,524	23.17	670
2006	1,164,872.77	522,445	405,869	759,004	23.98	31,652
2007	191,954.31	82,387	64,004	127,950	24.60	5,201
2008	319,938.21	131,015	101,781	218,157	25.24	8,643
2010	2,332.03	860	668	1,664	26.52	63
2011	894,877.58	311,417	241,929	652,949	27.17	24,032

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
2012	1,257,922.63	410,963	319,263	938,660	27.82	33,740
2013	1,870,528.36	570,511	443,210	1,427,318	28.48	50,117
2014	641,374.17	181,445	140,958	500,416	29.15	17,167
2015	1,108,950.60	288,771	224,336	884,615	29.82	29,665
2016	1,707,663.66	407,107	316,267	1,391,397	30.34	45,860
2017	6,935,899.74	1,491,218	1,158,475	5,777,425	31.03	186,188
2018	2,105,969.24	402,661	312,813	1,793,156	31.72	56,531
2019	3,108,090.60	521,227	404,923	2,703,168	32.26	83,793
2020	3,692,712.22	530,273	411,951	3,280,761	32.81	99,993
2021	1,844,619.00	219,141	170,243	1,674,376	33.38	50,161
2022	3,455,415.87	324,118	251,796	3,203,620	33.81	94,754
2023	3,144,592.32	214,461	166,607	2,977,985	34.13	87,254
2024	3,082,721.75	129,474	100,584	2,982,138	34.21	87,172
2025	2,666,299.53	39,461	30,655	2,635,644	33.17	79,459
	47,013,884.78	12,265,787	9,528,863	37,485,021		1,325,230

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.3 2.82

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 331.99 MAINS AND ACCESSORIES - MAIN CLEANING AND LINING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L4						
1986	771,557.44	591,244	442,941	328,616	12.05	27,271
1987	412,682.96	309,842	232,124	180,559	12.78	14,128
1988	341,676.12	252,430	189,112	152,564	13.26	11,506
1989	692,091.32	500,174	374,714	317,377	14.01	22,654
1990	718,707.25	507,695	380,349	338,358	14.75	22,940
1991	784,060.65	541,002	405,301	378,760	15.50	24,436
1992	838,960.50	567,725	425,321	413,640	16.00	25,852
1993	2,139,088.84	1,411,371	1,057,354	1,081,735	16.76	64,543
1994	1,908,942.80	1,226,687	918,995	989,948	17.52	56,504
1995	2,277,007.46	1,423,585	1,066,504	1,210,503	18.28	66,220
1996	2,293,600.93	1,393,821	1,044,206	1,249,395	19.04	65,619
1997	3,075,501.54	1,814,546	1,359,400	1,716,102	19.81	86,628
1998	3,886,247.65	2,212,052	1,657,198	2,229,050	20.81	107,114
1999	5,312,733.48	2,928,379	2,193,848	3,118,885	21.58	144,527
2000	6,020,851.29	3,209,114	2,404,165	3,616,686	22.34	161,893
2001	5,791,254.02	2,979,600	2,232,221	3,559,033	23.12	153,937
2002	8,475,209.07	4,182,516	3,133,407	5,341,802	24.12	221,468
2003	226,552.76	107,567	80,586	145,967	24.89	5,864
2005	1,799,779.57	778,585	583,291	1,216,489	26.89	45,239
2006	7,477,272.69	3,091,105	2,315,757	5,161,516	27.67	186,538
2007	4,249,150.86	1,666,517	1,248,501	3,000,650	28.67	104,662
2008	9,399,542.06	3,487,230	2,612,521	6,787,021	29.67	228,750
2009	9,383,302.28	3,282,279	2,458,978	6,924,324	30.67	225,769
2010	18,159,267.42	5,967,135	4,470,386	13,688,881	31.67	432,235
2011	9,446,744.91	2,903,929	2,175,531	7,271,214	32.67	222,565
2012	4,967,528.73	1,421,707	1,065,097	3,902,432	33.67	115,902
2013	8,229,611.06	2,180,847	1,633,821	6,595,790	34.67	190,245
2014	2,620,752.17	638,939	478,673	2,142,079	35.67	60,053
2015	2,997,459.13	667,234	499,870	2,497,589	36.67	68,110
	124,697,136.96	52,244,857	39,140,172	85,556,965		3,163,172

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 27.0 2.54

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1932	20.89	20	21			
1934	0.01					
1935	0.04					
1936	474.80	455	468	7	3.96	2
1937	5,028.55	4,806	4,939	90	4.09	22
1938	5,150.15	4,912	5,048	102	4.24	24
1939	5,636.41	5,363	5,512	124	4.41	28
1940	7,832.57	7,433	7,639	194	4.59	42
1941	8,547.94	8,090	8,314	234	4.79	49
1942	6,433.98	6,071	6,239	195	4.99	39
1943	5,020.58	4,722	4,853	168	5.22	32
1944	22,140.60	20,750	21,325	816	5.46	149
1945	18,738.45	17,348	17,829	909	6.45	141
1946	68,269.75	62,958	64,703	3,567	6.71	532
1947	192,391.67	176,693	181,591	10,801	6.97	1,550
1948	289,952.98	265,162	272,512	17,441	7.25	2,406
1949	294,054.29	267,707	275,128	18,926	7.53	2,513
1950	500,547.24	453,496	466,067	34,480	7.83	4,404
1951	533,153.45	480,585	493,907	39,246	8.15	4,815
1952	504,719.56	452,582	465,128	39,592	8.47	4,674
1953	622,700.16	555,324	570,718	51,982	8.80	5,907
1954	770,943.25	683,518	702,465	68,478	9.15	7,484
1955	886,348.13	781,050	802,701	83,647	9.50	8,805
1956	833,336.19	729,753	749,982	83,354	9.87	8,445
1957	676,953.80	588,950	605,276	71,678	10.24	7,000
1958	617,551.08	533,564	548,354	69,197	10.62	6,516
1959	708,365.53	607,636	624,480	83,886	11.02	7,612
1960	715,086.99	604,249	620,999	94,088	12.02	7,828
1961	631,157.90	529,226	543,896	87,262	12.42	7,026
1962	800,850.85	666,148	684,614	116,237	12.84	9,053
1963	641,797.90	529,483	544,160	97,638	13.26	7,363
1964	1,155,625.39	938,137	964,142	191,483	14.26	13,428
1965	737,234.47	593,179	609,622	127,612	14.69	8,687
1966	963,626.64	768,300	789,597	174,030	15.13	11,502
1967	793,623.60	622,122	639,367	154,257	16.13	9,563
1968	649,570.23	504,196	518,172	131,398	16.58	7,925
1969	746,867.96	573,893	589,801	157,067	17.03	9,223
1970	833,482.57	629,113	646,552	186,931	18.03	10,368
1971	1,037,477.53	774,581	796,052	241,426	18.50	13,050
1972	911,696.13	673,105	691,763	219,933	18.96	11,600
1973	1,182,185.35	856,493	880,235	301,950	19.96	15,128
1974	2,024,244.50	1,448,954	1,489,119	535,126	20.45	26,168

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1975	1,560,722.59	1,103,431	1,134,018	426,705	20.93	20,387
1976	1,041,715.81	721,909	741,920	299,796	21.93	13,671
1977	1,343,188.26	918,472	943,932	399,256	22.43	17,800
1978	1,684,886.33	1,128,537	1,159,820	525,066	23.42	22,420
1979	2,031,584.09	1,341,455	1,378,640	652,944	23.92	27,297
1980	1,665,583.32	1,076,133	1,105,963	559,620	24.92	22,457
1981	1,717,618.96	1,093,093	1,123,393	594,226	25.43	23,367
1982	1,433,937.61	898,219	923,118	510,820	25.94	19,692
1983	1,605,082.35	982,310	1,009,540	595,542	26.94	22,106
1984	2,462,242.14	1,471,436	1,512,224	950,018	27.94	34,002
1985	3,088,055.68	1,813,306	1,863,571	1,224,485	28.47	43,010
1986	2,526,156.77	1,446,983	1,487,093	1,039,064	29.46	35,270
1987	3,082,052.99	1,732,422	1,780,445	1,301,608	29.99	43,401
1988	3,289,931.82	1,801,238	1,851,168	1,438,764	30.99	46,427
1989	3,553,065.46	1,906,575	1,959,425	1,593,640	31.52	50,560
1990	3,594,539.87	1,875,631	1,927,623	1,666,917	32.53	51,242
1991	2,843,368.09	1,442,156	1,482,133	1,361,235	33.52	40,610
1992	3,351,756.96	1,661,801	1,707,866	1,643,891	34.07	48,250
1993	3,559,858.88	1,712,292	1,759,757	1,800,102	35.07	51,329
1994	3,491,964.91	1,627,954	1,673,081	1,818,884	36.07	50,427
1995	4,298,287.00	1,940,247	1,994,031	2,304,256	37.07	62,160
1996	3,449,380.07	1,516,347	1,558,380	1,891,000	37.61	50,279
1997	4,377,060.05	1,858,500	1,910,018	2,467,042	38.62	63,880
1998	7,383,280.00	3,025,668	3,109,539	4,273,741	39.61	107,896
1999	5,778,448.54	2,281,331	2,344,569	3,433,880	40.62	84,537
2000	6,952,353.98	2,659,275	2,732,990	4,219,364	41.17	102,486
2001	9,976,770.39	3,666,463	3,768,097	6,208,673	42.17	147,230
2002	14,756,219.34	5,201,567	5,345,754	9,410,465	43.17	217,986
2003	3,327,937.86	1,123,179	1,154,313	2,173,625	44.17	49,210
2004	11,278,774.72	3,637,405	3,738,234	7,540,541	45.17	166,937
2005	10,810,916.42	3,324,357	3,416,508	7,394,408	46.17	160,156
2006	12,929,750.33	3,806,518	3,912,035	9,017,715	46.73	192,975
2007	12,361,996.41	3,453,942	3,549,685	8,812,311	47.72	184,667
2008	13,614,412.22	3,596,928	3,696,635	9,917,777	48.73	203,525
2009	15,355,758.65	3,826,655	3,932,730	11,423,029	49.72	229,747
2010	21,017,704.24	4,918,143	5,054,474	15,963,230	50.73	314,670
2011	19,976,044.46	4,374,754	4,496,022	15,480,022	51.72	299,304
2012	24,169,903.09	4,925,826	5,062,370	19,107,533	52.73	362,366
2013	23,297,817.27	4,398,628	4,520,558	18,777,259	53.72	349,539
2014	22,096,658.38	3,835,980	3,942,313	18,154,345	54.73	331,707
2015	28,133,562.83	4,461,983	4,585,669	23,547,894	55.72	422,611
2016	27,466,811.02	3,938,741	4,047,923	23,418,888	56.73	412,813

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
2017	28,892,618.50	3,732,926	3,836,402	25,056,216	57.29	437,358
2018	29,124,847.44	3,320,233	3,412,270	25,712,577	58.29	441,115
2019	29,901,539.43	2,954,272	3,036,164	26,865,375	59.29	453,118
2020	26,378,386.36	2,205,233	2,266,362	24,112,024	60.29	399,934
2021	31,519,375.05	2,155,925	2,215,687	29,303,688	61.29	478,115
2022	26,090,998.50	1,388,041	1,426,517	24,664,482	62.29	395,962
2023	29,861,527.47	1,134,738	1,166,193	28,695,334	63.29	453,394
2024	34,548,717.81	787,711	809,546	33,739,172	64.29	524,797
2025	38,537,989.52	292,889	301,008	38,236,982	65.29	585,648
	648,002,000.30	138,929,885	142,781,016	505,220,984		9,610,950

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 52.6 1.48

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
1979	12,121.23	12,121	12,121			
1981	153.71	154	154			
1984	19.66	20	20			
1985	775.37	775	775			
1987	4,321.72	4,259	4,322			
1988	6,345.75	6,211	6,346			
1989	3,697.01	3,589	3,697			
1990	1,445.79	1,396	1,446			
1991	8,286.00	7,918	8,286			
1992	6,020.86	5,728	6,021			
1993	20,779.93	19,585	20,780			
1994	181,350.06	169,671	181,350			
1995	289,440.24	268,369	289,440			
1996	435,200.04	400,558	435,200			
1997	428,962.65	390,013	428,963			
1998	5,529,953.29	4,972,534	5,529,953			
1999	4,443,710.63	3,945,126	4,443,711			
2000	3,171,041.00	2,781,637	3,171,041			
2001	4,061,183.20	3,502,364	4,061,183			
2002	4,785,274.10	4,059,827	4,785,274			
2003	5,236,467.97	4,347,316	5,145,775	90,693	4.60	19,716
2004	15,510,948.16	12,573,175	14,882,453	628,495	5.02	125,198
2005	9,132,228.46	7,226,332	8,553,571	578,657	5.41	106,961
2006	3,912,224.32	3,005,762	3,557,822	354,402	5.88	60,272
2007	1,522,329.74	1,132,157	1,340,097	182,233	6.38	28,563
2008	1,327,144.23	952,226	1,127,119	200,025	6.89	29,031
2009	2,727,793.29	1,881,359	2,226,903	500,890	7.42	67,505
2010	2,472,349.95	1,628,784	1,927,938	544,412	8.03	67,797
2011	3,074,059.69	1,929,895	2,284,353	789,707	8.60	91,826
2012	3,798,141.22	2,261,413	2,676,760	1,121,381	9.17	122,288
2013	4,158,388.72	2,328,698	2,756,403	1,401,986	9.82	142,768
2014	4,124,411.31	2,162,841	2,560,084	1,564,327	10.43	149,983
2015	3,923,968.01	1,911,757	2,262,884	1,661,084	11.05	150,324
2016	2,796,648.59	1,254,017	1,484,339	1,312,310	11.69	112,259
2017	7,498,279.27	3,059,298	3,621,190	3,877,089	12.33	314,444
2018	11,970,684.31	4,381,270	5,185,965	6,784,719	12.99	522,303
2019	8,827,052.80	2,845,842	3,368,530	5,458,523	13.66	399,599
2020	4,895,195.87	1,359,885	1,609,651	3,285,545	14.30	229,758
2021	7,100,868.27	1,642,431	1,944,091	5,156,777	14.96	344,704
2022	6,219,769.50	1,140,706	1,350,216	4,869,554	15.58	312,552

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
2023	7,002,647.49	939,755	1,112,357	5,890,290	16.12	365,403
2024	13,201,032.45	1,095,686	1,296,928	11,904,104	16.58	717,980
2025	6,750,261.21	199,133	235,707	6,514,554	16.45	396,022
	160,572,977.07	81,811,593	95,901,219	64,671,758		4,877,256
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					13.3	3.04

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 334.03 METERS - ERTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 18-S2						
1999	225,022.22	210,486	225,022			
2001	743,970.65	679,840	743,971			
2002	4,267,879.13	3,851,334	4,267,879			
2003	6,256,910.67	5,561,142	6,256,911			
2004	6,309,688.53	5,520,977	6,276,653	33,036	3.07	10,761
2005	8,609,690.72	7,395,724	8,408,003	201,688	3.37	59,848
2006	964,022.42	812,092	923,246	40,776	3.65	11,172
2007	935,016.33	769,705	875,057	59,959	3.97	15,103
2008	1,189,827.13	955,669	1,086,475	103,352	4.29	24,091
2009	930,134.74	725,877	825,230	104,905	4.64	22,609
2010	787,300.25	595,514	677,024	110,276	4.99	22,099
2011	1,261,816.44	918,476	1,044,191	217,625	5.42	40,152
2012	1,766,449.44	1,232,982	1,401,745	364,704	5.84	62,449
2013	1,729,521.41	1,150,132	1,307,555	421,966	6.30	66,979
2014	1,732,318.83	1,089,629	1,238,770	493,549	6.78	72,795
2015	1,916,680.71	1,128,925	1,283,445	633,236	7.33	86,390
2016	1,999,757.56	1,092,268	1,241,771	757,987	7.89	96,069
2017	2,092,525.63	1,045,844	1,188,992	903,534	8.51	106,173
2018	2,974,978.91	1,336,361	1,519,274	1,455,705	9.20	158,229
2019	5,100,495.17	2,018,776	2,295,093	2,805,402	9.92	282,803
2020	2,342,559.35	795,065	903,889	1,438,670	10.71	134,330
2021	3,011,545.82	844,437	960,018	2,051,528	11.55	177,621
2022	747,931.22	164,096	186,556	561,375	12.45	45,090
2023	844,935.38	133,077	151,292	693,643	13.37	51,881
2024	3,949,990.62	373,669	424,814	3,525,177	14.35	245,657
2025	2,016,311.79	63,715	72,436	1,943,876	15.35	126,637
	64,707,281.07	40,465,812	45,785,312	18,921,969		1,918,938

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.9 2.97

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1959	16,016.99	14,699	14,345	1,672	5.96	281
1960	19,081.25	17,372	16,954	2,127	6.45	330
1961	17,414.05	15,836	15,455	1,959	6.43	305
1962	14,498.96	13,074	12,759	1,740	6.92	251
1963	8,996.40	8,041	7,847	1,149	7.43	155
1964	74,240.15	66,207	64,613	9,627	7.46	1,290
1965	119,284.98	105,364	102,827	16,458	7.99	2,060
1966	146,875.33	128,457	125,364	21,511	8.53	2,522
1967	128,799.98	111,515	108,830	19,970	9.07	2,202
1968	111,006.70	95,111	92,821	18,186	9.61	1,892
1969	112,267.57	95,787	93,481	18,787	9.72	1,933
1970	142,105.72	119,880	116,994	25,112	10.29	2,440
1971	180,337.00	150,365	146,745	33,592	10.86	3,093
1972	155,387.56	128,024	124,942	30,446	11.44	2,661
1973	171,367.92	139,459	136,102	35,266	12.01	2,936
1974	387,077.12	310,978	303,491	83,586	12.60	6,634
1975	254,009.92	201,379	196,531	57,479	13.20	4,354
1976	223,695.54	173,856	169,671	54,025	14.19	3,807
1977	165,185.02	126,581	123,534	41,651	14.79	2,816
1978	409,300.95	309,104	301,663	107,638	15.40	6,989
1979	453,137.81	337,135	329,019	124,119	16.00	7,757
1980	434,386.08	318,231	310,570	123,816	16.61	7,454
1981	411,598.77	296,722	289,579	122,020	17.23	7,082
1982	403,432.27	286,033	279,147	124,285	17.85	6,963
1983	333,851.11	232,694	227,092	106,759	18.48	5,777
1984	389,291.63	264,952	258,573	130,719	19.48	6,710
1985	645,229.30	431,142	420,762	224,467	20.11	11,162
1986	448,264.86	293,927	286,851	161,414	20.74	7,783
1987	832,189.10	535,098	522,216	309,973	21.38	14,498
1988	752,806.35	471,407	460,058	292,748	22.38	13,081
1989	669,045.63	410,259	400,382	268,664	23.02	11,671
1990	857,931.93	514,759	502,366	355,566	23.67	15,022
1991	393,266.09	229,274	223,754	169,512	24.67	6,871
1992	787,311.72	448,374	437,580	349,732	25.32	13,812
1993	738,427.27	407,981	398,159	340,268	26.32	12,928
1994	948,311.74	510,761	498,465	449,847	26.98	16,673
1995	750,053.83	391,228	381,809	368,245	27.98	13,161
1996	1,290,002.28	654,547	638,789	651,213	28.64	22,738
1997	1,617,640.12	792,967	773,877	843,763	29.64	28,467
1998	1,546,897.08	736,014	718,295	828,602	30.30	27,347
1999	1,509,482.52	691,947	675,289	834,194	31.31	26,643
2000	1,695,405.98	748,013	730,005	965,401	32.30	29,889

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
2001	2,284,866.79	974,039	950,590	1,334,277	32.97	40,469
2002	2,228,389.10	911,188	889,252	1,339,137	33.97	39,421
2003	1,776,302.43	695,422	678,680	1,097,622	34.97	31,388
2004	2,234,019.40	840,438	820,205	1,413,814	35.65	39,658
2005	2,134,638.75	765,908	747,469	1,387,170	36.64	37,859
2006	2,230,669.36	761,104	742,781	1,487,888	37.65	39,519
2007	2,407,039.95	779,400	760,636	1,646,404	38.64	42,609
2008	3,483,433.27	1,072,897	1,047,068	2,436,365	39.32	61,962
2009	2,183,873.21	634,197	618,929	1,564,944	40.32	38,813
2010	4,110,889.29	1,121,451	1,094,453	3,016,436	41.32	73,002
2011	4,186,717.62	1,068,450	1,042,728	3,143,990	42.32	74,291
2012	5,409,694.79	1,285,343	1,254,399	4,155,296	43.32	95,921
2013	3,814,791.81	839,254	819,049	2,995,743	44.32	67,593
2014	3,728,513.26	754,651	736,483	2,992,030	45.32	66,020
2015	5,266,888.59	973,321	949,889	4,317,000	46.32	93,199
2016	4,473,492.13	752,441	734,326	3,739,166	46.99	79,574
2017	7,895,833.99	1,187,533	1,158,944	6,736,890	48.00	140,352
2018	7,335,295.82	974,127	950,675	6,384,621	48.99	130,325
2019	6,550,486.85	753,306	735,171	5,815,316	50.00	116,306
2020	5,210,913.83	507,543	495,324	4,715,590	50.99	92,481
2021	5,889,191.66	468,780	457,495	5,431,697	52.00	104,456
2022	4,862,225.73	301,458	294,200	4,568,026	52.99	86,205
2023	6,755,402.52	298,589	291,401	6,464,002	54.00	119,704
2024	4,333,360.88	115,267	112,492	4,220,869	54.99	76,757
2025	4,075,156.00	35,861	34,998	4,040,158	56.00	72,146
	125,626,999.61	31,206,522	30,455,243	95,171,757		2,222,470

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 42.8 1.77

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 336 BACKFLOW PREVENTION DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 35-R2.5						
1998	10,236.44	7,290	7,054	3,182	11.11	286
2007	828.99	439	425	404	16.47	25
2013	13,790.75	5,257	5,087	8,704	20.29	429
2014	19,634.58	6,955	6,730	12,905	20.97	615
2015	235,430.63	76,892	74,402	161,029	21.65	7,438
2016	8,566.42	2,563	2,480	6,086	22.25	274
2017	6,159.17	1,665	1,611	4,548	22.95	198
2018	2,768.98	669	647	2,122	23.56	90
2019	7,856.08	1,665	1,611	6,245	24.17	258
2020	1,983.82	360	348	1,636	24.80	66
2021	14,052.17	2,112	2,044	12,008	25.44	472
2022	15,349.31	1,827	1,768	13,581	25.91	524
2023	45,358.25	3,937	3,809	41,549	26.32	1,579
2024	1,999.31	107	104	1,895	26.59	71
2025	2,000.00	38	37	1,963	25.96	76
	386,014.90	111,776	108,157	277,858		12,401

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.4 3.21

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 339 OTHER PLANT AND MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-R3						
2024	65,814.77	5,627	5,815	60,000	16.04	3,741
	65,814.77	5,627	5,815	60,000		3,741

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.0 5.68

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2006	327,637.83	319,447	309,087	18,551	0.50	18,551
2007	1,448,085.26	1,339,479	1,296,039	152,046	1.50	101,364
2008	250,173.31	218,902	211,803	38,370	2.50	15,348
2009	215,195.64	177,536	171,778	43,418	3.50	12,405
2010	392,214.07	303,966	294,108	98,106	4.50	21,801
2011	53,478.86	38,772	37,515	15,964	5.50	2,903
2012	168,858.87	113,980	110,284	58,575	6.50	9,012
2013	159,879.08	99,924	96,683	63,196	7.50	8,426
2014	64,526.72	37,103	35,900	28,627	8.50	3,368
2015	358,313.95	188,115	182,014	176,300	9.50	18,558
2016	907,789.67	431,200	417,216	490,574	10.50	46,721
2017	403,525.55	171,498	165,936	237,590	11.50	20,660
2018	1,326,542.63	497,453	481,321	845,222	12.50	67,618
2019	559,332.46	181,783	175,888	383,444	13.50	28,403
2020	177,809.76	48,898	47,312	130,498	14.50	9,000
2021	186,078.49	41,868	40,510	145,568	15.50	9,391
2022	1,236,964.33	216,469	209,449	1,027,515	16.50	62,274
2023	186,781.52	23,348	22,591	164,191	17.50	9,382
2024	459,932.70	34,495	33,376	426,557	18.50	23,057
2025	440,682.60	11,017	10,660	430,023	19.50	22,052
	9,323,803.30	4,495,253	4,349,470	4,974,333		510,294

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.7 5.47

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.2 OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2016	22,491.66	21,367	20,106	2,386	0.50	2,386
2017	375,178.90	318,902	300,088	75,091	1.50	50,061
2018	156,661.87	117,496	110,564	46,098	2.50	18,439
2019	151,299.27	98,345	92,543	58,756	3.50	16,787
2020	45,306.60	24,919	23,449	21,858	4.50	4,857
2021	14,376.31	6,469	6,087	8,289	5.50	1,507
2022	34,791.17	12,177	11,459	23,332	6.50	3,590
2023	19,962.69	4,991	4,697	15,266	7.50	2,035
2024	91,986.54	13,798	12,984	79,003	8.50	9,294
2025	88,136.52	4,407	4,147	83,990	9.50	8,841
	1,000,191.53	622,871	586,124	414,068		117,797

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 3.5 11.78

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
2021	1,389,268.64	1,250,342	20,578	1,368,691	0.50	1,368,691
2022	1,092,155.95	764,509	12,583	1,079,573	1.50	719,715
2023	1,635,632.63	817,816	13,460	1,622,173	2.50	648,869
2024	3,679,461.62	1,103,838	18,167	3,661,295	3.50	1,046,084
2025	3,525,460.80	352,546	5,802	3,519,659	4.50	782,146
	11,321,979.64	4,289,051	70,590	11,251,390		4,565,505
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 2.5						40.32

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.4 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10-YEAR

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2016	5,097,003.69	4,842,154	3,175,797	1,921,207	0.50	1,921,207
2017	3,601,268.61	3,061,078	2,007,653	1,593,616	1.50	1,062,411
2018	2,518,304.36	1,888,728	1,238,750	1,279,554	2.50	511,822
2019	792,718.76	515,267	337,945	454,774	3.50	129,935
2020	2,526,829.46	1,389,756	911,492	1,615,337	4.50	358,964
2021	5,582,417.73	2,512,088	1,647,589	3,934,829	5.50	715,423
2022	5,357,612.76	1,875,164	1,229,854	4,127,759	6.50	635,040
2023	4,661,095.41	1,165,274	764,262	3,896,833	7.50	519,578
2024	5,519,192.43	827,879	542,976	4,976,216	8.50	585,437
2025	5,288,191.20	264,410	173,417	5,114,774	9.50	538,397
	40,944,634.41	18,341,798	12,029,735	28,914,899		6,978,214

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.1 17.04

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 340.41 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15-YEAR

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
2013	4,476,152.23	3,730,112	3,734,782	741,370	2.50	296,548
2014	495,395.98	379,805	380,280	115,116	3.50	32,890
2015	1,456,463.32	1,019,524	1,020,800	435,663	4.50	96,814
2016	1,643,982.82	1,041,184	1,042,488	601,495	5.50	109,363
2017	1,886,471.00	1,069,007	1,070,345	816,126	6.50	125,558
2018	5,644,283.28	2,822,142	2,825,675	2,818,608	7.50	375,814
2019	631,721.93	273,744	274,087	357,635	8.50	42,075
2020	3,138,419.50	1,150,764	1,152,205	1,986,214	9.50	209,075
2021	26,707,477.77	8,012,243	8,022,274	18,685,204	10.50	1,779,543
2022	10,346,905.00	2,414,243	2,417,266	7,929,639	11.50	689,534
2023	7,812,248.34	1,302,067	1,303,697	6,508,551	12.50	520,684
2024	8,646,734.80	864,673	865,755	7,780,980	13.50	576,369
2025	8,284,832.88	276,133	276,479	8,008,354	14.50	552,300
	81,171,088.85	24,355,641	24,386,133	56,784,956		5,406,567

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.5 6.66

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L2.5						
1993	8,250.73	8,251	8,251			
1999	16,067.60	16,068	16,068			
2000	2,394.99	2,180	2,395			
2001	20,232.90	19,978	20,233			
2002	44,333.62	43,864	44,334			
2005	18,630.02	17,950	18,630			
2007	20,936.93	19,794	20,937			
2008	198,307.47	185,655	198,307			
2009	68,707.23	63,485	68,707			
2010	130,872.37	119,068	130,872			
2011	205,039.91	183,429	205,040			
2012	545,881.15	479,011	545,881			
2013	588,216.47	504,396	588,216			
2014	1,229,381.12	1,026,410	1,229,381			
2015	447,483.93	363,178	435,994	11,490	2.44	4,709
2016	1,406,404.13	1,108,950	1,331,289	75,115	2.55	29,457
2017	2,286,462.19	1,741,370	2,090,507	195,955	2.66	73,667
2018	2,722,676.32	1,978,841	2,375,589	347,087	2.82	123,080
2019	3,204,335.28	2,176,385	2,612,740	591,595	3.07	192,702
2020	2,856,200.82	1,754,850	2,106,689	749,512	3.45	217,250
2021	2,984,063.26	1,585,731	1,903,663	1,080,400	3.97	272,141
2022	6,350,013.45	2,740,666	3,290,157	3,059,856	4.61	663,743
2023	1,481,563.87	472,619	567,377	914,187	5.34	171,196
2024	2,647,262.11	519,922	624,164	2,023,098	6.14	329,495
2025	1,023,000.00	68,030	81,670	941,330	7.02	134,093
	30,506,717.87	17,200,081	20,517,091	9,989,627		2,211,533

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.5 7.25

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 341.2 TRANSPORTATION EQUIPMENT - OTHER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2006	52,975.39	51,651	39,828	13,147	0.50	13,147
2008	188,287.25	164,751	127,040	61,247	2.50	24,499
2009	18,957.12	15,640	12,060	6,897	3.50	1,971
2010	161,646.41	125,276	96,601	65,045	4.50	14,454
2011	112,922.42	81,869	63,130	49,792	5.50	9,053
2012	218,174.62	147,268	113,559	104,616	6.50	16,095
2013	34,163.51	21,352	16,465	17,699	7.50	2,360
2014	46,875.64	26,953	20,784	26,092	8.50	3,070
2015	205,604.38	107,942	83,234	122,370	9.50	12,881
2016	85,799.65	40,755	31,426	54,374	10.50	5,178
2017	33,806.36	14,368	11,079	22,727	11.50	1,976
2018	542,186.12	203,320	156,781	385,405	12.50	30,832
2019	406,468.03	132,102	101,864	304,604	13.50	22,563
2020	39,910.62	10,975	8,463	31,448	14.50	2,169
2021	119,243.65	26,830	20,689	98,555	15.50	6,358
2022	144,351.10	25,261	19,479	124,872	16.50	7,568
2023	309,672.62	38,709	29,848	279,825	17.50	15,990
2024	199,290.10	14,947	11,526	187,764	18.50	10,149
2025	77,000.00	1,925	1,484	75,516	19.50	3,873
	2,997,334.99	1,251,894	965,340	2,031,995		204,186

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.0 6.81

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 342 STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2006	83,458.46	81,372	81,134	2,324	0.50	2,324
2009	14,798.30	12,209	12,173	2,625	3.50	750
2011	374,303.77	271,370	270,576	103,728	5.50	18,860
2012	14,997.75	10,123	10,093	4,905	6.50	755
2013	249,399.81	155,875	155,419	93,981	7.50	12,531
2014	634,884.73	365,059	363,991	270,894	8.50	31,870
2015	419,168.19	220,063	219,420	199,748	9.50	21,026
2016	381,433.80	181,181	180,651	200,783	10.50	19,122
2018	643,807.29	241,428	240,722	403,085	12.50	32,247
2019	331,435.01	107,716	107,401	224,034	13.50	16,595
2020	114,984.31	31,621	31,529	83,455	14.50	5,756
2021	152,968.67	34,418	34,317	118,652	15.50	7,655
2023	13,242.10	1,655	1,650	11,592	17.50	662
2024	41,300.00	3,098	3,089	38,211	18.50	2,065
2025	29,800.00	745	743	29,057	19.50	1,490
	3,499,982.19	1,717,933	1,712,908	1,787,074		173,708

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.3 4.96

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 343.1 SHOP EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2001	13,131.32	12,869	12,934	197	0.50	197
2002	102,942.08	96,766	97,257	5,685	1.50	3,790
2003	152,805.90	137,525	138,223	14,583	2.50	5,833
2004	70,796.25	60,885	61,194	9,602	3.50	2,743
2005	14,206.42	11,649	11,708	2,498	4.50	555
2006	289,408.71	225,739	226,884	62,525	5.50	11,368
2007	20,701.71	15,319	15,397	5,305	6.50	816
2008	141,872.66	99,311	99,815	42,058	7.50	5,608
2009	141,702.86	93,524	93,998	47,705	8.50	5,612
2010	16,903.61	10,480	10,533	6,371	9.50	671
2011	238,356.53	138,247	138,948	99,409	10.50	9,468
2012	7,149.18	3,861	3,881	3,268	11.50	284
2013	18,259.75	9,130	9,176	9,084	12.50	727
2014	26,319.15	12,107	12,168	14,151	13.50	1,048
2015	28,314.21	11,892	11,952	16,362	14.50	1,128
2016	814.11	309	311	503	15.50	32
2017	4,620.77	1,571	1,579	3,042	16.50	184
2018	4,878.88	1,464	1,471	3,408	17.50	195
2020	61,065.73	13,434	13,502	47,564	19.50	2,439
2021	1,289.20	232	233	1,056	20.50	52
2022	1,083,634.36	151,709	152,479	931,155	21.50	43,310
2023	709,781.41	70,978	71,338	638,443	22.50	28,375
2024	424,724.55	25,483	25,612	399,113	23.50	16,984
2025	220,185.00	4,404	4,426	215,759	24.50	8,806
	3,793,864.35	1,208,888	1,215,019	2,578,845		150,225

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.2 3.96

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2006	365,404.23	356,269	352,982	12,422	0.50	12,422
2007	271,716.78	251,338	249,019	22,698	1.50	15,132
2008	1,123,695.32	983,233	974,163	149,532	2.50	59,813
2009	1,757,289.93	1,449,764	1,436,390	320,900	3.50	91,686
2010	721,054.56	558,817	553,662	167,393	4.50	37,198
2011	1,345,843.59	975,737	966,736	379,108	5.50	68,929
2012	869,119.42	586,656	581,244	287,875	6.50	44,288
2013	290,391.62	181,495	179,821	110,571	7.50	14,743
2014	1,518,976.75	873,412	865,355	653,622	8.50	76,897
2015	1,961,505.76	1,029,791	1,020,291	941,215	9.50	99,075
2016	2,194,946.64	1,042,600	1,032,982	1,161,965	10.50	110,663
2017	707,281.82	300,595	297,822	409,460	11.50	35,605
2018	1,168,654.50	438,245	434,202	734,452	12.50	58,756
2019	947,922.85	308,075	305,233	642,690	13.50	47,607
2020	788,478.47	216,832	214,832	573,646	14.50	39,562
2021	822,271.24	185,011	183,305	638,966	15.50	41,224
2022	311,128.02	54,447	53,945	257,183	16.50	15,587
2023	212,455.28	26,557	26,312	186,143	17.50	10,637
2024	788,774.16	59,158	58,612	730,162	18.50	39,468
2025	408,915.00	10,223	10,128	398,787	19.50	20,451
	18,575,825.94	9,888,255	9,797,036	8,778,790		939,743

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.3 5.06

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 38-R3						
1978	432.99	399	433			
1984	17,037.88	14,990	16,980	58	5.67	10
1985	49,959.45	43,300	49,049	910	6.23	146
1986	29,138.01	24,977	28,293	845	6.58	128
1987	64,368.84	54,520	61,758	2,611	6.95	376
1988	36,486.10	30,510	34,560	1,926	7.35	262
1989	7,857.51	6,482	7,343	515	7.75	66
1990	23,759.50	19,316	21,880	1,880	8.17	230
1991	33,293.29	26,535	30,058	3,235	8.79	368
1992	11,936.72	9,357	10,599	1,338	9.24	145
1993	40,313.55	31,049	35,171	5,143	9.70	530
1994	42,126.35	31,713	35,923	6,203	10.34	600
1995	3,979.41	2,937	3,327	652	10.82	60
1996	80,925.17	58,493	66,259	14,666	11.31	1,297
1997	11,624.10	8,183	9,269	2,355	11.98	197
1998	149,219.64	102,589	116,209	33,011	12.50	2,641
1999	43,894.17	29,313	33,205	10,689	13.18	811
2001	2,831.13	1,782	2,019	812	14.41	56
2002	37,616.69	22,894	25,933	11,684	15.11	773
2003	51,665.39	30,338	34,366	17,299	15.82	1,093
2004	13,918.54	7,900	8,949	4,970	16.38	303
2005	31,885.71	17,387	19,695	12,191	17.09	713
2006	54,412.13	28,436	32,211	22,201	17.81	1,247
2007	30,177.26	15,074	17,075	13,102	18.54	707
2008	79,175.65	37,688	42,691	36,485	19.26	1,894
2009	210,036.35	94,957	107,564	102,472	20.00	5,124
2012	11,961.81	4,522	5,122	6,840	22.21	308
2013	48,838.62	17,216	19,502	29,337	22.96	1,278
2014	3,942.21	1,288	1,459	2,483	23.71	105
2015	14,100.91	4,235	4,797	9,304	24.47	380
2016	10,381.16	2,840	3,217	7,164	25.22	284
2017	4,734.91	1,163	1,317	3,418	26.10	131
2020	11,367.90	1,844	2,089	9,279	28.40	327
2023	14,362.49	1,080	1,223	13,139	30.72	428
2024	16,236.75	740	839	15,398	31.39	491
2025	9,710.00	151	171	9,539	31.76	300
	1,303,708.29	786,198	890,555	413,153		23,809

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.4 1.83

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-R2.5						
1994	78,344.25	70,580	78,218	126	3.47	36
1995	186,592.55	166,739	184,782	1,811	3.63	499
1996	23,937.84	21,113	23,398	540	3.95	137
1997	205,831.88	178,909	198,269	7,563	4.29	1,763
1998	10,801.36	9,268	10,271	530	4.55	116
1999	127,268.77	107,593	119,236	8,033	4.85	1,656
2000	207,750.75	172,184	190,817	16,934	5.27	3,213
2001	45,636.11	37,120	41,137	4,499	5.62	801
2002	232,088.42	184,348	204,297	27,791	6.09	4,563
2003	48,002.25	37,154	41,175	6,827	6.57	1,039
2004	222,968.63	168,252	186,459	36,510	6.99	5,223
2005	117,822.99	86,223	95,553	22,270	7.51	2,965
2006	132,707.97	93,931	104,096	28,612	8.05	3,554
2007	122,889.75	83,885	92,962	29,928	8.60	3,480
2008	50,354.60	33,043	36,619	13,736	9.17	1,498
2009	57,752.08	36,303	40,231	17,521	9.75	1,797
2010	329,369.74	197,556	218,934	110,436	10.34	10,680
2011	72,314.18	41,205	45,664	26,650	10.95	2,434
2012	10,405.16	5,604	6,210	4,195	11.56	363
2013	64,013.80	32,404	35,911	28,103	12.19	2,305
2014	58,457.48	27,627	30,617	27,840	12.83	2,170
2015	342,366.86	149,888	166,108	176,259	13.48	13,076
2016	661,590.00	265,827	294,593	366,997	14.14	25,955
2017	274,342.65	100,025	110,849	163,494	14.81	11,039
2018	434,362.10	142,036	157,406	276,956	15.44	17,938
2019	320,684.23	92,133	102,103	218,581	16.12	13,560
2020	353,229.93	87,248	96,689	256,541	16.77	15,298
2021	98,029.21	20,155	22,336	75,693	17.38	4,355
2022	898,775.62	146,590	162,453	736,323	17.96	40,998
2023	699,368.65	83,225	92,231	607,138	18.51	32,801
2024	793,967.81	58,357	64,672	729,296	18.91	38,567
2025	475,790.00	12,418	13,761	462,029	18.66	24,760
	7,757,817.62	2,948,943	3,268,057	4,489,760		288,639

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.6 3.72

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 345 POWER OPERATED EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-R2						
2024	131,411.12	12,642	14,133	117,278	14.10	8,318
	131,411.12	12,642	14,133	117,278		8,318

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.1 6.33

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 346 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COMMUNICATION EQUIPMENT						
SURVIVOR CURVE.. 15-SQUARE						
2011	32,274.68	31,199	32,275			
2012	150,817.39	135,736	141,566	9,251	1.50	6,167
2013	50,187.61	41,823	43,619	6,568	2.50	2,627
2014	72,467.83	55,559	57,945	14,522	3.50	4,149
2015	108,330.41	75,831	79,088	29,242	4.50	6,498
2016	157,997.86	100,065	104,363	53,635	5.50	9,752
2017	545,298.19	309,004	322,276	223,022	6.50	34,311
2018	2,364,174.26	1,182,087	1,232,860	1,131,314	7.50	150,842
2019	1,249,910.48	541,624	564,888	685,023	8.50	80,591
2020	1,749,888.53	641,632	669,191	1,080,697	9.50	113,758
2021	453,608.24	136,082	141,927	311,681	10.50	29,684
2022	657,884.08	153,504	160,097	497,787	11.50	43,286
2023	265,823.26	44,305	46,208	219,615	12.50	17,569
2024	1,302,293.94	130,229	135,823	1,166,471	13.50	86,405
2025	891,000.00	29,697	30,973	860,027	14.50	59,312
	10,051,956.76	3,608,377	3,763,099	6,288,858		644,951
SCADA EQUIPMENT						
SURVIVOR CURVE.. 10-SQUARE						
2016	2,487,138.28	2,362,781	2,072,923	414,215	0.50	414,215
2017	1,927,905.76	1,638,720	1,437,687	490,218	1.50	326,812
2018	1,858,360.93	1,393,771	1,222,788	635,573	2.50	254,229
2019	4,389,124.38	2,852,931	2,502,943	1,886,181	3.50	538,909
2020	5,415,856.11	2,978,721	2,613,302	2,802,555	4.50	622,790
2021	1,428,934.65	643,021	564,137	864,797	5.50	157,236
2022	332,029.54	116,210	101,954	230,076	6.50	35,396
2023	3,770,211.22	942,553	826,924	2,943,287	7.50	392,438
2024	5,209,175.76	781,376	685,519	4,523,656	8.50	532,195
2025	3,564,000.00	178,200	156,339	3,407,661	9.50	358,701
	30,382,736.63	13,888,284	12,184,516	18,198,220		3,632,921
	40,434,693.39	17,496,661	15,947,615	24,487,078		4,277,872
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					5.7	10.58

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 347 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2003	7,650.07	6,885	6,787	863	2.50	345
2004	427,374.47	367,542	362,304	65,070	3.50	18,591
2005	932,608.11	764,739	753,839	178,769	4.50	39,726
2006	338,789.32	264,256	260,490	78,299	5.50	14,236
2007	259,547.69	192,065	189,327	70,221	6.50	10,803
2008	10,815.94	7,571	7,463	3,353	7.50	447
2009	2,486.98	1,641	1,618	869	8.50	102
2010	24,981.30	15,488	15,267	9,714	9.50	1,023
2011	60,385.55	35,024	34,525	25,861	10.50	2,463
2012	6,731.91	3,635	3,583	3,149	11.50	274
2013	3,762.59	1,881	1,854	1,909	12.50	153
2014	3,201.93	1,473	1,452	1,750	13.50	130
2015	13,461.20	5,654	5,573	7,888	14.50	544
2016	16,251.30	6,175	6,087	10,164	15.50	656
2017	150,147.30	51,050	50,323	99,824	16.50	6,050
2018	1,931.25	579	571	1,360	17.50	78
2021	14,521.88	2,614	2,577	11,945	20.50	583
2023	221,518.70	22,152	21,836	199,683	22.50	8,875
2024	186,190.89	11,171	11,012	175,179	23.50	7,454
2025	100,000.00	2,000	1,971	98,029	24.50	4,001
	2,782,358.38	1,763,595	1,738,459	1,043,899		116,534

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.0 4.19

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

ACCOUNT 348 OTHER INTANGIBLE PLANT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2011	39,497.10	22,908	22,124	17,373	10.50	1,655
2024	10,000.00	600	579	9,421	23.50	401
2025	10,000.00	200	193	9,807	24.50	400
	59,497.10	23,708	22,896	36,601		2,456

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.9 4.13

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
1970	4,550.00	4,015	4,550			
1980	3,182.00	2,548	3,009	173	11.32	15
1986	305,819.57	223,493	263,908	41,912	14.55	2,881
1992	51,500.00	33,300	39,322	12,178	18.31	665
2008	44,251.38	16,497	19,480	24,772	29.45	841
	409,302.95	279,853	330,269	79,034		4,402

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.0 1.08

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S0						
1998	79,623.76	41,818	35,577	44,047	24.86	1,772
2022	35,750.00	3,668	3,121	32,629	30.63	1,065
2023	3,273,283.02	247,133	210,249	3,063,034	30.61	100,066
	3,388,656.78	292,619	248,947	3,139,710		102,903
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					30.5	3.04

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1.5						
2012	11,059.91	3,747	3,584	7,476	26.34	284
2015	69,395.00	18,723	17,909	51,486	28.41	1,812
2017	95,000.00	20,995	20,081	74,919	29.96	2,501
	175,454.91	43,465	41,574	133,880		4,597

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 29.1 2.62

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 307 WELLS AND SPRINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R2.5						
1965	1,385.14	1,232	1,380	5	7.52	1
1970	8,080.00	6,950	7,786	294	9.02	33
1972	5,443.93	4,602	5,155	289	9.79	30
1974	8,053.15	6,719	7,527	526	10.23	51
1980	1,752.00	1,363	1,527	225	12.98	17
1985	22,929.97	16,624	18,623	4,307	15.36	280
1986	1,502.45	1,074	1,203	299	15.75	19
1987	3,004.89	2,106	2,359	646	16.45	39
1988	85,438.20	58,952	66,041	19,397	16.85	1,151
1989	200,576.54	135,429	151,715	48,862	17.56	2,783
1990	73,619.85	48,869	54,746	18,874	17.98	1,050
1991	224,844.39	145,834	163,371	61,473	18.69	3,289
1992	36,809.93	23,430	26,248	10,562	19.13	552
1993	41,230.00	25,596	28,674	12,556	19.85	633
1995	13,800.00	8,165	9,147	4,653	21.05	221
1998	13,705.00	7,499	8,401	5,304	22.75	233
1999	22,197.44	11,765	13,180	9,017	23.50	384
2001	11,773.00	5,856	6,560	5,213	24.76	211
2002	256,438.00	123,552	138,410	118,028	25.28	4,669
2007	300.00	118	132	168	28.67	6
2008	95,597.33	35,801	40,106	55,491	29.23	1,898
2012	434,622.75	129,083	144,606	290,017	31.95	9,077
2013	220,194.81	61,104	68,452	151,743	32.55	4,662
2017	439,317.88	85,491	95,772	343,546	35.17	9,768
2018	160,000.00	27,840	31,188	128,812	35.60	3,618
2019	363,194.02	55,242	61,885	301,309	36.24	8,314
	2,745,810.67	1,030,296	1,154,194	1,591,617		52,989

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.0 1.93

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R1.5						
2012	1,500,000.00	544,800	819,829	680,171	23.67	28,736
	1,500,000.00	544,800	819,829	680,171		28,736
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					23.7	1.92

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1965	1,577.41	1,527	1,574	3	2.00	2
1970	11,500.00	10,914	11,252	248	2.98	83
1973	317.09	298	307	10	3.36	3
1980	3,063.00	2,773	2,859	204	4.75	43
1983	10,081.00	8,912	9,188	893	5.58	160
1986	185,300.39	159,562	164,503	20,797	6.37	3,265
1997	225,916.00	166,116	171,260	54,656	10.26	5,327
1998	68,953.00	49,681	51,220	17,733	10.67	1,662
2000	39,745.00	27,265	28,109	11,636	11.67	997
2001	161,003.00	107,292	110,615	50,388	12.26	4,110
2002	94,381.00	60,989	62,878	31,503	12.87	2,448
2003	407,578.60	255,878	263,802	143,777	13.34	10,778
2007	522,440.77	280,289	288,969	233,472	15.98	14,610
2009	87,950.00	42,665	43,986	43,964	17.51	2,511
2012	2,719.75	1,101	1,135	1,585	19.83	80
	1,822,526.01	1,175,262	1,211,657	610,869		46,079

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.3 2.53

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
1970	18,915.00	16,063	14,118	4,797	9.86	487
1986	27,693.81	19,253	16,921	10,773	17.32	622
2023	9,675,298.66	575,680	505,965	9,169,333	39.52	232,018
	9,721,907.47	610,996	537,004	9,184,903		233,127
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					39.4	2.40

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-S1						
1970	2,961.54	2,038	2,644	318	25.15	13
1973	27,633.00	18,426	23,905	3,728	26.24	142
1974	2,997.38	1,976	2,564	433	26.62	16
1975	13,950.21	9,087	11,789	2,161	27.02	80
1976	10,907.76	7,019	9,106	1,802	27.42	66
1977	8,766.02	5,570	7,226	1,540	27.83	55
1978	8,331.06	5,224	6,777	1,554	28.26	55
1979	3,583.34	2,216	2,875	708	28.69	25
1989	417,241.00	220,804	286,460	130,781	32.47	4,028
1992	249,888.45	123,895	160,735	89,153	34.07	2,617
1995	13,850.00	6,421	8,330	5,520	35.29	156
1997	171,649.00	75,337	97,738	73,911	36.44	2,028
1998	98,472.00	42,244	54,805	43,667	36.60	1,193
1999	195,000.00	81,120	105,241	89,759	37.20	2,413
2000	95,242.00	38,373	49,783	45,459	37.79	1,203
2001	202,998.00	79,088	102,605	100,393	38.39	2,615
2003	305,339.50	111,296	144,390	160,950	39.23	4,103
2005	545,027.77	183,238	237,724	307,304	40.48	7,592
2008	26,838.87	7,891	10,237	16,602	42.02	395
2012	419,729.21	98,049	127,204	292,525	44.30	6,603
2019	100,774.32	11,730	15,218	85,557	49.36	1,733
	2,921,180.43	1,131,042	1,467,356	1,453,825		37,131

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 39.2 1.27

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1914	3,500.00	3,278	2,985	515	7.55	68
1916	2,062.00	1,919	1,747	315	8.14	39
1925	3,440.00	3,146	2,864	576	9.38	61
1926	3,231.00	2,958	2,693	538	9.20	58
1955	412.20	343	312	100	14.25	7
1958	118.50	97	88	30	15.14	2
1960	495.00	402	366	129	15.15	9
1961	1,050.00	847	771	279	15.50	18
1963	3,045.00	2,417	2,201	844	16.24	52
1965	300.00	236	215	85	16.42	5
1966	709.00	557	507	202	16.26	12
1967	521.50	406	370	152	16.69	9
1983	2,195.00	1,511	1,376	819	19.23	43
1984	141.00	96	87	54	19.48	3
1988	3,114.96	2,033	1,851	1,264	19.97	63
1997	1,502.45	848	772	730	22.01	33
2005	9,152.80	4,146	3,775	5,378	24.75	217
2008	42,284.00	17,019	15,496	26,788	25.98	1,031
2012	24,204.80	7,876	7,171	17,034	27.99	609
2013	3,534.81	1,078	982	2,553	28.48	90
2014	1,058.45	301	274	784	28.99	27
2016	571.93	137	125	447	30.02	15
2017	6,952.62	1,513	1,378	5,575	30.56	182
2018	96,707.35	18,781	17,100	79,607	31.11	2,559
2019	126,936.04	21,617	19,682	107,254	31.67	3,387
2020	250,894.21	36,580	33,305	217,589	32.23	6,751
2021	39,216.60	4,730	4,307	34,910	32.81	1,064
2022	63,815.86	6,050	5,508	58,308	33.40	1,746
2023	207,518.98	14,277	12,999	194,520	33.86	5,745
2024	79,300.00	3,315	3,018	76,282	34.34	2,221
	977,986.06	158,514	144,325	833,661		26,126

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 31.9 2.67

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1919	3,453.00	3,310	2,852	601	4.61	130
1924	400.00	382	329	71	4.88	15
1925	19,008.14	18,149	15,635	3,373	4.76	709
1926	41,728.74	39,442	33,979	7,750	5.77	1,343
1927	17,861.02	16,889	14,550	3,311	5.67	584
1928	31,976.50	30,243	26,054	5,922	5.59	1,059
1929	29,433.23	27,835	23,980	5,453	5.54	984
1930	29,513.58	27,622	23,796	5,718	6.54	874
1931	23,616.70	22,096	19,035	4,582	6.51	704
1932	2,700.74	2,525	2,175	526	6.50	81
1933	2,747.77	2,567	2,211	537	6.51	82
1934	5,550.85	5,181	4,463	1,088	6.54	166
1935	4,959.56	4,578	3,944	1,016	7.54	135
1936	12,865.59	11,860	10,217	2,649	7.59	349
1937	15,242.07	14,029	12,086	3,156	7.65	413
1938	26,858.49	24,678	21,260	5,598	7.73	724
1939	8,477.61	7,773	6,696	1,782	7.84	227
1940	11,469.72	10,492	9,039	2,431	7.96	305
1941	6,533.93	5,963	5,137	1,397	8.09	173
1942	3,826.82	3,483	3,001	826	8.24	100
1943	1,211.05	1,099	947	264	8.41	31
1944	5,672.60	5,131	4,420	1,253	8.59	146
1945	14,195.24	12,798	11,025	3,170	8.79	361
1946	49,551.03	44,120	38,009	11,542	9.79	1,179
1947	122,169.57	108,364	93,354	28,816	10.00	2,882
1948	199,662.93	176,402	151,968	47,695	10.22	4,667
1949	184,961.47	162,729	140,189	44,772	10.45	4,284
1950	514,661.88	450,741	388,309	126,353	10.71	11,798
1951	361,589.32	315,161	271,508	90,081	10.97	8,212
1952	365,701.24	319,842	275,540	90,161	10.54	8,554
1953	575,661.94	500,826	431,456	144,206	10.83	13,315
1954	536,161.66	463,887	399,634	136,528	11.14	12,256
1955	489,978.52	421,431	363,058	126,921	11.47	11,065
1956	337,597.77	288,579	248,608	88,990	11.80	7,542
1957	272,245.75	231,246	199,216	73,030	12.15	6,011
1958	238,496.25	201,243	173,369	65,127	12.50	5,210
1959	265,310.69	222,304	191,513	73,798	12.87	5,734
1960	227,925.48	189,588	163,328	64,597	13.24	4,879
1961	206,438.91	170,436	146,829	59,610	13.62	4,377
1962	135,611.09	111,093	95,705	39,906	14.02	2,846
1963	150,672.06	122,421	105,464	45,208	14.42	3,135

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1964	242,000.67	196,456	169,245	72,756	14.26	5,102
1965	165,727.40	133,344	114,874	50,853	14.69	3,462
1966	156,512.36	124,787	107,503	49,009	15.13	3,239
1967	179,807.34	142,012	122,342	57,465	15.57	3,691
1968	219,197.90	171,413	147,670	71,528	16.03	4,462
1969	141,913.83	109,841	94,627	47,287	16.50	2,866
1970	288,158.27	220,700	190,131	98,027	16.96	5,780
1971	196,679.03	150,066	129,280	67,399	16.93	3,981
1972	493,415.11	372,232	320,674	172,741	17.42	9,916
1973	326,411.86	243,340	209,635	116,777	17.92	6,517
1974	413,368.41	304,404	262,241	151,127	18.43	8,200
1975	475,246.06	345,599	297,730	177,516	18.94	9,373
1976	373,657.74	268,212	231,062	142,596	19.46	7,328
1977	162,660.93	115,180	99,226	63,435	19.99	3,173
1978	1,268,300.64	885,528	762,873	505,428	20.53	24,619
1979	690,767.83	475,386	409,540	281,228	21.07	13,347
1980	603,831.10	409,397	352,691	251,140	21.61	11,621
1981	525,304.74	350,641	302,074	223,231	22.17	10,069
1982	464,648.53	305,181	262,910	201,739	22.73	8,875
1983	856,627.14	553,381	476,732	379,895	23.29	16,312
1984	1,371,696.24	871,027	750,381	621,315	23.86	26,040
1985	438,954.10	273,776	235,855	203,099	24.44	8,310
1986	1,667,105.01	1,020,602	879,238	787,867	25.02	31,489
1987	1,671,531.42	1,003,922	864,868	806,663	25.60	31,510
1988	1,558,391.72	917,581	790,486	767,906	26.19	29,321
1989	1,737,574.28	1,002,059	863,263	874,311	26.79	32,636
1990	2,903,810.89	1,638,911	1,411,904	1,491,907	27.40	54,449
1991	2,381,595.28	1,314,641	1,132,549	1,249,046	28.00	44,609
1992	2,752,809.10	1,475,506	1,271,133	1,481,676	29.00	51,092
1993	1,434,409.26	750,483	646,533	787,876	29.61	26,608
1994	970,546.15	495,270	426,670	543,876	30.23	17,991
1995	566,508.95	281,668	242,654	323,855	30.85	10,498
1996	824,210.78	396,281	341,392	482,819	31.85	15,159
1997	1,729,766.09	808,493	696,508	1,033,258	32.48	31,812
1998	5,587,889.95	2,520,138	2,171,072	3,416,818	33.48	102,055
1999	1,703,305.07	744,685	641,538	1,061,767	34.11	31,128
2000	2,341,046.79	990,965	853,706	1,487,341	34.74	42,814
2001	2,793,201.17	1,135,995	978,648	1,814,553	35.74	50,771
2002	10,068,162.90	3,927,590	3,383,577	6,684,586	36.74	181,943
2003	8,305,681.65	3,121,275	2,688,945	5,616,737	37.38	150,260
2004	1,717,639.49	616,633	531,223	1,186,416	38.38	30,912

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON- 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
2005	2,197,535.56	756,831	652,002	1,545,534	39.02	39,609
2006	3,486,602.62	1,142,211	984,003	2,502,600	40.02	62,534
2007	8,580,706.77	2,666,884	2,297,492	6,283,215	41.02	153,174
2008	720,722.83	211,893	182,544	538,179	42.02	12,808
2009	280,573.39	78,224	67,389	213,184	42.67	4,996
2010	2,404,610.56	630,008	542,745	1,861,866	43.67	42,635
2011	5,145,232.52	1,260,582	1,085,978	4,059,255	44.67	90,872
2012	9,370,718.03	2,138,398	1,842,207	7,528,511	45.67	164,846
2013	4,482,394.50	946,682	815,557	3,666,838	46.67	78,569
2014	6,297,091.56	1,224,155	1,054,597	5,242,495	47.67	109,975
2015	9,352,726.78	1,669,462	1,438,224	7,914,503	48.32	163,794
2016	7,084,751.64	1,144,187	985,705	6,099,047	49.32	123,663
2017	8,461,721.37	1,222,719	1,053,359	7,408,362	50.32	147,225
2018	7,008,446.85	893,577	769,807	6,238,640	51.32	121,564
2019	6,593,177.80	728,546	627,635	5,965,543	52.32	114,020
2020	7,259,755.76	678,787	584,768	6,674,988	53.32	125,187
2021	2,077,991.46	158,966	136,948	1,941,043	54.32	35,733
2022	281,232.90	16,733	14,415	266,818	55.32	4,823
2023	4,551,696.60	193,447	166,652	4,385,045	56.32	77,859
2024	4,148,000.00	105,774	91,123	4,056,877	57.32	70,776
	168,109,463.19	53,851,205	46,392,241	121,717,222		3,035,643

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.1 1.81

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON- 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1967	25,168.00	15,755	13,542	11,626	34.95	333
1972	44,122.00	25,732	22,118	22,004	38.24	575
1973	71,445.00	40,881	35,140	36,305	39.25	925
1977	2,101.00	1,121	964	1,137	42.41	27
1980	6,862.00	3,465	2,978	3,884	44.59	87
1988	5,000.00	2,100	1,805	3,195	51.79	62
1989	1,255,450.91	513,228	441,150	814,301	52.79	15,425
1990	1,538.00	612	526	1,012	53.79	19
1994	39,986.12	14,235	12,236	27,750	56.99	487
1995	8,709.00	3,001	2,580	6,129	58.00	106
2003	664,045.89	168,800	145,093	518,953	66.00	7,863
2004	562,198.26	136,614	117,428	444,770	66.99	6,639
2005	977,790.33	226,456	194,652	783,138	68.00	11,517
2007	559,029.59	116,837	100,428	458,602	70.00	6,551
2008	273,813.19	54,160	46,554	227,259	70.99	3,201
2009	640,894.14	119,463	102,685	538,209	72.00	7,475
2010	69,851.74	12,238	10,519	59,333	72.99	813
2011	375,320.44	61,477	52,843	322,477	74.00	4,358
2012	3,035,349.27	463,194	398,143	2,637,206	74.99	35,167
2013	912,518.91	128,848	110,752	801,767	76.00	10,550
2014	884,283.36	114,957	98,812	785,471	76.99	10,202
2015	702,647.85	83,334	71,631	631,017	78.00	8,090
2016	596,793.04	64,096	55,094	541,699	78.99	6,858
2017	764,383.84	73,381	63,075	701,309	80.00	8,766
2018	205,616.41	17,436	14,987	190,629	80.99	2,354
2019	3,035,927.89	222,837	191,542	2,844,386	82.00	34,688
2020	1,841,737.45	114,556	98,468	1,743,269	82.99	21,006
2021	277,558.97	14,100	12,120	265,439	84.00	3,160
2022	233,265.66	9,237	7,940	225,326	84.99	2,651
2023	1,958,340.32	55,225	47,469	1,910,871	86.00	22,219
2024	1,525,000.00	25,925	22,284	1,502,716	86.99	17,275
	21,556,748.58	2,903,301	2,495,558	19,061,191		249,449

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 76.4 1.16

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R3						
2023	8,899.45	343	344	8,555	62.44	137
2024	24,400.00	571	573	23,827	62.60	381
	33,299.45	914	917	32,382		518

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 62.5 1.56

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
1972	1,795.00	1,056	928	867	37.41	23
1973	10,018.00	5,838	5,132	4,886	37.59	130
1974	9,510.00	5,436	4,779	4,731	38.59	123
1980	2,534.00	1,303	1,145	1,389	42.99	32
1981	14,594.00	7,404	6,509	8,085	43.22	187
1982	1,350.00	669	588	762	44.22	17
1987	380.33	170	149	231	47.71	5
1988	613.60	267	235	379	48.71	8
1999	68,568.76	21,805	19,169	49,400	56.83	869
2003	24,150.33	6,574	5,779	18,371	60.15	305
2004	15,965.66	4,188	3,682	12,284	60.47	203
2005	7,906.10	1,977	1,738	6,168	61.47	100
2006	14,515.17	3,453	3,036	11,479	62.47	184
2011	32,737.12	5,886	5,175	27,562	66.15	417
2012	694,400.64	116,243	102,192	592,209	67.15	8,819
2013	488,668.22	76,330	67,104	421,564	67.50	6,245
2014	355,085.13	51,061	44,889	310,196	68.50	4,528
2015	269,038.58	35,298	31,031	238,008	69.50	3,425
2016	417,989.19	50,033	43,985	374,004	69.87	5,353
2017	703,800.00	75,377	66,266	637,534	70.87	8,996
2018	361,933.03	34,203	30,069	331,864	71.87	4,618
2019	1,215,860.46	100,430	88,291	1,127,569	72.24	15,609
2020	1,427,640.18	99,649	87,604	1,340,036	73.24	18,297
2021	383,526.60	22,091	19,421	364,106	73.62	4,946
2023	826,997.54	26,629	23,410	803,588	75.02	10,712
2024	183,000.00	3,568	3,136	179,864	75.42	2,385
	7,532,577.64	756,938	665,442	6,867,136		96,536

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 71.1 1.28

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-S5						
1963	74,569.11	72,243	65,678	8,891	2.01	4,423
1964	87,665.54	85,185	77,444	10,222	1.79	5,711
1965	124,152.32	120,179	109,258	14,894	2.00	7,447
1966	42,990.73	41,439	37,673	5,318	2.23	2,385
1967	68,853.41	66,058	60,055	8,798	2.48	3,548
1968	82,283.97	78,540	71,403	10,881	2.74	3,971
1969	93,921.85	89,677	81,528	12,394	2.67	4,642
1970	118,926.88	112,862	102,606	16,321	2.98	5,477
1971	32,479.34	30,622	27,839	4,640	3.31	1,402
1972	104,170.48	98,087	89,174	14,996	3.32	4,517
1973	161,498.80	150,921	137,206	24,293	3.68	6,601
1974	227,030.27	210,457	191,332	35,698	4.06	8,793
1975	131,589.42	120,944	109,953	21,636	4.45	4,862
1976	160,859.58	147,315	133,928	26,932	4.55	5,919
1977	128,838.26	116,856	106,237	22,601	4.97	4,547
1978	246,981.94	221,740	201,590	45,392	5.41	8,390
1979	337,290.93	299,582	272,358	64,933	5.85	11,100
1980	246,979.93	216,898	197,188	49,792	6.31	7,891
1981	133,656.06	115,385	104,900	28,756	7.05	4,079
1982	202,246.72	172,436	156,766	45,481	7.52	6,048
1983	314,122.03	262,983	239,085	75,037	8.26	9,084
1984	297,917.09	244,798	222,552	75,365	9.01	8,365
1985	337,682.45	272,172	247,439	90,243	9.75	9,256
2008	10,571.00	3,755	3,414	7,157	31.76	225
2016	10,752.00	2,073	1,885	8,867	39.76	223
2024	36,600.00	1,113	1,011	35,589	47.76	745
	3,814,630.11	3,354,320	3,049,502	765,128		139,651

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.5 3.66

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R2.5						
1966	41,066.18	37,629	33,425	7,641	5.44	1,405
1972	36,880.50	32,558	28,921	7,960	7.10	1,121
1973	270,288.00	236,989	210,512	59,776	7.38	8,100
1974	88,499.00	77,030	68,424	20,075	7.67	2,617
1980	45,992.00	37,879	33,647	12,345	9.75	1,266
1981	143,194.00	116,617	103,589	39,605	10.14	3,906
1984	97,561.00	76,527	67,977	29,584	11.41	2,593
1999	300,711.54	173,721	154,313	146,399	19.37	7,558
2013	620,550.27	189,268	168,123	452,427	28.48	15,886
2017	4,946,971.81	1,063,599	944,774	4,002,198	31.03	128,978
2018	64,643.46	12,360	10,979	53,664	31.72	1,692
2019	284,387.73	47,692	42,364	242,024	32.26	7,502
2020	83,113.45	11,935	10,601	72,512	32.81	2,210
2021	26,610.55	3,161	2,808	23,803	33.38	713
2022	46,464.25	4,358	3,871	42,593	33.81	1,260
2023	70,400.34	4,801	4,265	66,135	34.13	1,938
2024	103,700.00	4,355	3,868	99,832	34.21	2,918
	7,271,034.08	2,130,479	1,892,461	5,378,573		191,663

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.1 2.64

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1925	14,385.45	14,168	14,385			
1926	18,223.71	17,950	18,224			
1927	17,052.38	16,797	17,052			
1928	12,267.53	12,081	12,268			
1929	13,944.27	13,590	13,944			
1930	7,146.10	6,961	7,146			
1931	695.08	677	695			
1932	295.00	287	295			
1934	390.00	375	390			
1935	250.00	240	250			
1936	345.00	330	345			
1937	310.00	296	310			
1938	90.00	86	90			
1939	750.00	714	750			
1940	440.00	418	440			
1941	530.00	502	530			
1942	60.00	57	60			
1945	35.00	32	35			
1946	150.00	138	150			
1947	2,040.00	1,874	2,040			
1948	1,380.00	1,262	1,380			
1949	180.00	164	180			
1950	325.00	294	322	3	7.83	
1951	960.00	865	948	12	8.15	1
1952	1,275.00	1,143	1,252	23	8.47	3
1953	1,790.00	1,596	1,748	42	8.80	5
1954	3,460.00	3,068	3,361	99	9.15	11
1955	4,460.00	3,930	4,305	155	9.50	16
1956	3,940.00	3,450	3,779	161	9.87	16
1957	3,545.00	3,084	3,378	167	10.24	16
1958	1,405.00	1,214	1,330	75	10.62	7
1959	5,990.00	5,138	5,628	362	11.02	33
1960	5,045.00	4,263	4,670	375	12.02	31
1961	965.00	809	886	79	12.42	6
1962	1,065.00	886	971	94	12.84	7
1963	3,680.83	3,037	3,327	354	13.26	27
1964	9,608.98	7,801	8,546	1,063	14.26	75
1965	11,655.25	9,378	10,273	1,382	14.69	94
1966	10,657.90	8,498	9,309	1,349	15.13	89
1967	10,592.66	8,304	9,097	1,496	16.13	93
1968	20,600.82	15,990	17,516	3,085	16.58	186

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1969	13,058.59	10,034	10,992	2,067	17.03	121
1970	8,976.56	6,776	7,423	1,554	18.03	86
1971	5,709.77	4,263	4,670	1,040	18.50	56
1972	12,314.67	9,092	9,960	2,355	18.96	124
1973	19,164.57	13,885	15,210	3,955	19.96	198
1974	30,757.58	22,016	24,117	6,641	20.45	325
1975	33,128.66	23,422	25,657	7,472	20.93	357
1976	34,751.65	24,083	26,382	8,370	21.93	382
1977	22,740.99	15,550	17,034	5,707	22.43	254
1978	42,482.49	28,455	31,171	11,311	23.42	483
1979	64,180.58	42,378	46,423	17,758	23.92	742
1980	44,427.02	28,704	31,444	12,983	24.92	521
1981	18,656.38	11,873	13,006	5,650	25.43	222
1982	87,849.30	55,029	60,281	27,568	25.94	1,063
1983	73,781.41	45,154	49,464	24,317	26.94	903
1984	72,679.30	43,433	47,578	25,101	27.94	898
1985	95,371.78	56,002	61,347	34,025	28.47	1,195
1986	13,919.80	7,973	8,734	5,186	29.46	176
1987	20,808.11	11,696	12,812	7,996	29.99	267
1988	15,085.63	8,259	9,047	6,039	30.99	195
1989	40,447.61	21,704	23,775	16,673	31.52	529
1990	49,234.05	25,690	28,142	21,092	32.53	648
1991	44,145.02	22,390	24,527	19,618	33.52	585
1992	10,990.50	5,449	5,969	5,022	34.07	147
1993	49,326.98	23,726	25,990	23,337	35.07	665
1994	11,800.00	5,501	6,026	5,774	36.07	160
1995	26,810.78	12,102	13,257	13,554	37.07	366
1996	54,462.58	23,942	26,227	28,236	37.61	751
1997	32,517.93	13,807	15,125	17,393	38.62	450
1998	43,999.00	18,031	19,752	24,247	39.61	612
1999	3,258.74	1,287	1,410	1,849	40.62	46
2000	17,729.29	6,781	7,428	10,301	41.17	250
2003	109,796.47	37,056	40,593	69,203	44.17	1,567
2004	97,862.38	31,561	34,573	63,289	45.17	1,401
2005	830,098.49	255,255	279,617	550,481	46.17	11,923
2006	80,300.64	23,641	25,897	54,404	46.73	1,164
2007	48,301.00	13,495	14,783	33,518	47.72	702
2010	30,861.00	7,221	7,910	22,951	50.73	452
2011	102,395.71	22,425	24,565	77,831	51.72	1,505
2012	1,074,382.48	218,959	239,857	834,525	52.73	15,826
2013	1,210,747.79	228,589	250,406	960,342	53.72	17,877

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
2014	1,169,731.65	203,065	222,446	947,286	54.73	17,308
2015	2,763,355.03	438,268	480,097	2,283,258	55.72	40,977
2016	2,119,518.29	303,939	332,947	1,786,571	56.73	31,493
2017	2,110,220.10	272,640	298,661	1,811,559	57.29	31,621
2018	2,089,491.95	238,202	260,936	1,828,556	58.29	31,370
2019	1,466,877.02	144,927	158,759	1,308,118	59.29	22,063
2020	3,245,452.11	271,320	297,215	2,948,237	60.29	48,901
2021	577,070.81	39,472	43,239	533,832	61.29	8,710
2023	1,795,234.16	68,219	74,730	1,720,504	63.29	27,184
	22,228,245.36	3,638,488	3,979,216	18,249,029		326,537

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 55.9 1.47

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 334 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
1965	1,010.67	1,011	1,011			
1969	260.72	261	261			
1970	1,248.24	1,248	1,248			
1971	664.38	664	664			
1972	1,228.10	1,228	1,228			
1973	2,717.94	2,718	2,718			
1974	3,702.43	3,702	3,702			
1975	3,450.77	3,451	3,451			
1976	4,483.59	4,484	4,484			
1977	2,249.85	2,250	2,250			
1978	9,514.72	9,515	9,515			
1979	6,991.14	6,991	6,991			
1980	6,304.61	6,305	6,305			
1981	2,415.94	2,416	2,416			
1982	3,484.54	3,485	3,485			
1983	5,284.88	5,285	5,285			
1984	7,109.92	7,110	7,110			
1985	12,351.51	12,352	12,352			
2015	800.00	390	800			
2016	466.47	209	464			
	75,740.42	75,075	75,740			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1954	275.45	258	275			
1955	4,052.20	3,799	4,052			
1956	5,807.77	5,409	5,808			
1957	3,421.42	3,164	3,421			
1958	2,530.75	2,340	2,531			
1959	1,938.04	1,779	1,938			
1960	845.74	770	846			
1961	2,232.12	2,030	2,231	1	6.43	
1962	1,845.77	1,664	1,829	17	6.92	2
1963	357.34	319	351	6	7.43	1
1965	8,559.65	7,561	8,309	251	7.99	31
1966	7,505.67	6,564	7,213	293	8.53	34
1967	3,853.21	3,336	3,666	187	9.07	21
1968	6,309.90	5,406	5,941	369	9.61	38
1969	13,003.51	11,095	12,193	811	9.72	83
1970	8,173.13	6,895	7,577	596	10.29	58
1971	4,682.24	3,904	4,290	392	10.86	36
1972	11,573.77	9,536	10,479	1,095	11.44	96
1973	21,007.20	17,096	18,787	2,220	12.01	185
1974	26,685.90	21,439	23,560	3,126	12.60	248
1975	31,965.41	25,342	27,849	4,116	13.20	312
1976	22,334.63	17,358	19,075	3,260	14.19	230
1977	22,777.91	17,455	19,182	3,596	14.79	243
1978	40,513.00	30,595	33,622	6,891	15.40	447
1979	62,812.07	46,732	51,355	11,457	16.00	716
1980	76,901.20	56,338	61,912	14,989	16.61	902
1981	97,181.44	70,058	76,989	20,192	17.23	1,172
1982	43,949.80	31,160	34,243	9,707	17.85	544
1983	77,741.20	54,186	59,547	18,194	18.48	985
1984	181,836.63	123,758	136,002	45,835	19.48	2,353
1985	186,972.05	124,935	137,295	49,677	20.11	2,470
1986	147,359.59	96,624	106,183	41,177	20.74	1,985
1987	130,479.77	83,898	92,198	38,282	21.38	1,791
1988	171,657.78	107,492	118,127	53,531	22.38	2,392
1989	194,191.83	119,078	130,859	63,333	23.02	2,751
1990	135,476.57	81,286	89,328	46,149	23.67	1,950
1991	59,384.97	34,621	38,046	21,339	24.67	865
1992	67,880.79	38,658	42,483	25,398	25.32	1,003
1993	42,593.24	23,533	25,861	16,732	26.32	636
1994	40,809.62	21,980	24,155	16,655	26.98	617
1995	22,476.27	11,724	12,884	9,592	27.98	343

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1996	18,164.98	9,217	10,129	8,036	28.64	281
1997	3,996.71	1,959	2,153	1,844	29.64	62
1998	32,819.72	15,616	17,161	15,659	30.30	517
1999	37,236.49	17,069	18,758	18,478	31.31	590
2000	65,628.45	28,955	31,820	33,808	32.30	1,047
2001	36,125.69	15,400	16,924	19,202	32.97	582
2002	82,675.00	33,806	37,151	45,524	33.97	1,340
2003	63,125.80	24,714	27,159	35,967	34.97	1,029
2004	28,607.84	10,762	11,827	16,781	35.65	471
2005	73,494.60	26,370	28,979	44,516	36.64	1,215
2006	7,861.04	2,682	2,947	4,914	37.65	131
2007	10,655.00	3,450	3,791	6,864	38.64	178
2008	39,143.75	12,056	13,249	25,895	39.32	659
2009	17,304.20	5,025	5,522	11,782	40.32	292
2010	14,234.90	3,883	4,267	9,968	41.32	241
2011	83,825.71	21,392	23,508	60,318	42.32	1,425
2012	4,245,001.84	1,008,612	1,108,396	3,136,606	43.32	72,405
2013	394,951.78	86,889	95,485	299,467	44.32	6,757
2014	260,645.21	52,755	57,974	202,671	45.32	4,472
2015	831,566.37	153,673	168,876	662,690	46.32	14,307
2016	1,032,686.03	173,698	190,882	841,804	46.99	17,915
2017	1,838,214.72	276,467	303,819	1,534,396	48.00	31,967
2018	844,079.81	112,094	123,184	720,896	48.99	14,715
2019	1,066,970.26	122,702	134,841	932,129	50.00	18,643
2020	985,893.01	96,026	105,526	880,367	50.99	17,265
2021	442,027.38	35,185	38,666	403,361	52.00	7,757
2022	117,432.88	7,281	8,001	109,432	52.99	2,065
2023	740,506.79	32,730	35,969	704,538	54.00	13,047
	15,406,832.51	3,721,643	4,089,456	11,317,377		256,915

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 44.1 1.67

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
1982	84.00	84	84			
	84.00	84	84			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-R2.5						
1998	1,662.00	1,426	1,662			
	1,662.00	1,426	1,662			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

PART III. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2021 TRANSACTION YEAR				
304.20	119,835.63			
304.30	29,836.27	57,476.44		57,476.44-
304.61	79,306.50			
304.62	41,391.42			
304.63	7,724.07			
305.00	7,191.85			
307.00	260,241.05	149,453.60		149,453.60-
310.40	104,413.57			
311.01	125,517.08			
320.00	137,604.05	3,455.34		3,455.34-
330.00	163,083.25			
331.00	8,443,316.01	2,099,925.97		2,099,925.97-
333.00	403,982.09	479,667.07		479,667.07-
334.02	2,072,361.82		53,731.71	53,731.71
334.03	3,199.49	19,488.04		19,488.04-
335.00	390,959.83	75,329.88		75,329.88-
336.00	892.54			
340.10	146,972.63			
340.20	7,030.00			
340.30	6,388,263.09			
340.40	1,814,063.97			
341.10	1,913,278.06		97,325.00	97,325.00
343.10	595.00		2,950.00	2,950.00
343.20	92,563.92			
344.00	32,939.90			
346.01	647,501.22			
346.02	905,048.85			
347.00	4,863.66			
	24,343,976.82	2,884,796.34	154,006.71	2,730,789.63-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2022 TRANSACTION YEAR				
304.30		46,017.15		46,017.15-
305.00		308,833.47		308,833.47-
307.00			100.93	100.93
311.01		113.48		113.48-
320.00		23,944.67		23,944.67-
330.00			3.67	3.67
331.00	8,943,445.86	2,376,180.25		2,376,180.25-
333.00		18,065.68		18,065.68-
334.02			106,278.20	106,278.20
335.00		164.71		164.71-
340.10	139,598.70			
340.20	110,347.09			
340.30	1,574,900.66			
340.40	2,056,766.06			
341.10	3,970,728.18			
341.20	230,867.65			
343.10	5,160.49			
343.20	1,155,229.85			
344.00	44,762.18			
346.01	79,133.12			
346.02	1,187,195.21	14,017.34		14,017.34-
347.00	2,068.74			
	19,500,203.79	2,787,336.75	106,382.80	2,680,953.95-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2023 TRANSACTION YEAR				
304.20	359,871.79			
304.30	3,200,338.82		3,058.55	3,058.55
304.61	2,853,118.36			
304.62	2,218.06			
304.63	74,798.88	55,131.82		55,131.82-
305.00	2,739.49			
307.00	418,097.55	29,417.81		29,417.81-
310.40	10,546.32			
311.01	73,970.85	245.30		245.30-
320.00	4,943,332.28		5,680.16	5,680.16
330.00	134,141.04			
331.00	5,243,747.42	2,538,533.32		2,538,533.32-
333.00	1,465,239.16	603,176.26		603,176.26-
334.02	1,581,207.33		40,428.69	40,428.69
334.03	46,663.64	11,549.23		11,549.23-
335.00	519,355.28	29,130.51		29,130.51-
340.10	73,431.62			
340.20	7,074.28			
340.30	7,656,272.57			
340.40	3,635,396.82			
341.10	2,207,848.75			
341.20	2,458.26			
343.20	211,003.35			
344.00	62,887.02			
346.01	127,409.51			
346.02	3,485,344.85			
347.00	134,522.10			
	38,533,035.40	3,267,184.25	49,167.40	3,218,016.85-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2024 TRANSACTION YEAR				
304.20	52,805.51	12,089.30		12,089.30-
304.30	155,482.90	4,690.83		4,690.83-
304.61	38,137.32			
304.63	46,938.24	93,876.48		93,876.48-
305.00	268,003.94	53,600.79		53,600.79-
306.00	3,259.16			
307.00	3,160,642.15	501,664.73		501,664.73-
310.40	17,113.85			
311.01	245,458.80	227.33		227.33-
320.00	1,653,730.00	11,287.59	1,322.73	9,964.86-
330.00	103,294.00	4,269.07		4,269.07-
331.00	6,143,827.00	1,742,940.81		1,742,940.81-
333.00	388,548.87	312,090.18		312,090.18-
334.02	2,693,651.17		55,564.23	55,564.23
334.03	804,597.10	160,919.42		160,919.42-
335.00	218,172.02	31,869.81		31,869.81-
336.00	157.32			
340.10	46,012.95			
340.20	65,891.02			
340.30	8,075,493.55			
340.40	6,689,148.99			
341.10	574,554.63		6,843.11	6,843.11
341.20	97,643.44			
343.10	16,165.00		13,369.48	13,369.48
343.20	122,065.66			
344.00	126,094.00			
346.01	385,652.96	699.83		699.83-
346.02	922,371.89	1,673.77		1,673.77-
347.00	1,818.50			
	33,116,731.94	2,931,899.94	77,099.55	2,854,800.39-

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2025 TRANSACTION YEAR				
304.20	208,872.65	34,944.37		34,944.37-
304.30	615,013.90	20,233.92		20,233.92-
304.61	150,852.47			
304.63	185,664.57	148,531.66		148,531.66-
305.00	22,264.00	8,905.58		8,905.58-
306.00	52.50			
307.00	476,264.97	82,774.80		82,774.80-
310.40	11,950.14			
311.00	204,535.82	204.48		204.48-
320.00	2,020,236.00	10,653.60	2,010.24	8,643.36-
330.00	913,059.00	74,688.24		74,688.24-
331.00	7,658,362.00	2,297,508.59		2,297,508.59-
333.00	456,132.30	342,965.92		342,965.92-
334.02	1,448,699.68		28,974.00	28,974.00
334.03	432,728.48	64,909.31		64,909.31-
335.00	217,266.33	30,004.44		30,004.44-
336.00	165.60			
340.10	423,068.49			
340.20	15,567.14			
340.30	5,846,619.75			
340.40	5,079,280.36			
341.10	225,060.00		2,543.16	2,543.16
341.20	26,008.46			
342.00	46,861.57			
343.10	93,678.10		14,051.72	14,051.72
343.20	970,619.09			
344.00	142,154.00			
346.02	3,166,980.38	6,017.26		6,017.26-
347.00	19,132.92			
	31,077,150.67	3,122,342.17	47,579.12	3,074,763.05-
TOTAL	146,571,098.62	14,993,559.45	434,235.58	14,559,323.87-

Exhibit No. 6-B, Part 1
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

SHENANDOAH WATER OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2023

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-B, Part 1
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

SHENANDOAH WATER OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2023

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

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May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to water plant as of December 31, 2023 for the Shenandoah Water Operations. Summaries of the original cost, annual accruals and the book depreciation reserve are presented in Tables 1 and 2, beginning on page I-3 of the attached report.

A description of the methods and procedures upon which the study was based, as well as support for the service life estimates, is set forth in a companion report "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2024".

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

MELISSA M. HOWARD
Senior Project Manager

JJS:mle

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

WATER ASSETS

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

SUMMARY OF RESULTS

Table 1 summarizes the results of the depreciation study, which sets forth the book reserve and the calculated annual depreciation related to original cost as of December 31, 2023, and the annual amortization of negative salvage for the Shenandoah Water Operations system. Table 2 presents the calculation of the amortization of experienced net salvage, by account, based on the five-year period, 2019-2023.

DETAILED TABULATIONS OF DEPRECIATION CALCULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-2. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount.

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2023

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	INTANGIBLE PLANT								
301	ORGANIZATION	NONDEPR.		517,932.18					
	NONDEPRECIABLE PLANT								
303.2	POWER AND PUMPING LAND	NONDEPR.		17.00					
303.3	PURIFICATION LAND	NONDEPR.		22,000.00					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		22,663.00					
	TOTAL NONDEPRECIABLE PLANT			**44,680.00**					
	DEPRECIABLE PLANT								
304.3	PURIFICATION BUILDINGS	95-S0.5	*	4,903,919.64	19,127	4,884,792	217,733	4.44	22.4
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	96,005.47	484	95,521	5,222	5.44	18.3
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		751,175.62	6,513	744,662	76,150	10.14	9.8
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5		31,310.28	6	31,305	821	2.62	38.1
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1		5,477,322.40	35,935	5,441,387	368,986	6.74	14.7
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		49,738.59	364	49,375	4,989	10.03	9.9
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		359,040.05	1,119	357,921	21,996	6.13	16.3
	CAST IRON - 12 INCH AND OVER	95-S3		315,402.92	1,133	314,270	7,375	2.34	42.6
	VALVES	90-R3		18,411.03	1	18,410	245	1.33	75.1
	TOTAL ACCOUNT 331			742,592.59	2,617	739,976	34,605		
333	SERVICES	70-R4		60,205.74	261	59,945	918	1.52	65.3
334	METERS - REMOTE	22-R2.5		551,732.65	365	551,368	34,483	6.25	16.0
335	FIRE HYDRANTS	60-R4		90,634.27	258	90,377	4,583	5.06	19.7
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	10-SQ		1,365.24	1	1,364	144	**	9.5
341	TRANSPORTATION EQUIPMENT								
	VEHICLES	9-L2.5		133,253.91	142	133,112	18,962	14.23	7.0
	OTHER	20-SQ		10,639.90	130	10,510	0	**	-
	TOTAL ACCOUNT 341			143,893.81	272	143,622	18,962		
343.1	SHOP EQUIPMENT	25-SQ		9,696.51	56	9,641	749	**	12.9
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ		25,270.39	186	25,084	3,558	**	7.1
346	COMMUNICATION EQUIPMENT	15-SQ		26,929.17	239	26,690	8,222	**	3.2
	TOTAL DEPRECIABLE PLANT			**12,912,053.78**	**66,319**	**12,845,734**	**775,136**		
	TOTAL WATER PLANT IN SERVICE			**13,474,665.96**	**66,319**	**12,845,734**	**775,136**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 2. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2019		2020		2021		2022		2023			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2)	- (3) +	(4)	- (5) +	(6)	- (7) +	(8)	- (9) +	(10)	- (11) =	(12)*	(13)=(12)/5
304.3											0.00	0
304.63											0.00	0
331											0.00	0
333											0.00	0
335											0.00	0
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1885	189,596	2,188	187,408	187,408	1.5
1903	51,371	21,691	29,680	217,088	1.7
1913	16,851	12,596	4,255	221,343	1.7
1914	119,351	7,502	111,849	333,192	2.6
1920	143,091	1,457	141,634	474,826	3.7
1940	55,164	263	54,901	529,727	4.1
1941	1,853	14	1,839	531,566	4.1
1952	39,634	164	39,470	571,036	4.4
1974	162,210	410	161,800	732,836	5.7
1975	5,726	165-	5,891	738,727	5.8
1977	75,024		75,024	813,751	6.3
1978	221,575	1,567	220,008	1,033,759	8.0
1981	2,066,659	14,056	2,052,603	3,086,362	24.0
1982	314,410	1,440	312,970	3,399,332	26.5
1983	6,833	36	6,797	3,406,129	26.5
1984	7,513	185-	7,698	3,413,827	26.6
1987	699,524	4,293	695,231	4,109,058	32.0
1988	128,484	551	127,933	4,236,991	33.0
1990	224,872	535	224,337	4,461,328	34.7
1991	419,655	2,473	417,182	4,878,510	38.0
1992	1,039,183	5,731	1,033,452	5,911,962	46.0
1993	4,866,506	9,245	4,857,261	10,769,223	83.8
1998	12,172	105	12,067	10,781,290	83.9
1999	204,600	1,680-	206,280	10,987,570	85.5
2006	22,744	144	22,600	11,010,170	85.7
2007	22,536	73	22,463	11,032,633	85.9
2008	37,303	97	37,206	11,069,839	86.2
2009	156,520	526	155,994	11,225,833	87.4
2010	8,385	42	8,343	11,234,176	87.5
2011	10,972	76	10,896	11,245,072	87.5
2012	441,312	949	440,363	11,685,435	91.0
2013	16,542	70	16,472	11,701,907	91.1
2014	31,696	195	31,501	11,733,408	91.3
2015	60,919	326-	61,245	11,794,653	91.8
2020	18,845	49-	18,894	11,813,547	92.0
2023	1,012,423	19,765-	1,032,187	12,845,735	100.0
TOTAL	12,912,054	66,319	12,845,734		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2048						
1982	314,410.21	206,159	1,440	312,970	21.79	14,363
1988	128,483.60	78,915	551	127,933	22.30	5,737
1993	3,906,989.72	2,251,989	15,730	3,891,260	22.41	173,639
1999	82,064.64	42,624	298	81,767	22.67	3,607
2008	24,184.36	9,746	68	24,116	22.96	1,050
2009	12,430.02	4,794	33	12,397	23.09	537
2012	416,700.83	138,511	968	415,733	23.10	17,997
2013	8,291.53	2,585	18	8,274	23.17	357
2014	10,364.73	3,013	21	10,344	23.18	446
	4,903,919.64	2,738,336	19,127	4,884,792		217,733

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.4 4.44

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2048						
1991	33,735.61	23,244	292	33,444	14.67	2,280
2009	34,775.54	14,724	185	34,591	19.75	1,751
2023	27,494.32	583	7	27,487	23.08	1,191
	96,005.47	38,551	484	95,521		5,222

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.3 5.44

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1913	12,563.30	12,563	12,563			
1914	6,281.65	6,282	6,282			
1974	25,754.77	23,839	577-	26,332	3.98	6,616
1977	15,766.95	14,297	346-	16,113	4.78	3,371
1993	480,420.15	367,810	8,908-	489,328	9.34	52,391
1999	122,535.52	81,658	1,978-	124,514	12.26	10,156
2009	5,990.18	2,588	63-	6,053	19.06	318
2012	7,179.93	2,494	60-	7,240	21.61	335
2015	55,838.21	14,473	351-	56,189	24.29	2,313
2020	18,844.96	2,024	49-	18,894	29.07	650
	751,175.62	528,028	6,513	744,662		76,150

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.8 10.14

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
2023	31,310.28	407	6	31,305	38.11	821
	31,310.28	407	6	31,305		821
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					38.1	2.62

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-S1						
1885	188,449.58	187,922	2,179	186,271	0.39	186,271
1914	113,069.74	105,245	1,220	111,850	8.14	13,741
1920	125,633.05	114,427	1,327	124,306	10.14	12,259
1974	112,441.58	72,356	839	111,603	27.42	4,070
1978	221,574.61	135,094	1,567	220,008	29.13	7,553
1981	2,066,659.48	1,212,096	14,056	2,052,603	29.96	68,511
1987	699,523.83	370,188	4,293	695,231	32.47	21,411
1991	385,918.97	188,135	2,181	383,738	34.17	11,230
1992	1,039,183.47	494,236	5,731	1,033,452	34.73	29,757
1993	416,792.49	193,225	2,241	414,551	35.29	11,747
2009	90,644.01	22,480	260	90,384	43.98	2,055
2012	17,431.59	3,507	41	17,391	45.65	381
	5,477,322.40	3,098,911	35,935	5,441,387		368,986

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.7 6.74

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1903	14,996.11	14,276	121	14,875	6.08	2,447
1940	16,022.19	14,048	119	15,903	11.73	1,356
1941	1,852.60	1,620	14	1,839	11.84	155
1952	6,410.55	5,363	45	6,366	13.97	456
1974	10,457.14	7,661	65	10,392	18.07	575
	49,738.59	42,968	364	49,375		4,989

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.9 10.03

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1903	12,457.67	12,309	104	12,354	1.45	8,520
1940	25,629.31	23,328	198	25,431	8.24	3,086
1952	30,255.44	26,177	222	30,033	11.14	2,696
1974	13,556.52	9,731	83	13,474	19.46	692
1977	59,256.61	40,780	346	58,911	21.07	2,796
1983	6,832.51	4,261	36	6,797	24.44	278
2006	12,151.94	3,573	30	12,122	42.02	288
2007	20,114.33	5,608	48	20,066	42.67	470
2008	13,118.63	3,437	29	13,090	43.67	300
2009	1,628.20	399	3	1,625	44.67	36
2010	4,476.27	1,021	9	4,467	45.67	98
2023	159,562.62	1,356	11	159,551	58.32	2,736
	359,040.05	131,980	1,119	357,921		21,996

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.3 6.13

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1885	1,146.69	1,096	9	1,138	6.43	177
1903	2,470.54	2,263	19	2,452	11.08	221
1913	4,287.48	3,837	33	4,254	12.96	328
1920	17,457.74	15,359	130	17,328	14.14	1,225
1940	10,192.38	8,085	68	10,124	21.77	465
1952	22.59	16		23	27.50	1
1990	217,521.91	81,614	692	216,830	55.79	3,887
1993	62,303.59	21,470	182	62,122	58.00	1,071
	315,402.92	133,740	1,133	314,270		7,375

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 42.6 2.34

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
2023	18,411.03	122	1	18,410	75.26	245
	18,411.03	122	1	18,410		245
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					75.1	1.33

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1903	20,412.37	20,412	20,412			
2023	39,793.37	302	20,151-	59,945	65.29	918
	60,205.74	20,714	261	59,945		918
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					65.3	1.52

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
2006	10,591.60	7,599	114	10,478	6.89	1,521
2007	1,121.33	773	12	1,109	7.42	149
2023	540,019.72	15,931	239	539,781	16.45	32,813
	551,732.65	24,303	365	551,368		34,483

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.0 6.25

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1903	1,034.76	1,035	1,035			
1940	3,320.22	3,244	122-	3,442	1.97	1,747
1952	2,945.90	2,759	103-	3,049	4.84	630
1975	5,726.13	4,388	165-	5,891	14.79	398
1984	7,512.82	4,926	185-	7,698	20.74	371
1990	7,349.73	4,186	157-	7,507	25.32	296
1998	1,532.49	676	25-	1,557	32.30	48
2023	61,212.22	539	21-	61,233	56.00	1,093
	90,634.27	21,753	258	90,377		4,583

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.7 5.06

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 340.2 OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2023	1,365.24	68	1	1,364	9.50	144
	1,365.24	68	1	1,364		144

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.5 10.55

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L2.5						
2023	133,253.91	8,861	142	133,112	7.02	18,962
	133,253.91	8,861	142	133,112		18,962
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					7.0	14.23

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 341.2 TRANSPORTATION EQUIPMENT - OTHER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
1998	10,639.90	10,640	130	10,510		
	10,639.90	10,640	130	10,510		
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					0.0	0.00

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 343.1 SHOP EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2010	1,381.96	746	9	1,373	11.50	119
2011	6,718.23	3,359	40	6,678	12.50	534
2015	1,596.32	543	7	1,590	16.50	96
	9,696.51	4,648	56	9,641		749

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.9 7.72

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2007	1,300.27	1,073	13	1,287	3.50	368
2009	7,960.73	5,772	70	7,891	5.50	1,435
2010	1,273.71	860	10	1,264	6.50	194
2011	3,000.75	1,875	23	2,978	7.50	397
2013	8,250.95	4,332	52	8,199	9.50	863
2015	3,483.98	1,481	18	3,466	11.50	301
	25,270.39	15,393	186	25,084		3,558

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 7.1 14.08

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 346 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
2009	3,091.18	2,988	38	3,053	0.50	3,053
2010	1,253.19	1,128	14	1,239	1.50	826
2011	1,253.19	1,044	13	1,240	2.50	496
2014	21,331.61	13,510	174	21,158	5.50	3,847
	26,929.17	18,670	239	26,690		8,222

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 3.2 30.53

Exhibit No. 6-B, Part 2
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

SHENANDOAH WATER OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2024

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-B, Part 2
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

SHENANDOAH WATER OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2024

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to water plant as of December 31, 2024 for the Shenandoah Water Operations. The results of our study as of December 31, 2024, are presented in the attached report. The results of our study as of December 31, 2023, are presented in our report, "2023 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2023." The same methods, procedures and estimates are used in both studies.

The attached report sets forth a description of the methods and procedures upon which the studies were based, the estimates of survivor curves, and the calculated annual depreciation as of December 31, 2024.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

MELISSA M. HOWARD
Assistant Project Manager

JJS:mle
077367.100

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PART I. INTRODUCTION

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report sets forth the results of the depreciation study for Aqua Pennsylvania, Inc. to determine the annual depreciation accrual rates and amounts applicable to the original cost of water plant as of December 31, 2024 for the Shenandoah Water Operations system. The rates and amounts are based on the straight line remaining life method of depreciation. This report also describes the concepts, methods and judgments which underlie the recommended annual depreciation accrual rates related to water plant in service as of December 31, 2024.

Part I, Introduction, contains statements with respect to the basis of the study and the development of net original cost. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and methods used in the service life study. Part III, Service Life Considerations, presents the results of the average service life analysis. Part IV, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part V, Results of Study, presents summaries by depreciable group of annual depreciation accrual rates and amounts, as well as composite remaining lives. Part VI, Service Life Statistics presents the statistical analysis of service life estimates, Part VII, Detailed Depreciation Calculations presents the detailed tabulations of annual depreciation and Part VIII, Experienced and Estimated Net Salvage presents the cost of removal and gross salvage recorded for the period 2020-2024.

BASIS OF THE STUDY

The purpose of the depreciation study was to determine the annual depreciation accruals applicable to the original cost of water plant in service as of December 31, 2024. For most accounts, the straight line remaining life method using attained ages, the book depreciation reserve and estimated survivor curves, was the basis for the calculation of annual depreciation. For certain accounts, the annual and accrued amortization amounts were based on the age of the property and the selected amortization period.

The survivor curve estimates were based on judgment which incorporated (1) analyses of historical data related to water property for all water systems; (2) consideration of the character, use and location of the property; (3) probable future events and management plans; and (4) a general knowledge of water property lives. The use of Iowa type survivor curves is a generally-accepted method of estimating average service life when the actual lives of individual property units are dispersed.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements (or the portion of the frequency curve with the highest level of retirements) in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family. A higher number designates a higher mode curve.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

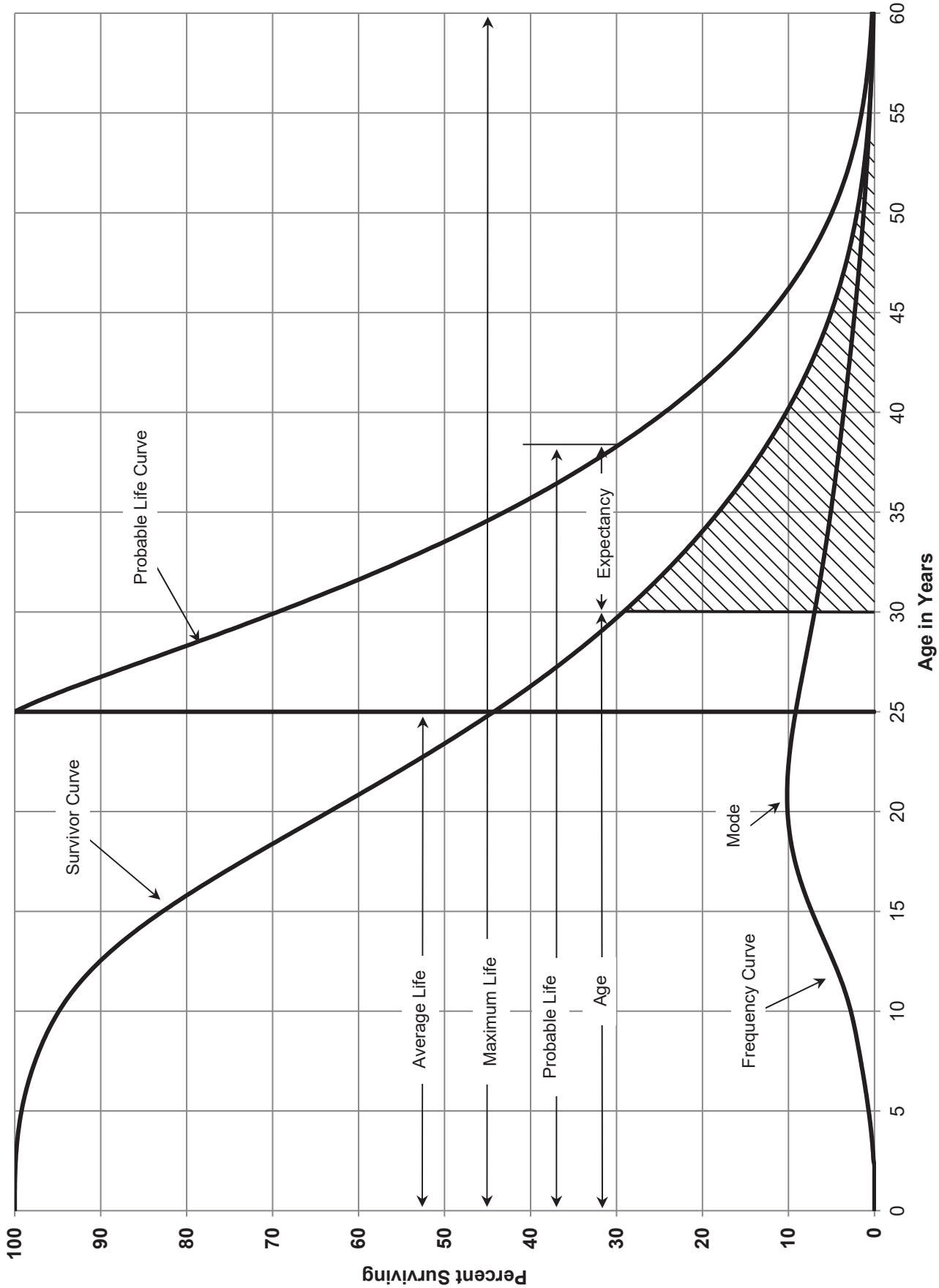


FIGURE 1. TYPICAL SURVIVOR CURVE AND DERIVED CURVES

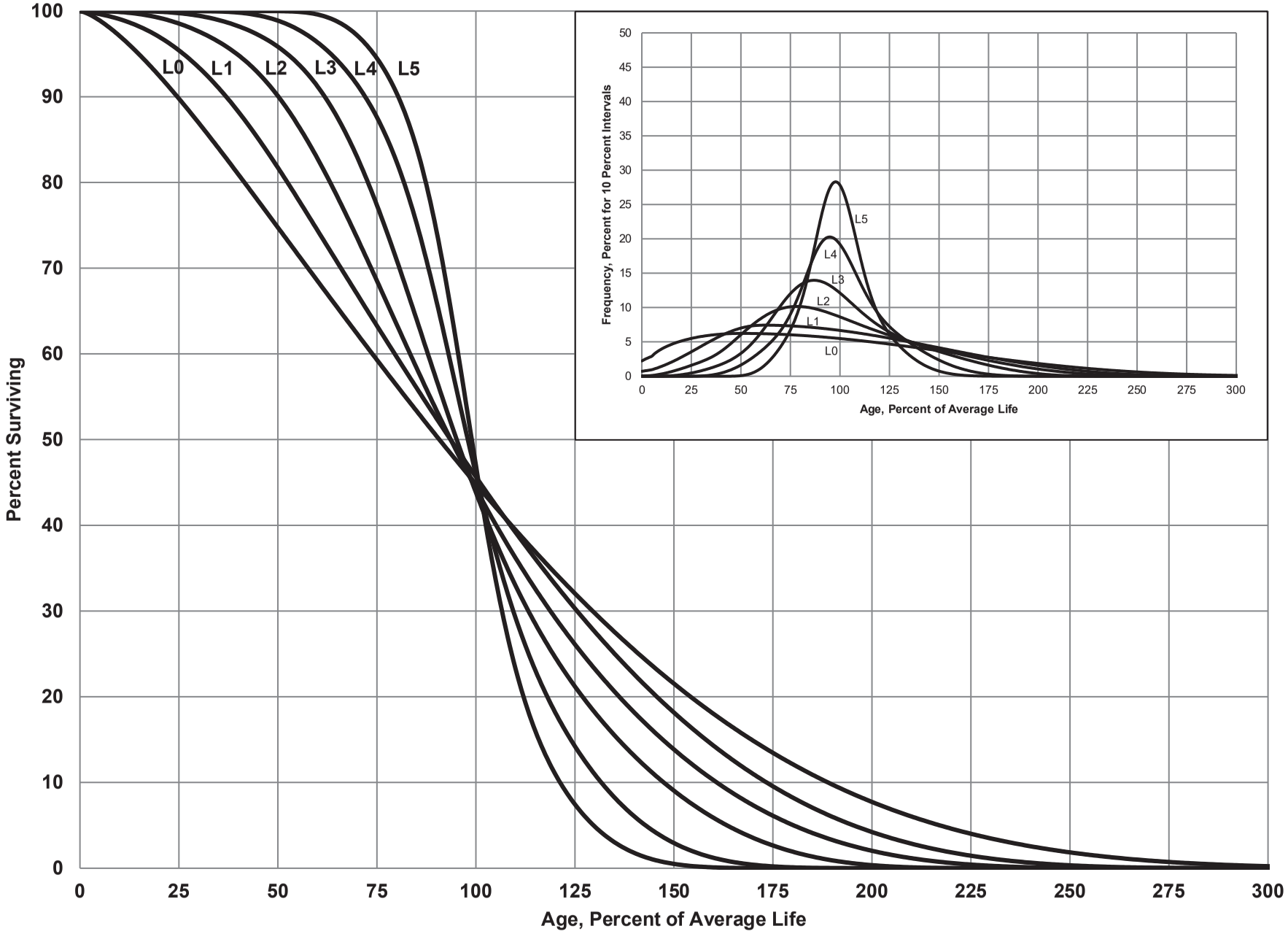


FIGURE 2. LEFT MODAL OR "L" IOWA TYPE SURVIVOR CURVES

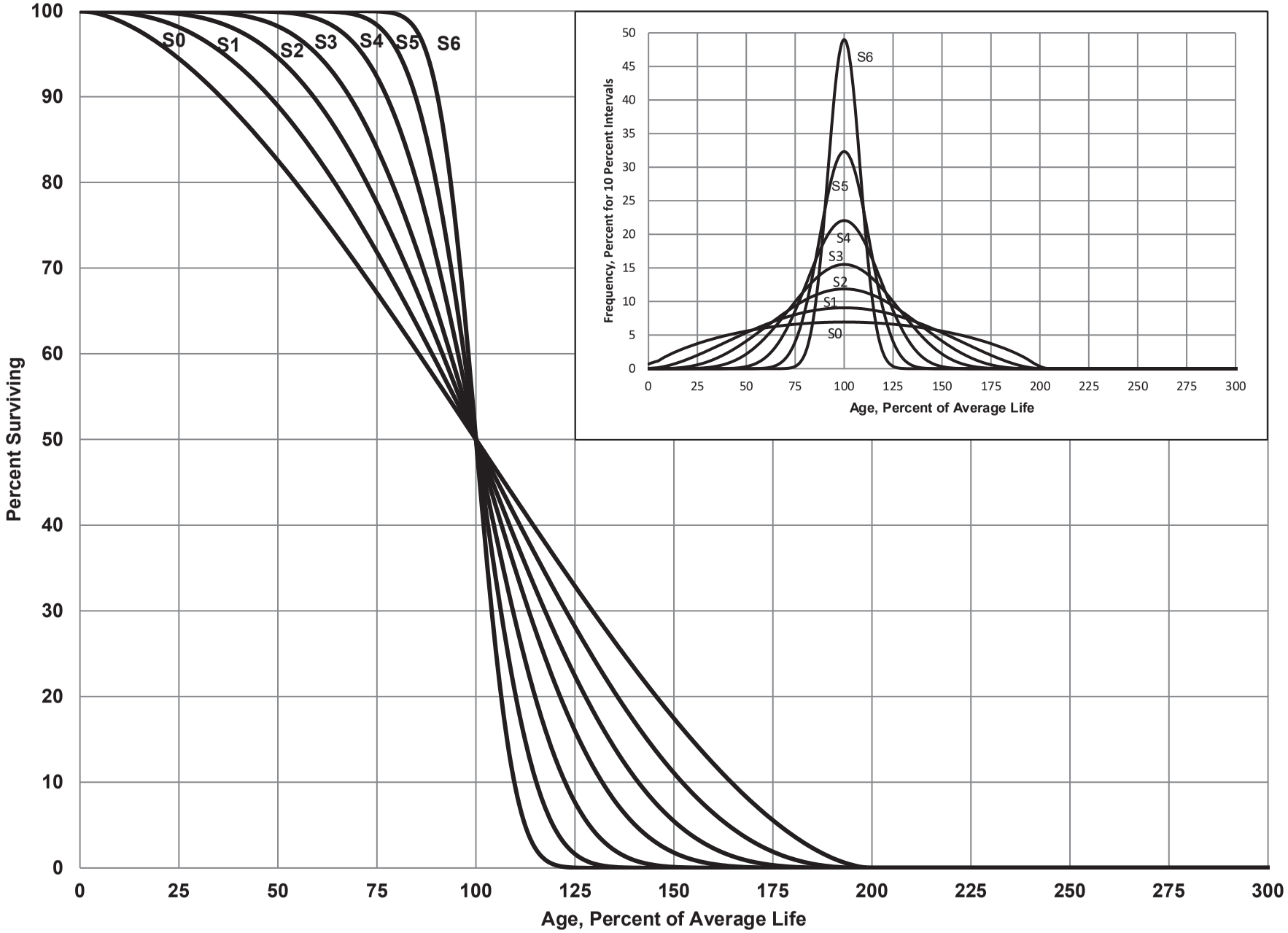


FIGURE 3. SYMMETRICAL OR "S" IOWA TYPE SURVIVOR CURVES

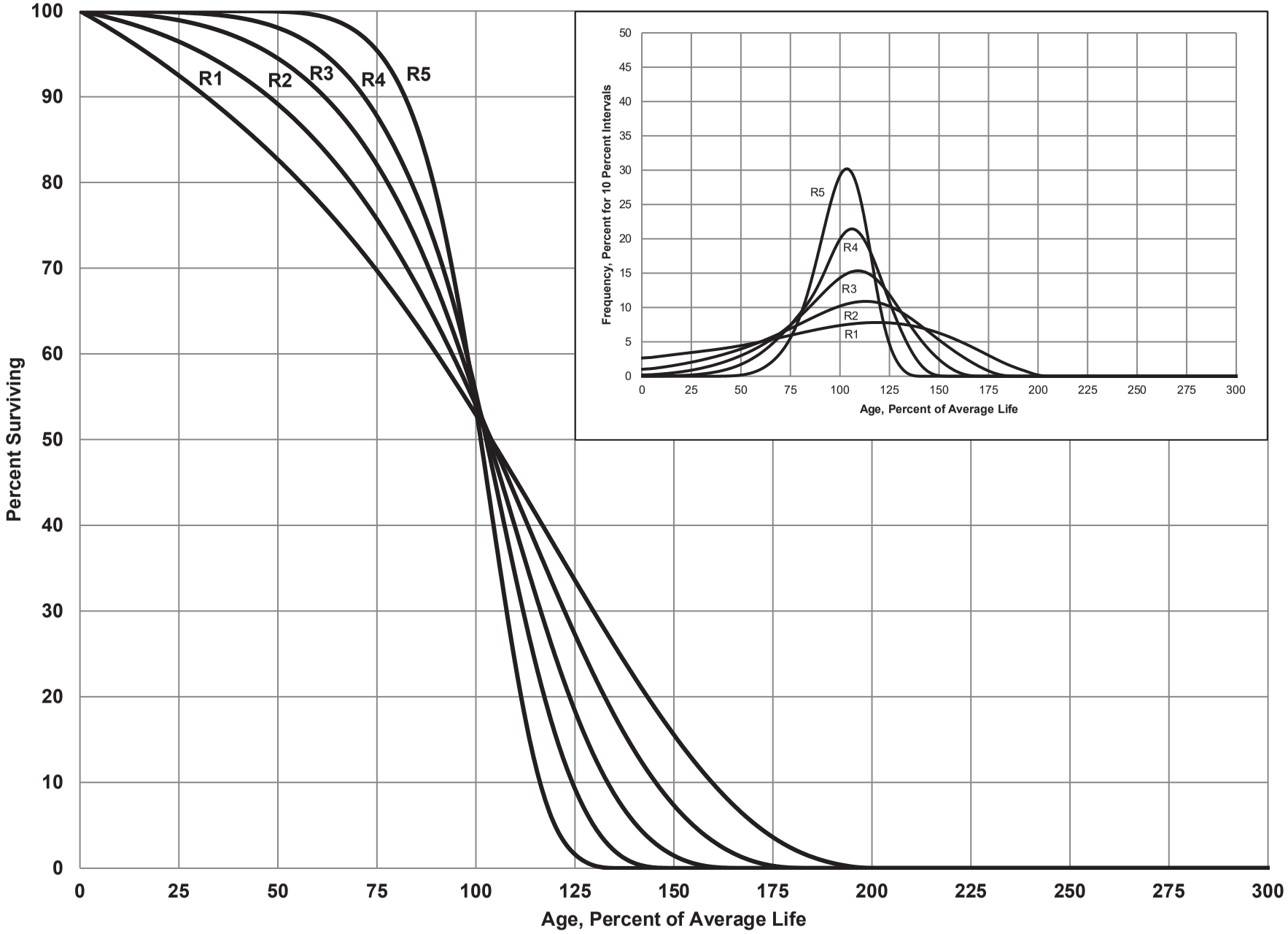


FIGURE 4. RIGHT MODAL OR "R" IOWA TYPE SURVIVOR CURVES

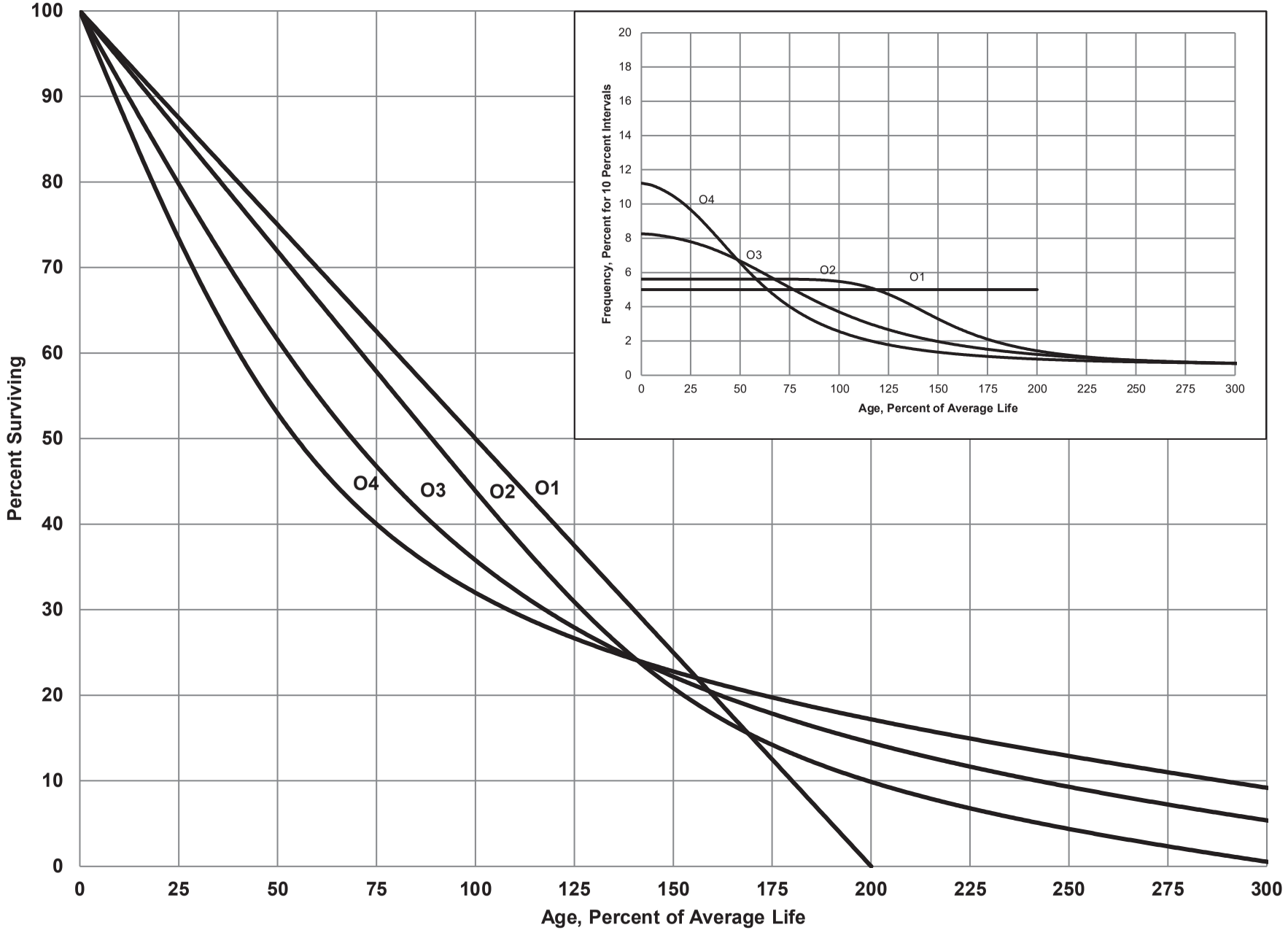


FIGURE 5. ORIGIN MODAL OR "O" IOWA TYPE SURVIVOR CURVES

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."[1] In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student, submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text and is also explained in several publications including "Statistical Analyses of Industrial Property Retirements,"[2] "Engineering Valuation and Depreciation,"[3] and "Depreciation Systems."[4]

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band. The band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

---

[1]Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

[2]Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College, Engineering Experiment Station, Bulletin 125. 1935.

[3]Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

[4]Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

Schedules of Annual Transactions in Plant Records

The property group used to illustrate the retirement rate method is observed for the experience band 2014-2023 for which there were placements during the years 2009-2023. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, $10,000 of the dollars invested in 2009 were retired in 2014. The $10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of $143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2014 retirements of 2009 installations and ending with the 2023 retirements of the 2018 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Retirements, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	10	11	12	13	14	16	23	24	25	26	26	13½-14½
2010	11	12	13	15	16	18	20	21	22	19	44	12½-13½
2011	11	12	13	14	16	17	19	21	22	18	64	11½-12½
2012	8	9	10	11	11	13	14	15	16	17	83	10½-11½
2013	9	10	11	12	13	14	16	17	19	20	93	9½-10½
2014	4	9	10	11	12	13	14	15	16	20	105	8½-9½
2015		5	11	12	13	14	15	16	18	20	113	7½-8½
2016			6	12	13	15	16	17	19	19	124	6½-7½
2017				6	13	15	16	17	19	19	131	5½-6½
2018					7	14	16	17	19	20	143	4½-5½
2019						8	18	20	22	23	146	3½-4½
2020							9	20	22	25	150	2½-3½
2021								11	23	25	151	1½-2½
2022									11	24	153	½-1½
2023										13	80	0-½
Total	53	68	86	106	128	157	196	231	273	308	1,606	

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Acquisitions, Transfers and Sales, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	-	-	-	-	-	-	60[a]	-	-	-	-	13½-14½
2010	-	-	-	-	-	-	-	-	-	-	-	12½-13½
2011	-	-	-	-	-	-	-	-	-	-	-	11½-12½
2012	-	-	-	-	-	-	-	(5)[b]	-	-	60	10½-11½
2013	-	-	-	-	-	-	-	6[a]	-	-	-	9½-10½
2014	-	-	-	-	-	-	-	-	-	-	(5)	8½-9½
2015		-	-	-	-	-	-	-	-	-	6	7½-8½
2016			-	-	-	-	-	-	-	-	-	6½-7½
2017				-	-	-	-	(12)[b]	-	-	-	5½-6½
2018					-	-	-	-	22[a]	-	-	4½-5½
2019						-	-	(19)[b]	-	-	10	3½-4½
2020							-	-	-	-	-	2½-3½
2021								-	-	(102)[c]	(121)	1½-2½
2022									-	-	-	½-1½
2023											-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	

[a] Transfer Affecting Exposures at Beginning of Year
[b] Transfer Affecting Exposures at End of Year
[c] Sale with Continued Use
Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements, but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2014 through 2023 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2019 are calculated in the following manner:

Exposures at age 0	= amount of addition	= $750,000
Exposures at age ½	= $750,000 - $ 8,000	= $742,000
Exposures at age 1½	= $742,000 - $18,000	= $724,000
Exposures at age 2½	= $724,000 - $20,000 - $19,000	= $685,000
Exposures at age 3½	= $685,000 - $22,000	= $663,000

SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
JANUARY 1 OF EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023

Placement Band 2009-2023

Year Placed	Exposures, Thousands of Dollars Annual Survivors at the Beginning of the Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total at Beginning of Age Interval	Age Interval
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	255	245	234	222	209	195	239	216	192	167	167	13½-14½
2010	279	268	256	243	228	212	194	174	153	131	323	12½-13½
2011	307	296	284	271	257	241	224	205	184	162	531	11½-12½
2012	338	330	321	311	300	289	276	262	242	226	823	10½-11½
2013	376	367	357	346	334	321	307	297	280	261	1,097	9½-10½
2014	420[a]	416	407	397	386	374	361	347	332	316	1,503	8½-9½
2015		460[a]	455	444	432	419	405	390	374	356	1,952	7½-8½
2016			510[a]	504	492	479	464	448	431	412	2,463	6½-7½
2017				580[a]	574	561	546	530	501	482	3,057	5½-6½
2018					660[a]	653	639	623	628	609	3,789	4½-5½
2019						750[a]	742	724	685	663	4,332	3½-4½
2020							850[a]	841	821	799	4,955	2½-3½
2021								960[a]	949	926	5,719	1½-2½
2022									1,080[a]	1,069	6,579	½-1½
2023										1,220[a]	7,490	0-½
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	

[a]Additions during the year

For the entire experience band 2014-2023, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15				
Exposures at age 4½	=	3,789,000				
Retirements from age 4½ to 5½	=	143,000				
Retirement Ratio	=	143,000	÷	3,789,000	=	0.0377
Survivor Ratio	=	1.000	-	0.0377	=	0.9623
Percent surviving at age 5½	=	(88.15)	x	(0.9623)	=	84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

SCHEDULE 4. ORIGINAL LIFE TABLE
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2014-2023 Placement Band 2009-2023

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
					35.66
Total	44,780	1,606			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.
Column 3 from Schedule 1, Column 12, Retirements for Each Year.
Column 4 = Column 3 Divided by Column 2.
Column 5 = 1.0000 Minus Column 4.
Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

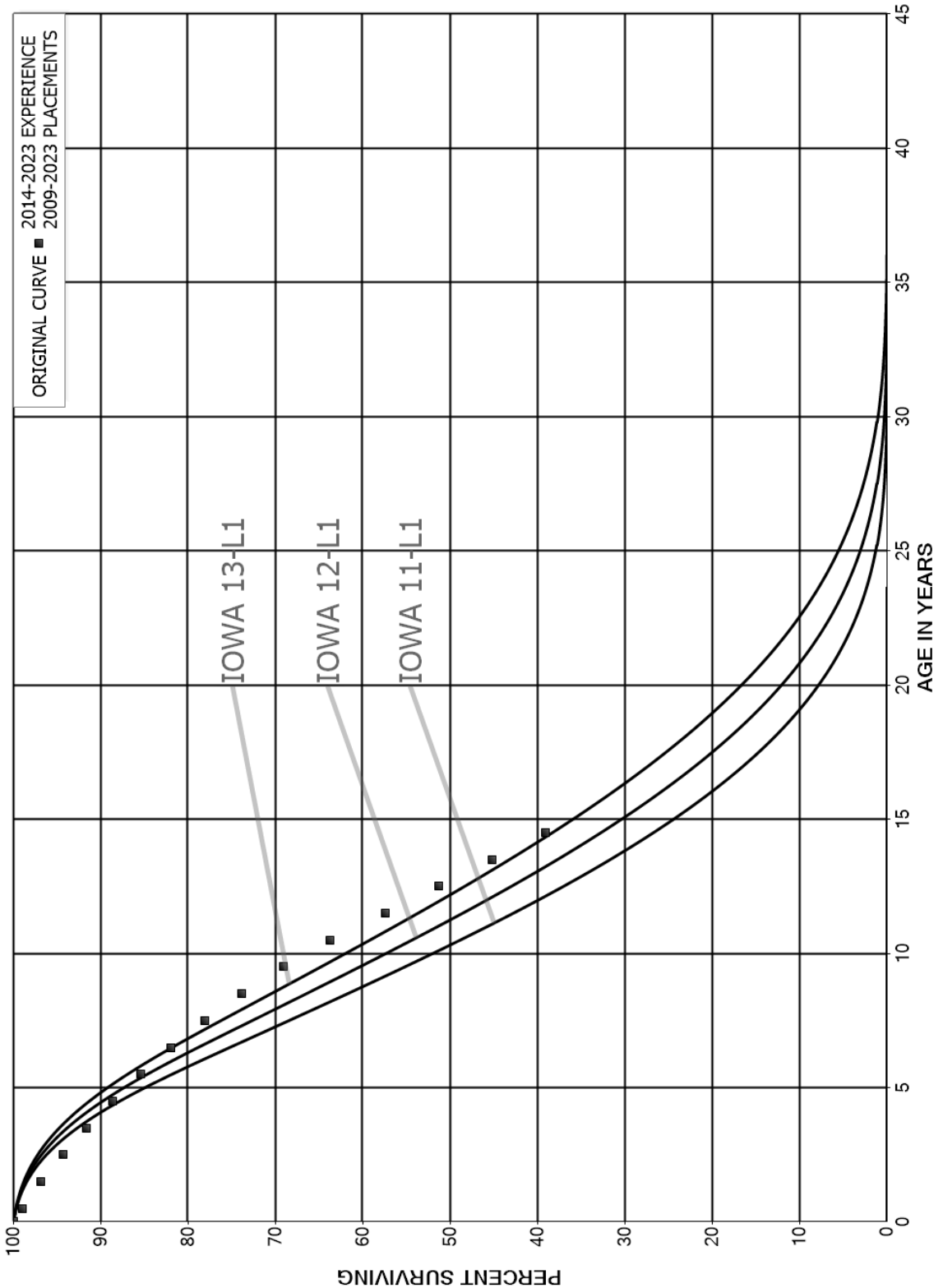


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

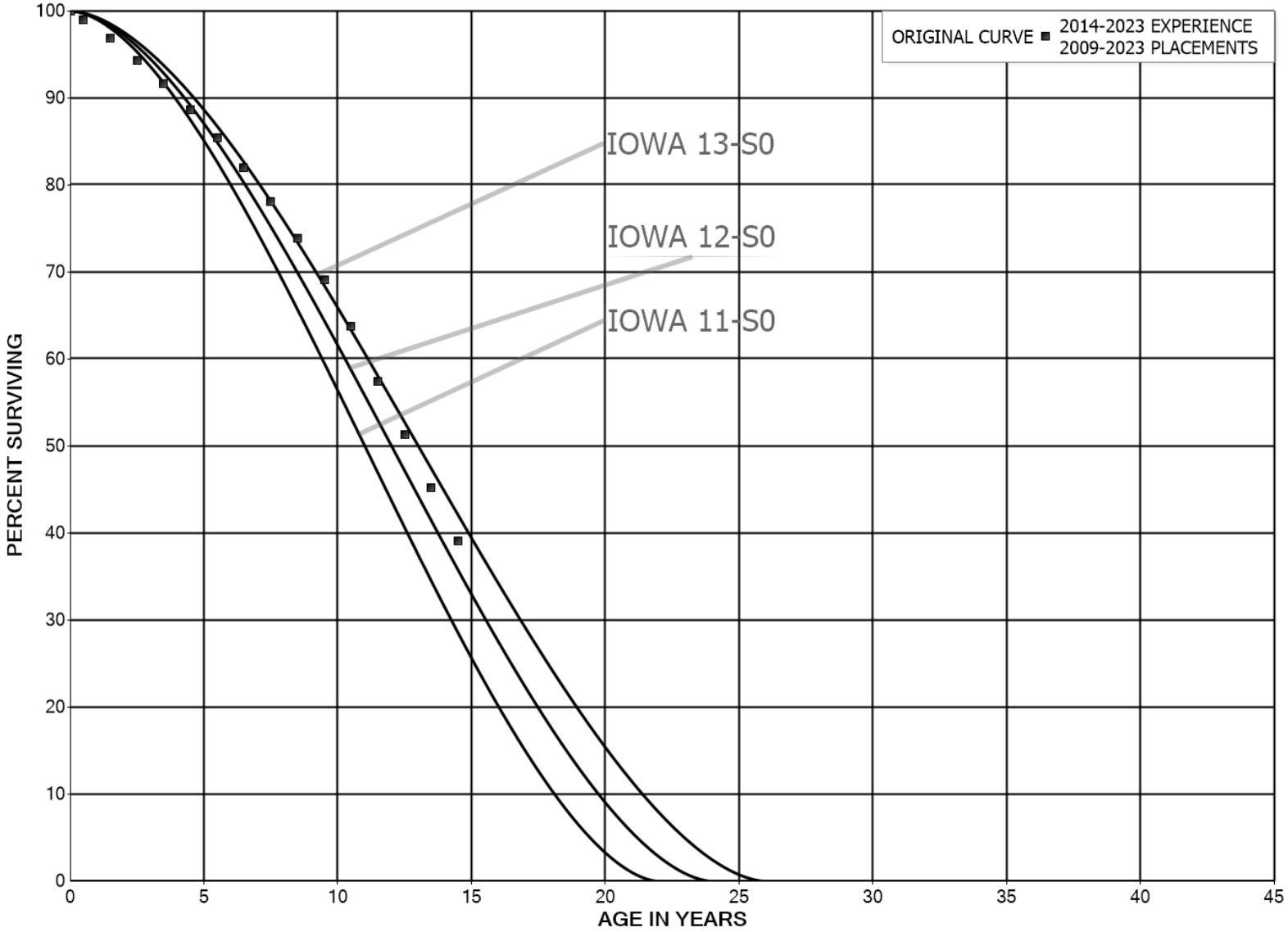


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

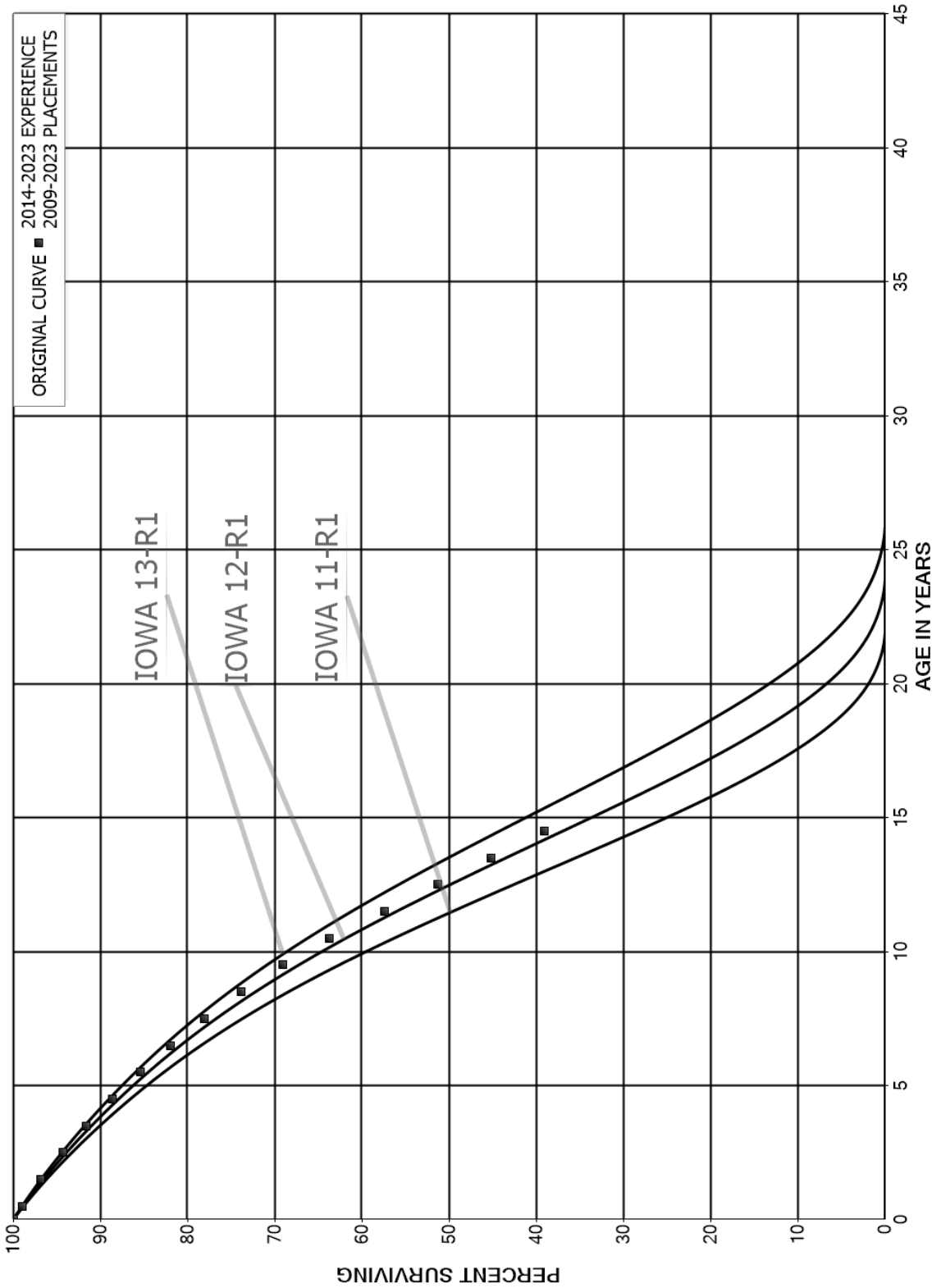
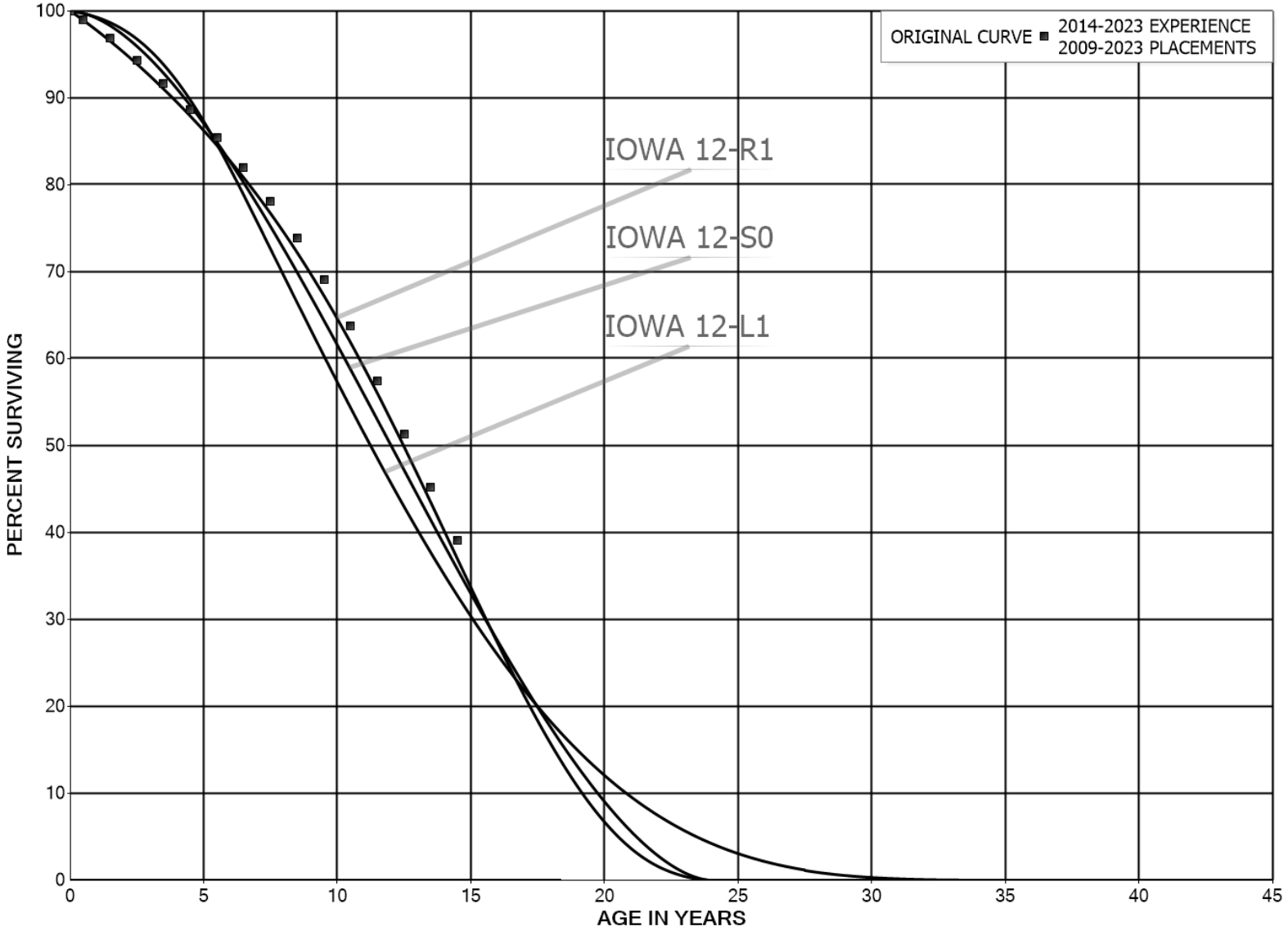


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

Judgments

The survivor curve estimates were based on judgment which considered factors including statistical analyses of retirements, Company policies and outlook as determined during discussions with management, and survivor curve estimates from previous studies of the other Aqua Pennsylvania water systems. For depreciable groups which consist of numerous similar items of property, the distribution of the lives of the units in the group was judged on the basis of an average survival pattern for the entire group.

The amortization periods selected for general plant Accounts, 340.00, 343.00 and 346.00 are discussed in the section, “Amortization of General Plant Accounts.”

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

BOOK RESERVE

The book reserve as of December 31, 2023, is the result of a bringforward of the book reserves established by the Commission for the Shenandoah water operations at the time of acquisition. The projected book reserve as of December 31, 2024, is a bringforward of the December 31, 2023 book reserve based on projected accruals, retirements, cost of removal, gross salvage and other credits.

CALCULATION OF DEPRECIATION

The annual depreciation accruals as of December 31, 2024, are based on the straight line remaining life method and the equal life group procedure. For the purpose of calculating the remaining life accruals as of December 31, 2024, the book reserve is allocated among vintages in proportion to the calculated accrued depreciation as of December 31, 2024.

Group Depreciation Procedures

A group procedure for depreciation is appropriate when considering more than a single item of property. Normally, the items within a group do not have identical service lives but have lives that are dispersed over a range of time.

In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balances of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas

the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

In the equal life group procedure, the property group is subdivided according to service life. That is, each equal life group includes that portion of the property which experiences the life of that specific group. The relative size of each equal life group is determined from the property's life dispersion curve. This procedure eliminates the need to base depreciation on average lives, inasmuch as each group is equivalent to a unit having a single life. The full costs of short-lived units are accrued during their lives, leaving no deferral of accruals required to be added to the annual costs associated with long-lived units. The calculated depreciation for the property group is the summation of the calculated depreciation based on the service life of each equal life group.

Remaining Life Annual Accruals

For the purpose of calculating remaining life accrual rates as of December 31, 2024, the estimated book depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation based on the equal life group procedure follow. The detailed calculations are set forth in the Results of Study section of the report.

Equal Life Group Procedure

In the equal life group procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the composite remaining life for the surviving original cost of that vintage. The composite remaining life is derived by compositing the individual equal life group remaining lives in accordance with the following equation:

$$\text{Composite Remaining Life} = \frac{\sum(\frac{\text{Book Cost}}{\text{Life}} \text{ x Remaining Life})}{\sum \frac{\text{Book Cost}}{\text{Life}}}.$$

The book costs and lives of the several equal life groups which are summed in the foregoing equation are defined by the estimated survivor curve.

Inasmuch as book cost divided by life equals the whole life annual accrual, the foregoing equation reduces to the following form:

$$\text{Composite Remaining Life} = \frac{\sum \text{Whole Life Future Accruals}}{\sum \text{Whole Life Annual Accruals}}$$

or

$$\text{Composite Remaining Life} = \frac{\sum \text{Book Cost - Calc. Reserve}}{\sum \text{Whole Life Annual Accrual}}.$$

The annual accrual rate for each account is equal to the sum of the remaining life annual accruals for all vintages divided by the account's total original cost. The account's "composite remaining life" is calculated by dividing the sum of the future book accruals for all vintages by the sum of the remaining life annual accruals for all vintages.

The calculated accrued depreciation in the equal life group procedure also represents that portion of depreciable cost which will not be allocated to expense through future accruals. However, the calculation is based at the equal life group level rather than the vintage group level and does not require the use of averages. The equal life group accrued depreciation ratio is calculated as follows:

$$Ratio = 1 - \left(\frac{Remaining\ Life}{Service\ Life}\right)$$

Inasmuch as service life minus remaining life equals age, when averages are not employed, the foregoing equation reduces to:

$$Ratio = \left(\frac{Age}{Service\ Life}\right)$$

AMORTIZATION OF GENERAL PLANT ACCOUNTS

In order to use a more efficient and cost effective accounting process for equipment recorded in general plant Accounts 340.00, 343.00 and 346.00; amounts capitalized in these accounts are amortized rather than depreciated. Amortization as defined in the Uniform System of Accounts is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

The primary reasons for the amortization of certain general plant accounts is that the effort required to unitize additions, periodically inventory equipment and determine amounts to be retired for equipment recorded in these accounts is disproportionate to the original cost of the equipment when compared to other wastewater plant accounts.

Accounting for such equipment using an amortization concept consists of capitalization of amounts to these accounts based on the same criteria as used previously

under depreciation accounting, amortization of the asset over a fixed period, retirement of the equipment at the end of the amortization period and recognition of any net salvage related to disposition of equipment in these accounts as a gain or loss. For equipment in these accounts that was placed in service prior to implementation of amortization accounting, the net book value by vintage amortized over the remaining amortization period specified for each account and the original cost will be retired at the end of this period.

The amortization periods selected for each account or subaccount are based on a review of the existing depreciation rates for the accounts, typical service lives used for each type of equipment and a consideration of the period during which it is anticipated that most of the benefit of the equipment will be realized. The amortization periods are as follows:

Account Number	Description	Amortization Period, Years
343	Tools, Shop and Garage Equipment	
	Shop Equipment	25
	Tools and Work	20
346	Communication Equipment	15

NET SALVAGE

Experienced net salvage is incorporated in the results of the study as it was reported on the Company's books and records for the period January 1, 2020 through December 31, 2023 and estimated for the period January 1, 2024 through December 31, 2024. The calculation of the amortization is shown in Table 4 on page V-7. The amounts

of gross salvage and removal cost by account for each year are set forth in the section beginning on page VIII-2.

Net salvage is presented in this manner to determine the amount of net salvage to be amortized to the cost of service for ratemaking purposes. In order to be consistent with this manner of recognizing net salvage, no adjustments for net salvage were made to the annual depreciation calculated for the individual accounts.

PART V. RESULTS OF STUDY

PART V. RESULTS OF STUDY

DESCRIPTION OF SUMMARY TABULATIONS

Table 1 summarizes the results of the depreciation study which sets forth, by depreciable group, the estimated survivor curve, calculated annual accruals and book reserve related to net original cost and the annual amortization of net salvage. Table 2 presents the bringforward to December 31, 2024 of the book reserve as of December 31, 2023. Table 3 sets forth the calculation of estimated depreciation accruals for the twelve months ended December 31,2024. Table 4 presents the amortization of experienced and estimated net salvage, by account, based on the five-year period, 2020-2024. The total amortization amount is incorporated in the total annual accrual in Table 1.

DESCRIPTION OF DETAILED TABULATIONS

Supporting statistical data for the estimates of average service lives and survivor curves, the annual depreciation calculations, and gross salvage and cost of removal for the years 2020-2024 are presented in three sections.

The section beginning on page VI-2 sets forth, for each depreciable group analyzed by the retirement rate method, a chart depicting the original and estimated survivor curves followed by a tabular presentation of the original life table plotted on the chart. A cumulative summary, by year installed, for utility plant and the supporting data for the original cost depreciation calculations are presented in the section beginning on page VII-3. The tabulations of experienced and estimated net salvage, by year and account for the five-year period 2020-2024, are presented in the section beginning on page VIII-2.

In the first section, the survivor curves estimated for the depreciable groups are shown as dark smooth curves on the charts. Each smooth survivor curve is denoted by a numeral followed by the type curve designation. The numeral used is the average life derived from the entire curve from 100 percent to zero percent surviving. In cases where only a segment of the estimated curve is used in the depreciation calculation, the numeral used for identification purposes is not a designation of the average life of the group. The titles of the charts indicate the group, the symbol used to plot the points of the original life table, and the experience and placement bands of the life tables which were plotted. The experience band indicates the range of years for which the retirements were used to develop the stub survivor curve. The placements indicate, for the related experience band, the range of years of installations which appear in the experience.

The tables of the calculated annual depreciation related to original cost are presented in account sequence in the second section and indicate the estimated average survivor curves used in the calculations. The tables set forth, for each installation year, the original cost, calculated accrued depreciation, allocated book reserve, remaining life expectancy, and the calculated annual accrual.

Detailed tabulations setting forth the cost of removal, gross salvage and net salvage amounts, by account and year, are presented in the third section. The net salvage amounts, by account and year, are carried forward to Table 4, which presents the five-year amortization of net salvage.

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2024

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	INTANGIBLE PLANT								
301	ORGANIZATION	NONDEPR.		517,932.18					
	NONDEPRECIABLE PLANT								
303.2	POWER AND PUMPING LAND	NONDEPR.		17.00					
303.3	PURIFICATION LAND	NONDEPR.		22,000.00					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		22,663.00					
	TOTAL NONDEPRECIABLE PLANT			**44,680.00**					
	DEPRECIABLE PLANT								
304.3	PURIFICATION BUILDINGS	95-S0.5	*	5,100,476.34	234,904	4,865,573	223,855	4.39	21.7
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	145,144.65	2,441	142,703	7,482	5.15	19.1
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	7,846.59	83	7,764	467	5.95	16.6
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		760,083.28	82,672	677,412	70,966	9.34	9.5
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5		107,655.83	1,008	106,648	2,776	2.58	38.4
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1		5,477,322.40	385,837	5,091,486	179,547	3.28	28.4
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		84,930.48	5,438	79,492	5,208	6.13	15.3
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		1,590,756.21	2,108	1,588,648	32,224	2.03	49.3
	CAST IRON - 12 INCH AND OVER	95-S3		755,301.55	4,830	750,471	11,388	1.51	65.9
	VALVES	90-R3		71,198.87	148	71,051	943	1.32	75.3
	TOTAL ACCOUNT 331			2,502,187.11	12,525	2,489,662	49,763		
333	SERVICES	70-R4		148,798.07	58	148,740	2,290	1.54	65.0
334	METERS - REMOTE	22-R2.5		551,732.65	34,760	516,972	31,759	5.76	16.3
335	FIRE HYDRANTS	60-R4		229,078.06	65	229,013	4,945	2.16	46.3
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3		11,070.00	333	10,737	645	5.83	16.6
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	10-SQ		5,028.21	321	4,707	511	**	9.2
341	TRANSPORTATION EQUIPMENT - VEHICLES	9-L2.5		133,253.91	8,594	124,660	20,303	15.24	6.1
343.1	SHOP EQUIPMENT	25-SQ		52,581.30	1,301	51,280	2,467	**	20.8
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ		116,400.57	3,728	112,673	8,340	**	13.5
346	COMMUNICATION EQUIPMENT	15-SQ		153,837.99	3,176	150,662	14,975	**	10.1
	TOTAL DEPRECIABLE PLANT			**15,502,496.96**	**771,805**	**14,730,692**	**621,091**		
	AMORTIZATION OF NET SALVAGE						4,738		
	TOTAL WATER PLANT IN SERVICE			**16,065,109.14**	**771,805**	**14,730,692**	**625,829**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2024 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		ACQUISITIONS AND ADJUSTMENTS		RESERVE AT END OF PERIOD	BOOK RESERVE AS A PERCENT OF ORIGINAL COST
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	+	(8)	=	(9)	(10)
WATER PLANT IN SERVICE																
304.3	19,127		222,098				6,136				185				234,904	4.61
304.63	484		6,559				1,534				3,068				2,441	1.68
310.4	0		236				153								83	1.05
311	6,513		76,621				462								82,672	10.88
320.2	6		1,820				5,858						5,040		1,008	0.94
330.01	35,935		369,172										(19,270)		385,837	7.04
331.01	364		6,754				1,308				371				5,438	6.40
331.02	1,119		59,761				45,784				12,988				2,108	0.13
331.03	1,133		12,527				16,351				4,639		12,160		4,830	0.64
331.06	1		596				1,962				557		2,070		148	0.21
333	261		1,588		26		1,008				809				58	0.04
334.02	365		34,483		(88)										34,760	6.30
335	258		8,089		131		7,340				1,072				65	0.03
339	0		333												333	3.00
340.2	1		320												321	6.38
341.1	142		18,962										(10,510)		8,594	6.45
341.2	130						10,640						10,510		0	-
343.1	56		1,246												1,301	2.47
343.2	186		3,542												3,728	3.20
346.01	239		6,029				3,091								3,176	2.06
TOTAL WATER PLANT IN SERVICE	**66,319**		**830,735**		**69**		**101,628**		**0**		**23,690**		**0**		**771,805**	

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2024

	DEPRECIABLE GROUP	ORIGINAL COST AS OF DECEMBER 31, 2023	ORIGINAL COST AS OF DECEMBER 31, 2024	COMPOSITE ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)	(5)
	WATER PLANT IN SERVICE				
304.3	PURIFICATION BUILDINGS	4,903,919.64	5,100,476.34	4.44	222,098
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	96,005.47	145,144.65	5.44	6,559
310.4	OTHER POWER PRODUCTION EQUIPMENT	0.00	7,846.59	6.02	236
311	ELECTRIC PUMPING EQUIPMENT	751,175.62	760,083.28	10.14	76,621
320	PURIFICATION SYSTEM - EQUIPMENT	31,310.28	107,655.83	2.62	1,820
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	5,477,322.40	5,477,322.40	6.74	369,172
331	MAINS AND ACCESSORIES				
	CAST IRON MAINS - 4 INCH AND UNDER	49,738.59	84,930.48	10.03	6,754
	CAST IRON MAINS - 6, 8 AND 10 INCH	359,040.05	1,590,756.21	6.13	59,761
	CAST IRON MAINS - 12 INCH AND OVER	315,402.92	755,301.55	2.34	12,527
	VALVES	18,411.03	71,198.87	1.33	596
	TOTAL ACCOUNT 331	742,592.59	2,502,187.11		79,638
333	SERVICES	60,205.74	148,798.07	1.52	1,588
334	METERS - REMOTE	551,732.65	551,732.65	6.25	34,483
335	FIRE HYDRANTS	90,634.27	229,078.06	5.06	8,089
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	0.00	11,070.00	6.01	333
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	1,365.24	5,028.21	10.00 *	320
341	TRANSPORTATION EQUIPMENT				
	VEHICLES	133,253.91	133,253.91	14.23	18,962
	OTHER	10,639.90	0.00	5.00 *	0
	TOTAL ACCOUNT 341	143,893.81	133,253.91		18,962
343.1	SHOP EQUIPMENT	9,696.51	52,581.30	4.00 *	1,246
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	25,270.39	116,400.57	5.00 *	3,542
346	COMMUNICATION EQUIPMENT	26,929.17	153,837.99	6.67 *	6,029
	TOTAL WATER PLANT	**12,912,053.78**	**15,502,496.96**		**830,735**

* ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

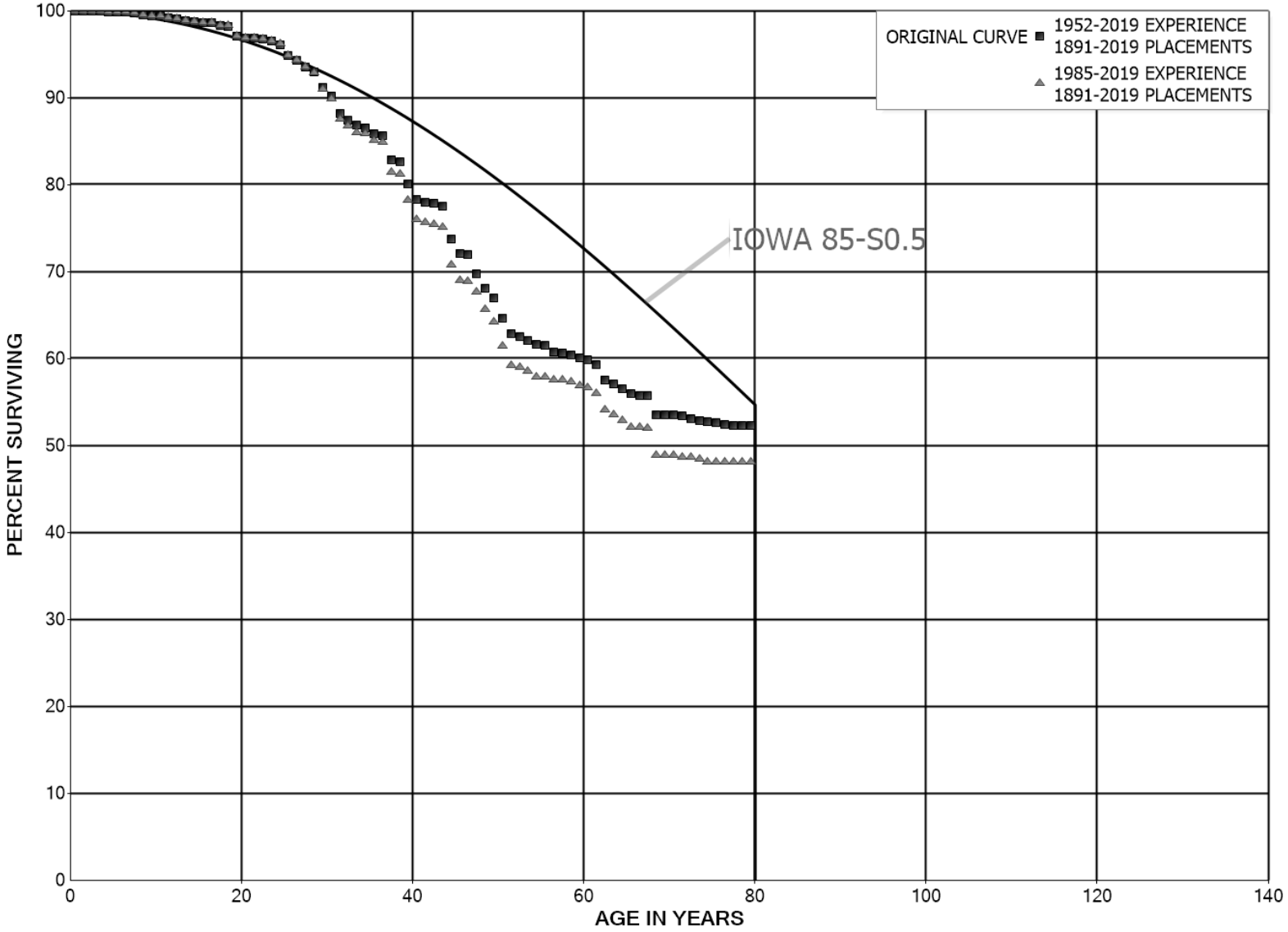
TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2020		2021		2022		2023		2024			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2)	- (3) +	(4)	- (5) +	(6)	- (7) +	(8)	- (9) +	(10)	- (11) =	(12)*	(13)=(12)/5
304.3										185.12	(185.12)	(37)
304.63										3,068.04	(3,068.04)	(614)
331										18,554.87	(18,554.87)	(3,711)
333										809.38	(809.38)	(162)
335										1,072.15	(1,072.15)	(214)
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**23,689.56**	**(23,689.56)**	**(4,738)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART VI. SERVICE LIFE STATISTICS

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.2 POWER AND PUMPING STRUCTURES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	55,136,946		0.0000	1.0000	100.00
0.5	52,369,460	278	0.0000	1.0000	100.00
1.5	46,866,702	3,472	0.0001	0.9999	100.00
2.5	44,724,199	22,344	0.0005	0.9995	99.99
3.5	41,703,225	25,393	0.0006	0.9994	99.94
4.5	38,531,078	28,358	0.0007	0.9993	99.88
5.5	37,401,441	7,375	0.0002	0.9998	99.81
6.5	35,971,754	17,666	0.0005	0.9995	99.79
7.5	33,590,652	91,523	0.0027	0.9973	99.74
8.5	28,318,500	10,742	0.0004	0.9996	99.47
9.5	26,543,324	19,895	0.0007	0.9993	99.43
10.5	25,994,659	36,381	0.0014	0.9986	99.36
11.5	24,418,111	24,951	0.0010	0.9990	99.22
12.5	23,871,571	57,268	0.0024	0.9976	99.11
13.5	22,757,057	30,328	0.0013	0.9987	98.88
14.5	21,968,383	32,215	0.0015	0.9985	98.75
15.5	21,747,582	7,438	0.0003	0.9997	98.60
16.5	21,357,290	57,733	0.0027	0.9973	98.57
17.5	17,485,018	13,543	0.0008	0.9992	98.30
18.5	16,803,901	198,587	0.0118	0.9882	98.22
19.5	16,031,628	29,746	0.0019	0.9981	97.06
20.5	15,772,884	6,264	0.0004	0.9996	96.88
21.5	15,551,288	17,286	0.0011	0.9989	96.84
22.5	15,763,108	42,993	0.0027	0.9973	96.74
23.5	15,570,787	69,436	0.0045	0.9955	96.47
24.5	14,821,414	186,930	0.0126	0.9874	96.04
25.5	14,380,358	88,090	0.0061	0.9939	94.83
26.5	13,623,035	100,866	0.0074	0.9926	94.25
27.5	13,020,969	88,596	0.0068	0.9932	93.55
28.5	6,351,211	115,577	0.0182	0.9818	92.92
29.5	5,985,646	67,565	0.0113	0.9887	91.23
30.5	5,759,688	129,446	0.0225	0.9775	90.20
31.5	5,187,484	44,304	0.0085	0.9915	88.17
32.5	4,878,166	34,484	0.0071	0.9929	87.42
33.5	4,364,158	12,687	0.0029	0.9971	86.80
34.5	4,101,856	33,415	0.0081	0.9919	86.55
35.5	3,541,899	7,604	0.0021	0.9979	85.84
36.5	3,358,508	109,735	0.0327	0.9673	85.66
37.5	3,219,380	9,121	0.0028	0.9972	82.86
38.5	3,103,681	94,507	0.0305	0.9695	82.62

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,901,585	65,005	0.0224	0.9776	80.11
40.5	2,669,575	12,367	0.0046	0.9954	78.31
41.5	2,443,907	5,171	0.0021	0.9979	77.95
42.5	2,351,388	9,692	0.0041	0.9959	77.78
43.5	2,350,682	113,102	0.0481	0.9519	77.46
44.5	1,979,139	44,564	0.0225	0.9775	73.74
45.5	1,908,849	4,222	0.0022	0.9978	72.08
46.5	1,716,879	52,006	0.0303	0.9697	71.92
47.5	1,529,330	35,783	0.0234	0.9766	69.74
48.5	1,466,498	25,799	0.0176	0.9824	68.11
49.5	1,374,651	46,914	0.0341	0.9659	66.91
50.5	1,307,424	35,306	0.0270	0.9730	64.63
51.5	1,170,697	6,731	0.0057	0.9943	62.88
52.5	1,196,665	8,507	0.0071	0.9929	62.52
53.5	1,146,966	8,959	0.0078	0.9922	62.07
54.5	1,122,559	1,253	0.0011	0.9989	61.59
55.5	1,134,381	15,282	0.0135	0.9865	61.52
56.5	1,066,426	1,927	0.0018	0.9982	60.69
57.5	781,097	2,503	0.0032	0.9968	60.58
58.5	740,876	3,705	0.0050	0.9950	60.39
59.5	726,411	2,762	0.0038	0.9962	60.09
60.5	723,090	7,354	0.0102	0.9898	59.86
61.5	638,833	18,605	0.0291	0.9709	59.25
62.5	604,273	5,095	0.0084	0.9916	57.52
63.5	546,326	4,661	0.0085	0.9915	57.04
64.5	528,734	5,592	0.0106	0.9894	56.55
65.5	439,060	1,989	0.0045	0.9955	55.95
66.5	422,970	144	0.0003	0.9997	55.70
67.5	418,508	16,078	0.0384	0.9616	55.68
68.5	380,359	252	0.0007	0.9993	53.54
69.5	373,645	0	0.0000	1.0000	53.51
70.5	373,069	570	0.0015	0.9985	53.51
71.5	370,803	2,406	0.0065	0.9935	53.42
72.5	368,382	1,804	0.0049	0.9951	53.08
73.5	366,221	1,013	0.0028	0.9972	52.82
74.5	363,403	111	0.0003	0.9997	52.67
75.5	360,481	2,039	0.0057	0.9943	52.66
76.5	357,576	223	0.0006	0.9994	52.36
77.5	356,648		0.0000	1.0000	52.33
78.5	306,490		0.0000	1.0000	52.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	284,457	318	0.0011	0.9989	52.33
80.5	275,516		0.0000	1.0000	52.27
81.5	271,656	1,654	0.0061	0.9939	52.27
82.5	192,678		0.0000	1.0000	51.95
83.5	190,836		0.0000	1.0000	51.95
84.5	190,520	600	0.0031	0.9969	51.95
85.5	189,920	10,109	0.0532	0.9468	51.78
86.5	179,803		0.0000	1.0000	49.03
87.5	168,909	264	0.0016	0.9984	49.03
88.5	156,252	539	0.0034	0.9966	48.95
89.5	144,365	3,025	0.0210	0.9790	48.78
90.5	140,817		0.0000	1.0000	47.76
91.5	139,863	10	0.0001	0.9999	47.76
92.5	139,356		0.0000	1.0000	47.76
93.5	133,362		0.0000	1.0000	47.76
94.5	133,362		0.0000	1.0000	47.76
95.5	133,362		0.0000	1.0000	47.76
96.5	133,175		0.0000	1.0000	47.76
97.5	133,175		0.0000	1.0000	47.76
98.5	133,175		0.0000	1.0000	47.76
99.5	132,837		0.0000	1.0000	47.76
100.5	132,837		0.0000	1.0000	47.76
101.5	132,837		0.0000	1.0000	47.76
102.5	132,837		0.0000	1.0000	47.76
103.5	132,837	2,233	0.0168	0.9832	47.76
104.5	130,604	142	0.0011	0.9989	46.95
105.5	129,656	40	0.0003	0.9997	46.90
106.5	129,615	328	0.0025	0.9975	46.89
107.5	129,287	774	0.0060	0.9940	46.77
108.5	128,513	4,384	0.0341	0.9659	46.49
109.5	106,341	1,198	0.0113	0.9887	44.90
110.5	20,288		0.0000	1.0000	44.40
111.5	20,288		0.0000	1.0000	44.40
112.5	20,288		0.0000	1.0000	44.40
113.5					44.40

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	51,999,782		0.0000	1.0000	100.00
0.5	49,289,224		0.0000	1.0000	100.00
1.5	43,953,684	3,472	0.0001	0.9999	100.00
2.5	41,845,562	20,814	0.0005	0.9995	99.99
3.5	38,919,047	25,393	0.0007	0.9993	99.94
4.5	35,727,511	25,067	0.0007	0.9993	99.88
5.5	34,674,065	5,684	0.0002	0.9998	99.81
6.5	33,408,335	17,409	0.0005	0.9995	99.79
7.5	31,111,574	88,530	0.0028	0.9972	99.74
8.5	25,694,768	8,749	0.0003	0.9997	99.45
9.5	24,219,701	16,412	0.0007	0.9993	99.42
10.5	24,261,312	35,370	0.0015	0.9985	99.35
11.5	22,865,429	23,205	0.0010	0.9990	99.21
12.5	22,377,330	50,772	0.0023	0.9977	99.11
13.5	21,249,594	28,177	0.0013	0.9987	98.88
14.5	20,546,704	29,577	0.0014	0.9986	98.75
15.5	20,356,548	7,300	0.0004	0.9996	98.61
16.5	20,017,139	56,474	0.0028	0.9972	98.57
17.5	16,245,433	9,321	0.0006	0.9994	98.30
18.5	15,577,847	194,503	0.0125	0.9875	98.24
19.5	14,924,326	28,565	0.0019	0.9981	97.01
20.5	14,605,285	136	0.0000	1.0000	96.83
21.5	14,421,820	11,503	0.0008	0.9992	96.83
22.5	14,668,344	37,644	0.0026	0.9974	96.75
23.5	14,516,649	50,667	0.0035	0.9965	96.50
24.5	13,671,016	185,151	0.0135	0.9865	96.16
25.5	13,246,208	83,780	0.0063	0.9937	94.86
26.5	12,627,140	100,285	0.0079	0.9921	94.26
27.5	12,041,070	80,895	0.0067	0.9933	93.51
28.5	5,461,169	111,361	0.0204	0.9796	92.89
29.5	5,123,881	64,506	0.0126	0.9874	90.99
30.5	5,016,826	129,036	0.0257	0.9743	89.85
31.5	4,471,890	43,359	0.0097	0.9903	87.53
32.5	4,167,566	33,494	0.0080	0.9920	86.69
33.5	3,692,609	6,929	0.0019	0.9981	85.99
34.5	3,452,188	32,689	0.0095	0.9905	85.83
35.5	2,897,033	7,443	0.0026	0.9974	85.02
36.5	2,756,257	109,735	0.0398	0.9602	84.80
37.5	2,617,832	8,846	0.0034	0.9966	81.42
38.5	2,503,730	92,145	0.0368	0.9632	81.15

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,306,616	64,366	0.0279	0.9721	78.16
40.5	2,093,839	11,337	0.0054	0.9946	75.98
41.5	2,131,590	4,941	0.0023	0.9977	75.57
42.5	1,977,118	9,692	0.0049	0.9951	75.39
43.5	1,977,444	112,701	0.0570	0.9430	75.02
44.5	1,609,327	40,172	0.0250	0.9750	70.75
45.5	1,542,734	4,222	0.0027	0.9973	68.98
46.5	1,354,441	22,221	0.0164	0.9836	68.79
47.5	1,198,645	35,329	0.0295	0.9705	67.66
48.5	1,136,297	25,537	0.0225	0.9775	65.67
49.5	1,044,801	46,400	0.0444	0.9556	64.19
50.5	980,001	34,936	0.0356	0.9644	61.34
51.5	844,431	3,091	0.0037	0.9963	59.16
52.5	838,145	6,530	0.0078	0.9922	58.94
53.5	854,067	8,959	0.0105	0.9895	58.48
54.5	848,642	995	0.0012	0.9988	57.87
55.5	839,123	4,198	0.0050	0.9950	57.80
56.5	782,952	719	0.0009	0.9991	57.51
57.5	591,434	2,251	0.0038	0.9962	57.46
58.5	559,362	3,705	0.0066	0.9934	57.24
59.5	545,125	2,762	0.0051	0.9949	56.86
60.5	540,529	5,683	0.0105	0.9895	56.57
61.5	457,943	15,925	0.0348	0.9652	55.98
62.5	426,064	4,116	0.0097	0.9903	54.03
63.5	369,096	4,661	0.0126	0.9874	53.51
64.5	371,411	5,592	0.0151	0.9849	52.83
65.5	281,737		0.0000	1.0000	52.04
66.5	268,590	144	0.0005	0.9995	52.04
67.5	264,128	16,078	0.0609	0.9391	52.01
68.5	225,979	252	0.0011	0.9989	48.84
69.5	219,265	0	0.0000	1.0000	48.79
70.5	219,574	570	0.0026	0.9974	48.79
71.5	217,495		0.0000	1.0000	48.66
72.5	217,480	1,410	0.0065	0.9935	48.66
73.5	215,713	1,013	0.0047	0.9953	48.35
74.5	231,070	50	0.0002	0.9998	48.12
75.5	294,165		0.0000	1.0000	48.11
76.5	293,795		0.0000	1.0000	48.11
77.5	293,091		0.0000	1.0000	48.11
78.5	244,191		0.0000	1.0000	48.11

AQUA PENNSYLVANIA, INC.

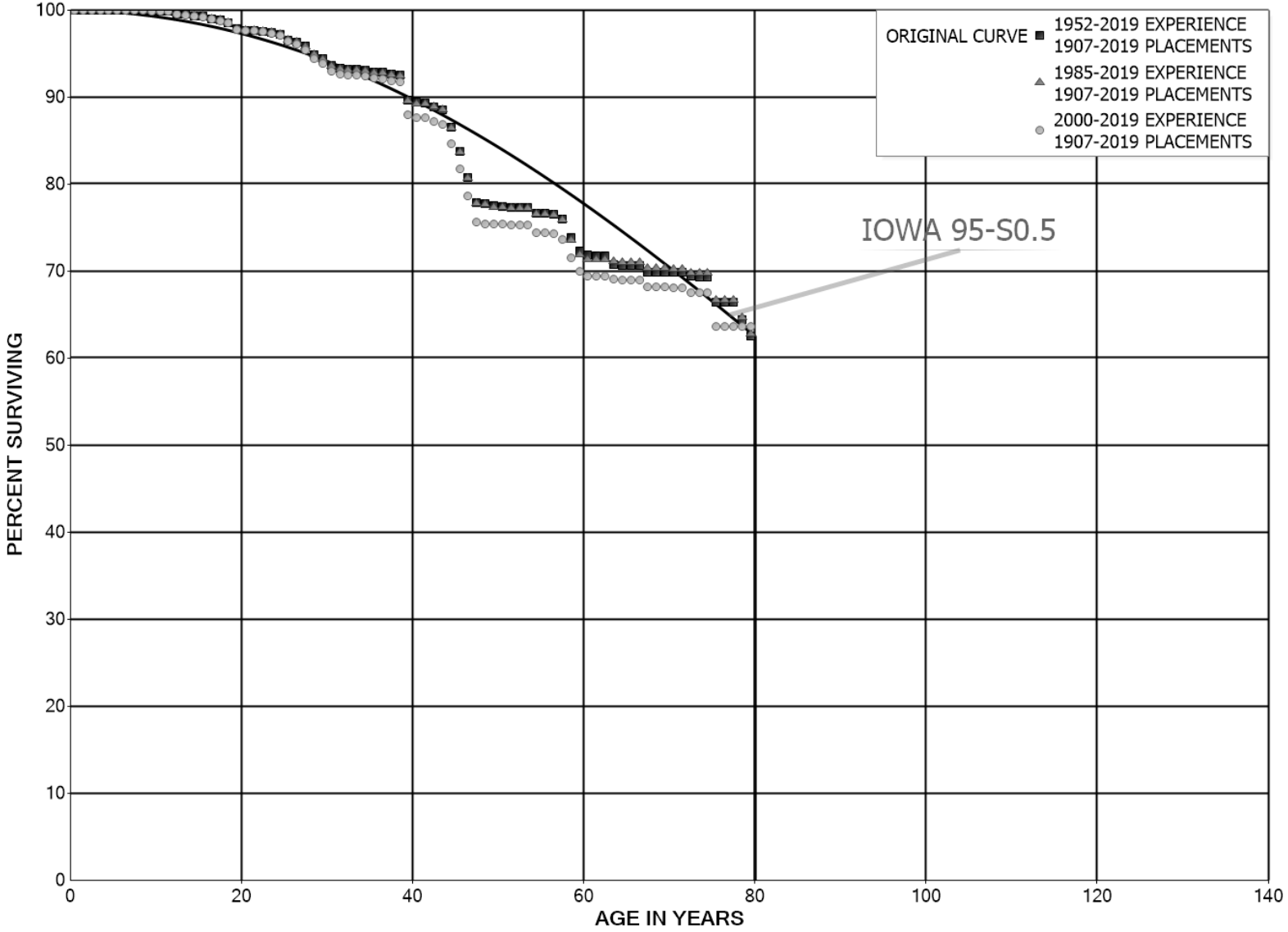
ACCOUNT 304.2 POWER AND PUMPING STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	222,159	94	0.0004	0.9996	48.11
80.5	213,441		0.0000	1.0000	48.09
81.5	209,581	1,654	0.0079	0.9921	48.09
82.5	130,603		0.0000	1.0000	47.71
83.5	129,200		0.0000	1.0000	47.71
84.5	128,884	600	0.0047	0.9953	47.71
85.5	167,350	10,109	0.0604	0.9396	47.49
86.5	157,233		0.0000	1.0000	44.62
87.5	146,339	264	0.0018	0.9982	44.62
88.5	154,069	539	0.0035	0.9965	44.54
89.5	142,182	3,025	0.0213	0.9787	44.38
90.5	138,634		0.0000	1.0000	43.44
91.5	137,680	10	0.0001	0.9999	43.44
92.5	137,172		0.0000	1.0000	43.43
93.5	133,362		0.0000	1.0000	43.43
94.5	133,362		0.0000	1.0000	43.43
95.5	133,362		0.0000	1.0000	43.43
96.5	133,175		0.0000	1.0000	43.43
97.5	133,175		0.0000	1.0000	43.43
98.5	133,175		0.0000	1.0000	43.43
99.5	132,837		0.0000	1.0000	43.43
100.5	132,837		0.0000	1.0000	43.43
101.5	132,837		0.0000	1.0000	43.43
102.5	132,837		0.0000	1.0000	43.43
103.5	132,837	2,233	0.0168	0.9832	43.43
104.5	130,604	142	0.0011	0.9989	42.70
105.5	129,656	40	0.0003	0.9997	42.66
106.5	129,615	328	0.0025	0.9975	42.64
107.5	129,287	774	0.0060	0.9940	42.54
108.5	128,513	4,384	0.0341	0.9659	42.28
109.5	106,341	1,198	0.0113	0.9887	40.84
110.5	20,288		0.0000	1.0000	40.38
111.5	20,288		0.0000	1.0000	40.38
112.5	20,288		0.0000	1.0000	40.38
113.5					40.38

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.3 PURIFICATION BUILDINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	224,403,837		0.0000	1.0000	100.00
0.5	202,568,287	3,538	0.0000	1.0000	100.00
1.5	181,757,842	12,065	0.0001	0.9999	100.00
2.5	165,819,633	12,173	0.0001	0.9999	99.99
3.5	161,955,590	24,601	0.0002	0.9998	99.98
4.5	165,530,955	5,415	0.0000	1.0000	99.97
5.5	162,419,378	10,574	0.0001	0.9999	99.97
6.5	161,264,366	62,215	0.0004	0.9996	99.96
7.5	153,460,375	16,495	0.0001	0.9999	99.92
8.5	144,959,944	38,976	0.0003	0.9997	99.91
9.5	121,080,690	894	0.0000	1.0000	99.88
10.5	117,973,068	10,053	0.0001	0.9999	99.88
11.5	115,088,250	444,343	0.0039	0.9961	99.87
12.5	112,379,536	31,342	0.0003	0.9997	99.49
13.5	108,045,842	147,693	0.0014	0.9986	99.46
14.5	105,577,789	80,998	0.0008	0.9992	99.32
15.5	94,597,792	230,240	0.0024	0.9976	99.25
16.5	94,185,802	204,653	0.0022	0.9978	99.01
17.5	67,334,145	176,997	0.0026	0.9974	98.79
18.5	66,560,779	493,310	0.0074	0.9926	98.53
19.5	38,860,990	55,374	0.0014	0.9986	97.80
20.5	38,764,025	25,780	0.0007	0.9993	97.66
21.5	27,625,540	14,622	0.0005	0.9995	97.60
22.5	28,395,021	58,892	0.0021	0.9979	97.55
23.5	28,148,546	46,782	0.0017	0.9983	97.34
24.5	22,646,048	149,942	0.0066	0.9934	97.18
25.5	23,746,686	61,649	0.0026	0.9974	96.54
26.5	17,703,937	93,169	0.0053	0.9947	96.29
27.5	16,036,468	151,665	0.0095	0.9905	95.78
28.5	9,419,597	51,006	0.0054	0.9946	94.88
29.5	9,193,004	73,580	0.0080	0.9920	94.36
30.5	6,386,387	22,080	0.0035	0.9965	93.61
31.5	6,241,081	5,059	0.0008	0.9992	93.28
32.5	5,955,428	2,782	0.0005	0.9995	93.21
33.5	5,788,394	3,901	0.0007	0.9993	93.16
34.5	5,208,810	13,273	0.0025	0.9975	93.10
35.5	5,055,217	1,430	0.0003	0.9997	92.86
36.5	4,987,117	11,569	0.0023	0.9977	92.84
37.5	5,074,978	9,031	0.0018	0.9982	92.62
38.5	5,049,094	156,309	0.0310	0.9690	92.46

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	4,854,953	13,151	0.0027	0.9973	89.59
40.5	4,763,051	3,802	0.0008	0.9992	89.35
41.5	4,592,041	21,554	0.0047	0.9953	89.28
42.5	4,526,201	15,533	0.0034	0.9966	88.86
43.5	4,505,127	105,266	0.0234	0.9766	88.56
44.5	4,392,261	139,936	0.0319	0.9681	86.49
45.5	4,244,195	150,126	0.0354	0.9646	83.73
46.5	3,574,072	127,741	0.0357	0.9643	80.77
47.5	1,318,121	2,087	0.0016	0.9984	77.88
48.5	1,315,784	5,014	0.0038	0.9962	77.76
49.5	1,310,751	337	0.0003	0.9997	77.46
50.5	1,310,019	2,022	0.0015	0.9985	77.44
51.5	952,334	379	0.0004	0.9996	77.32
52.5	714,654	112	0.0002	0.9998	77.29
53.5	596,190	5,038	0.0085	0.9915	77.28
54.5	591,152		0.0000	1.0000	76.63
55.5	586,221	675	0.0012	0.9988	76.63
56.5	585,422	4,088	0.0070	0.9930	76.54
57.5	569,540	16,500	0.0290	0.9710	76.01
58.5	495,276	9,905	0.0200	0.9800	73.80
59.5	481,445	3,317	0.0069	0.9931	72.33
60.5	477,888	712	0.0015	0.9985	71.83
61.5	477,177	98	0.0002	0.9998	71.72
62.5	353,244	5,093	0.0144	0.9856	71.71
63.5	348,036	523	0.0015	0.9985	70.67
64.5	353,398		0.0000	1.0000	70.57
65.5	353,398		0.0000	1.0000	70.57
66.5	342,753	3,339	0.0097	0.9903	70.57
67.5	339,300		0.0000	1.0000	69.88
68.5	338,851		0.0000	1.0000	69.88
69.5	338,770	437	0.0013	0.9987	69.88
70.5	337,784	34	0.0001	0.9999	69.79
71.5	129,953	705	0.0054	0.9946	69.78
72.5	129,248	126	0.0010	0.9990	69.40
73.5	129,122		0.0000	1.0000	69.34
74.5	129,122	5,505	0.0426	0.9574	69.34
75.5	117,802		0.0000	1.0000	66.38
76.5	103,511		0.0000	1.0000	66.38
77.5	24,723	750	0.0303	0.9697	66.38
78.5	23,654	700	0.0296	0.9704	64.37

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	22,954		0.0000	1.0000	62.46
80.5	22,954		0.0000	1.0000	62.46
81.5	22,196		0.0000	1.0000	62.46
82.5	16,322		0.0000	1.0000	62.46
83.5	16,322		0.0000	1.0000	62.46
84.5	16,322		0.0000	1.0000	62.46
85.5	16,322		0.0000	1.0000	62.46
86.5	5,119		0.0000	1.0000	62.46
87.5	5,119		0.0000	1.0000	62.46
88.5	5,119		0.0000	1.0000	62.46
89.5	5,119	1,009	0.1971	0.8029	62.46
90.5	4,110	0	0.0000	1.0000	50.15
91.5	4,110		0.0000	1.0000	50.15
92.5	4,110	508	0.1237	0.8763	50.15
93.5	3,602		0.0000	1.0000	43.95
94.5	3,602		0.0000	1.0000	43.95
95.5	3,602		0.0000	1.0000	43.95
96.5	1,992		0.0000	1.0000	43.95
97.5	1,992		0.0000	1.0000	43.95
98.5	1,992		0.0000	1.0000	43.95
99.5	1,992		0.0000	1.0000	43.95
100.5	1,992		0.0000	1.0000	43.95
101.5	1,992		0.0000	1.0000	43.95
102.5	1,992		0.0000	1.0000	43.95
103.5	1,992	1,459	0.7325	0.2675	43.95
104.5	533	278	0.5215	0.4785	11.76
105.5	255		0.0000	1.0000	5.63
106.5	255	255	1.0000		5.63
107.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	222,106,336		0.0000	1.0000	100.00
0.5	200,342,002	3,538	0.0000	1.0000	100.00
1.5	179,584,044	11,723	0.0001	0.9999	100.00
2.5	163,654,847	9,083	0.0001	0.9999	99.99
3.5	159,639,464	24,601	0.0002	0.9998	99.99
4.5	163,350,007	5,415	0.0000	1.0000	99.97
5.5	160,250,693	9,285	0.0001	0.9999	99.97
6.5	159,136,535	62,215	0.0004	0.9996	99.96
7.5	151,350,628	16,103	0.0001	0.9999	99.92
8.5	142,865,706	38,976	0.0003	0.9997	99.91
9.5	119,000,079	524	0.0000	1.0000	99.88
10.5	115,985,069	9,880	0.0001	0.9999	99.88
11.5	113,171,147	444,330	0.0039	0.9961	99.88
12.5	110,858,938	30,888	0.0003	0.9997	99.48
13.5	106,526,615	147,571	0.0014	0.9986	99.46
14.5	104,093,762	75,995	0.0007	0.9993	99.32
15.5	93,166,477	230,240	0.0025	0.9975	99.25
16.5	92,767,417	204,493	0.0022	0.9978	99.00
17.5	65,959,314	176,518	0.0027	0.9973	98.78
18.5	65,186,853	492,865	0.0076	0.9924	98.52
19.5	37,476,333	42,605	0.0011	0.9989	97.77
20.5	37,386,914	25,265	0.0007	0.9993	97.66
21.5	26,252,408	14,311	0.0005	0.9995	97.60
22.5	27,033,593	53,338	0.0020	0.9980	97.54
23.5	26,852,364	46,681	0.0017	0.9983	97.35
24.5	21,418,102	148,036	0.0069	0.9931	97.18
25.5	22,646,122	58,645	0.0026	0.9974	96.51
26.5	16,970,626	93,047	0.0055	0.9945	96.26
27.5	15,591,774	150,393	0.0096	0.9904	95.73
28.5	9,064,131	50,399	0.0056	0.9944	94.81
29.5	8,838,330	72,409	0.0082	0.9918	94.28
30.5	6,032,069	22,080	0.0037	0.9963	93.51
31.5	5,886,763	5,059	0.0009	0.9991	93.17
32.5	5,601,224	2,430	0.0004	0.9996	93.09
33.5	5,434,992	3,826	0.0007	0.9993	93.05
34.5	4,855,736	13,273	0.0027	0.9973	92.98
35.5	4,704,409	881	0.0002	0.9998	92.73
36.5	4,841,876	9,525	0.0020	0.9980	92.71
37.5	4,999,250	9,031	0.0018	0.9982	92.53
38.5	4,972,330	156,060	0.0314	0.9686	92.36

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	4,778,437	13,151	0.0028	0.9972	89.46
40.5	4,686,535		0.0000	1.0000	89.21
41.5	4,526,357	21,554	0.0048	0.9952	89.21
42.5	4,460,517	14,585	0.0033	0.9967	88.79
43.5	4,440,390	105,266	0.0237	0.9763	88.50
44.5	4,324,082	139,183	0.0322	0.9678	86.40
45.5	4,176,770	150,126	0.0359	0.9641	83.62
46.5	3,506,647	124,214	0.0354	0.9646	80.61
47.5	1,254,222	2,087	0.0017	0.9983	77.76
48.5	1,251,886	5,014	0.0040	0.9960	77.63
49.5	1,246,852	337	0.0003	0.9997	77.32
50.5	1,246,120	1,391	0.0011	0.9989	77.30
51.5	889,067	379	0.0004	0.9996	77.21
52.5	668,791		0.0000	1.0000	77.18
53.5	552,775	5,038	0.0091	0.9909	77.18
54.5	547,736		0.0000	1.0000	76.48
55.5	542,805	675	0.0012	0.9988	76.48
56.5	542,765	4,088	0.0075	0.9925	76.38
57.5	532,757	16,500	0.0310	0.9690	75.80
58.5	458,493	9,905	0.0216	0.9784	73.46
59.5	444,661	3,317	0.0075	0.9925	71.87
60.5	455,395		0.0000	1.0000	71.33
61.5	466,696	98	0.0002	0.9998	71.33
62.5	342,764	1,238	0.0036	0.9964	71.32
63.5	342,927	523	0.0015	0.9985	71.06
64.5	348,289		0.0000	1.0000	70.95
65.5	348,289		0.0000	1.0000	70.95
66.5	337,645	3,339	0.0099	0.9901	70.95
67.5	334,192		0.0000	1.0000	70.25
68.5	333,742		0.0000	1.0000	70.25
69.5	333,662	437	0.0013	0.9987	70.25
70.5	332,675	34	0.0001	0.9999	70.16
71.5	126,511	705	0.0056	0.9944	70.15
72.5	125,806	126	0.0010	0.9990	69.76
73.5	125,680		0.0000	1.0000	69.69
74.5	125,680	5,505	0.0438	0.9562	69.69
75.5	114,360		0.0000	1.0000	66.64
76.5	100,070		0.0000	1.0000	66.64
77.5	24,723	750	0.0303	0.9697	66.64
78.5	23,654	700	0.0296	0.9704	64.62

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	22,954		0.0000	1.0000	62.70
80.5	22,954		0.0000	1.0000	62.70
81.5	22,196		0.0000	1.0000	62.70
82.5	16,322		0.0000	1.0000	62.70
83.5	16,322		0.0000	1.0000	62.70
84.5	16,322		0.0000	1.0000	62.70
85.5	16,322		0.0000	1.0000	62.70
86.5	5,119		0.0000	1.0000	62.70
87.5	5,119		0.0000	1.0000	62.70
88.5	5,119		0.0000	1.0000	62.70
89.5	5,119	1,009	0.1971	0.8029	62.70
90.5	4,110	0	0.0000	1.0000	50.35
91.5	4,110		0.0000	1.0000	50.35
92.5	4,110	508	0.1237	0.8763	50.35
93.5	3,602		0.0000	1.0000	44.12
94.5	3,602		0.0000	1.0000	44.12
95.5	3,602		0.0000	1.0000	44.12
96.5	1,992		0.0000	1.0000	44.12
97.5	1,992		0.0000	1.0000	44.12
98.5	1,992		0.0000	1.0000	44.12
99.5	1,992		0.0000	1.0000	44.12
100.5	1,992		0.0000	1.0000	44.12
101.5	1,992		0.0000	1.0000	44.12
102.5	1,992		0.0000	1.0000	44.12
103.5	1,992	1,459	0.7325	0.2675	44.12
104.5	533	278	0.5215	0.4785	11.80
105.5	255		0.0000	1.0000	5.65
106.5	255	255	1.0000		5.65
107.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	188,407,985		0.0000	1.0000	100.00
0.5	166,881,346	3,538	0.0000	1.0000	100.00
1.5	157,309,189	11,723	0.0001	0.9999	100.00
2.5	141,610,281	8,802	0.0001	0.9999	99.99
3.5	137,288,164	24,527	0.0002	0.9998	99.98
4.5	146,373,294	5,346	0.0000	1.0000	99.97
5.5	142,410,800	9,285	0.0001	0.9999	99.96
6.5	147,400,350	62,215	0.0004	0.9996	99.96
7.5	140,321,961	16,103	0.0001	0.9999	99.91
8.5	138,297,487	38,976	0.0003	0.9997	99.90
9.5	114,123,529	524	0.0000	1.0000	99.87
10.5	114,162,135	9,880	0.0001	0.9999	99.87
11.5	111,440,518	444,330	0.0040	0.9960	99.87
12.5	109,058,979	29,833	0.0003	0.9997	99.47
13.5	104,913,131	147,571	0.0014	0.9986	99.44
14.5	103,018,070	75,995	0.0007	0.9993	99.30
15.5	92,075,696	230,240	0.0025	0.9975	99.23
16.5	91,725,033	202,492	0.0022	0.9978	98.98
17.5	64,887,607	176,518	0.0027	0.9973	98.76
18.5	64,168,474	492,865	0.0077	0.9923	98.49
19.5	36,658,687	40,910	0.0011	0.9989	97.73
20.5	36,534,969	21,705	0.0006	0.9994	97.63
21.5	25,437,133	14,311	0.0006	0.9994	97.57
22.5	24,773,240	53,338	0.0022	0.9978	97.51
23.5	24,555,848	46,681	0.0019	0.9981	97.30
24.5	19,104,481	148,036	0.0077	0.9923	97.12
25.5	18,181,857	58,363	0.0032	0.9968	96.37
26.5	13,662,462	91,881	0.0067	0.9933	96.06
27.5	14,495,893	150,393	0.0104	0.9896	95.41
28.5	7,869,463	49,832	0.0063	0.9937	94.42
29.5	7,680,143	72,409	0.0094	0.9906	93.82
30.5	4,915,957	17,661	0.0036	0.9964	92.94
31.5	4,788,000	3,090	0.0006	0.9994	92.60
32.5	4,546,406	2,430	0.0005	0.9995	92.54
33.5	4,380,151	3,526	0.0008	0.9992	92.49
34.5	3,807,171	11,973	0.0031	0.9969	92.42
35.5	3,660,326	881	0.0002	0.9998	92.13
36.5	3,596,239	9,525	0.0026	0.9974	92.11
37.5	3,582,183	3,601	0.0010	0.9990	91.86
38.5	3,619,766	149,413	0.0413	0.9587	91.77

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,514,952	13,151	0.0037	0.9963	87.98
40.5	3,537,947		0.0000	1.0000	87.65
41.5	3,729,967	21,217	0.0057	0.9943	87.65
42.5	4,088,424	14,585	0.0036	0.9964	87.16
43.5	4,163,709	105,266	0.0253	0.9747	86.84
44.5	4,047,587	139,183	0.0344	0.9656	84.65
45.5	3,900,976	150,126	0.0385	0.9615	81.74
46.5	3,230,853	124,214	0.0384	0.9616	78.59
47.5	978,542	2,087	0.0021	0.9979	75.57
48.5	976,655	117	0.0001	0.9999	75.41
49.5	976,772	337	0.0003	0.9997	75.40
50.5	978,305	1,391	0.0014	0.9986	75.37
51.5	809,969	379	0.0005	0.9995	75.27
52.5	572,362		0.0000	1.0000	75.23
53.5	455,166	4,838	0.0106	0.9894	75.23
54.5	450,328		0.0000	1.0000	74.43
55.5	445,397	675	0.0015	0.9985	74.43
56.5	455,243	4,088	0.0090	0.9910	74.32
57.5	506,386	14,484	0.0286	0.9714	73.65
58.5	434,138	9,905	0.0228	0.9772	71.55
59.5	420,306	3,317	0.0079	0.9921	69.91
60.5	416,749		0.0000	1.0000	69.36
61.5	416,749		0.0000	1.0000	69.36
62.5	292,915	1,238	0.0042	0.9958	69.36
63.5	291,561	523	0.0018	0.9982	69.07
64.5	296,923		0.0000	1.0000	68.94
65.5	296,923		0.0000	1.0000	68.94
66.5	286,279	3,339	0.0117	0.9883	68.94
67.5	300,230		0.0000	1.0000	68.14
68.5	300,099		0.0000	1.0000	68.14
69.5	300,019	437	0.0015	0.9985	68.14
70.5	299,032	34	0.0001	0.9999	68.04
71.5	91,960	705	0.0077	0.9923	68.03
72.5	97,129	69	0.0007	0.9993	67.51
73.5	97,060		0.0000	1.0000	67.46
74.5	97,060	5,505	0.0567	0.9433	67.46
75.5	100,029		0.0000	1.0000	63.64
76.5	96,942		0.0000	1.0000	63.64
77.5	18,153		0.0000	1.0000	63.64
78.5	19,353		0.0000	1.0000	63.64

AQUA PENNSYLVANIA, INC.

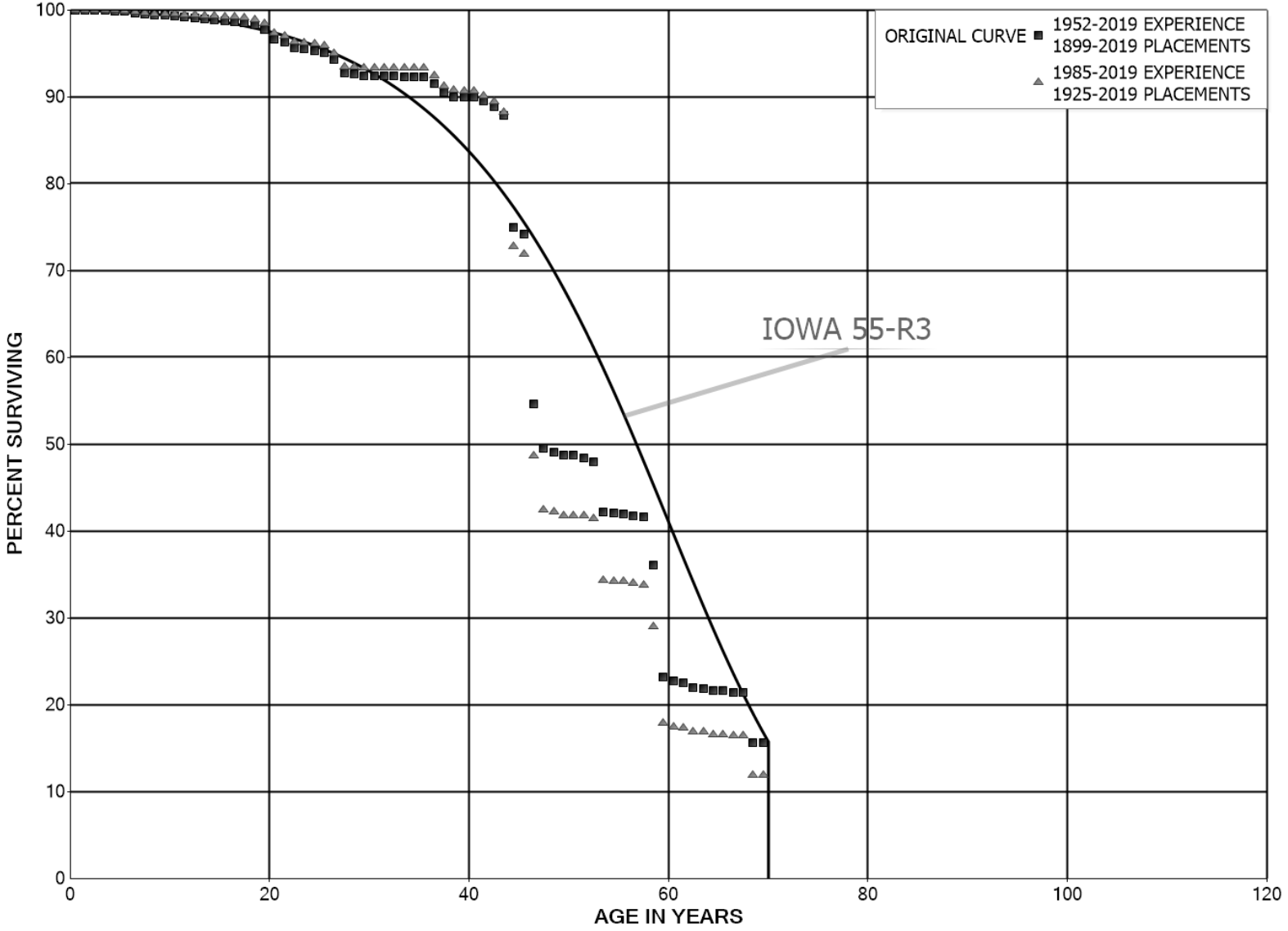
ACCOUNT 304.3 PURIFICATION BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1907-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	19,353		0.0000	1.0000	63.64
80.5	19,353		0.0000	1.0000	63.64
81.5	18,594		0.0000	1.0000	63.64
82.5	12,720		0.0000	1.0000	63.64
83.5	12,720		0.0000	1.0000	63.64
84.5	12,720		0.0000	1.0000	63.64
85.5	12,720		0.0000	1.0000	63.64
86.5	3,127		0.0000	1.0000	63.64
87.5	3,127		0.0000	1.0000	63.64
88.5	3,127		0.0000	1.0000	63.64
89.5	3,127	1,009	0.3225	0.6775	63.64
90.5	2,119	0	0.0001	0.9999	43.11
91.5	2,118		0.0000	1.0000	43.11
92.5	4,110	508	0.1237	0.8763	43.11
93.5	3,602		0.0000	1.0000	37.77
94.5	3,602		0.0000	1.0000	37.77
95.5	3,602		0.0000	1.0000	37.77
96.5	1,992		0.0000	1.0000	37.77
97.5	1,992		0.0000	1.0000	37.77
98.5	1,992		0.0000	1.0000	37.77
99.5	1,992		0.0000	1.0000	37.77
100.5	1,992		0.0000	1.0000	37.77
101.5	1,992		0.0000	1.0000	37.77
102.5	1,992		0.0000	1.0000	37.77
103.5	1,992	1,459	0.7325	0.2675	37.77
104.5	533	278	0.5215	0.4785	10.11
105.5	255		0.0000	1.0000	4.84
106.5	255	255	1.0000		4.84
107.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.61 OFFICE BUILDINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1899-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	63,711,997		0.0000	1.0000	100.00
0.5	54,683,546	1,218	0.0000	1.0000	100.00
1.5	50,112,879	2,840	0.0001	0.9999	100.00
2.5	42,828,001	20,075	0.0005	0.9995	99.99
3.5	40,948,745	31,854	0.0008	0.9992	99.95
4.5	38,960,836	14,891	0.0004	0.9996	99.87
5.5	39,223,414	76,020	0.0019	0.9981	99.83
6.5	38,808,371	58,574	0.0015	0.9985	99.64
7.5	38,553,638	37,780	0.0010	0.9990	99.49
8.5	37,832,329	6,998	0.0002	0.9998	99.39
9.5	36,112,286	32,071	0.0009	0.9991	99.37
10.5	33,886,248	36,954	0.0011	0.9989	99.28
11.5	32,298,113	28,530	0.0009	0.9991	99.17
12.5	29,948,385	41,584	0.0014	0.9986	99.09
13.5	22,018,514	16,915	0.0008	0.9992	98.95
14.5	18,358,832	23,038	0.0013	0.9987	98.87
15.5	16,777,214	13,949	0.0008	0.9992	98.75
16.5	16,582,562	27,806	0.0017	0.9983	98.67
17.5	14,491,284	38,369	0.0026	0.9974	98.50
18.5	13,778,001	71,480	0.0052	0.9948	98.24
19.5	13,408,734	146,196	0.0109	0.9891	97.73
20.5	12,917,043	56,928	0.0044	0.9956	96.66
21.5	12,694,898	85,106	0.0067	0.9933	96.24
22.5	12,232,464	14,004	0.0011	0.9989	95.59
23.5	11,803,192	23,341	0.0020	0.9980	95.48
24.5	8,787,494	20,400	0.0023	0.9977	95.29
25.5	8,662,063	74,876	0.0086	0.9914	95.07
26.5	8,432,816	133,759	0.0159	0.9841	94.25
27.5	8,273,459	12,997	0.0016	0.9984	92.76
28.5	8,170,823	14,733	0.0018	0.9982	92.61
29.5	7,391,535		0.0000	1.0000	92.44
30.5	7,368,007	1,701	0.0002	0.9998	92.44
31.5	7,145,671	132	0.0000	1.0000	92.42
32.5	7,114,255	8,446	0.0012	0.9988	92.42
33.5	2,260,983		0.0000	1.0000	92.31
34.5	2,227,646	90	0.0000	1.0000	92.31
35.5	2,222,243	19,495	0.0088	0.9912	92.31
36.5	2,198,397	24,888	0.0113	0.9887	91.50
37.5	2,014,811	10,067	0.0050	0.9950	90.46
38.5	1,993,685	1,945	0.0010	0.9990	90.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1899-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,965,238	633	0.0003	0.9997	89.92
40.5	1,407,853	6,482	0.0046	0.9954	89.89
41.5	1,354,123	9,407	0.0069	0.9931	89.48
42.5	1,227,918	13,924	0.0113	0.9887	88.86
43.5	1,213,994	177,492	0.1462	0.8538	87.85
44.5	1,036,502	10,859	0.0105	0.9895	75.01
45.5	1,010,811	266,526	0.2637	0.7363	74.22
46.5	737,548	69,929	0.0948	0.9052	54.65
47.5	667,619	4,985	0.0075	0.9925	49.47
48.5	662,483	4,714	0.0071	0.9929	49.10
49.5	657,768		0.0000	1.0000	48.75
50.5	657,456	4,226	0.0064	0.9936	48.75
51.5	653,231	5,829	0.0089	0.9911	48.44
52.5	651,586	79,563	0.1221	0.8779	48.00
53.5	549,023	958	0.0017	0.9983	42.14
54.5	548,065	880	0.0016	0.9984	42.07
55.5	547,185	3,352	0.0061	0.9939	42.00
56.5	543,437	1,710	0.0031	0.9969	41.74
57.5	541,727	72,301	0.1335	0.8665	41.61
58.5	469,426	167,681	0.3572	0.6428	36.06
59.5	301,649	5,869	0.0195	0.9805	23.18
60.5	295,780	3,322	0.0112	0.9888	22.73
61.5	292,458	7,263	0.0248	0.9752	22.47
62.5	268,466	433	0.0016	0.9984	21.91
63.5	268,034	3,766	0.0141	0.9859	21.88
64.5	264,267	138	0.0005	0.9995	21.57
65.5	264,130	1,663	0.0063	0.9937	21.56
66.5	261,933	538	0.0021	0.9979	21.42
67.5	248,483	67,139	0.2702	0.7298	21.38
68.5	181,129		0.0000	1.0000	15.60
69.5	181,129	534	0.0029	0.9971	15.60
70.5	180,551	11	0.0001	0.9999	15.56
71.5	180,540		0.0000	1.0000	15.56
72.5	180,540		0.0000	1.0000	15.56
73.5	180,540		0.0000	1.0000	15.56
74.5	176,041		0.0000	1.0000	15.56
75.5	176,041		0.0000	1.0000	15.56
76.5	176,041		0.0000	1.0000	15.56
77.5	176,041		0.0000	1.0000	15.56
78.5	176,041		0.0000	1.0000	15.56

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1899-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	176,041		0.0000	1.0000	15.56
80.5	176,041		0.0000	1.0000	15.56
81.5	176,041		0.0000	1.0000	15.56
82.5	176,041		0.0000	1.0000	15.56
83.5	176,041	1,721	0.0098	0.9902	15.56
84.5	174,319	636	0.0036	0.9964	15.40
85.5	173,683	865	0.0050	0.9950	15.35
86.5	172,819	1,142	0.0066	0.9934	15.27
87.5	171,677	4,681	0.0273	0.9727	15.17
88.5	166,996	23,861	0.1429	0.8571	14.76
89.5	143,135	96,221	0.6722	0.3278	12.65
90.5	46,914	20,070	0.4278	0.5722	4.15
91.5	26,844		0.0000	1.0000	2.37
92.5	26,844		0.0000	1.0000	2.37
93.5	26,844	16,486	0.6142	0.3858	2.37
94.5					0.92

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1925-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	61,027,952		0.0000	1.0000	100.00
0.5	52,167,959		0.0000	1.0000	100.00
1.5	47,617,795		0.0000	1.0000	100.00
2.5	40,494,556	19,494	0.0005	0.9995	100.00
3.5	38,642,429	13,618	0.0004	0.9996	99.95
4.5	36,700,627	12,574	0.0003	0.9997	99.92
5.5	37,555,600	55,880	0.0015	0.9985	99.88
6.5	37,249,049	38,616	0.0010	0.9990	99.73
7.5	37,026,672	36,512	0.0010	0.9990	99.63
8.5	36,327,763	2,051	0.0001	0.9999	99.53
9.5	34,806,237	8,503	0.0002	0.9998	99.53
10.5	32,638,157	19,689	0.0006	0.9994	99.50
11.5	31,101,105	13,465	0.0004	0.9996	99.44
12.5	29,083,960	25,096	0.0009	0.9991	99.40
13.5	21,213,350	15,298	0.0007	0.9993	99.31
14.5	17,577,411	9,603	0.0005	0.9995	99.24
15.5	16,049,859	1,332	0.0001	0.9999	99.19
16.5	15,867,838	22,906	0.0014	0.9986	99.18
17.5	13,780,331	34,049	0.0025	0.9975	99.04
18.5	13,130,368	51,430	0.0039	0.9961	98.79
19.5	12,862,401	140,914	0.0110	0.9890	98.40
20.5	12,385,238	51,060	0.0041	0.9959	97.33
21.5	12,177,777	83,086	0.0068	0.9932	96.93
22.5	11,720,521	9,763	0.0008	0.9992	96.26
23.5	11,280,139	16,329	0.0014	0.9986	96.18
24.5	8,252,466	17,525	0.0021	0.9979	96.04
25.5	8,427,667	74,876	0.0089	0.9911	95.84
26.5	8,174,652	133,032	0.0163	0.9837	94.99
27.5	8,007,918	1,064	0.0001	0.9999	93.44
28.5	7,924,378	14,733	0.0019	0.9981	93.43
29.5	7,145,416		0.0000	1.0000	93.26
30.5	7,133,312		0.0000	1.0000	93.26
31.5	6,913,284		0.0000	1.0000	93.26
32.5	6,897,475	1,000	0.0001	0.9999	93.26
33.5	1,984,748		0.0000	1.0000	93.24
34.5	2,020,194		0.0000	1.0000	93.24
35.5	2,014,923	19,445	0.0097	0.9903	93.24
36.5	1,991,875	24,888	0.0125	0.9875	92.34
37.5	1,808,465	9,683	0.0054	0.9946	91.19
38.5	1,787,723	1,945	0.0011	0.9989	90.70

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1925-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,759,276	633	0.0004	0.9996	90.60
40.5	1,202,705	6,482	0.0054	0.9946	90.57
41.5	1,148,974	9,407	0.0082	0.9918	90.08
42.5	1,022,769	13,924	0.0136	0.9864	89.34
43.5	1,008,846	176,098	0.1746	0.8254	88.13
44.5	832,748	10,859	0.0130	0.9870	72.75
45.5	821,889	265,435	0.3230	0.6770	71.80
46.5	549,716	69,929	0.1272	0.8728	48.61
47.5	479,787	3,331	0.0069	0.9931	42.43
48.5	476,304	4,714	0.0099	0.9901	42.13
49.5	471,590		0.0000	1.0000	41.71
50.5	471,278	271	0.0006	0.9994	41.71
51.5	471,008	3,699	0.0079	0.9921	41.69
52.5	466,686	79,563	0.1705	0.8295	41.36
53.5	364,123	958	0.0026	0.9974	34.31
54.5	363,165	880	0.0024	0.9976	34.22
55.5	362,285	2,538	0.0070	0.9930	34.14
56.5	359,747	1,710	0.0048	0.9952	33.90
57.5	507,388	72,301	0.1425	0.8575	33.74
58.5	435,087	167,681	0.3854	0.6146	28.93
59.5	296,843	5,670	0.0191	0.9809	17.78
60.5	291,172	3,322	0.0114	0.9886	17.44
61.5	287,851	7,263	0.0252	0.9748	17.24
62.5	263,859	325	0.0012	0.9988	16.81
63.5	263,534	3,766	0.0143	0.9857	16.79
64.5	259,768	138	0.0005	0.9995	16.55
65.5	259,630	1,663	0.0064	0.9936	16.54
66.5	257,433	538	0.0021	0.9979	16.43
67.5	243,983	67,139	0.2752	0.7248	16.40
68.5	176,629		0.0000	1.0000	11.89
69.5	176,629	534	0.0030	0.9970	11.89
70.5	176,051	11	0.0001	0.9999	11.85
71.5	176,041		0.0000	1.0000	11.85
72.5	176,041		0.0000	1.0000	11.85
73.5	176,041		0.0000	1.0000	11.85
74.5	176,041		0.0000	1.0000	11.85
75.5	176,041		0.0000	1.0000	11.85
76.5	176,041		0.0000	1.0000	11.85
77.5	176,041		0.0000	1.0000	11.85
78.5	176,041		0.0000	1.0000	11.85

AQUA PENNSYLVANIA, INC.

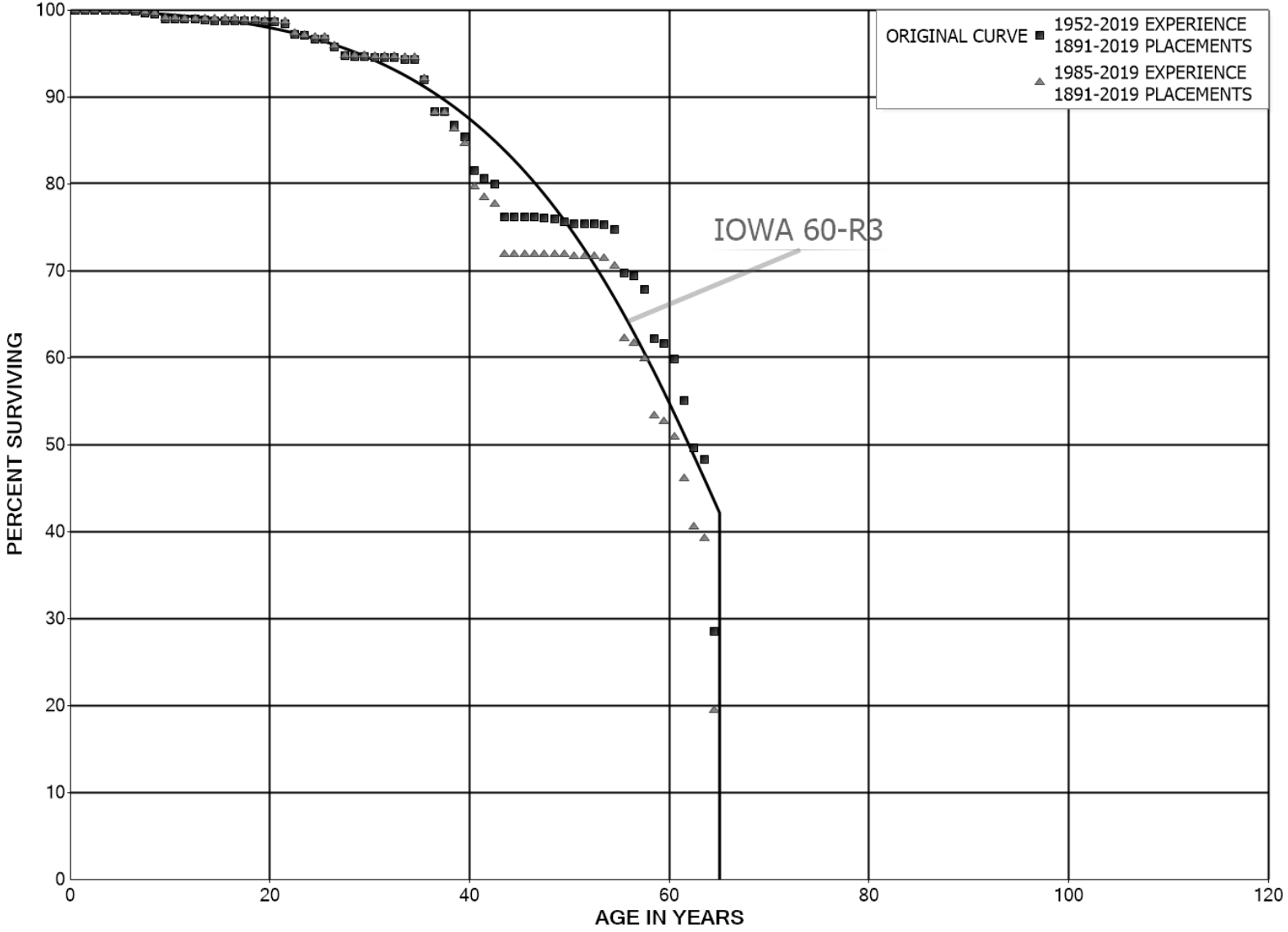
ACCOUNT 304.61 OFFICE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1925-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	176,041		0.0000	1.0000	11.85
80.5	176,041		0.0000	1.0000	11.85
81.5	176,041		0.0000	1.0000	11.85
82.5	176,041		0.0000	1.0000	11.85
83.5	176,041	1,721	0.0098	0.9902	11.85
84.5	174,319	636	0.0036	0.9964	11.73
85.5	173,683	865	0.0050	0.9950	11.69
86.5	172,819	1,142	0.0066	0.9934	11.63
87.5	171,677	4,681	0.0273	0.9727	11.55
88.5	166,996	23,861	0.1429	0.8571	11.24
89.5	143,135	96,221	0.6722	0.3278	9.63
90.5	46,914	20,070	0.4278	0.5722	3.16
91.5	26,844		0.0000	1.0000	1.81
92.5	26,844		0.0000	1.0000	1.81
93.5	26,844	16,486	0.6142	0.3858	1.81
94.5					0.70

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	9,141,843		0.0000	1.0000	100.00
0.5	9,177,081		0.0000	1.0000	100.00
1.5	8,784,439		0.0000	1.0000	100.00
2.5	8,807,521	1,100	0.0001	0.9999	100.00
3.5	8,792,163	714	0.0001	0.9999	99.99
4.5	8,753,218	5,419	0.0006	0.9994	99.98
5.5	8,709,638	7,403	0.0008	0.9992	99.92
6.5	8,722,799	20,582	0.0024	0.9976	99.83
7.5	8,697,293	8,215	0.0009	0.9991	99.60
8.5	8,204,405	43,409	0.0053	0.9947	99.50
9.5	8,086,206	2,164	0.0003	0.9997	98.98
10.5	8,057,252	4,376	0.0005	0.9995	98.95
11.5	7,966,774	83	0.0000	1.0000	98.90
12.5	7,908,645	9,054	0.0011	0.9989	98.90
13.5	7,756,719	600	0.0001	0.9999	98.78
14.5	7,699,690	250	0.0000	1.0000	98.77
15.5	7,625,255	46	0.0000	1.0000	98.77
16.5	7,593,289	2,419	0.0003	0.9997	98.77
17.5	7,498,903	1,589	0.0002	0.9998	98.74
18.5	7,476,380	10,830	0.0014	0.9986	98.72
19.5	6,950,314	688	0.0001	0.9999	98.58
20.5	3,840,168	5,215	0.0014	0.9986	98.57
21.5	3,821,072	49,826	0.0130	0.9870	98.43
22.5	3,589,015	4,023	0.0011	0.9989	97.15
23.5	3,603,930	15,720	0.0044	0.9956	97.04
24.5	3,596,458	1,200	0.0003	0.9997	96.62
25.5	3,504,204	31,635	0.0090	0.9910	96.58
26.5	3,425,565	35,832	0.0105	0.9895	95.71
27.5	3,373,143	1,500	0.0004	0.9996	94.71
28.5	3,345,602	1,859	0.0006	0.9994	94.67
29.5	3,236,083	3,991	0.0012	0.9988	94.62
30.5	3,249,520		0.0000	1.0000	94.50
31.5	3,246,222	485	0.0001	0.9999	94.50
32.5	3,190,177	5,738	0.0018	0.9982	94.48
33.5	3,170,803		0.0000	1.0000	94.31
34.5	3,098,696	76,336	0.0246	0.9754	94.31
35.5	488,234	19,833	0.0406	0.9594	91.99
36.5	455,783		0.0000	1.0000	88.25
37.5	453,820	7,598	0.0167	0.9833	88.25
38.5	434,099	6,687	0.0154	0.9846	86.78

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	427,412	19,729	0.0462	0.9538	85.44
40.5	384,523	4,405	0.0115	0.9885	81.50
41.5	382,088	2,958	0.0077	0.9923	80.56
42.5	271,881	12,622	0.0464	0.9536	79.94
43.5	259,259		0.0000	1.0000	76.23
44.5	263,903		0.0000	1.0000	76.23
45.5	263,793		0.0000	1.0000	76.23
46.5	263,724	650	0.0025	0.9975	76.23
47.5	262,792	150	0.0006	0.9994	76.04
48.5	259,107	1,390	0.0054	0.9946	76.00
49.5	257,717	640	0.0025	0.9975	75.59
50.5	261,787	26	0.0001	0.9999	75.40
51.5	261,761		0.0000	1.0000	75.39
52.5	277,482	393	0.0014	0.9986	75.39
53.5	276,371	2,000	0.0072	0.9928	75.29
54.5	274,370	18,451	0.0672	0.9328	74.74
55.5	216,947	869	0.0040	0.9960	69.72
56.5	179,396	4,182	0.0233	0.9767	69.44
57.5	175,099	14,600	0.0834	0.9166	67.82
58.5	156,464	1,476	0.0094	0.9906	62.16
59.5	154,988	4,365	0.0282	0.9718	61.58
60.5	151,304	12,120	0.0801	0.9199	59.84
61.5	139,184	13,809	0.0992	0.9008	55.05
62.5	125,375	3,314	0.0264	0.9736	49.59
63.5	121,190	49,590	0.4092	0.5908	48.28
64.5	71,416	1,516	0.0212	0.9788	28.52
65.5	69,900	694	0.0099	0.9901	27.92
66.5	70,156	117	0.0017	0.9983	27.64
67.5	70,039	21,573	0.3080	0.6920	27.59
68.5	48,393		0.0000	1.0000	19.09
69.5	48,393		0.0000	1.0000	19.09
70.5	48,103		0.0000	1.0000	19.09
71.5	48,103		0.0000	1.0000	19.09
72.5	48,103		0.0000	1.0000	19.09
73.5	48,103		0.0000	1.0000	19.09
74.5	48,103	4,709	0.0979	0.9021	19.09
75.5	43,393		0.0000	1.0000	17.22
76.5	43,393		0.0000	1.0000	17.22
77.5	43,393	1,063	0.0245	0.9755	17.22
78.5	42,330	355	0.0084	0.9916	16.80

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	41,975	200	0.0048	0.9952	16.66
80.5	41,775	431	0.0103	0.9897	16.58
81.5	41,344	400	0.0097	0.9903	16.41
82.5	40,944	52	0.0013	0.9987	16.25
83.5	40,892		0.0000	1.0000	16.23
84.5	40,892	42	0.0010	0.9990	16.23
85.5	35,239	3,695	0.1049	0.8951	16.22
86.5	31,543	694	0.0220	0.9780	14.51
87.5	30,850		0.0000	1.0000	14.20
88.5	30,850		0.0000	1.0000	14.20
89.5	30,850	68	0.0022	0.9978	14.20
90.5	30,782	18,901	0.6140	0.3860	14.16
91.5	11,880		0.0000	1.0000	5.47
92.5	11,880		0.0000	1.0000	5.47
93.5	11,880	309	0.0260	0.9740	5.47
94.5	11,571		0.0000	1.0000	5.32
95.5	11,571		0.0000	1.0000	5.32
96.5	11,571		0.0000	1.0000	5.32
97.5	11,571	578	0.0499	0.9501	5.32
98.5	10,352	872	0.0843	0.9157	5.06
99.5	9,480	1,901	0.2005	0.7995	4.63
100.5	7,579	476	0.0628	0.9372	3.70
101.5	7,103		0.0000	1.0000	3.47
102.5	7,103		0.0000	1.0000	3.47
103.5	7,103	681	0.0959	0.9041	3.47
104.5	6,402		0.0000	1.0000	3.14
105.5	6,402	1,501	0.2345	0.7655	3.14
106.5	4,901		0.0000	1.0000	2.40
107.5	4,901	158	0.0322	0.9678	2.40
108.5	4,743	30	0.0063	0.9937	2.32
109.5	4,713		0.0000	1.0000	2.31
110.5	2,823		0.0000	1.0000	2.31
111.5	2,823		0.0000	1.0000	2.31
112.5					2.31

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	6,211,816		0.0000	1.0000	100.00
0.5	8,503,019		0.0000	1.0000	100.00
1.5	8,183,368		0.0000	1.0000	100.00
2.5	8,123,824	1,100	0.0001	0.9999	100.00
3.5	8,127,154	714	0.0001	0.9999	99.99
4.5	8,098,001		0.0000	1.0000	99.98
5.5	8,105,193	4,101	0.0005	0.9995	99.98
6.5	8,146,249	20,178	0.0025	0.9975	99.93
7.5	8,140,168	4,979	0.0006	0.9994	99.68
8.5	7,684,452	42,922	0.0056	0.9944	99.62
9.5	7,617,399	650	0.0001	0.9999	99.06
10.5	7,602,351	4,204	0.0006	0.9994	99.05
11.5	7,511,998		0.0000	1.0000	99.00
12.5	7,453,660	6,773	0.0009	0.9991	99.00
13.5	7,307,550		0.0000	1.0000	98.91
14.5	7,250,319		0.0000	1.0000	98.91
15.5	7,176,135		0.0000	1.0000	98.91
16.5	7,145,141	2,419	0.0003	0.9997	98.91
17.5	7,050,836	153	0.0000	1.0000	98.88
18.5	7,030,672	9,018	0.0013	0.9987	98.87
19.5	6,510,003	688	0.0001	0.9999	98.75
20.5	3,402,596	2,940	0.0009	0.9991	98.74
21.5	3,387,043	48,530	0.0143	0.9857	98.65
22.5	3,160,665	4,023	0.0013	0.9987	97.24
23.5	3,176,397	10,457	0.0033	0.9967	97.11
24.5	3,140,492		0.0000	1.0000	96.79
25.5	3,049,064	30,719	0.0101	0.9899	96.79
26.5	2,968,493	34,269	0.0115	0.9885	95.82
27.5	2,917,864		0.0000	1.0000	94.71
28.5	2,915,867	638	0.0002	0.9998	94.71
29.5	2,812,821	3,010	0.0011	0.9989	94.69
30.5	2,971,192		0.0000	1.0000	94.59
31.5	2,998,124	18	0.0000	1.0000	94.59
32.5	2,944,463	1,811	0.0006	0.9994	94.59
33.5	2,948,656		0.0000	1.0000	94.53
34.5	2,881,453	76,336	0.0265	0.9735	94.53
35.5	382,703	15,877	0.0415	0.9585	92.03
36.5	350,863		0.0000	1.0000	88.21
37.5	357,543	7,598	0.0213	0.9787	88.21
38.5	337,822	6,687	0.0198	0.9802	86.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	331,135	19,729	0.0596	0.9404	84.63
40.5	290,097	4,405	0.0152	0.9848	79.58
41.5	285,692	2,958	0.0104	0.9896	78.38
42.5	172,052	12,622	0.0734	0.9266	77.56
43.5	159,430		0.0000	1.0000	71.87
44.5	159,430		0.0000	1.0000	71.87
45.5	159,319		0.0000	1.0000	71.87
46.5	159,251		0.0000	1.0000	71.87
47.5	159,755		0.0000	1.0000	71.87
48.5	156,220		0.0000	1.0000	71.87
49.5	156,220	640	0.0041	0.9959	71.87
50.5	155,580		0.0000	1.0000	71.58
51.5	155,580		0.0000	1.0000	71.58
52.5	155,580	381	0.0024	0.9976	71.58
53.5	154,533	2,000	0.0129	0.9871	71.40
54.5	152,533	18,064	0.1184	0.8816	70.48
55.5	105,606	869	0.0082	0.9918	62.13
56.5	104,737	3,083	0.0294	0.9706	61.62
57.5	133,827	14,600	0.1091	0.8909	59.81
58.5	116,350	1,476	0.0127	0.9873	53.28
59.5	131,594	4,365	0.0332	0.9668	52.61
60.5	127,229	12,120	0.0953	0.9047	50.86
61.5	115,109	13,809	0.1200	0.8800	46.02
62.5	101,300	3,314	0.0327	0.9673	40.50
63.5	97,985	49,590	0.5061	0.4939	39.17
64.5	48,211	1,516	0.0314	0.9686	19.35
65.5	46,695	694	0.0149	0.9851	18.74
66.5	46,952	117	0.0025	0.9975	18.46
67.5	46,835	21,573	0.4606	0.5394	18.41
68.5	25,188		0.0000	1.0000	9.93
69.5	29,036		0.0000	1.0000	9.93
70.5	29,036		0.0000	1.0000	9.93
71.5	29,036		0.0000	1.0000	9.93
72.5	29,036		0.0000	1.0000	9.93
73.5	29,036		0.0000	1.0000	9.93
74.5	29,036		0.0000	1.0000	9.93
75.5	32,457		0.0000	1.0000	9.93
76.5	32,457		0.0000	1.0000	9.93
77.5	37,101	1,063	0.0287	0.9713	9.93
78.5	36,038	355	0.0098	0.9902	9.65

AQUA PENNSYLVANIA, INC.

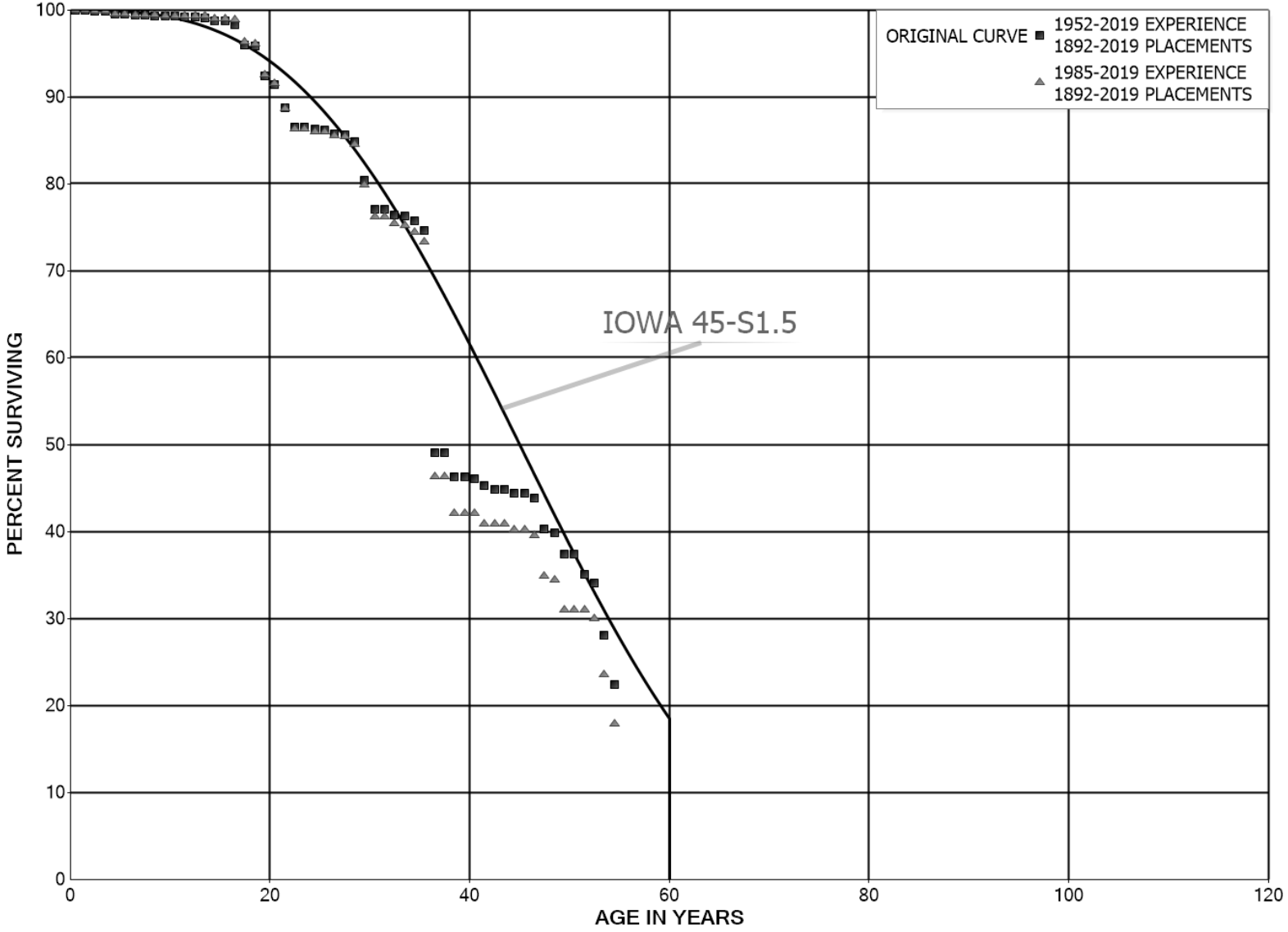
ACCOUNT 304.62 STORES, SHOP AND GARAGE BUILDINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1891-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	35,683	200	0.0056	0.9944	9.55
80.5	35,483	431	0.0121	0.9879	9.50
81.5	35,052	400	0.0114	0.9886	9.38
82.5	34,652	52	0.0015	0.9985	9.28
83.5	34,600		0.0000	1.0000	9.26
84.5	34,600	42	0.0012	0.9988	9.26
85.5	34,558	3,695	0.1069	0.8931	9.25
86.5	30,862	694	0.0225	0.9775	8.26
87.5	30,169		0.0000	1.0000	8.08
88.5	30,169		0.0000	1.0000	8.08
89.5	30,169	68	0.0022	0.9978	8.08
90.5	30,101	18,901	0.6279	0.3721	8.06
91.5	11,200		0.0000	1.0000	3.00
92.5	11,200		0.0000	1.0000	3.00
93.5	11,880	309	0.0260	0.9740	3.00
94.5	11,571		0.0000	1.0000	2.92
95.5	11,571		0.0000	1.0000	2.92
96.5	11,571		0.0000	1.0000	2.92
97.5	11,571	578	0.0499	0.9501	2.92
98.5	10,352	872	0.0843	0.9157	2.77
99.5	9,480	1,901	0.2005	0.7995	2.54
100.5	7,579	476	0.0628	0.9372	2.03
101.5	7,103		0.0000	1.0000	1.90
102.5	7,103		0.0000	1.0000	1.90
103.5	7,103	681	0.0959	0.9041	1.90
104.5	6,402		0.0000	1.0000	1.72
105.5	6,402	1,501	0.2345	0.7655	1.72
106.5	4,901		0.0000	1.0000	1.32
107.5	4,901	158	0.0322	0.9678	1.32
108.5	4,743	30	0.0063	0.9937	1.27
109.5	4,713		0.0000	1.0000	1.27
110.5	2,823		0.0000	1.0000	1.27
111.5	2,823		0.0000	1.0000	1.27
112.5					1.27

AQUA PENNSYLVANIA, INC.
ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	35,224,769		0.0000	1.0000	100.00
0.5	34,332,019	9,812	0.0003	0.9997	100.00
1.5	33,685,424	34,674	0.0010	0.9990	99.97
2.5	30,418,121	363	0.0000	1.0000	99.87
3.5	29,448,197	101,262	0.0034	0.9966	99.87
4.5	27,600,908	15,375	0.0006	0.9994	99.52
5.5	26,475,228	28,938	0.0011	0.9989	99.47
6.5	25,528,188	3,512	0.0001	0.9999	99.36
7.5	20,886,726	2,668	0.0001	0.9999	99.35
8.5	20,196,186	7,926	0.0004	0.9996	99.33
9.5	18,605,538	7,712	0.0004	0.9996	99.29
10.5	10,691,872	9,544	0.0009	0.9991	99.25
11.5	6,305,861	349	0.0001	0.9999	99.16
12.5	4,054,749	4,007	0.0010	0.9990	99.16
13.5	3,906,395	14,759	0.0038	0.9962	99.06
14.5	3,715,591	390	0.0001	0.9999	98.69
15.5	3,681,051	15,997	0.0043	0.9957	98.68
16.5	3,523,286	81,955	0.0233	0.9767	98.25
17.5	3,428,097	5,669	0.0017	0.9983	95.96
18.5	3,273,171	114,771	0.0351	0.9649	95.80
19.5	3,178,192	36,216	0.0114	0.9886	92.44
20.5	3,080,894	90,279	0.0293	0.9707	91.39
21.5	2,909,148	70,797	0.0243	0.9757	88.71
22.5	2,843,475	873	0.0003	0.9997	86.55
23.5	2,836,263	8,284	0.0029	0.9971	86.53
24.5	2,840,909	3,736	0.0013	0.9987	86.27
25.5	2,747,261	13,470	0.0049	0.9951	86.16
26.5	2,716,990	5,342	0.0020	0.9980	85.74
27.5	2,665,945	23,143	0.0087	0.9913	85.57
28.5	2,474,272	129,467	0.0523	0.9477	84.83
29.5	2,270,019	94,936	0.0418	0.9582	80.39
30.5	2,081,100		0.0000	1.0000	77.03
31.5	1,278,013	10,813	0.0085	0.9915	77.03
32.5	1,160,170	2,188	0.0019	0.9981	76.38
33.5	678,132	4,740	0.0070	0.9930	76.23
34.5	572,895	8,101	0.0141	0.9859	75.70
35.5	558,360	190,903	0.3419	0.6581	74.63
36.5	240,605	50	0.0002	0.9998	49.11
37.5	108,650	6,129	0.0564	0.9436	49.10
38.5	98,906		0.0000	1.0000	46.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	98,596	468	0.0048	0.9952	46.33
40.5	109,188	1,892	0.0173	0.9827	46.11
41.5	106,986	1,003	0.0094	0.9906	45.31
42.5	103,461		0.0000	1.0000	44.89
43.5	102,092	1,086	0.0106	0.9894	44.89
44.5	100,071	94	0.0009	0.9991	44.41
45.5	101,754	1,301	0.0128	0.9872	44.37
46.5	99,548	8,046	0.0808	0.9192	43.80
47.5	89,644	909	0.0101	0.9899	40.26
48.5	77,177	4,748	0.0615	0.9385	39.85
49.5	55,759		0.0000	1.0000	37.40
50.5	53,406	3,360	0.0629	0.9371	37.40
51.5	39,957	1,170	0.0293	0.9707	35.05
52.5	42,364	7,480	0.1766	0.8234	34.02
53.5	39,758	7,928	0.1994	0.8006	28.02
54.5	34,377	2,437	0.0709	0.9291	22.43
55.5	30,594		0.0000	1.0000	20.84
56.5	30,594		0.0000	1.0000	20.84
57.5	30,594		0.0000	1.0000	20.84
58.5	27,597		0.0000	1.0000	20.84
59.5	32,507		0.0000	1.0000	20.84
60.5	32,507	1,010	0.0311	0.9689	20.84
61.5	31,496	552	0.0175	0.9825	20.19
62.5	30,945		0.0000	1.0000	19.84
63.5	30,945	100	0.0032	0.9968	19.84
64.5	30,845	75	0.0024	0.9976	19.77
65.5	30,770		0.0000	1.0000	19.72
66.5	30,770		0.0000	1.0000	19.72
67.5	30,770		0.0000	1.0000	19.72
68.5	30,770		0.0000	1.0000	19.72
69.5	30,770	679	0.0221	0.9779	19.72
70.5	29,601	1,877	0.0634	0.9366	19.29
71.5	23,072	664	0.0288	0.9712	18.07
72.5	22,263	573	0.0257	0.9743	17.55
73.5	21,690	4,520	0.2084	0.7916	17.09
74.5	16,891	4,120	0.2439	0.7561	13.53
75.5	12,771		0.0000	1.0000	10.23
76.5	9,981		0.0000	1.0000	10.23
77.5	9,981		0.0000	1.0000	10.23
78.5	17,103		0.0000	1.0000	10.23

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	16,349		0.0000	1.0000	10.23
80.5	7,097		0.0000	1.0000	10.23
81.5	6,830		0.0000	1.0000	10.23
82.5	4,458	599	0.1343	0.8657	10.23
83.5	3,859		0.0000	1.0000	8.86
84.5	3,859		0.0000	1.0000	8.86
85.5	3,859		0.0000	1.0000	8.86
86.5	3,859		0.0000	1.0000	8.86
87.5	3,859		0.0000	1.0000	8.86
88.5	3,859		0.0000	1.0000	8.86
89.5	3,859		0.0000	1.0000	8.86
90.5	3,859		0.0000	1.0000	8.86
91.5	3,859		0.0000	1.0000	8.86
92.5	3,859		0.0000	1.0000	8.86
93.5	3,859		0.0000	1.0000	8.86
94.5	3,859		0.0000	1.0000	8.86
95.5	3,859		0.0000	1.0000	8.86
96.5	3,859		0.0000	1.0000	8.86
97.5	3,859		0.0000	1.0000	8.86
98.5	3,859		0.0000	1.0000	8.86
99.5	3,859		0.0000	1.0000	8.86
100.5	3,859		0.0000	1.0000	8.86
101.5	3,859		0.0000	1.0000	8.86
102.5	3,859		0.0000	1.0000	8.86
103.5	3,859		0.0000	1.0000	8.86
104.5	3,859		0.0000	1.0000	8.86
105.5	3,859		0.0000	1.0000	8.86
106.5	3,859		0.0000	1.0000	8.86
107.5	3,859		0.0000	1.0000	8.86
108.5	3,859		0.0000	1.0000	8.86
109.5	3,859	2,509	0.6502	0.3498	8.86
110.5	1,350		0.0000	1.0000	3.10
111.5	1,350		0.0000	1.0000	3.10
112.5	1,350		0.0000	1.0000	3.10
113.5	1,350		0.0000	1.0000	3.10
114.5	1,350		0.0000	1.0000	3.10
115.5	1,350		0.0000	1.0000	3.10
116.5	1,350		0.0000	1.0000	3.10
117.5	1,350		0.0000	1.0000	3.10
118.5	1,350		0.0000	1.0000	3.10

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	1,350		0.0000	1.0000	3.10
120.5	1,350		0.0000	1.0000	3.10
121.5	1,350		0.0000	1.0000	3.10
122.5	1,350		0.0000	1.0000	3.10
123.5	1,350	185	0.1370	0.8630	3.10
124.5	1,165		0.0000	1.0000	2.67
125.5	1,165		0.0000	1.0000	2.67
126.5	1,165		0.0000	1.0000	2.67
127.5					2.67

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	34,653,175		0.0000	1.0000	100.00
0.5	33,780,871	4,238	0.0001	0.9999	100.00
1.5	33,015,560	33,187	0.0010	0.9990	99.99
2.5	29,806,344		0.0000	1.0000	99.89
3.5	28,849,310	101,262	0.0035	0.9965	99.89
4.5	27,045,897	15,299	0.0006	0.9994	99.54
5.5	25,955,312	28,938	0.0011	0.9989	99.48
6.5	25,029,753	3,512	0.0001	0.9999	99.37
7.5	20,472,849	2,668	0.0001	0.9999	99.36
8.5	19,785,692	4,149	0.0002	0.9998	99.34
9.5	18,208,136	6,185	0.0003	0.9997	99.32
10.5	10,301,489	1,267	0.0001	0.9999	99.29
11.5	5,923,612	0	0.0000	1.0000	99.28
12.5	3,675,526		0.0000	1.0000	99.28
13.5	3,548,610	10,255	0.0029	0.9971	99.28
14.5	3,371,378		0.0000	1.0000	98.99
15.5	3,341,999	6,437	0.0019	0.9981	98.99
16.5	3,200,385	81,900	0.0256	0.9744	98.80
17.5	3,109,646	5,669	0.0018	0.9982	96.27
18.5	3,030,275	113,817	0.0376	0.9624	96.09
19.5	2,935,323	32,571	0.0111	0.9889	92.48
20.5	2,859,688	89,275	0.0312	0.9688	91.46
21.5	2,688,945	70,797	0.0263	0.9737	88.60
22.5	2,610,851	873	0.0003	0.9997	86.27
23.5	2,598,094	8,284	0.0032	0.9968	86.24
24.5	2,593,176	1,199	0.0005	0.9995	85.97
25.5	2,500,756	13,434	0.0054	0.9946	85.93
26.5	2,471,297	3,126	0.0013	0.9987	85.47
27.5	2,421,608	23,143	0.0096	0.9904	85.36
28.5	2,232,233	123,764	0.0554	0.9446	84.54
29.5	2,033,871	94,700	0.0466	0.9534	79.85
30.5	1,845,187		0.0000	1.0000	76.14
31.5	1,042,305	10,813	0.0104	0.9896	76.14
32.5	924,987	2,188	0.0024	0.9976	75.35
33.5	448,653	4,740	0.0106	0.9894	75.17
34.5	531,404	8,101	0.0152	0.9848	74.37
35.5	517,359	190,215	0.3677	0.6323	73.24
36.5	200,292		0.0000	1.0000	46.31
37.5	65,998	6,129	0.0929	0.9071	46.31
38.5	56,254		0.0000	1.0000	42.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	56,700		0.0000	1.0000	42.01
40.5	67,760	1,892	0.0279	0.9721	42.01
41.5	75,458	0	0.0000	1.0000	40.84
42.5	72,936		0.0000	1.0000	40.84
43.5	71,567	1,086	0.0152	0.9848	40.84
44.5	70,299		0.0000	1.0000	40.22
45.5	69,945	1,301	0.0186	0.9814	40.22
46.5	69,005	8,046	0.1166	0.8834	39.47
47.5	60,959	909	0.0149	0.9851	34.87
48.5	48,492	4,748	0.0979	0.9021	34.35
49.5	40,150		0.0000	1.0000	30.99
50.5	37,797	59	0.0016	0.9984	30.99
51.5	36,244	1,170	0.0323	0.9677	30.94
52.5	35,075	7,480	0.2133	0.7867	29.94
53.5	32,469	7,928	0.2442	0.7558	23.55
54.5	24,540	2,437	0.0993	0.9007	17.80
55.5	20,757		0.0000	1.0000	16.03
56.5	20,757		0.0000	1.0000	16.03
57.5	20,757		0.0000	1.0000	16.03
58.5	18,359		0.0000	1.0000	16.03
59.5	18,359		0.0000	1.0000	16.03
60.5	19,342		0.0000	1.0000	16.03
61.5	19,342	552	0.0285	0.9715	16.03
62.5	18,790		0.0000	1.0000	15.58
63.5	18,790		0.0000	1.0000	15.58
64.5	18,790		0.0000	1.0000	15.58
65.5	18,790		0.0000	1.0000	15.58
66.5	18,790		0.0000	1.0000	15.58
67.5	18,790		0.0000	1.0000	15.58
68.5	18,790		0.0000	1.0000	15.58
69.5	18,790	679	0.0361	0.9639	15.58
70.5	17,621	1,877	0.1065	0.8935	15.01
71.5	11,092	664	0.0599	0.9401	13.41
72.5	10,283	516	0.0502	0.9498	12.61
73.5	9,767	4,520	0.4627	0.5373	11.98
74.5	4,969	560	0.1128	0.8872	6.44
75.5	4,408		0.0000	1.0000	5.71
76.5	1,619		0.0000	1.0000	5.71
77.5	1,619		0.0000	1.0000	5.71
78.5	10,871		0.0000	1.0000	5.71

AQUA PENNSYLVANIA, INC.

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	10,118		0.0000	1.0000	5.71
80.5	865		0.0000	1.0000	5.71
81.5	599		0.0000	1.0000	5.71
82.5	599	599	1.0000		5.71
83.5					
84.5					
85.5	2,509		0.0000		
86.5	2,509		0.0000		
87.5	2,509		0.0000		
88.5	2,509		0.0000		
89.5	2,509		0.0000		
90.5	2,509		0.0000		
91.5	2,509		0.0000		
92.5	3,859		0.0000		
93.5	3,859		0.0000		
94.5	3,859		0.0000		
95.5	3,859		0.0000		
96.5	3,859		0.0000		
97.5	3,859		0.0000		
98.5	3,859		0.0000		
99.5	3,859		0.0000		
100.5	3,859		0.0000		
101.5	3,859		0.0000		
102.5	3,859		0.0000		
103.5	3,859		0.0000		
104.5	3,859		0.0000		
105.5	3,859		0.0000		
106.5	3,859		0.0000		
107.5	3,859		0.0000		
108.5	3,859		0.0000		
109.5	3,859	2,509	0.6502		
110.5	1,350		0.0000		
111.5	1,350		0.0000		
112.5	1,350		0.0000		
113.5	1,350		0.0000		
114.5	1,350		0.0000		
115.5	1,350		0.0000		
116.5	1,350		0.0000		
117.5	1,350		0.0000		
118.5	1,350		0.0000		

AQUA PENNSYLVANIA, INC.

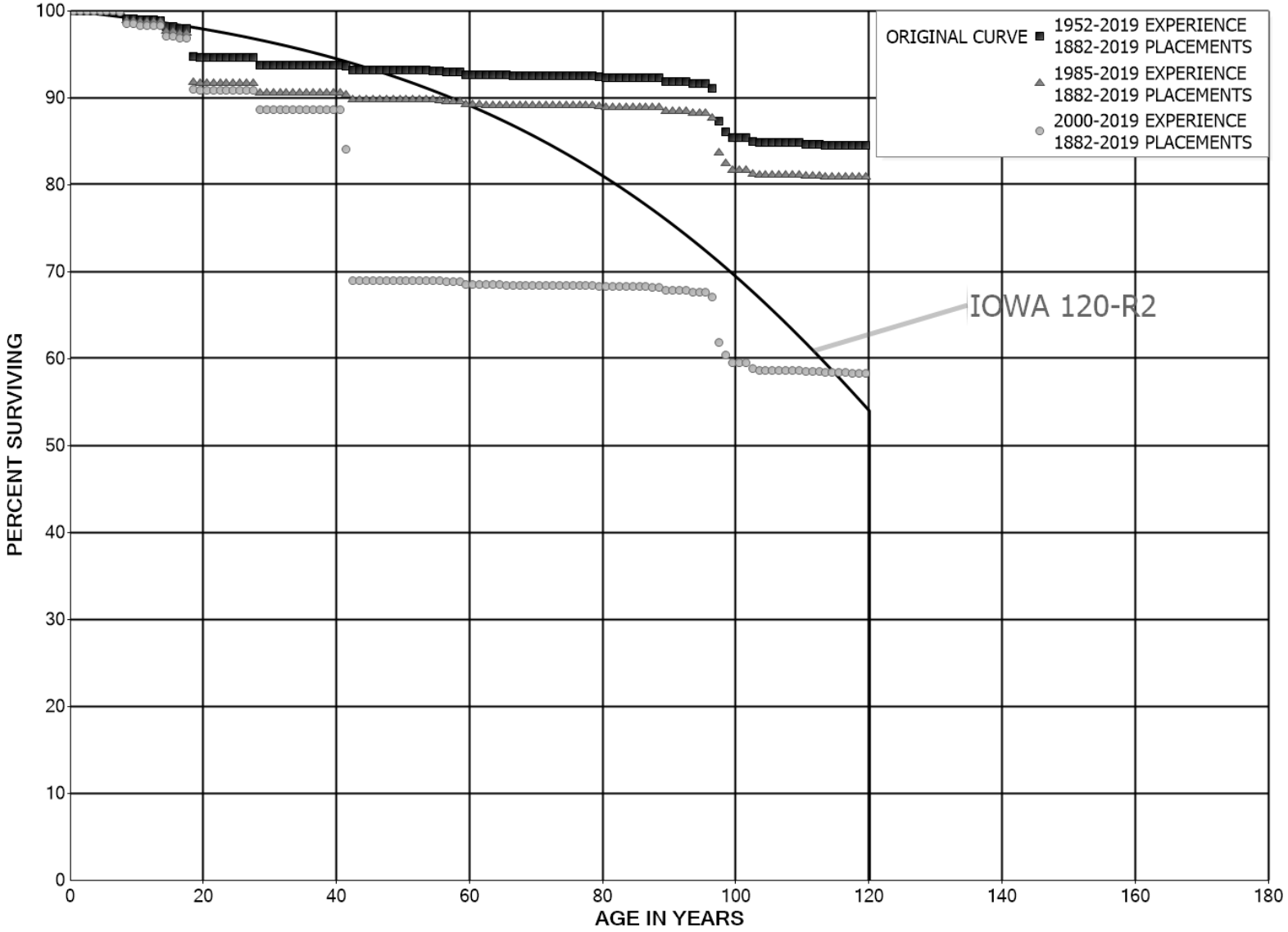
ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	1,350		0.0000		
120.5	1,350		0.0000		
121.5	1,350		0.0000		
122.5	1,350		0.0000		
123.5	1,350	185	0.1370		
124.5	1,165		0.0000		
125.5	1,165		0.0000		
126.5	1,165		0.0000		
127.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	34,664,711		0.0000	1.0000	100.00
0.5	32,915,463	1,339	0.0000	1.0000	100.00
1.5	32,721,063	52	0.0000	1.0000	100.00
2.5	30,252,074	2,643	0.0001	0.9999	100.00
3.5	30,659,145	752	0.0000	1.0000	99.99
4.5	29,620,781	26,998	0.0009	0.9991	99.98
5.5	29,482,316	9,403	0.0003	0.9997	99.89
6.5	27,404,140	18,616	0.0007	0.9993	99.86
7.5	27,209,659	212,730	0.0078	0.9922	99.79
8.5	25,331,664	619	0.0000	1.0000	99.01
9.5	24,819,078	19,721	0.0008	0.9992	99.01
10.5	23,034,503	9,029	0.0004	0.9996	98.93
11.5	22,369,295		0.0000	1.0000	98.89
12.5	21,142,274	4,315	0.0002	0.9998	98.89
13.5	19,852,619	144,612	0.0073	0.9927	98.87
14.5	18,987,566	41	0.0000	1.0000	98.15
15.5	18,778,070	28,972	0.0015	0.9985	98.15
16.5	15,905,306	1,506	0.0001	0.9999	98.00
17.5	15,517,796	524,302	0.0338	0.9662	97.99
18.5	14,564,187	5,047	0.0003	0.9997	94.68
19.5	14,802,274		0.0000	1.0000	94.65
20.5	13,838,017		0.0000	1.0000	94.65
21.5	13,788,522		0.0000	1.0000	94.65
22.5	13,912,191	420	0.0000	1.0000	94.65
23.5	13,845,700		0.0000	1.0000	94.65
24.5	14,370,354		0.0000	1.0000	94.65
25.5	13,658,323	76	0.0000	1.0000	94.65
26.5	13,517,045	52	0.0000	1.0000	94.65
27.5	13,851,959	128,978	0.0093	0.9907	94.64
28.5	14,016,582	1,172	0.0001	0.9999	93.76
29.5	13,027,387	431	0.0000	1.0000	93.76
30.5	12,964,979		0.0000	1.0000	93.75
31.5	12,945,500	3,293	0.0003	0.9997	93.75
32.5	12,940,714		0.0000	1.0000	93.73
33.5	11,418,186	71	0.0000	1.0000	93.73
34.5	9,896,371	2,350	0.0002	0.9998	93.73
35.5	9,913,293	559	0.0001	0.9999	93.71
36.5	9,890,871		0.0000	1.0000	93.70
37.5	9,929,578	184	0.0000	1.0000	93.70
38.5	9,845,781	770	0.0001	0.9999	93.70

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	9,903,774		0.0000	1.0000	93.69
40.5	9,908,430	11,127	0.0011	0.9989	93.69
41.5	9,919,444	38,549	0.0039	0.9961	93.59
42.5	9,918,146	556	0.0001	0.9999	93.22
43.5	9,919,627		0.0000	1.0000	93.22
44.5	9,919,451		0.0000	1.0000	93.22
45.5	9,814,162	400	0.0000	1.0000	93.22
46.5	9,800,605		0.0000	1.0000	93.21
47.5	9,820,741		0.0000	1.0000	93.21
48.5	9,820,741		0.0000	1.0000	93.21
49.5	9,840,988		0.0000	1.0000	93.21
50.5	9,840,988	2,400	0.0002	0.9998	93.21
51.5	9,834,536	4,757	0.0005	0.9995	93.19
52.5	9,871,245	2,109	0.0002	0.9998	93.15
53.5	9,871,638	2,118	0.0002	0.9998	93.13
54.5	9,863,907	2,269	0.0002	0.9998	93.11
55.5	10,011,396	11,846	0.0012	0.9988	93.08
56.5	9,997,864		0.0000	1.0000	92.97
57.5	10,014,343	431	0.0000	1.0000	92.97
58.5	10,011,298	36,878	0.0037	0.9963	92.97
59.5	9,977,004	2,650	0.0003	0.9997	92.63
60.5	9,968,122	25	0.0000	1.0000	92.60
61.5	9,955,921	1,313	0.0001	0.9999	92.60
62.5	4,529,446		0.0000	1.0000	92.59
63.5	4,592,534		0.0000	1.0000	92.59
64.5	4,594,208	451	0.0001	0.9999	92.59
65.5	4,598,821	1,271	0.0003	0.9997	92.58
66.5	4,605,893		0.0000	1.0000	92.56
67.5	4,605,836		0.0000	1.0000	92.56
68.5	4,598,796		0.0000	1.0000	92.56
69.5	4,620,625		0.0000	1.0000	92.56
70.5	4,620,625	38	0.0000	1.0000	92.56
71.5	4,620,554	107	0.0000	1.0000	92.56
72.5	4,615,791	107	0.0000	1.0000	92.55
73.5	4,611,205	280	0.0001	0.9999	92.55
74.5	4,553,015	834	0.0002	0.9998	92.55
75.5	4,551,349	2,867	0.0006	0.9994	92.53
76.5	3,664,266		0.0000	1.0000	92.47
77.5	3,609,536		0.0000	1.0000	92.47
78.5	3,603,313	3,662	0.0010	0.9990	92.47

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	3,595,082	1,841	0.0005	0.9995	92.38
80.5	3,281,096	265	0.0001	0.9999	92.33
81.5	3,272,223		0.0000	1.0000	92.32
82.5	3,184,559	113	0.0000	1.0000	92.32
83.5	3,161,344		0.0000	1.0000	92.32
84.5	3,135,781	34	0.0000	1.0000	92.32
85.5	3,073,949	201	0.0001	0.9999	92.32
86.5	3,073,749	1,073	0.0003	0.9997	92.31
87.5	1,424,498		0.0000	1.0000	92.28
88.5	1,390,661	6,868	0.0049	0.9951	92.28
89.5	1,383,793		0.0000	1.0000	91.82
90.5	1,383,793		0.0000	1.0000	91.82
91.5	1,383,793		0.0000	1.0000	91.82
92.5	1,362,117	2,369	0.0017	0.9983	91.82
93.5	1,359,748		0.0000	1.0000	91.66
94.5	1,359,311		0.0000	1.0000	91.66
95.5	967,425	5,913	0.0061	0.9939	91.66
96.5	567,328	24,042	0.0424	0.9576	91.10
97.5	543,286	7,448	0.0137	0.9863	87.24
98.5	514,738	4,098	0.0080	0.9920	86.05
99.5	420,046		0.0000	1.0000	85.36
100.5	422,646		0.0000	1.0000	85.36
101.5	422,646	2,168	0.0051	0.9949	85.36
102.5	432,433	636	0.0015	0.9985	84.92
103.5	398,584		0.0000	1.0000	84.80
104.5	381,458		0.0000	1.0000	84.80
105.5	381,458		0.0000	1.0000	84.80
106.5	381,458		0.0000	1.0000	84.80
107.5	320,984	32	0.0001	0.9999	84.80
108.5	320,952		0.0000	1.0000	84.79
109.5	320,952	503	0.0016	0.9984	84.79
110.5	283,733		0.0000	1.0000	84.66
111.5	279,389		0.0000	1.0000	84.66
112.5	279,389	443	0.0016	0.9984	84.66
113.5	270,253		0.0000	1.0000	84.52
114.5	270,253		0.0000	1.0000	84.52
115.5	250,519		0.0000	1.0000	84.52
116.5	250,519	107	0.0004	0.9996	84.52
117.5	225,138		0.0000	1.0000	84.49
118.5	225,138	0	0.0000	1.0000	84.49

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	224,388	524	0.0023	0.9977	84.49
120.5	223,864		0.0000	1.0000	84.29
121.5	223,864	1,633	0.0073	0.9927	84.29
122.5	222,231	140	0.0006	0.9994	83.67
123.5	68,007	2,585	0.0380	0.9620	83.62
124.5	65,422		0.0000	1.0000	80.44
125.5	65,422		0.0000	1.0000	80.44
126.5	65,422		0.0000	1.0000	80.44
127.5	65,422	7	0.0001	0.9999	80.44
128.5	57,884		0.0000	1.0000	80.44
129.5	57,884		0.0000	1.0000	80.44
130.5	57,884		0.0000	1.0000	80.44
131.5	57,884		0.0000	1.0000	80.44
132.5	44,593		0.0000	1.0000	80.44
133.5	38,120		0.0000	1.0000	80.44
134.5	26,165		0.0000	1.0000	80.44
135.5	26,165		0.0000	1.0000	80.44
136.5	26,165		0.0000	1.0000	80.44
137.5					80.44

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	28,496,447		0.0000	1.0000	100.00
0.5	26,878,450		0.0000	1.0000	100.00
1.5	26,702,385		0.0000	1.0000	100.00
2.5	24,295,873		0.0000	1.0000	100.00
3.5	24,909,977		0.0000	1.0000	100.00
4.5	23,874,776	4,171	0.0002	0.9998	100.00
5.5	23,760,288	9,403	0.0004	0.9996	99.98
6.5	21,663,211	18,616	0.0009	0.9991	99.94
7.5	21,468,121	211,739	0.0099	0.9901	99.86
8.5	18,707,760	0	0.0000	1.0000	98.87
9.5	18,193,157	19,721	0.0011	0.9989	98.87
10.5	16,507,698	9,029	0.0005	0.9995	98.77
11.5	15,853,121		0.0000	1.0000	98.71
12.5	14,622,373	4,315	0.0003	0.9997	98.71
13.5	13,324,109	144,612	0.0109	0.9891	98.68
14.5	12,449,010		0.0000	1.0000	97.61
15.5	12,212,047	28,701	0.0024	0.9976	97.61
16.5	9,321,692	0	0.0000	1.0000	97.38
17.5	8,980,563	524,302	0.0584	0.9416	97.38
18.5	8,016,964	3,412	0.0004	0.9996	91.70
19.5	6,601,148		0.0000	1.0000	91.66
20.5	5,604,341		0.0000	1.0000	91.66
21.5	5,563,653		0.0000	1.0000	91.66
22.5	5,395,883	420	0.0001	0.9999	91.66
23.5	5,332,384		0.0000	1.0000	91.65
24.5	5,752,658		0.0000	1.0000	91.65
25.5	5,064,348		0.0000	1.0000	91.65
26.5	4,937,690		0.0000	1.0000	91.65
27.5	10,315,905	128,978	0.0125	0.9875	91.65
28.5	10,085,572		0.0000	1.0000	90.50
29.5	9,098,379	180	0.0000	1.0000	90.50
30.5	9,013,988		0.0000	1.0000	90.50
31.5	8,856,850	3,293	0.0004	0.9996	90.50
32.5	8,840,090		0.0000	1.0000	90.47
33.5	7,324,603		0.0000	1.0000	90.47
34.5	5,807,196		0.0000	1.0000	90.47
35.5	5,790,018	559	0.0001	0.9999	90.47
36.5	5,767,654		0.0000	1.0000	90.46
37.5	5,806,592	184	0.0000	1.0000	90.46
38.5	5,722,595		0.0000	1.0000	90.46

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,748,579		0.0000	1.0000	90.46
40.5	5,753,686	11,127	0.0019	0.9981	90.46
41.5	6,608,065	38,549	0.0058	0.9942	90.28
42.5	6,572,929		0.0000	1.0000	89.76
43.5	6,581,189		0.0000	1.0000	89.76
44.5	6,584,299		0.0000	1.0000	89.76
45.5	6,482,737		0.0000	1.0000	89.76
46.5	6,478,188		0.0000	1.0000	89.76
47.5	6,491,233		0.0000	1.0000	89.76
48.5	6,518,740		0.0000	1.0000	89.76
49.5	6,546,501		0.0000	1.0000	89.76
50.5	6,547,539		0.0000	1.0000	89.76
51.5	6,552,728	1,968	0.0003	0.9997	89.76
52.5	8,248,988	1,920	0.0002	0.9998	89.73
53.5	8,281,105	2,118	0.0003	0.9997	89.71
54.5	8,275,042	2,269	0.0003	0.9997	89.68
55.5	8,575,132	11,846	0.0014	0.9986	89.66
56.5	8,561,599		0.0000	1.0000	89.54
57.5	8,664,720	431	0.0000	1.0000	89.54
58.5	8,661,676	36,878	0.0043	0.9957	89.53
59.5	8,624,797	2,650	0.0003	0.9997	89.15
60.5	9,000,262	25	0.0000	1.0000	89.12
61.5	9,383,201	1,313	0.0001	0.9999	89.12
62.5	3,956,725		0.0000	1.0000	89.11
63.5	4,043,457		0.0000	1.0000	89.11
64.5	4,180,634	451	0.0001	0.9999	89.11
65.5	4,190,928		0.0000	1.0000	89.10
66.5	4,190,578		0.0000	1.0000	89.10
67.5	4,190,521		0.0000	1.0000	89.10
68.5	4,219,931		0.0000	1.0000	89.10
69.5	4,215,595		0.0000	1.0000	89.10
70.5	4,215,595	38	0.0000	1.0000	89.10
71.5	4,216,333	107	0.0000	1.0000	89.10
72.5	4,272,045	107	0.0000	1.0000	89.10
73.5	4,267,459	280	0.0001	0.9999	89.10
74.5	4,239,297	834	0.0002	0.9998	89.09
75.5	4,274,882	2,867	0.0007	0.9993	89.07
76.5	3,387,799		0.0000	1.0000	89.01
77.5	3,333,069		0.0000	1.0000	89.01
78.5	3,326,846	3,662	0.0011	0.9989	89.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	3,318,615	1,841	0.0006	0.9994	88.91
80.5	3,024,629	265	0.0001	0.9999	88.87
81.5	3,015,756		0.0000	1.0000	88.86
82.5	2,952,002	113	0.0000	1.0000	88.86
83.5	2,928,787		0.0000	1.0000	88.85
84.5	2,903,973	34	0.0000	1.0000	88.85
85.5	2,842,141	201	0.0001	0.9999	88.85
86.5	2,846,285	1,073	0.0004	0.9996	88.85
87.5	1,197,034		0.0000	1.0000	88.81
88.5	1,319,578	6,868	0.0052	0.9948	88.81
89.5	1,312,710		0.0000	1.0000	88.35
90.5	1,329,836		0.0000	1.0000	88.35
91.5	1,329,836		0.0000	1.0000	88.35
92.5	1,310,745	2,369	0.0018	0.9982	88.35
93.5	1,315,914		0.0000	1.0000	88.19
94.5	1,315,476		0.0000	1.0000	88.19
95.5	923,591	5,913	0.0064	0.9936	88.19
96.5	523,494	24,042	0.0459	0.9541	87.63
97.5	501,956	7,448	0.0148	0.9852	83.60
98.5	479,881	4,098	0.0085	0.9915	82.36
99.5	393,881		0.0000	1.0000	81.66
100.5	396,481		0.0000	1.0000	81.66
101.5	396,481	2,168	0.0055	0.9945	81.66
102.5	432,433	636	0.0015	0.9985	81.21
103.5	398,584		0.0000	1.0000	81.09
104.5	381,458		0.0000	1.0000	81.09
105.5	381,458		0.0000	1.0000	81.09
106.5	381,458		0.0000	1.0000	81.09
107.5	320,984	32	0.0001	0.9999	81.09
108.5	320,952		0.0000	1.0000	81.08
109.5	320,952	503	0.0016	0.9984	81.08
110.5	283,733		0.0000	1.0000	80.96
111.5	279,389		0.0000	1.0000	80.96
112.5	279,389	443	0.0016	0.9984	80.96
113.5	270,253		0.0000	1.0000	80.83
114.5	270,253		0.0000	1.0000	80.83
115.5	250,519		0.0000	1.0000	80.83
116.5	250,519	107	0.0004	0.9996	80.83
117.5	225,138		0.0000	1.0000	80.79
118.5	225,138	0	0.0000	1.0000	80.79

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	224,388	524	0.0023	0.9977	80.79
120.5	223,864		0.0000	1.0000	80.61
121.5	223,864	1,633	0.0073	0.9927	80.61
122.5	222,231	140	0.0006	0.9994	80.02
123.5	68,007	2,585	0.0380	0.9620	79.97
124.5	65,422		0.0000	1.0000	76.93
125.5	65,422		0.0000	1.0000	76.93
126.5	65,422		0.0000	1.0000	76.93
127.5	65,422	7	0.0001	0.9999	76.93
128.5	57,884		0.0000	1.0000	76.92
129.5	57,884		0.0000	1.0000	76.92
130.5	57,884		0.0000	1.0000	76.92
131.5	57,884		0.0000	1.0000	76.92
132.5	44,593		0.0000	1.0000	76.92
133.5	38,120		0.0000	1.0000	76.92
134.5	26,165		0.0000	1.0000	76.92
135.5	26,165		0.0000	1.0000	76.92
136.5	26,165		0.0000	1.0000	76.92
137.5					76.92

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	21,013,585		0.0000	1.0000	100.00
0.5	20,425,275		0.0000	1.0000	100.00
1.5	20,246,447		0.0000	1.0000	100.00
2.5	18,162,610		0.0000	1.0000	100.00
3.5	18,219,120		0.0000	1.0000	100.00
4.5	17,379,439	4,171	0.0002	0.9998	100.00
5.5	17,991,231	8,871	0.0005	0.9995	99.98
6.5	16,026,731	18,616	0.0012	0.9988	99.93
7.5	15,823,858	211,739	0.0134	0.9866	99.81
8.5	13,145,845	0	0.0000	1.0000	98.48
9.5	13,196,286	19,721	0.0015	0.9985	98.48
10.5	12,332,972	2,511	0.0002	0.9998	98.33
11.5	11,828,652		0.0000	1.0000	98.31
12.5	11,140,487	810	0.0001	0.9999	98.31
13.5	11,365,209	144,612	0.0127	0.9873	98.30
14.5	12,008,991		0.0000	1.0000	97.05
15.5	11,789,206	28,701	0.0024	0.9976	97.05
16.5	8,907,154	0	0.0000	1.0000	96.81
17.5	8,576,092	524,302	0.0611	0.9389	96.81
18.5	7,816,915	3,412	0.0004	0.9996	90.89
19.5	6,393,905		0.0000	1.0000	90.86
20.5	5,395,224		0.0000	1.0000	90.86
21.5	5,362,610		0.0000	1.0000	90.86
22.5	5,194,700	420	0.0001	0.9999	90.86
23.5	5,132,909		0.0000	1.0000	90.85
24.5	5,553,960		0.0000	1.0000	90.85
25.5	4,957,218		0.0000	1.0000	90.85
26.5	4,830,564		0.0000	1.0000	90.85
27.5	4,773,646	119,059	0.0249	0.9751	90.85
28.5	4,553,047		0.0000	1.0000	88.58
29.5	3,567,886		0.0000	1.0000	88.58
30.5	3,482,266		0.0000	1.0000	88.58
31.5	3,338,339		0.0000	1.0000	88.58
32.5	3,370,785		0.0000	1.0000	88.58
33.5	1,848,257		0.0000	1.0000	88.58
34.5	332,125		0.0000	1.0000	88.58
35.5	318,580		0.0000	1.0000	88.58
36.5	297,801		0.0000	1.0000	88.58
37.5	290,515		0.0000	1.0000	88.58
38.5	208,246		0.0000	1.0000	88.58

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	206,535		0.0000	1.0000	88.58
40.5	220,306	11,127	0.0505	0.9495	88.58
41.5	214,566	38,549	0.1797	0.8203	84.11
42.5	5,647,186		0.0000	1.0000	69.00
43.5	5,649,223		0.0000	1.0000	69.00
44.5	5,649,878		0.0000	1.0000	69.00
45.5	5,546,455		0.0000	1.0000	69.00
46.5	5,533,648		0.0000	1.0000	69.00
47.5	5,533,784		0.0000	1.0000	69.00
48.5	5,540,825		0.0000	1.0000	69.00
49.5	5,541,498		0.0000	1.0000	69.00
50.5	5,541,498		0.0000	1.0000	69.00
51.5	5,536,755		0.0000	1.0000	69.00
52.5	5,534,278		0.0000	1.0000	69.00
53.5	5,534,887	678	0.0001	0.9999	69.00
54.5	5,556,291		0.0000	1.0000	68.99
55.5	5,550,119	10,886	0.0020	0.9980	68.99
56.5	6,412,210		0.0000	1.0000	68.85
57.5	6,463,807	254	0.0000	1.0000	68.85
58.5	6,467,163	31,205	0.0048	0.9952	68.85
59.5	6,438,860	2,650	0.0004	0.9996	68.52
60.5	6,425,708	25	0.0000	1.0000	68.49
61.5	6,422,115	1,313	0.0002	0.9998	68.49
62.5	1,006,649		0.0000	1.0000	68.48
63.5	1,034,744		0.0000	1.0000	68.48
64.5	1,059,664	451	0.0004	0.9996	68.48
65.5	1,121,098		0.0000	1.0000	68.45
66.5	1,130,738		0.0000	1.0000	68.45
67.5	2,781,238		0.0000	1.0000	68.45
68.5	2,808,235		0.0000	1.0000	68.45
69.5	2,805,566		0.0000	1.0000	68.45
70.5	3,114,548		0.0000	1.0000	68.45
71.5	3,114,516	107	0.0000	1.0000	68.45
72.5	3,213,520	107	0.0000	1.0000	68.44
73.5	3,208,934	280	0.0001	0.9999	68.44
74.5	3,180,772	834	0.0003	0.9997	68.44
75.5	3,570,991	1,308	0.0004	0.9996	68.42
76.5	3,080,607		0.0000	1.0000	68.39
77.5	3,028,420		0.0000	1.0000	68.39
78.5	3,043,297	3,662	0.0012	0.9988	68.39

AQUA PENNSYLVANIA, INC.

ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	3,173,074	1,841	0.0006	0.9994	68.31
80.5	2,869,643	265	0.0001	0.9999	68.27
81.5	2,860,771		0.0000	1.0000	68.27
82.5	2,773,540	113	0.0000	1.0000	68.27
83.5	2,786,165		0.0000	1.0000	68.26
84.5	2,760,602	34	0.0000	1.0000	68.26
85.5	2,698,108	201	0.0001	0.9999	68.26
86.5	2,697,907	1,073	0.0004	0.9996	68.26
87.5	1,109,131		0.0000	1.0000	68.23
88.5	1,075,294	6,868	0.0064	0.9936	68.23
89.5	1,068,426		0.0000	1.0000	67.79
90.5	1,105,677		0.0000	1.0000	67.79
91.5	1,105,677		0.0000	1.0000	67.79
92.5	1,084,002	2,369	0.0022	0.9978	67.79
93.5	1,081,633		0.0000	1.0000	67.65
94.5	1,081,195		0.0000	1.0000	67.65
95.5	709,487	5,913	0.0083	0.9917	67.65
96.5	309,390	24,042	0.0777	0.9223	67.08
97.5	310,729	7,448	0.0240	0.9760	61.87
98.5	282,180	4,098	0.0145	0.9855	60.39
99.5	188,238		0.0000	1.0000	59.51
100.5	180,051		0.0000	1.0000	59.51
101.5	184,395	2,168	0.0118	0.9882	59.51
102.5	182,227	636	0.0035	0.9965	58.81
103.5	304,759		0.0000	1.0000	58.60
104.5	304,759		0.0000	1.0000	58.60
105.5	304,759		0.0000	1.0000	58.60
106.5	304,759		0.0000	1.0000	58.60
107.5	246,869	32	0.0001	0.9999	58.60
108.5	254,376		0.0000	1.0000	58.60
109.5	254,376	503	0.0020	0.9980	58.60
110.5	217,156		0.0000	1.0000	58.48
111.5	212,812		0.0000	1.0000	58.48
112.5	226,103	443	0.0020	0.9980	58.48
113.5	232,133		0.0000	1.0000	58.37
114.5	244,089		0.0000	1.0000	58.37
115.5	224,354		0.0000	1.0000	58.37
116.5	224,354	107	0.0005	0.9995	58.37
117.5	225,138		0.0000	1.0000	58.34
118.5	225,138	0	0.0000	1.0000	58.34

AQUA PENNSYLVANIA, INC.

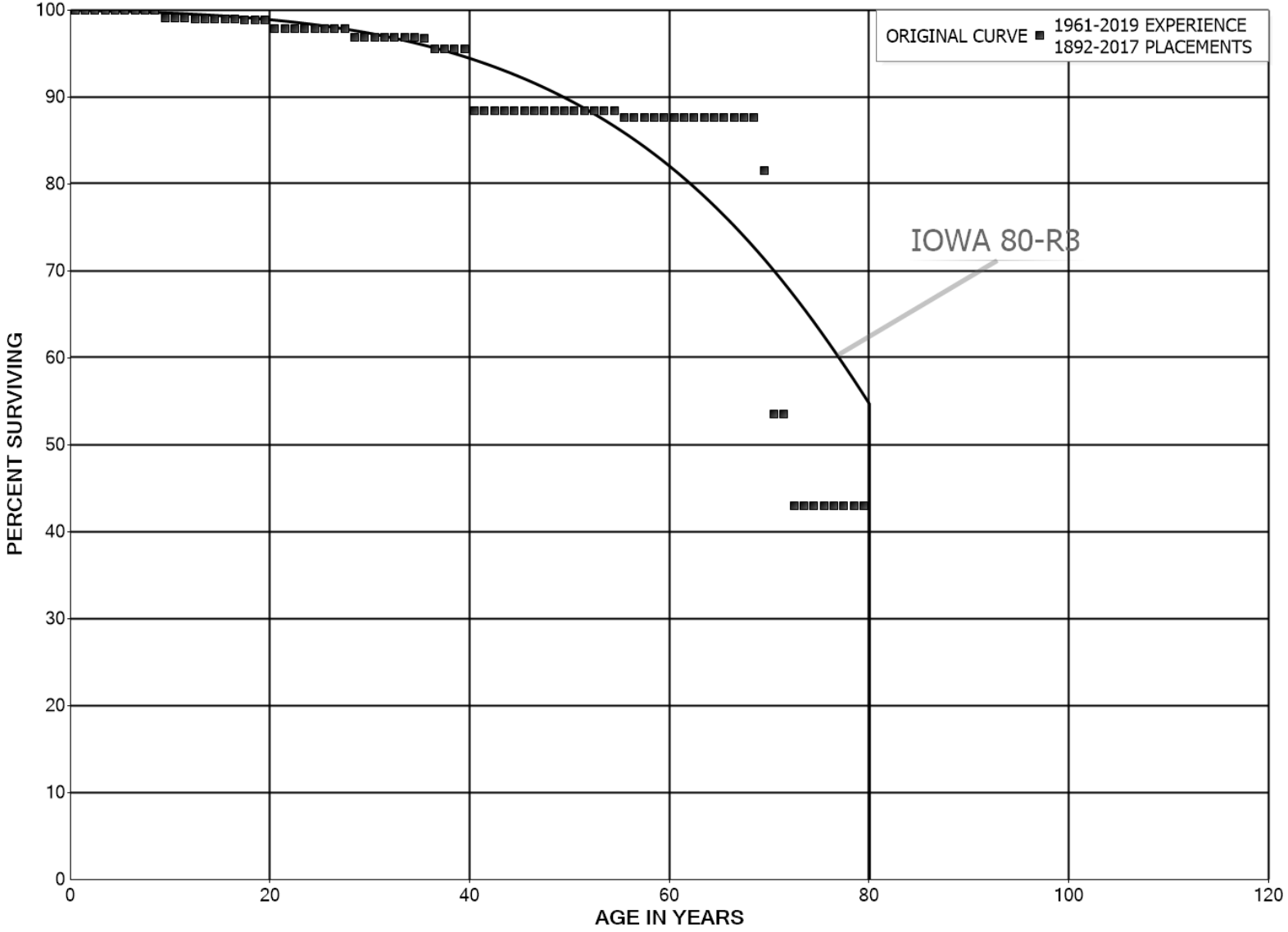
ACCOUNT 305 COLLECTING AND IMPOUNDING RESERVOIRS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	224,388	524	0.0023	0.9977	58.34
120.5	223,864		0.0000	1.0000	58.20
121.5	223,864	1,633	0.0073	0.9927	58.20
122.5	222,231	140	0.0006	0.9994	57.78
123.5	68,007	2,585	0.0380	0.9620	57.74
124.5	65,422		0.0000	1.0000	55.55
125.5	65,422		0.0000	1.0000	55.55
126.5	65,422		0.0000	1.0000	55.55
127.5	65,422	7	0.0001	0.9999	55.55
128.5	57,884		0.0000	1.0000	55.54
129.5	57,884		0.0000	1.0000	55.54
130.5	57,884		0.0000	1.0000	55.54
131.5	57,884		0.0000	1.0000	55.54
132.5	44,593		0.0000	1.0000	55.54
133.5	38,120		0.0000	1.0000	55.54
134.5	26,165		0.0000	1.0000	55.54
135.5	26,165		0.0000	1.0000	55.54
136.5	26,165		0.0000	1.0000	55.54
137.5					55.54

AQUA PENNSYLVANIA, INC.
ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1892-2017 EXPERIENCE BAND 1961-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	18,350,099	0	0.0000	1.0000	100.00
0.5	18,350,927	0	0.0000	1.0000	100.00
1.5	18,480,733		0.0000	1.0000	100.00
2.5	18,395,765	1,901	0.0001	0.9999	100.00
3.5	16,334,737		0.0000	1.0000	99.99
4.5	16,205,438		0.0000	1.0000	99.99
5.5	16,182,709	197	0.0000	1.0000	99.99
6.5	16,090,835	7,448	0.0005	0.9995	99.99
7.5	15,856,546	3,177	0.0002	0.9998	99.94
8.5	14,623,563	118,884	0.0081	0.9919	99.92
9.5	7,356,882	5,022	0.0007	0.9993	99.11
10.5	7,254,848		0.0000	1.0000	99.04
11.5	7,059,322	4,865	0.0007	0.9993	99.04
12.5	7,040,581		0.0000	1.0000	98.97
13.5	6,999,825		0.0000	1.0000	98.97
14.5	6,979,716		0.0000	1.0000	98.97
15.5	6,763,071		0.0000	1.0000	98.97
16.5	6,462,231	7,614	0.0012	0.9988	98.97
17.5	6,331,361		0.0000	1.0000	98.86
18.5	6,191,309		0.0000	1.0000	98.86
19.5	4,821,704	48,723	0.0101	0.9899	98.86
20.5	4,536,798	652	0.0001	0.9999	97.86
21.5	4,332,439		0.0000	1.0000	97.84
22.5	4,269,497		0.0000	1.0000	97.84
23.5	3,957,456		0.0000	1.0000	97.84
24.5	3,803,954		0.0000	1.0000	97.84
25.5	3,933,955		0.0000	1.0000	97.84
26.5	3,901,404	579	0.0001	0.9999	97.84
27.5	3,900,605	39,668	0.0102	0.9898	97.83
28.5	3,844,896		0.0000	1.0000	96.83
29.5	2,922,577		0.0000	1.0000	96.83
30.5	2,108,168		0.0000	1.0000	96.83
31.5	2,204,930		0.0000	1.0000	96.83
32.5	2,204,930		0.0000	1.0000	96.83
33.5	2,204,930		0.0000	1.0000	96.83
34.5	2,193,785	1,656	0.0008	0.9992	96.83
35.5	1,805,521	23,459	0.0130	0.9870	96.76
36.5	1,779,829		0.0000	1.0000	95.50
37.5	1,769,938		0.0000	1.0000	95.50
38.5	1,677,121		0.0000	1.0000	95.50

AQUA PENNSYLVANIA, INC.

ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2017 EXPERIENCE BAND 1961-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,677,121	124,690	0.0743	0.9257	95.50
40.5	1,545,422		0.0000	1.0000	88.40
41.5	1,545,422		0.0000	1.0000	88.40
42.5	1,545,422		0.0000	1.0000	88.40
43.5	1,545,422		0.0000	1.0000	88.40
44.5	1,545,422		0.0000	1.0000	88.40
45.5	1,544,593		0.0000	1.0000	88.40
46.5	1,543,776		0.0000	1.0000	88.40
47.5	1,305,086		0.0000	1.0000	88.40
48.5	751,266		0.0000	1.0000	88.40
49.5	751,266		0.0000	1.0000	88.40
50.5	477,194		0.0000	1.0000	88.40
51.5	476,670		0.0000	1.0000	88.40
52.5	480,020		0.0000	1.0000	88.40
53.5	480,020		0.0000	1.0000	88.40
54.5	480,020	4,445	0.0093	0.9907	88.40
55.5	378,708		0.0000	1.0000	87.59
56.5	368,866		0.0000	1.0000	87.59
57.5	328,834		0.0000	1.0000	87.59
58.5	47,584		0.0000	1.0000	87.59
59.5	20,096		0.0000	1.0000	87.59
60.5	20,096		0.0000	1.0000	87.59
61.5	20,096		0.0000	1.0000	87.59
62.5	4,355		0.0000	1.0000	87.59
63.5	4,355		0.0000	1.0000	87.59
64.5	4,355		0.0000	1.0000	87.59
65.5	4,355		0.0000	1.0000	87.59
66.5	4,355		0.0000	1.0000	87.59
67.5	4,355		0.0000	1.0000	87.59
68.5	5,516	383	0.0694	0.9306	87.59
69.5	5,133	1,763	0.3435	0.6565	81.51
70.5	3,370		0.0000	1.0000	53.51
71.5	3,370	662	0.1965	0.8035	53.51
72.5	2,708		0.0000	1.0000	43.00
73.5	2,708		0.0000	1.0000	43.00
74.5	2,708		0.0000	1.0000	43.00
75.5	2,708		0.0000	1.0000	43.00
76.5	2,708		0.0000	1.0000	43.00
77.5	1,493		0.0000	1.0000	43.00
78.5	1,493		0.0000	1.0000	43.00

AQUA PENNSYLVANIA, INC.

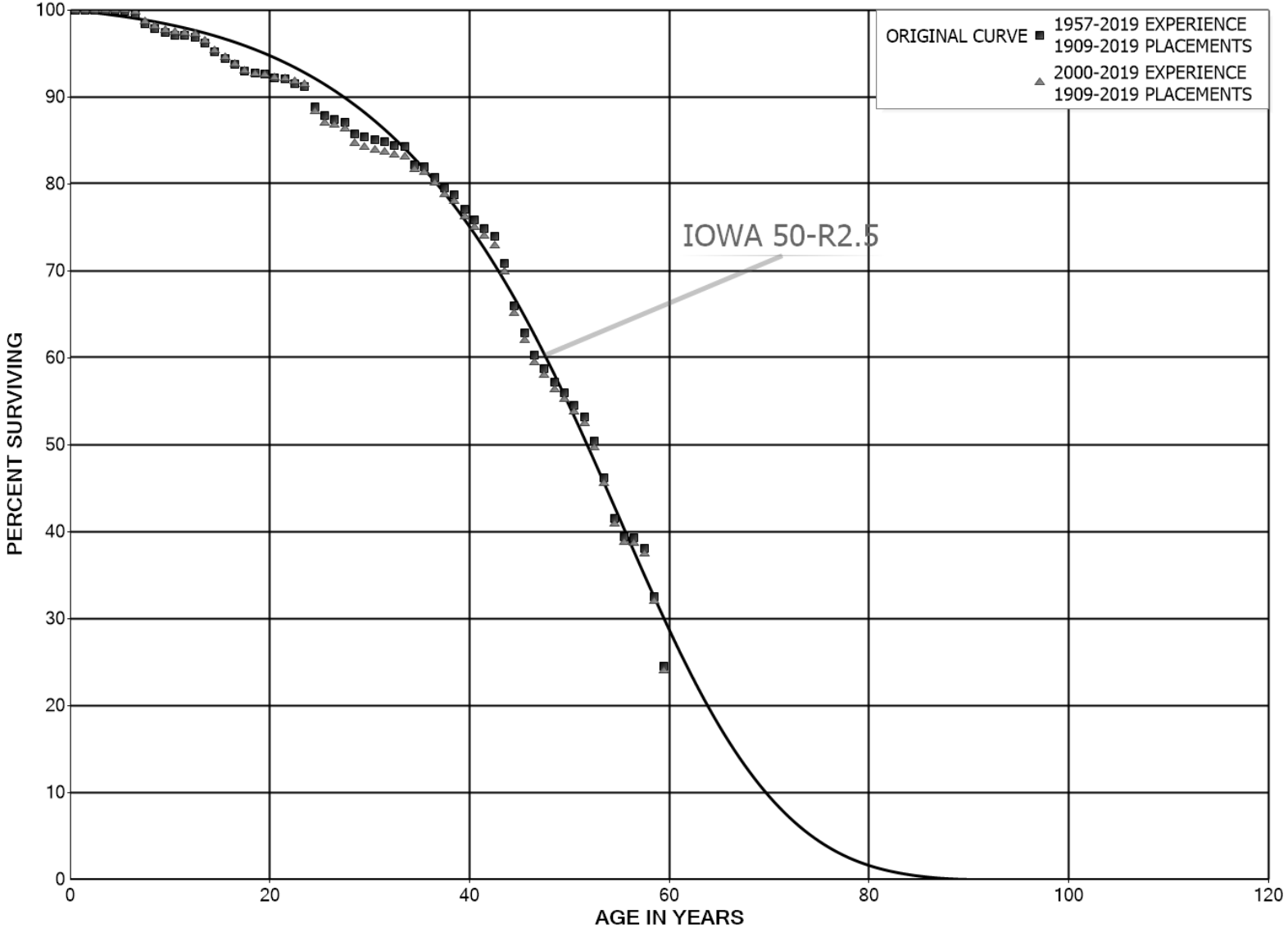
ACCOUNT 306 LAKE, RIVER AND OTHER INTAKES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1892-2017 EXPERIENCE BAND 1961-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,493		0.0000	1.0000	43.00
80.5	1,493		0.0000	1.0000	43.00
81.5	1,493		0.0000	1.0000	43.00
82.5	1,493	332	0.2222	0.7778	43.00
83.5	1,161		0.0000	1.0000	33.44
84.5	1,161		0.0000	1.0000	33.44
85.5	1,161		0.0000	1.0000	33.44
86.5	1,161		0.0000	1.0000	33.44
87.5	1,161		0.0000	1.0000	33.44
88.5	1,161		0.0000	1.0000	33.44
89.5	1,161		0.0000	1.0000	33.44
90.5	1,161		0.0000	1.0000	33.44
91.5	1,161		0.0000	1.0000	33.44
92.5	1,161		0.0000	1.0000	33.44
93.5	1,161		0.0000	1.0000	33.44
94.5	1,161		0.0000	1.0000	33.44
95.5	1,161		0.0000	1.0000	33.44
96.5	1,161		0.0000	1.0000	33.44
97.5	1,161		0.0000	1.0000	33.44
98.5	1,161		0.0000	1.0000	33.44
99.5	10,592		0.0000	1.0000	33.44
100.5	10,592		0.0000	1.0000	33.44
101.5	10,592		0.0000	1.0000	33.44
102.5	10,592	1,161	0.1097	0.8903	33.44
103.5	9,431	6,073	0.6439	0.3561	29.78
104.5	3,358		0.0000	1.0000	10.60
105.5	3,358		0.0000	1.0000	10.60
106.5	3,358		0.0000	1.0000	10.60
107.5	3,358		0.0000	1.0000	10.60
108.5	3,358		0.0000	1.0000	10.60
109.5	3,358		0.0000	1.0000	10.60
110.5					10.60

AQUA PENNSYLVANIA, INC.
ACCOUNT 307 WELLS AND SPRINGS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1957-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	82,717,650	2,681	0.0000	1.0000	100.00
0.5	76,444,894	3,167	0.0000	1.0000	100.00
1.5	72,384,063	44,183	0.0006	0.9994	99.99
2.5	55,672,143	8,810	0.0002	0.9998	99.93
3.5	54,057,850	7,006	0.0001	0.9999	99.92
4.5	45,637,266	53,082	0.0012	0.9988	99.90
5.5	45,198,826	114,321	0.0025	0.9975	99.79
6.5	44,201,019	511,142	0.0116	0.9884	99.53
7.5	38,979,145	227,650	0.0058	0.9942	98.38
8.5	36,735,023	159,438	0.0043	0.9957	97.81
9.5	32,028,385	107,690	0.0034	0.9966	97.38
10.5	28,978,326	9,744	0.0003	0.9997	97.06
11.5	24,216,173	49,508	0.0020	0.9980	97.02
12.5	22,125,737	146,635	0.0066	0.9934	96.83
13.5	20,500,586	223,962	0.0109	0.9891	96.18
14.5	19,231,902	147,595	0.0077	0.9923	95.13
15.5	17,861,947	129,141	0.0072	0.9928	94.40
16.5	17,210,582	140,251	0.0081	0.9919	93.72
17.5	10,362,761	27,918	0.0027	0.9973	92.96
18.5	10,432,155	9,655	0.0009	0.9991	92.71
19.5	8,908,754	43,064	0.0048	0.9952	92.62
20.5	8,160,049	11,503	0.0014	0.9986	92.17
21.5	8,019,697	49,924	0.0062	0.9938	92.04
22.5	7,701,360	24,471	0.0032	0.9968	91.47
23.5	7,689,135	196,507	0.0256	0.9744	91.18
24.5	7,411,693	83,090	0.0112	0.9888	88.85
25.5	7,167,347	36,025	0.0050	0.9950	87.85
26.5	7,051,587	31,428	0.0045	0.9955	87.41
27.5	6,865,031	106,122	0.0155	0.9845	87.02
28.5	6,411,806	20,608	0.0032	0.9968	85.68
29.5	5,995,887	24,526	0.0041	0.9959	85.40
30.5	5,643,489	16,531	0.0029	0.9971	85.05
31.5	5,159,247	21,922	0.0042	0.9958	84.80
32.5	4,864,399	7,771	0.0016	0.9984	84.44
33.5	4,952,226	123,677	0.0250	0.9750	84.31
34.5	4,499,021	14,252	0.0032	0.9968	82.20
35.5	3,858,604	56,209	0.0146	0.9854	81.94
36.5	3,796,542	59,453	0.0157	0.9843	80.75
37.5	3,672,686	34,215	0.0093	0.9907	79.48
38.5	3,447,644	71,951	0.0209	0.9791	78.74

AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1957-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,113,852	50,531	0.0162	0.9838	77.10
40.5	2,941,025	37,547	0.0128	0.9872	75.85
41.5	2,265,357	29,732	0.0131	0.9869	74.88
42.5	2,238,446	93,956	0.0420	0.9580	73.90
43.5	2,138,291	144,988	0.0678	0.9322	70.80
44.5	1,947,903	91,793	0.0471	0.9529	66.00
45.5	1,609,115	66,254	0.0412	0.9588	62.89
46.5	1,382,309	35,592	0.0257	0.9743	60.30
47.5	1,287,476	34,569	0.0268	0.9732	58.74
48.5	1,195,887	25,083	0.0210	0.9790	57.17
49.5	1,063,609	27,363	0.0257	0.9743	55.97
50.5	835,599	21,061	0.0252	0.9748	54.53
51.5	730,914	37,793	0.0517	0.9483	53.15
52.5	595,500	50,010	0.0840	0.9160	50.40
53.5	492,638	49,974	0.1014	0.8986	46.17
54.5	288,607	14,411	0.0499	0.9501	41.49
55.5	216,244	884	0.0041	0.9959	39.42
56.5	182,949	5,488	0.0300	0.9700	39.26
57.5	158,038	23,162	0.1466	0.8534	38.08
58.5	120,779	29,522	0.2444	0.7556	32.50
59.5	63,116	3,336	0.0529	0.9471	24.55
60.5	52,892	7,333	0.1386	0.8614	23.26
61.5	41,413	9,548	0.2305	0.7695	20.03
62.5	11,257	589	0.0523	0.9477	15.41
63.5	10,668	5,223	0.4896	0.5104	14.61
64.5	5,445	493	0.0906	0.9094	7.46
65.5	4,952		0.0000	1.0000	6.78
66.5	3,318		0.0000	1.0000	6.78
67.5	6,681	212	0.0317	0.9683	6.78
68.5	6,469		0.0000	1.0000	6.57
69.5	3,220		0.0000	1.0000	6.57
70.5	3,220		0.0000	1.0000	6.57
71.5	3,220		0.0000	1.0000	6.57
72.5	3,220	32	0.0099	0.9901	6.57
73.5	3,188	1,535	0.4814	0.5186	6.50
74.5	1,654		0.0000	1.0000	3.37
75.5	1,654		0.0000	1.0000	3.37
76.5	1,861		0.0000	1.0000	3.37
77.5	37,715		0.0000	1.0000	3.37
78.5	37,715		0.0000	1.0000	3.37

AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1957-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	37,715		0.0000	1.0000	3.37
80.5	37,715		0.0000	1.0000	3.37
81.5	37,715		0.0000	1.0000	3.37
82.5	37,715		0.0000	1.0000	3.37
83.5	37,715		0.0000	1.0000	3.37
84.5	37,715		0.0000	1.0000	3.37
85.5	37,715		0.0000	1.0000	3.37
86.5	37,715		0.0000	1.0000	3.37
87.5	37,715		0.0000	1.0000	3.37
88.5	37,715		0.0000	1.0000	3.37
89.5	37,715	372	0.0099	0.9901	3.37
90.5	37,343	52	0.0014	0.9986	3.34
91.5	37,291	21	0.0006	0.9994	3.33
92.5	37,270	536	0.0144	0.9856	3.33
93.5	36,735	26,093	0.7103	0.2897	3.28
94.5	1,654		0.0000	1.0000	0.95
95.5	1,654		0.0000	1.0000	0.95
96.5	5,700		0.0000	1.0000	0.95
97.5	5,700		0.0000	1.0000	0.95
98.5	5,700		0.0000	1.0000	0.95
99.5	5,700	541	0.0949	0.9051	0.95
100.5	5,159	2,313	0.4483	0.5517	0.86
101.5	2,846	1,193	0.4190	0.5810	0.47
102.5	1,654	60	0.0363	0.9637	0.28
103.5	1,594		0.0000	1.0000	0.27
104.5	1,594		0.0000	1.0000	0.27
105.5	1,594		0.0000	1.0000	0.27
106.5	1,594		0.0000	1.0000	0.27
107.5	1,594		0.0000	1.0000	0.27
108.5	1,594	14	0.0088	0.9912	0.27
109.5	1,579		0.0000	1.0000	0.26
110.5					0.26

AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	77,348,489	2,681	0.0000	1.0000	100.00
0.5	72,806,460	0	0.0000	1.0000	100.00
1.5	69,263,139		0.0000	1.0000	100.00
2.5	52,503,043	4,517	0.0001	0.9999	100.00
3.5	50,772,667	6,741	0.0001	0.9999	99.99
4.5	42,398,282	13,585	0.0003	0.9997	99.97
5.5	41,603,965	104,910	0.0025	0.9975	99.94
6.5	40,592,189	447,709	0.0110	0.9890	99.69
7.5	35,505,595	199,401	0.0056	0.9944	98.59
8.5	33,337,740	155,032	0.0047	0.9953	98.04
9.5	29,040,143	67,332	0.0023	0.9977	97.58
10.5	26,150,675	7,194	0.0003	0.9997	97.36
11.5	21,529,606	43,079	0.0020	0.9980	97.33
12.5	19,786,554	141,742	0.0072	0.9928	97.13
13.5	18,349,453	223,787	0.0122	0.9878	96.44
14.5	17,111,359	144,977	0.0085	0.9915	95.26
15.5	15,622,075	126,827	0.0081	0.9919	94.45
16.5	14,927,822	118,156	0.0079	0.9921	93.69
17.5	7,857,905	27,918	0.0036	0.9964	92.95
18.5	8,109,259	6,980	0.0009	0.9991	92.62
19.5	6,581,210	24,479	0.0037	0.9963	92.54
20.5	6,029,487	8,895	0.0015	0.9985	92.19
21.5	5,773,566	22,116	0.0038	0.9962	92.06
22.5	5,739,644	20,931	0.0036	0.9964	91.70
23.5	5,760,205	195,946	0.0340	0.9660	91.37
24.5	5,420,304	82,979	0.0153	0.9847	88.26
25.5	5,608,794	12,852	0.0023	0.9977	86.91
26.5	5,688,120	31,428	0.0055	0.9945	86.71
27.5	5,487,094	106,122	0.0193	0.9807	86.23
28.5	5,061,069	20,608	0.0041	0.9959	84.56
29.5	4,766,133	24,526	0.0051	0.9949	84.22
30.5	4,589,157	9,420	0.0021	0.9979	83.79
31.5	4,242,212	18,813	0.0044	0.9956	83.61
32.5	4,136,464	6,351	0.0015	0.9985	83.24
33.5	4,262,780	76,650	0.0180	0.9820	83.12
34.5	4,040,059	14,252	0.0035	0.9965	81.62
35.5	3,550,734	56,209	0.0158	0.9842	81.33
36.5	3,521,677	59,453	0.0169	0.9831	80.05
37.5	3,443,224	34,215	0.0099	0.9901	78.69
38.5	3,271,229	71,951	0.0220	0.9780	77.91

AQUA PENNSYLVANIA, INC.

ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,980,186	50,531	0.0170	0.9830	76.20
40.5	2,807,359	37,547	0.0134	0.9866	74.91
41.5	2,146,795	29,732	0.0138	0.9862	73.90
42.5	2,231,464	93,956	0.0421	0.9579	72.88
43.5	2,131,309	144,988	0.0680	0.9320	69.81
44.5	1,940,921	91,793	0.0473	0.9527	65.06
45.5	1,604,804	66,254	0.0413	0.9587	61.99
46.5	1,380,645	35,592	0.0258	0.9742	59.43
47.5	1,284,158	34,569	0.0269	0.9731	57.90
48.5	1,192,569	25,083	0.0210	0.9790	56.34
49.5	1,060,292	27,363	0.0258	0.9742	55.15
50.5	832,281	21,061	0.0253	0.9747	53.73
51.5	727,596	37,793	0.0519	0.9481	52.37
52.5	592,183	50,010	0.0845	0.9155	49.65
53.5	489,320	49,974	0.1021	0.8979	45.46
54.5	286,954	14,411	0.0502	0.9498	40.81
55.5	214,590	884	0.0041	0.9959	38.76
56.5	181,295	5,488	0.0303	0.9697	38.60
57.5	156,384	23,162	0.1481	0.8519	37.44
58.5	119,126	29,522	0.2478	0.7522	31.89
59.5	61,463	3,336	0.0543	0.9457	23.99
60.5	51,238	7,333	0.1431	0.8569	22.69
61.5	39,760	9,548	0.2401	0.7599	19.44
62.5	9,603	589	0.0613	0.9387	14.77
63.5	9,014	5,223	0.5794	0.4206	13.86
64.5	3,792	493	0.1301	0.8699	5.83
65.5	3,299		0.0000	1.0000	5.07
66.5	1,664		0.0000	1.0000	5.07
67.5	5,028	212	0.0422	0.9578	5.07
68.5	4,816		0.0000	1.0000	4.86
69.5	1,567		0.0000	1.0000	4.86
70.5	1,567		0.0000	1.0000	4.86
71.5	1,567		0.0000	1.0000	4.86
72.5	1,567	32	0.0204	0.9796	4.86
73.5	1,535	1,535	1.0000		4.76
74.5					
75.5					
76.5	208		0.0000		
77.5	36,062		0.0000		
78.5	36,062		0.0000		

AQUA PENNSYLVANIA, INC.

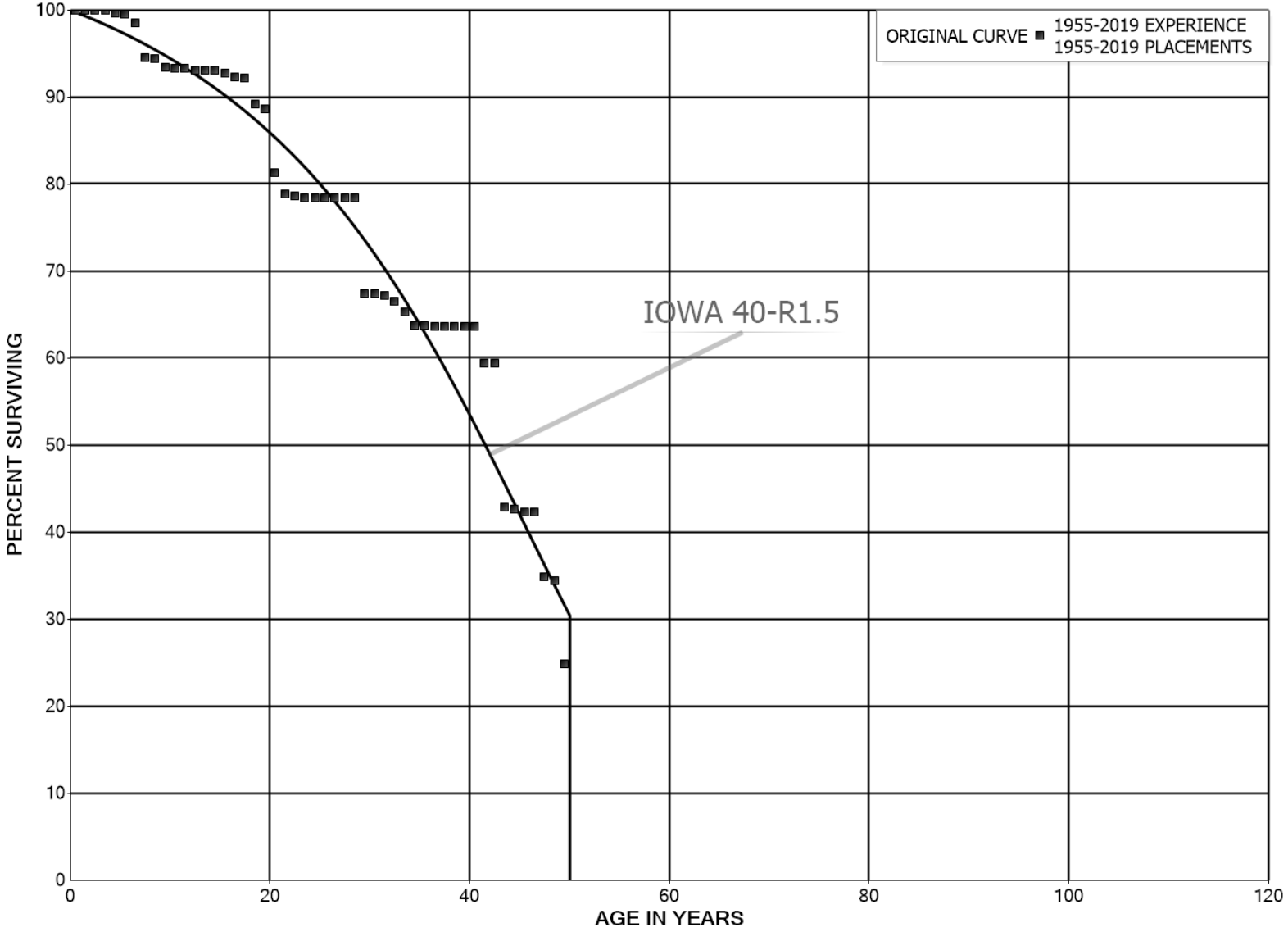
ACCOUNT 307 WELLS AND SPRINGS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	36,062		0.0000		
80.5	36,062		0.0000		
81.5	36,062		0.0000		
82.5	36,062		0.0000		
83.5	36,062		0.0000		
84.5	36,062		0.0000		
85.5	36,062		0.0000		
86.5	36,062		0.0000		
87.5	36,062		0.0000		
88.5	36,062		0.0000		
89.5	36,062	372	0.0103		
90.5	37,343	52	0.0014		
91.5	37,291	21	0.0006		
92.5	37,270	536	0.0144		
93.5	36,735	26,093	0.7103		
94.5	1,654		0.0000		
95.5	1,654		0.0000		
96.5	5,700		0.0000		
97.5	5,700		0.0000		
98.5	5,700		0.0000		
99.5	5,700	541	0.0949		
100.5	5,159	2,313	0.4483		
101.5	2,846	1,193	0.4190		
102.5	1,654	60	0.0363		
103.5	1,594		0.0000		
104.5	1,594		0.0000		
105.5	1,594		0.0000		
106.5	1,594		0.0000		
107.5	1,594		0.0000		
108.5	1,594	14	0.0088		
109.5	1,579		0.0000		
110.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1955-2019 EXPERIENCE BAND 1955-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	31,745,134		0.0000	1.0000	100.00
0.5	26,674,569	0	0.0000	1.0000	100.00
1.5	24,747,769		0.0000	1.0000	100.00
2.5	24,130,902	4,216	0.0002	0.9998	100.00
3.5	23,684,170	92,658	0.0039	0.9961	99.98
4.5	21,406,776	8,980	0.0004	0.9996	99.59
5.5	21,147,229	215,057	0.0102	0.9898	99.55
6.5	20,676,550	849,234	0.0411	0.9589	98.54
7.5	19,705,645	28,095	0.0014	0.9986	94.49
8.5	11,512,996	117,443	0.0102	0.9898	94.36
9.5	4,268,866	3,339	0.0008	0.9992	93.39
10.5	3,186,367		0.0000	1.0000	93.32
11.5	2,426,173	5,936	0.0024	0.9976	93.32
12.5	1,211,789	755	0.0006	0.9994	93.09
13.5	749,210		0.0000	1.0000	93.03
14.5	674,364	1,930	0.0029	0.9971	93.03
15.5	760,477	4,205	0.0055	0.9945	92.77
16.5	716,416	420	0.0006	0.9994	92.25
17.5	521,640	16,901	0.0324	0.9676	92.20
18.5	504,739	3,365	0.0067	0.9933	89.21
19.5	408,047	33,963	0.0832	0.9168	88.62
20.5	501,754	14,989	0.0299	0.9701	81.24
21.5	486,765	1,337	0.0027	0.9973	78.82
22.5	813,028	1,660	0.0020	0.9980	78.60
23.5	796,378		0.0000	1.0000	78.44
24.5	822,849		0.0000	1.0000	78.44
25.5	822,849		0.0000	1.0000	78.44
26.5	822,849	675	0.0008	0.9992	78.44
27.5	659,175	160	0.0002	0.9998	78.37
28.5	658,215	92,202	0.1401	0.8599	78.35
29.5	539,542		0.0000	1.0000	67.38
30.5	549,772	1,929	0.0035	0.9965	67.38
31.5	483,798	4,317	0.0089	0.9911	67.14
32.5	460,166	8,551	0.0186	0.9814	66.54
33.5	428,395	10,230	0.0239	0.9761	65.31
34.5	315,565	175	0.0006	0.9994	63.75
35.5	315,390	381	0.0012	0.9988	63.71
36.5	315,010		0.0000	1.0000	63.64
37.5	315,010		0.0000	1.0000	63.64
38.5	315,010		0.0000	1.0000	63.64

AQUA PENNSYLVANIA, INC.

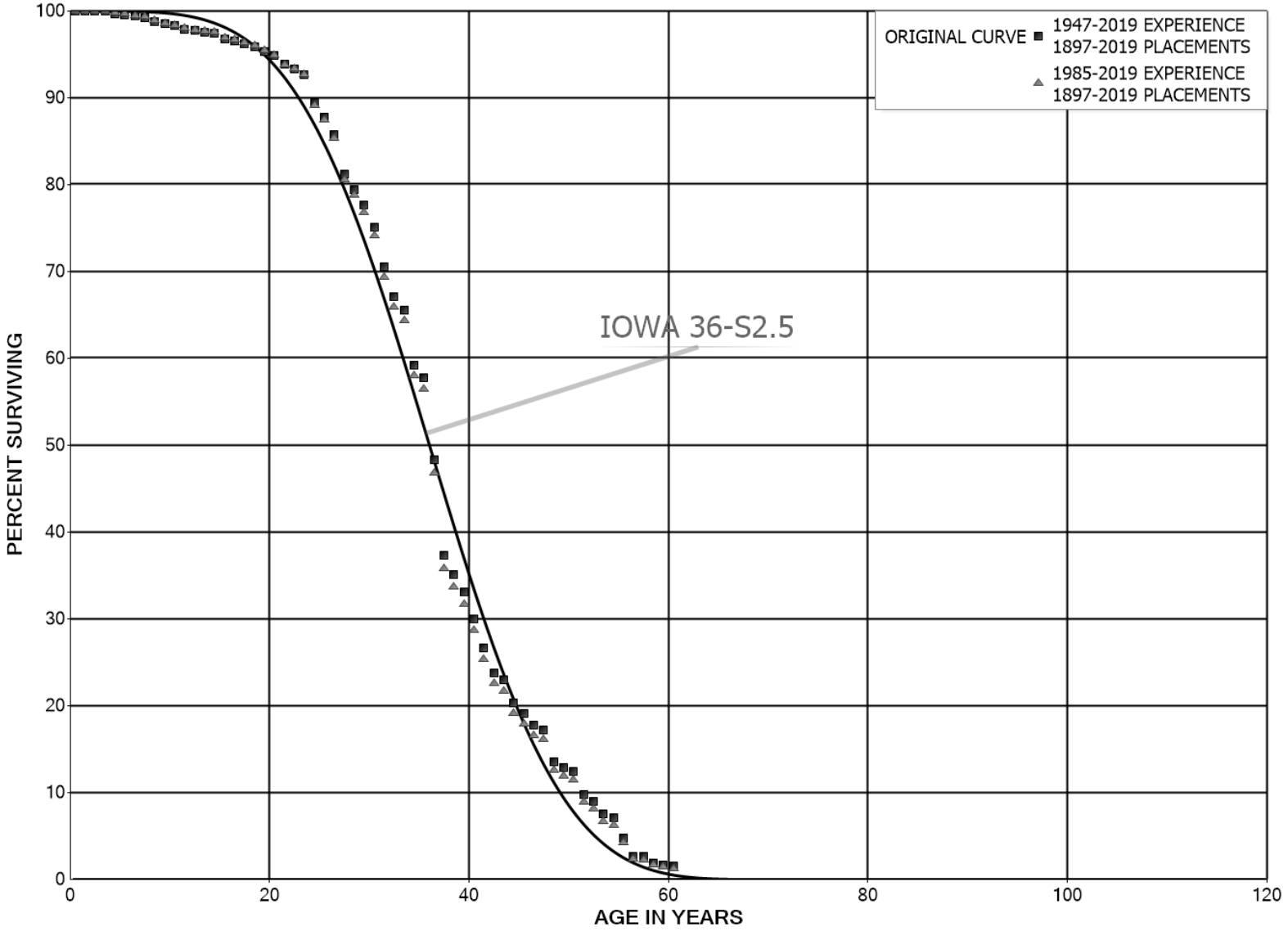
ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1955-2019 EXPERIENCE BAND 1955-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	315,010		0.0000	1.0000	63.64
40.5	315,010	21,215	0.0673	0.9327	63.64
41.5	293,795		0.0000	1.0000	59.35
42.5	293,795	81,541	0.2775	0.7225	59.35
43.5	212,254	1,043	0.0049	0.9951	42.88
44.5	191,195	1,478	0.0077	0.9923	42.67
45.5	189,718		0.0000	1.0000	42.34
46.5	189,718	33,660	0.1774	0.8226	42.34
47.5	156,057	1,808	0.0116	0.9884	34.83
48.5	154,250	42,783	0.2774	0.7226	34.42
49.5	111,467	111,467	1.0000		24.87
50.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	98,869,191	0	0.0000	1.0000	100.00
0.5	96,543,601	2,729	0.0000	1.0000	100.00
1.5	98,517,029	55,238	0.0006	0.9994	100.00
2.5	94,124,565	47,349	0.0005	0.9995	99.94
3.5	91,733,490	203,272	0.0022	0.9978	99.89
4.5	87,258,984	108,846	0.0012	0.9988	99.67
5.5	85,340,121	154,052	0.0018	0.9982	99.55
6.5	81,841,441	148,144	0.0018	0.9982	99.37
7.5	77,006,405	348,815	0.0045	0.9955	99.19
8.5	72,911,715	200,870	0.0028	0.9972	98.74
9.5	70,565,962	148,702	0.0021	0.9979	98.46
10.5	68,084,781	272,132	0.0040	0.9960	98.26
11.5	66,152,812	96,727	0.0015	0.9985	97.86
12.5	59,804,401	105,726	0.0018	0.9982	97.72
13.5	56,395,383	106,850	0.0019	0.9981	97.55
14.5	53,209,107	325,812	0.0061	0.9939	97.36
15.5	51,578,851	147,286	0.0029	0.9971	96.77
16.5	50,694,030	160,926	0.0032	0.9968	96.49
17.5	49,955,304	179,676	0.0036	0.9964	96.18
18.5	48,155,967	256,343	0.0053	0.9947	95.84
19.5	43,663,871	239,477	0.0055	0.9945	95.33
20.5	41,737,163	439,010	0.0105	0.9895	94.81
21.5	39,734,098	204,155	0.0051	0.9949	93.81
22.5	38,546,894	275,960	0.0072	0.9928	93.33
23.5	36,717,667	1,299,209	0.0354	0.9646	92.66
24.5	32,249,658	604,691	0.0188	0.9812	89.38
25.5	30,942,035	707,893	0.0229	0.9771	87.70
26.5	27,258,467	1,434,248	0.0526	0.9474	85.70
27.5	25,034,874	547,113	0.0219	0.9781	81.19
28.5	16,508,458	379,113	0.0230	0.9770	79.41
29.5	15,106,574	494,661	0.0327	0.9673	77.59
30.5	13,479,902	823,533	0.0611	0.9389	75.05
31.5	11,673,300	560,273	0.0480	0.9520	70.46
32.5	8,211,858	195,812	0.0238	0.9762	67.08
33.5	7,688,727	734,954	0.0956	0.9044	65.48
34.5	6,993,555	175,730	0.0251	0.9749	59.22
35.5	6,843,388	1,123,668	0.1642	0.8358	57.74
36.5	5,730,532	1,308,589	0.2284	0.7716	48.26
37.5	4,483,568	264,620	0.0590	0.9410	37.24
38.5	4,234,984	238,286	0.0563	0.9437	35.04

AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,993,946	372,473	0.0933	0.9067	33.07
40.5	3,637,609	405,991	0.1116	0.8884	29.98
41.5	3,235,556	348,642	0.1078	0.8922	26.64
42.5	2,898,414	98,977	0.0341	0.9659	23.77
43.5	2,808,862	320,255	0.1140	0.8860	22.95
44.5	2,492,168	160,435	0.0644	0.9356	20.34
45.5	2,331,733	163,148	0.0700	0.9300	19.03
46.5	2,169,163	61,351	0.0283	0.9717	17.70
47.5	2,110,464	446,513	0.2116	0.7884	17.20
48.5	1,661,132	88,216	0.0531	0.9469	13.56
49.5	1,570,382	51,417	0.0327	0.9673	12.84
50.5	1,518,965	329,266	0.2168	0.7832	12.42
51.5	1,189,699	98,877	0.0831	0.9169	9.73
52.5	1,105,855	175,629	0.1588	0.8412	8.92
53.5	930,226	59,167	0.0636	0.9364	7.50
54.5	871,059	278,860	0.3201	0.6799	7.02
55.5	592,200	266,100	0.4493	0.5507	4.78
56.5	325,479	5,316	0.0163	0.9837	2.63
57.5	325,912	88,301	0.2709	0.7291	2.59
58.5	237,611	33,657	0.1416	0.8584	1.89
59.5	203,954	20,485	0.1004	0.8996	1.62
60.5	183,470	88,542	0.4826	0.5174	1.46
61.5	97,199	761	0.0078	0.9922	0.75
62.5	96,438	13,211	0.1370	0.8630	0.75
63.5	82,402	17,351	0.2106	0.7894	0.65
64.5	65,051	7,692	0.1182	0.8818	0.51
65.5	57,359	3,967	0.0692	0.9308	0.45
66.5	49,220	15,745	0.3199	0.6801	0.42
67.5	34,955		0.0000	1.0000	0.28
68.5	65,343	3,750	0.0574	0.9426	0.28
69.5	61,594	6,332	0.1028	0.8972	0.27
70.5	55,262		0.0000	1.0000	0.24
71.5	55,262	363	0.0066	0.9934	0.24
72.5	57,481		0.0000	1.0000	0.24
73.5	57,481		0.0000	1.0000	0.24
74.5	57,481	28,488	0.4956	0.5044	0.24
75.5	28,993	4,265	0.1471	0.8529	0.12
76.5	24,728	233	0.0094	0.9906	0.10
77.5	24,495	14,146	0.5775	0.4225	0.10
78.5	10,349	1,641	0.1586	0.8414	0.04

AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	8,708		0.0000	1.0000	0.04
80.5	8,708		0.0000	1.0000	0.04
81.5	8,708		0.0000	1.0000	0.04
82.5	8,708	3,854	0.4425	0.5575	0.04
83.5	4,854		0.0000	1.0000	0.02
84.5	4,854	2,272	0.4681	0.5319	0.02
85.5	2,582		0.0000	1.0000	0.01
86.5	2,582		0.0000	1.0000	0.01
87.5	2,582		0.0000	1.0000	0.01
88.5	2,582		0.0000	1.0000	0.01
89.5	2,582		0.0000	1.0000	0.01
90.5	2,582		0.0000	1.0000	0.01
91.5	2,582		0.0000	1.0000	0.01
92.5	2,582		0.0000	1.0000	0.01
93.5	2,582		0.0000	1.0000	0.01
94.5	2,582		0.0000	1.0000	0.01
95.5	2,582		0.0000	1.0000	0.01
96.5	2,582		0.0000	1.0000	0.01
97.5	2,582		0.0000	1.0000	0.01
98.5	2,582		0.0000	1.0000	0.01
99.5	2,582		0.0000	1.0000	0.01
100.5	2,582		0.0000	1.0000	0.01
101.5	2,582		0.0000	1.0000	0.01
102.5	2,582		0.0000	1.0000	0.01
103.5	2,582		0.0000	1.0000	0.01
104.5	2,582		0.0000	1.0000	0.01
105.5	2,582		0.0000	1.0000	0.01
106.5	2,582		0.0000	1.0000	0.01
107.5	2,582		0.0000	1.0000	0.01
108.5	2,582		0.0000	1.0000	0.01
109.5	2,582		0.0000	1.0000	0.01
110.5	2,582		0.0000	1.0000	0.01
111.5	2,582	2,582	1.0000		0.01
112.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	90,111,359	0	0.0000	1.0000	100.00
0.5	87,961,694	800	0.0000	1.0000	100.00
1.5	90,182,774	46,898	0.0005	0.9995	100.00
2.5	86,023,116	39,743	0.0005	0.9995	99.95
3.5	83,869,737	185,122	0.0022	0.9978	99.90
4.5	79,540,620	75,554	0.0009	0.9991	99.68
5.5	77,786,575	147,775	0.0019	0.9981	99.59
6.5	74,519,401	121,380	0.0016	0.9984	99.40
7.5	69,799,677	295,578	0.0042	0.9958	99.23
8.5	65,876,702	190,164	0.0029	0.9971	98.81
9.5	63,866,652	136,671	0.0021	0.9979	98.53
10.5	61,481,895	264,567	0.0043	0.9957	98.32
11.5	60,008,472	75,051	0.0013	0.9987	97.90
12.5	54,580,111	87,034	0.0016	0.9984	97.77
13.5	51,365,897	84,302	0.0016	0.9984	97.62
14.5	48,295,568	316,313	0.0065	0.9935	97.46
15.5	46,943,776	111,494	0.0024	0.9976	96.82
16.5	46,242,881	153,250	0.0033	0.9967	96.59
17.5	45,968,405	166,710	0.0036	0.9964	96.27
18.5	44,292,500	251,746	0.0057	0.9943	95.92
19.5	40,101,054	236,924	0.0059	0.9941	95.37
20.5	38,329,116	430,555	0.0112	0.9888	94.81
21.5	36,477,716	196,272	0.0054	0.9946	93.75
22.5	35,355,326	253,231	0.0072	0.9928	93.24
23.5	34,158,590	1,287,379	0.0377	0.9623	92.57
24.5	29,776,286	574,012	0.0193	0.9807	89.08
25.5	28,698,540	697,443	0.0243	0.9757	87.37
26.5	25,451,230	1,425,413	0.0560	0.9440	85.24
27.5	23,345,266	507,934	0.0218	0.9782	80.47
28.5	15,047,833	375,413	0.0249	0.9751	78.72
29.5	13,710,946	478,637	0.0349	0.9651	76.75
30.5	12,578,419	808,542	0.0643	0.9357	74.08
31.5	11,113,944	558,367	0.0502	0.9498	69.31
32.5	7,670,976	179,933	0.0235	0.9765	65.83
33.5	7,346,833	728,629	0.0992	0.9008	64.29
34.5	6,684,496	174,422	0.0261	0.9739	57.91
35.5	6,547,595	1,117,615	0.1707	0.8293	56.40
36.5	5,556,830	1,307,937	0.2354	0.7646	46.77
37.5	4,310,553	263,799	0.0612	0.9388	35.76
38.5	4,076,453	236,337	0.0580	0.9420	33.58

AQUA PENNSYLVANIA, INC.

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,837,535	372,324	0.0970	0.9030	31.63
40.5	3,514,689	402,915	0.1146	0.8854	28.56
41.5	3,116,648	348,642	0.1119	0.8881	25.29
42.5	2,779,507	98,977	0.0356	0.9644	22.46
43.5	2,699,540	320,172	0.1186	0.8814	21.66
44.5	2,386,030	156,515	0.0656	0.9344	19.09
45.5	2,237,620	161,664	0.0722	0.9278	17.84
46.5	2,075,956	58,485	0.0282	0.9718	16.55
47.5	2,020,241	446,513	0.2210	0.7790	16.08
48.5	1,570,908	88,216	0.0562	0.9438	12.53
49.5	1,484,226	51,417	0.0346	0.9654	11.82
50.5	1,432,809	327,989	0.2289	0.7711	11.41
51.5	1,110,921	98,877	0.0890	0.9110	8.80
52.5	1,027,226	175,629	0.1710	0.8290	8.02
53.5	907,136	59,167	0.0652	0.9348	6.65
54.5	847,969	275,413	0.3248	0.6752	6.21
55.5	572,557	265,476	0.4637	0.5363	4.20
56.5	306,823	5,316	0.0173	0.9827	2.25
57.5	307,257	88,060	0.2866	0.7134	2.21
58.5	228,259	33,657	0.1474	0.8526	1.58
59.5	194,602	20,485	0.1053	0.8947	1.34
60.5	174,512	88,542	0.5074	0.4926	1.20
61.5	88,242	761	0.0086	0.9914	0.59
62.5	87,481	13,211	0.1510	0.8490	0.59
63.5	74,273	17,351	0.2336	0.7664	0.50
64.5	56,922	7,692	0.1351	0.8649	0.38
65.5	49,230		0.0000	1.0000	0.33
66.5	45,058	15,745	0.3494	0.6506	0.33
67.5	30,793		0.0000	1.0000	0.22
68.5	61,181	1,579	0.0258	0.9742	0.22
69.5	59,601	5,715	0.0959	0.9041	0.21
70.5	53,887		0.0000	1.0000	0.19
71.5	55,199	363	0.0066	0.9934	0.19
72.5	54,836		0.0000	1.0000	0.19
73.5	54,836		0.0000	1.0000	0.19
74.5	54,899	28,488	0.5189	0.4811	0.19
75.5	26,411	4,265	0.1615	0.8385	0.09
76.5	22,146	233	0.0105	0.9895	0.08
77.5	21,913	14,146	0.6456	0.3544	0.08
78.5	7,767	1,641	0.2113	0.7887	0.03

AQUA PENNSYLVANIA, INC.

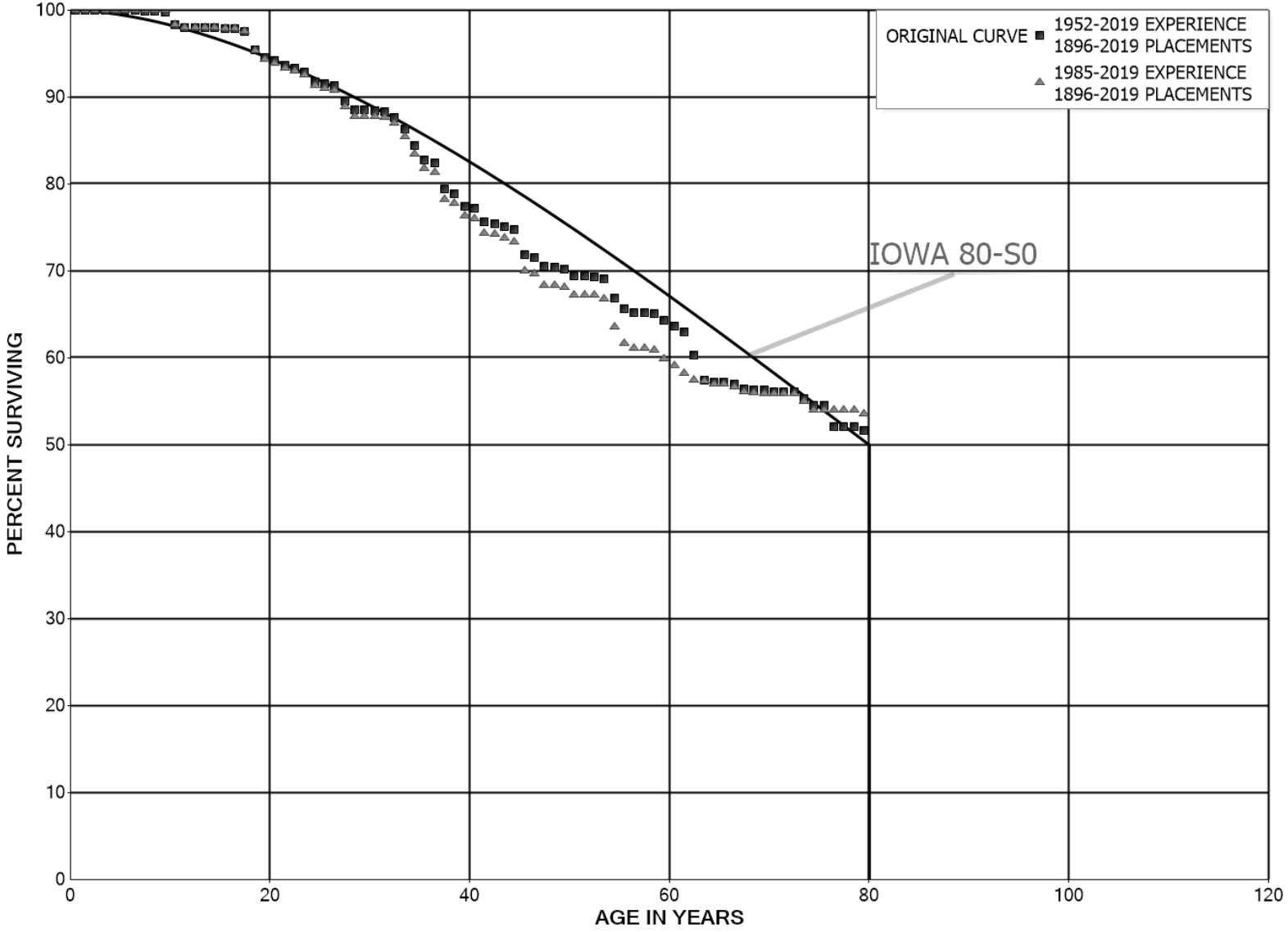
ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1897-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	6,126		0.0000	1.0000	0.02
80.5	6,126		0.0000	1.0000	0.02
81.5	6,126		0.0000	1.0000	0.02
82.5	6,126	3,854	0.6291	0.3709	0.02
83.5	2,272		0.0000	1.0000	0.01
84.5	2,272	2,272	1.0000		0.01
85.5					
86.5					
87.5	2,582		0.0000		
88.5	2,582		0.0000		
89.5	2,582		0.0000		
90.5	2,582		0.0000		
91.5	2,582		0.0000		
92.5	2,582		0.0000		
93.5	2,582		0.0000		
94.5	2,582		0.0000		
95.5	2,582		0.0000		
96.5	2,582		0.0000		
97.5	2,582		0.0000		
98.5	2,582		0.0000		
99.5	2,582		0.0000		
100.5	2,582		0.0000		
101.5	2,582		0.0000		
102.5	2,582		0.0000		
103.5	2,582		0.0000		
104.5	2,582		0.0000		
105.5	2,582		0.0000		
106.5	2,582		0.0000		
107.5	2,582		0.0000		
108.5	2,582		0.0000		
109.5	2,582		0.0000		
110.5	2,582		0.0000		
111.5	2,582	2,582	1.0000		
112.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	112,173,118	12	0.0000	1.0000	100.00
0.5	112,148,982	4,176	0.0000	1.0000	100.00
1.5	112,298,883	1,410	0.0000	1.0000	100.00
2.5	126,537,062	39,010	0.0003	0.9997	100.00
3.5	128,223,187	20,480	0.0002	0.9998	99.96
4.5	124,534,510	28,916	0.0002	0.9998	99.95
5.5	125,233,943	7,797	0.0001	0.9999	99.93
6.5	118,560,020	47,148	0.0004	0.9996	99.92
7.5	92,132,658	25,802	0.0003	0.9997	99.88
8.5	88,901,675	70,246	0.0008	0.9992	99.85
9.5	82,911,136	1,227,485	0.0148	0.9852	99.77
10.5	79,391,669	277,743	0.0035	0.9965	98.30
11.5	78,174,554	4,083	0.0001	0.9999	97.95
12.5	77,226,636	11,554	0.0001	0.9999	97.95
13.5	64,312,282	5,022	0.0001	0.9999	97.93
14.5	62,749,935	60,009	0.0010	0.9990	97.92
15.5	54,407,019	5,867	0.0001	0.9999	97.83
16.5	53,158,988	160,245	0.0030	0.9970	97.82
17.5	50,774,551	1,112,093	0.0219	0.9781	97.52
18.5	48,974,181	458,357	0.0094	0.9906	95.39
19.5	46,062,070	181,850	0.0039	0.9961	94.50
20.5	43,068,918	249,595	0.0058	0.9942	94.12
21.5	35,459,655	108,041	0.0030	0.9970	93.58
22.5	31,869,413	138,284	0.0043	0.9957	93.29
23.5	29,972,840	374,968	0.0125	0.9875	92.89
24.5	26,603,370	69,086	0.0026	0.9974	91.73
25.5	26,294,093	61,499	0.0023	0.9977	91.49
26.5	21,675,459	425,177	0.0196	0.9804	91.27
27.5	21,000,576	230,854	0.0110	0.9890	89.48
28.5	16,147,141	8,057	0.0005	0.9995	88.50
29.5	15,086,655	4,419	0.0003	0.9997	88.46
30.5	14,309,385	15,079	0.0011	0.9989	88.43
31.5	11,589,303	95,957	0.0083	0.9917	88.34
32.5	11,243,886	174,627	0.0155	0.9845	87.60
33.5	11,044,155	240,098	0.0217	0.9783	86.24
34.5	10,758,578	211,425	0.0197	0.9803	84.37
35.5	9,287,897	35,928	0.0039	0.9961	82.71
36.5	7,584,658	275,205	0.0363	0.9637	82.39
37.5	7,369,060	48,147	0.0065	0.9935	79.40
38.5	7,180,702	133,604	0.0186	0.9814	78.88

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,986,229	23,687	0.0034	0.9966	77.42
40.5	6,482,503	131,998	0.0204	0.9796	77.15
41.5	5,574,535	10,418	0.0019	0.9981	75.58
42.5	5,322,758	23,379	0.0044	0.9956	75.44
43.5	4,588,122	26,339	0.0057	0.9943	75.11
44.5	4,393,325	167,298	0.0381	0.9619	74.68
45.5	4,179,057	16,359	0.0039	0.9961	71.83
46.5	4,057,838	61,248	0.0151	0.9849	71.55
47.5	3,111,798	4,125	0.0013	0.9987	70.47
48.5	3,096,664	10,931	0.0035	0.9965	70.38
49.5	3,079,852	30,204	0.0098	0.9902	70.13
50.5	2,950,203	2,003	0.0007	0.9993	69.44
51.5	2,676,261	2,547	0.0010	0.9990	69.40
52.5	2,009,062	8,494	0.0042	0.9958	69.33
53.5	1,597,609	49,863	0.0312	0.9688	69.04
54.5	1,543,328	29,977	0.0194	0.9806	66.88
55.5	1,469,966	8,170	0.0056	0.9944	65.58
56.5	1,441,523	394	0.0003	0.9997	65.22
57.5	1,331,663	3,815	0.0029	0.9971	65.20
58.5	1,292,678	15,099	0.0117	0.9883	65.01
59.5	1,277,560	13,179	0.0103	0.9897	64.25
60.5	1,262,053	13,748	0.0109	0.9891	63.59
61.5	1,243,792	52,411	0.0421	0.9579	62.90
62.5	1,143,860	53,145	0.0465	0.9535	60.25
63.5	1,088,120	5,176	0.0048	0.9952	57.45
64.5	1,082,945		0.0000	1.0000	57.18
65.5	1,082,657	4,567	0.0042	0.9958	57.18
66.5	1,077,379	9,279	0.0086	0.9914	56.93
67.5	1,068,033	2,055	0.0019	0.9981	56.44
68.5	1,065,720	1,285	0.0012	0.9988	56.34
69.5	1,064,194	3,620	0.0034	0.9966	56.27
70.5	1,057,617		0.0000	1.0000	56.08
71.5	664,586		0.0000	1.0000	56.08
72.5	664,586	9,202	0.0138	0.9862	56.08
73.5	654,034	8,851	0.0135	0.9865	55.30
74.5	645,183		0.0000	1.0000	54.55
75.5	645,135	28,984	0.0449	0.9551	54.55
76.5	551,138		0.0000	1.0000	52.10
77.5	495,281	716	0.0014	0.9986	52.10
78.5	424,735	3,582	0.0084	0.9916	52.03

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	410,613		0.0000	1.0000	51.59
80.5	410,090		0.0000	1.0000	51.59
81.5	408,413		0.0000	1.0000	51.59
82.5	314,055	76	0.0002	0.9998	51.59
83.5	313,979		0.0000	1.0000	51.57
84.5	301,263		0.0000	1.0000	51.57
85.5	300,224		0.0000	1.0000	51.57
86.5	209,087		0.0000	1.0000	51.57
87.5	201,635		0.0000	1.0000	51.57
88.5	185,143		0.0000	1.0000	51.57
89.5	184,611		0.0000	1.0000	51.57
90.5	184,611		0.0000	1.0000	51.57
91.5	184,611		0.0000	1.0000	51.57
92.5	184,449	870	0.0047	0.9953	51.57
93.5	181,552		0.0000	1.0000	51.33
94.5	181,132	154	0.0009	0.9991	51.33
95.5	170,938		0.0000	1.0000	51.29
96.5	155,553	83	0.0005	0.9995	51.29
97.5	146,711	627	0.0043	0.9957	51.26
98.5	146,083	39,074	0.2675	0.7325	51.04
99.5	107,010	1,236	0.0116	0.9884	37.39
100.5	74,364		0.0000	1.0000	36.96
101.5	74,364		0.0000	1.0000	36.96
102.5	74,364		0.0000	1.0000	36.96
103.5	74,364		0.0000	1.0000	36.96
104.5	74,364	558	0.0075	0.9925	36.96
105.5	73,806	5,856	0.0793	0.9207	36.68
106.5	67,950	259	0.0038	0.9962	33.77
107.5	67,690	583	0.0086	0.9914	33.64
108.5	67,107	695	0.0104	0.9896	33.35
109.5	66,412	2,691	0.0405	0.9595	33.00
110.5	4,673		0.0000	1.0000	31.67
111.5	4,673		0.0000	1.0000	31.67
112.5	4,673	4,673	1.0000		31.67
113.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	101,477,072		0.0000	1.0000	100.00
0.5	101,533,697		0.0000	1.0000	100.00
1.5	102,889,440		0.0000	1.0000	100.00
2.5	117,299,139	263	0.0000	1.0000	100.00
3.5	118,665,311	144	0.0000	1.0000	100.00
4.5	115,113,006	26,252	0.0002	0.9998	100.00
5.5	115,949,642		0.0000	1.0000	99.98
6.5	109,394,967	3,264	0.0000	1.0000	99.98
7.5	83,049,394	5,443	0.0001	0.9999	99.97
8.5	80,966,406	9,610	0.0001	0.9999	99.97
9.5	75,080,712	1,216,943	0.0162	0.9838	99.96
10.5	72,980,816	273,428	0.0037	0.9963	98.34
11.5	72,458,137	1,394	0.0000	1.0000	97.97
12.5	72,619,903	10,072	0.0001	0.9999	97.97
13.5	59,866,613	3,334	0.0001	0.9999	97.95
14.5	58,372,930	56,295	0.0010	0.9990	97.95
15.5	50,125,623	5,229	0.0001	0.9999	97.85
16.5	49,201,074	152,173	0.0031	0.9969	97.84
17.5	47,080,459	1,110,481	0.0236	0.9764	97.54
18.5	45,297,457	457,927	0.0101	0.9899	95.24
19.5	42,496,012	179,729	0.0042	0.9958	94.28
20.5	39,419,122	245,768	0.0062	0.9938	93.88
21.5	31,807,385	108,041	0.0034	0.9966	93.29
22.5	28,351,213	128,537	0.0045	0.9955	92.97
23.5	26,545,250	372,388	0.0140	0.9860	92.55
24.5	23,584,634	65,292	0.0028	0.9972	91.25
25.5	23,893,417	61,489	0.0026	0.9974	91.00
26.5	19,533,059	423,968	0.0217	0.9783	90.77
27.5	19,532,995	228,573	0.0117	0.9883	88.80
28.5	15,045,126	7,903	0.0005	0.9995	87.76
29.5	13,977,282	4,180	0.0003	0.9997	87.71
30.5	13,250,849	6,048	0.0005	0.9995	87.69
31.5	10,579,333	87,519	0.0083	0.9917	87.65
32.5	10,253,619	174,547	0.0170	0.9830	86.92
33.5	10,057,507	239,627	0.0238	0.9762	85.44
34.5	9,772,661	200,835	0.0206	0.9794	83.41
35.5	8,305,405	35,908	0.0043	0.9957	81.69
36.5	7,029,676	274,511	0.0391	0.9609	81.34
37.5	6,814,965	35,945	0.0053	0.9947	78.16
38.5	6,612,804	128,548	0.0194	0.9806	77.75

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,422,962	23,683	0.0037	0.9963	76.24
40.5	5,881,530	129,530	0.0220	0.9780	75.96
41.5	4,923,982	9,920	0.0020	0.9980	74.28
42.5	4,586,714	23,379	0.0051	0.9949	74.13
43.5	3,852,335	25,910	0.0067	0.9933	73.76
44.5	3,659,852	166,731	0.0456	0.9544	73.26
45.5	3,446,916	16,160	0.0047	0.9953	69.92
46.5	3,325,897	60,658	0.0182	0.9818	69.60
47.5	2,382,146	68	0.0000	1.0000	68.33
48.5	2,371,584	10,734	0.0045	0.9955	68.32
49.5	2,355,289	27,461	0.0117	0.9883	68.02
50.5	2,228,785	138	0.0001	0.9999	67.22
51.5	1,959,141	836	0.0004	0.9996	67.22
52.5	1,312,651	8,277	0.0063	0.9937	67.19
53.5	1,028,992	49,863	0.0485	0.9515	66.77
54.5	988,771	29,496	0.0298	0.9702	63.53
55.5	911,385	8,170	0.0090	0.9910	61.64
56.5	885,320	394	0.0004	0.9996	61.08
57.5	874,518	2,735	0.0031	0.9969	61.06
58.5	838,640	14,518	0.0173	0.9827	60.86
59.5	825,645	10,173	0.0123	0.9877	59.81
60.5	886,224	13,080	0.0148	0.9852	59.07
61.5	972,129	14,295	0.0147	0.9853	58.20
62.5	920,589	1,260	0.0014	0.9986	57.35
63.5	916,734	5,176	0.0056	0.9944	57.27
64.5	912,090		0.0000	1.0000	56.94
65.5	911,802	4,527	0.0050	0.9950	56.94
66.5	906,564	9,279	0.0102	0.9898	56.66
67.5	897,219	2,055	0.0023	0.9977	56.08
68.5	905,292	1,196	0.0013	0.9987	55.95
69.5	905,313		0.0000	1.0000	55.88
70.5	902,566		0.0000	1.0000	55.88
71.5	528,592		0.0000	1.0000	55.88
72.5	528,592	9,159	0.0173	0.9827	55.88
73.5	518,084	8,612	0.0166	0.9834	54.91
74.5	509,472		0.0000	1.0000	54.00
75.5	593,055		0.0000	1.0000	54.00
76.5	528,042		0.0000	1.0000	54.00
77.5	472,185	562	0.0012	0.9988	54.00
78.5	401,793	3,582	0.0089	0.9911	53.93

AQUA PENNSYLVANIA, INC.

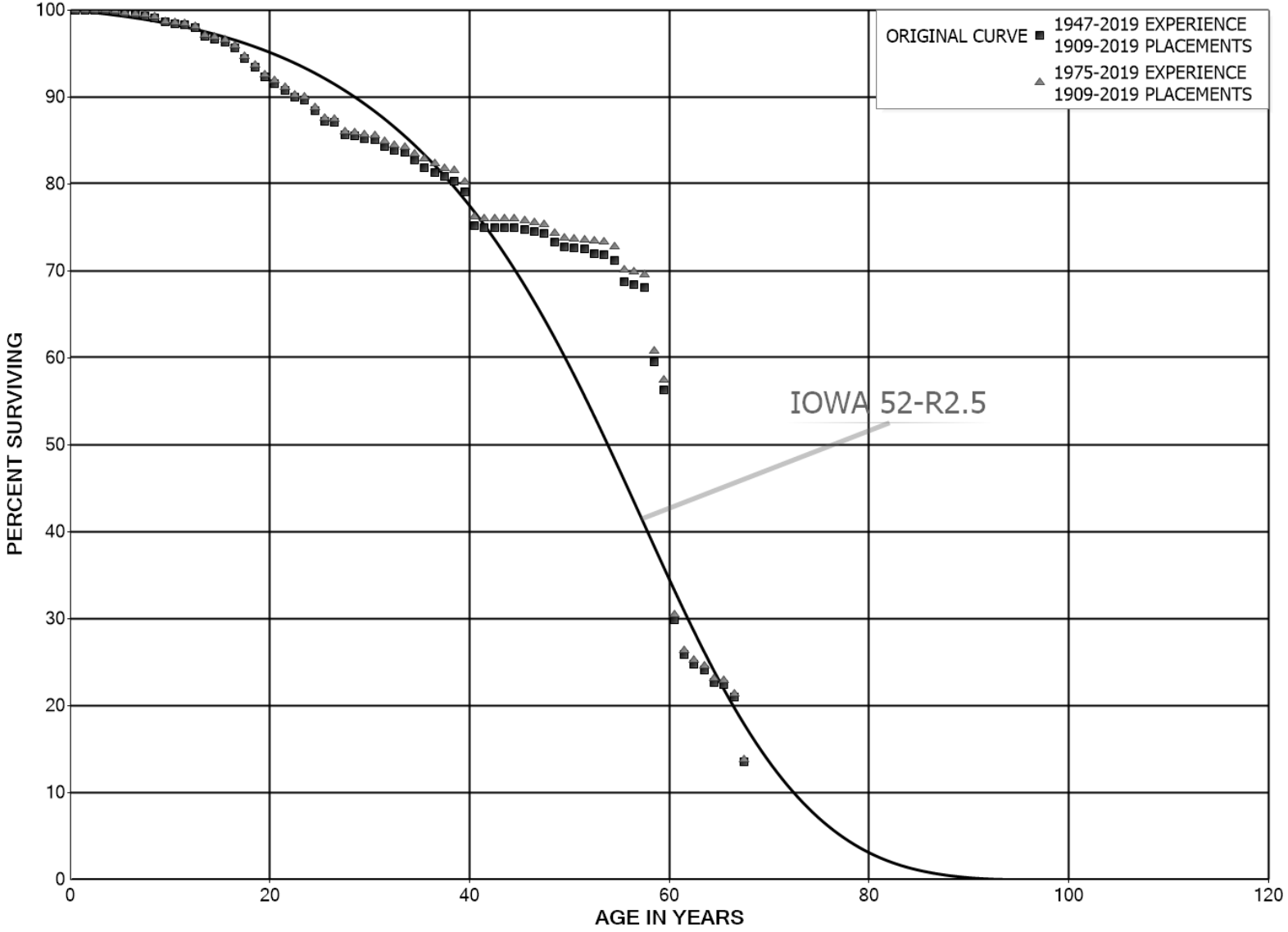
ACCOUNT 320.1 PURIFICATION SYSTEM - STRUCTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1896-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	387,671		0.0000	1.0000	53.45
80.5	387,148		0.0000	1.0000	53.45
81.5	385,776		0.0000	1.0000	53.45
82.5	291,418	76	0.0003	0.9997	53.45
83.5	291,342		0.0000	1.0000	53.44
84.5	278,626		0.0000	1.0000	53.44
85.5	295,551		0.0000	1.0000	53.44
86.5	204,414		0.0000	1.0000	53.44
87.5	196,961		0.0000	1.0000	53.44
88.5	185,143		0.0000	1.0000	53.44
89.5	184,611		0.0000	1.0000	53.44
90.5	184,611		0.0000	1.0000	53.44
91.5	184,611		0.0000	1.0000	53.44
92.5	184,449	870	0.0047	0.9953	53.44
93.5	181,552		0.0000	1.0000	53.19
94.5	181,132	154	0.0009	0.9991	53.19
95.5	170,938		0.0000	1.0000	53.14
96.5	155,553	83	0.0005	0.9995	53.14
97.5	146,711	627	0.0043	0.9957	53.11
98.5	146,083	39,074	0.2675	0.7325	52.89
99.5	107,010	1,236	0.0116	0.9884	38.74
100.5	74,364		0.0000	1.0000	38.29
101.5	74,364		0.0000	1.0000	38.29
102.5	74,364		0.0000	1.0000	38.29
103.5	74,364		0.0000	1.0000	38.29
104.5	74,364	558	0.0075	0.9925	38.29
105.5	73,806	5,856	0.0793	0.9207	38.01
106.5	67,950	259	0.0038	0.9962	34.99
107.5	67,690	583	0.0086	0.9914	34.86
108.5	67,107	695	0.0104	0.9896	34.56
109.5	66,412	2,691	0.0405	0.9595	34.20
110.5	4,673		0.0000	1.0000	32.81
111.5	4,673		0.0000	1.0000	32.81
112.5	4,673	4,673	1.0000		32.81
113.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	128,601,313		0.0000	1.0000	100.00
0.5	118,030,411	5,286	0.0000	1.0000	100.00
1.5	104,423,875	5,270	0.0001	0.9999	100.00
2.5	98,466,140	14,927	0.0002	0.9998	99.99
3.5	94,694,966	158,355	0.0017	0.9983	99.98
4.5	87,318,970	163,358	0.0019	0.9981	99.81
5.5	84,117,754	141,883	0.0017	0.9983	99.62
6.5	79,867,016	100,208	0.0013	0.9987	99.45
7.5	75,676,176	177,884	0.0024	0.9976	99.33
8.5	65,771,327	338,408	0.0051	0.9949	99.10
9.5	65,319,241	99,442	0.0015	0.9985	98.59
10.5	57,236,968	61,445	0.0011	0.9989	98.44
11.5	32,959,099	138,748	0.0042	0.9958	98.33
12.5	30,089,421	302,257	0.0100	0.9900	97.92
13.5	28,652,408	79,667	0.0028	0.9972	96.93
14.5	27,499,963	97,930	0.0036	0.9964	96.66
15.5	26,156,541	186,378	0.0071	0.9929	96.32
16.5	25,312,844	320,430	0.0127	0.9873	95.63
17.5	23,604,015	257,924	0.0109	0.9891	94.42
18.5	22,346,854	269,977	0.0121	0.9879	93.39
19.5	19,481,034	155,270	0.0080	0.9920	92.26
20.5	18,447,487	156,783	0.0085	0.9915	91.53
21.5	16,825,084	156,200	0.0093	0.9907	90.75
22.5	16,468,235	55,667	0.0034	0.9966	89.91
23.5	14,996,125	203,299	0.0136	0.9864	89.60
24.5	11,130,884	154,688	0.0139	0.9861	88.39
25.5	11,818,088	11,053	0.0009	0.9991	87.16
26.5	11,122,885	183,084	0.0165	0.9835	87.08
27.5	10,265,205	12,267	0.0012	0.9988	85.64
28.5	8,158,797	33,374	0.0041	0.9959	85.54
29.5	7,321,539	15,323	0.0021	0.9979	85.19
30.5	6,156,917	51,537	0.0084	0.9916	85.01
31.5	4,946,348	28,283	0.0057	0.9943	84.30
32.5	4,658,762	14,367	0.0031	0.9969	83.82
33.5	4,405,175	42,391	0.0096	0.9904	83.56
34.5	3,748,941	40,343	0.0108	0.9892	82.76
35.5	3,547,774	23,070	0.0065	0.9935	81.87
36.5	3,312,985	21,059	0.0064	0.9936	81.33
37.5	3,136,636	18,881	0.0060	0.9940	80.82
38.5	3,038,261	49,148	0.0162	0.9838	80.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,893,216	140,503	0.0486	0.9514	79.03
40.5	2,699,217	6,937	0.0026	0.9974	75.19
41.5	2,647,455	1,814	0.0007	0.9993	75.00
42.5	2,624,162	896	0.0003	0.9997	74.95
43.5	2,600,208	307	0.0001	0.9999	74.92
44.5	2,532,794	7,070	0.0028	0.9972	74.91
45.5	2,489,723	5,035	0.0020	0.9980	74.71
46.5	2,308,137	8,613	0.0037	0.9963	74.55
47.5	709,340	9,969	0.0141	0.9859	74.28
48.5	651,866	4,337	0.0067	0.9933	73.23
49.5	608,455	1,092	0.0018	0.9982	72.74
50.5	595,872	1,020	0.0017	0.9983	72.61
51.5	497,389	3,694	0.0074	0.9926	72.49
52.5	486,367	609	0.0013	0.9987	71.95
53.5	476,605	4,269	0.0090	0.9910	71.86
54.5	440,814	15,676	0.0356	0.9644	71.22
55.5	363,019	1,497	0.0041	0.9959	68.69
56.5	351,598	1,451	0.0041	0.9959	68.40
57.5	343,724	43,226	0.1258	0.8742	68.12
58.5	274,185	15,177	0.0554	0.9446	59.55
59.5	257,867	121,355	0.4706	0.5294	56.26
60.5	136,512	18,175	0.1331	0.8669	29.78
61.5	118,337	4,883	0.0413	0.9587	25.82
62.5	113,454	3,389	0.0299	0.9701	24.75
63.5	110,065	6,174	0.0561	0.9439	24.01
64.5	103,891	1,067	0.0103	0.9897	22.66
65.5	104,448	7,107	0.0680	0.9320	22.43
66.5	97,342	34,612	0.3556	0.6444	20.91
67.5	62,730	13,431	0.2141	0.7859	13.47
68.5	49,299	2,393	0.0485	0.9515	10.59
69.5	46,906	213	0.0045	0.9955	10.07
70.5	46,693	30	0.0006	0.9994	10.03
71.5	46,663	969	0.0208	0.9792	10.02
72.5	45,695	1,387	0.0304	0.9696	9.81
73.5	44,307		0.0000	1.0000	9.52
74.5	44,307		0.0000	1.0000	9.52
75.5	44,307	168	0.0038	0.9962	9.52
76.5	42,712		0.0000	1.0000	9.48
77.5	42,712		0.0000	1.0000	9.48
78.5	42,712		0.0000	1.0000	9.48

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	42,712	857	0.0201	0.9799	9.48
80.5	41,855	52	0.0012	0.9988	9.29
81.5	41,804		0.0000	1.0000	9.28
82.5	41,804	23,319	0.5578	0.4422	9.28
83.5	18,485	53	0.0029	0.9971	4.10
84.5	18,432	1,823	0.0989	0.9011	4.09
85.5	16,609	160	0.0097	0.9903	3.69
86.5	16,448		0.0000	1.0000	3.65
87.5	16,448	4,662	0.2834	0.7166	3.65
88.5	11,787	879	0.0746	0.9254	2.62
89.5	10,908	1,424	0.1305	0.8695	2.42
90.5	9,484	1,037	0.1094	0.8906	2.10
91.5	8,447	3,669	0.4344	0.5656	1.87
92.5	4,778	4,778	1.0000		1.06
93.5					
94.5					
95.5					
96.5					
97.5					
98.5					
99.5					
100.5	13,484		0.0000		
101.5	13,008		0.0000		
102.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1975-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	126,962,948		0.0000	1.0000	100.00
0.5	116,420,988	0	0.0000	1.0000	100.00
1.5	102,879,255	3,393	0.0000	1.0000	100.00
2.5	97,081,569	5,408	0.0001	0.9999	100.00
3.5	93,383,848	152,628	0.0016	0.9984	99.99
4.5	86,054,871	161,112	0.0019	0.9981	99.83
5.5	82,875,009	123,712	0.0015	0.9985	99.64
6.5	78,733,694	94,979	0.0012	0.9988	99.49
7.5	74,607,461	175,872	0.0024	0.9976	99.37
8.5	64,723,016	322,737	0.0050	0.9950	99.14
9.5	64,364,181	85,892	0.0013	0.9987	98.64
10.5	56,523,096	52,359	0.0009	0.9991	98.51
11.5	32,272,160	119,378	0.0037	0.9963	98.42
12.5	29,438,163	300,097	0.0102	0.9898	98.06
13.5	28,052,954	77,531	0.0028	0.9972	97.06
14.5	26,888,979	82,257	0.0031	0.9969	96.79
15.5	25,588,430	179,277	0.0070	0.9930	96.49
16.5	24,897,309	307,203	0.0123	0.9877	95.82
17.5	23,287,185	247,515	0.0106	0.9894	94.63
18.5	22,116,119	260,317	0.0118	0.9882	93.63
19.5	19,241,686	150,627	0.0078	0.9922	92.53
20.5	18,223,938	156,679	0.0086	0.9914	91.80
21.5	16,609,686	148,311	0.0089	0.9911	91.01
22.5	16,276,531	52,235	0.0032	0.9968	90.20
23.5	14,784,521	200,519	0.0136	0.9864	89.91
24.5	10,912,795	145,927	0.0134	0.9866	88.69
25.5	11,618,244	11,053	0.0010	0.9990	87.51
26.5	10,978,635	181,431	0.0165	0.9835	87.42
27.5	10,127,106	12,267	0.0012	0.9988	85.98
28.5	8,023,923	25,571	0.0032	0.9968	85.87
29.5	7,194,536	10,219	0.0014	0.9986	85.60
30.5	6,036,292	42,152	0.0070	0.9930	85.48
31.5	4,835,184	27,917	0.0058	0.9942	84.88
32.5	4,548,119	14,145	0.0031	0.9969	84.39
33.5	4,291,454	39,254	0.0091	0.9909	84.13
34.5	3,638,557	24,980	0.0069	0.9931	83.36
35.5	3,454,272	23,070	0.0067	0.9933	82.79
36.5	3,219,484	20,938	0.0065	0.9935	82.23
37.5	3,042,911	6,923	0.0023	0.9977	81.70
38.5	2,956,494	49,148	0.0166	0.9834	81.51

AQUA PENNSYLVANIA, INC.

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1975-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,813,235	140,503	0.0499	0.9501	80.16
40.5	2,619,237	6,232	0.0024	0.9976	76.15
41.5	2,569,246	1,814	0.0007	0.9993	75.97
42.5	2,568,034	230	0.0001	0.9999	75.92
43.5	2,545,439	307	0.0001	0.9999	75.91
44.5	2,483,706	6,999	0.0028	0.9972	75.90
45.5	2,440,706	4,518	0.0019	0.9981	75.69
46.5	2,259,638	8,613	0.0038	0.9962	75.55
47.5	668,305	8,617	0.0129	0.9871	75.26
48.5	613,839	4,337	0.0071	0.9929	74.29
49.5	570,428	1,092	0.0019	0.9981	73.77
50.5	560,563	1,020	0.0018	0.9982	73.63
51.5	481,745	393	0.0008	0.9992	73.49
52.5	486,022	609	0.0013	0.9987	73.43
53.5	476,260	4,269	0.0090	0.9910	73.34
54.5	440,470	15,676	0.0356	0.9644	72.68
55.5	362,675	1,497	0.0041	0.9959	70.10
56.5	351,254	1,451	0.0041	0.9959	69.81
57.5	343,379	43,226	0.1259	0.8741	69.52
58.5	273,841	15,177	0.0554	0.9446	60.77
59.5	257,523	121,355	0.4712	0.5288	57.40
60.5	136,168	18,175	0.1335	0.8665	30.35
61.5	117,992	4,883	0.0414	0.9586	26.30
62.5	113,109	3,389	0.0300	0.9700	25.21
63.5	109,721	6,174	0.0563	0.9437	24.46
64.5	103,546	1,067	0.0103	0.9897	23.08
65.5	104,448	7,107	0.0680	0.9320	22.84
66.5	97,342	34,612	0.3556	0.6444	21.29
67.5	62,730	13,431	0.2141	0.7859	13.72
68.5	49,299	2,393	0.0485	0.9515	10.78
69.5	46,906	213	0.0045	0.9955	10.26
70.5	46,693	30	0.0006	0.9994	10.21
71.5	46,663	969	0.0208	0.9792	10.20
72.5	45,695	1,387	0.0304	0.9696	9.99
73.5	44,307		0.0000	1.0000	9.69
74.5	44,307		0.0000	1.0000	9.69
75.5	44,307	168	0.0038	0.9962	9.69
76.5	42,712		0.0000	1.0000	9.65
77.5	42,712		0.0000	1.0000	9.65
78.5	42,712		0.0000	1.0000	9.65

AQUA PENNSYLVANIA, INC.

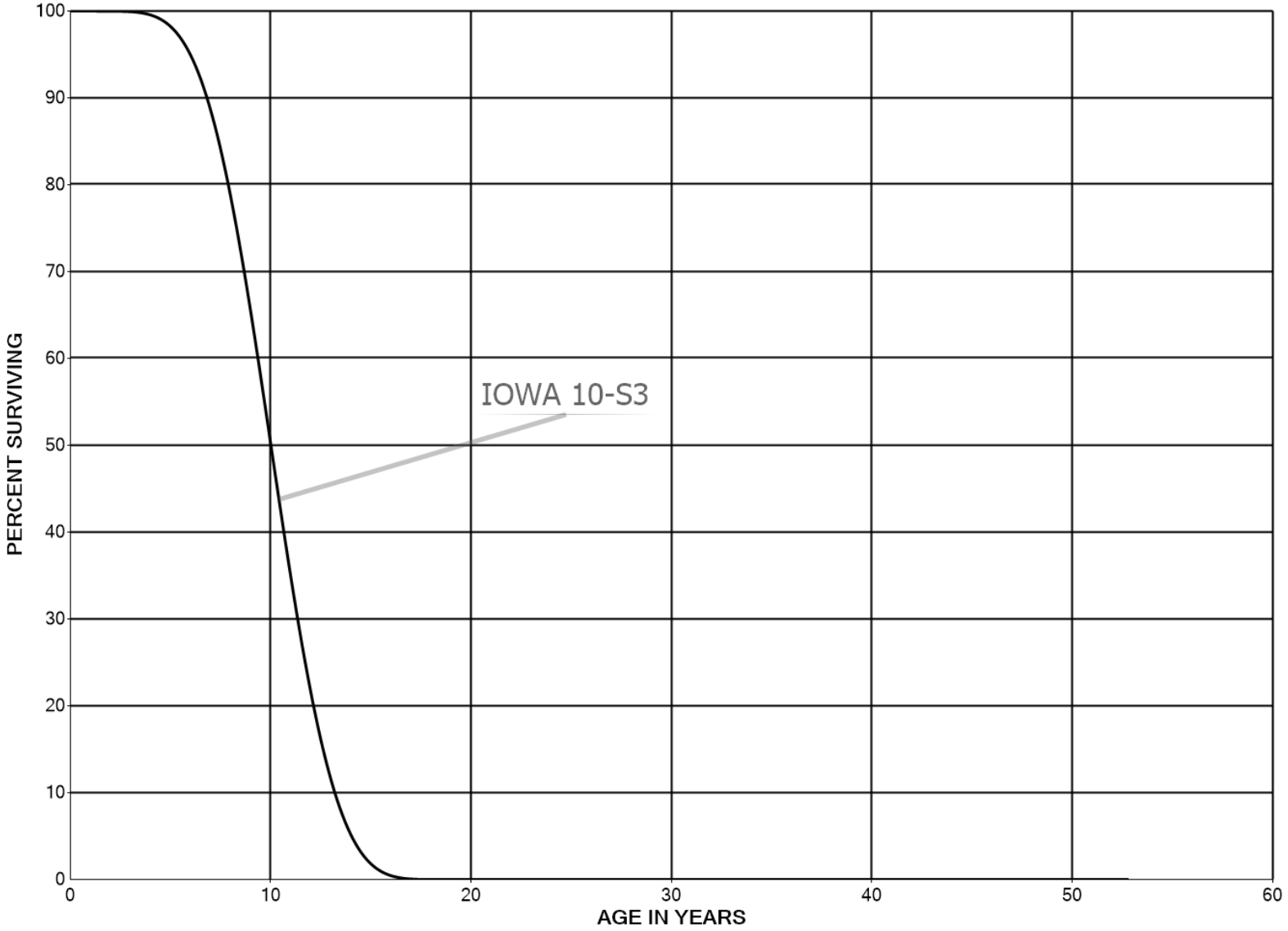
ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

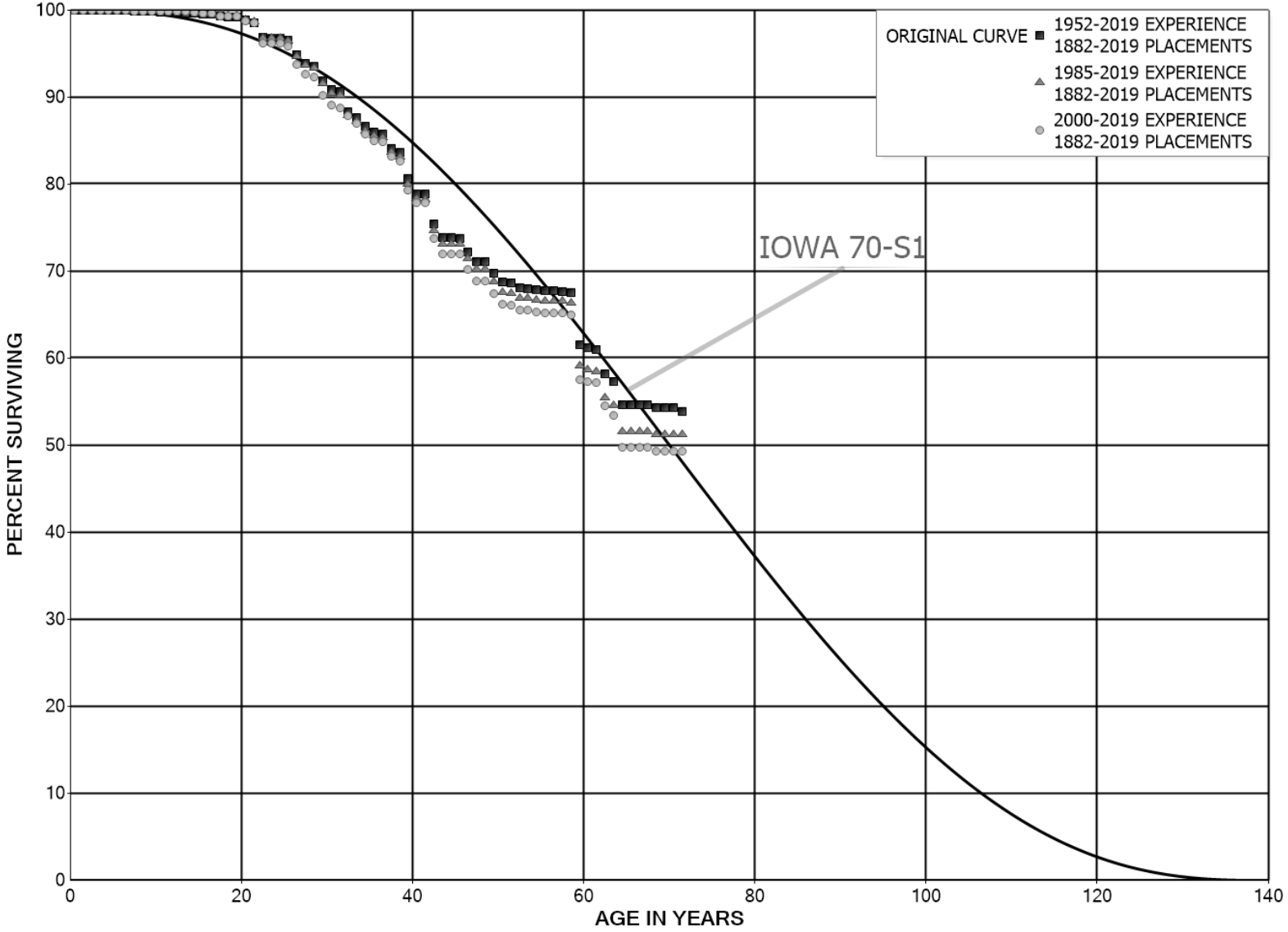
PLACEMENT BAND 1909-2019 EXPERIENCE BAND 1975-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	42,712	857	0.0201	0.9799	9.65
80.5	41,855	52	0.0012	0.9988	9.46
81.5	41,804		0.0000	1.0000	9.45
82.5	41,804	23,319	0.5578	0.4422	9.45
83.5	18,485	53	0.0029	0.9971	4.18
84.5	18,432	1,823	0.0989	0.9011	4.17
85.5	16,609	160	0.0097	0.9903	3.75
86.5	16,448		0.0000	1.0000	3.72
87.5	16,448	4,662	0.2834	0.7166	3.72
88.5	11,787	879	0.0746	0.9254	2.66
89.5	10,908	1,424	0.1305	0.8695	2.47
90.5	9,484	1,037	0.1094	0.8906	2.14
91.5	8,447	3,669	0.4344	0.5656	1.91
92.5	4,778	4,778	1.0000		1.08
93.5					
94.5					
95.5					
96.5					
97.5					
98.5					
99.5					
100.5	13,484		0.0000		
101.5	13,008		0.0000		
102.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 320.5 PURIFICATION SYSTEM - FILTER MEDIA
SMOOTH SURVIVOR CURVE



AQUA PENNSYLVANIA, INC.
ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	129,371,839	0	0.0000	1.0000	100.00
0.5	117,566,615	0	0.0000	1.0000	100.00
1.5	110,148,034	0	0.0000	1.0000	100.00
2.5	103,711,780	410	0.0000	1.0000	100.00
3.5	96,585,849	991	0.0000	1.0000	100.00
4.5	88,815,995	10,806	0.0001	0.9999	100.00
5.5	80,117,178	810	0.0000	1.0000	99.99
6.5	80,084,903	84,047	0.0010	0.9990	99.99
7.5	74,074,654	5,761	0.0001	0.9999	99.88
8.5	69,266,319	25,318	0.0004	0.9996	99.87
9.5	60,828,199	61,049	0.0010	0.9990	99.84
10.5	57,050,377	8,304	0.0001	0.9999	99.74
11.5	50,843,373	23,171	0.0005	0.9995	99.72
12.5	46,749,222	13,652	0.0003	0.9997	99.68
13.5	43,697,664	7,146	0.0002	0.9998	99.65
14.5	43,044,935	65,637	0.0015	0.9985	99.63
15.5	43,292,453	5,852	0.0001	0.9999	99.48
16.5	41,867,285	88,702	0.0021	0.9979	99.47
17.5	39,176,389	24,893	0.0006	0.9994	99.25
18.5	37,339,390	3,435	0.0001	0.9999	99.19
19.5	35,059,707	122,893	0.0035	0.9965	99.18
20.5	34,222,521	100,140	0.0029	0.9971	98.83
21.5	33,643,941	602,261	0.0179	0.9821	98.55
22.5	31,427,819	1,667	0.0001	0.9999	96.78
23.5	29,679,779	7,693	0.0003	0.9997	96.78
24.5	29,163,995	89,237	0.0031	0.9969	96.75
25.5	28,448,880	480,069	0.0169	0.9831	96.46
26.5	26,700,362	275,597	0.0103	0.9897	94.83
27.5	23,190,085	77,945	0.0034	0.9966	93.85
28.5	22,174,041	399,934	0.0180	0.9820	93.53
29.5	21,455,003	234,343	0.0109	0.9891	91.85
30.5	19,316,817	56,155	0.0029	0.9971	90.84
31.5	17,802,256	452,041	0.0254	0.9746	90.58
32.5	17,302,710	131,249	0.0076	0.9924	88.28
33.5	16,498,949	196,891	0.0119	0.9881	87.61
34.5	15,525,470	108,277	0.0070	0.9930	86.56
35.5	15,306,897	39,821	0.0026	0.9974	85.96
36.5	15,297,371	290,198	0.0190	0.9810	85.74
37.5	15,038,180	94,811	0.0063	0.9937	84.11
38.5	14,761,825	532,743	0.0361	0.9639	83.58

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	12,567,841	268,052	0.0213	0.9787	80.56
40.5	12,156,200	2,701	0.0002	0.9998	78.85
41.5	11,822,134	521,889	0.0441	0.9559	78.83
42.5	11,231,542	226,954	0.0202	0.9798	75.35
43.5	7,979,193	2,013	0.0003	0.9997	73.83
44.5	7,430,083	5,369	0.0007	0.9993	73.81
45.5	7,478,853	154,912	0.0207	0.9793	73.75
46.5	5,714,993	94,379	0.0165	0.9835	72.23
47.5	4,946,304	374	0.0001	0.9999	71.03
48.5	4,793,691	86,230	0.0180	0.9820	71.03
49.5	4,670,255	71,870	0.0154	0.9846	69.75
50.5	4,519,816	6,700	0.0015	0.9985	68.68
51.5	4,425,240	35,875	0.0081	0.9919	68.57
52.5	4,517,927	642	0.0001	0.9999	68.02
53.5	4,435,506	12,098	0.0027	0.9973	68.01
54.5	4,393,661	8,444	0.0019	0.9981	67.82
55.5	3,924,559	81	0.0000	1.0000	67.69
56.5	3,315,243	1,690	0.0005	0.9995	67.69
57.5	3,009,602	8,356	0.0028	0.9972	67.66
58.5	2,445,893	215,126	0.0880	0.9120	67.47
59.5	2,222,198	13,552	0.0061	0.9939	61.54
60.5	2,179,376	8,620	0.0040	0.9960	61.16
61.5	2,114,398	95,840	0.0453	0.9547	60.92
62.5	1,996,849	29,109	0.0146	0.9854	58.16
63.5	1,608,310	75,844	0.0472	0.9528	57.31
64.5	1,428,992	57	0.0000	1.0000	54.61
65.5	1,234,719		0.0000	1.0000	54.60
66.5	1,167,502		0.0000	1.0000	54.60
67.5	1,153,165	6,086	0.0053	0.9947	54.60
68.5	853,813		0.0000	1.0000	54.32
69.5	734,468		0.0000	1.0000	54.32
70.5	733,989	7,160	0.0098	0.9902	54.32
71.5	576,826	135	0.0002	0.9998	53.79
72.5	579,235	3,758	0.0065	0.9935	53.77
73.5	574,109	1,702	0.0030	0.9970	53.42
74.5	568,231		0.0000	1.0000	53.27
75.5	566,187		0.0000	1.0000	53.27
76.5	565,577	21,908	0.0387	0.9613	53.27
77.5	543,669	922	0.0017	0.9983	51.20
78.5	542,747	2,489	0.0046	0.9954	51.12

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	538,323		0.0000	1.0000	50.88
80.5	538,323	216	0.0004	0.9996	50.88
81.5	537,930	41	0.0001	0.9999	50.86
82.5	526,415	15,326	0.0291	0.9709	50.86
83.5	511,089	113	0.0002	0.9998	49.38
84.5	510,976		0.0000	1.0000	49.37
85.5	510,976		0.0000	1.0000	49.37
86.5	510,976		0.0000	1.0000	49.37
87.5	510,976	14,670	0.0287	0.9713	49.37
88.5	496,090	22,897	0.0462	0.9538	47.95
89.5	466,250	6,760	0.0145	0.9855	45.74
90.5	459,570	45	0.0001	0.9999	45.07
91.5	428,931	10,420	0.0243	0.9757	45.07
92.5	379,796	4,883	0.0129	0.9871	43.97
93.5	334,384		0.0000	1.0000	43.41
94.5	334,384		0.0000	1.0000	43.41
95.5	153,234		0.0000	1.0000	43.41
96.5	153,234		0.0000	1.0000	43.41
97.5	153,234		0.0000	1.0000	43.41
98.5	153,234		0.0000	1.0000	43.41
99.5	162,093		0.0000	1.0000	43.41
100.5	162,093		0.0000	1.0000	43.41
101.5	162,093	2,293	0.0141	0.9859	43.41
102.5	159,800	191	0.0012	0.9988	42.79
103.5	159,609	5,070	0.0318	0.9682	42.74
104.5	154,539	383	0.0025	0.9975	41.38
105.5	154,155	3,695	0.0240	0.9760	41.28
106.5	150,460	1,644	0.0109	0.9891	40.29
107.5	148,816	10,462	0.0703	0.9297	39.85
108.5	138,354	451	0.0033	0.9967	37.05
109.5	72,216		0.0000	1.0000	36.93
110.5	29,939		0.0000	1.0000	36.93
111.5	29,939	17,994	0.6010	0.3990	36.93
112.5	11,945		0.0000	1.0000	14.73
113.5	11,945		0.0000	1.0000	14.73
114.5	11,945		0.0000	1.0000	14.73
115.5	11,945		0.0000	1.0000	14.73
116.5	11,945		0.0000	1.0000	14.73
117.5	11,945	9,267	0.7758	0.2242	14.73
118.5	2,678		0.0000	1.0000	3.30

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	2,678		0.0000	1.0000	3.30
120.5	2,251		0.0000	1.0000	3.30
121.5	2,251		0.0000	1.0000	3.30
122.5	2,251		0.0000	1.0000	3.30
123.5	2,251		0.0000	1.0000	3.30
124.5	2,251		0.0000	1.0000	3.30
125.5	2,251		0.0000	1.0000	3.30
126.5	2,251		0.0000	1.0000	3.30
127.5	1,920		0.0000	1.0000	3.30
128.5	1,920		0.0000	1.0000	3.30
129.5	1,920		0.0000	1.0000	3.30
130.5	1,920		0.0000	1.0000	3.30
131.5	1,920		0.0000	1.0000	3.30
132.5	1,920		0.0000	1.0000	3.30
133.5	1,920		0.0000	1.0000	3.30
134.5	983		0.0000	1.0000	3.30
135.5	983		0.0000	1.0000	3.30
136.5	983	11	0.0116	0.9884	3.30
137.5					3.26

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	118,966,322	0	0.0000	1.0000	100.00
0.5	106,892,121	0	0.0000	1.0000	100.00
1.5	99,487,288	0	0.0000	1.0000	100.00
2.5	93,052,837		0.0000	1.0000	100.00
3.5	86,024,825	805	0.0000	1.0000	100.00
4.5	80,303,209	10,449	0.0001	0.9999	100.00
5.5	71,632,428	0	0.0000	1.0000	99.99
6.5	71,733,969	83,889	0.0012	0.9988	99.99
7.5	65,748,274	3,905	0.0001	0.9999	99.87
8.5	64,377,304	1,680	0.0000	1.0000	99.86
9.5	56,602,515	13,209	0.0002	0.9998	99.86
10.5	52,901,153	7,717	0.0001	0.9999	99.84
11.5	46,707,624	19,016	0.0004	0.9996	99.82
12.5	42,684,633	12,819	0.0003	0.9997	99.78
13.5	39,638,540	6,834	0.0002	0.9998	99.75
14.5	38,988,872	65,344	0.0017	0.9983	99.73
15.5	39,239,747	5,582	0.0001	0.9999	99.57
16.5	37,967,122	88,630	0.0023	0.9977	99.55
17.5	35,277,030	20,219	0.0006	0.9994	99.32
18.5	33,673,615	3,146	0.0001	0.9999	99.26
19.5	31,439,812	122,363	0.0039	0.9961	99.25
20.5	31,003,599	79,200	0.0026	0.9974	98.87
21.5	31,106,554	601,233	0.0193	0.9807	98.62
22.5	28,901,466	1,370	0.0000	1.0000	96.71
23.5	27,744,229	617	0.0000	1.0000	96.71
24.5	27,201,508	89,237	0.0033	0.9967	96.70
25.5	26,474,437	475,898	0.0180	0.9820	96.39
26.5	24,739,610	274,218	0.0111	0.9889	94.65
27.5	21,069,414	72,245	0.0034	0.9966	93.60
28.5	20,545,081	399,934	0.0195	0.9805	93.28
29.5	20,045,290	234,209	0.0117	0.9883	91.47
30.5	18,321,217	54,564	0.0030	0.9970	90.40
31.5	16,975,805	433,691	0.0255	0.9745	90.13
32.5	16,508,564	129,590	0.0078	0.9922	87.83
33.5	15,983,341	196,353	0.0123	0.9877	87.14
34.5	15,124,415	107,394	0.0071	0.9929	86.07
35.5	14,906,927	38,700	0.0026	0.9974	85.46
36.5	14,962,551	289,092	0.0193	0.9807	85.23
37.5	14,707,557	94,811	0.0064	0.9936	83.59
38.5	14,432,571	531,943	0.0369	0.9631	83.05

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	12,245,548	268,052	0.0219	0.9781	79.99
40.5	11,837,582	2,701	0.0002	0.9998	78.24
41.5	11,412,611	521,889	0.0457	0.9543	78.22
42.5	10,780,995	224,781	0.0208	0.9792	74.64
43.5	7,504,356	2,013	0.0003	0.9997	73.09
44.5	6,957,181	5,255	0.0008	0.9992	73.07
45.5	7,006,066	153,408	0.0219	0.9781	73.01
46.5	5,233,468	94,095	0.0180	0.9820	71.41
47.5	4,465,062	335	0.0001	0.9999	70.13
48.5	4,312,489	86,230	0.0200	0.9800	70.12
49.5	4,189,053	71,747	0.0171	0.9829	68.72
50.5	4,038,737	6,377	0.0016	0.9984	67.54
51.5	3,944,484	35,875	0.0091	0.9909	67.44
52.5	4,005,607	237	0.0001	0.9999	66.82
53.5	3,886,900	9,086	0.0023	0.9977	66.82
54.5	3,836,630	8,358	0.0022	0.9978	66.66
55.5	3,356,966		0.0000	1.0000	66.52
56.5	2,749,968	902	0.0003	0.9997	66.52
57.5	2,487,273	8,356	0.0034	0.9966	66.50
58.5	1,975,101	215,126	0.1089	0.8911	66.27
59.5	1,753,701	13,492	0.0077	0.9923	59.05
60.5	1,901,088	7,716	0.0041	0.9959	58.60
61.5	1,878,756	95,840	0.0510	0.9490	58.36
62.5	1,761,293	29,109	0.0165	0.9835	55.39
63.5	1,372,888	75,416	0.0549	0.9451	54.47
64.5	1,193,999		0.0000	1.0000	51.48
65.5	1,010,530		0.0000	1.0000	51.48
66.5	924,382		0.0000	1.0000	51.48
67.5	910,044	5,786	0.0064	0.9936	51.48
68.5	610,993		0.0000	1.0000	51.15
69.5	488,694		0.0000	1.0000	51.15
70.5	488,215		0.0000	1.0000	51.15
71.5	338,212	135	0.0004	0.9996	51.15
72.5	340,621	3,758	0.0110	0.9890	51.13
73.5	335,495		0.0000	1.0000	50.57
74.5	420,208		0.0000	1.0000	50.57
75.5	458,800		0.0000	1.0000	50.57
76.5	458,190		0.0000	1.0000	50.57
77.5	458,190		0.0000	1.0000	50.57
78.5	458,190	2,489	0.0054	0.9946	50.57

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	464,186		0.0000	1.0000	50.29
80.5	464,186	216	0.0005	0.9995	50.29
81.5	463,792	41	0.0001	0.9999	50.27
82.5	452,278	3,987	0.0088	0.9912	50.26
83.5	448,291	113	0.0003	0.9997	49.82
84.5	448,178		0.0000	1.0000	49.81
85.5	448,605		0.0000	1.0000	49.81
86.5	448,605		0.0000	1.0000	49.81
87.5	448,605	14,670	0.0327	0.9673	49.81
88.5	433,719	0	0.0000	1.0000	48.18
89.5	426,776	6,760	0.0158	0.9842	48.18
90.5	420,096	45	0.0001	0.9999	47.42
91.5	389,458	10,420	0.0268	0.9732	47.41
92.5	350,615	4,883	0.0139	0.9861	46.14
93.5	305,203		0.0000	1.0000	45.50
94.5	305,203		0.0000	1.0000	45.50
95.5	124,053		0.0000	1.0000	45.50
96.5	124,053		0.0000	1.0000	45.50
97.5	124,053		0.0000	1.0000	45.50
98.5	124,053		0.0000	1.0000	45.50
99.5	151,843		0.0000	1.0000	45.50
100.5	151,843		0.0000	1.0000	45.50
101.5	151,843	2,293	0.0151	0.9849	45.50
102.5	159,800	191	0.0012	0.9988	44.81
103.5	159,609	5,070	0.0318	0.9682	44.76
104.5	154,539	383	0.0025	0.9975	43.34
105.5	154,155	3,695	0.0240	0.9760	43.23
106.5	150,460	1,644	0.0109	0.9891	42.19
107.5	148,816	10,462	0.0703	0.9297	41.73
108.5	138,354	451	0.0033	0.9967	38.80
109.5	72,216		0.0000	1.0000	38.67
110.5	29,939		0.0000	1.0000	38.67
111.5	29,939	17,994	0.6010	0.3990	38.67
112.5	11,945		0.0000	1.0000	15.43
113.5	11,945		0.0000	1.0000	15.43
114.5	11,945		0.0000	1.0000	15.43
115.5	11,945		0.0000	1.0000	15.43
116.5	11,945		0.0000	1.0000	15.43
117.5	11,945	9,267	0.7758	0.2242	15.43
118.5	2,678		0.0000	1.0000	3.46

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	2,678		0.0000	1.0000	3.46
120.5	2,251		0.0000	1.0000	3.46
121.5	2,251		0.0000	1.0000	3.46
122.5	2,251		0.0000	1.0000	3.46
123.5	2,251		0.0000	1.0000	3.46
124.5	2,251		0.0000	1.0000	3.46
125.5	2,251		0.0000	1.0000	3.46
126.5	2,251		0.0000	1.0000	3.46
127.5	1,920		0.0000	1.0000	3.46
128.5	1,920		0.0000	1.0000	3.46
129.5	1,920		0.0000	1.0000	3.46
130.5	1,920		0.0000	1.0000	3.46
131.5	1,920		0.0000	1.0000	3.46
132.5	1,920		0.0000	1.0000	3.46
133.5	1,920		0.0000	1.0000	3.46
134.5	983		0.0000	1.0000	3.46
135.5	983		0.0000	1.0000	3.46
136.5	983	11	0.0116	0.9884	3.46
137.5					3.42

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	106,723,218	0	0.0000	1.0000	100.00
0.5	94,171,224	0	0.0000	1.0000	100.00
1.5	86,904,363	0	0.0000	1.0000	100.00
2.5	80,481,251		0.0000	1.0000	100.00
3.5	74,963,183	805	0.0000	1.0000	100.00
4.5	66,796,706	758	0.0000	1.0000	100.00
5.5	58,597,422	0	0.0000	1.0000	100.00
6.5	59,806,869	83,889	0.0014	0.9986	100.00
7.5	57,030,508	3,905	0.0001	0.9999	99.86
8.5	53,288,173	1,680	0.0000	1.0000	99.85
9.5	45,040,786	13,209	0.0003	0.9997	99.85
10.5	43,359,758	7,717	0.0002	0.9998	99.82
11.5	38,607,309		0.0000	1.0000	99.80
12.5	34,278,070	0	0.0000	1.0000	99.80
13.5	31,578,369	6,834	0.0002	0.9998	99.80
14.5	31,539,510	65,344	0.0021	0.9979	99.78
15.5	31,734,631		0.0000	1.0000	99.57
16.5	30,441,920	88,630	0.0029	0.9971	99.57
17.5	27,742,871	5,983	0.0002	0.9998	99.28
18.5	25,616,880	3,146	0.0001	0.9999	99.26
19.5	25,300,266	119,528	0.0047	0.9953	99.25
20.5	24,572,584	79,200	0.0032	0.9968	98.78
21.5	24,202,555	557,284	0.0230	0.9770	98.46
22.5	20,627,437		0.0000	1.0000	96.19
23.5	22,944,189	617	0.0000	1.0000	96.19
24.5	23,065,153	87,305	0.0038	0.9962	96.19
25.5	21,992,040	475,854	0.0216	0.9784	95.83
26.5	21,864,901	268,233	0.0123	0.9877	93.75
27.5	18,656,500	60,922	0.0033	0.9967	92.60
28.5	17,647,035	399,934	0.0227	0.9773	92.30
29.5	17,078,925	212,609	0.0124	0.9876	90.21
30.5	15,049,894	52,282	0.0035	0.9965	89.09
31.5	13,695,077	150,161	0.0110	0.9890	88.78
32.5	13,404,094	128,393	0.0096	0.9904	87.80
33.5	12,823,879	187,780	0.0146	0.9854	86.96
34.5	11,906,573	107,394	0.0090	0.9910	85.69
35.5	12,123,593	4,290	0.0004	0.9996	84.92
36.5	12,726,348	256,303	0.0201	0.9799	84.89
37.5	12,607,408	89,919	0.0071	0.9929	83.18
38.5	12,905,953	519,924	0.0403	0.9597	82.58

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	10,595,782	188,321	0.0178	0.9822	79.26
40.5	10,297,764		0.0000	1.0000	77.85
41.5	9,868,277	521,889	0.0529	0.9471	77.85
42.5	9,258,283	218,029	0.0235	0.9765	73.73
43.5	6,466,293		0.0000	1.0000	71.99
44.5	6,105,360	5,255	0.0009	0.9991	71.99
45.5	6,338,879	153,408	0.0242	0.9758	71.93
46.5	4,753,826	92,459	0.0194	0.9806	70.19
47.5	3,926,557	335	0.0001	0.9999	68.83
48.5	4,079,245	86,230	0.0211	0.9789	68.82
49.5	4,117,171	71,747	0.0174	0.9826	67.37
50.5	3,967,528	6,377	0.0016	0.9984	66.19
51.5	3,935,437	35,875	0.0091	0.9909	66.09
52.5	3,996,031	237	0.0001	0.9999	65.48
53.5	3,878,261	9,086	0.0023	0.9977	65.48
54.5	3,831,432	8,358	0.0022	0.9978	65.33
55.5	3,353,811		0.0000	1.0000	65.18
56.5	2,745,186	902	0.0003	0.9997	65.18
57.5	2,443,775	8,356	0.0034	0.9966	65.16
58.5	1,868,593	213,932	0.1145	0.8855	64.94
59.5	1,630,345	7,331	0.0045	0.9955	57.50
60.5	1,593,744	685	0.0004	0.9996	57.25
61.5	1,574,001	75,863	0.0482	0.9518	57.22
62.5	1,487,989	29,109	0.0196	0.9804	54.46
63.5	1,099,409	75,416	0.0686	0.9314	53.40
64.5	920,520		0.0000	1.0000	49.74
65.5	736,937		0.0000	1.0000	49.74
66.5	650,789		0.0000	1.0000	49.74
67.5	636,492	5,786	0.0091	0.9909	49.74
68.5	337,872		0.0000	1.0000	49.28
69.5	172,200		0.0000	1.0000	49.28
70.5	171,721		0.0000	1.0000	49.28
71.5	52,311		0.0000	1.0000	49.28
72.5	94,931	141	0.0015	0.9985	49.28
73.5	147,809		0.0000	1.0000	49.21
74.5	144,510		0.0000	1.0000	49.21
75.5	324,655		0.0000	1.0000	49.21
76.5	328,666		0.0000	1.0000	49.21
77.5	328,666		0.0000	1.0000	49.21
78.5	328,666		0.0000	1.0000	49.21

AQUA PENNSYLVANIA, INC.

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	326,730		0.0000	1.0000	49.21
80.5	326,730	216	0.0007	0.9993	49.21
81.5	326,337	41	0.0001	0.9999	49.18
82.5	314,823	3,987	0.0127	0.9873	49.17
83.5	310,836	113	0.0004	0.9996	48.55
84.5	310,722		0.0000	1.0000	48.53
85.5	310,722		0.0000	1.0000	48.53
86.5	310,722		0.0000	1.0000	48.53
87.5	310,722	14,670	0.0472	0.9528	48.53
88.5	295,836	0	0.0000	1.0000	46.24
89.5	382,237	6,760	0.0177	0.9823	46.24
90.5	409,249	45	0.0001	0.9999	45.42
91.5	378,611		0.0000	1.0000	45.42
92.5	339,895	4,883	0.0144	0.9856	45.42
93.5	294,483		0.0000	1.0000	44.76
94.5	294,483		0.0000	1.0000	44.76
95.5	113,333		0.0000	1.0000	44.76
96.5	113,333		0.0000	1.0000	44.76
97.5	113,333		0.0000	1.0000	44.76
98.5	113,333		0.0000	1.0000	44.76
99.5	122,192		0.0000	1.0000	44.76
100.5	122,619		0.0000	1.0000	44.76
101.5	122,619	2,293	0.0187	0.9813	44.76
102.5	120,326	191	0.0016	0.9984	43.93
103.5	120,135	5,070	0.0422	0.9578	43.86
104.5	115,065	383	0.0033	0.9967	42.01
105.5	114,681	3,695	0.0322	0.9678	41.87
106.5	110,986	1,644	0.0148	0.9852	40.52
107.5	119,635	10,462	0.0875	0.9125	39.92
108.5	109,173	451	0.0041	0.9959	36.43
109.5	43,034		0.0000	1.0000	36.28
110.5	758		0.0000	1.0000	36.28
111.5	758		0.0000	1.0000	36.28
112.5	758		0.0000	1.0000	36.28
113.5	758		0.0000	1.0000	36.28
114.5	1,695		0.0000	1.0000	36.28
115.5	1,695		0.0000	1.0000	36.28
116.5	1,695		0.0000	1.0000	36.28
117.5	11,945	9,267	0.7758	0.2242	36.28
118.5	2,678		0.0000	1.0000	8.13

AQUA PENNSYLVANIA, INC.

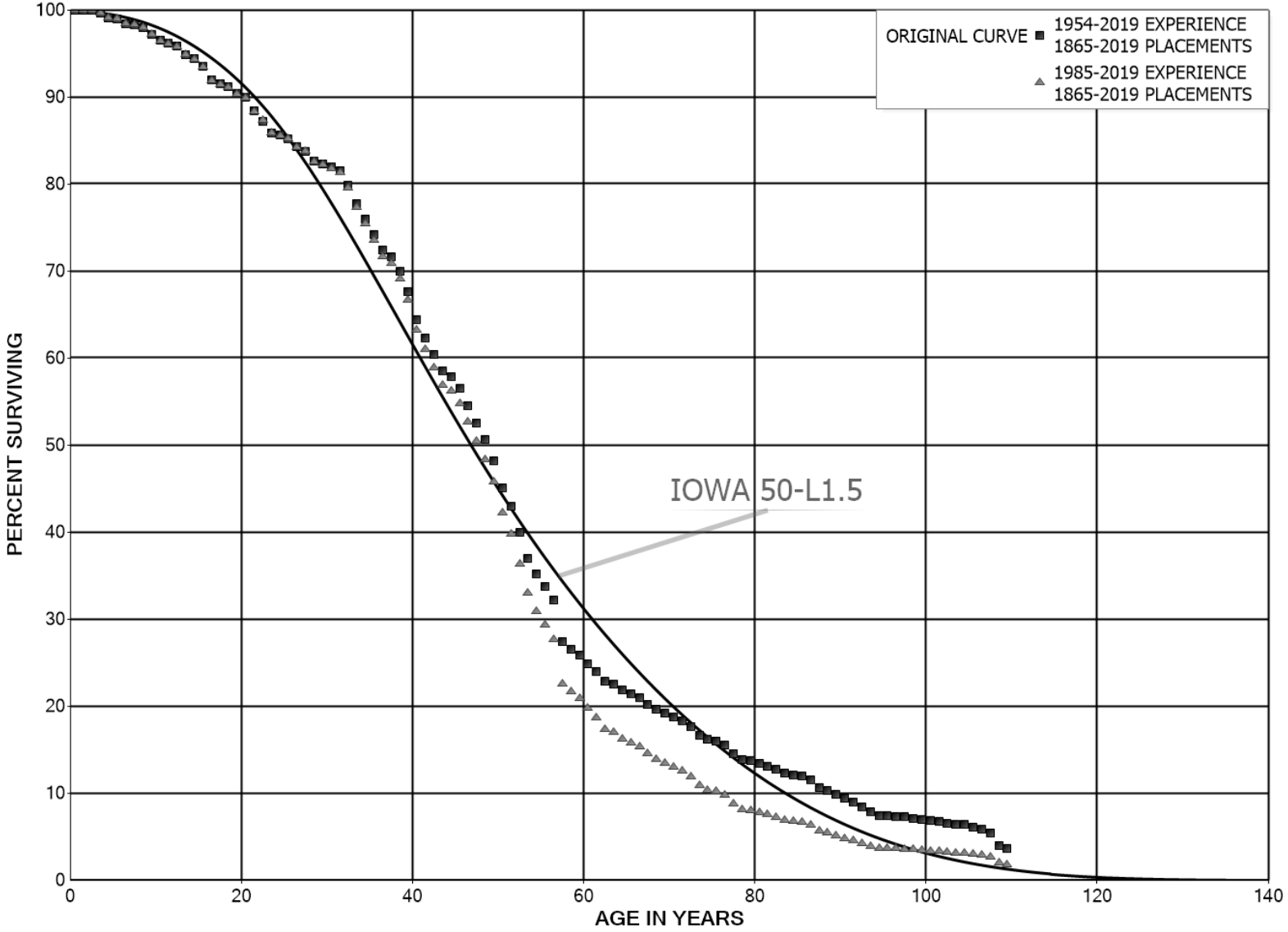
ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1882-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	2,678		0.0000	1.0000	8.13
120.5	2,251		0.0000	1.0000	8.13
121.5	2,251		0.0000	1.0000	8.13
122.5	2,251		0.0000	1.0000	8.13
123.5	2,251		0.0000	1.0000	8.13
124.5	2,251		0.0000	1.0000	8.13
125.5	2,251		0.0000	1.0000	8.13
126.5	2,251		0.0000	1.0000	8.13
127.5	1,920		0.0000	1.0000	8.13
128.5	1,920		0.0000	1.0000	8.13
129.5	1,920		0.0000	1.0000	8.13
130.5	1,920		0.0000	1.0000	8.13
131.5	1,920		0.0000	1.0000	8.13
132.5	1,920		0.0000	1.0000	8.13
133.5	1,920		0.0000	1.0000	8.13
134.5	983		0.0000	1.0000	8.13
135.5	983		0.0000	1.0000	8.13
136.5	983	11	0.0116	0.9884	8.13
137.5					8.04

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	29,915,498		0.0000	1.0000	100.00
0.5	27,663,984	8,836	0.0003	0.9997	100.00
1.5	26,207,733	4,556	0.0002	0.9998	99.97
2.5	25,152,698	85,248	0.0034	0.9966	99.95
3.5	23,868,160	118,787	0.0050	0.9950	99.61
4.5	21,967,494	45,199	0.0021	0.9979	99.12
5.5	20,781,888	103,288	0.0050	0.9950	98.91
6.5	19,310,121	30,741	0.0016	0.9984	98.42
7.5	18,706,795	57,720	0.0031	0.9969	98.26
8.5	17,797,226	136,925	0.0077	0.9923	97.96
9.5	17,612,899	131,821	0.0075	0.9925	97.21
10.5	17,290,237	61,936	0.0036	0.9964	96.48
11.5	15,664,401	54,716	0.0035	0.9965	96.13
12.5	13,826,515	133,210	0.0096	0.9904	95.80
13.5	9,393,834	49,322	0.0053	0.9947	94.88
14.5	8,791,696	85,005	0.0097	0.9903	94.38
15.5	7,742,485	125,452	0.0162	0.9838	93.46
16.5	6,181,711	28,455	0.0046	0.9954	91.95
17.5	5,068,494	21,562	0.0043	0.9957	91.53
18.5	3,586,469	27,369	0.0076	0.9924	91.14
19.5	3,394,188	17,583	0.0052	0.9948	90.44
20.5	3,168,710	55,586	0.0175	0.9825	89.97
21.5	2,698,781	35,754	0.0132	0.9868	88.40
22.5	2,315,529	35,577	0.0154	0.9846	87.22
23.5	2,313,179	8,201	0.0035	0.9965	85.88
24.5	2,401,302	11,884	0.0049	0.9951	85.58
25.5	2,267,281	24,271	0.0107	0.9893	85.16
26.5	2,337,872	13,564	0.0058	0.9942	84.24
27.5	2,427,776	32,453	0.0134	0.9866	83.76
28.5	2,480,542	10,202	0.0041	0.9959	82.64
29.5	2,410,747	10,192	0.0042	0.9958	82.30
30.5	2,499,220	12,910	0.0052	0.9948	81.95
31.5	2,422,362	50,901	0.0210	0.9790	81.52
32.5	2,303,252	60,435	0.0262	0.9738	79.81
33.5	2,341,632	54,017	0.0231	0.9769	77.72
34.5	2,191,554	51,886	0.0237	0.9763	75.92
35.5	2,115,897	48,754	0.0230	0.9770	74.13
36.5	2,066,833	23,356	0.0113	0.9887	72.42
37.5	2,027,279	45,443	0.0224	0.9776	71.60
38.5	1,957,858	67,440	0.0344	0.9656	70.00

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,792,357	85,187	0.0475	0.9525	67.58
40.5	1,864,193	60,651	0.0325	0.9675	64.37
41.5	1,631,674	50,560	0.0310	0.9690	62.28
42.5	1,487,330	46,421	0.0312	0.9688	60.35
43.5	1,559,804	17,624	0.0113	0.9887	58.46
44.5	1,472,452	34,386	0.0234	0.9766	57.80
45.5	1,398,280	48,382	0.0346	0.9654	56.45
46.5	1,357,601	50,902	0.0375	0.9625	54.50
47.5	1,317,893	47,610	0.0361	0.9639	52.46
48.5	1,220,428	56,751	0.0465	0.9535	50.56
49.5	1,179,042	76,408	0.0648	0.9352	48.21
50.5	1,104,844	53,618	0.0485	0.9515	45.09
51.5	1,049,487	73,168	0.0697	0.9303	42.90
52.5	1,006,220	73,239	0.0728	0.9272	39.91
53.5	955,574	47,109	0.0493	0.9507	37.00
54.5	1,395,938	57,281	0.0410	0.9590	35.18
55.5	1,280,336	58,939	0.0460	0.9540	33.74
56.5	1,226,037	183,494	0.1497	0.8503	32.18
57.5	988,084	29,495	0.0299	0.9701	27.37
58.5	965,593	27,087	0.0281	0.9719	26.55
59.5	636,956	22,758	0.0357	0.9643	25.80
60.5	683,232	26,862	0.0393	0.9607	24.88
61.5	658,153	30,209	0.0459	0.9541	23.90
62.5	647,242	9,064	0.0140	0.9860	22.81
63.5	646,513	20,039	0.0310	0.9690	22.49
64.5	615,756	12,091	0.0196	0.9804	21.79
65.5	619,493	11,940	0.0193	0.9807	21.36
66.5	621,174	22,098	0.0356	0.9644	20.95
67.5	621,737	19,773	0.0318	0.9682	20.21
68.5	620,500	12,824	0.0207	0.9793	19.56
69.5	607,599	14,176	0.0233	0.9767	19.16
70.5	590,607	12,525	0.0212	0.9788	18.71
71.5	583,816	22,328	0.0382	0.9618	18.31
72.5	568,849	31,309	0.0550	0.9450	17.61
73.5	539,691	16,339	0.0303	0.9697	16.64
74.5	519,349	4,765	0.0092	0.9908	16.14
75.5	555,823	16,450	0.0296	0.9704	15.99
76.5	548,174	36,091	0.0658	0.9342	15.52
77.5	515,855	25,340	0.0491	0.9509	14.50
78.5	501,163	2,824	0.0056	0.9944	13.79

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	486,760	9,772	0.0201	0.9799	13.71
80.5	481,157	12,078	0.0251	0.9749	13.43
81.5	479,196	12,796	0.0267	0.9733	13.10
82.5	466,621	17,027	0.0365	0.9635	12.75
83.5	452,765	6,097	0.0135	0.9865	12.28
84.5	430,877	7,522	0.0175	0.9825	12.12
85.5	422,809	14,882	0.0352	0.9648	11.90
86.5	411,741	30,798	0.0748	0.9252	11.48
87.5	381,129	10,880	0.0285	0.9715	10.63
88.5	367,611	18,135	0.0493	0.9507	10.32
89.5	347,839	16,505	0.0475	0.9525	9.81
90.5	334,281	13,579	0.0406	0.9594	9.35
91.5	332,771	20,276	0.0609	0.9391	8.97
92.5	355,772	24,470	0.0688	0.9312	8.42
93.5	330,872	17,215	0.0520	0.9480	7.84
94.5	311,255	2,497	0.0080	0.9920	7.43
95.5	314,185	2,701	0.0086	0.9914	7.37
96.5	311,483	1,856	0.0060	0.9940	7.31
97.5	309,627	6,871	0.0222	0.9778	7.27
98.5	310,692	5,368	0.0173	0.9827	7.11
99.5	315,060	6,521	0.0207	0.9793	6.98
100.5	313,151	3,141	0.0100	0.9900	6.84
101.5	320,628	12,268	0.0383	0.9617	6.77
102.5	310,691	4,304	0.0139	0.9861	6.51
103.5	306,712	3,529	0.0115	0.9885	6.42
104.5	303,183	14,027	0.0463	0.9537	6.35
105.5	289,156	12,742	0.0441	0.9559	6.05
106.5	276,414	18,106	0.0655	0.9345	5.79
107.5	258,308	67,353	0.2607	0.7393	5.41
108.5	198,823	20,940	0.1053	0.8947	4.00
109.5	177,883	12,512	0.0703	0.9297	3.58
110.5	165,370	12,637	0.0764	0.9236	3.33
111.5	152,734	24,550	0.1607	0.8393	3.07
112.5	128,183	21,190	0.1653	0.8347	2.58
113.5	106,994	3,226	0.0302	0.9698	2.15
114.5	103,768	9,513	0.0917	0.9083	2.09
115.5	94,254	6,069	0.0644	0.9356	1.90
116.5	88,185	9,421	0.1068	0.8932	1.77
117.5	78,765	3,696	0.0469	0.9531	1.58
118.5	75,069	15,278	0.2035	0.7965	1.51

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	59,791	4,951	0.0828	0.9172	1.20
120.5	54,840	3,563	0.0650	0.9350	1.10
121.5	51,278	12,045	0.2349	0.7651	1.03
122.5	39,232	24,208	0.6170	0.3830	0.79
123.5	15,024	9,152	0.6092	0.3908	0.30
124.5	5,872	349	0.0594	0.9406	0.12
125.5	5,523	493	0.0893	0.9107	0.11
126.5	5,030	2,170	0.4314	0.5686	0.10
127.5	2,860	7	0.0023	0.9977	0.06
128.5	2,854	1,446	0.5067	0.4933	0.06
129.5	8,222	489	0.0595	0.9405	0.03
130.5	7,733	4	0.0006	0.9994	0.03
131.5	7,728	411	0.0532	0.9468	0.03
132.5	7,317	317	0.0434	0.9566	0.03
133.5	7,000	186	0.0265	0.9735	0.02
134.5	6,814		0.0000	1.0000	0.02
135.5	6,814		0.0000	1.0000	0.02
136.5	6,814		0.0000	1.0000	0.02
137.5	6,814		0.0000	1.0000	0.02
138.5	6,814		0.0000	1.0000	0.02
139.5	6,814		0.0000	1.0000	0.02
140.5	6,814		0.0000	1.0000	0.02
141.5	6,814	110	0.0162	0.9838	0.02
142.5	6,704		0.0000	1.0000	0.02
143.5	6,704	6,704	1.0000		0.02
144.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	29,329,739		0.0000	1.0000	100.00
0.5	27,106,923	6,032	0.0002	0.9998	100.00
1.5	25,695,385	4,556	0.0002	0.9998	99.98
2.5	24,671,090	85,248	0.0035	0.9965	99.96
3.5	23,390,581	118,739	0.0051	0.9949	99.61
4.5	21,490,618	44,344	0.0021	0.9979	99.11
5.5	20,340,232	102,342	0.0050	0.9950	98.90
6.5	18,884,192	30,741	0.0016	0.9984	98.41
7.5	18,289,362	57,306	0.0031	0.9969	98.25
8.5	17,381,269	136,925	0.0079	0.9921	97.94
9.5	17,209,094	131,821	0.0077	0.9923	97.17
10.5	16,891,567	61,849	0.0037	0.9963	96.42
11.5	15,264,301	53,369	0.0035	0.9965	96.07
12.5	13,458,598	132,896	0.0099	0.9901	95.73
13.5	9,030,617	48,091	0.0053	0.9947	94.79
14.5	8,429,784	83,288	0.0099	0.9901	94.28
15.5	7,408,615	124,066	0.0167	0.9833	93.35
16.5	5,852,395	24,672	0.0042	0.9958	91.79
17.5	4,746,765	19,353	0.0041	0.9959	91.40
18.5	3,272,174	25,775	0.0079	0.9921	91.03
19.5	3,088,207	14,884	0.0048	0.9952	90.31
20.5	2,903,715	50,392	0.0174	0.9826	89.88
21.5	2,451,235	28,350	0.0116	0.9884	88.32
22.5	2,094,746	35,087	0.0168	0.9832	87.30
23.5	2,115,053	7,177	0.0034	0.9966	85.83
24.5	2,218,363	9,510	0.0043	0.9957	85.54
25.5	2,114,223	24,129	0.0114	0.9886	85.18
26.5	2,196,124	13,564	0.0062	0.9938	84.20
27.5	2,295,048	32,453	0.0141	0.9859	83.68
28.5	2,336,946	10,202	0.0044	0.9956	82.50
29.5	2,267,337	10,192	0.0045	0.9955	82.14
30.5	2,348,252	12,910	0.0055	0.9945	81.77
31.5	2,271,325	50,901	0.0224	0.9776	81.32
32.5	2,152,460	59,919	0.0278	0.9722	79.50
33.5	2,193,556	54,017	0.0246	0.9754	77.29
34.5	2,043,643	50,995	0.0250	0.9750	75.38
35.5	1,949,731	48,754	0.0250	0.9750	73.50
36.5	1,913,738	22,779	0.0119	0.9881	71.66
37.5	1,872,927	45,108	0.0241	0.9759	70.81
38.5	1,803,748	65,006	0.0360	0.9640	69.11

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,641,902	85,187	0.0519	0.9481	66.61
40.5	1,716,165	59,560	0.0347	0.9653	63.16
41.5	1,479,944	50,560	0.0342	0.9658	60.97
42.5	1,337,264	46,421	0.0347	0.9653	58.88
43.5	1,409,935	17,486	0.0124	0.9876	56.84
44.5	1,316,776	33,591	0.0255	0.9745	56.13
45.5	1,239,509	48,355	0.0390	0.9610	54.70
46.5	1,197,358	49,847	0.0416	0.9584	52.57
47.5	1,155,032	47,263	0.0409	0.9591	50.38
48.5	1,048,861	56,708	0.0541	0.9459	48.32
49.5	998,141	76,132	0.0763	0.9237	45.71
50.5	915,087	53,612	0.0586	0.9414	42.22
51.5	839,427	73,039	0.0870	0.9130	39.75
52.5	790,284	73,134	0.0925	0.9075	36.29
53.5	733,043	47,109	0.0643	0.9357	32.93
54.5	1,162,616	56,011	0.0482	0.9518	30.81
55.5	1,037,622	58,939	0.0568	0.9432	29.33
56.5	986,347	183,190	0.1857	0.8143	27.66
57.5	746,392	28,603	0.0383	0.9617	22.53
58.5	723,820	26,616	0.0368	0.9632	21.66
59.5	402,478	21,919	0.0545	0.9455	20.87
60.5	458,320	26,765	0.0584	0.9416	19.73
61.5	438,281	30,055	0.0686	0.9314	18.58
62.5	424,522	8,720	0.0205	0.9795	17.30
63.5	407,458	19,120	0.0469	0.9531	16.95
64.5	377,632	9,720	0.0257	0.9743	16.15
65.5	385,626	11,157	0.0289	0.9711	15.74
66.5	412,188	21,542	0.0523	0.9477	15.28
67.5	388,066	18,531	0.0478	0.9522	14.48
68.5	387,792	12,390	0.0320	0.9680	13.79
69.5	377,248	10,869	0.0288	0.9712	13.35
70.5	364,673	12,177	0.0334	0.9666	12.97
71.5	357,063	20,135	0.0564	0.9436	12.53
72.5	352,000	29,975	0.0852	0.9148	11.83
73.5	324,416	16,339	0.0504	0.9496	10.82
74.5	305,832	4,367	0.0143	0.9857	10.27
75.5	348,563	15,654	0.0449	0.9551	10.13
76.5	349,686	35,579	0.1017	0.8983	9.67
77.5	322,211	24,601	0.0764	0.9236	8.69
78.5	311,783	1,885	0.0060	0.9940	8.03

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	308,621	8,385	0.0272	0.9728	7.98
80.5	314,304	11,160	0.0355	0.9645	7.76
81.5	324,677	11,830	0.0364	0.9636	7.48
82.5	333,464	16,730	0.0502	0.9498	7.21
83.5	325,277	5,696	0.0175	0.9825	6.85
84.5	313,537	6,867	0.0219	0.9781	6.73
85.5	315,431	14,858	0.0471	0.9529	6.58
86.5	313,338	30,798	0.0983	0.9017	6.27
87.5	283,989	10,880	0.0383	0.9617	5.66
88.5	278,564	18,024	0.0647	0.9353	5.44
89.5	263,052	16,505	0.0627	0.9373	5.09
90.5	257,613	13,579	0.0527	0.9473	4.77
91.5	261,194	17,624	0.0675	0.9325	4.52
92.5	294,301	24,132	0.0820	0.9180	4.21
93.5	273,629	17,215	0.0629	0.9371	3.87
94.5	270,529	2,497	0.0092	0.9908	3.62
95.5	275,751	2,216	0.0080	0.9920	3.59
96.5	275,593	1,784	0.0065	0.9935	3.56
97.5	274,240	6,792	0.0248	0.9752	3.54
98.5	297,616	5,368	0.0180	0.9820	3.45
99.5	309,037	6,521	0.0211	0.9789	3.39
100.5	307,129	3,141	0.0102	0.9898	3.32
101.5	315,104	12,268	0.0389	0.9611	3.28
102.5	307,346	4,304	0.0140	0.9860	3.15
103.5	303,367	3,529	0.0116	0.9884	3.11
104.5	301,303	14,027	0.0466	0.9534	3.07
105.5	287,766	12,742	0.0443	0.9557	2.93
106.5	275,024	18,106	0.0658	0.9342	2.80
107.5	257,477	67,150	0.2608	0.7392	2.62
108.5	198,634	20,940	0.1054	0.8946	1.93
109.5	177,883	12,512	0.0703	0.9297	1.73
110.5	165,370	12,637	0.0764	0.9236	1.61
111.5	152,734	24,550	0.1607	0.8393	1.49
112.5	128,183	21,190	0.1653	0.8347	1.25
113.5	106,994	3,226	0.0302	0.9698	1.04
114.5	103,768	9,513	0.0917	0.9083	1.01
115.5	94,254	6,069	0.0644	0.9356	0.92
116.5	88,185	9,421	0.1068	0.8932	0.86
117.5	78,765	3,696	0.0469	0.9531	0.77
118.5	75,069	15,278	0.2035	0.7965	0.73

AQUA PENNSYLVANIA, INC.

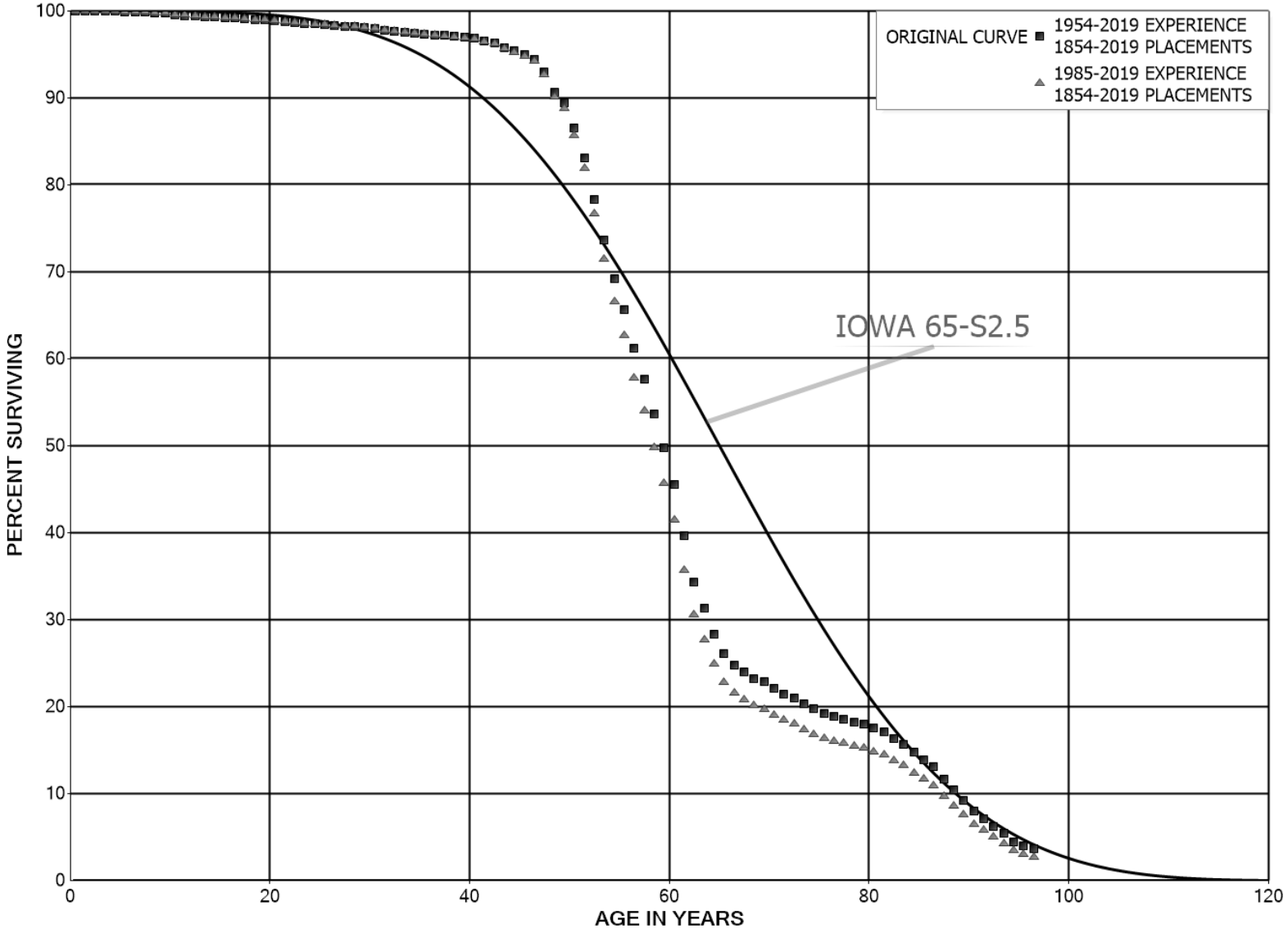
ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	59,791	4,951	0.0828	0.9172	0.58
120.5	54,840	3,563	0.0650	0.9350	0.53
121.5	51,278	12,045	0.2349	0.7651	0.50
122.5	39,232	24,208	0.6170	0.3830	0.38
123.5	15,024	9,152	0.6092	0.3908	0.15
124.5	5,872	349	0.0594	0.9406	0.06
125.5	5,523	493	0.0893	0.9107	0.05
126.5	5,030	2,170	0.4314	0.5686	0.05
127.5	2,860	7	0.0023	0.9977	0.03
128.5	2,854	1,446	0.5067	0.4933	0.03
129.5	8,222	489	0.0595	0.9405	0.01
130.5	7,733	4	0.0006	0.9994	0.01
131.5	7,728	411	0.0532	0.9468	0.01
132.5	7,317	317	0.0434	0.9566	0.01
133.5	7,000	186	0.0265	0.9735	0.01
134.5	6,814		0.0000	1.0000	0.01
135.5	6,814		0.0000	1.0000	0.01
136.5	6,814		0.0000	1.0000	0.01
137.5	6,814		0.0000	1.0000	0.01
138.5	6,814		0.0000	1.0000	0.01
139.5	6,814		0.0000	1.0000	0.01
140.5	6,814		0.0000	1.0000	0.01
141.5	6,814	110	0.0162	0.9838	0.01
142.5	6,704		0.0000	1.0000	0.01
143.5	6,704	6,704	1.0000		0.01
144.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,727,789,332	4,382	0.0000	1.0000	100.00
0.5	1,596,197,114	135,098	0.0001	0.9999	100.00
1.5	1,469,498,773	390,107	0.0003	0.9997	99.99
2.5	1,341,747,179	385,352	0.0003	0.9997	99.96
3.5	1,220,824,651	374,832	0.0003	0.9997	99.94
4.5	1,134,508,145	345,872	0.0003	0.9997	99.91
5.5	1,045,587,199	261,156	0.0002	0.9998	99.87
6.5	982,754,052	389,567	0.0004	0.9996	99.85
7.5	903,674,120	487,119	0.0005	0.9995	99.81
8.5	795,859,356	439,775	0.0006	0.9994	99.76
9.5	659,027,016	1,157,444	0.0018	0.9982	99.70
10.5	559,557,355	461,300	0.0008	0.9992	99.53
11.5	487,123,397	260,987	0.0005	0.9995	99.44
12.5	420,483,622	242,676	0.0006	0.9994	99.39
13.5	377,086,639	164,158	0.0004	0.9996	99.33
14.5	328,610,566	240,082	0.0007	0.9993	99.29
15.5	296,484,646	189,971	0.0006	0.9994	99.22
16.5	264,668,940	353,858	0.0013	0.9987	99.15
17.5	240,515,259	128,466	0.0005	0.9995	99.02
18.5	221,296,994	83,193	0.0004	0.9996	98.97
19.5	202,167,974	139,969	0.0007	0.9993	98.93
20.5	191,752,950	302,452	0.0016	0.9984	98.86
21.5	175,091,134	74,701	0.0004	0.9996	98.71
22.5	163,849,342	174,557	0.0011	0.9989	98.67
23.5	158,870,340	163,338	0.0010	0.9990	98.56
24.5	150,939,903	128,713	0.0009	0.9991	98.46
25.5	152,517,849	142,336	0.0009	0.9991	98.37
26.5	140,737,917	84,374	0.0006	0.9994	98.28
27.5	134,657,063	64,142	0.0005	0.9995	98.22
28.5	130,000,014	141,472	0.0011	0.9989	98.18
29.5	123,385,959	132,175	0.0011	0.9989	98.07
30.5	112,958,036	237,985	0.0021	0.9979	97.97
31.5	103,225,200	124,196	0.0012	0.9988	97.76
32.5	96,877,407	131,233	0.0014	0.9986	97.64
33.5	92,424,686	88,803	0.0010	0.9990	97.51
34.5	88,264,044	73,422	0.0008	0.9992	97.42
35.5	84,734,831	113,717	0.0013	0.9987	97.33
36.5	82,410,051	68,717	0.0008	0.9992	97.20
37.5	80,621,997	46,029	0.0006	0.9994	97.12
38.5	78,062,275	115,540	0.0015	0.9985	97.07

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	75,577,766	90,695	0.0012	0.9988	96.92
40.5	72,215,160	240,437	0.0033	0.9967	96.81
41.5	68,220,190	164,648	0.0024	0.9976	96.48
42.5	66,219,639	380,052	0.0057	0.9943	96.25
43.5	64,368,606	238,254	0.0037	0.9963	95.70
44.5	62,808,613	282,028	0.0045	0.9955	95.35
45.5	54,969,292	326,042	0.0059	0.9941	94.92
46.5	51,661,319	777,190	0.0150	0.9850	94.35
47.5	49,374,689	1,227,283	0.0249	0.9751	92.93
48.5	45,863,847	616,326	0.0134	0.9866	90.62
49.5	44,065,378	1,433,556	0.0325	0.9675	89.41
50.5	42,340,708	1,659,081	0.0392	0.9608	86.50
51.5	40,103,873	2,312,621	0.0577	0.9423	83.11
52.5	37,139,058	2,215,402	0.0597	0.9403	78.32
53.5	33,514,987	2,041,883	0.0609	0.9391	73.64
54.5	30,947,609	1,586,965	0.0513	0.9487	69.16
55.5	28,118,518	1,920,014	0.0683	0.9317	65.61
56.5	25,935,683	1,481,618	0.0571	0.9429	61.13
57.5	23,961,605	1,651,221	0.0689	0.9311	57.64
58.5	22,047,820	1,601,685	0.0726	0.9274	53.67
59.5	19,501,272	1,651,421	0.0847	0.9153	49.77
60.5	17,250,362	2,244,681	0.1301	0.8699	45.55
61.5	14,654,883	1,964,991	0.1341	0.8659	39.63
62.5	12,565,127	1,104,355	0.0879	0.9121	34.31
63.5	10,958,874	1,045,718	0.0954	0.9046	31.30
64.5	9,480,979	749,612	0.0791	0.9209	28.31
65.5	8,534,062	426,624	0.0500	0.9500	26.07
66.5	7,980,517	273,182	0.0342	0.9658	24.77
67.5	7,605,320	221,047	0.0291	0.9709	23.92
68.5	7,320,531	140,229	0.0192	0.9808	23.23
69.5	7,215,245	238,466	0.0331	0.9669	22.78
70.5	6,932,372	195,432	0.0282	0.9718	22.03
71.5	6,738,883	156,191	0.0232	0.9768	21.41
72.5	6,532,682	204,578	0.0313	0.9687	20.91
73.5	6,295,382	181,309	0.0288	0.9712	20.26
74.5	6,062,630	146,271	0.0241	0.9759	19.67
75.5	6,180,348	133,685	0.0216	0.9784	19.20
76.5	6,044,801	85,871	0.0142	0.9858	18.78
77.5	5,928,247	119,027	0.0201	0.9799	18.52
78.5	5,853,849	76,238	0.0130	0.9870	18.14

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	5,847,519	140,339	0.0240	0.9760	17.91
80.5	5,667,318	135,225	0.0239	0.9761	17.48
81.5	5,467,475	244,032	0.0446	0.9554	17.06
82.5	5,203,821	207,777	0.0399	0.9601	16.30
83.5	4,972,334	308,463	0.0620	0.9380	15.65
84.5	4,617,675	254,472	0.0551	0.9449	14.68
85.5	4,270,353	242,268	0.0567	0.9433	13.87
86.5	4,026,116	448,530	0.1114	0.8886	13.08
87.5	3,544,690	375,873	0.1060	0.8940	11.62
88.5	3,133,056	363,690	0.1161	0.8839	10.39
89.5	2,735,458	385,624	0.1410	0.8590	9.19
90.5	2,289,807	226,523	0.0989	0.9011	7.89
91.5	1,970,882	252,259	0.1280	0.8720	7.11
92.5	1,648,004	210,720	0.1279	0.8721	6.20
93.5	1,346,996	247,266	0.1836	0.8164	5.41
94.5	1,053,369	105,724	0.1004	0.8996	4.41
95.5	913,651	86,184	0.0943	0.9057	3.97
96.5	786,318	45,263	0.0576	0.9424	3.60
97.5	743,928	31,445	0.0423	0.9577	3.39
98.5	729,270	56,299	0.0772	0.9228	3.25
99.5	692,660	21,703	0.0313	0.9687	3.00
100.5	672,907	45,444	0.0675	0.9325	2.90
101.5	641,690	36,776	0.0573	0.9427	2.71
102.5	633,402	14,265	0.0225	0.9775	2.55
103.5	622,329	29,229	0.0470	0.9530	2.49
104.5	603,996	18,856	0.0312	0.9688	2.38
105.5	585,493	53,021	0.0906	0.9094	2.30
106.5	533,489	44,288	0.0830	0.9170	2.09
107.5	489,908	46,374	0.0947	0.9053	1.92
108.5	455,277	47,193	0.1037	0.8963	1.74
109.5	415,092	54,099	0.1303	0.8697	1.56
110.5	362,328	42,687	0.1178	0.8822	1.36
111.5	319,641	20,750	0.0649	0.9351	1.20
112.5	300,327	17,867	0.0595	0.9405	1.12
113.5	282,460	13,675	0.0484	0.9516	1.05
114.5	274,376	6,348	0.0231	0.9769	1.00
115.5	268,028	9,236	0.0345	0.9655	0.98
116.5	258,793	36,879	0.1425	0.8575	0.94
117.5	221,914	7,077	0.0319	0.9681	0.81
118.5	214,837	12,306	0.0573	0.9427	0.78

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	202,531	16,434	0.0811	0.9189	0.74
120.5	186,097	10,492	0.0564	0.9436	0.68
121.5	175,605	15,165	0.0864	0.9136	0.64
122.5	160,440	4,752	0.0296	0.9704	0.58
123.5	155,688	38,276	0.2458	0.7542	0.57
124.5	117,412	21,056	0.1793	0.8207	0.43
125.5	96,356	16,179	0.1679	0.8321	0.35
126.5	80,177	39,830	0.4968	0.5032	0.29
127.5	41,605	13,037	0.3134	0.6866	0.15
128.5	28,567	10,639	0.3724	0.6276	0.10
129.5	17,928	5,114	0.2853	0.7147	0.06
130.5	12,814	264	0.0206	0.9794	0.05
131.5	12,550	1,109	0.0883	0.9117	0.04
132.5	16,738	718	0.0429	0.9571	0.04
133.5	16,020	9,045	0.5646	0.4354	0.04
134.5	6,975	1,678	0.2406	0.7594	0.02
135.5	5,297		0.0000	1.0000	0.01
136.5	5,297		0.0000	1.0000	0.01
137.5	5,297		0.0000	1.0000	0.01
138.5	5,297		0.0000	1.0000	0.01
139.5	5,297		0.0000	1.0000	0.01
140.5	5,297		0.0000	1.0000	0.01
141.5	5,297		0.0000	1.0000	0.01
142.5	5,523		0.0000	1.0000	0.01
143.5	9,062	226	0.0249	0.9751	0.01
144.5	8,836	241	0.0273	0.9727	0.01
145.5	8,594		0.0000	1.0000	0.01
146.5	8,594	5,056	0.5883	0.4117	0.01
147.5	3,539		0.0000	1.0000	0.00
148.5	3,539		0.0000	1.0000	0.00
149.5	3,539		0.0000	1.0000	0.00
150.5	3,539		0.0000	1.0000	0.00
151.5	3,539		0.0000	1.0000	0.00
152.5	3,539	222	0.0628	0.9372	0.00
153.5	3,317		0.0000	1.0000	0.00
154.5	3,317	3,317	1.0000		0.00
155.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,684,102,336	2,023	0.0000	1.0000	100.00
0.5	1,554,041,639	116,084	0.0001	0.9999	100.00
1.5	1,428,187,355	361,729	0.0003	0.9997	99.99
2.5	1,300,798,712	351,459	0.0003	0.9997	99.97
3.5	1,181,036,155	336,405	0.0003	0.9997	99.94
4.5	1,095,541,232	318,512	0.0003	0.9997	99.91
5.5	1,008,365,405	232,189	0.0002	0.9998	99.88
6.5	946,960,523	359,731	0.0004	0.9996	99.86
7.5	868,492,530	459,448	0.0005	0.9995	99.82
8.5	761,692,620	420,671	0.0006	0.9994	99.77
9.5	625,937,035	1,132,205	0.0018	0.9982	99.71
10.5	527,646,710	440,034	0.0008	0.9992	99.53
11.5	456,251,746	250,313	0.0005	0.9995	99.45
12.5	390,442,733	220,892	0.0006	0.9994	99.40
13.5	347,539,827	152,640	0.0004	0.9996	99.34
14.5	299,769,847	232,729	0.0008	0.9992	99.30
15.5	268,706,133	171,090	0.0006	0.9994	99.22
16.5	237,711,319	336,948	0.0014	0.9986	99.16
17.5	214,445,944	114,964	0.0005	0.9995	99.02
18.5	196,503,091	66,082	0.0003	0.9997	98.96
19.5	178,557,838	126,302	0.0007	0.9993	98.93
20.5	169,258,370	287,617	0.0017	0.9983	98.86
21.5	153,414,359	64,407	0.0004	0.9996	98.69
22.5	143,315,501	157,478	0.0011	0.9989	98.65
23.5	139,177,268	150,652	0.0011	0.9989	98.54
24.5	131,954,751	126,234	0.0010	0.9990	98.43
25.5	134,443,680	98,804	0.0007	0.9993	98.34
26.5	123,688,023	77,733	0.0006	0.9994	98.27
27.5	118,378,285	53,980	0.0005	0.9995	98.21
28.5	115,201,319	138,467	0.0012	0.9988	98.16
29.5	110,063,132	130,213	0.0012	0.9988	98.04
30.5	100,757,239	229,772	0.0023	0.9977	97.93
31.5	92,405,534	111,721	0.0012	0.9988	97.70
32.5	86,930,144	119,439	0.0014	0.9986	97.59
33.5	83,658,713	77,653	0.0009	0.9991	97.45
34.5	80,597,303	66,007	0.0008	0.9992	97.36
35.5	77,756,564	112,877	0.0015	0.9985	97.28
36.5	76,226,792	61,749	0.0008	0.9992	97.14
37.5	74,860,124	41,774	0.0006	0.9994	97.06
38.5	72,485,636	105,040	0.0014	0.9986	97.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	70,071,357	87,156	0.0012	0.9988	96.87
40.5	66,747,172	237,664	0.0036	0.9964	96.75
41.5	62,808,598	151,662	0.0024	0.9976	96.40
42.5	60,920,432	370,241	0.0061	0.9939	96.17
43.5	59,257,743	236,764	0.0040	0.9960	95.58
44.5	57,947,553	280,180	0.0048	0.9952	95.20
45.5	50,322,714	323,435	0.0064	0.9936	94.74
46.5	47,098,810	773,029	0.0164	0.9836	94.13
47.5	44,960,936	1,218,851	0.0271	0.9729	92.59
48.5	41,565,708	607,993	0.0146	0.9854	90.08
49.5	39,771,162	1,432,048	0.0360	0.9640	88.76
50.5	38,076,326	1,657,403	0.0435	0.9565	85.56
51.5	35,837,740	2,311,381	0.0645	0.9355	81.84
52.5	32,906,714	2,202,606	0.0669	0.9331	76.56
53.5	29,430,118	2,037,970	0.0692	0.9308	71.44
54.5	27,032,867	1,585,391	0.0586	0.9414	66.49
55.5	24,510,487	1,919,074	0.0783	0.9217	62.59
56.5	22,673,849	1,478,813	0.0652	0.9348	57.69
57.5	21,078,041	1,650,888	0.0783	0.9217	53.93
58.5	19,692,383	1,601,159	0.0813	0.9187	49.70
59.5	17,748,987	1,651,382	0.0930	0.9070	45.66
60.5	15,918,981	2,242,104	0.1408	0.8592	41.41
61.5	13,661,028	1,964,377	0.1438	0.8562	35.58
62.5	11,756,014	1,103,681	0.0939	0.9061	30.46
63.5	10,260,168	1,044,134	0.1018	0.8982	27.60
64.5	8,838,051	748,882	0.0847	0.9153	24.80
65.5	7,932,482	425,015	0.0536	0.9464	22.69
66.5	7,457,307	271,745	0.0364	0.9636	21.48
67.5	7,067,601	220,362	0.0312	0.9688	20.70
68.5	6,781,377	140,229	0.0207	0.9793	20.05
69.5	6,675,770	238,466	0.0357	0.9643	19.64
70.5	6,389,791	193,470	0.0303	0.9697	18.93
71.5	6,175,877	156,110	0.0253	0.9747	18.36
72.5	5,974,205	204,401	0.0342	0.9658	17.90
73.5	5,751,064	181,109	0.0315	0.9685	17.28
74.5	5,527,950	145,202	0.0263	0.9737	16.74
75.5	5,687,308	128,889	0.0227	0.9773	16.30
76.5	5,592,228	84,624	0.0151	0.9849	15.93
77.5	5,548,438	118,627	0.0214	0.9786	15.69
78.5	5,498,829	76,171	0.0139	0.9861	15.35

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	5,520,125	139,821	0.0253	0.9747	15.14
80.5	5,377,031	134,384	0.0250	0.9750	14.76
81.5	5,179,657	243,729	0.0471	0.9529	14.39
82.5	4,945,882	207,777	0.0420	0.9580	13.71
83.5	4,718,963	306,987	0.0651	0.9349	13.14
84.5	4,383,261	254,472	0.0581	0.9419	12.28
85.5	4,052,093	241,285	0.0595	0.9405	11.57
86.5	3,826,721	448,443	0.1172	0.8828	10.88
87.5	3,356,943	375,873	0.1120	0.8880	9.61
88.5	2,952,880	362,857	0.1229	0.8771	8.53
89.5	2,573,697	385,624	0.1498	0.8502	7.48
90.5	2,139,283	226,523	0.1059	0.8941	6.36
91.5	1,821,898	249,083	0.1367	0.8633	5.69
92.5	1,507,296	210,720	0.1398	0.8602	4.91
93.5	1,213,483	247,266	0.2038	0.7962	4.22
94.5	923,229	105,595	0.1144	0.8856	3.36
95.5	798,375	86,184	0.1079	0.8921	2.98
96.5	678,861	45,263	0.0667	0.9333	2.66
97.5	636,558	31,445	0.0494	0.9506	2.48
98.5	650,069	56,299	0.0866	0.9134	2.36
99.5	625,024	21,703	0.0347	0.9653	2.15
100.5	620,037	45,444	0.0733	0.9267	2.08
101.5	591,284	36,776	0.0622	0.9378	1.93
102.5	611,970	14,265	0.0233	0.9767	1.81
103.5	605,212	28,881	0.0477	0.9523	1.76
104.5	587,802	18,856	0.0321	0.9679	1.68
105.5	569,300	53,021	0.0931	0.9069	1.63
106.5	517,499	44,288	0.0856	0.9144	1.47
107.5	475,195	46,374	0.0976	0.9024	1.35
108.5	441,250	44,800	0.1015	0.8985	1.22
109.5	413,365	54,099	0.1309	0.8691	1.09
110.5	362,328	42,687	0.1178	0.8822	0.95
111.5	319,641	20,750	0.0649	0.9351	0.84
112.5	300,327	17,867	0.0595	0.9405	0.78
113.5	282,460	13,675	0.0484	0.9516	0.74
114.5	274,376	6,348	0.0231	0.9769	0.70
115.5	268,028	9,236	0.0345	0.9655	0.69
116.5	258,793	36,879	0.1425	0.8575	0.66
117.5	221,914	7,077	0.0319	0.9681	0.57
118.5	214,837	12,306	0.0573	0.9427	0.55

AQUA PENNSYLVANIA, INC.

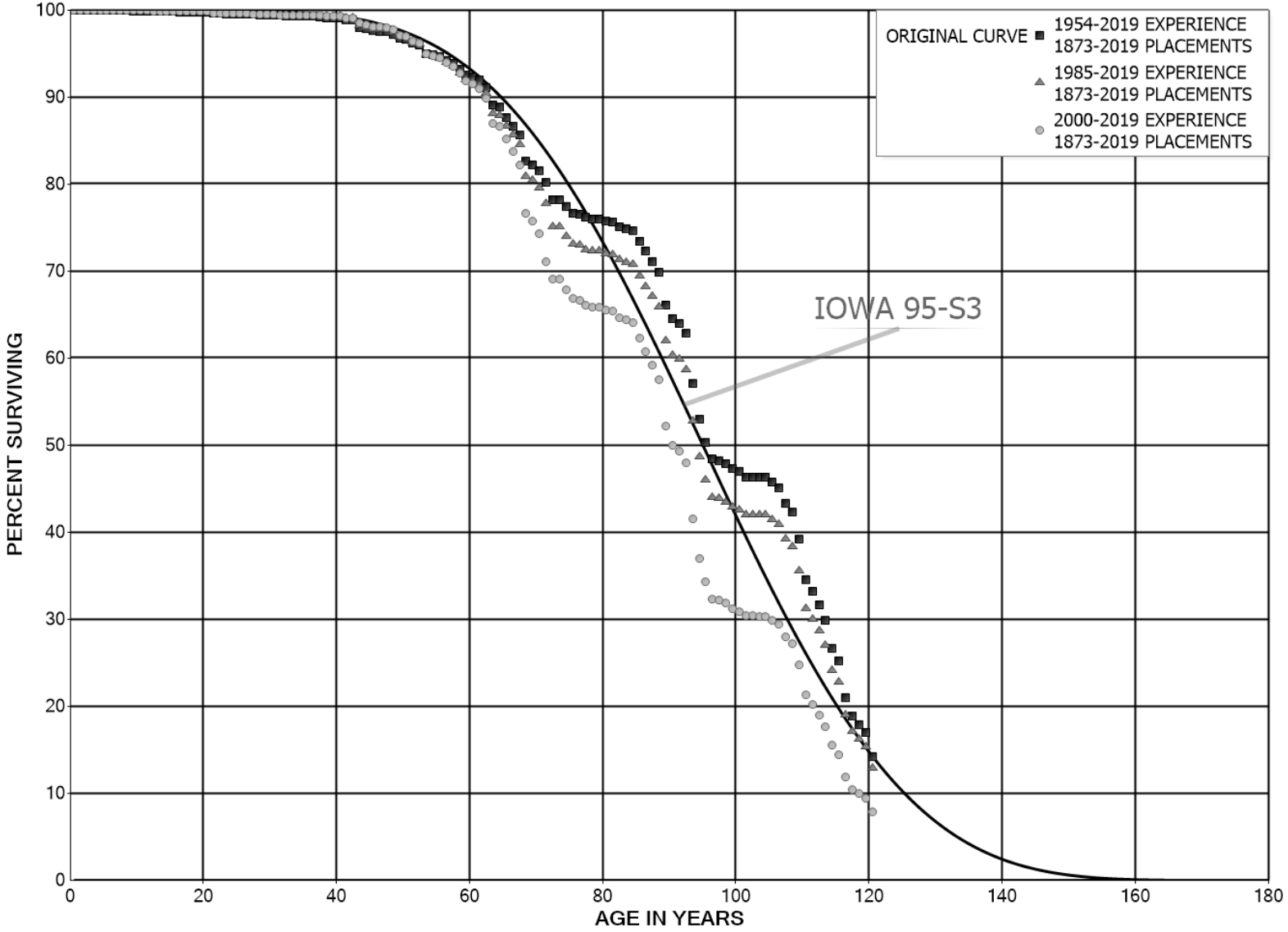
ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8, AND 10 INCH

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1854-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	202,531	16,434	0.0811	0.9189	0.52
120.5	186,097	10,492	0.0564	0.9436	0.48
121.5	175,605	15,165	0.0864	0.9136	0.45
122.5	160,440	4,752	0.0296	0.9704	0.41
123.5	155,688	38,276	0.2458	0.7542	0.40
124.5	117,412	21,056	0.1793	0.8207	0.30
125.5	96,356	16,179	0.1679	0.8321	0.25
126.5	80,177	39,830	0.4968	0.5032	0.20
127.5	41,605	13,037	0.3134	0.6866	0.10
128.5	28,567	10,639	0.3724	0.6276	0.07
129.5	17,928	5,114	0.2853	0.7147	0.04
130.5	12,814	264	0.0206	0.9794	0.03
131.5	12,550	1,109	0.0883	0.9117	0.03
132.5	16,738	718	0.0429	0.9571	0.03
133.5	16,020	9,045	0.5646	0.4354	0.03
134.5	6,975	1,678	0.2406	0.7594	0.01
135.5	5,297		0.0000	1.0000	0.01
136.5	5,297		0.0000	1.0000	0.01
137.5	5,297		0.0000	1.0000	0.01
138.5	5,297		0.0000	1.0000	0.01
139.5	5,297		0.0000	1.0000	0.01
140.5	5,297		0.0000	1.0000	0.01
141.5	5,297		0.0000	1.0000	0.01
142.5	5,523		0.0000	1.0000	0.01
143.5	9,062	226	0.0249	0.9751	0.01
144.5	8,836	241	0.0273	0.9727	0.01
145.5	8,594		0.0000	1.0000	0.01
146.5	8,594	5,056	0.5883	0.4117	0.01
147.5	3,539		0.0000	1.0000	0.00
148.5	3,539		0.0000	1.0000	0.00
149.5	3,539		0.0000	1.0000	0.00
150.5	3,539		0.0000	1.0000	0.00
151.5	3,539		0.0000	1.0000	0.00
152.5	3,539	222	0.0628	0.9372	0.00
153.5	3,317		0.0000	1.0000	0.00
154.5	3,317	3,317	1.0000		0.00
155.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	511,351,353		0.0000	1.0000	100.00
0.5	467,956,392	3,437	0.0000	1.0000	100.00
1.5	438,402,748	14,484	0.0000	1.0000	100.00
2.5	409,246,061	34,981	0.0001	0.9999	100.00
3.5	388,768,951	41,376	0.0001	0.9999	99.99
4.5	359,590,843	68,710	0.0002	0.9998	99.98
5.5	331,238,173	33,951	0.0001	0.9999	99.96
6.5	287,825,754	102,505	0.0004	0.9996	99.95
7.5	260,298,837	42,446	0.0002	0.9998	99.91
8.5	241,476,592	32,008	0.0001	0.9999	99.90
9.5	239,007,764	21,487	0.0001	0.9999	99.88
10.5	235,995,992	34,785	0.0001	0.9999	99.87
11.5	225,751,018	70,321	0.0003	0.9997	99.86
12.5	221,395,736	35,055	0.0002	0.9998	99.83
13.5	199,902,314	40,986	0.0002	0.9998	99.81
14.5	187,843,111	18,373	0.0001	0.9999	99.79
15.5	175,855,193	7,995	0.0000	1.0000	99.78
16.5	168,052,461	4,839	0.0000	1.0000	99.78
17.5	155,627,440	20,981	0.0001	0.9999	99.77
18.5	139,878,873	17,851	0.0001	0.9999	99.76
19.5	123,098,289	2,021	0.0000	1.0000	99.75
20.5	115,111,570	141,173	0.0012	0.9988	99.75
21.5	95,593,643	22,879	0.0002	0.9998	99.62
22.5	90,563,035	59,905	0.0007	0.9993	99.60
23.5	86,901,863	13,412	0.0002	0.9998	99.53
24.5	81,055,040	4,232	0.0001	0.9999	99.52
25.5	73,757,653	12,657	0.0002	0.9998	99.51
26.5	67,709,903	20,217	0.0003	0.9997	99.50
27.5	66,599,856	49,261	0.0007	0.9993	99.47
28.5	64,407,149	1,056	0.0000	1.0000	99.39
29.5	61,605,260	7,729	0.0001	0.9999	99.39
30.5	55,704,202	17,347	0.0003	0.9997	99.38
31.5	51,989,766	8,772	0.0002	0.9998	99.35
32.5	49,525,187	608	0.0000	1.0000	99.33
33.5	48,368,593	21,761	0.0004	0.9996	99.33
34.5	45,360,456	616	0.0000	1.0000	99.29
35.5	44,651,602	10,413	0.0002	0.9998	99.28
36.5	44,122,472	42,826	0.0010	0.9990	99.26
37.5	42,867,573	47,915	0.0011	0.9989	99.16
38.5	42,017,353	7,484	0.0002	0.9998	99.05

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	40,104,613	406	0.0000	1.0000	99.04
40.5	36,919,284	56,198	0.0015	0.9985	99.04
41.5	35,559,822	8,357	0.0002	0.9998	98.88
42.5	34,648,003	322,713	0.0093	0.9907	98.86
43.5	34,029,883	48,060	0.0014	0.9986	97.94
44.5	29,523,462	66,283	0.0022	0.9978	97.80
45.5	26,553,897	16,281	0.0006	0.9994	97.58
46.5	25,117,889	16,542	0.0007	0.9993	97.52
47.5	24,069,931	61,779	0.0026	0.9974	97.46
48.5	23,104,157	125,372	0.0054	0.9946	97.21
49.5	22,157,857	9,601	0.0004	0.9996	96.68
50.5	21,674,857	115,547	0.0053	0.9947	96.64
51.5	20,941,690	31,280	0.0015	0.9985	96.12
52.5	19,221,494	207,914	0.0108	0.9892	95.98
53.5	17,144,566	26,754	0.0016	0.9984	94.94
54.5	16,188,683	36,366	0.0022	0.9978	94.79
55.5	15,178,021	68,188	0.0045	0.9955	94.58
56.5	14,455,795	57,551	0.0040	0.9960	94.16
57.5	13,438,682	84,142	0.0063	0.9937	93.78
58.5	12,725,343	93,902	0.0074	0.9926	93.19
59.5	12,108,234	27,975	0.0023	0.9977	92.51
60.5	10,879,837	46,393	0.0043	0.9957	92.29
61.5	10,339,609	88,884	0.0086	0.9914	91.90
62.5	10,066,766	222,620	0.0221	0.9779	91.11
63.5	9,646,800	31,398	0.0033	0.9967	89.09
64.5	9,261,390	119,672	0.0129	0.9871	88.80
65.5	8,385,231	95,278	0.0114	0.9886	87.66
66.5	6,652,075	77,506	0.0117	0.9883	86.66
67.5	6,204,390	223,582	0.0360	0.9640	85.65
68.5	5,578,290	29,390	0.0053	0.9947	82.56
69.5	4,998,303	37,256	0.0075	0.9925	82.13
70.5	4,726,485	79,960	0.0169	0.9831	81.52
71.5	4,362,215	103,935	0.0238	0.9762	80.14
72.5	3,840,271	768	0.0002	0.9998	78.23
73.5	3,833,572	39,852	0.0104	0.9896	78.21
74.5	3,771,034	36,983	0.0098	0.9902	77.40
75.5	3,769,194	5,286	0.0014	0.9986	76.64
76.5	3,763,567	19,975	0.0053	0.9947	76.53
77.5	3,643,177	5,661	0.0016	0.9984	76.13
78.5	3,602,769	1,725	0.0005	0.9995	76.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	3,518,055	13,386	0.0038	0.9962	75.97
80.5	3,496,163	4,508	0.0013	0.9987	75.68
81.5	3,491,547	23,986	0.0069	0.9931	75.59
82.5	3,423,589	10,090	0.0029	0.9971	75.07
83.5	3,411,554	10,551	0.0031	0.9969	74.85
84.5	3,361,848	56,759	0.0169	0.9831	74.61
85.5	3,288,842	49,953	0.0152	0.9848	73.35
86.5	3,163,084	52,167	0.0165	0.9835	72.24
87.5	3,077,866	52,198	0.0170	0.9830	71.05
88.5	2,944,523	159,975	0.0543	0.9457	69.84
89.5	2,743,684	65,471	0.0239	0.9761	66.05
90.5	2,585,413	20,935	0.0081	0.9919	64.47
91.5	2,520,271	45,002	0.0179	0.9821	63.95
92.5	2,423,232	223,379	0.0922	0.9078	62.81
93.5	1,951,811	137,900	0.0707	0.9293	57.02
94.5	1,776,090	89,383	0.0503	0.9497	52.99
95.5	1,598,628	61,318	0.0384	0.9616	50.32
96.5	1,438,758	5,003	0.0035	0.9965	48.39
97.5	1,437,974	10,374	0.0072	0.9928	48.23
98.5	1,426,945	19,067	0.0134	0.9866	47.88
99.5	1,389,966	9,640	0.0069	0.9931	47.24
100.5	1,381,544	17,483	0.0127	0.9873	46.91
101.5	1,329,395	163	0.0001	0.9999	46.32
102.5	1,329,232	1,171	0.0009	0.9991	46.31
103.5	1,349,266	10	0.0000	1.0000	46.27
104.5	1,360,591	16,686	0.0123	0.9877	46.27
105.5	1,339,090	19,229	0.0144	0.9856	45.70
106.5	1,276,716	50,289	0.0394	0.9606	45.05
107.5	1,220,102	29,220	0.0239	0.9761	43.27
108.5	1,188,504	84,988	0.0715	0.9285	42.24
109.5	1,122,463	134,706	0.1200	0.8800	39.22
110.5	840,747	32,541	0.0387	0.9613	34.51
111.5	782,023	35,709	0.0457	0.9543	33.17
112.5	716,343	42,336	0.0591	0.9409	31.66
113.5	665,845	69,691	0.1047	0.8953	29.79
114.5	549,371	31,237	0.0569	0.9431	26.67
115.5	513,069	85,833	0.1673	0.8327	25.15
116.5	421,319	42,428	0.1007	0.8993	20.95
117.5	377,655	19,149	0.0507	0.9493	18.84
118.5	356,568	18,035	0.0506	0.9494	17.88

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	325,963	53,174	0.1631	0.8369	16.98
120.5	250,349	7,268	0.0290	0.9710	14.21
121.5	235,320	2,909	0.0124	0.9876	13.79
122.5	228,819	764	0.0033	0.9967	13.62
123.5	225,371	3,845	0.0171	0.9829	13.58
124.5	217,405	11,780	0.0542	0.9458	13.35
125.5	205,102	1,617	0.0079	0.9921	12.62
126.5	201,967	44,341	0.2195	0.7805	12.52
127.5	141,223	8,269	0.0586	0.9414	9.77
128.5	130,673	5,472	0.0419	0.9581	9.20
129.5	124,444	7,086	0.0569	0.9431	8.82
130.5	117,359	6,255	0.0533	0.9467	8.31
131.5	111,104	635	0.0057	0.9943	7.87
132.5	78,261	3,789	0.0484	0.9516	7.83
133.5	32,443	2,980	0.0918	0.9082	7.45
134.5	29,464	8,012	0.2719	0.7281	6.76
135.5	6,446	6,446	1.0000		4.92
136.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	485,516,395		0.0000	1.0000	100.00
0.5	441,027,473	3,233	0.0000	1.0000	100.00
1.5	411,438,901	11,701	0.0000	1.0000	100.00
2.5	383,682,972	34,415	0.0001	0.9999	100.00
3.5	364,272,240	33,619	0.0001	0.9999	99.99
4.5	336,065,701	25,865	0.0001	0.9999	99.98
5.5	309,736,462	29,657	0.0001	0.9999	99.97
6.5	266,822,337	56,989	0.0002	0.9998	99.96
7.5	239,548,701	27,431	0.0001	0.9999	99.94
8.5	220,920,095	23,206	0.0001	0.9999	99.93
9.5	219,669,574	21,487	0.0001	0.9999	99.92
10.5	217,418,742	30,515	0.0001	0.9999	99.91
11.5	208,182,634	30,629	0.0001	0.9999	99.89
12.5	204,733,519	27,049	0.0001	0.9999	99.88
13.5	183,600,692	26,064	0.0001	0.9999	99.87
14.5	172,324,730	18,373	0.0001	0.9999	99.85
15.5	160,712,617	5,650	0.0000	1.0000	99.84
16.5	153,447,831	4,839	0.0000	1.0000	99.84
17.5	142,301,942	12,261	0.0001	0.9999	99.83
18.5	128,164,918	16,826	0.0001	0.9999	99.83
19.5	112,402,189	1,691	0.0000	1.0000	99.81
20.5	104,981,308	134,932	0.0013	0.9987	99.81
21.5	86,003,116	16,226	0.0002	0.9998	99.68
22.5	81,429,517	52,395	0.0006	0.9994	99.66
23.5	78,390,458	12,662	0.0002	0.9998	99.60
24.5	72,890,135	3,475	0.0000	1.0000	99.58
25.5	65,972,028	4,608	0.0001	0.9999	99.58
26.5	60,418,190	19,977	0.0003	0.9997	99.57
27.5	58,825,114	35,586	0.0006	0.9994	99.54
28.5	56,620,424	610	0.0000	1.0000	99.48
29.5	54,077,573	2,018	0.0000	1.0000	99.48
30.5	48,824,590	5,548	0.0001	0.9999	99.47
31.5	46,850,277	4,894	0.0001	0.9999	99.46
32.5	44,830,037	465	0.0000	1.0000	99.45
33.5	44,054,217	15,446	0.0004	0.9996	99.45
34.5	41,560,053	442	0.0000	1.0000	99.42
35.5	41,070,405	3,488	0.0001	0.9999	99.42
36.5	41,196,333	7,811	0.0002	0.9998	99.41
37.5	40,487,008	47,915	0.0012	0.9988	99.39
38.5	39,663,778	2,545	0.0001	0.9999	99.27

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	37,758,783	317	0.0000	1.0000	99.26
40.5	34,577,222	55,722	0.0016	0.9984	99.26
41.5	33,205,077	8,357	0.0003	0.9997	99.10
42.5	32,391,632	307,824	0.0095	0.9905	99.08
43.5	31,838,259	47,921	0.0015	0.9985	98.14
44.5	26,946,836	64,366	0.0024	0.9976	97.99
45.5	23,912,844	9,224	0.0004	0.9996	97.76
46.5	22,407,836	5,659	0.0003	0.9997	97.72
47.5	21,365,025	56,957	0.0027	0.9973	97.69
48.5	20,243,734	121,360	0.0060	0.9940	97.43
49.5	19,289,093	5,885	0.0003	0.9997	96.85
50.5	18,810,167	114,822	0.0061	0.9939	96.82
51.5	18,165,354	27,762	0.0015	0.9985	96.23
52.5	16,479,134	205,616	0.0125	0.9875	96.08
53.5	14,454,180	26,754	0.0019	0.9981	94.88
54.5	13,306,564	36,366	0.0027	0.9973	94.71
55.5	12,328,652	66,141	0.0054	0.9946	94.45
56.5	11,677,857	55,580	0.0048	0.9952	93.94
57.5	10,743,806	84,142	0.0078	0.9922	93.49
58.5	10,665,719	91,064	0.0085	0.9915	92.76
59.5	10,328,359	27,975	0.0027	0.9973	91.97
60.5	9,324,681	42,889	0.0046	0.9954	91.72
61.5	8,953,003	87,817	0.0098	0.9902	91.30
62.5	8,687,509	221,053	0.0254	0.9746	90.40
63.5	8,261,933	28,794	0.0035	0.9965	88.10
64.5	7,880,330	104,313	0.0132	0.9868	87.80
65.5	7,020,117	83,458	0.0119	0.9881	86.63
66.5	5,423,733	66,675	0.0123	0.9877	85.60
67.5	4,924,137	214,231	0.0435	0.9565	84.55
68.5	4,327,493	28,492	0.0066	0.9934	80.87
69.5	3,738,413	37,256	0.0100	0.9900	80.34
70.5	3,474,582	79,301	0.0228	0.9772	79.54
71.5	3,082,901	103,935	0.0337	0.9663	77.72
72.5	2,574,866	768	0.0003	0.9997	75.10
73.5	2,572,281	39,852	0.0155	0.9845	75.08
74.5	2,520,630	29,282	0.0116	0.9884	73.92
75.5	2,865,650	5,286	0.0018	0.9982	73.06
76.5	2,939,142	19,975	0.0068	0.9932	72.92
77.5	2,893,802	5,606	0.0019	0.9981	72.43
78.5	2,913,528	1,725	0.0006	0.9994	72.29

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	2,983,663	12,802	0.0043	0.9957	72.25
80.5	2,973,422	4,508	0.0015	0.9985	71.94
81.5	2,968,806	23,986	0.0081	0.9919	71.83
82.5	2,908,437	10,090	0.0035	0.9965	71.25
83.5	2,906,237	10,551	0.0036	0.9964	71.00
84.5	2,915,302	56,759	0.0195	0.9805	70.74
85.5	3,054,078	49,953	0.0164	0.9836	69.36
86.5	2,935,178	52,167	0.0178	0.9822	68.23
87.5	2,853,713	52,198	0.0183	0.9817	67.02
88.5	2,723,815	159,975	0.0587	0.9413	65.79
89.5	2,527,271	65,471	0.0259	0.9741	61.93
90.5	2,373,196	20,935	0.0088	0.9912	60.32
91.5	2,314,283	45,002	0.0194	0.9806	59.79
92.5	2,235,600	223,379	0.0999	0.9001	58.63
93.5	1,767,144	137,900	0.0780	0.9220	52.77
94.5	1,600,224	89,383	0.0559	0.9441	48.65
95.5	1,422,762	61,318	0.0431	0.9569	45.93
96.5	1,262,892	5,003	0.0040	0.9960	43.96
97.5	1,308,731	10,374	0.0079	0.9921	43.78
98.5	1,369,298	19,067	0.0139	0.9861	43.43
99.5	1,332,319	9,640	0.0072	0.9928	42.83
100.5	1,333,888	17,483	0.0131	0.9869	42.52
101.5	1,281,777	163	0.0001	0.9999	41.96
102.5	1,318,474	1,171	0.0009	0.9991	41.96
103.5	1,338,508	10	0.0000	1.0000	41.92
104.5	1,349,833	16,686	0.0124	0.9876	41.92
105.5	1,328,333	19,229	0.0145	0.9855	41.40
106.5	1,265,958	50,289	0.0397	0.9603	40.80
107.5	1,209,980	29,220	0.0241	0.9759	39.18
108.5	1,178,383	84,988	0.0721	0.9279	38.23
109.5	1,112,341	134,706	0.1211	0.8789	35.48
110.5	834,292	32,541	0.0390	0.9610	31.18
111.5	782,023	35,709	0.0457	0.9543	29.96
112.5	716,343	42,336	0.0591	0.9409	28.60
113.5	665,845	69,691	0.1047	0.8953	26.91
114.5	549,371	31,237	0.0569	0.9431	24.09
115.5	513,069	85,833	0.1673	0.8327	22.72
116.5	421,319	42,428	0.1007	0.8993	18.92
117.5	377,655	19,149	0.0507	0.9493	17.01
118.5	356,568	18,035	0.0506	0.9494	16.15

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	325,963	53,174	0.1631	0.8369	15.33
120.5	250,349	7,268	0.0290	0.9710	12.83
121.5	235,320	2,909	0.0124	0.9876	12.46
122.5	228,819	764	0.0033	0.9967	12.31
123.5	225,371	3,845	0.0171	0.9829	12.27
124.5	217,405	11,780	0.0542	0.9458	12.06
125.5	205,102	1,617	0.0079	0.9921	11.40
126.5	201,967	44,341	0.2195	0.7805	11.31
127.5	141,223	8,269	0.0586	0.9414	8.83
128.5	130,673	5,472	0.0419	0.9581	8.31
129.5	124,444	7,086	0.0569	0.9431	7.96
130.5	117,359	6,255	0.0533	0.9467	7.51
131.5	111,104	635	0.0057	0.9943	7.11
132.5	78,261	3,789	0.0484	0.9516	7.07
133.5	32,443	2,980	0.0918	0.9082	6.73
134.5	29,464	8,012	0.2719	0.7281	6.11
135.5	6,446	6,446	1.0000		4.45
136.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	412,678,668		0.0000	1.0000	100.00
0.5	377,741,086	3,233	0.0000	1.0000	100.00
1.5	367,181,289	11,701	0.0000	1.0000	100.00
2.5	338,656,337	31,295	0.0001	0.9999	100.00
3.5	321,112,498	26,069	0.0001	0.9999	99.99
4.5	296,815,377	24,479	0.0001	0.9999	99.98
5.5	275,846,402	29,657	0.0001	0.9999	99.97
6.5	237,916,762	56,989	0.0002	0.9998	99.96
7.5	211,809,663	25,597	0.0001	0.9999	99.94
8.5	195,593,536	23,206	0.0001	0.9999	99.92
9.5	195,825,404	21,487	0.0001	0.9999	99.91
10.5	195,281,432	13,257	0.0001	0.9999	99.90
11.5	187,660,607	30,629	0.0002	0.9998	99.89
12.5	184,840,506	27,049	0.0001	0.9999	99.88
13.5	164,998,424	20,672	0.0001	0.9999	99.86
14.5	155,948,792	18,032	0.0001	0.9999	99.85
15.5	144,302,464	5,481	0.0000	1.0000	99.84
16.5	136,640,375	4,671	0.0000	1.0000	99.84
17.5	125,787,009	12,261	0.0001	0.9999	99.83
18.5	111,316,678	16,826	0.0002	0.9998	99.82
19.5	96,444,332	1,691	0.0000	1.0000	99.81
20.5	87,773,861	133,584	0.0015	0.9985	99.81
21.5	69,257,467	367	0.0000	1.0000	99.65
22.5	64,898,138	50,812	0.0008	0.9992	99.65
23.5	60,252,713	78	0.0000	1.0000	99.57
24.5	59,229,115	3,198	0.0001	0.9999	99.57
25.5	53,656,585	1,024	0.0000	1.0000	99.57
26.5	48,950,530	19,977	0.0004	0.9996	99.57
27.5	48,185,982	34,098	0.0007	0.9993	99.53
28.5	46,149,283	188	0.0000	1.0000	99.46
29.5	43,954,278	2,018	0.0000	1.0000	99.46
30.5	38,358,262	5,334	0.0001	0.9999	99.45
31.5	35,290,154	4,275	0.0001	0.9999	99.44
32.5	34,089,206	465	0.0000	1.0000	99.43
33.5	34,454,450	9,629	0.0003	0.9997	99.42
34.5	32,705,425	198	0.0000	1.0000	99.40
35.5	32,445,202	3,361	0.0001	0.9999	99.40
36.5	32,511,818	7,271	0.0002	0.9998	99.39
37.5	31,715,236	29,635	0.0009	0.9991	99.36
38.5	30,631,701	2,545	0.0001	0.9999	99.27

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	29,344,962	317	0.0000	1.0000	99.26
40.5	27,414,657	55,645	0.0020	0.9980	99.26
41.5	26,603,229	1,564	0.0001	0.9999	99.06
42.5	25,859,749	145,447	0.0056	0.9944	99.05
43.5	25,656,616	44,593	0.0017	0.9983	98.50
44.5	21,076,426	63,949	0.0030	0.9970	98.33
45.5	18,820,831	2,186	0.0001	0.9999	98.03
46.5	19,156,245	5,659	0.0003	0.9997	98.02
47.5	18,352,753	56,007	0.0031	0.9969	97.99
48.5	17,680,131	121,022	0.0068	0.9932	97.69
49.5	17,407,761	5,885	0.0003	0.9997	97.02
50.5	17,305,112	114,619	0.0066	0.9934	96.99
51.5	17,218,285	27,691	0.0016	0.9984	96.34
52.5	16,017,809	205,616	0.0128	0.9872	96.19
53.5	13,899,493	26,754	0.0019	0.9981	94.95
54.5	12,735,543	36,270	0.0028	0.9972	94.77
55.5	11,587,387	66,141	0.0057	0.9943	94.50
56.5	10,864,344	55,528	0.0051	0.9949	93.96
57.5	9,957,856	84,142	0.0084	0.9916	93.48
58.5	9,296,773	91,064	0.0098	0.9902	92.69
59.5	8,794,862	27,796	0.0032	0.9968	91.78
60.5	7,526,324	42,702	0.0057	0.9943	91.49
61.5	6,979,254	87,817	0.0126	0.9874	90.97
62.5	6,765,700	221,035	0.0327	0.9673	89.83
63.5	6,318,787	18,021	0.0029	0.9971	86.90
64.5	6,025,372	104,313	0.0173	0.9827	86.65
65.5	5,111,235	83,458	0.0163	0.9837	85.15
66.5	3,427,193	63,619	0.0186	0.9814	83.76
67.5	2,964,359	202,438	0.0683	0.9317	82.20
68.5	2,468,364	28,492	0.0115	0.9885	76.59
69.5	1,932,420	35,705	0.0185	0.9815	75.70
70.5	1,790,199	79,184	0.0442	0.9558	74.31
71.5	1,469,540	40,247	0.0274	0.9726	71.02
72.5	1,095,785	741	0.0007	0.9993	69.07
73.5	1,654,198	28,532	0.0172	0.9828	69.03
74.5	1,883,980	29,282	0.0155	0.9845	67.84
75.5	2,055,073	5,269	0.0026	0.9974	66.78
76.5	2,225,281	19,975	0.0090	0.9910	66.61
77.5	2,114,122	5,606	0.0027	0.9973	66.01
78.5	2,068,367	1,725	0.0008	0.9992	65.84

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	2,023,793	8,084	0.0040	0.9960	65.78
80.5	2,001,335	4,508	0.0023	0.9977	65.52
81.5	2,163,729	23,890	0.0110	0.9890	65.37
82.5	2,109,534	9,189	0.0044	0.9956	64.65
83.5	2,118,410	10,551	0.0050	0.9950	64.37
84.5	2,068,704	56,759	0.0274	0.9726	64.05
85.5	2,003,723	49,953	0.0249	0.9751	62.29
86.5	1,886,755	48,791	0.0259	0.9741	60.74
87.5	1,818,822	52,182	0.0287	0.9713	59.17
88.5	1,689,598	155,756	0.0922	0.9078	57.47
89.5	1,503,850	65,471	0.0435	0.9565	52.17
90.5	1,680,212	20,935	0.0125	0.9875	49.90
91.5	1,691,460	45,002	0.0266	0.9734	49.28
92.5	1,665,276	223,362	0.1341	0.8659	47.97
93.5	1,253,049	137,783	0.1100	0.8900	41.53
94.5	1,235,943	89,383	0.0723	0.9277	36.97
95.5	1,075,887	61,318	0.0570	0.9430	34.29
96.5	916,016	5,003	0.0055	0.9945	32.34
97.5	915,892	10,342	0.0113	0.9887	32.16
98.5	914,729	19,042	0.0208	0.9792	31.80
99.5	943,445	9,640	0.0102	0.9898	31.14
100.5	1,145,300	17,483	0.0153	0.9847	30.82
101.5	1,100,009	163	0.0001	0.9999	30.35
102.5	1,105,079	1,171	0.0011	0.9989	30.34
103.5	1,102,816	10	0.0000	1.0000	30.31
104.5	1,118,434	16,663	0.0149	0.9851	30.31
105.5	1,104,371	19,229	0.0174	0.9826	29.86
106.5	1,048,225	50,289	0.0480	0.9520	29.34
107.5	1,009,966	29,220	0.0289	0.9711	27.93
108.5	981,311	84,988	0.0866	0.9134	27.12
109.5	924,071	130,476	0.1412	0.8588	24.78
110.5	646,585	32,541	0.0503	0.9497	21.28
111.5	587,861	35,709	0.0607	0.9393	20.21
112.5	568,804	42,336	0.0744	0.9256	18.98
113.5	585,671	69,691	0.1190	0.8810	17.57
114.5	469,198	31,237	0.0666	0.9334	15.48
115.5	465,414	85,833	0.1844	0.8156	14.45
116.5	373,701	42,428	0.1135	0.8865	11.78
117.5	366,898	19,149	0.0522	0.9478	10.44
118.5	345,810	18,035	0.0522	0.9478	9.90

AQUA PENNSYLVANIA, INC.

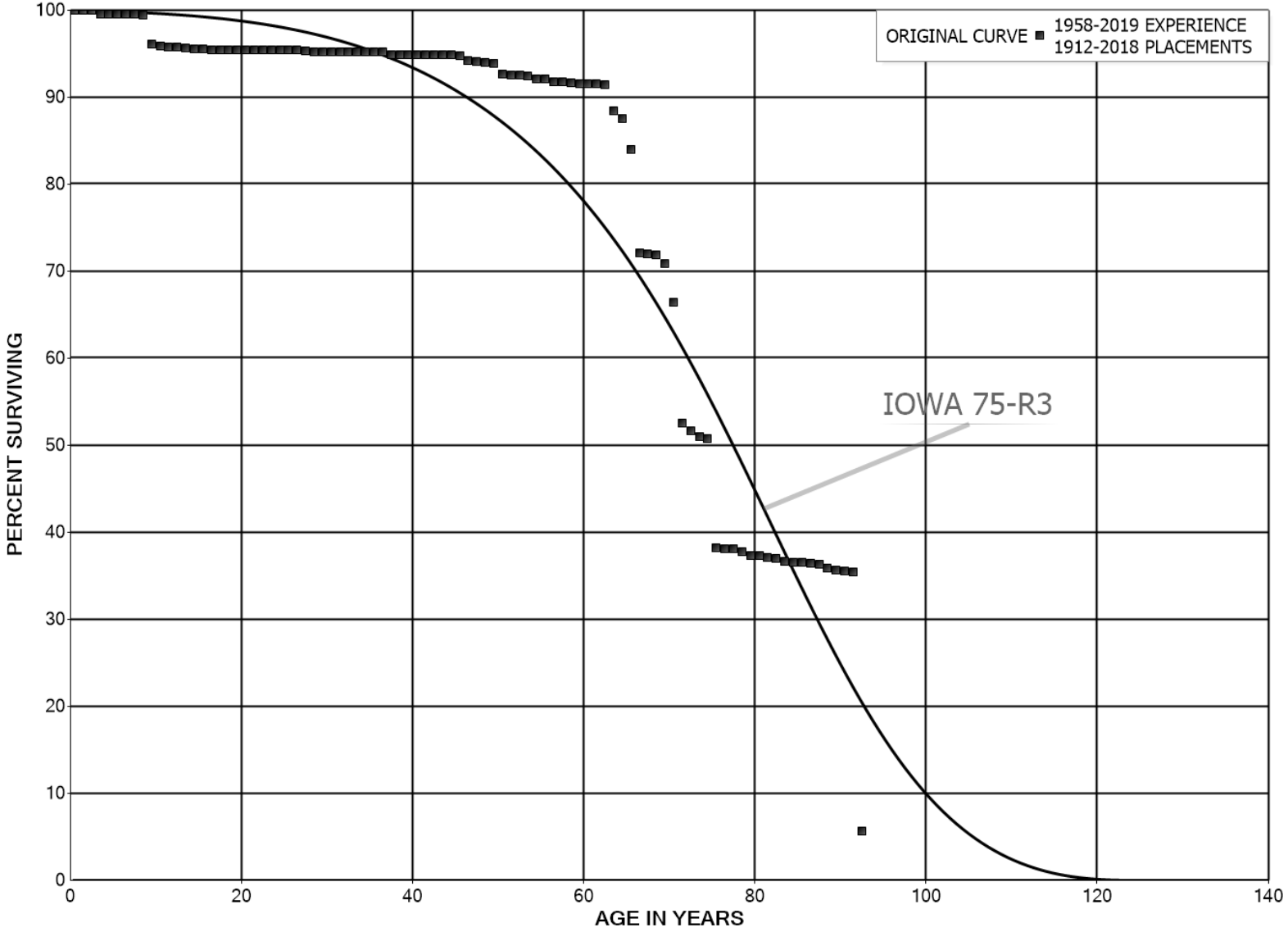
ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1873-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	315,205	53,174	0.1687	0.8313	9.38
120.5	239,591	7,268	0.0303	0.9697	7.80
121.5	224,562	2,909	0.0130	0.9870	7.56
122.5	218,697	764	0.0035	0.9965	7.47
123.5	215,249	3,845	0.0179	0.9821	7.44
124.5	207,284	11,780	0.0568	0.9432	7.31
125.5	198,647	1,617	0.0081	0.9919	6.89
126.5	201,967	44,341	0.2195	0.7805	6.84
127.5	141,223	8,269	0.0586	0.9414	5.33
128.5	130,673	5,472	0.0419	0.9581	5.02
129.5	124,444	7,086	0.0569	0.9431	4.81
130.5	117,359	6,255	0.0533	0.9467	4.54
131.5	111,104	635	0.0057	0.9943	4.30
132.5	78,261	3,789	0.0484	0.9516	4.27
133.5	32,443	2,980	0.0918	0.9082	4.06
134.5	29,464	8,012	0.2719	0.7281	3.69
135.5	6,446	6,446	1.0000		2.69
136.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1912-2018 EXPERIENCE BAND 1958-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,872,166		0.0000	1.0000	100.00
0.5	3,876,730	670	0.0002	0.9998	100.00
1.5	3,375,312		0.0000	1.0000	99.98
2.5	3,788,251	16,820	0.0044	0.9956	99.98
3.5	3,757,455	407	0.0001	0.9999	99.54
4.5	6,363,266		0.0000	1.0000	99.53
5.5	6,308,791		0.0000	1.0000	99.53
6.5	6,082,520		0.0000	1.0000	99.53
7.5	5,954,826	6,528	0.0011	0.9989	99.53
8.5	6,048,416	202,105	0.0334	0.9666	99.42
9.5	5,970,277	19,022	0.0032	0.9968	96.10
10.5	6,486,662	1,498	0.0002	0.9998	95.79
11.5	6,489,110	3,574	0.0006	0.9994	95.77
12.5	6,493,102	4,973	0.0008	0.9992	95.72
13.5	6,453,845	6,178	0.0010	0.9990	95.64
14.5	6,655,312	4,252	0.0006	0.9994	95.55
15.5	6,310,747	3,044	0.0005	0.9995	95.49
16.5	6,202,158		0.0000	1.0000	95.44
17.5	6,099,774		0.0000	1.0000	95.44
18.5	6,087,675	1,357	0.0002	0.9998	95.44
19.5	6,078,253	723	0.0001	0.9999	95.42
20.5	6,075,448	2,129	0.0004	0.9996	95.41
21.5	6,073,488	169	0.0000	1.0000	95.38
22.5	6,047,466		0.0000	1.0000	95.38
23.5	6,047,466	563	0.0001	0.9999	95.38
24.5	6,047,016		0.0000	1.0000	95.37
25.5	6,047,199		0.0000	1.0000	95.37
26.5	6,030,183	3,032	0.0005	0.9995	95.37
27.5	5,794,187	10,105	0.0017	0.9983	95.32
28.5	5,784,493		0.0000	1.0000	95.15
29.5	5,784,631		0.0000	1.0000	95.15
30.5	5,784,637		0.0000	1.0000	95.15
31.5	6,136,605		0.0000	1.0000	95.15
32.5	6,136,654		0.0000	1.0000	95.15
33.5	6,129,027		0.0000	1.0000	95.15
34.5	6,006,980		0.0000	1.0000	95.15
35.5	6,002,452		0.0000	1.0000	95.15
36.5	5,847,246	21,228	0.0036	0.9964	95.15
37.5	5,826,018		0.0000	1.0000	94.81
38.5	5,784,072		0.0000	1.0000	94.81

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1912-2018 EXPERIENCE BAND 1958-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,807,938	21	0.0000	1.0000	94.81
40.5	5,769,696	14	0.0000	1.0000	94.81
41.5	5,788,052		0.0000	1.0000	94.81
42.5	5,811,852	5	0.0000	1.0000	94.81
43.5	5,810,003		0.0000	1.0000	94.81
44.5	5,759,967	5,708	0.0010	0.9990	94.81
45.5	5,743,030	31,021	0.0054	0.9946	94.71
46.5	5,666,435	7,865	0.0014	0.9986	94.20
47.5	5,630,366	10,077	0.0018	0.9982	94.07
48.5	5,607,187	3,471	0.0006	0.9994	93.90
49.5	5,591,182	71,784	0.0128	0.9872	93.84
50.5	4,557,387	5,261	0.0012	0.9988	92.64
51.5	4,525,069	1,649	0.0004	0.9996	92.53
52.5	4,523,384	3,546	0.0008	0.9992	92.50
53.5	4,509,324	16,719	0.0037	0.9963	92.43
54.5	4,426,438	2,003	0.0005	0.9995	92.08
55.5	4,421,454	12,987	0.0029	0.9971	92.04
56.5	4,343,099	2,672	0.0006	0.9994	91.77
57.5	4,326,342	7,150	0.0017	0.9983	91.71
58.5	4,284,179	3,338	0.0008	0.9992	91.56
59.5	4,295,034	765	0.0002	0.9998	91.49
60.5	4,297,790	714	0.0002	0.9998	91.47
61.5	4,297,470	1,586	0.0004	0.9996	91.46
62.5	4,291,511	141,930	0.0331	0.9669	91.43
63.5	4,074,169	39,104	0.0096	0.9904	88.40
64.5	3,787,803	157,033	0.0415	0.9585	87.55
65.5	3,547,523	499,756	0.1409	0.8591	83.92
66.5	996,025	2,336	0.0023	0.9977	72.10
67.5	1,001,895	1,799	0.0018	0.9982	71.93
68.5	1,003,761	14,004	0.0140	0.9860	71.80
69.5	985,216	61,284	0.0622	0.9378	70.80
70.5	907,539	189,424	0.2087	0.7913	66.40
71.5	716,680	11,878	0.0166	0.9834	52.54
72.5	482,414	6,912	0.0143	0.9857	51.67
73.5	476,864	2,158	0.0045	0.9955	50.93
74.5	471,980	116,107	0.2460	0.7540	50.70
75.5	357,382	1,089	0.0030	0.9970	38.23
76.5	341,064	662	0.0019	0.9981	38.11
77.5	340,766	2,704	0.0079	0.9921	38.04
78.5	342,357	3,720	0.0109	0.9891	37.73

AQUA PENNSYLVANIA, INC.

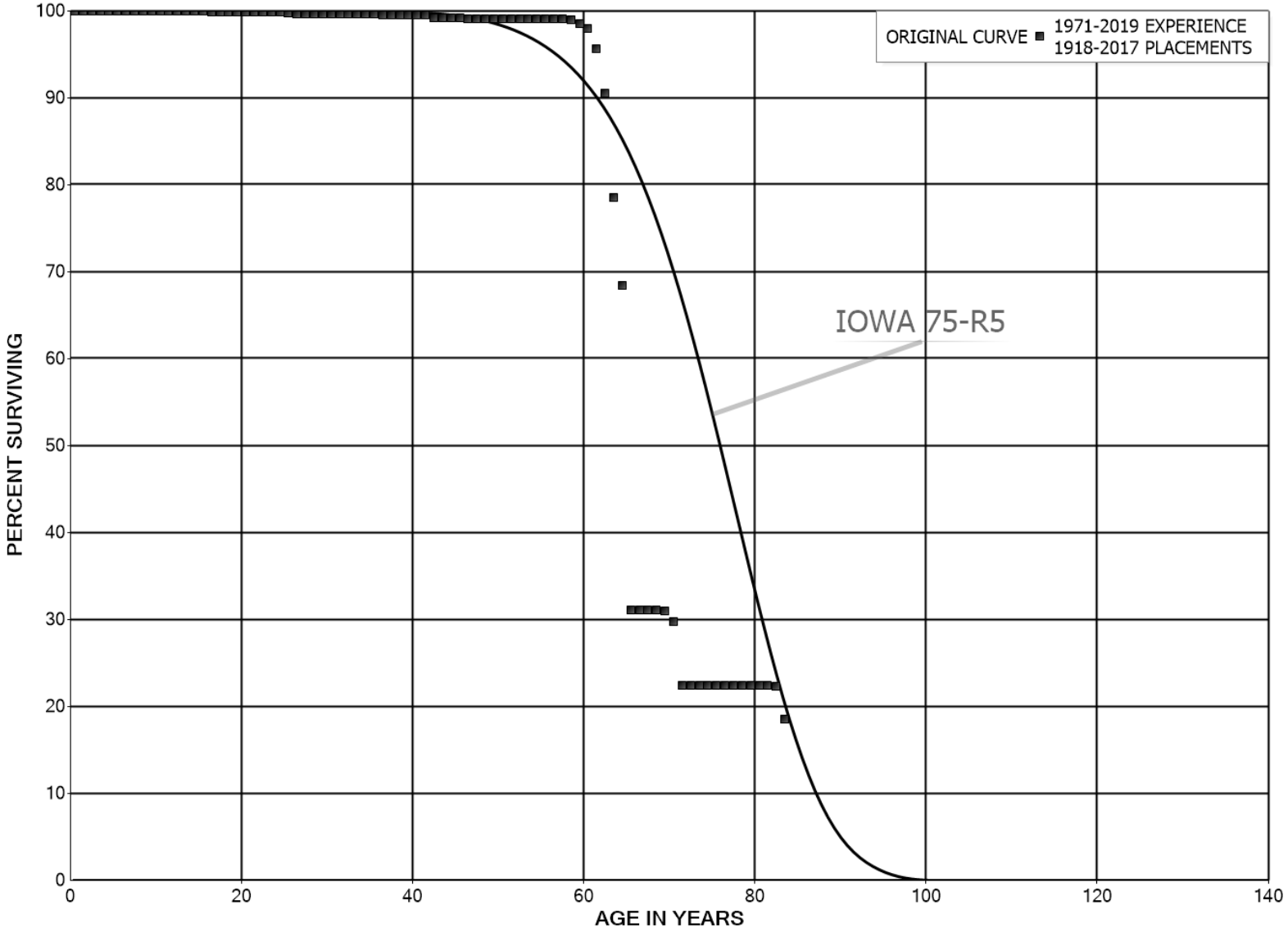
ACCOUNT 331.04 MAINS AND ACCESSORIES - STEEL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1912-2018 EXPERIENCE BAND 1958-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	337,502	810	0.0024	0.9976	37.32
80.5	337,456	1,343	0.0040	0.9960	37.23
81.5	337,110	1,290	0.0038	0.9962	37.09
82.5	337,667	2,594	0.0077	0.9923	36.94
83.5	336,303	1,046	0.0031	0.9969	36.66
84.5	335,869	351	0.0010	0.9990	36.55
85.5	336,952	963	0.0029	0.9971	36.51
86.5	337,980	886	0.0026	0.9974	36.40
87.5	341,834	4,575	0.0134	0.9866	36.31
88.5	342,871	1,797	0.0052	0.9948	35.82
89.5	346,001	1,042	0.0030	0.9970	35.63
90.5	345,020	1,354	0.0039	0.9961	35.53
91.5	344,482	289,641	0.8408	0.1592	35.39
92.5	55,822	22,169	0.3971	0.6029	5.63
93.5	15,369	2,626	0.1709	0.8291	3.40
94.5	13,240	3,757	0.2838	0.7162	2.82
95.5	9,274	164	0.0177	0.9823	2.02
96.5	28,265	641	0.0227	0.9773	1.98
97.5	27,595	5,404	0.1958	0.8042	1.94
98.5	21,900	472	0.0216	0.9784	1.56
99.5	21,128	267	0.0126	0.9874	1.52
100.5	20,817	95	0.0045	0.9955	1.50
101.5	20,650	426	0.0206	0.9794	1.50
102.5	20,224	41	0.0020	0.9980	1.47
103.5	20,183	221	0.0109	0.9891	1.46
104.5	19,963	193	0.0096	0.9904	1.45
105.5	19,770	16,104	0.8146	0.1854	1.43
106.5	3,666	243	0.0662	0.9338	0.27
107.5					0.25

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1918-2017 EXPERIENCE BAND 1971-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,121,793		0.0000	1.0000	100.00
0.5	1,121,793		0.0000	1.0000	100.00
1.5	1,121,793		0.0000	1.0000	100.00
2.5	932,362	880	0.0009	0.9991	100.00
3.5	964,309		0.0000	1.0000	99.91
4.5	964,309		0.0000	1.0000	99.91
5.5	973,287		0.0000	1.0000	99.91
6.5	973,337		0.0000	1.0000	99.91
7.5	973,337		0.0000	1.0000	99.91
8.5	973,337		0.0000	1.0000	99.91
9.5	1,001,236		0.0000	1.0000	99.91
10.5	1,678,036		0.0000	1.0000	99.91
11.5	1,915,766		0.0000	1.0000	99.91
12.5	3,606,222		0.0000	1.0000	99.91
13.5	4,494,447		0.0000	1.0000	99.91
14.5	5,110,718		0.0000	1.0000	99.91
15.5	5,514,764	900	0.0002	0.9998	99.91
16.5	5,997,526		0.0000	1.0000	99.89
17.5	5,997,526		0.0000	1.0000	99.89
18.5	5,997,526		0.0000	1.0000	99.89
19.5	5,960,770		0.0000	1.0000	99.89
20.5	5,960,932		0.0000	1.0000	99.89
21.5	5,961,056		0.0000	1.0000	99.89
22.5	5,985,266		0.0000	1.0000	99.89
23.5	5,985,266		0.0000	1.0000	99.89
24.5	5,985,266	8,389	0.0014	0.9986	99.89
25.5	5,976,877	8,223	0.0014	0.9986	99.75
26.5	5,968,655		0.0000	1.0000	99.61
27.5	5,968,655		0.0000	1.0000	99.61
28.5	5,968,655		0.0000	1.0000	99.61
29.5	5,968,655	934	0.0002	0.9998	99.61
30.5	5,852,883		0.0000	1.0000	99.60
31.5	5,852,883		0.0000	1.0000	99.60
32.5	5,852,883		0.0000	1.0000	99.60
33.5	5,852,883		0.0000	1.0000	99.60
34.5	5,852,883		0.0000	1.0000	99.60
35.5	5,852,883	2,392	0.0004	0.9996	99.60
36.5	5,724,363		0.0000	1.0000	99.56
37.5	5,724,363	934	0.0002	0.9998	99.56
38.5	5,651,517		0.0000	1.0000	99.54

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1918-2017 EXPERIENCE BAND 1971-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,651,559		0.0000	1.0000	99.54
40.5	5,651,559		0.0000	1.0000	99.54
41.5	5,651,559	20,527	0.0036	0.9964	99.54
42.5	5,358,478		0.0000	1.0000	99.18
43.5	5,358,478		0.0000	1.0000	99.18
44.5	5,413,124		0.0000	1.0000	99.18
45.5	5,413,124	5,286	0.0010	0.9990	99.18
46.5	5,091,561		0.0000	1.0000	99.08
47.5	5,091,561		0.0000	1.0000	99.08
48.5	5,091,561		0.0000	1.0000	99.08
49.5	5,091,561		0.0000	1.0000	99.08
50.5	5,091,561		0.0000	1.0000	99.08
51.5	5,091,561	2,367	0.0005	0.9995	99.08
52.5	5,058,994		0.0000	1.0000	99.04
53.5	5,058,994	982	0.0002	0.9998	99.04
54.5	5,050,017		0.0000	1.0000	99.02
55.5	5,050,017		0.0000	1.0000	99.02
56.5	5,050,017		0.0000	1.0000	99.02
57.5	5,050,017	1,491	0.0003	0.9997	99.02
58.5	5,022,118	25,986	0.0052	0.9948	98.99
59.5	4,345,318	20,896	0.0048	0.9952	98.47
60.5	4,104,497	98,305	0.0240	0.9760	98.00
61.5	2,426,480	131,099	0.0540	0.9460	95.65
62.5	1,545,518	204,647	0.1324	0.8676	90.49
63.5	929,247	119,509	0.1286	0.8714	78.50
64.5	562,858	307,320	0.5460	0.4540	68.41
65.5	79,196	25	0.0003	0.9997	31.06
66.5	79,171		0.0000	1.0000	31.05
67.5	79,171		0.0000	1.0000	31.05
68.5	79,171	185	0.0023	0.9977	31.05
69.5	78,965	3,267	0.0414	0.9586	30.97
70.5	75,683	18,740	0.2476	0.7524	29.69
71.5	54,656		0.0000	1.0000	22.34
72.5	54,656		0.0000	1.0000	22.34
73.5	54,656		0.0000	1.0000	22.34
74.5	54,656		0.0000	1.0000	22.34
75.5	54,656		0.0000	1.0000	22.34
76.5	54,656		0.0000	1.0000	22.34
77.5	54,656		0.0000	1.0000	22.34
78.5	54,656		0.0000	1.0000	22.34

AQUA PENNSYLVANIA, INC.

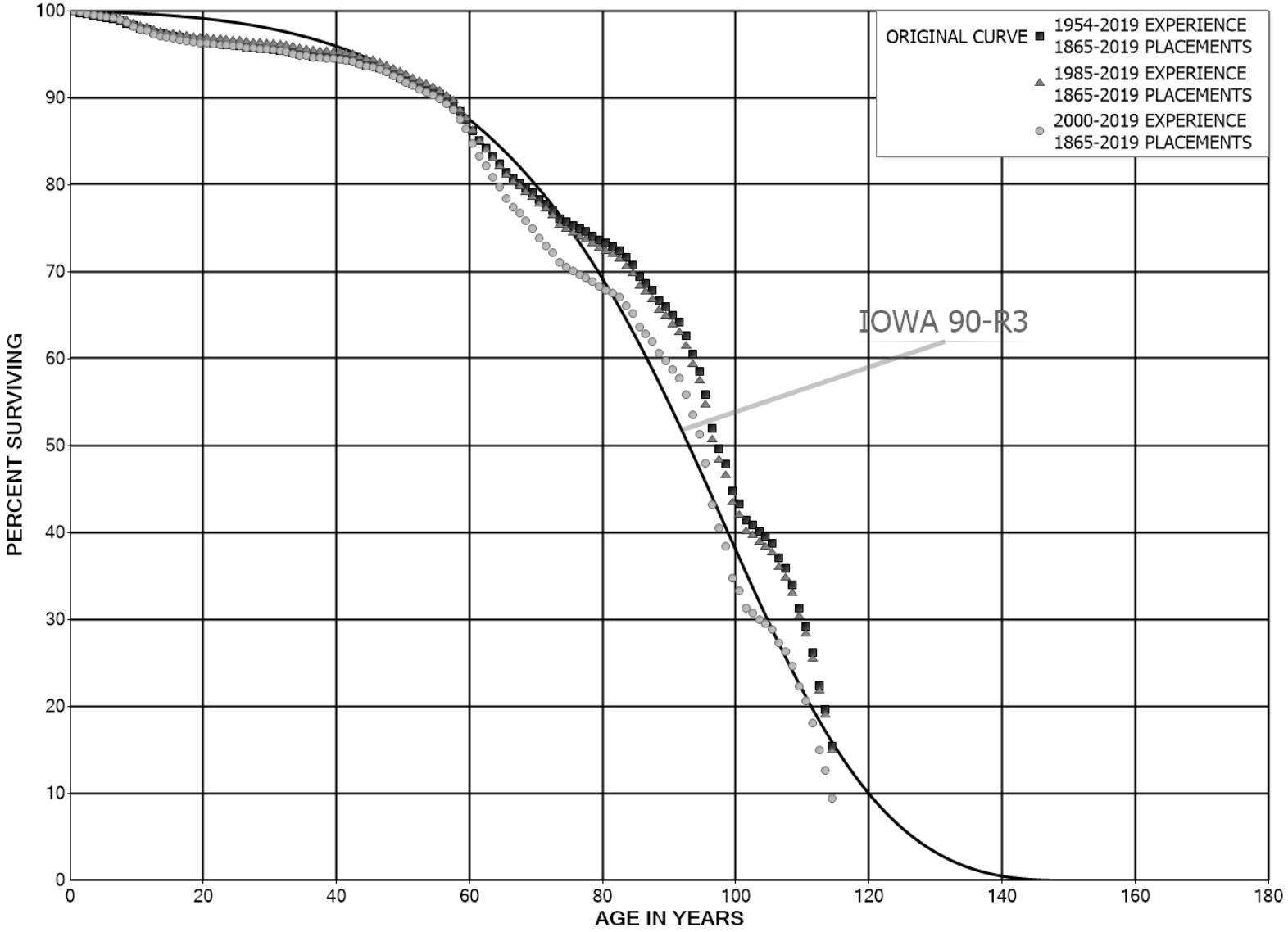
ACCOUNT 331.05 MAINS AND ACCESSORIES - LOCK JOINT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1918-2017 EXPERIENCE BAND 1971-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	54,656		0.0000	1.0000	22.34
80.5	54,656		0.0000	1.0000	22.34
81.5	54,656	11	0.0002	0.9998	22.34
82.5	54,645	9,297	0.1701	0.8299	22.34
83.5	45,349		0.0000	1.0000	18.54
84.5	45,349		0.0000	1.0000	18.54
85.5	45,349		0.0000	1.0000	18.54
86.5	45,349		0.0000	1.0000	18.54
87.5	45,349		0.0000	1.0000	18.54
88.5	45,349		0.0000	1.0000	18.54
89.5	45,349		0.0000	1.0000	18.54
90.5	45,349		0.0000	1.0000	18.54
91.5	45,349	2,158	0.0476	0.9524	18.54
92.5	43,190	36,993	0.8565	0.1435	17.65
93.5					2.53

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	68,653,216	5,375	0.0001	0.9999	100.00
0.5	63,297,803	144,313	0.0023	0.9977	99.99
1.5	55,795,840	94,584	0.0017	0.9983	99.76
2.5	49,814,612	94,792	0.0019	0.9981	99.60
3.5	45,717,989	54,950	0.0012	0.9988	99.41
4.5	40,719,805	46,662	0.0011	0.9989	99.29
5.5	37,519,592	45,659	0.0012	0.9988	99.17
6.5	35,070,468	66,868	0.0019	0.9981	99.05
7.5	30,998,693	95,515	0.0031	0.9969	98.86
8.5	28,053,221	76,984	0.0027	0.9973	98.56
9.5	24,545,478	82,046	0.0033	0.9967	98.29
10.5	23,585,548	31,050	0.0013	0.9987	97.96
11.5	22,362,356	74,379	0.0033	0.9967	97.83
12.5	21,142,537	33,964	0.0016	0.9984	97.50
13.5	19,769,243	25,653	0.0013	0.9987	97.35
14.5	19,297,090	28,558	0.0015	0.9985	97.22
15.5	18,368,134	25,363	0.0014	0.9986	97.08
16.5	18,148,491	35,453	0.0020	0.9980	96.94
17.5	16,994,459	17,735	0.0010	0.9990	96.75
18.5	16,356,587	21,774	0.0013	0.9987	96.65
19.5	15,452,903	21,284	0.0014	0.9986	96.52
20.5	14,448,094	14,018	0.0010	0.9990	96.39
21.5	13,771,524	13,511	0.0010	0.9990	96.30
22.5	12,869,692	11,404	0.0009	0.9991	96.20
23.5	12,214,043	11,601	0.0009	0.9991	96.12
24.5	11,430,731	14,845	0.0013	0.9987	96.03
25.5	10,542,088	16,972	0.0016	0.9984	95.90
26.5	10,006,647	6,775	0.0007	0.9993	95.75
27.5	9,857,176	7,365	0.0007	0.9993	95.68
28.5	9,419,208	4,830	0.0005	0.9995	95.61
29.5	8,863,730	4,497	0.0005	0.9995	95.56
30.5	8,544,382	7,503	0.0009	0.9991	95.51
31.5	8,148,185	7,532	0.0009	0.9991	95.43
32.5	7,758,042	12,091	0.0016	0.9984	95.34
33.5	7,371,444	17,650	0.0024	0.9976	95.19
34.5	6,929,737	4,016	0.0006	0.9994	94.97
35.5	6,609,721	10,666	0.0016	0.9984	94.91
36.5	6,298,496	4,214	0.0007	0.9993	94.76
37.5	5,968,129	4,338	0.0007	0.9993	94.69
38.5	5,764,240	3,265	0.0006	0.9994	94.63

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,584,619	6,103	0.0011	0.9989	94.57
40.5	5,310,016	5,511	0.0010	0.9990	94.47
41.5	4,982,490	5,736	0.0012	0.9988	94.37
42.5	4,797,355	16,249	0.0034	0.9966	94.26
43.5	4,715,811	9,573	0.0020	0.9980	93.94
44.5	4,562,407	7,108	0.0016	0.9984	93.75
45.5	4,381,702	11,893	0.0027	0.9973	93.61
46.5	4,199,444	13,385	0.0032	0.9968	93.35
47.5	3,990,483	14,704	0.0037	0.9963	93.05
48.5	3,811,702	15,894	0.0042	0.9958	92.71
49.5	3,680,643	13,904	0.0038	0.9962	92.32
50.5	3,522,902	12,478	0.0035	0.9965	91.98
51.5	3,375,439	12,375	0.0037	0.9963	91.65
52.5	3,220,543	12,030	0.0037	0.9963	91.31
53.5	3,047,085	9,077	0.0030	0.9970	90.97
54.5	2,874,529	11,271	0.0039	0.9961	90.70
55.5	2,744,016	15,126	0.0055	0.9945	90.35
56.5	2,570,169	15,258	0.0059	0.9941	89.85
57.5	2,382,408	24,700	0.0104	0.9896	89.31
58.5	2,249,025	22,295	0.0099	0.9901	88.39
59.5	2,072,779	31,175	0.0150	0.9850	87.51
60.5	1,880,872	23,925	0.0127	0.9873	86.20
61.5	1,739,055	17,929	0.0103	0.9897	85.10
62.5	1,630,748	18,244	0.0112	0.9888	84.22
63.5	1,508,062	15,597	0.0103	0.9897	83.28
64.5	1,401,410	16,779	0.0120	0.9880	82.42
65.5	1,269,911	10,684	0.0084	0.9916	81.43
66.5	1,094,071	7,726	0.0071	0.9929	80.75
67.5	1,009,559	7,536	0.0075	0.9925	80.18
68.5	900,920	6,331	0.0070	0.9930	79.58
69.5	789,854	6,980	0.0088	0.9912	79.02
70.5	727,184	5,323	0.0073	0.9927	78.32
71.5	663,221	5,877	0.0089	0.9911	77.75
72.5	586,626	7,257	0.0124	0.9876	77.06
73.5	572,935	3,243	0.0057	0.9943	76.11
74.5	563,413	2,625	0.0047	0.9953	75.67
75.5	555,650	2,930	0.0053	0.9947	75.32
76.5	538,197	2,617	0.0049	0.9951	74.93
77.5	527,950	3,125	0.0059	0.9941	74.56
78.5	515,433	3,250	0.0063	0.9937	74.12

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	499,548	2,784	0.0056	0.9944	73.65
80.5	482,447	2,428	0.0050	0.9950	73.24
81.5	474,787	3,128	0.0066	0.9934	72.87
82.5	460,798	5,271	0.0114	0.9886	72.39
83.5	448,593	5,417	0.0121	0.9879	71.56
84.5	436,510	8,256	0.0189	0.9811	70.70
85.5	425,366	4,552	0.0107	0.9893	69.36
86.5	414,765	4,716	0.0114	0.9886	68.62
87.5	404,854	7,055	0.0174	0.9826	67.84
88.5	376,560	4,228	0.0112	0.9888	66.66
89.5	357,648	4,918	0.0138	0.9862	65.91
90.5	342,785	4,584	0.0134	0.9866	65.00
91.5	321,171	7,795	0.0243	0.9757	64.13
92.5	289,757	9,655	0.0333	0.9667	62.58
93.5	218,605	6,994	0.0320	0.9680	60.49
94.5	176,163	8,211	0.0466	0.9534	58.56
95.5	152,542	10,668	0.0699	0.9301	55.83
96.5	129,864	5,757	0.0443	0.9557	51.92
97.5	119,954	4,261	0.0355	0.9645	49.62
98.5	113,377	7,499	0.0661	0.9339	47.86
99.5	105,413	3,367	0.0319	0.9681	44.69
100.5	102,865	4,577	0.0445	0.9555	43.27
101.5	98,498	1,137	0.0115	0.9885	41.34
102.5	99,794	2,008	0.0201	0.9799	40.86
103.5	99,674	1,411	0.0142	0.9858	40.04
104.5	98,256	1,743	0.0177	0.9823	39.47
105.5	96,478	4,253	0.0441	0.9559	38.77
106.5	91,373	3,039	0.0333	0.9667	37.06
107.5	88,316	4,574	0.0518	0.9482	35.83
108.5	83,338	6,700	0.0804	0.9196	33.98
109.5	76,437	5,067	0.0663	0.9337	31.24
110.5	68,201	6,886	0.1010	0.8990	29.17
111.5	58,255	8,419	0.1445	0.8555	26.23
112.5	47,312	6,017	0.1272	0.8728	22.44
113.5	37,179	8,043	0.2163	0.7837	19.58
114.5	28,163	3,598	0.1278	0.8722	15.35
115.5	23,884	2,829	0.1185	0.8815	13.39
116.5	20,051	1,768	0.0882	0.9118	11.80
117.5	18,262	1,152	0.0631	0.9369	10.76
118.5	16,945	683	0.0403	0.9597	10.08

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	16,048	567	0.0353	0.9647	9.67
120.5	15,349	388	0.0253	0.9747	9.33
121.5	14,845	2,071	0.1395	0.8605	9.10
122.5	12,395	2,646	0.2135	0.7865	7.83
123.5	9,513	748	0.0786	0.9214	6.16
124.5	8,098	1,280	0.1581	0.8419	5.67
125.5	6,381	527	0.0826	0.9174	4.78
126.5	5,811	311	0.0536	0.9464	4.38
127.5	5,164	443	0.0858	0.9142	4.15
128.5	4,478	1,165	0.2601	0.7399	3.79
129.5	3,294	402	0.1221	0.8779	2.81
130.5	2,744	1,361	0.4960	0.5040	2.46
131.5	1,383	698	0.5047	0.4953	1.24
132.5	685	561	0.8190	0.1810	0.61
133.5	124	124	1.0000		0.11
134.5					
135.5					
136.5					
137.5					
138.5					
139.5					
140.5					
141.5					
142.5	32		0.0000		
143.5	32	32	1.0000		
144.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	63,452,236	5,375	0.0001	0.9999	100.00
0.5	58,205,621	100,567	0.0017	0.9983	99.99
1.5	50,896,835	56,631	0.0011	0.9989	99.82
2.5	45,051,358	76,296	0.0017	0.9983	99.71
3.5	41,000,996	39,326	0.0010	0.9990	99.54
4.5	36,114,567	34,704	0.0010	0.9990	99.44
5.5	33,102,345	34,825	0.0011	0.9989	99.35
6.5	30,859,878	58,347	0.0019	0.9981	99.24
7.5	26,907,102	74,748	0.0028	0.9972	99.06
8.5	24,054,360	71,499	0.0030	0.9970	98.78
9.5	20,681,003	70,669	0.0034	0.9966	98.49
10.5	19,861,629	23,262	0.0012	0.9988	98.15
11.5	18,771,083	57,864	0.0031	0.9969	98.04
12.5	17,715,148	31,702	0.0018	0.9982	97.73
13.5	16,440,487	20,192	0.0012	0.9988	97.56
14.5	16,049,339	23,841	0.0015	0.9985	97.44
15.5	15,245,635	19,132	0.0013	0.9987	97.29
16.5	15,149,899	19,826	0.0013	0.9987	97.17
17.5	14,150,525	10,363	0.0007	0.9993	97.04
18.5	13,682,888	13,502	0.0010	0.9990	96.97
19.5	12,931,750	9,305	0.0007	0.9993	96.88
20.5	12,068,465	6,120	0.0005	0.9995	96.81
21.5	11,559,956	10,603	0.0009	0.9991	96.76
22.5	10,807,060	8,731	0.0008	0.9992	96.67
23.5	10,256,469	4,654	0.0005	0.9995	96.59
24.5	9,617,871	8,537	0.0009	0.9991	96.55
25.5	8,893,083	11,259	0.0013	0.9987	96.46
26.5	8,465,104	5,006	0.0006	0.9994	96.34
27.5	8,354,715	4,224	0.0005	0.9995	96.28
28.5	7,997,154	3,979	0.0005	0.9995	96.23
29.5	7,523,881	3,981	0.0005	0.9995	96.19
30.5	7,309,396	7,114	0.0010	0.9990	96.14
31.5	7,086,576	4,048	0.0006	0.9994	96.04
32.5	6,782,455	11,398	0.0017	0.9983	95.99
33.5	6,516,849	15,526	0.0024	0.9976	95.83
34.5	6,195,683	3,010	0.0005	0.9995	95.60
35.5	5,941,806	10,039	0.0017	0.9983	95.55
36.5	5,701,362	3,447	0.0006	0.9994	95.39
37.5	5,450,225	3,836	0.0007	0.9993	95.33
38.5	5,256,845	2,797	0.0005	0.9995	95.27

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,082,307	4,784	0.0009	0.9991	95.21
40.5	4,813,229	4,551	0.0009	0.9991	95.12
41.5	4,501,464	5,424	0.0012	0.9988	95.04
42.5	4,324,394	15,466	0.0036	0.9964	94.92
43.5	4,254,401	9,267	0.0022	0.9978	94.58
44.5	4,111,354	6,162	0.0015	0.9985	94.38
45.5	3,945,102	10,477	0.0027	0.9973	94.23
46.5	3,768,543	12,749	0.0034	0.9966	93.98
47.5	3,568,266	12,795	0.0036	0.9964	93.67
48.5	3,391,218	14,495	0.0043	0.9957	93.33
49.5	3,257,408	12,871	0.0040	0.9960	92.93
50.5	3,101,258	11,735	0.0038	0.9962	92.56
51.5	2,957,970	12,089	0.0041	0.9959	92.21
52.5	2,806,387	11,419	0.0041	0.9959	91.84
53.5	2,655,187	8,666	0.0033	0.9967	91.46
54.5	2,494,699	10,865	0.0044	0.9956	91.16
55.5	2,380,883	14,885	0.0063	0.9937	90.77
56.5	2,225,231	14,716	0.0066	0.9934	90.20
57.5	2,063,925	24,376	0.0118	0.9882	89.60
58.5	2,003,018	21,856	0.0109	0.9891	88.54
59.5	1,873,197	30,702	0.0164	0.9836	87.58
60.5	1,708,257	23,651	0.0138	0.9862	86.14
61.5	1,591,555	17,796	0.0112	0.9888	84.95
62.5	1,496,717	18,126	0.0121	0.9879	84.00
63.5	1,381,788	15,063	0.0109	0.9891	82.98
64.5	1,282,588	16,545	0.0129	0.9871	82.08
65.5	1,154,276	10,309	0.0089	0.9911	81.02
66.5	988,764	6,864	0.0069	0.9931	80.30
67.5	905,752	7,180	0.0079	0.9921	79.74
68.5	800,097	5,983	0.0075	0.9925	79.11
69.5	690,910	6,605	0.0096	0.9904	78.52
70.5	629,396	4,954	0.0079	0.9921	77.76
71.5	567,177	5,755	0.0101	0.9899	77.15
72.5	492,214	7,085	0.0144	0.9856	76.37
73.5	481,065	2,873	0.0060	0.9940	75.27
74.5	475,328	2,556	0.0054	0.9946	74.82
75.5	475,575	2,701	0.0057	0.9943	74.42
76.5	463,834	2,331	0.0050	0.9950	74.00
77.5	460,534	2,864	0.0062	0.9938	73.62
78.5	454,725	3,103	0.0068	0.9932	73.17

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	446,687	2,636	0.0059	0.9941	72.67
80.5	439,185	2,088	0.0048	0.9952	72.24
81.5	434,661	2,775	0.0064	0.9936	71.89
82.5	424,592	5,212	0.0123	0.9877	71.44
83.5	414,584	5,125	0.0124	0.9876	70.56
84.5	407,605	8,084	0.0198	0.9802	69.69
85.5	401,721	4,251	0.0106	0.9894	68.30
86.5	393,944	4,697	0.0119	0.9881	67.58
87.5	386,846	7,046	0.0182	0.9818	66.78
88.5	360,287	4,100	0.0114	0.9886	65.56
89.5	343,321	4,907	0.0143	0.9857	64.81
90.5	330,744	4,584	0.0139	0.9861	63.89
91.5	310,965	7,795	0.0251	0.9749	63.00
92.5	280,956	9,565	0.0340	0.9660	61.42
93.5	210,624	6,756	0.0321	0.9679	59.33
94.5	169,352	8,170	0.0482	0.9518	57.43
95.5	146,056	10,657	0.0730	0.9270	54.66
96.5	123,871	5,696	0.0460	0.9540	50.67
97.5	114,676	4,231	0.0369	0.9631	48.34
98.5	110,153	7,499	0.0681	0.9319	46.56
99.5	102,847	3,323	0.0323	0.9677	43.39
100.5	101,184	4,577	0.0452	0.9548	41.98
101.5	96,888	1,137	0.0117	0.9883	40.09
102.5	98,741	2,008	0.0203	0.9797	39.62
103.5	98,838	1,349	0.0136	0.9864	38.81
104.5	97,525	1,734	0.0178	0.9822	38.28
105.5	95,887	4,253	0.0444	0.9556	37.60
106.5	90,782	3,039	0.0335	0.9665	35.93
107.5	87,725	4,574	0.0521	0.9479	34.73
108.5	82,792	6,700	0.0809	0.9191	32.92
109.5	76,028	5,067	0.0666	0.9334	30.25
110.5	68,077	6,886	0.1011	0.8989	28.24
111.5	58,255	8,419	0.1445	0.8555	25.38
112.5	47,312	6,017	0.1272	0.8728	21.71
113.5	37,179	8,043	0.2163	0.7837	18.95
114.5	28,163	3,598	0.1278	0.8722	14.85
115.5	23,884	2,829	0.1185	0.8815	12.95
116.5	20,051	1,768	0.0882	0.9118	11.42
117.5	18,262	1,152	0.0631	0.9369	10.41
118.5	16,945	683	0.0403	0.9597	9.76

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	16,048	567	0.0353	0.9647	9.36
120.5	15,349	388	0.0253	0.9747	9.03
121.5	14,845	2,071	0.1395	0.8605	8.80
122.5	12,395	2,646	0.2135	0.7865	7.58
123.5	9,513	748	0.0786	0.9214	5.96
124.5	8,098	1,280	0.1581	0.8419	5.49
125.5	6,381	527	0.0826	0.9174	4.62
126.5	5,811	311	0.0536	0.9464	4.24
127.5	5,164	443	0.0858	0.9142	4.01
128.5	4,478	1,165	0.2601	0.7399	3.67
129.5	3,294	402	0.1221	0.8779	2.71
130.5	2,744	1,361	0.4960	0.5040	2.38
131.5	1,383	698	0.5047	0.4953	1.20
132.5	685	561	0.8190	0.1810	0.59
133.5	124	124	1.0000		0.11
134.5					
135.5					
136.5					
137.5					
138.5					
139.5					
140.5					
141.5					
142.5	32		0.0000		
143.5	32	32	1.0000		
144.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	55,000,010	5,375	0.0001	0.9999	100.00
0.5	50,346,158	100,567	0.0020	0.9980	99.99
1.5	43,460,174	55,571	0.0013	0.9987	99.79
2.5	38,271,017	68,550	0.0018	0.9982	99.66
3.5	34,685,982	37,980	0.0011	0.9989	99.48
4.5	30,303,479	34,246	0.0011	0.9989	99.38
5.5	27,860,221	34,825	0.0013	0.9987	99.26
6.5	25,821,861	58,112	0.0023	0.9977	99.14
7.5	21,947,133	74,748	0.0034	0.9966	98.92
8.5	19,548,284	71,499	0.0037	0.9963	98.58
9.5	16,548,072	67,734	0.0041	0.9959	98.22
10.5	15,996,671	22,414	0.0014	0.9986	97.82
11.5	15,210,921	55,983	0.0037	0.9963	97.68
12.5	14,386,659	31,519	0.0022	0.9978	97.32
13.5	13,367,755	19,394	0.0015	0.9985	97.11
14.5	13,262,643	20,550	0.0015	0.9985	96.97
15.5	12,613,063	19,132	0.0015	0.9985	96.82
16.5	12,660,234	19,826	0.0016	0.9984	96.67
17.5	11,739,871	10,363	0.0009	0.9991	96.52
18.5	11,279,888	13,412	0.0012	0.9988	96.43
19.5	10,554,147	8,846	0.0008	0.9992	96.32
20.5	9,844,509	5,732	0.0006	0.9994	96.24
21.5	9,464,923	9,097	0.0010	0.9990	96.18
22.5	8,719,975	6,021	0.0007	0.9993	96.09
23.5	8,129,608	4,548	0.0006	0.9994	96.02
24.5	7,466,631	5,904	0.0008	0.9992	95.97
25.5	6,707,419	9,163	0.0014	0.9986	95.89
26.5	6,284,414	4,710	0.0007	0.9993	95.76
27.5	6,217,014	3,067	0.0005	0.9995	95.69
28.5	5,846,242	3,849	0.0007	0.9993	95.64
29.5	5,358,732	3,788	0.0007	0.9993	95.58
30.5	5,143,744	6,554	0.0013	0.9987	95.51
31.5	4,870,324	3,349	0.0007	0.9993	95.39
32.5	4,625,413	11,240	0.0024	0.9976	95.32
33.5	4,399,791	10,366	0.0024	0.9976	95.09
34.5	4,108,504	2,504	0.0006	0.9994	94.87
35.5	3,904,442	6,525	0.0017	0.9983	94.81
36.5	3,763,571	3,016	0.0008	0.9992	94.65
37.5	3,609,597	1,939	0.0005	0.9995	94.58
38.5	3,525,517	1,861	0.0005	0.9995	94.53

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,503,887	2,194	0.0006	0.9994	94.48
40.5	3,411,869	3,904	0.0011	0.9989	94.42
41.5	3,215,619	5,074	0.0016	0.9984	94.31
42.5	3,142,273	9,860	0.0031	0.9969	94.16
43.5	3,190,514	8,202	0.0026	0.9974	93.86
44.5	3,137,394	5,170	0.0016	0.9984	93.62
45.5	3,081,058	7,121	0.0023	0.9977	93.47
46.5	3,081,241	10,711	0.0035	0.9965	93.25
47.5	2,958,108	12,351	0.0042	0.9958	92.93
48.5	2,898,513	12,688	0.0044	0.9956	92.54
49.5	2,880,652	11,723	0.0041	0.9959	92.14
50.5	2,797,249	11,343	0.0041	0.9959	91.76
51.5	2,716,881	11,926	0.0044	0.9956	91.39
52.5	2,639,023	11,374	0.0043	0.9957	90.99
53.5	2,472,259	8,411	0.0034	0.9966	90.60
54.5	2,299,597	10,378	0.0045	0.9955	90.29
55.5	2,172,736	14,802	0.0068	0.9932	89.88
56.5	2,012,723	14,264	0.0071	0.9929	89.27
57.5	1,833,633	24,199	0.0132	0.9868	88.63
58.5	1,713,064	21,515	0.0126	0.9874	87.46
59.5	1,552,696	29,796	0.0192	0.9808	86.37
60.5	1,380,086	23,229	0.0168	0.9832	84.71
61.5	1,249,330	17,234	0.0138	0.9862	83.28
62.5	1,155,422	17,812	0.0154	0.9846	82.13
63.5	1,042,019	14,377	0.0138	0.9862	80.87
64.5	944,167	16,342	0.0173	0.9827	79.75
65.5	816,176	9,928	0.0122	0.9878	78.37
66.5	647,102	6,103	0.0094	0.9906	77.42
67.5	567,073	6,465	0.0114	0.9886	76.69
68.5	485,432	5,503	0.0113	0.9887	75.81
69.5	392,089	6,107	0.0156	0.9844	74.95
70.5	349,232	4,032	0.0115	0.9885	73.79
71.5	307,238	3,221	0.0105	0.9895	72.94
72.5	260,135	4,133	0.0159	0.9841	72.17
73.5	320,121	2,238	0.0070	0.9930	71.02
74.5	357,307	2,255	0.0063	0.9937	70.53
75.5	377,205	2,516	0.0067	0.9933	70.08
76.5	386,393	2,091	0.0054	0.9946	69.61
77.5	390,788	2,560	0.0066	0.9934	69.24
78.5	387,502	2,753	0.0071	0.9929	68.78

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	379,556	2,501	0.0066	0.9934	68.30
80.5	365,564	1,736	0.0047	0.9953	67.85
81.5	364,689	2,383	0.0065	0.9935	67.52
82.5	354,124	5,105	0.0144	0.9856	67.08
83.5	344,890	5,011	0.0145	0.9855	66.12
84.5	334,953	7,890	0.0236	0.9764	65.15
85.5	325,476	4,057	0.0125	0.9875	63.62
86.5	316,784	4,504	0.0142	0.9858	62.83
87.5	308,750	6,832	0.0221	0.9779	61.93
88.5	283,039	3,782	0.0134	0.9866	60.56
89.5	268,038	4,776	0.0178	0.9822	59.75
90.5	260,637	4,483	0.0172	0.9828	58.69
91.5	243,023	7,555	0.0311	0.9689	57.68
92.5	218,534	9,400	0.0430	0.9570	55.89
93.5	156,606	6,585	0.0420	0.9580	53.48
94.5	122,278	7,896	0.0646	0.9354	51.23
95.5	108,192	10,613	0.0981	0.9019	47.93
96.5	88,831	5,670	0.0638	0.9362	43.22
97.5	82,478	4,183	0.0507	0.9493	40.47
98.5	78,037	7,420	0.0951	0.9049	38.41
99.5	74,423	3,265	0.0439	0.9561	34.76
100.5	75,864	4,562	0.0601	0.9399	33.24
101.5	73,300	1,078	0.0147	0.9853	31.24
102.5	76,239	1,902	0.0250	0.9750	30.78
103.5	77,490	1,330	0.0172	0.9828	30.01
104.5	77,894	1,628	0.0209	0.9791	29.49
105.5	78,719	4,234	0.0538	0.9462	28.88
106.5	75,473	3,018	0.0400	0.9600	27.33
107.5	73,895	4,530	0.0613	0.9387	26.23
108.5	69,607	6,502	0.0934	0.9066	24.62
109.5	63,788	5,037	0.0790	0.9210	22.32
110.5	56,160	6,738	0.1200	0.8800	20.56
111.5	47,200	8,322	0.1763	0.8237	18.09
112.5	38,116	5,967	0.1565	0.8435	14.90
113.5	30,671	7,881	0.2570	0.7430	12.57
114.5	24,415	3,598	0.1474	0.8526	9.34
115.5	22,336	2,829	0.1267	0.8733	7.96
116.5	18,573	1,768	0.0952	0.9048	6.96
117.5	17,343	1,152	0.0665	0.9335	6.29
118.5	16,242	683	0.0421	0.9579	5.87

AQUA PENNSYLVANIA, INC.

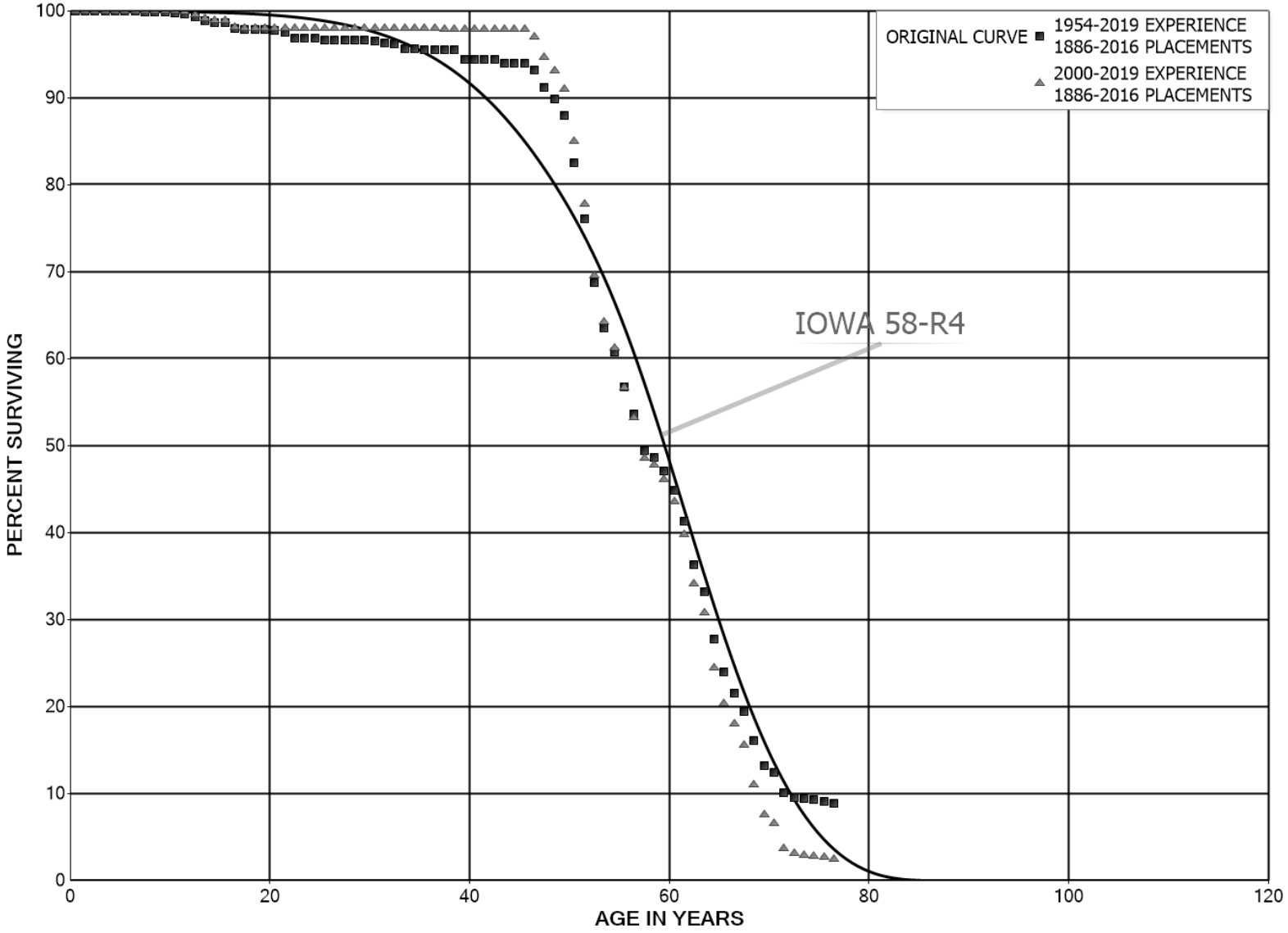
ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1865-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	15,388	567	0.0368	0.9632	5.63
120.5	14,758	388	0.0263	0.9737	5.42
121.5	14,254	2,071	0.1453	0.8547	5.28
122.5	11,804	2,646	0.2241	0.7759	4.51
123.5	8,967	748	0.0834	0.9166	3.50
124.5	7,689	1,280	0.1665	0.8335	3.21
125.5	6,257	527	0.0842	0.9158	2.67
126.5	5,811	311	0.0536	0.9464	2.45
127.5	5,164	443	0.0858	0.9142	2.32
128.5	4,478	1,165	0.2601	0.7399	2.12
129.5	3,294	402	0.1221	0.8779	1.57
130.5	2,744	1,361	0.4960	0.5040	1.38
131.5	1,383	698	0.5047	0.4953	0.69
132.5	685	561	0.8190	0.1810	0.34
133.5	124	124	1.0000		0.06
134.5					
135.5					
136.5					
137.5					
138.5					
139.5					
140.5					
141.5					
142.5	32		0.0000		
143.5	32	32	1.0000		
144.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	28,384,206		0.0000	1.0000	100.00
0.5	28,441,993	752	0.0000	1.0000	100.00
1.5	28,745,000	371	0.0000	1.0000	100.00
2.5	28,771,333	3,234	0.0001	0.9999	100.00
3.5	28,785,952	7,418	0.0003	0.9997	99.98
4.5	28,787,642	8,187	0.0003	0.9997	99.96
5.5	28,878,760	4,887	0.0002	0.9998	99.93
6.5	29,849,042	15,087	0.0005	0.9995	99.91
7.5	29,814,366	15,768	0.0005	0.9995	99.86
8.5	29,737,829	6,217	0.0002	0.9998	99.81
9.5	28,127,948	3,679	0.0001	0.9999	99.79
10.5	27,113,966	57,445	0.0021	0.9979	99.78
11.5	23,663,270	68,459	0.0029	0.9971	99.57
12.5	23,381,376	106,939	0.0046	0.9954	99.28
13.5	21,664,474	37,220	0.0017	0.9983	98.82
14.5	21,351,380	1,839	0.0001	0.9999	98.65
15.5	20,264,037	154,230	0.0076	0.9924	98.64
16.5	19,236,516	9,909	0.0005	0.9995	97.89
17.5	11,790,496	167	0.0000	1.0000	97.84
18.5	11,517,116	6,374	0.0006	0.9994	97.84
19.5	9,876,464	3,856	0.0004	0.9996	97.79
20.5	9,855,948	22,273	0.0023	0.9977	97.75
21.5	9,837,042	69,661	0.0071	0.9929	97.53
22.5	9,767,974	1,908	0.0002	0.9998	96.84
23.5	9,195,807	728	0.0001	0.9999	96.82
24.5	9,100,866	14,928	0.0016	0.9984	96.81
25.5	8,579,034	1,797	0.0002	0.9998	96.65
26.5	8,112,257	1,208	0.0001	0.9999	96.63
27.5	7,492,229	454	0.0001	0.9999	96.62
28.5	6,696,680	825	0.0001	0.9999	96.61
29.5	4,063,116	2,108	0.0005	0.9995	96.60
30.5	3,634,854	10,125	0.0028	0.9972	96.55
31.5	2,673,931	1,774	0.0007	0.9993	96.28
32.5	2,677,146	16,186	0.0060	0.9940	96.22
33.5	2,664,647	1,586	0.0006	0.9994	95.64
34.5	2,435,328	1,128	0.0005	0.9995	95.58
35.5	2,431,648	82	0.0000	1.0000	95.53
36.5	2,432,126	113	0.0000	1.0000	95.53
37.5	2,334,563	1,075	0.0005	0.9995	95.53
38.5	2,278,830	24,841	0.0109	0.9891	95.48

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,250,413	564	0.0003	0.9997	94.44
40.5	2,246,209	339	0.0002	0.9998	94.42
41.5	2,238,082	69	0.0000	1.0000	94.40
42.5	2,211,794	9,809	0.0044	0.9956	94.40
43.5	2,160,000	66	0.0000	1.0000	93.98
44.5	1,861,381	171	0.0001	0.9999	93.98
45.5	1,788,598	14,791	0.0083	0.9917	93.97
46.5	1,745,459	38,467	0.0220	0.9780	93.19
47.5	1,564,485	23,005	0.0147	0.9853	91.14
48.5	1,478,941	30,228	0.0204	0.9796	89.80
49.5	1,362,682	84,499	0.0620	0.9380	87.96
50.5	1,175,717	91,101	0.0775	0.9225	82.51
51.5	1,016,977	98,565	0.0969	0.9031	76.12
52.5	826,344	63,417	0.0767	0.9233	68.74
53.5	688,594	29,361	0.0426	0.9574	63.46
54.5	637,668	42,897	0.0673	0.9327	60.76
55.5	581,003	31,401	0.0540	0.9460	56.67
56.5	539,369	42,023	0.0779	0.9221	53.61
57.5	489,036	8,287	0.0169	0.9831	49.43
58.5	477,832	14,636	0.0306	0.9694	48.59
59.5	461,813	22,610	0.0490	0.9510	47.11
60.5	427,501	33,776	0.0790	0.9210	44.80
61.5	380,697	46,259	0.1215	0.8785	41.26
62.5	329,093	27,493	0.0835	0.9165	36.25
63.5	281,934	47,006	0.1667	0.8333	33.22
64.5	232,817	31,649	0.1359	0.8641	27.68
65.5	177,893	18,131	0.1019	0.8981	23.92
66.5	156,783	15,000	0.0957	0.9043	21.48
67.5	156,891	26,949	0.1718	0.8282	19.42
68.5	124,056	22,342	0.1801	0.8199	16.09
69.5	99,302	6,064	0.0611	0.9389	13.19
70.5	93,205	17,676	0.1896	0.8104	12.38
71.5	75,321	3,918	0.0520	0.9480	10.04
72.5	71,305	1,030	0.0144	0.9856	9.51
73.5	70,243	1,053	0.0150	0.9850	9.38
74.5	69,186	1,189	0.0172	0.9828	9.24
75.5	67,998	1,463	0.0215	0.9785	9.08
76.5	66,533	467	0.0070	0.9930	8.88
77.5	66,044	641	0.0097	0.9903	8.82
78.5	65,396	214	0.0033	0.9967	8.73

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	65,176	4	0.0001	0.9999	8.71
80.5	65,172	1,497	0.0230	0.9770	8.71
81.5	63,675	13	0.0002	0.9998	8.51
82.5	63,662		0.0000	1.0000	8.50
83.5	63,662	474	0.0074	0.9926	8.50
84.5	63,188	870	0.0138	0.9862	8.44
85.5	62,317	429	0.0069	0.9931	8.32
86.5	61,888	6,850	0.1107	0.8893	8.27
87.5	55,031	3,408	0.0619	0.9381	7.35
88.5	51,585	569	0.0110	0.9890	6.90
89.5	51,010	374	0.0073	0.9927	6.82
90.5	50,633	462	0.0091	0.9909	6.77
91.5	50,171	3,787	0.0755	0.9245	6.71
92.5	46,381	2,746	0.0592	0.9408	6.20
93.5	43,616	731	0.0168	0.9832	5.83
94.5	42,862	303	0.0071	0.9929	5.74
95.5	42,559	404	0.0095	0.9905	5.70
96.5	42,155	286	0.0068	0.9932	5.64
97.5	41,869	979	0.0234	0.9766	5.60
98.5	40,890	1,951	0.0477	0.9523	5.47
99.5	38,939	766	0.0197	0.9803	5.21
100.5	38,173	25	0.0006	0.9994	5.11
101.5	38,149		0.0000	1.0000	5.11
102.5	38,149		0.0000	1.0000	5.11
103.5	38,149	31	0.0008	0.9992	5.11
104.5	38,117	1	0.0000	1.0000	5.10
105.5	38,116	221	0.0058	0.9942	5.10
106.5	37,894	771	0.0203	0.9797	5.07
107.5	37,123	10,285	0.2771	0.7229	4.97
108.5	26,838	3,363	0.1253	0.8747	3.59
109.5	23,475		0.0000	1.0000	3.14
110.5	23,475	3,992	0.1701	0.8299	3.14
111.5	19,482	1,226	0.0629	0.9371	2.61
112.5	18,256	317	0.0174	0.9826	2.44
113.5	17,939		0.0000	1.0000	2.40
114.5	17,939	926	0.0516	0.9484	2.40
115.5	17,013		0.0000	1.0000	2.28
116.5	17,013		0.0000	1.0000	2.28
117.5	17,013		0.0000	1.0000	2.28
118.5	17,013		0.0000	1.0000	2.28

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	17,013		0.0000	1.0000	2.28
120.5	17,013	381	0.0224	0.9776	2.28
121.5	16,632		0.0000	1.0000	2.23
122.5	16,632		0.0000	1.0000	2.23
123.5	16,632		0.0000	1.0000	2.23
124.5	16,632		0.0000	1.0000	2.23
125.5	16,632		0.0000	1.0000	2.23
126.5	16,632		0.0000	1.0000	2.23
127.5	16,632	3,063	0.1842	0.8158	2.23
128.5	13,569	13,052	0.9619	0.0381	1.82
129.5	517		0.0000	1.0000	0.07
130.5	517		0.0000	1.0000	0.07
131.5	517	517	1.0000		0.07
132.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	19,987,645		0.0000	1.0000	100.00
0.5	20,005,061	571	0.0000	1.0000	100.00
1.5	20,197,440	41	0.0000	1.0000	100.00
2.5	20,197,400	169	0.0000	1.0000	100.00
3.5	20,749,447	145	0.0000	1.0000	100.00
4.5	20,845,203	1,363	0.0001	0.9999	100.00
5.5	21,353,081	2,065	0.0001	0.9999	99.99
6.5	21,821,610	2,288	0.0001	0.9999	99.98
7.5	22,396,609	4	0.0000	1.0000	99.97
8.5	23,137,694	5,488	0.0002	0.9998	99.97
9.5	23,940,742		0.0000	1.0000	99.94
10.5	23,362,074	32,734	0.0014	0.9986	99.94
11.5	20,893,021	60,046	0.0029	0.9971	99.80
12.5	20,626,911	101,843	0.0049	0.9951	99.52
13.5	18,914,413	30,377	0.0016	0.9984	99.03
14.5	18,838,082	206	0.0000	1.0000	98.87
15.5	17,752,371	153,641	0.0087	0.9913	98.87
16.5	16,726,080	972	0.0001	0.9999	98.01
17.5	9,386,642	167	0.0000	1.0000	98.01
18.5	9,166,542	392	0.0000	1.0000	98.00
19.5	7,531,872	0	0.0000	1.0000	98.00
20.5	7,514,883		0.0000	1.0000	98.00
21.5	7,507,488	113	0.0000	1.0000	98.00
22.5	7,514,085	2	0.0000	1.0000	98.00
23.5	6,983,595	1	0.0000	1.0000	98.00
24.5	7,186,894	56	0.0000	1.0000	98.00
25.5	6,746,298	32	0.0000	1.0000	98.00
26.5	6,338,172		0.0000	1.0000	98.00
27.5	5,894,798	383	0.0001	0.9999	98.00
28.5	5,178,987		0.0000	1.0000	97.99
29.5	2,656,663	16	0.0000	1.0000	97.99
30.5	2,383,095	32	0.0000	1.0000	97.99
31.5	1,572,710	241	0.0002	0.9998	97.99
32.5	1,783,524	57	0.0000	1.0000	97.97
33.5	1,950,589	1,266	0.0006	0.9994	97.97
34.5	1,770,779	170	0.0001	0.9999	97.91
35.5	1,827,124	82	0.0000	1.0000	97.90
36.5	1,873,051	113	0.0001	0.9999	97.89
37.5	1,807,292	164	0.0001	0.9999	97.89
38.5	1,764,165	158	0.0001	0.9999	97.88

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,765,787	243	0.0001	0.9999	97.87
40.5	1,812,471	202	0.0001	0.9999	97.86
41.5	1,858,925	69	0.0000	1.0000	97.84
42.5	1,855,416	79	0.0000	1.0000	97.84
43.5	1,891,083	66	0.0000	1.0000	97.84
44.5	1,598,660	46	0.0000	1.0000	97.83
45.5	1,618,566	14,791	0.0091	0.9909	97.83
46.5	1,569,159	38,467	0.0245	0.9755	96.94
47.5	1,396,058	22,255	0.0159	0.9841	94.56
48.5	1,335,607	29,398	0.0220	0.9780	93.05
49.5	1,257,398	83,341	0.0663	0.9337	91.00
50.5	1,069,360	91,101	0.0852	0.9148	84.97
51.5	930,056	98,565	0.1060	0.8940	77.73
52.5	758,318	57,916	0.0764	0.9236	69.50
53.5	627,530	29,361	0.0468	0.9532	64.19
54.5	576,603	42,897	0.0744	0.9256	61.18
55.5	520,391	31,401	0.0603	0.9397	56.63
56.5	480,133	42,023	0.0875	0.9125	53.22
57.5	432,039	7,406	0.0171	0.9829	48.56
58.5	421,945	14,636	0.0347	0.9653	47.73
59.5	406,618	22,224	0.0547	0.9453	46.07
60.5	372,691	32,810	0.0880	0.9120	43.55
61.5	326,786	46,259	0.1416	0.8584	39.72
62.5	275,182	26,960	0.0980	0.9020	34.10
63.5	228,555	47,006	0.2057	0.7943	30.76
64.5	179,438	30,064	0.1675	0.8325	24.43
65.5	126,099	14,852	0.1178	0.8822	20.34
66.5	108,267	14,772	0.1364	0.8636	17.94
67.5	92,252	26,949	0.2921	0.7079	15.49
68.5	70,448	22,342	0.3171	0.6829	10.97
69.5	46,209	6,064	0.1312	0.8688	7.49
70.5	40,266	17,676	0.4390	0.5610	6.51
71.5	22,382	3,918	0.1750	0.8250	3.65
72.5	19,102	1,030	0.0539	0.9461	3.01
73.5	22,900	1,053	0.0460	0.9540	2.85
74.5	24,166	1,189	0.0492	0.9508	2.72
75.5	22,978	1,463	0.0637	0.9363	2.58
76.5	22,198	467	0.0211	0.9789	2.42
77.5	21,875	573	0.0262	0.9738	2.37
78.5	21,510	214	0.0099	0.9901	2.31

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	22,011	4	0.0002	0.9998	2.28
80.5	26,284	1,497	0.0569	0.9431	2.28
81.5	24,788	13	0.0005	0.9995	2.15
82.5	25,301		0.0000	1.0000	2.15
83.5	25,301	474	0.0187	0.9813	2.15
84.5	24,827	870	0.0351	0.9649	2.11
85.5	23,970	429	0.0179	0.9821	2.04
86.5	23,541	6,850	0.2910	0.7090	2.00
87.5	16,684	3,408	0.2043	0.7957	1.42
88.5	13,238	569	0.0430	0.9570	1.13
89.5	12,663	374	0.0295	0.9705	1.08
90.5	12,982	462	0.0356	0.9644	1.05
91.5	12,520	3,787	0.3025	0.6975	1.01
92.5	26,868	2,746	0.1022	0.8978	0.71
93.5	24,103	731	0.0303	0.9697	0.63
94.5	23,349	303	0.0130	0.9870	0.61
95.5	23,046	404	0.0175	0.9825	0.61
96.5	25,142	286	0.0114	0.9886	0.60
97.5	24,856	979	0.0394	0.9606	0.59
98.5	23,877	1,951	0.0817	0.9183	0.57
99.5	21,926	766	0.0349	0.9651	0.52
100.5	21,160	25	0.0012	0.9988	0.50
101.5	21,136		0.0000	1.0000	0.50
102.5	21,136		0.0000	1.0000	0.50
103.5	21,136	31	0.0015	0.9985	0.50
104.5	21,104	1	0.0001	0.9999	0.50
105.5	21,103	221	0.0105	0.9895	0.50
106.5	20,881	771	0.0369	0.9631	0.49
107.5	20,110	10,285	0.5114	0.4886	0.48
108.5	9,825	3,363	0.3423	0.6577	0.23
109.5	6,462		0.0000	1.0000	0.15
110.5	6,462	3,992	0.6179	0.3821	0.15
111.5	2,469	1,226	0.4965	0.5035	0.06
112.5	1,243	317	0.2549	0.7451	0.03
113.5	17,939		0.0000	1.0000	0.02
114.5	17,939	926	0.0516	0.9484	0.02
115.5	17,013		0.0000	1.0000	0.02
116.5	17,013		0.0000	1.0000	0.02
117.5	17,013		0.0000	1.0000	0.02
118.5	17,013		0.0000	1.0000	0.02

AQUA PENNSYLVANIA, INC.

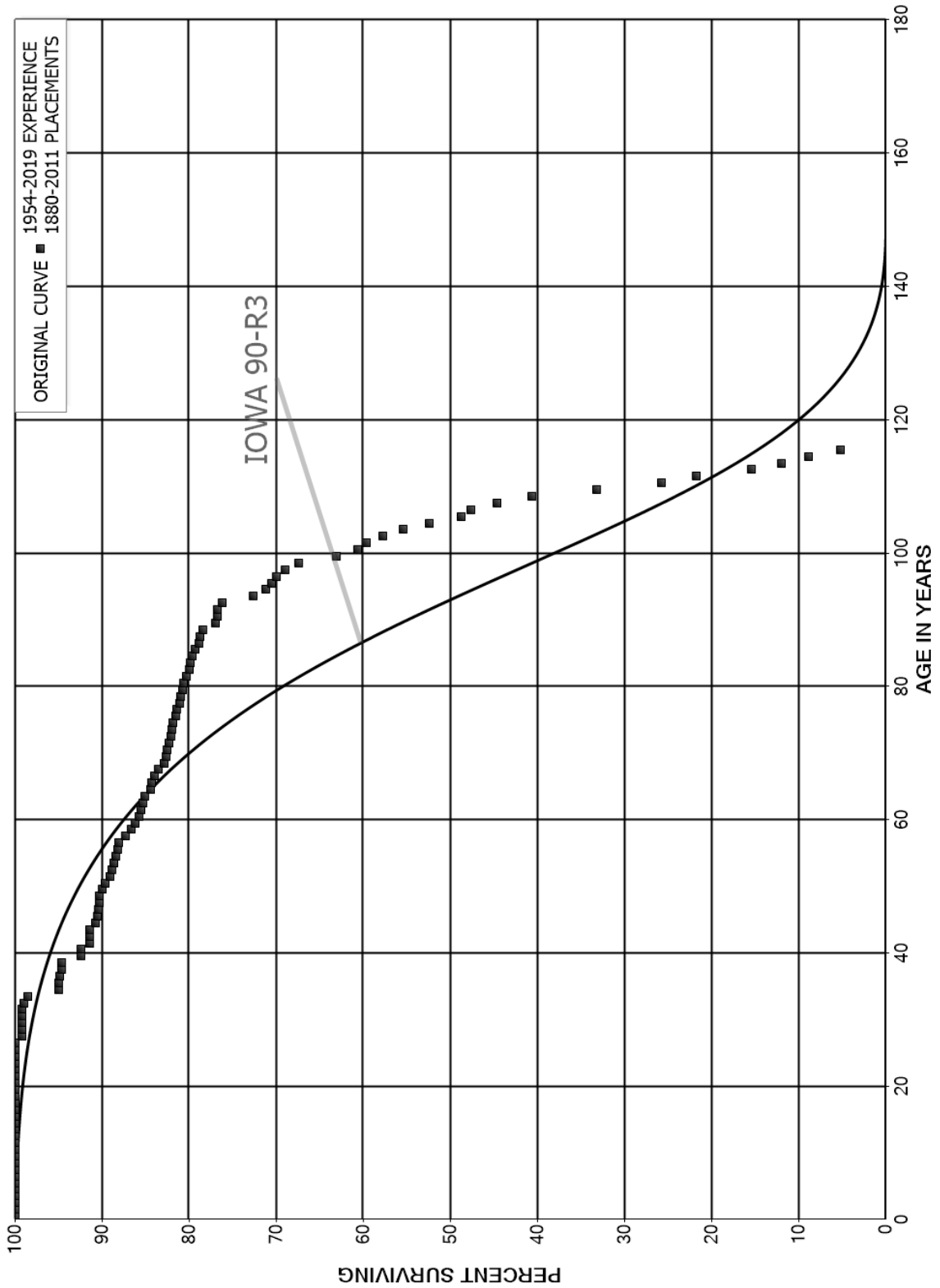
ACCOUNT 331.07 MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1886-2016 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	17,013		0.0000	1.0000	0.02
120.5	17,013	381	0.0224	0.9776	0.02
121.5	16,632		0.0000	1.0000	0.02
122.5	16,632		0.0000	1.0000	0.02
123.5	16,632		0.0000	1.0000	0.02
124.5	16,632		0.0000	1.0000	0.02
125.5	16,632		0.0000	1.0000	0.02
126.5	16,632		0.0000	1.0000	0.02
127.5	16,632	3,063	0.1842	0.8158	0.02
128.5	13,569	13,052	0.9619	0.0381	0.02
129.5	517		0.0000	1.0000	0.00
130.5	517		0.0000	1.0000	0.00
131.5	517	517	1.0000		0.00
132.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

ORIGINAL LIFE TABLE

PLACEMENT BAND 1880-2011 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	93,576		0.0000	1.0000	100.00
0.5	93,576		0.0000	1.0000	100.00
1.5	103,081		0.0000	1.0000	100.00
2.5	99,226		0.0000	1.0000	100.00
3.5	99,226		0.0000	1.0000	100.00
4.5	99,226		0.0000	1.0000	100.00
5.5	87,416		0.0000	1.0000	100.00
6.5	77,455		0.0000	1.0000	100.00
7.5	77,455		0.0000	1.0000	100.00
8.5	30,681		0.0000	1.0000	100.00
9.5	15,393		0.0000	1.0000	100.00
10.5	15,393		0.0000	1.0000	100.00
11.5	15,393		0.0000	1.0000	100.00
12.5	15,393		0.0000	1.0000	100.00
13.5	15,392		0.0000	1.0000	100.00
14.5	15,392		0.0000	1.0000	100.00
15.5	15,392		0.0000	1.0000	100.00
16.5	15,392		0.0000	1.0000	100.00
17.5	15,392		0.0000	1.0000	100.00
18.5	15,392		0.0000	1.0000	100.00
19.5	15,392		0.0000	1.0000	100.00
20.5	15,392		0.0000	1.0000	100.00
21.5	15,392		0.0000	1.0000	100.00
22.5	15,392		0.0000	1.0000	100.00
23.5	15,392		0.0000	1.0000	100.00
24.5	15,445		0.0000	1.0000	100.00
25.5	15,445		0.0000	1.0000	100.00
26.5	15,580	129	0.0083	0.9917	100.00
27.5	15,515		0.0000	1.0000	99.17
28.5	16,617		0.0000	1.0000	99.17
29.5	17,279		0.0000	1.0000	99.17
30.5	18,484		0.0000	1.0000	99.17
31.5	22,054	58	0.0026	0.9974	99.17
32.5	38,407	152	0.0040	0.9960	98.91
33.5	40,060	1,448	0.0361	0.9639	98.52
34.5	41,992		0.0000	1.0000	94.96
35.5	52,697	56	0.0011	0.9989	94.96
36.5	83,818	237	0.0028	0.9972	94.86
37.5	140,161		0.0000	1.0000	94.59
38.5	173,612	4,053	0.0233	0.9767	94.59

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1880-2011 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	180,851		0.0000	1.0000	92.39
40.5	221,286	2,284	0.0103	0.9897	92.39
41.5	253,450	99	0.0004	0.9996	91.43
42.5	337,785	32	0.0001	0.9999	91.40
43.5	396,594	2,995	0.0076	0.9924	91.39
44.5	459,141	1,042	0.0023	0.9977	90.70
45.5	509,659	371	0.0007	0.9993	90.49
46.5	587,607	838	0.0014	0.9986	90.43
47.5	680,361	149	0.0002	0.9998	90.30
48.5	783,762	2,927	0.0037	0.9963	90.28
49.5	917,955	3,170	0.0035	0.9965	89.94
50.5	963,073	5,688	0.0059	0.9941	89.63
51.5	1,011,987	3,549	0.0035	0.9965	89.10
52.5	1,056,266	2,493	0.0024	0.9976	88.79
53.5	1,204,503	2,248	0.0019	0.9981	88.58
54.5	1,308,208	4,117	0.0031	0.9969	88.41
55.5	1,375,525	579	0.0004	0.9996	88.13
56.5	1,498,064	12,965	0.0087	0.9913	88.10
57.5	1,540,003	12,483	0.0081	0.9919	87.33
58.5	1,575,423	7,225	0.0046	0.9954	86.63
59.5	1,629,429	9,446	0.0058	0.9942	86.23
60.5	1,675,350	5,327	0.0032	0.9968	85.73
61.5	1,709,099	3,243	0.0019	0.9981	85.46
62.5	1,705,857	4,908	0.0029	0.9971	85.30
63.5	1,702,176	13,350	0.0078	0.9922	85.05
64.5	1,688,825	1,296	0.0008	0.9992	84.38
65.5	1,687,529	8,277	0.0049	0.9951	84.32
66.5	1,685,975	7,759	0.0046	0.9954	83.90
67.5	1,678,216	13,972	0.0083	0.9917	83.52
68.5	1,666,027	4,181	0.0025	0.9975	82.82
69.5	1,661,847	2,781	0.0017	0.9983	82.61
70.5	1,659,065	3,063	0.0018	0.9982	82.48
71.5	1,656,002	4,433	0.0027	0.9973	82.32
72.5	1,651,569	4,255	0.0026	0.9974	82.10
73.5	1,648,359	1,704	0.0010	0.9990	81.89
74.5	1,646,655	7,107	0.0043	0.9957	81.81
75.5	1,639,549	266	0.0002	0.9998	81.45
76.5	1,639,283	6,833	0.0042	0.9958	81.44
77.5	1,632,450	2,679	0.0016	0.9984	81.10
78.5	1,629,771	4,058	0.0025	0.9975	80.97

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1880-2011 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,625,713	3,121	0.0019	0.9981	80.77
80.5	1,622,592	7,614	0.0047	0.9953	80.61
81.5	1,614,978	5,504	0.0034	0.9966	80.23
82.5	1,609,474	2,328	0.0014	0.9986	79.96
83.5	1,607,146	4,256	0.0026	0.9974	79.84
84.5	1,602,890	7,986	0.0050	0.9950	79.63
85.5	1,594,904	7,049	0.0044	0.9956	79.24
86.5	1,587,854	4,084	0.0026	0.9974	78.89
87.5	1,583,770	4,834	0.0031	0.9969	78.68
88.5	1,578,936	30,348	0.0192	0.9808	78.44
89.5	1,548,588	4,677	0.0030	0.9970	76.94
90.5	1,543,911	165	0.0001	0.9999	76.70
91.5	1,543,746	11,083	0.0072	0.9928	76.70
92.5	1,532,656	70,078	0.0457	0.9543	76.14
93.5	1,462,578	30,894	0.0211	0.9789	72.66
94.5	1,431,685	13,267	0.0093	0.9907	71.13
95.5	1,418,418	10,658	0.0075	0.9925	70.47
96.5	1,407,661	19,295	0.0137	0.9863	69.94
97.5	1,388,315	32,293	0.0233	0.9767	68.98
98.5	1,356,022	86,857	0.0641	0.9359	67.38
99.5	1,269,166	49,750	0.0392	0.9608	63.06
100.5	1,219,416	19,540	0.0160	0.9840	60.59
101.5	1,199,375	37,899	0.0316	0.9684	59.62
102.5	1,161,476	47,689	0.0411	0.9589	57.73
103.5	1,113,787	58,869	0.0529	0.9471	55.36
104.5	1,054,917	74,556	0.0707	0.9293	52.44
105.5	980,362	23,088	0.0236	0.9764	48.73
106.5	945,470	58,375	0.0617	0.9383	47.58
107.5	885,528	81,013	0.0915	0.9085	44.65
108.5	802,943	145,210	0.1808	0.8192	40.56
109.5	655,993	148,755	0.2268	0.7732	33.23
110.5	503,118	77,360	0.1538	0.8462	25.69
111.5	410,711	119,155	0.2901	0.7099	21.74
112.5	287,094	65,272	0.2274	0.7726	15.43
113.5	214,992	55,725	0.2592	0.7408	11.92
114.5	156,542	65,545	0.4187	0.5813	8.83
115.5	90,997	48,243	0.5302	0.4698	5.14
116.5	42,754	35,604	0.8328	0.1672	2.41
117.5	7,150		0.0000	1.0000	0.40
118.5	7,150	219	0.0306	0.9694	0.40

AQUA PENNSYLVANIA, INC.

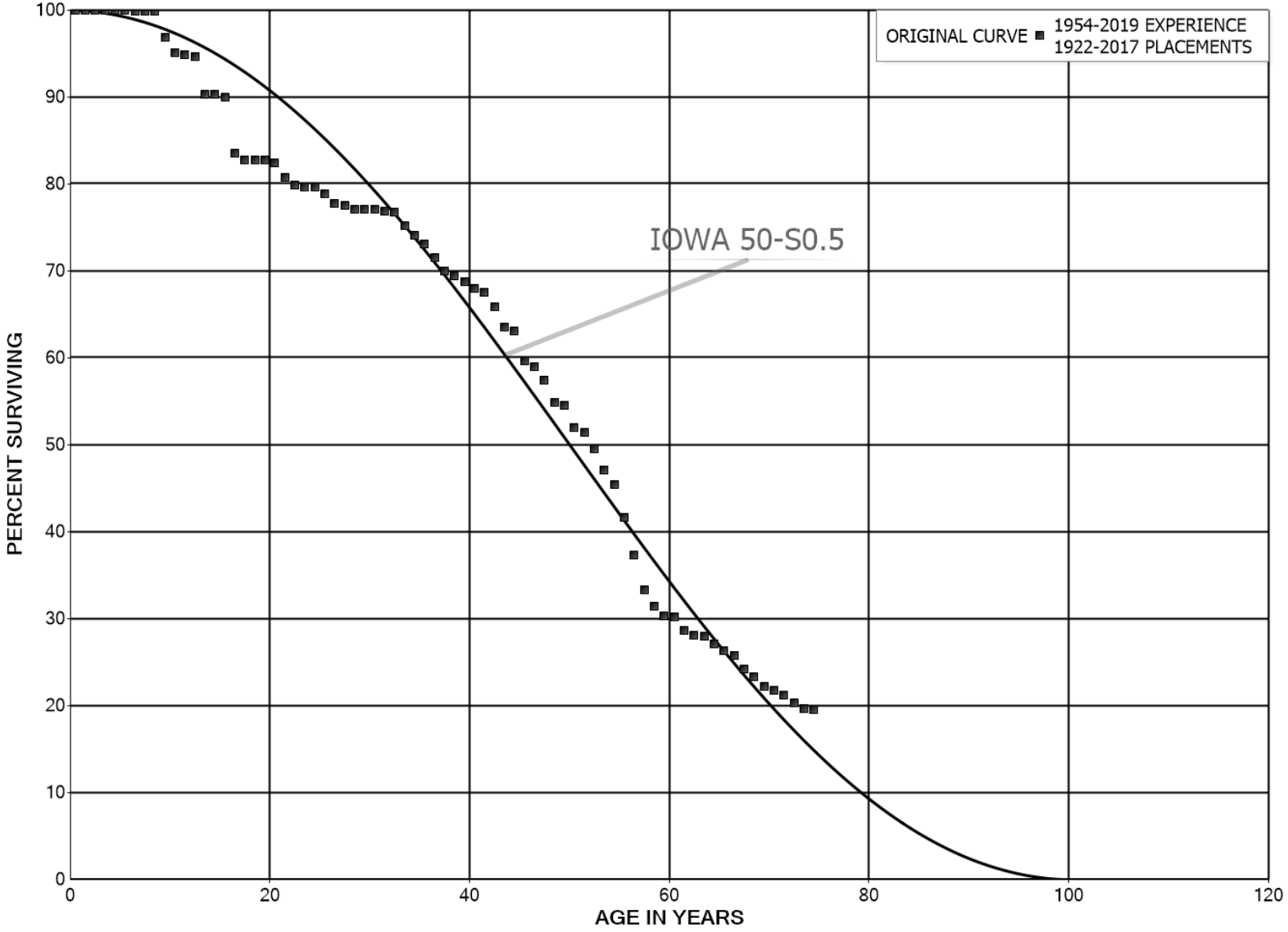
ACCOUNT 331.08 MAINS AND ACCESSORIES - CEMENT WROUGHT IRON

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1880-2011 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	6,931		0.0000	1.0000	0.39
120.5	6,931		0.0000	1.0000	0.39
121.5	6,931	6,590	0.9508	0.0492	0.39
122.5	341		0.0000	1.0000	0.02
123.5	341	132	0.3880	0.6120	0.02
124.5	209		0.0000	1.0000	0.01
125.5	209		0.0000	1.0000	0.01
126.5	209		0.0000	1.0000	0.01
127.5	209		0.0000	1.0000	0.01
128.5	209	209	1.0000		0.01
129.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

ORIGINAL LIFE TABLE

PLACEMENT BAND 1922-2017 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	661,437		0.0000	1.0000	100.00
0.5	662,611	204	0.0003	0.9997	100.00
1.5	663,915		0.0000	1.0000	99.97
2.5	627,638	172	0.0003	0.9997	99.97
3.5	610,533		0.0000	1.0000	99.94
4.5	589,207		0.0000	1.0000	99.94
5.5	558,211	456	0.0008	0.9992	99.94
6.5	493,358		0.0000	1.0000	99.86
7.5	482,698	334	0.0007	0.9993	99.86
8.5	401,410	12,103	0.0302	0.9698	99.79
9.5	389,577	7,048	0.0181	0.9819	96.78
10.5	382,559	877	0.0023	0.9977	95.03
11.5	381,925	718	0.0019	0.9981	94.81
12.5	393,013	17,945	0.0457	0.9543	94.64
13.5	376,751	139	0.0004	0.9996	90.31
14.5	378,958	1,202	0.0032	0.9968	90.28
15.5	380,779	27,465	0.0721	0.9279	89.99
16.5	356,108	3,276	0.0092	0.9908	83.50
17.5	355,678	191	0.0005	0.9995	82.73
18.5	353,001		0.0000	1.0000	82.69
19.5	330,455	1,380	0.0042	0.9958	82.69
20.5	330,290	6,348	0.0192	0.9808	82.35
21.5	326,793	3,769	0.0115	0.9885	80.76
22.5	322,797	676	0.0021	0.9979	79.83
23.5	323,064	178	0.0006	0.9994	79.66
24.5	326,727	3,079	0.0094	0.9906	79.62
25.5	324,478	4,560	0.0141	0.9859	78.87
26.5	319,442	1,203	0.0038	0.9962	77.76
27.5	306,910	1,562	0.0051	0.9949	77.47
28.5	294,333	243	0.0008	0.9992	77.07
29.5	277,342		0.0000	1.0000	77.01
30.5	276,007	509	0.0018	0.9982	77.01
31.5	273,796	505	0.0018	0.9982	76.87
32.5	276,030	5,480	0.0199	0.9801	76.73
33.5	265,544	3,988	0.0150	0.9850	75.20
34.5	260,258	3,668	0.0141	0.9859	74.07
35.5	259,282	5,425	0.0209	0.9791	73.03
36.5	232,566	4,907	0.0211	0.9789	71.50
37.5	225,442	1,966	0.0087	0.9913	69.99
38.5	225,318	2,220	0.0099	0.9901	69.38

AQUA PENNSYLVANIA, INC.

ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1922-2017 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	214,982	2,290	0.0107	0.9893	68.70
40.5	205,766	1,277	0.0062	0.9938	67.97
41.5	199,556	5,078	0.0254	0.9746	67.55
42.5	184,019	6,641	0.0361	0.9639	65.83
43.5	172,767	1,066	0.0062	0.9938	63.45
44.5	168,813	9,221	0.0546	0.9454	63.06
45.5	156,273	1,627	0.0104	0.9896	59.62
46.5	154,206	4,267	0.0277	0.9723	58.99
47.5	148,254	6,604	0.0445	0.9555	57.36
48.5	141,250	804	0.0057	0.9943	54.81
49.5	140,316	6,465	0.0461	0.9539	54.50
50.5	129,390	1,443	0.0112	0.9888	51.98
51.5	128,382	4,789	0.0373	0.9627	51.40
52.5	122,916	5,949	0.0484	0.9516	49.49
53.5	116,973	4,121	0.0352	0.9648	47.09
54.5	113,916	9,510	0.0835	0.9165	45.43
55.5	104,283	10,949	0.1050	0.8950	41.64
56.5	95,114	10,043	0.1056	0.8944	37.27
57.5	85,837	4,987	0.0581	0.9419	33.33
58.5	82,043	2,856	0.0348	0.9652	31.40
59.5	79,344	201	0.0025	0.9975	30.30
60.5	77,777	4,118	0.0529	0.9471	30.23
61.5	72,805	1,459	0.0200	0.9800	28.63
62.5	68,420	246	0.0036	0.9964	28.05
63.5	64,654	2,118	0.0328	0.9672	27.95
64.5	59,483	1,766	0.0297	0.9703	27.04
65.5	55,461	1,050	0.0189	0.9811	26.23
66.5	53,598	3,261	0.0608	0.9392	25.74
67.5	47,614	1,762	0.0370	0.9630	24.17
68.5	45,710	2,145	0.0469	0.9531	23.28
69.5	42,256	782	0.0185	0.9815	22.18
70.5	39,539	1,178	0.0298	0.9702	21.77
71.5	36,028	1,495	0.0415	0.9585	21.13
72.5	33,745	1,093	0.0324	0.9676	20.25
73.5	31,769	160	0.0050	0.9950	19.59
74.5	30,838	185	0.0060	0.9940	19.49
75.5	30,952	413	0.0133	0.9867	19.38
76.5	30,527	811	0.0266	0.9734	19.12
77.5	29,638	830	0.0280	0.9720	18.61
78.5	28,548	2,978	0.1043	0.8957	18.09

AQUA PENNSYLVANIA, INC.

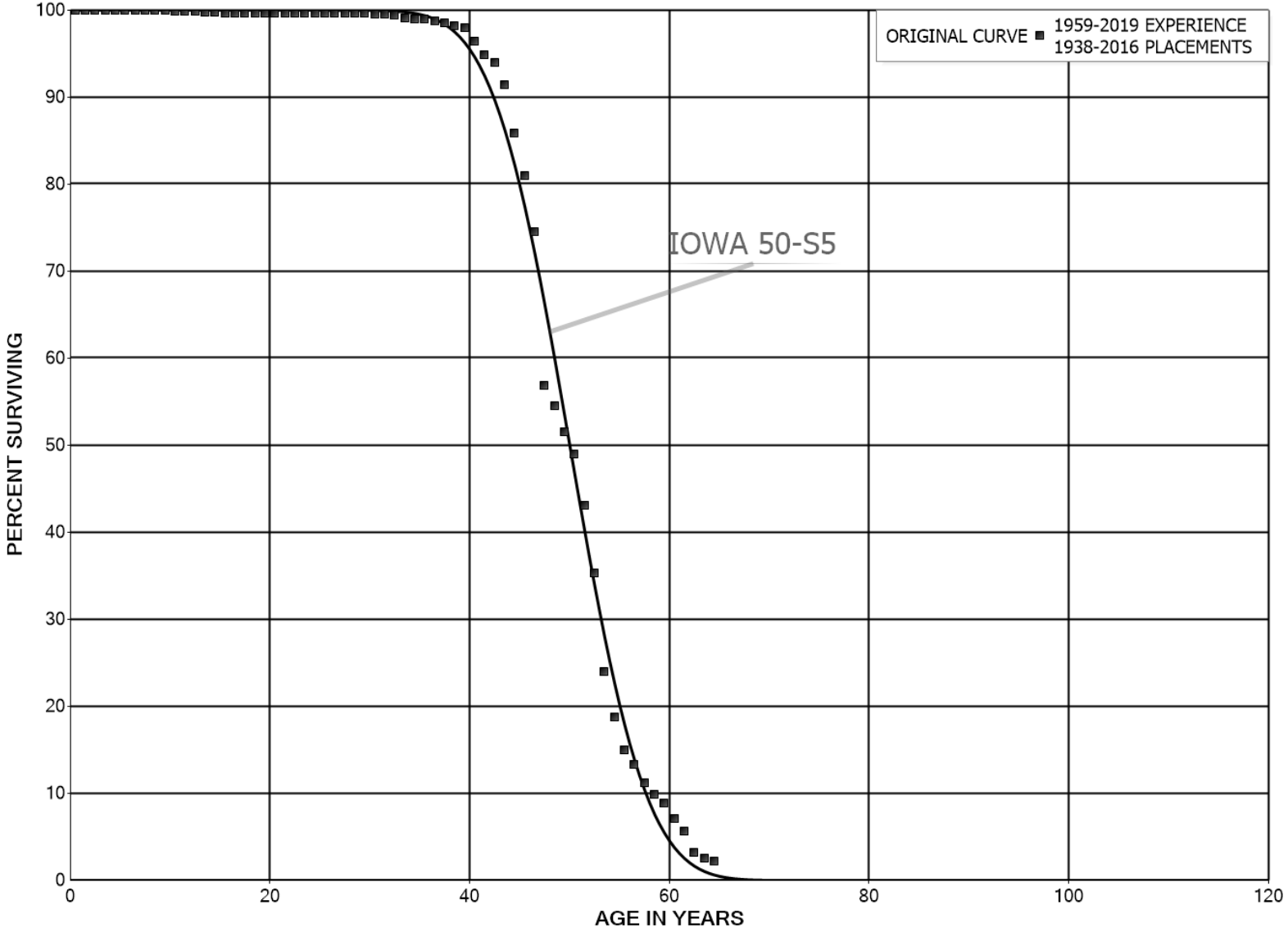
ACCOUNT 331.10 MAINS AND ACCESSORIES - COPPER

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1922-2017 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	23,477	1,397	0.0595	0.9405	16.20
80.5	20,445	1,485	0.0726	0.9274	15.24
81.5	17,022	1,505	0.0884	0.9116	14.13
82.5	14,197	1,518	0.1069	0.8931	12.88
83.5	11,703	1,851	0.1581	0.8419	11.50
84.5	8,919	1,661	0.1862	0.8138	9.69
85.5	6,904	1,236	0.1790	0.8210	7.88
86.5	5,563	1,775	0.3191	0.6809	6.47
87.5	3,707	1,091	0.2942	0.7058	4.41
88.5	2,520	1,228	0.4874	0.5126	3.11
89.5	1,202	719	0.5983	0.4017	1.59
90.5	434	101	0.2336	0.7664	0.64
91.5	285	106	0.3708	0.6292	0.49
92.5	93		0.0000	1.0000	0.31
93.5	24		0.0000	1.0000	0.31
94.5					0.31

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1938-2016 EXPERIENCE BAND 1959-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,409,818		0.0000	1.0000	100.00
0.5	1,409,818	277	0.0002	0.9998	100.00
1.5	1,411,722	284	0.0002	0.9998	99.98
2.5	2,147,676		0.0000	1.0000	99.96
3.5	2,513,803		0.0000	1.0000	99.96
4.5	2,918,021		0.0000	1.0000	99.96
5.5	3,272,023		0.0000	1.0000	99.96
6.5	3,534,597		0.0000	1.0000	99.96
7.5	3,717,702	1,079	0.0003	0.9997	99.96
8.5	3,557,867	1,351	0.0004	0.9996	99.93
9.5	3,889,232	1,276	0.0003	0.9997	99.89
10.5	4,096,853		0.0000	1.0000	99.86
11.5	4,371,359	3,459	0.0008	0.9992	99.86
12.5	4,572,480	1,768	0.0004	0.9996	99.78
13.5	4,848,858		0.0000	1.0000	99.74
14.5	5,172,539	5,540	0.0011	0.9989	99.74
15.5	5,322,297		0.0000	1.0000	99.64
16.5	5,258,328		0.0000	1.0000	99.64
17.5	5,459,959		0.0000	1.0000	99.64
18.5	5,892,172	3,711	0.0006	0.9994	99.64
19.5	6,128,808	332	0.0001	0.9999	99.57
20.5	6,233,084		0.0000	1.0000	99.57
21.5	6,335,127		0.0000	1.0000	99.57
22.5	6,681,043		0.0000	1.0000	99.57
23.5	6,924,812	312	0.0000	1.0000	99.57
24.5	7,025,905		0.0000	1.0000	99.56
25.5	7,032,211		0.0000	1.0000	99.56
26.5	7,015,157		0.0000	1.0000	99.56
27.5	7,111,161		0.0000	1.0000	99.56
28.5	7,185,667	97	0.0000	1.0000	99.56
29.5	8,124,936	6,536	0.0008	0.9992	99.56
30.5	8,163,416	1,523	0.0002	0.9998	99.48
31.5	8,178,236	8,092	0.0010	0.9990	99.46
32.5	8,276,240	24,054	0.0029	0.9971	99.37
33.5	8,346,690	7,619	0.0009	0.9991	99.08
34.5	7,563,789	4,667	0.0006	0.9994	98.99
35.5	7,714,876	19,706	0.0026	0.9974	98.92
36.5	7,316,934	16,370	0.0022	0.9978	98.67
37.5	7,046,532	18,109	0.0026	0.9974	98.45
38.5	6,776,330	13,559	0.0020	0.9980	98.20

AQUA PENNSYLVANIA, INC.

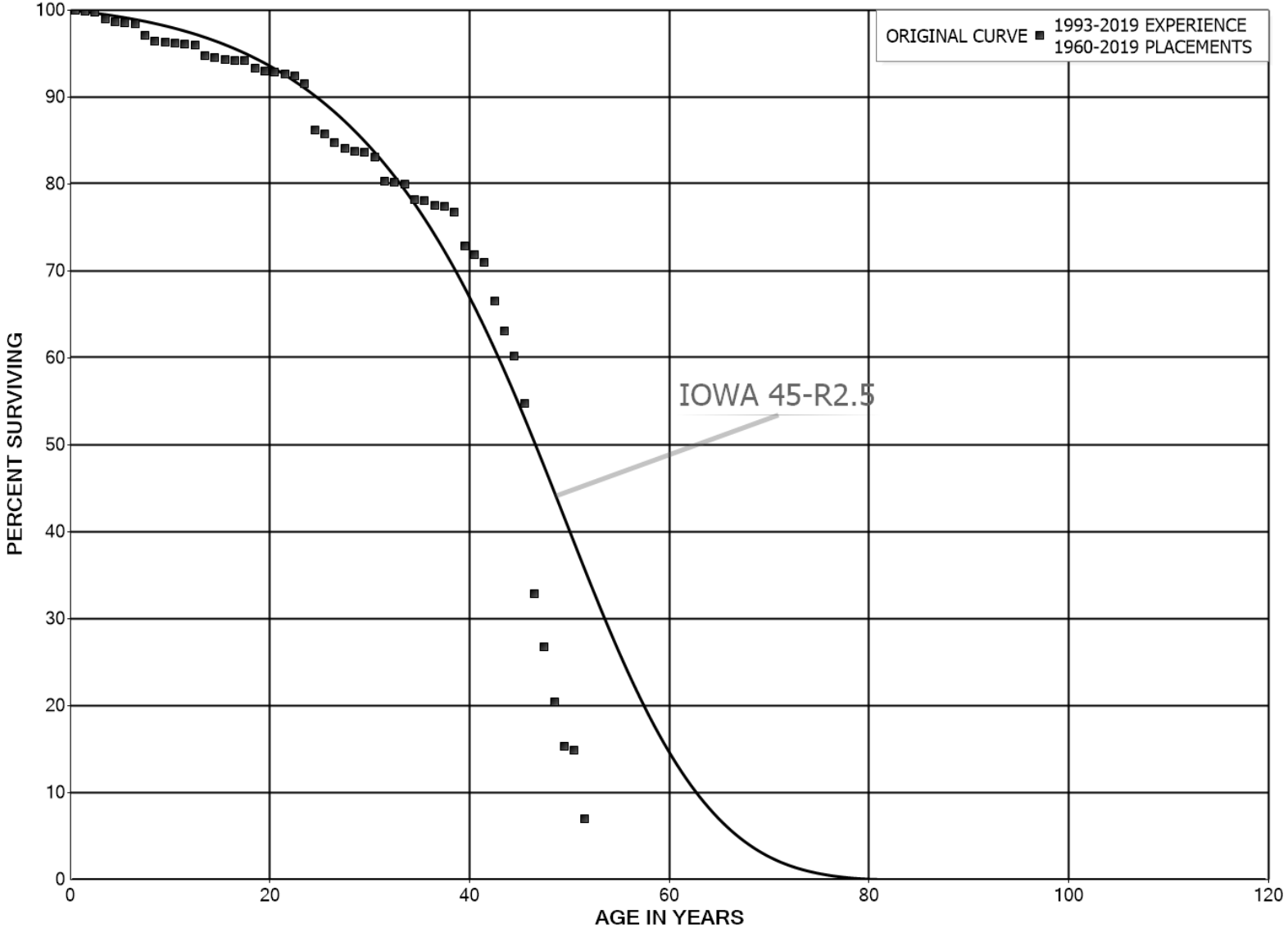
ACCOUNT 331.11 MAINS AND ACCESSORIES - ASBESTOS CEMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1938-2016 EXPERIENCE BAND 1959-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,499,981	103,463	0.0159	0.9841	98.00
40.5	5,639,405	91,561	0.0162	0.9838	96.44
41.5	5,460,978	52,601	0.0096	0.9904	94.88
42.5	5,286,131	144,249	0.0273	0.9727	93.96
43.5	4,952,684	302,019	0.0610	0.9390	91.40
44.5	4,567,245	257,784	0.0564	0.9436	85.82
45.5	4,395,792	352,636	0.0802	0.9198	80.98
46.5	3,935,127	934,517	0.2375	0.7625	74.48
47.5	2,736,589	111,851	0.0409	0.9591	56.80
48.5	2,412,628	132,347	0.0549	0.9451	54.47
49.5	2,223,674	108,578	0.0488	0.9512	51.49
50.5	2,070,144	249,898	0.1207	0.8793	48.97
51.5	1,791,004	325,237	0.1816	0.8184	43.06
52.5	1,448,859	465,310	0.3212	0.6788	35.24
53.5	936,538	204,631	0.2185	0.7815	23.92
54.5	725,350	144,195	0.1988	0.8012	18.70
55.5	651,631	76,010	0.1166	0.8834	14.98
56.5	576,235	90,326	0.1568	0.8432	13.23
57.5	482,266	57,974	0.1202	0.8798	11.16
58.5	423,307	40,261	0.0951	0.9049	9.82
59.5	380,657	76,462	0.2009	0.7991	8.88
60.5	306,072	65,483	0.2139	0.7861	7.10
61.5	241,538	104,418	0.4323	0.5677	5.58
62.5	140,274	29,288	0.2088	0.7912	3.17
63.5	110,917	13,673	0.1233	0.8767	2.51
64.5	97,165	3,300	0.0340	0.9660	2.20
65.5	93,371	5,607	0.0601	0.9399	2.12
66.5	92,357	1,162	0.0126	0.9874	2.00
67.5	90,690	4,040	0.0445	0.9555	1.97
68.5	86,650	951	0.0110	0.9890	1.88
69.5	85,699	48,214	0.5626	0.4374	1.86
70.5	37,484	16,844	0.4494	0.5506	0.81
71.5	20,630	11,309	0.5482	0.4518	0.45
72.5	9,307	5,880	0.6319	0.3681	0.20
73.5	3,406	1,053	0.3092	0.6908	0.07
74.5	2,344	1,030	0.4394	0.5606	0.05
75.5	1,314	576	0.4379	0.5621	0.03
76.5	739	552	0.7477	0.2523	0.02
77.5	184	13	0.0688	0.9312	0.00
78.5	120	5	0.0417	0.9583	0.00
79.5	114		0.0000	1.0000	0.00
80.5					0.00

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2019 EXPERIENCE BAND 1993-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	18,637,763	28	0.0000	1.0000	100.00
0.5	18,212,216	20,885	0.0011	0.9989	100.00
1.5	16,318,933	32,889	0.0020	0.9980	99.89
2.5	10,019,538	78,130	0.0078	0.9922	99.68
3.5	8,765,013	24,378	0.0028	0.9972	98.91
4.5	8,566,835	8,279	0.0010	0.9990	98.63
5.5	7,979,367	13,908	0.0017	0.9983	98.54
6.5	6,145,609	84,466	0.0137	0.9863	98.36
7.5	5,015,022	31,213	0.0062	0.9938	97.01
8.5	4,159,622	3,845	0.0009	0.9991	96.41
9.5	4,737,054	5,133	0.0011	0.9989	96.32
10.5	4,858,055	7,359	0.0015	0.9985	96.22
11.5	5,000,997	6,765	0.0014	0.9986	96.07
12.5	5,484,735	68,393	0.0125	0.9875	95.94
13.5	4,355,862	9,723	0.0022	0.9978	94.74
14.5	5,309,490	14,406	0.0027	0.9973	94.53
15.5	5,531,231	4,081	0.0007	0.9993	94.28
16.5	6,155,458	379	0.0001	0.9999	94.21
17.5	6,249,841	62,244	0.0100	0.9900	94.20
18.5	5,437,055	19,324	0.0036	0.9964	93.26
19.5	5,156,422	3,163	0.0006	0.9994	92.93
20.5	4,718,253	14,836	0.0031	0.9969	92.87
21.5	4,727,946	9,348	0.0020	0.9980	92.58
22.5	4,811,495	48,818	0.0101	0.9899	92.40
23.5	4,923,886	284,178	0.0577	0.9423	91.46
24.5	4,260,477	24,822	0.0058	0.9942	86.18
25.5	4,145,365	44,808	0.0108	0.9892	85.68
26.5	4,150,759	33,091	0.0080	0.9920	84.75
27.5	4,620,183	20,817	0.0045	0.9955	84.08
28.5	4,999,866	7,356	0.0015	0.9985	83.70
29.5	4,269,640	24,178	0.0057	0.9943	83.58
30.5	4,730,915	161,893	0.0342	0.9658	83.10
31.5	4,997,932	6,717	0.0013	0.9987	80.26
32.5	5,322,471	15,827	0.0030	0.9970	80.15
33.5	5,400,430	119,080	0.0221	0.9779	79.91
34.5	3,085,296	3,408	0.0011	0.9989	78.15
35.5	2,902,684	20,756	0.0072	0.9928	78.06
36.5	2,902,550	5,356	0.0018	0.9982	77.51
37.5	2,825,998	21,940	0.0078	0.9922	77.36
38.5	2,547,337	129,197	0.0507	0.9493	76.76

AQUA PENNSYLVANIA, INC.

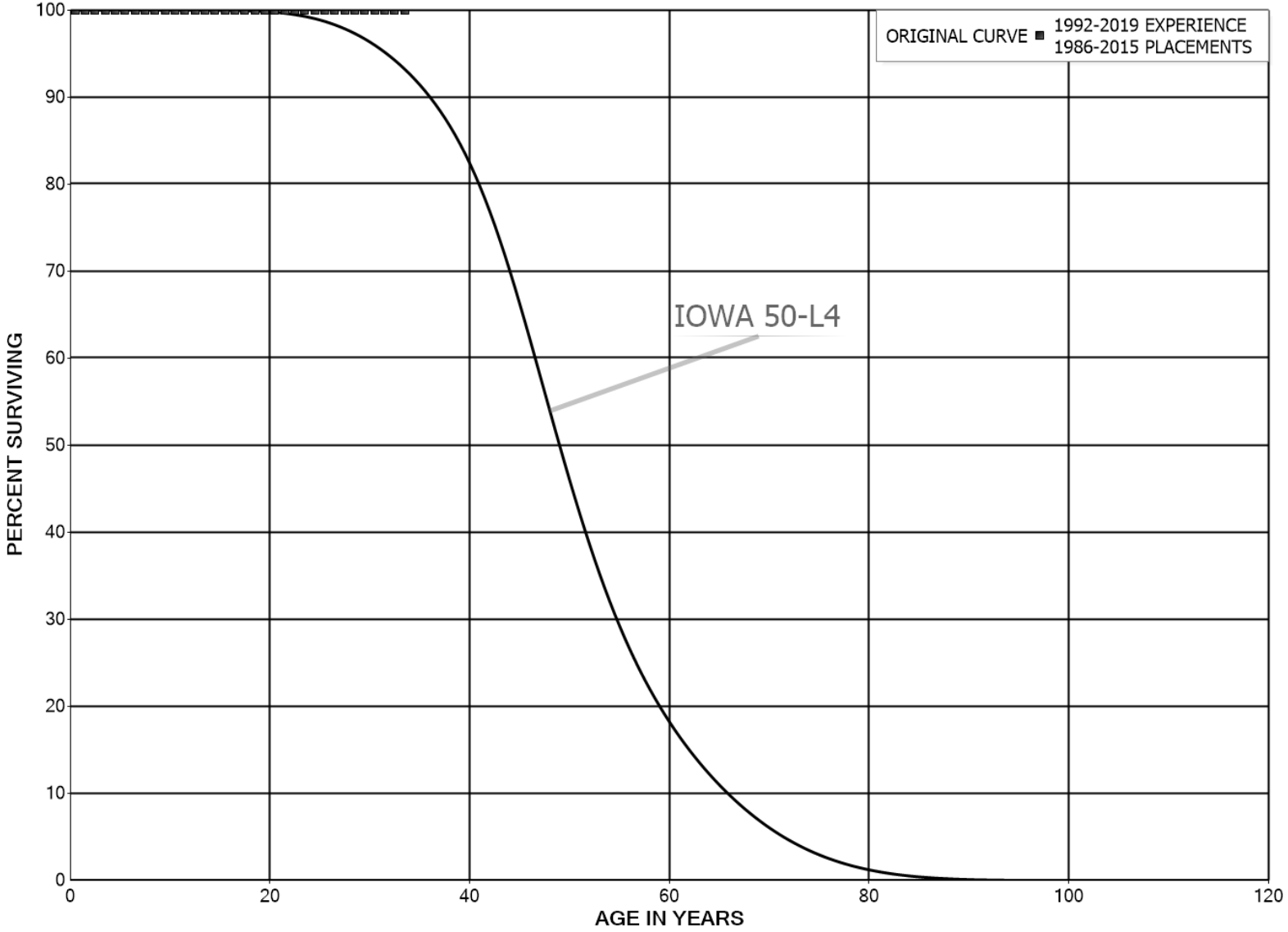
ACCOUNT 331.13 MAINS AND ACCESSORIES - PLASTIC

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2019 EXPERIENCE BAND 1993-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,736,371	40,851	0.0149	0.9851	72.87
40.5	2,784,689	31,776	0.0114	0.9886	71.78
41.5	2,592,647	161,449	0.0623	0.9377	70.96
42.5	2,394,357	123,779	0.0517	0.9483	66.54
43.5	2,234,741	104,100	0.0466	0.9534	63.10
44.5	2,219,647	202,178	0.0911	0.9089	60.16
45.5	1,726,024	690,088	0.3998	0.6002	54.68
46.5	655,029	122,088	0.1864	0.8136	32.82
47.5	430,997	101,631	0.2358	0.7642	26.70
48.5	249,667	62,040	0.2485	0.7515	20.41
49.5	174,750	6,189	0.0354	0.9646	15.34
50.5	168,013	88,984	0.5296	0.4704	14.79
51.5	73,399	11,098	0.1512	0.8488	6.96
52.5	62,241	375	0.0060	0.9940	5.91
53.5	19,351	18,468	0.9543	0.0457	5.87
54.5					0.27

AQUA PENNSYLVANIA, INC.
ACCOUNT 331.99 MAINS AND ACCESSORIES - MAIN CLEANING AND LINING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

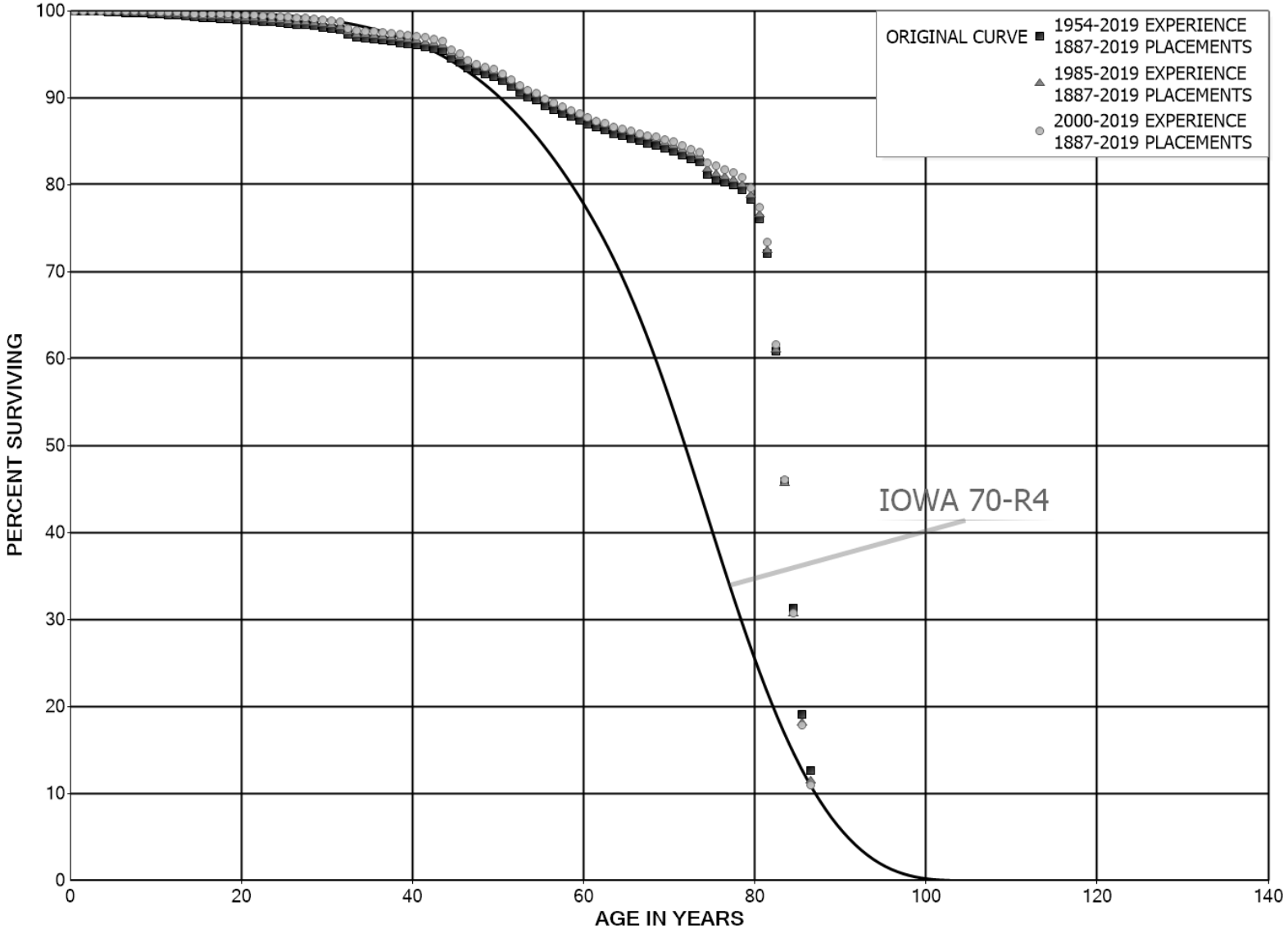
ACCOUNT 331.99 MAINS AND ACCESSORIES - MAIN CLEANING AND LINING

ORIGINAL LIFE TABLE

PLACEMENT BAND 1986-2015 EXPERIENCE BAND 1992-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	120,950,462		0.0000	1.0000	100.00
0.5	121,708,998		0.0000	1.0000	100.00
1.5	122,427,705		0.0000	1.0000	100.00
2.5	123,119,796		0.0000	1.0000	100.00
3.5	123,461,472		0.0000	1.0000	100.00
4.5	120,876,696		0.0000	1.0000	100.00
5.5	119,027,502		0.0000	1.0000	100.00
6.5	110,797,890		0.0000	1.0000	100.00
7.5	105,830,362		0.0000	1.0000	100.00
8.5	96,409,517		0.0000	1.0000	100.00
9.5	78,250,249		0.0000	1.0000	100.00
10.5	68,866,947		0.0000	1.0000	100.00
11.5	59,467,405		0.0000	1.0000	100.00
12.5	55,218,254		0.0000	1.0000	100.00
13.5	47,740,982		0.0000	1.0000	100.00
14.5	45,941,202		0.0000	1.0000	100.00
15.5	45,941,202		0.0000	1.0000	100.00
16.5	45,740,173		0.0000	1.0000	100.00
17.5	37,264,964		0.0000	1.0000	100.00
18.5	31,473,710		0.0000	1.0000	100.00
19.5	25,452,859		0.0000	1.0000	100.00
20.5	20,140,125		0.0000	1.0000	100.00
21.5	16,253,878		0.0000	1.0000	100.00
22.5	13,178,376		0.0000	1.0000	100.00
23.5	10,884,775		0.0000	1.0000	100.00
24.5	8,607,768		0.0000	1.0000	100.00
25.5	6,698,825		0.0000	1.0000	100.00
26.5	4,559,736		0.0000	1.0000	100.00
27.5	3,720,776		0.0000	1.0000	100.00
28.5	2,936,715		0.0000	1.0000	100.00
29.5	2,218,008		0.0000	1.0000	100.00
30.5	1,525,917		0.0000	1.0000	100.00
31.5	1,184,240		0.0000	1.0000	100.00
32.5	771,557		0.0000	1.0000	100.00
33.5					100.00

AQUA PENNSYLVANIA, INC.
ACCOUNT 333 SERVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	438,312,943	325	0.0000	1.0000	100.00
0.5	410,060,032	106,674	0.0003	0.9997	100.00
1.5	382,230,692	81,219	0.0002	0.9998	99.97
2.5	354,990,134	211,956	0.0006	0.9994	99.95
3.5	328,355,398	127,179	0.0004	0.9996	99.89
4.5	301,353,644	92,115	0.0003	0.9997	99.85
5.5	280,507,783	135,267	0.0005	0.9995	99.82
6.5	259,348,751	155,201	0.0006	0.9994	99.78
7.5	236,428,058	79,245	0.0003	0.9997	99.72
8.5	217,592,688	112,832	0.0005	0.9995	99.68
9.5	197,554,562	107,933	0.0005	0.9995	99.63
10.5	183,463,558	65,586	0.0004	0.9996	99.58
11.5	170,250,900	125,303	0.0007	0.9993	99.54
12.5	158,511,755	136,543	0.0009	0.9991	99.47
13.5	146,036,680	165,491	0.0011	0.9989	99.38
14.5	135,577,506	57,981	0.0004	0.9996	99.27
15.5	125,014,493	71,615	0.0006	0.9994	99.23
16.5	122,439,381	74,786	0.0006	0.9994	99.17
17.5	108,361,972	59,371	0.0005	0.9995	99.11
18.5	98,720,492	66,826	0.0007	0.9993	99.06
19.5	91,989,863	63,305	0.0007	0.9993	98.99
20.5	87,087,823	57,036	0.0007	0.9993	98.92
21.5	80,205,514	63,138	0.0008	0.9992	98.86
22.5	76,064,519	79,124	0.0010	0.9990	98.78
23.5	72,775,402	59,441	0.0008	0.9992	98.67
24.5	68,736,885	50,324	0.0007	0.9993	98.59
25.5	66,748,199	61,279	0.0009	0.9991	98.52
26.5	63,743,621	54,582	0.0009	0.9991	98.43
27.5	60,723,567	64,501	0.0011	0.9989	98.35
28.5	58,425,727	80,942	0.0014	0.9986	98.24
29.5	55,075,392	74,683	0.0014	0.9986	98.11
30.5	51,711,758	91,366	0.0018	0.9982	97.97
31.5	48,486,133	273,113	0.0056	0.9944	97.80
32.5	45,583,095	135,934	0.0030	0.9970	97.25
33.5	43,526,882	43,520	0.0010	0.9990	96.96
34.5	40,535,261	36,578	0.0009	0.9991	96.86
35.5	38,768,880	48,364	0.0012	0.9988	96.78
36.5	37,252,815	55,411	0.0015	0.9985	96.65
37.5	35,864,156	67,337	0.0019	0.9981	96.51
38.5	34,189,610	48,931	0.0014	0.9986	96.33

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	32,550,848	52,557	0.0016	0.9984	96.19
40.5	30,652,818	67,961	0.0022	0.9978	96.04
41.5	28,913,927	60,380	0.0021	0.9979	95.82
42.5	27,531,741	81,187	0.0029	0.9971	95.62
43.5	26,435,623	224,533	0.0085	0.9915	95.34
44.5	24,615,274	112,660	0.0046	0.9954	94.53
45.5	22,481,346	159,672	0.0071	0.9929	94.10
46.5	21,078,927	86,911	0.0041	0.9959	93.43
47.5	20,012,141	78,209	0.0039	0.9961	93.05
48.5	18,833,784	55,121	0.0029	0.9971	92.68
49.5	17,939,213	96,473	0.0054	0.9946	92.41
50.5	17,133,183	112,955	0.0066	0.9934	91.91
51.5	16,354,278	124,909	0.0076	0.9924	91.31
52.5	15,412,465	85,287	0.0055	0.9945	90.61
53.5	14,326,556	60,982	0.0043	0.9957	90.11
54.5	13,580,885	92,160	0.0068	0.9932	89.73
55.5	12,376,885	68,904	0.0056	0.9944	89.12
56.5	11,674,278	51,593	0.0044	0.9956	88.62
57.5	10,801,622	52,019	0.0048	0.9952	88.23
58.5	10,098,720	48,724	0.0048	0.9952	87.80
59.5	9,291,118	40,166	0.0043	0.9957	87.38
60.5	8,565,659	42,043	0.0049	0.9951	87.00
61.5	7,890,824	28,139	0.0036	0.9964	86.58
62.5	7,196,935	33,742	0.0047	0.9953	86.27
63.5	6,302,782	21,974	0.0035	0.9965	85.86
64.5	5,341,095	14,074	0.0026	0.9974	85.56
65.5	4,542,418	15,548	0.0034	0.9966	85.34
66.5	3,888,097	12,441	0.0032	0.9968	85.05
67.5	3,347,517	8,495	0.0025	0.9975	84.77
68.5	2,788,066	12,652	0.0045	0.9955	84.56
69.5	2,250,966	8,265	0.0037	0.9963	84.17
70.5	1,932,276	10,333	0.0053	0.9947	83.86
71.5	1,620,581	9,350	0.0058	0.9942	83.42
72.5	1,405,298	6,094	0.0043	0.9957	82.94
73.5	1,267,945	20,718	0.0163	0.9837	82.58
74.5	1,129,365	8,154	0.0072	0.9928	81.23
75.5	1,075,061	4,689	0.0044	0.9956	80.64
76.5	1,048,824	4,097	0.0039	0.9961	80.29
77.5	998,032	7,237	0.0073	0.9927	79.97
78.5	887,944	12,796	0.0144	0.9856	79.39

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	753,390	20,619	0.0274	0.9726	78.25
80.5	627,804	33,665	0.0536	0.9464	76.11
81.5	544,697	84,944	0.1559	0.8441	72.03
82.5	420,019	103,084	0.2454	0.7546	60.80
83.5	281,529	89,779	0.3189	0.6811	45.87
84.5	180,192	70,332	0.3903	0.6097	31.25
85.5	102,485	34,862	0.3402	0.6598	19.05
86.5	65,634	24,957	0.3802	0.6198	12.57
87.5	40,756	8,988	0.2205	0.7795	7.79
88.5	32,112	5,613	0.1748	0.8252	6.07
89.5	26,547	6,067	0.2285	0.7715	5.01
90.5	22,520	6,770	0.3006	0.6994	3.87
91.5	15,750	54	0.0035	0.9965	2.70
92.5	15,696	2,522	0.1607	0.8393	2.69
93.5	13,174	433	0.0329	0.9671	2.26
94.5	12,741	261	0.0205	0.9795	2.19
95.5	12,480	60	0.0048	0.9952	2.14
96.5	14,420	414	0.0287	0.9713	2.13
97.5	14,007	93	0.0066	0.9934	2.07
98.5	13,914	919	0.0660	0.9340	2.06
99.5	12,995	1,083	0.0833	0.9167	1.92
100.5	11,912	2,022	0.1697	0.8303	1.76
101.5	10,657	27	0.0025	0.9975	1.46
102.5	10,630	16	0.0015	0.9985	1.46
103.5	10,614		0.0000	1.0000	1.46
104.5	10,614	51	0.0048	0.9952	1.46
105.5	10,563	80	0.0076	0.9924	1.45
106.5	10,483	1,110	0.1059	0.8941	1.44
107.5	9,373	315	0.0336	0.9664	1.29
108.5	9,058	154	0.0170	0.9830	1.24
109.5	8,904		0.0000	1.0000	1.22
110.5	8,904	230	0.0259	0.9741	1.22
111.5	8,674		0.0000	1.0000	1.19
112.5	8,260	466	0.0564	0.9436	1.19
113.5	7,795		0.0000	1.0000	1.12
114.5	7,795		0.0000	1.0000	1.12
115.5	7,795		0.0000	1.0000	1.12
116.5	7,795	56	0.0072	0.9928	1.12
117.5	7,739	159	0.0205	0.9795	1.11
118.5	7,580	37	0.0048	0.9952	1.09

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	7,543	384	0.0509	0.9491	1.09
120.5	7,160	1,611	0.2250	0.7750	1.03
121.5	5,549	3	0.0005	0.9995	0.80
122.5	5,546		0.0000	1.0000	0.80
123.5	5,546	929	0.1675	0.8325	0.80
124.5	4,618		0.0000	1.0000	0.67
125.5	4,618		0.0000	1.0000	0.67
126.5	4,618		0.0000	1.0000	0.67
127.5	4,618		0.0000	1.0000	0.67
128.5	4,618		0.0000	1.0000	0.67
129.5	4,584		0.0000	1.0000	0.67
130.5	4,584		0.0000	1.0000	0.67
131.5	4,584		0.0000	1.0000	0.67
132.5					0.67

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	410,291,291		0.0000	1.0000	100.00
0.5	383,072,204	54,146	0.0001	0.9999	100.00
1.5	356,172,375	45,020	0.0001	0.9999	99.99
2.5	329,741,085	182,397	0.0006	0.9994	99.97
3.5	304,274,381	100,733	0.0003	0.9997	99.92
4.5	278,268,833	67,028	0.0002	0.9998	99.88
5.5	258,523,746	106,038	0.0004	0.9996	99.86
6.5	238,354,384	126,623	0.0005	0.9995	99.82
7.5	216,347,710	56,117	0.0003	0.9997	99.77
8.5	198,342,703	87,861	0.0004	0.9996	99.74
9.5	179,135,753	87,651	0.0005	0.9995	99.70
10.5	165,880,573	43,631	0.0003	0.9997	99.65
11.5	153,369,724	100,290	0.0007	0.9993	99.62
12.5	142,346,473	116,601	0.0008	0.9992	99.56
13.5	130,542,082	140,735	0.0011	0.9989	99.48
14.5	120,662,565	38,272	0.0003	0.9997	99.37
15.5	110,789,001	51,945	0.0005	0.9995	99.34
16.5	108,820,860	55,263	0.0005	0.9995	99.29
17.5	95,371,349	38,838	0.0004	0.9996	99.24
18.5	86,412,443	49,188	0.0006	0.9994	99.20
19.5	80,301,861	45,947	0.0006	0.9994	99.14
20.5	76,100,460	39,150	0.0005	0.9995	99.09
21.5	69,845,019	45,365	0.0006	0.9994	99.03
22.5	66,422,188	67,326	0.0010	0.9990	98.97
23.5	63,718,932	48,594	0.0008	0.9992	98.87
24.5	60,306,340	40,513	0.0007	0.9993	98.79
25.5	58,959,257	48,946	0.0008	0.9992	98.73
26.5	56,571,895	40,011	0.0007	0.9993	98.65
27.5	54,223,294	50,851	0.0009	0.9991	98.58
28.5	52,764,922	67,031	0.0013	0.9987	98.48
29.5	50,185,083	60,799	0.0012	0.9988	98.36
30.5	47,489,209	78,761	0.0017	0.9983	98.24
31.5	44,883,583	262,323	0.0058	0.9942	98.08
32.5	42,497,397	125,470	0.0030	0.9970	97.50
33.5	40,977,796	33,264	0.0008	0.9992	97.22
34.5	38,387,260	26,715	0.0007	0.9993	97.14
35.5	36,948,213	35,304	0.0010	0.9990	97.07
36.5	35,760,021	37,466	0.0010	0.9990	96.98
37.5	34,594,985	53,024	0.0015	0.9985	96.87
38.5	33,043,127	34,983	0.0011	0.9989	96.73

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	31,480,199	38,868	0.0012	0.9988	96.62
40.5	29,642,417	59,668	0.0020	0.9980	96.50
41.5	27,937,329	48,437	0.0017	0.9983	96.31
42.5	26,620,536	68,728	0.0026	0.9974	96.14
43.5	25,641,559	216,619	0.0084	0.9916	95.90
44.5	23,913,972	106,759	0.0045	0.9955	95.09
45.5	21,866,886	155,258	0.0071	0.9929	94.66
46.5	20,535,016	83,075	0.0040	0.9960	93.99
47.5	19,531,261	73,901	0.0038	0.9962	93.61
48.5	18,420,824	52,502	0.0029	0.9971	93.25
49.5	17,564,769	93,310	0.0053	0.9947	92.99
50.5	16,798,699	110,415	0.0066	0.9934	92.49
51.5	16,043,493	121,854	0.0076	0.9924	91.89
52.5	15,131,720	82,564	0.0055	0.9945	91.19
53.5	14,084,563	57,756	0.0041	0.9959	90.69
54.5	13,374,378	91,074	0.0068	0.9932	90.32
55.5	12,201,386	66,573	0.0055	0.9945	89.70
56.5	11,544,112	49,423	0.0043	0.9957	89.21
57.5	10,708,289	50,121	0.0047	0.9953	88.83
58.5	10,044,966	48,647	0.0048	0.9952	88.42
59.5	9,242,576	40,166	0.0043	0.9957	87.99
60.5	8,523,560	42,043	0.0049	0.9951	87.61
61.5	7,868,978	28,139	0.0036	0.9964	87.17
62.5	7,181,031	33,742	0.0047	0.9953	86.86
63.5	6,285,755	21,974	0.0035	0.9965	86.45
64.5	5,334,051	14,074	0.0026	0.9974	86.15
65.5	4,535,374	15,548	0.0034	0.9966	85.92
66.5	3,875,114	12,441	0.0032	0.9968	85.63
67.5	3,335,530	8,495	0.0025	0.9975	85.36
68.5	2,776,079	12,652	0.0046	0.9954	85.14
69.5	2,238,979	8,265	0.0037	0.9963	84.75
70.5	1,920,289	10,333	0.0054	0.9946	84.44
71.5	1,608,794	9,350	0.0058	0.9942	83.98
72.5	1,395,475	6,094	0.0044	0.9956	83.49
73.5	1,258,122	20,718	0.0165	0.9835	83.13
74.5	1,119,542	8,154	0.0073	0.9927	81.76
75.5	1,065,238	4,689	0.0044	0.9956	81.17
76.5	1,039,001	4,097	0.0039	0.9961	80.81
77.5	988,949	7,237	0.0073	0.9927	80.49
78.5	878,861	12,796	0.0146	0.9854	79.90

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	744,307	20,619	0.0277	0.9723	78.74
80.5	618,721	33,665	0.0544	0.9456	76.56
81.5	535,614	84,944	0.1586	0.8414	72.39
82.5	410,936	103,084	0.2509	0.7491	60.91
83.5	272,446	89,779	0.3295	0.6705	45.63
84.5	172,367	70,332	0.4080	0.5920	30.59
85.5	94,660	34,862	0.3683	0.6317	18.11
86.5	57,809	24,957	0.4317	0.5683	11.44
87.5	32,931	8,988	0.2729	0.7271	6.50
88.5	24,288	5,613	0.2311	0.7689	4.73
89.5	18,723	6,067	0.3241	0.6759	3.63
90.5	14,696	6,770	0.4607	0.5393	2.46
91.5	7,926	54	0.0069	0.9931	1.33
92.5	7,871	2,522	0.3204	0.6796	1.32
93.5	5,350	433	0.0810	0.9190	0.89
94.5	6,040	261	0.0432	0.9568	0.82
95.5	5,779	60	0.0104	0.9896	0.79
96.5	7,719	414	0.0536	0.9464	0.78
97.5	14,007	93	0.0066	0.9934	0.74
98.5	13,914	919	0.0660	0.9340	0.73
99.5	12,995	1,083	0.0833	0.9167	0.68
100.5	11,912	2,022	0.1697	0.8303	0.63
101.5	10,657	27	0.0025	0.9975	0.52
102.5	10,630	16	0.0015	0.9985	0.52
103.5	10,614		0.0000	1.0000	0.52
104.5	10,614	51	0.0048	0.9952	0.52
105.5	10,563	80	0.0076	0.9924	0.52
106.5	10,483	1,110	0.1059	0.8941	0.51
107.5	9,373	315	0.0336	0.9664	0.46
108.5	9,058	154	0.0170	0.9830	0.44
109.5	8,904		0.0000	1.0000	0.43
110.5	8,904	230	0.0259	0.9741	0.43
111.5	8,674		0.0000	1.0000	0.42
112.5	8,260	466	0.0564	0.9436	0.42
113.5	7,795		0.0000	1.0000	0.40
114.5	7,795		0.0000	1.0000	0.40
115.5	7,795		0.0000	1.0000	0.40
116.5	7,795	56	0.0072	0.9928	0.40
117.5	7,739	159	0.0205	0.9795	0.40
118.5	7,580	37	0.0048	0.9952	0.39

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	7,543	384	0.0509	0.9491	0.39
120.5	7,160	1,611	0.2250	0.7750	0.37
121.5	5,549	3	0.0005	0.9995	0.28
122.5	5,546		0.0000	1.0000	0.28
123.5	5,546	929	0.1675	0.8325	0.28
124.5	4,618		0.0000	1.0000	0.24
125.5	4,618		0.0000	1.0000	0.24
126.5	4,618		0.0000	1.0000	0.24
127.5	4,618		0.0000	1.0000	0.24
128.5	4,618		0.0000	1.0000	0.24
129.5	4,584		0.0000	1.0000	0.24
130.5	4,584		0.0000	1.0000	0.24
131.5	4,584		0.0000	1.0000	0.24
132.5					0.24

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	361,245,852		0.0000	1.0000	100.00
0.5	337,430,943	14,407	0.0000	1.0000	100.00
1.5	315,950,188	7,615	0.0000	1.0000	100.00
2.5	291,754,164	64,053	0.0002	0.9998	99.99
3.5	267,668,357	2,018	0.0000	1.0000	99.97
4.5	243,892,259	3,313	0.0000	1.0000	99.97
5.5	225,225,607	9,506	0.0000	1.0000	99.97
6.5	206,643,936	70,913	0.0003	0.9997	99.97
7.5	186,144,419	16,623	0.0001	0.9999	99.93
8.5	169,556,160	39,150	0.0002	0.9998	99.92
9.5	152,702,322	29,204	0.0002	0.9998	99.90
10.5	140,983,395	23,027	0.0002	0.9998	99.88
11.5	130,501,232	67,834	0.0005	0.9995	99.86
12.5	121,373,964	74,741	0.0006	0.9994	99.81
13.5	111,040,486	99,057	0.0009	0.9991	99.75
14.5	103,129,188	11,073	0.0001	0.9999	99.66
15.5	94,139,952	25,210	0.0003	0.9997	99.65
16.5	92,901,603	18,419	0.0002	0.9998	99.62
17.5	79,843,345	20,525	0.0003	0.9997	99.60
18.5	71,661,905	30,186	0.0004	0.9996	99.58
19.5	66,448,784	25,416	0.0004	0.9996	99.54
20.5	62,779,129	21,617	0.0003	0.9997	99.50
21.5	57,080,582	26,317	0.0005	0.9995	99.46
22.5	54,073,035	39,698	0.0007	0.9993	99.42
23.5	51,715,081	18,767	0.0004	0.9996	99.35
24.5	49,153,969	25,592	0.0005	0.9995	99.31
25.5	48,069,184	28,029	0.0006	0.9994	99.26
26.5	45,829,242	24,124	0.0005	0.9995	99.20
27.5	43,632,431	32,171	0.0007	0.9993	99.15
28.5	42,054,084	50,547	0.0012	0.9988	99.07
29.5	39,361,000	42,969	0.0011	0.9989	98.96
30.5	36,682,095	56,564	0.0015	0.9985	98.85
31.5	34,148,394	240,202	0.0070	0.9930	98.69
32.5	31,878,220	106,775	0.0033	0.9967	98.00
33.5	30,474,754	17,763	0.0006	0.9994	97.67
34.5	28,171,774	11,556	0.0004	0.9996	97.62
35.5	27,092,482	20,125	0.0007	0.9993	97.58
36.5	26,259,220	24,035	0.0009	0.9991	97.50
37.5	25,700,714	37,145	0.0014	0.9986	97.41
38.5	24,678,638	19,853	0.0008	0.9992	97.27

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	23,706,335	23,811	0.0010	0.9990	97.19
40.5	22,422,967	46,641	0.0021	0.9979	97.10
41.5	21,351,158	37,767	0.0018	0.9982	96.89
42.5	20,690,009	57,941	0.0028	0.9972	96.72
43.5	20,470,527	207,047	0.0101	0.9899	96.45
44.5	19,572,587	89,484	0.0046	0.9954	95.48
45.5	18,110,749	143,459	0.0079	0.9921	95.04
46.5	17,362,200	74,336	0.0043	0.9957	94.29
47.5	16,839,964	64,918	0.0039	0.9961	93.88
48.5	16,236,383	45,024	0.0028	0.9972	93.52
49.5	15,866,659	86,704	0.0055	0.9945	93.26
50.5	15,337,493	106,136	0.0069	0.9931	92.75
51.5	14,893,710	117,718	0.0079	0.9921	92.11
52.5	14,171,081	80,577	0.0057	0.9943	91.38
53.5	13,206,423	54,450	0.0041	0.9959	90.86
54.5	12,574,482	86,936	0.0069	0.9931	90.49
55.5	11,352,774	63,110	0.0056	0.9944	89.86
56.5	10,674,742	46,555	0.0044	0.9956	89.36
57.5	9,850,598	46,567	0.0047	0.9953	88.97
58.5	9,260,480	43,447	0.0047	0.9953	88.55
59.5	8,581,323	37,526	0.0044	0.9956	88.14
60.5	7,923,833	38,719	0.0049	0.9951	87.75
61.5	7,312,804	23,512	0.0032	0.9968	87.32
62.5	6,650,962	31,793	0.0048	0.9952	87.04
63.5	5,821,338	18,784	0.0032	0.9968	86.63
64.5	4,941,985	12,180	0.0025	0.9975	86.35
65.5	4,170,463	12,287	0.0029	0.9971	86.13
66.5	3,531,377	9,605	0.0027	0.9973	85.88
67.5	3,045,880	6,293	0.0021	0.9979	85.65
68.5	2,524,863	8,247	0.0033	0.9967	85.47
69.5	2,026,210	6,800	0.0034	0.9966	85.19
70.5	1,750,241	9,113	0.0052	0.9948	84.91
71.5	1,478,355	7,296	0.0049	0.9951	84.46
72.5	1,297,292	5,374	0.0041	0.9959	84.05
73.5	1,198,788	17,092	0.0143	0.9857	83.70
74.5	1,070,205	4,961	0.0046	0.9954	82.50
75.5	1,024,595	4,689	0.0046	0.9954	82.12
76.5	1,019,154	4,083	0.0040	0.9960	81.75
77.5	974,318	7,177	0.0074	0.9926	81.42
78.5	863,149	12,796	0.0148	0.9852	80.82

AQUA PENNSYLVANIA, INC.

ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	738,505	20,602	0.0279	0.9721	79.62
80.5	612,935	31,798	0.0519	0.9481	77.40
81.5	531,913	84,944	0.1597	0.8403	73.38
82.5	407,487	103,084	0.2530	0.7470	61.67
83.5	268,998	89,742	0.3336	0.6664	46.07
84.5	167,698	70,332	0.4194	0.5806	30.70
85.5	90,498	34,862	0.3852	0.6148	17.82
86.5	53,847	24,957	0.4635	0.5365	10.96
87.5	30,735	8,988	0.2924	0.7076	5.88
88.5	22,091	5,613	0.2541	0.7459	4.16
89.5	16,526	6,067	0.3671	0.6329	3.10
90.5	12,499	6,770	0.5416	0.4584	1.96
91.5	5,927	54	0.0092	0.9908	0.90
92.5	6,613	2,522	0.3814	0.6186	0.89
93.5	4,091	433	0.1059	0.8941	0.55
94.5	3,658	261	0.0713	0.9287	0.49
95.5	3,397	60	0.0177	0.9823	0.46
96.5	5,337	414	0.0775	0.9225	0.45
97.5	4,923	93	0.0189	0.9811	0.42
98.5	4,830	919	0.1902	0.8098	0.41
99.5	5,170	1,083	0.2094	0.7906	0.33
100.5	4,087	2,022	0.4947	0.5053	0.26
101.5	2,832	27	0.0095	0.9905	0.13
102.5	2,805	16	0.0056	0.9944	0.13
103.5	2,790		0.0000	1.0000	0.13
104.5	2,790	51	0.0184	0.9816	0.13
105.5	2,738	51	0.0184	0.9816	0.13
106.5	2,688	1,110	0.4130	0.5870	0.13
107.5	1,578	315	0.1994	0.8006	0.07
108.5	1,263	154	0.1219	0.8781	0.06
109.5	2,203		0.0000	1.0000	0.05
110.5	2,203	230	0.1046	0.8954	0.05
111.5	1,973		0.0000	1.0000	0.05
112.5	8,260	466	0.0564	0.9436	0.05
113.5	7,795		0.0000	1.0000	0.04
114.5	7,795		0.0000	1.0000	0.04
115.5	7,795		0.0000	1.0000	0.04
116.5	7,795	56	0.0072	0.9928	0.04
117.5	7,739	159	0.0205	0.9795	0.04
118.5	7,580	37	0.0048	0.9952	0.04

AQUA PENNSYLVANIA, INC.

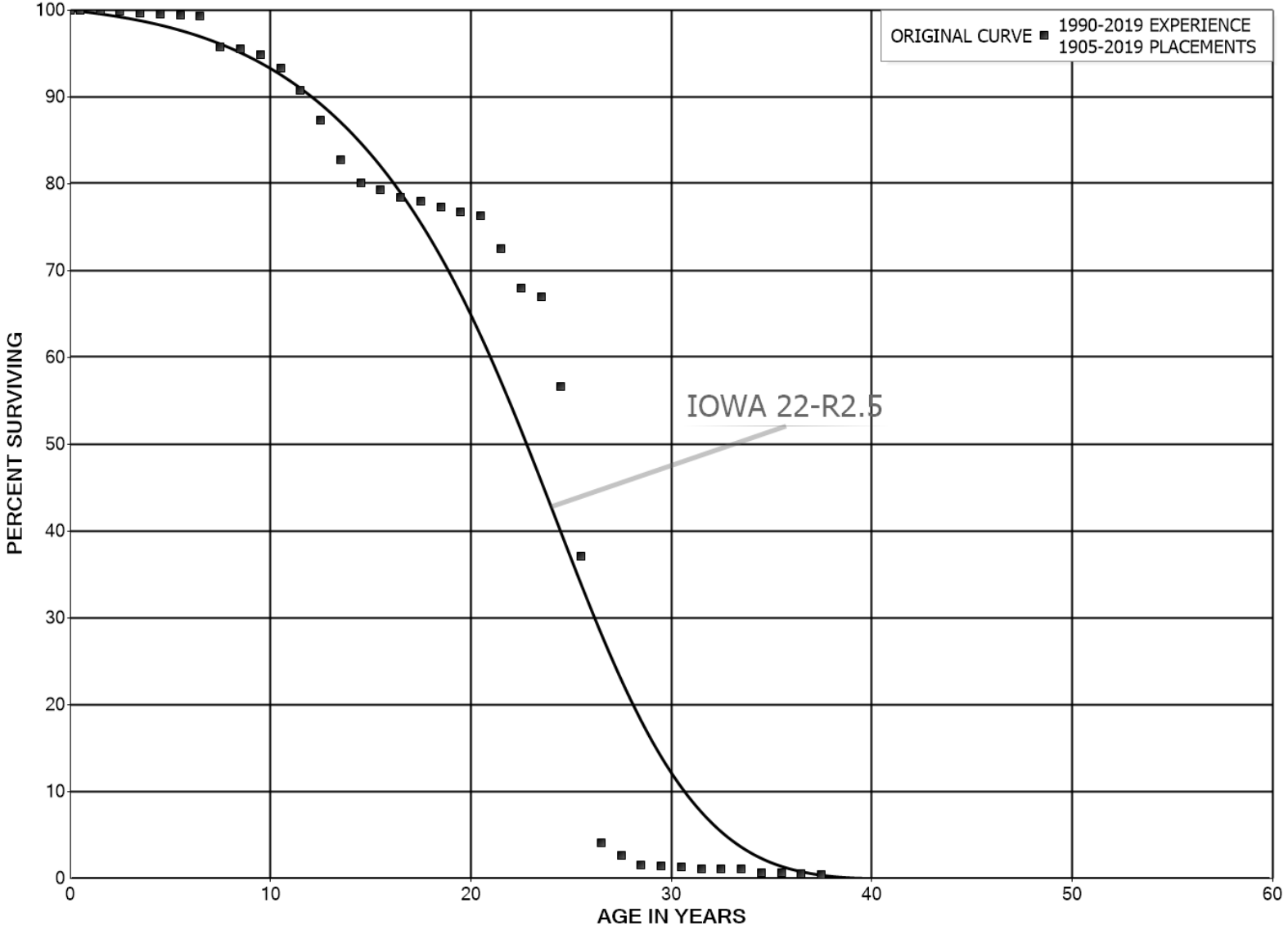
ACCOUNT 333 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1887-2019 EXPERIENCE BAND 2000-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	7,543	384	0.0509	0.9491	0.04
120.5	7,160	1,611	0.2250	0.7750	0.04
121.5	5,549	3	0.0005	0.9995	0.03
122.5	5,546		0.0000	1.0000	0.03
123.5	5,546	929	0.1675	0.8325	0.03
124.5	4,618		0.0000	1.0000	0.03
125.5	4,618		0.0000	1.0000	0.03
126.5	4,618		0.0000	1.0000	0.03
127.5	4,618		0.0000	1.0000	0.03
128.5	4,618		0.0000	1.0000	0.03
129.5	4,584		0.0000	1.0000	0.03
130.5	4,584		0.0000	1.0000	0.03
131.5	4,584		0.0000	1.0000	0.03
132.5					0.03

AQUA PENNSYLVANIA, INC.
ACCOUNT 334.02 METERS - REMOTE
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 334.02 METERS - REMOTE

ORIGINAL LIFE TABLE

PLACEMENT BAND 1905-2019 EXPERIENCE BAND 1990-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	146,234,848		0.0000	1.0000	100.00
0.5	137,914,550	87,946	0.0006	0.9994	100.00
1.5	132,825,670	102,406	0.0008	0.9992	99.94
2.5	126,334,854	271,476	0.0021	0.9979	99.86
3.5	123,213,068	118,733	0.0010	0.9990	99.64
4.5	119,326,146	169,680	0.0014	0.9986	99.55
5.5	115,414,637	125,553	0.0011	0.9989	99.41
6.5	111,457,239	3,991,610	0.0358	0.9642	99.30
7.5	104,672,931	308,683	0.0029	0.9971	95.74
8.5	101,605,133	620,540	0.0061	0.9939	95.46
9.5	98,767,456	1,704,632	0.0173	0.9827	94.88
10.5	94,539,562	2,502,850	0.0265	0.9735	93.24
11.5	90,970,779	3,539,467	0.0389	0.9611	90.77
12.5	86,173,693	4,484,735	0.0520	0.9480	87.24
13.5	77,718,065	2,447,257	0.0315	0.9685	82.70
14.5	65,877,253	709,274	0.0108	0.9892	80.10
15.5	48,908,931	487,120	0.0100	0.9900	79.23
16.5	42,901,971	264,857	0.0062	0.9938	78.44
17.5	37,631,814	310,195	0.0082	0.9918	77.96
18.5	33,202,519	257,788	0.0078	0.9922	77.32
19.5	29,573,809	175,777	0.0059	0.9941	76.72
20.5	24,591,836	1,215,654	0.0494	0.9506	76.26
21.5	17,285,390	1,072,870	0.0621	0.9379	72.49
22.5	15,732,875	247,778	0.0157	0.9843	67.99
23.5	11,928,796	1,840,065	0.1543	0.8457	66.92
24.5	8,345,240	2,872,488	0.3442	0.6558	56.60
25.5	4,946,238	4,400,246	0.8896	0.1104	37.12
26.5	518,570	188,337	0.3632	0.6368	4.10
27.5	334,674	142,796	0.4267	0.5733	2.61
28.5	184,810	6,329	0.0342	0.9658	1.50
29.5	171,250	15,932	0.0930	0.9070	1.44
30.5	133,976	20,563	0.1535	0.8465	1.31
31.5	90,806	1,721	0.0190	0.9810	1.11
32.5	65,791		0.0000	1.0000	1.09
33.5	35,607	15,277	0.4290	0.5710	1.09
34.5	50,768	4,692	0.0924	0.9076	0.62
35.5	46,047	547	0.0119	0.9881	0.56
36.5	45,768	14,242	0.3112	0.6888	0.56
37.5	32,918	102	0.0031	0.9969	0.38
38.5	34,012		0.0000	1.0000	0.38

AQUA PENNSYLVANIA, INC.

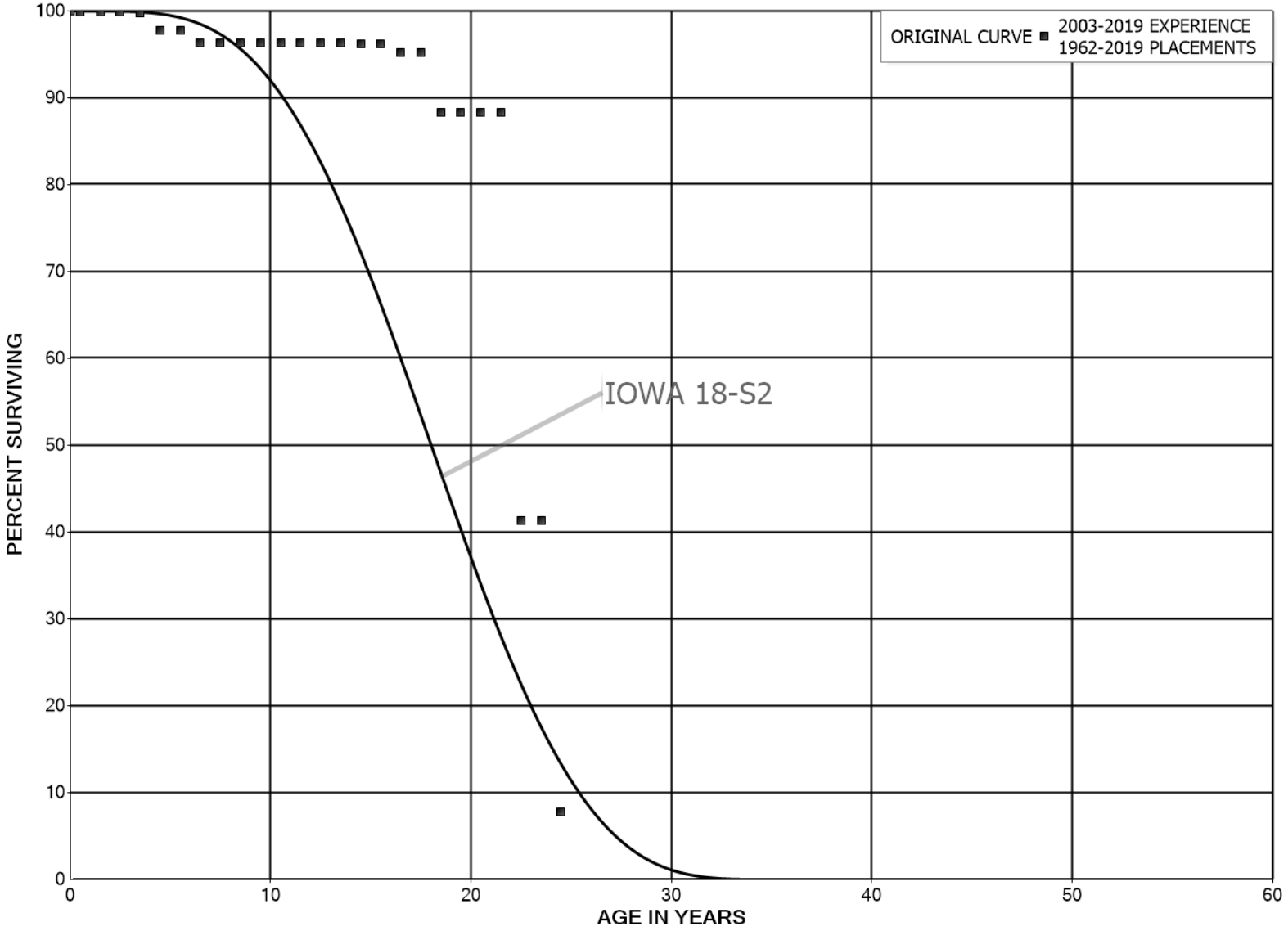
ACCOUNT 334.02 METERS - REMOTE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2019 EXPERIENCE BAND 1990-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	33,212	5,409	0.1629	0.8371	0.38
40.5	38,125		0.0000	1.0000	0.32
41.5	39,513	867	0.0219	0.9781	0.32
42.5	45,924	2,292	0.0499	0.9501	0.31
43.5	43,633		0.0000	1.0000	0.30
44.5	41,576		0.0000	1.0000	0.30
45.5	42,674	4,809	0.1127	0.8873	0.30
46.5	14,967	3,879	0.2592	0.7408	0.26
47.5	11,088	2,552	0.2302	0.7698	0.20
48.5	1,000	790	0.7902	0.2099	0.15
49.5	48		0.0000	1.0000	0.03
50.5	48		0.0000	1.0000	0.03
51.5	48		0.0000	1.0000	0.03
52.5	48		0.0000	1.0000	0.03
53.5	48		0.0000	1.0000	0.03
54.5	4,668		0.0000	1.0000	0.03
55.5	4,668		0.0000	1.0000	0.03
56.5	4,668	3,693	0.7913	0.2087	0.03
57.5	974		0.0000	1.0000	0.01
58.5	974		0.0000	1.0000	0.01
59.5					0.01

AQUA PENNSYLVANIA, INC.
ACCOUNT 334.03 METERS - ERTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 334.03 METERS - ERTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1962-2019 EXPERIENCE BAND 2003-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	48,999,132	54,827	0.0011	0.9989	100.00
0.5	48,320,232		0.0000	1.0000	99.89
1.5	46,479,141		0.0000	1.0000	99.89
2.5	44,382,682	86,008	0.0019	0.9981	99.89
3.5	42,621,098	839,226	0.0197	0.9803	99.69
4.5	39,857,434	7,622	0.0002	0.9998	97.73
5.5	38,116,496	556,162	0.0146	0.9854	97.71
6.5	35,528,264		0.0000	1.0000	96.29
7.5	33,779,687		0.0000	1.0000	96.29
8.5	32,502,873		0.0000	1.0000	96.29
9.5	31,728,204		0.0000	1.0000	96.29
10.5	30,750,359		0.0000	1.0000	96.29
11.5	29,542,391	8,528	0.0003	0.9997	96.29
12.5	28,764,804	8,586	0.0003	0.9997	96.26
13.5	27,764,880	856	0.0000	1.0000	96.23
14.5	18,865,142		0.0000	1.0000	96.23
15.5	12,345,007	129,231	0.0105	0.9895	96.23
16.5	5,686,963		0.0000	1.0000	95.22
17.5	1,211,008	88,715	0.0733	0.9267	95.22
18.5	306,336		0.0000	1.0000	88.24
19.5	307,330		0.0000	1.0000	88.24
20.5	17,085		0.0000	1.0000	88.24
21.5	16,599	8,827	0.5318	0.4682	88.24
22.5	6,777		0.0000	1.0000	41.31
23.5	6,529	5,306	0.8128	0.1872	41.31
24.5	1,473	39	0.0265	0.9735	7.74
25.5	1,981	32	0.0162	0.9838	7.53
26.5	1,368	75	0.0546	0.9454	7.41
27.5	1,400	142	0.1014	0.8986	7.00
28.5	711		0.0000	1.0000	6.29
29.5	711	82	0.1149	0.8851	6.29
30.5	273		0.0000	1.0000	5.57
31.5	273	27	0.0988	0.9012	5.57
32.5	246	1	0.0044	0.9956	5.02
33.5	245		0.0000	1.0000	5.00
34.5	245	2	0.0093	0.9907	5.00
35.5	242	242	1.0000		4.95
36.5					
37.5					
38.5					

AQUA PENNSYLVANIA, INC.

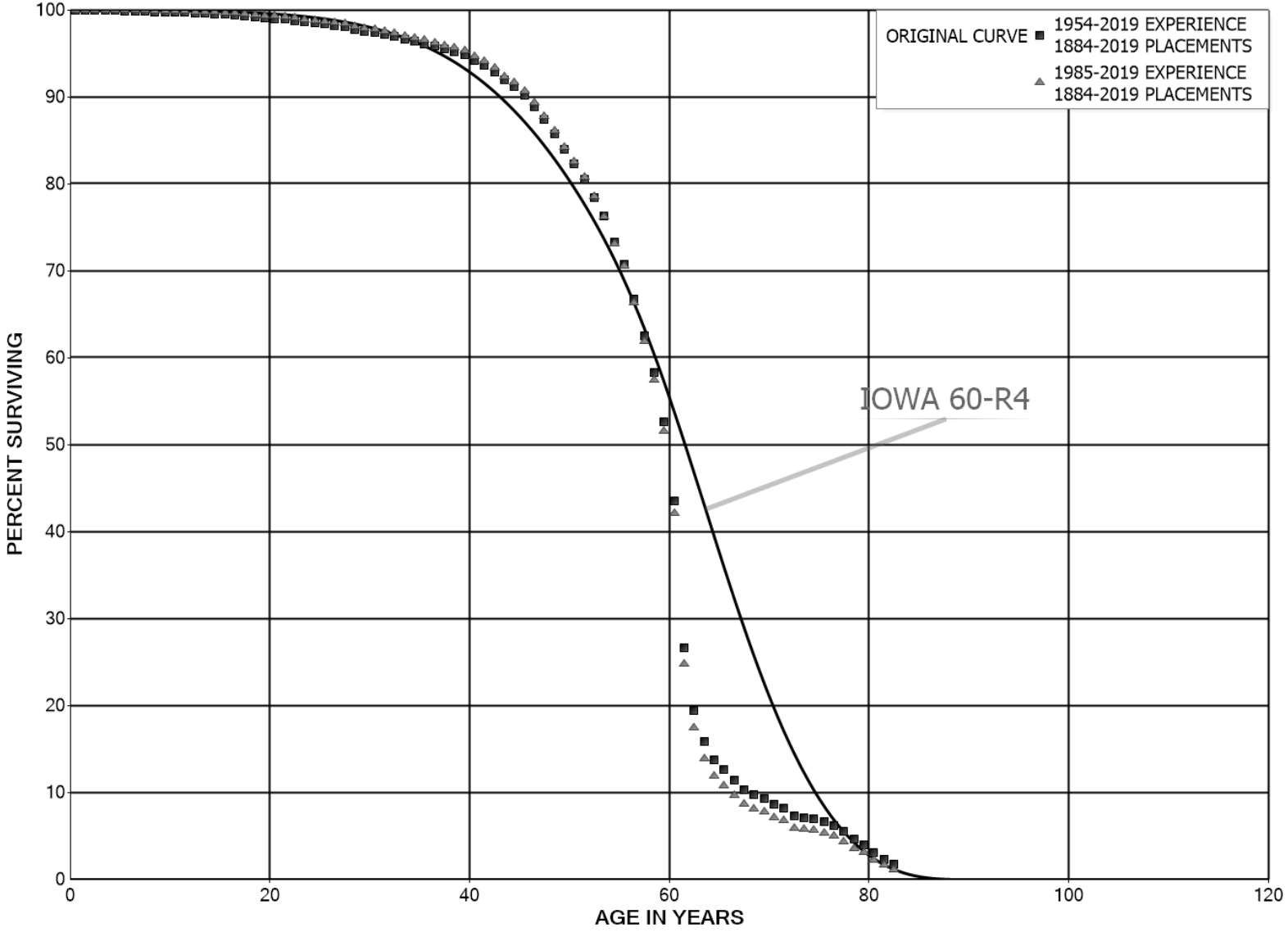
ACCOUNT 334.03 METERS - ERTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1962-2019 EXPERIENCE BAND 2003-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5					
41.5					
42.5					
43.5					
44.5					
45.5					
46.5	48		0.0000		
47.5	48		0.0000		
48.5	48		0.0000		
49.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 335 FIRE HYDRANTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	92,111,533		0.0000	1.0000	100.00
0.5	85,961,822	14,360	0.0002	0.9998	100.00
1.5	78,965,328	15,095	0.0002	0.9998	99.98
2.5	71,631,297	18,168	0.0003	0.9997	99.96
3.5	67,495,780	28,068	0.0004	0.9996	99.94
4.5	62,582,837	12,758	0.0002	0.9998	99.90
5.5	59,284,082	23,616	0.0004	0.9996	99.88
6.5	55,795,829	9,445	0.0002	0.9998	99.84
7.5	50,601,441	21,245	0.0004	0.9996	99.82
8.5	46,703,045	16,316	0.0003	0.9997	99.78
9.5	42,973,944	18,495	0.0004	0.9996	99.74
10.5	41,121,158	10,652	0.0003	0.9997	99.70
11.5	37,815,422	26,321	0.0007	0.9993	99.67
12.5	35,562,767	14,951	0.0004	0.9996	99.61
13.5	33,541,225	16,576	0.0005	0.9995	99.56
14.5	31,547,133	15,782	0.0005	0.9995	99.51
15.5	29,495,741	22,830	0.0008	0.9992	99.46
16.5	27,821,490	39,935	0.0014	0.9986	99.39
17.5	25,637,912	21,450	0.0008	0.9992	99.24
18.5	23,460,242	19,018	0.0008	0.9992	99.16
19.5	21,812,751	20,185	0.0009	0.9991	99.08
20.5	20,510,386	14,716	0.0007	0.9993	98.99
21.5	19,075,011	33,092	0.0017	0.9983	98.92
22.5	17,479,439	26,123	0.0015	0.9985	98.75
23.5	16,217,324	22,598	0.0014	0.9986	98.60
24.5	15,578,462	13,823	0.0009	0.9991	98.46
25.5	14,868,534	27,890	0.0019	0.9981	98.37
26.5	14,196,206	21,756	0.0015	0.9985	98.19
27.5	13,440,503	37,791	0.0028	0.9972	98.04
28.5	13,069,265	30,861	0.0024	0.9976	97.76
29.5	12,303,247	17,078	0.0014	0.9986	97.53
30.5	11,720,053	22,470	0.0019	0.9981	97.40
31.5	10,975,084	33,235	0.0030	0.9970	97.21
32.5	10,180,007	30,583	0.0030	0.9970	96.92
33.5	9,694,866	25,551	0.0026	0.9974	96.63
34.5	9,059,465	23,698	0.0026	0.9974	96.37
35.5	8,716,297	30,432	0.0035	0.9965	96.12
36.5	8,352,026	28,356	0.0034	0.9966	95.78
37.5	7,963,212	22,142	0.0028	0.9972	95.46
38.5	7,536,580	30,071	0.0040	0.9960	95.19

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	7,080,666	46,509	0.0066	0.9934	94.81
40.5	6,624,260	41,724	0.0063	0.9937	94.19
41.5	6,240,321	48,521	0.0078	0.9922	93.60
42.5	6,031,453	63,149	0.0105	0.9895	92.87
43.5	5,744,068	42,990	0.0075	0.9925	91.90
44.5	5,277,168	59,497	0.0113	0.9887	91.21
45.5	4,807,828	70,984	0.0148	0.9852	90.18
46.5	4,536,485	76,454	0.0169	0.9831	88.85
47.5	4,263,273	77,594	0.0182	0.9818	87.35
48.5	3,933,995	85,067	0.0216	0.9784	85.76
49.5	3,664,150	70,654	0.0193	0.9807	83.91
50.5	3,453,507	73,021	0.0211	0.9789	82.29
51.5	3,251,356	86,530	0.0266	0.9734	80.55
52.5	3,005,944	82,616	0.0275	0.9725	78.41
53.5	2,755,061	107,852	0.0391	0.9609	76.25
54.5	2,452,856	83,525	0.0341	0.9659	73.27
55.5	2,224,476	126,013	0.0566	0.9434	70.77
56.5	2,000,768	127,333	0.0636	0.9364	66.76
57.5	1,748,350	119,696	0.0685	0.9315	62.51
58.5	1,528,827	148,340	0.0970	0.9030	58.23
59.5	1,313,688	228,158	0.1737	0.8263	52.58
60.5	1,056,807	408,745	0.3868	0.6132	43.45
61.5	647,521	175,020	0.2703	0.7297	26.65
62.5	472,792	88,432	0.1870	0.8130	19.44
63.5	384,863	50,597	0.1315	0.8685	15.81
64.5	333,037	28,324	0.0850	0.9150	13.73
65.5	305,327	29,368	0.0962	0.9038	12.56
66.5	276,826	26,936	0.0973	0.9027	11.35
67.5	251,013	12,370	0.0493	0.9507	10.25
68.5	239,096	10,569	0.0442	0.9558	9.74
69.5	229,011	16,687	0.0729	0.9271	9.31
70.5	212,760	10,239	0.0481	0.9519	8.63
71.5	202,752	22,141	0.1092	0.8908	8.22
72.5	180,718	5,119	0.0283	0.9717	7.32
73.5	175,599	3,438	0.0196	0.9804	7.11
74.5	172,910	8,145	0.0471	0.9529	6.97
75.5	170,439	10,888	0.0639	0.9361	6.65
76.5	159,939	18,707	0.1170	0.8830	6.22
77.5	141,461	22,720	0.1606	0.8394	5.49
78.5	119,921	15,975	0.1332	0.8668	4.61

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	103,946	25,197	0.2424	0.7576	4.00
80.5	78,789	20,330	0.2580	0.7420	3.03
81.5	59,062	14,364	0.2432	0.7568	2.25
82.5	44,698	7,146	0.1599	0.8401	1.70
83.5	37,552	4,739	0.1262	0.8738	1.43
84.5	32,813	5,962	0.1817	0.8183	1.25
85.5	26,851	933	0.0347	0.9653	1.02
86.5	25,918	3,758	0.1450	0.8550	0.99
87.5	22,161	2,238	0.1010	0.8990	0.84
88.5	20,030	411	0.0205	0.9795	0.76
89.5	19,619	1,682	0.0857	0.9143	0.74
90.5	18,580	1,568	0.0844	0.9156	0.68
91.5	17,011	1,725	0.1014	0.8986	0.62
92.5	15,286	1,194	0.0781	0.9219	0.56
93.5	14,092	92	0.0065	0.9935	0.51
94.5	14,000	1,229	0.0878	0.9122	0.51
95.5	13,088	967	0.0739	0.9261	0.47
96.5	12,121	529	0.0436	0.9564	0.43
97.5	12,077	380	0.0315	0.9685	0.41
98.5	11,697	1,779	0.1521	0.8479	0.40
99.5	9,918	1,750	0.1764	0.8236	0.34
100.5	8,168	929	0.1137	0.8863	0.28
101.5	7,240	367	0.0507	0.9493	0.25
102.5	6,873	2,147	0.3124	0.6876	0.24
103.5	4,726	286	0.0606	0.9394	0.16
104.5	4,439	1,191	0.2682	0.7318	0.15
105.5	3,249	756	0.2327	0.7673	0.11
106.5	2,493	99	0.0395	0.9605	0.09
107.5	2,394	172	0.0717	0.9283	0.08
108.5	2,223	151	0.0681	0.9319	0.08
109.5	2,071	60	0.0291	0.9709	0.07
110.5	2,011		0.0000	1.0000	0.07
111.5	2,011	84	0.0415	0.9585	0.07
112.5	1,927	13	0.0065	0.9935	0.07
113.5	1,915	62	0.0322	0.9678	0.07
114.5	1,853	6	0.0032	0.9968	0.06
115.5	1,847	77	0.0415	0.9585	0.06
116.5	1,770	13	0.0071	0.9929	0.06
117.5	1,758	868	0.4937	0.5063	0.06
118.5	890	399	0.4485	0.5515	0.03

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1954-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	491	206	0.4205	0.5795	0.02
120.5	284	284	1.0000		0.01
121.5					

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	85,952,990		0.0000	1.0000	100.00
0.5	79,979,052	1,049	0.0000	1.0000	100.00
1.5	73,118,731	4,635	0.0001	0.9999	100.00
2.5	66,000,037	5,918	0.0001	0.9999	99.99
3.5	62,138,501	9,978	0.0002	0.9998	99.98
4.5	57,412,028	8,629	0.0002	0.9998	99.97
5.5	54,385,633	18,951	0.0003	0.9997	99.95
6.5	51,093,794	4,046	0.0001	0.9999	99.92
7.5	46,003,946	12,840	0.0003	0.9997	99.91
8.5	42,300,207	12,843	0.0003	0.9997	99.88
9.5	38,765,206	9,391	0.0002	0.9998	99.85
10.5	37,200,986	5,420	0.0001	0.9999	99.83
11.5	34,047,543	19,532	0.0006	0.9994	99.81
12.5	31,924,936	11,051	0.0003	0.9997	99.76
13.5	30,083,668	11,354	0.0004	0.9996	99.72
14.5	28,287,312	9,100	0.0003	0.9997	99.68
15.5	26,409,379	14,833	0.0006	0.9994	99.65
16.5	24,871,492	34,932	0.0014	0.9986	99.60
17.5	22,852,045	13,701	0.0006	0.9994	99.46
18.5	20,857,024	14,757	0.0007	0.9993	99.40
19.5	19,430,812	17,618	0.0009	0.9991	99.33
20.5	18,287,523	9,700	0.0005	0.9995	99.24
21.5	16,990,632	26,723	0.0016	0.9984	99.18
22.5	15,556,494	23,493	0.0015	0.9985	99.03
23.5	14,440,463	19,505	0.0014	0.9986	98.88
24.5	13,943,618	11,000	0.0008	0.9992	98.74
25.5	13,399,831	23,229	0.0017	0.9983	98.67
26.5	12,887,037	18,856	0.0015	0.9985	98.49
27.5	12,267,447	33,857	0.0028	0.9972	98.35
28.5	12,019,437	27,978	0.0023	0.9977	98.08
29.5	11,398,566	15,237	0.0013	0.9987	97.85
30.5	10,928,403	19,818	0.0018	0.9982	97.72
31.5	10,292,965	31,476	0.0031	0.9969	97.54
32.5	9,565,833	27,975	0.0029	0.9971	97.24
33.5	9,160,760	22,240	0.0024	0.9976	96.96
34.5	8,576,524	20,399	0.0024	0.9976	96.72
35.5	8,291,143	28,345	0.0034	0.9966	96.49
36.5	7,971,344	25,437	0.0032	0.9968	96.16
37.5	7,611,292	19,873	0.0026	0.9974	95.86
38.5	7,198,476	28,081	0.0039	0.9961	95.61

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,749,095	43,438	0.0064	0.9936	95.23
40.5	6,305,041	38,435	0.0061	0.9939	94.62
41.5	5,929,531	46,090	0.0078	0.9922	94.04
42.5	5,730,674	59,975	0.0105	0.9895	93.31
43.5	5,460,006	40,041	0.0073	0.9927	92.34
44.5	5,006,465	56,801	0.0113	0.9887	91.66
45.5	4,548,448	68,048	0.0150	0.9850	90.62
46.5	4,281,422	73,750	0.0172	0.9828	89.26
47.5	4,020,110	74,032	0.0184	0.9816	87.73
48.5	3,696,358	82,404	0.0223	0.9777	86.11
49.5	3,432,615	67,555	0.0197	0.9803	84.19
50.5	3,228,464	70,619	0.0219	0.9781	82.53
51.5	3,026,848	84,227	0.0278	0.9722	80.73
52.5	2,790,862	80,217	0.0287	0.9713	78.48
53.5	2,552,120	104,492	0.0409	0.9591	76.23
54.5	2,271,249	80,762	0.0356	0.9644	73.11
55.5	2,067,338	122,779	0.0594	0.9406	70.51
56.5	1,864,405	124,834	0.0670	0.9330	66.32
57.5	1,630,596	118,043	0.0724	0.9276	61.88
58.5	1,429,713	146,428	0.1024	0.8976	57.40
59.5	1,233,993	226,533	0.1836	0.8164	51.52
60.5	986,230	407,678	0.4134	0.5866	42.06
61.5	588,435	173,237	0.2944	0.7056	24.68
62.5	422,194	86,003	0.2037	0.7963	17.41
63.5	341,649	49,453	0.1447	0.8553	13.86
64.5	291,614	27,312	0.0937	0.9063	11.86
65.5	265,912	28,507	0.1072	0.8928	10.75
66.5	240,918	25,582	0.1062	0.8938	9.59
67.5	217,445	11,755	0.0541	0.9459	8.58
68.5	206,780	10,037	0.0485	0.9515	8.11
69.5	197,630	15,964	0.0808	0.9192	7.72
70.5	183,383	9,466	0.0516	0.9484	7.09
71.5	175,972	21,951	0.1247	0.8753	6.73
72.5	155,169	4,573	0.0295	0.9705	5.89
73.5	151,972	3,063	0.0202	0.9798	5.72
74.5	151,888	7,736	0.0509	0.9491	5.60
75.5	151,109	10,578	0.0700	0.9300	5.32
76.5	141,747	18,296	0.1291	0.8709	4.94
77.5	125,774	22,354	0.1777	0.8223	4.31
78.5	106,495	15,728	0.1477	0.8523	3.54

AQUA PENNSYLVANIA, INC.

ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	93,194	25,152	0.2699	0.7301	3.02
80.5	69,495	20,201	0.2907	0.7093	2.20
81.5	50,328	14,327	0.2847	0.7153	1.56
82.5	39,115	7,111	0.1818	0.8182	1.12
83.5	32,329	4,569	0.1413	0.8587	0.91
84.5	28,233	5,962	0.2112	0.7888	0.79
85.5	23,066	921	0.0399	0.9601	0.62
86.5	22,471	3,758	0.1672	0.8328	0.59
87.5	18,885	2,188	0.1159	0.8841	0.50
88.5	17,023	411	0.0241	0.9759	0.44
89.5	16,622	1,582	0.0952	0.9048	0.43
90.5	15,682	1,489	0.0949	0.9051	0.39
91.5	14,365	1,447	0.1007	0.8993	0.35
92.5	12,931	1,101	0.0852	0.9148	0.31
93.5	11,891	91	0.0077	0.9923	0.29
94.5	11,849	1,229	0.1037	0.8963	0.29
95.5	11,026	967	0.0877	0.9123	0.26
96.5	10,072	529	0.0525	0.9475	0.23
97.5	10,896	363	0.0333	0.9667	0.22
98.5	11,102	1,766	0.1591	0.8409	0.21
99.5	9,542	1,658	0.1738	0.8262	0.18
100.5	8,168	929	0.1137	0.8863	0.15
101.5	7,240	367	0.0507	0.9493	0.13
102.5	6,873	2,147	0.3124	0.6876	0.13
103.5	4,726	286	0.0606	0.9394	0.09
104.5	4,439	1,191	0.2682	0.7318	0.08
105.5	3,249	756	0.2327	0.7673	0.06
106.5	2,493	99	0.0395	0.9605	0.05
107.5	2,394	172	0.0717	0.9283	0.04
108.5	2,223	151	0.0681	0.9319	0.04
109.5	2,071	60	0.0291	0.9709	0.04
110.5	2,011		0.0000	1.0000	0.04
111.5	2,011	84	0.0415	0.9585	0.04
112.5	1,927	13	0.0065	0.9935	0.04
113.5	1,915	62	0.0322	0.9678	0.03
114.5	1,853	6	0.0032	0.9968	0.03
115.5	1,847	77	0.0415	0.9585	0.03
116.5	1,770	13	0.0071	0.9929	0.03
117.5	1,758	868	0.4937	0.5063	0.03
118.5	890	399	0.4485	0.5515	0.02

AQUA PENNSYLVANIA, INC.

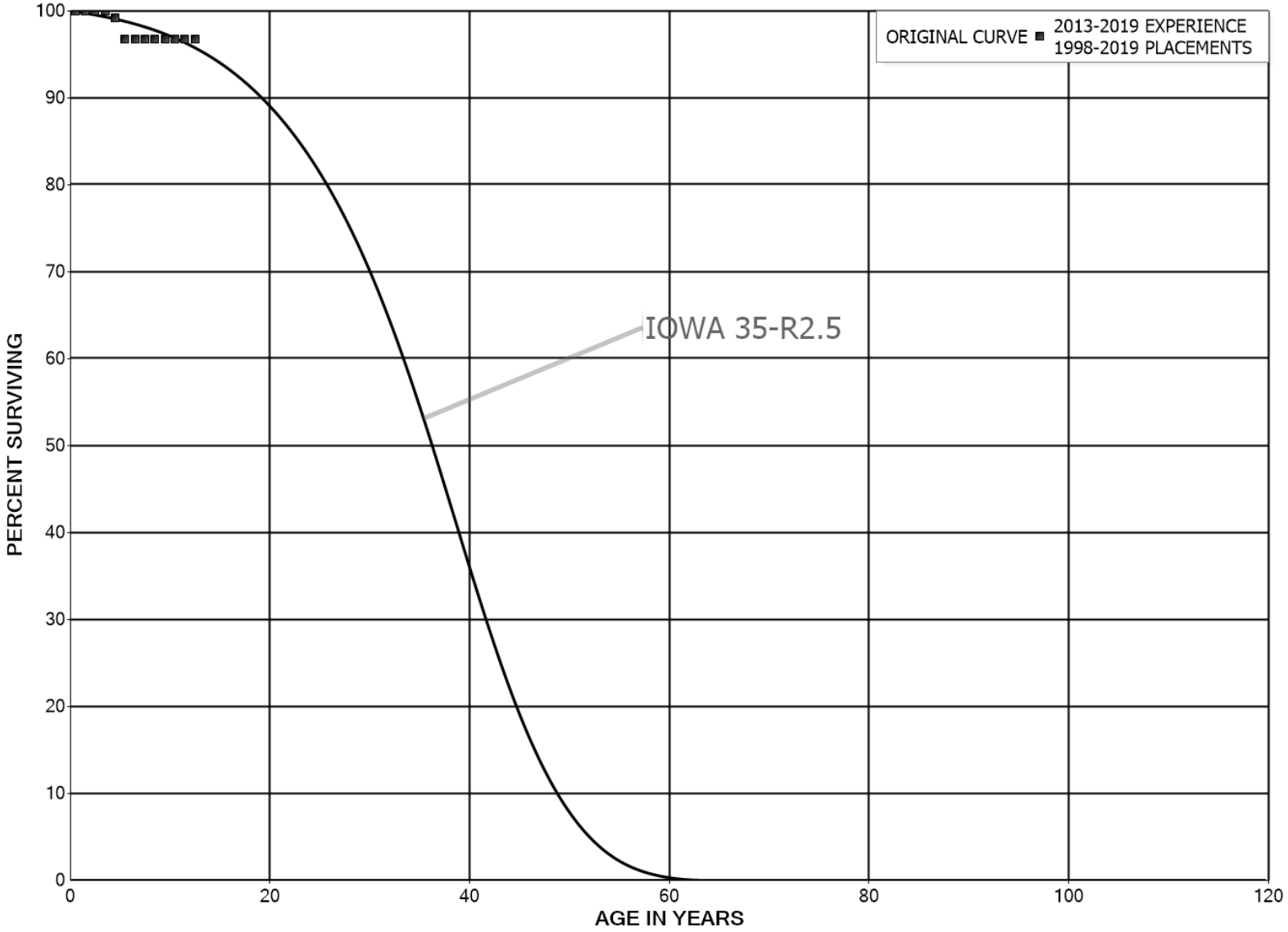
ACCOUNT 335 FIRE HYDRANTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1884-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
119.5	491	206	0.4205	0.5795	0.01
120.5	284	284	1.0000		0.01
121.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 336 BACKLFLOW PREVENTION DEVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

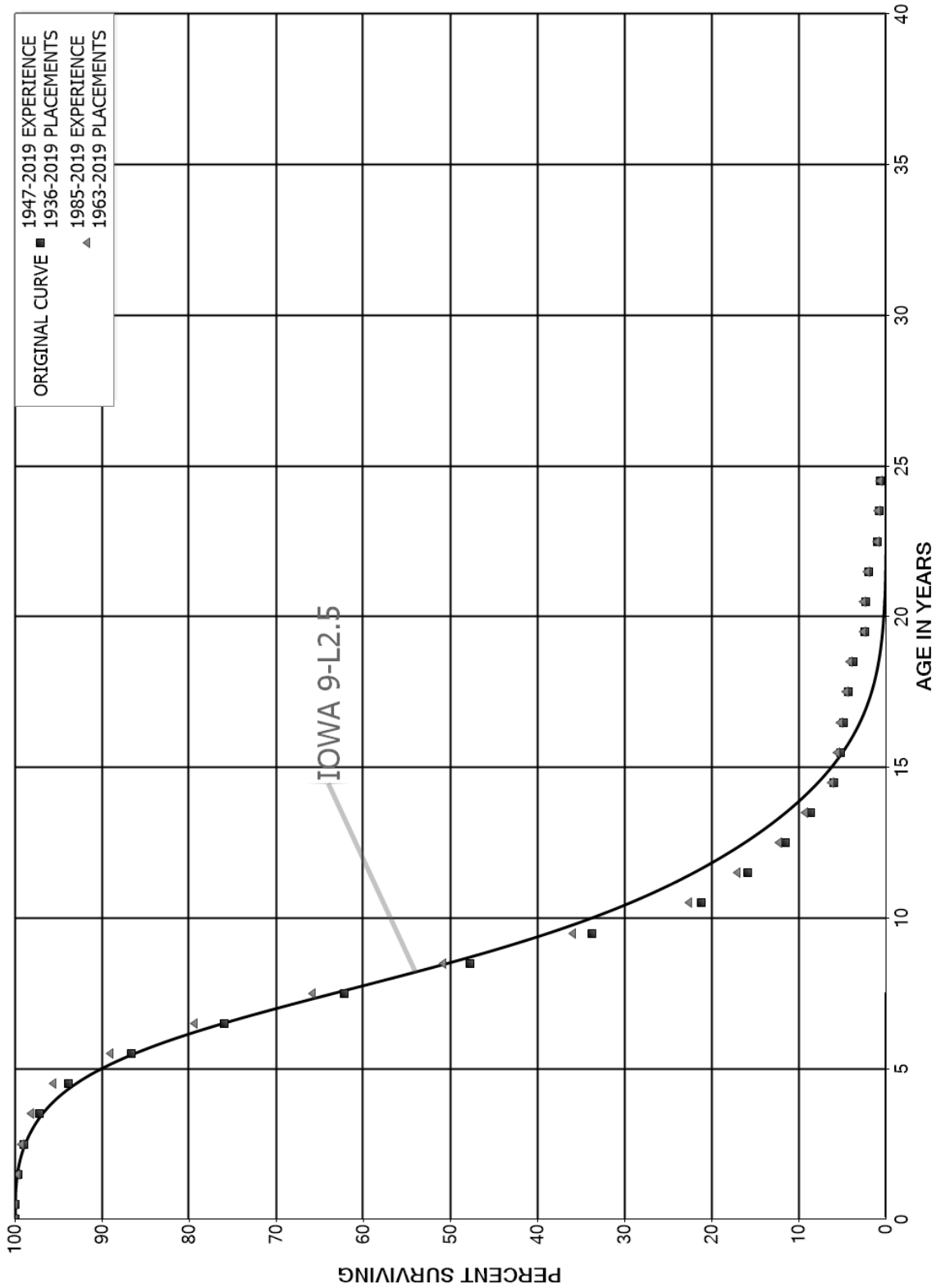
ACCOUNT 336 BACKLFLOW PREVENTION DEVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1998-2019 EXPERIENCE BAND 2013-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	296,440		0.0000	1.0000	100.00
0.5	290,587	0	0.0000	1.0000	100.00
1.5	287,816		0.0000	1.0000	100.00
2.5	281,652		0.0000	1.0000	100.00
3.5	273,078	2,257	0.0083	0.9917	100.00
4.5	34,295	840	0.0245	0.9755	99.17
5.5	13,803		0.0000	1.0000	96.74
6.5	830		0.0000	1.0000	96.74
7.5	830		0.0000	1.0000	96.74
8.5	830		0.0000	1.0000	96.74
9.5	830		0.0000	1.0000	96.74
10.5	830		0.0000	1.0000	96.74
11.5	830		0.0000	1.0000	96.74
12.5					96.74
13.5					
14.5					
15.5	10,250		0.0000		
16.5	10,250		0.0000		
17.5	10,250		0.0000		
18.5	10,250		0.0000		
19.5	10,250		0.0000		
20.5	10,250		0.0000		
21.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2019 EXPERIENCE BAND 1947-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	39,287,163	15,928	0.0004	0.9996	100.00
0.5	41,931,166	163,426	0.0039	0.9961	99.96
1.5	32,121,984	215,425	0.0067	0.9933	99.57
2.5	30,224,583	521,136	0.0172	0.9828	98.90
3.5	28,052,504	955,039	0.0340	0.9660	97.20
4.5	27,007,128	2,104,309	0.0779	0.9221	93.89
5.5	23,341,403	2,848,487	0.1220	0.8780	86.57
6.5	17,902,511	3,261,188	0.1822	0.8178	76.01
7.5	13,251,137	3,068,225	0.2315	0.7685	62.16
8.5	9,153,132	2,688,350	0.2937	0.7063	47.77
9.5	6,966,881	2,586,132	0.3712	0.6288	33.74
10.5	4,570,509	1,148,209	0.2512	0.7488	21.21
11.5	3,138,192	859,125	0.2738	0.7262	15.89
12.5	2,381,749	592,732	0.2489	0.7511	11.54
13.5	1,498,104	473,519	0.3161	0.6839	8.67
14.5	937,754	119,831	0.1278	0.8722	5.93
15.5	839,242	58,875	0.0702	0.9298	5.17
16.5	724,966	86,591	0.1194	0.8806	4.81
17.5	466,105	52,172	0.1119	0.8881	4.23
18.5	257,357	94,310	0.3665	0.6335	3.76
19.5	161,670	3,428	0.0212	0.9788	2.38
20.5	152,051	27,526	0.1810	0.8190	2.33
21.5	130,070	68,347	0.5255	0.4745	1.91
22.5	91,807	18,518	0.2017	0.7983	0.91
23.5	73,289	12,361	0.1687	0.8313	0.72
24.5	60,928	234	0.0038	0.9962	0.60
25.5	60,694		0.0000	1.0000	0.60
26.5	46,194		0.0000	1.0000	0.60
27.5	46,194	5,986	0.1296	0.8704	0.60
28.5	40,208	371	0.0092	0.9908	0.52
29.5	39,837	1,956	0.0491	0.9509	0.52
30.5	37,881	37,566	0.9917	0.0083	0.49
31.5	315		0.0000	1.0000	0.00
32.5	315		0.0000	1.0000	0.00
33.5	315	315	1.0000		0.00
34.5					

AQUA PENNSYLVANIA, INC.

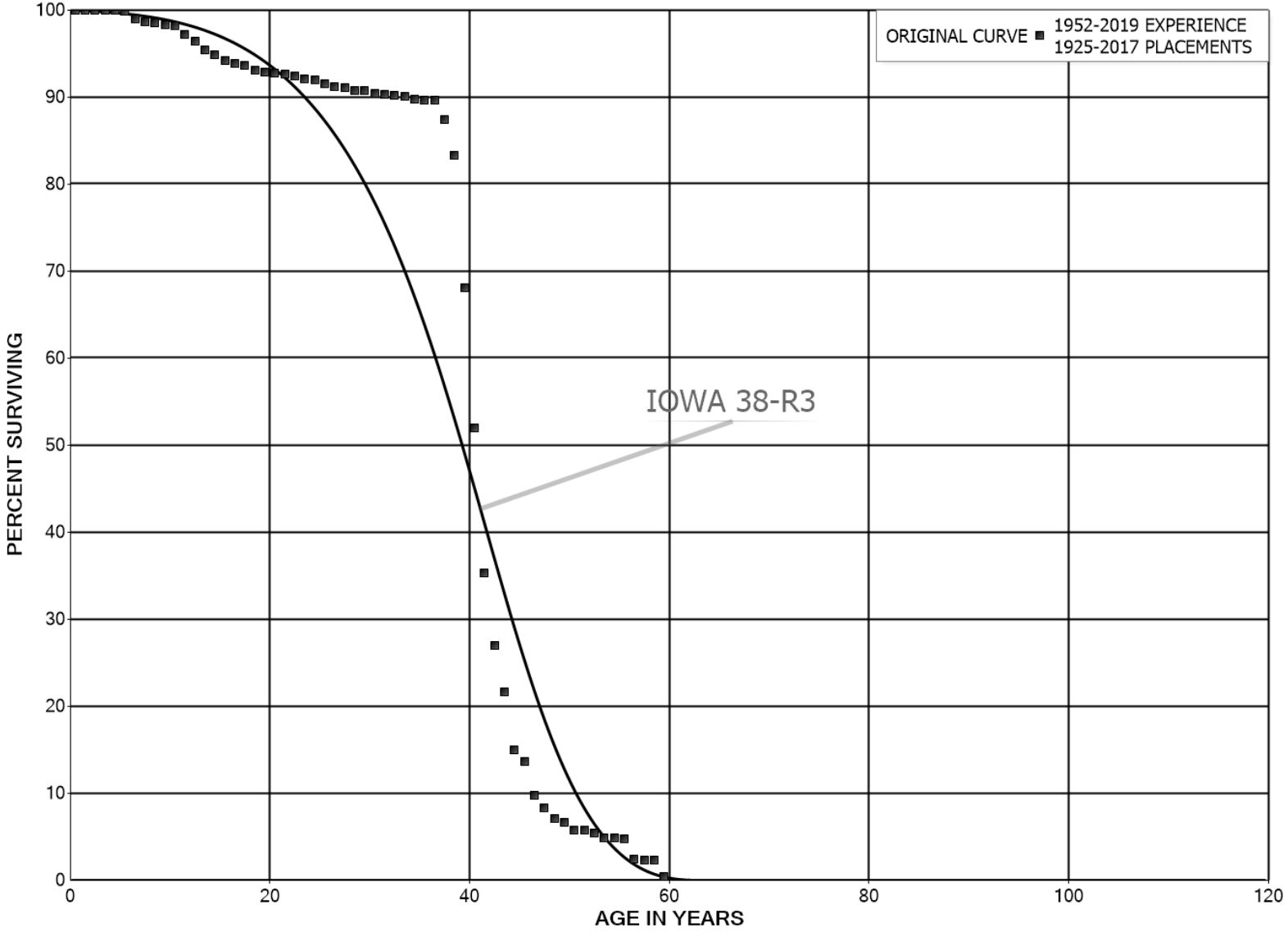
ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1963-2019 EXPERIENCE BAND 1985-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	35,135,661	7,641	0.0002	0.9998	100.00
0.5	38,047,183	128,213	0.0034	0.9966	99.98
1.5	28,529,151	132,884	0.0047	0.9953	99.64
2.5	26,926,029	290,632	0.0108	0.9892	99.18
3.5	25,143,149	671,064	0.0267	0.9733	98.11
4.5	24,570,738	1,671,433	0.0680	0.9320	95.49
5.5	21,550,413	2,360,715	0.1095	0.8905	88.99
6.5	16,739,032	2,867,216	0.1713	0.8287	79.24
7.5	12,591,457	2,874,916	0.2283	0.7717	65.67
8.5	8,697,836	2,556,196	0.2939	0.7061	50.68
9.5	6,677,506	2,476,856	0.3709	0.6291	35.78
10.5	4,423,949	1,100,344	0.2487	0.7513	22.51
11.5	3,057,863	848,108	0.2774	0.7226	16.91
12.5	2,312,437	575,069	0.2487	0.7513	12.22
13.5	1,446,454	466,896	0.3228	0.6772	9.18
14.5	892,728	108,817	0.1219	0.8781	6.22
15.5	811,477	50,242	0.0619	0.9381	5.46
16.5	705,834	80,564	0.1141	0.8859	5.12
17.5	452,999	45,230	0.0998	0.9002	4.54
18.5	251,370	94,310	0.3752	0.6248	4.08
19.5	155,683	241	0.0015	0.9985	2.55
20.5	149,252	27,526	0.1844	0.8156	2.55
21.5	127,586	66,467	0.5210	0.4790	2.08
22.5	91,202	18,518	0.2030	0.7970	1.00
23.5	72,684	12,361	0.1701	0.8299	0.79
24.5	60,323		0.0000	1.0000	0.66
25.5	60,323		0.0000	1.0000	0.66
26.5	45,823		0.0000	1.0000	0.66
27.5	45,823	5,986	0.1306	0.8694	0.66
28.5	39,837		0.0000	1.0000	0.57
29.5	39,837	1,956	0.0491	0.9509	0.57
30.5	37,881	37,566	0.9917	0.0083	0.54
31.5	315		0.0000	1.0000	0.00
32.5	315		0.0000	1.0000	0.00
33.5	315	315	1.0000		0.00
34.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1925-2017 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,587,007		0.0000	1.0000	100.00
0.5	1,587,295	61	0.0000	1.0000	100.00
1.5	1,602,341	770	0.0005	0.9995	100.00
2.5	1,596,908	455	0.0003	0.9997	99.95
3.5	1,587,778	319	0.0002	0.9998	99.92
4.5	1,579,598	1,127	0.0007	0.9993	99.90
5.5	1,574,851	12,947	0.0082	0.9918	99.83
6.5	1,514,882	5,189	0.0034	0.9966	99.01
7.5	1,497,963	2,338	0.0016	0.9984	98.67
8.5	1,498,127	3,996	0.0027	0.9973	98.51
9.5	1,497,344	1,102	0.0007	0.9993	98.25
10.5	1,286,362	13,035	0.0101	0.9899	98.18
11.5	1,194,617	9,777	0.0082	0.9918	97.18
12.5	1,157,871	12,024	0.0104	0.9896	96.39
13.5	1,081,013	6,572	0.0061	0.9939	95.39
14.5	1,045,000	7,568	0.0072	0.9928	94.81
15.5	1,015,109	3,181	0.0031	0.9969	94.12
16.5	957,545	1,778	0.0019	0.9981	93.83
17.5	920,387	5,287	0.0057	0.9943	93.65
18.5	912,259	2,613	0.0029	0.9971	93.11
19.5	909,778	1,493	0.0016	0.9984	92.85
20.5	865,368	813	0.0009	0.9991	92.70
21.5	715,135	1,367	0.0019	0.9981	92.61
22.5	708,984	2,937	0.0041	0.9959	92.43
23.5	624,883	449	0.0007	0.9993	92.05
24.5	622,552	3,065	0.0049	0.9951	91.98
25.5	577,125	2,438	0.0042	0.9958	91.53
26.5	534,640	472	0.0009	0.9991	91.14
27.5	522,155	1,776	0.0034	0.9966	91.06
28.5	486,859	34	0.0001	0.9999	90.75
29.5	462,894	1,855	0.0040	0.9960	90.75
30.5	453,974	684	0.0015	0.9985	90.38
31.5	416,506	361	0.0009	0.9991	90.25
32.5	351,219	514	0.0015	0.9985	90.17
33.5	321,740	974	0.0030	0.9970	90.04
34.5	270,320	560	0.0021	0.9979	89.76
35.5	252,547		0.0000	1.0000	89.58
36.5	189,660	4,573	0.0241	0.9759	89.58
37.5	152,294	7,205	0.0473	0.9527	87.42
38.5	135,530	24,724	0.1824	0.8176	83.28

AQUA PENNSYLVANIA, INC.

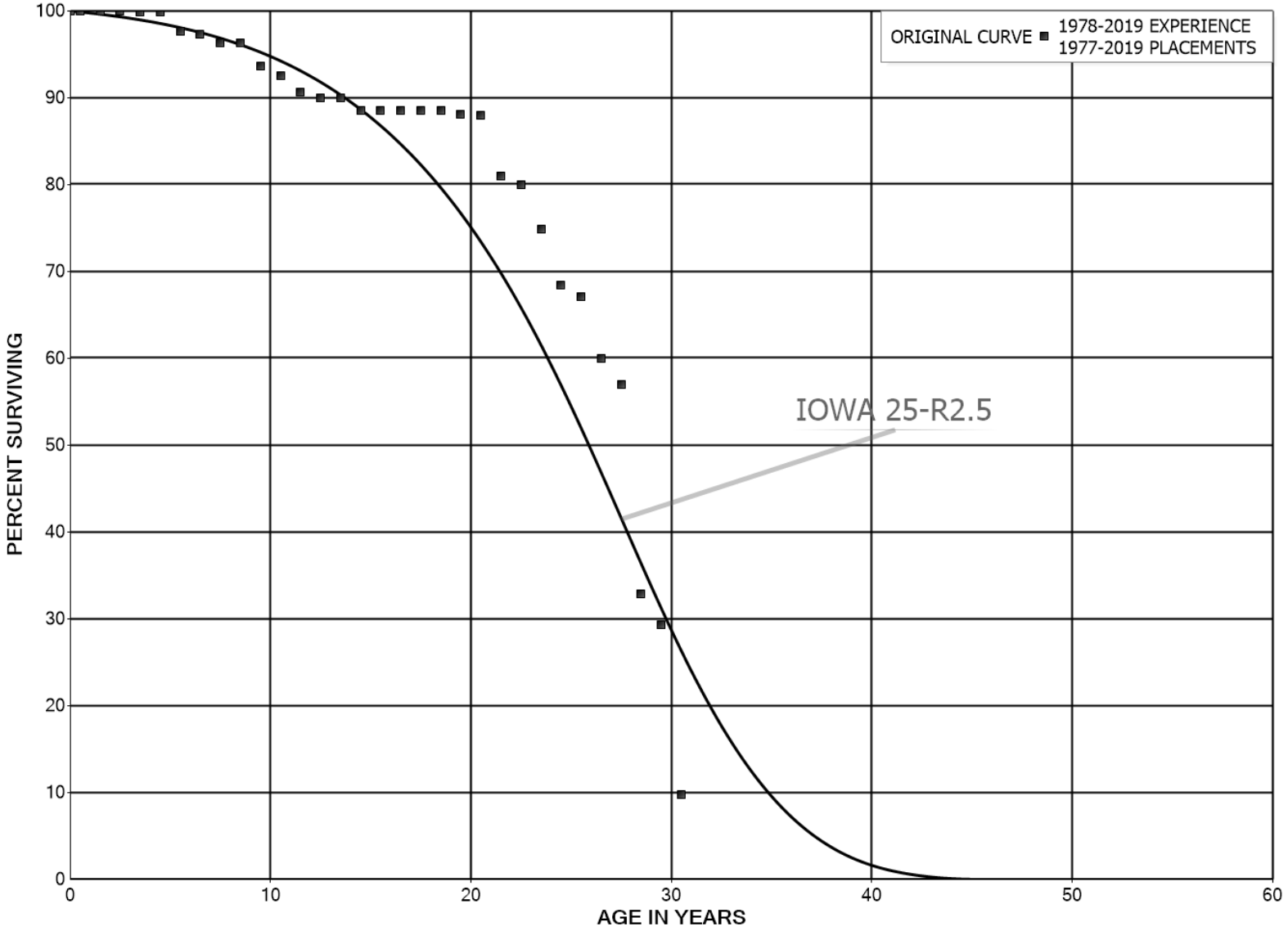
ACCOUNT 344.1 LABORATORY EQUIPMENT - CONVENTIONAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1925-2017 EXPERIENCE BAND 1952-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	110,805	26,234	0.2368	0.7632	68.09
40.5	84,603	27,072	0.3200	0.6800	51.97
41.5	57,091	13,542	0.2372	0.7628	35.34
42.5	43,549	8,567	0.1967	0.8033	26.96
43.5	34,982	10,766	0.3078	0.6922	21.65
44.5	24,216	2,211	0.0913	0.9087	14.99
45.5	22,004	6,329	0.2876	0.7124	13.62
46.5	15,676	2,326	0.1484	0.8516	9.70
47.5	13,350	2,001	0.1499	0.8501	8.26
48.5	11,349	748	0.0659	0.9341	7.03
49.5	10,601	1,295	0.1222	0.8778	6.56
50.5	9,306		0.0000	1.0000	5.76
51.5	9,306	614	0.0660	0.9340	5.76
52.5	8,692	856	0.0985	0.9015	5.38
53.5	7,835		0.0000	1.0000	4.85
54.5	7,835	285	0.0364	0.9636	4.85
55.5	7,550	3,687	0.4883	0.5117	4.67
56.5	3,863	114	0.0294	0.9706	2.39
57.5	3,750	68	0.0181	0.9819	2.32
58.5	3,682	3,123	0.8482	0.1518	2.28
59.5	559		0.0000	1.0000	0.35
60.5	559		0.0000	1.0000	0.35
61.5	559	125	0.2236	0.7764	0.35
62.5	434		0.0000	1.0000	0.27
63.5	434		0.0000	1.0000	0.27
64.5	434		0.0000	1.0000	0.27
65.5	434		0.0000	1.0000	0.27
66.5	434	169	0.3884	0.6116	0.27
67.5	265	58	0.2178	0.7822	0.16
68.5	208	18	0.0852	0.9148	0.13
69.5	190		0.0000	1.0000	0.12
70.5	190	54	0.2839	0.7161	0.12
71.5	136		0.0000	1.0000	0.08
72.5	136		0.0000	1.0000	0.08
73.5	136		0.0000	1.0000	0.08
74.5	136		0.0000	1.0000	0.08
75.5	136		0.0000	1.0000	0.08
76.5	136		0.0000	1.0000	0.08
77.5	136	136	1.0000		0.08
78.5					

AQUA PENNSYLVANIA, INC.
ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA, INC.

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

ORIGINAL LIFE TABLE

PLACEMENT BAND 1977-2019 EXPERIENCE BAND 1978-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	5,930,833	0	0.0000	1.0000	100.00
0.5	5,683,712		0.0000	1.0000	100.00
1.5	5,250,015	0	0.0000	1.0000	100.00
2.5	4,974,846	7,306	0.0015	0.9985	100.00
3.5	4,297,349	0	0.0000	1.0000	99.85
4.5	3,949,672	89,187	0.0226	0.9774	99.85
5.5	3,800,987	11,321	0.0030	0.9970	97.60
6.5	3,760,460	38,630	0.0103	0.9897	97.31
7.5	3,711,184	2,991	0.0008	0.9992	96.31
8.5	3,633,963	96,824	0.0266	0.9734	96.23
9.5	3,197,850	39,517	0.0124	0.9876	93.67
10.5	3,098,599	61,683	0.0199	0.9801	92.51
11.5	2,984,599	22,167	0.0074	0.9926	90.67
12.5	2,834,096		0.0000	1.0000	89.99
13.5	2,695,584	43,547	0.0162	0.9838	89.99
14.5	2,535,767		0.0000	1.0000	88.54
15.5	2,298,172		0.0000	1.0000	88.54
16.5	2,246,570		0.0000	1.0000	88.54
17.5	1,998,697		0.0000	1.0000	88.54
18.5	1,948,562	10,337	0.0053	0.9947	88.54
19.5	1,706,943	2,538	0.0015	0.9985	88.07
20.5	1,562,911	124,825	0.0799	0.9201	87.94
21.5	1,425,666	17,676	0.0124	0.9876	80.92
22.5	1,169,129	74,229	0.0635	0.9365	79.91
23.5	1,066,232	91,591	0.0859	0.9141	74.84
24.5	746,117	14,575	0.0195	0.9805	68.41
25.5	632,809	67,726	0.1070	0.8930	67.07
26.5	534,312	26,456	0.0495	0.9505	59.90
27.5	478,847	202,368	0.4226	0.5774	56.93
28.5	276,478	30,233	0.1093	0.8907	32.87
29.5	246,246	164,001	0.6660	0.3340	29.28
30.5	82,361	65,506	0.7954	0.2046	9.78
31.5	16,855	16,739	0.9931	0.0069	2.00
32.5	116		0.0000	1.0000	0.01
33.5	116		0.0000	1.0000	0.01
34.5	116		0.0000	1.0000	0.01
35.5	116		0.0000	1.0000	0.01
36.5	116		0.0000	1.0000	0.01
37.5	116		0.0000	1.0000	0.01
38.5	116		0.0000	1.0000	0.01

AQUA PENNSYLVANIA, INC.

ACCOUNT 344.2 LABORATORY EQUIPMENT - ELECTRONIC

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1977-2019 EXPERIENCE BAND 1978-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	116		0.0000	1.0000	0.01
40.5	116	116	1.0000		0.01
41.5					

PART VII. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1885	188,450	188,450			0.0
1903	33,838	21,160	12,678	12,678	0.1
1913	13,947	12,424	1,523	14,201	0.1
1914	119,256	13,176	106,080	120,281	0.8
1920	136,368	8,055	128,313	248,594	1.7
1940	30,295	2,138	28,157	276,751	1.9
1941	1,807	203	1,604	278,355	1.9
1952	29,629	1,071	28,558	306,913	2.1
1974	160,829	8,975	151,854	458,767	3.1
1975	5,309	15	5,294	464,061	3.2
1977	70,589	2,538	68,051	532,112	3.6
1978	221,575	9,125	212,450	744,562	5.1
1981	2,066,659	82,024	1,984,635	2,729,197	18.5
1982	313,865	17,437	296,428	3,025,625	20.5
1983	6,478	82	6,396	3,032,021	20.6
1984	7,330	18	7,312	3,039,333	20.6
1987	699,524	25,155	674,369	3,713,702	25.2
1988	128,291	6,745	121,546	3,835,248	26.0
1990	223,283	3,217	220,066	4,055,314	27.5
1991	418,392	14,095	404,297	4,459,611	30.3
1992	1,039,183	33,736	1,005,447	5,465,058	37.1
1993	4,861,054	252,489	4,608,565	10,073,623	68.4
1998	1,526	3	1,523	10,075,146	68.4
1999	204,502	14,028	190,474	10,265,620	69.7
2006	22,696	5,193	17,503	10,283,123	69.8
2007	22,472	864	21,608	10,304,731	70.0
2008	37,252	932	36,320	10,341,051	70.2
2009	153,147	4,498	148,649	10,489,700	71.2
2010	8,378	559	7,819	10,497,519	71.3
2011	10,972	1,366	9,606	10,507,125	71.3
2012	441,088	13,070	428,018	10,935,143	74.2
2013	16,538	1,169	15,369	10,950,512	74.3
2014	31,692	2,471	29,221	10,979,733	74.5
2015	60,918	2,446	58,472	11,038,205	74.9
2020	18,847	320	18,527	11,056,730	75.1
2023	1,004,599	27,561	977,038	12,033,768	81.7
2024	2,691,919	5,003-	2,696,922	14,730,689	100.0
TOTAL	15,502,497	771,805	14,730,692		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2048						
1982	313,865.14	209,411	17,437	296,428	21.20	13,982
1988	128,291.05	81,003	6,745	121,546	21.31	5,704
1993	3,901,932.96	2,310,725	192,401	3,709,532	21.69	171,025
1999	81,980.30	44,105	3,672	78,308	21.90	3,576
2008	24,167.63	10,329	860	23,308	22.11	1,054
2009	12,422.04	5,122	427	11,995	22.09	543
2012	416,476.96	149,932	12,484	403,993	22.22	18,182
2013	8,287.42	2,821	235	8,052	22.28	361
2014	10,360.05	3,317	276	10,084	22.29	452
2024	202,692.79	4,398	367	202,326	22.54	8,976
	5,100,476.34	2,821,163	234,904	4,865,573		223,855

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.7 4.39

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2048						
1991	32,473.23	22,845	1,353	31,120	14.12	2,204
2009	34,505.37	15,510	919	33,586	18.98	1,770
2023	27,492.85	1,743	103	27,390	22.14	1,237
2024	50,673.20	1,115	66	50,607	22.28	2,271
	145,144.65	41,213	2,441	142,703		7,482

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.1 5.15

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2048						
2024	7,846.59	229	83	7,764	16.62	467
	7,846.59	229	83	7,764		467

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.6 5.95

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1913	12,368.54	12,369	12,369			
1914	6,186.72	6,187	6,187			
1974	25,723.80	23,903	2,945	22,779	3.85	5,917
1977	15,751.59	14,441	1,779	13,973	4.31	3,242
1993	480,308.05	373,680	46,040	434,268	8.99	48,306
1999	122,521.66	84,050	10,356	112,166	11.67	9,611
2009	5,990.06	2,748	339	5,651	18.28	309
2012	7,179.87	2,701	333	6,847	20.72	330
2015	55,838.03	16,126	1,986	53,852	23.39	2,302
2020	18,844.96	2,595	320	18,525	28.18	657
2024	9,370.00	144	18	9,352	32.07	292
	760,083.28	538,944	82,672	677,412		70,966

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.5 9.34

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
2023	25,451.80	932	469	24,983	39.48	633
2024	82,204.03	1,069	539	81,665	38.11	2,143
	107,655.83	2,001	1,008	106,648		2,776
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					38.4	2.58

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-S1						
1885	188,449.58	188,450	188,450			
1914	113,069.74	104,951	6,989	106,081	8.55	12,407
1920	125,633.05	115,532	7,694	117,939	9.14	12,904
1974	112,441.58	73,244	4,878	107,564	27.02	3,981
1978	221,574.61	137,022	9,125	212,450	28.69	7,405
1981	2,066,659.48	1,231,729	82,024	1,984,635	29.49	67,299
1987	699,523.83	377,743	25,155	674,369	31.94	21,114
1991	385,918.97	191,339	12,742	373,177	34.07	10,953
1992	1,039,183.47	506,602	33,736	1,005,447	34.17	29,425
1993	416,792.49	198,227	13,201	403,591	34.73	11,621
2009	90,644.01	23,885	1,590	89,054	43.32	2,056
2012	17,431.59	3,791	253	17,179	44.97	382
	5,477,322.40	3,152,515	385,837	5,091,486		179,547

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.4 3.28

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1903	14,433.51	13,679	1,755	12,679	6.71	1,890
1940	15,626.22	13,732	1,762	13,864	11.65	1,190
1941	1,807.19	1,585	203	1,604	11.73	137
1952	6,269.22	5,272	677	5,592	13.71	408
1974	10,294.34	7,590	974	9,320	17.99	518
2024	36,500.00	526	67	36,433	34.22	1,065
	84,930.48	42,384	5,438	79,492		5,208

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.3 6.13

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1940	5,998.40	5,474	109	5,889	8.09	728
1952	22,677.03	19,729	391	22,286	10.83	2,058
1974	12,369.67	8,995	178	12,192	18.94	644
1977	54,837.32	38,287	759	54,078	20.53	2,634
1983	6,478.37	4,114	82	6,396	23.86	268
2006	12,104.62	3,762	75	12,030	41.02	293
2007	20,050.00	5,895	117	19,933	42.02	474
2008	13,084.57	3,648	72	13,013	42.67	305
2009	1,624.79	426	8	1,617	43.67	37
2010	4,468.85	1,095	22	4,447	44.67	100
2023	159,562.59	4,069	81	159,482	57.32	2,782
2024	1,277,500.00	10,859	214	1,277,286	58.32	21,901
	1,590,756.21	106,353	2,108	1,588,648		32,224

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.3 2.03

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1913	1,578.74	1,426	55	1,524	11.95	128
1920	10,735.00	9,423	361	10,374	14.55	713
1940	8,670.27	6,960	267	8,403	20.76	405
1952	20.51	15	1	20	26.51	1
1990	216,026.70	83,473	3,201	212,826	54.79	3,884
1993	62,020.33	22,079	847	61,173	56.99	1,073
2024	456,250.00	2,555	98	456,152	88.00	5,184
	755,301.55	125,931	4,830	750,471		11,388

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 65.9 1.51

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
2023	16,448.87	321	70	16,379	75.42	217
2024	54,750.00	361	78	54,672	75.26	726
	71,198.87	682	148	71,051		943

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 75.3 1.32

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1903	19,404.70	19,405	19,405			
2023	39,793.37	907	11,050-	50,843	64.29	791
2024	89,600.00	681	8,297-	97,897	65.29	1,499
	148,798.07	20,993	58	148,740		2,290

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 65.0 1.54

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
2006	10,591.60	7,877	5,118	5,474	6.38	858
2007	1,121.33	805	523	598	6.89	87
2023	540,019.72	44,822	29,119	510,900	16.58	30,814
	551,732.65	53,504	34,760	516,972		31,759

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.3 5.76

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1952	662.61	625	2	661	4.42	150
1975	5,308.78	4,126	15	5,294	14.19	373
1984	7,330.50	4,898	18	7,312	20.11	364
1990	7,256.16	4,230	16	7,240	24.67	293
1998	1,525.66	699	3	1,523	31.31	49
2023	61,210.91	1,628	6	61,205	54.99	1,113
2024	145,783.44	1,283	5	145,778	56.00	2,603
	229,078.06	17,489	65	229,013		4,945

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 46.3 2.16

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 339 OTHER PLANT AND MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-R3						
2024	11,070.00	323	333	10,737	16.65	645
	11,070.00	323	333	10,737		645

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.6 5.83

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 340.2 OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2023	1,365.24	205	169	1,196	8.50	141
2024	3,662.97	183	152	3,511	9.50	370
	5,028.21	388	321	4,707		511
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					9.2	10.16

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L2.5						
2023	133,253.91	26,171	8,594	124,660	6.14	20,303
	133,253.91	26,171	8,594	124,660		20,303
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					6.1	15.24

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 343.1 SHOP EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2010	1,381.96	802	177	1,205	10.50	115
2011	6,718.23	3,628	801	5,917	11.50	515
2015	1,596.32	607	134	1,462	15.50	94
2024	42,884.79	858	189	42,696	24.50	1,743
	52,581.30	5,895	1,301	51,280		2,467

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.8 4.69

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2007	1,300.27	1,138	224	1,076	2.50	430
2009	7,960.73	6,170	1,215	6,746	4.50	1,499
2010	1,273.71	923	182	1,092	5.50	199
2011	3,000.75	2,026	399	2,602	6.50	400
2013	8,250.95	4,744	934	7,317	8.50	861
2015	3,483.98	1,655	326	3,158	10.50	301
2024	91,130.18	2,278	448	90,682	19.50	4,650
	116,400.57	18,934	3,728	112,673		8,340

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.5 7.16

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 346 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
2010	1,253.19	1,211	178	1,075	0.50	1,075
2011	1,253.19	1,128	166	1,087	1.50	725
2014	21,331.61	14,932	2,195	19,137	4.50	4,253
2024	130,000.00	4,333	637	129,363	14.50	8,922
	153,837.99	21,604	3,176	150,662		14,975

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.1 9.73

PART VIII. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2024 TRANSACTION YEAR				
304.30	6,136.09	185.12		185.12-
304.63	1,534.02	3,068.04		3,068.04-
310.40	153.41			
311.00	462.34			
320.20	5,858.48			
331.01	1,308.11	371.10		371.10-
331.02	45,783.84	12,988.41		12,988.41-
331.03	16,351.37	4,638.72		4,638.72-
331.06	1,962.16	556.64		556.64-
333.00	1,007.67	809.38		809.38-
335.00	7,339.65	1,072.15		1,072.15-
341.20	10,639.90			
346.01	3,091.18			
	101,628.22	23,689.56		23,689.56-
TOTAL	101,628.22	23,689.56		23,689.56-

Exhibit No. 6-B, Part 3
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

SHENANDOAH WATER OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2025

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-B, Part 3
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

SHENANDOAH WATER OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WATER PLANT
AS OF DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to water plant as of December 31, 2025 for the Shenandoah Water Operations. The results of our study as of December 31, 2024 are presented in our report titled "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2024". The same methods, procedures and estimates are used in both studies.

Summaries of the original cost, annual accruals, book depreciation reserve and amortization of net salvage are presented in Tables 1 through 4, beginning on page I-3 of the attached report.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

MELISSA M. HOWARD
Senior Project Manager

JJS:mle

077367.100

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

SUMMARY OF RESULTS

Tables 1 through 4 presented on pages I-3 through I-6 summarize the results of the depreciation study as of December 31, 2025 for the Shenandoah Water Operations system. Table 1 sets forth, by depreciable group, the estimated survivor curve, original cost, book depreciation reserve as of December 31, 2025, future book accruals, calculated annual accrual amount and rate, and composite remaining life for plant in service. Table 2 presents the bringforward of the book reserve to December 31, 2025. Table 3 sets forth the calculation of the depreciation accruals for the twelve months ended December 31, 2025. Table 4 presents the annual amortization of experienced and estimated net salvage based on the period 2021 through 2025.

DESCRIPTION OF DETAILED TABULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-2. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage and cost of removal are set forth by account for the years 2021 through 2025, on page III-2.

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	INTANGIBLE PLANT								
301	ORGANIZATION	NONDEPR.		517,932.18					
	NONDEPRECIABLE PLANT								
303.2	POWER AND PUMPING LAND	NONDEPR.		17.00					
303.3	PURIFICATION LAND	NONDEPR.		22,000.00					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		22,663.00					
	TOTAL NONDEPRECIABLE PLANT			**44,680.00**					
	DEPRECIABLE PLANT								
304.3	PURIFICATION BUILDINGS	95-S0.5	*	5,599,858.27	450,169	5,149,689	247,004	4.41	20.8
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	269,990.13	5,187	264,803	13,342	4.94	19.8
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	205,788.00	4,380	201,408	12,383	6.02	16.3
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		760,083.28	153,664	606,420	65,344	8.60	9.3
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5		107,655.83	3,785	103,871	2,630	2.44	39.5
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1		5,477,322.40	565,493	4,911,830	175,572	3.21	28.0
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		84,930.48	10,722	74,209	4,982	5.87	14.9
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		1,590,756.21	37,079	1,553,677	31,210	1.96	49.8
	CAST IRON - 12 INCH AND OVER	95-S3		755,301.55	12,241	743,061	11,393	1.51	65.2
	VALVES	90-R3		71,198.87	1,088	70,111	930	1.31	75.4
	TOTAL ACCOUNT 331			2,502,187.11	61,129	2,441,058	48,515		
333	SERVICES	70-R4		356,312.53	925	355,388	5,487	1.54	64.8
334	METERS - REMOTE	22-R2.5		551,732.65	66,540	485,192	30,567	5.54	15.9
335	FIRE HYDRANTS	60-R4		375,814.26	1,187	374,627	7,150	1.90	52.4
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3		11,070.00	978	10,092	629	5.68	16.0
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	10-SQ		5,028.21	824	4,205	511	10.16	8.2
341	TRANSPORTATION EQUIPMENT - VEHICLES	9-L2.5		133,253.91	28,902	104,352	19,542	14.67	5.3
343.1	SHOP EQUIPMENT	25-SQ		52,581.30	3,404	49,177	2,457	4.67	20.0
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ		116,400.57	9,548	106,853	8,609	7.40	12.4
346	COMMUNICATION EQUIPMENT	15-SQ		152,584.80	12,104	140,481	14,266	9.35	9.8
	TOTAL DEPRECIABLE PLANT			**16,677,663.25**	**1,368,218**	**15,309,446**	**654,008**		
	AMORTIZATION OF NET SALVAGE						6,226		
	TOTAL WATER PLANT IN SERVICE			**17,240,275.43**	**1,368,218**	**15,309,446**	**660,234**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

NOTE: ACCRUALS IN ACCOUNT 341, TRANSPORTATION EQUIPMENT - OTHER, WILL BE CALCULATED USING A 20-YEAR AMORTIZATION PERIOD.

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2024

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2024		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		ACQUISITIONS AND ADJUSTMENTS		RESERVE AT END OF PERIOD	BOOK RESERVE AS A PERCENT OF ORIGINAL COST
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	+	(8)	=	(9)	(10)
WATER PLANT IN SERVICE																
304.3	234,904		234,872		37		19,018				626				450,169	8.04
304.63	2,441		10,690		614		4,755				3,804				5,187	1.92
310.4	83		6,356				2,059								4,380	2.13
311	82,672		70,992												153,664	20.22
320.2	1,008		2,778												3,785	3.52
330.01	385,837		179,656												565,493	10.32
331.01	5,438		5,206		77										10,722	12.62
331.02	2,108		32,292		2,678										37,079	2.33
331.03	4,830		11,405		956								(4,950)		12,241	1.62
331.06	148		940												1,088	1.53
333	58		3,889		162		2,486				1,869		1,170		925	0.26
334.02	34,760		31,780												66,540	12.06
335	65		6,533		214		8,264				1,141		3,780		1,187	0.32
339	333		645												978	8.83
340.2	321		503												824	16.38
341.1	8,594		20,308												28,902	21.69
343.1	1,301		2,103												3,404	6.47
343.2	3,728		5,820												9,548	8.20
346.01	3,176		10,181				1,253								12,104	7.93
TOTAL WATER PLANT IN SERVICE	**771,805**		**636,949**		**4,738**		**37,834**		**0**		**7,439**		**0**		**1,368,218**	

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

	DEPRECIABLE GROUP	ORIGINAL COST AS OF DECEMBER 31, 2024	ORIGINAL COST AS OF DECEMBER 31, 2025	COMPOSITE ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT *
	(1)	(2)	(3)	(4)	(5)
	WATER PLANT IN SERVICE				
304.3	PURIFICATION BUILDINGS	5,100,476.34	5,599,858.27	4.39	234,872
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	145,144.65	269,990.13	5.15	10,690
310.4	OTHER POWER PRODUCTION EQUIPMENT	7,846.59	205,788.00	5.95	6,356
311	ELECTRIC PUMPING EQUIPMENT	760,083.28	760,083.28	9.34	70,992
320	PURIFICATION SYSTEM - EQUIPMENT	107,655.83	107,655.83	2.58	2,778
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	5,477,322.40	5,477,322.40	3.28	179,656
331	MAINS AND ACCESSORIES				
	CAST IRON MAINS - 4 INCH AND UNDER	84,930.48	84,930.48	6.13	5,206
	CAST IRON MAINS - 6, 8 AND 10 INCH	1,590,756.21	1,590,756.21	2.03	32,292
	CAST IRON MAINS - 12 INCH AND OVER	755,301.55	755,301.55	1.51	11,405
	VALVES	71,198.87	71,198.87	1.32	940
	TOTAL ACCOUNT 331	2,502,187.11	2,502,187.11		49,843
333	SERVICES	148,798.07	356,312.53	1.54	3,889
334	METERS - REMOTE	551,732.65	551,732.65	5.76	31,780
335	FIRE HYDRANTS	229,078.06	375,814.26	2.16	6,533
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	11,070.00	11,070.00	5.83	645
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	5,028.21	5,028.21	10.00 **	503
341	TRANSPORTATION EQUIPMENT - VEHICLES	133,253.91	133,253.91	15.24	20,308
343.1	SHOP EQUIPMENT	52,581.30	52,581.30	4.00 **	2,103
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	116,400.57	116,400.57	5.00 **	5,820
346	COMMUNICATION EQUIPMENT	153,837.99	152,584.80	6.67 **	10,181
	TOTAL WATER PLANT	**15,502,496.96**	**16,677,663.25**		**636,949**

* ACCRUALS CALCULATED BASED ON MONTHLY AVERAGES
** ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2021		2022		2023		2024		2025			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
304.3								185.12		625.68	(810.80)	(162)
304.63								3,068.04		3,803.64	(6,871.68)	(1,374)
331								18,554.87			(18,554.87)	(3,711)
333								809.38		1,868.87	(2,678.25)	(536)
335								1,072.15		1,141.20	(2,213.35)	(443)
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**23,689.56**	**0.00**	**7,439.39**	**(31,128.95)**	**(6,226)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1885	188,450	188,450			0.0
1903	31,355	20,316	11,039	11,039	0.1
1913	13,947	12,499	1,448	12,487	0.1
1914	119,256	19,448	99,808	112,295	0.7
1920	136,368	15,307	121,061	233,356	1.5
1940	30,295	5,559	24,736	258,092	1.7
1941	1,807	391	1,416	259,508	1.7
1952	28,967	6,845	22,122	281,630	1.8
1974	160,829	19,813	141,016	422,646	2.8
1975	499	28	471	423,117	2.8
1977	70,589	14,562	56,027	479,144	3.1
1978	221,575	17,397	204,178	683,322	4.5
1981	2,066,659	156,624	1,910,035	2,593,357	16.9
1982	312,124	32,813	279,311	2,872,668	18.8
1983	6,478	1,171	5,307	2,877,975	18.8
1984	5,486	267	5,219	2,883,194	18.8
1987	699,524	47,890	651,634	3,534,828	23.1
1988	127,691	12,677	115,014	3,649,842	23.8
1990	222,394	8,111	214,283	3,864,125	25.2
1991	414,551	26,842	387,709	4,251,834	27.8
1992	1,039,183	64,520	974,663	5,226,497	34.1
1993	4,845,477	489,504	4,355,973	9,582,470	62.6
1998	1,478	50	1,428	9,583,898	62.6
1999	204,240	28,922	175,318	9,759,216	63.7
2006	22,696	7,759	14,937	9,774,153	63.8
2007	22,472	2,889	19,583	9,793,736	64.0
2008	37,202	2,753	34,449	9,828,185	64.2
2009	152,232	9,211	143,021	9,971,206	65.1
2010	7,125	1,074	6,051	9,977,257	65.2
2011	10,972	2,978	7,994	9,985,251	65.2
2012	440,418	26,043	414,375	10,399,626	67.9
2013	16,526	2,459	14,067	10,413,693	68.0
2014	31,677	7,033	24,644	10,438,337	68.2
2015	60,918	5,512	55,406	10,493,743	68.5
2020	18,845	807	18,038	10,511,781	68.7
2023	1,004,582	87,783	916,799	11,428,580	74.7
2024	2,691,692	20,658	2,671,035	14,099,614	92.1
2025	1,211,084	1,253	1,209,831	15,309,444	100.0
TOTAL	16,677,663	1,368,218	15,309,446		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 304.3 PURIFICATION BUILDINGS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
INTERIM SURVIVOR CURVE.. IOWA 95-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2048						
1982	312,123.77	213,181	32,813	279,311	20.19	13,834
1988	127,690.58	82,360	12,677	115,014	20.64	5,572
1993	3,886,356.52	2,374,564	365,491	3,520,866	20.69	170,172
1999	81,717.87	45,697	7,034	74,684	20.89	3,575
2008	24,117.31	10,889	1,676	22,441	21.26	1,056
2009	12,397.66	5,420	834	11,564	21.24	544
2012	415,806.56	161,083	24,793	391,014	21.34	18,323
2013	8,275.04	3,052	470	7,805	21.40	365
2014	10,345.77	3,617	557	9,789	21.39	458
2024	202,655.00	13,132	2,021	200,634	21.65	9,267
2025	518,372.19	11,715	1,803	516,569	21.67	23,838
	5,599,858.27	2,924,710	450,169	5,149,689		247,004

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.8 4.41

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
INTERIM SURVIVOR CURVE.. IOWA 45-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2048						
1991	28,631.68	20,546	2,331	26,301	13.58	1,937
2009	33,614.29	15,974	1,813	31,801	18.22	1,745
2023	27,479.43	2,907	330	27,149	21.14	1,284
2024	50,665.71	3,329	378	50,288	21.33	2,358
2025	129,599.02	2,955	335	129,264	21.48	6,018
	269,990.13	45,711	5,187	264,803		13,342

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.8 4.94

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 310.4 OTHER POWER PRODUCTION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
INTERIM SURVIVOR CURVE.. IOWA 40-R1.5						
PROBABLE RETIREMENT YEAR.. 6-2048						
2024	7,672.35	605	406	7,266	17.55	414
2025	198,115.65	5,924	3,974	194,142	16.22	11,969
	205,788.00	6,529	4,380	201,408		12,383

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.3 6.02

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 311 ELECTRIC PUMPING EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 36-S2.5						
1913	12,368.54	12,369	12,369			
1914	6,186.72	6,187	6,187			
1974	25,723.80	23,980	6,101	19,623	3.75	5,233
1977	15,751.59	14,515	3,693	12,059	4.13	2,920
1993	480,308.05	379,347	96,509	383,799	8.65	44,370
1999	122,521.66	86,035	21,888	100,634	11.24	8,953
2009	5,990.06	2,906	739	5,251	17.51	300
2012	7,179.87	2,908	740	6,440	19.83	325
2015	55,838.03	17,768	4,521	51,317	22.50	2,281
2020	18,844.96	3,172	807	18,038	27.18	664
2024	9,370.00	431	110	9,260	31.07	298
	760,083.28	549,618	153,664	606,420		65,344

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.3 8.60

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 320.2 PURIFICATION SYSTEM - EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2.5						
2023	25,451.80	1,514	1,267	24,185	39.52	612
2024	82,204.03	3,009	2,518	79,686	39.48	2,018
	107,655.83	4,523	3,785	103,871		2,630

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 39.5 2.44

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 330 DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-S1						
1885	188,449.58	188,450	188,450			
1914	113,069.74	105,901	13,261	99,809	7.55	13,220
1920	125,633.05	115,306	14,439	111,194	9.45	11,767
1974	112,441.58	74,121	9,282	103,160	26.62	3,875
1978	221,574.61	138,927	17,397	204,178	28.26	7,225
1981	2,066,659.48	1,250,742	156,624	1,910,035	29.03	65,795
1987	699,523.83	382,430	47,890	651,634	31.92	20,415
1991	385,918.97	195,738	24,511	361,408	33.52	10,782
1992	1,039,183.47	515,227	64,520	974,663	34.07	28,608
1993	416,792.49	203,186	25,444	391,348	34.17	11,453
2009	90,644.01	25,272	3,165	87,479	42.67	2,050
2012	17,431.59	4,072	510	16,922	44.30	382
	5,477,322.40	3,199,372	565,493	4,911,830		175,572

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.0 3.21

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.01 MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-L1.5						
1903	14,433.51	13,791	3,395	11,039	5.71	1,933
1940	15,626.22	13,760	3,387	12,239	11.59	1,056
1941	1,807.19	1,588	391	1,416	11.65	122
1952	6,269.22	5,253	1,293	4,976	14.22	350
1974	10,294.34	7,634	1,880	8,414	17.94	469
2024	36,500.00	1,526	376	36,124	34.34	1,052
	84,930.48	43,552	10,722	74,209		4,982

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.9 5.87

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.02 MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
1940	5,998.40	5,487	1,536	4,462	7.96	561
1952	22,677.03	19,833	5,551	17,126	10.54	1,625
1974	12,369.67	9,109	2,550	9,820	18.43	533
1977	54,837.32	38,830	10,869	43,968	19.99	2,199
1983	6,478.37	4,185	1,171	5,307	23.29	228
2006	12,104.62	3,965	1,110	10,995	40.02	275
2007	20,050.00	6,232	1,744	18,306	41.02	446
2008	13,084.57	3,847	1,077	12,008	42.02	286
2009	1,624.79	453	127	1,498	42.67	35
2010	4,468.85	1,171	328	4,141	43.67	95
2023	159,562.59	6,781	1,898	157,665	56.32	2,799
2024	1,277,500.00	32,576	9,118	1,268,382	57.32	22,128
	1,590,756.21	132,469	37,079	1,553,677		31,210

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.8 1.96

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.03 MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 95-S3						
1913	1,578.74	1,421	130	1,449	12.50	116
1920	10,735.00	9,513	868	9,867	13.55	728
1940	8,670.27	6,968	636	8,034	20.88	385
1952	20.51	15	1	20	26.50	1
1990	216,026.70	85,892	7,838	208,189	53.79	3,870
1993	62,020.33	22,575	2,060	59,960	56.79	1,056
2024	456,250.00	7,756	708	455,542	86.99	5,237
	755,301.55	134,140	12,241	743,061		11,393

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 65.2 1.51

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 331.06 MAINS AND ACCESSORIES - VALVES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 90-R3						
2023	16,448.87	530	361	16,088	75.02	214
2024	54,750.00	1,068	727	54,023	75.42	716
	71,198.87	1,598	1,088	70,111		930

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 75.4 1.31

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 333 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
1903	16,921.35	16,921	16,921			
2023	39,792.93	1,512	4,695-	44,488	63.29	703
2024	89,599.16	2,043	6,345-	95,944	64.29	1,492
2025	209,999.09	1,596	4,956-	214,955	65.29	3,292
	356,312.53	22,072	925	355,388		5,487

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 64.8 1.54

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 334.02 METERS - REMOTE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 22-R2.5						
2006	10,591.60	8,138	6,649	3,943	5.88	671
2007	1,121.33	834	681	440	6.38	69
2023	540,019.72	72,471	59,210	480,810	16.12	29,827
	551,732.65	81,443	66,540	485,192		30,567

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.9 5.54

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 335 FIRE HYDRANTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
1975	498.96	396	28	471	13.20	36
1984	5,486.36	3,734	267	5,219	19.48	268
1990	6,367.29	3,820	273	6,094	23.67	257
1998	1,477.75	703	50	1,428	30.30	47
2023	61,207.61	2,705	194	61,014	54.00	1,130
2024	145,778.28	3,878	277	145,501	54.99	2,646
2025	154,998.01	1,364	98	154,900	56.00	2,766
	375,814.26	16,600	1,187	374,627		7,150

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 52.4 1.90

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 339 OTHER PLANT AND MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-R3						
2024	11,070.00	946	978	10,092	16.04	629
	11,070.00	946	978	10,092		629

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.0 5.68

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 340.2 OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
2023	1,365.24	341	316	1,049	7.50	140
2024	3,662.97	549	508	3,155	8.50	371
	5,028.21	890	824	4,205		511

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.2 10.16

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 341.1 TRANSPORTATION EQUIPMENT - VEHICLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 9-L2.5						
2023	133,253.91	42,508	28,902	104,352	5.34	19,542
	133,253.91	42,508	28,902	104,352		19,542
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					5.3	14.67

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 343.1 SHOP EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
2010	1,381.96	857	365	1,017	9.50	107
2011	6,718.23	3,897	1,659	5,059	10.50	482
2015	1,596.32	670	285	1,311	14.50	90
2024	42,884.79	2,573	1,095	41,789	23.50	1,778
	52,581.30	7,997	3,404	49,177		2,457

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.0 4.67

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 343.2 TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
2007	1,300.27	1,203	464	836	1.50	557
2009	7,960.73	6,568	2,533	5,428	3.50	1,551
2010	1,273.71	987	381	893	4.50	198
2011	3,000.75	2,176	839	2,162	5.50	393
2013	8,250.95	5,157	1,989	6,262	7.50	835
2015	3,483.98	1,829	706	2,778	9.50	292
2024	91,130.18	6,835	2,636	88,494	18.50	4,783
	116,400.57	24,755	9,548	106,853		8,609

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.4 7.40

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

ACCOUNT 346 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
2011	1,253.19	1,211	480	773	0.50	773
2014	21,331.61	16,354	6,476	14,856	3.50	4,245
2024	130,000.00	13,000	5,148	124,852	13.50	9,248
	152,584.80	30,565	12,104	140,481		14,266
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					9.8	9.35

PART III. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2024 TRANSACTION YEAR				
304.30	6,136.09	185.12		185.12-
304.63	1,534.02	3,068.04		3,068.04-
310.40	153.41			
311.00	462.34			
320.20	5,858.48			
331.01	1,308.11	371.10		371.10-
331.02	45,783.84	12,988.41		12,988.41-
331.03	16,351.37	4,638.72		4,638.72-
331.06	1,962.16	556.64		556.64-
333.00	1,007.67	809.38		809.38-
335.00	7,339.65	1,072.15		1,072.15-
341.20	10,639.90			
346.01	3,091.18			
	101,628.22	23,689.56		23,689.56-
2025 TRANSACTION YEAR				
304.30	19,018.07	625.68		625.68-
304.63	4,754.52	3,803.64		3,803.64-
310.40	2,058.59			
333.00	2,485.54	1,868.87		1,868.87-
335.00	8,263.80	1,141.20		1,141.20-
346.01	1,253.19			
	37,833.71	7,439.39		7,439.39-
TOTAL	139,461.93	31,128.95		31,128.95-

Exhibit No. 6-C, Part 1
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

WASTEWATER BASE OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2023

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-C, Part 1
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

WASTEWATER BASE OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2023

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2023 for wastewater base operations. Summaries of the original cost, annual accruals and the book depreciation reserve are presented in Tables 1 and 2, beginning on page I-3 of the attached report.

A description of the methods and procedures upon which the study was based, as well as support for the service life estimates, is set forth in a companion report "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2024".

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

JJS:mle

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

WASTEWATER BASE OPERATIONS

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

SUMMARY OF RESULTS

Table 1 summarizes the results of the depreciation study, which sets forth the book reserve and the calculated annual depreciation related to original cost as of December 31, 2023, and the annual amortization of negative salvage for wastewater base operations. Table 2 presents the calculation of the amortization of experienced net salvage, by account, based on the five-year period, 2019-2023.

DETAILED TABULATIONS OF DEPRECIATION CALCULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-2. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage, and cost of removal are set forth by account for the years 2019 through 2023, on pages III-2 through III-5.

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2023

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	4,400,256.26					
TOTAL INTANGIBLE PLANT		**4,400,256.26**					
NONDEPRECIABLE PLANT							
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	52,284.04					
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	2,121,792.38					
353.40 LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	7,571,636.17					
TOTAL NONDEPRECIABLE PLANT		**9,745,712.59**					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	40-S1.5	43,948,123.03	4,403,669	39,544,454	1,337,185	3.04	29.6
PUMPING	55-R2	22,935,901.68	9,798,418	13,137,484	440,702	1.92	29.8
TREATMENT AND DISPOSAL	45-S1	76,587,664.35	29,876,711	46,710,953	1,911,658	2.50	24.4
RECLAIMED WATER TREATMENT	60-R2.5	2,205,888.43	780,756	1,425,133	43,255	1.96	32.9
GENERAL	50-R3	1,852,007.66	1,255,151	596,856	28,638	1.55	20.8
TOTAL ACCOUNT 354		147,529,585.15	46,114,704	101,414,880	3,761,438		
355.00 POWER GENERATING EQUIPMENT							
COLLECTION	30-R3	213,328.02	46,104	167,224	8,080	3.79	20.7
PUMPING	30-R3	2,049,126.98	1,422,151	626,976	53,878	2.63	11.6
TREATMENT AND DISPOSAL	30-R3	4,892,728.69	1,839,210	3,053,518	157,651	3.22	19.4
TOTAL ACCOUNT 355		7,155,183.69	3,307,465	3,847,718	219,609		
360.00 COLLECTION MAINS - FORCE	70-R3	84,730,991.48	27,387,781	57,343,210	1,393,739	1.64	41.1
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	158,760,597.19	48,763,704	109,996,893	2,991,590	1.88	36.8
362.00 SPECIAL COLLECTING STRUCTURES	45-R3	11,400.44	5,876	5,524	318	2.79	17.4
363.00 SERVICES	70-R4	29,048,340.03	14,038,857	15,009,483	365,118	1.26	41.1
364.00 METERS	30-L2.5	1,135,884.08	469,509	666,375	38,051	3.35	17.5
370.30 RECEIVING WELLS	40-S2.5	3,175,305.11	1,645,951	1,529,354	102,933	3.24	14.9
371.00 PUMPING EQUIPMENT							
PUMPING	30-L1.5	30,385,381.22	14,534,054	15,851,327	958,366	3.15	16.5
RECLAIMED WATER TREATMENT	30-L1.5	196,221.57	136,607	59,614	4,951	2.52	12.0
TOTAL ACCOUNT 371		30,581,602.79	14,670,662	15,910,941	963,317		
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S1	86,636,000.99	21,544,683	65,091,318	2,476,853	2.86	26.3
381.00 PLANT SEWERS							
TREATMENT AND DISPOSAL	40-R2	122,375.79	42,496	79,880	3,548	2.90	22.5
RECLAIMED WATER TREATMENT	40-R2	6,264.17	1,971	4,294	188	3.00	22.8
TOTAL ACCOUNT 381		128,639.96	44,467	84,174	3,736		

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
382.00	OUTFALL LINES	40-R2.5	370,199.36	179,510	190,690	10,884	2.94	17.5
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							
	COLLECTION	20-L3	661,408.27	459,689	201,719	32,993	4.99	6.1
	PUMPING	20-L3	67,370.96	41,383	25,988	3,363	4.99	7.7
	TREATMENT AND DISPOSAL	25-S2.5	12,074.50	8,403	3,672	368	3.05	10.0
	TOTAL ACCOUNT 389		740,853.73	509,475	231,379	36,724		
390.00	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	27,598.84	13,106	14,493	963	*	15.0
	OFFICE EQUIPMENT	10-SQ	237,810.91	74,449	163,362	79,063	*	2.1
	COMPUTER HARDWARE	5-SQ	343,948.04	245,385	98,563	77,369	*	1.3
	COMPUTER SOFTWARE - 10 YEARS	10-SQ	365,453.97	293,162	72,292	14,632	*	4.9
	COMPUTER SOFTWARE - 15 YEARS	15-SQ	320,654.32	192,083	128,571	14,010	*	9.2
	TOTAL ACCOUNT 390		1,295,466.08	818,185	477,281	186,037		
391.00	TRANSPORTATION EQUIPMENT	13-S1.5	1,766,574.12	1,455,343	311,232	38,195	2.16	8.1
392.00	STORES EQUIPMENT	20-SQ	5,075.00	2,846	2,229	405	*	5.5
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	762,172.70	126,581	635,592	43,949	*	14.5
394.00	LABORATORY EQUIPMENT	25-SQ	902,671.44	336,140	566,531	34,260	*	16.5
395.00	POWER OPERATED EQUIPMENT	20-L4	224,475.89	178,307	46,169	10,085	4.49	4.6
396.00	COMMUNICATION EQUIPMENT							
	GENERAL	15-SQ	1,661,929.97	418,277	1,243,653	114,205	*	10.9
	SCADA	10-SQ	3,791,086.18	1,236,144	2,554,943	400,389	*	6.4
	TOTAL ACCOUNT 396		5,453,016.15	1,654,420	3,798,596	514,594		
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	43,485.20	28,477	15,008	1,090	*	13.8
TOTAL DEPRECIABLE PLANT			**560,457,520.58**	**183,282,942**	**377,174,577**	**13,192,925**		
TOTAL WASTEWATER PLANT IN SERVICE			**574,603,489.43**	**183,282,942**	**377,174,577**	**13,192,925**		

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	40-S1.5	1,767,436.23	580,917	1,186,519	47,469	2.69	25.0
	PUMPING	55-R2	1,398,102.45	280,184	1,117,918	30,135	2.16	37.1
	TREATMENT AND DISPOSAL	45-S1	6,615,296.50	2,756,058	3,859,239	181,682	2.75	21.2
	GENERAL	50-R3	14,636.81	10,496	4,141	294	2.01	14.1
	TOTAL ACCOUNT 354		9,795,471.99	3,627,655	6,167,817	259,580		
360.00	COLLECTION MAINS - FORCE	70-R3	10,839,254.59	2,172,959	8,666,296	176,606	1.63	49.1
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	8,160,651.15	1,252,080	6,908,571	157,228	1.93	43.9
363.00	SERVICES	70-R4	2,701,859.06	655,684	2,046,175	36,603	1.35	55.9
371.30	PUMPING EQUIPMENT - PUMPING	30-L1.5	667,549.13	214,145	453,404	25,495	3.82	17.8
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	1,617,779.51	1,000,166	617,613	31,464	1.94	19.6
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R2	1,536.55	1,383	153	24	1.56	6.4
382.00	OUTFALL LINES	40-R2.5	1,536.55	1,412	125	23	1.50	5.4
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	8,760	4,270	594	4.56	7.2
390.10	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20-SQ	274.98	275	0	0	*	-
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	4,449.14	4,504	(55)	0	*	-
394.00	LABORATORY EQUIPMENT	25-SQ	1,362.82	1,383	(20)	0	*	-
396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	3,356	7,827	1,135	*	6.9
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**33,815,938.68**	**8,943,762**	**24,872,176**	**688,752**		
	AMORTIZATION OF NET SALVAGE					**255,180**		
TOTAL WASTEWATER PLANT			**540,787,550.75**	**174,339,181**	**352,302,401**	**12,759,353**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 2. AMORTIZATION OF EXPERIENCED NET SALVAGE

	2019		2020		2021		2022		2023			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
354.20						122,064					(122,064)	(24,413)
354.30				52,303							(52,303)	(10,461)
354.40		9,054		739,453		844					(749,351)	(149,870)
354.50						92,099					(92,099)	(18,420)
360.00		7,648						7,822			(15,470)	(3,094)
361.00		7,648									(7,648)	(1,530)
363.00		2,156		4,078		3,938		7,606			(17,778)	(3,556)
371.30		10,400		13,319							(23,719)	(4,744)
380.00				142,234		19,976		153		(1,082)	(161,280)	(32,256)
391.70									2,900	31,079	(28,179)	(5,636)
396.70						6,000					(6,000)	(1,200)
TOTAL	**-**	**36,906**	**-**	**951,387**	**-**	**244,921**	**-**	**15,580**	**2,900**	**29,997**	**(1,275,891)**	**(255,180)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1905	200,055	200,055			0.0
1928	503,498	442,739	60,759	60,759	0.0
1939	1,400,855	1,205,356	195,499	256,258	0.1
1942	2,172,043	1,819,103	352,940	609,198	0.2
1943	35,601	31,158	4,443	613,641	0.2
1944	2,857,714	2,379,094	478,620	1,092,261	0.3
1945	4,803	4,689	114	1,092,375	0.3
1947	1,446,335	1,152,034	294,301	1,386,676	0.4
1950	1,319,595	1,034,672	284,923	1,671,599	0.4
1952	1,669,234	1,294,692	374,542	2,046,141	0.5
1955	3,053,546	2,372,104	681,442	2,727,583	0.7
1958	1,335,429	994,318	341,111	3,068,694	0.8
1959	10,343	8,128	2,215	3,070,909	0.8
1960	4,338,772	3,662,162	676,610	3,747,519	1.0
1962	17,239	12,157	5,082	3,752,601	1.0
1963	16,601,294	11,503,005	5,098,289	8,850,890	2.3
1965	106,122	72,300	33,822	8,884,712	2.4
1970	11,622,282	8,019,215	3,603,067	12,487,779	3.3
1971	6,422,210	4,899,105	1,523,105	14,010,884	3.7
1972	892,733	567,095	325,638	14,336,522	3.8
1973	916,748	636,433	280,315	14,616,837	3.9
1974	112,606	82,154	30,452	14,647,289	3.9
1975	3,622,997	2,397,408	1,225,589	15,872,878	4.2
1976	414,480	259,924	154,556	16,027,434	4.2
1977	140,283	97,118	43,165	16,070,599	4.3
1978	533,933	327,268	206,665	16,277,264	4.3
1979	648,522	380,923	267,599	16,544,863	4.4
1980	3,306,258	2,001,799	1,304,459	17,849,322	4.7
1981	1,831,416	985,098	846,318	18,695,640	5.0
1982	1,012,525	557,106	455,419	19,151,059	5.1
1983	953,230	539,945	413,285	19,564,344	5.2
1984	868,126	497,811	370,315	19,934,659	5.3
1985	1,324,101	766,893	557,208	20,491,867	5.4
1986	28,738,852	17,332,271	11,406,581	31,898,448	8.5
1987	959,264	598,624	360,640	32,259,088	8.6
1988	1,310,292	705,289	605,003	32,864,091	8.7
1989	7,627,773	4,370,188	3,257,585	36,121,676	9.6
1990	8,185,091	4,452,679	3,732,412	39,854,088	10.6
1991	6,276,949	3,153,697	3,123,252	42,977,340	11.4
1992	1,142,764	627,551	515,213	43,492,553	11.5
1993	1,347,473	601,895	745,578	44,238,131	11.7
1994	2,715,791	1,255,730	1,460,061	45,698,192	12.1
1995	5,857,690	2,779,426	3,078,264	48,776,456	12.9
1996	8,095,189	5,016,091	3,079,098	51,855,554	13.7
1997	5,284,834	2,187,994	3,096,840	54,952,394	14.6

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1998	15,446,665	7,357,142	8,089,523	63,041,917	16.7
1999	15,972,867	6,948,061	9,024,806	72,066,723	19.1
2000	9,551,068	3,543,150	6,007,918	78,074,641	20.7
2001	12,113,086	4,856,865	7,256,221	85,330,862	22.6
2002	8,360,171	3,276,341	5,083,830	90,414,692	24.0
2003	16,383,590	7,663,434	8,720,156	99,134,848	26.3
2004	6,450,031	1,899,621	4,550,410	103,685,258	27.5
2005	17,903,839	6,858,258	11,045,581	114,730,839	30.4
2006	6,058,845	2,268,586	3,790,259	118,521,098	31.4
2007	18,245,081	7,383,884	10,861,197	129,382,295	34.3
2008	5,418,654	1,622,825	3,795,829	133,178,124	35.3
2009	9,372,983	3,076,915	6,296,068	139,474,192	37.0
2010	4,391,779	1,412,680	2,979,099	142,453,291	37.8
2011	8,831,542	2,297,334	6,534,208	148,987,499	39.5
2012	3,037,870	772,813	2,265,057	151,252,556	40.1
2013	8,948,711	1,739,813	7,208,898	158,461,454	42.0
2014	3,597,343	993,256	2,604,087	161,065,541	42.7
2015	9,077,910	1,953,926	7,123,984	168,189,525	44.6
2016	8,354,004	2,086,906	6,267,098	174,456,623	46.3
2017	17,270,048	2,932,388	14,337,660	188,794,283	50.1
2018	41,138,342	4,663,633	36,474,709	225,268,992	59.7
2019	32,108,477	4,042,168	28,066,309	253,335,301	67.2
2020	51,887,914	5,900,451	45,987,463	299,322,764	79.4
2021	13,278,947	968,621	12,310,326	311,633,090	82.6
2022	44,109,858	2,167,140	41,942,718	353,575,808	93.7
2023	23,911,008	312,236	23,598,772	377,174,580	100.0
TOTAL	560,457,523	183,282,943	377,174,580		

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1970	32,717	20,044	12,673	12,673	0.1
1972	863,348	552,128	311,220	323,893	1.3
1973	300,380	220,349	80,031	403,924	1.6
1974	141	141		403,924	1.6
1975	775	775		403,924	1.6
1976	178	178		403,924	1.6
1977	20,825	13,028	7,797	411,721	1.7
1978	119	119		411,721	1.7
1979	623	624	1-	411,720	1.7
1980	444,083	303,861	140,222	551,942	2.2
1981	519,064	293,021	226,043	777,985	3.1
1982	141,999	76,926	65,073	843,058	3.4
1983	13,033	9,357	3,676	846,734	3.4
1984	53,053	42,648	10,405	857,139	3.4
1986	652,634	378,920	273,714	1,130,853	4.5
1987	513,135	305,196	207,939	1,338,792	5.4
1991	24,968	9,564	15,404	1,354,196	5.4
1999	5,404,048	2,185,545	3,218,503	4,572,699	18.4
2001	745,942	311,108	434,834	5,007,533	20.1
2002	872,209	352,141	520,068	5,527,601	22.2
2003	971,761	378,982	592,779	6,120,380	24.6
2004	1,042,760	375,675	667,085	6,787,465	27.3
2005	75,000	29,408	45,592	6,833,057	27.5
2006	474,301	167,765	306,536	7,139,593	28.7
2007	729,942	269,780	460,162	7,599,755	30.6
2008	51,125	16,044	35,081	7,634,836	30.7
2010	1,745,850	339,354	1,406,496	9,041,332	36.4
2011	2,417,047	817,891	1,599,156	10,640,488	42.8
2012	610,714	130,457	480,257	11,120,745	44.7
2013	56,191	11,066	45,125	11,165,870	44.9
2014	104,526	15,695	88,831	11,254,701	45.3
2015	123,824	15,936	107,888	11,362,589	45.7
2017	7,518,573	857,955	6,660,618	18,023,207	72.5
2019	2,345,646	236,387	2,109,259	20,132,466	80.9
2020	1,525,804	101,460	1,424,344	21,556,810	86.7
2021	536,291	39,774	496,517	22,053,327	88.7
2022	1,304,601	41,139	1,263,462	23,316,789	93.7
2023	1,578,707	23,320	1,555,387	24,872,176	100.0
TOTAL	33,815,937	8,943,761	24,872,176		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
1960	159.33	150	124	35	4.07	9
1983	6,939.75	5,537	4,586	2,354	10.26	229
1992	11,422.88	8,023	6,645	4,778	13.35	358
1995	44,906.67	29,692	24,592	20,315	14.60	1,391
1997	25,120.78	15,912	13,179	11,942	15.34	778
1998	61,053.00	37,676	31,204	29,849	15.82	1,887
1999	459.00	275	228	231	16.32	14
2000	160,774.27	93,699	77,604	83,170	16.82	4,945
2001	843,126.30	476,198	394,400	448,726	17.34	25,878
2002	12,745.80	6,987	5,787	6,959	17.72	393
2005	15,227.25	7,437	6,160	9,067	19.38	468
2007	1,246,268.38	555,213	459,842	786,426	20.54	38,288
2009	942,954.96	377,371	312,549	630,406	21.73	29,011
2010	874,515.61	328,206	271,829	602,687	22.47	26,822
2011	1,975,157.32	693,675	574,520	1,400,637	23.09	60,660
2014	1,511.38	414	343	1,168	25.22	46
2016	219,902.34	48,159	39,887	180,015	26.75	6,730
2017	100,000.00	19,110	15,827	84,173	27.51	3,060
2018	902.38	147	122	780	28.28	28
2019	1,478.98	198	164	1,315	29.17	45
2020	22,595,952.16	2,363,537	1,957,544	20,638,408	29.95	689,095
2021	321,952.28	24,146	19,998	301,954	30.83	9,794
2022	262,843.83	11,881	9,840	253,004	31.72	7,976
2023	14,222,748.38	213,341	176,695	14,046,054	32.72	429,280
	43,948,123.03	5,316,984	4,403,669	39,544,454		1,337,185

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 29.6 3.04

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1960	2,480,578.15	2,126,352	2,098,882	381,696	10.58	36,077
1971	516.52	401	396	121	15.07	8
1973	936.41	714	705	231	15.72	15
1975	779,911.34	582,516	574,990	204,921	16.44	12,465
1978	1,311.24	937	925	386	18.19	21
1981	872.28	597	589	283	19.61	14
1982	9,883.62	6,685	6,599	3,285	19.85	165
1983	43,112.29	28,635	28,265	14,847	20.48	725
1984	4,462.99	2,909	2,871	1,592	21.10	75
1985	17,620.12	11,330	11,184	6,436	21.38	301
1986	1,133,752.56	714,264	705,036	428,717	22.02	19,469
1989	673,673.23	399,758	394,594	279,079	23.64	11,805
1990	1,278,434.88	740,981	731,408	547,027	24.30	22,511
1991	418,979.04	238,315	235,236	183,743	24.64	7,457
1992	229,532.69	127,253	125,609	103,924	25.32	4,104
1994	440,663.71	232,670	229,664	211,000	26.37	8,002
1995	488,190.90	251,809	248,556	239,635	26.75	8,958
1996	891,387.10	446,139	440,375	451,012	27.45	16,430
1997	334,595.92	163,149	161,041	173,555	27.85	6,232
1998	369,827.47	174,485	172,231	197,596	28.55	6,921
1999	280,008.37	128,300	126,643	153,365	28.97	5,294
2000	373,800.99	165,145	163,012	210,789	29.69	7,100
2001	1,157,414.91	494,795	488,403	669,012	30.13	22,204
2003	1,687,246.92	667,475	658,852	1,028,395	31.32	32,835
2004	445,181.06	169,258	167,071	278,110	31.78	8,751
2005	7,568.71	2,744	2,709	4,860	32.52	149
2006	507,922.70	175,995	173,721	334,202	33.01	10,124
2007	1,672,853.67	552,042	544,910	1,127,944	33.50	33,670
2008	457,948.96	143,384	141,532	316,417	34.00	9,306
2009	795,815.20	235,402	232,361	563,454	34.52	16,323
2010	88,824.75	24,702	24,383	64,442	35.04	1,839
2012	1,115,572.99	269,411	265,930	849,643	36.12	23,523
2013	845,305.05	188,165	185,734	659,571	36.67	17,987
2014	183,975.70	37,568	37,083	146,893	37.01	3,969
2015	146,937.45	27,095	26,745	120,192	37.59	3,197
2016	225,868.66	37,268	36,786	189,083	37.95	4,982
2017	1,323,210.05	191,865	189,386	1,133,824	38.34	29,573
2018	179,438.70	22,394	22,105	157,334	38.56	4,080
2019	142,396.49	14,809	14,618	127,778	38.79	3,294

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
2020	1,503,257.74	124,169	122,565	1,380,693	38.87	35,521
2022	85,615.15	3,236	3,194	82,421	38.18	2,159
2023	111,495.00	1,539	1,519	109,976	35.86	3,067
	22,935,901.68	9,926,660	9,798,418	13,137,484		440,702
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					29.8	1.92

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1970	3,202,170.84	2,689,824	2,543,858	658,313	10.19	64,604
1971	7,275.74	6,074	5,744	1,532	10.39	147
1972	28,436.58	23,432	22,160	6,277	11.00	571
1973	26,820.00	21,941	20,750	6,070	11.23	541
1980	26,252.55	20,099	19,008	7,245	13.32	544
1981	3,978.67	3,010	2,847	1,132	13.68	83
1983	45,671.57	33,665	31,838	13,834	14.45	957
1985	60,610.39	43,403	41,048	19,562	15.26	1,282
1986	8,726,890.45	6,185,620	5,849,950	2,876,940	15.41	186,693
1987	629,534.78	438,912	415,094	214,441	15.85	13,529
1989	2,641,725.92	1,786,335	1,689,398	952,328	16.52	57,647
1991	1,081,138.52	706,200	667,877	413,262	17.25	23,957
1992	73,462.32	46,972	44,423	29,039	17.76	1,635
1993	161,450.02	101,439	95,934	65,516	18.04	3,632
1994	301,271.08	185,764	175,683	125,588	18.34	6,848
1995	751,912.98	452,200	427,661	324,252	18.89	17,165
1997	1,081,138.52	621,655	587,920	493,219	19.59	25,177
1998	9,882,044.26	5,518,134	5,218,686	4,663,358	20.16	231,317
1999	2,145,880.67	1,167,144	1,103,808	1,042,073	20.55	50,709
2000	23,844.34	12,609	11,925	11,919	20.94	569
2001	2,818,669.07	1,445,977	1,367,509	1,451,160	21.36	67,938
2002	2,496,894.78	1,239,958	1,172,670	1,324,225	21.79	60,772
2003	3,891,366.49	1,866,689	1,765,391	2,125,975	22.24	95,592
2004	35,562.00	16,437	15,545	20,017	22.69	882
2005	1,497,694.63	664,976	628,890	868,805	23.17	37,497
2006	2,494,794.40	1,060,787	1,003,222	1,491,572	23.65	63,069
2007	697,085.29	282,947	267,593	429,492	24.15	17,784
2008	501,555.81	193,601	183,095	318,461	24.66	12,914
2009	2,667,337.77	974,645	921,755	1,745,583	25.18	69,324
2010	294,767.80	101,459	95,953	198,815	25.72	7,730
2011	1,300,652.55	419,460	396,698	903,955	26.26	34,423
2012	145,253.52	43,605	41,239	104,015	26.81	3,880
2013	177,436.48	49,008	46,349	131,087	27.52	4,763
2014	211,029.81	53,327	50,433	160,597	28.09	5,717
2015	661,264.64	151,165	142,962	518,303	28.68	18,072
2016	620,126.79	126,010	119,172	500,955	29.40	17,039
2017	338,150.34	60,225	56,957	281,193	30.00	9,373
2018	1,529,345.98	232,155	219,557	1,309,789	30.73	42,622
2019	13,669,919.29	1,710,107	1,617,306	12,052,613	31.47	382,987
2020	8,121,151.25	795,873	752,684	7,368,467	32.21	228,763

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
2021	247,151.47	17,350	16,408	230,743	33.09	6,973
2022	100,473.76	4,250	4,019	96,455	33.96	2,840
2023	1,168,470.23	16,592	15,692	1,152,778	34.83	33,097
	76,587,664.35	31,591,035	29,876,711	46,710,953		1,911,658
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					24.4	2.50

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R2.5						
NET SALVAGE PERCENT.. 0						
1991	1,562,131.04	842,770	756,128	806,003	27.74	29,056
2006	28,782.49	9,167	8,224	20,558	37.45	549
2007	5,043.10	1,523	1,366	3,677	38.14	96
2008	2,260.21	645	579	1,681	38.85	43
2011	627.27	147	132	495	40.69	12
2012	33,521.87	7,288	6,539	26,983	41.41	652
2018	1,113.34	122	109	1,004	44.75	22
2022	100,963.46	3,231	2,899	98,064	45.45	2,158
2023	471,445.65	5,327	4,780	466,666	43.75	10,667
	2,205,888.43	870,220	780,756	1,425,133		43,255

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.9 1.96

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
1982	5,500.00	4,154	4,657	843	13.45	63
1983	13,000.00	9,636	10,802	2,198	14.14	155
1986	533,109.46	375,842	421,334	111,775	15.69	7,124
1988	78,197.28	53,018	59,435	18,762	16.86	1,113
1989	683,450.40	452,718	507,515	175,935	17.58	10,008
1993	41,018.43	24,644	27,627	13,391	20.26	661
1999	373,119.16	187,380	210,061	163,058	24.28	6,716
2000	6,796.19	3,290	3,688	3,108	25.04	124
2017	42,082.64	6,152	6,897	35,186	37.95	927
2019	1,565.84	160	179	1,387	39.55	35
2020	1,254.05	100	112	1,142	40.36	28
2022	72,914.21	2,537	2,844	70,070	41.60	1,684
	1,852,007.66	1,119,631	1,255,151	596,856		28,638

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.8 1.55

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2006	18,722.97	10,878	10,145	8,578	12.62	680
2008	23,870.69	12,542	11,698	12,173	14.00	870
2009	526.24	261	243	283	14.74	19
2010	41,157.73	19,225	17,931	23,227	15.40	1,508
2013	2,195.16	818	763	1,432	17.67	81
2014	3,844.04	1,307	1,219	2,625	18.43	142
2022	52,671.64	3,023	2,819	49,853	24.61	2,026
2023	70,339.55	1,379	1,286	69,054	25.07	2,754
	213,328.02	49,433	46,104	167,224		8,080

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.7 3.79

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1960	314,833.31	314,833	314,833			
1971	0.01					
1975	102,167.54	101,575	101,021	1,147	0.28	1,147
1985	19,919.30	18,559	18,458	1,461	2.82	518
1991	51,107.66	44,678	44,434	6,674	4.68	1,426
1994	51,095.13	42,654	42,421	8,674	5.84	1,485
1995	43,299.13	35,540	35,346	7,953	6.22	1,279
1996	410,562.12	329,681	327,881	82,681	6.75	12,249
1999	269,365.67	201,270	200,171	69,195	8.29	8,347
2001	131,434.43	92,556	92,051	39,383	9.45	4,168
2003	5,124.30	3,372	3,354	1,770	10.65	166
2006	29,566.63	17,178	17,084	12,483	12.62	989
2007	163,523.77	90,658	90,163	73,361	13.26	5,533
2008	9,022.30	4,740	4,714	4,308	14.00	308
2009	40,943.91	20,304	20,193	20,751	14.74	1,408
2012	137,803.93	55,783	55,479	82,325	16.91	4,868
2014	3,305.69	1,124	1,118	2,188	18.43	119
2015	11,242.03	3,449	3,430	7,812	19.20	407
2017	168,254.44	40,146	39,927	128,327	20.75	6,184
2018	9,306.04	1,894	1,884	7,422	21.53	345
2020	59,998.13	7,896	7,853	52,145	23.10	2,257
2023	17,251.51	338	336	16,916	25.07	675
	2,049,126.98	1,428,228	1,422,151	626,976		53,878

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.6 2.63

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.4 POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1972	12,654.18	12,654	12,654			
1988	144,848.51	131,117	139,968	4,881	3.72	1,312
1990	253,593.61	224,278	239,418	14,176	4.38	3,237
1992	66,227.28	57,161	61,020	5,207	5.00	1,041
1995	22,006.42	18,063	19,282	2,724	6.22	438
1996	38,832.94	31,183	33,288	5,545	6.75	821
1998	96,071.59	73,745	78,723	17,349	7.72	2,247
2000	110,819.62	80,477	85,910	24,910	8.86	2,812
2001	22,167.39	15,610	16,664	5,503	9.45	582
2002	73,711.10	50,241	53,633	20,078	10.04	2,000
2003	333,335.69	219,335	234,142	99,194	10.65	9,314
2004	39,800.84	25,226	26,929	12,872	11.27	1,142
2006	106,228.42	61,719	65,885	40,343	12.62	3,197
2007	42,694.56	23,670	25,268	17,427	13.26	1,314
2008	184,415.72	96,892	103,433	80,983	14.00	5,784
2009	53,781.78	26,670	28,470	25,312	14.74	1,717
2010	156,736.32	73,212	78,154	78,582	15.40	5,103
2011	57,321.11	25,003	26,691	30,630	16.15	1,897
2012	1,214.55	492	525	690	16.91	41
2013	1,258.43	469	501	757	17.67	43
2014	5,459.58	1,857	1,982	3,478	18.43	189
2015	126,634.32	38,851	41,474	85,160	19.20	4,435
2016	89,855.15	24,530	26,186	63,669	19.97	3,188
2017	8,680.37	2,071	2,211	6,469	20.75	312
2018	42,534.96	8,656	9,240	33,295	21.53	1,546
2019	1,552,054.01	260,435	278,017	1,274,037	22.31	57,106
2020	936,608.93	123,258	131,579	805,030	23.10	34,850
2021	25,434.71	2,411	2,574	22,861	23.88	957
2022	232,183.10	13,327	14,227	217,956	24.61	8,856
2023	55,563.50	1,089	1,162	54,401	25.07	2,170
	4,892,728.69	1,723,702	1,839,210	3,053,518		157,651

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.4 3.22

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1943	19,703.41	17,607	15,513	4,190	9.59	437
1950	19,144.39	16,464	14,506	4,638	11.97	387
1955	8,133.83	6,797	5,989	2,145	13.47	159
1959	6,026.84	4,859	4,281	1,746	15.50	113
1960	827,802.04	662,324	583,568	244,234	15.87	15,390
1962	15,549.88	12,144	10,700	4,850	17.24	281
1963	1,420,455.97	1,100,001	969,201	451,255	17.62	25,610
1965	62,951.64	47,875	42,182	20,770	18.42	1,128
1970	5,613.84	3,995	3,520	2,094	21.68	97
1971	4,527.34	3,185	2,806	1,721	22.13	78
1972	699,343.43	486,184	428,372	270,971	22.58	12,000
1973	596,544.41	409,707	360,989	235,555	23.03	10,228
1974	5,535.16	3,726	3,283	2,252	24.03	94
1975	666,212.05	442,631	389,998	276,214	24.50	11,274
1976	241,051.81	158,009	139,220	101,832	24.96	4,080
1977	43,163.91	27,698	24,404	18,760	25.96	723
1978	7,093.04	4,486	3,953	3,140	26.45	119
1980	991,551.45	603,855	532,051	459,500	27.93	16,452
1981	1,575,442.08	944,005	831,754	743,688	28.43	26,159
1982	394,077.25	232,230	204,616	189,461	28.92	6,551
1983	124,534.59	71,620	63,104	61,431	29.92	2,053
1984	277,912.66	156,965	138,300	139,613	30.43	4,588
1985	277,577.31	153,889	135,590	141,987	30.94	4,589
1986	12,686,407.10	6,850,660	6,036,055	6,650,352	31.94	208,214
1987	59,346.33	31,406	27,672	31,674	32.47	975
1988	1,001,138.11	518,890	457,189	543,949	32.99	16,488
1989	617,211.51	310,889	273,922	343,290	33.99	10,100
1990	942,371.07	464,024	408,847	533,524	34.53	15,451
1991	501,605.88	241,272	212,583	289,023	35.07	8,241
1992	270,797.70	126,246	111,234	159,564	36.07	4,424
1993	107,033.18	48,636	42,853	64,180	36.62	1,753
1994	1,281,645.39	563,411	496,416	785,229	37.61	20,878
1995	2,539,133.93	1,085,480	956,407	1,582,727	38.17	41,465
1996	1,153,956.64	479,123	422,151	731,806	38.73	18,895
1997	3,518,231.02	1,407,996	1,240,573	2,277,658	39.72	57,343
1998	3,171,715.00	1,229,357	1,083,175	2,088,540	40.29	51,838
1999	4,829,811.95	1,798,622	1,584,750	3,245,062	41.29	78,592
2000	2,909,882.88	1,046,394	921,968	1,987,915	41.86	47,490
2001	4,784,472.16	1,646,815	1,450,994	3,333,478	42.86	77,776
2002	4,370,568.98	1,447,095	1,275,022	3,095,547	43.44	71,260
2003	1,563,561.34	496,900	437,814	1,125,747	44.01	25,579

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
2004	2,600,080.97	785,744	692,312	1,907,769	45.02	42,376
2005	6,687,343.69	1,929,967	1,700,477	4,986,867	45.60	109,361
2006	1,403,098.69	383,046	337,498	1,065,601	46.60	22,867
2007	1,231,055.81	318,843	280,930	950,126	47.20	20,130
2008	2,153,894.24	524,258	461,919	1,691,975	48.19	35,111
2009	871,517.83	199,665	175,923	695,595	48.79	14,257
2010	372,186.30	79,387	69,947	302,239	49.79	6,070
2011	1,354,098.12	269,195	237,185	1,116,913	50.39	22,165
2012	871,096.11	159,236	140,301	730,795	51.40	14,218
2013	92,678.65	15,570	13,719	78,960	52.00	1,518
2014	164,536.48	25,010	22,036	142,500	53.00	2,689
2015	1,235,830.38	169,062	148,959	1,086,871	53.61	20,274
2016	636,161.49	76,848	67,710	568,451	54.61	10,409
2017	5,453,690.15	574,274	505,988	4,947,702	55.23	89,584
2018	107,134.91	9,599	8,458	98,677	55.85	1,767
2019	649,241.85	47,654	41,987	607,255	56.85	10,682
2020	1,545,627.92	88,719	78,170	1,467,458	57.48	25,530
2021	531,111.64	21,882	19,280	511,832	58.11	8,808
2022	1,457,767.48	36,444	32,110	1,425,657	58.38	24,420
2023	714,000.27	6,069	5,347	708,653	58.32	12,151
	84,730,991.48	31,083,944	27,387,781	57,343,210		1,393,739

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 41.1 1.64

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1928	352,546.48	333,297	291,788	60,758	5.52	11,007
1939	972,359.92	887,376	776,861	195,499	8.09	24,166
1942	1,630,859.45	1,462,065	1,279,977	350,882	9.41	37,288
1944	2,103,115.99	1,872,614	1,639,395	463,721	9.79	47,367
1947	1,253,779.30	1,103,075	965,696	288,083	10.45	27,568
1950	1,131,495.86	981,346	859,127	272,369	11.25	24,211
1952	1,455,619.45	1,248,921	1,093,378	362,241	11.83	30,621
1955	2,406,029.35	2,027,320	1,774,834	631,195	12.80	49,312
1958	1,167,794.87	963,781	843,750	324,045	13.87	23,363
1960	118,049.77	95,951	84,001	34,049	14.62	2,329
1963	15,180,837.87	12,032,332	10,533,804	4,647,034	15.83	293,559
1965	37,237.58	28,755	25,174	12,064	17.26	699
1970	8,008,538.34	5,870,259	5,139,167	2,869,371	19.49	147,223
1971	358,839.93	259,980	227,602	131,238	19.96	6,575
1972	91,416.62	65,436	57,286	34,131	20.45	1,669
1973	39,844.61	28,170	24,662	15,183	20.93	725
1975	1,722,641.99	1,186,384	1,038,630	684,012	21.92	31,205
1976	22,803.73	15,381	13,465	9,339	22.92	407
1977	392.88	261	228	165	23.43	7
1978	394,373.25	258,393	226,212	168,161	23.94	7,024
1979	517,643.76	333,984	292,389	225,255	24.47	9,205
1980	1,538,232.98	976,932	855,263	682,970	24.99	27,330
1981	132,047.76	82,503	72,228	59,820	25.52	2,344
1982	469,064.52	288,099	252,219	216,846	26.07	8,318
1983	500,777.40	302,169	264,536	236,241	26.62	8,875
1985	584,596.83	337,605	295,559	289,038	28.17	10,260
1986	1,119,786.65	634,023	555,061	564,726	28.73	19,656
1987	105,047.85	58,281	51,023	54,025	29.29	1,844
1988	43,505.35	23,632	20,689	22,816	29.86	764
1989	1,655,057.22	879,332	769,818	885,239	30.44	29,081
1990	3,115,315.66	1,617,472	1,416,029	1,699,287	31.02	54,780
1991	2,464,478.22	1,249,490	1,093,876	1,370,602	31.60	43,373
1992	234,841.84	116,153	101,687	133,155	32.19	4,137
1993	1,031,448.73	493,858	432,352	599,097	33.20	18,045
1994	482,969.75	225,112	197,076	285,894	33.79	8,461
1995	908,128.73	411,564	360,307	547,822	34.39	15,930
1996	1,031,465.57	453,845	397,322	634,144	35.00	18,118
1997	29,802.72	12,714	11,131	18,672	35.61	524
1998	1,351,910.42	558,474	488,921	862,989	36.23	23,820
1999	4,104,740.81	1,639,433	1,435,255	2,669,486	36.85	72,442
2000	4,995,014.17	1,925,078	1,685,325	3,309,689	37.48	88,305

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2001	930,425.75	345,374	302,361	628,065	38.11	16,480
2002	111,967.70	39,961	34,984	76,984	38.74	1,987
2003	1,602,034.35	548,537	480,221	1,121,813	39.38	28,487
2004	2,826,972.57	926,116	810,776	2,016,197	40.02	50,380
2005	1,350,539.90	422,179	369,600	980,940	40.67	24,119
2006	568,766.08	169,208	148,135	420,631	41.32	10,180
2007	2,463,165.45	695,105	608,535	1,854,630	41.98	44,179
2008	1,032,810.35	275,347	241,055	791,755	42.64	18,568
2009	2,078,106.37	521,189	456,279	1,621,827	43.31	37,447
2010	1,254,617.60	294,710	258,006	996,612	43.97	22,666
2011	3,060,830.52	669,710	586,303	2,474,528	44.64	55,433
2012	254,880.11	51,588	45,163	209,717	45.32	4,627
2013	6,971,530.17	1,295,310	1,133,990	5,837,540	46.00	126,903
2014	1,276,800.88	215,907	189,018	1,087,783	46.68	23,303
2015	2,625,951.63	401,771	351,734	2,274,218	47.06	48,326
2016	1,270,216.75	172,495	151,012	1,119,205	47.75	23,439
2017	2,534,293.13	301,581	264,022	2,270,271	48.14	47,160
2018	34,818,734.26	3,544,547	3,103,103	31,715,631	48.55	653,257
2019	9,613,427.86	809,451	708,640	8,904,788	48.97	181,842
2020	3,122,619.88	206,717	180,972	2,941,648	49.41	59,535
2021	5,339,997.38	257,388	225,333	5,114,664	49.32	103,704
2022	5,434,753.81	160,869	140,834	5,293,920	49.26	107,469
2023	3,352,700.51	34,868	30,525	3,322,175	47.35	70,162
	158,760,597.19	55,700,778	48,763,704	109,996,893		2,991,590

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 36.8 1.88

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 362 SPECIAL COLLECTING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R3						
NET SALVAGE PERCENT.. 0						
1995	11,400.44	7,083	5,876	5,524	17.37	318
	11,400.44	7,083	5,876	5,524		318
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					17.4	2.79

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1928	150,951.27	147,042	150,951			
1939	428,494.90	405,528	428,495			
1942	541,183.13	507,197	539,126	2,057	5.46	377
1943	15,897.24	14,718	15,645	252	6.45	39
1944	754,598.40	695,891	739,699	14,899	6.71	2,220
1945	4,802.54	4,411	4,689	114	6.97	16
1947	192,555.30	175,302	186,338	6,217	7.53	826
1950	168,954.80	151,502	161,039	7,916	8.47	935
1952	213,614.99	189,391	201,314	12,301	9.15	1,344
1955	639,382.66	556,263	591,281	48,102	10.24	4,697
1958	167,634.29	141,651	150,568	17,066	12.02	1,420
1959	4,316.55	3,619	3,847	470	12.42	38
1960	138,417.38	115,136	122,384	16,033	12.84	1,249
1962	1,689.08	1,371	1,457	232	14.26	16
1965	5,932.81	4,651	4,944	989	16.13	61
1970	330,721.36	244,172	259,543	71,178	18.96	3,754
1971	6,035,352.57	4,372,613	4,647,881	1,387,472	19.96	69,513
1972	50,702.34	36,293	38,578	12,124	20.45	593
1973	10,208.24	7,217	7,671	2,537	20.93	121
1974	107,070.86	74,200	78,871	28,200	21.93	1,286
1975	186,606.86	127,602	135,635	50,972	22.43	2,272
1976	150,624.68	100,888	107,239	43,386	23.42	1,853
1977	72,611.14	47,945	50,963	21,648	23.92	905
1978	106,092.83	68,547	72,862	33,231	24.92	1,334
1979	130,878.16	83,291	88,534	42,344	25.43	1,665
1980	274,408.15	171,889	182,710	91,698	25.94	3,535
1981	118,112.07	72,285	76,836	41,276	26.94	1,532
1982	115,465.32	69,002	73,346	42,119	27.94	1,507
1983	219,194.19	128,711	136,814	82,380	28.47	2,894
1984	585,750.09	335,518	356,640	229,110	29.46	7,777
1985	197,004.07	110,736	117,707	79,297	29.99	2,644
1986	81,178.35	44,445	47,243	33,935	30.99	1,095
1987	128,728.53	69,076	73,425	55,304	31.52	1,755
1988	28,185.23	14,707	15,633	12,552	32.53	386
1989	1,343,419.89	681,383	724,278	619,142	33.52	18,471
1990	1,151,604.40	570,965	606,909	544,695	34.07	15,988
1991	64,817.25	31,177	33,140	31,677	35.07	903
1992	29,126.98	13,579	14,434	14,693	36.07	407
1993	6,522.83	2,944	3,129	3,394	37.07	92
1994	22,007.96	9,675	10,284	11,724	37.61	312
1995	151,005.45	64,117	68,153	82,852	38.62	2,145

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1996	187,361.55	76,781	81,615	105,747	39.61	2,670
1997	152,904.11	60,367	64,167	88,737	40.62	2,185
1998	180,471.12	69,030	73,376	107,095	41.17	2,601
1999	1,173,397.08	431,223	458,370	715,027	42.17	16,956
2000	276,929.14	97,618	103,763	173,166	43.17	4,011
2001	553,818.86	186,914	198,681	355,138	44.17	8,040
2002	70,735.44	22,812	24,248	46,487	45.17	1,029
2003	171,007.59	52,585	55,895	115,113	46.17	2,493
2004	355,875.97	104,770	111,366	244,510	46.73	5,232
2005	2,600,411.64	726,555	772,293	1,828,119	47.72	38,309
2006	228,032.18	60,246	64,039	163,993	48.73	3,365
2007	419,649.35	104,577	111,160	308,489	49.72	6,205
2008	183,424.42	42,921	45,623	137,801	50.73	2,716
2009	431,315.48	94,458	100,404	330,911	51.72	6,398
2010	340,321.33	69,357	73,723	266,598	52.73	5,056
2011	10,816.10	2,042	2,171	8,645	53.72	161
2012	8,160.35	1,417	1,506	6,654	54.73	122
2013	88,269.60	14,000	14,881	73,389	55.72	1,317
2014	192,044.63	27,539	29,273	162,772	56.73	2,869
2015	396,369.98	51,211	54,435	341,935	57.29	5,968
2016	243,236.85	27,729	29,475	213,762	58.29	3,667
2017	337,029.00	33,298	35,394	301,635	59.29	5,087
2018	377,205.88	31,534	33,519	343,687	60.29	5,701
2019	822,173.24	56,237	59,777	762,396	61.29	12,439
2020	699,936.93	37,237	39,581	660,356	62.29	10,601
2021	848,654.05	32,249	34,280	814,374	63.29	12,867
2022	917,335.37	20,915	22,232	895,103	64.29	13,923
2023	1,655,627.65	12,583	13,375	1,642,253	65.29	25,153
	29,048,340.03	13,214,855	14,038,857	15,009,483		365,118

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 41.1 1.26

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1960	31,054.84	29,384	30,493	562	3.61	156
1973	173.85	157	163	11	5.36	2
1975	23,151.99	20,661	21,441	1,711	5.85	292
1985	7,424.33	6,202	6,436	988	7.59	130
1990	1,886.24	1,504	1,561	325	8.52	38
1992	13,245.46	10,390	10,782	2,463	8.66	284
1994	15,379.54	11,842	12,289	3,091	8.81	351
1996	159,924.93	120,072	124,602	35,323	9.13	3,869
2000	3,828.19	2,708	2,810	1,018	9.72	105
2001	10,154.18	7,037	7,303	2,851	9.97	286
2003	61,973.36	40,778	42,317	19,656	10.65	1,846
2006	15,952.75	9,492	9,850	6,103	11.91	512
2007	18,786.90	10,725	11,130	7,657	12.40	618
2008	58,069.36	31,683	32,878	25,191	12.91	1,951
2009	18,579.29	9,617	9,980	8,599	13.51	636
2010	19,892.91	9,722	10,089	9,804	14.12	694
2011	7,080.87	3,249	3,372	3,709	14.75	251
2012	34,086.58	14,541	15,090	18,997	15.46	1,229
2013	1,185.90	467	485	701	16.17	43
2014	1,759.84	634	658	1,102	16.89	65
2015	28,760.94	9,339	9,691	19,070	17.68	1,079
2017	21,153.06	5,347	5,549	15,604	19.21	812
2018	8,812.35	1,895	1,966	6,846	20.08	341
2019	475,336.93	84,277	87,456	387,881	20.88	18,577
2020	45,348.86	6,285	6,522	38,827	21.75	1,785
2021	37,245.04	3,706	3,846	33,399	22.63	1,476
2022	10,304.85	616	639	9,666	23.56	410
2023	5,330.74	107	111	5,220	24.56	213
	1,135,884.08	452,437	469,509	666,375		38,051

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.5 3.35

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 370 RECEIVING WELLS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S2.5						
NET SALVAGE PERCENT.. 0						
1971	183.84	168	140	44	4.97	9
1973	233.55	211	176	58	5.36	11
1975	323.92	289	241	83	5.85	14
1978	429.32	375	313	116	6.58	18
1990	788,855.86	599,846	499,904	288,952	10.56	27,363
1992	114,766.34	84,238	70,203	44,563	11.42	3,902
1996	467,489.89	313,686	261,422	206,068	13.48	15,287
1998	184,463.33	117,134	97,618	86,845	14.66	5,924
1999	461,295.54	284,804	237,352	223,944	15.18	14,753
2000	71,540.68	42,703	35,588	35,953	15.87	2,265
2003	694,029.86	371,306	309,442	384,588	17.82	21,582
2004	89,269.41	45,777	38,150	51,119	18.52	2,760
2005	51,250.80	25,123	20,937	30,314	19.24	1,576
2006	60,979.67	28,386	23,657	37,323	20.09	1,858
2007	76,608.42	33,876	28,232	48,376	20.81	2,325
2009	3,381.59	1,324	1,103	2,279	22.54	101
2015	110,203.09	25,765	21,473	88,730	27.86	3,185
	3,175,305.11	1,975,011	1,645,951	1,529,354		102,933

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.9 3.24

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1905	200,055.43	200,055	200,055			
1960	427,877.10	396,685	427,877			
1970	66,521.18	59,077	64,928	1,593	6.74	236
1971	970.58	861	946	25	6.67	4
1973	73.66	65	71	3	6.97	
1975	141,372.05	122,739	134,896	6,476	7.36	880
1978	23,877.70	20,315	22,327	1,551	7.98	194
1985	159,349.06	128,212	140,911	18,438	9.35	1,972
1986	1,647,149.67	1,315,743	1,446,064	201,086	9.45	21,279
1987	32,304.35	25,469	27,992	4,312	9.80	440
1988	14,417.94	11,260	12,375	2,043	9.95	205
1990	639,853.16	488,720	537,127	102,726	10.36	9,916
1991	132,667.87	100,456	110,406	22,262	10.42	2,136
1992	99,340.93	74,168	81,514	17,827	10.69	1,668
1994	68,714.13	50,065	55,024	13,690	10.99	1,246
1995	73,164.91	52,752	57,977	15,188	11.03	1,377
1996	3,754,208.41	2,663,611	2,927,435	826,773	11.26	73,426
1997	143,040.68	100,071	109,983	33,058	11.38	2,905
1998	144,107.39	99,218	109,045	35,062	11.54	3,038
1999	1,057,226.42	714,897	785,706	271,520	11.73	23,147
2000	617,837.83	410,862	451,557	166,281	11.84	14,044
2001	417,347.72	271,359	298,236	119,112	12.10	9,844
2002	17,518.22	11,149	12,253	5,265	12.28	429
2003	653,499.59	407,261	447,599	205,901	12.39	16,618
2004	39,800.84	24,135	26,526	13,275	12.66	1,049
2005	2,874,308.50	1,696,417	1,864,443	1,009,866	12.85	78,589
2006	112,901.09	64,410	70,790	42,111	13.17	3,197
2007	377,952.66	208,290	228,921	149,032	13.44	11,089
2008	131,694.81	70,009	76,943	54,752	13.66	4,008
2009	1,013,004.66	515,619	566,690	446,315	13.99	31,902
2010	353,235.85	171,178	188,133	165,103	14.36	11,497
2011	429,247.00	196,939	216,445	212,802	14.75	14,427
2012	236,003.13	101,765	111,845	124,158	15.17	8,184
2013	351,182.65	141,246	155,236	195,947	15.61	12,553
2014	673,375.27	250,092	274,863	398,512	16.08	24,783
2015	726,962.26	246,586	271,010	455,952	16.56	27,533
2016	754,813.95	230,369	253,186	501,628	17.07	29,387
2017	1,197,165.58	322,995	354,987	842,179	17.60	47,851
2018	1,285,010.68	299,664	329,345	955,666	18.08	52,858
2019	979,740.07	190,461	209,326	770,414	18.65	41,309
2020	3,013,887.52	464,139	510,110	2,503,778	19.23	130,202

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
2021	496,171.20	55,670	61,184	434,987	19.77	22,002
2022	3,567,446.20	245,084	269,359	3,298,087	20.33	162,228
2023	1,238,981.32	29,488	32,408	1,206,573	20.55	58,714
	30,385,381.22	13,249,626	14,534,054	15,851,327		958,366
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					16.5	3.15

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.5 PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1970	15.15	13	14	1	6.74	
1972	377.53	332	349	29	6.98	4
1975	609.55	529	556	54	7.36	7
1978	755.44	643	676	79	7.98	10
1981	963.48	803	844	119	8.52	14
1989	11,059.28	8,547	8,981	2,078	10.14	205
1990	5,822.32	4,447	4,673	1,149	10.36	111
1995	33,515.24	24,164	25,391	8,124	11.03	737
1999	3,640.00	2,461	2,586	1,054	11.73	90
2001	121,130.24	78,759	82,758	38,372	12.10	3,171
2005	7,864.53	4,642	4,878	2,987	12.85	232
2006	203.29	116	122	81	13.17	6
2008	345.19	184	193	152	13.66	11
2010	3,974.16	1,926	2,024	1,950	14.36	136
2011	4,416.76	2,026	2,128	2,289	14.75	155
2017	1,529.41	413	434	1,095	17.60	62
	196,221.57	130,005	136,607	59,614		4,951

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.0 2.52

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
1970	8,701.00	7,634	8,185	516	7.48	69
1971	14,543.40	12,675	13,590	953	7.74	123
1972	164.22	142	152	12	8.02	1
1973	231,586.60	198,817	213,167	18,420	8.32	2,214
1977	24,115.30	20,074	21,523	2,592	9.36	277
1980	475,812.98	384,980	412,767	63,046	10.26	6,145
1982	18,534.48	14,614	15,669	2,865	11.13	257
1986	2,810,577.42	2,118,613	2,271,528	539,049	12.25	44,004
1987	4,302.00	3,188	3,418	884	12.76	69
1989	2,176.00	1,569	1,682	494	13.35	37
1990	2,307.00	1,638	1,756	551	13.67	40
1991	23.19	16	17	6	14.01	
1994	52,043.87	34,391	36,873	15,171	15.14	1,002
1995	787,288.27	509,376	546,141	241,147	15.55	15,508
1998	2,380.04	1,438	1,542	838	16.69	50
1999	1,273,922.44	749,066	803,131	470,791	17.17	27,419
2001	7,846.80	4,361	4,676	3,171	17.98	176
2002	1,206,028.77	650,773	697,744	508,285	18.34	27,715
2003	5,599,920.22	2,927,638	3,138,946	2,460,974	18.71	131,533
2004	12,460.00	6,269	6,721	5,739	19.26	298
2005	2,717,195.93	1,317,025	1,412,084	1,305,112	19.67	66,350
2006	51,382.95	23,919	25,645	25,738	20.09	1,281
2007	9,688,055.18	4,316,029	4,627,547	5,060,508	20.54	246,373
2008	610,759.39	258,473	277,129	333,630	21.13	15,789
2009	286,904.89	115,221	123,537	163,368	21.60	7,563
2010	249,713.02	94,741	101,579	148,134	22.09	6,706
2011	543,945.30	193,753	207,738	336,207	22.59	14,883
2012	138,536.04	45,883	49,195	89,341	23.22	3,848
2013	202,314.87	62,030	66,507	135,808	23.75	5,718
2014	635,776.19	178,780	191,684	444,092	24.28	18,290
2015	2,656,534.92	675,291	724,031	1,932,504	24.94	77,486
2016	3,673,408.53	834,598	894,837	2,778,572	25.50	108,964
2017	5,068,265.32	1,008,078	1,080,838	3,987,427	26.18	152,308
2018	1,668,318.77	283,614	304,084	1,364,235	26.86	50,791
2019	3,054,751.28	427,665	458,533	2,596,218	27.65	93,896
2020	6,965,996.83	765,563	820,819	6,145,178	28.35	216,761

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
2021	4,430,149.93	349,982	375,243	4,054,907	29.15	139,105
2022	31,426,387.27	1,495,896	1,603,864	29,822,523	30.04	992,760
2023	32,870.38	523	561	32,309	30.95	1,044
	86,636,000.99	20,094,336	21,544,683	65,091,318		2,476,853
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					26.3	2.86

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 381.4 PLANT SEWERS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
1973	5,163.10	4,589	4,049	1,114	6.32	176
2006	27,208.44	12,238	10,798	16,410	21.41	766
2007	24,236.77	10,398	9,174	15,063	21.96	686
2008	8,178.49	3,334	2,942	5,236	22.52	233
2009	11,218.89	4,327	3,818	7,401	23.09	321
2013	31,735.34	9,330	8,232	23,503	25.21	932
2014	14,634.76	3,948	3,483	11,152	25.71	434
	122,375.79	48,164	42,496	79,880		3,548

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.5 2.90

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 381.5 PLANT SEWERS - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
2008	4,015.94	1,637	1,313	2,703	22.52	120
2010	2,248.23	819	658	1,591	23.54	68
	6,264.17	2,456	1,971	4,294		188

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.8 3.00

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 382 OUTFALL LINES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2.5						
NET SALVAGE PERCENT.. 0						
1972	9,637.69	8,736	7,544	2,094	5.32	394
1973	5,163.10	4,667	4,030	1,133	5.36	211
2001	311,991.19	173,405	149,742	162,249	17.98	9,024
2003	35,788.00	18,488	15,965	19,823	19.18	1,034
2011	7,619.38	2,581	2,229	5,391	24.40	221
	370,199.36	207,877	179,510	190,690		10,884

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.5 2.94

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2006	329,059.46	250,480	243,317	85,742	5.49	15,618
2007	9,438.16	7,024	6,823	2,615	5.67	461
2010	321,391.65	214,754	208,612	112,780	6.70	16,833
2011	1,519.00	965	937	582	7.19	81
	661,408.27	473,223	459,689	201,719		32,993

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 6.1 4.99

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2006	12,721.54	9,684	9,739	2,983	5.49	543
2007	3,383.22	2,518	2,532	851	5.67	150
2008	1,019.00	738	742	277	5.91	47
2009	1,352.64	945	950	403	6.25	64
2010	406.00	271	273	133	6.70	20
2011	1,400.22	889	894	506	7.19	70
2013	47,088.34	26,106	26,253	20,835	8.44	2,469
	67,370.96	41,151	41,383	25,988		3,363

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 7.7 4.99

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.4 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-S2.5						
NET SALVAGE PERCENT.. 0						
2008	1,057.47	659	772	285	9.38	30
2009	11,017.03	6,518	7,631	3,386	10.01	338
	12,074.50	7,177	8,403	3,672		368

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.0 3.05

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2006	2,385.62	2,087	2,386			
2007	1,881.61	1,552	1,882			
2010	2,209.99	1,492	2,005	205	6.50	32
2014	2,692.49	1,279	1,719	973	10.50	93
2016	1,025.75	385	517	509	12.50	41
2019	7,487.58	1,685	2,265	5,223	15.50	337
2020	9,915.80	1,735	2,332	7,584	16.50	460
	27,598.84	10,215	13,106	14,493		963

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.0 3.49

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.2 OFFICE FURNITURE AND EQUIPMENT - OFFICE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2015	114,001.23	96,901	39,777	74,224	1.50	49,483
2016	67,476.93	50,608	20,774	46,703	2.50	18,681
2017	38,326.49	24,912	10,226	28,100	3.50	8,029
2018	8,441.84	4,643	1,906	6,536	4.50	1,452
2019	9,564.42	4,304	1,766	7,798	5.50	1,418
	237,810.91	181,368	74,449	163,362		79,063

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 2.1 33.25

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2016	0.01					
2018	0.01					
2019	178,483.76	160,635	142,763	35,721	0.50	35,721
2020	164,635.83	115,245	102,423	62,213	1.50	41,475
2021	0.02					
2022	706.26	212	189	517	3.50	148
2023	122.15	12	10	112	4.50	25
	343,948.04	276,104	245,385	98,563		77,369

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 1.3 22.49

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.4 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10 YEARS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2014	141,845.85	134,754	141,846			
2015	3,210.82	2,729	3,211			
2016	11,907.75	8,931	11,225	683	2.50	273
2017	63,825.88	41,487	52,144	11,682	3.50	3,338
2018	69,842.94	38,414	48,281	21,562	4.50	4,792
2019	34,635.95	15,586	19,590	15,046	5.50	2,736
2020	36,845.15	12,896	16,208	20,637	6.50	3,175
2021	363.76	91	114	250	7.50	33
2022	2,828.66	424	534	2,295	8.50	270
2023	147.21	7	9	139	9.50	15
	365,453.97	255,319	293,162	72,292		14,632

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.9 4.00

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.41 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15 YEARS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2014	13,382.59	8,476	12,372	1,011	5.50	184
2015	23,615.26	13,382	19,533	4,082	6.50	628
2016	54,115.88	27,058	39,496	14,620	7.50	1,949
2017	55,472.66	24,038	35,088	20,385	8.50	2,398
2018	125,008.23	45,837	66,908	58,100	9.50	6,116
2019	20,806.95	6,242	9,111	11,696	10.50	1,114
2020	27,766.76	6,479	9,457	18,310	11.50	1,592
2021	485.99	81	118	368	12.50	29
	320,654.32	131,593	192,083	128,571		14,010

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.2 4.37

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 391 TRANSPORTATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 13-S1.5						
NET SALVAGE PERCENT.. 0						
1986	0.03					
2009	78,421.83	65,498	78,422			
2015	26,364.42	16,538	26,364			
2016	337,372.02	194,326	337,372			
2017	90,835.79	47,117	90,836			
2018	209,158.21	95,021	209,158			
2019	114,574.38	43,974	102,696	11,878	7.22	1,645
2020	769,353.65	236,422	552,138	217,216	7.89	27,531
2021	65,209.73	14,659	34,234	30,976	8.62	3,594
2022	75,284.06	10,329	24,123	51,161	9.43	5,425
	1,766,574.12	723,884	1,455,343	311,232		38,195

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.1 2.16

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 392 STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2009	5,075.00	3,679	2,846	2,229	5.50	405
	5,075.00	3,679	2,846	2,229		405
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					5.5	7.98

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 393 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2006	5,414.38	4,738	3,331	2,083	2.50	833
2007	3,411.17	2,814	1,978	1,433	3.50	409
2008	1,889.56	1,464	1,029	861	4.50	191
2009	46,495.93	33,710	23,696	22,800	5.50	4,145
2011	33,817.10	21,136	14,857	18,960	7.50	2,528
2014	6,938.06	3,296	2,317	4,621	10.50	440
2015	11,505.54	4,890	3,437	8,069	11.50	702
2016	18,979.86	7,117	5,003	13,977	12.50	1,118
2017	47,945.32	15,582	10,953	36,992	13.50	2,740
2018	62,374.76	17,153	12,058	50,317	14.50	3,470
2019	11,246.56	2,530	1,778	9,469	15.50	611
2020	267,466.39	46,807	32,902	234,564	16.50	14,216
2021	91,498.77	11,437	8,040	83,459	17.50	4,769
2022	71,395.72	5,355	3,764	67,632	18.50	3,656
2023	81,793.58	2,045	1,438	80,356	19.50	4,121
	762,172.70	180,074	126,581	635,592		43,949

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.5 5.77

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 394 LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2004	2,043.14	1,594	1,696	347	5.50	63
2005	63,696.79	47,136	50,161	13,536	6.50	2,082
2006	51,277.53	35,894	38,198	13,080	7.50	1,744
2007	34,480.57	22,757	24,217	10,264	8.50	1,208
2008	45,791.86	28,391	30,213	15,579	9.50	1,640
2009	8,888.55	5,155	5,486	3,403	10.50	324
2010	11,621.36	6,276	6,679	4,942	11.50	430
2011	23,126.89	11,563	12,305	10,822	12.50	866
2012	1,790.10	823	876	914	13.50	68
2013	6,884.99	2,892	3,078	3,807	14.50	263
2014	29,949.87	11,381	12,111	17,839	15.50	1,151
2015	152,863.70	51,974	55,309	97,555	16.50	5,912
2016	91,391.25	27,417	29,177	62,214	17.50	3,555
2017	58,013.63	15,084	16,052	41,962	18.50	2,268
2018	100,376.10	22,083	23,500	76,876	19.50	3,942
2019	1,090.83	196	209	882	20.50	43
2020	139,217.36	19,490	20,740	118,477	21.50	5,511
2021	51,997.50	5,200	5,534	46,464	22.50	2,065
2023	28,169.42	563	599	27,570	24.50	1,125
	902,671.44	315,869	336,140	566,531		34,260

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.5 3.80

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 395 POWER OPERATED EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L4						
NET SALVAGE PERCENT.. 0						
2003	80,106.15	68,643	68,900	11,206	3.42	3,277
2004	2,984.00	2,520	2,529	455	3.59	127
2005	30,737.00	25,530	25,626	5,111	3.77	1,356
2006	3,444.00	2,790	2,800	644	4.10	157
2007	64,936.28	51,001	51,193	13,743	4.51	3,047
2008	6,630.00	5,004	5,023	1,607	5.03	319
2009	6,343.00	4,562	4,579	1,764	5.66	312
2010	3,767.00	2,558	2,568	1,199	6.38	188
2011	18,093.39	11,535	11,578	6,515	7.11	916
2012	3,459.34	2,053	2,060	1,399	7.88	178
2013	2,414.11	1,321	1,326	1,088	8.69	125
2022	1,561.62	124	125	1,437	17.37	83
	224,475.89	177,641	178,307	46,169		10,085

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.6 4.49

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
1990	5,046.90	5,047	5,047			
1995	3,737.01	3,737	3,737			
2001	3,086.74	3,087	3,087			
2012	28,980.85	22,219	20,647	8,334	3.50	2,381
2013	127,230.88	89,062	82,759	44,472	4.50	9,883
2014	28,256.79	17,896	16,629	11,628	5.50	2,114
2015	19,657.43	11,139	10,351	9,306	6.50	1,432
2016	4,848.22	2,424	2,252	2,596	7.50	346
2017	171,135.30	74,158	68,910	102,225	8.50	12,026
2018	5,749.04	2,108	1,959	3,790	9.50	399
2019	228,196.38	68,459	63,614	164,582	10.50	15,674
2020	387,305.67	90,370	83,974	303,332	11.50	26,377
2021	251,391.16	41,899	38,934	212,457	12.50	16,997
2022	65,731.50	6,573	6,108	59,624	13.50	4,417
2023	331,576.10	11,051	10,269	321,307	14.50	22,159
	1,661,929.97	449,229	418,277	1,243,653		114,205

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.9 6.87

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2016	33,295.71	24,972	22,839	10,457	2.50	4,183
2017	150,989.20	98,143	89,762	61,227	3.50	17,493
2018	529,532.51	291,243	266,371	263,162	4.50	58,480
2019	540,304.38	243,137	222,373	317,931	5.50	57,806
2020	1,473,766.97	515,818	471,766	1,002,001	6.50	154,154
2021	540,132.13	135,033	123,501	416,631	7.50	55,551
2022	170,690.22	25,604	23,417	147,273	8.50	17,326
2023	352,375.06	17,619	16,115	336,260	9.50	35,396
	3,791,086.18	1,351,569	1,236,144	2,554,943		400,389

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 6.4 10.56

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 397 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
1998	2,621.08	2,621	2,621			
2003	4,595.70	3,768	4,596			
2007	570.23	376	488	82	8.50	10
2010	191.19	103	134	57	11.50	5
2011	1,773.24	887	1,151	622	12.50	50
2012	27,510.75	12,655	16,418	11,093	13.50	822
2014	6,223.01	2,365	3,069	3,154	15.50	203
	43,485.20	22,775	28,477	15,008		1,090

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.8 2.51

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2011	1,277,000.00	448,482	511,347	765,653	23.09	33,160
2019	320,399.65	46,394	52,897	267,503	28.79	9,292
2021	170,036.58	14,623	16,673	153,364	30.57	5,017
	1,767,436.23	509,499	580,917	1,186,519		47,469

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 25.0 2.69

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1972	39,195.96	30,279	31,177	8,019	15.17	529
1973	13,556.99	10,339	10,646	2,911	15.72	185
1980	10,637.50	7,404	7,624	3,014	19.00	159
1981	47,773.77	32,687	33,657	14,117	19.61	720
2011	135,000.00	35,100	36,141	98,859	35.58	2,778
2017	838,712.00	121,613	125,221	713,491	38.34	18,610
2019	306,960.59	34,257	35,273	271,688	38.79	7,004
2021	6,265.64	432	445	5,821	38.79	150
	1,398,102.45	272,111	280,184	1,117,918		30,135

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 37.1 2.16

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1972	42,000.00	34,608	28,136	13,864	11.00	1,260
1973	7,981.64	6,530	5,309	2,673	11.23	238
1980	6,844.83	5,240	4,260	2,585	13.32	194
1986	561,771.00	398,183	323,722	238,049	15.41	15,448
1987	469,604.40	327,408	266,182	203,422	15.85	12,834
1999	1,179,768.83	641,676	521,680	658,089	20.55	32,024
2001	745,942.16	382,668	311,108	434,834	21.36	20,357
2002	872,209.25	433,139	352,141	520,068	21.79	23,867
2003	971,761.31	466,154	378,982	592,779	22.24	26,654
2004	916,760.18	423,727	344,488	572,272	22.69	25,221
2006	150,000.00	63,780	51,853	98,147	23.65	4,150
2007	79,963.00	32,457	26,387	53,576	24.15	2,218
2008	51,125.00	19,734	16,044	35,081	24.66	1,423
2011	94,630.00	30,518	24,811	69,819	26.26	2,659
2012	370,713.84	111,288	90,477	280,237	26.81	10,453
2013	16,080.27	4,441	3,611	12,469	27.52	453
2020	78,140.79	8,447	6,867	71,274	31.97	2,229
	6,615,296.50	3,389,998	2,756,058	3,859,239		181,682

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.2 2.75

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
1982	1,636.81	1,236	1,193	444	13.45	33
1983	13,000.00	9,636	9,303	3,697	14.14	261
	14,636.81	10,872	10,496	4,141		294

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.1 2.01

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1970	19,117.80	13,604	12,397	6,721	21.68	310
1972	739,587.98	514,162	468,548	271,040	22.58	12,004
1973	158,612.90	108,935	99,271	59,342	23.03	2,577
1977	18,223.43	11,694	10,657	7,566	25.96	291
1980	250,225.15	152,387	138,868	111,357	27.93	3,987
1981	465,119.47	278,700	253,975	211,144	28.43	7,427
1982	139,234.47	82,051	74,772	64,462	28.92	2,229
1999	228,231.05	84,993	77,453	150,778	41.29	3,652
2006	168,816.14	46,087	41,998	126,818	46.60	2,721
2010	1,745,849.85	372,390	339,354	1,406,496	49.79	28,249
2011	186,353.00	37,047	33,760	152,593	50.39	3,028
2012	240,000.00	43,872	39,980	200,020	51.40	3,891
2013	21,203.00	3,562	3,246	17,957	52.00	345
2014	32,176.58	4,891	4,457	27,720	53.00	523
2017	5,459,708.90	574,907	523,905	4,935,804	55.23	89,368
2019	386,744.05	30,746	28,018	358,726	56.47	6,353
2020	319,965.39	20,350	18,545	301,420	57.10	5,279
2022	18,116.00	563	513	17,603	58.37	302
2023	241,969.43	3,557	3,242	238,728	58.65	4,070
	10,839,254.59	2,384,498	2,172,959	8,666,296		176,606

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.1 1.63

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1970	13,338.75	9,777	7,387	5,952	19.49	305
1972	39,847.06	28,523	21,550	18,297	20.45	895
1973	28,745.49	20,323	15,355	13,390	20.93	640
1977	116.92	78	59	58	23.43	2
1980	22,093.00	14,031	10,601	11,492	24.99	460
1986	53,412.00	30,242	22,849	30,563	28.73	1,064
1991	24,968.00	12,659	9,564	15,404	31.60	487
1999	2,760,060.31	1,102,368	832,876	1,927,184	36.85	52,298
2004	126,000.00	41,278	31,187	94,813	40.02	2,369
2011	358,844.00	78,515	59,321	299,523	44.64	6,710
2014	45,199.00	7,643	5,775	39,424	46.68	845
2015	99,144.95	15,169	11,461	87,684	47.06	1,863
2017	638,045.57	75,927	57,365	580,681	48.14	12,062
2019	1,101,330.21	99,891	75,471	1,025,859	48.89	20,983
2020	840,793.83	61,210	46,246	794,548	49.32	16,110
2021	197,653.25	10,851	8,198	189,455	49.48	3,829
2022	877,218.11	32,106	24,257	852,961	49.41	17,263
2023	933,840.70	16,622	12,558	921,283	48.38	19,043
	8,160,651.15	1,657,213	1,252,080	6,908,571		157,228

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 43.9 1.93

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1972	50.00	36	50			
1977	2,359.54	1,558	2,187	173	23.92	7
1980	12,216.58	7,652	10,739	1,478	25.94	57
1981	5,935.68	3,633	5,099	837	26.94	31
1982	1,028.22	614	862	166	27.94	6
1984	53,053.00	30,389	42,648	10,405	29.46	353
1999	501,480.17	184,294	258,640	242,840	42.17	5,759
2005	75,000.00	20,955	29,408	45,592	47.72	955
2006	55,485.24	14,659	20,573	34,912	48.73	716
2007	549,978.58	137,055	192,344	357,635	49.72	7,193
2013	18,908.00	2,999	4,209	14,699	55.72	264
2014	27,150.44	3,893	5,463	21,687	56.73	382
2015	24,679.05	3,189	4,475	20,204	57.29	353
2017	161,089.36	15,916	22,337	138,752	59.29	2,340
2019	74,744.70	5,539	7,773	66,972	60.91	1,100
2020	232,545.21	13,697	19,223	213,322	61.91	3,446
2021	93,991.60	4,107	5,764	88,228	62.91	1,402
2022	409,267.02	11,664	16,369	392,898	63.91	6,148
2023	402,896.67	5,359	7,521	395,376	64.91	6,091
	2,701,859.06	467,208	655,684	2,046,175		36,603

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 55.9 1.35

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1987	43,530.60	34,320	39,014	4,517	9.80	461
2017	421,017.00	113,590	129,127	291,890	17.60	16,585
2019	155,466.65	32,508	36,955	118,512	18.44	6,427
2020	45,428.73	7,691	8,743	36,686	19.01	1,930
2021	2,106.15	269	306	1,800	19.60	92
	667,549.13	188,378	214,145	453,404		25,495

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.8 3.82

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
1973	88,336.75	75,837	86,900	1,437	8.32	173
1980	141,308.51	114,333	131,012	10,297	10.26	1,004
1986	37,451.00	28,231	32,349	5,102	12.25	416
1999	734,508.02	431,891	494,896	239,612	17.17	13,955
2006	100,000.00	46,550	53,341	46,659	20.09	2,322
2007	100,000.00	44,550	51,049	48,951	20.54	2,383
2011	352,188.97	125,450	143,751	208,438	22.59	9,227
2020	6,410.96	778	891	5,520	28.07	197
2021	57,575.30	5,216	5,977	51,598	28.87	1,787
	1,617,779.51	872,836	1,000,166	617,613		31,464

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.6 1.94

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 381.4 PLANT SEWERS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
1973	1,536.55	1,366	1,383	153	6.32	24
	1,536.55	1,366	1,383	153		24
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					6.4	1.56

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 382 OUTFALL LINES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2.5						
NET SALVAGE PERCENT.. 0						
1973	1,536.55	1,389	1,412	125	5.36	23
	1,536.55	1,389	1,412	125		23

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.4 1.50

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2011	13,030.75	8,275	8,760	4,270	7.19	594
	13,030.75	8,275	8,760	4,270		594
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					7.2	4.56

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 390.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
1973	72.91	73	73			
1977	89.28	89	89			
1979	20.53	21	21			
1982	92.26	92	92			
	274.98	275	275			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 393 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
1970	260.00	260	260			
1972	1,400.00	1,400	1,400			
1974	141.36	141	141			
1975	774.96	775	775			
1976	177.97	178	178			
1978	119.04	119	119			
1979	602.65	603	603			
1980	757.40	757	757			
1981	215.76	216	271	55-		
	4,449.14	4,449	4,504	55-		

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 394 LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
1972	1,267.00	1,267	1,267			
1977	35.71	36	36			
1981	19.34	19	19			
1982	7.44	7	7			
1983	33.33	33	54		21-	
	1,362.82	1,362	1,383		20-	

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0 0.00

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 396.7 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2020	2,519.52	976	945	1,575	6.12	257
2021	8,662.94	2,491	2,411	6,252	7.12	878
	11,182.46	3,467	3,356	7,827		1,135
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					6.9	10.15

PART III. EXPERIENCED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2019 TRANSACTION YEAR				
354.20	113,438.56			
354.30	165,641.15			
354.40	153,820.75	9,053.97		9,053.97-
354.70	7,702.09			
355.30	1,221.81			
355.40	11,363.11			
360.20	374,258.51	7,648.00		7,648.00-
361.20	465,126.63	7,648.00		7,648.00-
363.20	2,964.50	2,155.91		2,155.91-
364.20	3,162.13			
371.30	168,796.64	10,399.76		10,399.76-
371.50	24,261.50			
380.40	199,651.06			
390.75	172,252.14			
390.76	29,108.96			
393.70	17,906.05			
394.70	.01			
396.70	14,610.65			
396.71	46,221.09			
	1,971,507.34	36,905.64		36,905.64-
2020 TRANSACTION YEAR				
354.20	73,069.02			
354.30	101,628.95	52,303.15		52,303.15-
354.40	2,684,414.72	739,453.08		739,453.08-
354.70	5,810.91			
355.40	1,659.63			
360.20	67,339.41			
361.20	473,088.78			
363.20	41,141.46	4,078.32		4,078.32-
364.20	792.60			
370.30	1,672.02			
371.30	223,004.88	13,319.23		13,319.23-
371.50	2,688.53			
380.40	1,395,032.93	142,233.63		142,233.63-
389.40	19,974.69			
390.75	75,910.20			
394.70	.01			
396.70	81,076.50			
396.71	.04			
	5,248,305.28	951,387.41		951,387.41-

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2021 TRANSACTION YEAR				
354.20	8,932.85	122,064.29		122,064.29-
354.30	19,059.34			
354.40	592,929.95	844.00		844.00-
354.50		92,099.11		92,099.11-
355.20	1,842.60			
355.40	125,349.83			
360.20	115,348.93			
361.20	68,372.73			
363.20	40,110.43	3,937.63		3,937.63-
364.20	8,413.73			
371.30	29,713.83			
371.50	6,943.84			
380.40	83,240.29	19,976.27		19,976.27-
390.75	165,752.72			
390.76	.01			
393.70	828.00			
394.70	.03			
396.70	.16	5,999.77		5,999.77-
396.71	.10			
	1,266,839.37	244,921.07		244,921.07-
2022 TRANSACTION YEAR				
360.20		7,821.79		7,821.79-
363.20		7,605.77		7,605.77-
380.40		152.63		152.63-
390.75	47,399.24			
391.70	140,341.98			
392.70	4,484.78			
395.70	30,076.00			
396.70	24,463.32			
	246,765.32	15,580.19		15,580.19-

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2023 TRANSACTION YEAR				
354.20	171,161.49			
354.30	354,112.11			
354.40	1,197,105.30			
354.70	6,966.72			
355.30	1,261.42			
355.40	26,284.24			
360.20	189,517.15			
361.20	554,437.19			
363.20	9,650.19			
371.30	145,769.93			
380.40	894,459.10	1,082.08-		1,082.08
390.75	104,969.58			
391.70	52,825.96	31,079.00	2,900.00	28,179.00-
393.70	17,079.00			
396.70	2,950.38			
	3,728,549.76	29,996.92	2,900.00	27,097.92-
TOTAL	12,461,967.07	1,278,791.23	2,900.00	1,275,891.23-

Exhibit No. 6-C, Part 2
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

WASTEWATER BASE OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2024

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-C, Part 2
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

WASTEWATER BASE OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2024

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
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P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2024 for the wastewater base operations. The results of our study as of December 31, 2024, are presented in the attached report. The results of our study as of December 31, 2023, are presented in our report, "2023 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2023." The same methods, procedures and estimates are used in both studies.

The attached report sets forth a description of the methods and procedures upon which the studies were based, the estimates of survivor curves, and the calculated annual depreciation as of December 31, 2024.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

JJS:mle

077367.100

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PART I. INTRODUCTION

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report sets forth the results of the depreciation study for Aqua Pennsylvania, Inc. to determine the annual depreciation accrual rates and amounts applicable to the original cost of wastewater plant as of December 31, 2024 for the wastewater base operations. The rates and amounts are based on the straight line remaining life method of depreciation. This report also describes the concepts, methods and judgments which underlie the recommended annual depreciation accrual rates related to wastewater plant in service as of December 31, 2024.

Part I, Introduction, contains statements with respect to the basis of the study and the development of net original cost. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and methods used in the service life study. Part III, Service Life Considerations, presents the results of the average service life analysis. Part IV, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part V, Results of Study, presents summaries by depreciable group of annual depreciation accrual rates and amounts, as well as composite remaining lives. Part VI, Service Life Statistics presents the statistical analysis of service life estimates, Part VII, Detailed Depreciation Calculations presents the detailed tabulations of annual depreciation and Part VIII, Experienced and Estimated Net Salvage presents the cost of removal and gross salvage recorded for the period 2020-2024.

BASIS OF THE STUDY

The purpose of the depreciation study was to determine the annual depreciation accruals applicable to the original cost of wastewater plant in service as of December 31, 2024. For most accounts, the straight line remaining life method using attained ages, the book depreciation reserve and estimated survivor curves, was the basis for the calculation of annual depreciation. For certain accounts, the annual and accrued amortization amounts were based on the age of the property and the selected amortization period.

The survivor curve estimates were based on judgment which incorporated (1) analyses of historical data related to wastewater property for all wastewater systems; (2) consideration of the character, use and location of the property; (3) probable future events and management plans; and (4) a general knowledge of wastewater property lives. The use of Iowa type survivor curves is a generally-accepted method of estimating average service life when the actual lives of individual property units are dispersed.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements (or the portion of the frequency curve with the highest level of retirements) in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family. A higher number designates a higher mode curve.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

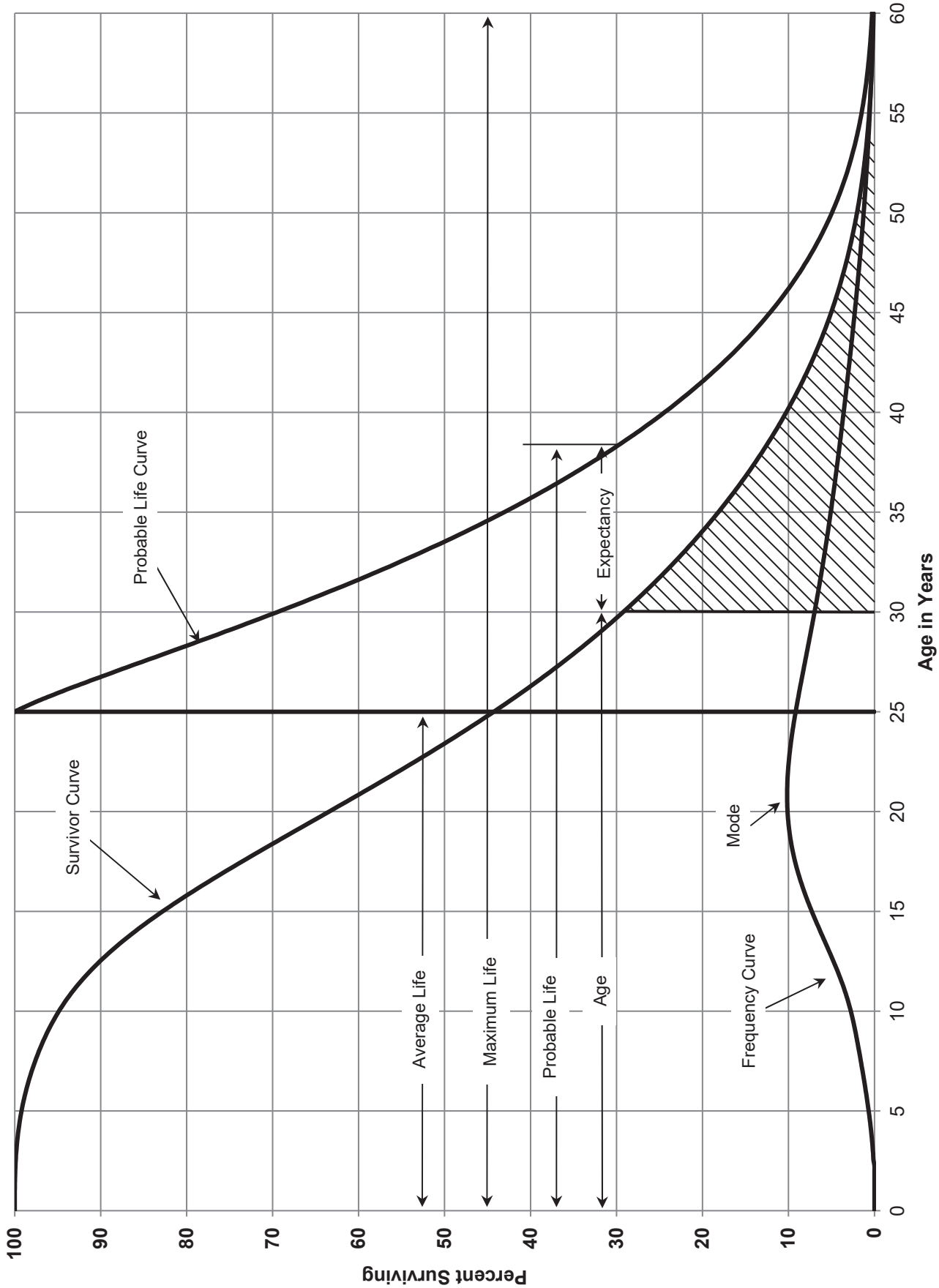

FIGURE 1. TYPICAL SURVIVOR CURVE AND DERIVED CURVES

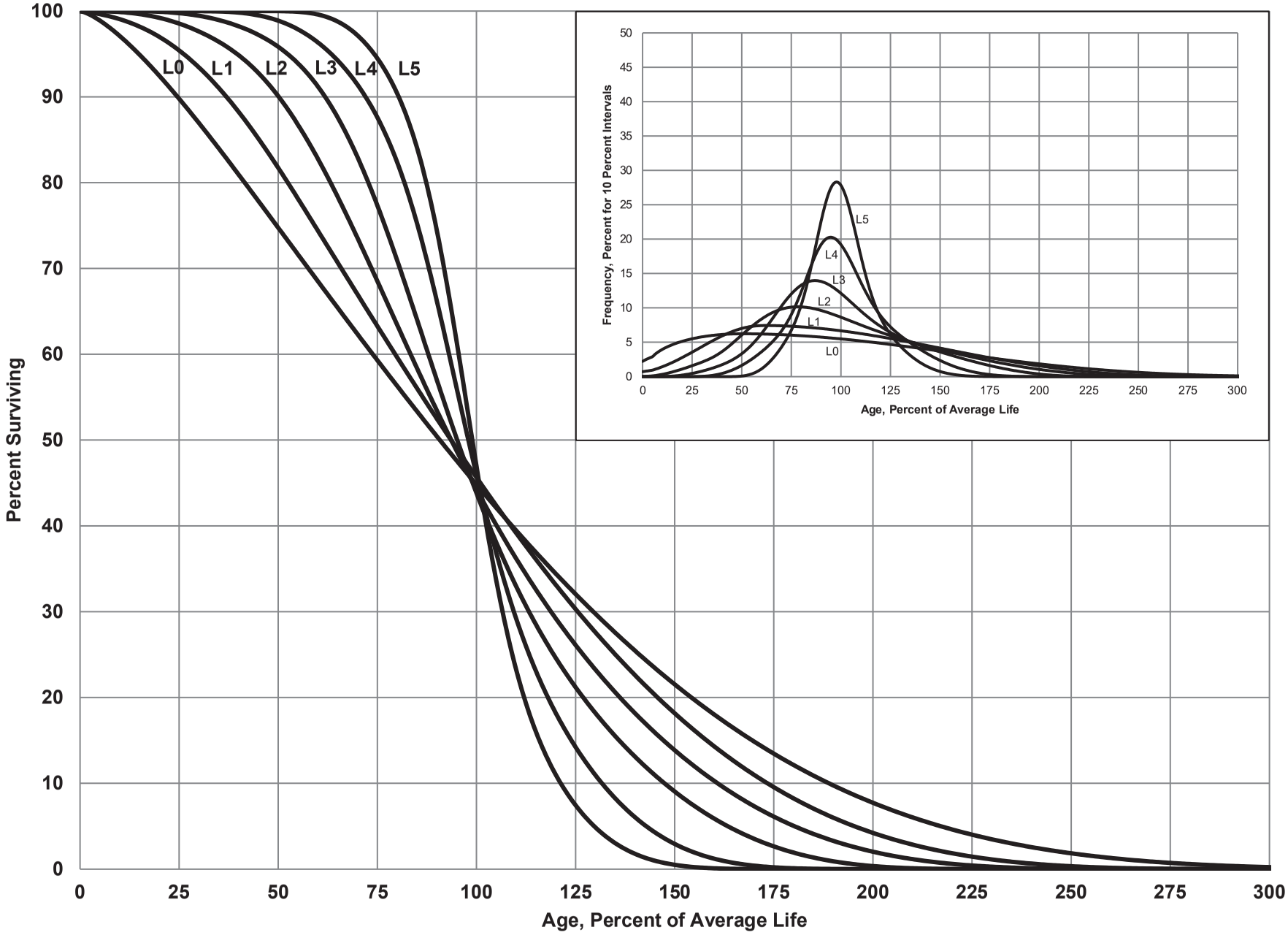

FIGURE 2. LEFT MODAL OR "L" IOWA TYPE SURVIVOR CURVES

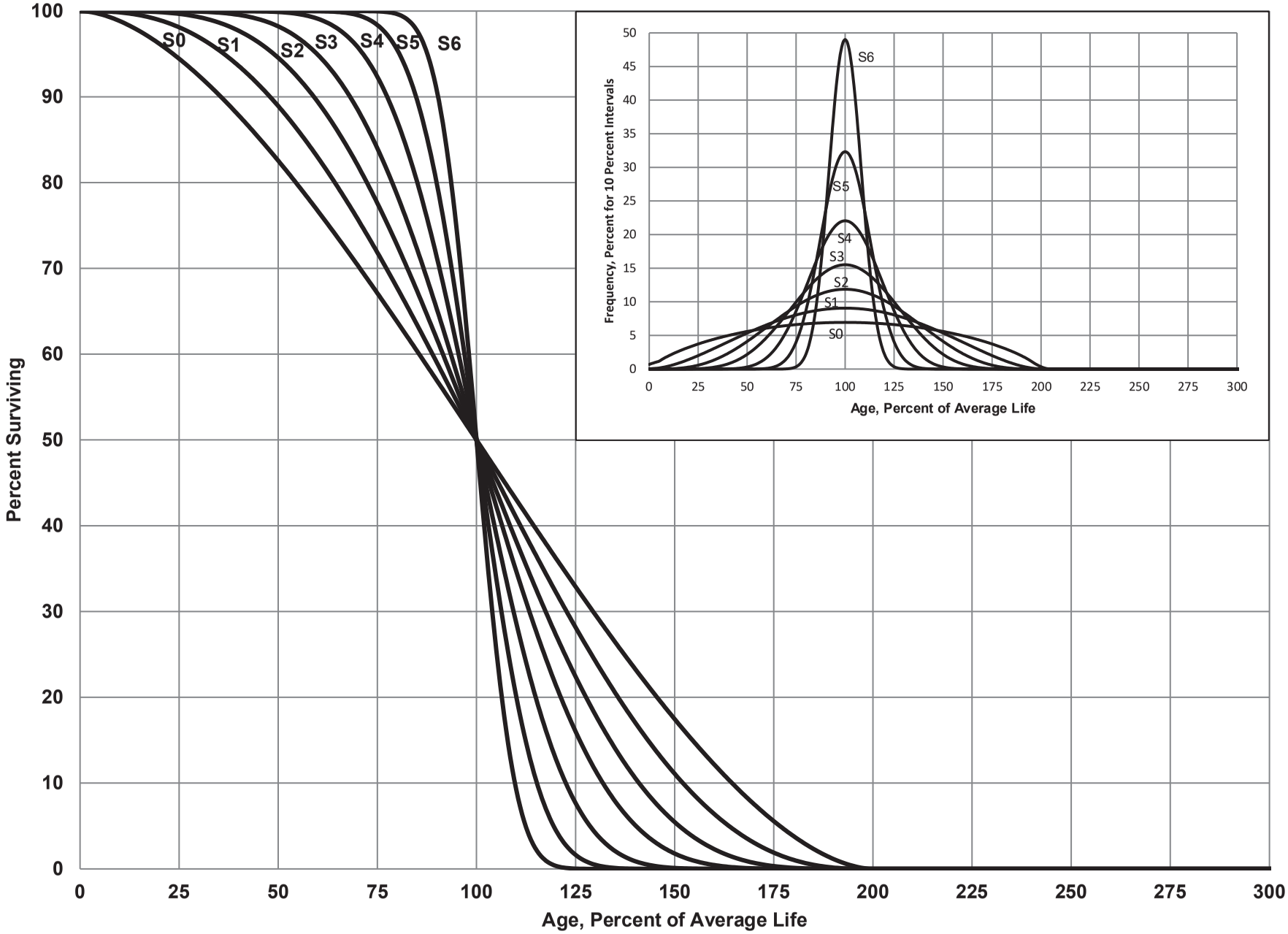

FIGURE 3. SYMMETRICAL OR "S" IOWA TYPE SURVIVOR CURVES

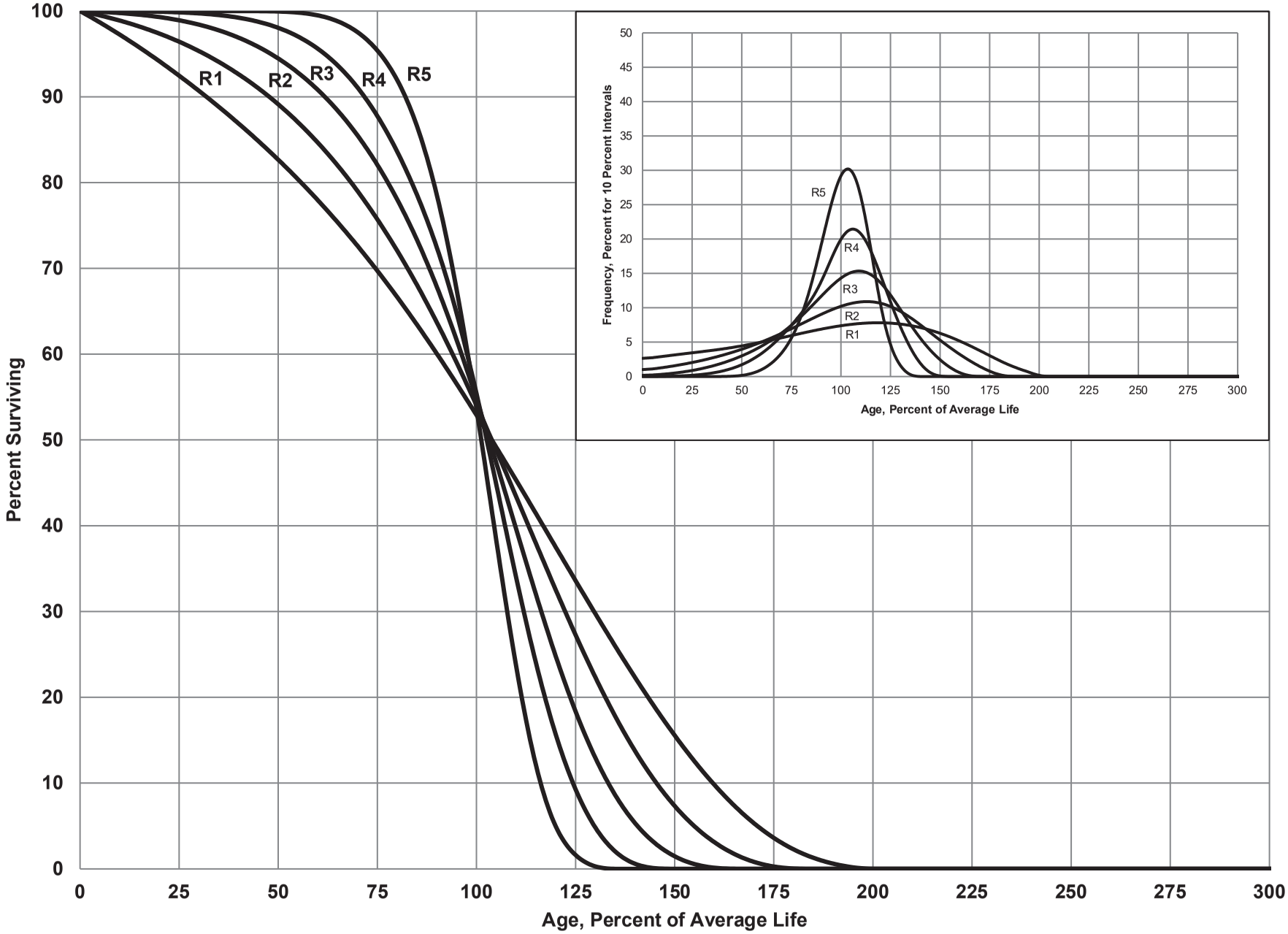

FIGURE 4. RIGHT MODAL OR "R" IOWA TYPE SURVIVOR CURVES

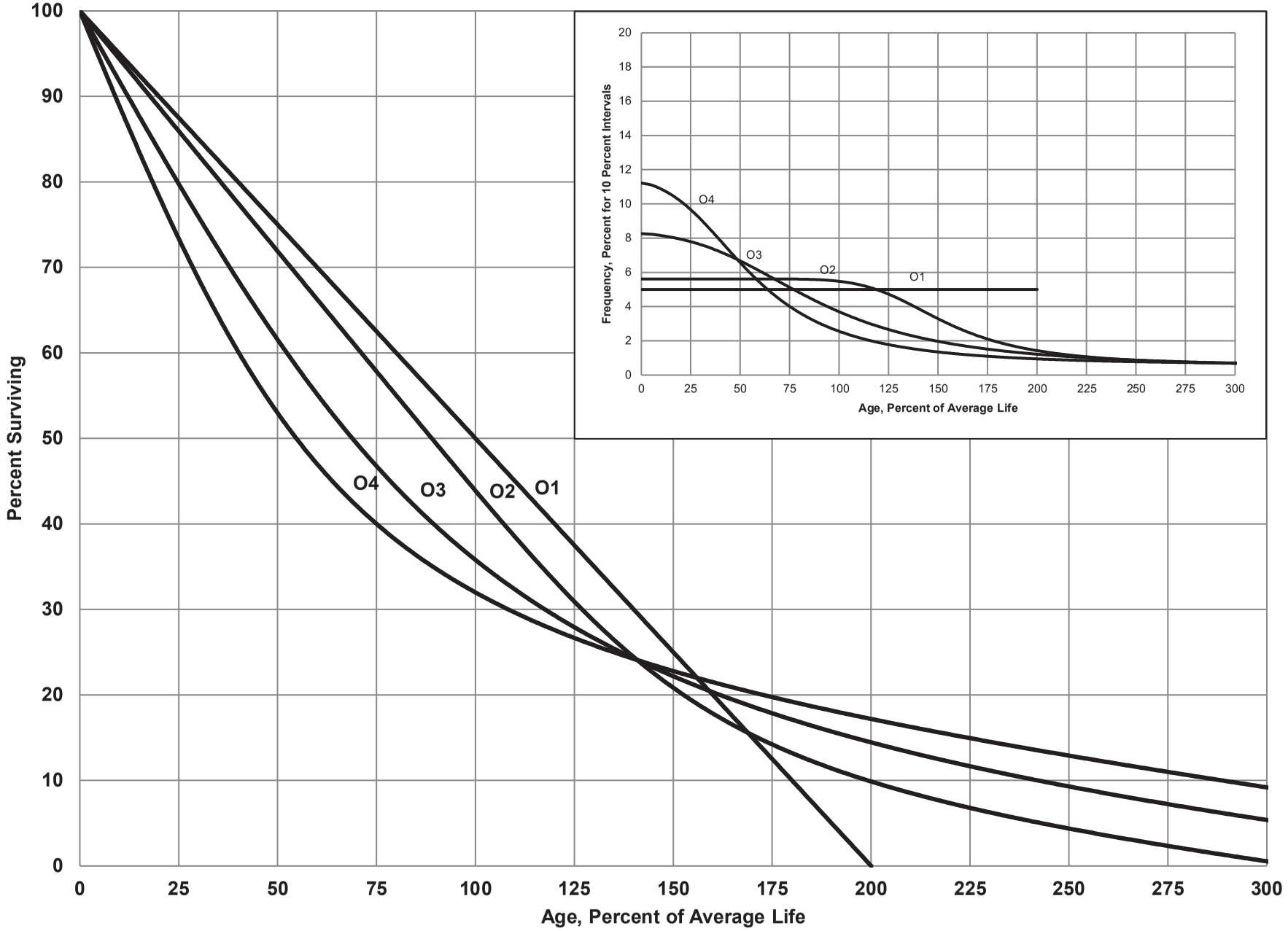

FIGURE 5. ORIGIN MODAL OR "O" IOWA TYPE SURVIVOR CURVES

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."[1] In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student, submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text and is also explained in several publications including "Statistical Analyses of Industrial Property Retirements,"[2] "Engineering Valuation and Depreciation,"[3] and "Depreciation Systems."[4]

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band. The band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

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[1]Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

[2]Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College, Engineering Experiment Station, Bulletin 125. 1935.

[3]Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

[4]Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

Schedules of Annual Transactions in Plant Records

The property group used to illustrate the retirement rate method is observed for the experience band 2014-2023 for which there were placements during the years 2009-2023. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, $10,000 of the dollars invested in 2009 were retired in 2014. The $10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of $143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2014 retirements of 2009 installations and ending with the 2023 retirements of the 2018 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Retirements, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	10	11	12	13	14	16	23	24	25	26	26	13½-14½
2010	11	12	13	15	16	18	20	21	22	19	44	12½-13½
2011	11	12	13	14	16	17	19	21	22	18	64	11½-12½
2012	8	9	10	11	11	13	14	15	16	17	83	10½-11½
2013	9	10	11	12	13	14	16	17	19	20	93	9½-10½
2014	4	9	10	11	12	13	14	15	16	20	105	8½-9½
2015		5	11	12	13	14	15	16	18	20	113	7½-8½
2016			6	12	13	15	16	17	19	19	124	6½-7½
2017				6	13	15	16	17	19	19	131	5½-6½
2018					7	14	16	17	19	20	143	4½-5½
2019						8	18	20	22	23	146	3½-4½
2020							9	20	22	25	150	2½-3½
2021								11	23	25	151	1½-2½
2022									11	24	153	½-1½
2023										13	80	0-½
Total	53	68	86	106	128	157	196	231	273	308	1,606	

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Acquisitions, Transfers and Sales, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	-	-	-	-	-	-	60[a]	-	-	-	-	13½-14½
2010	-	-	-	-	-	-	-	-	-	-	-	12½-13½
2011	-	-	-	-	-	-	-	-	-	-	-	11½-12½
2012	-	-	-	-	-	-	-	(5)[b]	-	-	60	10½-11½
2013	-	-	-	-	-	-	-	6[a]	-	-	-	9½-10½
2014	-	-	-	-	-	-	-	-	-	-	(5)	8½-9½
2015		-	-	-	-	-	-	-	-	-	6	7½-8½
2016			-	-	-	-	-	-	-	-	-	6½-7½
2017				-	-	-	-	(12)[b]	-	-	-	5½-6½
2018					-	-	-	-	22[a]	-	-	4½-5½
2019						-	-	(19)[b]	-	-	10	3½-4½
2020							-	-	-	-	-	2½-3½
2021								-	-	(102)[c]	(121)	1½-2½
2022									-	-	-	½-1½
2023											-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	

[a] Transfer Affecting Exposures at Beginning of Year
[b] Transfer Affecting Exposures at End of Year
[c] Sale with Continued Use
Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements, but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2014 through 2023 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2019 are calculated in the following manner:

Exposures at age 0	= amount of addition	= $750,000
Exposures at age ½	= $750,000 - $ 8,000	= $742,000
Exposures at age 1½	= $742,000 - $18,000	= $724,000
Exposures at age 2½	= $724,000 - $20,000 - $19,000	= $685,000
Exposures at age 3½	= $685,000 - $22,000	= $663,000

SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
JANUARY 1 OF EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023

Placement Band 2009-2023

Year Placed	Exposures, Thousands of Dollars Annual Survivors at the Beginning of the Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total at Beginning of Age Interval	Age Interval
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	255	245	234	222	209	195	239	216	192	167	167	13½-14½
2010	279	268	256	243	228	212	194	174	153	131	323	12½-13½
2011	307	296	284	271	257	241	224	205	184	162	531	11½-12½
2012	338	330	321	311	300	289	276	262	242	226	823	10½-11½
2013	376	367	357	346	334	321	307	297	280	261	1,097	9½-10½
2014	420[a]	416	407	397	386	374	361	347	332	316	1,503	8½-9½
2015		460[a]	455	444	432	419	405	390	374	356	1,952	7½-8½
2016			510[a]	504	492	479	464	448	431	412	2,463	6½-7½
2017				580[a]	574	561	546	530	501	482	3,057	5½-6½
2018					660[a]	653	639	623	628	609	3,789	4½-5½
2019						750[a]	742	724	685	663	4,332	3½-4½
2020							850[a]	841	821	799	4,955	2½-3½
2021								960[a]	949	926	5,719	1½-2½
2022									1,080[a]	1,069	6,579	½-1½
2023										1,220[a]	7,490	0-½
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	

[a]Additions during the year

For the entire experience band 2014-2023, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15				
Exposures at age 4½	=	3,789,000				
Retirements from age 4½ to 5½	=	143,000				
Retirement Ratio	=	143,000	÷	3,789,000	=	0.0377
Survivor Ratio	=	1.000	-	0.0377	=	0.9623
Percent surviving at age 5½	=	(88.15)	x	(0.9623)	=	84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

SCHEDULE 4. ORIGINAL LIFE TABLE
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2014-2023 Placement Band 2009-2023

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
					35.66
Total	44,780	1,606			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.
Column 3 from Schedule 1, Column 12, Retirements for Each Year.
Column 4 = Column 3 Divided by Column 2.
Column 5 = 1.0000 Minus Column 4.
Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

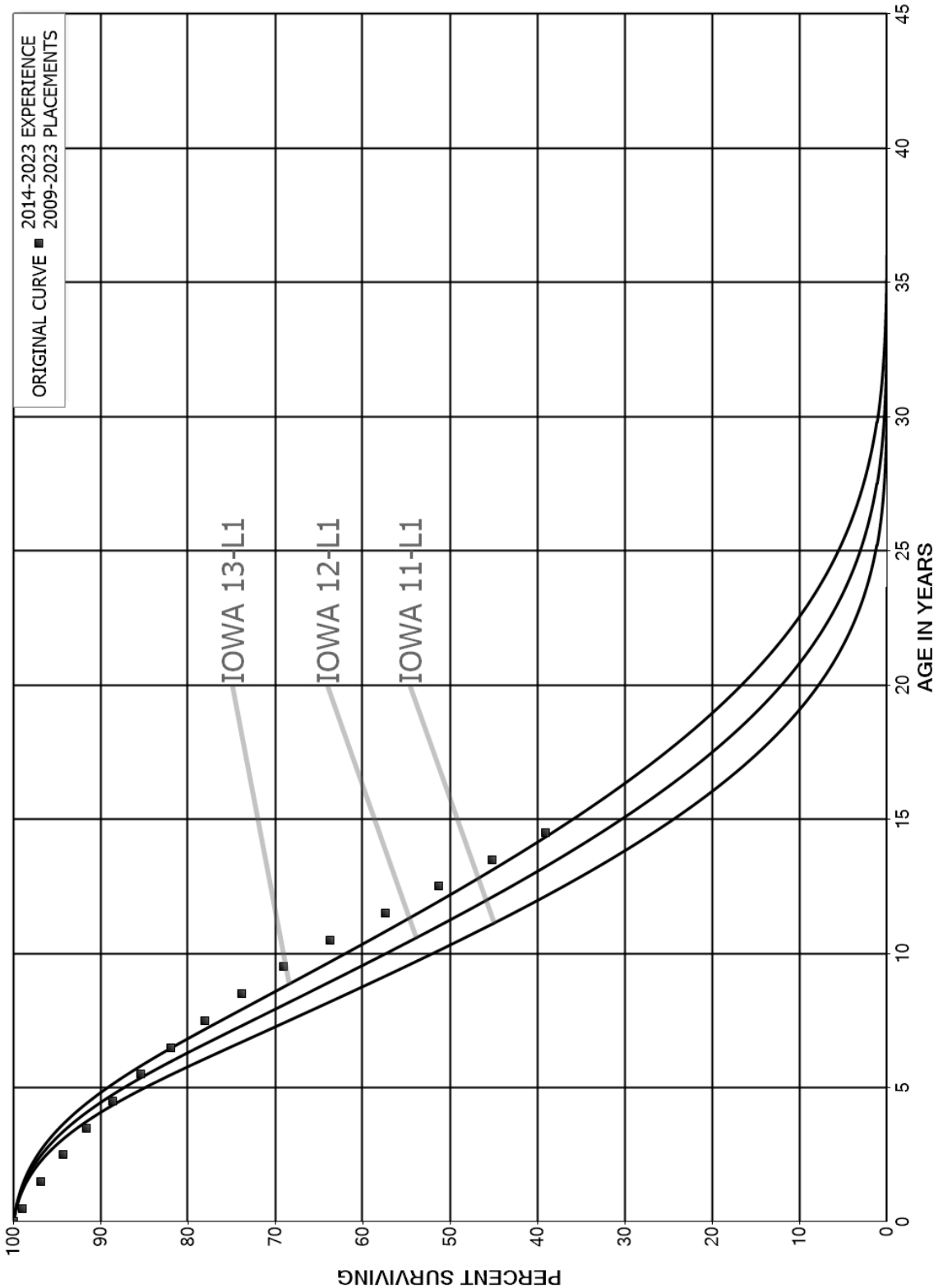


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

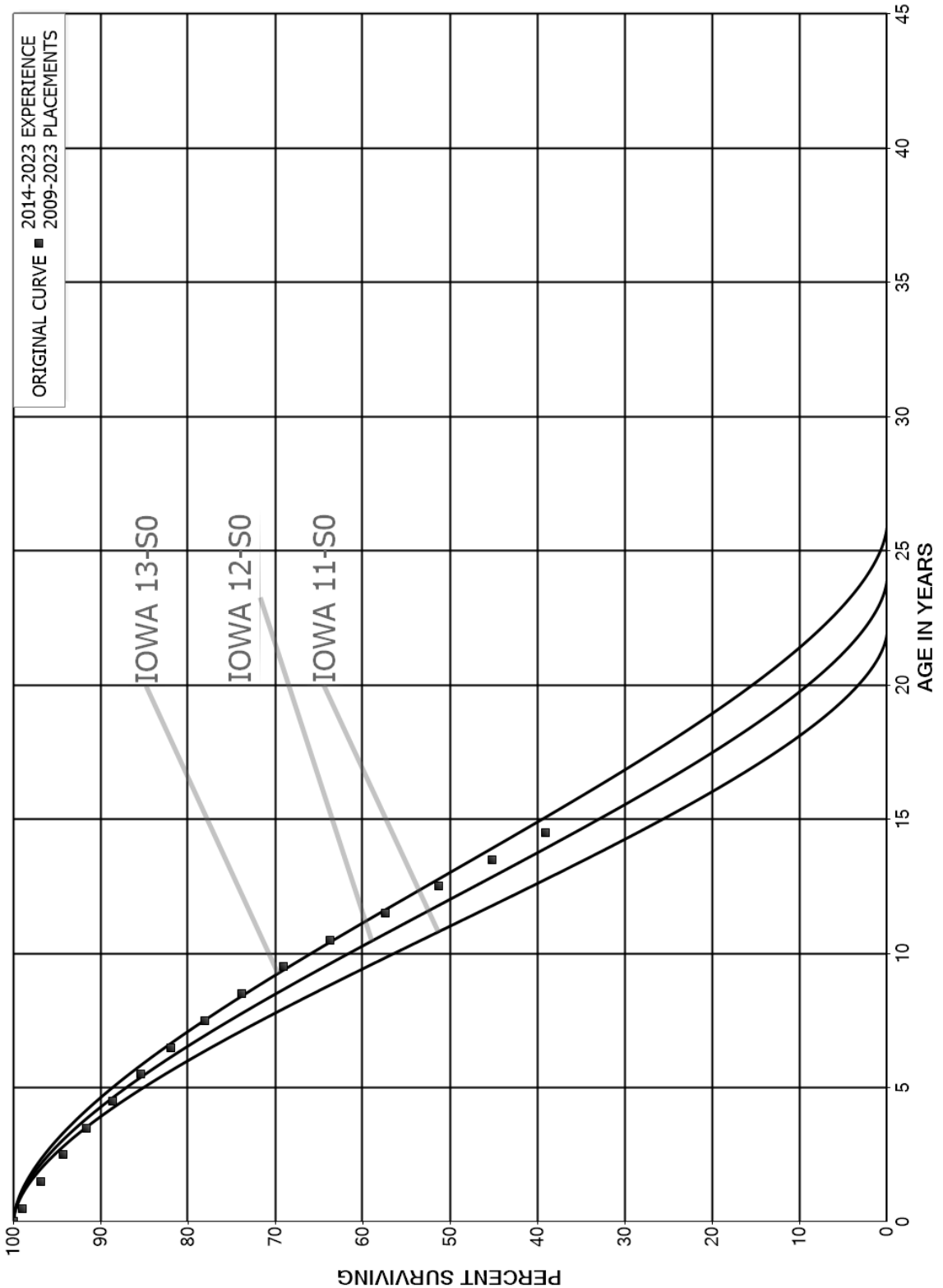


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

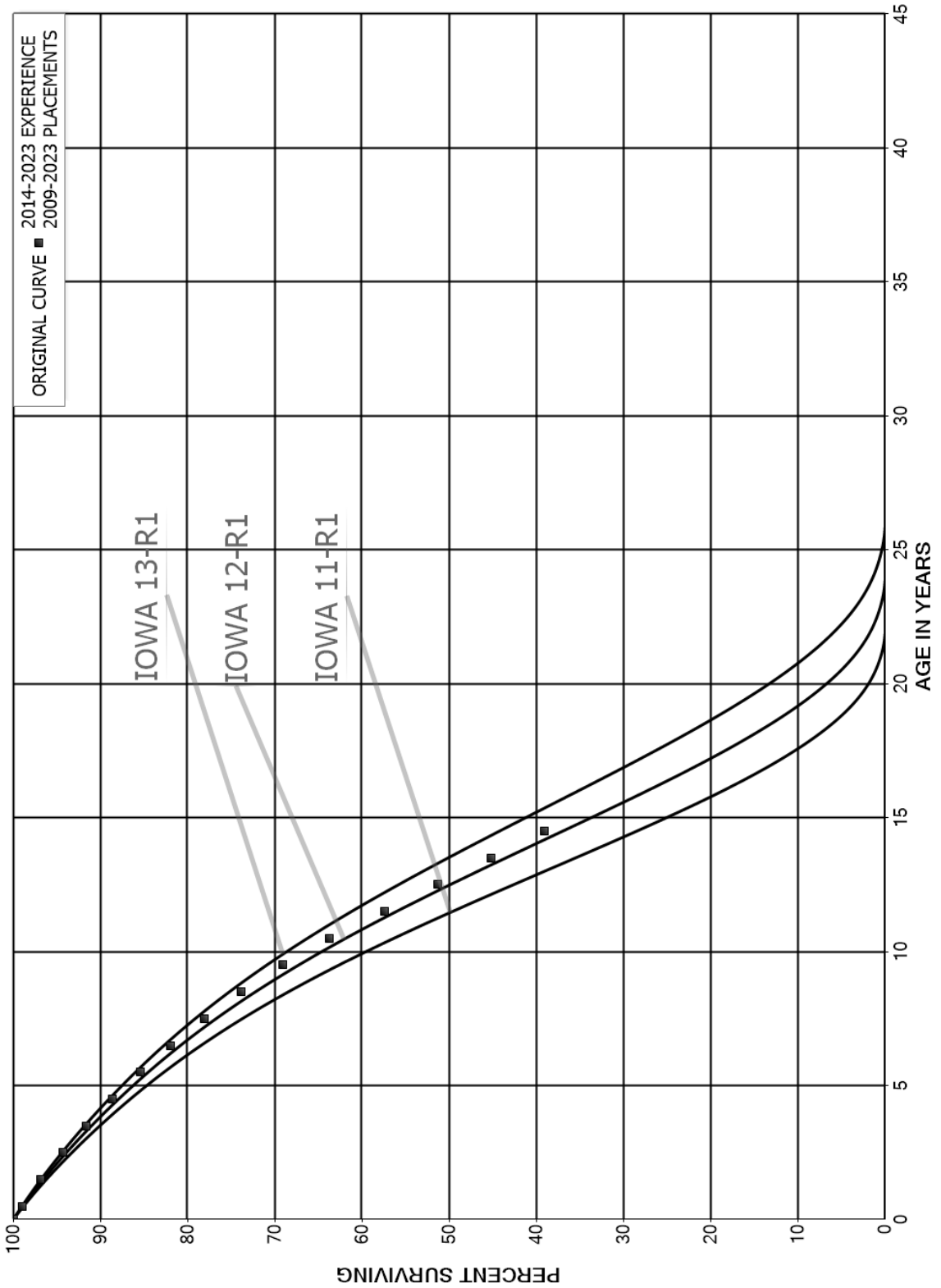
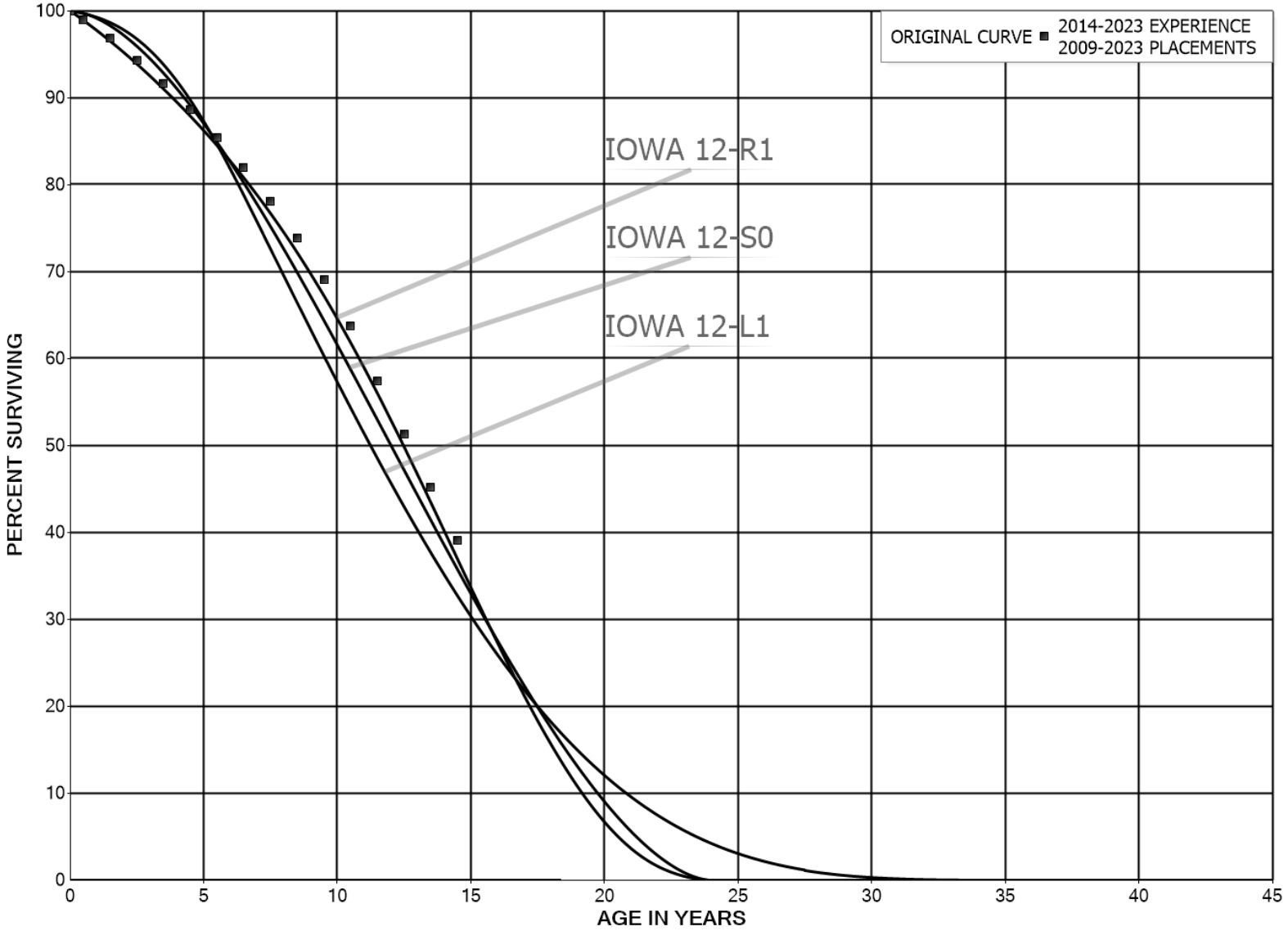


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

FIELD TRIPS

In order to be familiar with the operation of the Company and observe representative portions of the plant, field trips have been conducted. A general understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirements are obtained during field trips. This knowledge and information were incorporated in the interpretation and extrapolation of the statistical analyses.

The following is a list of the locations visited during the most recent field trips.

December 19, 2017
- Whitehaven Wastewater Treatment Plant
- Whitehaven Office
- Thornhurst Wastewater Treatment Plant
- Laurel Lakes Wastewater Treatment Plant
- Eagle Rock Wastewater Treatment Plant

December 12, 2017
- Little Washington Wastewater Treatment Plant
- New Daleville Wastewater Treatment Plant
- Willistown Woods Wastewater Treatment Plant
- Media Wastewater Treatment Plant

January 24, 2017
- King Road Wastewater Plant
- Possum Hollow Wastewater Treatment Plant
- Pump Station #5
- Pump Station #4

March 2, 2017
- Emlenton Wastewater Treatment Plant
- Mariasville Wastewater Treatment Plant
- Lamartine Wastewater Treatment Plant

Judgments

The survivor curve estimates were based on judgment which considered factors including statistical analyses of retirements, Company policies and outlook as determined during discussions with management, and survivor curve estimates from previous studies of the predecessor wastewater systems, as well as other wastewater companies. For depreciable groups which consist of numerous similar items of property, the distribution of the lives of the units in the group was judged on the basis of an average survival pattern for the entire group.

The analysis for Account 360.00, Collection Mains – Force, and Account 361.00, Collection Mains - Gravity, is used to illustrate the manner in which the study was conducted. Aged plant accounting data have been compiled for the years through 2023. These data have been coded according to account or property group, type of transaction, year in which the transaction took place, and year in which the utility plant was placed in service. The retirements, other plant transactions and plant additions were analyzed by the retirement rate method.

For Account 360.00, Collection Mains – Force, the survivor curve estimate is the 70-R3 and is based on the statistical indication for the period 2010-2023. The 70-R3 is a good fit of the significant portion of the original survivor curve as set forth on page VI-17, is consistent with management outlook for a continuation of the historical experience and is within the typical service life range of 60 to 75 years for collection mains.

The survivor curve estimate for Account 361.00, Collection Mains – Gravity is the 65-R2.5 and is based on the statistical indication for the period 2010-2023. The 65-R2.5 is a good fit of the original survivor curven as set forth on page VI-23, is consistent with

management outlook for a continuation of the historical experience and is within the typical service life range of 60 to 75 years for collection mains.

Similar studies were performed for the remaining plant accounts. Each of the judgments represented a consideration of statistical analyses of aged plant activity, management's outlook for the future, and the typical range of lives used by other wastewater companies. The amortization periods selected for general plant Accounts 390.00, 392.00, 393.00, 394.00, 396.00, and 397.00 are discussed in the section, "Amortization of General Plant Accounts."

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

BOOK RESERVE

The book reserve as of December 31, 2023, is the result of a bringforward of the book reserves established by the Commission for all other wastewater operation systems. The projected book reserve as of December 31, 2024, is a bringforward of the December 31, 2023 book reserve based on projected accruals, retirements, cost of removal, salvage and other credits.

CALCULATION OF DEPRECIATION

The annual depreciation accruals as of December 31, 2024, are based on the straight line remaining life method and the equal life group procedure. For the purpose of calculating the remaining life accruals as of December 31, 2024, the book reserve is allocated among vintages in proportion to the calculated accrued depreciation as of December 31, 2024.

Group Depreciation Procedures

A group procedure for depreciation is appropriate when considering more than a single item of property. Normally, the items within a group do not have identical service lives but have lives that are dispersed over a range of time.

In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balances of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas

the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

In the equal life group procedure, the property group is subdivided according to service life. That is, each equal life group includes that portion of the property which experiences the life of that specific group. The relative size of each equal life group is determined from the property's life dispersion curve. This procedure eliminates the need to base depreciation on average lives, inasmuch as each group is equivalent to a unit having a single life. The full costs of short-lived units are accrued during their lives, leaving no deferral of accruals required to be added to the annual costs associated with long-lived units. The calculated depreciation for the property group is the summation of the calculated depreciation based on the service life of each equal life group.

Remaining Life Annual Accruals

For the purpose of calculating remaining life accrual rates as of December 31, 2024, the estimated book depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation based on the equal life group procedure follow. The detailed calculations are set forth in the Results of The Study section of the report.

Equal Life Group Procedure

In the equal life group procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the composite remaining life for the surviving original cost of that vintage. The composite remaining life is derived by compositing the individual equal life group remaining lives in accordance with the following equation:

$$\text{Composite Remaining Life} = \frac{\sum(\frac{\text{Book Cost}}{\text{Life}} \text{ x Remaining Life})}{\sum \frac{\text{Book Cost}}{\text{Life}}}.$$

The book costs and lives of the several equal life groups which are summed in the foregoing equation are defined by the estimated survivor curve.

Inasmuch as book cost divided by life equals the whole life annual accrual, the foregoing equation reduces to the following form:

$$\text{Composite Remaining Life} = \frac{\sum \text{Whole Life Future Accruals}}{\sum \text{Whole Life Annual Accruals}}$$

or

$$\text{Composite Remaining Life} = \frac{\sum \text{Book Cost - Calc. Reserve}}{\sum \text{Whole Life Annual Accrual}}.$$

The annual accrual rate for each account is equal to the sum of the remaining life annual accruals for all vintages divided by the account's total original cost. The account's "composite remaining life" is calculated by dividing the sum of the future book accruals for all vintages by the sum of the remaining life annual accruals for all vintages.

The calculated accrued depreciation in the equal life group procedure also represents that portion of depreciable cost which will not be allocated to expense through future accruals. However, the calculation is based at the equal life group level rather than the vintage group level and does not require the use of averages. The equal life group accrued depreciation ratio is calculated as follows:

$$Ratio = 1 - \left(\frac{Remaining\ Life}{Service\ Life}\right)$$

Inasmuch as service life minus remaining life equals age, when averages are not employed, the foregoing equation reduces to:

$$Ratio = \left(\frac{Age}{Service\ Life}\right)$$

AMORTIZATION OF GENERAL PLANT ACCOUNTS

In order to use a more efficient and cost effective accounting process for equipment recorded in general plant Accounts 390, 392, 393, 394, 396, and 397; amounts capitalized in these accounts are amortized rather than depreciated. Amortization as defined in the Uniform System of Accounts is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

The primary reasons for the amortization of certain general plant accounts is that the effort required to unitize additions, periodically inventory equipment and determine amounts to be retired for equipment recorded in these accounts is disproportionate to the original cost of the equipment when compared to other wastewater plant accounts.

Accounting for such equipment using an amortization concept consists of capitalization of amounts to these accounts based on the same criteria as used previously under depreciation accounting, amortization of the asset over a fixed period, retirement of the equipment at the end of the amortization period and recognition of any net salvage related to disposition of equipment in these accounts as a gain or loss. For equipment in these accounts that was placed in service prior to implementation of amortization accounting, the net book value by vintage amortized over the remaining amortization period specified for each account and the original cost will be retired at the end of this period.

The amortization periods selected for each account or subaccount are based on a review of the existing depreciation rates for the accounts, typical service lives used for each type of equipment and a consideration of the period during which it is anticipated that most of the benefit of the equipment will be realized. The amortization periods are as follows:

Account Number	Description	Amortization Period, Years
390.00	Office Furniture and Equipment	
	Furniture	20
	Office Equipment	10
	Computer Hardware	5
	Computer Software – 10 Years	10
	Computer Software – 15 Years	15
392.00	Stores Equipment	20
393.00	Tools, Shop and Garage Equipment	20
394.00	Laboratory Equipment	25
396.00	Communication Equipment	
	General	15
	SCADA	10
397.00	Miscellaneous Equipment	25

NET SALVAGE

Experienced net salvage is incorporated in the results of the study as it was reported on the Company's books and records for the period January 1, 2020 through December 31, 2023 and estimated for the period January 1, 2024 through December 31, 2024. The calculation of the amortization is shown in Table 4 on page V-11. The amounts of gross salvage and removal cost by account for each year are set forth in the section beginning on page VIII-2.

Net salvage is presented in this manner to determine the amount of net salvage to be amortized to the cost of service for ratemaking purposes. In order to be consistent with this manner of recognizing net salvage, no adjustments for net salvage were made to the annual depreciation calculated for the individual accounts.

PART V. RESULTS OF STUDY

PART V. RESULTS OF STUDY

DESCRIPTION OF SUMMARY TABULATIONS

Table 1 summarizes the results of the depreciation study which sets forth, by depreciable group, the estimated survivor curve, calculated annual accruals and book reserve related to net original cost and the annual amortization of net salvage. Table 2 presents the bringforward to December 31, 2024 of the book reserve as of December 31, 2023. Table 3 sets forth the calculation of estimated depreciation accruals for the twelve months ended December 31, 2024. Table 4 presents the amortization of experienced and estimated net salvage, by account, based on the five-year period, 2020-2024. The total amortization amount is incorporated in the total annual accrual in Table 1.

DESCRIPTION OF DETAILED TABULATIONS

Supporting statistical data for the estimates of average service lives and survivor curves, the annual depreciation calculations, and gross salvage and cost of removal for the years 2020-2024 are presented in three sections.

The section beginning on page VI-2 sets forth, for each depreciable group analyzed by the retirement rate method, a chart depicting the original and estimated survivor curves followed by a tabular presentation of the original life table plotted on the chart. A cumulative summary, by year installed, for utility plant and the supporting data for the original cost depreciation calculations are presented in the section beginning on page VII-3. The tabulations of experienced and estimated net salvage, by year and account for the five-year period 2020-2024, are presented in the section beginning on page VIII-2.

In the first section, the survivor curves estimated for the depreciable groups are shown as dark smooth curves on the charts. Each smooth survivor curve is denoted by a numeral followed by the type curve designation. The numeral used is the average life derived from the entire curve from 100 percent to zero percent surviving. In cases where only a segment of the estimated curve is used in the depreciation calculation, the numeral used for identification purposes is not a designation of the average life of the group. The titles of the charts indicate the group, the symbol used to plot the points of the original life table, and the experience and placement bands of the life tables which were plotted. The experience band indicates the range of years for which the retirements were used to develop the stub survivor curve. The placements indicate, for the related experience band, the range of years of installations which appear in the experience.

The tables of the calculated annual depreciation related to original cost are presented in account sequence in the second section and indicate the estimated average survivor curves used in the calculations. The tables set forth, for each installation year, the original cost, calculated accrued depreciation, allocated book reserve, remaining life expectancy, and the calculated annual accrual.

Detailed tabulations setting forth the cost of removal, gross salvage and net salvage amounts, by account and year, are presented in the third section. The net salvage amounts, by account and year, are carried forward to Table 4, which presents the five-year amortization of net salvage.

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	4,400,256.26					
TOTAL INTANGIBLE PLANT			4,400,256.26					
NONDEPRECIABLE PLANT								
353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	52,284.04					
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	2,121,792.38					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	7,571,636.17					
TOTAL NONDEPRECIABLE PLANT			9,745,712.59					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	40-S1.5	44,442,242.82	5,765,751	38,676,492	1,341,166	3.02	28.8
	PUMPING	55-R2	22,977,664.36	10,242,133	12,735,532	432,041	1.88	29.5
	TREATMENT AND DISPOSAL	45-S1	76,887,562.71	31,889,625	44,997,938	1,867,869	2.43	24.1
	RECLAIMED WATER TREATMENT	60-R2.5	2,213,457.80	842,485	1,370,973	41,646	1.88	32.9
	GENERAL	50-R3	1,853,415.77	1,283,691	569,725	28,123	1.52	20.3
	TOTAL ACCOUNT 354		148,374,343.46	50,023,685	98,350,660	3,710,845		
355.00	POWER GENERATING EQUIPMENT							
	COLLECTION	30-R3	233,102.06	54,476	178,626	8,691	3.73	20.6
	PUMPING	30-R3	2,088,939.31	1,476,027	612,912	51,819	2.48	11.8
	TREATMENT AND DISPOSAL	30-R3	5,256,714.63	1,993,305	3,263,410	169,335	3.22	19.3
	TOTAL ACCOUNT 355		7,578,756.00	3,523,808	4,054,948	229,845		
360.00	COLLECTION MAINS - FORCE	70-R3	86,533,155.55	28,779,421	57,753,734	1,415,067	1.64	40.8
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	169,710,527.91	51,785,936	117,924,592	3,157,311	1.86	37.3
362.00	SPECIAL COLLECTING STRUCTURES	45-R3	11,400.44	6,194	5,206	310	2.72	16.8
363.00	SERVICES	70-R4	29,722,501.19	14,409,426	15,313,075	373,988	1.26	40.9
364.00	METERS	30-L2.5	1,161,101.96	507,301	653,801	38,054	3.28	17.2
370.30	RECEIVING WELLS	40-S2.5	3,175,305.11	1,748,831	1,426,475	99,497	3.13	14.3
371.00	PUMPING EQUIPMENT							
	PUMPING	30-L1.5	31,786,917.51	15,410,859	16,376,058	992,834	3.12	16.5
	RECLAIMED WATER TREATMENT	30-L1.5	196,633.41	133,480	63,154	5,048	2.57	12.5
	TOTAL ACCOUNT 371		31,983,550.92	15,544,339	16,439,212	997,882		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	96,357,400.29	23,887,536	72,469,864	2,763,473	2.87	26.2
381.00	PLANT SEWERS							
	TREATMENT AND DISPOSAL	40-R2	122,375.79	46,045	76,331	3,468	2.83	22.0
	RECLAIMED WATER TREATMENT	40-R2	6,264.17	2,159	4,106	183	2.92	22.4
	TOTAL ACCOUNT 381		128,639.96	48,204	80,437	3,651		
382.00	OUTFALL LINES	40-R2.5	375,199.36	190,467	184,732	10,801	2.88	17.1

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							
	COLLECTION	20-L3	661,408.27	492,694	168,715	29,054	4.39	5.8
	PUMPING	20-L3	67,370.96	44,745	22,626	3,142	4.66	7.2
	TREATMENT AND DISPOSAL	25-S2.5	12,074.50	8,771	3,303	354	2.93	9.3
	TOTAL ACCOUNT 389		740,853.73	546,210	194,644	32,550		
390.00	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	40,671.88	14,812	25,859	1,582	*	16.3
	OFFICE EQUIPMENT	10-SQ	243,730.72	98,526	145,204	102,358	*	1.4
	COMPUTER HARDWARE	5-SQ	689,663.56	170,263	519,401	145,920	*	3.6
	COMPUTER SOFTWARE - 10 YEARS	10-SQ	804,747.40	209,826	594,922	69,348	*	8.6
	COMPUTER SOFTWARE - 15 YEARS	15-SQ	830,553.89	230,476	600,078	47,407	*	12.7
	TOTAL ACCOUNT 390		2,609,367.45	723,903	1,885,464	366,615		
391.00	TRANSPORTATION EQUIPMENT	13-S1.5	1,980,574.12	1,501,448	479,126	57,201	2.89	8.4
392.00	STORES EQUIPMENT	20-SQ	5,075.00	3,100	1,975	439	*	4.5
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	880,830.46	167,710	713,120	50,591	*	14.1
394.00	LABORATORY EQUIPMENT	25-SQ	1,003,254.11	374,279	628,975	38,111	*	16.5
395.00	POWER OPERATED EQUIPMENT	20-L4	224,475.89	188,386	36,090	8,339	3.71	4.3
	COMMUNICATION EQUIPMENT							
396.00	GENERAL	15-SQ	1,820,438.46	521,094	1,299,345	126,274	*	10.3
396.70	SCADA	10-SQ	4,197,116.60	1,636,754	2,560,363	445,300	*	5.7
	TOTAL ACCOUNT 396		6,017,555.06	2,157,848	3,859,708	571,574		
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	43,665.44	27,494	16,171	1,163	*	13.9
TOTAL DEPRECIABLE PLANT			**588,617,533.41**	**196,145,527**	**392,472,009**	**13,927,307**		
TOTAL WASTEWATER PLANT IN SERVICE			**602,763,502.26**	**196,145,527**	**392,472,009**	**13,927,307**		
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	40-S1.5	1,767,436.23	628,461	1,138,975	46,821	2.65	24.3
	PUMPING	55-R2	1,398,102.45	310,383	1,087,719	29,591	2.12	36.8
	TREATMENT AND DISPOSAL	45-S1	6,615,296.50	2,937,979	3,677,318	176,373	2.67	20.8
	GENERAL	50-R3	14,636.81	10,790	3,846	287	1.96	13.4
	TOTAL ACCOUNT 354		9,795,471.99	3,887,613	5,907,858	253,072		
360.00	COLLECTION MAINS - FORCE	70-R3	10,839,254.59	2,349,638	8,489,616	175,242	1.62	48.4
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	8,575,859.15	1,413,587	7,162,272	163,057	1.90	43.9
363.00	SERVICES	70-R4	2,701,859.06	692,159	2,009,700	36,651	1.36	54.8
371.30	PUMPING EQUIPMENT - PUMPING	30-L1.5	667,549.13	239,645	427,904	24,788	3.71	17.3

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	1,617,779.51	1,031,551	586,228	30,533	1.89	19.2
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R2	1,536.55	1,407	129	22	1.43	5.9
382.00	OUTFALL LINES	40-R2.5	1,536.55	1,435	102	19	1.24	5.4
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	9,355	3,676	549	4.21	6.7
396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	4,491	6,692	1,135	10.15	5.9
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**34,225,059.74**	**9,630,882**	**24,594,177**	**685,068**		
	AMORTIZATION OF NET SALVAGE					**254,593**		
TOTAL WASTEWATER PLANT			**568,538,442.52**	**186,514,645**	**367,877,832**	**13,496,832**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
TABLE 2. BRINGFORWARD TO DECEMBER 31, 2024 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		ADJUSTMENTS		BOOK RESERVE AS OF DECEMBER 31, 2024
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	+	(8)	=	(9)
354.20	4,403,669		1,343,534		24,413		4,399				1,465				5,765,751
354.30	9,798,418		440,770		10,461		6,949				567				10,242,133
354.40	29,876,711		1,918,440		149,870		47,677				7,719				31,889,625
354.50	780,756		43,310		18,420										842,485
354.70	1,255,151		28,717				177								1,283,691
355.20	46,104		8,460				88								54,476
355.30	1,422,151		54,416				539								1,476,027
355.40	1,839,210		163,406				9,311								1,993,305
360.00	27,387,781		1,404,366		3,094		15,499				321				28,779,421
361.00	48,763,704		3,087,629		1,530		66,600				326				51,785,936
362.00	5,876		318												6,194
363.00	14,038,857		370,256		3,556		2,727				516				14,409,426
364.00	469,509		38,475				682								507,301
370.30	1,645,951		102,880												1,748,831
371.30	14,534,054		979,214		4,744		102,853				4,300				15,410,859
371.50	136,607		4,950				8,077								133,480
380.00	21,544,683		2,616,806		32,256		288,029				18,180				23,887,536
381.40	42,496		3,549												46,045
381.50	1,971		188												2,159
382.00	179,510		10,957												190,467
389.20	459,689		33,004												492,694
389.30	41,383		3,362												44,745
389.40	8,403		368												8,771
390.71	13,106		1,707												14,812
390.73	74,449		24,077												98,526
390.75	245,385		103,361				178,484								170,263
390.76	293,162		58,510				141,846								209,826
390.77	192,083		38,393												230,476
391.00	1,455,343		40,469		5,636										1,501,448
392.00	2,846		254												3,100
393.00	126,581		41,075										55		167,710
394.00	336,140		38,119										20		374,279
395.00	178,307		10,079												188,386
396.00	418,277		115,266				11,871				579				521,094
396.70	1,236,144		399,410		1,200										1,636,754
397.00	28,477		1,638				2,621								27,494
SUBTOTAL	**183,282,942**		**13,529,732**		**255,180**		**888,429**		**0**		**33,974**		**75**		**196,145,527**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
TABLE 2. BRINGFORWARD TO DECEMBER 31, 2024 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		ADJUSTMENTS		BOOK RESERVE AS OF DECEMBER 31, 2024
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	+	(8)	=	(9)
LESS:															
CUSTOMERS' ADVANCES AND CONTRIBUTIONS															
354.20	(580,917)		(47,544)												(628,461)
354.30	(280,184)		(30,199)												(310,383)
354.40	(2,756,058)		(181,921)												(2,937,979)
354.70	(10,496)		(294)												(10,790)
360.00	(2,172,959)		(176,680)												(2,349,638)
361.00	(1,252,080)		(161,507)												(1,413,587)
363.00	(655,684)		(36,475)												(692,159)
371.30	(214,145)		(25,500)												(239,645)
380.00	(1,000,166)		(31,385)												(1,031,551)
381.40	(1,383)		(24)												(1,407)
382.00	(1,412)		(23)												(1,435)
389.20	(8,760)		(594)												(9,355)
390.71	(275)						(275)								0
393.00	(4,504)						(4,449)						55		0
394.00	(1,383)						(1,363)						20		0
396.70	(3,356)		(1,135)												(4,491)
SUBTOTAL	**(8,943,762)**		**(693,282)**		**0**		**(6,087)**		**0**		**0**		**75**		**(9,630,882)**
TOTAL	**174,339,181**		**12,836,450**		**255,180**		**882,342**		**0**		**33,974**		**150**		**186,514,645**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2024

	ACCOUNT	ORIGINAL COST AS OF DECEMBER 31, 2023	ORIGINAL COST AS OF DECEMBER 31, 2024	COMPOSITE ACCRUAL RATE		ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)		(5)
UTILITY PLANT IN SERVICE						
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	43,948,123.03	44,442,242.82	3.04		1,343,534
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	22,935,901.68	22,977,664.36	1.92		440,770
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	76,587,664.35	76,887,562.71	2.50		1,918,440
354.50	STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT	2,205,888.43	2,213,457.80	1.96		43,310
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	1,852,007.66	1,853,415.77	1.55		28,717
355.20	POWER GENERATING EQUIPMENT - COLLECTION	213,328.02	233,102.06	3.79		8,460
355.30	POWER GENERATING EQUIPMENT - PUMPING	2,049,126.98	2,088,939.31	2.63		54,416
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	4,892,728.69	5,256,714.63	3.22		163,406
360.00	COLLECTION MAINS - FORCE	84,730,991.48	86,533,155.55	1.64		1,404,366
361.00	COLLECTION MAINS - GRAVITY	158,760,597.19	169,710,527.91	1.88		3,087,629
362.00	SPECIAL COLLECTING STRUCTURES	11,400.44	11,400.44	2.79		318
363.00	SERVICES	29,048,340.03	29,722,501.19	1.26		370,256
364.00	METERS	1,135,884.08	1,161,101.96	3.35		38,475
370.30	RECEIVING WELLS	3,175,305.11	3,175,305.11	3.24		102,880
371.30	PUMPING EQUIPMENT - PUMPING	30,385,381.22	31,786,917.51	3.15		979,214
371.50	PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT	196,221.57	196,633.41	2.52		4,950
380.00	TREATMENT AND DISPOSAL EQUIPMENT	86,636,000.99	96,357,400.29	2.86		2,616,806
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	122,375.79	122,375.79	2.90		3,549
381.50	PLANT SEWERS - RECLAIMED WATER TREATMENT	6,264.17	6,264.17	3.00		188
382.00	OUTFALL LINES	370,199.36	375,199.36	2.94		10,957
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	661,408.27	661,408.27	4.99		33,004
389.30	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING	67,370.96	67,370.96	4.99		3,362
389.40	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL	12,074.50	12,074.50	3.05		368
390.71	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	27,598.84	40,671.88	5.00	*	1,707
390.73	OFFICE FURNITURE AND EQUIPMENT - OFFICE EQUIPMENT	237,810.91	243,730.72	10.00	*	24,077
390.75	OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE	343,948.04	689,663.56	20.00	*	103,361
390.76	OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10 YEARS	365,453.97	804,747.40	10.00	*	58,510
390.77	OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15 YEARS	320,654.32	830,553.89	6.67	*	38,393
391.00	TRANSPORTATION EQUIPMENT	1,766,574.12	1,980,574.12	2.16		40,469
392.00	STORES EQUIPMENT	5,075.00	5,075.00	5.00	*	254
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	762,172.70	880,830.46	5.00	*	41,075
394.00	LABORATORY EQUIPMENT	902,671.44	1,003,254.11	4.00	*	38,119
395.00	POWER OPERATED EQUIPMENT	224,475.89	224,475.89	4.49		10,079
396.00	COMMUNICATION EQUIPMENT - GENERAL	1,661,929.97	1,820,438.46	6.62	*	115,266
396.70	COMMUNICATION EQUIPMENT - SCADA	3,791,086.18	4,197,116.60	10.00	*	399,410
397.00	MISCELLANEOUS EQUIPMENT	43,485.20	43,665.44	3.76	*	1,638
	TOTAL UTILITY PLANT IN SERVICE	**560,457,520.58**	**588,617,533.41**			**13,529,732**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2024

	ACCOUNT	ORIGINAL COST AS OF DECEMBER 31, 2023	ORIGINAL COST AS OF DECEMBER 31, 2024	COMPOSITE ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)	(5)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION					
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	1,767,436.23	1,767,436.23	2.69	47,544
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	1,398,102.45	1,398,102.45	2.16	30,199
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	6,615,296.50	6,615,296.50	2.75	181,921
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	14,636.81	14,636.81	2.01	294
360.20	COLLECTION MAINS - FORCE	10,839,254.59	10,839,254.59	1.63	176,680
361.20	COLLECTION MAINS - GRAVITY	8,160,651.15	8,575,859.15	1.93	161,507
363.20	SERVICES	2,701,859.06	2,701,859.06	1.35	36,475
371.30	PUMPING EQUIPMENT - PUMPING	667,549.13	667,549.13	3.82	25,500
380.40	TREATMENT AND DISPOSAL EQUIPMENT	1,617,779.51	1,617,779.51	1.94	31,385
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	1,536.55	1,536.55	1.56	24
382.40	OUTFALL LINES	1,536.55	1,536.55	1.50	23
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	13,030.75	13,030.75	4.56	594
390.71	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	274.98	0.00		-
393.70	TOOLS, SHOP AND GARAGE EQUIPMENT	4,449.14	0.00		-
394.70	LABORATORY EQUIPMENT	1,362.82	0.00		-
396.70	COMMUNICATION EQUIPMENT - SCADA	11,182.46	11,182.46	10.15	1,135
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**33,815,938.68**	**34,225,059.74**		**693,282**
	TOTAL PLANT IN SERVICE	**526,641,581.90**	**554,392,473.67**		**12,836,450**

* ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

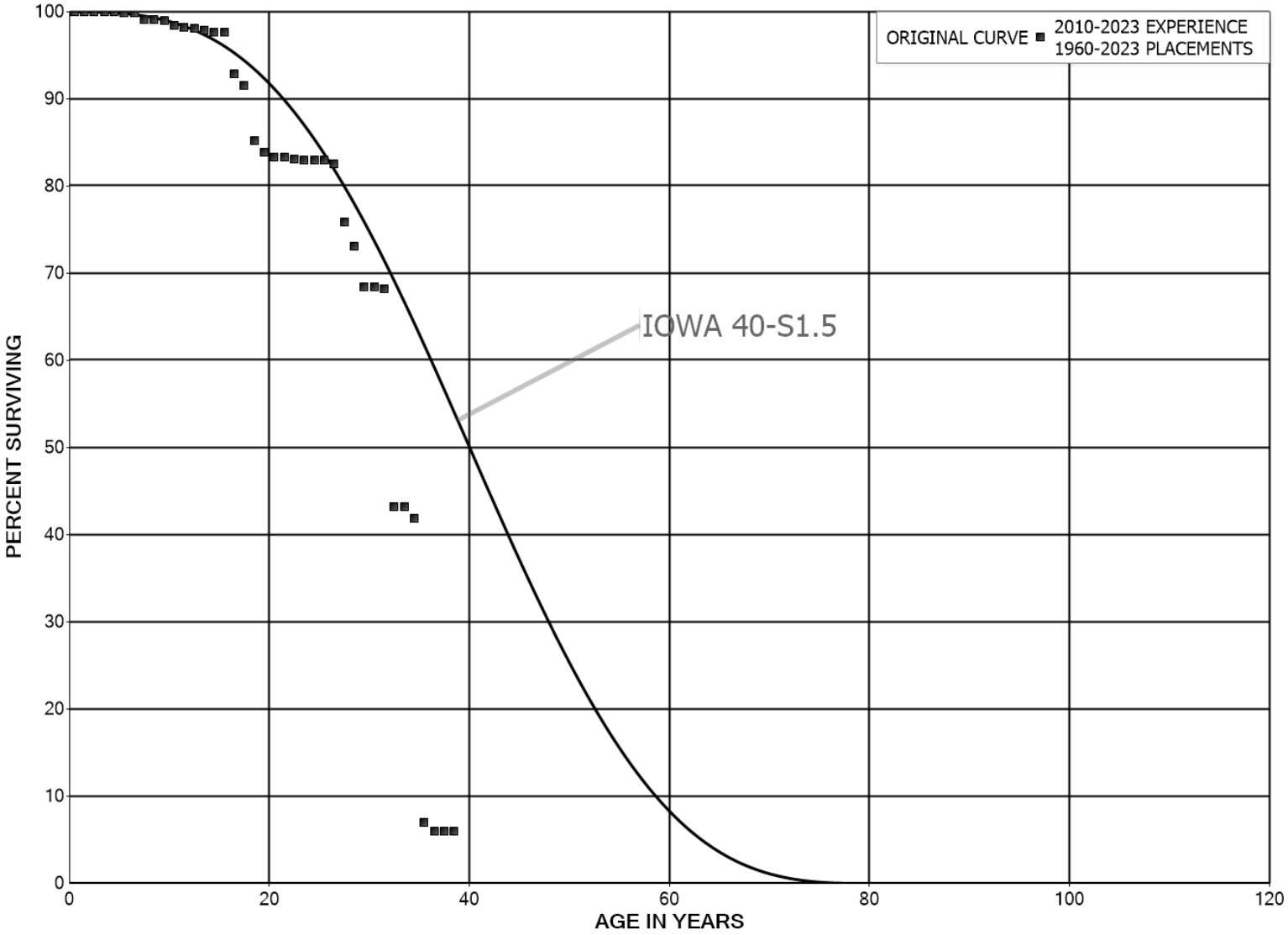
TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2020		2021		2022		2023		2024			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
354.20				122,064						1,465	(123,529)	(24,706)
354.30		52,303								567	(52,871)	(10,574)
354.40		739,453		844						7,719	(748,016)	(149,603)
354.50				92,099							(92,099)	(18,420)
360.00						7,822				321	(8,143)	(1,629)
361.00										326	(326)	(65)
363.00		4,078		3,938		7,606				516	(16,138)	(3,228)
371.30		13,319								4,300	(17,619)	(3,524)
380.00		142,234		19,976		153		(1,082)		18,180	(179,460)	(35,892)
391.70							2,900	31,079			(28,179)	(5,636)
396.70				6,000						579	(6,578)	(1,316)
TOTAL	**-**	**951,387**	**-**	**244,921**	**-**	**15,580**	**2,900**	**29,997**	**-**	**33,974**	**(1,272,959)**	**(254,593)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART VI. SERVICE LIFE STATISTICS

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	38,707,662		0.0000	1.0000	100.00
0.5	25,382,929		0.0000	1.0000	100.00
1.5	25,120,085		0.0000	1.0000	100.00
2.5	24,798,133		0.0000	1.0000	100.00
3.5	3,623,009		0.0000	1.0000	100.00
4.5	3,636,757	5,669	0.0016	0.9984	100.00
5.5	3,630,186		0.0000	1.0000	99.84
6.5	5,491,484	45,724	0.0083	0.9917	99.84
7.5	5,238,604		0.0000	1.0000	99.01
8.5	6,251,741	1,332	0.0002	0.9998	99.01
9.5	6,409,672	36,966	0.0058	0.9942	98.99
10.5	6,373,165	18,469	0.0029	0.9971	98.42
11.5	6,418,406	5,028	0.0008	0.9992	98.14
12.5	4,472,091	10,246	0.0023	0.9977	98.06
13.5	3,587,330	6,016	0.0017	0.9983	97.83
14.5	2,683,265	536	0.0002	0.9998	97.67
15.5	2,682,729	133,633	0.0498	0.9502	97.65
16.5	1,302,827	17,373	0.0133	0.9867	92.79
17.5	1,315,900	90,927	0.0691	0.9309	91.55
18.5	1,209,746	20,425	0.0169	0.9831	85.22
19.5	1,189,321	7,344	0.0062	0.9938	83.78
20.5	1,181,977		0.0000	1.0000	83.27
21.5	1,269,743	2,658	0.0021	0.9979	83.27
22.5	423,960	517	0.0012	0.9988	83.09
23.5	262,668		0.0000	1.0000	82.99
24.5	262,209		0.0000	1.0000	82.99
25.5	201,156	1,082	0.0054	0.9946	82.99
26.5	187,208	15,335	0.0819	0.9181	82.54
27.5	171,873	6,192	0.0360	0.9640	75.78
28.5	120,775	7,708	0.0638	0.9362	73.05
29.5	113,067		0.0000	1.0000	68.39
30.5	113,067	401	0.0035	0.9965	68.39
31.5	101,243	37,120	0.3666	0.6334	68.15
32.5	64,124		0.0000	1.0000	43.16
33.5	64,124	1,937	0.0302	0.9698	43.16
34.5	62,186	51,869	0.8341	0.1659	41.86
35.5	10,317	1,424	0.1380	0.8620	6.94
36.5	8,893		0.0000	1.0000	5.99
37.5	8,893		0.0000	1.0000	5.99
38.5	8,893		0.0000	1.0000	5.99

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

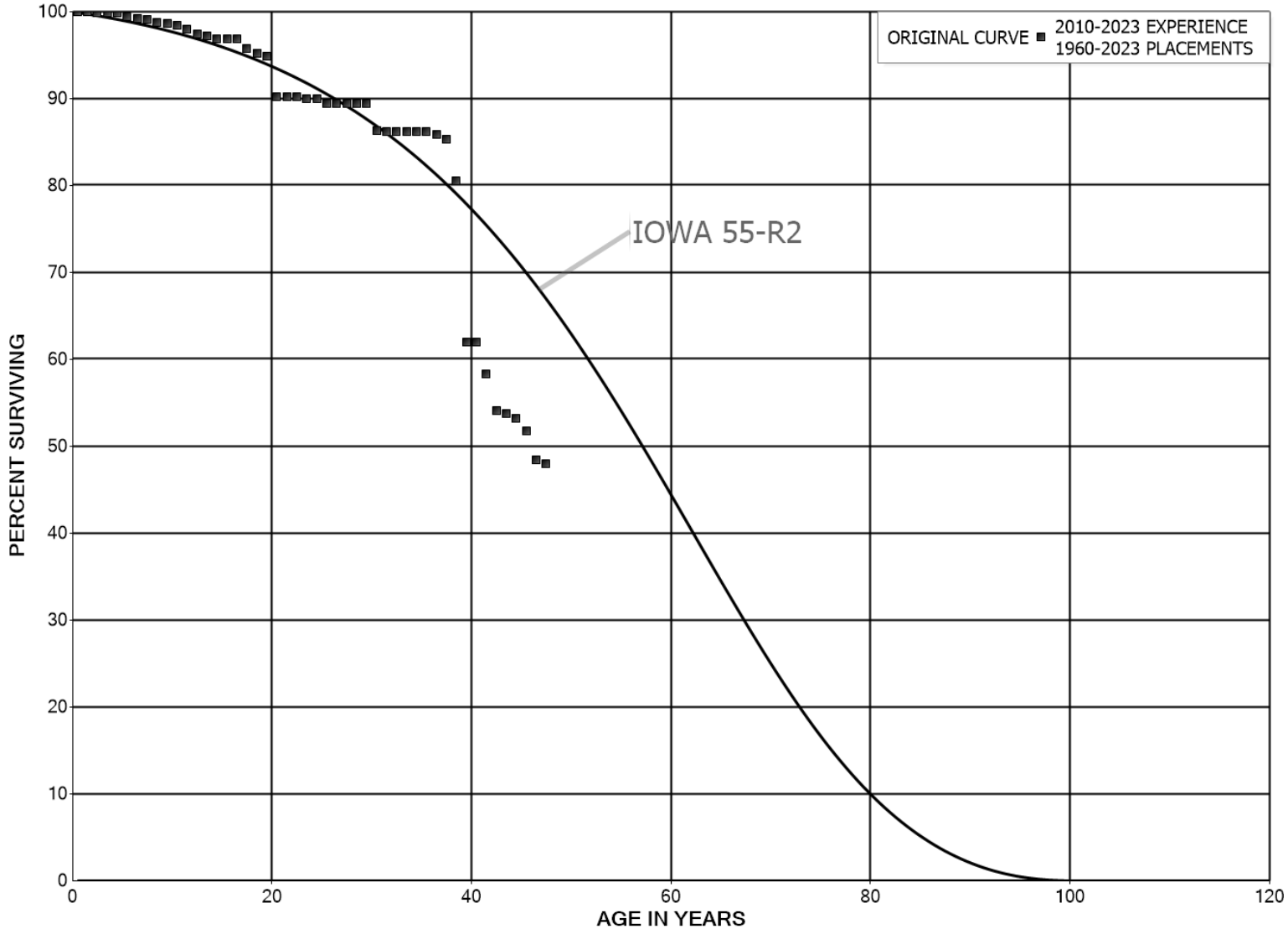
ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	8,893	1,953	0.2196	0.7804	5.99
40.5					4.67
41.5					
42.5					
43.5					
44.5					
45.5					
46.5					
47.5					
48.5					
49.5	9,083		0.0000		
50.5	9,083		0.0000		
51.5	9,083		0.0000		
52.5	9,083		0.0000		
53.5	9,083	880	0.0969		
54.5	8,203	2,151	0.2623		
55.5	6,051		0.0000		
56.5	6,051	1,192	0.1970		
57.5	4,859	289	0.0596		
58.5	4,570	324	0.0709		
59.5	4,246	1,289	0.3036		
60.5	2,957	2,798	0.9461		
61.5	159		0.0000		
62.5	159		0.0000		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	4,610,717		0.0000	1.0000	100.00
0.5	5,377,276	812	0.0002	0.9998	100.00
1.5	5,715,638	8,566	0.0015	0.9985	99.98
2.5	6,296,064		0.0000	1.0000	99.84
3.5	5,776,241	2,709	0.0005	0.9995	99.84
4.5	5,857,341	24,216	0.0041	0.9959	99.79
5.5	5,540,014	8,366	0.0015	0.9985	99.38
6.5	3,697,678	6,716	0.0018	0.9982	99.23
7.5	8,793,420	29,171	0.0033	0.9967	99.05
8.5	8,629,023	5,526	0.0006	0.9994	98.72
9.5	4,511,142	14,165	0.0031	0.9969	98.65
10.5	3,796,706	17,238	0.0045	0.9955	98.34
11.5	3,033,800	13,984	0.0046	0.9954	97.90
12.5	3,041,754	9,361	0.0031	0.9969	97.45
13.5	4,113,747	12,747	0.0031	0.9969	97.15
14.5	5,854,799		0.0000	1.0000	96.85
15.5	5,548,693		0.0000	1.0000	96.85
16.5	3,718,900	43,470	0.0117	0.9883	96.85
17.5	3,680,213	21,233	0.0058	0.9942	95.71
18.5	3,368,675	11,712	0.0035	0.9965	95.16
19.5	4,262,078	211,392	0.0496	0.9504	94.83
20.5	2,478,945		0.0000	1.0000	90.13
21.5	4,473,942		0.0000	1.0000	90.13
22.5	3,315,435	4,978	0.0015	0.9985	90.13
23.5	2,172,652	1,138	0.0005	0.9995	89.99
24.5	1,909,126	11,595	0.0061	0.9939	89.94
25.5	2,418,635		0.0000	1.0000	89.40
26.5	2,152,421		0.0000	1.0000	89.40
27.5	2,615,998		0.0000	1.0000	89.40
28.5	2,380,900		0.0000	1.0000	89.40
29.5	2,359,215	82,791	0.0351	0.9649	89.40
30.5	2,034,330	811	0.0004	0.9996	86.26
31.5	3,697,780	2,409	0.0007	0.9993	86.23
32.5	3,316,392		0.0000	1.0000	86.17
33.5	2,993,590		0.0000	1.0000	86.17
34.5	3,189,049	980	0.0003	0.9997	86.17
35.5	2,232,436	6,598	0.0030	0.9970	86.14
36.5	1,688,791	12,083	0.0072	0.9928	85.89
37.5	546,452	30,727	0.0562	0.9438	85.27
38.5	173,811	39,969	0.2300	0.7700	80.48

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

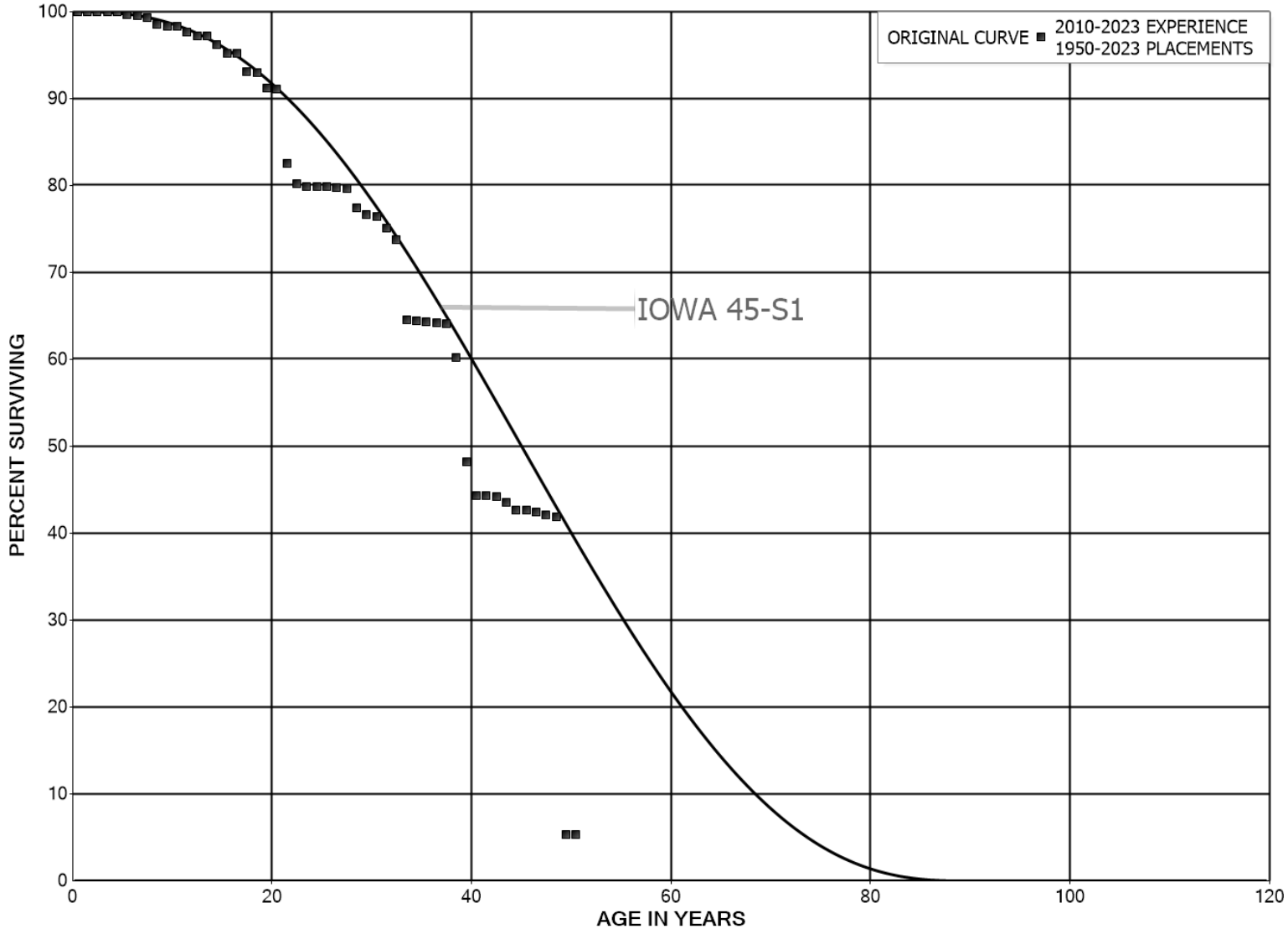
ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	204,911		0.0000	1.0000	61.97
40.5	200,995	12,110	0.0603	0.9397	61.97
41.5	762,364	54,116	0.0710	0.9290	58.24
42.5	707,376	4,733	0.0067	0.9933	54.10
43.5	476,305	5,051	0.0106	0.9894	53.74
44.5	1,251,679	33,832	0.0270	0.9730	53.17
45.5	1,085,317	70,261	0.0647	0.9353	51.74
46.5	1,015,056	8,990	0.0089	0.9911	48.39
47.5	781,056	742	0.0010	0.9990	47.96
48.5	403	403	1.0000		47.91
49.5	936		0.0000	1.0000	
50.5					
51.5	517		0.0000		
52.5					
53.5					
54.5					
55.5					
56.5	151,991		0.0000		
57.5	474,982		0.0000		
58.5	322,991	4	0.0000		
59.5	2,271,711		0.0000		
60.5	2,481,346		0.0000		
61.5	2,481,346		0.0000		
62.5	2,481,346	768	0.0003		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1950-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	28,444,703		0.0000	1.0000	100.00
0.5	30,174,221	2,265	0.0001	0.9999	100.00
1.5	30,333,030		0.0000	1.0000	99.99
2.5	30,432,889	9,312	0.0003	0.9997	99.99
3.5	23,118,494	9,412	0.0004	0.9996	99.96
4.5	11,878,962	34,166	0.0029	0.9971	99.92
5.5	10,321,182	18,604	0.0018	0.9982	99.63
6.5	8,484,145	11,225	0.0013	0.9987	99.45
7.5	12,136,748	98,278	0.0081	0.9919	99.32
8.5	20,869,083	39,781	0.0019	0.9981	98.52
9.5	21,069,859	20,838	0.0010	0.9990	98.33
10.5	11,902,697	68,307	0.0057	0.9943	98.23
11.5	11,694,148	56,471	0.0048	0.9952	97.67
12.5	10,385,251	7,785	0.0007	0.9993	97.20
13.5	10,082,699	99,729	0.0099	0.9901	97.13
14.5	12,666,698	133,937	0.0106	0.9894	96.16
15.5	13,470,723		0.0000	1.0000	95.15
16.5	12,773,638	276,249	0.0216	0.9784	95.15
17.5	10,003,089	9,764	0.0010	0.9990	93.09
18.5	10,591,646	210,294	0.0199	0.9801	93.00
19.5	13,664,333	9,631	0.0007	0.9993	91.15
20.5	9,855,430	932,887	0.0947	0.9053	91.09
21.5	6,660,603	185,819	0.0279	0.9721	82.47
22.5	15,218,748	52,790	0.0035	0.9965	80.17
23.5	16,223,253	10,314	0.0006	0.9994	79.89
24.5	14,183,395	5,867	0.0004	0.9996	79.84
25.5	4,295,484	2,783	0.0006	0.9994	79.80
26.5	3,353,279	4,448	0.0013	0.9987	79.75
27.5	3,526,482	99,129	0.0281	0.9719	79.65
28.5	2,712,286	29,307	0.0108	0.9892	77.41
29.5	4,188,925	10,032	0.0024	0.9976	76.57
30.5	7,355,171	130,814	0.0178	0.9822	76.39
31.5	16,595,135	299,946	0.0181	0.9819	75.03
32.5	14,019,512	1,741,012	0.1242	0.8758	73.67
33.5	12,508,549	35,197	0.0028	0.9972	64.52
34.5	9,955,105	8,404	0.0008	0.9992	64.34
35.5	9,835,399	24,054	0.0024	0.9976	64.29
36.5	9,144,698	16,896	0.0018	0.9982	64.13
37.5	308,855	18,347	0.0594	0.9406	64.01
38.5	147,742	29,553	0.2000	0.8000	60.21

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

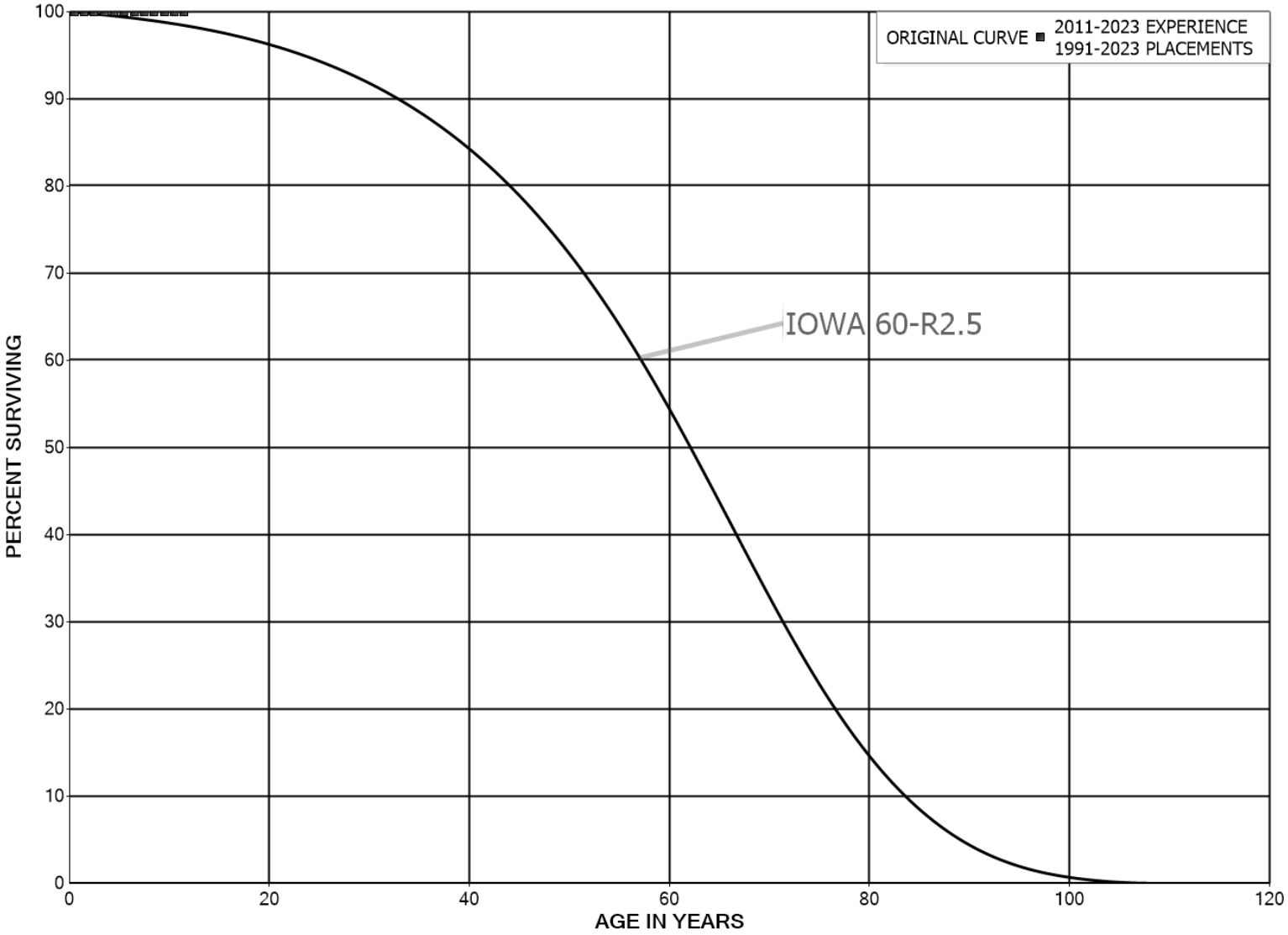
ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1950-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	118,320	9,485	0.0802	0.9198	48.17
40.5	495,076		0.0000	1.0000	44.30
41.5	495,076	1,160	0.0023	0.9977	44.30
42.5	489,937	8,231	0.0168	0.9832	44.20
43.5	479,254	9,139	0.0191	0.9809	43.46
44.5	629,083	461	0.0007	0.9993	42.63
45.5	1,571,508	6,806	0.0043	0.9957	42.60
46.5	1,511,433	13,698	0.0091	0.9909	42.41
47.5	546,962	2,026	0.0037	0.9963	42.03
48.5	439,237	383,981	0.8742	0.1258	41.87
49.5	55,257		0.0000	1.0000	5.27
50.5	3,230,607		0.0000	1.0000	5.27
51.5	3,209,447		0.0000	1.0000	5.27
52.5	3,202,171		0.0000	1.0000	5.27
53.5					5.27
54.5					
55.5	2,343,080		0.0000		
56.5	2,343,080		0.0000		
57.5					
58.5					
59.5	420,422		0.0000		
60.5	420,422	3,111	0.0074		
61.5	417,311		0.0000		
62.5	417,311		0.0000		
63.5	417,311		0.0000		
64.5	417,311		0.0000		
65.5	417,311		0.0000		
66.5	417,311	44,392	0.1064		
67.5	372,918		0.0000		
68.5	372,918	416	0.0011		
69.5	372,502	372,502	1.0000		
70.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

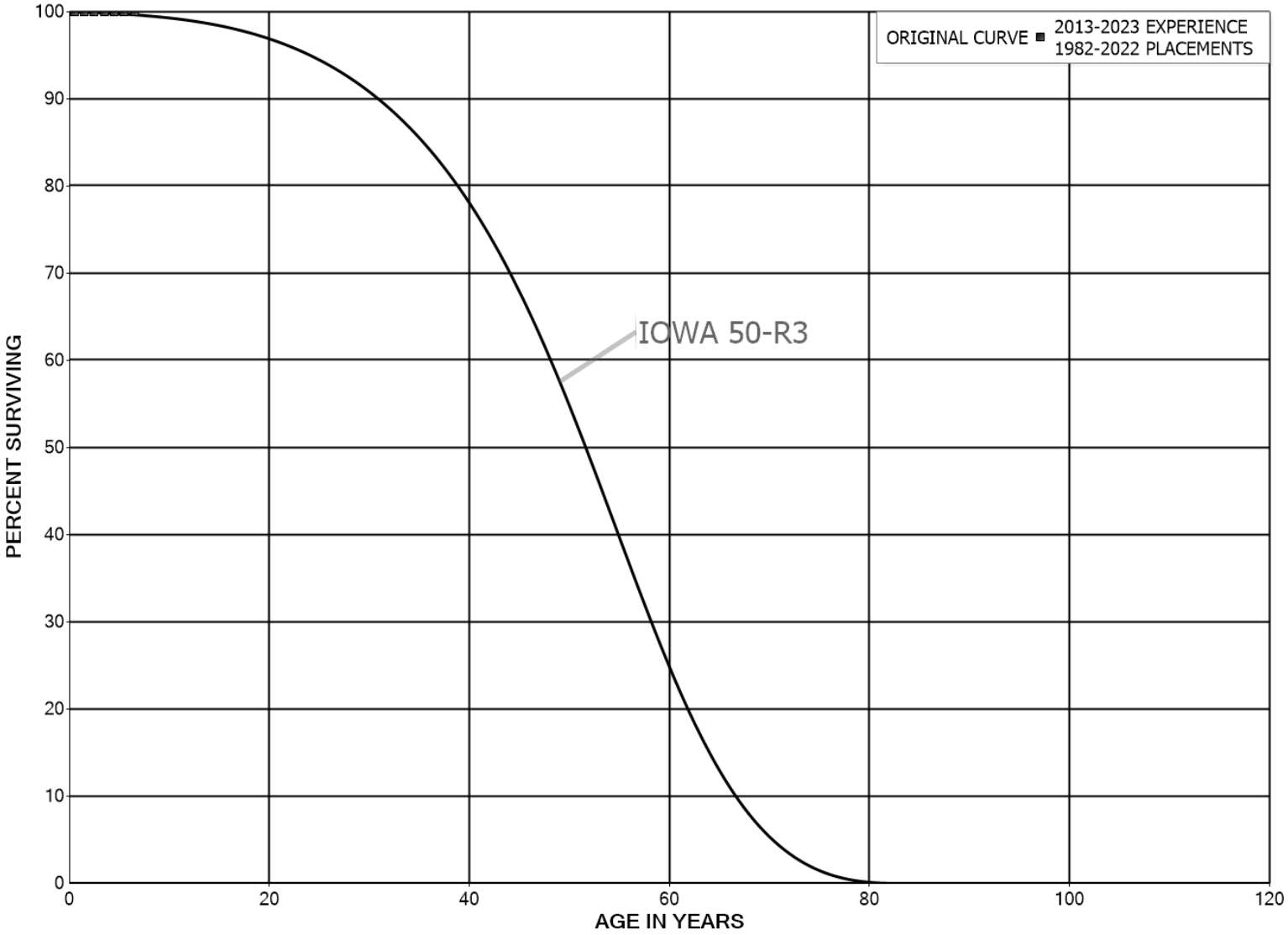
ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1991-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	574,150		0.0000	1.0000	100.00
0.5	102,704		0.0000	1.0000	100.00
1.5	1,741		0.0000	1.0000	100.00
2.5	4,001		0.0000	1.0000	100.00
3.5	9,044		0.0000	1.0000	100.00
4.5	37,826		0.0000	1.0000	100.00
5.5	70,235		0.0000	1.0000	100.00
6.5	70,235		0.0000	1.0000	100.00
7.5	70,235		0.0000	1.0000	100.00
8.5	70,235		0.0000	1.0000	100.00
9.5	70,235		0.0000	1.0000	100.00
10.5	70,235		0.0000	1.0000	100.00
11.5	36,713		0.0000	1.0000	100.00
12.5	36,086		0.0000	1.0000	100.00
13.5	36,086		0.0000	1.0000	100.00
14.5	36,086		0.0000	1.0000	100.00
15.5	33,826		0.0000	1.0000	100.00
16.5	28,782		0.0000	1.0000	100.00
17.5					100.00
18.5					
19.5					
20.5					
21.5					
22.5					
23.5					
24.5					
25.5					
26.5	1,562,131		0.0000		
27.5	1,562,131		0.0000		
28.5	1,562,131		0.0000		
29.5	1,562,131		0.0000		
30.5	1,562,131		0.0000		
31.5	1,562,131		0.0000		
32.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1982-2022 EXPERIENCE BAND 2013-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	120,114		0.0000	1.0000	100.00
0.5	120,114		0.0000	1.0000	100.00
1.5	44,903		0.0000	1.0000	100.00
2.5	44,903		0.0000	1.0000	100.00
3.5	43,648		0.0000	1.0000	100.00
4.5	42,083		0.0000	1.0000	100.00
5.5	42,083		0.0000	1.0000	100.00
6.5					100.00
7.5					
8.5					
9.5					
10.5					
11.5					
12.5					
13.5					
14.5					
15.5					
16.5					
17.5	6,796		0.0000		
18.5	392,461		0.0000		
19.5	392,461	5,579	0.0142		
20.5	386,882		0.0000		
21.5	386,882		0.0000		
22.5	386,882		0.0000		
23.5	421,104	6,967	0.0165		
24.5	41,018		0.0000		
25.5	41,018		0.0000		
26.5	41,018		0.0000		
27.5	41,018		0.0000		
28.5	119,216		0.0000		
29.5	132,216		0.0000		
30.5	96,697		0.0000		
31.5	1,321,191		0.0000		
32.5	1,321,191	2,123	0.0016		
33.5	1,319,068	5,811	0.0044		
34.5	629,807		0.0000		
35.5	551,609		0.0000		
36.5	551,609		0.0000		
37.5	18,500		0.0000		
38.5	18,500		0.0000		

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

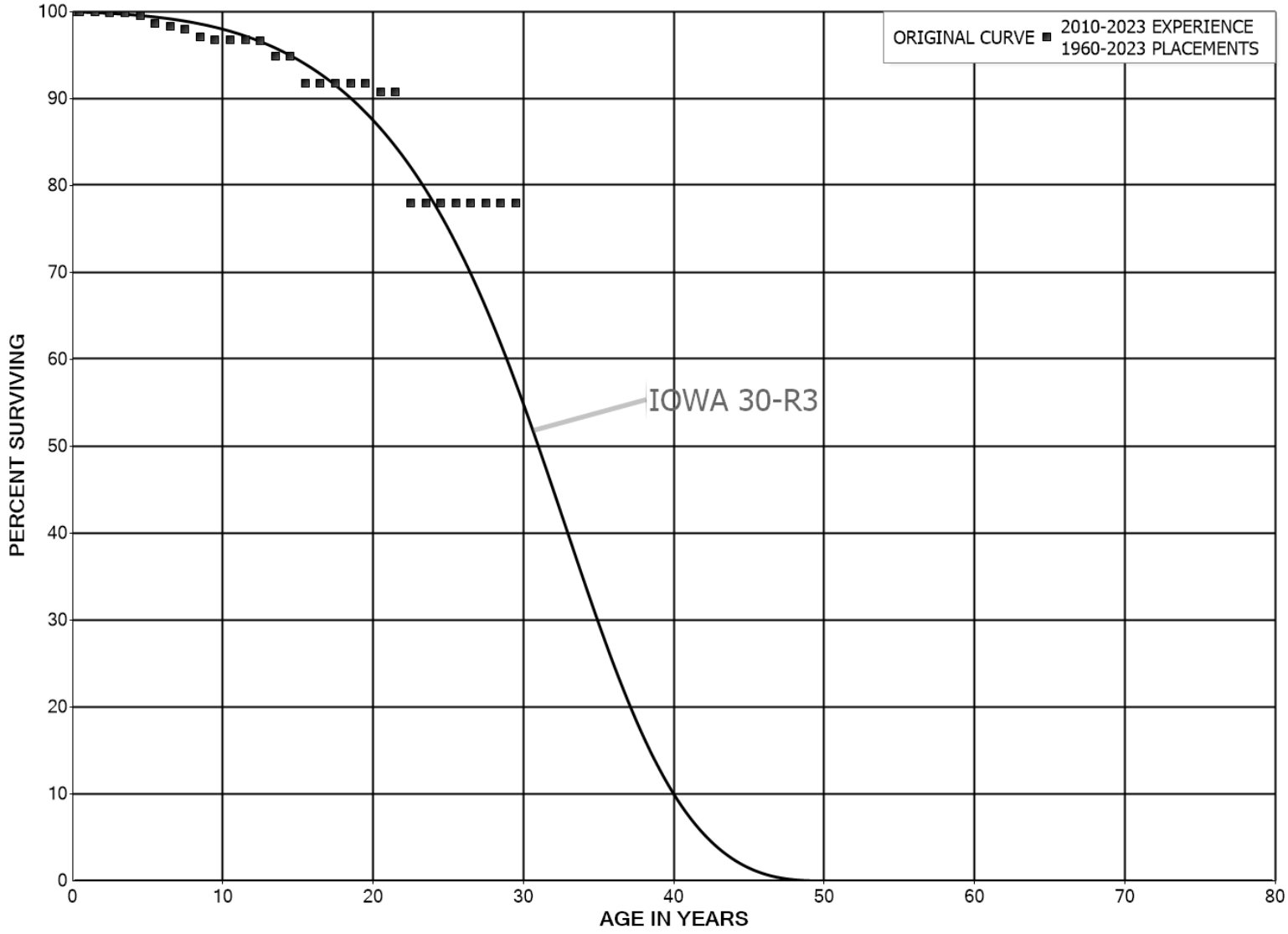
ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1982-2022 EXPERIENCE BAND 2013-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	18,500		0.0000		
40.5	5,500		0.0000		
41.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,695,800		0.0000	1.0000	100.00
0.5	3,573,278	1,869	0.0005	0.9995	100.00
1.5	3,456,807	3,867	0.0011	0.9989	99.95
2.5	3,497,312	0	0.0000	1.0000	99.84
3.5	2,608,200	8,643	0.0033	0.9967	99.84
4.5	1,083,224	10,166	0.0094	0.9906	99.51
5.5	969,767	2,752	0.0028	0.9972	98.57
6.5	790,081	2,697	0.0034	0.9966	98.29
7.5	964,388	8,751	0.0091	0.9909	97.96
8.5	817,761	3,002	0.0037	0.9963	97.07
9.5	802,149		0.0000	1.0000	96.71
10.5	870,296		0.0000	1.0000	96.71
11.5	835,788	653	0.0008	0.9992	96.71
12.5	818,698	14,820	0.0181	0.9819	96.64
13.5	768,424		0.0000	1.0000	94.89
14.5	1,098,528	37,115	0.0338	0.9662	94.89
15.5	964,105		0.0000	1.0000	91.68
16.5	782,702		0.0000	1.0000	91.68
17.5	730,839		0.0000	1.0000	91.68
18.5	921,848		0.0000	1.0000	91.68
19.5	1,145,044	11,631	0.0102	0.9898	91.68
20.5	794,953		0.0000	1.0000	90.75
21.5	778,283	109,591	0.1408	0.8592	90.75
22.5	537,096		0.0000	1.0000	77.97
23.5	836,839		0.0000	1.0000	77.97
24.5	567,473		0.0000	1.0000	77.97
25.5	632,023		0.0000	1.0000	77.97
26.5	632,023		0.0000	1.0000	77.97
27.5	436,222		0.0000	1.0000	77.97
28.5	384,060		0.0000	1.0000	77.97
29.5	530,456		0.0000	1.0000	77.97
30.5	517,312		0.0000	1.0000	77.97
31.5	451,084		0.0000	1.0000	77.97
32.5	399,977		0.0000	1.0000	77.97
33.5	168,767		0.0000	1.0000	77.97
34.5	206,113	1,535	0.0074	0.9926	77.97
35.5	37,346		0.0000	1.0000	77.39
36.5	44,381		0.0000	1.0000	77.39
37.5	44,381		0.0000	1.0000	77.39
38.5					77.39

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

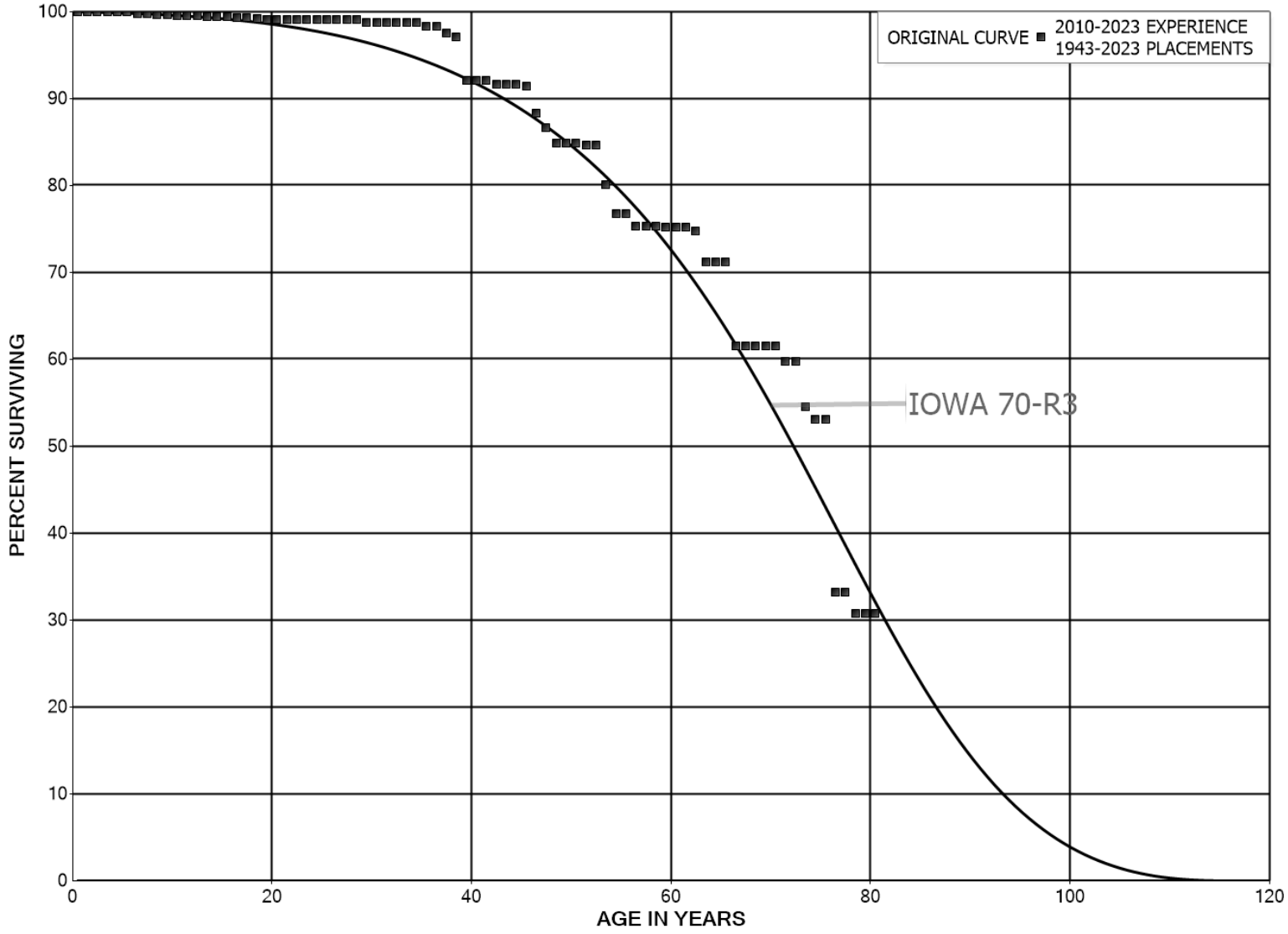
ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5	13,608		0.0000		
41.5	13,608		0.0000		
42.5	13,608		0.0000		
43.5	33,315		0.0000		
44.5	135,483		0.0000		
45.5	115,776		0.0000		
46.5	115,776	954	0.0082		
47.5	114,822		0.0000		
48.5	12,654		0.0000		
49.5	12,654		0.0000		
50.5	12,654		0.0000		
51.5	0		0.0000		
52.5					
53.5					
54.5					
55.5					
56.5	3,873		0.0000		
57.5	5,333	2,500	0.4688		
58.5	1,460	1,460	1.0000		
59.5	264,952		0.0000		
60.5	316,095		0.0000		
61.5	316,095		0.0000		
62.5	316,095	1,261	0.0040		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 360 COLLECTION MAINS - FORCE
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	11,769,590		0.0000	1.0000	100.00
0.5	11,772,418	0	0.0000	1.0000	100.00
1.5	11,944,963	501	0.0000	1.0000	100.00
2.5	12,237,665		0.0000	1.0000	100.00
3.5	10,988,577	602	0.0001	0.9999	100.00
4.5	10,937,173		0.0000	1.0000	99.99
5.5	11,575,524	24,539	0.0021	0.9979	99.99
6.5	6,702,341		0.0000	1.0000	99.78
7.5	10,951,025	18,483	0.0017	0.9983	99.78
8.5	11,762,313	2,036	0.0002	0.9998	99.61
9.5	12,570,216	4,776	0.0004	0.9996	99.59
10.5	14,060,746		0.0000	1.0000	99.55
11.5	14,065,818	10,916	0.0008	0.9992	99.55
12.5	14,683,724	5,054	0.0003	0.9997	99.48
13.5	16,045,092	1,131	0.0001	0.9999	99.44
14.5	18,688,483	2,262	0.0001	0.9999	99.44
15.5	20,964,679	38,849	0.0019	0.9981	99.42
16.5	23,660,395	2,196	0.0001	0.9999	99.24
17.5	25,486,308	12,172	0.0005	0.9995	99.23
18.5	23,639,640	25,974	0.0011	0.9989	99.18
19.5	23,827,097		0.0000	1.0000	99.07
20.5	26,006,711		0.0000	1.0000	99.07
21.5	22,862,644		0.0000	1.0000	99.07
22.5	19,102,973		0.0000	1.0000	99.07
23.5	16,834,826	7,880	0.0005	0.9995	99.07
24.5	12,314,337		0.0000	1.0000	99.03
25.5	9,689,644		0.0000	1.0000	99.03
26.5	6,744,856		0.0000	1.0000	99.03
27.5	6,348,641		0.0000	1.0000	99.03
28.5	4,725,019	13,121	0.0028	0.9972	99.03
29.5	4,394,900		0.0000	1.0000	98.75
30.5	4,680,059		0.0000	1.0000	98.75
31.5	18,757,063		0.0000	1.0000	98.75
32.5	19,166,676		0.0000	1.0000	98.75
33.5	18,702,094	414	0.0000	1.0000	98.75
34.5	19,256,599	95,875	0.0050	0.9950	98.75
35.5	17,989,617		0.0000	1.0000	98.26
36.5	16,833,567	120,183	0.0071	0.9929	98.26
37.5	4,125,715	19,664	0.0048	0.9952	97.56
38.5	3,828,474	198,152	0.0518	0.9482	97.09

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,901,137		0.0000	1.0000	92.07
40.5	4,749,344	408	0.0001	0.9999	92.07
41.5	4,482,454	22,129	0.0049	0.9951	92.06
42.5	3,101,508		0.0000	1.0000	91.61
43.5	2,094,374	336	0.0002	0.9998	91.61
44.5	2,644,843	6,377	0.0024	0.9976	91.59
45.5	3,063,603	103,853	0.0339	0.9661	91.37
46.5	2,916,586	54,045	0.0185	0.9815	88.27
47.5	2,116,258	42,781	0.0202	0.9798	86.64
48.5	1,407,265	1,095	0.0008	0.9992	84.89
49.5	1,421,072		0.0000	1.0000	84.82
50.5	835,501	2,060	0.0025	0.9975	84.82
51.5	138,625		0.0000	1.0000	84.61
52.5	134,098	7,271	0.0542	0.9458	84.61
53.5	121,213	5,030	0.0415	0.9585	80.02
54.5	128,863		0.0000	1.0000	76.70
55.5	128,863	2,288	0.0178	0.9822	76.70
56.5	1,899,779		0.0000	1.0000	75.34
57.5	1,899,779		0.0000	1.0000	75.34
58.5	1,484,079	3,982	0.0027	0.9973	75.34
59.5	1,500,967		0.0000	1.0000	75.14
60.5	931,817		0.0000	1.0000	75.14
61.5	916,267	4,947	0.0054	0.9946	75.14
62.5	911,321	43,942	0.0482	0.9518	74.73
63.5	39,577		0.0000	1.0000	71.13
64.5	33,550		0.0000	1.0000	71.13
65.5	33,550	4,547	0.1355	0.8645	71.13
66.5	69,144		0.0000	1.0000	61.49
67.5	69,144		0.0000	1.0000	61.49
68.5	61,011		0.0000	1.0000	61.49
69.5	61,011		0.0000	1.0000	61.49
70.5	61,011	1,725	0.0283	0.9717	61.49
71.5	59,285		0.0000	1.0000	59.75
72.5	59,285	5,234	0.0883	0.9117	59.75
73.5	34,907	932	0.0267	0.9733	54.48
74.5	33,975		0.0000	1.0000	53.02
75.5	33,975	12,746	0.3751	0.6249	53.02
76.5	21,230		0.0000	1.0000	33.13
77.5	21,230	1,526	0.0719	0.9281	33.13
78.5	19,703		0.0000	1.0000	30.75

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

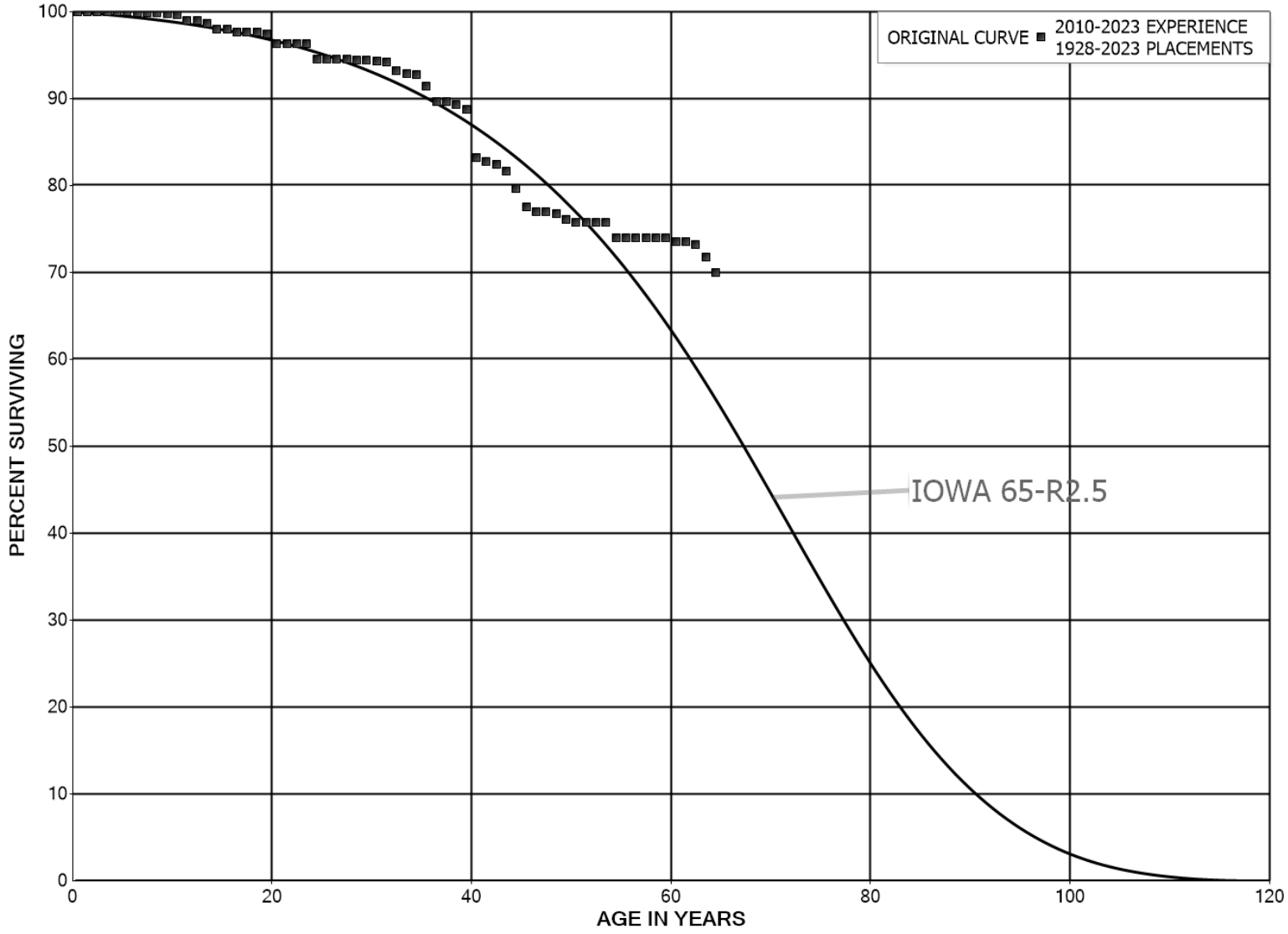
ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	19,703		0.0000	1.0000	30.75
80.5					30.75

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 361 COLLECTION MAINS - GRAVITY
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	41,510,267		0.0000	1.0000	100.00
0.5	37,091,153	0	0.0000	1.0000	100.00
1.5	64,736,807		0.0000	1.0000	100.00
2.5	59,938,105	17,007	0.0003	0.9997	100.00
3.5	57,068,094		0.0000	1.0000	99.97
4.5	48,234,842	21,411	0.0004	0.9996	99.97
5.5	13,808,727	9,227	0.0007	0.9993	99.93
6.5	17,077,759	5,271	0.0003	0.9997	99.86
7.5	18,475,142	7,595	0.0004	0.9996	99.83
8.5	20,006,158	6,993	0.0003	0.9997	99.79
9.5	18,040,073	23,670	0.0013	0.9987	99.75
10.5	14,089,791	103,401	0.0073	0.9927	99.62
11.5	15,129,462		0.0000	1.0000	98.89
12.5	12,901,199	34,220	0.0027	0.9973	98.89
13.5	12,247,119	84,510	0.0069	0.9931	98.63
14.5	12,511,885	4,563	0.0004	0.9996	97.95
15.5	11,708,342	34,350	0.0029	0.9971	97.91
16.5	12,875,011		0.0000	1.0000	97.63
17.5	13,091,428	8,766	0.0007	0.9993	97.63
18.5	16,207,819	31,818	0.0020	0.9980	97.56
19.5	16,596,364	188,231	0.0113	0.9887	97.37
20.5	15,759,721		0.0000	1.0000	96.26
21.5	15,842,321		0.0000	1.0000	96.26
22.5	16,871,244		0.0000	1.0000	96.26
23.5	10,499,820	187,054	0.0178	0.9822	96.26
24.5	7,034,911		0.0000	1.0000	94.55
25.5	6,717,476		0.0000	1.0000	94.55
26.5	10,108,237		0.0000	1.0000	94.55
27.5	10,780,085	11,496	0.0011	0.9989	94.55
28.5	6,829,320		0.0000	1.0000	94.45
29.5	11,482,257	17,462	0.0015	0.9985	94.45
30.5	11,519,839	15,711	0.0014	0.9986	94.31
31.5	11,510,003	128,932	0.0112	0.9888	94.18
32.5	8,184,860	29,481	0.0036	0.9964	93.12
33.5	6,494,598	6,089	0.0009	0.9991	92.79
34.5	6,361,463	86,158	0.0135	0.9865	92.70
35.5	4,320,461	87,100	0.0202	0.9798	91.44
36.5	6,088,272	2,735	0.0004	0.9996	89.60
37.5	5,412,431	18,564	0.0034	0.9966	89.56
38.5	2,462,230	13,659	0.0055	0.9945	89.25

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,655,167	231,219	0.0633	0.9367	88.76
40.5	3,790,473	20,449	0.0054	0.9946	83.14
41.5	7,121,444	29,146	0.0041	0.9959	82.69
42.5	7,152,332	60,211	0.0084	0.9916	82.36
43.5	3,421,897	84,027	0.0246	0.9754	81.66
44.5	4,767,104	127,031	0.0266	0.9734	79.66
45.5	2,801,010	23,009	0.0082	0.9918	77.53
46.5	6,886,466		0.0000	1.0000	76.90
47.5	7,285,644	19,627	0.0027	0.9973	76.90
48.5	1,364,310	11,042	0.0081	0.9919	76.69
49.5	7,008,686	28,007	0.0040	0.9960	76.07
50.5	8,615,422	2,537	0.0003	0.9997	75.77
51.5	10,415,452	1,467	0.0001	0.9999	75.74
52.5	9,950,088		0.0000	1.0000	75.73
53.5	2,115,765	49,096	0.0232	0.9768	75.73
54.5	2,495,127		0.0000	1.0000	73.98
55.5	1,616,888		0.0000	1.0000	73.98
56.5	16,835,335		0.0000	1.0000	73.98
57.5	15,684,143		0.0000	1.0000	73.98
58.5	15,285,654	15,906	0.0010	0.9990	73.98
59.5	15,836,565	88,911	0.0056	0.9944	73.90
60.5	684,866	12	0.0000	1.0000	73.48
61.5	2,015,666	8,105	0.0040	0.9960	73.48
62.5	2,007,561	40,406	0.0201	0.9799	73.19
63.5	1,727,828	42,516	0.0246	0.9754	71.71
64.5	4,091,341	41,982	0.0103	0.9897	69.95
65.5	2,881,564	493	0.0002	0.9998	69.23
66.5	3,716,667	29,911	0.0080	0.9920	69.22
67.5	5,235,989		0.0000	1.0000	68.66
68.5	1,994,364	4,241	0.0021	0.9979	68.66
69.5	2,659,109		0.0000	1.0000	68.52
70.5	2,675,612	21,480	0.0080	0.9920	68.52
71.5	1,305,852		0.0000	1.0000	67.97
72.5	2,543,128	67,050	0.0264	0.9736	67.97
73.5	1,255,192	1,413	0.0011	0.9989	66.17
74.5	1,253,779		0.0000	1.0000	66.10
75.5	3,356,895		0.0000	1.0000	66.10
76.5	2,226,852		0.0000	1.0000	66.10
77.5	3,896,200		0.0000	1.0000	66.10
78.5	3,772,464		0.0000	1.0000	66.10

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

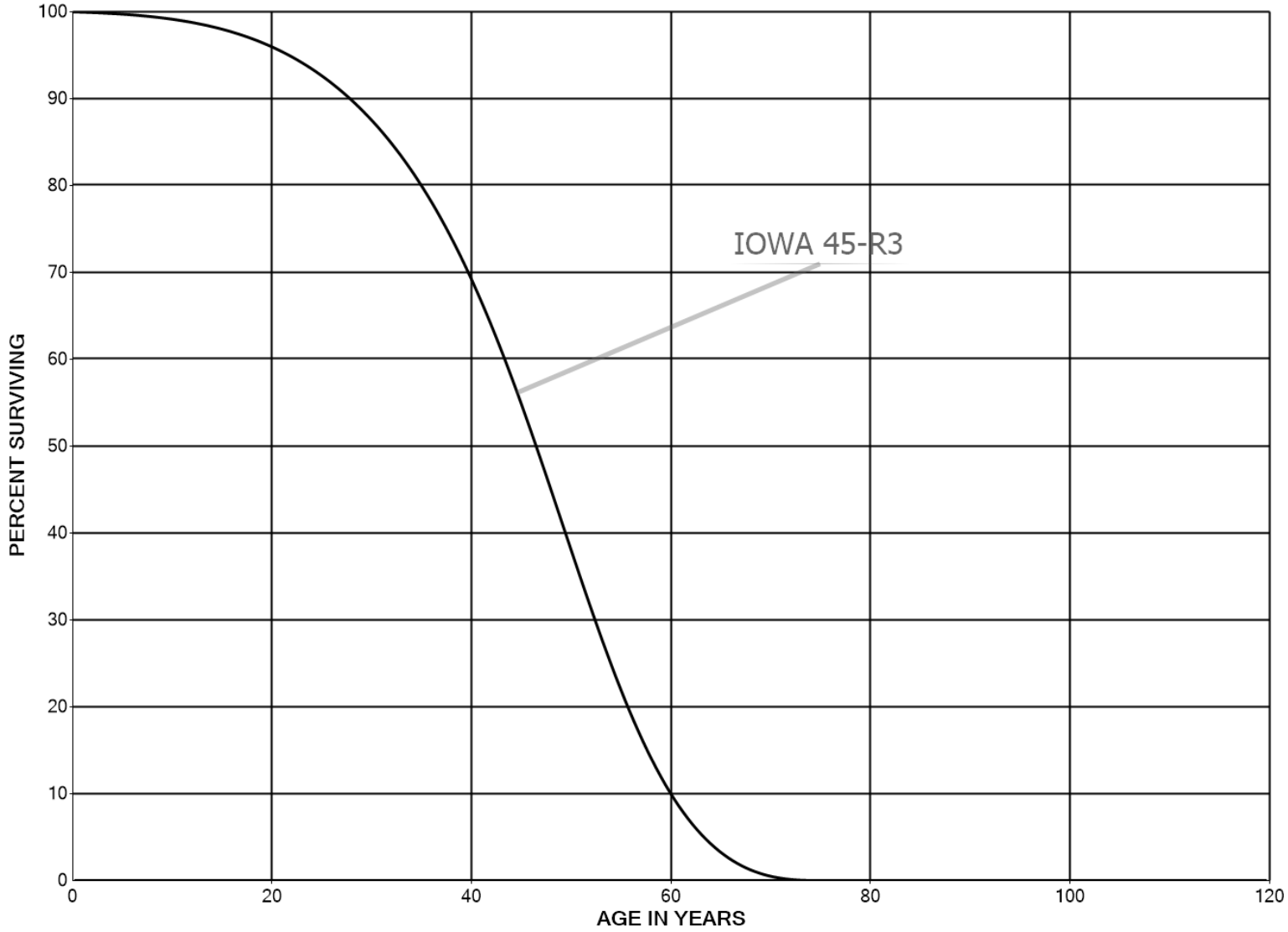
ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE, CONT.

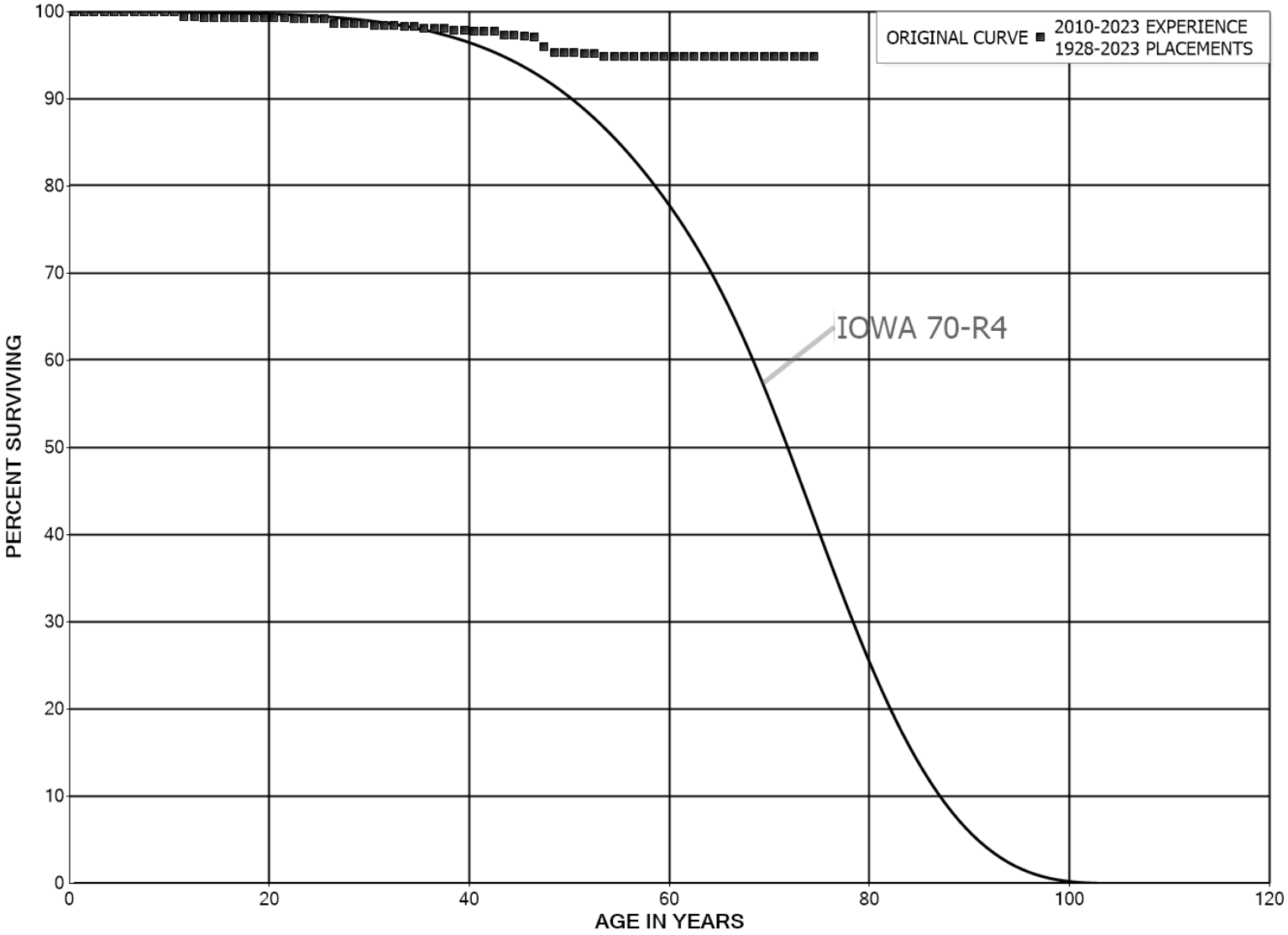
PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,669,348		0.0000	1.0000	66.10
80.5	2,641,708	38,488	0.0146	0.9854	66.10
81.5	972,360		0.0000	1.0000	65.14
82.5	972,360		0.0000	1.0000	65.14
83.5	972,360		0.0000	1.0000	65.14
84.5					65.14
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5	353,068	521	0.0015		
92.5	352,546		0.0000		
93.5	352,546		0.0000		
94.5	352,546		0.0000		
95.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 362 SPECIAL COLLECTING STRUCTURES
SMOOTH SURVIVOR CURVE



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 363 SERVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	7,035,105	768	0.0001	0.9999	100.00
0.5	5,340,359	456	0.0001	0.9999	99.99
1.5	4,599,449		0.0000	1.0000	99.98
2.5	3,928,199		0.0000	1.0000	99.98
3.5	3,363,681	1,994	0.0006	0.9994	99.98
4.5	2,613,574		0.0000	1.0000	99.92
5.5	2,404,084		0.0000	1.0000	99.92
6.5	2,080,452		0.0000	1.0000	99.92
7.5	4,547,002		0.0000	1.0000	99.92
8.5	4,546,127	775	0.0002	0.9998	99.92
9.5	8,358,494	777	0.0001	0.9999	99.90
10.5	8,818,495	41,157	0.0047	0.9953	99.89
11.5	5,148,424		0.0000	1.0000	99.43
12.5	5,254,962	5,909	0.0011	0.9989	99.43
13.5	5,165,915		0.0000	1.0000	99.32
14.5	4,916,488		0.0000	1.0000	99.32
15.5	4,742,557		0.0000	1.0000	99.32
16.5	4,491,660		0.0000	1.0000	99.32
17.5	4,926,271	1,574	0.0003	0.9997	99.32
18.5	3,403,613		0.0000	1.0000	99.29
19.5	2,985,160	1,391	0.0005	0.9995	99.29
20.5	3,188,426		0.0000	1.0000	99.24
21.5	3,098,502	1,079	0.0003	0.9997	99.24
22.5	2,341,880	1,781	0.0008	0.9992	99.20
23.5	2,203,332		0.0000	1.0000	99.13
24.5	1,144,889		0.0000	1.0000	99.13
25.5	1,083,092	5,432	0.0050	0.9950	99.13
26.5	1,281,218		0.0000	1.0000	98.63
27.5	1,523,439		0.0000	1.0000	98.63
28.5	1,646,130		0.0000	1.0000	98.63
29.5	2,742,922	5,713	0.0021	0.9979	98.63
30.5	2,789,044	1,920	0.0007	0.9993	98.43
31.5	4,265,361		0.0000	1.0000	98.36
32.5	4,624,188	1,079	0.0002	0.9998	98.36
33.5	3,787,599		0.0000	1.0000	98.34
34.5	2,365,361	5,352	0.0023	0.9977	98.34
35.5	2,282,635	1,712	0.0008	0.9992	98.11
36.5	2,787,047		0.0000	1.0000	98.04
37.5	2,812,758	5,336	0.0019	0.9981	98.04
38.5	2,130,853		0.0000	1.0000	97.85

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,785,447	1,422	0.0008	0.9992	97.85
40.5	1,570,807		0.0000	1.0000	97.78
41.5	1,693,201	1,782	0.0011	0.9989	97.78
42.5	1,573,307	5,367	0.0034	0.9966	97.67
43.5	946,313		0.0000	1.0000	97.34
44.5	823,498	960	0.0012	0.9988	97.34
45.5	1,055,462	1,378	0.0013	0.9987	97.23
46.5	1,084,192	12,388	0.0114	0.9886	97.10
47.5	469,340	3,321	0.0071	0.9929	95.99
48.5	6,206,647	5,008	0.0008	0.9992	95.31
49.5	6,103,158	204	0.0000	1.0000	95.23
50.5	6,425,275	1,149	0.0002	0.9998	95.23
51.5	6,633,178	1,721	0.0003	0.9997	95.21
52.5	596,105	2,230	0.0037	0.9963	95.19
53.5	81,864		0.0000	1.0000	94.83
54.5	86,037		0.0000	1.0000	94.83
55.5	54,248		0.0000	1.0000	94.83
56.5	73,751		0.0000	1.0000	94.83
57.5	37,911		0.0000	1.0000	94.83
58.5	17,636		0.0000	1.0000	94.83
59.5	19,800		0.0000	1.0000	94.83
60.5	150,760		0.0000	1.0000	94.83
61.5	337,605		0.0000	1.0000	94.83
62.5	337,605		0.0000	1.0000	94.83
63.5	185,767		0.0000	1.0000	94.83
64.5	809,181		0.0000	1.0000	94.83
65.5	641,546		0.0000	1.0000	94.83
66.5	714,660		0.0000	1.0000	94.83
67.5	928,275		0.0000	1.0000	94.83
68.5	231,676		0.0000	1.0000	94.83
69.5	398,467		0.0000	1.0000	94.83
70.5	398,467		0.0000	1.0000	94.83
71.5	194,023		0.0000	1.0000	94.83
72.5	386,578		0.0000	1.0000	94.83
73.5	213,968		0.0000	1.0000	94.83
74.5	213,968		0.0000	1.0000	94.83
75.5	968,566	712	0.0007	0.9993	94.83
76.5	779,403		0.0000	1.0000	94.76
77.5	1,320,587	1	0.0000	1.0000	94.76
78.5	1,311,679		0.0000	1.0000	94.76

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

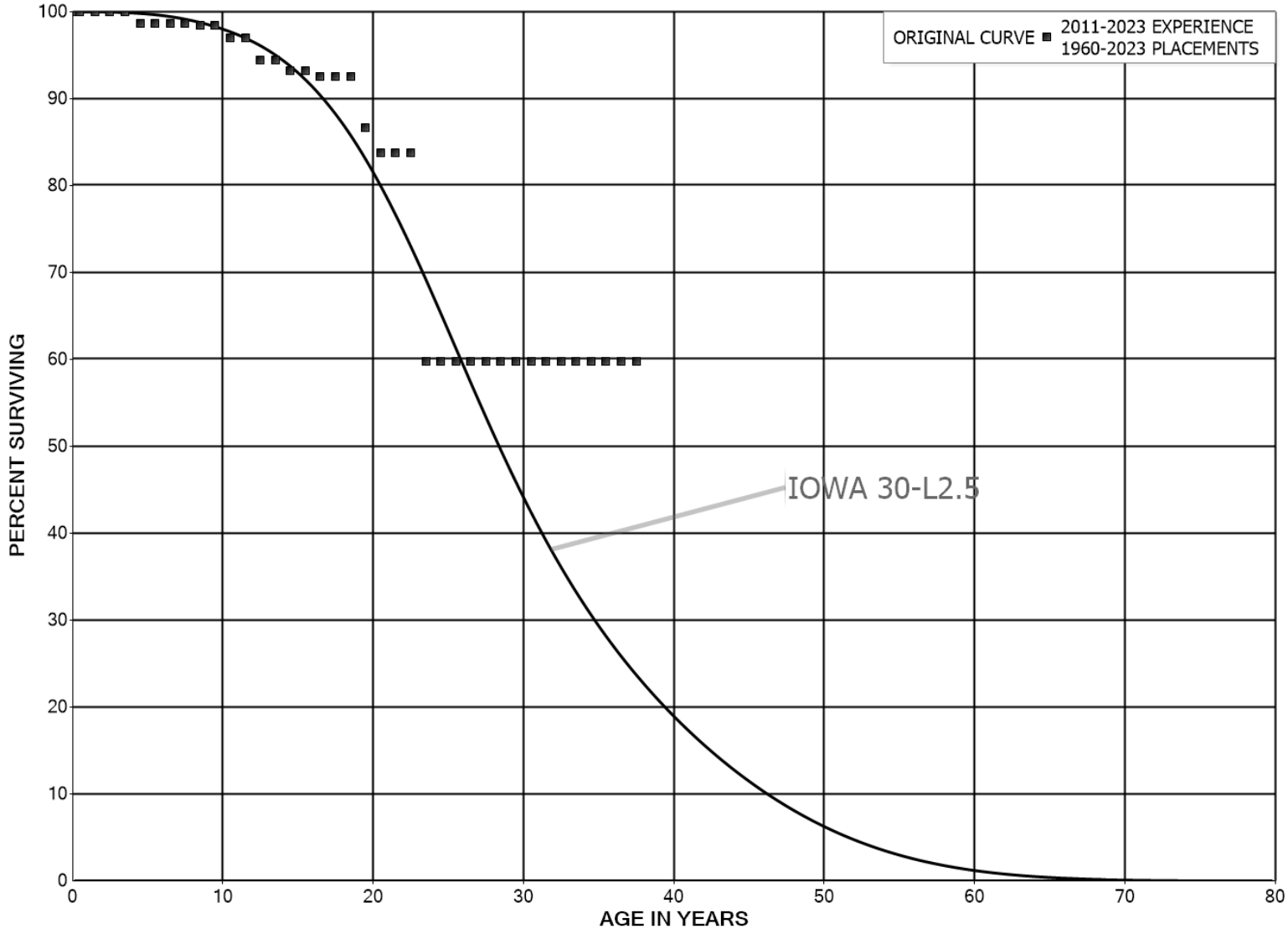
ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	557,080		0.0000	1.0000	94.76
80.5	969,678		0.0000	1.0000	94.76
81.5	428,495		0.0000	1.0000	94.76
82.5	428,495		0.0000	1.0000	94.76
83.5	428,495		0.0000	1.0000	94.76
84.5					94.76
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5	152,899		0.0000		
92.5	152,899	1,947	0.0127		
93.5	150,952		0.0000		
94.5	150,952	0	0.0000		
95.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 364 METERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 364 METERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	626,557		0.0000	1.0000	100.00
0.5	622,412		0.0000	1.0000	100.00
1.5	641,651		0.0000	1.0000	100.00
2.5	634,260		0.0000	1.0000	100.00
3.5	601,374	8,595	0.0143	0.9857	100.00
4.5	139,475		0.0000	1.0000	98.57
5.5	130,988		0.0000	1.0000	98.57
6.5	92,590		0.0000	1.0000	98.57
7.5	194,650	326	0.0017	0.9983	98.57
8.5	171,628		0.0000	1.0000	98.41
9.5	210,392	3,031	0.0144	0.9856	98.41
10.5	210,003		0.0000	1.0000	96.99
11.5	178,864	4,755	0.0266	0.9734	96.99
12.5	178,445		0.0000	1.0000	94.41
13.5	173,280	2,192	0.0127	0.9873	94.41
14.5	159,403		0.0000	1.0000	93.22
15.5	102,872	793	0.0077	0.9923	93.22
16.5	83,293		0.0000	1.0000	92.50
17.5	67,340		0.0000	1.0000	92.50
18.5	81,953	5,233	0.0639	0.9361	92.50
19.5	80,120	2,626	0.0328	0.9672	86.59
20.5	15,521		0.0000	1.0000	83.75
21.5	15,521		0.0000	1.0000	83.75
22.5	5,366	1,538	0.2866	0.7134	83.75
23.5	159,925		0.0000	1.0000	59.75
24.5	159,925		0.0000	1.0000	59.75
25.5	230,747		0.0000	1.0000	59.75
26.5	230,747		0.0000	1.0000	59.75
27.5	122,622		0.0000	1.0000	59.75
28.5	122,622		0.0000	1.0000	59.75
29.5	15,132		0.0000	1.0000	59.75
30.5	15,132		0.0000	1.0000	59.75
31.5	1,886		0.0000	1.0000	59.75
32.5	1,886		0.0000	1.0000	59.75
33.5	48,864		0.0000	1.0000	59.75
34.5	56,289		0.0000	1.0000	59.75
35.5	7,424		0.0000	1.0000	59.75
36.5	7,424		0.0000	1.0000	59.75
37.5	8,134		0.0000	1.0000	59.75
38.5	710		0.0000	1.0000	59.75

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

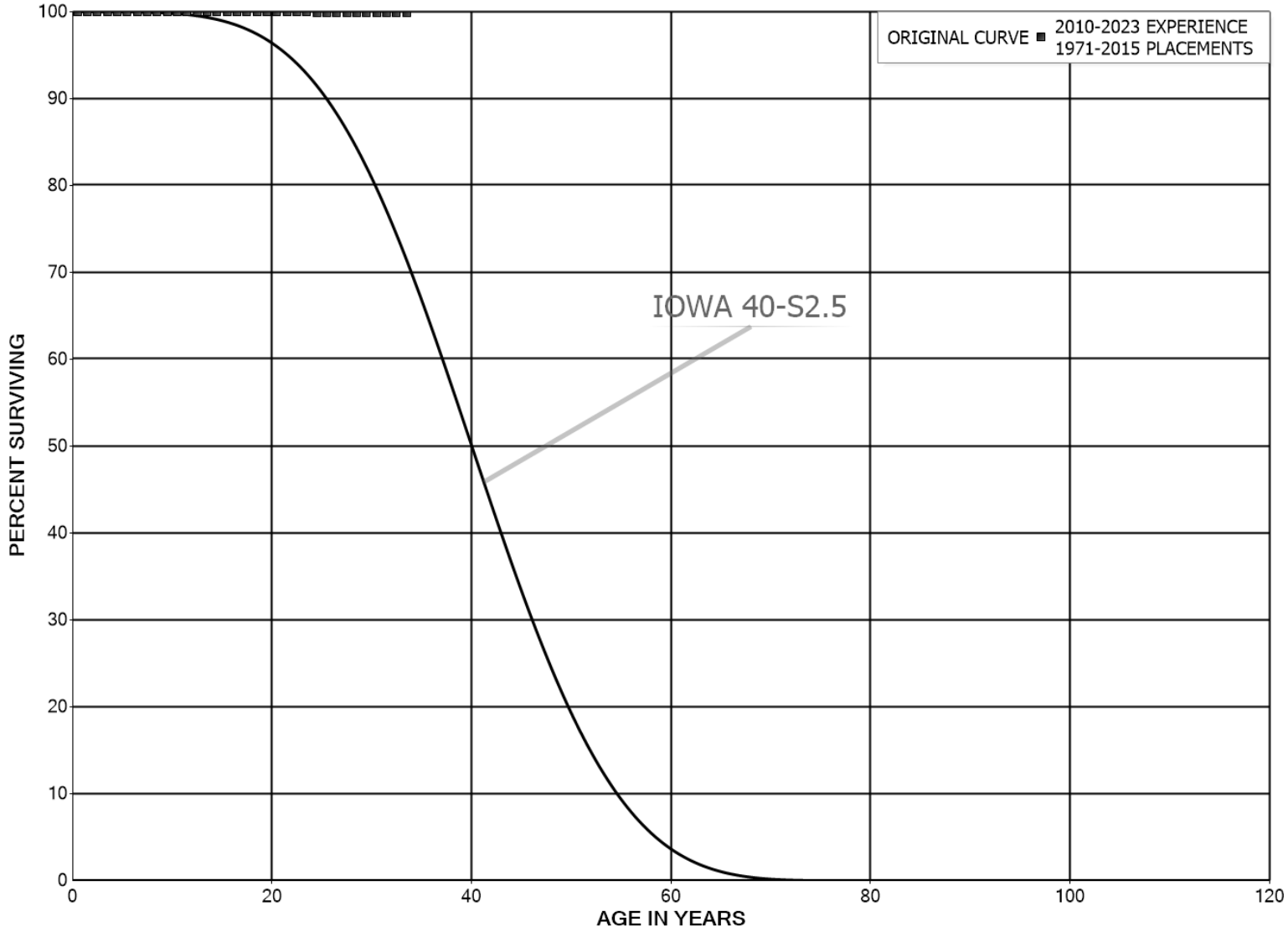
ACCOUNT 364 METERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	710		0.0000	1.0000	59.75
40.5	710		0.0000	1.0000	59.75
41.5	710		0.0000	1.0000	59.75
42.5	15,344		0.0000	1.0000	59.75
43.5	15,344		0.0000	1.0000	59.75
44.5	23,862		0.0000	1.0000	59.75
45.5	116,182	536	0.0046	0.9954	59.75
46.5	115,646		0.0000	1.0000	59.47
47.5	23,326		0.0000	1.0000	59.47
48.5	174		0.0000	1.0000	59.47
49.5	174		0.0000	1.0000	59.47
50.5					59.47
51.5					
52.5					
53.5					
54.5					
55.5	4,682		0.0000		
56.5	4,682		0.0000		
57.5					
58.5					
59.5	31,055		0.0000		
60.5	31,055		0.0000		
61.5	31,055		0.0000		
62.5	31,055		0.0000		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 370 RECEIVING WELLS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 370 RECEIVING WELLS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1971-2015 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0					
0.5	3,382		0.0000	1.0000	100.00
1.5	3,382		0.0000	1.0000	100.00
2.5	113,585		0.0000	1.0000	100.00
3.5	129,312		0.0000	1.0000	100.00
4.5	180,563		0.0000	1.0000	100.00
5.5	180,563		0.0000	1.0000	100.00
6.5	180,563		0.0000	1.0000	100.00
7.5	180,563		0.0000	1.0000	100.00
8.5	70,360		0.0000	1.0000	100.00
9.5	70,360		0.0000	1.0000	100.00
10.5	146,968		0.0000	1.0000	100.00
11.5	192,220		0.0000	1.0000	100.00
12.5	192,220		0.0000	1.0000	100.00
13.5	281,490		0.0000	1.0000	100.00
14.5	972,138		0.0000	1.0000	100.00
15.5	972,138		0.0000	1.0000	100.00
16.5	895,530		0.0000	1.0000	100.00
17.5	906,091		0.0000	1.0000	100.00
18.5	1,316,135		0.0000	1.0000	100.00
19.5	1,411,329		0.0000	1.0000	100.00
20.5	717,300		0.0000	1.0000	100.00
21.5	1,186,461		0.0000	1.0000	100.00
22.5	1,186,461		0.0000	1.0000	100.00
23.5	1,114,921	1,672	0.0015	0.9985	100.00
24.5	651,953		0.0000	1.0000	99.85
25.5	582,256		0.0000	1.0000	99.85
26.5	582,256		0.0000	1.0000	99.85
27.5	903,622		0.0000	1.0000	99.85
28.5	903,622		0.0000	1.0000	99.85
29.5	903,622		0.0000	1.0000	99.85
30.5	903,622		0.0000	1.0000	99.85
31.5	788,856		0.0000	1.0000	99.85
32.5	788,856		0.0000	1.0000	99.85
33.5					99.85
34.5					
35.5					
36.5					
37.5					
38.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

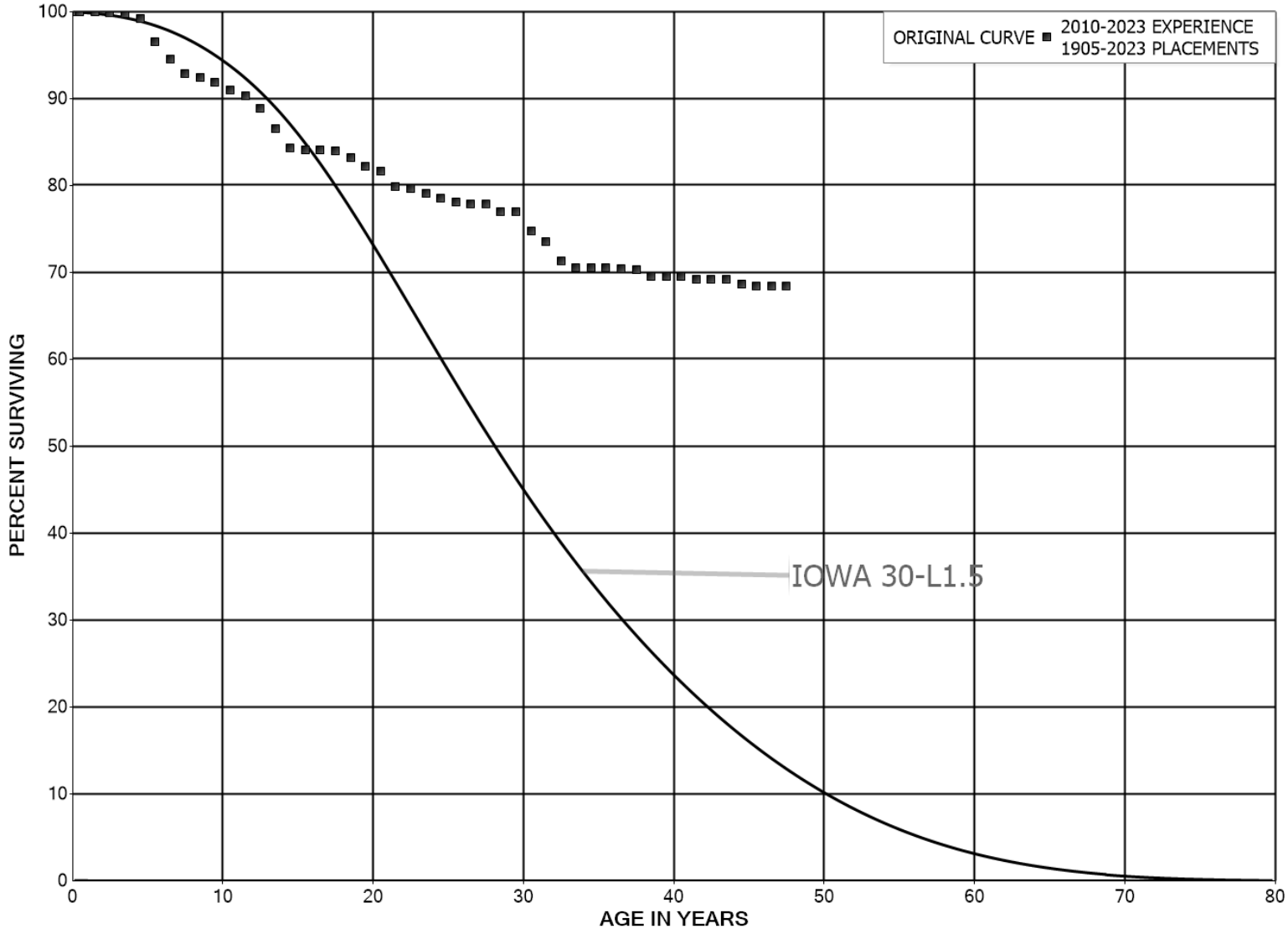
ACCOUNT 370 RECEIVING WELLS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1971-2015 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5					
41.5					
42.5					
43.5					
44.5	429		0.0000		
45.5					
46.5					
47.5	324		0.0000		
48.5					
49.5	234		0.0000		
50.5					
51.5	184		0.0000		
52.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	14,568,469		0.0000	1.0000	100.00
0.5	14,583,707	952	0.0001	0.9999	100.00
1.5	11,295,246	18,684	0.0017	0.9983	99.99
2.5	11,035,351	12,096	0.0011	0.9989	99.83
3.5	8,218,201	48,269	0.0059	0.9941	99.72
4.5	7,370,313	193,269	0.0262	0.9738	99.13
5.5	5,943,683	122,151	0.0206	0.9794	96.53
6.5	4,721,795	84,057	0.0178	0.9822	94.55
7.5	6,882,450	33,901	0.0049	0.9951	92.87
8.5	6,347,510	38,986	0.0061	0.9939	92.41
9.5	5,961,732	56,036	0.0094	0.9906	91.84
10.5	5,293,693	37,917	0.0072	0.9928	90.98
11.5	5,080,085	82,820	0.0163	0.9837	90.33
12.5	4,883,876	126,957	0.0260	0.9740	88.85
13.5	4,747,441	124,046	0.0261	0.9739	86.54
14.5	4,344,206	10,770	0.0025	0.9975	84.28
15.5	5,334,064	3,403	0.0006	0.9994	84.07
16.5	4,961,077	3,641	0.0007	0.9993	84.02
17.5	5,140,916	50,581	0.0098	0.9902	83.96
18.5	2,518,735	30,179	0.0120	0.9880	83.13
19.5	3,025,192	19,728	0.0065	0.9935	82.14
20.5	2,449,011	53,767	0.0220	0.9780	81.60
21.5	2,989,335	6,941	0.0023	0.9977	79.81
22.5	2,476,777	16,201	0.0065	0.9935	79.62
23.5	5,271,950	37,885	0.0072	0.9928	79.10
24.5	4,173,199	27,629	0.0066	0.9934	78.53
25.5	4,230,688	7,565	0.0018	0.9982	78.01
26.5	4,080,082	3,081	0.0008	0.9992	77.88
27.5	1,000,803	11,195	0.0112	0.9888	77.82
28.5	883,892		0.0000	1.0000	76.95
29.5	1,085,022	32,063	0.0296	0.9704	76.95
30.5	1,059,473	16,273	0.0154	0.9846	74.67
31.5	2,618,189	80,620	0.0308	0.9692	73.53
32.5	2,404,901	26,176	0.0109	0.9891	71.26
33.5	1,733,050		0.0000	1.0000	70.49
34.5	1,887,124		0.0000	1.0000	70.49
35.5	1,872,706	1,990	0.0011	0.9989	70.49
36.5	1,838,412	3,694	0.0020	0.9980	70.41
37.5	187,946	2,021	0.0108	0.9892	70.27
38.5	26,576		0.0000	1.0000	69.51

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	100,458		0.0000	1.0000	69.51
40.5	100,458	555	0.0055	0.9945	69.51
41.5	99,903		0.0000	1.0000	69.13
42.5	98,939		0.0000	1.0000	69.13
43.5	98,939	739	0.0075	0.9925	69.13
44.5	239,457	720	0.0030	0.9970	68.61
45.5	220,763		0.0000	1.0000	68.41
46.5	220,763		0.0000	1.0000	68.41
47.5	220,887		0.0000	1.0000	68.41
48.5	78,905	11,992	0.1520	0.8480	68.41
49.5	66,988		0.0000	1.0000	58.01
50.5	66,914		0.0000	1.0000	58.01
51.5	67,507		0.0000	1.0000	58.01
52.5	66,536		0.0000	1.0000	58.01
53.5					58.01
54.5					
55.5					
56.5					
57.5					
58.5					
59.5	356,666		0.0000		
60.5	451,651		0.0000		
61.5	451,651		0.0000		
62.5	451,651	23,774	0.0526		
63.5					
64.5					
65.5					
66.5					
67.5					
68.5					
69.5					
70.5					
71.5					
72.5					
73.5					
74.5					
75.5					
76.5					
77.5					
78.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

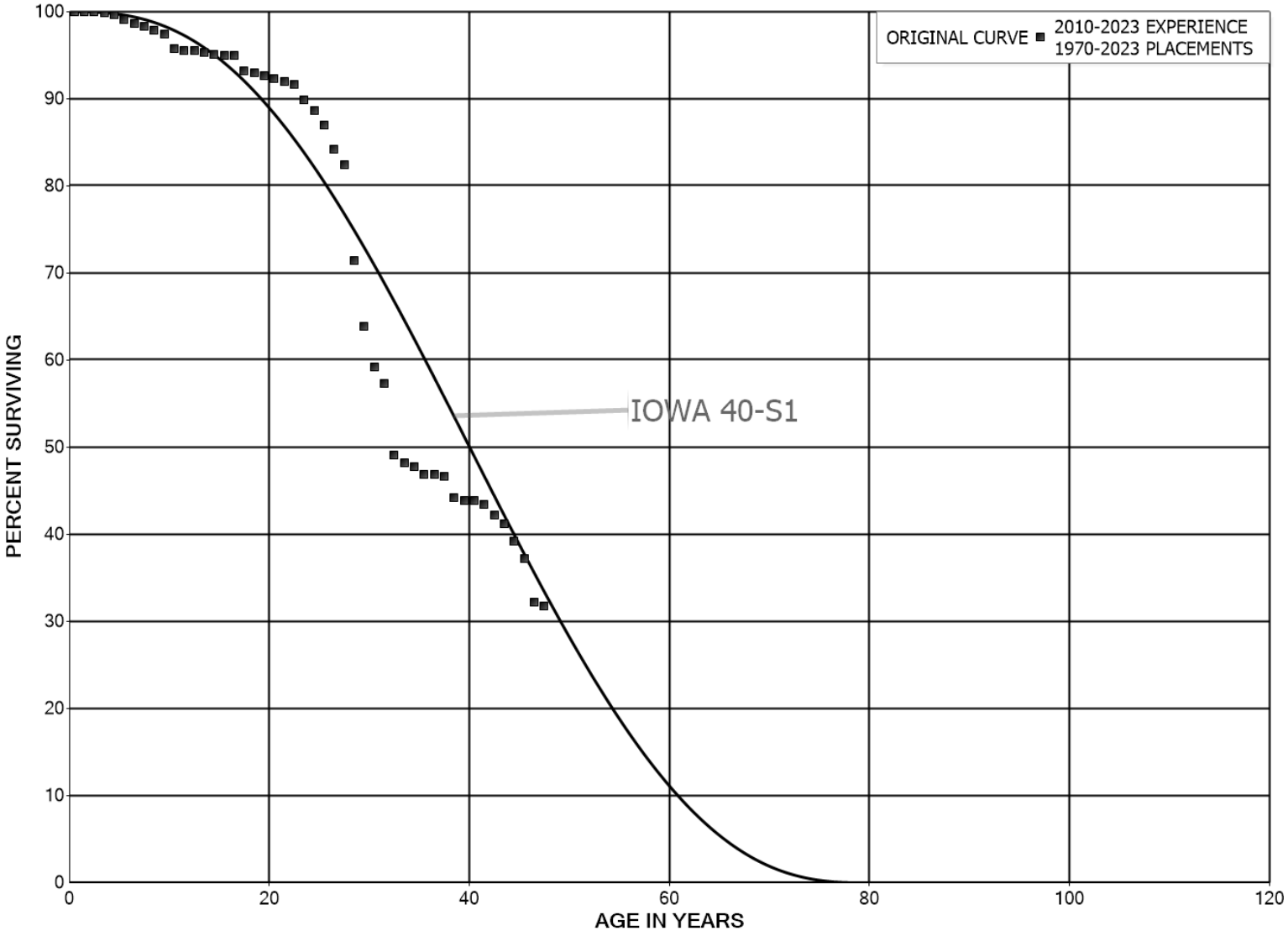
ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5					
80.5					
81.5					
82.5					
83.5					
84.5					
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5					
92.5					
93.5					
94.5					
95.5					
96.5					
97.5					
98.5					
99.5					
100.5					
101.5					
102.5					
103.5					
104.5	209,621		0.0000		
105.5	209,621		0.0000		
106.5	209,621		0.0000		
107.5	209,621	171	0.0008		
108.5	209,449	611	0.0029		
109.5	208,838		0.0000		
110.5	208,838	358	0.0017		
111.5	208,480	488	0.0023		
112.5	207,992		0.0000		
113.5	207,992	594	0.0029		
114.5	207,398	951	0.0046		
115.5	206,447		0.0000		
116.5	206,447		0.0000		
117.5	206,447	6,392	0.0310		
118.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1970-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	60,985,608		0.0000	1.0000	100.00
0.5	61,130,291	15,894	0.0003	0.9997	100.00
1.5	30,029,003	7,760	0.0003	0.9997	99.97
2.5	25,667,191	18,052	0.0007	0.9993	99.95
3.5	18,930,976	54,645	0.0029	0.9971	99.88
4.5	15,849,877	91,776	0.0058	0.9942	99.59
5.5	14,072,555	60,371	0.0043	0.9957	99.01
6.5	9,289,965	30,955	0.0033	0.9967	98.59
7.5	8,429,827	33,762	0.0040	0.9960	98.26
8.5	5,762,946	25,228	0.0044	0.9956	97.87
9.5	7,618,774	134,230	0.0176	0.9824	97.44
10.5	16,902,013	31,383	0.0019	0.9981	95.72
11.5	16,743,402	14,064	0.0008	0.9992	95.54
12.5	17,835,019	27,674	0.0016	0.9984	95.46
13.5	17,567,356	41,186	0.0023	0.9977	95.31
14.5	20,160,893	17,848	0.0009	0.9991	95.09
15.5	19,784,977	3,225	0.0002	0.9998	95.01
16.5	10,166,555	194,674	0.0191	0.9809	94.99
17.5	9,928,268	19,502	0.0020	0.9980	93.17
18.5	8,975,413	31,870	0.0036	0.9964	92.99
19.5	10,301,487	38,112	0.0037	0.9963	92.66
20.5	4,710,008	19,099	0.0041	0.9959	92.32
21.5	3,531,958	14,350	0.0041	0.9959	91.94
22.5	3,062,985	57,569	0.0188	0.9812	91.57
23.5	3,043,723	42,837	0.0141	0.9859	89.85
24.5	2,090,453	38,647	0.0185	0.9815	88.58
25.5	2,049,426	64,633	0.0315	0.9685	86.95
26.5	1,968,197	42,390	0.0215	0.9785	84.20
27.5	2,081,999	278,716	0.1339	0.8661	82.39
28.5	1,040,862	110,314	0.1060	0.8940	71.36
29.5	892,849	64,922	0.0727	0.9273	63.80
30.5	964,548	29,927	0.0310	0.9690	59.16
31.5	3,740,534	538,583	0.1440	0.8560	57.32
32.5	3,721,217	69,239	0.0186	0.9814	49.07
33.5	3,615,577	29,644	0.0082	0.9918	48.16
34.5	3,542,160	65,307	0.0184	0.9816	47.76
35.5	3,641,790	4,945	0.0014	0.9986	46.88
36.5	3,632,542	18,735	0.0052	0.9948	46.82
37.5	1,488,655	76,796	0.0516	0.9484	46.58
38.5	1,411,860	12,343	0.0087	0.9913	44.17

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

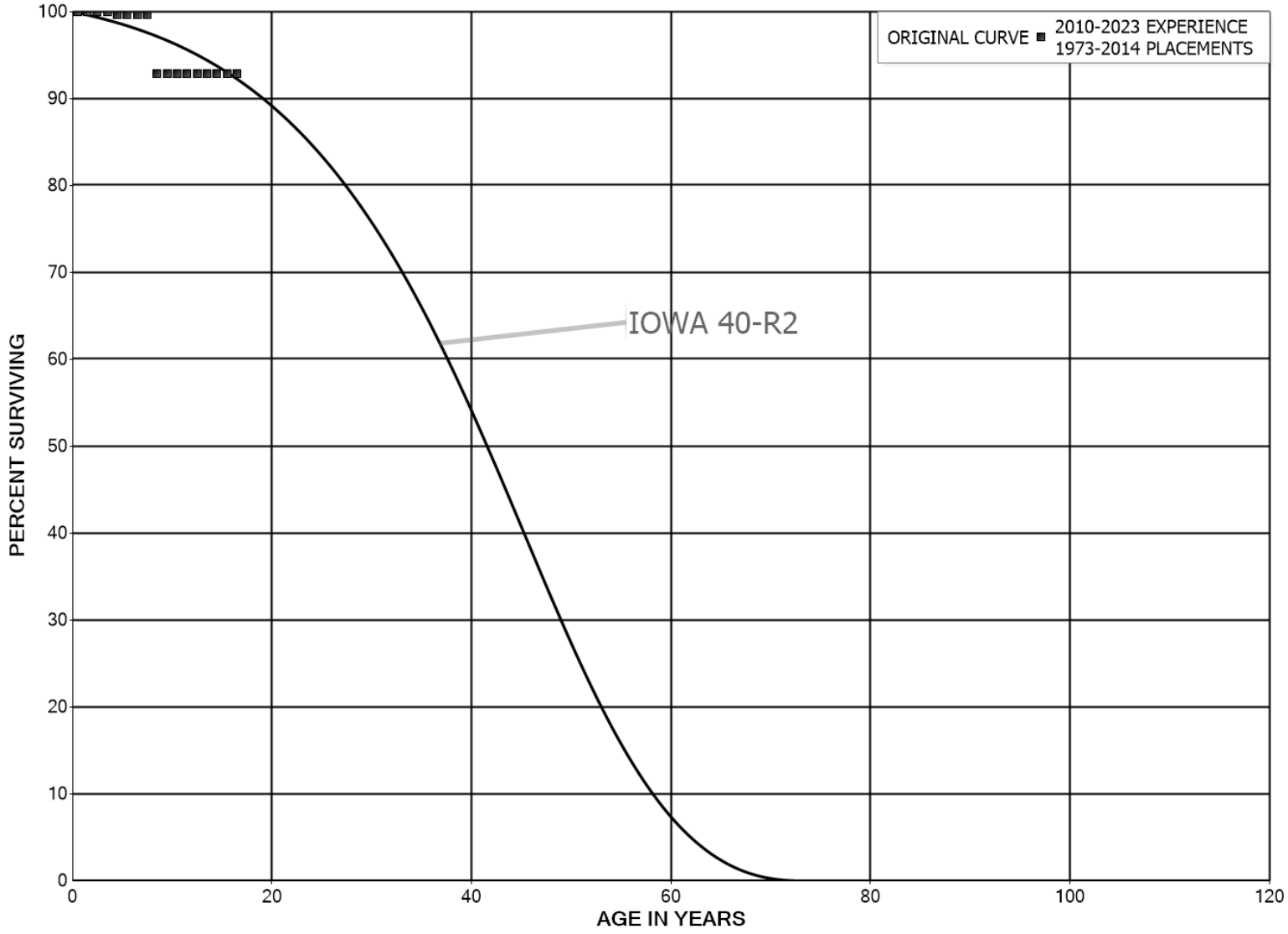
ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1970-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,700,730	134	0.0001	0.9999	43.79
40.5	1,749,654	16,606	0.0095	0.9905	43.78
41.5	1,714,513	47,870	0.0279	0.9721	43.37
42.5	1,666,643	38,615	0.0232	0.9768	42.16
43.5	1,152,215	56,252	0.0488	0.9512	41.18
44.5	1,095,963	57,250	0.0522	0.9478	39.17
45.5	1,113,077	149,047	0.1339	0.8661	37.12
46.5	939,915	11,760	0.0125	0.9875	32.15
47.5	928,155	588,590	0.6342	0.3658	31.75
48.5	339,564	18,324	0.0540	0.9460	11.62
49.5	321,240	64,367	0.2004	0.7996	10.99
50.5	25,286	16,077	0.6358	0.3642	8.79
51.5	23,588		0.0000	1.0000	3.20
52.5	9,045	344	0.0380	0.9620	3.20
53.5					3.08

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNTS 381.4 AND 381.5 PLANT SEWERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNTS 381.4 AND 381.5 PLANT SEWERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1973-2014 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	48,618		0.0000	1.0000	100.00
0.5	59,837		0.0000	1.0000	100.00
1.5	72,616		0.0000	1.0000	100.00
2.5	96,852		0.0000	1.0000	100.00
3.5	133,049	584	0.0044	0.9956	100.00
4.5	132,465		0.0000	1.0000	99.56
5.5	132,465		0.0000	1.0000	99.56
6.5	132,465		0.0000	1.0000	99.56
7.5	132,465	8,988	0.0679	0.9321	99.56
8.5	123,477		0.0000	1.0000	92.81
9.5	108,842		0.0000	1.0000	92.81
10.5	77,107		0.0000	1.0000	92.81
11.5	77,107		0.0000	1.0000	92.81
12.5	77,107		0.0000	1.0000	92.81
13.5	74,859		0.0000	1.0000	92.81
14.5	63,640		0.0000	1.0000	92.81
15.5	51,445		0.0000	1.0000	92.81
16.5	27,208		0.0000	1.0000	92.81
17.5					92.81
18.5					
19.5					
20.5					
21.5					
22.5					
23.5					
24.5					
25.5					
26.5					
27.5					
28.5					
29.5					
30.5					
31.5					
32.5					
33.5					
34.5					
35.5					
36.5					
37.5					
38.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

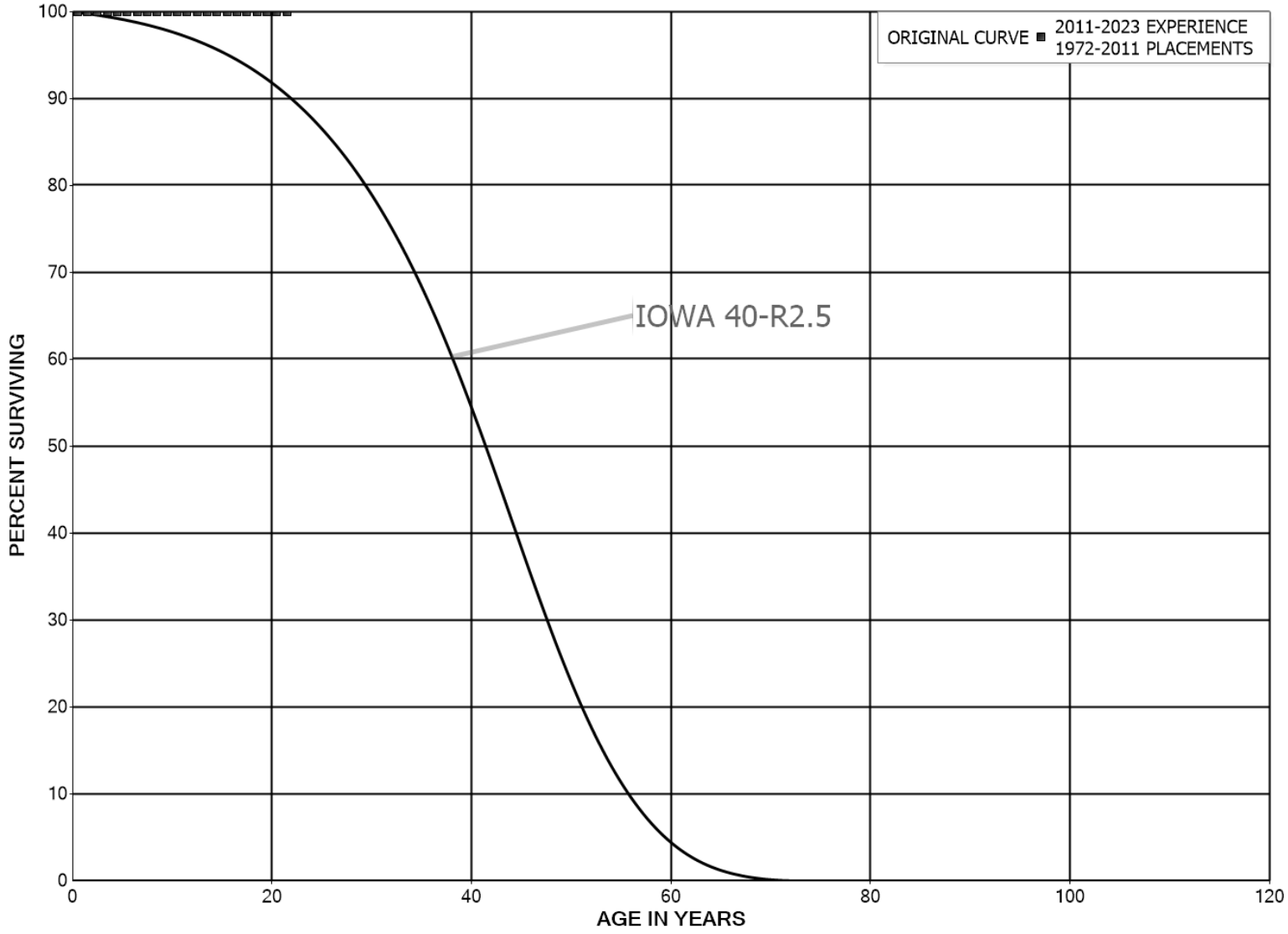
ACCOUNTS 381.4 AND 381.5 PLANT SEWERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1973-2014 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,163		0.0000		
40.5	5,163		0.0000		
41.5	5,163		0.0000		
42.5	5,163		0.0000		
43.5	5,163		0.0000		
44.5	5,163		0.0000		
45.5	5,163		0.0000		
46.5	5,163		0.0000		
47.5	5,163		0.0000		
48.5	5,163		0.0000		
49.5	5,163		0.0000		
50.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 382 OUTFALL LINES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 382 OUTFALL LINES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1972-2011 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	7,619		0.0000	1.0000	100.00
0.5	7,619		0.0000	1.0000	100.00
1.5	7,619		0.0000	1.0000	100.00
2.5	7,619		0.0000	1.0000	100.00
3.5	7,619		0.0000	1.0000	100.00
4.5	7,619		0.0000	1.0000	100.00
5.5	7,619		0.0000	1.0000	100.00
6.5	7,619		0.0000	1.0000	100.00
7.5	27,811		0.0000	1.0000	100.00
8.5	27,811		0.0000	1.0000	100.00
9.5	43,407		0.0000	1.0000	100.00
10.5	43,407		0.0000	1.0000	100.00
11.5	43,407		0.0000	1.0000	100.00
12.5	35,788		0.0000	1.0000	100.00
13.5	35,788		0.0000	1.0000	100.00
14.5	35,788		0.0000	1.0000	100.00
15.5	35,788		0.0000	1.0000	100.00
16.5	347,779		0.0000	1.0000	100.00
17.5	347,779		0.0000	1.0000	100.00
18.5	347,779		0.0000	1.0000	100.00
19.5	347,779		0.0000	1.0000	100.00
20.5	311,991		0.0000	1.0000	100.00
21.5	311,991		0.0000	1.0000	100.00
22.5					100.00
23.5					
24.5					
25.5					
26.5					
27.5					
28.5					
29.5					
30.5					
31.5					
32.5					
33.5					
34.5					
35.5					
36.5					
37.5					
38.5	9,638		0.0000		

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

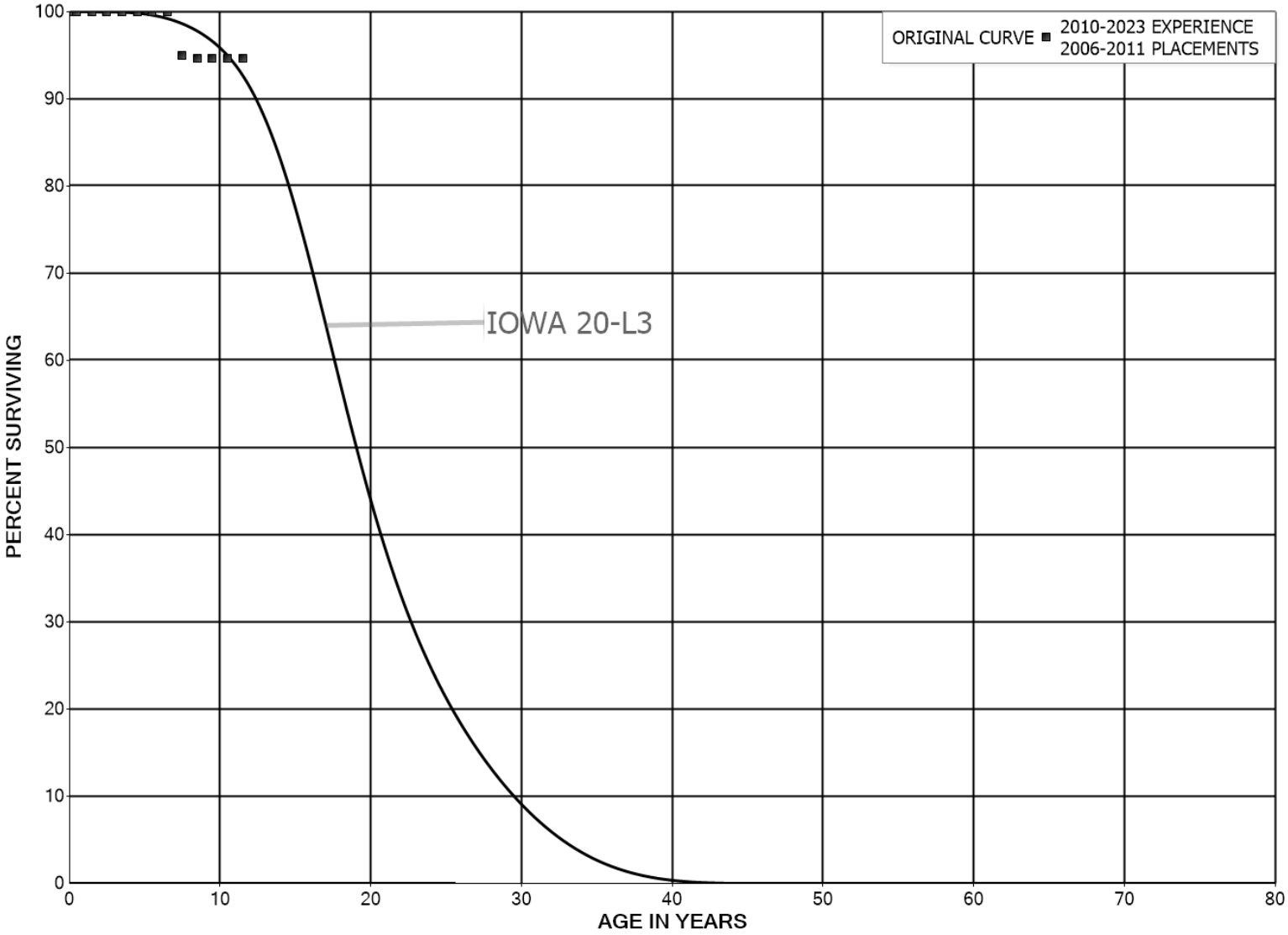
ACCOUNT 382 OUTFALL LINES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1972-2011 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	14,801		0.0000		
40.5	14,801		0.0000		
41.5	14,801		0.0000		
42.5	14,801		0.0000		
43.5	14,801		0.0000		
44.5	14,801		0.0000		
45.5	14,801		0.0000		
46.5	14,801		0.0000		
47.5	14,801		0.0000		
48.5	14,801		0.0000		
49.5	14,801		0.0000		
50.5	9,638		0.0000		
51.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

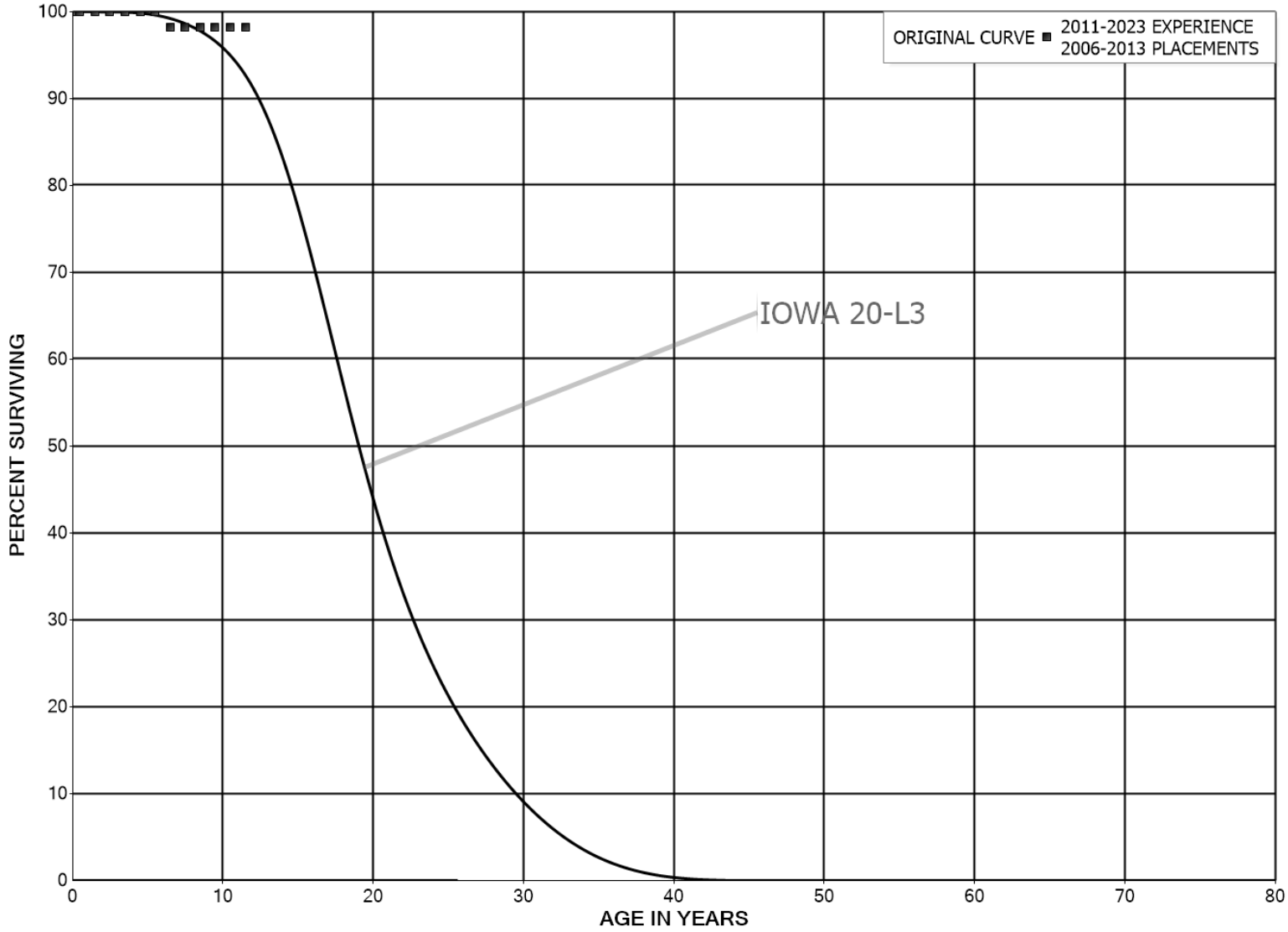
ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 2006-2011 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	358,061		0.0000	1.0000	100.00
0.5	358,061		0.0000	1.0000	100.00
1.5	358,061		0.0000	1.0000	100.00
2.5	358,061		0.0000	1.0000	100.00
3.5	699,183		0.0000	1.0000	100.00
4.5	699,183		0.0000	1.0000	100.00
5.5	699,183		0.0000	1.0000	100.00
6.5	699,183	35,151	0.0503	0.9497	100.00
7.5	664,033	2,624	0.0040	0.9960	94.97
8.5	661,408		0.0000	1.0000	94.60
9.5	661,408		0.0000	1.0000	94.60
10.5	661,408		0.0000	1.0000	94.60
11.5	661,408		0.0000	1.0000	94.60
12.5	659,889		0.0000	1.0000	94.60
13.5	338,498		0.0000	1.0000	94.60
14.5	338,498		0.0000	1.0000	94.60
15.5	338,498		0.0000	1.0000	94.60
16.5	329,059		0.0000	1.0000	94.60
17.5					94.60

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

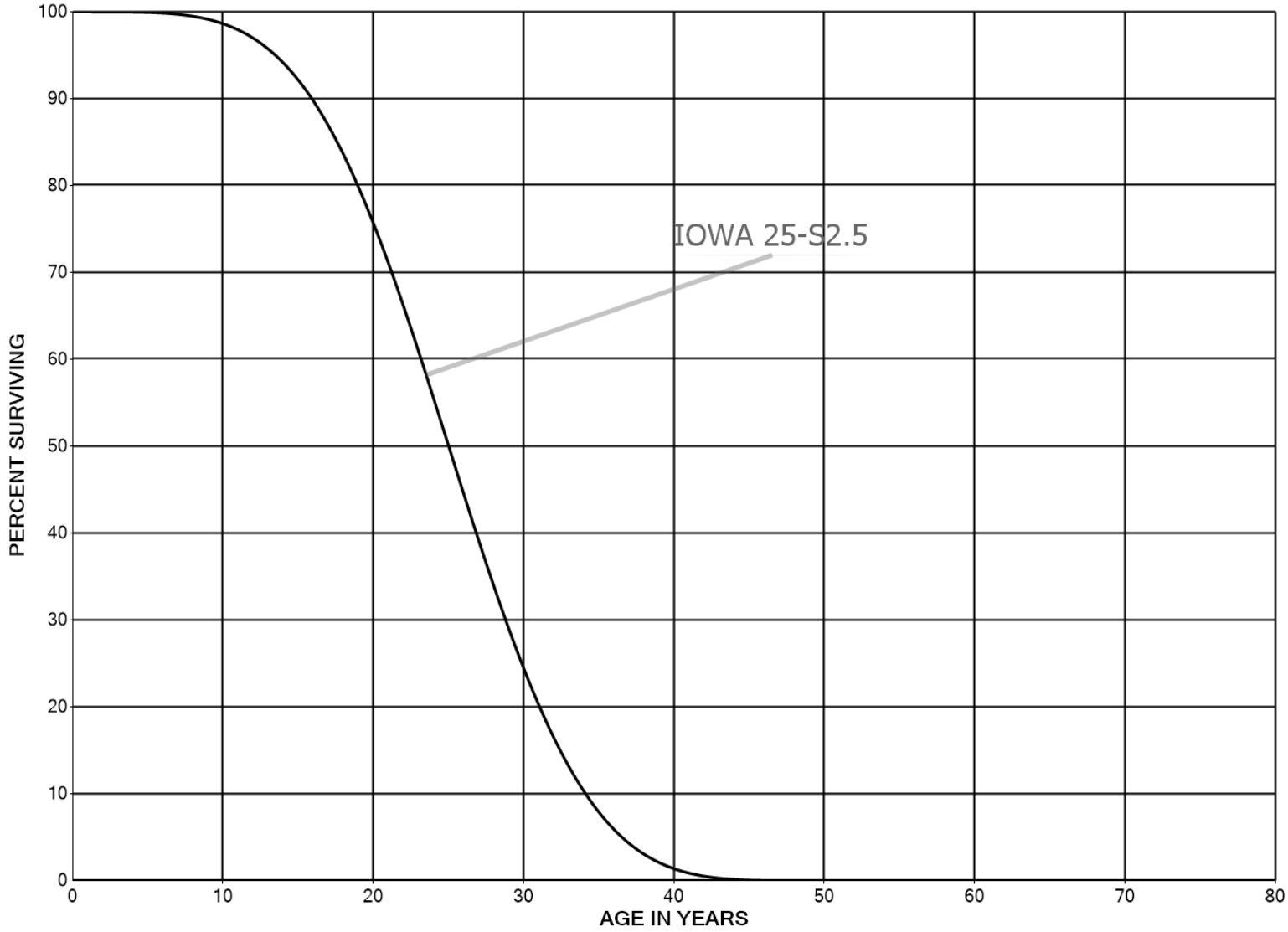
ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING

ORIGINAL LIFE TABLE

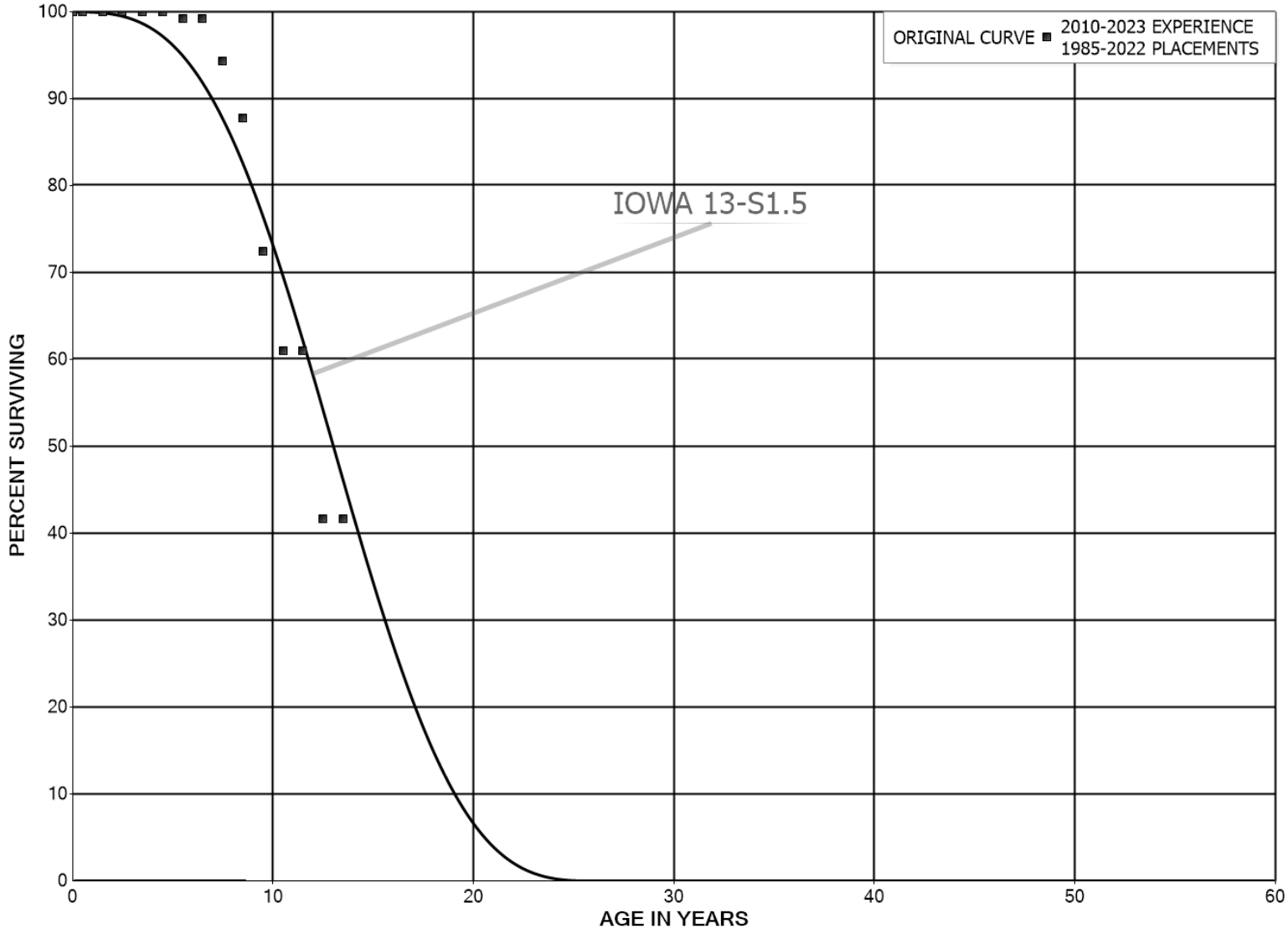
PLACEMENT BAND 2006-2013 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	48,489		0.0000	1.0000	100.00
0.5	48,489		0.0000	1.0000	100.00
1.5	49,019		0.0000	1.0000	100.00
2.5	49,425		0.0000	1.0000	100.00
3.5	51,999		0.0000	1.0000	100.00
4.5	67,029		0.0000	1.0000	100.00
5.5	68,660	1,289	0.0188	0.9812	100.00
6.5	67,371		0.0000	1.0000	98.12
7.5	67,371		0.0000	1.0000	98.12
8.5	67,371		0.0000	1.0000	98.12
9.5	67,371		0.0000	1.0000	98.12
10.5	20,283		0.0000	1.0000	98.12
11.5	20,283		0.0000	1.0000	98.12
12.5	18,882		0.0000	1.0000	98.12
13.5	18,476		0.0000	1.0000	98.12
14.5	17,124		0.0000	1.0000	98.12
15.5	16,105		0.0000	1.0000	98.12
16.5	12,722		0.0000	1.0000	98.12
17.5					98.12

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 389.4 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL
SMOOTH SURVIVOR CURVE



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 391 TRANSPORTATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

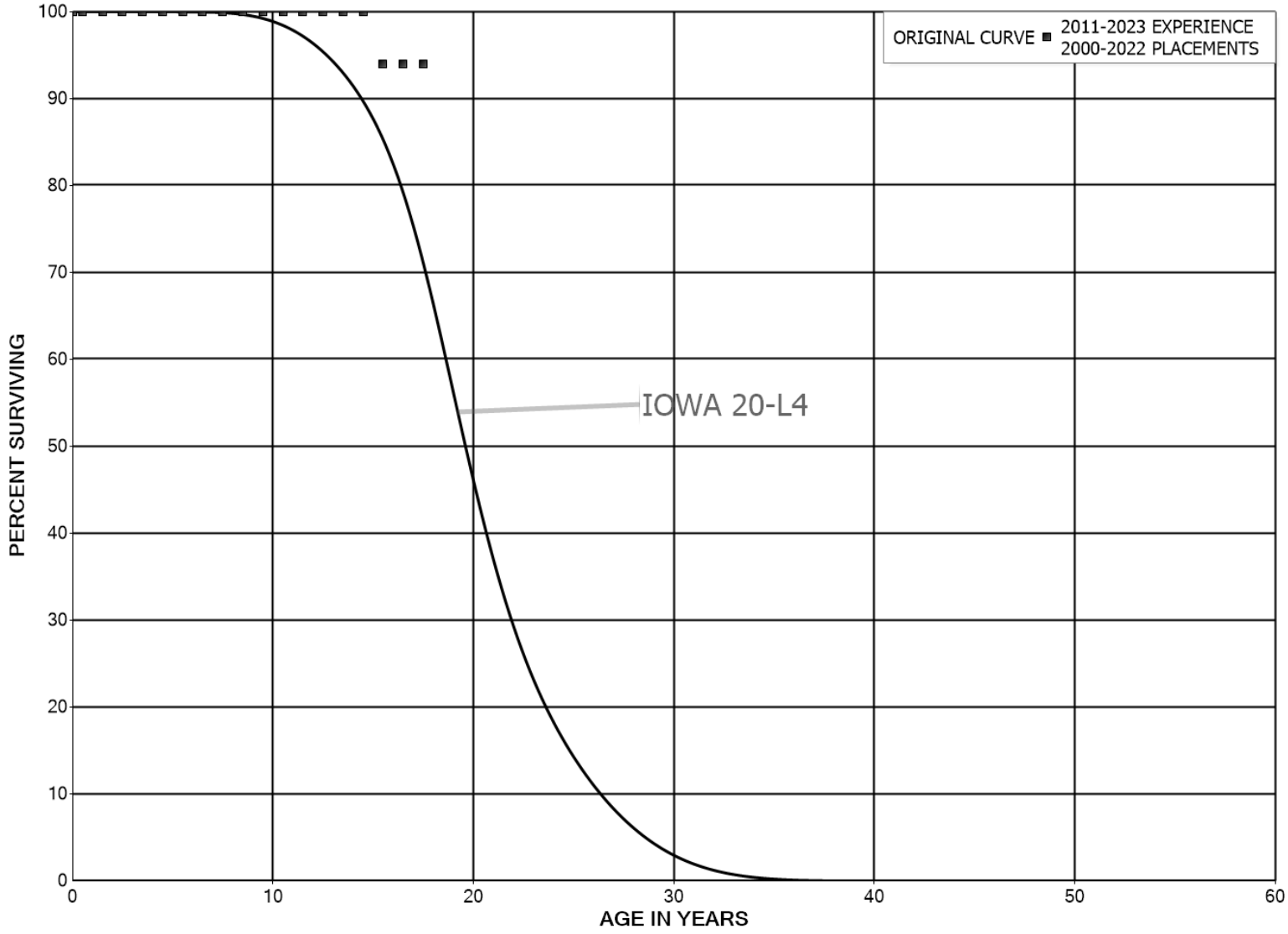
ACCOUNT 391 TRANSPORTATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1985-2022 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,580,889		0.0000	1.0000	100.00
0.5	1,575,873		0.0000	1.0000	100.00
1.5	1,499,519		0.0000	1.0000	100.00
2.5	1,508,503		0.0000	1.0000	100.00
3.5	1,039,635		0.0000	1.0000	100.00
4.5	925,061	7,372	0.0080	0.9920	100.00
5.5	724,350		0.0000	1.0000	99.20
6.5	632,517	31,571	0.0499	0.9501	99.20
7.5	238,613	16,458	0.0690	0.9310	94.25
8.5	234,210	41,072	0.1754	0.8246	87.75
9.5	152,300	23,950	0.1573	0.8427	72.36
10.5	128,350		0.0000	1.0000	60.98
11.5	157,609	49,929	0.3168	0.6832	60.98
12.5	107,681		0.0000	1.0000	41.66
13.5	78,422		0.0000	1.0000	41.66
14.5					41.66
15.5					
16.5					
17.5					
18.5	24,324		0.0000		
19.5	52,257		0.0000		
20.5	199,051		0.0000		
21.5	80,117	21,312	0.2660		
22.5	58,806	46,806	0.7959		
23.5	30,000		0.0000		
24.5	30,000		0.0000		
25.5	30,000		0.0000		
26.5	12,000		0.0000		
27.5	12,000		0.0000		
28.5	12,000		0.0000		
29.5	12,000		0.0000		
30.5	12,000		0.0000		
31.5	12,000		0.0000		
32.5	12,000	12,000	1.0000		
33.5	0		0.0000		
34.5	0		0.0000		
35.5	0	0	0.2500		
36.5	0		0.0000		
37.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
ACCOUNT 395 POWER OPERATED EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 395 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 2000-2022 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	29,400		0.0000	1.0000	100.00
0.5	25,528		0.0000	1.0000	100.00
1.5	23,967		0.0000	1.0000	100.00
2.5	27,734		0.0000	1.0000	100.00
3.5	34,077		0.0000	1.0000	100.00
4.5	40,707		0.0000	1.0000	100.00
5.5	105,643		0.0000	1.0000	100.00
6.5	109,087		0.0000	1.0000	100.00
7.5	148,798		0.0000	1.0000	100.00
8.5	151,782		0.0000	1.0000	100.00
9.5	151,782		0.0000	1.0000	100.00
10.5	149,367		0.0000	1.0000	100.00
11.5	145,908		0.0000	1.0000	100.00
12.5	157,891		0.0000	1.0000	100.00
13.5	154,124		0.0000	1.0000	100.00
14.5	147,781	8,973	0.0607	0.9393	100.00
15.5	132,177		0.0000	1.0000	93.93
16.5	67,241		0.0000	1.0000	93.93
17.5	143,903		0.0000	1.0000	93.93
18.5	113,166		0.0000	1.0000	93.93
19.5	110,182		0.0000	1.0000	93.93
20.5	30,076		0.0000	1.0000	93.93
21.5	30,076	30,076	1.0000		93.93
22.5					

PART VII. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1905	193,581	193,581			0.0
1928	502,920	448,236	54,684	54,684	0.0
1939	1,399,584	1,221,920	177,664	232,348	0.1
1942	2,170,156	1,860,076	310,080	542,428	0.1
1943	35,577	31,534	4,043	546,471	0.1
1944	2,855,339	2,417,462	437,877	984,348	0.3
1945	4,800	4,694	106	984,454	0.3
1947	1,445,120	1,175,157	269,963	1,254,417	0.3
1950	1,318,535	1,056,293	262,242	1,516,659	0.4
1952	1,667,942	1,322,768	345,174	1,861,833	0.5
1955	3,051,420	2,420,366	631,054	2,492,887	0.6
1958	1,334,501	1,018,783	315,718	2,808,605	0.7
1959	10,339	8,230	2,109	2,810,714	0.7
1960	4,328,930	3,707,549	621,381	3,432,095	0.9
1962	17,231	12,481	4,750	3,436,845	0.9
1963	16,590,089	11,822,254	4,767,835	8,204,680	2.1
1965	106,067	74,000	32,067	8,236,747	2.1
1970	11,607,799	8,246,137	3,361,662	11,598,409	3.0
1971	6,420,684	4,982,631	1,438,053	13,036,462	3.3
1972	891,935	580,169	311,766	13,348,228	3.4
1973	908,677	640,599	268,078	13,616,306	3.5
1974	112,593	83,652	28,941	13,645,247	3.5
1975	3,619,393	2,454,202	1,165,191	14,810,438	3.8
1976	414,372	266,026	148,346	14,958,784	3.8
1977	139,560	98,058	41,502	15,000,286	3.8
1978	533,355	336,635	196,720	15,197,006	3.9
1979	648,239	392,436	255,803	15,452,809	3.9
1980	3,292,645	2,044,659	1,247,986	16,700,795	4.3
1981	1,830,814	1,013,164	817,650	17,518,445	4.5
1982	1,011,713	574,000	437,713	17,956,158	4.6
1983	952,822	556,836	395,986	18,352,144	4.7
1984	868,015	510,177	357,838	18,709,982	4.8
1985	1,322,088	789,101	532,987	19,242,969	4.9
1986	28,648,794	17,777,064	10,871,730	30,114,699	7.7
1987	957,951	618,967	338,984	30,453,683	7.8
1988	1,308,575	722,768	585,807	31,039,490	7.9
1989	7,622,572	4,515,889	3,106,683	34,146,173	8.7
1990	8,170,802	4,591,532	3,579,270	37,725,443	9.6
1991	6,273,416	3,292,971	2,980,445	40,705,888	10.4
1992	1,141,280	649,538	491,742	41,197,630	10.5
1993	1,346,853	631,259	715,594	41,913,224	10.7
1994	2,713,703	1,306,709	1,406,994	43,320,218	11.0
1995	5,839,185	2,868,245	2,970,940	46,291,158	11.8
1996	8,073,061	5,149,397	2,923,664	49,214,822	12.5
1997	5,282,399	2,288,360	2,994,039	52,208,861	13.3

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1998	15,434,042	7,723,139	7,710,903	59,919,764	15.3
1999	15,949,672	7,242,815	8,706,857	68,626,621	17.5
2000	9,545,299	3,715,234	5,830,065	74,456,686	19.0
2001	12,099,300	5,113,475	6,985,825	81,442,511	20.8
2002	8,346,798	3,425,379	4,921,419	86,363,930	22.0
2003	16,329,615	7,961,699	8,367,916	94,731,846	24.1
2004	6,448,214	2,016,869	4,431,345	99,163,191	25.3
2005	17,872,614	7,162,529	10,710,085	109,873,276	28.0
2006	6,056,330	2,413,131	3,643,199	113,516,475	28.9
2007	18,182,720	7,741,969	10,440,751	123,957,226	31.6
2008	5,413,674	1,729,247	3,684,427	127,641,653	32.5
2009	9,366,852	3,303,459	6,063,393	133,705,046	34.1
2010	4,388,688	1,532,688	2,856,000	136,561,046	34.8
2011	8,826,358	2,516,906	6,309,452	142,870,498	36.4
2012	3,036,446	840,746	2,195,700	145,066,198	37.0
2013	8,945,269	1,921,379	7,023,890	152,090,088	38.8
2014	3,452,410	934,634	2,517,776	154,607,864	39.4
2015	9,070,140	2,173,959	6,896,181	161,504,045	41.2
2016	8,345,994	2,304,853	6,041,141	167,545,186	42.7
2017	17,260,076	3,353,241	13,906,835	181,452,021	46.2
2018	41,126,057	5,498,785	35,627,272	217,079,293	55.3
2019	31,922,760	4,771,202	27,151,558	244,230,851	62.2
2020	51,879,345	7,577,165	44,302,180	288,533,031	73.5
2021	13,275,805	1,347,562	11,928,243	300,461,274	76.6
2022	44,101,536	3,576,516	40,525,020	340,986,294	86.9
2023	23,909,416	965,914	22,943,502	363,929,796	92.7
2024	29,046,677	504,468	28,542,209	392,472,005	100.0
TOTAL	588,617,533	196,145,528	392,472,005		

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1970	32,457	20,583	11,874	11,874	0.0
1972	860,681	564,622	296,059	307,933	1.3
1973	300,307	224,870	75,437	383,370	1.6
1977	20,700	13,252	7,448	390,818	1.6
1980	443,326	309,942	133,384	524,202	2.1
1981	518,829	301,327	217,502	741,704	3.0
1982	141,900	79,162	62,738	804,442	3.3
1983	13,000	9,570	3,430	807,872	3.3
1984	53,053	42,455	10,598	818,470	3.3
1986	652,634	395,244	257,390	1,075,860	4.4
1987	513,135	319,291	193,844	1,269,704	5.2
1991	24,968	10,201	14,767	1,284,471	5.2
1999	5,404,048	2,302,831	3,101,217	4,385,688	17.8
2001	745,942	331,686	414,256	4,799,944	19.5
2002	872,209	376,243	495,966	5,295,910	21.5
2003	971,761	405,786	565,975	5,861,885	23.8
2004	1,042,760	403,740	639,020	6,500,905	26.4
2005	75,000	30,091	44,909	6,545,814	26.6
2006	474,301	177,662	296,639	6,842,453	27.8
2007	729,942	279,929	450,013	7,292,466	29.7
2008	51,125	17,450	33,675	7,326,141	29.8
2010	1,745,850	369,558	1,376,292	8,702,433	35.4
2011	2,417,047	875,113	1,541,934	10,244,367	41.7
2012	610,714	144,614	466,100	10,710,467	43.5
2013	56,191	12,113	44,078	10,754,545	43.7
2014	104,526	17,472	87,054	10,841,599	44.1
2015	123,824	18,016	105,808	10,947,407	44.5
2017	7,518,573	991,949	6,526,624	17,474,031	71.0
2019	2,345,646	285,374	2,060,272	19,534,303	79.4
2020	1,525,804	128,946	1,396,858	20,931,161	85.1
2021	536,291	53,410	482,881	21,414,042	87.1
2022	1,304,601	63,066	1,241,535	22,655,577	92.1
2023	1,578,707	49,497	1,529,210	24,184,787	98.3
2024	415,208	5,816	409,392	24,594,179	100.0
TOTAL	34,225,060	9,630,881	24,594,179		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
1960	157.49	148	130	27	3.99	7
1983	6,918.20	5,598	4,911	2,007	9.78	205
1992	11,401.23	8,152	7,151	4,250	12.95	328
1995	44,836.58	30,292	26,573	18,264	14.17	1,289
1997	25,086.68	16,281	14,282	10,805	14.87	727
1998	60,976.01	38,622	33,880	27,096	15.34	1,766
1999	458.46	283	248	210	15.82	13
2000	160,600.72	96,393	84,559	76,042	16.32	4,659
2001	842,287.91	490,885	430,620	411,668	16.82	24,475
2002	12,734.16	7,192	6,309	6,425	17.34	371
2005	15,216.74	7,745	6,794	8,423	18.81	448
2007	1,245,570.77	581,931	510,488	735,083	19.96	36,828
2009	942,537.29	398,882	349,912	592,625	21.13	28,047
2010	874,176.46	349,845	306,895	567,281	21.73	26,106
2011	1,974,489.66	741,026	650,051	1,324,439	22.47	58,943
2014	1,511.06	454	398	1,113	24.47	45
2016	219,871.74	54,198	47,544	172,328	25.98	6,633
2017	99,989.06	21,898	19,210	80,779	26.75	3,020
2018	902.31	172	151	751	27.51	27
2019	1,478.89	241	211	1,268	28.28	45
2020	22,595,046.25	3,018,698	2,648,098	19,946,948	29.17	683,817
2021	321,944.52	33,675	29,541	292,404	29.95	9,763
2022	262,840.68	19,713	17,293	245,548	30.83	7,965
2023	14,222,691.06	642,866	563,942	13,658,749	31.72	430,604
2024	498,518.89	7,478	6,560	491,959	32.72	15,035
	44,442,242.82	6,572,668	5,765,751	38,676,492		1,341,166

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.8 3.02

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1960	2,479,549.20	2,143,074	2,137,840	341,709	10.13	33,732
1971	516.33	406	405	111	14.53	8
1973	936.06	723	721	215	15.17	14
1975	779,627.03	586,591	585,158	194,469	16.29	11,938
1978	1,310.78	951	949	362	17.60	21
1981	871.98	607	606	266	19.00	14
1982	9,880.24	6,760	6,743	3,137	19.61	160
1983	43,097.57	29,151	29,080	14,018	19.85	706
1984	4,461.47	2,963	2,956	1,505	20.48	73
1985	17,614.21	11,481	11,453	6,161	21.10	292
1986	1,133,377.99	728,762	726,982	406,396	21.38	19,008
1989	673,455.28	408,787	407,789	265,666	22.98	11,561
1990	1,278,026.39	758,381	756,529	521,497	23.64	22,060
1991	418,845.21	242,763	242,170	176,675	24.30	7,271
1992	229,459.40	130,517	130,198	99,261	24.64	4,028
1994	440,527.55	239,162	238,578	201,950	25.68	7,864
1995	488,040.10	257,685	257,056	230,984	26.37	8,759
1996	891,111.84	459,635	458,512	432,600	26.75	16,172
1997	334,495.33	167,415	167,006	167,489	27.45	6,102
1998	369,716.98	180,274	179,834	189,883	27.85	6,818
1999	279,924.74	132,068	131,745	148,180	28.55	5,190
2000	373,689.38	171,224	170,806	202,883	28.97	7,003
2001	1,157,079.63	511,198	509,949	647,131	29.69	21,796
2003	1,686,759.78	692,584	690,892	995,868	30.86	32,271
2004	445,052.63	176,063	175,633	269,420	31.32	8,602
2005	7,566.60	2,877	2,870	4,697	31.78	148
2006	507,780.91	184,121	183,671	324,110	32.52	9,966
2007	1,672,386.80	579,482	578,067	1,094,320	33.01	33,151
2008	457,821.66	151,081	150,712	307,110	33.50	9,167
2009	795,600.49	249,103	248,494	547,106	34.00	16,091
2010	88,800.79	26,267	26,203	62,598	34.52	1,813
2012	1,115,274.32	289,971	289,263	826,011	35.58	23,216
2013	845,084.73	204,088	203,589	641,496	36.12	17,760
2014	183,927.76	40,942	40,842	143,086	36.67	3,902
2015	146,899.17	29,997	29,924	116,975	37.01	3,161
2016	225,810.43	41,639	41,537	184,273	37.59	4,902
2017	1,322,876.93	218,275	217,742	1,105,135	37.95	29,121
2018	179,393.54	26,012	25,948	153,446	38.34	4,002
2019	142,360.66	17,767	17,724	124,637	38.56	3,232
2020	1,502,884.66	156,300	155,918	1,346,967	38.79	34,725

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
2022	85,594.34	5,178	5,166	80,428	38.82	2,072
2023	111,467.91	4,213	4,202	107,266	38.18	2,809
2024	48,705.56	672	671	48,035	35.86	1,340
	22,977,664.36	10,267,210	10,242,133	12,735,532		432,041
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					29.5	1.88

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1970	3,194,102.35	2,698,378	2,609,530	584,572	10.01	58,399
1971	7,257.94	6,097	5,896	1,362	10.19	134
1972	28,368.63	23,682	22,902	5,467	10.39	526
1973	26,758.17	22,049	21,323	5,435	11.00	494
1980	26,204.76	20,290	19,622	6,583	12.97	508
1981	3,971.63	3,041	2,941	1,031	13.32	77
1983	45,597.37	34,061	32,939	12,658	14.06	900
1985	60,518.43	43,985	42,537	17,981	14.85	1,211
1986	8,714,359.44	6,240,353	6,034,882	2,679,477	15.26	175,588
1987	628,660.67	445,595	430,923	197,738	15.41	12,832
1989	2,638,411.50	1,807,840	1,748,315	890,096	16.31	54,574
1991	1,079,880.45	716,285	692,700	387,180	17.01	22,762
1992	73,382.87	47,934	46,356	27,027	17.25	1,567
1993	161,282.35	103,124	99,729	61,553	17.76	3,466
1994	300,971.07	189,100	182,874	118,097	18.04	6,546
1995	751,221.24	463,203	447,951	303,270	18.34	16,536
1997	1,080,234.21	635,718	614,786	465,448	19.23	24,204
1998	9,874,451.86	5,677,810	5,490,861	4,383,591	19.59	223,767
1999	2,144,326.28	1,197,392	1,157,966	986,360	20.16	48,927
2000	23,827.96	12,960	12,533	11,295	20.55	550
2001	2,816,903.05	1,489,578	1,440,532	1,376,371	20.94	65,729
2002	2,495,439.47	1,280,160	1,238,009	1,257,430	21.36	58,868
2003	3,889,232.80	1,931,393	1,867,799	2,021,434	21.79	92,769
2004	35,544.37	17,051	16,490	19,054	22.24	857
2005	1,497,016.44	691,921	669,139	827,877	22.69	36,486
2006	2,493,742.81	1,107,222	1,070,765	1,422,978	23.17	61,415
2007	696,822.82	296,289	286,533	410,290	23.65	17,348
2008	501,387.43	203,513	196,812	304,575	24.15	12,612
2009	2,666,516.25	1,029,275	995,385	1,671,131	24.66	67,767
2010	294,688.07	107,679	104,134	190,554	25.18	7,568
2011	1,300,349.83	447,580	432,843	867,507	25.72	33,729
2012	145,223.17	46,834	45,292	99,931	26.26	3,805
2013	177,404.74	53,257	51,503	125,902	26.81	4,696
2014	210,999.11	58,278	56,359	154,640	27.52	5,619
2015	661,181.19	167,080	161,579	499,602	28.09	17,786
2016	620,062.62	141,746	137,079	482,984	28.68	16,840
2017	338,124.65	68,707	66,445	271,680	29.40	9,241
2018	1,529,251.56	272,360	263,392	1,265,860	30.00	42,195
2019	13,669,287.02	2,074,998	2,006,676	11,662,611	30.73	379,519
2020	8,120,933.35	1,015,929	982,478	7,138,455	31.47	226,834
2021	247,146.90	24,220	23,422	223,725	32.21	6,946

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
2022	100,472.73	7,053	6,821	93,652	33.09	2,830
2023	1,168,468.02	49,426	47,799	1,120,669	33.96	33,000
2024	347,575.13	4,936	4,773	342,802	34.83	9,842
	76,887,562.71	32,975,382	31,889,625	44,997,938		1,867,869
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.1						2.43

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R2.5						
NET SALVAGE PERCENT.. 0						
1991	1,562,131.04	863,546	804,720	757,411	27.10	27,949
2006	28,782.49	9,636	8,980	19,802	36.75	539
2007	5,043.10	1,606	1,497	3,546	37.45	95
2008	2,260.21	683	636	1,624	38.14	43
2011	627.27	158	147	480	39.98	12
2012	33,521.87	7,878	7,341	26,181	40.69	643
2018	1,113.34	143	133	980	44.26	22
2022	100,963.46	5,250	4,892	96,071	45.58	2,108
2023	471,445.65	15,086	14,059	457,387	45.45	10,064
2024	7,569.37	86	80	7,489	43.75	171
	2,213,457.80	904,072	842,485	1,370,973		41,646

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.9 1.88

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
1982	5,499.36	4,207	4,707	792	13.06	61
1983	12,998.49	9,818	10,984	2,014	13.45	150
1986	533,051.60	381,718	427,048	106,004	15.26	6,947
1988	78,189.39	53,935	60,340	17,849	16.41	1,088
1989	683,381.41	463,333	518,354	165,027	16.86	9,788
1993	41,014.58	25,322	28,329	12,686	19.52	650
1999	373,089.06	194,081	217,129	155,960	23.52	6,631
2000	6,795.65	3,413	3,818	2,978	24.28	123
2017	42,080.40	7,070	7,910	34,170	37.14	920
2019	1,565.76	195	218	1,348	38.75	35
2020	1,253.99	128	143	1,111	39.55	28
2022	72,910.86	4,192	4,690	68,221	40.98	1,665
2024	1,585.22	19	21	1,564	41.87	37
	1,853,415.77	1,147,431	1,283,691	569,725		28,123

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.3 1.52

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2006	18,707.42	11,352	10,852	7,855	11.99	655
2008	23,853.57	13,224	12,641	11,213	13.26	846
2009	525.89	276	264	262	14.00	19
2010	41,132.43	20,398	19,499	21,633	14.74	1,468
2013	2,194.10	888	849	1,345	16.91	80
2014	3,842.34	1,432	1,369	2,473	17.67	140
2022	52,660.43	4,992	4,772	47,888	23.88	2,005
2023	70,325.94	4,037	3,858	66,468	24.61	2,701
2024	19,859.94	389	372	19,488	25.07	777
	233,102.06	56,988	54,476	178,626		8,691

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.6 3.73

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1960	314,626.22	314,626	314,626			
1971	0.01					
1975	102,123.69	102,113	102,124			
1985	19,913.03	18,643	18,797	1,116	2.69	415
1991	51,094.43	45,188	45,561	5,533	4.38	1,263
1994	51,083.18	43,472	43,831	7,252	5.34	1,358
1995	43,289.34	36,138	36,437	6,852	5.84	1,173
1996	410,472.45	336,916	339,699	70,773	6.22	11,378
1999	269,312.74	206,724	208,432	60,881	7.72	7,886
2001	131,410.38	95,430	96,218	35,192	8.86	3,972
2003	5,123.43	3,492	3,521	1,602	10.04	160
2006	29,562.12	17,938	18,086	11,476	11.99	957
2007	163,499.77	94,993	95,778	67,722	12.62	5,366
2008	9,021.02	5,001	5,042	3,979	13.26	300
2009	40,938.34	21,509	21,687	19,251	14.00	1,375
2012	137,787.22	60,103	60,599	77,188	16.15	4,779
2014	3,305.32	1,232	1,242	2,063	17.67	117
2015	11,240.82	3,823	3,855	7,386	18.43	401
2017	168,237.73	45,929	46,308	121,930	19.97	6,106
2018	9,305.15	2,220	2,238	7,067	20.75	341
2020	59,992.86	10,067	10,150	49,843	22.31	2,234
2023	17,250.17	990	998	16,252	24.61	660
2024	40,349.89	791	798	39,552	25.07	1,578
	2,088,939.31	1,467,338	1,476,027	612,912		51,819

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.8 2.48

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.4 POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1972	12,283.23	12,283	12,283			
1988	143,517.88	131,491	139,963	3,555	3.34	1,064
1990	251,569.85	225,658	240,198	11,372	3.96	2,872
1992	65,771.70	57,498	61,203	4,569	4.68	976
1995	21,885.67	18,270	19,447	2,439	5.84	418
1996	38,635.29	31,712	33,755	4,880	6.22	785
1998	95,653.64	75,031	79,865	15,789	7.28	2,169
2000	110,410.30	82,499	87,815	22,595	8.29	2,726
2001	22,091.98	16,043	17,077	5,015	8.86	566
2002	73,481.71	51,746	55,080	18,402	9.45	1,947
2003	332,385.46	226,554	241,151	91,234	10.04	9,087
2004	39,696.87	26,121	27,804	11,893	10.65	1,117
2006	105,998.71	64,320	68,464	37,535	11.99	3,131
2007	42,610.45	24,757	26,352	16,258	12.62	1,288
2008	184,085.53	102,057	108,633	75,453	13.26	5,690
2009	53,694.69	28,211	30,029	23,666	14.00	1,690
2010	156,508.14	77,612	82,613	73,895	14.74	5,013
2011	57,245.78	26,740	28,463	28,783	15.40	1,869
2012	1,213.11	529	563	650	16.15	40
2013	1,257.10	509	542	715	16.91	42
2014	5,454.43	2,033	2,164	3,290	17.67	186
2015	126,527.71	43,032	45,805	80,723	18.43	4,380
2016	89,787.79	27,547	29,322	60,466	19.20	3,149
2017	8,674.65	2,368	2,521	6,154	19.97	308
2018	42,510.15	10,143	10,797	31,713	20.75	1,528
2019	1,551,255.21	315,680	336,019	1,215,236	21.53	56,444
2020	936,186.04	157,092	167,214	768,972	22.31	34,468
2021	25,424.74	3,346	3,562	21,863	23.10	946
2022	232,102.59	22,003	23,420	208,683	23.88	8,739
2023	55,546.94	3,188	3,393	52,154	24.61	2,119
2024	373,247.29	7,316	7,788	365,459	25.07	14,578
	5,256,714.63	1,873,389	1,993,305	3,263,410		169,335

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.3 3.22

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1943	19,687.70	17,650	15,743	3,945	9.41	419
1950	19,131.75	16,534	14,747	4,385	11.71	374
1955	8,129.06	6,837	6,098	2,031	13.14	155
1959	6,023.68	4,892	4,363	1,661	15.15	110
1960	827,367.87	667,024	594,937	232,431	15.50	14,996
1962	15,542.17	12,337	11,004	4,538	16.24	279
1963	1,419,777.61	1,108,846	989,011	430,767	17.24	24,986
1965	62,922.95	48,300	43,080	19,843	18.02	1,101
1970	5,611.63	4,067	3,627	1,985	20.69	96
1971	4,525.56	3,220	2,872	1,654	21.68	76
1972	699,083.52	491,805	438,655	260,429	22.13	11,768
1973	596,323.75	414,564	369,761	226,563	22.58	10,034
1974	5,533.20	3,800	3,389	2,144	23.03	93
1975	665,980.19	448,338	399,885	266,095	24.03	11,073
1976	240,970.73	160,101	142,799	98,172	24.50	4,007
1977	43,149.79	28,285	25,228	17,922	24.96	718
1978	7,090.77	4,550	4,058	3,033	25.96	117
1980	991,250.39	617,549	550,809	440,441	26.93	16,355
1981	1,574,987.75	959,168	855,509	719,479	27.93	25,760
1982	393,963.68	236,063	210,551	183,413	28.43	6,451
1983	124,500.92	73,368	65,439	59,062	28.92	2,042
1984	277,837.55	159,784	142,516	135,322	29.92	4,523
1985	277,506.18	156,735	139,796	137,710	30.43	4,525
1986	12,683,195.39	7,031,564	6,271,647	6,411,548	30.94	207,225
1987	59,331.92	32,039	28,576	30,756	31.94	963
1988	1,000,900.90	529,677	472,434	528,467	32.47	16,276
1989	617,069.59	319,827	285,263	331,807	32.99	10,058
1990	942,162.35	474,567	423,279	518,883	33.99	15,266
1991	501,496.76	246,937	220,250	281,247	34.53	8,145
1992	270,741.67	130,227	116,153	154,589	35.07	4,408
1993	107,011.16	49,889	44,497	62,514	36.07	1,733
1994	1,281,398.04	582,267	519,340	762,058	36.62	20,810
1995	2,538,643.96	1,115,988	995,381	1,543,263	37.61	41,033
1996	1,153,747.50	493,227	439,923	713,824	38.17	18,701
1997	3,517,598.10	1,460,507	1,302,667	2,214,931	38.73	57,189
1998	3,171,172.38	1,269,103	1,131,948	2,039,224	39.72	51,340
1999	4,829,002.80	1,871,721	1,669,440	3,159,563	40.29	78,421
2000	2,909,413.43	1,083,466	966,373	1,943,040	41.29	47,058
2001	4,783,726.63	1,720,228	1,534,319	3,249,408	41.86	77,626
2002	4,369,904.66	1,504,121	1,341,567	3,028,338	42.86	70,657
2003	1,563,334.98	517,620	461,680	1,101,655	43.44	25,360

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
2004	2,599,708.93	826,187	736,899	1,862,810	44.01	42,327
2005	6,686,445.15	2,020,644	1,802,269	4,884,176	45.02	108,489
2006	1,402,910.19	404,880	361,124	1,041,786	45.60	22,846
2007	1,230,902.17	336,036	299,720	931,182	46.60	19,982
2008	2,153,625.98	557,789	497,508	1,656,118	47.20	35,087
2009	871,415.65	212,103	189,181	682,235	48.19	14,157
2010	372,143.38	85,258	76,044	296,099	48.79	6,069
2011	1,353,949.07	288,797	257,586	1,096,363	49.79	22,020
2012	871,003.19	173,155	154,442	716,561	50.39	14,220
2013	92,669.08	16,940	15,109	77,560	51.40	1,509
2014	164,520.26	27,639	24,652	139,868	52.00	2,690
2015	1,235,710.82	187,828	167,529	1,068,182	53.00	20,154
2016	636,103.65	87,019	77,615	558,489	53.61	10,418
2017	5,453,196.45	658,746	587,553	4,865,643	54.61	89,098
2018	107,125.94	11,280	10,061	97,065	55.23	1,757
2019	649,187.48	58,167	51,881	597,306	55.85	10,695
2020	1,545,507.39	113,440	101,180	1,444,327	56.85	25,406
2021	531,070.69	30,483	27,189	503,882	57.48	8,766
2022	1,457,661.30	60,056	53,565	1,404,096	58.11	24,163
2023	713,949.67	17,849	15,920	698,030	58.38	11,957
2024	1,817,598.49	15,450	13,780	1,803,818	58.32	30,930
	86,533,155.55	32,266,538	28,779,421	57,753,734		1,415,067

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.8 1.64

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1928	352,102.23	332,983	297,418	54,684	5.54	9,871
1939	971,335.94	888,578	793,672	177,664	7.96	22,320
1942	1,629,240.96	1,478,536	1,320,619	308,622	8.41	36,697
1944	2,101,085.09	1,877,530	1,676,997	424,088	9.59	44,222
1947	1,252,641.72	1,106,709	988,505	264,137	10.22	25,845
1950	1,130,508.06	985,351	880,109	250,399	10.97	22,826
1952	1,454,395.89	1,254,853	1,120,826	333,570	11.53	28,931
1955	2,404,083.93	2,038,423	1,820,706	583,378	12.47	46,783
1958	1,166,907.81	969,934	866,339	300,569	13.50	22,264
1960	117,962.58	96,635	86,314	31,649	14.24	2,223
1963	15,170,310.90	12,128,664	10,833,243	4,337,068	15.42	281,263
1965	37,212.55	29,003	25,905	11,308	16.84	671
1970	8,003,600.64	5,932,269	5,298,664	2,704,937	19.03	142,141
1971	358,618.82	262,868	234,792	123,827	19.49	6,353
1972	91,362.34	66,192	59,122	32,240	19.96	1,615
1973	39,821.00	28,504	25,460	14,361	20.45	702
1975	1,721,660.80	1,201,719	1,073,368	648,293	21.42	30,266
1976	22,790.94	15,696	14,020	8,771	21.92	400
1977	392.66	265	237	156	22.92	7
1978	394,158.40	262,115	234,119	160,039	23.43	6,831
1979	517,371.35	338,982	302,776	214,595	23.94	8,964
1980	1,537,423.92	991,946	886,000	651,424	24.47	26,621
1981	131,980.56	83,821	74,868	57,113	24.99	2,285
1982	468,827.45	292,923	261,637	207,190	25.52	8,119
1983	500,529.78	307,425	274,590	225,940	26.07	8,667
1985	584,316.04	346,207	309,230	275,086	27.17	10,125
1986	1,119,264.21	646,375	577,338	541,926	28.17	19,238
1987	104,998.86	59,450	53,100	51,899	28.73	1,806
1988	43,485.85	24,126	21,549	21,937	29.29	749
1989	1,654,315.81	898,624	802,645	851,671	29.86	28,522
1990	3,113,959.13	1,654,446	1,477,740	1,636,219	30.44	53,752
1991	2,463,417.75	1,279,006	1,142,400	1,321,018	31.02	42,586
1992	234,742.52	119,014	106,303	128,440	31.60	4,065
1993	1,031,022.49	509,944	455,479	575,543	32.19	17,880
1994	482,771.42	231,151	206,463	276,308	33.20	8,323
1995	907,768.37	423,111	377,920	529,848	33.79	15,681
1996	1,031,056.43	467,275	417,367	613,689	34.39	17,845
1997	29,791.30	13,108	11,708	18,083	35.00	517
1998	1,351,395.48	576,505	514,930	836,465	35.61	23,490
1999	4,103,214.17	1,695,038	1,513,997	2,589,217	36.23	71,466
2000	4,993,187.78	1,994,279	1,781,277	3,211,911	36.85	87,162

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2001	930,089.79	358,457	320,171	609,919	37.48	16,273
2002	111,928.39	41,548	37,110	74,818	38.11	1,963
2003	1,601,472.76	571,566	510,519	1,090,954	38.74	28,161
2004	2,826,020.01	967,629	864,280	1,961,740	39.38	49,816
2005	1,350,084.98	442,288	395,049	955,036	40.02	23,864
2006	568,580.22	177,738	158,754	409,826	40.67	10,077
2007	2,462,369.15	732,555	654,313	1,808,056	41.32	43,757
2008	1,032,482.76	291,367	260,247	772,236	41.98	18,395
2009	2,077,461.68	553,851	494,696	1,582,766	42.64	37,119
2010	1,254,231.37	314,561	280,964	973,267	43.31	22,472
2011	3,059,919.22	718,775	642,005	2,417,914	43.97	54,990
2012	254,804.25	55,751	49,796	205,008	44.64	4,592
2013	6,969,530.41	1,410,633	1,259,968	5,709,562	45.32	125,983
2014	1,276,436.17	237,162	211,832	1,064,604	46.00	23,144
2015	2,625,220.52	443,925	396,511	2,228,710	46.68	47,744
2016	1,269,868.70	194,290	173,539	1,096,330	47.06	23,296
2017	2,533,608.41	344,064	307,316	2,226,292	47.75	46,624
2018	34,809,580.73	4,142,340	3,699,910	31,109,671	48.14	646,233
2019	9,610,907.40	978,390	873,892	8,737,015	48.55	179,959
2020	3,121,832.43	262,858	234,783	2,887,049	48.97	58,955
2021	5,338,651.04	353,419	315,671	5,022,980	49.41	101,659
2022	5,433,427.09	261,891	233,919	5,199,508	49.32	105,424
2023	3,351,787.39	99,213	88,617	3,263,170	49.26	66,244
2024	11,015,199.11	114,558	102,322	10,912,877	47.35	230,473
	169,710,527.91	57,978,412	51,785,936	117,924,592		3,157,311

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 37.3 1.86

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 362 SPECIAL COLLECTING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R3						
NET SALVAGE PERCENT.. 0						
1995	11,400.44	7,264	6,194	5,206	16.80	310
	11,400.44	7,264	6,194	5,206		310

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.8 2.72

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1928	150,817.97	146,987	150,818			
1939	428,248.17	406,408	428,248			
1942	540,914.66	508,730	539,457	1,458	5.22	279
1943	15,889.57	14,892	15,791	99	5.46	18
1944	754,254.16	698,289	740,465	13,789	6.45	2,138
1945	4,800.42	4,427	4,694	106	6.71	16
1947	192,477.89	176,021	186,652	5,826	7.25	804
1950	168,895.29	152,242	161,437	7,458	8.15	915
1952	213,546.12	190,440	201,942	11,604	8.80	1,319
1955	639,207.18	559,754	593,562	45,645	9.87	4,625
1958	167,593.17	143,761	152,444	15,149	11.02	1,375
1959	4,315.58	3,647	3,867	449	12.02	37
1960	138,386.49	116,037	123,045	15,341	12.42	1,235
1962	1,688.74	1,393	1,477	212	13.26	16
1965	5,931.82	4,729	5,015	917	15.13	61
1970	330,677.69	246,884	261,795	68,883	18.50	3,723
1971	6,034,604.22	4,455,348	4,724,445	1,310,159	18.96	69,101
1972	50,696.34	36,729	38,947	11,749	19.96	589
1973	10,207.10	7,306	7,747	2,460	20.45	120
1974	107,059.53	75,691	80,263	26,797	20.93	1,280
1975	186,588.06	129,306	137,116	49,472	21.93	2,256
1976	150,610.45	102,987	109,207	41,403	22.43	1,846
1977	72,604.56	48,631	51,568	21,037	23.42	898
1978	106,083.89	70,047	74,278	31,806	23.92	1,330
1979	130,867.51	84,553	89,660	41,208	24.92	1,654
1980	274,387.58	174,620	185,167	89,221	25.43	3,508
1981	118,103.44	73,980	78,448	39,655	25.94	1,529
1982	115,457.64	70,660	74,928	40,530	26.94	1,504
1983	219,179.86	130,982	138,893	80,287	27.94	2,874
1984	585,715.50	343,932	364,705	221,010	28.47	7,763
1985	196,992.55	112,837	119,652	77,341	29.46	2,625
1986	81,174.11	45,628	48,384	32,790	29.99	1,093
1987	128,721.87	70,475	74,732	53,990	30.99	1,742
1988	28,183.92	15,123	16,036	12,148	31.52	385
1989	1,343,358.39	700,964	743,302	600,056	32.53	18,446
1990	1,151,556.75	584,070	619,347	532,210	33.52	15,877
1991	64,814.63	32,135	34,076	30,739	34.07	902
1992	29,125.91	14,010	14,856	14,270	35.07	407
1993	6,522.60	3,041	3,225	3,298	36.07	91
1994	22,007.24	9,934	10,534	11,473	37.07	309
1995	151,000.74	66,380	70,389	80,612	37.61	2,143

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1996	187,356.14	79,551	84,356	103,000	38.62	2,667
1997	152,899.92	62,658	66,442	86,458	39.61	2,183
1998	180,466.51	71,248	75,551	104,916	40.62	2,583
1999	1,173,368.98	448,814	475,922	697,447	41.17	16,941
2000	276,922.91	101,769	107,916	169,007	42.17	4,008
2001	553,807.27	195,217	207,008	346,799	43.17	8,033
2002	70,734.04	23,873	25,315	45,419	44.17	1,028
2003	171,004.48	55,149	58,480	112,524	45.17	2,491
2004	355,869.77	109,430	116,039	239,831	46.17	5,195
2005	2,600,370.52	765,549	811,788	1,788,583	46.73	38,275
2006	228,028.70	63,711	67,559	160,470	47.72	3,363
2007	419,643.58	110,870	117,566	302,078	48.73	6,199
2008	183,421.96	45,709	48,470	134,952	49.72	2,714
2009	431,310.36	100,927	107,023	324,287	50.73	6,392
2010	340,317.35	74,529	79,030	261,287	51.72	5,052
2011	10,815.99	2,204	2,337	8,479	52.73	161
2012	8,160.27	1,541	1,634	6,526	53.72	121
2013	88,268.82	15,323	16,249	72,020	54.73	1,316
2014	192,042.95	30,458	32,298	159,745	55.72	2,867
2015	396,366.91	56,839	60,272	336,095	56.73	5,924
2016	243,235.02	31,426	33,324	209,911	57.29	3,664
2017	337,026.74	38,421	40,742	296,285	58.29	5,083
2018	377,203.45	37,268	39,519	337,684	59.29	5,695
2019	822,168.50	68,733	72,884	749,284	60.29	12,428
2020	699,933.09	47,875	50,767	649,166	61.29	10,592
2021	848,649.82	45,148	47,875	800,775	62.29	12,856
2022	917,331.06	34,859	36,964	880,367	63.29	13,910
2023	1,655,620.51	37,748	40,028	1,615,593	64.29	25,130
2024	676,886.26	5,144	5,454	671,432	65.29	10,284
	29,722,501.19	13,596,001	14,409,426	15,313,075		373,988

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.9 1.26

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1960	30,809.99	29,214	30,587	223	3.52	63
1973	173.13	157	164	9	5.32	2
1975	23,066.04	20,667	21,638	1,428	5.75	248
1985	7,409.00	6,234	6,527	882	7.45	118
1990	1,883.31	1,520	1,591	292	8.24	35
1992	13,227.16	10,489	10,982	2,245	8.48	265
1994	15,360.77	11,948	12,510	2,851	8.71	327
1996	159,754.31	121,573	127,287	32,467	8.95	3,628
2000	3,825.19	2,755	2,884	941	9.51	99
2001	10,146.89	7,178	7,515	2,632	9.72	271
2003	61,936.33	41,943	43,914	18,022	10.25	1,758
2006	15,945.78	9,853	10,316	5,630	11.44	492
2007	18,779.59	11,174	11,699	7,081	11.91	595
2008	58,049.39	33,140	34,698	23,351	12.40	1,883
2009	18,573.69	10,134	10,610	7,964	12.91	617
2010	19,887.69	10,294	10,778	9,110	13.51	674
2011	7,079.27	3,460	3,623	3,456	14.12	245
2012	34,080.01	15,636	16,371	17,709	14.75	1,201
2013	1,185.71	506	530	656	15.46	42
2014	1,759.60	693	726	1,034	16.17	64
2015	28,757.77	10,353	10,840	17,918	16.89	1,061
2017	21,151.63	6,123	6,411	14,741	18.41	801
2018	8,811.91	2,228	2,333	6,479	19.21	337
2019	475,319.97	102,194	106,996	368,324	20.08	18,343
2020	45,347.80	8,040	8,418	36,930	20.88	1,769
2021	37,244.53	5,162	5,404	31,841	21.75	1,464
2022	10,304.78	1,025	1,073	9,232	22.63	408
2023	5,330.73	319	334	4,997	23.56	212
2024	25,899.99	518	542	25,358	24.56	1,032
	1,161,101.96	484,530	507,301	653,801		38,054

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.2 3.28

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 370 RECEIVING WELLS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S2.5						
NET SALVAGE PERCENT.. 0						
1971	183.84	169	145	39	4.64	8
1973	233.55	212	183	51	5.32	10
1975	323.92	290	250	74	5.75	13
1978	429.32	377	325	104	6.41	16
1990	788,855.86	609,628	524,801	264,055	10.14	26,041
1992	114,766.34	85,788	73,851	40,915	10.98	3,726
1996	467,489.89	321,072	276,397	191,093	13.00	14,699
1998	184,463.33	120,750	103,948	80,515	13.98	5,759
1999	461,295.54	292,923	252,164	209,132	14.66	14,265
2000	71,540.68	44,169	38,023	33,518	15.18	2,208
2003	694,029.86	386,436	332,666	361,364	17.11	21,120
2004	89,269.41	47,759	41,114	48,155	17.82	2,702
2005	51,250.80	26,281	22,624	28,627	18.52	1,546
2006	60,979.67	29,892	25,733	35,247	19.24	1,832
2007	76,608.42	35,661	30,699	45,909	20.09	2,285
2009	3,381.59	1,410	1,214	2,168	21.67	100
2015	110,203.09	28,686	24,694	85,509	27.00	3,167
	3,175,305.11	2,031,503	1,748,831	1,426,475		99,497

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.3 3.13

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1905	193,581.15	193,581	193,581			
1960	420,069.68	390,161	420,070			
1970	65,506.07	58,549	64,646	860	6.48	133
1971	956.09	849	937	19	6.74	3
1973	72.61	64	71	2	6.98	
1975	139,461.53	121,499	134,150	5,312	7.32	726
1978	23,581.02	20,176	22,277	1,304	7.85	166
1985	157,818.32	127,801	141,109	16,709	9.28	1,801
1986	1,632,038.57	1,313,138	1,449,873	182,166	9.35	19,483
1987	32,021.38	25,579	28,242	3,779	9.45	400
1988	14,297.26	11,272	12,446	1,851	9.80	189
1990	635,016.35	490,741	541,841	93,175	10.14	9,189
1991	131,713.13	100,602	111,077	20,636	10.36	1,992
1992	98,660.94	74,706	82,485	16,176	10.42	1,552
1994	68,292.90	50,407	55,656	12,637	10.82	1,168
1995	72,738.59	52,997	58,515	14,224	10.99	1,294
1996	3,733,437.17	2,691,808	2,972,101	761,336	11.03	69,024
1997	142,293.46	100,957	111,469	30,824	11.26	2,737
1998	143,393.86	100,318	110,764	32,630	11.38	2,867
1999	1,052,255.79	724,478	799,917	252,339	11.54	21,866
2000	615,085.23	415,921	459,230	155,855	11.73	13,287
2001	415,602.12	276,375	305,153	110,449	11.84	9,328
2002	17,449.06	11,345	12,526	4,923	12.10	407
2003	651,070.28	414,341	457,486	193,584	12.28	15,764
2004	39,662.62	24,718	27,292	12,371	12.39	998
2005	2,865,020.59	1,737,348	1,918,255	946,766	12.66	74,784
2006	112,560.71	66,433	73,351	39,210	12.85	3,051
2007	376,893.05	215,017	237,406	139,487	13.17	10,591
2008	131,356.48	72,391	79,929	51,427	13.44	3,826
2009	1,010,608.35	537,239	593,181	417,427	13.66	30,558
2010	352,467.91	179,406	198,087	154,381	13.99	11,035
2011	428,395.83	207,601	229,218	199,178	14.36	13,870
2012	235,582.45	108,085	119,340	116,242	14.75	7,881
2013	350,615.59	151,185	166,928	183,688	15.17	12,109
2014	672,395.60	270,438	298,598	373,798	15.61	23,946
2015	726,025.30	269,646	297,724	428,301	16.08	26,636
2016	753,955.47	255,742	282,372	471,583	16.56	28,477
2017	1,195,962.63	365,008	403,015	792,948	17.07	46,453
2018	1,283,873.76	346,389	382,458	901,416	17.60	51,217
2019	979,001.37	228,303	252,076	726,925	18.08	40,206
2020	3,011,919.55	585,517	646,485	2,365,435	18.65	126,833

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
2021	495,891.74	76,367	84,319	411,573	19.23	21,403
2022	3,565,726.51	400,075	441,734	3,123,993	19.77	158,017
2023	1,238,479.23	85,084	93,944	1,144,535	20.33	56,298
2024	1,504,110.21	35,798	39,525	1,464,585	20.55	71,269
	31,786,917.51	13,985,455	15,410,859	16,376,058		992,834
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					16.5	3.12

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.5 PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1970	10.91	10	10	1	6.48	
1972	345.08	306	321	24	6.67	4
1975	561.52	489	513	49	7.32	7
1978	700.69	600	629	72	7.85	9
1981	899.00	755	792	107	8.31	13
1989	10,443.56	8,156	8,553	1,891	9.95	190
1990	5,505.01	4,254	4,461	1,044	10.14	103
1995	31,889.32	23,235	24,366	7,523	10.99	685
1999	3,484.75	2,399	2,516	969	11.54	84
2001	116,392.02	77,401	81,167	35,225	11.84	2,975
2005	7,621.38	4,622	4,847	2,774	12.66	219
2006	197.48	117	123	74	12.85	6
2008	336.98	186	195	142	13.44	11
2010	3,898.84	1,985	2,081	1,818	13.99	130
2011	4,342.92	2,105	2,207	2,136	14.36	149
2017	1,518.74	464	487	1,032	17.07	60
2024	8,485.21	202	212	8,273	20.55	403
	196,633.41	127,286	133,480	63,154		5,048

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.5 2.57

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
1970	8,289.34	7,364	7,865	424	6.85	62
1971	14,021.26	12,302	13,139	882	7.48	118
1972	158.52	138	147	12	7.74	2
1973	223,825.37	193,654	206,835	16,990	8.02	2,118
1977	23,412.82	19,685	21,025	2,388	8.99	266
1980	463,378.21	377,375	403,061	60,317	10.14	5,948
1982	18,085.08	14,450	15,434	2,651	10.69	248
1986	2,752,332.52	2,098,103	2,240,910	511,423	12.01	42,583
1987	4,216.44	3,178	3,394	822	12.25	67
1989	2,136.26	1,562	1,668	468	13.04	36
1990	2,266.68	1,634	1,745	522	13.35	39
1991	22.80	16	17	6	13.67	
1994	51,291.14	34,570	36,923	14,368	14.75	974
1995	776,470.53	513,092	548,016	228,455	15.14	15,089
1998	2,352.32	1,459	1,558	794	16.24	49
1999	1,259,938.21	761,507	813,339	446,599	16.69	26,758
2001	7,770.90	4,456	4,759	3,012	17.48	172
2002	1,195,126.68	664,251	709,463	485,664	17.98	27,011
2003	5,552,775.04	2,996,277	3,200,219	2,352,556	18.34	128,275
2004	12,362.67	6,463	6,903	5,460	18.71	292
2005	2,697,587.07	1,357,156	1,449,531	1,248,056	19.26	64,800
2006	51,041.98	24,740	26,424	24,618	19.67	1,252
2007	9,629,252.72	4,482,417	4,787,513	4,841,740	20.09	241,002
2008	607,389.02	270,592	289,010	318,379	20.54	15,500
2009	285,475.23	120,813	129,036	156,439	21.13	7,404
2010	248,600.17	99,838	106,633	141,967	21.60	6,573
2011	541,793.72	205,557	219,548	322,246	22.09	14,588
2012	138,054.67	49,175	52,522	85,533	22.59	3,786
2013	201,704.96	66,805	71,352	130,353	23.22	5,614
2014	634,137.84	194,427	207,661	426,477	23.75	17,957
2015	2,650,788.29	745,402	796,138	1,854,650	24.28	76,386
2016	3,666,885.38	932,122	995,567	2,671,318	24.94	107,110
2017	5,061,084.17	1,149,878	1,228,144	3,832,940	25.50	150,311
2018	1,666,501.74	331,467	354,028	1,312,474	26.18	50,133
2019	3,052,320.25	518,894	554,213	2,498,107	26.86	93,005
2020	6,962,233.79	974,713	1,041,057	5,921,177	27.65	214,147
2021	4,428,702.16	486,714	519,842	3,908,860	28.35	137,879

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
2022	31,421,341.82	2,482,286	2,651,243	28,770,099	29.15	986,967
2023	32,868.78	1,565	1,672	31,197	30.04	1,039
2024	10,009,403.74	159,150	169,982	9,839,421	30.95	317,913
	96,357,400.29	22,365,247	23,887,536	72,469,864		2,763,473
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					26.2	2.87

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 381.4 PLANT SEWERS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
1973	5,163.10	4,627	4,192	971	5.97	163
2006	27,208.44	12,837	11,630	15,578	20.71	752
2007	24,236.77	10,902	9,877	14,360	21.41	671
2008	8,178.49	3,509	3,179	4,999	21.96	228
2009	11,218.89	4,573	4,143	7,076	22.52	314
2013	31,735.34	10,073	9,126	22,609	24.73	914
2014	14,634.76	4,303	3,898	10,737	25.21	426
	122,375.79	50,824	46,045	76,331		3,468

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.0 2.83

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 381.5 PLANT SEWERS - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
2008	4,015.94	1,723	1,436	2,580	21.96	117
2010	2,248.23	867	723	1,526	23.09	66
	6,264.17	2,590	2,159	4,106		183

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.4 2.92

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 382 OUTFALL LINES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2.5						
NET SALVAGE PERCENT.. 0						
1972	9,637.69	8,804	7,792	1,846	4.97	371
1973	5,163.10	4,680	4,142	1,021	5.32	192
2001	311,991.19	179,645	158,987	153,004	17.31	8,839
2003	35,788.00	19,236	17,024	18,764	18.50	1,014
2011	7,619.38	2,767	2,449	5,170	23.67	218
2024	5,000.00	83	73	4,927	29.53	167
	375,199.36	215,215	190,467	184,732		10,801

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.1 2.88

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2006	329,059.46	255,679	257,874	71,185	5.31	13,406
2007	9,438.16	7,184	7,246	2,192	5.49	399
2010	321,391.65	224,621	226,550	94,842	6.25	15,175
2011	1,519.00	1,015	1,024	495	6.70	74
	661,408.27	488,499	492,694	168,715		29,054

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.8 4.39

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2006	12,721.54	9,885	10,163	2,559	5.31	482
2007	3,383.22	2,575	2,648	735	5.49	134
2008	1,019.00	758	779	240	5.67	42
2009	1,352.64	979	1,007	346	5.91	59
2010	406.00	284	292	114	6.25	18
2011	1,400.22	936	962	438	6.70	65
2013	47,088.34	28,102	28,894	18,195	7.77	2,342
	67,370.96	43,519	44,745	22,626		3,142

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 7.2 4.66

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.4 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-S2.5						
NET SALVAGE PERCENT.. 0						
2008	1,057.47	689	800	257	8.82	29
2009	11,017.03	6,865	7,971	3,046	9.38	325
	12,074.50	7,554	8,771	3,303		354

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.3 2.93

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2006	2,385.62	2,207	2,386			
2007	1,881.61	1,646	1,882			
2010	2,209.99	1,602	2,093	117	5.50	21
2014	2,692.49	1,414	1,848	844	9.50	89
2016	1,025.75	436	570	456	11.50	40
2019	7,487.58	2,059	2,691	4,797	14.50	331
2020	9,915.80	2,231	2,915	7,001	15.50	452
2024	13,073.04	327	427	12,646	19.50	649
	40,671.88	11,922	14,812	25,859		1,582

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.3 3.89

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.2 OFFICE FURNITURE AND EQUIPMENT - OFFICE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2015	114,001.23	108,301	51,939	62,062	0.50	62,062
2016	67,476.93	57,355	27,506	39,971	1.50	26,647
2017	38,326.49	28,745	13,785	24,541	2.50	9,816
2018	8,441.84	5,487	2,632	5,810	3.50	1,660
2019	9,564.42	5,260	2,522	7,042	4.50	1,565
2024	5,919.81	296	142	5,778	9.50	608
	243,730.72	205,444	98,526	145,204		102,358

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 1.4 42.00

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2020	164,635.83	148,172	125,525	39,111	0.50	39,111
2021	0.02					
2022	706.26	353	299	407	2.50	163
2023	122.15	37	31	91	3.50	26
2024	524,199.30	52,420	44,408	479,792	4.50	106,620
	689,663.56	200,982	170,263	519,401		145,920

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 3.6 21.16

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.4 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10 YEARS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2015	3,210.82	3,050	3,211			
2016	11,907.75	10,122	11,908			
2017	63,825.88	47,869	58,689	5,137	2.50	2,055
2018	69,842.94	45,398	55,660	14,183	3.50	4,052
2019	34,635.95	19,050	23,356	11,280	4.50	2,507
2020	36,845.15	16,580	20,328	16,517	5.50	3,003
2021	363.76	127	156	208	6.50	32
2022	2,828.66	707	867	1,962	7.50	262
2023	147.21	22	27	120	8.50	14
2024	581,139.28	29,057	35,624	545,516	9.50	57,423
	804,747.40	171,982	209,826	594,922		69,348

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.6 8.62

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.41 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15 YEARS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2014	13,382.59	9,368	12,703	680	4.50	151
2015	23,615.26	14,956	20,281	3,334	5.50	606
2016	54,115.88	30,666	41,584	12,532	6.50	1,928
2017	55,472.66	27,736	37,611	17,862	7.50	2,382
2018	125,008.23	54,170	73,457	51,551	8.50	6,065
2019	20,806.95	7,629	10,345	10,462	9.50	1,101
2020	27,766.76	8,330	11,296	16,471	10.50	1,569
2021	485.99	113	153	333	11.50	29
2024	509,899.57	16,995	23,046	486,853	14.50	33,576
	830,553.89	169,963	230,476	600,078		47,407

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.7 5.71

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 391 TRANSPORTATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 13-S1.5						
NET SALVAGE PERCENT.. 0						
1986	0.03					
2009	78,421.83	67,223	78,422			
2015	26,364.42	17,733	26,364			
2016	337,372.02	211,633	337,372			
2017	90,835.79	52,321	90,836			
2018	209,158.21	108,490	209,011	147	6.03	24
2019	114,574.38	52,051	100,278	14,296	6.61	2,163
2020	769,353.65	295,278	568,866	200,488	7.22	27,768
2021	65,209.73	20,039	38,606	26,604	7.89	3,372
2022	75,284.06	16,924	32,605	42,679	8.62	4,951
2024	214,000.00	9,908	19,088	194,912	10.30	18,923
	1,980,574.12	851,600	1,501,448	479,126		57,201

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.4 2.89

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 392 STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2009	5,075.00	3,933	3,100	1,975	4.50	439
	5,075.00	3,933	3,100	1,975		439

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.5 8.65

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 393 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2006	5,414.38	5,008	3,798	1,616	1.50	1,077
2007	3,411.17	2,985	2,264	1,147	2.50	459
2008	1,889.56	1,559	1,182	708	3.50	202
2009	46,495.93	36,034	27,327	19,169	4.50	4,260
2011	33,817.10	22,827	17,311	16,506	6.50	2,539
2014	6,938.06	3,642	2,762	4,176	9.50	440
2015	11,505.54	5,465	4,144	7,362	10.50	701
2016	18,979.86	8,066	6,117	12,863	11.50	1,119
2017	47,945.32	17,979	13,635	34,310	12.50	2,745
2018	62,374.76	20,272	15,374	47,001	13.50	3,482
2019	11,246.56	3,093	2,346	8,901	14.50	614
2020	267,466.39	60,180	45,638	221,828	15.50	14,311
2021	91,498.77	16,012	12,143	79,356	16.50	4,809
2022	71,395.72	8,924	6,768	64,628	17.50	3,693
2023	81,793.58	6,135	4,652	77,142	18.50	4,170
2024	118,657.76	2,966	2,249	116,408	19.50	5,970
	880,830.46	221,147	167,710	713,120		50,591

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.1 5.74

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 394 LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2004	2,043.14	1,675	1,771	272	4.50	60
2005	63,696.79	49,683	52,531	11,166	5.50	2,030
2006	51,277.53	37,945	40,120	11,158	6.50	1,717
2007	34,480.57	24,136	25,520	8,961	7.50	1,195
2008	45,791.86	30,223	31,955	13,837	8.50	1,628
2009	8,888.55	5,511	5,827	3,062	9.50	322
2010	11,621.36	6,740	7,126	4,495	10.50	428
2011	23,126.89	12,489	13,205	9,922	11.50	863
2012	1,790.10	895	946	844	12.50	68
2013	6,884.99	3,167	3,349	3,536	13.50	262
2014	29,949.87	12,579	13,300	16,650	14.50	1,148
2015	152,863.70	58,088	61,418	91,446	15.50	5,900
2016	91,391.25	31,073	32,854	58,537	16.50	3,548
2017	58,013.63	17,404	18,402	39,612	17.50	2,264
2018	100,376.10	26,098	27,594	72,782	18.50	3,934
2019	1,090.83	240	254	837	19.50	43
2020	139,217.36	25,059	26,495	112,722	20.50	5,499
2021	51,997.50	7,280	7,697	44,300	21.50	2,060
2023	28,169.42	1,690	1,787	26,382	23.50	1,123
2024	100,582.67	2,012	2,128	98,455	24.50	4,019
	1,003,254.11	353,987	374,279	628,975		38,111

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.5 3.80

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 395 POWER OPERATED EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L4						
NET SALVAGE PERCENT.. 0						
2003	80,106.15	69,404	71,752	8,354	3.32	2,516
2004	2,984.00	2,557	2,644	340	3.42	99
2005	30,737.00	25,954	26,832	3,905	3.59	1,088
2006	3,444.00	2,861	2,958	486	3.77	129
2007	64,936.28	52,611	54,390	10,546	4.10	2,572
2008	6,630.00	5,207	5,383	1,247	4.51	276
2009	6,343.00	4,788	4,950	1,393	5.03	277
2010	3,767.00	2,709	2,801	966	5.66	171
2011	18,093.39	12,285	12,701	5,392	6.38	845
2012	3,459.34	2,205	2,279	1,180	7.11	166
2013	2,414.11	1,433	1,482	932	7.88	118
2022	1,561.62	207	214	1,348	16.37	82
	224,475.89	182,221	188,386	36,090		8,339

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.3 3.71

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2012	28,980.85	24,151	22,756	6,225	2.50	2,490
2013	127,230.88	97,544	91,909	35,322	3.50	10,092
2014	28,256.79	19,780	18,637	9,620	4.50	2,138
2015	19,657.43	12,450	11,731	7,926	5.50	1,441
2016	4,848.22	2,747	2,588	2,260	6.50	348
2017	171,135.30	85,568	80,624	90,511	7.50	12,068
2018	5,749.04	2,491	2,347	3,402	8.50	400
2019	228,196.38	83,673	78,839	149,357	9.50	15,722
2020	387,305.67	116,192	109,479	277,827	10.50	26,460
2021	251,391.16	58,657	55,268	196,123	11.50	17,054
2022	65,731.50	10,955	10,322	55,410	12.50	4,433
2023	331,576.10	33,158	31,243	300,333	13.50	22,247
2024	170,379.14	5,679	5,351	165,028	14.50	11,381
	1,820,438.46	553,045	521,094	1,299,345		126,274

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.3 6.94

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2016	33,295.71	28,301	26,455	6,841	1.50	4,561
2017	150,989.20	113,242	105,855	45,134	2.50	18,054
2018	529,532.51	344,196	321,742	207,791	3.50	59,369
2019	540,304.38	297,167	277,781	262,523	4.50	58,338
2020	1,473,766.97	663,195	619,932	853,835	5.50	155,243
2021	540,132.13	189,046	176,714	363,418	6.50	55,910
2022	170,690.22	42,673	39,889	130,801	7.50	17,440
2023	352,375.06	52,856	49,408	302,967	8.50	35,643
2024	406,030.42	20,302	18,978	387,053	9.50	40,742
	4,197,116.60	1,750,978	1,636,754	2,560,363		445,300

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.7 10.61

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 397 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2003	4,595.70	3,952	4,596			
2007	570.23	399	511	59	7.50	8
2010	191.19	111	142	49	10.50	5
2011	1,773.24	958	1,226	547	11.50	48
2012	27,510.75	13,755	17,602	9,909	12.50	793
2014	6,223.01	2,614	3,345	2,878	14.50	198
2024	2,801.32	56	72	2,729	24.50	111
	43,665.44	21,845	27,494	16,171		1,163

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.9 2.66

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2011	1,277,000.00	479,258	543,259	733,741	22.47	32,654
2019	320,399.65	55,525	62,940	257,460	28.02	9,188
2021	170,036.58	19,639	22,262	147,775	29.68	4,979
	1,767,436.23	554,422	628,461	1,138,975		46,821

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.3 2.65

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1972	39,195.96	30,455	31,637	7,559	15.07	502
1973	13,556.99	10,473	10,880	2,677	15.17	176
1980	10,637.50	7,527	7,819	2,818	18.39	153
1981	47,773.77	33,251	34,542	13,232	19.00	696
2011	135,000.00	37,544	39,001	95,999	35.04	2,740
2017	838,712.00	138,387	143,759	694,953	37.95	18,312
2019	306,960.59	40,580	42,155	264,806	38.57	6,866
2021	6,265.64	568	590	5,676	38.86	146
	1,398,102.45	298,785	310,383	1,087,719		29,591

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 36.8 2.12

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1972	42,000.00	35,062	29,483	12,517	10.39	1,205
1973	7,981.64	6,577	5,530	2,452	11.00	223
1980	6,844.83	5,300	4,457	2,388	12.97	184
1986	561,771.00	402,284	338,270	223,501	15.26	14,646
1987	469,604.40	332,856	279,890	189,714	15.41	12,311
1999	1,179,768.83	658,783	553,953	625,816	20.16	31,042
2001	745,942.16	394,454	331,686	414,256	20.94	19,783
2002	872,209.25	447,443	376,243	495,966	21.36	23,219
2003	971,761.31	482,577	405,786	565,975	21.79	25,974
2004	916,760.18	439,770	369,790	546,970	22.24	24,594
2006	150,000.00	66,600	56,002	93,998	23.17	4,057
2007	79,963.00	34,000	28,590	51,373	23.65	2,172
2008	51,125.00	20,752	17,450	33,675	24.15	1,394
2011	94,630.00	32,572	27,389	67,241	25.72	2,614
2012	370,713.84	119,555	100,530	270,184	26.26	10,289
2013	16,080.27	4,827	4,059	12,021	26.81	448
2020	78,140.79	10,549	8,871	69,270	31.23	2,218
	6,615,296.50	3,493,961	2,937,979	3,677,318		176,373

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.8 2.67

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
1982	1,636.81	1,252	1,220	417	13.06	32
1983	13,000.00	9,819	9,570	3,430	13.45	255
	14,636.81	11,071	10,790	3,846		287
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					13.4	1.96

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1970	19,117.80	13,857	12,803	6,315	20.69	305
1972	739,587.98	520,300	480,735	258,853	22.13	11,697
1973	158,612.90	110,268	101,883	56,730	22.58	2,512
1977	18,223.43	11,945	11,037	7,186	24.96	288
1980	250,225.15	155,890	144,036	106,189	26.93	3,943
1981	465,119.47	283,258	261,718	203,401	27.93	7,283
1982	139,234.47	83,429	77,085	62,149	28.43	2,186
1999	228,231.05	88,462	81,735	146,496	40.29	3,636
2006	168,816.14	48,720	45,015	123,801	45.60	2,715
2010	1,745,849.85	399,974	369,558	1,376,292	48.79	28,208
2011	186,353.00	39,749	36,726	149,627	49.79	3,005
2012	240,000.00	47,712	44,084	195,916	50.39	3,888
2013	21,203.00	3,876	3,581	17,622	51.40	343
2014	32,176.58	5,406	4,995	27,182	52.00	523
2017	5,459,708.90	659,533	609,380	4,850,329	54.61	88,818
2019	386,744.05	36,818	34,018	352,726	55.85	6,316
2020	319,965.39	25,437	23,503	296,462	56.47	5,250
2022	18,116.00	859	794	17,322	57.73	300
2023	241,969.43	7,525	6,952	235,017	58.37	4,026
	10,839,254.59	2,543,018	2,349,638	8,489,616		175,242

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 48.4 1.62

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1970	13,338.75	9,887	7,780	5,559	19.03	292
1972	39,847.06	28,869	22,718	17,129	19.96	858
1973	28,745.49	20,576	16,192	12,553	20.45	614
1977	116.92	79	62	55	22.92	2
1980	22,093.00	14,254	11,217	10,876	24.47	444
1986	53,412.00	30,845	24,273	29,139	28.17	1,034
1991	24,968.00	12,963	10,201	14,767	31.02	476
1999	2,760,060.31	1,140,181	897,244	1,862,816	36.23	51,416
2004	126,000.00	43,142	33,950	92,050	39.38	2,337
2011	358,844.00	84,292	66,332	292,512	43.97	6,653
2014	45,199.00	8,398	6,609	38,590	46.00	839
2015	99,144.95	16,765	13,193	85,952	46.68	1,841
2017	638,045.57	86,647	68,185	569,861	47.75	11,934
2019	1,101,330.21	119,054	93,687	1,007,643	48.47	20,789
2020	840,793.83	76,260	60,011	780,783	48.89	15,970
2021	197,653.25	14,389	11,323	186,330	49.32	3,778
2022	877,218.11	48,159	37,898	839,320	49.48	16,963
2023	933,840.70	34,179	26,896	906,945	49.41	18,355
2024	415,208.00	7,391	5,816	409,392	48.38	8,462
	8,575,859.15	1,796,330	1,413,587	7,162,272		163,057

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 43.9 1.90

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1972	50.00	36	49	1	19.96	
1977	2,359.54	1,580	2,153	207	23.42	9
1980	12,216.58	7,775	10,596	1,621	25.43	64
1981	5,935.68	3,718	5,067	869	25.94	34
1982	1,028.22	629	857	171	26.94	6
1984	53,053.00	31,153	42,455	10,598	28.47	372
1999	501,480.17	191,816	261,406	240,074	41.17	5,831
2005	75,000.00	22,080	30,091	44,909	46.73	961
2006	55,485.24	15,503	21,127	34,358	47.72	720
2007	549,978.58	145,304	198,020	351,959	48.73	7,223
2013	18,908.00	3,282	4,473	14,435	54.73	264
2014	27,150.44	4,306	5,868	21,282	55.72	382
2015	24,679.05	3,539	4,823	19,856	56.73	350
2017	161,089.36	18,364	25,026	136,063	58.29	2,334
2019	74,744.70	6,675	9,097	65,648	59.91	1,096
2020	232,545.21	17,232	23,484	209,061	60.91	3,432
2021	93,991.60	5,536	7,544	86,448	61.91	1,396
2022	409,267.02	17,885	24,374	384,893	62.91	6,118
2023	402,896.67	11,483	15,649	387,248	63.91	6,059
	2,701,859.06	507,896	692,159	2,009,700		36,651

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 54.8 1.36

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1987	43,530.60	34,772	39,401	4,130	9.45	437
2017	421,017.00	128,494	145,599	275,418	17.07	16,135
2019	155,466.65	38,369	43,477	111,990	17.93	6,246
2020	45,428.73	9,499	10,764	34,665	18.44	1,880
2021	2,106.15	357	404	1,702	19.01	90
	667,549.13	211,491	239,645	427,904		24,788

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.3 3.71

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
1973	88,336.75	76,429	87,543	794	8.02	99
1980	141,308.51	115,082	131,817	9,492	10.14	936
1986	37,451.00	28,549	32,701	4,750	12.01	396
1999	734,508.02	443,937	508,493	226,015	16.69	13,542
2006	100,000.00	48,470	55,518	44,482	19.67	2,261
2007	100,000.00	46,550	53,319	46,681	20.09	2,324
2011	352,188.97	133,620	153,051	199,138	22.09	9,015
2020	6,410.96	969	1,110	5,301	27.38	194
2021	57,575.30	6,984	7,999	49,576	28.07	1,766
	1,617,779.51	900,590	1,031,551	586,228		30,533

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.2 1.89

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 381.4 PLANT SEWERS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
1973	1,536.55	1,377	1,407	129	5.97	22
	1,536.55	1,377	1,407	129		22

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.9 1.43

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 382 OUTFALL LINES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2.5						
NET SALVAGE PERCENT.. 0						
1973	1,536.55	1,393	1,435	102	5.32	19
	1,536.55	1,393	1,435	102		19
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					5.4	1.24

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2011	13,030.75	8,707	9,355	3,676	6.70	549
	13,030.75	8,707	9,355	3,676		549

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 6.7 4.21

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 396.7 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2020	2,519.52	1,228	1,203	1,317	5.12	257
2021	8,662.94	3,357	3,288	5,375	6.12	878
	11,182.46	4,585	4,491	6,692		1,135
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					5.9	10.15

PART VIII. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2020 TRANSACTION YEAR				
354.20	73,069.02			
354.30	101,628.95	52,303.15		52,303.15-
354.40	2,684,414.72	739,453.08		739,453.08-
354.70	5,810.91			
355.40	1,659.63			
360.20	67,339.41			
361.20	473,088.78			
363.20	41,141.46	4,078.32		4,078.32-
364.20	792.60			
370.30	1,672.02			
371.30	223,004.88	13,319.23		13,319.23-
371.50	2,688.53			
380.40	1,395,032.93	142,233.63		142,233.63-
389.40	19,974.69			
390.75	75,910.20			
394.70	.01			
396.70	81,076.50			
396.71	.04			
	5,248,305.28	951,387.41		951,387.41-
2021 TRANSACTION YEAR				
354.20	8,932.85	122,064.29		122,064.29-
354.30	19,059.34			
354.40	592,929.95	844.00		844.00-
354.50		92,099.11		92,099.11-
355.20	1,842.60			
355.40	125,349.83			
360.20	115,348.93			
361.20	68,372.73			
363.20	40,110.43	3,937.63		3,937.63-
364.20	8,413.73			
371.30	29,713.83			
371.50	6,943.84			
380.40	83,240.29	19,976.27		19,976.27-
390.75	165,752.72			
390.76	.01			
393.70	828.00			
394.70	.03			
396.70	.16	5,999.77		5,999.77-
396.71	.10			
	1,266,839.37	244,921.07		244,921.07-

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2022 TRANSACTION YEAR				
360.20		7,821.79		7,821.79-
363.20		7,605.77		7,605.77-
380.40		152.63		152.63-
390.75	47,399.24			
391.70	140,341.98			
392.70	4,484.78			
395.70	30,076.00			
396.70	24,463.32			
	246,765.32	15,580.19		15,580.19-
2023 TRANSACTION YEAR				
354.20	171,161.49			
354.30	354,112.11			
354.40	1,197,105.30			
354.70	6,966.72			
355.30	1,261.42			
355.40	26,284.24			
360.20	189,517.15			
361.20	554,437.19			
363.20	9,650.19			
371.30	145,769.93			
380.40	894,459.10	1,082.08-		1,082.08
390.75	104,969.58			
391.70	52,825.96	31,079.00	2,900.00	28,179.00-
393.70	17,079.00			
396.70	2,950.38			
	3,728,549.76	29,996.92	2,900.00	27,096.92-

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2024 TRANSACTION YEAR				
354.20	4,399.39	1,464.83		1,464.83-
354.30	6,948.80	567.49		567.49-
354.40	47,677.07	7,719.27		7,719.27-
354.70	177.15			
355.20	87.72			
355.30	539.12			
355.40	9,311.33			
360.20	15,498.82	321.20		321.20-
361.20	66,600.29	326.30		326.30-
363.20	2,726.56	516.39		516.39-
364.20	682.12			
371.30	102,852.79	4,299.90		4,299.90-
371.50	8,077.42			
380.40	288,028.56	18,179.66		18,179.66-
390.75	178,483.78			
390.76	141,845.85			
393.70	4,449.14			
394.70	1,362.82			
396.70	11,870.65	578.56		578.56-
	891,619.38	33,973.60		33,973.60-
TOTAL	11,382,079.11	1,275,859.19	2,900.00	1,272,959.17-

Exhibit No. 6-C, Part 3
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

WASTEWATER BASE OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2025

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-C, Part 3
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

WASTEWATER BASE OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2025 for all other wastewater operations. The results of our study as of December 31, 2024 are presented in our report titled "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2024". The same methods, procedures and estimates are used in both studies.

Summaries of the original cost, annual accruals, book depreciation reserve and amortization of net salvage are presented in Tables 1 through 4, beginning on page I-3 of the attached report.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

JJS:mle

077367.100

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

SUMMARY OF RESULTS

Tables 1 through 4 presented on pages I-3 through I-10 summarize the results of the depreciation study as of December 31, 2025 for wastewater base operations. Table 1 sets forth, by depreciable group, the estimated survivor curve, original cost, book depreciation reserve as of December 31, 2025, future book accruals, calculated annual accrual amount and rate, and composite remaining life for plant in service. Table 2 presents the bringforward of the book reserve to December 31, 2025. Table 3 sets forth the calculation of the depreciation accruals for the twelve months ended December 31, 2025. Table 4 presents the annual amortization of experienced and estimated net salvage based on the period 2021 through 2025.

DESCRIPTION OF DETAILED TABULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-2. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage and cost of removal are set forth by account for the years 2021 through 2025, on pages III-2 through III-4.

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	4,400,256.26					
TOTAL INTANGIBLE PLANT			4,400,256.26					
NONDEPRECIABLE PLANT								
353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	52,284.04					
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	2,121,792.38					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	7,571,636.17					
TOTAL NONDEPRECIABLE PLANT			9,745,712.59					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	40-S1.5	45,274,361.31	7,139,164	38,135,197	1,356,826	3.00	28.1
	PUMPING	55-R2	23,052,287.68	10,677,681	12,374,607	423,745	1.84	29.2
	TREATMENT AND DISPOSAL	45-S1	77,421,983.13	33,857,282	43,564,701	1,834,055	2.37	23.8
	RECLAIMED WATER TREATMENT	60-R2.5	2,226,160.94	902,638	1,323,523	40,518	1.82	32.7
	GENERAL	50-R3	1,855,894.55	1,311,700	544,194	27,593	1.49	19.7
	TOTAL ACCOUNT 354		149,830,687.61	53,888,465	95,942,222	3,682,737		
355.00	POWER GENERATING EQUIPMENT							
	COLLECTION	30-R3	296,251.82	64,043	232,209	11,033	3.72	21.0
	PUMPING	30-R3	2,215,978.37	1,527,530	688,448	54,070	2.44	12.7
	TREATMENT AND DISPOSAL	30-R3	6,416,912.90	2,148,821	4,268,092	213,259	3.32	20.0
	TOTAL ACCOUNT 355		8,929,143.09	3,740,394	5,188,749	278,362		
360.00	COLLECTION MAINS - FORCE	70-R3	86,683,236.48	30,198,445	56,484,791	1,406,319	1.62	40.2
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	177,453,811.94	54,966,543	122,487,269	3,242,874	1.83	37.8
362.00	SPECIAL COLLECTING STRUCTURES	45-R3	11,400.44	6,504	4,896	302	2.65	16.2
363.00	SERVICES	70-R4	30,347,531.13	14,787,682	15,559,849	378,927	1.25	41.1
364.00	METERS	30-L2.5	1,186,479.96	545,280	641,200	38,111	3.21	16.8
370.30	RECEIVING WELLS	40-S2.5	3,175,305.11	1,848,218	1,327,087	96,276	3.03	13.8
371.00	PUMPING EQUIPMENT							
	PUMPING	30-L1.5	37,906,769.95	16,285,511	21,621,259	1,258,628	3.32	17.2
	RECLAIMED WATER TREATMENT	30-L1.5	216,048.53	122,493	93,555	6,442	2.98	14.5
	TOTAL ACCOUNT 371		38,122,818.48	16,408,004	21,714,814	1,265,070		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	113,197,260.60	26,340,260	86,857,000	3,281,875	2.90	26.5
381.00	PLANT SEWERS							
	TREATMENT AND DISPOSAL	40-R2	122,375.79	49,508	72,868	3,385	2.77	21.5
	RECLAIMED WATER TREATMENT	40-R2	6,264.17	2,341	3,923	180	2.87	21.8
	TOTAL ACCOUNT 381		128,639.96	51,850	76,791	3,565		
382.00	OUTFALL LINES	40-R2.5	375,199.36	201,273	173,926	10,531	2.81	16.5

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							
	COLLECTION	20-L3	661,408.27	521,730	139,679	24,913	3.77	5.6
	PUMPING	20-L3	67,370.96	47,884	19,487	2,884	4.28	6.8
	TREATMENT AND DISPOSAL	25-S2.5	12,074.50	9,125	2,950	337	2.79	8.8
	TOTAL ACCOUNT 389		740,853.73	578,739	162,116	28,134		
390.00	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	40,671.88	16,395	24,277	1,587	*	15.3
	OFFICE EQUIPMENT	10-SQ	129,729.49	84,897	44,833	30,265	*	1.5
	COMPUTER HARDWARE	5-SQ	525,027.73	150,108	374,920	107,217	*	3.5
	COMPUTER SOFTWARE - 10 YEARS	10-SQ	801,536.58	275,973	525,564	70,283	*	7.5
	COMPUTER SOFTWARE - 15 YEARS	15-SQ	830,553.89	277,901	552,653	47,922	*	11.5
	TOTAL ACCOUNT 390		2,327,519.57	805,273	1,522,247	257,274		
391.00	TRANSPORTATION EQUIPMENT	13-S1.5	2,156,574.12	1,566,866	589,709	72,192	3.35	8.2
392.00	STORES EQUIPMENT	20-SQ	5,075.00	3,539	1,536	439	*	3.5
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	950,830.46	220,279	730,551	53,989	*	13.5
394.00	LABORATORY EQUIPMENT	25-SQ	1,053,254.11	413,352	639,902	40,113	*	16.0
395.00	POWER OPERATED EQUIPMENT	20-L4	224,475.89	196,714	27,762	6,779	3.02	4.1
	COMMUNICATION EQUIPMENT							
396.00	GENERAL	15-SQ	1,931,283.56	651,279	1,280,005	133,735	*	9.6
396.70	SCADA	10-SQ	4,461,271.50	2,097,397	2,363,874	469,425	*	5.0
	TOTAL ACCOUNT 396		6,392,555.06	2,748,676	3,643,879	603,160		
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	43,665.44	28,656	15,010	1,164	*	12.9
	TOTAL DEPRECIABLE PLANT		**623,336,317.54**	**209,545,011**	**413,791,306**	**14,748,193**		
	TOTAL WASTEWATER PLANT IN SERVICE		**637,482,286.39**	**209,545,011**	**413,791,306**	**14,748,193**		
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
	DEPRECIABLE PLANT							
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	40-S1.5	1,767,436.23	675,298	1,092,138	46,382	2.62	23.5
	PUMPING	55-R2	1,398,102.45	340,023	1,058,080	29,074	2.08	36.4
	TREATMENT AND DISPOSAL	45-S1	6,615,296.50	3,114,607	3,500,689	171,326	2.59	20.4
	GENERAL	50-R3	14,636.81	11,077	3,560	275	1.88	12.9
	TOTAL ACCOUNT 354		9,795,471.99	4,141,005	5,654,467	247,057		
360.00	COLLECTION MAINS - FORCE	70-R3	10,839,254.59	2,525,234	8,314,020	174,327	1.61	47.7
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	9,378,594.15	1,584,155	7,794,439	177,422	1.89	43.9
363.00	SERVICES	70-R4	2,701,859.06	728,904	1,972,955	36,619	1.36	53.9
371.30	PUMPING EQUIPMENT - PUMPING	30-L1.5	667,549.13	264,411	403,138	24,056	3.60	16.8

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	1,617,779.51	1,062,127	555,652	29,559	1.83	18.8
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R2	1,536.55	1,429	107	18	1.17	5.9
382.00	OUTFALL LINES	40-R2.5	1,536.55	1,454	83	17	1.11	4.9
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	9,903	3,128	500	3.84	6.3
396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	5,626	5,557	1,135	10.15	4.9
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**35,027,794.74**	**10,324,249**	**24,703,546**	**690,710**		
	AMORTIZATION OF NET SALVAGE					**75,226**		
TOTAL WASTEWATER PLANT			**602,454,491.65**	**199,220,762**	**389,087,760**	**14,132,709**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2024

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2024		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		BOOK RESERVE AS OF DECEMBER 31, 2025
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	=	(8)
354.20	5,765,751		1,354,721		24,706		4,511				1,502		7,139,164
354.30	10,242,133		432,682		10,574		7,126				582		10,677,681
354.40	31,889,625		1,874,861		149,603		48,891				7,916		33,857,282
354.50	842,485		41,732		18,420								902,638
354.70	1,283,691		28,191				182						1,311,700
355.20	54,476		9,872				306						64,043
355.30	1,476,027		53,381				1,878						1,527,530
355.40	1,993,305		187,945				32,430						2,148,821
360.00	28,779,421		1,420,374		1,629		2,919				61		30,198,445
361.00	51,785,936		3,228,628		65		47,852				234		54,966,543
362.00	6,194		310										6,504
363.00	14,409,426		378,441		3,228		2,870				544		14,787,682
364.00	507,301		38,500				522						545,280
370.30	1,748,831		99,387										1,848,218
371.30	15,410,859		1,087,222		3,524		207,422				8,672		16,285,511
371.50	133,480		5,303				16,290						122,493
380.00	23,887,536		3,007,109		35,892		555,232				35,045		26,340,260
381.40	46,045		3,463										49,508
381.50	2,159		183										2,341
382.00	190,467		10,806										201,273
389.20	492,694		29,036										521,730
389.30	44,745		3,139										47,884
389.40	8,771		354										9,125
390.71	14,812		1,582										16,395
390.73	98,526		100,372				114,001						84,897
390.75	170,263		144,481				164,636						150,108
390.76	209,826		69,358				3,211						275,973
390.77	230,476		47,425										277,901
391.00	1,501,448		59,782		5,636								1,566,866
392.00	3,100		439										3,539
393.00	167,710		52,569										220,279
394.00	374,279		39,074										413,352
395.00	188,386		8,328										196,714
396.00	521,094		130,185										651,279
396.70	1,636,754		459,327		1,316								2,097,397
397.00	27,494		1,162										28,656
SUBTOTAL	**196,145,527**		**14,409,724**		**254,593**		**1,210,278**		**0**		**54,555**		**209,545,011**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2024

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2024		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		BOOK RESERVE AS OF DECEMBER 31, 2025
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	=	(8)
LESS:													
CUSTOMERS' ADVANCES AND CONTRIBUTIONS													
354.20	(628,461)		(46,837)										(675,298)
354.30	(310,383)		(29,640)										(340,023)
354.40	(2,937,979)		(176,628)										(3,114,607)
354.70	(10,790)		(287)										(11,077)
360.00	(2,349,638)		(175,596)										(2,525,234)
361.00	(1,413,587)		(170,567)										(1,584,155)
363.00	(692,159)		(36,745)										(728,904)
371.30	(239,645)		(24,766)										(264,411)
380.00	(1,031,551)		(30,576)										(1,062,127)
381.40	(1,407)		(22)										(1,429)
382.00	(1,435)		(19)										(1,454)
389.20	(9,355)		(549)										(9,903)
390.71	0												0
393.00	0												0
394.00	0												0
396.70	(4,491)		(1,135)										(5,626)
SUBTOTAL	**(9,630,882)**		**(693,367)**		**0**		**0**		**0**		**0**		**(10,324,249)**
TOTAL	**186,514,645**		**13,716,357**		**254,593**		**1,210,278**		**0**		**54,555**		**199,220,762**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

	ACCOUNT	ORIGINAL COST AS OF DECEMBER 31, 2024	ORIGINAL COST AS OF DECEMBER 31, 2025	COMPOSITE ACCRUAL RATE		ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)		(5)
UTILITY PLANT IN SERVICE						
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	44,442,242.82	45,274,361.31	3.02		1,354,721
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	22,977,664.36	23,052,287.68	1.88		432,682
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	76,887,562.71	77,421,983.13	2.43		1,874,861
354.50	STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT	2,213,457.80	2,226,160.94	1.88		41,732
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	1,853,415.77	1,855,894.55	1.52		28,191
355.20	POWER GENERATING EQUIPMENT - COLLECTION	233,102.06	296,251.82	3.73		9,872
355.30	POWER GENERATING EQUIPMENT - PUMPING	2,088,939.31	2,215,978.37	2.48		53,381
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	5,256,714.63	6,416,912.90	3.22		187,945
360.00	COLLECTION MAINS - FORCE	86,533,155.55	86,683,236.48	1.64		1,420,374
361.00	COLLECTION MAINS - GRAVITY	169,710,527.91	177,453,811.94	1.86		3,228,628
362.00	SPECIAL COLLECTING STRUCTURES	11,400.44	11,400.44	2.72		310
363.00	SERVICES	29,722,501.19	30,347,531.13	1.26		378,441
364.00	METERS	1,161,101.96	1,186,479.96	3.28		38,500
370.30	RECEIVING WELLS	3,175,305.11	3,175,305.11	3.13		99,387
371.30	PUMPING EQUIPMENT - PUMPING	31,786,917.51	37,906,769.95	3.12		1,087,222
371.50	PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT	196,633.41	216,048.53	2.57		5,303
380.00	TREATMENT AND DISPOSAL EQUIPMENT	96,357,400.29	113,197,260.60	2.87		3,007,109
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	122,375.79	122,375.79	2.83		3,463
381.50	PLANT SEWERS - RECLAIMED WATER TREATMENT	6,264.17	6,264.17	2.92		183
382.00	OUTFALL LINES	375,199.36	375,199.36	2.88		10,806
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	661,408.27	661,408.27	4.39		29,036
389.30	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING	67,370.96	67,370.96	4.66		3,139
389.40	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL	12,074.50	12,074.50	2.93		354
390.71	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	40,671.88	40,671.88	5.00	*	1,582
390.73	OFFICE FURNITURE AND EQUIPMENT - OFFICE EQUIPMENT	243,730.72	129,729.49	10.00	*	100,372
390.75	OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE	689,663.56	525,027.73	20.00	*	144,481
390.76	OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10 YEARS	804,747.40	801,536.58	10.00	*	69,358
390.77	OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15 YEARS	830,553.89	830,553.89	6.67	*	47,425
391.00	TRANSPORTATION EQUIPMENT	1,980,574.12	2,156,574.12	2.89		59,782
392.00	STORES EQUIPMENT	5,075.00	5,075.00	5.00	*	439
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	880,830.46	950,830.46	5.00	*	52,569
394.00	LABORATORY EQUIPMENT	1,003,254.11	1,053,254.11	4.00	*	39,074
395.00	POWER OPERATED EQUIPMENT	224,475.89	224,475.89	3.71		8,328
396.00	COMMUNICATION EQUIPMENT - GENERAL	1,820,438.46	1,931,283.56	6.67	*	130,185
396.70	COMMUNICATION EQUIPMENT - SCADA	4,197,116.60	4,461,271.50	10.00	*	459,327
397.00	MISCELLANEOUS EQUIPMENT	43,665.44	43,665.44	4.00	*	1,162
	TOTAL UTILITY PLANT IN SERVICE	**588,617,533.41**	**623,336,317.54**			**14,409,724**
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION						
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	1,767,436.23	1,767,436.23	2.65		46,837
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	1,398,102.45	1,398,102.45	2.12		29,640

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

	ACCOUNT	ORIGINAL COST AS OF DECEMBER 31, 2024	ORIGINAL COST AS OF DECEMBER 31, 2025	COMPOSITE ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)	(5)
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	6,615,296.50	6,615,296.50	2.67	176,628
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	14,636.81	14,636.81	1.96	287
360.20	COLLECTION MAINS - FORCE	10,839,254.59	10,839,254.59	1.62	175,596
361.20	COLLECTION MAINS - GRAVITY	8,575,859.15	9,378,594.15	1.90	170,567
363.20	SERVICES	2,701,859.06	2,701,859.06	1.36	36,745
371.30	PUMPING EQUIPMENT - PUMPING	667,549.13	667,549.13	3.71	24,766
380.40	TREATMENT AND DISPOSAL EQUIPMENT	1,617,779.51	1,617,779.51	1.89	30,576
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	1,536.55	1,536.55	1.43	22
382.40	OUTFALL LINES	1,536.55	1,536.55	1.24	19
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	13,030.75	13,030.75	4.21	549
396.70	COMMUNICATION EQUIPMENT - SCADA	11,182.46	11,182.46	10.15	1,135
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**34,225,059.74**	**35,027,794.74**		**693,367**
	TOTAL PLANT IN SERVICE	**554,392,473.67**	**588,308,522.80**		**13,716,357**

* ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2021		2022		2023		2024		2025			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
354.20		122,064						1,465		1,502	(125,031)	(25,006)
354.30								567		582	(1,149)	(230)
354.40		844						7,719		7,916	(16,479)	(3,296)
354.50		92,099									(92,099)	(18,420)
360.00				7,822				321		60	(8,203)	(1,641)
361.00								326		234	(561)	(112)
363.00		3,938		7,606				516		544	(12,603)	(2,521)
371.30								4,300		8,672	(12,971)	(2,594)
380.00		19,976		153		(1,082)		18,180		35,045	(72,271)	(14,454)
391.70					2,900	31,079					(28,179)	(5,636)
396.70		6,000						579			(6,578)	(1,316)
TOTAL	**-**	**244,921**	**-**	**15,580**	**2,900**	**29,997**	**-**	**33,974**	**-**	**54,555**	**(376,127)**	**(75,226)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1905	180,615	180,615			0.0
1928	502,532	453,577	48,955	48,955	0.0
1939	1,398,746	1,238,146	160,600	209,555	0.1
1942	2,168,923	1,889,609	279,314	488,869	0.1
1943	32,650	29,586	3,064	491,933	0.1
1944	2,853,799	2,462,772	391,027	882,960	0.2
1945	4,798	4,711	87	883,047	0.2
1947	1,444,363	1,198,151	246,212	1,129,259	0.3
1950	1,317,887	1,078,064	239,823	1,369,082	0.3
1952	1,667,139	1,350,540	316,599	1,685,681	0.4
1955	3,050,072	2,468,987	581,085	2,266,766	0.5
1958	1,333,920	1,042,098	291,822	2,558,588	0.6
1959	10,338	8,375	1,963	2,560,551	0.6
1960	4,314,266	3,732,866	581,400	3,141,951	0.8
1962	17,231	12,721	4,510	3,146,461	0.8
1963	16,583,383	12,145,080	4,438,303	7,584,764	1.8
1965	106,050	75,909	30,141	7,614,905	1.8
1970	11,594,095	8,476,787	3,117,308	10,732,213	2.6
1971	6,418,694	5,041,742	1,376,952	12,109,165	2.9
1972	889,734	592,070	297,664	12,406,829	3.0
1973	893,779	637,497	256,282	12,663,111	3.1
1974	112,581	84,733	27,848	12,690,959	3.1
1975	3,614,678	2,516,387	1,098,291	13,789,250	3.3
1976	414,349	271,676	142,673	13,931,923	3.4
1977	138,249	98,648	39,601	13,971,524	3.4
1978	532,525	345,107	187,418	14,158,942	3.4
1979	648,047	404,675	243,372	14,402,314	3.5
1980	3,269,298	2,075,041	1,194,257	15,596,571	3.8
1981	1,830,596	1,047,772	782,824	16,379,395	4.0
1982	1,010,728	590,831	419,897	16,799,292	4.1
1983	952,530	574,053	378,477	17,177,769	4.2
1984	867,975	522,096	345,879	17,523,648	4.2
1985	1,318,742	808,803	509,939	18,033,587	4.4
1986	28,500,510	18,133,703	10,366,807	28,400,394	6.9
1987	956,301	635,627	320,674	28,721,068	6.9
1988	1,302,529	735,423	567,106	29,288,174	7.1
1989	7,616,961	4,658,260	2,958,701	32,246,875	7.8
1990	8,150,236	4,726,145	3,424,091	35,670,966	8.6
1991	6,269,235	3,431,537	2,837,698	38,508,664	9.3
1992	1,137,810	666,350	471,460	38,980,124	9.4
1993	1,346,381	658,155	688,226	39,668,350	9.6
1994	2,710,819	1,352,844	1,357,975	41,026,325	9.9
1995	5,814,128	2,953,285	2,860,843	43,887,168	10.6
1996	8,026,986	5,227,401	2,799,585	46,686,753	11.3
1997	5,279,753	2,379,794	2,899,959	49,586,712	12.0

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1998	15,422,657	8,053,134	7,369,523	56,956,235	13.8
1999	15,910,713	7,504,969	8,405,744	65,361,979	15.8
2000	9,536,687	3,887,579	5,649,108	71,011,087	17.2
2001	12,082,741	5,345,177	6,737,564	77,748,651	18.8
2002	8,324,406	3,572,752	4,751,654	82,500,305	19.9
2003	16,232,178	8,205,106	8,027,072	90,527,377	21.9
2004	6,446,577	2,130,220	4,316,357	94,843,734	22.9
2005	17,815,888	7,446,557	10,369,331	105,213,065	25.4
2006	6,052,878	2,549,306	3,503,572	108,716,637	26.3
2007	18,067,262	8,027,507	10,039,755	118,756,392	28.7
2008	5,404,988	1,826,107	3,578,881	122,335,273	29.6
2009	9,357,019	3,514,882	5,842,137	128,177,410	31.0
2010	4,383,309	1,640,968	2,742,341	130,919,751	31.6
2011	8,818,317	2,726,208	6,092,109	137,011,860	33.1
2012	3,034,184	905,462	2,128,722	139,140,582	33.6
2013	8,941,079	2,102,954	6,838,125	145,978,707	35.3
2014	3,446,681	1,012,257	2,434,424	148,413,131	35.9
2015	8,937,958	2,314,795	6,623,163	155,036,294	37.5
2016	8,329,568	2,521,715	5,807,853	160,844,147	38.9
2017	17,240,583	3,762,409	13,478,174	174,322,321	42.1
2018	41,112,301	6,321,853	34,790,448	209,112,769	50.5
2019	31,910,831	5,637,781	26,273,050	235,385,819	56.9
2020	51,697,635	9,110,145	42,587,490	277,973,309	67.2
2021	13,269,882	1,723,869	11,546,013	289,519,322	70.0
2022	44,078,383	4,931,961	39,146,422	328,665,744	79.4
2023	23,907,595	1,641,678	22,265,917	350,931,661	84.8
2024	29,042,639	1,487,297	27,555,342	378,487,003	91.5
2025	35,926,418	622,114	35,304,304	413,791,307	100.0
TOTAL	623,336,318	209,545,011	413,791,307		

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1970	32,457	21,244	11,213	11,213	0.0
1972	860,681	578,695	281,986	293,199	1.2
1973	300,307	229,101	71,206	364,405	1.5
1977	20,700	13,535	7,165	371,570	1.5
1980	443,326	316,069	127,257	498,827	2.0
1981	518,829	311,312	207,517	706,344	2.9
1982	141,900	81,388	60,512	766,856	3.1
1983	13,000	9,819	3,181	770,037	3.1
1984	53,053	42,249	10,804	780,841	3.2
1986	652,634	412,487	240,147	1,020,988	4.1
1987	513,135	330,801	182,334	1,203,322	4.9
1991	24,968	10,819	14,149	1,217,471	4.9
1999	5,404,048	2,418,178	2,985,870	4,203,341	17.0
2001	745,942	351,255	394,687	4,598,028	18.6
2002	872,209	399,311	472,898	5,070,926	20.5
2003	971,761	431,595	540,166	5,611,092	22.7
2004	1,042,760	430,826	611,934	6,223,026	25.2
2005	75,000	30,733	44,267	6,267,293	25.4
2006	474,301	187,072	287,229	6,554,522	26.5
2007	729,942	290,992	438,950	6,993,472	28.3
2008	51,125	18,820	32,305	7,025,777	28.4
2010	1,745,850	397,269	1,348,581	8,374,358	33.9
2011	2,417,047	931,623	1,485,424	9,859,782	39.9
2012	610,714	158,330	452,384	10,312,166	41.7
2013	56,191	13,188	43,003	10,355,169	41.9
2014	104,526	19,241	85,285	10,440,454	42.3
2015	123,824	20,240	103,584	10,544,038	42.7
2017	7,518,573	1,129,171	6,389,402	16,933,440	68.5
2019	2,345,646	334,758	2,010,888	18,944,328	76.7
2020	1,525,804	156,694	1,369,110	20,313,438	82.2
2021	536,291	66,948	469,343	20,782,781	84.1
2022	1,304,601	85,284	1,219,317	22,002,098	89.1
2023	1,578,707	75,999	1,502,708	23,504,806	95.1
2024	415,208	12,394	402,814	23,907,620	96.8
2025	802,735	6,809	795,926	24,703,546	100.0
TOTAL	35,027,795	10,324,249	24,703,546		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
1960	156.19	148	135	21	3.46	6
1983	6,899.19	5,630	5,124	1,775	9.58	185
1992	11,381.87	8,275	7,531	3,851	12.58	306
1995	44,773.36	30,862	28,086	16,687	13.75	1,214
1997	25,055.88	16,567	15,077	9,979	14.60	683
1998	60,906.47	39,528	35,973	24,933	14.87	1,677
1999	457.97	290	264	194	15.34	13
2000	160,442.59	99,009	90,105	70,338	15.82	4,446
2001	841,520.78	505,081	459,657	381,864	16.32	23,399
2002	12,723.46	7,415	6,748	5,975	16.82	355
2005	15,206.92	8,043	7,320	7,887	18.26	432
2007	1,244,911.10	608,015	553,334	691,577	19.38	35,685
2009	942,140.78	419,724	381,977	560,164	20.54	27,272
2010	873,849.98	369,813	336,554	537,296	21.13	25,428
2011	1,973,840.00	789,931	718,890	1,254,950	21.73	57,752
2014	1,510.74	493	449	1,062	23.71	45
2016	219,839.27	60,148	54,739	165,100	25.22	6,546
2017	99,977.12	24,644	22,428	77,549	25.98	2,985
2018	902.23	198	180	722	26.75	27
2019	1,478.78	283	258	1,221	27.51	44
2020	22,593,922.75	3,678,291	3,347,487	19,246,436	28.28	680,567
2021	321,933.75	43,010	39,142	282,792	29.17	9,695
2022	262,835.39	27,493	25,020	237,815	29.95	7,940
2023	14,222,548.12	1,066,691	970,759	13,251,789	30.83	429,834
2024	498,517.18	22,533	20,507	478,010	31.72	15,070
2025	836,629.44	12,549	11,420	825,209	32.72	25,220
	45,274,361.31	7,844,664	7,139,164	38,135,197		1,356,826

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.1 3.00

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1960	2,478,508.09	2,142,918	2,161,228	317,280	10.26	30,924
1971	516.13	411	415	101	13.99	7
1973	935.70	727	733	203	15.07	13
1975	779,336.28	594,322	599,400	179,936	15.72	11,446
1978	1,310.30	965	973	337	17.02	20
1981	871.67	617	622	250	18.39	14
1982	9,876.72	6,874	6,933	2,944	19.00	155
1983	43,082.65	29,477	29,729	13,354	19.61	681
1984	4,459.93	3,017	3,043	1,417	19.85	71
1985	17,608.13	11,695	11,795	5,813	20.48	284
1986	1,132,987.87	738,481	744,791	388,197	21.10	18,398
1989	673,230.34	415,248	418,796	254,434	22.67	11,223
1990	1,277,602.71	775,505	782,131	495,472	22.98	21,561
1991	418,709.82	248,462	250,585	168,125	23.64	7,112
1992	229,385.25	132,952	134,088	95,297	24.30	3,922
1994	440,386.95	244,151	246,237	194,150	25.32	7,668
1995	487,887.54	264,874	267,137	220,751	25.68	8,596
1996	890,833.37	470,360	474,379	416,454	26.37	15,793
1997	334,390.84	172,479	173,953	160,438	26.75	5,998
1998	369,603.39	184,986	186,567	183,036	27.45	6,668
1999	279,840.14	136,450	137,616	142,224	27.85	5,107
2000	373,576.48	176,253	177,759	195,817	28.55	6,859
2001	1,156,730.13	530,014	534,543	622,187	28.97	21,477
2003	1,686,266.99	720,879	727,038	959,229	30.13	31,836
2004	444,922.65	182,685	184,246	260,677	30.86	8,447
2005	7,564.39	2,992	3,018	4,546	31.32	145
2006	507,636.48	193,003	194,652	312,984	31.78	9,848
2007	1,671,914.55	606,236	611,416	1,060,499	32.52	32,611
2008	457,692.41	158,590	159,945	297,747	33.01	9,020
2009	795,375.95	262,474	264,717	530,659	33.50	15,841
2010	88,776.50	27,796	28,033	60,744	34.00	1,787
2012	1,114,970.10	310,073	312,722	802,248	35.04	22,895
2013	844,854.85	219,662	221,539	623,316	35.58	17,519
2014	183,879.27	44,407	44,786	139,093	36.12	3,851
2015	146,860.45	32,691	32,970	113,890	36.67	3,106
2016	225,750.92	46,098	46,492	179,259	37.01	4,844
2017	1,322,530.93	243,875	245,959	1,076,572	37.59	28,640
2018	179,347.86	29,592	29,845	149,503	37.95	3,939
2019	142,324.42	20,637	20,813	121,511	38.34	3,169
2020	1,502,502.13	187,512	189,114	1,313,388	38.56	34,061
2022	85,573.29	7,068	7,128	78,445	38.87	2,018

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
2023	111,440.50	6,742	6,800	104,640	38.82	2,696
2024	48,693.59	1,841	1,857	46,837	38.18	1,227
2025	81,739.02	1,128	1,138	80,601	35.86	2,248
	23,052,287.68	10,587,219	10,677,681	12,374,607		423,745
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					29.2	1.84

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1970	3,186,146.19	2,723,199	2,682,408	503,738	9.44	53,362
1971	7,240.26	6,117	6,025	1,215	10.01	121
1972	28,301.24	23,773	23,417	4,884	10.19	479
1973	26,697.14	22,287	21,953	4,744	10.39	457
1980	26,156.82	20,470	20,163	5,994	12.64	474
1981	3,964.58	3,070	3,024	941	12.97	73
1983	45,522.63	34,438	33,922	11,601	13.68	848
1985	60,427.58	44,541	43,874	16,554	14.45	1,146
1986	8,701,676.30	6,324,378	6,229,645	2,472,031	14.85	166,467
1987	627,776.90	449,551	442,817	184,960	15.26	12,121
1989	2,635,037.35	1,837,148	1,809,629	825,408	15.85	52,076
1991	1,078,636.99	729,374	718,449	360,188	16.52	21,803
1992	73,301.43	48,621	47,893	25,408	17.01	1,494
1993	161,110.59	105,237	103,661	57,450	17.25	3,330
1994	300,673.61	192,251	189,371	111,303	17.76	6,267
1995	750,508.51	471,544	464,481	286,028	18.04	15,855
1997	1,079,333.46	649,111	639,388	439,945	18.89	23,290
1998	9,866,585.66	5,806,486	5,719,510	4,147,076	19.23	215,657
1999	2,142,702.56	1,232,054	1,213,599	929,104	19.59	47,427
2000	23,811.55	13,296	13,097	10,715	20.16	531
2001	2,815,060.90	1,531,112	1,508,177	1,306,884	20.55	63,595
2002	2,493,898.42	1,318,773	1,299,019	1,194,879	20.94	57,062
2003	3,887,079.24	1,994,072	1,964,203	1,922,876	21.36	90,022
2004	35,525.82	17,642	17,378	18,148	21.79	833
2005	1,496,285.08	717,768	707,016	789,269	22.24	35,489
2006	2,492,670.91	1,152,112	1,134,854	1,357,817	22.69	59,842
2007	696,543.36	309,265	304,633	391,910	23.17	16,915
2008	501,201.33	213,111	209,919	291,282	23.65	12,316
2009	2,665,667.22	1,081,994	1,065,787	1,599,880	24.15	66,248
2010	294,601.75	113,716	112,013	182,589	24.66	7,404
2011	1,300,003.08	475,021	467,906	832,097	25.18	33,046
2012	145,191.15	49,975	49,226	95,965	25.72	3,731
2013	177,369.50	57,202	56,345	121,024	26.26	4,609
2014	210,961.90	63,331	62,382	148,580	26.81	5,542
2015	661,090.20	182,593	179,858	481,232	27.52	17,487
2016	619,988.24	156,671	154,324	465,664	28.09	16,578
2017	338,090.16	77,287	76,129	261,961	28.68	9,134
2018	1,529,141.97	310,722	306,068	1,223,074	29.40	41,601
2019	13,668,484.96	2,434,357	2,397,892	11,270,593	30.00	375,686
2020	8,120,563.10	1,232,701	1,214,237	6,906,326	30.73	224,742
2021	247,140.68	30,917	30,454	216,687	31.47	6,886

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
2022	100,470.96	9,846	9,698	90,773	32.21	2,818
2023	1,168,456.24	82,026	80,797	1,087,659	33.09	32,870
2024	347,574.54	14,702	14,482	333,093	33.96	9,808
2025	583,311.07	8,283	8,159	575,152	34.83	16,513
	77,421,983.13	34,372,145	33,857,282	43,564,701		1,834,055

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.8 2.37

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R2.5						
NET SALVAGE PERCENT.. 0						
1991	1,562,131.04	883,854	851,197	710,934	26.48	26,848
2006	28,782.49	10,103	9,730	19,052	36.06	528
2007	5,043.10	1,688	1,626	3,417	36.75	93
2008	2,260.21	720	693	1,567	37.45	42
2011	627.27	169	163	464	39.26	12
2012	33,521.87	8,461	8,148	25,374	39.98	635
2018	1,113.34	163	157	956	43.78	22
2022	100,963.46	7,209	6,943	94,020	45.52	2,065
2023	471,445.65	24,515	23,609	447,837	45.58	9,825
2024	7,569.37	242	233	7,336	45.45	161
2025	12,703.14	144	139	12,564	43.75	287
	2,226,160.94	937,268	902,638	1,323,523		40,518

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.7 1.82

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
1982	5,498.69	4,281	4,780	719	12.37	58
1983	12,996.95	9,943	11,103	1,894	13.06	145
1986	532,992.67	389,511	434,938	98,055	14.55	6,739
1988	78,180.75	55,117	61,545	16,636	15.69	1,060
1989	683,310.75	471,348	526,319	156,992	16.41	9,567
1993	41,010.66	25,993	29,024	11,987	18.78	638
1999	373,058.38	200,705	224,113	148,945	22.76	6,544
2000	6,795.09	3,535	3,947	2,848	23.52	121
2017	42,078.08	7,978	8,909	33,169	36.34	913
2019	1,565.68	229	256	1,310	37.95	35
2020	1,253.93	156	174	1,080	38.75	28
2022	72,907.39	5,818	6,496	66,411	40.36	1,645
2024	1,585.15	55	62	1,523	41.60	37
2025	2,660.38	31	34	2,626	41.87	63
	1,855,894.55	1,174,700	1,311,700	544,194		27,593

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.7 1.49

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2006	18,642.84	11,816	11,470	7,173	11.27	636
2008	23,786.49	13,820	13,416	10,370	12.62	822
2009	524.56	291	282	243	13.26	18
2010	41,039.08	21,562	20,932	20,107	14.00	1,436
2013	2,190.57	956	928	1,263	16.15	78
2014	3,836.86	1,553	1,508	2,329	16.91	138
2022	52,635.40	6,927	6,724	45,911	23.10	1,987
2023	70,297.35	6,664	6,469	63,828	23.88	2,673
2024	19,853.07	1,140	1,107	18,746	24.61	762
2025	63,445.60	1,244	1,207	62,239	25.07	2,483
	296,251.82	65,973	64,043	232,209		11,033

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.0 3.72

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1960	313,727.45	313,727	313,727			
1971	0.01					
1975	101,955.63	101,945	101,956			
1985	19,891.32	18,769	19,158	733	2.42	303
1991	51,052.13	45,794	46,743	4,309	3.96	1,088
1994	51,046.38	44,058	44,971	6,075	5.00	1,215
1995	43,259.55	36,814	37,577	5,683	5.34	1,064
1996	410,204.04	342,438	349,532	60,672	5.84	10,389
1999	269,161.25	211,130	215,504	53,657	7.28	7,370
2001	131,343.40	98,140	100,173	31,170	8.29	3,760
2003	5,121.10	3,606	3,681	1,440	9.45	152
2006	29,550.57	18,729	19,117	10,434	11.27	926
2007	163,439.97	99,175	101,229	62,211	11.99	5,189
2008	9,017.90	5,239	5,348	3,670	12.62	291
2009	40,924.91	22,689	23,159	17,766	13.26	1,340
2012	137,749.27	64,343	65,676	72,073	15.40	4,680
2014	3,304.51	1,338	1,366	1,939	16.91	115
2015	11,238.23	4,190	4,277	6,961	17.67	394
2017	168,203.43	51,605	52,673	115,530	19.20	6,017
2018	9,303.38	2,540	2,593	6,710	19.97	336
2020	59,982.76	12,206	12,458	47,525	21.53	2,207
2023	17,247.81	1,635	1,669	15,579	23.88	652
2024	40,344.72	2,316	2,364	37,981	24.61	1,543
2025	128,908.65	2,527	2,579	126,329	25.07	5,039
	2,215,978.37	1,504,953	1,527,530	688,448		54,070

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.7 2.44

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 355.4 POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1972	10,294.64	10,295	10,295			
1988	137,742.50	127,067	134,523	3,220	3.15	1,022
1990	243,325.86	220,259	233,182	10,144	3.72	2,727
1992	64,012.95	56,613	59,935	4,078	4.38	931
1995	21,453.83	18,257	19,328	2,126	5.34	398
1996	37,943.79	31,675	33,533	4,411	5.84	755
1998	94,252.16	75,684	80,125	14,127	6.75	2,093
2000	109,087.00	83,735	88,648	20,439	7.72	2,648
2001	21,852.18	16,328	17,286	4,566	8.29	551
2002	72,763.60	52,841	55,941	16,823	8.86	1,899
2003	329,448.08	231,997	245,609	83,839	9.45	8,872
2004	39,381.88	26,843	28,418	10,964	10.04	1,092
2006	105,320.77	66,752	70,669	34,652	11.27	3,075
2007	42,367.23	25,708	27,216	15,151	11.99	1,264
2008	183,146.53	106,408	112,651	70,496	12.62	5,586
2009	53,452.50	29,634	31,373	22,080	13.26	1,665
2010	155,881.10	81,900	86,705	69,176	14.00	4,941
2011	57,043.99	28,288	29,948	27,096	14.74	1,838
2012	1,209.35	565	598	611	15.40	40
2013	1,253.69	547	579	675	16.15	42
2014	5,441.57	2,203	2,332	3,110	16.91	184
2015	126,268.08	47,073	49,835	76,433	17.67	4,326
2016	89,629.72	30,483	32,272	57,358	18.43	3,112
2017	8,661.49	2,657	2,813	5,848	19.20	305
2018	42,455.18	11,590	12,270	30,185	19.97	1,512
2019	1,549,551.79	369,723	391,417	1,158,135	20.75	55,814
2020	935,316.14	190,337	201,505	733,811	21.53	34,083
2021	25,405.01	4,263	4,513	20,892	22.31	936
2022	231,949.81	30,525	32,316	199,634	23.10	8,642
2023	55,517.20	5,263	5,572	49,945	23.88	2,091
2024	373,082.41	21,415	22,671	350,411	24.61	14,239
2025	1,192,400.87	23,371	24,743	1,167,658	25.07	46,576
	6,416,912.90	2,030,299	2,148,821	4,268,092		213,259

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.0 3.32

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1943	16,768.63	15,218	13,746	3,023	8.41	359
1950	19,131.75	16,756	15,135	3,997	10.71	373
1955	8,129.06	6,877	6,212	1,917	12.83	149
1959	6,023.68	4,927	4,450	1,574	14.80	106
1960	827,367.87	671,988	606,985	220,383	15.15	14,547
1962	15,542.17	12,435	11,232	4,310	15.87	272
1963	1,419,777.61	1,127,019	1,018,000	401,778	16.24	24,740
1965	62,922.95	48,728	44,014	18,909	17.62	1,073
1970	5,611.63	4,111	3,713	1,899	20.26	94
1971	4,525.56	3,280	2,963	1,563	20.69	76
1972	699,083.52	497,468	449,347	249,737	21.68	11,519
1973	596,323.75	419,514	378,934	217,390	22.13	9,823
1974	5,533.20	3,847	3,475	2,058	22.58	91
1975	665,980.19	457,395	413,150	252,830	23.03	10,978
1976	240,970.73	162,221	146,529	94,442	24.03	3,930
1977	43,149.79	28,669	25,896	17,254	24.50	704
1978	7,090.77	4,648	4,198	2,893	24.96	116
1980	991,250.39	626,867	566,229	425,021	26.45	16,069
1981	1,574,987.75	981,217	886,302	688,686	26.93	25,573
1982	393,963.68	239,924	216,716	177,248	27.93	6,346
1983	124,500.92	74,601	67,385	57,116	28.43	2,009
1984	277,837.55	163,730	147,892	129,946	28.92	4,493
1985	277,506.18	159,594	144,156	133,350	29.92	4,457
1986	12,683,195.39	7,163,469	6,470,533	6,212,662	30.43	204,162
1987	59,331.92	32,894	29,712	29,620	30.94	957
1988	1,000,900.90	540,486	488,204	512,697	31.94	16,052
1989	617,069.59	326,553	294,965	322,105	32.47	9,920
1990	942,162.35	488,323	441,087	501,075	32.99	15,189
1991	501,496.76	252,604	228,169	273,328	33.99	8,041
1992	270,741.67	133,313	120,417	150,325	34.53	4,353
1993	107,011.16	51,472	46,493	60,518	35.07	1,726
1994	1,281,398.04	597,388	539,601	741,797	36.07	20,565
1995	2,538,643.96	1,153,560	1,041,974	1,496,670	36.62	40,870
1996	1,153,747.50	507,187	458,126	695,622	37.61	18,496
1997	3,517,598.10	1,503,773	1,358,310	2,159,288	38.17	56,570
1998	3,171,172.38	1,316,671	1,189,307	1,981,865	38.73	51,171
1999	4,829,002.80	1,932,567	1,745,626	3,083,377	39.72	77,628
2000	2,909,413.43	1,127,689	1,018,605	1,890,808	40.29	46,930
2001	4,783,726.63	1,781,460	1,609,136	3,174,591	41.29	76,885
2002	4,369,904.66	1,571,418	1,419,412	2,950,493	41.86	70,485
2003	1,563,334.98	538,100	486,049	1,077,286	42.86	25,135

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
2004	2,599,708.93	860,764	777,501	1,822,208	43.44	41,948
2005	6,686,445.15	2,124,952	1,919,401	4,767,044	44.01	108,317
2006	1,402,910.19	423,959	382,949	1,019,961	45.02	22,656
2007	1,230,902.17	355,238	320,875	910,027	45.60	19,957
2008	2,153,625.98	587,940	531,067	1,622,559	46.60	34,819
2009	871,415.65	225,697	203,865	667,551	47.20	14,143
2010	372,143.38	90,580	81,818	290,325	48.19	6,025
2011	1,353,949.07	310,190	280,185	1,073,764	48.79	22,008
2012	871,003.19	185,785	167,814	703,189	49.79	14,123
2013	92,669.08	18,423	16,641	76,028	50.39	1,509
2014	164,520.26	30,074	27,165	137,355	51.40	2,672
2015	1,235,710.82	207,599	187,517	1,048,194	52.00	20,158
2016	636,103.65	96,688	87,335	548,769	53.00	10,354
2017	5,453,196.45	745,997	673,835	4,779,361	53.61	89,151
2018	107,125.94	12,941	11,689	95,437	54.61	1,748
2019	649,187.48	68,359	61,746	587,441	55.23	10,636
2020	1,545,507.39	138,477	125,082	1,420,425	55.85	25,433
2021	531,070.69	38,981	35,210	495,861	56.85	8,722
2022	1,457,661.30	83,670	75,577	1,382,084	57.48	24,045
2023	713,949.67	29,415	26,570	687,380	58.11	11,829
2024	1,817,598.49	45,440	41,044	1,776,554	58.38	30,431
2025	153,000.00	1,300	1,174	151,826	58.32	2,603
	86,683,236.48	33,432,430	30,198,445	56,484,791		1,406,319

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.2 1.62

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1928	351,854.17	332,784	302,899	48,955	5.59	8,758
1939	970,747.70	890,079	810,148	160,600	7.84	20,485
1942	1,628,291.64	1,482,071	1,348,978	279,314	8.24	33,897
1944	2,099,906.67	1,882,566	1,713,508	386,399	9.41	41,063
1947	1,251,965.96	1,110,494	1,010,770	241,196	10.00	24,120
1950	1,129,921.51	989,585	900,718	229,204	10.71	21,401
1952	1,453,663.92	1,260,763	1,147,544	306,120	11.25	27,211
1955	2,402,923.75	2,049,694	1,865,628	537,296	12.15	44,222
1958	1,166,367.89	976,250	888,581	277,787	13.15	21,124
1960	117,908.21	97,310	88,571	29,337	13.87	2,115
1963	15,163,605.39	12,224,899	11,127,080	4,036,525	15.02	268,743
1965	37,196.70	29,482	26,834	10,363	15.83	655
1970	8,000,451.80	5,993,938	5,455,671	2,544,781	18.58	136,963
1971	358,477.79	265,704	241,843	116,635	19.03	6,129
1972	91,326.79	66,943	60,931	30,396	19.49	1,560
1973	39,805.95	28,839	26,249	13,557	19.96	679
1975	1,721,018.87	1,216,760	1,107,493	613,526	20.93	29,313
1976	22,782.67	15,902	14,474	8,309	21.42	388
1977	392.52	270	246	147	21.92	7
1978	394,017.62	265,765	241,899	152,119	22.92	6,637
1979	517,190.95	343,932	313,046	204,145	23.43	8,713
1980	1,536,888.03	1,006,969	916,541	620,347	23.94	25,913
1981	131,935.41	85,125	77,481	54,454	24.47	2,225
1982	468,670.45	297,653	270,923	197,747	24.99	7,913
1983	500,362.22	312,626	284,552	215,810	25.52	8,457
1985	584,128.14	352,463	320,811	263,317	26.62	9,892
1986	1,118,904.40	662,951	603,417	515,487	27.17	18,973
1987	104,965.92	60,618	55,174	49,792	28.17	1,768
1988	43,472.42	24,614	22,404	21,068	28.73	733
1989	1,653,805.22	917,531	835,135	818,670	29.29	27,950
1990	3,113,023.69	1,690,994	1,539,140	1,573,884	29.86	52,709
1991	2,462,687.54	1,308,426	1,190,927	1,271,761	30.44	41,779
1992	234,672.96	121,842	110,900	123,773	31.02	3,990
1993	1,030,726.01	522,578	475,650	555,076	31.60	17,566
1994	482,634.06	238,711	217,274	265,360	32.19	8,244
1995	907,510.17	434,516	395,496	512,014	33.20	15,422
1996	1,030,772.60	480,443	437,298	593,475	33.79	17,564
1997	29,783.16	13,498	12,286	17,497	34.39	509
1998	1,351,026.49	594,452	541,069	809,957	35.00	23,142
1999	4,102,133.06	1,749,970	1,592,819	2,509,314	35.61	70,467
2000	4,991,878.90	2,062,145	1,876,961	3,114,918	36.23	85,976

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2001	929,846.04	371,381	338,030	591,816	36.85	16,060
2002	111,900.17	43,126	39,253	72,647	37.48	1,938
2003	1,601,069.90	594,317	540,946	1,060,124	38.11	27,817
2004	2,825,309.86	1,008,353	917,801	1,907,509	38.74	49,239
2005	1,349,759.03	462,157	420,654	929,105	39.38	23,593
2006	568,442.98	186,222	169,499	398,944	40.02	9,969
2007	2,461,777.05	769,552	700,445	1,761,332	40.67	43,308
2008	1,032,243.56	307,092	279,515	752,729	41.32	18,217
2009	2,076,980.50	586,124	533,489	1,543,492	41.98	36,767
2010	1,253,942.76	334,301	304,280	949,663	42.64	22,272
2011	3,059,238.94	767,257	698,356	2,360,883	43.31	54,511
2012	254,747.62	59,840	54,466	200,282	43.97	4,555
2013	6,967,995.74	1,524,597	1,387,685	5,580,311	44.64	125,007
2014	1,276,163.98	258,296	235,101	1,041,063	45.32	22,971
2015	2,624,660.85	487,662	443,869	2,180,792	46.00	47,409
2016	1,269,601.21	214,690	195,410	1,074,191	46.68	23,012
2017	2,533,090.11	387,563	352,759	2,180,331	47.06	46,331
2018	34,802,461.23	4,726,174	4,301,755	30,500,706	47.75	638,758
2019	9,608,970.78	1,143,468	1,040,783	8,568,188	48.14	177,985
2020	3,121,219.90	317,740	289,206	2,832,014	48.55	58,332
2021	5,337,603.70	449,426	409,067	4,928,537	48.97	100,644
2022	5,432,379.90	359,624	327,329	5,105,051	49.41	103,320
2023	3,351,076.98	161,522	147,017	3,204,060	49.32	64,965
2024	11,013,126.63	325,989	296,715	10,716,412	49.26	217,548
2025	7,790,403.20	81,020	73,744	7,716,659	47.35	162,971
	177,453,811.94	60,389,648	54,966,543	122,487,269		3,242,874

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 37.8 1.83

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 362 SPECIAL COLLECTING STRUCTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-R3						
NET SALVAGE PERCENT.. 0						
1995	11,400.44	7,441	6,504	4,896	16.23	302
	11,400.44	7,441	6,504	4,896		302

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.2 2.65

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1928	150,677.57	148,387	150,678			
1939	427,997.98	407,240	427,998			
1942	540,631.10	510,140	540,631			
1943	15,881.69	14,937	15,840	42	5.22	8
1944	753,892.44	706,548	749,264	4,628	5.46	848
1945	4,798.23	4,442	4,711	87	6.45	13
1947	192,397.31	176,698	187,381	5,016	6.97	720
1950	168,833.80	152,963	162,211	6,623	7.83	846
1952	213,475.40	191,423	202,996	10,479	8.47	1,237
1955	639,018.94	563,103	597,147	41,872	9.50	4,408
1958	167,551.76	144,765	153,517	14,035	10.62	1,322
1959	4,314.52	3,701	3,925	390	11.02	35
1960	138,355.56	116,910	123,978	14,378	12.02	1,196
1962	1,688.40	1,404	1,489	199	12.84	15
1965	5,930.75	4,772	5,061	870	14.69	59
1970	330,632.34	249,561	264,649	65,983	18.03	3,660
1971	6,033,811.36	4,504,844	4,777,196	1,256,615	18.50	67,925
1972	50,690.06	37,424	39,687	11,003	18.96	580
1973	10,205.90	7,394	7,841	2,365	19.96	118
1974	107,047.57	76,625	81,258	25,790	20.45	1,261
1975	186,568.41	131,904	139,879	46,689	20.93	2,231
1976	150,595.29	104,363	110,673	39,922	21.93	1,820
1977	72,597.73	49,642	52,643	19,955	22.43	890
1978	106,074.28	71,049	75,344	30,730	23.42	1,312
1979	130,856.54	86,405	91,629	39,228	23.92	1,640
1980	274,365.26	177,267	187,984	86,381	24.92	3,466
1981	118,094.63	75,155	79,699	38,396	25.43	1,510
1982	115,449.22	72,317	76,689	38,760	25.94	1,494
1983	219,165.34	134,129	142,238	76,927	26.94	2,855
1984	585,677.24	350,001	371,161	214,516	27.94	7,678
1985	196,980.97	115,667	122,660	74,321	28.47	2,611
1986	81,169.38	46,494	49,305	31,864	29.46	1,082
1987	128,715.16	72,351	76,725	51,990	29.99	1,734
1988	28,182.47	15,430	16,363	11,819	30.99	381
1989	1,343,295.94	720,813	764,392	578,904	31.52	18,366
1990	1,151,504.23	600,855	637,181	514,323	32.53	15,811
1991	64,811.95	32,873	34,860	29,952	33.52	894
1992	29,124.74	14,440	15,313	13,812	34.07	405
1993	6,522.36	3,137	3,327	3,195	35.07	91
1994	22,006.46	10,259	10,879	11,127	36.07	308
1995	150,995.82	68,160	72,281	78,715	37.07	2,123

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1996	187,350.31	82,359	87,338	100,012	37.61	2,659
1997	152,895.51	64,919	68,844	84,052	38.62	2,176
1998	180,461.58	73,953	78,424	102,038	39.61	2,576
1999	1,173,339.06	463,234	491,240	682,099	40.62	16,792
2000	276,916.30	105,920	112,324	164,592	41.17	3,998
2001	553,794.82	203,520	215,824	337,971	42.17	8,014
2002	70,732.56	24,933	26,440	44,293	43.17	1,026
2003	171,001.09	57,713	61,202	109,799	44.17	2,486
2004	355,863.31	114,766	121,704	234,159	45.17	5,184
2005	2,600,325.29	799,600	847,942	1,752,383	46.17	37,955
2006	228,025.10	67,131	71,190	156,835	46.73	3,356
2007	419,637.18	117,247	124,336	295,301	47.72	6,188
2008	183,419.45	48,459	51,389	132,030	48.73	2,709
2009	431,304.58	107,481	113,979	317,326	49.72	6,382
2010	340,313.32	79,633	84,447	255,866	50.73	5,044
2011	10,815.86	2,369	2,512	8,304	51.72	161
2012	8,160.19	1,663	1,764	6,396	52.73	121
2013	88,267.92	16,665	17,673	70,595	53.72	1,314
2014	192,041.24	33,338	35,353	156,688	54.73	2,863
2015	396,363.45	62,863	66,664	329,699	55.72	5,917
2016	243,233.14	34,880	36,989	206,244	56.73	3,636
2017	337,024.21	43,544	46,176	290,848	57.29	5,077
2018	377,200.92	43,001	45,601	331,600	58.29	5,689
2019	822,163.21	81,230	86,141	736,022	59.29	12,414
2020	699,929.06	58,514	62,051	637,878	60.29	10,580
2021	848,645.16	58,047	61,556	787,089	61.29	12,842
2022	917,326.49	48,802	51,753	865,573	62.29	13,896
2023	1,655,612.73	62,913	66,716	1,588,897	63.29	25,105
2024	676,883.34	15,433	16,366	660,517	64.29	10,274
2025	627,898.65	4,772	5,061	622,838	65.29	9,540
	30,347,531.13	13,954,894	14,787,682	15,559,849		378,927

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 41.1 1.25

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1960	30,637.40	29,099	30,637			
1973	172.61	157	166	7	5.31	1
1975	23,003.38	20,795	21,935	1,068	5.36	199
1985	7,397.24	6,261	6,604	793	7.35	108
1990	1,881.01	1,529	1,613	268	8.17	33
1992	13,212.72	10,535	11,113	2,100	8.52	246
1994	15,345.87	12,037	12,697	2,649	8.66	306
1996	159,619.82	122,907	129,648	29,972	8.81	3,402
2000	3,822.78	2,798	2,951	872	9.34	93
2001	10,140.98	7,305	7,706	2,435	9.51	256
2003	61,906.48	42,901	45,254	16,652	9.97	1,670
2006	15,940.03	10,195	10,754	5,186	10.99	472
2007	18,773.50	11,600	12,236	6,538	11.44	572
2008	58,032.59	34,529	36,423	21,610	11.91	1,814
2009	18,569.04	10,601	11,182	7,387	12.40	596
2010	19,883.30	10,848	11,443	8,440	12.91	654
2011	7,077.91	3,664	3,865	3,213	13.51	238
2012	34,074.31	16,652	17,565	16,509	14.12	1,169
2013	1,185.54	544	574	612	14.75	41
2014	1,759.39	751	792	967	15.46	63
2015	28,754.89	11,324	11,945	16,810	16.17	1,040
2017	21,150.26	6,867	7,244	13,906	17.68	787
2018	8,811.46	2,551	2,691	6,120	18.41	332
2019	475,301.74	120,156	126,746	348,556	19.21	18,145
2020	45,346.55	9,750	10,285	35,062	20.08	1,746
2021	37,243.85	6,603	6,965	30,279	20.88	1,450
2022	10,304.68	1,428	1,506	8,799	21.75	405
2023	5,330.70	530	559	4,772	22.63	211
2024	25,899.94	1,549	1,634	24,266	23.56	1,030
2025	25,899.99	518	547	25,353	24.56	1,032
	1,186,479.96	516,984	545,280	641,200		38,111

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.8 3.21

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 370 RECEIVING WELLS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S2.5						
NET SALVAGE PERCENT.. 0						
1971	183.84	169	150	34	4.67	7
1973	233.55	213	188	46	4.97	9
1975	323.92	293	259	65	5.36	12
1978	429.32	381	337	92	5.98	15
1990	788,855.86	618,936	547,743	241,113	9.75	24,730
1992	114,766.34	87,268	77,230	37,536	10.56	3,555
1996	467,489.89	329,580	291,670	175,820	12.34	14,248
1998	184,463.33	123,775	109,538	74,925	13.48	5,558
1999	461,295.54	301,964	267,230	194,066	13.98	13,882
2000	71,540.68	45,428	40,203	31,338	14.66	2,138
2003	694,029.86	401,288	355,129	338,901	16.41	20,652
2004	89,269.41	49,705	43,988	45,281	17.11	2,646
2005	51,250.80	27,419	24,265	26,986	17.82	1,514
2006	60,979.67	31,270	27,673	33,307	18.52	1,798
2007	76,608.42	37,553	33,233	43,375	19.24	2,254
2009	3,381.59	1,495	1,323	2,059	20.81	99
2015	110,203.09	31,705	28,059	82,144	26.00	3,159
	3,175,305.11	2,088,442	1,848,218	1,327,087		96,276

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.8 3.03

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1905	180,615.40	180,615	180,615			
1960	407,605.26	381,763	407,605			
1970	63,789.32	57,353	63,286	503	6.23	81
1971	931.39	832	918	13	6.48	2
1973	70.79	63	70	1	6.67	
1975	136,084.31	119,577	131,947	4,137	6.97	594
1978	23,042.25	19,812	21,862	1,180	7.75	152
1985	154,802.18	126,644	139,745	15,057	9.00	1,673
1986	1,601,815.18	1,297,150	1,431,339	170,476	9.28	18,370
1987	31,448.01	25,303	27,921	3,527	9.35	377
1988	14,049.85	11,223	12,384	1,666	9.45	176
1990	624,836.22	487,997	538,480	86,356	9.95	8,679
1991	129,687.05	100,222	110,590	19,097	10.14	1,883
1992	97,209.70	74,249	81,930	15,280	10.36	1,475
1994	67,383.10	50,308	55,512	11,871	10.69	1,110
1995	71,821.10	53,011	58,495	13,326	10.82	1,232
1996	3,689,025.08	2,687,824	2,965,877	723,148	10.99	65,801
1997	140,696.39	101,442	111,936	28,760	11.03	2,607
1998	141,883.12	100,666	111,080	30,803	11.26	2,736
1999	1,041,883.99	728,902	804,306	237,578	11.38	20,877
2000	609,402.57	419,574	462,979	146,424	11.54	12,688
2001	412,019.59	278,608	307,430	104,590	11.73	8,916
2002	17,309.03	11,511	12,702	4,607	11.84	389
2003	646,184.38	420,149	463,613	182,571	12.10	15,089
2004	39,385.42	25,065	27,658	11,727	12.28	955
2005	2,846,381.96	1,773,865	1,957,370	889,012	12.39	71,752
2006	111,876.64	67,842	74,860	37,017	12.66	2,924
2007	374,766.11	221,187	244,069	130,697	12.85	10,171
2008	130,671.63	74,548	82,260	48,412	13.17	3,676
2009	1,005,739.50	554,263	611,601	394,138	13.44	29,326
2010	350,913.61	186,546	205,844	145,070	13.66	10,620
2011	426,677.78	217,179	239,646	187,032	13.99	13,369
2012	234,723.25	113,747	125,514	109,209	14.36	7,605
2013	349,466.56	160,335	176,921	172,546	14.75	11,698
2014	670,431.45	289,090	318,996	351,435	15.17	23,166
2015	724,135.80	291,247	321,376	402,760	15.61	25,801
2016	752,234.19	279,380	308,282	443,952	16.08	27,609
2017	1,193,591.67	404,866	446,749	746,843	16.56	45,099
2018	1,281,666.20	391,165	431,631	850,035	17.07	49,797
2019	977,570.27	263,748	291,032	686,538	17.60	39,008
2020	3,008,223.88	701,518	774,089	2,234,135	18.08	123,569

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
2021	495,380.54	96,302	106,264	389,117	18.65	20,864
2022	3,562,702.55	548,656	605,414	2,957,289	19.23	153,785
2023	1,237,628.99	138,862	153,227	1,084,402	19.77	54,851
2024	1,503,264.00	103,274	113,958	1,389,306	20.33	68,338
2025	6,325,742.69	150,553	166,128	6,159,615	20.55	299,738
	37,906,769.95	14,788,036	16,285,511	21,621,259		1,258,628
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					17.2	3.32

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 371.5 PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1970	4.44	4	4			
1972	252.31	224	230	22	6.74	3
1975	407.19	358	368	39	6.97	6
1978	560.00	481	494	66	7.75	9
1981	741.49	627	644	97	8.13	12
1989	9,146.52	7,211	7,405	1,742	9.80	178
1990	4,849.03	3,787	3,889	960	9.95	96
1995	28,774.95	21,239	21,811	6,964	10.82	644
1999	3,188.17	2,230	2,290	898	11.38	79
2001	107,082.07	72,409	74,360	32,722	11.73	2,790
2005	7,087.21	4,417	4,536	2,551	12.39	206
2006	184.19	112	115	69	12.66	5
2008	316.45	181	186	130	13.17	10
2010	3,691.18	1,962	2,015	1,676	13.66	123
2011	4,130.19	2,102	2,158	1,972	13.99	141
2017	1,487.83	505	519	969	16.56	59
2024	8,466.41	582	597	7,869	20.33	387
2025	35,678.90	849	872	34,807	20.55	1,694
	216,048.53	119,280	122,493	93,555		6,442

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.5 2.98

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
1970	7,459.30	6,666	7,056	403	6.61	61
1971	13,007.26	11,556	12,232	775	6.85	113
1972	147.56	129	137	11	7.48	1
1973	209,007.14	182,150	192,798	16,209	7.74	2,094
1977	22,108.72	18,766	19,863	2,246	8.64	260
1980	440,637.50	362,909	384,124	56,514	9.75	5,796
1982	17,269.53	13,973	14,790	2,480	10.26	242
1986	2,647,768.62	2,049,902	2,169,735	478,034	11.52	41,496
1987	4,063.09	3,097	3,278	785	12.01	65
1989	2,065.20	1,530	1,619	446	12.76	35
1990	2,194.65	1,605	1,699	496	13.04	38
1991	22.11	16	17	5	13.35	
1994	49,944.72	34,297	36,302	13,643	14.37	949
1995	757,099.18	510,285	540,115	216,984	14.75	14,711
1998	2,302.38	1,456	1,541	761	15.98	48
1999	1,234,649.65	765,606	810,362	424,288	16.24	26,126
2001	7,632.74	4,488	4,750	2,883	17.17	168
2002	1,175,174.11	673,845	713,237	461,937	17.48	26,427
2003	5,466,245.73	3,038,139	3,215,743	2,250,503	17.98	125,167
2004	12,182.80	6,574	6,958	5,225	18.34	285
2005	2,661,148.46	1,391,248	1,472,578	1,188,570	18.71	63,526
2006	50,404.26	25,358	26,840	23,564	19.26	1,223
2007	9,518,240.00	4,613,491	4,883,187	4,635,053	19.67	235,641
2008	600,991.42	279,762	296,116	304,875	20.09	15,175
2009	282,729.55	125,956	133,319	149,411	20.54	7,274
2010	246,437.88	104,293	110,390	136,048	21.13	6,439
2011	537,563.40	215,885	228,505	309,058	21.60	14,308
2012	137,092.28	52,013	55,054	82,038	22.09	3,714
2013	200,472.05	71,408	75,582	124,890	22.59	5,529
2014	630,752.22	208,905	221,117	409,635	23.22	17,641
2015	2,638,665.62	809,015	856,308	1,782,358	23.75	75,047
2016	3,652,774.72	1,027,160	1,087,206	2,565,569	24.28	105,666
2017	5,044,957.02	1,282,428	1,357,396	3,687,561	24.94	147,857
2018	1,662,287.98	377,672	399,750	1,262,538	25.50	49,511
2019	3,046,324.35	605,914	641,335	2,404,989	26.18	91,864
2020	6,952,229.24	1,181,879	1,250,969	5,701,260	26.86	212,258
2021	4,424,379.39	619,413	655,623	3,768,756	27.65	136,302
2022	31,402,474.57	3,451,132	3,652,879	27,749,596	28.35	978,822

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
2023	32,859.35	2,596	2,748	30,111	29.15	1,033
2024	10,008,497.98	476,405	504,254	9,504,244	30.04	316,386
2025	17,394,996.87	276,580	292,748	17,102,248	30.95	552,577
	113,197,260.60	24,885,502	26,340,260	86,857,000		3,281,875
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					26.5	2.90

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 381.4 PLANT SEWERS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
1973	5,163.10	4,635	4,297	866	5.98	145
2006	27,208.44	13,370	12,394	14,814	20.18	734
2007	24,236.77	11,435	10,601	13,636	20.71	658
2008	8,178.49	3,679	3,411	4,767	21.41	223
2009	11,218.89	4,813	4,462	6,757	21.96	308
2013	31,735.34	10,828	10,037	21,698	24.13	899
2014	14,634.76	4,645	4,306	10,329	24.73	418
	122,375.79	53,405	49,508	72,868		3,385

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.5 2.77

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 381.5 PLANT SEWERS - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
2008	4,015.94	1,806	1,554	2,462	21.41	115
2010	2,248.23	916	787	1,461	22.52	65
	6,264.17	2,722	2,341	3,923		180

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.8 2.87

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 382 OUTFALL LINES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2.5						
NET SALVAGE PERCENT.. 0						
1972	9,637.69	8,869	8,026	1,612	4.64	347
1973	5,163.10	4,716	4,268	895	4.97	180
2001	311,991.19	185,760	168,105	143,886	16.65	8,642
2003	35,788.00	19,891	18,001	17,787	17.98	989
2011	7,619.38	2,939	2,659	4,960	23.09	215
2024	5,000.00	236	214	4,786	30.35	158
	375,199.36	222,411	201,273	173,926		10,531

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.5 2.81

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2006	329,059.46	259,233	270,363	58,696	5.25	11,180
2007	9,438.16	7,333	7,648	1,790	5.31	337
2010	321,391.65	232,623	242,611	78,781	5.91	13,330
2011	1,519.00	1,062	1,108	411	6.25	66
	661,408.27	500,251	521,730	139,679		24,913

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.6 3.77

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2006	12,721.54	10,022	10,522	2,200	5.25	419
2007	3,383.22	2,629	2,760	623	5.31	117
2008	1,019.00	776	815	204	5.49	37
2009	1,352.64	1,007	1,057	296	5.67	52
2010	406.00	294	309	97	5.91	16
2011	1,400.22	979	1,028	372	6.25	60
2013	47,088.34	29,901	31,393	15,695	7.19	2,183
	67,370.96	45,608	47,884	19,487		2,884

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 6.8 4.28

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 389.4 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-S2.5						
NET SALVAGE PERCENT.. 0						
2008	1,057.47	718	829	228	8.27	28
2009	11,017.03	7,181	8,296	2,721	8.82	309
	12,074.50	7,899	9,125	2,950		337
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					8.8	2.79

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2006	2,385.62	2,326	2,386			
2007	1,881.61	1,740	1,882			
2010	2,209.99	1,713	2,101	109	4.50	24
2014	2,692.49	1,548	1,898	794	8.50	93
2016	1,025.75	487	597	429	10.50	41
2019	7,487.58	2,433	2,984	4,504	13.50	334
2020	9,915.80	2,727	3,345	6,571	14.50	453
2024	13,073.04	980	1,202	11,871	18.50	642
	40,671.88	13,954	16,395	24,277		1,587

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.3 3.90

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.2 OFFICE FURNITURE AND EQUIPMENT - OFFICE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2016	67,476.93	64,103	49,422	18,055	0.50	18,055
2017	38,326.49	32,578	25,116	13,210	1.50	8,807
2018	8,441.84	6,331	4,881	3,561	2.50	1,424
2019	9,564.42	6,217	4,793	4,771	3.50	1,363
2024	5,919.81	888	685	5,235	8.50	616
	129,729.49	110,117	84,897	44,833		30,265

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 1.5 23.33

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 5-SQUARE						
NET SALVAGE PERCENT.. 0						
2021	0.02					
2022	706.26	494	470	236	1.50	157
2023	122.15	61	58	64	2.50	26
2024	524,199.30	157,260	149,580	374,619	3.50	107,034
	525,027.73	157,815	150,108	374,920		107,217

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 3.5 20.42

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.4 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10 YEARS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2016	11,907.75	11,312	11,908			
2017	63,825.88	54,252	60,251	3,575	1.50	2,383
2018	69,842.94	52,382	58,174	11,669	2.50	4,668
2019	34,635.95	22,513	25,002	9,634	3.50	2,753
2020	36,845.15	20,265	22,506	14,339	4.50	3,186
2021	363.76	164	182	182	5.50	33
2022	2,828.66	990	1,099	1,730	6.50	266
2023	147.21	37	41	106	7.50	14
2024	581,139.28	87,171	96,810	484,330	8.50	56,980
	801,536.58	249,086	275,973	525,564		70,283

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 7.5 8.77

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 390.41 OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15 YEARS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2014	13,382.59	10,260	12,653	730	3.50	209
2015	23,615.26	16,531	20,387	3,228	4.50	717
2016	54,115.88	34,273	42,268	11,848	5.50	2,154
2017	55,472.66	31,435	38,768	16,705	6.50	2,570
2018	125,008.23	62,504	77,085	47,923	7.50	6,390
2019	20,806.95	9,016	11,119	9,688	8.50	1,140
2020	27,766.76	10,181	12,556	15,211	9.50	1,601
2021	485.99	146	180	306	10.50	29
2024	509,899.57	50,990	62,885	447,015	13.50	33,112
	830,553.89	225,336	277,901	552,653		47,922

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.5 5.77

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 391 TRANSPORTATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 13-S1.5						
NET SALVAGE PERCENT.. 0						
1986	0.03					
2009	78,421.83	68,839	78,422			
2015	26,364.42	18,824	26,364			
2016	337,372.02	226,916	337,372			
2017	90,835.79	56,981	90,836			
2018	209,158.21	120,475	202,499	6,659	5.52	1,206
2019	114,574.38	59,430	99,892	14,682	6.03	2,435
2020	769,353.65	349,517	587,480	181,874	6.61	27,515
2021	65,209.73	25,027	42,066	23,144	7.22	3,206
2022	75,284.06	23,135	38,886	36,398	7.89	4,613
2024	214,000.00	29,361	49,351	164,649	9.43	17,460
2025	176,000.00	8,149	13,698	162,302	10.30	15,757
	2,156,574.12	986,654	1,566,866	589,709		72,192

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.2 3.35

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 392 STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2009	5,075.00	4,187	3,539	1,536	3.50	439
	5,075.00	4,187	3,539	1,536		439
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					3.5	8.65

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 393 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2006	5,414.38	5,279	4,356	1,058	0.50	1,058
2007	3,411.17	3,155	2,604	807	1.50	538
2008	1,889.56	1,653	1,364	526	2.50	210
2009	46,495.93	38,359	31,654	14,842	3.50	4,241
2011	33,817.10	24,517	20,232	13,585	5.50	2,470
2014	6,938.06	3,989	3,292	3,646	8.50	429
2015	11,505.54	6,040	4,984	6,522	9.50	687
2016	18,979.86	9,015	7,439	11,541	10.50	1,099
2017	47,945.32	20,377	16,815	31,130	11.50	2,707
2018	62,374.76	23,391	19,303	43,072	12.50	3,446
2019	11,246.56	3,655	3,016	8,231	13.50	610
2020	267,466.39	73,553	60,697	206,769	14.50	14,260
2021	91,498.77	20,587	16,989	74,510	15.50	4,807
2022	71,395.72	12,494	10,310	61,086	16.50	3,702
2023	81,793.58	10,224	8,437	73,357	17.50	4,192
2024	118,657.76	8,899	7,343	111,315	18.50	6,017
2025	70,000.00	1,750	1,444	68,556	19.50	3,516
	950,830.46	266,937	220,279	730,551		53,989

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.5 5.68

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 394 LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2004	2,043.14	1,757	1,838	205	3.50	59
2005	63,696.79	52,231	54,641	9,056	4.50	2,012
2006	51,277.53	39,996	41,842	9,436	5.50	1,716
2007	34,480.57	25,516	26,693	7,788	6.50	1,198
2008	45,791.86	32,054	33,533	12,259	7.50	1,635
2009	8,888.55	5,866	6,137	2,752	8.50	324
2010	11,621.36	7,205	7,537	4,084	9.50	430
2011	23,126.89	13,414	14,033	9,094	10.50	866
2012	1,790.10	967	1,012	778	11.50	68
2013	6,884.99	3,442	3,601	3,284	12.50	263
2014	29,949.87	13,777	14,413	15,537	13.50	1,151
2015	152,863.70	64,203	67,166	85,698	14.50	5,910
2016	91,391.25	34,729	36,332	55,059	15.50	3,552
2017	58,013.63	19,725	20,635	37,379	16.50	2,265
2018	100,376.10	30,113	31,502	68,874	17.50	3,936
2019	1,090.83	284	297	794	18.50	43
2020	139,217.36	30,628	32,042	107,175	19.50	5,496
2021	51,997.50	9,360	9,792	42,206	20.50	2,059
2023	28,169.42	2,817	2,947	25,222	22.50	1,121
2024	100,582.67	6,035	6,313	94,270	23.50	4,011
2025	50,000.00	1,000	1,046	48,954	24.50	1,998
	1,053,254.11	395,119	413,352	639,902		40,113

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.0 3.81

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 395 POWER OPERATED EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L4						
NET SALVAGE PERCENT.. 0						
2003	80,106.15	70,109	74,042	6,064	3.21	1,889
2004	2,984.00	2,585	2,730	254	3.32	77
2005	30,737.00	26,339	27,816	2,921	3.42	854
2006	3,444.00	2,908	3,071	373	3.59	104
2007	64,936.28	53,936	56,962	7,974	3.77	2,115
2008	6,630.00	5,372	5,673	957	4.10	233
2009	6,343.00	4,982	5,262	1,081	4.51	240
2010	3,767.00	2,843	3,002	765	5.03	152
2011	18,093.39	13,013	13,743	4,350	5.66	769
2012	3,459.34	2,349	2,481	978	6.38	153
2013	2,414.11	1,539	1,625	789	7.11	111
2022	1,561.62	290	307	1,255	15.37	82
	224,475.89	186,265	196,714	27,762		6,779

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.1 3.02

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2012	28,980.85	26,083	25,051	3,930	1.50	2,620
2013	127,230.88	106,025	101,831	25,400	2.50	10,160
2014	28,256.79	21,664	20,807	7,450	3.50	2,129
2015	19,657.43	13,760	13,216	6,441	4.50	1,431
2016	4,848.22	3,071	2,950	1,898	5.50	345
2017	171,135.30	96,977	93,141	77,994	6.50	11,999
2018	5,749.04	2,875	2,761	2,988	7.50	398
2019	228,196.38	98,884	94,972	133,224	8.50	15,673
2020	387,305.67	142,013	136,396	250,910	9.50	26,412
2021	251,391.16	75,417	72,434	178,957	10.50	17,044
2022	65,731.50	15,337	14,730	51,002	11.50	4,435
2023	331,576.10	55,264	53,078	278,498	12.50	22,280
2024	170,379.14	17,038	16,364	154,015	13.50	11,409
2025	110,845.10	3,694	3,548	107,298	14.50	7,400
	1,931,283.56	678,102	651,279	1,280,005		133,735

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.6 6.92

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2016	33,295.71	31,631	30,378	2,918	0.50	2,918
2017	150,989.20	128,341	123,258	27,731	1.50	18,487
2018	529,532.51	397,149	381,418	148,115	2.50	59,246
2019	540,304.38	351,198	337,287	203,017	3.50	58,005
2020	1,473,766.97	810,572	778,466	695,301	4.50	154,511
2021	540,132.13	243,059	233,432	306,700	5.50	55,764
2022	170,690.22	59,742	57,376	113,314	6.50	17,433
2023	352,375.06	88,094	84,605	267,770	7.50	35,703
2024	406,030.42	60,905	58,492	347,538	8.50	40,887
2025	264,154.90	13,208	12,685	251,470	9.50	26,471
	4,461,271.50	2,183,899	2,097,397	2,363,874		469,425

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.0 10.52

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ACCOUNT 397 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2003	4,595.70	4,136	4,596			
2007	570.23	422	522	48	6.50	7
2010	191.19	119	147	44	9.50	5
2011	1,773.24	1,028	1,271	502	10.50	48
2012	27,510.75	14,856	18,371	9,140	11.50	795
2014	6,223.01	2,863	3,541	2,682	13.50	199
2024	2,801.32	168	208	2,594	23.50	110
	43,665.44	23,592	28,656	15,010		1,164

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.9 2.67

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2011	1,277,000.00	511,055	574,780	702,220	21.73	32,316
2019	320,399.65	64,753	72,827	247,573	27.14	9,122
2021	170,036.58	24,621	27,691	142,346	28.79	4,944
	1,767,436.23	600,429	675,298	1,092,138		46,382

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.5 2.62

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1972	39,195.96	30,824	32,259	6,937	14.53	477
1973	13,556.99	10,534	11,025	2,532	15.07	168
1980	10,637.50	7,599	7,953	2,684	18.19	148
1981	47,773.77	33,805	35,379	12,395	18.39	674
2011	135,000.00	39,933	41,792	93,208	34.52	2,700
2017	838,712.00	154,658	161,860	676,852	37.59	18,006
2019	306,960.59	46,842	49,023	257,938	38.17	6,758
2021	6,265.64	699	732	5,534	38.79	143
	1,398,102.45	324,894	340,023	1,058,080		29,074

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 36.4 2.08

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1972	42,000.00	35,280	30,544	11,456	10.19	1,124
1973	7,981.64	6,663	5,769	2,213	10.39	213
1980	6,844.83	5,357	4,638	2,207	12.64	175
1986	561,771.00	408,295	353,487	208,284	14.85	14,026
1987	469,604.40	336,284	291,142	178,462	15.26	11,695
1999	1,179,768.83	678,367	587,305	592,464	19.59	30,243
2001	745,942.16	405,718	351,255	394,687	20.55	19,206
2002	872,209.25	461,224	399,311	472,898	20.94	22,583
2003	971,761.31	498,514	431,595	540,166	21.36	25,289
2004	916,760.18	455,263	394,150	522,610	21.79	23,984
2006	150,000.00	69,330	60,023	89,977	22.69	3,965
2007	79,963.00	35,504	30,738	49,225	23.17	2,125
2008	51,125.00	21,738	18,820	32,305	23.65	1,366
2011	94,630.00	34,578	29,936	64,694	25.18	2,569
2012	370,713.84	127,600	110,471	260,243	25.72	10,118
2013	16,080.27	5,186	4,490	11,590	26.26	441
2020	78,140.79	12,628	10,933	67,208	30.49	2,204
	6,615,296.50	3,597,529	3,114,607	3,500,689		171,326

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.4 2.59

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
1982	1,636.81	1,274	1,258	379	12.37	31
1983	13,000.00	9,945	9,819	3,181	13.06	244
	14,636.81	11,219	11,077	3,560		275
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					12.9	1.88

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1970	19,117.80	14,006	13,094	6,024	20.26	297
1972	739,587.98	526,291	492,021	247,567	21.68	11,419
1973	158,612.90	111,584	104,318	54,295	22.13	2,453
1977	18,223.43	12,108	11,320	6,903	24.50	282
1980	250,225.15	158,242	147,938	102,287	26.45	3,867
1981	465,119.47	289,769	270,900	194,219	26.93	7,212
1982	139,234.47	84,794	79,272	59,962	27.93	2,147
1999	228,231.05	91,338	85,390	142,841	39.72	3,596
2006	168,816.14	51,016	47,694	121,122	45.02	2,690
2010	1,745,849.85	424,940	397,269	1,348,581	48.19	27,985
2011	186,353.00	42,693	39,913	146,440	48.79	3,001
2012	240,000.00	51,192	47,859	192,141	49.79	3,859
2013	21,203.00	4,215	3,941	17,262	50.39	343
2014	32,176.58	5,882	5,499	26,678	51.40	519
2017	5,459,708.90	746,888	698,252	4,761,457	53.61	88,817
2019	386,744.05	43,083	40,278	346,466	54.85	6,317
2020	319,965.39	30,461	28,477	291,488	55.85	5,219
2022	18,116.00	1,152	1,077	17,039	57.10	298
2023	241,969.43	11,469	10,722	231,247	57.73	4,006
	10,839,254.59	2,701,123	2,525,234	8,314,020		174,327

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 47.7 1.61

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1970	13,338.75	9,993	8,150	5,189	18.58	279
1972	39,847.06	29,208	23,822	16,025	19.49	822
1973	28,745.49	20,826	16,985	11,760	19.96	589
1977	116.92	81	66	51	21.92	2
1980	22,093.00	14,475	11,806	10,287	23.94	430
1986	53,412.00	31,647	25,811	27,601	27.17	1,016
1991	24,968.00	13,265	10,819	14,149	30.44	465
1999	2,760,060.31	1,177,442	960,300	1,799,760	35.61	50,541
2004	126,000.00	44,969	36,676	89,324	38.74	2,306
2011	358,844.00	89,998	73,401	285,443	43.31	6,591
2014	45,199.00	9,148	7,461	37,738	45.32	833
2015	99,144.95	18,421	15,024	84,121	46.00	1,829
2017	638,045.57	97,621	79,618	558,428	47.06	11,866
2019	1,101,330.21	137,776	112,367	988,963	48.07	20,573
2020	840,793.83	90,890	74,128	766,666	48.47	15,817
2021	197,653.25	17,927	14,621	183,032	48.89	3,744
2022	877,218.11	63,861	52,084	825,134	49.32	16,730
2023	933,840.70	51,268	41,813	892,028	49.48	18,028
2024	415,208.00	15,197	12,394	402,814	49.41	8,152
2025	802,735.00	8,348	6,809	795,926	47.35	16,809
	9,378,594.15	1,942,361	1,584,155	7,794,439		177,422

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 43.9 1.89

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

SURVIVOR CURVE.. IOWA 70-R4
NET SALVAGE PERCENT.. 0

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
1972	50.00	37	49	1	18.96	
1977	2,359.54	1,613	2,149	211	22.43	9
1980	12,216.58	7,893	10,518	1,699	24.92	68
1981	5,935.68	3,777	5,033	903	25.43	36
1982	1,028.22	644	858	170	25.94	7
1984	53,053.00	31,704	42,249	10,804	27.94	387
1999	501,480.17	197,984	263,834	237,646	40.62	5,850
2005	75,000.00	23,062	30,733	44,267	46.17	959
2006	55,485.24	16,335	21,768	33,717	46.73	722
2007	549,978.58	153,664	204,773	345,206	47.72	7,234
2013	18,908.00	3,570	4,757	14,151	53.72	263
2014	27,150.44	4,713	6,281	20,869	54.73	381
2015	24,679.05	3,914	5,216	19,463	55.72	349
2017	161,089.36	20,813	27,736	133,353	57.29	2,328
2019	74,744.70	7,811	10,409	64,336	58.91	1,092
2020	232,545.21	20,766	27,673	204,872	59.91	3,420
2021	93,991.60	6,965	9,282	84,710	60.91	1,391
2022	409,267.02	24,106	32,123	377,144	61.91	6,092
2023	402,896.67	17,607	23,463	379,433	62.91	6,031
	2,701,859.06	546,978	728,904	1,972,955		36,619

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 53.9 1.36

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1987	43,530.60	35,025	39,659	3,872	9.35	414
2017	421,017.00	142,809	161,705	259,312	16.56	15,659
2019	155,466.65	44,028	49,854	105,613	17.40	6,070
2020	45,428.73	11,212	12,695	32,734	17.93	1,826
2021	2,106.15	440	498	1,608	18.44	87
	667,549.13	233,514	264,411	403,138		24,056

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.8 3.60

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
1973	88,336.75	76,985	88,121	216	7.74	28
1980	141,308.51	116,382	133,216	8,093	9.75	830
1986	37,451.00	28,995	33,189	4,262	11.52	370
1999	734,508.02	455,468	521,349	213,159	16.24	13,126
2006	100,000.00	50,310	57,587	42,413	19.26	2,202
2007	100,000.00	48,470	55,481	44,519	19.67	2,263
2011	352,188.97	141,439	161,898	190,291	21.60	8,810
2020	6,410.96	1,160	1,328	5,083	26.59	191
2021	57,575.30	8,700	9,958	47,617	27.38	1,739
	1,617,779.51	927,909	1,062,127	555,652		29,559

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.8 1.83

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 381.4 PLANT SEWERS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2						
NET SALVAGE PERCENT.. 0						
1973	1,536.55	1,380	1,429	107	5.98	18
	1,536.55	1,380	1,429	107		18
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					5.9	1.17

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 382 OUTFALL LINES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-R2.5						
NET SALVAGE PERCENT.. 0						
1973	1,536.55	1,404	1,454	83	4.97	17
	1,536.55	1,404	1,454	83		17
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					4.9	1.11

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L3						
NET SALVAGE PERCENT.. 0						
2011	13,030.75	9,107	9,903	3,128	6.25	500
	13,030.75	9,107	9,903	3,128		500

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 6.3 3.84

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 396.7 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2020	2,519.52	1,480	1,460	1,060	4.12	257
2021	8,662.94	4,223	4,166	4,497	5.12	878
	11,182.46	5,703	5,626	5,557		1,135
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					4.9	10.15

PART III. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2021 TRANSACTION YEAR				
354.20	8,932.85	122,064.29		122,064.29-
354.30	19,059.34			
354.40	592,929.95	844.00		844.00-
354.50		92,099.11		92,099.11-
355.20	1,842.60			
355.40	125,349.83			
360.20	115,348.93			
361.20	68,372.73			
363.20	40,110.43	3,937.63		3,937.63-
364.20	8,413.73			
371.30	29,713.83			
371.50	6,943.84			
380.40	83,240.29	19,976.27		19,976.27-
390.75	165,752.72			
390.76	.01			
393.70	828.00			
394.70	.03			
396.70	.16	5,999.77		5,999.77-
396.71	.10			
	1,266,839.37	244,921.07		244,921.07-
2022 TRANSACTION YEAR				
360.20		7,821.79		7,821.79-
363.20		7,605.77		7,605.77-
380.40		152.63		152.63-
390.75	47,399.24			
391.70	140,341.98			
392.70	4,484.78			
395.70	30,076.00			
396.70	24,463.32			
	246,765.32	15,580.19		15,580.19-

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2023 TRANSACTION YEAR				
354.20	171,161.49			
354.30	354,112.11			
354.40	1,197,105.30			
354.70	6,966.72			
355.30	1,261.42			
355.40	26,284.24			
360.20	189,517.15			
361.20	554,437.19			
363.20	9,650.19			
371.30	145,769.93			
380.40	894,459.10	1,082.08-		1,082.08
390.75	104,969.58			
391.70	52,825.96	31,079.00	2,900.00	28,179.00-
393.70	17,079.00			
396.70	2,950.38			
	3,728,549.76	29,996.92	2,900.00	27,096.92-
2024 TRANSACTION YEAR				
354.20	4,399.39	1,464.83		1,464.83-
354.30	6,948.80	567.49		567.49-
354.40	47,677.07	7,719.27		7,719.27-
354.70	177.15			
355.20	87.72			
355.30	539.12			
355.40	9,311.33			
360.20	15,498.82	321.20		321.20-
361.20	66,600.29	326.30		326.30-
363.20	2,726.56	516.39		516.39-
364.20	682.12			
371.30	102,852.79	4,299.90		4,299.90-
371.50	8,077.42			
380.40	288,028.56	18,179.66		18,179.66-
390.75	178,483.78			
390.76	141,845.85			
393.70	4,449.14			
394.70	1,362.82			
396.70	11,870.65	578.56		578.56-
	891,619.38	33,973.60		33,973.60-

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2025 TRANSACTION YEAR				
354.20	4,511.41	1,502.13		1,502.13-
354.30	7,125.75	581.94		581.94-
354.40	48,891.13	7,915.83		7,915.83-
354.70	181.66			
355.20	305.53			
355.30	1,877.67			
355.40	32,429.70			
360.20	2,919.07	60.50		60.50-
361.20	47,852.08	234.44		234.44-
363.20	2,870.06	543.57		543.57-
364.20	522.00			
371.30	207,422.27	8,671.56		8,671.56-
371.50	16,289.66			
380.40	555,232.41	35,044.91		35,044.91-
390.75	164,635.83			
390.76	3,210.82			
	1,096,277.05	54,554.88		54,554.88-
TOTAL	7,230,050.88	379,026.66	2,900.00	376,126.63-

Exhibit No. 6-D, Part 1
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

LOWER MAKEFIELD WASTEWATER OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2023

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-D, Part 1
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

LOWER MAKEFIELD WASTEWATER OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2023

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President and Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2023 for the Lower Makefield Operations. Summaries of the original cost, annual accruals and the book depreciation reserve are presented in Tables 1 and 2, beginning on page I-3 of the attached report.

A description of the methods and procedures upon which the study was based, as well as support for the service life estimates, is set forth in a companion report "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2024".

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

JJS:mle
077367.100

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

WASTEWATER ASSETS

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

SUMMARY OF RESULTS

Table 1 summarizes the results of the depreciation study, which sets forth the book reserve and the calculated annual depreciation related to original cost as of December 31, 2023, and the annual amortization of negative salvage for the Lower Makefield Wastewater Operations. Table 2 presents the calculation of the amortization of experienced net salvage, by account, based on the five-year period, 2019-2023.

DETAILED TABULATIONS OF DEPRECIATION CALCULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-2. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage, and cost of removal are set forth by account for the years 2019 through 2023 on page III-2.

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2023

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	665,281.75					
TOTAL INTANGIBLE PLANT		**665,281.75**					
NONDEPRECIABLE PLANT							
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	628.19					
TOTAL NONDEPRECIABLE PLANT		**628.19**					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	40-S1.5	12,888.13	8	12,880	394	3.06	32.7
PUMPING	55-R2	4,216,722.53	103,369	4,113,354	191,360	4.54	21.5
TREATMENT AND DISPOSAL	45-S1	5,504,234.05	188,964	5,315,270	454,891	8.26	11.7
GENERAL	50-R3	2,296.86	4	2,293	55	2.39	41.7
TOTAL ACCOUNT 354		9,736,141.57	292,344	9,443,797	646,700		
355.00 POWER GENERATING EQUIPMENT							
COLLECTION	30-R3	24,322.90	29	24,294	969	3.98	25.1
PUMPING	30-R3	227,425.78	6,531	220,895	45,238	19.89	4.9
TOTAL ACCOUNT 355		251,748.68	6,560	245,189	46,207		
360.00 COLLECTION MAINS - FORCE	70-R3	1,926,263.62	33,611	1,892,652	55,500	2.88	34.1
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	37,219,957.50	744,002	36,475,955	1,268,586	3.41	28.8
363.00 SERVICES	70-R4	3,251,486.65	67,839	3,183,647	99,469	3.06	32.0
364.00 METERS	30-L2.5	222,718.41	8,573	214,145	24,439	10.97	8.8
371.00 PUMPING EQUIPMENT							
PUMPING	30-L1.5	1,114,490.34	31,900	1,082,590	100,924	9.06	10.7
TOTAL ACCOUNT 371		1,114,490.34	31,900	1,082,590	100,924		
393.00 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	83,045.15	166	82,879	4,337	*	19.1
396.00 COMMUNICATION EQUIPMENT							
GENERAL	15-SQ	87,013.58	132	86,882	5,992	*	14.5
SCADA	10-SQ	9,490.47	22	9,469	997	*	9.5
TOTAL ACCOUNT 396		96,504.05	154	96,351	6,989		
TOTAL DEPRECIABLE PLANT		**53,902,355.97**	**1,185,150**	**52,717,205**	**2,253,151**		
TOTAL WASTEWATER PLANT IN SERVICE		**54,568,265.91**	**1,185,150**	**52,717,205**	**2,253,151**		

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2023

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL		COMPOSITE REMAINING LIFE
					AMOUNT	PERCENT	
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	38,308.00	142	38,166	789	2.06	48.4
363.00 SERVICES	70-R4	18,010.00	58	17,952	277	1.54	64.8
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**56,318.00**	**200**	**56,118**	**1,066**		
AMORTIZATION OF NET SALVAGE					**0**		
TOTAL WASTEWATER PLANT		**54,511,947.91**	**1,184,950**	**52,661,087**	**2,252,085**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 2. AMORTIZATION OF EXPERIENCED NET SALVAGE

	2019		2020		2021		2022		2023			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
354.20												
354.30												
354.40												
354.50												
360.00												
361.00												
363.00												
371.30												
380.00												
391.70												
396.70												
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1945	127,840	4,644	123,196	123,196	0.2
1950	93,046	3,308	89,738	212,934	0.4
1955	892,812	30,955	861,857	1,074,791	2.0
1960	134,698	4,525	130,173	1,204,964	2.3
1964	362,845	13,288	349,557	1,554,521	2.9
1965	923,908	31,950	891,958	2,446,479	4.6
1966	3,534,794	126,801	3,407,993	5,854,472	11.1
1968	2,097,060	64,279	2,032,781	7,887,253	15.0
1970	1,562,485	46,995	1,515,490	9,402,743	17.8
1975	1,234,891	35,766	1,199,125	10,601,868	20.1
1976	950,773	33,575	917,198	11,519,066	21.9
1977	158,968	5,561	153,407	11,672,473	22.1
1978	934,974	28,591	906,383	12,578,856	23.9
1979	14,634	665	13,969	12,592,825	23.9
1980	4,368,369	115,683	4,252,686	16,845,511	32.0
1982	577,730	14,672	563,058	17,408,569	33.0
1983	4,212	137	4,075	17,412,644	33.0
1984	124,663	3,232	121,431	17,534,075	33.3
1985	3,705,160	91,681	3,613,479	21,147,554	40.1
1986	118,746	3,725	115,021	21,262,575	40.3
1987	965,397	26,976	938,421	22,200,996	42.1
1988	1,774,210	48,100	1,726,110	23,927,106	45.4
1989	46,739	1,009	45,730	23,972,836	45.5
1990	670,465	14,254	656,211	24,629,047	46.7
1991	1,535,001	41,777	1,493,224	26,122,271	49.6
1992	2,510,514	50,596	2,459,918	28,582,189	54.2
1993	328,482	8,624	319,858	28,902,047	54.8
1994	348,964	8,619	340,345	29,242,392	55.5
1995	3,980,745	73,855	3,906,890	33,149,282	62.9
1996	1,820,165	33,639	1,786,526	34,935,808	66.3
1997	544,953	9,500	535,453	35,471,261	67.3
1998	887,796	14,994	872,802	36,344,063	68.9
1999	1,903,814	31,723	1,872,091	38,216,154	72.5
2000	1,164,145	18,328	1,145,817	39,361,971	74.7
2001	232,249	3,427	228,822	39,590,793	75.1
2002	2,553,620	40,242	2,513,378	42,104,171	79.9
2003	2,715,100	37,891	2,677,209	44,781,380	84.9
2004	768,699	10,198	758,501	45,539,881	86.4
2005	1,176,976	18,000	1,158,976	46,698,857	88.6
2006	179,865	2,180	177,685	46,876,542	88.9
2011	680,734	5,996	674,738	47,551,280	90.2
2012	46,138	365	45,773	47,597,053	90.3
2014	2,236,561	15,346	2,221,215	49,818,268	94.5
2015	55,151	344	54,807	49,873,075	94.6
2016	713,713	3,885	709,828	50,582,903	96.0

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2017	20,230	266	19,964	50,602,867	96.0
2018	166,851	690	166,161	50,769,028	96.3
2019	49,368	155	49,213	50,818,241	96.4
2020	404,774	1,127	403,647	51,221,888	97.2
2021	591,380	1,960	589,420	51,811,308	98.3
2022	400,712	624	400,088	52,211,396	99.0
2023	506,237	427	505,810	52,717,206	100.0
TOTAL	53,902,356	1,185,150	52,717,206		

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2023	56,318	200	56,118	56,118	100.0
TOTAL	56,318	200	56,118		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2023	12,888.13	193	8	12,880	32.72	394
	12,888.13	193	8	12,880		394

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.7 3.06

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1964	322,987.15	269,048	11,573	311,414	11.93	26,103
1965	151,990.52	125,362	5,392	146,599	12.43	11,794
1978	357,025.68	255,059	10,971	346,055	18.19	19,024
1980	418,803.84	291,487	12,539	406,265	19.00	21,382
1985	324,293.71	208,521	8,970	315,324	21.38	14,749
1987	603,282.63	372,105	16,006	587,277	22.67	25,905
1988	844,618.74	512,684	22,053	822,566	22.98	35,795
1993	242,094.63	131,433	5,654	236,441	25.68	9,207
2002	231,853.30	95,199	4,095	227,758	30.86	7,380
2005	327,998.18	118,932	5,116	322,882	32.52	9,929
2020	46,585.03	3,848	165	46,420	38.87	1,194
2021	280,134.86	16,948	729	279,406	38.82	7,197
2022	65,054.26	2,459	106	64,948	38.18	1,701
	4,216,722.53	2,403,085	103,369	4,113,354		191,360

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.5 4.54

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1966	2,343,079.89	2,020,906	89,432	2,253,648	9.17	245,763
1975	105,698.50	85,098	3,766	101,932	11.74	8,682
1976	950,772.90	758,717	33,575	917,198	12.02	76,306
1977	158,967.59	125,664	5,561	153,407	12.32	12,452
1978	23,800.93	18,627	824	22,977	12.64	1,818
1983	4,212.00	3,105	137	4,075	14.45	282
1984	26,689.21	19,398	858	25,831	14.85	1,739
1985	86,367.17	61,848	2,737	83,630	15.26	5,480
1986	118,746.04	84,167	3,725	115,021	15.41	7,464
1987	123,478.68	86,089	3,810	119,669	15.85	7,550
1988	230,048.59	157,629	6,976	223,073	16.31	13,677
1991	1,217,538.55	795,296	35,195	1,182,344	17.25	68,542
1999	97,962.91	53,282	2,358	95,605	20.55	4,652
2023	16,871.09	240	10	16,861	34.83	484
	5,504,234.05	4,270,066	188,964	5,315,270		454,891

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.7 8.26

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
2022	2,296.86	80	4	2,293	41.60	55
	2,296.86	80	4	2,293		55
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					41.7	2.39

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	24,322.90	477	29	24,294	25.07	969
	24,322.90	477	29	24,294		969
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					25.1	3.98

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1965	1,372.35	1,372	1,372			
1978	19,706.99	19,189	741	18,966	1.23	15,420
1985	24,461.46	22,791	880	23,581	2.82	8,362
1987	17,426.79	15,966	616	16,811	3.34	5,033
1988	22,383.90	20,262	782	21,602	3.72	5,807
1993	13,143.91	11,185	432	12,712	5.34	2,381
2002	30,366.37	20,698	799	29,567	10.04	2,945
2005	31,004.69	18,814	726	30,279	11.99	2,525
2021	22,756.24	2,157	83	22,673	23.88	949
2022	44,803.08	2,572	100	44,703	24.61	1,816
	227,425.78	135,006	6,531	220,895		45,238

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.9 19.89

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1965	352,748.27	268,265	11,499	341,249	18.42	18,526
1978	112,013.43	70,837	3,036	108,977	26.45	4,120
1987	114,739.65	60,720	2,603	112,137	32.47	3,454
1989	46,739.43	23,543	1,009	45,730	33.99	1,345
1999	208,738.73	77,734	3,332	205,407	41.29	4,975
2001	232,248.57	79,940	3,427	228,822	42.86	5,339
2002	291,108.03	96,386	4,132	286,976	43.44	6,606
2004	164,197.97	49,621	2,127	162,071	45.02	3,600
2011	168,720.44	33,542	1,438	167,282	50.39	3,320
2016	153,957.52	18,598	797	153,161	54.61	2,805
2019	49,368.37	3,624	155	49,213	56.85	866
2021	31,683.21	1,305	56	31,627	58.11	544
	1,926,263.62	784,115	33,611	1,892,652		55,500

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 34.1 2.88

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1945	123,735.79	109,754	4,472	119,264	10.00	11,926
1950	89,390.35	77,528	3,159	86,231	11.25	7,665
1955	835,595.47	704,073	28,689	806,906	12.80	63,040
1960	121,277.78	98,575	4,017	117,261	14.62	8,021
1965	361,250.62	278,958	11,367	349,884	17.26	20,271
1966	1,151,192.46	880,432	35,876	1,115,316	17.68	63,083
1968	2,029,431.39	1,520,450	61,955	1,967,476	18.58	105,892
1970	1,474,869.89	1,081,080	44,051	1,430,819	19.49	73,413
1975	1,027,482.35	707,627	28,834	998,648	21.92	45,559
1978	276,408.91	181,103	7,380	269,029	23.94	11,238
1980	3,595,053.34	2,283,218	93,036	3,502,017	24.99	140,137
1982	479,676.46	294,617	12,005	467,671	26.07	17,939
1984	93,453.42	55,371	2,256	91,197	27.17	3,357
1985	2,668,314.81	1,540,952	62,790	2,605,525	28.17	92,493
1988	427,851.34	232,409	9,470	418,381	29.86	14,011
1990	621,224.97	322,540	13,143	608,082	31.02	19,603
1991	298,478.87	151,329	6,166	292,313	31.60	9,250
1992	2,510,513.65	1,241,700	50,596	2,459,918	32.19	76,419
1994	211,555.85	98,606	4,018	207,538	33.79	6,142
1995	3,582,939.25	1,623,788	66,166	3,516,773	34.39	102,262
1996	1,623,186.01	714,202	29,102	1,594,084	35.00	45,545
1997	499,129.91	212,929	8,676	490,454	35.61	13,773
1998	802,049.53	331,327	13,501	788,549	36.23	21,765
1999	1,508,853.66	602,636	24,556	1,484,298	36.85	40,279
2000	1,027,950.39	396,172	16,143	1,011,807	37.48	26,996
2002	1,728,153.54	616,778	25,132	1,703,022	38.74	43,960
2003	2,520,021.85	862,855	35,160	2,484,862	39.38	63,100
2004	567,634.82	185,957	7,577	560,058	40.02	13,994
2005	678,250.02	212,021	8,639	669,611	40.67	16,464
2006	176,397.63	52,478	2,138	174,260	41.32	4,217
2011	488,985.24	106,990	4,360	484,625	44.64	10,856
2014	2,057,771.50	347,969	14,179	2,043,592	46.68	43,779
2015	55,150.52	8,438	344	54,807	47.06	1,165
2016	531,738.91	72,210	2,943	528,796	47.75	11,074
2018	161,894.95	16,481	671	161,224	48.55	3,321
2020	343,116.39	22,714	926	342,190	49.41	6,926

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2021	78,861.56	3,801	155	78,707	49.32	1,596
2022	241,708.84	7,155	291	241,418	49.26	4,901
2023	149,405.26	1,554	63	149,342	47.35	3,154
	37,219,957.50	18,258,777	744,002	36,475,955		1,268,586
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					28.8	3.41

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1945	4,104.65	3,770	172	3,933	6.97	564
1950	3,655.70	3,278	149	3,507	8.47	414
1955	57,216.50	49,778	2,266	54,950	10.24	5,366
1960	13,419.92	11,163	508	12,912	12.84	1,006
1965	14,341.98	11,243	512	13,830	16.13	857
1966	35,840.02	27,819	1,266	34,574	16.58	2,085
1968	67,629.07	51,046	2,324	65,305	18.03	3,622
1970	87,615.10	64,686	2,944	84,671	18.96	4,466
1975	101,710.35	69,550	3,166	98,544	22.43	4,393
1978	18,340.29	11,850	539	17,801	24.92	714
1980	354,512.15	222,066	10,108	344,404	25.94	13,277
1982	98,053.53	58,597	2,667	95,387	27.94	3,414
1984	4,520.02	2,589	118	4,402	29.46	149
1985	527,244.26	296,364	13,491	513,753	29.99	17,131
1988	46,412.85	24,218	1,102	45,311	32.53	1,393
1990	49,239.62	24,413	1,111	48,129	34.07	1,413
1991	18,983.70	9,131	416	18,568	35.07	529
1994	45,297.36	19,913	906	44,391	37.61	1,180
1995	397,805.71	168,908	7,689	390,117	38.62	10,101
1996	154,781.65	63,430	2,887	151,895	39.61	3,835
1997	45,822.98	18,091	824	44,999	40.62	1,108
1998	85,746.61	32,798	1,493	84,254	41.17	2,046
1999	88,259.02	32,435	1,477	86,782	42.17	2,058
2000	136,194.46	48,009	2,185	134,009	43.17	3,104
2002	134,655.69	43,426	1,977	132,679	45.17	2,937
2003	195,078.48	59,987	2,731	192,347	46.17	4,166
2004	36,865.78	10,853	494	36,372	46.73	778
2005	23,469.23	6,557	298	23,171	47.72	486
2006	3,467.28	916	42	3,425	48.73	70
2011	23,028.26	4,348	198	22,830	53.72	425
2012	46,137.85	8,010	365	45,773	54.73	836
2014	178,789.27	25,638	1,167	177,622	56.73	3,131
2016	28,016.62	3,194	145	27,872	58.29	478
2018	4,956.50	414	19	4,938	60.29	82
2020	15,072.53	802	36	15,037	62.29	241
2022	15,536.47	354	16	15,520	64.29	241
2023	89,665.19	681	31	89,634	65.29	1,373
	3,251,486.65	1,490,325	67,839	3,183,647		99,469

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.0 3.06

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1966	4,682.05	4,361	227	4,455	4.23	1,053
1979	14,634.19	12,764	665	13,969	6.52	2,142
1988	48,864.33	39,727	2,070	46,794	8.17	5,728
1994	92,110.68	70,925	3,695	88,416	8.81	10,036
1996	42,197.10	31,682	1,650	40,547	9.13	4,441
2017	20,230.06	5,114	266	19,964	19.21	1,039
	222,718.41	164,573	8,573	214,145		24,439

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.8 10.97

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1964	39,857.98	36,522	1,715	38,143	5.44	7,012
1965	42,204.58	38,516	1,808	40,397	5.60	7,214
1978	127,677.47	108,628	5,100	122,577	7.98	15,361
1985	74,479.08	59,926	2,813	71,666	9.35	7,665
1987	106,468.85	83,940	3,941	102,528	9.80	10,462
1988	154,030.67	120,298	5,647	148,384	9.95	14,913
1993	73,243.76	54,061	2,538	70,706	10.82	6,535
2002	137,483.37	87,494	4,107	133,376	12.28	10,861
2005	116,253.63	68,613	3,221	113,033	12.85	8,796
2021	177,943.67	19,965	937	177,007	19.77	8,953
2023	64,847.28	1,543	73	64,774	20.55	3,152
	1,114,490.34	679,506	31,900	1,082,590		100,924

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.7 9.06

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 393 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2022	31,312.16	2,348	107	31,205	18.50	1,687
2023	51,732.99	1,293	59	51,674	19.50	2,650
	83,045.15	3,641	166	82,879		4,337

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 19.1 5.22

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2023	87,013.58	2,900	132	86,882	14.50	5,992
	87,013.58	2,900	132	86,882		5,992
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					14.5	6.89

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2023	9,490.47	475	22	9,469	9.50	997
	9,490.47	475	22	9,469		997
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					9.5	10.51

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2023	38,308.00	682	142	38,166	48.38	789
	38,308.00	682	142	38,166		789

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 48.4 2.06

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
2023	18,010.00	240	58	17,952	64.91	277
	18,010.00	240	58	17,952		277
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					64.8	1.54

PART III. EXPERIENCED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2019 TRANSACTION YEAR				
2020 TRANSACTION YEAR				
2021 TRANSACTION YEAR				
2022 TRANSACTION YEAR				
2023 TRANSACTION YEAR				
354.30	4.01			
355.30	3,960.39			
	3,964.40			
TOTAL	3,964.40			

Exhibit No. 6-D, Part 2
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

LOWER MAKEFIELD WASTEWATER OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2024

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-D, Part 2
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

LOWER MAKEFIELD WASTEWATER OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2024

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2024 for the Lower Makefield Wastewater Operations. The results of our study as of December 31, 2024, are presented in the attached report. The results of our study as of December 31, 2023, are presented in our report, "2023 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2023." The same methods, procedures and estimates are used in both studies.

The attached report sets forth a description of the methods and procedures upon which the studies were based, the estimates of survivor curves, and the calculated annual depreciation as of December 31, 2024.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

JJS:mle
077367.100

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PART I. INTRODUCTION

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report sets forth the results of the depreciation study for Aqua Pennsylvania, Inc. to determine the annual depreciation accrual rates and amounts applicable to the original cost of wastewater plant as of December 31, 2024 for the Lower Makefield Wastewater Operations system. The rates and amounts are based on the straight line remaining life method of depreciation. This report also describes the concepts, methods and judgments which underlie the recommended annual depreciation accrual rates related to wastewater plant in service as of December 31, 2024.

Part I, Introduction, contains statements with respect to the basis of the study and the development of net original cost. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and methods used in the service life study. Part III, Service Life Considerations, presents the results of the average service life analysis. Part IV, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part V, Results of Study, presents summaries by depreciable group of annual depreciation accrual rates and amounts, as well as composite remaining lives. Part VI, Service Life Statistics presents the statistical analysis of service life estimates, Part VII, Detailed Depreciation Calculations presents the detailed tabulations of annual depreciation and Part VIII, Experienced and Estimated Net Salvage presents the cost of removal and gross salvage recorded for the period 2020-2024.

BASIS OF THE STUDY

The purpose of the depreciation study was to determine the annual depreciation accruals applicable to the original cost of wastewater plant in service as of December 31, 2024. For most accounts, the straight line remaining life method using attained ages, the book depreciation reserve and estimated survivor curves, was the basis for the calculation of annual depreciation. For certain accounts, the annual and accrued amortization amounts were based on the age of the property and the selected amortization period.

The survivor curve estimates were based on judgment which incorporated (1) analyses of historical data related to wastewater property for all wastewater systems; (2) consideration of the character, use and location of the property; (3) probable future events and management plans; and (4) a general knowledge of wastewater property lives. The use of Iowa type survivor curves is a generally-accepted method of estimating average service life when the actual lives of individual property units are dispersed.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements (or the portion of the frequency curve with the highest level of retirements) in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family. A higher number designates a higher mode curve.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

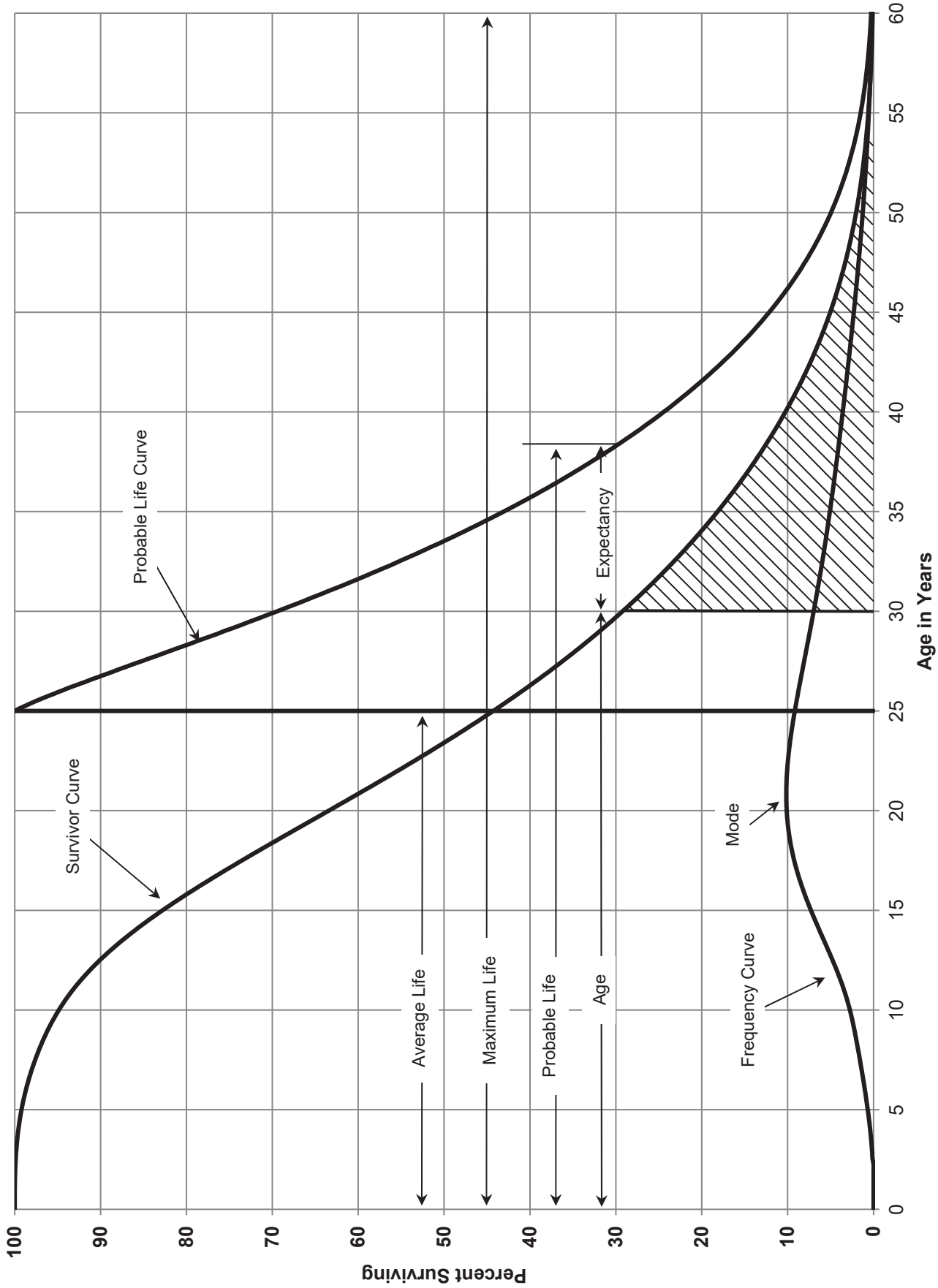


FIGURE 1. TYPICAL SURVIVOR CURVE AND DERIVED CURVES

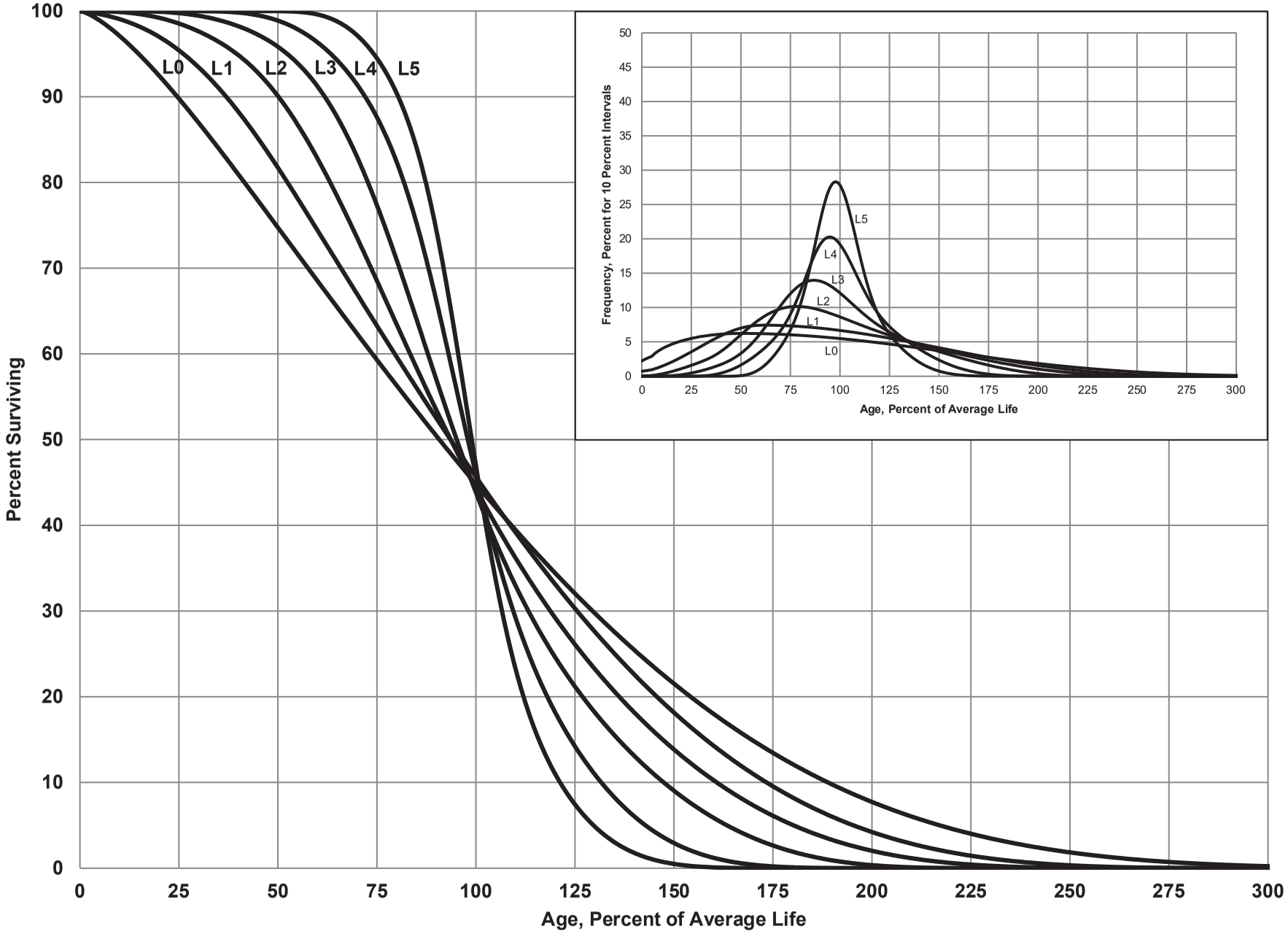


FIGURE 2. LEFT MODAL OR "L" IOWA TYPE SURVIVOR CURVES

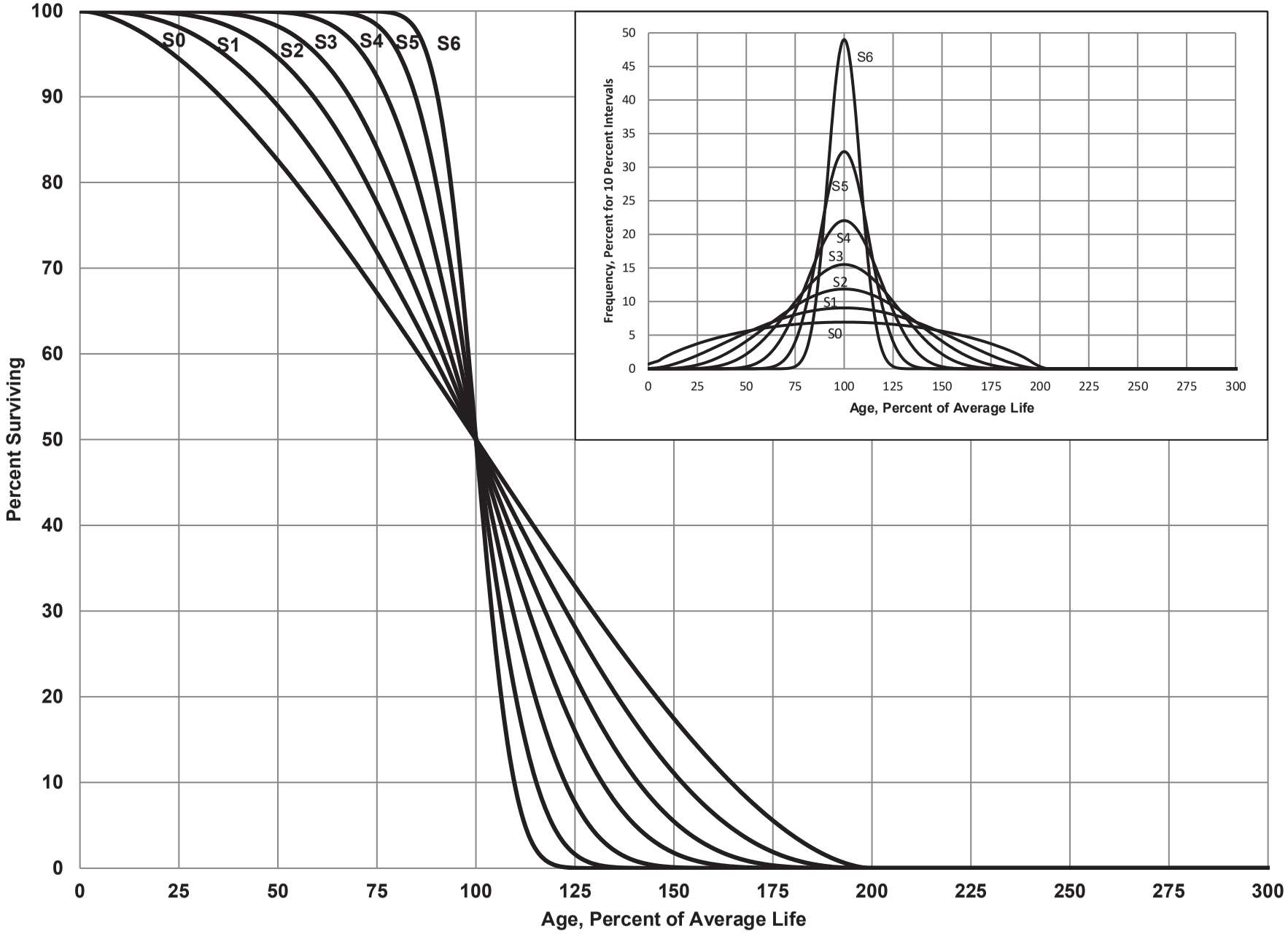


FIGURE 3. SYMMETRICAL OR "S" IOWA TYPE SURVIVOR CURVES

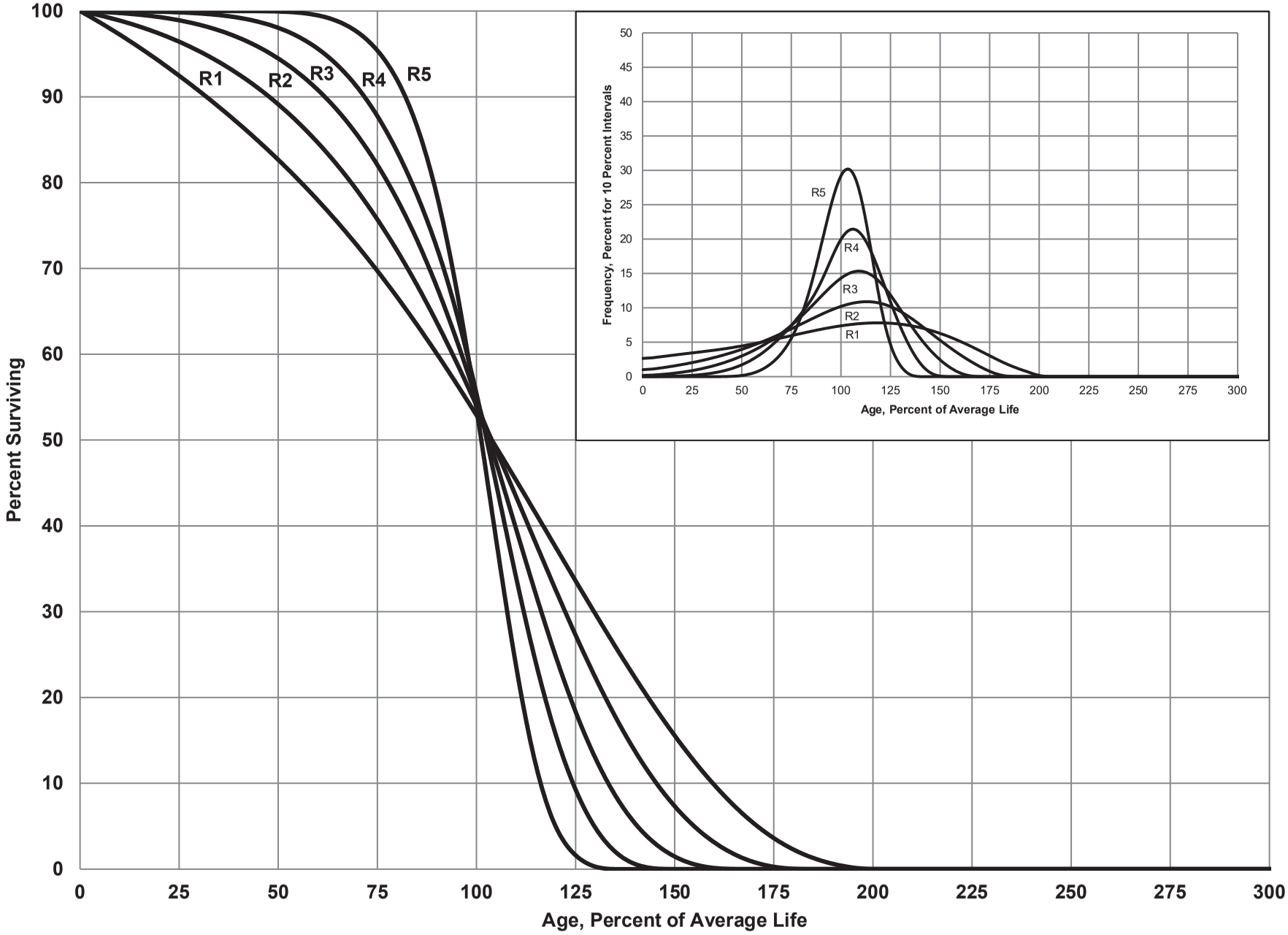


FIGURE 4. RIGHT MODAL OR "R" IOWA TYPE SURVIVOR CURVES

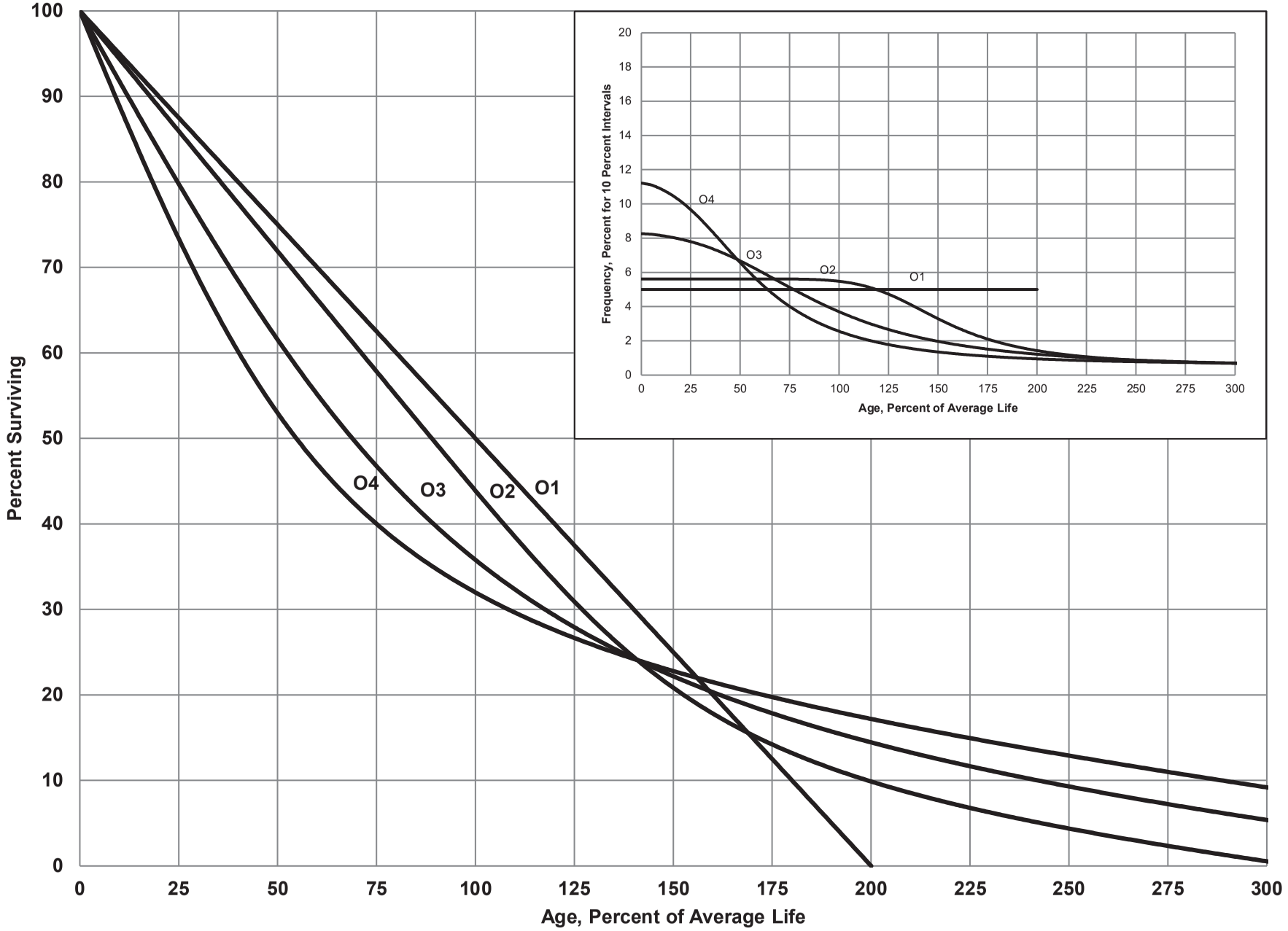


FIGURE 5. ORIGIN MODAL OR "O" IOWA TYPE SURVIVOR CURVES

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."[1] In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student, submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text and is also explained in several publications including "Statistical Analyses of Industrial Property Retirements,"[2] "Engineering Valuation and Depreciation,"[3] and "Depreciation Systems."[4]

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band. The band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

[1]Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

[2]Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College, Engineering Experiment Station, Bulletin 125. 1935.

[3]Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

[4]Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

Schedules of Annual Transactions in Plant Records

The property group used to illustrate the retirement rate method is observed for the experience band 2014-2023 for which there were placements during the years 2009-2023. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, $10,000 of the dollars invested in 2009 were retired in 2014. The $10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of $143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2014 retirements of 2009 installations and ending with the 2023 retirements of the 2018 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Retirements, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	10	11	12	13	14	16	23	24	25	26	26	13½-14½
2010	11	12	13	15	16	18	20	21	22	19	44	12½-13½
2011	11	12	13	14	16	17	19	21	22	18	64	11½-12½
2012	8	9	10	11	11	13	14	15	16	17	83	10½-11½
2013	9	10	11	12	13	14	16	17	19	20	93	9½-10½
2014	4	9	10	11	12	13	14	15	16	20	105	8½-9½
2015		5	11	12	13	14	15	16	18	20	113	7½-8½
2016			6	12	13	15	16	17	19	19	124	6½-7½
2017				6	13	15	16	17	19	19	131	5½-6½
2018					7	14	16	17	19	20	143	4½-5½
2019						8	18	20	22	23	146	3½-4½
2020							9	20	22	25	150	2½-3½
2021								11	23	25	151	1½-2½
2022									11	24	153	½-1½
2023										13	80	0-½
Total	53	68	86	106	128	157	196	231	273	308	1,606	

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Acquisitions, Transfers and Sales, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	-	-	-	-	-	-	60[a]	-	-	-	-	13½-14½
2010	-	-	-	-	-	-	-	-	-	-	-	12½-13½
2011	-	-	-	-	-	-	-	-	-	-	-	11½-12½
2012	-	-	-	-	-	-	-	(5)[b]	-	-	60	10½-11½
2013	-	-	-	-	-	-	-	6[a]	-	-	-	9½-10½
2014	-	-	-	-	-	-	-	-	-	-	(5)	8½-9½
2015		-	-	-	-	-	-	-	-	-	6	7½-8½
2016			-	-	-	-	-	-	-	-	-	6½-7½
2017				-	-	-	-	(12)[b]	-	-	-	5½-6½
2018					-	-	-	-	22[a]	-	-	4½-5½
2019						-	-	(19)[b]	-	-	10	3½-4½
2020							-	-	-	-	-	2½-3½
2021								-	-	(102)[c]	(121)	1½-2½
2022									-	-	-	½-1½
2023											-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	

[a] Transfer Affecting Exposures at Beginning of Year
[b] Transfer Affecting Exposures at End of Year
[c] Sale with Continued Use
Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements, but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2014 through 2023 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2019 are calculated in the following manner:

Exposures at age 0	= amount of addition	= $750,000
Exposures at age ½	= $750,000 - $ 8,000	= $742,000
Exposures at age 1½	= $742,000 - $18,000	= $724,000
Exposures at age 2½	= $724,000 - $20,000 - $19,000	= $685,000
Exposures at age 3½	= $685,000 - $22,000	= $663,000

SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
JANUARY 1 OF EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023

Placement Band 2009-2023

Year Placed	Exposures, Thousands of Dollars Annual Survivors at the Beginning of the Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total at Beginning of Age Interval	Age Interval
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	255	245	234	222	209	195	239	216	192	167	167	13½-14½
2010	279	268	256	243	228	212	194	174	153	131	323	12½-13½
2011	307	296	284	271	257	241	224	205	184	162	531	11½-12½
2012	338	330	321	311	300	289	276	262	242	226	823	10½-11½
2013	376	367	357	346	334	321	307	297	280	261	1,097	9½-10½
2014	420[a]	416	407	397	386	374	361	347	332	316	1,503	8½-9½
2015		460[a]	455	444	432	419	405	390	374	356	1,952	7½-8½
2016			510[a]	504	492	479	464	448	431	412	2,463	6½-7½
2017				580[a]	574	561	546	530	501	482	3,057	5½-6½
2018					660[a]	653	639	623	628	609	3,789	4½-5½
2019						750[a]	742	724	685	663	4,332	3½-4½
2020							850[a]	841	821	799	4,955	2½-3½
2021								960[a]	949	926	5,719	1½-2½
2022									1,080[a]	1,069	6,579	½-1½
2023										1,220[a]	7,490	0-½
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	

[a]Additions during the year

For the entire experience band 2014-2023, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15				
Exposures at age 4½	=	3,789,000				
Retirements from age 4½ to 5½	=	143,000				
Retirement Ratio	=	143,000	÷	3,789,000	=	0.0377
Survivor Ratio	=	1.000	-	0.0377	=	0.9623
Percent surviving at age 5½	=	(88.15)	x	(0.9623)	=	84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

SCHEDULE 4. ORIGINAL LIFE TABLE
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2014-2023 Placement Band 2009-2023

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
					35.66
Total	44,780	1,606			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.
Column 3 from Schedule 1, Column 12, Retirements for Each Year.
Column 4 = Column 3 Divided by Column 2.
Column 5 = 1.0000 Minus Column 4.
Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

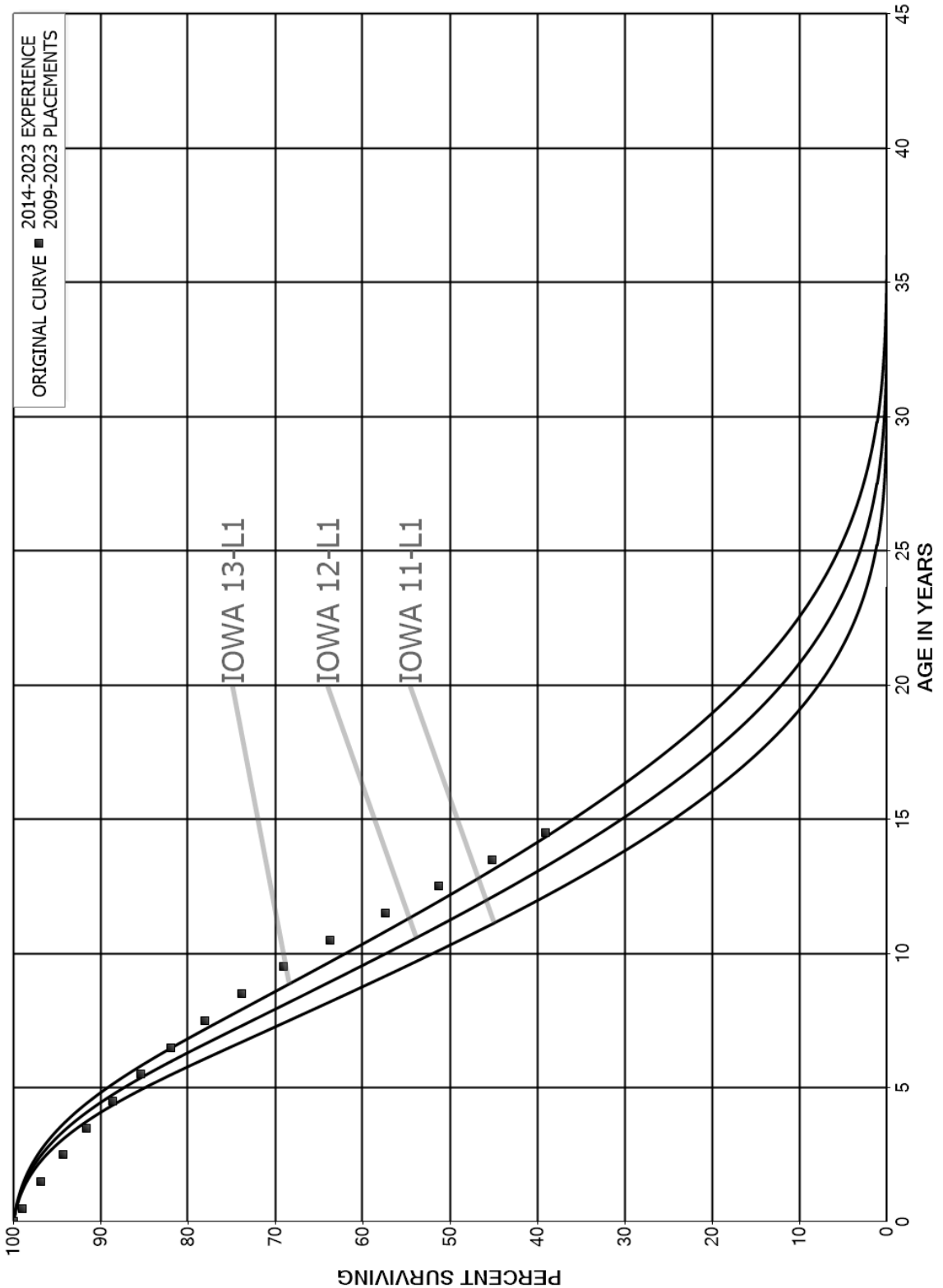


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

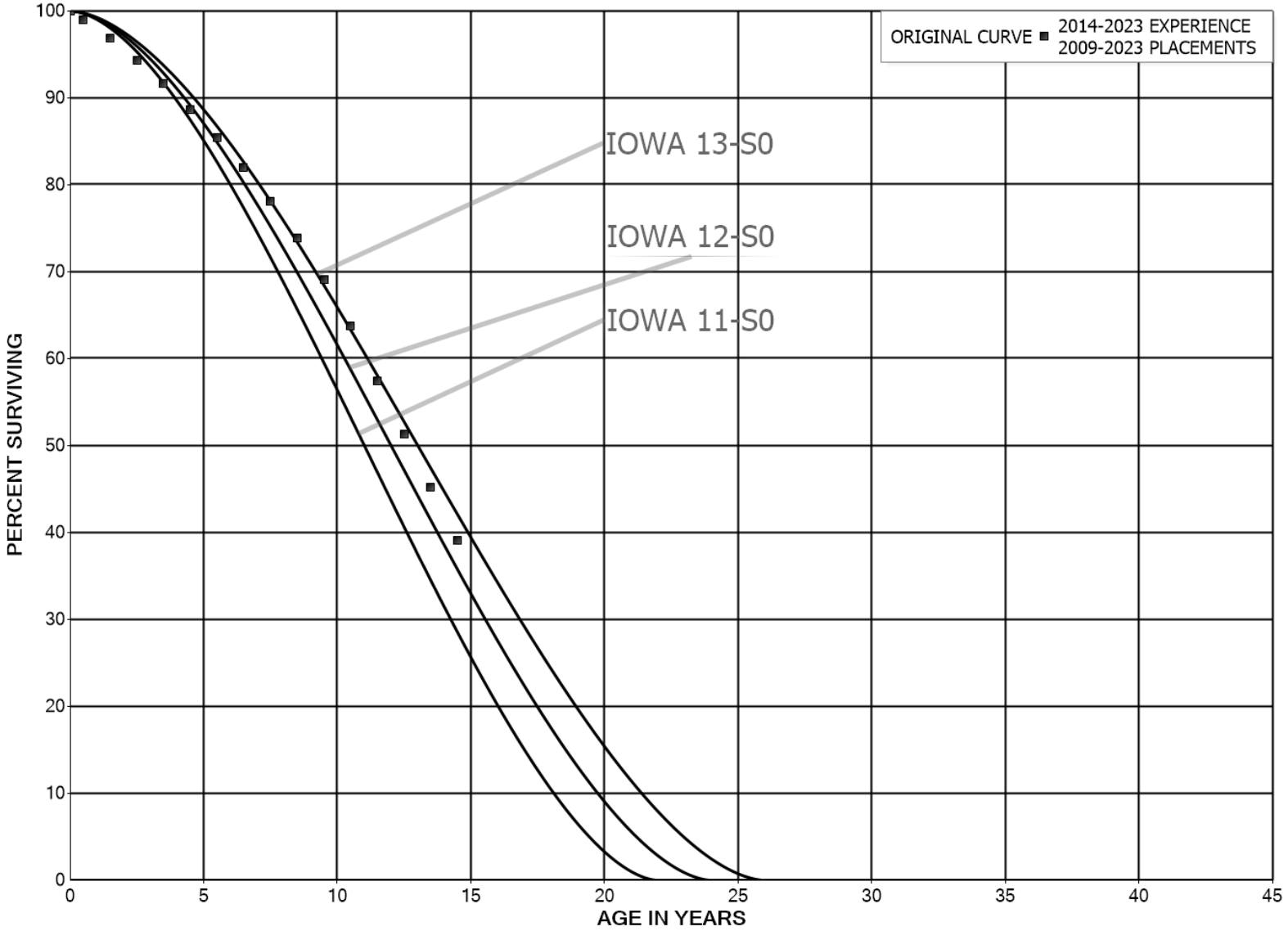


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

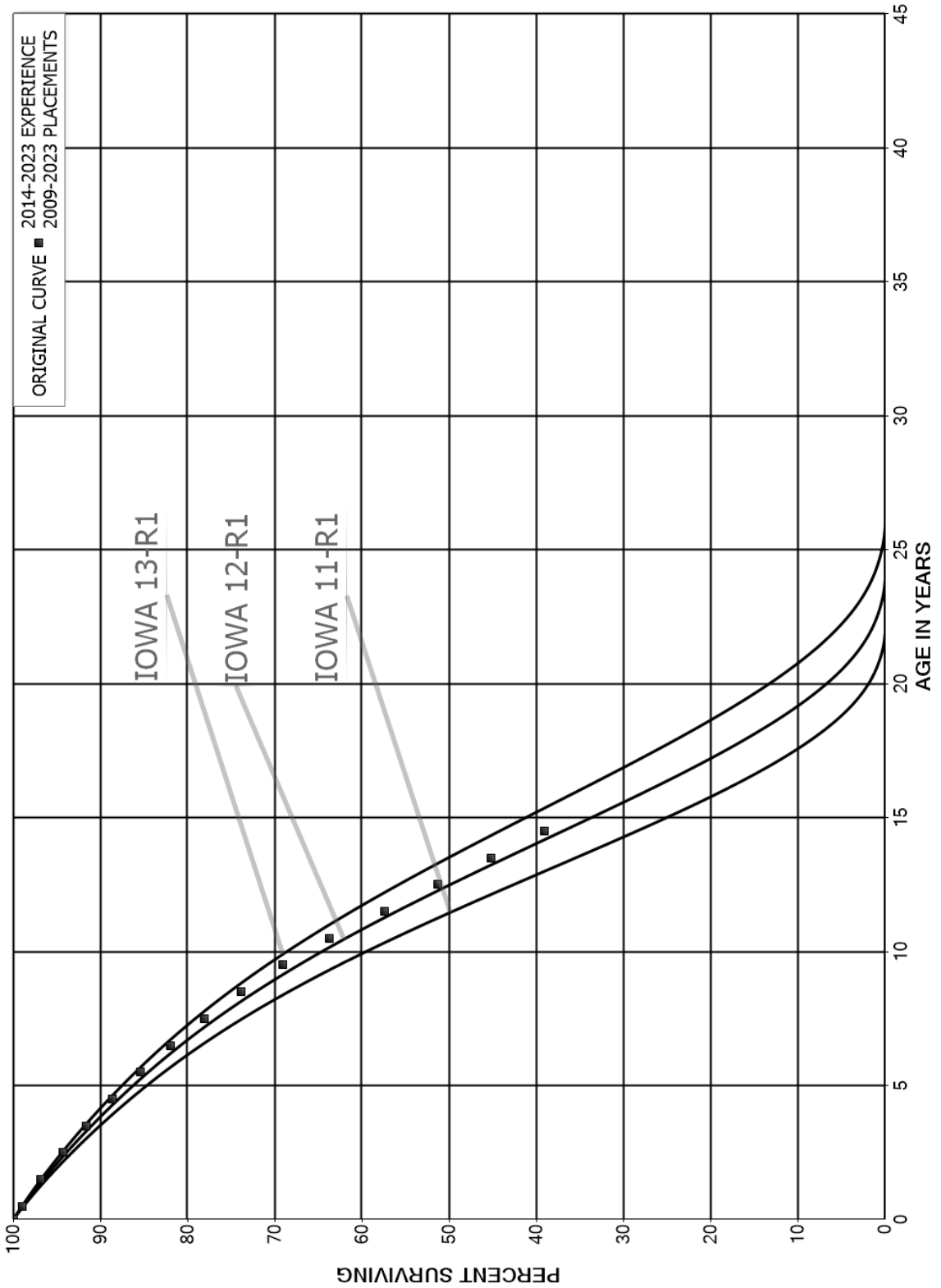
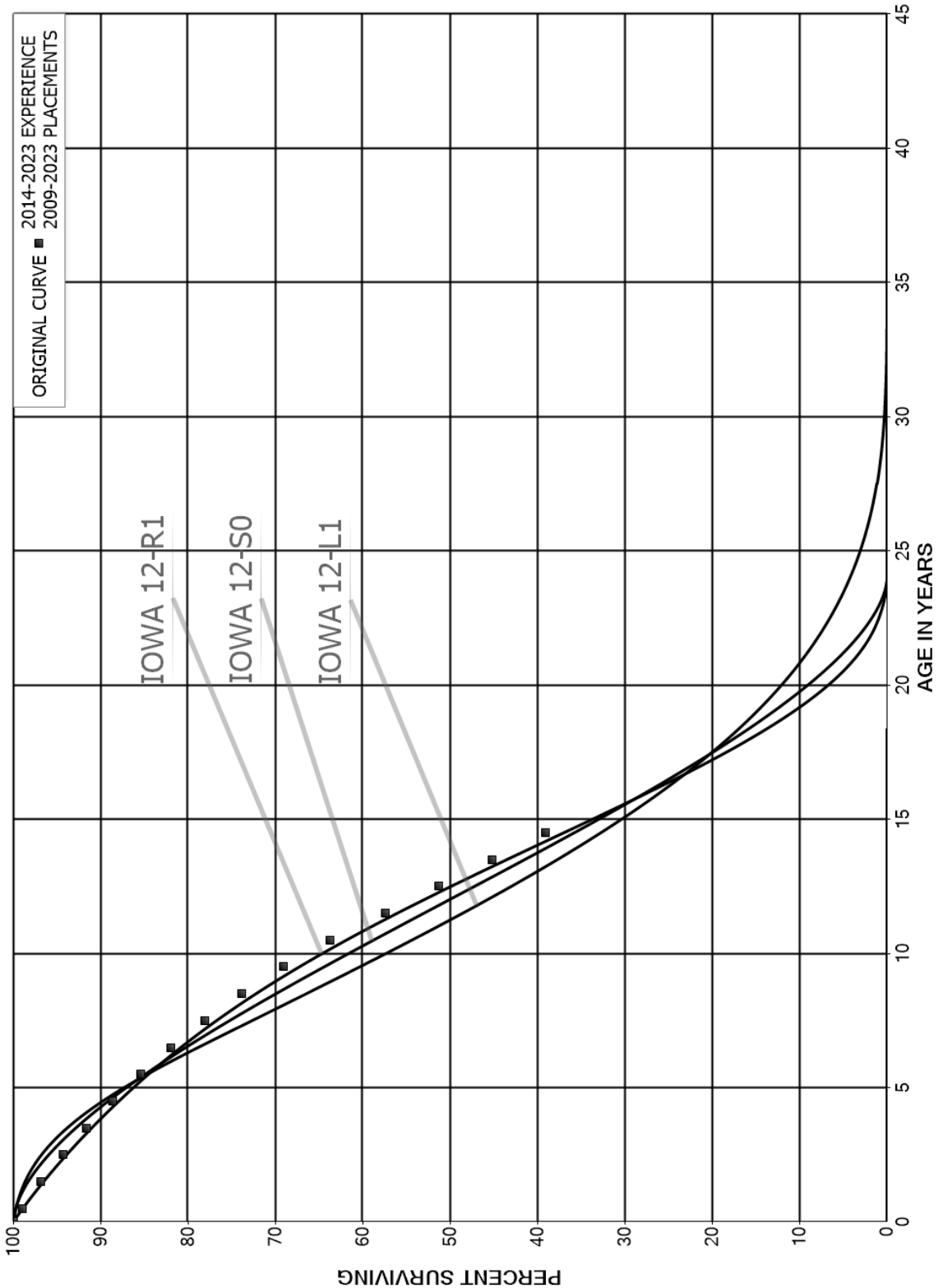


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

Judgments

The survivor curve estimates were based on judgment which considered factors including statistical analyses of retirements, Company policies and outlook as determined during discussions with management, and survivor curve estimates from previous studies of the other Aqua Pennsylvania wastewater systems. For depreciable groups which consist of numerous similar items of property, the distribution of the lives of the units in the group was judged on the basis of an average survival pattern for the entire group.

The amortization periods selected for general plant Accounts 393 and 396 are discussed in the section, “Amortization of General Plant Accounts.”

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

BOOK RESERVE

The book reserve as of December 31, 2023, is the result of a bringforward of the book reserves established by the Commission for the Lower Makefield wastewater operations at the time of acquisition. The projected book reserve as of December 31, 2024, is a bringforward of the December 31, 2023 book reserve based on projected accruals, retirements, cost of removal, gross salvage and other credits.

CALCULATION OF DEPRECIATION

The annual depreciation accruals as of December 31, 2024, are based on the straight line remaining life method and the equal life group procedure. For the purpose of calculating the remaining life accruals as of December 31, 2024, the book reserve is allocated among vintages in proportion to the calculated accrued depreciation as of December 31, 2024.

Group Depreciation Procedures

A group procedure for depreciation is appropriate when considering more than a single item of property. Normally, the items within a group do not have identical service lives but have lives that are dispersed over a range of time.

In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balances of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas

the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

In the equal life group procedure, the property group is subdivided according to service life. That is, each equal life group includes that portion of the property which experiences the life of that specific group. The relative size of each equal life group is determined from the property's life dispersion curve. This procedure eliminates the need to base depreciation on average lives, inasmuch as each group is equivalent to a unit having a single life. The full costs of short-lived units are accrued during their lives, leaving no deferral of accruals required to be added to the annual costs associated with long-lived units. The calculated depreciation for the property group is the summation of the calculated depreciation based on the service life of each equal life group.

Remaining Life Annual Accruals

For the purpose of calculating remaining life accrual rates as of December 31, 2024, the estimated book depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation based on the equal life group procedure follow. The detailed calculations are set forth in the "Results of Study" section of the report.

Equal Life Group Procedure

In the equal life group procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the composite remaining life for the surviving original cost of that vintage. The composite remaining life is derived by compositing the individual equal life group remaining lives in accordance with the following equation:

$$\text{Composite Remaining Life} = \frac{\sum(\frac{\text{Book Cost}}{\text{Life}} \text{ x Remaining Life})}{\sum \frac{\text{Book Cost}}{\text{Life}}}.$$

The book costs and lives of the several equal life groups which are summed in the foregoing equation are defined by the estimated survivor curve.

Inasmuch as book cost divided by life equals the whole life annual accrual, the foregoing equation reduces to the following form:

$$\text{Composite Remaining Life} = \frac{\sum \text{Whole Life Future Accruals}}{\sum \text{Whole Life Annual Accruals}}$$

or

$$\text{Composite Remaining Life} = \frac{\sum \text{Book Cost - Calc. Reserve}}{\sum \text{Whole Life Annual Accrual}}.$$

The annual accrual rate for each account is equal to the sum of the remaining life annual accruals for all vintages divided by the account's total original cost. The account's "composite remaining life" is calculated by dividing the sum of the future book accruals for all vintages by the sum of the remaining life annual accruals for all vintages.

The calculated accrued depreciation in the equal life group procedure also represents that portion of depreciable cost which will not be allocated to expense through future accruals. However, the calculation is based at the equal life group level rather than the vintage group level and does not require the use of averages. The equal life group accrued depreciation ratio is calculated as follows:

$$Ratio = 1 - \left(\frac{Remaining\ Life}{Service\ Life}\right)$$

Inasmuch as service life minus remaining life equals age, when averages are not employed, the foregoing equation reduces to:

$$Ratio = \left(\frac{Age}{Service\ Life}\right)$$

AMORTIZATION OF GENERAL PLANT ACCOUNTS

In order to use a more efficient and cost effective accounting process for equipment recorded in general plant Accounts 393 and 396; amounts capitalized in these accounts are amortized rather than depreciated. Amortization as defined in the Uniform System of Accounts is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

The primary reasons for the amortization of certain general plant accounts is that the effort required to unitize additions, periodically inventory equipment and determine amounts to be retired for equipment recorded in these accounts is disproportionate to the original cost of the equipment when compared to other wastewater plant accounts.

Accounting for such equipment using an amortization concept consists of capitalization of amounts to these accounts based on the same criteria as used previously under depreciation accounting, amortization of the asset over a fixed period, retirement of the equipment at the end of the amortization period and recognition of any net salvage related to disposition of equipment in these accounts as a gain or loss. For equipment in these accounts that was placed in service prior to implementation of amortization accounting, the net book value by vintage amortized over the remaining amortization period specified for each account and the original cost will be retired at the end of this period.

The amortization periods selected for each account or subaccount are based on a review of the existing depreciation rates for the accounts, typical service lives used for each type of equipment and a consideration of the period during which it is anticipated that most of the benefit of the equipment will be realized. The amortization periods are as follows:

Account Number	Description	Amortization Period, Years
393.00	Tools, Shop and Garage Equipment	20
396.00	Communication Equipment	
	General	15
	SCADA	10

NET SALVAGE

Experienced net salvage is incorporated in the results of the study as it was reported on the Company's books and records for the period January 1, 2020 through December 31, 2023 and estimated for the period January 1, 2024 through December 31, 2024. The calculation of the amortization is shown in Table 4 on page V-8. The amounts

of gross salvage and removal cost by account for each year are set forth in the section beginning on page VIII-2.

Net salvage is presented in this manner to determine the amount of net salvage to be amortized to the cost of service for ratemaking purposes. In order to be consistent with this manner of recognizing net salvage, no adjustments for net salvage were made to the annual depreciation calculated for the individual accounts.

PART V. RESULTS OF STUDY

PART V. RESULTS OF STUDY

DESCRIPTION OF SUMMARY TABULATIONS

Table 1 summarizes the results of the depreciation study which sets forth, by depreciable group, the estimated survivor curve, calculated annual accruals and book reserve related to net original cost and the annual amortization of net salvage. Table 2 presents the bringforward to December 31, 2024 of the book reserve as of December 31, 2023. Table 3 sets forth the calculation of estimated depreciation accruals for the twelve months ended December 31, 2024. Table 4 presents the amortization of experienced and estimated net salvage, by account, based on the five-year period, 2020-2024. The total amortization amount is incorporated in the total annual accrual in Table 1.

DESCRIPTION OF DETAILED TABULATIONS

Supporting statistical data for the estimates of average service lives and survivor curves, the annual depreciation calculations, and gross salvage and cost of removal for the years 2020-2024 are presented in three sections.

The section beginning on page VI-2 sets forth, for each depreciable group analyzed by the retirement rate method, a chart depicting the original and estimated survivor curves followed by a tabular presentation of the original life table plotted on the chart. A cumulative summary, by year installed, for utility plant and the supporting data for the original cost depreciation calculations are presented in the section beginning on page VII-3. The tabulations of experienced and estimated net salvage, by year and account for the five-year period 2020-2024, are presented in the section beginning on page VIII-2.

In the first section, the survivor curves estimated for the depreciable groups are shown as dark smooth curves on the charts. Each smooth survivor curve is denoted by a numeral followed by the type curve designation. The numeral used is the average life derived from the entire curve from 100 percent to zero percent surviving. In cases where only a segment of the estimated curve is used in the depreciation calculation, the numeral used for identification purposes is not a designation of the average life of the group. The titles of the charts indicate the group, the symbol used to plot the points of the original life table, and the experience and placement bands of the life tables which were plotted. The experience band indicates the range of years for which the retirements were used to develop the stub survivor curve. The placements indicate, for the related experience band, the range of years of installations which appear in the experience.

The tables of the calculated annual depreciation related to original cost are presented in account sequence in the second section and indicate the estimated average survivor curves used in the calculations. The tables set forth, for each installation year, the original cost, calculated accrued depreciation, allocated book reserve, remaining life expectancy, and the calculated annual accrual.

Detailed tabulations setting forth the cost of removal, gross salvage and net salvage amounts, by account and year, are presented in the third section. The net salvage amounts, by account and year, are carried forward to Table 4, which presents the five-year amortization of net salvage.

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	665,281.75					
TOTAL INTANGIBLE PLANT			665,281.75					
NONDEPRECIABLE PLANT								
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	628.19					
TOTAL NONDEPRECIABLE PLANT			628.19					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	40-S1.5	29,622.54	460	29,163	903	3.05	32.3
	PUMPING	55-R2	4,218,136.91	294,586	3,923,551	185,202	4.39	21.2
	TREATMENT AND DISPOSAL	45-S1	5,514,390.74	642,155	4,872,236	433,245	7.86	11.2
	RECLAIMED WATER TREATMENT	60-R2.5	256.35	3	254	6	2.34	42.3
	GENERAL	50-R3	2,344.55	53	2,291	56	2.39	40.9
	TOTAL ACCOUNT 354		9,764,751.09	937,256	8,827,495	619,412		
355.00	POWER GENERATING EQUIPMENT							
	COLLECTION	30-R3	26,011.89	1,023	24,989	1,014	3.90	24.6
	PUMPING	30-R3	230,826.32	50,694	180,132	36,348	15.75	5.0
	TREATMENT AND DISPOSAL	30-R3	31,089.64	569	30,521	1,217	3.91	25.1
	TOTAL ACCOUNT 355		287,927.85	52,286	235,642	38,579		
360.00	COLLECTION MAINS - FORCE	70-R3	1,926,263.62	89,088	1,837,176	54,630	2.84	33.6
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	37,339,397.04	2,014,509	35,324,888	1,247,297	3.34	28.3
363.00	SERVICES	70-R4	3,251,486.65	167,335	3,084,152	98,285	3.02	31.4
364.00	METERS	30-L2.5	247,790.24	33,703	214,088	22,808	9.20	9.4
371.00	PUMPING EQUIPMENT							
	PUMPING	30-L1.5	1,494,965.11	118,824	1,376,141	110,318	7.38	12.5
	RECLAIMED WATER TREATMENT	30-L1.5	111.80	3	109	5	4.47	21.8
	TOTAL ACCOUNT 371		1,495,076.91	118,827	1,376,250	110,323		
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	83,045.15	4,318	78,727	4,345	*	18.1
	COMMUNICATION EQUIPMENT							
396.00	GENERAL	15-SQ	90,410.83	6,049	84,362	6,232	*	13.5
396.70	SCADA	10-SQ	17,586.47	1,375	16,211	1,810	*	9.0
	TOTAL ACCOUNT 396		107,997.30	7,425	100,573	8,042		
TOTAL DEPRECIABLE PLANT			**54,503,735.85**	**3,424,745**	**51,078,991**	**2,203,721**		
TOTAL WASTEWATER PLANT IN SERVICE			**55,169,645.79**	**3,424,745**	**51,078,991**	**2,203,721**		

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	38,308.00	932	37,376	756	1.97	49.4
363.00 SERVICES	70-R4	18,010.00	335	17,675	277	1.54	63.8
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**56,318.00**	**1,266**	**55,051**	**1,033**		
AMORTIZATION OF NET SALVAGE					**300**		
TOTAL WASTEWATER PLANT		**55,113,327.79**	**3,423,479**	**51,023,940**	**2,202,988**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2024 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL	ADJUSTMENTS		BOOK RESERVE AS OF DECEMBER 31, 2024
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	(8)	=	(9)
354.20	8		650				149				50			460
354.30	103,369		191,471				235				19			294,586
354.40	188,964		455,069				1,615				261	(3)		642,155
354.50	0											3		3
354.70	4		55				6							53
355.20	29		1,002				7							1,023
355.30	6,531		45,573				46					(1,364)		50,694
355.40	0						795					1,364		569
360.00	33,611		55,476											89,088
361.00	744,002		1,271,237				726				4			2,014,509
363.00	67,839		99,495											167,335
364.00	8,573		25,807				678							33,703
371.30	31,900		118,208				27,921				1,167	(2,196)		118,824
371.50	0						2,193					2,196		3
393.00	166		4,152											4,318
396.00	132		5,917											6,049
396.70	22		1,354											1,375
SUBTOTAL	**1,185,150**		**2,275,469**		**0**		**34,373**		**0**		**1,501**	**0**		**3,424,745**
LESS:														
CUSTOMERS' ADVANCES AND CONTRIBUTIONS														
361.00	(142)		(789)											(932)
363.00	(58)		(277)											(335)
SUBTOTAL	**(200)**		**(1,066)**		**0**		**0**		**0**		**0**	**0**		**(1,266)**
TOTAL	**1,184,950**		**2,274,403**		**0**		**34,373**		**0**		**1,501**	**0**		**3,423,479**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2024

	ACCOUNT	ORIGINAL COST AS OF DECEMBER 31, 2023	ORIGINAL COST AS OF DECEMBER 31, 2024	COMPOSITE ACCRUAL RATE		ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)		(5)
UTILITY PLANT IN SERVICE						
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	12,888.13	29,622.54	3.06		650
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	4,216,722.53	4,218,136.91	4.54		191,471
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	5,504,234.05	5,514,390.74	8.26		455,069
354.50	STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT	0.00	256.35	-		0
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	2,296.86	2,344.55	2.39		55
355.20	POWER GENERATING EQUIPMENT - COLLECTION	24,322.90	26,011.89	3.98		1,002
355.30	POWER GENERATING EQUIPMENT - PUMPING	227,425.78	230,826.32	19.89		45,573
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	0.00	31,089.64	-		0
360.00	COLLECTION MAINS - FORCE	1,926,263.62	1,926,263.62	2.88		55,476
361.00	COLLECTION MAINS - GRAVITY	37,219,957.50	37,339,397.04	3.41		1,271,237
363.00	SERVICES	3,251,486.65	3,251,486.65	3.06		99,495
364.00	METERS	222,718.41	247,790.24	10.97		25,807
371.30	PUMPING EQUIPMENT - PUMPING	1,114,490.34	1,494,965.11	9.06		118,208
371.50	PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT	0.00	111.80	-		0
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	83,045.15	83,045.15	5.00	*	4,152
396.00	COMMUNICATION EQUIPMENT - GENERAL	87,013.58	90,410.83	6.67	*	5,917
396.70	COMMUNICATION EQUIPMENT - SCADA	9,490.47	17,586.47	10.00	*	1,354
	TOTAL UTILITY PLANT IN SERVICE	**53,902,355.97**	**54,503,735.85**			**2,275,469**
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION						
361.20	COLLECTION MAINS - GRAVITY	38,308.00	38,308.00	2.06		789
363.20	SERVICES	18,010.00	18,010.00	1.54		277
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**56,318.00**	**56,318.00**			**1,066**
	TOTAL PLANT IN SERVICE	**53,846,037.97**	**54,447,417.85**			**2,274,403**

* ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

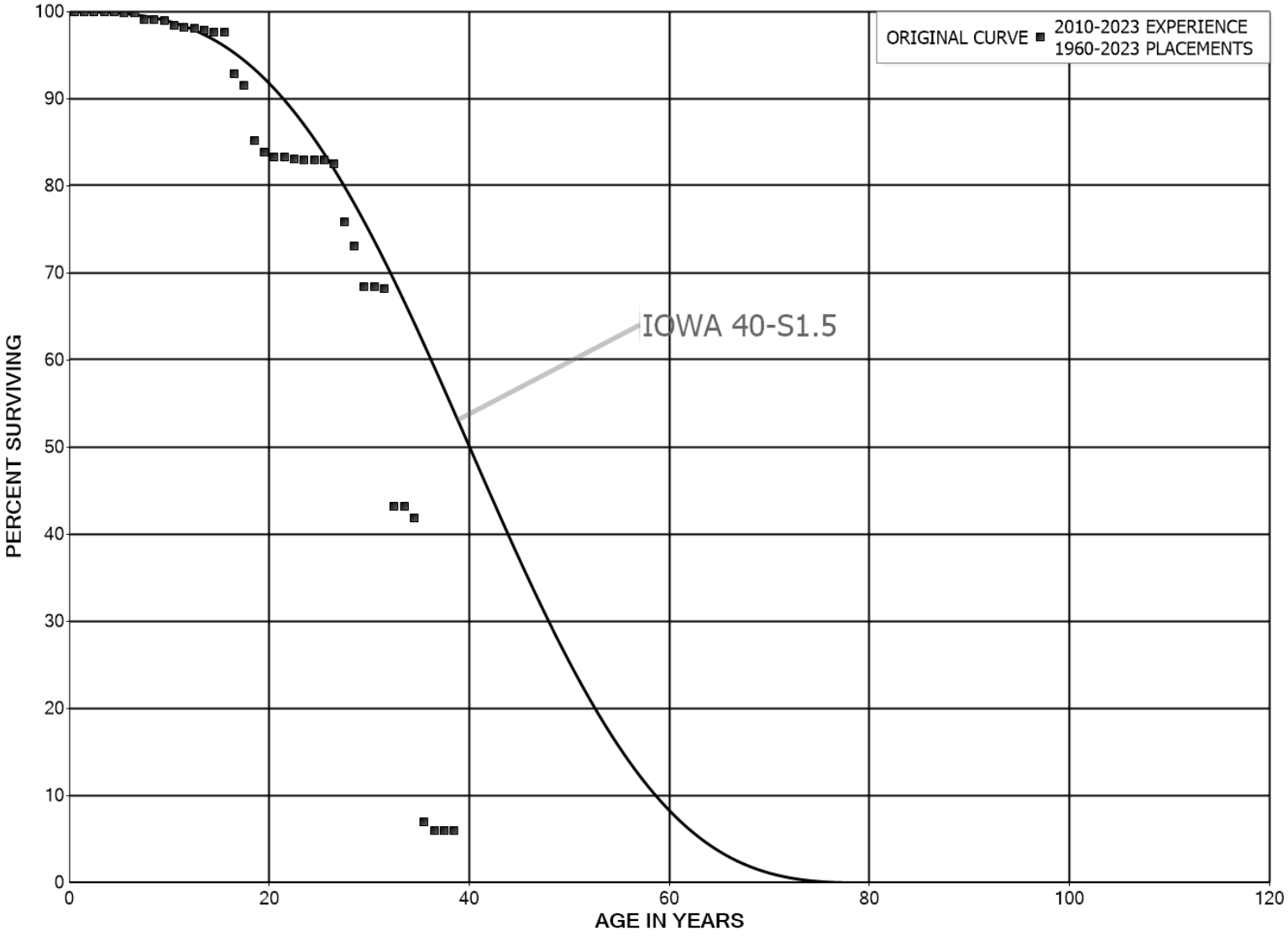
TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2020		2021		2022		2023		2024			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2)	- (3) +	(4)	- (5) +	(6)	- (7) +	(8)	- (9) +	(10)	- (11) =	(12)*	(13)=(12)/5
354.20										50	(50)	(10)
354.30										19	(19)	(4)
354.40										261	(261)	(52)
354.50												
360.00												
361.00										4	(4)	(1)
363.00												
371.30										1,167	(1,167)	(233)
380.00												
391.70												
396.70												
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,501**	**(1,501)**	**(300)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART VI. SERVICE LIFE STATISTICS

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	38,707,662		0.0000	1.0000	100.00
0.5	25,382,929		0.0000	1.0000	100.00
1.5	25,120,085		0.0000	1.0000	100.00
2.5	24,798,133		0.0000	1.0000	100.00
3.5	3,623,009		0.0000	1.0000	100.00
4.5	3,636,757	5,669	0.0016	0.9984	100.00
5.5	3,630,186		0.0000	1.0000	99.84
6.5	5,491,484	45,724	0.0083	0.9917	99.84
7.5	5,238,604		0.0000	1.0000	99.01
8.5	6,251,741	1,332	0.0002	0.9998	99.01
9.5	6,409,672	36,966	0.0058	0.9942	98.99
10.5	6,373,165	18,469	0.0029	0.9971	98.42
11.5	6,418,406	5,028	0.0008	0.9992	98.14
12.5	4,472,091	10,246	0.0023	0.9977	98.06
13.5	3,587,330	6,016	0.0017	0.9983	97.83
14.5	2,683,265	536	0.0002	0.9998	97.67
15.5	2,682,729	133,633	0.0498	0.9502	97.65
16.5	1,302,827	17,373	0.0133	0.9867	92.79
17.5	1,315,900	90,927	0.0691	0.9309	91.55
18.5	1,209,746	20,425	0.0169	0.9831	85.22
19.5	1,189,321	7,344	0.0062	0.9938	83.78
20.5	1,181,977		0.0000	1.0000	83.27
21.5	1,269,743	2,658	0.0021	0.9979	83.27
22.5	423,960	517	0.0012	0.9988	83.09
23.5	262,668		0.0000	1.0000	82.99
24.5	262,209		0.0000	1.0000	82.99
25.5	201,156	1,082	0.0054	0.9946	82.99
26.5	187,208	15,335	0.0819	0.9181	82.54
27.5	171,873	6,192	0.0360	0.9640	75.78
28.5	120,775	7,708	0.0638	0.9362	73.05
29.5	113,067		0.0000	1.0000	68.39
30.5	113,067	401	0.0035	0.9965	68.39
31.5	101,243	37,120	0.3666	0.6334	68.15
32.5	64,124		0.0000	1.0000	43.16
33.5	64,124	1,937	0.0302	0.9698	43.16
34.5	62,186	51,869	0.8341	0.1659	41.86
35.5	10,317	1,424	0.1380	0.8620	6.94
36.5	8,893		0.0000	1.0000	5.99
37.5	8,893		0.0000	1.0000	5.99
38.5	8,893		0.0000	1.0000	5.99

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

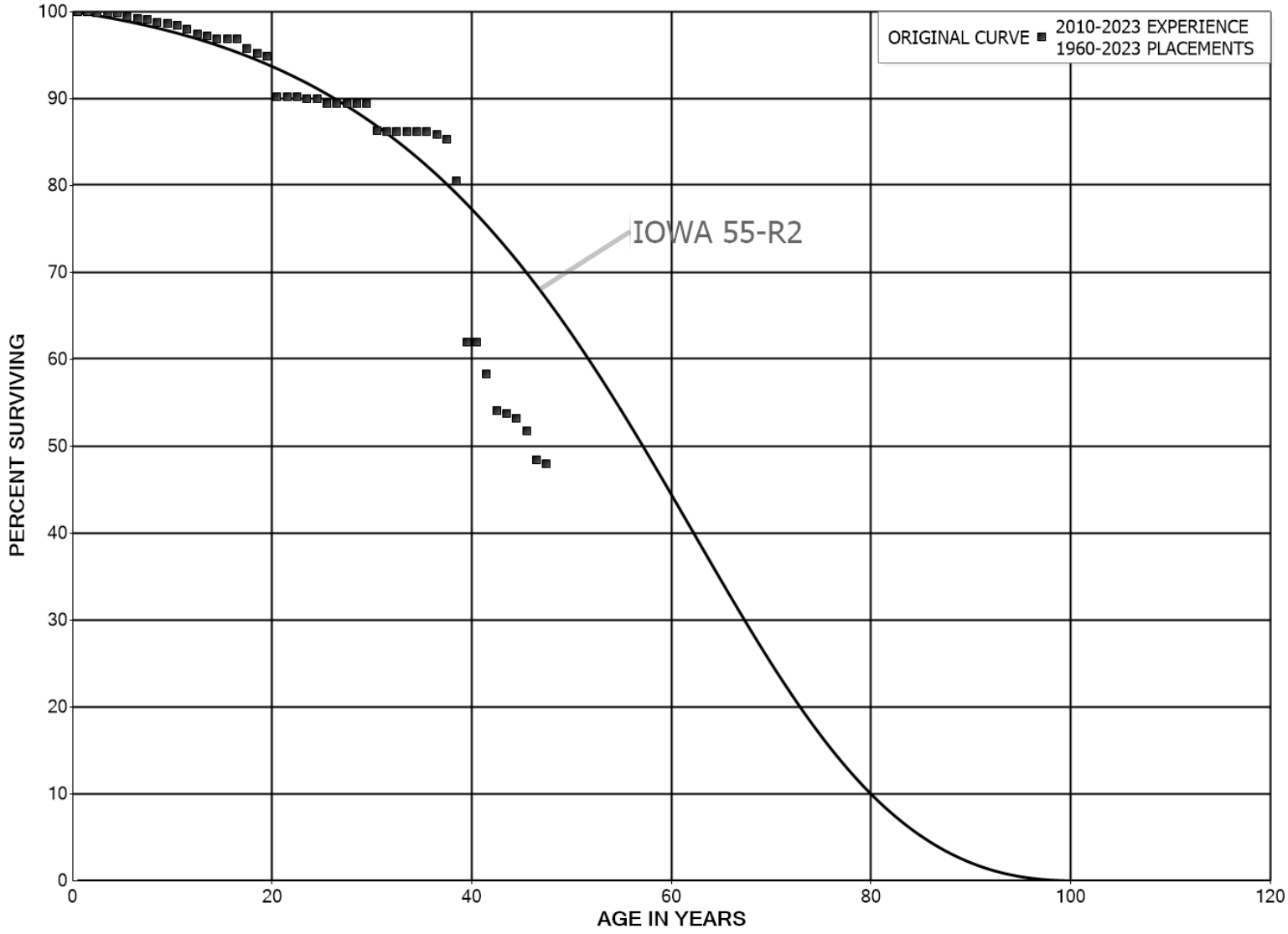
ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	8,893	1,953	0.2196	0.7804	5.99
40.5					4.67
41.5					
42.5					
43.5					
44.5					
45.5					
46.5					
47.5					
48.5					
49.5	9,083		0.0000		
50.5	9,083		0.0000		
51.5	9,083		0.0000		
52.5	9,083		0.0000		
53.5	9,083	880	0.0969		
54.5	8,203	2,151	0.2623		
55.5	6,051		0.0000		
56.5	6,051	1,192	0.1970		
57.5	4,859	289	0.0596		
58.5	4,570	324	0.0709		
59.5	4,246	1,289	0.3036		
60.5	2,957	2,798	0.9461		
61.5	159		0.0000		
62.5	159		0.0000		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	4,610,717		0.0000	1.0000	100.00
0.5	5,377,276	812	0.0002	0.9998	100.00
1.5	5,715,638	8,566	0.0015	0.9985	99.98
2.5	6,296,064		0.0000	1.0000	99.84
3.5	5,776,241	2,709	0.0005	0.9995	99.84
4.5	5,857,341	24,216	0.0041	0.9959	99.79
5.5	5,540,014	8,366	0.0015	0.9985	99.38
6.5	3,697,678	6,716	0.0018	0.9982	99.23
7.5	8,793,420	29,171	0.0033	0.9967	99.05
8.5	8,629,023	5,526	0.0006	0.9994	98.72
9.5	4,511,142	14,165	0.0031	0.9969	98.65
10.5	3,796,706	17,238	0.0045	0.9955	98.34
11.5	3,033,800	13,984	0.0046	0.9954	97.90
12.5	3,041,754	9,361	0.0031	0.9969	97.45
13.5	4,113,747	12,747	0.0031	0.9969	97.15
14.5	5,854,799		0.0000	1.0000	96.85
15.5	5,548,693		0.0000	1.0000	96.85
16.5	3,718,900	43,470	0.0117	0.9883	96.85
17.5	3,680,213	21,233	0.0058	0.9942	95.71
18.5	3,368,675	11,712	0.0035	0.9965	95.16
19.5	4,262,078	211,392	0.0496	0.9504	94.83
20.5	2,478,945		0.0000	1.0000	90.13
21.5	4,473,942		0.0000	1.0000	90.13
22.5	3,315,435	4,978	0.0015	0.9985	90.13
23.5	2,172,652	1,138	0.0005	0.9995	89.99
24.5	1,909,126	11,595	0.0061	0.9939	89.94
25.5	2,418,635		0.0000	1.0000	89.40
26.5	2,152,421		0.0000	1.0000	89.40
27.5	2,615,998		0.0000	1.0000	89.40
28.5	2,380,900		0.0000	1.0000	89.40
29.5	2,359,215	82,791	0.0351	0.9649	89.40
30.5	2,034,330	811	0.0004	0.9996	86.26
31.5	3,697,780	2,409	0.0007	0.9993	86.23
32.5	3,316,392		0.0000	1.0000	86.17
33.5	2,993,590		0.0000	1.0000	86.17
34.5	3,189,049	980	0.0003	0.9997	86.17
35.5	2,232,436	6,598	0.0030	0.9970	86.14
36.5	1,688,791	12,083	0.0072	0.9928	85.89
37.5	546,452	30,727	0.0562	0.9438	85.27
38.5	173,811	39,969	0.2300	0.7700	80.48

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

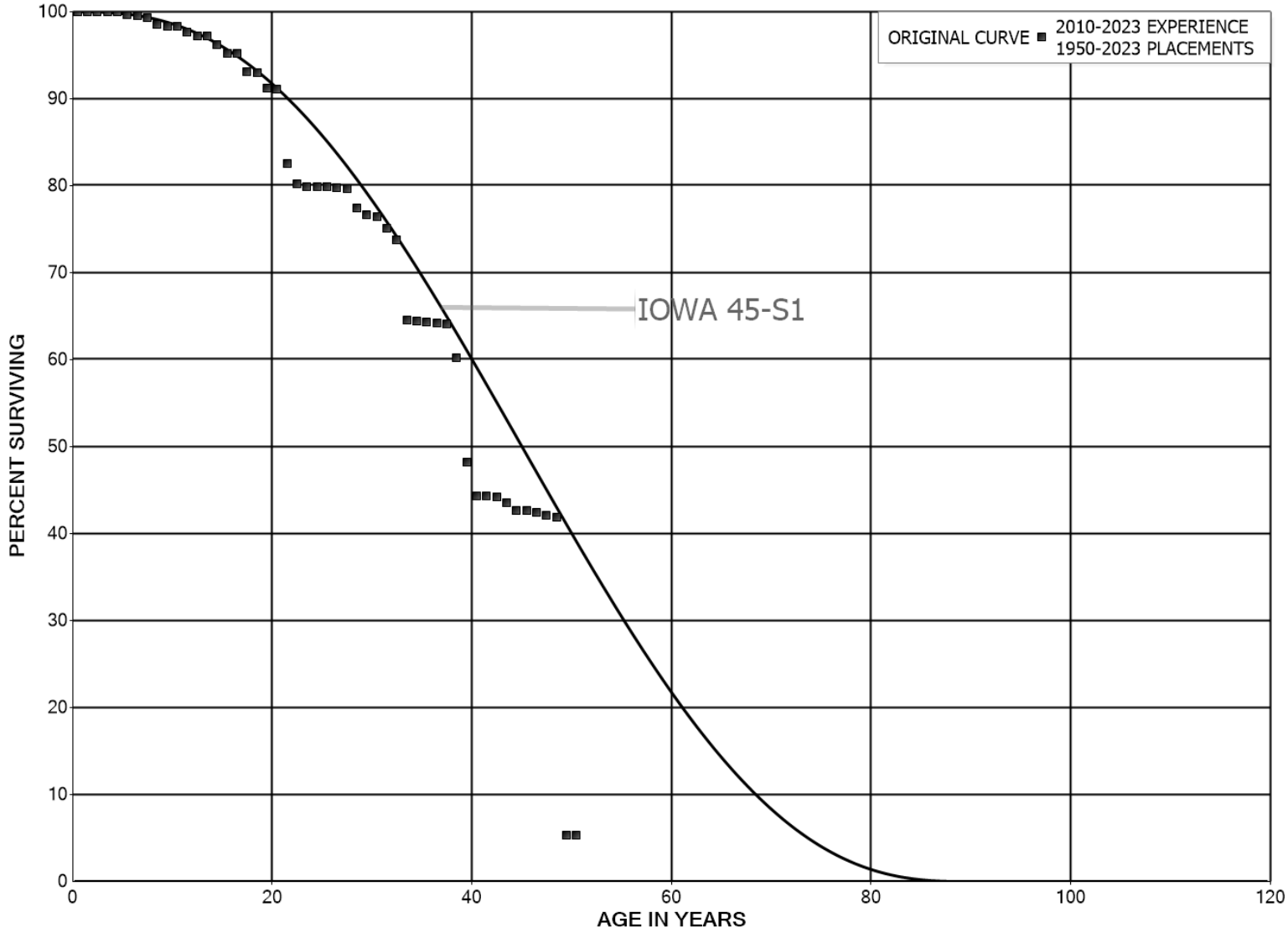
ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	204,911		0.0000	1.0000	61.97
40.5	200,995	12,110	0.0603	0.9397	61.97
41.5	762,364	54,116	0.0710	0.9290	58.24
42.5	707,376	4,733	0.0067	0.9933	54.10
43.5	476,305	5,051	0.0106	0.9894	53.74
44.5	1,251,679	33,832	0.0270	0.9730	53.17
45.5	1,085,317	70,261	0.0647	0.9353	51.74
46.5	1,015,056	8,990	0.0089	0.9911	48.39
47.5	781,056	742	0.0010	0.9990	47.96
48.5	403	403	1.0000		47.91
49.5	936		0.0000	1.0000	
50.5					
51.5	517		0.0000		
52.5					
53.5					
54.5					
55.5					
56.5	151,991		0.0000		
57.5	474,982		0.0000		
58.5	322,991	4	0.0000		
59.5	2,271,711		0.0000		
60.5	2,481,346		0.0000		
61.5	2,481,346		0.0000		
62.5	2,481,346	768	0.0003		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1950-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	28,444,703		0.0000	1.0000	100.00
0.5	30,174,221	2,265	0.0001	0.9999	100.00
1.5	30,333,030		0.0000	1.0000	99.99
2.5	30,432,889	9,312	0.0003	0.9997	99.99
3.5	23,118,494	9,412	0.0004	0.9996	99.96
4.5	11,878,962	34,166	0.0029	0.9971	99.92
5.5	10,321,182	18,604	0.0018	0.9982	99.63
6.5	8,484,145	11,225	0.0013	0.9987	99.45
7.5	12,136,748	98,278	0.0081	0.9919	99.32
8.5	20,869,083	39,781	0.0019	0.9981	98.52
9.5	21,069,859	20,838	0.0010	0.9990	98.33
10.5	11,902,697	68,307	0.0057	0.9943	98.23
11.5	11,694,148	56,471	0.0048	0.9952	97.67
12.5	10,385,251	7,785	0.0007	0.9993	97.20
13.5	10,082,699	99,729	0.0099	0.9901	97.13
14.5	12,666,698	133,937	0.0106	0.9894	96.16
15.5	13,470,723		0.0000	1.0000	95.15
16.5	12,773,638	276,249	0.0216	0.9784	95.15
17.5	10,003,089	9,764	0.0010	0.9990	93.09
18.5	10,591,646	210,294	0.0199	0.9801	93.00
19.5	13,664,333	9,631	0.0007	0.9993	91.15
20.5	9,855,430	932,887	0.0947	0.9053	91.09
21.5	6,660,603	185,819	0.0279	0.9721	82.47
22.5	15,218,748	52,790	0.0035	0.9965	80.17
23.5	16,223,253	10,314	0.0006	0.9994	79.89
24.5	14,183,395	5,867	0.0004	0.9996	79.84
25.5	4,295,484	2,783	0.0006	0.9994	79.80
26.5	3,353,279	4,448	0.0013	0.9987	79.75
27.5	3,526,482	99,129	0.0281	0.9719	79.65
28.5	2,712,286	29,307	0.0108	0.9892	77.41
29.5	4,188,925	10,032	0.0024	0.9976	76.57
30.5	7,355,171	130,814	0.0178	0.9822	76.39
31.5	16,595,135	299,946	0.0181	0.9819	75.03
32.5	14,019,512	1,741,012	0.1242	0.8758	73.67
33.5	12,508,549	35,197	0.0028	0.9972	64.52
34.5	9,955,105	8,404	0.0008	0.9992	64.34
35.5	9,835,399	24,054	0.0024	0.9976	64.29
36.5	9,144,698	16,896	0.0018	0.9982	64.13
37.5	308,855	18,347	0.0594	0.9406	64.01
38.5	147,742	29,553	0.2000	0.8000	60.21

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

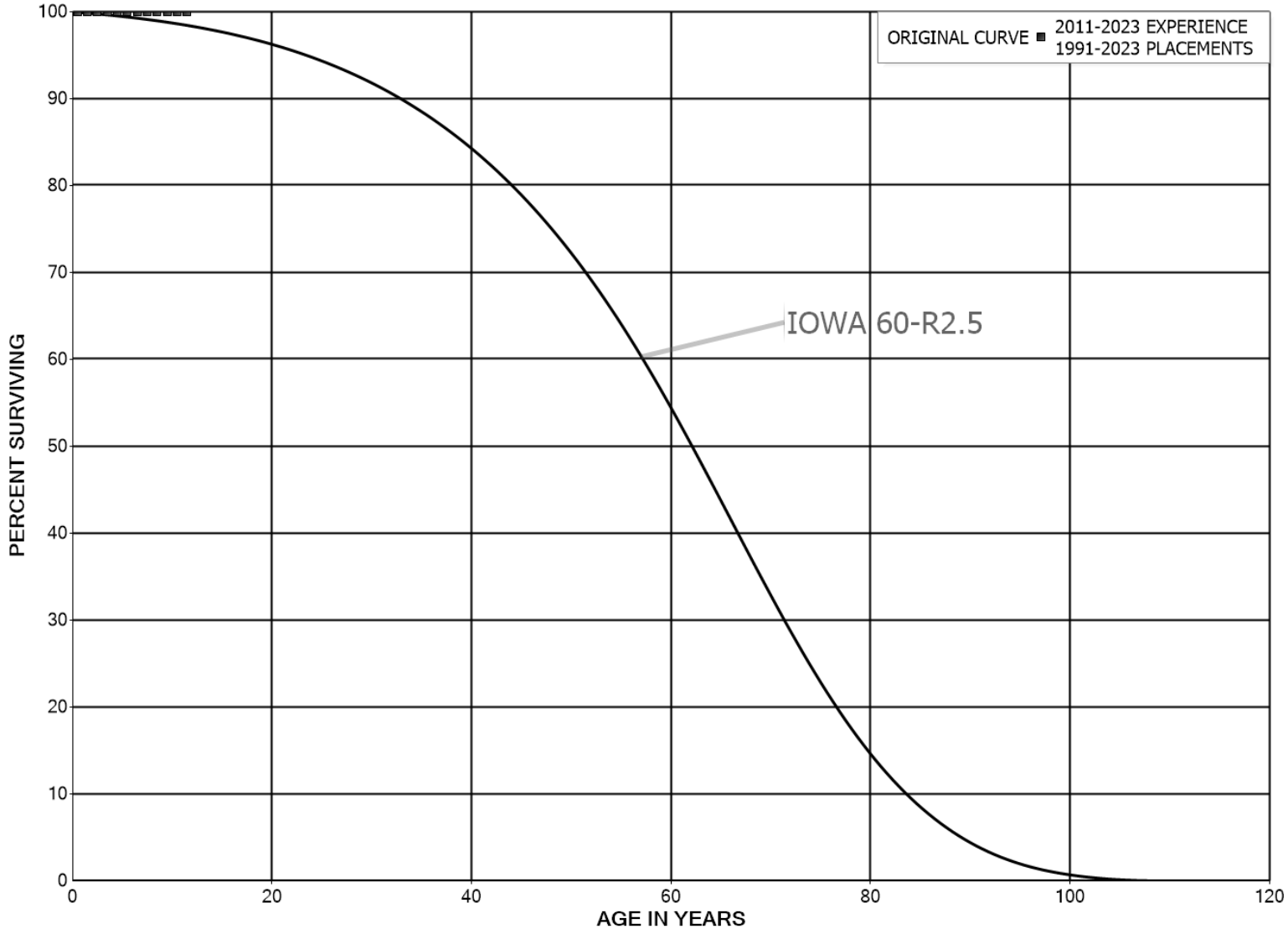
ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1950-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	118,320	9,485	0.0802	0.9198	48.17
40.5	495,076		0.0000	1.0000	44.30
41.5	495,076	1,160	0.0023	0.9977	44.30
42.5	489,937	8,231	0.0168	0.9832	44.20
43.5	479,254	9,139	0.0191	0.9809	43.46
44.5	629,083	461	0.0007	0.9993	42.63
45.5	1,571,508	6,806	0.0043	0.9957	42.60
46.5	1,511,433	13,698	0.0091	0.9909	42.41
47.5	546,962	2,026	0.0037	0.9963	42.03
48.5	439,237	383,981	0.8742	0.1258	41.87
49.5	55,257		0.0000	1.0000	5.27
50.5	3,230,607		0.0000	1.0000	5.27
51.5	3,209,447		0.0000	1.0000	5.27
52.5	3,202,171		0.0000	1.0000	5.27
53.5					5.27
54.5					
55.5	2,343,080		0.0000		
56.5	2,343,080		0.0000		
57.5					
58.5					
59.5	420,422		0.0000		
60.5	420,422	3,111	0.0074		
61.5	417,311		0.0000		
62.5	417,311		0.0000		
63.5	417,311		0.0000		
64.5	417,311		0.0000		
65.5	417,311		0.0000		
66.5	417,311	44,392	0.1064		
67.5	372,918		0.0000		
68.5	372,918	416	0.0011		
69.5	372,502	372,502	1.0000		
70.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

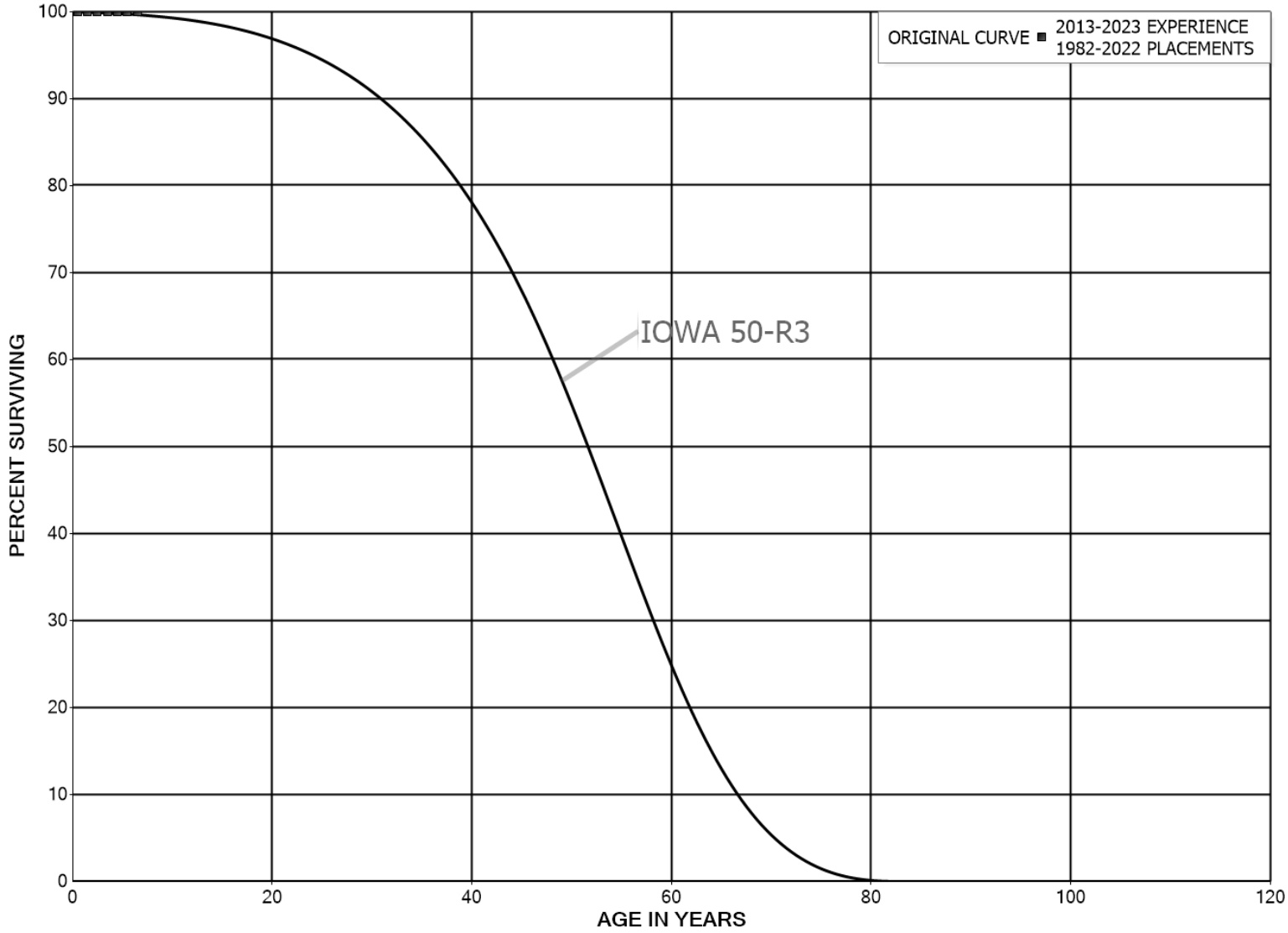
ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1991-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	574,150		0.0000	1.0000	100.00
0.5	102,704		0.0000	1.0000	100.00
1.5	1,741		0.0000	1.0000	100.00
2.5	4,001		0.0000	1.0000	100.00
3.5	9,044		0.0000	1.0000	100.00
4.5	37,826		0.0000	1.0000	100.00
5.5	70,235		0.0000	1.0000	100.00
6.5	70,235		0.0000	1.0000	100.00
7.5	70,235		0.0000	1.0000	100.00
8.5	70,235		0.0000	1.0000	100.00
9.5	70,235		0.0000	1.0000	100.00
10.5	70,235		0.0000	1.0000	100.00
11.5	36,713		0.0000	1.0000	100.00
12.5	36,086		0.0000	1.0000	100.00
13.5	36,086		0.0000	1.0000	100.00
14.5	36,086		0.0000	1.0000	100.00
15.5	33,826		0.0000	1.0000	100.00
16.5	28,782		0.0000	1.0000	100.00
17.5					100.00
18.5					
19.5					
20.5					
21.5					
22.5					
23.5					
24.5					
25.5					
26.5	1,562,131		0.0000		
27.5	1,562,131		0.0000		
28.5	1,562,131		0.0000		
29.5	1,562,131		0.0000		
30.5	1,562,131		0.0000		
31.5	1,562,131		0.0000		
32.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1982-2022 EXPERIENCE BAND 2013-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	120,114		0.0000	1.0000	100.00
0.5	120,114		0.0000	1.0000	100.00
1.5	44,903		0.0000	1.0000	100.00
2.5	44,903		0.0000	1.0000	100.00
3.5	43,648		0.0000	1.0000	100.00
4.5	42,083		0.0000	1.0000	100.00
5.5	42,083		0.0000	1.0000	100.00
6.5					100.00
7.5					
8.5					
9.5					
10.5					
11.5					
12.5					
13.5					
14.5					
15.5					
16.5					
17.5	6,796		0.0000		
18.5	392,461		0.0000		
19.5	392,461	5,579	0.0142		
20.5	386,882		0.0000		
21.5	386,882		0.0000		
22.5	386,882		0.0000		
23.5	421,104	6,967	0.0165		
24.5	41,018		0.0000		
25.5	41,018		0.0000		
26.5	41,018		0.0000		
27.5	41,018		0.0000		
28.5	119,216		0.0000		
29.5	132,216		0.0000		
30.5	96,697		0.0000		
31.5	1,321,191		0.0000		
32.5	1,321,191	2,123	0.0016		
33.5	1,319,068	5,811	0.0044		
34.5	629,807		0.0000		
35.5	551,609		0.0000		
36.5	551,609		0.0000		
37.5	18,500		0.0000		
38.5	18,500		0.0000		

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

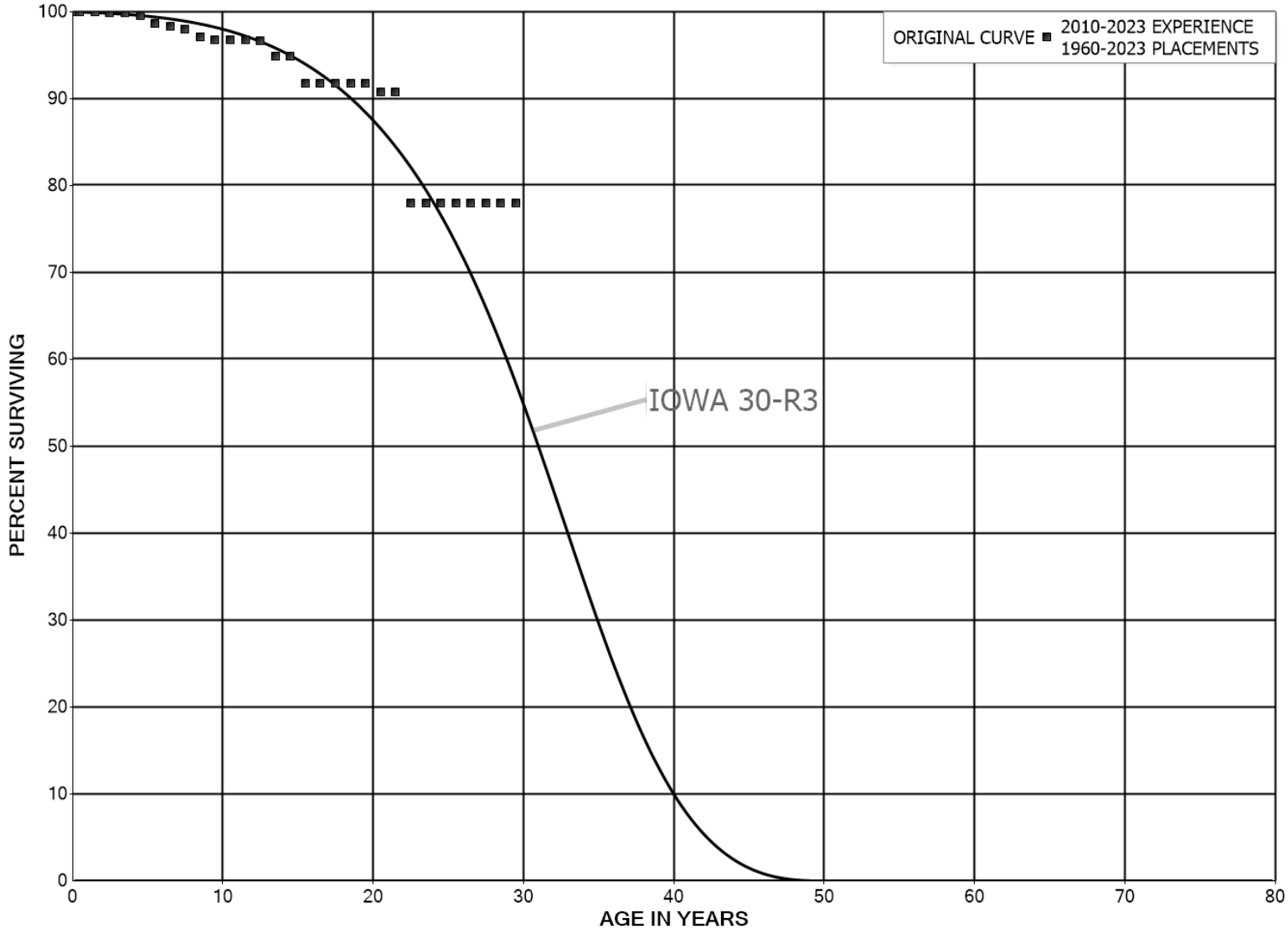
ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1982-2022 EXPERIENCE BAND 2013-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	18,500		0.0000		
40.5	5,500		0.0000		
41.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,695,800		0.0000	1.0000	100.00
0.5	3,573,278	1,869	0.0005	0.9995	100.00
1.5	3,456,807	3,867	0.0011	0.9989	99.95
2.5	3,497,312	0	0.0000	1.0000	99.84
3.5	2,608,200	8,643	0.0033	0.9967	99.84
4.5	1,083,224	10,166	0.0094	0.9906	99.51
5.5	969,767	2,752	0.0028	0.9972	98.57
6.5	790,081	2,697	0.0034	0.9966	98.29
7.5	964,388	8,751	0.0091	0.9909	97.96
8.5	817,761	3,002	0.0037	0.9963	97.07
9.5	802,149		0.0000	1.0000	96.71
10.5	870,296		0.0000	1.0000	96.71
11.5	835,788	653	0.0008	0.9992	96.71
12.5	818,698	14,820	0.0181	0.9819	96.64
13.5	768,424		0.0000	1.0000	94.89
14.5	1,098,528	37,115	0.0338	0.9662	94.89
15.5	964,105		0.0000	1.0000	91.68
16.5	782,702		0.0000	1.0000	91.68
17.5	730,839		0.0000	1.0000	91.68
18.5	921,848		0.0000	1.0000	91.68
19.5	1,145,044	11,631	0.0102	0.9898	91.68
20.5	794,953		0.0000	1.0000	90.75
21.5	778,283	109,591	0.1408	0.8592	90.75
22.5	537,096		0.0000	1.0000	77.97
23.5	836,839		0.0000	1.0000	77.97
24.5	567,473		0.0000	1.0000	77.97
25.5	632,023		0.0000	1.0000	77.97
26.5	632,023		0.0000	1.0000	77.97
27.5	436,222		0.0000	1.0000	77.97
28.5	384,060		0.0000	1.0000	77.97
29.5	530,456		0.0000	1.0000	77.97
30.5	517,312		0.0000	1.0000	77.97
31.5	451,084		0.0000	1.0000	77.97
32.5	399,977		0.0000	1.0000	77.97
33.5	168,767		0.0000	1.0000	77.97
34.5	206,113	1,535	0.0074	0.9926	77.97
35.5	37,346		0.0000	1.0000	77.39
36.5	44,381		0.0000	1.0000	77.39
37.5	44,381		0.0000	1.0000	77.39
38.5					77.39

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

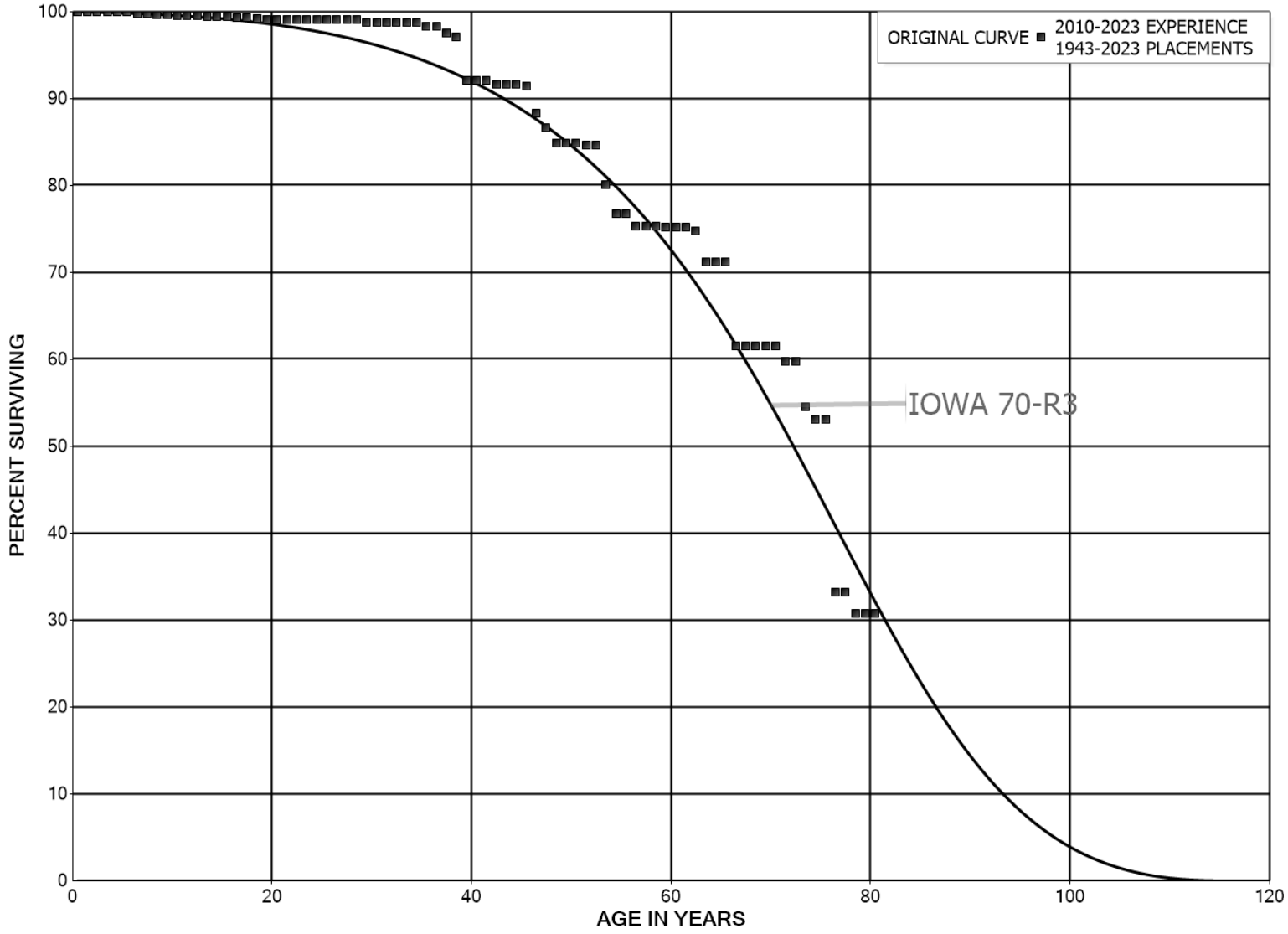
ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5	13,608		0.0000		
41.5	13,608		0.0000		
42.5	13,608		0.0000		
43.5	33,315		0.0000		
44.5	135,483		0.0000		
45.5	115,776		0.0000		
46.5	115,776	954	0.0082		
47.5	114,822		0.0000		
48.5	12,654		0.0000		
49.5	12,654		0.0000		
50.5	12,654		0.0000		
51.5	0		0.0000		
52.5					
53.5					
54.5					
55.5					
56.5	3,873		0.0000		
57.5	5,333	2,500	0.4688		
58.5	1,460	1,460	1.0000		
59.5	264,952		0.0000		
60.5	316,095		0.0000		
61.5	316,095		0.0000		
62.5	316,095	1,261	0.0040		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 360 COLLECTION MAINS - FORCE
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	11,769,590		0.0000	1.0000	100.00
0.5	11,772,418	0	0.0000	1.0000	100.00
1.5	11,944,963	501	0.0000	1.0000	100.00
2.5	12,237,665		0.0000	1.0000	100.00
3.5	10,988,577	602	0.0001	0.9999	100.00
4.5	10,937,173		0.0000	1.0000	99.99
5.5	11,575,524	24,539	0.0021	0.9979	99.99
6.5	6,702,341		0.0000	1.0000	99.78
7.5	10,951,025	18,483	0.0017	0.9983	99.78
8.5	11,762,313	2,036	0.0002	0.9998	99.61
9.5	12,570,216	4,776	0.0004	0.9996	99.59
10.5	14,060,746		0.0000	1.0000	99.55
11.5	14,065,818	10,916	0.0008	0.9992	99.55
12.5	14,683,724	5,054	0.0003	0.9997	99.48
13.5	16,045,092	1,131	0.0001	0.9999	99.44
14.5	18,688,483	2,262	0.0001	0.9999	99.44
15.5	20,964,679	38,849	0.0019	0.9981	99.42
16.5	23,660,395	2,196	0.0001	0.9999	99.24
17.5	25,486,308	12,172	0.0005	0.9995	99.23
18.5	23,639,640	25,974	0.0011	0.9989	99.18
19.5	23,827,097		0.0000	1.0000	99.07
20.5	26,006,711		0.0000	1.0000	99.07
21.5	22,862,644		0.0000	1.0000	99.07
22.5	19,102,973		0.0000	1.0000	99.07
23.5	16,834,826	7,880	0.0005	0.9995	99.07
24.5	12,314,337		0.0000	1.0000	99.03
25.5	9,689,644		0.0000	1.0000	99.03
26.5	6,744,856		0.0000	1.0000	99.03
27.5	6,348,641		0.0000	1.0000	99.03
28.5	4,725,019	13,121	0.0028	0.9972	99.03
29.5	4,394,900		0.0000	1.0000	98.75
30.5	4,680,059		0.0000	1.0000	98.75
31.5	18,757,063		0.0000	1.0000	98.75
32.5	19,166,676		0.0000	1.0000	98.75
33.5	18,702,094	414	0.0000	1.0000	98.75
34.5	19,256,599	95,875	0.0050	0.9950	98.75
35.5	17,989,617		0.0000	1.0000	98.26
36.5	16,833,567	120,183	0.0071	0.9929	98.26
37.5	4,125,715	19,664	0.0048	0.9952	97.56
38.5	3,828,474	198,152	0.0518	0.9482	97.09

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,901,137		0.0000	1.0000	92.07
40.5	4,749,344	408	0.0001	0.9999	92.07
41.5	4,482,454	22,129	0.0049	0.9951	92.06
42.5	3,101,508		0.0000	1.0000	91.61
43.5	2,094,374	336	0.0002	0.9998	91.61
44.5	2,644,843	6,377	0.0024	0.9976	91.59
45.5	3,063,603	103,853	0.0339	0.9661	91.37
46.5	2,916,586	54,045	0.0185	0.9815	88.27
47.5	2,116,258	42,781	0.0202	0.9798	86.64
48.5	1,407,265	1,095	0.0008	0.9992	84.89
49.5	1,421,072		0.0000	1.0000	84.82
50.5	835,501	2,060	0.0025	0.9975	84.82
51.5	138,625		0.0000	1.0000	84.61
52.5	134,098	7,271	0.0542	0.9458	84.61
53.5	121,213	5,030	0.0415	0.9585	80.02
54.5	128,863		0.0000	1.0000	76.70
55.5	128,863	2,288	0.0178	0.9822	76.70
56.5	1,899,779		0.0000	1.0000	75.34
57.5	1,899,779		0.0000	1.0000	75.34
58.5	1,484,079	3,982	0.0027	0.9973	75.34
59.5	1,500,967		0.0000	1.0000	75.14
60.5	931,817		0.0000	1.0000	75.14
61.5	916,267	4,947	0.0054	0.9946	75.14
62.5	911,321	43,942	0.0482	0.9518	74.73
63.5	39,577		0.0000	1.0000	71.13
64.5	33,550		0.0000	1.0000	71.13
65.5	33,550	4,547	0.1355	0.8645	71.13
66.5	69,144		0.0000	1.0000	61.49
67.5	69,144		0.0000	1.0000	61.49
68.5	61,011		0.0000	1.0000	61.49
69.5	61,011		0.0000	1.0000	61.49
70.5	61,011	1,725	0.0283	0.9717	61.49
71.5	59,285		0.0000	1.0000	59.75
72.5	59,285	5,234	0.0883	0.9117	59.75
73.5	34,907	932	0.0267	0.9733	54.48
74.5	33,975		0.0000	1.0000	53.02
75.5	33,975	12,746	0.3751	0.6249	53.02
76.5	21,230		0.0000	1.0000	33.13
77.5	21,230	1,526	0.0719	0.9281	33.13
78.5	19,703		0.0000	1.0000	30.75

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

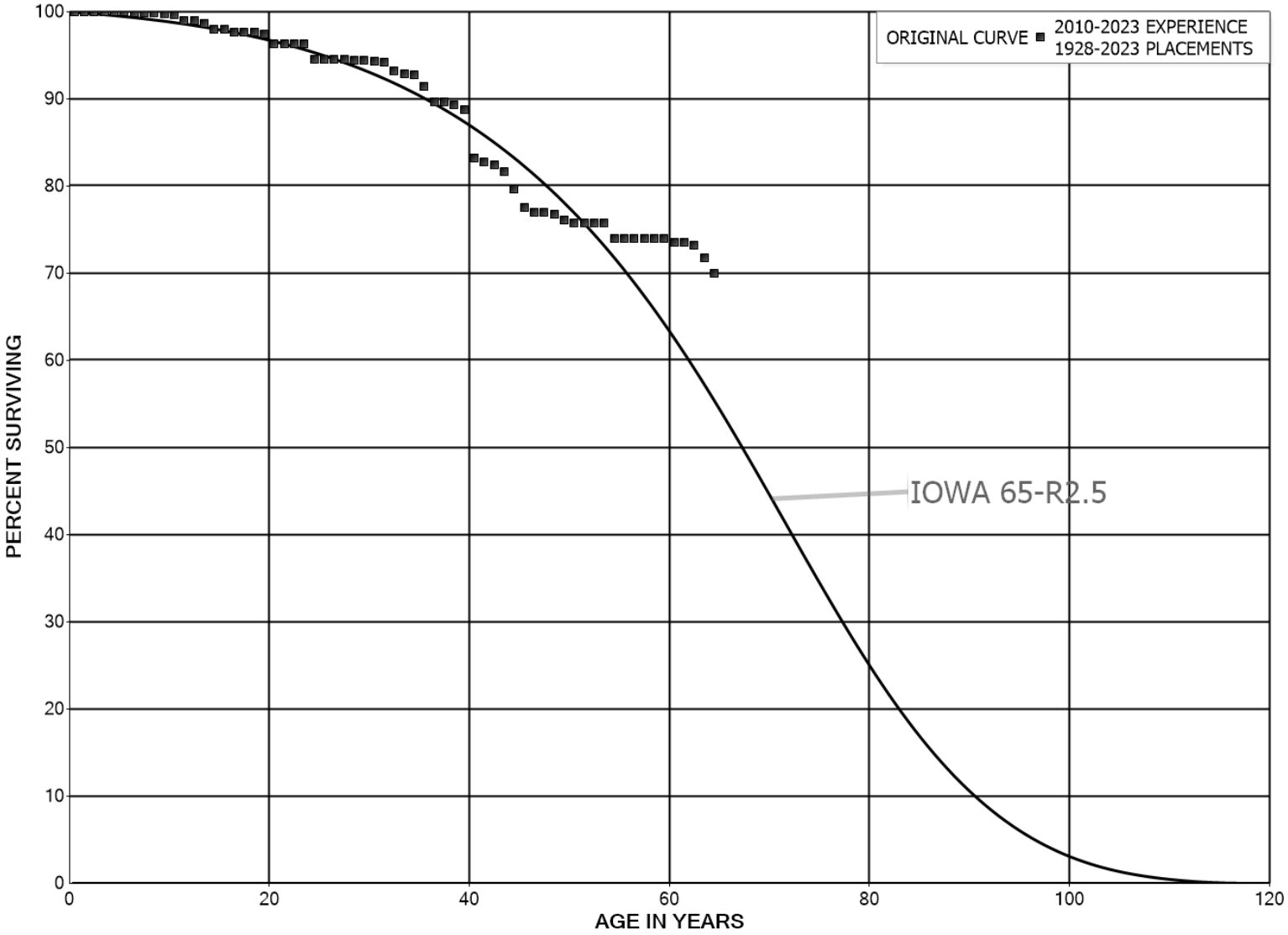
ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	19,703		0.0000	1.0000	30.75
80.5					30.75

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 361 COLLECTION MAINS - GRAVITY
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	41,510,267		0.0000	1.0000	100.00
0.5	37,091,153	0	0.0000	1.0000	100.00
1.5	64,736,807		0.0000	1.0000	100.00
2.5	59,938,105	17,007	0.0003	0.9997	100.00
3.5	57,068,094		0.0000	1.0000	99.97
4.5	48,234,842	21,411	0.0004	0.9996	99.97
5.5	13,808,727	9,227	0.0007	0.9993	99.93
6.5	17,077,759	5,271	0.0003	0.9997	99.86
7.5	18,475,142	7,595	0.0004	0.9996	99.83
8.5	20,006,158	6,993	0.0003	0.9997	99.79
9.5	18,040,073	23,670	0.0013	0.9987	99.75
10.5	14,089,791	103,401	0.0073	0.9927	99.62
11.5	15,129,462		0.0000	1.0000	98.89
12.5	12,901,199	34,220	0.0027	0.9973	98.89
13.5	12,247,119	84,510	0.0069	0.9931	98.63
14.5	12,511,885	4,563	0.0004	0.9996	97.95
15.5	11,708,342	34,350	0.0029	0.9971	97.91
16.5	12,875,011		0.0000	1.0000	97.63
17.5	13,091,428	8,766	0.0007	0.9993	97.63
18.5	16,207,819	31,818	0.0020	0.9980	97.56
19.5	16,596,364	188,231	0.0113	0.9887	97.37
20.5	15,759,721		0.0000	1.0000	96.26
21.5	15,842,321		0.0000	1.0000	96.26
22.5	16,871,244		0.0000	1.0000	96.26
23.5	10,499,820	187,054	0.0178	0.9822	96.26
24.5	7,034,911		0.0000	1.0000	94.55
25.5	6,717,476		0.0000	1.0000	94.55
26.5	10,108,237		0.0000	1.0000	94.55
27.5	10,780,085	11,496	0.0011	0.9989	94.55
28.5	6,829,320		0.0000	1.0000	94.45
29.5	11,482,257	17,462	0.0015	0.9985	94.45
30.5	11,519,839	15,711	0.0014	0.9986	94.31
31.5	11,510,003	128,932	0.0112	0.9888	94.18
32.5	8,184,860	29,481	0.0036	0.9964	93.12
33.5	6,494,598	6,089	0.0009	0.9991	92.79
34.5	6,361,463	86,158	0.0135	0.9865	92.70
35.5	4,320,461	87,100	0.0202	0.9798	91.44
36.5	6,088,272	2,735	0.0004	0.9996	89.60
37.5	5,412,431	18,564	0.0034	0.9966	89.56
38.5	2,462,230	13,659	0.0055	0.9945	89.25

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,655,167	231,219	0.0633	0.9367	88.76
40.5	3,790,473	20,449	0.0054	0.9946	83.14
41.5	7,121,444	29,146	0.0041	0.9959	82.69
42.5	7,152,332	60,211	0.0084	0.9916	82.36
43.5	3,421,897	84,027	0.0246	0.9754	81.66
44.5	4,767,104	127,031	0.0266	0.9734	79.66
45.5	2,801,010	23,009	0.0082	0.9918	77.53
46.5	6,886,466		0.0000	1.0000	76.90
47.5	7,285,644	19,627	0.0027	0.9973	76.90
48.5	1,364,310	11,042	0.0081	0.9919	76.69
49.5	7,008,686	28,007	0.0040	0.9960	76.07
50.5	8,615,422	2,537	0.0003	0.9997	75.77
51.5	10,415,452	1,467	0.0001	0.9999	75.74
52.5	9,950,088		0.0000	1.0000	75.73
53.5	2,115,765	49,096	0.0232	0.9768	75.73
54.5	2,495,127		0.0000	1.0000	73.98
55.5	1,616,888		0.0000	1.0000	73.98
56.5	16,835,335		0.0000	1.0000	73.98
57.5	15,684,143		0.0000	1.0000	73.98
58.5	15,285,654	15,906	0.0010	0.9990	73.98
59.5	15,836,565	88,911	0.0056	0.9944	73.90
60.5	684,866	12	0.0000	1.0000	73.48
61.5	2,015,666	8,105	0.0040	0.9960	73.48
62.5	2,007,561	40,406	0.0201	0.9799	73.19
63.5	1,727,828	42,516	0.0246	0.9754	71.71
64.5	4,091,341	41,982	0.0103	0.9897	69.95
65.5	2,881,564	493	0.0002	0.9998	69.23
66.5	3,716,667	29,911	0.0080	0.9920	69.22
67.5	5,235,989		0.0000	1.0000	68.66
68.5	1,994,364	4,241	0.0021	0.9979	68.66
69.5	2,659,109		0.0000	1.0000	68.52
70.5	2,675,612	21,480	0.0080	0.9920	68.52
71.5	1,305,852		0.0000	1.0000	67.97
72.5	2,543,128	67,050	0.0264	0.9736	67.97
73.5	1,255,192	1,413	0.0011	0.9989	66.17
74.5	1,253,779		0.0000	1.0000	66.10
75.5	3,356,895		0.0000	1.0000	66.10
76.5	2,226,852		0.0000	1.0000	66.10
77.5	3,896,200		0.0000	1.0000	66.10
78.5	3,772,464		0.0000	1.0000	66.10

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

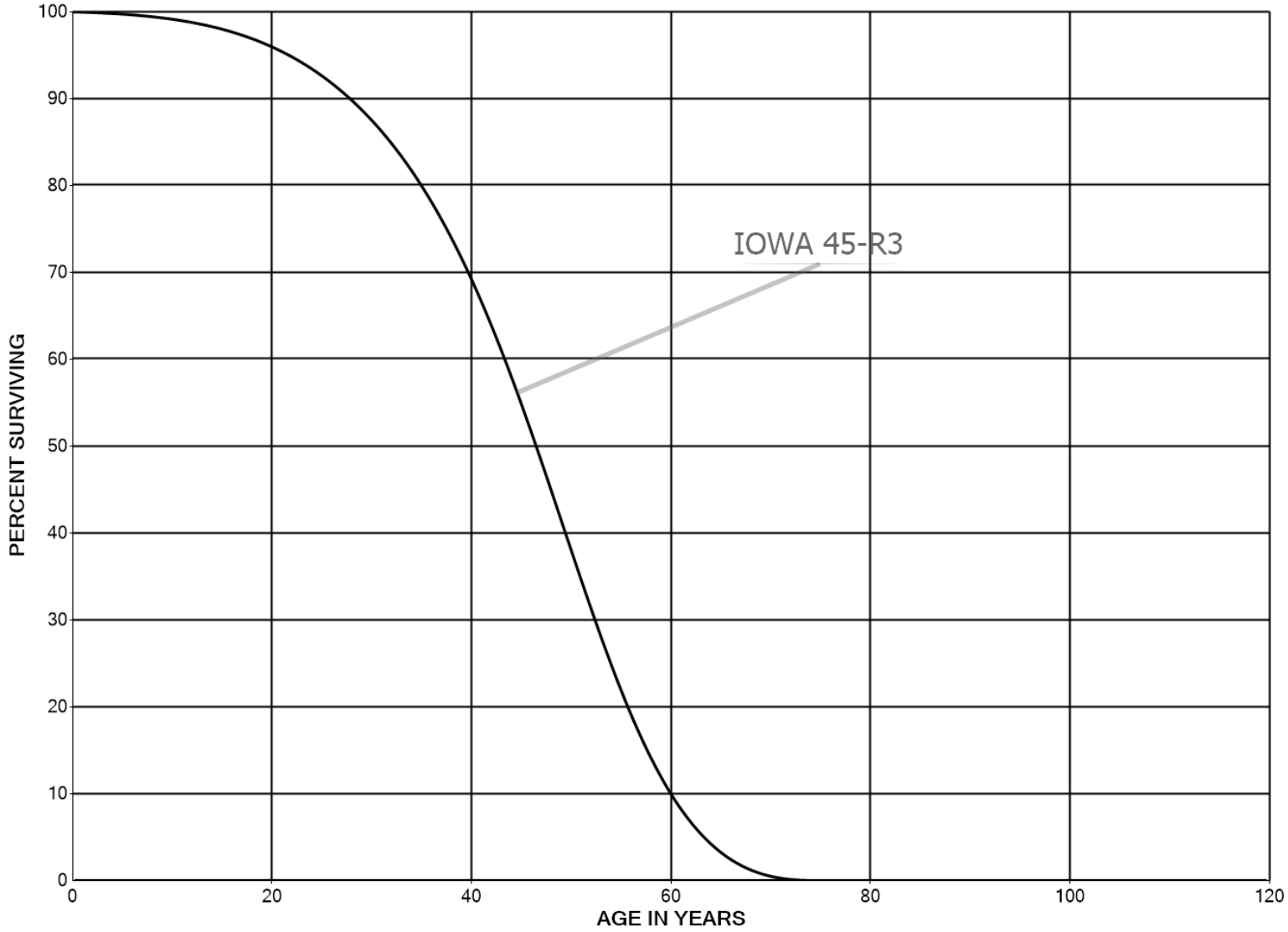
ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE, CONT.

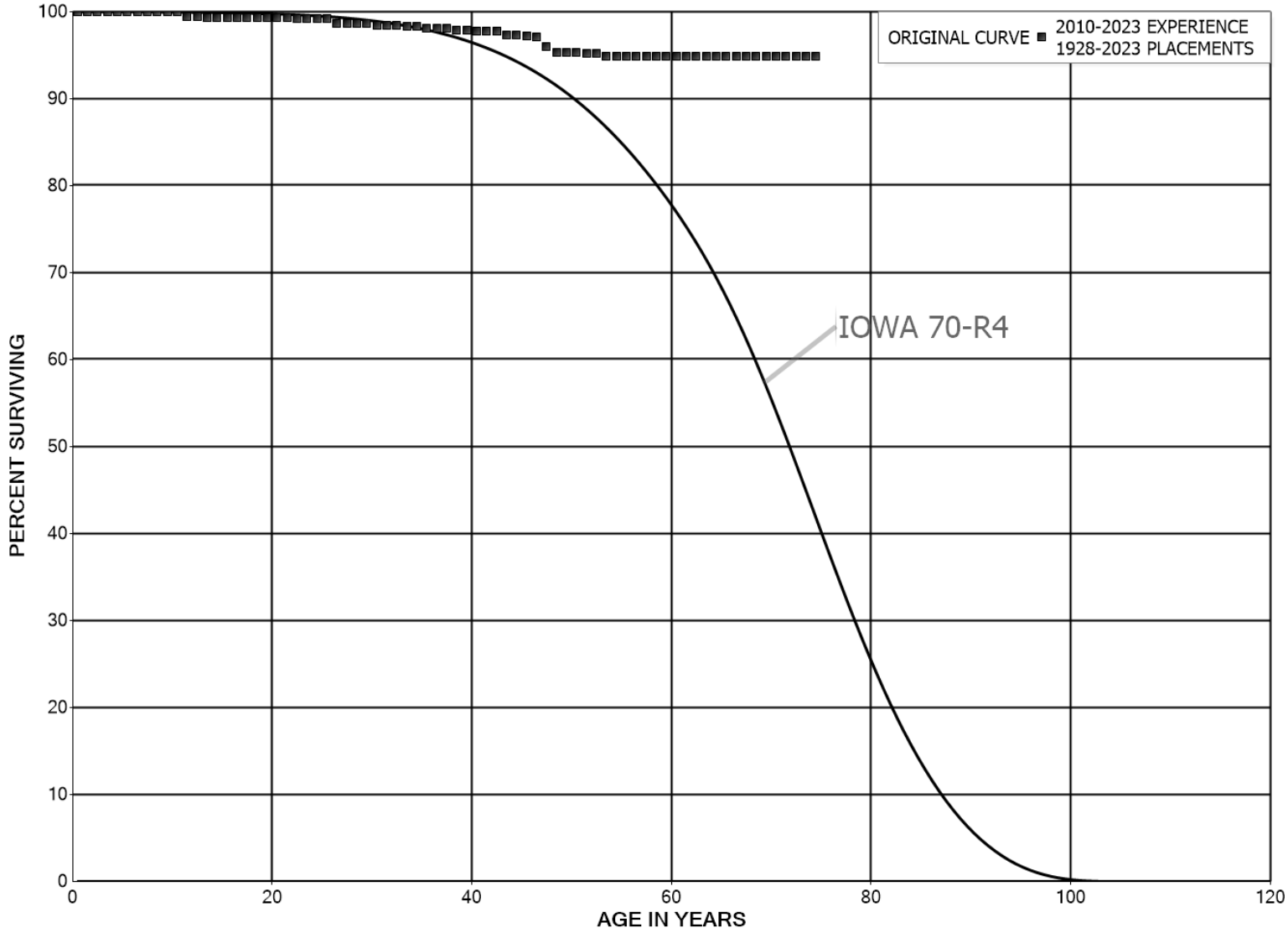
PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,669,348		0.0000	1.0000	66.10
80.5	2,641,708	38,488	0.0146	0.9854	66.10
81.5	972,360		0.0000	1.0000	65.14
82.5	972,360		0.0000	1.0000	65.14
83.5	972,360		0.0000	1.0000	65.14
84.5					65.14
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5	353,068	521	0.0015		
92.5	352,546		0.0000		
93.5	352,546		0.0000		
94.5	352,546		0.0000		
95.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 362 SPECIAL COLLECTING STRUCTURES
SMOOTH SURVIVOR CURVE



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 363 SERVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	7,035,105	768	0.0001	0.9999	100.00
0.5	5,340,359	456	0.0001	0.9999	99.99
1.5	4,599,449		0.0000	1.0000	99.98
2.5	3,928,199		0.0000	1.0000	99.98
3.5	3,363,681	1,994	0.0006	0.9994	99.98
4.5	2,613,574		0.0000	1.0000	99.92
5.5	2,404,084		0.0000	1.0000	99.92
6.5	2,080,452		0.0000	1.0000	99.92
7.5	4,547,002		0.0000	1.0000	99.92
8.5	4,546,127	775	0.0002	0.9998	99.92
9.5	8,358,494	777	0.0001	0.9999	99.90
10.5	8,818,495	41,157	0.0047	0.9953	99.89
11.5	5,148,424		0.0000	1.0000	99.43
12.5	5,254,962	5,909	0.0011	0.9989	99.43
13.5	5,165,915		0.0000	1.0000	99.32
14.5	4,916,488		0.0000	1.0000	99.32
15.5	4,742,557		0.0000	1.0000	99.32
16.5	4,491,660		0.0000	1.0000	99.32
17.5	4,926,271	1,574	0.0003	0.9997	99.32
18.5	3,403,613		0.0000	1.0000	99.29
19.5	2,985,160	1,391	0.0005	0.9995	99.29
20.5	3,188,426		0.0000	1.0000	99.24
21.5	3,098,502	1,079	0.0003	0.9997	99.24
22.5	2,341,880	1,781	0.0008	0.9992	99.20
23.5	2,203,332		0.0000	1.0000	99.13
24.5	1,144,889		0.0000	1.0000	99.13
25.5	1,083,092	5,432	0.0050	0.9950	99.13
26.5	1,281,218		0.0000	1.0000	98.63
27.5	1,523,439		0.0000	1.0000	98.63
28.5	1,646,130		0.0000	1.0000	98.63
29.5	2,742,922	5,713	0.0021	0.9979	98.63
30.5	2,789,044	1,920	0.0007	0.9993	98.43
31.5	4,265,361		0.0000	1.0000	98.36
32.5	4,624,188	1,079	0.0002	0.9998	98.36
33.5	3,787,599		0.0000	1.0000	98.34
34.5	2,365,361	5,352	0.0023	0.9977	98.34
35.5	2,282,635	1,712	0.0008	0.9992	98.11
36.5	2,787,047		0.0000	1.0000	98.04
37.5	2,812,758	5,336	0.0019	0.9981	98.04
38.5	2,130,853		0.0000	1.0000	97.85

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,785,447	1,422	0.0008	0.9992	97.85
40.5	1,570,807		0.0000	1.0000	97.78
41.5	1,693,201	1,782	0.0011	0.9989	97.78
42.5	1,573,307	5,367	0.0034	0.9966	97.67
43.5	946,313		0.0000	1.0000	97.34
44.5	823,498	960	0.0012	0.9988	97.34
45.5	1,055,462	1,378	0.0013	0.9987	97.23
46.5	1,084,192	12,388	0.0114	0.9886	97.10
47.5	469,340	3,321	0.0071	0.9929	95.99
48.5	6,206,647	5,008	0.0008	0.9992	95.31
49.5	6,103,158	204	0.0000	1.0000	95.23
50.5	6,425,275	1,149	0.0002	0.9998	95.23
51.5	6,633,178	1,721	0.0003	0.9997	95.21
52.5	596,105	2,230	0.0037	0.9963	95.19
53.5	81,864		0.0000	1.0000	94.83
54.5	86,037		0.0000	1.0000	94.83
55.5	54,248		0.0000	1.0000	94.83
56.5	73,751		0.0000	1.0000	94.83
57.5	37,911		0.0000	1.0000	94.83
58.5	17,636		0.0000	1.0000	94.83
59.5	19,800		0.0000	1.0000	94.83
60.5	150,760		0.0000	1.0000	94.83
61.5	337,605		0.0000	1.0000	94.83
62.5	337,605		0.0000	1.0000	94.83
63.5	185,767		0.0000	1.0000	94.83
64.5	809,181		0.0000	1.0000	94.83
65.5	641,546		0.0000	1.0000	94.83
66.5	714,660		0.0000	1.0000	94.83
67.5	928,275		0.0000	1.0000	94.83
68.5	231,676		0.0000	1.0000	94.83
69.5	398,467		0.0000	1.0000	94.83
70.5	398,467		0.0000	1.0000	94.83
71.5	194,023		0.0000	1.0000	94.83
72.5	386,578		0.0000	1.0000	94.83
73.5	213,968		0.0000	1.0000	94.83
74.5	213,968		0.0000	1.0000	94.83
75.5	968,566	712	0.0007	0.9993	94.83
76.5	779,403		0.0000	1.0000	94.76
77.5	1,320,587	1	0.0000	1.0000	94.76
78.5	1,311,679		0.0000	1.0000	94.76

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

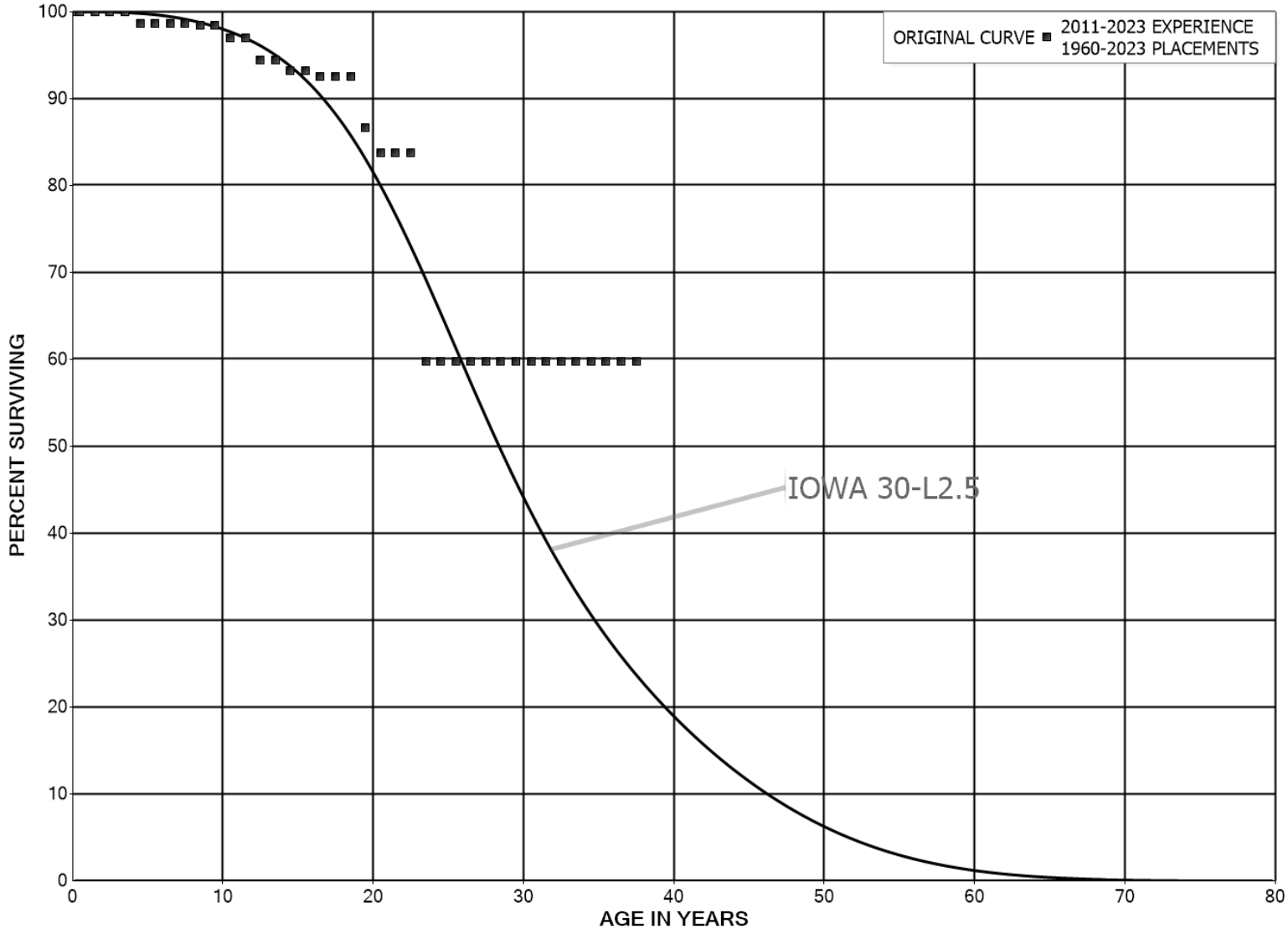
ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	557,080		0.0000	1.0000	94.76
80.5	969,678		0.0000	1.0000	94.76
81.5	428,495		0.0000	1.0000	94.76
82.5	428,495		0.0000	1.0000	94.76
83.5	428,495		0.0000	1.0000	94.76
84.5					94.76
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5	152,899		0.0000		
92.5	152,899	1,947	0.0127		
93.5	150,952		0.0000		
94.5	150,952	0	0.0000		
95.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 364 METERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 364 METERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	626,557		0.0000	1.0000	100.00
0.5	622,412		0.0000	1.0000	100.00
1.5	641,651		0.0000	1.0000	100.00
2.5	634,260		0.0000	1.0000	100.00
3.5	601,374	8,595	0.0143	0.9857	100.00
4.5	139,475		0.0000	1.0000	98.57
5.5	130,988		0.0000	1.0000	98.57
6.5	92,590		0.0000	1.0000	98.57
7.5	194,650	326	0.0017	0.9983	98.57
8.5	171,628		0.0000	1.0000	98.41
9.5	210,392	3,031	0.0144	0.9856	98.41
10.5	210,003		0.0000	1.0000	96.99
11.5	178,864	4,755	0.0266	0.9734	96.99
12.5	178,445		0.0000	1.0000	94.41
13.5	173,280	2,192	0.0127	0.9873	94.41
14.5	159,403		0.0000	1.0000	93.22
15.5	102,872	793	0.0077	0.9923	93.22
16.5	83,293		0.0000	1.0000	92.50
17.5	67,340		0.0000	1.0000	92.50
18.5	81,953	5,233	0.0639	0.9361	92.50
19.5	80,120	2,626	0.0328	0.9672	86.59
20.5	15,521		0.0000	1.0000	83.75
21.5	15,521		0.0000	1.0000	83.75
22.5	5,366	1,538	0.2866	0.7134	83.75
23.5	159,925		0.0000	1.0000	59.75
24.5	159,925		0.0000	1.0000	59.75
25.5	230,747		0.0000	1.0000	59.75
26.5	230,747		0.0000	1.0000	59.75
27.5	122,622		0.0000	1.0000	59.75
28.5	122,622		0.0000	1.0000	59.75
29.5	15,132		0.0000	1.0000	59.75
30.5	15,132		0.0000	1.0000	59.75
31.5	1,886		0.0000	1.0000	59.75
32.5	1,886		0.0000	1.0000	59.75
33.5	48,864		0.0000	1.0000	59.75
34.5	56,289		0.0000	1.0000	59.75
35.5	7,424		0.0000	1.0000	59.75
36.5	7,424		0.0000	1.0000	59.75
37.5	8,134		0.0000	1.0000	59.75
38.5	710		0.0000	1.0000	59.75

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

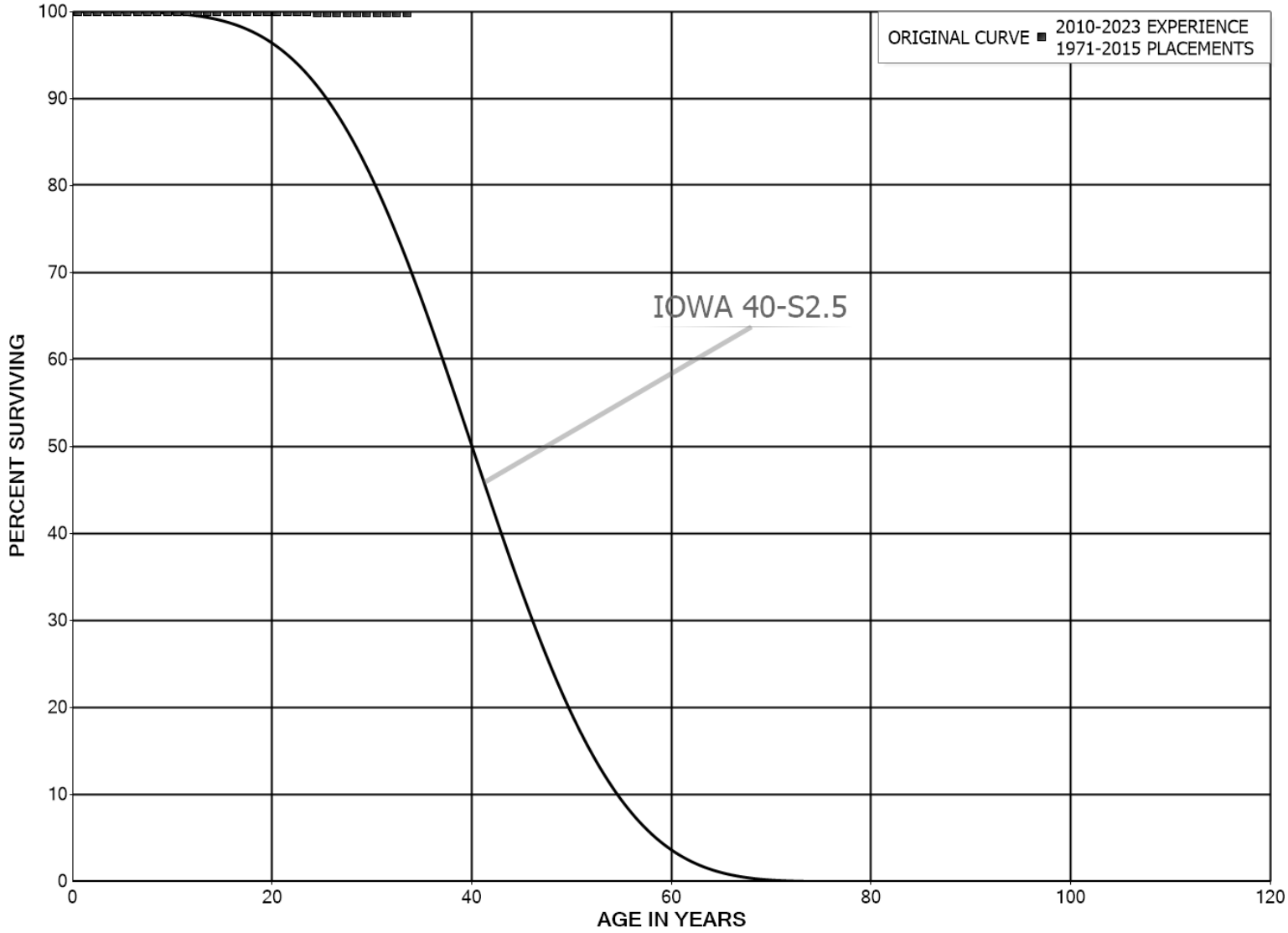
ACCOUNT 364 METERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	710		0.0000	1.0000	59.75
40.5	710		0.0000	1.0000	59.75
41.5	710		0.0000	1.0000	59.75
42.5	15,344		0.0000	1.0000	59.75
43.5	15,344		0.0000	1.0000	59.75
44.5	23,862		0.0000	1.0000	59.75
45.5	116,182	536	0.0046	0.9954	59.75
46.5	115,646		0.0000	1.0000	59.47
47.5	23,326		0.0000	1.0000	59.47
48.5	174		0.0000	1.0000	59.47
49.5	174		0.0000	1.0000	59.47
50.5					59.47
51.5					
52.5					
53.5					
54.5					
55.5	4,682		0.0000		
56.5	4,682		0.0000		
57.5					
58.5					
59.5	31,055		0.0000		
60.5	31,055		0.0000		
61.5	31,055		0.0000		
62.5	31,055		0.0000		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 370 RECEIVING WELLS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 370 RECEIVING WELLS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1971-2015 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0					
0.5	3,382		0.0000	1.0000	100.00
1.5	3,382		0.0000	1.0000	100.00
2.5	113,585		0.0000	1.0000	100.00
3.5	129,312		0.0000	1.0000	100.00
4.5	180,563		0.0000	1.0000	100.00
5.5	180,563		0.0000	1.0000	100.00
6.5	180,563		0.0000	1.0000	100.00
7.5	180,563		0.0000	1.0000	100.00
8.5	70,360		0.0000	1.0000	100.00
9.5	70,360		0.0000	1.0000	100.00
10.5	146,968		0.0000	1.0000	100.00
11.5	192,220		0.0000	1.0000	100.00
12.5	192,220		0.0000	1.0000	100.00
13.5	281,490		0.0000	1.0000	100.00
14.5	972,138		0.0000	1.0000	100.00
15.5	972,138		0.0000	1.0000	100.00
16.5	895,530		0.0000	1.0000	100.00
17.5	906,091		0.0000	1.0000	100.00
18.5	1,316,135		0.0000	1.0000	100.00
19.5	1,411,329		0.0000	1.0000	100.00
20.5	717,300		0.0000	1.0000	100.00
21.5	1,186,461		0.0000	1.0000	100.00
22.5	1,186,461		0.0000	1.0000	100.00
23.5	1,114,921	1,672	0.0015	0.9985	100.00
24.5	651,953		0.0000	1.0000	99.85
25.5	582,256		0.0000	1.0000	99.85
26.5	582,256		0.0000	1.0000	99.85
27.5	903,622		0.0000	1.0000	99.85
28.5	903,622		0.0000	1.0000	99.85
29.5	903,622		0.0000	1.0000	99.85
30.5	903,622		0.0000	1.0000	99.85
31.5	788,856		0.0000	1.0000	99.85
32.5	788,856		0.0000	1.0000	99.85
33.5					99.85
34.5					
35.5					
36.5					
37.5					
38.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

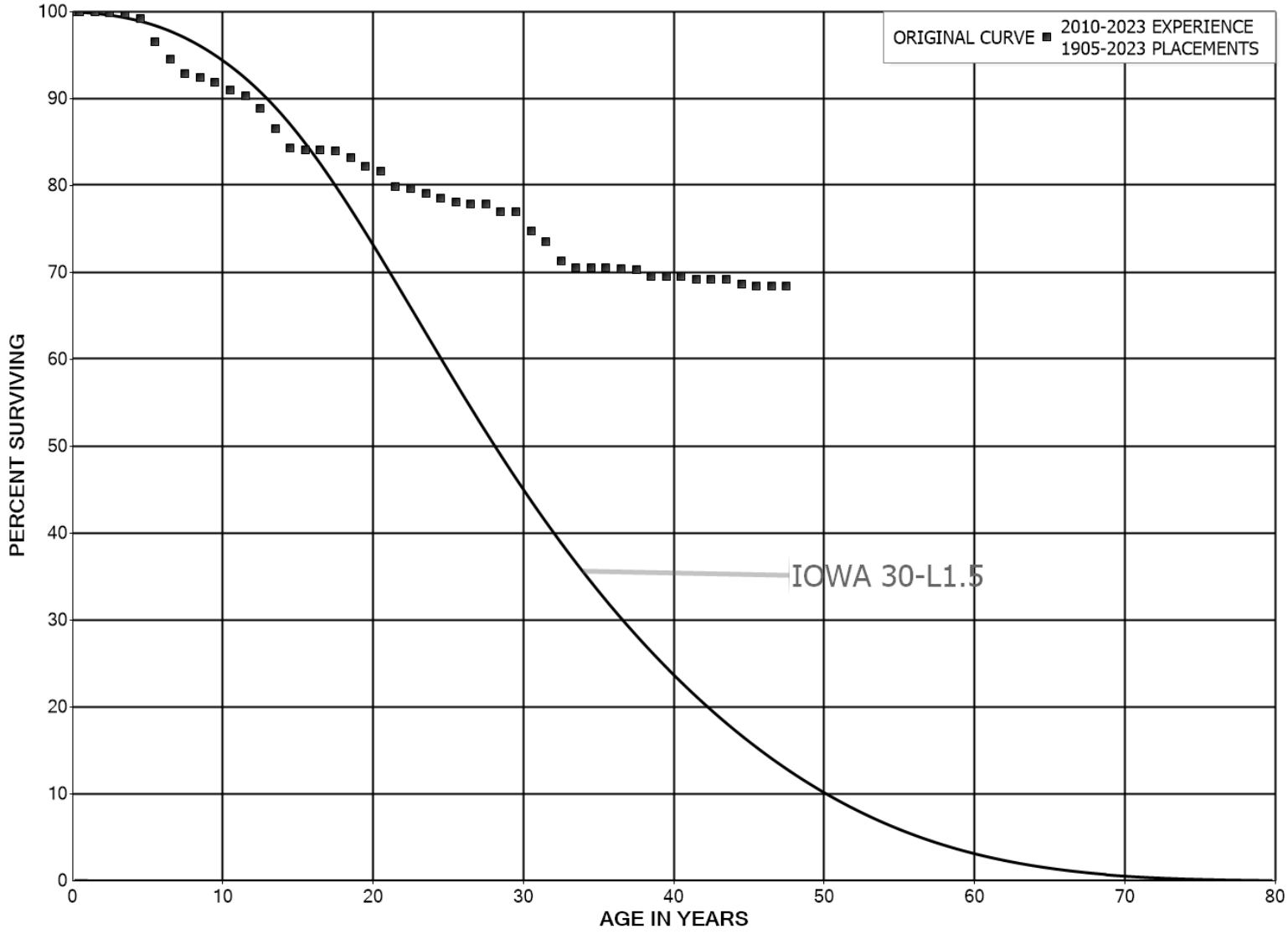
ACCOUNT 370 RECEIVING WELLS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1971-2015 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5					
41.5					
42.5					
43.5					
44.5	429		0.0000		
45.5					
46.5					
47.5	324		0.0000		
48.5					
49.5	234		0.0000		
50.5					
51.5	184		0.0000		
52.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	14,568,469		0.0000	1.0000	100.00
0.5	14,583,707	952	0.0001	0.9999	100.00
1.5	11,295,246	18,684	0.0017	0.9983	99.99
2.5	11,035,351	12,096	0.0011	0.9989	99.83
3.5	8,218,201	48,269	0.0059	0.9941	99.72
4.5	7,370,313	193,269	0.0262	0.9738	99.13
5.5	5,943,683	122,151	0.0206	0.9794	96.53
6.5	4,721,795	84,057	0.0178	0.9822	94.55
7.5	6,882,450	33,901	0.0049	0.9951	92.87
8.5	6,347,510	38,986	0.0061	0.9939	92.41
9.5	5,961,732	56,036	0.0094	0.9906	91.84
10.5	5,293,693	37,917	0.0072	0.9928	90.98
11.5	5,080,085	82,820	0.0163	0.9837	90.33
12.5	4,883,876	126,957	0.0260	0.9740	88.85
13.5	4,747,441	124,046	0.0261	0.9739	86.54
14.5	4,344,206	10,770	0.0025	0.9975	84.28
15.5	5,334,064	3,403	0.0006	0.9994	84.07
16.5	4,961,077	3,641	0.0007	0.9993	84.02
17.5	5,140,916	50,581	0.0098	0.9902	83.96
18.5	2,518,735	30,179	0.0120	0.9880	83.13
19.5	3,025,192	19,728	0.0065	0.9935	82.14
20.5	2,449,011	53,767	0.0220	0.9780	81.60
21.5	2,989,335	6,941	0.0023	0.9977	79.81
22.5	2,476,777	16,201	0.0065	0.9935	79.62
23.5	5,271,950	37,885	0.0072	0.9928	79.10
24.5	4,173,199	27,629	0.0066	0.9934	78.53
25.5	4,230,688	7,565	0.0018	0.9982	78.01
26.5	4,080,082	3,081	0.0008	0.9992	77.88
27.5	1,000,803	11,195	0.0112	0.9888	77.82
28.5	883,892		0.0000	1.0000	76.95
29.5	1,085,022	32,063	0.0296	0.9704	76.95
30.5	1,059,473	16,273	0.0154	0.9846	74.67
31.5	2,618,189	80,620	0.0308	0.9692	73.53
32.5	2,404,901	26,176	0.0109	0.9891	71.26
33.5	1,733,050		0.0000	1.0000	70.49
34.5	1,887,124		0.0000	1.0000	70.49
35.5	1,872,706	1,990	0.0011	0.9989	70.49
36.5	1,838,412	3,694	0.0020	0.9980	70.41
37.5	187,946	2,021	0.0108	0.9892	70.27
38.5	26,576		0.0000	1.0000	69.51

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	100,458		0.0000	1.0000	69.51
40.5	100,458	555	0.0055	0.9945	69.51
41.5	99,903		0.0000	1.0000	69.13
42.5	98,939		0.0000	1.0000	69.13
43.5	98,939	739	0.0075	0.9925	69.13
44.5	239,457	720	0.0030	0.9970	68.61
45.5	220,763		0.0000	1.0000	68.41
46.5	220,763		0.0000	1.0000	68.41
47.5	220,887		0.0000	1.0000	68.41
48.5	78,905	11,992	0.1520	0.8480	68.41
49.5	66,988		0.0000	1.0000	58.01
50.5	66,914		0.0000	1.0000	58.01
51.5	67,507		0.0000	1.0000	58.01
52.5	66,536		0.0000	1.0000	58.01
53.5					58.01
54.5					
55.5					
56.5					
57.5					
58.5					
59.5	356,666		0.0000		
60.5	451,651		0.0000		
61.5	451,651		0.0000		
62.5	451,651	23,774	0.0526		
63.5					
64.5					
65.5					
66.5					
67.5					
68.5					
69.5					
70.5					
71.5					
72.5					
73.5					
74.5					
75.5					
76.5					
77.5					
78.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

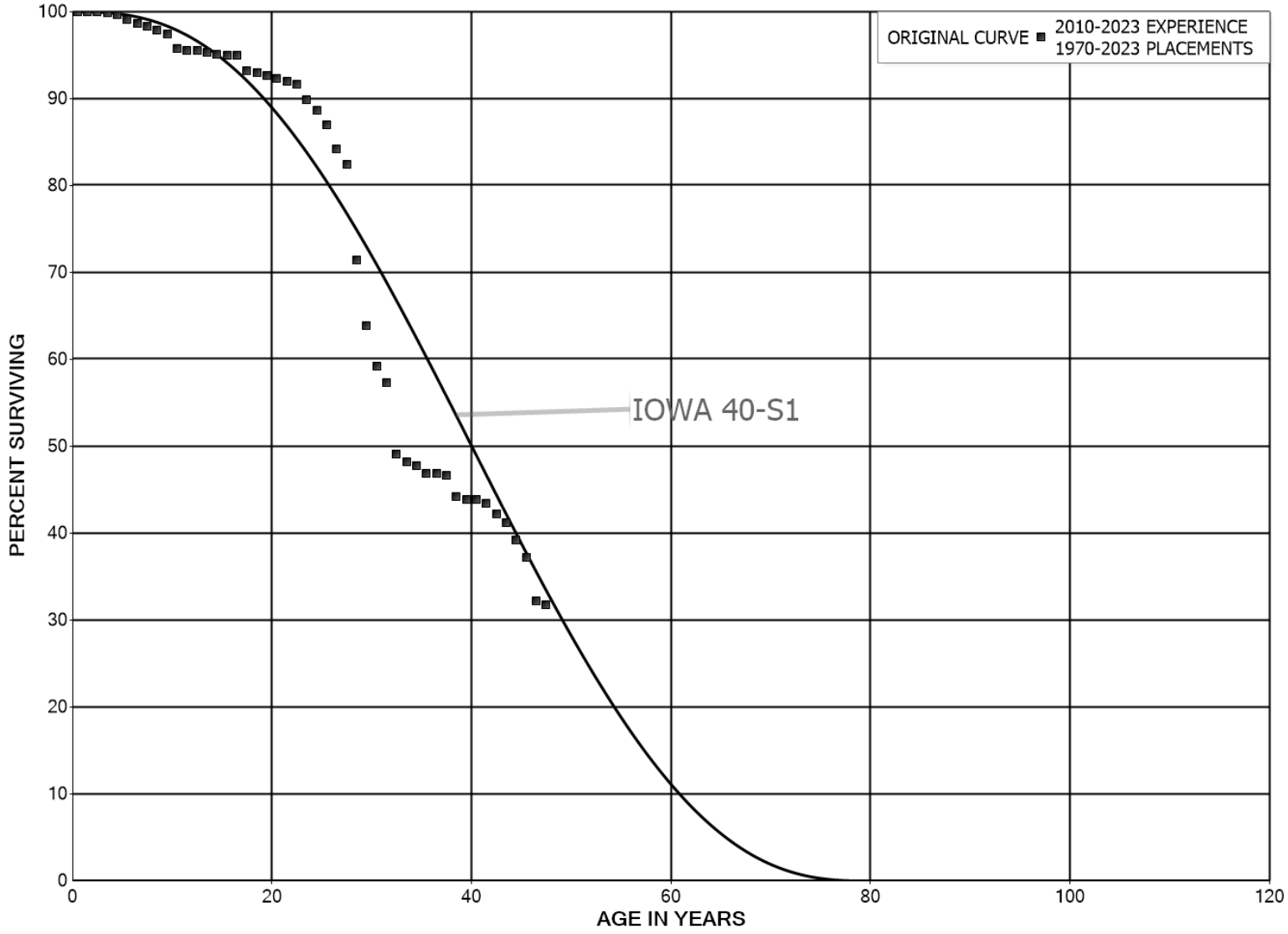
ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5					
80.5					
81.5					
82.5					
83.5					
84.5					
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5					
92.5					
93.5					
94.5					
95.5					
96.5					
97.5					
98.5					
99.5					
100.5					
101.5					
102.5					
103.5					
104.5	209,621		0.0000		
105.5	209,621		0.0000		
106.5	209,621		0.0000		
107.5	209,621	171	0.0008		
108.5	209,449	611	0.0029		
109.5	208,838		0.0000		
110.5	208,838	358	0.0017		
111.5	208,480	488	0.0023		
112.5	207,992		0.0000		
113.5	207,992	594	0.0029		
114.5	207,398	951	0.0046		
115.5	206,447		0.0000		
116.5	206,447		0.0000		
117.5	206,447	6,392	0.0310		
118.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1970-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	60,985,608		0.0000	1.0000	100.00
0.5	61,130,291	15,894	0.0003	0.9997	100.00
1.5	30,029,003	7,760	0.0003	0.9997	99.97
2.5	25,667,191	18,052	0.0007	0.9993	99.95
3.5	18,930,976	54,645	0.0029	0.9971	99.88
4.5	15,849,877	91,776	0.0058	0.9942	99.59
5.5	14,072,555	60,371	0.0043	0.9957	99.01
6.5	9,289,965	30,955	0.0033	0.9967	98.59
7.5	8,429,827	33,762	0.0040	0.9960	98.26
8.5	5,762,946	25,228	0.0044	0.9956	97.87
9.5	7,618,774	134,230	0.0176	0.9824	97.44
10.5	16,902,013	31,383	0.0019	0.9981	95.72
11.5	16,743,402	14,064	0.0008	0.9992	95.54
12.5	17,835,019	27,674	0.0016	0.9984	95.46
13.5	17,567,356	41,186	0.0023	0.9977	95.31
14.5	20,160,893	17,848	0.0009	0.9991	95.09
15.5	19,784,977	3,225	0.0002	0.9998	95.01
16.5	10,166,555	194,674	0.0191	0.9809	94.99
17.5	9,928,268	19,502	0.0020	0.9980	93.17
18.5	8,975,413	31,870	0.0036	0.9964	92.99
19.5	10,301,487	38,112	0.0037	0.9963	92.66
20.5	4,710,008	19,099	0.0041	0.9959	92.32
21.5	3,531,958	14,350	0.0041	0.9959	91.94
22.5	3,062,985	57,569	0.0188	0.9812	91.57
23.5	3,043,723	42,837	0.0141	0.9859	89.85
24.5	2,090,453	38,647	0.0185	0.9815	88.58
25.5	2,049,426	64,633	0.0315	0.9685	86.95
26.5	1,968,197	42,390	0.0215	0.9785	84.20
27.5	2,081,999	278,716	0.1339	0.8661	82.39
28.5	1,040,862	110,314	0.1060	0.8940	71.36
29.5	892,849	64,922	0.0727	0.9273	63.80
30.5	964,548	29,927	0.0310	0.9690	59.16
31.5	3,740,534	538,583	0.1440	0.8560	57.32
32.5	3,721,217	69,239	0.0186	0.9814	49.07
33.5	3,615,577	29,644	0.0082	0.9918	48.16
34.5	3,542,160	65,307	0.0184	0.9816	47.76
35.5	3,641,790	4,945	0.0014	0.9986	46.88
36.5	3,632,542	18,735	0.0052	0.9948	46.82
37.5	1,488,655	76,796	0.0516	0.9484	46.58
38.5	1,411,860	12,343	0.0087	0.9913	44.17

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

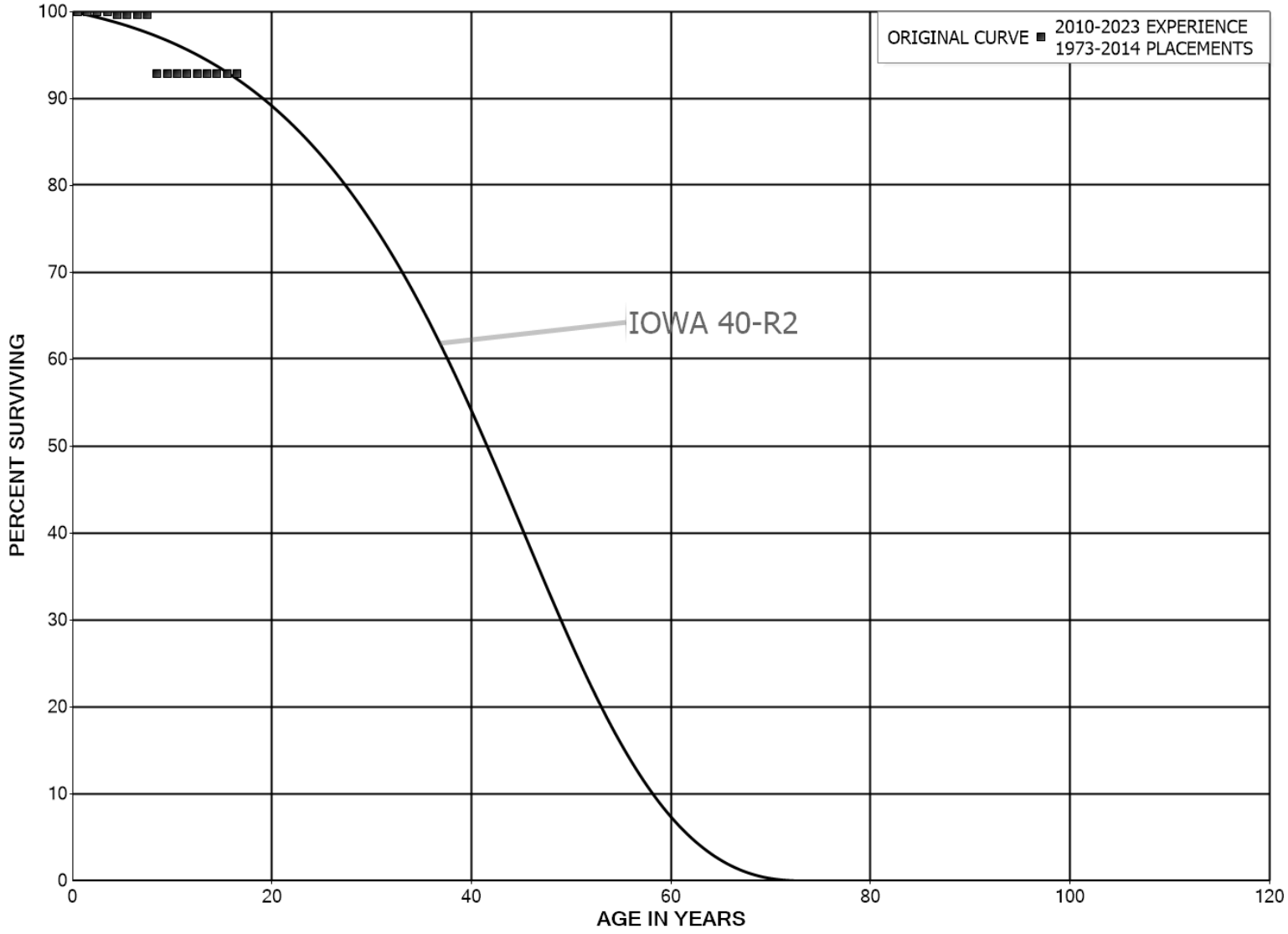
ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1970-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,700,730	134	0.0001	0.9999	43.79
40.5	1,749,654	16,606	0.0095	0.9905	43.78
41.5	1,714,513	47,870	0.0279	0.9721	43.37
42.5	1,666,643	38,615	0.0232	0.9768	42.16
43.5	1,152,215	56,252	0.0488	0.9512	41.18
44.5	1,095,963	57,250	0.0522	0.9478	39.17
45.5	1,113,077	149,047	0.1339	0.8661	37.12
46.5	939,915	11,760	0.0125	0.9875	32.15
47.5	928,155	588,590	0.6342	0.3658	31.75
48.5	339,564	18,324	0.0540	0.9460	11.62
49.5	321,240	64,367	0.2004	0.7996	10.99
50.5	25,286	16,077	0.6358	0.3642	8.79
51.5	23,588		0.0000	1.0000	3.20
52.5	9,045	344	0.0380	0.9620	3.20
53.5					3.08

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNTS 381.4 AND 381.5 PLANT SEWERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNTS 381.4 AND 381.5 PLANT SEWERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1973-2014 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	48,618		0.0000	1.0000	100.00
0.5	59,837		0.0000	1.0000	100.00
1.5	72,616		0.0000	1.0000	100.00
2.5	96,852		0.0000	1.0000	100.00
3.5	133,049	584	0.0044	0.9956	100.00
4.5	132,465		0.0000	1.0000	99.56
5.5	132,465		0.0000	1.0000	99.56
6.5	132,465		0.0000	1.0000	99.56
7.5	132,465	8,988	0.0679	0.9321	99.56
8.5	123,477		0.0000	1.0000	92.81
9.5	108,842		0.0000	1.0000	92.81
10.5	77,107		0.0000	1.0000	92.81
11.5	77,107		0.0000	1.0000	92.81
12.5	77,107		0.0000	1.0000	92.81
13.5	74,859		0.0000	1.0000	92.81
14.5	63,640		0.0000	1.0000	92.81
15.5	51,445		0.0000	1.0000	92.81
16.5	27,208		0.0000	1.0000	92.81
17.5					92.81
18.5					
19.5					
20.5					
21.5					
22.5					
23.5					
24.5					
25.5					
26.5					
27.5					
28.5					
29.5					
30.5					
31.5					
32.5					
33.5					
34.5					
35.5					
36.5					
37.5					
38.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

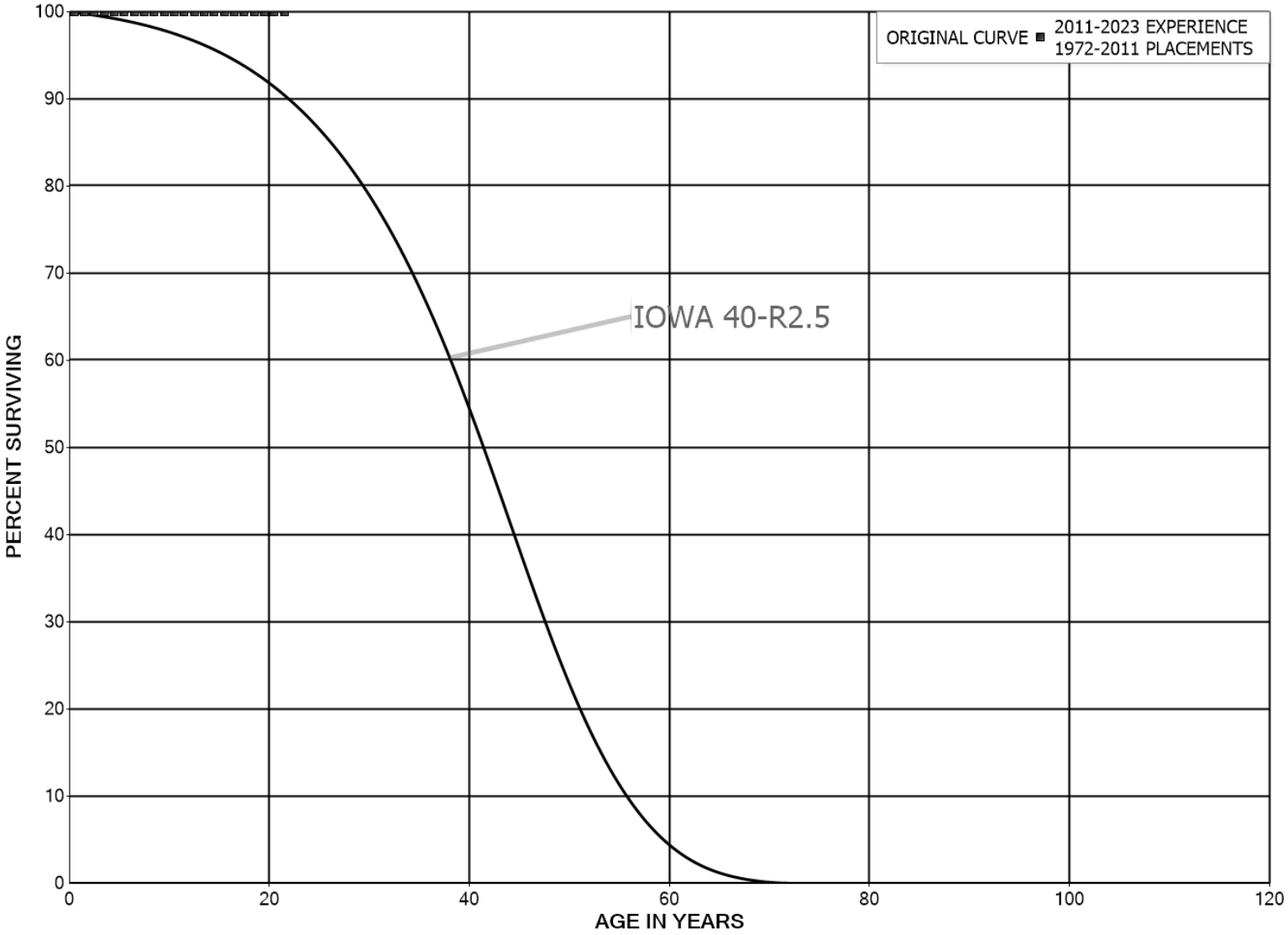
ACCOUNTS 381.4 AND 381.5 PLANT SEWERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1973-2014 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,163		0.0000		
40.5	5,163		0.0000		
41.5	5,163		0.0000		
42.5	5,163		0.0000		
43.5	5,163		0.0000		
44.5	5,163		0.0000		
45.5	5,163		0.0000		
46.5	5,163		0.0000		
47.5	5,163		0.0000		
48.5	5,163		0.0000		
49.5	5,163		0.0000		
50.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 382 OUTFALL LINES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 382 OUTFALL LINES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1972-2011 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	7,619		0.0000	1.0000	100.00
0.5	7,619		0.0000	1.0000	100.00
1.5	7,619		0.0000	1.0000	100.00
2.5	7,619		0.0000	1.0000	100.00
3.5	7,619		0.0000	1.0000	100.00
4.5	7,619		0.0000	1.0000	100.00
5.5	7,619		0.0000	1.0000	100.00
6.5	7,619		0.0000	1.0000	100.00
7.5	27,811		0.0000	1.0000	100.00
8.5	27,811		0.0000	1.0000	100.00
9.5	43,407		0.0000	1.0000	100.00
10.5	43,407		0.0000	1.0000	100.00
11.5	43,407		0.0000	1.0000	100.00
12.5	35,788		0.0000	1.0000	100.00
13.5	35,788		0.0000	1.0000	100.00
14.5	35,788		0.0000	1.0000	100.00
15.5	35,788		0.0000	1.0000	100.00
16.5	347,779		0.0000	1.0000	100.00
17.5	347,779		0.0000	1.0000	100.00
18.5	347,779		0.0000	1.0000	100.00
19.5	347,779		0.0000	1.0000	100.00
20.5	311,991		0.0000	1.0000	100.00
21.5	311,991		0.0000	1.0000	100.00
22.5					100.00
23.5					
24.5					
25.5					
26.5					
27.5					
28.5					
29.5					
30.5					
31.5					
32.5					
33.5					
34.5					
35.5					
36.5					
37.5					
38.5	9,638		0.0000		

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

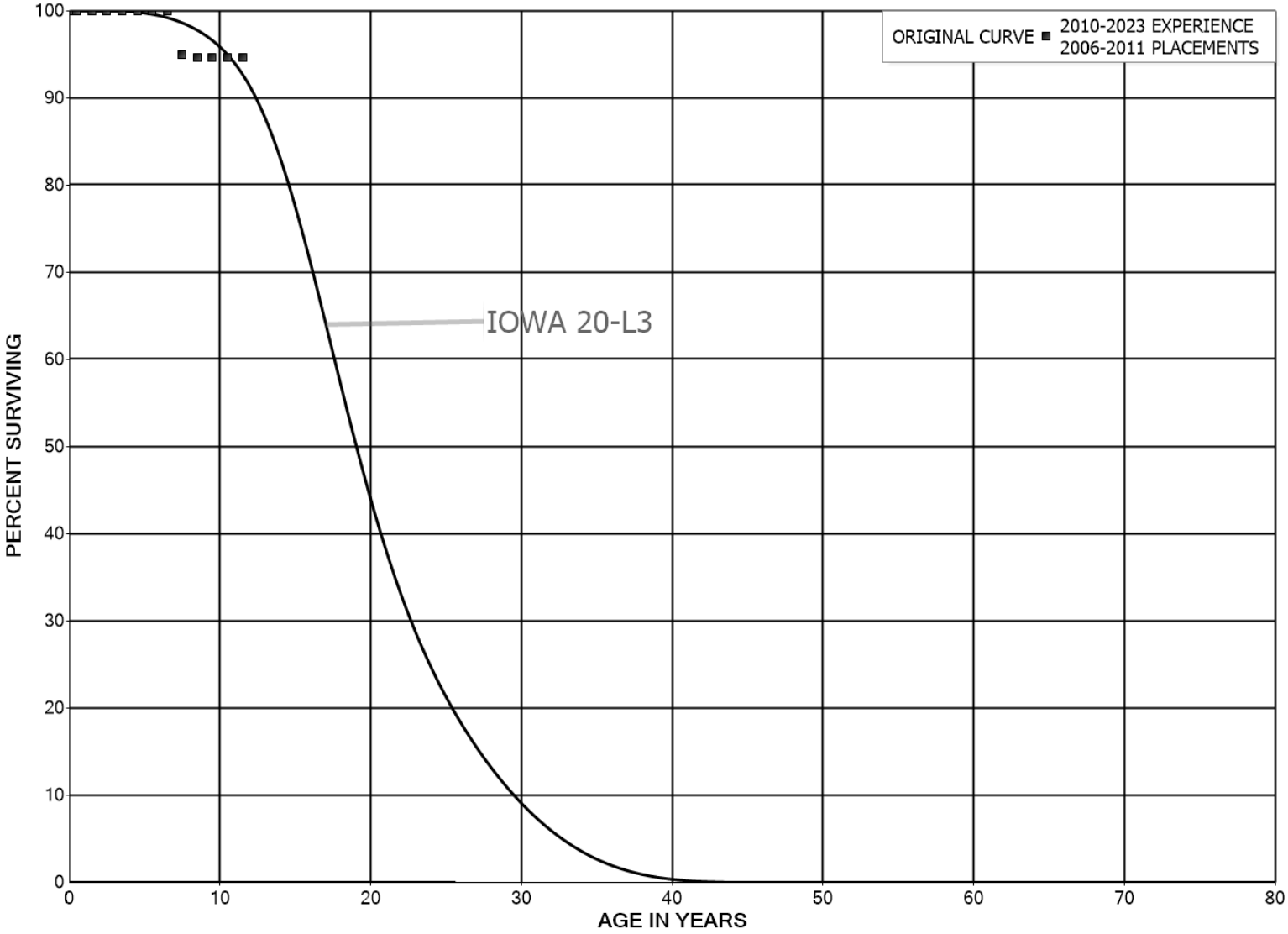
ACCOUNT 382 OUTFALL LINES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1972-2011 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	14,801		0.0000		
40.5	14,801		0.0000		
41.5	14,801		0.0000		
42.5	14,801		0.0000		
43.5	14,801		0.0000		
44.5	14,801		0.0000		
45.5	14,801		0.0000		
46.5	14,801		0.0000		
47.5	14,801		0.0000		
48.5	14,801		0.0000		
49.5	14,801		0.0000		
50.5	9,638		0.0000		
51.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

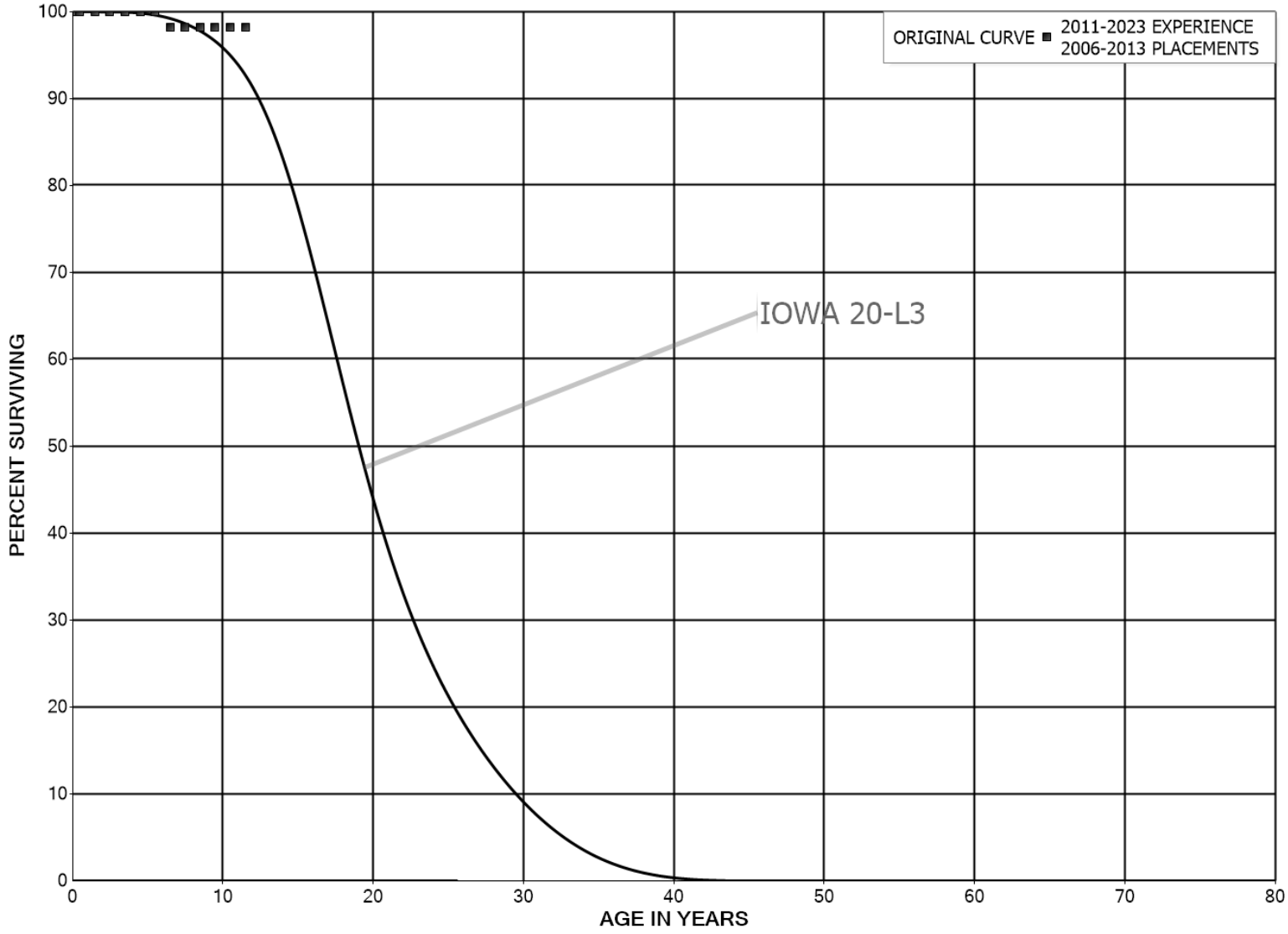
ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 2006-2011 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	358,061		0.0000	1.0000	100.00
0.5	358,061		0.0000	1.0000	100.00
1.5	358,061		0.0000	1.0000	100.00
2.5	358,061		0.0000	1.0000	100.00
3.5	699,183		0.0000	1.0000	100.00
4.5	699,183		0.0000	1.0000	100.00
5.5	699,183		0.0000	1.0000	100.00
6.5	699,183	35,151	0.0503	0.9497	100.00
7.5	664,033	2,624	0.0040	0.9960	94.97
8.5	661,408		0.0000	1.0000	94.60
9.5	661,408		0.0000	1.0000	94.60
10.5	661,408		0.0000	1.0000	94.60
11.5	661,408		0.0000	1.0000	94.60
12.5	659,889		0.0000	1.0000	94.60
13.5	338,498		0.0000	1.0000	94.60
14.5	338,498		0.0000	1.0000	94.60
15.5	338,498		0.0000	1.0000	94.60
16.5	329,059		0.0000	1.0000	94.60
17.5					94.60

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

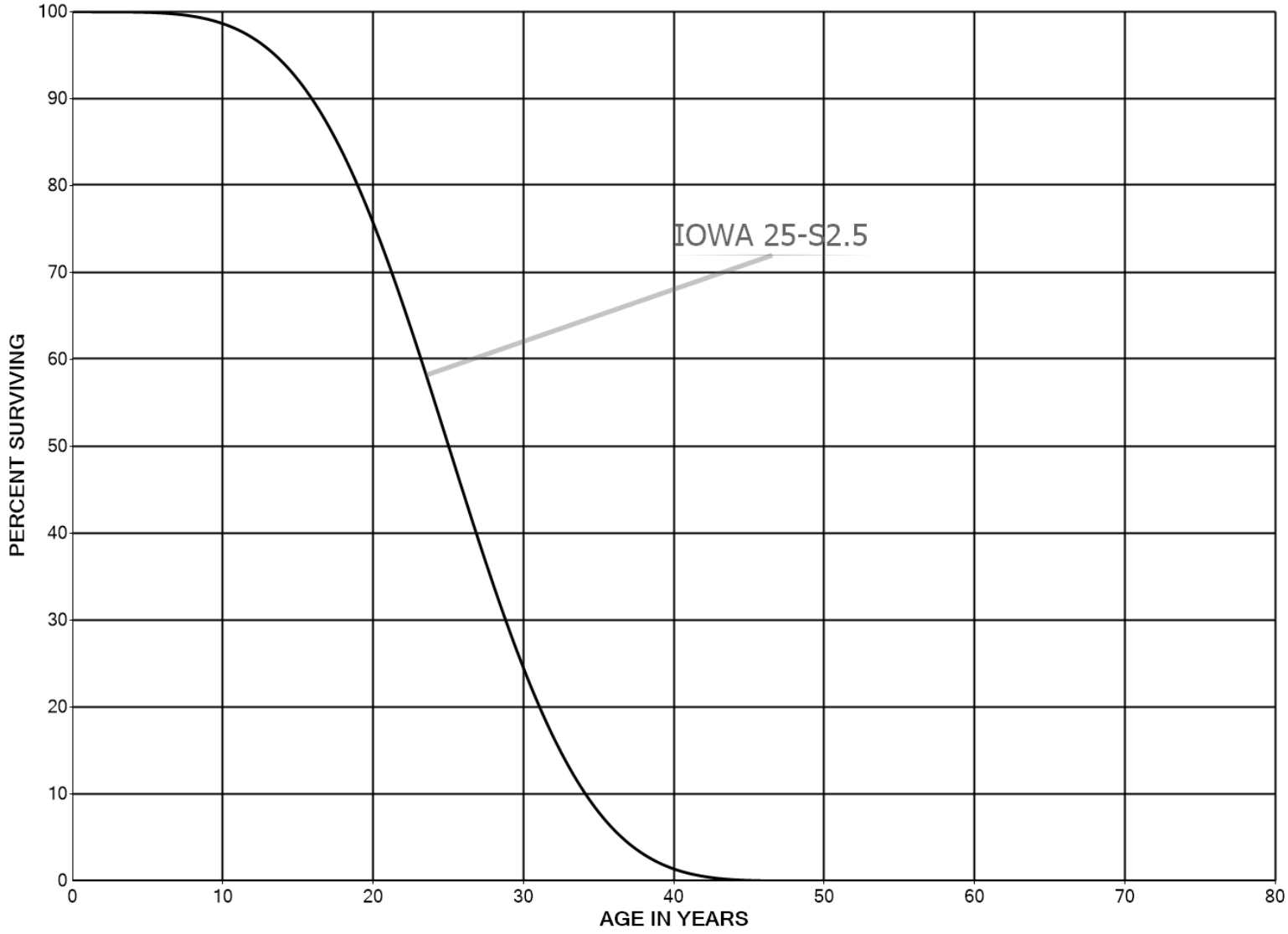
ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING

ORIGINAL LIFE TABLE

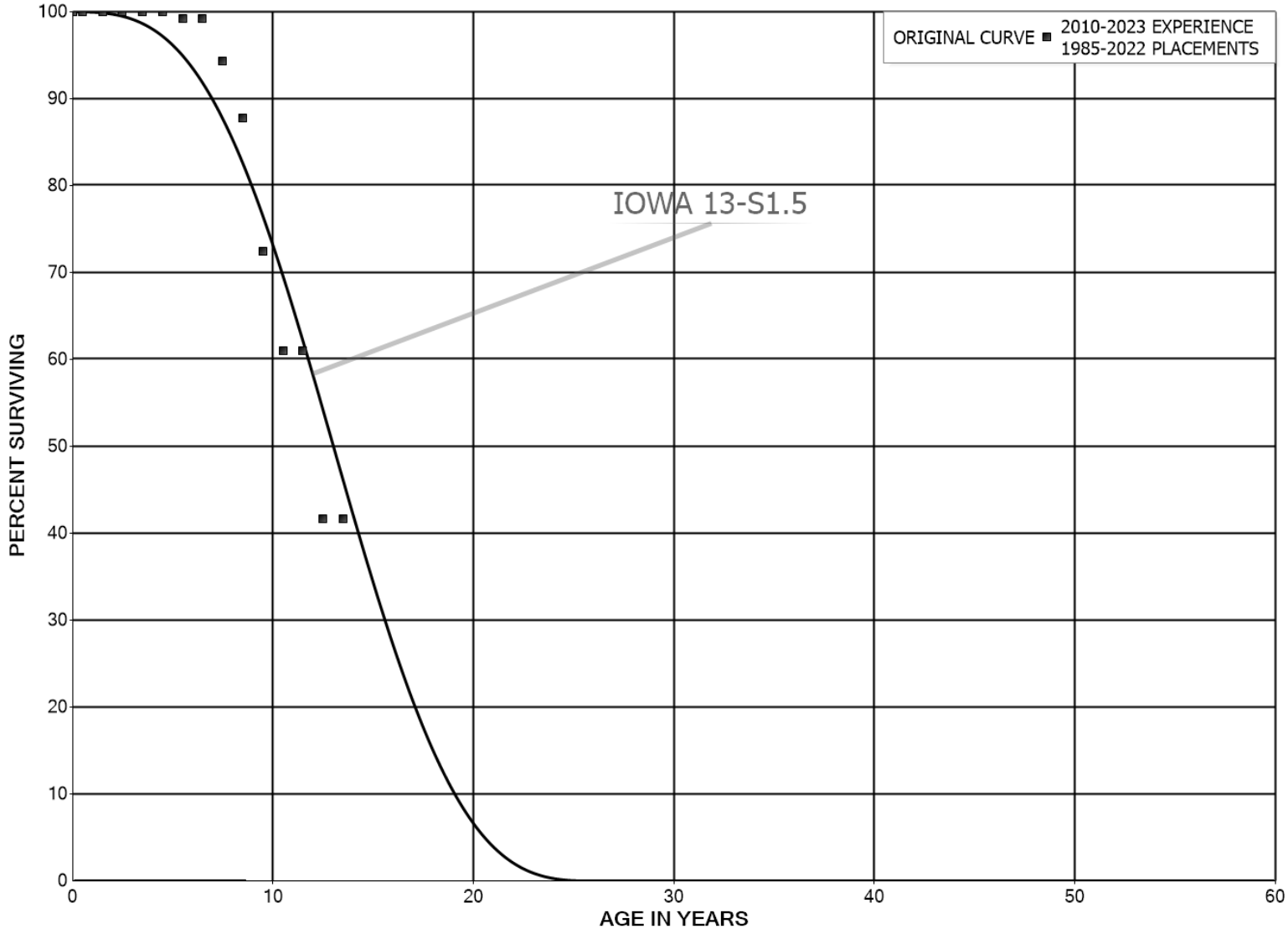
PLACEMENT BAND 2006-2013 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	48,489		0.0000	1.0000	100.00
0.5	48,489		0.0000	1.0000	100.00
1.5	49,019		0.0000	1.0000	100.00
2.5	49,425		0.0000	1.0000	100.00
3.5	51,999		0.0000	1.0000	100.00
4.5	67,029		0.0000	1.0000	100.00
5.5	68,660	1,289	0.0188	0.9812	100.00
6.5	67,371		0.0000	1.0000	98.12
7.5	67,371		0.0000	1.0000	98.12
8.5	67,371		0.0000	1.0000	98.12
9.5	67,371		0.0000	1.0000	98.12
10.5	20,283		0.0000	1.0000	98.12
11.5	20,283		0.0000	1.0000	98.12
12.5	18,882		0.0000	1.0000	98.12
13.5	18,476		0.0000	1.0000	98.12
14.5	17,124		0.0000	1.0000	98.12
15.5	16,105		0.0000	1.0000	98.12
16.5	12,722		0.0000	1.0000	98.12
17.5					98.12

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 389.4 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL
SMOOTH SURVIVOR CURVE



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 391 TRANSPORTATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

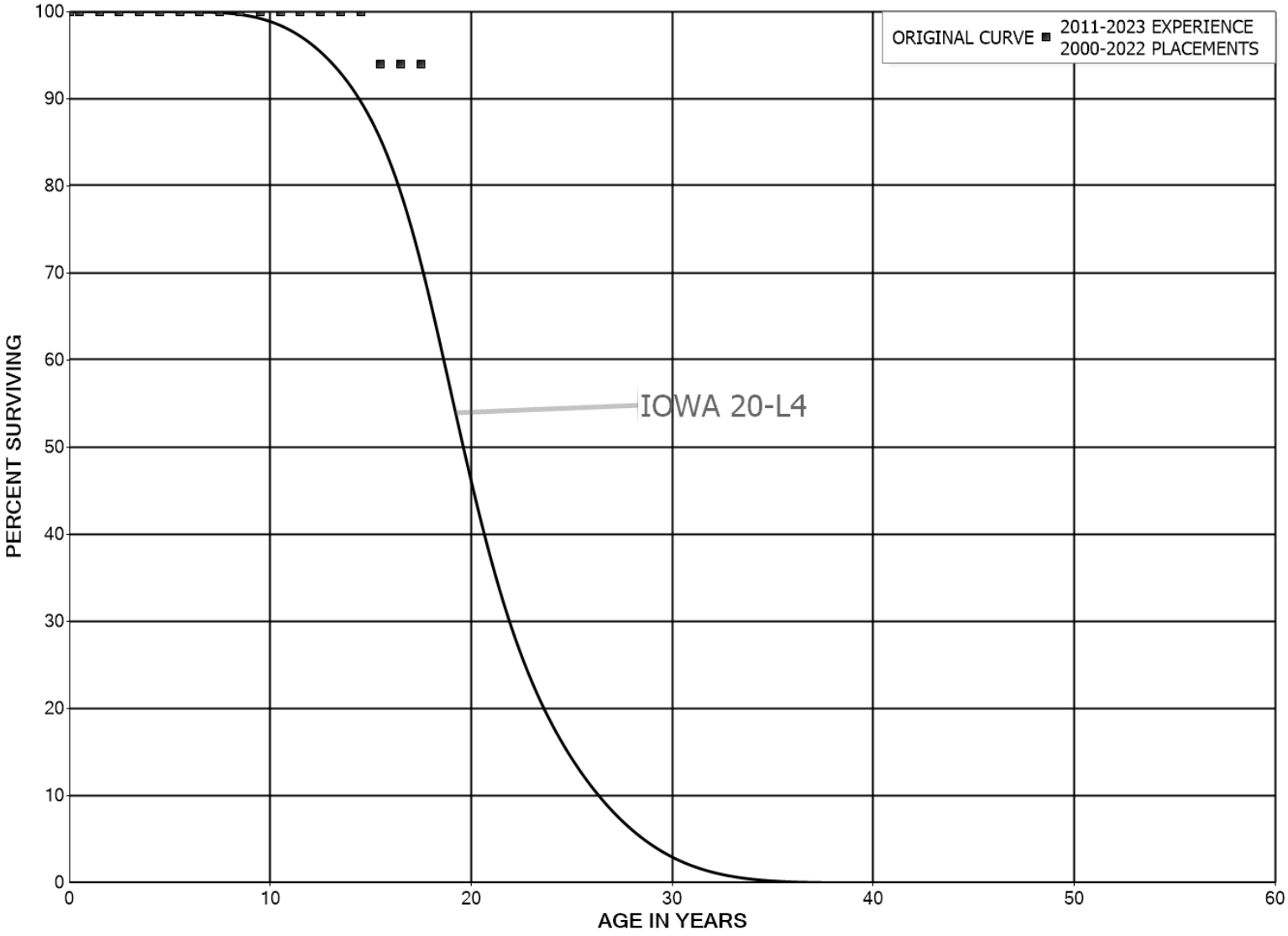
ACCOUNT 391 TRANSPORTATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1985-2022 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,580,889		0.0000	1.0000	100.00
0.5	1,575,873		0.0000	1.0000	100.00
1.5	1,499,519		0.0000	1.0000	100.00
2.5	1,508,503		0.0000	1.0000	100.00
3.5	1,039,635		0.0000	1.0000	100.00
4.5	925,061	7,372	0.0080	0.9920	100.00
5.5	724,350		0.0000	1.0000	99.20
6.5	632,517	31,571	0.0499	0.9501	99.20
7.5	238,613	16,458	0.0690	0.9310	94.25
8.5	234,210	41,072	0.1754	0.8246	87.75
9.5	152,300	23,950	0.1573	0.8427	72.36
10.5	128,350		0.0000	1.0000	60.98
11.5	157,609	49,929	0.3168	0.6832	60.98
12.5	107,681		0.0000	1.0000	41.66
13.5	78,422		0.0000	1.0000	41.66
14.5					41.66
15.5					
16.5					
17.5					
18.5	24,324		0.0000		
19.5	52,257		0.0000		
20.5	199,051		0.0000		
21.5	80,117	21,312	0.2660		
22.5	58,806	46,806	0.7959		
23.5	30,000		0.0000		
24.5	30,000		0.0000		
25.5	30,000		0.0000		
26.5	12,000		0.0000		
27.5	12,000		0.0000		
28.5	12,000		0.0000		
29.5	12,000		0.0000		
30.5	12,000		0.0000		
31.5	12,000		0.0000		
32.5	12,000	12,000	1.0000		
33.5	0		0.0000		
34.5	0		0.0000		
35.5	0	0	0.2500		
36.5	0		0.0000		
37.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
ACCOUNT 395 POWER OPERATED EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 395 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 2000-2022 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	29,400		0.0000	1.0000	100.00
0.5	25,528		0.0000	1.0000	100.00
1.5	23,967		0.0000	1.0000	100.00
2.5	27,734		0.0000	1.0000	100.00
3.5	34,077		0.0000	1.0000	100.00
4.5	40,707		0.0000	1.0000	100.00
5.5	105,643		0.0000	1.0000	100.00
6.5	109,087		0.0000	1.0000	100.00
7.5	148,798		0.0000	1.0000	100.00
8.5	151,782		0.0000	1.0000	100.00
9.5	151,782		0.0000	1.0000	100.00
10.5	149,367		0.0000	1.0000	100.00
11.5	145,908		0.0000	1.0000	100.00
12.5	157,891		0.0000	1.0000	100.00
13.5	154,124		0.0000	1.0000	100.00
14.5	147,781	8,973	0.0607	0.9393	100.00
15.5	132,177		0.0000	1.0000	93.93
16.5	67,241		0.0000	1.0000	93.93
17.5	143,903		0.0000	1.0000	93.93
18.5	113,166		0.0000	1.0000	93.93
19.5	110,182		0.0000	1.0000	93.93
20.5	30,076		0.0000	1.0000	93.93
21.5	30,076	30,076	1.0000		93.93
22.5					

PART VII. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1945	127,114	12,198	114,916	114,916	0.2
1950	93,046	8,744	84,302	199,218	0.4
1955	892,812	81,708	811,104	1,010,322	2.0
1960	134,698	11,919	122,779	1,133,101	2.2
1964	360,521	38,370	322,151	1,455,252	2.8
1965	921,742	84,296	837,446	2,292,698	4.5
1966	3,533,788	403,068	3,130,720	5,423,418	10.6
1968	2,097,060	171,003	1,926,057	7,349,475	14.4
1970	1,562,485	124,771	1,437,714	8,787,189	17.2
1975	1,234,860	97,620	1,137,240	9,924,429	19.4
1976	950,490	113,762	836,728	10,761,157	21.1
1977	158,921	18,853	140,068	10,901,225	21.3
1978	929,730	87,949	841,781	11,743,006	23.0
1979	14,530	2,577	11,953	11,754,959	23.0
1980	4,368,369	309,802	4,058,567	15,813,526	31.0
1982	577,730	38,802	538,928	16,352,454	32.0
1983	4,211	468	3,743	16,356,197	32.0
1984	124,657	9,282	115,375	16,471,572	32.2
1985	3,702,433	256,034	3,446,399	19,917,971	39.0
1986	118,722	12,639	106,083	20,024,054	39.2
1987	961,668	85,414	876,254	20,900,308	40.9
1988	1,768,745	150,350	1,618,395	22,518,703	44.1
1989	46,739	2,668	44,071	22,562,774	44.2
1990	670,465	38,243	632,222	23,194,996	45.4
1991	1,534,815	137,742	1,397,073	24,592,069	48.1
1992	2,510,514	136,958	2,373,556	26,965,625	52.8
1993	326,334	29,353	296,981	27,262,606	53.4
1994	348,738	27,563	321,175	27,583,781	54.0
1995	3,980,745	198,795	3,781,950	31,365,731	61.4
1996	1,820,075	92,802	1,727,273	33,093,004	64.8
1997	544,953	25,682	519,271	33,612,275	65.8
1998	887,796	40,513	847,283	34,459,558	67.5
1999	1,903,805	87,798	1,816,007	36,275,565	71.0
2000	1,164,145	49,643	1,114,502	37,390,067	73.2
2001	232,249	9,198	223,051	37,613,118	73.6
2002	2,551,086	119,747	2,431,339	40,044,457	78.4
2003	2,715,100	103,647	2,611,453	42,655,910	83.5
2004	768,699	27,898	740,801	43,396,711	85.0
2005	1,175,303	58,677	1,116,626	44,513,337	87.1
2006	179,865	6,039	173,826	44,687,163	87.5
2011	680,734	16,836	663,898	45,351,061	88.8
2012	46,138	951	45,187	45,396,248	88.9
2014	2,236,561	44,237	2,192,324	47,588,572	93.2
2015	55,151	1,003	54,148	47,642,720	93.3
2016	713,713	11,468	702,245	48,344,965	94.6

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2017	20,227	1,183	19,044	48,364,009	94.7
2018	166,851	2,127	164,724	48,528,733	95.0
2019	49,368	487	48,881	48,577,614	95.1
2020	404,774	3,804	400,970	48,978,584	95.9
2021	591,112	9,349	581,763	49,560,347	97.0
2022	400,702	5,524	395,178	49,955,525	97.8
2023	506,034	12,088	493,946	50,449,471	98.8
2024	632,615	3,094	629,521	51,078,992	100.0
TOTAL	54,503,738	3,424,746	51,078,992		

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2023	56,318	1,266	55,052	55,052	100.0
TOTAL	56,318	1,266	55,052		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2023	12,747.68	576	319	12,429	31.72	392
2024	16,874.86	253	141	16,734	32.72	511
	29,622.54	829	460	29,163		903

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.3 3.05

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1964	322,751.81	269,465	32,350	290,402	11.96	24,281
1965	151,990.52	126,608	15,200	136,791	11.93	11,466
1978	357,025.68	258,986	31,092	325,934	17.60	18,519
1980	418,803.84	296,346	35,577	383,227	18.39	20,839
1985	324,293.71	211,375	25,376	298,918	21.10	14,167
1987	603,282.63	380,068	45,629	557,654	22.02	25,325
1988	844,618.74	520,961	62,543	782,076	22.67	34,498
1993	242,094.63	134,217	16,113	225,982	25.32	8,925
2002	231,853.30	99,117	11,899	219,954	30.13	7,300
2005	327,998.18	124,705	14,972	313,026	31.78	9,850
2020	46,585.03	4,845	582	46,003	38.79	1,186
2021	280,134.86	23,139	2,777	277,358	38.87	7,136
2022	65,054.26	3,936	473	64,581	38.82	1,664
2024	1,649.72	23	3	1,647	35.86	46
	4,218,136.91	2,453,791	294,586	3,923,551		185,202

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.2 4.39

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1966	2,342,141.27	2,041,410	303,480	2,038,661	8.62	236,504
1975	105,667.03	85,780	12,752	92,915	11.48	8,094
1976	950,489.89	765,239	113,762	836,728	11.74	71,272
1977	158,920.95	126,819	18,853	140,068	12.02	11,653
1978	23,794.60	18,810	2,796	20,999	12.32	1,704
1983	4,211.01	3,146	468	3,743	14.06	266
1984	26,683.63	19,669	2,924	23,760	14.45	1,644
1985	86,349.34	62,759	9,330	77,019	14.85	5,186
1986	118,721.53	85,016	12,639	106,083	15.26	6,952
1987	123,455.93	87,506	13,009	110,447	15.41	7,167
1988	230,007.43	160,361	23,840	206,167	15.85	13,007
1991	1,217,352.38	807,470	120,039	1,097,313	17.01	64,510
1999	97,953.30	54,697	8,132	89,821	20.16	4,455
2023	16,871.08	714	106	16,765	33.96	494
2024	11,771.37	167	25	11,747	34.83	337
	5,514,390.74	4,319,563	642,155	4,872,236		433,245

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.2 7.86

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R2.5						
NET SALVAGE PERCENT.. 0						
2024	256.35	3	3	254	43.75	6
	256.35	3	3	254		6

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 42.3 2.34

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
2022	2,290.89	132	53	2,238	40.98	55
2024	53.66	1	0	54	41.87	1
	2,344.55	133	53	2,291		56

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.9 2.39

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	24,315.64	1,396	999	23,317	24.61	947
2024	1,696.25	33	24	1,672	25.07	67
	26,011.89	1,429	1,023	24,989		1,014

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.6 3.90

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1965	1,371.57	1,372	1,372			
1978	19,699.52	19,329	6,885	12,815	0.89	12,815
1985	24,453.83	22,894	8,154	16,300	2.69	6,059
1987	17,421.69	16,072	5,724	11,698	3.15	3,714
1988	22,377.69	20,502	7,302	15,076	3.34	4,514
1993	13,140.76	11,342	4,040	9,101	5.00	1,820
2002	30,361.13	21,380	7,615	22,746	9.45	2,407
2005	30,999.83	19,648	6,998	24,002	11.27	2,130
2021	22,754.34	2,994	1,067	21,687	23.10	939
2022	44,799.50	4,247	1,513	43,286	23.88	1,813
2024	3,446.46	68	24	3,423	25.07	137
	230,826.32	139,848	50,694	180,132		36,348

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.0 15.75

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 355.4 POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2024	31,089.64	609	569	30,521	25.07	1,217
	31,089.64	609	569	30,521		1,217

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 25.1 3.91

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1965	352,748.27	270,770	29,820	322,928	18.02	17,921
1978	112,013.43	71,879	7,916	104,097	25.96	4,010
1987	114,739.65	61,959	6,824	107,916	31.94	3,379
1989	46,739.43	24,225	2,668	44,071	32.99	1,336
1999	208,738.73	80,907	8,910	199,829	40.29	4,960
2001	232,248.57	83,517	9,198	223,051	41.86	5,328
2002	291,108.03	100,199	11,035	280,073	42.86	6,535
2004	164,197.97	52,182	5,747	158,451	44.01	3,600
2011	168,720.44	35,988	3,963	164,757	49.79	3,309
2016	153,957.52	21,061	2,319	151,639	53.61	2,829
2019	49,368.37	4,423	487	48,881	55.85	875
2021	31,683.21	1,819	201	31,483	57.48	548
	1,926,263.62	808,929	89,088	1,837,176		54,630

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 33.6 2.84

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1945	123,009.33	109,528	11,785	111,224	9.79	11,361
1950	89,390.35	77,913	8,384	81,006	10.97	7,384
1955	835,595.47	708,501	76,236	759,359	12.47	60,895
1960	121,277.78	99,351	10,690	110,588	14.24	7,766
1965	361,250.62	281,559	30,296	330,955	16.84	19,653
1966	1,151,192.46	888,951	95,652	1,055,540	17.26	61,155
1968	2,029,431.39	1,536,483	165,327	1,864,104	18.13	102,819
1970	1,474,869.89	1,093,174	117,627	1,357,243	19.03	71,321
1975	1,027,482.35	717,183	77,170	950,312	21.42	44,366
1978	276,408.91	183,812	19,778	256,631	23.43	10,953
1980	3,595,053.34	2,319,528	249,584	3,345,469	24.47	136,717
1982	479,676.46	299,702	32,248	447,428	25.52	17,532
1984	93,453.42	56,390	6,068	87,385	26.62	3,283
1985	2,668,314.81	1,580,977	170,115	2,498,200	27.17	91,947
1988	427,851.34	237,372	25,541	402,310	29.29	13,735
1990	621,224.97	330,057	35,515	585,710	30.44	19,241
1991	298,478.87	154,970	16,675	281,804	31.02	9,085
1992	2,510,513.65	1,272,830	136,958	2,373,556	31.60	75,113
1994	211,555.85	101,293	10,899	200,657	33.20	6,044
1995	3,582,939.25	1,670,008	179,695	3,403,244	33.79	100,717
1996	1,623,186.01	735,628	79,154	1,544,032	34.39	44,898
1997	499,129.91	219,617	23,631	475,499	35.00	13,586
1998	802,049.53	342,154	36,816	765,234	35.61	21,489
1999	1,508,853.66	623,307	67,069	1,441,785	36.23	39,795
2000	1,027,950.39	410,563	44,177	983,773	36.85	26,697
2002	1,728,153.54	641,491	69,025	1,659,129	38.11	43,535
2003	2,520,021.85	899,396	96,776	2,423,246	38.74	62,552
2004	567,634.82	194,358	20,913	546,722	39.38	13,883
2005	678,250.02	222,195	23,908	654,342	40.02	16,350
2006	176,397.63	55,142	5,933	170,465	40.67	4,191
2011	488,985.24	114,863	12,360	476,625	43.97	10,840
2014	2,057,771.50	382,334	41,140	2,016,632	46.00	43,840
2015	55,150.52	9,326	1,003	54,148	46.68	1,160
2016	531,738.91	81,356	8,754	522,985	47.06	11,113
2018	161,894.95	19,265	2,073	159,822	48.14	3,320
2020	343,116.39	28,890	3,109	340,007	48.97	6,943
2021	78,861.56	5,221	562	78,300	49.41	1,585

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2022	241,708.84	11,650	1,253	240,456	49.32	4,875
2023	149,405.26	4,422	476	148,929	49.26	3,023
2024	120,166.00	1,250	134	120,032	47.35	2,535
	37,339,397.04	18,722,010	2,014,509	35,324,888		1,247,297
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					28.3	3.34

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1945	4,104.65	3,785	413	3,692	6.71	550
1950	3,655.70	3,295	360	3,296	8.15	404
1955	57,216.50	50,104	5,472	51,744	9.87	5,243
1960	13,419.92	11,253	1,229	12,191	12.42	982
1965	14,341.98	11,435	1,249	13,093	15.13	865
1966	35,840.02	28,095	3,069	32,771	16.13	2,032
1968	67,629.07	51,966	5,676	61,953	17.03	3,638
1970	87,615.10	65,413	7,144	80,471	18.50	4,350
1975	101,710.35	70,485	7,698	94,012	21.93	4,287
1978	18,340.29	12,110	1,323	17,017	23.92	711
1980	354,512.15	225,612	24,641	329,871	25.43	12,972
1982	98,053.53	60,009	6,554	91,500	26.94	3,396
1984	4,520.02	2,654	290	4,230	28.47	149
1985	527,244.26	302,006	32,985	494,259	29.46	16,777
1988	46,412.85	24,905	2,720	43,693	31.52	1,386
1990	49,239.62	24,974	2,728	46,512	33.52	1,388
1991	18,983.70	9,412	1,028	17,956	34.07	527
1994	45,297.36	20,447	2,233	43,064	37.07	1,162
1995	397,805.71	174,875	19,100	378,706	37.61	10,069
1996	154,781.65	65,720	7,178	147,604	38.62	3,822
1997	45,822.98	18,778	2,051	43,772	39.61	1,105
1998	85,746.61	33,853	3,697	82,050	40.62	2,020
1999	88,259.02	33,759	3,687	84,572	41.17	2,054
2000	136,194.46	50,051	5,466	130,728	42.17	3,100
2002	134,655.69	45,446	4,964	129,692	44.17	2,936
2003	195,078.48	62,913	6,871	188,207	45.17	4,167
2004	36,865.78	11,336	1,238	35,628	46.17	772
2005	23,469.23	6,909	755	22,714	46.73	486
2006	3,467.28	969	106	3,361	47.72	70
2011	23,028.26	4,693	513	22,515	52.73	427
2012	46,137.85	8,711	951	45,187	53.72	841
2014	178,789.27	28,356	3,097	175,692	55.72	3,153
2016	28,016.62	3,620	395	27,622	57.29	482
2018	4,956.50	490	54	4,902	59.29	83
2020	15,072.53	1,031	113	14,960	61.29	244
2022	15,536.47	590	64	15,472	63.29	244
2023	89,665.19	2,044	223	89,442	64.29	1,391
	3,251,486.65	1,532,104	167,335	3,084,152		98,285

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 31.4 3.02

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1966	4,614.21	4,292	867	3,747	4.39	854
1979	14,530.39	12,761	2,577	11,953	6.31	1,894
1988	48,676.20	39,973	8,071	40,605	7.95	5,108
1994	91,884.31	71,468	14,431	77,453	8.71	8,892
1996	42,107.76	32,044	6,470	35,638	8.95	3,982
2017	20,227.38	5,856	1,183	19,044	18.41	1,034
2024	25,749.99	515	104	25,646	24.56	1,044
	247,790.24	166,909	33,703	214,088		22,808

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.4 9.20

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1964	37,768.86	34,732	6,020	31,749	5.29	6,002
1965	40,038.56	36,687	6,359	33,680	5.44	6,191
1978	122,448.00	104,767	18,159	104,289	7.85	13,285
1985	71,776.65	58,125	10,074	61,703	9.28	6,649
1987	102,768.32	82,091	14,228	88,540	9.45	9,369
1988	148,800.45	117,314	20,333	128,467	9.80	13,109
1993	71,098.60	53,082	9,200	61,899	10.69	5,790
2002	134,954.64	87,748	15,209	119,746	12.10	9,896
2005	114,585.95	69,485	12,044	102,542	12.66	8,100
2021	177,678.03	27,362	4,742	172,936	19.23	8,993
2023	64,791.80	4,451	772	64,020	20.33	3,149
2024	408,255.25	9,716	1,684	406,572	20.55	19,785
	1,494,965.11	685,560	118,824	1,376,141		110,318

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.5 7.38

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 371.5 PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
2024	111.80	3	3	109	20.55	5
	111.80	3	3	109		5

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.8 4.47

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 393 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2022	31,312.16	3,914	2,168	29,144	17.50	1,665
2023	51,732.99	3,880	2,150	49,583	18.50	2,680
	83,045.15	7,794	4,318	78,727		4,345

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.1 5.23

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2023	87,013.58	8,701	5,972	81,042	13.50	6,003
2024	3,397.25	113	77	3,320	14.50	229
	90,410.83	8,814	6,049	84,362		6,232

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.5 6.89

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2023	9,490.47	1,424	1,071	8,419	8.50	990
2024	8,096.00	405	304	7,792	9.50	820
	17,586.47	1,829	1,375	16,211		1,810
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					9.0	10.29

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2023	38,308.00	1,402	932	37,376	49.41	756
	38,308.00	1,402	932	37,376		756

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.4 1.97

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
2023	18,010.00	513	335	17,675	63.91	277
	18,010.00	513	335	17,675		277
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					63.8	1.54

PART VIII. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2020 TRANSACTION YEAR				
2021 TRANSACTION YEAR				
2022 TRANSACTION YEAR				
2023 TRANSACTION YEAR				
354.30	4.01			
355.30	3,960.39			
	3,964.40			
2024 TRANSACTION YEAR				
354.20	148.99	49.61		49.61-
354.30	235.34	19.22		19.22-
354.40	1,614.68	261.43		261.43-
354.70	6.00			
355.20	7.49			
355.30	46.05			
355.40	795.32			
361.20	726.46	3.56		3.56-
364.20	678.17			
371.30	27,921.43	1,167.29		1,167.29-
371.50	2,192.78			
	34,372.71	1,501.11		1,501.11-
TOTAL	38,337.11	1,501.11		1,501.11-

Exhibit No. 6-D, Part 3
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

LOWER MAKEFIELD WASTEWATER OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2025

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-D, Part 3
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

LOWER MAKEFIELD WASTEWATER OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2025 for the Lower Makefield Wastewater Operations. The results of our study as of December 31, 2024 are presented in our report titled "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2024". The same methods, procedures and estimates are used in both studies.

Summaries of the original cost, annual accruals, book depreciation reserve and amortization of net salvage are presented in Tables 1 through 4, beginning on page I-3 of the attached report.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

JJS:mle

077367.100

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

SUMMARY OF RESULTS

Tables 1 through 4 presented on pages I-3 through I-7 summarize the results of the depreciation study as of December 31, 2025 for the Lower Makefield Wastewater Operations system. Table 1 sets forth, by depreciable group, the estimated survivor curve, original cost, book depreciation reserve as of December 31, 2025, future book accruals, calculated annual accrual amount and rate, and composite remaining life for plant in service. Table 2 presents the bringforward of the book reserve to December 31, 2025. Table 3 sets forth the calculation of the depreciation accruals for the twelve months ended December 31, 2025. Table 4 presents the annual amortization of experienced and estimated net salvage based on the period 2021 through 2025.

DESCRIPTION OF DETAILED TABULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-6. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage and cost of removal are set forth by account for the years 2021 through 2025, on page III-2.

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	665,281.75					
TOTAL INTANGIBLE PLANT		665,281.75					
NONDEPRECIABLE PLANT							
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	628.19					
TOTAL NONDEPRECIABLE PLANT		628.19					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	40-S1.5	29,622.54	1,373	28,250	902	3.04	31.3
PUMPING	55-R2	4,218,136.91	479,766	3,738,371	179,965	4.27	20.8
TREATMENT AND DISPOSAL	45-S1	5,514,390.74	1,075,638	4,438,753	400,229	7.26	11.1
RECLAIMED WATER TREATMENT	60-R2.5	256.35	9	248	5	1.95	49.6
GENERAL	50-R3	2,344.55	109	2,235	55	2.35	40.6
TOTAL ACCOUNT 354		9,764,751.09	1,556,894	8,207,857	581,156		
355.00 POWER GENERATING EQUIPMENT							
COLLECTION	30-R3	26,011.89	2,038	23,974	1,002	3.85	23.9
PUMPING	30-R3	230,826.32	87,049	143,777	26,265	11.38	5.5
TREATMENT AND DISPOSAL	30-R3	31,089.64	1,785	29,305	1,191	3.83	24.6
TOTAL ACCOUNT 355		287,927.85	90,871	197,056	28,458		
360.00 COLLECTION MAINS - FORCE	70-R3	1,926,263.62	143,793	1,782,470	53,808	2.79	33.1
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	37,942,702.72	3,267,975	34,674,728	1,235,099	3.26	28.1
363.00 SERVICES	70-R4	3,251,486.65	265,530	2,985,957	97,273	2.99	30.7
364.00 METERS	30-L2.5	247,790.24	56,499	191,291	20,367	8.22	9.4
371.00 PUMPING EQUIPMENT							
PUMPING	30-L1.5	1,494,965.11	229,385	1,265,580	101,172	6.77	12.5
RECLAIMED WATER TREATMENT	30-L1.5	111.80	8	104	5	4.47	20.8
TOTAL ACCOUNT 371		1,495,076.91	229,393	1,265,684	101,177		
393.00 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	83,045.15	8,661	74,384	4,345	*	17.1
395.00 POWER OPERATED EQUIPMENT	20-L4	33,507.55	0	33,508	1,824	*	18.4
COMMUNICATION EQUIPMENT							
396.00 GENERAL	15-SQ	286,525.97	19,035	267,491	19,281	*	13.9
396.70 SCADA	10-SQ	484,948.33	27,231	457,717	48,465	*	9.4
TOTAL ACCOUNT 396		771,474.30	46,265	725,208	67,746		
TOTAL DEPRECIABLE PLANT		**55,804,026.08**	**5,665,883**	**50,138,143**	**2,191,253**		
TOTAL WASTEWATER PLANT IN SERVICE		**56,469,936.02**	**5,665,883**	**50,138,143**	**2,191,253**		

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	38,308.00	1,686	36,622	740	1.93	49.5
363.00 SERVICES	70-R4	18,010.00	612	17,398	277	1.54	62.8
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**56,318.00**	**2,299**	**54,020**	**1,017**		
AMORTIZATION OF NET SALVAGE					**303**		
TOTAL WASTEWATER PLANT		**56,413,618.02**	**5,663,584**	**50,084,123**	**2,190,539**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2024

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2024		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		BOOK RESERVE AS OF DECEMBER 31, 2025
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	=	(8)
354.20	460		903		10								1,373
354.30	294,586		185,176		4								479,766
354.40	642,155		433,431		52								1,075,638
354.50	3		6										9
354.70	53		56										109
355.20	1,023		1,014										2,038
355.30	50,694		36,355										87,049
355.40	569		1,216										1,785
360.00	89,088		54,706										143,793
361.00	2,014,509		1,257,211		1		3,728				18		3,267,975
363.00	167,335		98,195										265,530
364.00	33,703		22,797										56,499
371.30	118,824		110,328		233								229,385
371.50	3		5										8
393.00	4,318		4,343										8,661
395.00	0												0
396.00	6,049		12,985										19,035
396.70	1,375		25,855										27,231
SUBTOTAL	**3,424,745**		**2,244,584**		**300**		**3,728**		**0**		**18**		**5,665,883**
LESS:													
CUSTOMERS' ADVANCES AND CONTRIBUTIONS													
361.00	(932)		(755)										(1,686)
363.00	(335)		(277)										(612)
SUBTOTAL	**(1,266)**		**(1,032)**		**0**		**0**		**0**		**0**		**(2,299)**
TOTAL	**3,423,479**		**2,243,552**		**300**		**3,728**		**0**		**18**		**5,663,584**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2024

	ACCOUNT	ORIGINAL COST AS OF DECEMBER 31, 2024	ORIGINAL COST AS OF DECEMBER 31, 2025	COMPOSITE ACCRUAL RATE		ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)		(5)
UTILITY PLANT IN SERVICE						
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	29,622.54	29,622.54	3.05		903
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	4,218,136.91	4,218,136.91	4.39		185,176
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	5,514,390.74	5,514,390.74	7.86		433,431
354.50	STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT	256.35	256.35	2.34		6
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	2,344.55	2,344.55	2.39		56
355.20	POWER GENERATING EQUIPMENT - COLLECTION	26,011.89	26,011.89	3.90		1,014
355.30	POWER GENERATING EQUIPMENT - PUMPING	230,826.32	230,826.32	15.75		36,355
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	31,089.64	31,089.64	3.91		1,216
360.00	COLLECTION MAINS - FORCE	1,926,263.62	1,926,263.62	2.84		54,706
361.00	COLLECTION MAINS - GRAVITY	37,339,397.04	37,942,702.72	3.34		1,257,211
363.00	SERVICES	3,251,486.65	3,251,486.65	3.02		98,195
364.00	METERS	247,790.24	247,790.24	9.20		22,797
371.30	PUMPING EQUIPMENT - PUMPING	1,494,965.11	1,494,965.11	7.38		110,328
371.50	PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT	111.80	111.80	4.47		5
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	83,045.15	83,045.15	5.00	*	4,343
395.70	POWER OPERATED EQUIPMENT	0.00	33,507.55	-	*	0
396.00	COMMUNICATION EQUIPMENT - GENERAL	90,410.83	286,525.97	6.67	*	12,985
396.70	COMMUNICATION EQUIPMENT - SCADA	17,586.47	484,948.33	10.00	*	25,855
	TOTAL UTILITY PLANT IN SERVICE	**54,503,735.85**	**55,804,026.08**			**2,244,584**
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION						
361.20	COLLECTION MAINS - GRAVITY	38,308.00	38,308.00	1.97		755
363.20	SERVICES	18,010.00	18,010.00	1.54		277
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**56,318.00**	**56,318.00**			**1,032**
	TOTAL PLANT IN SERVICE	**54,447,417.85**	**55,747,708.08**			**2,243,552**

* ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2021		2022		2023		2024		2025			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
354.20								50			(50)	(10)
354.30								19			(19)	(4)
354.40								261			(261)	(52)
354.50												
360.00												
361.00								4		18	(22)	(4)
363.00												
371.30								1,167			(1,167)	(233)
380.00												
391.70												
396.70												
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,501**	**-**	**18**	**(1,519)**	**(303)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1945	123,386	18,807	104,579	104,579	0.2
1950	93,046	13,902	79,144	183,723	0.4
1955	892,812	129,979	762,833	946,556	1.9
1960	134,698	18,971	115,727	1,062,283	2.1
1964	360,521	63,121	297,400	1,359,683	2.7
1965	921,742	135,223	786,519	2,146,202	4.3
1966	3,533,788	664,636	2,869,152	5,015,354	10.0
1968	2,097,060	273,380	1,823,680	6,839,034	13.6
1970	1,562,485	199,474	1,363,011	8,202,045	16.4
1975	1,234,860	157,265	1,077,595	9,279,640	18.5
1976	950,490	190,400	760,090	10,039,730	20.0
1977	158,921	31,572	127,349	10,167,079	20.3
1978	929,730	146,593	783,137	10,950,216	21.8
1979	14,530	4,269	10,261	10,960,477	21.9
1980	4,368,369	497,340	3,871,029	14,831,506	29.6
1982	577,730	62,279	515,451	15,346,957	30.6
1983	4,211	786	3,425	15,350,382	30.6
1984	124,657	15,157	109,500	15,459,882	30.8
1985	3,702,433	416,003	3,286,430	18,746,312	37.4
1986	118,722	21,292	97,430	18,843,742	37.6
1987	961,668	143,011	818,657	19,662,399	39.2
1988	1,768,745	251,108	1,517,637	21,180,036	42.2
1989	46,739	4,267	42,472	21,222,508	42.3
1990	670,465	61,845	608,620	21,831,128	43.5
1991	1,534,815	231,775	1,303,040	23,134,168	46.1
1992	2,510,514	222,151	2,288,363	25,422,531	50.7
1993	326,334	50,330	276,004	25,698,535	51.3
1994	348,738	45,361	303,377	26,001,912	51.9
1995	3,980,745	322,659	3,658,086	29,659,998	59.2
1996	1,820,075	151,198	1,668,877	31,328,875	62.5
1997	544,953	41,834	503,119	31,831,994	63.5
1998	887,796	66,072	821,724	32,653,718	65.1
1999	1,903,805	143,887	1,759,918	34,413,636	68.6
2000	1,164,145	81,158	1,082,987	35,496,623	70.8
2001	232,249	14,919	217,330	35,713,953	71.2
2002	2,551,086	200,876	2,350,210	38,064,163	75.9
2003	2,715,100	170,530	2,544,570	40,608,733	81.0
2004	768,699	45,911	722,788	41,331,521	82.4
2005	1,175,303	100,518	1,074,785	42,406,306	84.6
2006	179,865	10,021	169,844	42,576,150	84.9
2011	680,734	28,419	652,315	43,228,465	86.2
2012	46,138	1,586	44,552	43,273,017	86.3
2014	2,236,561	76,217	2,160,344	45,433,361	90.6
2015	55,151	1,746	53,405	45,486,766	90.7
2016	713,713	20,040	693,673	46,180,439	92.1

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2017	20,227	2,184	18,043	46,198,482	92.1
2018	166,851	3,842	163,009	46,361,491	92.5
2019	49,368	896	48,472	46,409,963	92.6
2020	404,774	7,279	397,495	46,807,458	93.4
2021	591,112	20,365	570,747	47,378,205	94.5
2022	400,702	11,502	389,200	47,767,405	95.3
2023	506,034	27,119	478,915	48,246,320	96.2
2024	632,615	14,304	618,311	48,864,631	97.5
2025	1,304,019	30,503	1,273,516	50,138,147	100.0
TOTAL	55,804,029	5,665,882	50,138,147		

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2023	56,318	2,299	54,019	54,019	100.0
TOTAL	56,318	2,299	54,019		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2023	12,747.68	956	764	11,984	30.83	389
2024	16,874.86	763	609	16,266	31.72	513
	29,622.54	1,719	1,373	28,250		902

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 31.3 3.04

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1964	322,751.81	271,951	52,052	270,700	11.49	23,560
1965	151,990.52	126,897	24,288	127,703	11.96	10,678
1978	357,025.68	262,842	50,309	306,717	17.02	18,021
1980	418,803.84	299,193	57,266	361,538	18.19	19,876
1985	324,293.71	215,396	41,228	283,066	20.48	13,822
1987	603,282.63	387,911	74,247	529,036	21.38	24,744
1988	844,618.74	532,110	101,848	742,771	22.02	33,732
1993	242,094.63	137,703	26,357	215,738	24.64	8,756
2002	231,853.30	102,433	19,606	212,247	29.69	7,149
2005	327,998.18	129,756	24,836	303,162	31.32	9,680
2020	46,585.03	5,814	1,113	45,472	38.56	1,179
2021	280,134.86	29,134	5,576	274,559	38.79	7,078
2022	65,054.26	5,373	1,028	64,026	38.87	1,647
2024	1,649.72	62	12	1,638	38.18	43
	4,218,136.91	2,506,575	479,766	3,738,371		179,965

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.8 4.27

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
1966	2,342,141.27	2,048,437	505,466	1,836,675	8.53	215,319
1975	105,667.03	86,446	21,331	84,336	11.23	7,510
1976	950,489.89	771,608	190,400	760,090	11.48	66,210
1977	158,920.95	127,947	31,572	127,349	11.74	10,847
1978	23,794.60	18,988	4,685	19,110	12.02	1,590
1983	4,211.01	3,186	786	3,425	13.68	250
1984	26,683.63	19,933	4,919	21,765	14.06	1,548
1985	86,349.34	63,648	15,706	70,643	14.45	4,889
1986	118,721.53	86,287	21,292	97,430	14.85	6,561
1987	123,455.93	88,407	21,815	101,641	15.26	6,661
1988	230,007.43	163,029	40,229	189,778	15.41	12,315
1991	1,217,352.38	823,174	203,124	1,014,228	16.52	61,394
1999	97,953.30	56,323	13,898	84,055	19.59	4,291
2023	16,871.08	1,184	292	16,579	33.09	501
2024	11,771.37	498	123	11,649	33.96	343
	5,514,390.74	4,359,095	1,075,638	4,438,753		400,229

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 11.1 7.26

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R2.5						
NET SALVAGE PERCENT.. 0						
2024	256.35	8	9	248	45.45	5
	256.35	8	9	248		5

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.6 1.95

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
2022	2,290.89	183	108	2,183	40.36	54
2024	53.66	2	1	53	41.60	1
	2,344.55	185	109	2,235		55

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.6 2.35

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	24,315.64	2,305	1,955	22,361	23.88	936
2024	1,696.25	97	83	1,614	24.61	66
	26,011.89	2,402	2,038	23,974		1,002

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.9 3.85

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
1965	1,371.57	1,372	1,372			
1978	19,699.52	19,463	11,640	8,060	0.58	8,060
1985	24,453.83	23,075	13,800	10,654	2.42	4,402
1987	17,421.69	16,232	9,708	7,714	2.82	2,735
1988	22,377.69	20,643	12,346	10,032	3.15	3,185
1993	13,140.76	11,488	6,870	6,271	4.68	1,340
2002	30,361.13	22,048	13,186	17,175	8.86	1,938
2005	30,999.83	20,398	12,199	18,801	10.65	1,765
2021	22,754.34	3,818	2,283	20,471	22.31	918
2022	44,799.50	5,896	3,527	41,272	23.10	1,787
2024	3,446.46	198	118	3,328	24.61	135
	230,826.32	144,631	87,049	143,777		26,265

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 5.5 11.38

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 355.4 POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2024	31,089.64	1,785	1,785	29,305	24.61	1,191
	31,089.64	1,785	1,785	29,305		1,191

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.6 3.83

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1965	352,748.27	273,168	47,121	305,627	17.62	17,345
1978	112,013.43	73,425	12,666	99,347	24.96	3,980
1987	114,739.65	63,612	10,973	103,767	30.94	3,354
1989	46,739.43	24,735	4,267	42,472	32.47	1,308
1999	208,738.73	83,537	14,410	194,329	39.72	4,892
2001	232,248.57	86,489	14,919	217,330	41.29	5,264
2002	291,108.03	104,682	18,057	273,051	41.86	6,523
2004	164,197.97	54,366	9,378	154,820	43.44	3,564
2011	168,720.44	38,654	6,668	162,052	48.79	3,321
2016	153,957.52	23,402	4,037	149,921	53.00	2,829
2019	49,368.37	5,198	896	48,472	55.23	878
2021	31,683.21	2,326	401	31,282	56.85	550
	1,926,263.62	833,594	143,793	1,782,470		53,808

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 33.1 2.79

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1945	119,281.01	106,590	18,166	101,115	9.59	10,544
1950	89,390.35	78,288	13,343	76,047	10.71	7,101
1955	835,595.47	712,763	121,477	714,118	12.15	58,775
1960	121,277.78	100,091	17,059	104,219	13.87	7,514
1965	361,250.62	286,327	48,799	312,452	15.83	19,738
1966	1,151,192.46	897,239	152,918	998,274	16.84	59,280
1968	2,029,431.39	1,552,109	264,528	1,764,903	17.68	99,825
1970	1,474,869.89	1,104,973	188,322	1,286,548	18.58	69,244
1975	1,027,482.35	726,430	123,807	903,675	20.93	43,176
1978	276,408.91	186,438	31,775	244,634	22.92	10,673
1980	3,595,053.34	2,355,479	401,448	3,193,605	23.94	133,400
1982	479,676.46	304,643	51,921	427,755	24.99	17,117
1984	93,453.42	57,399	9,783	83,670	26.07	3,209
1985	2,668,314.81	1,610,061	274,405	2,393,910	26.62	89,929
1988	427,851.34	242,249	41,287	386,564	28.73	13,455
1990	621,224.97	337,449	57,512	563,713	29.86	18,879
1991	298,478.87	158,582	27,027	271,452	30.44	8,918
1992	2,510,513.65	1,303,459	222,151	2,288,363	31.02	73,771
1994	211,555.85	104,636	17,833	193,723	32.19	6,018
1995	3,582,939.25	1,715,511	292,377	3,290,562	33.20	99,113
1996	1,623,186.01	756,567	128,943	1,494,243	33.79	44,221
1997	499,129.91	226,206	38,553	460,577	34.39	13,393
1998	802,049.53	352,902	60,146	741,904	35.00	21,197
1999	1,508,853.66	643,677	109,703	1,399,151	35.61	39,291
2000	1,027,950.39	424,646	72,373	955,577	36.23	26,375
2002	1,728,153.54	666,030	113,512	1,614,642	37.48	43,080
2003	2,520,021.85	935,432	159,427	2,360,595	38.11	61,942
2004	567,634.82	202,589	34,528	533,107	38.74	13,761
2005	678,250.02	232,233	39,580	638,670	39.38	16,218
2006	176,397.63	57,788	9,849	166,549	40.02	4,162
2011	488,985.24	122,637	20,901	468,084	43.31	10,808
2014	2,057,771.50	416,493	70,983	1,986,788	45.32	43,839
2015	55,150.52	10,247	1,746	53,405	46.00	1,161
2016	531,738.91	89,917	15,325	516,414	46.68	11,063
2018	161,894.95	21,985	3,747	158,148	47.75	3,312
2020	343,116.39	34,929	5,953	337,163	48.55	6,945
2021	78,861.56	6,640	1,132	77,730	48.97	1,587
2022	241,708.84	16,001	2,727	238,982	49.41	4,837

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2023	149,405.26	7,201	1,227	148,178	49.32	3,004
2024	120,166.00	3,557	606	119,560	49.26	2,427
2025	607,034.00	6,313	1,076	605,958	47.35	12,797
	37,942,702.72	19,174,706	3,267,975	34,674,728		1,235,099

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.1 3.26

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1945	4,104.65	3,800	641	3,464	6.45	537
1950	3,655.70	3,312	559	3,097	7.83	396
1955	57,216.50	50,419	8,502	48,714	9.50	5,128
1960	13,419.92	11,340	1,912	11,508	12.02	957
1965	14,341.98	11,540	1,946	12,396	14.69	844
1966	35,840.02	28,575	4,819	31,021	15.13	2,050
1968	67,629.07	52,494	8,852	58,777	16.58	3,545
1970	87,615.10	66,132	11,152	76,463	18.03	4,241
1975	101,710.35	71,909	12,127	89,583	20.93	4,280
1978	18,340.29	12,284	2,072	16,268	23.42	695
1980	354,512.15	229,050	38,626	315,886	24.92	12,676
1982	98,053.53	61,421	10,358	87,696	25.94	3,381
1984	4,520.02	2,701	455	4,065	27.94	145
1985	527,244.26	309,598	52,210	475,034	28.47	16,685
1988	46,412.85	25,411	4,285	42,128	30.99	1,359
1990	49,239.62	25,693	4,333	44,907	32.53	1,380
1991	18,983.70	9,629	1,624	17,360	33.52	518
1994	45,297.36	21,118	3,561	41,736	36.07	1,157
1995	397,805.71	179,569	30,282	367,524	37.07	9,914
1996	154,781.65	68,042	11,474	143,308	37.61	3,810
1997	45,822.98	19,456	3,281	42,542	38.62	1,102
1998	85,746.61	35,139	5,926	79,821	39.61	2,015
1999	88,259.02	34,845	5,876	82,383	40.62	2,028
2000	136,194.46	52,094	8,785	127,409	41.17	3,095
2002	134,655.69	47,466	8,005	126,651	43.17	2,934
2003	195,078.48	65,839	11,103	183,975	44.17	4,165
2004	36,865.78	11,889	2,005	34,861	45.17	772
2005	23,469.23	7,217	1,217	22,252	46.17	482
2006	3,467.28	1,021	172	3,295	46.73	71
2011	23,028.26	5,043	850	22,178	51.72	429
2012	46,137.85	9,403	1,586	44,552	52.73	845
2014	178,789.27	31,038	5,234	173,555	54.73	3,171
2016	28,016.62	4,018	678	27,339	56.73	482
2018	4,956.50	565	95	4,862	58.29	83
2020	15,072.53	1,260	213	14,860	60.29	246
2022	15,536.47	827	139	15,397	62.29	247
2023	89,665.19	3,407	575	89,090	63.29	1,408
	3,251,486.65	1,574,564	265,530	2,985,957		97,273

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.7 2.99

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1966	4,614.21	4,311	1,433	3,181	4.19	759
1979	14,530.39	12,838	4,269	10,261	6.13	1,674
1988	48,676.20	40,158	13,353	35,323	7.95	4,443
1994	91,884.31	72,074	23,967	67,917	8.66	7,843
1996	42,107.76	32,423	10,781	31,327	8.81	3,556
2017	20,227.38	6,568	2,184	18,043	17.68	1,021
2024	25,749.99	1,540	512	25,238	23.56	1,071
	247,790.24	169,912	56,499	191,291		20,367

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.4 8.22

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
1964	37,768.86	34,842	11,069	26,700	5.17	5,164
1965	40,038.56	36,819	11,697	28,342	5.29	5,358
1978	122,448.00	105,281	33,446	89,002	7.75	11,484
1985	71,776.65	58,720	18,654	53,123	9.00	5,903
1987	102,768.32	82,687	26,268	76,500	9.35	8,182
1988	148,800.45	118,862	37,760	111,040	9.45	11,750
1993	71,098.60	53,836	17,103	53,996	10.42	5,182
2002	134,954.64	89,745	28,510	106,445	11.84	8,990
2005	114,585.95	71,410	22,686	91,900	12.39	7,417
2021	177,678.03	34,541	10,973	166,705	18.65	8,939
2023	64,791.80	7,270	2,309	62,483	19.77	3,160
2024	408,255.25	28,047	8,910	399,345	20.33	19,643
	1,494,965.11	722,060	229,385	1,265,580		101,172

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.5 6.77

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 371.5 PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
2024	111.80	8	8	104	20.33	5
	111.80	8	8	104		5
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					20.8	4.47

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 393 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2022	31,312.16	5,480	3,973	27,339	16.50	1,657
2023	51,732.99	6,467	4,688	47,045	17.50	2,688
	83,045.15	11,947	8,661	74,384		4,345

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.1 5.23

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 395 POWER OPERATED EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-L4						
NET SALVAGE PERCENT.. 0						
2025	33,507.55	888		33,508	18.37	1,824
	33,507.55	888		33,508		1,824

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.4 5.44

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2023	87,013.58	14,503	12,912	74,102	12.50	5,928
2024	3,397.25	340	303	3,094	13.50	229
2025	196,115.14	6,537	5,820	190,296	14.50	13,124
	286,525.97	21,380	19,035	267,491		19,281

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 13.9 6.73

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ACCOUNT 396 COMMUNICATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
2023	9,490.47	2,373	2,397	7,093	7.50	946
2024	8,096.00	1,214	1,226	6,870	8.50	808
2025	467,361.86	23,368	23,608	443,754	9.50	46,711
	484,948.33	26,955	27,231	457,717		48,465

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.4 9.99

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2023	38,308.00	2,103	1,686	36,622	49.48	740
	38,308.00	2,103	1,686	36,622		740

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.5 1.93

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
2023	18,010.00	787	612	17,398	62.91	277
	18,010.00	787	612	17,398		277
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					62.8	1.54

PART III. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2021 TRANSACTION YEAR				
2022 TRANSACTION YEAR				
2023 TRANSACTION YEAR				
354.30	4.01			
355.30	3,960.39			
	3,964.40			
2024 TRANSACTION YEAR				
354.20	148.99	49.61		49.61-
354.30	235.34	19.22		19.22-
354.40	1,614.68	261.43		261.43-
354.70	6.00			
355.20	7.49			
355.30	46.05			
355.40	795.32			
361.20	726.46	3.56		3.56-
364.20	678.17			
371.30	27,921.43	1,167.29		1,167.29-
371.50	2,192.78			
	34,372.71	1,501.11		1,501.11-
2025 TRANSACTION YEAR				
361.20	3,728.32	18.27		18.27-
395.70	30,695.45			
	34,423.77	18.27		18.27-
TOTAL	72,760.88	1,519.38		1,519.38-

Exhibit No. 6-E, Part 1
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

EAST WHITELAND WASTEWATER OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2023

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-E, Part 1
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

EAST WHITELAND WASTEWATER OPERATIONS

2023 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2023

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2023 for the East Whiteland Wastewater Operations. Summaries of the original cost, annual accruals and the book depreciation reserve are presented in Tables 1 and 2, beginning on page I-3 of the attached report.

A description of the methods and procedures upon which the study was based, as well as support for the service life estimates, is set forth in a companion report "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2024".

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

JJS:mle

077367.100

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

WASTEWATER ASSETS

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

SUMMARY OF RESULTS

Table 1 summarizes the results of the depreciation study, which sets forth the book reserve and the calculated annual depreciation related to original cost as of December 31, 2023, and the annual amortization of negative salvage for the East Whiteland Wastewater Operations. Table 2 presents the calculation of the amortization of experienced net salvage, by account, based on the five-year period, 2019-2023.

DETAILED TABULATIONS OF DEPRECIATION CALCULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-2. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage, and cost of removal are set forth by account for the years 2019 through 2023, on page III-2.

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2023

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	479,508.93					
TOTAL INTANGIBLE PLANT		**479,508.93**					
NONDEPRECIABLE PLANT							
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	668.00					
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	13.00					
TOTAL NONDEPRECIABLE PLANT		**681.00**					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	40-S1.5	30,182.67	20	30,163	922	3.05	32.7
PUMPING	55-R2	8,474,816.38	114,485	8,360,332	252,895	2.98	33.1
TREATMENT AND DISPOSAL	45-S1	11,280,515.66	126,792	11,153,724	398,886	3.54	28.0
TOTAL ACCOUNT 354		19,785,514.71	241,296	19,544,219	652,703		
355.00 POWER GENERATING EQUIPMENT							
COLLECTION	30-R3	5,834.35	8	5,827	232	3.98	25.1
PUMPING	30-R3	84,633.65	1,522	83,112	4,624	5.46	18.0
TREATMENT AND DISPOSAL	30-R3	2,897.37	4	2,894	115	3.97	25.2
TOTAL ACCOUNT 355		93,365.37	1,533	91,833	4,971		
360.00 COLLECTION MAINS - FORCE	70-R3	3,934,143.19	76,581	3,857,562	108,035	2.75	35.7
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	25,514,019.59	510,927	25,003,092	818,442	3.21	30.5
363.00 SERVICES	70-R4	7,317,195.98	110,079	7,207,117	169,225	2.31	42.6
364.00 METERS	30-L2.5	92,320.39	4,549	87,772	14,678	15.90	6.0
371.00 PUMPING EQUIPMENT							
PUMPING	30-L1.5	82,715.59	2,603	80,112	6,429	7.77	12.5
TOTAL ACCOUNT 371		82,715.59	2,603	80,112	6,429		
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S1	2.90	0	3	0	-	-
TOTAL DEPRECIABLE PLANT		**56,819,277.72**	**947,569**	**55,871,710**	**1,774,483**		
TOTAL WASTEWATER PLANT IN SERVICE		**57,299,467.65**	**947,569**	**55,871,710**	**1,774,483**		

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2023

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	473,771.07	3,734	470,037	9,716	2.05	48.4
363.00 SERVICES	70-R4	79,204.70	535	78,669	1,212	1.53	64.9
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**552,975.77**	**4,269**	**548,706**	**10,928**		
AMORTIZATION OF NET SALVAGE					**0**		
TOTAL WASTEWATER PLANT		**56,746,491.88**	**943,300**	**55,323,004**	**1,763,555**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 2. AMORTIZATION OF EXPERIENCED NET SALVAGE

	2019		2020		2021		2022		2023			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
354.20												
354.30												
354.40												
354.50												
360.00												
361.00												
363.00												
371.30												
380.00												
391.70												
396.70												
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1951	16,503	631	15,872	15,872	0.0
1954	93,613	3,517	90,096	105,968	0.2
1967	428,458	14,372	414,086	520,054	0.9
1970	541,649	18,262	523,387	1,043,441	1.9
1971	105,056	3,372	101,684	1,145,125	2.0
1972	87,830	2,785	85,045	1,230,170	2.2
1973	433,835	13,589	420,246	1,650,416	3.0
1974	409,244	12,656	396,588	2,047,004	3.7
1975	3,585,418	109,399	3,476,019	5,523,023	9.9
1976	1,322,490	44,313	1,278,177	6,801,200	12.2
1977	566,142	16,680	549,462	7,350,662	13.2
1978	1,298,784	38,021	1,260,763	8,611,425	15.4
1979	475,018	13,647	461,371	9,072,796	16.2
1980	415,332	12,846	402,486	9,475,282	17.0
1981	488,628	13,526	475,102	9,950,384	17.8
1982	139,907	4,149	135,758	10,086,142	18.1
1983	277,911	7,429	270,482	10,356,624	18.5
1984	304,616	7,996	296,620	10,653,244	19.1
1985	132,813	3,560	129,253	10,782,497	19.3
1986	64,083	1,741	62,342	10,844,839	19.4
1987	2,454,405	61,675	2,392,730	13,237,569	23.7
1988	1,985,040	48,572	1,936,468	15,174,037	27.2
1989	277,198	6,978	270,220	15,444,257	27.6
1990	683,821	15,730	668,091	16,112,348	28.8
1991	433,254	9,732	423,522	16,535,870	29.6
1992	255,715	5,603	250,112	16,785,982	30.0
1993	380,433	8,177	372,256	17,158,238	30.7
1994	112,585	2,325	110,260	17,268,498	30.9
1995	36,358	766	35,592	17,304,090	31.0
1996	51,863	1,022	50,841	17,354,931	31.1
1997	494,016	9,377	484,639	17,839,570	31.9
1998	556,425	10,275	546,150	18,385,720	32.9
1999	521,894	9,291	512,603	18,898,323	33.8
2000	3,660,445	66,531	3,593,914	22,492,237	40.3
2001	619,852	10,761	609,091	23,101,328	41.3
2002	1,472,355	24,652	1,447,703	24,549,031	43.9
2003	310,205	4,709	305,496	24,854,527	44.5
2004	1,524,160	22,976	1,501,184	26,355,711	47.2
2005	2,081,787	28,831	2,052,956	28,408,667	50.8
2006	209,277	3,246	206,031	28,614,698	51.2
2007	1,578,579	22,212	1,556,367	30,171,065	54.0
2011	199,321	1,932	197,389	30,368,454	54.4
2012	4,402,759	38,063	4,364,696	34,733,150	62.2
2013	9,734,450	115,048	9,619,402	44,352,552	79.4
2014	4,209,897	40,509	4,169,388	48,521,940	86.8

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2016	278,646	1,640	277,006	48,798,946	87.3
2017	3,983,625	27,102	3,956,523	52,755,469	94.4
2018	659,516	3,929	655,587	53,411,056	95.6
2019	392,332	1,865	390,467	53,801,523	96.3
2020	168,141	493	167,648	53,969,171	96.6
2021	13,567	29	13,538	53,982,709	96.6
2022	207,364	241	207,123	54,189,832	97.0
2023	1,682,664	787	1,681,877	55,871,709	100.0
TOTAL	56,819,279	947,570	55,871,709		

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2023	552,976	4,269	548,707	548,707	100.0
TOTAL	552,976	4,269	548,707		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2023	30,182.67	453	20	30,163	32.72	922
	30,182.67	453	20	30,163		922

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.7 3.05

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1976	225,807.01	166,239	7,865	217,942	17.02	12,805
1980	164,559.67	114,534	5,419	159,141	19.00	8,376
1987	258,058.58	159,171	7,531	250,528	22.67	11,051
1988	111,013.86	67,385	3,188	107,826	22.98	4,692
2000	1,099,579.77	485,794	22,984	1,076,596	29.69	36,261
2001	115,506.67	49,379	2,336	113,171	30.13	3,756
2004	286,657.55	108,987	5,156	281,502	31.78	8,858
2006	151,843.05	52,614	2,489	149,354	33.01	4,525
2007	617,380.16	203,735	9,639	607,741	33.50	18,142
2014	4,134,596.02	844,285	39,945	4,094,651	37.01	110,636
2017	555,976.01	80,617	3,814	552,162	38.34	14,402
2018	416,021.96	51,920	2,457	413,565	38.56	10,725
2019	337,816.07	35,133	1,662	336,154	38.79	8,666
	8,474,816.38	2,419,793	114,485	8,360,332		252,895

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 33.1 2.98

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
2013	9,130,262.54	2,521,779	110,075	9,020,188	27.52	327,768
2017	2,150,253.12	382,960	16,717	2,133,536	30.00	71,118
	11,280,515.66	2,904,739	126,792	11,153,724		398,886
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.0						3.54

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	5,834.35	114	8	5,827	25.07	232
	5,834.35	114	8	5,827		232

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 25.1 3.98

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2007	28,356.06	15,721	910	27,446	13.26	2,070
2018	51,449.59	10,470	606	50,844	21.53	2,362
2023	4,828.00	95	6	4,822	25.07	192
	84,633.65	26,286	1,522	83,112		4,624

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.0 5.46

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.4 POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	2,897.37	57	4	2,894	25.07	115
	2,897.37	57	4	2,894		115

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 25.2 3.97

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1976	544,243.88	356,752	16,604	527,640	24.96	21,139
1979	168,067.84	104,706	4,873	163,195	26.93	6,060
1980	127,595.37	77,706	3,617	123,978	27.93	4,439
1987	1,104,130.33	584,306	27,194	1,076,936	32.47	33,167
1988	236,738.07	122,701	5,711	231,027	32.99	7,003
2000	579,210.68	208,284	9,694	569,517	41.86	13,605
2004	423,356.83	127,938	5,954	417,403	45.02	9,272
2016	90,950.59	10,987	511	90,440	54.61	1,656
2017	444,463.65	46,802	2,179	442,285	55.23	8,008
2022	207,363.57	5,184	241	207,123	58.38	3,548
2023	8,022.38	68	3	8,019	58.32	138
	3,934,143.19	1,645,434	76,581	3,857,562		108,035

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 35.7 2.75

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1951	16,503.17	14,239	631	15,872	11.53	1,377
1954	93,613.46	79,375	3,517	90,096	12.47	7,225
1967	428,457.95	324,386	14,372	414,086	18.13	22,840
1970	380,346.07	278,794	12,352	367,994	19.49	18,881
1971	105,056.38	76,113	3,372	101,684	19.96	5,094
1972	87,829.79	62,869	2,785	85,045	20.45	4,159
1973	433,835.32	306,722	13,589	420,246	20.93	20,079
1974	409,243.81	285,652	12,656	396,588	21.42	18,515
1975	3,585,418.05	2,469,277	109,399	3,476,019	21.92	158,578
1977	566,142.43	376,485	16,680	549,462	23.43	23,451
1978	1,193,305.31	781,854	34,639	1,158,666	23.94	48,399
1979	306,949.95	198,044	8,774	298,176	24.47	12,185
1980	6,651.17	4,224	187	6,464	24.99	259
1981	488,627.71	305,295	13,526	475,102	25.52	18,617
1983	277,910.67	167,691	7,429	270,482	26.62	10,161
1984	304,615.98	180,485	7,996	296,620	27.17	10,917
1985	62,855.87	36,299	1,608	61,248	28.17	2,174
1987	1,042,066.66	578,139	25,614	1,016,453	29.29	34,703
1988	1,490,147.81	809,448	35,862	1,454,286	29.86	48,703
1990	683,821.28	355,040	15,730	668,091	31.02	21,537
1991	433,254.15	219,660	9,732	423,522	31.60	13,403
1992	255,714.54	126,476	5,603	250,112	32.19	7,770
1993	290,656.65	139,166	6,166	284,491	33.20	8,569
1994	112,584.51	52,476	2,325	110,260	33.79	3,263
1996	38,625.73	16,995	753	37,873	35.00	1,082
1997	436,402.49	186,169	8,248	428,154	35.61	12,023
1998	422,106.94	174,372	7,725	414,382	36.23	11,438
1999	418,518.44	167,156	7,406	411,112	36.85	11,156
2000	1,940,921.12	748,031	33,140	1,907,781	37.48	50,901
2001	74,690.22	27,725	1,228	73,462	38.11	1,928
2002	1,219,418.34	435,210	19,281	1,200,137	38.74	30,979
2003	277,106.80	94,881	4,204	272,903	39.38	6,930
2004	312,840.64	102,487	4,541	308,300	40.02	7,704
2005	2,081,787.38	650,767	28,831	2,052,956	40.67	50,478
2006	57,433.57	17,086	757	56,677	41.32	1,372
2007	932,842.92	263,248	11,663	921,180	41.98	21,943
2011	199,321.12	43,611	1,932	197,389	44.64	4,422
2012	369,215.51	74,729	3,311	365,905	45.32	8,074
2013	604,187.78	112,258	4,973	599,215	46.00	13,026
2014	75,301.05	12,733	564	74,737	46.68	1,601
2016	187,695.53	25,489	1,129	186,567	47.75	3,907

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2017	832,932.29	99,119	4,392	828,540	48.14	17,211
2018	192,044.71	19,550	866	191,179	48.55	3,938
2019	54,516.23	4,590	203	54,313	48.97	1,109
2020	168,140.57	11,131	493	167,648	49.41	3,393
2021	13,566.56	654	29	13,538	49.32	274
2023	1,548,794.96	16,107	714	1,548,081	47.35	32,694
	25,514,019.59	11,532,307	510,927	25,003,092		818,442

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.5 3.21

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1970	161,303.41	119,090	5,910	155,393	18.96	8,196
1976	460,118.90	308,188	15,295	444,824	23.42	18,993
1978	105,478.54	68,150	3,382	102,097	24.92	4,097
1980	116,525.39	72,992	3,623	112,902	25.94	4,352
1982	139,906.80	83,608	4,149	135,758	27.94	4,859
1985	69,956.93	39,323	1,952	68,005	29.99	2,268
1986	64,083.09	35,085	1,741	62,342	30.99	2,012
1987	50,149.25	26,910	1,336	48,813	31.52	1,549
1988	147,140.14	76,778	3,811	143,329	32.53	4,406
1989	277,197.91	140,595	6,978	270,220	33.52	8,061
1993	89,776.24	40,525	2,011	87,765	37.07	2,368
1995	36,358.09	15,438	766	35,592	38.62	922
1996	13,237.49	5,425	269	12,968	39.61	327
1997	57,613.21	22,746	1,129	56,484	40.62	1,391
1998	134,318.45	51,377	2,550	131,768	41.17	3,201
1999	103,375.42	37,990	1,885	101,490	42.17	2,407
2000	40,733.21	14,358	713	40,020	43.17	927
2001	429,654.96	145,009	7,197	422,458	44.17	9,564
2002	173,117.24	55,830	2,771	170,346	45.17	3,771
2003	33,098.27	10,178	505	32,593	46.17	706
2004	501,304.70	147,584	7,325	493,980	46.73	10,571
2012	4,033,543.64	700,223	34,752	3,998,792	54.73	73,064
2023	79,204.70	602	29	79,175	65.29	1,213
	7,317,195.98	2,218,004	110,079	7,207,117		169,225

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 42.6 2.31

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1976	92,320.39	81,999	4,549	87,772	5.98	14,678
	92,320.39	81,999	4,549	87,772		14,678
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					6.0	15.90

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
2002	79,818.93	50,797	2,600	77,219	12.28	6,288
2023	2,896.66	69	3	2,894	20.55	141
	82,715.59	50,866	2,603	80,112		6,429

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.5 7.77

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
2023	2.90			3	30.95	
	2.90			3		
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					0.0	0.00

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2023	473,771.07	8,433	3,734	470,037	48.38	9,716
	473,771.07	8,433	3,734	470,037		9,716

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 48.4 2.05

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2023

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
2023	79,204.70	1,053	535	78,669	64.91	1,212
	79,204.70	1,053	535	78,669		1,212

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 64.9 1.53

PART III. EXPERIENCED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2019 TRANSACTION YEAR				
2020 TRANSACTION YEAR				
2021 TRANSACTION YEAR				
2022 TRANSACTION YEAR				
2023 TRANSACTION YEAR				
371.30	68.84			
391.70	57,300.31			
	57,369.15			
TOTAL	57,369.15			

Exhibit No. 6-E, Part 2
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

EAST WHITELAND WASTEWATER OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2024

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-E, Part 2
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

EAST WHITELAND WASTEWATER OPERATIONS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2024

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
207 Senate Avenue
Camp Hill, PA 17011
P 717.763.7211 | **F** 717.763.8150

gannettfleming.com

May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2024 for the East Whiteland Operations. The results of our study as of December 31,2024, are presented in the attached report. The results of our study as of December 31, 2023, are presented in our report, "2023 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2023." The same methods, procedures and estimates are used in both studies.

The attached report sets forth a description of the methods and procedures upon which the studies were based, the estimates of survivor curves, and the calculated annual depreciation as of December 31, 2024.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

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PART I. INTRODUCTION

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report sets forth the results of the depreciation study for Aqua Pennsylvania, Inc. to determine the annual depreciation accrual rates and amounts applicable to the original cost of wastewater plant as of December 31, 2024 for the East Whiteland Wastewater Operations. The rates and amounts are based on the straight line remaining life method of depreciation. This report also describes the concepts, methods and judgments which underlie the recommended annual depreciation accrual rates related to wastewater plant in service as of December 31, 2024.

Part I, Introduction, contains statements with respect to the basis of the study and the development of net original cost. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and methods used in the service life study. Part III, Service Life Considerations, presents the results of the average service life analysis. Part IV, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part V, Results of Study, presents summaries by depreciable group of annual depreciation accrual rates and amounts, as well as composite remaining lives. Part VI, Service Life Statistics presents the statistical analysis of service life estimates, Part VII, Detailed Depreciation Calculations presents the detailed tabulations of annual depreciation and Part VIII, Experienced and Estimated Net Salvage presents the cost of removal and gross salvage recorded for the period 2020-2024.

BASIS OF THE STUDY

The purpose of the depreciation study was to determine the annual depreciation accruals applicable to the original cost of wastewater plant in service as of December 31, 2024. For most accounts, the straight line remaining life method using attained ages, the book depreciation reserve and estimated survivor curves, was the basis for the calculation of annual depreciation. For certain accounts, the annual and accrued amortization amounts were based on the age of the property and the selected amortization period.

The survivor curve estimates were based on judgment which incorporated (1) analyses of historical data related to wastewater property for all wastewater systems; (2) consideration of the character, use and location of the property; (3) probable future events and management plans; and (4) a general knowledge of wastewater property lives. The use of Iowa type survivor curves is a generally-accepted method of estimating average service life when the actual lives of individual property units are dispersed.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements (or the portion of the frequency curve with the highest level of retirements) in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family. A higher number designates a higher mode curve.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

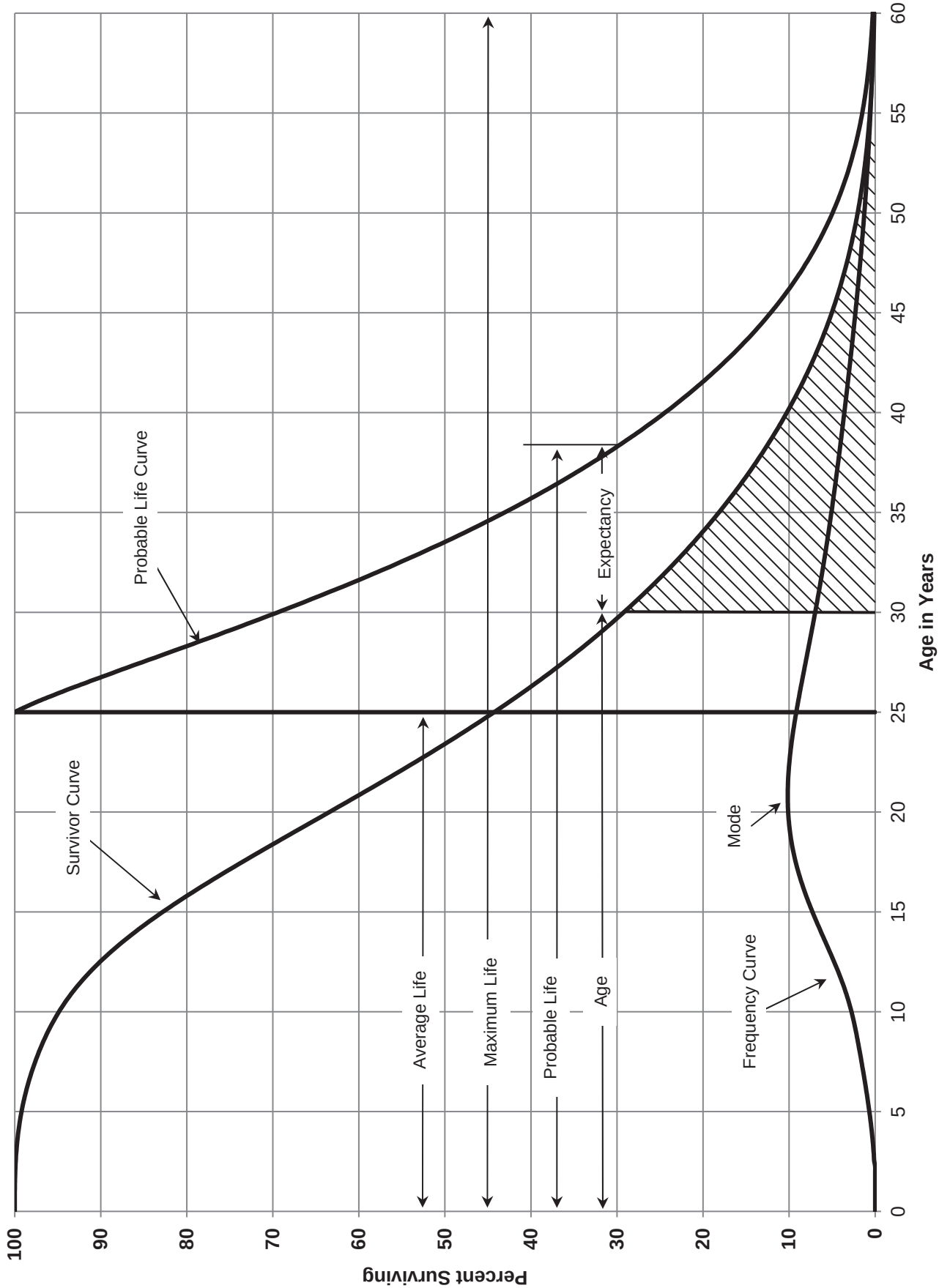


FIGURE 1. TYPICAL SURVIVOR CURVE AND DERIVED CURVES

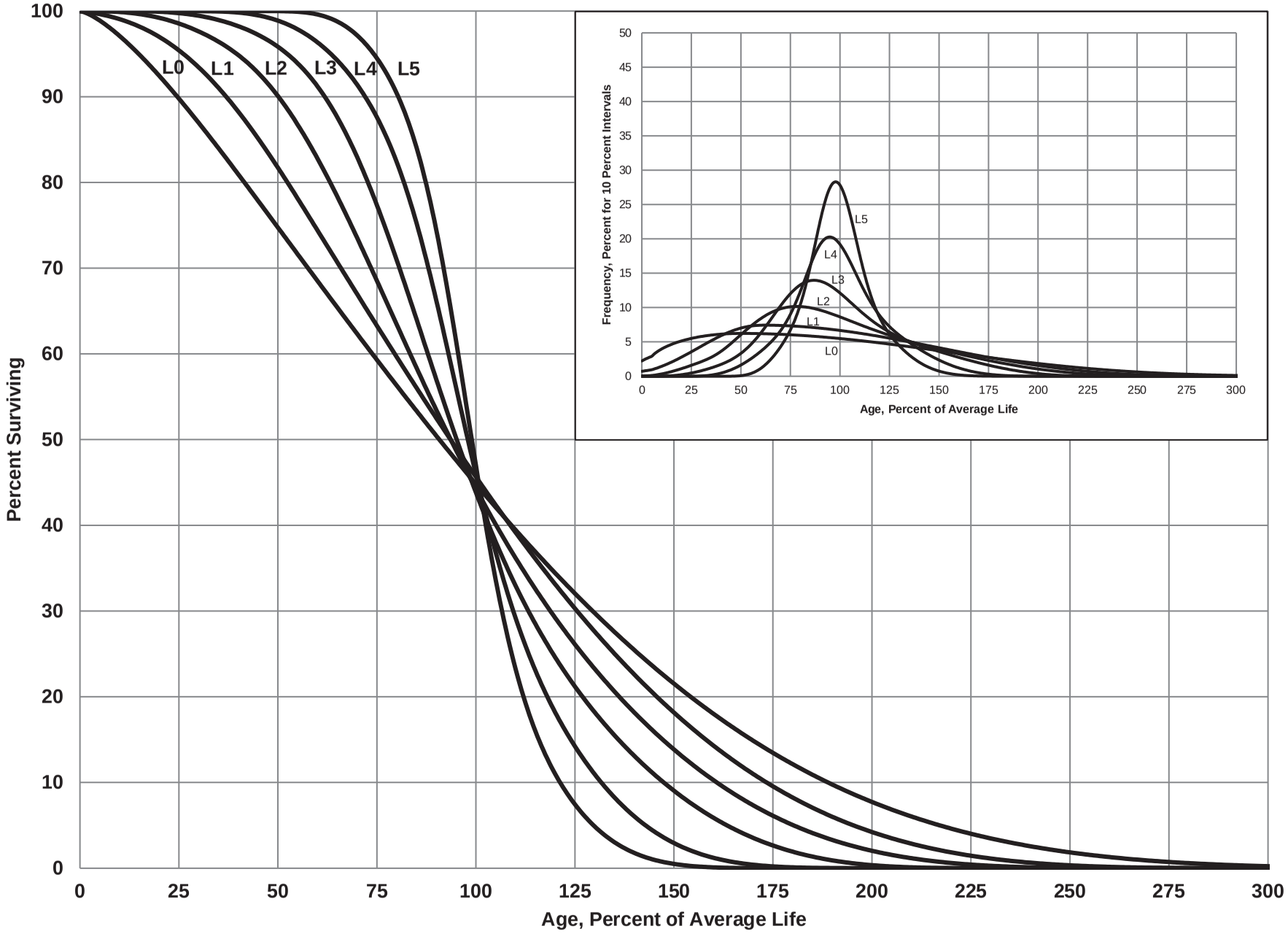


FIGURE 2. LEFT MODAL OR "L" IOWA TYPE SURVIVOR CURVES

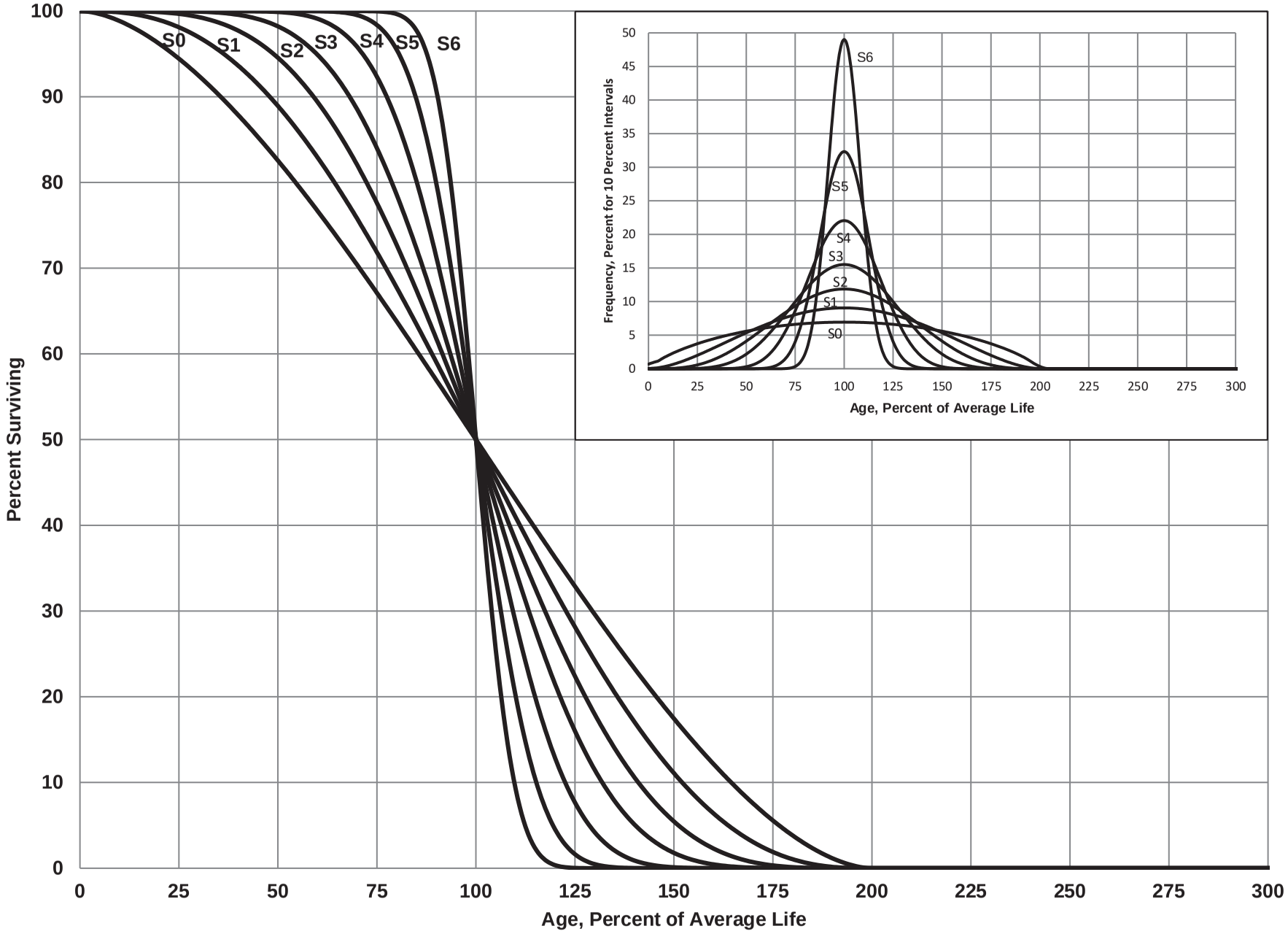


FIGURE 3. SYMMETRICAL OR "S" IOWA TYPE SURVIVOR CURVES

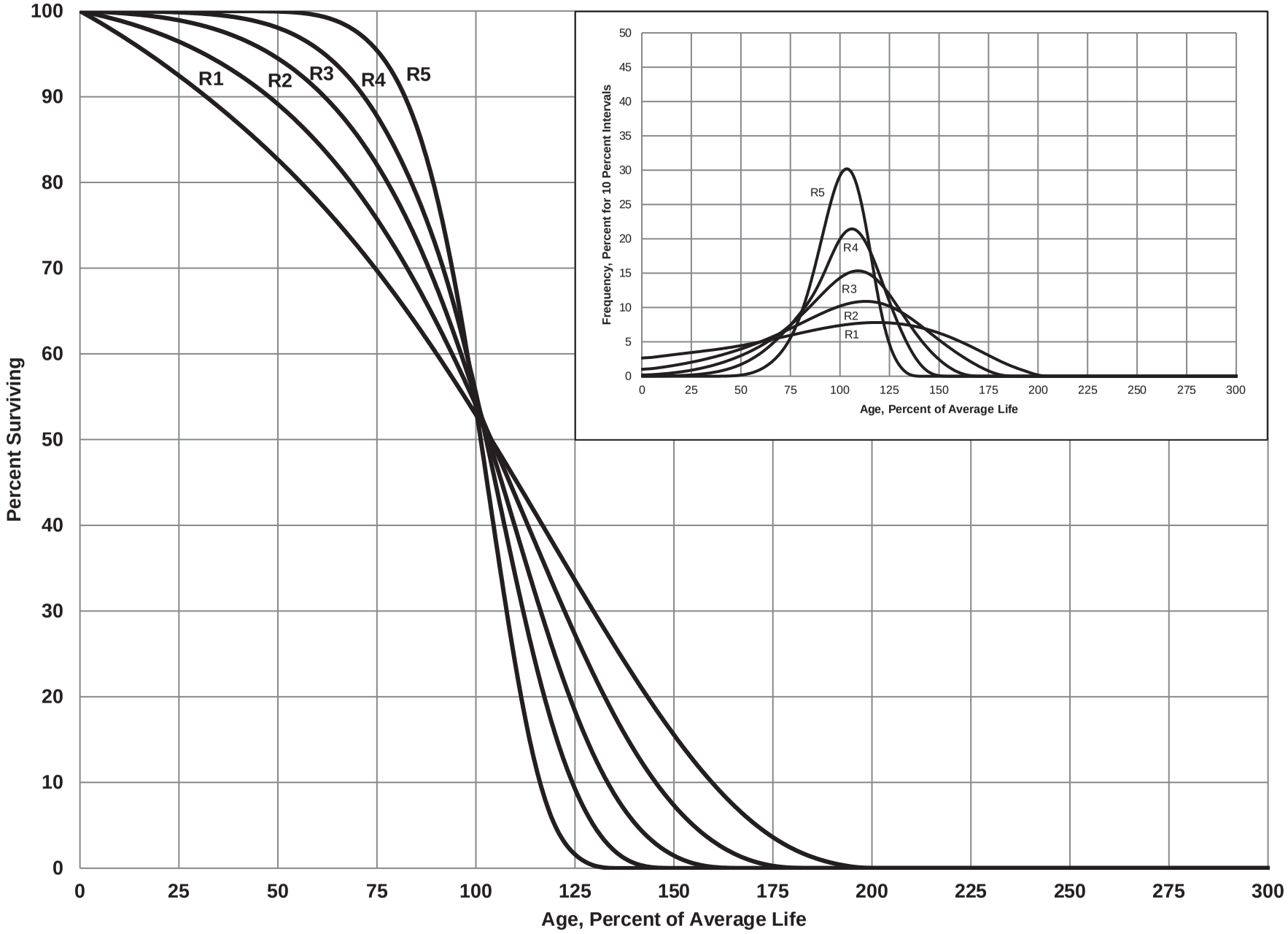


FIGURE 4. RIGHT MODAL OR "R" IOWA TYPE SURVIVOR CURVES

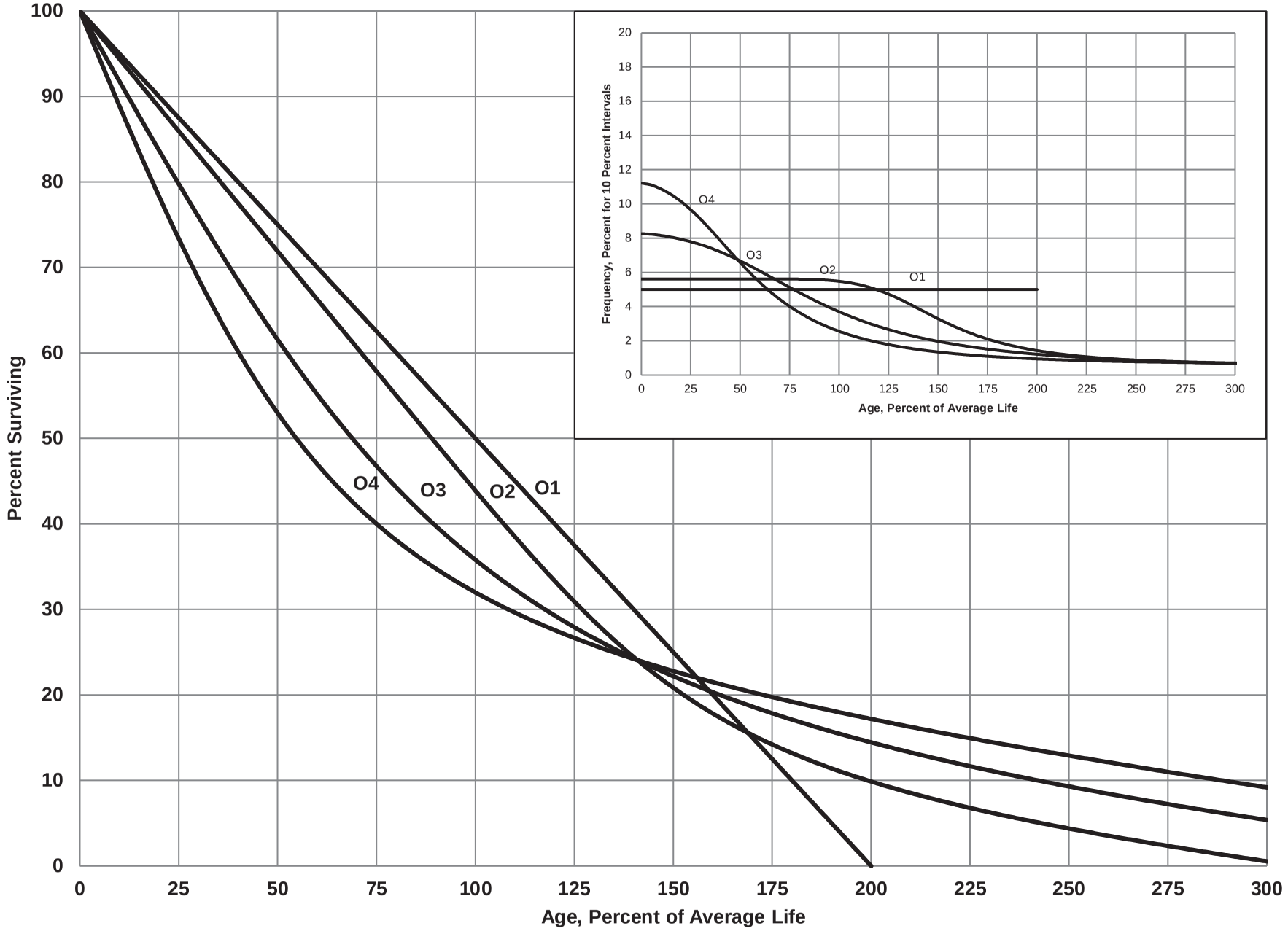


FIGURE 5. ORIGIN MODAL OR "O" IOWA TYPE SURVIVOR CURVES

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."[1] In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student, submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text and is also explained in several publications including "Statistical Analyses of Industrial Property Retirements,"[2] "Engineering Valuation and Depreciation,"[3] and "Depreciation Systems."[4]

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band. The band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

[1]Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

[2]Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College, Engineering Experiment Station, Bulletin 125. 1935.

[3]Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

[4]Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

Schedules of Annual Transactions in Plant Records

The property group used to illustrate the retirement rate method is observed for the experience band 2014-2023 for which there were placements during the years 2009-2023. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, $10,000 of the dollars invested in 2009 were retired in 2014. The $10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of $143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2014 retirements of 2009 installations and ending with the 2023 retirements of the 2018 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Retirements, Thousands of Dollars During Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total During Age Interval	Age Interval
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	10	11	12	13	14	16	23	24	25	26	26	13½-14½
2010	11	12	13	15	16	18	20	21	22	19	44	12½-13½
2011	11	12	13	14	16	17	19	21	22	18	64	11½-12½
2012	8	9	10	11	11	13	14	15	16	17	83	10½-11½
2013	9	10	11	12	13	14	16	17	19	20	93	9½-10½
2014	4	9	10	11	12	13	14	15	16	20	105	8½-9½
2015		5	11	12	13	14	15	16	18	20	113	7½-8½
2016			6	12	13	15	16	17	19	19	124	6½-7½
2017				6	13	15	16	17	19	19	131	5½-6½
2018					7	14	16	17	19	20	143	4½-5½
2019						8	18	20	22	23	146	3½-4½
2020							9	20	22	25	150	2½-3½
2021								11	23	25	151	1½-2½
2022									11	24	153	½-1½
2023										13	80	0-½
Total	53	68	86	106	128	157	196	231	273	308	1,606	

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023 Placement Band 2009-2023

Year Placed	Acquisitions, Transfers and Sales, Thousands of Dollars During Year										Total During Age Interval	Age Interval
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	-	-	-	-	-	-	60[a]	-	-	-	-	13½-14½
2010	-	-	-	-	-	-	-	-	-	-	-	12½-13½
2011	-	-	-	-	-	-	-	-	-	-	-	11½-12½
2012	-	-	-	-	-	-	-	(5)[b]	-	-	60	10½-11½
2013	-	-	-	-	-	-	-	6[a]	-	-	-	9½-10½
2014	-	-	-	-	-	-	-	-	-	-	(5)	8½-9½
2015		-	-	-	-	-	-	-	-	-	6	7½-8½
2016			-	-	-	-	-	-	-	-	-	6½-7½
2017				-	-	-	-	(12)[b]	-	-	-	5½-6½
2018					-	-	-	-	22[a]	-	-	4½-5½
2019						-	-	(19)[b]	-	-	10	3½-4½
2020							-	-	-	-	-	2½-3½
2021								-	-	(102)[c]	(121)	1½-2½
2022									-	-	-	½-1½
2023											-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	

[a] Transfer Affecting Exposures at Beginning of Year
[b] Transfer Affecting Exposures at End of Year
[c] Sale with Continued Use
Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements, but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2014 through 2023 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2019 are calculated in the following manner:

Exposures at age 0	= amount of addition	= $750,000
Exposures at age ½	= $750,000 - $ 8,000	= $742,000
Exposures at age 1½	= $742,000 - $18,000	= $724,000
Exposures at age 2½	= $724,000 - $20,000 - $19,000	= $685,000
Exposures at age 3½	= $685,000 - $22,000	= $663,000

SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
JANUARY 1 OF EACH YEAR 2014-2023
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023

Placement Band 2009-2023

Year Placed	Exposures, Thousands of Dollars Annual Survivors at the Beginning of the Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total at Beginning of Age Interval	Age Interval
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	255	245	234	222	209	195	239	216	192	167	167	13½-14½
2010	279	268	256	243	228	212	194	174	153	131	323	12½-13½
2011	307	296	284	271	257	241	224	205	184	162	531	11½-12½
2012	338	330	321	311	300	289	276	262	242	226	823	10½-11½
2013	376	367	357	346	334	321	307	297	280	261	1,097	9½-10½
2014		416	407	397	386	374	361	347	332	316	1,503	8½-9½
2015			455	444	432	419	405	390	374	356	1,952	7½-8½
2016				504	492	479	464	448	431	412	2,463	6½-7½
2017				8	574	561	546	530	501	482	3,057	5½-6½
2018						653	639	623	628	609	3,789	4½-5½
2019							742	724	685	663	4,332	3½-4½
2020							8	841	821	799	4,955	2½-3½
2021									949	926	5,719	1½-2½
2022									8	1,069	6,579	½-1½
2023											7,490	0-½
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	

t s r t e ear

For the entire experience band 2014-2023, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15				
Exposures at age 4½	=	3,789,000				
Retirements from age 4½ to 5½	=	143,000				
Retirement Ratio	=	143,000	÷	3,789,000	=	0.0377
Survivor Ratio	=	1.000	-	0.0377	=	0.9623
Percent surviving at age 5½	=	(88.15)	x	(0.9623)	=	84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

SCHEDULE 4. ORIGINAL LIFE TABLE
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2014-2023 Placement Band 2009-2023

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
					35.66
Total	44,780	1,606			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.
Column 3 from Schedule 1, Column 12, Retirements for Each Year.
Column 4 = Column 3 Divided by Column 2.
Column 5 = 1.0000 Minus Column 4.
Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

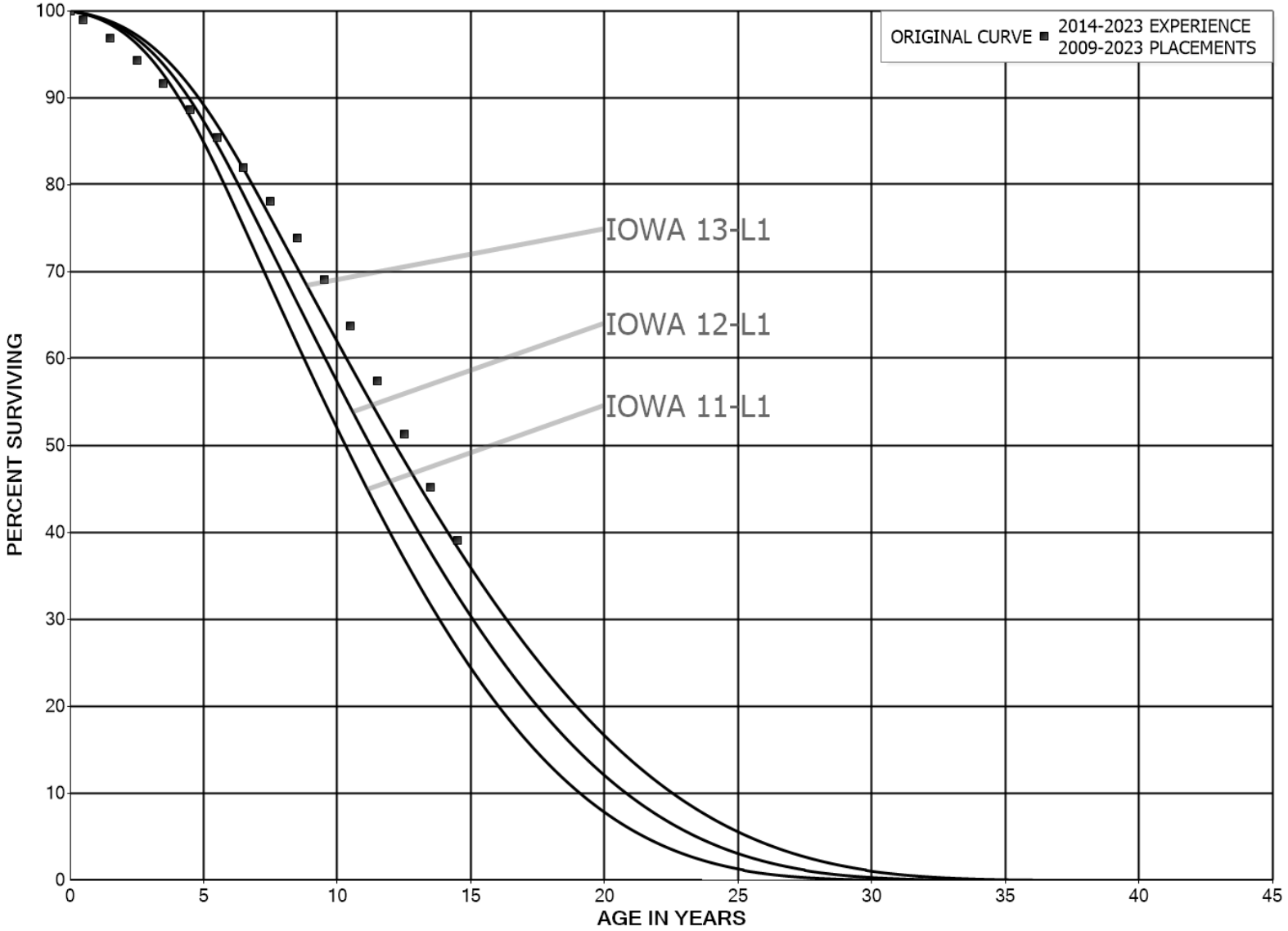


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

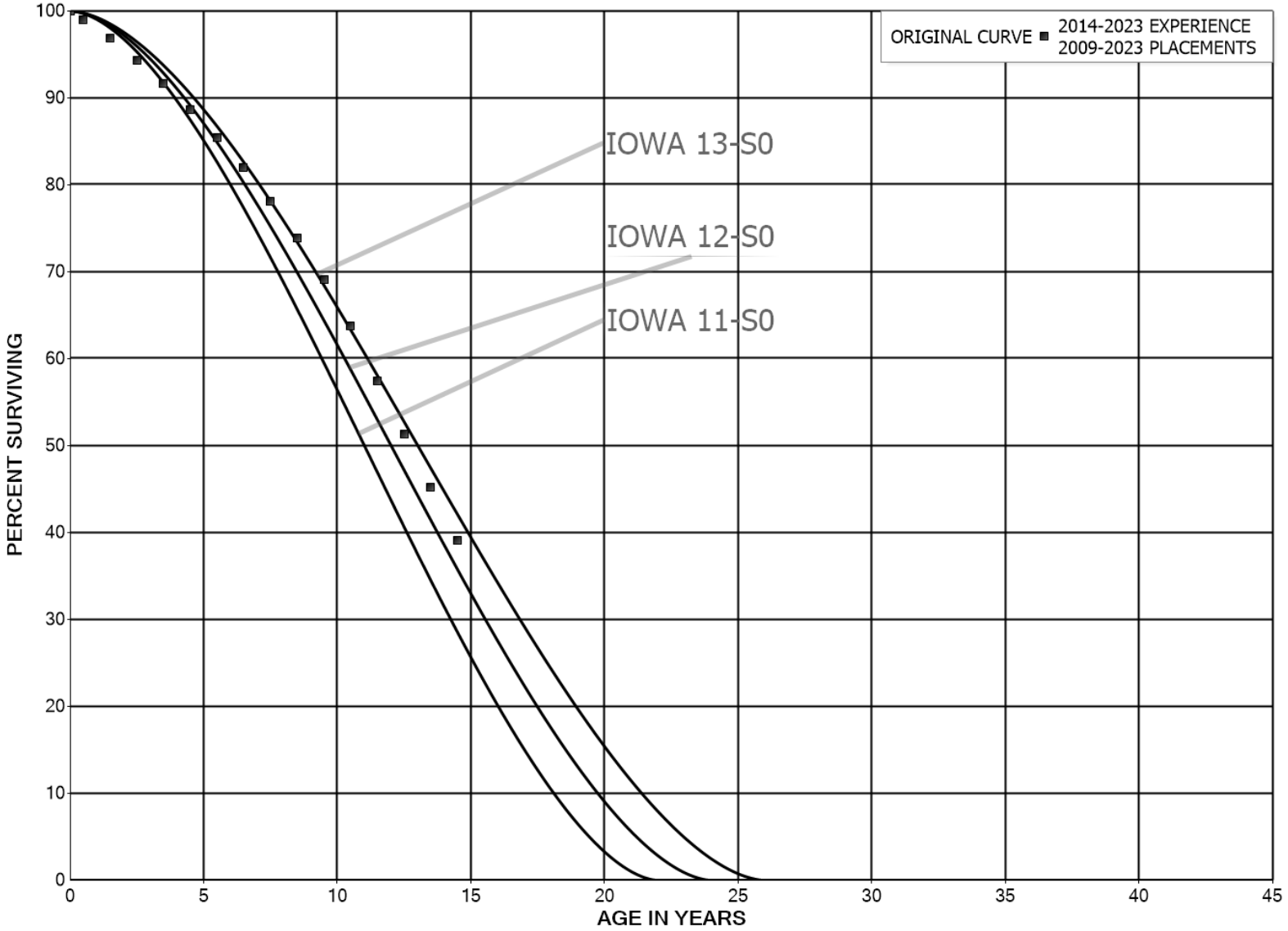


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

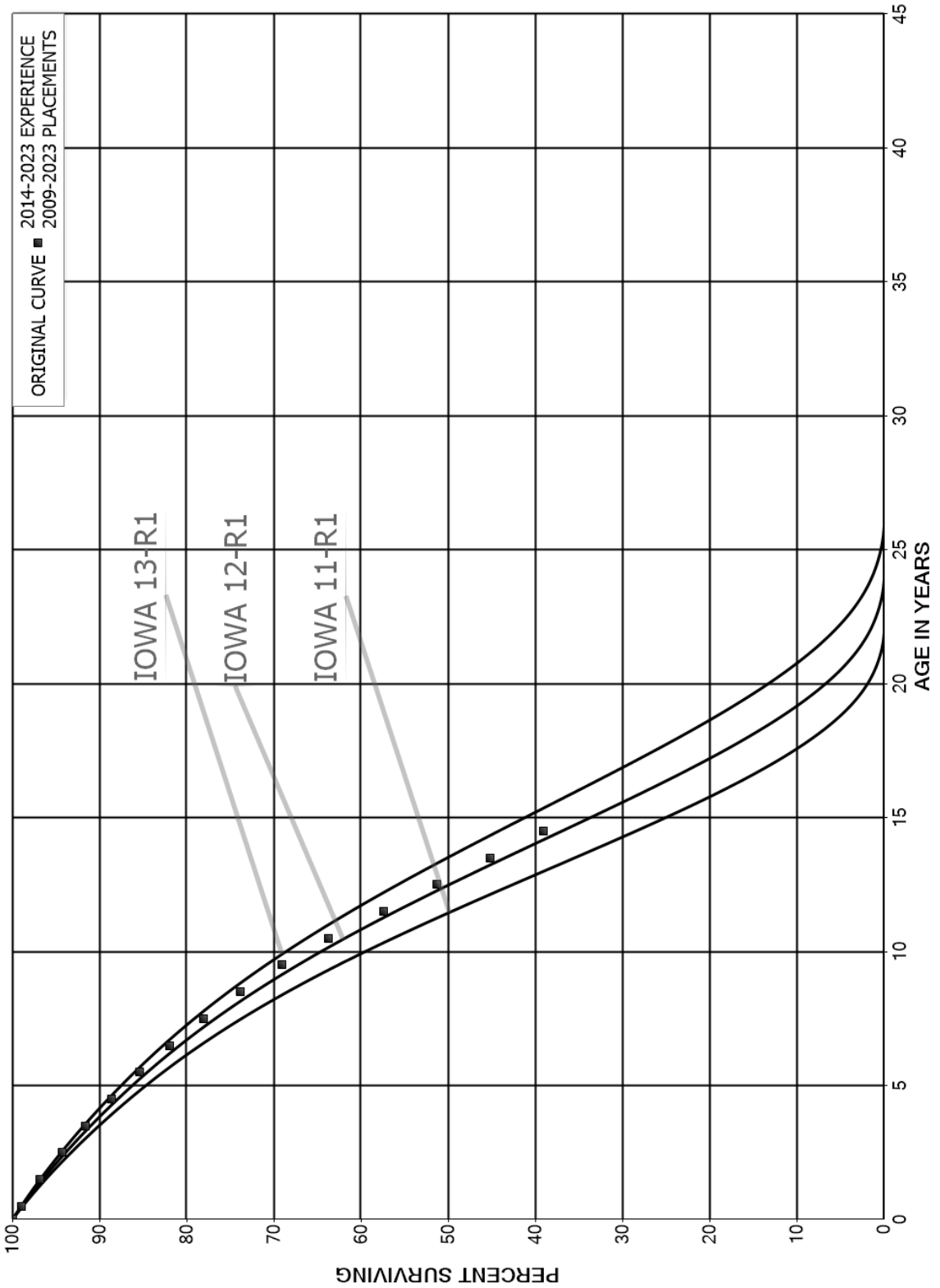
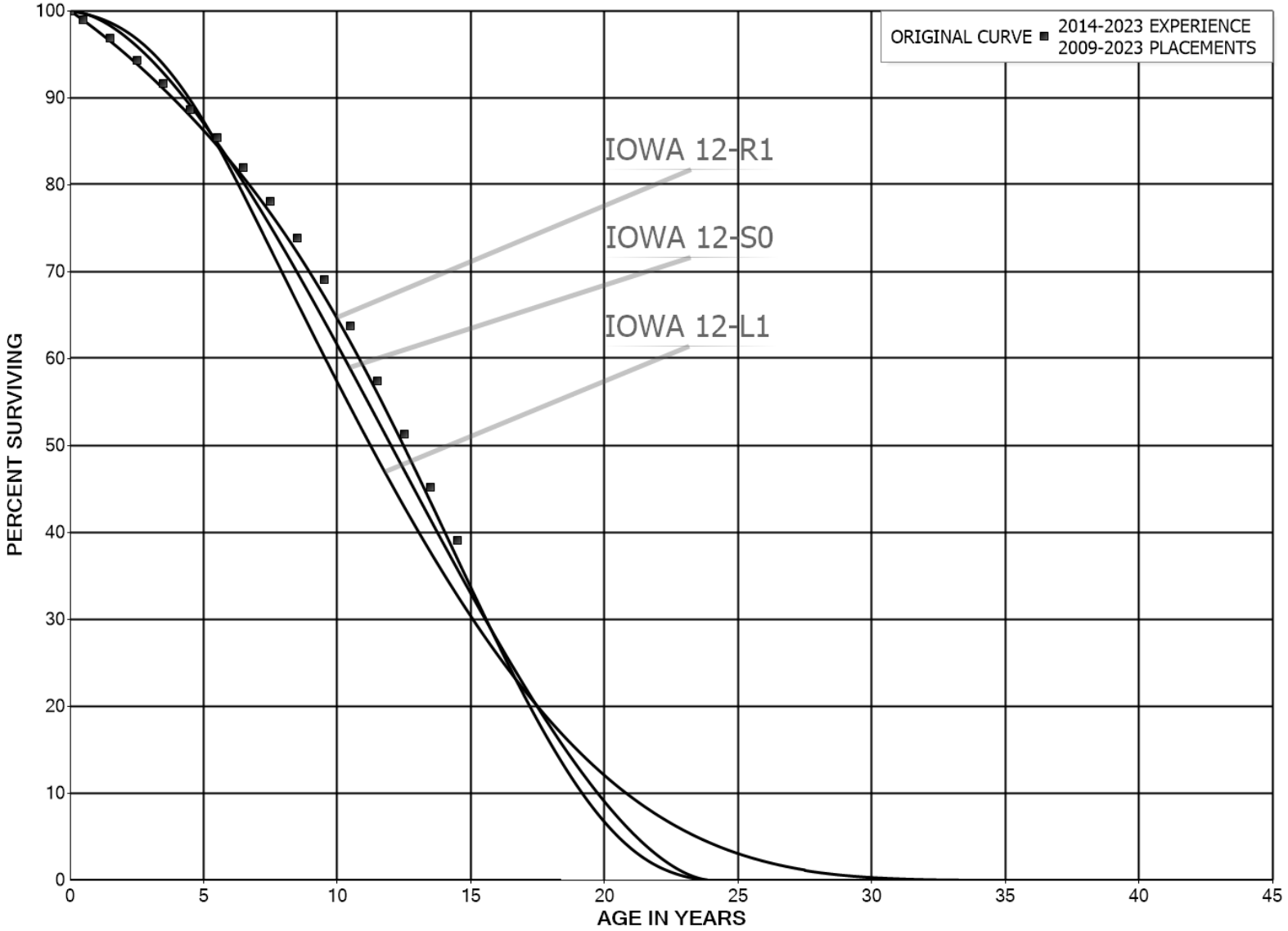


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

Judgments

The survivor curve estimates were based on judgment which considered factors including statistical analyses of retirements, Company policies and outlook as determined during discussions with management, and survivor curve estimates from previous studies of the other Aqua Pennsylvania wastewater systems. For depreciable groups which consist of numerous similar items of property, the distribution of the lives of the units in the group was judged on the basis of an average survival pattern for the entire group.

The amortization period selected for general plant Account 397.00 is discussed in the section, “Amortization of General Plant Accounts.”

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

PART IV. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

BOOK RESERVE

The book reserve as of December 31, 2023, is the result of a bringforward of the book reserves established by the Commission for the East Whiteland wastewater operations at the time of acquisition. The projected book reserve as of December 31, 2024, is a bringforward of the December 31, 2023 book reserve based on projected accruals, retirements, cost of removal, gross salvage and other credits.

CALCULATION OF DEPRECIATION

The annual depreciation accruals as of December 31, 2024, are based on the straight line remaining life method and the equal life group procedure. For the purpose of calculating the remaining life accruals as of December 31, 2024, the book reserve is allocated among vintages in proportion to the calculated accrued depreciation as of December 31, 2024.

Group Depreciation Procedures

A group procedure for depreciation is appropriate when considering more than a single item of property. Normally, the items within a group do not have identical service lives but have lives that are dispersed over a range of time.

In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balances of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas

the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

In the equal life group procedure, the property group is subdivided according to service life. That is, each equal life group includes that portion of the property which experiences the life of that specific group. The relative size of each equal life group is determined from the property's life dispersion curve. This procedure eliminates the need to base depreciation on average lives, inasmuch as each group is equivalent to a unit having a single life. The full costs of short-lived units are accrued during their lives, leaving no deferral of accruals required to be added to the annual costs associated with long-lived units. The calculated depreciation for the property group is the summation of the calculated depreciation based on the service life of each equal life group.

Remaining Life Annual Accruals

For the purpose of calculating remaining life accrual rates as of December 31, 2024, the estimated book depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation based on the equal life group procedure follow. The detailed calculations are set forth in the Results of Study section of the report.

Equal Life Group Procedure

In the equal life group procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the composite remaining life for the surviving original cost of that vintage. The composite remaining life is derived by compositing the individual equal life group remaining lives in accordance with the following equation:

$$\text{Composite Remaining Life} = \frac{\sum(\frac{\text{Book Cost}}{\text{Life}} \text{ x Remaining Life})}{\sum \frac{\text{Book Cost}}{\text{Life}}}.$$

The book costs and lives of the several equal life groups which are summed in the foregoing equation are defined by the estimated survivor curve.

Inasmuch as book cost divided by life equals the whole life annual accrual, the foregoing equation reduces to the following form:

$$\text{Composite Remaining Life} = \frac{\sum \text{Whole Life Future Accruals}}{\sum \text{Whole Life Annual Accruals}}$$

or

$$\text{Composite Remaining Life} = \frac{\sum \text{Book Cost - Calc. Reserve}}{\sum \text{Whole Life Annual Accrual}}.$$

The annual accrual rate for each account is equal to the sum of the remaining life annual accruals for all vintages divided by the account's total original cost. The account's "composite remaining life" is calculated by dividing the sum of the future book accruals for all vintages by the sum of the remaining life annual accruals for all vintages.

The calculated accrued depreciation in the equal life group procedure also represents that portion of depreciable cost which will not be allocated to expense through future accruals. However, the calculation is based at the equal life group level rather than the vintage group level and does not require the use of averages. The equal life group accrued depreciation ratio is calculated as follows:

$$Ratio = 1 - \left(\frac{Remaining\ Life}{Service\ Life}\right)$$

Inasmuch as service life minus remaining life equals age, when averages are not employed, the foregoing equation reduces to:

$$Ratio = \left(\frac{Age}{Service\ Life}\right)$$

AMORTIZATION OF GENERAL PLANT ACCOUNTS

In order to use a more efficient and cost effective accounting process for equipment recorded in general plant Account 397.00; amounts capitalized in this account are amortized rather than depreciated. Amortization as defined in the Uniform System of Accounts is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

The primary reasons for the amortization of certain general plant accounts is that the effort required to unitize additions, periodically inventory equipment and determine amounts to be retired for equipment recorded in these accounts is disproportionate to the original cost of the equipment when compared to other wastewater plant accounts.

Accounting for such equipment using an amortization concept consists of capitalization of amounts to these accounts based on the same criteria as used previously under depreciation accounting, amortization of the asset over a fixed period, retirement of the equipment at the end of the amortization period and recognition of any net salvage related to disposition of equipment in these accounts as a gain or loss. For equipment in these accounts that was placed in service prior to implementation of amortization accounting, the net book value by vintage amortized over the remaining amortization period specified for each account and the original cost will be retired at the end of this period.

The amortization periods selected for each account or subaccount are based on a review of the existing depreciation rates for the accounts, typical service lives used for each type of equipment and a consideration of the period during which it is anticipated that most of the benefit of the equipment will be realized. The amortization periods are as follows:

Account Number	Description	Amortization Period, Years
397.00	Miscellaneous Equipment	25

NET SALVAGE

Experienced net salvage is incorporated in the results of the study as it was reported on the Company's books and records for the period January 1, 2020 through December 31, 2023 and estimated for the period January 1, 2024 through December 31, 2024. The calculation of the amortization is shown in Table 4 on page V-7. The amounts

of gross salvage and removal cost by account for each year are set forth in the section beginning on page VIII-2.

Net salvage is presented in this manner to determine the amount of net salvage to be amortized to the cost of service for ratemaking purposes. In order to be consistent with this manner of recognizing net salvage, no adjustments for net salvage were made to the annual depreciation calculated for the individual accounts.

PART V. RESULTS OF STUDY

PART V. RESULTS OF STUDY

DESCRIPTION OF SUMMARY TABULATIONS

Table 1 summarizes the results of the depreciation study which sets forth, by depreciable group, the estimated survivor curve, calculated annual accruals and book reserve related to net original cost and the annual amortization of net salvage. Table 2 presents the bringforward to December 31, 2024 of the book reserve as of December 31, 2023. Table 3 sets forth the calculation of estimated depreciation accruals for the twelve months ended December 31, 2024. Table 4 presents the amortization of experienced and estimated net salvage, by account, based on the five-year period, 2020-2024. The total amortization amount is incorporated in the total annual accrual in Table 1.

DESCRIPTION OF DETAILED TABULATIONS

Supporting statistical data for the estimates of average service lives and survivor curves, the annual depreciation calculations, and gross salvage and cost of removal for the years 2020-2024 are presented in three sections.

The section beginning on page VI-2 sets forth, for each depreciable group analyzed by the retirement rate method, a chart depicting the original and estimated survivor curves followed by a tabular presentation of the original life table plotted on the chart. A cumulative summary, by year installed, for utility plant and the supporting data for the original cost depreciation calculations are presented in the section beginning on page VII-3. The tabulations of experienced and estimated net salvage, by year and account for the five-year period 2020-2024, are presented in the section beginning on page VIII-2.

In the first section, the survivor curves estimated for the depreciable groups are shown as dark smooth curves on the charts. Each smooth survivor curve is denoted by a numeral followed by the type curve designation. The numeral used is the average life derived from the entire curve from 100 percent to zero percent surviving. In cases where only a segment of the estimated curve is used in the depreciation calculation, the numeral used for identification purposes is not a designation of the average life of the group. The titles of the charts indicate the group, the symbol used to plot the points of the original life table, and the experience and placement bands of the life tables which were plotted. The experience band indicates the range of years for which the retirements were used to develop the stub survivor curve. The placements indicate, for the related experience band, the range of years of installations which appear in the experience.

The tables of the calculated annual depreciation related to original cost are presented in account sequence in the second section and indicate the estimated average survivor curves used in the calculations. The tables set forth, for each installation year, the original cost, calculated accrued depreciation, allocated book reserve, remaining life expectancy, and the calculated annual accrual.

Detailed tabulations setting forth the cost of removal, gross salvage and net salvage amounts, by account and year, are presented in the third section. The net salvage amounts, by account and year, are carried forward to Table 4, which presents the five-year amortization of net salvage.

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	479,508.93					
TOTAL INTANGIBLE PLANT		479,508.93					
NONDEPRECIABLE PLANT							
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	668.00					
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	13.00					
TOTAL NONDEPRECIABLE PLANT		681.00					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	40-S1.5	30,182.67	940	29,242	922	3.05	31.7
PUMPING	55-R2	8,474,816.38	367,034	8,107,782	248,095	2.93	32.7
TREATMENT AND DISPOSAL	45-S1	11,280,515.66	526,122	10,754,394	394,305	3.50	27.3
TOTAL ACCOUNT 354		19,785,514.71	894,097	18,891,418	643,322		
355.00 POWER GENERATING EQUIPMENT							
COLLECTION	30-R3	6,041.28	243	5,798	235	3.89	24.7
PUMPING	30-R3	85,050.28	6,148	78,902	4,535	5.33	17.4
TREATMENT AND DISPOSAL	30-R3	6,706.45	97	6,609	266	3.97	24.8
TOTAL ACCOUNT 355		97,798.01	6,488	91,309	5,036		
360.00 COLLECTION MAINS - FORCE	70-R3	3,934,143.19	184,770	3,749,373	106,475	2.71	35.2
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	32,278,106.63	1,397,148	30,880,958	941,842	2.92	32.8
363.00 SERVICES	70-R4	7,317,195.98	279,107	7,038,089	168,446	2.30	41.8
364.00 METERS	30-L2.5	92,320.39	19,228	73,093	12,495	13.53	5.8
371.00 PUMPING EQUIPMENT							
PUMPING	30-L1.5	82,719.69	9,030	73,690	5,994	7.25	12.3
TOTAL ACCOUNT 371		82,719.69	9,030	73,690	5,994		
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S1	2.90	0	3	0	-	-
397.00 MISCELLANEOUS EQUIPMENT	25-SQ	753,200.72	0	753,201	30,743	*	24.5
TOTAL DEPRECIABLE PLANT		**64,341,002.22**	**2,789,868**	**61,551,134**	**1,914,353**		
TOTAL WASTEWATER PLANT IN SERVICE		**64,821,192.15**	**2,789,868**	**61,551,134**	**1,914,353**		

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2024	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	473,771.07	13,446	460,325	9,316	1.97	49.4
363.00 SERVICES	70-R4	79,204.70	1,747	77,457	1,212	1.53	63.9
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**552,975.77**	**15,193**	**537,782**	**10,528**		
AMORTIZATION OF NET SALVAGE					**40**		
TOTAL WASTEWATER PLANT		**64,268,216.38**	**2,774,675**	**61,013,352**	**1,903,865**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2024 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		BOOK RESERVE AS OF DECEMBER 31, 2024
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	=	(8)
354.20	20		921										940
354.30	114,485		252,550										367,034
354.40	126,792		399,330										526,122
355.20	8		236				1						243
355.30	1,522		4,632				6						6,148
355.40	4		191				97						97
360.00	76,581		108,189										184,770
361.00	510,927		927,564				41,141				202		1,397,148
363.00	110,079		169,027										279,107
364.00	4,549		14,679										19,228
371.30	2,603		6,427				0				0		9,030
391.70	0												0
SUBTOTAL	**947,569**		**1,883,746**		**0**		**41,245**		**0**		**202**		**2,789,868**
LESS:													
CUSTOMERS' ADVANCES AND CONTRIBUTIONS													
361.00	(3,734)		(9,712)										(13,446)
363.00	(535)		(1,212)										(1,747)
SUBTOTAL	**(4,269)**		**(10,924)**		**0**		**0**		**0**		**0**		**(15,193)**
TOTAL	**943,300**		**1,872,821**		**0**		**41,245**		**0**		**202**		**2,774,675**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2024

	ACCOUNT	ORIGINAL COST AS OF DECEMBER 31, 2023	ORIGINAL COST AS OF DECEMBER 31, 2024	COMPOSITE ACCRUAL RATE		ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)		(5)
UTILITY PLANT IN SERVICE						
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	30,182.67	30,182.67	3.05		921
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	8,474,816.38	8,474,816.38	2.98		252,550
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	11,280,515.66	11,280,515.66	3.54		399,330
355.20	POWER GENERATING EQUIPMENT - COLLECTION	5,834.35	6,041.28	3.98		236
355.30	POWER GENERATING EQUIPMENT - PUMPING	84,633.65	85,050.28	5.46		4,632
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	2,897.37	6,706.45	3.97		191
360.00	COLLECTION MAINS - FORCE	3,934,143.19	3,934,143.19	2.75		108,189
361.00	COLLECTION MAINS - GRAVITY	25,514,019.59	32,278,106.63	3.21		927,564
363.00	SERVICES	7,317,195.98	7,317,195.98	2.31		169,027
364.00	METERS	92,320.39	92,320.39	15.90		14,679
371.30	PUMPING EQUIPMENT - PUMPING	82,715.59	82,719.69	7.77		6,427
380.00	TREATMENT AND DISPOSAL EQUIPMENT	2.90	2.90	-		0
397.00	MISCELLANEOUS EQUIPMENT	0.00	753,200.72	-	*	0
	TOTAL UTILITY PLANT IN SERVICE	**56,819,277.72**	**64,341,002.22**			**1,883,746**
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION						
361.20	COLLECTION MAINS - GRAVITY	473,771.07	473,771.07	2.05		9,712
363.20	SERVICES	79,204.70	79,204.70	1.53		1,212
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**552,975.77**	**552,975.77**			**10,924**
	TOTAL PLANT IN SERVICE	**56,266,301.95**	**63,788,026.45**			**1,872,821**

* ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA, INC.
EAST WHITELAND WASTEWATER OPERATIONS

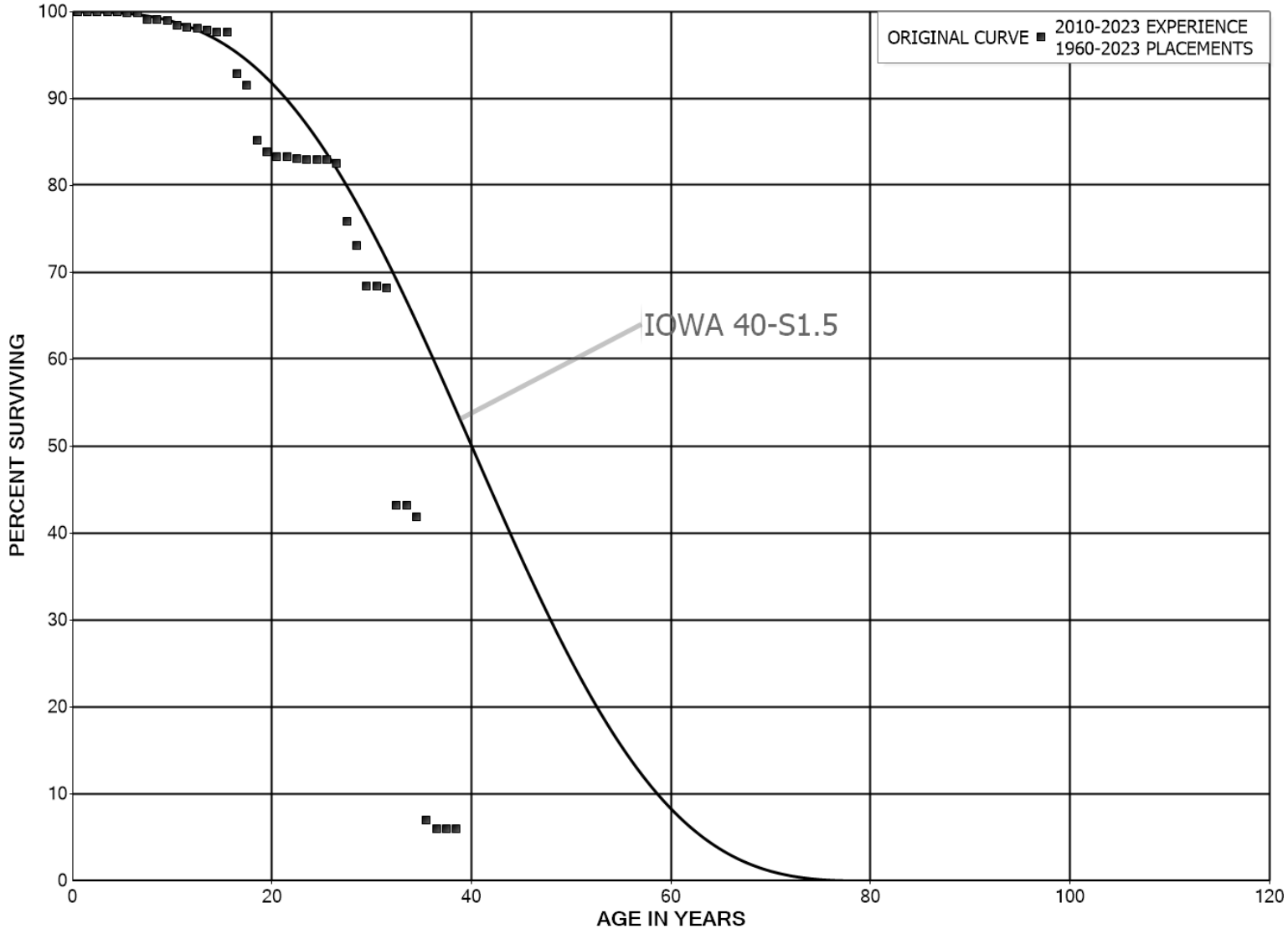
TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2020		2021		2022		2023		2024			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
354.20												
354.30												
354.40												
354.50												
360.00												
361.00										202	(202)	(40)
363.00												
371.30										0	(0)	
380.00												
391.70												
396.70												
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**202**	**(202)**	**(40)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART VI. SERVICE LIFE STATISTICS

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	38,707,662		0.0000	1.0000	100.00
0.5	25,382,929		0.0000	1.0000	100.00
1.5	25,120,085		0.0000	1.0000	100.00
2.5	24,798,133		0.0000	1.0000	100.00
3.5	3,623,009		0.0000	1.0000	100.00
4.5	3,636,757	5,669	0.0016	0.9984	100.00
5.5	3,630,186		0.0000	1.0000	99.84
6.5	5,491,484	45,724	0.0083	0.9917	99.84
7.5	5,238,604		0.0000	1.0000	99.01
8.5	6,251,741	1,332	0.0002	0.9998	99.01
9.5	6,409,672	36,966	0.0058	0.9942	98.99
10.5	6,373,165	18,469	0.0029	0.9971	98.42
11.5	6,418,406	5,028	0.0008	0.9992	98.14
12.5	4,472,091	10,246	0.0023	0.9977	98.06
13.5	3,587,330	6,016	0.0017	0.9983	97.83
14.5	2,683,265	536	0.0002	0.9998	97.67
15.5	2,682,729	133,633	0.0498	0.9502	97.65
16.5	1,302,827	17,373	0.0133	0.9867	92.79
17.5	1,315,900	90,927	0.0691	0.9309	91.55
18.5	1,209,746	20,425	0.0169	0.9831	85.22
19.5	1,189,321	7,344	0.0062	0.9938	83.78
20.5	1,181,977		0.0000	1.0000	83.27
21.5	1,269,743	2,658	0.0021	0.9979	83.27
22.5	423,960	517	0.0012	0.9988	83.09
23.5	262,668		0.0000	1.0000	82.99
24.5	262,209		0.0000	1.0000	82.99
25.5	201,156	1,082	0.0054	0.9946	82.99
26.5	187,208	15,335	0.0819	0.9181	82.54
27.5	171,873	6,192	0.0360	0.9640	75.78
28.5	120,775	7,708	0.0638	0.9362	73.05
29.5	113,067		0.0000	1.0000	68.39
30.5	113,067	401	0.0035	0.9965	68.39
31.5	101,243	37,120	0.3666	0.6334	68.15
32.5	64,124		0.0000	1.0000	43.16
33.5	64,124	1,937	0.0302	0.9698	43.16
34.5	62,186	51,869	0.8341	0.1659	41.86
35.5	10,317	1,424	0.1380	0.8620	6.94
36.5	8,893		0.0000	1.0000	5.99
37.5	8,893		0.0000	1.0000	5.99
38.5	8,893		0.0000	1.0000	5.99

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

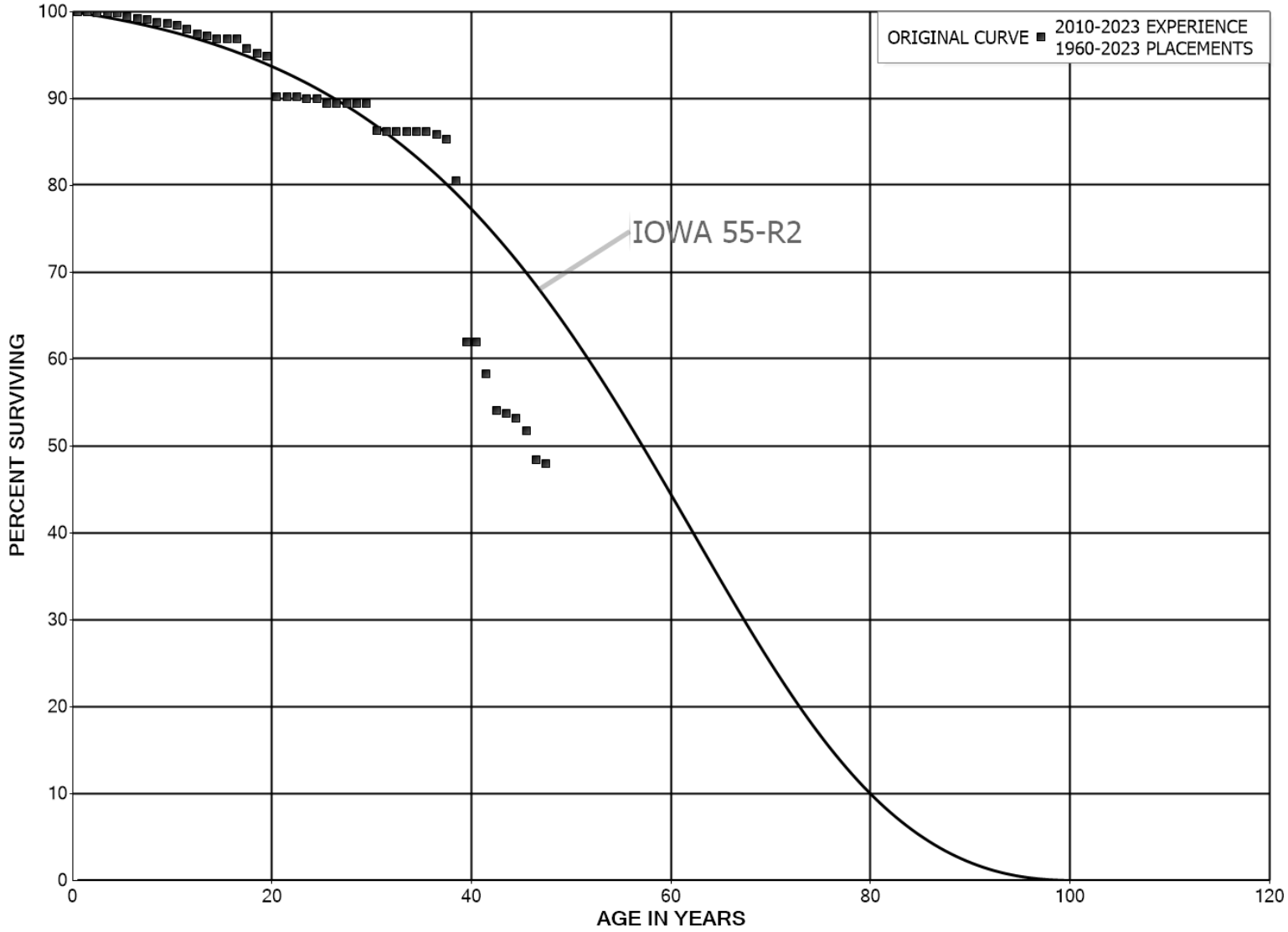
ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	8,893	1,953	0.2196	0.7804	5.99
40.5					4.67
41.5					
42.5					
43.5					
44.5					
45.5					
46.5					
47.5					
48.5					
49.5	9,083		0.0000		
50.5	9,083		0.0000		
51.5	9,083		0.0000		
52.5	9,083		0.0000		
53.5	9,083	880	0.0969		
54.5	8,203	2,151	0.2623		
55.5	6,051		0.0000		
56.5	6,051	1,192	0.1970		
57.5	4,859	289	0.0596		
58.5	4,570	324	0.0709		
59.5	4,246	1,289	0.3036		
60.5	2,957	2,798	0.9461		
61.5	159		0.0000		
62.5	159		0.0000		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	4,610,717		0.0000	1.0000	100.00
0.5	5,377,276	812	0.0002	0.9998	100.00
1.5	5,715,638	8,566	0.0015	0.9985	99.98
2.5	6,296,064		0.0000	1.0000	99.84
3.5	5,776,241	2,709	0.0005	0.9995	99.84
4.5	5,857,341	24,216	0.0041	0.9959	99.79
5.5	5,540,014	8,366	0.0015	0.9985	99.38
6.5	3,697,678	6,716	0.0018	0.9982	99.23
7.5	8,793,420	29,171	0.0033	0.9967	99.05
8.5	8,629,023	5,526	0.0006	0.9994	98.72
9.5	4,511,142	14,165	0.0031	0.9969	98.65
10.5	3,796,706	17,238	0.0045	0.9955	98.34
11.5	3,033,800	13,984	0.0046	0.9954	97.90
12.5	3,041,754	9,361	0.0031	0.9969	97.45
13.5	4,113,747	12,747	0.0031	0.9969	97.15
14.5	5,854,799		0.0000	1.0000	96.85
15.5	5,548,693		0.0000	1.0000	96.85
16.5	3,718,900	43,470	0.0117	0.9883	96.85
17.5	3,680,213	21,233	0.0058	0.9942	95.71
18.5	3,368,675	11,712	0.0035	0.9965	95.16
19.5	4,262,078	211,392	0.0496	0.9504	94.83
20.5	2,478,945		0.0000	1.0000	90.13
21.5	4,473,942		0.0000	1.0000	90.13
22.5	3,315,435	4,978	0.0015	0.9985	90.13
23.5	2,172,652	1,138	0.0005	0.9995	89.99
24.5	1,909,126	11,595	0.0061	0.9939	89.94
25.5	2,418,635		0.0000	1.0000	89.40
26.5	2,152,421		0.0000	1.0000	89.40
27.5	2,615,998		0.0000	1.0000	89.40
28.5	2,380,900		0.0000	1.0000	89.40
29.5	2,359,215	82,791	0.0351	0.9649	89.40
30.5	2,034,330	811	0.0004	0.9996	86.26
31.5	3,697,780	2,409	0.0007	0.9993	86.23
32.5	3,316,392		0.0000	1.0000	86.17
33.5	2,993,590		0.0000	1.0000	86.17
34.5	3,189,049	980	0.0003	0.9997	86.17
35.5	2,232,436	6,598	0.0030	0.9970	86.14
36.5	1,688,791	12,083	0.0072	0.9928	85.89
37.5	546,452	30,727	0.0562	0.9438	85.27
38.5	173,811	39,969	0.2300	0.7700	80.48

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

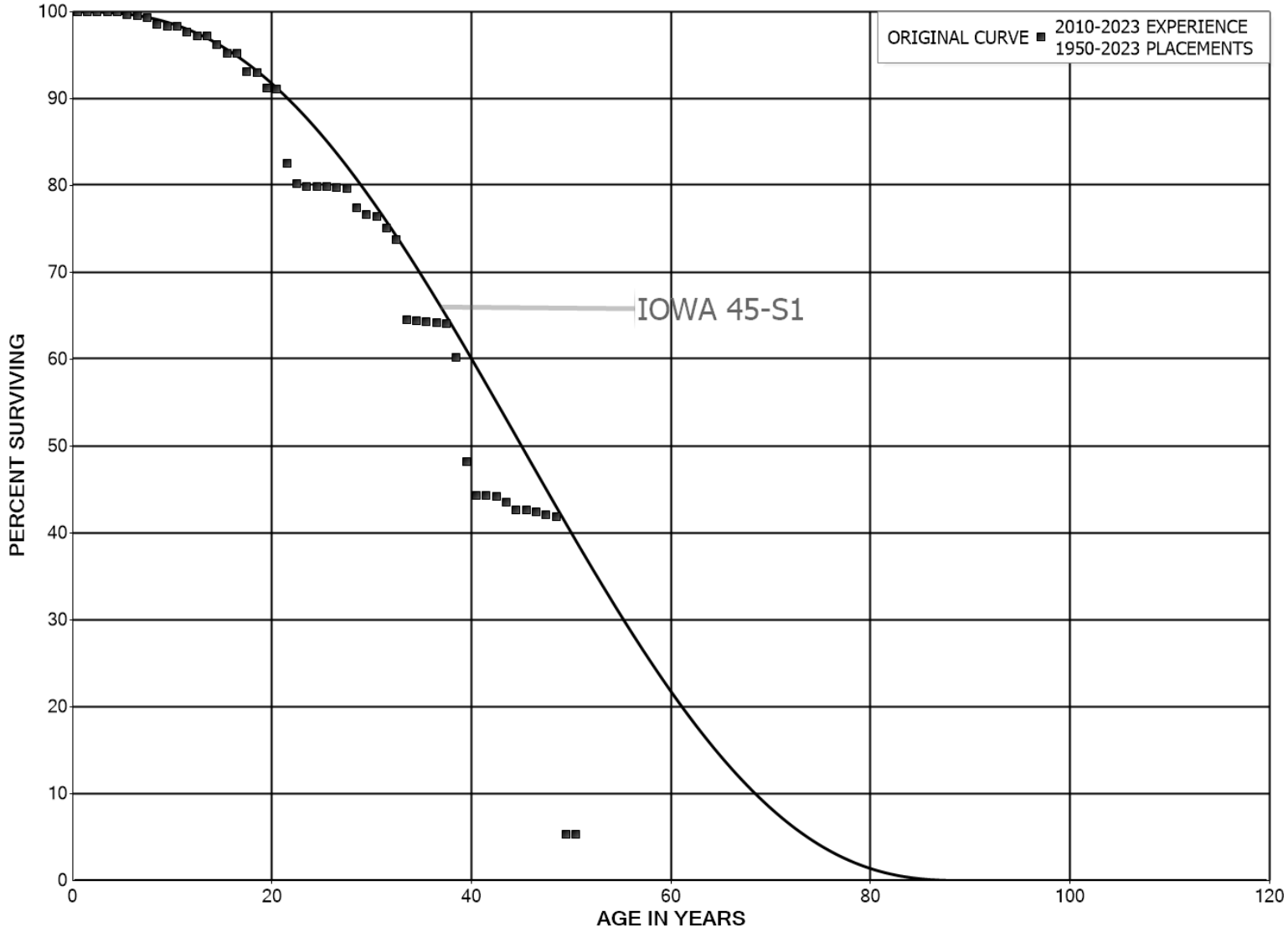
ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	204,911		0.0000	1.0000	61.97
40.5	200,995	12,110	0.0603	0.9397	61.97
41.5	762,364	54,116	0.0710	0.9290	58.24
42.5	707,376	4,733	0.0067	0.9933	54.10
43.5	476,305	5,051	0.0106	0.9894	53.74
44.5	1,251,679	33,832	0.0270	0.9730	53.17
45.5	1,085,317	70,261	0.0647	0.9353	51.74
46.5	1,015,056	8,990	0.0089	0.9911	48.39
47.5	781,056	742	0.0010	0.9990	47.96
48.5	403	403	1.0000		47.91
49.5	936		0.0000	1.0000	
50.5					
51.5	517		0.0000		
52.5					
53.5					
54.5					
55.5					
56.5	151,991		0.0000		
57.5	474,982		0.0000		
58.5	322,991	4	0.0000		
59.5	2,271,711		0.0000		
60.5	2,481,346		0.0000		
61.5	2,481,346		0.0000		
62.5	2,481,346	768	0.0003		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1950-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	28,444,703		0.0000	1.0000	100.00
0.5	30,174,221	2,265	0.0001	0.9999	100.00
1.5	30,333,030		0.0000	1.0000	99.99
2.5	30,432,889	9,312	0.0003	0.9997	99.99
3.5	23,118,494	9,412	0.0004	0.9996	99.96
4.5	11,878,962	34,166	0.0029	0.9971	99.92
5.5	10,321,182	18,604	0.0018	0.9982	99.63
6.5	8,484,145	11,225	0.0013	0.9987	99.45
7.5	12,136,748	98,278	0.0081	0.9919	99.32
8.5	20,869,083	39,781	0.0019	0.9981	98.52
9.5	21,069,859	20,838	0.0010	0.9990	98.33
10.5	11,902,697	68,307	0.0057	0.9943	98.23
11.5	11,694,148	56,471	0.0048	0.9952	97.67
12.5	10,385,251	7,785	0.0007	0.9993	97.20
13.5	10,082,699	99,729	0.0099	0.9901	97.13
14.5	12,666,698	133,937	0.0106	0.9894	96.16
15.5	13,470,723		0.0000	1.0000	95.15
16.5	12,773,638	276,249	0.0216	0.9784	95.15
17.5	10,003,089	9,764	0.0010	0.9990	93.09
18.5	10,591,646	210,294	0.0199	0.9801	93.00
19.5	13,664,333	9,631	0.0007	0.9993	91.15
20.5	9,855,430	932,887	0.0947	0.9053	91.09
21.5	6,660,603	185,819	0.0279	0.9721	82.47
22.5	15,218,748	52,790	0.0035	0.9965	80.17
23.5	16,223,253	10,314	0.0006	0.9994	79.89
24.5	14,183,395	5,867	0.0004	0.9996	79.84
25.5	4,295,484	2,783	0.0006	0.9994	79.80
26.5	3,353,279	4,448	0.0013	0.9987	79.75
27.5	3,526,482	99,129	0.0281	0.9719	79.65
28.5	2,712,286	29,307	0.0108	0.9892	77.41
29.5	4,188,925	10,032	0.0024	0.9976	76.57
30.5	7,355,171	130,814	0.0178	0.9822	76.39
31.5	16,595,135	299,946	0.0181	0.9819	75.03
32.5	14,019,512	1,741,012	0.1242	0.8758	73.67
33.5	12,508,549	35,197	0.0028	0.9972	64.52
34.5	9,955,105	8,404	0.0008	0.9992	64.34
35.5	9,835,399	24,054	0.0024	0.9976	64.29
36.5	9,144,698	16,896	0.0018	0.9982	64.13
37.5	308,855	18,347	0.0594	0.9406	64.01
38.5	147,742	29,553	0.2000	0.8000	60.21

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

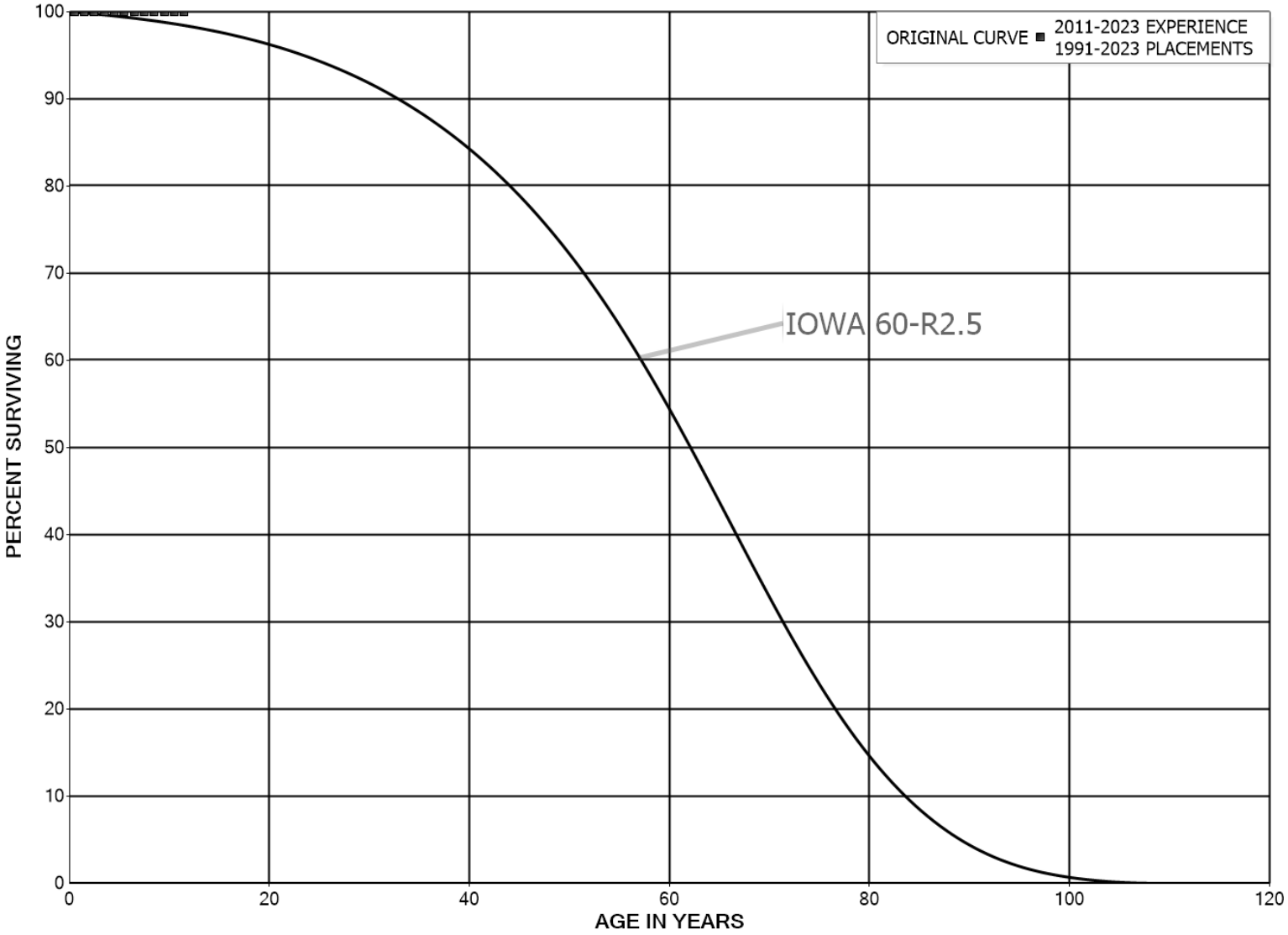
ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1950-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	118,320	9,485	0.0802	0.9198	48.17
40.5	495,076		0.0000	1.0000	44.30
41.5	495,076	1,160	0.0023	0.9977	44.30
42.5	489,937	8,231	0.0168	0.9832	44.20
43.5	479,254	9,139	0.0191	0.9809	43.46
44.5	629,083	461	0.0007	0.9993	42.63
45.5	1,571,508	6,806	0.0043	0.9957	42.60
46.5	1,511,433	13,698	0.0091	0.9909	42.41
47.5	546,962	2,026	0.0037	0.9963	42.03
48.5	439,237	383,981	0.8742	0.1258	41.87
49.5	55,257		0.0000	1.0000	5.27
50.5	3,230,607		0.0000	1.0000	5.27
51.5	3,209,447		0.0000	1.0000	5.27
52.5	3,202,171		0.0000	1.0000	5.27
53.5					5.27
54.5					
55.5	2,343,080		0.0000		
56.5	2,343,080		0.0000		
57.5					
58.5					
59.5	420,422		0.0000		
60.5	420,422	3,111	0.0074		
61.5	417,311		0.0000		
62.5	417,311		0.0000		
63.5	417,311		0.0000		
64.5	417,311		0.0000		
65.5	417,311		0.0000		
66.5	417,311	44,392	0.1064		
67.5	372,918		0.0000		
68.5	372,918	416	0.0011		
69.5	372,502	372,502	1.0000		
70.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

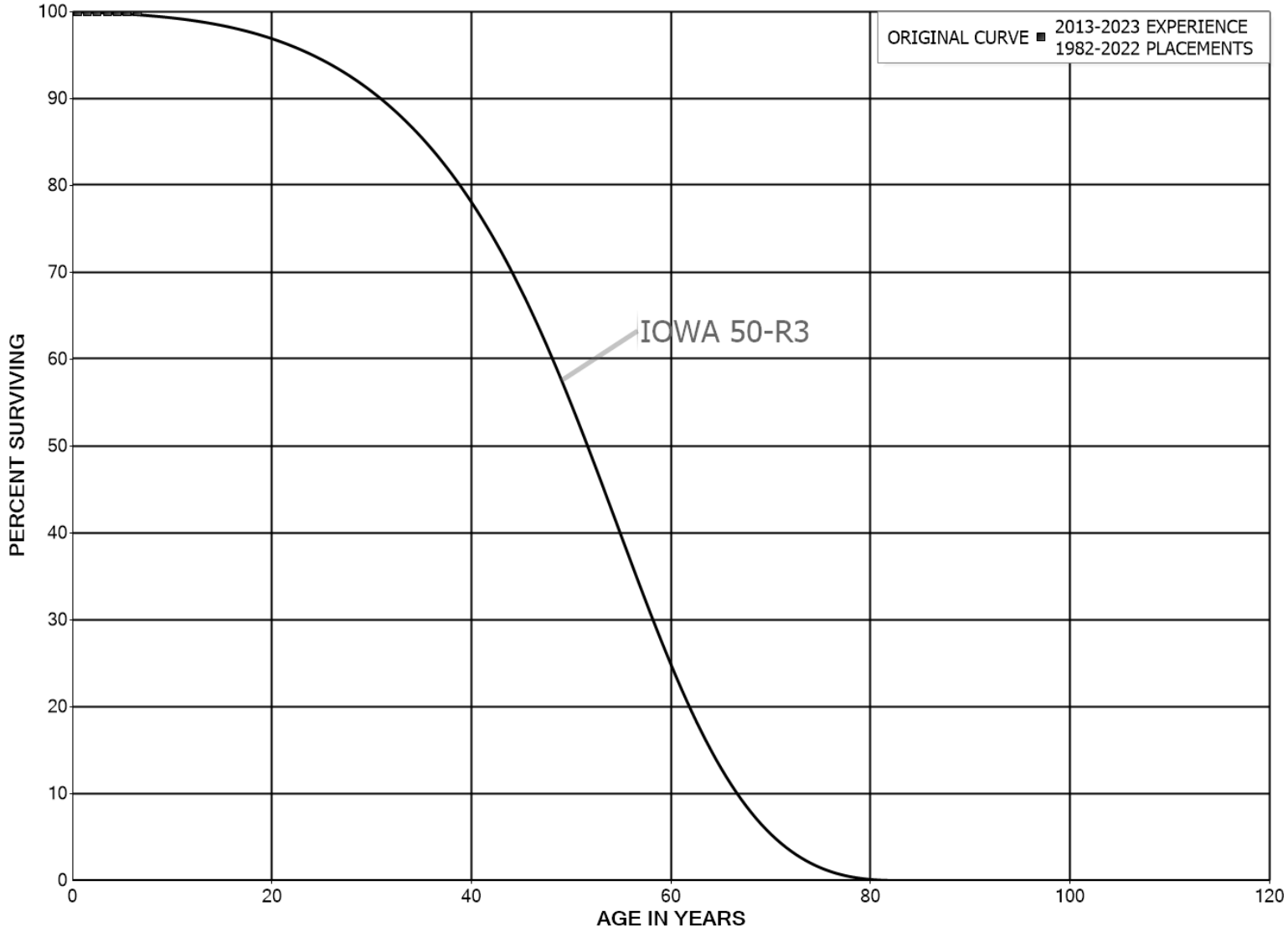
ACCOUNT 354.5 STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1991-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	574,150		0.0000	1.0000	100.00
0.5	102,704		0.0000	1.0000	100.00
1.5	1,741		0.0000	1.0000	100.00
2.5	4,001		0.0000	1.0000	100.00
3.5	9,044		0.0000	1.0000	100.00
4.5	37,826		0.0000	1.0000	100.00
5.5	70,235		0.0000	1.0000	100.00
6.5	70,235		0.0000	1.0000	100.00
7.5	70,235		0.0000	1.0000	100.00
8.5	70,235		0.0000	1.0000	100.00
9.5	70,235		0.0000	1.0000	100.00
10.5	70,235		0.0000	1.0000	100.00
11.5	36,713		0.0000	1.0000	100.00
12.5	36,086		0.0000	1.0000	100.00
13.5	36,086		0.0000	1.0000	100.00
14.5	36,086		0.0000	1.0000	100.00
15.5	33,826		0.0000	1.0000	100.00
16.5	28,782		0.0000	1.0000	100.00
17.5					100.00
18.5					
19.5					
20.5					
21.5					
22.5					
23.5					
24.5					
25.5					
26.5	1,562,131		0.0000		
27.5	1,562,131		0.0000		
28.5	1,562,131		0.0000		
29.5	1,562,131		0.0000		
30.5	1,562,131		0.0000		
31.5	1,562,131		0.0000		
32.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

ORIGINAL LIFE TABLE

PLACEMENT BAND 1982-2022 EXPERIENCE BAND 2013-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	120,114		0.0000	1.0000	100.00
0.5	120,114		0.0000	1.0000	100.00
1.5	44,903		0.0000	1.0000	100.00
2.5	44,903		0.0000	1.0000	100.00
3.5	43,648		0.0000	1.0000	100.00
4.5	42,083		0.0000	1.0000	100.00
5.5	42,083		0.0000	1.0000	100.00
6.5					100.00
7.5					
8.5					
9.5					
10.5					
11.5					
12.5					
13.5					
14.5					
15.5					
16.5					
17.5	6,796		0.0000		
18.5	392,461		0.0000		
19.5	392,461	5,579	0.0142		
20.5	386,882		0.0000		
21.5	386,882		0.0000		
22.5	386,882		0.0000		
23.5	421,104	6,967	0.0165		
24.5	41,018		0.0000		
25.5	41,018		0.0000		
26.5	41,018		0.0000		
27.5	41,018		0.0000		
28.5	119,216		0.0000		
29.5	132,216		0.0000		
30.5	96,697		0.0000		
31.5	1,321,191		0.0000		
32.5	1,321,191	2,123	0.0016		
33.5	1,319,068	5,811	0.0044		
34.5	629,807		0.0000		
35.5	551,609		0.0000		
36.5	551,609		0.0000		
37.5	18,500		0.0000		
38.5	18,500		0.0000		

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

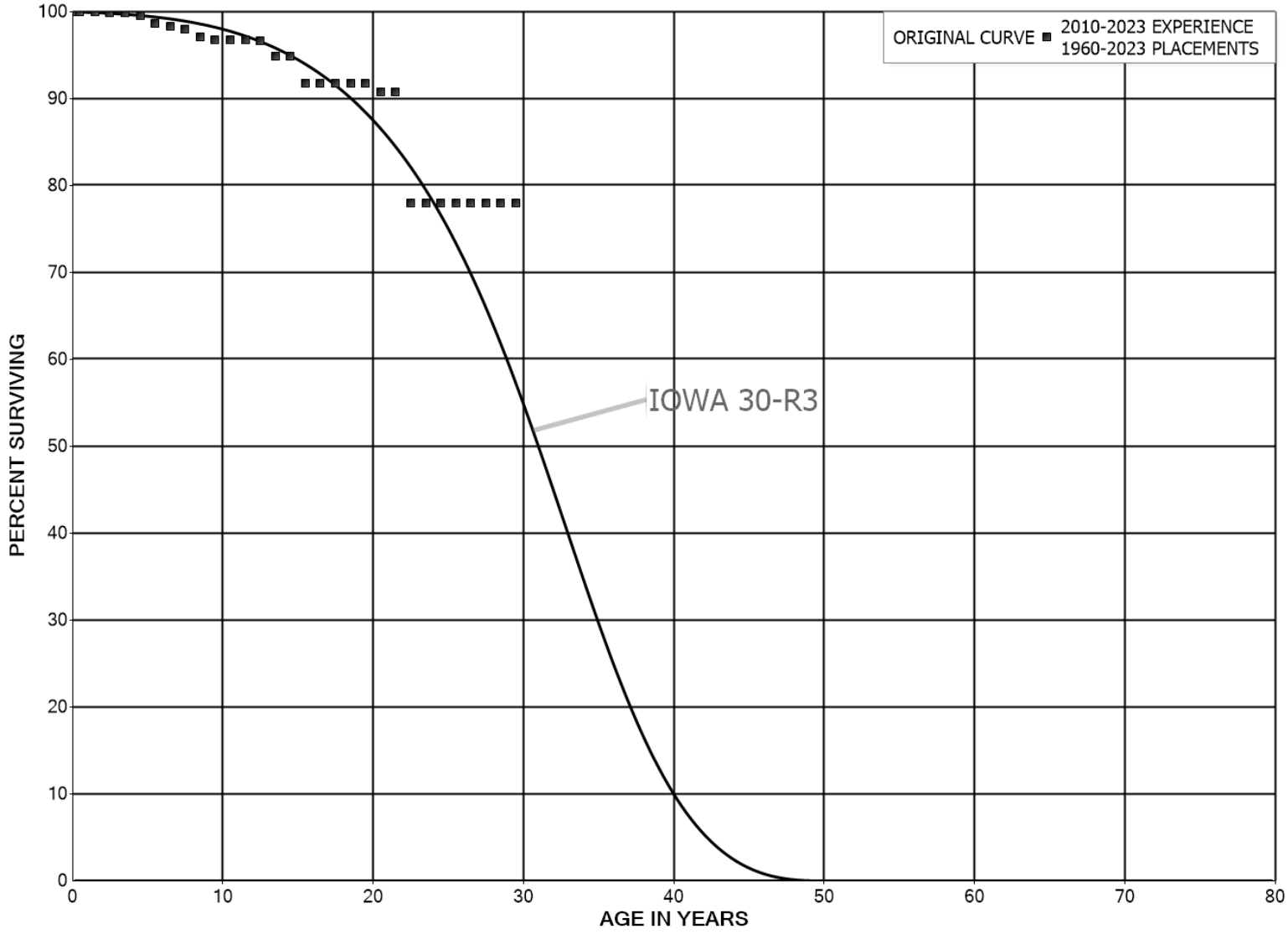
ACCOUNT 354.7 STRUCTURES AND IMPROVEMENTS - GENERAL

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1982-2022 EXPERIENCE BAND 2013-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	18,500		0.0000		
40.5	5,500		0.0000		
41.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	3,695,800		0.0000	1.0000	100.00
0.5	3,573,278	1,869	0.0005	0.9995	100.00
1.5	3,456,807	3,867	0.0011	0.9989	99.95
2.5	3,497,312	0	0.0000	1.0000	99.84
3.5	2,608,200	8,643	0.0033	0.9967	99.84
4.5	1,083,224	10,166	0.0094	0.9906	99.51
5.5	969,767	2,752	0.0028	0.9972	98.57
6.5	790,081	2,697	0.0034	0.9966	98.29
7.5	964,388	8,751	0.0091	0.9909	97.96
8.5	817,761	3,002	0.0037	0.9963	97.07
9.5	802,149		0.0000	1.0000	96.71
10.5	870,296		0.0000	1.0000	96.71
11.5	835,788	653	0.0008	0.9992	96.71
12.5	818,698	14,820	0.0181	0.9819	96.64
13.5	768,424		0.0000	1.0000	94.89
14.5	1,098,528	37,115	0.0338	0.9662	94.89
15.5	964,105		0.0000	1.0000	91.68
16.5	782,702		0.0000	1.0000	91.68
17.5	730,839		0.0000	1.0000	91.68
18.5	921,848		0.0000	1.0000	91.68
19.5	1,145,044	11,631	0.0102	0.9898	91.68
20.5	794,953		0.0000	1.0000	90.75
21.5	778,283	109,591	0.1408	0.8592	90.75
22.5	537,096		0.0000	1.0000	77.97
23.5	836,839		0.0000	1.0000	77.97
24.5	567,473		0.0000	1.0000	77.97
25.5	632,023		0.0000	1.0000	77.97
26.5	632,023		0.0000	1.0000	77.97
27.5	436,222		0.0000	1.0000	77.97
28.5	384,060		0.0000	1.0000	77.97
29.5	530,456		0.0000	1.0000	77.97
30.5	517,312		0.0000	1.0000	77.97
31.5	451,084		0.0000	1.0000	77.97
32.5	399,977		0.0000	1.0000	77.97
33.5	168,767		0.0000	1.0000	77.97
34.5	206,113	1,535	0.0074	0.9926	77.97
35.5	37,346		0.0000	1.0000	77.39
36.5	44,381		0.0000	1.0000	77.39
37.5	44,381		0.0000	1.0000	77.39
38.5					77.39

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

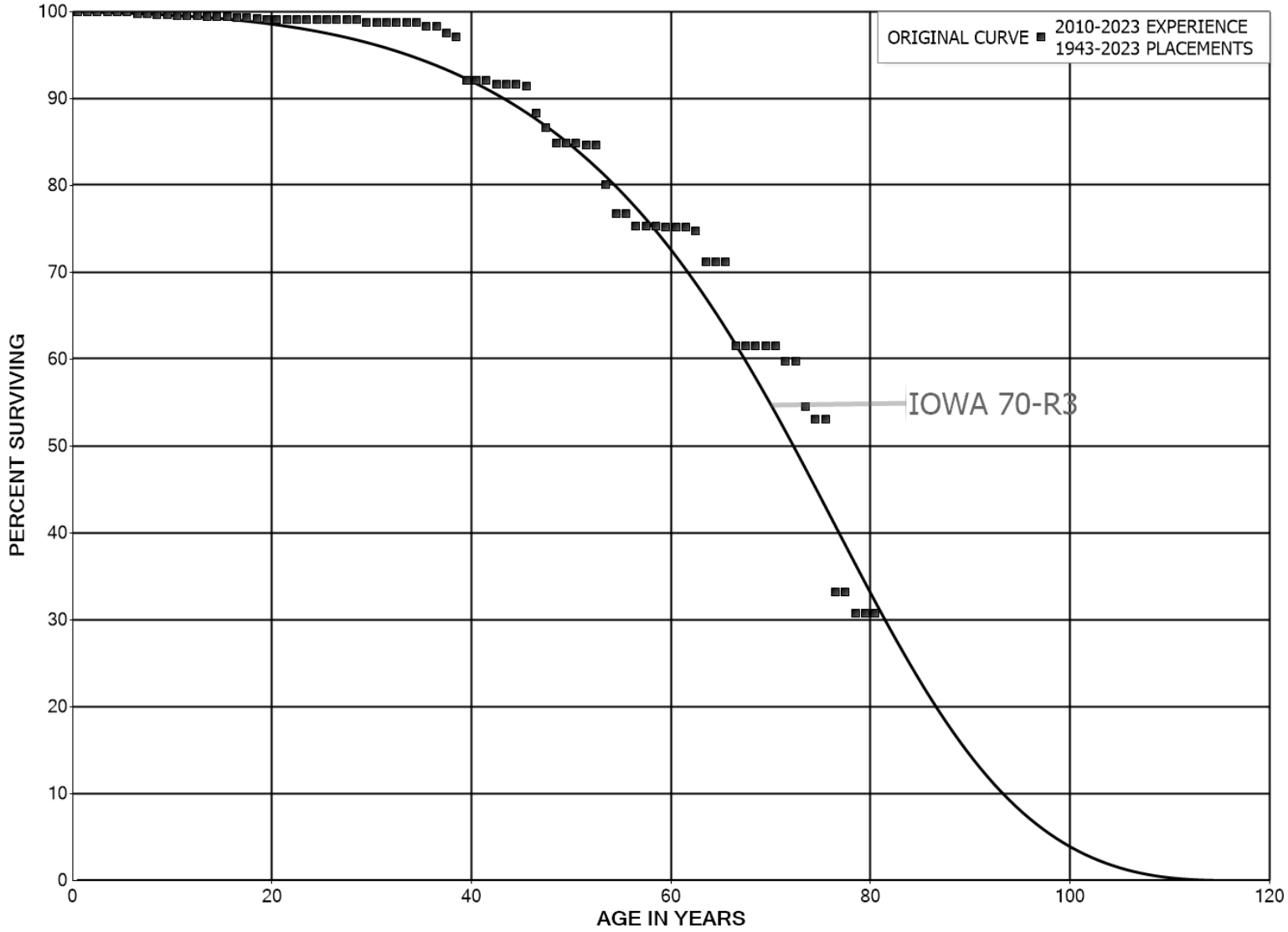
ACCOUNTS 355.2 THROUGH 355.4 POWER GENERATING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5	13,608		0.0000		
41.5	13,608		0.0000		
42.5	13,608		0.0000		
43.5	33,315		0.0000		
44.5	135,483		0.0000		
45.5	115,776		0.0000		
46.5	115,776	954	0.0082		
47.5	114,822		0.0000		
48.5	12,654		0.0000		
49.5	12,654		0.0000		
50.5	12,654		0.0000		
51.5	0		0.0000		
52.5					
53.5					
54.5					
55.5					
56.5	3,873		0.0000		
57.5	5,333	2,500	0.4688		
58.5	1,460	1,460	1.0000		
59.5	264,952		0.0000		
60.5	316,095		0.0000		
61.5	316,095		0.0000		
62.5	316,095	1,261	0.0040		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 360 COLLECTION MAINS - FORCE
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	11,769,590		0.0000	1.0000	100.00
0.5	11,772,418	0	0.0000	1.0000	100.00
1.5	11,944,963	501	0.0000	1.0000	100.00
2.5	12,237,665		0.0000	1.0000	100.00
3.5	10,988,577	602	0.0001	0.9999	100.00
4.5	10,937,173		0.0000	1.0000	99.99
5.5	11,575,524	24,539	0.0021	0.9979	99.99
6.5	6,702,341		0.0000	1.0000	99.78
7.5	10,951,025	18,483	0.0017	0.9983	99.78
8.5	11,762,313	2,036	0.0002	0.9998	99.61
9.5	12,570,216	4,776	0.0004	0.9996	99.59
10.5	14,060,746		0.0000	1.0000	99.55
11.5	14,065,818	10,916	0.0008	0.9992	99.55
12.5	14,683,724	5,054	0.0003	0.9997	99.48
13.5	16,045,092	1,131	0.0001	0.9999	99.44
14.5	18,688,483	2,262	0.0001	0.9999	99.44
15.5	20,964,679	38,849	0.0019	0.9981	99.42
16.5	23,660,395	2,196	0.0001	0.9999	99.24
17.5	25,486,308	12,172	0.0005	0.9995	99.23
18.5	23,639,640	25,974	0.0011	0.9989	99.18
19.5	23,827,097		0.0000	1.0000	99.07
20.5	26,006,711		0.0000	1.0000	99.07
21.5	22,862,644		0.0000	1.0000	99.07
22.5	19,102,973		0.0000	1.0000	99.07
23.5	16,834,826	7,880	0.0005	0.9995	99.07
24.5	12,314,337		0.0000	1.0000	99.03
25.5	9,689,644		0.0000	1.0000	99.03
26.5	6,744,856		0.0000	1.0000	99.03
27.5	6,348,641		0.0000	1.0000	99.03
28.5	4,725,019	13,121	0.0028	0.9972	99.03
29.5	4,394,900		0.0000	1.0000	98.75
30.5	4,680,059		0.0000	1.0000	98.75
31.5	18,757,063		0.0000	1.0000	98.75
32.5	19,166,676		0.0000	1.0000	98.75
33.5	18,702,094	414	0.0000	1.0000	98.75
34.5	19,256,599	95,875	0.0050	0.9950	98.75
35.5	17,989,617		0.0000	1.0000	98.26
36.5	16,833,567	120,183	0.0071	0.9929	98.26
37.5	4,125,715	19,664	0.0048	0.9952	97.56
38.5	3,828,474	198,152	0.0518	0.9482	97.09

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,901,137		0.0000	1.0000	92.07
40.5	4,749,344	408	0.0001	0.9999	92.07
41.5	4,482,454	22,129	0.0049	0.9951	92.06
42.5	3,101,508		0.0000	1.0000	91.61
43.5	2,094,374	336	0.0002	0.9998	91.61
44.5	2,644,843	6,377	0.0024	0.9976	91.59
45.5	3,063,603	103,853	0.0339	0.9661	91.37
46.5	2,916,586	54,045	0.0185	0.9815	88.27
47.5	2,116,258	42,781	0.0202	0.9798	86.64
48.5	1,407,265	1,095	0.0008	0.9992	84.89
49.5	1,421,072		0.0000	1.0000	84.82
50.5	835,501	2,060	0.0025	0.9975	84.82
51.5	138,625		0.0000	1.0000	84.61
52.5	134,098	7,271	0.0542	0.9458	84.61
53.5	121,213	5,030	0.0415	0.9585	80.02
54.5	128,863		0.0000	1.0000	76.70
55.5	128,863	2,288	0.0178	0.9822	76.70
56.5	1,899,779		0.0000	1.0000	75.34
57.5	1,899,779		0.0000	1.0000	75.34
58.5	1,484,079	3,982	0.0027	0.9973	75.34
59.5	1,500,967		0.0000	1.0000	75.14
60.5	931,817		0.0000	1.0000	75.14
61.5	916,267	4,947	0.0054	0.9946	75.14
62.5	911,321	43,942	0.0482	0.9518	74.73
63.5	39,577		0.0000	1.0000	71.13
64.5	33,550		0.0000	1.0000	71.13
65.5	33,550	4,547	0.1355	0.8645	71.13
66.5	69,144		0.0000	1.0000	61.49
67.5	69,144		0.0000	1.0000	61.49
68.5	61,011		0.0000	1.0000	61.49
69.5	61,011		0.0000	1.0000	61.49
70.5	61,011	1,725	0.0283	0.9717	61.49
71.5	59,285		0.0000	1.0000	59.75
72.5	59,285	5,234	0.0883	0.9117	59.75
73.5	34,907	932	0.0267	0.9733	54.48
74.5	33,975		0.0000	1.0000	53.02
75.5	33,975	12,746	0.3751	0.6249	53.02
76.5	21,230		0.0000	1.0000	33.13
77.5	21,230	1,526	0.0719	0.9281	33.13
78.5	19,703		0.0000	1.0000	30.75

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

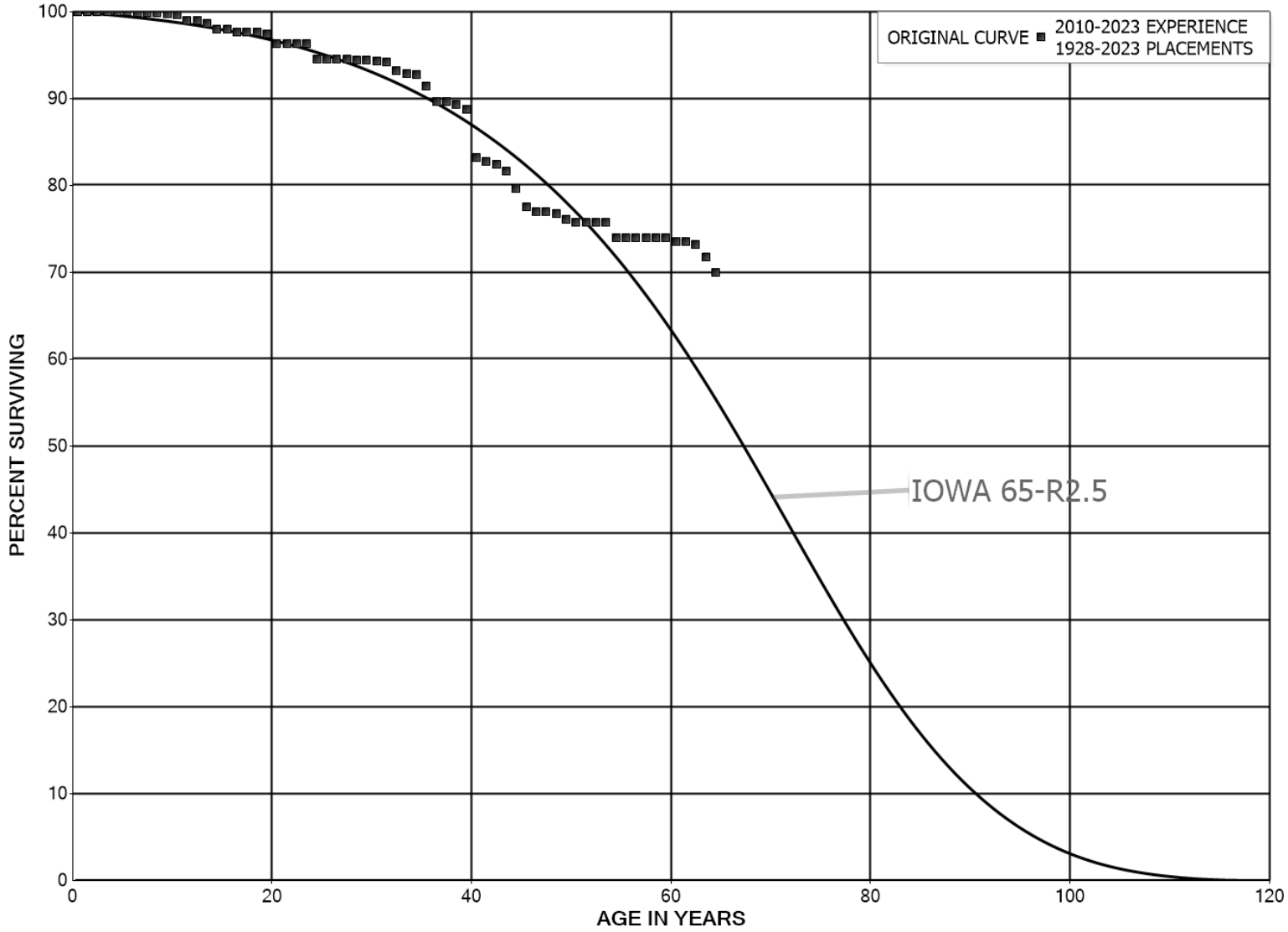
ACCOUNT 360 COLLECTION MAINS - FORCE

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1943-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	19,703		0.0000	1.0000	30.75
80.5					30.75

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 361 COLLECTION MAINS - GRAVITY
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	41,510,267		0.0000	1.0000	100.00
0.5	37,091,153	0	0.0000	1.0000	100.00
1.5	64,736,807		0.0000	1.0000	100.00
2.5	59,938,105	17,007	0.0003	0.9997	100.00
3.5	57,068,094		0.0000	1.0000	99.97
4.5	48,234,842	21,411	0.0004	0.9996	99.97
5.5	13,808,727	9,227	0.0007	0.9993	99.93
6.5	17,077,759	5,271	0.0003	0.9997	99.86
7.5	18,475,142	7,595	0.0004	0.9996	99.83
8.5	20,006,158	6,993	0.0003	0.9997	99.79
9.5	18,040,073	23,670	0.0013	0.9987	99.75
10.5	14,089,791	103,401	0.0073	0.9927	99.62
11.5	15,129,462		0.0000	1.0000	98.89
12.5	12,901,199	34,220	0.0027	0.9973	98.89
13.5	12,247,119	84,510	0.0069	0.9931	98.63
14.5	12,511,885	4,563	0.0004	0.9996	97.95
15.5	11,708,342	34,350	0.0029	0.9971	97.91
16.5	12,875,011		0.0000	1.0000	97.63
17.5	13,091,428	8,766	0.0007	0.9993	97.63
18.5	16,207,819	31,818	0.0020	0.9980	97.56
19.5	16,596,364	188,231	0.0113	0.9887	97.37
20.5	15,759,721		0.0000	1.0000	96.26
21.5	15,842,321		0.0000	1.0000	96.26
22.5	16,871,244		0.0000	1.0000	96.26
23.5	10,499,820	187,054	0.0178	0.9822	96.26
24.5	7,034,911		0.0000	1.0000	94.55
25.5	6,717,476		0.0000	1.0000	94.55
26.5	10,108,237		0.0000	1.0000	94.55
27.5	10,780,085	11,496	0.0011	0.9989	94.55
28.5	6,829,320		0.0000	1.0000	94.45
29.5	11,482,257	17,462	0.0015	0.9985	94.45
30.5	11,519,839	15,711	0.0014	0.9986	94.31
31.5	11,510,003	128,932	0.0112	0.9888	94.18
32.5	8,184,860	29,481	0.0036	0.9964	93.12
33.5	6,494,598	6,089	0.0009	0.9991	92.79
34.5	6,361,463	86,158	0.0135	0.9865	92.70
35.5	4,320,461	87,100	0.0202	0.9798	91.44
36.5	6,088,272	2,735	0.0004	0.9996	89.60
37.5	5,412,431	18,564	0.0034	0.9966	89.56
38.5	2,462,230	13,659	0.0055	0.9945	89.25

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,655,167	231,219	0.0633	0.9367	88.76
40.5	3,790,473	20,449	0.0054	0.9946	83.14
41.5	7,121,444	29,146	0.0041	0.9959	82.69
42.5	7,152,332	60,211	0.0084	0.9916	82.36
43.5	3,421,897	84,027	0.0246	0.9754	81.66
44.5	4,767,104	127,031	0.0266	0.9734	79.66
45.5	2,801,010	23,009	0.0082	0.9918	77.53
46.5	6,886,466		0.0000	1.0000	76.90
47.5	7,285,644	19,627	0.0027	0.9973	76.90
48.5	1,364,310	11,042	0.0081	0.9919	76.69
49.5	7,008,686	28,007	0.0040	0.9960	76.07
50.5	8,615,422	2,537	0.0003	0.9997	75.77
51.5	10,415,452	1,467	0.0001	0.9999	75.74
52.5	9,950,088		0.0000	1.0000	75.73
53.5	2,115,765	49,096	0.0232	0.9768	75.73
54.5	2,495,127		0.0000	1.0000	73.98
55.5	1,616,888		0.0000	1.0000	73.98
56.5	16,835,335		0.0000	1.0000	73.98
57.5	15,684,143		0.0000	1.0000	73.98
58.5	15,285,654	15,906	0.0010	0.9990	73.98
59.5	15,836,565	88,911	0.0056	0.9944	73.90
60.5	684,866	12	0.0000	1.0000	73.48
61.5	2,015,666	8,105	0.0040	0.9960	73.48
62.5	2,007,561	40,406	0.0201	0.9799	73.19
63.5	1,727,828	42,516	0.0246	0.9754	71.71
64.5	4,091,341	41,982	0.0103	0.9897	69.95
65.5	2,881,564	493	0.0002	0.9998	69.23
66.5	3,716,667	29,911	0.0080	0.9920	69.22
67.5	5,235,989		0.0000	1.0000	68.66
68.5	1,994,364	4,241	0.0021	0.9979	68.66
69.5	2,659,109		0.0000	1.0000	68.52
70.5	2,675,612	21,480	0.0080	0.9920	68.52
71.5	1,305,852		0.0000	1.0000	67.97
72.5	2,543,128	67,050	0.0264	0.9736	67.97
73.5	1,255,192	1,413	0.0011	0.9989	66.17
74.5	1,253,779		0.0000	1.0000	66.10
75.5	3,356,895		0.0000	1.0000	66.10
76.5	2,226,852		0.0000	1.0000	66.10
77.5	3,896,200		0.0000	1.0000	66.10
78.5	3,772,464		0.0000	1.0000	66.10

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

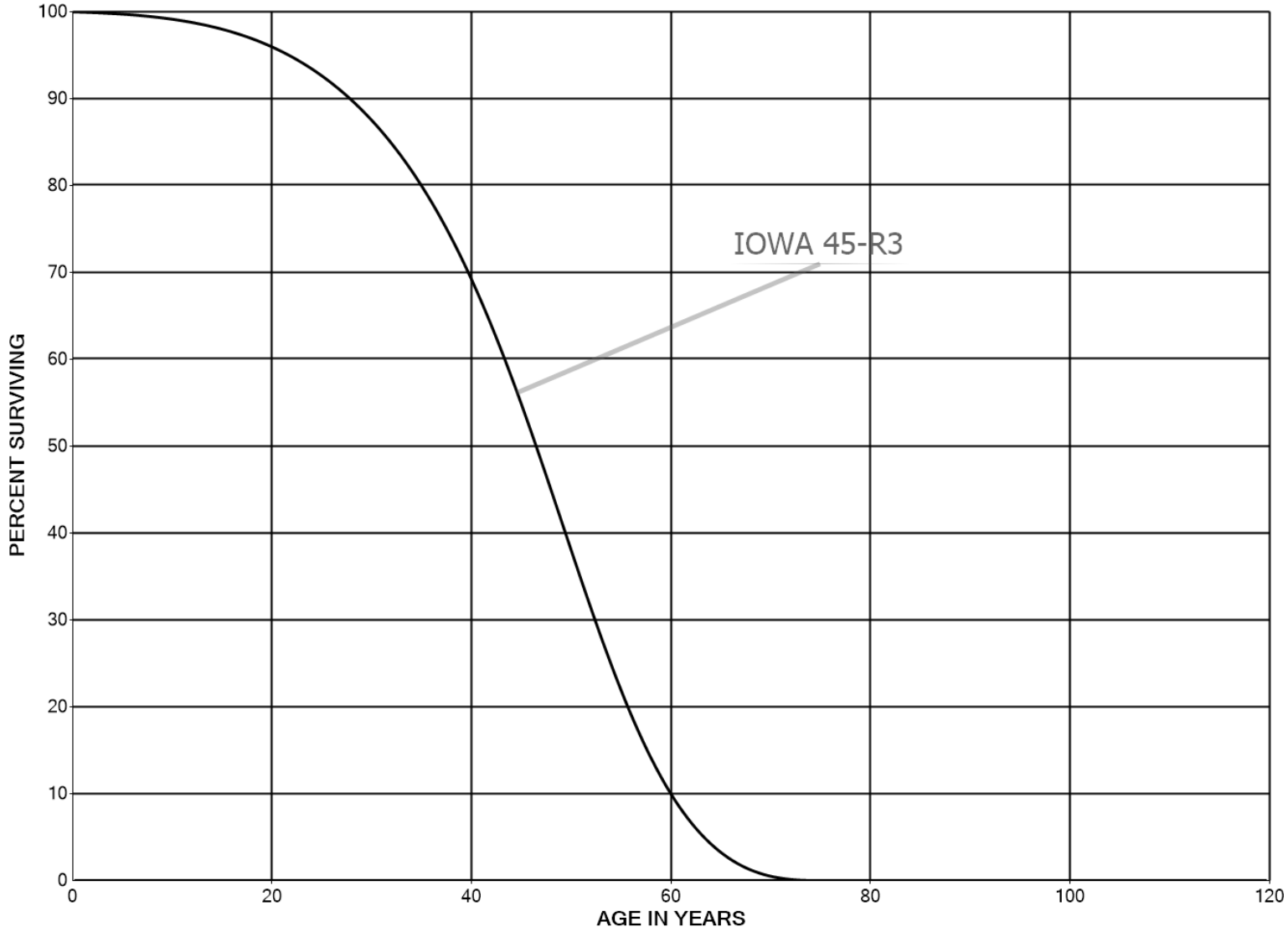
ACCOUNT 361 COLLECTION MAINS - GRAVITY

ORIGINAL LIFE TABLE, CONT.

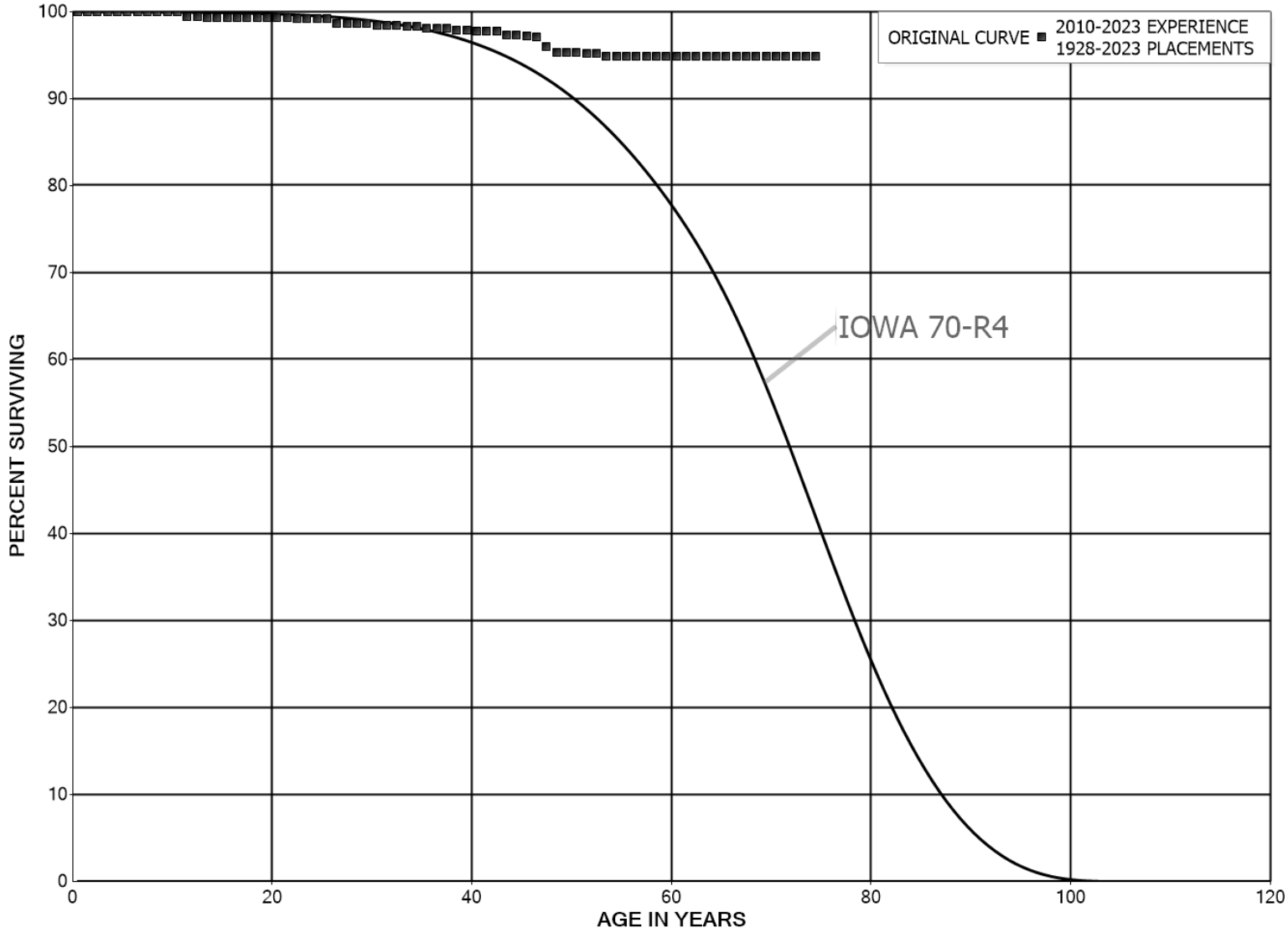
PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,669,348		0.0000	1.0000	66.10
80.5	2,641,708	38,488	0.0146	0.9854	66.10
81.5	972,360		0.0000	1.0000	65.14
82.5	972,360		0.0000	1.0000	65.14
83.5	972,360		0.0000	1.0000	65.14
84.5					65.14
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5	353,068	521	0.0015		
92.5	352,546		0.0000		
93.5	352,546		0.0000		
94.5	352,546		0.0000		
95.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 362 SPECIAL COLLECTING STRUCTURES
SMOOTH SURVIVOR CURVE



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 363 SERVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	7,035,105	768	0.0001	0.9999	100.00
0.5	5,340,359	456	0.0001	0.9999	99.99
1.5	4,599,449		0.0000	1.0000	99.98
2.5	3,928,199		0.0000	1.0000	99.98
3.5	3,363,681	1,994	0.0006	0.9994	99.98
4.5	2,613,574		0.0000	1.0000	99.92
5.5	2,404,084		0.0000	1.0000	99.92
6.5	2,080,452		0.0000	1.0000	99.92
7.5	4,547,002		0.0000	1.0000	99.92
8.5	4,546,127	775	0.0002	0.9998	99.92
9.5	8,358,494	777	0.0001	0.9999	99.90
10.5	8,818,495	41,157	0.0047	0.9953	99.89
11.5	5,148,424		0.0000	1.0000	99.43
12.5	5,254,962	5,909	0.0011	0.9989	99.43
13.5	5,165,915		0.0000	1.0000	99.32
14.5	4,916,488		0.0000	1.0000	99.32
15.5	4,742,557		0.0000	1.0000	99.32
16.5	4,491,660		0.0000	1.0000	99.32
17.5	4,926,271	1,574	0.0003	0.9997	99.32
18.5	3,403,613		0.0000	1.0000	99.29
19.5	2,985,160	1,391	0.0005	0.9995	99.29
20.5	3,188,426		0.0000	1.0000	99.24
21.5	3,098,502	1,079	0.0003	0.9997	99.24
22.5	2,341,880	1,781	0.0008	0.9992	99.20
23.5	2,203,332		0.0000	1.0000	99.13
24.5	1,144,889		0.0000	1.0000	99.13
25.5	1,083,092	5,432	0.0050	0.9950	99.13
26.5	1,281,218		0.0000	1.0000	98.63
27.5	1,523,439		0.0000	1.0000	98.63
28.5	1,646,130		0.0000	1.0000	98.63
29.5	2,742,922	5,713	0.0021	0.9979	98.63
30.5	2,789,044	1,920	0.0007	0.9993	98.43
31.5	4,265,361		0.0000	1.0000	98.36
32.5	4,624,188	1,079	0.0002	0.9998	98.36
33.5	3,787,599		0.0000	1.0000	98.34
34.5	2,365,361	5,352	0.0023	0.9977	98.34
35.5	2,282,635	1,712	0.0008	0.9992	98.11
36.5	2,787,047		0.0000	1.0000	98.04
37.5	2,812,758	5,336	0.0019	0.9981	98.04
38.5	2,130,853		0.0000	1.0000	97.85

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,785,447	1,422	0.0008	0.9992	97.85
40.5	1,570,807		0.0000	1.0000	97.78
41.5	1,693,201	1,782	0.0011	0.9989	97.78
42.5	1,573,307	5,367	0.0034	0.9966	97.67
43.5	946,313		0.0000	1.0000	97.34
44.5	823,498	960	0.0012	0.9988	97.34
45.5	1,055,462	1,378	0.0013	0.9987	97.23
46.5	1,084,192	12,388	0.0114	0.9886	97.10
47.5	469,340	3,321	0.0071	0.9929	95.99
48.5	6,206,647	5,008	0.0008	0.9992	95.31
49.5	6,103,158	204	0.0000	1.0000	95.23
50.5	6,425,275	1,149	0.0002	0.9998	95.23
51.5	6,633,178	1,721	0.0003	0.9997	95.21
52.5	596,105	2,230	0.0037	0.9963	95.19
53.5	81,864		0.0000	1.0000	94.83
54.5	86,037		0.0000	1.0000	94.83
55.5	54,248		0.0000	1.0000	94.83
56.5	73,751		0.0000	1.0000	94.83
57.5	37,911		0.0000	1.0000	94.83
58.5	17,636		0.0000	1.0000	94.83
59.5	19,800		0.0000	1.0000	94.83
60.5	150,760		0.0000	1.0000	94.83
61.5	337,605		0.0000	1.0000	94.83
62.5	337,605		0.0000	1.0000	94.83
63.5	185,767		0.0000	1.0000	94.83
64.5	809,181		0.0000	1.0000	94.83
65.5	641,546		0.0000	1.0000	94.83
66.5	714,660		0.0000	1.0000	94.83
67.5	928,275		0.0000	1.0000	94.83
68.5	231,676		0.0000	1.0000	94.83
69.5	398,467		0.0000	1.0000	94.83
70.5	398,467		0.0000	1.0000	94.83
71.5	194,023		0.0000	1.0000	94.83
72.5	386,578		0.0000	1.0000	94.83
73.5	213,968		0.0000	1.0000	94.83
74.5	213,968		0.0000	1.0000	94.83
75.5	968,566	712	0.0007	0.9993	94.83
76.5	779,403		0.0000	1.0000	94.76
77.5	1,320,587	1	0.0000	1.0000	94.76
78.5	1,311,679		0.0000	1.0000	94.76

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

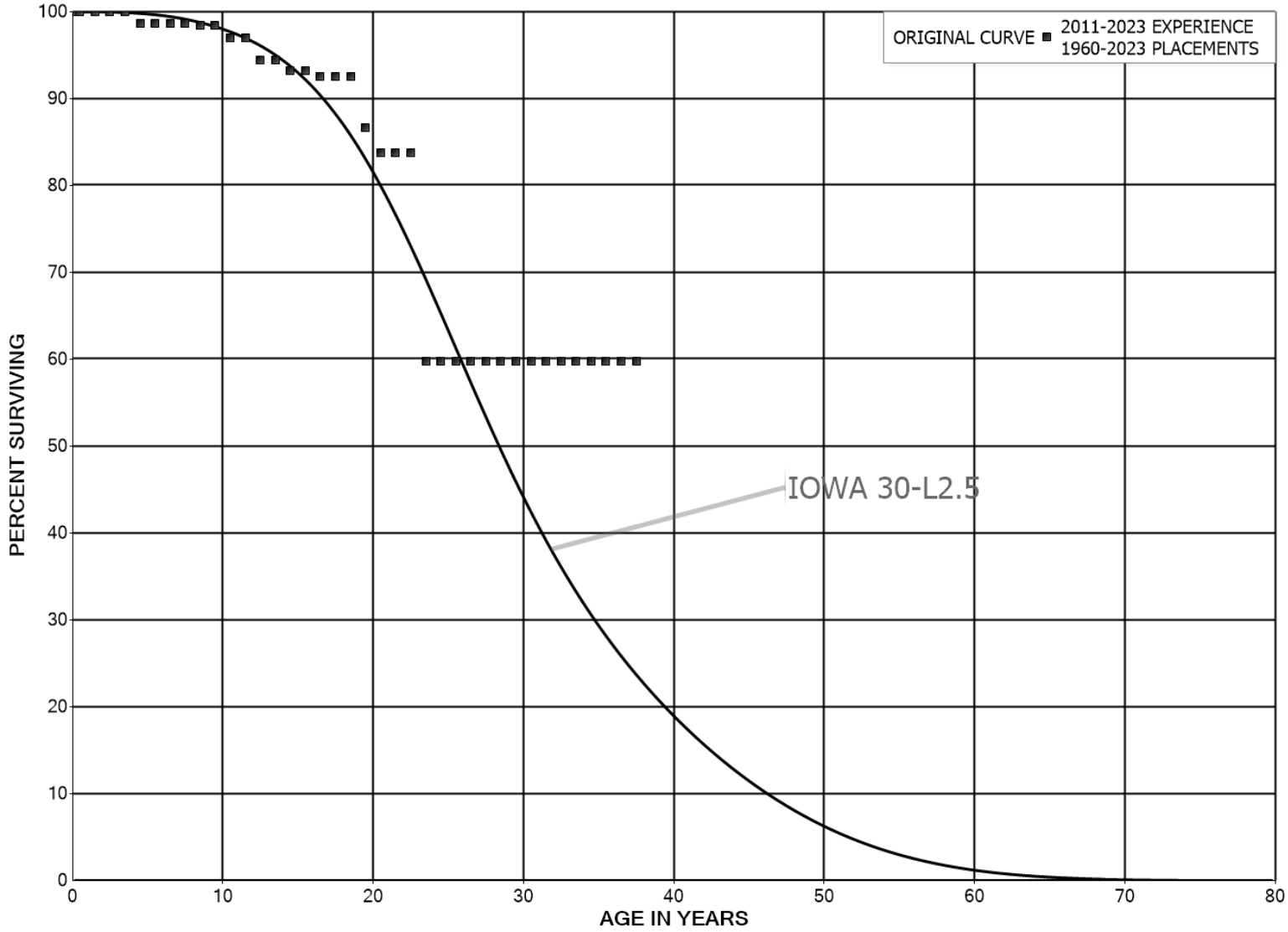
ACCOUNT 363 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1928-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	557,080		0.0000	1.0000	94.76
80.5	969,678		0.0000	1.0000	94.76
81.5	428,495		0.0000	1.0000	94.76
82.5	428,495		0.0000	1.0000	94.76
83.5	428,495		0.0000	1.0000	94.76
84.5					94.76
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5	152,899		0.0000		
92.5	152,899	1,947	0.0127		
93.5	150,952		0.0000		
94.5	150,952	0	0.0000		
95.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 364 METERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 364 METERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	626,557		0.0000	1.0000	100.00
0.5	622,412		0.0000	1.0000	100.00
1.5	641,651		0.0000	1.0000	100.00
2.5	634,260		0.0000	1.0000	100.00
3.5	601,374	8,595	0.0143	0.9857	100.00
4.5	139,475		0.0000	1.0000	98.57
5.5	130,988		0.0000	1.0000	98.57
6.5	92,590		0.0000	1.0000	98.57
7.5	194,650	326	0.0017	0.9983	98.57
8.5	171,628		0.0000	1.0000	98.41
9.5	210,392	3,031	0.0144	0.9856	98.41
10.5	210,003		0.0000	1.0000	96.99
11.5	178,864	4,755	0.0266	0.9734	96.99
12.5	178,445		0.0000	1.0000	94.41
13.5	173,280	2,192	0.0127	0.9873	94.41
14.5	159,403		0.0000	1.0000	93.22
15.5	102,872	793	0.0077	0.9923	93.22
16.5	83,293		0.0000	1.0000	92.50
17.5	67,340		0.0000	1.0000	92.50
18.5	81,953	5,233	0.0639	0.9361	92.50
19.5	80,120	2,626	0.0328	0.9672	86.59
20.5	15,521		0.0000	1.0000	83.75
21.5	15,521		0.0000	1.0000	83.75
22.5	5,366	1,538	0.2866	0.7134	83.75
23.5	159,925		0.0000	1.0000	59.75
24.5	159,925		0.0000	1.0000	59.75
25.5	230,747		0.0000	1.0000	59.75
26.5	230,747		0.0000	1.0000	59.75
27.5	122,622		0.0000	1.0000	59.75
28.5	122,622		0.0000	1.0000	59.75
29.5	15,132		0.0000	1.0000	59.75
30.5	15,132		0.0000	1.0000	59.75
31.5	1,886		0.0000	1.0000	59.75
32.5	1,886		0.0000	1.0000	59.75
33.5	48,864		0.0000	1.0000	59.75
34.5	56,289		0.0000	1.0000	59.75
35.5	7,424		0.0000	1.0000	59.75
36.5	7,424		0.0000	1.0000	59.75
37.5	8,134		0.0000	1.0000	59.75
38.5	710		0.0000	1.0000	59.75

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

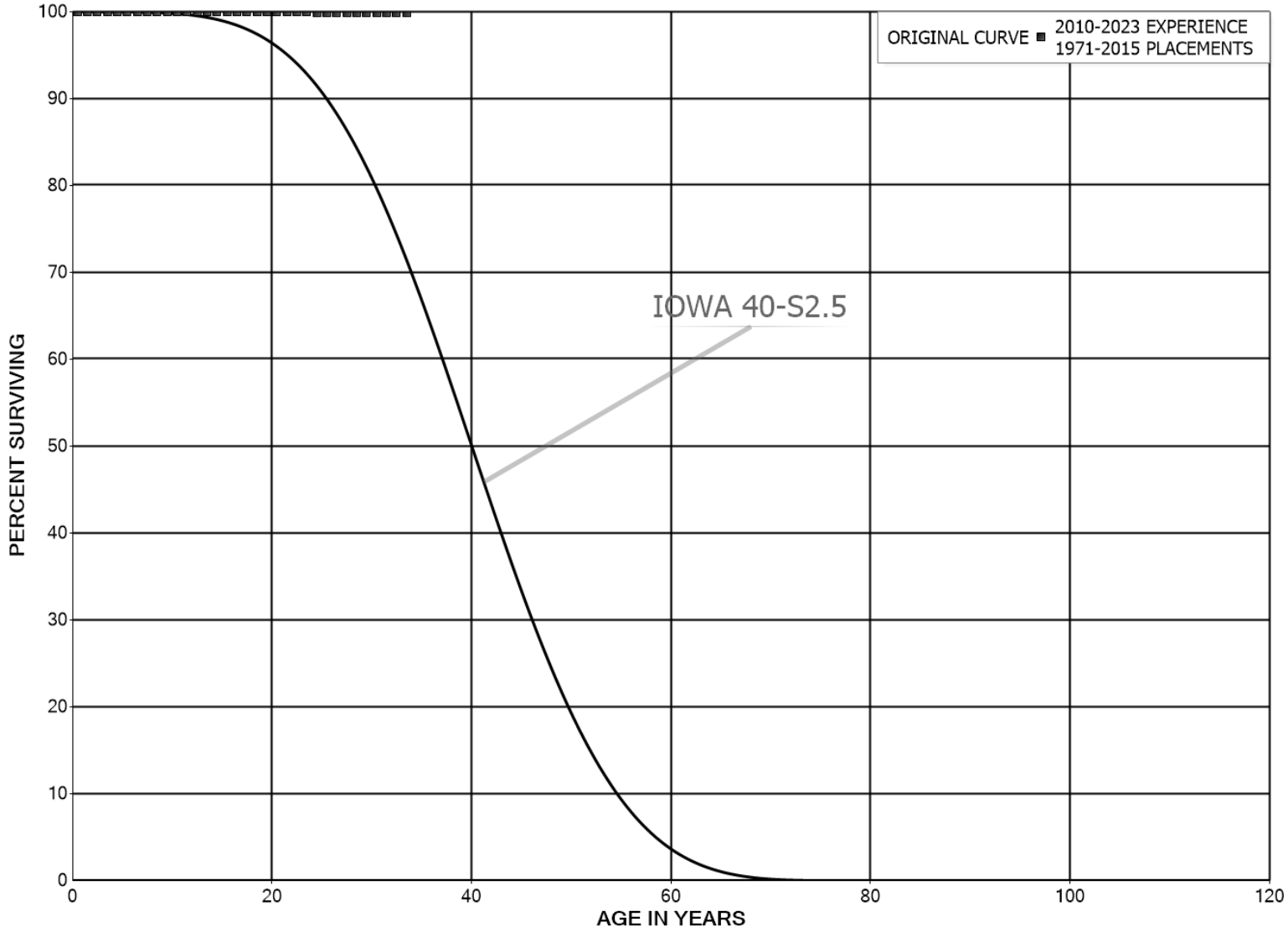
ACCOUNT 364 METERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-2023 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	710		0.0000	1.0000	59.75
40.5	710		0.0000	1.0000	59.75
41.5	710		0.0000	1.0000	59.75
42.5	15,344		0.0000	1.0000	59.75
43.5	15,344		0.0000	1.0000	59.75
44.5	23,862		0.0000	1.0000	59.75
45.5	116,182	536	0.0046	0.9954	59.75
46.5	115,646		0.0000	1.0000	59.47
47.5	23,326		0.0000	1.0000	59.47
48.5	174		0.0000	1.0000	59.47
49.5	174		0.0000	1.0000	59.47
50.5					59.47
51.5					
52.5					
53.5					
54.5					
55.5	4,682		0.0000		
56.5	4,682		0.0000		
57.5					
58.5					
59.5	31,055		0.0000		
60.5	31,055		0.0000		
61.5	31,055		0.0000		
62.5	31,055		0.0000		
63.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 370 RECEIVING WELLS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 370 RECEIVING WELLS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1971-2015 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0					
0.5	3,382		0.0000	1.0000	100.00
1.5	3,382		0.0000	1.0000	100.00
2.5	113,585		0.0000	1.0000	100.00
3.5	129,312		0.0000	1.0000	100.00
4.5	180,563		0.0000	1.0000	100.00
5.5	180,563		0.0000	1.0000	100.00
6.5	180,563		0.0000	1.0000	100.00
7.5	180,563		0.0000	1.0000	100.00
8.5	70,360		0.0000	1.0000	100.00
9.5	70,360		0.0000	1.0000	100.00
10.5	146,968		0.0000	1.0000	100.00
11.5	192,220		0.0000	1.0000	100.00
12.5	192,220		0.0000	1.0000	100.00
13.5	281,490		0.0000	1.0000	100.00
14.5	972,138		0.0000	1.0000	100.00
15.5	972,138		0.0000	1.0000	100.00
16.5	895,530		0.0000	1.0000	100.00
17.5	906,091		0.0000	1.0000	100.00
18.5	1,316,135		0.0000	1.0000	100.00
19.5	1,411,329		0.0000	1.0000	100.00
20.5	717,300		0.0000	1.0000	100.00
21.5	1,186,461		0.0000	1.0000	100.00
22.5	1,186,461		0.0000	1.0000	100.00
23.5	1,114,921	1,672	0.0015	0.9985	100.00
24.5	651,953		0.0000	1.0000	99.85
25.5	582,256		0.0000	1.0000	99.85
26.5	582,256		0.0000	1.0000	99.85
27.5	903,622		0.0000	1.0000	99.85
28.5	903,622		0.0000	1.0000	99.85
29.5	903,622		0.0000	1.0000	99.85
30.5	903,622		0.0000	1.0000	99.85
31.5	788,856		0.0000	1.0000	99.85
32.5	788,856		0.0000	1.0000	99.85
33.5					99.85
34.5					
35.5					
36.5					
37.5					
38.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

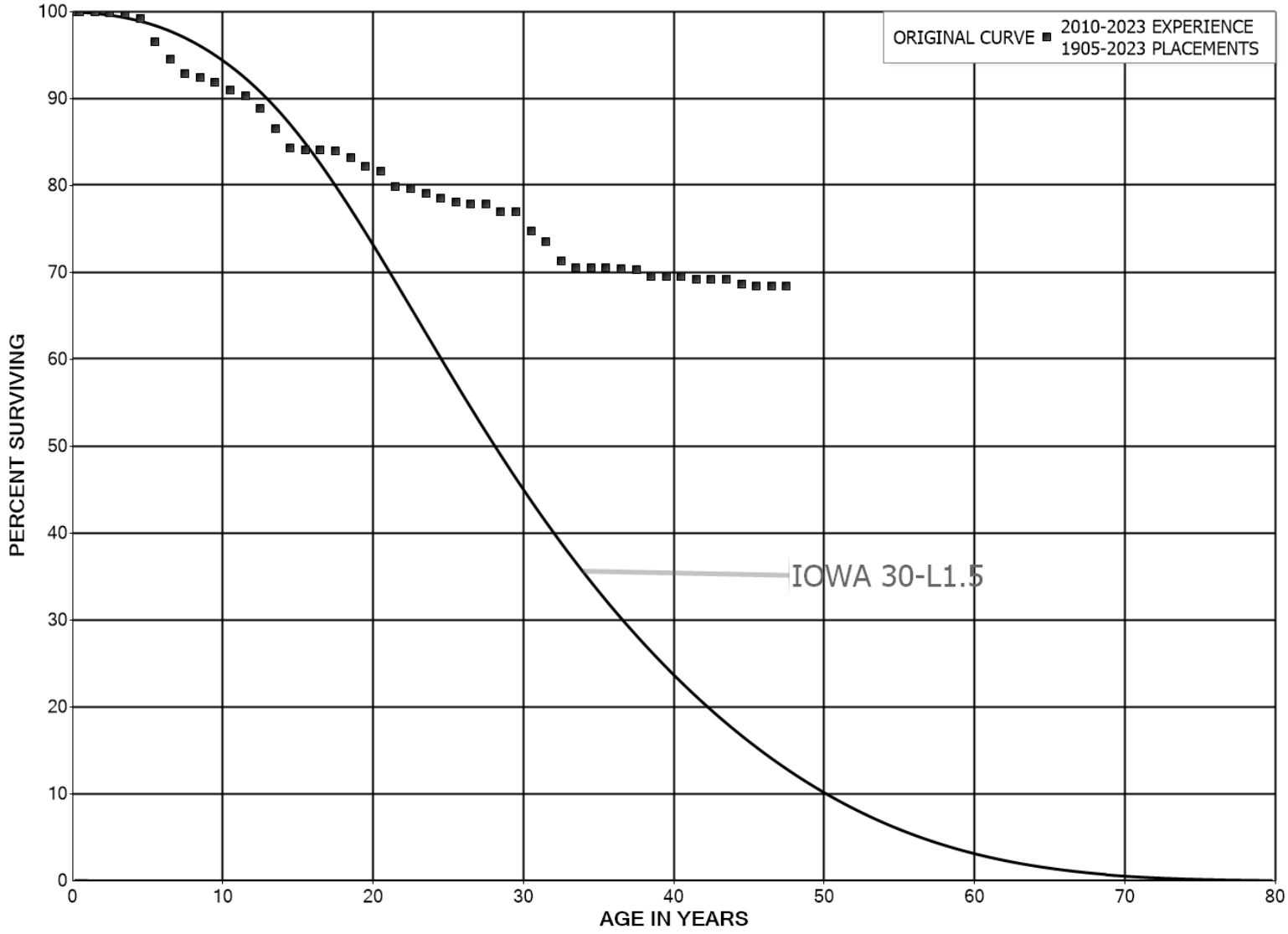
ACCOUNT 370 RECEIVING WELLS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1971-2015 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5					
41.5					
42.5					
43.5					
44.5	429		0.0000		
45.5					
46.5					
47.5	324		0.0000		
48.5					
49.5	234		0.0000		
50.5					
51.5	184		0.0000		
52.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	14,568,469		0.0000	1.0000	100.00
0.5	14,583,707	952	0.0001	0.9999	100.00
1.5	11,295,246	18,684	0.0017	0.9983	99.99
2.5	11,035,351	12,096	0.0011	0.9989	99.83
3.5	8,218,201	48,269	0.0059	0.9941	99.72
4.5	7,370,313	193,269	0.0262	0.9738	99.13
5.5	5,943,683	122,151	0.0206	0.9794	96.53
6.5	4,721,795	84,057	0.0178	0.9822	94.55
7.5	6,882,450	33,901	0.0049	0.9951	92.87
8.5	6,347,510	38,986	0.0061	0.9939	92.41
9.5	5,961,732	56,036	0.0094	0.9906	91.84
10.5	5,293,693	37,917	0.0072	0.9928	90.98
11.5	5,080,085	82,820	0.0163	0.9837	90.33
12.5	4,883,876	126,957	0.0260	0.9740	88.85
13.5	4,747,441	124,046	0.0261	0.9739	86.54
14.5	4,344,206	10,770	0.0025	0.9975	84.28
15.5	5,334,064	3,403	0.0006	0.9994	84.07
16.5	4,961,077	3,641	0.0007	0.9993	84.02
17.5	5,140,916	50,581	0.0098	0.9902	83.96
18.5	2,518,735	30,179	0.0120	0.9880	83.13
19.5	3,025,192	19,728	0.0065	0.9935	82.14
20.5	2,449,011	53,767	0.0220	0.9780	81.60
21.5	2,989,335	6,941	0.0023	0.9977	79.81
22.5	2,476,777	16,201	0.0065	0.9935	79.62
23.5	5,271,950	37,885	0.0072	0.9928	79.10
24.5	4,173,199	27,629	0.0066	0.9934	78.53
25.5	4,230,688	7,565	0.0018	0.9982	78.01
26.5	4,080,082	3,081	0.0008	0.9992	77.88
27.5	1,000,803	11,195	0.0112	0.9888	77.82
28.5	883,892		0.0000	1.0000	76.95
29.5	1,085,022	32,063	0.0296	0.9704	76.95
30.5	1,059,473	16,273	0.0154	0.9846	74.67
31.5	2,618,189	80,620	0.0308	0.9692	73.53
32.5	2,404,901	26,176	0.0109	0.9891	71.26
33.5	1,733,050		0.0000	1.0000	70.49
34.5	1,887,124		0.0000	1.0000	70.49
35.5	1,872,706	1,990	0.0011	0.9989	70.49
36.5	1,838,412	3,694	0.0020	0.9980	70.41
37.5	187,946	2,021	0.0108	0.9892	70.27
38.5	26,576		0.0000	1.0000	69.51

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	100,458		0.0000	1.0000	69.51
40.5	100,458	555	0.0055	0.9945	69.51
41.5	99,903		0.0000	1.0000	69.13
42.5	98,939		0.0000	1.0000	69.13
43.5	98,939	739	0.0075	0.9925	69.13
44.5	239,457	720	0.0030	0.9970	68.61
45.5	220,763		0.0000	1.0000	68.41
46.5	220,763		0.0000	1.0000	68.41
47.5	220,887		0.0000	1.0000	68.41
48.5	78,905	11,992	0.1520	0.8480	68.41
49.5	66,988		0.0000	1.0000	58.01
50.5	66,914		0.0000	1.0000	58.01
51.5	67,507		0.0000	1.0000	58.01
52.5	66,536		0.0000	1.0000	58.01
53.5					58.01
54.5					
55.5					
56.5					
57.5					
58.5					
59.5	356,666		0.0000		
60.5	451,651		0.0000		
61.5	451,651		0.0000		
62.5	451,651	23,774	0.0526		
63.5					
64.5					
65.5					
66.5					
67.5					
68.5					
69.5					
70.5					
71.5					
72.5					
73.5					
74.5					
75.5					
76.5					
77.5					
78.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

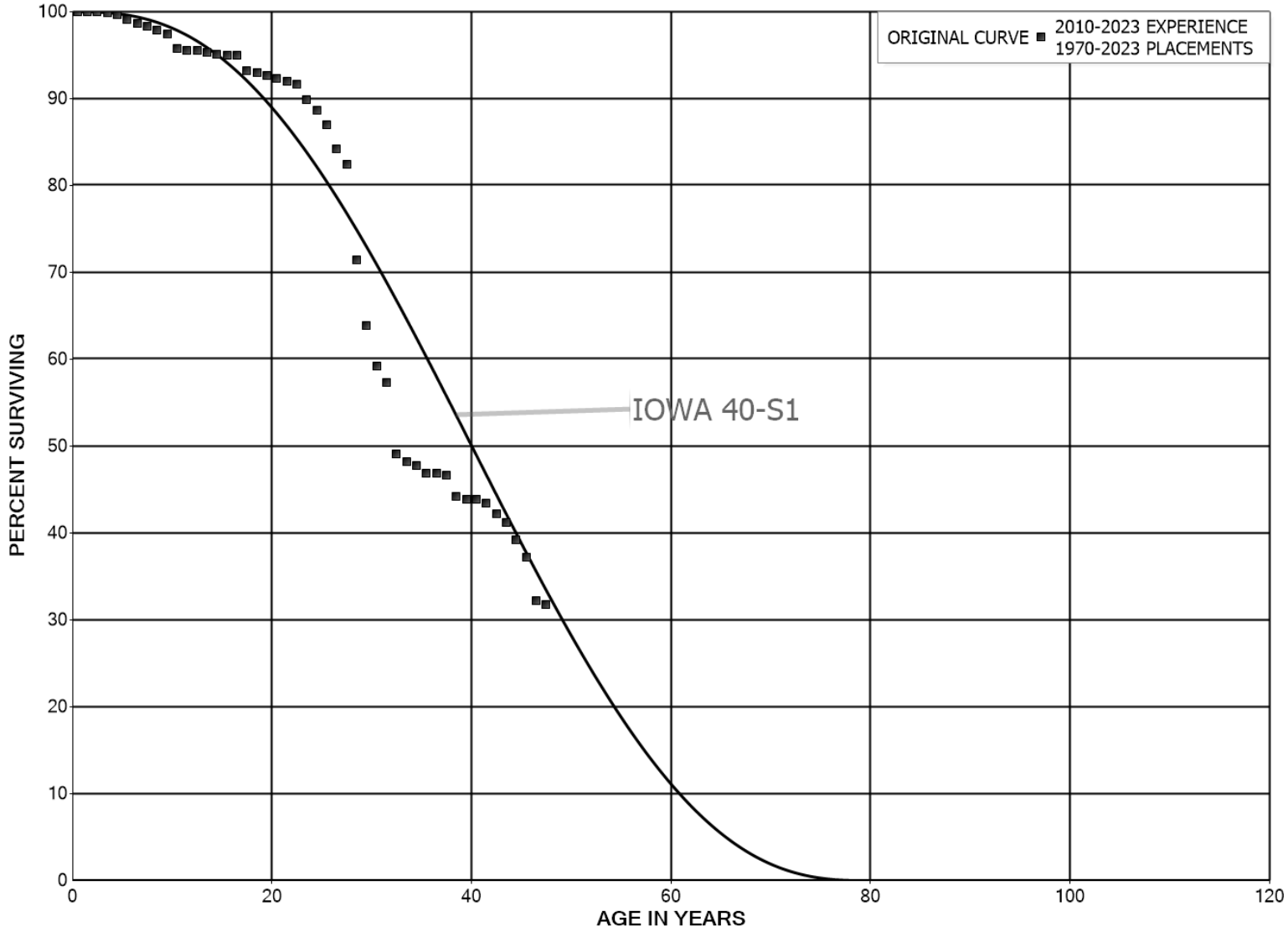
ACCOUNTS 371.3 AND 371.5 PUMPING EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1905-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5					
80.5					
81.5					
82.5					
83.5					
84.5					
85.5					
86.5					
87.5					
88.5					
89.5					
90.5					
91.5					
92.5					
93.5					
94.5					
95.5					
96.5					
97.5					
98.5					
99.5					
100.5					
101.5					
102.5					
103.5					
104.5	209,621		0.0000		
105.5	209,621		0.0000		
106.5	209,621		0.0000		
107.5	209,621	171	0.0008		
108.5	209,449	611	0.0029		
109.5	208,838		0.0000		
110.5	208,838	358	0.0017		
111.5	208,480	488	0.0023		
112.5	207,992		0.0000		
113.5	207,992	594	0.0029		
114.5	207,398	951	0.0046		
115.5	206,447		0.0000		
116.5	206,447		0.0000		
117.5	206,447	6,392	0.0310		
118.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1970-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	60,985,608		0.0000	1.0000	100.00
0.5	61,130,291	15,894	0.0003	0.9997	100.00
1.5	30,029,003	7,760	0.0003	0.9997	99.97
2.5	25,667,191	18,052	0.0007	0.9993	99.95
3.5	18,930,976	54,645	0.0029	0.9971	99.88
4.5	15,849,877	91,776	0.0058	0.9942	99.59
5.5	14,072,555	60,371	0.0043	0.9957	99.01
6.5	9,289,965	30,955	0.0033	0.9967	98.59
7.5	8,429,827	33,762	0.0040	0.9960	98.26
8.5	5,762,946	25,228	0.0044	0.9956	97.87
9.5	7,618,774	134,230	0.0176	0.9824	97.44
10.5	16,902,013	31,383	0.0019	0.9981	95.72
11.5	16,743,402	14,064	0.0008	0.9992	95.54
12.5	17,835,019	27,674	0.0016	0.9984	95.46
13.5	17,567,356	41,186	0.0023	0.9977	95.31
14.5	20,160,893	17,848	0.0009	0.9991	95.09
15.5	19,784,977	3,225	0.0002	0.9998	95.01
16.5	10,166,555	194,674	0.0191	0.9809	94.99
17.5	9,928,268	19,502	0.0020	0.9980	93.17
18.5	8,975,413	31,870	0.0036	0.9964	92.99
19.5	10,301,487	38,112	0.0037	0.9963	92.66
20.5	4,710,008	19,099	0.0041	0.9959	92.32
21.5	3,531,958	14,350	0.0041	0.9959	91.94
22.5	3,062,985	57,569	0.0188	0.9812	91.57
23.5	3,043,723	42,837	0.0141	0.9859	89.85
24.5	2,090,453	38,647	0.0185	0.9815	88.58
25.5	2,049,426	64,633	0.0315	0.9685	86.95
26.5	1,968,197	42,390	0.0215	0.9785	84.20
27.5	2,081,999	278,716	0.1339	0.8661	82.39
28.5	1,040,862	110,314	0.1060	0.8940	71.36
29.5	892,849	64,922	0.0727	0.9273	63.80
30.5	964,548	29,927	0.0310	0.9690	59.16
31.5	3,740,534	538,583	0.1440	0.8560	57.32
32.5	3,721,217	69,239	0.0186	0.9814	49.07
33.5	3,615,577	29,644	0.0082	0.9918	48.16
34.5	3,542,160	65,307	0.0184	0.9816	47.76
35.5	3,641,790	4,945	0.0014	0.9986	46.88
36.5	3,632,542	18,735	0.0052	0.9948	46.82
37.5	1,488,655	76,796	0.0516	0.9484	46.58
38.5	1,411,860	12,343	0.0087	0.9913	44.17

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

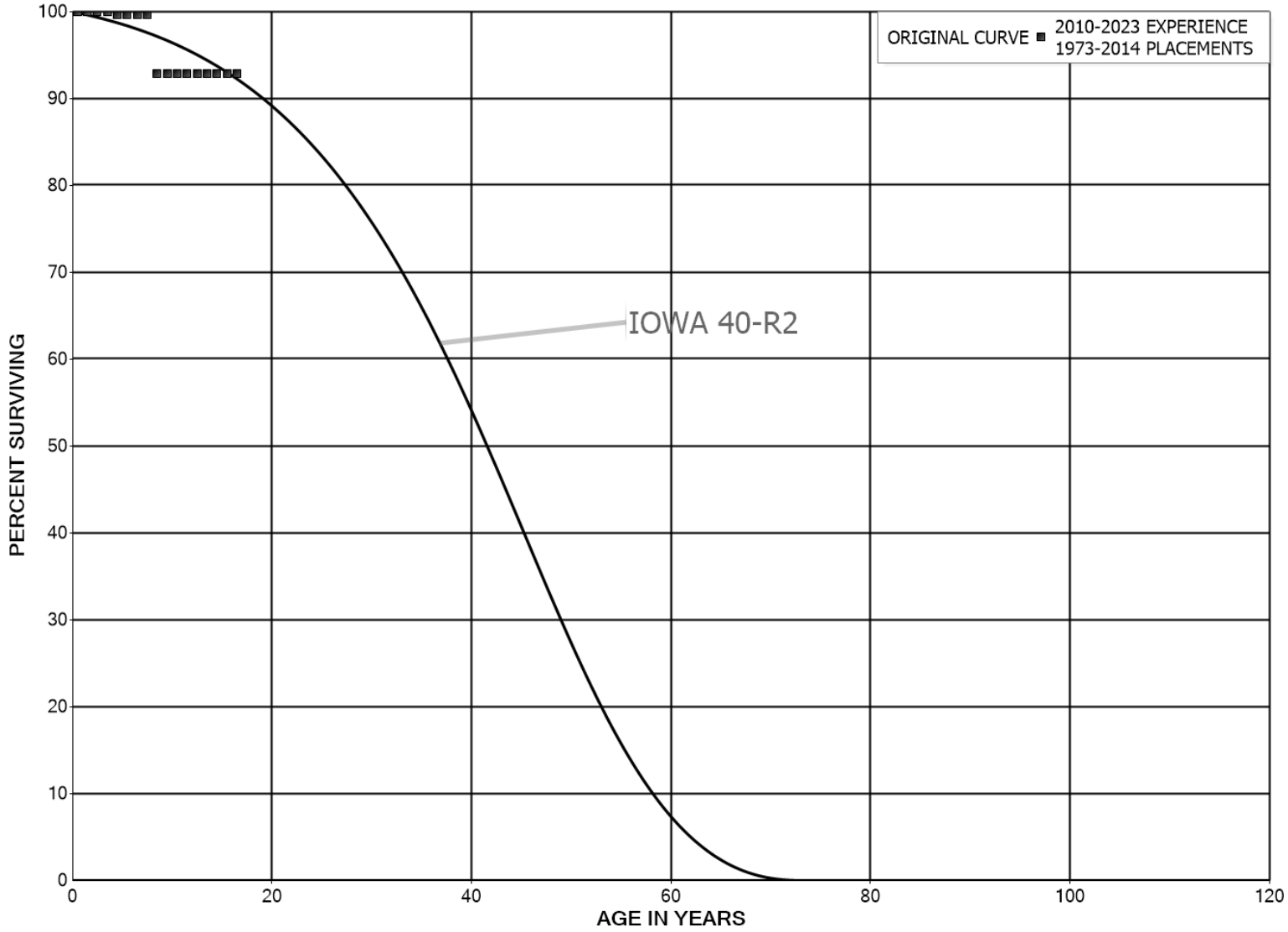
ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1970-2023 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,700,730	134	0.0001	0.9999	43.79
40.5	1,749,654	16,606	0.0095	0.9905	43.78
41.5	1,714,513	47,870	0.0279	0.9721	43.37
42.5	1,666,643	38,615	0.0232	0.9768	42.16
43.5	1,152,215	56,252	0.0488	0.9512	41.18
44.5	1,095,963	57,250	0.0522	0.9478	39.17
45.5	1,113,077	149,047	0.1339	0.8661	37.12
46.5	939,915	11,760	0.0125	0.9875	32.15
47.5	928,155	588,590	0.6342	0.3658	31.75
48.5	339,564	18,324	0.0540	0.9460	11.62
49.5	321,240	64,367	0.2004	0.7996	10.99
50.5	25,286	16,077	0.6358	0.3642	8.79
51.5	23,588		0.0000	1.0000	3.20
52.5	9,045	344	0.0380	0.9620	3.20
53.5					3.08

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNTS 381.4 AND 381.5 PLANT SEWERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNTS 381.4 AND 381.5 PLANT SEWERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1973-2014 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	48,618		0.0000	1.0000	100.00
0.5	59,837		0.0000	1.0000	100.00
1.5	72,616		0.0000	1.0000	100.00
2.5	96,852		0.0000	1.0000	100.00
3.5	133,049	584	0.0044	0.9956	100.00
4.5	132,465		0.0000	1.0000	99.56
5.5	132,465		0.0000	1.0000	99.56
6.5	132,465		0.0000	1.0000	99.56
7.5	132,465	8,988	0.0679	0.9321	99.56
8.5	123,477		0.0000	1.0000	92.81
9.5	108,842		0.0000	1.0000	92.81
10.5	77,107		0.0000	1.0000	92.81
11.5	77,107		0.0000	1.0000	92.81
12.5	77,107		0.0000	1.0000	92.81
13.5	74,859		0.0000	1.0000	92.81
14.5	63,640		0.0000	1.0000	92.81
15.5	51,445		0.0000	1.0000	92.81
16.5	27,208		0.0000	1.0000	92.81
17.5					92.81
18.5					
19.5					
20.5					
21.5					
22.5					
23.5					
24.5					
25.5					
26.5					
27.5					
28.5					
29.5					
30.5					
31.5					
32.5					
33.5					
34.5					
35.5					
36.5					
37.5					
38.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

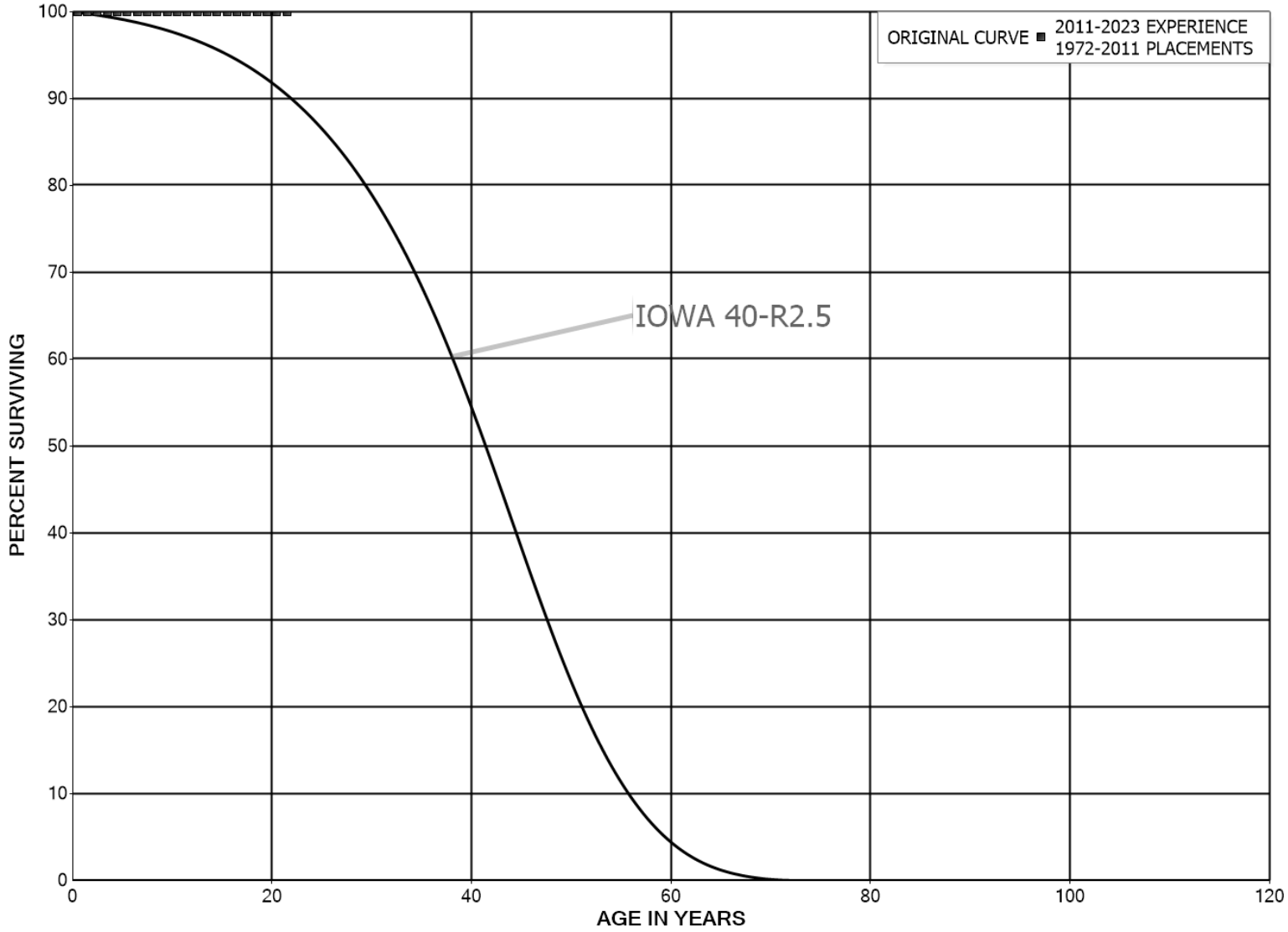
ACCOUNTS 381.4 AND 381.5 PLANT SEWERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1973-2014 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,163		0.0000		
40.5	5,163		0.0000		
41.5	5,163		0.0000		
42.5	5,163		0.0000		
43.5	5,163		0.0000		
44.5	5,163		0.0000		
45.5	5,163		0.0000		
46.5	5,163		0.0000		
47.5	5,163		0.0000		
48.5	5,163		0.0000		
49.5	5,163		0.0000		
50.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 382 OUTFALL LINES
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 382 OUTFALL LINES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1972-2011 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	7,619		0.0000	1.0000	100.00
0.5	7,619		0.0000	1.0000	100.00
1.5	7,619		0.0000	1.0000	100.00
2.5	7,619		0.0000	1.0000	100.00
3.5	7,619		0.0000	1.0000	100.00
4.5	7,619		0.0000	1.0000	100.00
5.5	7,619		0.0000	1.0000	100.00
6.5	7,619		0.0000	1.0000	100.00
7.5	27,811		0.0000	1.0000	100.00
8.5	27,811		0.0000	1.0000	100.00
9.5	43,407		0.0000	1.0000	100.00
10.5	43,407		0.0000	1.0000	100.00
11.5	43,407		0.0000	1.0000	100.00
12.5	35,788		0.0000	1.0000	100.00
13.5	35,788		0.0000	1.0000	100.00
14.5	35,788		0.0000	1.0000	100.00
15.5	35,788		0.0000	1.0000	100.00
16.5	347,779		0.0000	1.0000	100.00
17.5	347,779		0.0000	1.0000	100.00
18.5	347,779		0.0000	1.0000	100.00
19.5	347,779		0.0000	1.0000	100.00
20.5	311,991		0.0000	1.0000	100.00
21.5	311,991		0.0000	1.0000	100.00
22.5					100.00
23.5					
24.5					
25.5					
26.5					
27.5					
28.5					
29.5					
30.5					
31.5					
32.5					
33.5					
34.5					
35.5					
36.5					
37.5					
38.5	9,638		0.0000		

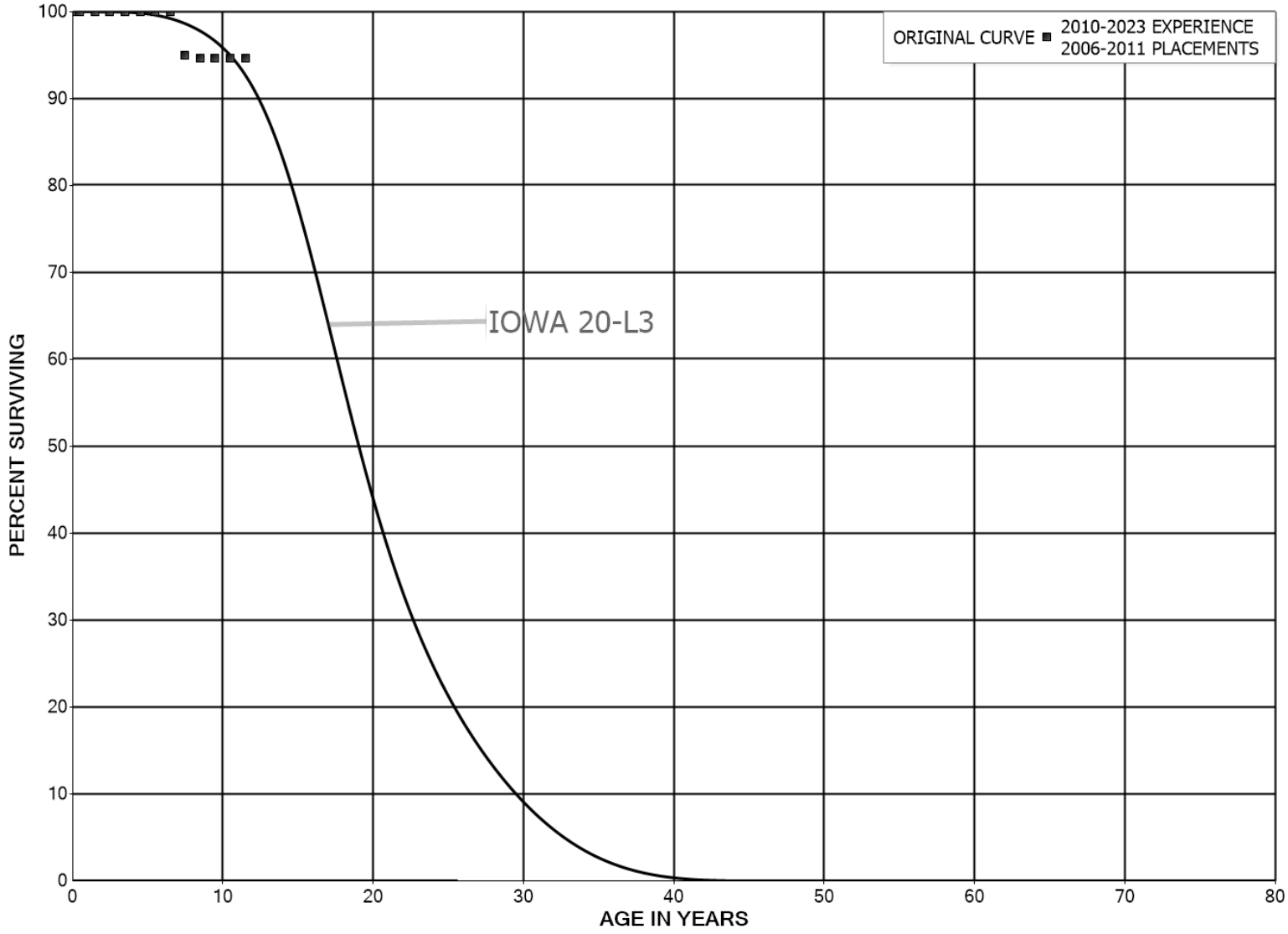
AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 382 OUTFALL LINES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1972-2011			EXPERIENCE BAND 2011-2023		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	14,801		0.0000		
40.5	14,801		0.0000		
41.5	14,801		0.0000		
42.5	14,801		0.0000		
43.5	14,801		0.0000		
44.5	14,801		0.0000		
45.5	14,801		0.0000		
46.5	14,801		0.0000		
47.5	14,801		0.0000		
48.5	14,801		0.0000		
49.5	14,801		0.0000		
50.5	9,638		0.0000		
51.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

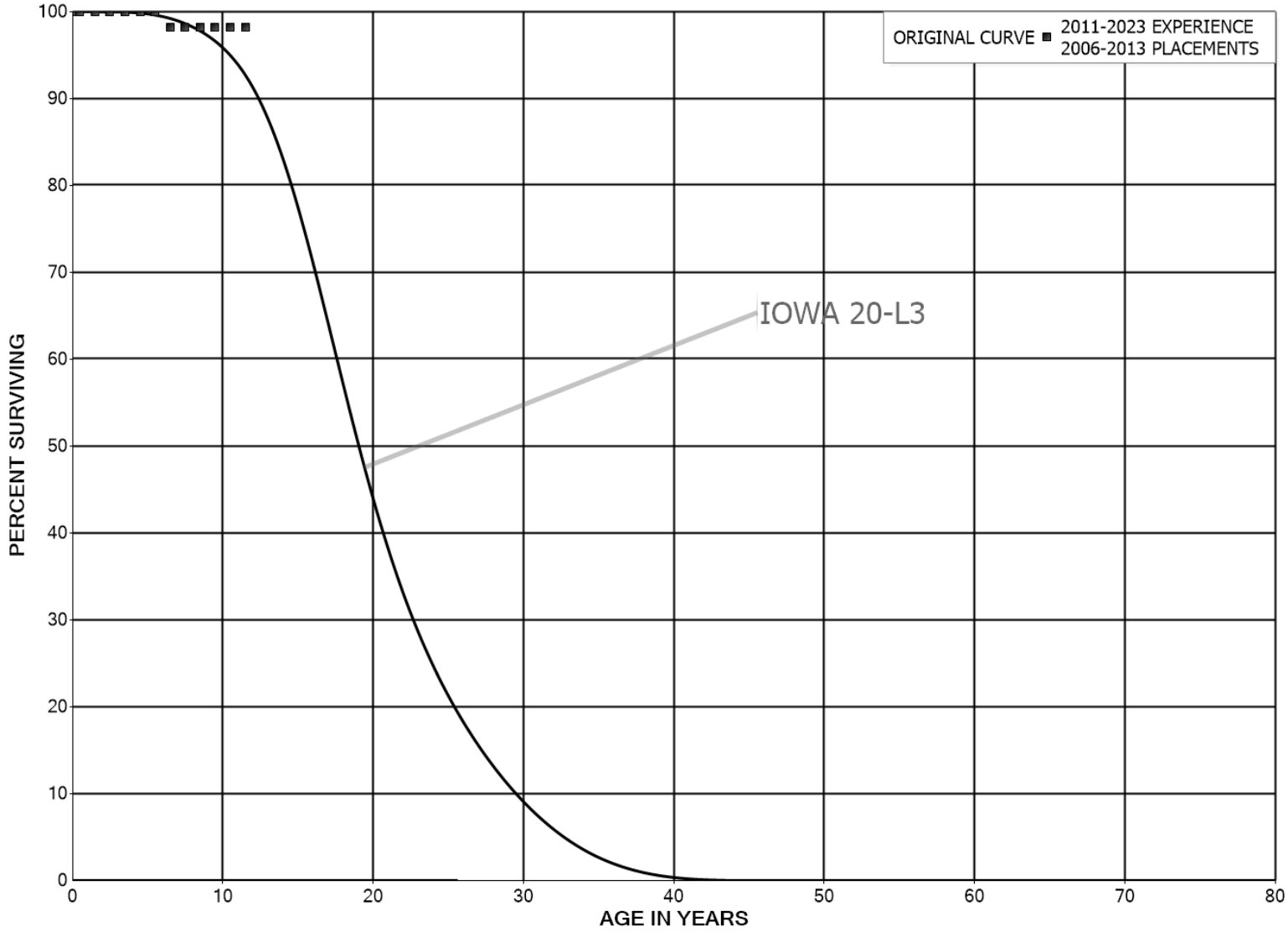
ACCOUNT 389.2 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION

ORIGINAL LIFE TABLE

PLACEMENT BAND 2006-2011 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	358,061		0.0000	1.0000	100.00
0.5	358,061		0.0000	1.0000	100.00
1.5	358,061		0.0000	1.0000	100.00
2.5	358,061		0.0000	1.0000	100.00
3.5	699,183		0.0000	1.0000	100.00
4.5	699,183		0.0000	1.0000	100.00
5.5	699,183		0.0000	1.0000	100.00
6.5	699,183	35,151	0.0503	0.9497	100.00
7.5	664,033	2,624	0.0040	0.9960	94.97
8.5	661,408		0.0000	1.0000	94.60
9.5	661,408		0.0000	1.0000	94.60
10.5	661,408		0.0000	1.0000	94.60
11.5	661,408		0.0000	1.0000	94.60
12.5	659,889		0.0000	1.0000	94.60
13.5	338,498		0.0000	1.0000	94.60
14.5	338,498		0.0000	1.0000	94.60
15.5	338,498		0.0000	1.0000	94.60
16.5	329,059		0.0000	1.0000	94.60
17.5					94.60

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

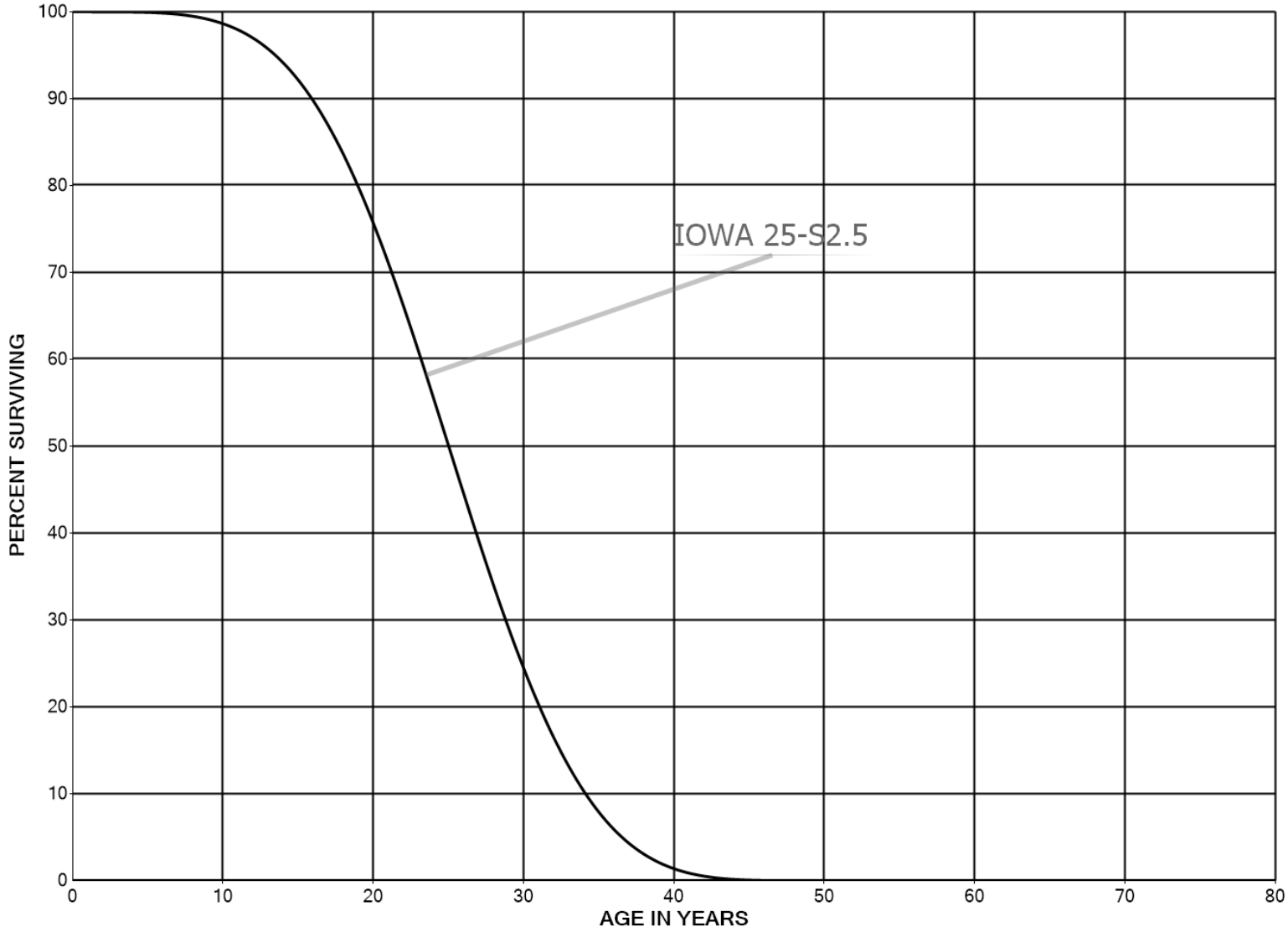
ACCOUNT 389.3 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING

ORIGINAL LIFE TABLE

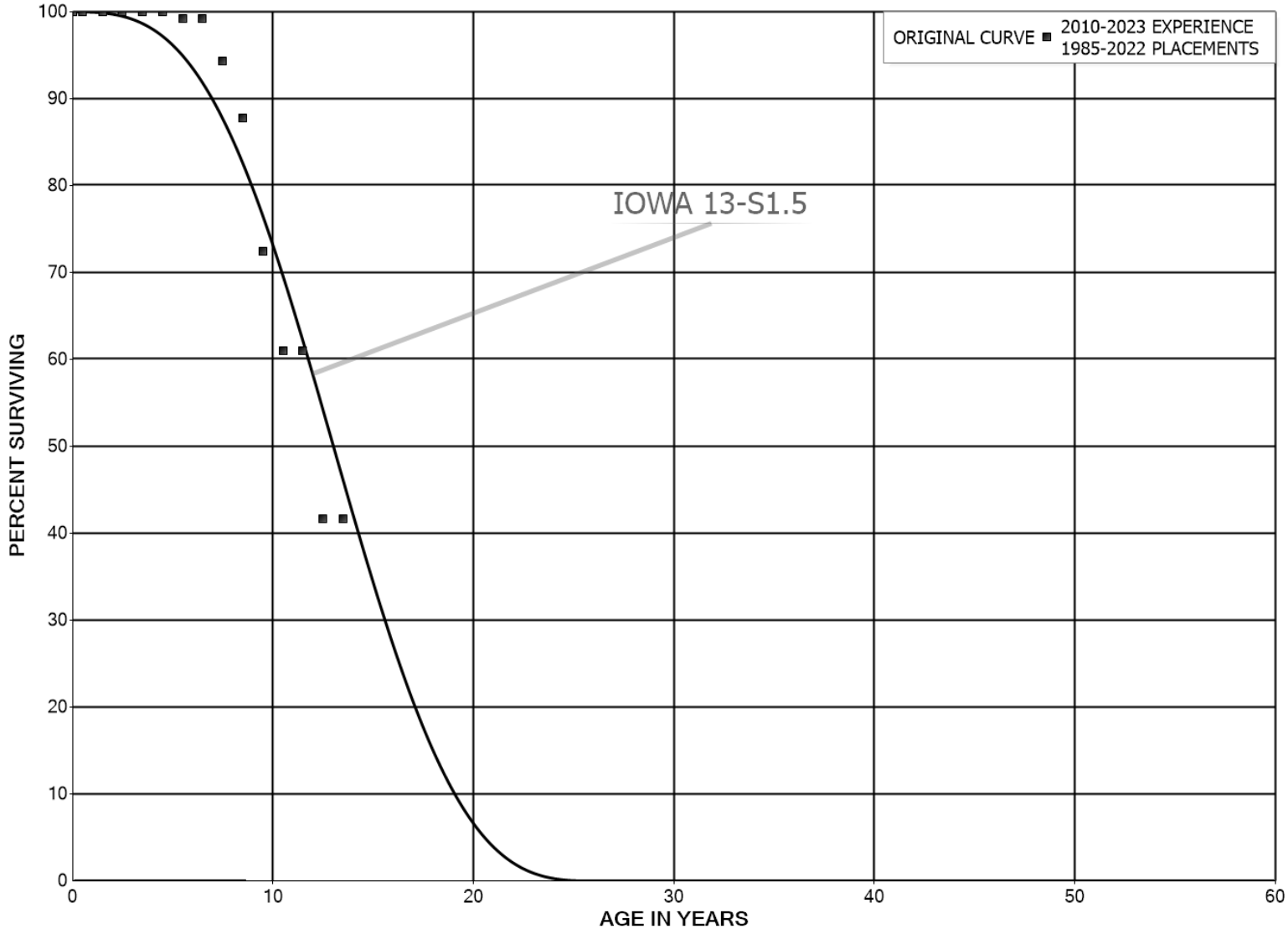
PLACEMENT BAND 2006-2013 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	48,489		0.0000	1.0000	100.00
0.5	48,489		0.0000	1.0000	100.00
1.5	49,019		0.0000	1.0000	100.00
2.5	49,425		0.0000	1.0000	100.00
3.5	51,999		0.0000	1.0000	100.00
4.5	67,029		0.0000	1.0000	100.00
5.5	68,660	1,289	0.0188	0.9812	100.00
6.5	67,371		0.0000	1.0000	98.12
7.5	67,371		0.0000	1.0000	98.12
8.5	67,371		0.0000	1.0000	98.12
9.5	67,371		0.0000	1.0000	98.12
10.5	20,283		0.0000	1.0000	98.12
11.5	20,283		0.0000	1.0000	98.12
12.5	18,882		0.0000	1.0000	98.12
13.5	18,476		0.0000	1.0000	98.12
14.5	17,124		0.0000	1.0000	98.12
15.5	16,105		0.0000	1.0000	98.12
16.5	12,722		0.0000	1.0000	98.12
17.5					98.12

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 389.4 OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL
SMOOTH SURVIVOR CURVE



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 391 TRANSPORTATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

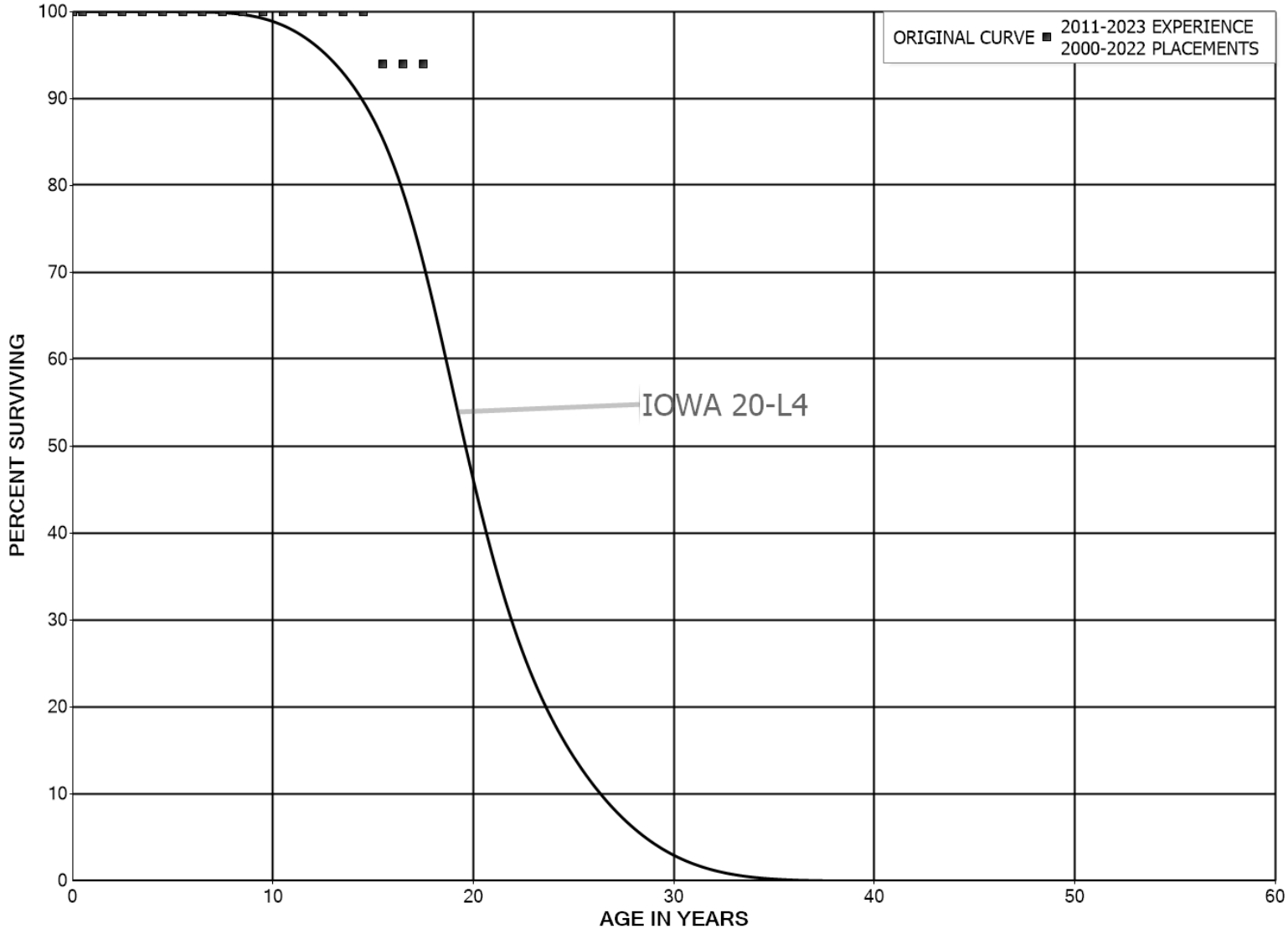
ACCOUNT 391 TRANSPORTATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1985-2022 EXPERIENCE BAND 2010-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,580,889		0.0000	1.0000	100.00
0.5	1,575,873		0.0000	1.0000	100.00
1.5	1,499,519		0.0000	1.0000	100.00
2.5	1,508,503		0.0000	1.0000	100.00
3.5	1,039,635		0.0000	1.0000	100.00
4.5	925,061	7,372	0.0080	0.9920	100.00
5.5	724,350		0.0000	1.0000	99.20
6.5	632,517	31,571	0.0499	0.9501	99.20
7.5	238,613	16,458	0.0690	0.9310	94.25
8.5	234,210	41,072	0.1754	0.8246	87.75
9.5	152,300	23,950	0.1573	0.8427	72.36
10.5	128,350		0.0000	1.0000	60.98
11.5	157,609	49,929	0.3168	0.6832	60.98
12.5	107,681		0.0000	1.0000	41.66
13.5	78,422		0.0000	1.0000	41.66
14.5					41.66
15.5					
16.5					
17.5					
18.5	24,324		0.0000		
19.5	52,257		0.0000		
20.5	199,051		0.0000		
21.5	80,117	21,312	0.2660		
22.5	58,806	46,806	0.7959		
23.5	30,000		0.0000		
24.5	30,000		0.0000		
25.5	30,000		0.0000		
26.5	12,000		0.0000		
27.5	12,000		0.0000		
28.5	12,000		0.0000		
29.5	12,000		0.0000		
30.5	12,000		0.0000		
31.5	12,000		0.0000		
32.5	12,000	12,000	1.0000		
33.5	0		0.0000		
34.5	0		0.0000		
35.5	0	0	0.2500		
36.5	0		0.0000		
37.5					

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
ACCOUNT 395 POWER OPERATED EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 395 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 2000-2022 EXPERIENCE BAND 2011-2023

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	29,400		0.0000	1.0000	100.00
0.5	25,528		0.0000	1.0000	100.00
1.5	23,967		0.0000	1.0000	100.00
2.5	27,734		0.0000	1.0000	100.00
3.5	34,077		0.0000	1.0000	100.00
4.5	40,707		0.0000	1.0000	100.00
5.5	105,643		0.0000	1.0000	100.00
6.5	109,087		0.0000	1.0000	100.00
7.5	148,798		0.0000	1.0000	100.00
8.5	151,782		0.0000	1.0000	100.00
9.5	151,782		0.0000	1.0000	100.00
10.5	149,367		0.0000	1.0000	100.00
11.5	145,908		0.0000	1.0000	100.00
12.5	157,891		0.0000	1.0000	100.00
13.5	154,124		0.0000	1.0000	100.00
14.5	147,781	8,973	0.0607	0.9393	100.00
15.5	132,177		0.0000	1.0000	93.93
16.5	67,241		0.0000	1.0000	93.93
17.5	143,903		0.0000	1.0000	93.93
18.5	113,166		0.0000	1.0000	93.93
19.5	110,182		0.0000	1.0000	93.93
20.5	30,076		0.0000	1.0000	93.93
21.5	30,076	30,076	1.0000		93.93
22.5					

PART VII. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1951	16,416	1,670	14,746	14,746	0.0
1954	93,165	9,324	83,841	98,587	0.2
1967	427,076	38,322	388,754	487,341	0.8
1970	540,532	47,440	493,092	980,433	1.6
1971	104,757	9,009	95,748	1,076,181	1.7
1972	87,587	7,445	80,142	1,156,323	1.9
1973	432,673	36,337	396,336	1,552,659	2.5
1974	408,181	33,859	374,322	1,926,981	3.1
1975	3,576,428	292,888	3,283,540	5,210,521	8.5
1976	1,322,490	120,556	1,201,934	6,412,455	10.4
1977	564,809	44,697	520,112	6,932,567	11.3
1978	1,296,060	101,255	1,194,805	8,127,372	13.2
1979	474,339	35,137	439,202	8,566,574	13.9
1980	415,317	34,720	380,597	8,947,171	14.5
1981	487,613	36,334	451,279	9,398,450	15.3
1982	139,907	10,282	129,625	9,528,075	15.5
1983	277,372	19,988	257,384	9,785,459	15.9
1984	304,044	21,525	282,519	10,067,978	16.4
1985	132,698	9,174	123,524	10,191,502	16.6
1986	64,083	4,326	59,757	10,251,259	16.7
1987	2,452,627	160,674	2,291,953	12,543,212	20.4
1988	1,982,579	129,771	1,852,808	14,396,020	23.4
1989	277,198	17,369	259,829	14,655,849	23.8
1990	682,767	42,561	640,206	15,296,055	24.9
1991	432,609	26,353	406,256	15,702,311	25.5
1992	255,346	15,189	240,157	15,942,468	25.9
1993	380,028	21,869	358,159	16,300,627	26.5
1994	112,433	6,316	106,117	16,406,744	26.7
1995	36,358	1,919	34,439	16,441,183	26.7
1996	51,814	2,726	49,088	16,490,271	26.8
1997	493,483	25,336	468,147	16,958,418	27.6
1998	555,930	27,470	528,460	17,486,878	28.4
1999	521,419	25,010	496,409	17,983,287	29.2
2000	3,658,314	188,188	3,470,126	21,453,413	34.9
2001	619,773	28,855	590,918	22,044,331	35.8
2002	1,471,103	69,064	1,402,039	23,446,370	38.1
2003	309,930	12,874	297,056	23,743,426	38.6
2004	1,523,860	61,950	1,461,910	25,205,336	41.0
2005	2,079,864	79,942	1,999,922	27,205,258	44.2
2006	209,226	9,974	199,252	27,404,510	44.5
2007	1,577,775	66,596	1,511,179	28,915,689	47.0
2011	199,172	5,489	193,683	29,109,372	47.3
2012	4,402,492	100,918	4,301,574	33,410,946	54.3
2013	9,734,030	468,122	9,265,908	42,676,854	69.3
2014	4,209,847	133,185	4,076,662	46,753,516	76.0

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2016	278,529	4,724	273,805	47,027,321	76.4
2017	3,983,122	104,569	3,878,553	50,905,874	82.7
2018	659,401	13,901	645,500	51,551,374	83.8
2019	392,302	6,676	385,626	51,937,000	84.4
2020	168,049	1,660	166,389	52,103,389	84.7
2021	13,559	105	13,454	52,116,843	84.7
2022	207,364	932	206,432	52,323,275	85.0
2023	1,681,827	6,955	1,674,872	53,998,147	87.7
2024	7,561,326	8,338	7,552,988	61,551,135	100.0
TOTAL	64,341,003	2,789,868	61,551,135		

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2023	552,976	15,193	537,783	537,783	100.0
TOTAL	552,976	15,193	537,783		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2023	30,182.67	1,364	940	29,242	31.72	922
	30,182.67	1,364	940	29,242		922

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 31.7 3.05

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1976	225,807.01	168,655	24,106	201,701	16.44	12,269
1980	164,559.67	116,442	16,643	147,917	18.39	8,043
1987	258,058.58	162,577	23,237	234,822	22.02	10,664
1988	111,013.86	68,473	9,787	101,227	22.67	4,465
2000	1,099,579.77	503,827	72,011	1,027,569	28.97	35,470
2001	115,506.67	51,031	7,294	108,213	29.69	3,645
2004	286,657.55	113,402	16,208	270,450	31.32	8,635
2006	151,843.05	55,058	7,869	143,974	32.52	4,427
2007	617,380.16	213,922	30,575	586,805	33.01	17,777
2014	4,134,596.02	920,361	131,545	4,003,051	36.67	109,164
2017	555,976.01	91,736	13,112	542,864	37.95	14,305
2018	416,021.96	60,323	8,622	407,400	38.34	10,626
2019	337,816.07	42,159	6,025	331,791	38.56	8,605
	8,474,816.38	2,567,966	367,034	8,107,782		248,095

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.7 2.93

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
2013	9,130,262.54	2,740,905	453,784	8,676,479	26.81	323,628
2017	2,150,253.12	436,931	72,338	2,077,915	29.40	70,677
	11,280,515.66	3,177,836	526,122	10,754,394		394,305
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					27.3	3.50

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	5,833.45	335	240	5,593	24.61	227
2024	207.83	4	3	205	25.07	8
	6,041.28	339	243	5,798		235

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.7 3.89

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2007	28,353.81	16,474	3,489	24,865	12.62	1,970
2018	51,446.47	12,275	2,599	48,847	20.75	2,354
2023	4,827.74	277	59	4,769	24.61	194
2024	422.26	8	1	421	25.07	17
	85,050.28	29,034	6,148	78,902		4,535

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.4 5.33

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.4 POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	2,813.98	162	66	2,748	24.61	112
2024	3,892.47	76	31	3,862	25.07	154
	6,706.45	238	97	6,609		266

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.8 3.97

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1976	544,243.88	361,596	39,440	504,804	24.50	20,604
1979	168,067.84	106,286	11,593	156,475	26.45	5,916
1980	127,595.37	79,492	8,670	118,925	26.93	4,416
1987	1,104,130.33	596,230	65,033	1,039,097	31.94	32,533
1988	236,738.07	125,282	13,665	223,073	32.47	6,870
2000	579,210.68	215,698	23,527	555,684	41.29	13,458
2004	423,356.83	134,543	14,675	408,682	44.01	9,286
2016	90,950.59	12,442	1,357	89,594	53.61	1,671
2017	444,463.65	53,691	5,856	438,608	54.61	8,032
2022	207,363.57	8,543	932	206,432	58.11	3,552
2023	8,022.38	201	22	8,000	58.38	137
	3,934,143.19	1,694,004	184,770	3,749,373		106,475

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 35.2 2.71

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1951	16,416.11	14,238	1,670	14,746	11.25	1,311
1954	93,165.44	79,470	9,324	83,841	12.15	6,900
1967	427,076.44	326,628	38,322	388,754	17.68	21,988
1970	379,229.08	281,085	32,979	346,250	19.03	18,195
1971	104,757.12	76,787	9,009	95,748	19.49	4,913
1972	87,587.15	63,457	7,445	80,142	19.96	4,015
1973	432,673.04	309,707	36,337	396,336	20.45	19,381
1974	408,180.68	288,584	33,859	374,322	20.93	17,884
1975	3,576,427.83	2,496,347	292,888	3,283,540	21.42	153,293
1977	564,809.07	380,964	44,697	520,112	22.92	22,692
1978	1,190,581.28	791,737	92,892	1,097,689	23.43	46,850
1979	306,270.87	200,669	23,544	282,727	23.94	11,810
1980	6,636.91	4,282	502	6,135	24.47	251
1981	487,612.73	309,683	36,334	451,279	24.99	18,058
1983	277,371.78	170,362	19,988	257,384	26.07	9,873
1984	304,043.84	183,460	21,525	282,519	26.62	10,613
1985	62,741.53	37,174	4,362	58,380	27.17	2,149
1987	1,040,289.17	589,012	69,107	971,182	28.73	33,804
1988	1,487,687.07	825,369	96,838	1,390,849	29.29	47,485
1990	682,767.26	362,754	42,561	640,206	30.44	21,032
1991	432,608.96	224,611	26,353	406,256	31.02	13,097
1992	255,346.01	129,460	15,189	240,157	31.60	7,600
1993	290,251.32	143,558	16,843	273,408	32.19	8,494
1994	112,432.61	53,833	6,316	106,117	33.20	3,196
1996	38,576.96	17,483	2,051	36,526	34.39	1,062
1997	435,869.92	191,783	22,501	413,369	35.00	11,811
1998	421,611.37	179,859	21,102	400,509	35.61	11,247
1999	418,043.26	172,694	20,262	397,781	36.23	10,979
2000	1,938,790.27	774,353	90,852	1,847,938	36.85	50,148
2001	74,610.94	28,755	3,374	71,237	37.48	1,901
2002	1,218,167.04	452,184	53,053	1,165,114	38.11	30,572
2003	276,831.96	98,801	11,592	265,240	38.74	6,847
2004	312,540.73	107,014	12,556	299,985	39.38	7,618
2005	2,079,864.45	681,364	79,942	1,999,922	40.02	49,973
2006	57,382.46	17,938	2,105	55,277	40.67	1,359
2007	932,040.64	277,282	32,532	899,509	41.32	21,769
2011	199,171.79	46,785	5,489	193,683	43.97	4,405
2012	368,948.36	80,726	9,471	359,477	44.64	8,053
2013	603,767.81	122,203	14,338	589,430	45.32	13,006
2014	75,250.53	13,982	1,640	73,611	46.00	1,600
2016	187,578.10	28,699	3,367	184,211	47.06	3,914

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2017	832,429.09	113,044	13,263	819,166	47.75	17,155
2018	191,932.68	22,840	2,680	189,253	48.14	3,931
2019	54,485.53	5,547	651	53,835	48.55	1,109
2020	168,049.33	14,150	1,660	166,389	48.97	3,398
2021	13,559.48	898	105	13,454	49.41	272
2023	1,548,042.19	45,822	5,376	1,542,666	49.26	31,317
2024	6,803,598.44	70,757	8,302	6,795,296	47.35	143,512
	32,278,106.63	11,908,194	1,397,148	30,880,958		941,842

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.8 2.92

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1970	161,303.41	120,429	14,461	146,842	18.50	7,937
1976	460,118.90	314,629	37,782	422,337	22.43	18,829
1978	105,478.54	69,647	8,363	97,116	23.92	4,060
1980	116,525.39	74,157	8,905	107,620	25.43	4,232
1982	139,906.80	85,623	10,282	129,625	26.94	4,812
1985	69,956.93	40,071	4,812	65,145	29.46	2,211
1986	64,083.09	36,021	4,326	59,757	29.99	1,993
1987	50,149.25	27,457	3,297	46,852	30.99	1,512
1988	147,140.14	78,955	9,481	137,659	31.52	4,367
1989	277,197.91	144,642	17,369	259,829	32.53	7,987
1993	89,776.24	41,854	5,026	84,750	36.07	2,350
1995	36,358.09	15,983	1,919	34,439	37.61	916
1996	13,237.49	5,621	675	12,562	38.62	325
1997	57,613.21	23,610	2,835	54,778	39.61	1,383
1998	134,318.45	53,029	6,368	127,950	40.62	3,150
1999	103,375.42	39,541	4,748	98,627	41.17	2,396
2000	40,733.21	14,969	1,798	38,935	42.17	923
2001	429,654.96	151,453	18,187	411,468	43.17	9,531
2002	173,117.24	58,427	7,016	166,101	44.17	3,760
2003	33,098.27	10,674	1,282	31,816	45.17	704
2004	501,304.70	154,151	18,511	482,794	46.17	10,457
2012	4,033,543.64	761,533	91,447	3,942,097	53.72	73,382
2023	79,204.70	1,806	217	78,988	64.29	1,229
	7,317,195.98	2,324,282	279,107	7,038,089		168,446

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 41.8 2.30

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1976	92,320.39	82,387	19,228	73,093	5.85	12,495
	92,320.39	82,387	19,228	73,093		12,495
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					5.8	13.53

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
2002	79,818.63	51,898	8,995	70,824	12.10	5,853
2023	2,896.66	199	35	2,862	20.33	141
2024	4.40		0	4	20.55	
	82,719.69	52,097	9,030	73,690		5,994

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.3 7.25

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
2023	2.90			3	30.04	
	2.90			3		
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					0.0	0.00

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 397 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2024	753,200.72	15,064		753,201	24.50	30,743
	753,200.72	15,064		753,201		30,743

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.5 4.08

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2023	473,771.07	17,340	13,446	460,325	49.41	9,316
	473,771.07	17,340	13,446	460,325		9,316

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.4 1.97

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
2023	79,204.70	2,257	1,747	77,457	63.91	1,212
	79,204.70	2,257	1,747	77,457		1,212

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 63.9 1.53

PART VIII. EXPERIENCED AND ESTIMATED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2020 TRANSACTION YEAR				
2021 TRANSACTION YEAR				
2022 TRANSACTION YEAR				
2023 TRANSACTION YEAR				
371.30	68.84			
391.70	57,300.31			
	57,369.15			
2024 TRANSACTION YEAR				
355.20	.92			
355.30	5.64			
355.40	97.44			
361.20	41,140.91	201.56		201.56-
371.30	.30	.01		.01-
371.50	.02			
	41,245.23	201.57		201.57-
TOTAL	98,614.38	201.57		201.57-

Exhibit No. 6-E, Part 3
Docket No. R-2024-3047822
Docket No. R-2024-3047824
Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

BRYN MAWR, PENNSYLVANIA

EAST WHITELAND WASTEWATER OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2025

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

Exhibit No. 6-E, Part 3
Docket No. R-2024-3047822
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Witness: J. J. Spanos

AQUA PENNSYLVANIA, INC.

Bryn Mawr, Pennsylvania

EAST WHITELAND WASTEWATER OPERATIONS

2025 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO WASTEWATER PLANT
AS OF DECEMBER 31, 2025

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania

Gannett Fleming
Valuation and Rate Consultants, LLC

Corporate Headquarters
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May 10, 2024

Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, PA 19010

Attention: William C. Packer
Vice President, Regulatory Accounting & Regional Controller

Ladies and Gentlemen:

Pursuant to your request, we have determined the annual depreciation accruals applicable to wastewater plant as of December 31, 2025 for the East Whiteland Wastewater Operations. The results of our study as of December 31, 2024 are presented in our report titled "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Wastewater Plant as of December 31, 2024". The same methods, procedures and estimates are used in both studies.

Summaries of the original cost, annual accruals, book depreciation reserve and amortization of net salvage are presented in Tables 1 through 4, beginning on page I-3 of the attached report.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

JOHN J. SPANOS
President

JASON A. POWERY
Assistant Project Manager

JJS:mle

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PART I. RESULTS OF STUDY

AQUA PENNSYLVANIA, INC.

DEPRECIATION STUDY

PART I. RESULTS OF STUDY

DESCRIPTION OF SUMMARY TABULATIONS

Tables 1 through 4 presented on pages I-3 through I-7 summarize the results of the depreciation study as of December 31, 2025 for the East Whiteland Wastewater Operations. Table 1 sets forth, by depreciable group, the estimated survivor curve, original cost, book depreciation reserve as of December 31, 2025, future book accruals, calculated annual accrual amount and rate, and composite remaining life for plant in service. Table 2 presents the bringforward of the book reserve to December 31, 2025. Table 3 sets forth the calculation of the depreciation accruals for the twelve months ended December 31, 2025. Table 4 presents the annual amortization of experienced and estimated net salvage based on the period 2021 through 2025.

DESCRIPTION OF DETAILED TABULATIONS

The supporting data for the depreciation calculations are presented in account sequence in the section beginning on page II-2. The original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual are shown for each vintage of each account or subaccount. The amounts of regular retirements, gross salvage and cost of removal are set forth by account for the years 2021 through 2025, on page III-2.

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	479,508.93					
TOTAL INTANGIBLE PLANT		479,508.93					
NONDEPRECIABLE PLANT							
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	668.00					
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	13.00					
TOTAL NONDEPRECIABLE PLANT		681.00					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	40-S1.5	30,182.67	1,861	28,322	919	3.04	30.8
PUMPING	55-R2	8,474,816.38	615,347	7,859,470	243,330	2.87	32.3
TREATMENT AND DISPOSAL	45-S1	11,280,515.66	920,940	10,359,576	388,014	3.44	26.7
TOTAL ACCOUNT 354		19,785,514.71	1,538,147	18,247,368	632,263		
355.00 POWER GENERATING EQUIPMENT							
COLLECTION	30-R3	6,041.28	478	5,563	233	3.86	23.9
PUMPING	30-R3	85,050.28	10,682	74,369	4,434	5.21	16.8
TREATMENT AND DISPOSAL	30-R3	6,706.45	363	6,343	261	3.89	24.3
TOTAL ACCOUNT 355		97,798.01	11,523	86,275	4,928		
360.00 COLLECTION MAINS - FORCE	70-R3	3,934,143.19	291,385	3,642,758	105,467	2.68	34.5
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	33,571,050.47	2,350,557	31,220,494	943,608	2.81	33.1
363.00 SERVICES	70-R4	7,317,195.98	447,402	6,869,794	167,272	2.29	41.1
364.00 METERS	30-L2.5	92,320.39	31,719	60,602	10,539	11.42	5.8
371.00 PUMPING EQUIPMENT							
PUMPING	30-L1.5	82,719.69	15,027	67,693	5,622	6.80	12.0
TOTAL ACCOUNT 371		82,719.69	15,027	67,693	5,622		
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S1	2.90	0	3	0	-	-
397.00 MISCELLANEOUS EQUIPMENT	25-SQ	753,200.72	30,731	722,470	30,743	*	23.5
TOTAL DEPRECIABLE PLANT		**65,633,946.06**	**4,716,491**	**60,917,457**	**1,900,442**		
TOTAL WASTEWATER PLANT IN SERVICE		**66,114,135.99**	**4,716,491**	**60,917,457**	**1,900,442**		

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	473,771.07	22,779	450,992	9,115	1.92	49.5
363.00 SERVICES	70-R4	79,204.70	2,959	76,246	1,212	1.53	62.9
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**552,975.77**	**25,738**	**527,238**	**10,327**		
AMORTIZATION OF NET SALVAGE					**48**		
TOTAL WASTEWATER PLANT		**65,561,160.22**	**4,690,753**	**60,390,219**	**1,890,163**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 2. BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2024

ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2024		DEPRECIATION ACCRUALS		AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS		PROJECTED GROSS SALVAGE		PROJECTED COST OF REMOVAL		BOOK RESERVE AS OF DECEMBER 31, 2025
(1)	(2)	+	(3)	+	(4)	-	(5)	+	(6)	-	(7)	=	(8)
354.20	940		921										1,861
354.30	367,034		248,312										615,347
354.40	526,122		394,818										920,940
355.20	243		235										478
355.30	6,148		4,533										10,682
355.40	97		266										363
360.00	184,770		106,615										291,385
361.00	1,397,148		961,398		40		7,990				39		2,350,557
363.00	279,107		168,296										447,402
364.00	19,228		12,491										31,719
371.30	9,030		5,997										15,027
391.70	0												0
397.00	0		30,731										30,731
SUBTOTAL	**2,789,868**		**1,934,612**		**40**		**7,990**		**0**		**39**		**4,716,491**
LESS:													
CUSTOMERS' ADVANCES AND CONTRIBUTIONS													
361.00	(13,446)		(9,333)										(22,779)
363.00	(1,747)		(1,212)										(2,959)
SUBTOTAL	**(15,193)**		**(10,545)**		**0**		**0**		**0**		**0**		**(25,738)**
TOTAL	**2,774,675**		**1,924,067**		**40**		**7,990**		**0**		**39**		**4,690,753**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 3. CALCULATION OF DEPRECIATION ACCRUALS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

	ACCOUNT	ORIGINAL COST AS OF DECEMBER 31, 2024	ORIGINAL COST AS OF DECEMBER 31, 2025	COMPOSITE ACCRUAL RATE		ANNUAL ACCRUAL AMOUNT
	(1)	(2)	(3)	(4)		(5)
UTILITY PLANT IN SERVICE						
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	30,182.67	30,182.67	3.05		921
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	8,474,816.38	8,474,816.38	2.93		248,312
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	11,280,515.66	11,280,515.66	3.50		394,818
355.20	POWER GENERATING EQUIPMENT - COLLECTION	6,041.28	6,041.28	3.89		235
355.30	POWER GENERATING EQUIPMENT - PUMPING	85,050.28	85,050.28	5.33		4,533
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	6,706.45	6,706.45	3.97		266
360.00	COLLECTION MAINS - FORCE	3,934,143.19	3,934,143.19	2.71		106,615
361.00	COLLECTION MAINS - GRAVITY	32,278,106.63	33,571,050.47	2.92		961,398
363.00	SERVICES	7,317,195.98	7,317,195.98	2.30		168,296
364.00	METERS	92,320.39	92,320.39	13.53		12,491
371.30	PUMPING EQUIPMENT - PUMPING	82,719.69	82,719.69	7.25		5,997
380.00	TREATMENT AND DISPOSAL EQUIPMENT	2.90	2.90	-		0
397.00	MISCELLANEOUS EQUIPMENT	753,200.72	753,200.72	4.00	*	30,731
	TOTAL UTILITY PLANT IN SERVICE	**64,341,002.22**	**65,633,946.06**			**1,934,612**
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION						
361.20	COLLECTION MAINS - GRAVITY	473,771.07	473,771.07	1.97		9,333
363.20	SERVICES	79,204.70	79,204.70	1.53		1,212
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**552,975.77**	**552,975.77**			**10,545**
	TOTAL PLANT IN SERVICE	**63,788,026.45**	**65,080,970.29**			**1,924,067**

* ACCRUAL RATE BASED ON AMORTIZATION PERIOD

AQUA PENNSYLVANIA, INC.
EAST WHITELAND WASTEWATER OPERATIONS

TABLE 4. AMORTIZATION OF EXPERIENCED AND ESTIMATED NET SALVAGE

	2021		2022		2023		2024		2025			
ACCOUNT	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	GROSS SALVAGE	COST OF REMOVAL	NET SALVAGE	SALVAGE ACCRUAL
(1)	(2) -	(3) +	(4) -	(5) +	(6) -	(7) +	(8) -	(9) +	(10) -	(11) =	(12)*	(13)=(12)/5
354.20												
354.30												
354.40												
354.50												
360.00												
361.00								202		39	(241)	(48)
363.00												
371.30								0			(0)	
380.00												
391.70												
396.70												
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**202**	**-**	**39**	**(241)**	**(48)**

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).

PART II. DETAILED DEPRECIATION CALCULATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
1951	16,409	2,717	13,692	13,692	0.0
1954	93,126	15,181	77,945	91,637	0.2
1967	426,921	62,634	364,287	455,924	0.7
1970	540,400	76,400	464,000	919,924	1.5
1971	104,721	14,747	89,974	1,009,898	1.7
1972	87,558	12,194	75,364	1,085,262	1.8
1973	432,527	59,537	372,990	1,458,252	2.4
1974	408,044	55,492	352,552	1,810,804	3.0
1975	3,575,271	480,243	3,095,028	4,905,832	8.1
1976	1,322,490	190,150	1,132,340	6,038,172	9.9
1977	564,626	73,880	490,746	6,528,918	10.7
1978	1,295,688	165,545	1,130,143	7,659,061	12.6
1979	474,244	56,678	417,566	8,076,627	13.3
1980	415,315	54,829	360,486	8,437,113	13.9
1981	487,466	59,755	427,711	8,864,824	14.6
1982	139,907	16,152	123,755	8,988,579	14.8
1983	277,289	32,916	244,373	9,232,952	15.2
1984	303,955	35,469	268,486	9,501,438	15.6
1985	132,680	14,762	117,918	9,619,356	15.8
1986	64,083	6,765	57,318	9,676,674	15.9
1987	2,452,334	259,071	2,193,263	11,869,937	19.5
1988	1,982,170	212,030	1,770,140	13,640,077	22.4
1989	277,198	27,413	249,785	13,889,862	22.8
1990	682,581	70,444	612,137	14,501,999	23.8
1991	432,495	43,657	388,838	14,890,837	24.4
1992	255,279	25,182	230,097	15,120,934	24.8
1993	379,951	35,909	344,042	15,464,976	25.4
1994	112,404	10,563	101,841	15,566,817	25.6
1995	36,358	3,025	33,333	15,600,150	25.6
1996	51,805	4,487	47,318	15,647,468	25.7
1997	493,377	42,030	451,347	16,098,815	26.4
1998	555,827	45,381	510,446	16,609,261	27.3
1999	521,317	41,396	479,921	17,089,182	28.1
2000	3,657,857	310,127	3,347,730	20,436,912	33.5
2001	619,755	46,764	572,991	21,009,903	34.5
2002	1,470,819	115,359	1,355,460	22,365,363	36.7
2003	309,867	21,578	288,289	22,653,652	37.2
2004	1,523,790	101,069	1,422,721	24,076,373	39.5
2005	2,079,399	135,271	1,944,128	26,020,501	42.7
2006	209,213	16,665	192,548	26,213,049	43.0
2007	1,577,574	111,909	1,465,665	27,678,714	45.4
2011	199,131	9,489	189,642	27,868,356	45.7
2012	4,402,416	167,961	4,234,455	32,102,811	52.7
2013	9,733,911	814,288	8,919,623	41,022,434	67.3
2014	4,209,832	229,369	3,980,463	45,002,897	73.9

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2016	278,493	8,331	270,162	45,273,059	74.3
2017	3,982,964	189,338	3,793,626	49,066,685	80.5
2018	659,365	25,248	634,117	49,700,802	81.6
2019	392,292	12,342	379,950	50,080,752	82.2
2020	168,019	3,250	164,769	50,245,521	82.5
2021	13,557	217	13,340	50,258,861	82.5
2022	207,364	1,986	205,378	50,464,239	82.8
2023	1,681,556	17,556	1,664,000	52,128,239	85.6
2024	7,560,138	69,168	7,490,970	59,619,209	97.9
2025	1,300,820	2,571	1,298,249	60,917,458	100.0
TOTAL	65,633,948	4,716,490	60,917,458		

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

CUMULATIVE DEPRECIATED ORIGINAL COST BY YEAR INSTALLED
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR INST (1)	ORIGINAL COST (2)	ACCRUED DEPRECIATION (3)	DEPRECIATED ORIGINAL COST AMOUNT (2) - (3) (4)	CUMULATIVE AMOUNT (5)	PCT OF COL 4 TOTAL (6)
2023	552,976	25,738	527,238	527,238	100.0
TOTAL	552,976	25,738	527,238		

UTILITY PLANT IN SERVICE

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.2 STRUCTURES AND IMPROVEMENTS - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1.5						
NET SALVAGE PERCENT.. 0						
2023	30,182.67	2,264	1,861	28,322	30.83	919
	30,182.67	2,264	1,861	28,322		919

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.8 3.04

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.3 STRUCTURES AND IMPROVEMENTS - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R2						
NET SALVAGE PERCENT.. 0						
1976	225,807.01	169,897	38,535	187,272	16.29	11,496
1980	164,559.67	117,561	26,665	137,895	18.19	7,581
1987	258,058.58	165,932	37,636	220,423	21.38	10,310
1988	111,013.86	69,939	15,863	95,151	22.02	4,321
2000	1,099,579.77	518,782	117,668	981,912	28.55	34,393
2001	115,506.67	52,925	12,004	103,503	28.97	3,573
2004	286,657.55	117,702	26,697	259,961	30.86	8,424
2006	151,843.05	57,731	13,094	138,749	31.78	4,366
2007	617,380.16	223,862	50,775	566,605	32.52	17,423
2014	4,134,596.02	998,505	226,476	3,908,120	36.12	108,198
2017	555,976.01	102,522	23,254	532,722	37.59	14,172
2018	416,021.96	68,644	15,569	400,453	37.95	10,552
2019	337,816.07	48,983	11,111	326,706	38.34	8,521
	8,474,816.38	2,712,985	615,347	7,859,470		243,330

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 32.3 2.87

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 354.4 STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 45-S1						
NET SALVAGE PERCENT.. 0						
2013	9,130,262.54	2,944,510	789,194	8,341,069	26.26	317,634
2017	2,150,253.12	491,548	131,746	2,018,507	28.68	70,380
	11,280,515.66	3,436,058	920,940	10,359,576		388,014
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					26.7	3.44

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.2 POWER GENERATING EQUIPMENT - COLLECTION

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	5,833.45	553	468	5,365	23.88	225
2024	207.83	12	10	198	24.61	8
	6,041.28	565	478	5,563		233

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.9 3.86

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.3 POWER GENERATING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2007	28,353.81	17,205	5,791	22,563	11.99	1,882
2018	51,446.47	14,045	4,728	46,718	19.97	2,339
2023	4,827.74	458	154	4,674	23.88	196
2024	422.26	24	9	414	24.61	17
	85,050.28	31,732	10,682	74,369		4,434

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.8 5.21

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 355.4 POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-R3						
NET SALVAGE PERCENT.. 0						
2023	2,813.98	267	198	2,616	23.88	110
2024	3,892.47	223	165	3,727	24.61	151
	6,706.45	490	363	6,343		261

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.3 3.89

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 360 COLLECTION MAINS - FORCE

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R3						
NET SALVAGE PERCENT.. 0						
1976	544,243.88	366,385	61,130	483,114	24.03	20,105
1979	168,067.84	107,849	17,994	150,074	25.96	5,781
1980	127,595.37	80,691	13,463	114,132	26.45	4,315
1987	1,104,130.33	612,130	102,132	1,001,998	30.94	32,385
1988	236,738.07	127,839	21,329	215,409	31.94	6,744
2000	579,210.68	224,502	37,457	541,754	40.29	13,446
2004	423,356.83	140,173	23,388	399,969	43.44	9,207
2016	90,950.59	13,824	2,306	88,645	53.00	1,673
2017	444,463.65	60,803	10,145	434,319	53.61	8,101
2022	207,363.57	11,903	1,986	205,378	57.48	3,573
2023	8,022.38	331	55	7,967	58.11	137
	3,934,143.19	1,746,430	291,385	3,642,758		105,467

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 34.5 2.68

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
1951	16,408.62	14,302	2,717	13,692	10.97	1,248
1954	93,125.59	79,902	15,181	77,945	11.83	6,589
1967	426,920.62	329,668	62,634	364,287	17.26	21,106
1970	379,096.13	284,019	53,961	325,135	18.58	17,499
1971	104,720.71	77,619	14,747	89,974	19.03	4,728
1972	87,557.65	64,180	12,194	75,364	19.49	3,867
1973	432,527.34	313,366	59,537	372,990	19.96	18,687
1974	408,043.56	292,078	55,492	352,552	20.45	17,240
1975	3,575,270.64	2,527,716	480,243	3,095,028	20.93	147,875
1977	564,626.44	388,858	73,880	490,746	21.92	22,388
1978	1,190,209.72	802,796	152,524	1,037,686	22.92	45,274
1979	306,175.72	203,607	38,684	267,492	23.43	11,417
1980	6,634.85	4,347	826	5,809	23.94	243
1981	487,465.66	314,513	59,755	427,711	24.47	17,479
1983	277,289.06	173,250	32,916	244,373	25.52	9,576
1984	303,955.22	186,689	35,469	268,486	26.07	10,299
1985	62,723.56	37,847	7,191	55,533	26.62	2,086
1987	1,039,996.18	600,598	114,108	925,888	28.17	32,868
1988	1,487,277.89	842,097	159,991	1,327,287	28.73	46,199
1990	682,581.46	370,778	70,444	612,137	29.86	20,500
1991	432,494.75	229,784	43,657	388,838	30.44	12,774
1992	255,278.61	132,541	25,182	230,097	31.02	7,418
1993	290,175.02	147,119	27,951	262,224	31.60	8,298
1994	112,404.11	55,595	10,563	101,841	32.19	3,164
1996	38,567.19	17,976	3,415	35,152	33.79	1,040
1997	435,763.61	197,488	37,521	398,243	34.39	11,580
1998	421,508.83	185,464	35,236	386,273	35.00	11,036
1999	417,941.61	178,294	33,874	384,068	35.61	10,785
2000	1,938,333.49	800,726	152,131	1,786,202	36.23	49,302
2001	74,593.53	29,793	5,660	68,934	36.85	1,871
2002	1,217,882.79	469,372	89,176	1,128,707	37.48	30,115
2003	276,768.96	102,737	19,519	257,250	38.11	6,750
2004	312,470.73	111,521	21,188	291,283	38.74	7,519
2005	2,079,398.75	711,986	135,271	1,944,128	39.38	49,368
2006	57,369.85	18,794	3,571	53,799	40.02	1,344
2007	931,840.32	291,293	55,343	876,497	40.67	21,551
2011	199,130.72	49,942	9,489	189,642	43.31	4,379
2012	368,872.72	86,648	16,462	352,411	43.97	8,015
2013	603,648.35	132,078	25,094	578,554	44.64	12,960
2014	75,235.64	15,228	2,893	72,343	45.32	1,596
2016	187,542.47	31,713	6,025	181,517	46.68	3,889

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2017	832,271.11	127,337	24,193	808,078	47.06	17,171
2018	191,896.26	26,060	4,951	186,945	47.75	3,915
2019	54,475.53	6,483	1,232	53,244	48.14	1,106
2020	168,018.74	17,104	3,250	164,769	48.55	3,394
2021	13,557.01	1,142	217	13,340	48.97	272
2023	1,547,771.91	74,603	14,174	1,533,598	49.32	31,095
2024	6,802,410.77	201,351	38,254	6,764,157	49.26	137,315
2025	1,300,820.47	13,529	2,571	1,298,250	47.35	27,418
	33,571,050.47	12,371,931	2,350,557	31,220,494		943,608

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 33.1 2.81

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1970	161,303.41	121,752	22,439	138,864	18.03	7,702
1976	460,118.90	318,862	58,766	401,353	21.93	18,302
1978	105,478.54	70,650	13,021	92,458	23.42	3,948
1980	116,525.39	75,287	13,875	102,650	24.92	4,119
1982	139,906.80	87,638	16,152	123,755	25.94	4,771
1985	69,956.93	41,079	7,571	62,386	28.47	2,191
1986	64,083.09	36,707	6,765	57,318	29.46	1,946
1987	50,149.25	28,189	5,195	44,954	29.99	1,499
1988	147,140.14	80,559	14,847	132,293	30.99	4,269
1989	277,197.91	148,744	27,413	249,785	31.52	7,925
1993	89,776.24	43,182	7,958	81,818	35.07	2,333
1995	36,358.09	16,412	3,025	33,333	37.07	899
1996	13,237.49	5,819	1,072	12,165	37.61	323
1997	57,613.21	24,463	4,509	53,104	38.62	1,375
1998	134,318.45	55,044	10,145	124,173	39.61	3,135
1999	103,375.42	40,813	7,522	95,853	40.62	2,360
2000	40,733.21	15,580	2,871	37,862	41.17	920
2001	429,654.96	157,898	29,100	400,555	42.17	9,499
2002	173,117.24	61,024	11,247	161,870	43.17	3,750
2003	33,098.27	11,171	2,059	31,039	44.17	703
2004	501,304.70	161,671	29,796	471,509	45.17	10,439
2012	4,033,543.64	822,036	151,499	3,882,045	52.73	73,621
2023	79,204.70	3,010	555	78,650	63.29	1,243
	7,317,195.98	2,427,590	447,402	6,869,794		167,272

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 41.1 2.29

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 364 METERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L2.5						
NET SALVAGE PERCENT.. 0						
1976	92,320.39	82,719	31,719	60,602	5.75	10,539
	92,320.39	82,719	31,719	60,602		10,539
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					5.8	11.42

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 371.3 PUMPING EQUIPMENT - PUMPING

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 30-L1.5						
NET SALVAGE PERCENT.. 0						
2002	79,818.63	53,079	14,936	64,883	11.84	5,480
2023	2,896.66	325	91	2,806	19.77	142
2024	4.40		0	4	20.33	
	82,719.69	53,404	15,027	67,693		5,622

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.0 6.80

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 380 TREATMENT AND DISPOSAL EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 40-S1						
NET SALVAGE PERCENT.. 0						
2023	2.90			3	29.15	
	2.90			3		
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					0.0	0.00

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ACCOUNT 397 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
2024	753,200.72	45,192	30,731	722,470	23.50	30,743
	753,200.72	45,192	30,731	722,470		30,743

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.5 4.08

CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 361 COLLECTION MAINS - GRAVITY

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R2.5						
NET SALVAGE PERCENT.. 0						
2023	473,771.07	26,010	22,779	450,992	49.48	9,115
	473,771.07	26,010	22,779	450,992		9,115

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.5 1.92

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION

ACCOUNT 363 SERVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2025

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
2023	79,204.70	3,461	2,959	76,246	62.91	1,212
	79,204.70	3,461	2,959	76,246		1,212

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 62.9 1.53

PART III. EXPERIENCED NET SALVAGE

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

EXPERIENCED RETIREMENTS BY ACCOUNT AND ASSOCIATED
COST OF REMOVAL, GROSS SALVAGE, AND NET SALVAGE

ACCT	REGULAR RETIREMENTS	COST OF REMOVAL	GROSS SALVAGE	NET SALVAGE
2021 TRANSACTION YEAR				
2022 TRANSACTION YEAR				
2023 TRANSACTION YEAR				
371.30	68.84			
391.70	57,300.31			
	57,369.15			
2024 TRANSACTION YEAR				
355.20	.92			
355.30	5.64			
355.40	97.44			
361.20	41,140.91	201.56		201.56-
371.30	.30	.01		.01-
371.50	.02			
	41,245.23	201.57		201.57-
2025 TRANSACTION YEAR				
361.20	7,990.16	39.15		39.15-
	7,990.16	39.15		39.15-
TOTAL	106,604.54	240.72		240.72-

Exhibit 7

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NO. R-2024-3047822 (WATER)

DOCKET NO. R-2024-3047824 (WASTEWATER)

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

Lead-Lag Schedules

Schedule HW-1 Through Schedule HW-27

To Accompany the

Direct Testimony of Harold Walker, III

On Lead-Lag Study – Cash Working Capital

AQUA PENNSYLVANIA, INC.

CALCULATION OF CASH WORKING CAPITAL REQUIREMENTS
BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

INDEX TO SCHEDULES

Schedules	Schedule Subject
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Schedule HW-2, Page 1	Summary of Total Revenue Lag Days
Schedule HW-2, Page 2	Service Period Billing Lag Days
Schedule HW-2, Page 3	Calculation of Collection Lag Days
Schedule HW-3	Summary of Operating Expenses and Taxes Lead Days
Schedule HW-4	Hourly Labor Lead Days
Schedule HW-5	Non-Union Labor Lead Days
Schedule HW-6	Management Fee Lead Days
Schedule HW-7	Electric Power Lead Days
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Schedule HW-27	PennVest-Interest Lead Days

AQUA PENNSYLVANIA, INC. - BASE

SUMMARY OF CALCULATION OF CASH WORKING CAPITAL REQUIREMENTS

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	A	B	C	D	E	F	G	H	I
	Amount	Expense Lead Days	Weighted Amount [A x B]	Revenue Lag Days	Weighted Lead Days [C ÷ A]	Net (Lead) Lag Days [D - E]	Pro-forma Expense Per Day [A ÷ 365]	Cash Working Capital [F x G]	Recommended Cash Working Capital [H rounded]
Expenses									
Hourly Labor	$23,668,323	5.5	$130,175,779						
Non-Union Labor	$14,218,799	9.0	$127,969,193						
Management Fee	$27,013,703	15.7	$424,115,142						
Electric Power	$11,062,148	43.3	$478,991,022						
Water Purchased	$5,343,613	41.6	$222,294,297						
Employee Group Insurance	$6,334,692	16.3	$103,255,487						
Liability Insurance	$6,313,061	(46.4)	($292,926,026)						
SFI Postage	$1,406,166	(5.4)	($7,593,296)						
Pension	$1,366,600	440.0	$601,304,000						
SFAS106	($677,072)	45.1	($30,552,882)						
All Other Expenses	$41,189,170	31.3	$1,289,221,013						
Sub Total - Expenses	137,239,204		3,046,253,729	51.5	22.2	29.3	$375,998	$11,016,736	$11,017,000
Taxes									
PA PUC - General Assessments	$2,580,688	(198.5)	($512,266,544)						
OCA & SBA - General Assessments	$1,221,220	(198.5)	($242,412,225)						
Public Utility Realty Tax	$4,700,000	(48.3)	($227,010,000)						
Local, County, School, & Municipal Tax	$1,162,341	(92.9)	($107,981,517)						
FICA Taxes - Hourly	$2,765,833	5.5	$15,212,079						
FICA Taxes - Executive & Exempt	$1,935,527	9.0	$17,419,742						
Federal Unemployment Tax	$26,872	75.9	$2,038,883						
PA Unemployment Tax	$135,117	75.9	$10,252,013						
PA State Income Tax	$4,337,358	36.5	$158,313,571						
Federal Income Tax	$18,534,310	36.5	$676,502,303						
Sub Total - Taxes	37,399,265		(209,931,695)	51.5	(5.6)	57.1	102,464	5,850,680	5,851,000
Interest									
Long Term Debt- Interest	$85,492,226	90.8	$7,758,419,488						
PennVest-Interest	$420,204	14.7	$6,180,507						
Sub Total - Interest	85,912,430		7,764,599,995	51.5	90.4	(38.9)	235,377	(9,156,147)	(9,156,000)

Total Cash Working Capital Requirement **$7,712,000**

AQUA PENNSYLVANIA, INC. - SHENANDOAH

SUMMARY OF CALCULATION OF CASH WORKING CAPITAL REQUIREMENTS

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	A	B	C	D	E	F	G	H	I
	Amount	Expense Lead Days	Weighted Amount [A x B]	Revenue Lag Days	Weighted Lead Days [C ÷ A]	Net (Lead) Lag Days [D - E]	Pro-forma Expense Per Day [A ÷ 365]	Cash Working Capital [F x G]	Recommended Cash Working Capital [H rounded]
Expenses									
Hourly Labor	$251,259	5.5	$1,381,926						
Non-Union Labor	$99,592	9.0	$896,332						
Management Fee	$180,210	15.7	$2,829,302						
Electric Power	$247,528	43.3	$10,717,961						
Water Purchased	$0	41.6	$0						
Employee Group Insurance	$206,410	16.3	$3,364,489						
Liability Insurance	$42,115	(46.4)	($1,954,130)						
SFI Postage	$9,381	(5.4)	($50,655)						
Pension	$0	440.0	$0						
SFAS106	$0	45.1	$0						
All Other Expenses	$725,574	31.3	$22,710,465						
Sub Total - Expenses	1,762,070		39,895,690	57.4	22.6	34.8	$4,828	$168,000	$168,000
Taxes									
PA PUC - General Assessments	$7,907	(198.5)	($1,569,571)						
OCA & SBA - General Assessments	$3,742	(198.5)	($742,745)						
Public Utility Realty Tax	$0	(48.3)	$0						
Local, County, School, & Municipal Tax	$0	(92.9)	$0						
FICA Taxes - Hourly	$0	5.5	$0						
FICA Taxes - Executive & Exempt	$0	9.0	$0						
Federal Unemployment Tax	$0	75.9	$0						
PA Unemployment Tax	$0	75.9	$0						
PA State Income Tax	($73,074)	36.5	($2,667,211)						
Federal Income Tax	($176,714)	36.5	($6,450,077)						
Sub Total - Taxes	(238,140)		(11,429,604)	57.4	48.0	9.4	(652)	(6,133)	(6,000)
Interest									
Long Term Debt- Interest	$318,589	90.8	$28,911,957						
PennVest-Interest	$0	14.7	$0						
Sub Total - Interest	318,589		28,911,957	57.4	90.8	(33.4)	873	(29,153)	(29,000)

Total Cash Working Capital Requirement **$133,000**

AQUA PENNSYLVANIA WASTEWATER, INC. - BASE

SUMMARY OF CALCULATION OF CASH WORKING CAPITAL REQUIREMENTS

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	A	B	C	D	E	F	G	H	I
	Amount	Expense Lead Days	Weighted Amount [A x B]	Revenue Lag Days	Weighted Lead Days [C ÷ A]	Net (Lead) Lag Days [D - E]	Pro-forma Expense Per Day [A ÷ 365]	Cash Working Capital [F x G]	Recommended Cash Working Capital [H rounded]
Expenses									
Hourly Labor	$1,803,177	5.5	$9,917,472						
Non-Union Labor	$1,720,692	9.0	$15,486,229						
Management Fee	$2,529,850	15.7	$39,718,640						
Electric Power	$1,767,231	43.3	$76,521,113						
Wastewater Purchased	$8,825,200	49.8	$439,494,967						
Employee Group Insurance	$2,114,321	16.3	$34,463,437						
Liability Insurance	$31,224	(46.4)	($1,448,815)						
SFI Postage	$132,592	(5.4)	($715,996)						
Pension	$0	440.0	$0						
SFAS106	$0	45.1	$0						
All Other Expenses	$9,788,145	31.3	$306,368,942						
Sub Total - Expenses	28,712,433		919,805,990	53.7	32.0	21.7	$78,664	$1,707,013	$1,707,000
Taxes									
PA PUC - General Assessments	$249,469	(198.5)	($49,519,626)						
OCA & SBA - General Assessments	$118,053	(198.5)	($23,433,431)						
Public Utility Realty Tax	$0	(48.3)	$0						
Local, County, School, & Municipal Tax	$306,067	(92.9)	($28,433,634)						
FICA Taxes - Hourly	$0	5.5	$0						
FICA Taxes - Executive & Exempt	$0	9.0	$0						
Federal Unemployment Tax	$0	75.9	$0						
PA Unemployment Tax	$0	75.9	$0						
PA State Income Tax	$138,551	36.5	$5,057,100						
Federal Income Tax	($1,098,918)	36.5	($40,110,510)						
Sub Total - Taxes	(286,779)		(136,440,100)	53.7	475.8	(422.1)	(786)	331,642	332,000
Interest									
Long Term Debt- Interest	$7,810,195	90.8	$708,775,160						
PennVest-Interest	$4,617	14.7	$67,911						
Sub Total - Interest	7,814,812		708,843,071	53.7	90.7	(37.0)	21,410	(792,186)	(792,000)

Total Cash Working Capital Requirement **$1,247,000**

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

SUMMARY OF CALCULATION OF CASH WORKING CAPITAL REQUIREMENTS

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	A	B	C	D	E	F	G	H	I
	Amount	Expense Lead Days	Weighted Amount [A x B]	Revenue Lag Days	Weighted Lead Days [C ÷ A]	Net (Lead) Lag Days [D - E]	Pro-forma Expense Per Day [A ÷ 365]	Cash Working Capital [F x G]	Recommended Cash Working Capital [H rounded]
Expenses									
Hourly Labor	$160,932	5.5	$885,128						
Non-Union Labor	$0	9.0	$0						
Management Fee	$699,392	15.7	$10,980,455						
Electric Power	$65,314	43.3	$2,828,108						
Wastewater Purchased	$6,154,656	49.8	$306,501,868						
Employee Group Insurance	$96,559	16.3	$1,573,919						
Liability Insurance	$8,632	(46.4)	($400,533)						
SFI Postage	$36,656	(5.4)	($197,941)						
Pension	$0	440.0	$0						
SFAS106	$0	45.1	$0						
All Other Expenses	$308,992	31.3	$9,671,444						
Sub Total - Expenses	$7,531,134		$331,842,447	32.1	44.1	(12.0)	$20,633	($247,599)	($248,000)
Taxes									
PA PUC - General Assessments	$50,228	(198.5)	($9,970,294)						
OCA & SBA - General Assessments	$23,769	(198.5)	($4,718,093)						
Public Utility Realty Tax	$0	(48.3)	$0						
Local, County, School, & Municipal Tax	$0	(92.9)	$0						
FICA Taxes - Hourly	$0	5.5	$0						
FICA Taxes - Executive & Exempt	$0	9.0	$0						
Federal Unemployment Tax	$0	75.9	$0						
PA Unemployment Tax	$0	75.9	$0						
PA State Income Tax	$64,478	36.5	$2,353,435						
Federal Income Tax	$155,925	36.5	$5,691,277						
Sub Total - Taxes	294,400		(6,643,675)	32.1	(22.6)	54.7	807	44,120	44,000
Interest									
Long Term Debt- Interest	$1,003,658	90.8	$91,081,972						
PennVest-Interest	$0	14.7	$0						
Sub Total - Interest	1,003,658		91,081,972	32.1	90.8	(58.7)	2,750	(161,410)	(161,000)

Total Cash Working Capital Requirement **($365,000)**

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

SUMMARY OF CALCULATION OF CASH WORKING CAPITAL REQUIREMENTS

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

	A	B	C	D	E	F	G	H	I
	Amount	Expense Lead Days	Weighted Amount [A x B]	Revenue Lag Days	Weighted Lead Days [C ÷ A]	Net (Lead) Lag Days [D - E]	Pro-forma Expense Per Day [A ÷ 365]	Cash Working Capital [F x G]	Recommended Cash Working Capital [H rounded]
Expenses									
Hourly Labor	$169,833	5.5	$934,080						
Non-Union Labor	$0	9.0	$0						
Management Fee	$245,902	15.7	$3,860,668						
Electric Power	$66,574	43.3	$2,882,661						
Wastewater Purchased	$1,369,146	49.8	$68,183,462						
Employee Group Insurance	$101,900	16.3	$1,660,965						
Liability Insurance	$3,035	(46.4)	($140,825)						
SFI Postage	$12,888	(5.4)	($69,595)						
Pension	$0	440.0	$0						
SFAS106	$0	45.1	$0						
All Other Expenses	$371,613	31.3	$11,631,473						
Sub Total - Expenses	2,340,890		88,942,889	55	38.0	17.0	$6,413	$109,028	$109,000
Taxes									
PA PUC - General Assessments	$15,245	(198.5)	($3,026,228)						
OCA & SBA - General Assessments	$7,214	(198.5)	($1,432,057)						
Public Utility Realty Tax	$0	(48.3)	$0						
Local, County, School, & Municipal Tax	$0	(92.9)	$0						
FICA Taxes - Hourly	$0	5.5	$0						
FICA Taxes - Executive & Exempt	$0	9.0	$0						
Federal Unemployment Tax	$0	75.9	$0						
PA Unemployment Tax	$0	75.9	$0						
PA State Income Tax	($203,028)	36.5	($7,410,535)						
Federal Income Tax	($490,981)	36.5	($17,920,789)						
Sub Total - Taxes	(671,549)		(29,789,609)	55	44.4	10.6	(1,840)	(19,503)	(20,000)
Interest									
Long Term Debt- Interest	$1,205,856	90.8	$109,431,397						
PennVest-Interest	$0	14.7	$0						
Sub Total - Interest	1,205,856		109,431,397	55	90.8	(35.8)	3,304	(118,273)	(118,000)

Total Cash Working Capital Requirement **($29,000)**

AQUA PENNSYLVANIA, INC.

CALCULATION OF TOTAL REVENUE LAG DAYS

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Description	Aqua Pennsylvania, Inc. - Base	Aqua Pennsylvania, Inc. - Shenandoah	Aqua Pennsylvania Wastewater, Inc. - Base	Aqua Pennsylvania Wastewater, Inc. - Lower Makefield	Aqua Pennsylvania Wastewater, Inc. - East Whiteland
Operating Revenues - Water, Sewer, & Other:					
Service Period & Billing Lag Days:					
(From mid-point of service period to A/R Posting Date. See page 2 of this Schedule)	17.2	17.2	17.2	17.2	17.2
Collection Lag:					
(Sum of daily accounts receivable balance receipts. See page 3 of this Schedule)	34.3	40.2	36.5	14.9	37.8
Total Revenue Lag Days	51.5	57.4	53.7	32.1	55.0

AQUA PENNSYLVANIA, INC.

CALCULATION OF SERVICE PERIOD AND BILLING LAG DAYS

Description		Aqua Pennsylvania, Inc. - Base	Aqua Pennsylvania, Inc. - Shenandoah	Aqua Pennsylvania Wastewater, Inc. - Base	Aqua Pennsylvania Wastewater, Inc. - Lower Makefield	Aqua Pennsylvania Wastewater, Inc. - East Whiteland
Annual Service Days		365.0	365.0	365.0	365.0	365.0
Months	÷	12	12	12	12	12
Average Monthly Service Days		30.4	30.4	30.4	30.4	30.4
Mid-point Service Conversion	÷	2	2	2	2	2
Service Lag Days		15.2	15.2	15.2	15.2	15.2
Billing Lag Days	+	2.0	2.0	2.0	2.0	2.0
Total Service Period & Billing Lag Days		17.2	17.2	17.2	17.2	17.2
Test Year Revenues		$ 564,324,528	$ 732,434	$ 58,270,675	$ 11,809,110	$ 3,516,854

AQUA PENNSYLVANIA, INC.

CALCULATION OF COLLECTION LAG DAYS

Description		Aqua Pennsylvania, Inc. - Base	Aqua Pennsylvania, Inc. - Shenandoah	Aqua Pennsylvania Wastewater, Inc. - Base	Aqua Pennsylvania Wastewater, Inc. - Lower Makefield	Aqua Pennsylvania Wastewater, Inc. - East Whiteland
Sum of Sampled Daily Accounts Receivable Balance		$690,025,877	$968,447	$75,658,040	$6,259,671	$4,732,241
Divided By Number of Days of Daily Accounts Receivable Sampled	÷	13	5	13	13	13
Average Sampled Daily Accounts Receivable Balance		$53,078,914	$193,689	$5,819,849	$481,513	$364,019
The Sum of Daily Revenue For Test Year		$ 564,324,528	$ 732,434	$ 58,270,675	$ 11,809,110	$ 3,516,854
Divided By Number of Days of Daily Revenue For Test Year	÷	365	152	365	365	365
Average Daily Revenue For Test Year		$1,546,095	$4,819	$159,646	$32,354	$9,635
Average Daily Accounts Receivable Balance in Test Year		$53,078,914	$193,689	$5,819,849	$481,513	$364,019
Divided By the Average of Daily Receipts in Test Year	÷	1,546,095	4,819	159,646	32,354	9,635
Total Service Period Collection Lag		34.3	40.2	36.5	14.9	37.8

AQUA PENNSYLVANIA, INC.
SUMMARY OF OPERATING EXPENSES AND TAXES LEAD DAYS
BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Description	Schedule Reference	Amount	Weighted Amount	(Lead)/ Lag Days
(1)	(2)	(3)	(4)	(5)=(4)/(3)
Partial Expenses & Taxes				
Hourly Labor	Schedule HW-4			5.5
Non-Union Labor	Schedule HW-5			9.0
Management Fee	Schedule HW-6	28,887,839	454,847,300	15.7
Electric Power	Schedule HW-7	8,805,222	381,047,432	43.3
Water Purchased	Schedule HW-8	220,721	9,176,188	41.6
Wastewater Purchased	Schedule HW-9	3,058,221	152,333,494	49.8
Employee Group Insurance	Schedule HW-10	9,701,657	158,173,374	16.3
Liability Insurance	Schedule HW-11	7,639,816	(354,768,229)	(46.4)
SFI Postage	Schedule HW-12	478,699	(2,592,824)	(5.4)
Pension	Schedule HW-13	12,000,000	5,280,000,000	440.0
SFAS106	Schedule HW-14			45.1
All Other Expenses	Schedule HW-15	12,303,005	384,806,667	31.3
PA PUC - General Assessments	Schedule HW-16			(198.5)
OCA & SBA - General Assessments	Schedule HW-17			(198.5)
Public Utility Realty Tax	Schedule HW-18			(48.3)
Local, County, School, & Municipal Tax	Schedule HW-19	777,957	(72,284,821)	(92.9)
FICA Taxes - Hourly	Schedule HW-20			5.5
FICA Taxes - Executive & Exempt	Schedule HW-21			9.0
Federal Unemployment Tax	Schedule HW-22			75.9
PA Unemployment Tax	Schedule HW-23			75.9
PA State Income Tax	Schedule HW-24			36.5
Federal Income Tax	Schedule HW-25			36.5
Long Term Debt- Interest	Schedule HW-26			90.8
PennVest-Interest	Schedule HW-27			14.7

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR HOURLY LABOR

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Facts	(Lead)/ Lag Days
(1)	(2)
All union labor employees are paid for a two week period (i.e., Days 1 through 7).	
Pay date is four days following the end of the payroll period (i.e., Day 11, where 11 = 7 + 4).	
Thrid party vendor, ADP, recives funds 1 to 2 days before paydays (i.e., Day 9.5, where 9.5 = 11 - 1.5).	
Salaries and Wages (4 days)	
LEAD [9.5 - 4.0 = 5.5; where 4.0 = (1 + 7 = 8 ÷ 2 = 4.0)]	5.5
Total Hourly Labor	5.5

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR NON-UNION LABOR

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Facts	(Lead)/ Lag Days
(1)	(2)
All non-union labor employees are paid for a two week period (i.e., Days 1 through 14).	
Pay date is four days following the end of the payroll period (i.e., Day 18, where 18 = 14 + 4).	
Thrid party vendor, ADP, recives funds 1 to 2 days before paydays (i.e., Day 16.5, where 16.5 = 18 - 1.5).	
Salaries and Wages (4 days)	
LEAD [16.5 - 7.5 = 9.0; where 7.5 = (1 + 14 = 15 ÷ 2 = 7.5)]	9.0
Total Non-Union Labor	9.0

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR MANAGEMENT FEE

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
January-23	16.0	$2,356,592.48	$37,705,479.68
February-23	14.5	1,869,671.65	27,110,238.93
March-23	16.0	2,617,594.45	41,881,511.20
April-23	15.5	2,225,370.58	34,493,243.99
May-23	16.0	2,379,506.32	38,072,101.12
June-23	15.5	2,485,263.76	38,521,588.28
July-23	16.0	2,059,644.55	32,954,312.80
August-23	16.0	2,280,778.93	36,492,462.88
September-23	15.5	2,125,371.39	32,943,256.55
October-23	16.0	2,465,420.43	39,446,726.88
November-23	15.5	2,271,228.29	35,204,038.50
December-23	16.0	3,751,396.20	60,022,339.20
Total Management Fee	15.7	$28,887,839.03	$454,847,300.00

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR ELECTRIC POWER

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
January-23	48.8	$359,380.34	$17,523,563.24
February-23	38.4	872,777.04	33,544,755.40
March-23	32.2	685,363.37	22,072,172.81
April-23	29.8	431,785.79	12,858,351.54
May-23	51.7	662,174.21	34,248,855.76
June-23	65.3	1,165,622.14	76,140,587.62
July-23	43.2	845,782.49	36,527,221.75
August-23	36.3	784,390.14	28,499,638.94
September-23	36.7	743,850.59	27,305,088.79
October-23	38.4	831,645.87	31,930,578.61
November-23	42.6	724,636.80	30,887,538.46
December-23	42.3	697,813.59	29,509,078.73
Total Electric Power	43.3	$8,805,222.37	$381,047,431.63

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR WATER PURCHASED

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
January-23	56.5	$83,466.63	$4,715,376.60
February-23	37.8	376.00	14,204.58
March-23	27.8	4,451.34	123,630.81
April-23	29.5	36,570.94	1,077,902.86
May-23	41.5	5,815.23	241,115.00
June-23	28.9	1,446.89	41,885.50
July-23	45.9	12,405.40	569,115.35
August-23	27.5	51,618.65	1,419,005.00
September-23	40.4	5,756.54	232,361.26
October-23	37.7	6,130.94	231,317.72
November-23	40.1	6,523.34	261,878.37
December-23	40.3	6,159.54	248,394.78
Total Water Purchased	41.6	$220,721.44	$9,176,187.83

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR WASTEWATER PURCHASED

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
January-23	73.9	$656,900.07	$48,537,196.33
February-23	1.1	591,428.73	628,096.57
March-23	32.5	87,249.72	2,836,061.60
April-23	52.2	47,613.00	2,486,137.50
May-23	50.8	158,218.41	8,034,769.94
June-23	52.2	12,607.11	657,549.09
July-23	105.8	648,504.32	68,625,598.06
August-23	0.7	366,288.74	259,202.97
September-23	31.8	134,982.07	4,294,305.20
October-23	44.3	120,640.20	5,348,664.98
November-23	46.4	174,480.97	8,099,952.25
December-23	42.6	59,307.69	2,525,959.94
Total Wastewater Purchased	49.8	$3,058,221.03	$152,333,494.42

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR EMPLOYEE GROUP INSURANCE

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
January-23	15.0	$800,963.09	$12,014,446.35
February-23	13.5	793,086.21	10,706,663.84
March-23	15.0	807,670.24	12,115,053.60
April-23	14.5	802,200.90	11,631,913.05
May-23	15.0	810,733.89	12,161,008.35
June-23	32.5	859,692.52	27,936,833.12
July-23	15.0	810,383.94	12,143,231.70
August-23	15.0	809,182.27	12,137,734.05
September-23	14.5	800,398.71	11,605,781.30
October-23	15.0	808,744.89	12,139,923.35
November-23	14.5	796,453.64	11,548,577.78
December-23	15.0	802,147.16	12,032,207.40
Total Employee Group Insurance	16.3	$9,701,657.46	$158,173,373.88

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR LIABILITY INSURANCE

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
March-23	(46.4)	$1,909,954.00	-$88,565,453.50
June-23	(46.5)	1,909,954.00	-88,812,861.00
September-23	(46.9)	1,909,954.00	-89,532,030.00
December-23	(46.0)	1,909,954.00	-87,857,884.00
Total Liability Insurance	(46.4)	$7,639,816.00	-$354,768,228.50

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR SFI POSTAGE

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
January-23	0.0	$37,700.50	$0.00
February-23	0.0	11,654.89	$0.00
March-23	(6.0)	35,268.88	-$211,613.28
April-23	(5.7)	70,059.75	-397,842.91
May-23	(7.2)	59,745.80	-428,799.60
June-23	(2.0)	35,153.67	-71,161.79
July-23	(7.0)	35,229.59	-246,607.13
August-23	(6.7)	35,530.23	-238,108.10
September-23	(7.8)	63,129.65	-490,897.47
October-23	(6.0)	47,482.32	-284,893.92
November-23	(6.0)	37,149.89	-222,899.34
December-23	0.0	10,594.00	0.00
Total SFI Postage	(5.4)	$478,699.17	-$2,592,823.54

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR PENSION

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
September-23	440.0	$12,000,000.00	$5,280,000,000.00
Total Pension	440.0	$12,000,000.00	$5,280,000,000.00

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR SFAS106

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
1/1/23	3/31/23	3/31/23	44.5	25%	11.1
4/1/23	6/30/23	6/30/23	45.0	25%	11.3
7/1/23	9/30/23	9/30/23	45.5	25%	11.4
10/1/23	12/31/23	12/31/23	45.5	25%	11.4
Total SFAS106			45.1	100%	45.1

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR ALL OTHER EXPENSES

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
January-23	1.2	$1,217,160.57	$1,404,607.03
February-23	104.2	1,306,124.26	$136,146,507.27
March-23	26.1	1,965,133.72	$51,299,672.72
April-23	27.2	1,057,651.82	28,780,713.40
May-23	22.4	1,309,593.14	29,383,612.53
June-23	22.3	565,745.95	12,613,267.11
July-23	36.4	827,814.86	30,099,603.92
August-23	20.6	1,140,652.12	23,547,525.37
September-23	22.1	809,079.10	17,867,342.60
October-23	30.9	709,095.85	21,917,843.32
November-23	23.6	693,325.22	16,391,915.30
December-23	21.9	701,628.39	15,354,056.36
Total All Other Expenses	31.3	$12,303,005.00	$384,806,666.91

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR PA PUC - GENERAL ASSESSMENTS

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
7/1/23	6/30/24	6/15/23	(198.5)	100%	(198.5)
Total PA PUC - General Assessments			(198.5)	100%	(198.5)

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR OCA & SBA - GENERAL ASSESSMENTS

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
7/1/23	6/30/24	6/15/23	(198.5)	100%	(198.5)
Total OCA & SBA - General Assessments			(198.5)	100%	(198.5)

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR PUBLIC UTILITY REALTY TAX

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
1/1/23	12/31/23	5/1/23	(62.0)	90%	(55.8)
1/1/23	12/31/23	9/15/23	75.0	10%	7.5
Total Public Utility Realty Tax			(48.3)	100%	(48.3)

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR LOCAL, COUNTY, SCHOOL, & MUNICIPAL TAX

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Month of Payment	(Lead)/ Lag Days	Amount	Weighted Amount
(1)	(2)	(3)	(4)
March-23	(93.0)	$2,247.29	-$208,997.97
April-23	(83.5)	150,466.36	-12,564,505.04
May-23	(42.6)	6,218.82	-264,647.02
June-23	(2.0)	24,347.98	-48,695.96
July-23	2.4	1,070.21	2,517.81
August-23	(121.5)	409,809.28	-49,791,827.52
September-23	(115.2)	$61,858.43	-$7,128,163.66
November-23	(33.8)	62,695.73	-2,118,411.22
December-23	(2.7)	59,242.83	-162,090.20
Total Local, County, School, & Municipal Tax	(92.9)	$777,956.93	-$72,284,820.78

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR FICA TAXES - HOURLY

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Facts	(Lead)/ Lag Days
(1)	(2)
All union labor employees are paid for a two week period (i.e., Days 1 through 7).	
Pay date is four days following the end of the payroll period (i.e., Day 11, where 11 = 7 + 4).	
Thrid party vendor, ADP, recives funds 1 to 2 days before paydays (i.e., Day 9.5, where 9.5 = 11 - 1.5).	
Salaries and Wages (4 days)	
LEAD [9.5 - 4.0 = 5.5; where 4.0 = (1 + 7 = 8 ÷ 2 = 4.0)]	5.5
Total FICA Taxes - Hourly	5.5

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR FICA TAXES - EXECUTIVE & EXEMPT

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Facts	(Lead)/ Lag Days
(1)	(2)
All non-union labor employees are paid for a two week period (i.e., Days 1 through 14).	
Pay date is four days following the end of the payroll period (i.e., Day 18, where 18 = 14 + 4).	
Thrid party vendor, ADP, recives funds 1 to 2 days before paydays (i.e., Day 16.5, where 16.5 = 18 - 1.5).	
Salaries and Wages (4 days)	
LEAD [16.5 - 7.5 = 9.0; where 7.5 = (1 + 14 = 15 ÷ 2 = 7.5)]	9.0
Total FICA Taxes - Executive & Exempt	9.0

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR FEDERAL UNEMPLOYMENT TAX

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
10/1/22	12/31/22	1/31/23	76.5	25%	19.1
1/1/23	3/31/23	4/30/23	74.5	25%	18.6
4/1/23	6/30/23	7/31/23	76.0	25%	19.0
7/1/23	9/30/23	10/31/23	76.5	25%	19.1
Total Federal Unemployment Tax			75.9	100%	75.9

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR PA UNEMPLOYMENT TAX

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
10/1/22	12/31/22	1/31/23	76.5	25%	19.1
1/1/23	3/31/23	4/30/23	74.5	25%	18.6
4/1/23	6/30/23	7/31/23	76.0	25%	19.0
7/1/23	9/30/23	10/31/23	76.5	25%	19.1
Total PA Unemployment Tax			75.9	100%	75.9

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR PA STATE INCOME TAX

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
State Income Taxes (Current)					
1/1/23	12/31/23	4/15/23	(78.0)	25%	(19.5)
1/1/23	12/31/23	6/15/23	(17.0)	25%	(4.3)
1/1/23	12/31/23	9/15/23	75.0	25%	18.8
1/1/23	12/31/23	12/15/23	166.0	25%	41.5
Total PA State Income Tax			36.5	100%	36.5

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR FEDERAL INCOME TAX

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
Federal Income Taxes (Current)					
1/1/23	12/31/23	4/15/23	(78.0)	25%	(19.5)
1/1/23	12/31/23	6/15/23	(17.0)	25%	(4.3)
1/1/23	12/31/23	9/15/23	75.0	25%	18.8
1/1/23	12/31/23	12/15/23	166.0	25%	41.5
Total Federal Income Tax			36.5	100%	36.5

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR LONG TERM DEBT- INTEREST

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
1/1/23	6/30/23	6/30/23	90.0	50%	45.0
7/1/23	12/31/23	12/31/23	91.5	50%	45.8
Total Long Term Debt- Interest			90.8	100%	90.8

AQUA PENNSYLVANIA, INC.

CALCULATION OF LEAD DAYS FOR PENNVEST-INTEREST

BASED ON LEAD-LAG STUDY FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Service Period		Payment	(Lead)/		Weighted
From	To	Date	Lag Days	Amount	Amount
(1)	(2)	(3)	(4)	(5)	(6)
1/1/23	1/31/23	1/31/23	15.0	8.33%	1.3
2/1/23	2/28/23	2/28/23	13.5	8.33%	1.1
3/1/23	3/31/23	3/31/23	15.0	8.33%	1.3
4/1/23	4/30/23	4/30/23	14.5	8.33%	1.2
5/1/23	5/31/23	5/31/23	15.0	8.33%	1.3
6/1/23	6/30/23	6/30/23	14.5	8.33%	1.2
7/1/23	7/31/23	7/31/23	15.0	8.33%	1.3
8/1/23	8/31/23	8/31/23	15.0	8.33%	1.3
9/1/23	9/30/23	9/30/23	14.5	8.33%	1.2
10/1/23	10/31/23	10/31/23	15.0	8.33%	1.3
11/1/23	11/30/23	11/30/23	14.5	8.33%	1.2
12/1/23	12/31/23	12/31/23	15.0	8.33%	1.3
Total PennVest-Interest			14.7	100%	14.7

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF WILLIAM C. PACKER

Topics Addressed:

The Company's Need for Rate Relief
Overview of the Principal Accounting Exhibits
Certain Expense Claims
PFAS Deferred Accounting Authorization
Rate Base Claims
Rate Design
Proposed Capitalization Ratios
Return on Equity Considerations
And Various Other Matters

DATE SERVED: May 23, 2024 **Statement No. 1**
DATE ADMITTED: _____

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I. INTRODUCTION AND BACKGROUND

Q. What is your name and business address?

A. William C. Packer. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Essential Utilities, Inc. ("Essential") as Vice President Regulatory Accounting and Regional Controller. In this position, I am the Regional Controller of Aqua Pennsylvania, Inc. ("AP"), and Aqua New Jersey, Inc. ("Aqua NJ"). Additionally, I oversee rate issues for all subsidiaries of Essential. Essential is the parent company of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua PA" or the "Company").

Q. Please describe your education and business experience.

A. I graduated from the Richard Stockton College of New Jersey in 1998 with a Bachelor of Science degree in Business Studies with a concentration in accounting. I began my 25-year career in the utility industry in September 1999, when I joined New Jersey American Water Company ("NJ American") as a General Staff Accountant and held various positions in finance and accounting at NJ American. At NJ American, I had the opportunity to support the rate-making process by working closely with operating subsidiaries in 23 states.

I began my career with the Company in March 2005 where I was hired by Aqua NJ as Assistant Controller. I held this position until December 2006 when I transferred to Aqua America, Inc. and have held a variety of positions in finance and accounting. Since starting at the Company, I have been the chief accounting and revenue requirement witness in rate cases filed before the Pennsylvania Public Utility Commission ("PUC" or the

"Commission") since 2008. In 2020, my role was expanded to include financial regulatory oversight, direction, and support of all Essential water and gas subsidiaries and is the current capacity in which I serve.

In addition to my corporate experience, after serving as a Council Member for a number of years, I was elected as Mayor of the Borough of Woodbury Heights in 2019 and continue to serve in this role. The Borough of Woodbury Heights is one of 565 municipalities in the state and has a population of approximately 3,000. I have been an elected official since 2010 and the Borough owns and operates both its own water and wastewater utilities, thus giving me a unique perspective to the considerations municipalities face when it comes to providing utility service to its residents.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is as follows: Section II of my direct testimony explains the Company's need for rate relief; Section III introduces the other witnesses that provide direct testimony on behalf of Aqua PA and support various other aspects of the Company's initial filing; Section IV identifies and describes the principal accounting exhibits (*i.e.*, Exhibits 1-A through 1-B (Water) and 1-C through 1-E (Wastewater)) submitted in support of Aqua PA's proposed rate increase for water and wastewater operations, respectively; Sections V explain and support the Company's operating expense; Section VI is the Company request for deferred accounting; Section VII is depreciation, taxes and other items; (8) Section VIII explains the Company's rate base claims; Section IX describes the Company's proposed capital structure; and Section X identifies additional factors the Commission should consider when determining the appropriate return on equity for Aqua PA, explains why Aqua PA is entitled to an equity allowance that recognizes exemplary

managerial performance, and recommends the appropriate return on equity to be utilized in this proceeding in light of the analysis of Mr. Paul R. Moul (Statement No. 7).

Q. For which of the Company's principal exhibits are you responsible?

A. I am responsible for the primary accounting exhibits for water and wastewater operations, respectively, AP Exhibits 1-A through 1-E. In addition, I oversaw and assisted in the preparation of the backup volumes that contain responses to the Commission's standard rate case filing requirements with respect to: A. Statement of Income, B. Operating Revenues, C. Operating Expenses, D. Taxes, E. Rate Base, G. Rate of Return, H. Rate Structure, J. Balance Sheet, and K. Other Data.

II. AQUA PA'S NEED FOR RATE RELIEF

Q. Why is Aqua PA seeking rate relief at this time?

A. The Company's last consolidated water and wastewater base rate case was filed approximately three years ago at Docket Nos. R-2021-3027385, R-2021-3027386, et al. ("2021 Base Rate Case"). Rates established in that case became effective on May 19, 2022. Since March 31, 2023 (*i.e.*, the end of the fully projected future test year used in the 2021 Base Rate Case), the Company will have invested over $950 million in water and wastewater utility infrastructure through the fully projected test year ("FPFTY") ending December 31, 2025. Investments in replacing old and installing new utility infrastructure account for approximately 60% of the requested need for rate relief in this application.

Q. Please describe the Company's level of investment since the 2021 Base Rate Case.

A. Since the end of its last base rate case, the Company's average capital expenditure program for water and wastewater operations has been approximately $300 million annually. Indeed, the Company has been investing in new and replacement infrastructure for many

years at an accelerated rate to proactively address aging infrastructure and evolving regulatory requirements. The accelerated levels of investment, particularly since the establishment of the Distribution System Improvement Charge ("DSIC"), have enabled significant enhancements to the Company's utility infrastructure. As a result, main breaks and water quality complaints have been reduced and AP's unaccounted for water metrics have been improving overall.

For water operations, this investment includes replacement of lead service lines ("LSL"), per- and poly-fluroalkyl ("PFAS") remediation, distribution system mains, and appurtenances such as hydrants, service lines, and meters. For wastewater operations, much of this investment has been directed towards base wastewater operating systems (legacy systems) that were presented in the 2021 Base Rate Case.

Considering the investments that have been made, Aqua PA's need for rate relief also includes recovery for an increase in annual depreciation expense, which is further explained and supported in the testimony of Aqua PA witness John Spanos, Statement No. 6.

Q. What are some of the other factors driving Aqua PA's need for rate relief?

A. In addition to needed infrastructure investment, Aqua PA has experienced increases in its O&M expenses since its 2021 Base Rate Case. Foremost, the substantial rates of inflation that have been experienced since the conclusion of the 2021 Base Rate Case have increased O&M expenses. O&M cost increases represents approximately 38% of the Company's claim for additional rate relief in this filing.

Q. Please elaborate specifically on the need for rate relief related to Aqua PA's wastewater systems.

A. Regarding wastewater operations, APW began to provide this service in 1996. Since then, APW has acquired and rehabilitated different types of wastewater systems, many of which are troubled for a variety of reasons. APW furnishes wastewater service to approximately 57,000 customers. While small in comparison to Aqua PA's water utility business, which services approximately 445,000 customers, the wastewater business requires a considerable amount of investment.

APW's wastewater utility files on a consolidated basis for all its wastewater operations but also presents separately the wastewater system acquisitions acquired since the 2021 Base Rate Case as part of the Section 1329, 66 Pa.C.S. § 1329, Fair Market Value ("Section 1329") acquisition process.

In this proceeding, the Company has proposed to continue to allocate a portion of its wastewater cost of service amongst its water customer base to moderate the rate increase impact to wastewater customers. The Company's request for rate relief is necessary to provide a reasonable opportunity to have its wastewater operations earn a fair rate of return.

Q. Please explain the changing circumstances impacting the Company regarding borrowing costs.

A. Aqua PA maintains a solid A credit rating from Standard and Poor's ("S&P"), which results in a lower cost of borrowing and directly benefiting customer rates. Since the 2021 Base Rate Case however, the historical trend of a declining and low interest rate environment has moved significantly in the opposite direction. Interest rates on both short- and long-term debt instruments have increased nationwide in response to the Federal Reserve's actions to increase interest rates to combat high inflation. As a result of these circumstances, the cost of new borrowing for the Company is increasing as evidenced in

Exhibit 1-A through 1-E, Schedule E-1, showing the pro-forma capitalization structure and embedded cost of long-term debt. Specifically, since the 2021 Base Rate Case, the embedded cost of long-term debt has increased from 4.00% to 4.32% in this filing. Despite the changing interest rate environment, the Company is still able to secure competitive borrowing rates because of its investment grade credit rating. Additionally, the Company is continuing to pursue low interest loan opportunities through the Pennsylvania Infrastructure Investment Authority ("PENNVEST") and the amount of PENNVEST loans is expected to grow as a percentage of the total Company long term debt portfolio in this high interest rate environment.

Q. Please explain Aqua PA's ongoing efforts to control O&M expenses.

A. The Company continues to focus on cost saving measures and maximizing its purchasing power using national contracts, consolidated procurement efforts, and operating efficiency. Like many other utilities, costs in many areas have increased, consistent with the nationwide inflation trend and the Company will support those increases in this case. Mr. Duerr (Statement No. 11) highlights operational cost increases and measures and efforts to control and minimize costs.

III. INTRODUCTION OF OTHER WITNESSES

Q. Please identify the other witnesses who are providing direct testimony on behalf of Aqua PA in this proceeding.

A. In addition to me, the following witnesses will be responsible for presenting testimony in the following areas:

- **Statement No. 2 – Renee T. Marquis.** Ms. Marquis's testimony addresses certain expense adjustments, depreciation and taxes other than income, acquisitions, certain rate base issues, and the consolidation of rate zones.

- **Statement No. 3 – Christopher E. Manning.** Mr. Manning addresses certain expense adjustments contained in the Company's principal accounting exhibits.

- **Statement No. 4 – Michael S. Ercolino.** Mr. Ercolino also addresses certain expense adjustments contained in the Company's principal accounting exhibits.

- **Statement No. 5 – Constance E. Heppenstall.** Ms. Heppenstall explains the cost of service allocation study performed in this case, and support aspects of the Company's proposed customer rate design. She also sponsors Exhibit Nos. 5-A (Parts I and II), 5-B (Parts I and II), and 5-C to the Company's filing.

- **Statement No. 6 – John J. Spanos.** Mr. Spanos explains the depreciation exhibits prepared in support of this filing (*i.e.*, Exhibits 6-A, Part I through 6-E, Part I (the results of each depreciation study for the historic test year ("HTY")), Exhibits 6-A, Part II through 6-E, Part II (the results of each depreciation study for the future test year ("FTY")), and Exhibits 6-A, Part III through 6-E, Part III (the results of each depreciation study for the FPFTY)) and addresses issues related to depreciation.

- **Statement No. 7 – Paul R. Moul.** Mr. Moul testifies regarding the Company's proposed costs of capital, and sponsors Exhibit 4-A in support of his recommendations.

- **Statement No. 8 – Panpilas Fischer.** Ms. Fischer addresses various income tax issues related to Aqua PA.

- **Statement No. 9 – Harold Walker.** Mr. Walker address cash working capital.

- **Statement No. 10 – Gregory Herbert.** Mr. Herbert address revenue and billing adjustments.

- **Statement No. 11 – Todd M. Duerr.** Mr. Duerr testifies regarding Aqua PA's water and wastewater operations, LSLs, PFAS, troubled systems, and exemplary management performance.

- **Statement No. 12 – Micheal Convery.** Mr. Convery testifies regarding Aqua PA's investment in water and wastewater, including PFAS and LSL capital projects.

- **Statement No. 13 – Rita F. Black.** Ms. Black testifies regarding Aqua PA's universal service plan.

IV. PRINCIPAL ACCOUNTING EXHIBITS

Q. Were the exhibits entitled "Aqua Pennsylvania, Inc., Exhibit 1-A and 1-B, Revenue, Expense and Rate Base Claims" and "Aqua Pennsylvania Wastewater, Inc., Exhibits

1-C through 1-E, Revenue, Expense and Rate Base Claims" prepared by you or under your supervision?

A. Yes, they were.

Q. Why is Aqua PA presenting five separate revenue requirement studies, inclusive of Exhibit 1-A and 1-B (applicable to water operations) and Exhibits 1-C through 1-E (applicable to wastewater operations)?

A. Aqua PA is presenting separate revenue requirement studies to comply with the terms and conditions of the Commission's approvals of Aqua PA's acquisitions of certain water and wastewater systems that are included for the first time in this case. The terms of the Commission's approvals under Section 1329 provided that the Company would submit separate cost of service studies for those systems in its next base rate case.

Q. Please explain the content of Exhibits 1-A and 1-B and 1-C through 1-E.

A. Exhibits 1-A and 1-B and 1-C through 1-E are being submitted in support of Aqua PA's proposed rate increase for water and wastewater operations, respectively. They present the Company's pro forma revenue, expense and rate base data based on HTY (year ended December 31, 2023), FTY (year ending December 31, 2024), and FPFTY (year ending December 31, 2025). Data for the HTY were obtained from the Company's books and records. For the FTY, revenues are based on the estimated number of customers served as of December 31, 2024. Correspondingly, for the FPFTY, revenues are based on the estimated number of customers served as of December 31, 2025. Operating expenses have been similarly adjusted to reflect FTY and FPFTY-end conditions. Aqua PA's claimed rate base includes its estimated net Utility Plant in Service at December 31, 2024 and December 31, 2025.

Q. Do you anticipate the need to make additional adjustments to the data set forth in Exhibits 1-A and 1-B or 1-C through 1-E?

A. Not currently. Should adjustments or revisions become necessary the Company will provide updates accordingly.

Q. Does Aqua PA propose to submit revised accounting exhibits to reflect any such adjustments or revisions?

A. Yes. As it has consistently done in previous base rate proceedings, Aqua PA will submit, during the rebuttal phase of this case, exhibits to be identified as Exhibit 1-A(a) through Exhibit 1-E(e), which will correct any errors that may be identified, incorporate known changes and adopt any other appropriate adjustments that come to the Company's attention during the litigation process.

Q. You indicated that the Company submitted data for HTY, FTY and FPFTY. What data set will the Company principally rely upon to support its proposed revenue increase?

A. The Company will rely principally upon the data for its FPFTY as authorized by Section 315 of the Public Utility Code, 66 Pa.C.S. § 315, which allows a utility to utilize either a FTY or a FPFTY when filing a base rate case.

Q. How were the FTY and FPFTY data that appear in Exhibits 1-A through 1-E developed?

A. Exhibits 1-A through 1-E were developed in the same manner that Aqua PA has used in prior cases. The actual results for the year ended December 31, 2023, as taken from Aqua PA's books and records, were used as the starting point for purposes of developing projected revenue and expense levels anticipated as of December 31, 2024, and December

31, 2025. Specific HTY, FTY, and FPFTY rate adjustments are set forth in the referenced exhibits. The FTY capital additions and retirements, described in the Rate Base section of my testimony, were added to the Utility Plant in Service at December 31, 2023 to arrive at the FTY amount. Correspondingly, the FPFTY capital additions and retirements were added to the Utility Plant in Service at December 31, 2024, to arrive at the FPFTY amount. The Utility Plant in Service, Accumulated Depreciation, Customer Advances for Construction ("CAC"), and Contributions In Aid Of Construction ("CIAC") for the HTY, FTY, and FPFTY are shown in Exhibits 6-A through 6-E, Parts I, II, and III and summarized on Exhibits 1-A through 1-E on Schedules G-1 and G-6 respectively.

Q. Please explain the data on Schedule A-2 of Exhibit 1-A through 1-E.

A. Schedule A-2 of Exhibit 1-A and 1-B and Exhibit 1-C through 1-E shows the number of customers served at December 31, 2023, and anticipated to be served at December 31, 2024, and December 31, 2025 by customer classification. Schedule A-2 of Exhibit 1-A and Exhibit 1-B indicates that the bills of most existing accounts and newly acquired accounts will be changed by Tariff Water-PA P.U.C. No. 4. In addition, Schedule A-2 of Exhibits 1-C through 1-E shows the bills of most accounts will be changed by Tariff Sewer-PA P.U.C. No. 4.

V. OPERATING EXPENSES

OVERVIEW OF ADJUSTMENTS

Q. What is shown on Schedule C-3 of Exhibits 1-A through 1-E?

A. This schedule summarizes the adjustments to operating expenses under present rates, the details of which are shown on Schedules C-4.1 through C-10.2 in Exhibits 1-A through 1-B and schedules C-4.1 through C-9.1 in Exhibits 1-C through 1-E. Most of these adjustments are self-explanatory. Additional supporting information is included in the

back-up books entitled "Balance Sheet" and "Operating Expense". As shown in Schedule C-3 of Exhibit 1-A and Exhibit 1-B, these adjustments result in a net decrease in HTY operating expenses of $512,297, an increase in the FTY operating expenses of $10,022,409 and an increase in the FPFTY operating expenses of $14,842,729 for water service. As shown in Schedule C-3 of Exhibits 1-C through 1-E, these adjustments result in a net increase in HTY operating expenses of $1,762,418, in FTY operating expenses of $2,141,979, and in FPFTY operating expenses of $3,858,293 for wastewater service. I would note that these same adjustments are carried forward to the third, fifth, and seventh columns in Schedule A-1 of Exhibits 1-A through 1-E.

Q. Mr. Packer, are you sponsoring each of the expense adjustments noted in Schedule C-3 of Exhibit 1-A through 1-E?

A. No. The witnesses who are responsible for the expense adjustments are as follows:

EXPENSE ADJUSTMENT	SCHEDULE	RESPONSIBLE WITNESS	EXHIBIT(S)
General Price Level Adjustment	C-4.1	C. Manning	1-A to 1-E
Uncollectible Accounts	C-4.2	R. Marquis	1-A to 1-E
Additional Cost of Serving Customers	C-4.3	C. Manning	1-A and 1-C
Rate Case Expense	C-4.4	M. Ercolino	1-A to 1-E
Payroll	C-4.5	C. Manning	1-A to 1-E
Insurance Expense	C-4.6	C. Manning	1-A to 1-E
Management Service & Sundry	C-4.7	W. Packer	1-A to 1-E
Page Held for Future Use	C-4.8	N/A	1-A to 1-E
Miscellaneous Adjustment	C-4.9	C. Manning & W. Packer	1-A to 1-E
Specific Expenses Not Subject To Inflation	C-4.10	C. Manning	1-A to 1-E

Audit Fee Expense	C-4.11	M. Ercolino	1-A to 1-E
Adjustment to Amortization of Acquisition Adjustments	C-5.1	R. Marquis	1-A and 1-C
Amortization of New Negative Acquisition Adjustments	C-5.2	R. Marquis	1-C
Purchased Power Expense	C-6.1	C. Manning	1-A to 1-E
Chemical Expense	C-6.2	C. Manning	1-A to 1-E
Purchased Water Expense	C-7.1	C. Manning	1-A
Purchased Wastewater Treatment Expense	C-7.1	C. Manning	1-C to 1-E
Water Production Adjustment	C-7.2	C. Manning	1-A
Dredging Expense	C.7.3	C. Ercolino	1-A
Employee Group Insurance	C-8.1	W. Packer	1-A
Pension	C-8.2	W. Packer	1-A
Post-Retirement Benefits	C-8.3	W. Packer	1-A
401K	C-8.4	C. Manning	1-A
Remove Intracompany Benefits	C-8.5	W. Packer	1-A
Legal Expense	C-9.1	M. Ercolino	1-A
Eliminate NAWC Lobbying Expense	C-9.2	M. Ercolino	1-A
Eliminate Twin Lakes Expense	C-10.1	W. Packer	1-A
Eliminate Venango Expenses	C-10.2	W. Packer	1-A

Q. What services are provided by Aqua Services, Inc. ("Aqua Services") and how are those services charged?

A. The services cover a full range of corporate support services, including, but not limited to; accounting and financial, administration, communications, corporate secretarial, customer service and billing, engineering, financial, fleet, human resources, information systems, operation, rates and regulatory, risk management, water quality, legal, and purchasing,

contracts and sales of real estate. Please see the Attachment to OE6 for further details. Aqua Services' personnel keep time records and, where appropriate, their time and related overheads are directly assigned to the subsidiary for which they are working. Where costs incurred in rendering services in common to multiple companies, and not related exclusively to a particular company, they are allocated to all such companies based on the number of customers served by each company.

Q. Please explain the adjustments on Schedule 4.7 of Exhibits 1-A through 1-E entitled "Management Service & Sundry".

A. The amounts listed in Schedule C-4.7 of Exhibits 1-A and 1-B summarize the Company's estimated additional annual payroll expense and the increase in the Company portion of employee group insurance premiums of the service company employees whose time was charged to AP during the test year. The same data are shown in Schedule C-4.7 of Exhibits 1-C through 1-E for service company employees whose time was charged to APW during the test year.

Q. Please explain the adjustments appearing on Schedule C-8.1 of Exhibit 1-A for Employee Group Insurance.

A. Aqua PA provides healthcare coverage to all of its full-time employees. The adjustment utilizes the coverage level associated with the Company's present complement of authorized positions times the contract prices, less the employee co-pay, a vacancy credit, and an adjustment for the portion not charged to operations.

Q. Please explain the adjustment to Pension Expense as shown in Schedule C-8.2 of Exhibit 1-A.

A. In this case, the Company is requesting a pension expense allowance of $2 million (for both the FTY and FPFTY), which, in my judgment and the guidance received from the Company's pension actuary Willis Towers Watson, is a reasonable estimate of the annual amount that the Company will contribute to its pension funds on an ongoing basis. From that figure, I deducted the portion expected to be capitalized and not charged to operating expense. The capitalization percentage is the same as that used in the Payroll Expense adjustment in Schedule C-4.5 of Exhibit 1-A. This resulted in a net rounded expense decrease of $2.7 million for the FTY and no change in the FPFTY level.

Q. Can you explain the Company's adjustment to Other Post-Employment Benefits ("OPEB") recorded pursuant to Statement of Financial Accounting Standards ("FAS") 106 that is shown in Schedule C-8.3 in Exhibit 1-A?

A. Yes. The Company's claim consists of two components: (1) the annual expense and (2) the amortization of the funding deficit or excess between FAS 106 and implicit authorized rate recovery over a three-year period beginning January 1, 2025 which is the beginning of the FPFTY. The summation of the two components identified above is reduced by the portion that is capitalized. The capitalization percentage is the same as that used in the Payroll Expense adjustment in Schedule C-4.5 of Exhibit 1-A. The annual expense for the Company's employees is based on the Actuarial Valuation Report dated April 2024 for the Company's Post Retirement Welfare Plan, which has been submitted in response to filing data request OE-14.

Q. Please explain the adjustments in Schedule C-8.5 of Exhibits 1-A and Schedule C-8.1 of Exhibits 1-B through 1-E.

A. These adjustments reduce operating expenses for water base operations as presented in Schedule C-8.5 of Exhibit 1-A and increase expenses as presented in Schedule C-8.1 of Exhibits 1-B through 1-E which is an allocation of employee benefits and other general overheads necessary to reflect an appropriate amount of expenses attributable to those respective operations.

ACQUISITIONS SINCE THE 2021 BASE RATE CASE

Q. Has the Commission requested that Aqua PA find solutions for small troubled water and wastewater systems in the Commonwealth?

A. Yes. The Company is currently operating two systems under receivership orders, Twin Lakes Utilities, Inc. ("Twin Lakes") and Venango Water Company ("Venango"), issued by the Commission. Since the last case, Aqua PA has acquired three systems – the Municipal Authority of the Borough of Shenandoah ("Shenandoah"), North Heidelberg Sewer Company ("NHSC"), and James Black Water Service Company – Bell Aire Acres ("Belle Aire Acres"), all of which were small troubled systems that I will discuss. Aqua PA is committed to being a leader in promoting consolidation in the water and wastewater industry. In many instances, systems become severely troubled and government officials, regulators, and communities ask us for our assistance. This involves a significant amount of time, commitment, and coordination within many departments throughout our Company. Despite the challenges that come with troubled systems, without consolidation into a larger organization, they would not be viable. The Company remains committed to being a solution in the Commonwealth. I will further elaborate on this topic related to the Commission's determination of an appropriate equity return rate later in my testimony. Aqua PA's request for continued regulatory asset treatment associated with the systems being operated under receivership is outlined below.

Q. Please comment on the request by the PUC for AP to become the Receiver for Venango.

A. Mr. Duerr provides more detail in his testimony (Statement No. 11). This was clearly a troubled system, and I am proud of the AP team that stepped in to provide safe drinking water to these Commonwealth residents. It is an example of AP's proactive, caring, and steadfast commitment to help solve problems of small utility systems.

Q. Please explain AP's involvement with the Twin Lakes.

A. On January 14, 2021, the PUC issued an order in Docket No. P-2020-3020914 naming Aqua PA as the Receiver for the Twin Lakes water system beginning January 15, 2021, and continuing through the pendency of a proceeding brought under Section 529 of the Public Utility Code, 66 Pa.C.S. § 529 ("Section 529"). By Order entered November 18, 2021, the PUC directed AP to acquire the Twin Lakes water system. A series of appeals has followed that have continued to delay the acquisition. Since the January 14, 2021 Order, AP has acted in the capacity directed by the PUC and continued to provide safe and adequate utility service to approximately 105 customers connected to the Twin Lakes water system. AP will continue in this capacity until the litigation is resolved.

Q. Please explain APW's involvement with NHSC.

A. APW agreed to become the Receiver for NHSC during the pendency of a proceeding under Section 529 on March 5, 2018. The Commission entered an Order dated February 9, 2018, at Docket No. M-2018-2645983 identifying APW as the Receiver and specifying certain duties for Aqua PA to perform during the Section 529 proceeding. On March 31, 2023, after significant work, focus and commitment from key stakeholders, APW closed on this acquisition and is serving these customers.

Q. Please explain Aqua PA's involvement with the Belle Aire Acres.

A. On September 3, 2019, the PUC issued an order in Docket No. M-2019-3012563 naming AP as the Receiver for this system beginning September 11, 2019, and continuing through the pendency of the Section 529 proceeding. Since then, the AP has acted in that capacity directed by the PUC and continued to provide save and adequate utility service to the 19 customers connected to the Belle Aire Acres system until such time the system is acquired by a capable public utility. After significant work, perseverance, and dedication by the key stakeholders, the AP closed on this acquisition on May 2, 2024.

Q. Can you explain AP's treatment in this case of Twin Lakes and Venango – the Receivership systems and any requests thereto?

A. Yes. For the purposes of this rate case Aqua PA has adjusted revenues, expenses, and rate base to remove these systems from the consideration of its proposed based rate increase. However, Aqua PA does request that it receive approval to continue the deferred accounting treatment it was authorized in each of the proceedings to which Aqua PA was named Receiver. Aqua PA will continue the deferred accounting until its next base rate case following the final resolution of each of the two receiverships. When it files that base rate case, Aqua PA will present claims for any return on or return of investments and expenses incurred by Aqua PA until said rate relief. Given the fact that these systems have not been acquired by Aqua PA, I believe this request is reasonable.

DEFERRED ACCOUNTING TREATMENT OF BAD DEBT DUE TO THE PANDEMIC

Q. Please discuss the PUC's May 13, 2020 Secretarial Letter regarding COVID-19 Cost Tracking and Creation of Regulatory Asset?

A. The May 13, 2020 Secretarial Letter ("Secretarial Letter") responded to Governor Wolf's March 6, 2020 Proclamation of Disaster Emergency ("Emergency Proclamation"). To that

end, the Commission issued an "Emergency Order". The Emergency Order declared a termination moratorium for public utility services. Recognizing the pandemic in general and the termination moratorium specifically would likely increase costs to utilities (e.g., uncollectible expense), the Commission then issued a Secretarial Letter dated May 13, 2020, that directed public utilities to "account for prudently incurred incremental extraordinary, nonrecurring expenses related to COVID-19, which result from compliance with the Commission's moratorium suspension." Utilities also were specifically authorized to create regulatory assets for incremental uncollectible expenses (related to COVID-19) above those embedded in base rates.

Q. Did Aqua PA make a claim for incremental COVID-19 expenses related to uncollectible accounts expense in its 2021 Base Rate Case?

A. Aqua PA identified the deferred incremental uncollectible accounts expenses related to COVID-19 through the end of the HTY (March 31, 2021) in that case. However, the Company deferred seeking recovery of these expenses and requested to continue deferring incremental uncollectible accounts expense over and above its recovery levels such that they can be reviewed for reasonableness and recovered in this proceeding, The PUC authorized this continued deferral, because at the time of the 2021 Base Rate Case it was unknown whether additional expenses resulting from COVID-19 would be incurred, or whether any deferred amounts would subsequently be collected from customers.

Q. Did the PUC direct a cut-off date for incremental uncollectible accounts expenses in the 2021 Base Rate Case?

A. No. However, the Company ceased recording any adjustments to deferrals as of December 31, 2022, which was one quarter prior to the end of the FPFTY in the last rate case.

Q. What is the Company's claim for deferred incremental uncollectible accounts expense resulting from COVID-19?

A. The Company is requesting recovery of its deferred expenses occasioned by the COVID-19 pandemic over a two-year period beginning in the FPFTY in this application. Specifically, in Exhibits 1-A and 1-C, Schedule C-4.9, the Company is requesting an expense amortization of $2,511,175 and $419,962 annually for its water and wastewater operations respectively. The total recovery of deferred expense cost total $5.862 million.

Q. Is it appropriate for the Company to recover these deferred amounts?

A. Yes. They represent costs incurred for uncollectable expense over and above recovery levels established prior rate cases going back to 2018. Absent deferral this would impair the Company's opportunity to realize fair operating returns for service provided during an extremely difficult period nationally. Utility service is as an indispensable service, as such, utility companies like Aqua PA were expected to maintain safe, adequate, and reliable utility service, while other industries were shut down completely. The understandable difficulties many of our customers faced during this time economically were financially bridged during this period by virtue of the Emergency Order and termination moratorium. This was able to be accomplished through solid utility management and securing additional short-term liquidity through Aqua's parent company Essential.

VI. DEFERRED ACCOUNTING REQUEST PFAS TREATMENT COSTS

Q. Please explain the Company's request for the Commission to authorize it to defer costs incurred associated with PFAS Treatment?

A. The Company is seeking approval of its request to defer costs incurred that are not reflected in the cost of service rates resulting from this rate case, but are expected to be completed

during the calendar years 2026 and thereafter. This would include the cost of deferred depreciation on new assets placed in service, incremental O&M expenses incurred over FPFTY levels established in this filing, and a carrying cost of capital while the deferred amounts are not reflected in base rates charged to customers.

Q. Why is the Company seeking this relief?

A. Deferred accounting authorization is typically utilized for significant, non-recurring, type events affecting utilities, that absent deferred authorization, the economic impacts of the investments and expense incurred would significantly impair the Company's opportunity to realize a Commission authorized fair rate of return.

Q. Are the costs expected to be incurred significant?

A. Yes. Current estimates for capital investments to deal with PFAS treatment are approximately $300 million, spent between 2024 and 2029. Additionally, incremental O&M expenses occasioned by PFAS solutions are estimated to be as much as five percent of the capital invested. Company witnesses Duerr (Statement No. 11) and Convery (Statement No. 12), provide greater details as to the scope of the PFAS challenges facing the Company and details on projects underway, a small portion of which are included in this case.

Q. Is the Company pursuing any actions to offset costs expected for PFAS?

A. Yes. We have pursued and received grant funds to offset approximately $10 million of investments made for production wells in North Hills and Hatboro. Furthermore, we are actively seeking additional grant funds and low interest loans through PENNVEST. Finally, we are participants in class action lawsuits against the known major chemical manufacturing companies. We have no assurance of receipt of such further grants, loans

or litigation proceeds, and therefore have not projected such amounts in this case. To the extent that any funds are received as a result of these efforts, it is expected that the majority of such funds would be deferred as well, along with the costs I have outlined, with the Commission deferral authorization we are seeking.

VII. DEPRECIATION, TAXES AND OTHER ITEMS

Q. The next series of adjustments to Aqua PA's Statement of Income is found in Schedules D-1 through D-2.5, E-1 through E-4, and F-1 through F-2 of Exhibits 1-A through 1-E. Who are the responsible witnesses for these adjustments?

A. The responsible witnesses for the adjustments are as follows:

ADJUSTMENT	SCHEDULE	RESPONSIBLE WITNESS	EXHIBIT(S)
Summary of Depreciation	D-1	R. Marquis & J. Spanos	1-A to 1-E
Summary of Adjustments To Taxes Other Than Income	D-2	R. Marquis	1-A to 1-E
PUC - General Assessment	D-2.1	R. Marquis	1-A to 1-E
OCA and OSBA - General Assessment	D-2.2	R. Marquis	1-A to 1-E
Public Utility Realty Tax	D-2.3	M. Ercolino	1-A to 1-E
Pennsylvania Property Tax	D-2.4	M. Ercolino	1-A to 1-E
Payroll Taxes	D-2.5	C. Manning	1-A to 1-E
Interest on Long-Term Debt	E-1	W. Packer	1-A to 1-E
Amortization of Debt Discount and Expense	E-2	W. Packer	1-A to 1-E
Other Interest Charges	E-3	W. Packer	1-A to 1-E
Interest During Construction	E-4	W. Packer	1-A to 1-E
Summary of Adjustment to Income Taxes	F-1	P. Fischer	1-A to 1-E

Computation of Federal and State Income Taxes Under Present and Proposed Rates	F-2	P. Fischer	1-A to 1-E

Q. Please explain your calculation of interest on long-term debt on Schedule E-1 of Exhibits 1-A and 1-B and Exhibits 1-C through 1-E.

A. A calculation is made to synchronize the interest expense applicable to the long-term debt portion with the original cost rate base as of December 31, 2025. I have used the same capital structure as recommended by Mr. Moul for rate of return purposes (see Statement No. 7 and Exhibit 4-A). The projected weighted cost rate of long-term debt (for both water and wastewater) as of December 31, 2024 and December 31, 2025 is 4.24% and 4.32%, respectively. The synchronized interest was used to adjust the interest expense recorded for the year ended December 31, 2023 and the resulting adjustment carried forward to Schedule A-1 of Exhibits 1-A and 1-B and 1-C through 1-E.

Q. The next adjustment is for amortization of debt discount and expense appearing on Schedule E-2 of Exhibits 1-A and 1-B and Exhibits 1-C through 1-E. Please explain this adjustment.

A. This adjustment removes those costs because, consistent with the way these costs are reflected for ratemaking in Pennsylvania, their recovery has been reflected in the yield-to-maturity calculation of Aqua PA's claimed long-term debt cost rate.

Q. Schedule E-3 of Exhibits 1-A and 1-B and Exhibits 1-C through 1-E reflects decreases in other interest charges. Please explain this adjustment.

A. Other interest charges for the year ending December 31, 2023 were principally for funds borrowed through bank loans to finance Aqua PA's capital expenditures. The bank loans

outstanding are anticipated to be refinanced with long-term debt prior to the end of the FTY. Therefore, the interest on bank loans has been eliminated.

Q. The last adjustment, on Schedule E-4 of Exhibits 1-A and 1-B and Exhibits 1-C through 1-E, is for interest during construction. Please explain this adjustment.

A. For financial accounting purposes, interest during construction is recorded as income. However, for ratemaking purposes, it is reflected in the allowance for funds used during construction ("AFUDC") and included in the original cost of utility plant. This adjustment is made to eliminate interest during construction as income and is consistent with the treatment accorded this item in Aqua PA's previous base rate cases.

VIII. RATE BASE

Q. Please describe the data presented in Schedule G-1 of Exhibits 1-A through 1-E.

A. Those pages show Aqua PA's claimed original cost measure of value as anticipated under present and proposed rates for the FTY and FPFTY.

Q. Schedules G-2 through G-7 in Exhibits 1-A through 1-E set forth various components of the Company's rate base claim. Please identify the responsible witnesses for these items.

A. Witness responsibilities are as follows:

ADJUSTMENT	SCHEDULE	RESPONSIBLE WITNESS	EXHIBIT(S)
Utility Plant in Service & Accumulated Depreciation	G-2	J. Spanos & R. Marquis	1-A to 1-E
Utility Plant Acquisition Adjustments	G-3	R. Marquis	1-A and 1-C
Materials & Supplies	G-4	W. Packer	1-A
Cash Working Capital	G-5	H. Walker	1-A to 1-E

CIAC & CAC	G-6	J. Spanos & R. Marquis	1-A to 1-E
Deferred Income Taxes	G-7	P. Fischer	1-A to 1-E

Q. Please explain the addition in Exhibit 1-A for materials and supplies.

A. As shown in Schedule G-4 of Exhibit 1-A, this amount was developed by averaging the monthly balances in the Materials and Supplies account for the thirteen months ended December 31, 2023. While Exhibit 1-C contains a schedule G-4, Aqua PA does not maintain a significant number of standby materials and supplies for wastewater operations and, therefore, material and supplies are expensed as they are purchased.

Q. Has Aqua PA included a claim for cash working capital in rate base?

A. Yes. Please refer to the testimony and exhibits of Mr. Walker (Statement No. 9). The results of Aqua PA's lead/lag study yielded a positive result, thus Aqua PA, consistent with Commission practice, is making a claim for cash working capital. The calculations are included in Exhibit 1-A through 1-E, Schedules G-5.1, G-5.2, G-5.3, and G-5.4.

IX. CAPITAL STRUCTURE RATIOS

Q. Mr. Moul's proposed rate of return, as set forth in Exhibit 4-A, is based on a FPFTY-end capital structure consisting of 46.05% long-term debt and 53.95% common equity. How were these figures derived?

A. Consistent with past practice, the starting point was Aqua PA's actual capitalization at the end of the HTY. The respective amounts of long-term debt and common equity at December 31, 2023 were then adjusted to reflect anticipated changes during the FTY and FPFTY. In sum, Aqua PA's total permanent capitalization is expected to increase by approximately $447 million (net of depreciation) over that period.

Q. What accounts for that increase?

A. There are several factors. Aqua PA's long-term debt balance is anticipated to grow by nearly $93 million because of the issuance of new and the retirement of existing debt series. The net effect of these financings is a slight increase in Aqua PA's embedded long-term debt cost rate from 4.24% to 4.32%. Aqua PA's common equity is projected to increase by $354 million. Details regarding all these changes are provided on Schedule 5 of Exhibit 4-A. Total capitalization and total rate base are both projected to be approximately $5 billion by the end of the FPFTY. Unfortunately, rising interest rates have resulted in an increase in long term debt costs of approximately $7 million of the total requested revenue increase in this case.

X. RETURN ON EQUITY CONSIDERATIONS

Q. Please explain how Aqua PA derived its requested return on equity allowance.

A. In Statement No. 7, Mr. Moul has recommended a return on common equity ("ROE") of at least 10.95%. His testimony and Exhibit 4-A offer a through explanation of his calculation methodology. The various methodologies used by Mr. Moul produced an ROE range of 10.58% to 13.80%. Looking only at the Discounted Cash Flow ("DCF") and Risk Premium ("RP") methods (which is reflective of past Commission practice) produces a narrower range of 10.58%-11.50%. Based on this range, Mr. Moul observes that the ROE being proposed in the calculation of the cost of service at 10.95% is notably at the lower end of the range he analyzed. As observed by Mr. Moul, an ROE of 10.95% is utilized for the purposes of calculating the Company's overall revenue requirement in this instant proceeding, which is certainly reasonable, and again, within Mr. Moul's range of ROEs I described earlier.

Q. Please explain why you believe Aqua PA is entitled to an equity allowance that recognizes exemplary managerial performance.

A. Aqua PA has consistently provided its customers with safe and reliable water and wastewater service at reasonable rates. This is the product of a mission based, dedicated, and knowledgeable workforce that is constantly seeking to improve quality and control costs. Aqua PA is committed to providing safe and reliable service to the community and protecting the environment. Aqua PA continues to accept the challenge of acquiring troubled or weaker water and wastewater systems in an effort to promote the Commission's goal of regionalization. Mr. Duerr also provides reasons and examples supporting an equity allowance that recognizes exemplary managerial performance.

Q. Could you be more specific with respect to the measures undertaken by Aqua PA that you believe should enter the Commission's determination of an appropriate equity return rate?

A. In my view, the Company's performance in the following areas fully supports a return of at least 10.95%:

1. Water Quality

AP has achieved significant compliance with all existing Federal and State drinking water standards in its water systems in Pennsylvania. AP provides filtration for all surface water sources and disinfection for all ground water sources and specialized treatment for specific contaminants where necessary.

AP has been a leader in the industry on several fronts. To proactively address customer owned LSLs, the Company filed its LSL application under Act 120 of 2018, P.L. 738, No. 120, prior to the issuance of the Commission's final regulations promulgated

pursuant to Section 1311(b)(2) of the Public Utility Code, 66 Pa. C.S. § 1311(b)(2), to help customers address this issue sooner. AP successfully worked with stakeholders in an expedited fashion to help address customer-owned LSLs in one community where this issue occurred. AP has since expanded its LSL replacement program to remove lead and galvanized service lines throughout its footprint and to comply with regulations issued by the Pennsylvania Department of Environmental Protection ("PADEP") and the U.S. Environmental Protection Agency ("EPA").

In addition, AP continues to be a leader when it comes to addressing emerging contaminants. Managing emerging contaminants is a continuous process as science improves our ability to detect and understand the impacts of chemicals in use for decades as well as newly developed chemicals. In February 2020, AP announced that it is committed to installing mitigation technology at water treatment facilities where sources of water exceed 13 parts per trillion ("ppt") for any PFAS substance. Setting a company-wide standard of 13 ppt, well below the then in place EPA non-enforceable health advisory level of 70 ppt is a significant benefit to our customers. I also highlight that AP worked to obtain a PENNVEST grant in the amount of $5,217,178 for the Hatboro wells which addressed PFAS treatment. Grant funds received by the Company are treated as a CIAC which reduces rate base and future depreciation expense, thus a reduction customer rates.

Aqua PA operates a water-quality laboratory in Bryn Mawr that conducts thousands of tests annually on water and wastewater samples from Aqua PA's systems across the Commonwealth. The laboratory has a national reputation in the field of testing for trace levels of compounds. In fact, the laboratory operates testing equipment that can detect down to the ppt level. Customer water quality is incredibly important to Aqua PA.

Therefore, Aqua PA maintains a Technical Services Department that is in the laboratory and is staffed to handle water quality complaints exclusively. Having this staff with ready access to the resources of Aqua PA's laboratory allows for prompt response, investigations, and resolution of water quality complaints.

In March 2023, the Company was informed of an 8,000-gallon spill of hazardous chemicals near our Bristol Water Treatment Plant and just upstream of the Delaware River. The Company's response to this incident was highly regarded as excellent and emergency lab testing services were performed for multiple entities impacted by this event. Company witness Mr. Todd Duerr (Statement No. 11) covers this in more detail in his testimony.

2. Wastewater Treatment Compliance

As I noted earlier, APW has been growing its wastewater utility service through the acquisition of systems that come in various states of compliance, need for repair and attention. It has demonstrated that it can be the solution to ever growing wastewater utility challenges and continues to make improvements to wastewater utility infrastructure as reflected by the capital additions included in its utility plant in service in this case, which include some larger-scale treatment plant upgrades.

The Company has a team of wastewater managers and operators that maintain and safely operate these wastewater systems. Our wastewater team has a deep bench of prior experience, including running the Philadelphia Long Term Combined Sewer Overflow ("CSO") Program and Wet Weather Programs for the City of Philadelphia as well as industrial pretreatment and combined sewer system and management of consent orders and operating and managing the 20 million gallons per day City of Scranton wastewater treatment plant, which includes a CSO collection system.

3. System Reliability & Infrastructure Rehabilitation

The Company continues to fulfill its obligation to provide safe and reliable utility service to its customers and the facts presenting in this application are no exception. The goal of reliable utility service is to achieve 24-hour per day uninterrupted service to all customers and, especially, to customers with specific health care and public safety needs such as hospitals, outpatient surgical centers, schools, and public and private fire protection systems.

The facilities that Aqua PA has installed over the years, combined with its professional operations and maintenance staff, assure that customers' needs are met, and that uninterrupted service is provided. Company witnesses Duerr and Convery (Statement Nos. 11 and 12) provide examples and greater detail of the below summarized infrastructure investments in the assets providing utility service to customers. These proactive measures include, but are not limited to:

- Water Treatment Plant Investments:
  - Crum Creek Water Treatment Plant – Pre-Treatment Facility
  - Pickering Water Treatment Plant - Phase 1 Filter Additions
  - Roaring Creek Water Treatment Plant – Bear Gap Rehab Primary Spillway
  - Shenango Water Treatment Plant – Contact Basin
- Distribution System Investments:
  - 2,700 linear feet 36-inch, transmission pipe – Neshaminy to Bethayres
  - 3,000 linear feet 12-inch ductile iron pipe – Coventry Lane
  - 12,000 linear feet of 36-inch transmission pipe and interconnection – Thorndale.

- 2,000 linear feet of 20-inch ductile iron pipe and 1,000 linear feet of 16-in ductile iron pipe – South Oak Avenue & Providence Road
- 3,900 linear feet of 16-inch distribution pipe – East Eagle Road

- LSL Replacement Program:
  - The Company has an active LSL replacement program that it continues to make significant investments annually.
- Process Control Systems:
  - The Company is reinforcing the security of our Supervisory Control and Data Acquisition ("SCADA") servers by moving them to a new off-site location where both physical security and cybersecurity is improved.
- Dam Efficiency Study:
  - The Company is currently evaluating two of our dams for the potential of low-impact hydro power generation.
- PFAS Treatment:
  - Chalfont Well #11
  - Hatboro Wells #6 & #8
  - Perkiomen Woods
- Wastewater Infrastructure Investments and Consolidation:
  - Penn Township Wastewater Treatment Plant Phase II
  - Deerfield Knoll Wastewater Treatment Plant to Pump Station (Consolidation)
  - Penn London Wastewater Treatment Plant to Pump Station (Consolidation)
  - Cheltenham Interceptor A

- Inflow and Infiltration investigations – Cheltenham and East Norriton
- Pump Station Upgrade – East Norriton

In each case these, and other, improvements have enhanced the efficiency, reliability, and the quality of service to customers. Aqua PA has invested, and will continue to invest, in its infrastructure to improve its systems.

4. Customer Service

Since the last rate case, Aqua PA has implemented mobile application access to customers through an ePortal, that enables customers to view their account, manage it, and access their consumption data. Customers can have real-time updates on service outages and visibility into service orders.

Our team developed a process for displaying disruptions on Aqua PA's external website, with an interactive map-based solution. The new experience, and what our customers will have access to on Aqua PA's externally facing, public website, will involve an external Geographical Information System Disruption Map that will allow them to see activity in their service area by simply entering a street address, city, zip code, or by using their smart phone's location. The map website will be updated every hour to provide our customers with the latest updates on disruptions to their service.

5. Acquisition of Small Troubled Water and Wastewater Systems

Aqua PA has acquired many community water systems previously owned and operated by entities within the public and private (private investor-owned or homeowners' associations) sectors. Upon acquiring these systems, Aqua PA made immediate improvements in quality, supply, and customer service. At the same time, existing customers have received the benefits of improved efficiency and the spreading of fixed

costs over a larger customer base. From a more macro viewpoint, the regionalization of water and wastewater systems will allow for consistent, reliable service, which, in turn, improves the economics and quality of life of the regions the Company serves.

Aqua PA intends to continue to provide solutions for the long-term water supply and wastewater treatment requirements in Pennsylvania. Since the conclusion of the Company's last rate case, it has completed its acquisitions of NHSC and Belle Aire Acres. Also, the Company currently serves as the PUC appointed receiver of the Venango and Twin Lakes systems.

6. Aqua Aid & Customer Assistance Programs ("CAP")

Aqua PA voluntarily implemented a program in 1994 designed to facilitate the payment of water bills by its low-income residential customers. This program is called "A Helping Hand." It was the first program of its kind offered by any investor-owned water utility in Pennsylvania and has been looked at as a model by other utilities. This program provides water audits, appropriate repairs where necessary and, upon the identification of qualified customers, the partial forgiveness of prior arrearages or a grant. In the current proceeding, Aqua PA is continuing its comprehensive approach to address affordability for low-income customers.

Aqua PA voluntarily proposed, and the Commission approved, a robust and comprehensive CAP in the 2021 Base Rate Case, with a tiered structure similar to the structure in place at the Peoples Companies that provides the largest benefit to those with the least income. The CAP is available to both water and wastewater customers. Further details are covered in the testimony of Ms. Black (Statement No. 13).

7. Aqua PA is recognized in Pennsylvania for excellence in a key area of operations. Following are examples of awards Aqua PA has received since its last rate filing.

All twelve of Aqua PA's surface water treatment plants in Pennsylvania are enrolled in the Partnership for Safe Water, a program developed by the EPA, the American Water Works Association ("AWWA"), and other organizations to guide water utilities towards improving drinking water quality by optimizing system operations. Four of Aqua PA's surface water treatment plants have achieved the Phase III Directors Award, and two water treatment plants have received the President's Award (the highest-level award). AWWA is the largest organization of water supply professionals in the world.

Q. Mr. Packer, please summarize why you believe the Commission should grant Aqua PA's requested rate increase.

A. Overall, Aqua PA is a mission-based utility focused on providing safe and reliable service to its customers. It consistently makes prudent and necessary investments in its infrastructure to serve customers. With the approval of an adequate ROE, Aqua PA will be able to continue to address the formidable tasks of rehabilitating its infrastructure, acquiring and repairing aging and troubled systems, and maintaining quality service. The Commission has given clear signals that service quality is a critical component in establishing rates.

XI. CONCLUSION

Q. Does that conclude your Direct Testimony at this time?

Yes, however I reserve the right to supplement my Direct Testimony as needing during the progression of this case.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF RENEE T. MARQUIS

Topics Addressed:

Certain Expense Adjustments
Depreciation and Taxes Other than Income
Certain Components of Rate Base
Acquisitions
Consolidation of Rate Zones

DATE SERVED: May 23, 2024 **Statement No. 2**
DATE ADMITTED: _____

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I. INTRODUCTION AND PURPOSE OF TESTIMONY

Q. What is your name and business address?

A. My name is Renee T. Marquis. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Essential Utilities, Inc. ("Essential") as Manager of Rates.

Q. On whose behalf are you providing this direct testimony?

A. I am providing this testimony on behalf of Aqua Pennsylvania, Inc. ("AP") and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua PA" or the "Company").

Q. Please describe your education and business experience.

A. I graduated from Widener University in 2004 with a Bachelor of Science degree in Business Administration with a concentration in Accounting. I also have my Master of Business Administration, with a concentration in Business Process Management, which was attained in 2016. Prior to joining Aqua PA, I worked for KPMG, LLP as a Senior Associate where I performed financial statement audits and reviewed internal control practices for a variety of clients. In 2009, I joined Widener University in the position of Senior Accountant, where I continued to utilize my background in financial accounting by performing various functions including, but not limited to, account reconciliations, variance analysis, and account analysis including property, plant, and equipment. In August of 2014, I joined Aqua Services, Inc. ("Aqua Services") as a Director, Property Accounting, where I was responsible for oversight and administration of Aqua America Inc.'s ("Aqua America") utility plant accounting subledger. In July of 2015, I was promoted to Manager of Rates and Planning at Aqua PA. In September of 2019, I was

promoted to Director of Investor Relations at Essential. In April of 2024, I returned to the Rates department as the Manager of Rates.

Q. What are your duties as Manager of Rates?

A. My duties as Manager of Rates primarily include assisting with the preparation and presentation of rate case filings for the subsidiaries of Essential. I report directly to the Vice President Rates and Regulatory Accounting and Regional Controller, with whom I assist in the oversight and direction of regulatory accounting matters for the Company.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to: (1) identify and describe certain adjustments of the Company's expense and rate base claims that I am sponsoring as presented in Exhibits 1-A through 1-B and Exhibits 1-C through 1-E in support of the Company's proposed rate increase for water and wastewater operations, respectively; (2) provide an overview of the Company's acquisitions since the end of its last water and wastewater base rate case; and (3) discuss proposed tariff changes.

Q. For which of the Company's Exhibits are you responsible?

A. I am responsible for portions of Exhibits 1-A through 1-B and Exhibits 1-C through 1-E including: (1) various operating expenses; (2) change in amortization acquisition adjustments; (3) amortization of new negative acquisition adjustments; (4) depreciation; and (5) taxes other than income, including general assessment fees. In addition, I am responsible for Exhibit 3, and I assisted in the preparation of the following backup volumes that contain responses to the Pennsylvania Public Utility Commission's ("Commission") standard rate case filing requirements: Statement of Income, Operating Revenue, Operating

Expense, Rate Base, Rate of Return, Rate Structure, Balance Sheet, and Other Data as all of these are indispensable to the rate case filing.

Q. Are you including any other exhibits with your testimony?

A. Yes. Attached to my Direct Testimony is RTM-1, RTM-2, and RTM-3.

II. CERTAIN OPERATING EXPENSES

Q. Did you prepare any adjustments to the Company's Operating Expenses?

A. Yes, I am responsible for the following adjustments: (1) Uncollectible Accounts; (2) Derivation of Uncollectible Accounts; (3) Change in Amortization of Acquisition Adjustments; and (4) Amortization of New Positive Acquisition Adjustments.

Q. Please explain the adjustment to Uncollectible Accounts expense on Schedule C-4.2 of Exhibits 1-A through 1-E.

A. The Company's claims for uncollectible accounts expense were developed by applying the three-year average factor of net write-offs (as supported in Schedule C-4.2.i) to the Historic Test Year ("HTY"), Future Test Year ("FTY") and Fully Projected Future Test Year ("FPFTY") level revenues at present rates for both Exhibits 1-A and 1-C.

The annualized uncollectible accounts factor was calculated by utilizing the Company's actual write-off experienced for the three years ended December 31, 2023, divided by the Total Sales to General Customers for the three years ended December 31, 2023. The three years included within the average calculations are for the twelve months ended December 31, 2021, December 31, 2022, and December 31, 2023. For water, Schedule C-4.2.i in Exhibit 1-A calculates an annualized uncollectible accounts factor of 0.44006%. For wastewater, Schedule C-4.2.i in Exhibit 1-C calculates an annualized

uncollectible accounts factor of 1.05080%. Schedule C-4.2 also includes an adjustment for arrearage forgiveness as part of Aqua PA's customer assistance program.

Q. Please explain the amortization of Acquisition Adjustments shown on Schedule C-5.1 of Exhibit 1-A and 1-C.

A. There are eight acquisition adjustments in Exhibit 1-A and nine acquisition adjustments in Exhibit 1-C that will be fully amortized by the end of the FPFTY.

Q. Please explain the Amortization of New Negative Acquisition Adjustment on Schedule C-5.2 of Exhibit 1-C.

A. The Company is proposing to amortize the negative acquisition adjustment involving the North Heidelberg acquisition that was closed after the completion of Aqua PA's last rate case. Listed on Schedule C-5.2 of Exhibit 1-C is the first year amortization of the new negative acquisition adjustment. A twenty-year amortization period was selected, similar to the treatment of prior acquisition adjustments approved by the Commission.

III. DEPRECIATION AND TAXES OTHER THAN INCOME

Q. Please explain the Statement of Depreciation shown on Schedule D-1 of Exhibits 1-A through 1-B and Exhibits 1-C through 1-E.

A. The Statement of Depreciation in Exhibits 1-A through 1-B and Exhibits 1-C through 1-E shows the Company's annual depreciation expense claims for the FTY and FPFTY for both water and wastewater assets. The annual provision for depreciation was computed by Mr. John Spanos for utility plant in service as of December 31, 2024 and December 31, 2025 using the straight-line average remaining life method as set forth in Mr. Spanos's Exhibit Nos. 6-A through 6-E. The amount computed by Mr. Spanos (Statement No. 6) relates to utility plant in service, inclusive of customers' advances for construction ("CAC"),

contributions in aid of construction ("CIAC") and any related retirements of assets. Comparing the Company's claimed amount with the annualized depreciation expense for the year ended December 31, 2023, results in a FTY increase of $4,595,747 and a FPFTY increase of $3,878,754 for water assets; additionally, a FTY increase of $828,692 and a FPFTY increase of $609,726 for wastewater assets.

Q. Please explain the summary provided in Schedule D-2 of Exhibits 1-A through 1-E.

A. The schedules referenced show a summary of the adjustments to taxes other than income taxes for the HTY, FTY, and FPFTY at present rates and the FPFTY at proposed rates. Each of the adjustments is discussed below.

Q. Please explain the adjustments for General Assessments within Exhibits 1-A through 1-E.

A. The adjustment set forth on Schedules D-2.1 and D-2.2 of Exhibits 1-A through 1-E are related to the General Assessments, which provide funding for Commission, Office of Consumer Advocate ("OCA"), Office of Small Business Advocate ("OSBA"), and the Damage Prevention Committee ("DPC") and are based on the actual assessment factors billed for the period July 1, 2023 to June 30, 2024. The assessed rates were applied to Gross Utility Revenues at present rates for the FTY and FPFTY and at proposed rates for the FPFTY.

IV. CERTAIN COMPONENTS OF RATE BASE

Q. Please describe the data presented in Schedule G-2 of Exhibits 1-A and 1-B through 1-E and identify who is responsible for this data.

A. Schedule G-2 shows the Company's actual utility plant in service as of December 31, 2023, and the projected utility plant in service per scheduled additions and retirements for the

twelve months ending December 31, 2024 and December 31, 2025. It also shows the Accumulated Depreciation for each year associated with the Utility Plant in Service. I worked with Mr. Spanos by providing him Company data on projected FTY and FPFTY additions and retirements amongst all categories of utility plant in service, including linear property, non-linear property, information technology hard & soft costs, and supervisory control and data acquisition ("SCADA"). Accordingly, the aforementioned data was used as the basis for Mr. Spanos's Exhibit Nos. 6-A through 6-E.

Q. Please explain the derivation of the total Original Cost of Utility Plant in Service for both water and wastewater assets for the FTY and FPFTY as reflected in Schedule G-2 and referenced in Schedule G-1 of Exhibits 1-A through 1-E.

A. The starting point for both water and wastewater utility plant in service was the HTY ending balance of $5,726,651,949 for water and $686,471,223 for wastewater. That figure was then increased to reflect FTY and FPFTY plant additions (net of retirements) and acquired systems utility plant acquisition adjustments ("UPAA"), which will be discussed later in my testimony. The anticipated additions and retirements of water assets for the years ended December 31, 2024, and December 31, 2025, are set forth in detail in Attachment RTM-1 to my testimony and are comprised of needed improvements to the Company's infrastructure including, but not limited to water supply, storage, and distribution facilities. The majority of the Company's capital investment remains in distribution assets such as mains, services, hydrants, valves, and meters. The anticipated additions and retirements of wastewater assets for the years ended December 31, 2024, and December 31, 2025, are set forth in detail in Attachment RTM-2 to my testimony. Details of capital investments are covered in Statement No. 12 by Aqua PA witness Michael

Convery. Details of the accumulated depreciation used in Schedules G-2 can be found in Statement No. 6 authored by Aqua PA witness John Spanos.

Q. Please explain the adjustments on Schedule G-3 of Exhibit 1-A.

A. The adjustment in Schedule G-3 of Exhibits 1-A reflect the fully amortized positive UPAA of N.U.I. and White Rock.

Q. Please explain the reductions from rate base for CIAC and CAC as listed on Schedules G-6 of Exhibits 1-A through 1-E.

A. These reductions to rate base are summarized in Mr. Spanos's Exhibits 6-A through 6-E. The CIAC and CAC related to plant in service at December 31, 2023, reflect the actual CIAC and CAC recorded on the Company's books of account as of that date.

V. ACQUISITIONS

Q. Please provide an overview of the North Heidelberg Sewer Company ("North Heidelberg") troubled wastewater acquisition which the Company is reflecting in its rate base pursuant to Section 1327 of the Public Utility Code, 66 Pa. C.S. § 1327.

A. Since the Company's last rate case was filed, the Company has completed the acquisition of WW-1, North Heidelberg, which is not yet reflected in the Company's rate base. Exhibit 3 contains the journal entry and the original cost study for the acquisition, as mentioned above corresponding to the listed classification system.

Q. How does the Company propose to treat this acquisition for rate purposes?

A. With respect to this acquisition, the Company paid less than depreciated original cost ("DOC"), the assets acquired were recorded on its regulatory books of account at DOC, and the Company has amortized the difference between the DOC and purchase price as an

offset (i.e., reduction) to revenue requirement consistent with Section 1327 of the Public Utility Code. This is considered a "negative" acquisition adjustment.

Q. Section 1327 enumerates certain criteria that an acquiring company must meet in order to include the acquisition adjustment in rate base. Do you believe that the acquisition for which you are seeking "negative" acquisition adjustment treatment satisfies those criteria?

A. Yes, I do. The specific acquisition falling into the "negative" acquisition adjustment category, as well as the proposed amortization of the adjustment associated therewith, are set forth on Schedule C-5.2 of Exhibit 1-C. Exhibit 3 consists of a series of schedules which describe how the acquisition shown on Schedule C-5.2 of Exhibit 1-C satisfies the requirements of Section 1327.

Q. How did Aqua PA determine the DOC of the North Heidelberg system acquired since its last case?

A. The Company engaged outside professional utility valuation firm Gannett Fleming who are experienced and knowledgeable in performing utility valuations pursuant to Commission requirements. The results of those analyses were documented in the form of an original cost study which is being submitted with this rate filing as part of Exhibit 3.

VI. CONSOLIDATION OF RATE ZONES

Q. Please discuss the proposed consolidation of rate zones and updates in the proposed Water and Wastewater Tariffs.

A. As in prior rate cases, the Company continues to consolidate and move toward single tariff pricing. Company Witness Heppenstall's (Statement No. 5) proposed rate design outlines these changes, and they are included in Original Tariff Water-PA P.U.C. No. 4 and Original

Tariff Sewer-PA P.U.C. No. 4. The Company has also provided updates and clarifications to the proposed tariffs, in particular, the addition of more robust pretreatment and wastewater control regulations in the Original Tariff Sewer-PA P.U.C. No. 4.

Q. Please generally describe how APW wastewater customers are billed.

A. If the customer is an AP water customer or has a water meter from another water company, the Company will utilize the water reads to calculate the wastewater usage for the wastewater customer. If the customer is on a private well or the water reads are not available, APW will calculate a flat fee to bill the customer. APW's preference is to charge both a base facility charge and a volumetric charge, which we believe encourages conservation and provides customers' with greater control over their wastewater bill.

Q. How many APW wastewater customers are billed on a flat rate?

A. Currently there are approximately 9,400 wastewater customers that are charged a flat fee. In this case, APW is moving approximately 4,500 of those customers to metered billing. The majority that are moving a metered wastewater rate are for the East Whiteland system. The remainder of customers are on private wells.

VII. MISCELLANEOUS

Q. Please provide information on commitments/directives from prior PUC orders.

A. The Company is providing the following information related to certain Commission orders since the last base rate case:

- Requested billing information: Shenandoah $429,632, Lower Makefield $508,966, and East Whiteland $271,552.
- Infrastructure Investment and Jobs Act ("IIJA"): any grant funds received through IIJA funding is treated as CIAC.

- Information regarding AP's building lease: the Company was required to provide testimony of the rate charged per square foot that was developed in the most recent study versus the rate charged to Aqua Services. A comparison is not necessary as the rate is the same and is reasonable as it based on a market rate. The most recent study is included with my testimony as Attachment RTM-3. Total square feet (sq. ft.) of AP headquarters 129,996 sq. ft. Area of AP headquarters occupied by Aqua Services is 55,498 sq. ft. Area of AP headquarters that is rented by Aqua Services is 70,975 sq. ft.
- Penn Township territory expansion: the assets are not included in this rate case due to timing issues.

VIII. CONCLUSION

Q. Does that conclude your testimony at this time?

A. Yes, it does, but I reserve the right to supplement my testimony as needed during this proceeding.

Estimated Future Test Year Additions and Retirements
For the Twelve Month Period Ending December 31, 2024

NARUC	Capital Additions	Capital Retirements
301100-Organization-WA	-	-
303000-Land & Land Rights-WA	2,500	-
304000-Structures & Improvements-WA	9,944,024	(301,034)
305200-Collect & Impound Res-WA	414,579	(268,004)
306200-Lake, River & Other Intak-WA	1,590,881	(3,259)
307200-Wells & Springs-WA	13,015,174	(3,160,642)
309200-Supply Mains-WA	-	-
310000-Power Generation Equip-WA	900,462	(17,267)
311000-Pumping Equipment-WA	4,983,974	(245,921)
320300-Water Treatment Equip-WA	23,286,748	(1,659,588)
330400-Distrib Res & Standpipe-WA	1,161,122	(103,294)
331400-T & D Mains-WA	173,255,314	(6,209,232)
331400-T & D Mains-WA (CAC)	750,000	-
331400-T & D Mains-WA (CIAC)	(6,850,000)	-
333400-Services-WA	34,638,713	(389,557)
334400-Meters-WA	17,173,884	(3,498,248)
335400-Fire Hydrants-WA	4,479,217	(225,512)
336400-Backflow Prevention-WA	2,000	(157)
339000-Other Plant & Misc Equip-WA	76,885	-
340500-Office Furn & Equip-WA	18,400,971	(14,876,547)
341500-Transport Equip-WA	2,847,001	(682,838)
342500-Stores Equip-WA	41,300	-
343500-Tools, Shop & Garage Eq-WA	1,347,514	(138,231)
344500-Laboratory Equip-WA	812,020	(126,094)
345500-Power Operated Equipment-WA	131,411	-
346500-Communication Equip-WA	6,641,470	(1,311,116)
347500-Misc Equip-WA	186,191	(1,819)
348000-Other Tangible Plant-WA	10,000	-
351100-Organization-WW	-	-
353000-Land & Land Rights-WW	-	-
354000-Structures & Improvements-WW	-	-
355000-Power Gen Equip-WW	-	-
360200-Collection Mains Force-WW	-	-
360200-Collection Mains Force-WW (CAC)	-	-
360200-Collection Mains Force-WW (CIAC)	-	-
361200-Collection Mains Gravity-WW	-	-
361200-Collection Mains Gravity-WW (CIAC)	-	-
363200-Services To Customers-WW	-	-
364200-Flow Measuring Devices-WW	-	-
365200-Flow Measuring Installs-WW	-	-
370300-Receiving Wells-WW	-	-
371000-Pumping Equip-WW	-	-
380000-Treat & Disp Equip-WW	-	-
381000-Plant Sewers-WW	-	-
382400-Outfall Lines-WW	-	-
389000-Other Plant & Misc Equip-WW	-	-
390700-Office Furn & Equip-WW	-	-
391700-Transportation Equip-WW	-	-
393700-Tools, Shop & Garage Eq-WW	-	-
394700-Laboratory Equip-WW	-	-
395700-Power Operated Equip-WW	-	-
396700-Communication Equip-WW	-	-
397700-Misc Equipment-WW	-	-
TOTAL	**309,243,355**	**(33,218,360)**

Estimated Fully-Projected Future Test Year Additions and Retirements
For the Twelve Month Period Ending December 31, 2025

NARUC	Capital Additions	Capital Retirements
301100-Organization-WA	-	-
303000-Land & Land Rights-WA	-	-
304000-Structures & Improvements-WA	32,278,608	(1,184,176)
305200-Collect & Impound Res-WA	9,789,606	(22,264)
306200-Lake, River & Other Intak-WA	25,000	(53)
307200-Wells & Springs-WA	1,883,314	(476,265)
309200-Supply Mains-WA	-	-
310000-Power Generation Equip-WA	1,361,000	(14,009)
311000-Pumping Equipment-WA	2,598,203	(204,536)
320300-Water Treatment Equip-WA	43,385,848	(2,020,236)
330400-Distrib Res & Standpipe-WA	7,191,416	(913,059)
331400-T & D Mains-WA	148,127,752	(7,658,362)
331400-T & D Mains-WA (CAC)	750,000	-
331400-T & D Mains-WA (CIAC)	(750,000)	-
333400-Services-WA	38,747,990	(458,618)
334400-Meters-WA	8,766,573	(1,881,428)
335400-Fire Hydrants-WA	4,230,156	(225,530)
336400-Backflow Prevention-WA	2,000	(166)
339000-Other Plant & Misc Equip-WA	-	-
340500-Office Furn & Equip-WA	17,627,304	(11,364,536)
341500-Transport Equip-WA	1,100,000	(251,068)
342500-Stores Equip-WA	29,800	(46,862)
343500-Tools, Shop & Garage Eq-WA	629,100	(1,064,297)
344500-Laboratory Equip-WA	485,500	(142,154)
345500-Power Operated Equipment-WA	-	-
346500-Communication Equip-WA	4,455,000	(3,168,234)
347500-Misc Equip-WA	100,000	(19,133)
348000-Other Tangible Plant-WA	10,000	-
351100-Organization-WW	-	-
353000-Land & Land Rights-WW	-	-
354000-Structures & Improvements-WW	-	-
355000-Power Gen Equip-WW	-	-
360200-Collection Mains Force-WW	-	-
360200-Collection Mains Force-WW (CAC)	-	-
360200-Collection Mains Force-WW (CIAC)	-	-
361200-Collection Mains Gravity-WW	-	-
361200-Collection Mains Gravity-WW (CIAC)	-	-
363200-Services To Customers-WW	-	-
364200-Flow Measuring Devices-WW	-	-
365200-Flow Measuring Installs-WW	-	-
370300-Receiving Wells-WW	-	-
371000-Pumping Equip-WW	-	-
380000-Treat & Disp Equip-WW	-	-
381000-Plant Sewers-WW	-	-
382400-Outfall Lines-WW	-	-
389000-Other Plant & Misc Equip-WW	-	-
390700-Office Furn & Equip-WW	-	-
391700-Transportation Equip-WW	-	-
393700-Tools, Shop & Garage Eq-WW	-	-
394700-Laboratory Equip-WW	-	-
395700-Power Operated Equip-WW	-	-
396700-Communication Equip-WW	-	-
397700-Misc Equipment-WW	-	-
TOTAL	**322,824,171**	**(31,114,985)**

Estimated Future Test Year Additions and Retirements
For the Twelve Month Period Ending December 31, 2024

NARUC	Capital Additions	Capital Retirements
301100-Organization-WA	-	-
303000-Land & Land Rights-WA	-	-
304000-Structures & Improvements-WA	-	-
305200-Collect & Impound Res-WA	-	-
306200-Lake, River & Other Intak-WA	-	-
307200-Wells & Springs-WA	-	-
309200-Supply Mains-WA	-	-
310000-Power Generation Equip-WA	-	-
311000-Pumping Equipment-WA	-	-
320300-Water Treatment Equip-WA	-	-
330400-Distrib Res & Standpipe-WA	-	-
331400-T & D Mains-WA	-	-
331400-T & D Mains-WA (CAC)	-	-
331400-T & D Mains-WA (CIAC)	-	-
333400-Services-WA	-	-
334400-Meters-WA	-	-
335400-Fire Hydrants-WA	-	-
336400-Backflow Prevention-WA	-	-
339000-Other Plant & Misc Equip-WA	-	-
340500-Office Furn & Equip-WA	-	-
341500-Transport Equip-WA	-	-
342500-Stores Equip-WA	-	-
343500-Tools, Shop & Garage Eq-WA	-	-
344500-Laboratory Equip-WA	-	-
345500-Power Operated Equipment-WA	-	-
346500-Communication Equip-WA	-	-
347500-Misc Equip-WA	-	-
348000-Other Tangible Plant-WA	-	-
351100-Organization-WW	-	-
353000-Land & Land Rights-WW	14,500	-
354000-Structures & Improvements-WW	934,575	(61,207)
355000-Power Gen Equip-WW	475,075	(10,891)
360200-Collection Mains Force-WW	1,817,663	(15,499)
360200-Collection Mains Force-WW (CAC)	-	-
360200-Collection Mains Force-WW (CIAC)	-	-
361200-Collection Mains Gravity-WW	17,941,925	(108,468)
361200-Collection Mains Gravity-WW (CIAC)	(415,208)	-
363200-Services To Customers-WW	676,888	(2,727)
364200-Flow Measuring Devices-WW	51,650	(1,360)
365200-Flow Measuring Installs-WW	-	-
370300-Receiving Wells-WW	-	-
371000-Pumping Equip-WW	1,923,584	(141,045)
380000-Treat & Disp Equip-WW	10,009,428	(288,029)
381000-Plant Sewers-WW	-	-
382400-Outfall Lines-WW	5,000	-
389000-Other Plant & Misc Equip-WW	-	-
390700-Office Furn & Equip-WW	1,634,231	(320,055)
391700-Transportation Equip-WW	214,000	-
393700-Tools, Shop & Garage Eq-WW	118,658	4,449
394700-Laboratory Equip-WW	100,583	1,363
395700-Power Operated Equip-WW	-	-
396700-Communication Equip-WW	587,903	(11,871)
397700-Misc Equipment-WW	756,002	(2,621)
TOTAL	**36,846,456**	**(957,960)**

Estimated Fully-Projected Future Test Year Additions and Retirements
For the Twelve Month Period Ending December 31, 2025

NARUC	Capital Additions	Capital Retirements
301100-Organization-WA	-	-
303000-Land & Land Rights-WA	-	-
304000-Structures & Improvements-WA	-	-
305200-Collect & Impound Res-WA	-	-
306200-Lake, River & Other Intak-WA	-	-
307200-Wells & Springs-WA	-	-
309200-Supply Mains-WA	-	-
310000-Power Generation Equip-WA	-	-
311000-Pumping Equipment-WA	-	-
320300-Water Treatment Equip-WA	-	-
330400-Distrib Res & Standpipe-WA	-	-
331400-T & D Mains-WA	-	-
331400-T & D Mains-WA (CAC)	-	-
331400-T & D Mains-WA (CIAC)	-	-
333400-Services-WA	-	-
334400-Meters-WA	-	-
335400-Fire Hydrants-WA	-	-
336400-Backflow Prevention-WA	-	-
339000-Other Plant & Misc Equip-WA	-	-
340500-Office Furn & Equip-WA	-	-
341500-Transport Equip-WA	-	-
342500-Stores Equip-WA	-	-
343500-Tools, Shop & Garage Eq-WA	-	-
344500-Laboratory Equip-WA	-	-
345500-Power Operated Equipment-WA	-	-
346500-Communication Equip-WA	-	-
347500-Misc Equip-WA	-	-
348000-Other Tangible Plant-WA	-	-
351100-Organization-WW	-	-
353000-Land & Land Rights-WW	-	-
354000-Structures & Improvements-WW	1,517,054	(60,710)
355000-Power Gen Equip-WW	1,385,000	(34,613)
360200-Collection Mains Force-WW	153,000	(2,919)
360200-Collection Mains Force-WW (CAC)	-	-
360200-Collection Mains Force-WW (CIAC)	-	-
361200-Collection Mains Gravity-WW	9,699,104	(59,571)
361200-Collection Mains Gravity-WW (CIAC)	(802,735)	-
363200-Services To Customers-WW	627,900	(2,870)
364200-Flow Measuring Devices-WW	25,900	(522)
365200-Flow Measuring Installs-WW	-	-
370300-Receiving Wells-WW	-	-
371000-Pumping Equip-WW	6,362,979	(223,712)
380000-Treat & Disp Equip-WW	17,395,093	(555,232)
381000-Plant Sewers-WW	-	-
382400-Outfall Lines-WW	-	-
389000-Other Plant & Misc Equip-WW	-	-
390700-Office Furn & Equip-WW	-	(281,848)
391700-Transportation Equip-WW	176,000	-
393700-Tools, Shop & Garage Eq-WW	70,000	-
394700-Laboratory Equip-WW	50,000	-
395700-Power Operated Equip-WW	64,203	(30,695)
396700-Communication Equip-WW	1,038,477	-
397700-Misc Equipment-WW	-	-
TOTAL	**37,761,975**	**(1,252,692)**

Market Overview

For

Aqua America

762 W. Lancaster Avenue

Bryn Mawr, PA

Prepared For:
Rob Wisniewski
Facilities Manager
Aqua America
762 W. Lancaster Avenue
Bryn Mawr, PA 19010

Prepared By:
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Senior Vice President
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Four Tower Bridge, Suite 225
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Conshohocken, PA 19428

October 2021

BINSWANGER

MARKET OVERVIEW –

762 West Lancaster Avenue boasts a prime location in the center of Bryn Mawr along the Main Line submarket of the Philadelphia Western Suburbs. The market is revered by many and lures a diverse tenant base due to its proximity to the homes of business leaders, the vibrancy of a small town feel and a broad spectrum of amenities. The market consists mostly of older commercial buildings, varying in condition and positioned among restaurants, retail stores and strip centers. The Bryn Mawr office market typically enjoys office occupancy rates above 85%, with a current vacancy rate of 9.0%. Annual absorption of space is primarily from within the market with limited activity coming from outside markets. Most buildings are positioned with asking rents net of electric. While there is an array of different companies that make up the tenant base of the Bryn Mawr market, medical office, dental office and administrative offices are the most active tenants today.

COVID-19 has created a great deal of uncertainty in the real estate market in general. Many companies are trying to figure out how their workforce will be working with decisions being made between a total work at home environment, having all employees come back to the office or a hybrid of the two. Due to the heavy reliance on the medical community and its associated offices in the Bryn Mawr area, the Bryn Mawr market remains generally stable with very few large blocks of space available. Many of the leases that have come due recently and are about to come due are renewing, many of them on a short-term basis, to see how the market and market rates move in the near future. Activity lately has been comprised of companies testing the market to leverage their existing landlords.

BUILDING OVERVIEW –

762 West Lancaster Avenue is a landmark location and delivers immediate presence in the downtown Bryn Mawr submarket. With a total size over 130,000 sq. ft. the property is the largest Headquarter building on Route 30. Access to the building is excellent off both Lancaster Avenue (Route 30) and Elliott Avenue and minutes from Rt. 3, I-476 and I-76. Unmatched amenities are within walking distance in every direction and compliment the location of the building. Company identity is highlighted, through on-street monument signage and on flag poles providing rare corporate recognition.

Aggregate Historical Vacancy Report

Summary totals for existing properties

Period	Properties	RBA	SF Vacant			% Vacant			SF Vacant Available			% Vacant Available			Average Rate		
			Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total	Direct	Sublet	Total
Current	33	1,018,127	70,258	21,000	91,258	6.9%	2.1%	9.0%	70,258	21,000	91,258	6.9%	2.1%	9.0%	$34.37/fs	$26.87/fs	$31.76/fs
2021 3Q	33	1,018,127	70,532	21,000	91,532	6.9%	2.1%	9.0%	70,532	21,000	91,532	6.9%	2.1%	9.0%	$34.32/fs	$26.87/fs	$31.74/fs
2021 2Q	33	1,018,127	74,512	21,000	95,512	7.3%	2.1%	9.4%	71,482	21,000	92,482	7.0%	2.1%	9.1%	$34.49/fs	$26.87/fs	$31.82/fs
2021 1Q	33	1,018,127	78,655	21,000	99,655	7.7%	2.1%	9.8%	76,473	21,000	97,473	7.5%	2.1%	9.6%	$34.47/fs	$26.87/fs	$31.83/fs
2020 4Q	33	1,018,127	75,996	21,000	96,996	7.5%	2.1%	9.5%	75,996	21,000	96,996	7.5%	2.1%	9.5%	$33.32/fs	$26.87/fs	$31.17/fs
2020 3Q	33	1,018,127	86,416	21,000	107,416	8.5%	2.1%	10.6%	83,547	21,000	104,547	8.2%	2.1%	10.3%	$32.66/fs	$26.87/fs	$31.04/fs
2020 2Q	32	1,007,827	67,454	21,000	88,454	6.7%	2.1%	8.8%	67,454	21,000	88,454	6.7%	2.1%	8.8%	$32.60/fs	$26.87/fs	$31.12/fs
2020 1Q	32	1,007,827	69,139	21,000	90,139	6.9%	2.1%	8.9%	64,347	21,000	85,347	6.4%	2.1%	8.5%	$32.82/fs	$26.87/fs	$31.37/fs
2019 4Q	32	1,007,827	116,816	21,000	137,816	11.6%	2.1%	13.7%	69,816	21,000	90,816	6.9%	2.1%	9.0%	$32.69/fs	$26.87/fs	$31.30/fs
2019 3Q	32	1,007,827	141,153	0	141,153	14.0%	0.0%	14.0%	73,155	0	73,155	7.3%	0.0%	7.3%	$32.67/fs	-	$32.67/fs
2019 2Q	32	1,007,827	75,410	0	75,410	7.5%	0.0%	7.5%	74,548	0	74,548	7.4%	0.0%	7.4%	$32.85/fs	-	$32.85/fs
2019 1Q	32	1,007,827	92,602	0	92,602	9.2%	0.0%	9.2%	78,551	0	78,551	7.8%	0.0%	7.8%	$32.80/fs	-	$32.80/fs

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Aggregate Vacancy Report

Attachment RTM-3

Properties	Space Type	Vacant		Vacant Available		Total Available		Avg Rate	Leasing Activity		Net Absorption	
		SF	%	SF	%	SF	%		QTD	YTD	QTD	YTD
33 existing properties representing 1,018,127 SF	**Direct**	70,258	6.9%	70,258	6.9%	71,386	7.0%	$34.37/fs	0	7,947	274	5,738
	Sublet	21,000	2.1%	21,000	2.1%	21,000	2.1%	$26.87/fs	0	0	0	0
	Total	91,258	9.0%	91,258	9.0%	92,386	9.1%	$31.76/fs	0	7,947	274	5,738

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Availability and Vacancy Analysis

Grand Totals

	Bldgs	Existing Rentable Bldg Area	Direct SF Vacant	Vacant Rate %	Direct w/ Sublet SF Vacant	Vacant % with Sublet	Total SF Available	Direct SF Available	Sublet SF Available	Max SF Contig	Avg Rate
	33	1,018,127	70,258	6.9%	91,258	9.0%	92,386	71,386	21,000	21,000	$31.76/fs

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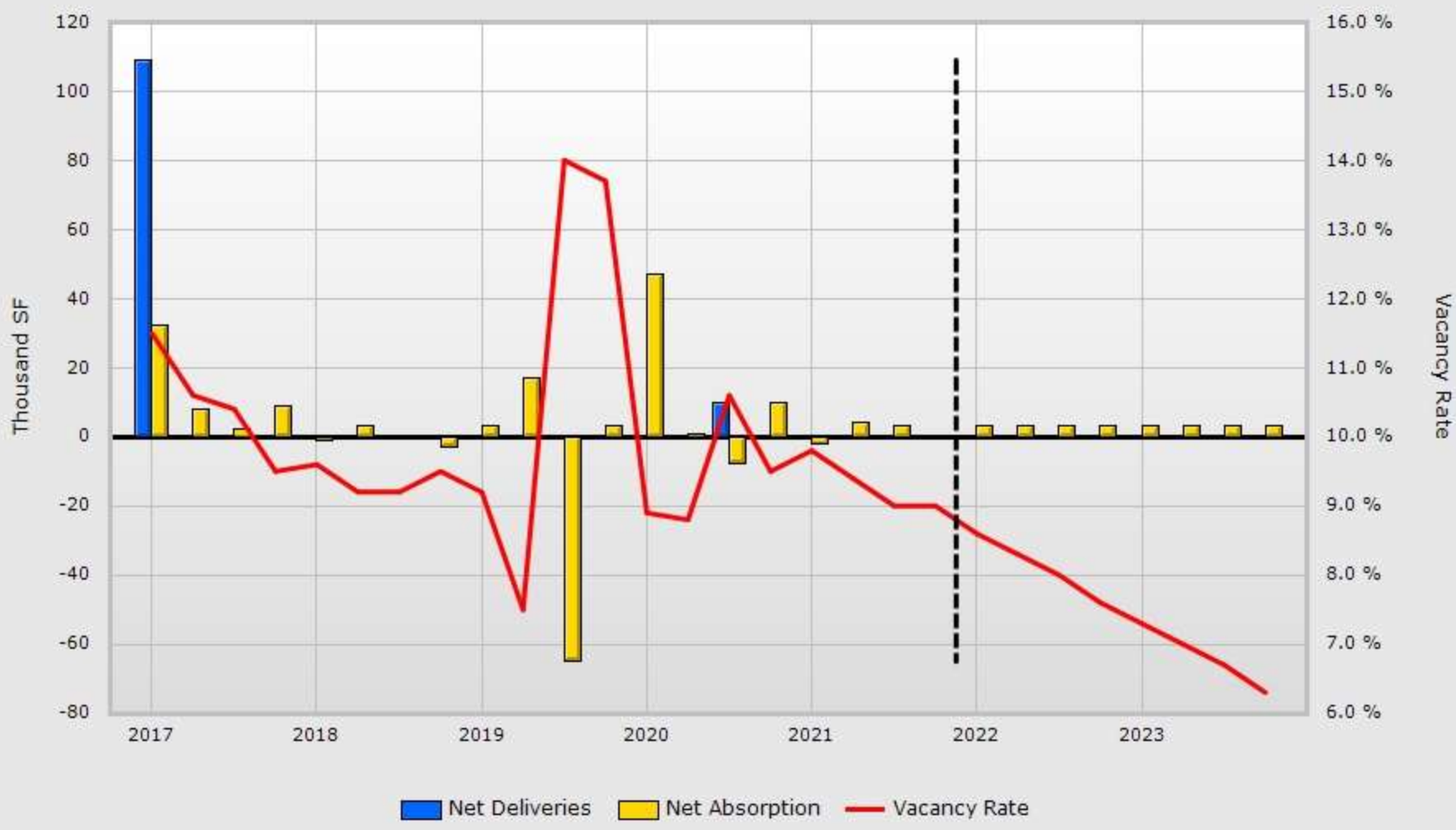
Forecast Report



Delivery Assumption: Known Construction Activity Absorption Assumption: 100% of Previous 5-Year Average

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Forecast Report

Period	# of Deliveries	Rolling 2-yr Average Deliveries (SF)	Future Deliveries (SF)	Demolished (SF)	Net Deliveries (SF)	Rolling 2-yr Net Absorption (SF)	Net Absorption (SF)	RBA	Vacant Space (SF)	Vacancy Rate
2023 Q4	0	0	0	0	0	3,363	3,363	1,018,127	64,354	6.3%
2023 Q3	0	0	0	0	0	2,977	3,363	1,018,127	67,717	6.7%
2023 Q2	0	0	0	0	0	3,054	3,363	1,018,127	71,080	7%
2023 Q1	0	0	0	0	0	3,152	3,363	1,018,127	74,443	7.3%
2022 Q4	0	0	0	0	0	2,399	3,363	1,018,127	77,806	7.6%
2022 Q3	0	0	0	0	0	3,281	3,363	1,018,127	81,169	8%
2022 Q2	0	1,288	0	0	0	1,778	3,363	1,018,127	84,532	8.3%
2022 Q1	0	1,288	0	0	0	1,568	3,363	1,018,127	87,895	8.6%
Current Qtr	0	1,288	0	0	0	7,107	274	1,018,127	91,258	9%
2021 Q3	0	1,288	0	0	0	7,490	3,980	1,018,127	91,532	9%
2021 Q2	0	1,288	0	0	0	-1,225	4,143	1,018,127	95,512	9.4%
2021 Q1	0	1,288	0	0	0	406	-2,659	1,018,127	99,655	9.8%
2020 Q4	0	1,288	0	0	0	1,136	10,420	1,018,127	96,996	9.5%
2020 Q3	1	1,288	10,300	0	10,300	-578	-8,662	1,018,127	107,416	10.6%
2020 Q2	0	0	0	0	0	578	1,685	1,007,827	88,454	8.8%
2020 Q1	0	0	0	0	0	858	47,677	1,007,827	90,139	8.9%
2019 Q4	0	0	0	0	0	-5,241	3,337	1,007,827	137,816	13.7%
2019 Q3	0	0	0	0	0	-4,507	-65,743	1,007,827	141,153	14%
2019 Q2	0	0	0	0	0	3,975	17,192	1,007,827	75,410	7.5%
2019 Q1	0	0	0	0	0	2,922	3,180	1,007,827	92,602	9.2%
2018 Q4	0	13,725	0	0	0	6,555	-3,289	1,007,827	95,782	9.5%
2018 Q3	0	13,725	0	0	0	9,204	587	1,007,827	92,493	9.2%
2018 Q2	0	13,725	0	0	0	11,308	3,921	1,007,827	93,080	9.2%
2018 Q1	0	13,725	0	0	0	9,499	-1,113	1,007,827	97,001	9.6%
2017 Q4	0	13,725	0	0	0	9,166	9,209	1,007,827	95,888	9.5%
2017 Q3	0	13,725	0	0	0	7,959	2,110	1,007,827	105,097	10.4%
2017 Q2	0	13,725	0	0	0	6,646	8,770	1,007,827	107,207	10.6%

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Forecast Report

Period	# of Deliveries	Rolling 2-yr Average Deliveries (SF)	Future Deliveries (SF)	Demolished (SF)	Net Deliveries (SF)	Rolling 2-yr Net Absorption (SF)	Net Absorption (SF)	RBA	Vacant Space (SF)	Vacancy Rate
2017 Q1	1	13,725	109,800	0	109,800	5,550	32,245	1,007,827	115,977	11.5%

Delivery Assumption: Known Construction Activity Absorption Assumption: 100% of Previous 5-Year Average

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Face Rent Analysis Report

	DIRECT SPACES				SUBLET SPACES				TOTAL
	# Spaces	Min	Avg	Max	# Spaces	Min	Avg	Max	Avg
Off/Med									
Negotiable	1	-	-	-	0	-	-	-	-
Triple Net	5	$25.50	$25.50	$25.50	0	-	-	-	$25.50
Office									
Negotiable	9	-	-	-	0	-	-	-	-
Plus All Utilities	3	$25.00	$31.12	$32.00	0	-	-	-	$31.12
Plus Electric	3	$32.00	$33.29	$35.00	2	$25.00	$25.00	$25.00	$27.58
TBD	1	$25.00	$25.00	$25.00	0	-	-	-	$25.00

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AQUA AMERICA - BRYN MAWR COMPETITION

234 Bryn Mawr Ave

Location: Suburban Philadelphia Cluster
Main Line Submarket
Delaware County
Bryn Mawr, PA 19010

Developer: -
Management: -
Recorded Owner: Kristine L Gross

Building Type: Class C Office/Medical
Status: Built 1975, Renov Mar 2022
Stories: 2
RBA: 8,000 SF
Typical Floor: 4,000 SF
Total Avail: 3,150 SF
% Leased: 100%

Expenses: 2021 Tax @ $4.64/sf
Parcel Number: 36-05-02857-00
Parking: 50 free Surface Spaces are available; Ratio of 6.25/1,000 SF

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 1st	2,000	2,000	2,000	Withheld	30 Days	Negotiable	Direct
P 2nd	1,150	1,150	1,150	Withheld	30 Days	Negotiable	Direct

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AQUA AMERICA - BRYN MAWR COMPETITION

135 S Bryn Mawr Ave

Location: Suburban Philadelphia Cluster
Main Line Submarket
Montgomery County
Bryn Mawr, PA 19010

Developer: Healthcare Trust of America
Management: Main Line Hospitals Inc
Recorded Owner: Main Line Hospitals Inc

Expenses: 2021 Tax @ $4.19/sf
Parcel Number: 40-08984003
Amenities: Air Conditioning

Building Type: Class A Office/Medical

Status: Built 2017
Stories: 4
RBA: 109,800 SF
Typical Floor: 27,450 SF

Total Avail: 18,172 SF
% Leased: 83.5%

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 2nd	4,698	4,698	4,698	$25.50/nnn	Vacant	7-10 yrs	New
P 2nd	2,801	2,801	2,801	$25.50/nnn	Vacant	7-10 yrs	Direct
P 2nd	3,315	3,315	3,315	$25.50/nnn	Vacant	7-10 yrs	New
P 3rd	1,174	1,174	1,174	$25.50/nnn	Vacant	7-10 yrs	New
P 3rd	6,184	6,184	6,184	$25.50/nnn	Vacant	7-10 yrs	Direct

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AQUA AMERICA - BRYN MAWR COMPETITION

270 S Bryn Mawr Ave - Jack M. Barrack Hebrew Academy

Location: Jack M. Barrack Hebrew Academy
Suburban Philadelphia Cluster
Main Line Submarket
Delaware County
Bryn Mawr, PA 19010

Developer: -
Management: -
Recorded Owner: The Jewish Federation of Greater Philadelphia

Expenses: 2007 Tax @ $4.34/sf
Parcel Number: 36-05-02858-00, 36-05-02858-01
Parking: 2,500 Surface Spaces are available; Ratio of 10.00/1,000 SF
Amenities: Air Conditioning, Conferencing Facility, Security System

Building Type: Class A Office

Status: Built 1994
Stories: 4
RBA: 68,000 SF
Typical Floor: 22,667 SF

Total Avail: 21,000 SF
% Leased: 100%

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 3rd	5,000 - 10,500	21,000	21,000	$25.00/+elec	Vacant	Negotiable	Sublet
P 3rd / Suite 4th Floor*	5,000 - 10,500	21,000	21,000	$25.00/+elec	Vacant	Negotiable	Sublet

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AQUA AMERICA - BRYN MAWR COMPETITION

100 Chetwynd Dr

Location: Suburban Philadelphia Cluster
Main Line Submarket
Delaware County
Bryn Mawr, PA 19010

Developer: -
Management: -
Recorded Owner: 100 Chetwynd Drive LLC

Building Type: Class B Office
Status: Built 1903
Stories: 2
RBA: 11,421 SF
Typical Floor: 5,710 SF
Total Avail: 726 SF
% Leased: 93.6%

Expenses: 2021 Tax @ $5.28/sf, 2012 Est Tax @ $1.77/sf; 2011 Ops @ $4.10/sf, 2012 Est Ops @ $4.10/sf
Parcel Number: 36-07-04589-00
Parking: 30 Surface Spaces are available; Ratio of 2.63/1,000 SF

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 1st / Suite G1	700 - 726	726	726	$25.00/+util	Vacant	3-5 yrs	Direct

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919 Conestoga Rd - Rosemont Bus Campus 2 - Rosemont Business Campu

Location: Rosemont Bus Campus 2
Suburban Philadelphia Cluster
Main Line Submarket
Delaware County
Bryn Mawr, PA 19010

Developer: -
Management: S.W. Bajus, Ltd.
Recorded Owner: Robuca Associates

Building Type: Class A Office

Status: Built 1986, Renov Aug 2005
Stories: 3
RBA: 27,000 SF
Typical Floor: 9,000 SF

Total Avail: 6,692 SF
% Leased: 79.4%

Expenses: 2021 Tax @ $8.97/sf; 2011 Ops @ $6.00/sf
Parcel Number: 36-07-04404-11
Parking: 125 Surface Spaces are available; Ratio of 4.62/1,000 SF
Amenities: 24 Hour Access, Air Conditioning

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 2nd / Suite 211	669	669	669	Withheld	Vacant	Negotiable	Direct
P 2nd / Suite 212	1,128	1,128	1,128	Withheld	60 Days	Negotiable	Direct
P 3rd / Suite 311	4,895	4,895	4,895	Withheld	Vacant	Negotiable	Direct

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AQUA AMERICA - BRYN MAWR COMPETITION

888 Glenbrook Ave

Location: Suburban Philadelphia Cluster
Main Line Submarket
Delaware County
Bryn Mawr, PA 19010

Developer: -
Management: -
Recorded Owner: Camden Properties Inc

Building Type: Class B Office/Medical
Status: Built 1955, Renov 1990
Stories: 2
RBA: 8,000 SF
Typical Floor: 4,000 SF
Total Avail: 4,000 SF
% Leased: 50.0%

Expenses: 2021 Tax @ $5.19/sf; 2016 Ops @ $10.34/sf
Parcel Number: 36-05-03080-00
Parking: 37 Surface Spaces are available; Ratio of 4.93/1,000 SF
Amenities: Air Conditioning

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 1st	800 - 4,000	4,000	4,000	$30.00/nnn	Vacant	3 yrs	Direct

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931 Haverford Rd - Haverford Plaza

Location:	Haverford Plaza Suburban Philadelphia Cluster Main Line Submarket Delaware County Bryn Mawr, PA 19010
Developer:	-
Management:	Westover Companies
Recorded Owner:	Haverford Road 2019 Llc
Building Type:	Class B Office/Medical
Status:	Built 1973
Stories:	3
RBA:	30,000 SF
Typical Floor:	10,000 SF
Total Avail:	1,447 SF
% Leased:	95.2%
Expenses:	2021 Tax @ $6.02/sf, 2012 Est Tax @ $0.51/sf; 2012 Est Ops @ $3.50/sf
Parcel Number:	22-05-00362-00
Parking:	40 Surface Spaces are available; Ratio of 1.33/1,000 SF
Amenities:	Air Conditioning

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 3rd	1,447	1,447	1,447	Withheld	Vacant	Negotiable	Direct

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940 Haverford Rd - Bryn Mawr Plaza

Location:	Bryn Mawr Plaza Suburban Philadelphia Cluster Main Line Submarket Delaware County Bryn Mawr, PA 19010
Developer:	-
Management:	Westover Companies
Recorded Owner:	Haverford Road 2019 Llc
Expenses:	2021 Tax @ $5.34/sf; 2011 Ops @ $2.80/sf
Parcel Number:	22-05-00403-00
Parking:	45 free Surface Spaces are available; Ratio of 3.85/1,000 SF
Amenities:	Air Conditioning

Building Type:	Class B Office
Status:	Built 1988
Stories:	3
RBA:	30,387 SF
Typical Floor:	10,129 SF
Total Avail:	2,392 SF
% Leased:	92.1%

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P LL	2,392	2,392	2,392	Withheld	Vacant	Negotiable	Direct

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AQUA AMERICA - BRYN MAWR COMPETITION

937 E Haverford Rd

Location: Suburban Philadelphia Cluster
Main Line Submarket
Delaware County
Bryn Mawr, PA 19010

Developer: S.W. Bajus, Ltd.
Management: S.W. Bajus, Ltd.
Recorded Owner: S.W. Bajus, Ltd.

Building Type: Class B Office/Medical
Status: Built 1970, Renov 1996
Stories: 2
RBA: 19,310 SF
Typical Floor: 9,655 SF
Total Avail: 5,586 SF
% Leased: 71.1%

Expenses: 2021 Tax @ $6.04/sf; 2011 Ops @ $6.00/sf
Parcel Number: 22-05-00363-00
Parking: 79 free Surface Spaces are available; Ratio of 4.09/1,000 SF
Amenities: 24 Hour Access

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 1st / Suite 100	1,994	1,994	1,994	Withheld	Vacant	Negotiable	Direct
P 1st / Suite 103	3,592	3,592	3,592	Withheld	Vacant	Negotiable	Direct

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1062 E Lancaster Ave - Rosemont Plaza

Location:	Rosemont Plaza Suburban Philadelphia Cluster Main Line Submarket Delaware County Bryn Mawr, PA 19010
Developer:	-
Management:	-
Recorded Owner:	Rosemont Plaza Associates
Expenses:	2021 Tax @ $5.67/sf
Parcel Number:	36-07-04745-00
Parking:	300 Surface Spaces are available; Ratio of 8.71/1,000 SF

Building Type:	Class B Office/Medical
Status:	Built 1962
Stories:	8
RBA:	111,704 SF
Typical Floor:	13,963 SF
Total Avail:	11,561 SF
% Leased:	89.7%

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P GRND	4,000 - 10,540	10,540	10,540	$25.00/tbd	Vacant	Negotiable	Direct
P 1st / Suite 1	1,021	1,021	1,021	Withheld	Vacant	Negotiable	Direct

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AQUA AMERICA - BRYN MAWR COMPETITION

780 W Lancaster Ave

Location: Suburban Philadelphia Cluster
Main Line Submarket
Montgomery County
Bryn Mawr, PA 19010

Developer: -
Management: -
Recorded Owner: Claudia Pentony Black

Building Type: Class B Office
Status: Built 1974
Stories: 2
RBA: 35,451 SF
Typical Floor: 17,725 SF
Total Avail: 5,019 SF
% Leased: 85.8%

Expenses: 2021 Tax @ $2.66/sf
Parcel Number: 40-00-29800-004
Parking: 48 Covered Spaces are available; 50 free Surface Spaces are available; Ratio of 2.76/1,000 SF
Amenities: Property Manager on Site

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 2nd	3,434	3,434	3,434	$32.00/+util	Vacant	3-5 yrs	Direct
P 2nd	1,585	1,585	1,585	$32.00/+util	Vacant	Negotiable	Direct

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AQUA AMERICA - BRYN MAWR COMPETITION

15-31 Morris Ave - Bryn Mawr Central - Bryn Mawr Mall

Location: Bryn Mawr Central
Suburban Philadelphia Cluster
Main Line Submarket
Montgomery County
Bryn Mawr, PA 19010

Developer: -
Management: The Robbins Companies
Recorded Owner: Telford Ida

Expenses: 2010 Est Tax @ $1.40/sf; 2010 Est Ops @ $5.60/sf
Parcel Number: 40-00-41176-004
Parking: 75 Surface Spaces are available; Ratio of 4.17/1,000 SF
Amenities: Air Conditioning

Building Type: Class B Office/Office Building
Status: Built 1960, Renov 2012
Stories: 2
RBA: 18,000 SF
Typical Floor: 9,000 SF
Total Avail: 4,075 SF
% Leased: 77.4%

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 1st / Suite 25	1,175	1,175	1,175	$35.00/+elec	Vacant	3-5 yrs	Direct
P 2nd / Suite 223	2,900	2,900	2,900	$35.00/+elec	Vacant	Negotiable	Direct

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40 Morris Ave

Location: Suburban Philadelphia Cluster
Main Line Submarket
Montgomery County
Bryn Mawr, PA 19010

Developer: Legg Mason Real Estate Services
Management: Legg Mason Real Estate Services
Recorded Owner: Morris Avenue Associates

Expenses: 2021 Tax @ $3.30/sf
Parcel Number: 40-00-41016-002
Parking: 124 Surface Spaces are available; Ratio of 2.75/1,000 SF
Amenities: Metro/Subway, Signage

Building Type: Class B Office

Status: Built 1960, Renov Feb 2003
Stories: 3
RBA: 45,000 SF
Typical Floor: 15,000 SF

Total Avail: 5,416 SF
% Leased: 88.0%

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 1st	5,416	5,416	5,416	$32.00/+elec	Vacant	Negotiable	Direct

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AQUA AMERICA - BRYN MAWR COMPETITION

733 Old Lancaster Rd

Location: Suburban Philadelphia Cluster
Main Line Submarket
Montgomery County
Bryn Mawr, PA 19010

Building Type: Class B Office/Office/Residential
Status: Built 1930
Stories: 3
RBA: 2,400 SF
Typical Floor: 800 SF
Total Avail: 1,800 SF
% Leased: 25.0%

Developer: -
Management: -
Recorded Owner: Briskin Jonathan A

Expenses: 2021 Tax @ $3.63/sf
Parcel Number: 40-00-44444-003
Parking: 8 Surface Spaces are available; Ratio of 3.33/1,000 SF
Amenities: Air Conditioning, Commuter Rail, Fireplace, Secure Storage, Wi-Fi

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 1st	1,800	1,800	1,800	$24.00/+util	Vacant	1-5 yrs	Direct

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996 E Railroad Ave

Location: Suburban Philadelphia Cluster
Main Line Submarket
Delaware County
Bryn Mawr, PA 19010

Developer: -
Management: -
Recorded Owner: Bmmsba Railroad Llc

Expenses: 2021 Tax @ $2.69/sf
Parcel Number: 22-05-00918-00
Parking: Ratio of 0.00/1,000 SF
Amenities: Air Conditioning, Reception

Building Type: Class B Office/Medical

Status: Built Aug 2020
Stories: 3
RBA: 10,300 SF
Typical Floor: 4,798 SF

Total Avail: 10,300 SF
% Leased: 0%

Floor	SF Avail	Floor Contig	Bldg Contig	Rent/SF/Yr + Svs	Occupancy	Term	Type
P 1st	5,150	5,150	5,150	Withheld	Vacant	Negotiable	Direct
P 2nd	5,150	5,150	5,150	Withheld	Vacant	Negotiable	Direct

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF CHRISTOPHER E. MANNING

Topics Addressed:

Certain Expense Adjustments

DATE SERVED: May 23, 2024 **Statement No. 3**
DATE ADMITTED: _____

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. What is your name and business address?

A. My name is Christopher. E. Manning. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc. as a Finance and Rate Analyst II.

Q. On whose behalf are you providing this direct testimony?

A. I am providing this testimony on behalf of Aqua Pennsylvania, Inc. ("AP") and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua PA," or the "Company").

Q. Have you previously provided testimony before the Pennsylvania Public Utility Commission ("PUC" or the "Commission")?

A. Yes. I provided testimony in Aqua PA's last base rate case proceeding and other customer proceedings.

Q. Please describe your education and business experience.

A. I graduated from Saint Joseph's University in 2018 with a Bachelor of Science degree in Business Administration, with a major in Accounting. Prior to joining Aqua PA, I worked for KPMG, LLP as an associate where I performed financial statement audits. In October of 2019, I joined Aqua PA as a Finance and Rate Analyst I. I was promoted to my current role as Finance and Rates Analyst II in 2023.

Q. What are your duties as a Finance and Rate Analyst?

A. My duties include assisting in the preparation of various financial regulatory filings submitted with the Commission. Those filings include but are not limited to the following: Quarterly Earnings Reports, Distribution System Improvement Charge ("DSIC") filings,

water and wastewater tariff compliance filings, and other regulatory compliance filings upon request of the PUC. My duties also include the preparation of base rate cases and supporting those applications as an accounting witness.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to identify and describe certain operating expense adjustments, including general price level adjustment, inflation factor calculation, cost of serving additional customers, labor, insurance, miscellaneous expense adjustments, specific expenses not subject to inflation, purchased power, chemicals, purchased water, purchased wastewater treatment, and the water production adjustment.

II. OPERATING EXPENSE ADJUSTMENTS

Q. Please explain the General Price Level Adjustment appearing on Schedule C-4.1 of Exhibits 1-A through 1-E.

A. This adjustment reflects the anticipated effect of price increases on operating expenses, like transportation, supplies, outside services, and other small expense categories that were not specifically adjusted for elsewhere in this case. The future test year ending December 31, 2024 ("FTY") adjustment is derived from the total pro forma historic test year ended December 31, 2023 ("HTY") operating expenses, less the amounts specifically adjusted in this filing or not otherwise subject to increases. The remaining amount is then multiplied by the average gross domestic product ("GDP") chained price index forecast from the first quarter of 2024 through the fourth quarter of 2024 to arrive at the increase amount for the twelve months ending December 31, 2024. The fully projected future test year ending December 31, 2025 ("FPFTY") adjustment in the above-referenced Exhibits is derived from the total pro forma FTY operating expenses, less the amounts specifically adjusted in

this filing or not otherwise subject to increases. The remaining amount is then multiplied by the average GDP chained price index forecast from the first quarter of 2025 through the fourth quarter of 2025 to arrive at the increase amount for the twelve months ending December 31, 2025.

Q. Please explain the Inflation Factor appearing on Schedule C-4.1.i of Exhibits 1-A and through 1-E.

A. The Inflation Factor appearing on Schedule C-4.1.i is utilized to calculate the impact of inflation on the Company's expenses in the FTY and FPFTY. The Company utilizes the Blue Chip Economic Indicators to pull the quarterly consumer price index ("CPI") percentage for each forecasted quarter in the FTY and FPFTY. For the FTY, the Company utilizes the forecasted percentage change for each quarter to calculate an annual average and then multiplies that by the expenses subject to inflation. Since the forecast is not available for the quarters in the FPFTY, the Company uses the last available forecasted quarterly percentage change and uses that as the annual rate to multiply inflation eligible expenses. The index data for both adjustments was obtained from the Blue Chip Economic Indicators, dated August 11, 2023. The calculation for the annual rate used to adjust inflation eligible expenses by can be found within Schedule C-4.1.i in Exhibits 1-A through 1-E.

Q. Please explain the adjustment for Cost of Serving Additional Customers appearing on Schedule C-4.3 of Exhibit 1-A.

A. This adjustment recognizes the incremental expense associated with providing service to additional customers. The derivation of the operating ratio between incremental operating expenses and revenue is developed in the lower portion of the schedule. The application

of the operating ratio to the additional revenue from new customers connected during the three years ended December 31, 2025 (exclusive of acquisitions) is shown in the upper portion of the schedule. In Exhibit 1-A, an adjustment of $148,303 is produced from the calculation. This is the additional operating expense that is incurred in conjunction with the $2,538,435 of additional operating revenue from the new water customers connected during the three years ended December 31, 2025.

Q. Please explain the adjustment for Cost of Serving Additional Customers appearing on Schedule C-4.3 of Exhibit 1-C.

A. This adjustment recognizes the incremental expense associated with providing service to additional customers. The derivation of the operating ratio between incremental operating expenses and revenue is developed in the lower portion of the schedule. The application of the operating ratio to the additional revenue from new customers connected during the three years ended December 31, 2025 (exclusive of acquisitions) is shown in the upper portion of the schedule. In Exhibit 1-C, an adjustment of $196,671 is produced from the calculation. This is the additional operating expense that is incurred in conjunction with the $782,764 of additional operating revenue from the new wastewater customers connected during the three years ended December 31, 2025.

Q. Please explain the Company's claim for payroll expense.

A. Aqua PA's labor and labor related expenses are associated with employees that support Aqua PA alone and are solely on Aqua PA's payroll. The Company's claim for payroll expense is developed in Exhibit 2, and is summarized in Schedules C-4.5 of Exhibits 1-A through 1-E. The adjustment reflects known or anticipated changes to the Company's union and non-union employees at the end of the FPFTY. The Company's FTY and

FPFTY claims for payroll expense related to water base service as reflected in Schedule C-4.5 of Exhibit 1-A approximates $36.1 million and $37.9 million, respectively. The Company's FTY and FPFTY claims for payroll expense related to Shenandoah as reflected in Schedule C-4.5 of Exhibit 1-B approximates $0.344 million and $0.351 million, respectively. The Company's claim for payroll expense related to wastewater base service as reflected in Schedule C-4.5 of Exhibit 1-C approximates $3.4 million for the FTY and $3.5 million for the FPFTY. The Company's claim for payroll expense related to Lower Makefield service as reflected in Schedule C-4.5 of Exhibit 1-D approximates $0.157 million for the FTY and $0.161 million for the FPFTY. The Company's claim for payroll expense related to East Whiteland service as reflected in Schedule C-4.5 of Exhibit 1-E approximates $0.165 million for the FTY and $0.170 million for the FPFTY. In calculating those costs, I included the salaries and wages associated with the Company's present complement of authorized positions. In addition, salary and wage levels were adjusted to reflect known or projected changes in compensation as follows.

Exhibits 1-A, 1-B, and 1-C Non-Union Payroll – Employees are granted individual salary increases through an annual performance review. The water base non-union gross payroll, at FTY and FPFTY salary levels, was determined to be $19,742,612 and $21,174,682, respectively. The Shenandoah non-union gross payroll, at FTY and FPFTY salary levels, was determined to be $144,912 and $148,313, respectively. The wastewater base non-union gross payroll, at FTY and FPFTY salary levels, was determined to be $2,392,450 and $2,562,460 respectively. In deriving these claims, I first started with employees' actual labor rates for January 1, 2024 through March 31, 2024 which were established as of April 1, 2023. I then added to those first three months of 2024, the actual

awarded labor rates as of April 1, 2024 for the remaining nine months of 2024 to establish the FTY amount. For the FPFTY, I used the actual labor rates as of April 1, 2024 for the first three months of 2025 and then applied an additional merit pay increase in labor rates for the remainder of 2025. The assumed percentage increases are included in Schedule 4 of Exhibit 2. The Company's labor claims includes the full compensation package for eligible employees including both short-term and long-term incentive compensation. To the extent that an employee's base pay was increased as I described earlier, a commensurate adjustment in the amount of eligible incentive pay would follow accordingly at the same percentage levels.

Exhibit 1-A through 1-E Union Payroll – Aqua PA has seven different unions, each with its own collective bargaining agreements and anniversary dates where changes in hourly rates will become effective. The Water Base gross union payroll, at the FTY and FPFTY levels, was determined to be $34,026,087 and $35,246,945, respectively. The Shenandoah gross union payroll, at the FTY and FPFTY levels, was determined to be $367,400 and $374,176, respectively. The Wastewater Base gross union payroll, at the FTY and FPFTY levels, was determined to be $2,613,648 and $2,685,297, respectively. The Lower Makefield gross union payroll, at the FTY and FPFTY levels, was determined to be $233,456 and $239,661, respectively. The East Whiteland gross union payroll, at the FTY and FPFTY levels, was determined to be $246,332 and $252,916, respectively. The Company's claims were developed by taking the actual pay rates effective in 2023 and applying the increases that are scheduled to take effect in each collective bargaining agreement during the FTY and FPFTY. Further details regarding contractual increase percentages are provided in Exhibit 2 – Payroll.

The gross payroll amounts in Exhibits 1-A through 1-E reflect a reasonable vacancy adjustment that is in line with the Company's actual experience. These amounts are further reduced by capitalized labor and non-operating labor as experienced in the HTY and applied to the FTY and FPFTY to arrive at the total expense labor.

Q. Please explain the adjustment to Insurance Expense on Schedule C-4.6 of Exhibits 1-A through 1-E.

A. Aqua PA holds insurance policies for General Liability, Auto Liability, Workers Compensation, and Miscellaneous Other (Surety Bonds, Property, etc.) forms of coverage. These policies are annually reviewed and analyzed by the Company and its third-party insurance broker and carrier, utilizing a multi-year claims history, to determine the required reserve for each type of insurance. For water operations, the HTY insurance claim was based on actual premiums experienced in 2023. The Company also included actual amounts paid for the FTY claim as noted in Schedule C-4.6 of each of the Exhibits 1-A through 1-E. For the FPFTY claim the Company included an increase in its insurance claim based on discussion with the Company's insurance brokers concerning future projected increases in insurance premiums. The total insurance amounts were adjusted to remove that portion of insurance cost which is not charged to operating expense. For wastewater operations, the same methodology was applied to derive the FTY and FPFTY claims; however, the total wastewater insurance expense was then allocated to each division (Exhibits 1-C through 1-E) based on the number of customers served.

Q. Please explain the miscellaneous adjustments shown in Schedule C-4.9 of Exhibits 1-A.

A. On Line 2 Schedule C-4.9 of Exhibit 1-A there is an adjustment for an insurance reimbursement that occurred during the HTY for expenses related to Hurricane Ida not previously included in the prior rate case. On Lines 3-6 there is a total of $1.43 million related to new recurring operational expenses that did not occur in the HTY, related to granular activate carbon ("GAC") filter change outs, right of way ("ROW") clearing, residual hauling, and other operational expenses as mentioned in Mr. Duerr's testimony.

Schedule C-4.9 also adjusts to remove fines that were not appropriate to leave in the HTY.

Q. Please explain the miscellaneous adjustments shown in Schedule C-4.9 of Exhibits 1-B.

A. The Shenandoah system was acquired on July 24, 2023, the adjustments in Schedule C-4.9 of Exhibit 1-B reflect the annualization of Shenandoah expenses for supplies, transportation and outside services.

Q. Are there also adjustments included in Schedule 4.9 with respect to Exhibits 1-C?

A. Yes, this adjustment will be addressed by Mr. Packer in Statement No.1.

Q. Please explain the Specific Expense Not Subject to Increase shown in Schedule C-4.10 of Exhibits 1-A through 1-E.

A. This schedule lists those expenses that are not separately adjusted for or are otherwise not subject to growth from the general price level adjustment. As I explained earlier, these expenses were eliminated from the operating expenses subject to the general price level adjustment in Schedule C-4.1. There were no expense adjustments in Schedule C-4.10 of Exhibits 1-D and 1-E.

Q. Please explain the adjustment to Purchased Power detailed in Schedule C-6.1 of Exhibits 1-A through 1-E.

A. The Purchased Power Expense in the above-referenced Exhibits consists of two components: (1) Electric (Schedule C-6.1.i), and (2) Gas (Schedule C-6.1.ii).

The electric purchased power expense is projected to increase in the FTY and FPFTY based upon rates contracted through the FPFTY. Current rates are used to determine the electric costs for the HTY. The Company's purchase power expense reflects increases in electric supply contracts through the FTY and FPFTY. The Company has electric supply contracts for various facilities with Philadelphia Electric Company; Pennsylvania Electric Company, Pennsylvania Power Company, Metropolitan Edison Company, Pennsylvania Power & Light Company (collectively "First Energy Pennsylvania Electric Company"); and the Allegheny Power Service Corporation. Non-contracted electric power supply rates were escalated by 0.5% in the FTY and 2.8% in the FPFTY based upon estimates from the U.S. Energy Information Administration ("EIA").

The gas purchased power expense claims for the HTY are based on current rates as shown in Schedule 6.1.ii of Exhibit 1-A, 1-C, and 1-D. The FTY and FPFTY costs were escalated by 4.3% in the FTY and 10.9% in the FPFTY based on EIA estimates.

Q. Please provide some examples that show how Aqua PA implements cost-reduction practices with respect to purchased power.

A. With respect to its water operations, the Company participates in supply, utility and PJM peak and demand response programs where possible to reduce electric costs. Additionally, the Company utilizes solar generated power at its Pickering and Ingrams Mill treatment plants that produce electric savings in the form of reductions in power purchased from

electric suppliers. Both the program-related costs savings and solar power-related usage reductions are shown in Schedule C-6.1.i of Exhibit 1-A.

Q. Please explain the adjustment to Chemicals Expense in Schedule C-6.2 of Exhibits 1-A and through 1-C.

A. The Company utilizes various chemicals in the water and wastewater treatment processes. In order to secure the best available pricing, the Company conducts a competitive bidding process to establish unit price contracts for the chemical requirements at its various treatment plants. The claim for chemical expense in Schedule C-6.2 for Exhibit 1-A was based on the total production gallons for the twelve months ended December 31, 2023, multiplied by the normalized chemical treatment cost per million gallons. The cost per million gallons for the HTY was increased by a normalized average year over year growth rate to arrive at the treatment cost per million gallons for the FTY and FPFTY. The increase in the cost per million gallons accounts for both price increases and increases in chemical feed rates based on treatment needs. The increase in chemical costs in the FTY and FPFTY is primarily driven by the need to feed significantly greater amounts of chemicals, including powder activated carbon ("PAC") and polymer, to address treatment for per- and polyfluoroalkyl substances ("PFAS") at several of the Company's facilities. The U.S. Environmental Protection Agency ("EPA") recently released a maximum contaminant level ("MCL") for PFAS which is driving the increased treatment costs. The chemicals used to treat for PFAS will be incremental over the Company's prior expense levels presented in prior base rate proceedings and were not part of the HTY. Further explanation of the environmental, operational, and engineering need for this increased chemical

treatment is addressed in the Direct Testimonies of Todd M. Duerr (Statement No. 11) and Michael Convery (Statement No. 12).

The claim for chemical expense in Schedule C-6.2 of Exhibit 1-B was based on the Company's chemical cost per million gallons under Aqua PA's ownership of the Shenandoah system. This cost per million gallons was then applied to the normalized annual production amounts at the Shenandoah treatment plant. For the FTY and FPFTY the Company increased the chemical expense in accordance with the same percentage under Schedule C-6.2 of Exhibit 1-A.

The claim for chemical expense in Schedule C-6.2 of Exhibits 1-C was calculated by taking the average chemical expense for the three years ended December 31, 2023 to arrive at the claim for the FTY and FPFTY.

Q. Please explain the adjustment to Purchased Water Expense detailed in Schedule C-7.1 of Exhibit 1-A.

A. The purchased water expense claim was generally derived by taking HTY gallons, and then applying current rates. The Company made adjustments to reflect known and anticipated increases from its water suppliers. The FTY and FPFTY claim includes a rate increase from the Philadelphia Water Department ("PWD") that became effective January 1, 2024 and carries through the FPFTY. In addition, the FPFTY claim reflects that the Company will cease purchasing water from Downingtown Municipal Authority ("DMA") and the Chester Water Authority ("CWA") at Cheyney Road at a point in time during the FTY as shown in Schedule C-7.1.i of Exhibit 1-A. The reduction in the water the Company purchases will result in an increase in the production volumes as I describe later in my

Direct Testimony. The Company will maintain the interconnection at Cheyney Road with CWA for emergency purposes, as needed.

Q. Explain the adjustment to Purchased Wastewater Treatment Expense in Schedule C-7.1 of Exhibits 1-C through 1-E.

A. The purchased wastewater treatment expense claim was generally derived by taking HTY gallons and costs, as applicable, and then applying current rates. Exhibits 1-C through 1-E include various adjustments based on assumptions made for each wastewater system. The FTY and FPFTY claim includes a rate increase from the PWD for wastewater treatment for the Company's Cheltenham system that became effective January 1, 2024 and carries through the FPFTY. In addition, the FTY and FTPY claim includes a rate increase from the Morrisville Municipal Authority for the Company's Lower Makefield system that became effective March 1, 2024 and carries through the FPFTY. Schedule 7.1 in each of Exhibits 1-C through 1-E identifies various assumptions applicable to any adjustments for each wastewater system or indicates that no adjustments are being claimed.

Q. Please explain the Water Production Adjustment in Schedule C-7.2 of Exhibit 1-A.

A. The water production adjustment accounts for the costs that will be incurred as a result of the Company no longer purchasing water from DMA and CWA (at Cheyney Road). The gallons that are no longer being purchased from DMA and CWA (at Cheyney Road) will now be produced by the Company's facilities. The cost associated with the increased gallon production at the Company's facilities is partially offset by the decrease in gallons reflected in the declining residential consumption adjustment from Schedule B-7 of Exhibit 1-A as described in the Direct Testimony of Gregory Herbert (Statement No. 10).

III. OTHER EXPENSES

Q. Please explain the Company's adjustment for payroll taxes.

A. The Company's adjustment to Federal and State payroll taxes appears in Schedule D-2.5 in Exhibit 1-A. The FTY and FPFTY adjustments for both Federal and State payroll taxes is based on the Company's FTY and FPFTY payroll claims. The Federal and State unemployment taxes were calculated using the Company's current tax rates and taxable wage bases.

The pro forma tax amounts were then reduced by the amount not charged to operations. Payroll taxes applicable to Shenandoah and wastewater operations are an allocated portion of total Company taxes and handled as a component of the intracompany allocation of expenses shown in Exhibit 1-A, Schedule C-8.5.

IV. CONCLUSION

Q. Does that conclude your testimony at this time?

A. Yes, it does, but I reserve the right to supplement my testimony as needed during this proceeding.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF MICHAEL S. ERCOLINO

Topics Addressed:

Certain Expense Adjustments

DATE SERVED: May 23, 2024 **Statement No. 4**
DATE ADMITTED: _____

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. What is your name and business address?

A. My name is Michael S. Ercolino. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc. as a Finance and Rate Analyst I.

Q. On whose behalf are you providing this direct testimony?

A. I am providing this testimony on behalf of Aqua Pennsylvania, Inc. ("AP") and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua PA" or the "Company").

Q. Please describe your education and business experience.

A. I graduated from Widener University in 2022 with a Bachelor of Science degree in Business Administration, with a major in accounting. Prior to joining Aqua PA, I worked for Ernst and Young, LLP as an associate where I prepared Corporate Federal/State Tax Returns and performed tax provision/financial statement audits. In September of 2023, I joined Aqua PA at my current role as a Finance and Rate Analyst I.

Q. What are your duties as a Finance and Rate Analyst?

A. My duties include assisting in the preparation of various financial regulatory filings submitted with the Pennsylvania Public Utility Commission ("PUC" or the "Commission"). Those filings include but are not limited to the following: Quarterly Earnings Reports, Distribution System Improvement Charge ("DSIC") filings, water and wastewater tariff compliance filings, and other regulatory compliance filings upon request of the PUC. My duties also include the preparation of base rate cases and supporting those applications as an accounting witness.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to identify and describe certain operating expense adjustments, including rate case expense, audit fees, dredging expense, legal expense, elimination of certain expenses, and the Company's claims for Public Utility Realty Tax Act ("PURTA"), and Pennsylvania property taxes.

II. OPERATING EXPENSE ADJUSTMENTS

Q. Please explain the Company's claim for rate case expense of $2,610,000 presented on Schedule C-4.4 of Exhibit 1-A through 1-E.

A. The adjustments in Schedules C-4.4 reflect the estimated costs of this rate case. 88.67% of the total cost is being allocated to the Water Base and Shenandoah, and 11.33% is being allocated to the Wastewater Base, Lower Makefield, and East Whiteland. The total rate case expense claim is allocated to each respective exhibit based on the ratio of customers served to total customers. The Company proposes to normalize this cost over a twenty-four month period, which is the anticipated interval between this and the Company's next base rate case.

Q. Please explain the Company's claim for audit fees presented on Schedule C-4.11 of Exhibit 1-A through 1-E.

A. The adjustments in Schedule C-4.11 reflect the audit fee amounts included in this rate case. The Company's audit fee cost in the historic test year ("HTY") is $991,557. The audit fee cost for the future test year ("FTY") is $974,884 and the fully projected future test year ("FPFTY") audit fees are $982,475. The estimates for the FTY and FPFTY were provided by the Company's third-party auditors. The total audit fee amounts were adjusted to remove that portion of the audit fees which is not charged to operating expense. The

Company then allocated these audit fees as shown in Schedule C-4.11 of Exhibit 1-A through 1-E.

Q. Please explain the Dredging Expense adjustment shown in Schedule C-7.3 of Exhibit 1-A.

A. The Company sets forth an adjustment to normalize the Dredging Expense with respect to water operations. The Company's request is normalize the total dredging expense of $1,500,000 over three years or to normalize $500,000 annually which is consistent with the treatment of this expense in the Company's last base rate case.

Q. Please explain the adjustment to Legal Expense shown in Schedule C-9.1 of Exhibit 1-A and 1-C.

A. The Company incurs costs for general legal services during the normal course of business to protect and defend the Company's interest in a variety of legal matters. This adjustment normalizes the Company's legal expense claim, exclusive of base rate case expense, to levels that are expected to be realized during the first year rates are in effect and more in line with prior experiences. The three-year average for legal expenses has been utilized to ensure that the Company's legal expenses will be representative of what it can expect to incur in a normal year.

Q. Please explain the adjustment in Schedule C-9.2 of Exhibit 1-A to eliminate National Association of Water Companies ("NAWC") Lobbying Expense.

A. Consistent with past rate cases, the lobbying potion of the annual dues paid to the NAWC has been removed from the Company's operation expense claim. The resulting adjustment reduced pro-forma operating expense by $43,494.

Q. Please explain the adjustment for PURTA in Schedule D-2.3 of Exhibit 1-A.

A. The taxes imposed by PURTA for the FTY and FPFTY are based on the estimated tax liability for 2023. This is the latest statement that the Company has received from the Commonwealth of Pennsylvania.

Q. Please explain the adjustments for Pennsylvania property tax listed in Schedule D-2.4 of Exhibits 1-A and 1-C.

A. The Company's claim for property taxes is its actual HTY property taxes. Historically, the Company has not seen significant amount of volatility in its property tax liability. Should information arise during the course of this proceeding that would justify an adjustment, I will revise the Company's claim accordingly.

III. CONCLUSION

Q. Does that conclude your testimony at this time?

A. Yes, it does, but I reserve the right to supplement my testimony as needed during this proceeding.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3048722 and R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF CONSTANCE E. HEPPENSTALL

Topics Addressed:

Cost of Service Allocation
Customer Rate Design

DATE SERVED: May 23, 2024 **Statement No. 5**
DATE ADMITTED: _____

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.
DOCKET R-2024-3047822 AND R-2024-3047824

DIRECT TESTIMONY OF CONSTANCE E. HEPPENSTALL

Q. Please state your name and address.

A. My name is Constance E. Heppenstall. My business address is 1010 Adams Avenue, Audubon, Pennsylvania.

Q. By whom are you employed?

A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC.

Q. Please describe your position with Gannett Fleming Valuation and Rate Consultants, LLC, and briefly state your general duties and responsibilities.

A. My title is Senior Project Manager, Rate Studies. My duties and responsibilities include the preparation of accounting and financial data for revenue requirement and cash working capital claims, the allocation of cost of service to customer classifications, and the design of customer rates in support of public utility rate filings.

Q. Have you presented testimony in rate proceedings before a regulatory agency?

A. Yes. I have testified before the Pennsylvania Public Utility Commission ("Commission" or "PUC"), the Kentucky Public Service Commission, the Arizona Corporation Commission, the Missouri Public Service Commission, the Virginia State Corporation Commission, the Hawaii Public Utility Commission, the West Virginia Public Service Commission, the New Jersey Board of Public Utilities, the Indiana Utility Regulatory Commission, the Public Utilities Commission of Ohio, the

Nevada Public Utility Commission, and the California Public Utility Commission concerning revenue requirements, cost of service allocation, and rate design. A list of cases in which I have testified is attached to my testimony.

Q. What is your educational background?

A. I have a Bachelor of Arts in Economics from the University of Virginia, Charlottesville, Virginia and a Master of Science in Industrial Administration from the Tepper School of Business at Carnegie-Mellon University, Pittsburgh, Pennsylvania.

Q. Would you please describe your professional affiliations?

A. I am a member of the National Association of Water Companies and the Pennsylvania Municipal Authorities Association.

Q. Briefly describe your work experience.

A. I joined the Valuation and Rate Division of Gannett Fleming, Inc. in August 2006, as a Rate Analyst and was promoted to my current position in 2012. Prior to my employment at Gannett Fleming, Inc., I was a Vice President of PriMuni, LLP where I developed financial analyses to test proprietary software in order to ensure its pricing accuracy in accordance with securities industry's conventions. From 1987 to 2001, I was employed by Commonwealth Securities and Investments, Inc. as a public finance professional where I created and implemented financial models for public finance clients in order to create debt structures to meet clients' needs. From 1986 to 1987, I was a public finance associate with Mellon Capital Markets.

Q. What is the purpose of your testimony in this proceeding?

A. My testimony is in support of the cost of service allocation and rate design studies conducted under my direction and supervision for the combined water and wastewater utility plants of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua AP" or the "Company").

Q. Have you prepared exhibits presenting the results of your studies?

A. Yes. Exhibit No. 5-A, Part I presents the results of the water allocation of the pro forma cost of service as of December 31, 2025, for Water Base Operations and separately for Shenandoah Water Operations. Exhibit No. 5-B, Part I presents the results of the wastewater allocation of the pro forma cost of service as of December 31, 2025, for Wastewater Base Operations and separately for Lower Makefield and East Whiteland Wastewater Operations.

WATER - COST OF SERVICE ALLOCATION STUDIES

Q. Briefly describe the purpose of your cost allocation studies in Exhibit 5-A, Part I.

A. Exhibit 5-A, Part I presents water cost of service studies for the following areas:

Water Base Operations
Shenandoah Operation

The Company is providing cost of service studies, other than the Base Operations, for the additional area as a requirement of the PA PUC order related to acquisition of this area.

The purpose of the studies was to allocate the water cost of service, which is the total revenue requirement, to the several customer classifications. In the studies, the total costs were allocated to the residential, commercial, industrial,

public, other water utilities, private fire protection and public fire protection classifications in accordance with generally-accepted principles and procedures. The cost of service allocation results in indications of the relative cost responsibilities of each class of customers. The allocated cost of service is one of several criteria appropriate for consideration in designing customer rates to produce the required revenues.

Q. Have you prepared an exhibit presenting the results of your studies?

A. Yes. As previously noted, the results of my allocation of the pro forma cost of service as of December 31, 2025, are presented in Exhibit No. 5-A, Part I.

Q. Please describe the method of cost allocation that was used in your study.

A. The base-extra capacity method, as described in the 2017 and prior Water Rates Manuals published by the American Water Works Association ("AWWA"), was used to allocate the pro forma costs. This method is a recognized method for allocating the cost of providing water service to customer classifications in proportion to the classifications' use of the commodity, facilities and services. It is generally accepted as a sound method for allocating the cost of water service and has been used by the Company and accepted by this Commission in the Company's rate cases for over 30 years.

Q. Is the method described in Exhibit No. 5-A, Part I?

A. Yes. It is described on pages 3 and 4 of the exhibit.

Q. Please describe the procedure followed in the cost allocation studies.

A. Each identified classification of cost in the pro forma cost of service was allocated to the customer classifications using appropriate allocation factors. This allocation

is presented in Schedules D and D-S of Exhibit No. 5-A, Part I. The account numbers and associated items of cost, which include operation and maintenance expenses, depreciation expense, taxes and income available for return, are identified in columns 1 and 2 of Schedules D and D-S. The cost of each item, shown in column 4, is allocated to the several customer classifications based on allocation factors referenced in column 3. The development of the allocation factors is presented in Schedules E and E-S of the exhibit.

I will use some of the larger cost items to illustrate the principles and considerations used in the cost allocation methodology. Water purchased for resale, purchased electric power and treatment chemicals are examples of costs that tend to vary with the amount of water consumed and are thus considered base costs. They are allocated to the several customer classifications in direct proportion to the average daily consumption of those classifications using Factor 1. The development of Factor 1 is shown in Schedules E and E-S of Exhibit No. 5-A, Part I.

Other sources of supply, pumping, purification, and transmission costs are associated with meeting usage requirements in excess of the average, generally to meet maximum day requirements. Costs of this nature were allocated to customer classifications partially as base costs, proportional to average daily consumption, partially as maximum day extra capacity costs, in proportion to maximum day extra capacity, and, in the case of certain pumping stations and transmission mains, partially as fire protection costs, through the use of Factors 2 and 3. The development of the allocation factors, referenced as Factors 2 and 3,

is shown in Schedules E and E-S of Exhibit No. 5-A, Part I. Costs associated with distribution mains and storage facilities were allocated partly on the basis of average consumption and partly on the basis of maximum hour extra demand, including the demand for fire protection service, because these facilities are designed to meet maximum hour and fire demand requirements. The development of the factors, referenced as Factors 4 and 5, used for these allocations is shown in Schedules E and E-S of Exhibit No. 5-A, Part I. Fire demand costs were allocated to public and private fire protection service and general service in proportion to the relative potential demands on the system by hydrants, fire services and commercial service lines sized to provide both fire protection and general service, as presented in Schedules G and G-S of Exhibit No. 5-A, Part I.

Costs associated with pumping facilities were allocated on combined bases of maximum day, maximum day including fire and maximum hour extra capacity because these facilities serve these functions. The relative weightings of Factor 2 (maximum day), Factor 3 (maximum day with fire) and Factor 4 (maximum hour) for pumping facilities were based on the functional use of pumps and footage of mains, serving maximum day and maximum hour functions.

Costs associated with meters and services facilities were allocated to customer classifications in proportion to the capital costs of the sizes and quantities of meters and services serving each classification. The development of factors for meters and services, referenced as Factor 7 and Factor 8, is presented in Exhibit No. 5-A, Part I.

Costs for customer accounting, billing and collecting were allocated based on the number of bills for each classification, and costs for meter reading were allocated on the basis of the number of bills rendered to metered customers. The development of these factors, referenced as Factor 9 and Factor 10, is presented in Exhibit No. 5-A, Part I.

Administrative and general costs were allocated based on allocated direct costs excluding those costs such as purchased water, power and chemicals which require little administrative and general expense. The development of factors for this allocation, referenced as Factor 14, is presented in Exhibit No. 5-A, Part I,

Annual depreciation accruals were allocated based on the function of the facilities represented by the depreciation expense for each depreciable plant account. The original cost less accrued depreciation of utility plant in service was similarly allocated for the purpose of developing factors, referenced as Factor 18, for allocating items such as income taxes and return. The development of Factor 18 is presented in Exhibit No. 5-A, Part I.

Q. What was the source of the total cost of service data set forth in column 4 of Schedules D and D-S of Exhibit No. 5-A, Part I?

A. The pro forma costs of service were furnished by the rate department of the Company, and are set forth in Exhibit Nos. 1-A and 1-B.

Q. Refer to Schedules E and E-S of Exhibit No. 5-A, Part I, and explain the source of the system maximum day and maximum hour ratios used in the development of factors referenced as Factors 2, 3, 4 and 5.

A. The ratios were based on a review of experienced Company data set forth on Schedule F of Exhibit No. 5-A, Part I. The maximum day ratio of 1.4 times the average day approximates the ratio of maximum daily send-out experienced by the Company in 1999, 2001, 2010, and 2011, the year in which the most recent maximum day delivery was experienced. The maximum hour ratio of 2.0 times the average hour approximates the peak hour consumption experienced by the Company in 1995, 1997, 2001, 2010, and 2011.

Q. Are the system maximum day and maximum hour ratios the same as the ratios used in the study presented in the Company's prior rate case?

A. Yes, they are.

Q. What factors were considered in estimating the maximum day extra capacity and maximum hour extra capacity demands used for the customer classifications in the development of Factors 2, 3, 4 and 5?

A. The estimated demands were based on judgment that considered field studies of customer class demands conducted for the Company, field observations of the service areas of the Company, field studies of similar service areas in Pennsylvania conducted by my firm, and generally-accepted customer class maximum day and maximum hour demand ratios. The study of customer class demands was initiated in 1991 with the selection and monitoring of Residential customers and neighborhoods. Monitoring continued for these customers with some additional modifications and for customers from other classes. The results of the demand study are presented in the Appendix of Exhibit No. 5-A, Part I. A

discussion of the specific factors considered for each class also is presented in the Appendix.

Q. Are the customer class extra capacity factors the same as those used in the most recent cost of service study for the Company?

A. Yes, they are.

Q. Please describe why the unrecovered portion of public fire protection is allocated to other classes.

A. The study reallocates the unrecovered portion of public fire protection to the residential, commercial, industrial, and public classifications. This was done pursuant to Section 1328 of the Public Utility Code which states that public fire hydrant rates only need to recover 25% of the cost of service and the unrecovered portion should be recovered in the other classes' fixed charges. Effectively, the statute has reassigned the unrecovered costs to other classes, and it is appropriate to reflect that reassignment in the cost of service.

Q. How did you allocate the unrecovered portion of public fire service?

A. Based on the requirement that these costs are to be recovered in fixed charges, I allocated the unrecovered public fire costs using Factor 21, which is based on the meter equivalents of the residential, commercial, industrial, and public classifications.

Q. Have you summarized the results of your cost allocation study?

A. Yes. The results are summarized in columns 1, 2 and 3 of Schedules A and A-S in Exhibit No. 5-A, Part I. Column 2 sets forth the total allocated pro forma cost of service as of December 31, 2025, for each customer classification identified in

column 1. Column 5 presents each customer classification's cost responsibility as a percent of the total cost.

Q. Have you compared these cost responsibilities with the proportionate revenue under existing rates for each customer classification?

A. Yes. A comparison of the allocated cost responsibilities and the percentage revenue under existing rates can be made by comparing columns 6 and 8 of Schedule A and 5 and 7 of Schedule A-S of Exhibit 5-A, Part I. In addition, the Water Base Cost of Service Schedule A-1 shows a comparison of the percentages of revenues under present and proposed without regard to Act 11 contributions.

Q. Does the Water Base cost of service include a cost sharing for the Shenandoah system?

A. Yes, to mitigate the rate increase to Shenandoah customers, a contribution from Water Base revenues is required. The recovery of this revenue was allocated to the individual customer classes based on the Shenandoah cost of service by class less proposed Shenandoah revenues by class.

Q. How was the amount of Act 11 cost to be recovered in water rates determined?

A. The amount of Act 11 recovery was determined by subtracting the proposed level of wastewater revenue after various increases from the pro forma cost of wastewater service for the twelve months ended December 31, 2025 from the revenue requirement for each area. The Act 11 allocation by class is equal to the wastewater cost of service by class less proposed revenues.

WATER RATE DESIGN

Q. Is the proposed rate structure presented in an exhibit?

A. Yes. A comparison of the present and proposed rate schedules is presented in the response to Standard Data Request OR-3 and on Schedule I.

Q. What are the appropriate factors to be considered in the design of the rate structure?

A. In preparing a rate structure, one should consider the allocated costs of service, the impact of radical changes from the present rate structure, the understandability and ease of application of the rate structure, community and social influences, and the value of service, particularly competitive concerns. General guidelines should be developed with management to determine the extent to which each of these criteria is to be incorporated in the rate structure to be designed, inasmuch as the pricing of a commodity or service ultimately should be a function of management.

Q. Did you develop rate design guidelines during discussions with Company management?

A. Yes, I did. The guidelines were: (1) maintain separate rate divisions for those areas with year-round usage and those areas with seasonal usage; (2) maintain a low-use block for the residential class at 2,000 gallons per month in each division, and a sixth block for the industrial classification for usage over 10 million gallons per month; (3) continue movement of those areas with year-round usage toward the Main Division rates; (4) increase existing Main Division private fire service line rates 14% and private hydrant charges by 0%; (5) increase the existing Public Fire Hydrant rate up to the 25% of cost of service level and (6) move the Shenandoah rate structure to the Main Division rate structure. For those rate divisions with a

public fire hydrant rate below $34 per month, propose an increase so that achieving the State-wide rate can be accomplished in two or more rate cases.

Q. Do the proposed rates comply with these guidelines?

A. Yes, they do.

Q. In what manner has the goal of rate equalization been continued for each of the divisions?

A. In general, the proposed customer charges and consumption rates for these Divisions represent a movement toward the Main Division rates by varying degrees.

For Main Division, the 5/8-inch customer charge was set at $23.90 per month. This represents an $1.92 base rate increase (8.7% over present rates of $20.51 including the Distribution System Improvement Charge (DSIC)). Base rates for all other meter sizes were increased by a similar percentage. Consumption charges were increased so that revenues by class move toward cost of service indicators and to recover the total revenue requirement.

Q. Please explain the proposed rates for all of the non-seasonal divisions.

A. The Rate Zone 2 and Belle Aire rate Zone will move to Rate Zone 1 in this case. Beech Mountain, Bristol Township, Concord Park and Treasure Lake division rates will continue to move toward Zone 1 rates.

Two other areas, Bunker Hill and Phoenixville, rates were increased to move toward Zone 1 rates. The Company capped the rate increases for these two areas to 75%.

Shenandoah's rate structure will move to Rate Zone 1 rate structure, eliminating minimums and altering the blocking structure for all classes. Proposed rates were set at rates that would mitigate increases by customer class and acknowledging the large change in rate structure.

Q. Please explain the rate structure for seasonal areas.

A. The Zone 3 Division has a significant number of seasonal customers and will continue to be served under the merged seasonal rate design. The customer charge is increased to $33.90 per month but is offset with a lower first block consumption rate than Main Division for the first 4,000 gallons. The bills for the seasonal rate structure are equalized with Main Division at the 3,870 gallon average per month and greater consumption levels.

Q. Please explain the concerns regarding competing sources of supply for Industrial, Public and Sales to Other Water Utilities customers.

A. To avoid the loss of very large customers from which the Company recovers a significant amount of its fixed costs, competitive service riders were proposed and approved in the Company's 1997 rate proceeding. The competitive service riders DIS (Demand-Based Industrial Service), DRS (Demand-Based Resale Service) and EGS (Electric Generation Service) enable the Company to retain customers who can develop water supplies at average costs per hundred gallons that are less than the Company's tariff rates. These customers, in return for a negotiated rate that is less than the tariff rate, are required to enter into a contract with the Company, purchase a minimum amount of water each month and maintain favorable load factors. The use of such riders retains the recovery of significant

fixed costs from these customers that otherwise would have to be recovered from all other customers.

Q. What are you proposing for the Main Division public fire hydrant rate?

A. The present annual rate of $28.57 per year is less than 25 percent of the annual cost per hydrant. Section 1328 of the Public Utility Code requires that public fire hydrant rates recover no more than 25 percent of the cost of service. The Company is proposing that the Main Division public fire hydrant rate be increased to this level.

Q. What is the annual public fire hydrant cost of service?

A. The annual cost of service for a public fire hydrant is $1,554.40. The public fire cost at 25% of the cost of service is $388.60 or $32.38 per month.

Q. What changes are proposed for the public fire hydrant rates in the other divisions?

A. For those divisions where the existing rate per month is less than the current Main Division rate of $28.57, the Company is increasing these rates so that equity of Public Fire rates can hopefully be achieved in the next rate case.

Q. How were the present metered private fire rates increased under proposed rates?

A. The present Main Division base rates for private fire service lines customers were increased approximately 14%. The Main Division Private Hydrant rates are increase by 0% because they are at their full cost of service. For those divisions where the existing Private Hydrant rate per month is less than the current Main

Division rate of $51.10, the Company is increasing these rates so that equity of these rates can be achieved in the next rate case.

Q. Please describe the development of the rates for the standby tariff.

A. The proposed Industrial Standby Rates and Resale and Electric Generation Standby Rates include service, demand and commodity rates. The service charges are the same as those set forth on the Schedule of Rates for the Main Division proposed in this case.

The demand and commodity rates are based on the results of the cost of service allocation to cost functions found in the Appendix of Exhibit No. 5-A, Part I. The firm standby demand charge includes fixed operating and capital costs in the base and extra capacity functions. The interruptible standby demand charge includes fixed operating costs in the base and extra capacity functions.

The commodity rate associated with deliveries pursuant to firm standby demand includes variable operating costs. The commodity rate associated with deliveries pursuant to interruptible standby demand includes variable operating costs and capital costs in the base and extra capacity functions. The commodity rate for deliveries in excess of the firm and interruptible standby demand is the rate for the first block for the Main Division.

Q. Did you prepare a schedule to show the calculation of the standby rates?

A. Yes. Schedule H of Exhibit No. 5-A, Part I sets forth the calculation of the firm and interruptible standby rates based on the cost of service data submitted in this case.

WASTEWATER – COST OF SERVICE ALLOCATION

Q. Please describe your Exhibit No. 5-B, Part I.

A. Exhibit No. 5-B, Part I presents wastewater cost of service studies for the following areas:

Wastewater Base Operations
Lower Makefield Operations
East Whiteland Operations

The Company is providing cost of service studies, other than the Base Operations, for the additional areas as a requirement of the PA PUC orders related to acquisitions of these areas.

Q. Please describe the overall cost of service allocation methodology for the Company's Wastewater Divisions.

A. The cost of service allocation studies for the Company's Wastewater Operations include the revenue requirements for each of the Company's wastewater operations previously described.

The purpose of the studies is to allocate the total cost of service for each division, which is the total revenue requirement, to the several customer classifications. In the studies, the total costs are allocated to the residential and non-residential customer classifications in accordance with generally accepted cost of service principles and procedures.

Q. Have you prepared an exhibit presenting the results of your studies?

A. Yes. The results of my allocations of the pro forma cost of service as of December 31, 2025, and proposed customer rates to produce the pro forma revenue requirements for each division as of that date are presented in Exhibit No. 5-B, Part I.

Q. Please describe the method of cost allocation that was used in your studies.

A. I used the functional cost allocation methodology described in "Financing and Changes for Wastewater Systems," Manual of Practice No. 27, published by the Water Environment Federation ("Manual of Practice No. 27"). This method allocated the cost of providing wastewater service to customer classifications in proportion to each classifications' use of the service provider's facilities and services. Costs are assigned to cost components using predominant operational purposes as cost-causative factors. The functional cost method is generally accepted as a sound method for allocating the cost of wastewater service.

Q. What procedures did you use to apply the cost allocation methodology for wastewater operations?

A. Each element of the cost of service is allocated to customer classifications according to the functional categories of flow, infiltration and inflow ("I&I"), customer facilities and customer accounting. The functional costs are allocated to customer classifications based on the amount of flow contributed to the system, the amount of I&I allocated to each class, and the number and relative size of customers.

Q. Have you summarized the results of your cost allocation study?

A. Yes. The results are summarized in columns 1, 2, 3 and 4 of Schedules A, A-LM and A-EW for each study in Exhibit 5-B, Part I, Column 2 of each schedule sets forth the total allocated pro forma cost of service for each customer classification identified in column 1. Column 3 presents the total Act 11 revenues for each division proposed to be transferred to the water cost of service study, in Exhibit No. 5-A, Part I –Schedules A, A-LM and A-EW. Column 4 shows the revised total

allocated pro forma cost of service for each customer classification identified in column 1. Column 5 presents each customer classification's cost responsibility as a percent of the total cost. The cost of service by class in column 2 was developed in Schedule B of each study. The factors that allocate the functional costs to customer classes are presented in Schedules C, C-LM and C-EW of each study. The factors that allocate the cost of service to the cost functions are shown in Schedules E, E-LM and E-EW of each study.

Q. Have you compared these cost responsibilities with the proportionate revenue under existing rates for each customer classification?

A. Yes. A comparison of the allocated cost responsibilities and the percentage revenue under existing rates can be made by comparing columns 5 and 7 of each Schedules A, A-LM and A-EW in Exhibit 5-B, Part I. The revenues in column 8 are simply the revenues that would be required to move toward (or approximate) the cost of service in column 4, and the increase or decrease from present revenues is shown in column 10, with the percentage increase or decrease in column 11.

WASTEWATER RATE DESIGN

Q. Is the proposed rate structure presented in an exhibit?

A. Yes, on Schedule F-WW of Exhibit 5-B, Part I.

Q. Did you develop rate design guidelines during discussions with Company management?

A. Yes, I did. The guidelines were: (1) move toward additional consolidation of rates across rate zones; (2) for metered areas, develop a rate structure that includes a

customer charge or EDU charge and a single block usage charge; and (3) for unmetered areas, develop a monthly flat rate to equal 3,870 gallons priced-out at the respective zone rates, and (4) where possible, eliminate an allowance.

Q. Does the proposed rate design comply with these guidelines?

A. Yes. Of the various rate zones, the proposed rates consolidate Rate Zones 1, 1A, 7, 9, 10, and 12. Rate Zones 8 and 11 are consolidated to Rate Zone 2 rates. Rate Zones 3, 4, 5, 6 and 13 remain standalone rate zones. No rate increases are proposed for Rate Zones 2, 3, 4 and 5 as these rates produce an average customer rate that is currently higher than the proposed Main Division Rate Zone 1 rates.

Q. Does this conclude your direct testimony?

A. Yes, it does.

CONSTANCE E. HEPPENSTALL – LIST OF CASES TESTIFIED

	Year	Jurisdiction	Docket No.	Client Utility	Subject
1.	2010	AZ CC	W-01303A-09-0343 and SW-01303A-09-0343	Arizona American Water Company	Rate Consolidation
2.	2010	PA PUC	R-2010-2179103	City of Lancaster – Bureau of Water	Revenue Requirements
3.	2012	PA PUC	R-2012-2311725	Hanover Borough	Cost of Service/Revenue Requirements
4.	2012	PA PUC	R-2012-2310366	City of Lancaster – Sewer Fund	Revenue Requirements
5.	2013	PA PUC	R-2013-2350509	City of DuBois – Bureau of Water	Revenue Requirements
6.	2013	PA PUC	R-2013-2390244	City of Bethlehem – Bureau of Water	Revenue Requirements
7.	2014	PA PUC	R-2014-2418872	City of Lancaster – Bureau of Water	Revenue Requirements
8.	2014	PA PUC	R-2014-2428304	Hanover Borough	Revenue and Revenue Requirements
9.	2015	KY PSC	Case No.2015-000143	Northern Kentucky Water District	Cost of Service
10.	2016	AZ CC	WS-01303A-16-0145	EPCOR Water Arizona, Inc.	Cost of Service/Rate Design
11.	2016	PA PUC	R-2016-2554150	City of DuBois – Bureau of Water	Cost of Service/Revenue Requirements
12.	2017	AZ CC	WS-01303A-17-0257	EPCOR Water Arizona, Inc	Cost of Service/Rate Design
13.	2017	HI PUC	2017-0446	Hana Water Systems, LLC – North	Cost of Service/Rate Design
14.	2017	HI PUC	2017-0447	Hana Water Systems, LLC – South	Cost of Service/Rate Design
15.	2017	MO PSC	WR-2017-0285	Missouri-American Water Company	Cost of Service/Rate Design
16.	2017	MO PSC	SR-2017-0286	Missouri-American Water Company	Cost of Service/Rate Design
17.	2017	VA SCC	PUR-2017-00082	Aqua Virginia, Inc	Cost of Service
18.	2018	IN IRC	50208	Indiana American Water Company	Cost of Service/Demand Study
19.	2018	KY PSC	2018-00208	Water Service Corp of KY	Cost of Service/Rate Design
20.	2018	KY PSC	2018-00291	Northern Kentucky Water District	Cost of Service/Rate Design
21.	2018	KY PSC	2018-0358	Kentucky American Water	Cost of Service/Rate Design
22.	2018	PA PUC	2018-200208	SUEZ Water Pennsylvania	Revenue Requirements
23.	2018	WV PSC	18-0573-W-42t	West Virginia American Water Co.	Cost of Service
24.	2019	PA PUC	R-2019-3006904	Newtown Artesian Water Co.	Revenue Reqmts./Rate Design
25.	2019	PA PUC	R-2019-3010955	City of Lancaster – Sewer Fund	Rev. Reqmts./Cost of Service/Rates
26.	2020	CA PUC	A2101003	San Jose Water Company	Rate Design
27.	2020	PA PUC	R-2020-3017206	Philadelphia Gas Works	Cost of Service

	Year	Jurisdiction	Docket No.	Client Utility	Subject
28.	2020	PA PUC	R-2020-3019369	Pennsylvania American Water Co.	Cost of Service/Rate Design
29.	2020	PA PUC	R-2020-3019371	Pennsylvania American Water Co.	Cost of Service/Rate Design
30.	2020	PA PUC	R-2020-3020256	City of Bethlehem	Rev. Reqmts./Cost of Service/Rates
31.	2020	VA SCC	PUR-2020-00106	Aqua Virginia, Inc.	Cost of Service
32.	2021	NJ BPU	WR21071007	Atlantic City Sewerage Co.	Rev. Reqmts./Cost of Service/Rates
33.	2021	NV PUC	21-12025	Great Basin Water Company	Cost of Service/Rate Design
34.	2021	PA PUC	R-2021-3026116	Hanover Borough	Cost of Service
35.	2021	PA PUC	R-2021-3027385	Aqua Pennsylvania	Cost of Service/Rate Design
36.	2021	PA PUC	R-2021-3027386	Aqua Pennsylvania	Cost of Service/Rate Design
37.	2021	PA PUC	R-2021-3026682	City of Lancaster – Bureau of Water	Cost of Service/Rate Design
38.	2021	PUCO	21-0595-WW-AIR	Aqua Ohio, Inc	Cost of Service
39.	2021	PUCO	21-0596-ST-AIR	Aqua Ohio, Inc	Cost of Service
40.	2022	KY PSC	2022-00161	Northern Kentucky Water District	Cost of Service/Rate Design
41.	2022	PA PUC	R-2021-3030218	UGI Utilities, Inc. – Gas Division	Cost of Service
42.	2022	PA PUC	R-2022-3031704	Borough of Ambler	Rev. Req./Rate Design
43.	2022	PA PUC	R-2022-30316732	Pennsylvania American Water	Cost of Service
44.	2022	PA PUC	R-2022-3031340	York Water Company	Cost of Service/Rate Design
45.	2022	PA PUC	R-2022-3032806	York Water Company	Cost of Service/Rate Design
46.	2022	PUCO	22-1094-WW-AIR	Aqua Ohio Inc.	Cost of Service
47.	2022	PUCO	22-1096-ST-AIR	Aqua Ohio Inc.	Cost of Service
48.	2023	PA PUC		Conneaut Lake Water LLC	Rev. Reqmts/Rates
49.	2023	NJBPU	WR23050292	Middlesex Water Company	Cost of Service/Rate Design
50.	2023	PA PUC	R-2023-3037933	Philadelphia Gas Works	Cost of Service
51.	2023	PA PUC	R-2023-3043189	Pennsylvania American Water Co.	Cost of Service
52.	2023	PA PUC	R-2023-3043190	Pennsylvania American Water Co.	Cost of Service
53.	2024	IL CC	24-0044	Aqua Illinois, Inc	Cost of Service
54.	2024	NJ BPU	WR24010057	Aqua New Jersey, Inc	Cost of Service
55.	2024	PA PUC	R-2024-3045192	Veolia Water Pennsylvania	Cost of Service

56.	2024	PA PUC	R-2023-3045193	Veolia Water Pennsylvania	Cost of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF JOHN J. SPANOS

Topics Addressed:

Depreciation

DATE SERVED: May 23, 2024 **Statement No. 6**
DATE ADMITTED: _____

Statement No. 6

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.

DIRECT TESTIMONY OF JOHN J. SPANOS

Q. Please state your name and address.

A. My name is John J. Spanos. My business address is 207 Senate Avenue, Camp Hill, Pennsylvania 17011.

Q. With what firm are you associated?

A. I am associated with the firm of Gannett Fleming Valuation and Rate Consultants, LLC ("Gannett Fleming").

Q. How long have you been associated with Gannett Fleming?

A. I have been associated with the firm since June 1986.

Q. What is your position in the firm?

A. I am President.

Q. What is your educational background?

A. I have Bachelor of Science degrees in Industrial Management and Mathematics from Carnegie-Mellon University and a Master of Business Administration from York College of Pennsylvania.

Q. Are you a member of any professional societies?

A. Yes. I am a member and past President of the Society of Depreciation Professionals. I am also a member of the American Gas Association/Edison Electric Institute Industry Accounting Committee.

Q. Do you hold any special certification as a depreciation expert?

A. Yes. The Society of Depreciation Professionals has established national standards for depreciation professionals. The Society administers an examination to become certified in this field. I passed the certification exam in September 1997 and was recertified in August 2003, February 2008, January 2013, February 2018 and February 2023.

Q. Please outline your experience in the field of depreciation.

A. I have over 37 years of depreciation experience which includes giving expert testimony in more than 460 cases before 46 regulatory commissions, including the Pennsylvania Public Utility Commission ("Commission"). These cases have included depreciation studies in the electric, gas, water, wastewater and pipeline industries. In addition to cases where I have submitted testimony, I have also supervised over 800 other depreciation or valuation assignments. Please refer to Appendix A for my qualifications statement, which includes further information with respect to my work history, case experience, and leadership in the Society of Depreciation Professionals.

Q. What is the purpose of your testimony?

A. I was asked by Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua PA" or the "Company") to prepare depreciation studies with regards to plant in service as of December 31, 2023 and, as claimed by the Company, as of December 31, 2024 and December 31, 2025 for water and wastewater assets by system.

Q. Have you prepared exhibits presenting the results of your studies?

A. Yes. Exhibit Nos. 6-A, Part 1 through 6-E, Part 1 present the results of each depreciation study as of the historic test year ended December 31, 2023 ("HTY"). Exhibit Nos. 6-A, Part 2 through 6-E, Part 2 present the results of each depreciation study as of the future test year ending December 31, 2024 ("FTY"). Exhibit Nos. 6-A, Part 3 through 6-E, Part 3 present the results of each depreciation study as of the fully projected future test year ending December 31, 2025 ("FPFTY"). In addition, I am responsible for the responses to Depreciation Data Filing Requirements FR VI.1, FR VI.2, FR VI.3, FR VI.4, FR VI.5 and FR VI.6 that are presented as Appendix B to this testimony.

Q. Please describe Exhibit Nos. 6-A through 6-E.

A. Exhibit No. 6-A, Part 1 titled "2023 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2023," includes the results of the depreciation study related to the water assets as of December 31, 2023. The report also includes the detailed depreciation calculations. Exhibit No. 6-A, Part 2, titled "2024 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2024" includes the results of the depreciation study related to the estimated water assets as of December 31, 2024. The report also includes explanatory text, statistics related to the estimation of service life, and the detailed depreciation calculations. Exhibit No. 6-A, Part 3 titled "2025 Depreciation Study – Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2025", includes the results of the depreciation study related to the estimated water assets as of December 31, 2025. The Exhibit Nos. 6-B, Part 1, Part 2 and Part

3 are organized in the same fashion for the Shenandoah Operations. The Exhibit Nos. 6-C, Part 1 through 6-E, Part 3 are organized in the same fashion for the wastewater assets by system. The Exhibit Nos. 6-C represent the Wastewater Base systems; 6-D represents the Lower Makefield Operations; and 6-E represent the East Whiteland Operations.

Q. What was the purpose of your depreciation studies?

A. The purpose of the depreciation studies was to estimate the annual depreciation accruals related to water and wastewater plant in service for ratemaking purposes and, using Commission-approved procedures, to estimate Aqua PA's book reserve as of December 31, 2024 and December 31, 2025.

Q. Is Aqua PA's claim for annual depreciation in the current proceeding based on the same method of depreciation as was used in its most recent water and wastewater rate proceeding in Docket Nos. R-2021-3027385 and R-2021-3027386, respectively?

A. Yes, it is. For most plant accounts, the current claim for annual depreciation is based on the straight line remaining life method of depreciation which has been used for over thirty-five years. For Accounts 340, 341.2, 342, 343, 346, 347 and 348 for water assets and Accounts 390, 392, 393, 394, 396 and 397 for wastewater assets, the claim is based on the straight line remaining life method of amortization. The annual amortization is based on amortization accounting, which distributes the unrecovered cost of fixed capital assets over the remaining amortization period selected for each account.

Q. What group procedure is being used in this proceeding for depreciable accounts?

A. The same group procedures as in the last approved rate proceeding are used for each study. The equal life group procedure is used in the current proceeding for all depreciable accounts and installation years of water and wastewater plant.

Q. Is Aqua PA's claim for accrued depreciation in the current proceeding made on the same basis as has been used for over thirty-five years?

A. Yes. The current claim for accrued depreciation for water assets is the book reserve brought forward from the book reserve approved by the Commission at Docket No. R-850174. Similarly, for wastewater assets, accrued depreciation is brought forward from the previously approved level at the time of acquisition.

Q. How was the book reserve used in the calculation of annual depreciation?

A. The book reserve by account was allocated to vintages to determine original cost less accrued depreciation by vintage. The total annual accrual is the sum of the results of dividing the original costs less accrued depreciation by the vintage composite remaining lives.

Q. How was the book reserve as of December 31, 2024 and December 31, 2025 estimated?

A. The book reserve as of December 31, 2024 and December 31, 2025, by account, was projected by adding estimated accruals, gross salvage and the amortization of net salvage, and subtracting estimated retirements and cost of removal from the book reserve as of December 31, 2023. Annual accruals were calculated based on an average yearly or monthly plant balance. For most accounts, gross salvage and cost of removal were estimated by (1) expressing actual gross

salvage and cost of removal as a percent of retirements by account, for the most recent five-year period, and (2) applying those percents to the projected retirements by account. The projected book reserve by account was allocated to vintages for the purpose of the annual accrual calculation based on calculated accrued depreciation as of December 31, 2024 and December 31, 2025.

Q. Have service life studies of Aqua PA's water and wastewater utility property been performed?

A. Yes. Service life studies were performed during 2020 for the water assets and during 2024 for the wastewater assets. The service life studies were the basis for the service lives I used to calculate annual accruals.

Q. Briefly outline the procedure used in performing the service life studies.

A. The service life studies consisted of assembling and compiling historical data from the records related to the water and wastewater plant of Aqua PA and its predecessors; statistically analyzing such data to obtain historical trends of survivor characteristics; obtaining supplementary information from management and operating personnel concerning Company practices and plans as they relate to plant operations; and interpreting the above data to form judgments of service life characteristics. Iowa type survivor curves were used to describe the estimated survivor characteristics of the mass property groups. Individual service lives were used for major individual units of plant, such as reservoirs and buildings housing treatment plants, pump stations, offices and shops. The life span concept was recognized by coordinating the lives of associated plant installed in subsequent years with the probable retirement date defined by the life estimated for the major unit.

Q. What statistical data were employed in the historical analyses performed for the purpose of estimating service life characteristics?

A. The data consisted of the entries made to record retirements and other transactions related to the water plant during the period 1954-2019 and the wastewater plant during the period 2010-2023. These entries were classified by depreciable group, type of transaction, the year in which the transaction took place, and the year in which the plant was installed. Types of transactions included in the data were plant additions, retirements, transfers, and balances.

Q. What was the source of these data?

A. They were assembled from Company records related to its utility plant in service.

Q. Were the methods used in the service life studies the same as those used in other depreciation studies for water and wastewater plant presented before this Commission?

A. Yes. The methods are the same ones that have been presented previously for Aqua PA and for other water and wastewater companies before the Commission and that have been accepted by the Commission in its past orders concerning water and wastewater utilities.

Q. Are the factors considered in your estimates of service life presented in Exhibit Nos. 6-A, Part 2 through 6-E, Part 2?

A. Yes. A discussion of the factors considered in the estimation of service lives is presented in Part III, Service Life Considerations, of 6-A, Part 2 and 6-B Part 2 for water accounts and in Part III, Service Life Considerations, of Exhibit Nos. 6-C through 6-E, Part 2 for wastewater accounts.

Q. Please outline the contents of Exhibit Nos. 6-A, Part 2 through 6-E, Part 2.

A. Exhibit No. 6-A, Part 2 is presented in eight parts. Part I, Introduction, contains statements with respect to the plan of the report, and the basis of the study. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and the methods used in the service life studies. Part III, Service Life Considerations, presents the factors and judgment utilized in the average service life analysis. Part IV, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part V, Results of Study, presents a summary by depreciable group of annual depreciation accrual rates and amounts. Part VI, Service Life Statistics, presents the statistical analysis of service life estimates. Part VII, Detailed Depreciation Calculations, presents the detailed tabulations of annual depreciation. Part VIII, Experienced and Estimated Net Salvage, presents the cost of removal and gross salvage recorded for the period 2020-2024.

Table 1, pages V-5 through V-8, presents the estimated survivor curve, the original cost as of December 31, 2024, and the book reserve and calculated annual depreciation for each account or subaccount of Water Plant. Table 2, pages V-9 and V-10, presents the bringforward to December 31, 2024, of the book depreciation reserve as of December 31, 2023. Table 3 on page V-11 and V-12 sets forth the calculation of the annual accruals used in the bringforward. Table 4, page V-13, presents the experienced and estimated net salvage during the five-year period, 2020 through 2024.

The section beginning on page VI-2 presents the results of the retirement rate analyses prepared as the historical bases for the service life estimates. The section beginning on page VII-2 presents the depreciation calculations related to original cost. The tabulation on pages VII-3 through VII-8 presents the cumulative depreciated original cost by year installed. The tabulations on pages VII-10 through VII-173 present the calculation of annual depreciation by vintage by account for each depreciable group of water plant. The tabulation on pages VIII-2 through VIII-6 presents the retirements, gross salvage, and cost of removal by account for each year during the period 2020 through 2024. Exhibit No. 6-B, Part 2 is presented in the same fashion for the Shenandoah water plant. Exhibit Nos. 6-C, 6-D and 6-E, Part 2 are presented in the same fashion for wastewater plant.

Q. Please outline the contents in Exhibit Nos. 6-A, Part 3 through 6-E, Part 3.

A. Exhibit No. 6-A, Part 3 includes a description of the results, summaries of the depreciation calculations, and the detailed depreciation calculations as of December 31, 2025. The descriptions and explanations presented in Exhibit No. 6-A, Part 2 are also applicable to the depreciation calculations presented in Exhibit No. 6-A, Part 3. The graphs and tables related to service lives presented in Exhibit No. 6-A, Part 2 also support the service life estimates used in Exhibit No. 6-A, Part 3 inasmuch as the estimates are the same for both test years. The summary tables and detailed depreciation calculations as of December 31, 2025, are organized and presented in the same manner as those as of December 31, 2024. Exhibit Nos. 6-B, Part 3 is presented in the same fashion for the

Shenandoah water plant. Exhibit Nos. 6-C, 6-D and 6-E, Part 3 are presented in the same fashion for wastewater plant.

Q. Please outline the contents of Exhibit Nos. 6-A, Part I through 6-E, Part 1.

A. Exhibit No. 6-A, Part 1 includes a description of the results, summaries of the depreciation calculations, and the detailed depreciation calculations as of December 31, 2023. The descriptions and explanations presented in Exhibit No. 6-A, Part 2 are also applicable to the depreciation calculations presented in Exhibit No. 6-A, Part 1. The graphs and tables related to service lives presented in Exhibit No. 6-A, Part 2 also support the service life estimates used in Exhibit No. 6-A, Part 1, inasmuch as the estimates are the same for both test years. The summary tables and detailed depreciation calculations as of December 31, 2023, are organized and presented in the same manner as those as of December 31, 2024. Exhibit No. 6-B, Part 1 is presented in the same fashion for Shenandoah water plant. Exhibit Nos. 6-C, 6-D and 6-E, Part 1 are presented in the same fashion for wastewater plant.

Q. Please use an example to illustrate the manner in which the study is presented in Exhibit Nos. 6-A, Part 1 through 6-E, Part 3.

A. I will use Account 331.03, Mains and Accessories – 12 Inch and Over, as my example, inasmuch as it is one of the largest depreciable group of water assets and represents approximately 13 percent of the original cost of depreciable water utility plant as of December 31, 2024, the FTY.

The retirement rate method was used to analyze the survivor characteristics of this group. The life tables for the 1954-2019, 1985-2019 and 2000-2019

experience bands are presented on pages VI-123 through VI-134 of Exhibit No. 6-A, Part 2. The life tables, or original survivor curves, are plotted along with the estimated smooth survivor curve, the 95-S3, on page VI-122.

The calculation of the annual depreciation related to the original cost of water plant as of December 31, 2023 is presented on pages II-101 through II-104 of Exhibit No. 6-A, Part 1. The calculation is based on the 95-S3 survivor curve, the attained age, and the allocated book reserve. The calculation as of December 31, 2024 is presented on pages VII-101 through VII-104 of Exhibit No. 6-A, Part 2 and is based in part on the bringforward of the book reserve. The calculation as of December 31, 2025 is presented on pages II-102 through II-104 of Exhibit No. 6-A, Part 3 and is based in part on the bringforward of the book reserve. The tabulations in Exhibits 6-A, Part 1 through 3 set forth the installation year, the original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual. The totals are brought forward to Table 1 on page I-4 in Exhibit No. 6-A, Part 1 on page V-6 in Exhibit No. 6-A, Part 2, and page I-6 in Exhibit No. 6-A, Part 3. The same process is conducted for the Shenandoah water system and each wastewater system.

Q. In what manner is net salvage incorporated in the depreciation calculations?

A. As stated on page IV-7 of Exhibit No. 6-A, Part 2, no adjustment for net salvage was made to the calculated annual depreciation amounts. The total calculated annual depreciation set forth on page I-6 of Exhibit No. 6-A, Part 1, on page V-8 of Exhibit No. 6-A, Part 2 and on page I-6 of Exhibit No. 6-A, Part 3 reflects an

addition for the amortization of negative net salvage in accordance with the practice of this Commission. The amortization is based on experience during the period 2019 through 2023 for the calculation as of December 31, 2023, on experience during the period 2020 through December 31, 2023, plus estimates for the year 2024 for the calculation as of December 31, 2024, and on experience during the period 2021 through December 31, 2023, plus estimates for the years 2024 and 2025 for the calculation as of December 31, 2025. The detail by plant account of regular retirements, gross salvage, and cost of removal for each year is presented on pages III-2 through III-6 of Exhibit No. 6-A, Part 1 and on pages VIII-2 through VIII-6 of Exhibit No. 6-A, Part 2 and on pages III-2 through III-6 of Exhibit No. 6-A, Part 3. The totals are brought forward to Table 2 on page I-7 of Exhibit No. 6-A, Part 1, to Table 4 on page V-13 of Exhibit No. 6-A, Part 2 and to Table 4 on page I-11 of Exhibit No. 6-A, Part 3 in which the amounts of the five-year amortizations are calculated. The same calculations are presented in the Shenandoah water and wastewater studies.

Q. Does this complete your testimony at this time?

A. Yes, it does.

Appendix A

JOHN SPANOS

DEPRECIATION EXPERIENCE

Q. Please state your name.

A. My name is John J. Spanos.

Q. What is your educational background?

A. I have Bachelor of Science degrees in Industrial Management and Mathematics from Carnegie-Mellon University and a Master of Business Administration from York College.

Q. Do you belong to any professional societies?

A. Yes. I am a member and past President of the Society of Depreciation Professionals and a member of the American Gas Association/Edison Electric Institute Industry Accounting Committee.

Q. Do you hold any special certification as a depreciation expert?

A. Yes. The Society of Depreciation Professionals has established national standards for depreciation professionals. The Society administers an examination to become certified in this field. I passed the certification exam in September 1997 and was recertified in August 2003, February 2008, January 2013, February 2018 and February 2023.

Q. Please outline your experience in the field of depreciation.

A. In June 1986, I was employed by Gannett Fleming Valuation and Rate Consultants, Inc. as a Depreciation Analyst. During the period from June 1986 through December 1995, I helped prepare numerous depreciation and original cost studies for utility companies in various industries. I helped perform depreciation studies for the following telephone companies: United Telephone of Pennsylvania, United Telephone of New Jersey, and Anchorage Telephone Utility. I helped perform depreciation studies for the following companies in

the railroad industry: Union Pacific Railroad, Burlington Northern Railroad, and Wisconsin Central Transportation Corporation.

I helped perform depreciation studies for the following organizations in the electric utility industry: Chugach Electric Association, The Cincinnati Gas and Electric Company (CG&E), The Union Light, Heat and Power Company (ULH&P), Northwest Territories Power Corporation, and the City of Calgary - Electric System.

I helped perform depreciation studies for the following pipeline companies: TransCanada Pipelines Limited, Trans Mountain Pipe Line Company Ltd., Interprovincial Pipe Line Inc., Nova Gas Transmission Limited and Lakehead Pipeline Company.

I helped perform depreciation studies for the following gas utility companies: Columbia Gas of Pennsylvania, Columbia Gas of Maryland, The Peoples Natural Gas Company, T. W. Phillips Gas & Oil Company, CG&E, ULH&P, Lawrenceburg Gas Company and Penn Fuel Gas, Inc.

I helped perform depreciation studies for the following water utility companies: Indiana-American Water Company, Consumers Pennsylvania Water Company and The York Water Company; and depreciation and original cost studies for Philadelphia Suburban Water Company and Pennsylvania-American Water Company.

In each of the above studies, I assembled and analyzed historical and simulated data, performed field reviews, developed preliminary estimates of service life and net salvage, calculated annual depreciation, and prepared reports for submission to state public utility commissions or federal regulatory agencies. I performed these studies under the general direction of William M. Stout, P.E.

In January 1996, I was assigned to the position of Supervisor of Depreciation Studies. In July 1999, I was promoted to the position of Manager, Depreciation and

Valuation Studies. In December 2000, I was promoted to the position as Vice-President of Gannett Fleming Valuation and Rate Consultants, Inc., in April 2012, I was promoted to the position as Senior Vice President of the Valuation and Rate Division of Gannett Fleming Inc. (now doing business as Gannett Fleming Valuation and Rate Consultants, LLC) and in January of 2019, I was promoted to my present position of President of Gannett Fleming Valuation and Rate Consultants, LLC. In my current position I am responsible for conducting all depreciation, valuation and original cost studies, including the preparation of final exhibits and responses to data requests for submission to the appropriate regulatory bodies.

Since January 1996, I have conducted depreciation studies similar to those previously listed including assignments for Pennsylvania-American Water Company; Aqua Pennsylvania; Kentucky-American Water Company; Virginia-American Water Company; Indiana-American Water Company; Iowa-American Water Company; New Jersey-American Water Company; Hampton Water Works Company; Omaha Public Power District; Enbridge Pipe Line Company; Inc.; Columbia Gas of Virginia, Inc.; Virginia Natural Gas Company National Fuel Gas Distribution Corporation - New York and Pennsylvania Divisions; The City of Bethlehem - Bureau of Water; The City of Coatesville Authority; The City of Lancaster - Bureau of Water; Peoples Energy Corporation; The York Water Company; Public Service Company of Colorado; Enbridge Pipelines; Enbridge Gas Distribution, Inc.; Reliant Energy-HLP; Massachusetts-American Water Company; St. Louis County Water Company; Missouri-American Water Company; Chugach Electric Association; Alliant Energy; Oklahoma Gas & Electric Company; Nevada Power Company; Dominion Virginia Power; NUI-Virginia Gas Companies; Pacific Gas & Electric Company; PSI Energy; NUI - Elizabethtown Gas Company; Cinergy Corporation – CG&E; Cinergy

Corporation – ULH&P; Columbia Gas of Kentucky; South Carolina Electric & Gas Company; Idaho Power Company; El Paso Electric Company; Aqua North Carolina; Aqua Ohio; Aqua Texas, Inc.; Aqua Illinois, Inc.; Ameren Missouri; Central Hudson Gas & Electric; Centennial Pipeline Company; CenterPoint Energy-Arkansas; CenterPoint Energy – Oklahoma; CenterPoint Energy – Entex; CenterPoint Energy - Louisiana; NSTAR – Boston Edison Company; Westar Energy, Inc.; United Water Pennsylvania; PPL Electric Utilities; PPL Gas Utilities; Wisconsin Power & Light Company; TransAlaska Pipeline; Avista Corporation; Northwest Natural Gas; Allegheny Energy Supply, Inc.; Public Service Company of North Carolina; South Jersey Gas Company; Duquesne Light Company; MidAmerican Energy Company; Laclede Gas; Duke Energy Company; E.ON U.S. Services Inc.; Elkton Gas Services; Anchorage Water and Wastewater Utility; Kansas City Power and Light; Duke Energy North Carolina; Duke Energy South Carolina; Monongahela Power Company; Potomac Edison Company; Duke Energy Ohio Gas; Duke Energy Kentucky; Duke Energy Indiana; Duke Energy Progress; Northern Indiana Public Service Company; Tennessee- American Water Company; Columbia Gas of Maryland; Maryland-American Water Company; Bonneville Power Administration; NSTAR Electric and Gas Company; EPCOR Distribution, Inc.; B. C. Gas Utility, Ltd; Entergy Arkansas; Entergy Texas; Entergy Mississippi; Entergy Louisiana; Entergy Gulf States Louisiana; the Borough of Hanover; Louisville Gas and Electric Company; Kentucky Utilities Company; Madison Gas and Electric; Central Maine Power; PEPCO; PacifiCorp; Minnesota Energy Resource Group; Jersey Central Power & Light Company; Cheyenne Light, Fuel and Power Company; United Water Arkansas; Central Vermont Public Service Corporation; Green Mountain Power; Portland General Electric Company; Atlantic City Electric; Nicor Gas Company; Black Hills Power; Black Hills Colorado Gas; Black Hills Energy Arkansas, Inc.; Black Hills Kansas

Gas; Black Hills Service Company; Black Hills Utility Holdings; Public Service Company of Oklahoma; City of Dubois; Peoples Gas Light and Coke Company; North Shore Gas Company; Connecticut Light and Power; New York State Electric and Gas Corporation; Rochester Gas and Electric Corporation; Greater Missouri Operations; Tennessee Valley Authority; Omaha Public Power District; Indianapolis Power & Light Company; Vermont Gas Systems, Inc.; Metropolitan Edison; Pennsylvania Electric; West Penn Power; Pennsylvania Power; PHI Service Company - Delmarva Power and Light; Atmos Energy Corporation; Citizens Energy Group; PSE&G Company; Berkshire Gas Company; Alabama Gas Corporation; Mid-Atlantic Interstate Transmission, LLC; SUEZ Water; WEC Energy Group; Rocky Mountain Natural Gas, LLC; Illinois-American Water Company; Northern Illinois Gas Company; Public Service of New Hampshire; FirstEnergy Service Corporation; Northeast Ohio Natural Gas Corporation; Blue Granite Water Company; Spire Missouri, Inc.; Dominion Energy South Carolina, Inc.; South FirstEnergy Operating Companies; Dayton Power and Light Company; Liberty Utilities; East Kentucky Power Cooperative; Bangor Natural Gas; Hanover Borough Municipal Water Works; West Virginia American Water Company; Evergy Metro; Evergy Missouri West; Granite State Electric; Bluegrass Water; The Borough of Ambler; Newtown Artesian Water Company and Connecticut Water Company.

My additional duties include determining final life and salvage estimates, conducting field reviews, presenting recommended depreciation rates to management for its consideration and supporting such rates before regulatory bodies.

Q. Have you submitted testimony to any state utility commission on the subject of utility plant depreciation?

A. Yes. I have submitted testimony to the Pennsylvania Public Utility Commission; the

Commonwealth of Kentucky Public Service Commission; the Public Utilities Commission of Ohio; the Nevada Public Utility Commission; the Public Utilities Board of New Jersey; the Missouri Public Service Commission; the Massachusetts Department of Telecommunications and Energy; the Alberta Energy & Utility Board; the Idaho Public Utility Commission; the Louisiana Public Service Commission; the State Corporation Commission of Kansas; the Oklahoma Corporate Commission; the Public Service Commission of South Carolina; Railroad Commission of Texas – Gas Services Division; the New York Public Service Commission; Illinois Commerce Commission; the Indiana Utility Regulatory Commission; the California Public Utilities Commission; the Federal Energy Regulatory Commission ("FERC"); the Arkansas Public Service Commission; the Public Utility Commission of Texas; Maryland Public Service Commission; Washington Utilities and Transportation Commission; The Tennessee Regulatory Commission; the Regulatory Commission of Alaska; Minnesota Public Utility Commission; Utah Public Service Commission; District of Columbia Public Service Commission; the Mississippi Public Service Commission; Delaware Public Service Commission; Virginia State Corporation Commission; Colorado Public Utility Commission; Oregon Public Utility Commission; South Dakota Public Utilities Commission; Wisconsin Public Service Commission; Wyoming Public Service Commission; the Public Service Commission of West Virginia; Maine Public Utility Commission; Iowa Utility Board; Connecticut Public Utilities Regulatory Authority; New Mexico Public Regulation Commission; Commonwealth of Massachusetts Department of Public Utilities; Rhode Island Public Utilities Commission and the North Carolina Utilities Commission.

Q. Have you had any additional education relating to utility plant depreciation?

A. Yes. I have completed the following courses conducted by Depreciation Programs, Inc.:

"Techniques of Life Analysis," "Techniques of Salvage and Depreciation Analysis," "Forecasting Life and Salvage," "Modeling and Life Analysis Using Simulation," and "Managing a Depreciation Study." I have also completed the "Introduction to Public Utility Accounting" program conducted by the American Gas Association.

Q. Does this conclude your qualification statement?

A. Yes.

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY

	Year	Jurisdiction	Docket No.	Client Utility	Subject
01.	1998	PA PUC	R-00984375	City of Bethlehem – Bureau of Water	Original Cost and Depreciation
02.	1998	PA PUC	R-00984567	City of Lancaster	Original Cost and Depreciation
03.	1999	PA PUC	R-00994605	The York Water Company	Depreciation
04.	2000	D.T.&E.	DTE 00-105	Massachusetts-American Water Company	Depreciation
05.	2001	PA PUC	R-00016114	City of Lancaster	Original Cost and Depreciation
06.	2001	PA PUC	R-00017236	The York Water Company	Depreciation
07.	2001	PA PUC	R-00016339	Pennsylvania-American Water Company	Depreciation
08.	2001	OH PUC	01-1228-GA-AIR	Cinergy Corp – Cincinnati Gas & Elect Company	Depreciation
09.	2001	KY PSC	2001-092	Cinergy Corp – Union Light, Heat & Power Co.	Depreciation
10.	2002	PA PUC	R-00016750	Philadelphia Suburban Water Company	Depreciation
11.	2002	KY PSC	2002-00145	Columbia Gas of Kentucky	Depreciation
12.	2002	NJ BPU	GF02040245	NUI Corporation/Elizabethtown Gas Company	Depreciation
13.	2002	ID PUC	IPC-E-03-7	Idaho Power Company	Depreciation
14.	2003	PA PUC	R-0027975	The York Water Company	Depreciation
15.	2003	IN URC	R-0027975	Cinergy Corp – PSI Energy, Inc.	Depreciation
16.	2003	PA PUC	R-00038304	Pennsylvania-American Water Company	Depreciation
17.	2003	MO PSC	WR-2003-0500	Missouri-American Water Company	Depreciation
18.	2003	FERC	ER03-1274-000	NSTAR-Boston Edison Company	Depreciation
19.	2003	NJ BPU	BPU 03080683	South Jersey Gas Company	Depreciation
20.	2003	NV PUC	03-10001	Nevada Power Company	Depreciation
21.	2003	LA PSC	U-27676	CenterPoint Energy – Arkla	Depreciation
22.	2003	PA PUC	R-00038805	Pennsylvania Suburban Water Company	Depreciation
23.	2004	AB En/Util Bd	1306821	EPCOR Distribution, Inc.	Depreciation
24.	2004	PA PUC	R-00038168	National Fuel Gas Distribution Corp (PA)	Depreciation
25.	2004	PA PUC	R-00049255	PPL Electric Utilities	Depreciation
26.	2004	PA PUC	R-00049165	The York Water Company	Depreciation
27.	2004	OK Corp Cm	PUC 200400187	CenterPoint Energy – Arkla	Depreciation
28.	2004	OH PUC	04-680-El-AIR	Cinergy Corp. – Cincinnati Gas and Electric Company	Depreciation
29.	2004	RR Com of TX	GUD#	CenterPoint Energy – Entex Gas Services Div.	Depreciation
30.	2004	NY PUC	04-G-1047	National Fuel Gas Distribution Gas (NY)	Depreciation
31.	2004	AR PSC	04-121-U	CenterPoint Energy – Arkla	Depreciation
32.	2005	IL CC	05-ICC-06	North Shore Gas Company	Depreciation
33.	2005	IL CC	05-ICC-06	Peoples Gas Light and Coke Company	Depreciation
34.	2005	KY PSC	2005-00042	Union Light Heat & Power	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
35.	2005	IL CC	05-0308	MidAmerican Energy Company	Depreciation
36.	2005	MO PSC	GF-2005	Laclede Gas Company	Depreciation
37.	2005	KS CC	05-WSEE-981-RTS	Westar Energy	Depreciation
38.	2005	RR Com of TX	GUD #	CenterPoint Energy – Entex Gas Services Div.	Depreciation
39.	2005	US District Court	Cause No. 1:99-CV-1693-LJM/VSS	Cinergy Corporation	Accounting
40.	2005	OK CC	PUD 200500151	Oklahoma Gas and Electric Company	Depreciation
41.	2005	MA Dept Tele-com & Ergy	DTE 05-85	NSTAR	Depreciation
42.	2005	NY PUC	05-E-934/05-G-0935	Central Hudson Gas & Electric Company	Depreciation
43.	2005	AK Reg Com	U-04-102	Chugach Electric Association	Depreciation
44.	2005	CA PUC	A05-12-002	Pacific Gas & Electric	Depreciation
45.	2006	PA PUC	R-00051030	Aqua Pennsylvania, Inc.	Depreciation
46.	2006	PA PUC	R-00051178	T.W. Phillips Gas and Oil Company	Depreciation
47.	2006	NC Util Cm.	G-5, Sub522	Pub. Service Company of North Carolina	Depreciation
48.	2006	PA PUC	R-00051167	City of Lancaster	Depreciation
49.	2006	PA PUC	R00061346	Duquesne Light Company	Depreciation
50.	2006	PA PUC	R-00061322	The York Water Company	Depreciation
51.	2006	PA PUC	R-00051298	PPL GAS Utilities	Depreciation
52.	2006	PUC of TX	32093	CenterPoint Energy – Houston Electric	Depreciation
53.	2006	KY PSC	2006-00172	Duke Energy Kentucky	Depreciation
54.	2006	SC PSC		SCANA	Accounting
55.	2006	AK Reg Com	U-06-6	Municipal Light and Power	Depreciation
56.	2006	DE PSC	06-284	Delmarva Power and Light	Depreciation
57.	2006	IN URC	IURC43081	Indiana American Water Company	Depreciation
58.	2006	AK Reg Com	U-06-134	Chugach Electric Association	Depreciation
59.	2006	MO PSC	WR-2007-0216	Missouri American Water Company	Depreciation
60.	2006	FERC	IS05-82-002, et al	TransAlaska Pipeline	Depreciation
61.	2006	PA PUC	R-00061493	National Fuel Gas Distribution Corp. (PA)	Depreciation
62.	2007	NC Util Com.	E-7 SUB 828	Duke Energy Carolinas, LLC	Depreciation
63.	2007	OH PSC	08-709-EL-AIR	Duke Energy Ohio Gas	Depreciation
64.	2007	PA PUC	R-00072155	PPL Electric Utilities Corporation	Depreciation
65.	2007	KY PSC	2007-00143	Kentucky American Water Company	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
66.	2007	PA PUC	R-00072229	Pennsylvania American Water Company	Depreciation
67.	2007	KY PSC	2007-0008	NiSource – Columbia Gas of Kentucky	Depreciation
68.	2007	NY PSC	07-G-0141	National Fuel Gas Distribution Corp (NY)	Depreciation
69.	2008	AK PSC	U-08-004	Anchorage Water & Wastewater Utility	Depreciation
70.	2008	TN Reg Auth	08-00039	Tennessee-American Water Company	Depreciation
71.	2008	DE PSC	08-96	Artesian Water Company	Depreciation
72.	2008	PA PUC	R-2008-2023067	The York Water Company	Depreciation
73.	2008	KS CC	08-WSEE1-RTS	Westar Energy	Depreciation
74.	2008	IN URC	43526	Northern Indiana Public Service Company	Depreciation
75.	2008	IN URC	43501	Duke Energy Indiana	Depreciation
76.	2008	MD PSC	9159	NiSource – Columbia Gas of Maryland	Depreciation
77.	2008	KY PSC	2008-000251	Kentucky Utilities	Depreciation
78.	2008	KY PSC	2008-000252	Louisville Gas & Electric	Depreciation
79.	2008	PA PUC	2008-20322689	Pennsylvania American Water Co. - Wastewater	Depreciation
80.	2008	NY PSC	08-E887/08-00888	Central Hudson	Depreciation
81.	2008	WV TC	VE-080416/VG-8080417	Avista Corporation	Depreciation
82.	2008	IL CC	ICC-09-166	Peoples Gas, Light and Coke Company	Depreciation
83.	2009	IL CC	ICC-09-167	North Shore Gas Company	Depreciation
84.	2009	DC PSC	1076	Potomac Electric Power Company	Depreciation
85.	2009	KY PSC	2009-00141	NiSource – Columbia Gas of Kentucky	Depreciation
86.	2009	FERC	ER08-1056-002	Entergy Services	Depreciation
87.	2009	PA PUC	R-2009-2097323	Pennsylvania American Water Company	Depreciation
88.	2009	NC Util Cm	E-7, Sub 090	Duke Energy Carolinas, LLC	Depreciation
89.	2009	KY PSC	2009-00202	Duke Energy Kentucky	Depreciation
90.	2009	VA St. CC	PUE-2009-00059	Aqua Virginia, Inc.	Depreciation
91.	2009	PA PUC	2009-2132019	Aqua Pennsylvania, Inc.	Depreciation
92.	2009	MS PSC	Docket No. 2011-UA-183	Entergy Mississippi	Depreciation
93.	2009	AK PSC	09-08-U	Entergy Arkansas	Depreciation
94.	2009	TX PUC	37744	Entergy Texas	Depreciation
95.	2009	TX PUC	37690	El Paso Electric Company	Depreciation
96.	2009	PA PUC	R-2009-2106908	The Borough of Hanover	Depreciation
97.	2009	KS CC	10-KCPE-415-RTS	Kansas City Power & Light	Depreciation
98.	2009	PA PUC	R-2009-	United Water Pennsylvania	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
99.	2009	OH PUC		Aqua Ohio Water Company	Depreciation
100.	2009	WI PSC	3270-DU-103	Madison Gas & Electric Company	Depreciation
101.	2009	MO PSC	WR-2010	Missouri American Water Company	Depreciation
102.	2009	AK Reg Cm	U-09-097	Chugach Electric Association	Depreciation
103.	2010	IN URC	43969	Northern Indiana Public Service Company	Depreciation
104.	2010	WI PSC	6690-DU-104	Wisconsin Public Service Corp.	Depreciation
105.	2010	PA PUC	R-2010-2161694	PPL Electric Utilities Corp.	Depreciation
106.	2010	KY PSC	2010-00036	Kentucky American Water Company	Depreciation
107.	2010	PA PUC	R-2009-2149262	Columbia Gas of Pennsylvania	Depreciation
108.	2010	MO PSC	GR-2010-0171	Laclede Gas Company	Depreciation
109.	2010	SC PSC	2009-489-E	South Carolina Electric & Gas Company	Depreciation
110.	2010	NJ BD OF PU	ER09080664	Atlantic City Electric	Depreciation
111.	2010	VA St. CC	PUE-2010-00001	Virginia American Water Company	Depreciation
112.	2010	PA PUC	R-2010-2157140	The York Water Company	Depreciation
113.	2010	MO PSC	ER-2010-0356	Greater Missouri Operations Company	Depreciation
114.	2010	MO PSC	ER-2010-0355	Kansas City Power and Light	Depreciation
115.	2010	PA PUC	R-2010-2167797	T.W. Phillips Gas and Oil Company	Depreciation
116.	2010	PSC SC	2009-489-E	SCANA – Electric	Depreciation
117.	2010	PA PUC	R-2010-22010702	Peoples Natural Gas, LLC	Depreciation
118.	2010	AK PSC	10-067-U	Oklahoma Gas and Electric Company	Depreciation
119.	2010	IN URC	Cause No. 43894	Northern Indiana Public Serv. Company - NIFL	Depreciation
120.	2010	IN URC	Cause No. 43894	Northern Indiana Public Serv. Co. - Kokomo	Depreciation
121.	2010	PA PUC	R-2010-2166212	Pennsylvania American Water Co. - WW	Depreciation
122.	2010	NC Util Cn.	W-218,SUB310	Aqua North Carolina, Inc.	Depreciation
123.	2011	OH PUC	11-4161-WS-AIR	Ohio American Water Company	Depreciation
124.	2011	MS PSC	EC-123-0082-00	Entergy Mississippi	Depreciation
125.	2011	CO PUC	11AL-387E	Black Hills Colorado	Depreciation
126.	2011	PA PUC	R-2010-2215623	Columbia Gas of Pennsylvania	Depreciation
127.	2011	PA PUC	R-2010-2179103	City of Lancaster – Bureau of Water	Depreciation
128.	2011	IN URC	43114 IGCC 4S	Duke Energy Indiana	Depreciation
129.	2011	FERC	IS11-146-000	Enbridge Pipelines (Southern Lights)	Depreciation
130.	2011	IL CC	11-0217	MidAmerican Energy Corporation	Depreciation
131.	2011	OK CC	201100087	Oklahoma Gas & Electric Company	Depreciation
132.	2011	PA PUC	2011-2232243	Pennsylvania American Water Company	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
133.	2011	FERC	RP11-___-000	Carolina Gas Transmission	Depreciation
134.	2012	WA UTC	UE-120436/UG-120437	Avista Corporation	Depreciation
135.	2012	AK Reg Cm	U-12-009	Chugach Electric Association	Depreciation
136.	2012	MA PUC	DPU 12-25	Columbia Gas of Massachusetts	Depreciation
137.	2012	TX PUC	40094	El Paso Electric Company	Depreciation
138.	2012	ID PUC	IPC-E-12	Idaho Power Company	Depreciation
139.	2012	PA PUC	R-2012-2290597	PPL Electric Utilities	Depreciation
140.	2012	PA PUC	R-2012-2311725	Borough of Hanover – Bureau of Water	Depreciation
141.	2012	KY PSC	2012-00222	Louisville Gas and Electric Company	Depreciation
142.	2012	KY PSC	2012-00221	Kentucky Utilities Company	Depreciation
143.	2012	PA PUC	R-2012-2285985	Peoples Natural Gas Company	Depreciation
144.	2012	DC PSC	Case 1087	Potomac Electric Power Company	Depreciation
145.	2012	OH PSC	12-1682-EL-AIR	Duke Energy Ohio (Electric)	Depreciation
146.	2012	OH PSC	12-1685-GA-AIR	Duke Energy Ohio (Gas)	Depreciation
147.	2012	PA PUC	R-2012-2310366	City of Lancaster – Sewer Fund	Depreciation
148.	2012	PA PUC	R-2012-2321748	Columbia Gas of Pennsylvania	Depreciation
149.	2012	FERC	ER-12-2681-000	ITC Holdings	Depreciation
150.	2012	MO PSC	ER-2012-0174	Kansas City Power and Light	Depreciation
151.	2012	MO PSC	ER-2012-0175	KCPL Greater Missouri Operations Company	Depreciation
152.	2012	MO PSC	GO-2012-0363	Laclede Gas Company	Depreciation
153.	2012	MN PUC	G007,001/D-12-533	Integrys – MN Energy Resource Group	Depreciation
154.	2012	TX PUC	SOAH 582-14-1051/ TECQ 2013-2007-UCR	Aqua Texas	Depreciation
155.	2012	PA PUC	2012-2336379	York Water Company	Depreciation
156.	2013	NJ BPU	ER12121071	PHI Service Company– Atlantic City Electric	Depreciation
157.	2013	KY PSC	2013-00167	Columbia Gas of Kentucky	Depreciation
158.	2013	VA St CC	2013-00020	Virginia Electric and Power Company	Depreciation
159.	2013	IA Util Bd	2013-0004	MidAmerican Energy Corporation	Depreciation
160.	2013	PA PUC	2013-2355276	Pennsylvania American Water Company	Depreciation
161.	2013	NY PSC	13-E-0030, 13-G-0031, 13-S-0032	Consolidated Edison of New York	Depreciation
162.	2013	PA PUC	2013-2355886	Peoples TWP LLC	Depreciation
163.	2013	TN Reg Auth	12-0504	Tennessee American Water	Depreciation
164.	2013	ME PUC	2013-168	Central Maine Power Company	Depreciation
165.	2013	DC PSC	Case 1103	PHI Service Company – PEPCO	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
166.	2013	WY PSC	2003-ER-13	Cheyenne Light, Fuel and Power Company	Depreciation
167.	2013	FERC	ER13-2428-0000	Kentucky Utilities	Depreciation
168.	2013	FERC	ER13- -0000	MidAmerican Energy Company	Depreciation
169.	2013	FERC	ER13-2410-0000	PPL Utilities	Depreciation
170.	2013	PA PUC	R-2013-2372129	Duquesne Light Company	Depreciation
171.	2013	NJ BPU	ER12111052	Jersey Central Power and Light Company	Depreciation
172.	2013	PA PUC	R-2013-2390244	Bethlehem, City of – Bureau of Water	Depreciation
173.	2013	OK CC	UM 1679	Oklahoma, Public Service Company of	Depreciation
174.	2013	IL CC	13-0500	Nicor Gas Company	Depreciation
175.	2013	WY PSC	20000-427-EA-13	PacifiCorp	Depreciation
176.	2013	UT PSC	13-035-02	PacifiCorp	Depreciation
177.	2013	OR PUC	UM 1647	PacifiCorp	Depreciation
178.	2013	PA PUC	2013-2350509	Dubois, City of	Depreciation
179.	2014	IL CC	14-0224	North Shore Gas Company	Depreciation
180.	2014	FERC	ER14- -0000	Duquesne Light Company	Depreciation
181.	2014	SD PUC	EL14-026	Black Hills Power Company	Depreciation
182.	2014	WY PSC	20002-91-ER-14	Black Hills Power Company	Depreciation
183.	2014	PA PUC	2014-2428304	Borough of Hanover – Municipal Water Works	Depreciation
184.	2014	PA PUC	2014-2406274	Columbia Gas of Pennsylvania	Depreciation
185.	2014	IL CC	14-0225	Peoples Gas Light and Coke Company	Depreciation
186.	2014	MO PSC	ER-2014-0258	Ameren Missouri	Depreciation
187.	2014	KS CC	14-BHCG-502-RTS	Black Hills Service Company	Depreciation
188.	2014	KS CC	14-BHCG-502-RTS	Black Hills Utility Holdings	Depreciation
189.	2014	KS CC	14-BHCG-502-RTS	Black Hills Kansas Gas	Depreciation
190.	2014	PA PUC	2014-2418872	Lancaster, City of – Bureau of Water	Depreciation
191.	2014	WV PSC	14-0701-E-D	First Energy – MonPower/PotomacEdison	Depreciation
192	2014	VA St CC	PUC-2014-00045	Aqua Virginia	Depreciation
193.	2014	VA St CC	PUE-2013	Virginia American Water Company	Depreciation
194.	2014	OK CC	PUD201400229	Oklahoma Gas and Electric Company	Depreciation
195.	2014	OR PUC	UM1679	Portland General Electric	Depreciation
196.	2014	IN URC	Cause No. 44576	Indianapolis Power & Light	Depreciation
197.	2014	MA DPU	DPU. 14-150	NSTAR Gas	Depreciation
198.	2014	CT PURA	14-05-06	Connecticut Light and Power	Depreciation
199.	2014	MO PSC	ER-2014-0370	Kansas City Power & Light	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
200.	2014	KY PSC	2014-00371	Kentucky Utilities Company	Depreciation
201.	2014	KY PSC	2014-00372	Louisville Gas and Electric Company	Depreciation
202.	2015	PA PUC	R-2015-2462723	United Water Pennsylvania Inc.	Depreciation
203.	2015	PA PUC	R-2015-2468056	NiSource - Columbia Gas of Pennsylvania	Depreciation
204.	2015	NY PSC	15-E-0283/15-G-0284	New York State Electric and Gas Corporation	Depreciation
205.	2015	NY PSC	15-E-0285/15-G-0286	Rochester Gas and Electric Corporation	Depreciation
206.	2015	MO PSC	WR-2015-0301/SR-2015-0302	Missouri American Water Company	Depreciation
207.	2015	OK CC	PUD 201500208	Oklahoma, Public Service Company of	Depreciation
208.	2015	WV PSC	15-0676-W-42T	West Virginia American Water Company	Depreciation
209.	2015	PA PUC	2015-2469275	PPL Electric Utilities	Depreciation
210.	2015	IN URC	Cause No. 44688	Northern Indiana Public Service Company	Depreciation
211.	2015	OH PSC	14-1929-EL-RDR	First Energy-Ohio Edison/Cleveland Electric/ Toledo Edison	Depreciation
212.	2015	NM PRC	15-00127-UT	El Paso Electric	Depreciation
213.	2015	TX PUC	PUC-44941; SOAH 473-15-5257	El Paso Electric	Depreciation
214.	2015	WI PSC	3270-DU-104	Madison Gas and Electric Company	Depreciation
215.	2015	OK CC	PUD 201500273	Oklahoma Gas and Electric	Depreciation
216.	2015	KY PSC	Doc. No. 2015-00418	Kentucky American Water Company	Depreciation
217.	2015	NC UC	Doc. No. G-5, Sub 565	Public Service Company of North Carolina	Depreciation
218.	2016	WA UTC	Docket UE-17	Puget Sound Energy	Depreciation
219.	2016	NY PSC	Case No. 16-W-0130	SUEZ Water New York, Inc.	Depreciation
220.	2016	MO PSC	ER-2016-0156	KCPL – Greater Missouri	Depreciation
221.	2016	WI PSC		Wisconsin Public Service Corporation	Depreciation
222.	2016	KY PSC	Case No. 2016-00026	Kentucky Utilities Company	Depreciation
223.	2016	KY PSC	Case No. 2016-00027	Louisville Gas and Electric Company	Depreciation
224.	2016	OH PUC	Case No. 16-0907-WW-AIR	Aqua Ohio	Depreciation
225.	2016	MD PSC	Case 9417	NiSource - Columbia Gas of Maryland	Depreciation
226.	2016	KY PSC	2016-00162	Columbia Gas of Kentucky	Depreciation
227.	2016	DE PSC	16-0649	Delmarva Power and Light Company – Electric	Depreciation
228.	2016	DE PSC	16-0650	Delmarva Power and Light Company – Gas	Depreciation
229.	2016	NY PSC	Case 16-G-0257	National Fuel Gas Distribution Corp – NY Div	Depreciation
230.	2016	PA PUC	R-2016-2537349	Metropolitan Edison Company	Depreciation
231.	2016	PA PUC	R-2016-2537352	Pennsylvania Electric Company	Depreciation
232.	2016	PA PUC	R-2016-2537355	Pennsylvania Power Company	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
233.	2016	PA PUC	R-2016-2537359	West Penn Power Company	Depreciation
234.	2016	PA PUC	R-2016-2529660	NiSource - Columbia Gas of PA	Depreciation
235.	2016	KY PSC	Case No. 2016-00063	Kentucky Utilities / Louisville Gas & Electric Co	Depreciation
236.	2016	MO PSC	ER-2016-0285	KCPL Missouri	Depreciation
237.	2016	AR PSC	16-052-U	Oklahoma Gas & Electric Co	Depreciation
238.	2016	PSCW	6680-DU-104	Wisconsin Power and Light	Depreciation
239.	2016	ID PUC	IPC-E-16-23	Idaho Power Company	Depreciation
240.	2016	OR PUC	UM1801	Idaho Power Company	Depreciation
241.	2016	ILL CC	16-	MidAmerican Energy Company	Depreciation
242.	2016	KY PSC	Case No. 2016-00370	Kentucky Utilities Company	Depreciation
243.	2016	KY PSC	Case No. 2016-00371	Louisville Gas and Electric Company	Depreciation
244.	2016	IN URC	Cause No. 45029	Indianapolis Power & Light	Depreciation
245.	2016	AL RC	U-16-081	Chugach Electric Association	Depreciation
246.	2017	MA DPU	D.P.U. 17-05	NSTAR Electric Company and Western Massachusetts Electric Company	Depreciation
247.	2017	TX PUC	PUC-26831, SOAH 973-17-2686	El Paso Electric Company	Depreciation
248.	2017	WA UTC	UE-17033 and UG-170034	Puget Sound Energy	Depreciation
249.	2017	OH PUC	Case No. 17-0032-EL-AIR	Duke Energy Ohio	Depreciation
250.	2017	VA SCC	Case No. PUE-2016-00413	Virginia Natural Gas, Inc.	Depreciation
251.	2017	OK CC	Case No. PUD201700151	Public Service Company of Oklahoma	Depreciation
252.	2017	MD PSC	Case No. 9447	Columbia Gas of Maryland	Depreciation
253.	2017	NC UC	Docket No. E-2, Sub 1142	Duke Energy Progress	Depreciation
254.	2017	VA SCC	Case No. PUR-2017-00090	Dominion Virginia Electric and Power Company	Depreciation
255.	2017	FERC	ER17-1162	MidAmerican Energy Company	Depreciation
256.	2017	PA PUC	R-2017-2595853	Pennsylvania American Water Company	Depreciation
257.	2017	OR PUC	UM1809	Portland General Electric	Depreciation
258.	2017	FERC	ER17-217-000	Jersey Central Power & Light	Depreciation
259.	2017	FERC	ER17-211-000	Mid-Atlantic Interstate Transmission, LLC	Depreciation
260.	2017	MN PUC	Docket No. G007/D-17-442	Minnesota Energy Resources Corporation	Depreciation
261.	2017	IL CC	Docket No. 17-0124	Northern Illinois Gas Company	Depreciation
262.	2017	OR PUC	UM1808	Northwest Natural Gas Company	Depreciation
263.	2017	NY PSC	Case No. 17-W-0528	SUEZ Water Owego-Nichols	Depreciation
264.	2017	MO PSC	GR-2017-0215	Laclede Gas Company	Depreciation
265.	2017	MO PSC	GR-2017-0216	Missouri Gas Energy	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
266.	2017	ILL CC	Docket No. 17-0337	Illinois-American Water Company	Depreciation
267.	2017	FERC	Docket No. ER18-22-000	PPL Electric Utilities Corporation	Depreciation
268.	2017	IN URC	Cause No. 44988	Northern Indiana Public Service Company	Depreciation
269.	2017	NJ BPU	BPU Docket No. WR17090985	New Jersey American Water Company, Inc.	Depreciation
270.	2017	RI PUC	Docket No. 4800	SUEZ Water Rhode Island	Depreciation
271.	2017	OK CC	Cause No. PUD 201700496	Oklahoma Gas and Electric Company	Depreciation
272.	2017	NJ BPU	ER18010029 & GR18010030	Public Service Electric and Gas Company	Depreciation
273.	2017	NC Util Com.	Docket No. E-7, SUB 1146	Duke Energy Carolinas, LLC	Depreciation
274.	2017	KY PSC	Case No. 2017-00321	Duke Energy Kentucky, Inc.	Depreciation
275.	2017	MA DPU	D.P.U. 18-40	Berkshire Gas Company	Depreciation
276.	2018	IN IURC	Cause No. 44992	Indiana-American Water Company, Inc.	Depreciation
277.	2018	IN IURC	Cause No. 45029	Indianapolis Power and Light	Depreciation
278.	2018	NC Util Com.	Docket No. W-218, Sub 497	Aqua North Carolina, Inc.	Depreciation
279.	2018	PA PUC	Docket No. R-2018-2647577	NiSource - Columbia Gas of Pennsylvania, Inc.	Depreciation
280.	2018	OR PUC	Docket UM 1933	Avista Corporation	Depreciation
281.	2018	WA UTC	Docket No. UE-108167	Avista Corporation	Depreciation
282.	2018	ID PUC	AVU-E-18-03, AVU-G-18-02	Avista Corporation	Depreciation
283.	2018	IN URC	Cause No. 45039	Citizens Energy Group	Depreciation
284.	2018	FERC	Docket No. ER18-	Duke Energy Progress	Depreciation
285.	2018	PA PUC	Docket No. R-2018-3000124	Duquesne Light Company	Depreciation
286.	2018	MD PSC	Case No. 948	NiSource - Columbia Gas of Maryland	Depreciation
287.	2018	MA DPU	D.P.U. 18-45	NiSource - Columbia Gas of Massachusetts	Depreciation
288.	2018	OH PUC	Case No. 18-0299-GA-ALT	Vectren Energy Delivery of Ohio	Depreciation
289.	2018	PA PUC	Docket No. R-2018-3000834	SUEZ Water Pennsylvania Inc.	Depreciation
290.	2018	MD PSC	Case No. 9847	Maryland-American Water Company	Depreciation
291.	2018	PA PUC	Docket No. R-2018-3000019	The York Water Company	Depreciation
292.	2018	FERC	ER-18-2231-000	Duke Energy Carolinas, LLC	Depreciation
293.	2018	KY PSC	Case No. 2018-00261	Duke Energy Kentucky, Inc.	Depreciation
294.	2018	NJ BPU	BPU Docket No. WR18050593	SUEZ Water New Jersey	Depreciation
295.	2018	WA UTC	Docket No. UE-180778	PacifiCorp	Depreciation
296.	2018	UT PSC	Docket No. 18-035-36	PacifiCorp	Depreciation
297.	2018	OR PUC	Docket No. UM-1968	PacifiCorp	Depreciation
298.	2018	ID PUC	Case No. PAC-E-18-08	PacifiCorp	Depreciation
299.	2018	WY PSC	20000-539-EA-18	PacifiCorp	Depreciation
300.	2018	PA PUC	Docket No. R-2018-3003068	Aqua Pennsylvania, Inc.	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
301.	2018	IL CC	Docket No. 18-1467	Aqua Illinois, Inc.	Depreciation
302.	2018	KY PSC	Case No. 2018-00294	Louisville Gas & Electric Company	Depreciation
303.	2018	KY PSC	Case No. 2018-00295	Kentucky Utilities Company	Depreciation
304.	2018	IN URC	Cause No. 45159	Northern Indiana Public Service Company	Depreciation
305.	2018	VA SCC	Case No. PUR-2019-00175	Virginia American Water Company	Depreciation
306.	2019	PA PUC	Docket No. R-2018-3006818	Peoples Natural Gas Company, LLC	Depreciation
307.	2019	OK CC	Cause No. PUD201800140	Oklahoma Gas and Electric Company	Depreciation
308.	2019	MD PSC	Case No. 9490	FirstEnergy – Potomac Edison	Depreciation
309.	2019	SC PSC	Docket No. 2018-318-E	Duke Energy Progress	Depreciation
310.	2019	SC PSC	Docket No. 2018-319-E	Duke Energy Carolinas	Depreciation
311.	2019	DE PSC	DE 19-057	Public Service of New Hampshire	Depreciation
312.	2019	NY PSC	Case No. 19-W-0168 & 19-W-0269	SUEZ Water New York	Depreciation
313.	2019	PA PUC	Docket No. R-2019-3006904	Newtown Artesian Water Company	Depreciation
314.	2019	MO PSC	ER-2019-0335	Ameren Missouri	Depreciation
315.	2019	MO PSC	EC-2019-0200	KCP&L Greater Missouri Operations Company	Depreciation
316.	2019	MN DOC	G011/D-19-377	Minnesota Energy Resource Corp.	Depreciation
317.	2019	NY PSC	Case 19-E-0378 & 19-G-0379	New York State Electric and Gas Corporation	Depreciation
318.	2019	NY PSC	Case 19-E-0380 & 19-G-0381	Rochester Gas and Electric Corporation	Depreciation
319.	2019	WA UTC	Docket UE-190529 / UG-190530	Puget Sound Energy	Depreciation
320.	2019	PA PUC	Docket No. R-2019-3010955	City of Lancaster	Depreciation
321.	2019	IURC	Cause No. 45253	Duke Energy Indiana	Depreciation
322.	2019	KY PSC	Case No. 2019-00271	Duke Energy Kentucky, Inc.	Depreciation
323.	2019	OH PUC	Case No. 18-1720-GA-AIR	Northeast Ohio Natural Gas Corp	Depreciation
324.	2019	NC Util.	Docket No. E-2, Sub 1219	Duke Energy Carolinas	Depreciation
325.	2019	FERC	Docket No. ER20-277-000	Jersey Central Power & Light Company	Depreciation
326.	2019	MA DPU	D.P.U. 19-120	NSTAR Gas Company	Depreciation
327.	2019	SC PSC	Docket No. 2019-290-WS	Blue Granite Water Company	Depreciation
328.	2019	NC Util.	Docket No. E-2, Sub 1219	Duke Energy Progress	Depreciation
329.	2019	MD PSC	Case No. 9609	NiSource Columbia Gas of Maryland, Inc.	Depreciation
330.	2019	HI PUC	Docket No. 2019-0117	Young Brothers, LLC	Depreciation
331.	2020	NJ BPU	Docket No. ER20020146	Jersey Central Power & Light Company	Depreciation
332.	2020	PA PUC	Docket No. R-2020-3018835	NiSource - Columbia Gas of Pennsylvania, Inc.	Depreciation
333.	2020	PA PUC	Docket No. R-2020-3019369	Pennsylvania-American Water Company	Depreciation
334.	2020	PA PUC	Docket No. R-2020-3019371	Pennsylvania-American Water Company	Depreciation
335.	2020	MO PSC	GO-2018-0309, GO-2018-0310	Spire Missouri, Inc.	Depreciation
336.	2020	NM PRC	Case No. 20-00104-UT	El Paso Electric Company	Depreciation
337.	2020	MD PSC	Case No. 9644	Columbia Gas of Maryland, Inc.	Depreciation
338.	2020	MO PSC	GO-2018-0309, GO-2018-0310	Spire Missouri, Inc.	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
339.	2020	VA St CC	Case No. PUR-2020-00095	Virginia Natural Gas Company	Depreciation
340.	2020	SC PSC	Docket No. 2020-125-E	Dominion Energy South Carolina, Inc.	Depreciation
341.	2020	WV PSC	Case No. 20-0745-G-D	Hope Gas, Inc. d/b/a Dominion Energy West	Depreciation
342.	2020	VA St CC	Case No. PUR-2020-00106	Aqua Virginia, Inc.	Depreciation
343.	2020	PA PUC	Docket No. R-2020-3020256	City of Bethlehem – Bureau of Water	Depreciation
344.	2020	NE PSC	Docket No. NG-109	Black Hills Nebraska	Depreciation
345.	2020	NY PSC	Case No. 20-E-0428 & 20-G-0429	Central Hudson Gas & Electric Corporation	Depreciation
346.	2020	FERC	ER20-598	Duke Energy Indiana	Depreciation
347.	2020	FERC	ER20-855	Northern Indiana Public Service Company	Depreciation
348.3	2020	OR PSC	UE 374	PacifiCorp	Depreciation
349.	2020	MD PSC	Case No. 9490 Phase II	Potomac Edison – Maryland	Depreciation
350.	2020	IN URC	Case No. 45447	Southern Indiana Gas and Electric Company	Depreciation
351.	2020	IN URC	IURC Cause No. 45468	Indiana Gas Company, Inc. d/b/a Vectren Energy	Depreciation
352.	2020	KY PSC	Case No. 2020-00349	Kentucky Utilities Company	Depreciation
353.	2020	KY PSC	Case No. 2020-00350	Louisville Gas and Electric Company	Depreciation
354.	2020	FERC	Docket No. ER21- 000	South FirstEnergy Operating Companies	Depreciation
355.	2020	OH PUC	Case Nos 20-1651-EL-AIR, 20-1652-EL-AAM & 20-1653-EL-ATA	Dayton Power and Light Company	Depreciation
356.	2020	OR PSC	UG 388	Northwest Natural Gas Company	Depreciation
357.	2020	MO PSC	Case No. GR-2021-0241	Ameren Missouri Gas	Depreciation
358.	2021	KY PSC	Case No. 2021-00103	East Kentucky Power Cooperative	Depreciation
359.	2021	MPUC	Docket No. 2021-00024	Bangor Natural Gas	Depreciation
360.	2021	PA PUC	Docket No. R-2021-3024296	Columbia Gas of Pennsylvania, Inc.	Depreciation
361.	2021	NC Util.	Doc. No. G-5, Sub 632	Public Service of North Carolina	Depreciation
362.	2021	MO PSC	ER-2021-0240	Ameren Missouri	Depreciation
363.	2021	PA PUC	Docket No. R-2021-3024750	Duquesne Light Company	Depreciation
364.	2021	KS PSC	21-BHCG-418-RTS	Black Hills Kansas Gas	Depreciation
365.	2021	KY PSC	Case No. 2021-00190	Duke Energy Kentucky	Depreciation
366.	2021	OR PSC	Docket UM 2152	Portland General Electric	Depreciation
367.	2021	ILL CC	Docket No. 20-0810	North Shore Gas Company	Depreciation
368.	2021	FERC	ER21-1939-000	Duke Energy Progress	Depreciation
369.	2021	FERC	ER21-1940-000	Duke Energy Carolina	Depreciation
370.	2021	KY PSC	Case No. 2021-00183	NiSource Columbia Gas of Kentucky	Depreciation
371.	2021	MD PSC	Case No. 9664	NiSource Columbia Gas of Maryland	Depreciation
372.	2021	OH PUC	Case No. 21-0596-ST-AIR	Aqua Ohio	Depreciation
373.	2021	PA PUC	Docket No. R-2021-3026116	Hanover Borough Municipal Water Works	Depreciation
374.	2021	OR PSC	UM-2180	Idaho Power Company	Depreciation
375.	2021	ID PUC	Case No. IPC-E-21-18	Idaho Power Company	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
376.	2021	WPSC	6690-DU-104	Wisconsin Public Service Company	Depreciation
377.	2021	PAPUC	Docket No. R-2021-3026116	Borough of Hanover	Depreciation
378.	2021	OH PUC	Case No. 21-637-GA-AIR; Case No. 21-638-GA-ALT; Case No. 21-639-GA-UNC; Case No. 21-640-GA-AAM	NiSource Columbia Gas of Ohio	Depreciation
379.	2021	TX PUC	Texas PUC Docket No. 52195; SOHA Docket No. 473-21-2606	El Paso Electric	Depreciation
380.	2021	MO PSC	Case No. GR.2021-0108	Spire Missouri	Depreciation
381.	2021	WV PSC	Case No. 21-0215-WS-P	West Virginia American Water Company	Depreciation
382.	2021	FERC	ER21-2736	Duke Energy Carolinas	Depreciation
383.	2021	FERC	ER21-2737	Duke Energy Progress	Depreciation
384.	2021	IN URC	Cause #45621	Northern Indiana Public Service Company	Depreciation
385.	2021	PA PUC	Docket No. R-2021-3026682	City of Lancaster	Depreciation
386.	2021	OH PUC	Case No. 21-887-EL-AIR; Case No. 21-888-EL-ATA; Case No. 889-El-AAM	Duke Energy Ohio	Depreciation
387.	2021	AK PSC	Docket No. 21-097-U	Black Hills Energy Arkansas, Inc.	Depreciation
388.	2021	OK CC	Cause No. PUD202100164	Oklahoma Gas & Electric	Depreciation
389.	2021	FERC	Case ER-22-392-001	El Paso Electric	Depreciation
390.	2021	FERC	Case ER-21-XXX	MidAmerican Electric	Depreciation
391.	2021	PA PUC	Docket Nos. R-2021-3027385, R-2021-3027386	Aqua Pennsylvania, Inc. Aqua Pennsylvania Wastewater, Inc.	Depreciation
392.	2022	FERC	Case ER-22-282-000	El Paso Electric	Depreciation
393.	2022	ILL CC	Docket No. 22-0154	MidAmerican Gas	Depreciation
394.	2022	MO PSC	Case No. ER-2022-0129	Evergy Metro	Depreciation
395.	2022	MO PSC	Case No. ER-2022-0130	Evergy Missouri West	Depreciation
396.	2022	PA PUC	Docket No. R-2022-3031211	NiSource Columbia Gas of Pennsylvania, Inc.	Depreciation
397.	2022	MA DPU	D.P.U. 22-20	The Berkshire Gas Company	Depreciation
398.	2022	PA PUC	R-2022-3031672; R-2022-3031673	Pennsylvania-American Water Company	Depreciation
399.	2022	SD PUC	Docket No. NG22-	MidAmerican Gas	Depreciation
400.	2022	MD PSC	Case No. 9680	NiSource Columbia Gas of Maryland	Depreciation
401.	2022	WYPSC	Docket No. 20003-214-ER-22	Black Hills Energy – Cheyenne Light, Fuel and	Depreciation
402.	2022	MA DPU	D.P.U. 22.22	NSTAR Electric Company d/b/a Eversource Energ	Depreciation
403.	2022	NC Util Com	Docket No. W-218, Sub 573	Aqua North Carolina, Inc.	Depreciation
404.	2022	OR PUC	UM2213	Northwest Natural Gas	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

	Year	Jurisdiction	Docket No.	Client Utility	Subject
405.	2022	OR PUC	UM2214	Northwest Natural Gas	Depreciation
406.	2022	ME PUC	Docket No. 2022-00152	Central Maine Power	Depreciation
407.	2022	SC PSC	Docket No. 2022-254-E	Duke Energy Progress	Depreciation
408.	2022	NC Util Com	Docket No. E-2, SUB 1300	Duke Energy Progress	Depreciation
409.	2022	IN URC	Cause #45772	Northern Indiana Public Service Company	Depreciation
410.	2022	PA PUC	R-2022-3031340	The York Water Company	Depreciation
411.	2022	PA PUC	R-2022-3032806	The York Water Company	Depreciation
412.	2022	PA PUC	R-2022-3031704	Borough of Ambler	Depreciation
413.	2022	MO PSC	ER-2022-0337	Ameren Missouri	Depreciation
414.	2022	OH PUC	Case No. 22-507-GA-AIR	Duke Energy Ohio	Depreciation
415.	2022	PA PUC	R-2022-3035730	National Fuel Gas Distribution Corporation – PA	Depreciation
416.	2022	NC Util Com	Docket No. E-22, Sub 493	Dominion Energy North Carolina d/b/a Virginia Electric Power	Depreciation
417.	2022	WY PSC	20003-214-ER-22	Cheyenne Light, Fuel and Power Company	Depreciation
418.	2022	NJ BPU	BPU Docket No. ER2303144	Jersey Central Power & Light Company	Depreciation
419.	2022	KY PSC	Case No. 2022-00372	Duke Energy Kentucky	Depreciation
420.	2022	TX PUC	SOAH Docket No. 473-23-04521	Aqua Texas, Inc.	Depreciation
421.	2022	NC Util Com	Docket No. E-7, Sub 1276	Duke Energy Carolinas, LLC	Depreciation
422.	2022	KY PSC	Case No. 2022-00432	Bluegrass Water	Depreciation
423.	2023	ILL CC	Docket No. 23-0069	The Peoples Gas Light and Coke Company	Depreciation
424.	2023	ILL CC	Docket No. 23-0068	North Shore Gas Company	Depreciation
425.	2023	WV PSC	Case No. 23-0030-E-D	Monongahela Power Company and The Potomac	Depreciation
426.	2023	ID PUC	AVU-E-23-01; AVU-G-23-01	Avista Corporation	Depreciation
427.	2023	ILL CC	Docket No. 23-0066	Northern Illinois Gas Company d/b/a Nicor Gas	Depreciation
428.	2023	SC PSC	Docket No. 2023-70-G	Dominion Energy South Carolina, Inc.	Depreciation
429.	2023	FERC	Docket No. ER23-xxx-00	Duke Energy Ohio, Inc.	Depreciation
430.	2023	WY PSC	Docket No. 30036-78-GR-23	Black Hills Wyoming Gas Company d/b/a Black H	Depreciation
431.	2023	PSC MD	Case No. 9695	The Potomac Edison Company	Depreciation
432.	2023	OR PUC	Case No. UM2277	Avista Corporation	Depreciation
433.	2023	FERC	Docket No. ER23-xxx-000	PPL Electric Utilities	Depreciation
434.	2023	OH PUC	Case No. 23-0154-GA-AIR	Northeast Ohio Natural Gas Corporation	Depreciation
435.	2023	DE PSC	PSC Docket No. 23-0601	Artesian Water Company	Depreciation
436.	2023	CO PUC	No. 23AL-0231G	Black Hills Colorado d/b/a Black Hills Energy	Depreciation
437.	2023	NH PUC	Docket No. DE 23-039	Granite State Electric d/b/a Liberty Utilities	Depreciation
438.	2023	MD PSC	Case No. 9701	Columbia Gas of Maryland	Depreciation
439.	2023	NY PSC	Case Nos. 23-E-0418; 23-G-0419	Central Hudson Gas and Electric	Depreciation
440.	2023	FERC	Docket No. ER23-xxx-000	Central Maine Power Company	Depreciation

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY, cont.

441.	2023	SD PUC	Docket Number EL23-016	Northwestern Energy	Depreciation
	Year	Jurisdiction	Docket No.	Client Utility	Subject
442.	2023	CT PURA	Docket No. 23-08-32	Connecticut Water Company	Depreciation
443.	2023	OH PUC	Case 23-0894-GA-AIR	The East Ohio Gas Company d/b/a Dominion	Depreciation
444.	2023	IN URC	Cause No. 45911	Indianapolis Power & Light	Depreciation
445.	2023	IN URC	Cause No. 45967	Northern Indiana Public Service Company	Depreciation
446.	2023	PA PUC	Docket No. R-2023-3043189 and Docket No. R-2023-3043190	Pennsylvania-American Water Company	Depreciation
447.	2023	IN URC	Cause No. 45988	Citizens Energy Group	Depreciation
448.	2023	NY PSC	Case No. 23-G-0627	National Fuel Gas Distribution Corporation	Depreciation
449.	2023	IN URC	Cause No. 45990	Southern Indiana Gas and Electric Company d/b/ Centerpoint Energy Indiana South	Depreciation
450.	2023	PA PUC	Docket No. R-2023-3044549	Peoples Natural Gas Company LLC	Depreciation
451.	2023	OR PUC	Docket No. UM-2312	Northwest Natural Gas Company	Depreciation
452.	2023	AZ PCC	Docket No. WS-21182A-23-2092	Northwest Natural Water Company, LLC	Depreciation
453.	2023	SC PSC	Docket No. 2023-388-E	Duke Energy Carolinas	Depreciation
456.	2024	FERC	Docket No. ER24-768-000	Duke Energy Progress	Depreciation
457.	2024	FERC	Docket No. SPP-0007	Evergy Metro, Inc. and Evergy Missouri West, Inc	Depreciation
458.	2024	NJ BPU	Docket No. WR24010057	Aqua New Jersey, Inc.	Depreciation
459.	2024	ILL CC	Docket No. 24-0044	Aqua Illinois, Inc.	Depreciation
460.	2024	PA PUC	Docket No. R-2024-3046519	NiSource – Columbia Gas of Pennsylvania, Inc.	Depreciation
461.	2024	KY PSC	Case No. 2024-00092	NiSource – Columbia Gas of Kentucky, Inc.	Depreciation
462.	2024	VA SCC	Case No. PUR-2024-00030	NiSource – Columbia Gas of Virginia, Inc.	Depreciation

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822 and R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF PANPILAS W. FISCHER

Topics Addressed:

Income Tax Expense
Tax Repairs Deductions for Ratemaking
Act 40
State Tax Rate Change

DATE SERVED: May 23, 2024 **Statement No. 8**
DATE ADMITTED: _____

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DIRECT TESTIMONY OF PANPILAS W. FISCHER

I. INTRODUCTION AND PURPOSE OF TESTIMONY

Q. What is your name and business address?

A. My name is Panpilas Fischer, and my business address is 4355 Cobb Parkway, Suite J255, Atlanta, GA 30339.

Q. By whom are you employed and in what capacity?

A. I am a consultant with Regulated Capital Consultants, LLC ("RCC"). My role in this case is to provide support to the Aqua Pennsylvania Inc. and Aqua Pennsylvania Wastewater Inc., (collectively "Aqua PA" or the "Company") finance team for the delivery of all filing requirements associated with the Pennsylvania Public Utility Commission ("PUC" or "Commission") calculation of federal and state income taxes. Specifically, I have worked with the Company to develop the rate case income tax schedules F-2 and the balance of Accumulated Deferred Income Taxes ("ADIT") in rate base.

Q. Would you please relate your education and business experience?

A. I graduated from the Ohio State University in 1987 with a Bachelor of Science degree in Business Administration, with a concentration in accounting. I am a Certified Public Accountant in the State of Ohio. I have held various positions in public accounting at a national firm, KPMG and a regional firm, Clark Schaefer Hackett Business Advisors. I began my career in the utility industry in October 2000, when I joined NiSource Corporate Services Co. as a Financial Analyst in the Tax Department. Throughout my tenure there I held various positions of increasing responsibility overseeing tax compliance, tax provision, regulatory support and tax planning for the regulated entities. In October 2015, I accepted the position of Tax Director. In June 2020 I began working for RCC as a consultant. In this role I have provided the following services to clients:

- Assistance with tax compliance, tax depreciation, deferred income tax and provision set up and maintenance
- Project management and support on tax technical and functional issues
- Audit support including review of tax compliance with United State Internal Revenue Service ("IRS") normalization rules and ASC 740
- Regulatory tax support including development of income tax data and filing requirements for regulatory reports and rate proceedings

Q. Have you been a witness in matters previously before the Commission?

A. Yes, I have provided written and oral testimony to the PUC, the Maryland Public Service Commission and the Massachusetts Department of Public Utilities. I have also provided written testimony to the Kentucky Public Service Commission, the Ohio Public Utilities Commission and the Virginia State Corporation Commission.

Q. What is the purpose of your testimony?

A. First, I will explain the calculation of the Company's federal and state income tax expense included in cost of service in this case and the tax balances included in rate base. Second, I will describe how the Company is reflecting the effects of its continued tax treatment of repairs authorized in its last base rate case at PUC Docket Nos. R-2021-3027385 and R-2021-3027386, et al. ("2021 Base Rate Case") and any claims related to the repairs "Collar" (described in detail below) due to customers. Third, I will address the Consolidated Tax Adjustment and how the Company's income tax expense is in compliance with Act 40 of 2016 ("Act 40"), which added Section 1301.1 to the Pennsylvania Public Utility Code. Lastly, I will describe how the reduction in the Pennsylvania Corporate Net Income ("CNI") tax rate affects the development of the

Company's revenue requirement in this case.

II. AQUA PA'S CALCULATION OF FEDERAL AND STATE INCOME TAXES

Q. Which schedules contain the computations of the income tax expense element of the Company's cost of service?

A. The income tax computation is shown on Schedules F-2 of Exhibit Nos. 1-A (Water) and 1-B (Shenandoah water operations, as well as Exhibit No. 1-C (Wastewater), and Exhibit Nos. 1-D through 1-E (representing individual wastewater operations). All schedules in these exhibits are titled "Computation of Federal and State Income Taxes Under Present and Proposed Rates".

Q. Please explain the basis for the state and federal income tax computations set forth on Schedule F-2 of Exhibit Nos. 1-A through 1-E.

A. Schedule F-2 of Exhibit Nos. 1-A through 1-E each contain four income tax expense computations: (1) one for the historic test year ended December 31, 2023 ("HTY") at base rates then in effect (which are the same as current base rates); (2) one for the future test year ending December 31, 2024 ("FTY") at current base rates; (3) one for the FPFTY at current base rates; and (4) one for the FPFTY at the rates proposed by the Company. All four of the computations employ the same methodology. However, since the Company's claim in this case is based upon the level of income tax expense applicable to the FPFTY at proposed rates, I will describe that computation in (columns (9) and (10)) of each schedule. These computations are similar across Schedule F-2 in each of Exhibit Nos. 1-A through 1-E. When using the terms "water" and "wastewater", I am referring to the amounts from Exhibit Nos. 1-A and 1-C respectively because the amounts on those Exhibits comprise the majority of the components that derive the income tax expense

amounts.

The calculation of total income tax expense consists of two parts. First, the schedule shows the computation of current federal and state income tax expense – that is, the income tax that would be paid with respect to operations during the year assuming the projected levels of income and expense are achieved. The second part is the computation of deferred federal and state income tax expense. The two components, when combined, equal the Company's total income tax expense to be recovered in proposed base rates.

Q. How is the Company's current income tax expense calculated?

A. The calculation of current income tax expense begins with pre-tax income (operating income before income taxes and before interest expense). There are several adjustments made to this number that are the same or similar for both federal and state income tax purposes. These are interest expense, tax repairs, book depreciation, tax depreciation and other property related adjustments such as cost of removal and Allowance for Funds Used During Construction ("AFUDC") debt. Interest expense (line 2) is not reflected in pre-tax income but is deductible for both federal and state income tax purposes. Consequently, an adjustment must be made. The tax repairs deduction (line 4) is the deduction that the Company projects it will claim during the test year for both federal and state income tax purposes. The nature of this deduction is described later in my testimony. Book depreciation is added back for both the federal and state income tax purposes (line 5). Tax depreciation is then deducted for both federal and state income tax purposes (line 6). Other property related adjustments are deducted for both federal and state income tax purposes (line 7).

Q. What depreciable lives and depreciation methods does the Company use for federal income tax purposes?

A. The Company uses the following depreciable lives and depreciation methods for tax purposes:

Utility Property Vintages		
1969 and prior	50 years [(1)]	Straight-Line
1970	50 years [(1)]	Double Declining Balance Switching to Straight-Line
1971 to 1980	40 years [(2)]	Double Declining Balance Switching to Straight-Line
1981 to 1986	15 years	Accelerated Cost Recovery System ("ACRS")
1987 to June, 1996	20 years	Modified Accelerated Cost Recovery System ("MACRS")
June 1996 and subsequent	25 years	Straight-Line
Tax Exempt Financed Property	50 years	Straight-Line
Buildings		
1970 and prior	45 years [(1)]	Straight-Line
1971 to 1980	45 years [(2)]	Straight-Line
1981 to 1984 (portion)	15 years	ACRS
1984 (portion) to 1985	18 years	ACRS
1986	19 years	ACRS
1987 and subsequent	31 1/2 years	Straight-Line
Office Equipment		
1970 and prior	10 years [(1)]	Straight-Line
1971 to 1980	8 years [(2)]	Double Declining Balance
1981 to 1986	5 years	ACRS
1987 and subsequent	7 years	MACRS

Qualified Technological Equipment		
1987 and subsequent	5 years	MACRS

(1) Guideline Lives

(2) Lives under Asset Depreciation Range ("ADR")

Q. Why do the federal and state tax depreciation amounts differ from one another?

A. The federal tax depreciation amounts are approximately $86.5 million for water and $19.8 million for wastewater, while the comparable state amounts are approximately $89.2 million for water and $19.9 million for wastewater The higher state income tax amounts are the result of deducting in the current year a portion of prior years' bonus depreciation that was not deductible for Pennsylvania income tax purposes in the year that the property was placed in service.

Q. Is there another adjustment to arrive at taxable income?

A. Yes. Since state income taxes are deductible for federal income tax purposes, once the current state income tax liability is computed (column (10), line 12) by multiplying state taxable income (column (10), line 8) by the state income tax rate (column (10), line 9) and making adjustments for any state net operating loss (column (10), line 11) that amount is deducted (column (9), line 3) to derive federal taxable income. I discuss the state net operating loss and the income tax rate decrease later in my testimony. Federal taxable income is then multiplied by the 21% federal income tax rate.

Q. Are there any other adjustments necessary to derive current income tax expense?

A. Yes. As a result of taking accelerated depreciation deductions and tax repairs, the Company has produced tax net operating losses ("NOLs") for both Federal and Pennsylvania income tax purposes. As of December 31, 2025, the Company projects that it will have a state net

operating loss carryforward ("NOLC") of approximately $438.8 million for water and $20.1 million for wastewater. Under Pennsylvania law, this NOLC can offset state taxable income, subject to both taxable income and time limitations. Pennsylvania law limits the NOLC offset to a percentage of the state taxable income produced. This limit was 35% in 2018 and 2019 and increased to 40% in 2020 and thereafter. There is utilization of the state NOLC reflected in the FPFTY for water due to the level of tax deductions. The state NOLC is increasing into the FPFTY for wastewater. The Federal NOLC is projected to be $81.0 million for water and $0 for wastewater as of December 31, 2025. There is no utilization of the Federal NOLC reflected in the FPFTY due to the return filing group's inability to monetize the NOL. Under the Company's Tax Sharing Agreement, if the consolidated filing group has negative taxable income, then companies with positive taxable income would not get to utilize their NOLCs. However, if the consolidated filing group has positive taxable income, then companies with tax losses would be able to monetize those losses.

Q. What is the total current income tax expense claimed by the Company?

A. Total current federal income tax expense for the FPFTY at proposed rates is projected to be $35,271,389 federal for water and $3,831,966 for wastewater, while total current state income tax expense for the FPFTY is projected to be $11,258,410 for water and $2,177,551 for wastewater.

Q. Please explain the deferred income tax component of the Company's total income tax expense.

A. Pennsylvania regulatory policy is, generally, to charge customers a level of tax expense equal to the taxes the utility expects to pay currently, therefore the Company does not record state deferred income taxes on its property related book vs. tax timing differences,

with limited exceptions. This is referred to as "flow through" tax accounting. The exceptions where the Company does record state deferred income taxes are for historical main cleaning and lining costs, certain method/life differences on pre-1971 vintage assets and state NOLCs prior to 2025. For federal income tax purposes, the Company records deferred income taxes, particularly as it relates to the tax benefits of accelerated depreciation, which is subject to the tax normalization rules with the exception of the tax repairs deduction, which is discussed later in my testimony, and book vs. tax depreciation on pre-1971 vintage assets where federal tax statutes did not require full normalization of accelerated tax depreciation versus book straight line depreciation recovered in rates. The provision of deferred income taxes is the accounting and ratemaking mechanism that implements the normalization requirement the Internal Revenue Code imposes as a condition for using the liberalized depreciation methodologies allowed for income tax purposes. The normalization rules do not permit the tax benefit of liberalized tax depreciation to be flowed-through to customers as a tax deduction in the year(s) those deductions occur. Instead, the tax effects of those amounts are recorded as deferred taxes. These taxes are deferred, not eliminated; the taxes that are deferred will be paid to the government later in the life of the depreciable asset when the difference between book and tax depreciation reverses. To recognize the fact that deferred taxes are a source of capital for the Company that does not have a capital cost, accumulated deferred income taxes ("ADIT") are deducted from rate base for ratemaking purposes. The Company's deferred tax expense in this case also includes the flow-through of excess ADIT and the amortization of some older vintage investment tax credits that I will explain hereafter. Additionally, tax repairs amounts related to the "collar" mechanism, Section (481)

adjustment, and the FIN 48 provision are reflected as adjustments to deferred tax expense. I have included a discussion of these adjustments in Section III of my testimony.

Q. Please explain the provision of deferred income tax expense for accelerated depreciation.

A. As I explained previously, deferred income tax expense arises from the normalization requirement imposed by the Internal Revenue Code and reflects the difference between tax depreciation and book depreciation. Tax depreciation is calculated by multiplying the tax basis of assets by the applicable depreciation rates used for income tax purposes. The applicable depreciation rates are a function of the depreciable lives and depreciation methods for each relevant vintage of the Company's property. Because depreciable lives and methods differ based on the year plant was placed in service, the difference between tax and book depreciation and the associated tax effect differs depending on the vintage year of the property involved. For assets acquired prior to 1971, there are no deferred taxes because this property was not subject to a normalization requirement. In total, the difference between tax depreciation and book depreciation when multiplied by the 21% federal income tax rate is ($11,709,084) for water and $1,060,928 for wastewater (Exhibit No. 1-A and 1-C, Schedule F-2, column (9), lines 13 and 14). I further note that the calculation of this amount for each wastewater operation is similarly reflected in Schedule F-2, column (9), lines 13 and 14 of Exhibit Nos. 1-C through 1-E.

Q. Does the Company record deferred state tax income expense related to its use of accelerated depreciation?

A. No, it does not. The Company has not normalized deferred state income taxes on most property related differences based on Pennsylvania regulatory requirements. The IRS

normalization rules only apply to the federal income tax. The Company continues to flow-through the benefits of accelerated depreciation on its book depreciable assets with the exception of a small amount of assets that had received normalization treatment in the past on the water company and will continue to receive normalization treatment as the timing difference reverses. The Company also normalized deferred state income taxes on historical main cleaning and lining costs, which continue to receive normalization treatment as the timing difference reverses.

Q. Please explain the impact of excess ADIT on the Company's deferred income tax expense.

A. The Company's deferred tax expense is reduced for the flow-back of excess protected ADIT resulting from past rate reductions, notably the 2017 Tax Cuts and Jobs Act ("TCJA") tax rate reduction which reduced the federal income tax rate from 35% to 21%. This flow-back is computed using the Average Rate Assumption Method ("ARAM"). This method required the Company to keep deferred taxes intact until book depreciation exceeds tax depreciation for the vintage years affected. The reduction is $2,997,502 for water and $28,945 for wastewater, as shown in column (9), on line 20, of Schedule F-2 of Exhibit Nos. 1-A and 1-C. The deferred tax expense is also adjusted for the flow-back, or recovery in the case of water, of the unprotected excess/(deficient) ADIT. The amounts are an increase to deferred tax expense of ($242,749) for water and a decrease of $551 for wastewater (column (9), line 21). These amounts are being amortized over ten years.

Q. Please explain the impact of the investment tax credit amortization on the Company's deferred income tax expense.

A. The tax effect of investment tax credits is flowed back to customers over the book lives of

the assets that generated the credits. The amounts of $102,140 for water and $0 for wastewater are reflected as a reduction to deferred income tax expense in column (9), on line 26, Schedule F-2 of Exhibit No. 1-A.

Q. What is the Company's total projected deferred income tax expense?

A. The total amount of these various components constitutes the Company's anticipated federal deferred tax expense of ($7,351,798) for water and $1,480,684 for wastewater for the FPFTY at proposed rates as set forth on Schedule F-2 of Exhibit Nos. 1-A and 1-C. The corresponding state amounts are $2,262,749 for water and $0 for wastewater.

Q. What is the Company's total projected income tax expense?

A. The Company projects total federal income tax expense of $27,919,590 for water and $5,312,630 for wastewater, and state income tax expense of $13,521,159 for water and $2,177,551 for wastewater. Notably, the combined water and wastewater effective income tax rate is 14.95% in this case, which is meaningfully lower than the effective statutory income tax rates for federal and state at 27.31%. This difference is primarily the direct result of the tax repairs benefits continuing to be passed through to customers.

Q. How is the ADIT set forth in the Company's rate base calculation on Schedule G-1 of Exhibits 1-A through 1-E derived?

A. The ADIT for the rate base calculation, as shown on Schedule G-1 of Exhibit No. 1-A through Exhibit No. 1-E, is calculated by including the normalized deferred taxes and the unamortized excess ADIT related to the tax rate reductions resulting from the tax law changes made in 1986 and 1993 at the end of the FPFTY. The ADIT also includes the excess ADIT resulting from the TCJA rate reduction as a reduction to rate base. This amount has been classified as a regulatory liability on the Company's balance sheet but is

also considered ADIT for purposes of the rate base calculation. Also included in rate base is the ADIT asset for the Federal NOLC. The deferred tax asset represents the cash benefits the Company has not received because of the NOLs. The Company booked and will continue to book deferred federal income taxes in those years for which the Company has not received any cash for its losses. The deferred tax asset is included in rate base because the Company cannot reflect an increase in deferred taxes for tax depreciation deductions that have not been realized. To do so would violate the principles of the normalization requirements under the Internal Revenue Code. Past IRS rulings addressing this issue have made it clear that companies cannot reduce rate base for benefits that have not been realized. The ADIT asset for the PA NOL is also included in rate base. Inclusion of the ADIT for the PA NOL in rate base is a recognition of pre-2025 normalization accounting treatment that recorded deferred income tax expense on the PA NOL. Note that the Company will discontinue the normalization of state income tax expense for the PA NOL in 2025, as such in the FPFTY, the Company is not reflecting any deferred state income tax expense in cost of service for the creation of PA NOL that is projected for wastewater. As a result of the PA tax rate decrease, the Company also recorded a regulatory asset for the deficient deferred state taxes related to the ADIT asset for the PA NOL. This amount is $3,043,460 and $0 has been included as an increase to rate base in the FPFTY for water and wastewater respectively.

Q. Are there any other adjustments to ADIT included in rate base?

A. Yes, there are. The Company has calculated a projected test period normalization adjustment ("pro rata normalization adjustment"). Whenever there are estimated changes in the deferred taxes that occur in a future rate period, the normalization requirements of

the Internal Revenue Code require that the deferred taxes be reflected on a pro rata basis as provided under Reg. Section 1.167(I)-1(h)(6)(ii). A future test period is defined as that portion of the test period after the effective date of the rate order. Under the pro rata basis, the change in the deferred taxes is determined by multiplying the change by a fraction of the number of days remaining in the period at the time such change is to be accrued over the total number of days in the future period. Applying this calculation resulted in a decrease to ADIT of $0 for water and $711,971 for wastewater.

The Company has included as a decrease to rate base, a regulatory liability of $2,436,764 for the uncertain tax positions ("FIN 48") provision related to the historical tax repairs deduction. I will discuss this in more detail in the next section of my testimony.

III. REPAIRS DEDUCTIONS FOR RATEMAKING PURPOSES

Q. Please address the 2011 change in method of tax accounting for repairs and how that is impacting tax expense in this proceeding.

A. Yes, in 2011 the Company filed with the IRS National Office for permission to change its definition of "unit of property". Depending on how the unit of property for the Company's network assets is defined, certain expenditures can potentially be deducted on the tax return rather than be capitalized. When the Company received permission from the IRS for this method change, under the law, it was eligible to claim a deduction under Internal Revenue Code Section 481(a) for the cumulative impact on taxable income as of the beginning of the year of its method change. A Section 481(a) adjustment has the effect of amending all prior income tax returns to adjust taxable income to a taxpayer's new method, except the net impact on taxable income for the prior years is reflected entirely as a deduction (or income) on the current year return. In the Company's 2011 rate case, Docket No. R-2011-

2267958 (“2011 Base Rate Case”), the Company received approval to give the tax benefit of the Section 481(a) adjustment to customers over a ten-year amortization period beginning in 2013. Then, in the Company’s 2018 rate case, Docket No. R-2018-3003558, R-2018-3003561, et al. (“2018 Base Rate Case”), the Company proposed accelerating this amortization to attempt to align the full amortization of the Section 481(a) adjustment with its next base rate case test year. In the Company’s most recent 2021 Base Rate Case, the remaining balance was reset to amortize over 36 months such that in this case, there remains only a full year amortization in the HTY and the FTY. The tax benefit of the Section 481(a) adjustment is fully amortized by the FPFTY.

At the time the Company received permission from the IRS to change its method of accounting in 2011, no industry specific guidance on the unit of property and methodology that the Company proposed to use to determine “capital” versus “repair” existed for the water industry and currently there continues to exist no specific guidance for the water industry, even though industry guidance has been released for the electric and gas transmission and distribution industry, as well as the electric generation industry. This resulted in the Company recording uncertain tax positions (FIN 48) on its financial statements. Under FIN 48, the Company is required to routinely assess the need or a provision for uncertain tax positions. Tax positions are first evaluated as to whether it is more likely than not it will be sustained upon audit examination, including the resolution of any related appeals or litigation processes, based on the technical merits of the position. Tax positions are then evaluated to determine the benefit to recognize in the financial statements, which is the largest amount of tax benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Based on the release of guidance for the gas

industry in 2023 under the Natural Gas Safe Harbor rules (Rev. Proc. 2023-15), which provided more clarity on the rules around the unit of property that the IRS would find acceptable, the Company has released its reserves for the uncertain tax positions and is proposing to refund to customers $4,873,528 over a two-year period. This amount is before the gross-up for taxes. This decrease in deferred income tax expense of $2,436,764 per year for water and $0 for wastewater is reflected in Schedule F-2, column (9), on line 22 for Exhibit No. 1-A (Water). As previously stated, the Company has included as a decrease to rate base, a regulatory liability of $2,436,764 in the FPFTY, which represents the unamortized FIN 48 provision related to the repairs deductions.

Q. How does the change in method impact the Company's taxable income going forward?

A. As in the 2021 Base Rate Case, tax expense is being reduced for the capital additions expected in the test period to meet the standard of a repair as stipulated in the 2018 Base Rate Case settlement, where the flow-through accounting basis was approved. Moreover, a specific level of net repairs deduction (the "Collar") was specified (i.e., $158.9 million for water and wastewater on a consolidated basis). The components of the Collar included the deduction itself projected, reduced by any provision for uncertain tax positions (FIN 48) projected, less AFUDC.

Also approved in the 2018 Base Rate Case was a provision that should the Company incur a net repairs deduction that was $3 million over or under the Collar, the Company would establish a regulatory asset or liability for the income tax expense impacts associated with the amount over or under the $158.9 million, with such regulatory asset or liability to be incorporated in the Company's next base rate case for inclusion in future tax

expense claims. When the net repairs deductions for the Company fall within the range of $154.9 million to $162.9 million, customers would not have to return the reduced tax benefits or likewise the Company would not have to refund the additional tax benefits to customers. Additionally, the Settlement required that, if the Company incurred net repairs deductions that resulted in the Company reporting a regulatory asset or liability with a net cumulative income tax impact of $10 million or larger, then the Company would notify the Commission, the Office of Consumer Advocate, the Commission's Bureau of Investigation and Enforcement and the Office of Small Business Advocate as to a plan to address the amount due from or due to customers.

In the 2021 Base Rate Case, the Company received approval to revise the amount of the Collar to $159.06 million and the level of tax repairs over/under amount that would generate a regulatory asset or liability to $4 million. The Company is proposing that the Collar methodologies established in the 2018 Base Rate Case remain in place and request that the Collar amount be updated from the level approved in the 2021 Base Rate Case of $159.06 million to $163.06 million to reflect the increasing levels of capital spend that typically results in increased deductions for tax repairs.

Q. Does the Company have a regulatory asset or liability to address in this case?

A. Yes. The Company's projected tax repairs deduction for tax year 2023 was approximately $33.7 million above the top range of the 2021 Rate Case Collar of $163.06 million, at $192.8 million resulting in a regulatory liability of $9.5 million before the gross-up for taxes at the end of the HTY. The Company is proposing to amortize this over two years as a reduction to deferred income tax expense in the amount of $4,737,469 per year starting in the FPFTY as reflected in Schedule F-2, Line 23. This amount is the tax benefit of the

tax repair deduction before tax gross-up to be returned to customers.

Q. What are the projected repair benefits included in the FPFTY?

A. Referring to Schedule F-2, Line 4, "Tax Repair Deduction" in both Exhibits 1-A (Water) and 1-C (Wastewater), the Company has reflected a consolidated net tax repair deduction of approximately $163.06 million, compared to the $159.06 million target established in the 2021 Base Rate Case. Since this is within the $4 million of the top range, there is no additional regulatory asset or liability projected for the FPFTY.

Q. Referencing Exhibits 1-B and 1-C through 1-E, Schedule F-2, did you project any repairs benefit?

A. No. These are wastewater systems recently acquired by the Company pursuant to Section 1329 of the Public Utility Code, 66 Pa. C.S. § 1329. The IRS regulations regarding tangible property have provisions that dictate repairs expenses are those attributed to the taxpayer's use of the assets. Given that the Company has only owned and operated these systems 1-2 years (Shenandoah-1 year, Lower Makefield and East Whiteland-2 years), and that the investments during this time period are more restorative in nature, the investments being made by the Company are not expected to yield any repair benefit. As such these investments will be treated as tax assets instead of tax repairs.

IV. ACT 40

Q. Can you briefly describe how Act 40 changed prior Commission practice related to the practice of making a consolidated tax adjustment?

A. Yes, with the enactment of Act 40, Pennsylvania eliminates the requirement to make a consolidated tax adjustment for ratemaking purposes. Instead, a utility's tax expense for regulatory purposes is calculated on a stand-alone basis and is not subsidized by the tax

losses of its affiliates. Act 40 has been codified as Section 1301.1 of the Public Utility Code. Section 1301.1(a) which clearly and unambiguously states:

> "If an expense or investment is not allowed to be included in a public utility's rates, the related income tax deductions, and credits, including tax losses of the public utility's parent or affiliated companies, shall not be included in the computation of income tax expense to reduce rates. The deferred income taxes used to determine the rate base of a public utility for ratemaking purposes shall be based solely on the tax deductions and credits received by the public utility and shall not include any deductions or credits generated by the expenses or investments of a public utility's parent or any affiliated entity."

Section 1301.1(b) requires a public utility seeking to change rates to demonstrate that it uses at least 50 percent of what would have been a consolidated tax expense adjustment, or "differential," under the law prior to Act 40, for reliability or infrastructure related capital investments and the other 50 percent for general corporate purposes.

Q. Have you calculated the "differential" in income taxes referenced in Act 40?

A. Yes, included in TX13 Attachment 2 is the calculation of such an adjustment using the modified effective tax rate methodology traditionally used by the Commission prior to the enactment of Act 40. TX13 Attachment 2 calculated the former consolidated tax adjustment to be $75,205,377. Section 1301.1(b) requires that $37.6 million (50% of the $75.2 million consolidated tax adjustment) be spent on infrastructure replacement. Company witness Mr. William C. Packer discusses the Company's capital spend in his Direct Testimony (Statement No. 1), where he explains that the Company's average investment in reliability or infrastructure related capital investment is approximately $300 million per year through the FPFTY ending December 31, 2025. Given this fact, the Company is making significant investments in rate base that is far in excess of the 50% requirement of any consolidated tax benefits that would potentially be attributable to the

Company under a hypothetical consolidated tax adjustment. As far as the requirement that 50% of the differential be spent on general corporate purposes, I refer to the level of operations and maintenance expenses claimed in this case of approximately $188 million per the testimony of Company witness Packer on Exhibits 1-A through 1-E, Schedule C-2, which also exceeds the 50% threshold. These levels of investment satisfy the requirements of Act 40 and are certainly in the spirit of what Act 40 was intended to facilitate.

V. STATE TAX RATE CHANGE

Q. What changes in Pennsylvania tax law have been enacted since the filing of the last rate case?

A. House Bill 1342 was signed into law in Pennsylvania on July 8, 2022. The law made significant changes to the Commonwealth's corporate net income tax laws:

- Corporate net income tax rate reduction from 9.99 to 4.99 percent over a period of years;
- Sales factor changes;
- Codification of economic nexus standards.

Q. When is the rate reduction effective?

A. House Bill 1342 reduces that rate incrementally to 4.99%. These rate reductions are scheduled to occur automatically and are not contingent on state tax revenues meeting or

exceeding specific thresholds. The rate is first reduced to 8.99% for the 2023 tax year. The rate is further reduced as follows:

8.49% for tax year 2024

7.99% for tax year 2025

7.49% for tax year 2026

6.99% for tax year 2027

6.49% for tax year 2028

5.99% for tax year 2029

5.49% for tax year 2030

4.99% for tax years beginning January 1, 2031, and thereafter.

Q. How has the rate reduction been reflected in the income tax calculations in this case?

A. By the FPFTY the rate is 7.99% and because the FPFTY is a full 12 months of 2025, the Company is using the 7.99% rate to calculate state income tax expense for the FPFTY.

Q. How will future changes to the state income tax rate be reflected?

A. Future changes to the state income tax rate will be managed through the State Tax Adjustment Surcharge ("STAS"), or in future base rate proceedings.

VI. CONCLUSION

Q. Does this conclude your direct testimony?

A. Yes, however I reserve the right to supplement my Direct Testimony as needing during the progression of this case.

Statement No. 9

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NO. R-2024-3047822 (WATER)

DOCKET NO. R-2024-3047824 (WASTEWATER)

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY

OF

HAROLD WALKER, III

REGARDING

CASH WORKING CAPITAL

MAY 2024

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I. INTRODUCTION AND QUALIFICATIONS.

Q. STATE YOUR NAME AND ADDRESS.

A. My name is Harold Walker, III. My business address is 1010 Adams Avenue, Audubon, Pennsylvania, 19403.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC as Manager, Financial Studies.

Q. PLEASE DESCRIBE YOUR QUALIFICATIONS AND YOUR EDUCATIONAL BACKGROUND AND EMPLOYMENT EXPERIENCE.

A. My educational background, business experience and qualifications are attached hereto as **Appendix A**.

II. SCOPE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. The purpose of my testimony is to recommend an appropriate cash working capital allowance that Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. ("Aqua PA" or "Company") should be afforded an opportunity to earn on as part of its rate base claim. My recommendation is based upon the results of five lead-lag studies that were performed under my direct supervision. The five studies are for the Water Base Operations, Shenandoah Water Operations, Wastewater Base Operations, Lower Makefield Wastewater Operations, and East Whiteland

Wastewater Operations.

Q. HAVE YOU PREPARED AN EXHIBIT PRESENTING THE RESULTS OF YOUR STUDY?

A. Yes. I have prepared Exhibit 7 which contains the 27 supporting schedules, identified as Schedule HW-1 through Schedule HW-27, summarizing the Company's cash working capital requirement in these proceeding.[1]

III. PRINCIPLES OF CASH WORKING CAPITAL

Q. WOULD YOU PLEASE EXPLAIN THE RATEMAKING PRINCIPLES CONCERNING THE INCLUSION OF WORKING CAPITAL AS AN ELEMENT OF RATE BASE?

A. Yes. The working capital allowance is a component of rate base. A utility's need for working capital was first recognized in the noted United States Supreme Court case, *Smyth v. Ames*.[2] Among the many benchmarks established in the case was the "property devoted to public use" doctrine as a basis for fixing rates. The case recognized that among the matters to be considered in determining the value of property used was "the sum required to meet operating expenses."[3] Since that

[1] Exhibit 7 provides support for the Company's cash working capital rate base elements shown on Schedules G-5 through G-5.4 of Exhibit 1-A, Exhibit 1-B, Exhibit 1-C, Exhibit 1-D and Exhibit 1-E for the Water Base Operations, Shenandoah Water Operations, Wastewater Base Operations, Lower Makefield Wastewater Operations, and East Whiteland Wastewater Operations, respectively.

[2] *Smyth v. Ames*, 169 U.S. 466 (1898), overruled on other grounds by *Fed Power Comm'n v. Nat. Gas Pipeline Co. of Am.*, 315 U.S. 575, 586 (1942). Specifically, *Fed. Power Comm'n* departed from the holding in *Smyth* that fair market value in cost of service ratemaking must be used and instead concluded that "[t]he Constitution does not bind rate-making bodies to the service of any single formula or combination of formulas."

[3] *Id*. at 547.

time, working capital has generally been recognized as a proper item to be included in the rate base on which a utility is entitled to earn a return.

Q. WHAT IS CASH WORKING CAPITAL?

A. Cash working capital is a component of working capital, representing the amount of funds necessary to finance the day-to-day operations of the Company. For ratemaking purposes, cash working capital is included as a component of a utility's rate base.

Q. WHY IS CASH WORKING CAPITAL INCLUDED AS AN ELEMENT OF RATE BASE?

A. Working capital is included in rate base to compensate investors for the use of their funds over and above their investment in plant, and to provide investors with a return on the funds required by the Company for daily operations. Cash working capital bridges the gap between the time when funds are provided to the Company by investors to allow the Company to provide service to customers, and the time revenues are received from customers as reimbursement for these services.

IV. OVERVIEW OF A LEAD-LAG STUDY

Q. HOW WAS THE CASH WORKING CAPITAL REQUIREMENT DETERMINED?

A. I conducted five lead-lag studies to determine the Company's cash working capital requirement. The lead-lag studies in this case measured the level of funding required to operate on a day-to-day basis in a sufficient amount to cover Aqua PA's

operating expenses (O&M, Taxes and Interest). This was measured by calculating the net lag between: (1) the amount of time elapsed between the provision of the cost of service and the receipt of the revenue requirement from the Company's customers (known as the revenue lag); and (2) the amount of time elapsed between when the Company receives goods and services used by the Company to provide service and the payment by the Company for those operating expense items (known as the expense lead). The difference between these two elapsed periods of time is known as the "net lag." The net lag was multiplied by the average daily operating expenses (or revenue requirement) to determine the Company's cash working capital requirement.

Q. PLEASE DESCRIBE THE COMPONENTS OF A CASH WORKING CAPITAL ANALYSIS.

A. The two primary components of a cash working capital analysis are revenue lags and expense leads. The revenue lag is the elapsed time between when the delivery of a company's product, or provision of service, to its customers occurs and when a company receives payment for the delivery of the product. Investor-provided funds are required to keep a company running during the revenue lag time period, when the revenue stream is temporarily insufficient to finance daily operational needs.

As mentioned above, the expense lead is the elapsed time between when a good or service is provided to a company and when a company pays its supplier, or vendor, for the good or service. During the expense lead time period, cash

received from customers may temporarily exceed a company's payments to its suppliers for goods or services, and the excess may be used to repay investor-provided funds.

The net difference between the revenue lag and expense lead determines a company's cash working capital requirement. Additional details of the revenue lag and the expense lead calculations are provided below.

Q. GENERALLY SPEAKING, HOW DID YOU CALCULATE THE REVENUE LAG?

A. The revenue lag is the sum of three distinct components: the service period lag, the billing lag, and the collection lag.

Q. WHAT IS THE SERVICE PERIOD LAG?

A. The service period lag is the average time between meter readings. The average, or mid-point, between meter readings, based on monthly meter readings, is roughly 15 days. The mid-point service period lag is produced by dividing the service period of roughly 30 days by two.

Q. WHAT IS THE BILLING LAG?

A. The billing lag is the time from the meter reading date to the date the customer is billed. On the customer billing date, the bill is mailed to the customer, and the total billing amount for the cycle is recorded to Aqua PA's accounts receivable. The

bills are prepared and mailed roughly two days after meters are read.

Q. WHAT IS THE COLLECTION LAG?

A. The collection lag is the average number of days from the date the bills are mailed to customers to the date payments are received by Aqua PA. This was determined by summing the daily accounts receivable balance during the twelve months ended December 31, 2023, and dividing by the sum of the daily receipts for the same period.

Q. GENERALLY SPEAKING, HOW DID YOU CALCULATE THE EXPENSE LEAD?

A. In a lead-lag study, the cost of service, or expense, lead days are calculated for each invoice or account by subtracting the midpoints of the service periods (the service lead) from the date the Company paid the invoices or accounts (the payment lead) and then summing these two data points.

The service lead is the average time that a service or good was provided to the Company. If a service or good was provided for 20 days, the 20-day service period is divided by two to produce a midpoint of ten days for the service period lead.

The payment lead is the number of days from the midpoint of the service period to the payment date for the service or good. If payment for the service or good was provided on the 30th day and the midpoint of the service period was the

10th day, the payment lead is 20 days (30 days – ten days).

Q. WHY ARE MIDPOINTS USED IN THE CASH WORKING CAPITAL ANALYSIS?

A. Midpoints are used to determine the weighted average period during which a service or good is rendered or provided during the service period, or between meter reads. The midpoint assumes that, on average, service is provided evenly over the service period. For example, if a service is provided over a 30-day period, then on average, 30 days of service was provided evenly for 15 days (30÷2) of the service period. Mathematically, the midpoint is the weighted average number of days that the full service period number of days (*e.g.,* 30 days) was provided.

V. AQUA PA'S LEAD-LAG STUDY

Q. DID YOU CONSIDER AQUA PA'S OVERALL COST OF SERVICE IN YOUR LEAD-LAG STUDY?

A. No. I considered only a portion of Aqua PA's cost of service items in my lead-lag study to be consistent with the lead-lag methodology used in Pennsylvania. In Pennsylvania, lead-lag studies do not include non-cash expense items.

A lead-lag study based on O&M, Taxes and Interest likely understates the full cash working capital requirement and affords the minimum cash working capital requirement. A lead-lag study based on the entire revenue requirement and cost of service provides a more accurate measure of the cash working capital

requirement.

Q. WHAT DATA SET DID YOU UTILIZE IN YOUR LEAD-LAG STUDY?

A. The data sets were selected after developing an understanding of the Company's collections, payment policies, and procedures. To inform my understanding of these items, I requested representative data sets from the Company. Once the requested raw data had been provided, data validation was performed by comparing an actual invoice or a bill with data from the utility's systems to ensure accuracy.

The revenue lag data set for the Company was based on an accounts receivable analysis of the beginning balance, the daily charges to this balance as bills were processed and mailed, and the daily receipts for all the days of the year during the 12 months ended December 31, 2023. The revenue lag data set for the Company also included an analysis of the cycle billing, the beginning and ending service dates (meter read dates), and the date bills were mailed (or posted).

The expense lead data set was based on information generated from the Company's central accounts payable system. The expense lead data sets for the 12 months ended December 31, 2023, were analyzed to develop the service beginning and ending dates, the amount purchased, and the date of payment.

Q. WHAT TIME PERIOD DOES YOUR LEAD-LAG STUDY ENCOMPASS?

A. The lead-lag study in this case analyzed the net revenues and the associated net cost of service during the 12 months ended December 31, 2023, to derive the lag

(lead) days for the revenue requirement and the related cost of service line items.

Q. HOW WERE THE REVENUE LAG DAYS AND EXPENSE LEAD DAYS USED TO CALCULATE AQUA PA'S CASH WORKING CAPITAL REQUIREMENT?

A. For each cost of service line item, the lead days (expense) were subtracted from the lag days (revenue) to determine the net lag days for that cost of service line item category (i.e., O&M, Taxes, and Interest). Next, the net lag days for that cost of service line item category was multiplied by the average O&M, Taxes, and Interest expense per day (expenses ÷ 365 days) line item to produce the cash working capital required for each cost of service line item category. This process was followed for each cost of service line item. Finally, the cash working capital requirement of each cost of service line item category were totaled (summed) to calculate Aqua PA's total cash working capital requirement.

VI. RESULTS OF THE LEAD-LAG STUDY

Q. WHAT ARE THE RESULTS OF THE LEAD-LAG STUDY?

A. The lead-lag schedules are set forth in Schedule HW-1 through Schedule HW-27 provided in my Exhibit 7. Schedule HW-1 summarizes Aqua PA's cash working capital requirements. As shown on page 1 of Schedule HW-1, I determine the Water Base Operations' cash working capital requirement is $7,712,000. Similarly, I determine the Shenandoah Water Operations' cash working capital requirement is $133,000 (Schedule HW-1 page 2), the Wastewater Base Operations' cash working capital requirement is $1,247,000 (Schedule HW-1 page 3), the Lower

Makefield Wastewater Operations' cash working capital requirement is -$365,000 (negative) (Schedule HW-1 page 4), and the East Whiteland Wastewater Operations cash working capital requirement is -$29,000 (negative) (Schedule HW-1 page 5).

Q. PLEASE DESCRIBE SCHEDULE HW-1.

A. As shown on Schedule HW-1, the cash working capital requirement is based on the net lag days required to finance each cost of service line item category. The net lag day calculations are a result of subtracting their respective expense lead days from the revenue lag days to determine the appropriate net lag days, which was multiplied by the average O&M, Taxes, and Interest expense per day (expenses ÷ 365 days) line item. The lag days for the receipt of the revenue requirement is developed on Schedule HW-2. The lead days for the cost of service line items are developed on Schedules HW-4 through HW-27, and the schedule references for the lead days for the cost of service line items is shown on Schedule HW-3.

Q. PLEASE EXPLAIN THE PROCEDURES USED TO DETERMINE AQUA PA'S CASH WORKING CAPITAL REQUIREMENT SHOWN ON SCHEDULE HW-1.

A. The process used to determine Aqua PA's cash working capital requirement, shown on Schedule HW-1, is the same for each line item category shown. Because the process is the same, I will discuss the hourly labor expense line item (first line item) as a means of explaining the methodology used for each line item

(Schedule HW-1, page 1).

The hourly labor expense line item amount of $23,668,323 (column A) was multiplied by its corresponding 5.5 lead days to determine the $130,175,779 weighted line item amount in column C. A similar process was followed for each expense sub-account line item and then all expense sub-account line items were totaled. The total expense sub-account line item weighted line item amount of $3,046,253,729 (column C) was divided by the total expense sub-account line item amount of $137,239,204 (column A) to determine the total expense sub-account line item 22.2 lead days (column E). The total expense sub-account line item 22.2 lead days (column E) was subtracted from the 51.5 revenue lag days (column D) to determine the 29.3 net lag days (column F). The total expense sub-account line item amount of $137,239,204 (column A) was divided by 365 days to determine a daily expense per day of $375,998 (column G), which was multiplied by the 29.3 net lag days (column F) to determine the cash working capital amount, $11,016,736 (column H) ($137,239,204 ÷ 365 = $375,998 × 29.3 = $11,016,736). The cash working capital amount of $11,016,736 (column H) was rounded to determine the recommended cash working capital amount of $11,017,000 (column I) for the expense sub-account line items.

A similar process was followed for the taxes sub-account line items and the interest sub-account line items. The cash working capital requirement of all sub-account line items categories (O&M, Taxes, and Interest) line items were totaled (summed) to calculate Water Base Operations' $7,712,000 total cash working capital requirement. A similar procedure was followed to calculate the Shenandoah

Water Operations' cash working capital requirement of $133,000 (Schedule HW-1, page 2), the Wastewater Base Operations cash working capital requirement of $1,247,000 (Schedule HW-1, page 3), the Lower Makefield Wastewater Operations cash working capital requirement of -$365,000 (Schedule HW-1, page 4), and the East Whiteland Wastewater Operations cash working capital requirement of -$29,000 (Schedule HW-1, page 5).

Q. PLEASE EXPLAIN THE PROCEDURES USED TO DETERMINE THE REVENUE LAG.

A. Schedule HW-2 shows the development of the 51.5-day lag for the Water Base Operations. Similar results were reached in the other operations studied: a 57.4-day revenue lag for the Shenandoah Water Operations, 53.7 lag days for the Wastewater Base Operations, 32.1 lag days for the Lower Makefield Wastewater Operations, and 55.0 lag days for the East Whiteland Wastewater Operations. These revenue lags reflect the individual operations' billings and collections frequencies.

Q. PLEASE EXPLAIN THE PROCEDURES USED TO DETERMINE THE SERVICE PERIOD AND THE BILLING LAG DAYS FOR CUSTOMER REVENUES.

A. The lag days for the service period and the billing lag are developed on page 2 of Schedule HW-2. As mentioned previously, the service period lag was measured from the midpoint of the service period to the meter reading date, and the billing

lag was measured from the meter reading date to the billing date.

The Water Base Operations' service period was divided by two to produce the average service period lag of 15.2 days, as shown on page 2 of Schedule HW-2. The Water Base Operations' bills are prepared, mailed, and recorded to accounts receivable 2.0 days after meters are read. Adding the average service period lag to the billing lag produces a combined 17.2-day service period and billing lag (15.2 days + 2.0 days = 17.2 days) as shown on page 2 of Schedule HW-2. A similar 17.2-day service period and billing lag resulted for the Shenandoah Water Operations, Wastewater Base Operations, Lower Makefield Wastewater Operations, and East Whiteland Wastewater Operations. These combined service period and billing lags reflect the individual operations' billing frequency.

Q. PLEASE DESCRIBE THE PROCEDURE USED TO CALCULATE THE COLLECTION LAG.

A. As mentioned previously, the collection lag is the average number of days from the date the bills were mailed to the date payments are received and was determined by summing the daily accounts receivable balance during the test year and dividing by the sum of the daily test year receipts. This results in an average collection lag of 34.3 days for the Water Base Operations as shown on page 3 of Schedule HW-2. The collection lags for the other operations studied were determined to be: 40.2 lag days for the Shenandoah Water Operations, 36.5 lag days for the Wastewater Base Operations, 14.9 lag days for the Lower Makefield Wastewater Operations,

and 37.8 lag days for the East Whiteland Wastewater Operations. These lags reflect the individual operations' accounts receivable balances (collection lag) and their collection frequencies.

Q. PLEASE SUMMARIZE THE TOTAL REVENUE LAG.

A. The total revenue lag of 50.9 lag days for the Water Base Operations includes a 17.2-day service period and billing lag and an average collection lag of 34.7 days. The Shenandoah Water Operations' total revenue lag of 57.4 days includes a 17.2-day service period and billing lag and an average collection lag of 40.2 days. The Wastewater Base Operations' total revenue lag of 53.7 days includes a 17.2-day service period and billing lag and an average collection lag of 36.5 days. The Lower Makefield Wastewater Operations' total revenue lag of 32.1 days includes a 17.2-day service period and billing lag and an average collection lag of 14.9 days. The East Whiteland Wastewater Operations total revenue lag of 55.0 days includes a 17.2-day service period and billing lag and an average collection lag of 37.8 days. Each of these calculations is detailed on page 1 of Schedule HW-2.

Q. PLEASE EXPLAIN THE CALCULATION OF LEAD DAYS FOR THE O&M, TAXES, AND INTEREST EXPENSES SHOWN ON SCHEDULE HW-1.

A. For each O&M, Taxes, and Interest expense line item that is shown, the lead days were calculated for each invoice or account based on the midpoints of the service periods to the dates the Company paid the invoices or accounts. Schedule HW-3 shows the schedule references for the O&M, Taxes, and Interest expense lead

days for the Company.

Q. HOW WERE THE LEAD DAYS DETERMINED FOR THE O&M EXPENSES SUB-ACCOUNT LINE ITEMS SHOWN ON SCHEDULE HW-1?

A. For the O&M expense sub-accounts line items shown, the lead days were determined for each invoice or account based on the midpoints of the service periods to the dates the Company paid the invoices or accounts. For example, the weighted average lead days for hourly labor expense equals 5.5 days (see Schedule HW-4). The lead days for hourly labor expenses were calculated for each invoice examined based on the midpoints of the service periods to the dates the Company paid the invoices.

Similar analyses were conducted for non-union labor (see Schedule HW-5), management fee (see Schedule HW-6), electric power (see Schedule HW-7), water purchased (see Schedule HW-8), wastewater purchased (see Schedule HW-9), employee group insurance (see Schedule HW-10), liability insurance (see Schedule HW-11), SFI postage (see Schedule HW-12), pension (see Schedule HW-13), SFAS106 (see Schedule HW-14), and all other expenses (see Schedule HW-15).

Q. HOW WERE THE LEAD DAYS DETERMINED FOR THE TAXES SUB-ACCOUNT LINE ITEMS SHOWN ON SCHEDULE HW-1?

For the taxes sub-account line items, the lead days were calculated based on the midpoint of the tax service period to the payment date, weighted by the actual

amount paid. The taxes sub-accounts include; PA PUC - general assessments (see Schedule HW-16), OCA & SBA - general assessments (see Schedule HW-17), public utility realty tax (see Schedule HW-18), local, county, school, & municipal tax (see Schedule HW-19), FICA taxes - hourly (see Schedule HW-20), FICA taxes - executive & exempt (see Schedule HW-21), federal unemployment tax (see Schedule HW-22), PA unemployment tax (see Schedule HW-23), PA State income tax (see Schedule HW-24), and federal income tax (see Schedule HW-25).

Q. HOW WERE THE LEAD DAYS DETERMINED FOR THE INTEREST SUB-ACCOUNT LINE ITEMS SHOWN ON SCHEDULE HW-1?

For the interest sub-account line items, the lead days were calculated based on the midpoint of the interest service period to the payment date, weighted by the actual amount paid. The interest sub-accounts include; long term debt-interest (see Schedule HW-26), and PennVest-interest (see Schedule HW-27).

VII. CONCLUSION

Q. WHAT ARE THE RESULTS OF THE LEAD-LAG STUDY?

A. The results of the lead-lag study are shown on Schedule HW-1. The results of the lead-lag study shown on Schedule HW-1 show the required cash working capital to bridge the gap between the time when funds are provided to the Company by investors to allow the Company to provide service to customers, and the time revenues are received from customers as reimbursement for these services. As shown on page 1 of Schedule HW-1, the Water Base Operations' cash working capital requirement is $7,712,000. Similarly, the Shenandoah Water Operations' cash working capital requirement is $133,000 (Schedule HW-1, page 2), the Wastewater Base Operations' cash working capital requirement is $1,247,000 (Schedule HW-1, page 3), the Lower Makefield Wastewater Operations' cash working capital requirement is -$365,000 (negative) (Schedule HW-1, page 4), and the East Whiteland Wastewater Operations cash working capital requirement is -$29,000 (negative) (Schedule HW-1, page 5).

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, it does.

APPENDIX A

Professional Qualifications
of
Harold Walker, III
Manager, Financial Studies
Gannett Fleming Valuation and Rate Consultants, LLC.

EDUCATION

Mr. Walker graduated from Pennsylvania State University in 1984 with a Bachelor of Science Degree in Finance. His studies concentrated on securities analysis and portfolio management with an emphasis on economics and quantitative business analysis. He has also completed the regulation and the rate-making process courses presented by the College of Business Administration and Economics Center for Public Utilities at New Mexico State University. Additionally, he has attended programs presented by The Institute of Chartered Financial Analysts (CFA).

Mr. Walker was awarded the professional designation "Certified Rate of Return Analyst" (CRRA) by the Society of Utility and Regulatory Financial Analysts. This designation is based upon education, experience, and the successful completion of a comprehensive examination. He is also a member of the Society of Utility and Regulatory Financial Analysts (SURFA) and has attended numerous financial forums sponsored by the Society. The SURFA forums are recognized by the Association for Investment Management and Research (AIMR) and the National Association of State Boards of Accountancy for continuing education credits.

Mr. Walker obtained a license as a Municipal Advisor Representative (Series 50) by Municipal Securities Rulemaking Board (MSRB) and Financial Industry Regulatory Authority (FINRA).

BUSINESS EXPERIENCE

Prior to joining Gannett Fleming Valuation and Rate Consultants, LLC., Mr. Walker was employed by AUS Consultants - Utility Services. He held various positions during his eleven years with AUS, concluding his employment there as a Vice President. His duties included providing and supervising financial and economic studies on behalf of investor owned and municipally owned water, wastewater, electric, natural gas distribution and transmission, oil pipeline and telephone utilities as well as resource recovery companies.

In 1996, Mr. Walker joined Gannett Fleming Valuation and Rate Consultants, LLC. In his capacity as Manager, Financial Studies and for the past twenty years, he has continuously studied rates of return requirements for regulated firms. In this regard, he supervised the preparation of rate of return studies in connection with his testimony and in the past, for other individuals. He also assisted and/or developed dividend policy studies, nuclear prudence studies, calculated fixed charge rates for avoided costs involving cogeneration projects, financial decision studies for capital budgeting purposes and developed financial models for determining future capital requirements and the effect of those requirements on investors and ratepayers, valued utility property and common stock for acquisition and divestiture, and assisted in the private placement of fixed capital securities for public utilities.

Head, Gannett Fleming GASB 34 Task Force responsible for developing Governmental Accounting Standards Board (GASB) 34 services and educating Gannett Fleming personnel and Gannett Fleming clients on GASB 34 and how it may affect them. The GASB 34 related services include inventory of assets, valuation of assets, salvage estimation, annual depreciation rate determination, estimation of depreciation reserve, asset service life determination, asset condition assessment, condition assessment documentation, maintenance estimate for asset preservation, establishment of condition level index, geographic information system (GIS) and data management services, management discussion and analysis (MD&A) reporting, required supplemental information (RSI) reporting, auditor interface, and GASB 34 compliance review.

In 2004, Mr. Walker was elected to serve on the Board of Directors of SURFA. Previously, he served as an ex officio directors as an advisor to SURFA's existing President. In 2000, Mr. Walker was elected President of SURFA for the 2001-2002 term. Prior to that, he was elected to serve on the Board of Directors of SURFA during the period 1997-1998 and 1999-2000. He also previously served on the Pennsylvania Municipal Authorities Association, Electric Deregulation Committee.

EXPERT TESTIMONY

Mr. Walker has submitted testimony or been deposed on various topics before regulatory commissions and courts in 27 states including: Alaska, Arizona, California, Colorado, Connecticut, Delaware, Hawaii, Idaho, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, and West Virginia. His testimonies covered various subjects including lead-lag studies, fair rate of return, fair market value, the taking of natural resources, benchmarking, appropriate capital structure and fixed capital cost rates, depreciation, purchased water adjustments, synchronization of interest charges for income tax purposes, valuation, cash working capital, financial analyses of investment alternatives, and fair value. The following tabulation provides a listing of the electric power, natural gas distribution, telephone, wastewater, and water service utility cases in which he has been involved as a witness.

Client	Docket No.
Alpena Power Company	U-10020
Armstrong Telephone Company - Northern Division	92-0884-T-42T
Armstrong Telephone Company - Northern Division	95-0571-T-42T
Artesian Water Company, Inc.	90 10
Artesian Water Company, Inc.	06 158
Aqua Illinois Consolidated Water Divisions and Consolidated Sewer Divisions	11-0436

Aqua Illinois Hawthorn Woods Wastewater Division	07 0620/07 0621/08 006
Aqua Illinois Hawthorn Woods Water Division	07 0620/07 0621/08 006
Aqua Illinois Kankakee Water Division	10-0194
Aqua Illinois Kankakee Water Division	14-0419
Aqua Illinois Vermilion Division	07 0620/07 0621/08 006
Aqua Illinois Willowbrook Wastewater Division	07 0620/07 0621/08 006
Aqua Illinois Willowbrook Water Division	07 0620/07 0621/08 006
Aqua Pennsylvania, Inc	A-2022-3034143
Aqua Pennsylvania Wastewater Inc	A-2016-2580061
Aqua Pennsylvania Wastewater Inc	A-2017-2605434
Aqua Pennsylvania Wastewater Inc	A-2018-3001582
Aqua Pennsylvania Wastewater Inc	A-2019-3008491
Aqua Pennsylvania Wastewater Inc	A-2019-3009052
Aqua Pennsylvania Wastewater Inc	A-2019-3015173
Aqua Pennsylvania Wastewater Inc	A-2021-3024267
Aqua Pennsylvania Wastewater Inc	A-2021-3026132
Aqua Pennsylvania Wastewater Inc	A-2021-3027268
Aqua Pennsylvania Wastewater Inc	A-2023-3041695
Aqua Virginia - Alpha Water Corporation	Pue-2009-00059
Aqua Virginia - Blue Ridge Utility Company, Inc.	Pue-2009-00059
Aqua Virginia - Caroline Utilities, Inc. (Wastewater)	Pue-2009-00059
Aqua Virginia - Caroline Utilities, Inc. (Water)	Pue-2009-00059
Aqua Virginia - Earlysville Forest Water Company	Pue-2009-00059
Aqua Virginia - Heritage Homes of Virginia	Pue-2009-00059
Aqua Virginia - Indian River Water Company	Pue-2009-00059
Aqua Virginia - James River Service Corp.	Pue-2009-00059
Aqua Virginia - Lake Holiday Utilities, Inc. (Wastewater)	Pue-2009-00059
Aqua Virginia - Lake Holiday Utilities, Inc. (Water)	Pue-2009-00059
Aqua Virginia - Lake Monticello Services Co. (Wastewater)	Pue-2009-00059
Aqua Virginia - Lake Monticello Services Co. (Water)	Pue-2009-00059
Aqua Virginia - Lake Shawnee	Pue-2009-00059

Aqua Virginia - Land'or Utility Company (Wastewater)	Pue-2009-00059
Aqua Virginia - Land'or Utility Company (Water)	Pue-2009-00059
Aqua Virginia - Mountainview Water Company, Inc.	Pue-2009-00059
Aqua Virginia - Powhatan Water Works, Inc.	Pue-2009-00059
Aqua Virginia - Rainbow Forest Water Corporation	Pue-2009-00059
Aqua Virginia - Shawnee Land	Pue-2009-00059
Aqua Virginia - Sydnor Water Corporation	Pue-2009-00059
Aqua Virginia - Water Distributors, Inc.	Pue-2009-00059
Atlantic City Sewerage Company	WR21071006
Berkshire Gas Company	18-40
Berkshire Gas Company	22-20
Bermuda Water Company, Inc	W-01812A-22-0256
Borough of Brentwood	A-2021-3024058
Borough of Hanover	R-2009-2106908
Borough of Hanover	R-2012-2311725
Borough of Hanover	R-2014-242830
Borough of Hanover	R-2021-3026116
Borough of Hanover	P-2021-3026854
Borough of Royersford	A-2020-3019634
Butler Area Sewer Authority	A-2020-3019634
Chaparral City Water Company	W 02113a 04 0616
California-American Water Company	CIVCV156413
Connecticut-American Water Company	99-08-32
Connecticut Water Company	06 07 08
Citizens Utilities Company	
Colorado Gas Division	-
Citizens Utilities Company	
Vermont Electric Division	5426
Citizens Utilities Home Water Company	R 901664
Citizens Utilities Water Company	
of Pennsylvania	R 901663
City of Beaver Falls	A-2022-3033138
City of Bethlehem - Bureau of Water	R-00984375
City of Bethlehem - Bureau of Water	R 00072492
City of Bethlehem - Bureau of Water	R-2013-2390244
City of Bethlehem - Bureau of Water	R-2020-3020256

City of Dubois – Bureau of Water	R-2013-2350509
City of Dubois – Bureau of Water	R-2016-2554150
City of Lancaster Sewer Fund	R-00005109
City of Lancaster Sewer Fund	R-00049862
City of Lancaster Sewer Fund	R-2012-2310366
City of Lancaster Sewer Fund	R-2019-3010955
City of Lancaster Sewer Fund	R-2019-3010955
City of Lancaster Water Fund	R-00984567
City of Lancaster Water Fund	R-00016114
City of Lancaster Water Fund	R 00051167
City of Lancaster Water Fund	R-2010-2179103
City of Lancaster Water Fund	R-2014-2418872
City of Lancaster Water Fund	R-2021-3026682
City of Lancaster Water Fund	P-2022-3035591
Coastland Corporation	15-cvs-216
Commonwealth Edison Company	23-0728
Community Utilities of Pennsylvania-Water	R-2023-3042804
Community Utilities of Pennsylvania-Wastewater	R-2023-3042805
Consumers Pennsylvania Water Company Roaring Creek Division	R-00973869
Consumers Pennsylvania Water Company Shenango Valley Division	R-00973972
Country Knolls Water Works, Inc.	90 W 0458
East Resources, Inc. - West Virginia Utility	06 0445 G 42T
Elizabeth Borough Municipal Authority	A-2023-3038717
Elizabethtown Water Company	WR06030257
ENSTAR Natural Gas Company	U-22-081
Falls Water Company, Inc.	FLS-W-23-01
Forest Park, Inc.	19-W-0168 & 19-W-0269
Hampton Water Works Company	DW 99-057
Hidden Valley Utility Services, LP	R-2018-3001306
Hidden Valley Utility Services, LP	R-2018-3001307
Illinois American Water Company	16-0093
Illinois American Water Company	22-0210
Indian Rock Water Company	R-911971
Indiana Natural Gas Corporation	38891
Jamaica Water Supply Company	-

Kane Borough Authority	A-2019-3014248
Kentucky American Water Company, Inc.	2007 00134
Kentucky American Water Company, Inc.	2023-00191
Middlesex Water Company	WR 89030266J
Millcreek Township Water Authority	55 198 Y 00021 11
Missouri-American Water Company	WR 2000-281
Missouri-American Water Company	SR 2000-282
Missouri-American Water Company	WR-2022-0303
Missouri-American Water Company	SR-2022-0304
Mount Holly Water Company	WR06030257
Nevada Power Company d/b/a NV Energy	20-06003
Nevada Power Company d/b/a NV Energy	23-06007
New Jersey American Water Company	WR 89080702J
New Jersey American Water Company	WR 90090950J
New Jersey American Water Company	WR 03070511
New Jersey American Water Company	WR-06030257
New Jersey American Water Company	WR08010020
New Jersey American Water Company	WR10040260
New Jersey American Water Company	WR11070460
New Jersey American Water Company	WR15010035
New Jersey American Water Company	WR17090985
New Jersey American Water Company	WR19121516
New Jersey American Water Company	WR22010019
New Jersey Natural Gas Company	GR19030420
New Jersey Natural Gas Company	GR21030679
Newtown Artesian Water Company	R-911977
Newtown Artesian Water Company	R-00943157
Newtown Artesian Water Company	R-2009-2117550
Newtown Artesian Water Company	R-2011-2230259
Newtown Artesian Water Company	R-2017-2624240
Newtown Artesian Water Company	R-2019-3006904
North Maine Utilities	14-0396
Northern Indiana Fuel & Light Company	38770
Oklahoma Natural Gas Company	PUD-940000477
Palmetto Utilities, Inc.	2020-281-S
Palmetto Wastewater Reclamation, LLC	2018-82-S
Pennichuck Water Works, Inc.	DW 04 048

Pennichuck Water Works, Inc.	DW 06 073
Pennichuck Water Works, Inc.	DW 08 073
Pennsylvania-American Water Company	A-2023-3039900
Pennsylvania Gas & Water Company (Gas)	R-891261
Pennsylvania Gas & Water Co. (Water)	R 901726
Pennsylvania Gas & Water Co. (Water)	R-911966
Pennsylvania Gas & Water Co. (Water)	R-22404
Pennsylvania Gas & Water Co. (Water)	R-00922482
Pennsylvania Gas & Water Co. (Water)	R-00932667
Philadelphia Gas Works	R-2020-3017206
Philadelphia Gas Works	R-2023-3037933
Public Service Company of North Carolina, Inc.	G-5, Sub 565
Public Service Electric and Gas Company	ER181010029
Public Service Electric and Gas Company	GR18010030
Presque Isle Harbor Water Company	U-9702
Sierra Pacific Power Company d/b/a NV Energy	19-06002
Sierra Pacific Power Company d/b/a NV Energy	22-06014
St. Louis County Water Company	WR-2000-844
Suez Water Delaware, Inc.	19-0615
Suez Water Idaho, Inc.	SUZ-W-20-02
Suez Water New Jersey, Inc.	WR18050593
Suez Water New Jersey, Inc.	WR20110729
Suez Water Owego-Nichols, Inc.	17-W-0528
Suez Water Pennsylvania, Inc.	R-2018-3000834
Suez Water Pennsylvania, Inc.	A-2018-3003519
Suez Water Pennsylvania, Inc.	A-2018-3003517
Suez Water Rhode Island, Inc.	Docket No. 4800
Suez Water Owego-Nichols, Inc.	19-W-0168 & 19-W-0269
Suez Water New York, Inc.	19-W-0168 & 19-W-0269
Suez Westchester, Inc.	19-W-0168 & 19-W-0269
Town of North East Water Fund	9190
Township of Exeter	A-2018-3004933
United Water New Rochelle	W-95-W-1168
United Water Toms River	WR-95050219
Upper Pottsgrove Township	A-2020-3021460
Valley Township (water)	A-2020-3019859
Valley Township (wastewater)	A-2020-3020178

Valley Water Systems, Inc.	06 10 07
Veolia Water Idaho, Inc.	VEO-W-22-02
Veolia Water Delaware, Inc.	23-0598
Veolia Water New Jersey, Inc.	WR23110790
Veolia Water New York, Inc.	23-W-0111
Virginia American Water Company	PUR-2018-00175
Virginia American Water Company	PUR-2021-00255
Virginia American Water Company	PUR-2023-00194
West Virginia-American Water Company	15-0676-W-42T
West Virginia-American Water Company	15-0675-S-42T
Wilmington Suburban Water Corporation	94-149
York Water Company	R-901813
York Water Company	R-922168
York Water Company	R-943053
York Water Company	R-963619
York Water Company	R-994605
York Water Company	R-00016236
Young Brothers, LLC	2019-0117

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF GREGORY R. HERBERT

Topics Addressed:

Application of Rates to Customers' Bill Analysis
Proforma Revenue Adjustments

DATE SERVED: May 23, 2024 **Statement No. 10**
DATE ADMITTED: _____

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.
DOCKET R-2024-3047822 AND R-2024-3047824

DIRECT TESTIMONY OF GREGORY R. HERBERT

Q. Please state your name and address.

A. My name is Gregory R. Herbert. My business address is 207 Senate Avenue, Camp Hill, Pennsylvania 17011.

Q. By whom are you employed?

A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC.

Q. Please describe your position with Gannett Fleming Valuation and Rate Consultants, LLC, and briefly state your general duties and responsibilities.

A. My position is Assistant Project Manager, Rate Studies. My duties and responsibilities include the preparation of accounting and financial data for utilities regarding revenues under present and proposed rates, including pro forma adjustments to the historic test year (HTY), Future Test Year (FTY) and Fully Projected Future Test Year (FPFTY) revenues, and the design of customer rates. Additionally, my responsibilities include developing pro forma revenue requirements, and conducting cost allocations by customer class, capital recovery fee, lead-lag, and depreciation studies for investor-owned and municipal-owned utilities. I joined Gannett Fleming in May 2017.

Q. Have you presented testimony in rate proceedings before a regulatory agency?

A. Yes. I have testified before the Pennsylvania Public Utility Commission ("PA PUC" or the "Commission"), the Illinois Commerce Commission, the Virginia State

Corporate Commission, and the New Jersey Board of Public Utilities concerning revenue requirements, proof of revenues, and rate design. A list of cases in which I have testified or assisted Gannett Fleming staff is attached to my testimony as Appendix A.

Q. What is your educational background?

A. I have a Bachelor of Science Degree in Economics from the Pennsylvania State University.

Q. Would you please describe your professional affiliations?

A. I am a member of the American Water Works Association, the National Association of Water Companies, and the Pennsylvania Municipal Authorities Association.

Q. Briefly describe your work experience.

A. Prior to my employment at Gannett Fleming, I was a Senior Analyst, in the Performance Reporting Group of Cambridge Associates, LLC where I oversaw the financial preparation of monthly and annual performance and benchmarking reports for public and private endowment clients.

Q. What is the purpose of your testimony in this proceeding?

A. My testimony is in support of the application of rates to customers' billing determinants and the pro forma revenue adjustments of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua PA" or the "Company").

Q. Have you prepared exhibits presenting the results of your studies?

A. Yes. Exhibit No. 5-A, Part II presents the application of water rates to the customers' bill analysis and the pro forma revenue adjustments for water

operations and divisions. Exhibit No. 5-B, Part II presents the application of wastewater rates to the customers' bill analysis for the wastewater operations and divisions and the pro forma revenue adjustments.

WATER - APPLICATION OF RATES TO CUSTOMERS' BILL ANALYSIS AND PRO FORMA REVENUE ADJUSTMENTS

Q. Please describe Exhibit No. 5-A, Part II.

A. Exhibit No. 5-A, Part II, titled "Operating Revenue from Sales of Water for the Twelve Months Ended December 31, 2025" presents the application of the present rates to the bill analysis for each rate zone and the development of pro forma revenues under present rates as of December 31, 2025, and the development of pro forma revenues under proposed rates based on estimated conditions during the FPFTY ended December 31, 2025.

Q. What was the purpose of the bill analysis?

A. The purpose of the rate application was to establish the level of revenues to be derived from each customer classification under present and proposed rates based on the billing determinants for the twelve months ended December 31, 2023, December 31, 2024 and December 31, 2025.

Q. Please outline the contents of Exhibit No. 5-A, Part II.

A. Exhibit No. 5-A, Part II includes the plan of the exhibit, an explanation of the rate application procedures, summaries of the rate applications and the application of present rates to the several bill analyses.

Schedule 1 presents the summary of pro forma revenue for the Water Base Operations under present and proposed rates for the twelve months ended December 31, 2025 and the proposed revenue increase.

Schedule 1-S presents the summary of pro forma revenue for the acquired Shenandoah Water Operations under present and proposed rates for the twelve months ended December 31, 2025 and the proposed revenue increase.

Schedule 2 presents a summary of the application of proposed rates for the twelve months ended December 31, 2025 under proposed rates for each rate zone listed.

Schedule 3 presents a summary of the revenue, pro forma revenue and revenue adjustments for the Water Base Operations under present rates, for the twelve months ended December 31, 2023, 2024 and 2025.

Schedule 3-S presents a summary of the revenue, pro forma revenue and revenue adjustments for the acquired Shenandoah Water Operations under present rates, for the twelve months ended December 31, 2023, 2024 and 2025.

Schedule 3-S also shows a historic test year (HTY) revenue adjustment for the annualization of revenues for the Shenandoah Rate Zone that was acquired on July 24, 2023. The booked revenues in Column 2, Schedule 3-S only show partial HTY revenue for the months of August through December 2023. However, the Company received the billing data for the months of January through July of the HTY from the Municipal Authority of the Borough of Shenandoah, and the billing determinants shown on Schedule 5 reflect the full twelve months of billing

data. Therefore, the adjustment to booked revenues is shown on Schedule 3-S, Column 3.

Schedule 4 presents a summary of the application of pro forma revenues under present rates for the twelve months ended December 31, 2025 for each rate zone.

Schedule 5 presents the application of present rates to the bill analysis for each of the rate zones.

Schedule 6 presents adjustments to the application of present and proposed rates to Rate Zone 1 that has experienced customer growth.

Schedules 7A and 7B set forth the application of rates under present and proposed metered private fire and private and public fire hydrants.

Q. Please explain the calculations associated with the application of the rates to the billing determinants.

A. An analysis of customer billing determinants for the twelve months ended December 31, 2023, was prepared by the Company. The data also included the monthly billing determinants for the public and private fire protection customers classes for the twelve months ended December 31, 2023. The Company's analysis was summarized, and the results are presented in the Introduction of Exhibit No. 5-A, Part II. The present rates for the Base Water Operations Rate Zones and the acquired Shenandoah Rate Zone were applied to the billing data, including the pro forma revenue adjustments and summarized in Schedule 3 and Schedule-3-S.

Column 11 of Schedule 3 applies the 7.16% Distribution System Improvement Charge (DSIC) surcharge to the bill analysis revenue to determine

revenues under present rates in column 12. The revenues are adjusted for pro forma revenue adjustments shown in columns 7 and 8 to develop the total revenues in column 12.

The development of pro forma revenues under present and proposed rates for each division is presented in Schedule 5. A comparison of customer bills is provided on Schedule 8 in response to Standard Data Request OR-3.

Q. Please list the various water revenue adjustments.

A. The following adjustments were made for water operations: (1) Declining Usage Adjustment; (2) Change in Customers; (3) DSIC Annualization Adjustment; (4) Unbilled Revenue; and (5) Projected Customer Assistance Program Adjustments.

Q. Please describe the declining usage adjustment.

A. In the Company's most recent base rate case at Docket Nos. R-2021-3027385, *et al*., the Company claimed a 4,000 gallon monthly average residential usage which was adjusted due to the COVID revenue adjustment and was utilized to calculate the proposed flat rate customer charges. For the current case, the average monthly residential usage based on the HTY billing data is 3,870 gallons per month, which is also utilized to calculate the proposed flat rate customer charges for this rate case. The average monthly usage from the prior rate case of 4,000 gallons declined 3.2% to the average monthly residential usage of 3,870 gallons in the current rate case. The Company determined it would be a conservative approach to calculate a 0.5% decline of the HTY residential usage of Rate Zones 1, 2 and 3 to apply to the pro forma FTY and FPFTY residential billed usage instead of applying a 3.2% decline to the pro forma FTY and FPFTY residential usage. The

declining usage adjustment reduces the revenues in each the FTY and FPFTY by $1,219,249 under present rates.

Q. Please describe the change in customers adjustment.

A. Schedule 6 calculates the adjustment to revenues for the change in customers due to organic growth to the residential and commercial classes in Rate Zone 1. The customer growth was determined by evaluating the change in residential and commercial customers in Rate Zone 1 from the years 2021 to 2022 and from 2022 to 2023 and taking the average growth of these two time periods to determine the projected growth in customers. Schedule 6 includes an annualized HTY adjustment to revenues and pro forma adjustments to revenues in the FTY and FPFTY for the change in customers and is brought forward to Schedule 5.

Q. Please describe the annualization of DSIC revenues adjustment.

A. Schedule 3 shows a revenue adjustment to reflect the annualization of the DSIC revenues for the year ended December 31, 2025, based on the Company's pro forma level at the end of the FPFTY of 7.16% that is expected to become effective on January 1, 2025. The annualization of DSIC revenues also include the private fire protection class. Shenandoah Water does not have an adjustment for pro forma DSIC revenue as it is a newly acquired system.

Q. Please describe the adjustment to eliminate unbilled revenue.

A. The Company records booked revenue on an accrual basis and therefore requires an adjustment to be made to eliminate the effect of revenue that was accrued in booked revenue but was not billed during the twelve months ended December 31, 2023. The adjustment is consistent with Aqua PA's prior rate proceedings.

Q. Please describe the pro forma revenue adjustments made in the FTY and FPFTY for the estimated number of water customers that are eligible for the Company's Customer Assistance Program.

A. The Company provided an analysis that estimates the number of residential customers that are eligible for the Customer Assistance Program (CAP) by each county of Pennsylvania in which the Company provides water service. The analysis was completed for the three tiers of Federal Poverty Level (FPL) thresholds that the Company's present discounted rates cover, which include residential customers at 100% or less than FPL for Tier 1 discounted rates, 100% to 150% FPL for Tier 2 discounted rates, and 150% to 200% FPL for Tier 3 discounted rates. See Company Witness Black, Statement No. 13 for further discussion of the Company's CAP.

The Company estimates 12%, or 11,794 out of 98,285 of its estimated eligible residential water customers will be signed up for the CAP during the FTY, and estimates 20%, or 19,657 out of 98,285 of its eligible residential water customers will be signed up for the CAP during the FPFTY shown in Table 1 below.

Table 1	WATER	Participation	Rates
Aqua PA Residential Customers	388,660	FTY	FPFTY
Estimate of Eligible Customers:		12%	20%
1.0x FPL	43,388	5,207	8,678
1.0-1.5x FPL	26,469	3,176	5,294
1.5-2.0x FPL	28,428	3,411	5,686

98,285	11,794	19,657

The Company's analysis also calculates the total costs/discounts of the CAP under present rates for the Company's three tiers of discounted rates at the estimated 12% of eligible customers during the FTY and at the estimated 20% of eligible customers during the FPFTY. I then utilized the Company's provided analysis to calculate the total costs of the CAP for water customers under proposed rates.

The total calculated discounts under present and proposed rates for the FTY and FPFTY were summarized by each rate zone and brought forward to Schedule 5, Exhibit 5-A, Part II as a reduction to pro forma revenues for the FTY and FPFTY.

Q. Please explain how the water proof of revenues were determined under proposed rates.

A. The proposed rates that are sponsored by Witness Heppenstall, Exhibit 5-A, Part I, were applied to the billing determinants as of December 31, 2025 shown in Schedule 5, Exhibit 5-A, Part II to calculate the revenues under proposed rates. The revenues under proposed rates were brought forward from Schedule 5 to summary Schedule 1 and Schedule 2 of Exhibit 5-A, Part II. Please reference Company Witness Heppenstall, Statement No. 5 for further discussion on the Company's proposed water rate design.

WASTEWATER - APPLICATION OF RATES TO CUSTOMERS' BILL ANALYSIS AND PRO FORMA REVENUE ADJUSTMENTS

Q. Please describe Exhibits 5-B, Part II.

A. Exhibit 5-B, Part II titled "Operating Revenue from Sales of Wastewater for the Twelve Months Ended December 31, 2025" presents the application of the present rates to the bill analysis for each rate division and the development of pro forma revenues under present rates as of December 31, 2025, and the development of pro forma revenues under proposed rates based on estimated conditions during the FPFTY ended December 31, 2025.

Q. What was the purpose of the rate application?

A. The purpose of the rate application was to establish the level of revenues to be derived from each customer classification under present and proposed rates based on the billing determinants for the twelve months ended December 31, 2023, December 31, 2024, and December 31, 2025.

Q. Please outline the contents of Exhibit 5-B, Part II.

A. Exhibit 5-B, Part II includes the plan of the exhibit, an explanation of the rate application procedures, summaries of the rate applications and the application of present rates to the several bill analyses.

Schedule 1-WW presents the summary of pro forma revenues for the Wastewater Base Operations (Rate Zones 1 through 11 and 14) under present and proposed rates for the twelve months ended December 31, 2025 and the proposed increase.

Schedule 1-LM presents the summary of pro forma revenues for Lower Makefield Wastewater Operations (Rate Zone 12) under present and proposed rates for the twelve months ended December 31, 2025 and the proposed increase.

Schedule 1-EW presents the summary of pro forma revenues for the East Whiteland Wastewater Operations (Rate Zone 13) under present and proposed rates for the twelve months ended December 31, 2025 and the proposed increase.

Schedule 2-WW presents a summary of the application of proposed rates and the development of the pro forma revenues for the twelve months ended December 31, 2025 under proposed rates for each wastewater rate zone.

Schedule 3-WW presents a summary of the revenue, pro forma revenue and revenue adjustments for the Wastewater Base Operations (Rate Zones 1 through 11 and 14) under present rates, for the twelve months ending December 31, 2023, 2024 and 2025.

Schedule 3-LM presents the summary of revenue, pro form revenue and revenue adjustments for the acquired Lower Makefield Wastewater Operations (Rate Zone 12) under present rates, for the twelve months ending December 31, 2023, 2024 and 2025

Schedule 3-EW presents the summary of revenue, pro forma revenue and revenue adjustments for the acquired East Whiteland Wastewater Operations (Rate Zone 13) under present rates, for the twelve months ending December 31, 2023, 2024 and 2025.

Schedule 4-WW presents a summary of the application of pro forma revenues under present rates for the twelve months ending December 31, 2025 for each wastewater rate zone.

Schedule 5-WW presents the application of present and proposed rates to the bill analysis for each of the wastewater rate zones.

Schedule 6-WW presents adjustments to the application of present and proposed rates for customer growth which impact Rate Zones 1 through 11.

Q. Please explain the calculations associated with the application of the rates to the billing determinants.

A. An analysis of customer billing determinants for the twelve months ended December 31, 2023, was prepared by the Company. The Company's analysis was summarized, and the results are presented in the Introduction of Exhibit 5-B, Part II. The present rates for each rate zone in the Wastewater Base Operations and acquired systems were applied to the billing data including the pro forma revenue adjustments and are summarized in Schedule 3-WW, Schedule 3-LM and Schedule 3-EW.

Column 9 of Schedule 3-WW applies the 1.34% DSIC surcharge to the bill analysis revenue to determine pro forma revenues under present rates in column 10. The revenues are further adjusted for pro forma revenue adjustments in columns 6 and 8 to develop the total revenues in column 10.

The development of pro forma revenues under proposed rates for each division in the Wastewater Base Operations is presented in Schedule 5-WW. A

comparison of the present and proposed rates for each rate zone, as well as comparisons of customer bills, is provided on Schedule 7-WW.

Q. What was the average monthly usage to calculate flat rate wastewater bills for unmetered customers?

A. The water operation's average monthly residential usage of 3,870 gallons was used to calculate the proposed flat rates for unmetered wastewater customers. The Company has used the water operation's average monthly residential usage to calculate the wastewater flat rates in prior cases and is following this precedent.

Q. Please list the various wastewater revenue adjustments.

A. The following adjustments were made for wastewater operations: (1) Change in Customers; (2) DSIC Annualization Adjustment; (3) Unbilled Revenue; (4) Flat Rate Customers Moving to Metered Rates; (5) Projected Customer Assistance Program Adjustments.

Q. Please describe the change in customers adjustment.

A. Schedule 6-WW calculates the adjustment to revenues for the change in customers due to organic growth to the residential class. Schedule 6-WW includes an annualized HTY adjustment to revenues and pro forma adjustments to revenues in the FTY and FPFTY for the change in customers and is brought forward to Schedule 5-WW. The customer growth was determined by evaluating the change in residential customers from the years 2021 to 2022 and from 2022 to 2023 and taking the average growth of these two time periods to determine the projected growth in customers. The customer growth adjustment was made for the residential class in Rate Zones 1 through 11, as Rate Zones 12 and 13 are newly

acquired systems and the historical customer counts were not available for 2021, and Rate Zone 14 did not experience residential customer growth over the years 2021 through 2023..

Q. Please describe the annualization of DSIC revenues adjustment.

A. Schedule 3-WW shows a revenue adjustment to reflect the annualization of the DSIC revenues for the year ended December 31, 2025 based on the Company's pro forma level at the end of the FPFTY of 1.34% that is expected to become effective on January 1, 2025. Lower Makefield (Rate Zone 12) and East Whiteland (Rate Zone 13) do not have pro forma adjustments for DSIC revenue as they are newly acquired systems.

Q. Please describe the adjustment to eliminate unbilled revenue.

A. The Company records booked revenue on an accrual basis and therefore requires an adjustment to be made to eliminate the effect of revenue that was accrued in booked revenue but was not billed during the twelve months ended December 31, 2023. The adjustment is consistent with prior rate proceedings.

Q. Please describe the revenue adjustments to move flat rate customers to metered rates.

A. The Company has wastewater customers in various rate zones that are charged flat rates for wastewater but are also currently the Company's water customers that are charged metered water rates and their water usage is tracked by the Company. The Company is moving these customers from a flat wastewater rate to a metered wastewater rate to be consistent with the preference to charge a metered rate when water reads are available by a PUC utility. The wastewater

customers that currently have metered water usage will be moved to and charged metered wastewater rates under proposed rates once final rates are approved by the Commission. There are 69 residential customers in Rate Zone 1A; 519 residential customers and 47 commercial customers in Rate Zone 2; 964 residential customers and 72 commercial customers in Rate Zone 3; 21 residential customers in Rate Zone 5; and 2,892 residential customers, 1,614 commercial customers, 29 Industrial customers, and 5 public customers in Rate Zone 13 that are being moved to metered rates. The flat rate to metered rate adjustments for these customers are shown in Schedule 5-WW, which are based on these customers' water billing determinants for the HTY.

Q. Please describe the pro forma revenue adjustments made in the FTY and FPFTY for the estimated number of wastewater customers that are eligible for the Company's CAP.

A. The Company provided an analysis that estimates the number of residential wastewater customers that are eligible for the CAP by each county of Pennsylvania in which the Company provides wastewater service. The analysis was completed for the three tiers of FPL thresholds that the Company's present discounted rates cover, which include residential customers at 100% or less than FPL for Tier 1 discounted rates, 100% to 150% FPL for Tier 2 discounted rates, and 150% to 200% FPL for Tier 3 discounted rates. See Company Witness Black, Statement No. 13 for further discussion of the Company's CAP.

The Company estimates 12%, or 1,303 out of 10,858 of its estimated eligible residential wastewater customers will be signed up for the CAP during the

FTY, and estimates 20%, or 2,172 out of 10,858 of its estimated eligible residential wastewater customers will be signed up for the CAP during the FPFTY shown in Table 2 below.

Table 2	SEWER	Participation	Rate
Aqua PA Residential Customers	46,971	FTY	FPFTY
Estimate of Eligible Customers:		12%	20%
1.0x FPL	4,795	575	959
1.0-1.5x FPL	2,893	347	579
1.5-2.0x FPL	3,169	380	634
	10,858	1,303	2,172

The Company's analysis also calculates the total costs/discounts of the CAP under present rates for the Company's three tiers of discounted rates at the estimated 12% of eligible customers during the FTY and at the estimated 20% of eligible customers during the FPFTY. I then utilized the Company's provided analysis to calculate the total costs of the wastewater CAP under proposed rates.

The total calculated discounts under present and proposed rates for the FTY and FPFTY were summarized by each Rate Zone and brought forward to Schedule 5-WW, Exhibit 5-A, Part II as a reduction to pro forma revenues for the FTY and FPFTY.

Q. Please explain how the wastewater proof of revenues were determined under proposed rates.

A. The proposed rates that are sponsored by Witness Heppenstall, Exhibit 5-B, Part I, were applied to the billing determinants as of December 31, 2025 shown in Schedule 5-WW, Exhibit 5-B, Part II to calculate the revenues under proposed rates. The revenues under proposed rates were brought forward from Schedule 5-WW to summary Schedule 1-WW and Schedule 2-WW of Exhibit 5-B, Part II. Please reference Company Witness Heppenstall, Statement No. 5 for further discussion on the Company's proposed wastewater rate design.

Q. Does this conclude your direct testimony?

A. Yes, it does.

Appendix A

Year	Jurisdiction	Docket No.	Client Utility	Subject
2017	MO PSC	SR-2017-0286	Missouri-American Water Company	Cost of Service/Rate Design
2018	PA PUC	2018-200208	SUEZ Water Pennsylvania	Revenue Requirements
2018	NJ BPU	WR18050593	SUEZ Water New Jersey, Inc	Cost Allocation/Rate Design
2019	PA PUC	2018-3006814	UGI Utilities Inc. - Gas Division	Cost of Service Allocation Studies
2019	PA PUC	2019-3006904	Newtown Artesian Water Co.	Revenue Req./Rate Design
2019	PA PUC	2019-3010955	City of Lancaster – Sewer Fund	Rev. Req../Cost of Service/Rates
2020	PA PUC	2020-3017206	Philadelphia Gas Works	Cost of Service
2020	PA PUC	2020-3019369	Pennsylvania American Water	Cost of Service
2020	PA PUC	2020-3019371	Pennsylvania American Water	Cost of Service
2020	PA PUC	2020-3020256	City of Bethlehem	Rev. Req./Cost of Service/Rates
2020	CA PUC	A2101003	San Jose Water Company	Rate Design
2021	PA PUC	2021-3026116	Borough of Hanover	Revenue and Revenue Requirements
2021	PA PUC	2021-3026682	City of Lancaster – Water Fund	Revenue and Revenue Requirements
2021	PA PUC	2021-3027385	Aqua Pennsylvania, Inc.	Cost of Service/Rate Design
2021	PA PUC	2021-3027386	Aqua Pennsylvania Wastewater, Inc.	Cost of Service/Rate Design
2022	PA-PUC	2022-3031704	Borough of Ambler	Rev. Req./Rate Design
2022	PA-PUC	2022-3031673	Pennsylvania American Water	Cost of Service
2022	PA-PUC	2022-3031340	York Water Company	Cost of Service/Rate Design
2022	PA-PUC	2022-3032806	York Water Company	Cost of Service/Rate Design
2022	KY-PSC	2022-00161	Northern Kentucky Water District	Cost of Service/Rate Design
2022	PUCO	22-1094-WW-AIR	Aqua Ohio Inc.	Cost of Service
2022	PUCO	22-1096-ST-AIR	Aqua Ohio Inc.	Cost of Service
2023	PA-PUC	2023-3037933	Philadelphia Gas Works	Cost of Service
2023	VA-SCC	PUR-2023-00073	Aqua Virginia, Inc.	Bill Analysis/Rate Design
2024	NJ-BPU	WR24010057	Aqua New Jersey, Inc.	Bill Analysis/Rate Design
2024	IL-CC	24-0044	Aqua Illinois, Inc.	Bill Analysis/Rate Design
2024	PA-PUC	R-202403045192	Veolia Water Pennsylvania	Rev. Req./Rate Design
2024	PA-PUC	R-202403045193	Veolia Wastewater Pennsylvania	Rev. Req./Rate Design

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF TODD M. DUERR P.E., L.O.

Topics Addressed:

Water and Wastewater System Operations
Cost Saving Measures
Lead Service Line Compliance
Per- and Poly-fluoroalkyl Substances and Compliance
Troubled System Operations
Management Performance Indicators

DATE SERVED: May 23, 2024 **Statement No. 11**
DATE ADMITTED: _____

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. Please state your name and business address.

A. My name is Todd Duerr. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc., ("AP") as Vice President of Operations.

Q. On whose behalf are you providing this Direct Testimony?

A. I am providing this testimony on behalf of AP and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua PA," or the "Company").

Q. Please provide a brief description of your education and work experience.

A. I have a Bachelor of Arts Degree in Mathematics from Bloomsburg University, a Bachelor of Science Degree (B.S.) in Civil Engineering Technology from Temple University, and a Master's Degree in Water Resources & Environmental Engineering from Villanova University. I have worked in various engineering, operations, and business leadership roles and have over 34 years of experience in the water and wastewater utility industry. I have worked at AP since March 2020, initially as Vice President of Water Production for Southeast Pennsylvania, with my responsibilities expanded now as Vice President of Operations for all Aqua PA water and wastewater systems. I am a Registered Professional Engineer in Pennsylvania and a Licensed Water and Wastewater Operator in Pennsylvania.

Q. Have you previously testified before the Pennsylvania Public Utility Commission ("PUC" or the "Commission")?

A. Yes. I provided testimony in Aqua PA's 2021 base rate proceeding at Docket Nos. R-2021-3027385 and R-2021-3027386.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to describe Aqua PA's water and wastewater operational performance and how it benefits our customers.

Q. Are you including any other exhibits with your Direct Testimony?

A. Yes. Included with my Direct Testimony are Attachments TMD-1 through TMD-6.

II. OVERVIEW OF OPERATIONS

Q. Please describe AP and its water systems.

A. AP owns and operates water systems serving approximately 445,000 customers in 32 counties throughout Pennsylvania. AP holds 116 Public Water Supply permits from the Pennsylvania Department of Environmental Protection ("PADEP"). AP operates surface water treatment plants ("WTP") and groundwater wells each with various forms of treatment. AP's service territories are designated as either Southeast Pennsylvania ("SEPA"), which includes a contiguous system within portions of Bucks, Chester, Delaware, and Montgomery counties and separate smaller systems in portions of Berks, Bucks, Chester, and Montgomery counties, or Greater Pennsylvania ("GPA"), which includes AP's service territories outside of SEPA. Aqua PA has over 600 employees in support of its mission to provide life's most essential resource – water.

Q. Please describe APW and its wastewater systems.

A. APW is a wholly owned subsidiary of AP. APW is engaged in the business of collecting, treating, transporting, and disposing of wastewater. APW owns and operates wastewater systems serving approximately 57,000 customers. As with the water systems, territories are broken into SEPA (Bucks, Chester, Delaware, Berks, Montgomery Counties) and GPA systems in Adams, Carbon, Clarion, Clearfield, Lackawanna, Luzerne, Monroe, Pike, Schuylkill, Venango, and Wyoming Counties. Some of APW's wastewater systems are co-located with AP water operations and some are distinct from AP's water operations.

APW operates 40 wastewater treatment plants ("WWTP") treating and discharging 1.96 billion gallons per year. In addition, APW owns and operates "collection only" systems that collect and convey untreated wastewater to other entities for treatment and disposal at their facility ("Purchased Wastewater Treatment").

Q. Please describe how Aqua PA operations supports its primary objective of providing safe and reliable water and wastewater service.

A. The Company operates continuously with professional staff and facilities that have received and will continue to receive prudent investment. Aqua PA has an organizational structure with many subject matter experts assigned to specific roles that, when aggregated, provide outstanding reliability in water and wastewater service, and compliance with PADEP and other applicable regulations. Aqua PA's operational staff is supported by technology, analytical laboratory facilities, and processes and programs designed to achieve consistent compliance.

Q. Please provide information about how water quality is supported by the Aqua PA's laboratory.

A. The Company's laboratory is a key component of operations and has a unique role in assuring customers the water they receive meets regulatory requirements, or the wastewater returned to the environment is safe for aquatic and plant life. The laboratory is located with our headquarters in Bryn Mawr. It has instruments that are used by our chemists, micro-biologists, and quality control staff to ensure results meets stringent requirements imposed by the PADEP. The laboratory and the staff must be certified for each type of test run, and the PADEP does periodic, intensive audits of the laboratory to confirm requirements are met.

Annually the laboratory conducts 90,000 water quality tests using 50 different analytical methods for 240 water quality parameters. Samples run include those for compliance (reported to PADEP), operational (used by operators to help guide process control decisions), and special/event-based samples (used in unique situations we encounter).

Q. What additional technology supports safe, reliable water and wastewater service?

A. In addition to the technology used to test for water and wastewater compliance, technology is used in our operations to deliver safe reliable water and wastewater services. I will explain several examples of Aqua PA's capabilities below.

Q. Please explain the Company's Supervisory Control and Data Acquisition ("SCADA") systems.

A. Automation and controls of our water and wastewater facilities enable operators to know in real time the status of key operational systems and water quality parameters. Otherwise known as SCADA or Operational Technology, this system of computers, instrumentation, specialty programming, operator displays, and communication networks provides operations teams with the ability to evaluate current status of treatment facilities, evaluate trends in treatment, system pressure, storage tank levels, pump status, and provides alarm notification of an out of range parameter that can be addressed by remote control or by dispatching staff to the location. Aqua PA's SCADA systems are fully protected by a sophisticated cybersecurity platform designed, monitored, and supported by our in-house information security experts.

Q. Please describe the Company's Geographic Information System ("GIS").

A. Another technology that the Company utilizes is GIS. The Company has robust GIS software that is a geographical interface of our network of pipes, tanks, pump stations, regulator valves, and fire hydrants. The GIS also has data associated assets used by operations staff in the field to make decisions regarding asset maintenance or repair. For example, if a main break occurs and a partial shutdown of the main is required to make the repair, the distribution team assesses the location of valves relative to the leak location and can operate valves that will keep the highest number of customers in service while the repair is made. The GIS is used by operations staff to assist customers when calls are received regarding service issues. Operations staff can locate assets and work in the area that may be contributing to the short-term issue and communicate with the customer what the problem is and dispatch crews to the specific location.

Q. Please describe the Company's outward facing disruption map for customers.

A. The Company recently implemented another customer focused technology service by adding "disruption icons" on an interactive system map customers can access from our website via their phone or computer. When work in an area of our system is occurring that may directly or indirectly affect our customers (e.g., construction causing traffic slow-downs or a main break repair), the map is updated with icons that give basic information to the customer about the work and expected time of completion.

Q. Has Aqua PA provided new technology to make customer service easier for customers?

A. Yes, Recently, Aqua rolled out an ePortal and new mobile application. Through the ePortal and mobile application, customers can manage their account, view, and access their

consumption data. Customers can also receive real-time updates on system outages and have visibility into no water and pressure related service orders.

III. COST SAVING MEASURES

Q. Please provide Aqua PA's energy efficiency program that seeks to mitigate energy costs.

A. Aqua PA is continuously looking for ways to be more efficient and save costs. Moving water and wastewater through networks of pipes to and from Aqua PA's plants requires extensive amounts of energy. The Company relies on several different sources of energy for various business activities. Electricity is our most consumed form of energy and nearly all the electricity we use is needed to operate pumps and treatment equipment at our WTPs and WWTPs. Vehicle fuel is the second largest source of energy, as we operate a fleet of vehicles for regular physical monitoring of our infrastructure. Natural gas is used to heat our facilities and is our third largest energy source.

In recent years, Aqua PA has remediated its top tier energy conservation opportunities which resulted in a 21% reduction in energy usage from the baseline and an annual $178,000 savings for projected 2025 energy costs. These savings were attained by traditional energy reduction approaches. Examples include realigning asset original design to current operating conditions by reducing pump and motors sizes, eliminating throttled valves, and installing variable frequency drives and compatible motors.

Aqua PA tracks energy usage across our portfolio using industry standard benchmarks including water-electric as cost per thousand gallons treated and corresponding consumption as kilo-watt-hour per thousand gallon treated. The same metrics are tracked for wastewater although that is a smaller impact to energy costs. This metric is a high-level means to compare ourselves to industry benchmarks like the

American Water Works Association ("AWWA") and assess the impact of our energy efficiency efforts and market conditions that cause energy prices to fluctuate. The AWWA benchmark is $0.20/1,000 gallons treated. Aqua PA's actual metrics for the past few years were: 2020 - $0.23/1,000 gallons; 2021 - $0.20/1,000 gallons; 2022 - $0.20/1,000 gallons; 2023 - $0.20/1,000 gallons. While the actual results for the past 3 years are the same, they are below our internal target goals.

Aqua PA evaluates renewable energy options to reduce and stabilize purchased energy cost. From Aqua PA's two solar fields at our Pickering and Ingrams Mill WTPs we generate approximately 2,700-Megawatt hours annually. The savings from avoided energy purchases and through the sale of solar renewable energy credits is approximately $330,000 annually, based on our 2025 energy costs. The Company is currently evaluating two of our dams for the potential of low-impact hydro power generation.

Q. Does AP produce all its water supplies that it delivers to its customers?

A. No. AP does purchase water from adjacent water systems for primary, supplemental, and/or emergency supply.

Q. What are the benefits associated with purchased water?

A. A benefit of purchased water is resiliency. Having available supply for periods when AP's supplies are challenged helps ensure our customers receive uninterrupted water service. An example is when the Pickering water plant flooded in 2021 due to Hurricane Ida and for 10 days AP needed to produce or purchase 30 million gallons per day ("MGD") from remaining supplies or from other water providers. Another benefit to our customers is that water can be purchased from Philadelphia Water Department ("PWD") at our Cheltenham Township interconnections for a competitive rate that helps save costs to customers in

times where the Company needs to meet high demands in the summer or extended droughts in the region. In addition, where cost-effective, rather than designing excessive transmission/booster facilities from other AP locations many miles away and incurring higher electricity costs and chemical consumption to move the water, it is prudent to buy water to minimize these costs to the customer.

Q. How does the Company advocate for its customers when addressing rate increases from suppliers of purchased water?

A. Unexpected rate increases enacted by our purchased water suppliers are ultimately passed onto our customers once approved in a subsequent base rate case. Leading up to this base rate case, six purchased water suppliers have notified us of, or enacted increased rates through negotiated agreements. Details of this increased cost is contained in the Direct Testimony of Christopher Manning (Statement No. 3).

In two cases, after being notified of either a rate increase or request to renew an expiring agreement, AP decided it was in the best interest of our customers to discontinue use of these purchased water supplies and replace the same with our own supplies.

In one example, a supplier decided to raise the rates at the expiration of the agreement. AP immediately began good-faith discussions with the supplier to reach a mutually acceptable agreement moving forward. Ultimately, discussions were not productive. Accepting the offer would have resulted in an increase cost of $1.5 million per year under this one contract. AP explored options and decided to construct a new pipeline from its system to replace the purchased water supply. The project was completed in May 2024. For the full year 2025, we estimate a cost avoidance to customers of $1.68 million compared to 2023 incurred costs.

Our focus on controlling purchased water costs by active and strategic new agreement negotiations, the decision to build our own pipelines, and the decision to forego continued use of interconnections offset the increases enacted by water suppliers included in this base rate case.

IV. LEAD SERVICE LINES

Q. Please describe AP's lead service line replacement ("LSLR") program.

A. The replacement of lead service lines is and will continue to be a significant part of AP's capital budget and is required by our environmental regulators. AP has been replacing both customer and Company lead service lines ("LSLs") in its system since the Commission approved AP's initial LSLR program in 2021. Originally, the Company was approved to replace 200 customer LSLs per year at an annual budget of $800,000. The Company has ramped up the LSLR program to identify and replace LSLs throughout its system. The Company has recently filed an update to the LSLR program in compliance with the Commission's regulations under Act 120 of 2018 to address the increased costs of replacing LSLs and to allow the Company to perform up to 1,500 replacements per year (after an initial ramp up in the first two years of the LSLR Plan). The update to the LSLR program also takes into consideration the anticipated Lead and Copper Rule Improvements ("LCRI") timeline of 10 years to replace all LSLs in the Company's system.

Q. Have there been recent changes to the Lead and Copper Rule?

A. Yes. Two recent and overlapping rules were promulgated/proposed. On December 16, 2021, the U.S. Environmental Protection Agency ("EPA") announced final revisions to the National Primary Drinking Water Regulations for lead and copper under authority of the Safe Drinking Water Act - called the Lead and Cooper Rule Revisions ("LCRR"). The

operational and capital costs associated with implementing these newer regulations is included in the current rate case filings.

The LCRR requires all public water systems to develop a LSL inventory and make it publicly available; develop an LSLR plan; sample schools and childcare facilities for lead and copper; strengthen treatment to comply with the new 10 microgram/liter (µg/L) trigger level; communicate with the public about the LCRR's requirements and the steps AP is taking to meet them.

On November 30, 2023, the EPA announced the proposed LCRI. EPA anticipates finalizing the LCRI prior to October 16, 2024, and AP is proceeding with replacements in accordance with the LCRI. LCRI supplements the LCRR, and contains the following new requirements: achieving 100% LSL (both customer and Company) replacement within 10 years; locating legacy LSLs and continuous updating of service line inventory; improving customer water tap sampling methods; lowering the Lead Action Level from 15 µg/L to 10 µg/L and associated related actions; and strengthening protections to reduce exposure for systems with multiple lead action level exceedances.

Q. Provide actions AP is taking to comply with the new rules.

A. AP is compliant with current lead and copper rule requirements and is on-track to comply with all provisions of the new rules. AP is dedicated to increasing public health protection by adjusting treatment to prevent leaching from lead piping and lead-containing appurtenances. AP has been selectively transitioning certain systems to orthophosphate, which is EPA's preferred method for reducing corrosion. Orthophosphate helps better coat the pipe, providing a protective barrier between any existing lead materials and drinking water. In many cases, orthophosphate is more cost effective than polyphosphate or blended

phosphates and allows AP to keep chemical costs lower while providing enhanced protection.

The Company has successfully changed our Perkiomen Woods, West Chester, and Bristol distribution systems to orthophosphate and we have seen in a decrease in lead and copper results, which was the objective - more protection to our customers. To meet the October 16, 2024 service line inventory deadline, AP has been aggressively identifying and replacing Company side lead and galvanized service lines and using the Commission approved LSLR Plan to support concurrent customer side replacements of lead and galvanized lines. We have a goal of replacing all known lead service lines by the October deadline.

AP is anticipating a substantial increase in customer sampling for lead and copper in 2025. This is related to the LCRR and discussion with PADEP where reduced sampling for compliant systems (e.g., once every three years) will be reset to once per quarter using the enhanced sampling requirements in the LCRI which requires collecting first liter and fifth liter samples at sites with LSLs and use of the higher of the two values when determining compliance with the rule. This will require additional resources for sampling and a substantial workload increase for the Company's Lab (in addition to the per- and poly-fluroalkyl ("PFAS") sampling and Unregulated Contaminant Monitoring Rule ("UCMR") 5 testing).

V. PER- AND POLY-FLUOROALKYL SUBSTANCES

Q. What are PFAS?

A. PFAS are man-made (synthetic) chemicals that have been used in industry and consumer products worldwide since the 1940s. PFAS have been used to make nonstick cookware, water-repellent clothing, stain resistant fabrics and carpets, some cosmetics, some

firefighting foams, and products that resist grease, water, and oil. These PFAS chemicals are often referred to as "forever chemicals" due to the strong chemical bonding of the molecules that are extremely difficult to break down and, as a result, can persist indefinitely in the environment. There are thousands of PFAS species within the PFAS family. The most studied PFAS are perfluorooctanoic acid ("PFOA") and perfluorooctane sulfonic acid ("PFOS"). For purposes of this testimony, these PFAS chemicals are the focus of current regulatory matters, and the levels of four other PFAS species are being addressed by EPA through a proxy method known as a Hazard Index.

Q. Do PFAS present health concerns?

A. The PFAS chemicals have been detected in many water supplies. Research has identified the following potential or real concerns from ingestion of these compounds at levels above regulatory thresholds as follows:

- Altered metabolism and body weight regulation, and risk of childhood obesity.
- Increased risk of some cancers.
- Reduced ability of the immune system to fight infections.

Q. Does AP notify customers of the presence of PFAS in their finished water supplies?

A. Yes. AP has been the industry leader in addressing PFAS before a rule was in place. We have been testing our water sources for PFAS for more than seven years, treating water that exceeds 13 ppt, and transparently sharing PFAS testing with customers, voluntarily, on our water quality reports. AP created a website dedicated to posting PFAS levels in its water. Moving forward, the Company will discontinue that website and comply with the PADEP's regulations and all PFAS testing will be available in the Company's Consumer Confidence Reports that are available on the Company's website.

Q. Has the PADEP adopted any standards for the level of PFAS in public water supplies?

A. Yes. On January 14, 2023, the PFAS Maximum Contaminant Level ("MCL") Rule was published in the Pennsylvania Bulletin setting MCLs for PFOA and PFOS in drinking water. The rule sets an MCL of 14 ppt for PFOA and an MCL of 18 ppt for PFOS. Compliance with the MCLs is determined based on a Running Annual Average of samples collected each calendar quarter.

Q. Does AP meet current DEP standards?

A. Yes. There are a few facilities that currently have PFAS results close to or greater than the PADEP MCLs, but these locations are undergoing active construction to install PFAS removal systems which will be completed before the end of 2024 and allow AP to remain in compliance with PADEP's regulations. Even before the PADEP considering entering the rule making process for the PFAS chemicals, AP was piloting, designing and installing PFAS removal systems. As of May 2024, the Company has four (4) PADEP permitted and operational PFAS treatment systems. AP feeds Powder Activated Carbon ("PAC") at our Neshaminy WTP to mitigate the impact of the PFAS in the source water, and the finished water levels of PFAS are below PADEP requirements. The concentration our customers receive from the facilities where these PFAS treatment systems are installed is below detection limits. We have other systems that are close to or above the PADEP MCLs which are in the design/construction stage and will be completed in time to meet the compliance requirements.

Q. What treatment processes does AP currently use to remove PFAS from water supplies?

A. AP uses three types of treatment. One is Granular Activated Carbon ("GAC") contact pressure vessels. Another is Ion Exchange ("IX") in pressurized vessels. The third is the use of PAC which is fed into the raw source water at our Neshaminy WTP, a 12 MGD facility. AP was the leader in Pennsylvania for pilot testing then implementing full scale use of all three types of treatment.

In July 2018, AP chose to turn off our North Hills well station in Abington Township when PFAS samples exceeded our self-imposed limit (and subsequently the PADEP and EPA limits). This was challenging to manage, as this source provides water in a densely populated area of our system. Due to AP's resilient system architecture, investments, and operational flexibility, we supplemented the lost water from other sources. AP's treatment department researched options for treatment since GAC units would be large in size. AP gained approval from PADEP to conduct a year-long pilot to test different anion exchange resins to determine their effectiveness in removing PFAS. The pilot program identified a resin that met requirements, and after review of the data, PADEP gave approval to install a full-scale system. In July 2023, the well was returned to service and represents the first IX treatment system in Pennsylvania.

Q. Has the EPA recently adopted regulations concerning PFAS in public water supplies?

A. Yes

Q. What do those new regulations require?

A. The EPA has established MCLs at 4 ppt for PFOA and PFOS, individually (values materially lower than the PADEP established limits). Pursuant to the Safe Drinking Water Act section 1412(b)(10), the final PFAS National Primary Drinking Water Regulation ("NPDWR") is effective June 25, 2024. The compliance date for the PFAS NPDWR, other

than the MCLs, is April 26, 2027. All systems must comply with the MCLs by April 26, 2029. There are various reporting and notification requirements associated with the new rule. The new EPA MCLs will supersede the PADEP MCLs for PFOA and PFOS.

Q. Has AP developed plans to comply with the new EPA requirements?

A. Yes.

Q. What do those plans entail?

A. AP has evaluated the number of systems affected by this new EPA rule. More information and examples of types of treatment projects are detailed in the Direct Testimony of Michael Convery (Statement No. 12).

Q. Please explain why it is important to meet the requirements of the EPA rule.

A. It is important for the AP to meet the requirements of EPA due to the health concerns the presence of PFAS presents.

Q. What are AP's current O&M expenses to treat PFAS?

A. The O&M expense figures to treat PFAS are discussed in the Direct Testimony of Christopher E. Manning (Statement No. 3). These reflect both actual expenses and those projected through the FPFTY.

AP is experienced in managing the O&M aspects of PFAS treatment systems. The Company's first treatment system was commissioned in 2017, and as of May 2024, we have four (4) systems treating for PFAS at wells and the use of PAC at our Neshaminy WTP.

O&M expenses for PFAS treatment include regular process control testing, compliance testing (both performed by the Company's Lab), maintenance of equipment, increase electric costs due to higher pressure through the vessels, and labor by daily

operator and our treatment staff. The most expensive cost is the change-out of expired media in the vessels which can occur every one to three years. Our staff manages the change-out process, which include managing water supply while the vessels are taken off-line, arranging with a carbon supply vendor to extract the expired GAC and install new GAC, performing initial rinsing of the new media, and arranging for the disposal of the rinse water. The Company has historical trends in costs for this process and they are reflected in our base rate case. These costs will increase proportionally with adding more systems to meet the new EPA rule.

Q. What changes in operations does AP anticipate following the installation of new equipment to treat PFAS to the new EPA requirements?

A. Once new systems are commissioned, significant work will recur annually. The work is outlined above yet at a much larger scale/frequency than currently reflected in our rates. AP will need additional staff to manage the testing and logistically complicated media changeout processes, specialized equipment to manage the rinse water process since some sewer systems are now prohibiting the discharge of the rinse water adding extra costs to the process. Overall, the new treatment techniques, chemicals to treat for PFAS, and ongoing and new labor requirements associated with PFAS testing and removal will increase costs to supply water not just for AP but across the Commonwealth and will be present into the future.

Q. How has treatment of PFAS impacted chemical costs to the Company?

A. New to this rate case is the increased cost to treat PFAS chemicals under the recent EPA regulation. The Company has included the significant cost to add PAC to the raw water sources at four surface WTPs. It is important to note that this chemical, once added to the

water, removes some or all of the PFAS chemicals of concern, and then is wasted to the residual solids process.

The plants and current average daily flow where we plan to use PAC are Pickering West – 30 MGD; Crum – 16 MGD; Pickering East – 12 MGD; and Ingrams Mill – 4 MGD. The dosage of PAC needed to remove the PFAS chemicals of concern at these flows plus other chemical costs to process the resultant solids (e.g., polymer at sludge presses) and added hauling costs results is an added cost.

VI. WASTEWATER OPERATIONS

Q. Please describe the challenges facing APW that influences decisions on investments.

A. The biggest challenge to APW and its customers is the level of investment needed to bring facilities acquired (including through Receivership) to a stable level of asset condition and operation. The cost to replace wastewater assets is one of the highest of all the standard utilities. To support this investment, other costs include vehicles and equipment, staffing, safety programs, laboratory testing, costs related to permit changes, and all the related operational costs outlined in my colleagues' testimony.

Most of APW's acquired assets were in poor condition – WWTPs, collection pipes, force mains, lift stations, no SCADA, and not designed for operational best practices. Many of the facilities are reaching their end of useful life. APW is managing to maintain the assets in-kind while programmatically replacing major or all components of the treatment and pumping assets. For example, many treatment tanks were built by housing developers using minimal quality components such as carbon steel tanks which cannot be maintained like a steel water storage tank. After 20 years of operation, it is common to see these tanks rusting and holes opening in them.

In many cases, the assets were undersized, perhaps meeting minimum design standards but far from meeting the requirements of real-time flows and operational needs. An example would be a small equalization tank with manual flow-splitter boxes. Operators are challenged to handle high flows and balance flows through the plant often leading to downstream compliance and operational management issues.

When replaced, APW will design and construct the facilities to the right size to ensure we can meet permit requirements and limit short life- major assets (e.g., use pre-cast concrete tanks in lieu of carbon steel tanks). Several examples of where we corrected asset issues on a major scale include Penn Township WWTP, Media Borough WWTP, Treasure Lake WWTP, and soon the Laurel Lakes and Rivercrest WWTPs.

The above issues are not isolated to developer-built plants. Many of the municipally acquired plants were in poor condition and likely a driver of why the former owner divested. The need for investment to restore basic safety elements, ensure compliance, and stabilize assets that are "in imminent threat of failure" can delay lower priority investments.

While WWTPs and lift stations are in varying states of restoration, a significant amount of the collection system mains are deteriorated and need significant work. Inflow and Infiltration ("I&I") are common in most every wastewater system, and the sources of it are from both leaking mains and manholes, and customer and other contributions (e.g., laterals, illegal roof drain connections, illegal sump pump connections, stormwater cross connections, other utilities that have broken APW's pipe when installing their asset). APW's capital plan is created to maximize investment needs while mitigating the impacts

to rates. APW has and will continue to address these situations to maintain proper operation and compliance with our discharge permits.

Q. How is APW prioritizing which investments to make that support operation of the facilities?

A. Many investments are "self-prioritizing" as we work through the outcome of original design and construction decisions by former owners, and as permit conditions change. For example, in the last discharge permit renewal for our Treasure Lake WWTP, a limitation on copper concentration (load) was added resulting in significant upgrades to comply with the permit. Post upgrades, our operations protocol requires feeding new chemicals and managing sludge differently than pre-permit change.

Another example is our Cheltenham system where we inherited a corrective action plan and connection management plan to reduce discharges from I&I. APW has been successful through investments and operational work like televising and cleaning sewer mains and continuing to work with PWD (where flow is conveyed for treatment) to potentially construct a large surge tank where we would collect peak flows and manage the discharge from the tank through operational decisions.

Internal processes include regular meetings with our operations and engineering teams to discuss project progress, review long-term planning, and review in-field experiences that need immediate attention (e.g., if a steel tank wall is seen as near failure, plans are formulated to temporarily repair the wall until the final investment plans are executed).

VII. TROUBLED WASTEWATER SYSTEMS

Q. Does APW serve as a Receiver for any troubled wastewater systems?

A. For informational purposes, since the last base rate case, APW has acquired the assets of the North Heidelberg Sewer Company ("NHSC") in Berks County which was previously under Receivership.

Q. What has APW done to improve the NHSC system?

A. While Receiver, APW stabilized operations through our standard operational management and processes. The WWTP was seriously flooded in September 2021 from Hurricane Ida. See Attachment TMD-1. The WWTP was inundated with floodwater for days afterward, and access to the WWTP was cut off by floodwater. In addition, the stormwater system in the area was destroyed and had to be rebuilt before repairs to the WWTP could start. APW operations and engineering staff with a contractor were able to recommission the plant in about 14 days including temporary power, a new ultraviolet disinfection system, clean the control building, and establishing process control. I do not believe this recovery could have been achieved if the system remained with the original owner. Aqua PA's operations team maintained compliance with the permit under these temporary asset conditions while new facilities could be procured/constructed. NHSC continues to be run in compliance with permit requirements.

The customers of the NHSC system have benefited from APW's operating and now owning the system. APW's ability to manage the initial deteriorated conditions, the Hurricane Ida incident, the rebuild, and on-going upgrades and operational efficiencies in my opinion would not have been possible under original ownership.

Q. Has APW acquired any public wastewater systems after the filing of its last base rate case?

A. Yes. APW acquired Lower Makefield Township, Bucks County, and East Whiteland Township, Chester County, wastewater systems.

Lower Makefield Township ("LMT") was acquired on March 4, 2022. LMT has approximately 11,000 connections and consists of 113 miles of collection mains, 14 lift stations and associated force mains. All wastewater is conveyed to other adjacent utilities for treatment.

East Whiteland Township ("EWT") was acquired on August 12, 2022. It has approximately 3,850 connections (8,200 Equivalent Dwelling Units) and consists of 57 miles of collection mains, 12 lift stations and associated force mains. All wastewater is conveyed to other adjacent utilities for treatment.

Q. What improvements have been made to the LMT system after APW's acquisition?

A. Based on my experience, LMT system is a typical deferred maintenance and investment system. Since acquiring the system, APW has implemented improvements and operational efficiencies including: 1) cleaned and inspected nearly 15 miles (13%) of collection system that resulted in roots clearing, fixing broken pipe and cross-bore repairs; 2) I&I identification; 3) cleaned the large lift station wet wells which were laden with grease build-up and grit accumulation that causes premature asset failure; 4) addressed operational control problems including rapid pump cycling; 5) field survey work to update poor mapping transferred to APW to facilitate proper system operation; 6) PA one-call compliance; 7) added all emergency generators to a preventative maintenance program and made repairs for reliability; 8) major maintenance upgrades at lift stations including replacing non-working valves; 9) installed new grinding systems; 10) rebuilt pumps due to failed bearing and vibration issues; 11) replaced poor control systems, installed SCADA

and alarming systems for early detection of issues and remote monitoring by operators; and 12) replacement of non-functioning air release valves, replacement of failed safety fencing, replacement of failed motors and variable speed motor drives, replacement of electrical components, and replacement of five above ground fuel tanks that were not compliant with regulations.

Q. What improvements have been made to the EWT system since acquisition?

A. The EWT system is similar to the above described LMT system. The EWT system condition ranges from poor (high occurrence of operational issues or asset failure) to fair (system conveys sewage but assets and operational protocols at acquisition were outdated and unmaintained). All lift stations now have SCADA replacing old, unsupported, dialer systems. Mains that go through Rights-of-Way ("ROW") are difficult to access as the ROWs were not maintained and mature vegetation exists. A force main break and gravity line break in the system took significantly longer to find and fix due to this unmaintained ROWs. Results of televising and main repairs shows many of the pipe joints not aligned and off-set, resulting in I&I and allowing solids to aggregate on the sharp edges to block flow. APW created a formalized preventative maintenance plan for cleaning lines and is planning replacements of the worst sections of mains.

VIII. TROUBLED WATER SYSTEMS

Q. Does AP serve as a receiver for any troubled water systems?

A. Yes. As of this base rate case filing, AP has two systems in Receivership under Section 529 of the Public Utility Code, 66 Pa. C.S. § 529. First is the Venango Water Company ("Venango") water system, in Reno, Venango County. Venango has approximately 230 customers and is comprised of two spring sources (Bellows and Shaffer Springs) with chemical feed systems (disinfection via chlorine, pH adjustment via soda ash, and a

corrosion inhibitor), one storage tank (extremely poor condition), and approximately seven miles of mains, valves and hydrants. Aqua assumed its Receivership of Venango via a Commission order of August 11, 2023.

Second is Twin Lakes Utilities, Inc. ("Twin Lakes") water system. Twin Lakes serves a small 113-customer community called Sagamore Estates in Shohola Township, Pike County. Twin Lakes is owned by Middlesex Water Company but operated and managed by AP under a Receivership since January 14, 2021, when the Commission issued an order appointing Aqua as Receiver for the system.

Additionally, AP became owner of the James Black Water Service Company – Belle Aire Acres system ("Belle Aire Acres") on May 2, 2024. Belle Aire is a small troubled 19 customer water system in Jefferson Township, Lackawanna County, that AP had operated under Receivership since September 11, 2019.

Q. What has AP done to enable address operational and environmental issues in the Venango system?

A. I am extremely proud of the Aqua team that prioritized responding to help customers served by the Venango system. See Attachment TMD-2. AP received a Commission order on Friday evening August 11, 2023, to immediately assume Receivership on Saturday August 12, 2023 of the Venango system due to alleged contamination of the source water from a spill in the watershed that affected one of the two raw water sources (springs). AP had its team at Reno on Saturday morning August 12, 2023, to start system operation. Prior to the issuance of the Commission's order, there was a "Do Not Consume Order" that had been issued by the former owner under directive of the PADEP.

AP assigned a team of operations, engineering, and functional support staff to work through the objective of restoring safe drinking water to the community. Working with the PADEP and local governmental representatives and integrating with a pro-active community support group, AP was able to lift the "Do Not Consume Order". AP's Receivership started on August 12 and by September 1, the Do Not Consumer Order was lifted. During that initial period, AP hauled drinking water from our Emlenton WTP to Reno to restore storage tank levels and support system flushing requirements to ensure safe water was in the distribution system. AP continued to haul water through the winter of 2023-2024 until the remaining spring was recharged to meet average daily demand.

Many other system improvements were made in the first three months to correct serious safety issues, install instrumentation to assist in monitoring water quality and provide automatic notification alarming of key instrument readings, fixed chemical feed lines, and many other improvements. AP is required to file quarterly status reports to the Commission to detail any relevant updates pursuant to duties and responsibilities assigned through Receivership. See Attachment TMD-3. Three status reports have been submitted with the last one dated April 8, 2024. Each provide details of AP's actions to improve daily service and look at options for long-term source of supply options.

Q. Please describe the improvements made to the Twin Lakes system under AP's Receivership.

A. Since January 2021, AP has invested in the Twin Lakes system by addition of treatment to mitigate lead action level exceedances from 2019; renovated the well station to include treatment for lead reduction and significant safety improvements; permitted and installed online continuous chlorine residual monitoring equipment; added process control alarming

improving response time to treatment and production issues; replaced two booster pumps that provide system pressure; replaced ~25% of the residential meters that have failed; performed system-wide leak detection and repaired several leaks reducing water loss; made a portable emergency generator is available for backup power (no prior emergency backup power was present at the system). The Twin Lakes system is operated by AP staff (not contractors) who visit the system multiple times each week.

Q. Has AP acquired any other public water systems since its last base rate case that you would like to highlight?

A. Yes. In addition to Belle Aire Acres noted previously, on July 24, 2023, AP acquired the assets of the Municipal Authority of the Borough of Shenandoah ("Shenandoah"). The system has approximately 3,000 customers in Borough of Shenandoah and the surrounding communities.

Q. What improvements have been made to the Shenandoah system subsequent to AP's acquisition?

A. While relatively early in ownership, it is clear that AP's expertise, financial capability, and overall utility operation program has and will continue to benefit the Shenandoah water system. See Attachment TMD-4.

Some of the infrastructure dates back to the late 1800s, when Shenandoah had multiple competing water companies serving the same areas causing multiple mains to be co-located in streets depending on which customer subscribed to which company. This has led to undocumented mapping and challenging operational and asset improvement planning.

The system has 60% non-revenue water according to the latest analysis done by Shenandoah. Within four months of taking ownership, AP replaced 95% of all customer water meters as part of an integration project, and to reset the baseline for apparent losses from meter inaccuracies. The water mains frequently leak or break for various reasons and contribute to water loss. From August 2023 to May 7, 2024, AP has repaired 44 main breaks, numerous other service leaks, and has completed a full system wide leak survey that found 32 leaks which will be repaired in 2024. AP is also completing the replacement of approximately 4,000 lineal feet ("LF") of aging cast iron pipe with 8-inch ductile iron pipe, and is planning future main replacement projects, one which will eliminate a long low use main located through a wetland and other mains which have been identified by AP as highly prone to breaks and leaks.

AP inspected all hydrants in August and September 2023 identifying 23% of the hydrants as inoperable. AP began an immediate replacement program of these hydrants that was hampered by the lack of operating isolation valves, almost non-existent maps, and hydrants connected to undersized water mains. The work to correct this fire hydrant deficiency was completed in January 2024.

There is a 2 MGD WTP serving the community. After AP took ownership, it performed an inspection of the WTP, which found serious safety concerns such as a leaking caustic chemical system, uninspected chlorine gas system components, non-working key assets, and water quality testing process lacking the rigor AP provides. A team of AP's water treatment plant managers, safety specialist, compliance teams, and other subject matter experts spent time at the WTP identifying areas for improvements and nearly all have been implemented or are programmed for investment.

Q. What other projects were required that AP took over and implemented in the Shenandoah system?

A. Shenandoah was required by the National Pollution Discharge Elimination System ("NPDES") permit to design, permit and install a means to remove chlorine from the WTP sludge dewatering discharge stream. AP recently completed the design and permitting of the de-chlorination system and will complete installation of this system by July 2024.

Another project Shenandoah was required complete was to install structures and flow measuring equipment at the high hazard dam to allow conservation releases into the associated watersheds as required by the PADEP Water Allocation permits. AP assumed a grant from the Susquehanna River Basin Commission originally awarded to Shenandoah to fund this project to be completed in 2024.

IX. OTHER EXAMPLES OF EXEMPLARY MANAGEMENT PERFORMANCE

Q. Please describe an example of AP's emergency response in action.

A. To demonstrate the value of Emergency Planning, Response, and Business Continuity Plans, consider the September 1, 2021, Hurricane Ida storm that caused AP's largest water plant – Pickering West – to flood and be out of use. Other impacts from Hurricane Ida included the complete loss of our NHSC WWTP as described earlier in my Direct Testimony.

Focusing on the loss of 30 MGD of production from the Pickering West WTP, AP and its customers were faced with a serious and unscripted loss of service with a prospect of not knowing when water service could be restored. AP's highly skilled and experienced staff recovered from this disaster in 10 days. See Attachment TMD-5. I believe that AP's prudent and consistent infrastructure investment made the difference for our customers.

The entirety of AP's staff and functional support teams were focused in an organized and logical process to return a flooded major WTP to service.

Q. Please explain how AP's investment in its infrastructure and in emergency planning allowed AP to continue service while its largest WTP was out of service.

A. Our engineering team collaborated and worked with our control center and distribution team to move water from areas throughout SEPA. This was done by analyzing our hydraulic models, procuring and installing large temporary pumps and tapping mains to form new pressure districts. Our other water plants maximized output to supplement the demand and we purchased water through our longstanding partnerships throughout the region. The result was continuity of service to our customers, and no water main breaks. This underscores the benefits of continued investment in AP's assets (e.g., main replacements), plant upgrades, purchased water analysis, and the value of a large company to recover from such an event.

Q. Are there any examples recently of how Aqua PA's lab was used to respond to significant environmental events?

A. Yes. An example of the value of the Company's lab resource brings to our customers is an event where a chemical spill occurred in the Delaware River in March 2023. See Attachment TMD-6. The water supply of AP's Bristol water plant and other water suppliers that have intakes on the affected Delaware River stretch were in jeopardy of causing the unidentified contaminant entering the public water supply. Fortunately, no water supplier had the spilled chemical enter its facility intakes and therefore into the public drinking water system. However, during the spill response, Aqua PA's laboratory was engaged to "decode" the unknown chemical. Our staff used their expertise and

sophisticated instruments to identify compounds of concern from information provided by the manufacturer and the resultant analytical data allowed other water suppliers to make key operational decisions to manage through the event. Aqua PA's laboratory was able to provide analytical testing for other affected water purveyors during this event helping to protect the general Philadelphia-Camden New Jersey area.

Several weeks earlier the Aqua PA lab provided similar support to water purveyors in western Pennsylvania and eastern Ohio to ensure customer safety in the aftermath the East Palestine, OH Norfolk-Southern train derailment and spill.

Aqua PA's operations and our respective customers receive significant value from this investment made in support of our core objective.

Q. Please describe Aqua PA's proactive efforts to test for the forever chemicals referred to as PFAS.

A. In addition to the Company's extensive testing in each specific area, our laboratory is only one of two that are accredited in Pennsylvania to test for PFAS, which have been linked to numerous health concerns. Aqua PA has been committed to testing every one of our water sources for contamination since the addition of this testing capability in 2016.

In 2017, Aqua PA's lab became a leader in PFAS testing by becoming one of the first utilities to be state-certified to test for the forever chemicals. Shortly after in 2020, Aqua PA set a company-wide standard to treat and remove PFOS and PFOA concentrations above 13 ppt. Aqua PA's lab recently expanded its PFAS testing capabilities by purchasing a second Liquid Chromatography with tandem mass spectrometry ("LC/MS/MS") and setting up EPA method 537.1 for the analysis for 18 compounds. The laboratory also holds EPA UCMR 5 certification for method 537.1.

Q. Does Aqua PA proactively participate in American Water Works Association ("AWWA") programs?

A. Yes. Aqua PA has taken a leadership role in AWWA programs to enhance water quality compliance assurance such as "Partnership for Safe Water" (surface water plants), "Partnership for Clean Water" (Wastewater treatment plants), and "Partnership for Safe Water Distribution System" (water distribution systems). This past year an AP employee was the President of the Pennsylvania AWWA chapter. These rigorous programs benefit our customers by enhancing our focus on the water quality we provide to customers, and the water returned to the environment. The Company goes beyond the required regulatory testing, which only confirms if we meet compliance, to ensure that we are providing excellent water quality to our customers. These programs challenge us to enact optimization strategies that reinforce our existing compliance programs and to ensure water quality meets customer expectations.

The program has four levels of achievement, with annual reviews of progress against on-going optimization initiatives. All surface WTPs are enrolled in the program and progressing through the four phases. At present we have two (2) plants with the highest-level award – The President's Award, four (4) with Phase III awards, and six (6) in the Phase II data collection phase which, when completed, will enter the Phase III program for self-assessment and identification of optimization opportunities. The Company's Media WWTP received a Phase III award in 2022. In May 2024, we will receive a Phase III award for our Uwchlan water distribution system.

Q. How does Aqua PA work with PADEP in improving WTP performance?

A. AP receives a periodic a PADEP inspection and evaluation process known as “Filter Plant Performance Evaluation” (“FPPE”). The FPPE process evaluates current and historical filter plant operations and water quality data focusing on filter plant capability to maintain compliance reliably and consistently with Pennsylvania's Safe Drinking Water Requirements on a short and long-term basis. There are three overall ratings from lowest to highest; “Needs Improvement”, “Satisfactory”, and “Commendable”. In the past three years, ten (10) of AP’s WTPs received a FPPE. Overall ratings were two (2) plants receiving “Satisfactory”, and seven (7) plants receiving “Commendable”, both difficult to achieve without consistent attention to daily operational excellence and regular facility investment.

X. CONCLUSION

Q. Does that conclude your Direct Testimony?

A. Yes, it does, but I reserve the right to supplement my Direct Testimony as needed during this proceeding.

SINKHOLE LOCATION ON GOLF COURSE PROPERTY OVER TOP OF CULVERT. NHSC PROPERTY LINE AT WOODS/FENCE LINE TO THE RIGHT. EARTH WASHED INTO THE COLLAPSED CULVERT SUBSTANIALY BLOCKING IT.

SINKHOLE APPROXIMATELY 12 FEET IN DIAMETER AND 12 FEET DEEP.

SUBMERGED WASTEWATER TREATMENT PLANT VIEW FROM EAST SIDE OF PLANT LOOKING WEST. RAILINGS ON EQ AND SLUDGE HOLDING TANKS CAN BE SEEN. GENERATOR IS TO THE LEFT OF CONTROL BUILDING DOOR.

VIEW FROM WEST LOOKING EAST OF EQ TANK IN CENTER AND SLUDGE HOLDING TO THE RIGHT AFTER FLOOD WATERS RECEDED.

SUBMERGED WASTEWATER TREATMENT PLANT VIEW FROM WEST (ENTRY) SIDE OF PLANT LOOKING EAST.

SUBMERGED WASTEWATER TREATMENT PLANT VIEW FROM SOUTHEAST SIDE OF PLANT LOOKING IN A SOUTH EASTERLY DIRECTION. GOLF COURSE CARTWAY BERM NEAR CULVERT SINK HOLE IN BACKGROUND (BEHIND WHITE CAR).

CONTROL BUILDING ROOF DAMAGE DUE TO THE FLOATING OF THE RAPID SAND FILTER TANK / ULTRAVIOLET DISINFECTION SYSTEM IN ABOUT HALF OF THE BUILDING.

RAISED UP ROOF TRUSSES AND ROOF RESULTANT FROM TANK FLOATING IN THE CONTROL BUILDING.

LOOK INSIDE THE CONTROL BLDG. FROM DAMAGED ROOF OPENING. FLOATED TANK IN RIGHT FOREGROUND.

LOOK INSIDE CONTROL BLDG. FROM GARAGE DOOR OPENING. FLOATED TANK TO THE LEFT.

VIEW INTO CONTROL BUILDING OFFICE WHILE STILL UNDER WATER.

PA Environment Digest Blog
An Update On Environmental Issues In Pennsylvania
Edited By: David E. Hess
Former Secretary, PA Department of Environmental Protection

The Derrick: Permanent Alternate Water Supply Being Considered For Village Of Reno, Venango County After Contamination By Conventional Oil Well Wastewater Spill

On October 13, The Derrick reported the Franklin General Authority is considering a request for a permanent water connection to the Village of Reno water supply system to provide 36,000 gallons of water a day to replace the water lost as a result of a conventional oil well wastewater spill.

One of the springs supplying water to the Village of Reno's system was contaminated in July by a spill from conventional oil well wastewater tanks operated by Petro Erie, Inc. and the 550 people in Reno have been getting emergency supplies of make-up water ever since.

The Village of Reno's water supply is owned by the Venango Water Company which is being operated by Aqua Pennsylvania under an emergency order issued by the Public Utility Commission on August 12.

Aqua Pennsylvania made the request for the interconnection to the Franklin General Authority to help avoid the cost of trucking water to the Reno water system daily.

The Authority is expected to consider the request as early as its meeting in December.

Click Here to read the article. [PDF of article]

Summary Of Spill Incident

The conventional oil well wastewater release from Petro Erie's production wastewater tanks was discovered on July 20 and was found to have contaminated the Village of Reno's water supply in Sugarcreek Borough, Venango County leaving the community of over 550 residents and businesses without clean water for more than six weeks.

Although the "do not consume" order to residents in Reno was lifted on September 1, the water supply emergency continues with drinking water trucked into the community every week. Read more here.

Sadly, on September 9, Sugarcreek Borough Mayor Charlie McDaniel, who had been a leader in his community responding to the Village of Reno water emergency for the last six weeks, was found deceased in his home. Read more here.

On October 5, Petro Erie Inc. filed an expanded appeal with the Environmental Hearing Board of DEP's August 16, 2023 order requiring the operator to restore the Village Of Reno's water supply and clean up the spill of conventional oil well wastewater from wells the company operates in Venango County. [EHB Docket No. 2023075]

One grounds for the appeal is that the "Appellant lacks the financial ability to comply with the Order."

This is the second order DEP issued in this case and the second appeal of those orders filed by Petro Erie, Inc. [EHB Docket No. 2023063]

This is the second time the company said it lacked the financial ability to comply with DEP's orders. Read more here.

On August 21, a DEP inspection found two more Petro Erie, Inc. conventional oil well wastewater tanks with a pipe running from the tanks to a discharge area in a ditch with clear indications of wastewater dumping. Read more here.

On August 29, a DEP inspection found Petro Erie, Inc. had begun some cleanup at the site of the original wastewater tank release, but there was no activity at the site the day of the inspection. Read more here.

On September 25, 2023, DEP did a follow up inspection of the Lower Reno 1 conventional oil well operated by Petro Erie, Inc. in Sugarcreek Borough, Venango County and found a limited amount of excavation was done in a drainage ditch impacted by the production wastewater spill that contaminated the Village of Reno water supply and the dirt was stockpiled for later disposal. [DEP inspection report + photos]

The latest information from DEP's Northwest Regional Office is available on its Venango Water Company/ Petro Erie Inc. Investigation webpage.

Visit the Aqua Pennsylvania Venango webpage for more information on activities related to the water supply system the company is operating on an emergency basis for the Venango Water Company.

PA Environment Digest Blog
An Update On Environmental Issues In Pennsylvania
Edited By: David E. Hess
Former Secretary, PA Department of Environmental Protection

Do Not Consume Water Advisory Lifted In Village Of Reno; Petro Erie, Inc. Barely Begins Cleanup Of Conventional Oil Wastewater Spill Site That Contaminated The Water Supply In Venango County

On September 2, Makayla Keating of the The Derrick reported the do not consume water advisory has been lifted in the Village of Reno, Venango County after six weeks of emergency water distribution for the over 200 community residents and businesses affected.

The water supply was contaminated by a release of conventional oil well production wastewater from tanks operated by Petro Erie Inc on or about July 20.

The announcement was made by Aqua Pennsylvania which was operating the Venango Water Company serving the Village under an emergency order from the Public Utility Commission.

The full announcement is on the Aqua PA Venango webpage.

The Derrick reported the chair of the Reno Neighborhood Association said the community is "very, very excited to go back and we're appreciative of Aqua Pennsylvania and all of the volunteers and community for their donations."

A planned emergency distribution of water was still held Friday evening at the Reno fire hall.

The Derrick said The Pointe, a nonprofit drop in center, and The YMCA in Oil City both opened their showering facilities to Reno residents. The Pointe also made available a washer and dryer.

The Franklin Housing Authority also donated a unit for Reno residents to shower and a washer and dryer was donated by Appliance Pros.

The Derrick reported local churches and individuals made significant product and monetary donations to help the Reno community.

Click Here to read the entire article from The Derrick.

Petro Erie Cleanup Barely Started In Venango County

On August 29, 2023, DEP did a follow up inspection of the Lower Reno 6 conventional oil well and wastewater tanks operated by Petro Erie Inc. in Sugarcreek Borough, Venango County and found "there is no activity onsite and a mini excavator is staged onsite."

A wastewater release from the tanks contaminated the Village of Reno's water supply and over 200 community residents and businesses continue to be on emergency water distribution since July 20.

The inspection found Petro Erie had begun some cleanup activity at the site. Contaminated soil had been excavated to a depth of just a few inches to about three feet at the deepest point in some areas, put on piles and covered with a tarp.

"Field screening with a soil conductivity probe indicates that there is still a high level of [wastewater] impacted soil within the excavation."

Photos in the inspection report show the wastewater tanks are still sitting in a pool of wastewater and no effort was made to deal with the leaking tanks. The earthen dike around the tanks appeared to be holding the wastewater.

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"Field screening with a soil conductivity probe indicates that there is still a high level of [wastewater] impacted soil within the excavation."

Photos in the inspection report show the wastewater tanks are still sitting in a pool of wastewater and no effort was made to deal with the leaking tanks. The earthen dike around the tanks appeared to be holding the wastewater.

The conventional oil well itself was found to be inoperable--electric was disconnected and the oil production line was disconnected and removed.

DEP noted the cleanup consultant retained by Petro Erie--Moody and Associates-- did send an initial report on the site dated August 8, 2023.

However, the inspection report says Petro Erie still owes DEP a written report on how it plans to bring the site into compliance. The report was due August 11, 2023.

The inspection report said "cleanup needs to continue at the site." "The Department requests that the operator continue with the cleanup process and communicate with the Department throughout the process."

AQUA℠

An Essential Utilities Company

VIA E-FILING

October 11, 2023

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

Re: Venango Water Company – Ex Parte Emergency Order Naming Aqua Pennsylvania, Inc. as Receiver
Docket No. M-2023-3042180

Section 529 Investigation of Venango Water Company
Docket No. I-2023-3042312

Dear Secretary Chiavetta:

Enclosed please find Aqua Pennsylvania, Inc.'s ("Aqua") Initial Status Report to the Pennsylvania Public Utility Commission ("PUC" or the "Commission") in accordance with Aqua's Receivership duties for the Venango Water Company established via the Commission's Ex Parte Emergency Order Entered August 11, 2023, Ordering Paragraph 4, Appendix A Paragraph 1.o., in Docket No. M-2023-3042180, and ratified by the Commission's Ratification Order Entered August 24, 2023. This status report is being filed in both the M-Docket and I-Docket referenced above.

If you have any questions regarding this filing, please contact me at 610-645-1130.

Sincerely,

Alexander R. Stahl
Regulatory Counsel

cc: Certificate of Service
Daniel Searfoorce, Bureau of Technical Utility Services (via email)
John Van Zant, Bureau of Technical Utility Services (via email)
Sean Donnelly, Bureau of Technical Utility Services (via email)

INITIAL STATUS REPORT TO THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

VENANGO WATER COMPANY

AQUA PENNSYLVANIA, INC., AS RECEIVER

DOCKET NO. M-2023-3042180

DOCKET NO. I-2023-3042312

Dated: October 11, 2023

A. BACKGROUND

On August 11, 2023, the Pennsylvania Public Utility Commission ("PUC" or the "Commission") issued an Ex Parte Emergency Order at Docket No. M-2023-3042180 ("Receivership Order") naming Aqua Pennsylvania, Inc. ("Aqua" or the "Company") as Receiver for the Venango Water Company ("VWC").[1] The VWC system serves approximately 215 customers and is comprised of two spring sources (Bellows and Shaffer Springs), one storage tank, and approximately 7 miles of mains. The Receivership Order was ratified by the Commission through its Ratification Order entered on August 24, 2023. Aqua was directed to assume its Receivership role on August 12, 2023. Included within the Commission's Receivership Order, the Company was directed to "[s]ubmit an initial status report to the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership."[2]

Aqua now submits its Initial Status Report ("Status Report") on the operations of VWC as directed by the Commission.

B. INITIAL STATUS REPORT

1. Pre-Receivership

On or about July 21, 2023, the Pennsylvania Department of Environmental Protection ("DEP") issued a Do Not Consume ("DNC") notice to the customers of VWC related to a brine spill and potential contamination of one of VWC's sources of supply – the Bellows Spring. On August 4, 2023, the DEP issued a Notice of Violation to VWC, included with this Status Report as **Attachment A**.

Aqua received the Commission's Receivership Order on that Friday evening and quickly convened an operations meeting the night of August 11, 2023 to stand-up its emergency response team to be onsite on August 12, 2023.

The Commission directed that Aqua provide bottled water to the VWC customers.[3] Aqua arranged for a tractor trailer to deliver bottled water to the VWC customers and distributed it at the Reno Volunteer Fire Company. Aqua also arranged for a tanker of potable water to be on-site where VWC customers could fill bottles for consumption.

The Commission directed that utility service serving the VWC facilities be transferred to the Receiver.[4] Electric service was transferred and established in Aqua's name as Receiver in accordance with the Commission's Receivership Order.

[1] In re: Venango Water Company, Docket No. M-2023-3042180, Ex Parte Emergency Order, Ordering Paragraph No. 4 (August 11, 2023) (hereinafter "Receivership Order").
[2] Id. Ordering Paragraph No. 4, Appendix A Paragraph 1.o.
[3] Id. Ordering Paragraph No. 5.
[4] Id. Ordering Paragraph No. 8.

The Commission directed that VWC preserve all hard copy or electronic records, files, bank statements, documents, papers, or any other materials related to the offering of utility water service, including records of all contracts, agreements loans, payments, and other arrangements with affiliated companies.[5]

The Commission directed that by August 12, 2023, VWC turn over copies or originals of all books, records, accounts, and any other information, and all operations assets, including keys to locks securing facilities, buildings, and any other property, whether personal or real property, used and useful in the provision of utility water service to customers served by VWC to the Receiver.[6] The Commission also directed that VWC, including its owners and employees, provide full and unconditional cooperation with the orderly transition of operations, management, and oversight to the Receiver.[7]

2. Financial

The Receivership Order directed Aqua to establish the financial position of VWC at the time Aqua assumed its Receivership role.[8] Aqua is working to establish the financial position of VWC as of the start of Aqua's Receivership. VWC has previously submitted Class C Annual Reports to the Commission which includes financial and operational data, the most recent of which was submitted on June 30, 2023 and available on the Commission's website.[9] Aqua will continue to track expenses and capital improvements related to the VWC system through deferred accounting treatment via establishment of a regulatory asset in accordance with Aqua's Receivership duties.[10]

3. Operations and Capital Expenditures

On August 12, 2023, Aqua began its Receivership duties for the VWC system, and Aqua arrived onsite on August 12, 2023 to assess the state of operations of the VWC system. Aqua changed the existing locks and posted its signage at the system. Included with this Status Report as **Attachment B** are pictures of the initial walkthrough of the VWC system when Aqua arrived on site. Aqua's initial concern upon assuming operations of the VWC system was the level of water in the only storage tank for the system. When Aqua arrived on site, there was approximately two feet of water in the storage tank, which if not corrected could have depressurized the system. To address this issue Aqua consulted with DEP and, after approval from DEP, turned the Bellows Spring back on and initiated another DNC notice to customers, a copy of which is included with this Status Report as **Attachment C**. The Bellows Spring was turned back on to ensure customers would have water for sanitary purposes, but not for consumption. Additionally, within the first two days of being on-site, Aqua had a tank inspection performed due to the apparent poor condition of the storage tank. That report is included in this Status Report as **Attachment D**.

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[5] Id. Ordering Paragraph No. 9.
[6] Id. Ordering Paragraph No. 10 and 11.
[7] Id. Ordering Paragraph No. 12.
[8] Id. Ordering Paragraph 4, Appendix A Paragraph 1.r.
[9] See https://www.puc.pa.gov/pcdocs/1791853.pdf.
[10] Receivership Order, Ordering Paragraph 4, Appendix A Paragraphs 1.s and 2.b.

Aqua began trucking in water from its Emlenton water treatment plant on August 14, 2023 to fill the storage tank to ensure there was enough storage for sanitary use throughout the system. As trucking continued, enough water was brought in to allow Aqua to turn off the Bellows Spring on August 15, 2023. The Bellows Spring has remained off since that date. In the first month of operation Aqua has trucked in over 1,200,000 gallons of water from Emlenton to VWC system. Inclusive of trucking costs, and if the water had been sold at Aqua's Sales to Other Utilities rate, the cost to get this water to VWC would have equated to approximately $50,000. Aqua has not charged VWC customers for the trucked water from Emlenton.

As Aqua was stabilizing the VWC system, Aqua began testing the source and points throughout the distribution system, per DEP parameters and additional parameters Aqua believed necessary. The test results were shared with DEP and a plan for lifting the DNC was developed. After the full battery of multiple days of testing at several locations in the system showed that the water met drinking water standards, Aqua, in coordination with DEP, lifted the DNC on September 1, 2023, a copy of which is included in this Status Report as **Attachment E**. From the start of Aqua's Receivership through September 1, 2023 when the DNC was lifted Aqua collected and analyzed over 40 gallons of water, and performed more than 1,600 lab analyses for 45 lab analytes.

Aqua attended two public meetings on August 14 and September 13, 2023 to provide information to customers, and developed a website that customers can visit for information about Aqua's efforts to lift the DNC. Aqua's test results were also posted this same website: https://www.aquawater.com/venango.php. Aqua also met with local officials and DEP multiple times a week leading up to the DNC lift to ensure they were informed of the most recent information. Aqua directly reached out to customers that had concerns that were discussed during the public meetings or had reached out separately to Aqua, including sampling at customer homes where water quality concerns were raised.

Aqua has completed the following improvements to the VWC system since beginning its Receivership duties:

i. Installed SCADA controls at Shaffer Spring.

ii. Replaced the existing SCADA system to meet Aqua's operational and security requirements, and installed outdoor antenna and cabling.

iii. Installed chemical feed pumps.

iv. Installed a new chlorine analyzer and Aqua is working to permit it for continuous monitoring.

v. Installed a new heating system.

vi. Installed a pressure transducer at the water storage tank.

vii. Installed a new service line to connect a new customer.

viii. Conducted leak detection and Aqua is currently reviewing the results to address leaks within the system.

ix. Conducted flushing of the system.

x. Performed a storage tank inspection.

xi. Updated sampling plans and emergency response plans.

The above improvements were necessary to restore and continue quality and reliable service to the customers of VWC. Aqua is developing a recommended capital plan for the VWC system and will provide recommendations on capital improvements in a subsequent status report.[11] Along with the capital plan Aqua will be providing a breakdown of costs incurred during the Receivership in a future status report. Aqua is pursuing low cost/no cost financing for capital improvements for the system through the Pennsylvania Infrastructure Investment Authority ("PENNVEST"). However, PENNVEST informed the Company that Aqua must be the owner of VWC to receive a grant award. The Company does not agree with this and plans to submit an application to PENNVEST for a grant for the work deemed necessary.

Since the initial event causing the issuance of the DNC, the DEP has filed an Order on against Petro Erie, Inc. on August 16, 2023 ("Petro Erie Order"), citing violations of various statutes and DEP regulations. A copy of the Petro Erie Order is included in this Status Report as **Attachment F**.

While Aqua will continue to operate the system during its Receivership, the Company does want to note that this system is in close proximity to two municipal systems, which could more easily serve the VWC customers. Aqua's closest system is approximately 27 miles (40 minutes) away, while Sugarcreek Borough's and the City of Franklin's water systems are approximately 1.2 miles and 1.8 miles away from the VWC system, respectively.

As Aqua continues to operate the system to ensure compliance with the Receivership Order, Aqua will make improvements necessary to provide quality and reliable service. Aqua will have further information on operational issues in later reports.

4. Initial Customer Billing

Aqua has implemented the existing rates of VWC as set forth in VWC's Supplement No. 24 to Water – Pa. P.U.C. No. 3, effective November 15, 2018. Aqua's initial billing of the VWC customers occurred on September 15, 2023, and was based on mainly estimated meter readings (with some actual reads) using historical consumption. A copy of the notice accompanying the first bill from Aqua is included as **Attachment G**. Aqua is facing issues getting access to customer properties to manually read the meters. Aqua is reviewing alternative means to get actual meter reads for customers in the future. Aqua has posted the VWC tariff on Aqua's website and will continue billing customers the rates under the VWC tariff during the pendency of the Receivership.

[11] Id. Ordering Paragraph 4, Appendix A Paragraph 1.c.

C. CONCLUSION

Aqua will continue to investigate the system's operations and financial status and will make necessary improvements to operate the VWC system to ensure quality service to the VWC customers for the period of its Receivership duties during the 529 proceeding. Aqua will provide an update to this Initial Status Report on or before January 9, 2024.

ATTACHMENT A

pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

August 4, 2023

NOTICE OF VIOLATION

CERTIFIED MAIL NO. 9489 0090 0027 6506 3081 34

Venango Water Company
c/o Mr. Randall L. Rhodes, Secretary &
Mr. Kevin Rhodes, Treasurer
P.O. Box 397
Reno, PA 16343

Re: Safe Drinking Water Violations
Venango Water WTP
PWSID No. 6610014
Sugarcreek Borough, Venango County

Dear Mssr. Rhodes:

As you are aware, around July 14, 2023 the Venango Water Company's ("Venango Water") public water system began to experience water quality issues and customers began to contact the water company regarding water quality issues. On July 20, 2023, the Department of Environmental Protection ("Department") was officially notified by Venango Water of a suspected discharge from a tank battery located upgradient of the Bellow Spring source. The Department confirmed this contamination and requested Venango Water to: 1) no longer utilize the Bellows Spring as a source of supply until further notice from the Department; 2) issue a Tier 1 public notice in the form of a "Do Not Consume Advisory" to all customers of the water system ("Tier 1 PN"); 3) simultaneously issue a water conservation notice to all customers of the water system; and 4) provide bottled water to all customers of the Venango Water system.

On July 21, 2023, Department staff conveyed to Venango Water that a complete version of the Tier 1 PN needed to be made available to all customers (as opposed to an abbreviated message). Department staff also began discussions of possible short-term and long-term options for Venango Water to utilize to ensure safe and potable water is continuously provided to the Venango Water customers. Additionally, the Department has conducted several inspections of the public water system and has determined that Venango Water is in violation of the Safe Drinking Water Act and its Regulations. Specifically, the Department has determined Venango Water's:

- Failure to review and update its Emergency Response Plan at least annually and as necessary to reflect changes to communication procedures and contact information pursuant to 25 Pa. Code § 109.707(c);

- Failure to develop a plan for the provision of safe and adequate drinking water under emergency circumstances pursuant to 25 Pa. Code § 109.707(a);

- Failure to develop an Emergency Response Plan that provides for corrective actions for probable emergency situations pursuant to 25 Pa. Code § 109.707(a)(6);

- Failure to implement Emergency Response Plan when necessary pursuant to 25 Pa. Code § 109.707(b);

- Failure to present the Emergency Response Plan to the Department upon request pursuant to 25 Pa. Code § 109.707(c)(2); and

- Failure to take whatever investigate or corrective action is necessary to assure that safe and potable water is continuously supplied to the users in accordance with 25 Pa. Code § 109.4(4).

Further, on July 9, 2021, the Department received a Request for Reserve Designation application for the following sources: Upper Well (Source 012); Lower Well (Source 013), and Lower Spring (014). On January 10, 2022, the Department returned the July 2021 Request for Reserve Designation application and identified six (6) deficiencies associated with the application. To date, the Department has not received an updated application, including $50 application fee, for the reserve designation of these three (3) sources. Because the three (3) sources are not approved Reserve Sources, Venango Water's failure to conduct periodic monitoring of the water system which includes the raw water of these permitted sources violates 25 Pa. Code § 109.718.

In order to return the public water system to compliance, the Department requests that Venango Water:

1. Within thirty (30) days, update the existing Emergency Response Plan to reflect changes to communication procedures and contact information. Additionally, one of the specific scenarios outlined in the Emergency Response Plan shall include the contamination of one or more sources, then both short-term and long-term measures that are anticipated to be implemented to ensure safe and potable water is continuously supplied to users of the Venango Water public water system;

2. On or before August 20, 2023, and continuing monthly thereafter until notified by the Department in writing, repeat the Tier 1 PN to all customers, including a water conservation notice;

3. Submit a certification that the Tier 1 PN requirements have been fulfilled, along with a copy of each notice, to this office within 10 days of issuing the public notice in accordance with 25 Pa. Code § 109.701(a)(4); and

4. Within thirty (30) days, complete one of the following options: 1) submit an updated Request for Reserve Designation application, including $50 application fee, which addresses the six (6) items outlined in the January 10, 2022 return letter; 2) submit an updated Comprehensive Monitoring Plan which reflects that all permitted sources are included in future monitoring requirements for the water system; or 3) submit a permit application, including $50 application fee, which requests the proper abandonment of any or all of the sources known as Upper Well (Source 012), Lower Well (Source 013), and Lower Spring (Source 014).

This Notice of Violation is neither an order nor any other final action of the Department. It neither imposes nor waives any enforcement action available to the Department under any of its statutes. If the Department determines that an enforcement action is appropriate, you will be notified of the action.

If you have any questions concerning this matter, please contact me by electronic mail at jblashaw@pa.gov or by telephone at 814.332.6304.

Sincerely,

Justin T. Blashaw
Environmental Group Manager
Safe Drinking Water Program

Enclosures

cc: Desiree Rhodes, Executrix of the Estate of Blaine E. Rhodes
D. Screven, PUC (pdf only)
J. Van Zant, PUC (pdf only)
P. Zander, PUC (pdf only)
P. Cicero, Office of Consumer Advocate (pdf only)
C. Hoover, Office of Consumer Advocate (pdf only)
C. Rupert thru R. Kirby (pdf only)
File

JTB:emr

Attachment TMD-3

pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

NORTHWEST REGIONAL OFFICE
230 Chestnut Street
Meadville, PA 16335-3481

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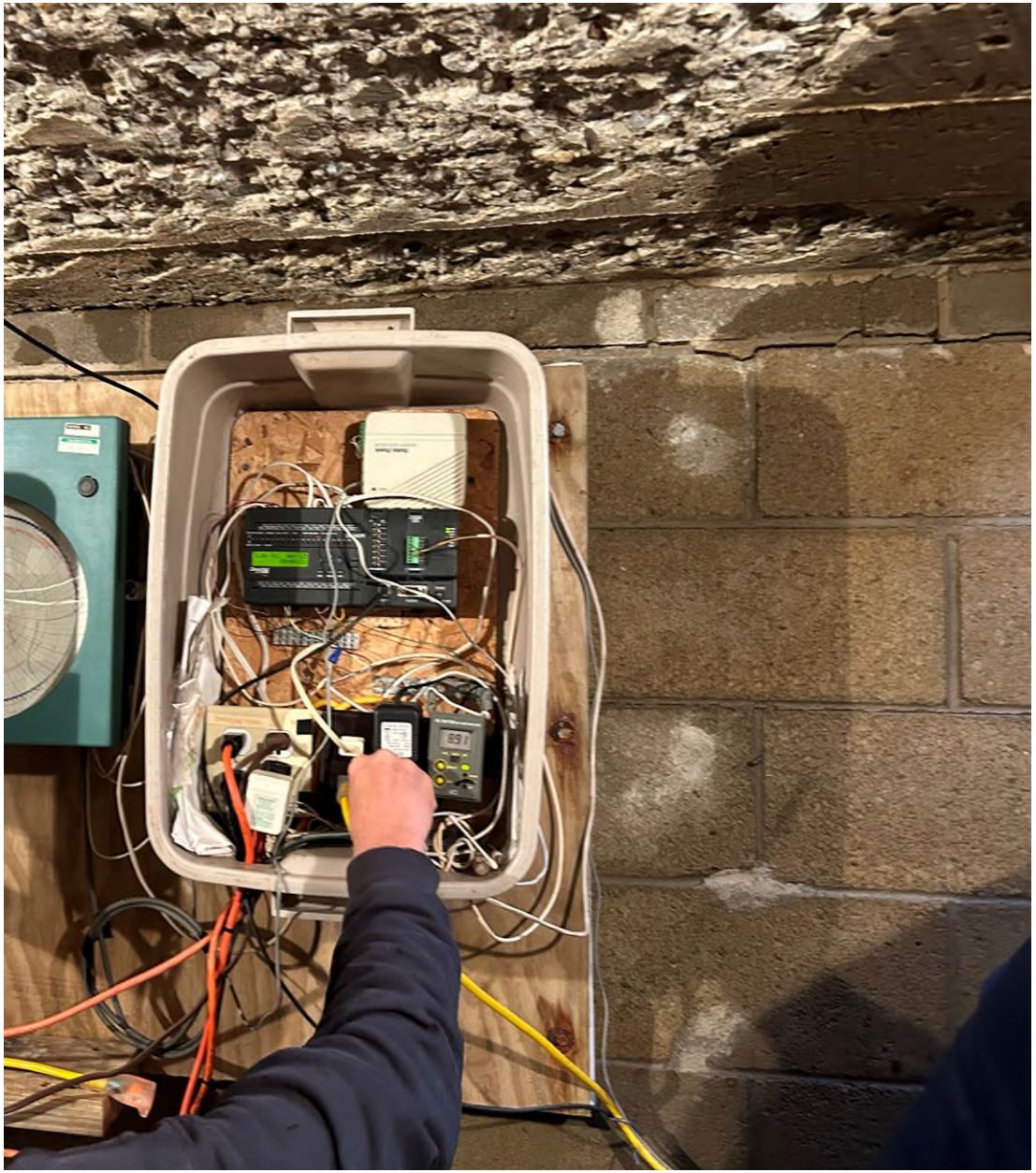
VENANGO WATER COMPANY
C/O MR. RANDALL L. RHODES &
MR. KEVIN RHODES,
P.O. BOX 397
RENO, PA 16343

16343-039797

ATTACHMENT B



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CH2 8.19 PM
UN3264

BOTTOM
3/8/21

ATTACHMENT C

3930-FM-BSDW0076 Rev. 4/2019

pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF SAFE DRINKING WATER

PUBLIC NOTIFICATION (PN) CERTIFICATION FORM

Public Water System Name: Venango Water Company PWSID Number: 6610014

Date of Violation/Situation: August 12, 2023

Description of Violation/Situation: A contaminated soure was put on-line to ensure adaquate water supply for fire protection and non-potable customer use. The PN was a re-issue of PN already issued at the start of the emergency.

Notified DEP (or CHD) within 1 hour Date or NA: N/A

Consulted with DEP within 24 hours Date or NA: M/A

PN Level: ☒ Tier 1 ☐ Tier 2 ☐ Tier 3

Type of notice addressed by this certification: ☒ Initial ☐ Repeat

Methods and date of public notice deliveries to customers:

Method:	WAVE (Revese 911 System) Script attached	Date:	August 12, 2023
Method:	Posted PN in Public Places (Fire and Social Hall)	Date:	August 14, 2023
Method:	Distributed PN at Public Meeting	Date:	August 14, 2023
Method:		Date:	

☒ The public notice included the required elements: a description of the violation/situation; potential health effects; the population at risk; if alternate water supplies need to be used; when the violation/situation occurred; when the system will resolve the violation/situation; what is being done to correct the problem; actions consumers can take; water system contact information; and language encouraging broader distribution of the notice.

☒ A copy of each type of notice that was distributed is attached to this certification form

Certified by:

As a representative of the Public Water System (PWS) indicated above, I certify that public notification addressing the above violation/situation was distributed to all customers in accordance with the prescribed content, format, deadlines and delivery requirements outlined in Chapter 25 Pa. Code Chapter 109 Subchapter D of the Department of Environmental Protection (DEP)'s regulations.

Signature: _____ Date: 8/23/2023

Print Name and Title: William D. Young

Phone Number: 724-347-7418 X30021

Complete and submit this form to your local DEP office **within 10 days** of issuing the public notification described above. DEP District Office and County Health Department contact information can be found within DEP document number 3930-FM-BSDW0560, which can be located by searching for document number 3930-FM-BSDW0560 in DEP's eLibrary at the following link: http://www.depgreenport.state.pa.us/elibrary/Search .

For DEP use only. Checked by: _____ **Date:** _____

Venango Wave Distribution

This is Aqua Pennsylvania - we are now operating the Venango Water Company in the Reno community.

Your system is experiencing potential contamination issues, and we're turning on impacted source water to stabilize water system pressure.

As a result you may experience discolored water, and your water system remains under a Do Not Consume order.

Visit https://www.aquawater.com/venango.php for more information. We'll continue to update you about your service on that webpage.

DRINKING WATER WARNING

DO NOT CONSUME THE WATER

NO BEBA EL AGUA

ESTE INFORME CONTIENE INFORMACIÓN IMPORTANTE ACERCA DE SU AGUA POTABLE. HAGA QUE ALGUIEN LO TRADUZCA PARA USTED, O HABLE CON ALGUIEN QUE LO ENTIENDA.

Aqua Pennsylvania is experiencing potential contamination issues with one of its sources serving the Venango Water System. **The impacted source water is being turned back on to stabilize water system pressure.** As a result, you may also experience discolored water.

On July 20, 2023, a discharge from a brine storage tank uphill of the source for Venango Water Company was identified. Due to the potential for contamination of the source, consumption of the water at Venango Water Company is not advised due to the risk to public health.

What should I do?

DO NOT DRINK THE WATER. Use bottled water or alternative sources for drinking, cooking, or food preparation **until further notice.** Throw away ice cubes if made with tap water.

DO NOT BOIL THE WATER. Boiling, freezing, filtering, or letting water stand does not reduce the potential contamination. Excessive boiling can make the potential contamination more concentrated.

What is being done?

Aqua Pennsylvania is working with the Department of Environmental Protection to investigate the discharge in the brine tank and determine the potential impact on the source for the public water system. You will be notified when the water is safe for human consumption.

Please share this information with other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

This notice is being sent to you by Aqua Pennsylvania, Inc.

For more information, please contact:

Responsible Person Steve Clark, Operations Director	**System Name** Venango Water Co.	**Address (Street)** 665 S. Dock Street
Phone Number 877.987.2782	**System PWSID#** PA6610014	**Address (City, State, Zip)** Sharon, PA 16146

PWSID#: PA6610014 Date distributed: August 12, 2023

* This notice contains regulatorily required or recommended language, and nothing herein is, is intended as, nor should be construed as, a promise of or contract for payment or reimbursement of expenses incurred for any action you take on account of this notice.

ATTACHMENT D

DIXON
ENGINEERING & INSPECTION SERVICES FOR THE COATING INDUSTRY

720 Lafayette Rd.
Medina, OH 44256
Telephone: (330)983-0062
Fax: (330)725-0512

September 29, 2023

Aqua PA, Inc.
665 South Dock Street
Sharon, PA 16146

Attn: Zach Martin

Re: 400,000 Gallon Reservoir- Reno Tank (Sugarcreek, PA)
Emergency Inspection- Visual Only

Dear Mr. Martin:

On August 14, 2023, Dixon Engineering Inc. performed an emergency inspection on the 400,000-gallon water storage reservoir located in Sugarcreek, PA. The inspection was requested by Aqua PA, Inc. Purposes of the inspection were to evaluate the interior and exterior coating's performance and life expectancy, assess the condition of metal surfaces and appurtenances, review safety and health aspects, and make budgetary recommendations for continued maintenance of the tank. The tank had approximately 6' feet of water remaining in the tank so only a visual inspection of the wet interior was completed from the tank roof hatch.

The inspection was performed by Shannon Vidika, Regional Manager and AMPP/NACE Certified #10335.

CONCLUSIONS:

1. The exterior coating is in poor condition overall. The exterior coating system appears to be an aluminum system. Minimal coating remains. Coating deterioration includes spot failures to the substrate with rust undercutting, topcoat delamination, rust bleedthrough, and erosion. There are numerous coating failures throughout.

2. The wet interior coating is unknown. There appears no coating is remaining as the interior has excessive rust present. Due to the deteriorated ladder and water remaining in the tank, the interior was only inspected from the roof hatch.

3. The tank has approximately (100) repairs that were made on the tank sidewall. The repairs were mostly bolts with rubber to stop the active leaks.

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RECOMMENDATIONS:

1. Abrasive blast clean the exterior inside a dust tight containment system and repaint with a urethane system. The estimated cost is $120,000 plus $50,000 for containment.

2. Abrasive blast clean the entire wet interior and repaint with an 100% solids epoxy system. The estimated cost is $190,000.

3. Install a suspended ring, impressed current cathodic protection system in the wet interior. The estimated cost is $25,000.

4. Coat the foundation to help prevent deterioration. The cost would be incidental to exterior painting.

5. Repair areas of missing or damaged grout between the steel baseplate and the concrete foundation. The estimated cost is $15,000.

6. Install an overflow splash pad, duckbill valve and modify overflow pipe. The estimated cost is $12,000.

7. Install (2) 30” roof hatches. The estimated cost is $11,000.

8. Remove the existing wet interior ladder. The estimated cost is $2,000.

9. Repair the previous repairs on the tank sidewall with patch plates. The estimated cost is $25,000.

10. Roof beam replacement may be necessary. Add a contingency of $50,000.

11. Modification of the interior center column may be necessary. Add a contingency of $30,000.

12. Install rigging couplings on the roof for temporary fall prevention of workers in the wet interior. The cost would be incidental to the next painting project.

13. Install a 30-inch diameter sidewall manway. The estimated cost is $9,000.

14. Replace the roof vent with a pressure vacuum vent to meet current {PA DEP} requirements. The estimated cost is $7,000.

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Adam Leary MDP
780 Lafayette Rd.
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15. Install an exterior sidewall ladder w/fall prevention. The estimated cost is $6,000.

16. Install a step-off platform at the top of the sidewall. The estimated cost is $10,000.

17. Install deflector bars at the end of the fill/draw pipe in the wet interior to meet current {PA-DEP} requirements. The cost would be $500.

18. Weld pits in the wet interior that are deeper than one half the original metal thickness. The estimated cost is $15,000.

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COST SUMMARY:

Exterior repaint with containment	$170,000
Wet interior repaint	190,000
Cathodic protection	25,000
Foundation repairs	15,000
Install duck bill valve and splash pad	12,000
Install a 30-inch sidewall manway	9,000
Install (2) 30" roof hatches	11,000
Remove wet interior ladder	2,000
Sidewall patch plates	25,000
Install a pressure vacuum vent	7,000
Install exterior ladder w/fall prevention device	6,000
Install a Step off platform	10,000
Fill pipe deflector bars	500
Contingency for interior steel repairs	80,000
Pit Welding	15,000
Sub Total	$577,500
Engineering and Contingencies	$100,000
Total	$677,500

Notes: Due to the condition of the tank it may be more cost beneficial to build a new ground storage tank to take the place of this tank.

If you have any questions or concerns, please call me at (330) 983-0062 ext. 402.

Thank you for choosing DIXON for your inspection needs.

FOR DIXON ENGINEERING, INC.,

Shannon C. Vidika
Regional Manager
AMPP/NACE Certified #10335

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PHOTO #1: Exterior view of the tank.

PHOTO #2: Coating is in poor condition with rust and erosion.

PHOTO #3: Sidewall ladder with cage.

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PHOTO #4: Repairs that were previously made to stop the leaks in the tank sidewall.

PHOTO #5: Same

PHOTO #6: Same

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PHOTO #7: Same

PHOTO #8: Corrosion and steel loss along tank chime.

PHOTO #9: Same

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PHOTO #10: Same

PHOTO #11: Same

PHOTO #12: Missing areas of the tank concrete foundation ringwall.

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PHOTO #13: Corrosion along bottom of sidewall.

PHOTO #14: Tank foundation.

PHOTO #15: Corrosion along exterior of tank.

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Attachment #3
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PHOTO #16: Overflow pipe.

PHOTO #17: Discharge of overflow pipe is screened. No splash pad is present.

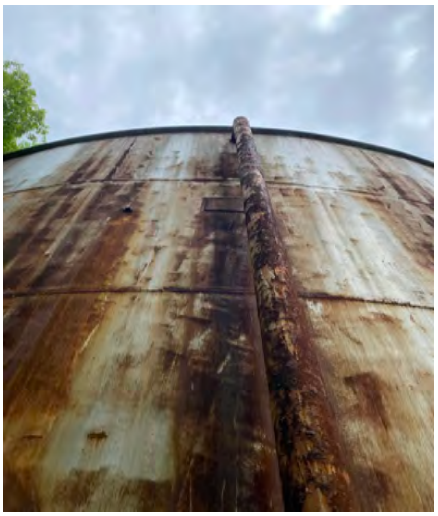

PHOTO #18: Overflow pipe.

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PHOTO #19: Areas of previous leak repairs.

PHOTO #20: Same

PHOTO #21: 6” tank drain valve.

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PHOTO #22: Tank foundation.

PHOTO #23: Previous leak repairs.

PHOTO #24: Overall view of tank.

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PHOTO #25: Corrosion and steel loss at the bottom of the sidewall.

PHOTO #26: Tank overflow pipe.

PHOTO #27: Spalling of the concrete ringwall.

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PHOTO #28: Bolted roof hatch.

PHOTO #29: Interior sidewall ladder.

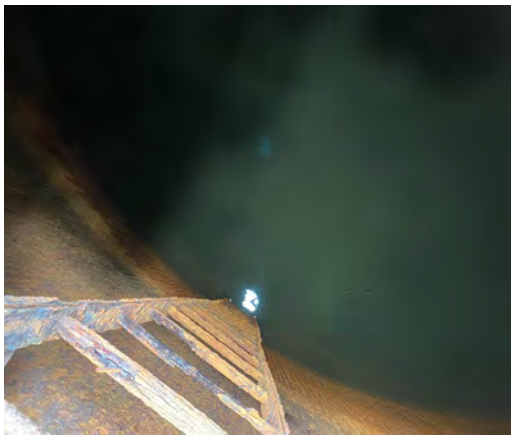

PHOTO #30: Water remaining in tank.

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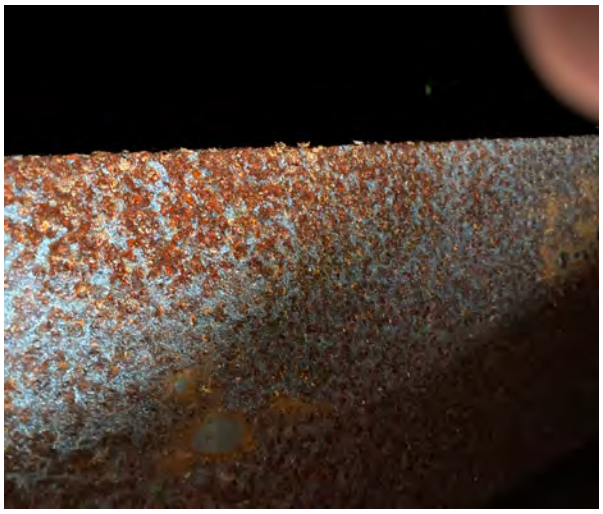

PHOTO #31: Roof beam.

PHOTO #32: Same

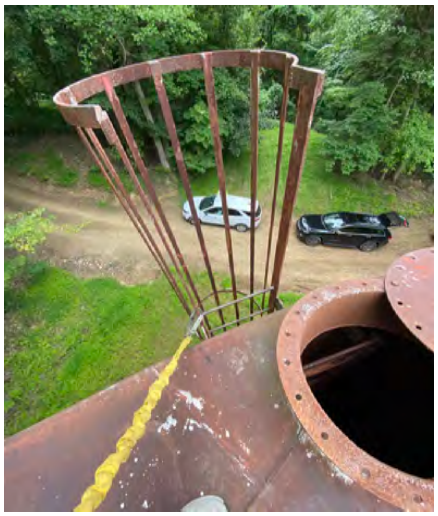

PHOTO #33: Top of ladder cage.

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PHOTO #34: Tank roof. No coating remaining.

PHOTO #35: Same

PHOTO #36: Flow through roof vent.

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PHOTO #37: Tank roof.

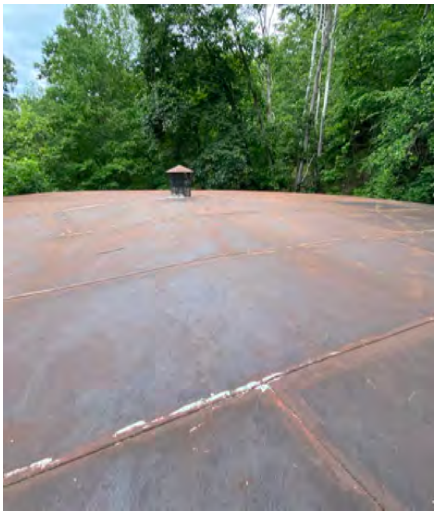

PHOTO #38: Same

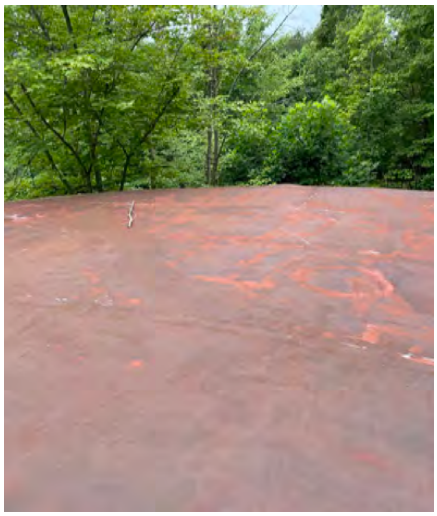

PHOTO #39: Same

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PHOTO #40: Same

PHOTO #41: Roof vent screening.

PHOTO #42: Same

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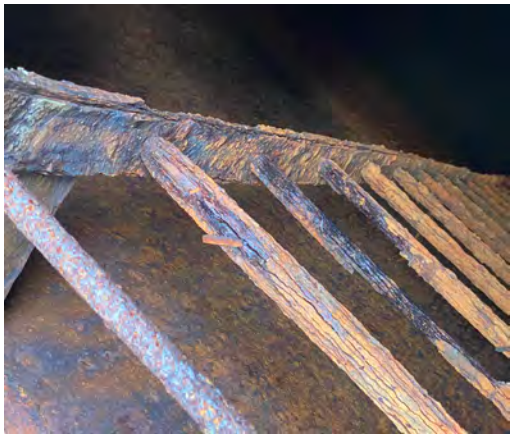
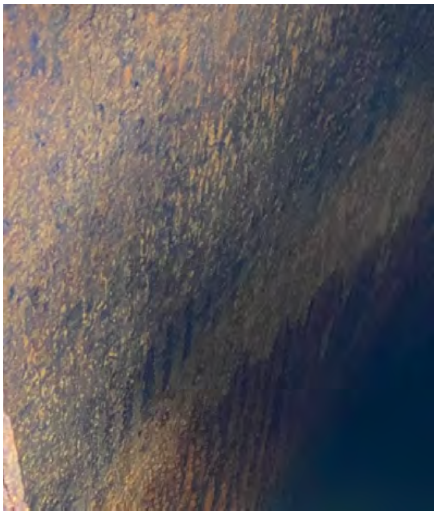


PHOTO #43: Steel loss along interior ladder.

PHOTO #44: Condition of interior sidewall.



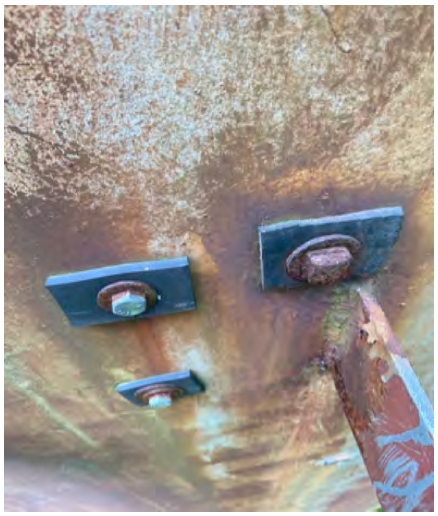


PHOTO #45: Previous leak repairs on tank sidewall.

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PHOTO #46: View of tank and sidewall manway.

PHOTO #47: View of site.

PHOTO #48: Same

DIXON ENGINEERING, INC.

STEEL TANK FIELD INSPECTION REPORT

RESERVOIR

DATE: **8/14/2023**

OWNER: **Venango County- Reno Tank(Emergency Inspection for Aqua PA**

TANK NAME: **Reno Tank**

LOCATION: Address/Cross Streets: **41-25'20.5"N, 79-45'52.2W**
City: **Sugarcreek**
State: **PA**

TANK SIZE: Capacity: **400,000 gallons**
Diameter: **54 feet 0 inches *(measured)***
Overflow (HWL):**22 feet 0 inches *(measured)***
Sidewall height: **24 feet 0 inches *(measured)***

CONSTRUCTION: ☒ **Welded** ☐ **Riveted** ☐ **Bolted**
Type: ☒ **Reservoir** ☐ **Standpipe**
Type of roof: ☐ **Hemisphere** ☒ **Flat** ☐ **Aluminum geodesic dome**

YEAR CONSTRUCTED: ☒**Unknown**

USE: ☐ **Fire protection only** ☒ **Potable water and fire protection**

Exterior coating sample taken for type: ☐ **Yes** ☐ **No**

Coating information below is from: ☐ **Owner *personnel/specifications/email***
☐ **Dixon *specifications/project*** ☐ **Exterior coating sample taken for type**

COATING HISTORY	EXTERIOR	WET INTERIOR	DRY INTERIOR
YEAR COATED	**Unknown**	**Unknown**	**N/A**
CONTRACTOR	**Unknown**	**Unknown**	**N/A**
SYSTEM	**Unknown**	**Unknown**	**N/A**
MANUFACTURER	**Unknown**	**Unknown**	**N/A**
HEAVY METAL COATING SAMPLES	☐ **Yes** ☒ **No**	☐ **Yes** ☒ **No**	☐ **Yes** ☐ **No**
HEAVY METAL BEARING	☒ **Unknown** ☐ **No** ☐ **Yes** **% lead** **% chromium**	☒ **Unknown** ☐ **No** ☐ **Yes** **% lead** **% chromium**	☐ **Unknown** ☐ **No** ☐ **Yes** **% lead** **% chromium**

PERSONNEL: Lead inspector **Shannon C. Vidika**

METHOD OF INSPECTION: ☒ **Visual** ☐ **Dive** ☐ **ROV** ☐ **Float**

SITE CONDITIONS

Fenced: ☐ **Yes** ☒ **No**
Site large enough for contractor's equipment: ☐ **Yes** ☐ **No**
Control building: ☐ **Yes** ☒ **No**
Antenna control site: ☐ **Yes** ☒ **No**
Number: ☐ **1** ☐ **2**
Type: ☐ **Building** ☐ **Platform**
Would antenna sites interfere with containment: ☐ **Yes** ☒ **No**
Power lines within 50 feet: ☐ **Yes (estimated distance feet)** ☒ **No**
Are power lines attached to the structure: ☐ **Yes** ☒ **No**
Would power lines interfere with containment: ☐ **Yes** ☒ **No**
Site drainage: ☐ **Toward tank** ☒ **Away from tank**
Indications of underground leakage: ☒ **Yes** ☐ **No**
Vegetation, tree, etc. encroachment: ☒ **Yes** ☐ **No**
Rubbing on the tank: ☒ **Yes** ☐ **No**
Would there be interference with future containment: ☐ **Yes** ☒ **No**
Site comments: **Tank is located in the woods on a hill. Access may be difficult for contractors' equipment.**

EXPOSED PIPING:

☒ **N/A**

FOUNDATION

Foundation exposed: ☒ **Yes** ☐ **No**
Exposed height: **0-6 inches**
Exposed foundation condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Damage or deterioration: ☒ **Yes** ☐ **No**
Type of damage: ☐ **Cracks** ☒ **Spalls/chips** ☒ **Exposed aggregate**
Severity: ☐ **Minor** ☐ **Moderate** ☒ **Severe**
Crack location: ☐ **At the anchor bolts** ☒ **Random**
Total spall area: **50 sq. feet (50 sq. feet need repair)**
Foundation coated: ☐ **Yes** ☒ **No** ☐ **Top only**
Type of baseplate gap filler: ☐ **Grout** ☐ **Caulk** ☐ **Felt pad** ☒ **None**
Undermining of foundation: ☒ **Yes** ☐ **No**
Foundation comments: **It appears the foundation may have shifted in areas. Large areas of spalling are present.**

EXTERIOR COATING

Sidewall:

Lettering: ☐ **Yes** ☒ **No**
Logo: ☐ **Yes** ☒ **No**
Topcoat condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Previous coat/system condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Describe coating: ☐ **Fading** ☐ **Delaminating** ☐ **Spot coating failures to substrate** ☒ **Rust undercutting** ☒ **Erosion** ☐ **Rust bleedthrough** ☐ **Micro-cracking** ☐ **Clear coat failures** ☐ **No significant coating deterioration**
Dry film thickness: **1-3 mils**
Panel connections: ☒ **Welded** ☐ **Riveted** ☐ **Bolted and**
Metal condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Bottom shell steel thickness: **0.14-0.26 inches**
Sidewall comments: **Approximately 20% coating remains. The coating appears to be an aluminum topcoat. The sidewall has about (100) areas that have been plugged from previous leaks.**

Roof:

Topcoat condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Previous coat/system condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Describe coating: ☐ **Fading** ☐ **Delaminating** ☐ **Spot coating failures to substrate** ☒ **Rust undercutting** ☒ **Erosion** ☐ **Rust bleedthrough** ☐ **Micro-cracking** ☐ **Clear coat failures** ☐ **No significant coating deterioration**
Dry film thickness: **1-2 mils**
Metal condition: ☐ **Good** ☒ **Fair** ☐ **Poor**
Roof comments: **10% coating remains on the roof. Erosion is present.**

EXTERIOR APPURTENANCES

Sidewall Manway:

Size: **24 inches**
Cover attachment: ☐ **Hinged** ☐ **Davit arm** ☒ **Bolts**
Metal condition: ☐ **Good** ☒ **Fair** ☐ **Poor**

Anchor Bolts:

☒ **N/A**

Overflow Pipe:

Diameter: **6 inches**

EXTERIOR APPURTENANCES

Metal condition: ☐ **Good** ☒ **Fair** ☐ **Poor**
Discharge orientation: ☐ **Horizontal** ☒ **Vertical** ☐ **Angle**
Screen condition: ☐ **Good** ☒ **Fair** ☐ **Poor** ☐ **None present**
Percent of screen open: ☒ **100**
Flap gate/Duck bill check valve: ☐ **Yes** ☒ **No**
Air gap: ☒ **Yes** ☐ **No**
Lowest part of discharge to the ground distance: **12 inches**
Overflow discharges to: ☐ **Concrete splash pad** ☐ **Catch basin with drain** ☐ **Riprap** ☐ **Funnel** ☒ **Ground** ☐ **Routes underground**
Condition: ☐ **Good** ☒ **Fair** ☐ **Poor**

Drain Valve:

Number: ☒ **1** ☐ **2**
Type: ☐ **Babco** ☐ **Shand & Jurs** ☒ **Unknown**
Functioning properly: ☐ **Yes** ☐ **No** ☒ **Not used during inspection**
Metal condition: ☒ **Good** ☐ **Fair** ☐ **Poor**
Mud valve comments: **Located at the bottom of the tank sidewall. Valve is a 6" inch.**

Sidewall Ladder:

☐ **N/A**
Height to start of ladder: **0 feet.**
Toe clearance: ☐ **Less than 7 inches** ☒ **7 inches or greater**
Width of rungs: ☒ **16+ inches** ☐ **Less than 16 inches**
Thickness of rungs: ☐ **½** ☒ **⅝** ☐ **¾** **inch**
Shape of rungs: ☐ **Diamond** ☒ **Round** ☐ **Rebar**
Metal condition: ☐ **Good** ☒ **Fair** ☐ **Poor**
Fall prevention device: ☐ **Yes** ☒ **No**
Cage: ☒ **Yes** ☐ **No**
Vandal guard: ☐ **Yes** ☒ **No**

Step-off Platform:

☒ **N/A**

Roof Ladder:

☒ **N/A**

Roof Handrail:

☒ **N/A**

EXTERIOR APPURTENANCES

Painter's Railing:
☒ **N/A**

Roof Rigging Points:
☒ **N/A**

Removable Cathodic Covers:
☒ **N/A**

Wet Interior Roof Hatch:
Neck size: ☒ **24** ☐ **30 inches**
Distance from center of the tank (to outer edge): **26 feet**
Shape: ☒ **Round** ☐ ***Square/Rectangle*** ☐ **Tombstone**
Handhold at opening: ☐ **Yes** ☒ **No**
Curb height: ☒ **11 inches**
Cover overlap: ☐ **2 inches**
Gasket on cover: ☒ **No**
Hatch security: ☒ **Lock** ☐ ***Rope /Wire/Bolt/Pin/Clip*** ☐ **None**
Metal condition: ☐ **Good** ☒ **Fair** ☐ **Poor**
Hatch comments: **Hatch cover is a bolted lid**

Bolted Ventilation Hatch:
☒ **N/A**

Roof Vent:
Number: ☒ **1** ☐ **2**
Distance from center of the tank (to outer edge): **27 feet**
Type: ☒ **Flow-through** ☐ **Pressure vacuum**
Neck diameter: **18 inches**
Vertical screen/expanded metal condition: ☐ **Good** ☒ **Fair** ☐ **Poor**
☐ **None present** ☐ **Not accessible**
Mesh size: **4** *(# of wires per 1 inch)*
Rain shield: ☒ **Yes** ☐ **No**
Metal condition: ☐ **Good** ☒ **Fair** ☐ **Poor**
Vent comments: **No rain shield along sides of vent.**

Aviation Lights:
☒ **N/A**

EXTERIOR APPURTENANCES

Antennas:

☒ **N/A**

Electric Conduit:

☒ **N/A**

WET INTERIOR COATING

Roof:

Topcoat condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Primer coating condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Describe coating: ☐ **Delaminating** ☐ **Spot coating failures to substrate** ☒ **Rust undercutting** ☐ **Rust bleedthrough** ☐ **Blisters** ☐ **Weld burns** ☒ **No coating remaining**
Metal condition: ☐ **Good** ☐ **Fair** ☐ **Poor**
Roof comments: **Only visual as the tank still had around 6' feet of water.**

Sidewall:

Topcoat condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Primer coating condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Describe coating: ☐ **Delaminating** ☐ **Spot coating failures to substrate** ☒ **Rust undercutting** ☐ **Rust bleedthrough** ☐ **Blisters** ☐ **Erosion/abrasion** ☒ **No coating remaining**
Mineral deposits: ☐ **Light** ☒ **Moderate** ☐ **Heavy**
Metal condition: ☐ **Good** ☐ **Fair** ☒ **Poor**
Active pitting: ☒ **Yes** ☐ **No**
Panel connections: ☒ **Welded** ☐ **Riveted** ☐ **Bolted**
Sidewall comments: **Sidewalls only visual inspected from roof hatch**

Floor:

☒ **Not inspected**

WET INTERIOR APPURTENANCES

Ladder:

Toe clearance: ☒ **Less than 7 inches** ☐ **7 inches or greater**

WET INTERIOR APPURTENANCES

Width of rungs: ☒ **16+ inches** ☐ **Less than 16 inches**
Thickness of rungs: ☐ **½** ☒ **⅝** ☐ **¾** **inch**
Shape of rungs: ☐ **Diamond** ☒ **Round** ☐ **Rebar**
Shape of side rails: ☒ **Flat** ☐ **Angle** ☐ **Channel**
Metal condition: ☐ **Good** ☐ **Fair** ☒ **Poor - steel loss**
Fall prevention device: ☐ **Yes** ☒ **No**
Ladder comments: **Ladder unsafe due to severely corroded.**

Cathodic Protection:

☒ **N/A**

Roof Stiffeners:

☐ **N/A**
Orientation: ☒ **Radial** ☐ **Radial with support ring** ☐ **Transverse**
Metal condition: ☐ **Good** ☒ **Fair** ☐ **Poor**
Roof stiffener comments: **Unable to inspect all roof stiffeners.**

Sidewall Stiffener/Painter's Railing:

☒ **N/A**

Column:

Center column shape: ☒ **Round** ☐ **Back-to-side channel** ☐ **Square**
Column comments: **Unable to determine condition.**

Overflow Pipe Inlet:

Overflow comments: **Unknown**

Fill Pipe:

Fill pipe comments: **Unknown**

Separate Draw Pipe:

Draw pipe comments: **Unknown**

Drain Pipe:

Drainpipe comments: **Valve located on exterior at bottom of sidewall.**

Mixer:

☒ **N/A**

Field Inspection Report is prepared from the contractor's viewpoint. It contains information the contractor needs to prepare his bid for any repair or recoating. The engineer uses it to prepare the engineering report. Cost estimates are more accurate if the contractor's problems can be anticipated. While prepared from the contractor's viewpoint, the only intended beneficiary is the owner. These reports are completed with diligence, but the accuracy is not guaranteed. The contractor is still advised to visit the site.

RECOMMENDATIONS:

COATINGS:

Exterior: ☐ **No work** ☒ **ABC & repaint** ☐ **HPWC & overcoat**
☐ **Recaulk Panels (glass lined)** ☐ **Recaulk Aluminum dome**

Wet Interior: ☐ **No work** ☒ **Full ABC & repaint** ☐ **Roof ABC and repaint**
☐ **Caulk lap seams** ☒ **Pit filling** ☐ **Recaulk Panels (glass lined)**

REPAIRS:

Foundation:

☒ ***Spall/Crack*** **repair**

Health:
- ☐ **No work**
- ☐ **Weld cathodic protection caps**
- ☐ **Modify overflow discharge**
- ☒ **Overflow duck bill valve**
- ☐ **Replace/install overflow screen**
- ☒ **Install overflow splash pad**
- ☒ **Pressure vacuum vent**
- ☒ **Wet interior roof hatch replacement**
- ☒ **Wet interior roof hatch gasket**

Safety:
- ☐ **No work**
- ☐ **Roof handrail**
- ☐ **Painter's railing**
- ☐ **Painter's railing supports at butt welds**
- ☒ **Roof rigging couplings**
- ☒ **Replace sidewall ladder with fall prevention**
- ☒ **Vandal guard**
- ☒ **Wet interior ladder replacement**
- ☒ **Step-off platform**
- ☒ **Swing gate**
- ☒ **30 inch sidewall manway**
- ☒ **Fill/draw pipe deflector bars**

Misc.:
- ☐ **No work**
- ☐ **Trim trees/shrubs**
- ☐ **Cathodic protection system**
- ☒ **Cathodic clips and pressure fitting**
- ☒ **Roof stiffener repair**
- ☒ **Center column top support replacement**

- ☐ **Mechanical mixer**
- ☐ **Install/Replace sample tap**
- ☐ **Chemical feed coupling**
- ☐ **Remove level indicator**
- ☒ **Weld patch plates on the roof/sidewall**
- ☒ **Pit welding**
- ☐ **Sump pump in the pit**
- ☐ **Replace/verify operation of aviation lights**
- ☐ **Light fixtures**
- ☐ **Antenna relocation/modification**

ATTACHMENT E

DRINKING WATER PROBLEM CORRECTED
IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER

ESTE INFORME CONTIENE INFORMACIÓN IMPORTANTE ACERCA DE SU AGUA POTABLE. HAGA QUE ALGUIEN LO TRADUZCA PARA USTED, O HABLE CON ALGUIEN QUE LO ENTIENDA.

As a customer of Venango Water Company, you were notified on July 20th and August 12th, 2023, of a problem with the drinking water and were advised to discontinue drinking the water.

We are pleased to report that the problem has been corrected and that you can now resume drinking the water.

What should I do?

As a precaution, Aqua recommends customers flush any plumbing fixtures used for consumptive purposes that have not been regularly used by briefly running the water for 30 seconds prior to drinking the water. Please flush only one fixture at a time. Also, we recommend that the ice from automatic ice machines be discarded.

What Happened?

The potentially contaminated source of water supply was removed from service and will remain that way until it is determined safe to return to service. Aqua supplemented drinking water from its Aqua Pennsylvania Emlenton water system as permitted by PADEP and by supplying bottled water. Aqua coordinated with PA DEP and performed comprehensive water sampling and water main flushing across the system. The latest water sample results confirm compliance with drinking water regulatory standards.

If you have any questions, please visit: https://www.aquawater.com/venango.php

Customer Service: 877.987.2782

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

This notice is being sent to you by *Aqua Pennsylvania, Inc on behalf of Venango Water Company.*

PWS ID#: PA 6610014 Date distributed: September 1, 2023

ATTACHMENT F

pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

August 16, 2023

Hand Delivered

Petro Erie, Inc.
7395 Market Road
Fairview, PA 16415-2826

RE: Order Dated August 16, 2023
Petro Erie, Inc Lower Reno Lease, Venango County, Sugarcreek Borough

Dear Mr. Rhoades:

Enclosed is an Order issued by the Pennsylvania Department of Environmental Protection.

If you have any questions, please contact Robert Bechtel at 814.573.3610 or robechtel@pa.gov.

Sincerely,

Scott M. Dudzic
Northwest District Oil and Gas Manager
District Oil and Gas Operations

Enclosure

Cc: S. Dudzic (via email with/enclosure)
R. Bechtel (via email with/enclosure)
J. Lichtinger (via email with/enclosure)
R. Willey (via email with/enclosure)
A. Wolf (via email with/enclosure)
K. Thomas (via email with/enclosure)
K. Despenes, Esq. (via email with/enclosure)
M. Braymer, Esq. (via email with/enclosure)

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

IN THE MATTER OF:

Petro Erie, Inc.	:	Clean Streams Law,
7395 Market Road	:	Land Recycling Act,
Fairview, PA 16415	:	Oil and Gas Act, and Solid
	:	Waste Management Act

ORDER

Now this 16th day of August 2023, the Commonwealth of Pennsylvania, Department of Environmental Protection ("Department") has made and determined the following Findings and hereby issues this Order to Petro Erie, Inc.

FINDINGS

A. The Department is the agency with the duty to administer and implement the Land Recycling and Environmental Remediation Standards Act, Act of May 19, 1995, *as amended*, 35 P.S. §§ 6026.101-6026.908 ("Land Recycling Act"); and to administer and enforce The Clean Streams Law, Act of June 22, 1937, P.L. 1987, *as amended,* 35 P.S. §§ 691.1-691.1001 ("Clean Streams Law"); the Oil and Gas Act, Act of February 14, 2012, P.L. 87, No. 13, 58 Pa. C.S. §§ 3201-3274 ("Oil and Gas Act"); the Pennsylvania Safe Drinking Water Act, Act of May 1, 1984, P.L. 206, *as amended*, 35 P.S. §§ 721.1-721.17 ("Safe Drinking Water Act"); the Solid Waste Management Act, Act of July 7, 1980, P.L. 380, *as amended*, 35 P.S. §§ 6018.101-6018.1003 ("Solid Waste Management Act"); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, *as amended,* 71 P.S. § 510-17 ("Administrative Code"); and the rules and regulations promulgated thereunder ("Regulations").

B. Petro Erie, Inc. is a Pennsylvania domestic business corporation that engages in various oil and gas exploration and production activities in Pennsylvania and maintains a registered business address of 7395 Market Road, Fairview, PA 16415 ("Petro Erie").

C. Petro Erie is the permitted operator of 14 oil and/or gas wells located in Sugarcreek Township, Venango County, which are the subject of this Order (collectively, the "Petro Erie Wells"). A list of the Petro Erie Wells by permit number, well name and number, and municipality and county where each well is located is attached and incorporated herein as Exhibit A.

D. Some of the Petro Erie Wells are served by a tank battery, which consists of two 210-barrel steel storage tanks and four 100-barrel polyethylene storage tanks that are situated within secondary containment ("Tank Battery").

Unpermitted Discharge of Residual Waste to Ground

E. On July 20, 2023, the Department inspected the Tank Battery in response to a complaint of a suspected release of oil and gas production fluids. During this inspection, the Department observed that the Tank Battery's secondary containment drain valve was open and brine and/or other production fluids were draining out of the secondary containment area and onto the ground.

F. On July 21, 2023, the Department inspected the Tank Battery and observed:

1. brine and/or other production fluids were dripping from a pipeline between two of the polyethylene storage tanks in the Tank Battery;

2. the Tank Battery's secondary containment drain valve was open and brine and/or other production fluids were draining out of the secondary containment area and onto the ground;

3. the flow path of the discharged brine and/or other production fluids extended approximately 180 feet from the Tank Battery's secondary containment drain valve and ranged from approximately 6 to 20 feet in width ("Impacted Area"); and

4. dead and discolored vegetation was located within the Impacted Area.

G. A map depicting the approximate surface boundaries of the Impacted Area is attached and incorporated herein as Exhibit B.

H. On July 21, 2023, following the Department's inspection, the Department issued an administrative order requiring cleanup and remediation of the spill and/or release to Petro Erie ("Field Order"). A true and correct copy of the Field Order is attached and incorporated herein as Exhibit C.

I. The Field Order required Petro Erie to, among other things:

1. immediately cease and desist the discharge of a regulated substance onto the ground and/or into the waters of the Commonwealth;

2. immediately contain the released regulated substance;

3. immediately prevent any further migration of the regulated substance from the site of the release;

4. immediately prevent the regulated substance from continuing to reach or further impacting surface water or groundwater; and

5. immediately notify downstream users that a release of the regulated substance occurred.

J. Neither Petro Erie, nor any other person or entity, had or has a permit or authorization from the Department to dispose of residual waste onto the ground or into the waters of the Commonwealth.

Water Resources

K. Venango Water Company is a registered Pennsylvania corporation that maintains a mailing address of 91 Brook Street, P.O. Box 397, Reno, PA 16343.

L. Venango Water Company owns and operated a public water supply (PWSID No. 6610014) located in Sugarcreek Borough, Venango County ("Water Supply").

M. The Water Supply has multiple raw water sources, including a collection of springs that flow into two separate cisterns. The Bellows Spring consists of four springs that are piped from the springs' sources to one of those cisterns ("Bellows Spring"). The Shaffer Spring consists of four springs that are piped from the springs' sources to the other cistern ("Shaffer Spring").

N. After receiving treatment at their respective treatment plants, the treated water from the Shaffer Spring and Bellows Spring flows to a common distribution system that consists of a 400,000-gallon storage tank and serves approximately 214 residential and commercial service connections, and a population of approximately 550 customers located within the Village of Reno and the municipality of Sugarcreek Borough.

O. On October 8, 2014, water samples were collected from the Bellows Spring and the Shaffer Spring ("2014 Water Samples").

P. The Tank Battery is located approximately 0.5 miles upgradient of the Bellows Spring cistern.

Q. On or about July 20, 2023, Venango Water Company turned off the Bellows Spring source in response to dirty water complaints from its customers.

R. On July 20, 2023, Venango Water Company notified the Department of the suspected contamination of the Bellows Spring, and the Department requested that Venango Water Company issue a Tier 1 public notice in the form of a "Do Not Consume Advisory" to its customers and request that its customers voluntarily conserve water.

S. On July 21, 2023, the Department collected samples from the Tank Battery and the Bellows Spring cistern.

T. On July 24, 2023, the Department collected samples from the Tank Battery, the Bellows Spring cistern, and the Shaffer Spring cistern.

U. On July 31, 2023, the Department collected samples from the Bellows Spring cistern and the Shaffer Spring cistern.

V. On August 3 and 7, 2023, the Department collected samples from the Tank Battery, and from each of the individual four springs that flow into the Bellows Spring cistern. In addition, on August 7, 2023, the Department collected samples from entry point number 132 of the Water Supply.

W. On August 14, 2023, the Department collected samples from each of the individual four springs that flow into the Bellows Spring cistern and from the Bellows Spring cistern.

X. The samples collected by the Department from the Bellows Spring cistern on the dates identified in Paragraphs S through U, above, are hereinafter collectively referred to as the "Department's Bellows Spring Samples."

Y. The Department's Bellows Spring Samples were analyzed by a laboratory, and those analytical results detected the following parameters at concentrations above their respective Maximum Contaminant Levels ("MCLs"): total dissolved solids ("TDS"), chloride, manganese, and aluminum.

Z. Aluminum, barium, magnesium, manganese, chloride, TDS, sodium, and zinc were also detected in the Department's Bellows Spring Samples at concentrations higher than they were detected in the 2014 Water Samples.

AA. The brine and/or other production fluids discharged from the Tank Battery, as described in Paragraphs E and F, above, impacted the Bellows Spring and affected the quality of the water supplying the Water Supply.

BB. Aqua Pennsylvania, Inc. ("Aqua PA") is a Pennsylvania registered corporation with a mailing address of 762 Lancaster Avenue, Bryn Mawr, PA 19010.

CC. On August 11, 2023, the Pennsylvania Public Utility Commission ("PUC") issued an Ex Parte Emergency Order directing Aqua PA to act as a receiver for Venango Water Company beginning August 12, 2023 to operate the Water Supply, and continuing during the pendency of the PUC's proceedings initiated pursuant to Section 529 of the Public Utility Code, 66 Pa. C.S. § 529.

DD. As of the date of this Order, Petro Erie has not submitted to the Department a plan to permanently restore or replace the Water Supply.

July 24, 2023 Inspection of Petro Erie Wells

EE. On July 24, 2023, the Department inspected the Petro Erie Wells and observed:

1. crude oil, brine, and/or production fluids discharged directly to the ground at the Lower Reno 19 well (Permit No. 121-45441) ("Lower Reno 19 Impacted Area");

2. the Lower Reno 6 well (Permit No. 121-45433) ("Lower Reno 6 Well") was spud on or about August 12, 2014, but no well record has been filed with the Department;

3. there was no production tubing head or surface casing head installed on the Lower Reno 6 Well; there was no observable cement to surface associated with any surface casing string; and the conductor pipe was neither installed by driving the conductor pipe nor was the conductor pipe cemented to surface thereby creating the potential for groundwater impacts from the infiltration of groundwater and/or production fluids to the uncemented casing strings and well bore;

4. annual production reports had not been submitted to the Department for any of the Petro Erie Wells for the 2022 reporting year;

5. mechanical integrity assessment reports had not been submitted to the Department for any of the Petro Erie Wells for the 2022 reporting year;

6. the permit number and operator's name, address, and telephone number were not posted at any of the Petro Erie Wells; and

7. at eight of the Petro Erie Wells, there was equipment onsite that is no longer necessary for the operation of the wells. A list of these eight wells, by permit number, and well name and number, is attached and incorporated herein as Exhibit D (collectively, the "Wells with Unnecessary Equipment").

Applicable Law

FF. Petro Erie is the "owner" and "operator," as those terms are defined in Section 3203 of the Oil and Gas Act, 58 Pa. C.S. § 3203, of the Petro Erie Wells.

GG. Petro Erie is a "person," as that term is defined in Section 3203 of the Oil and Gas Act, 58 Pa. C.S. § 3203; Section 103 of the Solid Waste Management Act, 35 P.S § 6018.103; and Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

HH. The crude oil, brine, and/or other production fluids described in Paragraphs E, F, and EE.1., above, are "residual wastes" and "solid wastes," as those terms are defined in Section 103 of the Solid Waste Management Act, 35 P.S § 6018.103.

II. The depositing of a solid waste on the ground as identified in Paragraphs E, F, and EE.1, above, constitutes "disposal" as that term is defined in Section 103 of the Solid Waste Management Act, 35 P.S. § 6018.103, and 25 Pa. Code § 287.1

JJ. Pursuant to Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, no person shall dispose of residual waste within this Commonwealth unless such disposal is authorized by the rules and regulations of the Department.

KK. Pursuant to Section 302 of the Solid Waste Management Act, 35 P.S. § 6018.302, it is unlawful for any person to dispose or permit the disposal of any residual waste in a manner which is contrary to the rules and regulations of the Department.

LL. Pursuant to Section 610 of the Solid Waste Management Act, 35 P.S. § 6018.610, it is unlawful for any person to dump or deposit, or permit the dumping or depositing, of any solid waste

on the surface of the ground by any means, unless a permit for the dumping of such solid waste has been obtained from the Department.

MM. Pursuant to Section 3217(a) of the Oil and Gas Act, to aid in the protection of fresh groundwater, well operators shall control and dispose of brines produced from the drilling, alteration, or operation of an oil or gas well in a manner consistent with the Clean Streams Law, 35 P.S. §§ 691.1-691.1001, or any regulation promulgated under the Clean Streams Law.

NN. Pursuant to 25 Pa. Code § 78.54, a well operator shall control and dispose of fluids, residual waste, and drill cuttings, including top-hole water, brines, drilling fluids, drilling muds, stimulation fluids, well servicing fluids, oil, production fluids, and drill cuttings in a manner that prevents pollution of the waters of this Commonwealth and in accordance with 25 Pa. Code §§ 78.55-78.58 and 78.60-78.63 and with the statutes under which the Regulations are promulgated.

OO. Pursuant to 25 Pa. Code § 78.57(a), unless a permit has been obtained under 25 Pa. Code § 78.60(a) (relating to discharge requirements), the operator shall collect the brine and other fluids produced during operation, service, and plugging of the well in a tank, pit, or a series of pits or tanks, or other device approved by the Department for subsequent disposal or reuse.

PP. Pursuant to 25 Pa. Code § 78.64(d), drainage of containment facilities around oil tanks is acceptable only if: (1) the accumulation in the containment facility consists of only precipitation directly to the containment facility and drainage will not cause a harmful discharge or result in a sheen; and (2) the containment drain valve is opened and resealed, or other drainage procedure, as applicable, is conducted under responsible supervision.

QQ. Pursuant to 25 Pa. Code § 78.66(a), a release of a substance causing or threatening pollution of the waters of this Commonwealth shall comply with the reporting and corrective action requirements of 25 Pa. Code § 91.33 (relating to incidents causing or threatening pollution).

RR. Pursuant to 25 Pa. Code § 91.33(a), if, because of an accident or other activity or incident, a toxic substance or another substance which would result in pollution or create a danger of pollution of the waters is placed so that it might discharge, flow, be washed, or fall into these waters, it is the responsibility of the person at the time in charge of the substance or owning or in possession of the premises, facility, vehicle, or vessel from or on which the substance is discharged or placed to immediately notify the Department by telephone of the location and nature of the danger.

SS. Pursuant to 25 Pa. Code § 91.33(b), a person shall immediately take steps necessary to prevent injury to property and downstream users of the waters of the Commonwealth from pollution or a danger of pollution and, in addition thereto, within 15 days from the incident, shall remove from the ground and from the affected waters of this Commonwealth to the extent required by this title the residual substances contained thereon or therein.

TT. Pursuant to 25 Pa. Code §§ 78.66(b) and (c), if a reportable release of brine on or into the ground occurs at the well site, the owner or operator shall notify the Department as soon as practicable by telephone, but no later than two hours after detecting or discovering the release.

UU. Pursuant to 25 Pa. Code § 78.66(e), upon the occurrence of any release, the owner or operator shall take necessary corrective actions to prevent the substance from reaching the waters of this Commonwealth, recover or remove the substance which was released, and dispose of the substance in accordance with this subchapter or as approved by the Department.

VV. The Bellows Spring is "waters of the Commonwealth," as defined by Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

WW. The brine and/or production fluids described in Paragraphs E and F, above, are "industrial wastes" and "pollution," as those terms are defined in Section 1 of the Clean Streams Law, 35 P.S. § 691.1

XX. Pursuant to Section 307 of the Clean Streams Law, 35 P.S. § 691.307(a), no person shall discharge or permit the discharge of industrial wastes in any manner, directly or indirectly, into any of the waters of the Commonwealth unless such discharge is authorized by the rules and regulations of the Department or such person has first obtained a permit from the Department.

YY. Pursuant to Section 402 of the Clean Streams Law, 35 P.S. § 691.402, it is unlawful for any person or municipality to put or place into any of the waters of the Commonwealth, or allow or permit to be discharged from property owned or occupied by such person or municipality into any of the waters of the Commonwealth, any substance of any kind or character that could potentially result in pollution of the waters of the Commonwealth.

ZZ. Pursuant to 25 Pa. Code § 78.73(b), an operator shall prevent brine and any other fluids or materials from below the casing seat from entering fresh groundwater and shall otherwise prevent pollution or diminution of fresh groundwater.

AAA. The Water Supply is a "system," as defined by 25 Pa. Code § 109.1, and a "public water system" and a "community water system," as those terms are defined in Section 3 of the Safe Drinking Water Act, 35 P.S. § 721.3, and 25 Pa. Code § 109.1.

BBB. Pursuant to Section 3218(a) of the Oil and Gas Act, 58 Pa. C.S. § 3218(a), and 25 Pa. Code § 78.51(a), a well operator who affects a public water supply by pollution shall restore or replace the affected supply with an alternate source of water adequate in quantity and quality for the purpose served by the water supply.

CCC. Pursuant to 25 Pa. Code § 78.82(2), if the operator installs conductor pipe in the well, the conductor pipe shall be installed in a manner that prevents subsurface infiltration of surface water or fluids by either driving the pipe into place or cementing the pipe form the seat to the surface.

DDD. Pursuant to 25 Pa. Code § 78.83b(a), if cement used to permanently cement the surface casing is not circulated to the surface despite pumping a volume of cement equal to or greater than 120% of the calculated annular space, the operator shall determine the top of the cement, notify the Department, and meet at least one of the additional requirements set forth in 25 Pa Code 78.83b(a)(1)-(5).

EEE. Pursuant to Section 3211(g) of the Oil and Gas Act, 58 Pa. C.S. § 3211(g), the well permit number and operator's name, address, and telephone number shall be conspicuously posted at the well site during site preparation, construction of the well site, and during drilling, operating or alteration of the well.

FFF. Pursuant to 25 Pa. Code § 78.88(e), a well operator shall submit an annual report to the Department identifying the compliance status of each well with the mechanical integrity requirements of the Regulations.

GGG. Pursuant to Section 3222(a) of the Oil and Gas Act, 58 Pa. C.S. § 3222(a), and 25 Pa. Code § 78.121(a), a well operator shall file with the Department an annual report on or before February 15th of each year specifying the amount of production on the most well-specific basis available, along with the status of each well.

HHH. Pursuant to Section 3222(b)(1) of the Oil and Gas Act, 58 Pa. C.S. § 3222(b)(1), and 25 Pa. Code § 78.122(a), a well operator shall maintain a record of each well drilled or altered and shall submit that report to the Department within 30 after the drilling of the well.

III. Pursuant to Section 3216(c) of the Oil and Gas Act, 58 Pa. C.S. § 3216(c), a well operator shall fill all pits used to contain produced fluids or industrial wastes and remove unnecessary drilling supplies/equipment not needed for production within nine months from completion of drilling of the well.

Violations

JJJ. Petro Erie's unpermitted and unauthorized disposal of brine and/or production fluids to the ground at the Impacted Area, as described in Paragraphs E, F.1., and F.2., above, violates Sections 301, 302(a), and 610 of the Solid Waste Management Act, 35 P.S. §§ 6018.301, 6018.302(a), and 6018.610(4), and 25 Pa. Code §§ 78.54 and 78.57(a).

KKK. Petro Erie's unpermitted and unauthorized disposal of crude oil, brine, and/or production fluids to the ground at the Lower Reno 19 Impacted Area, as described in Paragraph EE.1, above, violates Sections 301, 302(a), and 610 of the Solid Waste Management Act, 35 P.S. §§ 6018.301, 6018.302(a), and 6018.610(4), and 25 Pa. Code § 78.57(a).

LLL. Petro Erie's drainage of accumulation in the Tank Battery's secondary containment that did not consist of only precipitation, which caused a harmful discharge or resulted in a sheen and was not done under proper supervision, as described in Paragraphs E and F.2., above, violates 25 Pa. Code § 78.64(d).

MMM. Petro Erie's failure to notify the Department of the release of brine and/or other production fluids to the ground at the Impacted Area and the release of crude oil, brine, and/or production fluids to the ground at the Lower Reno 19 Impacted Area, as described in Paragraphs E, F, and EE.1., above, violates 25 Pa. Code §§ 78.66(a), (b), and (c).

NNN. Petro Erie's failure to notify the Department of the release of brine and/or other production fluids to the ground at the Impacted Area and the Lower Reno 19 Impacted Area, as described in Paragraphs E, F, and EE.1., above, and its failure to remove the solid waste from the ground and affected waters of the Commonwealth within 15 days from the incident violates 25 Pa. Code §§ 91.33(a) and (b).

OOO. Petro Erie's failure to take necessary corrective actions to prevent the brine and/or other production fluids that were released to the ground at the Impacted Area from reaching the

waters of this Commonwealth and its failure to recover or remove and dispose of those substances in accordance with the Regulations, as described in Paragraphs E and F, above, and its failure to recover or remove and dispose of the crude oil, brine, and/or production fluids at the Lower Reno 19 Impacted Area in accordance with the Regulations, as described in Paragraph EE.1, above, violates 25 Pa. Code § 78.66(e).

PPP. Petro Erie's failure to control and dispose of brine from an oil and gas well, as described in Paragraphs E, F, and EE.1, above, violates Section 3217(a) of the Oil and Gas Act, 58 Pa. C.S. § 3217(a).

QQQ. Petro Erie's unauthorized and unpermitted discharge of industrial wastes into the waters of the Commonwealth, as described in Paragraphs E and F, above, violates Sections 307 and 402 of the Clean Streams Law, 35 P.S. §§ 691.307(a) and 691.402, and 25 Pa. Code § 78.73(b).

RRR. Petro Erie's failure to install conductor pipe in the Lower Reno 6 Well in a manner that prevents subsurface infiltration of surface water or fluids, as described in Paragraph EE.3., above, violates 25 Pa. Code § 78.82(c).

SSS. Petro Erie's failure to meet one of the additional requirements set forth in 25 Pa Code §§ 78.83b(a)(1)-(5) after failing to circulate cement to the surface on the surface casing for the Lower Reno 6 Well, as described in Paragraph EE.3., above, violates 25 Pa. Code § 78.83b(a).

TTT. Petro Erie's failure to submit Annual Production Reports for the Petro Erie Wells, specifying the amount of production during the 2022 reporting year, as identified in Paragraph EE.4., above, violates 25 Pa. Code § 78.121(a).

UUU. Petro Erie's failure to submit Mechanical Integrity Assessment Reports for the Petro Erie Wells during the 2022 reporting year, as identified in Paragraph EE.5., above, violates 25 Pa. Code § 78.88(e).

VVV. Petro Erie's failure to submit a well record within 30 days after the drilling of the Lower Reno 6 Well, as identified in Paragraph EE.2., above, violates Section 3222(b) of the Oil and Gas Act, 58 Pa. C.S. § 3222(b), and 25 Pa. Code § 78.122(a).

WWW. Petro Erie's failure to post the well permit number and the operator's name, address, and telephone number at each of the Petro Erie Wells, as identified in Paragraph EE.6., above, violates Section 3211(g) of the Oil and Gas Act, 58 Pa. C.S. § 3211(g).

XXX. Petro Erie's failure to remove unnecessary drilling supplies/equipment not needed for production within nine months from completion of drilling of the Wells with Unnecessary Equipment, as identified in Paragraph EE.7., above, violates Section 3216(c) of the Oil and Gas Act, 58 Pa. C.S. § 3216(c).

YYY. The violations described in Paragraphs JJJ through MMM and OOO through XXX, above, constitute unlawful conduct pursuant to Section 3259 of the Oil and Gas Act, 58 Pa. C.S. § 3259; a public nuisance pursuant to Section 3252 of the Oil and Gas Act, 58 Pa. C.S. § 3252; and subject Petro Erie to civil penalty liability pursuant to Section 3256 of the Oil and Gas Act, 58 Pa. C.S. § 3256.

ZZZ. The violations described in Paragraphs NNN and QQQ, above, constitute unlawful conduct pursuant to Section 611 of the Clean Streams Law, 35 P.S. § 691.611; a statutory nuisance under Section 307(c) of the Clean Streams Law, 35 P.S. § 691.307(c); and subject Petro Erie to civil penalty liability pursuant to Section 605 of the Clean Streams Law, 35 P.S. § 691.605.

AAAA. The violations described in Paragraphs JJJ and KKK, above, constitute unlawful conduct under Sections 302 and 610 of the Solid Waste Management Act, 35 P.S. §§ 6018.302 and 6018.610; a statutory nuisance under Section 601 of the Solid Waste Management Act, 35 P.S. § 6018.601; and subject Petro Erie to civil liability under Section 605 of the Solid Waste Management Act, 35 P.S. § 6018.605.

BBBB. On July 21 and July 24, 2023, the Department sent Notices of Violation to Petro Erie for some of the violations described in Paragraphs JJJ through XXX, above.

CCCC. As of the date of this Order, Petro Erie has not corrected the violations identified in Paragraphs JJJ through XXX, above, nor has it demonstrated remediation of the release of brine and/or other production fluids at the Impacted Area or the release of crude oil, brine, and/or other production fluids at the Lower Reno 19 Impacted Area.

ORDER

NOW, THEREFORE, pursuant to Sections 3218 and 3253 of the Oil and Gas Act, 58 Pa. C.S. §§ 3218 and 3253; Section 5 of the Clean Streams Law, 35 P.S. § 691.5; Section 602 of the Solid Waste Management Act 35 P.S. § 6018.602; and Section 1917-A of the Administrative Code, 71 P.S. § 510-17, the Department hereby ORDERS Petro Erie to do the following:

1. ***Temporary Water Supply.*** Within **24 hours** after the receipt of this Order, Petro Erie shall: (1) provide a temporary supply of potable water (*e.g.*, bottled water) to the users of the Water Supply ("Temporary Water"); and (2) confirm in writing to the Department that it has provided Temporary Water to the users of the Water Supply. Petro Erie shall continue to provide Temporary Water to the users of the Water Supply as long as the "Do Not Consume Advisory," refenced in Paragraph R, above, remains in effect. After the "Do Not Consume Advisory" is lifted, Petro Erie shall continue to provide Temporary Water to any user(s) of the Water Supply who continues to request it until Petro Erie has restored or replaced the Bellows Spring, in accordance with the requirements of Paragraph 2, below. Notwithstanding the above, if the "Do Not Consume Advisory" is reinstated prior to the Bellows Spring being restored or replaced in accordance with the requirements of Paragraph 2, below, then Petro Erie shall resume providing Temporary Water to the users of the Water Supply as long as the "Do Not Consume Advisory" remains in effect.

2. ***Permanent Water Supply.*** Within **45 days**, after the date of this Order, Petro Erie shall provide a plan to restore or replace the quantity and quality of water provided by the Bellows Spring ("Restoration or Replacement Plan"). The Restoration or Replacement Plan shall include the following:

a. proposed corrective actions to permanently restore or replace the Bellows Spring, in accordance with Section 3218(a) of the Oil and Gas Act, 58 Pa. C.S. § 3218(a), and 25 Pa. Code § 78.51(d);

b. a proposed schedule to implement the corrective actions;

c. the independent laboratory, certified by the Department, that Petro Erie will use to analyze samples from the restored or replaced water supply;

d. a schedule for confirmatory sampling of the restored or replaced water supply after Petro Erie asserts that it has permanently restored or replaced the Bellows Spring. Such samples will be used to determine whether the restored and/or replaced water supply meets the standards set forth in Section 3218(a) of the Oil and Gas Act, 58 Pa. C.S. § 3218(a), and 25 Pa. Code § 78.51. The confirmatory sampling schedule should allow: for split samples with the Department; and that sampling would only take place Monday through Thursday during Department working hours and with prior advance notice to the Department before any scheduled sampling of the restored and/or replaced water supply.

e. proposed arrangements between Petro Erie and Venango Water Company and/or Aqua PA to provide for all plumbing, conveyance, pumping, or auxiliary facilities necessary for the use of the permanently restored or replaced water supply.

f. proposed arrangements between Petro Erie and Venango Water Company and/or Aqua PA documenting how Petro Erie will: (1) reimburse Venango Water Company and/or Aqua PA for any increased operating and maintenance costs incurred by Venango Water Company

and/or Aqua PA resulting from the implementation of all temporary and/or interim measures needed to provide adequate quantity and quality water for the purposes served by the Water Supply; and (2) compensate Venango Water Company and/or Aqua PA on a permanent basis for any increased operating and maintenance costs for the replaced or restored water supply.

g. if any of the actions required by Paragraphs 2.a. through 2.f., above, have been completed, the Restoration or Replacement Plan shall include a description of how and when those items were completed.

3. ***Remediation of Impacted Area and Lower Reno 19 Impacted Area.*** Petro Erie shall address the discharges and disposal of brine and/or other production fluids at the Impacted Area and the discharges and disposal of crude oil, brine, and/or other production fluids at the Lower Reno 19 Impacted Area by demonstrating attainment of one or a combination of remediation standards under the Land Recycling Act in accordance with the following:

a. within **30 days** after the date of this Order, Petro Erie shall submit to the Department, at the address identified in Paragraph 12 (Correspondence with the Department), below, for review and approval, a written plan for addressing the release of brine and/or other production fluids at the Impacted Area and the release of crude oil, brine, and/or other production fluids at the Lower Reno 19 Impacted Area, as well as a schedule for implementing the remediation at the Impacted Area and the Lower Reno 19 Impacted Area and submitting a final report demonstrating attainment of one or a combination of remediation standards under Sections 302, 303, and/or 304 of the Land Recycling Act, 35 P.S. §§ 6026.302, 6026.303, and/or 6026.304 by **July 31, 2024** ("Remediation Schedule").

b. upon receipt of the Department's written approval of the Remediation Schedule, Petro Erie shall address the release of brine and/or other production fluids at the Impacted Area and the release of crude oil, brine, and/or other production fluids at the Lower Reno 19 Impacted Area in accordance with the Department-approved Remediation Schedule, the Land

Recycling Act, and this Order.

4. ***Lower Reno 6 Well Integrity.***

a. Within **30 days** after the date of this Order, Petro Erie shall submit to the Department, at the address identified in Paragraph 12 (Correspondence with the Department), below, for review and approval, a written plan that identifies corrective actions addressing how Petro Erie will: (1) permanently restrict surface water from the well bore of the Lower Reno 6 Well; and (2) satisfy the requirements of 25 Pa. Code §§ 78.83b(a)(1)-(5) ("Well Bore Plan"). The Well Bore Plan shall also include an implementation schedule for implementing the corrective actions identified in the Well Bore Plan.

b. Upon receipt of the Department's written approval of the Well Bore Plan, Petro Erie shall implement the corrective actions contained in the Department-approved Well Bore Plan in accordance with the Department-approved implementation schedule.

5. ***Well Record for Lower Reno 6 Well.*** Within **30 days** after the date of this Order, Petro Erie shall complete and submit to the Department, at the address identified in Paragraph 12 (Correspondence with the Department), below, Department Form 8000-FM-OOGM0004a, "Well Record," in accordance with Section 3222(b) of the Oil and Gas Act, 58 Pa. C.S. § 3222(b), and 25 Pa. Code § 78.122(a).

6. ***Annual Production Reports.***

a. On or before **October 31, 2023**, Petro Erie shall submit annual production and status reports for the Petro Erie Wells for the time period from January 1 through December 31, 2022.

b. On or before **February 15, 2024**, and on or before February 15th of every year thereafter, Petro Erie shall submit production and status reports for the Petro Erie Wells for the previous reporting year.

c. The annual production and status reports shall be submitted electronically through the Department's web site and shall include, at a minimum, the amount of production for the Petro Erie Wells and all other information require under 25 Pa. Code § 78.121 on the most well-specific basis available.

7. ***Mechanical Integrity Assessment.***

a. On or before **October 31, 2023**, Petro Erie shall inspect and test the integrity of the Petro Erie Wells, in accordance with 25 Pa. Code § 78.88.

b. On or before **February 15, 2024**, Petro Erie shall complete and submit the Department Form 8000-FM-OOGM0126, "Quarterly Mechanical Integrity Assessment of Operating Oil and Gas Wells," for the Petro Erie Wells, in accordance with 25 Pa. Code § 78.88.

8. ***Posting of Operator Information.*** Within **30 days** after the date of this Order, Petro Erie shall post the well permit number and the operator's name, address, and telephone number in a conspicuous manner at the Petro Erie Wells in accordance with Section 3211(g) of the Oil and Gas Act, 58 Pa. C.S. § 3211(g).

9. ***Removal of Unnecessary Equipment.*** On or before **October 31, 2023**, Petro Erie shall remove drilling supplies/equipment not needed for production from the Wells with Unnecessary Equipment identified in Exhibit D.

10. ***Document Review and Approval by the Department.*** With regard to any document that Petro Erie is required to submit pursuant to this Order, the Department will review such document and will approve or disapprove the document or portion thereof, in writing. If the document, or any portion thereof, is disapproved by the Department, Petro Erie shall submit to the Department a revised document that addresses the Department's identified concerns within a reasonable time, as specified by the Department. The Department will approve, or modify and approve, the revised document in writing. Upon the Department's approval of a document, or any

portion thereof, such approved document, including any identified corrective action and schedule contained therein, shall become an obligation of this Order and shall be enforceable as such.

11. ***Replacement of Field Order.*** This Order replaces Petro Erie's obligations under the Field Order but does not replace the Findings of the Field Order.

12. ***Correspondence with the Department.*** All correspondence with the Department regarding this Order shall be addressed to:

Robert Bechtel
Environmental Group Manager
Northwest District Oil and Gas Operations Department of Environmental Protection 230 Chestnut Street
Meadville, PA 16335
Telephone: (814) 573-3610
E-Mail: robechtel@pa.gov

Any person aggrieved by this action may appeal the action to the Environmental Hearing Board ("Board") pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. § 7514, and the Administrative Agency Law, 2 Pa. C.S. Chapter 5A. The Board's address is:

Environmental Hearing Board
Rachel Carson State Office Building, Second Floor
400 Market Street
P.O. Box 8457
Harrisburg, PA 17105-8457

TDD users may contact the Environmental Hearing Board through the Pennsylvania Relay Service, 800-654-5984.

Appeals must be filed with the Board within 30 days of receipt of notice of this action unless the appropriate statute provides a different time. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.

A Notice of Appeal form and the Board's rules of practice and procedure may be obtained online at http://ehb.courtapps.com or by contacting the Secretary to the Board at 717-787-3483. The Notice of Appeal form and the Board's rules are also available in braille and on audiotape from the

Secretary to the Board.

IMPORTANT LEGAL RIGHTS ARE AT STAKE. YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE PRO BONO REPRESENTATION. CALL THE SECRETARY TO THE BOARD AT 717-787-3483 FOR MORE INFORMATION. YOU DO NOT NEED A LAWYER TO FILE A NOTICE OF APPEAL WITH THE BOARD.

IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST BE FILED WITH AND RECEIVED BY THE BOARD WITHIN 30 DAYS OF RECEIPT OF NOTICE OF THIS ACTION.

FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION:

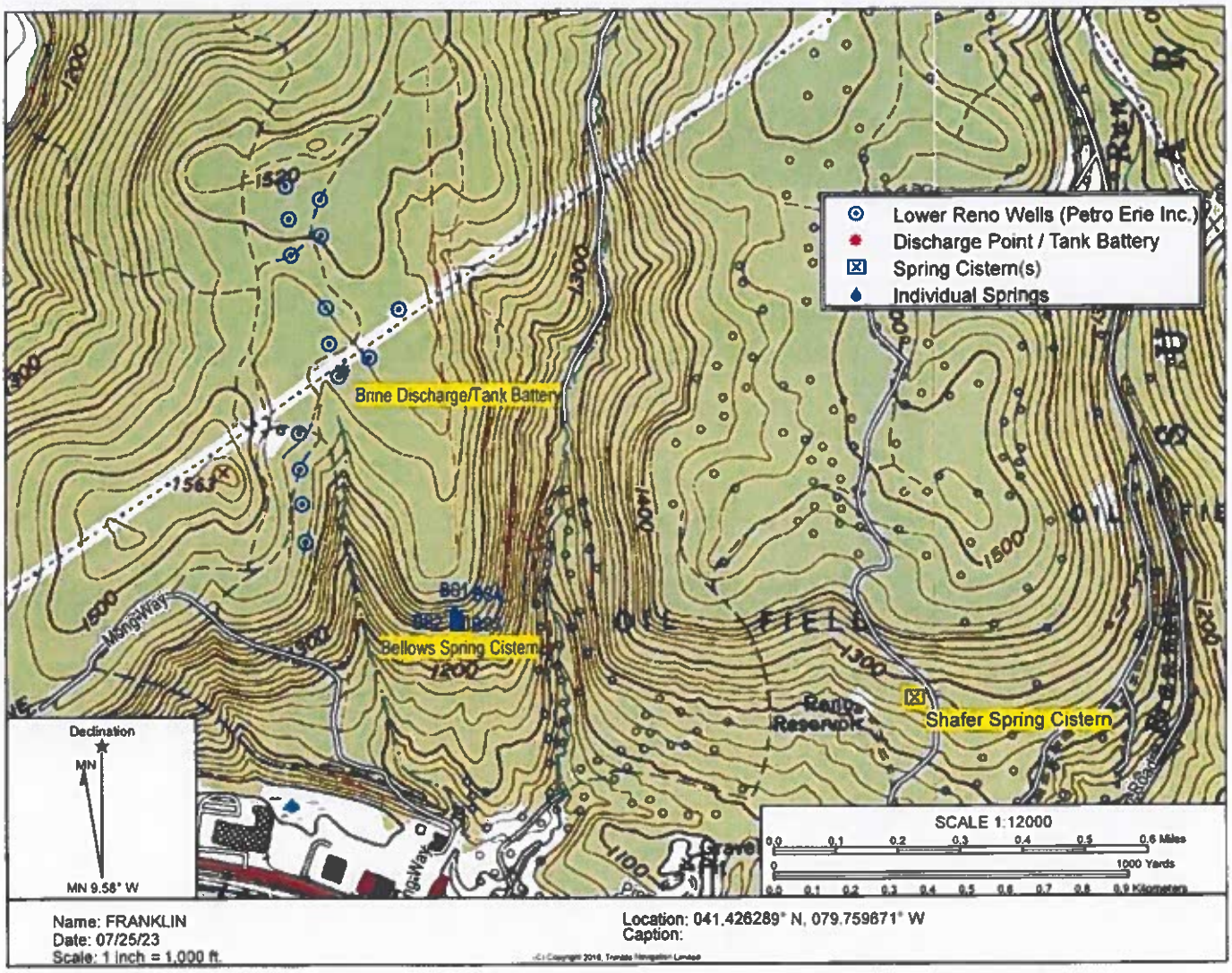
Scott Dudzic
Northwest District Oil and Gas Manager
District Oil and Gas Operations

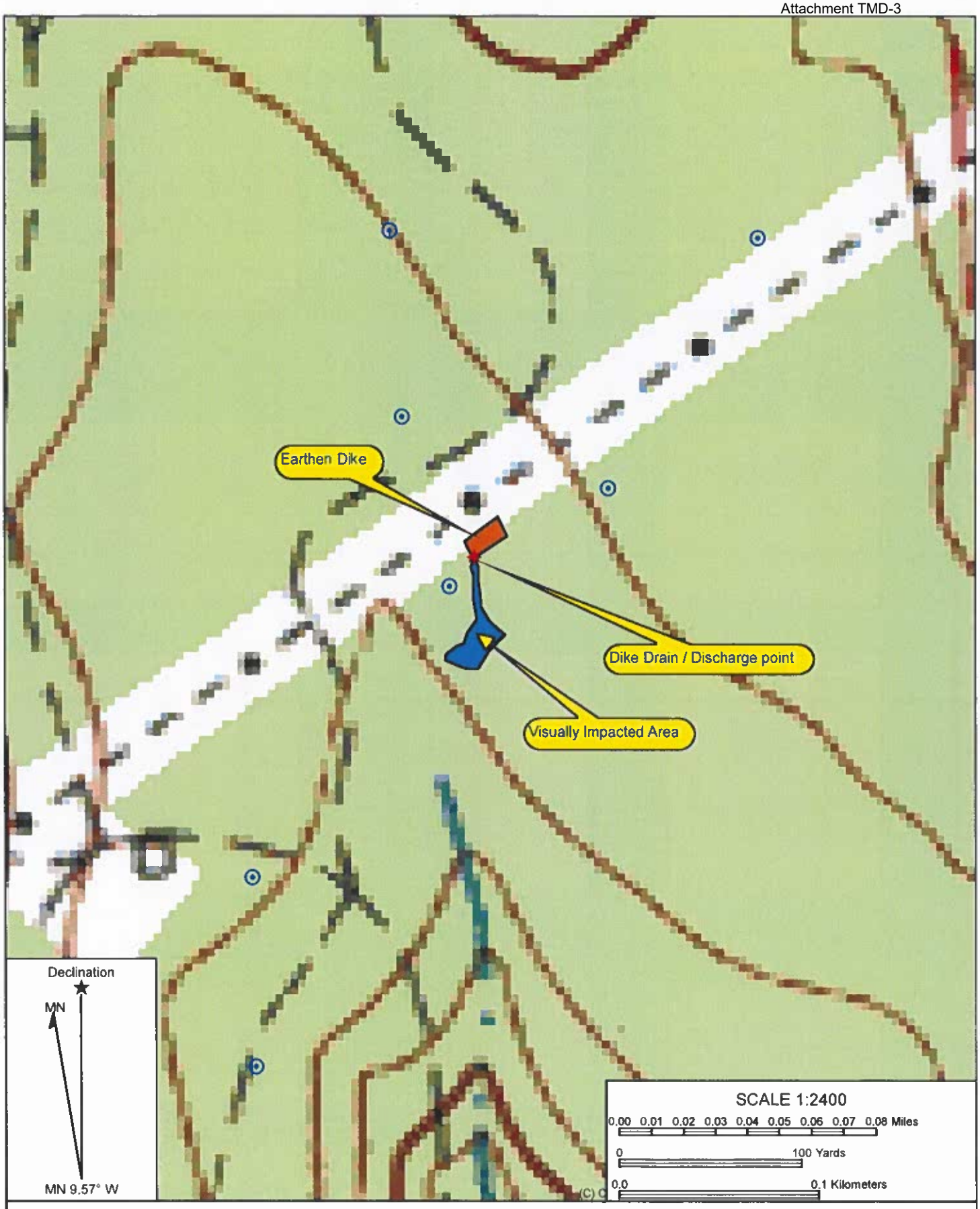
EXHIBIT A

Petro Erie Wells

Permit Number	Well Name and Number	Municipality	County
121-44422	Lower Reno 4A	Sugarcreek Township	Venango County
121-44463	Lower Reno 1A	Sugarcreek Township	Venango County
121-44464	Lower Reno 2A	Sugarcreek Township	Venango County
121-44465	Lower Reno 3A	Sugarcreek Township	Venango County
121-44466	Lower Reno 5A	Sugarcreek Township	Venango County
121-45433	Lower Reno 6	Sugarcreek Township	Venango County
121-45434	Lower Reno 7	Sugarcreek Township	Venango County
121-45435	Lower Reno 8	Sugarcreek Township	Venango County
121-45437	Lower Reno 11	Sugarcreek Township	Venango County
121-45440	Lower Reno 18	Sugarcreek Township	Venango County
121-45441	Lower Reno 19	Sugarcreek Township	Venango County
121-45442	Lower Reno 23	Sugarcreek Township	Venango County
121-45443	Lower Reno 24	Sugarcreek Township	Venango County
121-45444	Lower Reno 28	Sugarcreek Township	Venango County

EXHIBIT B


Lower Reno Wells (Petro Erie Inc.)
Discharge Point / Tank Battery
Spring Cistern(s)
Individual Springs
Brine Discharge/Tank Battery
Bellows Spring Cistern
Shafer Spring Cistern
Declination
MN
MN 9.58° W
SCALE 1:12000
0.6 Miles
1000 Yards
Name: FRANKLIN
Date: 07/25/23
Scale: 1 inch = 1,000 ft.
Location: 041.426289° N, 079.759671° W
Caption:



Name: FRANKLIN
Date: 08/15/23
Scale: 1 inch = 200 ft.

Location: 041.427988° N, 079.768008° W
Caption: <<Type caption here.>>

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EXHIBIT C

8000-FM-OOGM0130 7/2015

pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS MANAGEMENT
BUREAU OF DISTRICT OIL AND GAS OPERATIONS
COMPLIANCE ORDER

ORDER REQUIRING CLEANUP AND REMEDIATION OF A SPILL(S) AND/OR RELEASE(S)

DEP DOCKET NUMBER:			
PERSON(S) SUBJECT TO ORDER: Petro Erie Inc	**PHONE NO.:** 814-881-9800	**EMAIL:** lemp@verlocity.net	
ADDRESS OF PERSON(S) SUBJECT TO ORDER: 7395 Market Rd. Fairview, PA 16415-2826		**MUNICIPALITY:** Sugarcreek	
PROJECT NAME/SITE ID/FACILITY NUMBER/Location of Violation(s):	**COUNTY:** Venango	**GPS COORDINATES:** 41.42808 -79.76825	
PERMIT NO(S).: 121-454133 Lower Reno 6		**DATE OF INSPECTION:** 7/21/2023	**TIME OF INSPECTION:** (A.M.) P.M. 8:00
NAME AND TITLE OF RECEIVING OFFICIAL:			

The Department of Environmental Protection (Department) is the agency with the duty and authority to administer the Land Recycling and Environmental Remediation Standards Act, Act of May 19, 1995, P.L. 4, 35, 35 P.S. §§ 6026.101-6026.908 (Act 2); and to administer and enforce the Oil and Gas Act, Act of February 14, 2012, P.L. 87, No. 13, 58 Pa. C.S §§ 3201-3274 (2012 Oil and Gas Act); the Solid Waste Management Act, Act of May 1, 1984, P.L. 206, as amended, 35 P.S. §§ 6018.101-6018.1003 (Solid Waste Management Act); The Clean Streams Law, Act of June 22, 1937, P.L. 1987, as amended, 35 P.S. §§ 691.1-691.1001 (Clean Streams Law); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, as amended, 71 P.S. §510-17 (Administrative Code); and the rules and regulations promulgated thereunder.

The undersigned authorized representative of the Department has conducted an inspection of the above location on the above date and has determined that the violation(s) listed in this Order has/have occurred. This Order applies when a spill(s), discharge(s), disposal, and/or release(s) (hereinafter collectively "spill(s) or release(s)") of substances creates "pollution" and/or a danger of "pollution" to "Waters of the Commonwealth" as those terms are defined in Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

Hereinafter the term "regulated substance(s)" as used in this Order shall have the same meaning as "regulated substance" as that term is defined in section 103 of Act 2, 35 P.S. § 6026.103. The regulated substance(s) that has/have been spilled or released to the ground and/or the waters of the Commonwealth as identified in this Order is/are also a "residual waste" as that term is defined in Section 103 of the Solid Waste Management Act, 35 P.S. § 6018.103, and an "industrial waste," as that term is defined in Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

If applicable, each well permit issued for the well(s) identified at the location above contains the following two conditions: (1) "This permit and the permittee's authority to conduct the activities authorized by this permit are conditioned upon operator's compliance with applicable law and regulations"; and (2) "This permit does not relieve the operator from the obligation to comply with the Clean Streams Law and all statutes, rules and regulations administered by the Department.

The violation(s) identified in this Order constitutes a violation/violations, as applicable, of the well permit issued for the well(s) identified above at the location; constitutes unlawful conduct pursuant to Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3259, Section 611 of the Clean Streams Law, 35 P.S. § 691.611, and Section 302 of the Solid Waste Management Act, 35 P.S. § 6018.302; a statutory nuisance under Section 3252 of the 2012 Oil and Gas Act, 58 P.S. § 3252, Sections 307(c) and/or 402(b) of the Clean Streams Law, 35 P.S. §§ 691.307(c) and/or 402(b), and Section 601 of the Solid Waste Management Act, 35 P.S. § 6018.601; and subjects the Person(s) identified in this Order to a claim for civil penalties under Section 3256 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3256, Section 605 of the Clean Streams Law, 35 P.S. § 691.605, and Section 605 of the Solid Waste Management Act, 35 P.S. § 6018.605.

☐ White – Receiving Official ☐ Yellow – DEP, DOGO ☐ Pink – Department Representative

8000-FM-OOGM0130 7/2015

Project Name/Site ID/Facility Number: Lower Reno 6
Permit No.: 121-454133

Pursuant to Section 3253 of the 2012 Oil and Gas Act 58 Pa. C.S § 3253, Section 610 of the Clean Streams Law 35 P.S. § 691.610, Section 602 of the Solid Waste Management Act 35 P.S. § 6018.602; and Section 1917-A of the Administrative Code 71 P.S. § 510-17, the Department hereby ORDERS that the Person(s) Subject to this Order shall perform the corrective actions listed in this Order. Nothing contained in this Order shall be construed to relieve or limit the obligations of the above mentioned persons, including, but not limited to, the "well operator" as that term is defined in Section 3203 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3203, of any well/project/site/facility/location included in this Order to comply with the terms and conditions of any permit, if applicable, existing or hereafter issued by the Department to the operator, or to limit any civil or criminal liability of the person. Additional requirements may be imposed in the future by subsequent Department orders or other actions.

Joint and Several Responsibility (As Applicable): The Persons Subject to this Order as identified above are jointly and severally responsible for the obligations under this Order.

VIOLATIONS

☒ **UNAUTHORIZED SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) TO WATERS OF THE COMMONWEALTH OR TO GROUND CREATING A POTENTIAL FOR POLLUTION OF WATERS OF THE COMMONWEALTH:**

☒ SPILL OR RELEASE OF PRODUCTION FLUIDS FROM TANK OR PIT in violation of Section 3259 of the 2012 Oil and Gas Act (58 Pa. C.S. § 3259), Sections 307,401, and/or 402(b) of the Clean Streams Law (35 P.S. §§ 691.307, 691.401, and 691.402(b)), Section 301 of the Solid Waste Management Act (35 P.S. § 6018.301), and 25 Pa. Code §§ 78.54, 78.57(a), 78.60(a), 91.33, and/or 91.34.

☒ SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) FROM TANK OR PIT in violation of Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3259, Sections 307, and 401, of the Clean Streams Law, 35 P.S. §§ 691.307 and ,691.401, Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, 25 Pa. Code §§ 78.54, 78.56, 78.60(a), 91.33, and/or 91.34, and/or the conditions in the permit(s) for the well(s).

☐ SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) FROM WELLHEAD in violation of Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3259 , Sections 307 and, 401, of the Clean Streams Law, 35 P.S. §§ 691.307 and, 691.401, Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, 25 Pa. Code §§ 78.54, 78.56,78.60(a), 91.33, and/or the conditions in the permit(s) for the well(s).

☒ OTHER SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) ON THE WELL SITE OR ACCESS ROAD in violation of Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S § 3259, Sections 307, and 401, of the Clean Streams Law, 35 P.S. §§ 691.307 and, 691.401, and Section 301 of the Solid Waste Management Act, 35 P.S. §6018.301, 25 Pa. Code §§ 78.54,78.60(a), 91.33, and/or the conditions in the permit(s) for the well(s).

☐ SPILL(S) OR RELEASE(S) OF REGULATED SUBSTANCE(S) FROM PIPELINE in violation of Sections 307, and 401, of the Clean Streams Law, 35 P.S. §§ 691.307, and 691.401, and Section 301 of the Solid Waste Management Act, 35 P.S. § 6018.301, 25 Pa. Code § 91.33, and/or the conditions in the permit(s) for the well(s).

☒ FAILURE TO HAVE SECONDARY CONTAINMENT AROUND OIL TANK(S) WITH A CAPACITY OF AT LEAST 660 GALLONS OR A COMBINED CAPACITY OF 1,320 GALLONS in violation of 25 Pa. Code §§ 78.64 and 91.34, and the conditions in the permit(s) for the well(s).

☐ FAILURE TO HAVE SUFFICIENT CONTAINMENT CAPACITY AROUND REGULATED SUBSTANCE STORAGE TANK(S) THAT ARE NOT EQUIPPED WITH INDIVIDUAL SECONDARY CONTAINMENT AT AN UNCONVENTIAL WELL SITE in violation of Section 3218.2(d) of the 2012 Oil and Gas Act, 58 Pa. C.S § 3218.2(d), and the conditions in the permit(s) for the well(s).

☒ FAILURE TO REPORT A RELEASE OF A REGULATED SUBSTANCE in violation of 25 Pa. Code §§ 78.66, and 91.33, and/or the conditions in the permit(s) for the well(s).

☐ White – Receiving Official ☐ Yellow – DEP, DOGO ☐ Pink – Department Representative

Project Name/Site ID/Facility Number: Lower Reno 6
Permit No.: 121-45433

8000-FM-OOGM0130 7/2015

DESCRIPTION OF VIOLATIONS

On 7/20/2023, the Department received a complaint of a release from a tank battery located approximately 0.75 miles north of the Venango Water PWSID:6610014. The Department responded to the site and observed production fluids (Brine) leaking from a tank battery secondary containment 75 feet northeast of the lower Reno 6 oil well (121-45433). This well is currently listed as "proposed but never materialized" in the Department's tracking system, but the well exists and appears to have been drilled in 2013-2014.

The Department returned on 7/21/2023, to inspect the area and take additional samples. Production fluids were observed inside and outside containment. A visually impacted area was observed stretching 180 feet south of the secondary containment drain valve and spread from 6 feet to 20 feet in width. Production fluids were observed running out of the open drain valve at the time of inspection. The valve was closed to prevent further release. Conductivity readings were taken around the entire area. Reading exceeding the limits of the meter were recorded, in excess of 20,000 Micro Siemens. Samples were collected from a spring near the impacted area, which is a raw water source for a public water supply.

☐ White – Receiving Official ☐ Yellow – DEP, DOGO ☐ Pink – Department Representative

Project Name/Site ID/Facility Number: Lower Reno 6
Permit No.: 121-45433

8000-FM-OOGM0130 7/2015

CORRECTIVE ACTION REQUIRED OR ACTIVITY TO BE CEASED:

☒ Immediately cease the spill(s) or release(s) of regulated substance(s) onto the ground and/or into the waters of the Commonwealth described above.

☒ Immediately contain spilled or released regulated substance(s).

☒ Immediately prevent migration of the regulated substance(s) from the site of the spill or release. If the regulated substance(s) have already migrated from the site of the spill or release, immediately prevent any further migration of the regulated substance from the site of the spill or release.

☒ Immediately prevent the regulated substance(s) from reaching or impacting surface water or groundwater. If the regulated substance(s) have already reached or impacted surface water or groundwater, immediately prevent the regulated substance(s) from continuing to reach or from further impacting surface water or groundwater.

☒ Immediately notify downstream users that a spill or release of the regulated substance(s) occurred.

☐ Within _____ days, submit to the Department, in writing, a report which details the cause and duration of each violation and the corrective action taken to prevent its recurrence.

☐ Within _____ days, submit to the Department a copy of a site specific Control and Disposal Plan that meets the requirements of 25 Pa. Code Chapter 78.

☐ Within _____ days, remove all regulated substance(s) from the tank(s) and/or pit(s) described above and properly dispose of all of the regulated substance(s) at a permitted disposal/recycling facility in accordance with the Solid Waste Management Act, the Clean Streams Law, the 2012 Oil and Gas Act, and the Regulations.

☐ Within _____ days, submit receipts and/or other applicable documentation to the Department to verify that the regulated substance(s) was/were removed from the tank(s) and/or pit(s) described above and disposed of at a permitted treatment facility in accordance with the Solid Waste Management Act, the Clean Streams Law, the 2012 Oil and Gas Act, and the Regulations.

☐ Investigate and remediate the contamination from the spill(s) or release(s) of regulated substance(s) pursuant to applicable provisions of Act 2 and its Regulations and this Order, as follows:

Within ten days, hire a qualified environmental consultant to investigate and remediate the soil, groundwater, surface water, wetlands, and/or sediments that was/were contaminated by the spill or release of regulated substance(s), and simultaneously submit to the Department, in writing, the name, address, and telephone number of such consultant;

Within 60 days, submit to the Department a written plan to investigate and remediate the soil, groundwater, surface water, wetlands, and/or sediments that was/were contaminated by the spill or release of regulated substance(s) ("Remediation Plan"). The Remediation Plan shall, at a minimum: (1) be prepared and submitted by the qualified environmental consultant hired in accordance with this order; (2) include a complete, written Notice of Intent to Remediate the contaminated soil and groundwater that complies with all of the requirements of 25 Pa. Code § 250.5(a); (3) include a summary of the interim remedial actions that have been completed to date to contain the spill or release of regulated substance(s), and the plan and schedule for continuing these interim remedial actions until the final, Department-approved remedial actions have been completed in accordance with this Order; (4) include a schedule for completing the remedial actions and for submitting the reports required to demonstrate attainment with the chosen remediation standard in accordance with the requirements of 25 Pa. Code §§250.2(b)(1) and 250.2(b)(2); and (5) identify the date when all disturbed areas will be completely restored and re-vegetated;

☐ White – Receiving Official ☐ Yellow – DEP, DOGO ☐ Pink – Department Representative

Project Name/Site ID/Facility Number: Lower Reno 6
Permit No.: 121-454133

Upon receipt of the Department's written approval of the Remediation Plan or revised Remediation Plan, and in accordance with the Department-approved schedule, investigate and remediate the soil, groundwater, surface water, wetlands, and/or sediments that was/were contaminated by the spill or release of regulated substance(s) in accordance with the Department-approved Remediation Plan;

Submit "Progress Reports" to the Department on a quarterly basis. The Progress Reports shall be due by the 30th day of the month following each calendar quarter (*i.e.* April 30, July 30, October 30, and January 30), and describe the actions taken in the previous quarter to comply with the requirements of this Order, including the requirements in plans or other documents approved by the Department under this Order; and

Take any and all actions necessary to obtain access to any property necessary to comply with the obligations under this Order.

☐ Additional Requirements:

CORRESPONDENCE WITH THE DEPARTMENT:

All correspondence with the Department concerning this Order shall be addressed to:
Robert Bechtel Env. Group Manager District of Oil & Gas Operations
230 Chestnut St
Meadville PA 16335 (814) 573-3610
email: robechtel@pa.gov

DOCUMENT REVIEW AND APPROVAL BY THE DEPARTMENT:

With regard to the Remediation Plan and any other document submitted pursuant to the requirements of this Order, the Department will review the document and will approve, approve with modification(s), or disapprove the document, or portion thereof, in writing. If the document, or any portion thereof, is disapproved by the Department, a revised document shall be submitted to the Department that addresses the Department's concern within a reasonable time, as specified by the Department. The Department will approve, modify and approve, or disapprove the revised document in writing. Upon approval by the Department, the document, including the schedules identified in the document, shall become a part of this Order for all purposes and shall be enforceable as such.

☐ White – Receiving Official ☐ Yellow – DEP, DOGO ☐ Pink – Department Representative

8000-FM-OOGM0130 7/2015

Project Name/Site ID/Facility Number: Lower Reno 6
Permit No.: 121-45433

APPEAL NOTICE

Any person aggrieved by this action may appeal, pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. § 7514, and the Administrative Agency Law, 2 Pa. C.S. Chapter 5A, to the Environmental Hearing Board, Second Floor, Rachel Carson State Office Building, 400 Market Street, P.O. Box 8457, Harrisburg, PA 17105-8457, 717-787-3483. TDD users may contact the Board through the Pennsylvania Relay Service, 800-654-5984. Appeals must be filed with the Environmental Hearing Board within 30 days of receipt of written notice of this action unless the appropriate statute provides a different time period. Copies of the appeal form and the Board's rules of Practice and Procedure may be obtained from the Board. The appeal form and the Board's rules of Practice and Procedure are also available in Braille or on audiotape from the Secretary to the Board at 717-787-3483. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.

IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST REACH THE BOARD WITHIN 30 DAYS. YOU DO NOT NEED A LAWYER TO FILE AN APPEAL WITH THE BOARD.

IMPORTANT LEGAL RIGHTS ARE AT STAKE, HOWEVER, SO YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE PRO BONO REPRESENTATION. CALL THE SECRETARY TO THE BOARD (717-787-3483).

DEPARTMENT REPRESENTATIVE	RECEIVING OFFICIAL
Signature: Robert R Bechtel Name: Robert R Bechtel Title: Environmental Group Manager Address: 230 Chestnut St Meadville PA 16335 Phone Number: (814) 573-3610 Date: 7/21/2023	The undersigned representative hereby acknowledges receipt of this order and attachment(s) hereto. This signature does not constitute an acknowledgement that any or all of the violations listed in this Order and attachment(s) hereto have occurred or continue to occur. Signature: Harry L Rhoades III Name: HARRY L. RHOADES (Please Print) Date: 7-21-23

_____ attached pages are part of this order for all purposes and shall be enforceable as such (as applicable).

☐ White – Receiving Official ☐ Yellow – DEP, DOGO ☐ Pink – Department Representative

EXHIBIT D

Wells with Unnecessary Equipment

Permit Number	Well Name and Number
121-44422	Lower Reno 4A
121-44465	Lower Reno 3A
121-44466	Lower Reno 5A
121-45433	Lower Reno 6
121-45434	Lower Reno 7
121-45435	Lower Reno 8
121-45437	Lower Reno 11
121-45440	Lower Reno 18

ATTACHMENT G

AQUA PENNSYLVANIA, INC.

RECEIVER FOR

VENANGO WATER COMPANY

Dear Venango Water Customer,

Aqua Pennsylvania, Inc. ("Aqua") has been operating the Venango Water Company ("VWC") as Receiver as ordered by the Pennsylvania Public Utility Commission ("PUC") since August 12, 2023.

Our work to date

Aqua worked diligently since taking over as Receiver to lift the Do Not Consume that had been in place since July 21, 2023. Actions included stabilizing the VWC system to ensure there was adequate water supply for sanitary purposes, trucking water from Aqua's Emlenton water system to fill the VWC tank and for flushing purposes, and testing and sampling throughout the distribution system and source to ensure the water meets DEP drinking water regulations. On September 1, 2023, Aqua provided notice to the VWC customers that the Do Not Consume was lifted after consultation and approval of the Pennsylvania Department of Environmental Protection ("DEP").

Aqua will now continue operating the system under the PUC's Order until a determination is made by the PUC under the Section 529 of the Public Utility Code, 66 Pa. C.S. § 529 ("529 Proceeding"). The 529 Proceeding will determine whether a capable public utility should acquire the VWC system.

Next Steps for Customers

Under the PUC's Order, Aqua is required to assume the customer service, billing and collections functions of VWC.

Customer Service

With Aqua, you have access to our U.S.-based, state-of-the-art customer service call centers:

- Our representatives are available to assist with your service and billing needs Monday through Friday between 8 a.m. and 5 p.m. at **877.987.2782**.
- For emergencies outside of these hours, you can call **877.987.2782** and the issue will be addressed promptly by our operations team.
- We also provide updates and resources to our customers through Facebook, Twitter and Instagram. You can follow us at @MyAquaWater.

Billing & Payment

Enclosed is Aqua's first bill to the VWC customers, which has been estimated based on prior consumption history. Aqua will work to reconcile this estimated read with later actual readings in future billings to VWC customers. Customers may review their rights as it pertains to estimated billings under 52 Pa. Code § 56.12. Your base rates will not change while the 529 proceeding is conducted. Aqua will continue to bill you in accordance with the VWC tariff which can be found on Aqua's website at https://www.aquawater.com/_assets/doc/venango-water-co-tariff-no-3-effective-11-15-2018.pdf.

When it comes to paying your bill, Aqua has several payment options for customers:

- You may mail your payment to:
  Aqua
  P.O. Box 70279
  Philadelphia, PA 19176-0279

- Aqua e-billing, which allows you to pay your bill online and receive an electronic bill.

- If you use direct debit to autopay your current bill or a bill-payer service from your bank account, you must take the following steps once you receive your first Aqua bill that has your account number – please allow appropriate time to follow this process and for your bank to make the change:
  - **Change the payee designation to Aqua Pennsylvania**
  - Update the payee account number to your new 16-digit account number on your enclosed bill.
  - Change the mailing address for the payment to the remittance address on your Aqua bill.

- Learn much more about bill payment options at https://www.aquawater.com/customers/pay-my-bill/index.php

We look forward to serving you while we operate the VWC system.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Venango Water Company – Ex Parte	:	
Emergency Order Naming Aqua	:	**Docket No. M-2023-3042180**
Pennsylvania, Inc. as Receiver	:	
	:	
Section 529 Investigation of Venango	:	**Docket No. I-2023-3042312**
Water Company	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this 11th day of October 2023 served a true and correct copy of the foregoing document upon the persons and in the manner indicated below:

VIA ELECTRONIC MAIL

Carrie B. Wright, Prosecutor
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17120
carwright@pa.gov

NazAarah Sabree, Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101
ra-sba@pa.gov

Christine Maloni Hoover, Esq.
Deputy Consumer Advocate
Christopher M. Andreoli, Esq.
Assistant Consumer Advocate
Aron J. Beatty, Esq.
Senior Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101
choover@paoca.org
candreoli@paoca.org
abeatty@paoca.org

Paul Diskin, Director
Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120
pdiskin@pa.gov

VIA ELECTRONIC MAIL AND U.S. MAIL

Randall L. Rhodes, Secretary
Venango Water Company
P.O. Box 397
Reno, PA 16343
vwc-rlr@pa.rr.com

Alexander R. Stahl

Dated: October 11, 2023

AQUA℠
An Essential Utilities Company

VIA E-FILING

January 9, 2024

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

Re: Venango Water Company – Ex Parte Emergency Order Naming Aqua Pennsylvania, Inc. as Receiver
Docket No. M-2023-3042180

Section 529 Investigation of Venango Water Company
Docket No. I-2023-3042312

Dear Secretary Chiavetta:

Enclosed please find Aqua Pennsylvania, Inc.'s ("Aqua") Second Status Report to the Pennsylvania Public Utility Commission ("PUC" or the "Commission") in accordance with Aqua's Receivership duties for the Venango Water Company established via the Commission's Ex Parte Emergency Order Entered August 11, 2023, Ordering Paragraph 4, Appendix A Paragraph 1.o., in Docket No. M-2023-3042180, and ratified by the Commission's Ratification Order Entered August 24, 2023. This status report is being filed in both the M-Docket and I-Docket referenced above.

If you have any questions regarding this filing, please contact me at 610-645-1130.

Sincerely,

Alexander R. Stahl
Regulatory Counsel

cc: Certificate of Service
Daniel Searfoorce, Bureau of Technical Utility Services (via email)
John Van Zant, Bureau of Technical Utility Services (via email)
Sean Donnelly, Bureau of Technical Utility Services (via email)

SECOND STATUS REPORT TO THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

VENANGO WATER COMPANY

AQUA PENNSYLVANIA, INC., AS RECEIVER

DOCKET NO. M-2023-3042180

DOCKET NO. I-2023-3042312

Dated: January 9, 2024

A. BACKGROUND

On August 11, 2023, the Pennsylvania Public Utility Commission ("PUC" or the "Commission") issued an Ex Parte Emergency Order at Docket No. M-2023-3042180 ("Receivership Order") naming Aqua Pennsylvania, Inc. ("Aqua" or the "Company") as Receiver for the Venango Water Company ("VWC").[1] The VWC system serves approximately 215 customers and is comprised of two spring sources (Bellows and Shaffer Springs), one storage tank, and approximately 7 miles of mains. The Receivership Order was ratified by the Commission through its Ratification Order entered on August 24, 2023. Aqua was directed to assume its Receivership role on August 12, 2023. Included within the Commission's Receivership Order, the Company was directed to "[s]ubmit an initial status report to the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership."[2] Aqua submitted its Initial Status Report on October 11, 2023.

Aqua now submits its Second Status Report ("Status Report") on the operations of VWC as directed by the Commission.

B. SECOND STATUS REPORT

1. Financial

The Receivership Order directed Aqua to establish the financial position of VWC at the time Aqua assumed its Receivership role.[3] Aqua is working to establish the financial position of VWC as of the start of Aqua's Receivership, however, Aqua does not have access to all financial records of VWC. VWC has previously submitted Class C Annual Reports to the Commission which includes financial and operational data, the most recent of which was submitted on June 30, 2023 and available on the Commission's website.[4] Aqua will continue to track expenses and capital improvements related to the VWC system through deferred accounting treatment via establishment of a regulatory asset in accordance with Aqua's Receivership duties.[5]

Aqua and the Pennsylvania Infrastructure Investment Authority ("PENNVEST") have discussed funding opportunities for construction of a pipeline that would deliver water from the City of Franklin, Venango County, and for the construction of a new water storage tank. PENNVEST provided options for this project including an Aqua loan, a Venango loan or a White Knight Program loan. PENNVEST indicated that a grant would not likely be offered due to the higher median income of Sugar Creek Borough. The White Knight program would afford an opportunity for low-interest loan, but Aqua would have to commit at least $650,000 and Aqua would have to produce a letter of intent to own the VWC's assets. Ownership of the VWC system will ultimately be determined by the Commission through this Section 529 proceeding.

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[1] In re: Venango Water Company, Docket No. M-2023-3042180, Ex Parte Emergency Order, Ordering Paragraph No. 4 (August 11, 2023) (hereinafter "Receivership Order").
[2] Id. Ordering Paragraph No. 4, Appendix A Paragraph 1.o.
[3] Id. Ordering Paragraph 4, Appendix A Paragraph 1.r.
[4] See https://www.puc.pa.gov/pcdocs/1791853.pdf.
[5] Receivership Order, Ordering Paragraph 4, Appendix A Paragraphs 1.s and 2.b.

2. Operations and Capital Expenditures

On August 12, 2023, Aqua began its Receivership duties for the VWC system. Since the Initial Status Report, Aqua has completed the following improvements to the VWC system:

i. Installed winterization on the temporary water storage tank and booster station used for hauling water.

ii. Began leak detection in the system to address water loss, and Aqua will be continuing leak detection efforts.

iii. Removed above ground chlorine contact tanks at Shaffer Spring.

iv. Purchased utility task vehicle in order to access the VWC spring sources.

v. Water hauling reduced from once or twice a week to once every 2-3 weeks.

In November 2023, Aqua met with the City of Franklin's Council to discuss options of a bulk water agreement. The City Council indicated it would make a decision on availability of water and present its terms after January 1, 2024. The City's decision regarding provision of water to VWC will be key to the ultimate conclusion of the current situation as a pipeline from the City of Franklin would provide a permanent alternate source of drinking water for VWC customers.

Aqua is developing a recommended capital plan for the VWC system and will provide recommendations on capital improvements in a subsequent status report.[6] Along with the capital plan Aqua will be providing a breakdown of costs incurred during the Receivership in a future status report.

Since the First Status Report, Aqua received one Notice of Violation ("NOV") regarding payment of the Chapter 302 Operator Certification Service Fee, included as **Attachment A**. However, this NOV was due to a timing issue of payment arriving during the holidays and when the list of NOVs was generated. This NOV has been resolved with DEP.

Aqua was informed by the Rhodes family that they intended to cease providing operations service to the remaining systems owned by the Blaine Edwin Rhodes Estate ("Rhodes Utilities") effective December 31, 2023.[7] Aqua was subsequently informed that the Rhodes family intended to continue its current operations until a resolution can be reached. On January 3, 2024, the Commission's Bureau of Investigation and Enforcement ("I&E") filed a Petition requesting the

[6] Id. Ordering Paragraph 4, Appendix A Paragraph 1.c.

[7] In addition to VWC, systems owned by the Blaine Edwin Rhodes Estate include Sugarcreek Water Company, West Hickory Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company, and Blaine E. Rhodes Sewer Company.

Commission open a 529 proceeding regarding the Rhodes Utilities.[8] Aqua is currently reviewing I&E's petition.

As Aqua continues to operate the VWC system to ensure compliance with the Receivership Order, Aqua will make improvements necessary to provide quality and reliable service. Aqua will have further information on operational issues in later reports.

C. CONCLUSION

Aqua will continue to investigate the system's operations and financial status and will make necessary improvements to operate the VWC system to ensure quality service to the VWC customers for the period of its Receivership duties during the 529 proceeding. Aqua will provide an update to this Status Report on or before April 8, 2024.

[8] See *Pa. Pub. Util. Comm'n v. The Blane Edwin Rhodes Estate*, Docket Nos. P-2024-3045205 and I-2024-_____ (Jan. 3, 2024).

ATTACHMENT A

pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

January 4, 2024

NOTICE OF VIOLATION

VENANGO WATER CO
PO BOX 397
RENO PA 16343-0397

Dear Permittee:

On July 1, 2023, the Department of Environmental Protection (DEP) issued an Available Operator Report (AOR) for completion, and an invoice for payment of Chapter 302 Water and Wastewater Operator Certification Program annual service fees under the authority of 25 Pa. Code §302.1202(b) and §302.202. The details of this invoice are as follows:

Permittee Name:	VENANGO WATER CO
Facility Name:	VENANGO WATER CO
Permit No.:	6610014
Account No.:	739628
Amount Due:	$100
Due Date:	August 31, 2023

Additionally, in October 2023, DEP issued email notice to systems who had not paid the annual fee and provided an extension to the due date. **As of the date of this letter, the Chapter 302 Operator Certification Service Fee has not been paid.** We remind you that failure to pay the annual fee in full and/or failure to submit the AOR constitutes violations of 25 Pa. Code §302.202(c) and 302.1202(b), respectively, and subjects the permittee named above to enforcement action under the Water and Wastewater Systems Operators' Certification Act, 63 P.S. § 1014(c). The Act provides for up to $1,000 per day in civil penalties and up to $1,000 per day in summary criminal penalties for each violation. Each day of continued violation constitutes a separate offense. Continued failure to submit the fee will require an interest payment when the next annual fee invoice is transmitted. Other actions may be pursued such as revocation of your permit and/or referral to the Office of the Attorney General. You should also be aware that this violation is a matter of public record and may be found on DEP's website at www.dep.pa.gov/DATA AND TOOLS/EFACTS.

Please submit the AOR and provide payment within **15 days** from the date of this letter. Otherwise, DEP may use any, and all, enforcement procedures, penalties and remedies afforded under the Water and Wastewater Systems Operators' Certification Act to compel compliance. Checks should be made payable to the "Commonwealth of Pennsylvania." Please include your permit number with all correspondence. The AOR and payment should be mailed to the following address:

ATTN: Chapter 302 Annual Service Fee
PA Department of Environmental Protection
P.O. Box 8467
Harrisburg, PA 17105-8467

This Notice of Violation is neither an order nor any other final action of the Department. It neither imposes nor waives any enforcement action available to the Department under any of its statutes. If the Department determines that an enforcement action is appropriate, you will be notified of the action.

If you have any questions about this notice, you have already submitted the AOR and payment, or would like a re-print of the AOR and Invoice please contact me at lorweaver@pa.gov or 717.772.4056.

Sincerely,

Lori L. Weaver

Lori L. Weaver
Water Program Specialist
Operator Certification Water and Wastewater

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Venango Water Company – Ex Parte	:	
Emergency Order Naming Aqua	:	**Docket No. M-2023-3042180**
Pennsylvania, Inc. as Receiver	:	
	:	
Section 529 Investigation of Venango	:	**Docket No. I-2023-3042312**
Water Company	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this 9th day of January 2024 served a true and correct copy of the foregoing document upon the persons and in the manner indicated below:

VIA ELECTRONIC MAIL

Carrie B. Wright, Prosecutor
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17120
carwright@pa.gov

NazAarah Sabree, Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101
ra-sba@pa.gov

Christine Maloni Hoover, Esq.
Deputy Consumer Advocate
Christopher M. Andreoli, Esq.
Assistant Consumer Advocate
Aron J. Beatty, Esq.
Senior Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101
choover@paoca.org
candreoli@paoca.org
abeatty@paoca.org

Paul Diskin, Director
Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120
pdiskin@pa.gov

VIA ELECTRONIC MAIL AND U.S. MAIL

Randall L. Rhodes, Secretary
Venango Water Company
P.O. Box 397
Reno, PA 16343
vwc-rlr@pa.rr.com

Alexander R. Stahl

Dated: January 9, 2024

Attachment TMD-3

SAUL EWING
LLP

Courtney L. Schultz
Phone: (215) 972-7717
Fax: (215) 972-1839
Courtney.Schultz@saul.com
www.saul.com

April 8, 2024

Via E-File
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105

Re: Aqua Pennsylvania Inc., as Receiver for Venango Water Company ("VWC")
Section 529 Investigation of VWC
Section 529 Investigation of Rhodes Utilities
Docket Nos. M-2023-3042180, I-2023-3042312, and P-2024-3045205

Dear Secretary Chiavetta:

On behalf of Aqua Pennsylvania, Inc. ("Aqua"), in connection with the above-referenced matters, enclosed is Aqua's Third Status Report for VWC for filing. Please contact me if anything further is required.

Thank you for your attention to this matter.

Respectfully submitted,

Courtney L. Schultz

cc: All Parties per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Venango Water Company – Ex Parte Emergency Order Naming Aqua Pennsylvania, Inc. as Receiver	:	M-2023-3042180
Section 529 Investigation of Venango Water Company	:	I-2023-3042312
Section 529 Investigation of Sugarcreek Water Company, West Hickory Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company and Blaine E. Rhodes Sewer Company	:	P-2024-3045205

CERTIFICATE OF SERVICE

I, Courtney L. Schultz, Esquire, hereby certify that I am on this day serving copies of Aqua's Third Status Report for Venango Water Company, upon the participants listed below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant):

The Honorable Mark A. Hoyer
Deputy Chief Administrative Law Judge
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
mhoyer@pa.gov
mswarner@pa.gov

Carrie B. Wright, Prosecutor
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
carwright@pa.gov

Christy M. Appleby
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
CAppleby@paoca.org

Randall L. Rhodes
Venango Water Company
P.O. Box 397
Reno, PA 16343
vwc-rlr@pa.rr.com

NazAarah Sabree
Rebecca Lyttle
Office of Small Business Advocate
555Walnut Street
Forum Place, 1st Floor
Harrisburg, PA 17101
ra-sba@pa.gov ; relyttle@pa.gov

Alexander Stahl, Esq.
Aqua Pennsylvania, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010
astahl@aquaamerica.com

Dated: April 8, 2024

Courtney L. Schultz

By:_____
Courtney L. Schultz, Esquire
PA Bar No.: 306479

THIRD STATUS REPORT TO THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

VENANGO WATER COMPANY

AQUA PENNSYLVANIA, INC., AS RECEIVER

DOCKET NO. M-2023-3042180

DOCKET NO. I-2023-3042312

DOCKET NO. P-2024-3045205

Dated: April 8, 2024

A. BACKGROUND

On August 11, 2023, the Pennsylvania Public Utility Commission ("PUC" or the "Commission") issued an Ex Parte Emergency Order at Docket No. M-2023-3042180 ("Receivership Order") naming Aqua Pennsylvania, Inc. ("Aqua" or the "Company") as Receiver for the Venango Water Company ("VWC").[1] The VWC system serves approximately 215 customers and is comprised of two spring sources (Bellows and Shaffer Springs), one storage tank, and approximately 7 miles of mains. The Receivership Order was ratified by the Commission through its Ratification Order entered on August 24, 2023.[2] Aqua was directed to assume its Receivership role on August 12, 2023. Included within the Commission's Receivership Order, the Company was directed to "[s]ubmit an initial status report to the Commission within 60 days of assuming operations and then quarterly thereafter to detail any relevant updates pursuant to duties and responsibilities assigned through receivership."[3] Aqua submitted its Initial Status Report on October 11, 2023. Aqua submitted its Second Status Report on January 9, 2024

Aqua now submits its Third Status Report ("Status Report") on the operations of VWC as directed by the Commission.

B. THIRD STATUS REPORT

1. Financial

The Receivership Order directed Aqua to establish the financial position of VWC at the time Aqua assumed its Receivership role.[4] Aqua is working to establish the financial position of VWC as of the start of Aqua's Receivership, however, Aqua does not have access to all financial records of VWC. VWC has previously submitted Class C Annual Reports to the Commission which includes financial and operational data, the most recent of which was submitted on June 30, 2023 and available on the Commission's website.[5] Aqua will continue to track expenses and capital improvements related to the VWC system through deferred accounting treatment via establishment of a regulatory asset in accordance with Aqua's Receivership duties.[6]

Aqua and the Pennsylvania Infrastructure Investment Authority ("PENNVEST") have discussed funding opportunities for construction of a pipeline that would deliver finished water from the City of Franklin, Venango County, construction of a new water storage tank and other ancillary system components. PENNVEST provided options for this project including an Aqua loan, a Venango loan or a White Knight Program loan. PENNVEST indicated that a grant would not likely be offered due to the higher median income of Sugar Creek Borough. The White Knight program would afford an opportunity for low-interest loan, but Aqua would have to commit at least $650,000 and Aqua would have to produce a letter of intent to own the VWC's assets.

[1] In re: Venango Water Company, Docket No. M-2023-3042180, Ex Parte Emergency Order, Ordering Paragraph No. 4 (August 11, 2023) (hereinafter "Receivership Order").
[2] Id., Order (August 24, 2023).
[3] Id. Ordering Paragraph No. 4, Appendix A Paragraph 1.o.
[4] Id. Ordering Paragraph 4, Appendix A Paragraph 1.r.
[5] See https://www.puc.pa.gov/pcdocs/1791853.pdf.
[6] Receivership Order, Ordering Paragraph 4, Appendix A Paragraphs 1.s and 2.b.

Ownership of the VWC system will ultimately be determined by the Commission through this Venango 529 Proceeding.

2. Operations and Capital Expenditures

On August 12, 2023, Aqua began its Receivership duties for the VWC system. Since the Second Status Report, Aqua has completed the following improvements to the VWC system:

i. Aqua located the transmission mains from both the Shaffer Spring and the Bellows Spring to the respective well stations. The location of the transmission lines was previously unknown.

ii. Aqua has ceased hauling water during the winter months as the Shaffer Spring was able to supply enough water for customer consumption.

iii. Electrical upgrades were made to the Shaffer Spring Station bringing the building up to electrical code, including installation of a new 200-amp service, 120/240-volt single phase overhead service, new receptacles, and lighting.

iv. A portable generator with extended fuel tank was purchased for the Shaffer Spring disinfection system. This will allow chlorine disinfection in the event of a power outage.

v. The soda ash chemical injection quill, feed lines, and chemical feeder were replaced when the existing chemical feed pump failed. A broken isolation valve in the Shaffer Spring treatment plant was replaced.

In November 2023, Aqua met with the City of Franklin's Council to discuss options concerning a bulk water agreement. The City Council indicated it would make a decision on availability of water and present its terms after January 1, 2024. Aqua is currently negotiating a water supply agreement with the City of Franklin; however, if terms cannot be reached Aqua will evaluate developing a new well in the Reno area.

Aqua is developing a recommended capital plan for the VWC system and will provide recommendations on capital improvements in a subsequent status report, which will be dependent on whether a new well or an interconnection with the City of Franklin is determined to be the source of supply for the VWC system going forward.[7] Also in a future status report, along with the capital plan, Aqua will be providing a breakdown of costs incurred during the Receivership.

Aqua has not received any notices of violation since the last status report.

[7] Id. Ordering Paragraph 4, Appendix A Paragraph 1.c.

3. Other Proceedings

Aqua was informed by the Rhodes family that they intended to cease providing operations service to the remaining systems owned by the Blaine Edwin Rhodes Estate ("Rhodes Utilities") effective December 31, 2023.[8] Aqua was subsequently informed that the Rhodes family intended to continue its current operations until a resolution can be reached. On January 3, 2024, the Commission's Bureau of Investigation and Enforcement ("I&E") filed a Petition requesting the Commission open a 529 proceeding regarding the Rhodes Utilities.[9] On February 15, 2024, I&E filed a Petition to Consolidate the Venango 529 Proceeding with the Rhodes Utilities 529 Proceeding. On March 20, 2024, Administrative Law Judge ("ALJ") Mark J. Hoyer issued the First Interim Order Amending Caption and Consolidating the Section 529 Investigations Of Venango Water Company, Sugar Creek Water Company, West Hickory Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company, And Blane E. Rhodes Sewer Company, And Ordering Notice To Be Provided To All Customers Of These Utilities Of The Initiation Of A Section 529 Investigation Proceeding In The Same Manner As A Proposed General Rate Increase And Ordering These Utilities To Preserve Records.[10] ALJ Hoyer's First Interim Order consolidated the Venango 529 Proceeding and the Rhodes Utilities 529 Proceeding.

In accordance with the First Interim Order, Aqua provided notice of the Venango 529 Proceeding and the Rhodes Utilities 529 Proceeding in VWC customer bills that were sent on March 29, 2024, a copy of which is included in this Status Report as **Attachment A**.

C. CONCLUSION

Aqua will continue to investigate the VWC system's operations and financial status and will make necessary improvements to operate the VWC system to ensure quality service to the VWC customers for the period of its Receivership duties during the 529 proceeding. Aqua will provide an update to this Status Report on or before July 8, 2024.

[8] In addition to VWC, systems owned by the Blaine Edwin Rhodes Estate include Sugarcreek Water Company, West Hickory Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company, and Blaine E. Rhodes Sewer Company.

[9] See *Pa. Pub. Util. Comm'n v. The Blane Edwin Rhodes Estate*, Docket No. P-2024-3045205 (Jan. 3, 2024) (hereinafter "Rhodes Utilities 529 Proceeding").

[10] Venango Water Company – Ex Parte Emergency Order Naming Aqua Pennsylvania, Inc. as Receiver; Section 529 Investigation of Venango Water Company; Section 529 Investigation of Sugarcreek Water company, West Hickory Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company and Blaine E. Rhodes Sewer Company, Docket Nos. M-2023-3042180, I-2023-3042312, and P-2024-3045205 (March 20, 2024). (hereinafter "First Interim Order").

ATTACHMENT A

NOTICE OF SECTION 529 PROCEEDINGS

To Venango Water Company Customers:

The Section 529 Proceedings

Venango Water Company ("VWC") is your water service provider. By Ex Parte Emergency Order entered on August 11, 2023, the Pennsylvania Public Utility Commission ("PUC") named Aqua Pennsylvania, Inc. ("Aqua") as Receiver for the VWC system during the pendency of the investigation instituted under Section 529 of the Public Utility Code, 66 Pa. C.S. § 529 ("VWC 529 Proceeding"). The Docket Numbers for the VWC Proceeding are M-2023-3042180 and I-2023-3042312. Aqua has been operating the VWC system as Receiver since August 12, 2023. Through the VWC 529 Proceeding the PUC will determine whether a capable public utility should acquire VWC.

In addition to the VWC 529 Proceeding, a second Section 529 proceeding has been opened regarding six other utilities under common ownership with VWC – Section 529 Investigation of Sugarcreek Water Company, West Hickory Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company and Blaine E. Rhodes Sewer Company ("Rhodes Estate 529 Proceeding"). The Docket Number for the Rhodes Estate 529 Proceeding is P-2024-3045205. The Rhodes Estate 529 Proceeding has been consolidated with the VWC 529 Proceeding (together, referred to as the "Section 529 Proceedings").

Notice of the Section 529 Proceedings and Opportunity to Participate

As a customer of VWC, you are entitled to receive Notice of the Section 529 Proceedings and an opportunity to participate in them.

Actions You Can Take

You are not required to participate in the Section 529 Proceedings. The burden to prosecute the Section 529 Proceedings is with the PUC's Bureau of Investigation and Enforcement. Should you wish to participate, there are three ways to do so:

1. Sending a letter to the PUC. You can tell the PUC why you support or object to a capable public utility acquiring the subject system(s). This information can be helpful when the PUC investigates the issues. Send your letter, referencing the Docket Numbers M-2023-3042180, I-2023-3042312, and P-2024-3045205, to the Secretary's Bureau, Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, 2nd Floor, Room-N201, Harrisburg, PA 17120. You can also contact the Pennsylvania Office of Consumer Advocate ("OCA") with questions, concerns and comments. The OCA is an active party representing the interests of residential customers. The telephone number for the OCA is 717-783-5048 or toll-free 800-684-6560.

2. You can file a formal Petition to Intervene asking the PUC to allow you to be a party – the petition must state who you are, why you want to be a party, and what your specific concerns are. Petitions should include the Docket Numbers M-2023-3042180, I-2023-3042312, and P-2024-3045205, and be sent to the Secretary's Bureau, Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, 2nd Floor, Room-N201, Harrisburg, PA 17120.

3. You can attend or be a witness at a public input hearing, if one is held, where you will have the opportunity to present your views to the Administrative Law Judge and the parties. All testimony given "under oath" becomes part of the official case record. If no public input hearings are held, you still have the right to attend any hearings that are held in the case but will not be permitted to testify unless you have requested and been granted permission to intervene or are called by a party as a witness.

AQUA PENNSYLVANIA, INC., AS RECEIVER FOR
VENANGO WATER COMPANY

Dated: March 29, 2024

VISTATODAY
Positive, Upbeat Chester County News

Aqua Pennsylvania's Quick Action Makes for a Safer Schuylkill County

By Helen Harris

Published: 5:24 am EDT April 3, 2024 Updated: 11:39 am EDT April 2, 2024

Image via Aqua America.

Aqua replaced 37 non-functioning fire hydrants in Shenandoah Borough, West Mahanoy, and Butler Townships, enhancing public safety.

In a major step toward improving public safety for the people of Shenandoah Borough, West Mahanoy, and Butler Townships, Aqua Pennsylvania successfully replaced 37 inoperable fire hydrants less than six months after acquiring the water system from the Municipal Authority of the Borough of Shenandoah (MABS) in July 2023.

"Within the first three weeks of ownership, we identified nearly 25 percent of the fire hydrants protecting this community as inoperable. It became an immediate priority," said Aqua Pennsylvania President Marc Lucca. "Our work on fire hydrants marks a real improvement that people can see, and rest assured knowing they will operate when required. We're proud to serve this community and our partnership with emergency responders who put their lives on the line when responding to fire emergencies."

Shenandoah Borough officials praised Aqua's quick work in fixing this serious problem.

"I'm pleased with the progress being made, especially with addressing the issue of the inoperable hydrants, with the safety of the residents being paramount in the town," said Shenandoah Borough Manager Tony Sajone. "Since the onset, the Borough has had a very good working relationship with Aqua, which is instrumental in facing the many challenges that the future will bring in updating the current infrastructure system."

Learn more about Aqua and how, for over 135 years, it's protected and provided water. Aqua provides water and wastewater services to more than three million people in eight states, and that number continues to grow.

Featured Shenandoah

Aqua replaces 37 inoperable fire hydrants so far in Shenandoah area

SHENANDOAH – Just under six months after they took control of Shenandoah's water system, Aqua Pennsylvania has replaced 37 inoperable hydrants, the Bryn Mawr-based company said in an update Tuesday.

The private water company's $12 Million purchase of the Municipal Authority of the Borough of Shenandoah closed in late July.

"Within the first 3 weeks of ownership we identified nearly 25% of the fire hydrants protecting this community to be inoperable. It became an immediate priority," said Aqua President Marc Lucca in a media release. "Our work on fire hydrants marks a real improvement that people can see, and rest assured knowing they will operate when required. We're proud to serve this community and our partnership with emergency responders who put their lives on the line when responding to fire emergencies."

As of Tuesday, 37 hydrants had been replaced. Aqua initially said 45 hydrants were inoperable in August, and more were bagged later.

Some were replaced that month, including some that had been missing for years.

The latest wave of replacements began in December.

"I'm pleased with the progress being made, especially with addressing the issue of the inoperable hydrants, with the safety of the residents being of paramount importance in the town," said Borough Manager Tony Sajone."Since the onset, the Borough has had a very good working relationship with Aqua, which is instrumental in facing the many challenges that the future will bring in updating the current infrastructure system."

Thirteen fire hydrants, Aqua said, were "deemed as either unnecessary or poorly located" and are not being replaced.

The MABS system covers Shenandoah borough, the northern half of West Mahanoy Township including Shenandoah Heights, Raven Run, William Penn, and Lost Creek, as well as the villages of Connerton and Rappahannock in Butler Township and several houses on Mahanoy Avenue in Girardville.

The Shenandoah Sentinel
Upper Schuylkill County's Community Connection

Aqua contractor begins replacement of more hydrants

December 20, 2023 The Shenandoah Sentinel

KAYLEE LINDENMUTH / SHENANDOAH SENTINEL - The worksite at Chester and West Streets in Shenandoah where a contractor was replacing a fire hydrant on Dec. 20, 2023.

SHENANDOAH – The next round of fire hydrant replacements have begun in Shenandoah.

Dan Shingara Enterprises, Irish Valley, was at work replacing hydrants at Poplar and Jardin and at Chester and West Streets on the south side of town.

They are contracted by Aqua Pennsylvania, the new owners of Shenandoah's water system, who had previously said a quarter of the hydrants in the system were inoperable.

As more hydrants are bagged, Aqua provides update

SHENANDOAH – Some more fire hydrants in Shenandoah and the William Penn/Lost Creek area are now bagged and Aqua Pennsylvania says most of them will be replaced in the next few months.

The Sentinel sought an update this week from the Montgomery County-based company that purchased the Municipal Authority of the Borough of Shenandoah after fresh bags were placed on hydrants downtown and in the township.

They previously had said about a quarter of the hydrants in the MABS were inoperable and many were bagged in August, with some being replaced at that time.

At that time, Aqua called the evaluation of its hydrants "an important first step… to make sure they offer fire protection, and to start the repair or replacement process for hydrants that aren't working."

An Aqua spokesperson told *the Sentinel* Tuesday, "Most of the hydrants currently bagged will be replaced within the next few months, including some unbagged hydrants that are otherwise operable but have other maintenance issues."

"The industry standard for minimum water main sizes required to support fire hydrants is 6". However, there are bagged hydrants (and some unbagged) are located on mains less than 6"," they continued. "This group of hydrants may not be replaced and will be removed if they cannot be connected to a larger nearby main and/or cannot provide adequate fire flow as determined by our engineering team."

REPUBLICAN HERALD

Aqua replacing, repairing 45 fire hydrants deemed ‘inoperable' in Shenandoah water system

By Hyun Soo Lee Staff Writer
Aug 16, 2023

1 of 5

A “Not In Service” bag covers a fire hydrant Monday at East Coal and North Bower streets in Shenandoah.
JACQUELINE DORMER /
STAFF PHOTOGRAPHER

SHENANDOAH — Nearly a quarter of the fire hydrants in and near Shenandoah have been deemed inoperable by Aqua Pennsylvania Inc., which has taken over the borough water system.

The Bryn Mawr-based water company said it conducted an evaluation and found that 45 of 195 hydrants in the system, or 23%, are out of service.

Aqua is working on replacing and repairing the hydrants, some of which have been covered over with bags that say "Not in Service" on them.

On July 24, Aqua officially completed its purchase of the Municipal Authority of the Borough of Shenandoah, serving about 3,000 customers throughout Shenandoah, much of West Mahanoy Twp. and a small part of Butler Twp.

In a recent news release, the company said an important first step was to evaluate all hydrants to "make sure they offer fire protection" and to start the repairs or replacements of hydrants that aren't working.

Aqua has notified local fire departments of its plans and is working closely with them through the process, the company said.

"We got right to work when we began operating MABS last month, including our fire hydrant inspection, which supports fire protection and improves system reliability and operations," Aqua President Marc Lucca said in the release. "This is an important first step as we begin to make the necessary improvements to the community's water infrastructure."

The company recently installed a few new hydrants, including one on Monday outside Oravitz Home for Funerals Inc. at 40 N. Jardin St.

Owner Stephen F. Oravitz said there had not been a hydrant at that location for two years, as the previous one had been removed due to a slow leak.

"Instead of repairing the hydrant, they (MABS) just shut it off and took it out, so we didn't have anything there for about two years," he said.

The new hydrant is from Mueller Co. in Albertville, Alabama.

Oravitz said the new repairs and replacements will help boost safety across town in the event of fires.

"The workers there from Aqua seemed very knowledgeable and courteous, and they cleaned up nicely when they were done," he said.

In November 2020, the Shenandoah Borough Council approved the sale of MABS to Aqua for about $12 million.

The Pennsylvania Public Utility Commission approved the sale July 13, allowing Aqua to take over the assets later that month.

Upon closing of the sale, the borough paid off MABS' outstanding debt of $5.3 million and received the net balance of $6.7 million for its own uses.

Tony Sajone, borough manager, said the borough has not decided how it will spend the money but that it will hold public input meetings to discuss options.

Aqua plans to invest $23 million in upgrades to Shenandoah's water system over the next 10 years, including $10 million for water main replacements.

The company will also launch a water meter replacement and installation program to help address water loss, which has been estimated at 60%.

Aqua currently serves approximately 1.5 million customers in 32 counties throughout Pennsylvania. For more information, visit AquaWater.com.

Attempts to contact Shenandoah Fire Chief Rick Examitas and other fire personnel for more information on the hydrant repairs were unsuccessful.

PA Chamber® of Business and Industry

IN QUICK RESPONSE TO HURRICANE IDA, AQUA PA HELPS PA RESIDENTS WEATHER THE STORM

AQUA
An Essential Utilities Company

This month marks six months since Hurricane Ida rolled through southeastern Pennsylvania, bringing record rainfall and damaging flooding to areas of southeastern PA – including the Pickering West Water Treatment Plant, Aqua Pennsylvania's largest suburban Philadelphia treatment facility. At Aqua, we are committed to delivering safe and reliable drinking water for all, and this event highlighted just how critical that commitment truly is.

For perspective on just how powerful the storm was, 20 percent of the annual rainfall normally expected fell in a six-hour-period. This hurricane brought historic and catastrophic flooding – you may recall that astonishing image of Philadelphia's Vine Street Expressway completely underwater. The flooding inundated and damaged most of the treatment plant's infrastructure, which normally delivers 30 million gallons per day to approximately 1 million people in three counties. For nine days, our team managed the recovery of the plant by altering its operations so we could provide water to the service area, and deal with related storm aftermath at our other nearby water treatment facilities.

We were forced to implement a boil water advisory in two towns and issue a voluntary request for water conservation while we modified the distribution of water from other plants. Immediately after floodwaters receded, a team of employees and contractors worked around the clock to optimize production at our other plants and ensure service continued without interruption. Throughout this entire time, our number one priority was to provide service to our customers – safe, reliable access to a critical resource they need to live and work.

While we are not immune to floods that can happen annually, our team puts various plans in place to ensure our services remain dependable and accessible for all. We recognize the importance of having actionable natural disaster plans in place to help mitigate some of the potential effects of this hurricane and future storms.

One of the main reasons we avoided a large-scale boil water advisory and were able to keep the water flowing was due to the many sources of drinking water and robust distribution infrastructure throughout southeastern Pennsylvania, allowing us to reroute the water supply to compensate for the loss. In addition, the quick thinking, response, and guidance of our dedicated Aqua crew members prevented the problem from worsening and affecting our customers for a longer duration.

Additional tactics that helped us remain strong and continue water flow was a combination of media, social and digital outreach, customer specific email and text alerts, and focused, strategic communication that proved effective. Aqua was able to fully saturate all available media channels to reach a significant number of people in a short period of time – the storm came in fast, and we reacted swiftly and efficiently. Our conservation messaging resulted in a customer response driving a measurable reduction in water consumption, affording us time to redirect water flow and help us avoid a larger scale issue.

Through the heroic efforts of our people, and the benefit of years of infrastructure investment throughout our system, Aqua was able to restore the operation of the plant from total outage in 9 days while sustaining service. Our plan is to employ corrective actions from this experience as we invest in operational strategies and infrastructure to ensure fast recovery and resilience from future circumstances. As a large water company with the available resources to endure these seemingly more frequent events, our customers should rest easy knowing that they have a water company serving them that can “weather the storm.”

Marc A. Lucca is President of Aqua Pennsylvania, Inc.

Aqua Pennsylvania serves approximately 1.5 million people in 32 counties throughout the Commonwealth of Pennsylvania. Visit AquaAmerica.com, or follow Aqua on Facebook at facebook.com/MyAquaAmerica and on Twitter at @MyAquaAmerica.

The Philadelphia Inquirer

Aqua Pennsylvania to customers: Go ahead and open the taps

The water company ended its request to reduce nonessential water, put in place after the remnants of Hurricane Ida on Sept. 1 knocked out its largest treatment plant.

Aqua Pennsylvania customers can go ahead and open the taps: The water company on Thursday ended its request to reduce nonessential water use that was put in place after the remnants of Hurricane Ida on Sept. 1 knocked out its largest treatment plant.

The Bryn Mawr water company owned by Essential Utilities Inc. said that it has recovered sufficient storage on its suburban water system to rescind its request for customers to conserve. "As we return to normal routines, let's enjoy this essential resource, but not be wasteful," Marc Lucca, president of Aqua Pennsylvania, said in a statement.

Record water levels breached the flood walls of Aqua's Pickering West treatment plant in Schuylkill Township, near Phoenixville, inundating the plant that supplies up to 40% of the drinking water for Aqua's suburban customers in Chester, Montgomery, Delaware, and Bucks Counties.

The company was able to maintain supply to most of its customers by ramping up production at other treatment plants located throughout its system.

But water pressure fell in some locations and Aqua last week advised customers in East Whiteland and Charlestown Townships to boil water. It rescinded the boil water alert on Sept. 10, but still asked customers to conserve until that request was lifted on Thursday.

Aqua has 372,000 water customers in Chester, Delaware, Montgomery, and Bucks Counties and serves an estimated population of about 1 million in Philadelphia's collar counties.

DELCO.TODAY
Positive, Upbeat Delaware County News

Aqua Ends Request for Southeastern Pennsylvania Customers to Conserve Water in Ida's Aftermath

By Mark Hostutler

Published: 5:16 am EDT September 17, 2021 Updated: 10:07 pm EDT September 16, 2021

Image via Aqua.

Aqua Pennsylvania has ended its request that customers reduce nonessential water use to aid the recovery of normal water supply in the utility's southeastern Pennsylvania service area.

On Sept. 10, Aqua announced the recovery of partial operations at its Pickering West water treatment plant, which was heavily damaged by the devastating floods caused by remnants of Hurricane Ida. This recovery, along with customer conservation efforts, helped the utility bring drinking water supply for Chester, Delaware, Montgomery, and Bucks counties back to normal operation levels.

Marc Lucca, president of Aqua Pennsylvania, thanked customers who answered his call for water conservation.

"From everyone at Aqua, I thank all our customers in southeastern Pennsylvania for their support and cooperation," said Lucca. "With your help, we have recovered distribution system water storage to within normal levels and are able to end our earlier request. Aqua customers can now resume normal water use."

Lucca said the devastating effects of the storm emphasized the critical importance of access to safe drinking water.

"As we return to normal routines, let's enjoy this essential resource, but not be wasteful," he said.

The Pickering West water treatment plant normally provides up to 40 percent of Aqua's drinking water supply to its southeastern Pennsylvania service area. Aqua's many sources of drinking water and robust water distribution infrastructure throughout the four-county system allowed for rerouting of water supply to compensate for the loss.

Aqua Pennsylvania serves approximately 1.5 million people in 32 counties throughout the Commonwealth of Pennsylvania. Visit AquaAmerica.com for more information or follow Aqua on Facebook at facebook.com/MyAquaAmerica and on Twitter at @MyAquaAmerica.

Philadelphia suburbs on the long road to recovery after Ida

Jim Melwert September 7, 20214:46 pm

Historic flooding from the Schuylkill River completely damaged Aqua's 1-million-gallon clear-well tank that stored treated drinking water prior to it being pumped from the plant to customers' homes and businesses. *Photo credit Aqua Pennsylvania*normal

PHILADELPHIA (KYW Newsradio) — Five days since Ida bulldozed the region, there are still significant complications across the Philadelphia suburbs.

Aqua Pennsylvania had to shut down its Pickering East and West water treatment plants due to the flooding. President Marc Lucca said those plants provide up to 40% of their daily water supply for customers in Bucks, Montgomery, Chester, and Delaware counties.

"I've been in this business for 30 years," he said. "I've seen a lot of storm damage. I've worked in different parts of the country. I have never seen anything like it."

Lucca said they have other treatment plants and wells, but with the loss of one of their major suppliers, they need customers across the system to continue to chip in to make sure everyone has water. Simple steps like turning off sprinklers, not watering the lawn or washing the car, or only running the washing machine or dishwasher with a full load.

Historic flooding at Aqua's Pickering West water treatment plant damaged the facility's key automated control instrumentation. An Aqua employee points out the high-level water mark. *Photo credit Aqua Pennsylvania*normal

The control room where operators monitored plant operations was destroyed. *Photo credit Aqua Pennsylvania*normal

A large tree limb was among the debris found in the filter room. *Photo credit Aqua Pennsylvania*normal

In Upper Dublin, the township building, police department, an elementary school and the high school were all damaged by a tornado. Upper Dublin School District Superintendent Steve Yanni said while parts of the district were hit hard, others have little to no damage. Regardless, the community is mobilizing as one.

"The community's been really great. I think the people that were unaffected realize how lucky they were and are grateful they weren't affected," he said.

At least the silver lining to the coronavirus pandemic, Yanni said, is they are already set up to do virtual classes for students in storm-affected schools.

The district is also working to accommodate families who don't have power or need a place for their kids to go during the day.

Damage assessment teams are out across Montgomery County surveying the harder-hit areas.

WATERSHED

Philly officials say the water is safe. How do we know that?

More than 100 samples of water have been taken in 12 locations in the river, outside the plant, and in the raw water storage basin.

Aqua Lab Director Alicia Beauchamp tests water samples from the March 25 Delaware River chemical spill at the company's Bryn Mawr headquarters. (Courtesy of Aqua Water)

On Tuesday evening, the city of Philadelphia gave its residents the all clear to drink their tap water, after more than an estimated 8,000 gallons of a water-based latex finishing solution spilled from the Trinseo Altuglas plant in Bristol, Pa. into the Delaware River late Friday night.

Much of the chemical mixture settled in a containment pond, but rainfall contributed to the milky white liquid spilling into the stormwater system, and eventually the Delaware River. By early Sunday evening, the discharge had halted. Clean up continues at the site, but any danger to drinking water systems has passed.

WHYY spoke to a number of experts to find out how these spills are handled, how the water is tested, and why it's safe to drink.

What chemicals were spilled into the Delaware River?

The chemicals included:

- butyl acrylate: a clear, flammable liquid used in the manufacture of resins, sealants and paint formulations. It's one of the chemicals that was released during the East Palestine, Ohio. train derailment.
- ethyl acrylate: a colorless liquid used in the production of acrylic resins, water-based latex paints, plastics, and rubber.
- methyl methacrylate: a colorless flammable liquid used to make plastics, resins, paints, and coatings.

Trinseo, the company responsible for the spill, only provided the brand name of the product for the first 13 hours of the spill, according to the Philadelphia Water Department, making it impossible to test for specific chemicals at that time. The chemical components were not provided until about 1:30 p.m. on Saturday.

How was contamination prevented in Philadelphia?

The Baxter water treatment plant is the only one of the city's three plants connected to water from the Delaware River. The Philadelphia Water Department shut intakes to the Baxter water treatment plant as a precaution. The plant had stored enough clean water prior to the spill that it could send to residents' taps.

How was the water monitored?

More than a hundred samples of water have been taken in 12 locations in the river, outside the plant, and in the raw water storage basin.

Scientists used gas chromatography and mass spectrometry to test for the chemicals. This is an analytical technique that allows scientists to separate components of a complex mixture — such as the various components in water — and analyze them to get information about the structure of those components, and how much of it is present.

The standard technique has been around for about 50 years, and is commonly used for trace analysis of environmental water samples.

Environmental analytical chemist Chuck Powley of PFAS Solutions in Delaware said the technology is very reliable, and that the three chemicals of concern are compatible with this technique.

"These are very common chemicals. They've been around for quite a while, and there are standard EPA methods for analyzing them in water," he said.

The method can detect chemicals to single parts per billion.

"You can think of that in terms of, if you have a billion dollars, and you gave someone $1, the amount that person has is one part per billion," said Jon Scaffidi, an administrative scientist at the Philadelphia Water Department's Bureau of Laboratory Services, during a press conference Tuesday.

Following the Friday chemical spill, Aqua, which supplies water to eight states and has a site in Bristol, tested samples day and night for 63 kinds of chemicals.

The company was already prepared to test for butyl acrylate, because it serves water in Ohio, where the train derailment took place. Even though Aqua doesn't regularly test for the other two chemicals, it had the technology in place to do so, said Christopher Crockett, vice president and chief environmental, safety, & sustainability officer of essential utilities.

It's a complicated process, however.

"Most people think this testing is like the CSI Miami montage, where you go and they play a song, and next thing you know, they have all the test results back," Crockett said. "But, you have to process it, set it up, and then it takes about an hour to run … you're taking a couple dozen or so samples at a time … And basically you're waiting for the machine to run to get the results."

Scientists also must review the data to make sure no errors were made.

The Philadelphia Water Department also utilized three additional private labs to help with testing, a spokesperson for the department said.

"This was important to maximize turn-around time of results," he said in an email. "Finding specialized labs that can test for these chemicals at the parts-per-billion level absolutely added to the challenges of the spill response."

Computer modeling also predicted the path of the spill and how long the chemical compound would take to work its way down the Delaware River. Crockett likens it to dumping a bunch of rubber ducks in the water.

"It would basically simulate how those rubber ducks would move down through the Delaware River, and when those rubber ducks would get to different places and where they were going," he said.

Because the Delaware River is tidal, the path is a bit tricky.

"When you dump the ducks in, they might go downstream 10 miles, but then they might come back up 8 miles with the tide," he said. "After 24 hours, they've only moved 2 miles downstream, net. So it's kind of like three steps forward, one step back. The computer basically simulates exactly that sloshing back and forth, and how long it will take for something to move its way down through there."

What do tests finally show?

The three chemicals were never found in the water. Testing in the river demonstrated that as the contaminated water diluted and traveled down the river, the risk to the drinking water system passed. There is no longer the possibility of the chemicals entering the Baxter plant.

Crockett said the city was prepared to handle the situation because of what he likes to call "utility first responders."

"There are utility workers in the water industry that are constantly dealing with these issues so that [residents] don't have to think about it. So it doesn't have to become, 'Should I buy bottled water or not?'" he said. "There are probably a dozen or more of these types of events every year in the Delaware Valley … We have systems like the early warning system,and we have [standard operating procedures] … that we drill for like this so that when these things happen, everything works like it should have."

Was Philadelphia the only water system threatened by the spill?

No. Aqua Water has a plant in Bristol, but the company shut down the intake. Aqua recently reopened after ensuring no contaminants entered its system. New Jersey American Water has a plant in Delran, and they too reported that their testing showed no presence of the contaminants. Burlington, N.J. also has a plant right across the river from the spill site.

What agencies participated in responding to the spill?

The U.S. Coast Guard is the lead federal agency responding to the spill. Others include the EPA, the Pennsylvania Department of Environmental Protection, the New Jersey Department of Environmental Protection, and the Pennsylvania Fish and Boat Commission.

grid

What just happened? Making sense of Philly's tango with tainted water.

Let's rewind. This past Sunday afternoon, iPhone sirens blared and the following message flashed across the screen of hundreds of thousands of Philadelphians:

"*City of Phila recommends using bottled drinking water from 2PM 3/26/2023 until further notice for all Phila Water Department customers. Contaminants have not been found in the system at this time but this is out of caution due to a spill in the Delaware River.*"

What ensued were some of the scariest and most confusing few days in recent memory.

Worried citizens packed into big-box and grocery stores alike, buying up all the bottled water, moving on to the Gatorade and triggering international media attention. Over the next 48 hours, officials within the Kenney messaging seeking to reassure city residents, saying there was no sign of contamination in the city's water supply and moving back the timeline for when it could potentially arrive. Mostly, they were met with suspicion and scorn from all corners, including residents, media outlets and candidates seeking to replace Kenney in the mayor's office later this year.

Then, on Tuesday night, word came down that it was all over, just like that.

"*City declares water is safe, will not be impacted by spill*," the latest smartphone message asserted.

So ... what gives?

As a journalist who has sat in many tense rooms as communities grappled with tainted water supplies, here's what I saw, based on my reading of all available information and conversations with water experts.

Just after midnight on Saturday,

authorities say a pipe ruptured at a chemical plant called Trinseo Altuglas in Bristol, a little over eight miles up the Delaware River from Philadelphia's Baxter Water Treatment Plant, the city's largest. Reportedly, some 8,000 gallons of a trio of chemicals used in plastic production leaked into the nearby Otter Creek near its confluence with the Delaware.

Chris Crockett, a former deputy commissioner at the Philadelphia Water Department and now chief environmental and safety officer at suburban water provider Essential Utilities (aka Aqua Pennsylvania), told me that emergency response infrastructure quickly went into effect.

In 2005, the Philadelphia Water Department led the creation of the Delaware Valley Early Warning System, which is essentially a contamination alert system for drinking water utilities across the region. When a chemical spill or similar incident occurs, the system automatically models how and when it will move through the region's waterways and warns utilities with vulnerable water intakes.

The Pennsylvania Department of Environmental Protection (PADEP) confirmed to *Grid* that the event was categorized as "high risk," which generated both phone calls and emails to all potentially impacted water providers and also calculated "a time of travel to downriver intakes." Utilities were free to make their own decisions from there.

For Aqua Pennsylvania, their actions were a no-brainer, Crockett says. One of their intakes on the Delaware was located less than one-half mile upstream from the plant, making it vulnerable as the river's tidal action can push contaminants northward. Crockett says the company had flexibility to replace the water with other sources throughout its suburban network and leave the plant offline until it was sure the chemicals were gone.

In fact, Crockett said a spill of the

Altuglas magnitude isn't even that out of the ordinary. Every year brings many kinds of spills or accidents across the watershed. In 2004, nearly 300,000 gallons of oil spilled into the river in Paulsboro. The following year, 100 million gallons of toxic fly ash entered the upper watershed. In 2012, more than 20,000 gallons of vinyl chloride leaked into the river from New Jersey.

So what happened in Philadelphia this time around? By various accounts, after word of the spill went out, water department officials began reviewing models of how the chemical plume could move down the river, while also coordinating with agencies like the Environmental Protection Agency and U.S. Army Corps of Engineers on what actual testing of river water was showing.

The circumstances in the war room likely looked like this:

1. Altuglas claimed three chemicals had leaked. While each one comes with various health effects, toxics experts generally have said that none would be likely to seriously harm people at low levels, after being diluted by the robust Delawa River. But that wasn't certain, and i is also not unheard of for chemical companies to update the list of spilled chemicals after the fact to include something potentially more nefarious.
2. While modeling and testing the rive is useful, it is not foolproof. Chemicals can become caught up ir rocky outcrops and appear to dissipate only to reemerge later. Crockett, whose lab tested many of the samples taken over the past few days, echoed City officials in saying that all testing of river water and various intakes showed no detectable levels of the chemicals except at the epicenter of the spill. But, that does not create certainty that the chemicals were not still lurking somewhere in significant amounts and making their way toward the city's intake.
3. Scars remain fresh on the national psyche from the train derailment and chemical releases in East Palestine, Ohio, in early February. And the two incidents shared a common chemical: butyl acrylate, which the CDC says can "cause redness, tearing, and irritation of the eyes, runny nose, scratchy throat, difficult breathing, and redness and cracking of the skin."

Facing all these variables, in a Monday press conference, Mayor Kenney said the City's ultimate decision was to ensure that no amount whatsoever of the chemical spill reached the tap water of Philadelphians, by alerting the public and putting the Baxter plant on a minimum operating level. Thus, the City chose drastic action even as the chemical threat may well have been a phantom.

Again, speaking as someone who has been in rooms where public officials deny any public hazard exists even when it clearly does, I think the City's reaction could have been far worse. And by Tuesday, it appeared the authorities were convinced that the threat, to the extent there ever was one, had passed. In the end, all available evidence suggests Philadelphians were kept safe.

But that still leaves hard questions abou the City's communication strategy.

Somewhere, someone made the decision to push out the first mass-text alert on Sunday, triggering the start of panic. Officials with PADEP confirmed to *Grid* that the sending of such alerts was at the sole discretion of the city's officials. The calculus behind their decision and reasons for the specific wording used — "use bottled water until further notice" — are at this point unknown.

Next, the City's slow drip-drip of updates, keeping fresh the specter of maybe-soon-to-be-contaminated drinking water, might have been meant to reassure, but in many ways did the opposite.

Ultimately, a great amount of accountability should be placed on Trinseo Altuglas and environmental regulators. What failed, why and what will be done to prevent it — or something even worse at the next plant down the river — from happening in the future?

But in Philadelphia, the trials of the last few days suggest a deep need for City officials to take a hard look at their crisis communications playbook and perhaps do some cleanup of their own.

The Philadelphia Inquirer

NEWS

Philly drinking water deemed safe but chemical spill monitoring ongoing, officials say

The threat of contamination will pass by Thursday, according to city officials, but water testing will continue through next week.

Philadelphia officials say tap water from the Baxter treatment plant is safe to drink at least through 3:30 p.m. Tuesday as they continue to monitor the impact of a chemical spill from a plant upstream on the Delaware River.

So far, no contaminants related to Friday night's inadvertent discharge of 8,100 gallons of tainted water from the Trinseo plant in Bristol, Bucks County, have been detected at the Baxter water treatment facility, which supplies drinking water for more than half of the city.

Officials said at a briefing Monday that the threat of contamination should pass by Wednesday night or Thursday. The Philadelphia Water Department said it would continue testing drinking water into next week, though, to ensure the water is safe.

Randy Hayman, the department's commissioner and CEO, said tests have been conducted at 12 locations along the Delaware River, including just outside the Baxter plant.

"All the tests so far have been negative," Hayman said.

Mike Carroll, deputy managing director for the Office of Transportation, Infrastructure and Sustainability, said testing "has been going on around the clock and will continue." The latest test was at 4 p.m. Monday.

City officials say that residents can safely continue to use the water in their homes. "It is safe to drink and use tap water to cook with it, took brush your teeth, to bathe in," Caroll said.

The contaminants may not reach the city water supply, but if they do, officials said, they should have the capacity to treat the water, given that the chemicals would be highly diluted and pose a low risk.

If the city is unable to fully remediate any chemicals from the system, officials said they will have a plan to distribute water.

Anne Nadol, the city's commerce director, said restaurants and businesses should also have no fear of using tap water for now. She said officials hope to give another update Tuesday morning.

Officials are recommending that schools, day cares, and restaurants continue to operate.

"Let's be clear," said Mayor Jim Kenney. "The city has been monitoring this since it first occurred on Friday night. PWD has been active since the weekend, working with the U.S. Coast Guard. The Pennsylvania Department of Environmental Protection is constantly monitoring and testing the work to ensure the health of the public."

No traces of the chemicals have been found in any water system along the Pennsylvania or New Jersey sides of the river.

The chemical spill

Friday's spill occurred at a chemical plant owned by Trinseo, a manufacturing firm that makes plastics and latex binders. The company said that an "equipment failure" resulted in 8,100 gallons of latex emulsion solution dumped into Otter Creek, a tributary of the Delaware River. The solution is about 50% water and 50% latex polymer, according to the company. The solution also contains butyl acrylate, one of the chemicals released in February's train derailment in East Palestine, Ohio, when rail cars caught fire and left a cloud of toxic smoke over the town, causing an evacuation and health scare.

The plant that produces acrylic products such as Altuglas, similar to plexiglass, has a history of mishaps — including at least four recent contamination incidents. It is located within a cluster of industrial companies along the Delaware River north of Philadelphia that has hosted chemical giants since the early 20th century.

Throughout its history, the site has been subject to frequent monitoring by government regulators. Over the past decade, the U.S. Coast Guard twice before detected releases of acrylates, which can be toxic, from the Bristol facility into the Delaware. The EPA had separately flagged two other acrylate releases.

A big concern in Philly

Friday's spill highlighted the city's vulnerability when it comes to water: It is at the mercy of river water and cannot draw from underground aquifers, unlike water departments in communities such as Camden, which gets water from wells in addition to the river.

The Philadelphia Water Department provides drinking water for 1.7 million residents of the city as well as Lower Bucks County. It operates three main drinking plants that treat hundreds of millions of gallons of water daily. The Baxter treatment plant in Torresdale takes in water from the Delaware River and serves about 58% of the city. The Queen Lane and Belmont plants take in water from the Schuylkill.

The plants use an elaborate process that screens out solids, doses it with chlorine, and filters through layers of sand, gravel, and carbon. The water is dosed again with chlorine to preserve it on a journey through miles of pipe to individual homes and businesses. The system complies with National Primary Drinking Water Regulations for about 100 contaminants.

But the city does not normally look for, or treat, any of the three chemicals released in the spill.

Early warning system worked

Chris Crockett, chief environmental, safety and sustainability officer for water company Aqua Pennsylvania, said none of the water systems it operates surrounding Philadelphia has detected the chemicals released in the spill.

Crockett said water officials throughout the region were notified quickly of the spill through the Delaware Valley Early Warning System, which he helped start when he worked for the Philadelphia Water Department. The system acts as a regional information hub during spills.
Aqua, as well as other water utilities in the system, were already testing for butyl acrylate because officials moved to put testing standards in place in the Philadelphia area after the East Palestine derailment.

The EPA has not issued guidance for maximum contaminant levels for butyl acrylate. But the Centers for Disease Control has offered guidance of a maximum of 500 parts per billion.

He said the system's computer modeling predicted the path of the spill and how long the chemical compound would take to work its way down the river.

"I know the public is worried about this," Crockett said. "But the systems that we have put in place on the Delaware River actually worked exactly like they were supposed to."

Philadelphia is using the same detection standards as Aqua, according to Carroll. And the modeling has helped city officials figure out where chemicals from the spill are heading.

"The smallest amount we can detect is in a single part per billion," Carroll said. "We've detected none of the material in any of the testing that we've done."

PHILADELPHIA (CBS) -- Aqua Pennsylvania leaders credit quick, scientific-based decision-making for protecting one of its water treatment plants that's roughly 2,000 feet from where the chemical spill in Bristol floated into the Delaware River.

Aqua's water treatment plant in Bristol serves about 30,000 customers in several places, including Bristol Borough and Bristol Township.

Todd Duerr, Aqua Pennsylvania's vice president of operations, said the treatment team immediately made their way to the plant after being notified of the chemical spill Friday night.

"They went down toward the spill site. They looked at what the water was. They saw there were some traces of a white substance," Duerr said. "We didn't know what it was, so we decided to shut the plant down."

Duerr said the plant had the advantage of being upstream of the spill.

"As the water starts to move downstream, we know we had fresh water upstream coming past our intake," Duerr said. "So, we knew there was no danger."

But a river's water level rises and falls throughout the day.

Once the Delaware River starts to rise, water gets pushed back upstream, which significantly increases the risk of the leaked chemical floating back towards the plant.

Aqua Pennsylvania devised a plan, where they closely monitored the river levels. Once the river started to rise, Aqua closed its river intake and reopened it only after the river's level started to drop. A falling river level means water is back flowing downstream.

"Let's watch the river. Let's do some scientific testing at our laboratories, a few other things in our treatment system," Duerr said. "We didn't turn the plant on until we were confident we knew what the situation was."

Aqua Pennsylvania President Marc Lucca said so far, their testing has shown no traces of the chemical in their water supply.

"We train for these types of things. We practice these types of events all the time," Lucca said. "We are here 24/7, 365 to protect their drinking water so they never have to think about it."

Aqua Pennsylvania said the chemical is now far enough downstream that they only have to be in a heightened state of alert for another 1-2 days.

Quick actions prevented chemical spill from impacting water supply in Philadelphia suburbs

BRISTOL, Pa. - Quick actions from those in charge of a water treatment facility near a chemical spill along the Delaware River prevented the harmful toxins from entering the plant.

Health officials in Bucks County said Sunday that between 8,100 and 12,000 gallons of a water-based latex-finishing solution spilled into the river late Friday because of a burst pipe at the Trinseo Altuglas chemical facility in Bristol Township.

The midnight spill happened at low tide less than half a mile upstream from the AQUA Pennsylvania water treatment facility. AQUA President Mark Lucca said by the time he heard about the spill the plant had already been shutdown thanks in part to early warning sensors that helped them decide to shut off water intake from the river.

"The first thing people are asking us is 'is my water safe to drink?' It absolutely is safe to drink, how do we know? Because it never got into the plant" Lucca said.

AQUA's local water reserves were fairly high, so Bristol's water supply was never threatened. And even if it was, AQUA says it would have been able to call on more supply from company resources in nearby Delaware and Montgomery counties.

"We have a lot of resources within Southeastern Pennsylvania to move water from one area to another, which is what got us through all the plant was shut down," AQUA Vice President Todd Duerr said.

AQUA says it waited until shortly after the next high tide to reopen the facility to ensure clean water from upstream flushed the potentially chemical-tainted water down the Delaware River. The plant normally operates 24-hours a day, but their operations are currently cut in half.

"Whenever the tide would go out, recognize that the water upstream is fresh, there's nothing in that," Duerr said. "Every day the plume is moving further and further downstream, so with all those data points in mind, we decided if the plant should come on or not."

The data-driven water company says it will continue to use information collected on a daily basis to decide when to safely return the plant to 100% capacity.

The Philadelphia Inquirer

How the Ohio train derailment had local water officials prepared for the Bristol spill

Chris Crockett, chief environmental, safety and sustainability officer for Aqua Pennsylvania, said none of the water systems it operates surrounding Philadelphia has detected the acrylate compounds released in the spill.

Crockett said the company's EPA-accredited lab in Bryn Mawr is able to detect down to one part per billion, but hasn't found anything.

However, he said that Aqua, as well as other water systems in the region, were prepared to test for butyl acrylate because it was one of the chemicals of concern in the East Palestine, Ohio, derailment in February.

Crockett said water officials throughout the region were notified quickly of the Friday spill through the Delaware Valley Early Warning System, which he helped start when he formerly worked for the Philadelphia Water Department. The unique system acts as a regional clearinghouse for spill information.

Local officials had already worked on guidance for testing butyl acrylate into the system. The EPA has issued no guidance for maximum contaminant levels for the compound. But the CDC offered guidance of a maximum of 500 parts per billion.

He said the system's computer modeling predicted the path of the spill and how long the chemical compound would take to work its way down the river. Because the Delaware River is tidal in the Philadelphia area, the water sloshes back and forth as it slowly makes its way downstream.

As a result, it could take several days from the time of the spill to where it passes by Philadelphia. At that point, Crockett said, it would also likely be so diluted as to be undetectable.

"I know the public is worried about this," Crockett said. "But the systems that we have put in place on the Delaware River actually worked exactly like they were supposed to."

— Frank Kummer

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF MICHAEL CONVERY

Topics Addressed:

Capital Expenditures

DATE SERVED: May 23, 2024 **Statement No. 12**
DATE ADMITTED: _____

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I. INTRODUCTION AND BACKGROUND

Q. Please state your name and business address.

A. Michael Convery. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc., ("AP") as Planning and Engineering Director.

Q. Please provide a brief description of your education and work experience.

A. I graduated from Penn State University in 2008 with a Bachelors of Science in Environmental Systems Engineering. I joined AP in 2009 as Project Engineer. I was promoted to Project Manager at AP and then moved to Aqua Services, Inc. ("Aqua Services") as Senior Project Manager. I then was promoted to Manager of Hydraulic Modeling and Planning in Aqua Services. I was promoted to my current role of Director of Planning and Engineering of AP. I am Registered Professional Engineering in Pennsylvania and Maryland.

Q. Have you previously testified before the Pennsylvania Public Utility Commission ("PUC" or the "Commission")?

A. No.

Q. What is the purpose of your direct testimony?

A. The purpose of my testimony is to provide an overview of the reasons why AP and Aqua Pennsylvania Wastewater, Inc. ("APW") (together with AP, "Aqua PA" or the "Company") continues to need to upgrade and improve its water and wastewater infrastructure. In particular, I will focus on per- and poly-fluoroalkyl substances ("PFAS") and lead service lines ("LSL").

Q. Are you sponsoring any exhibits associated with your direct testimony?

A. No.

Q. Are you responsible for any responses to the Commission's filing requirements and/or standard data requests that were included with Aqua PA's initial filing in this case?

A. Yes. I am sponsoring certain responses to the Commission's standard filing requirements, as well as standard data requests, where my name is listed as the sponsoring witness for a given response.

II. AQUA PA'S CAPITAL INVESTMENT

Q. Please describe the key driver involved in the Company's capital investment decisions.

A. The primary driver of the Company's capital investment decision making process is compliance with state and federal rules and regulations from our environmental regulators.

A. WATER INFRASTRUCTURE

Q. Can you provide a few examples of major projects that are included in the Company's claimed utility plant for the future test year ("FTY") and fully projected future test year ("FPFTY") for its water operations?

A. Yes. Below provides a discussion of major projects during the FTY and FPFTY.

1. Neshaminy to Bethayres (36-inch)-PH 3B Water Main Replacement

The Company plans to replace approximately 2,700 linear feet ("LF") of transmission main with 36-inch TR-Flex ductile iron ("DI") pipe along Philmont Avenue in the Company's Main southeast ("SEPA") system in Montgomery County. The existing main has experienced frequent leaks leading to extensive surface damage. The existing

main is also undersized and the replacement main will enhance system reliability and improve customer service.

2. Coventry Lane, Westtown Water Main Replacement

The Company plans to replace approximately 3,000 LF of distribution main with 12-inch DI pipe along Coventry Lane and South Matlack Street in the Company's Main SEPA system in Chester County. The replacement main will enhance system reliability and improve customer service.

3. Marshalton Thorndale Road, West Bradford

The Company plans to install approximately 12,000 LF of 12-inch DI transmission main with 36-inch DI at Marshalton Thorndale Road in the Company's Spring Run system in Chester County. This main will interconnect two sections of the Company's distribution system to improve water quality, enhance system reliability, and improve customer service.

4. South Concord Rd SR 2006, Westtown

The Company plans to replace approximately 5,700 LF of distribution main with 12-inch DI pipe along South Concord Road in the Company's Main SEPA system in Chester County. The existing main has experienced frequent leaks leading to extensive surface damage. The existing main is also undersized and the replacement main will enhance system reliability and improve customer service.

5. South Oak Lane, Aldan Borough

The Company plans to replace approximately 2,000 LF of distribution main with 20-inch DI pipe along South Oak Avenue and approximately 1,000 LF of distribution main with 16-inch ductile iron DI pipe along Providence Road in the Company's Main SEPA system in Delaware County. The existing main has experienced frequent leaks leading to

extensive surface damage. The existing main is also undersized and the replacement main will enhance system reliability and improve customer service.

6. East Eagle Road, Haverford Twp

The Company plans to replace approximately 3,900 LF of distribution main with 16-inch DI pipe along East Eagle Road and approximately 2,300 LF of distribution main with 8-inch DI pipe along West Darby Road in the Company's Main SEPA system in Delaware County. The existing main has experienced frequent leaks leading to extensive surface damage. The replacement main will enhance system reliability and improve customer service.

7. New Pretreatment Facility-Crum

The Crum water treatment plant ("WTP") is permitted for 24 million gallons per day ("MGD") at full design capacity. However, the pretreatment stage has not been reliable in the summer months when organic loading is high, resulting in the WTP being unable to operate at permitted capacity due to poor settling performance at the sedimentation basins with carryover overloading the filters. Specifically, there is unwanted sediment build-up near the top of the plate settlers resulting in clogging and inhibited settling. It is also noted that the existing sludge collection system in the sedimentation basins is outdated and underperforming. This project is necessary to add a fourth sedimentation basin to the pretreatment train and install a modern and more efficient sludge collection system in all basins. The addition of the 4th basin will reduce settled water turbidity, reduce operations and maintenance ("O&M") frequency and costs through less backwashing of filters, and better-concentrated residual management. The addition will also ensure that the Crum WTP will be able to reliably meet the permitted capacity with one basin out of service

and consistently achieve settled water turbidity goals established by the American Water Works Association ("AWWA") Partnership for Safe Drinking Water.

8. Pickering East WTP Rehabilitation Phase 1 – Filter Additions

The Phase 1 Expansion of the Pickering East WTP includes the demolition of the existing clearwell, construction of six new gravity filters in a new filter building, and associated site work. The expansion will increase capacity from 15 MGD to 28 MGD, providing operational reliability to the contiguous system. The Pickering WTP complex is the primary water producer in AP's Main SEPA system and its operation is critical to supplying communities in Montgomery, Chester, and Delaware Counties. The filter expansion will ensure resiliency in providing safe drinking water to communities during catastrophic events as was experienced during Hurricane Ida in 2021 as more fully explained in the Direct Testimony of Todd M. Duerr (Statement No. 11).

9. Bear Gap No. 2 Dam Rehabilitate Primary Spillway

Bear Gap No. 2 Dam was constructed in the 1920s and impounds 592 MG of water and provides a raw source for the Roaring Creek WTP. It is classified as a high hazard dam (Class B-1) under current Pennsylvania Department of Environmental Protection ("PADEP") Dam Safety regulations. The concrete chute spillway is a means to bypass excess flow safely over the dam. In 1946 and 1972, the erodible bedrock foundation caused incidents that required significant repairs. Since the 2017 Oroville Dam incident, chute spillways have been reevaluated to look for physical factors that contribute to spillway failure. The current spillway at Bear Gap No. 2 presents 33 of the 41 of the most common risk factors. The new project aims to mitigate each of those factors by removing the existing principal and auxiliary spillways and constructing a new spillway with a labyrinth weir that

can safely pass the Probable Maximum Flood. The chute will be designed with an internal drainage system to prevent undermining, and the bedrock foundation will be protected to minimize internal erosion. The project also includes improvements to the outlets works to maintain operation during construction and remote sensors to provide onsite safety and flood emergency information to County Emergency Management Agencies.

10. Shenango WTP – Contact Basin

The Shenango WTP is permitted for 16 MGD at full design capacity. Currently, the WTP has no pre-treatment, and water pumped into the plant comes into contact with the filters within 30 to 45 minutes. During the summer months when total organic carbon loading is high, higher levels of disinfection byproducts are formed. Phase 1 of the project will include the addition of a Raw Water Basin to increase pre-filter contact time and the addition of Powder Activated Carbon Silo and feed system to reduce total organic carbon ("TOC") loading and reduce disinfection by-products ("DBP").

B. LEAD SERVICE LINE REPLACEMENT

Q. Does AP have a LSL replacement program?

A. Yes. The LSL replacement program and the changes to the lead and copper rules, including the implementation of those rules through the U.S. Environmental Protection Agency ("EPA") and PADEP, is more fully explained in the Direct Testimony of Todd M. Duerr (Statement No. 11).

Q. Is the LSL replacement program another significant driver of capital the Company must expend to comply with EPA and PADEP regulations.

A. Yes. AP has filed an amended Long-Term Infrastructure Improvement Plan ("LTIIP"), which includes a LSL replacement plan ("LSLR Plan") to comply with Commission

regulations. The LSLR Plan includes a significant amount of capital to comply with the EPA's regulations for replacement of LSLs over a 10-year period. However, these amounts may be subject to increases if AP must comply with PADEP's proposed implementation of the EPA's regulations.

Q. Please describe the current status of AP replacements of LSLs in its system and any significant replacement projects.

A. Below is a description of the status of AP's LSL replacements in Pennsylvania and a major replacement project in AP's system.

1. Lead Service Line ("LSL") Replacements – Customer Side

AP is required by the EPA, the PADEP, and the Commission to identify and replace all customer-side lead and galvanized service lines. To date AP has 102,148 customer service lines to identify and 11,126 customer service lines to replace. AP is actively working on reducing these numbers through records research, identification through meter replacements, in-person surveys, customer self-identification, test holes, and service line replacements.

2. West Chester Lead Service Line Replacement

The purpose of this project is to identify and replace any known and found lead or galvanized customer water service lines throughout the West Chester system. These efforts will ensure that lead is eradicated from consumer drinking water in that system. There are 13,982 customers within the West Chester system. To date AP has identified 406 lead and galvanized customer service lines that need replacement. AP has replaced 96 lead and galvanized customer service lines in West Chester and will continue to undertake replacements through the remainder of 2024 and into 2025.

C. PFAS RELATED INFRASTRUCTURE

Q. Do the Company's capital investment decisions reflected in the FTY and FPFTY in this case also reflect specific investments to address new regulatory requirements related to PFAS?

A. Yes, each of the FTY and FPFTY reflect such capital investments.

Q. Why does AP plan to place capital projects into service to address PFAS at this time?

A. Aqua PA witness Todd M. Duerr (Statement No. 11) more fully identifies and describes (1) PFAS, (2) why PFAS present specific health and safety concerns, (3) the new federal and state regulatory requirements that AP must be fully compliant with by 2029, (4) AP's plan to comply with these requirements, and (5) specific O&M expenses that will be incurred by the Company to address PFAS.

Q. Please provide a description of the types of PFAS-related capital projects that AP plans to place into service during the FTY and FPFTY.

A. The projects described below are the types of projects that AP is implementing in the FTY and FPFTY.

1. <u>WTP PFAS Treatment Piloting and Rapid Scale Small Column Testing ("RSSCT")</u>

AP plans to implement treatment for PFAS at several surface WTPs to comply with the proposed federal Maximum Contaminant Level ("MCL"). The PADEP requires pilot testing for permitting of PFAS treatment of surface water sources. In response to a request by AP, PADEP indicated that a pilot study at the Neshaminy WTP could support permitting of several other WTPs with similar treated water quality provided that a separate evaluation of simultaneous compliance is completed for each WTP. This testing program will evaluate the ability of granular activated carbon ("GAC") and ion exchange ("IX") resin

technologies as process additions to the Neshaminy WTP for the removal of PFAS. These technologies have been selected for evaluation because they are two of the best available options for PFAS removal per the PADEP. The program will also include bench-scale evaluations for five additional surface WTPs in the form of RSSCTs. The Neshaminy WTP pilot will be conducted on-site at the WTP using a filter pilot skid with four 6-inch diameter columns allowing for four different filter media to be tested concurrently. Pilot operations will take place over a 9-month period.

2. Chalfont Well #11 PFAS Treatment

The Chalfont Well #11 facility serves customers within our Chalfont Borough service territory. The treatment will consist of GAC pressure vessels and chemical treatment system upgrades. This treatment will be installed to comply with the current PADEP MCL and the EPA MCL. The treatment will be in service by Q4 of 2024.

3. Hatboro Well #6 and #8 PFAS Treatment

Hatboro wells #6 and #8 directly serve the Hatboro service area within the AP Main SEPA system. The treatment will consist of IX resin pressure vessels, chemical treatment system upgrades, and onsite hypochlorite generation. The treatment is being installed to comply with the current PADEP MCL and the EPA MCL. The treatment will be in service by Q4 of 2024.

4. Perkiomen Woods PFAS Treatment

The Perkiomen Woods Well Station includes a single well that is the sole source of water supply to the Perkiomen Woods development. The proposed PFAS treatment system at the Perkiomen Woods Well Station will include two trains of Anion IX treatment each

consisting of two vessels, a pre-filtration system upstream of the Anion IX vessel trains, and well pump replacement. The project is schedule to be in service by Q4 2024.

5. North Hills PFAS Treatment

The North Hills Well Facility is located in Abington Township and is part of our AP Main SEPA system. This project consisted of a full pilot study to evaluate the best treatment method for PFAS for the project-specific raw water quality. GAC and IX were piloted for this effort. IX was chosen as the best-suited treatment method based on the raw water quality. The project consisted of IX pressure vessels for PFAS treatment, chemical treatment system improvements, prefiltration for the IX system, and pump upgrades. The pilot data as a result of this project can be used to compared similar water quality for treatment in other well facilities throughout Pennsylvania. This project was in service in July 2023.

Q. Are these projects required for Aqua PA to continue to provide safe and reliable service to its customers?

A. Yes.

D. WASTEWATER INFRASTRUCTURE

Q. Can you provide a few examples of major projects that are included in the Company's claimed utility plant for the FTY and FPFTY for its wastewater operations?

A. Yes. Below is a description of the major wastewater projects through the FPFTY.

1. Bacton Hill and Planebrook Sewer Extension

The Bacton Hill and Planebrook projects are two sanitary sewer extensions in East Whiteland Township that we were required to complete within one year of obtaining all necessary permits per our asset purchase agreement for the East Whiteland sewer system.

The Bacton Hill sewer extension will include approximately 9,200 LF of new gravity sewer mains and 2,100 LF of new low-pressure sewer main which will provide service to 52 new customers. The Planebrook sewer extension will include approximately 5,300 LF of new gravity sewer mains and 2,600 LF of new low-pressure sewer main which will provide service to 84 new customers.

2. Upgrade Willistown Knoll Pump Station

The Willistown Knoll pump station is inaccessible for vehicles due to its location. This project will install a bridge and a new access road to improve access to the pump station for maintenance, future upgrade projects, and emergency response which will improve service reliability and prevent sanitary sewer overflows ("SSOs"). The estimated cost of this project is $375,000.

3. Penn Township Wastewater Treatment Plant ("WWTP") Upgrade II

Phase II of the Penn Township project is targeted at achieving a much lower Total Nitrogen ("TN") effluent limitation in our stream discharge due to losing reuse of our effluent for horticultural purposes. PADEP recently provided Preliminary Treatment Requirements for a stream discharge relocated to the unnamed tributary behind our Penn Township WWTP. It will include a CAP Load for TN and Total Phosphorus which as flow increases, the concentration of both of these parameters will decrease. The project will also include the provision of drip irrigation disposal on our existing rapid infiltration Basin site.

4. Deerfield Wastewater Treatment Plant Convert to Pump Station (Consolidation)

The Deerfield Knoll WWTP is near the end of its useful life and would require major upgrades or rehabilitation in the near future to continue operating in compliance.

After examining the costs, it was determined that it would be less expensive to convert the Deerfield Knoll WWTP into a pump station and send the flow to APW's nearby Willistown Woods WWTP. The estimated cost of this project is $1,750,000.

5. Penn London WWTP to Pump Station (Consolidation)

The Penn London WWTP is one of APW's most expensive WWTP to operate when comparing cost per thousand gallons treated. The primary reason for this high cost of treatment is that the WWTP serves only one school, and during the summer months the WWTP cannot operate in compliance due to low flows and insufficient organic loading. Therefore, during the summer, the flow must be pumped and hauled elsewhere for treatment and disposal which results in high costs. APW determined that it would be more cost effective to convert the Penn London WWTP into a pump station and send the flow to APW's nearby Penn Township WWTP. The estimated cost of this project is $750,000.

6. Cheltenham Interceptor A

Interceptor A has a long history of SSOs due to insufficient capacity during wet weather flows. Wet weather flows are contributed by APW's Cheltenham system, Abington Township, Jenkintown Borough, and the Philadelphia Water Department. Due to the limited dry weather and insufficient wet weather operating conditions, the PADEP has implemented a Correction Action Plan ("CAP") and Connection Management Plan ("CMP") for the Cheltenham Interceptor A. Based on hydraulic modeling work and coordination with stakeholders, it was determined that pipe upsizing of the lower portion of Interceptor A in addition to a storage tank is necessary to achieve routine compliance in managing wet weather flows.

7. Inflow and Infiltration ("I&I") Work 2025 – Cheltenham

This project consists of a variety of sewer main inspection and pipe repair/rehabilitation work throughout the Cheltenham collection system targeted to reduce I&I. Based on pipe defects identified through APW's inspection work, sewer mains will be replaced in part or in whole as well as structural cast in place pipe ("CIPP") liners. Defective laterals (portions owned by APW) may also be included. This work is being performed to maintain compliance with the PADEP's CAP for the Cheltenham System. The work in 2025 is estimated at $900,000.

8. I&I Work Phase V – East Norriton

This project consists of sewer main inspection and pipe repair/rehabilitation work within specific subbasins of the East Norriton collection system. APW has identified subbasins that contribute the greatest amount of I&I during wet weather events. Sewer main CIPP will be installed in the existing vitrified clay pipe in the priority basins. This project is one of a multi-year phased plan to reduce I&I within the collection system. This phase of the project is estimated at $1,225,000.

9. Germantown Pump Station Upgrade – East Norriton

The Germantown Pump Station is the third largest of nine total pump stations within the East Norriton Sewage collection system with three 100 horsepower Pumps. This project will consist of an overall upgrade to the facility including upgrade of non-code compliant electrical equipment, new electrical service, new emergency power transfer switch, new pump control system, expansion of the existing building footprint to allow for code compliance safety clearances to all equipment, repairs to the existing building, and upgrades to the mechanical piping systems. The pumps were previously rebuilt under a separate project.

III. CONCLUSION

Q. Does this conclude your Direct Testimony at this time?

A. Yes, it does. However, I reserve the right to supplement my Direct Testimony as may be necessary during the course of this proceeding.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED DIRECT TESTIMONY OF RITA F. BLACK DIRECTOR, COMMUNITY ASSISTANCE PROGRAMS ESSENTIAL UTILITIES

DATE SERVED: May 23, 2024 **Statement No. 13**
DATE ADMITTED:_____

PREPARED DIRECT TESTIMONY
OF RITA F. BLACK

Q. Please state your name and business address.

A. My name is Rita F. Black and my business address is located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212.

Q. By whom are you employed and in what capacity?

A. I am employed by Essential Utilities, Inc. ("Essential") as the Director of Community Assistance Programs. In this role, I lead assistance programs for Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua PA"), and Peoples Natural Gas Company LLC ("Peoples"), as well as the regulated utilities of Essential operating in other states.

Q. Please describe your educational and professional background.

A. Following receipt of a Bachelor of Science Degree in Accounting from Robert Morris University, I joined Peoples and began a career spanning more than 30 years across the areas of customer service, rates and regulatory affairs, and low-income programming. From 2001 through 2014, I worked in the Rates and Regulatory Affairs department of Peoples as an analyst. My responsibilities as an analyst in the Rates and Regulatory Affairs department included the development and administration of the Universal Service Rider and preparation of the Universal Service Energy and Conservation Plan ("USECP"), as well as tariff filings, testimony preparation and other analytical projects. In 2014, I was promoted to Manager, Customer Relations for Peoples and was responsible for oversight of all low-income programming, including its Customer Assistance Program ("CAP"), Low Income Usage Reduction Program ("LIURP"), Emergency Furnace and Houseline

Repair Program ("EFHRP"), Hardship Fund, and Customer Assistance, Referral and Evaluation Services ("CARES"). In addition to oversight of low-income programming, I was also responsible for compliance on customer related issues for Pennsylvania, West Virginia, and Kentucky. I was promoted to Director, Customer Relations in 2016 and was subsequently promoted to Director, Community Assistance Programs in April of 2021 with responsibility for all regulated states under the Essential footprint, including Aqua PA. In this role, my oversight of low-income programming has expanded to include our water and wastewater entities. I retain responsibility for natural gas low-income programming and compliance across our natural gas footprint.

Q. Have you testified previously in any regulatory proceeding?

A. Yes. I have testified in hearings conducted by the Pennsylvania Public Utility Commission ("PUC" or "Commission") for formal complaints. I have also submitted direct and rebuttal testimony in base rate proceedings for Peoples[1] and Aqua PA[2].

Q. What is the purpose of your Direct Testimony in this case?

A. In my current role, I provide leadership and guidance on low-income issues, including development, design, and implementation of low-income programming for Aqua PA. I also lead our Aqua Assistance Collaborative ("AAC"), whose members include representatives from the PUC's Bureau of Consumer Services ("BCS"), the PUC's Office of Communications, the Office of Consumer Advocate ("OCA"), the Pennsylvania Utility Law Project ("PULP"), and other stakeholders. My testimony will provide an overview of the programs approved in Aqua PA's previous base rate case,[3] describe the transition from

[1] *See* Docket Nos. R-2010-2201702; R-2012-2285985; R-2023-3044549.
[2] *See* Docket Nos. R-2021-3027385, R-2021-3027386
[3] *See* Docket Nos. R-2021-3027385, R-2021-3027386.

the former Helping Hand Collaborative to the AAC, provide an overview of the Consumer Education and Outreach Plan ("CEOP"), introduce the newly branded Aqua Aid hardship fund, formerly known as Helping Hand, and I will provide an overview of implementation and customer adoption of Aqua PA's programs, including projections for expected enrollment and participation. I will also propose changes to the leak repair/conservation program approved in the Aqua PA's last rate case. Specifically, I will propose separate budgets for leak repair and conservation. I will also put forth a proposed segmentation of leak repair program dollars as suggested through collaboration with ACC.

Q. Please list the exhibits that you are sponsoring as a witness.

A. I am sponsoring Exhibit Nos. RFB-1, RFB-2, RFB-3, and RFB-4, and they are attached to my Direct Testimony.

Q. Please provide an overview of the universal service programs currently available to Aqua PA customers.

A. Aqua PA offers a suite of programs designed to improve affordability for low-income households. Specifically, Aqua PA developed a CAP that provided tiered discounts for households up to 200% of the Federal Poverty Limit ("FPL"). The tiered discounts are as follows:

Water Discounts

	Up to 100% FPL	100 to 101% FPL	151 to 200% FPL
Fixed Base Facility Customer Charge	100%	100%	100%
Consumption Charge (first 2,000 gallons)	100%	50%	0%

Wastewater Discounts

	Up to 100% FPL	100 to 101% FPL	151 to 200% FPL
Fixed Base Facility Customer Charge	75%	65%	50%
Consumption Charge (first 2,000 gallons)	100%	50%	0%

Similar discounts are provided to flat billed wastewater customers. These discounts to flat billed wastewater customers range and are set forth below for each tier.

Tier 1 - Between 63.65% - 71.45%

Tier 2 - Between 45.93% - 59.05%

Tier 3 - Between 25.66% - 42.40%

In addition to the discounts, which are designed to improve affordability on a current bill basis, Aqua PA's CAP also offers Arrearage Forgiveness. At the time of enrollment, any balance owed to Aqua PA is frozen as a pre-CAP balance, eligible for Arrearage Forgiveness. Each month, when the CAP participants pay their discounted monthly bill on time, a $25 Arrearage Forgiveness credit towards the pre-CAP balance is applied to the account, until the pre-CAP balance has been full exhausted. While participating in CAP, customers do not accrue late payment charges if their payments are not made on time.

Aqua PA also implemented a leak repair and conservation program that provides $100,000 annually for the purchase of conservation kits and to repair leaks that are negatively impacting income eligible customers, either through increased bills, or the prospect of termination due to willful waste. Aqua PA uses the 200% FPL threshold for this and all assistance programs.

Prior to its last base rate proceeding, Aqua PA operated a hardship fund called "Helping Hand." A hardship fund is a fund of last resort, intended to provide support to

customers facing arrearages that could lead to termination of service or require assistance to restore service. Helping Hand was also the name of the prior payment assistance program which was replaced by CAP. While the Helping Hand payment assistance program was eliminated, the hardship fund remained. In order to avoid confusion between the retired and existing Helping Hand program, and to increase engagement for the hardship fund, it was renamed "Aqua Aid" in 2023.

Q. Please describe the ACC you mentioned in your opening remarks.

A. Aqua PA has had a collaborative stakeholder group which includes OCA and PULP for a number of years. This group was called the "Helping Hand Collaborative" and met approximately twice a year to receive updates on Aqua's Helping Hand programs and to give input into those programs. Following the approval of the universal service programs in Aqua PA's most recent rate case, I began to lead to the engagement of this stakeholder group and sought to expand its role in working with Aqua PA. The first project we focused on with this group was the development of Aqua PA's first CEOP. We also discussed the rollout of the new programs and how to ensure that we were launching the programs in an accessible way for our customers. We determined that, particularly in these early years of the programs, it is critical that we engage with these stakeholders on a more regular basis. Therefore, we increased the meetings to four times per year and established a consistent cadence for the meetings: February, May, August, and November for 2024. As we were moving away from the Helping Hand brand, we changed the name to the "Aqua Assistance Collaborative" to better describe our work together. Its members currently include representatives from OCA, PULP, BCS and the PA PUC Office of Communications. We are currently recruiting for social service agencies to join this group as well.

Q. You mentioned the ACC's first focus area was the development of the CEOP. Please describe the CEOP.

A. The CEOP is an annual plan that seeks to both educate consumers and attract enrollments into the Aqua PA's universal service programs, particularly CAP. It includes activities for general audience education and outreach along with target audience efforts. The current CEOP is provided as Exhibit RFB-1. General audience activities include bill inserts, website information and social media advertisements. Targeted efforts in the initial CEOP focused on the transition from Helping Hand to CAP as well as Low Income Household Water Assistance Program ("LIHWAP") recipients. LIHWAP was a temporary federally funded assistance program that provided grants to income eligible customers with arrears and as such, provided a unique opportunity for us to identify customers most in need of CAP. We also participate in local in-person outreach events such as BeUtilityWise, consumer fairs and senior fairs.

Q. Please describe the transition from Helping Hand to Aqua Aid.

A. Helping Hand was a two-pronged assistance program that had been in place for a number of years. It provided a payment plan option under which customers that were income eligible and in arrears could participate to receive the benefit of a $25 credit towards their arrears for each timely payment made on their account. The second prong was a hardship fund under which customers could receive assistance with short term needs, such as reducing an account balance that occurred due to a water leak.

The payment plan prong of Helping Hand was replaced by CAP. CAP retained the $25 credit per month as an Arrearage Forgiveness benefit, but importantly added discounts

on monthly bills based on income. This was an important expansion of benefits to improve overall affordability, particularly for those with the lowest incomes.

The hardship fund remained intact after the institution of CAP. We were finding, however, that it was not well utilized by customers who could potentially benefit from the fund. While call center agents could offer a Helping Hand grant to a customer they were working with, educating customers of this potential assistance and encouraging use was still challenging. It was our goal to revamp the program, increasing visibility and, in turn, use of the fund. By providing income guidelines that would be public to customers, we hope to encourage more participation. We also thought it would be most helpful to rebrand the program as Aqua Aid in order to differentiate it from the former Helping Hand. This was particularly important because some agencies posted information indicating to customers that Helping Hand had ended, leading customers to believe assistance was no longer available. While the information regarding the ending of the program was particular to the Helping Hand payment plan, we understood it was confusing to customers. We decided to use the Aqua Aid name and logo used in other states to not only address this confusion, but to provide more consistency across the Essential water and wastewater companies. We relaunched the hardship program as Aqua Aid in late 2023.

Q. What are the guidelines for Aqua Aid?

A. There are general guidelines, as well as flexibility for special circumstances. The income threshold is 200% FPL or below for customers applying for assistance with arrears or to restore service following termintion. We do provide enrollment flexibility up to 250% FPL for special needs customers, such as senior or disabled customers. The general grant guideline is a maximum of $500 once per calendar year, however the grant amount could

be higher if circumstances warrant. We also wanted to ensure flexibility is given for those with high bills due to a water leak, in cases in which the leak has been repaired. The guidelines are reflected on page 4 of Exhibit RFB-2, which is the deck reviewed with ACC at the February, 2024 meeting. Aqua Aid was a key area of discussion at the February meeting as we were seeking input from stakeholders on the general guidelines, as well as feedback on the level of detail we should include on our website related to Aqua Aid.

In order to promote Aqua Aid under its new name, and encourage both applications for assistance and donations from customers looking to help their neighbors, all June 2024 bills have or will include a two-sided bill insert focused on promotion of Aqua Aid. One side includes information for those seeking assistance while the other side covers the donation procedure available to customers. The bill insert is provided as Exhibit RFB-3.

Q. Let's move on to the programs that were approved in the prior base rate proceeding, beginning with CAP. Is the program fully operational?

A. Yes. Instituting a complex CAP that included tiered discount benefits along with Arrearage Forgiveness was a significant lift for both Aqua PA's customer information system and the business. Following approval of the universal service programs, work began to build out the rate schedules necessary to support three levels of discounts for water customers and three levels of discounted rates for wastewater customers within the Aqua PA's billing system. Aqua PA also hired two employees to the Community Assistance Program team to begin support of the universal service programs. Some significant system changes were necessary to support the CAP design. The most challenging upgrade to Aqua PA's billing system surrounded freezing the pre-CAP balance to allow for Arrearage Forgiveness benefits. It was important that these balances be frozen from not only collections, but also

to reflect that the pre-CAP balance is deferred on the monthly billing statement. Our Information Technology ("IT") team, in partnership with the Aqua PA's billing department, was able to devise a way to freeze the balances, provide clarity on the bill, and ensure that the $25 credits could be automatically posted when payments were made by CAP customers on the due date.

Another challenge to launching CAP was preparing Aqua PA's processes to allow for customers to apply for CAP through the Dollar Energy Fund ("DEF"), our CAP administrator, ensuring that at the time of application, a hold is placed on the customer's account to allow them sufficient time to complete the application process, and to allow for their account to be enrolled at the proper discount level when they have been approved to participate. We now have a smooth daily process by which files are shared between DEF and Aqua PA to complete these functions.

Q. Were there any changes in CAP eligibility from the proposal in the prior base rate proceeding to the approved CAP?

A. Yes. There was a significant change. We proposed that customers be able to self-attest income in order to enroll in CAP, similar to how payment arrangements and the prior Helping Hand program were handled. We created enrollment projections on the assumption that our proposed program would be approved under the self-attestation method. Under the Commission's Final Order, however, CAP enrollment was limited to those customers who provided proof of income to participate.[4] We were also required to implement a recertification process similar to that of Peoples. Within 60 days of entry date

[4] R-2021-3027385, May 12,2022 Order, Page 339.

of the Order, Aqua PA was required to submit a written plan for income certification and recertification for CAP participation, which it did on July 14, 2022.

Q. How did this requirement impact CAP enrollment?

A. As I mentioned earlier in my testimony, upon receiving approval of the CAP, efforts began to build out the necessary functionality with the Aqua PA's billing system to support CAP and build the staff and processes necessary to manage the daily tasks for all of the approved programs. As these processes and system changes were implemented, we gradually began outreach, first to Helping Hand participants, to encourage them to enroll in CAP.

We saw challenges in enrolling customers with the new income documentation requirements. Unfortunately, customers with arrears often follow the path of least resistance, meaning when given option between making a verbal payment agreement and completing an application and submitting income documentation to participate in a more beneficial program, they may opt for the verbal agreement. This is a particular challenge when the program, such as Aqua PA's CAP, is brand new.

In order to ensure our vulnerable customers were participating and to provide an easy pathway for LIHWAP eligible customers to obtain a more affordable bill, we included a provision in our certification and recertification requirements to allow receipt of LIHWAP to act as proxy for submitted income. Because these customers had already proven their income eligibility to the state to obtain a LIHWAP grant, their eligibility for CAP has been validated. We were also able to reach agreement with the Department of Human Services ("DHS") to participate in a limited data sharing agreement, which provided Aqua PA with the household income and composition information used for approved LIHWAP grants for the purposes of automatically enrolling those customers into

CAP. We received that information in late 2023 and this has led to the biggest increase in CAP participation since the start of the program.

In Aqua PA's most recent base rate proceeding, we completed a needs assessment using census and Aqua PA customer data to project the potential eligible population. We then projected annually, for three years, the level of enrollment we expected to see, using income self-attestation as the basis of enrollment. We projected 10% of eligible customers would enroll in the first year, rising to 15% in year two and reaching the 25% level by end of year three. Current enrollment levels have reached roughly 6,000 across both water and wastewater. Under our original projections, we would have reached 10,682 in year one and grown to 16,023 in year two.

Q. What level of participation are you currently projecting for CAP?

A. I updated our needs assessment for currently available census data and Aqua PA active accounts as well to determine the basis for potential enrollment. Considering our current participation level, which reflects roughly 5% of estimated eligible customers, I am projecting that our CAP enrollment levels will grow to 12% this year and reach 20% by the end of 2025. To meet these projections, the performance of our CEOP will be critically important, along with ongoing input and guidance from ACC as we look for ways to increase customer awareness and acceptance levels for CAP. My calculations are reflected in Exhibit RFB-4.

Q. The enrollment projections you have set are aggressive. What are your plans for meeting these projections?

A. While the Aqua PA had a CAP-like plan in Helping Hand, there were restrictions to participation. Customers who did not maintain their monthly payments were removed from

the program. Customers who had participated in it previously were unable to re-enroll. Aqua PA's CAP is designed as a universal service program. It allows for participation based on income eligibility and does not include provisions that would take away the benefits if a customer missed a payment. As with all new things, it can take some time for customers and our customer contact employees to adopt a new program like CAP. As we entered 2024, we were seeing much stronger adoption with more referrals from call center personnel to our CAP administrator and an increase in customers contacting our team to learn more about CAP. It is prominent on Aqua PA's website, and we are promoting it through in-person events in local areas as well as broad outreach via email, bill inserts and paid advertising. We have added additional social service agencies to the network that accepts CAP applications. Customer contact personnel receive training about CAP and are encouraged to offer this information to all low-income customers they are working with. These efforts should also lead to word-of-mouth referrals from one customer to another.

Q. Moving on from CAP, please provide a status update on the other program approved in the previous base rate proceeding, specifically, the $100,000 in funding to support leak repairs and conservation kits.

A. The leak repair program has proved to be a necessary program as it supports not only affordability, but health and safety. When we first proposed the program, we were looking for a safety net for low-income homeowners that were facing leak repairs they could not afford. When we began rolling the program out in 2023, we focused on two areas: 1) customers at threat of termination for willful waste of water; and 2) customers with high bills due to easily repairable leaks, such as a leaking toilet. We added language to the termination notices regarding willful waste of water to offer the program to those who may

need assistance in addressing a major service leak. We also created cards for our field personnel to share with consumers that may need help repairing a leak. As awareness of our program has grown, we are seeing an increase in requests for assistance.

Q. Please describe how the leak program operates.

A. Customers seeking assistance from the program contact our Community Assistance Programs team via telephone or email. We respond to them to learn more about their needs and to share eligibility information. If the customer is not already enrolled in CAP, we encourage them to apply for CAP, so they have both proved eligibility to be assisted with their leak issue, but also have the benefit of a reduced bill going forward. Once we know the customer is income eligible, we arrange for a local plumber to visit the home to address the leak. The invoice from the plumber is sent directly to Aqua PA for payment. In 2023, we repaired a leak in a water pit for a senior citizen customer who would otherwise have faced termination of service for willful waste of water. We also assisted with other service line leaks and a leaking toilet.

Q. You mentioned an increase in requests for assistance. Please describe this further.

A. In just the first three months of 2024, we have already more than doubled the number of customers we are assisting with leaks. Similar to 2023, some are minor repairs such as leaking toilets, typically under $500, while others are substantial service line leaks in the $4,000 to $5,000 range. This trend is positive, in that it shows that this program is filling an important need for our vulnerable customers and we are seeing good utilization of the overall budget. However, it is also concerning because our overall annual budget of $100,000 is intended to cover conservation kits, in addition to leak repairs.

Q. How much of the budget is spent on conservation kits?

A. We have been fortunate that an existing stock of conservation kits remains from the former Helping Hand program. This has allowed us to use all of our current repair fund dollars for repairs. This is important because 1,000 conservation kits, including shipping and handling to customers' homes, is roughly $22,000.

Q. Are you proposing an increase to the leak repair fund?

A. Yes. If we subtract out the $22,000 that would be spent on conservation kits, we would have roughly $78,000 to use for leaks and repairs. In the first two months of the year, we have already spent $14,000. Most of the customers we are serving through this program have incomes below the poverty level. We expect that as more customers learn about the program, the use will continue to increase. I am therefore proposing an increase to the annual budget of the leak repair fund, for leak repairs only, to $132,000 for 2025. I developed these figures under the assumption that we will likely spend $11,000 per month in repairs as more customers seek assistance because of increased awareness of the program.

Q. In your opening remarks, you mention a 'segmentation' of leak repair funding. Please describe this proposal.

A. At the February meeting of the ACC, we discussed the leak repair program. I shared the growth we are seeing in customer use of the program, along with examples of the types of repairs Aqua PA has performed. One of our stakeholders suggested that as we think about the budget, and to ensure that we are allocating dollars to meet the varying needs of our customers, that we consider this as a budget in three segments. Namely, service line repair, inside leak repair, and conservation kits, respectively. This stakeholder suggested that by segmenting these items and placing limits on them, we can have better control over the

limited funds. For example, since service line repairs can cost $5,000 or more, under our current budget, we could serve roughly 16 customers with service line leaks and have nothing left for those with minor leaks that are directly impacting their water bills, leading to more collections risk. However, if we segment these dollars, there will be a limit to how much can be spent on service lines, reserving dedicated funds to leak repairs that directly affect affordability. I think this is a wise approach and would envision the increased budgets I am proposing to be segmented as such:

	2025
Service Line Repairs	$50,000
Inside Leak Repairs	$82,000
Conservation Kits	$22,000

Q. Does this conclude your Direct Testimony?

A. Yes. I reserve the right to submit supplemental testimony if additional issues arise during the course of this proceeding. Thank you.

AQUA

An Essential Utilities Company

VIA E-FILING

December 4, 2023

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

RE: PA Public Utility Commission v. Aqua Pennsylvania, Inc.
Docket No. R-2021-3027385
PA Public Utility Commission v. Aqua Pennsylvania Wastewater, Inc.
Docket No. R-2021-3027386

Dear Secretary Chiavetta:

In accordance with the Pennsylvania Public Utility Commission's ("Commission") Opinion and Order entered May 15, 2022 at the above referenced dockets, Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua" or "Company") submits its second annual Consumer Education and Outreach plan ("CEOP") which is updated to reflect the Aqua's 2023 activities and progress statuses. The Company is also including examples of outreach materials and a list of priorities for 2024.

If you have any questions regarding the CEOP, please contact Rita Black – Director, Community Assistance Programs at 412-208-6530.

Sincerely,

Mary McFall Hopper
Regulatory Counsel

cc: Certificate of Service
Joseph Magee, Energy Policy Manager -Bureau of Consumer Services
Thomas Charles, Director - Office of Communications

Enclosures

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PA Public Utility Commission v. Aqua Pennsylvania, Inc.	:	**Docket No. R-2021-3027385**
PA Public Utility Commission v. Aqua Pennsylvania Wastewater, Inc.	:	**Docket No. R-2021-3027386**

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals and in the manner listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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Dated: December 4, 2023

Aqua Pennsylvania Consumer Education and Outreach Plan

November 2023 Annual Report & Plan

Purpose:

- To provide a multi-pronged approach to consumer education with the goal of creating awareness of Aqua's income-based programs and connecting eligible populations to enrollment.
- To reach eligible customers, particularly those who are payment troubled or have very low income.
- To develop partnerships with other utilities and community social service agencies to connect eligible customers with the resource of Aqua CAP.

General Audience Education & Outreach Activities

Activity	Frequency	2023 Update
Bill Inserts	At least once annually	October 2023 bill insert followed by November 2023 email
Website self-screening tool (in development)	Available 24/7	Tool in development
Website program information	Available 24/7	Available
Social Media Advertisements	Periodic advertisements to increase awareness that include a link to begin the online application for CAP.	Included in media plan
Community education	Posters/handouts provided to schools, churches and social service agencies.	Examples attached

Additional Target Audience Education & Outreach Activities

Activity	Details	2023 Update
Incoming callers screened for eligibility	Application for service; bill payment discussions; termination/restoration calls; PFA calls	Training and resources for call centers complete
Direct mailing to current Helping Hand participants	Letter to Helping Hand participants that describes the additional benefits available in the new CAP.	Outreach to HH participants completed
Focused outreach to LIHWAP recipients	Letter/email to LIHWAP recipients offering the new CAP. This will emphasize income documentation is not required since LIHWAP can be used as proof of income eligibility.	Partnership w/DHS allowed for data sharing for the purposes of CAP enrollment.
Email Campaign to payment troubled households	Identify customers with arrears and/or low income using Aqua's billing system to generate an email campaign with links to Aqua's website to learn more and begin the application process through the online application.	Email campaign launched to all residential customers in November 2023.

Limited Income Events	Provide representatives and materials to local events: senior fairs, resource fairs, etc.	See attached report of attended events.
Direct calls to at risk customers	Using reporting of customers in arrears with potential low or limited incomes, members of the Community Assistance Programs team will make outbound calls and/or send letters.	These outreach efforts included ERAP recipients and others identified by the Aqua customer team.
Maintaining program info on resource websites	Use of Findhelp.org and PA 2-1-1 websites and others as identified.	Aqua's programs are included in Findhelp.org
Field contact employee referrals	Variety of tools including door hangers and flyers that will be maintained by Operations staff in their vehicles that can be shared with customers directly.	Cards for leak repair were distributed to field personnel. Door hangers for CAP are in development.

Annual Training/Community Education Opportunities

Association	Training/Support	2023 Update
PA 211 Call Center	Training provided at least once per year regarding CAP eligibility and enrollment processes and water leak repair program.	In development
Resource Fairs	Held throughout the service territory on various dates. Aqua staff will answer questions/distribute information.	See attached report of attended events.
BeUtilityWise	Annual participation in planning, program development and presentations to attendees regarding Aqua CAP.	Participated in panel presentation at Harrisburg BeUtilityWise
Train the Trainer events	Offer training to additional local agencies, community partners.	In development
Utility sponsored zoom/in-person events	Partner with gas and electric utilities to participate in utility focused outreach efforts	In development
Outreach mailings	Targeting school districts with a high percentage of free/reduced lunch students; local churches	Planned for January 2024

Special Needs/Limited English Proficiency/Protection From Abuse

- Outreach materials (posters/handouts) will be prepared in both English and Spanish translations. We will also provide materials in other languages if we find a need for a particular population.
- Support to vulnerable customers provided by CARES representatives when customers are having difficulty understanding and/or completing steps to enroll in CAP. Dedicated phone line and email address (AquaCAP@aquaamerica.com; 412-208-6818)

CAP Enrollment Methods

Method	Availability
Self-service online application	Available 24/7 at https://www.hardshiptools.org/MyApp/
Via telephone	Monday through Friday from 8 a.m. to 4:30 p.m. Customers can begin the application process and learn how to submit the required documentation to complete their enrollment.
Dollar Energy Fund Screening Agency	Applications by appointment with local agencies.

Ease of Enrollment Efforts

- No income documentation required if customer has received LIHWAP.
- Online application available at: https://www.hardshiptools.org/MyApp/.
- Income documents can be submitted via upload, fax or US mail.

Consumer Education & Outreach Plan Updates

As these programs are relatively new for Aqua Pennsylvania, establishing connections within the social service community and engagement from stakeholders will be important to building up the number and variety of outreach efforts and materials. In order to ensure the continued development of the CEOP receives appropriate attention, the Company continues to work with its advisory group whose members include representatives from the Office of Consumer Advocate, Pennsylvania Utility Law Project, PA PUC Office of Investigation & Enforcement, Bureau of Consumer Services, Office of Communications and social service agencies.

2024 Aqua Assistance Collaborative Meeting Dates:

- February 21
- May 22
- August 21
- November 20

Key Focus Areas for 2024

- Building social service agency relationships for participation in collaborative meetings as well as direct community connections to increase awareness and enrollment.
- Increasing involvement in BeUtilityWise events throughout the service territory.
- Evaluating impact of media campaign to identify areas of success or modifications needed.

Media Promotional Plan (attached)

- Target markets for promotional efforts tied to census and customer data regarding low-income populations
- Mix of print, transit and digital audio advertising across key counties.
- Timing includes fall push for enrollment, followed by spring push as moratorium ends.

Date	Organization	Type (In person, Web, Radio/Television)	Outreach Material Taken	Audience (i.e. customer, social service agencies)	Number of Participants	Area (Where is event located?)	Notes
06/22/22	Church of Christian Compassion	In Person	ERAP/LIHWAP	Customers	50	Church of Christian Compassion (PHILA/DELCO/SEPA)	
09/23/22	Be Utility Wise	In Person	CAP/ERAP/LIWHAP	Customers	50-75	Sharon Hill (DELCO/SEPA)	State Senator Anthony Williams
10/21/22	Senior Expo	In Person	ERAP/LIHWAP	Customers	75-100	Springfield Township (DELCO/SEPA)	State Representative O'Mara
11/21/22	New Garden Town Hall	In Person	CAP/ERAP/LIWHAP	Customers	200+	New Garden Elementary School (Chester County)	New Garden Township
03/30/23	Consumer Utility Fair	In Person	CAP	Customers	75-100	Yeadon Borough (DELCO/SEPA)	State Senator Anthony Williams
08/13/23	Summertime Family Festival & Resource Fair	In person	CAP/ERAP/LIWHAP	Customers	200+	Norristown, PA (Montgomery County)	State Representative Craig Scott
11/14/2023	Utility Resource Fair	In Person	CAP/Leak Repair	Customers		Ridley Township (DELCO/SEPA)	Ridley Township Public Library
11/17/2023	Be Utility Wise	In Person	CAP	Social Service Agencies	100+	Harrisburg	Participated in CAP Panel to highlight Aqua's new programs

Exhibit RFB-1

HARMELINMEDIA

Aqua CAP Media Flowchart

Media Placement	Dimensions	October-23					November-23				December-23					January-24				February-24				March-24				April-24				Total Insertion
		25	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	5	12	19	26	4	11	18	25	1	8	15	22	
All Counties: Berks, Bucks, **Chester, Delaware, Montgomery,** Philadelphia, Allegheny, Butler, Blair, Cambria, Carbon, Lackawanna , Lehigh, Luzerne, Monroe, Northampton, Pike, Schuylkill, Susquehanna, Wayne, Wyoming, Adams, Bradford, Columbia, Cumberland, Juniata, **Northumberland,** Snyder, Clarion, Clearfield, Crawford, Forest, Lawrence, Mckean, **Mercer,** Venango, Warren																																
PRINT																																
Mercer County																																
Grove City Allied News - Wed / 9.095 circ	1/4 page 4c																															5
Sharon Herald - Wed / 7485 Circ	1/4 page 4c																															5
Greenville Record-Argus - Wed / 3886 Circ	1/4 page 4c																															5
Northumberland County																																
Sunbury Daily Item - Sun / 10,000 circ	1/4 page 4c																															5
DIGITAL AUDIO																																
Chester, Delaware, Montgomery, Northumberland, Mercer Counties, A25+																																
Pandora	:30 or :15																															5
iHeart Radio	:30 or :15																															5
TRANSIT																																
No coverage in Mercer or Northumberland Counties																																
Intersection - Bus Interiors (50 units)	22" x 21"																															4
Production							Frontier & Victory Bus garages - Chester, Delaware, Montgomery																													2
MARKET TOTAL																																

Exhibit RFB-1

AQUA

An Essential Utilities Company

Need help with your water or wastewater bills?

We're here to help.

Learn more about Aqua Pennsylvania's Customer Assistance Program (CAP)

If you or someone you know needs help with your water or wastewater bills, financial assistance is available. Aqua Pennsylvania's new program is designed to help customers experiencing financial difficulties by making monthly bills more affordable.

Assistance is available year-round to qualifying households.

PROGRAM BENEFITS

- Discounts on monthly water and wastewater bills
- $25 credit toward overdue balances when timely monthly payments are made

Who is eligible?

Customers with income at or below the following guidelines may be eligible:

HOUSEHOLD SIZE	GROSS MONTHLY INCOME	GROSS ANNUAL INCOME
1	$2,430	$29,160
2	$3,287	$39,440
3	$4,143	$49,720
4	$5,000	$60,000
5	$5,857	$70,280
6	$6,713	$80,560
7	$7,570	$90,840
8	$8,427	$101,120
For each additional person add	$428.33	$5,140

Apply online at **www.hardshiptools.org/MyApp**

Apply over the phone at **1-888-282-6816**

Scan the QR Code to get started today

AQUA

An Essential Utilities Company

¿Necesita ayuda con sus facturas de agua o aguas residuales?

Estamos aquí para ayudar.

Obtenga más información sobre el Programa de Asistencia al cliente (CAP) de Aqua Pennsylvania

Si usted o alguien que conoce necesita ayuda con sus facturas de agua o aguas residuales, hay asistencia financiera disponible. El nuevo programa de Aqua Pennsylvania está diseñado para ayudar a los clientes con dificultades financieras haciendo que las facturas mensuales sean más fáciles de pagar.

El programa de ayuda está disponible durante todo el año para los hogares que cumplan con los requisitos financieros.

BENEFICIOS DEL PROGRAMA

- Descuentos en las facturas mensuales de agua y alcantarillado
- Crédito de $25 para saldos vencidos cuando se realizan pagos mensuales oportunos

¿Quién es elegible?

Los clientes con ingresos iguales o inferiores a los siguientes requisitos financieros pueden ser elegibles:

TAMAÑO DE LA FAMILIA	TOTAL DE INGRESOS MENSUALES	TOTAL DE INGRESOS ANUALES
1	$2,430	$29,160
2	$3,287	$39,440
3	$4,143	$49,720
4	$5,000	$60,000
5	$5,857	$70,280
6	$6,713	$80,560
7	$7,570	$90,840
8	$8,427	$101,120
Por cada personal adicional añada	$428.33	$5,140

Aplicar en línea en **www.hardshiptools.org/MyApp**

Aplicar por teléfono al **1-888-282-6816**

Escanea el código QR para comenzar hoy

Need help with your water or wastewater bills?

We're here to help.

Learn more about CAP, Aqua Pennsylvania's financial assistance program available year-round for eligible customers.

SCAN TO LEARN MORE

Apply online at
www.hardshiptools.org/MyApp

Apply over the phone at
1-888-282-6816

AQUA

An Essential Utilities Company

Exhibit RFB-1

Water leaks happen.
We're here to help.

AQUA℠

An Essential Utilities Company

Aqua Pennsylvania's Leak Repair Program helps limited income customers experiencing a water leak. We believe everyone deserves access to clean, safe, reliable water.

Contact our Assistance Team to learn how we can help with your repair:

Call: **412-208-6818**

Email: **AquaCAP@AquaAmerica.com**

LEARN MORE:

AquaWater.com @MyAquaWater @MyAquaWater @MyAquaWater

Exhibit RFB-1

Pérdidas de Agua pueden suceder.
Estamos aquí para ayudar.

AQUA℠

An Essential Utilities Company

El programa de Reparación de Pérdidas de Agua en Aqua Pennsylvania ayuda a clientes que están experimentando una pérdida de agua por un escape. Consideramos que todos merecen acceso a agua limpia, segura y confiable.

Contacte a nuestro equipo de asistencia para saber cómo lo podemos ayudar con la reparación.

Llame al: **412-208-6818**

Correo electrónico:
AquaCAP@AquaAmerica.com

PARA APRENDER MÁS:

AquaWater.com @MyAquaWater @MyAquaWater @MyAquaWater

Exhibit RFB-1

VERIFICATION

I, Rita F. Black, Director, Community Assistance Programs, hereby state that the facts set forth in the foregoing letter dated November 30, 2023 at Docket No. R-2021-3027385 and R-2021-3027386 are true and correct to the best of my knowledge, information, and belief and that I expect to be able to prove the same at any hearing held in this matter. I understand that my statement herein is make subject to the penalties of 18 Pa. C.S.§4904 (relating to unsworn falsification to authorities).

Rita F. Black
Director, Community Assistance Programs
Essential Utilities, Inc.

Dated: December 4, 2023

NYSE: **WTRG**

Aqua Assistance Collaborative February 21, 2024

Essential™
Providing natural resources for life.

NYSE: **WTRG**

Aqua Assistance Statistics

	Last Meeting (8/30/23)	Current
Enrollment	1,299	4,958*
Discounts provided		$464,576.02 (through 12/31)
Arrearage forgiveness		$68,974.63 (through 12/31)
Aqua Aid		$7,914.70 (Oct through 12/31)
Leak Repair		$13,754 (2023) $8,388.96 (2024 YTD)

*In final stages of reviewing/enrolling customers who received a LIHWAP grant via data sharing agreement.

Consumer Outreach & Education Plan Update – CAP Promotion

General Residential Audience

- **Bill messaging/inserts/emails**
  - ANNUAL INSERT/RECURRING EMAILS
- **Mailings to new acquisitions**
  - AS OCCURS
- **Social media promotion**
  - ONGOING
- **Website information**
  - COMPLETE
- **Community events**
  - ONGOING

Targeted Outreach

Direct outreach to Helping Hand participants	Enrolling LIHWAP recipients	Creating awareness for social service agencies
COMPLETE	95% COMPLETE	IN PROGRESS

Essential™ NYSE: **WTRG**

Eligibility Guidelines

AQUA AID
Bringing neighbors & needs together.

General Guidelines

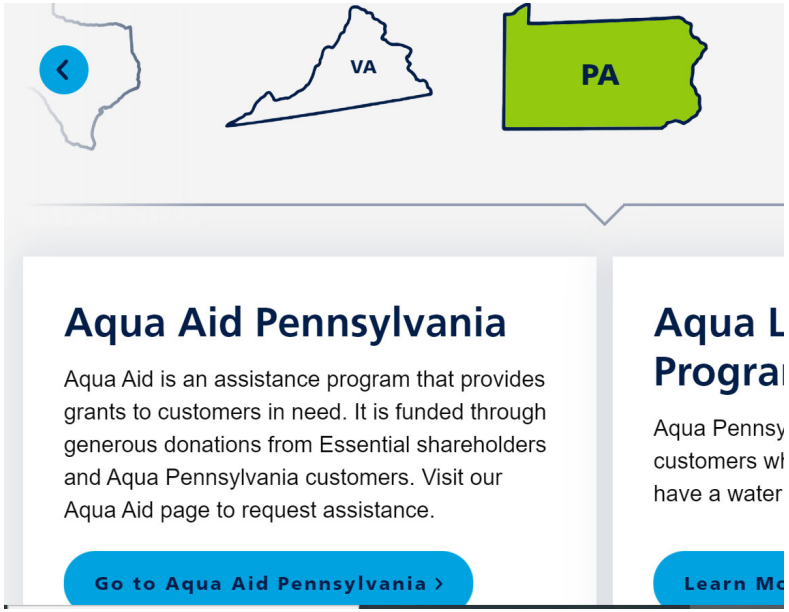
- Arrears, termination notice or service off
- Residential
- Single family
- Income at or below 200% FPL
- One grant per account per calendar year
- Customer must enroll in CAP

Additional Flexibilities

- High bill due to leak (leak has been repaired)
- Special needs (seniors, disabled, etc.) can be served up to 250% FPL
- General grant guideline is $500 maximum, but larger grants could be approved depending on circumstance.
- Other circumstances that warrant assistance to customers who do not fit the general guidelines for participation.

Aqua Aid – Website Info

Currently limited info on website: Topic for discussion: Income chart? Guidelines? Special needs income exceptions



About Aqua Aid Pennsylvania

The program is focused on customers within the communities Aqua serves and is funded by generous donations from our shareholders and Aqua Pennsylvania customers.

How are funds awarded and disbursed?

To learn more and apply please contact our team at AquaCAP@AquaAmerica.com or call 412-208-0618.

Leak Repair Program Examples

From small jobs to multiple issues in one home

- Household income – 84% FPL
- Leak repair services completed:
  - Reset toilet & replace inside parts
  - Kitchen faucet
  - Rebuild bathtub faucet
  - Replace washing machine hoses & install new single bowl laundry tub.
  - $2,800 total expenditure

Other examples of services provided:

- Replace leaking service line – 180% FPL $4,800
- Install valve and flapper on leaking toilet $295

All customers screened for CAP eligibility/participation. Aqua Aid assistance provided for high bill as needed.

Annual budget for leak repair & conservation kits: $100,000

Conservation Kits

- Helping Hand program sent kits to new enrollees, but enrollment levels were very small
- Many CAP participants are low users (i.e. less than 2,000 gallons per month)

Topic for discussion:

- ➢Prioritize by high usage alone?
- ➢Provide to customers who received leak repair services?
- ➢Other ideas/best practices?

Aqua Assistance Collaborative 2024

2024 Meeting Dates	Participants	Topics
• February 21 • May 22 • Aug 21 • Nov 20	• Social service agencies or other stakeholders – **Please share recommendations**	• Program updates • Participation statistics • Trends/barriers/areas of improvement

Appendix

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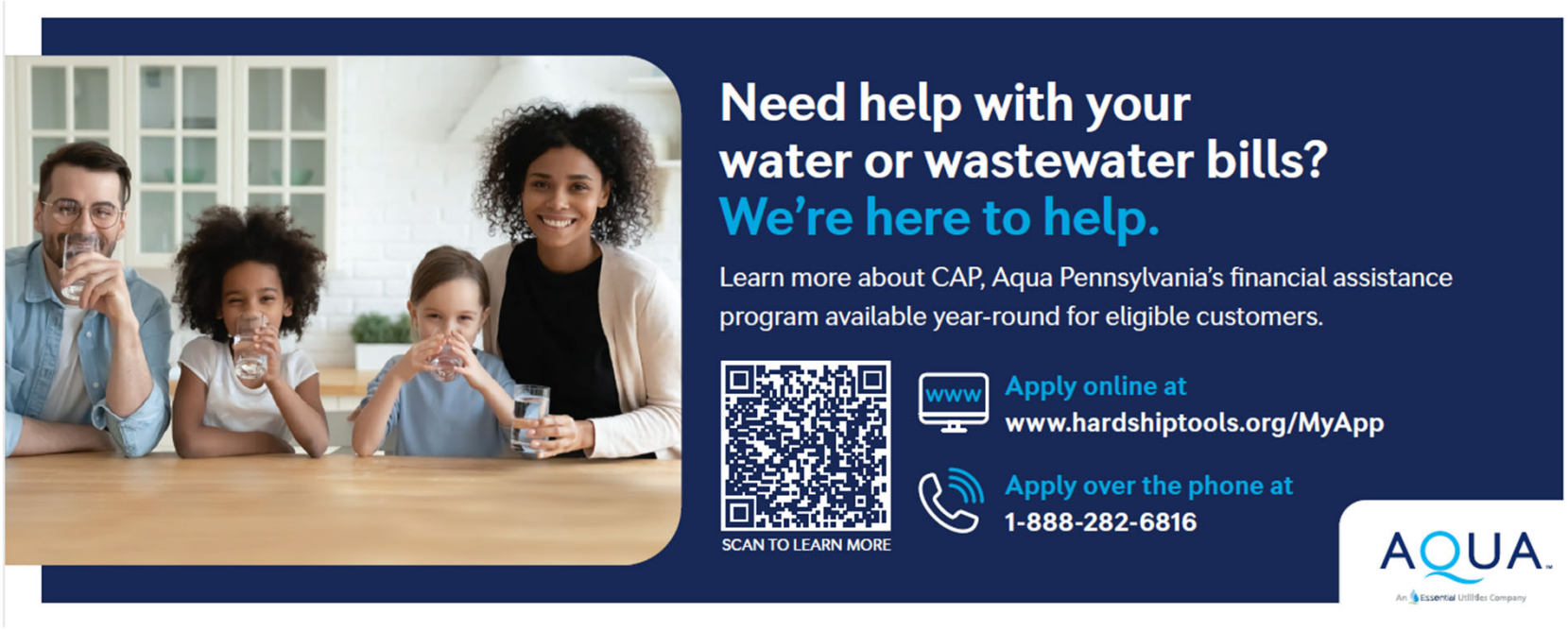
Providing natural resources for life.

NYSE: **WTRG**

October Bill Insert



CAP Enrollment Opportunities

We plan to expand available agencies beyond the current HH agencies to more communities.

- Dollar Energy has an online application at its website www.dollarenergy.org/myapp that is available for Aqua customers
- Customers may apply via phone at 1-888-282-6816
- Participating agencies: Central Susquehanna Opportunities Inc; Community Action of Montgomery County

Income Verification
• Monthly or annual income
• Paystubs; benefit statements; tax forms
• Zero Income Form can be submitted to enroll a customer for 6 months while they obtain income (i.e. benefits)
• Income docs waived if rec'd LIHWAP

NYSE: **WTRG**

Customer Assistance Program (CAP) Discounts

WATER	WASTEWATER
Base Facility Customer Charge: Tiers 1-3: $0 **100% discount on fixed**	Base Facility Customer Charge: Tier 1: **75% discount on fixed** Tier 2: **65% discount on fixed** Tier 3: **50% discount on fixed**
Consumption Charge: **100% discount on consumption of first 2k gallons** for residential water customers at or below 100% FPL. **50% discount on consumption of first 2k gallons** for residential water customers with incomes between 101 and 150% FPL. **0% discount on consumption** for residential water customers with incomes between 151% and 200% FPL.	Consumption Charge: **100% discount on consumption of first 2k gallons** for residential water customers at or below 100% FPL. **50% discount on consumption of first 2k gallons** for residential water customers with incomes between 101 and 150% FPL. **0% discount on consumption** for residential water customers with incomes between 151 and 200% FPL.

In addition to the discounts above, participating customers that enter the program with arrearages receive $25 in Arrearage Forgiveness benefits for each timely payment made.

Aqua Leak Repair & Conservation Program

Annual budget: $100,000

Added paragraph about assistance to 10 day leak shutoff notices

. **If your income is limited and you would like to apply for assistance with this repair through Aqua's Leak Repair program, please contact our Assistance Team at 412-208-6818 or via email at AquaCAP@aquaamerica.com.**

Promoted to CSRs, through website, and field distributed information summer of 2023.

Conservation kits: Previously purchased kits from HH program will be used prior to purchasing additional kits

AQUA℠

An Essential Utilities Company

Do you need help with your water or wastewater bills?

Learn about Aqua Aid Pennsylvania, *formerly Helping Hand*, a financial assistance program funded by donations from customers like you.

◂ **Scan here to learn more and apply**

For additional information call
412-208-6818

or reach out via email:
AquaCAP@AquaAmerica.com

Exhibit RFB-3

AQUA AID

Who is eligible?

Customers with income at or below the following guidelines may be eligible:

HOUSEHOLD SIZE	GROSS MONTHLY INCOME	GROSS ANNUAL INCOME
1	$2,510.00	$30,120.00
2	$3,406.67	$40,880.00
3	$4,303.33	$51,640.00
4	$5,200.00	$62,400.00
5	$6,096.67	$73,160.00
6	$6,993.33	$83,920.00
For each additional person add	$896.67	$10,760.00

OTO-5724-A-0

AQUA℠

An Essential Utilities Company

Neighbors helping neighbors

Would you like to support Aqua customers in need of financial assistance? Learn how to make a tax-deductible donation to Aqua Aid Pennsylvania, *formerly Helping Hand*.

Scan here to donate

Making a donation is easy:

- ☑ Provide your Aqua account number, name and address.
- ☑ Select the frequency and amount of your donation.

Want to donate via mail? Make checks payable to:
Aqua Pennsylvania, Attn: Aqua Aid
762 West Lancaster Ave, Bryn Mawr, PA 19010

	WATER	PARTICIPATION RATE			SEWER	PARTICIPATION RATE			W & S TOTAL	PARTICIPATION RATE		
Aqua PA Residential Customers	388,660		2024	2025	46,971		2024	2025	435,631		2024	2025
Estimate of Eligible Customers:		Existing	12%	20%		Existing	12%	20%		Existing	12%	20%
1.0x FPL	43,388	3,591	5,207	8,678	4,795	37	575	959	48,183	3,628	5,782	9,637
1.0-1.5x FPL	26,469	1,355	3,176	5,294	2,893	24	347	579	29,363	1,379	3,524	5,873
1.5-2.0x FPL	28,428	610	3,411	5,686	3,169	17	380	634	31,597	627	3,792	6,319
	98,285	5,556	11,794	19,657	10,858	78	1,303	2,172	109,143	5,634	13,097	21,829
Potential CAP Customers % of Total Resid. Customers	25.3%	1.4%	3.0%	5.1%	23.1%	0.2%	2.8%	4.6%	25.1%	1.3%	3.0%	5.0%

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

TABLE OF CONTENTS TO MINIMUM FILING REQUIREMENTS
A. STATEMENT OF INCOME

MFR	Description
SI1	Statement of Income with Variance Explanations
SI2	Statement Of Income
SI3	Division Statement of Income
SI4	Operating Income Claims
SI5	Rate Of Return

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

A. Statement of Income

SI1. Provide comparative operating statements for the historic test year and the immediately preceding 12 months showing increases and decreases between the two periods. These statements should supply detailed explanation of the causes of the major (greater than 15%) variances between the historic test year and preceding year by detailed account number. Limit the explanation to differences of $10,000 or greater.

A.

Please see the attached Schedule SI1-a for Water, Schedule SI1-b for Shenandoah Water, Schedule SI1-c for Wastewater Base, Schedule SI1-d for Wastewater Lower Makefield, and Schedule SI1-e for Wastewater East Whiteland. Lower Makefield Wastewater and East Whiteland Wastewater were acquired in 2022 and Shenandoah Water was acquired after 12/31/2022; therefore, the comparison of operating statements between the historic test year and the immediately preceding 12 months is not applicable to these divisions. Explanations are provided below for revenue and expenses that meet the variance criteria listed above:

Revenues

Water:

· 4601 - Unmetered Water Revenues decrease is related to the Sun Valley customers that moved from Unmetered to Metered following the rate increase effective May 19, 2022.

· 474 DSIC Charge Revenues decreased due to Distribution System Improvement Charge rate which was reset to 0.00% effective May 19, 2022 when new rates went into effect; Docket No. M-2021-3027385.

Wastewater Base:

· Residential increase primarily due to full year of rate increase reflected in 2023 that was effective May 19, 2022.

· Commercial increase primarily due to full year of rate increase reflected in 2023 that was effective May 19, 2022.

· 5360 Other WW - revenues decreased due to Distribution System Improvement Charge rate which was reset to 0.00% effective May 19, 2022 when new rates went into effect; Docket No. M-2021-3027386.

Expenses

Water:

· Acct. 604 the Employee Benefits decrease reflects the change of the Pension contribution

· Acct. 610 Purchased Water - Increase is attributable to an increase in price per thousand gallons paid by the Company in Downingtown.

· Acct. 616 Purchased Power - Increase is attributable to an increase in generation fuel costs.
· Acct. 618 Chemicals - Increase is attributable to an across the board increase in chemical prices.
· Acct. 620 Supplies - the decrease is primarily attributable to certain types of charges being charged to 675 Other in 2023 compared to prior year being charged to account 620 Supplies
· Acct. 632 OS Accounting - increase is the result of increases to audit fees from the Company's third party auditor.
· Acct. 635 Lab Testing - Increase is attributable to increased testing and increased pricing from third party vendors.
· Acct. 636 OS Other - Decrease is attributable to an insurance receipt from property damage caused by Hurricane Ida in 2021.
· Acct. 666 Amortization of rate Case - Decrease reflects the difference of a full year vs a partial year of 2021/2022 rate case costs.
· Acct. 670 Bad Debt - Decrease in expense due to reverting back to using policy reserve percentages that were in place prior to Covid.
· Acct. 675 Other - the increase is primarily attributable to certain types of charges being charged to 620 Supplies in 2023 compared to prior year being charged to account 675 Other

Expenses

Wastewater Base:

· Acct. 711 Sludge - increase is attributable to an increase in the hauling rate and increase in amount of sludge to be processed.
· Acct. 716 Purchased Power - Increase is attributable to an increase in generation fuel costs.
· Acct. 718 Chemicals - increase is attributable to an across the board increase in chemical prices.
· Acct. 731 OS Engineering - increase in primarily attributable to an increase in ongoing Engineering projects.
· Acct. 732 OS Accounting - increase is the result of increases to audit fees from the Company's third party auditor.
· Acct. 733 OS Legal - The increase reflects an increase in general legal expenses for the Wastewater Base operation.
· Acct. 734 Management Fees - Increase is primarily attributable to the change in the allocation of management fees between water and wastewater.
· Acct. 735 Lab Testing - Increase is attributable to increased testing and increased pricing from third party vendors.
· Acct. 757 Insurance - Increase is primarily attributable to the allocation between water and wastewater.
· Acct. 758 Insurance - Increase is primarily attributable to the allocation between water and wastewater.
· Acct. 759 Insurance - Increase is primarily attributable to the allocation between water and wastewater.
· Acct. 766 Amortization of rate Case - Decrease reflects the difference of a full year vs a partial year of 2021/2022 rate case costs.
· Acct. 770 Bad Debt - Increase in expense due to reverting back to using policy reserve percentages that were in place prior to Covid.
· Acct. 675 Other - The decrease is primarily attributable to certain types of charges being charged to 775 Other in 2022 compared to being charged to OS Other, Lab Testing and Sludge in 2023.

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
1	**Operating Revenue**					
2		--Metered Sales--				
3	4611	Residential	$ 346,889,101	$ 365,854,968	$ 18,965,867	5.5%
4	4612	Commercial	124,004,393	132,682,814	8,678,421	7.0%
5	4613	Industrial	21,230,562	22,584,623	1,354,061	6.4%
6	4614	Public	9,840,347	10,065,520	225,173	2.3%
7	4616	Bulk Water	-	134,955	134,955	#DIV/0!
8	4620	Private Fire Protection	14,637,929	15,157,211	519,282	3.5%
9	4660	Sales to Water Utilities	3,808,016	3,671,054	(136,962)	-3.6%
10						
11		Total Metered Sales	$ 520,410,348	$ 550,151,145	$ 29,740,797	5.7%
12						
13		--Other--				
14	4601	Unmetered	$ 23,822	$ 18,035	$ (5,787)	-24.3%
15	4621	Public Fire Protection	7,014,298	7,347,754	333,456	4.8%
16	4622	Private Fire Protection	2,355,106	2,687,350	332,244	14.1%
17						
18		Total Sales to General Customers	$ 529,803,574	$ 560,204,284	$ 30,400,710	5.7%
19						
20		--Other Water Revenue--				
21	474	Miscellaneous Service Revenue	$ 14,724,973	$ 4,120,244	$ (10,604,729)	-72.0%
22						
23		Total Other Water Revenues	$ 14,724,973	$ 4,120,244	$ (10,604,729)	-72.0%
24						
25		Total Operating Revenue	$ 544,528,547	$ 564,324,528	$ 19,795,980	3.6%
26						

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
27	**Operating Expense**					
28						
29	601	Labor	$ 30,093,694	$ 29,598,721	$ (494,973)	-1.6%
30	603	Labor	3,417,863	1,588,529	(1,829,334)	-53.5%
31	604	Employee Benefits	13,863,316	10,500,308	(3,363,008)	-24.3%
32	610	Purchased Water	4,382,479	5,295,423	912,944	20.8%
33	615	Purchased Power	7,830,665	7,816,483	(14,182)	-0.2%
34	616	Purchased Power	248,449	301,719	53,269	21.4%
35	618	Chemicals	7,097,731	12,621,737	5,524,005	77.8%
36	620	Supplies	3,400,998	2,571,762	(829,235)	-24.4%
37	631	OS Engineer	583,561	176,515	(407,046)	-69.8%
38	632	OS Accounting	633,086	776,660	143,574	22.7%
39	633	OS Legal	931,236	815,255	(115,981)	-12.5%
40	634	Management Fees	28,239,698	25,421,761	(2,817,938)	-10.0%
41	635	OS Lab Testing	174,511	607,623	433,112	248.2%
42	636	OS Other	11,246,233	9,228,316	(2,017,917)	-17.9%
43	641	Leases	527,727	581,591	53,863	10.2%
44	642	Leases	26,221	31,927	5,706	21.8%
45	650	Transportation	1,722,795	1,781,774	58,979	3.4%
46	657	Insurance	3,401,094	3,550,261	149,167	4.4%
47	658	Insurance	608,691	626,750	18,059	3.0%
48	659	Insurance	1,318,165	1,377,763	59,598	4.5%
49	660	Other	52,932	58,879	5,947	11.2%
50	666	Amortization of Rate Case	592,581	315,844	(276,737)	-46.7%
51	670	Bad Debt	2,605,032	1,837,023	(768,009)	-29.5%
52	675	Other	2,893,875	4,683,928	1,790,053	61.9%

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
53	406	Amortization of UPAA	92,888	92,889	1	0.0%
54						
55		Total Operating Expenses	$ 125,985,521	$ 122,259,439	$ (3,726,082)	-3.0%

AQUA PENNSYLVANIA, INC. - SHENANDOAH

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
1	**Operating Revenue**					
2		--Metered Sales--				
3	4611	Residential	$ -	$ 588,775	$ 588,775	#DIV/0!
4	4612	Commercial	-	100,820	100,820	#DIV/0!
5	4613	Industrial	-	26,436	26,436	#DIV/0!
6	4614	Public	-	2,673	2,673	#DIV/0!
7						
8		Total Metered Sales	$ -	$ 718,704	$ 718,704	#DIV/0!
9						
10		--Other--				
11	4621	Public Fire Protection	-	3,028	3,028	#DIV/0!
12	4622	Private Fire Protection	-	4,339	4,339	#DIV/0!
13						
14		Total Sales to General Customers	$ -	$ 726,071	$ 726,071	#DIV/0!
15						
16		--Other Water Revenue--				
17	474	Miscellaneous Service Revenue	$ -	$ 6,363	$ 6,363	#DIV/0!
18						
19		Total Other Water Revenues	$ -	$ 6,363	$ 6,363	#DIV/0!
20						
21		Total Operating Revenue	$ -	$ 732,434	$ 732,434	#DIV/0!
22						
23	**Operating Expense**					
24						
25	601	Labor	$ -	$ 208,924	$ 208,924	#DIV/0!
26	603	Labor	-	3,516	3,516	#DIV/0!

AQUA PENNSYLVANIA, INC. - SHENANDOAH

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
27	604	Employee Benefits	-	69,896	69,896	#DIV/0!
28	615	Purchased Power	-	80,420	80,420	#DIV/0!
29	618	Chemicals	-	30,680	30,680	#DIV/0!
30	620	Supplies	-	30,532	30,532	#DIV/0!
31	635	OS Lab Testing	-	15,248	15,248	#DIV/0!
32	636	OS Other	-	343,673	343,673	#DIV/0!
33	641	Leases	-	576	576	#DIV/0!
34	650	Transportation	-	18,671	18,671	#DIV/0!
35	670	Bad Debt	-	3,979	3,979	#DIV/0!
36	675	Other	-	2,519	2,519	#DIV/0!
37						
38		Total Operating Expenses	$ -	$ 808,634	$ 808,634	#DIV/0!

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
1	**Operating Revenue**					
2						
3		Residential	$ 33,262,474	$ 39,721,662	$ 6,459,188	19.42%
4		Commercial	14,355,724	16,836,600	2,480,877	17.28%
5		Industrial	5,100	7,013	1,914	37.53%
6		Public Authority	1,423,085	1,525,726	102,641	7.21%
7		Flat Rate Miscellaneous	27,752	24,134	(3,618)	-13.04%
8		Total Sales to General Customers	$ 49,074,135	$ 58,115,137	$ 9,041,002	18.42%
9						#DIV/0!
10	5320	Forfeited Discounts	98,102	95,385	(2,717)	-2.77%
11	5360	Other WW Revenues	382,943	60,153	(322,790)	-84.29%
12		Sub-Total	$ 481,044	$ 155,538	$ (325,506)	-67.67%
13						#DIV/0!
14		Total Operating Revenue	$ 49,555,179	$ 58,270,675	$ 8,715,496	17.59%
15						
16	**Operating Expense**					
17						
18	701	Labor	4,155,072	4,204,513	49,441	1.2%
19	703	Labor	-	232,794	232,794	#DIV/0!
20	704	Employee Benefits	1,653,187	1,455,845	(197,342)	-11.9%
21	710	Purchased Wastewater	6,683,457	5,995,393	(688,064)	-10.3%
22	711	Sludge	1,178,609	1,721,015	542,406	46.0%
23	715	Purchased Power	1,342,079	1,311,512	(30,567)	-2.3%
24	716	Purchased Power	68,801	84,938	16,137	23.5%
25	718	Chemicals	732,259	1,146,266	414,007	56.5%
26	720	Supplies	382,444	383,035	592	0.2%

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
27	731	OS Engineer	278,906	401,195	122,289	43.8%
28	732	OS Accounting	62,613	105,908	43,295	69.1%
29	733	OS Legal	92,404	233,944	141,540	153.2%
30	734	Management Fees	2,451,242	3,466,603	1,015,361	41.4%
31	735	OS Lab Testing	393,304	522,531	129,227	32.9%
32	736	OS Other	3,625,699	3,420,297	(205,402)	-5.7%
33	741	Leases	117,508	123,473	5,965	5.1%
34	742	Leases	43,808	5,276	(38,532)	-88.0%
35	750	Transportation	299,448	259,848	(39,600)	-13.2%
36	757	Insurance	(46,173)	129,312	175,485	-380.1%
37	758	Insurance	(19,480)	5,304	24,784	-127.2%
38	759	Insurance	(38,897)	14,640	53,537	-137.6%
39	760	Other	5,205	8,029	2,824	54.3%
40	766	Amortization of Rate Case	47,609	23,524	(24,085)	-50.6%
41	770	Bad Debt	(250,899)	530,848	781,748	-311.6%
42	775	Other	780,542	536,883	(243,659)	-31.2%
43	406	Amortization of UPAA	(1,148,151)	(1,066,498)	81,653	-7.1%
44						
45		Total Operating Expenses	$ 22,890,595	$ 25,256,428	$ 2,365,833	10.3%

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
1	**Operating Revenue**					
2						
3		Residential	$ 8,170,789	$ 9,900,220	$ 1,729,431	21.17%
4		Commercial	1,421,592	1,799,179	377,588	26.56%
5		Public Authority	100,886	51,982	(48,904)	-48.47%
6		Total Sales to General Customers	$ 9,693,267	$ 11,751,382	$ 2,058,115	21.23%
7						#DIV/0!
8	5320	Forfeited Discounts	28,880	47,145	18,265	63.25%
9	5360	Other WW Revenues	2,336	10,583	8,247	353.02%
10		Sub-Total	$ 31,216	$ 57,728	$ 26,512	84.93%
11						#DIV/0!
12		Total Operating Revenue	$ 9,724,483	$ 11,809,110	$ 2,084,627	21.44%
13						
14	**Operating Expense**					
15						
16	701	Labor	208,116	254,057	45,942	22.1%
17	703	Labor		1,149	1,149	#DIV/0!
18	704	Employee Benefits	39,838	66,336	26,499	66.5%
19	710	Purchased Wastewater	3,185,527	4,029,647	844,120	26.5%
20	711	Sludge		15,158	15,158	#DIV/0!
21	715	Purchased Power	43,541	49,768	6,227	14.3%
22	720	Supplies	8,580	12,172	3,592	41.9%
23	731	OS Engineer		45,670	45,670	#DIV/0!
24	736	OS Other	65,012	231,007	165,995	255.3%
25	750	Transportation	10,114	15,066	4,952	49.0%
26	770	Bad Debt	12,964	21,122	8,158	62.9%

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
27	775	Other	697,589	(3,806)	(701,395)	-100.5%
28						
29		Total Operating Expenses	$ 4,271,280	$ 4,737,346	$ 466,066	10.9%

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
1	**Operating Revenue**					
2						
3		Residential	$ 549,620	$ 1,439,064	$ 889,444	161.83%
4		Commercial	696,231	1,702,220	1,005,989	144.49%
5		Industrial	146,341	366,475	220,134	150.42%
6		Public Authority	972	1,862	890	91.50%
7		Total Sales to General Customers	$ 1,393,164	$ 3,509,621	$ 2,116,456	151.92%
8						#DIV/0!
9	5320	Forfeited Discounts	2,508	6,953	4,446	177.29%
10	5360	Other WW Revenues	40	280	240	600.00%
11		Sub-Total	$ 2,548	$ 7,233	$ 4,686	183.92%
12						#DIV/0!
13		Total Operating Revenue	$ 1,395,712	$ 3,516,854	$ 2,121,142	151.98%
14						
15	**Operating Expense**					
16						
17	701	Labor	25,206	222,033	196,827	780.9%
18	704	Employee Benefits	-	53,555	53,555	#DIV/0!
19	710	Purchased Wastewater	366,139	1,123,416	757,277	206.8%
20	715	Purchased Power	23,419	52,982	29,563	126.2%
21	716	Purchased Power	-	2,062	2,062	#DIV/0!
22	720	Supplies	856	2,348	1,492	174.4%
23	731	OS Engineer	-	33,750	33,750	#DIV/0!
24	736	OS Other	63,402	316,341	252,939	398.9%
25	750	Transportation	314	12,431	12,117	3861.2%
26	770	Bad Debt	40	11,995	11,955	29963.1%

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

FILING REQUIREMENTS
STATEMENT OF INCOME
REVENUE AND EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/22	PER BOOKS 12/31/23	VARIANCE $	VARIANCE %
	(1)	(2)	(3)	(4)	(5)	(6)
27	775	Other	377,921	27,587	(350,334)	-92.7%
28						
29		Total Operating Expenses	$ 857,297	$ 1,858,500	$ 1,001,203	116.8%

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

A. Statement of Income

SI2. Prepare an income statement for the various time frames of the rate proceeding including:

Column

1—Book recorded income statement for the test year.

2—Adjustments to book recorded income statement to annualize and normalize under present rates.

3—Income statement under present rates after adjustments in Col. 2.

4—Adjustments to Col. 3 for revenue increase requested.

5—Income statement under proposed rates.

A. Please refer to Exhibits 1-A through 1-B, Schedule A-1 for water and Exhibits 1-C through 1-E, Schedule A-1 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

A. Statement of Income

SI3. If a company has separate operating divisions, an income statement must be shown for each division, plus an income statement for the company as a whole.

A. Please refer to Exhibits 1-A through 1-B, Schedule A-1 for water and Exhibits 1-C through 1-E, Schedule A-1 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

A. Statement of Income

SI4. Provide Operating Income claims under:

a. Present rates.

b. Pro forma present rates (annualized & normalized).

c. Proposed rates (annualized & normalized).

A. Please refer to Exhibits 1-A through 1-B, Schedule A-1 for water and Exhibits 1-C through 1-E, Schedule A-1 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

A. Statement of Income

SI5. Provide Rate of Return on Original Cost under:

a. Present rates.

b. Pro forma present rates.

c. Proposed rates.

A. Please refer to Exhibits 1-A through 1-B, Schedule A-4 for water and Exhibits 1-C through 1-E, Schedule A-4 for wastewater.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

TABLE OF CONTENTS TO MINIMUM FILING REQUIREMENTS
B. OPERATING REVENUES

MFR	Description
OR1	Operating Revenue Summary - Historic & Preceding
OR2	Operating Revenue Summary - Historic with Specific Information
OR3	Tariff Rates - Present and Proposed
OR4	Consumption Analysis
OR5	Accrued Revenues
OR6	Miscellaneous Water Revenues
OR7	Customers Added Or Lost
OR8	Number of Customers & Consumption
OR9	Number of Customers & Consumption
OR10	Private & Public Fire Protection
OR11	Sales For Resale
OR12	10 Largest Customers
OR13	10 Largest Sale For Resale

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR1. Prepare a summary of operating revenues for the historic test year and the year preceding the historic test year, providing the following information:

a. For each classification of customers:

(i) Number of customers as of year-end.

(ii) Gallons sold.

(iii) Revenues.

b. Customers' penalties and miscellaneous water revenues.

A.

Please refer to Schedules A-2 and B-2 of Exhibits 1-A through 1-B for water and Schedules A-2 and B-2 of Exhibit 1-C through 1-E for wastewater and to the direct testimonies of Gregory R. Herbert and Constance E.Heppenstall and the accompanying Exhibit 5-A for water, Exhibit 5-B for wastewater for the above operating revenue filing requirements. No bill analysis was performed for the year prior to the historic test year on a Company wide basis.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR2. Prepare a summary of operating revenues for the historic test year, providing the following information:

a. For each classification of customers and for customers' penalties and miscellaneous water or wastewater revenues:

(i) Revenues.

(ii) Annualizing and normalizing adjustments to arrive at adjusted operating revenues for ratemaking.

(iii) Proposed increase in operating revenues.

(iv) Percent increase in operating revenues.

(v) Operating revenues under proposed rates.

A. Please refer to Schedules B-1 through B-10 of Exhibits 1-A for the water base, which excludes Shenandoah.
Refer to Schedules B-1 through B-10 of Exhibit 1-B for Shenandoah.
Refer to Schedules B-1 through B-7 of Exhibit 1-C for Wastewater Base, which excludes Lower Makefield and East Whiteland.
Refer to Schedules B-1 through B-7 of Exhibits 1-D and 1-E for Lower Makefield and East Whiteland.
Additionally, refer to the direct testimonies of Gregory R. Herbert and Constance E. Heppenstall and the accompanying Exhibit 5-A for water, Exhibit 5-B for wastewater for the above operating revenue filing requirements.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR3.

Provide a schedule of present and proposed tariff rates showing dollar change and percent of change by block. Provide increases to customers at various monthly uses (each 5,000 gallon consumption increment) showing billings at existing and proposed rates. Provide also an explanation of any change in block structure and the reason therefore. Provide a copy of the proposed tariff or tariff supplement on a red line basis, to easily identify any changes.

A.

Please refer Exhibit 5-A for water, Exhibit 5-B for wastewater, and to the attached schedule of present and proposed tariff rates and notes showing dollar and block changes.

Please refer to Original Tariff Water-PA P.U.C. No. 4 as filed for Aqua Pennsylvania, Inc.

Please refer to Original Tariff Sewer-PA P.U.C. No. 4 as filed for Aqua Pennsylvania Wastewater, Inc.

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Main Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.163	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.301	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Industrial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Next 3,000,000 Gallons	12.040	Next 3,000,000 Gallons
	9.104	Next 6,666,700 Gallons	12.040	Next 6,666,700 Gallons
	7.283	Over 10,000,000 Gallons	9.682	Over 10,000,000 Gallons
Other Water Utilities	14.017	0	18.048	0
Tank Sales	14.017	0	18.048	0
Masury Customers	2.500	0	2.64800	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Private Fire Hydrants	51.100		51.100	
Qualified Private Fire Hydrants	34.100		42.600	
Public Fire Hydrants	28.570		32.380	
Public Fire Hydrants - Media (=>6")	34.000		34.000	
Metered Fire Connection Size				
1"	7.100	0	8.100	0
1 1/2"	16.300	0	18.600	0
2"	40.200	0	45.900	0
3"	65.300	0	74.500	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Main Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	66.50	79.14	12.63	0.42	19.0%
4,000	83.06	99.68	16.62	0.55	20.0%
5,000	99.62	120.22	20.60	0.69	20.7%
6,000	116.18	140.76	24.58	0.82	21.2%
7,000	132.73	161.30	28.56	0.95	21.5%
8,000	149.29	181.84	32.55	1.08	21.8%
9,000	165.85	202.38	36.53	1.22	22.0%
10,000	182.41	222.92	40.51	1.35	22.2%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
37,900	530.03	634.36	104.33	3.48	19.7%
Industrial 5/8"					
227,600	2,606.97	3,129.86	522.89	17.43	20.1%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Bensalem Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.163	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.301	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Industrial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Next 3,000,000 Gallons	12.040	Next 3,000,000 Gallons
	9.104	Next 6,666,700 Gallons	12.040	Next 6,666,700 Gallons
	7.283	Over 10,000,000 Gallons	9.682	Over 10,000,000 Gallons
Other Water Utilities	14.017	0	18.048	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Private Fire Hydrants	51.100		51.100	
Public Fire Hydrants	24.900		32.380	
Metered Fire Connection Size				
1"	7.100	0	8.100	0
1 1/2"	16.300	0	18.600	0
2"	40.200	0	45.900	0
3"	65.300	0	74.500	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Bensalem Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	66.50	79.14	12.63	0.42	19.0%
4,000	83.06	99.68	16.62	0.55	20.0%
5,000	99.62	120.22	20.60	0.69	20.7%
6,000	116.18	140.76	24.58	0.82	21.2%
7,000	132.73	161.30	28.56	0.95	21.5%
8,000	149.29	181.84	32.55	1.08	21.8%
9,000	165.85	202.38	36.53	1.22	22.0%
10,000	182.41	222.92	40.51	1.35	22.2%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
37,900	530.03	634.36	104.33	3.48	19.7%
Industrial 5/8"					
227,600	2,606.97	3,129.86	522.89	17.43	20.1%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Country Club Gardens Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	0	18.635	0
Public	14.017	0	18.635	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Metered Fire Connection Size				
1"	7.100	0	8.100	0
1 1/2"	16.300	0	18.600	0
2"	40.200	0	45.900	0
3"	65.300	0	74.500	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Country Club Gardens Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	66.50	79.14	12.63	0.42	19.0%
4,000	83.06	99.68	16.62	0.55	20.0%
5,000	99.62	120.22	20.60	0.69	20.7%
6,000	116.18	140.76	24.58	0.82	21.2%
7,000	132.73	161.30	28.56	0.95	21.5%
8,000	149.29	181.84	32.55	1.08	21.8%
9,000	165.85	202.38	36.53	1.22	22.0%
10,000	182.41	222.92	40.51	1.35	22.2%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
36,200	565.72	698.49	132.76	4.43	23.5%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Honesdale Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.163	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.301	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Industrial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Next 3,000,000 Gallons	12.040	Next 3,000,000 Gallons
	9.104	Next 6,666,700 Gallons	12.040	Next 6,666,700 Gallons
	7.283	Over 10,000,000 Gallons	9.682	Over 10,000,000 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Private Fire Hydrants	34.100		42.600	
Public Fire Hydrants	28.570		32.380	
Metered Fire Connection Size				
1"	7.100	0	8.100	0
1 1/2"	16.300	0	18.600	0
2"	40.200	0	45.900	0
3"	65.300	0	74.500	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Honesdale Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	66.50	79.14	12.63	0.42	19.0%
4,000	83.06	99.68	16.62	0.55	20.0%
5,000	99.62	120.22	20.60	0.69	20.7%
6,000	116.18	140.76	24.58	0.82	21.2%
7,000	132.73	161.30	28.56	0.95	21.5%
8,000	149.29	181.84	32.55	1.08	21.8%
9,000	165.85	202.38	36.53	1.22	22.0%
10,000	182.41	222.92	40.51	1.35	22.2%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
37,900	530.03	634.36	104.33	3.48	19.7%
Industrial 5/8"					
227,600	2,606.97	3,129.86	522.89	17.43	20.1%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Sand Springs Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	0	18.635	0
Public	14.017	0	18.635	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Private Fire Hydrants	34.100		42.600	
Public Fire Hydrants	28.570		32.380	

There are no current fire protection customers. Main Division rates will apply to any new fire protection customers.

Metered Fire Connection Size				
1"	7.100	0	8.100	0
1 1/2"	16.300	0	18.600	0
2"	40.200	0	45.900	0
3"	65.300	0	74.500	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Sand Springs Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	66.50	79.14	12.63	0.42	19.0%
4,000	83.06	99.68	16.62	0.55	20.0%
5,000	99.62	120.22	20.60	0.69	20.7%
6,000	116.18	140.76	24.58	0.82	21.2%
7,000	132.73	161.30	28.56	0.95	21.5%
8,000	149.29	181.84	32.55	1.08	21.8%
9,000	165.85	202.38	36.53	1.22	22.0%
10,000	182.41	222.92	40.51	1.35	22.2%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
36,200	565.72	698.49	132.76	4.43	23.5%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Mifflin Township Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.163	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.301	Over 333,300 Gallons	12.040	Over 333,300 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Public Fire Hydrants	19.500		25.900	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Mifflin Township Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	66.50	79.14	12.63	0.42	19.0%
4,000	83.06	99.68	16.62	0.55	20.0%
5,000	99.62	120.22	20.60	0.69	20.7%
6,000	116.18	140.76	24.58	0.82	21.2%
7,000	132.73	161.30	28.56	0.95	21.5%
8,000	149.29	181.84	32.55	1.08	21.8%
9,000	165.85	202.38	36.53	1.22	22.0%
10,000	182.41	222.92	40.51	1.35	22.2%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
37,900	530.03	634.36	104.33	3.48	19.7%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Beech Mountain Lakes Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	6.158	0	11.084	0
Commercial	6.158	0	11.084	0
Public	6.158	0	8.187	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Public Fire Hydrants	28.570		32.380	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Beech Mountain Lakes Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	28.58	34.98	6.41	0.21	22.4%
2,000	35.18	46.07	10.89	0.36	31.0%
3,000	41.78	57.15	15.38	0.51	36.8%
4,000	48.37	68.24	19.86	0.66	41.1%
5,000	54.97	79.32	24.35	0.81	44.3%
6,000	61.57	90.40	28.83	0.96	46.8%
7,000	68.17	101.49	33.32	1.11	48.9%
8,000	74.77	112.57	37.80	1.26	50.6%
9,000	81.37	123.66	42.29	1.41	52.0%
10,000	87.97	134.74	46.77	1.56	53.2%
Residential 5/8"					
3,870	47.52	66.80	19.28	0.64	40.6%
Commercial 5/8"					
39,800	284.62	465.04	180.43	6.01	63.4%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Bristol Township Water System Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	8.575	0	15.435	0
Commercial	14.017	0	18.048	0
Public	14.017	0	18.635	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Public Fire Hydrants	22.300		27.500	
Metered Fire Connection Size				
1"	7.10	0	8.10	0
1 1/2"	16.30	0	18.60	0
2"	40.20	0	45.90	0
3"	65.30	0	74.50	0
4"	110.50	0	126.00	0
6"	221.40	0	277.70	0
8"	366.40	0	484.20	0
10"	548.40	0	737.50	0
12"			2,042.80	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Bristol Township Water System Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	31.17	39.34	8.17	0.27	26.2%
2,000	40.36	54.77	14.41	0.48	35.7%
3,000	49.55	70.21	20.66	0.69	41.7%
4,000	58.73	85.64	26.91	0.90	45.8%
5,000	67.92	101.08	33.15	1.11	48.8%
6,000	77.11	116.51	39.40	1.31	51.1%
7,000	86.30	131.95	45.64	1.52	52.9%
8,000	95.49	147.38	51.89	1.73	54.3%
9,000	104.68	162.82	58.14	1.94	55.5%
10,000	113.87	178.25	64.38	2.15	56.5%
Residential 5/8"					
3,870	57.54	83.63	26.09	0.87	45.3%
Commercial 5/8"					
15,500	254.80	303.64	48.85	1.63	19.2%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Mt Jewett Borough Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Industrial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Next 3,000,000 Gallons	12.040	Next 3,000,000 Gallons
	9.104	Next 6,666,700 Gallons	12.040	Next 6,666,700 Gallons
	7.283	Over 10,000,000 Gallons	9.682	Over 10,000,000 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Public Fire Hydrants	12.200		22.300	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Mt Jewett Borough Division

Monthly Consumption in Gallons	Monthly Rates Present	Proposed	Increase $/Month	$/Day	Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	66.50	79.14	12.63	0.42	19.0%
4,000	83.06	99.68	16.62	0.55	20.0%
5,000	99.62	120.22	20.60	0.69	20.7%
6,000	116.18	140.76	24.58	0.82	21.2%
7,000	132.73	161.30	28.56	0.95	21.5%
8,000	149.29	181.84	32.55	1.08	21.8%
9,000	165.85	202.38	36.53	1.22	22.0%
10,000	182.41	222.92	40.51	1.35	22.2%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
37,900	530.03	634.36	104.33	3.48	19.7%
Industrial 5/8"					
227,600	2,606.97	3,129.86	522.89	17.43	20.1%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Chalfont Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.163	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.301	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Industrial & Other Water Utilities	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Next 3,000,000 Gallons	12.040	Next 3,000,000 Gallons
	9.104	Next 6,666,700 Gallons	12.040	Next 6,666,700 Gallons
	7.283	Over 10,000,000 Gallons	9.682	Over 10,000,000 Gallons
Other Water Utilities	14.017		18.048	

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Private Fire Hydrants	51.100		51.100	
Public Fire Hydrants	28.570		32.380	

There are no current fire protection customers. Main Division rates will apply to any new fire protection customers.

Metered Fire Connection Size				
1"	7.10	0	8.10	0
1 1/2"	16.30	0	18.60	0
2"	40.20	0	45.90	0
3"	65.30	0	74.50	0
4"	110.50	0	126.00	0
6"	243.40	0	277.70	0
8"	424.50	0	484.20	0
10"	646.50	0	737.50	0
12"	1,790.80	0	2,042.80	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Chalfont Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	63.93	79.14	15.21	0.51	23.8%
4,000	77.92	99.68	21.76	0.73	27.9%
5,000	91.90	120.22	28.32	0.94	30.8%
6,000	105.88	140.76	34.87	1.16	32.9%
7,000	119.87	161.30	41.43	1.38	34.6%
8,000	133.85	181.84	47.98	1.60	35.8%
9,000	147.84	202.38	54.54	1.82	36.9%
10,000	161.82	222.92	61.10	2.04	37.8%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
7,400	133.13	157.46	24.32	0.81	18.3%
Industrial 2"					
42,600	735.25	863.39	128.14	4.27	17.4%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Treasure Lake Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	9.204	0	16.567	0
Commercial	9.204	0	16.567	0
Public	9.204	0	15.857	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Public Fire Hydrants	28.570		32.380	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Treasure Lake Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	31.84	40.47	8.63	0.29	27.1%
2,000	41.70	57.03	15.33	0.51	36.8%
3,000	51.57	73.60	22.03	0.73	42.7%
4,000	61.43	90.17	28.74	0.96	46.8%
5,000	71.29	106.74	35.44	1.18	49.7%
6,000	81.16	123.30	42.15	1.40	51.9%
7,000	91.02	139.87	48.85	1.63	53.7%
8,000	100.88	156.44	55.55	1.85	55.1%
9,000	110.75	173.00	62.26	2.08	56.2%
10,000	120.61	189.57	68.96	2.30	57.2%
Residential 5/8"					
3,870	60.15	88.01	27.87	0.93	46.3%
Commercial 5/8"					
46,200	477.65	789.30	311.65	10.39	65.2%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Concord Park Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	10.566	0	17.349	0
Commercial	10.566	0	17.349	0
Public	10.566	0	18.048	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Public Fire Hydrants	16.900		24.600	
Metered Fire Connection Size				
2"	40.200	0	45.900	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Concord Park Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	33.30	41.25	7.95	0.26	23.9%
2,000	44.62	58.60	13.97	0.47	31.3%
3,000	55.95	75.95	20.00	0.67	35.8%
4,000	67.27	93.30	26.03	0.87	38.7%
5,000	78.59	110.65	32.05	1.07	40.8%
6,000	89.91	127.99	38.08	1.27	42.4%
7,000	101.24	145.34	44.11	1.47	43.6%
8,000	112.56	162.69	50.13	1.67	44.5%
9,000	123.88	180.04	56.16	1.87	45.3%
10,000	135.20	197.39	62.19	2.07	46.0%
Residential 5/8"					
3,870	65.80	91.04	25.24	0.84	38.4%
Commercial 5/8"					
331,900	3,779.92	5,782.03	2,002.11	66.74	53.0%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Superior Water Company

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.51	0	23.90	0
3/4"	35.20	0	41.00	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
12"	3,461.00	0	4,033.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	13.050	Up to 2,000 Gallons	17.349	Up to 2,000 Gallons
	15.451	Over 2,000 Gallons	20.540	Over 2,000 Gallons
Commercial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.163	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.301	Over 333,300 Gallons	12.040	Over 333,300 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Private Fire Hydrants	51.100		51.100	
Public Fire Hydrants	28.570		32.380	
Metered Fire Connection Size				
1"	7.10	0	8.10	0
1 1/2"	16.30	0	18.60	0
2"	30.00	0	45.90	0
3"	65.30	0	74.50	0
4"	110.50	0	126.00	0
6"	243.40	0	277.70	0
8"	424.50	0	484.20	0
10"	646.50	0	737.50	0
12"	1,790.80	0	2,042.80	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Superior Water Company

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	21.98	23.90	1.92	0.06	8.7%
1,000	35.96	41.25	5.29	0.18	14.7%
2,000	49.95	58.60	8.65	0.29	17.3%
3,000	66.50	79.14	12.63	0.42	19.0%
4,000	83.06	99.68	16.62	0.55	20.0%
5,000	99.62	120.22	20.60	0.69	20.7%
6,000	116.18	140.76	24.58	0.82	21.2%
7,000	132.73	161.30	28.56	0.95	21.5%
8,000	149.29	181.84	32.55	1.08	21.8%
9,000	165.85	202.38	36.53	1.22	22.0%
10,000	182.41	222.92	40.51	1.35	22.2%
Residential 5/8"					
3,870	80.91	97.01	16.10	0.54	19.9%
Commercial 5/8"					
7,400	133.13	157.46	24.32	0.81	18.3%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Eagle Rock, Fawn Lake, Tanglewood, Thornhurst, Woodledge Village, Western & Pinecrest Divisions

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	30.51	0	33.90	0
3/4"	30.51	0	33.90	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	12.231	Up to 4,000 Gallons	16.307	Up to 4,000 Gallons
	15.451	Over 4,000 Gallons	20.540	Over 4,000 Gallons
Commercial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.163	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.301	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Industrial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Next 3,000,000 Gallons	12.040	Next 3,000,000 Gallons
	9.104	Next 6,666,700 Gallons	12.040	Next 6,666,700 Gallons
	7.283	Over 10,000,000 Gallons	9.682	Over 10,000,000 Gallons
Other Water Utilities	14.017	0	18.048	0

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Private Fire Hydrants	51.100		51.100	
Private Fire Hydrants - Eagle Rock	29.800		40.500	
Public Hydrants	28.570		32.380	
Metered Fire Connection Size				
1"	7.100	0	8.100	0
1 1/2"	16.300	0	18.600	0
2"	40.200	0	45.900	0
3"	65.300	0	74.500	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Eagle Rock, Fawn Lake, Tanglewood, Thornhurst, Woodledge Village, Western & Pinecrest Divisions

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	32.69	33.90	1.21	0.04	3.7%
1,000	45.80	50.21	4.41	0.15	9.6%
2,000	58.91	66.51	7.61	0.25	12.9%
3,000	72.01	82.82	10.81	0.36	15.0%
4,000	85.12	99.13	14.01	0.47	16.5%
5,000	101.68	119.67	17.99	0.60	17.7%
6,000	118.24	140.21	21.97	0.73	18.6%
7,000	134.79	160.75	25.95	0.87	19.3%
8,000	151.35	181.29	29.94	1.00	19.8%
9,000	167.91	201.83	33.92	1.13	20.2%
10,000	184.47	222.37	37.90	1.26	20.5%
Residential 5/8"					
3,870	83.42	97.01	13.59	0.45	16.3%
Commercial 5/8"					
13,900	234.37	276.22	41.85	1.40	17.9%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Oakland Beach/Lakeside Acres Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Gallon Allowance	Proposed Rates Per Month Amount ($)	Gallon Allowance
5/8"	30.51	0	33.90	0
3/4"	30.51	0	33.90	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Gallon Allowance
Residential	12.231	Up to 4,000 Gallons	16.307	Up to 4,000 Gallons
	15.451	Over 4,000 Gallons	20.540	Over 4,000 Gallons
Commercial & Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Industrial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Next 3,000,000 Gallons	12.040	Next 3,000,000 Gallons
	9.104	Next 6,666,700 Gallons	12.040	Next 6,666,700 Gallons
	7.283	Over 10,000,000 Gallons	9.682	Over 10,000,000 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Gallon Allowance	Proposed Rates Per Month Amount ($)	Gallon Allowance
Hydrants				
Private Fire Hydrants	51.100		51.100	
Qualified Private Fire Hydrants	34.100		42.600	
Public Fire Hydrants	28.570		32.380	
Metered Fire Connection Size				
1"	7.100	0	8.100	0
1 1/2"	16.300	0	18.600	0
2"	40.200	0	45.900	0
3"	65.300	0	74.500	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Oakland Beach/Lakeside Acres Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	32.69	33.90	1.21	0.04	3.7%
1,000	45.80	50.21	4.41	0.15	9.6%
2,000	58.91	66.51	7.61	0.25	12.9%
3,000	72.01	82.82	10.81	0.36	15.0%
4,000	85.12	99.13	14.01	0.47	16.5%
5,000	101.68	119.67	17.99	0.60	17.7%
6,000	118.24	140.21	21.97	0.73	18.6%
7,000	134.79	160.75	25.95	0.87	19.3%
8,000	151.35	181.29	29.94	1.00	19.8%
9,000	167.91	201.83	33.92	1.13	20.2%
10,000	184.47	222.37	37.90	1.26	20.5%
Residential 5/8"					
3,870	83.42	97.01	13.59	0.45	16.3%
Commercial 5/8"					
13,900	234.37	276.22	41.85	1.40	17.9%
Industrial 5/8"					
51,300	687.46	820.64	133.18	4.44	19.4%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
CS Water Division (Masthope)

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Gallon Allowance	Proposed Rates Per Month Amount ($)	Gallon Allowance
5/8"	30.51	0	33.90	0
3/4"	30.51	0	33.90	0
1"	59.80	0	69.70	0
1 1/2"	115.20	0	134.20	0
2"	164.00	0	191.10	0
3"	329.00	0	383.00	0
4"	536.00	0	625.00	0
6"	1,105.00	0	1,288.00	0
8"	1,934.00	0	2,254.00	0
10"	2,858.00	0	3,330.00	0
Flat Rate Service	83.00		97.01	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Gallon Allowance
Residential	12.231	Up to 4,000 Gallons	16.307	Up to 4,000 Gallons
	15.451	Over 4,000 Gallons	20.540	Over 4,000 Gallons
Commercial & Public	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Over 333,300 Gallons	12.040	Over 333,300 Gallons
Industrial	14.017	Up to 10,000 Gallons	18.048	Up to 10,000 Gallons
	12.315	Next 23,300 Gallons	15.857	Next 23,300 Gallons
	10.217	Next 300,000 Gallons	13.155	Next 300,000 Gallons
	9.351	Next 3,000,000 Gallons	12.040	Next 3,000,000 Gallons
	9.104	Next 6,666,700 Gallons	12.040	Next 6,666,700 Gallons
	7.283	Over 10,000,000 Gallons	9.682	Over 10,000,000 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Gallon Allowance	Proposed Rates Per Month Amount ($)	Gallon Allowance
Hydrants				
Private Fire Hydrants	51.100		51.100	
Public Fire Hydrants (new)	28.570		32.380	
Metered Fire Connection Size				
1"	7.100	0	8.100	0
1 1/2"	16.300	0	18.600	0
2"	40.200	0	45.900	0
3"	65.300	0	74.500	0
4"	110.500	0	126.000	0
6"	243.400	0	277.700	0
8"	424.500	0	484.200	0
10"	646.500	0	737.500	0
12"	1,790.800	0	2,042.800	0
Consumption Rate per Thousand Gallons	13.861		17.349	

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
CS Water Division (Masthope)

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	32.69	33.90	1.21	0.04	3.7%
1,000	45.80	50.21	4.41	0.15	9.6%
2,000	58.91	66.51	7.61	0.25	12.9%
3,000	72.01	82.82	10.81	0.36	15.0%
4,000	85.12	99.13	14.01	0.47	16.5%
5,000	101.68	119.67	17.99	0.60	17.7%
6,000	118.24	140.21	21.97	0.73	18.6%
7,000	134.79	160.75	25.95	0.87	19.3%
8,000	151.35	181.29	29.94	1.00	19.8%
9,000	167.91	201.83	33.92	1.13	20.2%
10,000	184.47	222.37	37.90	1.26	20.5%
Residential 5/8"					
3,870	83.42	97.01	13.59	0.45	16.3%
Commercial 5/8"					
13,900	234.37	276.22	41.85	1.40	17.9%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Bunker Hill Subdivision

Minimum Charges:

Size	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($)	Gallon Allowance	Amount ($)	Gallon Allowance
5/8"	11.80	0	20.65	0

Consumption Charges:

Class	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($) per thousand gallons	Gallon Allowance	Amount ($) per thousand gallons	Gallon Allowance
Residential	6.660	0	11.655	0

Fire Service Charges:

Service	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($)	Gallon Allowance	Amount ($)	Gallon Allowance

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Bunker Hill Subdivision

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	12.64	20.65	8.01	0.27	63.3%
1,000	19.78	32.31	12.52	0.42	63.3%
2,000	26.92	43.96	17.04	0.57	63.3%
3,000	34.06	55.62	21.56	0.72	63.3%
4,000	41.19	67.27	26.08	0.87	63.3%
5,000	48.33	78.93	30.60	1.02	63.3%
6,000	55.47	90.58	35.11	1.17	63.3%
7,000	62.60	102.24	39.63	1.32	63.3%
8,000	69.74	113.89	44.15	1.47	63.3%
9,000	76.88	125.55	48.67	1.62	63.3%
10,000	84.01	137.20	53.19	1.77	63.3%
Residential 5/8"					
3,870	40.26	65.75	25.49	0.85	63.3%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Sun Valley Division

Minimum Charges:

Size	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($)	Gallon Allowance	Amount ($)	Gallon Allowance
5/8"	18.00	0	31.50	0

Consumption Charges:

Class	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($) per thousand gallons	Gallon Allowance	Amount ($) per thousand gallons	Gallon Allowance
Residential	5.000	0	8.7500	0

Fire Service Charges:

Service	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($)	Gallon Allowance	Amount ($)	Gallon Allowance

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Sun Valley Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	19.29	31.50	12.21	0.41	63.3%
1,000	24.65	40.25	15.60	0.52	63.3%
2,000	30.00	49.00	19.00	0.63	63.3%
3,000	35.36	57.75	22.39	0.75	63.3%
4,000	40.72	66.50	25.78	0.86	63.3%
5,000	46.08	75.25	29.17	0.97	63.3%
6,000	51.44	84.00	32.56	1.09	63.3%
7,000	56.79	92.75	35.96	1.20	63.3%
8,000	62.15	101.50	39.35	1.31	63.3%
9,000	67.51	110.25	42.74	1.42	63.3%
10,000	72.87	119.00	46.13	1.54	63.3%
Residential 5/8"					
3,870	40.02	65.36	25.34	0.84	63.3%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Phoenixville Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	4.90	0	8.58	0
3/4"	4.90	0	8.60	0
1"	9.90	0	17.30	0
1 1/2"	17.30	0	30.30	0
2"	37.00	0	64.80	0
3"	61.70	0	108.00	0
4"	123.30	0	215.90	0
6"	197.30	0	345.50	0
8"	419.30	0	734.20	0

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	4.440	Up to 333,333 Gallons	7.770	Up to 333,333 Gallons
	3.626	Next 1,333,333 Gallons	6.346	Next 1,333,333 Gallons
	2.960	Over 1,666,667 Gallons	5.180	Over 1,666,667 Gallons
Commercial & Public	4.440	Up to 333,333 Gallons	7.770	Up to 333,333 Gallons
	3.626	Next 1,333,333 Gallons	6.346	Next 1,333,333 Gallons
	2.960	Over 1,666,667 Gallons	5.180	Over 1,666,667 Gallons
Industrial	4.440	Up to 333,333 Gallons	7.770	Up to 333,333 Gallons
	3.626	Next 1,333,333 Gallons	6.346	Next 1,333,333 Gallons
	2.960	Over 1,666,667 Gallons	5.180	Over 1,666,667 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Phoenixville Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	5.25	8.58	3.33	0.11	63.4%
1,000	10.01	16.35	6.34	0.21	63.4%
2,000	14.77	24.12	9.35	0.31	63.3%
3,000	19.52	31.89	12.37	0.41	63.3%
4,000	24.28	39.66	15.38	0.51	63.3%
5,000	29.04	47.43	18.39	0.61	63.3%
6,000	33.80	55.20	21.40	0.71	63.3%
7,000	38.56	62.97	24.41	0.81	63.3%
8,000	43.31	70.74	27.43	0.91	63.3%
9,000	48.07	78.51	30.44	1.01	63.3%
10,000	52.83	86.28	33.45	1.12	63.3%
Residential 5/8"					
3,870	23.66	38.65	14.99	0.50	63.3%
Commercial 5/8"					
19,700	98.98	161.65	62.67	2.09	63.3%
Industrial 5/8"					
4,200	25.23	41.21	15.98	0.53	63.3%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Shenandoah Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"	20.49	1,000	23.90	0
5/8 x 3/4"	20.49	1,000	23.90	0
3/4"	29.88	1,000	41.00	0
1"	40.91	1,000	69.70	0
1 1/2"			134.20	0
2"	110.29	2,000	191.10	0
3"	679.73	84,000	383.00	0
4"	1,223.46	150,000	625.00	0
6"	2,582.84	324,000	1,288.00	0
8"	3,616.05	453,000	2,254.00	0

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
All Classes with 5/8", 5/8"x3/4", 3/4" and 1" meters	0.000	Up to 1,000 Gallons		
	20.490	Next 1,000 Gallons		
	10.960	Next 1,000 Gallons		
	4.830	Next 4,000 Gallons		
	10.960	Over 7,000 Gallons		
All Classes with 2", 3", 4", 6" and 8" meters	0.000	Allowance as determined by meter size		
	3.920	Next 500,000 Gallons beyond base allowance		
	1.890	Over Base Allowance plus 500,000 Gallons		
Residential			12.687	Up to 2,000 Gallons
			15.021	Over 2,000 Gallons
Commercial			11.731	Up to 10,000 Gallons
			10.307	Next 23,300 Gallons
			4.867	Next 300,000 Gallons
			4.455	Over 333,300 Gallons
Public			11.731	Up to 10,000 Gallons
			10.307	Next 23,300 Gallons
			4.999	Next 300,000 Gallons
			4.575	Over 333,300 Gallons
Industrial			11.731	Up to 10,000 Gallons
			10.307	Next 23,300 Gallons
			4.867	Next 300,000 Gallons
			4.455	Next 3,000,000 Gallons
			4.455	Next 6,666,700 Gallons
			3.582	Over 10,000,000 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Hydrants				
Public Fire Hydrants	4.75		20.23	
Private Fire Hydrants	50.98		50.98	
Metered Fire Connection Size				
1"	569.00		569.00	
Automatic Sprinkler System Flat Rate	86.13		86.13	
Automatic Sprinkler System Additional Charge	0.00724	per square foot	0.00724	per square foot

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Shenandoah Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential 5/8"					
0	20.49	23.90	3.41	0.11	16.6%
1,000	20.49	36.59	16.10	0.54	78.6%
2,000	40.98	49.27	8.29	0.28	20.2%
3,000	51.94	64.30	12.36	0.41	23.8%
4,000	56.77	79.32	22.55	0.75	39.7%
5,000	61.60	94.34	32.74	1.09	53.1%
6,000	66.43	109.36	42.93	1.43	64.6%
7,000	71.26	124.38	53.12	1.77	74.5%
8,000	82.22	139.40	57.18	1.91	69.5%
9,000	93.18	154.42	61.24	2.04	65.7%
10,000	104.14	169.44	65.30	2.18	62.7%
Residential 5/8"					
3,870	56.14	77.36	21.22	0.71	37.8%
Commercial 5/8"					
9,100	94.28	130.65	36.38	1.21	38.6%
Industrial 5/8"					
5,200	62.57	84.90	22.34	0.74	35.7%
Industrial >2" meter					
1,584,200	4,949.10	8,015.32	3,066.22	102.21	62.0%

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Belle Aire Acres Division

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
5/8"			23.90	0
3/4"			41.00	0
1"			69.70	0
1 1/2"			134.20	0
2"			191.10	0
3"			383.00	0
4"			625.00	0
6"			1,288.00	0
8"			2,254.00	0
Residential Unmetered	50.00		75.07	

Consumption Charges:

Class	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential			12.1440	Up to 2,000 Gallons
			14.3780	Over 2,000 Gallons

Fire Service Charges:

Service	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance

Aqua Pennsylvania, Inc.
2024 Rate Case
Comparison of Customer Bills
Belle Aire Acres Division

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential	Unmetered	Metered			
0	50.00	23.90	(26.10)	(0.87)	-52.2%
1,000	50.00	36.04	(13.96)	(0.47)	-27.9%
2,000	50.00	48.19	(1.81)	(0.06)	-3.6%
3,000	50.00	62.57	12.57	0.42	25.1%
4,000	50.00	76.94	26.94	0.90	53.9%
5,000	50.00	91.32	41.32	1.38	82.6%
6,000	50.00	105.70	55.70	1.86	111.4%
7,000	50.00	120.08	70.08	2.34	140.2%
8,000	50.00	134.46	84.46	2.82	168.9%
9,000	50.00	148.83	98.83	3.29	197.7%
10,000	50.00	163.21	113.21	3.77	226.4%
Residential					
3,870	50.00	75.07	25.07	0.84	50.1%
Unmetered Residential					
	50.00	75.07	25.07	0.84	50.1%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Rate Zone 1 - Bridlewood, Eagle Rock, Media, and Penn Township Divisions

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Fixed (per EDU)	48.20		47.64	
5/8"	48.20	0	47.64	0
3/4"	72.30	0	71.46	0
1"	120.50	0	119.10	0
1 1/2"	241.00	0	238.20	0
2"	385.60	0	381.12	0
3"	723.00	0	714.60	0
4"	1,205.00	0	1,191.00	0
6"	2,410.00	0	2,382.00	0
8"	3,856.00	0	3,811.20	0
10"	5,543.00	0	5,478.60	0
Unmetered	95.47		92.85	
Non-Residential				
Fixed (per EDU)	47.35		47.64	
5/8"	47.35	0	47.64	0
3/4"	71.03	0	71.46	0
1"	118.38	0	119.10	0
1 1/2"	236.75	0	238.20	0
2"	378.80	0	381.12	0
3"	710.25	0	714.60	0
4"	1,183.75	0	1,191.00	0
6"	2,367.50	0	2,382.00	0
8"	3,788.00	0	3,811.20	0
10"	5,445.25	0	5,478.60	0
Unmetered	93.78		92.04	
Commercial				
Apartment Complex (217 EDU's)	20,350.26		19,972.68	
Childrens World Daycare (7 EDU's)	656.46		644.28	

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	11.8170	0	11.6810	0
Non-Residential Metered	11.6080	0	11.4740	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Rate Zone 1 - Bridlewood, Eagle Rock, Media, and Penn Township Divisions

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	48.85	47.64	(1.21)	(0.04)	-2.5%
1,000	60.82	59.32	(1.50)	(0.05)	-2.5%
2,000	72.80	71.00	(1.79)	(0.06)	-2.5%
3,000	84.77	82.68	(2.09)	(0.07)	-2.5%
4,000	96.75	94.36	(2.38)	(0.08)	-2.5%
5,000	108.72	106.05	(2.68)	(0.09)	-2.5%
6,000	120.70	117.73	(2.97)	(0.10)	-2.5%
7,000	132.67	129.41	(3.27)	(0.11)	-2.5%
8,000	144.65	141.09	(3.56)	(0.12)	-2.5%
9,000	156.62	152.77	(3.86)	(0.13)	-2.5%
10,000	168.60	164.45	(4.15)	(0.14)	-2.5%
Residential					
3,870	95.19	92.85	(2.35)	(0.08)	-2.5%
Unmetered Residential					
	96.75	92.85	(3.90)	(0.13)	-4.0%
Non-Residential					
22,700	315.02	308.10	(6.92)	(0.23)	-2.2%
Unmetered Non-Residential					
	95.04	92.04	(3.00)	(0.10)	-3.2%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Rate Zone 1A - Bunker Hill, Treasure Lake, and Village at Valley Forge Divisions

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Fixed (per EDU)	48.20		47.64	
5/8"	48.20	0	47.64	0
3/4"	48.20	0	47.64	0
1"	48.20	0	47.64	0
1 1/2"	96.40	0	95.28	0
2"	154.24	0	152.45	0
3"	289.20	0	285.84	0
4"	482.00	0	476.40	0
6"	777.42	0	768.39	0
8"				
10"				
Unmetered	95.47		92.85	
Non-Residential				
Fixed (per EDU)	47.35		47.64	
5/8"	47.35	0	47.64	0
3/4"	47.35	0	47.64	0
1"	47.35	0	47.64	0
1 1/2"	94.70	0	95.28	0
2"	151.52	0	152.45	0
3"	284.10	0	285.84	0
4"	473.50	0	476.40	0
6"	763.71	0	768.39	0
8"				
10"				
Unmetered	93.78		92.04	

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	11.8170	0	11.6810	0
Non-Residential Metered	11.6080	0	11.4740	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Rate Zone 1A - Bunker Hill, Treasure Lake, and Village at Valley Forge Divisions

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	48.85	47.64	(1.21)	(0.04)	-2.5%
1,000	60.82	59.32	(1.50)	(0.05)	-2.5%
2,000	72.80	71.00	(1.79)	(0.06)	-2.5%
3,000	84.77	82.68	(2.09)	(0.07)	-2.5%
4,000	96.75	94.36	(2.38)	(0.08)	-2.5%
5,000	108.72	106.05	(2.68)	(0.09)	-2.5%
6,000	120.70	117.73	(2.97)	(0.10)	-2.5%
7,000	132.67	129.41	(3.27)	(0.11)	-2.5%
8,000	144.65	141.09	(3.56)	(0.12)	-2.5%
9,000	156.62	152.77	(3.86)	(0.13)	-2.5%
10,000	168.60	164.45	(4.15)	(0.14)	-2.5%
Residential					
3,870	95.19	92.85	(2.35)	(0.08)	-2.5%
Unmetered Residential					
	96.75	92.85	(3.90)	(0.13)	-4.0%
Non-Residential					
160,600	2,042.78	1,995.17	(47.60)	(1.59)	-2.3%
Unmetered Non-Residential					
	95.04	92.04	(3.00)	(0.10)	-3.2%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Rate Zone 2 - Emlenton Borough, Pinecrest, Rivercrest, and White Haven Divisions

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Fixed (per EDU)	55.93		55.93	
5/8"	55.93	0	55.93	0
3/4"	83.90	0	83.90	0
1"	139.83	0	139.83	0
1 1/2"	279.65	0	279.65	0
2"	447.44	0	447.44	0
3"	838.95	0	838.95	0
4"	1,398.25	0	1,398.25	0
6"	2,796.50	0	2,796.50	0
8"	4,474.40	0	4,474.40	0
10"	6,431.95	0	6,431.95	0
Unmetered	101.80		101.80	
Non-Residential				
Fixed (per EDU)	54.95		54.95	
5/8"	54.95	0	54.95	0
3/4"	82.42	0	82.42	0
1"	137.37	0	137.37	0
1 1/2"	274.73	0	274.73	0
2"	439.57	0	439.57	0
3"	824.20	0	824.20	0
4"	1,373.67	0	1,373.67	0
6"	2,747.34	0	2,747.34	0
8"	4,395.75	0	4,395.75	0
10"	6,318.88	0	6,318.88	0
Unmetered	100.00		100.00	

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	12.5850	0	12.5850	0
Non-Residential Metered	12.3630	0	12.3630	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Rate Zone 2 - Emlenton Borough, Pinecrest, Rivercrest, and White Haven Divisions

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	56.68	55.93	(0.75)	(0.02)	-1.3%
1,000	69.43	68.52	(0.92)	(0.03)	-1.3%
2,000	82.19	81.10	(1.09)	(0.04)	-1.3%
3,000	94.94	93.69	(1.26)	(0.04)	-1.3%
4,000	107.69	106.27	(1.42)	(0.05)	-1.3%
5,000	120.45	118.86	(1.59)	(0.05)	-1.3%
6,000	133.20	131.44	(1.76)	(0.06)	-1.3%
7,000	145.95	144.03	(1.93)	(0.06)	-1.3%
8,000	158.71	156.61	(2.10)	(0.07)	-1.3%
9,000	171.46	169.20	(2.27)	(0.08)	-1.3%
10,000	184.22	181.78	(2.44)	(0.08)	-1.3%
Residential					
3,870	106.04	104.63	(1.40)	(0.05)	-1.3%
Unmetered Residential					
	103.16	101.80	(1.36)	(0.05)	-1.3%
Non-Residential					
9,800	178.47	176.11	(2.36)	(0.08)	-1.3%
Unmetered Non-Residential					
	101.34	100.00	(1.34)	(0.04)	-1.3%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Rate Zone 3 - Beech Mountain Lakes, Deerfield Knoll, Laurel Lakes, Links at Gettysburg, Stony Creek, Thornhurst, Willistown Woods, and Woodloch Springs Divisions

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Fixed (per EDU)	66.37		66.37	
5/8"	66.37	0	66.37	0
3/4"	99.56	0	99.56	0
1"	165.93	0	165.93	0
1 1/2"	331.85	0	331.85	0
2"	530.96	0	530.96	0
3"	995.55	0	995.55	0
4"	1,659.25	0	1,659.25	0
6"	3,318.50	0	3,318.50	0
8"	5,309.60	0	5,309.60	0
10"	7,632.55	0	7,632.55	0
Unmetered	115.03		115.03	
Non-Residential				
Fixed (per EDU)	65.20		65.20	
5/8"	65.20	0	65.20	0
3/4"	97.80	0	97.80	0
1"	163.00	0	163.00	0
1 1/2"	326.00	0	326.00	0
2"	521.60	0	521.60	0
3"	978.00	0	978.00	0
4"	1,630.00	0	1,630.00	0
6"	3,260.00	0	3,260.00	0
8"	5,216.00	0	5,216.00	0
10"	7,498.00	0	7,498.00	0
Unmetered	113.00		113.00	

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	12.2640	0	12.2640	0
Non-Residential Metered	12.0480	0	12.0480	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Rate Zone 3 - Beech Mountain Lakes, Deerfield Knoll, Laurel Lakes, Links at Gettysburg, Stony Creek, Thornhurst, Willistown Woods, and Woodloch Springs Divisions

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	67.26	66.37	(0.89)	(0.03)	-1.3%
1,000	79.69	78.63	(1.05)	(0.04)	-1.3%
2,000	92.12	90.90	(1.22)	(0.04)	-1.3%
3,000	104.54	103.16	(1.38)	(0.05)	-1.3%
4,000	116.97	115.43	(1.55)	(0.05)	-1.3%
5,000	129.40	127.69	(1.71)	(0.06)	-1.3%
6,000	141.83	139.95	(1.88)	(0.06)	-1.3%
7,000	154.26	152.22	(2.04)	(0.07)	-1.3%
8,000	166.69	164.48	(2.20)	(0.07)	-1.3%
9,000	179.11	176.75	(2.37)	(0.08)	-1.3%
10,000	191.54	189.01	(2.53)	(0.08)	-1.3%
Residential					
3,870	115.36	113.83	(1.53)	(0.05)	-1.3%
Unmetered Residential					
	116.57	115.03	(1.54)	(0.05)	-1.3%
Non-Residential					
3,400	107.59	106.16	(1.42)	(0.05)	-1.3%
Unmetered Non-Residential					
	114.51	113.00	(1.51)	(0.05)	-1.3%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Rate Zone 4 - Honeycroft Village, Lake Harmony, New Daleville, Peddlers View, Tobyhanna Township, and Twin Hills Divisions

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Fixed (per EDU)	86.12		86.12	
5/8"	86.12	0	86.12	0
3/4"	129.18	0	129.18	0
1"	215.30	0	215.30	0
1 1/2"	430.60	0	430.60	0
2"	688.96	0	688.96	0
3"	1,291.80	0	1,291.80	0
4"	2,153.00	0	2,153.00	0
6"	4,306.00	0	4,306.00	0
8"	6,889.60	0	6,889.60	0
10"	9,903.80	0	9,903.80	0
Unmetered	133.35		135.20	
Non-Residential				
Fixed (per EDU)	84.60		84.60	
5/8"	84.60	0	84.60	0
3/4"	126.90	0	126.90	0
1"	211.50	0	211.50	0
1 1/2"	423.00	0	423.00	0
2"	676.80	0	676.80	0
3"	1,269.00	0	1,269.00	0
4"	2,115.00	0	2,115.00	0
6"	4,230.00	0	4,230.00	0
8"	6,768.00	0	6,768.00	0
10"	9,729.00	0	9,729.00	0
Unmetered	131.00		134.33	

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	12.6810	0	12.6810	0
Non-Residential Metered	12.4573	0	12.4573	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Rate Zone 4 - Honeycroft Village, Lake Harmony, New Daleville, Peddlers View, Tobyhanna Township, and Twin Hills Divisions

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	87.27	86.12	(1.15)	(0.04)	-1.3%
1,000	100.12	98.80	(1.32)	(0.04)	-1.3%
2,000	112.98	111.48	(1.49)	(0.05)	-1.3%
3,000	125.83	124.16	(1.66)	(0.06)	-1.3%
4,000	138.68	136.84	(1.83)	(0.06)	-1.3%
5,000	151.53	149.53	(2.00)	(0.07)	-1.3%
6,000	164.38	162.21	(2.17)	(0.07)	-1.3%
7,000	177.23	174.89	(2.34)	(0.08)	-1.3%
8,000	190.08	187.57	(2.51)	(0.08)	-1.3%
9,000	202.93	200.25	(2.68)	(0.09)	-1.3%
10,000	215.78	212.93	(2.85)	(0.10)	-1.3%
Residential					
3,870	137.01	135.20	(1.81)	(0.06)	-1.3%
Unmetered Residential					
	135.14	135.20	0.06	0.00	0.0%
Non-Residential					
5,400	153.90	151.87	(2.04)	(0.07)	-1.3%
Unmetered Non-Residential					
	132.76	134.33	1.57	0.05	1.2%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Rate Zone 5 - East Bradford (Brandywine), Little Washington, Plumsock, The Greens at Penn Oaks, Newlin Green, and Sage Hill Divisions

Minimum Charges:

Size	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Fixed (per EDU)	98.95		98.95	
5/8"	98.95	0	98.95	0
3/4"	148.43	0	148.43	0
1"	247.38	0	247.38	0
1 1/2"	494.75	0	494.75	0
2"	791.60	0	791.60	0
3"	1,484.25	0	1,484.25	0
4"	2,473.75	0	2,473.75	0
6"	4,947.50	0	4,947.50	0
8"	7,916.00	0	7,916.00	0
10"	11,379.25	0	11,379.25	0
Unmetered	150.30		148.63	
Non-Residential				
Fixed (per EDU)	97.20		97.20	
5/8"	97.20	0	97.20	0
3/4"	145.80	0	145.80	0
1"	243.00	0	243.00	0
1 1/2"	486.00	0	486.00	0
2"	777.60	0	777.60	0
3"	1,458.00	0	1,458.00	0
4"	2,430.00	0	2,430.00	0
6"	4,860.00	0	4,860.00	0
8"	7,776.00	0	7,776.00	0
10"	11,178.00	0	11,178.00	0
Unmetered	147.64		147.75	

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	12.8370	0	12.8370	0
Non-Residential Metered	12.6100	0	12.6100	0
East Brandywine Township Water & Sewer Authority - Wastewater Treatment Plant Consumption Rate	13.5000	0	13.5000	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Rate Zone 5 - East Bradford (Brandywine), Little Washington, Plumsock, The Greens at Penn Oaks, Newlin Green, and Sage Hill Divisions

Monthly Consumption in Gallons	Monthly Rates Present	Proposed	Increase $/Month	$/Day	Percent
Residential					
0	100.28	98.95	(1.33)	(0.04)	-1.3%
1,000	113.28	111.79	(1.50)	(0.05)	-1.3%
2,000	126.29	124.62	(1.67)	(0.06)	-1.3%
3,000	139.30	137.46	(1.84)	(0.06)	-1.3%
4,000	152.31	150.30	(2.01)	(0.07)	-1.3%
5,000	165.32	163.14	(2.19)	(0.07)	-1.3%
6,000	178.33	175.97	(2.36)	(0.08)	-1.3%
7,000	191.34	188.81	(2.53)	(0.08)	-1.3%
8,000	204.35	201.65	(2.70)	(0.09)	-1.3%
9,000	217.36	214.48	(2.87)	(0.10)	-1.3%
10,000	230.37	227.32	(3.05)	(0.10)	-1.3%
Residential					
3,870	150.62	148.63	(1.99)	(0.07)	-1.3%
Unmetered Residential					
	154.36	148.63	(5.73)	(0.19)	-3.7%
Non-Residential					
25,200	420.53	414.97	(5.56)	(0.19)	-1.3%
Unmetered Non-Residential					
	149.62	147.75	(1.87)	(0.06)	-1.2%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Avon Grove School District

Minimum Charges:

	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($)	Gallon Allowance	Amount ($)	Gallon Allowance
Flat Rate	10,925.36		10,933.55	

Consumption Charges:

	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($) per thousand gallons	Gallon Allowance	Amount ($) per thousand gallons	Gallon Allowance

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Avon Grove School District

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Metered					
0	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
1,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
2,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
3,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
4,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
5,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
6,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
7,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
8,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
9,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
10,000	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%
Commercial					
0	11,071.76	10,933.55	(138.21)	(4.61)	-1.2%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
CS Sewer Division (Masthope)

Minimum Charges:

Class	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Metered (per EDU)	59.55	0	58.86	0
Unmetered (per EDU)	70.59	0	69.41	0
Non-Residential				
Metered (per EDU)	58.50	0	57.82	0
Unmetered (per EDU)	67.00	0	69.41	0

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	2.759	0	2.727	0
Non-Residential Metered	2.710	0	2.679	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
CS Sewer Division (Masthope)

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	60.35	58.86	(1.49)	(0.05)	-2.5%
1,000	63.14	61.59	(1.56)	(0.05)	-2.5%
2,000	65.94	64.31	(1.63)	(0.05)	-2.5%
3,000	68.74	67.04	(1.69)	(0.06)	-2.5%
4,000	71.53	69.77	(1.76)	(0.06)	-2.5%
5,000	74.33	72.50	(1.83)	(0.06)	-2.5%
6,000	77.12	75.22	(1.90)	(0.06)	-2.5%
7,000	79.92	77.95	(1.97)	(0.07)	-2.5%
8,000	82.72	80.68	(2.04)	(0.07)	-2.5%
9,000	85.51	83.40	(2.11)	(0.07)	-2.5%
10,000	88.31	86.13	(2.18)	(0.07)	-2.5%
Residential					
3,870	71.17	69.41	(1.75)	(0.06)	-2.5%
Non-Residential					
12,600	93.89	91.58	(2.31)	(0.08)	-2.5%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Limerick

Minimum Charges:

Class	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Metered (per EDU)	42.13	0	47.64	0
Unmetered (per EDU)	61.08	0	92.85	0
Non-Residential				
Metered (per EDU)	41.39	0	47.64	0
Unmetered (per EDU)	60.00	0	92.04	0

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	9.101	0	11.681	0
Non-Residential Metered	8.940	0	11.474	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Limerick

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	42.69	47.64	4.95	0.16	11.6%
1,000	52.61	59.32	6.71	0.22	12.7%
2,000	61.96	71.00	9.04	0.30	14.6%
3,000	71.31	82.68	11.38	0.38	16.0%
4,000	80.65	94.36	13.71	0.46	17.0%
5,000	90.00	106.05	16.05	0.53	17.8%
6,000	99.35	117.73	18.38	0.61	18.5%
7,000	108.69	129.41	20.71	0.69	19.1%
8,000	118.04	141.09	23.05	0.77	19.5%
9,000	127.39	152.77	25.38	0.85	19.9%
10,000	136.73	164.45	27.72	0.92	20.3%
Residential					
3,870	78.39	92.85	14.46	0.48	18.4%
Non-Residential					
5,700	93.59	113.04	19.46	0.65	20.8%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
East Bradford Collection

Minimum Charges:

Class	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Metered (per EDU)	57.61	0	55.93	0
Unmetered (per EDU)	104.75	0	101.80	0
Non-Residential				
Metered (per EDU)	40.25	0	55.93	0
Unmetered (per EDU)	102.90	0	100.00	0

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	11.737	0	12.585	0
Non-Residential Metered	11.530	0	12.363	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
East Bradford Collection

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	58.38	55.93	(2.45)	(0.08)	-4.2%
1,000	70.28	68.52	(1.76)	(0.06)	-2.5%
2,000	82.17	81.10	(1.07)	(0.04)	-1.3%
3,000	94.06	93.69	(0.38)	(0.01)	-0.4%
4,000	105.96	106.27	0.31	0.01	0.3%
5,000	117.85	118.86	1.00	0.03	0.8%
6,000	129.75	131.44	1.69	0.06	1.3%
7,000	141.64	144.03	2.38	0.08	1.7%
8,000	153.54	156.61	3.07	0.10	2.0%
9,000	165.43	169.20	3.76	0.13	2.3%
10,000	177.32	181.78	4.46	0.15	2.5%
Residential					
3,870	104.41	104.63	0.22	0.01	0.2%
Non-Residential					
88,700	1,077.20	1,152.53	75.32	2.51	7.0%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Cheltenham

Minimum Charges:

Class	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Metered (per EDU)	32.42	0	47.64	0
Unmetered (per EDU)		0	92.85	0
Non-Residential				
Metered (per EDU)	31.85	0	47.64	0
Unmetered (per EDU)		0	92.04	0

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	7.350	0	11.681	0
Non-Residential Metered	7.220	0	11.474	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Cheltenham

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	32.85	47.64	14.79	0.49	45.0%
1,000	40.30	59.32	19.02	0.63	47.2%
2,000	47.75	71.00	23.25	0.78	48.7%
3,000	55.20	82.68	27.48	0.92	49.8%
4,000	62.65	94.36	31.72	1.06	50.6%
5,000	70.10	106.05	35.95	1.20	51.3%
6,000	77.55	117.73	40.18	1.34	51.8%
7,000	84.99	129.41	44.41	1.48	52.3%
8,000	92.44	141.09	48.65	1.62	52.6%
9,000	99.89	152.77	52.88	1.76	52.9%
10,000	107.34	164.45	57.11	1.90	53.2%
Residential					
3,870	61.68	92.85	31.17	1.04	50.5%
Non-Residential					
3,300	56.42	85.50	29.08	0.97	51.5%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
East Norriton

Minimum Charges:

Class	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Metered (per EDU)	35.57	0	47.64	0
Unmetered (per EDU)	66.06	0	92.85	0
Non-Residential				
Metered (per EDU)	34.94	0	47.64	0
Unmetered (per EDU)	64.89	0	92.04	0

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	7.726	0	11.681	0
Non-Residential Metered	7.590	0	11.474	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
East Norriton

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	36.05	47.64	11.59	0.39	32.2%
1,000	43.88	59.32	15.44	0.51	35.2%
2,000	51.71	71.00	19.30	0.64	37.3%
3,000	59.54	82.68	23.15	0.77	38.9%
4,000	67.36	94.36	27.00	0.90	40.1%
5,000	75.19	106.05	30.85	1.03	41.0%
6,000	83.02	117.73	34.70	1.16	41.8%
7,000	90.85	129.41	38.55	1.29	42.4%
8,000	98.68	141.09	42.41	1.41	43.0%
9,000	106.51	152.77	46.26	1.54	43.4%
10,000	114.34	164.45	50.11	1.67	43.8%
Residential					
3,870	66.35	92.85	26.50	0.88	39.9%
Non-Residential					
38,500	331.54	489.39	157.85	5.26	47.6%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
New Garden

Minimum Charges:

Class	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential	45.46	0	55.93	0
Commercial 1, 2, & Public	62.52	0	55.93	0
Industrial	311.55	0	55.93	0

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential	23.259	Up to 15,000 Gallons Per Quarter	12.585	0
	33.435	Over 15,000 Gallons Per Quarter		
Commercial 1 & Public	34.850	Up to 15,000 Gallons Per Quarter	12.363	0
	44.868	Over 15,000 Gallons Per Quarter		
Commercial 2 & Industrial	44.580	Up to 15,000 Gallons Per Quarter	12.363	0
	50.000	Over 15,000 Gallons Per Quarter		
Thompson Property Development - Residential Flat (per EDU)	138.50		138.50	

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
New Garden

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	46.07	55.93	9.86	0.33	21.4%
1,000	46.07	68.52	22.45	0.75	48.7%
2,000	46.07	81.10	35.03	1.17	76.0%
3,000	46.07	93.69	47.62	1.59	103.4%
4,000	46.07	106.27	60.20	2.01	130.7%
5,000	46.07	118.86	72.79	2.43	158.0%
6,000	79.50	131.44	51.94	1.73	65.3%
7,000	112.94	144.03	31.09	1.04	27.5%
8,000	146.37	156.61	10.24	0.34	7.0%
9,000	179.81	169.20	(10.61)	(0.35)	-5.9%
10,000	213.24	181.78	(31.46)	(1.05)	-14.8%
Residential					
3,870	137.29	104.63	(32.65)	(1.09)	-23.8%
Commercial 1 and Public					
3,500	186.97	99.20	(87.77)	(2.93)	-46.9%
Commercial 2					
3,500	221.48	99.20	(122.28)	(4.08)	-55.2%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
Lower Makefield

Minimum Charges:

Class	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Metered (per EDU)	53.49	0	47.64	0
Unmetered (per EDU)	89.74	0	92.85	0
Exception: Residential building with 1 meter and no more than 2 dwelling units	89.74	0	47.64	0
Non-Residential				
Metered (per EDU)	99.22	4,400	47.64	0
Unmetered (per EDU)	89.74	0	92.04	0
Exception: Apartments billed under residential rate	53.49	0	47.64	0

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered*	4.370	Up to 3,400 Gallons	11.681	0
*Includes apartments billed under residential rate	4.600	Next 3,300 Gallons		
	4.810	Next 3,300 Gallons		
	5.290	Next 3,400 Gallons		0
	5.900	Next 3,300 Gallons		
	6.770	Over 16,700 Gallons		
				0
Non-Residential Metered	22.930	Over 4,400 Gallons	11.474	

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
Lower Makefield

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	53.49	47.64	(5.85)	(0.20)	-10.9%
1,000	57.86	59.32	1.46	0.05	2.5%
2,000	62.23	71.00	8.77	0.29	14.1%
3,000	66.60	82.68	16.08	0.54	24.1%
4,000	71.11	94.36	23.25	0.78	32.7%
5,000	75.71	106.05	30.33	1.01	40.1%
6,000	80.31	117.73	37.41	1.25	46.6%
7,000	84.97	129.41	44.43	1.48	52.3%
8,000	89.78	141.09	51.30	1.71	57.1%
9,000	94.59	152.77	58.17	1.94	61.5%
10,000	99.40	164.45	65.05	2.17	65.4%
Residential					
3,870	70.51	92.85	22.33	0.74	31.7%
Unmetered Residential					
	89.74	92.85	3.11	0.10	3.5%
Non-Residential					
5,400	122.15	109.60	(12.55)	(0.42)	-10.3%
Unmetered Non-Residential					
	89.74	92.04	2.30	0.08	2.6%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
East Whiteland

Minimum Charges:

	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($)	Gallon Allowance	Amount ($)	Gallon Allowance
Flat Rate				
District A (per EDU)	33.33	0	73.90	0
District B (per EDU)	33.33	0	73.90	0
District C (per EDU)	45.17	0	73.90	0
District D (per EDU)	50.00	0	73.90	0
District E (per EDU)	40.00	0	73.90	0
Metered (per EDU)			37.92	0
High Volume User			37.92	0

Consumption Charges:

	Present Rates Per Month		Proposed Rates Per Month	
	Amount ($) per thousand gallons	Gallon Allowance	Amount ($) per thousand gallons	Gallon Allowance
Residential Metered			9.297	0
Commercial Metered			9.132	0
High Volume User Metered	6.200	0	12.958	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
East Whiteland

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential	Flat Rate	Metered			
0	33.33	73.90	40.57	1.35	121.7%
1,000	33.33	83.20	49.86	1.66	149.6%
2,000	33.33	92.49	59.16	1.97	177.5%
3,000	33.33	101.79	68.46	2.28	205.4%
4,000	33.33	111.09	77.75	2.59	233.3%
5,000	33.33	120.39	87.05	2.90	261.2%
6,000	33.33	129.68	96.35	3.21	289.0%
7,000	33.33	138.98	105.65	3.52	316.9%
8,000	33.33	148.28	114.94	3.83	344.8%
9,000	33.33	157.57	124.24	4.14	372.7%
10,000	33.33	166.87	133.54	4.45	400.6%
District A and B					
3,870	33.33	73.90	40.57	1.35	121.7%
District C					
3,870	45.17	73.90	28.73	0.96	63.6%
District D					
3,870	50.00	73.90	23.90	0.80	47.8%
District E					
3,870	40.00	73.90	33.90	1.13	84.7%
High Volume Users					
168,600	1,045.32	2,222.64	1,177.32	39.24	112.6%

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparative Schedule of Present and Proposed Rates
North Heidelberg

Minimum Charges:

Class	Present Rates Per Month Amount ($)	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($)	Proposed Rates Per Month Gallon Allowance
Residential				
Metered (per EDU)	28.00	1,000	47.64	0
Unmetered (per EDU)	78.00	0	92.85	0
Commerical				
Metered (per EDU)	54.00	0	47.64	0
Unmetered (per EDU)	78.00	0	92.04	0

Consumption Charges:

	Present Rates Per Month Amount ($) per thousand gallons	Present Rates Per Month Gallon Allowance	Proposed Rates Per Month Amount ($) per thousand gallons	Proposed Rates Per Month Gallon Allowance
Residential Metered	13.060	1,000 - 6,000 Gallons	11.681	0
	7.920	Over 6,000 Gallons		
Commercial	7.920	0	11.474	0

Aqua Pennsylvania Wastewater, Inc.
2024 Rate Case
Comparison of Customer Bills
North Heidelberg

Monthly Consumption in Gallons	Monthly Rates Present	Monthly Rates Proposed	Increase $/Month	Increase $/Day	Increase Percent
Residential					
0	28.38	47.64	19.26	0.64	67.9%
1,000	28.38	59.32	30.95	1.03	109.1%
2,000	41.61	71.00	29.39	0.98	70.6%
3,000	54.85	82.68	27.84	0.93	50.8%
4,000	68.08	94.36	26.28	0.88	38.6%
5,000	81.32	106.05	24.73	0.82	30.4%
6,000	94.55	117.73	23.18	0.77	24.5%
7,000	102.58	129.41	26.83	0.89	26.2%
8,000	110.60	141.09	30.49	1.02	27.6%
9,000	118.63	152.77	34.14	1.14	28.8%
10,000	126.65	164.45	37.80	1.26	29.8%
Residential					
3,870	66.36	92.85	26.49	0.88	39.9%
Commercial					
54,100	488.94	668.38	179.45	5.98	36.7%
Unmetered					
	80.10	92.85	12.75	0.42	15.9%

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR4. Provide for the future test year a detailed customer consumption analysis and the application of rates to support present and proposed revenues by customer classification and tariff rate schedule.

A. Please refer to the direct testimonies of Gregory R. Herbert and Constance E. Heppenstall and the accompanying Exhibit 5-A for water, Exhibit 5-B for wastewater for the consumption analysis and the application of rates to support present and proposed revenues by customer classification and tariff rate schedule.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR5. Provide detailed computations of the determination of accrued revenues as of historic test year-end and year-end immediately preceding the historic test year, together with a detailed explanation of the procedures and methods used in developing accrued revenues.

A. The Company calculates unbilled or accrued revenues based on each customers most recent water/sewer bill issued. The calculation utilizes the days of service covering the billing period and determines the accrued revenue on a per day basis, which is applied to the unbilled days between the end of the month and the actual read/billing date for the customer. The Company had unbilled revenues accrued of $32,445,255, $31,389,747, and $24,431,223 as of the twelve months ended December 31, 2023, 2022, and 2021 respectively.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR6.

Provide a detailed breakdown of miscellaneous water revenues for the historic test year and the two years immediately preceding the historic test year. For the historic test year, provide a monthly breakdown and an explanation of monthly variances greater than 15%.

A. Please see the attached.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

	FOR THE TWELVE MONTHS ENDED 12/31/2021	FOR THE TWELVE MONTHS ENDED 12/31/2022	FOR THE TWELVE MONTHS ENDED 12/31/2023												
			January FY23	February FY23	March FY23	April FY23	May FY23	June FY23	July FY23	August FY23	September FY23	October FY23	November FY23	December FY23	HTY Total
Water Operations															
4E+06 WTR-Misc Srv Rev	524,605	547,867	49,966	50,058	46,428	45,387	44,862	45,439	44,970	44,525	44,553	44,495	44,291	55,332	560,305
4E+06 WTR-Misc Srv Rev-Reconnect Fee	251,385	247,675	12,000	11,600	11,700	26,654	31,596	29,785	27,700	32,300	33,650	30,150	29,785	8,985	285,905
4E+06 WTR-Misc Srv Rev-Late Pmt Fees	581,930	876,133	30,258	62,111	68,037	56,593	59,877	61,663	77,671	79,416	62,820	77,578	65,303	70,512	771,838
4E+06 WTR-Misc Srv Rev-Bad Check Fee	71,977	243,742	27,439	18,140	25,800	19,442	23,078	25,940	22,890	27,100	22,079	27,860	25,320	21,810	286,898
4E+06 WTR-Misc Srv Rev-New Acct Fee	50	450	-	-	100	-	-	-	100	-	50	-	-	-	250
4E+06 WTR-Misc Srv Rev-ST Tax Adj Surch	(623)	6,661	(26,135)	(96,954)	(92,809)	(100,270)	(99,341)	(114,906)	(107,723)	(101,749)	(113,663)	(98,987)	(99,883)	(98,310)	(1,150,731)
4E+06 WTR-Other Water Rev	327,290	349,595	-	-	86,413	18,703	46,816	25,102	24,800	30,781	23,453	32,035	29,455	73,640	391,198
	1,756,614	**2,272,124**	**93,528**	**44,955**	**145,669**	**66,508**	**106,888**	**73,022**	**90,408**	**112,373**	**72,942**	**113,132**	**94,271**	**131,969**	**1,145,665**
Water Operations - Shenandoah															
4E+06 WTR-Misc Srv Rev-Reconnect Fee	-	-	-	-	-	-	-	-	-	150	50	150	200	150	700
4E+06 WTR-Misc Srv Rev-Late Pmt Fees	-	-	-	-	-	-	-	-	-	-	1,722	1,319	937	805	4,783
4E+06 WTR-Misc Srv Rev-Bad Check Fee	-	-	-	-	-	-	-	-	-	40	340	120	260	120	880
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**190**	**2,112**	**1,589**	**1,397**	**1,075**	**6,363**
Water Operations - Subtotal	**1,756,614**	**2,272,124**	**93,528**	**44,955**	**145,669**	**66,508**	**106,888**	**73,022**	**90,408**	**112,563**	**75,054**	**114,720**	**95,668**	**133,044**	**1,152,028**
Wastewater Operations - Base															
4E+06 WW-ST Tax Surcharge			(886)	(3,218)	(2,494)	(2,584)	(2,484)	(3,407)	(2,967)	(2,673)	(3,441)	(2,541)	(2,542)	(3,223)	(32,461)
4E+06 WW-Forfeited Discounts/Abate	63,165	98,102	(1,614)	7,561	8,212	3,968	9,298	8,227	10,413	10,046	9,063	10,684	9,992	9,534	95,385
4E+06 WW-Other WW Revenues	284	5,760	700	460	6,450	7,244	6,497	6,679	27,102	(13,321)	10,572	6,799	7,499	(55,271)	11,410
	63,449	**103,862**	**(1,800)**	**4,803**	**12,168**	**8,628**	**13,312**	**11,499**	**34,548**	**(5,948)**	**16,193**	**14,943**	**14,949**	**(48,960)**	**74,334**
Wastewater Operations Lower Makefield															
4E+06 WW-Forfeited Discounts/Abate	-	28,880	4,241	3,013	4,742	1,966	6,012	2,723	3,432	5,183	3,137	4,468	4,061	4,158	47,138
4E+06 WW-Other WW Revenues	-	2,340	180	340	260	140	400	100	180	320	5,230	500	2,780	160	10,590
	-	**31,220**	**4,421**	**3,353**	**5,002**	**2,106**	**6,412**	**2,823**	**3,612**	**5,503**	**8,367**	**4,968**	**6,841**	**4,318**	**57,728**
Wastewater Operations - East Whiteland															
4E+06 WW-Forfeited Discounts/Abate	-	2,508	709	911	1,159	775	59	526	553	535	363	467	306	591	6,953
4E+06 WW-Other WW Revenues	-	40	60	20	20	-	40	40	40	-	20	-	-	40	280
	-	**2,548**	**769**	**931**	**1,179**	**775**	**99**	**566**	**593**	**535**	**383**	**467**	**306**	**631**	**7,233**
Wastewater Operations - Subtotal	**63,449**	**137,629**	**3,390**	**9,087**	**18,349**	**11,509**	**19,823**	**14,888**	**38,753**	**91**	**24,943**	**20,378**	**22,096**	**(44,011)**	**139,296**
Grand Total	**1,820,063**	**2,409,753**	**96,918**	**54,042**	**164,018**	**78,017**	**126,711**	**87,911**	**129,161**	**112,654**	**99,997**	**135,099**	**117,765**	**89,032**	**1,291,324**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR7. Provide a monthly summary of customers added and lost by customer classification for the historic test year and the current year-to-date.

A. Please see the attached and refer to Exhibit 1-A and Exhibit 1-B, Schedule A-2 for water and Exhibit 1-C through 1-E, Schedule A-2 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

CUSTOMERS ADDED AND LOST

	March FY23	June FY23	September FY23	December FY23	HTY Total
Water Customers:					
Residential	450	491	3,159	401	4,501
Commercial	58	59	258	21	396
Industrial	(3)	2	5	(4)	-
Public	128	107	36	49	320
Bulk Water	-	-	-	-	182
Private Fire Protection	14	35	119	14	1
Sales to Water Utilities	-	1	-	-	-
Total Water Customers	**647**	**695**	**3,577**	**481**	**5,400**
Wastewater Customers:	**381**	**71**	**168**	**101**	**721**
Total Customers	**1,028**	**766**	**3,745**	**582**	**6,121**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR8. Provide for the historic test year and the current year-to-date, the number of customers and monthly consumption for each classification of customers.

A. Please see the attached.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

	March FY23	June FY23	September FY23	December FY23	HTY Total Customer Bills
Number of Water Customers Billed:					
Residential	408,518	409,009	412,168	412,569	1,642,264
Commercial	23,241	23,300	23,558	23,579	93,678
Industrial	721	723	728	724	2,896
Public	1,302	1,409	1,445	1,494	5,650
Sales to Water Utilities*	21	22	22	22	87
Total Water Customers Billed	**433,803**	**434,463**	**437,921**	**438,388**	**1,744,575**
Number of Wastewater Customers Billed:					
Total Sewer	56,528	56,599	56,767	56,868	226,762
Total Wastewater Customers Billed	**56,528**	**56,599**	**56,767**	**56,868**	**226,762**
Total Customers Billed	**490,331**	**491,062**	**494,688**	**495,256**	**1,971,337**
Number of Units Billed:					
Private Fire Protection	6,451	6,486	6,605	6,619	26,161
Public Fire Protection					-
Total Units Billed	**6,451**	**6,486**	**6,605**	**6,619**	**26,161**

	March FY23	June FY23	September FY23	December FY23	HTY Total Gallons Billed
Water Gallons Billed (100 gallons):					
Residential	42,939,306	47,994,602	49,647,178	44,710,604	185,291,689
Commercial	22,695,888	25,898,613	28,250,614	24,762,745	101,607,861
Industrial	7,098,429	7,371,501	9,154,403	7,884,278	31,508,611
Public	1,436,015	2,313,586	2,313,609	1,858,167	7,921,377
Sales to Water Utilities	2,793,054	2,563,504	2,661,761	2,440,957	10,459,276
Total Water Gallons Billed	**76,962,692**	**86,141,806**	**92,027,564**	**81,656,751**	**336,788,814**
Wastewater Gallons Billed (100 gallons):					
Metered Gallons	7,149,322	7,428,094	8,289,688	7,315,196	30,182,299
Total Wastewater Gallons Billed	**7,149,322**	**7,428,094**	**8,289,688**	**7,315,196**	**30,182,299**
Other:					
Private Fire Protection	171,075	217,093	267,478	124,354	779,999
Total Gallons Billed	**84,283,089**	**93,786,993**	**100,584,729**	**89,096,301**	**367,751,112**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR9. Provide by customer classification for the historic test year and for the 2 prior years the number of customers and consumption, and projected number of customers and consumption for the 2 subsequent years.

A. Please see the attached for the historic test year and 2 prior years. Please refer to the direct testimonies of Gregory R. Herbert and Constance E. Heppenstall and the accompanying Exhibit 5-A for water, Exhibit 5-B for wastewater for the projected number of customers and consumption for the subsequent years.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

WATER OPERATIONS

	ACTUAL FOR THE TWELVE MONTHS ENDED 12/31/2021	ACTUAL FOR THE TWELVE MONTHS ENDED 12/31/2022	ACTUAL FOR THE TWELVE MONTHS ENDED 12/31/2023
Number of Customers:			
Residential	404,484	406,878	411,539
Commercial	22,893	23,102	23,579
Industrial	766	722	724
Public	1,238	1,212	1,227
Private Fire Protection	5,667	5,729	5,770
Sales to Water Utilities	22	21	22
Total Metered Customers	**435,070**	**437,664**	**442,861**
Other:			
Unmetered	921	875	1,030
Availability Charge			
Private Fire Protection	820	838	849
Public Fire Protection	258	265	267
Total Customers	**437,069**	**439,642**	**445,007**
Gallons Billed (100 gallons):			
Residential	190,013,306	187,716,075	185,291,689
Commercial	96,449,520	100,907,904	101,607,861
Industrial	29,585,623	31,486,011	31,508,611
Public	8,110,040	8,610,605	7,921,377
Private Fire Protection	1,350,511	952,690	779,999
Sales to Water Utilities	9,914,423	11,170,593	10,459,276
Total Gallons Billed	**335,423,422**	**340,843,879**	**337,568,813**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

WASTEWATER OPERATIONS

	ACTUAL FOR THE TWELVE MONTHS ENDED 12/31/2021	ACTUAL FOR THE TWELVE MONTHS ENDED 12/31/2022	ACTUAL FOR THE TWELVE MONTHS ENDED 12/31/2023
Number of Customers:			
Residential	38,186	53,124	53,586
Commercial	2,227	3,124	3,137
Industrial	9	77	77
Public	62	70	68
Miscellaneous	-	-	-
Availability Charge	-	-	-
Total Customers	**40,484**	**56,395**	**56,868**
Gallons Billed (100 gallons):			
Metered Gallons	22,403,742	28,963,238	30,182,299
Total Gallons Billed	**22,403,742**	**28,963,238**	**30,182,299**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR10. Provide a breakdown of the number and size of private fire services according to the general water service class of customers.

a. Provide a listing of all public fire protection customers at historic test year-end and the pro forma billing of current rates for each customer.

A.

Please refer to the direct testimonies of Gregory R. Herbert and Constance E. Heppenstall and the accompanying Exhibit 5-A for water, Exhibit 5-B for wastewater for the private fire services at historic test year-end and the pro forma billing of current rates for each customer.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR11. Provide a detailed schedule of sales for resale revenues for the historic test year and 2 preceding years showing revenues and units sold by customer.

A. Please see the attached.

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: BUCKS COUNTY WATER AND SEWER AUTHORITY
ACCOUNT #: 2071065-1355853
METER SIZE: 5/8"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	660.1	592.2	575.1
FEBRUARY	0.0	0.0	0.0
MARCH	0.0	777.6	0.0
APRIL	645.6	0.0	626.4
MAY	0.0	0.0	0.0
JUNE	0.0	743.3	0.0
JULY	782.5	0.0	715.9
AUGUST	0.0	0.0	0.0
SEPTEMBER	836.3	1011.7	0.0
OCTOBER	0.0	0.0	784.7
NOVEMBER	0.0	0.0	0.0
DECEMBER	0.0	0.0	0.0
TOTAL	2,924.5	3,124.8	2,702.1

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	2,702.1

REVENUE	2021	2022	2023
JANUARY	$ 4,323.65	$ 3,878.91	$ 3,766.91
FEBRUARY	$ -	$ -	$ -
MARCH	$ -	$ 5,093.28	$ -
APRIL	$ 4,228.68	$ -	$ 4,093.89
MAY	$ -	$ -	$ -
JUNE	$ -	$ 4,868.61	$ -
JULY	$ 5,125.38	$ -	$ 4,678.83
AUGUST	$ -	$ -	$ -
SEPTEMBER	$ 5,477.77	$ 6,626.64	$ -
OCTOBER	$ -	$ -	$ 5,128.48
NOVEMBER	$ -	$ -	$ -
DECEMBER	$ -	$ -	$ -
TOTAL	$19,155.48	$20,467.44	$17,668.11

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 17,668.11

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: PENNSYLVANIA AMERICAN WATER COMPANY
ACCOUNT #: 349461-349461
METER SIZE: 4"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	0.0	0.0	1.0
FEBRUARY	0.0	0.0	0.0
MARCH	0.0	0.0	0.0
APRIL	0.0	0.0	0.0
MAY	161.0	0.0	0.0
JUNE	10.0	0.0	0.0
JULY	0.0	154.0	0.0
AUGUST	0.0	16.0	0.0
SEPTEMBER	576.0	19.0	0.0
OCTOBER	4.0	0.0	0.0
NOVEMBER	0.0	4.0	0.0
DECEMBER	3.0	42.0	0.0
TOTAL	754.0	235.0	1.0

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	1.0

REVENUE	2021	2022	2023
JANUARY	$485.70	$505.25	$550.02
FEBRUARY	$485.70	$505.25	$534.82
MARCH	$485.70	$505.25	$534.82
APRIL	$489.08	$505.25	$534.82
MAY	$2,482.77	$505.25	$534.82
JUNE	$612.91	$505.25	$534.82
JULY	$491.62	$2,694.62	$538.04
AUGUST	$491.62	$760.27	$538.04
SEPTEMBER	$7,680.89	$802.32	$538.04
OCTOBER	$551.81	$536.00	$543.40
NOVEMBER	$501.07	$620.55	$543.40
DECEMBER	$539.13	$1,124.71	$543.40
TOTAL	$15,298.00	$9,569.97	$6,468.44

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 6,468.44

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: NORTH WALES WATER COMPANY
ACCOUNT #: 349234-349234
METER SIZE: 4"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	0.0	0.0	0.0
FEBRUARY	0.0	1.5	0.0
MARCH	0.0	0.0	0.0
APRIL	0.0	0.0	0.0
MAY	0.0	0.0	0.0
JUNE	0.0	0.0	0.0
JULY	0.0	0.0	0.0
AUGUST	1.5	1.5	0.0
SEPTEMBER	0.0	0.0	0.0
OCTOBER	7.5	0.0	0.0
NOVEMBER	2.0	0.0	0.0
DECEMBER	0.0	0.0	0.0
TOTAL	11.0	3.0	0.0

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	0.0

REVENUE	2021	2022	2023
JANUARY	$485.70	$511.51	$536.00
FEBRUARY	$485.70	$524.44	$534.82
MARCH	$485.70	$505.25	$534.82
APRIL	$489.08	$505.25	$534.82
MAY	$489.08	$505.25	$534.82
JUNE	$489.08	$505.25	$534.82
JULY	$491.62	$536.00	$538.04
AUGUST	$510.29	$557.03	$538.04
SEPTEMBER	$491.62	$536.00	$538.04
OCTOBER	$596.22	$536.00	$543.40
NOVEMBER	$526.44	$564.55	$543.40
DECEMBER	$501.07	$536.00	$543.40
TOTAL	$6,041.60	$6,322.53	$6,454.42

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 6,454.42

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: HORSHAM WATER AND SEWER
ACCOUNT #: 422190-385426
METER SIZE: 3"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	4,965.0	1,620.0	10,104.0
FEBRUARY	1,711.0	1,752.0	10,413.0
MARCH	1,487.0	0.0	8,747.0
APRIL	1,583.0	3,488.0	11,695.0
MAY	1,610.0	1,625.0	10,352.0
JUNE	1,629.0	5,630.0	10,559.0
JULY	1,572.0	10,381.0	11,677.0
AUGUST	1,694.0	10,474.0	11,445.0
SEPTEMBER	1,719.0	0.0	10,199.0
OCTOBER	1,676.0	20,995.0	10,330.0
NOVEMBER	1,709.0	10,497.0	10,393.0
DECEMBER	1,620	9,954.0	9,974.0
TOTAL	22,975.0	76,416.0	125,888.0

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	125,888.0

REVENUE	2021	2022	2023
JANUARY	$37,353.76	$9,230.99	$58,968.30
FEBRUARY	$13,304.27	$13,525.92	$60,959.68
MARCH	$11,596.76	$0.00	$51,401.28
APRIL	$12,383.88	$26,655.60	$67,606.04
MAY	$12,545.70	$12,584.84	$59,939.88
JUNE	$12,714.65	$32,567.05	$61,910.31
JULY	$12,272.70	$55,735.50	$67,336.50
AUGUST	$13,605.59	$61,110.30	$69,338.94
SEPTEMBER	$13,791.59	$0.00	$62,398.66
OCTOBER	$13,439.40	$122,123.40	$62,767.60
NOVEMBER	$13,717.19	$61,406.72	$63,659.52
DECEMBER	$13,022.70	$58,170.30	$60,965.10
TOTAL	$179,748.19	$453,110.62	$747,251.81

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 747,251.81

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: WARWICK TOWNSHIP
ACCOUNT #: 117970-117970
METER SIZE: 8"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	21,031.0	20,531.0	20,562.0
FEBRUARY	20,697.0	20,232.0	18,897.0
MARCH	19,478.0	17,360.0	16,440.0
APRIL	20,595.0	19,482.0	18,926.0
MAY	20,471.0	20,449.0	19,955.0
JUNE	22,421.0	23,032.0	24,502.0
JULY	22,132.0	22,406.0	21,912.0
AUGUST	23,618.0	25,439.0	21,077.0
SEPTEMBER	22,088.0	26,029.0	21,532.0
OCTOBER	21,818.0	24,291.0	20,130.0
NOVEMBER	20,909.0	21,378.0	18,910.0
DECEMBER	19,551.0	19,607.0	17,780.0
TOTAL	254,809.0	260,236.0	240,623.0

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	240,623.0

REVENUE	2021	2022	2023
JANUARY	$52,851.81	$50,927.61	$51,419.82
FEBRUARY	$50,026.96	$49,818.16	$48,233.10
MARCH	$52,140.52	$47,585.40	$46,704.59
APRIL	$51,177.97	$48,603.67	$48,676.35
MAY	$51,822.68	$51,653.54	$50,482.86
JUNE	$54,926.32	$55,953.86	$59,191.89
JULY	$55,304.50	$56,319.17	$54,946.89
AUGUST	$57,265.45	$61,383.36	$51,769.73
SEPTEMBER	$54,270.48	$62,585.04	$52,979.70
OCTOBER	$54,728.33	$60,066.76	$51,106.61
NOVEMBER	$51,581.45	$52,783.60	$48,597.18
DECEMBER	$49,792.22	$50,417.50	$47,963.80
TOTAL	$635,888.69	$648,097.67	$612,072.52

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 612,072.52

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: SCHWENKSVILLE BOROUGH AUTHORITY
ACCOUNT #: 45588-45588
METER SIZE: 3"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	5,252.6	5,599.4	2,564.7
FEBRUARY	2,639.9	2,926.7	5,391.6
MARCH	0.0	0.0	2,439.1
APRIL	2,386.6	5,520.9	0.0
MAY	5,348.3	2,684.0	5,269.6
JUNE	0.0	2,653.2	4,096.3
JULY	5,256.5	2,566.1	2,684.9
AUGUST	0.0	3,281.7	2,651.0
SEPTEMBER	2,692.8	2,913.7	0.0
OCTOBER	3,522.3	2,628.7	5,308.5
NOVEMBER	4,669.7	2,729.1	2,667.1
DECEMBER	0.0	0.0	0.0
TOTAL	31,768.7	33,503.5	33,072.8

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	33,072.8

REVENUE	2021	2022	2023
JANUARY	$20,432.83	$22,191.68	$10,869.92
FEBRUARY	$10,267.82	$11,586.06	$22,817.48
MARCH	$0.00	$0.00	$11,472.50
APRIL	$10,119.64	$23,268.90	$0.00
MAY	$21,222.44	$11,320.24	$23,686.15
JUNE	$0.00	$11,233.65	$18,229.83
JULY	$21,614.93	$10,875.67	$12,062.01
AUGUST	$0.00	$13,816.79	$11,913.87
SEPTEMBER	$10,816.75	$12,304.31	$0.00
OCTOBER	$13,885.08	$11,132.96	$23,856.14
NOVEMBER	$21,543.84	$11,561.85	$11,984.23
DECEMBER	$126.65	$0.00	$0.00
TOTAL	$130,029.98	$139,292.11	$146,892.13

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 146,892.13

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: BOROUGH OF SHARPSVILLE
ACCOUNT #: 1601298-1105879, 1601301-1105880
METER SIZE: 8"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	15,337.0	19,254.0	14,800.1
FEBRUARY	12,583.0	19,734.0	12,277.9
MARCH	12,389.0	17,797.0	13,874.1
APRIL	14,244.0	17,825.0	12,499.8
MAY	12,075.0	16,016.0	11,927.1
JUNE	13,478.0	17,745.0	15,937.6
JULY	14,899.0	11,523.0	14,421.6
AUGUST	13,118.0	0.0	14,188.5
SEPTEMBER	16,420.0	0.0	18,050.3
OCTOBER	13,552.0	10,689.1	13,302.3
NOVEMBER	13,788.0	52,976.7	13,908.1
DECEMBER	15,835.0	15,128.9	15,783.2
TOTAL	167,718.0	198,688.7	170,970.6

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	170,970.6

REVENUE	2021	2022	2023
JANUARY	$40,125.10	$51,336.46	$43,680.27
FEBRUARY	$33,970.69	$52,531.66	$36,895.55
MARCH	$33,499.27	$47,708.53	$41,189.33
APRIL	$38,006.92	$47,778.25	$37,492.46
MAY	$32,736.25	$43,273.84	$35,951.90
JUNE	$36,145.54	$47,579.05	$46,740.14
JULY	$39,598.57	$32,560.27	$42,662.10
AUGUST	$35,270.74	$3,868.00	$42,035.06
SEPTEMBER	$43,294.60	$3,868.00	$52,423.31
OCTOBER	$36,325.36	$30,097.05	$39,651.19
NOVEMBER	$36,898.84	$135,715.51	$41,280.79
DECEMBER	$42,348.11	$43,281.07	$47,530.07
TOTAL	$448,219.99	$539,597.69	$507,532.17

TOTAL FOR YEAR ENDING MARCH 31, 2021	$ 507,532.17

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: DOWNINGTOWN MUNICIPAL
ACCOUNT #: 533337-417510, 533337-822259
METER SIZE: 5/8" & 4"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	144.0	93.0	82.0
FEBRUARY	0.0	0.0	0.0
MARCH	0.0	158.0	0.0
APRIL	190.0	0.0	25.6
MAY	0.0	114.0	0.0
JUNE	0.0	0.0	0.0
JULY	175.0	0.0	25.6
AUGUST	0.0	0.0	0.0
SEPTEMBER	122.0	109.0	57.3
OCTOBER	0.0	0.0	0.0
NOVEMBER	0.0	0.0	0.0
DECEMBER	0.0	0.0	0.0
TOTAL	631.0	474.0	190.5

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	190.5

REVENUE	2021	2022	2023
JANUARY	$148.33	$96.72	$91.02
FEBRUARY	$0.00	$0.00	$0.00
MARCH	$0.00	$173.41	$0.00
APRIL	$197.34	$0.00	$29.99
MAY	$0.00	$0.00	$0.00
JUNE	$0.00	$126.54	$0.00
JULY	$182.01	$0.00	$30.21
AUGUST	$0.00	$3.16	$0.00
SEPTEMBER	$126.88	$122.57	$67.99
OCTOBER	$0.00	$3.09	$0.38
NOVEMBER	$3.18	$0.00	$0.00
DECEMBER	$1.59	$0.00	$0.00
TOTAL	$659.33	$525.49	$219.59

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 219.59

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: BOROUGH OF NEW WILMINGTON
ACCOUNT #: 1046042-756345, 1046042-1471779
METER SIZE: 4"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	4,064.5	4,500.4	4,131.9
FEBRUARY	4,294.2	5,170.5	4,348.8
MARCH	4,419.5	4,422.4	5,068.4
APRIL	4,989.5	4,947.8	4,553.1
MAY	4,487.7	4,695.7	4,732.6
JUNE	4,478.5	4,809.7	4,644.7
JULY	4,759.3	4,225.6	3,945.0
AUGUST	4,023.2	4,106.7	3,950.5
SEPTEMBER	7,610.3	5,894.4	5,737.1
OCTOBER	5,473.1	5,113.0	5,038.5
NOVEMBER	5,032.9	5,005.9	5,446.6
DECEMBER	5,443.1	5,206.6	5,140.1
TOTAL	59,075.8	58,098.7	56,737.3

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	56,737.3

REVENUE	2021	2022	2023
JANUARY	$23,945.07	$26,412.26	$58,988.84
FEBRUARY	$25,245.17	$30,205.03	$62,029.13
MARCH	$25,954.37	$25,970.78	$72,115.76
APRIL	$29,180.57	$28,944.55	$64,892.80
MAY	$26,340.38	$27,517.66	$67,408.85
JUNE	$26,288.31	$28,162.90	$66,176.76
JULY	$27,877.64	$60,302.24	$56,369.07
AUGUST	$23,711.31	$58,635.61	$56,446.16
SEPTEMBER	$44,014.30	$83,693.80	$81,488.93
OCTOBER	$31,917.75	$72,740.92	$71,696.65
NOVEMBER	$29,426.21	$71,239.70	$77,416.99
DECEMBER	$31,747.95	$74,052.91	$73,120.78
TOTAL	$345,649.03	$587,878.36	$808,150.72

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 808,150.72

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: HUBBARD TOWNSHIP
ACCOUNT #: 1052232-761986
METER SIZE: 6"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	25,805.0	29,475.0	28,610.0
FEBRUARY	22,065.0	33,275.0	26,430.0
MARCH	20,945.0	27,480.0	25,200.0
APRIL	23,915.0	30,545.0	22,245.0
MAY	22,090.0	27,925.0	21,285.0
JUNE	27,635.0	32,320.0	27,450.0
JULY	29,205.0	28,835.0	22,945.0
AUGUST	23,855.0	26,120.0	22,160.0
SEPTEMBER	32,250.0	30,405.0	28,110.0
OCTOBER	25,050.0	23,440.0	21,600.0
NOVEMBER	23,685.0	23,100.0	22,205.0
DECEMBER	26,510.0	26,795.0	23,240.0
TOTAL	303,010.0	339,715.0	291,480.0

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	291,480.0

REVENUE	2021	2022	2023
JANUARY	$59,229.15	$69,746.92	$69,694.98
FEBRUARY	$51,856.42	$77,088.08	$65,017.80
MARCH	$48,592.40	$64,303.20	$61,992.00
APRIL	$55,482.80	$71,475.30	$54,722.70
MAY	$51,248.80	$65,344.50	$52,361.10
JUNE	$64,753.81	$75,628.80	$67,527.00
JULY	$67,114.99	$68,419.26	$56,444.70
AUGUST	$55,343.60	$61,120.80	$54,513.60
SEPTEMBER	$74,820.00	$71,147.70	$69,150.60
OCTOBER	$58,116.00	$54,849.60	$54,000.38
NOVEMBER	$55,101.46	$55,663.62	$55,092.22
DECEMBER	$62,033.40	$65,915.70	$61,818.40
TOTAL	$703,692.83	$800,703.48	$722,335.48

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 722,335.48

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT
ACCOUNT #: 2100531-1360794
METER SIZE: 10"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	-238.0	82.0	96.5
FEBRUARY	404.0	109.0	222.5
MARCH	233.5	117.0	79.0
APRIL	81.5	91.0	99.5
MAY	115.0	86.5	79.0
JUNE	124.0	123.0	147.0
JULY	98.0	100.5	72.0
AUGUST	196.0	222.5	97.5
SEPTEMBER	99.0	102.0	108.0
OCTOBER	86.0	76.0	99.5
NOVEMBER	171.5	102.5	80.0
DECEMBER	402.5	95.0	58.0
TOTAL	1,773.0	1,307.0	1,238.5

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	1,238.5

REVENUE	2021	2022	2023
JANUARY	-$2,676.92	$964.84	$1,432.01
FEBRUARY	$4,839.22	$1,272.06	$2,457.65
MARCH	$2,098.74	$1,325.18	$1,289.56
APRIL	$1,089.46	$1,152.54	$1,456.43
MAY	$1,311.90	$1,122.66	$1,289.56
JUNE	$1,371.66	$1,365.02	$1,843.08
JULY	$1,199.02	$1,464.57	$1,232.58
AUGUST	$1,849.74	$2,457.65	$1,440.15
SEPTEMBER	$1,205.66	$1,476.78	$1,525.62
OCTOBER	$1,119.34	$1,265.14	$1,456.43
NOVEMBER	$1,687.06	$1,480.85	$1,297.70
DECEMBER	$3,220.90	$1,419.80	$1,118.62
TOTAL	$18,315.78	$16,767.09	$17,839.39

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 17,839.39

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: Veolia Water
ACCOUNT #: 2053682-1352362
METER SIZE: 2"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	375.0	367.0	409.0
FEBRUARY	271.0	354.0	298.0
MARCH	251.0	355.0	272.0
APRIL	324.0	364.0	50.0
MAY	303.0	275.0	0.0
JUNE	308.0	278.0	0.0
JULY	310.0	393.0	0.0
AUGUST	423.0	359.0	0.0
SEPTEMBER	355.0	411.0	0.0
OCTOBER	382.0	354.0	0.0
NOVEMBER	340.0	345.0	0.0
DECEMBER	325.0	371.0	0.0
TOTAL	3,967.0	4,226.0	1,029.0

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	1,029.0

REVENUE	2021	2022	2023
JANUARY	$4,415.90	$4,415.90	$5,396.00
FEBRUARY	$4,415.90	$4,415.90	$5,396.00
MARCH	$4,415.90	$4,415.90	$5,396.00
APRIL	$4,415.90	$4,415.90	$5,396.00
MAY	$4,415.90	$4,415.90	$5,396.00
JUNE	$4,415.90	$4,415.90	$5,396.00
JULY	$4,415.90	$5,396.00	$5,396.00
AUGUST	$4,415.90	$5,396.00	$5,396.00
SEPTEMBER	$4,415.90	$5,396.00	$5,396.00
OCTOBER	$4,415.90	$5,396.00	$5,396.00
NOVEMBER	$4,415.90	$6,139.53	$5,396.00
DECEMBER	$4,426.40	$5,406.50	$5,406.50
TOTAL	$53,001.30	$59,625.43	$64,762.50

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 64,762.50

AQUA PENNSYLVANIA
SALES TO RESALE CUSTOMERS

CUSTOMER: MASURY
ACCOUNT #: 2574409-1482542, 2574409-1482534, 2574409-1482541
METER SIZE: 8" & 12"

CONSUMPTION(000's GALLONS)	2021	2022	2023
JANUARY	12,701.0	17,985.3	14,190.0
FEBRUARY	13,434.3	11,723.2	17,642.0
MARCH	12,584.7	10,467.9	15,138.7
APRIL	14,037.1	10,634.9	16,636.2
MAY	9,990.6	11,493.8	-2,775.4
JUNE	16,709.5	9,090.9	10,742.1
JULY	10,901.5	12,897.2	12,154.8
AUGUST	10,750.1	10,953.2	8,037.4
SEPTEMBER	12,083.5	11,227.5	8,119.2
OCTOBER	11,079.6	10,856.9	7,059.1
NOVEMBER	10,652.2	11,759.3	7,843.4
DECEMBER	11,666.4	11,941.5	6,919.5
TOTAL	146,590.5	141,031.6	121,707.0

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	121,707.0

REVENUE	2021	2022	2023
JANUARY	$0.00	$44,439.68	$41,940.80
FEBRUARY	$64,599.70	$35,114.59	$49,949.44
MARCH	$31,393.35	$32,201.43	$44,141.79
APRIL	$34,119.50	$32,588.87	$47,615.99
MAY	$26,524.25	$35,594.01	$2,696.45
JUNE	$39,135.56	$28,298.03	$33,941.68
JULY	$28,415.71	$67,229.65	$37,219.14
AUGUST	$28,644.18	$34,431.43	$42,877.85
SEPTEMBER	$31,233.08	$35,067.79	$29,319.54
OCTOBER	$29,283.93	$34,208.01	$26,669.09
NOVEMBER	$28,454.09	$36,301.58	$28,629.99
DECEMBER	$30,423.24	$36,724.28	$26,320.06
TOTAL	$372,226.59	$452,199.35	$411,321.83

TOTAL FOR YEAR ENDING DECEMBER 31, 2023	$ 411,321.83

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR12. Provide for the historic test year and the 2 prior years consumption and billings for the ten largest customers at current rates. Provide the historic and future test year consumption priced at proposed rates.

A. Please see the attached.

AQUA PENNSYLVANIA, INC.
TEN LARGEST CUSTOMERS

CUSTOMER NLMK PENNSYLVANIA
ACCOUNT # VARIOUS
METER SIZE 6"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	50,100	29,140	51,334	51,334
FEBRUARY	43,080	53,417	46,779	46,779
MARCH	-	54,447	57,310	57,310
APRIL	-	43,053	49,517	49,517
MAY	152,060	-	54,027	54,027
JUNE	60,642	-	51,762	51,762
JULY	45,281	-	58,281	58,281
AUGUST	42,170	-	55,979	55,979
SEPTEMBER	52,925	256,784	66,325	66,325
OCTOBER	42,695	51,968	56,543	56,543
NOVEMBER	40,890	53,114	59,782	59,782
DECEMBER	52,949	57,023	69,281	69,281
TOTAL	582,792	598,945	676,917	676,917
REVENUE				
JANUARY	$ 329,143	$ 208,035	$ 396,586	$ 510,803
FEBRUARY	$ 285,885	$ 363,655	$ 362,612	$ 467,044
MARCH	$ 275,163	$ 370,258	$ 439,141	$ 565,613
APRIL	$ 355,078	$ 297,221	$ 382,511	$ 492,674
MAY	$ 377,214	$ 254,313	$ 415,287	$ 534,889
JUNE	$ 396,847	$ 278,732	$ 398,826	$ 513,687
JULY	$ 303,099	$ 294,614	$ 448,881	$ 578,159
AUGUST	$ 283,696	$ (821,433)	$ 432,052	$ 556,482
SEPTEMBER	$ 350,775	$ 1,887,481	$ 507,693	$ 653,909
OCTOBER	$ 292,484	$ 401,203	$ 440,520	$ 567,390
NOVEMBER	$ 281,008	$ 409,550	$ 464,437	$ 598,194
DECEMBER	$ 357,683	$ 438,024	$ 534,573	$ 688,530
TOTAL	$ 3,888,075	$ 4,381,652	$ 5,223,119	$ 6,727,377

CUSTOMER STATE CORRECTION
ACCOUNT # VARIOUS
METER SIZE 4"-6"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	37,006	29,811	28,816	28,816
FEBRUARY	19,031	22,182	22,272	22,272
MARCH	26,671	21,069	22,401	22,401
APRIL	26,289	21,832	17,540	17,540
MAY	30,297	22,038	28,735	28,735
JUNE	22,481	25,041	26,433	26,433
JULY	18,896	23,484	25,651	25,651
AUGUST	16,291	24,247	25,184	25,184
SEPTEMBER	41,117	23,085	25,858	25,858
OCTOBER	15,925	21,500	23,889	23,889
NOVEMBER	22,149	23,874	25,141	25,141
DECEMBER	23,162	16,868	17,155	17,155
TOTAL	299,312	275,030	289,076	289,076
REVENUE				
JANUARY	$ 282,278	$ 235,421	$ 248,998	$ 320,709
FEBRUARY	$ 136,314	$ 175,476	$ 195,222	$ 251,445
MARCH	$ 203,724	$ 169,460	$ 209,686	$ 270,075
APRIL	$ 200,858	$ 181,401	$ 147,607	$ 190,118
MAY	$ 248,627	$ 173,032	$ 275,781	$ 355,206
JUNE	$ 153,429	$ 212,923	$ 228,557	$ 294,382
JULY	$ 193,487	$ 190,929	$ 214,208	$ 275,900
AUGUST	$ 60,830	$ 195,510	$ 217,884	$ 280,634
SEPTEMBER	$ 318,605	$ 186,614	$ 223,117	$ 287,375
OCTOBER	$ 119,388	$ 176,585	$ 211,538	$ 272,461
NOVEMBER	$ 176,557	$ 201,307	$ 225,734	$ 290,745
DECEMBER	$ 184,001	$ 141,739	$ 143,193	$ 184,433
TOTAL	$ 2,278,098	$ 2,240,396	$ 2,541,524	$ 3,273,483

CUSTOMER LIBERTY POWER
ACCOUNT # VARIOUS
METER SIZE 10"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	70,965	73,705	49,590	49,590
FEBRUARY	62,950	61,960	74,690	74,690
MARCH	58,020	59,700	62,970	62,970
APRIL	76,630	60,890	77,360	77,360
MAY	55,060	-	73,950	73,950
JUNE	66,280	123,696	52,120	52,120
JULY	85,705	76,250	85,800	85,800
AUGUST	85,010	80,620	102,540	102,540
SEPTEMBER	92,440	97,390	104,260	104,260
OCTOBER	76,190	74,780	86,660	86,660
NOVEMBER	55,950	61,470	77,150	77,150
DECEMBER	68,815	63,640	44,110	44,110
TOTAL	854,015	834,101	891,200	891,200
REVENUE				
JANUARY	$ 165,003	$ 168,455	$ 152,448	$ 161,224
FEBRUARY	$ 157,807	$ 165,047	$ 191,930	$ 202,979
MARCH	$ 152,927	$ 162,962	$ 179,235	$ 189,554
APRIL	$ 171,350	$ 164,200	$ 195,352	$ 206,598
MAY	$ 149,996	$ 101,030	$ 191,533	$ 202,559
JUNE	$ 161,104	$ 188,930	$ 167,083	$ 176,702
JULY	$ 180,335	$ 180,174	$ 204,805	$ 216,595
AUGUST	$ 179,647	$ 184,719	$ 223,554	$ 236,424
SEPTEMBER	$ 187,002	$ 202,160	$ 225,480	$ 238,461
OCTOBER	$ 170,915	$ 178,645	$ 205,768	$ 217,614
NOVEMBER	$ 150,877	$ 164,803	$ 195,117	$ 206,350
DECEMBER	$ 163,624	$ 167,070	$ 158,122	$ 167,226
TOTAL	$ 1,990,587	$ 2,028,195	$ 2,290,426	$ 2,422,286

CUSTOMER ROHM & HAAS CO
ACCOUNT # VARIOUS
METER SIZE 8"-10"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	23,233	29,033	13,095	13,095
FEBRUARY	23,854	31,221	15,938	15,938
MARCH	23,184	30,190	14,114	14,114
APRIL	22,690	31,862	17,555	17,555
MAY	23,163	31,806	17,336	17,336
JUNE	21,742	31,762	19,473	19,473
JULY	22,395	31,446	19,398	19,398
AUGUST	25,728	31,974	19,130	19,130
SEPTEMBER	25,971	30,962	18,838	18,838
OCTOBER	22,402	25,798	18,551	18,551
NOVEMBER	26,161	15,011	14,520	14,520
DECEMBER	24,497	14,374	17,771	17,771
TOTAL	285,020	335,441	205,719	205,719
REVENUE				
JANUARY	$ 186,028	$ 228,759	$ 130,191	$ 167,686
FEBRUARY	$ 191,230	$ 243,234	$ 155,730	$ 200,580
MARCH	$ 187,195	$ 235,809	$ 139,161	$ 179,239
APRIL	$ 184,502	$ 245,959	$ 170,420	$ 219,501
MAY	$ 187,623	$ 245,334	$ 168,430	$ 216,938
JUNE	$ 177,052	$ 247,245	$ 187,332	$ 241,284
JULY	$ 184,580	$ 276,002	$ 188,285	$ 242,511
AUGUST	$ 205,390	$ 279,003	$ 182,732	$ 235,358
SEPTEMBER	$ 207,627	$ 270,284	$ 183,164	$ 235,916
OCTOBER	$ 182,694	$ 233,797	$ 182,342	$ 234,856
NOVEMBER	$ 210,259	$ 151,982	$ 145,139	$ 186,940
DECEMBER	$ 197,288	$ 141,878	$ 174,466	$ 224,712
TOTAL	$ 2,301,468	$ 2,799,286	$ 2,007,392	$ 2,585,521

CUSTOMER LYNNEWOOD REAL ESTATE
ACCOUNT # VARIOUS
METER SIZE 5/8"-2"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	10,386	9,924	10,118	10,118
FEBRUARY	8,919	9,020	8,787	8,787
MARCH	8,726	8,792	8,459	8,459
APRIL	9,624	9,771	10,407	10,407
MAY	7,760	8,696	8,727	8,727
JUNE	8,863	9,651	10,692	10,692
JULY	9,619	10,676	9,875	9,875
AUGUST	8,726	9,372	8,802	8,802
SEPTEMBER	10,845	10,260	11,276	11,276
OCTOBER	8,668	8,505	9,386	9,386
NOVEMBER	8,862	9,187	11,016	11,016
DECEMBER	9,164	10,086	9,556	9,556
TOTAL	110,161	113,937	117,101	117,101
REVENUE				
JANUARY	$ 121,442	$ 120,980	$ 164,762	$ 212,213
FEBRUARY	$ 111,186	$ 114,320	$ 151,713	$ 195,407
MARCH	$ 110,338	$ 112,781	$ 148,744	$ 191,582
APRIL	$ 116,698	$ 119,708	$ 166,348	$ 214,256
MAY	$ 104,046	$ 112,271	$ 151,214	$ 194,764
JUNE	$ 113,175	$ 119,947	$ 169,859	$ 218,778
JULY	$ 118,252	$ 169,583	$ 163,434	$ 210,503
AUGUST	$ 111,566	$ 157,874	$ 153,800	$ 198,094
SEPTEMBER	$ 125,861	$ 166,057	$ 177,841	$ 229,059
OCTOBER	$ 111,696	$ 149,796	$ 157,853	$ 203,314
NOVEMBER	$ 113,035	$ 184,260	$ 174,007	$ 224,121
DECEMBER	$ 115,418	$ 164,938	$ 160,758	$ 207,056
TOTAL	$ 1,372,713	$ 1,692,516	$ 1,940,332	$ 2,499,148

CUSTOMER VILLANOVA UNIVERSITY
ACCOUNT # VARIOUS
METER SIZE 5/8"-11/2"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	3,757	5,653	7,908	7,908
FEBRUARY	8,355	10,951	13,491	13,491
MARCH	11,675	9,766	10,371	10,371
APRIL	10,496	10,404	12,450	12,450
MAY	11,241	10,614	12,863	12,863
JUNE	7,047	7,131	7,826	7,826
JULY	6,538	8,274	7,908	7,908
AUGUST	7,128	12,298	11,835	11,835
SEPTEMBER	15,193	15,844	14,327	14,327
OCTOBER	12,149	15,122	14,524	14,524
NOVEMBER	10,210	11,042	12,715	12,715
DECEMBER	10,740	14,834	12,939	12,939
TOTAL	114,530	131,933	139,157	139,157
REVENUE				
JANUARY	$ 42,037	$ 60,872	$ 88,387	$ 113,843
FEBRUARY	$ 80,931	$ 106,759	$ 141,307	$ 182,004
MARCH	$ 108,231	$ 97,573	$ 111,422	$ 143,511
APRIL	$ 98,626	$ 103,197	$ 129,060	$ 166,230
MAY	$ 105,283	$ 103,756	$ 134,819	$ 173,646
JUNE	$ 70,836	$ 72,951	$ 86,849	$ 111,861
JULY	$ 67,679	$ 92,306	$ 89,103	$ 114,765
AUGUST	$ 76,335	$ 130,177	$ 126,127	$ 162,452
SEPTEMBER	$ 132,586	$ 163,249	$ 150,322	$ 193,615
OCTOBER	$ 116,456	$ 156,557	$ 151,780	$ 195,492
NOVEMBER	$ 99,097	$ 121,575	$ 136,555	$ 175,883
DECEMBER	$ 104,777	$ 154,132	$ 138,167	$ 177,959
TOTAL	$ 1,102,874	$ 1,363,105	$ 1,483,898	$ 1,911,260

CUSTOMER WAWA
ACCOUNT # VARIOUS
METER SIZE 5/8"-10"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	8,502	9,591	9,313	9,313
FEBRUARY	9,002	9,070	9,526	9,526
MARCH	8,365	9,321	8,964	8,964
APRIL	9,665	10,131	11,144	11,144
MAY	9,718	10,495	10,374	10,374
JUNE	10,735	10,348	11,332	11,332
JULY	12,236	12,085	11,447	11,447
AUGUST	12,769	12,310	12,261	12,261
SEPTEMBER	13,532	13,274	11,554	11,554
OCTOBER	11,822	11,447	11,413	11,413
NOVEMBER	9,982	9,913	10,340	10,340
DECEMBER	9,631	10,229	10,067	10,067
TOTAL	125,960	128,213	127,734	127,734
REVENUE				
JANUARY	$ 87,351	$ 99,197	$ 108,166	$ 139,318
FEBRUARY	$ 87,212	$ 94,720	$ 109,769	$ 141,382
MARCH	$ 84,288	$ 96,060	$ 104,741	$ 134,907
APRIL	$ 97,310	$ 103,990	$ 119,496	$ 153,911
MAY	$ 96,541	$ 106,761	$ 120,047	$ 154,621
JUNE	$ 104,308	$ 105,658	$ 126,936	$ 163,493
JULY	$ 119,653	$ 135,380	$ 129,241	$ 166,462
AUGUST	$ 123,969	$ 137,957	$ 136,860	$ 176,275
SEPTEMBER	$ 127,403	$ 142,814	$ 125,291	$ 161,375
OCTOBER	$ 117,773	$ 128,269	$ 131,313	$ 169,131
NOVEMBER	$ 102,280	$ 122,025	$ 119,260	$ 153,607
DECEMBER	$ 98,555	$ 113,329	$ 116,508	$ 150,063
TOTAL	$ 1,246,643	$ 1,386,162	$ 1,447,628	$ 1,864,545

CUSTOMER TOWERS OF WYNCOTE
ACCOUNT # VARIOUS
METER SIZE 2"-8"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	7,019	7,773	7,222	7,222
FEBRUARY	6,047	7,246	6,461	6,461
MARCH	5,851	6,774	6,125	6,125
APRIL	6,870	7,742	7,387	7,387
MAY	5,970	6,790	5,781	5,781
JUNE	6,694	7,359	7,233	7,233
JULY	8,152	8,656	7,365	7,365
AUGUST	7,155	8,488	7,187	7,187
SEPTEMBER	8,674	9,393	9,389	9,389
OCTOBER	6,975	8,164	7,340	7,340
NOVEMBER	7,509	5,082	8,600	8,600
DECEMBER	7,112	10,099	6,704	6,704
TOTAL	84,028	93,565	86,793	86,793
REVENUE				
JANUARY	$ 68,353	$ 74,237	$ 97,999	$ 126,222
FEBRUARY	$ 62,438	$ 70,958	$ 91,588	$ 117,965
MARCH	$ 61,257	$ 68,023	$ 88,805	$ 114,381
APRIL	$ 67,634	$ 74,060	$ 99,252	$ 127,837
MAY	$ 62,155	$ 68,142	$ 86,072	$ 110,861
JUNE	$ 66,657	$ 71,775	$ 98,106	$ 126,361
JULY	$ 75,742	$ 110,016	$ 99,720	$ 128,439
AUGUST	$ 69,580	$ 108,616	$ 98,252	$ 126,549
SEPTEMBER	$ 78,777	$ 116,121	$ 116,576	$ 150,150
OCTOBER	$ 69,006	$ 105,927	$ 99,685	$ 128,394
NOVEMBER	$ 72,311	$ 119,979	$ 110,127	$ 141,843
DECEMBER	$ 69,868	$ 103,186	$ 94,231	$ 121,370
TOTAL	$ 823,778	$ 1,091,040	$ 1,180,413	$ 1,520,371

CUSTOMER WEST CHESTER UNIVERSITY
ACCOUNT # VARIOUS
METER SIZE 5/8"-6"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	1,417	2,477	1,827	1,827
FEBRUARY	2,985	5,602	6,772	6,772
MARCH	2,361	4,935	4,641	4,641
APRIL	3,001	6,002	6,931	6,931
MAY	3,581	6,078	5,530	5,530
JUNE	3,350	4,223	3,693	3,693
JULY	3,989	4,041	4,420	4,420
AUGUST	4,030	4,212	4,765	4,765
SEPTEMBER	8,621	9,626	9,176	9,176
OCTOBER	7,986	8,098	6,816	6,816
NOVEMBER	6,382	8,800	9,967	9,967
DECEMBER	5,748	6,455	3,085	3,085
TOTAL	53,449	70,548	67,623	67,623
REVENUE				
JANUARY	$ 29,919	$ 41,708	$ 41,701	$ 53,711
FEBRUARY	$ 45,362	$ 69,110	$ 95,006	$ 122,367
MARCH	$ 39,330	$ 63,947	$ 69,058	$ 88,946
APRIL	$ 43,302	$ 73,157	$ 95,198	$ 122,615
MAY	$ 48,790	$ 74,085	$ 80,346	$ 103,485
JUNE	$ 48,449	$ 64,094	$ 59,114	$ 76,139
JULY	$ 54,743	$ 62,740	$ 67,505	$ 86,947
AUGUST	$ 57,609	$ 65,911	$ 69,634	$ 89,689
SEPTEMBER	$ 96,138	$ 120,453	$ 117,648	$ 151,531
OCTOBER	$ 88,054	$ 106,878	$ 102,492	$ 132,010
NOVEMBER	$ 78,586	$ 107,653	$ 120,106	$ 154,697
DECEMBER	$ 67,918	$ 88,989	$ 75,259	$ 96,933
TOTAL	$ 698,202	$ 938,726	$ 993,067	$ 1,279,070

CUSTOMER BORO OF NEW WILMINGTON
ACCOUNT # VARIOUS
METER SIZE 4"

	TTM 12/31/2021	TTM 12/31/2022	TTM 12/31/2023	PROPOSED
CONSUMPTION (000 GALLONS)				
JANUARY	4,065	4,500	4,132	4,132
FEBRUARY	4,294	5,171	4,349	4,349
MARCH	4,420	4,422	5,068	5,068
APRIL	4,990	4,948	4,553	4,553
MAY	4,488	4,696	4,733	4,733
JUNE	4,479	4,810	4,645	4,645
JULY	4,759	4,226	3,945	3,945
AUGUST	4,023	4,107	3,951	3,951
SEPTEMBER	7,610	5,894	5,737	5,737
OCTOBER	5,473	5,113	5,039	5,039
NOVEMBER	5,033	5,006	5,447	5,447
DECEMBER	5,443	5,207	5,140	5,140
TOTAL	59,076	58,099	56,737	56,737
REVENUE				
JANUARY	$ 23,945	$ 26,609	$ 58,989	$ 36,426
FEBRUARY	$ 25,544	$ 30,205	$ 61,893	$ 38,272
MARCH	$ 25,655	$ 25,971	$ 71,957	$ 44,398
APRIL	$ 29,181	$ 28,945	$ 64,750	$ 40,012
MAY	$ 26,340	$ 27,518	$ 67,261	$ 41,540
JUNE	$ 26,288	$ 28,163	$ 66,031	$ 40,791
JULY	$ 28,206	$ 60,302	$ 56,245	$ 34,835
AUGUST	$ 23,711	$ 58,642	$ 56,322	$ 34,881
SEPTEMBER	$ 44,014	$ 83,694	$ 81,310	$ 50,091
OCTOBER	$ 32,461	$ 72,741	$ 71,539	$ 44,144
NOVEMBER	$ 29,426	$ 104,234	$ 77,247	$ 47,618
DECEMBER	$ 31,769	$ 74,074	$ 72,981	$ 45,009
TOTAL	$ 346,542	$ 621,098	$ 806,524	$ 498,017

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

B. Operating Revenues

OR13. Provide for the historic test year and the 2 prior years consumption and billings for the ten largest sales for resale customers if such sales are not included in sales to the ten largest customers requested in Part II.12.

A. Please see the Company's response to OR11.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

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OE3	Extraordinary Property Loss
OE4	Rate Case Expense
OE5	Salary & Fringe Benefits
OE6	Charges Of Affiliates
OE7	Leases
OE8	Storm Damage
OE9	Advertising
OE10	Memberships
OE11	Outside Services / Commission
OE12	R & D Expenditures
OE13	Contributions
OE14	Actuarial Studies
OE15	Pension Expense Under SFAS 87
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OE17	Post Retirement Benefits Reconciliation
OE18	Post Retirement Benefits Contributions
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OE23	Insurance Premiums
OE24	Industry Organization Payments
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AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE1. Prepare a summary of operating expenses by operating expense account for the historic test year and the 2 years preceding the test year.

A. Please see the attached OE1-a through b for water and attached OE1-c through c for wastewater. Lower Makefield (OE1-d) and East Whiteland (OE1-e) were acquired after 12/31/2021; therefore, the summary of expenses for 12/31/2021 are not applicable. Shenandoah (OE1-b) was acquired after 12/31/2022; therefore, the summary of expenses for 12/31/2021 and 12/31/2022 are not applicable.

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
1		--Source of Supply--			
2		-Operations-			
3	6011	Labor	$ 273,034	$ 708,811	$ 697,153
4	6041	Employee Benefits	-	239,649	181,515
5	6101	Purchased Water	4,732,165	4,382,479	5,295,423
6	6151	Purchased Power	5,998,500	6,380,107	6,368,552
7	6161	Purchased Power	183,704	137,612	167,117
8	6201	Supplies	53,405	78,649	59,473
9	6311	OS Engineer	-	(55,089)	(16,663)
10	6351	OS Lab Testing	-	(14)	(49)
11	6361	OS Other	106,059	399,387	327,725
12	6411	Leases	504,891	-	-
13	6501	Transportation	-	44,430	45,951
14	6751	Other	-	10,377	16,795
15		-Maintenance-			
16	6012	Labor	378,646	106,546	104,794
17	6042	Employee Benefits	-	62,819	47,580
18	6202	Supplies	7,284	121,321	91,740
19	6312	OS Engineer	-	81,470	24,643
20	6362	OS Other	301,453	310,460	254,754
21	6502	Transportation	-	6,749	6,980
22	6752	Other	675	416	674
23					
24		Total Source of Supply Expense	$ 12,539,817	$ 13,016,179	$ 13,674,156

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
25					
26		--Treatment--			
27		-Operations-			
28	6013	Labor	6,772,009	7,796,737	7,668,498
29	6043	Employee Benefits	-	2,887,341	2,186,920
30	6153	Purchased Power	155,577	109,571	109,373
31	6163	Purchased Power	3,226	49,386	59,975
32	6183	Chemicals	5,520,071	7,097,731	12,621,737
33	6203	Supplies	451,199	696,260	526,497
34	6313	OS Engineer	-	(39,738)	(12,020)
35	6353	OS Lab Testing	438,381	142,605	496,530
36	6363	OS Other	829,899	(1,130,930)	(928,007)
37	6423	Leases	10,418	3,451	4,201
38	6503	Transportation	-	467,620	483,628
39	6504	Transportation	-	2,737	2,831
40	6753	Other	46,592	120,098	194,387
41		-Maintenance-			
42	6014	Labor	126,857	44,016	43,292
43	6044	Employee Benefits	-	18,271	13,839
44	6204	Supplies	60,107	265,896	201,065
45	6314	OS Engineer	-	128,009	38,720
46	6354	OS Lab Testing	4,975	3,455	12,030
47	6364	OS Other	1,407,765	2,328,265	1,910,504
48	6424	Leases	2,250	1,906	2,321

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
49	6754	Other	46,110	43,084	69,734
50					
51		Total Treatment Expense	$ 15,875,437	$ 21,035,770	$ 25,706,055
52					
53		--Transmission and Distribution--			
54		-Operations-			
55	6015	Labor	7,732,000	5,072,502	4,989,070
56	6045	Employee Benefits	-	1,849,172	1,400,594
57	6155	Purchased Power	1,160,804	1,108,708	1,106,700
58	6165	Purchased Power	3,672	4,489	5,451
59	6205	Supplies	1,275,440	165,345	125,031
60	6315	OS Engineer	-	11,142	3,370
61	6355	OS Lab Testing	-	314	1,094
62	6365	OS Other	573,148	660,631	542,094
63	6415	Leases	41,936	45,563	50,214
64	6505	Transportation	1,465,565	296,087	306,224
65	6755	Other	303	10,450	16,913
66		-Maintenance-			
67	6016	Labor	2,521,416	1,118,853	1,100,451
68	6046	Employee Benefits	-	388,654	294,373
69	6206	Supplies	436,322	389,782	294,745
70	6316	OS Engineer	-	11,008	3,330
71	6366	OS Other	4,346,168	1,572,877	1,290,655
72	6506	Transportation	-	58,968	60,987

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
73	6756	Other	5,515	11,904	19,267
74					
75		Total Transmission and Distribution Expense	$ 19,562,288	$ 12,776,448	$ 11,610,562
76					
77		--Customer Accounting--			
78	6017	Labor	567,869	3,089,628	3,038,810
79	6047	Employee Benefits	-	970,813	735,310
80	6167	Purchased Power	6,780	-	-
81	6207	Supplies	86	257,576	194,774
82	6347	Management Fees	-	5,922,513	5,331,527
83	6367	OS Other	8,367,105	106,649	87,513
84	6507	Transportation	-	176,392	182,430
85	6757	Other	-	5,516	8,928
86	6707	Bad Debt	2,519,463	2,605,032	1,837,023
87					
88		Total Customer Accounting Expense	$ 11,461,304	$ 13,134,119	$ 11,416,315
89					
90		--Administrative and General--			
91	6018	Labor	13,503,214	12,156,601	11,956,653
92	6038	Labor	2,608,724	3,417,863	1,588,529
93	6048	Employee Benefits	27,534,237	7,446,596	5,640,177
94	6158	Purchased Power	274,771	232,279	231,858
95	6168	Purchased Power	111,192	56,962	69,175
96	6208	Supplies	56,941	1,426,169	1,078,439

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
97	6318	OS Engineer	134,793	446,760	135,136
98	6328	OS Accounting	841,525	633,086	776,660
99	6338	OS Legal	562,108	931,236	815,255
100	6348	Management Fees	-	22,317,185	20,090,234
101	6349	Management Fees	17,931,542	-	-
102	6358	OS Lab Testing	-	28,151	98,017
103	6368	OS Other	2,099,074	6,998,894	5,743,079
104	6418	Leases	5,933	482,164	531,377
105	6428	Leases	27,185	20,865	25,405
106	6508	Transportation	98,651	669,813	692,743
107	6568	Insurance	219,435	-	-
108	6578	Insurance	3,707,853	3,401,094	3,550,261
109	6588	Insurance	1,016,628	608,691	626,750
110	6598	Insurance	1,374,136	1,318,165	1,377,763
111	6608	Other	175,771	52,932	58,879
112	6758	Other	4,532,612	2,692,031	4,357,230
113	67621	Labor	(2,012,873)	-	-
114	67622	Employee Benefits	(7,476,450)	-	-
115	67624	Other	(1,938,993)	-	-
116	6668	Amortization of Rate Case	476,456	592,581	315,844
117	4048	Employee Benefits	(4,971,301)	-	-
118	4060	Amortization of UPAA	92,889	92,888	92,889
119					
120		Total Admin & General Expense	$ 61,042,306	$ 66,023,005	$ 59,852,352

AQUA PENNSYLVANIA, INC. - WATER BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
121					
122		Total Operating Expenses	$ 120,481,151	$ 125,985,521	$ 122,259,439

AQUA PENNSYLVANIA, INC. - SHENANDOAH

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
1		--Source of Supply--			
2		-Operations-			
3	6151	Purchased Power			9,763
4	6201	Supplies			5,856
5		-Maintenance-			
6	6202	Supplies			6,754
7					
8		Total Source of Supply Expense	$ -	$ -	$ 22,373
9					
10		--Treatment--			
11		-Operations-			
12	6013	Labor			150,454
13	6043	Employee Benefits			48,761
14	6153	Purchased Power			3,133
15	6183	Chemicals			30,680
16	6203	Supplies			15,315
17	6353	OS Lab Testing			15,248
18	6363	OS Other			23,650
19	6503	Transportation			14,803
20		-Maintenance-			
21	6204	Supplies			1,532
22	6364	OS Other			216,313
23					
24		Total Treatment Expense	$ -	$ -	$ 519,889

AQUA PENNSYLVANIA, INC. - SHENANDOAH

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
25					
26		--Transmission and Distribution--			
27		-Operations-			
28	6015	Labor			2,762
29	6045	Employee Benefits			1,281
30	6155	Purchased Power			67,402
31	6205	Supplies			109
32	6365	OS Other			82,895
33	6415	Leases			576
34	6505	Transportation			179
35	6755	Other			242
36		-Maintenance-			
37	6016	Labor			3,301
38	6046	Employee Benefits			300
39	6206	Supplies			644
40	6366	OS Other			12,696
41	6506	Transportation			56
42					
43		Total Transmission and Distribution Expense	$ -	$ -	$ 172,443
44					
45		--Customer Accounting--			
46	6017	Labor			12,571
47	6047	Employee Benefits			4,490
48	6207	Supplies			323

AQUA PENNSYLVANIA, INC. - SHENANDOAH

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
49	6507	Transportation			829
50	6707	Bad Debt			3,979
51					
52		Total Customer Accounting Expense	$ -	$ -	$ 22,192
53					
54		--Administrative and General--			
55	6018	Labor			39,836
56	6038	Labor			3,516
57	6048	Employee Benefits			15,063
58	6158	Purchased Power			122
59	6368	OS Other			8,119
60	6508	Transportation			2,804
61	6758	Other			2,277
62					
63		Total Admin & General Expense	$ -	$ -	$ 71,737
64					
65		Total Operating Expenses	$ -	$ -	$ 808,634

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
1		--Collection--			
2		-Operations-			
3	7011	Labor	611	350,356	354,524
4	7041	Employee Benefits	-	90,941	80,086
5	7151	Purchased Power	1,299,909	1,307,594	1,277,812
6	7161	Purchased Power	48,661	51,689	63,812
7	7201	Supplies	-	4,627	4,634
8	7311	OS Engineer	-	50,794	73,066
9	7351	OS Lab Testing	-	982	1,305
10	7361	OS Other	-	192,308	181,413
11	7411	Leases	37,425	33,748	35,461
12	7501	Transportation	-	23,582	20,463
13	7751	Other	-	82,563	56,789
14		-Maintenance-			
15	7012	Labor	-	2,504	2,534
16	7042	Employee Benefits	-	529	466
17	7202	Supplies	-	2,515	2,519
18	7362	OS Other	361,522	464,472	438,159
19	7502	Transportation	-	133	116
20	7752	Other	-	1,677	1,154
21					
22		Total Collection Expense	$ 1,748,129	$ 2,661,016	$ 2,594,315
23					
24		--Pumping--			

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
25		-Operations-			
26	7013	Labor	124,120	222,819	225,471
27	7043	Employee Benefits	-	63,617	56,023
28	7153	Purchased Power	588	680	664
29	7163	Purchased Power	(644)	143	177
30	7183	Chemicals	540,800	16,352	25,597
31	7203	Supplies	182,053	35,907	35,963
32	7353	OS Lab Testing	1,661	943	1,253
33	7363	OS Other	399,966	154,234	145,496
34	7503	Transportation	-	15,123	13,123
35	7753	Other	200	20,613	14,178
36		-Maintenance-			
37	7014	Labor	1,795	1,798	1,819
38	7044	Employee Benefits	-	314	277
39	7204	Supplies	-	29,259	29,305
40	7354	OS Lab Testing	467,093	58,461	77,669
41	7364	OS Other	308,744	206,857	195,138
42	7504	Transportation	-	97	84
43	7754	Other	1,390	2,996	2,061
44					
45		Total Pumping Expense	$ 2,027,765	$ 830,213	$ 824,297
46					
47		--Treatment & Disposal--			
48		-Operations-			

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
49	7015	Labor	235,412	1,516,024	1,534,063
50	7045	Employee Benefits	-	506,351	445,907
51	7105	Purchased Wastewater	7,775,351	6,683,457	5,995,393
52	7115	Sludge	1,147,648	1,178,609	1,721,015
53	7165	Purchased Power	-	13,439	16,591
54	7185	Chemicals	-	708,783	1,109,517
55	7205	Supplies	1,171	122,378	122,567
56	7315	OS Engineer	-	17,908	25,760
57	7355	OS Lab Testing	-	317,155	421,362
58	7365	OS Other	951,375	1,009,001	951,839
59	7415	Leases	-	3,188	3,350
60	7425	Leases	-	38,372	4,621
61	7505	Transportation	163,847	111,013	96,333
62	7755	Other	-	85,837	59,042
63		-Maintenance-			
64	7016	Labor	-	7,198	7,284
65	7046	Employee Benefits	-	980	863
66	7186	Chemicals	-	7,124	11,152
67	7206	Supplies	11,596	23,618	23,654
68	7316	OS Engineer	-	3,178	4,572
69	7366	OS Other	683,308	456,729	430,855
70	7506	Transportation	-	308	268
71	7756	Other	-	871	599
72					

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
73		Total Treatment & Disposal Expense	$ 10,969,707	$ 12,811,522	$ 12,986,608
74					
75		--Reclaimed Water Treatment--			
76		-Operations-			
77					
78					
79		--Customer Accounting--			
80	7017	Labor	4,414	7,291	7,377
81	7047	Employee Benefits	-	2,323	2,045
82	7207	Supplies	-	60	60
83	7347	Management Fees	-	514,082	727,026
84	7357	OS Lab Testing	-	1,702	2,261
85	7367	OS Other	713,913	7,240	6,830
86	7507	Transportation	-	539	468
87	7757	Other	-	7	5
88	7707	Bad Debt	429,260	(250,899)	530,848
89					
90		Total Customer Accounting Expense	$ 1,147,511	$ 282,343	$ 1,276,920
91					
92		--Administrative and General--			
93	7018	Labor	2,709,835	2,047,082	2,071,440
94	7038	Labor	291	-	232,794
95	7048	Employee Benefits	1,660,770	988,132	870,178
96	7158	Purchased Power	-	33,805	33,035

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
97	7168	Purchased Power	-	3,531	4,359
98	7208	Supplies	-	164,080	164,334
99	7318	OS Engineer	4,100	207,025	297,797
100	7328	OS Accounting	85,292	62,613	105,908
101	7338	OS Legal	(642)	92,404	233,944
102	7348	Management Fees	-	1,937,160	2,739,577
103	7349	Management Fees	1,773,419	-	-
104	7358	OS Lab Testing	-	14,061	18,681
105	7368	OS Other	425,025	1,134,858	1,070,566
106	7418	Leases	74,586	80,571	84,661
107	7428	Leases	-	5,436	655
108	7508	Transportation	361	148,652	128,994
109	7578	Insurance	106,816	(46,173)	129,312
110	7588	Insurance	9,940	(19,480)	5,304
111	7598	Insurance	36,084	(38,897)	14,640
112	7758	Other	321,163	585,977	403,055
113	7608	Other	-	5,205	8,029
114	7668	Amortization of Rate Case	22,649	47,609	23,524
115	4060	Amortization of UPAA	(1,152,622)	(1,148,151)	(1,066,498)
116					
117		Total Admin & General Expense	$ 6,077,068	$ 6,305,501	$ 7,574,288
118					
119		Total Operating Expenses	$ 21,970,180	$ 22,890,595	$ 25,256,428

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
1		--Collection--			
2		-Operations-			
3	7011	Labor		30,916	37,740
4	7041	Employee Benefits		4,595	7,651
5	7151	Purchased Power		43,541	49,768
6	7361	OS Other		3,146	11,179
7	7501	Transportation		1,459	2,173
8	7751	Other		(1,919,642)	10,472
9		-Maintenance-			
10	7012	Labor		1,064	1,298
11	7042	Employee Benefits		150	250
12	7202	Supplies		1,521	2,157
13	7362	OS Other		32,618	115,901
14	7502	Transportation		63	94
15	7752	Other		(1,062,643)	5,797
16					
17		Total Collection Expense	$ -	$ (2,863,214)	$ 244,480
18					
19		--Pumping--			
20		-Operations-			
21	7013	Labor		7,794	9,514
22	7043	Employee Benefits		1,209	2,013
23	7203	Supplies		628	891
24	7363	OS Other		1,791	6,363

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
25	7503	Transportation		399	595
26	7753	Other		(125,687)	686
27		-Maintenance-			
28	7204	Supplies		3,674	5,211
29	7364	OS Other		18,384	65,325
30	7754	Other		(436,301)	2,380
31					
32		Total Pumping Expense	$ -	$ (528,109)	$ 92,978
33					
34		--Treatment & Disposal--			
35		-Operations-			
36	7015	Labor		88,878	108,498
37	7045	Employee Benefits		22,927	38,178
38	7105	Purchased Wastewater		3,185,527	4,029,647
39	7115	Sludge		-	15,158
40	7365	OS Other		2,041	7,251
41	7505	Transportation		4,546	6,771
42		-Maintenance-			
43	7366	OS Other		3,068	10,901
44					
45		Total Treatment & Disposal Expense	$ -	$ 3,306,986	$ 4,216,403
46					
47		--Reclaimed Water Treatment--			
48		-Operations-			

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
49					
50					
51		--Customer Accounting--			
52	7707	Bad Debt		12,964	21,122
53					
54		Total Customer Accounting Expense	$ -	$ 12,964	$ 21,122
55					
56		--Administrative and General--			
57	7018	Labor		79,465	97,007
58	7038	Labor		-	1,149
59	7048	Employee Benefits		10,957	18,245
60	7208	Supplies		2,758	3,913
61	7318	OS Engineer		-	45,670
62	7368	OS Other		3,964	14,086
63	7508	Transportation		3,647	5,433
64	7758	Other		4,241,862	(23,140)
65					
66		Total Admin & General Expense	$ -	$ 4,342,653	$ 162,362
67					
68		Total Operating Expenses	$ -	$ 4,271,280	$ 4,737,346

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
1		--Collection--			
2		-Operations-			
3	7011	Labor		7,097	62,511
4	7041	Employee Benefits		-	18,640
5	7151	Purchased Power		23,419	52,982
6	7201	Supplies		25	69
7	7361	OS Other		339	1,694
8	7501	Transportation		103	4,085
9	7751	Other		117,119	8,549
10		-Maintenance-			
11	7012	Labor		35	304
12	7042	Employee Benefits		-	66
13	7202	Supplies		24	66
14	7362	OS Other		3,658	18,252
15	7502	Transportation		0	19
16					
17		Total Collection Expense	$ -	$ 151,819	$ 167,236
18					
19		--Pumping--			
20		-Operations-			
21	7013	Labor		28	247
22	7043	Employee Benefits		-	13
23	7163	Purchased Power		-	2,062
24	7203	Supplies		244	669

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
25	7363	OS Other		54,115	270,001
26	7503	Transportation		0	5
27	7753	Other		2,862	209
28		-Maintenance-			
29	7204	Supplies		495	1,359
30	7364	OS Other		3,455	17,239
31	7754	Other		99	7
32					
33		Total Pumping Expense	$ -	$ 61,298	$ 291,810
34					
35		--Treatment & Disposal--			
36		-Operations-			
37	7015	Labor		7,474	65,839
38	7045	Employee Benefits		-	17,742
39	7105	Purchased Wastewater		366,139	1,123,416
40	7205	Supplies		68	186
41	7365	OS Other		1,512	7,542
42	7505	Transportation		81	3,201
43		-Maintenance-			
44					
45		Total Treatment & Disposal Expense	$ -	$ 375,273	$ 1,217,926
46					
47		--Reclaimed Water Treatment--			
48		-Operations-			

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

FILING REQUIREMENTS
OPERATING EXPENSES
EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/21	PER BOOKS 12/31/22	PER BOOKS 12/31/23
	(1)	(2)	(3)	(4)	(5)
49					
50					
51		--Customer Accounting--			
52	7707	Bad Debt		40	11,995
53					
54		Total Customer Accounting Expense	$ -	$ 40	$ 11,995
55					
56		--Administrative and General--			
57	7018	Labor		10,573	93,132
58	7048	Employee Benefits		-	17,094
59	7318	OS Engineer		-	33,750
60	7368	OS Other		323	1,613
61	7508	Transportation		129	5,121
62	7758	Other		257,841	18,822
63					
64		Total Admin & General Expense	$ -	$ 268,867	$ 169,533
65					
66		Total Operating Expenses	$ -	$ 857,297	$ 1,858,500

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE2. Prepare a summary of operating expenses for the historic test year providing annualizing and normalizing adjustments to arrive at adjusted future operating expenses for ratemaking, including supporting data.

A. Please refer to Schedule C-2, Summary of Expense Accounts, in Exhibits 1-A and 1-B for water and in Exhibits 1-C through 1-E for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE3. List extraordinary property losses as a separate item, not included in operating expenses or depreciation and amortization. Sufficient supporting data must be provided, such as explanation and breakdown of costs.

A. The Company has not incurred extraordinary property losses.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE4. Supply detailed calculations of normalization of rate case expense, including supporting data for outside services rendered. Provide the items comprising the rate case expense claim (include the actual billings or invoices in support of each kind of rate case expense) and the items comprising the actual expenses of the prior rate cases.

A. a) Please refer to Schedule C-4.4 of Exhibit 1-A through Exhibit 1-B for water and Schedule C-4.4 of Exhibits 1-B through 1-E for wastewater for the Company's rate case expense claims.

b) Prior rate case expense detail:

	2018 Case R-2018-3003558 **Water & Wastewater**
Engineering, Cost Allocation and Depreciation	$ 316,835
Legal	681,419
Other Consultants	77,906
Rate of Return	57,832
Notices and Postage	321,647
Miscellaneous	46,129
Total	$ 1,501,768

	2021 Case R-2021-3027385 / R-2021-3027386 **Water & Wastewater**
Engineering, Cost Allocation and Depreciation	$ 400,000
Legal	1,200,000
Other Consultants	100,000
Rate of Return	95,000
Notices and Postage	340,000
Miscellaneous	65,000
Total	$ 2,200,000

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE5. Submit detailed computation of adjustments to operating expenses for salary, wage and fringe benefit increases (union and nonunion merit, progression, promotion and general) granted during the historic test year and during the 12 months subsequent to the historic test year. Supply data for the historic test year showing:

a. Actual payroll expense (regular and overtime separately) by categories of operating expenses, i.e., maintenance, operating transmission, distribution, other.

b. Date, percentage increase and annual amount of each general payroll increase during the historic test year and future test year.

c. Dates and annual amounts of merit increases or management salary adjustments.

d. Total annual payroll increases in the historic and future test years.

e. Proof that the actual payroll plus the increases equal the payroll expense claimed in the supporting data by categories of expenses.

f. Detailed list of employee benefits and cost thereof for union and nonunion personnel. Specific benefits for executives and officers should be included, and costs thereof.

g. Support the annualized pension cost figures by providing the following:

(i) State whether these figures include any unfunded pension costs. Explain.

(ii) Provide latest actuarial study used for determining pension accrual rates.

h. Submit a schedule showing any deferred income and consultant fee, paid to both, corporate officers and employees in historic and future test years.

A. a., b., c., d., and e. Please refer to Exhibit 2 and the testimony of Christopher E. Manning.

f. The detailed list of employee benefits will be provided separately and forwarded under a Confidentiality Agreement.

g. Please refer to the Company's response to OE14.

h. The Company has none.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE6. Supply an exhibit showing an analysis, by functional accounts, of the charges by affiliates (service corporations, etc.) for services rendered included in the operating expenses of the filing company for the historic and future test years and for the 12-month period ended prior to the historic test year:

a. Supply a copy of contracts, if applicable.

b. Explain the nature of the services provided.

c. Explain the basis on which charges are made.

d. If charges are allocated, identify allocation factors used.

e. Supply the components and amounts comprising the expense in this account.

f. Provide details of initial source of charge and reason thereof.

A. a. Please see the attached.

b., c., and d. Aqua Services offers to Aqua America's subsidiaries a full range of corporate support services, including, but not limited to, accounting, administration, communications, corporate secretarial, customer service and billing, engineering, financial, fleet, human resources, information systems, operations, legal, purchasing, contracts and sales, rates and regulatory compliance, risk management and water quality. All expenses that can be identified as being related exclusively to a specific company shall be charged directly to that company whenever possible, at fully allocated cost, based upon personnel timesheets. Costs that are rendered in common with other affiliated companies shall be allocated among the companies served based upon the number of customers served at the immediately preceding calendar year end as compared to the total number of customers served by the group.

e. and f. Charges by Affiliated Companies - Please see the attached.

AQUA℠
An Essential Utilities Company

VIA E-FILING

April 24, 2024

Rosemary Chiavetta, Secretary
Secretary Bureau
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Steet
2nd Floor, Room-N201
Harrisburg, PA 17120

RE: Affiliated Interest Agreement between Aqua Pennsylvania, Inc. and Essential Utilities, Inc.
Docket No. G-2022-3031189

Dear Secretary Chiavetta:

Please find enclosed here the Affiliated Interest Agreement between Aqua Pennsylvania, Inc. and Essential Utilities, Inc. for filing in accordance with the Pennsylvania Public Utility Commission's ("Commission") Secretarial Letter dated March 28, 2024 at the above docket.

If you have any questions regarding this filing, please contact me at 610-645-1130.

Sincerely,

Alexander R. Stahl
Regulatory Counsel

cc: Paul Zander, Bureau of Technical Utility Services (via email, pzander@pa.gov)

DocuSign Envelope ID: 54C7B20A-8BA0-4C89-8033-7168CF155FDF

AGREEMENT

This Agreement entered into this 22 day of April, ~~2022~~ 2024 by and between Aqua Pennsylvania, Inc. ("Aqua PA"), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal place of business located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010, and Essential Utilities, Inc. ("Essential"), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 762 W. Lancaster Avenue, Bryn Mawr, PA 19010, and collectively hereinafter referred to jointly as the "Parties" or individually as a "Party"

RECITALS

1. WHEREAS, Aqua PA is a subsidiary of Essential; and

2. WHEREAS, Aqua PA has been organized for and is presently engaged in the business of providing water and/or wastewater services as a public utility in the Commonwealth of Pennsylvania; and

3. WHEREAS, Essential is the parent company of various natural gas, water and/or wastewater companies and provides insurance coverage and treasury and cash management functions for the various water and/or wastewater companies including Aqua PA; and

4. WHEREAS, Aqua PA may request, and Essential may agree to provide, insurance coverage and treasury and cash management functions and the Parties are entering into this Agreement to specifically define the terms by which Essential may provide such insurance coverage and treasury and cash management functions to Aqua PA; and

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5. WHEREAS, Essential may engage and subcontract with other companies or persons, including other affiliated companies to provide portion of the insurance coverage and treasury and cash management functions; and

6. WHEREAS the insurance coverage and treasury and cash management functions to be provided under this Agreement are to be rendered by Essential to Aqua PA at the lower of their cost or market, as herein provided.

ARTICLE 1. INSURANCE COVERAGE TO BE PROVIDED

1.1 During the term of this Agreement as set forth in Article 4 and upon the terms and conditions hereinafter set forth, Aqua PA may request that Essential provide insurance coverage.

ARTICLE 2. TREASURY AND CASH MANAGEMENT FUNCTIONS

2.1 During the term of this Agreement as set forth in Article 4 and upon the terms and conditions hereinafter set forth, Aqua PA may request that Essential provide treasury and cash management functions,

ARTICLE 3. PAYMENT FOR SERVICES AND BILLING PROCEDURES AND BOOKS AND RECORDS

3.1 In consideration for the services to be rendered by Essential as herein provides, Aqua PA agrees to pay Essential the costs of the services provided to it.

ARTICLE 4. TERM OF AGREEMENT

4.1 This Agreement shall become effective as of the later of (a) the date first set forth above or (b) the date the Parties receive the last of any necessary approval of governmental regulatory agencies having jurisdiction over this Agreement. This Agreement shall supersede all prior agreement, written or oral, which shall terminate on the date of this Agreement become effective. This Agreement shall continue in full force and effect until terminated by either of the Parties

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hereto giving the other Party hereto thirty (30) days' prior notice in writing; provided however, that this Agreement shall terminate as of the date Aqua PA ceases to be an affiliate of Essential.

ARTICLE 5. BREACH

5.1. Either Party to the Agreement may terminate this Agreement upon material breach by the other Party. The non-breaching Party shall provide written notice of such breach to the other Party by certified mail, setting forth in detail the allege failure and/or deficiency. If such breach is not corrected by the breaching Party within thirty (30) days from receipt of written notice by certified mail, this Agreement shall thereupon terminate.

ARTICLE 6. INFORMATION EXCHANGE

6.1 Aqua PA shall provide such information as required by Essential to perform its obligations hereunder. Such information may need to be provided to third parties in order to obtain insurance coverage or so as to obtain appropriate insurance premiums for insurance covering being provided. Any confidential information will be treated as such and Essential will endeavor to provide information in a confidential matter.

ARTICLE 7. GENERAL PROVISIONS

7.1. JOINT OBLIGATION OF THE PARTIES. Essential and Aqua PA agree to cooperate in all matter that are the subject of this Agreement.

7.2 ARBITRATION. It is the state purpose and goal of both Parties at all times to resolve any disputes and reach agreement by good faith negotiation between the Parties, without recourse to arbitration or other legal actions. In the event, however, that any such dispute cannot be settled through negotiation, either Party may request that the matters(s) in dispute be referred to arbitration. The demand for arbitration must be submitted to the American Arbitration Association within sixty (60) calendar days after the date of such request, in which case the

arbitration shall be conducted at a mutually agreed upon location in accordance with the rules and procedures then existing under the Commercial Arbitration rules of the American Arbitration Association, provided that notwithstanding anything to the contrary contained in such Rules and the following shall apply: The arbitration board shall consists of a single arbitrator. The Parties shall endeavor to agree upon the single arbitrator. If the Parties fail to agree on a single arbitrator within twenty (20) business days, the arbitrator shall be selected by the American Arbitration Association or otherwise in accordance with such Rules. After the appointment of the arbitrator, the arbitrator shall meet as necessary for the purpose of reaching a determination in the dispute, and the decision of the arbitrator, submitted in writing, to the Parties shall be final and binding upon both Parties. Judgment upon any decision rendered by arbitrator may be entered in any court having jurisdiction. Each Party shall bear the expense of its own witnesses, and the expenses of the arbitrator and any general expenses of the arbitration shall be borne equally by the Parties.

7.3. FORCE MAJEURE. Neither Party will be in default or otherwise liable for any delay in or failure of its performance hereunder due to any act of God, adverse weather condition, fire, flood, riot, strike, terrorism, accident, war, governmental requirement, inability to secure materials, labor or transportation, cable cut or other cause beyond the reasonable control of the affected party.

7.4. STANDARD OF CARE. Essential shall perform its services with that degree of care, diligence and professional skill and judgment which is normally exercised by professionals in its industry. Except as otherwise expressly set forth in this Agreement, Essential makes no warranties, representations, or other agreements, expressed or implied with respect to this Agreement and the services provided hereunder. Essential's entire liability to Aqua PA for any

claim, loss, expense, or damage under this Agreement, including any claims for incidental, consequential, indirect, or punitive damages shall in no event exceed the sums actually paid by Aqua PA to Essential during the most recent calendar year.

7.5 ASSIGNMENT. Neither party may assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld.

7.6 GOVERNING LAW. The Agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania.

7.7. INDEMNIFICATION:

7.7.1. To the extent allowed by law, Essential shall defend, indemnify and hold harmless Aqua PA, its officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suite and actions (including reasonable attorney's fees), for personal injury, including death, property damage or other injury, to the extent caused by or arising out of negligence or wrongful or willful misconduct on the Part of Essential or its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this Agreement.

7.7.2. To the extent allowed by law, Aqua PA shall defend, indemnify and hold harmless Essential, its officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suite and actions (including reasonable attorney's fees), for personal injury, including death, property damage or other injury to the extent caused by or arising out of

negligence or wrongful or willful misconduct on the part of Aqua PA its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this Agreement.

7.8. SEVERABILITY. Each provision of this Agreement is severable from the whole, and if one provision is declared invalid, the other provisions shall remain in effect.

7.9. NO WAIVER. Failure by a party of enforce any provision of this Agreement, or the waiver thereof in any instance, shall not be construed as a general waiver of rights.

7.10. NOTICES. Any notice given or made pursuant to this Agreement will be effective only if in writing and delivered in person, by messenger, by overnight delivery, or by certified mail, return receipt to a Party at the address first written above.

7.11. COMPLETE AGREEMENT. The terms of this Agreement constitute the entire agreement between the Parties concerning the subject matter hereof, and this Agreement may be modified only in a writing signed by both Parties.

7.12. TITLES AND HEADINGS. Titles and headings to sections or paragraphs herein are inserted merely for convenience of reference and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

7.13. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

DocuSign Envelope ID: 54C7B20A-8BA0-4C89-8033-7168CF155FDF

IN WITNESS WHEREOF, Aqua Pennsylvania, Inc. and Essential Utilities, Inc,.have caused this Agreement to be signed in their respective corporate names and by their authorized representatives as of the day and year first above written.

AQUA PENNSYLVANIA, INC.

By: Kimberly A. Joyce

Title: DocuSigned by: Kimberly A. Joyce 80EEA0081CD5484

ESSENTIAL UTILITIES, INC.

By: Christopher P. Luning

Title: DocuSigned by: Christopher P. Luning 42A7FA83B6D7433

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Affiliated Interest Agreement between Aqua Pennsylvania, Inc. and Essential Utilities, Inc.	:	**Docket No. G-2022-3031189**

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals and in the manner listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA EMAIL

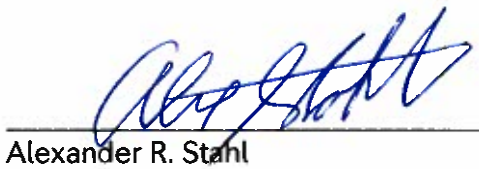
Patrick Cicero, Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101
ra-oca@paoca.org

Paul Diskin, Director
Bureau of Technical Utility Services
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120
pdiskin@pa.gov

Allison Kaster, Director and Chief Prosecutor
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120
akaster@pa.gov

NazAarah Sabree, Small Business Advocate
Office of Small Business Advocate
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
ra-sba@pa.gov

Kelly Monaghan
Bureau of Audits
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120
kmonaghan@pa.gov



Alexander R. Stahl

Dated: April 24, 2024

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
400 NORTH STREET, HARRISBURG, PA 17120

IN REPLY PLEASE
REFER TO OUR FILE

November 18, 2021

Docket No. G-2020-3019819
Utility Code 210104

MARY MCFALL HOPPER ESQUIRE
AQUA PENNSYVANIA INC
762 WEST LANCASTER AVENUE
BRYN MAWR PA 19010
MMHOPPER@AQUAAMERICA.COM

RE: Affiliated Interest Agreement between Aqua Pennsylvania, Inc., PNG Companies, LLC and Aqua Services, Inc. at Docket No. G-2020-3019819

Dear Attorney Hopper:

On May 15, 2020, Aqua Pennsylvania, Inc. filed the above-captioned affiliated interest agreement (AIA) with the Commission pursuant to 66 Pa.C.S. §§ 2102, *et seq.* By the Secretarial Letter dated May 19, 2020, the Commission extended the statutory consideration period for this AIA until further action of the Commission. On April 16, 2021, Aqua filed an executed copy of the AIA at this docket.

Upon review of the filing, it does not appear that the AIA is unreasonable or contrary to the public interest. Therefore, the filing is hereby approved. This approval applies only to the AIA and services, matters, and parties specifically and clearly defined under this instant proceeding. However, approval of this filing does not constitute a determination that associated costs or expenses are reasonable or prudent for the purposes of determining just and reasonable rates. Furthermore, Commission approval is contingent upon the possibility that subsequent audits, reviews, and inquiries in any Commission proceeding may be conducted, pursuant to 66 Pa. C.S. §§ 2102, *et seq*., and further investigation will occur in an appropriate rate proceeding.

Sincerely,

Rosemary Chiavetta
Secretary

cc: Christine Hoover, Office of Consumer Advocate, CHoover@paoca.org
Teresa Wagner, Office of Small Business Advocate, TeresWagne@pa.gov
Richard Kanaskie, PUC Bureau of Investigation and Enforcement, rkanaskie@pa.gov
Kelly Monaghan, AUD

Via Electronic Filing

April 16, 2021

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105

Re: **Affiliated Interest Agreement between Aqua Pennsylvania, Inc., PNG Companies, LLC and Aqua Services**
Docket No. G-2020-3019819

Dear Secretary Chiavetta:

Enclosed please find the signed Affiliate Agreement between Aqua Pennsylvania, Inc., PNG Companies LLC and Aqua Services.

If you have any questions regarding this filing, please contact me by email at mmhopper@aquaamerica.com

Sincerely,

Mary McFall Hopper

Mary McFall Hopper
Regulatory Counsel

Attachments

cc: Paul Zander – Bureau of Technical Utility Services

AFFILIATED INTEREST AGREEMENT

This Affiliated Interest Agreement ("AIA") dated as of April 14, 2021 between Aqua Services, Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 762 West Lancaster Avenue, Bryn Mawr, PA 19010 (hereinafter "Service Company"), Aqua Pennsylvania, Inc., located at 762 West Lancaster Avenue, Bryn Mawr, PA 19010 (hereinafter "Aqua PA") and PNG Companies, LLC, located at 375 North Shore Drive, Suite 600, Pittsburgh, PA 15212 (hereinafter "PNG"), and collectively hereinafter referred to jointly as the "Parties" or individually as a "Party".

RECITALS

1. WHEREAS, Service Company, Aqua PA, and PNG are direct or indirect subsidiaries of Essential Utilities, Inc., a Pennsylvania corporation (hereinafter "Essential"); and

2. WHEREAS, Aqua PA has been organized for and is presently engaged in the business of providing water and/or wastewater services as a public utility in the Commonwealth of Pennsylvania (hereinafter Aqua PA and any of its affiliates that are also engaged in the business of providing water and/or wastewater services as a public utility in the same state are collectively referred to in this Agreement as Aqua PA)

3. WHEREAS, Peoples Natural Gas Company, LLC and Peoples Gas Company LLC (collectively, "Peoples") have been organized for and are presently engaged in the business of providing natural gas service as public utilities in the Commonwealth of Pennsylvania, and which are both wholly-owned direct subsidiaries of PNG, which in turn is a wholly-owned direct subsidiary of LDC Holdings LLC ("Holdings"); Holdings is a Delaware

limited liability company and a wholly-owned direct subsidiary of LDC Funding LLC, a Delaware limited liability company, which is a wholly-owned direct subsidiary of Essential; and

4. WHEREAS, Service Company maintains an organization whose officers and employees are familiar with the utility business, including the business and operations of Aqua PA, and PNG , and have experience and expertise in accounting and financial services, administration, communications, corporate secretarial, customer service and billing, engineering, financial, fleet services, human resources, information systems, operation, rates and regulatory, risk management, water quality, legal, and purchasing, contracts and sales of real estate of water, wastewater and gas utilities. The officers and employees of Service Company are qualified to aid, assist and advise Aqua PA and PNG in their business operations through the services to be performed under this AIA; and

5. WHEREAS, Aqua PA and PNG are entering into this AIA with Service Company to specifically define the types of services available to them, as set forth in Exhibit A attached hereto and made a part hereof, while specifically acknowledging that Service Company shall at all times in the provision of such services act as agent of the principals, Aqua PA and PNG; and

6. WHEREAS, Service Company has entered or proposes to enter into agreements similar to this agreement with other affiliated companies that are direct or indirect subsidiaries of Essential (hereinafter individually a "Subsidiary" or collectively the "Subsidiaries"), including those Subsidiaries that are regulated public utilities and those Subsidiaries that are other non-regulated businesses (the "Non-Regulated Companies"); and

7. WHEREAS, Service Company may engage or subcontract with other companies or persons, including other Subsidiaries, to provide portions of the services hereunder; and

8. WHEREAS, Service Company, Aqua PA and PNG acknowledge that Aqua PA's rates are regulated by the Pennsylvania Public Utility Commission ("PAPUC"), and as such the charges for services provided pursuant to this AIA are subject to approval by the PAPUC); and

9. WHEREAS, the services to be rendered under this AIA are to be rendered by Service Company to Aqua PA and PNG at the lower of their cost or market to Service Company, as hereinafter provided.

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, Service Company, Aqua PA and PNG agree as follows:

ARTICLE I. PERSONNEL AND SERVICES TO BE PROVIDED

1.1 During the term of this AIA as set forth in Article V and upon the terms and conditions hereinafter set forth, Service Company may provide to Aqua PA and PNG the Accounting and Financial Services, Administration, Communication, Corporate Secretarial, Customer Service and Billing, Engineering, Financial, Fleet Services, Human Resources, Information Systems, Operation, Rates and Regulatory, Risk Management, Water Quality, Legal, and Purchasing as set forth on Exhibit A attached hereto, provided, however, that Aqua PA and PNG may perform any such services with their own personnel or engage or subcontract with another company or person to provide those services on their behalf. All such services provided by Service Company (or its designees) are integral to the provision of safe and adequate utility service and are performed in an effort to capture economies of scale and to otherwise ensure efficiencies in the cost of providing service to customers.

1.2 Service Company may engage or subcontract with another Subsidiary, company or person to provide the services hereunder on its behalf. If Service Company engages a Subsidiary of Essential to provide any of the services hereunder, such services shall be charged to Aqua PA and PNG on the same basis as the services provided by the Service Company.

1.3 Service Company shall employ qualified officers and employees to provide the services hereunder and those persons shall be available to serve as officers of Aqua PA and PNG.

ARTICLE II. PAYMENT FOR SERVICES

2.1 In consideration for the services to be rendered by Service Company as herein provided, Aqua PA and PNG agree to pay to Service Company the cost of the services provided to them at the lower of cost or market as determined as provided in this Article II and in Article III.

2.2 Directly Charged Services. The costs for service rendered by Service Company personnel directly for (i) Aqua PA shall be charged to Aqua PA based on such personnel's time sheets; and (ii) PNG shall be charged to PNG based on such personnel's time sheets.

2.3 Indirectly Charged Joint Management Personnel Services. For services that are made available by Service Company in common to other Essential Subsidiaries, including Aqua PA and/or PNG, which cannot be identified and are not related exclusively to a particular Subsidiary, and which are provided by senior-level personnel (hereinafter "Joint Management Personnel"), the costs for such services will be derived by allocating a percentage of the cost centers under which Service Company provides such services using the Modified Massachusetts Formula ("MMF"). The MMF is a four-factor formula, which allocates costs to subsidiaries giving equal weight to customer count; rate base; number of employees; and non-labor operations and maintenance expenses ("O&M") and taxes other than income ("TOTI"), as adjusted. In the event of changes due to significant acquisitions, mergers or asset sales, this allocation will be adjusted. The services provided by Joint Management Personnel may include any services as are listed on Exhibit A. Service Company's cost centers to which the MMF applies will be analyzed at least annually by Service Company, Aqua PA and PNG to determine whether the list of services on Exhibit A is complete and appropriate. The Parties may update the list of services on Exhibit A

without amending this Agreement. Once the MMF allocation is complete, the cost for Joint Management Personnel services allocated to PNG will be further allocated between PNG and its subsidiaries (the "PNG Subsidiaries") in accordance with their applicable then-existing affiliated interest agreements. For such costs allocated to Aqua PA, those costs will be first allocated between the water and wastewater Subsidiaries (the "Utility Companies") and the Non-Regulated Companies as set forth in Article 2.4. The portion of the costs for such common services allocated to the Utility Companies or a group of Utility Companies will be further allocated as set forth below in Article 2.5.

2.4 Indirectly Charged Non-Joint Management Personnel Services. For services that are made available by Service Company in common to other Utility Companies, including Aqua PA, and Non-Regulated Companies, which cannot be identified and are not related exclusively to a particular Subsidiary, and which are not provided by Joint Management Personnel, the cost for such services will be first allocated between the Utility Companies and the Non-Regulated Companies based on the relative proportion of the total Utility Companies assets and the Non-Regulated Companies assets at the most recent fiscal year end to the total assets of all the Utility and Non-Regulated Companies assets combined. The portion of the costs for such common services allocated to the Utility Companies or a group of Utility Companies, will be further allocated as set forth below in Article 2.5.

2.5 The portion of the costs for such common services, including Joint Management Personnel and Non-Joint Management Personnel services, allocated to the Utility Companies or a group of Utility Companies will be further and finally allocated to each Utility Company or group of Utility Companies, including Aqua PA, based on the ratio of the number of customers served by each Utility Company or the group of Utility Companies at the most recent fiscal year end to

the number of customers served by all Utility Companies, subject to adjustment during any year for a substantial change in the number of customers at any Utility Company or among the Utility Companies since the previous year-end in accordance with Service Company's accounting policies.

2.5.1 For purposes of this calculation, customers of the Utility Companies who receive both water and wastewater services from a Utility Company will be counted as 1.5 customers.

2.6 Indirectly Charged Customer Service and Billing Services. For Customer Service and Billing Services provided the Utility Companies, including Aqua PA, and to non-affiliated entities ("Third Party Clients") utilizing the Customer Service Billing System employed by the Service Company to provide these Services, which Services cannot be identified and are not related exclusively a particular Utility Company or Third Party Client, the cost for such Customer Service and Billing Services will first be allocated between the Third Party Clients and the Utility Companies based on the relative proportion of Third Party Clients' and Utility Companies' revenues budgeted to be generated from the Customer Service Billing System for the current year to the total budgeted revenues to be generated from the Customer Service Billing System for the current year for all Third Party Clients and Utility Companies combined.

2.6.1 The portion of the costs for such common Customer Service and Billing Services allocated to the Utility Companies or a group of Utility Companies will be further allocated to each Utility Company or group of Utility Companies, including Aqua PA, based on the ratio of the number of customers served by each Utility Company or the group of Utility Companies at the most recent fiscal year end to the number of customers served by all Utility Companies, subject to adjustment during any year for a substantial change in the number of

customers at any Utility Company or among the Utility Companies since the previous year-end in accordance with the Service Company's accounting policies. For purposes of this calculation, customers of the Utility Companies who receive both water and wastewater services from a Utility Company will be counted as 1.5 customers.

2.7 The amount for a Service Company employee's costs to be billed shall be computed on the employee's total labor rate, including base pay and other compensation, payroll taxes and fringe benefits (calculated on a per hour basis), plus a general overhead factor as set forth in Article III.

2.8 All direct expenses of Service Company incurred in connection with services rendered by Service Company which can reasonably be identified and related exclusively to a particular utility, such as Aqua PA, shall be charged directly to that utility.

ARTICLE III. ALLOWANCE FOR OVERHEAD

3.1 In determining the cost for services rendered by the Service Company to Aqua PA and PNG as herein provided, there shall be added to the base pay rate of all officers and employees for whose services charges are to be made, a percentage sufficient to cover the overhead of Service Company, as defined below, allocable to each such officer or employee. The overhead shall be calculated each year and shall be based on the ratio of the total overhead of the Service Company for the year to the total salaries of the Service Company officers and employees for whose services charges are to be made to the Subsidiaries, including Aqua PA and PNG. No general overhead or other markups by the Service Company shall be added to costs incurred for services of consultants or other third parties employed by Service Company.

3.2 The term "overhead" shall include, but not be limited to:

3.2.1 building costs, lease costs, utilities, and other costs associated with office space and equipment; and

3.2.2 taxes other than payroll taxes.

ARTICLE IV. BILLING PROCEDURES AND BOOKS AND RECORDS

4.1 As soon as practicable after the last day of each month, Service Company shall render bills to Aqua PA and PNG for all amounts due from Aqua PA and/or PNG for services and expenses for such month, computed pursuant to Article II and Article III. Alternatively, Service Company may require any other affiliated company from which it procures services for Aqua PA and/or PNG to bill Aqua PA and/or PNG for such services and related expenses on the same basis as set forth in Article II and Article III. Such bills shall be in sufficient detail to show the charge for each service rendered. All amounts shall be paid by Aqua PA and PNG within thirty (30) days after receipt of the bill.

4.2 Service Company agrees to keep its books and records, and to require any other affiliated company providing services to Aqua PA and PNG hereunder to keep their books and records, available at all times for inspection by representatives of Aqua PA and PNG or by regulatory bodies having jurisdiction over Aqua PA and the PNG Subsidiaries during normal business hours and upon reasonable advance notice.

4.3 Service Company shall at any time, upon request of Aqua PA or PNG, furnish any and all information required by Aqua PA and/or PNG with respect to the services rendered by Service Company or any affiliated companies hereunder, the costs thereof, and the allocation of such costs among the Subsidiaries.

ARTICLE V. TERM OF AGREEMENT

5.1 This AIA shall become effective as of the later of (a) the date first set forth above or (b) the date the Parties receive the last of any necessary approvals of governmental regulatory agencies having jurisdiction over this AIA. Upon becoming effective, this AIA shall supersede all prior agreements, written or oral, which shall terminate on the date this AIA becomes effective. This AIA shall continue in full force and effect until terminated by either of the parties hereto giving the other party hereto thirty days' notice in writing; provided, however, that this AIA shall terminate as of the date Aqua PA, PNG or Service Company ceases to be an affiliate of Essential.

5.2 Upon termination of the AIA without cause by Aqua PA or PNG, Service Company shall continue to provide services to the terminating Party at the terminating Party's request for a period of no more than sixty (60) days from and after the effective date of the termination to facilitate the terminating Party's transition to another service provider. Such transition shall be provided on the same terms and conditions as set forth in this AIA, including compensation.

ARTICLE VI. BREACH

6.1 Any Party to the AIA may terminate this AIA upon material breach by the other Party. The non-breaching Party shall provide written notice of such breach to the other Party by certified mail, setting forth in detail the alleged failure and/or deficiency. If such breach is not corrected by the breaching Party within thirty (30) days from receipt of written notice by certified mail, this Agreement shall thereupon terminate as to that Party.

ARTICLE VII. OTHER AGREEMENTS

7.1 It is understood by Aqua PA and PNG that Service Company has entered or may enter into similar agreements with other Subsidiaries to which similar services are to be furnished.

Service Company will not enter into agreements to perform similar services for other companies on terms more favorable than those provided herein.

ARTICLE VIII. INFORMATION EXCHANGE

8.1 Aqua PA and PNG shall provide such information as required by Service Company for Service Company to perform is obligations hereunder. Service Company agrees on behalf of it and its employees and contractors that it will maintain such information as confidential and not disclose such information to third parties unless required by law and applicable regulatory agencies (including the PAPUC). Service Company's obligation of confidentiality will not apply to information which (a) is or becomes available to the public other than as a result of a disclosure by Service Company or its employees or contractors, (b) was in Service Company's possession and obtained on a non-confidential basis prior to its disclosure by Aqua PA or PNG, or (c) becomes available to Service Company on a non-confidential basis from a person or entity other than Aqua PA and/or PNG who Service Company does not know or have reason to know is under an obligation of confidentiality to Aqua PA and/or PNG.

ARTICLE IX. GENERAL PROVISIONS

9.1 JOINT OBLIGATIONS OF THE PARTIES. Service Company, Aqua PA and PNG agree to cooperate in all matters that are the subject of this AIA.

9.1.1 RIGHTS AND OBLIGATIONS OF THE PRINCIPAL. As principals, Aqua PA and PNG understand that (i) Service Company, as their agent, shall act at all times for the benefit of the principals; (ii) principals shall be entitled to exercise control over agent's activities in the fulfillment of its agency functions and responsibilities as set forth in the AIA; (iii) principals are entitled to request and obtain a report from agent detailing actions taken on agent's

behalf under this AIA; and (iv) agent will conscientiously fulfill its duties as agent under the AIA upon the terms most favorable to Aqua PA and PNG.

9.1.2 RIGHTS AND OBLIGATIONS OF THE AGENT. Service Company hereby accepts and agrees to act as Aqua PA's and PNG's agent, and in so doing specifically acknowledges the following: (i) agent shall be entitled to obtain from the principal necessary instructions and consultancy in order to fulfill agent's obligations under the AIA; (ii) upon request, agent shall have a duty to disclose a report detailing all actions taken by agent on behalf of the principal under the AIA; (iii) agent shall act in good faith at all times for the benefit of the principal and in the principal's best interests; (iv) by accepting this agency, Service Company has a duty to ensure (as the principal does) that the costs of performing services on behalf of principal hereunder are just and reasonable so as to maximize recovery of such costs, where appropriate, in Aqua PA's PAPUC-approved rates; and (v) should any cost for services rendered by agent be deemed non-recoverable in customer rates by statute, regulation or the PAPUC, principal shall have the right to reject payment for such services and/or to seek reimbursement from agent for any such costs already paid.

9.2 ARBITRATION. It is the stated purpose and goal of the Parties at all times to resolve any disputes and reach agreement by good faith negotiation between the Parties, without recourse to arbitration or other legal actions. In the event, however, that any such dispute cannot be settled through negotiation, either Party may request that the matter(s) in dispute be referred to arbitration. The demand for arbitration must be submitted to the American Arbitration Association within sixty (60) calendar days after the date of such request, in which case the arbitration shall be conducted at a mutually agreed upon location, in accordance with the rules and procedures then existing under the Commercial Arbitration rules of the American Arbitration Association (the

"Rules"), provided that notwithstanding anything to the contrary contained in such Rules the following shall apply: The arbitration board shall consist of a single arbitrator. The Parties shall endeavor to agree upon the single arbitrator. If the Parties fail to agree on a single arbitrator within twenty (20) business days, the arbitrator shall be selected by the American Arbitration Association or otherwise in accordance with such Rules. The decision of the arbitrator, submitted in writing to the Parties shall be final and binding upon both Parties. Judgment upon any decision rendered by the arbitrator may be entered in any court having jurisdiction. Each Party shall bear the expense of its own witnesses, and the expenses of the arbitrator and any general expenses of the arbitration shall be borne equally by the Parties.

9.3 FORCE MAJEURE. No Party will be in default or otherwise liable for any delay in or failure of its performance hereunder due to any act of God, adverse weather condition, fire, flood, riot, strike, terrorism, accident, war, governmental requirement, inability to secure materials, labor or transportation, cable cut or other cause beyond the reasonable control of the affected party.

9.4 STANDARD OF CARE. Service Company shall perform its services with that degree of care, diligence and professional skill and judgment which is normally exercised by professionals in its industry, and consistent with its duties as agent. Except as otherwise expressly set forth in this AIA, Service Company makes no warranties, representations or other agreements, expressed or implied, with respect to this AIA and the services provided hereunder.

9.5 LIMITATION OF LIABILITY. Service Company's entire liability to Aqua PA and PNG, respectively, for any claim, loss, expense or damage arising under this AIA, including any claims for special, incidental, consequential, indirect or punitive damages, shall in no event exceed the sums actually paid by Aqua PA or PNG, respectively and as the case may be, to Service Company during the most recent calendar year.

9.6 ASSIGNMENT. No Party may assign this AIA without the prior written consent of the other Parties, which consent shall not be unreasonably withheld.

9.7 GOVERNING LAW. This AIA shall be governed by and construed under the laws of the Commonwealth of Pennsylvania.

9.8 INDEMNIFICATION.

9.8.1 To the extent allowed by law, Service Company shall defend, indemnify and hold harmless Aqua PA and PNG, their officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, other injury, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suits and actions (including reasonable attorney's fees), to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of Service Company or its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this AIA.

9.8.2 To the extent allowed by law, Aqua PA shall defend, indemnify and hold harmless Service Company, its officers, directors, employees and agents from and against any and all liability, including liability to third parties for personal injury, including death, property damage, other injury, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suits and actions (including reasonable attorney's fees), to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of Aqua PA or its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this AIA.

9.8.3 To the extent allowed by law, PNG shall defend, indemnify and hold harmless Service Company, its officers, directors, employees and agents from and against any and

all liability, including liability to third parties for personal injury, including death, property damage, other injury, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suits and actions (including reasonable attorney's fees), to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of PNG or its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this AIA.

9.9 TAXES. To the extent that the services provided by Service Company, as enumerated herein, are subject to any state or local gross receipts tax (including but not limited to local business privilege taxes in Pennsylvania), Service Company shall have the right to reimbursement of such taxes from Aqua PA and PNG, respectively and as may be appropriate, subject to their rights as set forth above in paragraph 9.1.2(v).

9.10 SEVERABILITY. Each provision of this AIA is severable from the whole, and if one provision is declared invalid, the other provisions shall remain in effect.

9.11 NO WAIVER. Failure by a Party to enforce any provision of this AIA, or the waiver thereof in any instance, shall not be construed as a general waiver of rights.

9.12 NOTICES. Any notice given or made pursuant to this AIA will be effective only if in writing and delivered in person, by messenger, by overnight delivery, or by certified mail, return receipt to a Party at the address first written above.

9.13 COMPLETE AGREEMENT. The terms of this AIA constitute the entire agreement between the Parties concerning the subject matter hereof, and this AIA may be modified only in a writing signed by the Parties. This AIA and the exhibits incorporated herein shall be modified and/or amended only by writing signed by the Parties and shall not be effective until filed with and approved by applicable regulatory agencies, including the PAPUC.

9.14 TITLES AND HEADINGS. Titles and headings to sections or paragraphs herein are inserted merely for convenience of reference and are not intended to be a part of or to affect the meaning or interpretation of this AIA.

9.15 COUNTERPARTS. This AIA may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Service Company, Aqua PA, and PNG have caused this AIA to be signed in their respective corporate names by their respective Presidents or Vice Presidents, as of the day and year first above written.

AQUA PENNSYLVANIA, INC.

By: DocuSigned by: Marc Lucca 4EA22E4AF39946E...

Title: President

AQUA SERVICES, INC.

By: _____

Title: _____

PNG COMPANIES, LLC

By: _____

Title: _____

IN WITNESS WHEREOF, Service Company, Aqua PA, and PNG have caused this AIA to be signed in their respective corporate names by their respective Presidents or Vice Presidents, as of the day and year first above written.

AQUA PENNSYLVANIA, INC.

By: _____

Title: _____

AQUA SERVICES, INC.

By: _____

Title: SR VP, Treasurer

PNG COMPANIES, LLC

By: _____

Title: _____

IN WITNESS WHEREOF, Service Company, Aqua PA, and PNG have caused this AIA to be signed in their respective corporate names by their respective Presidents or Vice Presidents, as of the day and year first above written.

AQUA PENNSYLVANIA, INC.

By: _____

Title: _____

AQUA SERVICES, INC.

By: _____

Title: _____

PNG COMPANIES, LLC

By: _____

Title: Executive Vice President, Secretary

EXHIBIT A

Without limitation, services to be provided by Service Company will include the following, which are services that are performed by Service Company (or its designees) in an effort to capture economies of scale and to otherwise ensure efficiencies in the cost of providing service to customers of Aqua PA and the PNG Subsidiaries[7]:

A. Accounting and Financial Services. Service Company will oversee and assist in the preparation and implementation of accounting methods and procedures that conform to the requirements, rules and regulation of governmental authorities having jurisdiction over Aqua PA and the PNG Subsidiaries and will oversee and assist in the preparation of Aqua PA and PNG's monthly financial reports, annual reports and other reports, including those for any governmental authorities. Service Company will oversee and assist in the establishment and maintenance of current record keeping techniques; review accounting procedures, methods and forms; and evaluate systems of internal controls for receipt and disbursement of funds, materials and supplies, and other assets. Service Company will assist in the maintenance of accounting records as required by Aqua PA and PNG. Service Company will oversee the work of and cooperate and consult with any independent certified public accountant for Aqua PA and PNG. Service Company will also provide services related to accounts payable, payroll, utility plant accounting, consolidation, SEC reporting/filing, ratemaking, regulatory relations, cash management, capital structure management, capital budgeting and allocation, operating budgeting and long-range planning.

Service Company will assist in the preparation of operating and construction budgets and monitor the control over such budgets by comparing experienced costs to the projections.

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[7] The definitions used herein are consistent with those used in the AIA to which this Exhibit is a part.

Service Company will prepare or assist in the preparation of federal, state and local tax returns for and to the extent required by Aqua PA and PNG.

B. Administration. Service Company will assist in the performance of Aqua PA's and PNG's corporate activities. Those employees will keep themselves informed on Aqua PA's and PNG's operations. They will make recommendations to Aqua PA and PNG for operating expenditures and for additions to and improvements of property, plant and equipment. They will keep abreast of economic, regulatory, governmental and operational developments and conditions that may affect Aqua PA and PNG and advise Aqua PA and PNG of such developments and conditions to the extent that they may be important to them.

Service Company will provide an internal audit staff for periodic audits of accounts, records, policies and procedures of Aqua PA and PNG and submit reports thereon.

C. Communications. Service Company will recommend procedures to promote satisfactory relations with employees, customers, communities and the general public and assist in the preparation of communication materials, (including press releases, brochures, audio visual presentations and speeches) plant tours, public exhibits and displays and other related services to inform the public.

D. Corporate Secretarial. Service Company will maintain, in such places and manner as may be required by applicable law, corporate documents of Aqua PA and PNG, such as minute books, charters, bylaws, contracts, deeds and other corporate records. It will maintain, or arrange for the maintenance of, records of stockholders of Aqua PA and PNG and perform other corporate secretarial functions as required including preparation of notices of stockholder and director meetings and the minutes thereof.

Service Company will review and may assist in the preparation of documents and reports required by Aqua PA and PNG such as deeds, easements, contracts, charters, franchises, trust indentures and regulatory reports and filings.

E. Customer Service and Billing. Service Company may provide customer service and billing services to Aqua PA including live and automated telephone service to customers, non-telephonic services (including regular mail, facsimile, e-mail and Internet based), rendering of periodic bills and notices to customers based on Aqua PA's tariffs, collections, assisting customers with water service changes, resolving customer disputes, work order distribution, remittance processing and data input to the customer information system.

F. Engineering. Service Company may provide engineering consulting regarding, and provide engineering services in connection with, the design, permitting and constructing of utility facilities.

Service Company may conduct facility planning, hydraulic analyses and prepare or review maps, charts, operating statistics, reports and other pertinent data, as needed to support these engineering services. It may assist in the protection of their properties by periodic inspection of their structures, including, as applicable, tanks reservoirs, dams, wells and electrical and mechanical equipment.

The engineering services provided by Service Company may also include the conduct of field investigations as necessary to obtain engineering information and, when required, the preparation of studies, reports, designs, drawings, cost estimates, specifications, and contracts for the construction of additions to or improvements of sources of supply, treatment plants, pumping stations, collection and distribution systems, and such other facilities as may be requested Service Company may provide a materials management program to arrange for the

purchase of equipment, materials, and supplies in volume on a basis advantageous to Aqua PA and PNG and assist in the evaluation of new and existing products and application procedures.

G. Financial. Service Company will assist in the development and implementation of financing programs for Aqua PA and PNG, including the furnishing of advice from time to time on securities market conditions and the form and timing of financing; advice concerning arrangements for the sale of securities; and assistance in the preparation of necessary papers, documents, registration statements, prospectuses, petitions, applications and declarations. Service Company will prepare reports to be filed with, and reply to inquiries made by, security holders and bond and mortgage trustees.

Service Company will assist Aqua PA and PNG in treasury and cash management functions, including arrangements for bank credit lines, establishment of collection policies, and development of temporary investment programs.

H. Fleet Services. Service Company may provide various fleet management services, including assistance with vehicle ordering and leasing, fuel card management, vehicle maintenance support and oversight, vehicle signage, vehicle tides and driver training.

I. Human Resources. Service Company will assist in obtaining qualified personnel in establishing appropriate rates of pay for those employees, and in negotiating with bargaining units, if any, representing employees. Service Company will recommend and/or carry out training programs for the development of personnel and advise and assist Aqua PA and PNG regarding personnel issues and human resource policies and procedure. It will also advise and assist Aqua PA and PNG in regard to group employee insurance, pension and benefit plans and in the drafting or revising of those plans when required. It will provide advice regarding employment and benefit laws and procedures and assist in implementing controls for compliance with such laws.

J. Information Systems. Service Company will make available to Aqua PA and PNG electronic data processing systems, networks, applications and services. Service Company will design, implement and maintain a computer network, data communications system, database and applications services, desktop and laptop computers, and peripheral equipment along with periodic upgrades, data backups and recovery procedures for the benefit of Aqua and PNG.

K. Operation. Service Company may develop and assist in' the implementation of operating procedures to promote the efficient and economic operation of Aqua PA and PNG. Periodic operational reviews may be performed by Service Company personnel and recommendations for improvements will be reported to Aqua PA and PNG.

L. Rates and Regulatory. Service Company personnel will make recommendations for changes in rates, tariffs, rules and regulations and will assist in the conduct of proceedings before, and in their compliance with the rulings of, regulatory bodies having jurisdiction over their operations. These personnel will keep abreast of economic and regulatory developments and conditions that may affect Aqua PA and the PNG and advise Aqua PA and/or PNG of developments and conditions to the extent that they may be important to Aqua PA and/or PNG. Service Company Rates and Regulatory personnel will assist in the preparation of rate filings, or applications and the supporting documents and exhibits requested or required by regulatory commissions. Service Company will also provide qualified personnel to testify as required during any regulatory proceedings.

M. Risk Management. Service Company will provide risk management services to review the exposures to accidental loss, recommend methods of protection, either through the purchase of insurance, self-insurance or other risk management techniques and arrange for the purchase of insurance coverage. Service Company will also supervise the investigation of claims

and assist in the negotiation and settlement of such claims at the request of Aqua PA and/or PNG. It will assist, as requested by Aqua PA and/or PNG, in the establishment of safety and security programs.

N. Water Quality. Service Company will provide information to Aqua PA on relevant current or pending water quality, drinking water, and other environmental regulations. It will review water quality data and provide advice and consultation to assist Aqua PA in complying with current and proposed water quality standards set by federal or state agencies. It will provide technical assistance and general direction for Aqua PA personnel on water quality issues, assist in selecting compliance strategies and evaluating alternatives for capital projects driven by environmental compliance or water quality, and assist in providing responses to and coordination with public agencies to maintain or achieve compliance.

Service Company will also provide laboratory testing services for compliance testing for which it or its affiliated lab is certified in a particular state, or for non-compliance testing where special testing services or a check on a local lab might be needed. Service Company will help evaluate pricing of local and regional laboratory services, provide competitive pricing where appropriate in negotiating pricing with contract laboratories, and will provide inspection and/or audits of contract labs where appropriate.

Service Company will provide services for the generation and distribution of Annual Water Quality Reports (CCR's) in compliance with state and federal requirements and will post and maintain these documents on the Aqua PA website. The Service Company will also assist in drafting and/or editing required public notices and public educations material related to water quality.

O. Environmental Matters. Service Company may provide information on relevant current or pending environmental regulations. It will provide advice and consultation to assist in complying with current and proposed environmental standards set by federal or state agencies. It will provide technical assistance and general direction in selecting compliance strategies and evaluating alternatives for capital projects driven by environmental compliance and assist in providing responses to and coordination with public agencies to maintain or achieve compliance.

P. Legal. Service Company will provide legal services, including legal advice and representation on legal matters. Service Company will also provide oversight of outside council retained to represent Aqua PA and/or PNG.

Q. Purchasing, Contracts and Sales of Real Estate. Service Company may (a) act as purchasing agent for Aqua PA and PNG, so far as it is feasible, in the purchase of supplies, materials and equipment for which Aqua PA and/or PNG may submit a requisition through the Service Company's purchasing system; (b) endeavor to secure prompt shipment and delivery items ordered; (c) provide Aqua PA and PNG the benefit of cash, trade and quantity discounts obtained by Service Company with respect to items ordered for each; (d) keep in touch with market conditions and endeavor to recommend to Aqua PA and PNG purchases at advantageous times; (e) negotiate purchases and sales of real estate and the terms of leases; (f) analyze quotations or competitive bids of suppliers or contractors submitted to Aqua PA and/or PNG and make recommendations relative thereto; and (g) establish and assist in the administration of purchasing card accounts.

Via Electronic Filing

December 20, 2021

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105

Re: **Affiliated Interest Agreement between Aqua Pennsylvania Wastewater, Inc. and Aqua Pennsylvania, Inc.**
Docket No. G-2021-3023735

Dear Secretary Chiavetta:

Enclosed please find the signed Affiliate Agreement between Aqua Pennsylvania Wastewater, Inc., and Aqua Pennsylvania, Inc. for filing in the above docket.

If you have any questions regarding this filing, please contact me by email at mmhopper@aquaamerica.com or at (610) 645-1170.

Sincerely,

Mary McFall Hopper

Mary McFall Hopper
Regulatory Counsel

Attachment

cc: Paul Zander – Bureau of Technical Utility Services
Christine Hoover, Office of Consumer Advocate
Teresa Wagner, Office of Small Business Advocate
Richard Kanaskie – Bureau of Investigation and Enforcement
Kelly Monaghan – Bureau of Audits

AFFILIATED INTEREST AGREEMENT

This Affiliated Interest Agreement ("AIA") dated as of December 20, 2021, between Aqua Pennsylvania, Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 762 W. Lancaster Avenue, Bryn Mawr, PA 19010 (hereinafter "Aqua PA"), and Aqua Pennsylvania Wastewater, Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 762 W. Lancaster Avenue, Bryn Mawr, PA 19010, (hereinafter "Aqua Wastewater"), and collectively hereinafter referred to jointly as the "Parties" or individually as a "Party".

RECITALS

A. WHEREAS, Aqua PA and Aqua Wastewater are direct or indirect subsidiaries of Essential Utilities, Inc., a Pennsylvania corporation (hereinafter "Essential"); and

B. WHEREAS, Aqua PA is currently a wholly-owned direct subsidiary of Essential; and

C. WHEREAS, Aqua PA has been organized for and is presently engaged in the business of providing water services as a public utility in the Commonwealth of Pennsylvania; and

D. WHEREAS, Aqua PA maintains an organization whose officers and employees are familiar with the water and wastewater utility business, accounting and financial services, administration, communications, corporate secretarial, customer service and billing, engineering, financial, fleet services, human resources, information systems, operation, rates and regulatory, risk management, water quality, legal, and purchasing, contracts and sales of real estate of water and wastewater utilities. The officers and employees of Aqua PA are qualified to aid, assist and advise Aqua Wastewater in its business operations through the services to be performed under this

AIA listed in **Exhibit A**; and

E. WHEREAS, Aqua Wastewater is a wholly-owned indirect subsidiary of Essential; and

F. WHEREAS, Aqua Wastewater has been organized for and is presently engaged in the business of providing wastewater services as a public utility in the Commonwealth of Pennsylvania; and

G. WHEREAS, the Parties believe that it is in their interest to enter into an arrangement whereby Aqua PA may agree to purchase administrative, financial, management, and other services described herein, from Aqua Services, Inc. ("Service Company"), other Essential affiliates or third parties, which will be provided at the lower of cost or market; and

H. WHEREAS, Aqua Wastewater is entering into this AIA with Aqua PA to specifically define the types of services available to it as set forth in **Exhibit A** attached hereto and made a part hereof; and

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, Aqua PA and Aqua Wastewater agree as follows:

ARTICLE I
PERSONNEL AND SERVICES TO BE PROVIDED

1.1 During the term of this AIA as set forth in Article V and upon the terms and conditions hereinafter set forth, Aqua PA may provide to Aqua Wastewater administration, accounting and financial, administration, communication, corporate secretarial, customer service and billing, engineering, financial, fleet services, human resources, information systems, operations, rates and regulatory, risk management, water quality, legal and purchasing as set forth on **Exhibit A** attached hereto, provided, however, that Aqua Wastewater may perform any such services with its own personnel or engage another company or person to provide those services on

its behalf. Aqua PA may engage or subcontract with another company, including Service Company, or person to provide such services on its behalf.

1.2 Aqua PA shall employ qualified officers and employees to provide the services hereunder and those persons shall be available to serve as officers of Aqua Wastewater.

ARTICLE II
PAYMENT FOR SERVICES

2.1 In consideration for the services to be rendered by Aqua PA as herein provided, Aqua Wastewater agrees to pay to Aqua PA the cost of the services provided to it as determined as provided in this Article II and in Article III.

2.2 Directly Charged Services.

2.2.1 The costs for service rendered by Aqua PA personnel directly for Aqua Wastewater shall be charged based on such personnel's time sheets.

2.2.2 All direct expenses of Aqua PA incurred in connection with services rendered by Aqua PA, Service Company or third parties, which can reasonably be identified and related exclusively to Aqua Wastewater shall be charged directly to Aqua Wastewater.

2.3 Indirectly Charged Services.

2.3.1. For services that are made available by Aqua PA, or charged to Aqua PA by Service Company, which cannot be identified and are not related exclusively to Aqua PA or Aqua Wastewater, the cost for such services will be allocated between the Parties based on the ratio of the number of customers served by each of them at the most recent fiscal year end, subject to adjustment during any year for a substantial change in the number of customers of Aqua PA or Aqua Wastewater since the previous year-end.

2.3.2 The amount for an Aqua PA employee's costs to be billed shall be computed on the employee's total labor rate, including base pay and other compensation, payroll taxes and

fringe benefits (calculated on a per hour basis), plus a general overhead factor as set forth in Article III.

ARTICLE III
ALLOWANCE FOR OVERHEAD

3.1 In determining the cost for services rendered by Aqua PA to Aqua Wastewater as herein provided, there shall be added to the base pay rate of all officers and employees for whose services charges are to be made, a percentage sufficient to cover the overhead of Aqua PA, as defined below, allocable to each such officer or employee. The overhead shall be calculated each year and shall be based on the ratio of the total overhead of Aqua PA for the year to the total salaries of Aqua PA officers and employees for whose services charges are to be made to Aqua Wastewater. No general overhead or other markups by Aqua PA shall be added to costs incurred for services of consultants or other third parties employed by Aqua PA.

3.2 The term "overhead" shall include, but not be limited to:

3.2.1 building costs, lease costs, utilities, and other costs associated with office space and equipment, and

3.2.2 taxes other than payroll taxes.

ARTICLE IV
BILLING PROCEDURES AND BOOKS AND RECORDS

4.1 As soon as practicable after the last day of each month, Aqua PA shall render a bill to Aqua Wastewater for all amounts due from Aqua Wastewater for services and expenses for such month, computed pursuant to Article II and Article III. Such bills shall be in sufficient detail to show the charge for each service rendered. All amounts shall be paid by Aqua Wastewater within thirty (30) days after receipt of the bill.

4.2 Aqua PA agrees to keep its books and records, and to require Service Company or any other affiliate if providing services to Aqua Wastewater hereunder to keep their books and

records, available at all times for inspection by representatives of Aqua Wastewater or by regulatory bodies having jurisdiction over Aqua Wastewater during normal business hours and upon reasonable advance notice.

4.3 Aqua PA shall at any time, upon request of Aqua Wastewater, furnish any and all information required by Aqua Wastewater with respect to the services rendered by Aqua PA, Service Company or other affiliates hereunder, the costs thereof, and the allocation of such costs to Aqua Wastewater.

ARTICLE V
TERM OF AGREEMENT

5.1 This AIA shall become effective as of the later of (a) the date first set forth above or (b) the date the Parties receive the last of any necessary approvals of governmental regulatory agencies having jurisdiction over this AIA. Upon becoming effective, this AIA shall supersede all prior agreements, written or oral, which shall terminate on the date this AIA becomes effective. This AIA shall continue in full force and effect until terminated by either of the parties hereto giving the other party hereto thirty days' notice in writing; provided, however, that this AIA shall terminate as of the date Aqua PA or Aqua Wastewater ceases to be an affiliate of Essential.

5.2 Upon termination of the AIA without cause by Aqua Wastewater, Aqua PA shall continue to provide services to Aqua Wastewater at its request for a period of no more than sixty (60) days from and after the effective date of the termination to facilitate Aqua Wastewater's transition to another service provider. Such transition shall be provided on the same terms and conditions as set forth in this Agreement, including compensation.

ARTICLE VI
BREACH

6.1 Either Party to the AIA may terminate this AIA upon material breach by the other Party. The non-breaching Party shall provide written notice of such breach to the other Party by

certified mail, setting forth in detail the alleged failure and/or deficiency. If such breach is not corrected by the breaching Party within thirty (30) days from receipt of written notice by certified mail, this AIA shall thereupon terminate.

ARTICLE VII
OTHER AGREEMENTS

7.1 It is understood by Aqua Wastewater that Aqua PA has entered or may enter into similar agreements with other affiliates to which similar services are to be furnished. Aqua PA will not enter into agreements to perform similar services for other companies on terms more favorable than those provided herein.

ARTICLE VIII
INFORMATION EXCHANGE

8.1 Aqua Wastewater shall provide such information as required by Aqua PA for Aqua PA to perform is obligations hereunder. Aqua PA agrees on behalf of it and its employees and contractors that it will maintain such information as confidential and not disclose such information to third parties unless required by law and applicable regulatory agencies (including the Pennsylvania Public Utility Commission ("PAPUC")). Aqua PA's obligation of confidentiality will not apply to information which (a) is or becomes available to the public other than as a result of a disclosure by Aqua PA or its employees or contractors, (b) was in Aqua PA's possession and obtained on a non-confidential basis prior to its disclosure by Aqua Wastewater, or (c) becomes available to Aqua PA on a non-confidential basis from a person or entity other than Aqua Wastewater who Aqua PA does not know or have reason to know is under an obligation of confidentiality to Aqua Wastewater.

ARTICLE IX
GENERAL PROVISIONS

9.1 JOINT OBLIGATIONS OF THE PARTIES. Aqua PA and Aqua Wastewater agree to cooperate in all matters that are the subject of this AIA.

9.2 ARBITRATION. It is the stated purpose and goal of the Parties at all times to resolve any disputes and reach agreement by good faith negotiation between the Parties, without recourse to arbitration or other legal actions. In the event, however, that any such dispute cannot be settled through negotiation, either Party may request that the matter(s) in dispute be referred to arbitration. The demand for arbitration must be submitted to the American Arbitration Association within sixty (60) calendar days after the date of such request, in which case the arbitration shall be conducted at a mutually agreed upon location, in accordance with the rules and procedures then existing under the Commercial Arbitration rules of the American Arbitration Association, provided that notwithstanding anything to the contrary contained in such Rules the following shall apply: The arbitration board shall consist of a single arbitrator. The Parties shall endeavor to agree upon the single arbitrator. If the Parties fail to agree on a single arbitrator within twenty (20) business days, the arbitrator shall be selected by the American Arbitration Association or otherwise in accordance with such Rules. After the appointment of the arbitrator, the arbitrator shall meet as necessary for the purpose of reaching a determination in the dispute, and the decision of the arbitrator, submitted in writing, to the Parties shall be final and binding upon both Parties. Judgment upon any decision rendered by arbitrator may be entered in any court having jurisdiction. Each Party shall bear the expense of its own witnesses, and the expenses of the arbitrator and any general expenses of the arbitration shall be borne equally by the Parties.

9.3 FORCE MAJEURE. No Party will be in default or otherwise liable for any delay in or failure of its performance hereunder due to any act of God, adverse weather condition, fire,

flood, riot, strike, terrorism, accident, war, governmental requirement, inability to secure materials, labor or transportation, cable cut or other cause beyond the reasonable control of the affected Party.

9.4 STANDARD OF CARE. Aqua PA shall perform its services with that degree of care, diligence and professional skill and judgment which is normally exercised by professionals in its industry. Except as otherwise expressly set forth in this AIA, Aqua PA makes no warranties, representations or other agreements, expressed or implied with respect to this AIA and the services provided hereunder. Aqua PA's entire liability to Aqua Wastewater for any claim, loss, expense or damage under this AIA, including any claims for special, incidental, consequential, indirect or punitive damages shall in no event exceed the sums actually paid by Aqua Wastewater to Aqua PA during the most recent calendar year.

9.5 ASSIGNMENT. No Party may assign this AIA without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

9.6 GOVERNING LAW. This AIA shall be governed by and construed under the laws of the Commonwealth of Pennsylvania.

9.7 INDEMNIFICATION:

9.7.1 To the extent allowed by law, Aqua PA shall defend, indemnify and hold harmless Aqua Wastewater, its officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, other injury, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suits and actions (including reasonable attorney's fees), to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of Aqua PA or its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this AIA.

9.7.2 To the extent allowed by law, Aqua Wastewater shall defend, indemnify and hold harmless Aqua PA, its officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, other injury, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suite and actions (including reasonable attorney's fees), to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of Aqua Wastewater or its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this AIA.

9.8 SEVERABILITY. Each provision of this AIA is severable from the whole, and if one provision is declared invalid, the other provisions shall remain in effect.

9.9 NO WAIVER. Failure by a Party to enforce any provision of this AIA, or the waiver thereof in any instance shall not be construed as a general waiver of rights.

9.10 NOTICES. Any notice given or made pursuant to this AIA will be effective only if in writing and delivered in person, by messenger, by overnight delivery, or by certified mail, return receipt to a Party at the address first written above.

9.11 COMPLETE AGREEMENT. The terms of this AIA constitute the entire agreement between the Parties concerning the subject matter hereof, and this AIA may be modified only in a writing signed by both Parties. This AIA and the exhibits incorporated herein shall be modified and/or amended only by writing signed by the Parties and shall not be effective until filed with and approved by applicable regulatory agencies, including the PAPUC.

9.12 TITLES AND HEADINGS. Titles and headings to sections or paragraphs herein are inserted merely for convenience of reference and are not intended to be a part of or to affect the meaning or interpretation of this AIA.

9.13 COUNTERPARTS. This AIA may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Aqua PA and Aqua Wastewater have caused this AIA to be signed in their respective corporate names by their respective Presidents or Vice Presidents, as of the day and year first above written.

AQUA PENNSYLVANIA, INC.

By: _____

Title: President

AQUA PENNSYLVANIA WASTEWATER, INC.

By: _____

Title: Vice President - Regulatory Accounting + Regional Controller

EXHIBIT A

SERVICES

Without limitation, services to be provided by Aqua PA will include the following:

A. Accounting and Financial Services. Aqua PA will oversee and assist in the preparation and implementation of accounting methods and procedures that conform to the requirements, rules and regulation of governmental authorities having jurisdiction over Aqua Wastewater and will oversee and assist in the preparation of Aqua Wastewater's monthly financial reports, annual reports and other reports, including those for any governmental authorities. Aqua PA will oversee and assist in the establishment and maintenance of current record keeping techniques; review accounting procedures, methods and forms; and evaluate systems of internal controls for receipt and disbursement of funds, materials and supplies, and other assets. Aqua PA will assist in the maintenance of accounting records as required by Aqua Wastewater. Aqua PA will oversee the work of and cooperate and consult with any independent certified public accountant for Aqua Wastewater. Aqua PA will also provide services related to accounts payable, payroll, utility plant accounting, consolidation, SEC reporting/filing, ratemaking, regulatory relations, cash management, capital structure management, capital budgeting and allocation, operating budgeting and long-range planning.

Aqua PA will assist in the preparation of operating and construction budgets and monitor the control over such budgets by comparing experienced costs to the projections.

Aqua PA will prepare or assist in the preparation of federal, state and local tax returns for and to the extent required by Aqua Wastewater.

B. Administration. Aqua PA will assist in the performance of Aqua Wastewater's corporate activities. Those employees will keep themselves informed on Aqua Wastewater's

operations. They will make recommendations to Aqua Wastewater for operating expenditures and for additions to and improvements of property, plant and equipment. They will keep abreast of economic, regulatory, governmental and operational developments and conditions that may affect Aqua Wastewater and advise Aqua Wastewater of such developments and conditions to the extent that they may be important to them.

Aqua PA will provide an internal audit staff for periodic audits of accounts, records, policies and procedures of Aqua Wastewater and submit reports thereon.

C. Communications. Aqua PA will recommend procedures to promote satisfactory relations with employees, customers, communities and the general public and assist in the preparation of communication materials, (including press releases, brochures, audio visual presentations and speeches) plant tours, public exhibits and displays and other related services to inform the public.

D. Corporate Secretarial. Aqua PA will maintain, in such places and manner as may be required by applicable law, corporate documents of Aqua Wastewater, such as minute books, charters, bylaws, contracts, deeds and other corporate records. It will maintain, or arrange for the maintenance of, records of stockholders of Aqua Wastewater and perform other corporate secretarial functions as required including preparation of notices of stockholder and director meetings and the minutes thereof.

Aqua PA will review and may assist in the preparation of documents and reports required by Aqua Wastewater such as deeds, easements, contracts, charters, franchises, trust indentures and regulatory reports and filings.

E. Customer Service and Billing. Aqua PA may provide customer service and billing services to Aqua Wastewater including live and automated telephone service to customers,

non-telephonic services (including regular mail, facsimile, e-mail and Internet based), rendering of periodic bills and notices to customers based on Aqua Wastewater's tariffs, collections, assisting customers with water service changes, resolving customer disputes, work order distribution, remittance processing and data input to the customer information system.

F. Engineering. Aqua PA may provide engineering consulting regarding, and provide engineering services in connection with, the design, permitting and constructing of utility facilities.

Aqua PA may conduct facility planning, hydraulic analyses and prepare or review maps, charts, operating statistics, reports and other pertinent data, as needed to support these engineering services. It may assist in the protection of their properties by periodic inspection of their structures, including, as applicable, tanks reservoirs, dams, wells and electrical and mechanical equipment.

The engineering services provided by Aqua PA may also include the conduct of field investigations as necessary to obtain engineering information and, when required, the preparation of studies, reports, designs, drawings, cost estimates, specifications, and contracts for the construction of additions to or improvements of sources of supply, treatment plants, pumping stations, collection and distribution systems, and such other facilities as may be requested. Aqua PA may provide a materials management program to arrange for the purchase of equipment, materials, and supplies in volume on a basis advantageous to Aqua Wastewater and assist in the evaluation of new and existing products and application procedures.

G. Financial. Aqua PA will assist in the development and implementation of financing programs for Aqua Wastewater, including the furnishing of advice from time to time on securities market conditions and the form and timing of financing; advice concerning arrangements for the sale of securities; and assistance in the preparation of necessary papers, documents, registration

statements, prospectuses, petitions, applications and declarations. Aqua PA will prepare reports to be filed with, and reply to inquiries made by, security holders and bond and mortgage trustees.

Aqua PA will assist Aqua Wastewater in treasury and cash management functions, including arrangements for bank credit lines, establishment of collection policies, and development of temporary investment programs.

H. Fleet Services. Aqua PA may provide various fleet management services, including assistance with vehicle ordering and leasing, fuel card management, vehicle maintenance support and oversight, vehicle signage, vehicle tides and driver training.

I. Human Resources. Aqua PA will assist in obtaining qualified personnel in establishing appropriate rates of pay for those employees, and in negotiating with bargaining units, if any, representing employees. Aqua PA will recommend and/or carry out training programs for the development of personnel and advise and assist Aqua Wastewater regarding personnel issues and human resource policies and procedure. It will also advise and assist Aqua Wastewater in regard to group employee insurance, pension and benefit plans and in the drafting or revising of those plans when required. It will provide advice regarding employment and benefit laws and procedures and assist in implementing controls for compliance with such laws.

J. Information Systems. Aqua PA will make available to Aqua Wastewater electronic data processing systems, networks, applications and services. Aqua Wastewater will design, implement and maintain a computer network, data communications system, database and applications services, desktop and laptop computers, and peripheral equipment along with periodic upgrades, data backups and recovery procedures for the benefit of Aqua Wastewater.

K. Operation. Aqua PA may develop and assist in' the implementation of operating procedures to promote the efficient and economic operation of Aqua Wastewater. Periodic

operational reviews may be performed by Aqua PA personnel and recommendations for improvements will be reported to Aqua Wastewater.

L. Rates and Regulatory. Aqua PA personnel will make recommendations for changes in rates, tariffs, rules and regulations and will assist in the conduct of proceedings before, and in their compliance with the rulings of, regulatory bodies having jurisdiction over their operations. These personnel will keep abreast of economic and regulatory developments and conditions that may affect Aqua Wastewater and advise Aqua Wastewater of developments and conditions to the extent that they may be important to Aqua Wastewater. Aqua PA Rates and Regulatory personnel will assist in the preparation of rate filings, or applications and the supporting documents and exhibits requested or required by regulatory commissions. Aqua PA will also provide qualified personnel to testify as required during any regulatory proceedings.

M. Risk Management. Aqua PA will provide risk management services to review the exposures to accidental loss, recommend methods of protection, either through the purchase of insurance, self-insurance or other risk management techniques and arrange for the purchase of insurance coverage. Aqua PA will also supervise the investigation of claims and assist in the negotiation and settlement of such claims at the request of Aqua Wastewater. It will assist, as requested by Aqua Wastewater, in the establishment of safety and security programs.

N. Water Quality. Aqua PA will provide information to Aqua Wastewater on relevant current or pending water quality, drinking water, and other environmental regulations. It will review water quality data and provide advice and consultation to assist Aqua Wastewater in complying with current and proposed water quality standards set by federal or state agencies. It will provide technical assistance and general direction for Aqua Wastewater personnel on water quality issues, assist in selecting compliance strategies and evaluating alternatives for capital

projects driven by environmental compliance or water quality, and assist in providing responses to and coordination with public agencies to maintain or achieve compliance.

Aqua PA will also provide laboratory testing services for compliance testing for which it or its affiliated lab is certified in a particular state, or for non-compliance testing where special testing services or a check on a local lab might be needed. Aqua PA will help evaluate pricing of local and regional laboratory services, provide competitive pricing where appropriate in negotiating pricing with contract laboratories, and will provide inspection and/or audits of contract labs where appropriate.

Aqua PA will provide services for the generation and distribution of Annual Water Quality Reports (CCR's) in compliance with state and federal requirements and will post and maintain these documents on the Aqua website. Aqua PA will also assist in drafting and/or editing required public notices and public educations material related to water quality.

O. Environmental Matters. Aqua PA may provide information on relevant current or pending environmental regulations. It will provide advice and consultation to assist in complying with current and proposed environmental standards set by federal or state agencies. It will provide technical assistance and general direction in selecting compliance strategies and evaluating alternatives for capital projects driven by environmental compliance and assist in providing responses to and coordination with public agencies to maintain or achieve compliance.

P. Legal. Aqua PA will provide legal services, including legal advice and representation on legal matters. Aqua PA will also provide oversight of outside council retained to represent Aqua Wastewater.

Q. Purchasing, Contracts and Sales of Real Estate. Aqua PA may (a) act as purchasing agent for Aqua Wastewater, so far as it is feasible, in the purchase of supplies, materials and

equipment for which Aqua Wastewater may submit a requisition through the purchasing system; (b) endeavor to secure prompt shipment and delivery items ordered; (c) provide Aqua Wastewater the benefit of cash, trade and quantity discounts obtained by Aqua PA with respect to items ordered for each; (d) keep in touch with market conditions and endeavor to recommend to Aqua Wastewater purchases at advantageous times; (e) negotiate purchases and sales of real estate and the terms of leases; (f) analyze quotations or competitive bids of suppliers or contractors submitted to Aqua Wastewater and make recommendations relative thereto; and (g) establish and assist in the administration of purchasing card accounts.

Via Electronic Filing

December 20, 2021

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105

Re: **Affiliated Interest Agreement between Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.**
Docket No. G-2021-3023736

Dear Secretary Chiavetta:

Enclosed please find the signed Affiliate Agreement between Aqua Pennsylvania, Inc., and Aqua Pennsylvania Wastewater, Inc. for filing in the above docket.

If you have any questions regarding this filing, please contact me by email at mmhopper@aquaamerica.com or at (610) 645-1170.

Sincerely,

Mary McFall Hopper

Mary McFall Hopper
Regulatory Counsel

Attachment

cc: Paul Zander –PUC Bureau of Technical Utility Services
Christine Hoover, Office of Consumer Advocate
Teresa Wagner, Office of Small Business Advocate
Richard Kanaskie – PUC Bureau of Investigation and Enforcement
Kelly Monaghan – PUC Bureau of Audits

AFFILIATED INTEREST AGREEMENT

This Affiliated Interest Agreement ("AIA") dated as of December 20, 2021, between Aqua Pennsylvania, Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 762 W. Lancaster Avenue, Bryn Mawr, PA 19010 (hereinafter "Aqua PA"), and Aqua Pennsylvania Wastewater, Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 762 W. Lancaster Avenue, Bryn Mawr, PA 19010, (hereinafter "Aqua Wastewater"), and collectively hereinafter referred to jointly as the "Parties" or individually as a "Party".

RECITALS

A. WHEREAS, Aqua PA and Aqua Wastewater are direct or indirect subsidiaries of Essential Utilities, Inc., a Pennsylvania corporation (hereinafter "Essential"); and

B. WHEREAS, Aqua PA is currently a wholly-owned direct subsidiary of Essential; and

C. WHEREAS, Aqua PA has been organized for and is presently engaged in the business of providing water services as a public utility in the Commonwealth of Pennsylvania; and

D. WHEREAS, Aqua PA maintains an organization whose officers and employees are familiar with the water and wastewater utility business, accounting and financial services, administration, communications, corporate secretarial, customer service and billing, engineering, financial, fleet services, human resources, information systems, operation, rates and regulatory, risk management, water quality, legal, and purchasing, contracts and sales of real estate of water and wastewater utilities. The officers and employees of Aqua PA are qualified to aid, assist and advise Aqua Wastewater in its business operations through the services to be performed under this

AIA listed in **Exhibit A**; and

E. WHEREAS, Aqua Wastewater is a wholly-owned indirect subsidiary of Essential; and

F. WHEREAS, Aqua Wastewater has been organized for and is presently engaged in the business of providing wastewater services as a public utility in the Commonwealth of Pennsylvania; and

G. WHEREAS, the Parties believe that it is in their interest to enter into an arrangement whereby Aqua PA may agree to purchase administrative, financial, management, and other services described herein, from Aqua Services, Inc. ("Service Company"), other Essential affiliates or third parties, which will be provided at the lower of cost or market; and

H. WHEREAS, Aqua Wastewater is entering into this AIA with Aqua PA to specifically define the types of services available to it as set forth in **Exhibit A** attached hereto and made a part hereof; and

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, Aqua PA and Aqua Wastewater agree as follows:

ARTICLE I
PERSONNEL AND SERVICES TO BE PROVIDED

1.1 During the term of this AIA as set forth in Article V and upon the terms and conditions hereinafter set forth, Aqua PA may provide to Aqua Wastewater administration, accounting and financial, administration, communication, corporate secretarial, customer service and billing, engineering, financial, fleet services, human resources, information systems, operations, rates and regulatory, risk management, water quality, legal and purchasing as set forth on **Exhibit A** attached hereto, provided, however, that Aqua Wastewater may perform any such services with its own personnel or engage another company or person to provide those services on

its behalf. Aqua PA may engage or subcontract with another company, including Service Company, or person to provide such services on its behalf.

1.2 Aqua PA shall employ qualified officers and employees to provide the services hereunder and those persons shall be available to serve as officers of Aqua Wastewater.

ARTICLE II
PAYMENT FOR SERVICES

2.1 In consideration for the services to be rendered by Aqua PA as herein provided, Aqua Wastewater agrees to pay to Aqua PA the cost of the services provided to it as determined as provided in this Article II and in Article III.

2.2 Directly Charged Services.

2.2.1 The costs for service rendered by Aqua PA personnel directly for Aqua Wastewater shall be charged based on such personnel's time sheets.

2.2.2 All direct expenses of Aqua PA incurred in connection with services rendered by Aqua PA, Service Company or third parties, which can reasonably be identified and related exclusively to Aqua Wastewater shall be charged directly to Aqua Wastewater.

2.3 Indirectly Charged Services.

2.3.1. For services that are made available by Aqua PA, or charged to Aqua PA by Service Company, which cannot be identified and are not related exclusively to Aqua PA or Aqua Wastewater, the cost for such services will be allocated between the Parties based on the ratio of the number of customers served by each of them at the most recent fiscal year end, subject to adjustment during any year for a substantial change in the number of customers of Aqua PA or Aqua Wastewater since the previous year-end.

2.3.2 The amount for an Aqua PA employee's costs to be billed shall be computed on the employee's total labor rate, including base pay and other compensation, payroll taxes and

fringe benefits (calculated on a per hour basis), plus a general overhead factor as set forth in Article III.

ARTICLE III
ALLOWANCE FOR OVERHEAD

3.1 In determining the cost for services rendered by Aqua PA to Aqua Wastewater as herein provided, there shall be added to the base pay rate of all officers and employees for whose services charges are to be made, a percentage sufficient to cover the overhead of Aqua PA, as defined below, allocable to each such officer or employee. The overhead shall be calculated each year and shall be based on the ratio of the total overhead of Aqua PA for the year to the total salaries of Aqua PA officers and employees for whose services charges are to be made to Aqua Wastewater. No general overhead or other markups by Aqua PA shall be added to costs incurred for services of consultants or other third parties employed by Aqua PA.

3.2 The term "overhead" shall include, but not be limited to:

3.2.1 building costs, lease costs, utilities, and other costs associated with office space and equipment, and

3.2.2 taxes other than payroll taxes.

ARTICLE IV
BILLING PROCEDURES AND BOOKS AND RECORDS

4.1 As soon as practicable after the last day of each month, Aqua PA shall render a bill to Aqua Wastewater for all amounts due from Aqua Wastewater for services and expenses for such month, computed pursuant to Article II and Article III. Such bills shall be in sufficient detail to show the charge for each service rendered. All amounts shall be paid by Aqua Wastewater within thirty (30) days after receipt of the bill.

4.2 Aqua PA agrees to keep its books and records, and to require Service Company or any other affiliate if providing services to Aqua Wastewater hereunder to keep their books and

records, available at all times for inspection by representatives of Aqua Wastewater or by regulatory bodies having jurisdiction over Aqua Wastewater during normal business hours and upon reasonable advance notice.

4.3 Aqua PA shall at any time, upon request of Aqua Wastewater, furnish any and all information required by Aqua Wastewater with respect to the services rendered by Aqua PA, Service Company or other affiliates hereunder, the costs thereof, and the allocation of such costs to Aqua Wastewater.

ARTICLE V
TERM OF AGREEMENT

5.1 This AIA shall become effective as of the later of (a) the date first set forth above or (b) the date the Parties receive the last of any necessary approvals of governmental regulatory agencies having jurisdiction over this AIA. Upon becoming effective, this AIA shall supersede all prior agreements, written or oral, which shall terminate on the date this AIA becomes effective. This AIA shall continue in full force and effect until terminated by either of the parties hereto giving the other party hereto thirty days' notice in writing; provided, however, that this AIA shall terminate as of the date Aqua PA or Aqua Wastewater ceases to be an affiliate of Essential.

5.2 Upon termination of the AIA without cause by Aqua Wastewater, Aqua PA shall continue to provide services to Aqua Wastewater at its request for a period of no more than sixty (60) days from and after the effective date of the termination to facilitate Aqua Wastewater's transition to another service provider. Such transition shall be provided on the same terms and conditions as set forth in this Agreement, including compensation.

ARTICLE VI
BREACH

6.1 Either Party to the AIA may terminate this AIA upon material breach by the other Party. The non-breaching Party shall provide written notice of such breach to the other Party by

certified mail, setting forth in detail the alleged failure and/or deficiency. If such breach is not corrected by the breaching Party within thirty (30) days from receipt of written notice by certified mail, this AIA shall thereupon terminate.

ARTICLE VII
OTHER AGREEMENTS

7.1 It is understood by Aqua Wastewater that Aqua PA has entered or may enter into similar agreements with other affiliates to which similar services are to be furnished. Aqua PA will not enter into agreements to perform similar services for other companies on terms more favorable than those provided herein.

ARTICLE VIII
INFORMATION EXCHANGE

8.1 Aqua Wastewater shall provide such information as required by Aqua PA for Aqua PA to perform is obligations hereunder. Aqua PA agrees on behalf of it and its employees and contractors that it will maintain such information as confidential and not disclose such information to third parties unless required by law and applicable regulatory agencies (including the Pennsylvania Public Utility Commission ("PAPUC")). Aqua PA's obligation of confidentiality will not apply to information which (a) is or becomes available to the public other than as a result of a disclosure by Aqua PA or its employees or contractors, (b) was in Aqua PA's possession and obtained on a non-confidential basis prior to its disclosure by Aqua Wastewater, or (c) becomes available to Aqua PA on a non-confidential basis from a person or entity other than Aqua Wastewater who Aqua PA does not know or have reason to know is under an obligation of confidentiality to Aqua Wastewater.

ARTICLE IX
GENERAL PROVISIONS

9.1 JOINT OBLIGATIONS OF THE PARTIES. Aqua PA and Aqua Wastewater agree to cooperate in all matters that are the subject of this AIA.

9.2 ARBITRATION. It is the stated purpose and goal of the Parties at all times to resolve any disputes and reach agreement by good faith negotiation between the Parties, without recourse to arbitration or other legal actions. In the event, however, that any such dispute cannot be settled through negotiation, either Party may request that the matter(s) in dispute be referred to arbitration. The demand for arbitration must be submitted to the American Arbitration Association within sixty (60) calendar days after the date of such request, in which case the arbitration shall be conducted at a mutually agreed upon location, in accordance with the rules and procedures then existing under the Commercial Arbitration rules of the American Arbitration Association, provided that notwithstanding anything to the contrary contained in such Rules the following shall apply: The arbitration board shall consist of a single arbitrator. The Parties shall endeavor to agree upon the single arbitrator. If the Parties fail to agree on a single arbitrator within twenty (20) business days, the arbitrator shall be selected by the American Arbitration Association or otherwise in accordance with such Rules. After the appointment of the arbitrator, the arbitrator shall meet as necessary for the purpose of reaching a determination in the dispute, and the decision of the arbitrator, submitted in writing, to the Parties shall be final and binding upon both Parties. Judgment upon any decision rendered by arbitrator may be entered in any court having jurisdiction. Each Party shall bear the expense of its own witnesses, and the expenses of the arbitrator and any general expenses of the arbitration shall be borne equally by the Parties.

9.3 FORCE MAJEURE. No Party will be in default or otherwise liable for any delay in or failure of its performance hereunder due to any act of God, adverse weather condition, fire,

flood, riot, strike, terrorism, accident, war, governmental requirement, inability to secure materials, labor or transportation, cable cut or other cause beyond the reasonable control of the affected Party.

9.4 STANDARD OF CARE. Aqua PA shall perform its services with that degree of care, diligence and professional skill and judgment which is normally exercised by professionals in its industry. Except as otherwise expressly set forth in this AIA, Aqua PA makes no warranties, representations or other agreements, expressed or implied with respect to this AIA and the services provided hereunder. Aqua PA's entire liability to Aqua Wastewater for any claim, loss, expense or damage under this AIA, including any claims for special, incidental, consequential, indirect or punitive damages shall in no event exceed the sums actually paid by Aqua Wastewater to Aqua PA during the most recent calendar year.

9.5 ASSIGNMENT. No Party may assign this AIA without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

9.6 GOVERNING LAW. This AIA shall be governed by and construed under the laws of the Commonwealth of Pennsylvania.

9.7 INDEMNIFICATION:

9.7.1 To the extent allowed by law, Aqua PA shall defend, indemnify and hold harmless Aqua Wastewater, its officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, other injury, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suits and actions (including reasonable attorney's fees), to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of Aqua PA or its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this AIA.

9.7.2 To the extent allowed by law, Aqua Wastewater shall defend, indemnify and hold harmless Aqua PA, its officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, other injury, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suite and actions (including reasonable attorney's fees), to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of Aqua Wastewater or its officers, employees, agents, contractors and subcontractors in connection with services provided pursuant to the terms of this AIA.

9.8 SEVERABILITY. Each provision of this AIA is severable from the whole, and if one provision is declared invalid, the other provisions shall remain in effect.

9.9 NO WAIVER. Failure by a Party to enforce any provision of this AIA, or the waiver thereof in any instance shall not be construed as a general waiver of rights.

9.10 NOTICES. Any notice given or made pursuant to this AIA will be effective only if in writing and delivered in person, by messenger, by overnight delivery, or by certified mail, return receipt to a Party at the address first written above.

9.11 COMPLETE AGREEMENT. The terms of this AIA constitute the entire agreement between the Parties concerning the subject matter hereof, and this AIA may be modified only in a writing signed by both Parties. This AIA and the exhibits incorporated herein shall be modified and/or amended only by writing signed by the Parties and shall not be effective until filed with and approved by applicable regulatory agencies, including the PAPUC.

9.12 TITLES AND HEADINGS. Titles and headings to sections or paragraphs herein are inserted merely for convenience of reference and are not intended to be a part of or to affect the meaning or interpretation of this AIA.

9.13 COUNTERPARTS. This AIA may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Aqua PA and Aqua Wastewater have caused this AIA to be signed in their respective corporate names by their respective Presidents or Vice Presidents, as of the day and year first above written.

AQUA PENNSYLVANIA, INC.

By: _____

Title: President

AQUA PENNSYLVANIA WASTEWATER, INC.

By: _____

Title: Vice President - Regulatory Accounting + Regional Controller

EXHIBIT A

SERVICES

Without limitation, services to be provided by Aqua PA will include the following:

A. Accounting and Financial Services. Aqua PA will oversee and assist in the preparation and implementation of accounting methods and procedures that conform to the requirements, rules and regulation of governmental authorities having jurisdiction over Aqua Wastewater and will oversee and assist in the preparation of Aqua Wastewater's monthly financial reports, annual reports and other reports, including those for any governmental authorities. Aqua PA will oversee and assist in the establishment and maintenance of current record keeping techniques; review accounting procedures, methods and forms; and evaluate systems of internal controls for receipt and disbursement of funds, materials and supplies, and other assets. Aqua PA will assist in the maintenance of accounting records as required by Aqua Wastewater. Aqua PA will oversee the work of and cooperate and consult with any independent certified public accountant for Aqua Wastewater. Aqua PA will also provide services related to accounts payable, payroll, utility plant accounting, consolidation, SEC reporting/filing, ratemaking, regulatory relations, cash management, capital structure management, capital budgeting and allocation, operating budgeting and long-range planning.

Aqua PA will assist in the preparation of operating and construction budgets and monitor the control over such budgets by comparing experienced costs to the projections.

Aqua PA will prepare or assist in the preparation of federal, state and local tax returns for and to the extent required by Aqua Wastewater.

B. Administration. Aqua PA will assist in the performance of Aqua Wastewater's corporate activities. Those employees will keep themselves informed on Aqua Wastewater's

operations. They will make recommendations to Aqua Wastewater for operating expenditures and for additions to and improvements of property, plant and equipment. They will keep abreast of economic, regulatory, governmental and operational developments and conditions that may affect Aqua Wastewater and advise Aqua Wastewater of such developments and conditions to the extent that they may be important to them.

Aqua PA will provide an internal audit staff for periodic audits of accounts, records, policies and procedures of Aqua Wastewater and submit reports thereon.

C. Communications. Aqua PA will recommend procedures to promote satisfactory relations with employees, customers, communities and the general public and assist in the preparation of communication materials, (including press releases, brochures, audio visual presentations and speeches) plant tours, public exhibits and displays and other related services to inform the public.

D. Corporate Secretarial. Aqua PA will maintain, in such places and manner as may be required by applicable law, corporate documents of Aqua Wastewater, such as minute books, charters, bylaws, contracts, deeds and other corporate records. It will maintain, or arrange for the maintenance of, records of stockholders of Aqua Wastewater and perform other corporate secretarial functions as required including preparation of notices of stockholder and director meetings and the minutes thereof.

Aqua PA will review and may assist in the preparation of documents and reports required by Aqua Wastewater such as deeds, easements, contracts, charters, franchises, trust indentures and regulatory reports and filings.

E. Customer Service and Billing. Aqua PA may provide customer service and billing services to Aqua Wastewater including live and automated telephone service to customers,

non-telephonic services (including regular mail, facsimile, e-mail and Internet based), rendering of periodic bills and notices to customers based on Aqua Wastewater's tariffs, collections, assisting customers with water service changes, resolving customer disputes, work order distribution, remittance processing and data input to the customer information system.

F. Engineering. Aqua PA may provide engineering consulting regarding, and provide engineering services in connection with, the design, permitting and constructing of utility facilities.

Aqua PA may conduct facility planning, hydraulic analyses and prepare or review maps, charts, operating statistics, reports and other pertinent data, as needed to support these engineering services. It may assist in the protection of their properties by periodic inspection of their structures, including, as applicable, tanks reservoirs, dams, wells and electrical and mechanical equipment.

The engineering services provided by Aqua PA may also include the conduct of field investigations as necessary to obtain engineering information and, when required, the preparation of studies, reports, designs, drawings, cost estimates, specifications, and contracts for the construction of additions to or improvements of sources of supply, treatment plants, pumping stations, collection and distribution systems, and such other facilities as may be requested. Aqua PA may provide a materials management program to arrange for the purchase of equipment, materials, and supplies in volume on a basis advantageous to Aqua Wastewater and assist in the evaluation of new and existing products and application procedures.

G. Financial. Aqua PA will assist in the development and implementation of financing programs for Aqua Wastewater, including the furnishing of advice from time to time on securities market conditions and the form and timing of financing; advice concerning arrangements for the sale of securities; and assistance in the preparation of necessary papers, documents, registration

statements, prospectuses, petitions, applications and declarations. Aqua PA will prepare reports to be filed with, and reply to inquiries made by, security holders and bond and mortgage trustees.

Aqua PA will assist Aqua Wastewater in treasury and cash management functions, including arrangements for bank credit lines, establishment of collection policies, and development of temporary investment programs.

H. Fleet Services. Aqua PA may provide various fleet management services, including assistance with vehicle ordering and leasing, fuel card management, vehicle maintenance support and oversight, vehicle signage, vehicle tides and driver training.

I. Human Resources. Aqua PA will assist in obtaining qualified personnel in establishing appropriate rates of pay for those employees, and in negotiating with bargaining units, if any, representing employees. Aqua PA will recommend and/or carry out training programs for the development of personnel and advise and assist Aqua Wastewater regarding personnel issues and human resource policies and procedure. It will also advise and assist Aqua Wastewater in regard to group employee insurance, pension and benefit plans and in the drafting or revising of those plans when required. It will provide advice regarding employment and benefit laws and procedures and assist in implementing controls for compliance with such laws.

J. Information Systems. Aqua PA will make available to Aqua Wastewater electronic data processing systems, networks, applications and services. Aqua Wastewater will design, implement and maintain a computer network, data communications system, database and applications services, desktop and laptop computers, and peripheral equipment along with periodic upgrades, data backups and recovery procedures for the benefit of Aqua Wastewater.

K. Operation. Aqua PA may develop and assist in' the implementation of operating procedures to promote the efficient and economic operation of Aqua Wastewater. Periodic

operational reviews may be performed by Aqua PA personnel and recommendations for improvements will be reported to Aqua Wastewater.

L. Rates and Regulatory. Aqua PA personnel will make recommendations for changes in rates, tariffs, rules and regulations and will assist in the conduct of proceedings before, and in their compliance with the rulings of, regulatory bodies having jurisdiction over their operations. These personnel will keep abreast of economic and regulatory developments and conditions that may affect Aqua Wastewater and advise Aqua Wastewater of developments and conditions to the extent that they may be important to Aqua Wastewater. Aqua PA Rates and Regulatory personnel will assist in the preparation of rate filings, or applications and the supporting documents and exhibits requested or required by regulatory commissions. Aqua PA will also provide qualified personnel to testify as required during any regulatory proceedings.

M. Risk Management. Aqua PA will provide risk management services to review the exposures to accidental loss, recommend methods of protection, either through the purchase of insurance, self-insurance or other risk management techniques and arrange for the purchase of insurance coverage. Aqua PA will also supervise the investigation of claims and assist in the negotiation and settlement of such claims at the request of Aqua Wastewater. It will assist, as requested by Aqua Wastewater, in the establishment of safety and security programs.

N. Water Quality. Aqua PA will provide information to Aqua Wastewater on relevant current or pending water quality, drinking water, and other environmental regulations. It will review water quality data and provide advice and consultation to assist Aqua Wastewater in complying with current and proposed water quality standards set by federal or state agencies. It will provide technical assistance and general direction for Aqua Wastewater personnel on water quality issues, assist in selecting compliance strategies and evaluating alternatives for capital

projects driven by environmental compliance or water quality, and assist in providing responses to and coordination with public agencies to maintain or achieve compliance.

Aqua PA will also provide laboratory testing services for compliance testing for which it or its affiliated lab is certified in a particular state, or for non-compliance testing where special testing services or a check on a local lab might be needed. Aqua PA will help evaluate pricing of local and regional laboratory services, provide competitive pricing where appropriate in negotiating pricing with contract laboratories, and will provide inspection and/or audits of contract labs where appropriate.

Aqua PA will provide services for the generation and distribution of Annual Water Quality Reports (CCR's) in compliance with state and federal requirements and will post and maintain these documents on the Aqua website. Aqua PA will also assist in drafting and/or editing required public notices and public educations material related to water quality.

O. Environmental Matters. Aqua PA may provide information on relevant current or pending environmental regulations. It will provide advice and consultation to assist in complying with current and proposed environmental standards set by federal or state agencies. It will provide technical assistance and general direction in selecting compliance strategies and evaluating alternatives for capital projects driven by environmental compliance and assist in providing responses to and coordination with public agencies to maintain or achieve compliance.

P. Legal. Aqua PA will provide legal services, including legal advice and representation on legal matters. Aqua PA will also provide oversight of outside council retained to represent Aqua Wastewater.

Q. Purchasing, Contracts and Sales of Real Estate. Aqua PA may (a) act as purchasing agent for Aqua Wastewater, so far as it is feasible, in the purchase of supplies, materials and

equipment for which Aqua Wastewater may submit a requisition through the purchasing system; (b) endeavor to secure prompt shipment and delivery items ordered; (c) provide Aqua Wastewater the benefit of cash, trade and quantity discounts obtained by Aqua PA with respect to items ordered for each; (d) keep in touch with market conditions and endeavor to recommend to Aqua Wastewater purchases at advantageous times; (e) negotiate purchases and sales of real estate and the terms of leases; (f) analyze quotations or competitive bids of suppliers or contractors submitted to Aqua Wastewater and make recommendations relative thereto; and (g) establish and assist in the administration of purchasing card accounts.

Contract Services Agreement

AFFILIATED INTEREST AGREEMENT

This Affiliated Interest Agreement dated as of _____, 20__, between Aqua Resources, Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 762 W. Lancaster Avenue, Bryn Mawr, PA 19010 (hereinafter "Aqua Resources"), and Aqua Pennsylvania, Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 762 W. Lancaster Avenue, Bryn Mawr, PA 19101 (hereinafter "Aqua PA") and collectively hereinafter referred to jointly as the "Parties" or individually as a "Party".

RECITALS

1. WHEREAS, both Aqua Resources and Aqua PA are direct or indirect subsidiaries of Aqua America, Inc., a Pennsylvania corporation (hereinafter "Aqua America"); and
2. WHEREAS, Aqua PA has been organized for and is presently engaged in the business of providing water and/or wastewater services as a public utility in the Commonwealth of Pennsylvania (hereinafter Aqua PA and any of its subsidiaries that are also engaged in the business of providing water and/or wastewater services as a public utility are collectively referred to in this Agreement as Aqua PA); and
3. WHEREAS, Aqua Resources provides various wastewater and sludge services as set forth in Appendix A hereto to water and wastewater utilities (the "Services"); and
4. WHEREAS, Aqua PA may from time to time request from Aqua Resources, and Aqua Resources may agree to provide, certain of the Services and the Parties are entering into this

Agreement to specifically define the terms by which Aqua Resources may provide such Services to Aqua PA.

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, Aqua Resources and Aqua PA agree as follows:

ARTICLE I. PERSONNEL AND SERVICES TO BE PROVIDED

1.1 During the term of this Agreement as set forth in Article V and upon the terms and conditions hereinafter set forth, Aqua PA may request that Aqua Resources provide certain of the Services set forth in Appendix A. Aqua Resources may also provide the Services on its own or may engage or subcontract with another company or person to provide part or all of the Services on its behalf.

1.2 Aqua Resources shall employ qualified employees to provide the Services hereunder.

1.3 Aqua PA may engage or subcontract with other companies or persons to provide portions of the Services at the lower of cost or market hereunder or may perform such Services itself and is under no obligation to engage Aqua Resources to perform any of the Services.

ARTICLE II. PAYMENT FOR SERVICES

2.1 The services to be rendered under this agreement are to be rendered by Aqua Resources to Aqua PA at the lower of cost or market. In consideration for the services rendered by Aqua Resources to Aqua PA as herein provided, Aqua PA agrees to pay to Aqua Resources the charges for the Services which are at the lower of cost or market as set forth in Appendix B, or such amendments and supplements to Appendix B as the Parties may agree to.

2.2 Aqua Resources agrees that the charges for the Services performed for Aqua PA shall be at the lower of cost or market and no greater than the charges Aqua Resources charges for the same Services rendered to other Aqua Resources customers.

ARTICLE III. BILLING PROCEDURES AND BOOKS AND RECORDS

3.1 As soon as practicable after the last day of each month, Aqua Resources shall render a bill to Aqua PA for all amounts due from Aqua PA for the Services provided by Aqua Resources during the preceding month, computed pursuant to Appendix B. Such bills shall be in sufficient detail to show the charge for each service rendered. All amounts shall be paid by Aqua PA within thirty (30) days after Aqua Resource's receipt of the bill.

3.2 Aqua Resources agrees to keep its books and records available at all times for inspection by representatives of Aqua PA during normal business hours and upon reasonable advance notice.

3.3 Aqua Resources shall at any time, upon request of Aqua PA, furnish any and all information required by Aqua PA with respect to the services rendered by Aqua Resources.

ARTICLE IV. TERM OF AGREEMENT

4.1 This Agreement shall become effective as of the later of (a) the date first set forth above or (b) the date the Parties receive the last of any necessary approval of governmental regulatory agencies having jurisdiction over this agreement. This Agreement shall supersede all prior agreements, written or oral, which shall terminate on the date this Agreement becomes effective. This Agreement shall continue in full force and effect until terminated by either of the Parties hereto giving the other Party hereto thirty (30) days' prior notice in writing; provided,

however, that this Agreement shall terminate as of the date Aqua PA or Aqua Resources ceases to be an affiliate of Aqua America.

ARTICLE V. BREACH

5.1 Either Party to the Agreement may terminate this Agreement upon material breach by the other Party. The non-breaching Party shall provide written notice of such breach to the other Party by certified mail, setting forth in detail the alleged failure and/or deficiency. If such breach is not corrected by the breaching Party within thirty (30) days from receipt of written notice by certified mail, this Agreement shall thereupon terminate.

ARTICLE VI. OTHER AGREEMENTS

6.1 It is understood by Aqua PA that Aqua Resources may enter into agreements with other customers for the same or similar services. If such agreements are entered into, they must be submitted to the Pennsylvania Public Utility Commission as provided in statute and regulation as necessary. Aqua Resources will not enter into agreements to perform similar services for other companies on terms more favorable than those provided herein.

ARTICLE VII. INFORMATION EXCHANGE

7.1 Aqua PA shall provide such information as required by Aqua Resources for Aqua Resources to perform is obligations hereunder. Aqua Resources agrees on behalf of it and its employees and contractors that it will maintain any such information that is designated as confidential by Aqua PA as confidential and not disclose such information to third parties. Aqua Resources' obligation of confidentiality will not apply to information which (a) is or becomes available to the public other than as a result of a disclosure by Aqua Resources or its employees or

contractors, (b) was in Aqua Resources' possession and obtained on a non-confidential basis prior to its disclosure by Aqua PA, or (c) becomes available to Aqua Resources on a non-confidential basis from a person other than Aqua PA who Aqua Resources does not know or have reason to know is under an obligation of confidentiality to Aqua PA.

ARTICLE VIII. GENERAL PROVISIONS

8.1 JOINT OBLIGATIONS OF THE PARTIES. Aqua Resources and Aqua PA agree to cooperate in all matters that are the subject of this Agreement.

8.2 ARBITRATION. It is the stated purpose and goal of both Parties at all times to resolve any disputes and reach agreement by good faith negotiation between the Parties, without recourse to arbitration or other legal actions. In the event, however, that any such dispute cannot be settled through negotiation, either Party may request that the matter(s) in dispute be referred to arbitration. The demand for arbitration must be submitted to the American Arbitration Association within sixty (60) calendar days after the date of such request, in which case the arbitration shall be conducted at a mutually agreed upon location, in accordance with the rules and procedures then existing under the Commercial Arbitration rules of the American Arbitration Association, provided that notwithstanding anything to the contrary contained in such Rules the following shall apply: The arbitration board shall consist of a single arbitrator. The Parties shall endeavor to agree upon the single arbitrator. If the Parties fail to agree on a single arbitrator within twenty (20) business days, the arbitrator shall be selected by the American Arbitration Association or otherwise in accordance with such Rules. After the appointment of the arbitrator, the arbitrator shall meet as necessary for the purpose of reaching a determination in the dispute, and the decision of the arbitrator, submitted in writing, to the Parties shall be final and binding upon both Parties. Judgment upon any decision rendered by the arbitrator may be entered in any court having

jurisdiction. Each Party shall bear the expense of its own witnesses, and the expenses of the arbitrator and any general expenses of the arbitration shall be borne equally by the Parties.

8.3 FORCE MAJEURE. Neither Party will be in default or otherwise liable for any delay in or failure of its performance hereunder due to any act of God, adverse weather condition, fire, flood, riot, strike, terrorism, accident, war, governmental requirement, inability to secure materials, labor or transportation, cable cut or other cause beyond the reasonable control of the affected party.

8.4 STANDARD OF CARE. Aqua Resources shall perform its services with that degree of care, diligence and professional skill and judgment which is normally exercised by professionals in its industry. Except as otherwise expressly set forth in this Agreement, Aqua Resources makes no warranties, representations or other agreements, expressed or implied with respect to this Agreement and the services provided hereunder.

8.5 ASSIGNMENT. Neither Party may assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

8.6 GOVERNING LAW. This Agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania and the Pennsylvania Public Utility Commission.

8.7 INDEMNIFICATION:

8.7.1 To the extent allowed by law and as limited by this Agreement, Aqua Resources shall defend, indemnify and hold harmless Aqua PA, its officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suit and actions (including reasonable attorney's fees), for personal injury, including death, property damage or other injury, to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of Aqua Resources or its

officers, employees, agents, contractors and subcontractors in connection with the Services provided pursuant to the terms of this Agreement.

8.7.2 To the extent allowed by law and as limited by this Agreement, Aqua PA shall defend, indemnify and hold harmless Aqua Resources, its officers, directors, employees and agents from and against any and all liability, including liability to third parties, for personal injury, including death, property damage, or other actions, damages, fines, penalties, claims, demands, judgments, losses, costs, expenses, suit and actions (including reasonable attorney's fees), for personal injury, including death, property damage or other injury, to the extent caused by or arising out of negligence or wrongful or willful misconduct on the part of Aqua PA or its officers, employees, agents, contractors and subcontractors in connection with the Services provided pursuant to the terms of this Agreement.

8.7.3 Aqua Resources' and Aqua PA's entire liability to the other for any claim, loss, expense or damage under this Agreement, including any claims for indemnification, and including any claims for special, incidental, consequential, indirect or punitive damages, shall in no event exceed the amount actually paid by Aqua PA to Aqua Resources during the most recent calendar year.

8.8 SEVERABILITY. Each provision of this Agreement is severable from the whole, and if one provision is declared invalid, the other provisions shall remain in effect.

8.9 NO WAIVER. Failure by a Party to enforce any provision of this Agreement, or the waiver thereof in any instance, shall not be construed as a general waiver of rights.

8.10 NOTICES. Any notice given or made pursuant to this Agreement will be effective only if in writing and delivered in person, by messenger, by overnight delivery, or by certified mail, return receipt requested as follows:

IF TO AQUA RESOURCES, INC.
Aqua Resources, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010
Attention: President

IF TO AQUA PENNSYLVANIA, INC.
Aqua Pennsylvania, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010
Attention: President

8.11 COMPLETE AGREEMENT. The terms of this Agreement constitute the entire agreement between the Parties concerning the subject matter hereof, and this Agreement may be modified only in a writing signed by both Parties. This Agreement and the exhibits incorporated herein shall be modified and/or amended only by writing signed by both Parties and shall not be effective until filed with and approved by applicable regulatory agencies, including the Pennsylvania Public Utility Commission.

8.12 TITLES AND HEADINGS. Titles and headings to sections or paragraphs herein are inserted merely for convenience of reference and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

8.13 COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Aqua Resources and Aqua PA have caused this Agreement to be signed in their respective corporate names by their respective Presidents or Vice Presidents, as of the day and year first above written.

AQUA RESOURCES, INC

By: _____

Title: President

AQUA PENNSYLVANIA, INC.

By: _____

Title: PRESIDENT

APPENDIX A
Contract Services Agreement
Between
Aqua Pennsylvania, Inc.
and
Aqua Resources, Inc.

Aqua Resources provides the following services to Aqua Pennsylvania:

Wastewater sludge hauling; reseeding; digester, lagoon, filter, tank cleaning
Pit, vault & wet well cleaning
Sewer cleaning, televising & inspection; manhole inspection & repair; pump, valve, etc. maintenance & repair
Water main leak detection
Portable restroom rental
Water & wastewater treatment plant operation & maintenance
Construction • Pump stations • Water & wastewater treatment facilities • On-lot septic systems • Backflow device installation • Meter vault/pit installation • Sewer & water line connections
Cross Connection Control Program Management

APPENDIX B
To
Contract Services Agreement
Between
Aqua Pennsylvania, Inc. and Aqua Resources, Inc.

Aqua Resources Price Guide

Equipment	Rate*
Televising • Lateral push camera with operator (for 2 - 6 inch pipe and 150 feet in length) • Van with 2 man crew (minimum 8 inch pipe)	 $185.00 for first hour, $85.00 for each additional hour. $170.00 per hour, minimum 4 hours
Jetting (for sewer, tank or pit cleaning) • Trailer with 2 man crew (minimum 2 inch pipes) • Truck with 2 man crew (based in Souderton for tank/pit cleaning)	 $160.00 per hour, minimum 4 hours $170.00 per hour
Standard Vacuum pumper with operator	$125.00 per hour
High Vacuum pumper with 2 man crew	$250.00 per hour
Dump Truck (6 wheel) with operator	$104.00 per hour
Backhoe/Loader with operator	$114.00 per hour
Bobcat with operator	$114.00 per hour
Track hoe with operator	$114.00 per hour
Right-of-way clearing with 2 man crew	$250.00 per hour
Excavation with 4 man crew (Backhoe with operator, dump truck with operator, mechanic foreman & mechanic helper; includes mobilization/demobilization)	$375.00 per hour; $3,000.00 per day
Traffic control with 2 man crew (signs, cones, radios) Lighted board	$140.00 per hour $175.00 per day; $800.00 per week

* Services with operator include travel time, minimum 4 hours, and are based on an equipment charge plus labor rate of personnel required for the equipment.

Labor Classification	Hourly Rate
Construction/Repair Foreman	$90.00
Mechanic Foreman	$90.00
Master Plumber	$90.00
Mechanic	$85.00
Mechanic Helper	$80.00
Electrician	$90.00
Electrician Apprentice/Helper	$85.00
Laborer	$65.00
Confined Space Entry (3 man crew)	$260.00

Overtime rate (other than weekdays 7:30 AM – 4:30 PM)	1.5 times the above rates
Emergency call-out rate (night, weekend, holiday)	$125.00 plus the overtime rate
Required materials	Cost + 20%

Cross Connection Control Management $14.05 per customer connection

Company 9200 & 9210 Annual Billings
Calendar Year 2023
Aqua Pennsylvania

Service & Sundry

Category	January	February	March	April	May	June	July	August	September	October	November	December	Total
Accounting & Financial	267,284	189,757	279,086	301,945	304,629	298,656	237,422	247,909	213,036	342,001	216,217	330,882	**3,228,824**
Administration	619,977	612,954	700,692	603,877	656,275	605,159	589,930	609,623	594,531	656,780	587,966	1,429,547	**8,267,310**
Communications	75,375	8,710	74,948	32,350	90,140	83,413	44,195	51,539	37,494	34,872	20,046	72,604	**625,686**
Environmental Compliance	28,126	12,085	19,462	20,836	20,873	21,617	10,213	14,289	12,296	14,242	12,202	19,812	**206,053**
Engineering	22,480	14,368	18,502	13,150	28,785	43,007	31,545	20,291	51,247	31,235	46,590	78,547	**399,747**
Fleet	13,340	14,002	16,124	12,851	14,034	15,952	11,075	13,873	9,817	18,312	16,221	32,792	**188,393**
Human Resources	222,281	91,038	216,448	230,534	127,464	214,404	162,172	227,424	139,222	193,776	294,829	345,404	**2,464,996**
Information Services	489,008	379,290	516,046	446,346	486,983	386,925	425,795	449,063	442,387	514,485	405,470	666,719	**5,608,519**
Legal	82,166	59,905	82,890	48,746	92,071	65,958	50,542	49,651	52,068	68,417	95,699	126,420	**874,534**
Purchasing	14,493	14,764	17,281	14,515	16,699	14,904	15,615	17,402	14,477	15,927	15,135	14,208	**185,420**
Shareholder	27,606	9,891	195,793	39,816	18,219	250,557	19,553	30,834	52,846	48,563	24,246	130,559	**848,481**
Aqua Customer Operations	494,456	471,057	496,989	463,546	523,335	484,712	474,405	555,609	506,981	527,455	538,873	521,129	**6,058,548**
Total	**2,356,592**	**1,877,821**	**2,634,261**	**2,228,511**	**2,379,506**	**2,485,264**	**2,072,462**	**2,287,507**	**2,126,403**	**2,466,065**	**2,273,495**	**3,768,621**	**28,956,509**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE7. Describe costs relative to leasing equipment, computer rentals, and office space, including terms and conditions of the lease. Explain the method of calculating monthly or annual payments. If allocated from the parent company, provide the method of allocation.

A. The Company leases certain types of equipment. Copies of the lease agreements are not included herein. However, they are available for inspection at the Company's main office.

The method for calculation of monthly payments is fixed by contract. No leasing costs are allocated from the parent company.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE8. Submit detailed calculations (or best estimates) of the cost resulting from storm damage.

A. The Company incurred no costs resulting from storm damage during the historic test year.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE9. Submit details of expenditures for advertising (national, institutional and local media). Provide a schedule of advertising expense by media categories for the historic test year and the prior two comparable years with respect to:

a. Public health and safety.

b. Conservation of energy.

c. Explanation of billing practices, rates, rules and regulations.

d. Provision of factual and objective data programs in educational institutions.

e. Other advertising programs.

f. Total advertising expense.

A.

	FOR THE TWELVE MONTHS ENDED		
	12/31/2021	12/31/2022	12/31/2023
Water			
a. Public Health and Safety	$ 279,828	$ 224,946	$ 242,361
b. Conservation of energy	$ -	$ -	$ -
c. Explanation of billing practices, rates, rules and regulations	$ -	$ -	$ -
b. Provision of Factual and Objective Data Programs	$ -	$ -	$ -
e. Other Advertising Programs	$ 32,173	$ 5,920	$ 43,990
f. Total	$ 312,000	$ 230,866	$ 286,351
Wastewater			
a. Public Health and Safety	$ -	$ -	$ -
b. Conservation of energy	$ -	$ -	$ -
c. Explanation of billing practices, rates, rules and regulations	$ -	$ -	$ -
b. Provision of Factual and Objective Data Programs	$ -	$ -	$ -
e. Other Advertising Programs	$ -	$ 1,686	$ -
f. Total	$ -	$ 1,686	$ -

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE10. Prepare a detailed schedule for the historic test year showing types of social and service organization memberships paid for by the company and the cost thereof.

A. Please see the Company's response to OE24.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE11. Submit a schedule showing a breakdown by the expenditures associated with outside services employed, regulatory commission expenses, showing expenses relating to rate cases separately, and miscellaneous general expenses, for the historic test year and prior 2 comparable years.

A. Please see the Company's response to OE1 for a breakdown of expenses and below for Regulatory Commission Expense - Assessment Fees.

	FOR THE TWELVE MONTHS ENDED		
	12/31/2021	12/31/2022	12/31/2023
Water			
PA Public Utility Commission Fees	$ 2,107,855	$ 2,247,371	$ 2,281,058
Office of the Consumer Advocate Fees	$ 728,216	$ 708,351	$ 798,140
Small Business Association Fees	$ 116,961	$ 148,777	$ 148,033
Damage Prevention Committee	$ 25,649	$ 33,096	$ 13,700
Total	$ 2,978,681	$ 3,137,595	$ 3,240,931

	12/31/2021	12/31/2022	12/31/2023
Wastewater			
PA Public Utility Commission Fees	$ 122,352	$ 161,246	$ 215,760
Office of the Consumer Advocate Fees	$ 42,006	$ 50,496	$ 77,892
Small Business Association Fees	$ 7,074	$ 10,266	$ 14,250
Damage Prevention Committee	$ 1,614	$ 2,346	$ 1,050
Total	$ 173,046	$ 224,354	$ 308,952

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE12. Submit details of information covering research and development expenditures, by project, within the company and note forecasted company programs.

A. Most of the Company's research activities are conducted under the direction of the Laboratory Manager.

Aqua Pennsylvania's central laboratory explores analytical methods and evaluates new products, technology, and data from pilot studies of promising treatment processes. Staff participate in projects undertaken by the Water Research Foundation (WaterRF). They review published research and proposed regulations and legislation to keep ahead of regulations and to apply cost-effective technologies to source water and treatment issues.
The laboratory is equipped gas chromatograph (GC) and gas chromatograph/mass spectrometer (GC/MS) instruments for analysis of trace organic contaminants in raw and treated water. Implementation of Solid Phase Microextraction (SPME) analysis of part-per-trillion levels of taste and odor compounds increased productivity for these analyses almost three-fold over previous methods. The laboratory also uses a state-of-the-art liquid chromatograph/mass spectrophotometer to monitor for future contaminants under consideration by EPA. EPA requires Aqua to monitor for unregulated contaminants in advance of rulemaking via the Unregulated Contaminant Monitoring Rule. This equipment allows us to monitor for PFOA and PFOS chemicals which were regulated by PADEP in 2023 and EPA in 2024. This has allowed detailed investigation of source water conditions and treatment processes with quick sample turnaround and to take legal action against the polluters.
This monitoring work evaluates distribution system water quality, helping the company prioritize capital investments in distribution system infrastructure improvements to meet current and future proposed regulations. This includes monitoring for implementation the upcoming Revised Lead and Copper Rule, the proposed Lead and Copper Rule Improvements, and Unregulated Contaminant Monitoring Rule 5 in 2023 through 2025. We have participated in research projects to better understand testing methods for Legionella in drinking water. The past several years a PA legislator has proposed legislation requiring Legionella testing in drinking water statewide.
The Company is a subscriber to WaterRF and supports research in many areas through subscription fees.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE13. Provide a detailed schedule of all charitable and civic contributions by recipient and amount for the historic test year.

A. Please see the attached.

Aqua Pennsylvania, Inc.
2024 Rate Case
Minimum Filing Requirements: OE-13

Charitable and Civic Contributions

Date	Charitable Organization	Primary Giving Category	Amt Disbursed
1/4/2023	Williamson College of the Trades	Education (ED)	$ 7,500.00
1/4/2023	Norristown Islamic Society	Community, Economic Growth/Development (C, EG/D)	$ 500.00
1/4/2023	Ann's Heart	Health and Human Service (H/HS)	$ 500.00
1/4/2023	Water for People	Health and Human Service (H/HS)	$ 500.00
1/4/2023	Arc Alliance, The	Health and Human Service (H/HS)	$ 500.00
1/4/2023	Main Line Animal Rescue	Community, Economic Growth/Development (C, EG/D)	$ 100.00
1/13/2023	Bonner Baseball	Education (ED)	$ 10,000.00
1/30/2023	Franklin Institute, The	Education (ED)	$ 25,000.00
1/30/2023	Franklin Institute, The	Education (ED)	$ 25,000.00
1/30/2023	Walnut Street Theatre	Community, Economic Growth/Development (C, EG/D)	$ 15,000.00
1/30/2023	Encore Series, Inc.	Community, Economic Growth/Development (C, EG/D)	$ 10,000.00
1/30/2023	Chester County Historical Society	Education (ED)	$ 10,000.00
1/30/2023	Cradles to Crayons	Health and Human Service (H/HS)	$ 10,000.00
1/30/2023	American Red Cross	Health and Human Service (H/HS)	$ 10,000.00
1/30/2023	Union League Legacy Foundation, The	Education (ED)	$ 2,575.00
2/9/2023	Cobbs Creek Restoration and Community Founda	Community, Economic Growth/Development (C, EG/D)	$ 1,000,000.00
2/9/2023	WXPN	Diversity and Inclusion (D/I)	$ 10,000.00
2/9/2023	Horizons at The Episcopal Academy	Education (ED)	$ 10,000.00
2/9/2023	Natural Lands	Environment	$ 10,000.00
2/9/2023	Congreso de Latinos Unidos	Diversity and Inclusion (D/I)	$ 5,500.00
2/9/2023	Laurel House	Health and Human Service (H/HS)	$ 5,000.00
2/9/2023	Keystone Human Services	Health and Human Service (H/HS)	$ 3,000.00
2/9/2023	Veterans Multi-Service Center	Health and Human Service (H/HS)	$ 2,000.00
2/9/2023	Athens Township Volunteer Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Bristol Consolidated Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Bristol Fire Co Station 51	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Bryn Mawr Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Glenside Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Goshen Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Honesdale Fire Department	Emergency Services (EMS)	$ 1,000.00
2/9/2023	King of Prussia Volunteer Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	New Hanover Township Volunteer Fire & Rescue	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Parkland Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Rocky Run Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Rose Tree Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Sandy Township Fire Department	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Shamokin Bureau of Fire	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Sharon Fire Department	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Springfield Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Valley Forge Fire Co.	Emergency Services (EMS)	$ 1,000.00
2/9/2023	West Bradford Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	White Haven Fire Department	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Willow Grove Fire Company	Emergency Services (EMS)	$ 1,000.00
2/9/2023	Friends of Heinz Refuge	Environment	$ 1,000.00
2/9/2023	White Haven Area Community Library	Education (ED)	$ 500.00
2/15/2023	West Chester University Foundation	Education (ED)	$ 2,000.00
3/6/2023	Roman Catholic High School	Community, Economic Growth/Development (C, EG/D)	$ 5,000.00
3/10/2023	Pennsylvania Horticultural Society	Environment	$ 75,000.00
3/10/2023	Villanova University	Health and Human Service (H/HS)	$ 30,000.00
3/10/2023	Chester-Ridley-Crum Watersheds Association	Environment	$ 18,000.00
3/10/2023	Perkiomen Watershed Conservancy	Environment	$ 7,500.00
3/10/2023	City Year Philadelphia	Education (ED)	$ 5,000.00
3/10/2023	Salvation Army of Philadelphia	Health and Human Service (H/HS)	$ 5,000.00
3/10/2023	Leukemia & Lymphoma Society	Health and Human Service (H/HS)	$ 2,500.00
3/10/2023	Perkiomen Valley Trout Unlimited	Environment	$ 2,436.00
3/10/2023	Brandywine Red Clay Alliance	Environment	$ 2,000.00
3/10/2023	Darby Creek Valley Association	Environment	$ 1,500.00
3/10/2023	Lacawac Sanctuary & Field Station	Environment	$ 1,000.00
3/10/2023	Friends of Green Lane Park	Environment	$ 1,000.00
3/10/2023	Minority Health Center	Health and Human Service (H/HS)	$ 500.00
3/10/2023	Open Link, The	Health and Human Service (H/HS)	$ 250.00

Date	Charitable Organization	Primary Giving Category	Amt Disbursed
3/27/2023	Boy Scouts of America, Washington Crossing Cou	Education (ED)	$ 5,000.00
3/27/2023	Angel Flight East	Health and Human Service (H/HS)	$ 2,500.00
3/27/2023	Citizens Crime Commission	Emergency Services (EMS)	$ 2,200.00
3/27/2023	Delaware County Transportation Mgt Assoc	Community, Economic Growth/Development (C, EG/D)	$ 1,500.00
3/27/2023	Wissahickon Trails	Environment	$ 1,250.00
3/27/2023	Main Line Meals on Wheels	Health and Human Service (H/HS)	$ 1,000.00
3/27/2023	Greater Glenside Patriotic Association	Community, Economic Growth/Development (C, EG/D)	$ 1,000.00
3/27/2023	Kelly Music For Life	Community, Economic Growth/Development (C, EG/D)	$ 1,000.00
3/27/2023	West Chester University Foundation	Education (ED)	$ 700.00
4/5/2023	TREASURER OF LOWER MERION TWP (Bryn M	Community, Economic Growth/Development (C, EG/D)	$ 1,000.00
4/6/2023	World Affairs Council of Philadelphia	Education (ED)	$ 5,500.00
4/6/2023	Michael G. Fitzpatrick Foundation	Education (ED)	$ 5,000.00
4/6/2023	Water Center at the University of Pennsylvania, T	Education (ED)	$ 5,000.00
4/6/2023	Riverbend Environmental Educational Center	Environment	$ 3,000.00
4/6/2023	Main Line School Night	Diversity and Inclusion (D/I)	$ 2,500.00
4/6/2023	Junior Achievement of Southeastern Pennsylvania	Education (ED)	$ 155.00
4/6/2023	LaSalle University	Education (ED)	$ 100.00
4/8/2023	Forum Philly	Diversity and Inclusion (D/I)	$ 2,500.00
4/24/2023	Riddle HealthCare Foundation	Health and Human Service (H/HS)	$ 20,000.00
4/24/2023	Bryn Mawr Hospital Foundation, The	Health and Human Service (H/HS)	$ 7,500.00
4/24/2023	Shenango River Watchers	Environment	$ 5,000.00
4/24/2023	Junior Achievement of Southeastern Pennsylvania	Education (ED)	$ 4,000.00
4/24/2023	French & Pickering Creeks Conservation Trust Inc	Environment	$ 3,000.00
4/24/2023	Community Food Warehouse	Health and Human Service (H/HS)	$ 2,500.00
4/24/2023	Devereux PA	Health and Human Service (H/HS)	$ 2,000.00
4/24/2023	Senior Community Services	Health and Human Service (H/HS)	$ 1,500.00
4/24/2023	Family Support Line	Health and Human Service (H/HS)	$ 1,500.00
4/24/2023	Tookany/Tacony-Frankford Watershed Partnershi	Environment	$ 1,000.00
4/24/2023	Mitzvah Circle Foundation	Health and Human Service (H/HS)	$ 1,000.00
4/24/2023	Friends of the Wissahickon	Environment	$ 1,000.00
4/24/2023	Foundation for Catholic Education	Education (ED)	$ 750.00
5/11/2023	Bucks County Historical Society, The	Community, Economic Growth/Development (C, EG/D)	$ 5,000.00
5/11/2023	Valley Youth House	Health and Human Service (H/HS)	$ 5,000.00
5/11/2023	LuLu Shriners Charity Golf	Health and Human Service (H/HS)	$ 4,000.00
5/11/2023	Amistad Law Project	Diversity and Inclusion (D/I)	$ 2,500.00
5/11/2023	SuperKIDS of Montgomery County, Inc.	Health and Human Service (H/HS)	$ 1,025.00
5/11/2023	Bryn Mawr Beautiful Foundation	Community, Economic Growth/Development (C, EG/D)	$ 1,000.00
5/11/2023	Gilbertsville Fire and Rescue Company	Emergency Services (EMS)	$ 1,000.00
5/11/2023	Welcome Project PA, The	Diversity and Inclusion (D/I)	$ 1,000.00
5/11/2023	Narberth Ambulance	Emergency Services (EMS)	$ 1,000.00
5/11/2023	Norristown Islamic Society	Diversity and Inclusion (D/I)	$ 500.00
5/22/2023	American Cancer Society-Philadelphia-19103	Health and Human Service (H/HS)	$ 2,500.00
5/30/2023	Media Arts Council	Community, Economic Growth/Development (C, EG/D)	$ 3,000.00
6/9/2023	Penn-Northwest Development Corporation	Community, Economic Growth/Development (C, EG/D)	$ 3,000.00
6/9/2023	Tredyffrin Township Library Foundation	Education (ED)	$ 3,000.00
6/9/2023	Independence Historical Trust	Community, Economic Growth/Development (C, EG/D)	$ 2,500.00
6/9/2023	Chester County Historical Society	Diversity and Inclusion (D/I)	$ 2,500.00
6/9/2023	Rockledge Volunteer Fire Company #1	Emergency Services (EMS)	$ 1,000.00
6/9/2023	American Water Works Association- PA Section	Health and Human Service (H/HS)	$ 750.00
6/9/2023	Habitat for Humanity	Health and Human Service (H/HS)	$ 150.00
6/9/2023	STEM Academy Home & School Association	Education (ED)	$ 50.00
6/27/2023	Philadelphia Zoo, The	Environment	$ 150,000.00
6/27/2023	Share Food Program	Health and Human Service (H/HS)	$ 150,000.00
6/27/2023	Main Line Chamber Foundation	Community, Economic Growth/Development (C, EG/D)	$ 12,500.00
6/27/2023	Cradle of Liberty, BSA	Education (ED)	$ 5,550.00
6/27/2023	Chester County Fund for Women and Girls	Diversity and Inclusion (D/I)	$ 5,000.00
6/27/2023	Bucks County Housing Group	Health and Human Service (H/HS)	$ 5,000.00
6/27/2023	St. Norbert School	Education (ED)	$ 3,000.00
6/27/2023	Fostering Hope	Health and Human Service (H/HS)	$ 2,000.00
6/27/2023	One House at a Time	Health and Human Service (H/HS)	$ 2,000.00
6/27/2023	Firemen's Golf Fundraiser	Emergency Services (EMS)	$ 300.00
7/11/2023	Partnership for the Delaware Estuary, Inc.	Environment	$ 2,500.00
7/11/2023	Pennsylvania Environmental Council	Environment	$ 2,000.00
7/11/2023	Schuylkill River Heritage Center	Community, Economic Growth/Development (C, EG/D)	$ 1,000.00
7/11/2023	Community Food Warehouse	Health and Human Service (H/HS)	$ 1,000.00
8/1/2023	Partnership for the Delaware Estuary, Inc.	Environment	$ 20,000.00
8/1/2023	YMCA of Bucks and Hunterdon Counties	Health and Human Service (H/HS)	$ 3,500.00
8/1/2023	Water Resources Assoc. of the Delaware River B	Environment	$ 3,000.00
8/1/2023	Fred's Footsteps	Health and Human Service (H/HS)	$ 2,750.00
8/1/2023	Main Line Art Center	Community, Economic Growth/Development (C, EG/D)	$ 1,500.00

Date	Charitable Organization	Primary Giving Category	Amt Disbursed
8/1/2023	Global Water Alliance	Health and Human Service (H/HS)	$ 1,000.00
8/1/2023	Elmwood Park Zoo	Environment	$ 500.00
8/1/2023	White Haven Lions Club Foundation	Community, Economic Growth/Development (C, EG/D)	$ 200.00
8/30/2023	Perkiomen Valley Trout Unlimited	Environment	$ 45,000.00
8/30/2023	Berks Nature	Environment	$ 30,000.00
8/30/2023	Wissahickon Trails	Environment	$ 1,250.00
8/30/2023	Delaware County Veterans Memorial Association	Community, Economic Growth/Development (C, EG/D)	$ 1,000.00
8/30/2023	Berks Nature	Environment	$ 250.00
9/6/2023	Friends of the Tower Theater District	Community, Economic Growth/Development (C, EG/D)	$ 2,500.00
9/12/2023	Unite for HER	Health and Human Service (H/HS)	$ 2,500.00
9/12/2023	March of Dimes	Health and Human Service (H/HS)	$ 2,500.00
9/12/2023	Kamp for Kids Corporation	Health and Human Service (H/HS)	$ 1,000.00
10/2/2023	Curtain Call Collective	Community, Economic Growth/Development (C, EG/D)	$ 100,000.00
10/12/2023	World Trade Center of Greater Philadelphia	Community, Economic Growth/Development (C, EG/D)	$ 2,500.00
10/12/2023	Run for Heroes, Inc.	Emergency Services (EMS)	$ 2,500.00
10/12/2023	Pan American Association of Philadelphia	Community, Economic Growth/Development (C, EG/D)	$ 1,750.00
10/12/2023	Brandywine Red Clay Alliance	Environment	$ 1,200.00
10/12/2023	Asian American Chamber of Commerce of Greate	Diversity and Inclusion (D/I)	$ 1,000.00
10/23/2023	Essential Initiatives Inc.	Community, Economic Growth/Development (C, EG/D)	$ 100,000.00
10/23/2023	DCCC Educational Foundation	Education (ED)	$ 25,000.00
10/23/2023	Pennsylvania Environmental Council	Environment	$ 23,700.00
10/23/2023	Riverbend Environmental Educational Center	Education (ED)	$ 12,000.00
10/23/2023	Chester County Food Bank	Health and Human Service (H/HS)	$ 10,000.00
10/23/2023	Magee Rehabilitation Foundation	Health and Human Service (H/HS)	$ 7,500.00
10/23/2023	Kennett Symphony	Community, Economic Growth/Development (C, EG/D)	$ 2,500.00
10/23/2023	Central Susquehanna Opportunities, Inc.	Health and Human Service (H/HS)	$ 2,000.00
10/23/2023	Wayne County Community Foundation	Health and Human Service (H/HS)	$ 1,000.00
10/23/2023	Youth Mentoring Partnership	Education (ED)	$ 1,000.00
10/23/2023	Devereux PA	Health and Human Service (H/HS)	$ 500.00
10/23/2023	Jenkins Arboretum	Community, Economic Growth/Development (C, EG/D)	$ 500.00
10/23/2023	Providence Animal Center	Community, Economic Growth/Development (C, EG/D)	$ 500.00
10/31/2023	Franklin Square Capital Partners Foundation	Health and Human Service (H/HS)	$ 1,000.00
11/10/2023	WAYNE COUNTY COMMUNITY FOUNDATION	Health and Human Service (H/HS)	$ 1,290.29
11/10/2023	NEUMANN UNIVERSITY	Education (ED)	$ 830.91
11/10/2023	CHILDREN AND ADULT DISABILITY (CADES)	Health and Human Service (H/HS)	$ 770.67
11/10/2023	STEPHEN SILLER TUNNEL TO TOWERS FOUN	Community, Economic Growth/Development (C, EG/D)	$ 734.02
11/10/2023	ST ANASTASIA SCHOOL BLDG EXPANSION FU	Education (ED)	$ 656.38
11/10/2023	ELLIOTT ACRES THERAPY RIDING	Health and Human Service (H/HS)	$ 649.45
11/10/2023	RIDLEY EDUCATIONAL FOUNDATION	Education (ED)	$ 388.47
11/10/2023	CHOP	Health and Human Service (H/HS)	$ 320.19
11/10/2023	Grays Ferry Community Council	Community, Economic Growth/Development (C, EG/D)	$ 287.88
11/10/2023	AMERICAN RED CROSS	Health and Human Service (H/HS)	$ 221.34
11/10/2023	COUNTRY DAY SCHOOL OF THE SACRED HEA	Education (ED)	$ 114.66
11/10/2023	CHOP	Health and Human Service (H/HS)	$ 104.00
11/10/2023	CARE LINK	Health and Human Service (H/HS)	$ 95.00
11/10/2023	CHOP	Health and Human Service (H/HS)	$ 52.00
11/10/2023	ST THOMAS OF VILLANOVA PARISH	Community, Economic Growth/Development (C, EG/D)	$ 48.00
11/10/2023	SPECIAL OLYMPICS OF DE/NEWARK	Education (ED)	$ 40.00
11/10/2023	URBAN LEAGUE OF PHILADELPHIA	Community, Economic Growth/Development (C, EG/D)	$ 37.50
11/10/2023	OUR LADY OF PEACE, CYO	Community, Economic Growth/Development (C, EG/D)	$ 33.00
11/10/2023	FIRST BAPTIST CHURCH	Community, Economic Growth/Development (C, EG/D)	$ 30.00
11/10/2023	JEWISH FEDERATION OF GREATER PHILA.	Community, Economic Growth/Development (C, EG/D)	$ 22.00
11/10/2023	AMERICAN CANCER SOCIETY	Health and Human Service (H/HS)	$ 20.00
11/10/2023	CALVARY LUTHERAN CHURCH	Community, Economic Growth/Development (C, EG/D)	$ 8.00
11/13/2023	YMCA - Greater Philadelphia	Education (ED)	$ 5,000.00
11/13/2023	White Haven United Methodist Church	Health and Human Service (H/HS)	$ 1,000.00
11/13/2023	Kennett Fire Company	Emergency Services (EMS)	$ 200.00
11/13/2023	Brandywine Valley SPCA	Community, Economic Growth/Development (C, EG/D)	$ 100.00
11/30/2023	Philadelphia Soccer 2026	Community, Economic Growth/Development (C, EG/D)	$ 50,000.00
11/30/2023	Great Valley Community Organization	Health and Human Service (H/HS)	$ 5,000.00
11/30/2023	Mitzvah Circle Foundation	Health and Human Service (H/HS)	$ 1,000.00
11/30/2023	Partnership for the Delaware Estuary, Inc.	Environment	$ 500.00
11/30/2023	Arc Alliance, The	Health and Human Service (H/HS)	$ 500.00
12/21/2023	Breathing Room Foundation	Health and Human Service (H/HS)	$ 1,000.00
12/21/2023	Bringing Hope Home	Health and Human Service (H/HS)	$ 1,000.00
12/21/2023	Domestic Violence Center of Chester County	Health and Human Service (H/HS)	$ 1,000.00
12/21/2023	Ann's Heart	Health and Human Service (H/HS)	$ 500.00
12/31/2023	BLOCS Scholarship LLC	Education (ED)	$ 56,500.00
12/31/2023	Catholic Education 20, LLC	Education (ED)	$ 18,500.00
		Total Contributions	**$2,389,994.76**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE14. Provide the two most recent actuarial studies for both pension expense and postretirement benefits other than pensions (OPEBs).

A. The Company is providing to the Commission, the two most recent actuarial studies for both pension expense and OPEBs. The actuarial studies are proprietary and confidential. Accordingly, the Company is providing the actuarial studies in sealed envelopes that are marked "CONFIDENTIAL AND PROPRIETARY." The Company hereby requests that the contents of such envelopes be maintained CONFIDENTIAL by the Commission; that the Commission's Secretary place such material in NON-PUBLIC FOLDERS; and that any employee of the Commission that may have access to such material be directed to maintain its confidentiality. The Company understands that, pursuant to 52 Pa. Code Section 5.423(b), the material provided in the sealed envelopes will not be disclosed pending the issuance of an order or other action by the Commission on the Company's request. The Company will, however, provide this information to a party to this proceeding pursuant to the execution of a suitable confidentiality agreement.

a) See attached Actuarial Reports dated March 2023 and April 2024 for pension expense.

b) See attached Actuarial Reports dated March 2023 and April 2024 for OPEB expense.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE15. Identify the total pension expense under statement of accounting standards (SFAS 87) for the historic test year and the portion charged to operation and maintenance (O & M). Include an analysis showing the contribution to the pension plan and the amount deferred or expensed for each of the past 2 years and the historic test year. Also provide any estimates for the future year.

A. Please see the Company's response to OE14 for the SFAS 87 pension expense amounts. Please refer to Schedule C-8.2 in Exhibit 1-A for the pension expense charged to O&M for the historic test year and estimated for the future test year and fully projected future test year.

	FOR THE TWELVE MONTHS ENDED	
	12/31/2021	12/31/2022
Pension Expense *	$ 12,000,000	$ 12,000,000

**Gross*

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE16. Provide an analysis of OPEBs showing the accrual amount under SFAS 106 and the pay-as-you-go expense.

A. Please refer to Schedule C-8.3 of Exhibit 1-A and the Company's response to OE14.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE17. Reconcile the historic and future test year SFAS No. 106 expense levels with the amount identified in the actuarial report.

A. Please refer to Schedule C-8.3 of Exhibit 1-A.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE18. Identify the actual or projected amounts contributed to SFAS No. 106 funds for the historic and future test years. Identify the actual or projected dates and amounts of the contributions.

A. Please refer to Exhibit 1-A for projected expense claims and projected future funding contributions. Contributions are typically made in the December each year.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE19. Explain the funding options or plans which are being used for SFAS No. 106 costs. Identify the portion of costs which are eligible for tax preferred funding.

A. The Company maintains Voluntary Employee Beneficiary Association plans ("VEBA"), which provide benefits for its union employees and its non-union employees.

The Internal Revenue Service has made a determination that the VEBA plans meet the requirements of Section 501(c) 9 of the Internal Revenue Code and are generally exempt from federal or state taxes. The income from the VEBA plans is not included in the Company's taxable income.

Each year, the Company's actuary determines the Company's maximum tax-deductible funding limitations for the plans based on claim cost assumptions and asset values. The Company contributes to the VEBA plans based on either the lower of the maximum tax-deductible contribution or the OPEB expense recognized in the calendar year.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE20. State whether the company is studying or anticipating any changes to its postretirement benefits offered to employees as a result of SFAS No. 106 or for other reasons. If yes, provide the study and explain the anticipated change.

A. There are no plan changes anticipated at this time.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE21. State whether the historic test year expenses reflect any accruals for postemployment benefits under SFAS 112. If yes, provide complete details including supporting documentation, assumptions, and funding mechanisms.

A. The historic test year expenses do not reflect any accruals for postretirement benefits under SFAS 112.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE22. Provide a copy of all incentive compensation and bonus plans and provide the level of related bonus payments included in the cost of service. Provide information for the preceding 2 years and any changes since the last rate case.

A. The Incentive Compensation Plan will be provided upon request and forwarded under a Confidentiality Agreement.

Incentive Compensation Payments:

Twelve Months Ended		
12/31/2021	$	2,157,402
12/31/2022	$	2,485,206
12/31/2023	$	1,979,062

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE23. Provide the most recent insurance premiums for each type of insurance coverage, both employee benefit and those purchased for the company, reflected in the company's filing. If available, provide estimated premiums for the subsequent calendar year.

A. Please refer to Schedule C-8.1 of Exhibit 1-A for Employee Benefit Insurance Coverage.

For Insurance Coverage purchased for the Company, including general liability, workers comp, transportation, and other, please refer to Schedule C-4.6 of Exhibit 1-A and 1-B for water and Schedule C-4.6 of Exhibits 1-C through 1-E for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE24. Provide the level of payments made to industry organizations included in the cost of service along with a description of each payee organization.

A.

	FOR THE TWELVE MONTHS ENDED 12/31/2023	ELIMINATED AMOUNT
Water		
Industry		
AWWA	$ 101,823	$ -
NAWC	$ 450,944	$ 43,494
Service/Social		
Chamber of Commerce	$ 266,662	$ -
Other	$ 90,604	$ -
Total	$ 910,033	$ 43,494
Wastewater		
Service/Social		
Other	$ 317	$ -
Total	$ 317	$ -

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE25. If the company has included any costs associated with canceled construction projects or obsolete inventory in requested rates, separately identify the items, provide the related amounts and explain the reason for the cancellation or obsolescence.

A. No costs associated with cancelled construction projects have been included in the Company's cost of service.

The historic test year expenses reflect ($53,798) in obsolete inventory. This expense is consistent with the policy derived from the recommendation from the most recent Management Efficiency Audit by the PUC.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE26. Explain how the company accounts for vacation pay for book and ratemaking purposes.

A. The Company maintains both an asset and liability account for vacation pay. The net effect for book purposes equals zero. The Company has made no claim for vacation pay for ratemaking purposes since a full year of salaries and wages for each employee has been included in the Company's claim.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE27. Indicate whether any employee positions have been eliminated since the commencement of the historic test year or are expected to be eliminated during the future test year.

A. The Company has not eliminated any positions since the commencement of the historic test year. The Company does not expect to eliminate any positions during the future test year, but does expect to eliminate two positions in the fully projected future test year.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

C. Operating Expenses

OE28. Furnish the name of each supplier, gallonage and expense for water purchased as recorded in Water Purchased for Resale-Account 706 for the historic test year and two preceding years.

A. Please refer to Schedule C-7.1.i of Exhibit 1-A for water.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

TABLE OF CONTENTS TO MINIMUM FILING REQUIREMENTS
D. TAXES

MFR	Description
TX1	PA Tax Return
TX2	Out Of State Tax
TX3	Income Tax Refunds
TX4	Deferred Income Tax
TX5	Investment Tax Credit
TX6	Taxable Income Adjustments
TX7	Taxable Income Calculation
TX8	Prepaid & Deferred Taxes
TX9	Cost Of Removal
TX10	Accelerated Depreciation
TX11	Carryovers
TX12	Taxes Accrued
TX13	Consolidated Tax Returns
TX14	3 Year Returns
TX15	Tax Other Than Income
TX16	Deferred Taxes
TX17	Test Year Taxes
TX18	Debt Interest

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX1. Provide a copy of the latest Pennsylvania Corporate Tax report and the latest Pennsylvania Corporate Tax settlement.

A.

Please see the attached Pennsylvania Corporate Net Income Tax Returns for the year ending December 31, 2022 for Aqua Pennsylvania, Inc., Honesdale Consolidated Water Company, and Aqua Pennsylvania Wastewater, Inc and Statement of Account for Aqua Pennsylvannia.

R pennsylvania DEPARTMENT OF REVENUE

PA-8453 C (SU) 09-22

PA Corporate Net Income Tax Declaration for a State e-file Report

2022

For calendar year 2022 or tax year beginning, 01/01 2022, ending, 12/31 20 22.

FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN) 23-1999647

Name of Corporation

AQUA PENNSYLVANIA WASTEWATER, INC.

Address	City	State	ZIP Code	Revenue ID Number
762 W LANCASTER AVE	BRYN MAWR	PA	19010-348	1000644734

SECTION I TAX REPORT INFORMATION (Whole dollars only.)

1. Income or Loss from Federal Return on a Separate Company Basis (From RCT-101, Section C, Line 1)	1.	-5,672,035.
2. PA Taxable Income or Loss (From RCT-101, Section C, Line 12)	2.	-5,765,703.
3. PA Corporate Net Income Tax Due (From RCT-101, Section C, Line 20)	3.	-189,009.

SECTION II DECLARATION OF OFFICER (See instructions.) **Keep a copy of the corporation's tax report, RCT-101.**

4a. ☐ I consent that the corporation's refund check may be mailed directly to the address provided on RCT-101.

4b. ☒ I do not want a refund mailed to the corporation, or the corporation is not receiving a refund.

4c. ☐ I authorize (1) the PA Department of Revenue and its designated financial institution to initiate an electronic funds withdrawal entry to my financial institution account designated in the electronic portion of my 2022 Pennsylvania Corporate Net Income Tax Report for payment of my state taxes owed; and (2) my financial institution to debit the entry to my account. I also authorize the financial institutions involved in the processing of my electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to my payment. **To revoke a payment, I must contact my financial institution account indicated in the tax preparation software for payment of the corporation state taxes.**

If I filed a balance-due report, I understand if the PA Department of Revenue does not receive full and timely payment of my tax liability, I remain liable for the tax due and all applicable interest and penalties. If I filed a joint federal and state tax return/report and there is an error on my federal return, I understand my state report will be rejected.

Under penalties of perjury, I declare I am an officer of the above-named corporation and the information I provided to my electronic return originator (ERO) and/or transmitter and the amounts in Part I above agree with the amounts on the corresponding lines of the corporation's 2022 Pennsylvania Corporate Net Income Tax Report. To the best of my knowledge and belief, the corporation's report is true, correct and complete. I consent to my ERO and/or transmitter sending the corporation's report and accompanying schedules and statements to the Internal Revenue Service (IRS) and subsequently by the IRS to the PA Department of Revenue. I also consent to the PA Department of Revenue sending my ERO and/or transmitter, through the IRS, an acknowledgment of receipt of transmission, an indication of whether or not the corporation's report is accepted and, if rejected, the reason(s) for rejection.

SIGN HERE ▶

Signature of Officer	Date	Title	Social Security number
		VICE PRESID	

Address	City	State	ZIP Code
762 W LANCASTER AVE	BRYN MAWR	PA	19010-348

SECTION III DECLARATION OF ELECTRONIC RETURN ORIGINATOR (ERO) AND PAID PREPARER (See instructions.)

I declare I have reviewed the above-named corporation's report, and the entries on Form PA 8453 C are true, correct and complete to the best of my knowledge and belief. I obtained the corporate officer's signature on this form before submitting the report to the PA Department of Revenue, provided the corporate officer a copy of all forms and information to be filed with the PA Department of Revenue and followed all other requirements specified by the PA Department of Revenue and in IRS Pub. 3112, IRS e-file Application and Participation, and Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers of forms 1120/1120S. If I am also the preparer, under penalties of perjury, I declare I examined the above-named corporation's report, accompanying schedules and statements, and to the best of my knowledge and belief they are true, correct and complete. I understand I am required to keep this form and the supporting documents for three years.

ERO's USE ONLY

ERO's Signature ▶	Date	Check if also paid preparer ☐	Check if self-employed ☐	ERO's SSN or PTIN
				P00850240

Firm's name (or yours if self-employed), address and ZIP code ▶ GLOBAL TAX MANAGEMENT, INC.
656 E. SWEDESFORD RD, STE 200 WAYNE, PA 19087

EIN 23-2817942

Telephone Number 484-395-4000

Under penalties of perjury, I declare I examined the above-named corporation's report, accompanying schedules and statements, and to the best of my knowledge and belief they are true, correct and complete.

PAID PREPARER'S USE ONLY

Preparer's Signature ▶	Date	Check if self-employed ☐	Preparer's SSN or PTIN
			P01468313

Firm's name (or yours if self-employed), address and ZIP code ▶ PWC US TAX LLP
2001 MARKET ST,STE1800 PHILADELPHIA PA 19103

Telephone Number

Electronic Return Originators (EROs) and paid preparers must retain this form and supporting documents for three years.

DO NOT SUBMIT THIS FORM TO THE PA DEPARTMENT OF REVENUE UNLESS REQUESTED TO DO SO.

1010022156

DEPARTMENT USE ONLY

RCT-101 07-22 PAGE 1 OF 4
PA CORPORATE NET INCOME TAX REPORT 2022

STEP A:

Tax Year Beginning 01012022 Tax Year Ending 12312022

STEP B:

Economic Nexus	N
Revenue ID	1000644734
Federal EIN	23-1999647
Parent Corporation EIN	231702594
NAICS code	221300
Corporation Name	AQUA PENNSYLVANIA WASTEWATER, INC.
Address Line 1	762 W LANCASTER AVE
Address Line 2	
City	BRYN MAWR
State	PA
ZIP	19010-348
Province	
Country Code	
Foreign Postal Code	
Address Change	N

IRS Filing Type A = 1120 B = 1120S C = Other A

STEP C:

N	Initial Report	N	S Corp filing as C Corp
N	Final Report (must include REV-861 and REV-181, where applicable)	N	KOZ/SDA CREDIT
N	Amended Report	N	Royalty/Related Interest Add-Back (Act 52 of 2013)
		N	S Corp Taxable Built-in Gains
N	File Period Change	N	Section 381/382/Merger NOLs
N	Change Fed Group	N	Alternative Apportionment
N	52-53 Week Filer	N	Claiming P.L. 86-272 Protection

SECTION A: GENERAL INFORMATION QUESTIONNAIRE

1. State of Incorporation: PA
2. Date of Incorporation: (MMDDYYYY) 02011973
3. Date Commenced Doing Business in PA:
4. Describe corporate activity in PA: PUBLIC UTILITY
5. Describe corporate activity outside PA: PUBLIC UTILITY
6. Other states in which taxpayer has activity:

7. Does this corporation own all or a majority of stock in other corporations? N If yes, include the REV-798, Schedule X.

8. Has the federal government changed taxable income as originally reported for any period for which reports of change have not been filed? N If yes, file the RCT-128C.

REVENUE ID 1000644734
TAX YEAR END 12312022 **NAME** AQUA PENNSYLVANIA WASTEWAT

RCT-101 07-22 PAGE 2 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION B: SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX (Include RCT-106.)

Sales Factor			Special Apportionment		
Sales - PA	1A	61688568	Numerator	2A	0
Sales - Total	1B	61688568	Denominator	2B	0
Sales Factor	1C	1.000000	Special Apportionment	2C	0

USE WHOLE DOLLARS ONLY

SECTION C: PA CORPORATE NET INCOME TAX

1.	Income or loss from federal return on a separate-company basis.	1	-5672035
2.	**DEDUCTIONS:**		
	2A. Corporate dividends received (from REV-798, Schedule C-2, Line 7).	2A	0
	2B. Interest on U.S. securities (GROSS INTEREST minus EXPENSES).	2B	0
	2C. Current yr. addtl. PA deprec. plus adjust. for sale (REV-1834, Sched. C-8, Line 8).	2C	93668
	2D. Other (from REV-860, Schedule OD) See instructions.	2D	0
	TOTAL DEDUCTIONS - Add Lines 2A through 2D and enter the result on Line 2.	2	93668
3.	**ADDITIONS:**		
	3A. Taxes imposed on or measured by net income (from REV-860, Schedule C-5, Line 6).	3A	0
	3B. Current year bonus depreciation (REV-1834, Sched. C-8, Line 3).	3B	0
	3C. Intangible expense or related interest expense (REV-802, Sched. C-6; must include REV-802).	3C	0
	3D. Other (from REV-860, Schedule OA) See instructions.	3D	0
	TOTAL ADDITIONS - Add Lines 3A through 3D and enter the result on Line 3.	3	0
4.	Income or loss with Pennsylvania adjustments (Line 1 minus Line 2 plus Line 3).	4	-5765703
5.	Total nonbusiness income or loss (from REV-934, Column C, Total; must include REV-934).	5	0
6.	Income or loss to be apportioned (Line 4 minus Line 5).	6	-5765703
7.	Apportionment (from Schedule C-1, 1C, or 2C if using Special Apportionment).	7	1.000000
8.	Income or loss apportioned to PA (Line 6 times Line 7).	8	-5765703
9.	Nonbusiness income or loss allocated to PA (from REV-934, Column A, Total; must include REV-934).	9	0
10.	PA taxable income or loss after apportionment (Line 8 plus Line 9).	10	-5765703
11.	Total net operating loss deduction (from RCT-103, Part A, Line 4).	11	0
12.	PA taxable income or loss (Line 10 minus Line 11).	12	-5765703
13.	Qualified Manufacturing Innovation and Reinvestment Deduction (cannot reduce tax liability by more than 50%).	13	0
14.	PA corporate net income tax ((Line 12 - Line 13) times 0.0999). If Line 12 is less than zero , enter "0".	14	0
15.	Credit for tax paid by affiliate(s) for intangible expense or related interest expense (from REV-803, Sched. C-7; must include REV-803).	15	0
16.	Tax Liability (Line 14 minus line 15).	16	0
17.	Credit for CNI Tax Withholding (from PA Schedule CP, line 16).	17	0
18.	Estimated Payments & Credits on Deposit.	18	189009
19.	Restricted Credits (cannot exceed line 16).	19	0
20.	Total Due/Overpayment (Line 16 minus lines 17, 18 and 19).	20	-189009

1010022256

REVENUE ID 1000644734
TAX YEAR END 12312022 **NAME** AQUA PENNSYLVANIA WASTEWAT

RCT-101 07-22 PAGE 3 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION D: TRANSFER/REFUND METHOD

1.	Transfer (Amount to be credited to the next tax year after offsetting all unpaid liabilities).	1	189009
2.	Refund (Amount to be refunded after offsetting all unpaid liabilities).	2	0

DIRECT DEPOSIT: Banking rules do not permit direct deposit to bank accounts outside the U.S. If your bank account is outside the U.S., do not complete the direct deposit field or bank routing and account number information below in this case, and you will receive a check from the Department. If your refund will be going to a bank account within the U.S., you have the option to have your refund directly deposited.

Direct Deposit C=Checking S=Savings | Routing # | Account #

SECTION E: BULK SALE

*Schedule of Disposition of Assets, REV-861, must be completed and filed with this report.

Has the corporation sold or transferred in bulk, 51 percent or more of any class of assets? (See instructions.) N
If yes, enter the following information. (Include a separate schedule if additional space is needed.)

Purchaser Name
Address Line 1
Address Line 2
City
State
ZIP
Province
Country Code
Foreign Postal Code

SECTION F: SCHEDULE OF REAL PROPERTY IN PA (Include a separate schedule if additional space is needed.)

Did you own or rent property in PA titled to the corporation or any Single Member LLC during this filing period? N
If yes, the below section must be completed.

◊ = Own
R = Rent

Street Address	**City**	**County**	**KOZ/KOEZ**

1010022356

REVENUE ID 1000644734
TAX YEAR END 12312022 **NAME** AQUA PENNSYLVANIA WASTEWAT

RCT-101 07-21 PAGE 4 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION G: CORPORATE OFFICER (Must sign affirmation below.)

CORPORATE OFFICERS
(See instructions.)
Must provide requested information for all filled officer positions.

	SSN	Last Name	First Name	MI
President/Managing Partner		LUCCA	MARK	
Vice President		SCHULLER	DANIEL	
Secretary		LUNING	CHRISTOPHER	
Treasurer/Tax Manager		SZCZYGIEL	STAN	

NAME Christine Saball
PHONE 6106454202
EMAIL CSABALL@ESSENTIAL.CO

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete report. If this report is an amended report, the taxpayer hereby consents to the extension of the assessment period for this tax year to one year from the date of filing of this amended report or three years from the filing of the original report, whichever period last expires, and agrees to retain all required records pertaining to that tax and tax period until the end of the extended assessment period, regardless of any statutory provision providing for a shorter period of retention. For purposes of this extension, an original report filed before the due date is deemed filed on the due date. I am authorized to execute this consent to the extension of the assessment period.

Corporate Officer Signature	Date
Christine Saball	

PREPARER'S INFORMATION

Firm Federal EIN	920460586
Firm Name	PWC US TAX LLP
Preparer's Name	Erin Callanan
Preparer's SSN/PTIN	P01468313
Address Line 1	2001 MARKET ST,STE1800
Address Line 2	
City	PHILADELPHIA
State	PA
ZIP	19103
Province	
Country Code	
Foreign Postal Code	

FORM 1062
BARCODE 0000

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been prepared by me and to the best of my knowledge and belief is a true, correct and complete report.

Tax Preparer's Signature	Date

1010022456

pennsylvania
DEPARTMENT OF REVENUE (SU) 04-23 (I)

REV-798

SCHEDULE C-2
PA DIVIDEND DEDUCTION

Corporation Name

Aqua Pennsylvania Wastewater, Inc.(L

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

1. Federal Schedule C, Line (24), Total Deductions	1.	
2. Federal Schedule C, Line (18), Foreign Dividend Gross-Up (Section 78)	2.	
3. Federal Schedule C, Line (22) (Attach federal Form 8993)	3.	
4. Dividends from less-than-20-percent-owned foreign corporations listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C x 50 percent - 0.50	4.	
5. Dividends from 20-percent-or-more-owned foreign corporations listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C x 65 percent - 0.65	5.	
6. Dividends listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C from foreign corporations that meet the "80 percent voting and value test" of IRC § 1504(a)(2) and otherwise would qualify for 100 percent deduction under IRC § 243(a)(3) if they were a domestic corporation. **Do not list any amounts included above.**	6.	
7. **Total PA Dividend Deduction** - Add Lines 1, 2, 4, 5 and 6. Subtract Line 3. Enter this amount on RCT-101, Section C, Line 2A.	7.	

SCHEDULE X

Taxpayers completing this schedule must include beginning and ending consolidating schedules reflecting the activity of all members of the consolidated group, along with all consolidations and eliminations.

Corporation Name

Aqua Pennsylvania Wastewater, Inc.(

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

NAME	FILE IN PA	REVENUE ID	EIN

Name, SSN, EIN and/or Revenue ID of any individual or business entity owning all or a majority of the stock of the taxpayer.

Name	SSN or EIN	Revenue ID
ESSENTIAL UTILITIES, INC.	231702594	1000603336

pennsylvania
DEPARTMENT OF REVENUE (SU) 10-22

REV-1834

SCHEDULE C-8
ADJUSTMENT FOR
BONUS DEPRECIATION

Corporation Name

Aqua Pennsylvania Wa

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

This Schedule is required to be completed annually and submitted with the RCT-101

1. Unused Bonus Depreciation Balance from prior year: 3,015,472

1A. Unrecovered Bonus Depreciation Balance: . . . . .

On Qualified Property Acquired in Transactions Where Asset Basis is Carried Over

Date of Transaction:_____ Type of Transaction: _____

Revenue ID of Corporation from Whom Assets Acquired: _____ FEIN:_____

2. Amount of Federal Bonus Depreciation claimed in this tax year:

2A. Property placed in service prior to Sept. 28, 2017 . . . . .

2B. Property placed in service on or after Sept. 28, 2017 . . . . .

3. Current Year Bonus Deprec. Addition (Line 2A plus 2B)

TOTAL (Carry to Line 3B, Page 2, of RCT-101). . . . .

4. Additional PA Bonus Depreciation Deduction:

4A. Property placed in service prior to Sept. 28, 2017 (MACRS x 3/7) 93,668

4B. Property placed in service on or after Sept. 28, 2017 (MACRS w/o regard to Bonus) . .

5. PA Bonus Depreciation Deduction

TOTAL (Line 4A plus 4B) 93,668

6. Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed:

6A. Property placed in service prior to Sept. 28, 2017 (Schedule C-9 Line 2) . . . . .

6B. Property placed in service on or after Sept. 28, 2017 (Schedule C-9 Line 4) . . . . .

7. PA Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed:

TOTAL (Line 6A plus 6B) . . . . .

8. PA Bonus Depreciation Deduction (Line 5 plus 7)

TOTAL (Carry to line 2C, Page 2, of RCT-101) 93,668

9. Remaining Unused Bonus Depreciation Balance Carry-Forward:

TOTAL (Line 1 plus Line 1A plus Line 3 minus Line 8) 2,921,804

R pennsylvania
DEPARTMENT OF REVENUE

RCT-106 (SU) 08-22

DETERMINATION OF APPORTIONMENT PERCENTAGE

INSERT SHEET
FILE WITH RCT-101

Corporation Name

Aqua Pennsylvania Wa

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

SALES FACTOR Description	Inside PA	Inside and Outside PA
1. Sales (net of returns and allowances)	61,665,462	61,665,462
2. Interest, Rents, Royalties	811,302	811,302
3. Gross Receipts from the Sale of Other Business Assets (except securities, unless you are a securities dealer)	56,725	56,725
4. Other Sales (receipts only)	-844,921	-844,921
5. Partner's Share of Sales from Partnerships		
6. Total Sales	(A) 61,688,568	(B) 61,688,568

(C) Sales Factor (Divide A by B; calculate to six decimal places.) (C) 1 • 0 0 0 0 0 0

Carry (A), (B) and (C) to RCT-101, Schedule C-1, Lines 1A, 1B and 1C.

SPECIAL APPORTIONMENT

Special apportionment to be completed only by railroad, truck, bus, airline or qualified air freight forwarding companies; pipeline or natural gas companies; water transportation companies; or satellite television services providers. Refer to instructions.

(A) NUMERATOR _____

(B) DENOMINATOR _____ = (C) ___ • _____

Carry (A), (B) and (C) to RCT-101, Schedule C-1, Lines 2A, 2B and 2C.

(C) Special Apportionment (Divide A by B; calculate to six decimal places.)

2Y4624 3.000

RCT-103 04-22 NET OPERATING LOSS SCHEDULE 2022

(File with RCT-101.)

Tax Year Beginning 01012022 **Revenue ID** 1000644734

Tax Year Ending 12312022

Corporation Name AQUA PENNSYLVANIA WASTEWATER, INC.(L

Part A

1. Taxable income from RCT-101, Section C, Line 10.	1	0
2. Total net operating loss carryforward to current period. (Total, Column C below.)	2	11908841
3. Line 1 multiplied by 0.40 percent. (See Instructions in the REV-1200.)	3	0
4. Net operating loss deduction allowed for current tax period. (Carry to RCT-101, Page 2, Line 11.)	4	0

Part B

	A. Tax Period Beginning	B. Tax Period Ending	C. Net Loss Carryforward to Current Period	D. Amount Deducted (Current Period)	E. Net Loss Carryforward to Next Period
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
6			0	0	0
7			0	0	0
8			0	0	0
9			0	0	0
10			0	0	0
11			0	0	0
12			0	0	0
13			0	0	0
14			0	0	0
15			0	0	0
16			0	0	0
17	01012018	12312018	1101309	0	1101309
18	01012019	12312019	3652029	0	3652029
19	01012020	12312020	0	0	0
20	01012021	12312021	7155503	0	7155503
	CURRENT TAX YEAR				**LOSS ONLY**
	01012022	12312022	0	0	5765703
TOTAL (Columns C and D Lines 1-20 ONLY)			11908841	0	

2D4645 2.000

1030022136

1030022136

pennsylvania
DEPARTMENT OF REVENUE

REV-860 (SU) 09-22

SCHEDULE C-5 - SCHEDULE OF TAXES

Corporation Name: Aqua Pennsylvania Wastewater, Inc.(L

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

1. PA Corporate Net Income Tax		
2. Philadelphia Business Income and Receipts Tax (BIRT) - Net Income Portion		
3. Income Taxes - Other States		
4. Local Income Taxes		
5. Other Income Taxes		
6. Total Income Taxes (Add Lines 1 through 5) Carry to RCT-101, Page 2, Line 3A		
7. PA Capital Stock/Foreign Franchise Tax (Not applicable for tax years beginning on or after Jan. 1, 2016)		
8. Philadelphia Business Income and Receipts Tax (BIRT) - Gross Receipts Portion		
9. Payroll Taxes	264,043	
10. Real Estate Taxes	286,690	
11. Sales and Use Tax		
12. Business Privilege Tax - Other than Income		
13. Occupancy Tax		
14. Local Taxes - Not Based on Income		
15. Other Taxes - Not Based on Income	224,354	
16. Total Taxes Not Imposed on or Measured by Income (Add Lines 7 through 15)		775,087
17. Total Tax Expense Reported on Federal Income Tax Return (Add Lines 6 and 16)		775,087

SCHEDULE OA - OTHER ADDITIONS

DESCRIPTION	AMOUNT
Tax Preference Items	
Total Carry to RCT-101, Section C, Line 3D	

SCHEDULE OA - OTHER DEDUCTIONS

DESCRIPTION	AMOUNT
Federal Wages Disallowed as a Result of Tax Credits Under IRC Sec 45B or IRC Sec 51	
Total Carry to RCT-101, Section C, Line 2-D	

Electronic Filing Information: PDF attachments Included in this Return

Tax Year: 2022
Name: Aqua Pennsylvania Wast
Return No: C0001VU2

Jurisdiction: Pennsylvania
No of Attachments: 1

PDF Attachment Description	PDF File Name	File Size
Federal 7004	C0001VU2_PA_Federal 7004.pdf	187,219

Form **7004**
(Rev. December 2018)
Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

► File a separate application for each return.
► Go to *www.irs.gov/Form7004* for instructions and the latest information.

OMB No. 1545-0233

Print or Type

Name: Essential Utilities, Inc.
Identifying number: 23-1702594
Number, street, and room or suite no. (If P.O. box, see instructions.): 762 West Lancaster Avenue
City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).): Bryn Mawr, PA 19010

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I **Automatic Extension for Certain Business Income Tax, Information, and Other Returns.** See instructions.

1 Enter the form code for the return listed below that this application is for 1 2

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II **All Filers Must Complete This Part**

2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here . . . . . ► ☐

3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here . . . . . ► ☑
If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.

4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here . ► ☐

5a The application is for calendar year 20 22, or tax year beginning _____, 20___, and ending _____, 20___.

b **Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (See instructions—attach explanation.)

6	Tentative total tax	6	0	00
7	**Total** payments and credits. See instructions	7	0	00
8	**Balance due.** Subtract line 7 from line 6. See instructions	8	0	00

Affiliated Group Members

Name and Address of each member	Employer ID
Aqua Texas, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	56-2527052
Aqua Development 762 West Lancaster Avenue Bryn Mawr, PA 19010	76-0581965
Aqua Utilities, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	76-0556391
Aqua Virginia, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	54-0991637
Great Bay Utilities, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	84-4587274
Aqua Indiana, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	35-1864455
Hendricks County Wasterwater LLC 762 West Lancaster Avenue Bryn Mawr, PA 19010	35-1934386
Aqua Indiana-Western Hancock, Inc. 8275 Allison Pointe Trail Indianapolis, IN 46250	26-1499420
Aqua Operations, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	43-1979151
Aqua Utilities Florida 762 West Lancaster Avenue Bryn Mawr, PA 19010	20-1271689
Aqua North Carolina, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	56-0854500

Affiliated Group Members

Name and Address of each member	Employer ID
Aqua Wastewater Management, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	20-2487690
Aqua Resources, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	51-0324033
Aqua Services, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-2846342
Aqua New Jersey, Inc. 10 Black Forest Road Hamilton, NJ 08691-1810	22-1914760
Aqua Georgia, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	27-1466474
Aqua Pennsylvania, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-2297407
Aqua Illinois, Inc. 1000 South Schuyler Avenue Kanakee, IL 60901	36-1304390
Aqua Ohio, Inc. 6650 South Avenue Box 5230 Poland, OH 44514	34-1121305
Aqua Ohio Wastewater, Inc. 6650 South Avenue Box 5230 Poland, OH 44514	81-2355000
Honesdale Consolidated Water Company 762 West Lancaster Avenue Bryn Mawr, PA 19010	24-0614360
Aqua Pennsylvania Wastewater, Inc. (LWW) 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-1999647

Affiliated Group Members

Name and Address of each member	Employer ID
Delta Natural Gas Company, Inc. 3617 Lexington Road Winchester, KY 40391	61-0458329
Aqua Water Holdings, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	87-4226646
Essential Utilities Services, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	87-4170517
LDC Funding LLC 375 North Shore Dr. Suite 400 Pittsburgh, PA 15212	26-3349481

R pennsylvania DEPARTMENT OF REVENUE

PA-8453 C (SU) 09-22

PA Corporate Net Income Tax Declaration for a State e-file Report

2022

For calendar year 2022 or tax year beginning, 01/01 2022, ending, 12/31 20 22.

FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN) 24-0614360

Name of Corporation

HONESDALE CONSOLIDATED WATER COMPA

Address	City	State	ZIP Code	Revenue ID Number
762 WEST LANCASTER AVEN	BRYN MAWR	PA	19010-348	1000027993

SECTION I TAX REPORT INFORMATION (Whole dollars only.)

1. Income or Loss from Federal Return on a Separate Company Basis (From RCT-101, Section C, Line 1)	1.	-3,212,275.
2. PA Taxable Income or Loss (From RCT-101, Section C, Line 12)	2.	-3,292,565.
3. PA Corporate Net Income Tax Due (From RCT-101, Section C, Line 20)	3.	-64,405.

SECTION II DECLARATION OF OFFICER (See instructions.) **Keep a copy of the corporation's tax report, RCT-101.**

4a. ☐ I consent that the corporation's refund check may be mailed directly to the address provided on RCT-101.

4b. ☒ I do not want a refund mailed to the corporation, or the corporation is not receiving a refund.

4c. ☐ I authorize (1) the PA Department of Revenue and its designated financial institution to initiate an electronic funds withdrawal entry to my financial institution account designated in the electronic portion of my 2022 Pennsylvania Corporate Net Income Tax Report for payment of my state taxes owed; and (2) my financial institution to debit the entry to my account. I also authorize the financial institutions involved in the processing of my electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to my payment. **To revoke a payment, I must contact my financial institution account indicated in the tax preparation software for payment of the corporation state taxes.**

If I filed a balance-due report, I understand if the PA Department of Revenue does not receive full and timely payment of my tax liability, I remain liable for the tax due and all applicable interest and penalties. If I filed a joint federal and state tax return/report and there is an error on my federal return, I understand my state report will be rejected.

Under penalties of perjury, I declare I am an officer of the above-named corporation and the information I provided to my electronic return originator (ERO) and/or transmitter and the amounts in Part I above agree with the amounts on the corresponding lines of the corporation's 2022 Pennsylvania Corporate Net Income Tax Report. To the best of my knowledge and belief, the corporation's report is true, correct and complete. I consent to my ERO and/or transmitter sending the corporation's report and accompanying schedules and statements to the Internal Revenue Service (IRS) and subsequently by the IRS to the PA Department of Revenue. I also consent to the PA Department of Revenue sending my ERO and/or transmitter, through the IRS, an acknowledgment of receipt of transmission, an indication of whether or not the corporation's report is accepted and, if rejected, the reason(s) for rejection.

SIGN HERE ▶

Signature of Officer	Date	Title	Social Security number
		VICE PRESID	

Address	City	State	ZIP Code
762 WEST LANCASTER AVEN	Bryn Mawr	PA	19010-348

SECTION III DECLARATION OF ELECTRONIC RETURN ORIGINATOR (ERO) AND PAID PREPARER (See instructions.)

I declare I have reviewed the above-named corporation's report, and the entries on Form PA 8453 C are true, correct and complete to the best of my knowledge and belief. I obtained the corporate officer's signature on this form before submitting the report to the PA Department of Revenue, provided the corporate officer a copy of all forms and information to be filed with the PA Department of Revenue and followed all other requirements specified by the PA Department of Revenue and in IRS Pub. 3112, IRS e-file Application and Participation, and Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers of forms 1120/1120S. If I am also the preparer, under penalties of perjury, I declare I examined the above-named corporation's report, accompanying schedules and statements, and to the best of my knowledge and belief they are true, correct and complete. I understand I am required to keep this form and the supporting documents for three years.

ERO's USE ONLY ▶

ERO's Signature	Date	Check if also paid preparer ☐	Check if self-employed ☐	ERO's SSN or PTIN
				P00850240

Firm's name (or yours if self-employed), address and ZIP code ▶ GLOBAL TAX MANAGEMENT, INC.
656 E.SWEDESFORD RD, STE 200 WAYNE, PA 19087

EIN 23-2817942

Telephone Number 484-395-4000

Under penalties of perjury, I declare I examined the above-named corporation's report, accompanying schedules and statements, and to the best of my knowledge and belief they are true, correct and complete.

PAID PREPARER'S USE ONLY ▶

Preparer's Signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN
			P01468313

Firm's name (or yours if self-employed), address and ZIP code ▶ PWC US TAX LLP
2001 MARKET ST,STE1800 PHILADELPHIA PA 19103

Telephone Number

Electronic Return Originators (EROs) and paid preparers must retain this form and supporting documents for three years.

DO NOT SUBMIT THIS FORM TO THE PA DEPARTMENT OF REVENUE UNLESS REQUESTED TO DO SO.

1010022156

DEPARTMENT USE ONLY

RCT-101 07-22 **PAGE 1 OF 4**
PA CORPORATE NET INCOME TAX REPORT 2022

STEP A:

Tax Year Beginning 01012022 Tax Year Ending 12312022

STEP B:

Economic Nexus	N
Revenue ID	1000027993
Federal EIN	24-0614360
Parent Corporation EIN	231702594
NAICS code	221300
Corporation Name	HONESDALE CONSOLIDATED WATER COMPA
Address Line 1	762 WEST LANCASTER AVEN
Address Line 2	
City	BRYN MAWR
State	PA
ZIP	19010-348
Province	
Country Code	
Foreign Postal Code	
Address Change	N

IRS Filing Type A = 1120 B = 1120S C = Other A

STEP C:

N	Initial Report	N	S Corp filing as C Corp
N	Final Report (must include REV-861 and REV-181, where applicable)	N	KOZ/SDA CREDIT
N	Amended Report	N	Royalty/Related Interest Add-Back (Act 52 of 2013)
		N	S Corp Taxable Built-in Gains
N	File Period Change	N	Section 381/382/Merger NOLs
N	Change Fed Group	N	Alternative Apportionment
N	52-53 Week Filer	N	Claiming P.L. 86-272 Protection

SECTION A: GENERAL INFORMATION QUESTIONNAIRE

1. State of Incorporation: PA
2. Date of Incorporation: (MMDDYYYY) 02161905
3. Date Commenced Doing Business in PA:
4. Describe corporate activity in PA: WATER UTILITY
5. Describe corporate activity outside PA: WATER & WASTEWATER TREATM
6. Other states in which taxpayer has activity:

7. Does this corporation own all or a majority of stock in other corporations? N If yes, include the REV-798, Schedule X.

8. Has the federal government changed taxable income as originally reported for any period for which reports of change have not been filed? N If yes, file the RCT-128C.

REVENUE ID 1000027993
TAX YEAR END 12312022 **NAME** HONESDALE CONSOLIDATED WAT

RCT-101 07-22 PAGE 2 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION B: SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX (Include RCT-106.)

Sales Factor			Special Apportionment		
Sales - PA	1A	2126063	Numerator	2A	0
Sales - Total	1B	2126063	Denominator	2B	0
Sales Factor	1C	1.000000	Special Apportionment	2C	0

USE WHOLE DOLLARS ONLY

SECTION C: PA CORPORATE NET INCOME TAX

1.	Income or loss from federal return on a separate-company basis.	1	-3212275
2.	**DEDUCTIONS:**		
	2A. Corporate dividends received (from REV-798, Schedule C-2, Line 7).	2A	0
	2B. Interest on U.S. securities (GROSS INTEREST minus EXPENSES).	2B	0
	2C. Current yr. addtl. PA deprec. plus adjust. for sale (REV-1834, Sched. C-8, Line 8).	2C	80290
	2D. Other (from REV-860, Schedule OD) See instructions.	2D	0
	TOTAL DEDUCTIONS - Add Lines 2A through 2D and enter the result on Line 2.	2	80290
3.	**ADDITIONS:**		
	3A. Taxes imposed on or measured by net income (from REV-860, Schedule C-5, Line 6).	3A	0
	3B. Current year bonus depreciation (REV-1834, Sched. C-8, Line 3).	3B	0
	3C. Intangible expense or related interest expense (REV-802, Sched. C-6; must include REV-802).	3C	0
	3D. Other (from REV-860, Schedule OA) See instructions.	3D	0
	TOTAL ADDITIONS - Add Lines 3A through 3D and enter the result on Line 3.	3	0
4.	Income or loss with Pennsylvania adjustments (Line 1 minus Line 2 plus Line 3).	4	-3292565
5.	Total nonbusiness income or loss (from REV-934, Column C, Total; must include REV-934).	5	0
6.	Income or loss to be apportioned (Line 4 minus Line 5).	6	-3292565
7.	Apportionment (from Schedule C-1, 1C, or 2C if using Special Apportionment).	7	1.000000
8.	Income or loss apportioned to PA (Line 6 times Line 7).	8	-3292565
9.	Nonbusiness income or loss allocated to PA (from REV-934, Column A, Total; must include REV-934).	9	0
10.	PA taxable income or loss after apportionment (Line 8 plus Line 9).	10	-3292565
11.	Total net operating loss deduction (from RCT-103, Part A, Line 4).	11	0
12.	PA taxable income or loss (Line 10 minus Line 11).	12	-3292565
13.	Qualified Manufacturing Innovation and Reinvestment Deduction (cannot reduce tax liability by more than 50%).	13	0
14.	PA corporate net income tax ((Line 12 - Line 13) times 0.0999). If Line 12 is less than zero , enter "0".	14	0
15.	Credit for tax paid by affiliate(s) for intangible expense or related interest expense (from REV-803, Sched. C-7; must include REV-803).	15	0
16.	Tax Liability (Line 14 minus line 15).	16	0
17.	Credit for CNI Tax Withholding (from PA Schedule CP, line 16).	17	0
18.	Estimated Payments & Credits on Deposit.	18	64405
19.	Restricted Credits (cannot exceed line 16).	19	0
20.	Total Due/Overpayment (Line 16 minus lines 17, 18 and 19).	20	-64405

REVENUE ID 1000027993
TAX YEAR END 12312022 **NAME** HONESDALE CONSOLIDATED WAT

RCT-101 07-22 PAGE 3 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION D: TRANSFER/REFUND METHOD

1.	Transfer (Amount to be credited to the next tax year after offsetting all unpaid liabilities).	1	64405
2.	Refund (Amount to be refunded after offsetting all unpaid liabilities).	2	0

DIRECT DEPOSIT: Banking rules do not permit direct deposit to bank accounts outside the U.S. If your bank account is outside the U.S., do not complete the direct deposit field or bank routing and account number information below in this case, and you will receive a check from the Department. If your refund will be going to a bank account within the U.S., you have the option to have your refund directly deposited.

Direct Deposit C=Checking S=Savings | Routing # | Account #

SECTION E: BULK SALE

*Schedule of Disposition of Assets, REV-861, must be completed and filed with this report.

Has the corporation sold or transferred in bulk, 51 percent or more of any class of assets? (See instructions.) N
If yes, enter the following information. (Include a separate schedule if additional space is needed.)

Purchaser Name
Address Line 1
Address Line 2
City
State
ZIP
Province
Country Code
Foreign Postal Code

SECTION F: SCHEDULE OF REAL PROPERTY IN PA (Include a separate schedule if additional space is needed.)

Did you own or rent property in PA titled to the corporation or any Single Member LLC during this filing period? N
If yes, the below section must be completed.

O = Own
R = Rent

Street Address	**City**	**County**	**KOZ/KOEZ**

1010022356

REVENUE ID 1000027993
TAX YEAR END 12312022 **NAME** HONESDALE CONSOLIDATED WAT

RCT-101 07-21 PAGE 4 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION G: CORPORATE OFFICER (Must sign affirmation below.)

CORPORATE OFFICERS
(See instructions.)
Must provide requested information for all filled officer positions.

	SSN	Last Name	First Name	MI
President/Managing Partner		LUCCA	MARK	
Vice President		SCHULLER	DANIEL	
Secretary		LUNING	CHRISTOPHER	
Treasurer/Tax Manager		SZCZYGIEL	STAN	

NAME CHRISTINE SABALL
PHONE 6106454202
EMAIL CSABALL@ESSENTIAL.CO

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete report. If this report is an amended report, the taxpayer hereby consents to the extension of the assessment period for this tax year to one year from the date of filing of this amended report or three years from the filing of the original report, whichever period last expires, and agrees to retain all required records pertaining to that tax and tax period until the end of the extended assessment period, regardless of any statutory provision providing for a shorter period of retention. For purposes of this extension, an original report filed before the due date is deemed filed on the due date. I am authorized to execute this consent to the extension of the assessment period.

Corporate Officer Signature	Date
CHRISTINE SABALL	

PREPARER'S INFORMATION

Firm Federal EIN	920460586
Firm Name	PWC US TAX LLP
Preparer's Name	Erin Callanan
Preparer's SSN/PTIN	P01468313
Address Line 1	2001 MARKET ST,STE1800
Address Line 2	
City	PHILADELPHIA
State	PA
ZIP	19103
Province	
Country Code	
Foreign Postal Code	

FORM 1062
BARCODE 0000

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been prepared by me and to the best of my knowledge and belief is a true, correct and complete report.

Tax Preparer's Signature	Date

1010022456

pennsylvania
DEPARTMENT OF REVENUE (SU) 04-23 (I)

REV-798

SCHEDULE C-2
PA DIVIDEND DEDUCTION

Corporation Name

Honesdale Consolidated Water Company

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000027993	24-0614360	01/01/2022	12/31/2022

1. Federal Schedule C, Line (24), Total Deductions	1.	
2. Federal Schedule C, Line (18), Foreign Dividend Gross-Up (Section 78)	2.	
3. Federal Schedule C, Line (22) (Attach federal Form 8993)	3.	
4. Dividends from less-than-20-percent-owned foreign corporations listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C x 50 percent - 0.50	4.	
5. Dividends from 20-percent-or-more-owned foreign corporations listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C x 65 percent - 0.65	5.	
6. Dividends listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C from foreign corporations that meet the "80 percent voting and value test" of IRC § 1504(a)(2) and otherwise would qualify for 100 percent deduction under IRC § 243(a)(3) if they were a domestic corporation. **Do not list any amounts included above.**	6.	
7. **Total PA Dividend Deduction** - Add Lines 1, 2, 4, 5 and 6. Subtract Line 3. Enter this amount on RCT-101, Section C, Line 2A.	7.	

SCHEDULE X

Taxpayers completing this schedule must include beginning and ending consolidating schedules reflecting the activity of all members of the consolidated group, along with all consolidations and eliminations.

Corporation Name

Honesdale Consolidated Water Compan

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000027993	24-0614360	01/01/2022	12/31/2022

NAME	FILE IN PA	REVENUE ID	EIN

Name, SSN, EIN and/or Revenue ID of any individual or business entity owning all or a majority of the stock of the taxpayer.

Name	SSN or EIN	Revenue ID
Essential Utilities, Inc.	231702594	1000603336

pennsylvania
DEPARTMENT OF REVENUE (SU) 10-22

REV-1834

SCHEDULE C-8
ADJUSTMENT FOR
BONUS DEPRECIATION

Corporation Name

Honesdale Consolidat

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000027993	24-0614360	01/01/2022	12/31/2022

This Schedule is required to be completed annually and submitted with the RCT-101

1. Unused Bonus Depreciation Balance from prior year: 271,625

1A. Unrecovered Bonus Depreciation Balance: . . . . .

On Qualified Property Acquired in Transactions Where Asset Basis is Carried Over
Date of Transaction:_____ Type of Transaction: _____
Revenue ID of Corporation from Whom Assets Acquired: _____ FEIN:_____

2. Amount of Federal Bonus Depreciation claimed in this tax year:
2A. Property placed in service prior to Sept. 28, 2017 . . . . .
2B. Property placed in service on or after Sept. 28, 2017 . . . . .

3. Current Year Bonus Deprec. Addition (Line 2A plus 2B)
TOTAL (Carry to Line 3B, Page 2, of RCT-101). . . . .

4. Additional PA Bonus Depreciation Deduction:
4A. Property placed in service prior to Sept. 28, 2017 (MACRS x 3/7) 80,290
4B. Property placed in service on or after Sept. 28, 2017 (MACRS w/o regard to Bonus) . .

5. PA Bonus Depreciation Deduction
TOTAL (Line 4A plus 4B) 80,290

6. Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed:
6A. Property placed in service prior to Sept. 28, 2017 (Schedule C-9 Line 2) . . . . .
6B. Property placed in service on or after Sept. 28, 2017 (Schedule C-9 Line 4) . . . . .

7. PA Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed:
TOTAL (Line 6A plus 6B) . . . . .

8. PA Bonus Depreciation Deduction (Line 5 plus 7)
TOTAL (Carry to line 2C, Page 2, of RCT-101) 80,290

9. Remaining Unused Bonus Depreciation Balance Carry-Forward:
TOTAL (Line 1 plus Line 1A plus Line 3 minus Line 8) 191,335

R pennsylvania
DEPARTMENT OF REVENUE

RCT-106 (SU) 08-22

DETERMINATION OF APPORTIONMENT PERCENTAGE

INSERT SHEET
FILE WITH RCT-101

Corporation Name

Honesdale Consolidat

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000027993	24-0614360	01/01/2022	12/31/2022

SALES FACTOR Description	Inside PA	Inside and Outside PA
1. Sales (net of returns and allowances)	2,068,484	2,068,484
2. Interest, Rents, Royalties	49,185	49,185
3. Gross Receipts from the Sale of Other Business Assets (except securities, unless you are a securities dealer)	7,075	7,075
4. Other Sales (receipts only)	1,319	1,319
5. Partner's Share of Sales from Partnerships		
6. Total Sales	(A) 2,126,063	(B) 2,126,063

(C) Sales Factor (Divide A by B; calculate to six decimal places.) (C) 1 • 0 0 0 0 0 0

Carry (A), (B) and (C) to RCT-101, Schedule C-1, Lines 1A, 1B and 1C.

SPECIAL APPORTIONMENT

Special apportionment to be completed only by railroad, truck, bus, airline or qualified air freight forwarding companies; pipeline or natural gas companies; water transportation companies; or satellite television services providers. Refer to instructions.

(A) NUMERATOR _____

(B) DENOMINATOR _____ = (C) ___ • _____

Carry (A), (B) and (C) to RCT-101, Schedule C-1, Lines 2A, 2B and 2C.

(C) Special Apportionment (Divide A by B; calculate to six decimal places.)

2Y4624 3.000

RCT-103 04-22 NET OPERATING LOSS SCHEDULE 2022

(File with RCT-101.)

Tax Year Beginning	01012022	**Revenue ID**	1000027993
Tax Year Ending	12312022		
Corporation Name	HONESDALE CONSOLIDATED WATER COMPANY		

Part A

1. Taxable income from RCT-101, Section C, Line 10.	1	0
2. Total net operating loss carryforward to current period. (Total, Column C below.)	2	12842249
3. Line 1 multiplied by 0.40 percent. (See Instructions in the REV-1200.)	3	0
4. Net operating loss deduction allowed for current tax period. (Carry to RCT-101, Page 2, Line 11.)	4	0

Part B

	A. Tax Period Beginning	B. Tax Period Ending	C. Net Loss Carryforward to Current Period	D. Amount Deducted (Current Period)	E. Net Loss Carryforward to Next Period
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
6			0	0	0
7			0	0	0
8	01012009	12312009	511579	0	511579
9			0	0	0
10	01012011	12312011	3499704	0	3499704
11	01012012	12312012	2616891	0	2616891
12	01012013	12312013	1501858	0	1501858
13	01012014	12312014	205463	0	205463
14			0	0	0
15	01012016	12312016	2452250	0	2452250
16			0	0	0
17			0	0	0
18			0	0	0
19	01012020	12312020	1331497	0	1331497
20	01012021	12312021	723007	0	723007
	CURRENT TAX YEAR				**LOSS ONLY**
	01012022	12312022	0	0	3292565
TOTAL (Columns C and D Lines 1-20 ONLY)			12842249	0	

1030022136

1030022136

pennsylvania
DEPARTMENT OF REVENUE

REV-860 (SU) 09-22

SCHEDULE C-5 - SCHEDULE OF TAXES

Corporation Name: Honesdale Consolidated Water Company

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000027993	24-0614360	01/01/2022	12/31/2022

1. PA Corporate Net Income Tax		
2. Philadelphia Business Income and Receipts Tax (BIRT) - Net Income Portion		
3. Income Taxes - Other States		
4. Local Income Taxes		
5. Other Income Taxes		
6. Total Income Taxes (Add Lines 1 through 5) Carry to RCT-101, Page 2, Line 3A		
7. PA Capital Stock/Foreign Franchise Tax (Not applicable for tax years beginning on or after Jan. 1, 2016)		
8. Philadelphia Business Income and Receipts Tax (BIRT) - Gross Receipts Portion		
9. Payroll Taxes	2,288	
10. Real Estate Taxes		
11. Sales and Use Tax		
12. Business Privilege Tax - Other than Income		
13. Occupancy Tax		
14. Local Taxes - Not Based on Income		
15. Other Taxes - Not Based on Income		
16. Total Taxes Not Imposed on or Measured by Income (Add Lines 7 through 15)		2,288
17. Total Tax Expense Reported on Federal Income Tax Return (Add Lines 6 and 16)		2,288

SCHEDULE OA - OTHER ADDITIONS

DESCRIPTION	AMOUNT
Tax Preference Items	
Total Carry to RCT-101, Section C, Line 3D	

SCHEDULE OA - OTHER DEDUCTIONS

DESCRIPTION	AMOUNT
Federal Wages Disallowed as a Result of Tax Credits Under IRC Sec 45B or IRC Sec 51	
Total Carry to RCT-101, Section C, Line 2-D	

Electronic Filing Information: PDF attachments Included in this Return

Tax Year: 2022
Name: Honesdale Consolidated
Return No: C0001VO2

Jurisdiction: Pennsylvania
No of Attachments: 1

PDF Attachment Description	PDF File Name	File Size
Federal 7004	C0001VO2_PA_Federal 7004.pdf	187,219

Form **7004**
(Rev. December 2018)
Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

► File a separate application for each return.
► Go to *www.irs.gov/Form7004* for instructions and the latest information.

OMB No. 1545-0233

Print or Type

Name: Essential Utilities, Inc.
Identifying number: 23-1702594
Number, street, and room or suite no. (If P.O. box, see instructions.): 762 West Lancaster Avenue
City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).): Bryn Mawr, PA 19010

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I **Automatic Extension for Certain Business Income Tax, Information, and Other Returns.** See instructions.

1 Enter the form code for the return listed below that this application is for 1 2

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II **All Filers Must Complete This Part**

2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here . . . . . ► ☐

3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here . . . . . ► ☑
If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.

4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here . ► ☐

5a The application is for calendar year 20 22, or tax year beginning _____, 20___, and ending _____, 20___.

b **Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (See instructions—attach explanation.)

6	Tentative total tax	6	0	00
7	**Total** payments and credits. See instructions	7	0	00
8	**Balance due.** Subtract line 7 from line 6. See instructions	8	0	00

Affiliated Group Members

Name and Address of each member	Employer ID
Aqua Texas, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	56-2527052
Aqua Development 762 West Lancaster Avenue Bryn Mawr, PA 19010	76-0581965
Aqua Utilities, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	76-0556391
Aqua Virginia, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	54-0991637
Great Bay Utilities, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	84-4587274
Aqua Indiana, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	35-1864455
Hendricks County Wasterwater LLC 762 West Lancaster Avenue Bryn Mawr, PA 19010	35-1934386
Aqua Indiana-Western Hancock, Inc. 8275 Allison Pointe Trail Indianapolis, IN 46250	26-1499420
Aqua Operations, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	43-1979151
Aqua Utilities Florida 762 West Lancaster Avenue Bryn Mawr, PA 19010	20-1271689
Aqua North Carolina, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	56-0854500

Affiliated Group Members

Name and Address of each member	Employer ID
Aqua Wastewater Management, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	20-2487690
Aqua Resources, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	51-0324033
Aqua Services, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-2846342
Aqua New Jersey, Inc. 10 Black Forest Road Hamilton, NJ 08691-1810	22-1914760
Aqua Georgia, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	27-1466474
Aqua Pennsylvania, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-2297407
Aqua Illinois, Inc. 1000 South Schuyler Avenue Kanakee, IL 60901	36-1304390
Aqua Ohio, Inc. 6650 South Avenue Box 5230 Poland, OH 44514	34-1121305
Aqua Ohio Wastewater, Inc. 6650 South Avenue Box 5230 Poland, OH 44514	81-2355000
Honesdale Consolidated Water Company 762 West Lancaster Avenue Bryn Mawr, PA 19010	24-0614360
Aqua Pennsylvania Wastewater, Inc. (LWW) 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-1999647

Affiliated Group Members

Name and Address of each member	Employer ID
Delta Natural Gas Company, Inc. 3617 Lexington Road Winchester, KY 40391	61-0458329
Aqua Water Holdings, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	87-4226646
Essential Utilities Services, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	87-4170517
LDC Funding LLC 375 North Shore Dr. Suite 400 Pittsburgh, PA 15212	26-3349481

R pennsylvania DEPARTMENT OF REVENUE

PA-8453 C (SU) 09-22

PA Corporate Net Income Tax Declaration for a State e-file Report

2022

For calendar year 2022 or tax year beginning, 01/01 2022, ending, 12/31 20 22.

FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN) 23-1999647

Name of Corporation

AQUA PENNSYLVANIA WASTEWATER, INC.

Address	City	State	ZIP Code	Revenue ID Number
762 W LANCASTER AVE	BRYN MAWR	PA	19010-348	1000644734

SECTION I TAX REPORT INFORMATION (Whole dollars only.)

1. Income or Loss from Federal Return on a Separate Company Basis (From RCT-101, Section C, Line 1)	1.	-5,672,035.
2. PA Taxable Income or Loss (From RCT-101, Section C, Line 12)	2.	-5,765,703.
3. PA Corporate Net Income Tax Due (From RCT-101, Section C, Line 20)	3.	-189,009.

SECTION II DECLARATION OF OFFICER (See instructions.) **Keep a copy of the corporation's tax report, RCT-101.**

4a. ☐ I consent that the corporation's refund check may be mailed directly to the address provided on RCT-101.

4b. ☒ I do not want a refund mailed to the corporation, or the corporation is not receiving a refund.

4c. ☐ I authorize (1) the PA Department of Revenue and its designated financial institution to initiate an electronic funds withdrawal entry to my financial institution account designated in the electronic portion of my 2022 Pennsylvania Corporate Net Income Tax Report for payment of my state taxes owed; and (2) my financial institution to debit the entry to my account. I also authorize the financial institutions involved in the processing of my electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to my payment. **To revoke a payment, I must contact my financial institution account indicated in the tax preparation software for payment of the corporation state taxes.**

If I filed a balance-due report, I understand if the PA Department of Revenue does not receive full and timely payment of my tax liability, I remain liable for the tax due and all applicable interest and penalties. If I filed a joint federal and state tax return/report and there is an error on my federal return, I understand my state report will be rejected.

Under penalties of perjury, I declare I am an officer of the above-named corporation and the information I provided to my electronic return originator (ERO) and/or transmitter and the amounts in Part I above agree with the amounts on the corresponding lines of the corporation's 2022 Pennsylvania Corporate Net Income Tax Report. To the best of my knowledge and belief, the corporation's report is true, correct and complete. I consent to my ERO and/or transmitter sending the corporation's report and accompanying schedules and statements to the Internal Revenue Service (IRS) and subsequently by the IRS to the PA Department of Revenue. I also consent to the PA Department of Revenue sending my ERO and/or transmitter, through the IRS, an acknowledgment of receipt of transmission, an indication of whether or not the corporation's report is accepted and, if rejected, the reason(s) for rejection.

SIGN HERE ▶

Signature of Officer	Date	Title	Social Security number
		VICE PRESID	

Address	City	State	ZIP Code
762 W LANCASTER AVE	BRYN MAWR	PA	19010-348

SECTION III DECLARATION OF ELECTRONIC RETURN ORIGINATOR (ERO) AND PAID PREPARER (See instructions.)

I declare I have reviewed the above-named corporation's report, and the entries on Form PA 8453 C are true, correct and complete to the best of my knowledge and belief. I obtained the corporate officer's signature on this form before submitting the report to the PA Department of Revenue, provided the corporate officer a copy of all forms and information to be filed with the PA Department of Revenue and followed all other requirements specified by the PA Department of Revenue and in IRS Pub. 3112, IRS e-file Application and Participation, and Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers of forms 1120/1120S. If I am also the preparer, under penalties of perjury, I declare I examined the above-named corporation's report, accompanying schedules and statements, and to the best of my knowledge and belief they are true, correct and complete. I understand I am required to keep this form and the supporting documents for three years.

ERO's USE ONLY

ERO's Signature ▶	Date	Check if also paid preparer ☐	Check if self-employed ☐	ERO's SSN or PTIN
				P00850240

Firm's name (or yours if self-employed), address and ZIP code ▶ GLOBAL TAX MANAGEMENT, INC.
656 E. SWEDESFORD RD, STE 200 WAYNE, PA 19087

EIN 23-2817942

Telephone Number 484-395-4000

Under penalties of perjury, I declare I examined the above-named corporation's report, accompanying schedules and statements, and to the best of my knowledge and belief they are true, correct and complete.

PAID PREPARER'S USE ONLY

Preparer's Signature ▶	Date	Check if self-employed ☐	Preparer's SSN or PTIN
			P01468313

Firm's name (or yours if self-employed), address and ZIP code ▶ PWC US TAX LLP
2001 MARKET ST,STE1800 PHILADELPHIA PA 19103

Telephone Number

Electronic Return Originators (EROs) and paid preparers must retain this form and supporting documents for three years.

DO NOT SUBMIT THIS FORM TO THE PA DEPARTMENT OF REVENUE UNLESS REQUESTED TO DO SO.

1010022156

DEPARTMENT USE ONLY

RCT-101 07-22 PAGE 1 OF 4
PA CORPORATE NET INCOME TAX REPORT 2022

STEP A:

Tax Year Beginning 01012022 Tax Year Ending 12312022

STEP B:

Economic Nexus	N
Revenue ID	1000644734
Federal EIN	23-1999647
Parent Corporation EIN	231702594
NAICS code	221300
Corporation Name	AQUA PENNSYLVANIA WASTEWATER, INC.
Address Line 1	762 W LANCASTER AVE
Address Line 2	
City	BRYN MAWR
State	PA
ZIP	19010-348
Province	
Country Code	
Foreign Postal Code	
Address Change	N

IRS Filing Type A = 1120 B = 1120S C = Other A

STEP C:

N	Initial Report	N	S Corp filing as C Corp
N	Final Report (must include REV-861 and REV-181, where applicable)	N	KOZ/SDA CREDIT
N	Amended Report	N	Royalty/Related Interest Add-Back (Act 52 of 2013)
		N	S Corp Taxable Built-in Gains
N	File Period Change	N	Section 381/382/Merger NOLs
N	Change Fed Group	N	Alternative Apportionment
N	52-53 Week Filer	N	Claiming P.L. 86-272 Protection

SECTION A: GENERAL INFORMATION QUESTIONNAIRE

1. State of Incorporation: PA
2. Date of Incorporation: (MMDDYYYY) 02011973
3. Date Commenced Doing Business in PA:
4. Describe corporate activity in PA: PUBLIC UTILITY
5. Describe corporate activity outside PA: PUBLIC UTILITY
6. Other states in which taxpayer has activity:

7. Does this corporation own all or a majority of stock in other corporations? N If yes, include the REV-798, Schedule X.

8. Has the federal government changed taxable income as originally reported for any period for which reports of change have not been filed? N If yes, file the RCT-128C.

REVENUE ID 1000644734
TAX YEAR END 12312022 **NAME** AQUA PENNSYLVANIA WASTEWAT

RCT-101 07-22 PAGE 2 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION B: SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX (Include RCT-106.)

Sales Factor			Special Apportionment		
Sales - PA	1A	61688568	Numerator	2A	0
Sales - Total	1B	61688568	Denominator	2B	0
Sales Factor	1C	1.000000	Special Apportionment	2C	0

USE WHOLE DOLLARS ONLY

SECTION C: PA CORPORATE NET INCOME TAX

1.	Income or loss from federal return on a separate-company basis.	1	-5672035
2.	**DEDUCTIONS:**		
	2A. Corporate dividends received (from REV-798, Schedule C-2, Line 7).	2A	0
	2B. Interest on U.S. securities (GROSS INTEREST minus EXPENSES).	2B	0
	2C. Current yr. addtl. PA deprec. plus adjust. for sale (REV-1834, Sched. C-8, Line 8).	2C	93668
	2D. Other (from REV-860, Schedule OD) See instructions.	2D	0
	TOTAL DEDUCTIONS - Add Lines 2A through 2D and enter the result on Line 2.	2	93668
3.	**ADDITIONS:**		
	3A. Taxes imposed on or measured by net income (from REV-860, Schedule C-5, Line 6).	3A	0
	3B. Current year bonus depreciation (REV-1834, Sched. C-8, Line 3).	3B	0
	3C. Intangible expense or related interest expense (REV-802, Sched. C-6; must include REV-802).	3C	0
	3D. Other (from REV-860, Schedule OA) See instructions.	3D	0
	TOTAL ADDITIONS - Add Lines 3A through 3D and enter the result on Line 3.	3	0
4.	Income or loss with Pennsylvania adjustments (Line 1 minus Line 2 plus Line 3).	4	-5765703
5.	Total nonbusiness income or loss (from REV-934, Column C, Total; must include REV-934).	5	0
6.	Income or loss to be apportioned (Line 4 minus Line 5).	6	-5765703
7.	Apportionment (from Schedule C-1, 1C, or 2C if using Special Apportionment).	7	1.000000
8.	Income or loss apportioned to PA (Line 6 times Line 7).	8	-5765703
9.	Nonbusiness income or loss allocated to PA (from REV-934, Column A, Total; must include REV-934).	9	0
10.	PA taxable income or loss after apportionment (Line 8 plus Line 9).	10	-5765703
11.	Total net operating loss deduction (from RCT-103, Part A, Line 4).	11	0
12.	PA taxable income or loss (Line 10 minus Line 11).	12	-5765703
13.	Qualified Manufacturing Innovation and Reinvestment Deduction (cannot reduce tax liability by more than 50%).	13	0
14.	PA corporate net income tax ((Line 12 - Line 13) times 0.0999). If Line 12 is less than zero , enter "0".	14	0
15.	Credit for tax paid by affiliate(s) for intangible expense or related interest expense (from REV-803, Sched. C-7; must include REV-803).	15	0
16.	Tax Liability (Line 14 minus line 15).	16	0
17.	Credit for CNI Tax Withholding (from PA Schedule CP, line 16).	17	0
18.	Estimated Payments & Credits on Deposit.	18	189009
19.	Restricted Credits (cannot exceed line 16).	19	0
20.	Total Due/Overpayment (Line 16 minus lines 17, 18 and 19).	20	-189009

1010022256

REVENUE ID 1000644734
TAX YEAR END 12312022 **NAME** AQUA PENNSYLVANIA WASTEWAT

RCT-101 07-22 PAGE 3 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION D: TRANSFER/REFUND METHOD

1.	Transfer (Amount to be credited to the next tax year after offsetting all unpaid liabilities).	1	189009
2.	Refund (Amount to be refunded after offsetting all unpaid liabilities).	2	0

DIRECT DEPOSIT: Banking rules do not permit direct deposit to bank accounts outside the U.S. If your bank account is outside the U.S., do not complete the direct deposit field or bank routing and account number information below in this case, and you will receive a check from the Department. If your refund will be going to a bank account within the U.S., you have the option to have your refund directly deposited.

Direct Deposit C=Checking S=Savings | Routing # | Account #

SECTION E: BULK SALE

*Schedule of Disposition of Assets, REV-861, must be completed and filed with this report.

Has the corporation sold or transferred in bulk, 51 percent or more of any class of assets? (See instructions.) N
If yes, enter the following information. (Include a separate schedule if additional space is needed.)

Purchaser Name
Address Line 1
Address Line 2
City
State
ZIP
Province
Country Code
Foreign Postal Code

SECTION F: SCHEDULE OF REAL PROPERTY IN PA (Include a separate schedule if additional space is needed.)

Did you own or rent property in PA titled to the corporation or any Single Member LLC during this filing period? N
If yes, the below section must be completed.

◊ = Own
R = Rent

Street Address	**City**	**County**	**KOZ/KOEZ**

1010022356

REVENUE ID 1000644734
TAX YEAR END 12312022 **NAME** AQUA PENNSYLVANIA WASTEWAT

RCT-101 07-21 PAGE 4 OF 4 PA CORPORATE NET INCOME TAX REPORT 2022

SECTION G: CORPORATE OFFICER (Must sign affirmation below.)

CORPORATE OFFICERS
(See instructions.)
Must provide requested information for all filled officer positions.

	SSN	Last Name	First Name	MI
President/Managing Partner		LUCCA	MARK	
Vice President		SCHULLER	DANIEL	
Secretary		LUNING	CHRISTOPHER	
Treasurer/Tax Manager		SZCZYGIEL	STAN	

NAME Christine Saball
PHONE 6106454202
EMAIL CSABALL@ESSENTIAL.CO

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete report. If this report is an amended report, the taxpayer hereby consents to the extension of the assessment period for this tax year to one year from the date of filing of this amended report or three years from the filing of the original report, whichever period last expires, and agrees to retain all required records pertaining to that tax and tax period until the end of the extended assessment period, regardless of any statutory provision providing for a shorter period of retention. For purposes of this extension, an original report filed before the due date is deemed filed on the due date. I am authorized to execute this consent to the extension of the assessment period.

Corporate Officer Signature	Date
Christine Saball	

PREPARER'S INFORMATION

Firm Federal EIN	920460586
Firm Name	PWC US TAX LLP
Preparer's Name	Erin Callanan
Preparer's SSN/PTIN	P01468313
Address Line 1	2001 MARKET ST,STE1800
Address Line 2	
City	PHILADELPHIA
State	PA
ZIP	19103
Province	
Country Code	
Foreign Postal Code	

FORM 1062
BARCODE 0000

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been prepared by me and to the best of my knowledge and belief is a true, correct and complete report.

Tax Preparer's Signature	Date

1010022456

pennsylvania
DEPARTMENT OF REVENUE (SU) 04-23 (I)

REV-798

SCHEDULE C-2
PA DIVIDEND DEDUCTION

Corporation Name

Aqua Pennsylvania Wastewater, Inc.(L

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

1. Federal Schedule C, Line (24), Total Deductions	1.	
2. Federal Schedule C, Line (18), Foreign Dividend Gross-Up (Section 78)	2.	
3. Federal Schedule C, Line (22) (Attach federal Form 8993)	3.	
4. Dividends from less-than-20-percent-owned foreign corporations listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C x 50 percent - 0.50	4.	
5. Dividends from 20-percent-or-more-owned foreign corporations listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C x 65 percent - 0.65	5.	
6. Dividends listed on Lines (14), (16b), (16c), (17), (19) and (20) of federal Schedule C from foreign corporations that meet the "80 percent voting and value test" of IRC § 1504(a)(2) and otherwise would qualify for 100 percent deduction under IRC § 243(a)(3) if they were a domestic corporation. **Do not list any amounts included above.**	6.	
7. **Total PA Dividend Deduction** - Add Lines 1, 2, 4, 5 and 6. Subtract Line 3. Enter this amount on RCT-101, Section C, Line 2A.	7.	

SCHEDULE X

Taxpayers completing this schedule must include beginning and ending consolidating schedules reflecting the activity of all members of the consolidated group, along with all consolidations and eliminations.

Corporation Name

Aqua Pennsylvania Wastewater, Inc.(

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

NAME	FILE IN PA	REVENUE ID	EIN

Name, SSN, EIN and/or Revenue ID of any individual or business entity owning all or a majority of the stock of the taxpayer.

Name	SSN or EIN	Revenue ID
ESSENTIAL UTILITIES, INC.	231702594	1000603336

pennsylvania
DEPARTMENT OF REVENUE (SU) 10-22

REV-1834

SCHEDULE C-8
ADJUSTMENT FOR
BONUS DEPRECIATION

Corporation Name

Aqua Pennsylvania Wa

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

This Schedule is required to be completed annually and submitted with the RCT-101

1. Unused Bonus Depreciation Balance from prior year: 3,015,472

1A. Unrecovered Bonus Depreciation Balance: . . . . .

On Qualified Property Acquired in Transactions Where Asset Basis is Carried Over

Date of Transaction:_____ Type of Transaction: _____

Revenue ID of Corporation from Whom Assets Acquired: _____ FEIN:_____

2. Amount of Federal Bonus Depreciation claimed in this tax year:

2A. Property placed in service prior to Sept. 28, 2017 . . . . .

2B. Property placed in service on or after Sept. 28, 2017 . . . . .

3. Current Year Bonus Deprec. Addition (Line 2A plus 2B)

TOTAL (Carry to Line 3B, Page 2, of RCT-101). . . . .

4. Additional PA Bonus Depreciation Deduction:

4A. Property placed in service prior to Sept. 28, 2017 (MACRS x 3/7) 93,668

4B. Property placed in service on or after Sept. 28, 2017 (MACRS w/o regard to Bonus) . .

5. PA Bonus Depreciation Deduction

TOTAL (Line 4A plus 4B) 93,668

6. Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed:

6A. Property placed in service prior to Sept. 28, 2017 (Schedule C-9 Line 2) . . . . .

6B. Property placed in service on or after Sept. 28, 2017 (Schedule C-9 Line 4) . . . . .

7. PA Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed:

TOTAL (Line 6A plus 6B) . . . . .

8. PA Bonus Depreciation Deduction (Line 5 plus 7)

TOTAL (Carry to line 2C, Page 2, of RCT-101) 93,668

9. Remaining Unused Bonus Depreciation Balance Carry-Forward:

TOTAL (Line 1 plus Line 1A plus Line 3 minus Line 8) 2,921,804

R pennsylvania
DEPARTMENT OF REVENUE

RCT-106 (SU) 08-22

DETERMINATION OF APPORTIONMENT PERCENTAGE

INSERT SHEET
FILE WITH RCT-101

Corporation Name

Aqua Pennsylvania Wa

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

SALES FACTOR Description	Inside PA	Inside and Outside PA
1. Sales (net of returns and allowances)	61,665,462	61,665,462
2. Interest, Rents, Royalties	811,302	811,302
3. Gross Receipts from the Sale of Other Business Assets (except securities, unless you are a securities dealer)	56,725	56,725
4. Other Sales (receipts only)	-844,921	-844,921
5. Partner's Share of Sales from Partnerships		
6. Total Sales	(A) 61,688,568	(B) 61,688,568

(C) Sales Factor (Divide A by B; calculate to six decimal places.) (C) 1 • 0 0 0 0 0 0

Carry (A), (B) and (C) to RCT-101, Schedule C-1, Lines 1A, 1B and 1C.

SPECIAL APPORTIONMENT

Special apportionment to be completed only by railroad, truck, bus, airline or qualified air freight forwarding companies; pipeline or natural gas companies; water transportation companies; or satellite television services providers. Refer to instructions.

(A) NUMERATOR _____

(B) DENOMINATOR _____ = (C) ___ • _____

Carry (A), (B) and (C) to RCT-101, Schedule C-1, Lines 2A, 2B and 2C.

(C) Special Apportionment (Divide A by B; calculate to six decimal places.)

2Y4624 3.000

RCT-103 04-22 NET OPERATING LOSS SCHEDULE 2022

(File with RCT-101.)

Tax Year Beginning 01012022 **Revenue ID** 1000644734

Tax Year Ending 12312022

Corporation Name AQUA PENNSYLVANIA WASTEWATER, INC.(L

Part A

1. Taxable income from RCT-101, Section C, Line 10.	1	0
2. Total net operating loss carryforward to current period. (Total, Column C below.)	2	11908841
3. Line 1 multiplied by 0.40 percent. (See Instructions in the REV-1200.)	3	0
4. Net operating loss deduction allowed for current tax period. (Carry to RCT-101, Page 2, Line 11.)	4	0

Part B

	A. Tax Period Beginning	B. Tax Period Ending	C. Net Loss Carryforward to Current Period	D. Amount Deducted (Current Period)	E. Net Loss Carryforward to Next Period
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
6			0	0	0
7			0	0	0
8			0	0	0
9			0	0	0
10			0	0	0
11			0	0	0
12			0	0	0
13			0	0	0
14			0	0	0
15			0	0	0
16			0	0	0
17	01012018	12312018	1101309	0	1101309
18	01012019	12312019	3652029	0	3652029
19	01012020	12312020	0	0	0
20	01012021	12312021	7155503	0	7155503
	CURRENT TAX YEAR				**LOSS ONLY**
	01012022	12312022	0	0	5765703
TOTAL (Columns C and D Lines 1-20 ONLY)			11908841	0	

2D4645 2.000

1030022136

1030022136

pennsylvania
DEPARTMENT OF REVENUE

REV-860 (SU) 09-22

SCHEDULE C-5 - SCHEDULE OF TAXES

Corporation Name: Aqua Pennsylvania Wastewater, Inc.(L

Revenue ID	FEIN	Tax Year Beginning	Tax Year Ending
1000644734	23-1999647	01/01/2022	12/31/2022

1. PA Corporate Net Income Tax		
2. Philadelphia Business Income and Receipts Tax (BIRT) - Net Income Portion		
3. Income Taxes - Other States		
4. Local Income Taxes		
5. Other Income Taxes		
6. Total Income Taxes (Add Lines 1 through 5) Carry to RCT-101, Page 2, Line 3A		
7. PA Capital Stock/Foreign Franchise Tax (Not applicable for tax years beginning on or after Jan. 1, 2016)		
8. Philadelphia Business Income and Receipts Tax (BIRT) - Gross Receipts Portion		
9. Payroll Taxes	264,043	
10. Real Estate Taxes	286,690	
11. Sales and Use Tax		
12. Business Privilege Tax - Other than Income		
13. Occupancy Tax		
14. Local Taxes - Not Based on Income		
15. Other Taxes - Not Based on Income	224,354	
16. Total Taxes Not Imposed on or Measured by Income (Add Lines 7 through 15)		775,087
17. Total Tax Expense Reported on Federal Income Tax Return (Add Lines 6 and 16)		775,087

SCHEDULE OA - OTHER ADDITIONS

DESCRIPTION	AMOUNT
Tax Preference Items	
Total Carry to RCT-101, Section C, Line 3D	

SCHEDULE OA - OTHER DEDUCTIONS

DESCRIPTION	AMOUNT
Federal Wages Disallowed as a Result of Tax Credits Under IRC Sec 45B or IRC Sec 51	
Total Carry to RCT-101, Section C, Line 2-D	

Electronic Filing Information: PDF attachments Included in this Return

Tax Year: 2022
Name: Aqua Pennsylvania Wast
Return No: C0001VU2

Jurisdiction: Pennsylvania
No of Attachments: 1

PDF Attachment Description	PDF File Name	File Size
Federal 7004	C0001VU2_PA_Federal 7004.pdf	187,219

Form **7004**
(Rev. December 2018)
Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

► File a separate application for each return.
► Go to *www.irs.gov/Form7004* for instructions and the latest information.

OMB No. 1545-0233

Print or Type

Name: Essential Utilities, Inc.
Identifying number: 23-1702594
Number, street, and room or suite no. (If P.O. box, see instructions.): 762 West Lancaster Avenue
City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).): Bryn Mawr, PA 19010

Note: File request for extension by the due date of the return. See instructions before completing this form.

Part I **Automatic Extension for Certain Business Income Tax, Information, and Other Returns.** See instructions.

1 Enter the form code for the return listed below that this application is for 1 2

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041 (estate other than a bankruptcy estate)	04	Form 1120-REIT	23
Form 1041 (trust)	05	Form 1120-RIC	24
Form 1041-N	06	Form 1120S	25
Form 1041-QFT	07	Form 1120-SF	26
Form 1042	08	Form 3520-A	27
Form 1065	09	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8876	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18	Form 8928	36
Form 1120-ND	19		

Part II **All Filers Must Complete This Part**

2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here . . . . . ► ☐

3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here . . . . . ► ☑
If checked, attach a statement listing the name, address, and employer identification number (EIN) for each member covered by this application.

4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here . ► ☐

5a The application is for calendar year 20 22, or tax year beginning _____, 20___, and ending _____, 20___.

b **Short tax year.** If this tax year is less than 12 months, check the reason: ☐ Initial return ☐ Final return
☐ Change in accounting period ☐ Consolidated return to be filed ☐ Other (See instructions—attach explanation.)

6	Tentative total tax	6	0	00
7	**Total** payments and credits. See instructions	7	0	00
8	**Balance due.** Subtract line 7 from line 6. See instructions	8	0	00

Affiliated Group Members

Name and Address of each member	Employer ID
Aqua Texas, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	56-2527052
Aqua Development 762 West Lancaster Avenue Bryn Mawr, PA 19010	76-0581965
Aqua Utilities, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	76-0556391
Aqua Virginia, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	54-0991637
Great Bay Utilities, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	84-4587274
Aqua Indiana, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	35-1864455
Hendricks County Wasterwater LLC 762 West Lancaster Avenue Bryn Mawr, PA 19010	35-1934386
Aqua Indiana-Western Hancock, Inc. 8275 Allison Pointe Trail Indianapolis, IN 46250	26-1499420
Aqua Operations, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	43-1979151
Aqua Utilities Florida 762 West Lancaster Avenue Bryn Mawr, PA 19010	20-1271689
Aqua North Carolina, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	56-0854500

Affiliated Group Members

Name and Address of each member	Employer ID
Aqua Wastewater Management, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	20-2487690
Aqua Resources, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	51-0324033
Aqua Services, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-2846342
Aqua New Jersey, Inc. 10 Black Forest Road Hamilton, NJ 08691-1810	22-1914760
Aqua Georgia, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	27-1466474
Aqua Pennsylvania, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-2297407
Aqua Illinois, Inc. 1000 South Schuyler Avenue Kanakee, IL 60901	36-1304390
Aqua Ohio, Inc. 6650 South Avenue Box 5230 Poland, OH 44514	34-1121305
Aqua Ohio Wastewater, Inc. 6650 South Avenue Box 5230 Poland, OH 44514	81-2355000
Honesdale Consolidated Water Company 762 West Lancaster Avenue Bryn Mawr, PA 19010	24-0614360
Aqua Pennsylvania Wastewater, Inc. (LWW) 762 West Lancaster Avenue Bryn Mawr, PA 19010	23-1999647

Affiliated Group Members

Name and Address of each member	Employer ID
Delta Natural Gas Company, Inc. 3617 Lexington Road Winchester, KY 40391	61-0458329
Aqua Water Holdings, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	87-4226646
Essential Utilities Services, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010	87-4170517
LDC Funding LLC 375 North Shore Dr. Suite 400 Pittsburgh, PA 15212	26-3349481

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX2. Submit details of calculations for taxes, other than income, where a company is assessed taxes for doing business in another state, or on its property located in another state.

A. Aqua Pennsylvania, Inc. does not do business outside of Pennsylvania and does not have property located in another state.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX3. Submit a schedule showing for the last 3 years the Income Tax refunds, plus interest, net of taxes, received from the Federal government due to prior years' claims.

A. Aqua Pennsylvania, Inc. has not received income tax refunds from the Federal government due to prior years' claims in the last three years.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX4. Provide detailed computations showing the deferred income taxes derived by using accelerated tax depreciation applicable to post-1969 utility property that increases productive capacity, and accelerated depreciation rate (ADR) rates on property (separate between State and Federal; also, rate used). If based on the historic test year, justify.

a. State whether tax depreciation is based on all rate base items claimed as of the end of the future test year, and whether it is the annual tax depreciation at the end of the future test year.

b. Reconcile any difference between the deferred tax balance, as shown as a reduction to measures of value (rate base), and the deferred tax balance as shown on the balance sheet.

A. Please see the attached.

a. The Company's tax depreciation is based on all rate base items claimed as of the end of the fully projected future test year, and it is the annual tax depreciation at the end of the fully projected future test year.

b. Please refer to the attached.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

DEFERRED INCOME TAX - WATER

	12/31/2023 TAX DEPRECIATION	12/31/2023 NORMALIZED DEPRECIATION	DIFFERENCE	DEFERRED FEDERAL TAX 21.00%	DEFERRED STATE TAX 8.99%
TO 1969	1,207	1,211,141	n/a		
ACRS-MACRS	87,177,913	67,279,275	19,898,638		
	87,177,913	67,279,275	19,898,638	4,178,714	
LESS: FLOWBACK OF HISTORICAL TAX REPAIRS UTP				0	
LESS: FLOWBACK OFTAX REPAIRS COLLAR				0	
LESS: FLOWBACK OF 35%-21% DEFERRED FEDERAL TAX-UNPROTECTED				242,749	
LESS: FLOWBACK OF REPAIRS				(845,134)	(633,512)
LESS: FLOWBACK OF 35%-21% DEFERRED FEDERAL TAX				(2,456,195)	
				1,120,135	(633,512)
Federal/State NOL				(17,039,295)	33,680,863
COR	1,943,163	2,889,021	(945,859)		
Basis Adjustments:	882,128	2,113,554	(1,231,425)		
	2,825,291	5,002,575	(2,177,284)	(457,230)	
Basis Adjustments (PA):	477,089	3,059,152	(2,582,063)		(183,381)

a. Yes

b.

Accumulated Deferred Taxes	188,889,594
Reg Asset PA Rate Change/Norm Basis Differences	(3,043,460)
Reg Liab Historical Repairs	4,873,528
Deferred Tax reduction as result of rate decrease from 35% to 21%	136,386,208
Total Accumulated Deferred Taxes	327,105,870
Non Rate Related Adjustments	
SFAS	740,688,253
Energy credit carryforward	(1,485,245)
Deferred ITC	3,107,607
Repairs Catch up	(5,587,776)
Benefits Related	(3,410,961)
Excess Deferred Non-Plant	(3,119,117)
PA Rate Change	(145,154,186)
Reg Liab 481a	(9,570,391)
Other	2,601,561
Accumulated Deferred Taxes	905,175,616

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

DEFERRED INCOME TAX - WASTEWATER

	12/31/2023 TAX DEPRECIATION	12/31/2023 NORMALIZED DEPRECIATION	DIFFERENCE	DEFERRED FEDERAL TAX 21.00%	DEFERRED STATE TAX 8.99%
TO 1969	0	191	n/a		
ACRS-MACRS	21,732,607	12,291,984	9,440,624		
	21,732,607	12,291,984	9,440,624	1,982,531	
LESS: FLOWBACK OF HISTORICAL TAX REPAIRS UTP				0	
LESS: FLOWBACK OFTAX REPAIRS COLLAR				0	
LESS: FLOWBACK OF 35%-21% DEFERRED FEDERAL TAX-UNPROTECTED				551	
LESS: FLOWBACK OF REPAIRS				(55,013)	(35,469)
LESS: FLOWBACK OF 35%-21% DEFERRED FEDERAL TAX				(43,421)	
				1,884,648	(35,469)
Federal/State NOL				0	937,053
COR	(32,897)	288,641	(321,538)		
Basis Adjustments:	(4,427)	(11,326)	6,899		
	(37,324)	277,315	(314,639)	(66,074)	
Basis Adjustments (PA):	0	0	0		0

a. Yes

b.

Accumulated Deferred Taxes	9,441,989
Reg Asset PA Rate Change/Norm Basis Differences	(106,726)
Deferred Tax reduction as result of rate decrease from 35% to 21%	1,096,007
Total Accumulated Defered Taxes	10,431,270
Non Rate Related Adjustments	
SFAS adjustment	16,435,532
Excess Deferred Non-Plant	(3,785)
PA Rate Change	(2,365,499)
Other Miscellaneous Differences	(2,154,871)
Accumulated Deferred Taxes	22,342,646

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX5. Submit a schedule showing a breakdown of accumulated investment tax credits, (3%, 4%, 7%, 10% and 11%), together with details of methods used to write-off the unamortized balances.

A. Please see the attached.

AQUA PENNSYLVANIA, INC.
SUMMARY OF ITC
FOR THE TEST YEAR ENDED DECEMBER 31, 2023

Unamortized Investment Tax Credits are amortized using straight line amortizataion. Amortization begins once the credit has been taken on the Company's tax return. If the credit expires before it is utilized, the credit is written off and there is no amortization to reduce tax expense.

CREDIT YEAR	ITC %	ORIGINAL CREDIT	Credit Carried Forward	BALANCE AT 1/1/2023	AMORTIZATION	BALANCE AT 12/31/2023
1971	4%	39,883				
1972	4%	75,289				
1973	4%	136,564				
1974	4%	127,625				
1975	4%	74,456				
1975	4%	7,967				
1976	4%	58,564				
1976	4%	7,356				
1977	4%	27,001				
1978	4%	25,697				
1979	4%	43,427				
1980	4%	32,530				
1981	4%	29,745				
1982	4%	8,834				
1983	4%	8,466				
1984	4%	11,119				
1985	4%	112,718				
1986	4%	102,009				
1987	4%	5,254				
1988	4%	3,353				
1989	4%	2,487				
1990	4%	1,605				
SUBTOTAL 4% ITC		941,949				
1975	10%	231,754				
1976	10%	467,310				
1977	10%	202,839				
1978	10%	276,827				
1979	10%	454,060				
1980	10%	528,486				
1981	10%	417,758				
1982	10%	568,726				
1983	10%	634,806				
1984	10%	549,768				
1985	10%	586,856				
1986	10%	281,083				
1987	10%	80,405				
1988	10%	89,654				
1989	10%	114,117				
1990	10%	122,513				
1991	10%	110,118				
1992	10%	109,219				
1993	10%	93,387				
1994	10%	76,432				
1995	10%	55,885				
1996	10%	40,404				
1997	10%	27,924				
1998	10%	23,829				
1999	10%	15,639				
2000	10%	9,062				
SUBTOTAL 10% ITC		6,168,862	-	2,621,094	96,942	2,524,152
SOLAR PLANT		3,154,445	1,485,245	650,223	66,768	583,455
TOTAL ITC		10,265,257	1,485,245	3,271,316	163,710	3,107,607

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX6. Submit a schedule showing the adjustments for taxable net income per book, including below-the-line items, and pro-forma under existing rates, together with an explanation of any difference between the adjustments. Indicate charitable donations and contributions in the tax calculation for ratemaking purposes.

A. Please refer to the attached and also Exhibit 1-A, Schedule F-2 for water and Exhibit 1-B, Schedule F-2 for wastewater. The differences between book and proforma tax adjustments are due to timing and deductible refunds from advances to builders.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

BOOK AND PROFORMA TAX ADJUSTMENTS - WATER

	12/31/2023 TAX-BOOK ADJUSTMENTS
PRE TAX INCOME	$ 237,209,470
(FOR THE HISTORIC TEST YEAR ENDING 12/31/2023)	
Repairs, net of book depreciation reversals	(145,775,513)
Depreciation	(15,990,931)
Contributions in Aid of Construction	(1,207,366)
Allowance for Funds Used During Construction (net of CPI)	(3,503,276)
Amortization of Utility Plant Acquisition Adjustment	-
Bad Debt	(2,055,787)
Regulatory Asset - Incremental COVID Costs	12,358
Pension	(1,634,339)
Other Post Retirement Benefits	1,101,338
Charitable Contributiions	(146,837)
Other Miscellaneous Items	807,519
Plant related prior year true ups	(7,991,344)
TOTAL ADJUSTMENTS (PERM AND TIMING)	(176,384,178)
	60,825,293
TAXABLE INCOME-STATE	
Bonus Depreciation Recovery	(3,069,783)
Current Year Net Operating Loss Adjustment	(19,678,742)
TAXABLE INCOME STATE	38,076,768
STATE TAXES	3,423,101
TAXABLE INCOME FEDERAL	$ 57,402,191

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

BOOK AND PROFORMA TAX ADJUSTMENTS - WASTEWATER

	12/31/2023 TAX-BOOK ADJUSTMENTS
PRE TAX INCOME	$ 25,491,064
(FOR THE HISTORIC TEST YEAR ENDING 12/31/2023)	
Repairs, net of book depreciation reversals	(4,073,944)
Depreciation	(8,923,362)
Contributions in Aid of Construction	(197,399)
Allowance for Funds Used During Construction (net of CPI)	(846,396)
Amortization of Utility Plant Acquisition Adjustment	-
Bad Debt	250,597
Regulatory Asset - Incremental COVID Costs	-
Pension	-
Other Post Retirement Benefits	-
Charitable Contributiions	-
Other Miscellaneous Items	(134,575)
Plant related prior year true ups	586,801
TOTAL ADJUSTMENTS (PERM AND TIMING)	(13,338,278)
	12,152,786
TAXABLE INCOME-STATE	
Bonus Depreciation Recovery	(84,003)
Current Year Net Operating Loss Adjustment	(5,375,396)
TAXABLE INCOME STATE	6,693,387
STATE TAXES	601,735
TAXABLE INCOME FEDERAL	$ 11,551,051

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX7. Submit detailed calculations supporting historic and future taxable income before State and Federal Income Taxes where the income tax is subject to allocation due to operations in another state, or due to operation of other taxable utility or nonutility business, or by operating divisions or areas.

A. Aqua Pennsylvania, Inc. operates only in Pennsylvania and does not have State and Federal Income Taxes allocated due to operations in another state, or due to the operation of other taxable utility or nonutility business, or by operating divisions or areas.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX8. Furnish a breakdown of major items comprising prepaid and deferred income tax charges and other deferred income tax credits and reserves by accounting areas.

A. Aqua Pennsylvania, Inc. does not allocate taxes by accounting areas.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX9. Explain the reason for the use of cost of removal of any retired plant figures in the Income Tax calculations.

A. Cost of removal is deductible under IRC Section 162 as an ordinary and necessary business expense.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX10. State whether all tax savings due to accelerated depreciation on property installed prior to 1970 have been passed through to income. If not, explain.

A. Aqua Pennsylvania, Inc. has flowed through all federal and state tax savings from accelerated depreciation on property installed prior to 1970.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX11. Show any income tax loss/gain carryovers from previous years that may affect historic test year income taxes or future test year Income Taxes. Show loss or gain carryovers by years of origin and amounts remaining by years at the end of the historic test year.

A. Aqua Pennsylvania, Inc. has state and federal NOLs that originated in 2011 and 2012 respectively per the attached schedule. The state NOL is $490,707,748 as of December 31, 2023. The federal NOL is $81,139,498 as of December 31, 2023.

AQUA PENNSYLVANIA, INC. 2024 RATE CASE
FILING REQUIREMENTS
Aqua Pennsylvania, Inc. Federal NOL Carryforwards

TX11 Attach

NOL	Beginning Balance	Contributions Converted to NOL	NOL's Utilized	Carryforward
2019 & prior	**72,689,690**	**0**	**(4,039,550)**	68,650,130
2020 NOL	**1,287,919**	**0**	**(368,262)**	919,657
2021 NOL	**7,484,337**	**0**	**(4,447,989)**	3,036,348
2022 NOL	**8,884,308**	**0**	**(4,865,344)**	4,018,964
2023 NOL	**5,961,705**	**0**	**(1,447,306)**	4,514,399
	96,307,959	**0**	**(15,168,451)**	**81,139,498**

Aqua Pennsylvania, Inc. State NOL Carryforwards

NOL	Beginning Balance	Contributions Converted to NOL	NOL's Utilized	NOL's Expired	Carryforward	Expiration Year
2009 NOL	511,579	0	0	0	511,579	2029
2010 NOL	0	0	0	0	0	2030
2011 NOL	49,352,012	0	(45,852,308)	0	3,499,704	2031
2012 NOL	460,915,549	0	(65,327,520)	0	395,588,029	2032
2013 NOL	1,721,317	0	0	0	1,721,317	2033
2014 NOL	815,546	0	0	0	815,546	2034
2015 NOL	265,104	0	(265,104)	0	0	2035
2016 NOL	2,452,250	0	0	0	2,452,250	2036
2017 NOL	27,501,575	0	0	0	27,501,575	2037
2018 NOL	5,024,221	0	(2,237,602)	0	2,786,619	2038
2019 NOL	33,216,200	0	(3,652,029)	0	29,564,171	2039
2020 NOL	1,331,497	0	0	0	1,331,497	2040
2021 NOL	7,878,510	0	(737,749)	0	7,140,761	2041
2022 NOL	9,058,268	0	0	0	9,058,268	2042
2023 NOL	8,736,432	0	0	0	8,736,432	2043
	608,780,060	0	(118,072,312)	0	490,707,748	

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX12.

Provide a detailed analysis of taxes accrued per books as of the historic and future test year date. Also supply the basis for the accrual and the amount of taxes accrued monthly.

A. Taxes are accrued for each month based on the monthly revenue and expense data as well as budgeted tax adjustments. Please see the below schedule of taxes accrued per books from January 1, 2023 through December 31, 2023.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

TAXES ACCRUED PER BOOKS

Period	Current Federal CNI	Current State CNI
January-2023	$ 1,034,106	$ 1,649,116
February-2023	$ 5,595,200	$ 1,649,116
March-2023	$ 5,600,358	$ 1,649,116
April-2023	$ 8,301,267	$ 2,127,731
May-2023	$ 11,853,372	$ 2,127,731
June-2023	$ 3,386,818	$ 2,127,731
July-2023	$ 6,713,262	$ 3,626,710
August-2023	$ 10,129,221	$ 3,626,710
September-2023	$ 8,392,195	$ 3,626,710
October-2023	$ 11,555,991	$ 3,337,721
November-2023	$ 14,453,633	$ 3,337,721
December-2023	$ 7,178,864	$ 3,337,721

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX13. Under Section 1552 of the Internal Revenue Code and Regulations at 1.1552-1 if applicable, a parent company, in filing a consolidated Income Tax return for the group, must choose one of four options by which it must allocate total income tax liability of the group to the participating members to determine each member's tax liability to the Federal government. If this request is not applicable, provide an explanation.

a. State what option has been chosen by the group.

b. Provide, in summary form, the amount of tax liability that has been allocated to each of the participating members in the consolidated Income Tax return.

c. Provide a schedule, in summary form, of contributions, which were determined on the basis of separate tax return calculations, made by each of the participating members to the tax liability indicated in the consolidated group tax return. Provide total amounts of actual payments to the tax depository for the tax year, as computed on the basis of separate returns of members.

d. Provide annual Income Tax return for group, and if Income Tax return shows net operating loss, provide details of amount of net operating loss allocated to the Income Tax returns of each of the members of the consolidated group.

A. a. Each member participating in Essential Utilities, Inc.'s consolidated Federal tax return has its share of tax liability calculated on a separate return basis. Members are compensated for tax attributes when utilized by the consolidated group (benefits of loss method). Please see the Attachment 1 for Essential Utilities, Inc.'s consolidated Federal Income Tax Summary and Attachment 2 for the calculation of the consolidate tax savings adjustment pursuant to Act 40.

b. See Column 9 of attached schedule for each income members' tax liability, and pro-rata reimbursement for the utilization of loss members' net operating losses.

c. See Column 5 of the attached schedule for the tax liabilities paid by the income generating memebers of the consolidated group for the utilization of the loss members tax attributes. No cash payments were made during the test year due to the generation of tax losses.

d. Please see the Attachment 1 - Essential Utilities, Inc.'s consolidated Federal Income Tax Summary. Column 10 contains the net operating loss allocated to each loss member of the consolidated group.

Essential Utilities and Subsidiaries TX13 Attach 1

Income Tax Allocation - 2022 Federal Income Tax Return

	1	2	3	4	5	6	7	8	9	10	11
			Inc/(Loss)	Inc/(Loss)	DR/(CR)	Inc/(Loss)	Inc/(Loss)	DR/(CR)	DR/(CR)	2022	DR/(CR)
								Tax Effect of		CY NOL DTA	CY NOL DTA
Company Name	Net Operating Income/ Loss	Charitable Contribution	Total NOL as per 1120	Companies Utilizing NOL	Payable	Companies Generating NOL	Prorata NOL Utilized	NOL @ 21%	Tax Sharing Allocation	Carryforward - Gross	Carryforward - Tax Effected
Essential Utilities Inc.	(41,007,836)	454,269	(40,553,567)	-	-	(40,553,567)	22,208,486	4,663,782	4,663,782	18,345,081	3,852,467
Aqua Virginia Inc	4,121,717		4,121,717	4,121,717	(865,561)	-	-	-	(865,561)	-	-
Great Bay Utilities, Inc.	(51,154)		(51,154)	-	-	(51,154)	28,014	5,883	5,883	23,140	4,859
Aqua Indiana	4,073,291		4,073,291	4,073,291	(855,391)	-	-	-	(855,391)	-	-
Aqua Texas	4,627,643		4,627,643	4,627,643	(971,805)	-	-	-	(971,805)	-	-
Aqua Texas Oper (Non Reg)	250,733		250,733	250,733	(52,654)	-	-	-	(52,654)	-	-
Aqua North Carolina Inc	(8,520,941)		(8,520,941)	-	-	(8,520,941)	4,666,352	979,934	979,934	3,854,589	809,464
Aqua New Jersey Inc	(55,085,637)		(55,085,637)	-	-	(55,085,637)	30,166,732	6,335,014	6,335,014	24,918,905	5,232,970
Aqua Wastewater Mgmt Inc.	(17,071)		(17,071)	-	-	(17,071)	9,349	1,963	1,963	7,722	1,622
Aqua Resources Inc.	4,347,577		4,347,577	4,347,577	(912,991)	-	-	-	(912,991)	-	-
Aqua Services, Inc.	(217,426)		(217,426)	-	-	(217,426)	119,070	25,005	25,005	98,356	20,655
Essential Utilities Services Inc	6,333,496		6,333,496	6,333,496	(1,330,034)	-	-	-	(1,330,034)	-	-
Aqua Illinois, Inc.	17,013,381		17,013,381	17,013,381	(3,572,810)	-	-	-	(3,572,810)	-	-
Aqua Pennsylvania Inc	100,272,694		100,272,694	100,272,694	(21,057,266)	-	-	-	(21,057,266)	-	-
Honesdale Consol Water Co	(3,212,275)		(3,212,275)	-	-	(3,212,275)	1,759,149	369,421	369,421	1,453,126	305,156
Aqua Pennsylvania WW, Inc	(5,672,035)		(5,672,035)	-	-	(5,672,035)	3,106,196	652,301	652,301	2,565,839	538,826
Aqua Ohio Inc.	(6,059,056)		(6,059,056)	-	-	(6,059,056)	3,318,141	696,810	696,810	2,740,915	575,592
Hendricks County WW LLC	2,814,106		2,814,106	2,814,106	(590,962)	-	-	-	(590,962)	-	-
Western Hancock Inc	2,231,346		2,231,346	2,231,346	(468,583)	-	-	-	(468,583)	-	-
Aqua Ohio Wastewater, Inc	474,187		474,187	474,187	(99,579)	-	-	-	(99,579)	-	-
Delta Natural Gas Company, Inc.	5,318,613		5,318,613	5,318,613	(1,116,909)	-	-	-	(1,116,909)	-	-
Peoples Natural Gas Company LLC	(94,659,891)		(94,659,891)	-	-	(94,659,891)	51,838,914	10,886,172	10,886,172	42,820,977	8,992,405
Peoples TWP LLC	328,536		328,536	328,536	(68,993)	-	-	-	(68,993)	-	-
Peoples Gas KY LLC	(299,736)		(299,736)	-	-	(299,736)	164,145	34,471	34,471	135,591	28,474
Peoples Gas WV LLC	(4,563,061)		(4,563,061)	-	-	(4,563,061)	2,498,884	524,766	524,766	2,064,177	433,477
Peoples Homeworks LLC	1,927,246		1,927,246	1,927,246	(404,722)	-	-	-	(404,722)	-	-
PNG Gathering LLC	(1,114,695)		(1,114,695)	-	-	(1,114,695)	610,444	128,193	128,193	504,251	105,893
Delta Resources, LLC	300,364		300,364	300,364	(63,076)	-	-	-	(63,076)	-	-
DELGASCO, LLC	2,177,192		2,177,192	2,177,192	(457,210)	-	-	-	(457,210)	-	-
ENPRO, LLC	100,863		100,863	100,863	(21,181)	-	-	-	(21,181)	-	-
LDC Funding LLC	(695,908)		(695,908)	-	-	(695,908)	381,102	80,032	80,032	314,806	66,109
LDC Holdings LLC	(331,789)		(331,789)	-	-	(331,789)	181,699	38,157	38,157	150,090	31,519
PNG Companies LLC	(65,375,806)	265,987	(65,109,819)	-	-	(65,109,819)	35,656,309	7,487,825	7,487,825	29,453,510	6,185,237
Total	**(130,171,332)**	**720,256**	**(129,451,076)**	**156,712,985**	**(32,909,727)**	**(286,164,061)**	**156,712,985**	**32,909,727**	**-**	**129,451,076**	**27,184,726**
						-	-	-		-	-

Consolidated Tax Adjustment TX13 Attach 2

Federal Taxable Income	**2021**	**2022**	**2023**	**3 Year Average**	
Tax Loss Entities					
Essential Utilities Inc	(11,748,992)	(40,553,566)	(57,253,252)	(36,518,603)	
Great Bay Utilities, Inc.	(6,017)	(51,150)	(37,107)	(31,425)	
Aqua North Carolina Inc	(6,304,556)	(8,520,940)	-	(4,941,832)	
Honesdale Consol Water Co	(492,862)	(3,212,276)	(5,961,705)	(3,222,281)	
Aqua New Jersey Inc	-	(55,085,636)	(12,197,521)	(22,427,719)	
Aqua Wastewater Mgmt Inc.	-	(17,071)	-	(5,690)	
Aqua Services, Inc.	-	(217,423)	(4,587,237)	(1,601,553)	
Aqua Pennsylvania WW, Inc	(6,991,475)	(5,672,032)	-	(4,221,169)	
Aqua Ohio Inc.	(3,751,689)	(6,059,061)	(13,684,598)	(7,831,783)	
DELGASCO LLC	-	-	-	-	
ENPRO LLC	-	-	-	-	
Peoples Natural Gas Co LLC	(82,719,136)	(94,659,887)	(436,070,355)	(204,483,126)	
Peoples TWP LLC	(34,157,057)	-	(38,564,151)	(24,240,403)	
Peoples Gas KY	(825,841)	(299,738)	(168,662)	(431,414)	
Peoples Gas WV	(2,413,313)	(4,563,057)	(756,772)	(2,577,714)	
PNG Companies LLC	(57,380,640)	(65,109,819)	(62,058,579)	(61,516,346)	
PNG Gathering LLC	(1,841,629)	(1,114,696)	(646,526)	(1,200,950)	
LDC Funding LLC	(152,391)	(695,908)	-	(282,766)	
LDC Holdings LLC	(329,070)	(331,789)	-	(220,286)	
Total Tax Loss	(209,114,668)	(286,164,049)	(631,986,465)	(375,755,061)	
Tax Positive Entities					**% of Total**
Aqua Virginia	5,323,326	4,121,711	1,222,003	3,555,680	2.378%
Great Bay Utilities, Inc.	-	-	-	-	0.000%
Aqua Indiana	4,276,741	4,073,291	5,254,047	4,534,693	3.033%
Aqua Texas	9,541,640	4,627,643	14,807,884	9,659,056	6.461%
Aqua Texas Oper (Non Reg)	428,371	250,734	88,690	255,932	0.171%
Aqua North Carolina Inc			4,582,678	4,582,678	
Aqua New Jersey Inc	8,861,392	-	-	2,953,797	1.976%
Aqua Wastewater Mgmt Inc.	176,306	-	215	58,840	0.039%
Aqua Resources Inc.	3,540,424	4,347,577	4,587,639	4,158,547	2.782%
Aqua Services, Inc.	9,504,075	-		4,752,038	3.179%
Essential Services	-	6,333,496	7,920,415	4,751,304	3.178%
Aqua Illinois, Inc.	21,426,930	17,013,382	16,221,255	18,220,522	12.188%
Aqua Pennsylvania Inc	46,832,049	100,272,707	67,883,127	71,662,628	47.935%
Aqua Pennsylvania WW, Inc	-	-	10,628,248	3,542,749	2.370%
Aqua Ohio Inc.	-	-	-	-	0.000%
Hendricks County WW LLC	2,587,682	2,814,104	1,432,052	2,277,946	1.524%
Western Hancock Inc	3,406,734	2,231,346	1,094,514	2,244,198	1.501%
Aqua Ohio Wastewater, Inc	153,547	474,189	460,445	362,727	0.243%
Delta Natural Gas Company, Inc.	2,718,088	5,318,615	10,437,190	6,157,964	4.119%
DELGASCO LLC	3,355,449	2,177,193	3,317,530	2,950,057	1.973%
Delta Resources LLC	319,857	300,363	490,232	370,151	0.248%
ENPRO LLC	3,932	100,862	45,096	49,963	0.033%
LDC Funding LLC	-	-	626,891	208,964	0.140%
LDC Holdings LLC	-	-	2,719	906	0.001%
Peoples Home Works	1,821,644	1,927,246	2,322,636	2,023,842	1.354%
Peoples TWP LLC	-	328,528		164,264	0.110%
Subtotal Taxable Income	124,278,187	156,712,988	153,425,506	149,499,446	100.00%
Total	**(84,836,481)**	**(129,451,061)**	**(478,560,959)**	**(226,255,614)**	

Aqua PA/Aqua PA WW Combined		
Allocated Average Tax Loss	(75,205,377)	(75,205,377)
Tax Effect at 21%	(15,793,129)	(15,793,129)

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX14. Provide a copy of the Corporate Federal Tax Returns and supporting schedules for the preceding 3 years and, if applicable, a copy of the calculation workpapers for the company's consolidated tax savings adjustment.

A. The Company will provide this information upon request and forward under a confidentiality agreement.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX15. Provide a schedule of Federal and Pennsylvania taxes, other than Income Taxes, calculated on the basis of test year per book, pro forma at present rates, and pro forma at proposed rates, to include the following categories:

a. Social Security.

b. Unemployment.

c. Capital Stock.

d. Public Utility Realty.

e. PUC assessment.

f. Other property.

g. Any other appropriate categories.

A. Please refer to Exhibit 1-A and Exhibit 1-B, Schedules D-2 through D-2.4 for water and Exhibits 1-C through 1-E, Schedules D-2 through D-2.4 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX16. Submit a schedule showing a breakdown of the deferred Income Taxes by State and Federal per book, pro forma, existing rates, and under proposed rates.

A. Please refer to Exhibit 1-A and Exhibit 1-B, Schedule F-1 for water and Exhibit 1-C through Exhibit 1-E, Schedule F-1 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX17. With respect to determination of income taxes, Federal and State:

a. Show Income Tax results of the annualizing and normalizing adjustments to the historic test year before any rate increase.

b. Show Income Taxes for the annualized and normalized test year.

c. Show Income Tax effect of the rate increase requested.

d. Show Income Taxes for the normalized and annualized test year after application of the full rate increase.

A. Please refer to Exhibit 1-A and Exhibit 1-B, Schedules A-1 and F-2 for water and Exhibit 1-C through Exhibit 1-E, Schedules A-1 and F-2 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

D. Taxes

TX18. State amount of debt interest utilized for Income Tax calculations, and details of debt interest computations, under each of the following rate case bases:

a. Actual per book test year.

b. Annualized historic test year-end.

c. Proposed future test year-end.

A.

The debt utilized for income tax calculations is the same interest that is accrued on the books. Under the Uniform Capitalization rules, interest must also be capitalized for income tax purposes. Please refer to Exhibit 1-A, Schedules A-1, F-2, and E-1 for water; Exhibit 1-B, Schedules A-1, F-2, and E-1 for Shenandoah; Exhibit 1-C, Schedules A-1, F-2, and E-1 for Wastewater Base; Exhibit 1-D, Schedules A-1, F-2, and E-1 for Wastewater Lower Makefield; and Exhibit 1-E, Schedules A-1, F-2, and E-1 for Wastewater East Whiteland.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

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RB3	Non Revenue CWIP
RB4	Plant Held For Future Use
RB5	Fuel Inventory
RB6	Measures Or Value
RB7	Working Capital
RB8	Working Capital
RB9	Amortized Exp In Lead/Lag
RB10	Funds Availability
RB11	Materials & Supplies
RB12	Projected Plant Additions
RB13	Plant Balance Projections
RB14	Plant In Service
RB15	Plant In Service
RB16	CIAC

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB1. Provide a schedule showing the measures of value and the rates of return at the original cost in the current case. All claims made on this exhibit should be cross-referenced to appropriate exhibits.

A. Please refer to Exhibits 1-A through 1-B, Schedule A-4 for water and Exhibits 1-C through 1-E, Schedule A-4 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB2.

If a claim is made for construction work in progress, include, in the form of an exhibit, the summary page from all work orders, amount expended at the end of the historic and future test year and anticipated in-service dates. Indicate if any of the construction work in progress will result in insurance recoveries, reimbursements, or retirements of existing facilities. Describe in exact detail the necessity of each project claimed if not detailed on the summary page from the work order. Include final completion dates and estimated total amounts to be spent on each project. This exhibit should be updated at the conclusion of these proceedings.

A.

The Company is not making a rate base claim for construction work in progress in this filing.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB3. If a claim is made for nonrevenue producing construction work in progress, include, in the form of an exhibit, the summary page from all work orders, amount expended at the end of the historic and future test year and anticipated in-service dates. Indicate if any of the construction work in progress will result in insurance recoveries, reimbursements, or retirements of existing facilities. Describe in exact detail the necessity of each project claimed if not detailed on the summary page from the work order. Include a list of items needed to complete each project, such as landscaping and fencing, and estimated total amounts to be spent to complete each project. These exhibits should be updated at the conclusion of these proceedings.

A. The Company's claim does not include any nonrevenue producing for construction work in progress.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB4. If a claim is made for plant held for future use, supply the following:

a. A brief description of the plant or land site and its original cost.

b. expected date of use for each item claimed.

c. Explanation as to why it is necessary to acquire each item in advance of its date of use.

d. Date when each item was acquired.

e. Date when each item was placed in the plant held for future use account.

A. The Company is not making a rate base claim for plant held for future use in this filing.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB5.

If fuel stocks comprise part of the cash working capital claim, provide an exhibit showing the actual book balances, noting quantity and price for the fuel inventories by type of fuel for the 13 months prior to the end of the historic test year by location, station, etc. Explain the method of determining the claim if other than that described above.

A.

Fuel for heating, transportation, and power production is not inventoried, but expensed at the time of purchase. Working capital requirements for these types of fuel are reflected as part of "other" in the lag day calculation shown in Exhibit 1-A and Exhibit 1-B, Schedule G-5.2 for water and Exhibits 1-C through 1-E, Schedule G-5.2 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB6. Explain in detail by statement or exhibit the appropriateness of claiming any additional items, not previously mentioned, in the measures of value.

A. The Company is not making a rate base claim for any additional items not previously mentioned.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB7. Provide schedules and data in support of the following working capital items:

a. Prepayments—list and identify all items.

b. Federal Income Tax accrued or prepaid.

c. Pennsylvania State Income Tax accrued or prepaid.

d. Pennsylvania Capital Stock Tax accrued or prepaid.

e. Pennsylvania Public Utility Realty Tax accrued or prepaid.

f. Payroll taxes accrued or prepaid.

g. Any adjustments related to the above items for ratemaking purposes.

A. Please refer to Exhibit 7 and Exhibits 1-A and 1-B, Schedule G-5.3 for water and Exhibits 1-C through 1-E, Schedule G-5.3 for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB8. Supply an exhibit supporting the claim for cash working capital requirement based on the lead-lag method.

a. Pro forma expenses and revenues are to be used in lieu of book data for computing lead-lag days.

A. Please refer to Exhibit 7 and Schedules G-5 through G-5.4 of Exhibits 1-A and 1-B for water and Schedules G-5 through G-5.4 of Exhibits 1-C through 1-E for wastewater.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB9. Indicate if amortized expenses have been removed from the lead-lag study. If so, please provide documentation showing such removal. If not, provide a list of such amortization expenses included.

A. The Company has removed amortized expenses from the lead-lag study. Please see the attached for evidence of removal.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

REMOVAL OF AMORTIZED EXPENSES FROM LEAD/LAG STUDY

	Exhibit 1-A	Exhibit 1-B	Exhibit 1-C	Exhibit 1-D	Exhibit 1-E	
	WATER BASE PRESENT RATES 12/31/2025	**SHENANDOAH WATER PRESENT RATES 12/31/2025**	**WASTEWATER BASE PRESENT RATES 12/31/2025**	**LOWER MAKEFIELD WW PRESENT RATES 12/31/2025**	**EAST WHITELAND WW PRESENT RATES 12/31/2025**	**Exhibit 1 Schedule Reference**
Total Operating Expenses	$ 145,643,159	$ 1,777,756	$ 29,544,323	$ 7,682,321	$ 2,388,320	C-2, line 24
Less:						
Uncollectible Accounts	4,674,136	8,017	836,698	121,428	36,966	C-2, line 19
Amort. Of Merger Costs						
Amortization of Rate Case	1,149,461	7,668	107,648	29,760	10,463	C-2, line 20
Amortization of UPAA	69,092	-	(532,417)	-	-	C-2, line 21
Amortization of Tank Painting	-	-		-	-	C-2, line 22
Amortization Other	2,511,175	-	419,962	-	-	C-2, line 23
	8,403,864	15,685	831,891	151,188	47,429	
	$ 137,239,295	$ 1,762,070	$ 28,712,433	$ 7,531,134	$ 2,340,890	G-5.2, line 12

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB10. Identify the funds availability arrangements or terms which the company has with its banks with respect to deposits of customer checks. For example, does the company have same day or next day access to funds deposited?

A. Funds availability from customer check deposits depends on several factors including: the day and time of deposit, the drawee endpoint, and the bank of deposit's ledger cutoff time and availability schedule. The Company utilizes a retail lockbox site for processing the majority of customer remittances, which generally results in an availability between 0 to 2 days. Typically, funds from out-of-state checks are available 2 days after deposit, while funds from checks drawn on local banks are available 0 and 1 day depending upon when they are processed by the lockbox.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB11. In reference to materials and supplies:

a. What method of inventory valuation was used to develop the claim for materials and supplies?

b. Does the utility use a material and supply model to calculate needed material and supply levels?

c. If so, provide the model. Supply an illustrative example of how the monthly balances are derived.

d. Provide the actual monthly value for the inventory of materials and supplies for the past 12 months. Supply as of the end of the historic test year, a 13-month average, by month, for the material and supply account.

e. Provide the monthly level of materials and supplies for 3 years prior to the conclusion of the historic test year.

A. a. The Company's claim for materials and supplies is based on recording inventories at cost, not in excess of market value. Cost is determined using the first-in, first-out method.

b. The Company does not use a material and supply model to calculate needed material and supply levels.

c. The Company does not use a material and supply model.

d. Please refer to Exhibits 1-A through 1-B, Schedule G-4 for water and Exhibits 1-C through 1-E, Schedule G-4 for wastewater.

e. Please see the attached.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

MATERIALS AND SUPPLIES - ACCOUNT 151000

	FOR THE TWELVE MONTHS ENDED 12/31/2021	FOR THE TWELVE MONTHS ENDED 12/31/2022	FOR THE TWELVE MONTHS ENDED 12/31/2023
January	$7,656,146	$16,293,945	$19,471,750
February	$7,705,033	$16,936,781	$18,730,615
March	$8,452,883	$17,673,043	$18,123,265
April	$8,315,542	$16,810,045	$16,948,305
May	$9,098,629	$17,139,271	$16,750,637
June	$10,597,436	$16,840,894	$15,108,709
July	$13,147,350	$17,693,698	$15,851,162
August	$15,796,963	$18,095,018	$16,425,305
September	$18,121,958	$18,023,524	$17,640,031
October	$17,996,441	$17,988,047	$17,657,017
November	$17,845,778	$19,106,196	$17,511,251
December	$16,420,957	$19,696,718	$16,367,534

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB12. For each nonblanket or projected plant addition to cost the greater of $100,000 or 0.5% of current rate base, included in the future test year, please provide:

a. Description of the project.

b. Original budgeted cost broken down by allowance for funds used during construction (AFUDC) and non-AFUDC components.

c. Current budgeted cost broken down by AFUDC and non-AFUDC components.

d. Reason for change in budgeted cost.

e. Original estimated date of completion and in service.

f. Current estimated date of completion and in service.

g. Reason for change in completion date.

h. Anticipated retirement related to the plant addition.

i. Starting date of project.

j. Amount expended to date.

k. Percent of project currently complete.

l. The depreciation rate applicable.

m. Identify which projects are due to a Pennsylvania Department of Environmental Protection (PA-DEP) or Federal Environmental Protection Agency (EPA) requirement.

A.

The Company has no water projects that meet this threshold. Please refer to the testimony of Michael Convery for wastewater projects that meet the above threshold requested.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB13. Explain how the future test year plant balances were projected and provide supporting workpapers and documentation.

A. This rate filing is based on a fully projected future test year. The Company's future test year and fully projected future test year plant balances were projected using the 12/31/2023 actual plant balances and the addition of the 12/31/2023 CWIP balance, budgeted capital expenditures anticipated to be in-service for the periods of 1/1/2024-12/31/2024 for the future test year and 1/1/2025-12/31/2025 for the fully projected future test year, and projected retirements. Please refer to the direct testimony of John J. Spanos and the accompanying Exhibits 6-A and 6-B for water supporting workpapers and documentation and Exhibits 6-C through 6-E for wastewater supporting workpapers and documentation.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB14. Are all of the assets used in the plant-in-service claim used exclusively by the water or wastewater utility? If not, provide the estimated percentage that each shared asset is used by other entities.

A. All of the water assets used in the plant-in-service claim are used exclusively by the water utility except for the corporate headquarters located at 762 Lancaster Avenue, Bryn Mawr, PA 19010, whereby approximately 50% is used by corporate affiliates of Essential Utilities. All of the wastewater assets used in the plant-in-service claim are used exclusively by the wastewater utility.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB15. Is all plant included in rate base currently being used in providing water or wastewater service? If not, provide a schedule which presents those plant items which are not, and indicate the corresponding amounts and account numbers. Further, provide a detailed narrative explaining the reason why such plant is not being used and the anticipated future disposition of the plant.

A. All plant included in the Company's rate base claim is currently used and useful or will be by the end of the fully projected future test year of December 31, 2025.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

E. Rate Base

RB16. Provide all workpapers and supporting documentation showing the derivation of the projected balances of contributions in aid of construction, customer advances for construction and company service line and customer deposits for the future test year.

A. The Company's claim does not include any projects to be funded by contributions in aid of construction or customer advances for construction. Any increase in CAC or CIAC would trigger a corresponding and offsetting adjustment in plant in service. Please refer to Schedules G-1 and G-6 of Exhibits 1-A through 1-B for water and Schedules G-1 and G-6 of Exhibits 1-C through 1-E for wastewater.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

TABLE OF CONTENTS TO MINIMUM FILING REQUIREMENTS
F. DEPRECIATION

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DP1	Depreciation Methods
DP2	Depreciation Charts
DP3	Depreciation Account Balance
DP4	Depreciation Reserve
DP5	Survivor Curves
DP6	Salvage

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

F. Depreciation

DP1. Provide a description of the depreciation methods used to calculate annual depreciation amounts and depreciation reserves, together with a discussion of the factors which were considered in arriving at estimates of service life and dispersion by account. Supply a comprehensive statement of any changes made in method of depreciation. Provide dates of all field inspections and facilities visited.

A. Please see the attached.

Aqua Pennsylvania, Inc.
Data Requirements of the Pennsylvania Public Utility Commission
Depreciation Study

FR VI.1

Aqua Pennsylvania, Inc.
VI. Depreciation

1. Provide a description of the depreciation methods used to calculate annual depreciation amounts and depreciation reserves, together with a discussion of the factors which were considered in arriving at estimates of service life and dispersion by account. Supply a comprehensive statement of any changes made in method of depreciation. Provide dates of all field inspections and facilities visited.

Answer:

The depreciation methods utilized in calculating annual and accrued depreciation are discussed in Exhibit No. 6-A, Part 2 in Part IV. Calculation of Annual and Accrued Depreciation, and in Exhibit No. 6-B, Part 2 in Part IV. Calculation of Annual and Accrued Depreciation for water assets. The same depreciation methods are discussed in Exhibit No. 6-C, Part 2, Exhibit No. 6-D, Part 2 and Exhibit No. 6-E, Part 2 for wastewater assets.

Field trips and facilities visited for Aqua Pennsylvania, Inc. are presented in Exhibit No. 6-A, Part 2 in Part III. Service Life Considerations, and in Exhibit No. 6-C, Part 2 in Part III. Service Life Considerations.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

F. Depreciation

DP2. Set forth, in exhibit form, charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis is utilized.

A. Please see the attached.

Aqua Pennsylvania, Inc.
Data Requirements of the Pennsylvania Public Utility Commission
Depreciation Study

FR VI.2

Aqua Pennsylvania, Inc.
VI. Depreciation

2. Set forth, in exhibit form, charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis is utilized.

Answer:

Charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis is utilized is presented in Exhibit No. 6-A, Part 2 in Part VI. Service Life Statistics, and in Exhibit No. 6-B, Part 2 in Part VI. Service Life Statistics for the water accounts. The same life analysis in Exhibit No. 6-C, Part 2 is included in Exhibit, No. 6-D and Exhibit No. 6-E for wastewater accounts.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

F. Depreciation

DP3. Provide the surviving original cost at historic test year-end by vintage by account and include applicable depreciation reserves and accruals. These calculations should be provided for plant in service as well as other categories of plant, including contributions in aid of construction and customers' advances for construction.

A. Please see the attached.

Aqua Pennsylvania, Inc.
Data Requirements of the Pennsylvania Public Utility Commission
Depreciation Study

FR VI.3

Aqua Pennsylvania, Inc.
VI. Depreciation

3. Provide the surviving original cost at historic test year-end by vintage by account and include applicable depreciation reserves and accruals. These calculations should be provided for plant in service as well as other categories of plant, including contributions in aid of construction and customers' advances for construction.

Answer:

The surviving original cost at the end of the historical year December 31, 2023 by vintage by account and the applicable depreciation reserve for utility plant are presented in Exhibit No. 6-A, Part 1 beginning on page II-10, in Exhibit No. 6-B, Part 1 beginning on page II-5, in Exhibit No. 6-C, Part 1 beginning on page II-7, in Exhibit No. 6-D, Part 1 beginning on page II-7 and in Exhibit No. 6-E, Part 1 beginning on page II-7.

The surviving original cost at test year end December 31,2024, by vintage by account and the applicable depreciation reserve for utility plant are presented in Exhibit No. 6-A, Part 2 beginning on page VII-10, in Exhibit No. 6-B, Part 2 beginning on page VII-5, in Exhibit No. 6-C, Part 2 beginning on page VII-7, in Exhibit No. 6-D, Part 2 beginning on page VII-7 and in Exhibit No. 6-E, Part 2 beginning on page VII-7.

The surviving original cost at test year end December 31, 2025, by vintage by account and the applicable depreciation reserve for utility plant are presented in Exhibit No. 6-A, Part 3 beginning on page II-10, and in Exhibit No. 6-B, Part 3 beginning on page II-5, in Exhibit No. 6-C, Part 3 beginning on page II-7, in Exhibit No. 6-D, Part 3 beginning on page II-7 and in Exhibit No. 6-E, Part 3 beginning on page II-7.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

F. Depreciation

DP4. Provide a comparison of the calculated depreciation reserve used for ratemaking purposes v. the book reserve by account at the end of the test year, if they differ.

A. Please see the attached.

Aqua Pennsylvania, Inc.
Data Requirements of the Pennsylvania Public Utility Commission
Depreciation Study

FR VI.4

Aqua Pennsylvania, Inc.
VI. Depreciation

4. Provide a comparison of the calculated depreciation reserve used for ratemaking purposes v. the book reserve by account at the end of the test year, if they differ.

Answer:

A comparison of the calculated depreciation reserve v. book reserve by account as of December 31, 2023, at December 31, 2024 and at December 31, 2025, are attached as pages FR VI.4 (2) through (28) for both water and wastewater systems.

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	WATER PLANT		
304.2	POWER AND PUMPING STRUCTURES	20,154,424	20,107,346
304.3	PURIFICATION BUILDINGS	79,416,007	74,055,929
304.61	OFFICE BUILDINGS	23,371,070	26,245,652
304.62	STORES, SHOP AND GARAGE BUILDINGS	4,891,172	5,445,444
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	15,277,376	17,062,423
305	COLLECTING AND IMPOUNDING RESERVOIRS	15,512,919	14,422,640
306	LAKE, RIVER AND OTHER INTAKES	9,075,794	9,457,963
307	WELLS AND SPRINGS	21,456,606	21,957,196
310.4	OTHER POWER PRODUCTION EQUIPMENT	14,646,542	14,263,799
311	ELECTRIC PUMPING EQUIPMENT	47,795,302	48,804,104
320	PURIFICATION SYSTEM		
	STRUCTURES	43,997,418	45,679,664
	WELLS AND BOOSTERS	4,202,600	4,363,287
	EQUIPMENT	40,263,357	41,802,830
	COMPUTERS	6,747,002	6,747,002
	PAINTING	231,328	257,793
	FILTER MEDIA	3,155,392	3,516,391
	TOTAL ACCOUNT 320	98,597,097	102,366,967
330	DISTRIBUTION RESERVOIRS AND STANDPIPES	84,641,113	83,278,382
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	11,465,475	7,961,382
	CAST IRON - 6, 8 AND 10 INCH	424,462,731	294,737,880
	CAST IRON - 12 INCH AND OVER	112,632,762	78,209,791
	STEEL	2,628,822	1,825,398
	LOCK JOINT	3,661,539	2,542,495
	VALVES	14,221,592	9,875,170
	SPECIAL CONSTRUCTION	10,743,080	7,459,766
	CEMENT WROUGHT IRON	34,541	23,985
	COPPER MAINS	240,613	167,077
	ASBESTOS CEMENT	1,654,901	1,149,128
	PLASTIC	10,407,726	7,226,903
	MAIN CLEANING AND LINING	47,190,602	32,768,148
	TOTAL ACCOUNT 331	639,344,384	443,947,123
333	SERVICES	121,692,996	125,403,691
334	METERS		
	REMOTE	74,232,352	91,238,784
	ERTS	37,153,838	43,673,456
	TOTAL ACCOUNT 334	111,386,190	134,912,240
335	FIRE HYDRANTS	27,367,941	26,549,396
336	BACKFLOW PREVENTION DEVICES	89,604	83,086
340	OFFICE FURNITURE AND EQUIPMENT	53,888,757	43,178,995
341	TRANSPORTATION EQUIPMENT		
	VEHICLES	12,969,998	16,994,178
	OTHER	1,084,495	796,060
	TOTAL ACCOUNT 341	14,054,493	17,790,238
342	STORES EQUIPMENT	1,414,549	1,410,536
343.1	SHOP EQUIPMENT	1,030,982	1,015,829
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	9,097,921	9,028,070
344	LABORATORY EQUIPMENT	3,354,612	3,849,777
346	COMMUNICATION EQUIPMENT	14,961,226	13,528,870
347	MISCELLANEOUS EQUIPMENT	1,570,498	1,545,545
348	OTHER TANGIBLE PLANT	19,749	18,920
	TOTAL WATER PLANT IN SERVICE	**1,434,109,324**	**1,259,730,162**

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		
304.2	POWER AND PUMPING STRUCTURES	268,590	321,141
304.3	PURIFICATION BUILDINGS	94,496	31,056
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	34,824	32,293
307	WELLS AND SPRINGS	928,785	1,045,735
310.4	OTHER POWER PRODUCTION EQUIPMENT	479,550	760,129
311	ELECTRIC PUMPING EQUIPMENT	1,100,918	1,114,516
320	PURIFICATION SYSTEM - EQUIPMENT	160,153	42,159
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	1,054,687	1,391,697
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	111,013	91,732
	CAST IRON - 6, 8 AND 10 INCH	48,743,268	40,277,597
	CAST IRON - 12 INCH AND OVER	2,425,553	2,004,286
	STEEL	70	58
	VALVES	571,548	472,282
	ASBESTOS CEMENT	3,274,202	2,705,542
	PLASTIC	1,813,269	1,498,343
	TOTAL ACCOUNT 331	56,938,923	47,049,840
333	SERVICES	2,979,597	3,325,706
334	METERS	74,762	79,525
335	FIRE HYDRANTS	3,196,254	3,574,868
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	84	84
344.2	LABORATORY EQUIPMENT - ELECTRONIC	1,377	1,662
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**67,313,000**	**58,770,410**
	TOTAL DEPRECIABLE WATER PLANT IN SERVICE	**1,366,796,324**	**1,200,959,751**

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	WATER PLANT		
304.2	POWER AND PUMPING STRUCTURES	21,751,340	21,824,449
304.3	PURIFICATION BUILDINGS	85,467,712	80,780,416
304.61	OFFICE BUILDINGS	25,815,153	28,396,566
304.62	STORES, SHOP AND GARAGE BUILDINGS	5,059,746	5,595,437
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	17,068,749	18,753,357
305	COLLECTING AND IMPOUNDING RESERVOIRS	15,946,536	14,829,579
306	LAKE, RIVER AND OTHER INTAKES	9,787,819	10,140,067
307	WELLS AND SPRINGS	20,852,926	19,987,739
310.4	OTHER POWER PRODUCTION EQUIPMENT	16,327,642	16,091,129
311	ELECTRIC PUMPING EQUIPMENT	50,277,674	51,629,436
320	PURIFICATION SYSTEM		
	STRUCTURES	46,277,756	48,027,960
	WELLS AND BOOSTERS	4,466,301	4,635,215
	EQUIPMENT	43,554,936	44,689,744
	COMPUTERS	6,744,534	6,738,733
	PAINTING	242,391	257,793
	FILTER MEDIA	3,416,459	3,711,875
	TOTAL ACCOUNT 320	104,702,377	108,061,320
330	DISTRIBUTION RESERVOIRS AND STANDPIPES	90,857,876	90,071,819
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	12,407,337	9,182,301
	CAST IRON - 6, 8 AND 10 INCH	459,895,051	332,825,823
	CAST IRON - 12 INCH AND OVER	120,065,145	85,645,646
	STEEL	2,685,740	1,938,301
	LOCK JOINT	3,579,416	2,539,848
	VALVES	15,315,962	11,357,087
	SPECIAL CONSTRUCTION	11,192,756	8,050,068
	CEMENT WROUGHT IRON	35,752	27,705
	COPPER MAINS	288,494	222,932
	ASBESTOS CEMENT	1,707,884	1,615,570
	PLASTIC	11,315,004	8,352,345
	MAIN CLEANING AND LINING	49,731,924	35,960,395
	TOTAL ACCOUNT 331	688,220,465	497,718,021
333	SERVICES	130,067,593	133,894,052
334	METERS		
	REMOTE	77,425,514	92,651,192
	ERTS	38,632,936	44,364,579
	TOTAL ACCOUNT 334	116,058,450	137,015,771
335	FIRE HYDRANTS	29,253,994	28,472,525
336	BACKFLOW PREVENTION DEVICES	100,889	95,730
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	1,922	1,978
340	OFFICE FURNITURE AND EQUIPMENT	51,191,193	40,722,313
341	TRANSPORTATION EQUIPMENT		
	VEHICLES	14,997,850	18,469,532
	OTHER	1,129,311	843,192
	TOTAL ACCOUNT 341	16,127,161	19,312,724
342	STORES EQUIPMENT	1,589,368	1,585,356
343.1	SHOP EQUIPMENT	1,153,340	1,150,046
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	9,916,040	9,846,213
344	LABORATORY EQUIPMENT	3,541,694	3,998,044
345	POWER OPERATED EQUIPMENT	4,652	4,829
346	COMMUNICATION EQUIPMENT	17,004,781	15,585,988
347	MISCELLANEOUS EQUIPMENT	1,673,051	1,648,099
348	OTHER TANGIBLE PLANT	21,528	20,700
	TOTAL WATER PLANT IN SERVICE	**1,529,841,671**	**1,357,233,703**

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		
304.2	POWER AND PUMPING STRUCTURES	273,761	325,767
304.3	PURIFICATION BUILDINGS	196,824	142,204
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	39,107	36,960
307	WELLS AND SPRINGS	980,315	1,100,376
310.4	OTHER POWER PRODUCTION EQUIPMENT	511,800	790,429
311	ELECTRIC PUMPING EQUIPMENT	1,139,102	1,163,907
320	PURIFICATION SYSTEM - EQUIPMENT	388,862	297,845
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	1,094,509	1,429,672
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	134,575	117,724
	CAST IRON - 6, 8 AND 10 INCH	51,282,308	43,332,649
	CAST IRON - 12 INCH AND OVER	2,660,062	2,245,499
	STEEL	401	391
	VALVES	664,000	568,272
	ASBESTOS CEMENT	3,315,006	2,888,525
	PLASTIC	1,970,715	1,696,871
	TOTAL ACCOUNT 331	60,027,067	50,849,931
333	SERVICES	3,309,385	3,652,461
334	METERS	74,968	75,740
335	FIRE HYDRANTS	3,459,662	3,832,162
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	84	84
344.2	LABORATORY EQUIPMENT - ELECTRONIC	1,405	1,662
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**71,496,851**	**63,699,200**
	TOTAL WATER PLANT	**1,458,344,820**	**1,293,534,503**

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	WATER PLANT		
304.2	POWER AND PUMPING STRUCTURES	23,312,985	23,425,157
304.3	PURIFICATION BUILDINGS	91,675,295	87,276,804
304.61	OFFICE BUILDINGS	28,183,919	30,424,382
304.62	STORES, SHOP AND GARAGE BUILDINGS	5,239,209	5,743,800
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	18,930,898	20,383,461
305	COLLECTING AND IMPOUNDING RESERVOIRS	16,627,829	15,642,053
306	LAKE, RIVER AND OTHER INTAKES	10,537,938	10,880,666
307	WELLS AND SPRINGS	22,275,180	21,446,598
310.4	OTHER POWER PRODUCTION EQUIPMENT	18,055,177	17,964,554
311	ELECTRIC PUMPING EQUIPMENT	52,833,341	54,560,505
320	PURIFICATION SYSTEM		
	STRUCTURES	48,563,695	50,293,118
	WELLS AND BOOSTERS	4,810,199	4,981,497
	EQUIPMENT	47,321,555	47,890,410
	COMPUTERS	6,773,751	6,743,446
	PAINTING	251,608	261,753
	FILTER MEDIA	3,701,803	3,943,068
	FILTER MEDIA - PFAS	53,700	61,479
	TOTAL ACCOUNT 320	111,476,311	114,174,771
330	DISTRIBUTION RESERVOIRS AND STANDPIPES	96,124,922	95,503,949
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	13,392,452	10,387,078
	CAST IRON - 6, 8 AND 10 INCH	496,463,786	371,407,682
	CAST IRON - 12 INCH AND OVER	127,724,709	93,143,261
	STEEL	2,739,671	2,040,889
	LOCK JOINT	3,531,156	2,562,026
	VALVES	16,400,169	12,568,980
	SPECIAL CONSTRUCTION	11,642,535	8,640,370
	CEMENT WROUGHT IRON	37,152	29,336
	COPPER MAINS	334,627	276,872
	ASBESTOS CEMENT	1,760,171	1,689,170
	PLASTIC	12,265,787	9,528,863
	MAIN CLEANING AND LINING	52,244,857	39,140,172
	TOTAL ACCOUNT 331	738,537,072	551,414,699
333	SERVICES	138,929,885	142,781,016
334	METERS		
	REMOTE	81,811,593	95,901,219
	ERTS	40,465,812	45,785,312
	TOTAL ACCOUNT 334	122,277,405	141,686,531
335	FIRE HYDRANTS	31,206,522	30,455,243
336	BACKFLOW PREVENTION DEVICES	111,776	108,157
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	5,627	5,815
340	OFFICE FURNITURE AND EQUIPMENT	52,104,614	41,422,052
341	TRANSPORTATION EQUIPMENT		
	VEHICLES	17,200,081	20,517,091
	OTHER	1,251,894	965,340
	TOTAL ACCOUNT 341	18,451,975	21,482,432
342	STORES EQUIPMENT	1,717,933	1,712,908
343.1	SHOP EQUIPMENT	1,208,888	1,215,019
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	9,888,255	9,797,036
344	LABORATORY EQUIPMENT	3,735,141	4,158,612
345	POWER OPERATED EQUIPMENT	12,642	14,133
346	COMMUNICATION EQUIPMENT	17,496,661	15,947,615
347	MISCELLANEOUS EQUIPMENT	1,763,595	1,738,459
348	OTHER TANGIBLE PLANT	23,708	22,896
	TOTAL WATER PLANT IN SERVICE	**1,632,744,703**	**1,461,389,326**

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		
304.2	POWER AND PUMPING STRUCTURES	279,853	330,269
304.3	PURIFICATION BUILDINGS	292,619	248,947
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	43,465	41,574
307	WELLS AND SPRINGS	1,030,296	1,154,194
310.4	OTHER POWER PRODUCTION EQUIPMENT	544,800	819,829
311	ELECTRIC PUMPING EQUIPMENT	1,175,262	1,211,657
320	PURIFICATION SYSTEM - EQUIPMENT	610,996	537,004
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	1,131,042	1,467,356
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	158,514	144,325
	CAST IRON - 6, 8 AND 10 INCH	53,851,205	46,392,241
	CAST IRON - 12 INCH AND OVER	2,903,301	2,495,558
	STEEL	914	917
	VALVES	756,938	665,442
	ASBESTOS CEMENT	3,354,320	3,049,502
	PLASTIC	2,130,479	1,892,461
	TOTAL ACCOUNT 331	63,155,671	54,640,448
333	SERVICES	3,638,488	3,979,216
334	METERS	75,075	75,740
335	FIRE HYDRANTS	3,721,643	4,089,456
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	84	84
344.2	LABORATORY EQUIPMENT - ELECTRONIC	1,426	1,662
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION	**75,700,720**	**68,597,435**
	TOTAL WATER PLANT	**1,557,043,983**	**1,392,791,891**

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	SHENANDOAH WATER PLANT		
304.3	PURIFICATION BUILDINGS	2,738,336	19,127
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	38,551	484
311	ELECTRIC PUMPING EQUIPMENT	528,028	6,513
320	PURIFICATION SYSTEM - EQUIPMENT	407	6
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	3,098,911	35,935
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	42,968	364
	CAST IRON - 6, 8 AND 10 INCH	131,980	1,119
	CAST IRON - 12 INCH AND OVER	133,740	1,133
	VALVES	122	1
	TOTAL ACCOUNT 331	308,810	2,617
333	SERVICES	20,714	261
334	METERS - REMOTE	24,303	365
335	FIRE HYDRANTS	21,753	258
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	68	1
341	TRANSPORTATION EQUIPMENT		
	VEHICLES	8,861	142
	OTHER	10,640	130
	TOTAL ACCOUNT 341	19,501	272
343.1	SHOP EQUIPMENT	4,648	56
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	15,393	186
346	COMMUNICATION EQUIPMENT	18,670	239
	TOTAL SHENANDOAH WATER PLANT IN SERVICE	**6,838,093**	**66,319**

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	SHENANDOAH WATER PLANT		
304.3	PURIFICATION BUILDINGS	2,821,163	234,904
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	41,213	2,441
310.4	OTHER POWER PRODUCTION EQUIPMENT	229	83
311	ELECTRIC PUMPING EQUIPMENT	538,944	82,672
320	PURIFICATION SYSTEM - EQUIPMENT	2,001	1,008
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	3,152,515	385,837
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	42,384	5,438
	CAST IRON - 6, 8 AND 10 INCH	106,353	2,108
	CAST IRON - 12 INCH AND OVER	125,931	4,830
	VALVES	682	148
	TOTAL ACCOUNT 331	275,350	12,525
333	SERVICES	20,993	58
334	METERS - REMOTE	53,504	34,760
335	FIRE HYDRANTS	17,489	65
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	323	333
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	388	321
341	TRANSPORTATION EQUIPMENT - VEHICLES	26,171	8,594
343.1	SHOP EQUIPMENT	5,895	1,301
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	18,934	3,728
346	COMMUNICATION EQUIPMENT	21,604	3,176
	TOTAL SHENANDOAH WATER PLANT IN SERVICE	**6,996,716**	**771,805**

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	ACCOUNT	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
	SHENANDOAH WATER PLANT		
304.3	PURIFICATION BUILDINGS	2,924,710	450,169
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45,711	5,187
310.4	OTHER POWER PRODUCTION EQUIPMENT	6,529	4,380
311	ELECTRIC PUMPING EQUIPMENT	549,618	153,664
320	PURIFICATION SYSTEM - EQUIPMENT	4,523	3,785
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	3,199,372	565,493
331	MAINS AND ACCESSORIES		
	CAST IRON - 4 INCH AND UNDER	43,552	10,722
	CAST IRON - 6, 8 AND 10 INCH	132,469	37,079
	CAST IRON - 12 INCH AND OVER	134,140	12,241
	VALVES	1,598	1,088
	TOTAL ACCOUNT 331	311,759	61,129
333	SERVICES	22,072	925
334	METERS - REMOTE	81,443	66,540
335	FIRE HYDRANTS	16,600	1,187
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	946	978
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	890	824
341	TRANSPORTATION EQUIPMENT - VEHICLES	42,508	28,902
343.1	SHOP EQUIPMENT	7,997	3,404
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	24,755	9,548
346	COMMUNICATION EQUIPMENT	30,565	12,104
	TOTAL SHENANDOAH WATER PLANT IN SERVICE	**7,269,998**	**1,368,218**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	5,316,984	4,403,669
	PUMPING	9,926,660	9,798,418
	TREATMENT AND DISPOSAL	31,591,035	29,876,711
	RECLAIMED WATER TREATMENT	870,220	780,756
	GENERAL	1,119,631	1,255,151
	TOTAL ACCOUNT 354	48,824,530	46,114,704
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	49,433	46,104
	PUMPING	1,428,228	1,422,151
	TREATMENT AND DISPOSAL	1,723,702	1,839,210
	TOTAL ACCOUNT 355	3,201,363	3,307,465
360.00	COLLECTION MAINS - FORCE	31,083,944	27,387,781
361.00	COLLECTION MAINS - GRAVITY	55,700,778	48,763,704
362.00	SPECIAL COLLECTING STRUCTURES	7,083	5,876
363.00	SERVICES	13,214,855	14,038,857
364.00	METERS	452,437	469,509
370.30	RECEIVING WELLS	1,975,011	1,645,951
371.00	PUMPING EQUIPMENT		
	PUMPING	13,249,626	14,534,054
	RECLAIMED WATER TREATMENT	130,005	136,607
	TOTAL ACCOUNT 371	13,379,631	14,670,662
380.00	TREATMENT AND DISPOSAL EQUIPMENT	20,094,336	21,544,683
381.00	PLANT SEWERS		
	TREATMENT AND DISPOSAL	48,164	42,496
	RECLAIMED WATER TREATMENT	2,456	1,971
	TOTAL ACCOUNT 381	50,620	44,467
382.00	OUTFALL LINES	207,877	179,510
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT		
	COLLECTION	473,223	459,689
	PUMPING	41,151	41,383
	TREATMENT AND DISPOSAL	7,177	8,403
	TOTAL ACCOUNT 389	521,551	509,475
390.00	OFFICE FURNITURE AND EQUIPMENT		
	FURNITURE	10,215	13,106
	OFFICE EQUIPMENT	181,368	74,449
	COMPUTER HARDWARE	276,104	245,385
	COMPUTER SOFTWARE - 10 YEARS	255,319	293,162
	COMPUTER SOFTWARE - 15 YEARS	131,593	192,083
	TOTAL ACCOUNT 390	854,599	818,185
391.00	TRANSPORTATION EQUIPMENT	723,884	1,455,343
392.00	STORES EQUIPMENT	3,679	2,846
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	180,074	126,581
394.00	LABORATORY EQUIPMENT	315,869	336,140
395.00	POWER OPERATED EQUIPMENT	177,641	178,307
396.00	COMMUNICATION EQUIPMENT		
	GENERAL	449,229	418,277
	SCADA	1,351,569	1,236,144
	TOTAL ACCOUNT 396	1,800,798	1,654,420
397.00	MISCELLANEOUS EQUIPMENT	22,775	28,477
TOTAL DEPRECIABLE PLANT		**192,793,335**	**183,282,942**
TOTAL WASTEWATER PLANT IN SERVICE		**192,793,335**	**183,282,942**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	509,499	580,917
	PUMPING	272,111	280,184
	TREATMENT AND DISPOSAL	3,389,998	2,756,058
	GENERAL	10,872	10,496
	TOTAL ACCOUNT 354	4,182,480	3,627,655
360.00	COLLECTION MAINS - FORCE	2,384,498	2,172,959
361.00	COLLECTION MAINS - GRAVITY	1,657,213	1,252,080
363.00	SERVICES	467,208	655,684
371.30	PUMPING EQUIPMENT - PUMPING	188,378	214,145
380.00	TREATMENT AND DISPOSAL EQUIPMENT	872,836	1,000,166
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	1,366	1,383
382.00	OUTFALL LINES	1,389	1,412
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	8,275	8,760
390.10	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	275	275
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	4,449	4,504
394.00	LABORATORY EQUIPMENT	1,362	1,383
396.70	COMMUNICATION EQUIPMENT - SCADA	3,467	3,356
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**9,773,196**	**8,943,762**
TOTAL WASTEWATER PLANT		**183,020,139**	**174,339,181**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	6,572,668	5,765,751
	PUMPING	10,267,210	10,242,133
	TREATMENT AND DISPOSAL	32,975,382	31,889,625
	RECLAIMED WATER TREATMENT	904,072	842,485
	GENERAL	1,147,431	1,283,691
	TOTAL ACCOUNT 354	51,866,763	50,023,685
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	56,988	54,476
	PUMPING	1,467,338	1,476,027
	TREATMENT AND DISPOSAL	1,873,389	1,993,305
	TOTAL ACCOUNT 355	3,397,715	3,523,808
360.00	COLLECTION MAINS - FORCE	32,266,538	28,779,421
361.00	COLLECTION MAINS - GRAVITY	57,978,412	51,785,936
362.00	SPECIAL COLLECTING STRUCTURES	7,264	6,194
363.00	SERVICES	13,596,001	14,409,426
364.00	METERS	484,530	507,301
370.30	RECEIVING WELLS	2,031,503	1,748,831
371.00	PUMPING EQUIPMENT		
	PUMPING	13,985,455	15,410,859
	RECLAIMED WATER TREATMENT	127,286	133,480
	TOTAL ACCOUNT 371	14,112,741	15,544,339
380.00	TREATMENT AND DISPOSAL EQUIPMENT	22,365,247	23,887,536
381.00	PLANT SEWERS		
	TREATMENT AND DISPOSAL	50,824	46,045
	RECLAIMED WATER TREATMENT	2,590	2,159
	TOTAL ACCOUNT 381	53,414	48,204
382.00	OUTFALL LINES	215,215	190,467
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT		
	COLLECTION	488,499	492,694
	PUMPING	43,519	44,745
	TREATMENT AND DISPOSAL	7,554	8,771
	TOTAL ACCOUNT 389	539,572	546,210
390.00	OFFICE FURNITURE AND EQUIPMENT		
	FURNITURE	11,922	14,812
	OFFICE EQUIPMENT	205,444	98,526
	COMPUTER HARDWARE	200,982	170,263
	COMPUTER SOFTWARE - 10 YEARS	171,982	209,826
	COMPUTER SOFTWARE - 15 YEARS	169,963	230,476
	TOTAL ACCOUNT 390	760,293	723,903
391.00	TRANSPORTATION EQUIPMENT	851,600	1,501,448
392.00	STORES EQUIPMENT	3,933	3,100
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	221,147	167,710
394.00	LABORATORY EQUIPMENT	353,987	374,279
395.00	POWER OPERATED EQUIPMENT	182,221	188,386
396.00	COMMUNICATION EQUIPMENT		
	GENERAL	553,045	521,094
	SCADA	1,750,978	1,636,754
	TOTAL ACCOUNT 396	2,304,023	2,157,848
397.00	MISCELLANEOUS EQUIPMENT	21,845	27,494
TOTAL DEPRECIABLE PLANT		**203,613,964**	**196,145,527**
TOTAL WASTEWATER PLANT IN SERVICE		**203,613,964**	**196,145,527**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	554,422	628,461
	PUMPING	298,785	310,383
	TREATMENT AND DISPOSAL	3,493,961	2,937,979
	GENERAL	11,071	10,790
	TOTAL ACCOUNT 354	4,358,239	3,887,613
360.00	COLLECTION MAINS - FORCE	2,543,018	2,349,638
361.00	COLLECTION MAINS - GRAVITY	1,796,330	1,413,587
363.00	SERVICES	507,896	692,159
371.30	PUMPING EQUIPMENT - PUMPING	211,491	239,645
380.00	TREATMENT AND DISPOSAL EQUIPMENT	900,590	1,031,551
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	1,377	1,407
382.00	OUTFALL LINES	1,393	1,435
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	8,707	9,355
396.70	COMMUNICATION EQUIPMENT - SCADA	4,585	4,491
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**10,333,626**	**9,630,882**
TOTAL WASTEWATER PLANT		**193,280,338**	**186,514,645**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	7,844,664	7,139,164
	PUMPING	10,587,219	10,677,681
	TREATMENT AND DISPOSAL	34,372,145	33,857,282
	RECLAIMED WATER TREATMENT	937,268	902,638
	GENERAL	1,174,700	1,311,700
	TOTAL ACCOUNT 354	54,915,996	53,888,465
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	65,973	64,043
	PUMPING	1,504,953	1,527,530
	TREATMENT AND DISPOSAL	2,030,299	2,148,821
	TOTAL ACCOUNT 355	3,601,225	3,740,394
360.00	COLLECTION MAINS - FORCE	33,432,430	30,198,445
361.00	COLLECTION MAINS - GRAVITY	60,389,648	54,966,543
362.00	SPECIAL COLLECTING STRUCTURES	7,441	6,504
363.00	SERVICES	13,954,894	14,787,682
364.00	METERS	516,984	545,280
370.30	RECEIVING WELLS	2,088,442	1,848,218
371.00	PUMPING EQUIPMENT		
	PUMPING	14,788,036	16,285,511
	RECLAIMED WATER TREATMENT	119,280	122,493
	TOTAL ACCOUNT 371	14,907,316	16,408,004
380.00	TREATMENT AND DISPOSAL EQUIPMENT	24,885,502	26,340,260
381.00	PLANT SEWERS		
	TREATMENT AND DISPOSAL	53,405	49,508
	RECLAIMED WATER TREATMENT	2,722	2,341
	TOTAL ACCOUNT 381	56,127	51,850
382.00	OUTFALL LINES	222,411	201,273
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT		
	COLLECTION	500,251	521,730
	PUMPING	45,608	47,884
	TREATMENT AND DISPOSAL	7,899	9,125
	TOTAL ACCOUNT 389	553,758	578,739
390.00	OFFICE FURNITURE AND EQUIPMENT		
	FURNITURE	13,954	16,395
	OFFICE EQUIPMENT	110,117	84,897
	COMPUTER HARDWARE	157,815	150,108
	COMPUTER SOFTWARE - 10 YEARS	249,086	275,973
	COMPUTER SOFTWARE - 15 YEARS	225,336	277,901
	TOTAL ACCOUNT 390	756,308	805,273
391.00	TRANSPORTATION EQUIPMENT	986,654	1,566,866
392.00	STORES EQUIPMENT	4,187	3,539
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	266,937	220,279
394.00	LABORATORY EQUIPMENT	395,119	413,352
395.00	POWER OPERATED EQUIPMENT	186,265	196,714
396.00	COMMUNICATION EQUIPMENT		
	GENERAL	678,102	651,279
	SCADA	2,183,899	2,097,397
	TOTAL ACCOUNT 396	2,862,001	2,748,676
397.00	MISCELLANEOUS EQUIPMENT	23,592	28,656
TOTAL DEPRECIABLE PLANT		**215,013,237**	**209,545,011**
TOTAL WASTEWATER PLANT IN SERVICE		**215,013,237**	**209,545,011**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	600,429	675,298
	PUMPING	324,894	340,023
	TREATMENT AND DISPOSAL	3,597,529	3,114,607
	GENERAL	11,219	11,077
	TOTAL ACCOUNT 354	4,534,071	4,141,005
360.00	COLLECTION MAINS - FORCE	2,701,123	2,525,234
361.00	COLLECTION MAINS - GRAVITY	1,942,361	1,584,155
363.00	SERVICES	546,978	728,904
371.30	PUMPING EQUIPMENT - PUMPING	233,514	264,411
380.00	TREATMENT AND DISPOSAL EQUIPMENT	927,909	1,062,127
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	1,380	1,429
382.00	OUTFALL LINES	1,404	1,454
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	9,107	9,903
396.70	COMMUNICATION EQUIPMENT - SCADA	5,703	5,626
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**10,903,550**	**10,324,249**
TOTAL WASTEWATER PLANT		**204,109,687**	**199,220,762**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	193	8
	PUMPING	2,403,085	103,369
	TREATMENT AND DISPOSAL	4,270,066	188,964
	GENERAL	80	4
	TOTAL ACCOUNT 354	6,673,424	292,344
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	477	29
	PUMPING	135,006	6,531
	TOTAL ACCOUNT 355	135,483	6,560
360.00	COLLECTION MAINS - FORCE	784,115	33,611
361.00	COLLECTION MAINS - GRAVITY	18,258,777	744,002
363.00	SERVICES	1,490,325	67,839
364.00	METERS	164,573	8,573
371.00	PUMPING EQUIPMENT		
	PUMPING	679,506	31,900
	TOTAL ACCOUNT 371	679,506	31,900
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	3,641	166
396.00	COMMUNICATION EQUIPMENT		
	GENERAL	2,900	132
	SCADA	475	22
	TOTAL ACCOUNT 396	3,375	154
TOTAL DEPRECIABLE PLANT		**28,193,219**	**1,185,150**
TOTAL WASTEWATER PLANT IN SERVICE		**28,193,219**	**1,185,150**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
361.00	COLLECTION MAINS - GRAVITY	682	142
363.00	SERVICES	240	58
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**922**	**200**
TOTAL WASTEWATER PLANT		**28,192,297**	**1,184,950**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	829	460
	PUMPING	2,453,791	294,586
	TREATMENT AND DISPOSAL	4,319,563	642,155
	RECLAIMED WATER TREATMENT	3	3
	GENERAL	133	53
	TOTAL ACCOUNT 354	6,774,319	937,256
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	1,429	1,023
	PUMPING	139,848	50,694
	TREATMENT AND DISPOSAL	609	569
	TOTAL ACCOUNT 355	141,886	52,286
360.00	COLLECTION MAINS - FORCE	808,929	89,088
361.00	COLLECTION MAINS - GRAVITY	18,722,010	2,014,509
363.00	SERVICES	1,532,104	167,335
364.00	METERS	166,909	33,703
371.00	PUMPING EQUIPMENT		
	PUMPING	685,560	118,824
	RECLAIMED WATER TREATMENT	3	3
	TOTAL ACCOUNT 371	685,563	118,827
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	7,794	4,318
396.00	COMMUNICATION EQUIPMENT		
	GENERAL	8,814	6,049
	SCADA	1,829	1,375
	TOTAL ACCOUNT 396	10,643	7,425
TOTAL DEPRECIABLE PLANT		**28,850,157**	**3,424,745**
TOTAL WASTEWATER PLANT IN SERVICE		**28,850,157**	**3,424,745**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
361.00	COLLECTION MAINS - GRAVITY	1,402	932
363.00	SERVICES	513	335
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**1,915**	**1,266**
TOTAL WASTEWATER PLANT		**28,848,242**	**3,423,479**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	1,719	1,373
	PUMPING	2,506,575	479,766
	TREATMENT AND DISPOSAL	4,359,095	1,075,638
	RECLAIMED WATER TREATMENT	8	9
	GENERAL	185	109
	TOTAL ACCOUNT 354	6,867,582	1,556,894
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	2,402	2,038
	PUMPING	144,631	87,049
	TREATMENT AND DISPOSAL	1,785	1,785
	TOTAL ACCOUNT 355	148,818	90,871
360.00	COLLECTION MAINS - FORCE	833,594	143,793
361.00	COLLECTION MAINS - GRAVITY	19,174,706	3,267,975
363.00	SERVICES	1,574,564	265,530
364.00	METERS	169,912	56,499
371.00	PUMPING EQUIPMENT		
	PUMPING	722,060	229,385
	RECLAIMED WATER TREATMENT	8	8
	TOTAL ACCOUNT 371	722,068	229,393
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	11,947	8,661
395.00	POWER OPERATED EQUIPMENT	888	0
396.00	COMMUNICATION EQUIPMENT		
	GENERAL	21,380	19,035
	SCADA	26,955	27,231
	TOTAL ACCOUNT 396	48,335	46,265
TOTAL DEPRECIABLE PLANT		**29,552,414**	**5,665,883**
TOTAL WASTEWATER PLANT IN SERVICE		**29,552,414**	**5,665,883**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
361.00	COLLECTION MAINS - GRAVITY	2,103	1,686
363.00	SERVICES	787	612
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**2,890**	**2,299**
TOTAL WASTEWATER PLANT		**29,549,524**	**5,663,584**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	453	20
	PUMPING	2,419,793	114,485
	TREATMENT AND DISPOSAL	2,904,739	126,792
	TOTAL ACCOUNT 354	5,324,985	241,296
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	114	8
	PUMPING	26,286	1,522
	TREATMENT AND DISPOSAL	57	4
	TOTAL ACCOUNT 355	26,457	1,533
360.00	COLLECTION MAINS - FORCE	1,645,434	76,581
361.00	COLLECTION MAINS - GRAVITY	11,532,307	510,927
363.00	SERVICES	2,218,004	110,079
364.00	METERS	81,999	4,549
371.00	PUMPING EQUIPMENT		
	PUMPING	50,866	2,603
	TOTAL ACCOUNT 371	50,866	2,603
380.00	TREATMENT AND DISPOSAL EQUIPMENT	0	0
TOTAL DEPRECIABLE PLANT		**20,880,052**	**947,569**
TOTAL WASTEWATER PLANT IN SERVICE		**20,880,052**	**947,569**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2023

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
361.00	COLLECTION MAINS - GRAVITY	8,433	3,734
363.00	SERVICES	1,053	535
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**9,486**	**4,269**
TOTAL WASTEWATER PLANT		**20,870,566**	**943,300**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	1,364	940
	PUMPING	2,567,966	367,034
	TREATMENT AND DISPOSAL	3,177,836	526,122
	TOTAL ACCOUNT 354	5,747,166	894,097
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	339	243
	PUMPING	29,034	6,148
	TREATMENT AND DISPOSAL	238	97
	TOTAL ACCOUNT 355	29,611	6,488
360.00	COLLECTION MAINS - FORCE	1,694,004	184,770
361.00	COLLECTION MAINS - GRAVITY	11,908,194	1,397,148
363.00	SERVICES	2,324,282	279,107
364.00	METERS	82,387	19,228
371.00	PUMPING EQUIPMENT		
	PUMPING	52,097	9,030
	TOTAL ACCOUNT 371	52,097	9,030
380.00	TREATMENT AND DISPOSAL EQUIPMENT	15,064	0
TOTAL DEPRECIABLE PLANT		**21,852,805**	**2,789,868**
TOTAL WASTEWATER PLANT IN SERVICE		**21,852,805**	**2,789,868**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2024

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
361.00	COLLECTION MAINS - GRAVITY	17,340	13,446
363.00	SERVICES	2,257	1,747
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**19,597**	**15,193**
TOTAL WASTEWATER PLANT		**21,833,208**	**2,774,675**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
DEPRECIABLE PLANT			
354.00	STRUCTURES AND IMPROVEMENTS		
	COLLECTION	2,264	1,861
	PUMPING	2,712,985	615,347
	TREATMENT AND DISPOSAL	3,436,058	920,940
	TOTAL ACCOUNT 354	6,151,307	1,538,147
355.00	POWER GENERATING EQUIPMENT		
	COLLECTION	565	478
	PUMPING	31,732	10,682
	TREATMENT AND DISPOSAL	490	363
	TOTAL ACCOUNT 355	32,787	11,523
360.00	COLLECTION MAINS - FORCE	1,746,430	291,385
361.00	COLLECTION MAINS - GRAVITY	12,371,931	2,350,557
363.00	SERVICES	2,427,590	447,402
364.00	METERS	82,719	31,719
371.00	PUMPING EQUIPMENT		
	PUMPING	53,404	15,027
	TOTAL ACCOUNT 371	53,404	15,027
380.00	TREATMENT AND DISPOSAL EQUIPMENT	45,192	30,731
TOTAL DEPRECIABLE PLANT		**22,911,360**	**4,716,491**
TOTAL WASTEWATER PLANT IN SERVICE		**22,911,360**	**4,716,491**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

COMPARISON OF CALCULATED ACCRUED DEPRECIATION
AND BOOK RESERVE AS OF DECEMBER 31, 2025

	DEPRECIABLE GROUP	CALCULATED ACCRUED DEPRECIATION	BOOK DEPRECIATION RESERVE
	(1)	(2)	(3)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
DEPRECIABLE PLANT			
361.00	COLLECTION MAINS - GRAVITY	26,010	22,779
363.00	SERVICES	3,461	2,959
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**29,471**	**25,738**
TOTAL WASTEWATER PLANT		**22,881,889**	**4,690,753**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

F. Depreciation

DP5. Supply a schedule by account and depreciable group showing the survivor curve and annual accrual rate estimated to be appropriate:

a. For the purposes of this filing.

b. For the purposes of the most recent rate increase filing prior to the current proceedings.

A. Please see the attached.

Aqua Pennsylvania, Inc.
Data Requirements of the Pennsylvania Public Utility Commission
Depreciation Study

FR VI.5

Aqua Pennsylvania, Inc.
VI. Depreciation

5. Supply a schedule by account and depreciable group showing the survivor curve and annual accrual rate estimated to be appropriate:

   a. For the purposes of this filing.

   b. For the purposes of the most recent rate increase filing prior to the current proceedings.

Answer:

a. Refer to Table 1 in Exhibit Nos. 6-A, Part 1 through 6-E, Part 3.

b. Refer to pages FR VI.5 (2) to FR VI.5 (40) for survivor curves and annual accrual rates estimated to be appropriate in the most recent prior water rate filings and the most recent wastewater filings. Only the water base and wastewater base operations had prior filings. This is the initial filing for Shenandoah Water, Lower Makefield Wastewater and East Whiteland Wastewater.

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2021

	DEPRECIABLE GROUP	SURVIVOR CURVE		ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
INTANGIBLE PLANT									
301	ORGANIZATION	NONDEPR.		7,076,059.95					
302	FRANCHISES AND CONSENTS	NONDEPR.		2,944,957.32					
303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.		2,580,186.62					
TOTAL INTANGIBLE PLANT				**12,601,203.89**					
NONDEPRECIABLE PLANT									
303.11	WATER RIGHTS	NONDEPR.		1,703,879.22					
303.12	RESERVOIR LAND	NONDEPR.		2,826,590.02					
303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.		6,878,759.36					
303.2	POWER AND PUMPING LAND	NONDEPR.		1,553,906.51					
303.3	PURIFICATION LAND	NONDEPR.		1,408,637.63					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		1,344,159.76					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.		1,323,147.51					
303.61	OFFICE LAND	NONDEPR.		3,128,180.15					
303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.		1,002,954.67					
303.63	MISCELLANEOUS LAND	NONDEPR.		1,066,770.08					
TOTAL NONDEPRECIABLE PLANT				**22,236,984.91**					
DEPRECIABLE PLANT									
304.2	POWER AND PUMPING STRUCTURES								
	MAJOR TREATMENT PLANTS	85-S0.5	*	22,923,622.02	5,404,424	17,519,198	539,410	2.35	32.5
	OTHER STRUCTURES	50-R3		48,704,616.73	11,746,948	36,957,669	1,038,775	2.13	35.6
	TOTAL ACCOUNT 304.2			71,628,238.75	17,151,372	54,476,867	1,578,185		
304.3	PURIFICATION BUILDINGS								
	MAJOR TREATMENT PLANTS	95-S0.5	*	179,548,583.02	52,444,116	127,104,465	4,005,196	2.23	31.7
	OTHER STRUCTURES	50-S0		60,251,844.94	8,835,112	51,416,733	1,706,649	2.83	30.1
	TOTAL ACCOUNT 304.3			239,800,427.96	61,279,228	178,521,198	5,711,845		
304.61	OFFICE BUILDINGS								
	OFFICES	55-R3	*	63,583,959.63	22,467,498	41,116,461	1,572,394	2.47	26.1
	OTHER STRUCTURES	50-R3		3,807,564.54	385,773	3,421,792	84,760	2.23	40.4
	TOTAL ACCOUNT 304.61			67,391,524.17	22,853,271	44,538,253	1,657,154		
304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	*	8,195,399.60	4,941,911	3,253,489	159,766	1.95	20.4
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	33,453,313.31	13,190,866	20,262,447	1,049,637	3.14	19.3
305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	*	36,729,002.26	12,476,260	24,252,745	664,507	1.81	36.5
306	LAKE, RIVER AND OTHER INTAKES	80-R3	*	18,597,676.64	7,750,573	10,847,104	450,401	2.42	24.1
307	WELLS AND SPRINGS	50-R2.5		60,698,455.73	19,042,535	41,655,921	1,310,347	2.16	31.8
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	33,481,117.78	9,948,372	23,532,745	1,551,066	4.63	15.2
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		96,344,615.50	41,030,283	55,314,332	2,772,083	2.88	20.0

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2021

	DEPRECIABLE GROUP	SURVIVOR CURVE		ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
320	PURIFICATION SYSTEM								
	STRUCTURES	80-S0	*	98,747,365.18	41,215,372	57,531,993	2,436,908	2.47	23.6
	WELLS AND BOOSTERS	50-R3		15,878,493.51	3,484,945	12,393,549	344,937	2.17	35.9
	SUBTOTAL			114,625,858.69	44,700,317	69,925,542	2,781,845		
	EQUIPMENT	52-R2.5		136,543,755.76	34,496,777	102,046,979	2,913,037	2.13	35.0
	COMPUTERS	10-SQ		6,747,001.72	6,747,002	0	0	-	-
	PAINTING	10-SQ		278,070.16	236,877	41,193	5,682	2.04	7.2
	FILTER MEDIA	10-S3		3,115,447.18	3,115,447	0	0	-	-
	TOTAL ACCOUNT 320			261,310,133.51	89,296,420	172,013,714	5,700,564		
330	DISTRIBUTION RESERVOIRS AND STANDPIPES								
	TANKS	70-S1		79,131,247.26	23,835,344	55,295,903	1,309,850	1.66	42.2
	TANK PAINTING	10-SQ		70,198,359.78	41,768,039	28,430,321	5,297,825	7.55	5.4
	TOTAL ACCOUNT 330			149,329,607.04	65,603,383	83,726,224	6,607,675		
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		35,306,943.92	7,103,389	28,203,555	964,052	2.73	29.3
	CAST IRON - 6, 8 AND 10 INCH	80-S2.5		1,917,700,931.12	208,054,381	1,709,646,550	27,701,388	1.44	61.7
	CAST IRON - 12 INCH AND OVER	95-S3		601,727,498.04	70,260,782	531,466,716	7,197,633	1.20	73.8
	STEEL	75-R3		5,173,079.25	1,882,238	3,290,841	96,469	1.86	34.1
	LOCK JOINT	75-R5		4,984,107.60	2,796,728	2,187,380	128,654	2.58	17.0
	VALVES	90-R3		78,048,689.39	8,970,515	69,078,174	1,036,822	1.33	66.6
	SPECIAL CONSTRUCTION	58-R4		26,854,631.62	7,291,364	19,563,268	565,273	2.10	34.6
	CEMENT WROUGHT IRON	90-R3		104,675.36	27,915	76,760	1,932	1.85	39.7
	COPPER	50-S0.5		595,492.79	153,652	441,841	16,394	2.75	27.0
	ASBESTOS CEMENT	50-S5		5,507,585.59	2,586,743	2,920,843	204,974	3.72	14.2
	PLASTIC	45-R2.5		34,426,771.36	6,911,221	27,515,550	992,999	2.88	27.7
	MAIN CLEANING AND LINING	50-L4		124,697,138.15	30,096,163	94,600,975	2,992,286	2.40	31.6
	TOTAL ACCOUNT 331			2,835,127,544.19	346,135,091	2,488,992,453	41,898,876		
333	SERVICES	70-R4		494,828,889.36	103,774,350	391,054,539	7,356,352	1.49	53.2
334	METERS								
	REMOTE	22-R2.5		128,434,879.49	82,015,751	46,419,129	3,372,424	2.63	13.8
	ERTS	18-S2		55,791,446.08	39,268,235	16,523,211	1,433,415	2.57	11.5
	TOTAL ACCOUNT 334			184,226,325.57	121,283,986	62,942,340	4,805,839		
335	FIRE HYDRANTS	60-R4		102,356,173.27	21,653,307	80,702,867	1,832,886	1.79	44.0
336	BACKFLOW PREVENTION DEVICES	35-R2.5		308,417.51	55,091	253,326	10,421	3.38	24.3

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2021

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
340	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	7,633,450.01	3,115,968	4,517,482	405,962	**	11.1
	MECHANICAL EQUIPMENT	10-SQ	949,817.85	(51,469)	1,001,287	242,072	**	4.1
	COMPUTER HARDWARE	5-SQ	24,681,758.72	8,263,849	16,417,910	7,196,845	**	2.3
	COMPUTER SOFTWARE - 10-YEAR	10-SQ	26,941,014.64	14,743,666	12,197,349	2,721,083	**	4.5
	COMPUTER SOFTWARE - 15-YEAR	15-SQ	27,562,541.74	8,418,005	19,144,537	1,857,488	**	10.3
	TOTAL ACCOUNT 340		87,768,582.96	34,490,018	53,278,565	12,423,450		
341	TRANSPORTATION EQUIPMENT							
	VEHICLES	9-L2.5	25,563,401.09	15,318,040	10,245,362	1,910,105	7.47	5.4
	OTHER	20-SQ	2,504,755.33	678,063	1,826,693	157,828	**	11.6
	TOTAL ACCOUNT 341		28,068,156.42	15,996,102	12,072,055	2,067,933		
342	STORES EQUIPMENT	20-SQ	3,360,088.57	946,433	2,413,656	167,452	**	14.4
343.1	SHOP EQUIPMENT	25-SQ	1,469,848.42	798,493	671,355	58,473	**	11.5
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	18,615,404.12	7,916,339	10,699,065	929,412	**	11.5
344	LABORATORY EQUIPMENT							
	CONVENTIONAL	38-R3	1,376,402.69	897,328	479,075	24,372	1.77	19.7
	ELECTRONIC	25-R2.5	5,188,350.99	2,481,705	2,706,646	173,152	3.34	15.6
	TOTAL ACCOUNT 344		6,564,753.68	3,379,033	3,185,721	197,524		
346	COMMUNICATION EQUIPMENT							
	EQUIPMENT	15-SQ	7,914,534.80	2,291,476	5,623,059	464,636	**	12.1
	SCADA	10-SQ	24,860,977.42	8,779,151	16,081,826	3,018,306	**	5.3
	TOTAL ACCOUNT 346		32,775,512.22	11,070,628	21,704,885	3,482,942		
347	MISCELLANEOUS EQUIPMENT	25-SQ	2,422,532.83	1,427,521	995,012	98,891	**	10.1
348	OTHER TANGIBLE PLANT	25-SQ	39,497.10	14,575	24,922	1,634	**	15.3
TOTAL DEPRECIABLE PLANT			**4,874,891,238.47**	**1,033,505,442**	**3,841,385,800**	**104,545,315**		
TOTAL WATER PLANT IN SERVICE			**4,909,729,427.27**	**1,033,505,442**	**3,841,385,800**	**104,545,315**		

FR VI.5 (4)

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2021

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
NONDEPRECIABLE PLANT								
302	FRANCHISES AND CONSENTS	NONDEPR.	61,668.00					
303.2	POWER AND PUMPING LAND	NONDEPR.	10,616.04					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	4,505.75					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	8,199.00					
TOTAL NONDEPRECIABLE PLANT			**84,988.79**					
DEPRECIABLE PLANT								
304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	307,653	101,650	4,903	1.20	20.7
304.3	PURIFICATION BUILDINGS	50-S0	79,623.76	25,688	53,936	2,053	2.58	26.3
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	175,454.91	20,832	154,623	4,698	2.68	32.9
307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	871,498	1,874,313	57,652	2.10	32.5
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	666,319	833,681	32,693	2.18	25.5
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	979,629	842,897	52,545	2.88	16.0
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	46,608.81	41,435	5,174	260	0.56	19.9
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	1,287,011	1,634,170	39,040	1.34	41.9
331	MAINS AND ACCESSORIES							
	CAST IRON - 4 INCH AND UNDER	50-L1.5	540,229.27	58,858	481,371	14,670	2.72	32.8
	CAST IRON - 6, 8 AND 10 INCH	80-S2.5	155,552,501.32	33,314,687	122,237,814	2,154,852	1.39	56.7
	CAST IRON - 12 INCH AND OVER	95-S3	17,743,359.27	1,783,517	15,959,842	201,760	1.14	79.1
	VALVES	90-R3	5,881,961.46	329,489	5,552,472	75,738	1.29	73.3
	ASBESTOS CEMENT	50-S5	3,778,030.11	2,996,789	781,241	96,581	2.56	8.1
	PLASTIC	45-R2.5	7,042,065.37	1,309,108	5,732,957	184,679	2.62	31.0
	TOTAL ACCOUNT 331		190,538,146.80	39,792,448	150,745,697	2,728,280		
333	SERVICES	70-R4	19,327,568.68	2,434,973	16,892,595	284,790	1.47	59.3
334	METERS	22-R2.5	75,740.42	74,497	1,244	339	0.45	3.7
335	FIRE HYDRANTS	60-R4	14,004,275.94	2,810,097	11,194,179	235,995	1.69	47.4
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	84	0	0	**	-
344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	1,662	0	0	-	-
TOTAL DEPRECIABLE PLANT			**233,647,985.38**	**49,313,824**	**184,334,159**	**3,443,248**		
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**233,732,974.17**	**49,313,824**	**184,334,159**	**3,443,248**		
	AMORTIZATION OF NET SALVAGE					**2,486,548**		
TOTAL WATER PLANT			**4,675,996,453.10**	**984,191,618**	**3,657,051,641**	**103,588,615**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.

** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE		ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
INTANGIBLE PLANT									
301	ORGANIZATION	NONDEPR.		7,076,059.95					
302	FRANCHISES AND CONSENTS	NONDEPR.		2,944,957.32					
303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.		2,580,186.62					
TOTAL INTANGIBLE PLANT				**12,601,203.89**					
NONDEPRECIABLE PLANT									
303.11	WATER RIGHTS	NONDEPR.		1,703,879.22					
303.12	RESERVOIR LAND	NONDEPR.		2,826,590.02					
303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.		8,539,916.88					
303.2	POWER AND PUMPING LAND	NONDEPR.		1,553,906.51					
303.3	PURIFICATION LAND	NONDEPR.		1,408,637.63					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		1,344,159.76					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.		1,323,147.51					
303.61	OFFICE LAND	NONDEPR.		3,128,180.15					
303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.		1,002,954.67					
303.63	MISCELLANEOUS LAND	NONDEPR.		1,066,770.08					
TOTAL NONDEPRECIABLE PLANT				**23,898,142.43**					
DEPRECIABLE PLANT									
304.2	POWER AND PUMPING STRUCTURES								
	MAJOR TREATMENT PLANTS	85-S0.5	*	22,923,622.02	5,931,335	16,992,287	534,994	2.33	31.8
	OTHER STRUCTURES	50-R3		51,139,885.44	12,670,704	38,469,181	1,090,831	2.13	35.3
	TOTAL ACCOUNT 304.2			74,063,507.46	18,602,039	55,461,468	1,625,825		
304.3	PURIFICATION BUILDINGS								
	MAJOR TREATMENT PLANTS	95-S0.5	*	185,304,651.50	56,122,700	129,181,951	4,242,720	2.29	30.4
	OTHER STRUCTURES	50-S0		63,784,022.56	10,283,396	53,500,627	1,780,640	2.79	30.0
	TOTAL ACCOUNT 304.3			249,088,674.06	66,406,096	182,682,578	6,023,360		
304.61	OFFICE BUILDINGS								
	OFFICES	55-R3	*	84,078,083.78	22,885,651	61,192,432	2,402,224	2.86	25.5
	OTHER STRUCTURES	50-R3		4,201,328.99	454,058	3,747,271	93,900	2.24	39.9
	TOTAL ACCOUNT 304.61			88,279,412.77	23,339,709	64,939,703	2,496,124		
304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	*	8,260,630.86	5,097,898	3,162,734	162,215	1.96	19.5
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	34,296,587.99	14,252,255	20,044,332	1,085,934	3.17	18.5
305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	*	37,878,084.00	12,398,172	25,479,914	710,526	1.88	35.9
306	LAKE, RIVER AND OTHER INTAKES	80-R3	*	22,725,697.98	8,250,898	14,474,801	751,592	3.31	19.3
307	WELLS AND SPRINGS	50-R2.5		66,777,956.04	18,717,715	48,060,241	1,494,995	2.24	32.1
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	36,886,286.20	11,496,004	25,390,282	1,790,645	4.85	14.2
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		103,508,227.53	42,912,884	60,595,344	2,972,692	2.87	20.4

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE		ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
320	PURIFICATION SYSTEM								
	STRUCTURES	80-S0	*	112,308,147.99	42,196,572	70,111,577	3,427,545	3.05	20.5
	WELLS AND BOOSTERS	50-R3		33,729,419.72	3,370,117	30,359,303	771,709	2.29	39.3
	SUBTOTAL			146,037,567.71	45,566,689	100,470,880	4,199,254		
	EQUIPMENT	52-R2.5		138,942,720.15	36,022,067	102,920,653	2,975,647	2.14	34.6
	COMPUTERS	10-SQ		6,747,001.72	6,747,002	0	0	-	-
	PAINTING	10-SQ		278,070.16	231,604	46,466	7,435	2.67	6.2
	FILTER MEDIA	10-S3		3,115,447.18	3,115,447	0	0	-	-
	TOTAL ACCOUNT 320			295,120,806.92	91,682,809	203,437,999	7,182,336		
330	DISTRIBUTION RESERVOIRS AND STANDPIPES								
	TANKS	70-S1		90,606,112.49	24,493,777	66,112,335	1,513,616	1.67	43.7
	TANK PAINTING	10-SQ		72,302,436.04	46,654,130	25,648,306	5,190,762	7.18	4.9
	TOTAL ACCOUNT 330			162,908,548.53	71,147,907	91,760,641	6,704,378		
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		38,002,886.69	7,787,486	30,215,401	1,031,194	2.71	29.3
	CAST IRON - 6, 8 AND 10 INCH	80-S2.5		2,073,472,361.09	229,774,799	1,843,697,562	29,859,692	1.44	61.7
	CAST IRON - 12 INCH AND OVER	95-S3		610,060,393.66	76,543,399	533,516,995	7,291,055	1.20	73.2
	STEEL	75-R3		5,173,079.25	1,959,527	3,213,552	95,330	1.84	33.7
	LOCK JOINT	75-R5		4,984,107.60	2,894,635	2,089,473	129,087	2.59	16.2
	VALVES	90-R3		81,793,372.39	9,794,894	71,998,478	1,081,999	1.32	66.5
	SPECIAL CONSTRUCTION	58-R4		27,679,973.03	7,772,214	19,907,759	580,010	2.10	34.3
	CEMENT WROUGHT IRON	90-R3		104,675.36	29,165	75,510	1,902	1.82	39.7
	COPPER	50-S0.5		595,492.79	165,001	430,492	16,184	2.72	26.6
	ASBESTOS CEMENT	50-S5		5,507,585.59	2,707,973	2,799,613	208,060	3.78	13.5
	PLASTIC	45-R2.5		37,166,318.32	7,595,680	29,570,638	1,062,335	2.86	27.8
	MAIN CLEANING AND LINING	50-L4		136,223,235.08	32,503,014	103,720,221	3,241,582	2.38	32.0
	TOTAL ACCOUNT 331			3,020,763,480.85	379,527,787	2,641,235,694	44,598,430		
333	SERVICES	70-R4		522,160,717.85	110,990,192	411,170,526	7,764,029	1.49	53.0
334	METERS								
	REMOTE	22-R2.5		134,494,986.24	83,017,750	51,477,236	3,797,038	2.82	13.6
	ERTS	18-S2		57,684,623.96	39,535,853	18,148,771	1,672,943	2.90	10.8
	TOTAL ACCOUNT 334			192,179,610.20	122,553,603	69,626,007	5,469,981		
335	FIRE HYDRANTS	60-R4		106,358,162.42	23,271,452	83,086,710	1,901,416	1.79	43.7
336	BACKFLOW PREVENTION DEVICES	35-R2.5		308,837.57	65,443	243,395	10,260	3.32	23.7

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
340	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	7,985,456.37	3,368,808	4,616,648	423,586	**	10.9
	MECHANICAL EQUIPMENT	10-SQ	959,807.85	42,902	916,906	261,101	**	3.5
	COMPUTER HARDWARE	5-SQ	19,079,297.43	6,445,264	12,634,033	6,312,797	**	2.0
	COMPUTER SOFTWARE - 10-YEAR	10-SQ	33,075,251.24	13,790,212	19,285,039	3,542,951	**	5.4
	COMPUTER SOFTWARE - 15-YEAR	15-SQ	57,016,707.44	11,238,723	45,777,984	3,844,014	**	11.9
	TOTAL ACCOUNT 340		118,116,520.33	34,885,909	83,230,610	14,384,449		
341	TRANSPORTATION EQUIPMENT							
	VEHICLES	9-L2.5	28,688,994.56	16,528,479	12,160,516	2,360,393	8.23	5.2
	OTHER	20-SQ	2,832,561.36	729,544	2,103,017	168,102	**	12.5
	TOTAL ACCOUNT 341		31,521,555.92	17,258,023	14,263,533	2,528,495		
342	STORES EQUIPMENT	20-SQ	3,725,958.01	1,123,584	2,602,374	185,772	**	14.0
343.1	SHOP EQUIPMENT	25-SQ	1,557,978.53	860,519	697,460	59,142	**	11.8
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	19,373,244.71	8,676,595	10,696,650	935,881	**	11.4
344	LABORATORY EQUIPMENT							
	CONVENTIONAL	38-R3	1,678,702.73	855,601	823,102	35,424	2.11	23.2
	ELECTRONIC	25-R2.5	5,204,590.99	2,644,396	2,560,195	169,462	3.26	15.1
	TOTAL ACCOUNT 344		6,883,293.72	3,499,997	3,383,297	204,886		
346	COMMUNICATION EQUIPMENT							
	EQUIPMENT	15-SQ	8,291,193.25	2,105,303	6,185,890	528,784	**	11.7
	SCADA	10-SQ	25,781,783.84	10,708,711	15,073,073	3,178,245	**	4.7
	TOTAL ACCOUNT 346		34,072,977.09	12,814,014	21,258,963	3,707,029		
347	MISCELLANEOUS EQUIPMENT	25-SQ	2,417,449.96	1,519,456	897,994	99,325	**	9.0
348	OTHER TANGIBLE PLANT	25-SQ	39,497.10	16,155	23,342	1,638	**	14.3
TOTAL DEPRECIABLE PLANT			**5,239,273,704.60**	**1,101,367,115**	**4,137,906,592**	**114,851,355**		
TOTAL WATER PLANT IN SERVICE			**5,275,773,050.92**	**1,101,367,115**	**4,137,906,592**	**114,851,355**		

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
NONDEPRECIABLE PLANT								
302	FRANCHISES AND CONSENTS	NONDEPR.	61,668.00					
303.2	POWER AND PUMPING LAND	NONDEPR.	10,616.04					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	4,505.75					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	8,199.00					
TOTAL NONDEPRECIABLE PLANT			**84,988.79**					
DEPRECIABLE PLANT								
304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	312,565	96,738	4,775	1.17	20.3
304.3	PURIFICATION BUILDINGS	50-S0	79,623.76	27,742	51,882	1,995	2.51	26.0
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	198,855.22	25,847	173,008	5,287	2.66	32.7
307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	929,160	1,816,651	56,740	2.07	32.0
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	699,019	800,981	31,760	2.12	25.2
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	1,032,117	790,409	51,232	2.81	15.4
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	46,608.81	41,696	4,913	252	0.54	19.5
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	1,326,155	1,595,025	38,645	1.32	41.3
331	MAINS AND ACCESSORIES							
	CAST IRON - 4 INCH AND UNDER	50-L1.5	540,229.27	71,553	468,676	14,401	2.67	32.5
	CAST IRON - 6, 8 AND 10 INCH	80-S2.5	155,671,692.43	35,515,120	120,156,572	2,149,627	1.38	55.9
	CAST IRON - 12 INCH AND OVER	95-S3	17,743,359.27	1,986,301	15,757,058	201,529	1.14	78.2
	VALVES	90-R3	5,881,961.46	402,016	5,479,945	75,361	1.28	72.7
	ASBESTOS CEMENT	50-S5	3,778,030.11	3,068,479	709,551	94,137	2.49	7.5
	PLASTIC	45-R2.5	7,042,065.37	1,474,527	5,567,538	181,670	2.58	30.6
	TOTAL ACCOUNT 331		190,657,337.91	42,517,996	148,139,340	2,716,725		
333	SERVICES	70-R4	19,440,145.63	2,719,916	16,720,230	286,401	1.47	58.4
334	METERS	22-R2.5	75,740.42	74,838	902	111	0.15	8.1
335	FIRE HYDRANTS	60-R4	14,027,707.51	3,046,967	10,980,741	236,244	1.68	46.5
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	84	0	0	**	-
344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	1,662	0	0	-	-
TOTAL DEPRECIABLE PLANT			**233,926,585.32**	**52,755,764**	**181,170,820**	**3,430,167**		
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**234,011,574.11**	**52,755,764**	**181,170,820**	**3,430,167**		
	AMORTIZATION OF NET SALVAGE					**2,916,103**		
TOTAL WATER PLANT			**5,041,761,476.81**	**1,048,611,351**	**3,956,735,772**	**114,337,291**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.

** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE		ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
INTANGIBLE PLANT									
301	ORGANIZATION	NONDEPR.		6,951,059.95					
302	FRANCHISES AND CONSENTS	NONDEPR.		2,944,957.32					
303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.		2,680,186.62					
TOTAL INTANGIBLE PLANT				**12,576,203.89**					
NONDEPRECIABLE PLANT									
303.11	WATER RIGHTS	NONDEPR.		1,703,879.22					
303.12	RESERVOIR LAND	NONDEPR.		2,826,590.02					
303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.		8,539,916.88					
303.2	POWER AND PUMPING LAND	NONDEPR.		1,553,906.51					
303.3	PURIFICATION LAND	NONDEPR.		1,408,637.63					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		1,344,159.76					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.		1,323,147.51					
303.61	OFFICE LAND	NONDEPR.		3,128,180.15					
303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.		1,002,954.67					
303.63	MISCELLANEOUS LAND	NONDEPR.		1,066,770.08					
TOTAL NONDEPRECIABLE PLANT				**23,898,142.43**					
DEPRECIABLE PLANT									
304.2	POWER AND PUMPING STRUCTURES								
	MAJOR TREATMENT PLANTS	85-S0.5	*	22,923,622.02	6,479,804	16,443,818	531,248	2.32	31.0
	OTHER STRUCTURES	50-R3		52,453,250.66	13,701,767	38,751,484	1,114,574	2.12	34.8
	TOTAL ACCOUNT 304.2			75,376,872.68	20,181,571	55,195,302	1,645,822		
304.3	PURIFICATION BUILDINGS								
	MAJOR TREATMENT PLANTS	95-S0.5	*	187,076,172.13	60,601,382	126,474,789	4,380,781	2.34	28.9
	OTHER STRUCTURES	50-S0		64,935,926.03	11,772,864	53,163,062	1,774,543	2.73	30.0
	TOTAL ACCOUNT 304.3			252,012,098.16	72,374,246	179,637,851	6,155,324		
304.61	OFFICE BUILDINGS								
	OFFICES	55-R3	*	86,452,832.47	25,132,314	61,320,518	2,525,052	2.92	24.3
	OTHER STRUCTURES	50-R3		4,508,564.47	560,655	3,947,909	100,232	2.22	39.4
	TOTAL ACCOUNT 304.61			90,961,396.94	25,692,969	65,268,427	2,625,284		
304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	*	9,882,201.88	5,164,844	4,717,357	216,854	2.19	21.8
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	35,685,630.17	15,233,639	20,451,991	1,170,313	3.28	17.5
305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	*	42,042,557.10	10,610,193	31,432,367	894,731	2.13	35.1
306	LAKE, RIVER AND OTHER INTAKES	80-R3	*	22,750,697.98	9,003,845	13,746,854	747,309	3.28	18.4
307	WELLS AND SPRINGS	50-R2.5		72,782,357.90	18,610,156	54,172,202	1,669,520	2.29	32.4
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	38,827,085.46	13,285,674	25,541,411	1,895,621	4.88	13.5
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		108,783,096.35	45,224,007	63,559,089	3,101,299	2.85	20.5

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE		ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
320	PURIFICATION SYSTEM								
	STRUCTURES	80-S0	*	125,116,903.56	44,502,288	80,614,614	4,209,616	3.36	19.2
	WELLS AND BOOSTERS	50-R3		45,486,641.14	3,900,566	41,586,075	1,043,659	2.29	39.8
	SUBTOTAL			170,603,544.70	48,402,854	122,200,689	5,253,275		
	EQUIPMENT	52-R2.5		140,347,994.00	37,896,799	102,451,195	3,008,150	2.14	34.1
	COMPUTERS	10-SQ		6,747,001.72	6,747,002	0	0	-	-
	PAINTING	10-SQ		278,070.16	231,217	46,853	8,962	3.22	5.2
	FILTER MEDIA	10-S3		3,115,447.18	3,115,447	0	0	-	-
	TOTAL ACCOUNT 320			321,092,057.76	96,393,319	224,698,737	8,270,387		
330	DISTRIBUTION RESERVOIRS AND STANDPIPES								
	TANKS	70-S1		92,855,657.19	25,853,740	67,001,917	1,543,263	1.66	43.4
	TANK PAINTING	10-SQ		76,602,386.23	51,510,668	25,091,718	5,263,449	6.87	4.8
	TOTAL ACCOUNT 330			169,458,043.42	77,364,408	92,093,635	6,806,712		
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		38,002,886.69	8,566,035	29,436,852	1,019,031	2.68	28.9
	CAST IRON - 6, 8 AND 10 INCH	80-S2.5		2,204,814,802.22	254,762,638	1,950,052,164	31,677,677	1.44	61.6
	CAST IRON - 12 INCH AND OVER	95-S3		619,832,234.62	83,244,217	536,588,018	7,396,009	1.19	72.6
	STEEL	75-R3		5,173,079.25	2,046,499	3,126,580	94,354	1.82	33.1
	LOCK JOINT	75-R5		4,984,107.60	2,991,679	1,992,429	127,828	2.56	15.6
	VALVES	90-R3		85,128,318.75	10,706,871	74,421,448	1,121,179	1.32	66.4
	SPECIAL CONSTRUCTION	58-R4		30,558,823.23	8,256,208	22,302,615	630,660	2.06	35.4
	CEMENT WROUGHT IRON	90-R3		104,675.36	30,549	74,126	1,872	1.79	39.6
	COPPER	50-S0.5		595,492.79	176,825	418,668	15,934	2.68	26.3
	ASBESTOS CEMENT	50-S5		5,507,585.59	2,833,768	2,673,818	209,951	3.81	12.7
	PLASTIC	45-R2.5		38,292,880.87	8,385,245	29,907,636	1,083,700	2.83	27.6
	MAIN CLEANING AND LINING	50-L4		147,251,265.78	35,226,346	112,024,920	3,477,927	2.36	32.2
	TOTAL ACCOUNT 331			3,180,246,152.75	417,226,880	2,763,019,274	46,856,122		
333	SERVICES	70-R4		549,301,262.67	118,667,178	430,634,085	8,165,934	1.49	52.7
334	METERS								
	REMOTE	22-R2.5		138,669,518.90	85,165,393	53,504,126	4,031,172	2.91	13.3
	ERTS	18-S2		58,933,174.50	40,518,872	18,414,302	1,787,517	3.03	10.3
	TOTAL ACCOUNT 334			197,602,693.40	125,684,265	71,918,428	5,818,689		
335	FIRE HYDRANTS	60-R4		110,297,381.49	24,970,168	85,327,213	1,968,089	1.78	43.4
336	BACKFLOW PREVENTION DEVICES	35-R2.5		310,517.82	75,405	235,113	10,160	3.27	23.1

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
340	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	8,135,382.67	3,633,684	4,501,699	433,785	**	10.4
	MECHANICAL EQUIPMENT	10-SQ	865,545.76	27,209	838,337	216,761	**	3.9
	COMPUTER HARDWARE	5-SQ	19,088,066.95	8,970,169	10,117,898	6,248,254	**	1.6
	COMPUTER SOFTWARE - 10-YEAR	10-SQ	39,906,012.96	15,264,041	24,641,972	4,343,892	**	5.7
	COMPUTER SOFTWARE - 15-YEAR	15-SQ	70,179,592.44	15,480,720	54,698,872	4,711,143	**	11.6
	TOTAL ACCOUNT 340		138,174,600.78	43,375,823	94,798,778	15,953,835		
341	TRANSPORTATION EQUIPMENT							
	VEHICLES	9-L2.5	31,528,994.56	18,265,687	13,263,308	2,675,805	8.49	5.0
	OTHER	20-SQ	3,627,561.36	694,367	2,933,194	203,936	**	14.4
	TOTAL ACCOUNT 341		35,156,555.92	18,960,054	16,196,502	2,879,741		
342	STORES EQUIPMENT	20-SQ	4,007,883.01	1,316,930	2,690,953	199,759	**	13.5
343.1	SHOP EQUIPMENT	25-SQ	1,636,378.53	921,651	714,728	59,469	**	12.0
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	19,803,314.79	8,686,880	11,116,435	981,404	**	11.3
344	LABORATORY EQUIPMENT							
	CONVENTIONAL	38-R3	2,251,202.73	771,398	1,479,805	56,085	2.49	26.4
	ELECTRONIC	25-R2.5	5,251,190.99	2,787,926	2,463,265	169,175	3.22	14.6
	TOTAL ACCOUNT 344		7,502,393.72	3,559,324	3,943,070	225,260		
346	COMMUNICATION EQUIPMENT							
	EQUIPMENT	15-SQ	13,435,153.27	1,561,757	11,873,396	925,113	**	12.8
	SCADA	10-SQ	26,015,754.99	11,871,941	14,143,814	3,068,003	**	4.6
	TOTAL ACCOUNT 346		39,450,908.26	13,433,698	26,017,210	3,993,116		
347	MISCELLANEOUS EQUIPMENT	25-SQ	2,419,631.70	1,614,147	805,485	95,888	**	8.4
348	OTHER TANGIBLE PLANT	25-SQ	39,497.10	17,735	21,762	1,642	**	13.3
TOTAL DEPRECIABLE PLANT			**5,525,603,267.74**	**1,187,649,009**	**4,337,954,259**	**122,408,284**		
TOTAL WATER PLANT IN SERVICE			**5,562,077,614.06**	**1,187,649,009**	**4,337,954,259**	**122,408,284**		

AQUA PENNSYLVANIA, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
NONDEPRECIABLE PLANT								
302	FRANCHISES AND CONSENTS	NONDEPR.	61,668.00					
303.2	POWER AND PUMPING LAND	NONDEPR.	10,616.04					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	4,505.75					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	8,199.00					
TOTAL NONDEPRECIABLE PLANT			**84,988.79**					
DEPRECIABLE PLANT								
304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	317,354	91,949	4,703	1.15	19.6
304.3	PURIFICATION BUILDINGS	50-S0	79,623.76	29,740	49,884	1,936	2.43	25.8
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	292,456.44	32,382	260,074	7,730	2.64	33.6
307	WELLS AND SPRINGS	50-R2.5	2,982,529.70	988,448	1,994,082	61,114	2.05	32.6
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	730,819	769,181	30,965	2.06	24.8
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	1,083,330	739,196	49,939	2.74	14.8
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	46,608.81	41,947	4,662	248	0.53	18.8
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	1,364,714	1,556,466	38,286	1.31	40.7
331	MAINS AND ACCESSORIES							
	CAST IRON MAINS - 4 INCH AND UNDER	50-L1.5	540,229.27	84,756	455,473	14,182	2.63	32.1
	CAST IRON MAINS - 6, 8 AND 10 INCH	80-S2.5	156,204,456.72	37,702,997	118,501,460	2,150,820	1.38	55.1
	CAST IRON MAINS - 12 INCH AND OVER	95-S3	17,743,359.27	2,193,636	15,549,723	201,432	1.14	77.2
	VALVES	90-R3	5,881,961.46	475,237	5,406,724	74,956	1.27	72.1
	ASBESTOS CEMENT MAINS	50-S5	3,778,030.11	3,133,111	644,919	91,522	2.42	7.0
	PLASTIC	45-R2.5	7,042,065.37	1,639,376	5,402,689	179,312	2.55	30.1
	TOTAL ACCOUNT 331		191,190,102.20	45,229,113	145,960,988	2,712,224		
333	SERVICES	70-R4	19,440,145.63	3,005,686	16,434,460	286,347	1.47	57.4
334	METERS	22-R2.5	75,740.42	74,951	789	61	0.08	12.9
335	FIRE HYDRANTS	60-R4	14,121,433.78	3,283,420	10,838,014	237,187	1.68	45.7
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	84	0	0	**	-
344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	1,662	0	0	-	-
TOTAL DEPRECIABLE PLANT			**234,883,396.13**	**56,183,650**	**178,699,745**	**3,430,740**		
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**234,968,384.92**	**56,183,650**	**178,699,745**	**3,430,740**		
	AMORTIZATION OF NET SALVAGE					**3,189,034**		
TOTAL WATER PLANT			**5,327,109,229.14**	**1,131,465,359**	**4,159,254,514**	**122,166,578**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.

** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER EAST BRADFORD OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	324,739.75					
TOTAL INTANGIBLE PLANT		**324,739.75**					
NONDEPRECIABLE PLANT							
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	57,797.65					
TOTAL NONDEPRECIABLE PLANT		**57,797.65**					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	55-S0.5	1,961,298.58	380,535	1,580,764	46,343	34.1	2.36
PUMPING	60-S1	450,011.53	193,344	256,668	7,705	33.3	1.71
TOTAL ACCOUNT 354		2,411,310.11	573,879	1,837,432	54,048		
355.00 POWER GENERATING EQUIPMENT							
TREATMENT AND DISPOSAL	25-R2.5	121,308.59	58,039	63,269	5,349	11.8	4.41
TOTAL ACCOUNT 355		121,308.59	58,039	63,269	5,349		
360.00 COLLECTION MAINS - FORCE	75-R2.5	672,708.42	257,152	415,556	9,405	44.2	1.40
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	3,757,694.32	1,666,829	2,090,866	49,665	42.1	1.32
363.00 SERVICES	70-R4	422,736.92	230,682	192,055	4,929	39.0	1.17
364.00 METERS	25-S2.5	20,924.15	6,972	13,952	946	14.7	4.52
371.00 PUMPING EQUIPMENT							
PUMPING	25-L0.5	120,954.29	48,078	72,877	5,645	12.9	4.67
TOTAL ACCOUNT 371		120,954.29	48,078	72,877	5,645		
396.70 COMMUNICATION EQUIPMENT - SCADA	10-SQ	175,059.52	16,041	159,019	17,191	9.3	*
TOTAL DEPRECIABLE PLANT		**7,702,696.32**	**2,857,671**	**4,845,026**	**147,178**		
TOTAL WASTEWATER PLANT IN SERVICE		**8,085,233.72**	**2,857,671**	**4,845,026**	**147,178**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER LIMERICK OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	399,244.12					
TOTAL INTANGIBLE PLANT		**399,244.12**					
NONDEPRECIABLE PLANT							
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	365,005.19					
353.40 LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	481,147.09					
TOTAL NONDEPRECIABLE PLANT		**846,152.28**					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
PUMPING	60-S1	6,767,333.32	2,414,865	4,352,468	135,944	32.0	2.01
TREATMENT AND DISPOSAL	50-R2	10,329,416.66	5,757,120	4,572,297	195,858	23.3	1.90
RECLAIMED WATER TREATMENT	60-R2.5	1,595,652.91	741,233	854,420	28,738	29.7	1.80
GENERAL	50-R3	533,109.46	321,199	211,911	12,228	17.3	2.29
TOTAL ACCOUNT 354		19,225,512.35	9,234,416	9,991,096	372,768		
355.00 POWER GENERATING EQUIPMENT							
TREATMENT AND DISPOSAL	25-R2.5	1,155,183.77	756,003	399,180	63,719	6.3	5.52
TOTAL ACCOUNT 355		1,155,183.77	756,003	399,180	63,719		
360.00 COLLECTION MAINS - FORCE	75-R2.5	48,765,731.15	15,103,231	33,662,500	740,019	45.5	1.52
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	1,140,163.44	5,076	1,135,087	20,774	54.6	1.82
363.00 SERVICES	70-R4	161,607.89	1,420	160,188	2,463	65.0	1.52
364.00 METERS	25-S2.5	13,245.46	11,349	1,897	470	4.0	3.55
370.30 RECEIVING WELLS	40-S2.5	2,642,479.36	1,087,114	1,555,366	96,215	16.2	3.64
371.00 PUMPING EQUIPMENT							
PUMPING	25-L0.5	5,049,426.99	2,628,171	2,421,256	222,184	10.9	4.40
TOTAL ACCOUNT 371		5,049,426.99	2,628,171	2,421,256	222,184		
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S0	15,755,505.65	5,563,433	10,192,073	484,204	21.0	3.07
382.00 OUTFALL LINES	40-R2.5	311,991.19	118,727	193,264	9,850	19.6	3.16
390.00 OFFICE FURNITURE AND EQUIPMENT							
COMPUTER HARDWARE	5-SQ	23,848.55	9,728	14,120	6,276	2.2	*
TOTAL ACCOUNT 390		23,848.55	9,728	14,120	6,276		
391.00 TRANSPORTATION EQUIPMENT	15-L3	105,281.07	88,216	17,065	2,299	7.4	2.18
393.00 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	49,767.20	789	48,978	2,544	19.3	*
394.00 LABORATORY EQUIPMENT	25-SQ	20,831.47	386	20,446	843	24.3	*
396.70 COMMUNICATION EQUIPMENT - SCADA	10-SQ	12,090.95	5,168	6,923	748	9.3	*
TOTAL DEPRECIABLE PLANT		**94,432,666.49**	**34,613,228**	**59,819,439**	**2,025,376**		
TOTAL WASTEWATER PLANT IN SERVICE		**95,678,062.89**	**34,613,228**	**59,819,439**	**2,025,376**		

AQUA PENNSYLVANIA, INC.
WASTEWATER LIMERICK OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
360.00 COLLECTION MAINS - FORCE	75-R2.5	320,734.96	3,167	317,568	5,758	55.2	1.80
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	625,552.10	4,752	620,800	11,116	55.8	1.78
363.00 SERVICES	70-R4	356,634.87	936	355,699	5,444	65.3	1.53
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**1,302,921.93**	**8,855**	**1,294,067**	**22,318**		
AMORTIZATION OF NET SALVAGE					**13,125**		
TOTAL WASTEWATER PLANT		**94,375,140.96**	**34,604,373**	**58,525,372**	**2,016,183**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER EAST NORRITON OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	340,540.49					
TOTAL INTANGIBLE PLANT		**340,540.49**					
NONDEPRECIABLE PLANT							
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	170.54					
TOTAL NONDEPRECIABLE PLANT		**170.54**					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
PUMPING	60-S1	4,607,062.02	2,797,562	1,809,500	66,905	27.0	1.45
TOTAL ACCOUNT 354		4,607,062.02	2,797,562	1,809,500	66,905		
355.00 POWER GENERATING EQUIPMENT							
PUMPING	25-R2.5	1,063,342.47	761,274	302,068	40,922	7.4	3.85
TOTAL ACCOUNT 355		1,063,342.47	761,274	302,068	40,922		
360.00 COLLECTION MAINS - FORCE	75-R2.5	2,422,461.23	1,369,924	1,052,537	34,388	30.6	1.42
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	29,397,175.29	17,157,367	12,239,809	405,086	30.2	1.38
363.00 SERVICES	70-R4	6,807,276.05	4,600,008	2,207,268	93,836	23.5	1.38
364.00 METERS	25-S2.5	289,570.95	190,485	99,086	19,747	5.0	6.82
371.00 PUMPING EQUIPMENT							
PUMPING	25-L0.5	4,400,839.12	2,167,980	2,232,859	219,152	10.2	4.98
TOTAL ACCOUNT 371		4,400,839.12	2,167,980	2,232,859	219,152		
391.00 TRANSPORTATION EQUIPMENT	15-L3	68,117.42	68,117	0	0	-	*
394.00 LABORATORY EQUIPMENT	25-SQ	40,789.79	27,837	12,953	1,313	9.9	**
396.00 COMMUNICATION EQUIPMENT - GENERAL	15-SQ	28,980.85	16,039	12,942	2,071	6.2	**
397.00 MISCELLANEOUS EQUIPMENT	25-SQ	12,557.09	9,418	3,139	177	17.7	**
TOTAL DEPRECIABLE PLANT		**49,138,172.28**	**29,166,010**	**19,972,161**	**883,597**		
TOTAL WASTEWATER PLANT IN SERVICE		**49,478,883.31**	**29,166,010**	**19,972,161**	**883,597**		

* USE DEPRECIATION RATE OF 3.87% FOR ALL FUTURE ADDITIONS TO ACCOUNT 391.00 TRANSPORTATION EQUIPMENT

** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER CHELTENHAM OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	617,031.21					
TOTAL INTANGIBLE PLANT		**617,031.21**					
NONDEPRECIABLE PLANT							
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	9,552.64					
TOTAL NONDEPRECIABLE PLANT		**9,552.64**					
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	53,822,773.35	11,097,347	42,725,427	892,762	47.9	1.66
363.00 SERVICES	70-R4	3,315,369.83	2,762,001	553,368	60,428	9.2	1.82
391.00 TRANSPORTATION EQUIPMENT	15-L3	281,820.00	243,421	38,399	4,393	8.7	1.56
393.00 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	1,424.36	41	1,383	72	19.2	*
396.00 COMMUNICATION EQUIPMENT - GENERAL	15-SQ	2,856.24	100	2,756	193	14.3	*
TOTAL DEPRECIABLE PLANT		**57,424,243.78**	**14,102,911**	**43,321,333**	**957,848**		
TOTAL WASTEWATER PLANT IN SERVICE		**58,050,827.63**	**14,102,911**	**43,321,333**	**957,848**		
AMORTIZATION OF NET SALVAGE					**199**		
TOTAL WASTEWATER PLANT		**58,050,827.63**	**14,102,911**	**43,321,333**	**958,047**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER NEW GARDEN OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	1,004,882.04					
TOTAL INTANGIBLE PLANT			**1,004,882.04**					
NONDEPRECIABLE PLANT								
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	1,125,227.22					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	6,150,273.12					
TOTAL NONDEPRECIABLE PLANT			**7,275,500.34**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	PUMPING	60-S1	4,140,220.76	2,206,177	1,934,044	58,757	32.9	1.42
	TREATMENT AND DISPOSAL	50-R2	23,612,096.91	15,064,379	8,547,718	322,175	26.5	1.36
	GENERAL	50-R3	683,450.40	561,454	121,996	6,331	19.3	0.93
	TOTAL ACCOUNT 354		28,435,768.07	17,832,010	10,603,758	387,263		
355.00	POWER GENERATING EQUIPMENT							
	PUMPING	25-R2.5	448,198.28	211,438	236,760	31,820	7.4	7.10
	TREATMENT AND DISPOSAL	25-R2.5	117,512.90	55,437	62,076	5,311	11.7	4.52
	TOTAL ACCOUNT 355		565,711.18	266,875	298,836	37,131		
360.00	COLLECTION MAINS - FORCE	75-R2.5	3,528,570.99	1,347,825	2,180,746	48,763	44.7	1.38
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	13,384,326.96	6,274,252	7,110,075	160,545	44.3	1.20
363.00	SERVICES	70-R4	3,238,602.82	1,695,436	1,543,167	37,343	41.3	1.15
364.00	METERS	25-S2.5	37,409.53	9,345	28,065	2,641	10.6	7.06
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	1,426,869.36	1,019,025	407,844	34,702	11.8	2.43
	TOTAL ACCOUNT 371		1,426,869.36	1,019,025	407,844	34,702		
395.00	POWER OPERATED EQUIPMENT	20-L2.5	80,106.15	28,097	52,010	8,498	6.1	10.61
TOTAL DEPRECIABLE PLANT			**50,697,365.06**	**28,472,865**	**22,224,501**	**716,886**		
TOTAL WASTEWATER PLANT IN SERVICE			**58,977,747.44**	**28,472,865**	**22,224,501**	**716,886**		

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	1,563,234.26					
TOTAL INTANGIBLE PLANT			**1,563,234.26**					
NONDEPRECIABLE PLANT								
353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	42,731.40					
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	573,591.78					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	898,448.33					
TOTAL NONDEPRECIABLE PLANT			**1,514,771.51**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	55-S0.5	23,407,945.00	2,337,626	21,070,319	574,468	36.7	2.45
	PUMPING	60-S1	7,044,204.16	1,309,160	5,735,044	140,331	40.9	1.99
	TREATMENT AND DISPOSAL	50-R2	38,135,366.89	6,300,734	31,834,633	1,009,373	31.5	2.65
	RECLAIMED WATER TREATMENT	60-R2.5	37,826.41	13,035	24,791	624	39.7	1.65
	GENERAL	50-R3	569,500.31	293,822	275,678	10,501	26.3	1.84
	TOTAL ACCOUNT 354		69,194,842.77	10,254,377	58,940,465	1,735,297		
355.00	POWER GENERATING EQUIPMENT							
	COLLECTION	25-R2.5	92,159.43	32,585	59,575	4,713	12.6	5.11
	PUMPING	25-R2.5	516,471.83	193,216	323,256	25,742	12.6	4.98
	TREATMENT AND DISPOSAL	25-R2.5	3,345,713.39	507,705	2,838,008	163,409	17.4	4.88
	TOTAL ACCOUNT 355		3,954,344.65	733,506	3,220,839	193,864		
360.00	COLLECTION MAINS - FORCE	75-R2.5	26,033,274.92	6,076,455	19,956,820	410,624	48.6	1.58
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	43,837,180.74	6,308,137	37,529,044	721,628	52.0	1.65
362.00	SPECIAL COLLECTING STRUCTURES	40-R3	11,400.44	4,583	6,818	448	15.2	3.93
363.00	SERVICES	70-R4	11,710,102.05	3,756,712	7,953,390	161,369	49.3	1.38
364.00	METERS	25-S2.5	735,404.64	102,861	632,543	35,357	17.9	4.81
370.30	RECEIVING WELLS	40-S2.5	531,655.12	288,717	242,938	13,751	17.7	2.59
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	13,961,906.95	5,460,713	8,501,194	637,472	13.3	4.57
	RECLAIMED WATER TREATMENT	25-L0.5	203,165.41	123,319	79,846	7,021	11.4	3.46
	TOTAL ACCOUNT 371		14,165,072.36	5,584,032	8,581,040	644,493		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	48,179,868.26	10,257,386	37,922,482	1,592,473	23.8	3.31
381.00	PLANT SEWERS							
	TREATMENT AND DISPOSAL	40-R1.5	122,375.79	32,332	90,044	3,798	23.7	3.10
	RECLAIMED WATER TREATMENT	40-R1.5	6,264.17	1,436	4,828	199	24.3	3.18
	TOTAL ACCOUNT 381		128,639.96	33,768	94,872	3,997		
382.00	OUTFALL LINES	40-R2.5	58,208.17	29,933	28,275	1,569	18.0	2.70
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	COLLECTION	20-L3	661,407.77	351,119	310,289	43,242	7.2	6.54
	PUMPING	20-L3	67,370.96	31,238	36,133	3,865	9.3	5.74
	TREATMENT AND DISPOSAL	25-S2.5	12,074.50	7,691	4,383	370	11.8	3.06
	TOTAL ACCOUNT 389		740,853.23	390,048	350,805	47,477		
390.00	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	27,598.84	13,433	14,166	754	18.8	*
	OFFICE EQUIPMENT	10-SQ	237,810.91	67,661	170,150	33,926	5.0	*
	COMPUTER HARDWARE	5-SQ	572,464.09	225,527	346,937	123,426	2.8	*
	COMPUTER SOFTWARE - 10 YEARS	10-SQ	366,649.80	140,013	226,636	36,305	6.2	*
	COMPUTER SOFTWARE - 15 YEARS	15-SQ	317,077.71	133,178	183,900	16,334	11.3	*
	TOTAL ACCOUNT 390		1,521,601.35	579,812	941,789	210,745		
391.00	TRANSPORTATION EQUIPMENT	15-L3	1,387,342.13	553,522	833,820	69,098	12.1	4.98
392.00	STORES EQUIPMENT	20-SQ	9,559.78	6,221	3,338	532	6.3	*
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	397,306.39	41,408	355,899	26,642	13.4	*
394.00	LABORATORY EQUIPMENT	25-SQ	762,877.90	220,653	542,225	28,588	19.0	*
395.00	POWER OPERATED EQUIPMENT	20-L2.5	172,884.12	119,214	53,670	7,460	7.2	4.32
	COMMUNICATION EQUIPMENT							
396.00	GENERAL	15-SQ	1,025,843.80	157,790	868,054	74,648	11.6	*
396.70	SCADA	10-SQ	2,283,359.55	297,389	1,985,970	240,500	8.3	*
	TOTAL ACCOUNT 396		3,309,203.35	455,179	2,854,024	315,148		
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	30,928.11	15,414	15,514	952	16.3	*
TOTAL DEPRECIABLE PLANT			**226,872,550.44**	**45,811,938**	**181,060,610**	**6,221,512**		
TOTAL WASTEWATER PLANT IN SERVICE			**229,950,556.21**	**45,811,938**	**181,060,610**	**6,221,512**		
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	55-S0.5	1,304,009.91	494,759	809,251	23,902	33.9	1.83
	PUMPING	60-S1	1,430,981.07	203,309	1,227,672	29,182	42.1	2.04
	TREATMENT AND DISPOSAL	50-R2	6,755,217.05	2,329,588	4,425,629	162,869	27.2	2.41
	GENERAL	50-R3	14,946.39	9,614	5,333	338	15.8	2.26
	TOTAL ACCOUNT 354		9,505,154.42	3,037,269	6,467,885	216,291		
360.00	COLLECTION MAINS - FORCE	75-R2.5	9,921,889.01	1,707,009	8,214,880	159,427	51.5	1.61
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	4,362,160.76	948,587	3,413,574	69,776	48.9	1.60
363.00	SERVICES	70-R4	1,536,417.02	581,629	954,788	18,736	51.0	1.22
371.30	PUMPING EQUIPMENT - PUMPING	25-L0.5	547,392.75	126,681	420,712	30,921	13.6	5.65
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	1,617,779.51	910,588	707,192	33,818	20.9	2.09
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R1.5	1,536.55	1,317	220	25	8.8	1.63
382.00	OUTFALL LINES	40-R2.5	1,536.55	1,331	206	35	5.9	2.28
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	7,156	5,875	696	8.4	5.34

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2021

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2021	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
390.10	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20-SQ	274.98	275	0	0	-	-
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	4,449.14	4,449	0	0	-	-
394.00	LABORATORY EQUIPMENT	25-SQ	1,362.82	1,363	0	0	-	-
396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	268	10,915	1,216	9.0	10.87
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**27,524,166.72**	**7,327,921**	**20,196,247**	**530,941**		
	AMORTIZATION OF NET SALVAGE					**195,740**		
TOTAL WASTEWATER PLANT			**202,426,389.49**	**38,484,017**	**160,864,363**	**5,886,311**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER EAST BRADFORD OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	324,739.75					
TOTAL INTANGIBLE PLANT		**324,739.75**					
NONDEPRECIABLE PLANT							
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	57,797.65					
TOTAL NONDEPRECIABLE PLANT		**57,797.65**					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	55-S0.5	1,961,298.58	426,822	1,534,477	45,547	33.7	2.32
PUMPING	60-S1	450,011.53	201,039	248,973	7,590	32.8	1.69
TOTAL ACCOUNT 354		2,411,310.11	627,860	1,783,450	53,137		
355.00 POWER GENERATING EQUIPMENT							
TREATMENT AND DISPOSAL	25-R2.5	121,308.59	63,389	57,920	5,088	11.4	4.19
TOTAL ACCOUNT 355		121,308.59	63,389	57,920	5,088		
360.00 COLLECTION MAINS - FORCE	75-R2.5	672,542.49	266,653	405,890	9,339	43.5	1.39
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	3,757,694.32	1,716,430	2,041,264	49,504	41.2	1.32
363.00 SERVICES	70-R4	447,193.94	234,713	212,481	5,314	40.0	1.19
364.00 METERS	25-S2.5	27,539.03	3,341	24,198	1,351	17.9	4.91
371.00 PUMPING EQUIPMENT							
PUMPING	25-L0.5	120,954.29	53,726	67,228	5,086	13.2	4.20
TOTAL ACCOUNT 371		120,954.29	53,726	67,228	5,086		
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S0	189,035.80	(14,616)	203,652	8,355	24.4	4.42
396.70 COMMUNICATION EQUIPMENT - SCADA	10-SQ	175,059.52	33,547	141,513	17,153	8.3	*
TOTAL DEPRECIABLE PLANT		**7,922,638.09**	**2,985,043**	**4,937,596**	**154,327**		
AMORTIZATION OF NET SALVAGE					**225**		
TOTAL WASTEWATER PLANT IN SERVICE		**8,305,175.49**	**2,985,043**	**4,937,596**	**154,552**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER LIMERICK OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	399,244.12					
TOTAL INTANGIBLE PLANT			**399,244.12**					
NONDEPRECIABLE PLANT								
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	365,005.19					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	481,147.09					
TOTAL NONDEPRECIABLE PLANT			**846,152.28**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	PUMPING	60-S1	6,770,963.84	2,560,992	4,209,972	133,617	31.5	1.97
	TREATMENT AND DISPOSAL	50-R2	10,354,609.54	5,950,190	4,404,419	191,650	23.0	1.85
	RECLAIMED WATER TREATMENT	60-R2.5	1,595,653.80	769,954	825,699	28,393	29.1	1.78
	GENERAL	50-R3	533,100.04	333,395	199,705	11,831	16.9	2.22
	TOTAL ACCOUNT 354		19,254,327.22	9,614,532	9,639,795	365,491		
355.00	POWER GENERATING EQUIPMENT							
	TREATMENT AND DISPOSAL	25-R2.5	1,161,104.06	819,853	341,251	55,867	6.1	4.81
	TOTAL ACCOUNT 355		1,161,104.06	819,853	341,251	55,867		
360.00	COLLECTION MAINS - FORCE	75-R2.5	48,792,945.30	15,830,891	32,962,054	733,805	44.9	1.50
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	1,228,439.01	19,492	1,208,947	21,564	56.1	1.76
363.00	SERVICES	70-R4	161,607.89	3,877	157,731	2,462	64.1	1.52
364.00	METERS	25-S2.5	13,245.46	11,819	1,427	375	3.8	2.83
370.30	RECEIVING WELLS	40-S2.5	2,642,479.36	1,183,300	1,459,179	93,561	15.6	3.54
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	5,529,074.68	2,777,799	2,751,275	245,765	11.2	4.44
	TOTAL ACCOUNT 371		5,529,074.68	2,777,799	2,751,275	245,765		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	16,525,895.39	5,999,385	10,526,510	499,055	21.1	3.02
382.00	OUTFALL LINES	40-R2.5	311,991.19	128,586	183,405	9,607	19.1	3.08
390.00	OFFICE FURNITURE AND EQUIPMENT							
	COMPUTER HARDWARE	5-SQ	33,848.55	15,498	18,351	9,504	1.9	*
	TOTAL ACCOUNT 390		33,848.55	15,498	18,351	9,504		

AQUA PENNSYLVANIA, INC.
WASTEWATER LIMERICK OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
391.00	TRANSPORTATION EQUIPMENT	15-L3	105,281.07	90,511	14,770	2,174	6.8	2.06
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	49,767.20	3,278	46,490	2,547	18.3	*
394.00	LABORATORY EQUIPMENT	25-SQ	23,331.47	1,269	22,063	943	23.4	*
	COMMUNICATION EQUIPMENT							
396.70	SCADA	10-SQ	165,090.95	14,027	151,064	16,195	9.3	*
	TOTAL ACCOUNT 396		165,090.95	14,027	151,064	16,195		
TOTAL DEPRECIABLE PLANT			**95,998,428.80**	**36,514,117**	**59,484,312**	**2,058,915**		
TOTAL WASTEWATER PLANT IN SERVICE			**97,243,825.20**	**36,514,117**	**59,484,312**	**2,058,915**		
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
360.00	COLLECTION MAINS - FORCE	75-R2.5	569,047.71	11,175	557,873	9,993	55.8	1.76
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	625,552.10	15,887	609,665	10,723	56.9	1.71
363.00	SERVICES	70-R4	356,634.87	6,393	350,242	5,426	64.5	1.52
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**1,551,234.68**	**33,455**	**1,517,780**	**26,142**		
	AMORTIZATION OF NET SALVAGE					**14,564**		
TOTAL WASTEWATER PLANT			**95,692,590.52**	**36,480,662**	**57,966,532**	**2,047,337**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER EAST NORRITON OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	340,540.49					
TOTAL INTANGIBLE PLANT			**340,540.49**					
NONDEPRECIABLE PLANT								
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	170.54					
TOTAL NONDEPRECIABLE PLANT			**170.54**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	PUMPING	60-S1	4,607,062.02	2,864,364	1,742,698	65,535	26.6	1.42
	TOTAL ACCOUNT 354		4,607,062.02	2,864,364	1,742,698	65,535		
355.00	POWER GENERATING EQUIPMENT							
	PUMPING	25-R2.5	1,063,342.47	802,213	261,130	36,478	7.2	3.43
	TOTAL ACCOUNT 355		1,063,342.47	802,213	261,130	36,478		
360.00	COLLECTION MAINS - FORCE	75-R2.5	2,422,461.23	1,404,323	1,018,138	34,362	29.6	1.42
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	29,837,147.25	17,530,505	12,306,642	410,693	30.0	1.38
363.00	SERVICES	70-R4	6,831,527.12	4,693,066	2,138,461	94,223	22.7	1.38
364.00	METERS	25-S2.5	289,570.95	210,233	79,338	15,331	5.2	5.29
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	4,701,037.60	2,340,940	2,360,098	225,129	10.5	4.79
	TOTAL ACCOUNT 371		4,701,037.60	2,340,940	2,360,098	225,129		
391.00	TRANSPORTATION EQUIPMENT	15-L3	68,117.42	68,117	0	0	-	*
394.00	LABORATORY EQUIPMENT	25-SQ	40,789.79	29,468	11,322	1,274	8.9	**
395.00	POWER OPERATED EQUIPMENT	20-L2.5	1,249.31	27	1,222	75	16.3	6.00
396.00	COMMUNICATION EQUIPMENT - GENERAL	15-SQ	28,980.85	17,972	11,009	2,097	5.2	**
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	12,557.09	9,921	2,637	157	16.8	**
TOTAL DEPRECIABLE PLANT			**49,903,843.10**	**29,971,149**	**19,932,695**	**885,354**		
	AMORTIZATION OF NET SALVAGE					**391**		
TOTAL WASTEWATER PLANT IN SERVICE			**50,244,554.13**	**29,971,149**	**19,932,695**	**885,745**		

* USE DEPRECIATION RATE OF 3.87% FOR ALL FUTURE ADDITIONS TO ACCOUNT 391.00 TRANSPORTATION EQUIPMENT

** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER CHELTENHAM OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	617,031.21					
TOTAL INTANGIBLE PLANT		**617,031.21**					
NONDEPRECIABLE PLANT							
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	9,552.64					
TOTAL NONDEPRECIABLE PLANT		**9,552.64**					
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	56,070,525.14	11,827,696	44,242,830	919,415	48.1	1.64
363.00 SERVICES	70-R4	3,427,015.36	2,818,733	608,283	57,517	10.6	1.68
391.00 TRANSPORTATION EQUIPMENT	15-L3	281,820.00	247,818	34,002	4,288	7.9	1.52
393.00 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	1,424.36	112	1,312	72	18.2	*
COMMUNICATION EQUIPMENT							
396.00 GENERAL	15-SQ	7,431.25	443	6,988	500	14.0	*
396.70 SCADA	10-SQ	25,538.51	1,277	24,262	2,579	9.4	*
TOTAL ACCOUNT 396		32,969.76	1,720	31,250	3,079		
TOTAL DEPRECIABLE PLANT		**59,813,754.62**	**14,896,079**	**44,917,677**	**984,371**		
TOTAL WASTEWATER PLANT IN SERVICE		**60,440,338.47**	**14,896,079**	**44,917,677**	**984,371**		
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	96,280.00	857	95,423	1,736	55.0	1.80
363.00 SERVICES	70-R4	6,000.00	46	5,954	92	64.7	1.53
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**102,280.00**	**903**	**101,377**	**1,828**		
AMORTIZATION OF NET SALVAGE					**553**		
TOTAL WASTEWATER PLANT		**60,338,058.47**	**14,895,176**	**44,816,300**	**983,096**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER NEW GARDEN OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	1,004,882.04					
TOTAL INTANGIBLE PLANT			**1,004,882.04**					
NONDEPRECIABLE PLANT								
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	1,125,227.22					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	6,150,273.12					
TOTAL NONDEPRECIABLE PLANT			**7,275,500.34**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	PUMPING	60-S1	4,165,068.86	2,262,449	1,902,620	58,470	32.5	1.40
	TREATMENT AND DISPOSAL	50-R2	23,784,528.39	15,363,217	8,421,312	322,351	26.1	1.36
	GENERAL	50-R3	683,386.01	567,730	115,656	6,154	18.8	0.90
	TOTAL ACCOUNT 354		28,632,983.26	18,193,396	10,439,588	386,975		
355.00	POWER GENERATING EQUIPMENT							
	PUMPING	25-R2.5	448,198.28	243,260	204,938	29,216	7.0	6.52
	TREATMENT AND DISPOSAL	25-R2.5	117,512.90	60,749	56,764	5,129	11.1	4.36
	TOTAL ACCOUNT 355		565,711.18	304,009	261,702	34,345		
360.00	COLLECTION MAINS - FORCE	75-R2.5	3,661,322.92	1,330,187	2,331,136	51,964	44.9	1.42
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	13,384,326.96	6,434,864	6,949,463	159,235	43.6	1.19
363.00	SERVICES	70-R4	3,243,751.22	1,732,487	1,511,265	37,399	40.4	1.15
364.00	METERS	25-S2.5	75,613.78	(13,961)	89,575	5,042	17.8	6.67
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	1,426,869.36	1,053,698	373,171	32,197	11.6	2.26
	TOTAL ACCOUNT 371		1,426,869.36	1,053,698	373,171	32,197		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	345,820.45	(21,016)	366,836	15,054	24.4	4.35
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	10,270.00	257	10,013	516	19.4	*
395.00	POWER OPERATED EQUIPMENT	20-L2.5	80,106.15	36,596	43,510	7,252	6.0	9.05
TOTAL DEPRECIABLE PLANT			**51,426,775.28**	**29,050,517**	**22,376,259**	**729,979**		
	AMORTIZATION OF NET SALVAGE					**1,138**		
TOTAL WASTEWATER PLANT			**59,707,157.66**	**29,050,517**	**22,376,259**	**731,117**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	1,563,234.26					
TOTAL INTANGIBLE PLANT			**1,563,234.26**					
NONDEPRECIABLE PLANT								
353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	42,731.40					
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	573,539.02					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	897,481.89					
TOTAL NONDEPRECIABLE PLANT			**1,513,752.31**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	55-S0.5	25,169,104.87	2,911,686	22,257,418	610,673	36.4	2.43
	PUMPING	60-S1	7,259,902.19	1,408,690	5,851,213	144,909	40.4	2.00
	TREATMENT AND DISPOSAL	50-R2	39,611,957.52	7,095,740	32,516,218	1,027,872	31.6	2.59
	RECLAIMED WATER TREATMENT	60-R2.5	37,932.84	13,660	24,273	622	39.0	1.64
	GENERAL	50-R3	568,373.21	302,894	265,480	10,410	25.5	1.83
	TOTAL ACCOUNT 354		72,647,270.63	11,732,670	60,914,602	1,794,486		
355.00	POWER GENERATING EQUIPMENT							
	COLLECTION	25-R2.5	92,159.43	37,294	54,865	4,567	12.0	4.96
	PUMPING	25-R2.5	535,487.75	219,233	316,255	25,341	12.5	4.73
	TREATMENT AND DISPOSAL	25-R2.5	3,547,515.67	673,104	2,874,412	167,503	17.2	4.72
	TOTAL ACCOUNT 355		4,175,162.85	929,631	3,245,532	197,411		
360.00	COLLECTION MAINS - FORCE	75-R2.5	27,900,822.14	5,556,492	22,344,330	455,692	49.0	1.63
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	45,600,354.34	6,904,947	38,695,408	744,595	52.0	1.63
362.00	SPECIAL COLLECTING STRUCTURES	40-R3	11,400.44	5,031	6,370	437	14.6	3.83
363.00	SERVICES	70-R4	12,264,880.90	3,900,996	8,363,885	170,006	49.2	1.39
364.00	METERS	25-S2.5	758,318.58	122,414	635,905	36,197	17.6	4.77
370.30	RECEIVING WELLS	40-S2.5	529,604.52	302,460	227,144	13,414	16.9	2.53
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	15,075,896.20	5,941,041	9,134,855	683,078	13.4	4.53
	RECLAIMED WATER TREATMENT	25-L0.5	207,443.11	116,306	91,137	7,892	11.5	3.80
	TOTAL ACCOUNT 371		15,283,339.31	6,057,347	9,225,992	690,970		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	61,943,148.14	11,050,972	50,892,176	2,128,739	23.9	3.44
381.00	PLANT SEWERS							
	TREATMENT AND DISPOSAL	40-R1.5	122,380.86	36,126	86,255	3,686	23.4	3.01
	RECLAIMED WATER TREATMENT	40-R1.5	6,264.44	1,635	4,629	194	23.9	3.10
	TOTAL ACCOUNT 381		128,645.30	37,761	90,884	3,880		

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
382.00	OUTFALL LINES	40-R2.5	58,208.17	31,505	26,703	1,510	17.7	2.59
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							
	COLLECTION	20-L3	659,308.34	394,306	265,002	39,403	6.7	5.98
	PUMPING	20-L3	67,157.11	35,099	32,058	3,679	8.7	5.48
	TREATMENT AND DISPOSAL	25-S2.5	12,036.17	8,060	3,976	358	11.1	2.97
	TOTAL ACCOUNT 389		738,501.62	437,466	301,036	43,440		
390.00	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	54,179.15	15,478	38,701	2,072	18.7	*
	OFFICE EQUIPMENT	10-SQ	252,418.72	92,172	160,247	38,071	4.2	*
	COMPUTER HARDWARE	5-SQ	1,130,426.67	247,824	882,603	248,791	3.5	*
	COMPUTER SOFTWARE - 10 YEARS	10-SQ	700,462.48	193,369	507,094	70,501	7.2	*
	COMPUTER SOFTWARE - 15 YEARS	15-SQ	605,757.98	163,954	441,804	35,470	12.5	*
	TOTAL ACCOUNT 390		2,743,245.00	712,797	2,030,449	394,905		
391.00	TRANSPORTATION EQUIPMENT	15-L3	1,432,982.95	612,338	820,645	74,241	11.1	5.18
392.00	STORES EQUIPMENT	20-SQ	9,559.78	6,699	2,860	545	5.2	*
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	895,736.39	73,734	822,003	52,084	15.8	*
394.00	LABORATORY EQUIPMENT	25-SQ	819,075.15	252,292	566,783	30,741	18.4	*
395.00	POWER OPERATED EQUIPMENT	20-L2.5	172,884.12	126,683	46,201	6,676	6.9	3.86
	COMMUNICATION EQUIPMENT							
396.00	GENERAL	15-SQ	1,097,079.97	228,589	868,491	79,855	10.9	*
396.70	SCADA	10-SQ	2,681,011.88	545,608	2,135,404	282,122	7.6	*
	TOTAL ACCOUNT 396		3,778,091.85	774,197	3,003,895	361,977		
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	30,938.06	16,652	14,286	933	15.3	*
TOTAL DEPRECIABLE PLANT			**251,922,170.24**	**49,645,082**	**202,277,089**	**7,202,879**		
TOTAL WASTEWATER PLANT IN SERVICE			**254,999,156.81**	**49,645,082**	**202,277,089**	**7,202,879**		

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2022

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2022	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	55-S0.5	1,304,009.91	518,622	785,388	23,238	33.8	1.78
	PUMPING	60-S1	1,430,981.07	232,501	1,198,480	28,463	42.1	1.99
	TREATMENT AND DISPOSAL	50-R2	6,755,217.05	2,492,388	4,262,829	157,184	27.1	2.33
	GENERAL	50-R3	14,946.39	9,952	4,995	321	15.6	2.15
	TOTAL ACCOUNT 354		9,505,154.42	3,253,463	6,251,692	209,206		
360.00	COLLECTION MAINS - FORCE	75-R2.5	11,489,465.37	1,879,370	9,610,095	184,360	52.1	1.60
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	4,362,160.76	1,018,381	3,343,779	68,593	48.7	1.57
363.00	SERVICES	70-R4	1,565,907.35	600,553	965,354	18,878	51.1	1.21
371.30	PUMPING EQUIPMENT - PUMPING	25-L0.5	573,981.95	158,360	415,622	30,430	13.7	5.30
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	1,860,264.86	946,933	913,331	42,005	21.7	2.26
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R1.5	1,536.55	1,342	195	23	8.5	1.50
382.00	OUTFALL LINES	40-R2.5	1,536.55	1,366	171	29	5.9	1.89
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	7,851	5,179	627	8.3	4.81
390.10	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20-SQ	274.98	275	0	0	-	-
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	4,449.14	4,449	0	0	-	-
394.00	LABORATORY EQUIPMENT	25-SQ	1,362.82	1,363	0	0	-	-
396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	1,483	9,699	1,110	8.7	9.93
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**29,390,307.96**	**7,875,191**	**21,515,117**	**555,261**		
	AMORTIZATION OF NET SALVAGE					**225,139**		
TOTAL WASTEWATER PLANT			**225,608,848.85**	**41,769,891**	**180,761,972**	**6,872,757**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER EAST BRADFORD OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	324,739.75					
TOTAL INTANGIBLE PLANT		**324,739.75**					
NONDEPRECIABLE PLANT							
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	57,797.65					
TOTAL NONDEPRECIABLE PLANT		**57,797.65**					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	55-S0.5	1,961,298.58	472,324	1,488,975	44,714	33.3	2.28
PUMPING	60-S1	450,011.53	208,644	241,368	7,498	32.2	1.67
TOTAL ACCOUNT 354		2,411,310.11	680,968	1,730,343	52,212		
355.00 POWER GENERATING EQUIPMENT							
TREATMENT AND DISPOSAL	25-R2.5	121,308.59	68,472	52,837	4,804	11.0	3.96
TOTAL ACCOUNT 355		121,308.59	68,472	52,837	4,804		
360.00 COLLECTION MAINS - FORCE	75-R2.5	672,044.68	276,250	395,795	9,269	42.7	1.38
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	3,757,694.32	1,766,032	1,991,663	48,874	40.8	1.30
363.00 SERVICES	70-R4	471,329.71	239,165	232,165	5,700	40.7	1.21
364.00 METERS	25-S2.5	27,539.03	4,694	22,845	1,336	17.1	4.85
371.00 PUMPING EQUIPMENT							
PUMPING	25-L0.5	120,954.29	58,806	62,148	4,691	13.2	3.88
TOTAL ACCOUNT 371		120,954.29	58,806	62,148	4,691		
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S0	330,189.39	(13,842)	344,032	14,087	24.4	4.27
396.70 COMMUNICATION EQUIPMENT - SCADA	10-SQ	175,059.52	51,052	124,007	17,104	7.3	*
TOTAL DEPRECIABLE PLANT		**8,087,429.64**	**3,131,596**	**4,955,835**	**158,077**		
AMORTIZATION OF NET SALVAGE					**475**		
TOTAL WASTEWATER PLANT IN SERVICE		**8,469,967.04**	**3,131,596**	**4,955,835**	**158,552**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER LIMERICK OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	399,244.12					
TOTAL INTANGIBLE PLANT			**399,244.12**					
NONDEPRECIABLE PLANT								
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	365,005.19					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	481,147.09					
TOTAL NONDEPRECIABLE PLANT			**846,152.28**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	PUMPING	60-S1	6,770,963.84	2,704,850	4,066,114	130,951	31.1	1.93
	TREATMENT AND DISPOSAL	50-R2	10,354,609.54	6,141,863	4,212,746	188,376	22.4	1.82
	RECLAIMED WATER TREATMENT	60-R2.5	1,595,653.80	798,357	797,297	28,028	28.4	1.76
	GENERAL	50-R3	533,100.04	345,230	187,870	11,625	16.2	2.18
	TOTAL ACCOUNT 354		19,254,327.22	9,990,300	9,264,027	358,980		
355.00	POWER GENERATING EQUIPMENT							
	TREATMENT AND DISPOSAL	25-R2.5	1,161,104.06	875,702	285,402	48,318	5.9	4.16
	TOTAL ACCOUNT 355		1,161,104.06	875,702	285,402	48,318		
360.00	COLLECTION MAINS - FORCE	75-R2.5	48,792,945.30	16,562,785	32,230,160	726,690	44.4	1.49
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	1,552,424.26	17,773	1,534,651	27,182	56.5	1.75
363.00	SERVICES	70-R4	161,607.89	6,333	155,275	2,463	63.0	1.52
364.00	METERS	25-S2.5	13,245.46	12,194	1,052	291	3.6	2.20
370.30	RECEIVING WELLS	40-S2.5	2,642,479.36	1,276,844	1,365,636	90,564	15.1	3.43
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	5,529,074.68	3,026,514	2,502,560	223,947	11.2	4.05
	TOTAL ACCOUNT 371		5,529,074.68	3,026,514	2,502,560	223,947		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	16,709,196.58	6,487,931	10,221,266	489,967	20.9	2.93
382.00	OUTFALL LINES	40-R2.5	311,991.19	138,196	173,796	9,440	18.4	3.03
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							
	COLLECTION	20-L3	89,075.80	2,663	86,412	5,060	17.1	5.68
	PUMPING	20-L3	9,073.27	249	8,825	517	17.1	5.70
	TREATMENT AND DISPOSAL	25-S2.5	1,626.14	24	1,602	73	21.9	4.49
	TOTAL ACCOUNT 389		99,775.21	2,936	96,839	5,650		
390.00	OFFICE FURNITURE AND EQUIPMENT							
	COMPUTER HARDWARE	5-SQ	10,000.00	(2,972)	12,972	3,784	3.4	*
	TOTAL ACCOUNT 390		10,000.00	(2,972)	12,972	3,784		

AQUA PENNSYLVANIA, INC.
WASTEWATER LIMERICK OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
391.00	TRANSPORTATION EQUIPMENT	15-L3	105,281.07	92,680	12,601	2,031	6.2	1.93
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	49,767.20	5,766	44,001	2,551	17.2	*
394.00	LABORATORY EQUIPMENT	25-SQ	33,331.47	2,402	30,929	1,346	23.0	*
	COMMUNICATION EQUIPMENT							
396.70	SCADA	10-SQ	165,090.95	30,536	134,554	15,990	8.4	*
	TOTAL ACCOUNT 396		165,090.95	30,536	134,554	15,990		
TOTAL DEPRECIABLE PLANT			**96,591,641.90**	**38,525,920**	**58,065,721**	**2,009,194**		
TOTAL WASTEWATER PLANT IN SERVICE			**97,837,038.30**	**38,525,920**	**58,065,721**	**2,009,194**		
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
DEPRECIABLE PLANT								
360.00	COLLECTION MAINS - FORCE	75-R2.5	569,047.71	21,190	547,857	9,650	56.8	1.70
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	625,552.10	26,584	598,968	10,501	57.0	1.68
363.00	SERVICES	70-R4	356,634.87	11,814	344,821	5,425	63.6	1.52
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**1,551,234.68**	**59,588**	**1,491,646**	**25,576**		
	AMORTIZATION OF NET SALVAGE					**15,263**		
TOTAL WASTEWATER PLANT			**96,285,803.62**	**38,466,332**	**56,574,075**	**1,998,881**		

AQUA PENNSYLVANIA, INC.
WASTEWATER EAST NORRITON OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	340,540.49					
TOTAL INTANGIBLE PLANT			**340,540.49**					
NONDEPRECIABLE PLANT								
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	170.54					
TOTAL NONDEPRECIABLE PLANT			**170.54**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	PUMPING	60-S1	4,607,062.02	2,929,784	1,677,278	63,086	26.6	1.37
	TOTAL ACCOUNT 354		4,607,062.02	2,929,784	1,677,278	63,086		
355.00	POWER GENERATING EQUIPMENT							
	PUMPING	25-R2.5	1,063,342.47	838,686	224,657	32,805	6.8	3.09
	TOTAL ACCOUNT 355		1,063,342.47	838,686	224,657	32,805		
360.00	COLLECTION MAINS - FORCE	75-R2.5	2,422,461.23	1,438,722	983,739	33,547	29.3	1.38
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	35,250,876.25	17,541,871	17,709,005	509,284	34.8	1.44
363.00	SERVICES	70-R4	6,854,697.45	4,786,529	2,068,168	92,564	22.3	1.35
364.00	METERS	25-S2.5	289,570.95	225,552	64,019	12,104	5.3	4.18
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	4,701,037.60	2,566,470	2,134,567	204,647	10.4	4.35
	TOTAL ACCOUNT 371		4,701,037.60	2,566,470	2,134,567	204,647		
391.00	TRANSPORTATION EQUIPMENT	15-L3	68,117.42	68,117	0	0	-	*
394.00	LABORATORY EQUIPMENT	25-SQ	40,789.79	31,100	9,690	1,229	7.9	**
395.00	POWER OPERATED EQUIPMENT	20-L2.5	1,249.31	102	1,147	74	15.5	5.92
396.00	COMMUNICATION EQUIPMENT - GENERAL	15-SQ	28,980.85	19,905	9,076	2,136	4.2	**
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	9,936.01	7,771	2,165	137	15.8	**
TOTAL DEPRECIABLE PLANT			**55,338,121.35**	**30,454,610**	**24,883,511**	**951,613**		
	AMORTIZATION OF NET SALVAGE					**1,028**		
TOTAL WASTEWATER PLANT IN SERVICE			**55,678,832.38**	**30,454,610**	**24,883,511**	**952,641**		

* USE DEPRECIATION RATE OF 3.87% FOR ALL FUTURE ADDITIONS TO ACCOUNT 391.00 TRANSPORTATION EQUIPMENT
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER CHELTENHAM OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	617,031.21					
TOTAL INTANGIBLE PLANT		**617,031.21**					
NONDEPRECIABLE PLANT							
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	9,552.64					
TOTAL NONDEPRECIABLE PLANT		**9,552.64**					
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	58,973,381.05	12,536,531	46,436,850	959,044	48.4	1.63
363.00 SERVICES	70-R4	3,499,422.68	2,874,147	625,276	53,566	11.7	1.53
391.00 TRANSPORTATION EQUIPMENT	15-L3	281,820.00	252,102	29,718	4,162	7.1	1.48
393.00 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	1,424.36	184	1,241	72	17.2	*
COMMUNICATION EQUIPMENT							
396.00 GENERAL	15-SQ	7,431.25	939	6,492	498	13.0	*
396.70 SCADA	10-SQ	25,538.51	3,831	21,708	2,553	8.5	*
TOTAL ACCOUNT 396		32,969.76	4,770	28,200	3,051		
TOTAL DEPRECIABLE PLANT		**62,789,017.85**	**15,667,733**	**47,121,285**	**1,019,895**		
TOTAL WASTEWATER PLANT IN SERVICE		**63,415,601.70**	**15,667,733**	**47,121,285**	**1,019,895**		
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	75-R2.5	505,470.00	6,273	499,197	9,038	55.2	1.79
363.00 SERVICES	70-R4	6,000.00	138	5,862	91	64.4	1.52
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**511,470.00**	**6,410**	**505,059**	**9,129**		
AMORTIZATION OF NET SALVAGE					**1,004**		
TOTAL WASTEWATER PLANT		**62,904,131.70**	**15,661,322**	**46,616,226**	**1,011,770**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER NEW GARDEN OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	1,004,882.04					
TOTAL INTANGIBLE PLANT			**1,004,882.04**					
NONDEPRECIABLE PLANT								
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	1,125,227.22					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	6,150,273.12					
TOTAL NONDEPRECIABLE PLANT			**7,275,500.34**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	PUMPING	60-S1	4,165,068.86	2,320,822	1,844,247	57,728	31.9	1.39
	TREATMENT AND DISPOSAL	50-R2	23,784,528.39	15,687,461	8,097,068	317,376	25.5	1.33
	GENERAL	50-R3	683,386.01	573,881	109,505	6,063	18.1	0.89
	TOTAL ACCOUNT 354		28,632,983.26	18,582,163	10,050,820	381,167		
355.00	POWER GENERATING EQUIPMENT							
	PUMPING	25-R2.5	448,198.28	272,483	175,715	26,477	6.6	5.91
	TREATMENT AND DISPOSAL	25-R2.5	117,512.90	65,872	51,641	4,931	10.5	4.20
	TOTAL ACCOUNT 355		565,711.18	338,355	227,356	31,408		
360.00	COLLECTION MAINS - FORCE	75-R2.5	3,661,322.92	1,382,178	2,279,145	51,288	44.4	1.40
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	13,606,488.27	6,577,495	7,028,994	162,439	43.3	1.19
363.00	SERVICES	70-R4	3,267,886.99	1,768,891	1,498,996	37,507	40.0	1.15
364.00	METERS	25-S2.5	75,613.78	(8,918)	84,532	4,779	17.7	6.32
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	1,426,869.36	1,085,945	340,924	29,734	11.5	2.08
	TOTAL ACCOUNT 371		1,426,869.36	1,085,945	340,924	29,734		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	682,067.21	(24,268)	706,336	28,929	24.4	4.24
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	10,270.00	770	9,500	513	18.5	*
395.00	POWER OPERATED EQUIPMENT	20-L2.5	80,106.15	43,846	36,261	6,156	5.9	7.68
TOTAL DEPRECIABLE PLANT			**52,009,319.12**	**29,746,456**	**22,262,864**	**733,920**		
	AMORTIZATION OF NET SALVAGE					**1,914**		
TOTAL WASTEWATER PLANT			**60,289,701.50**	**29,746,456**	**22,262,864**	**735,834**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INTANGIBLE PLANT								
351.00	ORGANIZATION	NONDEPR.	1,563,234.26					
TOTAL INTANGIBLE PLANT			**1,563,234.26**					
NONDEPRECIABLE PLANT								
353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	42,731.40					
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	573,539.02					
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	897,481.89					
TOTAL NONDEPRECIABLE PLANT			**1,513,752.31**					
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	55-S0.5	26,029,900.75	3,523,645	22,506,256	621,307	36.2	2.39
	PUMPING	60-S1	7,365,328.15	1,535,817	5,829,511	146,513	39.8	1.99
	TREATMENT AND DISPOSAL	50-R2	40,333,665.49	8,106,770	32,226,895	1,020,903	31.6	2.53
	RECLAIMED WATER TREATMENT	60-R2.5	37,984.87	14,283	23,702	616	38.5	1.62
	GENERAL	50-R3	567,822.33	312,607	255,215	10,297	24.8	1.81
	TOTAL ACCOUNT 354		74,334,701.59	13,493,123	60,841,579	1,799,636		
355.00	POWER GENERATING EQUIPMENT							
	COLLECTION	25-R2.5	92,159.43	41,865	50,294	4,411	11.4	4.79
	PUMPING	25-R2.5	545,259.51	244,701	300,558	24,383	12.3	4.47
	TREATMENT AND DISPOSAL	25-R2.5	3,651,216.35	841,557	2,809,659	167,342	16.8	4.58
	TOTAL ACCOUNT 355		4,288,635.29	1,128,124	3,160,511	196,136		
360.00	COLLECTION MAINS - FORCE	75-R2.5	28,115,216.51	5,904,417	22,210,800	455,135	48.8	1.62
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	49,651,442.71	7,355,355	42,296,088	813,032	52.0	1.64
362.00	SPECIAL COLLECTING STRUCTURES	40-R3	11,400.44	5,467	5,933	426	13.9	3.74
363.00	SERVICES	70-R4	12,794,670.83	4,056,089	8,738,582	178,277	49.0	1.39
364.00	METERS	25-S2.5	773,425.30	148,153	625,272	36,687	17.0	4.74
370.30	RECEIVING WELLS	40-S2.5	529,604.52	315,859	213,745	13,171	16.2	2.49
371.00	PUMPING EQUIPMENT							
	PUMPING	25-L0.5	16,270,334.91	6,455,678	9,814,657	734,809	13.4	4.52
	RECLAIMED WATER TREATMENT	25-L0.5	212,029.74	109,140	102,889	8,734	11.8	4.12
	TOTAL ACCOUNT 371		16,482,364.65	6,564,818	9,917,546	743,543		
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	79,363,779.32	12,184,039	67,179,741	2,801,838	24.0	3.53
381.00	PLANT SEWERS							
	TREATMENT AND DISPOSAL	40-R1.5	122,380.86	39,809	82,571	3,582	23.1	2.93
	RECLAIMED WATER TREATMENT	40-R1.5	6,264.44	1,829	4,435	189	23.5	3.02
	TOTAL ACCOUNT 381		128,645.30	41,639	87,006	3,771		

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
382.00	OUTFALL LINES	40-R2.5	208,208.17	34,955	173,253	6,472	26.8	3.11
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							
	COLLECTION	20-L3	659,308.34	433,733	225,576	35,567	6.3	5.39
	PUMPING	20-L3	67,157.11	38,780	28,378	3,484	8.1	5.19
	TREATMENT AND DISPOSAL	25-S2.5	12,036.17	8,418	3,619	347	10.4	2.88
	TOTAL ACCOUNT 389		738,501.62	480,930	257,573	39,398		
390.00	OFFICE FURNITURE AND EQUIPMENT							
	FURNITURE	20-SQ	54,179.15	18,187	35,992	2,036	17.7	*
	OFFICE EQUIPMENT	10-SQ	252,418.72	117,414	135,005	42,752	3.2	*
	COMPUTER HARDWARE	5-SQ	1,049,305.64	388,056	661,250	233,164	2.8	*
	COMPUTER SOFTWARE - 10 YEARS	10-SQ	700,462.48	263,415	437,047	69,422	6.3	*
	COMPUTER SOFTWARE - 15 YEARS	15-SQ	605,757.98	204,358	401,400	34,907	11.5	*
	TOTAL ACCOUNT 390		2,662,123.97	991,430	1,670,694	382,281		
391.00	TRANSPORTATION EQUIPMENT	15-L3	1,572,982.95	655,192	917,791	88,068	10.4	5.60
392.00	STORES EQUIPMENT	20-SQ	9,559.78	7,177	2,382	569	4.2	*
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	1,035,736.39	122,021	913,716	59,409	15.4	*
394.00	LABORATORY EQUIPMENT	25-SQ	881,575.15	286,305	595,270	33,116	18.0	*
395.00	POWER OPERATED EQUIPMENT	20-L2.5	172,884.12	133,356	39,528	5,946	6.6	3.44
	COMMUNICATION EQUIPMENT							
396.00	GENERAL	15-SQ	1,150,858.33	279,434	871,424	81,894	10.6	*
396.70	SCADA	10-SQ	3,117,770.20	835,547	2,282,223	327,788	7.0	*
	TOTAL ACCOUNT 396		4,268,628.53	1,114,981	3,153,647	409,682		
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	30,938.06	17,889	13,049	913	14.3	*
TOTAL DEPRECIABLE PLANT			**278,055,025.20**	**55,041,320**	**223,013,706**	**8,067,506**		
TOTAL WASTEWATER PLANT IN SERVICE			**281,132,011.77**	**55,041,320**	**223,013,706**	**8,067,506**		

AQUA PENNSYLVANIA, INC.
WASTEWATER ALL OTHER OPERATIONS

TABLE 1. ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF MARCH 31, 2023

	DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF MARCH 31, 2023	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
DEPRECIABLE PLANT								
354.00	STRUCTURES AND IMPROVEMENTS							
	COLLECTION	55-S0.5	1,304,009.91	541,833	762,177	22,810	33.4	1.75
	PUMPING	60-S1	1,430,981.07	260,978	1,170,003	28,341	41.3	1.98
	TREATMENT AND DISPOSAL	50-R2	6,755,217.05	2,649,785	4,105,432	154,122	26.6	2.28
	GENERAL	50-R3	14,946.39	10,273	4,673	314	14.9	2.10
	TOTAL ACCOUNT 354		9,505,154.42	3,462,869	6,042,285	205,587		
360.00	COLLECTION MAINS - FORCE	75-R2.5	11,494,465.37	2,063,242	9,431,223	181,375	52.0	1.58
361.00	COLLECTION MAINS - GRAVITY	75-R2.5	4,362,160.76	1,086,867	3,275,293	67,839	48.3	1.56
363.00	SERVICES	70-R4	1,565,907.35	619,501	946,406	18,883	50.1	1.21
371.30	PUMPING EQUIPMENT - PUMPING	25-L0.5	573,981.95	188,781	385,201	28,324	13.6	4.93
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S0	1,860,264.86	988,975	871,289	40,332	21.6	2.17
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R1.5	1,536.55	1,365	172	21	8.2	1.37
382.00	OUTFALL LINES	40-R2.5	1,536.55	1,395	142	24	5.9	1.56
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	8,478	4,552	597	7.6	4.58
390.10	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20-SQ	274.98	275	0	0	-	-
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	4,449.14	4,449	0	0	-	-
394.00	LABORATORY EQUIPMENT	25-SQ	1,362.82	1,363	0	0	-	-
396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	2,594	8,589	1,069	8.0	9.56
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**29,395,307.96**	**8,430,154**	**20,965,152**	**544,051**		
	AMORTIZATION OF NET SALVAGE					**256,561**		
TOTAL WASTEWATER PLANT			**251,736,703.81**	**46,611,165**	**202,048,554**	**7,780,016**		

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

F. Depreciation

DP6. Provide an exhibit showing gross salvage, cost of removal, and net salvage for the 5 most recent calendar or fiscal years by account.

A. Please see the attached.

Aqua Pennsylvania, Inc.
Data Requirements of the Pennsylvania Public Utility Commission
Depreciation Study

FR VI.6

Aqua Pennsylvania, Inc.
VI. Depreciation

6. Provide an exhibit showing gross salvage, cost of removal, and net salvage for the five most recent calendar or fiscal years by account.

Answer:

The information is presented on pages III-2 through III-6 of Exhibit No. 6-A, Part 1 for the historic test year, pages VIII-2 through VIII-6 of Exhibit No. 6-A, Part 2 for the future test year and pages III-2 through III-6 of Exhibit No. 6-A, Part 3 for the fully forecasted test year for water assets.

The information is presented on page VIII-2 of Exhibit No. 6-B, Part 2 of the future test year and page III-2 of Exhibit No. 6-B, Part 3 for the fully forecasted test year for Shenandoah Water assets.

The information is presented on pages III-2 through III-4 of Exhibit No. 6-C, Part 1 for the historic test year, pages VIII-2 through VIII-4 of Exhibit No. 6-C, Part 2 of the future test year and pages III-2 through III-4 of Exhibit No. 6-C, Part 3 for the fully forecasted test year for wastewater base assets.

The information is presented on page III-2 of Exhibit No. 6-D, Part 1 for the historic test year, page VIII-2 of Exhibit No. 6-D, Part 2 of the future test year and page III-2 of Exhibit No. 6-D, Part 3 for the fully forecasted test year for Lower Makefield wastewater assets.

The information is presented on page III-2 of Exhibit No. 6-E, Part 1 for the historic test year, page VIII-2 of Exhibit No. 6-E, Part 2 of the future test year and page III-2 of Exhibit No. 6-E, Part III for the fully forecasted test year for wastewater assets.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

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AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR1. Provide capitalization and capitalization ratios for the last 5-year period and projected through the next 2 years (with short-term debt and without short-term debt) for the company, parent and consolidated system.

a. Provide year-end interest coverages before and after taxes for the last 3 years and at the latest date, including indenture and Securities and Exchange Commission (SEC) bases, for the company, parent and consolidated system.

b. Provide year-end preferred stock dividend coverages for the last 3 years and at latest date, including charter and SEC bases.

A. Please see attached Schedule RR1(a) that shows the capitalization and capitalization ratios for the last five-year period (2019-2023) with short-term debt and without short-term debt for the Company, Parent and consolidated system. The forecasts related to the Company for 2024 and 2025 are included. The forecasts related to the Parent and consolidated system for 2024 and 2025 are not available at the present time.

a. Please see attached Schedule RR1(b) that provides year-end interest coverage before and after taxes for the last three years (2021-2023), including Indenture and SEC Bases, for the Company, Parent and consolidated system.

b. There is no preferred stock outstanding for the Company, Parent and consolidated system for the last three years.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
CAPITALIZATION RATIOS

	Actual 12/31/2019		Actual 12/31/2020		Actual 12/31/2021		Actual 12/31/2022		Actual 12/31/2023		Forecast 12/31/2024		Forecast 12/31/2025	
	$	%	$	%	$	%	$	%	$	%	$	%	$	%
Aqua Pennsylvania, Inc.														
Long-term debt (incl. current portion)	1,704,474	48.6%	1,827,113	48.2%	1,815,546	45.3%	1,935,107	43.8%	2,220,312	48.3%	2,204,912	44.8%	2,312,128	45.6%
Short-term debt	25,724	0.7%	49,198	1.3%	35,000	0.9%	20,000	0.5%	23,123	0.5%	50,000	1.0%	50,000	1.0%
	1,730,198	49.4%	1,876,311	49.5%	1,850,546	46.2%	1,955,107	44.3%	2,243,435	48.8%	2,254,912	45.9%	2,362,128	46.6%
Preferred Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common Equity (incl. minority int.)	1,775,110	50.6%	1,911,851	50.5%	2,158,272	53.8%	2,462,532	55.7%	2,354,604	51.2%	2,661,801	54.1%	2,708,369	53.4%
	3,505,308	100.0%	3,788,162	100.0%	4,008,818	100.0%	4,417,639	100.0%	4,598,039	100.0%	4,916,713	100.0%	5,070,498	100.0%
Excl short-term debt														
Long-term debt (incl. current portion)	1,704,474	49.0%	1,827,113	48.9%	1,815,546	45.7%	1,935,107	44.0%	2,220,312	48.5%	2,204,912	45.3%	2,312,128	46.1%
Preferred equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common Equity (incl. minority int.)	1,775,110	51.0%	1,911,851	51.1%	2,158,272	54.3%	2,462,532	56.0%	2,354,604	51.5%	2,661,801	54.7%	2,708,369	53.9%
	3,479,584	100.0%	3,738,964	100.0%	3,973,818	100.0%	4,397,639	100.0%	4,574,916	100.0%	4,866,713	100.0%	5,020,498	100.0%
Essential Utilities, Inc. (Consolidated)														
Long-term debt (incl. current portion)	3,077,400	44.1%	5,630,243	54.2%	5,947,357	50.4%	6,617,395	54.1%	6,938,008	53.4%	N/A	N/A	N/A	N/A
Short-term debt	25,724	0.4%	78,198	0.8%	65,000	0.6%	228,500	1.9%	160,123	1.2%	N/A	N/A	N/A	N/A
	3,103,124	44.4%	5,708,441	54.9%	6,012,357	51.0%	6,845,895	56.0%	7,098,131	54.6%	N/A	N/A	N/A	N/A
Preferred Equity	-	0.0%	-	0.0%		0.0%		0.0%		0.0%	N/A	N/A	N/A	N/A
Common Equity (incl. minority int.)	3,880,860	55.6%	4,683,877	45.1%	5,779,504	49.0%	5,377,386	44.0%	5,896,183	45.4%	N/A	N/A	N/A	N/A
	6,983,984	100.0%	10,392,318	100.0%	11,791,861	100.0%	12,223,281	100.0%	12,994,314	100.0%	N/A	N/A	N/A	N/A
Excl short-term debt														
Long-term debt (incl. current portion)	3,077,400	44.2%	5,630,243	54.6%	5,947,357	50.7%	6,617,395	55.2%	6,938,008	54.1%	N/A	N/A	N/A	N/A
Preferred equity	-	-	-	-	-	-	-	-	-	-	N/A	N/A	N/A	N/A
Common Equity (incl. minority int.)	3,880,860	55.8%	4,683,877	45.4%	5,779,504	49.3%	5,377,386	44.8%	5,896,183	45.9%	N/A	N/A	N/A	N/A
	6,958,260	100.0%	10,314,120	100.0%	11,726,861	100.0%	11,994,781	100.0%	12,834,191	100.0%	N/A	N/A	N/A	N/A

AQUA PENNSYLVANIA, INC. **Schedule RR1(b)**
2024 RATE CASE
INTEREST COVERAGES - INDENTURE & SEC BASIS

	Yr Ended		
	2023	2022	2021
Aqua Pennsylvania, Inc. (Company / Parent)			
Interest Coverage - Indenture Basis - Before Tax	2.86	3.14	3.09
Interest Coverage - SEC Basis - Before Tax	3.07	3.21	2.90
Interest Coverage - Indenture Basis - After Tax	2.86	3.40	3.36
Interest Coverage - SEC Basis - After Tax	3.06	3.47	3.16
Essential Utilities, Inc. (Consolidated)			
Interest Coverage - Indenture Basis - Before Tax	6.69	7.60	7.40
Interest Coverage - SEC Basis - Before Tax	3.69	5.30	4.54
Interest Coverage - Indenture Basis - After Tax	10.73	14.68	11.69
Interest Coverage - SEC Basis - After Tax	3.92	5.37	4.59

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR2. Provide latest prospectus for the company and the parent.

A. There is no Prospectus for the Company. For the latest prospectus for the parent company, Essential Utilities, Inc, please refer to the Investors>Financial Information>SEC Filings page of Essential Utilities website, or click on the link below. Open the *Registration Statements* group and click on the document named "424B5" filed on January 5, 2024 for the latest prospectus.

https://www.essential.co/financial-information/sec-filings

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR3. Supply projected capital requirements and the sources of company, parent and consolidated system for the historic test year and each of 3 comparable future years.

A. Please see the Company's historic and projected capital requirements for 12/31/2023, 12/31/2024, and 12/31/2025 below. Please note that projected capital requirements are not yet available for 12/31/2026.

	12/31/2023	12/31/2024	12/31/2025
Debt	$ 2,218,808,602	$ 2,204,911,964	$ 2,312,128,262
Preferred		$ -	$ -
Equity	$ 2,354,604,313	$ 2,661,801,067	$ 2,708,369,391
	$ 4,573,412,915	$ 4,866,713,031	$ 5,020,497,653

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR4. Provide a schedule of debt and preferred stock of company, parent and consolidated system as of historic test year-end and latest date, detailing for each issue (if applicable):

a. Date of issue.

b. Date of maturity.

c. Amount issued.

d. Amount outstanding.

e. Amount retired.

f. Amount required.

g. Gain on reacquisition.

h. Coupon rate.

i. Discount or premium at issuance.

j. Issuance expenses.

k. Net proceeds.

l. Sinking fund requirements.

m. Effective interest rate.

n. Dividend rate.

o. Effective cost rate.

p. Total average weighted effective cost rate.

A. There is no preferred stock for the Company, Parent or System (consolidated). The schedule of debt for the Company may be found in Schedule 6 of Exhibit 4-A . The attached Schedule RR4 lists the debt details for the Parent as of December 31, 2023.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
ESSENTIAL UTILITIES LONG TERM DEBT - AS OF DECEMBER 31, 2023

Issuer	Structure	Interest Rate	Issue Date	Maturity Date	Original Amount	LT (excl. CP) Balance @	Due 04/01/21 to 03/31/22	**LT (incl. CP)**	Weighted Average Interest	Unamortized Debt	Annual Amortization	Effective Interest Rate	Sinking Fund Req't	Issuance Prem/(Disc)
Essential Utilities, Inc.	PNC Revolving Credit Facitity	6.52%	12/14/22	12/14/27	1,000,000,000	258,000,000	0	258,000,000	16,808,700	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	3.01%	11/03/16	11/03/31	35,000,000	35,000,000	0	35,000,000	1,053,500	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	3.19%	11/03/16	11/03/34	30,000,000	30,000,000	0	30,000,000	957,000	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	3.25%	11/03/16	11/03/35	25,000,000	25,000,000	0	25,000,000	812,500	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	3.41%	11/03/16	11/03/38	10,000,000	10,000,000	0	10,000,000	341,000	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	3.57%	11/03/16	11/03/41	25,000,000	25,000,000	0	25,000,000	892,500	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	4.28%	04/26/19	05/01/49	500,000,000	500,000,000	0	500,000,000	21,380,000	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	3.57%	04/26/19	05/01/29	400,000,000	400,000,000	0	400,000,000	14,264,000	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	5.30%	05/20/22	05/01/52	500,000,000	500,000,000	0	500,000,000	26,500,000	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	2.70%	04/13/20	04/15/30	500,000,000	500,000,000	0	500,000,000	13,520,000	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	3.35%	04/13/20	04/15/50	600,000,000	600,000,000	0	600,000,000	20,106,000	N/A	N/A	N/A	N/A	-
Essential Utilities, Inc.	Senior Unsecured Notes	2.40%	04/19/21	05/01/31	400,000,000	400,000,000	0	400,000,000	9,600,000	N/A	N/A	N/A	N/A	-
Total Essential Utilities, Inc.						**3,283,000,000**	**0**	**3,283,000,000**	**126,235,200**	**27,256,023**	**2,484,682**	**3.954%**		**-**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR5. Supply financial data of company and/or parent for last 5 years:

a. Earnings-price ratio (average).

b. Earnings-book value ratio (per share basis) (average book value).

c. Dividend yield (average).

d. Earnings per share (dollar).

e. Dividends per share (dollars).

f. Average book value per share yearly.

g. Average yearly market price per share (monthly high-low basis).

h. Pre-tax funded debt interest coverage.

i. Post-tax funded debt interest coverage.

j. Market price-book value ratio.

A. Please refer to the direct testimony of Paul R. Moul and the accompanying Exhibit 4-A for the Company's financial data, including the details requested in items (a) through (j).

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR6. Provide AFUDC charged by company at historic test year-end and latest date, explain method by which rate was calculated and provide workpaper showing derivation of the company's current AFUDC rate.

A. RR6 - AFUDC is $7,842,770 for the twelve months ended Decemeber 31, 2023 and $6,984,509 for the twelve months ended April 30, 2024. The Company utilizes the short-term debt rate for cost of capital used during construction. However, when CWIP exceeds short-term debt, a blended rate reflecting both debt and equity is utilized. The April 30, 2024 current monthly AFUDC debt rate is 0.259492% and the current monthly AFUDC equity rate is 0.319862%.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR7. Set forth provisions of company's and parent's charter and indentures, if applicable, which describe coverage requirements, limits on proportions of types of capital outstanding, and restrictions on dividend payouts.

A. Please see the attached.

Prepared by and Return to:
Elizabeth Preate Havey, Esq.
Dilworth Paxson LLP
1500 Market Street
Suite 3500E
Philadelphia, PA 19102
215-575-7000

SIXTY-SECOND SUPPLEMENTAL

INDENTURE

DATED AS OF JULY 27, 2023

AND EFFECTIVE AS OF AUGUST 1, 2023

TO

INDENTURE OF MORTGAGE

DATED AS OF JANUARY 1, 1941

AQUA PENNSYLVANIA, INC.

TO

THE BANK OF NEW YORK MELLON TRUST COMPANY, N. A., as Trustee

322066-5

(B) In the event that the Officers' Certificate delivered to the Trustee pursuant to the provisions of paragraph (A) of this Section shall state, pursuant to the requirements of subparagraph (vi), the Cost or Fair Value of Available Permanent Additions acquired by the Company during the preceding calendar year, the documents specified in paragraphs 2, 3, 5, 6 and 7 of subdivision (B) of Section 3 of Article IV of the Original Indenture.

(C) An amount in cash equal to the sum set forth in subparagraph (viii) of the Officers' Certificate provided for in paragraph (A) hereof.

SECTION 3. All cash deposited with the Trustee as part of any Maintenance or Improvement Deposit provided for in Section 1 of this Article, may, at the option of the Company, be applied to the purchase of bonds under the provisions of Section 2 of Article X of the Original Indenture or to the redemption of bonds under the provisions of Section 3 of Article X of the Original Indenture or may be withdrawn by the Company at any time to reimburse the Company for the cost of a Net Amount of Available Permanent Additions (excluding, however, from any such Available Permanent Additions all Permanent Additions included in any certificate delivered to the Trustee for the purpose of obtaining a credit against any Maintenance or Improvement Deposit provided for in Section 1 of this Article to the extent that such Permanent Additions have been used for any such credit). The Trustee shall pay to or upon the written order of the Company all or any part of such cash upon the receipt by the Trustee of:

(a) A Resolution requesting such payment; and

(b) The documents specified in paragraphs 2, 5, 6 and 7 of subdivision (B) of Section 3 of Article IV of the Original Indenture, with such modifications, additions and omissions as may be appropriate in the light of the purposes for which they are used.

ARTICLE III.

Covenants of the Company

SECTION 1. The Company hereby covenants and agrees with the Trustee, for the benefit of the Trustee and all the present and future holders of the Bonds, that the Company will pay the principal of and premium, if any, of and interest on all bonds issued or to be issued as aforesaid under and secured by the Original Indenture as hereby supplemented, as well as all bonds which may be hereafter issued in exchange or substitution therefor, and will perform and fulfill all of the terms, covenants and conditions of the Original Indenture and of this Sixty-Second Supplemental Indenture with respect to the additional bonds to be issued under the Original Indenture as hereby supplemented.

SECTION 2. The Company covenants and agrees that so long as any of the Bonds are outstanding (a) the Company will not make any Stock Payment if, after giving effect thereto, its retained earnings, computed in accordance with generally accepted accounting principles consistently applied, will be less than the sum of (i) Excluded Earnings, if any, since December 31, 2022, and (ii) $20,000,000; (b) Stock Payments made more than forty (40) days after the commencement, and prior to the expiration, of any Restricted Period shall not exceed 65% of the Company's Net Income during such Restricted Period; and (c) the Company will not authorize a

Stock Payment if there has occurred and is continuing an event of default under subsections (a) or (b) of Section 1 of Article XI of the Original Indenture.

For the purposes of this Section 2 the following terms shall have the following meanings:

"Capitalization" shall mean the sum of (i) the aggregate principal amount of all Debt at the time outstanding, (ii) the aggregate par or stated value of all capital stock of the Company of all classes at the time outstanding, (iii) premium on capital stock, (iv) capital surplus, and (v) retained earnings.

"Debt" means (i) all indebtedness, whether or not represented by bonds, debentures, notes or other securities, for the repayment of money borrowed, (ii) all deferred indebtedness for the payment of the purchase price of property or assets purchased (but Debt shall not be deemed to include customer advances for construction or any bonds issued under the Indenture which are not Outstanding Bonds), (iii) leases which have been or, in accordance with generally accepted accounting principles, should be recorded as capital leases and (iv) guarantees of the obligations of another of the nature described in clauses (i), (ii) or (iii) which have been or, in accordance with generally accepted accounting principles, should be recorded as debt.

"Determination Date" shall mean the last day of each calendar quarter. Any calculation with respect to any Determination Date shall be based on the Company's balance sheet as of such date.

"Excluded Earnings" shall mean 35% of the Company's Net Income during any Restricted Period.

"Net Income" for any particular Restricted Period shall mean the amount of net income properly attributable to the conduct of the business of the Company for such period, as determined in accordance with generally accepted accounting principles consistently applied, after payment of or provision for taxes on income for such period.

"Outstanding Bonds" shall mean bonds which are outstanding within the meaning indicated in Section 20 of Article I of the Original Indenture except that, in addition to the bonds referred to in clauses (a), (b) and (c) of said Section 20, said term shall not include bonds for the retirement of which sufficient funds have been deposited with the Trustee with irrevocable instructions to apply such funds to the retirement of such bonds at a specified time, which may be either the maturity thereof or a specified redemption date, whether or not notice of redemption shall have been given.

"Restricted Period" shall mean a period commencing on any Determination Date on which the total Debt of the Company is, or as the result of any Stock Payment then declared or set aside and to be made thereafter will be, more than 70% of Capitalization, and continuing until the third consecutive Determination Date on which the total Debt of the Company does not exceed 70% of Capitalization.

"Stock Payment" shall mean any payment in cash or property (other than stock of the Company) to any holder of shares of any class of capital stock of the Company as such holder,

whether by dividend or upon the purchase, redemption, conversion or other acquisition of such shares, or otherwise.

SECTION 3. The Company covenants and agrees that so long as any of the Bonds are outstanding neither the Company nor any subsidiary of the Company will, directly or indirectly, lend or in any manner extend its credit to, or indemnify, or make any donation or capital contribution to, or purchase any security of, any corporation which directly or indirectly controls the Company, or any subsidiary or affiliate (other than an affiliate which is a subsidiary of the Company) of any such corporation.

ARTICLE IV.

The Trustee

SECTION 1. The Trustee hereby accepts the trust hereby declared and provided, and agrees to perform the same upon the terms and conditions in the Original Indenture, as supplemented by this Sixty-Second Supplemental Indenture.

SECTION 2. Rights of the Trustee.

(a) Subject to the provisions of Article XIII of the Original Indenture, the Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys and agents, and the Trustee shall not be responsible for the negligence or misconduct of any such attorney or agent selected with due care.

(b) The Trustee shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder. The Trustee may act or refrain from acting and rely upon and be free from all liability for so relying upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Company) and shall be free from all liability for any action taken or not taken in reliance on such opinion or advice. The Trustee may act and rely on written opinions of experts employed by the Trustee and such advice shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith taken in reliance upon such opinion or advice.

(c) The Trustee shall not be bound to confirm, verify or make any investigation into the facts or matters stated in any financial or other statements, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order or other paper or document furnished pursuant to the terms hereof, and the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any document believed by it to be genuine and to have been signed or presented by the proper person.

(d) Delivery of reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice or knowledge of any information contained therein or

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pany to permit the legal and valid issue and authentication and delivery of the bonds which have been applied for has been duly had and taken;

4. An Officers' Certificate, as herein defined, stating the aggregate principal amount of all bonds at the time outstanding under this Indenture, and, unless the Opinion of Counsel provided for in paragraph 3 of this subdivision (*B*) shall state that the amount of indebtedness or bonded indebtedness which may be incurred by the Company is not then limited by law or by corporate action, also stating that the total amount of indebtedness or bonded indebtedness of the Company outstanding, including the aggregate principal amount of bonds issued and outstanding, as herein defined, under this Indenture plus the aggregate principal amount of bonds applied for in the accompanying application, does not exceed an amount which shall be specified in the Certificate;

5. The officially authenticated certificates or other documents, if any, specified in the Opinion of Counsel provided for in paragraph 3 of this subdivision (*B*), including evidence satisfactory to the Trustee of the payment or provision for payment of any taxes therein referred to;

6. If the bonds, the authentication and delivery of which are then applied for, are not a part of any series then existing, a Resolution or Resolutions and an indenture supplemental hereto, creating the series of which such bonds are a part.

SECTION 3. (*A*) Subject to the provisions of Section 2 of this Article bonds in addition to those provided for in any other Section hereof may from time to time be executed by the Company and delivered to the Trustee

and shall be authenticated and delivered by the Trustee upon the basis of Available Permanent Additions, subject to the conditions, provisions and limitations set forth in this Section. The aggegate principal amount of bonds that may be authenticated and delivered from time to time under the provisions of this Section is limited to seventy per cent. (70%) of the Net Amount of Available Permanent Additions, made the basis of the authentication and delivery thereof certified or provided in subdivision (*B*) of this Section.

No bonds shall be authenticated and delivered under this Section unless the Net Earnings of the Company as shown by a Net Earnings Certificate for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months next preceding the application for authentication and delivery of bonds, shall have been not less than one and three-quarters (1¾) times the interest requirements for a period of one year upon (*a*) the bonds applied for, (*b*) all bonds outstanding, as herein defined, on the date of such application, and (*c*) all indebtedness outstanding on the date of such application which is secured by any lien for the payment of money or its equivalent prior to or on a parity with the lien of this Indenture other than Permitted Liens, as herein defined.

(*B*) No application by the Company to the Trustee for the authentication and delivery of bonds under this Section shall be granted by the Trustee, until the Trustee shall have received:

1. The documents provided for in Section 2 of this Article;

2. An Engineer's Certificate, as herein defined, dated not more than thirty (30) days preceding the

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AQUA AMERICA, INC.

$125,000,000

$35,000,000 3.01% Senior Notes, Series A, due November 3, 2031
$30,000,000 3.19% Senior Notes, Series B, due November 3, 2034
$25,000,000 3.25% Senior Notes, Series C, due November 3, 2035
$10,000,000 3.41% Senior Notes, Series D, due November 3, 2038
$25,000,000 3.57% Senior Notes, Series E, due November 3, 2041

NOTE PURCHASE AGREEMENT

DATED AS OF NOVEMBER 3, 2016

Default or Event of Default would exist under the terms of this Agreement, and *provided, further,* that once a Subsidiary has been designated an Unrestricted Subsidiary, it shall not thereafter be redesignated as a Restricted Subsidiary on more than one occasion. Within ten days following any designation described above, the Company will deliver to each Purchaser a notice of such designation accompanied by a certificate signed by a Senior Financial Officer of the Company certifying compliance with all requirements of this **Section 9.6** and setting forth all information required in order to establish such compliance.

Section 9.7. Subsidiary Guaranty. (a) If at any time any Subsidiary of the Company shall become a co-obligor under, or guarantor of Debt outstanding under, any Material Credit Facility (a *"Subsidiary Guarantor"*), then concurrently with any such event the Subsidiary Guarantor shall execute and deliver to the holders of the Notes an unconditional guarantee of the Notes which shall be in form and substance satisfactory to the Required Holders, and (b) deliver such proof of corporate or other action, incumbency of officers, opinions of counsel and other documents as is consistent with those delivered by the Company pursuant to **Section 4** on the Closing Date or as the Required Holders shall have reasonably requested.

SECTION 10. NEGATIVE COVENANTS.

The Company covenants that so long as any of the Notes are outstanding:

Section 10.1. Limitation on Debt. The Company will not permit Consolidated Debt (determined as of the last day of each fiscal quarter) to exceed 65% of Consolidated Total Capitalization as of such date.

Section 10.2. Limitation on Liens. The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly create, incur, assume or permit to exist (upon the happening of a contingency or otherwise) any Lien on or with respect to any property or asset (including, without limitation, any document or instrument in respect of goods or accounts receivable) of the Company or any such Restricted Subsidiary, whether now owned or held or hereafter acquired, or any income or profits therefrom, or assign or otherwise convey any right to receive income or profits, except:

(a) Liens for taxes, assessments or other governmental charges that are not yet due and payable or the payment of which is not at the time required by **Section 9.4**; *provided,* any such tax, assessment or other governmental charge shall be paid prior to the commencement of any proceedings to foreclose any Lien related thereto;

(b) any attachment or judgment Lien, unless the judgment it secures shall not, within 60 days after the entry thereof, have been discharged or execution thereof stayed pending appeal, or shall not have been discharged within 60 days after the expiration of any such stay;

(c) Liens incidental to the conduct of business or the ownership of properties and assets (including landlords', carriers', warehousemen's, mechanics', materialmen's and other similar Liens for sums not yet due and payable or which are being contested in

(xi) Investments in addition to the Investments permitted by the preceding clauses (i) through (x); *provided* that the aggregate principal amount of Investments outstanding pursuant to this clause (xi) shall not at any time exceed 25% of Consolidated Net Worth.

In valuing Investments for purposes of applying the limitations set forth in clause (xi) of this **Section 10.6**, such Investments shall be taken at the original cost thereof, without allowance for any subsequent write-offs or appreciation or depreciation therein, but less any amount repaid or recovered on account of capital or principal.

Section 10.7. Nature of Business. Neither the Company nor any Restricted Subsidiary will engage in any business, other than, when taken as a whole, the general nature of the business in which the Company and its Restricted Subsidiaries are engaged on the date of this Agreement and other energy related regulated business activities and non-regulated business activities that are complementary to the foregoing.

Section 10.8. Transactions with Affiliates. The Company will not and will not permit any Restricted Subsidiary to enter into directly or indirectly any Material transaction or group of related transactions (including without limitation the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate (other than the Company or another Restricted Subsidiary), except upon fair and reasonable terms no less favorable to the Company or such Restricted Subsidiary than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate. In addition, the Company will not, and will not permit any Restricted Subsidiary to, make any loan or advance to the Company or any Restricted Subsidiary except in the ordinary course of business and in accordance with the reasonable requirements of the business of the Company or any such Restricted Subsidiary.

Section 10.9. Acquisitions. The Company will not, and will not permit any Restricted Subsidiary to, make any acquisition of all or substantially all of the assets or capital stock of any business entity if at the time of such acquisition and after giving effect thereto, a Default or Event of Default shall exist.

Section 10.10. Unrestricted Subsidiaries. The Company will not at any time permit Unrestricted Subsidiaries to (i) own more than 40% of the Consolidated Total Assets of the Company and its Subsidiaries, or (ii) account for more than 40% of the consolidated gross revenues of the Company and its Subsidiaries, determined in each case in accordance with GAAP.

Section 10.11. Interest Coverage Covenant. Section 6.1(b) (the *"Interest Coverage Covenant"*) of the Bank Credit Agreement in effect on the date of this Agreement (as such covenant may be amended or modified from time to time whether pursuant to an amendment to the Bank Credit Agreement in effect on the date of this Agreement or any new, restated or replacement Bank Credit Agreement) is hereby incorporated by reference into this **Section 10.11**. The Interest Coverage Covenant shall continue in effect until such time as the Interest Coverage Covenant shall have been eliminated from the Bank Credit Agreement or all

indebtedness under the Bank Credit Agreement is repaid in full and all commitments related thereto are terminated; *provided*, that if at the time of any such repayment or the termination of any such commitment a Default or Event of Default shall exist under this Agreement, then the Interest Coverage Covenant shall continue in full force and effect so long as such Default or Event of Default continues to exist. If at any time a Default or Event of Default exists under the Interest Coverage Covenant, no modification or waiver of the Interest Coverage Covenant shall be effective unless the Required Holders shall have consented thereto. Promptly, but in no event more than 5 Business Days following the execution of any Bank Credit Agreement (or any amendment thereto) which changes or eliminates the Interest Coverage Covenant, the Company shall furnish each holder of the Notes with a copy of such agreement.

Section 10.12. Economic Sanctions, Etc. The Company will not, and will not permit any Controlled Entity to (a) become (including by virtue of being owned or controlled by a Blocked Person), own or control a Blocked Person or (b) directly or indirectly have any investment in or engage in any dealing or transaction (including any investment, dealing or transaction involving the proceeds of the Notes) with any Person if such investment, dealing or transaction (i) would cause any holder or any affiliate of such holder to be in violation of, or subject to sanctions under, any law or regulation applicable to such holder, or (ii) is prohibited by or subject to sanctions under any U.S. Economic Sanctions Laws.

SECTION 11. EVENTS OF DEFAULT.

An *"Event of Default"* shall exist if any of the following conditions or events shall occur and be continuing:

(a) the Company defaults in the payment of any principal or Make-Whole Amount, if any, on any Note when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) the Company defaults in the payment of any interest on any Note for more than five Business Days after the same becomes due and payable; or

(c) the Company defaults in the performance of or compliance with any term contained in **Section 8.5, 10.1, 10.2, 10.3, 10.4, 10.5** or **10.11**; or

(d) the Company defaults in the performance of or compliance with any Material term contained herein (other than those referred to in paragraphs (a), (b) and (c) of this **Section 11**) and such default is not remedied within 30 days after the earlier of (i) a Responsible Officer obtaining actual knowledge of such default and (ii) the Company receiving written notice of such default from any holder of a Note (any such written notice to be identified as a "notice of default" and to refer specifically to this paragraph (d) of **Section 11**); or

(e) any representation or warranty made in writing by or on behalf of the Company or by any officer of the Company in this Agreement or in any writing required

thereof at the interest rate implicit in such rentals and otherwise in accordance with GAAP) under the lease relating to such Sale-and-Leaseback Transaction.

"Bank Credit Agreement" means the bank credit agreement dated as of March 23, 2012, between the Company and PNC Bank National Association, as agent, and the banks party thereto, as from time to time amended or restated or any replacement facility which constitutes the primary bank credit facility of the Company.

"Blocked Person" means (a) a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC, (b) a Person, entity, organization, country or regime that is blocked or a target of sanctions that have been imposed under U.S. Economic Sanctions Laws or (c) a Person that is an agent, department or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, any Person, entity, organization, country or regime described in clause (a) or (b).

"Business Day" means (a) for the purposes of **Section 8.6** only, any day other than a Saturday, a Sunday or a day on which commercial banks in New York City are required or authorized to be closed, and (b) for the purposes of any other provision of this Agreement, any day other than a Saturday, a Sunday or a day on which commercial banks in Philadelphia, Pennsylvania or New York, New York are required or authorized to be closed.

"Capital Lease" means, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"Capital Lease Obligation" means, with respect to any Person and a Capital Lease, the amount of the obligation of such Person as the lessee under such Capital Lease which would, in accordance with GAAP, appear as a liability on a balance sheet of such Person.

"Change in Control" is defined in **Section 8.7**.

"Closing" is defined in **Section 3**.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

"Company" means Aqua America, Inc., a Pennsylvania corporation.

"Confidential Information" is defined in **Section 20**.

"Consolidated Debt" means, as of any date of determination, the total of all Debt of the Company and its Subsidiaries outstanding on such date, after eliminating all offsetting debits and credits between the Company and its Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of the Company and its Subsidiaries in accordance with GAAP.

"Consolidated Funded Debt" means, as of any date of determination, the total of all Funded Debt of the Company and its Subsidiaries outstanding on such date, after eliminating all offsetting debits and credits between the Company and its Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of the Company and its Subsidiaries in accordance with GAAP.

"Consolidated Net Worth" means, as of any date of determination, the sum of (i) the par value (or value stated on the books of the corporation) of the capital stock (but excluding treasury stock and capital stock subscribed and unissued) of the Company and its Subsidiaries plus (ii) the amount of the paid-in capital and retained earnings of the Company and its Subsidiaries, in each case as such amounts would be shown on a consolidated balance sheet of the Company and its Subsidiaries as of such time prepared in accordance with GAAP.

"Consolidated Total Assets" means, as of any date of determination, the total amount of all assets of the Company and its Subsidiaries, as such amounts would be shown on a consolidated balance sheet of the Company and its Subsidiaries as of such time prepared in accordance with GAAP.

"Consolidated Total Capitalization" means, as of any date of determination, the sum of (i) Consolidated Funded Debt and (ii) Consolidated Net Worth.

"Controlled Entity" means (i) any of the Subsidiaries of the Company and any of their or the Company's respective Controlled Affiliates and (ii) if the Company has a parent company, such parent company and its Controlled Affiliates. As used in this definition, *"Control"* means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Debt" means, with respect to any Person, without duplication,

(a) its liabilities for borrowed money;

(b) its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable and other accrued liabilities arising in the ordinary course of business but including, without limitation, all liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property);

(c) its Capital Lease Obligations;

(d) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities);

(e) all non-contingent liabilities in respect of reimbursement agreements or similar agreements in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions;

EXECUTION COPY

AQUA PENNSYLVANIA, INC.

$40,000,000 5.95% Senior Notes
due March 31, 2034

NOTE PURCHASE AGREEMENT

DATED AS OF MARCH 31, 2006

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SECTION 10. NEGATIVE COVENANTS.

The Company covenants that so long as any of the Notes are outstanding:

Section 10.1. Limitation on Debt. The Company will not permit Consolidated Debt (determined as of the last day of each fiscal quarter) to exceed 62% of Consolidated Total Capitalization as of such date.

Section 10.2. Limitation on Liens. The Company will not, and will not permit any Subsidiary to, directly or indirectly create, incur, assume or permit to exist (upon the happening of a contingency or otherwise) any Lien on or with respect to any property or asset (including, without limitation, any document or instrument in respect of goods or accounts receivable) of the Company or any Subsidiary, whether now owned or held or hereafter acquired, or any income or profits therefrom, or assign or otherwise convey any right to receive income or profits, except:

(a) Liens for taxes, assessments or other governmental charges that are not yet due and payable or the payment of which is not at the time required by **Section 9.4**; *provided*, any such tax, assessment or other governmental charge shall be paid prior to the commencement of any proceedings to foreclose any Lien related thereto;

(b) any attachment or judgment Lien, unless the judgment it secures shall not, within 60 days after the entry thereof, have been discharged or execution thereof stayed pending appeal, or shall not have been discharged within 60 days after the expiration of any such stay;

(c) Liens incidental to the conduct of business or the ownership of properties and assets (including landlords', carriers', warehousemen's, mechanics', materialmen's and other similar Liens for sums not yet due and payable or which are being contested in good faith by appropriate proceedings diligently conducted) and Liens to secure the performance of bids, tenders, leases, or trade contracts, or to secure statutory obligations (including obligations under workers compensation, unemployment insurance and other social security legislation), surety or appeal bonds or other Liens incurred in the ordinary course of business and not in connection with the borrowing of money;

(d) leases or subleases granted to others, zoning restrictions, easements, rights-of-way, restrictions and other similar charges or encumbrances, in each case incidental to the ownership of property or assets or the ordinary conduct of the business of the Company or any of its Subsidiaries, *provided* that such Liens do not, materially impair the use of such property and which are not violated in any material respect by the existing or proposed use by the Company and its Subsidiaries of the properties subject to such Liens;

(e) Liens securing Debt of a Subsidiary to the Company or to a Subsidiary;

(f) Liens created under indentures, mortgages and deeds of trust securing Debt of the Company or a Subsidiary;

"Capital Lease" means, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"Capital Lease Obligation" means, with respect to any Person and a Capital Lease, the amount of the obligation of such Person as the lessee under such Capital Lease which would, in accordance with GAAP, appear as a liability on a balance sheet of such Person.

"Change in Control" is defined in **Section 8.7**.

"Closing" is defined in **Section 3**.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

"Company" means Aqua Pennsylvania, Inc., a Pennsylvania corporation.

"Confidential Information" is defined in **Section 20**.

"Consolidated Debt" means, as of any date of determination, the total of all Debt of the Company and its Subsidiaries outstanding on such date, after eliminating all offsetting debits and credits between the Company and its Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of the Company and its Subsidiaries in accordance with GAAP.

"Consolidated Funded Debt" means, as of any date of determination, the total of all Funded Debt of the Company and its Subsidiaries outstanding on such date, after eliminating all offsetting debits and credits between the Company and its Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of the Company and its Subsidiaries in accordance with GAAP.

"Consolidated Net Worth" means, as of any date of determination, the sum of (i) the par value (or value stated on the books of the corporation) of the capital stock (but excluding treasury stock and capital stock subscribed and unissued) of the Company and its Subsidiaries plus (ii) the amount of the paid-in capital and retained earnings of the Company and its Subsidiaries, in each case as such amounts would be shown on a consolidated balance sheet of the Company and its Subsidiaries as of such time prepared in accordance with GAAP.

"Consolidated Total Assets" means, as of any date of determination, the total amount of all assets of the Company and its Subsidiaries, as such amounts would be shown on a consolidated balance sheet of the Company and its Subsidiaries as of such time prepared in accordance with GAAP.

"Consolidated Total Capitalization" means, as of any date of determination, the sum of (i) Consolidated Funded Debt and (ii) Consolidated Net Worth.

"Debt" means, with respect to any Person, without duplication,

(a) its liabilities for borrowed money;

(b) its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable and other accrued liabilities arising in the ordinary course of business but including, without limitation, all liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property);

(c) its Capital Lease Obligations;

(d) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities);

(e) all non-contingent liabilities in respect of reimbursement agreements or similar agreements in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions;

(f) Swaps of such Person; and

(g) Guaranties of such Person with respect to liabilities of a type described in any of clauses (a) through (f) hereof.

Debt of any Person shall include all obligations of such Person of the character described in clauses (a) through (g) to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is deemed to be extinguished under GAAP.

"Default" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Default Rate" means with respect to the Notes, that rate of interest per annum that is the greater of (i) 7.66% per annum, or (ii) 2% over the rate of interest publicly announced by PNC Bank, N.A. in New York, New York as its "base" or "prime" rate.

"Environmental Laws" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"Debt" means, with respect to any Person, without duplication,

(a) its liabilities for borrowed money;

(b) its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable and other accrued liabilities arising in the ordinary course of business but including, without limitation, all liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property);

(c) its Capital Lease Obligations;

(d) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities);

(e) all non-contingent liabilities in respect of reimbursement agreements or similar agreements in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions;

(f) Swaps of such Person; and

(g) Guaranties of such Person with respect to liabilities of a type described in any of clauses (a) through (f) hereof.

Debt of any Person shall include all obligations of such Person of the character described in clauses (a) through (g) to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is deemed to be extinguished under GAAP.

"Default" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Default Rate" means with respect to the Notes, that rate of interest per annum that is the greater of (i) 7.66% per annum, or (ii) 2% over the rate of interest publicly announced by PNC Bank, N.A. in New York, New York as its "base" or "prime" rate.

"Environmental Laws" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

AMENDED AND RESTATED CREDIT AGREEMENT

among

AQUA PENNSYLVANIA, INC.

and

THE BANKS PARTY HERETO

and

PNC BANK, NATIONAL ASSOCIATION
as Agent

Dated as of November 17, 2016

5.9 Taxes. Pay when due all taxes, assessments and governmental charges imposed upon it or any of its properties or that it is required to withhold and pay over, except where contested in good faith and where adequate reserves have been set aside to the extent required under GAAP.

5.10 Covenants of the Indenture. Comply at all times with the covenants contained in the Indenture, as last supplemented by the Supplemental Indenture, without regard to any amendment of or supplement to the Indenture occurring after October 15, 2010.

5.11 Guarantees of Obligations. It is the intent of the parties hereto that all of the obligations of the Borrower hereunder shall be unconditionally guaranteed by all of its Material Subsidiaries to the maximum extent permitted under any Requirement of Law applicable to any such Material Subsidiary. Accordingly, in the event that any Material Subsidiary shall be formed, acquired or come into existence after the date hereof then the Borrower will cause such Material Subsidiary to (i) execute and deliver a Guaranty Agreement in form and substance satisfactory to the Agent pursuant to which such Material Subsidiary will become a "Guarantor" hereunder, and guarantee the obligations of the Borrower hereunder and under the Notes and other Loan Documents and (ii) deliver such proof of corporate or other action, incumbency of officers, opinions of counsel and other documents as is consistent with those delivered by the Borrower pursuant to Section 4.1 on the Closing Date or as the Agent shall have reasonably requested.

5.12 Anti-Money Laundering/International Trade Law Compliance. No Covered Entity will become a Sanctioned Person. No Covered Entity, either in its own right or through any third party, will (a) have any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (b) do business in or with, or derive any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law; (c) engage in any dealings or transactions prohibited by any Anti-Terrorism Law or (d) use the Loans to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law. The funds used to repay the Loans will not be derived from any unlawful activity. Each Covered Entity shall comply with all Anti-Terrorism Laws. The Borrower shall promptly notify the Agent in writing upon the occurrence of a Reportable Compliance Event.

SECTION 6. NEGATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, any Note remains outstanding and unpaid or any other amount is owing to any Bank or the Agent hereunder, the Borrower shall not directly or indirectly:

6.1 Financial Covenants.

(a) Equity to Capital Ratio. Permit as of the end of any fiscal quarter the Equity to Capital Ratio to be less than thirty eight percent (38%).

(b) Interest Coverage Ratio. Permit as of the end of any fiscal quarter the Interest Coverage Ratio to be less than 1.8 to 1.

6.2 Limitation on Certain Debt. Except for the Loans and Commitments under the Loan Documents and the Term Loan Facilities, at any time enter into, assume or suffer to exist lines of credit or comparable extensions of credit from one or more commercial banks (or their Affiliates) under which the Borrower has incurred or may incur aggregate Debt in excess of $15,000,000.

6.3 Limitation on Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, including, without limitation, the stock of its Subsidiaries, whether now owned or hereafter acquired, except for:

(a) The following, (i) if the validity or amount thereof is being contested in good faith by appropriate and lawful proceedings diligently conducted so long as levy and execution thereon have been stayed and continue to be stayed or (ii) if a final judgment is entered and such judgment is discharged within thirty (30) days of entry, and in either case they do not materially impair the ability of the Borrower to perform its obligations hereunder or under the other Loan Documents:

(A) Claims or Liens for taxes, assessments or charges due and payable and subject to interest or penalty, provided that the Borrower maintains such reserves or other appropriate provisions as shall be required by GAAP and pays all such taxes, assessments or charges forthwith upon the commencement of proceedings to foreclose any such Lien;

(B) Claims, Liens or encumbrances upon, and defects of title to, real or personal property including any attachment of personal or real property or other legal process prior to adjudication of a dispute on the merits; and

(C) Claims or Liens of mechanics, materialmen, warehousemen, carriers, or other statutory nonconsensual Liens;

(b) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation;

(c) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business of the Borrower;

(d) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount and which do not interfere with the ordinary conduct of the business of the Borrower;

(e) Liens which were in existence on the date hereof and shown on Schedule 6.3 and replacements, extensions or replacements thereof;

"Covered Entity": (a) the Borrower, each of the Borrower's Subsidiaries and all Guarantors and (b) each Person that, directly or indirectly, is in control of a Person described in clause (a) above. For purposes of this definition, control of a Person shall mean the direct or indirect (x) ownership of, or power to vote, 25% or more of the issued and outstanding equity interests having ordinary voting power for the election of directors of such Person or other Persons performing similar functions for such Person, or (y) power to direct or cause the direction of the management and policies of such Person whether by ownership of equity interests, contract or otherwise.

"Daily LIBOR Rate" shall mean, for any day, the rate per annum determined by the Agent by dividing (the resulting quotient rounded upwards, if necessary, to the nearest 1/100th of 1%) (x) the Published Rate by (y) a number equal to 1.00 minus the Eurocurrency Reserve Requirements. The Published Rate shall be adjusted as of each Business Day based on changes in the Published Rate or the Eurocurrency Reserve Requirements without notice to the Borrower, and shall be applicable from the effective date of any such change. Notwithstanding the foregoing, if the Daily LIBOR Rate as determined above would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Debt": with respect to any Person, at any time, without duplication, all of (i) its liabilities for borrowed money, (ii) liabilities secured by any Lien existing on property owned by such Person (whether or not such liabilities have been assumed), (iii) its liabilities in respect to Capital Leases; (iv) its liabilities under Contingent Obligations; and (v) all other obligations which are required by GAAP to be shown as liabilities on its balance sheet but excluding (x) deferred taxes and other deferred or long-term liabilities and other amounts not in respect of borrowed money and (y) the aggregate amount of accounts receivable sold, factored or otherwise transferred for value without recourse (other than for breach of representations).

"Default": any of the events specified in Section 7, whether or not any requirement for the giving of notice, the lapse of time, or both, or any other condition precedent therein set forth, has been satisfied.

"Defaulting Bank": any Bank, as determined by the Agent, that has (a) failed to fund any portion of its Revolving Credit Loans or participations in Swing Line Loans within three Business Days of the date required to be funded by it hereunder, (b) notified the Borrower, the Agent, the Swing Line Bank or any Bank in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under other agreements in which it commits to extend credit, (c) failed, within three Business Days after request by the Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Credit Loans or participations in Swing Line Loans, (d) otherwise failed to pay over to the Agent or any other Bank any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute, or (e) (i) become or is insolvent or has a parent company that has become or is insolvent, (ii) become the subject of a Bail-In Action, or (iii)

become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment (it being understood that a Defaulting Bank shall cease to be a Defaulting Bank if the Borrower, the Agent and the Swing Line Bank shall each agree that such Defaulting Bank has adequately remedied all matters that caused such Bank to be a Defaulting Bank).

"Distribution": in respect of any corporation, (a) dividends, distributions or other payments on account of any capital stock of the corporation (except distributions in common stock of such corporation); (b) the redemption or acquisition of such stock or of warrants, rights or other options to purchase such stock (except when solely in exchange for common stock of such corporation); and (c) any payment on account of, or the setting apart of any assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of any share of any class of capital stock of such corporation or any warrants or options to purchase any such stock.

"Dollars" and "$": dollars in lawful currency of the United States of America.

"EEA Financial Institution": (i) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (ii) any entity established in an EEA Member Country which is a parent of an institution described in clause (i) of this definition, or (iii) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (i) or (ii) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country": any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"EEA Resolution Authority" any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Environmental Laws": any and all applicable foreign, Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or binding requirements of any Governmental Authority, or binding Requirement of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of the environment or public health, remediation of environmental conditions, or damages arising from such conditions, as now or may at any time hereafter be in effect.

"Equity to Capital Ratio": at the date of determination, the ratio of Consolidated Shareholders' Equity to the sum of (i) Consolidated Funded Debt and (ii) Consolidated Shareholders' Equity.

"ERISA": the Employee Retirement Income Security Act of 1974, as amended from time to time.

"EU Bail-In Legislation Schedule": the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Eurocurrency Reserve Requirements": for any day as applied to a Eurodollar Loan, the aggregate (without duplication) of the rates (expressed as a decimal fraction) of reserve requirements in effect on such day (including, without limitation, basic, supplemental, marginal and emergency reserves under any regulations of the Board of Governors of the Federal Reserve System or other Governmental Authority having jurisdiction with respect thereto) dealing with reserve requirements prescribed for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of such Board) maintained by a member bank of such System.

"Eurodollar Rate": with respect to the Loans comprising any Eurodollar Borrowing for any Interest Period, the interest rate per annum determined by the Agent by dividing (the resulting quotient rounded upwards, if necessary, to the nearest 1/100th of 1% per annum) (a) the rate which appears on the Bloomberg Page BBAM1 (or on such other substitute Bloomberg page that displays rates at which U.S. dollar deposits are offered by leading banks in the London interbank deposit market), or the rate which is quoted by another source selected by the Agent as an authorized information vendor for the purpose of displaying rates at which U.S. dollar deposits are offered by leading banks in the London interbank deposit market (for purposes of this definition, an "Alternate Source"), at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period as the London interbank offered rate for U.S. Dollars for an amount comparable to such Eurodollar Borrowing and having a borrowing date and a maturity comparable to such Interest Period (or if there shall at any time, for any reason, no longer exist a Bloomberg Page BBAM1 (or any substitute page) or any Alternate Source, a comparable replacement rate determined by the Agent at such time (which determination shall be conclusive absent manifest error)), by (b) a number equal to 1.00 minus the Eurocurrency Reserve Requirements; provided, however, that if the Eurodollar Rate determined as provided above would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

The Eurodollar Rate shall be adjusted with respect to any Eurodollar Borrowing that is outstanding on the effective date of any change in the Eurocurrency Reserve Requirements as of such effective date. The Agent shall give prompt notice to the Borrower of the Eurodollar Rate as determined or adjusted in accordance herewith, which determination shall be conclusive absent manifest error.

"Eurodollar Borrowing": a Borrowing comprised of Eurodollar Loans.

"Eurodollar Loan": any Revolving Credit Loan bearing interest at a rate determined by reference to the Eurodollar Rate in accordance with the provisions of Section 2.

"Event of Default": any of the events specified in Section 7, provided that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

"Excluded Taxes": as defined in subsection 2.12(a).

"Existing Credit Agreement": as defined in the Background to this Agreement.

"Exposure": as to any Bank at any date, an amount equal to the sum of (a) the aggregate principal amount of all Loans made by such Bank then outstanding and (b) the principal amount of such Bank's pro rata share of Swing Line Loans then outstanding based on its Commitment Percentage.

"FATCA": Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantially comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Funds Effective Rate": for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for the day of such transactions received by the Agent from three Federal funds brokers of recognized standing selected by it.

"Federal Funds Open Rate" for any day shall mean the rate per annum which is the daily federal funds open rate as quoted by ICAP North America, Inc. (or any successor) as set forth on the Bloomberg Screen BTMM for that day opposite the caption "OPEN" (or on such other substitute Bloomberg Screen that displays such rate), or as set forth on such other recognized electronic source used for the purpose of displaying such rate as selected by the Agent (an "Alternate Federal Funds Source") (or if such rate for such day does not appear on the Bloomberg Screen BTMM (or any substitute screen) or on any Alternate Federal Funds Source, or if there shall at any time, for any reason, no longer exist a Bloomberg Screen BTMM (or any substitute screen) or any Alternate Federal Funds Source, a comparable replacement rate determined by the Agent at such time (which determination shall be conclusive absent manifest error)); provided, that if such day is not a Business Day, the Federal Funds Open Rate for such day shall be the Federal Funds Open Rate on the immediately preceding Business Day."

"Fee Letter": the letter from the Agent to the Borrower dated November 14, 2016 regarding certain fees payable by the Borrower.

"Fees": as defined in subsection 2.4(a).

"Foreign Bank": any Bank that is not created or organized under the Laws of the United States, any State thereof or the District of Columbia.

"GAAP": at any time with respect to the determination of the character or amount of any asset or liability or item of income or expense, or any consolidation or other accounting computation, generally accepted accounting principles as applied to the public utility industry, as such principles shall be in effect on the date of, or at the end of the period covered by, the financial statements from which such asset, liability, item of income, or item of expense, is derived, or, in the case of any such computation, as in effect on the date when such computation is required to be determined, subject to Section 1.3(b).

"Governmental Authority": shall mean the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

"Guarantor": any Material Subsidiary which becomes a "Guarantor" after the date hereof pursuant to Section 5.11.

"Guaranty": any Guaranty Agreement entered into by a Guarantor pursuant to Section 5.11.

"Indenture": means the Indenture of Mortgage dated as of January 1, 1941 between the Borrower and Chase Manhattan Trust Company, National Association, as successor Trustee, as amended and supplemented.

"Insolvency": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvent": pertaining to a condition of Insolvency.

"Interest Coverage Ratio": at the date of determination, the ratio of Consolidated EBIT to Consolidated Interest Expense, in each case for the prior four (4) consecutive fiscal quarters.

"Interest Payment Date": (a) as to any Base Rate Loan or Swing Line Loan, the last day of each month, (b) as to any Eurodollar Loan having an Interest Period of three months or less, the last day of such Interest Period, and (c) as to any Eurodollar Loan having an Interest Period longer than three months, each day which is three months, or a

whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period.

"Interest Period": with respect to any Eurodollar Loan:

(i) initially the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurodollar Loan and ending one, two, three or six months thereafter, as selected by the Borrower in their notice of borrowing or notice of conversion, given with respect thereto; and

(ii) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurodollar Loan and ending one, two, three or six months thereafter, as selected by the Borrower by irrevocable notice to the Agent not less than three Business Days prior to the last day of the then current Interest Period with respect thereto;

provided that, the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month;

(iii) an Interest Period that otherwise would extend beyond the Termination Date shall end on the Termination Date; and

(iv) the Borrower shall select Interest Periods so as not to require a payment or prepayment of any Eurodollar Loan during an Interest Period for such Loan.

"Investments": investments (by loan or extension of credit, purchase, advance, guaranty, capital contribution or otherwise) made in cash or by delivery of Property, by the Borrower (i) in any Person, whether by acquisition of stock or other ownership interest, indebtedness or other obligation or Security, or by loan, advance or capital contribution, or (ii) in any Property or (iii) any agreement to do any of the foregoing.

"Law": any law(s) (including common law), constitution, statute, treaty, regulation, rule, ordinance, opinion, issued guidance, release, ruling, order, executive order, injunction, writ, decree, bond, judgment, authorization or approval, lien or award of or any settlement arrangement, by agreement, consent or otherwise, with any Governmental Body, foreign or domestic.

Published CUSIP Number: 03836VAE5
Revolving Facility CUSIP Number: 03836VAH8

CREDIT AGREEMENT

dated as of

December 14, 2022

among

ESSENTIAL UTILITIES, INC.,

the LENDERS Party Hereto

and

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

PNC CAPITAL MARKETS LLC,
COBANK, ACB,
BOFA SECURITIES, INC.,
RBC CAPITAL MARKETS,
and
THE HUNTINGTON NATIONAL BANK,
as Joint Lead Arrangers and Joint Bookrunners

COBANK, ACB,
BANK OF AMERICA, N.A.,
ROYAL BANK OF CANADA,
and
THE HUNTINGTON NATIONAL BANK,
as Co-Syndication Agents

and

RBC CAPITAL MARKETS,
as Sustainability Structuring Agent

whether in one transaction or in a series of transactions, assets (including Equity Interests in Subsidiaries) representing all or substantially all of the assets of the Company and the Subsidiaries (whether now owned or hereafter acquired), taken as a whole, to any Person or Persons, except (i) to the Company and/or any Subsidiaries and (ii) as permitted under Section 6.02(a)(ii)(B) or 6.02(a)(iii).

SECTION 6.03. Restrictive Agreements. The Company will not, and will not permit any Restricted Subsidiary to, enter into or permit to exist any contractual obligation (other than this Agreement or any other Loan Document) that limits the ability of any Restricted Subsidiary to make dividends or other distributions with respect to its Equity Interests to the Company or any Restricted Subsidiary, unless the Company determines in good faith that such contractual obligations would not materially impede the Company's ability to meet its payment obligations under this Agreement.

SECTION 6.04. Transactions with Affiliates. The Company will not, and will not permit any Restricted Subsidiary to, enter into or cause, suffer or permit to exist any transaction, arrangement or contract with any Affiliate (other than the Company or any Restricted Subsidiary) that is on terms materially less favorable to the Company or such Restricted Subsidiary than those that would be obtained at such time in a comparable arm's-length transaction with a Person other than an Affiliate, provided that the foregoing shall not apply to (a) any payments made and other transactions entered into in the ordinary course of business with officers and directors of the Company or any Subsidiary, and consulting fees and expenses incurred in the ordinary course of business payable to former officers or directors of the Company or any Subsidiary or (b) any other transaction (if part of a series of related transactions, together with such related transactions) involving consideration or value of less than $10,000,000.

SECTION 6.05. Financial Covenant. The Company will not permit the ratio, on the last day of any fiscal quarter of the Company, of (a) Consolidated Funded Debt as of such day to (b) the sum of (i) Consolidated Funded Debt as of such day and (ii) Consolidated Shareholders' Equity as of such day, to exceed 65%.

ARTICLE VII

Events of Default

SECTION 7.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

(a) the Company shall fail to pay any principal of any Loan or any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Company shall fail to pay any interest or any fee or any other amount (other than an amount referred to in clause (a) of this Section 7.01) payable under this Agreement or any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five days;

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR8. Attach copies of the summaries of the company's projected revenues, expenses and capital budgets for the next 2 years.

A. Please refer to Schedules B-1 and C-1 of Exhibits 1-A through 1-B for water and Schedules B-1 and C-1 of Exhibits 1-C through 1-E for wastewater for the Company's projected revenues and expenses for the next 2 years. Please refer to RR26 for the future test year and fully projected future test year capital budget.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR9. Describe long-term debt reacquisitions by company and parent as follows:

a. Reacquisitions by issue by year.

b. Total gain on reacquisitions by issue by year.

c. Accounting of gain for income tax and book purposes.

A. The Company has called certain debt issuances in the past when the decision was to the benefit of the customer to do so.

a. Please see the attached.

b. None.

c. None.

Aqua Pennsylvania, Inc.
2024 Rate Case
Filing Requirements

G. Rate of Return

RR9.

Long Term Debt Refunding

Amount	Interest Rate	Maturity Date	Year of Refunding
$ 7,200,000	8.875%	6/1/2010	1992
$ 3,150,000	9.200%	12/15/2001	1993
$ 4,400,000	10.125%	5/15/1995	1993
$ 10,000,000	12.450%	8/1/2003	1993
$ 8,000,000	13.000%	7/1/2005	1995
$ 5,000,000	7.875%	12/1/1997	1996
$ 4,150,000	8.400%	5/1/2002	1996
$ 10,000,000	10.650%	4/1/2006	1996
$ 3,200,000	6.500%	6/1/2010	2002
$ 14,000,000	6.375%	10/15/2023	2004
$ 21,770,000	6.350%	8/15/2025	2005
$ 2,132,180	9.220%	11/15/2019	2007
$ 18,360,000	6.000%	7/1/2030	2010
$ 25,000,000	6.000%	6/1/2029	2010
$ 3,200,000	9.530%	12/15/2019	2012
$ 1,500,000	8.260%	11/1/2022	2012
$ 3,500,000	8.320%	11/1/2022	2012
$ 30,000,000	5.350%	10/1/2031	2012
$ 25,000,000	5.550%	9/1/2032	2012
$ 25,000,000	5.150%	9/1/2032	2013
$ 14,000,000	5.050%	10/1/2039	2014
$ 4,000,000	8.140%	11/1/2025	2015
$ 24,675,000	5.000%	2/1/2035	2015
$ 25,375,000	5.000%	11/1/2038	2015
$ 24,165,000	5.000%	11/1/2037	2015
$ 21,770,000	5.000%	11/1/2036	2015
$ 23,915,000	5.000%	2/1/2040	2017
$ 23,915,000	5.000%	2/1/2041	2017
$ 24,830,000	5.250%	7/1/1942	2018
$ 24,830,000	5.250%	7/1/1943	2018
$ 58,000,000	5.000%	10/1/2039	2019
$ 62,165,000	5.000%	11/15/2040	2019
$ 12,520,000	4.750%	11/15/2020	2019
$ 25,910,000	5.000%	12/1/2033	2020
$ 19,270,000	5.000%	12/1/2034	2020

$ 15,000,000	4.500%	12/1/2042	2020
$ 81,205,000	5.000%	12/1/2043	2020

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR10. Provide the following information concerning compensating bank balance requirements for actual per book test year:

a. Name of each bank.

b. Address of each bank.

c. Type of accounts with each bank (checking, savings, escrow, other services, etc.).

d. Average daily balance in each account.

e. Amount and percentage requirements for compensating bank balances at each bank.

f. Average daily compensating bank balance at each bank.

g. Documents from each bank explaining compensating bank balance requirements.

h. Interest earned on each type of account.

A. None. Compensating bank balances are not required.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR11. Provide the following information concerning bank notes payable for actual per book test year:

a. Line of credit at each bank.

b. Average daily balances of notes payable to each bank, by name of bank.

c. Interest rate charged on each bank note (prime rate, formula).

d. Purpose of each bank note, (for example, construction, fuel storage, working capital, debt retirement).

e. Prospective future need for this type of financing.

A. Please see the attached.

Aqua Pennsylvania, Inc.
2024 Rate Case
Filing Requirements

G. Rate of Return

RR11.

Lines of Credit

a. **Bank Name** — **Amount**

PNC Bank Revolver	$	100,000,000

b. **Average Daily Balance for 2023**

PNC Bank Revolver	$	19,123,296

c. **Formula Rate as Follows:**

PNC Bank Revolver	BSBY rate + 70 basis points for 30, 60, 90 or 180 days, or PNC Bank prime rate, or Federal Funds rate + 50 basis points Swing Line Loan: BSBY + 70 basis points

d. The proceeds of the lines of credit are used for working capital

e. The Company anticipates that it will utilize bank loans in the future to provide interim funding for capital expenditures and acquisitions.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR12. Submit details on company or parent common stock offerings for the past 5 years to present, as follows:

a. Date of prospectus.

b. Date of offering.

c. Record date.

d. Offering period including dates and number of days.

e. Amount and number of shares of offering.

f. Offering ratio, if rights offering.

g. Percent subscribed.

h. Offering price.

i. Gross proceeds per share.

j. Expenses per share.

k. Net proceeds per share in (12.) i and j.

l. Market price per share.

(1) At record date.

(2) At offering date.

(3) One month after close of offering.

m. Average market price during offering.

(1) Price per share.

(2) Rights per share-average value of rights.

n. Latest reported earnings per share at time of offering.

o. Latest reported dividends at time of offering.

A. Please see the attached for the details of the common stock offerings for the last 5 years to present.

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-255235

Prospectus Supplement
(To Prospectus dated April 15, 2021)

Up to $500,000,000

ESSENTIAL UTILITIES, INC.

Common Stock

This prospectus supplement and the accompanying prospectus relate to the offer and sale from time to time of shares of our common stock, par value $0.50 per share, having an aggregate gross sales price of up to $500,000,000 through any of Barclays Capital Inc. ("Barclays"), RBC Capital Markets, LLC ("RBC Capital Markets"), TD Securities (USA) LLC ("TD Securities"), Wells Fargo Securities, LLC ("Wells Fargo Securities"), Robert W. Baird & Co. Incorporated ("Baird") and Janney Montgomery Scott LLC ("Janney Montgomery Scott"), as our agents under separate sales agreements. We refer to Barclays, RBC Capital Markets, TD Securities, Wells Fargo Securities, Baird and Janney Montgomery Scott, each as a sales agent and collectively as the sales agents.

The sales agreements provide that, in addition to the issuance and sale of shares of our common stock by us through the sales agents, we may enter into forward sale agreements, between us and any of Barclays Bank PLC, Royal Bank of Canada, The Toronto-Dominion Bank and Wells Fargo Bank, National Association. We refer to these affiliated entities, when acting in such capacity, as forward purchasers. In connection with each such forward sale agreement, the relevant forward purchaser will, at our request, borrow from third parties and, through the relevant sales agent, sell a number of shares of our common stock equal to the number of shares of our common stock that will underlie such forward sale agreement to hedge such forward purchaser's exposure under such forward sale agreement. We refer to sales agents, when acting as agents for forward purchasers, as forward sellers.

Sales of common stock pursuant to this prospectus supplement and the accompanying prospectus, if any, may be made in negotiated transactions or transactions that are deemed to be "at-the-market" transactions as defined in Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), including sales made by means of ordinary brokers' transactions through the facilities of the New York Stock Exchange (the "NYSE") at market prices, to or through a market maker, through an electronic communications network, in negotiated transactions, in any manner permitted by applicable law, or as otherwise agreed between the applicable sales agent and us.

The sales agreements also provide that we may sell shares of our common stock to a sales agent as principal for its own account at a price agreed upon at the time of the sale. If we sell shares of our common stock to a sales agent as principal, then we will enter into a separate terms agreement with that sales agent setting forth the terms of such transaction.

None of the sales agents is required to sell any specific dollar amount of shares of our common stock, but each will, subject to the terms and conditions of the applicable sales agreement, use its commercially reasonable efforts to sell the shares offered as instructed by us. The offering of shares of our common stock pursuant to the sales agreements will terminate upon the earlier of (1) the sale of shares of our common stock subject to the sales agreements (including shares sold by us to or through the sales agents and borrowed shares sold through the sales agents, acting as forward sellers) and any terms agreement having an aggregate gross sales price of $500,000,000 and (2) with respect to a particular sales agreement, the termination of such sales agreement by us or by the applicable sales agent as permitted therein.

In connection with sales through any of the sales agents under one or more of the sales agreements, we will pay the applicable sales agent a commission equal to 1.00% of the gross sales price of all shares of our common stock sold by such sales agent. In connection with any forward sale transaction, the applicable sales agent, as forward seller, will receive an effective per share commission of 1.00% of the volume-weighted average price per share at which the shares of common stock are sold, as adjusted, pursuant to such forward sale agreement.

The net proceeds we receive from the sale of our common stock through a sales agent on our behalf pursuant to one or more of the separate sales agreements or to a sales agent acting as a principal will be the gross proceeds received from such sales less the compensation paid to the sales agents and any other costs we may incur in issuing and/or selling the shares of our common stock; provided, however, that we will not initially receive any proceeds from the sale of borrowed shares of our common stock by any forward seller. We expect to receive proceeds from the sale of shares of our common stock upon future physical settlement(s) of the relevant forward sale agreement with the relevant forward purchaser on dates specified by us on or prior to the maturity date of such forward sale agreement, in which case we will expect to receive, subject to certain adjustments, aggregate net cash proceeds at settlement equal to the number of shares underlying the relevant forward sale agreement, multiplied by the relevant forward sale price. If we elect to cash settle or net share settle a forward sale agreement, we may not receive any proceeds (in the case of cash settlement) or will not receive any proceeds (in the case of net share settlement), and we may owe cash (in the case of cash settlement) or shares of our common stock (in the case of net share settlement) to the relevant forward purchaser.

Our common stock is listed on the NYSE under the symbol "WTRG." On October 13, 2022, the last reported sale price of our common stock on the NYSE was $40.27 per share.

Investing in our common stock involves risks. See "Risk Factors" on page S-6 of this prospectus supplement, page 4 of the accompanying prospectus and in the documents we incorporate by reference in this prospectus supplement and the accompanying prospectus.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Barclays **RBC Capital Markets** **TD Securities** **Wells Fargo Securities**

Baird **Janney Montgomery Scott**

October 14, 2022

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ABOUT THIS PROSPECTUS SUPPLEMENT

Unless otherwise specified or the context requires otherwise, references in this prospectus supplement to:

- "Essential Utilities," the "Company," "we," "us," "our" and similar references refer to Essential Utilities, Inc. and its subsidiaries; and
- "this offering" refers to the offering of shares of our common stock from time to time pursuant to this prospectus supplement and the accompanying prospectus.

All references to currency amounts included in this prospectus supplement are in U.S. dollars unless specifically noted otherwise.

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of our common stock and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information about us, some of which does not apply to this offering of our common stock. To the extent the information in this prospectus supplement is inconsistent with the information in the accompanying prospectus, you should rely on the information in this prospectus supplement.

We have not, and the sales agents, the principals, the forward purchasers and the forward sellers have not, authorized anyone to provide you with any information other than that contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus we may provide to you in connection with this offering. Neither we nor any of the sales agents, the principals, the forward purchasers or the forward sellers take any responsibility for, or provide any assurances as to the reliability of, any additional or different information that others may give you. Neither we nor any of the sales agents, the principals, the forward purchasers or the forward sellers are offering to sell our common stock or seeking offers to buy our common stock in jurisdictions where offers or sales are not permitted. You should assume that the information contained in this prospectus supplement, the accompanying prospectus and any related free writing prospectus is accurate only as of their respective dates or as of the respective dates specified in such information, as applicable, and the information contained in documents incorporated by reference is accurate only as of the respective dates of those documents or as of the respective dates specified in such information, as applicable, in each case regardless of the time of delivery of this prospectus supplement or the accompanying prospectus or any such free writing prospectus or any sale of our common stock. Our business, financial condition, results of operations and prospects may have changed since those dates.

The distribution of this prospectus supplement, the accompanying prospectus and any related free writing prospectus and the offering of our common stock in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus supplement, the accompanying prospectus and any such free writing prospectus come should inform themselves about and observe any such restrictions. This prospectus supplement, the accompanying prospectus and any such free writing prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See "Plan of Distribution (Conflicts of Interest)."

TRADEMARKS, TRADE NAMES AND SERVICE MARKS

We own or have rights to trademarks, trade names and service marks that we use in conjunction with the operation of our business and that appear in this prospectus supplement. This prospectus supplement may also contain trademarks, trade names and service marks of other companies which, to our knowledge, are the property of their respective owners. We do not intend our use or display of other parties' trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by these other parties. Solely for convenience, trademarks, trade names and service marks referred to in this prospectus supplement may appear without the ® or ™ symbols, but the absence of such symbols does not indicate the registration status of such trademarks, trade names or service marks and is not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to such trademarks, trade names and service marks.

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus supplement, the accompanying prospectus and the documents they incorporate by reference contain, and any free writing prospectus we may provide to you in connection with this offering are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are made based upon, among other things, our current assumptions, expectations, plans, and beliefs concerning future events and their potential effect on us. These forward-looking statements involve risks, uncertainties and other factors, many of which are outside our control that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. In some cases you can identify forward-looking statements where statements are preceded by, followed by or include the words "believes," "expects," "estimates," "anticipates," "plans," "future," "potential," "probably," "predictions," "intends," "will," "continue," "in the event" or the negative of such terms or similar expressions. Such forward-looking statements include, but are not limited to, statements regarding:

- the impact of the novel coronavirus ("COVID-19") pandemic or the measures implemented by the Company as a result of the COVID-19 pandemic;
- opportunities for future acquisitions, both within and outside the water, wastewater, and natural gas industries, the success of pending acquisitions and the impact of future acquisitions;
- acquisition-related costs and synergies;
- the sale of water and wastewater divisions;
- the impact of conservation awareness of customers and more efficient fixtures and appliances on water and natural gas usage per customer;
- the impact of our business on the environment, and our ability to meet our climate change goals;
- our authority to carry on our business without unduly burdensome restrictions;
- our capability to pursue timely rate increase requests;
- the capacity of our water supplies, water facilities, wastewater facilities, and natural gas supplies and storage facilities;
- the impact of decisions of governmental and regulatory bodies, including decisions to raise or lower rates and decisions regarding potential acquisitions;
- developments, trends and consolidation in the water, wastewater, and natural gas utility and infrastructure industries;
- the impact of changes in and compliance with governmental laws, regulations and policies, including those dealing with the environment, health and water quality, taxation, and public utility regulation;
- the development of new services and technologies by us or our competitors;
- the ongoing integration of the acquisition (the "Peoples Gas Acquisition") of a natural gas distribution company consisting of Peoples Natural Gas Company LLC, Peoples Gas Company LLC, Peoples Gas West Virginia, Inc., Peoples Gas Kentucky, Inc., and Delta Natural Gas Company Inc. (collectively, these businesses are referred to as "Peoples");
- the availability of qualified personnel;
- the condition of our assets;
- recovery of capital expenditures and expenses in rates;
- projected capital expenditures and related funding requirements;

- the availability and cost of capital financing;
- dividend payment projections;
- the impact of geographic diversity on our exposure to unusual weather;
- the continuation of investments in strategic ventures;
- our ability to obtain fair market value for condemned assets;
- the impact of fines and penalties;
- the impact of legal proceedings;
- general economic conditions, including inflation;
- the impact of federal and/or state tax policies and the regulatory treatment of the effects of those policies; and
- the amount of income tax deductions for qualifying utility asset improvements and the Internal Revenue Service's ultimate acceptance of the deduction methodology.

Because forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including, but not limited to:

- impacts from the global outbreak of COVID-19, including on consumption, usage and collections;
- the success in the closing of, and the profitability of, future acquisitions;
- changes in general economic, business, credit and financial market conditions;
- our ability to manage the expansion of our business, including our ability to manage our expanded operations resulting from the Peoples Gas Acquisition;
- changes in environmental conditions, including the effects of climate change;
- our ability to integrate and otherwise realize all of the anticipated benefits of businesses, technologies or services which we may acquire;
- the decisions of governmental and regulatory bodies, including decisions on regulatory filings, including rate increase requests and decisions regarding potential acquisitions;
- our ability to file rate cases on a timely basis to minimize regulatory lag;
- the impact of inflation on our business and on our customers;
- geopolitical forces;
- abnormal weather conditions, including those that result in water use restrictions;
- the seasonality of our business;
- our ability to treat and supply water or collect and treat wastewater;
- our ability to source sufficient natural gas to meet customer demand in a timely manner;
- the continuous and reliable operation of our information technology systems, including the impact of cyber security attacks or other cyber-related events;
- changes in governmental laws, regulations and policies, including those dealing with taxation, the environment, health and water quality, and public utility regulation;
- the extent to which we are able to develop and market new and improved services;

- the effect of the loss of major customers;
- our ability to retain the services of key personnel and to hire qualified personnel as we expand;
- labor disputes;
- increasing difficulties in obtaining insurance and increased cost of insurance;
- cost overruns relating to improvements to, or the expansion of, our operations;
- increases, including inflation, in the costs of goods and services;
- significant or prolonged disruptions in the supply of important goods or services;
- the effect of natural gas price volatility;
- civil disturbance or terroristic threats or acts;
- changes to the rules or our assumptions underlying our determination of what qualifies for an income tax deduction for qualifying utility asset improvements;
- changes in, or unanticipated, capital requirements;
- changes in our credit rating or the market price of our common stock;
- changes in valuation of strategic ventures;
- changes in accounting pronouncements;
- litigation and claims;
- restrictions on our subsidiaries' ability to make dividends and other distributions;
- dilution to our shareholders related to any financing transactions; and
- broad discretion of our management to use the net proceeds from this offering.

Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. You should read this prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference into this prospectus supplement completely and with the understanding that our actual results, performance and achievements may be materially different from what we expect. These forward-looking statements represent assumptions, expectations, plans and beliefs only as of the date of this prospectus supplement, the date of the document containing the applicable statement or the date specified in such statement, as applicable. Except for our ongoing obligations to disclose certain information under the federal securities laws, we are not obligated, and assume no obligation, to update these forward-looking statements, even though our situation may change in the future. For further information or other factors which could affect our financial results and such forward-looking statements, see "Risk Factors." We qualify all of our forward-looking statements by these cautionary statements.

Investing in our common stock involves risks. You should review and consider carefully the risks, uncertainties and other factors that affect our business, financial condition and results of operations and the value of our common stock, including those described in the "Business," "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections and other sections in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the SEC on March 1, 2022 and in our Quarterly Reports on Form 10-Q for the three months ended March 31, 2022 and June 30, 2022, filed with the SEC on May 10, 2022 and August 9, 2022, respectively, therein and those described in the "Risk Factors" sections and other sections of this prospectus supplement and the accompanying prospectus and the documents incorporated by reference therein. You may obtain copies of these reports and documents as described under "Where You Can Find Additional Information; Incorporation of Certain Documents by Reference" in this prospectus supplement. These risks, uncertainties and other factors could cause you to suffer a loss of all or part

of your investment in our shares of common stock. Before making an investment decision, you should carefully consider these risks, uncertainties and other factors, as well as other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and any related free writing prospectus we may provide to you in connection with this offering. However, additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, operations, financial condition and financial results and the value of our shares of common stock.

MARKET AND INDUSTRY DATA

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus include, and any free writing prospectus we may provide to you in connection with this offering may include, market, demographic and industry data and forecasts related to our business that are based on or derived from sources such as independent industry publications, publicly available information, government data and other information from third parties or that have been compiled or prepared by our management or employees. We do not guarantee the accuracy or completeness of any of this information, and we have not independently verified any of the information provided by third-party sources.

In addition, market, demographic and industry data and forecasts involve estimates, assumptions and other uncertainties and are subject to change based on various factors, including those discussed under the heading “Risk Factors” in this prospectus supplement and under similar headings in the documents that are incorporated by reference in this prospectus supplement and the accompanying prospectus. Accordingly, you should not place undue reliance on any of this information.

PROSPECTUS SUPPLEMENT SUMMARY

The following summary highlights, and should be read together with, the information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. This summary may not contain all of the information that may be important to you, and you should carefully read this entire prospectus supplement, the accompanying prospectus, any free writing prospectus we may provide to you in connection with this offering and the documents incorporated by reference herein and therein before making an investment decision. You may obtain a copy of the documents incorporated by reference by following the instructions in the section titled "Where You Can Find Additional Information; Incorporation of Certain Documents by Reference" in this prospectus supplement.

Unless we state otherwise or the context otherwise requires, references appearing in this prospectus supplement to "Essential Utilities," the "Company," "we," "us" and "our" should be read to refer to Essential Utilities, Inc. and its subsidiaries.

Essential Utilities, Inc.

Essential Utilities, Inc., is a Pennsylvania corporation and the holding company for regulated utilities providing water, wastewater or natural gas services to an estimated five million people in Pennsylvania, Ohio, Texas, Illinois, North Carolina, New Jersey, Indiana, Virginia, West Virginia, and Kentucky under the Aqua and Peoples brands.

One of our largest operating subsidiaries is Aqua Pennsylvania, Inc., which accounted for approximately 55% of our operating revenues and approximately 68% of income for our regulated water segment in 2021. Our other regulated water or wastewater utility subsidiaries provide similar services in seven additional states. Additionally, commencing on March 16, 2020, with the completion of the Peoples Gas Acquisition, the Company began to provide natural gas distribution services to customers in western Pennsylvania, Kentucky and West Virginia. As of December 31, 2021, approximately 93% of the total number of natural gas utility customers we serve were in western Pennsylvania.

Our growth in revenues over the past five years is primarily a result of the Peoples Gas Acquisition, increases in water and wastewater rates and customer growth. The increase in our utility customer base, as shown below, has been due to customers added through acquisitions, partnerships with developers, and organic growth (excluding dispositions):

Year	Utility Customer Growth Rate
2021	1.2%
2020	42.9%
2019	2.1%
2018	2.3%
2017	1.1%

In 2021, 2020, and 2019, our customer count increased by 21,246, 772,099, and 21,108 customers, respectively, primarily due to the water and wastewater utility systems that we acquired, organic growth, and in 2020, due to the Peoples Gas Acquisition that resulted in the addition of approximately 750,000 natural gas utility customers. Overall, for the five year period of 2017 through 2021, our utility customer base, adjusted to exclude customers associated with utility system dispositions, increased at an annual compound rate of 13.4%. During the five year period ended December 31, 2021, our utility customer base including customers associated with utility systems acquisitions and dispositions increased from 972,265 at January 1, 2017 to 1,820,049 at December 31, 2021.

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Our principal executive office is located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010-3489, and our telephone number is 610-527-8000. Our website may be accessed at *www.essential.co*. The reference to our website is intended to be an inactive textual reference only, and the contents of our website are not incorporated by reference herein and should not be considered part of this prospectus supplement.

The Offering

The following summary contains basic information about this offering and may not contain all of the information that may be important to you. You should read this entire prospectus supplement, the accompanying prospectus, any free writing prospectus we may provide to you in connection with this offering and the documents incorporated by reference herein and therein before making an investment decision.

As used in this section, unless the context otherwise requires, references to "Essential Utilities," the "Company," "we," "us," "our" and similar references refer only to Essential Utilities, Inc. and not to its consolidated subsidiaries.

Issuer	Essential Utilities, Inc., a Pennsylvania corporation.
Common Stock Offered	Shares of our common stock with an aggregate gross sales price of up to $500,000,000. The shares of our common stock offered pursuant to this prospectus supplement and the accompanying prospectus include newly issued shares that may be offered and sold by us to or through the sales agents, acting as our sales agents or as principal, and borrowed shares of our common stock that may be offered and sold by the forward purchasers through their respective forward sellers.
Use of Proceeds	We intend to use the net proceeds from any sales of shares of our common stock to or through the sales agents and the net cash proceeds from the settlement of any forward sale agreements for general corporate purposes, which may include working capital, capital expenditures, water and wastewater utility acquisitions and repaying outstanding indebtedness, including under our revolving credit facility or the revolving credit facilities of our subsidiaries. See "Use of Proceeds" and "Plan of Distribution (Conflicts of Interest)—Conflicts of Interest". We will not initially receive any proceeds from the sale of borrowed shares of our common stock by the forward purchasers through their respective forward sellers in connection with any forward sale agreement as a hedge of such forward sale agreement. For additional information, see "Plan of Distribution (Conflicts of Interest)—Sales Through Forward Sellers".
Accounting Treatment of Forward Sales	In the event that we enter into any forward sale agreements, we expect that before any issuance of shares of our common stock upon settlement of any forward sale agreement, the shares issuable upon settlement of that particular forward sale agreement will be reflected in our diluted earnings per share calculations using the treasury stock method. Under this method, the number of shares of our common stock used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of shares that would be issued upon physical settlement of such forward sale agreement over the number of shares that could be purchased by us in the market (based on the average market price during the relevant period) using the proceeds receivable upon settlement (based on the adjusted forward sale price at the end of the reporting period).

	Consequently, prior to physical or net share settlement of a particular forward sale agreement and subject to the occurrence of certain events, we anticipate there will be no dilutive effect on our earnings per share except during periods when the average market price of our common stock is above the per share adjusted forward sale price of such forward sale agreement. However, if we physically or net share settle any forward sale agreement, delivery of shares of our common stock on any such settlement of such forward sale agreement will result in dilution to our earnings per share and return on equity.
Dividend Policy	We have historically paid quarterly dividends on our common stock; however, the declaration, amount, timing and payment of any future dividends are subject to the determination and approval of our board of directors based on then current or anticipated future conditions, including our results of operations, capital requirements, financial condition, legal requirements or other factors deemed relevant by our board of directors. See "Listing of Our Common Stock and Dividends."
Listing	Our common stock is listed on the NYSE under the symbol "WTRG."
Transfer Agent and Registrar	The registrar and transfer agent for our common stock is Computershare Trust Company, N.A.
Certain United States Federal Income Tax Considerations	Certain United States federal income tax considerations to non-U.S. holders of the ownership and disposition of our common stock are described in "Certain United States Federal Income Tax Considerations to Non-U.S. Holders" included in this prospectus supplement.
Risk Factors	Investing in our common stock involves risks. See "Risk Factors" in this prospectus supplement, the accompanying prospectus and in the documents we incorporate by reference in this prospectus supplement and the accompanying prospectus for a discussion of some of the risks and other factors you should carefully consider before deciding to invest in our common stock.
Conflict of Interests	Certain of the sales agents and/or their affiliates are also lenders and/or agents under our and our subsidiaries' revolving credit facilities and receive customary fees and expenses in connection therewith. To the extent we use proceeds from this offering to repay indebtedness under our or our subsidiaries' revolving credit facilities, such sales agents and/or affiliates may receive proceeds from this offering. Because such sales agents and/or affiliates may receive more than 5% of the net proceeds of this offering, the sales agents may be deemed to have a "conflict of interest" under Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 5121. Accordingly, this offering is being made in compliance with the applicable provisions

of FINRA Rule 5121. The appointment of a "qualified independent underwriter" is not required in connection with this offering as a "bona fide public market," as defined in FINRA Rule 5121, exists for our common stock. In addition, to comply with FINRA Rule 5121, each of the sales agents will not confirm any sales to any account over which it exercises discretionary authority without the specific written approval of the transaction from the account holder. See "Plan of Distribution (Conflicts of Interest)" and "Use of Proceeds".

RISK FACTORS

Investing in our common stock involves risks. You should review and carefully consider the risks, uncertainties and other factors described below and all of the information included elsewhere in this prospectus supplement, the accompanying prospectus, any free writing prospectus we may provide to you in connection with this offering and the documents incorporated by reference herein and therein before deciding to invest in our common stock. We also urge you to carefully consider the risks, uncertainties and other factors set forth under the headings "Forward-Looking Statements" and "Market and Industry Data." However, additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, operations, financial condition and financial results and the value of our common stock.

Risks Related to Our Business

For a discussion of specific risks related to our business, operations, financial condition and financial results please see the "Business," "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections and other sections in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the SEC on March 1, 2022 and in our Quarterly Reports on Form 10-Q for the three months ended March 31, 2022 and June 30, 2022, filed with the SEC on May 10, 2022 and August 9, 2022, respectively, as updated by our subsequent annual, quarterly and other reports and documents we file with the SEC that are incorporated by reference in this prospectus supplement and the accompanying prospectus. See "Where You Can Find Additional Information; Incorporation of Certain Documents by Reference" in this prospectus supplement.

Risks Related to this Offering and Ownership of Our Common Stock

The price of our common stock may be volatile. This volatility may affect the price at which one could sell our common stock, and the sale or resale of substantial amounts of our common stock could adversely affect the market price of our common stock.

The price of our common stock on the NYSE constantly changes. We expect that the market price of our common stock will continue to fluctuate. Our stock price may fluctuate as a result of a variety of factors, many of which are beyond our control. Further, the sale or issuance of substantial amounts of our common stock, or the perception that additional sales or issuances could occur, could adversely affect the market price of our common stock, even if the business is doing well. In addition, the availability for sale of substantial amounts of our common stock could adversely impact its market price. Any of the foregoing may also impair our ability to raise additional capital through the sale of our equity securities.

The common stock offered by us in an offering will be sold in "at the market offerings", and investors who buy shares at different times will likely pay different prices.

Investors who purchase shares of our common stock in this offering at different times will likely pay different prices, and so may experience different outcomes in their investment results. We will have discretion, subject to market demand, to vary the timing, prices and numbers of shares sold, and there is no minimum or maximum sales price. Investors may experience a decline in the value of their shares as a result of share sales made at prices lower than the prices they paid.

Our management will have broad discretion in the use of the net proceeds from this offering and may allocate the net proceeds from this offering in ways that you and other shareholders may not approve.

Our management will have broad discretion in its use of the net proceeds, including for any of the purposes described in the section entitled "Use of Proceeds," and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used appropriately. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may

vary substantially from their currently intended use. The failure of our management to use these funds effectively could harm our business. Pending their use, we may invest the net proceeds from this offering in short-term, investment-grade, interest-bearing investments. These investments may not yield a favorable return to our shareholders.

We expect that we will need to raise additional capital, and raising additional funds by issuing additional equity securities or with additional debt financing may cause dilution to shareholders or restrict our operations.

We expect that we will need to raise additional capital in the future in order to, among other things, repay indebtedness and fund our operations and future acquisitions, which we may do through equity and equity-linked securities offerings or additional debt financings, as well as borrowings under our credit facilities. Additional issuances of equity securities, including shares of our common stock, or debt or other securities that are convertible into or exchangeable for, or that represent the right to receive, common stock could dilute the economic and other rights and interests of holders of shares of our common stock and cause the market price of our common stock to decline. Subject to certain exceptions, such issuances may be made without any action or approval by our shareholders.

Any new debt financing we enter into may involve covenants that restrict our operations more than our current outstanding debt and credit facilities. These restrictive covenants could include limitations on additional borrowings and specific restrictions on the use of our assets, as well as prohibitions or limitations on our ability to create liens, pay dividends, receive distributions from our subsidiaries, redeem or repurchase our stock or make investments. These covenants could hinder our access to capital markets and limit or delay our ability to carry out our capital expenditure program.

Anti-takeover provisions in our organizational documents and under Pennsylvania law might discourage, delay or prevent changes in control of our company and may result in an entrenchment of management and diminish the value of our common stock.

Certain provisions of our articles of incorporation and bylaws could have the effect of delaying, deterring or preventing another party from acquiring or seeking to acquire control of us. These provisions are intended to discourage certain types of coercive takeover practices and inadequate takeover bids and to encourage anyone seeking to acquire control of us to negotiate first with our board of directors. However, these provisions could also delay, deter or prevent a change of control or other takeover of our company that our shareholders might consider to be in their best interests, including transactions that might result in a premium being paid over the market prices of our common stock, and may also limit the prices that investors are willing to pay in the future for our common stock. These provisions may also have the effect of preventing changes in our management.

For example, our articles of incorporation and bylaws include anti-takeover provisions that:

- authorize our board of directors, without a vote or other action by our shareholders, to cause the issuance of preferred stock in one or more series and, with respect to each series, to fix the number of shares constituting that series and to establish the rights, preferences, privileges and restrictions of that series, which may include, among other things, dividend and liquidation rights and preferences, rights to convert such shares into common stock, voting rights and other rights which may adversely affect the voting or other rights and the economic interests of holders of our common stock;

- require that certain fundamental transactions must be approved by the holders of 75% of the outstanding shares of our capital stock entitled to vote on the matter unless at least a majority of the members of the board of directors has approved the transaction, in which case the required shareholder approval will be the minimum approval required by applicable law;

- establish advance notice requirements and procedures for shareholders to submit nominations of candidates for election to our board of directors and to propose other business to be brought before a shareholders meeting;

- provide that vacancies in our board of directors, including vacancies created by the removal of any director or any increase in the number of directors, may be filled by a majority of the directors then in office or by the sole remaining director;

- provide that no shareholder may cumulate votes in the election of directors, which means that the holders of a majority of our outstanding shares of common stock can elect all directors standing for election by our common shareholders;

- require that any action to be taken by our shareholders must be taken either (1) at a duly called annual or special meeting of shareholders or (2) by the unanimous written consent of all of our shareholders;

- require action by shareholders entitled to cast a majority of the votes which all shareholders are entitled to cast at the particular meeting in order for our shareholders to call a special meeting of shareholders; and

- provide that a state court located within Montgomery County, Pennsylvania (or, in the event such court lacks jurisdiction over such action or proceeding, the United States District Court for the Eastern District of Pennsylvania) will be the exclusive forum for the adjudication of certain disputes, including derivative actions.

In addition, anti-takeover provisions in Pennsylvania law could make it more difficult for a third party to acquire control of us including, but not limited to, provisions relating to (1) control share acquisitions, (2) disgorgement of profits by certain controlling persons, (3) business combination transactions with interested shareholders, and (4) the rights of shareholders to demand fair value for their stock following a control transaction. Pennsylvania law permits corporations to opt-out of these anti-takeover provisions, but we have not done so. Such provisions could have the effect of deterring takeovers or delaying changes in control or management of us. Additionally, such provisions could limit the price that some investors might be willing to pay in the future for shares of our common stock.

We may be unable to, or may choose not to, continue to pay dividends on our common stock at current or planned rates or at all.

Any future payments of cash dividends, and the amount of any cash dividends we pay, on our common stock will depend on, among other things, our financial condition, capital requirements and results of operations, and the ability of our subsidiaries to distribute cash to us, as well as other factors that our board of directors may consider relevant. If we were to reduce the amount of cash dividends per share payable on our common stock, fail to increase the amount of those cash dividends per share in the future or cease paying those cash dividends altogether, it would likely have an adverse impact on the market price of our common stock. In addition, under Pennsylvania law, our board of directors (or an authorized committee thereof) may not declare and pay dividends on shares of our common stock if, after giving effect to the dividend (1) we would be unable to pay our debts as they become due in the ordinary course of business, or (2) our total assets would be less than the sum of our total liabilities plus the amount that would be needed, if we were to be dissolved as of the date for measuring the dividend, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those receiving the dividend.

Our ability to pay dividends and to meet our debt obligations largely depends on the performance of our subsidiaries and the ability to utilize the cash flows from those subsidiaries.

Essential Utilities is a holding company substantially all of whose assets are owned by its subsidiaries and substantially all of whose operations are conducted through its subsidiaries. Our ability to pay dividends and meet our debt and other obligations depends almost entirely on cash flows from our subsidiaries and, in the short

term, our ability to raise capital from external sources. In the long term, cash flows from its subsidiaries depend on their ability to generate operating cash flows in excess of their own expenditures, common and preferred stock dividends (if any), and debt or other obligations. Our subsidiaries are separate and distinct legal entities that are not obligated to pay dividends or make loans or distributions to Essential Utilities (whether to enable Essential Utilities to pay dividends on its common stock, to pay principal and interest on its debt, to settle, repurchase or redeem its debt or other securities, or to satisfy its other obligations). In addition, notwithstanding its controlling interest in such subsidiaries, many of them are limited in their ability to pay dividends or make loans or distributions to Essential Utilities, including, without limitation, as a result of legislation, regulation, court order, contractual restrictions and other restrictions or in times of financial distress. As a result, we may not be able to cause our subsidiaries and other entities to distribute funds or provide loans sufficient to enable us to pay dividends and meet our debt and other obligations.

Risks Related to Forward Sale Agreements

Settlement provisions contained in any forward sale agreement subject us to certain risks.

A forward purchaser will have the right to accelerate a forward sale agreement that it enters into with us and require us to physically settle such forward sale agreement on a date specified by such forward purchaser if:

- in such forward purchaser's commercially reasonable judgment, it or its affiliate is unable to hedge (or maintain a hedge of) its exposure under such forward sale agreement in a commercially reasonable manner because (x) insufficient shares of our common stock have been made available by securities lenders for borrowing or (y) the forward purchaser or its affiliate would incur a stock borrowing cost in excess of a specified threshold;
- we declare or issue any dividend or distribution on shares of our common stock
  - payable in cash in excess of specified amounts or that otherwise constitutes an extraordinary dividend under the forward sale agreement,
  - payable in securities of another company as a result of a spinoff or similar transaction,
  - of any other type of securities (other than our common stock) or assets for consideration of less than the prevailing market price, as determined in a commercially reasonable manner by the calculation agent (as defined in the applicable sales agreement), or
  - that is, by its terms or declared intent, outside the normal course of our operations or normal dividend policies or practices;
- certain ownership thresholds applicable to such forward purchaser and its affiliates are exceeded;
- an intended event is announced that if consummated would result in a specified extraordinary event under such forward sale agreement (including certain mergers or tender offers, as well as certain events involving our nationalization, insolvency or a delisting of our common stock) or an event occurs that would constitute a hedging disruption or change in law; or
- certain other events of default, termination events or other specified events occur, including, among others, any material misrepresentation made in connection with such forward sale agreement or our insolvency (each as more fully described in each forward sale agreement).

A forward purchaser's decision to exercise its right to accelerate any forward sale agreement and to require us to settle any such forward sale agreement will be made irrespective of our interests, including our need for capital. In such cases, we could be required to issue and deliver shares of our common stock under the terms of the physical settlement provisions of the applicable forward sale agreement irrespective of our capital needs, which would result in dilution to our earnings per share and may adversely affect the market price of our common stock. In addition, upon certain events of bankruptcy or insolvency relating to us, the forward sale agreement will automatically terminate without further liability of either party (other than in the event of a breach by us of

certain representations or warranties contained in the forward sale agreement). Following any such termination, we would not issue any shares of common stock and we would not receive any proceeds pursuant to the forward sale agreement.

Under the terms of each forward sale agreement, we generally have the right to elect physical, cash or net share settlement. Subject to the provisions of such forward sale agreement, delivery of our shares on any physical settlement or, to the extent we are obligated to deliver shares of our common stock, net share settlement will result in dilution to our earnings per share and return on equity. If we elect to cash or net share settle all or a portion of the shares of our common stock underlying any forward sale agreement, we would expect the relevant forward purchaser or one of its affiliates to purchase shares of our common stock in secondary market transactions over an unwind period to:

- return shares of our common stock to securities lenders in order to unwind such forward purchaser's hedge position (after taking into consideration any shares of our common stock to be delivered by us to such forward purchaser, in the case of net share settlement); and
- if applicable, in the case of net share settlement, deliver shares of our common stock to us to the extent required in settlement of such forward sale agreement.

If the price of our common stock at which these purchases are made is below the relevant forward sale price, such forward purchaser will pay us such difference in cash (if we cash settle) or deliver to us shares of our common stock having a market value equal to such difference (if we net share settle), subject to a fixed reduction as provided in the applicable forward sale agreement. If the price of our common stock at which these purchases are made exceeds the applicable forward sale price, we will pay such forward purchaser an amount in cash equal to such difference (if we elect to cash settle) or we will deliver to such forward purchaser a number of shares of our common stock having a market value equal to such difference (if we elect to net share settle), subject to a fixed reduction as provided in the applicable forward sale agreement. Any such difference could be significant. See "Plan of Distribution (Conflicts of Interest)—Sales Through Forward Sellers."

In addition, the purchase of our common stock by a forward purchaser or its affiliate to unwind the forward purchaser's hedge position could cause the price of our common stock to increase over time (or prevent a decrease over time), thereby increasing the amount of cash (in the case of cash settlement) or the number of shares (in the case of net share settlement) that we would owe such forward purchaser upon settlement of the applicable forward sale agreement or decreasing the amount of cash (in the case of cash settlement), or the number of shares (in the case of net share settlement), that such forward purchaser would owe us upon settlement of the applicable forward sale agreement.

The forward sale price we expect to receive upon physical settlement of any forward sale agreement will be subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread, and will decrease on certain dates specified in the relevant forward sale agreement by the quarterly dividend amount per share we currently expect to declare during the term of such forward sale agreement. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price. If the market value of shares of our common stock during the relevant valuation period under any forward sale agreement is above the relevant forward sale price, in the case of cash settlement, we would pay the relevant forward purchaser an amount in cash equal to the difference or, in the case of net share settlement, we would deliver to the relevant forward purchaser a number of shares of our common stock having a value equal to the difference. Thus, we could be responsible for a potentially substantial cash or stock payment. If the market value of shares of our common stock during the relevant valuation period under any forward sale agreement is below the relevant forward sale price, in the case of cash settlement, we would be paid the difference in cash by the relevant forward purchaser or, in the case of net share settlement, we would receive from the relevant forward purchaser a number of shares of our common stock having a value equal to the difference. See "Plan of Distribution (Conflicts of Interest)—Sales Through Forward Sellers" for information on the forward sale agreements.

In the case of our bankruptcy or insolvency, any forward sale agreement that is in effect will automatically terminate, and we would not receive the expected proceeds from any forward sales of our common stock.

If we or a regulatory authority with jurisdiction over us institutes, or we consent to, a proceeding seeking a judgment in bankruptcy or insolvency or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or we or a regulatory authority with jurisdiction over us presents a petition for our winding-up or liquidation, or we consent to such a petition, any forward sale agreement that is then in effect will automatically terminate. If any such forward sale agreement so terminates under these circumstances, we would not be obligated to deliver to the relevant forward purchaser any common stock not previously delivered, and the relevant forward purchaser would be discharged from its obligation to pay the applicable forward sale price per share in respect of any shares of common stock not previously settled under the applicable forward sale agreement. Therefore, to the extent that there are any shares of common stock with respect to which any forward sale agreement has not been settled at the time of the commencement of any such bankruptcy or insolvency proceedings, we would not receive the relevant forward sale price per share in respect of those shares.

USE OF PROCEEDS

The shares of our common stock offered pursuant to this prospectus supplement and the accompanying prospectus include newly issued shares that may be offered and sold by us to or through the sales agents, acting as our sales agents or as principals, and borrowed shares of our common stock that may be offered and sold by the forward purchasers through their respective forward sellers. We intend to use the net proceeds from this offering for general corporate purposes, which may include working capital, capital expenditures, water and wastewater utility acquisitions and repaying outstanding indebtedness, including under our revolving credit facility or the revolving credit facilities of our subsidiaries.

The amount of proceeds from this offering will depend upon the number of shares of our common stock sold, the market price at which they are sold and, with respect to any forward sale transaction, the settlement method as described below. There can be no assurance that we will be able to sell any shares under or fully utilize the sales agreements or any forward sale agreement as a source of financing.

We will not initially receive any proceeds from the sale of borrowed shares of our common stock by the forward purchasers through their respective forward sellers in connection with any forward sale agreement as a hedge of such forward sale agreement. In the event of full physical settlement of a forward sale agreement, which we expect to occur on or prior to the maturity date of such forward sale agreement, we expect to receive aggregate cash proceeds equal to the product of the initial forward sale price per share under such forward sale agreement and the number of shares of our common stock underlying such forward sale agreement, subject to the price adjustment and other provisions of such forward sale agreement. If, however, we elect to cash settle or net share settle any forward sale agreement, we would expect to receive an amount of proceeds that is significantly lower than the product set forth in the immediately preceding sentence (in the case of any cash settlement) or will not receive any proceeds (in the case of any net share settlement), and we may owe cash (in the case of any cash settlement) or shares of our common stock (in the case of any net share settlement) to the relevant forward purchaser. We intend to use any cash proceeds that we receive upon physical settlement of any forward sale agreement, if physical settlement applies, or upon cash settlement of any forward sale agreement, if we elect cash settlement, for the purposes provided in the first paragraph of this section.

Certain of the sales agents and/or their affiliates are also lenders and/or agents under our and our subsidiaries' revolving credit facilities and receive customary fees and expenses in connection therewith. To the extent we use proceeds from this offering to repay indebtedness under our or our subsidiaries' revolving credit facilities, such sales agents and/or affiliates may receive proceeds from this offering. See "Plan of Distribution (Conflicts of Interest)—Conflicts of Interest".

LISTING OF OUR COMMON STOCK AND DIVIDENDS

Our common stock is listed on the NYSE under the symbol "WTRG." As of October 11, 2022, there were 262,290,761 shares of our common stock outstanding and as of June 30, 2022 there were options to acquire 860,341 shares of our common stock outstanding.

On October 13, 2022, the last reported sale price of our common stock on the NYSE was $40.27. As of October 13, 2022, there were 20,443 holders of record of our common stock.

We have historically paid quarterly dividends on our common stock; however, the declaration, amount, timing and payment of any future dividends are subject to the determination and approval of our board of directors based on then-current or anticipated future conditions, including our results of operations, capital requirements, financial condition, legal requirements or other factors deemed relevant by our board of directors. See "Risk Factors—Risks Related to this Offering and Our Common Stock—We may be unable to, or may choose not to, continue to pay dividends on our common stock at current or planned rates or at all."

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS TO NON-U.S. HOLDERS

The following is a summary of certain United States federal income tax consequences of the ownership and disposition of our common stock. This summary deals only with common stock that is held as a capital asset by a non-U.S. holder (as defined below).

A "non-U.S. holder" means a beneficial owner of our common stock (other than an entity or arrangement treated as a partnership for United States federal income tax purposes) that is not, for United States federal income tax purposes, any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those summarized below. This summary does not address all of the United States federal income tax consequences that may be relevant to you in light of your particular circumstances, nor does it address the Medicare tax on net investment income, United States federal estate and gift taxes or the effects of any state, local or foreign tax laws. In addition, it does not represent a detailed description of the United States federal income tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws (including if you are a United States expatriate, foreign pension fund, "controlled foreign corporation," "passive foreign investment company" or a partnership or other pass-through entity for United States federal income tax purposes). We cannot assure you that a change in law will not alter significantly the tax considerations that we describe in this summary.

If a partnership (or other entity or arrangement treated as a partnership for United States federal income tax purposes) holds our common stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partnership or a partner of a partnership considering an investment in our common stock, you should consult your tax advisors.

If you are considering the purchase of our common stock, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the ownership and disposition of our common stock, as well as the consequences to you arising under other United States federal tax laws and the laws of any other taxing jurisdiction.

Dividends

In the event that we make a distribution of cash or other property (other than certain pro rata distributions of our stock) in respect of our common stock, the distribution generally will be treated as a dividend for United States federal income tax purposes to the extent it is paid from our current or accumulated earnings and profits, as determined under United States federal income tax principles. Any portion of a distribution that exceeds our current and accumulated earnings and profits generally will be treated first as a tax-free return of capital, causing

a reduction in the adjusted tax basis of a non-U.S. holder's common stock, and to the extent the amount of the distribution exceeds a non-U.S. holder's adjusted tax basis in our common stock, the excess will be treated as gain from the disposition of our common stock (the tax treatment of which is discussed below under "—Gain on Disposition of Common Stock").

Dividends paid to a non-U.S. holder generally will be subject to withholding of United States federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, dividends that are effectively connected with the conduct of a trade or business by the non-U.S. holder within the United States (and, if required by an applicable income tax treaty, are attributable to a United States permanent establishment) are not subject to the withholding tax, provided certain certification and disclosure requirements are satisfied. Instead, such dividends are subject to United States federal income tax on a net income basis generally in the same manner as if the non-U.S. holder were a United States person as defined under the Code. Any such effectively connected dividends received by a foreign corporation may be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

A non-U.S. holder who wishes to claim the benefit of an applicable treaty rate and avoid backup withholding, as discussed below, for dividends will be required (a) to provide the applicable withholding agent with a properly executed Internal Revenue Service ("IRS") Form W-8BEN or Form W-8BEN-E (or other applicable form) certifying under penalty of perjury that such holder is not a United States person as defined under the Code and is eligible for treaty benefits or (b) if our common stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable United States Treasury regulations. Special certification and other requirements apply to certain non-U.S. holders that are pass-through entities rather than corporations or individuals.

A non-U.S. holder eligible for a reduced rate of United States federal withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Gain on Disposition of Common Stock

Subject to the discussion of backup withholding below, any gain realized by a non-U.S. holder on the sale or other disposition of our common stock generally will not be subject to United States federal income tax unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment of the non-U.S. holder);
- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or
- we are or have been a "United States real property holding corporation" for United States federal income tax purposes and certain other conditions are met.

A non-U.S. holder described in the first bullet point immediately above will be subject to tax on the gain derived from the sale or other disposition in the same manner as if the non-U.S. holder were a United States person as defined under the Code. In addition, if any non-U.S. holder described in the first bullet point immediately above is a foreign corporation, the gain realized by such non-U.S. holder may be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. An individual non-U.S. holder described in the second bullet point immediately above will be subject to a 30% (or such lower rate as may be specified by an applicable income tax treaty) tax on the gain derived from the sale or other disposition, which gain may be offset by United States source capital losses even though the individual is not considered a resident of the United States.

Generally, a corporation is a "United States real property holding corporation" if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (all as determined for United States federal income tax purposes). We believe we are not and do not anticipate becoming a "United States real property holding corporation" for United States federal income tax purposes. If, however, we are or become a "United States real property holding corporation," so long as our common stock is regularly traded on an established securities market during the calendar year in which the sale or other disposition occurs, only a non-U.S. holder who holds or held (at any time during the shorter of the five-year period preceding the date of disposition or the holder's holding period) more than 5% of our common stock will be subject to United States federal income tax on the sale or other disposition of our common stock.

Information Reporting and Backup Withholding

Distributions paid to a non-U.S. holder and the amount of any tax withheld with respect to such distributions generally will be reported to the IRS. Copies of the information returns reporting such distributions and any withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty.

A non-U.S. holder will not be subject to backup withholding on distributions received if such holder certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code), or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale or other disposition of our common stock made within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person as defined under the Code), or such owner otherwise establishes an exemption.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a non-U.S. holder's United States federal income tax liability, provided the required information is timely furnished to the IRS.

Additional Withholding Requirements

Under Sections 1471 through 1474 of the Code (such Sections commonly referred to as "FATCA"), a 30% United States federal withholding tax may apply to any dividends paid on our common stock to (1) a "foreign financial institution" (as specifically defined in the Code and whether such foreign financial institution is the beneficial owner or an intermediary) which does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (a) an exemption from FATCA, or (b) its compliance (or deemed compliance) with FATCA (which may alternatively be in the form of compliance with an intergovernmental agreement with the United States) in a manner which avoids withholding, or (2) a "non-financial foreign entity" (as specifically defined in the Code and whether such non-financial foreign entity is the beneficial owner or an intermediary) which does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (a) an exemption from FATCA, or (b) adequate information regarding certain substantial United States beneficial owners of such entity (if any). If a dividend payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under "—Dividends," an applicable withholding agent may credit the withholding under FATCA against, and therefore reduce, such other withholding tax. While withholding under FATCA would also have applied to payments of gross proceeds from the sale or other taxable disposition of our common stock, proposed United States Treasury regulations (upon which taxpayers may rely until final regulations are issued) eliminate FATCA withholding on payments of gross proceeds entirely. You should consult your own tax advisors regarding these requirements and whether they may be relevant to your ownership and disposition of our common stock.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of our common stock by (i) employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (ii) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any other U.S. or non-U.S. federal, state, local or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "Similar Laws"), and (iii) entities which are deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements (each of the foregoing described in clauses (i), (ii), and (iii) being referred to herein as a "Plan").

General Fiduciary Matters and Prohibited Transaction Issues

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (each referred to as a "Covered Plan") and prohibit certain transactions involving the assets of a Covered Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Covered Plan or the management or disposition of the assets of such a Covered Plan, or who renders investment advice for a fee or other compensation to such a Covered Plan, is generally considered to be a fiduciary of the Covered Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit Covered Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available, of which there are many. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the Covered Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code.

In considering an investment in our common stock with a portion of the assets of any Plan, a fiduciary of the Plan should consult with its counsel to determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code and any Similar Law relating to a fiduciary's duty to the Plan, including without limitation, the prudence, diversification and delegation of control provisions of ERISA, the Code and any other applicable Similar Laws, and to confirm that such purchase will not constitute or result in a non-exempt prohibited transaction.

Government plans, foreign plans and certain church plans, while not subject to the fiduciary responsibility provisions of Title I of ERISA or the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, may nevertheless be subject to Similar Laws. As noted above, fiduciaries of such Plans should consult with their counsel before acquiring shares of our common stock.

Representation

By its acceptance of our common stock, each purchaser and subsequent transferee will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or transferee to acquire our common stock constitutes assets of any Plan or (ii) the acquisition of our common stock by such purchaser or transferee will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing our common stock on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code or any Similar Law and whether an exemption would be required. Neither

this discussion nor anything provided in this prospectus is, or is intended to be, investment advice directed at any potential Plan purchasers, or at Plan purchasers generally, and such purchasers of our common stock should consult and rely on their own counsel and advisers as to whether an investment in our common stock is suitable for the Plan. The sale of our common stock to any Plan is in no respect a representation by us, a sales agent or any of our or their affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such investment is prudent or appropriate for plans generally or any particular Plan.

PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

We have entered into separate sales agreements, dated October 14, 2022, with each of the sales agents and, as applicable, principals, forward purchasers and forward sellers, under which we may offer and sell shares of our common stock having an aggregate gross sales price of up to $500,000,000 from time to time through the sales agents, acting as our sales agents, or, if applicable, as forward sellers, or directly to the sales agents acting as principals.

Sales of common stock pursuant to this prospectus supplement and the accompanying prospectus, if any, may be made in negotiated transactions or transactions that are deemed to be "at-the-market" transactions as defined in Rule 415 under the Securities Act, including sales made by means of ordinary brokers' transactions through the facilities of the NYSE at market prices, to or through a market maker, through an electronic communications network, in negotiated transactions, in any manner permitted by applicable law, or as otherwise agreed between the applicable sales agent and us.

The sales agreements also provide that, in addition to the issuance and sale of shares of our common stock by us through the sales agents or directly to the sales agents acting as principals, we may, as applicable, also deliver instructions to a sales agent specifying that such sales agent, as a forward seller, use commercially reasonable efforts to sell, from time to time, shares of our common stock borrowed by the applicable forward purchaser in connection with one or more forward sale agreements, as described below. In no event will the aggregate number of shares of our common stock sold under the sales agreements through the sales agents, each as an agent for us and, if applicable, as principal and as a forward seller, have an aggregate gross sales price in excess of $500,000,000.

None of the sales agents is required to sell any specific dollar amount of shares of our common stock, but each will, subject to the terms and conditions of the applicable sales agreement, use its commercially reasonable efforts to sell the shares offered as instructed by us.

In connection with the sale of shares of our common stock on our behalf, the sales agents, forward purchasers and/or forward sellers may each be deemed to be an "underwriter" within the meaning of the Securities Act, and some or all of the compensation paid to the sales agents, forward purchasers and forward sellers may be deemed to be underwriting commissions or discounts.

The net proceeds we receive from the sale of our common stock through a sales agent on our behalf pursuant to one or more of the separate sales agreements or to a sales agent acting as a principal will be the gross proceeds received from such sales less the compensation paid to the sales agents and any other costs we may incur in issuing and/or selling the shares of our common stock; provided, however, that we will not initially receive any proceeds from the sale of borrowed shares of our common stock by any forward seller. We expect to receive proceeds from the sale of shares of our common stock upon future physical settlement(s) of the relevant forward sale agreement with the relevant forward purchaser on dates specified by us on or prior to the maturity date of such forward sale agreement, in which case we will expect to receive, subject to certain adjustments, aggregate net cash proceeds at settlement equal to the number of shares underlying the relevant forward sale agreement, multiplied by the relevant forward sale price. If we elect to cash settle or net share settle a forward sale agreement, we may not receive any proceeds (in the case of cash settlement) or will not receive any proceeds (in the case of net share settlement), and we may owe cash (in the case of cash settlement) or shares of our common stock (in the case of net share settlement) to the relevant forward purchaser.

We intend to report to the SEC at least quarterly the number of shares of our common stock sold to or through the sales agents (including as forward sellers) under the sales agreements during the relevant quarterly period and the aggregate net proceeds to us in connection with such sales, together with any other information we reasonably believe is required to comply with the Securities Act and Exchange Act with respect to such sales.

Sales Through Sales Agents

From time to time during the term of the sales agreements, and subject to the terms and conditions set forth therein, we may deliver instructions to any of the sales agents. Upon receipt of such instructions from us, and subject to the terms and conditions of the sales agreements, each sales agent has agreed to use its commercially reasonable efforts consistent with its normal trading and sales practices to sell the amount of shares of our common stock specified in our instructions. The obligation of any sales agent under the sales agreements to sell shares of our common stock pursuant to our instructions is subject to a number of conditions, which such sales agent reserves the right to waive in its sole discretion. We or the relevant sales agent may suspend the offering of shares of our common stock at any time upon proper notice to the other, upon which the selling period will immediately terminate.

Settlement for sales of shares of our common stock will occur on the second trading day following the date on which the sales were made unless another date shall be agreed to in writing by us and the relevant sales agent.

We will pay each sales agent a commission equal to 1.00% of the sales price of all shares of our common stock sold through it as our agent under the sales agreements.

Sales Through Forward Sellers

From time to time during the term of the sales agreements, and subject to the terms and conditions set forth therein, we may enter into one or more forward sale agreements with a forward purchaser and deliver instructions to its sales agent, requesting that the sales agent execute sales of borrowed shares of our common stock as a forward seller in connection with the applicable forward sale agreement, and subject to the terms and conditions of the relevant sales agreement, the relevant forward purchaser will attempt to borrow, and such forward seller will use its commercially reasonable efforts consistent with its normal trading and sales practices to sell, such shares of our common stock on such terms to hedge such forward purchaser's exposure under such forward sale agreement. We or the relevant forward seller may immediately suspend the offering of shares of our common stock at any time upon proper notice to the other. We expect settlement between a forward purchaser and the relevant forward seller of sales of borrowed shares of our common stock, as well as the settlement between the relevant forward seller and buyers of such shares in the market, to occur on the second trading day following each date on which the sales are made. The obligation of each forward seller under the relevant sales agreement to execute such sales of shares of our common stock is subject to a number of conditions, which each forward seller reserves the right to waive in its sole discretion.

In connection with each forward sale agreement, the relevant forward seller will receive, reflected in a reduced initial forward sale price payable by the relevant forward purchaser under its forward sale agreement, a commission equal to 1.00% of the volume weighted average of the sales prices of all borrowed shares of our common stock sold during the applicable period by it as a forward seller. We refer to this commission rate as the forward selling commission.

The initial forward sale price per share under each forward sale agreement will equal the product of (1) an amount equal to one minus the applicable forward selling commission and (2) the volume weighted average price per share at which the borrowed shares of our common stock were sold pursuant to the relevant sales agreement by the relevant forward seller to hedge the relevant forward purchaser's exposure under such forward sale agreement. Thereafter, the forward sale price will be subject to the price adjustment provisions of the relevant forward sale agreement. If we elect to physically settle any forward sale agreement by delivering shares of our common stock, we will receive an amount of cash from the relevant forward purchaser equal to the product of the initial forward sale price per share under such forward sale agreement and the number of shares of our common stock underlying such forward sale agreement, subject to the price adjustment and other provisions of such forward sale agreement. Each forward sale agreement will provide that the initial forward sale price, as well as the sales prices used to calculate the initial forward sale price (in the case of sales over a number of days), will be subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread. In addition, the initial forward sale price will be subject to decrease on certain dates specified in

the relevant forward sale agreement by the amount per share of quarterly dividends we currently expect to declare during the term of such forward sale agreement. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price.

Under the terms of each forward sale agreement, we generally have the right to elect physical, cash or net share settlement. Subject to the provisions of such forward sale agreement, delivery of our shares on any physical settlement or, to the extent we are obligated to deliver shares of our common stock, net share settlement will result in dilution to our earnings per share and return on equity. If we elect to cash or net share settle all or a portion of the shares of our common stock underlying any forward sale agreement, we would expect the relevant forward purchaser or one of its affiliates to purchase shares of our common stock in secondary market transactions over an unwind period to:

- return shares of our common stock to securities lenders in order to unwind such forward purchaser's hedge position (after taking into consideration any shares of our common stock to be delivered by us to such forward purchaser, in the case of net share settlement); and
- if applicable, in the case of net share settlement, deliver shares of our common stock to us to the extent required in settlement of such forward sale agreement.

If the price of our common stock at which these purchases are made is below the relevant forward sale price, such forward purchaser will pay us such difference in cash (if we cash settle) or deliver to us shares of our common stock having a market value equal to such difference (if we net share settle). If the price of our common stock at which these purchases are made exceeds the applicable forward sale price, we will pay such forward purchaser an amount in cash equal to such difference (if we elect to cash settle) or we will deliver to such forward purchaser a number of shares of our common stock having a market value equal to such difference (if we elect to net share settle). Any such difference could be significant.

In addition, the purchase of our common stock by a forward purchaser or its affiliate to unwind the forward purchaser's hedge position could cause the price of our common stock to increase over time, thereby increasing the amount of cash (in the case of cash settlement), or the number of shares (in the case of net share settlement), that we would owe such forward purchaser upon settlement of the applicable forward sale agreement or decrease the amount of cash (in the case of cash settlement), or the number of shares (in the case of net share settlement), that such forward purchaser would owe us upon settlement of the applicable forward sale agreement.

A forward purchaser will have the right to accelerate a forward sale agreement that it enters into with us and require us to physically settle such forward sale agreement on a date specified by such forward purchaser if:

- in such forward purchaser's commercially reasonable judgment, it or its affiliate is unable to hedge (or maintain a hedge of) its exposure under such forward sale agreement in a commercially reasonable manner because (x) insufficient shares of our common stock have been made available by securities lenders for borrowing or (y) the forward purchaser or its affiliate would incur a stock borrowing cost in excess of a specified threshold;
- we declare or issue any dividend or distribution on shares of our common stock
  - payable in cash in excess of specified amounts or that otherwise constitutes an extraordinary dividend under the forward sale agreement,
  - payable in securities of another company as a result of a spinoff or similar transaction,
  - of any other type of securities (other than our common stock) or assets for consideration of less than the prevailing market price, as determined in a commercially reasonable manner by the calculation agent (as defined in the applicable sales agreement), or
  - that is, by its terms or declared intent, outside the normal course of our operations or normal dividend policies or practices;

- certain ownership thresholds applicable to such forward purchaser and its affiliates are exceeded;
- an intended event is announced that if consummated would result in a specified extraordinary event under such forward sale agreement (including certain mergers or tender offers, as well as certain events involving our nationalization, insolvency or a delisting of our common stock) or an event occurs that would constitute a hedging disruption or change in law; or
- certain other events of default, termination events or other specified events occur, including, among others, any material misrepresentation made in connection with such forward sale agreement or our insolvency (each as more fully described in each forward sale agreement).

A forward purchaser's decision to exercise its right to accelerate any forward sale agreement and to require us to settle any such forward sale agreement will be made irrespective of our interests, including our need for capital. In such cases, we could be required to issue and deliver shares of our common stock under the terms of the physical settlement provisions of the applicable forward sale agreement irrespective of our capital needs, which would result in dilution to our earnings per share and may adversely affect the market price of our common stock. In addition, upon certain events of bankruptcy or insolvency relating to us, the forward sale agreement will automatically terminate without further liability of either party (other than in the event of a breach by us of certain representations or warranties contained in the forward sale agreement). Following any such termination, we would not issue any shares of common stock and we would not receive any proceeds pursuant to the forward sale agreement.

Provisions of the Sales Agreements

We have agreed to indemnify the sales agents and the forward purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the sales agents may be required to make in respect of those liabilities.

If a sales agent or we have reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied, that party will promptly notify the other and sales of common stock under the sales agreements will be suspended until that or other exemptive provisions have been satisfied in the judgment of the sales agents and us.

Because there is no minimum offering amount contemplated by the sales agreements, commissions and net proceeds to us from the sale of shares of our common stock under this prospectus supplement and the accompanying prospectus, if any, are not determinable at this time. We estimate that the total expenses from this offering payable by us, including among others SEC registration fees, legal fees and accounting fees but excluding compensation payable to the sales agents under the sales agreements and expense reimbursement payable to the sales agents under the terms of the sales agreements, will be approximately $560,000.

The offering of shares of our common stock pursuant to the sales agreements will terminate upon the earlier of (1) the sale of shares of our common stock subject to the sales agreements (including shares sold by us to or through the sales agents and borrowed shares sold through the sales agents, acting as forward sellers) and any terms agreement having an aggregate gross sales price of $500,000,000 and (2) with respect to a particular sales agreement or terms agreement, the termination of such sales agreement by us or by the applicable sales agent as permitted therein.

The sales agreements also provide that we may sell shares of common stock to a sales agent as principal for its own account at a price agreed upon at the time of the sale. If we sell shares of common stock to a sales agent as principal, then we will enter into a separate terms agreement with that sales agent setting forth the terms of such transaction, and as applicable, we will describe that terms agreement in a separate prospectus supplement or pricing supplement.

This summary of the material provisions of the sales agreements does not purport to be a complete statement of the terms and conditions. A copy of the form of sales agreement is filed as an exhibit to a report filed under the Securities Exchange Act of 1934, as amended, and incorporated by reference in this prospectus supplement. See "Where You Can Find More Information; Incorporation of Certain Information by Reference."

Relationships with Sales Agents

In the ordinary course of their business, certain of the sales agents and/or their affiliates have in the past performed, and may continue to perform, investment banking, broker dealer, lending, financial advisory or other services for us for which they have received, or may receive, separate fees. Certain of the sales agents and/or their affiliates have acted, and may act, as underwriters and/or initial purchasers with respect to our securities offerings and have received, and may in the future receive, customary fees and expenses in connection therewith.

The sales agents and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. In the ordinary course of their business, the sales agents and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Company. The sales agents and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Conflicts of Interest

Certain of the sales agents and/or their affiliates are also lenders and/or agents under our and our subsidiaries' revolving credit facilities and receive customary fees and expenses in connection therewith. To the extent we use proceeds from this offering to repay indebtedness under our or our subsidiaries' revolving credit facilities, such sales agents and/or affiliates may receive proceeds from this offering. Because such sales agents and/or affiliates may receive more than 5% of the net proceeds of this offering, the sales agents may be deemed to have a "conflict of interest" under FINRA Rule 5121. Accordingly, this offering is being made in compliance with the applicable provisions of FINRA Rule 5121. The appointment of a "qualified independent underwriter" is not required in connection with this offering as a "bona fide public market," as defined in FINRA Rule 5121, exists for our common stock. In addition, to comply with FINRA Rule 5121, each of the sales agents will not confirm any sales to any account over which it exercises discretionary authority without the specific written approval of the transaction from the account holder.

Selling Restrictions

Other than in the United States, no action has been taken by us, the sales agents or the forward purchasers that would permit a public offering of the securities offered by this prospectus supplement and the accompanying prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus supplement and the accompanying prospectus may not be offered or sold, directly or indirectly, nor may this prospectus supplement and the accompanying prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus supplement and the accompanying prospectus come are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus supplement and the accompanying prospectus. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus supplement and the accompanying prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

LEGAL MATTERS

Certain legal matters will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York. Ballard Spahr LLP, Philadelphia, Pennsylvania, will issue an opinion regarding certain matters of Pennsylvania law, including the validity of the securities offered by the prospectus supplement. Certain legal matters will be passed upon for the sales agents and forward purchasers by Cravath, Swaine & Moore LLP, New York, New York.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus supplement by reference to the Annual Report on Form 10-K for the year ended December 31, 2021 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND ADDITIONAL INFORMATION; INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We file annual, quarterly and current reports, proxy statements and other information with the SEC. The SEC maintains a website at *www.sec.gov* that contains periodic and current reports, proxy and information statements, and other information regarding registrants that are filed electronically with the SEC.

These documents are also available, free of charge, through the Investors section of our website, which is located at *www.essential.co*. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider information on our website to be part of this prospectus supplement or the accompanying prospectus.

We have filed with the SEC a "shelf" registration statement on Form S-3 under the Securities Act of 1933 relating to the securities that may be offered by this prospectus supplement. This prospectus supplement is a part of that registration statement, but does not contain all of the information in the registration statement. We have omitted certain parts of the registration statement in accordance with rules and regulations of the SEC. Statements made in this prospectus supplement as to the contents of any contract, agreement or other documents are not necessarily complete, and, in each instance, we refer you to a copy of such document filed as an exhibit to the registration statement, of which this prospectus supplement is a part, or otherwise filed with the SEC. For more detail about us and any securities that may be offered by this prospectus supplement, you may examine the registration statement on Form S-3 and the exhibits filed with it at the locations listed in the previous paragraph.

The SEC allows us to "incorporate by reference" into this prospectus supplement and the accompanying prospectus the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement. When we file information with the SEC in the future, that information will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we will make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities covered by this prospectus supplement or this offering is terminated; provided, however, that we are not incorporating, in each case, any portions of documents or information furnished or deemed to have been furnished and not filed in accordance with SEC rules:

- Our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on March 1, 2022;
- Our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2022 and June 30, 2022 filed with the SEC on May 10, 2022 and August 9, 2022, respectively;

- The portions of our Definitive Proxy Statement on Schedule 14A filed with the SEC on March 21, 2022, that are incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended December 31, 2021;

- Our Current Report on Form 8-K filed with the SEC on February 18, 2022, March 4, 2022, March 21, 2022, May 12, 2022 and May 20, 2022; and

- The description of our common stock set forth in our Registration Statement on Form 8-A, including any amendments or reports filed for the purpose of updating such description.

These documents contain important business and financial information about us that is not included in or delivered with this prospectus supplement. You may request a copy of any or all documents that we incorporate by reference at no cost, by writing or telephoning us at:

Essential Utilities, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010-3489
Telephone: 610-527-8000
Attention: Corporate Secretary

We have not, and the sales agents and forward purchasers have not, authorized anyone to provide you with any information other than that contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus we may provide to you in connection with this offering. Neither we nor the sales agents or forward purchasers take any responsibility for, or provide any assurances as to the reliability of, any additional or different information that others may give you. You should assume that the information contained in this prospectus supplement, the accompanying prospectus and any free writing prospectus we may provide to you in connection with this offering is accurate only as of their respective dates or as of the respective dates specified in such information, as applicable, and the information contained in documents incorporated by reference is accurate only as of the respective dates of those documents or as of the respective dates specified in such information, as applicable, in each case regardless of the time of delivery of this prospectus supplement or the accompanying prospectus or any such free writing prospectus or any sale of our common stock. Our business, financial condition, results of operations and prospects may have changed since those dates.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained herein, in any other subsequently filed document which also is or is deemed to be incorporated by reference herein or in the accompanying prospectus, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified and superseded, to constitute a part of this prospectus supplement.

PROSPECTUS

ESSENTIAL UTILITIES, INC.

Common Stock
Preferred Stock
Common Stock Purchase Contracts
Warrants
Units
Depositary Shares
Debt Securities

Essential Utilities, Inc. may, from time to time, in one or more offerings, offer and sell common stock, preferred stock, common stock purchase contracts, warrants, units, depositary shares and debt securities. The debt securities and preferred stock may be convertible into or exchangeable or exercisable for other securities. We will provide specific terms of any offering and the offered securities in supplements to this prospectus. The prospectus supplements may also add, update or change information contained in this prospectus.

We may offer and sell these securities to or through underwriters, dealers or agents, directly to purchasers or through a combination of these methods. If an offering of securities involves any underwriters, dealers or agents, then the names of the underwriters, dealers or agents and the terms of the arrangements with such entities will be stated in an accompanying prospectus supplement.

Our common stock is listed on the New York Stock Exchange under the symbol "WTRG." The last reported sale of the common stock on the New York Stock Exchange on April 14, 2021 was $46.87 per share. We have not yet determined whether any of the other securities that may be offered by this prospectus will be listed on any exchange, inter-dealer quotation system or over-the-counter market. If we decide to seek listing of any such securities upon issuance, an accompanying prospectus supplement will disclose the exchange, quotation system or market on which the securities will be listed.

The prospectus may not be used to sell our securities unless it is accompanied by a prospectus supplement.

Investing in our securities involves risk. Before you invest, you should carefully read and evaluate the risk factors and other information included in this prospectus and any applicable prospectus supplement, including the documents incorporated by reference. See "Risk Factors" beginning on page 4 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is April 15, 2021.

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ABOUT THIS PROSPECTUS

This document is called a prospectus and is part of a registration statement that we filed with the Securities and Exchange Commission (SEC) using a "shelf" registration process. Under this shelf process, we may, from time to time, in one or more offering, offer and sell common stock, preferred stock, common stock purchase contracts, warrants, units, depositary shares and debt securities. This prospectus provides you with a general description of the securities we may offer. Each time we sell any securities under this prospectus, we will provide a prospectus supplement that will contain specific information about the terms of that offering and the offered securities. That prospectus supplement may include a discussion of any risk factors or other special considerations applicable to those securities. The prospectus supplement also may add, update or change information contained in this prospectus. You should read both this prospectus and the applicable prospectus supplement and the exhibits filed with our registration statement together with the additional information described below under the heading "Where You Can Find More Information" before you decide whether to invest in the securities.

The registration statement (including the exhibits) of which this prospectus is a part contains additional information about us and the securities we may offer by this prospectus. Specifically, we have filed certain legal documents that control the terms of the securities offered by this prospectus as exhibits to the registration statement. We will file certain other legal documents that will control the terms of the securities we may offer by this prospectus as exhibits to the registration statement or to reports we file with the SEC. The registration statement and the reports can be read at the SEC website or at the SEC offices mentioned under the heading "Where You Can Find More Information."

We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus, any prospectus supplements or any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this document is accurate only as of the date on the front cover of this document. Our business, financial condition, results of operations and prospects may have changed since that date.

Except as otherwise provided in this prospectus, unless the context otherwise requires, references in this prospectus to "Essential Utilities," "we", "us", "our", "Registrant" or the "Company" refer to Essential Utilities, Inc. and its direct and indirect subsidiaries. In addition, references to "Aqua Pennsylvania" refer to our wholly-owned subsidiary, Aqua Pennsylvania, Inc., and its subsidiaries, and references to "Peoples" refer to our wholly-owned subsidiaries Peoples Natural Gas Company LLC, Peoples Gas Company LLC, Peoples Gas West Virginia, Inc., Peoples Gas Kentucky, Inc., and Delta Natural Gas Company Inc., and their subsidiaries.

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus, or incorporated by reference into this prospectus, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are made based upon, among other things, our current assumptions, expectations, plans, and beliefs concerning future events and their potential effect on us. These forward-looking statements involve risks, uncertainties and other factors, many of which are outside our control that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. In some cases you can identify forward-looking statements where statements are preceded by, followed by or include the words "believes," "expects," "anticipates," "plans," "future," "potential," "probably,"

“predictions,” “intends,” “will,” “continue” “in the event” or the negative of such terms or similar expressions. Forward-looking statements in this prospectus, or incorporated by reference into this prospectus, include, but are not limited to, statements regarding:

- the impact of the novel coronavirus (“COVID-19”) pandemic or the measures implemented by the Company as a result of the COVID-19 pandemic.
- expectations regarding the impact of the integration of the Peoples Gas Acquisition (as defined below);
- opportunities for future acquisitions, both within and outside the water, wastewater, and natural gas industries, the success of pending acquisitions and the impact of future acquisitions;
- acquisition-related costs and synergies;
- the sale of water, wastewater, and/or gas subsidiaries;
- the impact of conservation awareness of customers and more efficient fixtures and appliances on water and natural gas usage per customer;
- our authority to carry on our business without unduly burdensome restrictions;
- our capability to pursue timely rate increase requests;
- the capacity of our water supplies, water facilities, wastewater facilities, and natural gas supplies and storage facilities;
- the impact of decisions of governmental and regulatory bodies, including decisions to raise or lower rates and decisions regarding potential acquisitions;
- developments, trends and consolidation in the water, wastewater, and natural gas utility and infrastructure industries;
- the impact of changes in and compliance with governmental laws, regulations and policies, including those dealing with the environment, health and water quality, taxation, and public utility regulation;
- the development of new services and technologies by us or our competitors;
- the availability of qualified personnel;
- the condition of our assets;
- recovery of capital expenditures and expenses in rates;
- projected capital expenditures and related funding requirements;
- the availability and cost of capital financing;
- dividend payment projections;
- the impact of geographic diversity on our exposure to unusual weather;
- the continuation of investments in strategic ventures;
- our ability to obtain fair market value for condemned assets;
- the impact of fines and penalties;
- the impact of legal proceedings;
- general economic conditions;
- the impact of federal and/or state tax policies and the regulatory treatment of the effects of those policies; and
- the amount of income tax deductions for qualifying utility asset improvements and the Internal Revenue Service’s ultimate acceptance of the deduction methodology.

Because forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including but not limited to:

- impacts from the global outbreak of COVID-19, including on consumption, usage and collections
- the diversion of our management's time and resources caused by the integration efforts with respect to the Peoples Gas business and associated system implementations;
- the success in the closing of, and the profitability of future acquisitions;
- changes in general economic, business, credit and financial market conditions;
- our ability to manage the expansion of our business, including our ability to manage our expanded operations resulting from the Peoples Gas Acquisition;
- our ability to integrate and otherwise realize all of the anticipated benefits of businesses, technologies or services which we may acquire;
- changes in environmental conditions, including the effects of climate change;
- the decisions of governmental and regulatory bodies, including decisions on regulatory filings, including rate increase requests and decisions regarding potential acquisitions;
- our ability to file rate cases on a timely basis to minimize regulatory lag;
- abnormal weather conditions, including those that result in water availability, water use restrictions, gas availability or usage, or electricity interruptions;
- the seasonality of our business;
- our ability to treat and supply water or collect and treat wastewater;
- our ability to source sufficient natural gas to meet customer demand in a timely manner;
- the continuous and reliable operation of our information technology systems, including the impact of cyber security attacks or other cyber-related events;
- changes in governmental laws, regulations and policies, including those dealing with taxation, the environment, health and water quality, and public utility regulation;
- the extent to which we are able to develop and market new and improved services;
- the effect of the loss of major customers;
- our ability to retain the services of key personnel and to hire qualified personnel as we expand;
- labor disputes;
- increasing difficulties in obtaining insurance and increased cost of insurance;
- cost overruns relating to improvements to, or the expansion of, our operations;
- increases in the costs of goods and services;
- the effect of natural gas price volatility;
- civil disturbance or terroristic threats or acts;
- changes to the rules or our assumptions underlying our determination of what qualifies for an income tax deduction for qualifying utility asset improvements;
- changes in, or unanticipated, capital requirements;
- changes in our credit rating or the market price of our common stock;

- changes in valuation of strategic ventures;
- the phase-out of the London Interbank Offered Rate ("LIBOR"), or the replacement of LIBOR with a different reference rate or modification of the method used to calculate LIBOR, which may adversely affect interest rates;
- changes in accounting pronouncements;
- litigation and claims; and
- restrictions on our subsidiaries' ability to make dividends and other distributions.

Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. You should read this prospectus and the documents that we incorporate by reference into this prospectus completely and with the understanding that our actual results, performance and achievements may be materially different from what we expect. These forward-looking statements represent assumptions, expectations, plans and beliefs only as of the date of this prospectus, the date of the document containing the applicable statement or the date specified in such statement, as applicable. Except for our ongoing obligations to disclose certain information under the federal securities laws, we are not obligated, and assume no obligation, to update these forward-looking statements, even though our situation may change in the future. For further information or other factors which could affect our financial results and such forward-looking statements, see "Risk Factors." We qualify all of our forward-looking statements by these cautionary statements.

ESSENTIAL UTILITIES, INC.

Essential Utilities, Inc. is a Pennsylvania corporation and the holding company for regulated utilities providing water, wastewater, or natural gas services to an estimated five million people in Pennsylvania, Ohio, Texas, Illinois, North Carolina, New Jersey, Indiana, Virginia, West Virginia, and Kentucky under the Aqua and Peoples brands. Essential Utilities, which prior to its name change on February 3, 2020 was known as Aqua America, Inc., was formed in 1968 as a holding company for its primary subsidiary, Aqua Pennsylvania, formerly known as Philadelphia Suburban Water Company.

Our principal executive office is located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010-3489, and our telephone number is 610-527-8000. Our website may be accessed at www.essential.co. The references to our website and the SEC's website are intended to be inactive textual references only, and the contents of those websites are not incorporated by reference herein and should not be considered part of this prospectus.

RISK FACTORS

Investing in our securities involves risks. Please see the risk factors described under the section captioned "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020, as such risk factors may be updated from time to time in filings we make with the SEC subsequent to the date hereof. Before making an investment decision, you should carefully consider these risk factors, together with all other information contained in or incorporated by reference into this prospectus or any applicable prospectus supplement (which includes information contained in certain filings we make with the SEC subsequent to the date hereof as set forth in the section below captioned "Where You Can Find More Information"). Please also refer to the section above captioned "Forward-Looking Statements."

USE OF PROCEEDS

Unless we otherwise specify in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities we may offer by this prospectus to fund our capital expenditures, to provide capital for our growth strategy, which includes potential future acquisitions of municipally owned and investor-owned water and wastewater systems, regulated utilities and infrastructure projects, and market-based activities complementary to our regulated business, to fund the integration of any businesses that we acquire into our existing business, and to purchase and maintain plant equipment, as well as for working capital and other general corporate purposes. Our management will have broad discretion in the allocation of net proceeds from the sale of any securities sold by us.

DESCRIPTION OF CAPITAL STOCK

As of April 9, 2021, our authorized capital stock was 601,770,819 shares, consisting of:

- 600,000,000 shares of common stock, par value $0.50 per share, of which 245,636,516 shares were outstanding; and
- 1,770,819 shares of preferred stock, par value $1.00 per share, of which no shares were outstanding.

The following summary of certain terms of our common stock and preferred stock is qualified in its entirety by the provisions of our Amended and Restated Articles of Incorporation and Amended and Restated Bylaws, each of which is incorporated by reference as an exhibit to the registration statement of which this prospectus constitutes a part.

Common Stock

This section describes the general terms of our common stock. For more detailed information, you should refer to our articles of incorporation and bylaws, including any amendments thereto, copies of which have been filed with the SEC. These documents are incorporated by reference into this prospectus.

Voting Rights

Holders of our common stock are entitled to one vote for each share held by them at all meetings of the shareholders and are not entitled to cumulate their votes for the election of directors.

Dividend Rights and Limitations

Holders of our common stock may receive dividends when declared by our board of directors. Because we are a holding company, the funds we use to pay any dividends on our common stock are derived predominantly from the dividends that we receive from our direct and indirect subsidiaries. Therefore, our ability to pay dividends to holders of our common stock depends upon the subsidiaries' earnings, financial condition and ability to pay dividends. Most of our subsidiaries are subject to regulation by state utility commissions and the amounts of their earnings and dividends are affected by the manner in which they are regulated. In addition, they are subject to restrictions on the payment of dividends contained in their various debt agreements. Under the most restrictive debt agreements, the amount available for payment of dividends to us as of December 31, 2020 was approximately $1,729,269,000 of Aqua Pennsylvania's retained earnings and $276,283,000 of the retained earnings of certain other subsidiaries. Payment of dividends on common stock is also subject to the preferential rights of the holders of any outstanding preferred stock.

Liquidation Rights

In the event that we liquidate, dissolve or wind-up, the holders of our common stock are entitled to share ratably in all of the assets that remain after we pay our liabilities. This right is subject, however, to the prior distribution rights of any outstanding preferred stock.

Listing

Our common stock is listed on the New York Stock Exchange, or NYSE, under the symbol "WTRG."

Preferred Stock

Our board of directors has the authority, from time to time and without further action by our shareholders, to divide our unissued capital stock into one or more classes and one or more series within any class and to make determinations of the designation and number of shares of any class or series and determinations of the voting rights, preferences, limitations and special rights, if any, of the shares of any class or series. The rights, preferences, limitations and special rights of different classes of capital stock may differ with respect to dividend rates, amounts payable on liquidation, voting rights, conversion rights, redemption provisions, sinking fund provisions and other matters. The rights, preferences, privileges and restrictions of each series may be fixed by the designations of that series set forth in either a restated version of our articles of incorporation or a certificate of designations relating to that series, which will be filed with the SEC as an exhibit to or incorporated by reference in the registration statement of which this prospectus constitutes a part.

The issuance of preferred stock may be perceived by some as possibly having the effect of delaying, deferring or preventing a change of control of us without further action by our shareholders. The issuance of preferred stock with voting and conversion rights may also adversely affect the voting power of the holders of our common stock. In certain circumstances, an issuance of preferred stock could possibly have the effect of decreasing the market price of our common stock.

Whenever preferred stock is to be sold pursuant to this prospectus, we will file a prospectus supplement relating to that sale which will specify:

- the number of shares in the series of preferred stock;
- the designation for the series of preferred stock by number, letter or title that will distinguish the series from any other series of preferred stock;
- the dividend rate, if any, and whether dividends on that series of preferred stock will be cumulative, noncumulative or partially cumulative;
- the voting rights of that series of preferred stock, if any;
- any conversion provisions applicable to that series of preferred stock;
- any redemption or sinking fund provisions applicable to that series of preferred stock;
- any preemptive rights provisions applicable to that series of preferred stock;
- the liquidation preference per share of that series of preferred stock; and
- the terms of any other preferences or rights, if any, applicable to that series of preferred stock.

Anti-Takeover Provisions

Pennsylvania State Law Provisions

Under Section 1712 of the Pennsylvania Business Corporation Law of 1988, as amended, or the PBCL, which is applicable to us, directors stand in a fiduciary relation to their corporation and, as such, are required to perform their duties in good faith, in a manner they reasonably believe to be in the best interests of the

corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. Under Section 1715 of the PBCL, in discharging their duties, directors may, in considering the best interests of their corporation, consider various constituencies, including, shareholders, employees, suppliers, customers and creditors of the corporation, and upon communities in which offices or other establishments of the corporation are located. Directors are not required to give prominent consideration to the interests of any particular constituency. Absent a breach of fiduciary duty, a lack of good faith or self-dealing, any act of the board of directors, a committee thereof or an individual director is presumed to be in the best interests of the corporation. Actions by directors relating to an acquisition or potential acquisition of control of the corporation are not subject to any greater obligation to justify, or higher burden of proof, than is applied to any other acts of directors. The PBCL expressly provides that the fiduciary duty of directors does not require them to (i) redeem or otherwise render inapplicable outstanding rights issued under any shareholder rights plan; (ii) render inapplicable the anti-takeover statutes set forth in Chapter 25 of the PBCL (described below); or (iii) take any action solely because of the effect it may have on a proposed acquisition or the consideration to be received by shareholders in such a transaction. In addition, Section 2513 of the PBCL specifically validates shareholder rights plans, or "poison pills," and the discriminatory dilution provisions contained in such plans.

Chapter 25 of the PBCL contains several anti-takeover statutes applicable to publicly-traded corporations. Corporations may opt-out of such anti-takeover statutes under certain circumstances. We have not opted-out of any of such statutes.

Section 2538 of Subchapter 25D of the PBCL requires certain transactions with an "interested shareholder" to be approved by a majority of disinterested shareholders. "Interested shareholder" is defined broadly to include any shareholder who is a party to the transaction or who is treated differently than other shareholders and affiliates of the interested shareholder.

Subchapter 25E of the PBCL requires a person or group of persons acting in concert which acquires 20% or more of the voting shares of the corporation to offer to purchase the shares of any other shareholder at "fair value." "Fair value" means the value not less than the highest price paid per share by the controlling person or group during the 90-day period prior to the control transaction, plus a control premium. Among other exceptions, Subchapter 25E does not apply to shares acquired directly from the corporation in a transaction exempt from the registration requirements of the Securities Act, or to a one-step merger.

Subchapter 25F of the PBCL generally establishes a 5-year moratorium on a "business combination" with an "interested shareholder." "Interested shareholder" is defined generally to be any beneficial owner of 20% or more of the corporation's voting stock or an affiliate or associate of the corporation that at any time within the prior five-year period was a beneficial owner of 20% or more of the corporation's voting stock. "Business combination" is defined broadly to include mergers, consolidations, asset sales and certain self-dealing transactions. Certain restrictions apply to business combination following the 5-year period. Among other exceptions, Subchapter 25F will be rendered inapplicable if the board of directors approves the proposed business combination, or approves the interested shareholder's acquisition of 20% of the voting shares, in either case prior to the date on which the shareholder first becomes an interested shareholder.

Subchapter 25G of the PBCL provides that "control shares" lose voting rights unless such rights are restored by the affirmative vote of a majority of (i) the disinterested shares (generally, shares held by persons other than the acquiror, executive officers of the corporation and certain employee stock plans) and (ii) the outstanding voting shares of the corporation. "Control shares" are defined as shares which, upon acquisition, will result in a person or group acquiring for the first time voting control over (a) 20%, (b) 33 1/3% or (c) 50% or more of the outstanding shares, together with shares acquired within 180 days of attaining the applicable threshold and shares purchased with the intention of attaining such threshold. A corporation may redeem control shares if the acquiring person does not request restoration of voting rights as permitted by Subchapter 25G. Among other exceptions, Subchapter 25G does not apply to a merger, consolidation or a share exchange if the corporation is a party to the transaction agreement.

Subchapter 25H of the PBCL provides in certain circumstances for the recovery by the corporation of profits realized from the sale of its stock by a controlling person or group if the sale occurs within 18 months after the controlling person or group became a controlling person or group, and the stock was acquired during such 18-month period or within 24 months before such period. A controlling person or group is a person or group that has acquired, offered to acquire, or publicly disclosed an intention to acquire 20% or more of the voting shares of the corporation or a person or group that has otherwise publicly disclosed or caused to be disclosed that it may seek to acquire control of the corporation through any means. Among other exceptions, Subchapter 25H does not apply to transactions approved by both the board of directors and the shareholders prior to the acquisition or distribution, as appropriate.

Subchapter 25I of the PBCL mandates severance compensation for eligible employees who are terminated within 24 months after the approval of a control-share acquisition. Eligible employees generally are all employees employed in Pennsylvania for at least two years prior to the control-share approval. Severance equals the weekly compensation of the employee multiplied by the employee's years of service (up to 26 years), less payments made due to the termination.

Subchapter 25J of the PBCL requires the continuation of certain labor contracts relating to business operations owned at the time of a control-share approval.

Articles of Incorporation and Bylaw Provisions

Certain provisions of our articles of incorporation and bylaws may have the effect of discouraging unilateral tender offers or other attempts to take over and acquire our business. These provisions might discourage some potentially interested purchaser from attempting a unilateral takeover bid for us on terms which some shareholders might favor. Our articles of incorporation require that certain fundamental transactions must be approved by the holders of 75% of the outstanding shares of our capital stock entitled to vote on the matter unless at least a majority of the members of the board of directors has approved the transaction, in which case the required shareholder approval will be the minimum approval required by applicable law. The fundamental transactions that are subject to this provision are those transactions that require approval by shareholders under applicable law or the articles of incorporation. These transactions include certain amendments of our articles of incorporation or bylaws, certain sales or other dispositions of our assets, certain issuances of our capital stock, or certain transactions involving our merger, consolidation, division, reorganization, dissolution, liquidation or winding up. Our articles of incorporation and bylaws provide that:

- a special meeting of shareholders may only be called by the chairman, the president, the board of directors or shareholders entitled to cast a majority of the votes which all shareholders are entitled to cast at the particular meeting;
- nominations for election of directors may be made by any shareholder entitled to vote for election of directors if the name of the nominee and certain information relating to the nominee is filed with our corporate secretary not less than 14 days nor more than 50 days before any meeting of shareholders to elect directors; and
- certain advance notice procedures must be met for shareholder proposals to be made at annual meetings of shareholders. These advance notice procedures generally require a notice to be delivered not less than 90 days nor more than 120 days before the anniversary date of the immediately preceding annual meeting of shareholders.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

DESCRIPTION OF COMMON STOCK PURCHASE CONTRACTS

We may issue stock purchase contracts, representing contracts entitling or obligating holders to purchase from us, and us to sell to the holders, a specified number of shares or amount of common stock at a future date or dates. The price per share of common stock may be fixed at the time each contract is issued or may be determined by reference to a specific formula set forth in the contract. Each common stock purchase contract may be issued separately or as a part of a unit, each consisting of a common stock purchase contract and, as security for the holder's obligation to purchase the common stock under the contract, the following:

- our senior debt securities or subordinated debt securities described under "Description of Debt Securities;"
- debt obligations of third parties, including U.S. Treasury securities;
- any other asset as security described in the applicable prospectus supplement; or
- any combination of the foregoing.

Each common stock purchase contract may require us to make periodic payments to the holder of the unit or vice versa, and such payments may be unsecured or prefunded on some basis discussed in the applicable prospectus supplement. Each common stock purchase contract may require holders to secure their obligations thereunder in a specified manner and, in certain circumstances, we may deliver a newly issued prepaid common stock purchase contract, which is referred to as a "prepaid security," upon release to a holder of any collateral securing such holder's obligations under the original contract.

The applicable prospectus supplement will describe the terms of any common stock purchase contract and, if applicable, prepaid security. The description in the prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to the contracts, the collateral arrangements and depositary arrangements, if applicable, relating to such contracts and, if applicable, the prepaid securities and the documents pursuant to which such prepaid securities will be issued. The applicable prospectus supplement will also describe the material United States federal income tax considerations applicable to the common stock purchase contracts.

DESCRIPTION OF WARRANTS

General

The following summary of certain provisions of the warrants does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the warrant agreement that will be filed with the SEC in connection with the offering of such warrants.

We may issue warrants for the purchase of debt securities, preferred stock or common stock. Warrants may be issued independently or together with debt securities, preferred stock or common stock offered by any prospectus supplement and may be attached to or separate from any such offered securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between the Company and a bank or trust company, as warrant agent. The warrant agent will act solely as the Company's agent in connection with the warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants.

Debt Warrants

The prospectus supplement relating to a particular issue of debt warrants will describe the terms of such debt warrants, including the following: (a) the title of such debt warrants; (b) the offering price for such debt warrants, if any; (c) the aggregate number of such debt warrants; (d) the designation and terms of the debt securities purchasable upon exercise of such debt warrants; (e) if applicable, the designation and terms of the debt securities with which such debt warrants are issued and the number of such debt warrants issued with each

such debt security; (f) if applicable, the date from and after which such debt warrants and any debt securities issued therewith will be separately transferable; (g) the principal amount of debt securities purchasable upon exercise of a debt warrant and the price at which such principal amount of debt securities may be purchased upon exercise (which price may be payable in cash, securities, or other property); (h) the date on which the right to exercise such debt warrants shall commence and the date on which such right shall expire; (i) if applicable, the minimum or maximum amount of such debt warrants that may be exercised at any one time; (j) whether the debt warrants represented by the debt warrant certificates or debt securities that may be issued upon exercise of the debt warrants will be issued in registered or bearer form; (k) information with respect to book-entry procedures, if any; (1) the currency or currency units in which the offering price, if any, and the exercise price are payable; (m) if applicable, a discussion of material United States federal income tax considerations; (n) the anti-dilution provisions of such debt warrants, if any; (o) the redemption or call provisions, if any, applicable to such debt warrants; (p) any provisions for changes to or adjustments in the exercise price for the debt warrants and (q) any additional terms of such debt warrants, including terms, procedures, and limitations relating to the exchange and exercise of such debt warrants.

Stock Warrants

The prospectus supplement relating to any particular issue of preferred stock warrants or common stock warrants will describe the terms of such warrants, including the following: (a) the title of such warrants; (b) the offering price for such warrants, if any; (c) the aggregate number of such warrants; (d) the designation and terms of the common stock or preferred stock purchasable upon exercise of such warrants; (e) if applicable, the designation and terms of the offered securities with which such warrants are issued and the number of such warrants issued with each such offered security; (f) if applicable, the date from and after which such warrants and any offered securities issued therewith will be separately transferable; (g) the number of shares of common stock or preferred stock purchasable upon exercise of a warrant and the price at which such shares may be purchased upon exercise; (h) the date on which the right to exercise such warrants shall commence and the date on which such right shall expire; (i) if applicable, the minimum or maximum amount of such warrants that may be exercised at any one time; (j) the currency or currency units in which the offering price, if any, and the exercise price are payable, (k) if applicable, a discussion of material United States federal income tax considerations; (l) the anti-dilution provisions of such warrants, if any; (m) the redemption or call provisions, if any, applicable to such warrants; (m) any provisions for changes to or adjustments in the exercise price for the stock warrants and (n) any additional terms of such warrants, including terms, procedures and limitations relating to the exchange and exercise of such warrants.

DESCRIPTION OF UNITS

We may, from time to time, issue units comprised of one or more of the other securities that may be offered under this prospectus, in any combination. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The unit agreement under which a unit is issued may provide that the securities included in the unit may not be held or transferred separately at any time, or at any time before a specified date.

The applicable prospectus supplement will describe the terms of any unit. The description in the prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to units, the collateral arrangements and depositary arrangements, if applicable, relating to such units and, if applicable, the prepaid securities and the documents pursuant to which such prepaid securities will be issued. The applicable prospectus supplement will also describe the material United States federal income tax considerations applicable to the units.

DESCRIPTION OF DEPOSITORY SHARES

We may, at our option, offer fractional shares of our preferred stock, rather than whole shares of our preferred stock. In the event we do so, we will issue receipts for depositary shares, each of which will represent a fraction (to be set forth in the prospectus supplement relating to offering of the depositary shares) of a share of the related series of preferred stock.

The shares of our preferred stock represented by depositary shares will be deposited under a deposit agreement between us and a bank or trust company selected by us having its principal office in the United States and that meets certain other requirements. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, in proportion to the applicable fraction of a share of preferred stock, represented by the depositary share to all of the rights and preferences of the preferred stock represented by the depositary shares (including dividend, voting, redemption, conversion and liquidation rights).

The above description of depositary shares is only a summary, is not complete and is subject to, and is qualified in its entirety by the description in the applicable prospectus supplement and the provisions of the deposit agreement, which will contain the form of depository receipt. A copy of the deposit agreement will be filed with the SEC as an exhibit to or incorporated by reference in the registration statement of which this prospectus is a part.

DESCRIPTION OF DEBT SECURITIES

Please note that in this section entitled “Description of Debt Securities,” references to “we,” “us,” “ours” or “our” refer only to Essential Utilities, Inc. and not to its consolidated subsidiaries. Also, in this section, references to “holders” mean those who own debt securities registered in their own names, on the books that we maintain or the trustee maintains for this purpose, and not those who own beneficial interests in debt securities registered in street name or in debt securities issued in book-entry form through one or more depositaries. Owners of beneficial interests in the debt securities should read the section below entitled “Book-Entry Procedures and Settlement.”

General

The debt securities offered by this prospectus will be our unsecured obligations, except as otherwise set forth in an accompanying prospectus supplement, and will be either senior or subordinated debt. We will issue senior debt securities under an Indenture dated as of April 23, 2019, as amended and supplemented by the First Supplemental Indenture, dated as of April 23, 2019, each between the Company and U.S. Bank, N.A., as trustee (as amended, the “senior debt indenture”). We will issue subordinated debt under a subordinated debt indenture. We sometimes refer to the senior debt indenture and the subordinated debt indenture, individually, as an indenture and, collectively, as the indentures. We have filed the senior debt indenture and a form of the subordinated debt indenture with the SEC as exhibits to the registration statement of which this prospectus forms a part. You can obtain copies of the indentures by following the directions outlined in “Where You Can Find More Information,” or by contacting the applicable indenture trustee.

A form of each debt security, reflecting the particular terms and provisions of a series of offered debt securities, will be filed with the SEC at the time of the offering and incorporated by reference as exhibits to the registration statement of which this prospectus forms a part.

The following briefly summarizes certain material provisions that may be included in the indentures. Other terms, including pricing and related terms, will be disclosed for a particular issuance in an accompanying prospectus supplement. You should read the more detailed provisions of the applicable indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of a series of debt securities, which will be described in more detail in an accompanying prospectus supplement. So that you may easily locate the more detailed provisions, the numbers in parentheses below refer to sections

in the applicable indenture or, if no indenture is specified, to sections in each of the indentures. Wherever particular sections or defined terms of the applicable indenture are referred to, such sections or defined terms are incorporated into this prospectus by reference, and the statement in this prospectus is qualified by that reference.

The trustee under each indenture will be determined at the time of issuance of debt securities, and the name of the trustee will be provided in an accompanying prospectus supplement.

The indentures provide that our senior or subordinated debt securities may be issued in one or more series, with different terms, in each case as we authorize from time to time. We also have the right to "reopen" a previous issue of a series of debt securities by issuing additional debt securities of such series without the consent of the holders of debt securities of the series being reopened or any other series. Any additional debt securities of the series being reopened will have the same ranking, interest rate, maturity and other terms as the previously issued debt securities of that series. These additional debt securities, together with the previously issued debt securities of that series, will constitute a single series of debt securities under the terms of the applicable indenture.

Types of Debt Securities

We may issue fixed or floating rate debt securities. Fixed rate debt securities will bear interest at a fixed rate described in the prospectus supplement. This type includes zero coupon debt securities, which bear no interest and are often issued at a price lower than the principal amount. United States federal income tax consequences and other special considerations applicable to any debt securities issued at a discount will be described in the applicable prospectus supplement.

Upon the request of the holder of any floating rate debt security, the calculation agent will provide the interest rate then in effect for that debt security, and, if determined, the interest rate that will become effective on the next interest reset date. The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any interest period, will be final and binding in the absence of manifest error.

All percentages resulting from any interest rate calculation relating to a debt security will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point.

All amounts used in or resulting from any calculation relating to a debt security will be rounded upward or downward, as appropriate, to the nearest cent, in the case of U.S. dollars, or to the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward.

In determining the base rate that applies to a floating rate debt security during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the prospectus supplement. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any underwriter, dealer or agent participating in the distribution of the relevant floating rate debt securities and its affiliates.

Information in the Prospectus Supplement

The prospectus supplement for any offered series of debt securities will describe the following terms, as applicable:

- the title;
- whether the debt is senior or subordinated;
- whether the debt securities are secured or unsecured and, if secured, the collateral securing the debt;
- the total principal amount offered;

- the percentage of the principal amount at which the debt securities will be sold and, if applicable, the method of determining the price;
- the maturity date or dates;
- whether the debt securities are fixed rate debt securities or floating rate debt securities;
- if the debt securities are fixed rate debt securities, the yearly rate at which the debt security will bear interest, if any, and the interest payment dates;
- if the debt security is an original issue discount debt security, the yield to maturity;
- if the debt securities are floating rate debt securities, the interest rate basis; any applicable index currency or maturity, spread or spread multiplier or initial, maximum or minimum rate; the interest reset, determination, calculation and payment dates, and the day count used to calculate interest payments for any period;
- the date or dates from which any interest will accrue, or how such date or dates will be determined, and the interest payment dates and any related record dates;
- if other than in U.S. dollars, the currency or currency unit in which payment will be made;
- the denominations in which the currency or currency unit of the securities will be issuable if other than denominations of $1,000 and integral multiples thereof;
- the terms and conditions on which the debt securities may be redeemed at our option;
- any obligation we may have to redeem, purchase or repay the debt securities at the option of a holder upon the happening of any event and the terms and conditions of redemption, purchase or repayment;
- the names and duties of the trustee and any co-trustees, depositaries, authenticating agents, calculation agents, paying agents, transfer agents or registrars for the debt securities;
- any material provisions of the applicable indenture described in this prospectus that do not apply to the debt securities;
- a discussion of United States federal income tax, accounting and special considerations, procedures and limitations with respect to the debt securities;
- whether and under what circumstances we will pay additional amounts to holders in respect of any tax assessment or government charge, and, if so, whether we will have the option to redeem the debt securities rather than pay such additional amounts; and
- any other specific terms of the debt securities that are consistent with the provisions of the indenture.

The terms on which a series of debt securities may be convertible into or exchangeable for other of our securities or any other entity will be set forth in the prospectus supplement relating to such series. Such terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at our option. The terms may include provisions pursuant to which the number of other securities to be received by the holders of such series of debt securities may be adjusted.

We will issue the debt securities only in registered form. As currently anticipated, debt securities of a series will trade in book-entry form, and global notes will be issued in physical (paper) form, as described below under “Book-Entry Procedures and Settlement.” Unless otherwise provided in the accompanying prospectus supplement, we will issue debt securities denominated in U.S. dollars and only in denominations of $1,000 and integral multiples thereof.

The prospectus supplement relating to offered debt securities denominated in a foreign or composite currency will specify the denomination of the offered debt securities.

The debt securities may be presented for exchange, and debt securities other than a global security may be presented for registration of transfer, at the principal corporate trust office of the trustee named in the applicable prospectus supplement. Holders will not have to pay any service charge for any registration of transfer or exchange of debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with such registration of transfer (Section 3.05).

Payment and Paying Agents

Distributions on the debt securities other than those represented by global notes will be made in the designated currency against surrender of the debt securities at the principal corporate trust office of the trustee named in the applicable prospectus supplement. Payment will be made to the registered holder at the close of business on the record date for such payment. Interest payments will be made at the principal corporate trust office of the trustee named in the applicable prospectus supplement, or by a check mailed to the holder at his registered address. Payments in any other manner will be specified in the applicable prospectus supplement.

Calculation Agents

Calculations relating to floating rate debt securities and indexed debt securities will be made by the calculation agent, an institution that we appoint as our agent for this purpose. We may appoint one of our affiliates as calculation agent. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the debt security without your consent and without notifying you of the change. The initial calculation agent will be identified in the applicable prospectus supplement.

Senior Debt

We may issue senior debt securities under the senior debt indenture. Senior debt will constitute our unsecured and unsubordinated obligations and will rank on a basis equal in priority with all our other unsecured and unsubordinated debt.

Subordinated Debt

We may issue subordinated debt securities under the subordinated debt indenture. Subordinated debt will constitute our unsecured and subordinated obligations and will be junior in right of payment to our senior debt (including senior debt securities), which is defined as “senior indebtedness” in the subordinated debt indenture (Section 16.01 of the subordinated debt indenture).

If we default in the payment of any principal of, or premium, if any, or interest on any senior debt when it becomes due and payable after any applicable grace period, then, unless and until the default is cured or waived or ceases to exist, we cannot make a payment on account of or redeem or otherwise acquire the subordinated debt securities (Section 16.04 of the subordinated debt indenture).

If there is any insolvency, bankruptcy, liquidation or other similar proceeding relating to us or our property, then all senior debt must be paid in full before any payment may be made to any holders of subordinated debt securities (Section 16.02 of the subordinated debt indenture).

Furthermore, if we default in the payment of the principal of and accrued interest on any subordinated debt securities that is declared due and payable upon an event of default under the subordinated debt indenture, holders of all our senior debt will first be entitled to receive payment in full in cash before holders of such subordinated debt can receive any payments (Section 16.03 of the subordinated debt indenture).

Except as may be otherwise set forth in an accompanying prospectus supplement, senior debt means:

- the principal, premium, if any, and interest in respect of indebtedness for money borrowed and indebtedness evidenced by securities, notes, debentures, bonds or other similar instruments issued, including, as to us, the senior debt securities;
- all capitalized lease obligations;
- all obligations representing the deferred purchase price of property; and
- all deferrals, renewals, extensions and refundings of obligations of the type referred to above (Section 1.01 of the subordinated debt indenture).

However, senior debt does not include:

- the subordinated debt securities (Section 16.01 of the subordinated debt indenture);
- any indebtedness that by its terms is subordinated to, or ranks in priority on an equal basis with, subordinated debt securities (Section 1.01 of the subordinated debt indenture); and
- items of indebtedness (other than capitalized lease obligations) that would not appear as liabilities on a balance sheet prepared in accordance with accounting principles generally accepted in the United States of America.

Covenants

The accompanying prospectus supplement will contain any covenants applicable to the debt securities.

Modification of the Indentures

The indentures will provide that we and the relevant trustee may enter into supplemental indentures to establish the form and terms of any new series of debt securities without obtaining the consent of any holder of debt securities (Section 9.01).

We and the trustee may, with the consent of the holders of at least a majority in aggregate outstanding principal amount of the debt securities of a series, modify the applicable indenture or the rights of the holders of the securities of such series (Section 9.02).

No such modification may, without the consent of each holder of an affected security:

- extend the fixed maturity of any such security;
- reduce the rate or change the time of payment of interest on such security;
- reduce the principal amount of such securities or the premium, if any, on such security;
- change any obligation of ours to pay additional amounts with respect to such security;
- reduce the amount of the principal payable on acceleration of such security if issued originally at a discount;
- adversely affect the right of repayment or repurchase of such security at the option of the holder;
- reduce or postpone any sinking fund or similar provision with respect to such security;
- change the currency or currency unit in which such security is payable or the right of selection thereof;
- impair the right to sue for the enforcement of any payment with respect to such security on or after the maturity of such security;

- reduce the percentage of the aggregate outstanding principal amount of debt securities of the series referred to above whose holders need to consent to the modification or a waiver without the consent of such holders; or
- change any obligation of ours with respect to such security to maintain an office or agency.

Defaults

Except as may be otherwise set forth in an accompanying prospectus supplement, each indenture will provide that events of default regarding any series of debt securities will be:

- our failure to pay for 30 days required interest on any debt security of such series;
- our failure to pay principal or premium, if any, on any debt security of such series when due;
- our failure to make any required scheduled installment payment for 30 days on debt securities of such series;
- our failure to perform for 90 days after notice any other covenant in the relevant indenture other than a covenant included in the relevant indenture solely for the benefit of a series of debt securities other than such series; and
- certain events of bankruptcy or insolvency, whether voluntary or not (Section 5.01).

Except as may be otherwise set forth in an accompanying prospectus supplement, if an event of default regarding debt securities of any series issued under the indentures should occur and be continuing, either the trustee or the holders of 25% in the principal amount of outstanding debt securities of such series may declare each debt security of that series due and payable (Section 5.02). We may be required to file annually with the trustee a statement of an officer as to the fulfillment by us of our obligations under the indenture during the preceding year.

No event of default regarding one series of debt securities issued under an indenture is necessarily an event of default regarding any other series of debt securities.

Holders of a majority in aggregate principal amount of the outstanding debt securities of any series will be entitled to control certain actions of the trustee under the indentures and to waive past defaults regarding such series (Sections 5.12 and 5.13). The holders of debt securities generally will not be able to require the trustee to take any action, unless one or more of such holders provides to the trustee reasonable security or indemnity (Section 6.02).

If an event of default occurs and is continuing regarding a series of debt securities, the trustee may use any sums that it holds under the relevant indenture for its own reasonable compensation and expenses incurred prior to paying the holders of debt securities of such series (Section 5.06).

Before any holder of any series of debt securities may institute action for any remedy, except payment on such holder’s debt security when due, the holders of not less than 25% in principal amount of the debt securities of that series outstanding must request the trustee to take action. Holders must also offer and give the satisfactory security and indemnity against liabilities incurred by the trustee for taking such action (Section 5.07).

Defeasance

Except as may otherwise be set forth in an accompanying prospectus supplement, after we have deposited with the trustee, cash or government securities, in trust for the benefit of the holders sufficient to pay the principal of, premium, if any, and interest on the debt securities of such series when due, and satisfied certain other conditions, including receipt of an opinion of counsel that holders will not recognize taxable gain or loss for United States federal income tax purposes, then:

- we will be deemed to have paid and satisfied our obligations on all outstanding debt securities of such series, which is known as defeasance and discharge (Section 14.02); or
- we will cease to be under any obligation, other than to pay when due the principal of, premium, if any, and interest on such debt securities, relating to the debt securities of such series, which is known as covenant defeasance (Section 14.03).

When there is a defeasance and discharge, the applicable indenture will no longer govern the debt securities of such series, we will no longer be liable for payments required by the terms of the debt securities of such series and the holders of such debt securities will be entitled only to the deposited funds. When there is a covenant defeasance, however, we will continue to be obligated to make payments when due if the deposited funds are not sufficient.

Governing Law

Unless otherwise stated in the prospectus supplement, the debt securities and the indentures will be governed by New York law (Section 1.12).

Concerning the Trustee Under the Indentures

We may have banking and other business relationships with the trustee named in the prospectus supplement, or any subsequent trustee, in the ordinary course of business.

Form, Exchange and Transfer

We will issue debt securities only in registered form; no debt securities will be issued in bearer form (Section 2.03). We will issue each debt security in book-entry form only, unless otherwise specified in the applicable prospectus supplement. We will issue any common stock issuable upon conversion of any debt security being offered in both certificated and book-entry form, unless otherwise specified in the applicable prospectus supplement. Debt securities in book-entry form will be represented by a global security registered in the name of a depositary, which will be the holder of all the debt securities represented by the global security (Section 2.04). Those who own beneficial interests in a global security will do so through participants in the depositary's system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depositary and its participants. Only the depositary will be entitled to transfer or exchange a debt security in global form, since it will be the sole holder of the debt security (Section 3.05). These book-entry securities are described below under "Book-Entry Procedures and Settlement."

If any debt securities are issued in non-global form or cease to be book-entry securities (in the circumstances described in the next section), the following will apply to them:

- The debt securities will be issued in fully registered form in denominations stated in the prospectus supplement. You may exchange debt securities for debt securities of the same series in smaller denominations or combined into fewer debt securities of the same series of larger denominations, as long as the total amount is not changed (Section 3.05).

- You may exchange, transfer, present for payment or exercise debt securities at the office of the relevant trustee or agent indicated in the prospectus supplement (Section 3.05). You may also replace lost, stolen, destroyed or mutilated debt securities at that office. We may appoint another entity to perform these functions or may perform them (Section 3.06).
- You will not be required to pay a service charge to transfer or exchange the debt securities, but you may be required to pay any tax or other governmental charge associated with the transfer or exchange (Sections 3.05 and 3.06). The transfer or exchange, and any replacement, will be made only if our transfer agent is satisfied with your proof of legal ownership. The transfer agent may also require an indemnity before replacing any debt securities (Section 3.06).
- If we have the right to redeem, accelerate or settle any debt securities before their maturity or expiration, and we exercise that right as to less than all those debt securities, we may block the transfer or exchange of those debt securities during the period beginning 15 days before the day we mail the notice of exercise and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers of or exchange any debt security selected for early settlement, except that we will continue to permit transfers and exchanges of the unsettled portion of any debt security being partially settled (Section 3.05).
- If fewer than all of the debt securities represented by a certificate that are payable or exercisable in part are presented for payment or exercise, a new certificate will be issued for the remaining amount of securities (Section 15.02).

Book-Entry Procedures and Settlement

Most offered debt securities will be book-entry (global) securities. Upon issuance, all book-entry securities will be represented by one or more fully registered global securities, without coupons (Section 3.02). Each global security will be deposited with, or on behalf of, The Depository Trust Company, or DTC, a securities depository, and will be registered in the name of DTC or a nominee of DTC (Section 3.01). DTC will thus be the only registered holder of these debt securities.

Purchasers of debt securities may only hold interests in the global notes through DTC if they are participants in the DTC system. Purchasers may also hold interests through a securities intermediary—banks, brokerage houses and other institutions that maintain securities accounts for customers—that has an account with DTC or its nominee. DTC will maintain accounts showing the security holdings of its participants, and these participants will in turn maintain accounts showing the security holdings of their customers. Some of these customers may themselves be securities intermediaries holding securities for their customers. Thus, each beneficial owner of a book-entry security will hold that debt security indirectly through a hierarchy of intermediaries, with DTC at the top and the beneficial owner's own securities intermediary at the bottom.

The debt securities of each beneficial owner of a book-entry security will be evidenced solely by entries on the books of the beneficial owner's securities intermediary. The actual purchaser of the debt securities will generally not be entitled to have the debt securities represented by the global securities registered in its name and will not be considered the owner under the declaration. In most cases, a beneficial owner will also not be able to obtain a paper certificate evidencing the holder's ownership of debt securities. The book-entry system for holding securities eliminates the need for physical movement of certificates and is the system through which most publicly traded common stock is held in the United States. However, the laws of some jurisdictions require some purchasers of securities to take physical delivery of their securities in definitive form. These laws may impair the ability to transfer book-entry securities.

A beneficial owner of book-entry securities represented by a global security may exchange the securities for definitive (paper) securities only if:

- DTC is unwilling or unable to continue as depositary for such global security and we do not appoint a qualified replacement for DTC within 90 days; or
- We in our sole discretion decide to allow some or all book-entry securities to be exchangeable for definitive securities in registered form (Section 3.05).

Unless we indicate otherwise, any global security that is exchangeable will be exchangeable in whole for definitive securities in registered form, with the same terms and of an equal aggregate principal amount. Definitive securities will be registered in the name or names of the person or persons specified by DTC in a written instruction to the registrar of the securities (Section 3.05). DTC may base its written instruction upon directions that it receives from its participants.

In this prospectus, for book-entry securities, references to actions taken by security holders will mean actions taken by DTC upon instructions from its participants, and references to payments and notices of redemption to security holders will mean payments and notices of redemption to DTC as the registered holder of the securities for distribution to participants in accordance with DTC's procedures.

DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered under section 17A of the Securities Exchange Act. The rules applicable to DTC and its participants are on file with the SEC.

We will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interest in the book-entry securities or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

PLAN OF DISTRIBUTION

We may sell any of the securities being offered by this prospectus separately or together:

- through agents;
- to or through underwriters who may act directly or through a syndicate represented by one or more managing underwriters;
- through dealers;
- through a block trade in which the broker or dealer engaged to handle the block trade will attempt to sell the securities as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- through "at the market" offerings, within the meaning of Rule 415(a)(4) of the Securities Act, to or through a market maker or into an existing trading market on an exchange or otherwise;
- in exchange for our outstanding indebtedness;
- directly to purchasers, through a specific bidding, auction or other process; or
- through a combination of any of these methods of sale.

If the securities offered under this prospectus are issued in exchange for our outstanding securities, the applicable prospectus supplement will describe the terms of the exchange, and the identity and the terms of sale of the securities offered under this prospectus by the selling security holders.

The distribution of securities may be effected from time to time in one or more transactions at a fixed price or prices that may be changed, at market prices prevailing at the time of sale or prices related to prevailing market prices or at negotiated prices.

Agents designated by us from time to time may solicit offers to purchase the securities. We will name any agent involved in the offer or sale of the securities and set forth any commissions payable by us to an agent in the prospectus supplement for that transaction. Unless otherwise indicated in the prospectus supplement, any agent will be acting on a best efforts basis for the period of its appointment. Any agent may be deemed to be an "underwriter" of the securities as that term is defined in the Securities Act.

If we utilize an underwriter or underwriters in the sale of securities, we will execute an underwriting agreement with the underwriter or underwriters at the time we reach an agreement for sale. We will set forth in the prospectus supplement the names of the specific managing underwriter or underwriters, as well as any other underwriters, and the terms of the transactions, including compensation of the underwriters and dealers. This compensation may be in the form of discounts, concessions or commissions. Underwriters and others participating in any offering of securities may engage in transactions that stabilize, maintain or otherwise affect the price of securities. We will describe any of these activities in the prospectus supplement.

If a dealer is utilized in the sale of the securities, we or an underwriter will sell securities to the dealer, as principal. The dealer may then resell the securities to the public at varying prices to be determined by the dealer at the time of resale. The prospectus supplement will set forth the name of the dealer and the terms of the transactions.

We may directly solicit offers to purchase the securities, and we may sell directly to institutional investors or others. These persons may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale of the securities. The prospectus supplement will describe the terms of any direct sales, including the terms of any bidding or auction process, if utilized.

Agreements we enter into with agents, underwriters and dealers may entitle them to indemnification by us against specified liabilities, including liabilities under the Securities Act, or to contribution by us to payments they may be required to make in respect of these liabilities. The prospectus supplement will describe the terms and conditions of indemnification or contribution.

Certain of the agents, underwriters and dealers that we sell the securities offered under this prospectus to or through, and certain of their affiliates, engage in transactions with and perform services for us in the ordinary course of business. We may enter into hedging transactions in connection with any particular issue of the securities offered under this prospectus, including forwards, futures, options, interest rate or exchange rate swaps and repurchase or reverse repurchase transactions with, or arranged by, the applicable agent, underwriter or dealer, an affiliate of that agent, underwriter or dealer or an unrelated entity. We, the applicable agent, underwriter or dealer or other parties may receive compensation, trading gain or other benefits in connection with these transactions. We are not required to engage in any of these transactions. If we commence these transactions, we may discontinue them at any time. Counterparties to these hedging activities also may engage in market transactions involving the securities offered under this prospectus.

No securities may be sold under this prospectus without delivery (in paper format, in electronic format, in electronic format on the Internet, or by other means) of the applicable prospectus supplement describing the method and terms of the offering.

LEGAL MATTERS

Unless otherwise indicated in the applicable prospectus supplement, certain legal matters, including the validity of the debt securities that may be offered, will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York. Unless otherwise indicated in the applicable prospectus supplement, certain matters of Pennsylvania law, including the validity of the securities that may be offered, will be passed upon for us by Ballard Spahr LLP, Philadelphia, Pennsylvania. If legal matters in connection with the offering made by this prospectus are passed on by counsel for the underwriters, dealers or agents, if any, that counsel will be named in the applicable prospectus supplement.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2020 have been so incorporated in reliance on the report (which contains an explanatory paragraph on the effectiveness of internal control over financial reporting due to the exclusion of Peoples Gas because it was acquired by the Company in a purchase business combination during 2020) of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements of LDC Funding LLC as of December 31, 2019 and 2018 and for each of the three years in the period ended December 31, 2019, incorporated in this prospectus by reference to our Current Report on Form 8-K filed on April 15, 2021, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated by reference herein, and are incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's Public Reference Room at 100 F Street N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. You may also obtain our SEC filings from the SEC's website at www.sec.gov or from our website at www.essential.co.

We have filed with the SEC a "shelf" registration statement on Form S-3 under the Securities Act relating to the securities that may be offered by this prospectus. This prospectus is a part of that registration statement, but does not contain all of the information in the registration statement. We have omitted certain parts of the registration statement in accordance with rules and regulations of the SEC. Statements made in this prospectus as to the contents of any contract, agreement or other documents are not necessarily complete, and, in each instance, we refer you to a copy of such document filed as an exhibit to the registration statement, of which this prospectus is a part, or otherwise filed with the SEC. For more detail about us and any securities that may be offered by this prospectus, you may examine the registration statement on Form S-3 and the exhibits filed with it at the locations listed in the previous paragraph.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. When we file information with the SEC in the future, that information will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we will make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act until we sell all of the securities covered by this prospectus; provided, however, that we are not incorporating, in each case, any documents or information deemed to have been furnished and not filed in accordance with SEC rules:

- Our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 1, 2021;
- Our Current Report on Form 8-K filed with the SEC on April 15, 2021; and
- The description of our common stock set forth in our Registration Statement on Form 8-A, including any amendments or reports filed for the purpose of updating such description.

These documents contain important business and financial information about us that is not included in or delivered with this prospectus. You may request a copy of any or all documents that we incorporate by reference at no cost, by writing or telephoning us at:

Essential Utilities, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010-3489
Telephone: 610-527-8000
Attention: Corporate Secretary

We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus, any prospectus supplements or any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. You should not assume that the information provided in this prospectus or incorporated by reference in this prospectus is accurate as of any date other than the date on the front of this prospectus or the date of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

If you find inconsistencies between the documents, or between the documents and this prospectus or the applicable prospectus supplement, you should rely on the most recent document, prospectus or prospectus supplement.

Up to $500,000,000

ESSENTIAL UTILITIES, INC.

Common Stock

PROSPECTUS SUPPLEMENT

Barclays	**RBC Capital Markets**	**TD Securities**	**Wells Fargo Securities**
	Baird		**Janney Montgomery Scott**

October 14, 2022

Exhibit 107

Calculation of Filing Fee Table

424(b)(5)
(Form Type)

Essential Utilities, Inc.

(Exact Name of Registrant as Specified in its Charter)

Table 1: Newly Registered Securities

	Security Type	Security Class Title	Fee Calculation Rule	Amount Registered	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Fee Rate	Amount of Registration Fee
Newly Registered Securities								
Fees to Be Paid	Equity	Common Stock	457(o) and 457(r)	$ 500,000,000		$ 500,000,000	.0001102	$ 55,100.00(1)
Total Offering Amounts					—		$ 500,000,000	
Total Fees Previously Paid					—	—	—	—
Total Fee Offsets					—	—	—	—
Net Fee Due					—	—	—	$ 55,100.00

(1) Calculated in accordance with Rule 457(o) and Rule 457(r) under the Securities Act of 1933, as amended. This "Calculation of Registration Fee" table shall be deemed to update the "Calculation of Registration Fee" table in the registrant's Registration Statement on Form S-3ASR (File No. 333-255235).

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-223306

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(2)
Common Stock, par value $0.50 per share	6,700,000	$ 46.40	$310,880,000	$ 40,352.22

(1) Publicly communicated offering price.
(2) Calculated pursuant to Rule 457(r) of the Securities Act of 1933, as amended.

Prospectus Supplement
(To Prospectus dated February 28, 2018)

6,700,000 Shares

ESSENTIAL UTILITIES, INC.

Common Stock

The forward seller referred to below is offering 6,700,000 shares of our common stock, par value $0.50 per share. We have entered into a forward sale agreement with Royal Bank of Canada (through its agent RBC Capital Markets), whom we refer to in such capacity as the "forward purchaser," with respect to 6,700,000 Shares of our common stock. In connection with the forward sale agreement, the forward purchaser or its affiliate and/or agent, whom we refer to in such capacity as the "forward seller," at our request, is borrowing from third parties and selling to the underwriter 6,700,000 shares of our common stock. If in the good faith, commercially reasonable judgment of the forward purchaser, it or its affiliate is unable to borrow and deliver for sale on the anticipated closing date a number of shares of our common stock underlying the forward sale agreement, or it or its affiliate would be unable to borrow, at a stock loan rate not greater than a specified rate, and deliver for sale on the anticipated closing date such number of shares of our common stock, or if certain other conditions to the forward seller's obligations have not been satisfied, then we will issue and sell directly to the underwriter a number of shares of our common stock equal to the number of shares that the forward seller does not borrow and deliver.

We will not initially receive any proceeds from the sale of our common stock sold by the forward seller to the underwriter, except in certain circumstances described in this prospectus supplement, including the last sentence of the previous paragraph. The forward sale agreement provides for settlement on a settlement date or dates to be specified at our discretion on or prior to August 10, 2021. If we elect to cash settle all or a portion of the forward sale agreement, we may not receive any proceeds from such election, and we may owe cash to the forward purchaser. If we elect to net share settle all or a portion of the forward sale agreement, we will not receive any cash proceeds from such election, and we may owe shares of our common stock to the forward purchaser. See "Underwriting (Conflicts of Interest)—Forward Sale Agreement" for a description of the forward sale agreement.

The underwriter proposes to offer shares of our common stock from time to time to purchasers directly or through agents, or through brokers in brokerage transactions on the NYSE, in the over-the-counter market, or to dealers in negotiated transactions, or in a combination of such methods of sale or otherwise, at a fixed price or prices, which may be changed, or at market prices prevailing at the time of sale, at prices related to such prevailing market prices, or at negotiated prices. In connection with the sale of shares of our common stock, the underwriter may be deemed to have received compensation in the form of underwriting discount.

The underwriter has agreed to purchase shares of our common stock from the forward seller at a price of $46.00 per share. We expect to receive estimated net proceeds from the sale of shares of our common stock, before expenses, of approximately $308.2 million upon full physical settlement of the forward sale agreement, which we expect to occur on or prior to August 10, 2021. For the purpose of calculating the estimated net proceeds to us, we have assumed that the forward sale agreement is fully physically settled based on the initial forward sale price of $46.00 per share. The forward sale price is subject to adjustment pursuant to the forward sale agreement, and the actual proceeds, if any, will be calculated as described in this prospectus supplement.

Although we expect to settle the forward sale agreement entirely by the full physical delivery of shares of our common stock to the forward purchaser in exchange for cash proceeds, we may elect cash settlement or net share settlement for all or a portion of our obligations under the forward sale agreement. See "Underwriting (Conflicts of Interest)—Forward Sale Agreement" for a description of the forward sale agreement.

Our common stock is listed on the New York Stock Exchange (the "NYSE") under the symbol "WTRG." The last reported sale price of our common stock on the NYSE on August 10, 2020 was $47.81 per share.

Investing in our common stock involves risks. See "Risk Factors" on page S-7 of this prospectus supplement, page 6 of the accompanying prospectus and in the documents we incorporate by reference in this prospectus supplement and the accompanying prospectus to read important factors you should consider before investing in our common stock.

Neither the Securities and Exchange Commission (the "SEC") nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriter expects that the shares of our common stock will be delivered against payment on or about August 13, 2020.

Sole Book Running Manager

RBC Capital Markets

August 11, 2020

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Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

Unless otherwise specified or the context requires otherwise, references in this prospectus supplement to (1) "Essential Utilities," the "Company," "we," "us," "our" and similar references refer to Essential Utilities, Inc. and its subsidiaries and (2) "this offering" refers to this offering of the shares pursuant to this prospectus supplement and the accompanying prospectus. Essential Utilities, Inc. was formerly known as Aqua America, Inc. prior to its name change on February 3, 2020, and accordingly, unless otherwise specified or the context requires otherwise, references in the accompanying prospectus and the documents incorporated by reference in the accompanying prospectus to Aqua America, Inc. refer to Essential Utilities, Inc and its subsidiaries.

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of the shares of our common stock and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information about us, some of which does not apply to this offering of the shares of our common stock. To the extent the information in this prospectus supplement is inconsistent with the information in the accompanying prospectus, you should rely on the information in this prospectus supplement.

We have not, and the underwriter and the forward seller have not, authorized anyone to provide you with any information other than that contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus we may provide to you in connection with this offering. Neither we nor the underwriter or the forward seller take any responsibility for, or provide any assurances as to the reliability of, any additional or different information that others may give you. Neither we nor the underwriter or the forward seller are offering to sell the shares or seeking offers to buy the shares in jurisdictions where offers or sales are not permitted. You should assume that the information contained in this prospectus supplement, the accompanying prospectus and any related free writing prospectus is accurate only as of their respective dates or as of the respective dates specified in such information, as applicable, and the information contained in documents incorporated by reference is accurate only as of the respective dates of those documents or as of the respective dates specified in such information, as applicable, in each case regardless of the time of delivery of this prospectus supplement or the accompanying prospectus or any such free writing prospectus or any sale of the shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since those dates.

The distribution of this prospectus supplement, the accompanying prospectus and any related free writing prospectus and the offering of the shares of our common stock in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus supplement, the accompanying prospectus and any such free writing prospectus come should inform themselves about and observe any such restrictions. This prospectus supplement, the accompanying prospectus and any such free writing prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See "Underwriting (Conflicts of Interest)."

BASIS OF PRESENTATION

On March 16, 2020, we completed the acquisition of all of the issued and outstanding limited liability company membership interests of LDC Funding LLC (the "Peoples Acquisition"), which is the parent of a group of natural gas public utility companies that we refer to as "Peoples". Unless otherwise specified or the context requires otherwise, the information as of or in respect of periods prior to the closing of the Peoples Acquisition included in this prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein or therein, does not give effect to the Peoples Acquisition.

The unaudited pro forma consolidated combined statement of net income for the year ended December 31, 2019 and for the six months ended June 30, 2020 included or incorporated by reference in this prospectus supplement and the accompanying prospectus gives pro forma effect to the Peoples Acquisition and certain related transactions as if we had completed such transactions as of January 1, 2019, unless otherwise specified. The unaudited pro forma consolidated combined balance sheet as of June 30, 2020 is not presented in this prospectus supplement or the accompanying prospectus as Peoples is reflected in our historical consolidated balance sheet as of June 30, 2020. The unaudited pro forma consolidated combined statement of net income for the year ended December 31, 2019 and for the six months ended June 30, 2020 included in our Current Report on Form 8-K/A filed with the U.S. Securities and Exchange Commission (the "SEC") on August 10, 2020, which is incorporated by reference in this prospectus supplement and the accompanying prospectus and may be obtained as described in this prospectus supplement under the heading "Where You Can Find Additional Information; Incorporation of Certain Documents by Reference," does not give effect to our issuance of common stock in this offering. Moreover, the unaudited pro forma consolidated combined statement of net income for the year ended December 31, 2019 and for the six months ended June 30, 2020 included in our Current Report on Form 8-K/A filed with the SEC on August 10, 2020 has been calculated on the basis of assumptions made by our management at the time such information was prepared.

As a result, purchasers of shares in this offering should not place undue reliance on the pro forma and as adjusted information included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

All references to currency amounts included in this prospectus supplement are in U.S. dollars unless specifically noted otherwise.

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus supplement, the accompanying prospectus and the documents they incorporate by reference contain, and any free writing prospectus we may provide to you in connection with this offering are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Exchange Act that are made based upon, among other things, our current assumptions, expectations, plans, and beliefs concerning future events and their potential effect on us. These forward-looking statements involve risks, uncertainties and other factors, many of which are outside our control that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. In some cases you can identify forward-looking statements where statements are preceded by, followed by or include the words "believes," "expects," "anticipates," "plans," "future," "potential," "probably," "predictions," "intends," "will," "continue," "in the event" or the negative of such terms or similar expressions. Such forward-looking statements include, but are not limited to, statements regarding:

- recovery of capital expenditures and expenses in rates;
- projected capital expenditures and related funding requirements;
- our capability to pursue timely rate increases;
- expectations regarding the impact of the Peoples Acquisition, including statements regarding the impact of the transaction on the Company;
- developments, trends and consolidation in the water, wastewater and natural gas utility and infrastructure industries;
- opportunities for future acquisitions, both within and outside the water, wastewater, and natural gas industries, the success of pending acquisitions and the impact of future acquisitions;
- the capacity of our water and natural gas supplies and facilities;
- the availability and cost of capital financing;
- dividend payment projections;
- the impact of geographic diversity on our exposure to unusual weather;
- the impact of conservation awareness of customers and more efficient fixtures and appliances on water usage and gas consumption per customer;
- our authority to carry on our business without unduly burdensome restrictions;
- the continuation of investments in strategic ventures;
- our ability to obtain fair market value for condemned assets;
- the impact of fines and penalties;
- the impact of changes in and compliance with governmental laws, regulations and policies, including those dealing with taxation, the environment, health and water quality, and public utility regulation;
- the impact of decisions of governmental and regulatory bodies, including decisions to raise or lower rates and decisions regarding potential acquisitions;
- the development of new services and technologies by us or our competitors;
- the availability of qualified personnel;
- the condition of our assets;
- the impact of legal proceedings;

- general economic conditions;
- acquisition-related costs and synergies;
- the sale of water and wastewater divisions;
- the impact of federal and/or state tax policies and the regulatory treatment of the effects of those policies;
- the amount of income tax deductions for qualifying utility asset improvements and the Internal Revenue Service's ultimate acceptance of the deduction methodology; and
- the impact of the novel coronovirus ("COVID-19") or the measures implemented by the Company as a result of COVID-19.

Because forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including but not limited to:

- the diversion of our management's time and resources caused by integration efforts with respect to the Peoples Acquisition;
- our ability to manage the expansion of our business, including our ability to manage our expanded operations following the closing of the Peoples Acquisition;
- our ability to treat and supply water or collect and treat wastewater;
- our ability to source a sufficient supply of natural gas to meet the demands of our gas utility customers in a timely manner;
- the continuous and reliable operation of our information technology systems, including the impact of cyber security attacks or other cyber-related events;
- our ability to integrate and otherwise realize all of the anticipated benefits of businesses, technologies or services which we may acquire;
- changes in general economic, business, credit and financial market conditions;
- changes in governmental laws, regulations and policies, including those dealing with taxation, the environment, health and water quality, and public utility regulation;
- the profitability of future acquisitions;
- changes to the rules or our assumptions underlying our determination of what qualifies for an income tax deduction for qualifying utility asset improvements;
- the decisions of governmental and regulatory bodies, including decisions on rate increase requests and decisions regarding potential acquisitions;
- our ability to file rate cases on a timely basis to minimize regulatory lag;
- abnormal weather conditions, including those that result in water use restrictions and seasonality effects;
- changes in, or unanticipated, capital requirements;
- changes in our credit ratings or the market price of our common stock;
- changes in valuation of strategic ventures;
- the phase-out of LIBOR, or the replacement of LIBOR with a different reference rate or modification of the method used to calculate LIBOR, which may adversely affect interest rates;

- the extent to which we are able to develop and market new and improved services;
- the effect of the loss of major customers;
- our ability to retain the services of key personnel and to hire qualified personnel as we expand;
- labor disputes;
- increasing difficulties in obtaining insurance and increased cost of insurance;
- cost overruns relating to improvements to, or the expansion of, our operations;
- increases in the costs of goods and services and commodity prices;
- civil disturbance or terroristic threats or acts;
- changes in accounting pronouncements;
- litigation and claims;
- changes in environmental conditions, including the effects of climate change;
- restrictions on our subsidiaries' ability to make dividends and other distributions; and
- impacts from the global outbreak of COVID-19, including on consumption and collections.

Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. You should read this prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference into this prospectus supplement completely and with the understanding that our actual results, performance and achievements may be materially different from what we expect. These forward-looking statements represent assumptions, expectations, plans and beliefs only as of the date of this prospectus supplement, the date of the document containing the applicable statement or the date specified in such statement, as applicable. Except for our ongoing obligations to disclose certain information under the federal securities laws, we are not obligated, and assume no obligation, to update these forward-looking statements, even though our situation may change in the future. For further information or other factors which could affect our financial results and such forward-looking statements, see "Risk Factors." We qualify all of our forward-looking statements by these cautionary statements.

Investing in our common stock involves risks. You should review and consider carefully the risks, uncertainties and other factors that affect our business, financial condition and results of operations and the value of the shares, including those described in the "Business," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Peoples" sections and other sections in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2020 filed with the SEC on May 8, 2020 and the quarter ended June 30, 2020 filed with the SEC on August 6, 2020, and those described in the "Risk Factors" sections and other sections of this prospectus supplement and the accompanying prospectus. You may obtain copies of these reports and documents as described under "Where You Can Find Additional Information; Incorporation of Certain Documents by Reference" in this prospectus supplement. These risks, uncertainties and other factors could cause you to suffer a loss of all or part of your investment in the shares. Before making an investment decision, you should carefully consider these risks, uncertainties and other factors, as well as other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and any related free writing prospectus we may provide to you in connection with this offering. However, additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, operations, financial condition and financial results and the value of the shares.

MARKET AND INDUSTRY DATA

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus include, and any free writing prospectus we may provide to you in connection with this offering may include, market, demographic and industry data and forecasts related to our business that are based on or derived from sources such as independent industry publications, publicly available information, government data and other information from third parties or that have been compiled or prepared by our management or employees. We do not guarantee the accuracy or completeness of any of this information, and we have not independently verified any of the information provided by third-party sources.

In addition, market, demographic and industry data and forecasts involve estimates, assumptions and other uncertainties and are subject to change based on various factors, including those discussed under the heading “Risk Factors” in this prospectus supplement and under similar headings in the documents that are incorporated by reference in this prospectus supplement and the accompanying prospectus. Accordingly, you should not place undue reliance on any of this information.

PROSPECTUS SUPPLEMENT SUMMARY

The following summary highlights, and should be read together with, the information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. This summary may not contain all of the information that may be important to you, and you should carefully read this entire prospectus supplement, the accompanying prospectus, any free writing prospectus we may provide to you in connection with this offering and the documents incorporated by reference herein and therein before making an investment decision. You may obtain a copy of the documents incorporated by reference by following the instructions in the section titled "Where You Can Find Additional Information; Incorporation of Certain Documents by Reference," in this prospectus supplement. Unless we state otherwise or the context otherwise requires, references appearing in this prospectus supplement to "Essential Utilities," the "Company," "we," "us" and "our" should be read to refer to Essential Utilities, Inc. and its subsidiaries.

Essential Utilities, Inc.

Essential Utilities, Inc., formerly known as Aqua America, Inc., is a Pennsylvania corporation and the holding company for regulated utilities providing water, wastewater or natural gas distribution services to an estimated five million people in Pennsylvania, Ohio, Texas, Illinois, North Carolina, New Jersey, Indiana, Virginia, West Virginia and Kentucky under the Aqua and Peoples brands. One of our largest operating subsidiaries, Aqua Pennsylvania, Inc. ("Aqua Pennsylvania"), provides water or wastewater services to approximately one-half of the total number of water or wastewater customers we serve, who are located in the suburban areas in counties north and west of the City of Philadelphia and in 27 other counties in Pennsylvania. Our other regulated water or wastewater utility subsidiaries provide similar services in seven other states.

Pursuant to the Company's growth strategy, commencing on March 16, 2020, with the completion of the Peoples Gas Acquisition, the Company began to provide natural gas distribution services to customers in western Pennsylvania, Kentucky, and West Virginia. Approximately 93% of the total number of natural gas utility customers we serve are in western Pennsylvania. Lastly, the Company's market-based activities are conducted through Aqua Infrastructure, LLC and Aqua Resources, Inc. and certain other non-regulated subsidiaries of Peoples. Aqua Infrastructure provides non-utility raw water supply services for firms in the natural gas drilling industry. Aqua Resources manages a water system operating and maintenance contract, and offers, through a third-party, water and sewer service line protection solutions and repair services to households. The non- regulated subsidiaries of Peoples provide utility service line protection solutions and repair services to households and operates gas marketing and production entities.

Our growth in revenues over the past five years is primarily a result of increases in rates and customer growth. The increase in our utility customer base, as shown below, has been due to customers added through acquisitions, partnerships with developers, and organic growth (excluding dispositions):

Year	Utility Customer Growth Rate
2019	2.1%
2018	2.3%
2017	1.1%
2016	1.6%
2015	1.9%

In 2019, our customer count increased by 21,108 customers, primarily due to utility systems that we acquired and organic growth. Overall, for the five-year period of 2015 through 2019, our utility customer base,

adjusted to exclude customers associated with utility system dispositions, increased at an annual compound rate of 1.8%. During the five-year period ended December 31, 2019, our utility customer base, including customers associated with utility system acquisitions and dispositions, increased from 940,119 at January 1, 2015 to 1,026,704 at December 31, 2019.

The Peoples Acquisition brings Essential Utilities' total water, wastewater and natural gas customer count to approximately 1,773,000 on a pro forma basis as of December 31, 2019.

Our principal executive office is located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010-3489, and our telephone number is 610-527-8000. Our website may be accessed at *www.essential.co*. The reference to our website is intended to be an inactive textual reference only, and the contents of our website are not incorporated by reference herein and should not be considered part of this prospectus supplement.

Recent Developments

COVID-19

The impact of the global outbreak of the COVID-19 pandemic has created significant volatility in the global economy and led to reduced economic activity. We are monitoring the global outbreak of COVID-19 and taking steps to mitigate the potential risks to our employees and our customers posed by its spread. For information regarding the COVID-19 pandemic and its impact on our business, see our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2020 filed with the SEC on May 8, 2020 and the quarter ended June 30, 2020 filed with the SEC on August 6, 2020.

THE OFFERING

The following summary contains basic information about this offering and may not contain all of the information that may be important to you. You should read this entire prospectus supplement, the accompanying prospectus, any free writing prospectus we may provide to you in connection with this offering and the documents incorporated by reference herein and therein before making an investment decision.

As used in this section, unless the context otherwise requires, references to "Essential Utilities," the "Company," "we," "us," "our" and similar references refer only to Essential Utilities, Inc. and not to its consolidated subsidiaries.

Issuer	Essential Utilities, Inc., a Pennsylvania corporation
Common Stock Offered by this Prospectus Supplement	6,700,000 shares
Common Stock to be Outstanding Immediately Before this Offering	245,154,699 shares(1)
Common Stock to be Outstanding Immediately After the Offering	245,154,699 shares(1)(2)
Common Stock to be Outstanding After Settlement of the Forward Sale Agreement Assuming Physical Settlement	251,854,699 shares(1)(2)(3)

(1) This amount is based on the total number of shares of our common stock that was outstanding on August 7, 2020. In calculating that number of shares, we did not take into account shares issuable upon settlement of the purchase contracts that are part of the tangible equity units, reserved for issuance upon exercise or vesting of stock options, restricted stock units or performance share units or issuable under the dividend reinvestment plan, employee stock purchase plan or 401(k) savings plan.

(2) Such number of shares of our common stock assumes that we will not be required to issue the shares of our common stock that are the subject of this offering in lieu of the forward seller borrowing and selling such shares to the underwriter as further described elsewhere in this prospectus supplement. For more information, see "Underwriting (Conflicts of Interest)."

(3) The forward seller has advised us that it intends to acquire shares of our common stock to be sold in this offering through borrowings from third-party stock lenders. Subject to the occurrence of certain events, we will not be obligated to deliver shares of our common stock under the forward sale agreement (if at all) until later settlement of the forward sale agreement, which provides for settlement on a settlement date or dates to be specified at our discretion on or prior to August 10, 2021. Except in certain circumstances, we have the right to elect cash settlement or net share settlement under the forward sale agreement. Although we intend to elect full physical settlement under the forward sale agreement, if we elect cash settlement we will not issue any shares and if we elect net share settlement, the number of shares we issue upon settlement of the forward sale agreement may be substantially less than the amount we would have issued upon full physical settlement, or we may not issue any shares upon such net share settlement at all. See "Underwriting (Conflicts of Interest)–Forward Sale Agreement" for a description of the forward sale agreement.

Use of Proceeds	We will not initially receive any proceeds from the sale of the shares of our common stock offered by the forward seller in this offering, unless an event occurs that requires us to issue and sell such shares to the underwriter in lieu of the forward seller selling such shares to the underwriter as further described elsewhere in this prospectus supplement, in which case we intend to use all net proceeds we receive from any such sales for the same purposes described below. We expect to receive net proceeds (after deducting estimated expenses) of approximately $307.5 million, subject to the price adjustment and other provisions of the forward sale agreement, in the event of full physical settlement of the forward sale agreement, which we expect to occur on or prior to August 10, 2021. For purposes of calculating the proceeds to us upon settlement of the forward sale agreement, we have assumed that the forward sale agreement is physically settled based upon the initial forward sale price of $46.00 per share on the effective date of the forward sale agreement, which will be August 11, 2020. We will not receive any proceeds under the forward sale agreement on the closing date of this offering. The actual proceeds from the forward sales are subject to the final settlement of the forward sale agreement. The forward sale price that we expect to receive upon physical settlement of the forward sale agreement is subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread and will be decreased based on amounts related to expected dividends on shares of our common stock during the term of the forward sale agreement, including the dividend declared on August 4, 2020 and having a record date of August 14, 2020. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price for such day.

We currently intend to elect full physical settlement of the forward sale agreement and to use the net proceeds, if any, that we would receive upon settlement of the forward sale agreement for general corporate purposes, including for water and wastewater utility acquisitions, working capital and capital expenditures. If we elect to cash settle all or a portion of the forward sale agreement, we will not receive any proceeds from the sale of shares of our common stock related to such election of cash settlement of the forward sale agreement and we may either receive a cash payment from, or owe a cash payment to, the forward purchaser. If we elect to net share settle all or a portion of the forward sale agreement, we will not receive any proceeds from the sale of shares of our common stock related to such election, and we may either receive shares of our common stock from, or owe shares of our common stock to, the forward purchaser.

Certain United States Federal Income and Estate Tax Considerations	Certain United States federal income and estate tax considerations to non-U.S. holders of purchasing, owning and disposing of our common stock are described in “Certain United States Federal Income and Estate Tax Considerations to Non-U.S. Holders” included in this prospectus supplement.

Listing	Our common stock is listed on the New York Stock Exchange (the "NYSE") under the symbol "WTRG."
Dividend Policy	We have historically paid quarterly dividends on our common stock; however, the declaration, amount, timing and payment of any future dividends are subject to the determination and approval of our board of directors based on then-current or anticipated future conditions including our results of operations, capital requirements, financial condition, legal requirements or other factors deemed relevant by our board of directors. See "Listing of Our Common Stock and Dividends."
Transfer Agent and Registrar	The registrar and transfer agent for our common stock is Computershare Trust Company, N.A.
Accounting Treatment	Before the issuance of shares of our common stock, if any, upon settlement of the forward sale agreement, we expect that the shares issuable upon settlement of the forward sale agreement will be reflected in our diluted earnings per share calculation using the treasury stock method. Under this method, the number of shares of our common stock used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of shares of common stock that would be issued upon full physical settlement of the forward sale agreement over the number of shares of common stock that could be purchased by us in the market (based on the average market price of our common stock during the applicable reporting period) using the proceeds receivable upon full physical settlement (based on the adjusted forward sale price at the end of the reporting period). Consequently, we anticipate there will be no dilutive effect on our earnings per share except during periods when the average market price of shares of our common stock is above the applicable adjusted forward sale price, which is initially $46.00 per share, subject to increase or decrease based on the overnight bank funding rate, less a spread, and subject to decrease by amounts related to expected dividends on shares of our common stock during the term of the forward sale agreement. However, if we decide to physically settle or net share settle the forward sale agreement, delivery of our shares to the forward purchaser on the physical settlement or net share settlement of the forward sale agreement would result in dilution to our earnings per share.
Conflicts of Interest	All of the proceeds of this offering (excluding proceeds to us with respect to any shares of common stock that we may issue and sell directly to the underwriter in lieu of the forward seller selling our common stock to the underwriter) will be paid to the forward purchaser (or its affiliate). Because RBC Capital Markets, or its affiliate, will receive more than 5% of the net proceeds of this offering, not including underwriting compensation, RBC Capital Markets is deemed to have a conflict of interest within the meaning of Rule 5121 (Public Offerings of Securities with Conflicts of Interest)

	of the Financial Industry Regulatory Authority, Inc. ("FINRA"). Accordingly, this offering will be conducted in compliance with the applicable requirements of FINRA Rule 5121. Pursuant to that rule, the appointment of a "qualified independent underwriter" is not required in connection with this offering, as the shares of our common stock have a "bona fide public market" (as such terms are defined in FINRA Rule 5121). In accordance with FINRA Rule 5121, RBC Capital Markets may not confirm any sales to any account over which it exercises discretionary authority without the prior written approval of the transaction from the account holder.
Risk Factors	Investing in our common stock involves risks. See "Risk Factors" in this prospectus supplement, the accompanying prospectus and in the documents we incorporate by reference in this prospectus supplement and the accompanying prospectus for a discussion of some of the risks and other factors you should carefully consider before deciding to invest in shares of our common stock.

In this prospectus supplement, unless otherwise indicated, the number of shares of our common stock outstanding and the other information based thereon is based on 245,154,699 shares of our common stock outstanding as of August 7, 2020, and does not reflect:

- 11.1 million shares of our common stock issuable upon settlement of the tangible equity units ("TEUs") purchase contracts outstanding as of June 30, 2020, assuming the maximum number of shares issuable upon automatic settlement of such TEU purchase contracts that are components of the TEUs; and
- 18.7 million shares of our common stock reserved for issuance upon exercise of stock options outstanding, upon vesting of our time based restricted stock units, upon vesting of our performance based restricted stock units or performance share units, as well as additional shares we may issue under our dividend reinvestment program, employee stock purchase plan or 401(k) savings plans.

RISK FACTORS

Investing in our common stock involves risks. You should review and carefully consider the risks, uncertainties and other factors described below and all of the information included elsewhere in this prospectus supplement, the accompanying prospectus, any free writing prospectus we may provide to you in connection with this offering and the documents incorporated by reference herein and therein before deciding to invest in the shares. We also urge you to consider carefully the risks, uncertainties and other factors set forth under the headings "Forward-Looking Statements" and "Market and Industry Data." However, additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, operations, financial condition and financial results and the value of the shares.

Risks Related to Our Business

For a discussion of specific risks related to our business, operations, financial condition and financial results, please see the "Business," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections in our Annual Report on Form 10-K for our fiscal year ended December 31, 2019 and the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections in our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2020 filed with the SEC on May 8, 2020 and the quarter ended June 30, 2020 filed with the SEC on August 6, 2020, in each case, as updated by our annual, quarterly and other reports and documents we file with the SEC that are incorporated by reference in this prospectus supplement and the accompanying prospectus. See "Where You Can Find Additional Information; Incorporation of Certain Documents by Reference," in this prospectus supplement.

Risks Related to the Forward Sale Agreement

Settlement provisions contained in the forward sale agreement subject us to certain risks.

The forward purchaser will have the right to accelerate the forward sale agreement (or, in certain cases, the portion thereof that it determines is affected by the relevant event) and require us to physically settle the forward sale agreement on a date specified by the forward purchaser if:

- in the commercially reasonable judgment of the forward purchaser, it or its affiliate is unable to hedge its exposure to the transactions contemplated by the forward sale agreement because of the lack of sufficient shares of our common stock being made available for borrowing by stock lenders or it or its affiliate is unable to borrow such number of shares at a rate equal to or less than an agreed maximum stock loan rate;
- we declare any dividend, issue or distribution on shares of our common stock (i) payable in cash in excess of a specified amount or that otherwise constitutes an extraordinary dividend under the forward sale agreement, (ii) payable in securities of another company as a result of a spin-off or similar transaction, (iii) of any other type of securities (other than our common stock), rights, warrants or other assets for payment (cash or other consideration) at less than the prevailing market price, as reasonably determined by the forward purchaser or (iv) any other special dividend or distribution that is outside the normal course of our operations of normal dividend policies or practices;
- certain ownership thresholds applicable to the forward purchaser are exceeded;
- an event is announced that, if consummated, would result in an extraordinary event (as defined in the forward sale agreement) including, among other things, certain mergers and tender offers, as well as certain events such as a delisting of our common stock (each as more fully described in the forward sale agreement); or
- certain other events of default or termination events occur, including, among other things, any material misrepresentation made by us in connection with our entry into the forward sale agreement, our bankruptcy (except as described below) or certain changes in law (each as more fully described in the forward sale agreement).

The forward purchaser's decision to exercise its right to accelerate the forward sale agreement (or, in certain cases, the portion thereof that it determines is affected by the relevant event) and to require us to settle the forward sale agreement will be made irrespective of our interests, including our need for capital. In such cases, we could be required to issue and deliver shares of our common stock under the terms of the physical settlement provisions of the forward sale agreement irrespective of our capital needs, which would result in dilution to our earnings per share and may adversely affect the market price of our common stock. In addition, upon certain events of bankruptcy or insolvency related to us, the forward sale agreement will automatically terminate without further liability of either party to such agreement (other than in the event of a breach by us of certain representations or warranties contained in the forward sale agreement). Following any such termination, we would not issue any shares of common stock or receive any proceeds pursuant to the forward sale agreement.

The forward sale agreement provides for settlement on a settlement date or dates to be specified at our discretion on or prior to August 10, 2021. The forward sale agreement will be physically settled, unless we elect to settle the forward sale agreement in cash or to net share settle the forward sale agreement. If we decide to physically settle or net share settle the forward sale agreement, delivery of shares of our common stock upon any physical settlement or net share settlement of the forward sale agreement will result in dilution to our earnings per share. If we elect cash or net share settlement for all or a portion of the shares of our common stock underlying the forward sale agreement, we would expect the forward purchaser or one of its affiliates to repurchase a number of shares of our common stock equal to the portion for which we elect cash or net share settlement in order to satisfy its obligation to return the shares of our common stock the forward purchaser or its affiliate had borrowed in connection with sales of our common stock under this prospectus supplement and, if applicable in connection with net share settlement, to deliver shares of our common stock to us. If the market value of our common stock at the time of the purchase is above the forward sale price at that time, we will pay or deliver, as the case may be, to the forward purchaser under the forward sale agreement, an amount in cash, or a number of shares of our common stock with a market value, equal to such difference. Any such difference could be significant. Conversely, if the market value of our common stock at the time of such purchase is below the forward sale price at that time, the forward purchaser will pay or deliver, as the case may be, to us under the forward sale agreement, an amount in cash, or a number of shares of our common stock with a market value, equal to such difference. See "Underwriting (Conflicts of Interest)—Forward Sale Agreement" for a description of the forward sale agreement.

The forward sale price that we expect to receive upon physical settlement of the forward sale agreement is subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread and will be decreased based on amounts related to expected dividends on shares of our common stock during the term of the forward sale agreement. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price for such day. As of the date of this prospectus supplement, the overnight bank funding rate is less than the spread, and if the overnight bank funding rate remains constant or decreases prior to the settlement of the forward sale agreement, we may receive less than the initial forward sale price per share upon physical settlement of the forward sale agreement.

In addition, the purchase of shares of our common stock by the forward purchaser or its affiliate to unwind the forward purchaser's hedge position could cause the market price of our common stock to increase over time, thereby increasing the amount of cash we would owe to the forward purchaser upon a cash settlement or increasing the number of shares of our common stock we would owe to the forward purchaser upon a net share settlement, as the case may be, of the forward sale agreement, or decreasing the amount of cash that the forward purchaser would owe us upon a cash settlement or decreasing the number of shares of our common stock that the forward purchaser would owe us upon a net share settlement, as the case may be, of the forward sale agreement. We will not be able to control the manner in which the forward purchaser unwinds its hedge positions.

In certain bankruptcy or insolvency events, the forward sale agreement will automatically terminate, and we would not receive the expected proceeds from the forward sales of our common stock.

If we institute or consent to, or an appropriate regulatory or other authority institutes against us, a proceeding seeking a judgment in bankruptcy or insolvency or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights or if we or such authority presents a petition for our winding up or liquidation or we consent to such a petition, the forward sale agreement will automatically terminate. If the forward sale agreement so terminates, we would not be obligated to deliver to the forward purchaser any shares of our common stock not previously delivered (or for which physical settlement has not been elected), and the forward purchaser would be discharged from its obligation to pay the forward sale price per share in respect of any shares of our common stock not previously settled (or for which physical settlement has not been elected). Therefore, to the extent there are any shares of our common stock with respect to which we have not elected to physically settle under the forward sale agreement at the time of the institution of or consent to any such bankruptcy or insolvency proceedings or any such petition, we would not receive the forward sale price per share in respect of those shares of our common stock.

Risks Related to this Offering and Our Common Stock

The unaudited pro forma consolidated combined financial information and other adjusted information included or incorporated by reference in this prospectus supplement and the accompanying prospectus are presented for illustrative purposes only and do not purport to represent what the financial position or results of operations of the combined company would have been had the Peoples Acquisition been completed on the dates assumed for purposes of that information, nor do they represent the actual financial position or results of operations of the combined company following the Peoples Acquisition.

The unaudited pro forma consolidated combined financial information and other adjusted information included or incorporated by reference in this prospectus supplement and the accompanying prospectus are presented for illustrative purposes only, are based on numerous adjustments, assumptions and estimates, are subject to numerous other uncertainties and do not purport to reflect what the combined company's financial position or results of operations would have been had the Peoples Acquisition been completed as of the dates assumed for purposes of that information, nor do they reflect the financial position or results of operations of the combined company following the Peoples Acquisition. Such unaudited pro forma consolidated combined financial information and certain other adjusted information reflects the assumptions of our management at the time that such information was initially prepared.

In any event, our actual financial positions and results of operations following the Peoples Acquisition may not be consistent with, or evident from, the unaudited pro forma consolidated combined financial information or other adjusted information included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

For purposes of the unaudited pro forma consolidated combined financial information as of December 31, 2019, the $3.465 billion base cash purchase price payable in connection with the Peoples Acquisition (the "Cash Acquisition Consideration") has been preliminarily allocated to the identifiable assets acquired and liabilities assumed based on limited information presently available to estimate fair values. The Cash Acquisition Consideration will be allocated among the relative fair values of the identifiable assets acquired and liabilities assumed based on their estimated fair values as of the date of the Peoples Acquisition. The relative fair values of the assets acquired and liabilities assumed are estimates, which are subject to change pending further review. The actual amounts recorded with respect to the Peoples Acquisition may differ materially from the information presented in the unaudited pro forma consolidated combined financial information.

As a result of the foregoing, investors should not place undue reliance on unaudited pro forma consolidated combined financial information and other adjusted information included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

The price of our common stock may be volatile. This volatility may affect the price at which you could sell our common stock, and the sale or resale of substantial amounts of our common stock could adversely affect the market price of our common stock.

The sale or issuance of substantial amounts of our common stock, or the perception that additional sales or issuances could occur, could adversely affect the market price of our common stock, even if the business is doing well. In addition, the availability for sale of substantial amounts of our common stock could adversely impact its market price. Shares of our common stock will also be issuable upon settlement or redemption of the TEU purchase contracts and the number of shares may be substantial. The settlement rates for the TEU purchase contracts will be subject to certain anti-dilution adjustments that could increase, potentially significantly, the number of shares of our common stock issuable upon such settlement or redemption. Any of the foregoing may also impair our ability to raise additional capital through the sale of our equity securities.

Raising additional funds by issuing additional equity securities or with additional debt financing in the future may cause dilution to shareholders or restrict our operations.

We expect that we will need to raise additional capital in the future in order to, among other things, repay indebtedness and fund our operations and future acquisitions, which we may do through equity and equity-linked securities offerings or additional debt financings, as well as borrowings under our credit facilities. Additional issuances of equity securities, including shares of our common stock, or debt or other securities that are convertible into or exchangeable for, or that represent the right to receive, common stock could dilute the economic and other rights and interests of holders of shares of our common stock and cause the market price of our common stock to decline. Subject to certain exceptions, such issuances may be made without any action or approval by our shareholders.

Any new debt financing we enter into may involve covenants that restrict our operations more than our current outstanding debt and credit facilities. These restrictive covenants could include limitations on additional borrowings, and specific restrictions on the use of our assets, as well as prohibitions or limitations on our ability to create liens, pay dividends, receive distributions from our subsidiaries, redeem or repurchase our stock or make investments. These covenants could hinder our access to capital markets and limit or delay our ability to carry out our capital expenditure program.

Anti-takeover provisions in our organizational documents and under Pennsylvania law might discourage, delay or prevent changes in control of our company and may result in an entrenchment of management and diminish the value of our common stock.

Certain provisions of our articles of incorporation and bylaws could have the effect of delaying, deterring or preventing another party from acquiring or seeking to acquire control of us. These provisions are intended to discourage certain types of coercive takeover practices and inadequate takeover bids and to encourage anyone seeking to acquire control of us to negotiate first with our board of directors. However, these provisions could also delay, deter or prevent a change of control or other takeover of our company that our shareholders might consider to be in their best interests, including transactions that might result in a premium being paid over the market prices of our common stock, and may also limit the prices that investors are willing to pay in the future for our common stock. These provisions may also have the effect of preventing changes in our management.

For example, our articles of incorporation and bylaws include anti-takeover provisions that:

- authorize our board of directors, without a vote or other action by our shareholders, to cause the issuance of preferred stock in one or more series and, with respect to each series, to fix the number of shares constituting that series and to establish the rights, preferences, privileges and restrictions of that series, which may include, among other things, dividend and liquidation rights and preferences, rights to convert such shares into common stock, voting rights and other rights which may adversely affect the voting or other rights and the economic interests of holders of our common stock;

- require that certain fundamental transactions must be approved by the holders of 75% of the outstanding shares of our capital stock entitled to vote on the matter unless at least a majority of the members of the board of directors has approved the transaction, in which case the required shareholder approval will be the minimum approval required by applicable law;
- establish advance notice requirements and procedures for shareholders to submit nominations of candidates for election to our board of directors and to propose other business to be brought before a shareholders meeting;
- provide that vacancies in our board of directors, including vacancies created by the removal of any director, or any increase in the number of directors may be filled by a majority of the directors then in office or by the sole remaining director;
- provide that no shareholder may cumulate votes in the election of directors, which means that the holders of a majority of our outstanding shares of common stock can elect all directors standing for election by our common shareholders;
- require that any action to be taken by our shareholders must be taken either (1) at a duly called annual or special meeting of shareholders or (2) by the unanimous written consent of all of our shareholders; and
- require action by shareholders entitled to cast a majority of the votes which all shareholders are entitled to cast at the particular meeting in order for our shareholders to call a special meeting of shareholders.

In addition, anti-takeover provisions in Pennsylvania law could make it more difficult for a third party to acquire control of us including, but not limited to, provisions relating to (1) control share acquisitions, (2) disgorgement of profits by certain controlling persons, (3) business combination transactions with interested shareholders, and (4) the rights of shareholders to demand fair value for their stock following a control transaction. Pennsylvania law permits corporations to opt-out of these anti-takeover provisions, but we have not done so. Such provisions could have the effect of deterring takeovers or delaying changes in control or management of us. Additionally, such provisions could limit the price that some investors might be willing to pay in the future for shares of our common stock.

We may be unable to, or may choose not to, continue to pay dividends on our common stock at current or planned rates or at all.

Any future payments of cash dividends, and the amount of any cash dividends we pay, on our common stock will depend on, among other things, our financial condition, capital requirements and results of operations, and the ability of our subsidiaries to distribute cash to us, as well as other factors that our board of directors may consider relevant. If we were to reduce the amount of cash dividends per share payable on our common stock, fail to increase the amount of those cash dividends per share in the future or cease paying those cash dividends altogether, it would likely have an adverse impact on the market price of our common stock. In addition, under Pennsylvania law, our board of directors (or an authorized committee thereof) may not declare and pay dividends on shares of our common stock if, after giving effect to the dividend (1) we would be unable to pay our debts as they become due in the ordinary course of business, or (2) our total assets would be less than the sum of our total liabilities plus the amount that would be needed, if we were to be dissolved as of the date for measuring the dividend, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those receiving the dividend.

Essential Utilities' ability to pay dividends and to meet its debt obligations largely depends on the performance of its subsidiaries and the ability to utilize the cash flows from those subsidiaries.

Essential Utilities is a holding company substantially all of whose assets are owned by its subsidiaries and substantially all of whose operations are conducted through its subsidiaries. Essential Utilities' ability to pay dividends and meet its debt and other obligations depends almost entirely on cash flows from its subsidiaries and,

in the short term, its ability to raise capital from external sources. In the long term, cash flows from its subsidiaries depend on their ability to generate operating cash flows in excess of their own expenditures, common and preferred stock dividends (if any), and debt or other obligations. Its subsidiaries are separate and distinct legal entities that are not obligated to pay dividends or make loans or distributions to Essential Utilities (whether to enable Essential Utilities to pay dividends on its common stock, to pay principal and interest on its debt, to settle, repurchase or redeem its debt (including the amortizing notes components of its TEUs) or other securities (including the purchase contracts components of its TEUs)), or to satisfy its other obligations). In addition, notwithstanding its controlling interest in such subsidiaries, many of them, including certain entities of Peoples, are limited in their ability to pay dividends or make loans or distributions to Essential Utilities, including, without limitation, as a result of legislation, regulation, court order, contractual restrictions and other restrictions or in times of financial distress. As a result, Essential Utilities may not be able to cause its subsidiaries and other entities to distribute funds or provide loans sufficient to enable it to pay dividends and meet its debt and other obligations.

USE OF PROCEEDS

We will not initially receive any proceeds from the sale of the shares of our common stock offered by the forward seller in this offering, unless an event occurs that requires us to issue and sell such shares to the underwriter in lieu of the forward seller selling such shares to the underwriter as further described elsewhere in this prospectus supplement, in which case we intend to use all net proceeds we receive from any such sales for the same purposes described below.

We expect to receive net proceeds (after deducting estimated expenses) of approximately $307.5 million, subject to the price adjustment and other provisions of the forward sale agreement, in the event of full physical settlement of the forward sale agreement, which we expect to occur on or prior to August 10, 2021. For purposes of calculating the proceeds to us upon settlement of the forward sale agreement, we have assumed that the forward sale agreement is physically settled based upon the initial forward sale price of $46.00 per share on the effective date of the forward sale agreement, which will be August 11, 2020. We will not receive any proceeds under the forward sale agreement on the closing date of this offering. The actual proceeds from the forward sales are subject to the final settlement of the forward sale agreement. The forward sale price that we expect to receive upon physical settlement of the forward sale agreement is subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread and will be decreased based on amounts related to expected dividends on shares of our common stock during the term of the forward sale agreement, including the dividend declared on August 4, 2020 and having a record date of August 14, 2020. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price for such day. See “Underwriting (Conflicts of Interest)—Forward Sale Agreement” for a description of the forward sale agreement.

We currently intend to elect full physical settlement of the forward sale agreement and to use the net proceeds, if any, that we would receive upon settlement of the forward sale agreement for general corporate purposes, including for water and wastewater utility acquisitions, working capital and capital expenditures. If we elect to cash settle all or a portion of the forward sale agreement, we will not receive any proceeds from the sale of shares of our common stock related to such election of cash settlement of the forward sale agreement and we may either receive a cash payment from, or owe a cash payment to, the forward purchaser. If we elect to net share settle all or a portion of the forward sale agreement, we will not receive any proceeds from the sale of shares of our common stock related to such election, and we may either receive shares of our common stock from, or owe shares of our common stock to, the forward purchaser.

LISTING OF OUR COMMON STOCK AND DIVIDENDS

Our common stock is listed on the NYSE under the symbol “WTRG.” As of August 7, 2020, there were 245,154,699 shares of our common stock outstanding.

On August 10, 2020, the last reported sale price of our common stock on the NYSE was $47.81.

We have historically paid quarterly dividends on our common stock; however, the declaration, amount, timing and payment of any future dividends are subject to the determination and approval of our board of directors based on then-current or anticipated future conditions including our results of operations, capital requirements, financial condition, legal requirements or other factors deemed relevant by our board of directors. See “Risk Factors—Risks Related to Our Common Stock—We may be unable to, or may choose not to, continue to pay dividends on our common stock at current or planned rates or at all.”

CERTAIN UNITED STATES FEDERAL INCOME AND ESTATE TAX CONSIDERATIONS TO NON-U.S. HOLDERS

The following is a summary of certain United States federal income and estate tax consequences of the purchase, ownership and disposition of our common stock as of the date hereof. Except where noted, this summary deals only with common stock that is held as a capital asset by a non-U.S. holder (as defined below).

A "non-U.S. holder" means a beneficial owner of our common stock (other than an entity treated as a partnership for United States federal income tax purposes) that is not, for United States federal income tax purposes, any of the following:

- an individual citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income and estate tax consequences different from those summarized below. This summary does not address all aspects of United States federal income and estate taxes and does not deal with foreign, state, local or other tax considerations that may be relevant to non-U.S. holders in light of their particular circumstances. In addition, it does not represent a detailed description of the United States federal income and estate tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws (including if you are a United States expatriate, foreign pension fund, "controlled foreign corporation," "passive foreign investment company" or a partnership or other pass-through entity for United States federal income tax purposes). We cannot assure you that a change in law will not alter significantly the tax considerations that we describe in this summary.

If a partnership (or other entity treated as a partnership for United States federal income tax purposes) holds our common stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our common stock, you should consult your tax advisors.

If you are considering the purchase of our common stock, you should consult your own tax advisors concerning the particular United States federal income and estate tax consequences to you of the purchase, ownership and disposition of our common stock, as well as the consequences to you arising under other United States federal tax laws and the laws of any other taxing jurisdiction.

Dividends

In the event that we make a distribution of cash or other property (other than certain pro rata distributions of our stock) in respect of our common stock, the distribution generally will be treated as a dividend for United States federal income tax purposes to the extent it is paid from our current or accumulated earnings and profits, as determined under United States federal income tax principles. Any portion of a distribution that exceeds our current and accumulated earnings and profits generally will be treated first as a tax-free return of capital, causing

a reduction in the adjusted tax basis of a non-U.S. holder's common stock, and to the extent the amount of the distribution exceeds a non-U.S. holder's adjusted tax basis in our common stock, the excess will be treated as gain from the disposition of our common stock (the tax treatment of which is discussed below under "—Gain on Disposition of Common Stock").

Dividends paid to a non-U.S. holder generally will be subject to withholding of United States federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, dividends that are effectively connected with the conduct of a trade or business by the non-U.S. holder within the United States (and, if required by an applicable income tax treaty, are attributable to a United States permanent establishment) are not subject to the withholding tax, provided certain certification and disclosure requirements are satisfied. Instead, such dividends are subject to United States federal income tax on a net income basis in the same manner as if the non-U.S. holder were a United States person as defined under the Code. Any such effectively connected dividends received by a foreign corporation may be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

A non-U.S. holder who wishes to claim the benefit of an applicable treaty rate and avoid backup withholding, as discussed below, for dividends will be required (a) to provide the applicable withholding agent with a properly executed Internal Revenue Service ("IRS") Form W-8BEN or Form W-8BEN-E (or other applicable form) certifying under penalty of perjury that such holder is not a United States person as defined under the Code and is eligible for treaty benefits or (b) if our common stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable United States Treasury regulations. Special certification and other requirements apply to certain non-U.S. holders that are pass-through entities rather than corporations or individuals.

A non-U.S. holder eligible for a reduced rate of United States federal withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Gain on Disposition of Common Stock

Subject to the discussion of backup withholding below, any gain realized by a non-U.S. holder on the sale or other disposition of our common stock generally will not be subject to United States federal income tax unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment of the non-U.S. holder);
- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or
- we are or have been a "United States real property holding corporation" for United States federal income tax purposes and certain other conditions are met.

A non-U.S. holder described in the first bullet point immediately above will be subject to tax on the gain derived from the sale or other disposition in the same manner as if the non-U.S. holder were a United States person as defined under the Code. In addition, if any non-U.S. holder described in the first bullet point immediately above is a foreign corporation, the gain realized by such non-U.S. holder may be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. An individual non-U.S. holder described in the second bullet point immediately above will be subject to a 30% (or such lower rate as may be specified by an applicable income tax treaty) tax on the gain derived from the sale or other disposition, which gain may be offset by United States source capital losses even though the individual is not considered a resident of the United States.

Generally, a corporation is a "United States real property holding corporation" if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide

real property interests and its other assets used or held for use in a trade or business (all as determined for United States federal income tax purposes). We believe we are not and do not anticipate becoming a "United States real property holding corporation" for United States federal income tax purposes. If, however, we are or become a "United States real property holding corporation," so long as our common stock is regularly traded on an established securities market during the calendar year in which the sale or other disposition occurs, only a non-U.S. holder who holds or held (at any time during the shorter of the five year period preceding the date of disposition or the holder's holding period) more than 5% of our common stock will be subject to United States federal income tax on the sale or other disposition of our common stock.

Federal Estate Tax

Common stock held by an individual non-U.S. holder at the time of death will be included in such holder's gross estate for United States federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

Information Reporting and Backup Withholding

Distributions paid to a non-U.S. holder and the amount of any tax withheld with respect to such distributions generally will be reported to the IRS. Copies of the information returns reporting such distributions and any withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty.

A non-U.S. holder will not be subject to backup withholding on dividends received if such holder certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code), or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale or other disposition of our common stock made within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person as defined under the Code), or such owner otherwise establishes an exemption.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a non-U.S. holder's United States federal income tax liability provided the required information is timely furnished to the IRS.

Additional Withholding Requirements

Under Sections 1471 through 1474 of the Code (such Sections commonly referred to as "FATCA"), a 30% United States federal withholding tax may apply to any dividends paid on our common stock to (1) a "foreign financial institution" (as specifically defined in the Code) which does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (a) an exemption from FATCA, or (b) its compliance (or deemed compliance) with FATCA (which may alternatively be in the form of compliance with an intergovernmental agreement with the United States) in a manner which avoids withholding, or (2) a "non- financial foreign entity" (as specifically defined in the Code) which does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (a) an exemption from FATCA, or (b) adequate information regarding certain substantial United States beneficial owners of such entity (if any). If a dividend payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under "—Dividends," the withholding under FATCA may be credited against, and therefore reduce, such other withholding tax. You should consult your own tax advisors regarding these requirements and whether they may be relevant to your ownership and disposition of our common stock.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of our common stock by (i) "employee benefit plans" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") that are subject to Title I of ERISA, (ii) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "Similar Laws"), and (iii) entities which are deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements (each of the foregoing described in clauses (i), (ii), and (iii) being referred to herein as a "Plan").

General fiduciary matters and prohibited transaction issues

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (a "Covered Plan") and prohibit certain transactions involving the assets of a Covered Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Covered Plan or the management or disposition of the assets of such a Covered Plan, or who renders investment advice for a fee or other compensation to such a Covered Plan, is generally considered to be a fiduciary of the Covered Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit Covered Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. The issuer and/or the underwriter, or any of their respective affiliates, may be a "party in interest" or a "disqualified person" within the meaning of ERISA and the Code. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the Covered Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code.

In considering an investment in our common stock with a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duty to the Plan, including without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

Government plans, foreign plans and certain church plans, while not subject to the fiduciary responsibility provisions of Title I of ERISA or the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, may nevertheless be subject to Similar Laws. Fiduciaries of such Plans should consult with their counsel before acquiring shares of our common stock.

Representation

By its acceptance of our common stock, each purchaser and subsequent transferee will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or transferee to acquire our common stock constitutes assets of any Plan or (ii) the acquisition of our common stock by such purchaser or transferee will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing our common stock on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code or any Similar Law and whether an exemption would be required.

Neither this discussion nor anything provided in this prospectus is, or is intended to be, investment advice directed at any potential Plan purchasers, or at Plan purchasers generally, and such purchasers of our common stock should consult and rely on their own counsel and advisers as to whether an investment in our common stock is suitable for the Plan. The sale of our common stock to any Plan is in no respect a representation by us, an underwriter or any of our or their affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such investment is prudent or appropriate for Plans generally or any particular Plan.

UNDERWRITING (CONFLICTS OF INTEREST)

Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, RBC Capital Markets has agreed to purchase, and the forward seller has agreed to sell to the underwriter, 6,700,000 shares of our common stock.

The underwriting agreement provides that the obligation of the underwriter to purchase the shares of our common stock included in this offering are subject to approval of certain legal matters by its counsel and to certain other customary conditions. The underwriter is obligated to purchase all of the shares of our common stock being offered pursuant to this prospectus supplement if it purchases any of such shares of our common stock. The offering of the shares of our common stock by the underwriter is subject to receipt and acceptance and to the underwriter's right to reject any order in whole or in part.

The underwriter may offer the shares from time to time to purchasers directly or through agents, or through brokers in brokerage transactions on the NYSE, in the over-the-counter market, or to dealers in negotiated transactions, or in a combination of such methods of sale or otherwise, at a fixed price or prices, which may be changed, or at market prices prevailing at the time of sale, at prices related to such prevailing market prices, or at negotiated prices. In connection with the sale of shares of our common stock, the underwriter may be deemed to have received compensation in the form of underwriting discounts. The underwriter may effect such transactions by selling shares to or through dealers, and such dealers may receive compensation in the form of discounts, concessions, or commissions from the underwriter and/or purchasers of shares for whom it may act as an agent or to whom it may sell as principal. The difference between the price at which the underwriter purchases shares and the price at which the underwriter resells such shares may be deemed underwriting compensation.

We estimate that the total expenses related to this offering will be approximately $700,000.

We have agreed to indemnify the underwriter, the forward purchaser and the forward seller against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriter, the forward seller or the forward purchaser may be required to make in respect of those liabilities.

Forward Sale Agreement

We have entered into a forward sale agreement on the date of this prospectus supplement with the forward purchaser, relating to 6,700,000 shares of our common stock. In connection with the execution of the forward sale agreement, and at our request, the forward seller is borrowing from third parties and selling in this offering 6,700,000 shares of our common stock.

If in the commercially reasonable judgment of the forward purchaser, it or its affiliate is unable to borrow, or it or its affiliate is unable to borrow at a stock loan rate not greater than a specified rate, and deliver for sale on the anticipated closing date, any shares of our common stock then the forward sale agreement will be terminated in its entirety. If in the commercially reasonable judgment of the forward purchaser, it or its affiliate is unable to borrow and deliver for sale on the anticipated closing date a number of shares of our common stock underlying the forward sale agreement, or it or its affiliate would be unable to borrow, at a stock loan rate not greater than a specified rate, and deliver for sale on the anticipated closing date such number of shares of our common stock, then we will issue and sell directly to the underwriter a number of shares of our common stock equal to the number of shares that the forward seller does not borrow and deliver, and the number of shares of our common stock to which the forward sale agreement relates will be reduced to the number that the forward seller can so borrow and deliver. In the event that the number of shares of our common stock to which the forward sale agreement relates is so reduced, the commitment of the underwriter to purchase shares of our common stock from the forward seller and the forward seller's obligation to borrow such shares for delivery and sale to the underwriter, as described above, will be replaced with the commitment to purchase from us and our

corresponding obligation to issue and sell directly to the underwriter all or such portion of the number of shares of our common stock not borrowed and delivered by the forward seller. In such event, we or the underwriter will have the right to postpone the closing date for up to three business days to effect any necessary changes to the documents or arrangements in connection with such closing.

We expect to receive net proceeds (after deducting estimated expenses) of approximately $307.5 million, subject to the price adjustment and other provisions of the forward sale agreement, in the event of full physical settlement of the forward sale agreement, which we expect to occur on or prior to August 10, 2021. For purposes of calculating the proceeds to us upon settlement of the forward sale agreement, we have assumed that the forward sale agreement is physically settled based upon the initial forward sale price of $46.00 per share on the effective date of the forward sale agreement, which will be August 11, 2020. We will not receive any proceeds under the forward sale agreement on the closing date of this offering. The actual proceeds from the forward sales are subject to the final settlement of the forward sale agreement. The forward sale price that we expect to receive upon physical settlement of the forward sale agreement is subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread and will be decreased based on amounts related to expected dividends on shares of our common stock during the term of the forward sale agreement, including the dividend declared on August 4, 2020 and having a record date of August 14, 2020. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price for such day.

The forward sale agreement provides for settlement on a settlement date or dates to be specified at our discretion, but which we expect to occur on or prior to August 10, 2021. On a settlement date or dates, if we decide to physically settle the forward sale agreement, we will issue shares of our common stock to the forward purchaser at the then-applicable forward sale price. The forward sale price will initially be $46.00 per share, which is the price at which the underwriter has agreed to buy the shares of common stock offered hereby. The forward sale agreement provides that the initial forward sale price will be subject to adjustment based on a floating interest rate factor equal to the overnight bank funding rate less a spread, and will be subject to decrease on each of certain dates specified in the forward sale agreement by amounts related to expected dividends on shares of our common stock during the term of the forward sale agreement. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price. As of the date of this prospectus supplement, the overnight bank funding rate is less than the spread, and if the overnight bank funding rate remains constant or decreases prior to the settlement of the forward sale agreement, we may receive less than the initial forward sale price per share upon physical settlement of the forward sale agreement.

Before the issuance of shares of our common stock, if any, upon settlement of the forward sale agreement, we expect that the shares issuable upon settlement of the forward sale agreement will be reflected in our diluted earnings per share calculation using the treasury stock method. Under this method, the number of shares of our common stock used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of shares of our common stock that would be issued upon full physical settlement of the forward sale agreement over the number of shares of common stock that could be purchased by us in the market (based on the average market price of our common stock during the applicable reporting period) using the proceeds receivable upon full physical settlement (based on the adjusted forward sale price at the end of the reporting period). Consequently, we anticipate there will be no dilutive effect on our earnings per share except during periods when the average market price of shares of our common stock is above the applicable adjusted forward sale price, which is initially $46.00 per share, subject to increase or decrease based on the overnight bank funding rate, less a spread, and subject to decrease by amounts related to expected dividends on shares of our common stock during the term of the forward sale agreement.

However, if we decide to physically settle or net share settle the forward sale agreement, delivery of shares of our common stock to the forward purchaser on any such physical settlement or net share settlement of the forward sale agreement would result in dilution to our earnings per share.

The forward purchaser will have the right to accelerate the forward sale agreement (or, in certain cases, the portion thereof that it determines is affected by the relevant event) and require us to physically settle the forward sale agreement on a date specified by the forward purchaser if:

- in the commercially reasonable judgment of the forward purchaser, it or its affiliate is unable to hedge its exposure to the transactions contemplated by the forward sale agreement because of the lack of sufficient shares of our common stock being made available for borrowing by stock lenders or it or its affiliate is unable to borrow such number of shares at a rate equal to or less than an agreed maximum stock loan rate;
- we declare any dividend, issue or distribution on shares of our common stock (i) payable in cash in excess of a specified amount or that otherwise constitutes an extraordinary dividend under the forward sale agreement, (ii) payable in securities of another company as a result of a spin-off or similar transaction, (iii) of any other type of securities (other than our common stock), rights, warrants or other assets for payment (cash or other consideration) at less than the prevailing market price, as reasonably determined by the forward purchaser or (iv) any other special dividend or distribution that is outside the normal course of our operations of normal dividend policies or practices;
- certain ownership thresholds applicable to the forward purchaser are exceeded;
- an event is announced that, if consummated, would result in an extraordinary event (as defined in the forward sale agreement) including, among other things, certain mergers and tender offers, as well as certain events such as a delisting of our common stock (each as more fully described in the forward sale agreement); or
- certain other events of default or termination events occur, including, among other things, any material misrepresentation made by us in connection with our entry into the forward sale agreement, our bankruptcy (except as described below) or certain changes in law (each as more fully described in the forward sale agreement).

The forward purchaser's decision to exercise its right to accelerate the forward sale agreement (or, in certain cases, the portion thereof that it determines is affected by the relevant event) and to require us to settle the forward sale agreement will be made irrespective of our interests, including our need for capital. In such cases, we could be required to issue and deliver shares of our common stock under the terms of the physical settlement provisions of the forward sale agreement irrespective of our capital needs, which would result in dilution to our earnings per share and may adversely affect the market price of our common stock. In addition, upon certain events of bankruptcy or insolvency related to us, the forward sale agreement will automatically terminate without further liability of either party to such agreement (other than in the event of a breach by us of certain representations or warranties contained in the forward sale agreement). Following any such termination, we would not issue any shares of common stock or receive any proceeds pursuant to the forward sale agreement.

The forward sale agreement will be physically settled, unless we elect to settle the forward sale agreement in cash or to net share settle the forward sale agreement (which we have the right to do, subject to certain conditions, other than in the limited circumstances described above). If we decide to physically settle or net share settle the forward sale agreement, delivery of shares of our common stock upon any physical settlement or net share settlement of the forward sale agreement will result in dilution to our earnings per share. If we elect cash or net share settlement for all or a portion of the shares of our common stock underlying the forward sale agreement, we would expect the forward purchaser or one of its affiliates to repurchase a number of shares of our common stock equal to the portion for which we elect cash or net share settlement in order to satisfy its obligation to return the shares of our common stock the forward purchaser or its affiliate had borrowed in connection with sales of our common stock under this prospectus supplement and, if applicable in connection with net share settlement, to deliver shares of our common stock to us. If the market value of our common stock at the time of such purchase is above the forward sale price at that time, we will pay or deliver, as the case may be, to the forward purchaser under the forward sale agreement, an amount in cash, or a number of shares of our common stock with a market value, equal to such difference. Any such difference could be significant.

Conversely, if the market value of our common stock at the time of such purchase is below the forward sale price at that time, the forward purchaser will pay or deliver, as the case may be, to us under the forward sale agreement, an amount in cash, or a number of shares of our common stock with a market value, equal to such difference.

In addition, the purchase of shares of our common stock by the forward purchaser or its affiliate to unwind the forward purchaser's hedge position could cause the market price of our common stock to increase over time, thereby increasing the amount of cash we would owe to the forward purchaser upon a cash settlement or increasing the number of shares of our common stock we would owe to the forward purchaser upon a net share settlement, as the case may be, of the forward sale agreement, or decreasing the amount of cash that the forward purchaser would owe us upon a cash settlement or decreasing the number of shares of our common stock that the forward purchaser would owe us upon a net share settlement, as the case may be, of the forward sale agreement. We will not be able to control the manner in which the forward purchaser unwinds its hedge positions.

The foregoing is a description of certain provisions, and their anticipated effects, of the forward sale agreement we have entered into in connection with this offering, a copy of which is available upon request from us at the address set forth in the section of the accompanying prospectus entitled "Where You Can Find More Information." This description of certain terms of the forward sale agreement is not complete and is subject to, and qualified in its entirety by reference to, the provisions of such agreement.

Our common stock is listed on the NYSE under the symbol "WTRG."

We and all of our continuing directors (as described in our Definitive Proxy Statement on Schedule 14A filed with the SEC on March 27, 2020) and officers, through entering into lock-up agreements, have agreed that, without the prior written consent of the underwriter, we and they will not, during the period ending 60 days after the date of this prospectus supplement (the "restricted period"): (i) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, our common stock, any options, rights or warrants to purchase our common stock or any securities convertible into or exchangeable for, or substantially similar to, our common stock (collectively, "restricted securities"); (ii) enter into any swap or other agreement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock or any such other securities, whether any such transaction described in (i) or (ii) is to be settled by delivery of common stock or such other securities, in cash or otherwise or (iii) publicly disclose the intention to take any of the foregoing actions. In addition, we agreed not to file with the SEC any registration statement relating to any restricted securities, and our continuing directors and officers each agreed not to make any demand for, or exercise any right with respect to, the registration of any restricted securities, in each case during the restricted period and without the prior written consent of the underwriter.

The restrictions described in the immediately preceding paragraph do not apply to:

- the sale of the shares to the underwriter in this offering (including upon settlement of the forward sale agreement);
- the issuance by us of, or the receipt by our continuing directors and officers of, restricted securities pursuant to our existing employee equity or equity-based incentive plans, employee stock purchase plans or dividend reinvestment plans, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of the date of this prospectus supplement;
- the filing by us of registration statements relating to securities issuable under our existing employee equity or equity-based plans or employee stock purchase plans;
- the issuance of shares of common stock in connection with certain investments, acquisitions, with joint ventures, commercial relationships or other strategic transactions, provided that the aggregate number of shares issued or issuable pursuant to this clause does not exceed 10% of the number of shares of common stock outstanding immediately after this offering and prior to such issuance;

- in the case of our continuing directors and officers, (i) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of our common stock following expiration of the restricted period, (ii) transfers in accordance with the terms of existing trading plans pursuant to Rule 10b5-1 under the Exchange Act, (iii) certain transfers of shares held as of the date of this prospectus supplement through our existing 401(k) plan pursuant to portfolio balancing opportunities provided by the terms of such plan, (iv) transfers to us to satisfy certain tax obligations in connection with vesting of restricted stock units, restricted shares, performance share units or phantom shares and (v) certain other transfers to us;
- in the case of our continuing directors and officers, transfers to us upon death, disability or termination or employment, in each case, of such person;
- the receipt by us or our subsidiaries of shares (a) in the exercise of outstanding options, warrants, restricted stock units or other equity interests, including transfers deemed to occur upon the "net" or "cashless" exercise of options or (b) for the sole purpose of paying the exercise price of such options, warrants, restricted stock units or other equity interests or for paying taxes (including estimated taxes) due as a result of the exercise of such options, warrants, restricted stock units or other equity interests or as a result of the vesting of shares under restricted stock awards or restricted stock units pursuant to our existing employee benefit plans disclosed herein relating to this public offering, in each case on a "cashless" or "net exercise" basis, provided that any such shares received upon such exercise shall be subject to the terms of the lock-up agreement;
- tenders, sales or other transfers pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction made to all holders of restricted securities involving a "change of control" of us (provided that if such transaction is not consummated, our continuing directors' and officers' shares shall remain subject to the restrictions set forth in the lock-up agreements);
- the exercise for cash of options to purchase shares disclosed as outstanding herein, provided that any such shares received upon such exercise shall be subject to the terms of the lock-up agreements;
- in the case of our continuing directors and officers, the disposition of shares acquired in this offering or in open market transactions after completion of this offering; and
- transfers of shares or other of our securities pursuant to an order of a court or regulatory agency or to comply with any regulations related to ownership by our continuing directors and officers of their shares.

The underwriter, in its sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time.

In order to facilitate the offering of the shares, the underwriter may engage in transactions that stabilize, maintain or otherwise affect the price of the shares. Specifically, the underwriter may sell more shares than it is obligated to purchase under the underwriting agreement, creating a naked short position. The underwriter must close out any naked short position by purchasing shares of our common stock in the open market. A naked short position is more likely to be created if the underwriter is concerned that there may be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriter may bid for, and purchase, shares of our common stock in the open market to stabilize the price of the shares. These activities may raise or maintain the market price of the shares above independent market levels or prevent or retard a decline in the market price of the shares. The underwriter is not required to engage in these activities and may end any of these activities at any time.

Conflicts of Interest

The underwriter and its affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriter and its affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses. For example, RBC Capital Markets, LLC acted as a financial adviser in connection with the Peoples Acquisition, for which they received customary fees and expenses. The underwriter and/or its affiliates are also lenders and/or agents under certain of our credit facilities, including the Revolving Credit Facility, and receive customary fees and expenses in connection therewith.

In addition, in the ordinary course of its various business activities, the underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriter and/or its affiliates have lending relationships with us and may hedge their credit exposure to us consistent with their customary risk management policies. Typically, the underwriter and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates. Any such credit default swaps or short positions could adversely affect future trading prices of the shares offered hereby. The underwriter and its affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

All of the proceeds of this offering (excluding proceeds to us with respect to any shares of common stock that we may issue and sell directly to the underwriter in lieu of the forward seller selling our common stock to the underwriter) will be paid to the forward purchaser (or its affiliate). Because RBC Capital Markets, or its affiliate, will receive more than 5% of the net proceeds of this offering, not including underwriting compensation, RBC Capital Markets is deemed to have a conflict of interest within the meaning of FINRA Rule 5121. Accordingly, this offering will be conducted in compliance with the applicable requirements of FINRA Rule 5121. Pursuant to that rule, the appointment of a “qualified independent underwriter” is not required in connection with this offering, as the shares of our common stock have a “bona fide public market” (as such terms are defined in FINRA Rule 5121). In accordance with FINRA Rule 5121, RBC Capital Markets may not confirm any sales to any account over which it exercises discretionary authority without the prior written approval of the transaction from the account holder.

Selling Restrictions

Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should

refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriter is not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Prohibition of Sales to European Economic Area and United Kingdom Retail Investors

The shares are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA") or in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the shares or otherwise making them available to retail investors in the EEA or in the United Kingdom has been prepared and therefore offering or selling the shares or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIIPs Regulation. This prospectus supplement and the accompanying prospectus have been prepared on the basis that any offer of the shares in any Member State of the EEA or in the United Kingdom will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the shares. This prospectus supplement and the accompanying prospectus are not a prospectus for the purposes of the Prospectus Regulation.

United Kingdom

In addition, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at: (i) in the United Kingdom, persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), and/or persons falling within Article 49(2)(a) to (d) of the Order; (ii) persons who are outside the United Kingdom; and (iii) any other persons to whom it may otherwise lawfully be distributed (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to, and will be engaged in only with, relevant persons.

Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("ASIC") in relation to the offering. This prospectus supplement, the accompanying prospectus and any other offering or marketing material relating to the shares or this offering do not constitute a prospectus, product disclosure statement or other disclosure document under the prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (Cth) (the "Corporations Act"), and do not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia for a period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus supplement and the accompanying prospectus contain general information only and do not take account of the investment objectives, financial situation or particular needs of any particular person. They do not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus supplement and the accompanying prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Hong Kong

The shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "FIEA"). The shares may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws, regulations and ministerial guidelines of Japan.

Korea

Neither this prospectus supplement, the accompanying prospectus nor any other offering or marketing material relating to the shares or the offering should be construed in any way as our (or any of our affiliates or agents) soliciting investment or offering to sell the shares in the Republic of Korea ("Korea"). We are not making any representation with respect to the eligibility of any recipients of this prospectus supplement, the accompanying prospectus nor any other offering or marketing material relating to the shares or the offering to acquire the shares under the laws of Korea, including, without limitation, the Financial Investment Services and Capital Markets Act (the "FSCMA"), the Foreign Exchange Transaction Act (the "FETA"), and any regulations thereunder. The shares have not been registered with the Financial Services Commission of Korea (the "FSC") in any way pursuant to the FSCMA, and the shares may not be offered, sold or delivered, or offered or sold to any person for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea. Furthermore, the shares may not be resold to any Korean resident

unless such Korean resident as the purchaser of the resold shares complies with all applicable regulatory requirements (including, without limitation, reporting or approval requirements under the FETA and regulations thereunder) relating to the purchase of the resold shares.

Singapore

Neither this prospectus supplement, the accompanying prospectus nor any other offering or marketing material relating to the shares or the offering has been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, neither this prospectus supplement, the accompanying prospectus nor any other offering or marketing material relating to the shares or the offering may be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore, other than (a) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (b) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (c) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A) or Section 276(4)(i)(B), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; (3) by operation of law, (4) as specified in Section 276(7) of the SFA or (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, we have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("*SIX*") or on any other exchange or regulated trading facility in Switzerland. This prospectus supplement, the accompanying prospectus and any other offering or marketing material relating to the shares or this offering do not constitute a prospectus within the meaning of and have been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other exchange or regulated trading facility in Switzerland.

Neither this prospectus supplement, the accompanying prospectus nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland. Neither this prospectus supplement, the accompanying prospectus nor any other offering or marketing material relating to the offering, the Company or the shares has been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus supplement and the accompanying prospectus will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority, and the offer of shares has not been and will not be authorized under the Swiss Federal Act on

Collective Investment Schemes (the "*CISA*"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the shares.

Taiwan

The shares have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or any other regulatory authority of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which could constitute an offer within the meaning of the Securities and Exchange Act of Taiwan or relevant laws and regulations that require a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or other regulatory authority of Taiwan. No person or entity in Taiwan has been authorized to offer or sell the shares in Taiwan.

United Arab Emirates

The shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Abu Dhabi Global Market and the Dubai International Financial Centre) other than in compliance with the laws, regulations and rules of the United Arab Emirates, the Abu Dhabi Global Market and the Dubai International Financial Centre governing the issue, offering and sale of securities. Further, this prospectus supplement, the accompanying prospectus and any other offering or marketing material relating to the shares or the offering do not constitute a public offer of securities in the United Arab Emirates (including the Abu Dhabi Global Market and the Dubai International Financial Centre) and are not intended to be a public offer. This prospectus supplement, the accompanying prospectus and any other offering or marketing material relating to the shares or the offering have not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority, the Financial Services Regulatory Authority or the Dubai Financial Services Authority.

LEGAL MATTERS

Certain legal matters will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York. Ballard Spahr LLP, Philadelphia, Pennsylvania will issue an opinion regarding certain matters of Pennsylvania law, including the validity of the securities offered by the prospectus supplement. Certain legal matters will be passed upon for the underwriter by Cravath, Swaine & Moore LLP, New York, New York.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus supplement by reference to the Annual Report on Form 10-K for the year ended December 31, 2019 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements of LDC Funding LLC as of December 31, 2019 and 2018 and for each of the three years in the period ended December 31, 2019, incorporated by reference in this prospectus supplement and in the accompanying prospectus from Essential Utilities' Current Report on Form 8-K/A filed on April 13, 2020, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated by reference herein, and are incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION; INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We file annual, quarterly and current reports, proxy statements and other information with the SEC. The SEC maintains a website at *www.sec.gov* that contains periodic and current reports, proxy and information statements, and other information regarding registrants that are filed electronically with the SEC.

These documents are also available, free of charge, through the Investors section of our website, which is located at *www.essential.co*. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus and you should not consider information on our website to be part of this prospectus supplement or the accompanying prospectus.

We have filed with the SEC a "shelf" registration statement on Form S-3 under the Securities Act of 1933 relating to the securities that may be offered by this prospectus supplement. This prospectus supplement is a part of that registration statement, but does not contain all of the information in the registration statement. We have omitted certain parts of the registration statement in accordance with rules and regulations of the SEC. Statements made in this prospectus supplement as to the contents of any contract, agreement or other documents are not necessarily complete, and, in each instance, we refer you to a copy of such document filed as an exhibit to the registration statement, of which this prospectus supplement is a part, or otherwise filed with the SEC. For more detail about us and any securities that may be offered by this prospectus supplement, you may examine the registration statement on Form S-3 and the exhibits filed with it at the locations listed in the previous paragraph.

The SEC allows us to "incorporate by reference" into this prospectus supplement and the accompanying prospectus the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement. When we file information with the SEC in the future, that information will automatically update and supersede this information. We incorporate by reference the documents listed below and any future

filings we will make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities covered by this prospectus supplement or this offering is terminated; provided, however, that we are not incorporating, in each case, any portions of documents or information furnished or deemed to have been furnished and not filed in accordance with SEC rules:

- Our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the SEC on February 28, 2020;
- Our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2020 filed with the SEC on May 8, 2020 and the quarter ended June 30, 2020 filed with the SEC on August 6, 2020;
- The portions of our Definitive Proxy Statement on Schedule 14A filed with the SEC on March 27, 2020, that are incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended December 31, 2019;
- Our Current Reports on Form 8-K filed with the SEC on January 16, 2020, February 3, 2020, February 27, 2020 (solely Item 8.01 and related exhibits), March 16, 2020, April 3, 2020, April 13, 2020, April 15, 2020, May 11, 2020 and May 18, 2020 and our Current Reports on Form 8-K/A filed with the SEC on March 18, 2020, April 13, 2020 and August 10, 2020, each of which amended our Current Report on Form 8-K filed with the SEC on March 16, 2020; and
- The description of our common stock set forth in our Registration Statement on Form 8-A, including any amendments or reports filed for the purpose of updating such description.

These documents contain important business and financial information about us that is not included in or delivered with this prospectus supplement. You may request a copy of any or all documents that we incorporate by reference at no cost, by writing or telephoning us at:

Essential Utilities, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010-3489
Telephone: 610-527-8000
Attention: Corporate Secretary

We have not, and the underwriter and the forward seller have not, authorized anyone to provide you with any information other than that contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus we may provide to you in connection with this offering. Neither we nor the underwriter or the forward seller take any responsibility for, or provide any assurances as to the reliability of, any additional or different information that others may give you. You should assume that the information contained in this prospectus supplement, the accompanying prospectus and any free writing prospectus we may provide to you in connection with this offering is accurate only as of their respective dates or as of the respective dates specified in such information, as applicable, and the information contained in documents incorporated by reference is accurate only as of the respective dates of those documents or as of the respective dates specified in such information, as applicable, in each case regardless of the time of delivery of this prospectus supplement or the accompanying prospectus or any such free writing prospectus or any sale of the shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since those dates.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained herein, in any other subsequently filed document which also is or is deemed to be incorporated by reference herein or in the accompanying prospectus, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified and superseded, to constitute a part of this prospectus supplement.

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PROSPECTUS

AQUA AMERICA, INC.

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Aqua America, Inc. may, from time to time, in one or more offerings, offer and sell common stock, preferred stock, common stock purchase contracts, warrants, units, depositary shares and debt securities. The debt securities and preferred stock may be convertible into or exchangeable or exercisable for other securities. We will provide specific terms of any offering and the offered securities in supplements to this prospectus. The prospectus supplements may also add, update or change information contained in this prospectus.

We may offer and sell these securities to or through underwriters, dealers or agents, directly to purchasers or through a combination of these methods. If an offering of securities involves any underwriters, dealers or agents, then the names of the underwriters, dealers or agents and the terms of the arrangements with such entities will be stated in an accompanying prospectus supplement.

Our common stock is listed on the New York Stock Exchange under the symbol “WTR.” We have not yet determined whether any of the other securities that may be offered by this prospectus will be listed on any exchange, inter-dealer quotation system or over-the-counter market. If we decide to seek listing of any such securities upon issuance, an accompanying prospectus supplement will disclose the exchange, quotation system or market on which the securities will be listed.

The prospectus may not be used to sell our securities unless it is accompanied by a prospectus supplement.

Investing in our securities involves risk. Before you invest, you should carefully read and evaluate the risk factors and other information included in this prospectus and any applicable prospectus supplement, including the documents incorporated by reference. See “Risk Factors” beginning on page 6 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 28, 2018.

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ABOUT THIS PROSPECTUS

This document is called a prospectus and is part of a registration statement that we filed with the Securities and Exchange Commission (SEC) using a "shelf" registration process. Under this shelf process, we may, from time to time, in one or more offering, offer and sell common stock, preferred stock, common stock purchase contracts, warrants, units, depositary shares and debt securities. This prospectus provides you with a general description of the securities we may offer. Each time we sell any securities under this prospectus, we will provide a prospectus supplement that will contain specific information about the terms of that offering and the offered securities. That prospectus supplement may include a discussion of any risk factors or other special considerations applicable to those securities. The prospectus supplement also may add, update or change information contained in this prospectus. You should read both this prospectus and the applicable prospectus supplement and the exhibits filed with our registration statement together with the additional information described below under the heading "Where You Can Find More Information" before you decide whether to invest in the securities.

The registration statement (including the exhibits) of which this prospectus is a part contains additional information about us and the securities we may offer by this prospectus. Specifically, we have filed certain legal documents that control the terms of the securities offered by this prospectus as exhibits to the registration statement. We will file certain other legal documents that will control the terms of the securities we may offer by this prospectus as exhibits to the registration statement or to reports we file with the SEC. The registration statement and the reports can be read at the SEC website or at the SEC offices mentioned under the heading "Where You Can Find More Information."

You should rely only upon the information contained in, or incorporated by reference into, this prospectus and the applicable prospectus supplement that contains specific information about the securities we are offering. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this document is accurate only as of the date on the front cover of this document. Our business, financial condition, results of operations and prospects may have changed since that date.

Except as otherwise provided in this prospectus, unless the context otherwise requires, references in this prospectus to "Aqua America," "we," "us" or "our" refer to Aqua America, Inc. and its direct and indirect subsidiaries. In addition, references to "Aqua Pennsylvania" refer to our wholly-owned subsidiary, Aqua Pennsylvania, Inc., and its subsidiaries.

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus, or incorporated by reference into this prospectus, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and are made based upon, among other things, our current assumptions, expectations, plans, and beliefs concerning future events and their potential effect on us. These forward-looking statements involve risks, uncertainties and other factors, many of which are outside our control, that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. In some cases you can identify forward-looking statements where statements are preceded by, followed by, or include the words "believes," "expects," "anticipates," "plans," "future," "potential," "probably," "predictions," "intends," "will," "continue" or the negative of such terms or similar expressions. Forward-looking statements in this prospectus, or incorporated by reference into this prospectus, include, but are not limited to, statements regarding:

- recovery of capital expenditures and expenses in rates;

- projected capital expenditures and related funding requirements;
- our capability to pursue timely rate increase requests;
- the availability and cost of capital financing;
- developments, trends and consolidation in the water and wastewater utility and infrastructure industries;
- dividend payment projections;
- opportunities for future acquisitions, both within and outside the water and wastewater industry, the success of pending acquisitions and the impact of future acquisitions;
- the capacity of our water supplies, water facilities and wastewater facilities;
- the impact of federal and/or state tax laws or policies and the regulatory treatment of the effects of those laws or policies, including the Tax Cuts and Jobs Act;
- the impact of geographic diversity on our exposure to unusual weather;
- the impact of conservation awareness of customers and more efficient plumbing fixtures and appliances on water usage per customer;
- our authority to carry on our business without unduly burdensome restrictions;
- the continuation of investments in strategic ventures;
- our ability to obtain fair market value for condemned assets;
- the impact of fines and penalties;
- the impact of changes in and compliance with governmental laws, regulations and policies, including those dealing with taxation, the environment, health and water quality, and public utility regulation;
- the impact of decisions of governmental and regulatory bodies, including decisions to raise or lower rates;
- the development of new services and technologies by us or our competitors;
- the availability of qualified personnel;
- the condition of our assets;
- the impact of legal proceedings;
- general economic conditions;
- acquisition-related costs and synergies;
- the sale of water and wastewater divisions; and
- the amount of income tax deductions for qualifying utility asset improvements and the Internal Revenue Service’s ultimate acceptance of the deduction methodology.

Because forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including but not limited to:

- changes in general economic, business, credit and financial market conditions;
- changes in governmental laws, regulations and policies, including those dealing with taxation, the environment, health and water quality, and public utility regulation;
- the profitability of future acquisitions;

- changes to the rules or our assumptions underlying our determination of what qualifies for an income tax deduction for qualifying utility asset improvements;
- the decisions of governmental and regulatory bodies, including decisions on rate increase requests;
- our ability to file rate cases on a timely basis to minimize regulatory lag;
- abnormal weather conditions, including those that result in water use restrictions;
- changes in, or unanticipated, capital requirements;
- changes in our credit rating or the market price of our common stock;
- changes in valuation of strategic ventures;
- our ability to integrate businesses, technologies or services which we may acquire;
- our ability to manage the expansion of our business;
- our ability to treat and supply water or collect and treat wastewater;
- the extent to which we are able to develop and market new and improved services;
- the effect of the loss of major customers;
- our ability to retain the services of key personnel and to hire qualified personnel as we expand;
- labor disputes;
- increasing difficulties in obtaining insurance and increased cost of insurance;
- cost overruns relating to improvements to, or the expansion of, our operations;
- increases in the costs of goods and services;
- civil disturbance or terroristic threats or acts;
- the continuous and reliable operation of our information technology systems, including the impact of cyber security attacks or other cyber-related events;
- changes in accounting pronouncements;
- litigation and claims; and
- changes in environmental conditions, including the effects of climate change.

Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. You should read this prospectus and the documents that we incorporate by reference into this prospectus completely and with the understanding that our actual future results, performance and achievements may be materially different from what we expect. These forward-looking statements represent assumptions, expectations, plans and beliefs only as of the date of this prospectus. Except for our ongoing obligations to disclose certain information under the federal securities laws, we are not obligated, and assume no obligation, to update these forward-looking statements, even though our situation may change in the future. For further information or other factors which could affect our financial results and such forward-looking statements, see “Risk Factors.” We qualify all of our forward-looking statements by these cautionary statements.

AQUA AMERICA, INC.

Aqua America, Inc. is the holding company for regulated utilities providing water or wastewater services to an estimated three million people in Pennsylvania, Ohio, Texas, Illinois, North Carolina, New Jersey, Indiana, and Virginia. Our largest operating subsidiary is Aqua Pennsylvania, Inc., which accounted for approximately

52% of our operating revenues and approximately 74% of our net income for 2017. As of December 31, 2017, Aqua Pennsylvania provided water or wastewater services to approximately one-half of the total number of people we serve. Aqua Pennsylvania's service territory is located in the suburban areas in counties north and west of the City of Philadelphia and in 27 other counties in Pennsylvania. Our other regulated utility subsidiaries provide similar services in seven other states. In addition, the Company's market-based activities are conducted through Aqua Infrastructure, LLC and Aqua Resources Inc. Aqua Infrastructure provides non-utility raw water supply services for firms in the natural gas drilling industry. Aqua Resources provides water and wastewater service through two operating and maintenance contracts with municipal authorities close to our utility companies' service territory; and offers, through a third party, water and wastewater line repair service and protection solutions to households. In 2017, we completed the sale of business units that are reported within Aqua Resources, which installed and tested devices that prevent the contamination of potable water and repaired water and wastewater systems, and repaired and performed maintenance on water and wastewater systems. Additionally, during 2016, we completed the sale of business units within Aqua Resources, which provided liquid waste hauling and disposal services and inspection, and cleaning and repair of storm and sanitary wastewater lines.

Aqua America, which prior to its name change in 2004 was known as Philadelphia Suburban Corporation, was formed in 1968 as a holding company for its primary subsidiary, Aqua Pennsylvania, formerly known as Philadelphia Suburban Water Company. In the early 1990s, we embarked on a growth through acquisition strategy focused on water and wastewater operations. Our most significant transactions to date have been the merger with Consumers Water Company in 1999, the acquisition of the regulated water and wastewater operations of AquaSource, Inc. in 2003, the acquisition of Heater Utilities, Inc. in 2004, and the acquisition of American Water Works Company, Inc.'s regulated water and wastewater operations in Ohio in 2012. Since the early 1990s, our business strategy has been primarily directed toward the regulated water and wastewater utility industry, where we have more than quadrupled the number of regulated customers we serve, and have extended our regulated operations from southeastern Pennsylvania to include our current regulated utility operations throughout Pennsylvania and in seven other states. During 2010 through 2013, we sold our utility operations in six states, pursuant to a portfolio rationalization strategy to focus our operations in areas where we have critical mass and economic growth potential. Currently, the Company seeks to acquire businesses in the U.S. regulated sector, which includes water and wastewater utilities and other regulated utilities, and to pursue growth ventures in market-based activities, such as infrastructure opportunities that are supplementary and complementary to our regulated businesses.

Our growth in revenues over the past five years is primarily a result of increases in water and wastewater rates and customer growth. The increase in our utility customer base has been due to customers added through acquisitions, partnerships with developers, and organic growth (excluding dispositions) as shown below:

Year	Utility Customer Growth Rate
2017	1.1%
2016	1.6%
2015	1.9%
2014	1.3%
2013	1.3%

In 2017, our customer count increased by 10,584 customers, primarily due to utility systems that we acquired and organic growth. Overall, for the five-year period of 2013 through 2017, our utility customer base, adjusted to exclude customers associated with utility system dispositions, increased at an annual compound rate of 1.4%. During the five-year period ended December 31, 2017, our utility customer base including customers associated with utility system acquisitions and dispositions increased from 968,357 at January 1, 2013 to 982,849 at December 31, 2017. This five-year period includes the impact of the condemnation of our Fort Wayne, IN system in 2014, which resulted in the loss of approximately 13,000 connections.

Our principal executive office is located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010-3489, and our telephone number is 610-527-8000. Our website may be accessed at www.aquaamerica.com. The references to our website and the SEC's website are intended to be inactive textual references only, and the contents of those websites are not incorporated by reference herein and should not be considered part of this prospectus.

RISK FACTORS

Investing in our securities involves risks. Please see the risk factors described under the section captioned “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2017, as such risk factors may be updated from time to time in filings we make with the SEC subsequent to the date hereof. Before making an investment decision, you should carefully consider these risk factors, together with all other information contained in or incorporated by reference into this prospectus or any applicable prospectus supplement (which includes information contained in certain filings we make with the SEC subsequent to the date hereof as set forth in the section below captioned “Where You Can Find More Information”). Please also refer to the section above captioned “Forward-Looking Statements.”

USE OF PROCEEDS

Unless we otherwise specify in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities we may offer by this prospectus to fund our capital expenditures, to provide capital for our growth strategy, which includes potential future acquisitions of municipally owned and investor-owned water and wastewater systems, regulated utilities and infrastructure projects, and market-based activities complementary to our regulated business, to fund the integration of any businesses that we acquire into our existing business, and to purchase and maintain plant equipment, as well as for working capital and other general corporate purposes. Our management will have broad discretion in the allocation of net proceeds from the sale of any securities sold by us.

CERTAIN RATIOS

Our ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends for the periods indicated below were as follows:

	Year Ended December 31,				
	2017	2016	2015	2014	2013
Ratio of earnings to fixed charges	3.90	4.17	4.15	4.05	3.79
Ratio of earnings to combined fixed charges and preferred stock dividends	3.90	4.17	4.15	4.05	3.79

The ratios of earnings to fixed charges and the ratios of earnings to combined fixed charges and preferred stock dividends were computed by dividing our earnings by fixed charges and by combined fixed charges and preferred stock dividends, respectively. For the purpose of these computations, earnings include the sum of income from continuing operations before income taxes and non-controlling interest, and fixed charges, less capitalized interest. Fixed charges consist of interest on all indebtedness, whether expensed or capitalized, amortization of debt expense, and the estimated interest attributable to rental and lease expense calculated using an assumed interest factor of 33% of rental and lease expense.

DESCRIPTION OF CAPITAL STOCK

As of February 13, 2018 our authorized capital stock was 301,770,819 shares, consisting of:

- 300,000,000 shares of common stock, par value $0.50 per share, of which 177,750,505 shares were outstanding; and
- 1,770,819 shares of preferred stock, par value $1.00 per share, of which no shares were outstanding.

The following summary of certain terms of our common stock and preferred stock is qualified in its entirety by the provisions of our articles of incorporation and bylaws each of which is incorporated by reference as an exhibit to the registration statement of which this prospectus constitutes a part.

Common Stock

This section describes the general terms of our common stock. For more detailed information, you should refer to our articles of incorporation and bylaws, including any amendments thereto, copies of which have been filed with the SEC. These documents are incorporated by reference into this prospectus.

Voting Rights

Holders of our common stock are entitled to one vote for each share held by them at all meetings of the shareholders and are not entitled to cumulate their votes for the election of directors.

Dividend Rights and Limitations

Holders of our common stock may receive dividends when declared by our board of directors. Because we are a holding company, the funds we use to pay any dividends on our common stock are derived predominantly from the dividends that we receive from our subsidiaries and the dividends they receive from their subsidiaries. Therefore, our ability to pay dividends to holders of our common stock depends upon our subsidiaries' earnings, financial condition and ability to pay dividends. Most of our subsidiaries are subject to regulation by state utility commissions and the amounts of their earnings and dividends are affected by the manner in which they are regulated. In addition, they are subject to restrictions on the payment of dividends contained in their various debt agreements. Under our most restrictive debt agreements, the amount available for payment of dividends to us as of December 31, 2017 was approximately $1.4 billion of Aqua Pennsylvania's retained earnings and $143 million of the retained earnings of certain other subsidiaries. Payment of dividends on our common stock is also subject to the preferential rights of the holders of any outstanding preferred stock.

Liquidation Rights

In the event that we liquidate, dissolve or wind-up, the holders of our common stock are entitled to share ratably in all of the assets that remain after we pay our liabilities. This right is subject, however, to the prior distribution rights of any outstanding preferred stock.

Preferred Stock

Our board of directors has the authority, from time to time and without further action by our shareholders, to divide our unissued capital stock into one or more classes and one or more series within any class and to make determinations of the designation and number of shares of any class or series and determinations of the voting rights, preferences, limitations and special rights, if any, of the shares of any class or series. The rights, preferences, limitations and special rights of different classes of capital stock may differ with respect to dividend rates, amounts payable on liquidation, voting rights, conversion rights, redemption provisions, sinking fund provisions and other matters. The rights, preferences, privileges and restrictions of each series may be fixed by the designations of that series set forth in either a restated version of our articles of incorporation or a certificate of designations relating to that series, which will be filed with the SEC as an exhibit to or incorporated by reference in the registration statement of which this prospectus constitutes a part.

The issuance of preferred stock may be perceived by some as possibly having the effect of delaying, deferring or preventing a change of control of us without further action by our shareholders. The issuance of preferred stock with voting and conversion rights may also adversely affect the voting power of the holders of our common stock. In certain circumstances, an issuance of preferred stock could possibly have the effect of decreasing the market price of our common stock.

Whenever preferred stock is to be sold pursuant to this prospectus, we will file a prospectus supplement relating to that sale which will specify:

- the number of shares in the series of preferred stock;

- the designation for the series of preferred stock by number, letter or title that will distinguish the series from any other series of preferred stock;
- the dividend rate, if any, and whether dividends on that series of preferred stock will be cumulative, noncumulative or partially cumulative;
- the voting rights of that series of preferred stock, if any;
- any conversion provisions applicable to that series of preferred stock;
- any redemption or sinking fund provisions applicable to that series of preferred stock;
- any preemptive rights provisions applicable to that series of preferred stock;
- the liquidation preference per share of that series of preferred stock; and
- the terms of any other preferences or rights, if any, applicable to that series of preferred stock.

Anti-Takeover Provisions

Pennsylvania State Law Provisions

Under Section 1712 of the Pennsylvania Business Corporation Law of 1988, as amended (PBCL), which is applicable to us, directors stand in a fiduciary relation to their corporation and, as such, are required to perform their duties in good faith, in a manner they reasonably believe to be in the best interests of the corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. Under Section 1715 of the PBCL, in discharging their duties, directors may, in considering the best interests of their corporation, consider various constituencies, including, shareholders, employees, suppliers, customers and creditors of the corporation, and upon communities in which offices or other establishments of the corporation are located. Directors are not required to give prominent consideration to the interests of any particular constituency. Absent a breach of fiduciary duty, a lack of good faith or self-dealing, any act of the board of directors, a committee thereof or an individual director is presumed to be in the best interests of the corporation. Actions by directors relating to an acquisition or potential acquisition of control of the corporation are not subject to any greater obligation to justify, or higher burden of proof, than is applied to any other acts of directors. The PBCL expressly provides that the fiduciary duty of directors does not require them to (i) redeem or otherwise render inapplicable outstanding rights issued under any shareholder rights plan; (ii) render inapplicable the anti-takeover statutes set forth in Chapter 25 of the PBCL (described below); or (iii) take any action solely because of the effect it may have on a proposed acquisition or the consideration to be received by shareholders in such a transaction. In addition, Section 2513 of the PBCL specifically validates shareholder rights plans, or “poison pills,” and the discriminatory dilution provisions contained in such plans.

Chapter 25 of the PBCL contains several anti-takeover statutes applicable to publicly-traded corporations. Corporations may opt-out of such anti-takeover statutes under certain circumstances. We have not opted-out of any of such statutes.

Section 2538 of Subchapter 25D of the PBCL requires certain transactions with an “interested shareholder” to be approved by a majority of disinterested shareholders. “Interested shareholder” is defined broadly to include any shareholder who is a party to the transaction or who is treated differently than other shareholders and affiliates of the interested shareholder.

Subchapter 25E of the PBCL requires a person or group of persons acting in concert which acquires 20% or more of the voting shares of the corporation to offer to purchase the shares of any other shareholder at “fair value.” “Fair value” means the value not less than the highest price paid per share by the controlling person or group during the 90-day period prior to the control transaction, plus a control premium. Among other exceptions, Subchapter 25E does not apply to shares acquired directly from the corporation in a transaction exempt from the registration requirements of the Securities Act of 1933, or to a one-step merger.

Subchapter 25F of the PBCL generally establishes a 5-year moratorium on a "business combination" with an "interested shareholder." "Interested shareholder" is defined generally to be any beneficial owner of 20% or more of the corporation's voting stock or an affiliate or associate of the corporation that at any time within the prior five-year period was a beneficial owner of 20% or more of the corporation's voting stock. "Business combination" is defined broadly to include mergers, consolidations, asset sales and certain self-dealing transactions. Certain restrictions apply to business combination following the 5-year period. Among other exceptions, Subchapter 25F will be rendered inapplicable if the board of directors approves the proposed business combination, or approves the interested shareholder's acquisition of 20% of the voting shares, in either case prior to the date on which the shareholder first becomes an interested shareholder.

Subchapter 25G of the PBCL provides that "control shares" lose voting rights unless such rights are restored by the affirmative vote of a majority of (i) the disinterested shares (generally, shares held by persons other than the acquiror, executive officers of the corporation and certain employee stock plans) and (ii) the outstanding voting shares of the corporation. "Control shares" are defined as shares which, upon acquisition, will result in a person or group acquiring for the first time voting control over (a) 20%, (b) 33 1/3% or (c) 50% or more of the outstanding shares, together with shares acquired within 180 days of attaining the applicable threshold and shares purchased with the intention of attaining such threshold. A corporation may redeem control shares if the acquiring person does not request restoration of voting rights as permitted by Subchapter 25G. Among other exceptions, Subchapter 25G does not apply to a merger, consolidation or a share exchange if the corporation is a party to the transaction agreement.

Subchapter 25H of the PBCL provides in certain circumstances for the recovery by the corporation of profits realized from the sale of its stock by a controlling person or group if the sale occurs within 18 months after the controlling person or group became a controlling person or group, and the stock was acquired during such 18-month period or within 24 months before such period. A controlling person or group is a person or group that has acquired, offered to acquire, or publicly disclosed an intention to acquire 20% or more of the voting shares of the corporation or a person or group that has otherwise publicly disclosed or caused to be disclosed that it may seek to acquire control of the corporation through any means. Among other exceptions, Subchapter 25H does not apply to transactions approved by both the board of directors and the shareholders prior to the acquisition or distribution, as appropriate.

Subchapter 25I of the PBCL mandates severance compensation for eligible employees who are terminated within 24 months after the approval of a control-share acquisition. Eligible employees generally are all employees employed in Pennsylvania for at least two years prior to the control-share approval. Severance equals the weekly compensation of the employee multiplied by the employee's years of service (up to 26 years), less payments made due to the termination.

Subchapter 25J of the PBCL requires the continuation of certain labor contracts relating to business operations owned at the time of a control-share approval.

Articles of Incorporation and Bylaw Provisions

Certain provisions of our articles of incorporation and bylaws may have the effect of discouraging unilateral tender offers or other attempts to take over and acquire our business. These provisions might discourage some potentially interested purchaser from attempting a unilateral takeover bid for us on terms which some shareholders might favor. Our articles of incorporation require that certain fundamental transactions must be approved by the holders of 75% of the outstanding shares of our capital stock entitled to vote on the matter unless at least a majority of the members of the board of directors has approved the transaction, in which case the required shareholder approval will be the minimum approval required by applicable law. The fundamental transactions that are subject to this provision are those transactions that require approval by shareholders under applicable law or the articles of incorporation. These transactions include certain amendments of our articles of incorporation or bylaws, certain sales or other dispositions of our assets, certain issuances of our capital stock, or

certain transactions involving our merger, consolidation, division, reorganization, dissolution, liquidation or winding up. Our articles of incorporation and bylaws provide that:

- a special meeting of shareholders may only be called by the chairman, the president, the board of directors or shareholders entitled to cast a majority of the votes which all shareholders are entitled to cast at the particular meeting;
- nominations for election of directors may be made by any shareholder entitled to vote for election of directors if the name of the nominee and certain information relating to the nominee is filed with our corporate secretary not less than 14 days nor more than 50 days before any meeting of shareholders to elect directors; and
- certain advance notice procedures must be met for shareholder proposals to be made at annual meetings of shareholders. These advance notice procedures generally require a notice to be delivered not less than 90 days nor more than 120 days before the anniversary date of the immediately preceding annual meeting of shareholders.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

DESCRIPTION OF COMMON STOCK PURCHASE CONTRACTS

We may issue stock purchase contracts, representing contracts entitling or obligating holders to purchase from us, and us to sell to the holders, a specified number of shares or amount of common stock at a future date or dates. The price per share of common stock may be fixed at the time each contract is issued or may be determined by reference to a specific formula set forth in the contract. Each common stock purchase contract may be issued separately or as a part of a unit, each consisting of a common stock purchase contract and, as security for the holder's obligation to purchase the common stock under the contract, the following:

- our senior debt securities or subordinated debt securities described under "Description of Debt Securities;"
- debt obligations of third parties, including U.S. Treasury securities;
- any other asset as security described in the applicable prospectus supplement; or
- any combination of the foregoing.

Each common stock purchase contract may require us to make periodic payments to the holder of the unit or vice versa, and such payments may be unsecured or prefunded on some basis discussed in the applicable prospectus supplement. Each common stock purchase contract may require holders to secure their obligations thereunder in a specified manner and, in certain circumstances, we may deliver a newly issued prepaid common stock purchase contract, which is referred to as a "prepaid security," upon release to a holder of any collateral securing such holder's obligations under the original contract.

The applicable prospectus supplement will describe the terms of any common stock purchase contract and, if applicable, prepaid security. The description in the prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to the contracts, the collateral arrangements and depositary arrangements, if applicable, relating to such contracts and, if applicable, the prepaid securities and the documents pursuant to which such prepaid securities will be issued. The applicable prospectus supplement will also describe the material United States federal income tax considerations applicable to the common stock purchase contracts.

DESCRIPTION OF WARRANTS

General

The following summary of certain provisions of the warrants does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the warrant agreement that will be filed with the SEC in connection with the offering of such warrants.

We may issue warrants for the purchase of debt securities, preferred stock or common stock. Warrants may be issued independently or together with debt securities, preferred stock or common stock offered by any prospectus supplement and may be attached to or separate from any such offered securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between the Company and a bank or trust company, as warrant agent. The warrant agent will act solely as the Company's agent in connection with the warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants.

Debt Warrants

The prospectus supplement relating to a particular issue of debt warrants will describe the terms of such debt warrants, including the following: (a) the title of such debt warrants; (b) the offering price for such debt warrants, if any; (c) the aggregate number of such debt warrants; (d) the designation and terms of the debt securities purchasable upon exercise of such debt warrants; (e) if applicable, the designation and terms of the debt securities with which such debt warrants are issued and the number of such debt warrants issued with each such debt security; (f) if applicable, the date from and after which such debt warrants and any debt securities issued therewith will be separately transferable; (g) the principal amount of debt securities purchasable upon exercise of a debt warrant and the price at which such principal amount of debt securities may be purchased upon exercise (which price may be payable in cash, securities, or other property); (h) the date on which the right to exercise such debt warrants shall commence and the date on which such right shall expire; (i) if applicable, the minimum or maximum amount of such debt warrants that may be exercised at any one time; (j) whether the debt warrants represented by the debt warrant certificates or debt securities that may be issued upon exercise of the debt warrants will be issued in registered or bearer form; (k) information with respect to book-entry procedures, if any; (1) the currency or currency units in which the offering price, if any, and the exercise price are payable; (m) if applicable, a discussion of material United States federal income tax considerations; (n) the anti-dilution provisions of such debt warrants, if any; (o) the redemption or call provisions, if any, applicable to such debt warrants; (p) any provisions for changes to or adjustments in the exercise price for the debt warrants and (q) any additional terms of such debt warrants, including terms, procedures, and limitations relating to the exchange and exercise of such debt warrants.

Stock Warrants

The prospectus supplement relating to any particular issue of preferred stock warrants or common stock warrants will describe the terms of such warrants, including the following: (a) the title of such warrants; (b) the offering price for such warrants, if any; (c) the aggregate number of such warrants; (d) the designation and terms of the common stock or preferred stock purchasable upon exercise of such warrants; (e) if applicable, the designation and terms of the offered securities with which such warrants are issued and the number of such warrants issued with each such offered security; (f) if applicable, the date from and after which such warrants and any offered securities issued therewith will be separately transferable; (g) the number of shares of common stock or preferred stock purchasable upon exercise of a warrant and the price at which such shares may be purchased upon exercise; (h) the date on which the right to exercise such warrants shall commence and the date on which such right shall expire; (i) if applicable, the minimum or maximum amount of such warrants that may be exercised at any one time; (j) the currency or currency units in which the offering price, if any, and the exercise price are payable, (k) if applicable, a discussion of material United States federal income tax considerations; (l) the anti-dilution provisions of such warrants, if any; (m) the redemption or call provisions, if any, applicable

to such warrants; (m) any provisions for changes to or adjustments in the exercise price for the stock warrants and (n) any additional terms of such warrants, including terms, procedures and limitations relating to the exchange and exercise of such warrants.

DESCRIPTION OF UNITS

We may, from time to time, issue units comprised of one or more of the other securities that may be offered under this prospectus, in any combination. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The unit agreement under which a unit is issued may provide that the securities included in the unit may not be held or transferred separately at any time, or at any time before a specified date.

The applicable prospectus supplement will describe the terms of any unit. The description in the prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to units, the collateral arrangements and depositary arrangements, if applicable, relating to such units and, if applicable, the prepaid securities and the documents pursuant to which such prepaid securities will be issued. The applicable prospectus supplement will also describe the material United States federal income tax considerations applicable to the units.

DESCRIPTION OF DEPOSITORY SHARES

We may, at our option, offer fractional shares of our preferred stock, rather than whole shares of our preferred stock. In the event we do so, we will issue receipts for depositary shares, each of which will represent a fraction (to be set forth in the prospectus supplement relating to offering of the depositary shares) of a share of the related series of preferred stock.

The shares of our preferred stock represented by depositary shares will be deposited under a deposit agreement between us and a bank or trust company selected by us having its principal office in the United States and that meets certain other requirements. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, in proportion to the applicable fraction of a share of preferred stock, represented by the depositary share to all of the rights and preferences of the preferred stock represented by the depositary shares (including dividend, voting, redemption, conversion and liquidation rights).

The above description of depositary shares is only a summary, is not complete and is subject to, and is qualified in its entirety by the description in the applicable prospectus supplement and the provisions of the deposit agreement, which will contain the form of depository receipt. A copy of the deposit agreement will be filed with the SEC as an exhibit to or incorporated by reference in the registration statement of which this prospectus is a part.

DESCRIPTION OF DEBT SECURITIES

Please note that in this section entitled “Description of Debt Securities,” references to “we,” “us,” “ours” or “our” refer only to Aqua America, Inc. and not to its consolidated subsidiaries. Also, in this section, references to “holders” mean those who own debt securities registered in their own names, on the books that we maintain or the trustee maintains for this purpose, and not those who own beneficial interests in debt securities registered in street name or in debt securities issued in book-entry form through one or more depositaries. Owners of beneficial interests in the debt securities should read the section below entitled “Book-Entry Procedures and Settlement.”

General

The debt securities offered by this prospectus will be our unsecured obligations, except as otherwise set forth in an accompanying prospectus supplement, and will be either senior or subordinated debt. We will issue senior debt under a senior debt indenture, and we will issue subordinated debt under a subordinated debt indenture. We sometimes refer to the senior debt indenture and the subordinated debt indenture, individually, as an indenture and, collectively, as the indentures. We have filed forms of the indentures with the SEC as exhibits to the registration statement of which this prospectus forms a part. You can obtain copies of the indentures by following the directions outlined in "Where You Can Find More Information," or by contacting the applicable indenture trustee.

A form of each debt security, reflecting the particular terms and provisions of a series of offered debt securities, will be filed with the SEC at the time of the offering and incorporated by reference as exhibits to the registration statement of which this prospectus forms a part.

The following briefly summarizes certain material provisions that may be included in the indentures. Other terms, including pricing and related terms, will be disclosed for a particular issuance in an accompanying prospectus supplement. You should read the more detailed provisions of the applicable indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of a series of debt securities, which will be described in more detail in an accompanying prospectus supplement. So that you may easily locate the more detailed provisions, the numbers in parentheses below refer to sections in the applicable indenture or, if no indenture is specified, to sections in each of the indentures. Wherever particular sections or defined terms of the applicable indenture are referred to, such sections or defined terms are incorporated into this prospectus by reference, and the statement in this prospectus is qualified by that reference.

The trustee under each indenture will be determined at the time of issuance of debt securities, and the name of the trustee will be provided in an accompanying prospectus supplement.

The indentures provide that our senior or subordinated debt securities may be issued in one or more series, with different terms, in each case as we authorize from time to time. We also have the right to "reopen" a previous issue of a series of debt securities by issuing additional debt securities of such series without the consent of the holders of debt securities of the series being reopened or any other series. Any additional debt securities of the series being reopened will have the same ranking, interest rate, maturity and other terms as the previously issued debt securities of that series. These additional debt securities, together with the previously issued debt securities of that series, will constitute a single series of debt securities under the terms of the applicable indenture.

Types of Debt Securities

We may issue fixed or floating rate debt securities. Fixed rate debt securities will bear interest at a fixed rate described in the prospectus supplement. This type includes zero coupon debt securities, which bear no interest and are often issued at a price lower than the principal amount. United States federal income tax consequences and other special considerations applicable to any debt securities issued at a discount will be described in the applicable prospectus supplement.

Upon the request of the holder of any floating rate debt security, the calculation agent will provide the interest rate then in effect for that debt security, and, if determined, the interest rate that will become effective on the next interest reset date. The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any interest period, will be final and binding in the absence of manifest error.

All percentages resulting from any interest rate calculation relating to a debt security will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point.

All amounts used in or resulting from any calculation relating to a debt security will be rounded upward or downward, as appropriate, to the nearest cent, in the case of U.S. dollars, or to the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward.

In determining the base rate that applies to a floating rate debt security during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the prospectus supplement. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any underwriter, dealer or agent participating in the distribution of the relevant floating rate debt securities and its affiliates.

Information in the Prospectus Supplement

The prospectus supplement for any offered series of debt securities will describe the following terms, as applicable:

- the title;
- whether the debt is senior or subordinated;
- whether the debt securities are secured or unsecured and, if secured, the collateral securing the debt;
- the total principal amount offered;
- the percentage of the principal amount at which the debt securities will be sold and, if applicable, the method of determining the price;
- the maturity date or dates;
- whether the debt securities are fixed rate debt securities or floating rate debt securities;
- if the debt securities are fixed rate debt securities, the yearly rate at which the debt security will bear interest, if any, and the interest payment dates;
- if the debt security is an original issue discount debt security, the yield to maturity;
- if the debt securities are floating rate debt securities, the interest rate basis; any applicable index currency or maturity, spread or spread multiplier or initial, maximum or minimum rate; the interest reset, determination, calculation and payment dates, and the day count used to calculate interest payments for any period;
- the date or dates from which any interest will accrue, or how such date or dates will be determined, and the interest payment dates and any related record dates;
- if other than in U.S. dollars, the currency or currency unit in which payment will be made;
- the denominations in which the currency or currency unit of the securities will be issuable if other than denominations of $1,000 and integral multiples thereof;
- the terms and conditions on which the debt securities may be redeemed at our option;
- any obligation we may have to redeem, purchase or repay the debt securities at the option of a holder upon the happening of any event and the terms and conditions of redemption, purchase or repayment;
- the names and duties of the trustee and any co-trustees, depositaries, authenticating agents, calculation agents, paying agents, transfer agents or registrars for the debt securities;
- any material provisions of the applicable indenture described in this prospectus that do not apply to the debt securities;
- a discussion of United States federal income tax, accounting and special considerations, procedures and limitations with respect to the debt securities;

- whether and under what circumstances we will pay additional amounts to holders in respect of any tax assessment or government charge, and, if so, whether we will have the option to redeem the debt securities rather than pay such additional amounts; and
- any other specific terms of the debt securities that are consistent with the provisions of the indenture.

The terms on which a series of debt securities may be convertible into or exchangeable for other of our securities or any other entity will be set forth in the prospectus supplement relating to such series. Such terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at our option. The terms may include provisions pursuant to which the number of other securities to be received by the holders of such series of debt securities may be adjusted.

We will issue the debt securities only in registered form. As currently anticipated, debt securities of a series will trade in book-entry form, and global notes will be issued in physical (paper) form, as described below under “Book-Entry Procedures and Settlement.” Unless otherwise provided in the accompanying prospectus supplement, we will issue debt securities denominated in U.S. dollars and only in denominations of $1,000 and integral multiples thereof.

The prospectus supplement relating to offered debt securities denominated in a foreign or composite currency will specify the denomination of the offered debt securities.

The debt securities may be presented for exchange, and debt securities other than a global security may be presented for registration of transfer, at the principal corporate trust office of the trustee named in the applicable prospectus supplement. Holders will not have to pay any service charge for any registration of transfer or exchange of debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with such registration of transfer (Section 3.05).

Payment and Paying Agents

Distributions on the debt securities other than those represented by global notes will be made in the designated currency against surrender of the debt securities at the principal corporate trust office of the trustee named in the applicable prospectus supplement. Payment will be made to the registered holder at the close of business on the record date for such payment. Interest payments will be made at the principal corporate trust office of the trustee named in the applicable prospectus supplement, or by a check mailed to the holder at his registered address. Payments in any other manner will be specified in the applicable prospectus supplement.

Calculation Agents

Calculations relating to floating rate debt securities and indexed debt securities will be made by the calculation agent, an institution that we appoint as our agent for this purpose. We may appoint one of our affiliates as calculation agent. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the debt security without your consent and without notifying you of the change. The initial calculation agent will be identified in the applicable prospectus supplement.

Senior Debt

We may issue senior debt securities under the senior debt indenture. Senior debt will constitute our unsecured and unsubordinated obligations and will rank on a basis equal in priority with all our other unsecured and unsubordinated debt.

Subordinated Debt

We may issue subordinated debt securities under the subordinated debt indenture. Subordinated debt will constitute our unsecured and subordinated obligations and will be junior in right of payment to our senior debt

(including senior debt securities), which is defined as "senior indebtedness" in the subordinated debt indenture (Section 16.01).

If we default in the payment of any principal of, or premium, if any, or interest on any senior debt when it becomes due and payable after any applicable grace period, then, unless and until the default is cured or waived or ceases to exist, we cannot make a payment on account of or redeem or otherwise acquire the subordinated debt securities (Section 16.04).

If there is any insolvency, bankruptcy, liquidation or other similar proceeding relating to us or our property, then all senior debt must be paid in full before any payment may be made to any holders of subordinated debt securities (Section 16.02).

Furthermore, if we default in the payment of the principal of and accrued interest on any subordinated debt securities that is declared due and payable upon an event of default under the subordinated debt indenture, holders of all our senior debt will first be entitled to receive payment in full in cash before holders of such subordinated debt can receive any payments (Section 16.03).

Except as may be otherwise set forth in an accompanying prospectus supplement, senior debt means:

- the principal, premium, if any, and interest in respect of indebtedness for money borrowed and indebtedness evidenced by securities, notes, debentures, bonds or other similar instruments issued, including, as to us, the senior debt securities;
- all capitalized lease obligations;
- all obligations representing the deferred purchase price of property; and
- all deferrals, renewals, extensions and refundings of obligations of the type referred to above (Section 1.01 of Subordinated Indenture).

However, senior debt does not include:

- the subordinated debt securities (Section 16.01 of Subordinated Indenture);
- any indebtedness that by its terms is subordinated to, or ranks in priority on an equal basis with, subordinated debt securities (Section 1.01 of Subordinated Indenture); and
- items of indebtedness (other than capitalized lease obligations) that would not appear as liabilities on a balance sheet prepared in accordance with accounting principles generally accepted in the United States of America.

Covenants

The accompanying prospectus supplement will contain any covenants applicable to the debt securities.

Modification of the Indentures

The indentures will provide that we and the relevant trustee may enter into supplemental indentures to establish the form and terms of any new series of debt securities without obtaining the consent of any holder of debt securities (Section 9.01).

We and the trustee may, with the consent of the holders of at least a majority in aggregate outstanding principal amount of the debt securities of a series, modify the applicable indenture or the rights of the holders of the securities of such series (Section 9.02).

No such modification may, without the consent of each holder of an affected security:

- extend the fixed maturity of any such security;
- reduce the rate or change the time of payment of interest on such security;
- reduce the principal amount of such securities or the premium, if any, on such security;
- change any obligation of ours to pay additional amounts with respect to such security;
- reduce the amount of the principal payable on acceleration of such security if issued originally at a discount;
- adversely affect the right of repayment or repurchase of such security at the option of the holder;
- reduce or postpone any sinking fund or similar provision with respect to such security;
- change the currency or currency unit in which such security is payable or the right of selection thereof;
- impair the right to sue for the enforcement of any payment with respect to such security on or after the maturity of such security;
- reduce the percentage of the aggregate outstanding principal amount of debt securities of the series referred to above whose holders need to consent to the modification or a waiver without the consent of such holders; or
- change any obligation of ours with respect to such security to maintain an office or agency.

Defaults

Except as may be otherwise set forth in an accompanying prospectus supplement, each indenture will provide that events of default regarding any series of debt securities will be:

- our failure to pay for 30 days required interest on any debt security of such series;
- our failure to pay principal or premium, if any, on any debt security of such series when due;
- our failure to make any required scheduled installment payment for 30 days on debt securities of such series;
- our failure to perform for 90 days after notice any other covenant in the relevant indenture other than a covenant included in the relevant indenture solely for the benefit of a series of debt securities other than such series; and
- certain events of bankruptcy or insolvency, whether voluntary or not (Section 5.01).

Except as may be otherwise set forth in an accompanying prospectus supplement, if an event of default regarding debt securities of any series issued under the indentures should occur and be continuing, either the trustee or the holders of 25% in the principal amount of outstanding debt securities of such series may declare each debt security of that series due and payable (Section 5.02). We may be required to file annually with the trustee a statement of an officer as to the fulfillment by us of our obligations under the indenture during the preceding year.

No event of default regarding one series of debt securities issued under an indenture is necessarily an event of default regarding any other series of debt securities.

Holders of a majority in aggregate principal amount of the outstanding debt securities of any series will be entitled to control certain actions of the trustee under the indentures and to waive past defaults regarding such series (Sections 5.12 and 5.13). The holders of debt securities generally will not be able to require the trustee to take any action, unless one or more of such holders provides to the trustee reasonable security or indemnity (Section 6.02).

If an event of default occurs and is continuing regarding a series of debt securities, the trustee may use any sums that it holds under the relevant indenture for its own reasonable compensation and expenses incurred prior to paying the holders of debt securities of such series (Section 5.06).

Before any holder of any series of debt securities may institute action for any remedy, except payment on such holder's debt security when due, the holders of not less than 25% in principal amount of the debt securities of that series outstanding must request the trustee to take action. Holders must also offer and give the satisfactory security and indemnity against liabilities incurred by the trustee for taking such action (Section 5.07).

Defeasance

Except as may otherwise be set forth in an accompanying prospectus supplement, after we have deposited with the trustee, cash or government securities, in trust for the benefit of the holders sufficient to pay the principal of, premium, if any, and interest on the debt securities of such series when due, and satisfied certain other conditions, including receipt of an opinion of counsel that holders will not recognize taxable gain or loss for United States federal income tax purposes, then:

- we will be deemed to have paid and satisfied our obligations on all outstanding debt securities of such series, which is known as defeasance and discharge (Section 14.02); or
- we will cease to be under any obligation, other than to pay when due the principal of, premium, if any, and interest on such debt securities, relating to the debt securities of such series, which is known as covenant defeasance (Section 14.03).

When there is a defeasance and discharge, the applicable indenture will no longer govern the debt securities of such series, we will no longer be liable for payments required by the terms of the debt securities of such series and the holders of such debt securities will be entitled only to the deposited funds. When there is a covenant defeasance, however, we will continue to be obligated to make payments when due if the deposited funds are not sufficient.

Governing Law

Unless otherwise stated in the prospectus supplement, the debt securities and the indentures will be governed by Pennsylvania law (Section 1.12).

Concerning the Trustee Under the Indentures

We may have banking and other business relationships with the trustee named in the prospectus supplement, or any subsequent trustee, in the ordinary course of business.

Form, Exchange and Transfer

We will issue debt securities only in registered form; no debt securities will be issued in bearer form (Section 2.03). We will issue each debt security in book-entry form only, unless otherwise specified in the applicable prospectus supplement. We will issue any common stock issuable upon conversion of any debt security being offered in both certificated and book-entry form, unless otherwise specified in the applicable prospectus supplement. Debt securities in book-entry form will be represented by a global security registered in the name of a depositary, which will be the holder of all the debt securities represented by the global security (Section 2.04). Those who own beneficial interests in a global security will do so through participants in the depositary's system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depositary and its participants. Only the depositary will be entitled to transfer or exchange a debt security in global form, since it will be the sole holder of the debt security (Section 3.05). These book-entry securities are described below under "Book-Entry Procedures and Settlement."

If any debt securities are issued in non-global form or cease to be book-entry securities (in the circumstances described in the next section), the following will apply to them:

- The debt securities will be issued in fully registered form in denominations stated in the prospectus supplement. You may exchange debt securities for debt securities of the same series in smaller denominations or combined into fewer debt securities of the same series of larger denominations, as long as the total amount is not changed (Section 3.05).
- You may exchange, transfer, present for payment or exercise debt securities at the office of the relevant trustee or agent indicated in the prospectus supplement (Section 3.05). You may also replace lost, stolen, destroyed or mutilated debt securities at that office. We may appoint another entity to perform these functions or may perform them (Section 3.06).
- You will not be required to pay a service charge to transfer or exchange the debt securities, but you may be required to pay any tax or other governmental charge associated with the transfer or exchange (Sections 3.05 and 3.06). The transfer or exchange, and any replacement, will be made only if our transfer agent is satisfied with your proof of legal ownership. The transfer agent may also require an indemnity before replacing any debt securities (Section 3.06).
- If we have the right to redeem, accelerate or settle any debt securities before their maturity or expiration, and we exercise that right as to less than all those debt securities, we may block the transfer or exchange of those debt securities during the period beginning 15 days before the day we mail the notice of exercise and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers of or exchange any debt security selected for early settlement, except that we will continue to permit transfers and exchanges of the unsettled portion of any debt security being partially settled (Section 3.05).
- If fewer than all of the debt securities represented by a certificate that are payable or exercisable in part are presented for payment or exercise, a new certificate will be issued for the remaining amount of securities (Section 15.02).

Book-Entry Procedures and Settlement

Most offered debt securities will be book-entry (global) securities. Upon issuance, all book-entry securities will be represented by one or more fully registered global securities, without coupons (Section 3.02). Each global security will be deposited with, or on behalf of, The Depository Trust Company, or DTC, a securities depository, and will be registered in the name of DTC or a nominee of DTC (Section 3.01). DTC will thus be the only registered holder of these debt securities.

Purchasers of debt securities may only hold interests in the global notes through DTC if they are participants in the DTC system. Purchasers may also hold interests through a securities intermediary—banks, brokerage houses and other institutions that maintain securities accounts for customers—that has an account with DTC or its nominee. DTC will maintain accounts showing the security holdings of its participants, and these participants will in turn maintain accounts showing the security holdings of their customers. Some of these customers may themselves be securities intermediaries holding securities for their customers. Thus, each beneficial owner of a book-entry security will hold that debt security indirectly through a hierarchy of intermediaries, with DTC at the top and the beneficial owner's own securities intermediary at the bottom.

The debt securities of each beneficial owner of a book-entry security will be evidenced solely by entries on the books of the beneficial owner's securities intermediary. The actual purchaser of the debt securities will generally not be entitled to have the debt securities represented by the global securities registered in its name and will not be considered the owner under the declaration. In most cases, a beneficial owner will also not be able to obtain a paper certificate evidencing the holder's ownership of debt securities. The book-entry system for holding securities eliminates the need for physical movement of certificates and is the system through which most

publicly traded common stock is held in the United States. However, the laws of some jurisdictions require some purchasers of securities to take physical delivery of their securities in definitive form. These laws may impair the ability to transfer book-entry securities.

A beneficial owner of book-entry securities represented by a global security may exchange the securities for definitive (paper) securities only if:

- DTC is unwilling or unable to continue as depositary for such global security and we do not appoint a qualified replacement for DTC within 90 days; or
- We in our sole discretion decide to allow some or all book-entry securities to be exchangeable for definitive securities in registered form (Section 3.05).

Unless we indicate otherwise, any global security that is exchangeable will be exchangeable in whole for definitive securities in registered form, with the same terms and of an equal aggregate principal amount. Definitive securities will be registered in the name or names of the person or persons specified by DTC in a written instruction to the registrar of the securities (Section 3.05). DTC may base its written instruction upon directions that it receives from its participants.

In this prospectus, for book-entry securities, references to actions taken by security holders will mean actions taken by DTC upon instructions from its participants, and references to payments and notices of redemption to security holders will mean payments and notices of redemption to DTC as the registered holder of the securities for distribution to participants in accordance with DTC's procedures.

DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered under section 17A of the Securities Exchange Act of 1934. The rules applicable to DTC and its participants are on file with the SEC.

We will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interest in the book-entry securities or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

PLAN OF DISTRIBUTION

We may sell any of the securities being offered by this prospectus separately or together:

- through agents;
- to or through underwriters who may act directly or through a syndicate represented by one or more managing underwriters;
- through dealers;
- through a block trade in which the broker or dealer engaged to handle the block trade will attempt to sell the securities as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- through "at the market" offerings, within the meaning of Rule 415(a)(4) of the Securities Act of 1933, to or through a market maker or into an existing trading market on an exchange or otherwise;
- in exchange for our outstanding indebtedness;
- directly to purchasers, through a specific bidding, auction or other process; or
- through a combination of any of these methods of sale.

If the securities offered under this prospectus are issued in exchange for our outstanding securities, the applicable prospectus supplement will describe the terms of the exchange, and the identity and the terms of sale of the securities offered under this prospectus by the selling security holders.

The distribution of securities may be effected from time to time in one or more transactions at a fixed price or prices that may be changed, at market prices prevailing at the time of sale or prices related to prevailing market prices or at negotiated prices.

Agents designated by us from time to time may solicit offers to purchase the securities. We will name any agent involved in the offer or sale of the securities and set forth any commissions payable by us to an agent in the prospectus supplement for that transaction. Unless otherwise indicated in the prospectus supplement, any agent will be acting on a best efforts basis for the period of its appointment. Any agent may be deemed to be an "underwriter" of the securities as that term is defined in the Securities Act of 1933.

If we utilize an underwriter or underwriters in the sale of securities, we will execute an underwriting agreement with the underwriter or underwriters at the time we reach an agreement for sale. We will set forth in the prospectus supplement the names of the specific managing underwriter or underwriters, as well as any other underwriters, and the terms of the transactions, including compensation of the underwriters and dealers. This compensation may be in the form of discounts, concessions or commissions. Underwriters and others participating in any offering of securities may engage in transactions that stabilize, maintain or otherwise affect the price of securities. We will describe any of these activities in the prospectus supplement.

If a dealer is utilized in the sale of the securities, we or an underwriter will sell securities to the dealer, as principal. The dealer may then resell the securities to the public at varying prices to be determined by the dealer at the time of resale. The prospectus supplement will set forth the name of the dealer and the terms of the transactions.

We may directly solicit offers to purchase the securities, and we may sell directly to institutional investors or others. These persons may be deemed to be underwriters within the meaning of the Securities Act of 1933 with respect to any resale of the securities. The prospectus supplement will describe the terms of any direct sales, including the terms of any bidding or auction process, if utilized.

Agreements we enter into with agents, underwriters and dealers may entitle them to indemnification by us against specified liabilities, including liabilities under the Securities Act of 1933, or to contribution by us to payments they may be required to make in respect of these liabilities. The prospectus supplement will describe the terms and conditions of indemnification or contribution.

Certain of the agents, underwriters and dealers that we sell the securities offered under this prospectus to or through, and certain of their affiliates, engage in transactions with and perform services for us in the ordinary course of business. We may enter into hedging transactions in connection with any particular issue of the securities offered under this prospectus, including forwards, futures, options, interest rate or exchange rate swaps and repurchase or reverse repurchase transactions with, or arranged by, the applicable agent, underwriter or dealer, an affiliate of that agent, underwriter or dealer or an unrelated entity. We, the applicable agent, underwriter or dealer or other parties may receive compensation, trading gain or other benefits in connection with these transactions. We are not required to engage in any of these transactions. If we commence these transactions, we may discontinue them at any time. Counterparties to these hedging activities also may engage in market transactions involving the securities offered under this prospectus.

No securities may be sold under this prospectus without delivery (in paper format, in electronic format, in electronic format on the Internet, or by other means) of the applicable prospectus supplement describing the method and terms of the offering.

LEGAL MATTERS

Unless otherwise indicated in the applicable prospectus supplement, the validity of the securities that may be offered hereby will be passed upon for us by Ballard Spahr LLP, Philadelphia, Pennsylvania. If legal matters in connection with the offering made by this prospectus are passed on by counsel for the underwriters, dealers or agents, if any, that counsel will be named in the applicable prospectus supplement.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2017, have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's Public Reference Room at 100 F Street N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. You may also obtain our SEC filings from the SEC's website at www.sec.gov or from our website at http://ir.aquaamerica.com/.

We have filed with the SEC a "shelf" registration statement on Form S-3 under the Securities Act of 1933 relating to the securities that may be offered by this prospectus. This prospectus is a part of that registration statement, but does not contain all of the information in the registration statement. We have omitted certain parts of the registration statement in accordance with rules and regulations of the SEC. Statements made in this prospectus as to the contents of any contract, agreement or other documents are not necessarily complete, and, in each instance, we refer you to a copy of such document filed as an exhibit to the registration statement, of which this prospectus is a part, or otherwise filed with the SEC. For more detail about us and any securities that may be offered by this prospectus, you may examine the registration statement on Form S-3 and the exhibits filed with it at the locations listed in the previous paragraph.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. When we file information with the SEC in the future, that information will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we will make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities covered by this prospectus; provided, however, that we are not incorporating, in each case, any documents or information deemed to have been furnished and not filed in accordance with SEC rules:

- Our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the SEC on February 28, 2018; and
- The description of our common stock set forth in our Registration Statement on Form 8-A, including any amendments or reports filed for the purpose of updating such description.

These documents contain important business and financial information about us that is not included in or delivered with this prospectus. You may request a copy of any or all documents that we incorporate by reference at no cost, by writing or telephoning us at:

Aqua America, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010-3489
Telephone: 610-527-8000
Attention: Corporate Secretary

You should rely only on the information contained in or incorporated by reference in this prospectus and any supplements to this prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information provided in this prospectus or incorporated by reference in this prospectus is accurate as of any date other than the date on the front of this prospectus or the date of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

If you find inconsistencies between the documents, or between the documents and this prospectus or the applicable prospectus supplement, you should rely on the most recent document, prospectus or prospectus supplement.

Table of Contents

6,700,000 Shares

ESSENTIAL UTILITIES, INC.

Common Stock

PROSPECTUS SUPPLEMENT

Sole Book Running Manager

RBC Capital Markets

August 11, 2020

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

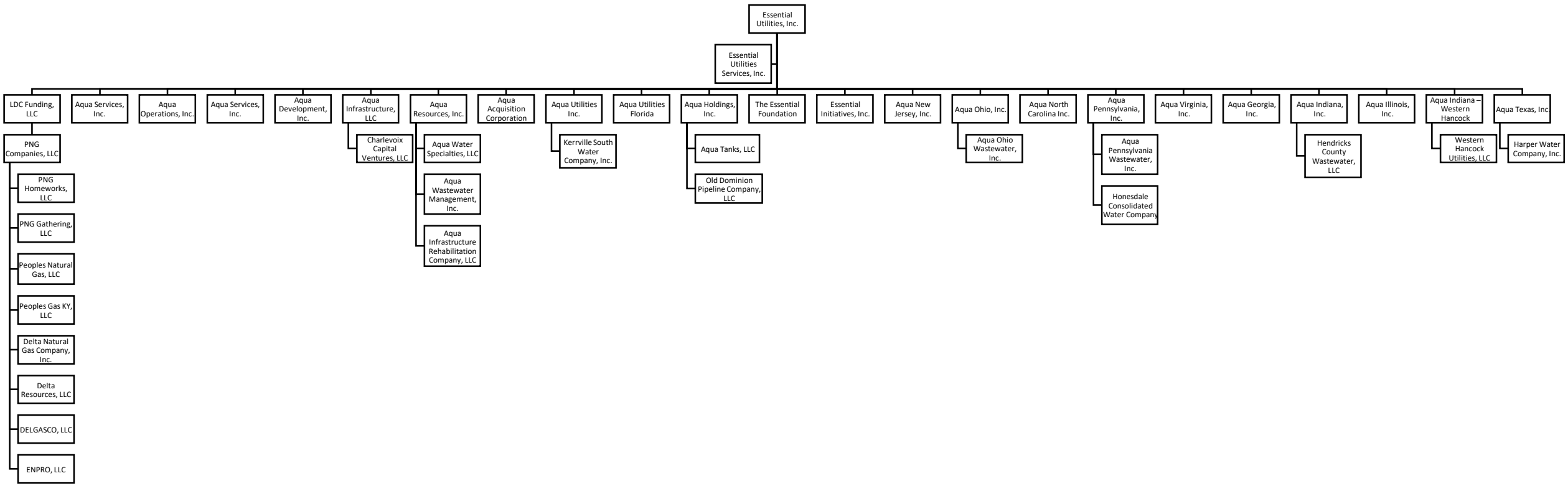
G. Rate of Return

RR13. Attach a chart explaining company's corporate relationship to its affiliates showing system structure.

A. Please see the attached.

RR13 Attachment

Essential Utilities, Inc. Corporate Organizational Structure 2024



AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR14. If the utility plans to make a formal claim for a specified allowable rate of return, provide the following data in statement or exhibit form:

a. Claimed capitalization and capitalization ratios with supporting data.

b. Claimed cost of long-term debt with supporting data.

c. Claimed cost of short-term debt with supporting data.

d. Claimed cost of total debt with supporting data.

e. Claimed cost of preferred stock with supporting data.

f. Claimed cost of common equity with supporting data.

A. Please refer to the direct testimony of Paul R. Moul and the accompanying Exhibit 4-A for the Company's claim for a specified allowable rate of return, including the details requested in items (a) through (f).

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR15. Supply copies of the following documents for the company and, if applicable, its parent:

a. Most recent annual report to shareholders including any statistical supplements.

b. Most recent SEC form 10K.

c. All SEC form 10Q reports issued within the preceding 12 months of the date of submittal of the rate increase request.

A. This information is publicly available on the Company's website:
(a) https://www.essential.co/financial-information/annual-reports
(b) https://www.essential.co/sec-filings/sec-filing/10-k/0001562762-24-000047
(c) https://www.essential.co/financial-information/sec-filings

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR16. Supply copies of the company's balance sheets for each month for the last 2 years.

A. Please refer to the Company's response to OD1.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR17. Please provide the bond rating history for the Company and, if applicable, its parent from the major credit rating agencies for the last five years.

A. The bond ratings history from the credit rating agencies is as follows:

Year	S&P Global Ratings Aqua PA	S&P Global Ratings Essential Utilities	Moody's Investor Service Essential Utilities
2019	A+	A	Baa2
2020	A	A	Baa2
2021	A	A	Baa2
2022	A	A	Baa2
2023	A	A	Baa2

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR18. Provide copies of all bond rating reports relating to the company and, if applicable, its parent for the past 2 years.

A. Please refer to the Company's response to RR17.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR19. Supply copies of all presentations by the company's and, if applicable, its parent's management and securities analysts during the past 2 years, including presentations of financial projections.

A.

Below is a link to the parent company's, Essential Utilities, Inc., 2024 earnings conference call presentation as presented to analysts in May 2024. These presentations are substantially the same as those presented over the past two years, but has been continually updated with current information. Please refer to https://www.essential.co/events-and-presentations/events-calendar for previously presented presentations

https://www.essential.co/static-files/efdea4f8-2572-4c6d-a703-76357aff6d0f

Please refer to the links below for the parent company's Annual Report and SEC Filings.

https://www.essential.co/financial-information/annual-reports

https://www.essential.co/financial-information/sec-filings

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR20. Provide a listing of all securities issuances for the company and, if applicable, its parent projected for the next 2 years. The response shall identify for each projected issuance the date, dollar amount, type of security, and effective cost rate.

A. On March 17, 2023, the Company filed a securities certificate application with the PAPUC requesting authority to issue first mortgage bonds in an amount not to exceed $450,000,000 at current market rates. On August 24, 2023, the Company issued $225,000,000 first mortgage bonds under this securities certificate. The remaining $225,000,000 issuance capacity under the 2023 order expires May 18, 2025. The Company does not expect to issue any additional debt in 2024.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR21. Identify any plan by the company to refinance high cost long-term debt or preferred stock.

A. The Company continually looks for ways to lower its cost of debt. Please refer to the Company's response to RR9 for refinancing activity since the prior rate case.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR22. Provide copies of all securities analysts' reports relating to the company and its parent, or both, issued within the past 2 years.

A. Please refer to the files that were electronically submitted to the Secretary's Bureau and are available for review on the electronic docket associated with this filing on the commission's website under Docket Nos. R-2024-3047822 and R-2024-3047824.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR23. If applicable, supply a listing of all common equity infusions from the parent to the company over the past 5 years. In each case, identify date and dollar amount.

A.	2019	$0
	2020	$20,000,000
	2021	$100,000,000
	2022	$70,000,000
	2023	$0

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR24. If applicable, identify the company's common dividend payments to its parent for each of the last 5 years.

A.	2019	$100,000,000
	2020	$50,000,000
	2021	$0
	2022	$0
	2023	$0

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR25. Provide the latest year-by-year financial projections for the company for the next 5 years. Also, please indicate the date these projections were prepared; whether approved by management; and whether the projections have been submitted to bond rating agencies. The information will be treated in a confidential manner, if requested by the company in writing, as set forth in 52 Pa. Code § 5.423.

A. Please refer to Exhibit 1-A and Exhibit 1-B, Schedule A-1 for water and Exhibits 1-C through 1-E, Schedule A-1 for wastewater for the Company's most recent financial projections. Financial projections beyond what is projected in Exhibits 1-A through 1-E have not yet been approved by company management.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR26. Provide the company's 5-year construction budget.

A. Please refer to the direct testimony of Paul R. Moul.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR27. Identify the company's and, if applicable, its parent's capital structure targets (percentages of capital types). Provide the complete basis for the capital structure targets.

A. The Company strives to maintain close to a 46/54 long term debt/equity capital structure over time. Please refer to the direct testimony of Paul R. Moul and the accompanying Exhibit 4-A for the target structure at December 31, 2025.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR28. For each month, of the most recent 24 months, supply the company's:

a. Short-term debt balance.

b. Short-term debt interest rate.

c. Balance of construction work in progress.

d. Balance of construction work in progress which is eligible for AFUDC accrual:

A. Please see the attached.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

Seq.	Month	Short-Term Debt Balance	Short-Term Interest Rate	Balance in CWIP	CWIP Balance AFUDC Eligible
1	March-24	19,000,000	6.0900%	151,959,034	117,869,371
2	February-24	42,691,150	6.0600%	151,696,980	119,084,139
3	January-24	41,266,544	6.0600%	150,851,892	122,035,014
4	December-23	23,123,092	6.1500%	147,282,567	121,626,371
5	November-23	20,872,525	6.0700%	181,206,325	131,257,679
6	October-23	9,386,763	6.0700%	177,817,711	144,625,377
7	September-23	6,331,753	6.0400%	183,654,207	149,409,586
8	August-23	11,000,000	6.0800%	169,815,071	138,594,893
9	July-23	54,472,242	6.0093%	165,185,339	135,577,601
10	June-23	27,542,619	5.8209%	158,754,471	129,934,912
11	May-23	27,529,793	5.7600%	147,531,475	119,962,353
12	April-23	16,040,715	5.6610%	138,139,942	111,756,696
13	March-23	15,000,000	5.5500%	132,924,500	108,054,696
14	February-23	0	5.0900%	149,442,339	124,385,141
15	January-23	20,000,000	5.0840%	157,073,488	132,875,284
16	December-22	20,000,000	4.9800%	177,049,711	153,742,359
17	November-22	20,000,000	4.5450%	212,116,723	183,821,881
18	October-22	10,000,000	4.8954%	215,810,910	183,114,372
19	September-22	27,234,777	3.3760%	227,420,973	180,623,682
20	August-22	24,630,135	3.0032%	211,331,946	198,707,451
21	July-22	20,000,000	2.3700%	188,047,580	179,008,664
22	June-22	4,702,686	1.9538%	177,790,618	168,892,873
23	May-22	55,000,000	1.4082%	161,914,256	172,638,096
24	April-22	51,578,236	1.3300%	154,250,925	156,789,648

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR29. Fully identify all debt, other than instruments traded in public markets, owed to all shareholders, corporate officers, or members of the board of directors, its affiliates, parent company, or subsidiaries.

A. None.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR30. Provide a summary statement of all stock dividends, splits, or par value changes during the 2-year calendar period preceding the rate case filing.

A. There have been no splits or par value changes during the 2-year calendar period preceding the rate case filing.

There have been the following stock dividends during the 2-year calendar period preceding the rate case filing.

3/1/2022	$0.2682
6/1/2022	$0.2682
9/1/2022	$0.2870
12/1/2022	$0.2870
3/1/2023	$0.2870
6/1/2023	$0.2870
9/1/2023	$0.3071
12/1/2023	$0.3071
3/1/2024	$0.3071

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR31. If a claim of the filing utility is based on utilization of the capital structure or capital costs of the parent company and consolidated system, the reasons for this claim must be fully stated and supported.

A. The Company's claims are not based on the capital structure of its parent company.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

G. Rate of Return

RR32. To the extent not provided elsewhere, supply financial data of the company, and its parent, if applicable, for the last 5 years.

a. Times interest earned ratio—pre- and post tax basis.

b. Preferred stock dividend coverage ratio—post tax basis.

c. Times fixed charges earned ratio—pretax basis.

d. Dividend payout ratio.

e. AFUDC as a percent of earnings available for common equity.

f. Construction work in progress as a percent of net utility plant.

g. Effective income tax rate.

h. Internal cash generations as a percent of total capital requirements.

A. Please refer to the direct testimony of Paul R. Moul and the accompanying Exhibit 4-A for the Company's financial data, including the details requested in items (a) through (h).

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

TABLE OF CONTENTS TO MINIMUM FILING REQUIREMENTS
H. RATE STRUCTURE & COST OF SERVICE

MFR	Description
RS1	Cost Of Service
RS2	Special Rate Contracts

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

H. Rate Structure & Cost of Service

RS1. Provide a listing of negotiated special rate contracts which includes a comparison of revenues under special rate contracts and under tariff rates. Provide the cost of service treatment of any deficiency in revenues resulting from the negotiated special rate contracts. Special rates are defined as rates not contained in the currently effective tariff.

a. A description of the allocation methods used. A comparison of the allocated cost of service by class with the present and proposed revenues. A cost of service schedule showing the rate of return produced by present and proposed rates by class of service.

b. Indicate if the method used for establishing the allocation factors in the cost of service study deviates from the previous study submitted in the last rate case. If yes, indicate which allocation factors were changed and discuss the reason for the changes.

c. Supply the average day, the maximum day and the maximum hour deliveries to the system adjusted for storage for the historic test year and 2 prior years. Also provide workpapers, analyses, comparative data or other documentation supporting the estimated maximum day and peak hour demands by customer class reflected in the company's cost of service study.

d. Explain thoroughly the methodology employed if the company distinguishes between transmission and distribution or collection mains in its allocation of costs.

e. Provide a detailed explanation of how storage is utilized to meet base, maximum day and maximum hour demands.

f. Provide workpapers, calculations and supporting documentation which develop the equivalent meters and equivalent service line weights reflected in the company's cost of service study.

g. Provide all workpapers and supporting documentation for the fire flow requirement and duration utilized in the cost of service study.

h. Provide a breakdown of the number and size of private fire services according to the general water service class of customer.

i. Provide a calculation of the company's base cost of water or wastewater per unit of consumption or usage.

j. Provide a detailed cost analysis that supports the company's customer charges, by meter size, showing all direct and indirect costs included.

A. Please refer to the direct testimonies of Gregory R. Herbert and Constance E. Heppenstall and the accompanying Exhibit 5-A, Appendix A for water, and Exhibit 5-B, Appendix A for wastewater for the above cost of service study filing requirements including the details requested in items (a) through (j).

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

H. Rate Structure & Cost of Service

RS2. Provide a listing of negotiated special rate contracts which includes a comparison of revenues under special rate contracts and under tariff rates. Provide the cost of service treatment of any deficiency in revenues resulting from the negotiated special rate contracts. Special rates are defined as rates not contained in the currently effective tariff.

A. Please refer to the direct testimonies of Gregory R. Herbert and Constance E. Heppenstall and the accompanying Exhibit 5-A, Appendix A for water, and Exhibit 5-B, Appendix A for wastewater for the above cost of service study filing requirements.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

TABLE OF CONTENTS TO MINIMUM FILING REQUIREMENTS
I. QUALITY OF SERVICE

MFR	Description
QS1	PA Safe Drinking Water Act
QS2	Operating Pressure Stds
QS3	Service Interruption
QS4	Customer Complaint Policy
QS5	Distribution System Mapping
QS6	Water Conservation
QS7	Meter Replacement

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

I. Quality of Service

QS1. Indicate whether the company is in violation of any provision of the Pennsylvania Safe Drinking Water Act (SDWA) or any rule, regulation or order, or any condition of any permit, variance or exemption granted by the Pennsylvania Department of Environmental Protection (PA-DEP), or its predecessor.

a. Provide information indicating whether the company is in compliance with SDWA provisions at 25 Pa. Code § 109.407 regarding general public notification requirements:

(i) Provide a copy of each public notification given in accordance with this section, since the last rate proceeding.

(ii) Provide a detailed explanation of all actions taken to remedy an acute violation, and to comply with the requirements prescribed by a variance or exemption.

(iii) State whether any fines or penalties were assessed by PA-DEP, and indicate the amounts paid by the company.

b. Provide the most recent copies of all annual consumer confidence reports issued pursuant to SDWA Amendments of 1996 since the last rate proceeding.

(i) Provide any annual consumer confidence reports which reflect violations of State and Federal safe drinking water requirements.

(ii) Explain how these violations were resolved.

A. The Company is regularly subject to PADEP inspections and sanitary surveys which may result in findings that once identified are corrected or the Company works with PADEP to reach an acceptable solution.

a. The Company is in compliance with the Chapter 109 regulations regarding public notification.

(i) Copies of all public notices given in accordance with Chapter 109 regulations since the last rate proceeding were electronically submitted to the Secretary's Bureau as "QS1a.1 – Public Notices Consol - Attachment 1" and are available for review on the electronic docket associated with this filing. Table 1, which is in the front of "QS1a.1 - Public Notices Consol - Attachment 1", lists SDWA violations covered by these notices and the resolution of each item.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

I. Quality of Service

(ii) Acute violations and the corrective actions:

1. Tier 1 PN's related to Boil Water Advisories - No remedy required - these are pro-active requirements to protect public health if the Company believes low pressure, low disinfection levels, or other circumstances have the potential to introduce contamination into the water system.
2. Exceedance of HAL for managese - Hillcrest System - the distribution system was flushed, the well cleaned, and a problem corrective notice issued. Subsequent to the initial corrective actions, treatment was installed and there have not further concerns.
3. Breakdown in Chlorine disinfection in Honesdale (Fawn lake); White Haven (Hamilton System); White Haven (Factoryville System) - in all cases, the root cause of the low disinfection level was corrected.

The Company does not have any variances or exemptions from Chapter 109 regulations. The Company has applied for, and received, monitoring waivers for synthetic organic contaminants and asbestos for many systems where historical monitoring and/or other available information has demonstrated no occurrence or no susceptibility of the source to these contaminants.

(iii) Fines paid:
The Company paid a fine of $4,000 on 11/16/2021 for failure to obtain a permit/failure to monitor bulk water hauler at the Friendship System

The Company paid a fine of $10,000 on 4/7/2021 as a penalty for placing Secane and Fern Hill tanks into service without operating permits (2 NOVs).

b. Electronic copies of the 2022 CCRs (mailed in 2023) were electronically submitted to the Secretary's Bureau as "QS1b – CCRs Consol - Attachment 2." The 2020-2022 CCRs with violations (distributed between March 2021 and February 2024) were electronically submitted to the Secretary's Bureau as and "QS1b - CCRs with violations Consol - Attachment 3." Both attachments are available for review on the electronic docket associated with this filing. The CCRs are also posted on the internet at the following address: www.aquawater.com. The search function will retrieve CCRs by state, system name, town or zip code.

(i) Table 2, in the front of Attachment 3 (referenced in subpart b above), lists the 2020-2022 CCRs (distributed between March 2021 and February 2024) that reflected violations.

(ii) Table 2 also lists the resolution of each violation listed on 2020 through 2022 CCRs. The majority of the violations are for boil water notices and monitoring violations. All the violations have been addressed.

Table 1 - Public Notices Distributed Between March 1, 2021 and February 1, 2024

PWSID	SYSTEM NAME	DIVISION	TYPE OF NOTICE	DATE OF PUBLIC NOTICE	RESOLUTION
PA2400083	Applewood	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	10/27/2021	Collected routine sample on 2/8/21, and results were satisfactory.
PA1150126	Franklin	Southeast	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA1090078	Bensalem	Southeast	Tier 3 PN: Monitoring requirements not met for quarterly disinfection byproducts samples.	4/1 - 4/30/2023	Four of the 8 required disinfection byproducts samples were collected after the required deadline. Results were satisfactory.
PA1090001	Bristol	Southeast	Tier 3 PN: Monitoring requirements not met for quarterly synthetic organic contaminant samples.	3/1 - 3/31/2021	Collected samples in the 2nd - 4th quarters of 2020, and results were satisfactory.
PA2580010	Brooklyn	White Haven	Tier 3 PN: Monitoring requirement not met for 9-year entry point asbestos sample, due to laboratory error.	4/1 - 4/30/2023	Sampling was completed it 2022.
PA2350004	Chinchilla	White Haven	Tier 3 PN: Reporting requirement not met for monthly chlorine report	4/1 - 4/30/2022	Reported results to DEP.
PA2350004	Chinchilla	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	4/1 - 4/30/2022	Collected routine sample on 6/9/21, and results were satisfactory.
PA2350025	Glenburn	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	4/1 - 4/30/2022	Collected routine sample on 6/9/21, and results were satisfactory.
PA2350025	Glenburn	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level for Haloacetic Acids and Total Trihalomethanes.	9/24/2021	One well was taken offline for assessment to reduce potential for disinfection byproduct formation.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level (MCL) for Haloacetic Acids and Total Trihalomethanes	12/10/2021	A carbon filtration system was installed to improve water quality.
PA2350029	Sunset Hills	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	4/1 - 4/30/2022	Collected routine sample on 6/9/21, and results were satisfactory.
PA2350029	Sunset Hills	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2350034	Elmbrook	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2350055	Edgewood	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	4/1 - 4/30/2022	Collected routine sample on 6/9/21, and results were satisfactory.
PA2350055	Edgewood	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4490011	East Cameron	Roaring Creek Contiguous	Tier 1 PN: Boil water notice due to a water service line break which caused loss of positive pressure in the distribution system.	9/11/2021	The service line was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 9/14/2021
PA2350055	Edgewood	White Haven	Tier 3 PN: Monitoring requirement not met for daily entry point chlorine sample	10/27/2021	Collected routine sample on 1/22/21, and results were satisfactory.
PA2350057	Jefferson Heights	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2350070	Mount Cobb	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400029	Shickshinny Lake	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400053	Hex Acres	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2520037	Fawn Lake	Honesdale	Tier 1 PN: Boil water notice for 1000 customers due to chlorine disinfection levels which dropped below the state required minimum level.	3/16/2021	The disinfection system issue has been corrected. After satisfactory microbiological results, the boil water order was lifted on 3/18/2021.
PA2520037	Fawn Lake	Honesdale	Tier 3 PN: Monitoring requirements not met for monthly total coliform samples.	7/26/2023	Routine samples were collected in May 2023. Additional staff training was performed to prevent future violations.
PA2400078	Forest Park	White Haven	Tier 3 PN: Monitoring requirements not met for monthly total coliform samples.	9/28/2023	Routine samples were collected in May 2023. Additional staff training was performed to prevent future violations.
PA2400066	Wapwallopen	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400078	Forest Park	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.

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PA2400079	Penn Lake	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400085	Barrett	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400089	Garbush	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400095	Oakhill	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400102	Warden Place	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400111	Laurel Lakes	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	3/1 - 3/31/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2450044	Hamilton	White Haven	Tier 1 PN: Boil water notice due to chlorine disinfection levels which dropped below the state required minimum level.	7/8/2021	The disinfection system issue has been corrected. After satisfactory microbiological results, the boil water order was lifted on 7/10/2021.
PA2400147	Greenbriar	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2450054	Sun Valley	White Haven	Tier 3 PN: Monitoring requirement not met for triennial Dioxin sample	4/1 - 4/30/2022	Sample was collected in the 4th quarter of 2021, and results were satisfactory.
PA3060133	Hillcrest Estates	Southeast	Health Advisory Level (HAL) PN: Manganese exceeded the HAL in sample results received on 9/23/2021.	9/24/2021	The distribution system was flushed and the well was cleaned. A Problem Corrected notice was issued on 9/26/21. Additional treatment was installed at the well station to decrease manganese levels.
PA2450054	Sun Valley	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2450093	Robin Hood Lakes	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2520051	Twin Lakes Utilities (Receivership)	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2350057	Jefferson Heights	Honesdale	Tier 2 PN: Failure to conduct a Level 1 Assessment, required when repeat total coliform samples were not collected within the required timeframe following a routine total coliform-positive sample.	4/22/2021	Collected follow up samples for total coliform, and results were satisfactory. Level 1 Assessment was completed.
PA2521031	Woodledge	Honesdale	Tier 1 PN: Boil water notice due to well pump failure which caused loss of positive pressure in the distribution system.	8/29/2022	A new well pump was installed and service restored. After satisfactory microbiological results, the boil water order was lifted on 8/31/2022.
PA2580012	Hop Bottom	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA6430059	Lake Latonka	Shenango	Tier 2 PN: Failure to respond to a disinfection treatment breakdown, caused by a chlorine pump issue.	4/11/2023	The chlorine pump was repaired. Upon restart, it took 28 minutes for the analyzer to detect the chlorine. PN later issued to customers.
PA2640018	Honesdale	Honesdale	Tier 3 PN: Monitoring requirement not met for annual volatile organics sample.	4/1 - 4/30/2022	Collected VOC sample in 01/2022, and results were satisfactory.
PA2640022	Gouldsboro	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA7010057	Links at Gettysburg	Roaring Creek Remote	Tier 3 PN: Monitoring requirements not met for monthly total coliform distribution samples.	4/1 - 4/30/2023	Collected routine sample in December 2022. Results were satisfactory.
PA1460073	Main	Southeast	Tier 3 PN: Monitoring requirements not met for quarterly synthetic organic contaminant samples.	2/1 - 2/28/2021	Collected samples in the 2nd - 4th quarters of 2020, and results were satisfactory.
PA1460073	Main	Southeast	Tier 1 PN: Boil water notice due to loss of power which caused loss of positive pressure in the distribution system.	9/3/2021	System power and pressure were restored. After satisfactory microbiological results, the boil water order was lifted on 9/10/2021.
PA1460073	Main	Southeast	Tier 1 PN: Boil water notice for 5 customers due to a water main break which caused a loss of positive pressure in the distribution system.	12/14/2023	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 12/16/23.
PA2640031	Wayne County Prison	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.

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PA4190016	Mifflinville	Roaring Creek Remote	Tier 2 PN: Failure to conduct a Level 1 Assessment, required when repeat total coliform samples were not collected within the required timeframe following a routine total coliform-positive sample.	6/28/2021	A Level 1 Assessment was completed on 6/14/21.
PA4550009	Monroe Manor	Roaring Creek Remote	Tier 1 PN: Boil water notice for a section of the system due to a water main break which caused loss of positive pressure in the distribution system.	5/8/2023	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 5/10/2023.
PA2350070	Mount Cobb	Honesdale	Tier 1 PN: Boil water notice due to a water main break which caused a loss of positive pressure in the distribution system.	12/10/2023	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 12/13/23.
PA2641005	Pine Beach	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2660016	Washington Park	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3540071	Oneida	White Haven	Tier 1 PN: Boil water notice due to a water main break which caused loss of positive pressure in the distribution system.	8/23/2021	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 8/26/2021.
PA3540071	Oneida	White Haven	Tier 1 PN: Boil water notice due to a water main break from contractor activities which caused a loss of positive pressure in the distribution system.	9/7/2023	Service was restored. After satisfactory microbiological results, the boil water order was lifted on 9/9/23.
PA2660018	Bunker Hill	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2660036	Factoryville	White Haven	Tier 1 PN: Boil water notice due to a chemical feed pump failure which caused chlorine disinfection levels to drop below the state required minimum level.	11/14/2022	The chemical feed pump was repaired. After satisfactory microbiological results, the boil water order was lifted on 11/16/22.
PA3060030	Geigertown	Southeast	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3060133	Hillcrest Estates	Southeast	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3060133	Hillcrest Estates	Southeast	Tier 3 PN: Monitoring requirement not met for routine total coliform samples. Samples invalidated due to laboratory quality control error. Senn Trucking violation (PWSID 1156608).	12/1/2022	Public Notice issued to customers.
PA4490024	Roaring Creek	Roaring Creek Contiguous	Tier 1 PN: Boil Water Notice due to water main break.	5/17/2023	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 5/19/2023.
PA3060134	Stonecroft	Southeast	Tier 1 PN: Boil water notice due to well pump failure which caused loss of positive pressure in the distribution system.	2/5/2022	The well pump was repaired and service restored. After satisfactory microbiological results, the boil water order was lifted on 2/7/2022.
PA3540044	Shenandoah	Roaring Creek	Tier 1 PN: Boil water notice for a section of the system due to a water main break which caused loss of positive pressure in the distribution system.	8/19/2023	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 8/21/23.
PA6430054	Shenango	Shenango	Tier 1 PN: Boil water notice for 5 customers due to a water main break which caused a loss of positive pressure in the distribution system.	1/10/2024	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 1/12/24.
PA3390028	Country Club Gardens	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3390049	Maple Hills	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3390068	Springhouse Farms	White Haven	Tier 1 PN: Boil water notice for a section of the system due to a water main break which caused loss of positive pressure in the distribution system.	2/2/2022	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 2/5/2022.
PA3480030	Christian Springs	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4340018	Meribah	Roaring Creek Remote	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4490011	East Cameron	Roaring Creek Contiguous	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and results were satisfactory.

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PA4490024	Roaring Creek	Roaring Creek Contiguous	Tier 1 PN: Boil water notice for approximately 10 customers due to loss of positive pressure in the distribution system.	1/20/2022	Emergency construction work was performed and service restored. After satisfactory microbiological results, the boil water order was lifted on 1/25/2022.
PA2080028	Susquehanna	Susquehanna	Tier 3 PN: Monitoring requirements not met for quarterly synthetic organic contaminant samples.	3/1 - 3/31/2021	Collected samples in the 2nd - 4th quarters of 2020, and results were satisfactory.
PA4550008	Kratzerville	Roaring Creek Remote	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4550024	Pennsview	Roaring Creek Remote	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level (MCL) for Haloacetic Acids and Total Trihalomethanes	3/14/2022	Abandoned one well due to increased organics. Continued efforts to evaluate and permit additional improvements to water system, following installation of carbon filtration system. Though running annual average exceeded, 1st quarter 2022 results were below the MCL.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level (MCL) for Haloacetic Acids and Total Trihalomethanes	6/15/2022	Continued efforts to evaluate and permit additional improvements to water system, following installation of carbon filtration system. Though running annual average exceeded, 1st and 2nd quarter 2022 results were below the MCL.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level (MCL) for Haloacetic Acids and Total Trihalomethanes	9/16/2022	Continued efforts to evaluate and permit additional improvements to water system, following installation of carbon filtration system. Though running annual average exceeded the MCL, water quality has improved.
PA1150098	West Chester	Southeast	Tier 3 PN: Monitoring requirements not met for quarterly synthetic organic contaminant samples.	3/1 - 3/31/2021	Collected samples in the 2nd - 4th quarters of 2020, and results were satisfactory.
PA7210048	White Rock	Roaring Creek Remote	Tier 3 PN: Monitoring requirements not met for monthly total coliform distribution samples.	4/1 - 4/30/2023	Collected routine sample in December 2022. Results were satisfactory.
PA7010057	Links at Gettysburg	Roaring Creek Remote	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	4/1 - 4/30/2022	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.

Table 2 - CCRs with Violations Noted Distributed Between March 1, 2021 and February 1, 2024

PWSID	SYSTEM NAME	DIVISION	VIOLATION DESCRIPTION	CCR YEAR	RESOLUTION
PA2400083	Applewood	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	2021	Collected routine sample on 2/8/21, and results were satisfactory.
PA2400085	Barrett	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA1090078	Bensalem	Southeast	Tier 3 PN: Monitoring requirements not met for quarterly disinfection byproducts samples.	2022	Four of the 8 required disinfection byproducts samples were collected after the required deadline. Results were satisfactory.
PA1090001	Bristol	Southeast	Tier 3 PN: Monitoring requirements not met for quarterly synthetic organic contaminant samples.	2020	Collected samples in the 2nd - 4th quarters of 2020, and results were satisfactory.
PA2580010	Brooklyn	White Haven	Tier 3 PN: Monitoring requirement not met for 9-year entry point asbestos sample, due to laboratory error.	2022	Sampling was completed it 2022.
PA2660018	Bunker Hill	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2350004	Chinchilla	White Haven	Tier 3 PN: Reporting requirement not met for monthly chlorine report	2021	Reported results to DEP.
PA2350004	Chinchilla	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	2021	Collected routine sample on 6/9/21, and results were satisfactory.
PA3480030	Christian Springs	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level for Haloacetic Acids and Total Trihalomethanes.	2021	One well was taken offline for assessment to reduce potential for disinfection byproduct formation.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level (MCL) for Haloacetic Acids and Total Trihalomethanes	2021	A carbon filtration system was installed to improve water quality.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level (MCL) for Haloacetic Acids and Total Trihalomethanes	2022	Abandoned one well due to increased organics. Continued efforts to evaluate and permit additional improvements to water system, following installation of carbon filtration system. Though running annual average exceeded, 1st quarter 2022 results were below the MCL.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level (MCL) for Haloacetic Acids and Total Trihalomethanes	2022	Continued efforts to evaluate and permit additional improvements to water system, following installation of carbon filtration system. Though running annual average exceeded, 1st and 2nd quarter 2022 results were below the MCL.
PA6620021	Clarendon	Shenango	Tier 2 PN: Exceedance of the maximum contaminant level (MCL) for Haloacetic Acids and Total Trihalomethanes	2022	Continued efforts to evaluate and permit additional improvements to water system, following installation of carbon filtration system. Though running annual average exceeded the MCL, water quality has improved.
PA3390028	Country Club Gardens	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4490011	East Cameron	Roaring Creek Contiguous	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and results were satisfactory.
PA4490011	East Cameron	Roaring Creek Contiguous	Tier 1 PN: Boil water notice due to a water service line break which caused loss of positive pressure in the distribution system.	2021	The service line was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 9/14/2021
PA2350055	Edgewood	White Haven	Tier 3 PN: Monitoring requirement not met for daily entry point chlorine sample	2021	Collected routine sample on 1/22/21, and results were satisfactory.
PA2350055	Edgewood	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	2021	Collected routine sample on 6/9/21, and results were satisfactory.
PA2350055	Edgewood	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.

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PA2350034	Elmbrook	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2660036	Factoryville	White Haven	Tier 1 PN: Boil water notice due to a chemical feed pump failure which caused chlorine disinfection levels to drop below the state required minimum level.	2022	The chemical feed pump was repaired. After satisfactory microbiological results, the boil water order was lifted on 11/16/22.
PA2520037	Fawn Lake	Honesdale	Tier 1 PN: Boil water notice for 1000 customers due to chlorine disinfection levels which dropped below the state required minimum level.	2021	The disinfection system issue has been corrected. After satisfactory microbiological results, the boil water order was lifted on 3/18/2021.
PA2400078	Forest Park	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA1150126	Franklin	Southeast	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400089	Garbush	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3060030	Geigertown	Southeast	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2350025	Glenburn	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	2021	Collected routine sample on 6/9/21, and results were satisfactory.
PA2350025	Glenburn	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2640022	Gouldsboro	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400147	Greenbriar	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2450044	Hamilton	White Haven	Tier 1 PN: Boil water notice due to chlorine disinfection levels which dropped below the state required minimum level.	2021	The disinfection system issue has been corrected. After satisfactory microbiological results, the boil water order was lifted on 7/10/2021.
PA2400053	Hex Acres	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3060133	Hillcrest Estates	Southeast	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3060133	Hillcrest Estates	Southeast	Health Advisory Level (HAL) PN: Manganese exceeded the HAL in sample results received on 9/23/2021.	2021	The distribution system was flushed and the well was cleaned. A Problem Corrected notice was issued on 9/26/21. Additional treatment was installed at the well station to decrease manganese levels.
PA3060133	Hillcrest Estates	Southeast	Tier 3 PN: Monitoring requirement not met for routine total coliform samples. Samples invalidated due to laboratory quality control error. Senn Trucking violation (PWSID 1156608).	2022	Public Notice issued to customers.
PA2640018	Honesdale	Honesdale	Tier 3 PN: Monitoring requirement not met for annual volatile organics sample.	2021	Collected VOC sample in 01/2022, and results were satisfactory.
PA2580012	Hop Bottom	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2350057	Jefferson Heights	Honesdale	Tier 2 PN: Failure to conduct a Level 1 Assessment, required when repeat total coliform samples were not collected within the required timeframe following a routine total coliform-positive sample.	2021	Collected follow up samples for total coliform, and results were satisfactory. Level 1 Assessment was completed.
PA2350057	Jefferson Heights	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4550008	Kratzerville	Roaring Creek Remote	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.

Table 2 - CCRs with Violations Noted Distributed Between March 1, 2021 and February 1, 2024

PA6430059	Lake Latonka	Shenango	Tier 3 PN: Reporting requirements not met for daily entry point chlorine.	2021	Reporting error was corrected and submitted to DEP.
PA2400111	Laurel Lakes	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA7010057	Links at Gettysburg	Roaring Creek Remote	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA7010057	Links at Gettysburg	Roaring Creek Remote	Tier 3 PN: Monitoring requirements not met for monthly total coliform distribution samples.	2022	Collected routine sample in December 2022. Results were satisfactory.
PA1460073	Main	Southeast	Tier 3 PN: Monitoring requirements not met for quarterly synthetic organic contaminant samples.	2020	Collected samples in the 2nd - 4th quarters of 2020, and results were satisfactory.
PA1460073	Main	Southeast	Tier 1 PN: Boil water notice due to loss of power which caused loss of positive pressure in the distribution system.	2021	System power and pressure were restored. After satisfactory microbiological results, the boil water order was lifted on 9/10/2021.
PA3390049	Maple Hills	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4340018	Meribah	Roaring Creek Remote	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4190016	Mifflinville	Roaring Creek Remote	Tier 2 PN: Failure to conduct a Level 1 Assessment, required when repeat total coliform samples were not collected within the required timeframe following a routine total coliform-positive sample.	2021	A Level 1 Assessment was completed on 6/14/21.
PA2350070	Mount Cobb	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400095	Oakhill	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3540071	Oneida	White Haven	Tier 1 PN: Boil water notice due to a water main break which caused loss of positive pressure in the distribution system.	2021	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 8/26/2021.
PA2640048	Paupackan Lake Est	Honesdale	Tier 3 PN: Reporting requirements not met for radiological samples at EP 105.	2021	Reported results to DEP after the required deadline. Results were satisfactory.
PA2400079	Penn Lake	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4550024	Pennsview	Roaring Creek Remote	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2641005	Pine Beach	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA4490024	Roaring Creek	Roaring Creek Contiguous	Tier 1 PN: Boil water notice for approximately 10 customers due to loss of positive pressure in the distribution system.	2022	Emergency construction work was performed and service restored. After satisfactory microbiological results, the boil water order was lifted on 1/25/2022.
PA2450093	Robin Hood Lakes	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400029	Shickshinny Lake	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA3390068	Springhouse Farms	White Haven	Tier 1 PN: Boil water notice for a section of the system due to a water main break which caused loss of positive pressure in the distribution system.	2022	The water main was fixed and service restored. After satisfactory microbiological results, the boil water order was lifted on 2/5/2022.
PA3060134	Stonecroft	Southeast	Tier 1 PN: Boil water notice due to well pump failure which caused loss of positive pressure in the distribution system.	2022	The well pump was repaired and service restored. After satisfactory microbiological results, the boil water order was lifted on 2/7/2022.
PA2450054	Sun Valley	White Haven	Tier 3 PN: Monitoring requirement not met for triennial Dioxin sample	2021	Sample was collected in the 4th quarter of 2021, and results were satisfactory.

Table 2 - CCRs with Violations Noted Distributed Between March 1, 2021 and February 1, 2024

PA2450054	Sun Valley	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2350029	Sunset Hills	White Haven	Tier 3 PN: Monitoring requirement not met for weekly distribution chlorine sample	2021	Collected routine sample on 6/9/21, and results were satisfactory.
PA2350029	Sunset Hills	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2080028	Susquehanna	Susquehanna	Tier 3 PN: Monitoring requirements not met for quarterly synthetic organic contaminant samples.	2020	Collected samples in the 2nd - 4th quarters of 2020, and results were satisfactory.
PA2520051	Twin Lakes Utilities (Receivership)	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400066	Wapwallopen	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2400102	Warden Place	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2660016	Washington Park	White Haven	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA2640031	Wayne County Prison	Honesdale	Tier 3 PN: Monitoring requirement not met for triennial disinfection byproducts sample	2021	Collected special samples in 4th quarter of 2021, and compliance samples in 3rd quarter 2022. Results were satisfactory.
PA1150098	West Chester	Southeast	Tier 3 PN: Monitoring requirements not met for quarterly synthetic organic contaminant samples.	2020	Collected samples in the 2nd - 4th quarters of 2020, and results were satisfactory.
PA7210048	White Rock	Roaring Creek Remote	Tier 3 PN: Monitoring requirements not met for monthly total coliform distribution samples.	2022	Collected routine sample in December 2022. Results were satisfactory.
PA2521031	Woodledge	Honesdale	Tier 1 PN: Boil water notice due to well pump failure which caused loss of positive pressure in the distribution system.	2022	A new well pump was installed and service restored. After satisfactory microbiological results, the boil water order was lifted on 8/31/2022.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

I. Quality of Service

QS2. Indicate whether the company is in compliance with 52 Pa. Code, § 65.6(a) regarding normal operating pressure standards, and with 52 Pa. Code, § 65.6(d) regarding pressure surveys at regular intervals.

a. Provide details on any water pressure problems, lasting longer than 5 days, which had occurred since the last rate proceeding in any part of the water transmission and distribution system.

b. Describe any action taken on a temporary basis, and the long term solutions developed to address any water pressure problems.

Response:

a. The Company believes that it is in compliance with 52 Pa. Code, § 65.6(a) regarding normal operating pressure standards. Pressures in our systems do exceed the paramaters set forth in 52 Pa. Code, § 65.6(a). Concerns related to this were reviewed and disposed of in PA PUC Order dated May 12 2022 (pages 350 to 355).

The Company has not experienced any significant pressure problems lasting longer than five days since the last rate proceeding in any part of the water transmission and distribution system, with the exception of the Roaring Creek Division as noted below.

In 2023, Aqua's Roaring Creek division had difficulty finding and then repairing a main break due to it's very remote location in an abandoned coal mine and below freezing weather conditions. Seven (7) customers were affected and experienced periodic water pressure problems for more than five (5) days. The Company addressed the water supply problem within seven (7) days by abandoning an old cast iron water main, constructing a new ductile iron main extension as well as designing, permitting and installing a booster pump station to serve the seven (7) impacted customers. Customers were provided with bottled water throughout the duration of this event.

b. The Company believes that it is in compliance with 52 Pa. Code, § 65.6(a) regarding normal operating pressure standards, and with 52 Pa. Code, § 65.6(d) regarding pressure surveys at regular intervals. Concerns related to this were reviewed and disposed of in PA PUC Order dated May 12 2022 (pages 350 to 355).

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

I. Quality of Service

QS3. Provide support to demonstrate that water or wastewater service is being furnished on a continuous basis by supplying a summary of the company's records of each service interruption greater than 24 hours since the last rate proceeding.

A. Except for the periodic low pressure issue in our Roaring Creek Division in 2023 that follows, since the last reporting period, there were no interruptions of service lasting more than 24 hours for water or wastewater service.

In 2023, Aqua's Roaring Creek division had difficulty finding and then repairing a main break due to it's very remote location in an abandoned coal mine and below freezing weather conditions. Seven (7) customers were affected and experienced periodic water pressure problems for more than five (5) days. The Company addressed the water supply problem within seven (7) days by abandoning an old cast iron water main, constructing a new ductile iron main extension as well as designing, permitting and installing a booster pump station to serve the seven (7) impacted customers. Customers were provided with bottled water throughout the duration of this event.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

I. Quality of Service

QS4. Provide a discussion of the company's policy, or provide a copy of the policy if in written form, on tracking and responding to customer complaints.

a. Provide a summary report demonstrating the company's compliance with 52 Pa. Code, § 65.3 regarding the full and prompt investigation of service or facility complaints and the recordkeeping requirements of such complaints.

A. Customer complaints are received through a variety of different channels. No matter which avenue the customer complaint or escalation is received it is routed to the appropriate party for investigation. Once the issue is received, the individual fielding the concern is instructed to record notes regarding the customer contact in the notes section of the CIS system. If the complaint cannot initially be resolved to the customer's satisfaction, they are instructed to escalate the issue to the next level of support for a solution. When necessary, the issue is escalated to supervisors and/or managers for handling. If these complaints involve activity from other departments then the supervisor/manager will seek information from those departments to help resolve the customer issue. Since 2021 we have reduced our PUC complaint response time from 10.67 to 1.16 days.

a. Service and facility complaints are handled in the same manner as outlined above. Anyone who fields the customer complaint is instructed to record notes regarding each customer contact in the notes section of the CIS system. All pertinent account records are maintained for a minimum of six years. *Additionally, we track PA customer complaints using an excel spreadsheet that enables us to conduct root cause analysis, identify trends and find solutions to prevent future complaints.*

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

I. Quality of Service

QS5. Indicate whether the company is in compliance with 52 Pa. Code, § 65.4(b) regarding complete and current mapping of the entire distribution or collection system.

A.

The Company is in compliance with 52 Pa. Code §65.4(b) requiring maintenance of complete and current records of its distribution infrastructure. Aqua PA's Engineering Department headquartered in Bryn Mawr maintains record drawing files and digital GIS mapping that collectively show the size, character and location of all mains, street valves and key "as-built" features for the facilities located in its Pennsylvania operating regions. Each project involving a change to these facilities is inspected, and the inspector provides a marked up drawing and notes showing actual construction details and variations from the design conditions. These documents are used by a CAD Operator to prepare a record drawing of the project. This information is also used to update Aqua PA GIS mapping that show the location of all PA infrastructure within specific geographic grids covering all distribution infrastructure. The GIS mapping is the primary source used to initially locate Aqua PA pipelines, and when available, hyperlinks to a record drawing for the pipe allow easy access to additional information if needed. These drawings are maintained in Aqua PA's Engineering Office, and are made available to authorized individuals for use in on-going maintenance of Aqua PA facilities and in meeting utility location information requirements.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

I. Quality of Service

QS6. Provide a summary report demonstrating the company's efforts in water conservation, since the last rate proceeding, pursuant to 52 Pa. Code, § 65.20.

Response:

The Company's water conservation program includes pro-active programs for Non-Revenue Water monitoring and reactions to the same, our LTIIP, customer communications and tools, and resources focused on the same.

The company has metrics on each water system for NRW which are regularly monitored, reported on internally and used to plan operational and capital improvements.

The Company employs three full time leak detection operators in Southeast PA, and others are utilized on a part time basis. These technicians perform a survey of approximately 1,250 miles of distribution and transmission mains each year (i.e., each year 25% of Southeast PA is completed for leak survey). In some areas, outside leak detection companies may also be used. Leak detection efforts are prioritized on the systems with the highest Non Revenue Water (NRW). Discovered leaks are scheduled for repair through our work order system, often addressed within 24 to 48 hours. Systems are analyzed and prioritized for water loss control measures based on volume and production cost of the lost water. In some cases, small systems with few customers may have a high NRW percentage (e.g., >25%) but the value of water lost does not warrant extensive and costly leak detection efforts.

All Greater PA Divisions use a combination of in-house and 3rd party leak detection firms to proactively identify small leaks (e.g., customer service lines) and larger leaks.

In 2023, the Company added to it's Non-Revenue Water program by selecting two "target systems" where a high level of resources would focus their attention to reduce the NRW. In 2023, the Roaring Creek system (GPA) and the West Chester system (SEPA) were selected as the targeted systems. By the end of 2023, the Roaring Creek system reduced NRW by 25% (from 99 gal/connection/day to 83 gal/connection/day) and the West Chester system reduced NRW by 30% (from 71 gal/connection/day to 55 gal/connection/day). For 2024, the two selected systems are Roaring Creek (GPA) and Upper Providence (SEPA). In addition, advanced work has begun on the Fawn Lake system (GPA-Honesdale) in anticipation of it being a targeted system in 2025.

The Company has a Water Main Renewal Program, which is a continuous program to replace pipes per our approved LTIIP. Pipeline replacement projects are prioritized and selected through the use of information management systems. Specifically, the Company's AIMS (Asset Information Management System) is a web-based system that managers use for detailed information related to the water distribution system(s). Additionally, a GIS (Geographic Information System) allows managers to visually retrieve and display much of the same information using a map-based system including pipe size, pipe age, pipe material, and historic break locations.

The Company also utilizes Water-Use Tracking Reports, whereby Managers complete a monthly NRW report that tracks water supplied, water sold, unmetered uses, and losses for each system. The reports allow visibility into trends and outliers which could be indicative of real or apparent losses. The reports provide in-depth looks at each system as well as on a broader Divisional level. Managers also evaluate water uses that affect NRW % calculation. Specifically, line flushing, bulk water sales, fire company uses, leak estimation and authorized unmetered uses.

Specific projects are also implemented to help reduce water loss. Where feasible, District Meter Areas (DMA) are established to reduce pressure to the area. Pressure reduction serves to reduce water loss through small leaks and weeps in the system. Depending on system and storage constraints, pressure can be reduced throughout the day or just during off-peak times when demands are low.

All master meters are monitored by the Company since their accumulated volume is used to produce the send-out and consumption reports that are generated and monitored daily. Under-registration or over-registration of these meters will serve to distort the actual metered ratio used in unaccounted-for-water calculations. Meter calibration is accomplished by a portable flow meter which is placed at a nearby corporation stop and compared with the meter's flow totalizer. All meters found to be inaccurate are immediately scheduled for repair or replacement. The electronics of sendout meter installations at sources of supply are calibrated on an annual basis. Wells are a frequency of once per year. Surface water plants are quarterly (per PUC regulation). All sources are done by a qualified outside contractor.

In an effort to assist the customers with water conservation, the Company has transitioned from quarterly to monthly billing in all of its divisions; with the exception of a few recent acquisitions, thereby enabling customers to see unusual usage in their household over a 30 day period rather than upon receipt of a quarterly bill. Monthly billing allows customers to identify a potential leakage problem and correct it quickly. If a bill is extremely high (250% of the average trailing twelve months), a notice will print on the customers' bills alerting them to the high usage.

The Company is dedicated to customer education and awareness, which includes conservation. On their website, www.aquawater.com, Aqua has a "Guides & Tips" page with sections dedicated to conservation, in addition to messages shared elsewhere on the website. Additionally, the Company has LinkedIn, Facebook, Instagram and Twitter pages, as well as a blog and YouTube channel, where content about conservation topics are posted and shared. The company has also used print and digital advertising, TV and radio, press releases, local media hits and bill inserts. Across these channels, the Company shares education, tips, how-to guides and preventative communication around leaks, drought conditions, preventing frozen pipes, etc.

The Company has a program where we will pay the plumbing bills, typically for minor repairs, for customers with limited income. The objective is two-fold; to help customers avoid high water bills due to small leaks interior to their premises (e.g. leaking toilet or faucet) and to conserve water lost through such leaks.

In accordance with tariff requirements the Company has an active customer meter replacement program such that customer meters are targeted for replacement on a 20-year basis. This serves to reduce the contribution of underreporting meters to apparent NRW loss.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

I. Quality of Service

QS7. Provide a discussion of the company's policy regarding meter requirements, replacements and testing. State if the company's procedures are in compliance with 52 Pa. Code, § 65.8(b).

a. Provide meter test records as required in 52 Pa. Code, § 65.8(c) for the 50 meters most recently removed from service.

b. Provide a discussion of the company's policy and history of compliance with 52 Pa. Code, § 65.9 regarding adjustment of bills for meter error within the last year.

A. Yes, the Company exchanges meters within the required timeframe. Meter exchange is included in the five-year capital budget and the plan is reviewed annually. The status of annual meter replacements is reviewed monthly. The average age of meters in PA as of December 2023:

- 5/8" thru 1" is 8.5 years (max age requirement = 20 yrs.)
- 1.5" to 2" is 5 years. (max age requirement = 8 yrs.)
- 3" and larger is 6.2 years (max age requirement = 8 yrs.)

a. Please see the attached meter test records as required in 52 Pa. Code, § 65.8(c) for the 50 meters most recently removed from service.

b. The Company has not had to adjust any bills due to over registration within the last year (January 1, 2023 to December 31, 2023) due to meter inaccuracy.

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Test Details

Test Date:	2/27/2024 9:11:09 AM	**Test Name:**	SEPA OUTTEST 3/4"
Job Number:		**Remarks:**	
Bench:	Series 5000	**Bench Operator:**	rmotlas
Volume Units:	Gallons	**Flow Rate Units:**	gallons per minute

Subtest Details

Name	Tank	Line	Exp Rate	Act Rate	Exp Vol	Act Vol*	Low Tol	High Tol
Lo flow	10 Gal	1"	.50	.536	10.00	10.013	5.00%	1.00%
Mid flow	10 Gal	1"	3.00	3.099	10.00	9.989	1.50%	1.50%
Hi flow	100 Gal	2"	25.00	14.982	100.00	100.156	1.50%	1.50%

Meter Details

Meter	Subtest	Comp*	Start	End	Volume*	Accuracy	Pass
#1 - 14121634 Failed Neptune/Trident T-10	Lo flow	No	608331.00	608339.10	8.10	80.8948	No
	Mid flow	No	608339.10	608349.10	10.00	100.1101	Yes
	Hi flow	No	608349.10	608449.30	100.20	100.0439	Yes
#2 - 62358544 Passed Sensus/Rockwell SRII	Lo flow	No	1359930.80	1359940.70	9.90	98.8714	Yes
	Mid flow	No	1359940.70	1359950.60	9.90	99.1090	Yes
	Hi flow	No	1359950.60	1360049.40	98.80	98.6461	Yes
#3 - 49301526 Passed Sensus/Rockwell SRII	Lo flow	No	1302690.80	1302700.90	10.10	100.8688	Yes
	Mid flow	No	1302700.90	1302710.90	10.00	100.1101	Yes
	Hi flow	No	1302710.90	1302811.80	100.90	100.7428	Yes
#4 - 62971111 Passed Sensus/Rockwell SRII	Lo flow	No	807731.70	807741.60	9.90	98.8714	Yes
	Mid flow	No	807741.60	807751.50	9.90	99.1090	Yes
	Hi flow	No	807751.50	807851.60	100.10	99.9440	Yes
#5 - 63044126 Passed Sensus/Rockwell SRII	Lo flow	No	1093648.50	1093658.50	10.00	99.8701	Yes
	Mid flow	No	1093658.50	1093668.40	9.90	99.1090	Yes
	Hi flow	No	1093668.40	1093768.40	100.00	99.8442	Yes
#6 - 62971560 Failed Sensus/Rockwell	Lo flow	No	738226.40	738236.30	9.90	98.8714	Yes
	Mid flow	No	738236.30	738246.30	10.00	100.1101	Yes
	Hi flow	No	738246.30	738257.70	11.40	11.3822	No

SRII							
#7 - 63043247 Passed Sensus/Rockwell SRII	Lo flow	No	2011071.60	2011081.50	9.90	98.8714	Yes
	Mid flow	No	2011081.50	2011091.50	10.00	100.1101	Yes
	Hi flow	No	2011091.50	2011191.40	99.90	99.7443	Yes
#8 - 60725094 Passed Sensus/Rockwell SRII	Lo flow	No	3266625.90	3266635.50	9.60	95.8753	Yes
	Mid flow	No	3266635.50	3266645.60	10.10	101.1112	Yes
	Hi flow	No	3266645.60	3266746.20	100.60	100.4433	Yes
#9 - 61079402 Passed Sensus/Rockwell SRII	Lo flow	No	625630.40	625640.20	9.80	97.8727	Yes
	Mid flow	No	625640.20	625650.20	10.00	100.1101	Yes
	Hi flow	No	625650.20	625749.70	99.50	99.3450	Yes
#10 - 61079487 Passed Sensus/Rockwell SRII	Lo flow	No	1297496.90	1297506.70	9.80	97.8727	Yes
	Mid flow	No	1297506.70	1297516.70	10.00	100.1101	Yes
	Hi flow	No	1297516.70	1297616.60	99.90	99.7443	Yes
#11 - 63044146 Passed Sensus/Rockwell SRII	Lo flow	No	134546.90	134556.90	10.00	99.8701	Yes
	Mid flow	No	134556.90	134566.90	10.00	100.1101	Yes
	Hi flow	No	134566.90	134667.40	100.50	100.3434	Yes
#12 - 6235850 Passed Sensus/Rockwell SRII	Lo flow	No	5821994.00	5822003.90	9.90	98.8714	Yes
	Mid flow	No	5822003.90	5822013.90	10.00	100.1101	Yes
	Hi flow	No	5822013.90	5822113.60	99.70	99.5447	Yes

In the Meter Details section, subtests shaded gray indicate the meter's accuracy was outside the specified tolerance for that subtest.

* Act Vol - The volume of water run through the meters during the subtest.
Volume - The volume of water registered by the meter during the subtest.
Comp - "Yes" if the meter has two registers, "No" otherwise.

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Test Details

Test Date:	2/20/2024 2:51:35 PM	**Test Name:**	SEPA-OUTTEST-1"
Job Number:		**Remarks:**	
Bench:	Series 5000	**Bench Operator:**	rmotlas
Volume Units:	Gallons	**Flow Rate Units:**	gallons per minute

Subtest Details

Name	Tank	Line	Exp Rate	Act Rate	Exp Vol	Act Vol*	Low Tol	High Tol
Low Flow	10 Gal	1"	.75	.653	10.00	10.013	5.00%	1.00%
Mid low Rate	10 Gal	1"	4.00	4.217	10.00	10.013	1.50%	1.50%
Max Rate	100 Gal	2"	40.00	25.647	100.00	101.405	1.50%	1.50%

Meter Details

Meter	Subtest	Comp*	Start	End	Volume*	Accuracy	Pass
#1 - 60569771 Failed Sensus/Rockwell SRII	Low Flow	No	2810101.70	2810101.80	.10	0.9987	No
	Mid low Rate	No	2810101.80	2810111.90	10.10	100.8688	Yes
	Max Rate	No	2810111.90	2810213.20	101.30	99.8964	Yes
#2 - 62972903 Passed Sensus/Rockwell SRII	Low Flow	No	1399372.10	1399381.70	9.60	95.8753	Yes
	Mid low Rate	No	1399381.70	1399391.60	9.90	98.8714	Yes
	Max Rate	No	1399391.60	1399491.90	100.30	98.9103	Yes
#3 - 62975722 Passed Sensus/Rockwell SRII	Low Flow	No	743737.10	743747.10	10.00	99.8701	Yes
	Mid low Rate	No	743747.10	743757.20	10.10	100.8688	Yes
	Max Rate	No	743757.20	743858.50	101.30	99.8964	Yes
#4 - 62972759 Passed Sensus/Rockwell SRII	Low Flow	No	828361.90	828371.70	9.80	97.8727	Yes
	Mid low Rate	No	828371.70	828381.70	10.00	99.8701	Yes
	Max Rate	No	828381.70	828482.50	100.80	99.4033	Yes
#5 - 62972250 Failed Sensus/Rockwell SRII	Low Flow	No	4506861.90	4506871.80	9.90	98.8714	Yes
	Mid low Rate	No	4506871.80	4506881.60	9.80	97.8727	No
	Max Rate	No	4506881.60	4506912.40	30.80	30.3732	No
#6 - 63363876 Passed Sensus/Rockwell	Low Flow	No	514959.10	514969.20	10.10	100.8688	Yes
	Mid low Rate	No	514969.20	514979.30	10.10	100.8688	Yes
	Max Rate	No	514979.30	515080.70	101.40	99.9950	Yes

SRII							
#7 - 62972669 Passed Sensus/Rockwell SRII	Low Flow	No	1350568.10	1350578.00	9.90	98.8714	Yes
	Mid low Rate	No	1350578.00	1350588.10	10.10	100.8688	Yes
	Max Rate	No	1350588.10	1350688.10	100.00	98.6144	Yes
#8 - 62237155 Failed Sensus/Rockwell SRII	Low Flow	No	3313006.60	3313015.00	8.40	83.8909	No
	Mid low Rate	No	3313015.00	3313025.20	10.20	101.8675	No
	Max Rate	No	3313025.20	3313128.30	103.10	101.6715	No
#9 - 63363910 Passed Sensus/Rockwell SRII	Low Flow	No	4839467.70	4839477.80	10.10	100.8688	Yes
	Mid low Rate	No	4839477.80	4839487.90	10.10	100.8688	Yes
	Max Rate	No	4839487.90	4839589.20	101.30	99.8964	Yes
#10 - 62972906 Passed Sensus/Rockwell SRII	Low Flow	No	1254002.10	1254011.90	9.80	97.8727	Yes
	Mid low Rate	No	1254011.90	1254022.00	10.10	100.8688	Yes
	Max Rate	No	1254022.00	1254123.20	101.20	99.7978	Yes
#11 - 62789950 Passed Sensus/Rockwell SRII	Low Flow	No	2886058.10	2886068.10	10.00	99.8701	Yes
	Mid low Rate	No	2886068.10	2886078.20	10.10	100.8688	Yes
	Max Rate	No	2886078.20	2886179.40	101.20	99.7978	Yes
#12 - 62972914 Passed Sensus/Rockwell SRII	Low Flow	No	6698300.00	6698310.10	10.10	100.8688	Yes
	Mid low Rate	No	6698310.10	6698320.20	10.10	100.8688	Yes
	Max Rate	No	6698320.20	6698421.80	101.60	100.1922	Yes

In the Meter Details section, subtests shaded gray indicate the meter's accuracy was outside the specified tolerance for that subtest.

* Act Vol - The volume of water run through the meters during the subtest.
Volume - The volume of water registered by the meter during the subtest.
Comp - "Yes" if the meter has two registers, "No" otherwise.

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Test Details

Test Date:	2/27/2024 8:07:30 AM	**Test Name:**	SEPA 5/8 OUTTEST
Job Number:		**Remarks:**	
Bench:	Series 2400A	**Bench Operator:**	rmotlas
Volume Units:	Gallons	**Flow Rate Units:**	gallons per minute

Subtest Details

Name	Tank	Line	Exp Rate	Act Rate	Exp Vol	Act Vol*	Low Tol	High Tol
Lo flow	10 Gal	1/2"	.25	.271	10.00	10.013	5.00%	1.50%
Mid Flow	10 Gal	1"	2.00	2.334	10.00	9.989	1.50%	1.50%
Hi Flow	100 Gal	2"	15.00	8.109	100.00	100.156	1.50%	1.50%

Meter Details

Meter	Subtest	Comp*	Start	End	Volume*	Accuracy	Pass
#1 - 17038317 Passed Neptune/Trident T-10	Lo flow	No	113441.40	113451.00	9.60	95.8753	Yes
	Mid Flow	No	113451.00	113461.00	10.00	100.1101	Yes
	Hi Flow	No	113461.00	113560.60	99.60	99.4448	Yes
#2 - 56569328 Failed Neptune/Trident T-10	Lo flow	No	651745.90	651753.20	7.30	72.9052	No
	Mid Flow	No	651753.20	651763.20	10.00	100.1101	Yes
	Hi Flow	No	651763.20	651863.10	99.90	99.7443	Yes
#3 - 61686061 Failed Sensus/Rockwell SRII	Lo flow	No	1078949.10	1078957.80	8.70	86.8870	No
	Mid Flow	No	1078957.80	1078967.90	10.10	101.1112	Yes
	Hi Flow	No	1078967.90	1079001.40	33.50	33.4478	No
#4 - 61497948 Failed Sensus/Rockwell SRII	Lo flow	No	702344.60	702354.10	9.50	94.8766	No
	Mid Flow	No	702354.10	702364.30	10.20	102.1123	No
	Hi Flow	No	702364.30	702465.20	100.90	100.7428	Yes
#5 - 63987704 Failed Sensus/Rockwell SRII	Lo flow	No	475247.20	475249.20	2.00	19.9740	No
	Mid Flow	No	475249.20	475259.40	10.20	102.1123	No
	Hi Flow	No	475259.40	475360.40	101.00	100.8426	Yes
#6 - 61497484 Failed Sensus/Rockwell	Lo flow	No	1256215.80	1256219.70	3.90	38.9493	No
	Mid Flow	No	1256219.70	1256229.80	10.10	101.1112	Yes
	Hi Flow	No	1256229.80	1256330.50	100.70	100.5431	Yes

SRII							
#7 - 62410711 Passed Sensus/Rockwell SRII	Lo flow	No	907524.70	907534.50	9.80	97.8727	Yes
	Mid Flow	No	907534.50	907544.60	10.10	101.1112	Yes
	Hi Flow	No	907544.60	907645.00	100.40	100.2436	Yes
#8 - 62411966 Passed Sensus/Rockwell SRII	Lo flow	No	111068.90	111078.50	9.60	95.8753	Yes
	Mid Flow	No	111078.50	111088.60	10.10	101.1112	Yes
	Hi Flow	No	111088.60	111189.60	101.00	100.8426	Yes
#9 - 63411578 Failed Sensus/Rockwell SRII	Lo flow	No	1745249.40	1745258.90	9.50	94.8766	No
	Mid Flow	No	1745258.90	1745269.00	10.10	101.1112	Yes
	Hi Flow	No	1745269.00	1745369.90	100.90	100.7428	Yes
#10 - 62958966 Failed Sensus/Rockwell SRII	Lo flow	No	1223836.80	1223846.10	9.30	92.8792	No
	Mid Flow	No	1223846.10	1223856.10	10.00	100.1101	Yes
	Hi Flow	No	1223856.10	1223955.50	99.40	99.2451	Yes
#11 - 61632263 Passed Sensus/Rockwell SRII	Lo flow	No	558668.80	558678.60	9.80	97.8727	Yes
	Mid Flow	No	558678.60	558688.70	10.10	101.1112	Yes
	Hi Flow	No	558688.70	558789.50	100.80	100.6429	Yes
#12 - 61629829 Passed Sensus/Rockwell SRII	Lo flow	No	676003.90	676013.70	9.80	97.8727	Yes
	Mid Flow	No	676013.70	676023.80	10.10	101.1112	Yes
	Hi Flow	No	676023.80	676124.00	100.20	100.0439	Yes
#13 - 61755279 Failed Sensus/Rockwell SRII	Lo flow	No	1247046.90	1247055.80	8.90	88.8844	No
	Mid Flow	No	1247055.80	1247065.80	10.00	100.1101	Yes
	Hi Flow	No	1247065.80	1247093.40	27.60	27.5570	No
#14 - 60625780 Passed Sensus/Rockwell SRII	Lo flow	No	1266396.00	1266405.90	9.90	98.8714	Yes
	Mid Flow	No	1266405.90	1266415.90	10.00	100.1101	Yes
	Hi Flow	No	1266415.90	1266516.40	100.50	100.3434	Yes
#15 - 61629313 Failed Sensus/Rockwell SRII	Lo flow	No	547331.30	547341.40	10.10	100.8688	Yes
	Mid Flow	No	547341.40	547351.60	10.20	102.1123	No
	Hi Flow	No	547351.60	547452.40	100.80	100.6429	Yes
	Lo flow	No	1217163.80	1217173.50	9.70	96.8740	Yes

#16 - 60297904 Passed Sensus/Rockwell SRII	Mid Flow	No	1217173.50	1217183.50	10.00	100.1101	Yes
	Hi Flow	No	1217183.50	1217284.40	100.90	100.7428	Yes
#17 - 62411061 Passed Sensus/Rockwell SRII	Lo flow	No	173547.20	173557.10	9.90	98.8714	Yes
	Mid Flow	No	173557.10	173567.20	10.10	101.1112	Yes
	Hi Flow	No	173567.20	173668.10	100.90	100.7428	Yes
#18 - 63989234 Failed Sensus/Rockwell SRII	Lo flow	No	1355300.90	1355308.30	7.40	73.9039	No
	Mid Flow	No	1355308.30	1355318.40	10.10	101.1112	Yes
	Hi Flow	No	1355318.40	1355419.10	100.70	100.5431	Yes
#19 - 63987729 Failed Sensus/Rockwell SRII	Lo flow	No	4049237.00	4049243.20	6.20	61.9195	No
	Mid Flow	No	4049243.20	4049253.20	10.00	100.1101	Yes
	Hi Flow	No	4049253.20	4049353.30	100.10	99.9440	Yes
#20 - 60298739 Passed Sensus/Rockwell SRII	Lo flow	No	766483.80	766493.70	9.90	98.8714	Yes
	Mid Flow	No	766493.70	766503.80	10.10	101.1112	Yes
	Hi Flow	No	766503.80	766604.70	100.90	100.7428	Yes

In the Meter Details section, subtests shaded gray indicate the meter's accuracy was outside the specified tolerance for that subtest.

* Act Vol - The volume of water run through the meters during the subtest.
Volume - The volume of water registered by the meter during the subtest.
Comp - "Yes" if the meter has two registers, "No" otherwise.

AQUA℠
An Essential Utilities Company

Test Details

Test Date:	2/28/2024 8:31:41 AM	**Test Name:**	SEPA 11/2" Outtest
Job Number:		**Remarks:**	
Bench:	Series 2400B	**Bench Operator:**	rmotlas
Volume Units:	Gallons	**Flow Rate Units:**	gallons per minute

Subtest Details

Name	Tank	Line	Exp Rate	Act Rate	Exp Vol	Act Vol*	Low Tol	High Tol
Low Flow	10 Gal	1"	1.50	1.629	10.30	10.325	5.00%	1.00%
Inter Rate	100 Gal	1"	8.00	8.334	100.00	99.988	1.50%	1.50%
MaxRate	100 Gal	2"	50.00	45.32	100.00	100.156	1.50%	1.50%

Meter Details

Meter	Subtest	Comp*	Start	End	Volume*	Accuracy	Pass
#1 - 60406362 Failed Sensus/Rockwell W-120 (1.5")	Low Flow	No	2214.00	2214.00	.00	0.0000	No
	Inter Rate	No	2214.00	2316.00	102.00	102.0122	No
	MaxRate	No	2316.00	2417.00	101.00	100.8426	Yes
#2 - 70226934 Passed Sensus/Rockwell SR	Low Flow	No	1714532.00	1714542.00	10.00	96.8523	Yes
	Inter Rate	No	1714542.00	1714641.00	99.00	99.0118	Yes
	MaxRate	No	1714641.00	1714741.00	100.00	99.8442	Yes
#3 - 13036662 Failed Neptune/Trident T-10	Low Flow	No	6569996.00	6569996.00	.00	0.0000	No
	Inter Rate	No	6569996.00	6570006.00	10.00	10.0012	No
	MaxRate	No	6570006.00	6570105.00	99.00	98.8458	Yes
#4 - 15111592 Passed Neptune/Trident T-10	Low Flow	No	52309.00	52319.00	10.00	96.8523	Yes
	Inter Rate	No	52319.00	52419.00	100.00	100.0120	Yes
	MaxRate	No	52419.00	52518.00	99.00	98.8458	Yes
#5 - 15053210 Passed Neptune/Trident T-10	Low Flow	No	8062076.00	8062086.00	10.00	96.8523	Yes
	Inter Rate	No	8062086.00	8062185.00	99.00	99.0118	Yes
	MaxRate	No	8062185.00	8062284.00	99.00	98.8458	Yes
#6 - 15053155 Failed Neptune/Trident T-10	Low Flow	No	2471266.00	2471277.00	11.00	106.5375	No
	Inter Rate	No	2471277.00	2471376.00	99.00	99.0118	Yes
	MaxRate	No	2471376.00	2471475.00	99.00	98.8458	Yes

In the Meter Details section, subtests shaded gray indicate the meter's accuracy was outside the specified tolerance for that subtest.

* Act Vol - The volume of water run through the meters during the subtest.
Volume - The volume of water registered by the meter during the subtest.
Comp - "Yes" if the meter has two registers, "No" otherwise.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

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AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS1. Provide a comparative balance sheet for the historic test year-end and the preceding year-end.

A. Please see the attached.

AQUA PENNSYLVANIA, INC. - CONSOLIDATED
2024 RATE CASE
FILING REQUIREMENTS

	12/31/2023	12/31/2022
ASSETS		
Total Utility Prop Plant & Equip	6,454,844,561.00	6,122,487,181.34
Total Net Utility Plant Adjustment	1,526,630.85	553,021.21
Gross Utility Plant	6,456,371,191.85	6,123,040,202.55
(Less Allowance for Depreciation)	(1,461,034,663.29)	(1,370,172,077.87)
Total Net Utility Plant	4,995,336,528.56	4,752,868,124.68
Total Construction Work in Progress	149,447,001.58	177,473,751.20
NET PLANT	**5,144,783,530.14**	**4,930,341,875.88**
CURRENT ASSETS		
Total Prepayments & Other Current Assets	2,394,393.91	1,875,930.12
Total Cash	187,999.09	1,456,721.76
Total Accts Receivable Trade	64,926,714.67	70,429,102.35
Allowance for Bad Debts		
Total Allowance for Bad Debts	(10,774,016.17)	(12,579,206.75)
Total Accts Receivable - Affiliates	114,130,742.56	891,938,892.13
Materials & Supplies		
Total Materials & Supplies	16,367,534.18	19,696,718.00
Total Unbilled Revenue	33,465,746.73	32,595,146.40
TOTAL CURRENT ASSETS	**220,699,114.97**	**1,005,413,304.01**
NONCURRENT ASSETS		
Total Rate Case Expense	546,154.30	767,477.85
Total Regulatory Assets	826,084,431.35	734,859,150.14
Total Unamortized Debt Exp	61,593.69	12,089.73
Total Prelim Survey & Invest	2,023,431.99	4,778,552.90
Total Goodwill	34,303,750.80	34,303,750.80
Total Operating Lease Assets	7,954,444.46	8,148,970.56
Total Other (NC Assets)	(154,934.90)	(155,936.78)
TOTAL NONCURRENT ASSETS	**870,818,871.69**	**782,714,055.20**
TOTAL ASSETS	**6,236,301,516.80**	**6,718,469,235.09**
Total Common Shares	(110,000.00)	(110,000.00)
Total Capital in Excess of Par	(460,235,275.84)	(283,920,976.80)
Balanace January 1st	(2,178,502,108.36)	(1,949,339,652.99)
Current Year Loss	284,242,070.80	-

AQUA PENNSYLVANIA, INC. - CONSOLIDATED
2024 RATE CASE
FILING REQUIREMENTS

Current Year Profit	-	(229,163,209.43)
Total Treasury Stock	1,000.00	1,000.00
Equity Subtotal	(2,354,604,313.40)	(2,462,532,839.22)
Total Long-Term Debt (Net)	(2,193,310,802.40)	(1,907,132,370.67)
TOTAL CAPITALIZATION	**(4,547,915,115.80)**	**(4,369,665,209.89)**
CURRENT LIABILITIES		
Total Short Term Debt	(23,123,092.31)	(20,000,000.00)
Total Current Portion - LTD	(13,896,638.44)	(14,903,221.65)
Total Accounts Payable - Trade	(31,263,380.84)	(39,008,356.43)
Total Accts Payable - Affiliate	(134,470,432.15)	(901,761,267.07)
Total Construction A/P Trade	(2,449,973.07)	(2,780,089.12)
Total Accr Inc Taxes - Federal	8,968,620.12	3,413,257.09
Total Accr Inc Taxes - State	3,841,805.73	2,363,142.62
Total Accr Taxes - Other	(3,241.69)	(7,935.32)
Total Accrued Interest	(26,570,017.47)	(20,564,210.00)
Total Other Accrued Expense	(7,412,345.14)	(7,828,536.05)
TOTAL CURRENT LIABILITIES	**(226,378,695.26)**	**(1,001,077,215.93)**
NONCURRENT LIABILITIES		
Total Cust Advances for Constr.	(65,399,079.57)	(59,927,472.24)
Total Long Term Deferred - FIT	(766,305,286.66)	(669,585,277.06)
Total Long Term Deferred - SIT	(173,421,321.06)	(180,941,930.59)
Total Unamortized ITC	(3,107,606.95)	(3,361,018.95)
Total Regulatory Liability	(375,272,336.75)	(346,924,270.69)
Total Non-Current Operating Leases	(7,719,902.31)	(7,892,845.56)
Total Pension and OPEB Liabilities	109,338,734.45	94,424,505.01
Total Other (NC Liab)	(4,702,122.41)	(12,690,546.00)
NONCURRRENT LIABILITIES SUBTOTAL	**(1,286,588,921.26)**	**(1,186,898,856.08)**
Contrib in Aid of Const	(175,418,784.48)	(160,827,953.19)
TOTAL LIABILITIES & CAPITAL	**(6,236,301,516.80)**	**(6,718,469,235.09)**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS2. Provide a detail of other physical property, investments in affiliated companies and other investments.

A. Please see the Company's other physical property, investments in affiliated companies and other investment balances as of 12/31/2023 below:

Water:		
Other Physical Property - Gross	$	2,592,865
Other Physical Property - Accumulated Depreciation	$	(482,464)
Other Physical Property Net	$	2,110,401
Investments in Affiliated Companies (Aqua Pennsylvania Wastewater, Inc.)	$	497,774,176
Wastewater:		
Other Physical Property - Gross	$	26,258,164
Other Physical Property - Accumulated Depreciation	$	(6,007,525)
Other Physical Property Net	$	20,250,639

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS3. Provide the amounts and purpose of special cash accounts as of the historic test year-end.

A. The Company's petty cash account had a balance of $16,603.45 as of 12/31/2023.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS4. Describe the nature and amounts of notes receivable, accounts receivable from associated companies, and any other receivables, other than customers' accounts, greater than 15% of the total. Limit the explanation to variances greater than $10,000.

A. Please see the Company's notes receivable, accounts receivable from associated companies, and any other receivables, other than customers' accounts, greater than 15% of the total detailed below.

Water:		
Notes Receivable	$	-
Accounts Receivable - Affiliates	$	106,114,677
- Intercompany Receivables primarily relate to routine services and sundry billings.		
Accounts Receivable - Other	$	189,931
- Other Receivables relate to contract operations and other jobbing work.		
Wastewater:		
Notes Receivable	$	-
Accounts Receivable - Affiliated Companies	$	13,159,858
- Intercompany Receivables primarily relate to routine services and sundry billings.		
Accounts Receivable - Other	$	902,681
- Other Receivables relate to contract operations and other jobbing work.		

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS5. Provide the amount of accumulated reserve for uncollectible accounts, method and rate of accrual, amounts accrued and amounts written-off in each of the last 3 years.

A. The Company's method and rate of accrual is based upon monthly reconciled aging reports and the approved percentages as per the Accounts Receivable aging balances by bucket as well as specific customer balance reserves. The specific customer balances are reviewed on a monthly basis and the Account Receivable aging balances are reviewed and approved quarterly by the Controller.

	12/31/2023	12/31/2022	12/31/2021
Water:			
Accumulated Reserve	$ 8,829,559	$ 10,885,084	$ 10,397,801
Amount Written Off	$ 4,334,225	$ 2,756,490	$ 2,961,899
Wastewater:			
Accumulated Reserve	$ 1,944,457	$ 1,694,123	$ 918,706
Amount Written Off	$ 369,712	$ 392,395	$ 592,296

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS6. Provide a list of prepayments and give an explanation of special prepayments.

A. Please see the detail of the Company's prepayment balances as of 12/31/2023 below:

	12/31/2023
Water:	
Prepaid - PUC Assessment	1,146,101
Prepaid - SBA Assessment	80,422
Prepaid - Public Advocate Assessment	461,927
Prepaid - AWWA Dues	10,214
Prepaid - PURTA Tax	431,716
Other Prepaid - PA Fleet Vehicle Registrations	72,650
Other Prepaids	64
	2,203,094
Wastewater:	
Prepaid - PUC Assessment	129,804
Prepaid - SBA Assessment	9,115
Prepaid - Public Advocate Assessment	52,381
	191,300
Consolidated Prepayments	$ 2,394,394

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS7. Break down and explain in detail any significant items, greater than 15% of the total, in the current assets account listed on the balance sheet. Limit the explanation to variances greater than $10,000.

A. Please see the detail of the Company's current asset accounts balances as of 12/31/2023 below:

		12/31/2023
Consolidated:		
Cash	$	187,999
Accts Receivable - Trade	$	64,926,715
Allowance for Bad Debts	$	(10,774,016)
Accts Receivable - Affiliates	$	114,130,743
Materials and Supplies	$	16,367,534
Unbilled Revenue	$	33,465,747
Prepayments	$	2,394,394
Total Current Assets	$	220,699,115

- Accts Receivable - Affiliates are approximately 52% of the total current assets and primarily relate to routine services and sundry billings.

- Accts Receivable - Trade are approximately 29% of the total current assets and include the amounts due from customers for utility services provided.

- Unbilled Revenues are approximately 15% of the total current assets and include the amounts for services rendered, but not billed at the end of the accounting period.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS8. Explain in detail, including the amount and purpose, the deferred asset accounts that currently operate to affect or will at a later date affect the operating account supplying:

a. Origin of these accounts.

b. Probable changes to this account in the near future.

c. Amortization of these accounts currently charged to operations or to be charged in the near future.

A.

	Deferred Debit Balance 12/31/2023	1/1/2023 through 12/31/2023 Expenses
Consolidated:		
Bear Creek Project	$ (175,730)	$ -
Other	$ 20,795	$ -
	$ (154,935)	$ -

a. The above deferred assets' origins are due to project costs refunded, pending acquisitions, and other non-utility costs that will be subsequently reclassed at a later date. None of the deferred assets are reflected in the Company's cost of service.

b. The Company has no probable changes involving amortizations of deferred debits in the near future.

c. The Company has no amortization for the historic test year as noted above.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS9. Explain the nature of accounts payable to associated companies. Provide a breakdown by category.

A. The Company's accounts payable to associated companies relate to inter-company payables primarily related to routine services and sundry billings. Please see the Company's balances as of 12/31/2023 below.

		12/31/2023
Water:		
Accounts Payable - Affiliates	$	100,274,930
Wastewater:		
Accounts Payable - Affiliates	$	39,339,294

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS10. Provide breakdown and explanation of other deferred credits as to their origin and disposition policy, for example, amortization.

A. Please see the Company's other deferred credits as of 12/31/2023 below:

		12/31/2023
Consolidated:		
(1) OPEB Reserve	$	9,608,602
(2) Pension Reserve	$	(119,147,943)
(3) SERP Reserve	$	200,607
Uncertain Tax Position Reserve - Federal	$	3,835,504
Uncertain Tax Position Reserve - State	$	866,618
	$	(104,636,612)

(1) Per ASC 715-60 (Formmaly FAS 106)
(2) Per ASC 715-30 (Formally FAS 87)
(3) Paid out Annually

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS11. Provide an explanation and method of funding of any reserves, other than depreciation and bad debt appearing on historic balance sheet.

A. The Company has no additional reserves other than depreciation and bad debt appearing on the historical balance sheet.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS12.

Provide an analysis of unappropriated retained earnings for the historic test year and 2 preceding years.

A. Please see the Company's Unappropriated Retained Earnings below:

	12/31/2023	12/31/2022	12/31/2021
Balance at Beginning of Period	$ 2,178,502,862	$ 1,949,339,653	$ 1,749,270,278
Add:			
Net Income for Period	$ 234,747,408	$ 229,163,209	$ 200,069,375
Deduct:			
Common Stock Dividends	$ -	$ -	$ -
Balance at End of Period	$ 2,413,250,270	$ 2,178,502,862	$ 1,949,339,653

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

J. Balance Sheet

BS13. Describe the purpose of any advances made by the company to its parent corporation and describe all terms and conditions associated with such advances, including an estimate of future advances or repayments that are expected to occur.

A. There Company made no advances to its parent corporation that were outstanding at 12/31/2023.

AQUA PENNSYLVANIA, INC. & AQUA PENNSYLVANIA WASTEWATER, INC.

TABLE OF CONTENTS TO MINIMUM FILING REQUIREMENTS
K. OTHER DATA

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OD3	Budget Variance Reports
OD4	Operating & Capital Budgets
OD5	Unaccounted For Water and I&I for Wastewater
OD6	Corporate History

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

K. Other Data

OD1. Provide the company's monthly balance sheets and income statements for each month of the historic and future test year.

A. Please see the attached.

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.01 -2023.01	Reporting periods
2022.01 -2022.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	205,127,528.70	203,127,589.05	1,999,939.65	1.0	8
****	1311000	1311000 Power Plan Clearing	239,477.89	0	239,477.89		
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	1,500,000.00	1,500,000.00	0	0.0	
****	1311200	1311200 Utility Plant in Service - PowerPlan	5,912,142,028.77	5,486,851,562.25	425,290,466.52	7.8	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,846,739.50	4,289.82	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	6,383,575.68	1,133,898.00	5,249,677.68	463.0	8
		Total Utility Prop Plant & Equip	6,158,507,906.77	5,725,885,344.61	432,622,562.16	7.6	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	18,467,745.55	17,413,785.32	1,053,960.23	6.1	8
		Total Net Utility Plant Adjustment	639,983.30	-413,976.93	1,053,960.23	254.6	7
		Total Gross Utility Plant	6,159,147,890.07	5,725,471,367.68	433,676,522.39	7.6	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,375,432,591.74	-1,271,763,413.01	-103,669,178.73	8.2-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-5,987,426.52	-5,439,311.77	-548,114.75	10.1-	7
		Less Allowance for Depreciation	-1,381,420,018.26	-1,277,202,724.78	-104,217,293.48	8.2-	6
		Total Net Utility Plant	4,777,727,871.81	4,448,268,642.90	329,459,228.91	7.4	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	158,268,669.12	146,710,240.22	11,558,428.90	7.9	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	629,993.33	100,000.00	529,993.33	530.0	
5500	1311901	1311901 A&G Capital Pool	0	-288,190.09	288,190.09	100.0	
5500	1311903	1311903 Engineering Pool	0	125,198.84	-125,198.84	100.0-	6
		Total Construction Work in Progress	158,898,662.45	146,647,248.97	12,251,413.48	8.4	5
		TOTAL PLANT	4,936,626,534.26	4,594,915,891.87	341,710,642.39	7.4	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191304	1191304 Other PPD-Trustee	5,096.26	0	5,096.26		7
5500	1191306	1191306 Other PPD-Utiity Deposits	17,564.10	0	17,564.10		
5500	1191307	1191307 Other PPD-Interest	256.81	0	256.81		
5500	1191309	1191309 Other PPD-Real Estate Tax	-89,000.00	103,121.30	-192,121.30	186.3-	
****	1191310	1191310 Other PPD-PUC Assessment	1,012,762.00	992,560.00	20,202.00	2.0	
****	1191311	1191311 Other PPD-SBA Assessment	60,559.00	67,994.00	-7,435.00	10.9-	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	313,419.00	348,119.00	-34,700.00	10.0-	
5500	1191313	1191313 Other PPD-AWWA Dues	5,931.00	5,030.00	901	17.9	
****	1191900	1191900 Prepaid Miscellaneous	542,913.42	3,505,210.01	-2,962,296.59	84.5-	7
		Total Prepayments	1,869,501.59	5,022,034.31	-3,152,532.72	62.8-	6
		Total Prepayments & Other Current Assets	1,869,501.59	5,022,034.31	-3,152,532.72	62.8-	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	26,801,375.83	1,188,689.10	25,612,686.73	2,154.7	6
5500	1111509	1111509 Cash - WF Misc Receipt - X7106- Main	0	408,823.63	-408,823.63	100.0-	
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	78,243.11	50,235.37	28,007.74	55.8	
5510	1111540	1111540 Cash in Banks - Wayne Pennvest Escrow	0	403,284.70	-403,284.70	100.0-	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-924,706.16	-10,514,990.84	9,590,284.68	91.2	
5500	1112509	1112509 Cash - WF Misc Receipt - X7106- Clearing	0	-408,823.63	408,823.63	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	457,072.49	0	457,072.49		
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	40,783.48	0	40,783.48		
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	26,469,872.20	-8,855,678.22	35,325,550.42	398.9	5
		Accts Receivable Trade					5
5500	1136101	1136101 Customer A/R - Utility - Manual	-15,227.49	0	-15,227.49		6
****	1136200	1136200 Customer A/R - Utility	58,958,217.61	52,750,258.84	6,207,958.77	11.8	
****	1137057	1137057 Accounts Receivable - Other	1,094,607.81	743,956.30	350,651.51	47.1	
5500	1199910	1199910 Rents Receivable	-100	1,550.00	-1,650.00	106.5-	6
		Total Accts Receivable Trade	60,037,497.93	53,495,765.14	6,541,732.79	12.2	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-12,338,498.41	-11,634,508.11	-703,990.30	6.1-	6
		Total Allowance for Bad Debts	-12,338,498.41	-11,634,508.11	-703,990.30	6.1-	5
		Accts Receivable - Affiliates					5
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	7,014.52	7,014.52	0	0.0	6
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	14,514,199.32	0	14,514,199.32		
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	3,995,474.52	228,208.50	3,767,266.02	1,650.8	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	722,035.91	12,954.83	709,081.08	5,473.5	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	248,647.98	13,356.75	235,291.23	1,761.6	
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	64,341.85	3,914.21	60,427.64	1,543.8	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	265,869.15	65,562.82	200,306.33	305.5	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	974,693,482.50	46,681,008.17	928,012,474.33	1,988.0	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	58,467.35	560.95	57,906.40	10,322.9	

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.01 -2023.01	Reporting periods
2022.01 -2022.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	16,756.74	0	16,756.74		
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	0	315.31		
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	40,993.85	1,953.68	39,040.17	1,998.3	6
		Total Accts Receivable - Affiliates	994,663,555.53	47,048,983.13	947,614,572.40	2,014.1	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	15,813,807.72	13,598,294.29	2,215,513.43	16.3	6
5500	1142020	1142020 Materials Inventory - Meters	3,406,128.18	3,033,916.37	372,211.81	12.3	
****	1142910	1142910 Materials Inventory - Conversion	251,814.48	-338,265.27	590,079.75	174.4	6
		Total Materials & Supplies	19,471,750.38	16,293,945.39	3,177,804.99	19.5	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	32,338,552.75	22,651,740.24	9,686,812.51	42.8	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,213,196.85	2,397,767.04	-1,184,570.19	49.4-	6
		Total Unbilled Revenue	33,551,749.60	25,049,507.28	8,502,242.32	33.9	5
		TOTAL CURRENT ASSETS	1,123,725,428.82	126,420,048.92	997,305,379.90	788.9	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	796,406.48	943,901.21	-147,494.73	15.6-	7
		Total Rate Case Expense	796,406.48	943,901.21	-147,494.73	15.6-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	700,975,538.20	823,974,475.20	-122,998,937.00	14.9-	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	-1,596,520.52	-2,505,069.00	908,548.48	36.3	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	4,924,879.06	3,756,051.40	1,168,827.66	31.1	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	14,493,889.86	13,007,733.24	1,486,156.62	11.4	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	-1,356,902.94	-1,056,680.42	-300,222.52	28.4-	
5500	1242157	1242157 Reg Asset-Pension/SERP AML	0	684,090.00	-684,090.00	100.0-	
5500	1242162	1242162 Reg Asset-Regulatory Asset	397.04	0	397.04		
5550	1242164	1242164 Reg Asset-Other	788,466.77	770,162.77	18,304.00	2.4	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,861,456.42	5,138,388.08	723,068.34	14.1	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	90,618.75	-90,618.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,362,400.93	9,630,538.50	-268,137.57	2.8-	7
		Total Regulatory Assets	733,461,119.82	853,497,823.52	-120,036,703.70	14.1-	6
		Total Reg Assets LT	734,257,526.30	854,441,724.73	-120,184,198.43	14.1-	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	10,111.95	120,506.02	-110,394.07	91.6-	6
		Total Unamortized Debt Exp	10,111.95	120,506.02	-110,394.07	91.6-	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,313,270.97	2,662,677.14	-349,406.17	13.1-	6
		Total Prelim Survey & Invest	4,404,719.98	4,754,126.15	-349,406.17	7.3-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,875,771.46	8,875,771.46	0	0.0	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	91,472.86	91,472.86	0	0.0	
5500	1293200	1293200 Accumulated Lease Amortization	-1,185,625.88	-919,325.88	-266,300.00	29.0-	6
		Total Operating Lease Assets	8,141,320.56	8,407,620.56	-266,300.00	3.2-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	14,564.40	5,970.75	41.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	0	260.18		
****	1999998	1999998 Banner Interm Clearing	-1,001.88	0	-1,001.88		6
		Total Other (NC Assets)	-155,936.78	-161,165.83	5,229.05	3.2	5
		TOTAL NONCURRENT ASSETS	780,961,492.81	901,866,562.43	-120,905,069.62	13.4-	4
		TOTAL ASSETS	6,841,313,455.89	5,623,202,503.22	1,218,110,952.67	21.7	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-6,926,100.92	-6,383,256.51	-542,844.41	8.5-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,508,815.95	-1,300,897.66	-207,918.29	16.0-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,983,767.37	-8,967,817.42	-15,949.95	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-224,461,688.40	-190,078,277.65	-34,383,410.75	18.1-	7
		Total Capital in Excess of Par	-243,973,975.91	-208,823,852.51	-35,150,123.40	16.8-	6
		Balanace January 1st					6

Financial Statement Version for AQUA

0L	Ledger
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2023.01 -2023.01	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernqs-9110-Essential WT Hld	-36,121,805.98	-36,121,805.98	0	0.0	7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Profit	-21,161,554.59	-15,933,134.10	-5,228,420.49	32.8-	7
		Total Income - Current Year	-21,161,554.59	-15,933,134.10	-5,228,420.49	32.8-	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,443,746,638.86	-2,174,205,639.60	-269,540,999.26	12.4-	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-1,974,800,000.00	-1,784,800,000.00	-190,000,000.00	10.6-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-18,829,677.10	-23,718,342.64	4,888,665.54	20.6	8
		Total Long Term Debt	-1,993,629,677.10	-1,808,518,342.64	-185,111,334.46	10.2-	7
		Total Mortgage Bonds	-1,993,629,677.10	-1,808,518,342.64	-185,111,334.46	10.2-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,109,000.21	13,142,785.87	-33,785.66	0.3-	7
5500	2201020	2201020 Unamortized Bond Premium	-1,568,569.00	-1,639,801.00	71,232.00	4.3	7
		Total Unamort Debt Issue Costs	11,540,431.21	11,502,984.87	37,446.34	0.3	6
		Total Long-Term Debt (Net)	-1,982,089,245.89	-1,797,015,357.77	-185,073,888.12	10.3-	5
		TOTAL CAPITAL	-4,425,835,884.75	-3,971,220,997.37	-454,614,887.38	11.4-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-20,000,000.00	-35,000,000.00	15,000,000.00	42.9	6
		Total Short Term Debt	-20,000,000.00	-35,000,000.00	15,000,000.00	42.9	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,903,221.65	-5,381,796.58	478,574.93	8.9	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	0	-10,000,000.00		6
		Total Current Portion - LTD	-14,903,221.65	-5,381,796.58	-9,521,425.07	176.9-	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-664,858.82	-3,178,328.30	2,513,469.48	79.1	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	0	10.29	-10.29	100.0-	
****	2111110	2111110 Accts Pay-Refunds to Customers	-3,817.03	-4,400.91	583.88	13.3	
****	2111130	2111130 A/P-Contractors Retainage	-5,511,943.43	-5,179,516.91	-332,426.52	6.4-	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-17,791,583.93	-4,214,763.16	-13,576,820.77	322.1-	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-18,636,980.97	18,636,980.97	100.0	
5500	2111400	2111400 Procurement Card Clearing	-22,388.48	0	-22,388.48		
5500	2111430	2111430 Fleet Card Clearing	-57,292.77	0	-57,292.77		
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-355,418.95	-705,395.09	349,976.14	49.6	
5500	2111535	2111535 Accts Pay-Accrued Electric	-728,218.98	-570,057.54	-158,161.44	27.7-	
5500	2111596	2111596 Accts Pay-Sewer	971.15	0	971.15		
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-342.75	0	-342.75		
****	2111910	2111910 Accts Payable Liability - Other	-1,043,660.72	-426,566.29	-617,094.43	144.7-	6
		Total Accounts Payable - Trade	-26,178,554.71	-32,915,998.88	6,737,444.17	20.5	5
		Accts Payable - Affiliate					5
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	6
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-24,217,546.44	0	-24,217,546.44		
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-67,973,850.01	-2,574,848.94	-65,399,001.07	2,539.9-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-461,678.80	-67.7	-461,611.10	681,848.0-	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-139,095.00	-111.59	-138,983.41	124,548.3-	
5500	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-53,772.68	0	-53,772.68		
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-245,554.90	0	-245,554.90		
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-819,287,154.03	-12,775,177.07	-806,511,976.96	6,313.1-	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-12,006.07	0	-12,006.07		
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-8,315.23	0	-8,315.23		
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-175.43	0	-175.43		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-83,728.79	0	-83,728.79		6
		Total Accts Payable - Affiliate	-989,269,071.36	-92,136,399.28	-897,132,672.08	973.7-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,929,868.12	-100,000.00	-1,829,868.12	1,829.9-	6
		Total Construction A/P Trade	-1,929,868.12	-100,000.00	-1,829,868.12	1,829.9-	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	2,379,151.28	3,531,351.26	-1,152,199.98	32.6-	6
		Total Accr Inc Taxes - Federal	2,379,151.28	3,531,351.26	-1,152,199.98	32.6-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	2,363,142.62	422,711.62	1,940,431.00	459.0	6
		Total Accr Inc Taxes - State	2,363,142.62	422,711.62	1,940,431.00	459.0	5
		Accr Taxes - Other					5
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	6
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	-349,458.33	-572,522.00	223,063.67	39.0	6
		Total Accr Taxes - Other	-357,393.65	-580,457.32	223,063.67	38.4	5

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.01 -2023.01	Reporting periods
2022.01 -2022.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-14,424,176.40	-12,646,666.64	-1,777,509.76	14.1-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	44,736.17	-43,133.77	87,869.94	203.7	6
		Total Accrued Interest	-14,379,440.23	-12,689,800.41	-1,689,639.82	13.3-	5
		Other Accrued Expense					5
5500	2141000	2141000 Payroll Clearing	-2,015.99	62,666.90	-64,682.89	103.2-	6
5500	2141050	2141050 Accrued Payroll	-468,579.19	-278,690.66	-189,888.53	68.1-	
5500	2141100	2141100 Accrued Vacation	0	-90,618.75	90,618.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-1,367,377.00	-1,307,685.00	-59,692.00	4.6-	
5500	2141550	2141550 NQ Pension Reserve - Current	1,756.70	1,756.70	0	0.0	
5500	2141620	2141620 Employee Profit Sharing	-1,016,548.00	-915,281.00	-101,267.00	11.1-	
5500	2190010	2190010 Lease Obligation - Current	-248,475.00	-266,300.18	17,825.18	6.7	
5500	2191600	2191600 Appropriated Funds - Other	-35,716.90	-77,886.65	42,169.75	54.1	
****	2192072	2192072 Accrued Insur Liab-Other	-628,917.00	0	-628,917.00		
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-410,494.10	-585,168.17	174,674.07	29.9	
****	2199615	2199615 Accrued Liab-Audit Fees	-236,828.73	-412,486.13	175,657.40	42.6	
5500	2199620	2199620 Accrued Liab-Paving Mains	0	-137,405.85	137,405.85	100.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,860.06	1,979.17	-3,839.23	194.0-	
****	2199900	2199900 Misc C&A Liabilities	-3,087,096.68	-3,253,572.36	166,475.68	5.1	6
		Total Other Accrued Expense	-7,502,151.95	-7,258,691.98	-243,459.97	3.4-	5
		TOTAL CURRENT LIABILITIES	-1,069,777,407.77	-182,109,081.57	-887,668,326.20	487.4-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,840.53	71,817,535.52	305.01	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-574,281.13	-480,713.48	-93,567.65	19.5-	
****	2199075	2199075 CAC-Non Unitized	-52,969,615.43	-58,874,190.29	5,904,574.86	10.0	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-6,383,575.68	-1,133,898.00	-5,249,677.68	463.0-	6
		Total Cust Advances for Constr.	-59,927,167.23	-60,488,801.77	561,634.54	0.9	5
		Long Term Deferred - FIT					5
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-695,554,957.31	-614,954,706.31	-80,600,251.00	13.1-	6
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	25,969,680.25	-1,370,205.75	27,339,886.00	1,995.3	6
		Total Long Term Deferred - FIT	-669,585,277.06	-616,324,912.06	-53,260,365.00	8.6-	5
		Long Term Deferred - SIT					5
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-227,624,638.00	-394,880,983.00	167,256,345.00	42.4	6
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	46,682,707.41	48,905,707.41	-2,223,000.00	4.5-	6
		Total Long Term Deferred - SIT	-180,941,930.59	-345,975,275.59	165,033,345.00	47.7	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,361,018.95	-3,614,431.95	253,413.00	7.0	6
		Total Unamortized ITC	-3,361,018.95	-3,614,431.95	253,413.00	7.0	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-229,217,491.00	-241,703,251.00	12,485,760.00	5.2	6
5500	2220330	2220330 Reg Liab-Pension/OPEB	-116,072,441.11	-100,878,411.11	-15,194,030.00	15.1-	6
		Total Regulatory Liability	-345,289,932.11	-342,581,662.11	-2,708,270.00	0.8-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,892,845.56	-8,141,320.38	248,474.82	3.1	6
		Total Non-Current Operating Leases	-7,892,845.56	-8,141,320.38	248,474.82	3.1	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	104,892,543.14	88,698,509.14	16,194,034.00	18.3	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,840,987.37	-10,890,330.28	1,049,342.91	9.6	
5500	2291530	2291530 NQ Pension Liability - Non Current	-693,703.76	-513,605.56	-180,098.20	35.1-	6
		Total Pension and OPEB Liabilities	94,357,852.01	77,294,573.30	17,063,278.71	22.1	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-1,553,735.00	-1,627,403.00	73,668.00	4.5	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-11,136,811.00	-12,067,622.00	930,811.00	7.7	
5550	2299250	2299250 Accrued Other Liabilities - Non Current	0	-500	500	100.0	6
		Total Other (NC Liab)	-12,690,546.00	-13,695,525.00	1,004,979.00	7.3	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,185,330,865.49	-1,313,527,355.56	128,196,490.07	9.8	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	4,173,306.14	4,582,424.14	-409,118.00	8.9-	
****	2292030	2292030 CIAC-Unitized	-223,853,174.40	-216,114,307.63	-7,738,866.77	3.6-	6
		Total Contrib in Aid of Constr.	-224,262,292.40	-216,114,307.63	-8,147,984.77	3.8-	5
****	2292100	2292100 Accum Amort of CIAC	63,892,994.52	59,769,238.91	4,123,755.61	6.9	6
			63,892,994.52	59,769,238.91	4,123,755.61	6.9	5
		Total CIAC -NET	-160,369,297.88	-156,345,068.72	-4,024,229.16	2.6-	4
		TOTAL LIABILITIES & CAPITAL	-6,841,313,455.89	-5,623,202,503.22	-1,218,110,952.67	21.7-	3
			0	0	0		2
			5,253,537,227.92	**5,253,464,429.61**	**72,798.31**		

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.02 -2023.02	Reporting periods
2022.02 -2022.02	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	195,127,389.06	157,779,778.58	37,347,610.48	23.7	8
****	1311000	1311000 Power Plan Clearing	278,631.78	2,240.16	276,391.62	12,338.0	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	1,500,000.00	1,500,000.00	0	0.0	
****	1311200	1311200 Utility Plant in Service - PowerPlan	5,951,607,083.91	5,553,840,271.11	397,766,812.80	7.2	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	5,524,911.18	1,133,898.00	4,391,013.18	387.2	8
		Total Utility Prop Plant & Equip	6,187,153,311.66	5,747,532,772.98	439,620,538.68	7.6	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	18,554,707.64	17,502,049.28	1,052,658.36	6.0	8
		Total Net Utility Plant Adjustment	726,945.39	-325,712.97	1,052,658.36	323.2	7
		Total Gross Utility Plant	6,187,880,257.05	5,747,207,060.01	440,673,197.04	7.7	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,386,295,711.02	-1,281,544,460.09	-104,751,250.93	8.2-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,033,114.00	-5,484,991.46	-548,122.54	10.0-	7
		Less Allowance for Depreciation	-1,392,328,825.02	-1,287,029,451.55	-105,299,373.47	8.2-	6
		Total Net Utility Plant	4,795,551,432.03	4,460,177,608.46	335,373,823.57	7.5	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	150,637,520.58	147,008,055.22	3,629,465.36	2.5	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,740,905.37	100,000.00	1,640,905.37	1,640.9	
5500	1311901	1311901 A&G Capital Pool	0	-2,716,635.50	2,716,635.50	100.0	
5500	1311903	1311903 Engineering Pool	0	111,848.20	-111,848.20	100.0-	6
		Total Construction Work in Progress	152,378,425.95	144,503,267.92	7,875,158.03	5.4	5
		TOTAL PLANT	4,947,929,857.98	4,604,680,876.38	343,248,981.60	7.5	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191304	1191304 Other PPD-Trustee	5,096.26	0	5,096.26		7
5500	1191306	1191306 Other PPD-Utiity Deposits	17,564.10	0	17,564.10		
5500	1191307	1191307 Other PPD-Interest	256.81	0	256.81		
5500	1191309	1191309 Other PPD-Real Estate Tax	15,804.90	14,281.00	1,523.90	10.7	
****	1191310	1191310 Other PPD-PUC Assessment	810,152.00	793,989.00	16,163.00	2.0	
****	1191311	1191311 Other PPD-SBA Assessment	48,444.00	54,393.00	-5,949.00	10.9-	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	250,724.00	278,485.00	-27,761.00	10.0-	
5500	1191313	1191313 Other PPD-AWWA Dues	742	0	742		
****	1191900	1191900 Prepaid Miscellaneous	889,835.55	3,594,580.61	-2,704,745.06	75.2-	7
		Total Prepayments	2,038,619.62	4,735,728.61	-2,697,108.99	57.0-	6
		Total Prepayments & Other Current Assets	2,038,619.62	4,735,728.61	-2,697,108.99	57.0-	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	4,779,980.84	73,880.95	4,706,099.89	6,369.8	6
5500	1111509	1111509 Cash - WF Misc Receipt - X7106- Main	0	1,216,367.15	-1,216,367.15	100.0-	
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	82,798.90	53,104.17	29,694.73	55.9	
5510	1111540	1111540 Cash in Banks - Wayne Pennvest Escrow	0	403,284.70	-403,284.70	100.0-	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-921,642.59	272,794.98	-1,194,437.57	437.9-	
5500	1112509	1112509 Cash - WF Misc Receipt - X7106- Clearing	0	-1,216,367.15	1,216,367.15	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	450,796.10	0	450,796.10		
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	40,783.48	0	40,783.48		
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	4,449,820.18	820,168.25	3,629,651.93	442.5	5
		Accts Receivable Trade					5
****	1136200	1136200 Customer A/R - Utility	59,917,207.64	50,272,942.52	9,644,265.12	19.2	6
****	1137057	1137057 Accounts Receivable - Other	804,283.76	877,135.07	-72,851.31	8.3-	
5500	1199910	1199910 Rents Receivable	-100	900	-1,000.00	111.1-	6
		Total Accts Receivable Trade	60,721,391.40	51,150,977.59	9,570,413.81	18.7	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-12,173,886.85	-11,492,541.59	-681,345.26	5.9-	6
		Total Allowance for Bad Debts	-12,173,886.85	-11,492,541.59	-681,345.26	5.9-	5
		Accts Receivable - Affiliates					5
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	7,014.52	7,014.52	0	0.0	6
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	14,514,199.32	0	14,514,199.32		
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	5,387,435.87	508,763.72	4,878,672.15	958.9	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	725,816.69	190,955.32	534,861.37	280.1	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	263,520.32	48,083.42	215,436.90	448.0	
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	64,444.01	18,133.90	46,310.11	255.4	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	269,278.91	137,835.28	131,443.63	95.4	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,025,615,488.63	92,210,903.69	933,404,584.94	1,012.2	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	66,486.56	5,765.33	60,721.23	1,053.2	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	

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Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	16,756.74	1,204.70	15,552.04	1,290.9	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	0	315.31		
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	45,659.23	4,267.80	41,391.43	969.9	6
		Total Accts Receivable - Affiliates	1,047,012,372.64	93,167,376.38	953,844,996.26	1,023.8	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	15,578,089.38	14,197,425.73	1,380,663.65	9.7	6
5500	1142020	1142020 Materials Inventory - Meters	3,219,880.28	3,077,620.80	142,259.48	4.6	
****	1142910	1142910 Materials Inventory - Conversion	-67,354.21	-338,265.27	270,911.06	80.1	6
		Total Materials & Supplies	18,730,615.45	16,936,781.26	1,793,834.19	10.6	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	27,233,586.16	22,378,550.49	4,855,035.67	21.7	6
5550	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,207,171.02	2,347,643.00	-1,140,471.98	48.6-	6
		Total Unbilled Revenue	28,440,757.18	24,726,193.49	3,714,563.69	15.0	5
		TOTAL CURRENT ASSETS	1,149,219,689.62	180,044,683.99	969,175,005.63	538.3	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	767,963.39	1,032,057.42	-264,094.03	25.6-	7
		Total Rate Case Expense	767,963.39	1,032,057.42	-264,094.03	25.6-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	700,975,538.20	823,974,475.20	-122,998,937.00	14.9-	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	-1,558,702.46	-2,491,044.00	932,341.54	37.4	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	4,847,075.08	3,947,136.88	899,938.20	22.8	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	14,764,248.34	13,007,733.24	1,756,515.10	13.5	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	-1,383,105.04	-1,079,834.15	-303,270.89	28.1-	
5500	1242157	1242157 Reg Asset-Pension/SERP AML	0	684,090.00	-684,090.00	100.0-	
5500	1242162	1242162 Reg Asset-Regulatory Asset	747.04	0	747.04		
5550	1242164	1242164 Reg Asset-Other	788,466.77	770,162.77	18,304.00	2.4	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,861,604.82	5,138,388.08	723,216.74	14.1	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	90,618.75	-90,618.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,267,637.31	9,477,624.07	-209,986.76	2.2-	7
		Total Regulatory Assets	733,571,025.06	853,526,865.84	-119,955,840.78	14.1-	6
		Total Reg Assets LT	734,338,988.45	854,558,923.26	-120,219,934.81	14.1-	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	8,134.17	108,455.75	-100,321.58	92.5-	6
		Total Unamortized Debt Exp	8,134.17	108,455.75	-100,321.58	92.5-	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,288,465.13	2,953,391.00	-664,925.87	22.5-	6
		Total Prelim Survey & Invest	4,379,914.14	5,044,840.01	-664,925.87	13.2-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,875,771.46	8,875,771.46	0	0.0	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	91,472.86	91,472.86	0	0.0	
5550	1293130	1293130 Lease - Easement	3,000.00	0	3,000.00		
5500	1293200	1293200 Accumulated Lease Amortization	-1,185,625.88	-919,325.88	-266,300.00	29.0-	6
		Total Operating Lease Assets	8,144,320.56	8,407,620.56	-263,300.00	3.1-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	8,400.06	12,135.09	144.5	
5500	1999997	1999997 ADP Interm Clearing	260.18	0	260.18		
****	1999998	1999998 Banner Interm Clearing	-1,001.88	0	-1,001.88		6
		Total Other (NC Assets)	-155,936.78	-167,330.17	11,393.39	6.8	5
		TOTAL NONCURRENT ASSETS	781,019,171.34	902,256,260.21	-121,237,088.87	13.4-	4
		TOTAL ASSETS	6,878,168,718.94	5,686,981,820.58	1,191,186,898.36	20.9	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-6,959,854.37	-6,466,865.32	-492,989.05	7.6-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,521,091.38	-1,350,412.94	-170,678.44	12.6-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,984,352.02	-8,974,915.46	-9,436.56	0.1-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-224,461,688.40	-190,078,277.65	-34,383,410.75	18.1-	7
		Total Capital in Excess of Par	-244,020,589.44	-208,964,074.64	-35,056,514.80	16.8-	6
		Balanace January 1st					6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.02 -2023.02	Reporting periods
2022.02 -2022.02	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Erngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Profit	-33,019,771.56	-30,275,428.01	-2,744,343.55	9.1-	7
		Total Income - Current Year	-33,019,771.56	-30,275,428.01	-2,744,343.55	9.1-	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,455,651,469.36	-2,188,688,155.64	-266,963,313.72	12.2-	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-1,974,800,000.00	-1,784,800,000.00	-190,000,000.00	10.6-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-18,388,792.68	-22,822,375.67	4,433,582.99	19.4	8
		Total Long Term Debt	-1,993,188,792.68	-1,807,622,375.67	-185,566,417.01	10.3-	7
		Total Mortgage Bonds	-1,993,188,792.68	-1,807,622,375.67	-185,566,417.01	10.3-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,100,102.59	13,093,783.80	6,318.79	0.0	7
5500	2201020	2201020 Unamortized Bond Premium	-1,562,633.00	-1,633,865.00	71,232.00	4.4	7
		Total Unamort Debt Issue Costs	11,537,469.59	11,459,918.80	77,550.79	0.7	6
		Total Long-Term Debt (Net)	-1,981,651,323.09	-1,796,162,456.87	-185,488,866.22	10.3-	5
		TOTAL CAPITAL	-4,437,302,792.45	-3,984,850,612.51	-452,452,179.94	11.4-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	0	-45,807,779.79	45,807,779.79	100.0	6
		Total Short Term Debt	0	-45,807,779.79	45,807,779.79	100.0	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,903,221.65	-5,381,796.58	478,574.93	8.9	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	0	-10,000,000.00		6
		Total Current Portion - LTD	-14,903,221.65	-5,381,796.58	-9,521,425.07	176.9-	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-554,361.39	-3,048,610.13	2,494,248.74	81.8	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	68.15	0	68.15		
****	2111110	2111110 Accts Pay-Refunds to Customers	38,541.03	-1,419.48	39,960.51	2,815.2	
****	2111130	2111130 A/P-Contractors Retainage	-5,556,042.68	-5,374,098.69	-181,943.99	3.4-	
5500	2111160	2111160 Customer Collections Due Devel	3,136.00	0	3,136.00		
****	2111200	2111200 Goods Received/Invoice Received Clearing	-13,029,346.69	-11,713,691.02	-1,315,655.67	11.2-	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-8,221,628.44	8,221,628.44	100.0	
5500	2111400	2111400 Procurement Card Clearing	-5,310.83	-194,510.32	189,199.49	97.3	
5500	2111430	2111430 Fleet Card Clearing	-107,366.94	0	-107,366.94		
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-319,823.94	-933,620.88	613,796.94	65.7	
5500	2111535	2111535 Accts Pay-Accrued Electric	-698,526.73	-1,082,343.88	383,817.15	35.5	
5500	2111596	2111596 Accts Pay-Sewer	971.15	0	971.15		
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-342.75	0	-342.75		
****	2111910	2111910 Accts Payable Liability - Other	-989,197.21	-690,390.35	-298,806.86	43.3-	6
		Total Accounts Payable - Trade	-21,217,602.83	-31,260,313.19	10,042,710.36	32.1	5
		Accts Payable - Affiliate					5
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	6
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-24,269,055.95	-1,697.55	-24,267,358.40	1429551.9-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-71,640,283.11	-7,392,786.08	-64,247,497.03	869.1-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-461,678.80	-130.39	-461,548.41	353,975.3-	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-146,704.05	-1,219.48	-145,484.57	11,930.0-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-54,059.65	0	-54,059.65		
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-246,462.34	0	-246,462.34		
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-855,044,175.26	-43,246,008.15	-811,798,167.11	1,877.2-	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-12,006.07	0	-12,006.07		
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-8,315.23	0	-8,315.23		
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-175.43	0	-175.43		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-83,728.79	0	-83,728.79		6
		Total Accts Payable - Affiliate	-1,028,752,838.66	-127,428,035.63	-901,324,803.03	707.3-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,405,193.86	-100,000.00	-1,305,193.86	1,305.2-	6
		Total Construction A/P Trade	-1,405,193.86	-100,000.00	-1,305,193.86	1,305.2-	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-2,181,943.04	3,531,351.26	-5,713,294.30	161.8-	6
		Total Accr Inc Taxes - Federal	-2,181,943.04	3,531,351.26	-5,713,294.30	161.8-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	2,363,142.62	467,851.62	1,895,291.00	405.1	6
		Total Accr Inc Taxes - State	2,363,142.62	467,851.62	1,895,291.00	405.1	5
		Accr Taxes - Other					5
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	6
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	-698,916.66	-985,793.00	286,876.34	29.1	6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.02 -2023.02	Reporting periods
2022.02 -2022.02	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Total Accr Taxes - Other	-706,851.98	-993,728.32	286,876.34	28.9	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-18,279,697.50	-17,615,133.44	-664,564.06	3.8-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	148,356.98	-26,319.06	174,676.04	663.7	6
		Total Accrued Interest	-18,131,340.52	-17,641,452.50	-489,888.02	2.8-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	7,073.50	0	7,073.50		6
5500	2141000	2141000 Payroll Clearing	-2,015.99	62,666.90	-64,682.89	103.2-	
5500	2141050	2141050 Accrued Payroll	-498,060.23	-271,402.42	-226,657.81	83.5-	
5500	2141100	2141100 Accrued Vacation	0	-90,618.75	90,618.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-1,480,360.00	-1,307,685.00	-172,675.00	13.2-	
5500	2141550	2141550 NQ Pension Reserve - Current	1,756.70	1,756.70	0	0.0	
5500	2141620	2141620 Employee Profit Sharing	-1,101,500.00	-992,914.00	-108,586.00	10.9-	
5500	2190010	2190010 Lease Obligation - Current	-248,475.00	-266,300.18	17,825.18	6.7	
5500	2191600	2191600 Appropriated Funds - Other	-35,716.90	-77,886.65	42,169.75	54.1	
****	2192072	2192072 Accrued Insur Liab-Other	-1,257,834.00	-1,168,166.00	-89,668.00	7.7-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-332,079.83	-528,349.09	196,269.26	37.1	
****	2199615	2199615 Accrued Liab-Audit Fees	-307,221.73	-212,880.13	-94,341.60	44.3-	
5500	2199620	2199620 Accrued Liab-Paving Mains	0	-137,405.85	137,405.85	100.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	16,920.15	-18,201.21	107.6-	
****	2199900	2199900 Misc C&A Liabilities	-3,368,834.02	-2,822,948.72	-545,885.30	19.3-	6
		Total Other Accrued Expense	-8,624,548.56	-7,795,213.04	-829,335.52	10.6-	5
		TOTAL CURRENT LIABILITIES	-1,093,560,398.48	-232,409,116.17	-861,151,282.31	370.5-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,840.53	71,820,486.08	-2,645.55	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-574,281.13	-471,613.48	-102,667.65	21.8-	
****	2199075	2199075 CAC-Non Unitized	-54,170,893.87	-58,874,190.29	4,703,296.42	8.0	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-5,524,911.18	-1,133,898.00	-4,391,013.18	387.2-	6
		Total Cust Advances for Constr.	-60,269,781.17	-60,476,751.21	206,970.04	0.3	5
		Long Term Deferred - FIT					5
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-695,554,957.31	-614,954,706.31	-80,600,251.00	13.1-	6
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	25,969,680.25	-1,370,205.75	27,339,886.00	1,995.3	6
		Total Long Term Deferred - FIT	-669,585,277.06	-616,324,912.06	-53,260,365.00	8.6-	5
		Long Term Deferred - SIT					5
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-227,624,638.00	-394,880,983.00	167,256,345.00	42.4	6
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	46,682,707.41	48,905,707.41	-2,223,000.00	4.5-	6
		Total Long Term Deferred - SIT	-180,941,930.59	-345,975,275.59	165,033,345.00	47.7	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,361,018.95	-3,614,431.95	253,413.00	7.0	6
		Total Unamortized ITC	-3,361,018.95	-3,614,431.95	253,413.00	7.0	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-229,217,491.00	-241,703,251.00	12,485,760.00	5.2	6
5500	2220330	2220330 Reg Liab-Pension/OPEB	-116,072,441.11	-100,878,411.11	-15,194,030.00	15.1-	6
		Total Regulatory Liability	-345,289,932.11	-342,581,662.11	-2,708,270.00	0.8-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,892,845.56	-8,141,320.38	248,474.82	3.1	6
		Total Non-Current Operating Leases	-7,892,845.56	-8,141,320.38	248,474.82	3.1	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	104,892,543.14	88,698,509.14	16,194,034.00	18.3	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,882,062.37	-11,055,356.28	1,173,293.91	10.6	
5500	2291530	2291530 NQ Pension Liability - Non Current	-719,281.76	-511,932.09	-207,349.67	40.5-	6
		Total Pension and OPEB Liabilities	94,291,199.01	77,131,220.77	17,159,978.24	22.2	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-1,553,735.00	-1,627,403.00	73,668.00	4.5	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-11,136,811.00	-12,067,622.00	930,811.00	7.7	6
		Total Other (NC Liab)	-12,690,546.00	-13,695,025.00	1,004,479.00	7.3	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,185,740,132.43	-1,313,678,157.53	127,938,025.10	9.7	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	2,635,659.14	4,557,005.06	-1,921,345.92	42.2-	
****	2292030	2292030 CIAC-Unitized	-223,853,174.40	-216,114,307.63	-7,738,866.77	3.6-	6
		Total Contrib in Aid of Constr.	-225,799,939.40	-216,139,726.71	-9,660,212.69	4.5-	5
****	2292100	2292100 Accum Amort of CIAC	64,234,543.82	60,095,792.34	4,138,751.48	6.9	6
			64,234,543.82	60,095,792.34	4,138,751.48	6.9	5
		Total CIAC -NET	-161,565,395.58	-156,043,934.37	-5,521,461.21	3.5-	4
		TOTAL LIABILITIES & CAPITAL	-6,878,168,718.94	-5,686,981,820.58	-1,191,186,898.36	20.9-	3
			0	0	0		2
			5,289,317,712.02	**5,274,206,332.16**	**15,111,379.86**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.03 -2023.03	Reporting periods
2022.03 -2022.03	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	220,882,119.67	153,674,490.99	67,207,628.68	43.7	8
****	1311000	1311000 Power Plan Clearing	254,410.58	0	254,410.58		
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	2,488,165.59	55,068,607.02	-52,580,441.43	95.5-	
****	1311200	1311200 Utility Plant in Service - PowerPlan	5,965,855,722.53	5,571,749,071.31	394,106,651.22	7.1	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	6,870,515.18	1,893,515.48	4,976,999.70	262.8	8
		Total Utility Prop Plant & Equip	6,229,466,229.28	5,815,662,269.93	413,803,959.35	7.1	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	18,641,669.71	17,590,313.31	1,051,356.40	6.0	8
		Total Net Utility Plant Adjustment	813,907.46	-237,448.94	1,051,356.40	442.8	7
		Total Gross Utility Plant	6,230,280,136.74	5,815,424,820.99	414,855,315.75	7.1	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,388,543,143.94	-1,288,578,486.16	-99,964,657.78	7.8-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,078,801.54	-5,530,671.11	-548,130.43	9.9-	7
		Less Allowance for Depreciation	-1,394,621,945.48	-1,294,109,157.27	-100,512,788.21	7.8-	6
		Total Net Utility Plant	4,835,658,191.26	4,521,315,663.72	314,342,527.54	7.0	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	134,119,681.91	98,704,090.57	35,415,591.34	35.9	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	2,664,954.27	54,942,538.35	-52,277,584.08	95.1-	6
		Total Construction Work in Progress	136,784,636.18	153,646,628.92	-16,861,992.74	11.0-	5
		TOTAL PLANT	4,972,442,827.44	4,674,962,292.64	297,480,534.80	6.4	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191304	1191304 Other PPD-Trustee	5,096.26	0	5,096.26		7
5500	1191306	1191306 Other PPD-Utiity Deposits	17,564.10	0	17,564.10		
5500	1191307	1191307 Other PPD-Interest	256.81	0	256.81		
5500	1191309	1191309 Other PPD-Real Estate Tax	0	11,616.17	-11,616.17	100.0-	
****	1191310	1191310 Other PPD-PUC Assessment	607,542.00	595,418.00	12,124.00	2.0	
****	1191311	1191311 Other PPD-SBA Assessment	36,329.00	40,792.00	-4,463.00	10.9-	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	188,029.00	208,851.00	-20,822.00	10.0-	
5500	1191313	1191313 Other PPD-AWWA Dues	-5,183.52	0	-5,183.52		
****	1191900	1191900 Prepaid Miscellaneous	480,250.88	488,232.90	-7,982.02	1.6-	7
		Total Prepayments	1,329,884.53	1,344,910.07	-15,025.54	1.1-	6
		Total Prepayments & Other Current Assets	1,329,884.53	1,344,910.07	-15,025.54	1.1-	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	7,077,578.40	620,081.95	6,457,496.45	1,041.4	6
5500	1111509	1111509 Cash - WF Misc Receipt - X7106- Main	0	1,216,030.84	-1,216,030.84	100.0-	
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	83,065.90	55,880.51	27,185.39	48.6	
5510	1111540	1111540 Cash in Banks - Wayne Pennvest Escrow	0	403,284.70	-403,284.70	100.0-	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-2,610.43	-426,965.74	424,355.31	99.4	
5500	1112509	1112509 Cash - WF Misc Receipt - X7106- Clearing	0	-1,216,367.15	1,216,367.15	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	4,149.12	0	4,149.12		
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	-25.3	0	-25.3		
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	7,179,261.14	669,048.56	6,510,212.58	973.1	5
		Accts Receivable Trade					5
5500	1136101	1136101 Customer A/R - Utility - Manual	-95,780.11	0	-95,780.11		6
****	1136200	1136200 Customer A/R - Utility	51,692,341.28	45,448,525.02	6,243,816.26	13.7	
****	1137057	1137057 Accounts Receivable - Other	1,322,125.90	958,701.38	363,424.52	37.9	
5500	1199910	1199910 Rents Receivable	600	900	-300	33.3-	6
		Total Accts Receivable Trade	52,919,287.07	46,408,126.40	6,511,160.67	14.0	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-9,480,122.95	-11,255,409.26	1,775,286.31	15.8	6
		Total Allowance for Bad Debts	-9,480,122.95	-11,255,409.26	1,775,286.31	15.8	5
		Accts Receivable - Affiliates					5
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	7,014.52	7,014.52	0	0.0	6
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	24,353,754.94	77,411.38	24,276,343.56	31,360.2	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	5,788,140.27	761,466.70	5,026,673.57	660.1	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	764,528.68	272,827.22	491,701.46	180.2	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	292,274.86	72,473.80	219,801.06	303.3	
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	70,174.04	28,443.65	41,730.39	146.7	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	270,856.76	247,725.43	23,131.33	9.3	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,082,702,768.35	190,800,017.14	891,902,751.21	467.5	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	68,996.25	17,103.20	51,893.05	303.4	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	16,756.74	9,066.73	7,690.01	84.8	

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Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	0	315.31		
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	50,363.70	13,661.76	36,701.94	268.6	6
		Total Accts Receivable - Affiliates	1,114,421,900.95	192,341,660.23	922,080,240.72	479.4	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	14,836,008.79	15,008,170.19	-172,161.40	1.1-	6
5500	1142020	1142020 Materials Inventory - Meters	3,376,312.89	3,003,138.00	373,174.89	12.4	
****	1142910	1142910 Materials Inventory - Conversion	-89,056.56	-338,265.27	249,208.71	73.7	6
		Total Materials & Supplies	18,123,265.12	17,673,042.92	450,222.20	2.5	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	30,832,492.11	25,251,464.45	5,581,027.66	22.1	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,626,057.05	2,322,580.98	-696,523.93	30.0-	6
		Total Unbilled Revenue	32,458,549.16	27,574,045.43	4,884,503.73	17.7	5
		TOTAL CURRENT ASSETS	1,216,952,025.02	274,755,424.35	942,196,600.67	342.9	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	708,011.80	1,047,253.33	-339,241.53	32.4-	7
		Total Rate Case Expense	708,011.80	1,047,253.33	-339,241.53	32.4-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	707,865,932.20	834,291,020.20	-126,425,088.00	15.2-	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	-3,086,626.00	3,086,626.00	100.0	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	5,032,741.89	4,033,472.94	999,268.95	24.8	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	14,764,248.34	13,087,025.28	1,677,223.06	12.8	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	-1,436,486.78	-1,102,987.88	-333,498.90	30.2-	
5500	1242157	1242157 Reg Asset-Pension/SERP AML	0	684,090.00	-684,090.00	100.0-	
5500	1242162	1242162 Reg Asset-Regulatory Asset	1,200.09	0	1,200.09		
5550	1242164	1242164 Reg Asset-Other	0	788,466.77	-788,466.77	100.0-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,861,827.42	5,139,894.40	721,933.02	14.0	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	67,968.75	-67,968.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,159,079.39	9,439,058.29	-279,978.90	3.0-	7
		Total Regulatory Assets	741,256,057.55	863,348,897.75	-122,092,840.20	14.1-	6
		Total Reg Assets LT	741,964,069.35	864,396,151.08	-122,432,081.73	14.2-	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	6,156.39	96,405.48	-90,249.09	93.6-	6
		Total Unamortized Debt Exp	6,156.39	96,405.48	-90,249.09	93.6-	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,523,309.84	2,418,973.25	104,336.59	4.3	6
		Total Prelim Survey & Invest	4,614,758.85	4,510,422.26	104,336.59	2.3	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,880,771.46	8,875,771.46	5,000.00	0.1	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
5550	1293130	1293130 Lease - Easement	3,000.00	0	3,000.00		
5500	1293200	1293200 Accumulated Lease Amortization	-1,403,168.88	-1,133,943.88	-269,225.00	23.7-	6
		Total Operating Lease Assets	7,968,389.56	8,193,002.56	-224,613.00	2.7-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	0	260.18		
****	1999998	1999998 Banner Interm Clearing	-1,001.88	0	-1,001.88		6
		Total Other (NC Assets)	-155,936.78	-155,195.08	-741.7	0.5-	5
		TOTAL NONCURRENT ASSETS	788,701,188.17	911,344,537.10	-122,643,348.93	13.5-	4
		TOTAL ASSETS	6,978,096,040.63	5,861,062,254.09	1,117,033,786.54	19.1	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,031,818.64	-6,527,344.91	-504,473.73	7.7-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,537,889.18	-1,378,827.45	-159,061.73	11.5-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,984,735.95	-8,977,240.82	-7,495.13	0.1-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-224,598,109.80	-240,087,716.87	15,489,607.07	6.5	7
		Total Capital in Excess of Par	-244,246,156.84	-259,064,733.32	14,818,576.48	5.7	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7

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5500	3220301	3220301 Unapprop Undistr Sub Ernngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Profit	-54,107,158.99	-44,058,255.24	-10,048,903.75	22.8-	7
		Total Income - Current Year	-54,107,158.99	-44,058,255.24	-10,048,903.75	22.8-	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,476,964,424.19	-2,252,571,641.55	-224,392,782.64	10.0-	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-1,964,800,000.00	-1,774,800,000.00	-190,000,000.00	10.7-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-17,907,798.85	-22,395,655.11	4,487,856.26	20.0	8
		Total Long Term Debt	-1,982,707,798.85	-1,797,195,655.11	-185,512,143.74	10.3-	7
		Total Mortgage Bonds	-1,982,707,798.85	-1,797,195,655.11	-185,512,143.74	10.3-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,057,535.80	13,044,781.73	12,754.07	0.1	7
5500	2201020	2201020 Unamortized Bond Premium	-1,556,697.00	-1,627,929.00	71,232.00	4.4	7
		Total Unamort Debt Issue Costs	11,500,838.80	11,416,852.73	83,986.07	0.7	6
		Total Long-Term Debt (Net)	-1,971,206,960.05	-1,785,778,802.38	-185,428,157.67	10.4-	5
		TOTAL CAPITAL	-4,448,171,384.24	-4,038,350,443.93	-409,820,940.31	10.1-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-15,000,000.00	-49,743,170.72	34,743,170.72	69.8	6
		Total Short Term Debt	-15,000,000.00	-49,743,170.72	34,743,170.72	69.8	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,452,573.31	-5,358,970.67	906,397.36	16.9	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,452,573.31	-15,358,970.67	906,397.36	5.9	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-2,543,322.56	-1,883,690.86	-659,631.70	35.0-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	250.97	6,950.68	-6,699.71	96.4-	
****	2111110	2111110 Accts Pay-Refunds to Customers	21,150.27	792.58	20,357.69	2,568.5	
****	2111130	2111130 A/P-Contractors Retainage	-5,196,003.47	-5,576,255.50	380,252.03	6.8	
5500	2111160	2111160 Customer Collections Due Devel	3,136.00	0	3,136.00		
****	2111200	2111200 Goods Received/Invoice Received Clearing	-14,995,322.03	-9,688,120.84	-5,307,201.19	54.8-	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-5,381,363.87	5,381,363.87	100.0	
5500	2111400	2111400 Procurement Card Clearing	103.87	307,123.43	-307,019.56	100.0-	
5500	2111430	2111430 Fleet Card Clearing	-57,292.77	0	-57,292.77		
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-364,861.41	-725,777.88	360,916.47	49.7	
5500	2111535	2111535 Accts Pay-Accrued Electric	-731,790.54	-1,249,187.55	517,397.01	41.4	
5500	2111596	2111596 Accts Pay-Sewer	971.15	0	971.15		
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-1,304.51	-2,111.61	807.1	38.2	
****	2111910	2111910 Accts Payable Liability - Other	-1,208,744.81	-1,145,825.41	-62,919.40	5.5-	6
		Total Accounts Payable - Trade	-25,073,029.84	-25,337,466.83	264,436.99	1.0	5
		Accts Payable - Affiliate					5
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	6
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-25,281,932.78	-13,480,037.45	-11,801,895.33	87.6-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-77,274,239.81	-13,489,529.46	-63,784,710.35	472.8-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-461,741.49	-181,703.24	-280,038.25	154.1-	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-152,972.81	-32,282.92	-120,689.89	373.9-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-54,261.55	-7,874.46	-46,387.09	589.1-	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-247,164.56	-6,982.19	-240,182.37	3,439.9-	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-903,698,018.16	-138,263,519.96	-765,434,498.20	553.6-	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-272	0	-272		
****	2113619	2113619 A/P - 5600 - Aqua Texas	-12,064.82	-9,355.25	-2,709.57	29.0-	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-8,315.23	-7,862.03	-453.2	5.8-	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-175.43	0	-175.43		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-83,728.79	-8,141.45	-75,587.34	928.4-	6
		Total Accts Payable - Affiliate	-1,084,061,081.41	-242,273,482.39	-841,787,599.02	347.5-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-2,415,444.31	-100,000.00	-2,315,444.31	2,315.4-	6
		Total Construction A/P Trade	-2,415,444.31	-100,000.00	-2,315,444.31	2,315.4-	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-2,422,345.91	9,818,918.57	-12,241,264.48	124.7-	6
		Total Accr Inc Taxes - Federal	-2,422,345.91	9,818,918.57	-12,241,264.48	124.7-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	2,315,515.62	-1,564,530.38	3,880,046.00	248.0	6
		Total Accr Inc Taxes - State	2,315,515.62	-1,564,530.38	3,880,046.00	248.0	5
		Accr Taxes - Other					5
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	6
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	-43,735.64	-1,100,000.00	1,056,264.36	96.0	

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5500	2136030	2136030 Accrued PURTA Tax	-1,048,374.99	0	-1,048,374.99		6
		Total Accr Taxes - Other	-1,100,045.95	-1,107,935.32	7,889.37	0.7	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-20,591,650.73	-17,459,253.35	-3,132,397.38	17.9-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	146,044.48	-32,351.09	178,395.57	551.4	6
		Total Accrued Interest	-20,445,606.25	-17,491,604.44	-2,954,001.81	16.9-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	10,610.25	0	10,610.25		6
5500	2141000	2141000 Payroll Clearing	-2,015.99	62,666.90	-64,682.89	103.2-	
5500	2141050	2141050 Accrued Payroll	-1,090,407.39	-886,044.39	-204,363.00	23.1-	
5500	2141100	2141100 Accrued Vacation	0	-67,968.75	67,968.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-338,949.00	-314,661.00	-24,288.00	7.7-	
5500	2141550	2141550 NQ Pension Reserve - Current	1,756.70	1,756.70	0	0.0	
5500	2141620	2141620 Employee Profit Sharing	-243,413.00	-232,899.00	-10,514.00	4.5-	
5500	2190010	2190010 Lease Obligation - Current	-251,554.00	-268,725.00	17,171.00	6.4	
5500	2191600	2191600 Appropriated Funds - Other	-35,001.90	-77,886.65	42,884.75	55.1	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-355,678.12	-564,670.96	208,992.84	37.0	
****	2199615	2199615 Accrued Liab-Audit Fees	-529,711.31	-284,764.13	-244,947.18	86.0-	
5500	2199620	2199620 Accrued Liab-Paving Mains	0	-137,405.85	137,405.85	100.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	12,173.82	-13,454.88	110.5-	
****	2199900	2199900 Misc C&A Liabilities	-3,191,576.41	-2,849,888.01	-341,688.40	12.0-	6
		Total Other Accrued Expense	-6,027,221.23	-5,608,316.32	-418,904.91	7.5-	5
		TOTAL CURRENT LIABILITIES	-1,168,681,832.59	-348,766,558.50	-819,915,274.09	235.1-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,820,486.08	-2,950.56	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-627,681.13	-471,613.48	-156,067.65	33.1-	
****	2199075	2199075 CAC-Non Unitized	-56,099,423.13	-58,887,882.29	2,788,459.16	4.7	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-6,870,515.18	-1,893,515.48	-4,976,999.70	262.8-	6
		Total Cust Advances for Constr.	-63,597,619.44	-61,250,060.69	-2,347,558.75	3.8-	5
		Long Term Deferred - FIT					5
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-705,274,967.31	-621,804,626.31	-83,470,341.00	13.4-	6
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	25,406,248.25	-1,298,340.75	26,704,589.00	2,056.8	6
		Total Long Term Deferred - FIT	-679,868,719.06	-623,102,967.06	-56,765,752.00	9.1-	5
		Long Term Deferred - SIT					5
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-225,841,212.00	-397,929,354.00	172,088,142.00	43.2	6
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	45,221,198.41	48,866,785.41	-3,645,587.00	7.5-	6
		Total Long Term Deferred - SIT	-180,620,013.59	-349,062,568.59	168,442,555.00	48.3	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,297,665.95	-3,551,078.95	253,413.00	7.1	6
		Total Unamortized ITC	-3,297,665.95	-3,551,078.95	253,413.00	7.1	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-227,491,748.00	-235,984,108.00	8,492,360.00	3.6	6
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,665,356.40	0	-1,665,356.40		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-116,526,218.11	-103,443,089.11	-13,083,129.00	12.6-	6
		Total Regulatory Liability	-345,683,322.51	-339,427,197.11	-6,256,125.40	1.8-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,708,835.56	-7,924,277.56	215,442.00	2.7	6
		Total Non-Current Operating Leases	-7,708,835.56	-7,924,277.56	215,442.00	2.7	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	105,346,320.14	90,763,187.14	14,583,133.00	16.1	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,750,070.71	-10,620,126.28	870,055.57	8.2	
5500	2291530	2291530 NQ Pension Liability - Non Current	-708,438.39	-517,804.44	-190,633.95	36.8-	6
		Total Pension and OPEB Liabilities	94,887,811.04	79,625,256.42	15,262,554.62	19.2	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-1,536,224.00	-1,627,403.00	91,179.00	5.6	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-10,901,578.00	-11,879,982.00	978,404.00	8.2	6
		Total Other (NC Liab)	-12,437,802.00	-13,507,385.00	1,069,583.00	7.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,198,326,167.07	-1,318,200,278.54	119,874,111.47	9.1	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	985,421.08	4,530,542.08	-3,545,121.00	78.2-	
****	2292030	2292030 CIAC-Unitized	-223,895,746.79	-216,115,436.83	-7,780,309.96	3.6-	6
		Total Contrib in Aid of Constr.	-227,492,749.85	-216,167,318.89	-11,325,430.96	5.2-	5
****	2292100	2292100 Accum Amort of CIAC	64,576,093.12	60,422,345.77	4,153,747.35	6.9	6
			64,576,093.12	60,422,345.77	4,153,747.35	6.9	5
		Total CIAC -NET	-162,916,656.73	-155,744,973.12	-7,171,683.61	4.6-	4
		TOTAL LIABILITIES & CAPITAL	-6,978,096,040.63	-5,861,062,254.09	-1,117,033,786.54	19.1-	3
			0	0	0		2
			5,378,353,098.79	**5,366,935,446.82**	**11,417,651.97**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.04 -2023.04	Reporting periods
2022.04 -2022.04	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	228,551,538.41	156,582,996.91	71,968,541.50	46.0	8
****	1311000	1311000 Power Plan Clearing	243,553.83	102,642.39	140,911.44	137.3	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	2,488,165.59	55,068,607.02	-52,580,441.43	95.5-	
****	1311200	1311200 Utility Plant in Service - PowerPlan	5,974,967,701.58	5,588,225,333.86	386,742,367.72	6.9	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	5,595,424.18	1,893,515.48	3,701,908.70	195.5	8
		Total Utility Prop Plant & Equip	6,244,961,679.32	5,835,149,680.79	409,811,998.53	7.0	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	18,728,631.81	17,678,577.32	1,050,054.49	5.9	8
		Total Net Utility Plant Adjustment	900,869.56	-149,184.93	1,050,054.49	703.9	7
		Total Gross Utility Plant	6,245,862,548.88	5,835,000,495.86	410,862,053.02	7.0	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,399,529,996.27	-1,298,381,818.18	-101,148,178.09	7.8-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,124,489.15	-5,576,350.07	-548,139.08	9.8-	7
		Less Allowance for Depreciation	-1,405,654,485.42	-1,303,958,168.25	-101,696,317.17	7.8-	6
		Total Net Utility Plant	4,840,208,063.46	4,531,042,327.61	309,165,735.85	6.8	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	138,190,833.05	155,067,138.26	-16,876,305.21	10.9-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,133,424.99	1,156,483.00	-23,058.01	2.0-	6
		Total Construction Work in Progress	139,324,258.04	156,223,621.26	-16,899,363.22	10.8-	5
		TOTAL PLANT	4,979,532,321.50	4,687,265,948.87	292,266,372.63	6.2	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191309	1191309 Other PPD-Real Estate Tax	-132,735.64	-77,383.83	-55,351.81	71.5-	7
****	1191310	1191310 Other PPD-PUC Assessment	404,932.00	396,847.00	8,085.00	2.0	
****	1191311	1191311 Other PPD-SBA Assessment	24,214.00	27,191.00	-2,977.00	10.9-	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	125,334.00	139,217.00	-13,883.00	10.0-	
5500	1191313	1191313 Other PPD-AWWA Dues	51,070.40	51,895.48	-825.08	1.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	4,700,000.00	0	4,700,000.00		
****	1191900	1191900 Prepaid Miscellaneous	962,958.01	679,739.69	283,218.32	41.7	7
		Total Prepayments	6,135,772.77	1,217,506.34	4,918,266.43	404.0	6
		Total Prepayments & Other Current Assets	6,135,772.77	1,217,506.34	4,918,266.43	404.0	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	311,256.00	-48.05	311,304.05	647,875.2	6
5500	1111509	1111509 Cash - WF Misc Receipt - X7106- Main	0	1,858,895.91	-1,858,895.91	100.0-	
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	83,466.90	58,367.51	25,099.39	43.0	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-27,558.48	-564,152.21	536,593.73	95.1	
5500	1112509	1112509 Cash - WF Misc Receipt - X7106- Clearing	0	-1,859,526.14	1,859,526.14	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	4,149.12	479,260.57	-475,111.45	99.1-	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	-25.3	20,391.74	-20,417.04	100.1-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	388,391.69	10,292.78	378,098.91	3,673.4	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	361,648.74	0	361,648.74		6
****	1136200	1136200 Customer A/R - Utility	60,682,786.64	50,654,722.44	10,028,064.20	19.8	
****	1137057	1137057 Accounts Receivable - Other	998,992.66	1,271,212.17	-272,219.51	21.4-	
5500	1199910	1199910 Rents Receivable	900	900	0	0.0	6
		Total Accts Receivable Trade	62,044,328.04	51,926,834.61	10,117,493.43	19.5	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,049,873.29	-10,794,922.74	745,049.45	6.9	6
		Total Allowance for Bad Debts	-10,049,873.29	-10,794,922.74	745,049.45	6.9	5
		Accts Receivable - Affiliates					5
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	7,014.52	7,014.52	0	0.0	6
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	24,353,754.94	13,551,044.77	10,802,710.17	79.7	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	6,073,094.37	1,208,875.35	4,864,219.02	402.4	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	804,351.99	465,242.88	339,109.11	72.9	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	306,179.18	89,821.13	216,358.05	240.9	
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	79,663.44	29,597.78	50,065.66	169.2	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	272,092.92	243,530.22	28,562.70	11.7	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,125,032,232.69	230,248,983.96	894,783,248.73	388.6	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	72,141.28	17,991.10	54,150.18	301.0	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	126,393.94	10,975.75	115,418.19	1,051.6	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	0	315.31		
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	54,635.68	16,528.68	38,107.00	230.6	6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
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2023.04 -2023.04	Reporting periods
2022.04 -2022.04	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Total Accts Receivable - Affiliates	1,157,217,826.79	245,924,054.84	911,293,771.95	370.6	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	13,866,762.59	14,280,798.30	-414,035.71	2.9-	6
5500	1142020	1142020 Materials Inventory - Meters	3,466,924.39	2,867,512.07	599,412.32	20.9	
5500	1142910	1142910 Materials Inventory - Conversion	-385,381.80	-338,265.27	-47,116.53	13.9-	6
		Total Materials & Supplies	16,948,305.18	16,810,045.10	138,260.08	0.8	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	28,619,342.66	23,513,973.20	5,105,369.46	21.7	6
5550	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,611,758.28	2,297,518.96	-685,760.68	29.8-	6
		Total Unbilled Revenue	30,231,100.94	25,811,492.16	4,419,608.78	17.1	5
		TOTAL CURRENT ASSETS	1,262,915,852.12	330,905,303.09	932,010,549.03	281.7	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	679,568.71	1,005,661.24	-326,092.53	32.4-	7
		Total Rate Case Expense	679,568.71	1,005,661.24	-326,092.53	32.4-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	707,865,932.20	834,291,020.20	-126,425,088.00	15.2-	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	-3,081,951.00	3,081,951.00	100.0	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	4,354,644.14	3,291,820.43	1,062,823.71	32.3	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	15,632,385.66	14,002,405.62	1,629,980.04	11.6	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	-1,436,093.41	-1,126,546.20	-309,547.21	27.5-	
5500	1242157	1242157 Reg Asset-Pension/SERP AML	0	684,090.00	-684,090.00	100.0-	
5500	1242162	1242162 Reg Asset-Regulatory Asset	340	0	340		
5550	1242164	1242164 Reg Asset-Other	0	788,466.77	-788,466.77	100.0-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,861,901.62	5,139,894.40	722,007.22	14.0	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	67,968.75	-67,968.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	8,931,768.45	9,147,547.74	-215,779.29	2.4-	7
		Total Regulatory Assets	741,218,393.66	863,212,231.71	-121,993,838.05	14.1-	6
		Total Reg Assets LT	741,897,962.37	864,217,892.95	-122,319,930.58	14.2-	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	68,560.02	84,355.21	-15,795.19	18.7-	6
		Total Unamortized Debt Exp	68,560.02	84,355.21	-15,795.19	18.7-	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,648,666.57	2,505,346.22	143,320.35	5.7	6
		Total Prelim Survey & Invest	4,740,115.58	4,596,795.23	143,320.35	3.1	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,891,961.46	8,875,771.46	16,190.00	0.2	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
5550	1293130	1293130 Lease - Easement	3,000.00	0	3,000.00		
5500	1293200	1293200 Accumulated Lease Amortization	-1,403,168.88	-1,133,943.88	-269,225.00	23.7-	6
		Total Operating Lease Assets	7,979,579.56	8,193,002.56	-213,423.00	2.6-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	0	260.18		
****	1999998	1999998 Banner Interm Clearing	-1,051.88	-971.14	-80.74	8.3-	6
		Total Other (NC Assets)	-155,986.78	-156,166.22	179.44	0.1	5
		TOTAL NONCURRENT ASSETS	788,833,981.55	911,239,630.53	-122,405,648.98	13.4-	4
		TOTAL ASSETS	7,031,282,155.17	5,929,410,882.49	1,101,871,272.68	18.6	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,067,801.06	-6,519,427.22	-548,373.84	8.4-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,553,007.81	-1,367,915.15	-185,092.66	13.5-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,987,753.20	-8,975,696.84	-12,056.36	0.1-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-224,598,109.80	-240,087,716.87	15,489,607.07	6.5	7
		Total Capital in Excess of Par	-244,300,275.14	-259,044,359.35	14,744,084.21	5.7	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Erngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.04 -2023.04	Reporting periods
2022.04 -2022.04	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Current Year Profit	-70,046,063.91	-56,562,453.13	-13,483,610.78	23.8-	7
		Total Income - Current Year	-70,046,063.91	-56,562,453.13	-13,483,610.78	23.8-	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,492,957,447.41	-2,265,055,465.47	-227,901,981.94	10.1-	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-1,964,800,000.00	-1,774,800,000.00	-190,000,000.00	10.7-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-17,533,358.89	-21,945,063.55	4,411,704.66	20.1	8
		Total Long Term Debt	-1,982,333,358.89	-1,796,745,063.55	-185,588,295.34	10.3-	7
		Total Mortgage Bonds	-1,982,333,358.89	-1,796,745,063.55	-185,588,295.34	10.3-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,007,077.70	12,995,779.66	11,298.04	0.1	7
5500	2201020	2201020 Unamortized Bond Premium	-1,550,761.00	-1,621,993.00	71,232.00	4.4	7
		Total Unamort Debt Issue Costs	11,456,316.70	11,373,786.66	82,530.04	0.7	6
		Total Long-Term Debt (Net)	-1,970,877,042.19	-1,785,371,276.89	-185,505,765.30	10.4-	5
		TOTAL CAPITAL	-4,463,834,489.60	-4,050,426,742.36	-413,407,747.24	10.2-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-16,040,714.80	-51,578,236.22	35,537,521.42	68.9	6
		Total Short Term Debt	-16,040,714.80	-51,578,236.22	35,537,521.42	68.9	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,452,573.31	-5,358,970.67	906,397.36	16.9	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,452,573.31	-15,358,970.67	906,397.36	5.9	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-2,403,609.28	-1,993,746.59	-409,862.69	20.6-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	73.9	0	73.9		
****	2111110	2111110 Accts Pay-Refunds to Customers	72,311.91	6,345.46	65,966.45	1,039.6	
****	2111130	2111130 A/P-Contractors Retainage	-5,471,700.68	-5,645,470.55	173,769.87	3.1	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-9,536,400.25	-15,998,236.23	6,461,835.98	40.4	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-2,914,578.03	2,914,578.03	100.0	
5500	2111400	2111400 Procurement Card Clearing	-428,926.29	466,594.86	-895,521.15	191.9-	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-316,352.40	-351,835.93	35,483.53	10.1	
5500	2111535	2111535 Accts Pay-Accrued Electric	-1,060,375.04	-1,025,831.00	-34,544.04	3.4-	
5500	2111596	2111596 Accts Pay-Sewer	971.15	971.15	0	0.0	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-591.75	-6,135.22	5,543.47	90.4	
****	2111910	2111910 Accts Payable Liability - Other	-872,388.29	-933,971.58	61,583.29	6.6	6
		Total Accounts Payable - Trade	-20,016,987.02	-28,395,893.66	8,378,906.64	29.5	5
		Accts Payable - Affiliate					5
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	6
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-25,380,462.39	-13,567,810.07	-11,812,652.32	87.1-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-82,114,153.42	-17,812,597.29	-64,301,556.13	361.0-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-461,741.49	-363,535.02	-98,206.47	27.0-	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-158,304.53	-53,234.92	-105,069.61	197.4-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-56,552.79	-8,013.15	-48,539.64	605.7-	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-247,164.56	-22,985.47	-224,179.09	975.3-	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-936,556,248.03	-178,775,737.79	-757,780,510.24	423.9-	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-272	0	-272		
****	2113619	2113619 A/P - 5600 - Aqua Texas	-12,080.37	-10,703.10	-1,377.27	12.9-	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-8,315.23	-7,862.03	-453.2	5.8-	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-175.43	0	-175.43		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-84,178.85	-8,301.05	-75,877.80	914.1-	6
		Total Accts Payable - Affiliate	-1,121,865,843.07	-287,416,973.87	-834,448,869.20	290.3-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-901,102.86	-100,000.00	-801,102.86	801.1-	6
		Total Construction A/P Trade	-901,102.86	-100,000.00	-801,102.86	801.1-	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-5,123,254.95	8,671,084.95	-13,794,339.90	159.1-	6
		Total Accr Inc Taxes - Federal	-5,123,254.95	8,671,084.95	-13,794,339.90	159.1-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	2,315,515.62	-1,564,530.38	3,880,046.00	248.0	6
		Total Accr Inc Taxes - State	2,315,515.62	-1,564,530.38	3,880,046.00	248.0	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	143.53	0	143.53		6
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	-405,736.11	-1,466,667.00	1,060,930.89	72.3	
5500	2136030	2136030 Accrued PURTA Tax	-1,048,374.99	0	-1,048,374.99		6
		Total Accr Taxes - Other	-1,461,902.89	-1,474,602.32	12,699.43	0.9	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-22,951,894.84	-19,622,579.10	-3,329,315.74	17.0-	6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.04 -2023.04	Reporting periods
2022.04 -2022.04	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-72,357.93	-35,000.34	-37,357.59	106.7-	6
		Total Accrued Interest	-23,024,252.77	-19,657,579.44	-3,366,673.33	17.1-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	14,147.00	0	14,147.00		6
5500	2141000	2141000 Payroll Clearing	-2,015.99	-2,015.99	0	0.0	
5500	2141050	2141050 Accrued Payroll	-439,072.37	-1,101,933.96	662,861.59	60.2	
5500	2141100	2141100 Accrued Vacation	0	-67,968.75	67,968.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-451,932.00	-419,548.00	-32,384.00	7.7-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-316,923.00	-310,532.00	-6,391.00	2.1-	
5500	2190010	2190010 Lease Obligation - Current	-251,554.00	-268,725.00	17,171.00	6.4	
5500	2191600	2191600 Appropriated Funds - Other	-4,345.45	-41,595.17	37,249.72	89.6	
****	2192072	2192072 Accrued Insur Liab-Other	-628,917.00	-584,089.00	-44,828.00	7.7-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-464,576.85	-646,512.64	181,935.79	28.1	
****	2199615	2199615 Accrued Liab-Audit Fees	-310,456.31	-308,821.13	-1,635.18	0.5-	
5500	2199620	2199620 Accrued Liab-Paving Mains	0	-118,524.18	118,524.18	100.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	21,438.94	-22,720.00	106.0-	
****	2199900	2199900 Misc C&A Liabilities	-3,286,576.42	-3,565,937.24	279,360.82	7.8	6
		Total Other Accrued Expense	-6,143,503.45	-7,413,007.42	1,269,503.97	17.1	5
		TOTAL CURRENT LIABILITIES	-1,206,714,619.50	-404,288,709.03	-802,425,910.47	198.5-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-508,394.13	-471,613.48	-36,780.65	7.8-	
****	2199075	2199075 CAC-Non Unitized	-57,306,405.65	-58,884,931.73	1,578,526.08	2.7	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-5,595,424.18	-1,893,515.48	-3,701,908.70	195.5-	6
		Total Cust Advances for Constr.	-63,410,223.96	-61,250,060.69	-2,160,163.27	3.5-	5
		Long Term Deferred - FIT					5
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-705,274,967.31	-621,804,626.31	-83,470,341.00	13.4-	6
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	25,406,248.25	-1,298,340.75	26,704,589.00	2,056.8	6
		Total Long Term Deferred - FIT	-679,868,719.06	-623,102,967.06	-56,765,752.00	9.1-	5
		Long Term Deferred - SIT					5
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-225,841,212.00	-397,929,354.00	172,088,142.00	43.2	6
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	45,221,198.41	48,866,785.41	-3,645,587.00	7.5-	6
		Total Long Term Deferred - SIT	-180,620,013.59	-349,062,568.59	168,442,555.00	48.3	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,297,665.95	-3,551,078.95	253,413.00	7.1	6
		Total Unamortized ITC	-3,297,665.95	-3,551,078.95	253,413.00	7.1	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-227,491,748.00	-235,984,108.00	8,492,360.00	3.6	6
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,627,538.34	0	-1,627,538.34		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-116,526,218.11	-103,443,089.11	-13,083,129.00	12.6-	6
		Total Regulatory Liability	-345,645,504.45	-339,427,197.11	-6,218,307.34	1.8-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,708,835.56	-7,924,277.56	215,442.00	2.7	6
		Total Non-Current Operating Leases	-7,708,835.56	-7,924,277.56	215,442.00	2.7	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	105,346,320.14	90,263,187.14	15,083,133.00	16.7	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,791,145.71	-10,769,530.62	978,384.91	9.1	
5500	2291530	2291530 NQ Pension Liability - Non Current	-720,118.90	-523,678.40	-196,440.50	37.5-	6
		Total Pension and OPEB Liabilities	94,835,055.53	78,969,978.12	15,865,077.41	20.1	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-1,536,224.00	-1,627,403.00	91,179.00	5.6	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-10,901,578.00	-11,879,982.00	978,404.00	8.2	6
		Total Other (NC Liab)	-12,437,802.00	-13,507,385.00	1,069,583.00	7.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,198,153,709.04	-1,318,855,556.84	120,701,847.80	9.2	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	985,421.08	4,109,066.50	-3,123,645.42	76.0-	
****	2292030	2292030 CIAC-Unitized	-223,903,896.79	-216,115,436.83	-7,788,459.96	3.6-	6
		Total Contrib in Aid of Constr.	-227,500,899.85	-216,588,794.47	-10,912,105.38	5.0-	5
****	2292100	2292100 Accum Amort of CIAC	64,921,562.82	60,748,920.21	4,172,642.61	6.9	6
			64,921,562.82	60,748,920.21	4,172,642.61	6.9	5
		Total CIAC -NET	-162,579,337.03	-155,839,874.26	-6,739,462.77	4.3-	4
		TOTAL LIABILITIES & CAPITAL	-7,031,282,155.17	-5,929,410,882.49	-1,101,871,272.68	18.6-	3
			0	0	0		2
			5,387,936,498.99	**5,384,306,416.85**	**3,630,082.14**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.05 -2023.05	Reporting periods
2022.05 -2022.05	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	203,362,651.80	166,322,186.85	37,040,464.95	22.3	8
5500	1311000	1311000 Power Plan Clearing	-18,890.96	105,010.41	-123,901.37	118.0-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	2,501,607.59	55,097,402.21	-52,595,794.62	95.5-	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,024,660,581.27	5,598,930,990.56	425,729,590.71	7.6	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	4,042,728.18	1,893,515.48	2,149,212.70	113.5	8
		Total Utility Prop Plant & Equip	6,267,663,973.61	5,855,625,690.64	412,038,282.97	7.0	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	18,815,593.88	17,766,841.29	1,048,752.59	5.9	8
		Total Net Utility Plant Adjustment	987,831.63	-60,920.96	1,048,752.59	1,721.5	7
		Total Gross Utility Plant	6,268,651,805.24	5,855,564,769.68	413,087,035.56	7.1	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,409,245,290.58	-1,308,239,687.04	-101,005,603.54	7.7-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,170,176.65	-5,622,029.01	-548,147.64	9.7-	7
		Less Allowance for Depreciation	-1,415,415,467.23	-1,313,861,716.05	-101,553,751.18	7.7-	6
		Total Net Utility Plant	4,853,236,338.01	4,541,703,053.63	311,533,284.38	6.9	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	147,531,475.37	162,780,666.79	-15,249,191.42	9.4-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,327,098.69	783,632.55	543,466.14	69.4	6
		Total Construction Work in Progress	148,858,574.06	163,564,299.34	-14,705,725.28	9.0-	5
		TOTAL PLANT	5,002,094,912.07	4,705,267,352.97	296,827,559.10	6.3	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191309	1191309 Other PPD-Real Estate Tax	-201,418.95	-159,806.90	-41,612.05	26.0-	7
****	1191310	1191310 Other PPD-PUC Assessment	202,322.00	198,276.00	4,046.00	2.0	
****	1191311	1191311 Other PPD-SBA Assessment	12,099.00	13,590.00	-1,491.00	11.0-	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	62,639.00	69,583.00	-6,944.00	10.0-	
5500	1191313	1191313 Other PPD-AWWA Dues	45,963.40	46,706.48	-743.08	1.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	2,928,527.79	0	2,928,527.79		
****	1191900	1191900 Prepaid Miscellaneous	974,341.81	554,076.48	420,265.33	75.8	7
		Total Prepayments	4,024,474.05	722,425.06	3,302,048.99	457.1	6
		Total Prepayments & Other Current Assets	4,024,474.05	722,425.06	3,302,048.99	457.1	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	252,179.00	50,566,143.48	-50,313,964.48	99.5-	6
5500	1111509	1111509 Cash - WF Misc Receipt - X7106- Main	0	3,339,926.15	-3,339,926.15	100.0-	
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	83,466.90	58,664.51	24,802.39	42.3	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	624.81	9,201,380.25	-9,200,755.44	100.0-	
5500	1112509	1112509 Cash - WF Misc Receipt - X7106- Clearing	0	-3,340,899.51	3,340,899.51	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	4,149.12	958,521.14	-954,372.02	99.6-	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	-25.3	40,783.48	-40,808.78	100.1-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	357,497.98	60,841,622.95	-60,484,124.97	99.4-	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	0	-1,408,740.00	1,408,740.00	100.0	6
****	1136200	1136200 Customer A/R - Utility	55,315,894.57	49,248,202.50	6,067,692.07	12.3	
****	1137057	1137057 Accounts Receivable - Other	1,120,175.20	1,007,951.64	112,223.56	11.1	
5500	1199910	1199910 Rents Receivable	600	1,100.00	-500	45.5-	6
		Total Accts Receivable Trade	56,436,669.77	48,848,514.14	7,588,155.63	15.5	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,279,727.26	-10,698,770.28	419,043.02	3.9	6
		Total Allowance for Bad Debts	-10,279,727.26	-10,698,770.28	419,043.02	3.9	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	7,014.52	7,014.52	0	0.0	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	24,353,754.94	13,551,044.77	10,802,710.17	79.7	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	6,504,745.68	1,484,318.42	5,020,427.26	338.2	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	825,261.20	471,974.71	353,286.49	74.9	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	332,635.65	104,709.26	227,926.39	217.7	
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	80,479.98	38,742.35	41,737.63	107.7	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	279,827.75	243,601.17	36,226.58	14.9	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,184,403,457.00	345,559,205.86	838,844,251.14	242.7	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	77,864.36	24,233.70	53,630.66	221.3	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	127,308.09	10,975.75	116,332.34	1,059.9	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	0	315.31		
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		

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0L	Ledger
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	58,135.61	20,528.68	37,606.93	183.2	6
		Total Accts Receivable - Affiliates	1,217,234,429.61	361,550,797.89	855,683,631.72	236.7	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	13,738,234.72	14,620,689.46	-882,454.74	6.0-	6
5500	1142020	1142020 Materials Inventory - Meters	3,438,790.36	2,856,847.08	581,943.28	20.4	
5500	1142910	1142910 Materials Inventory - Conversion	-426,387.78	-338,265.27	-88,122.51	26.1-	6
		Total Materials & Supplies	16,750,637.30	17,139,271.27	-388,633.97	2.3-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	34,963,941.26	26,868,913.71	8,095,027.55	30.1	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,151,167.20	4,494,665.94	-3,343,498.74	74.4-	6
		Total Unbilled Revenue	36,115,108.46	31,363,579.65	4,751,528.81	15.1	5
		TOTAL CURRENT ASSETS	1,320,639,089.91	509,767,440.68	810,871,649.23	159.1	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	649,981.12	998,985.26	-349,004.14	34.9-	7
		Total Rate Case Expense	649,981.12	998,985.26	-349,004.14	34.9-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	707,865,932.20	834,291,020.20	-126,425,088.00	15.2-	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	-3,077,276.00	3,077,276.00	100.0	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	4,532,831.40	3,487,475.82	1,045,355.58	30.0	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	15,632,385.66	14,002,405.62	1,629,980.04	11.6	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	-1,463,937.21	-1,151,752.31	-312,184.90	27.1-	
5500	1242157	1242157 Reg Asset-Pension/SERP AML	0	684,090.00	-684,090.00	100.0-	
5500	1242162	1242162 Reg Asset-Regulatory Asset	690	0	690		
5550	1242164	1242164 Reg Asset-Other	0	788,466.77	-788,466.77	100.0-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,198.42	5,139,894.40	722,304.02	14.1	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	67,968.75	-67,968.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	8,840,071.55	8,914,980.61	-74,909.06	0.8-	7
		Total Regulatory Assets	741,277,687.02	863,154,788.86	-121,877,101.84	14.1-	6
		Total Reg Assets LT	741,927,668.14	864,153,774.12	-122,226,105.98	14.1-	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	66,470.71	72,304.94	-5,834.23	8.1-	6
		Total Unamortized Debt Exp	66,470.71	72,304.94	-5,834.23	8.1-	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,520,004.92	2,840,609.85	-320,604.93	11.3-	6
		Total Prelim Survey & Invest	4,611,453.93	4,932,058.86	-320,604.93	6.5-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,891,961.46	8,875,771.46	16,190.00	0.2	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
5550	1293130	1293130 Lease - Easement	3,000.00	0	3,000.00		
5500	1293200	1293200 Accumulated Lease Amortization	-1,403,168.88	-1,133,943.88	-269,225.00	23.7-	6
		Total Operating Lease Assets	7,979,579.56	8,193,002.56	-213,423.00	2.6-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	0	260.18		
****	1999998	1999998 Banner Interm Clearing	-1,052.63	-971.14	-81.49	8.4-	6
		Total Other (NC Assets)	-155,987.53	-156,166.22	178.69	0.1	5
		TOTAL NONCURRENT ASSETS	788,732,935.61	911,498,725.06	-122,765,789.45	13.5-	4
		TOTAL ASSETS	7,111,466,937.59	6,126,533,518.71	984,933,418.88	16.1	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,108,012.71	-6,559,014.58	-548,998.13	8.4-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,570,334.92	-1,384,790.08	-185,544.84	13.4-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,989,361.26	-8,976,744.83	-12,616.43	0.1-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-224,598,109.80	-310,087,716.87	85,489,607.07	27.6	7
		Total Capital in Excess of Par	-244,359,421.96	-329,101,869.63	84,742,447.67	25.7	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernqs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Income - Current Year					6
		Current Year Profit	-91,008,141.67	-73,286,601.03	-17,721,540.64	24.2-	7
		Total Income - Current Year	-91,008,141.67	-73,286,601.03	-17,721,540.64	24.2-	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,513,978,671.99	-2,351,837,123.65	-162,141,548.34	6.9-	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-1,964,800,000.00	-1,774,800,000.00	-190,000,000.00	10.7-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-17,158,069.71	-21,945,063.55	4,786,993.84	21.8	8
		Total Long Term Debt	-1,981,958,069.71	-1,796,745,063.55	-185,213,006.16	10.3-	7
		Total Mortgage Bonds	-1,981,958,069.71	-1,796,745,063.55	-185,213,006.16	10.3-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,012,740.38	12,951,048.09	61,692.29	0.5	7
5500	2201020	2201020 Unamortized Bond Premium	-1,544,825.00	-1,616,057.00	71,232.00	4.4	7
		Total Unamort Debt Issue Costs	11,467,915.38	11,334,991.09	132,924.29	1.2	6
		Total Long-Term Debt (Net)	-1,970,490,154.33	-1,785,410,072.46	-185,080,081.87	10.4-	5
		TOTAL CAPITAL	-4,484,468,826.32	-4,137,247,196.11	-347,221,630.21	8.4-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-27,529,793.20	-55,000,000.00	27,470,206.80	49.9	6
		Total Short Term Debt	-27,529,793.20	-55,000,000.00	27,470,206.80	49.9	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,452,573.31	-5,358,970.67	906,397.36	16.9	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,452,573.31	-15,358,970.67	906,397.36	5.9	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-5,682,195.08	-1,718,250.31	-3,963,944.77	230.7-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	105.51	353.18	-247.67	70.1-	
****	2111110	2111110 Accts Pay-Refunds to Customers	19,773.96	-3,573.99	23,347.95	653.3	
****	2111130	2111130 A/P-Contractors Retainage	-5,757,356.30	-5,478,408.28	-278,948.02	5.1-	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-9,359,103.21	-16,569,232.72	7,210,129.51	43.5	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-2,075,872.68	2,075,872.68	100.0	
5500	2111400	2111400 Procurement Card Clearing	-335,419.70	-1,611.20	-333,808.50	20,718.0-	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-348,115.94	-612,176.31	264,060.37	43.1	
5500	2111535	2111535 Accts Pay-Accrued Electric	-1,126,657.40	-696,003.57	-430,653.83	61.9-	
5500	2111596	2111596 Accts Pay-Sewer	971.15	971.15	0	0.0	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-2,514.55	-701.09	-1,813.46	258.7-	
****	2111910	2111910 Accts Payable Liability - Other	-800,693.04	-952,282.49	151,589.45	15.9	6
		Total Accounts Payable - Trade	-23,391,204.60	-28,106,788.31	4,715,583.71	16.8	5
		Accts Payable - Affiliate					5
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	6
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-25,481,230.06	-13,774,048.08	-11,707,181.98	85.0-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-87,810,829.93	-22,014,820.20	-65,796,009.73	298.9-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-462,737.25	-363,535.02	-99,202.23	27.3-	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-167,319.21	-61,250.91	-106,068.30	173.2-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-57,548.55	-8,641.47	-48,907.08	566.0-	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-247,856.89	-242,278.29	-5,578.60	2.3-	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-976,586,879.89	-215,627,413.25	-760,959,466.64	352.9-	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-272	-70,000,000.00	69,999,728.00	100.0	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-13,260.45	-10,703.10	-2,557.35	23.9-	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-10,931.23	-7,862.03	-3,069.20	39.0-	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-673.31	0	-673.31		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-85,174.61	-8,301.05	-76,873.56	926.1-	6
		Total Accts Payable - Affiliate	-1,167,710,907.36	-398,905,047.38	-768,805,859.98	192.7-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,073,727.92	0	-1,073,727.92		6
		Total Construction A/P Trade	-1,073,727.92	0	-1,073,727.92		5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-8,675,360.05	6,200,680.09	-14,876,040.14	239.9-	6
		Total Accr Inc Taxes - Federal	-8,675,360.05	6,200,680.09	-14,876,040.14	239.9-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	2,315,015.62	-1,564,530.38	3,879,546.00	248.0	6
		Total Accr Inc Taxes - State	2,315,015.62	-1,564,530.38	3,879,546.00	248.0	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	174.53	0	174.53		6
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	0	2,566,666.00	-2,566,666.00	100.0-	6
		Total Accr Taxes - Other	-7,760.79	2,558,730.68	-2,566,491.47	100.3-	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-16,915,780.39	-15,746,696.45	-1,169,083.94	7.4-	6

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5500	2121020	2121020 Interest Accrued - Short-Term Debt	-122,702.05	-57,760.28	-64,941.77	112.4-	6
		Total Accrued Interest	-17,038,482.44	-15,804,456.73	-1,234,025.71	7.8-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	1,867.00	0	1,867.00		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-1,086,582.34	-867,040.58	-219,541.76	25.3-	
5500	2141100	2141100 Accrued Vacation	0	-67,968.75	67,968.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-564,915.00	-524,435.00	-40,480.00	7.7-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-390,433.00	-388,165.00	-2,268.00	0.6-	
5500	2190010	2190010 Lease Obligation - Current	-251,554.00	-268,725.00	17,171.00	6.4	
5500	2191600	2191600 Appropriated Funds - Other	-4,345.45	-36,646.41	32,300.96	88.1	
****	2192072	2192072 Accrued Insur Liab-Other	-1,257,834.00	-1,168,178.00	-89,656.00	7.7-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-479,623.31	-643,702.76	164,079.45	25.5	
****	2199615	2199615 Accrued Liab-Audit Fees	-382,128.31	-378,060.73	-4,067.58	1.1-	
5500	2199620	2199620 Accrued Liab-Paving Mains	0	-118,524.18	118,524.18	100.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	5,321.94	-6,603.00	124.1-	
****	2199900	2199900 Misc C&A Liabilities	-3,565,965.75	-3,689,343.32	123,377.57	3.3	6
		Total Other Accrued Expense	-7,982,795.22	-8,145,727.08	162,931.86	2.0	5
		TOTAL CURRENT LIABILITIES	-1,265,547,589.27	-514,126,109.78	-751,421,479.49	146.2-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-508,394.13	-471,613.48	-36,780.65	7.8-	
****	2199075	2199075 CAC-Non Unitized	-58,617,002.44	-58,884,931.73	267,929.29	0.5	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-4,042,728.18	-1,893,515.48	-2,149,212.70	113.5-	6
		Total Cust Advances for Constr.	-63,168,124.75	-61,250,060.69	-1,918,064.06	3.1-	5
		Long Term Deferred - FIT					5
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-705,274,967.31	-621,804,626.31	-83,470,341.00	13.4-	6
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	25,406,248.25	-1,298,340.75	26,704,589.00	2,056.8	6
		Total Long Term Deferred - FIT	-679,868,719.06	-623,102,967.06	-56,765,752.00	9.1-	5
		Long Term Deferred - SIT					5
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-225,841,212.00	-397,929,354.00	172,088,142.00	43.2	6
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	45,221,198.41	48,866,785.41	-3,645,587.00	7.5-	6
		Total Long Term Deferred - SIT	-180,620,013.59	-349,062,568.59	168,442,555.00	48.3	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,297,665.95	-3,551,078.95	253,413.00	7.1	6
		Total Unamortized ITC	-3,297,665.95	-3,551,078.95	253,413.00	7.1	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-227,491,748.00	-235,984,108.00	8,492,360.00	3.6	6
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,589,720.28	0	-1,589,720.28		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-116,526,218.11	-103,443,089.11	-13,083,129.00	12.6-	6
		Total Regulatory Liability	-345,607,686.39	-339,427,197.11	-6,180,489.28	1.8-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,708,835.56	-7,924,277.56	215,442.00	2.7	6
		Total Non-Current Operating Leases	-7,708,835.56	-7,924,277.56	215,442.00	2.7	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	105,346,320.14	89,763,187.14	15,583,133.00	17.4	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,813,577.89	-10,927,068.16	1,113,490.27	10.2	
5500	2291530	2291530 NQ Pension Liability - Non Current	-717,739.36	-519,362.74	-198,376.62	38.2-	6
		Total Pension and OPEB Liabilities	94,815,002.89	78,316,756.24	16,498,246.65	21.1	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-1,536,224.00	-1,627,403.00	91,179.00	5.6	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-10,901,578.00	-11,879,982.00	978,404.00	8.2	6
		Total Other (NC Liab)	-12,437,802.00	-13,507,385.00	1,069,583.00	7.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,197,893,844.41	-1,319,508,778.72	121,614,934.31	9.2	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	625,080.02	4,035,171.86	-3,410,091.84	84.5-	
****	2292030	2292030 CIAC-Unitized	-224,866,009.94	-216,179,676.47	-8,686,333.47	4.0-	6
		Total Contrib in Aid of Constr.	-228,823,354.06	-216,726,928.75	-12,096,425.31	5.6-	5
****	2292100	2292100 Accum Amort of CIAC	65,266,676.47	61,075,494.65	4,191,181.82	6.9	6
			65,266,676.47	61,075,494.65	4,191,181.82	6.9	5
		Total CIAC -NET	-163,556,677.59	-155,651,434.10	-7,905,243.49	5.1-	4
		TOTAL LIABILITIES & CAPITAL	-7,111,466,937.59	-6,126,533,518.71	-984,933,418.88	16.1-	3
			0	0	0		2
			5,401,413,389.41	**5,328,151,762.83**	**73,261,626.58**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.06 -2023.06	Reporting periods
2022.06 -2022.06	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	179,545,441.80	159,445,830.18	20,099,611.62	12.6	8
5500	1311000	1311000 Power Plan Clearing	-17,672.67	83,740.96	-101,413.63	121.1-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	3,507,277.23	55,126,817.42	-51,619,540.19	93.6-	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,058,033,342.35	5,614,449,046.39	443,584,295.96	7.9	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	5,382,237.18	3,619,521.48	1,762,715.70	48.7	8
		Total Utility Prop Plant & Equip	6,279,565,921.62	5,866,001,541.56	413,564,380.06	7.1	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	18,892,565.13	17,867,708.61	1,024,856.52	5.7	8
		Total Net Utility Plant Adjustment	1,064,802.88	39,946.36	1,024,856.52	2,565.6	7
		Total Gross Utility Plant	6,280,630,724.50	5,866,041,487.92	414,589,236.58	7.1	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,412,880,845.66	-1,316,533,646.87	-96,347,198.79	7.3-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,215,864.16	-5,667,708.01	-548,156.15	9.7-	
5550	1331900	1331900 Accum Depreciation - Plant History (108)	0	-238,792.22	238,792.22	100.0	7
		Less Allowance for Depreciation	-1,419,096,709.82	-1,322,440,147.10	-96,656,562.72	7.3-	6
		Total Net Utility Plant	4,861,534,014.68	4,543,601,340.82	317,932,673.86	7.0	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	158,754,471.32	178,756,667.67	-20,002,196.35	11.2-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,768,487.68	3,051,050.91	-1,282,563.23	42.0-	6
		Total Construction Work in Progress	160,522,959.00	181,807,718.58	-21,284,759.58	11.7-	5
		TOTAL PLANT	5,022,056,973.68	4,725,409,059.40	296,647,914.28	6.3	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191309	1191309 Other PPD-Real Estate Tax	0	2,199,999.00	-2,199,999.00	100.0-	7
5550	1191310	1191310 Other PPD-PUC Assessment	-290	0	-290		
5550	1191311	1191311 Other PPD-SBA Assessment	-16	-3,299.00	3,283.00	99.5	
5550	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	-51	3,299.00	-3,350.00	101.5-	
5500	1191313	1191313 Other PPD-AWWA Dues	41,111.40	41,517.48	-406.08	1.0-	
5500	1191315	1191315 Other PPD - PURTA Tax	2,510,166.68	0	2,510,166.68		
****	1191900	1191900 Prepaid Miscellaneous	714,869.28	624,911.68	89,957.60	14.4	7
		Total Prepayments	3,265,790.36	2,866,428.16	399,362.20	13.9	6
		Total Prepayments & Other Current Assets	3,265,790.36	2,866,428.16	399,362.20	13.9	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	35,959.00	233,570.95	-197,611.95	84.6-	6
5500	1111509	1111509 Cash - WF Misc Receipt - X7106- Main	0	3,339,558.11	-3,339,558.11	100.0-	
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	83,466.90	66,589.14	16,877.76	25.3	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	65.35	-499,403.37	499,468.72	100.0	
5500	1112509	1112509 Cash - WF Misc Receipt - X7106- Clearing	0	-3,340,899.51	3,340,899.51	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	4,149.12	479,260.57	-475,111.45	99.1-	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	20,391.74	-20,391.74	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	140,743.82	316,171.08	-175,427.26	55.5-	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	-60,246.90	-2,976,805.28	2,916,558.38	98.0	6
****	1136200	1136200 Customer A/R - Utility	62,812,027.37	55,865,900.81	6,946,126.56	12.4	
****	1137057	1137057 Accounts Receivable - Other	1,231,742.04	1,157,540.13	74,201.91	6.4	
5500	1199910	1199910 Rents Receivable	600	1,300.00	-700	53.8-	6
		Total Accts Receivable Trade	63,984,122.51	54,047,935.66	9,936,186.85	18.4	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,325,567.40	-10,781,458.43	455,891.03	4.2	6
		Total Allowance for Bad Debts	-10,325,567.40	-10,781,458.43	455,891.03	4.2	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	24,353,754.94	13,551,044.77	10,802,710.17	79.7	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	6,973,852.89	1,794,750.21	5,179,102.68	288.6	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	11,556.51	513,223.25	-501,666.74	97.7-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	357,058.61	126,944.60	230,114.01	181.3	
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	84,516.89	39,759.92	44,756.97	112.6	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	282,148.55	243,664.92	38,483.63	15.8	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,236,760,565.49	398,817,645.76	837,942,919.73	210.1	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	82,242.38	26,132.56	56,109.82	214.7	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	127,501.08	13,394.52	114,106.56	851.9	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	0	315.31		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
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2023.06 -2023.06	Reporting periods
2022.06 -2022.06	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	63,808.54	21,813.02	41,995.52	192.5	6
		Total Accts Receivable - Affiliates	1,269,280,950.71	415,189,836.75	854,091,113.96	205.7	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	12,997,545.37	14,283,815.49	-1,286,270.12	9.0-	6
5500	1142020	1142020 Materials Inventory - Meters	3,462,943.38	2,895,343.86	567,599.52	19.6	
5500	1142910	1142910 Materials Inventory - Conversion	-1,351,779.31	-338,265.27	-1,013,514.04	299.6-	6
		Total Materials & Supplies	15,108,709.44	16,840,894.08	-1,732,184.64	10.3-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	35,340,664.22	32,193,969.85	3,146,694.37	9.8	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,132,499.26	7,880,077.92	-6,747,578.66	85.6-	6
		Total Unbilled Revenue	36,473,163.48	40,074,047.77	-3,600,884.29	9.0-	5
		TOTAL CURRENT ASSETS	1,377,927,912.92	518,553,855.07	859,374,057.85	165.7	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	645,552.09	1,098,081.07	-452,528.98	41.2-	7
		Total Rate Case Expense	645,552.09	1,098,081.07	-452,528.98	41.2-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	800,492,305.21	847,256,217.20	-46,763,911.99	5.5-	7
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	3,662,838.68	-3,662,838.68	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,002,405.62	-14,002,405.62	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,176,958.42	1,176,958.42	100.0	
5500	1242162	1242162 Reg Asset-Regulatory Asset	690	0	690		
5550	1242164	1242164 Reg Asset-Other	0	788,466.77	-788,466.77	100.0-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	4,266,769.01	1,595,503.61	37.4	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	45,318.75	-45,318.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	8,773,175.80	9,068,493.61	-295,317.81	3.3-	7
		Total Regulatory Assets	815,135,958.63	877,921,066.22	-62,785,107.59	7.2-	6
		Total Reg Assets LT	815,781,510.72	879,019,147.29	-63,237,636.57	7.2-	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	176,830.64	60,254.67	116,575.97	193.5	6
		Total Unamortized Debt Exp	176,830.64	60,254.67	116,575.97	193.5	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,694,475.09	2,947,402.65	-252,927.56	8.6-	6
		Total Prelim Survey & Invest	4,785,924.10	5,038,851.66	-252,927.56	5.0-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,891,961.46	8,875,771.46	16,190.00	0.2	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
****	1293130	1293130 Lease - Easement	3,000.00	27,500.00	-24,500.00	89.1-	
5500	1293200	1293200 Accumulated Lease Amortization	-1,416,558.88	-1,151,752.88	-264,806.00	23.0-	6
		Total Operating Lease Assets	7,966,189.56	8,202,693.56	-236,504.00	2.9-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	0	260.18		
****	1999998	1999998 Banner Interm Clearing	-1,052.63	-971.12	-81.51	8.4-	6
		Total Other (NC Assets)	-155,987.53	-156,166.20	178.67	0.1	5
		TOTAL NONCURRENT ASSETS	862,858,218.29	926,468,531.78	-63,610,313.49	6.9-	4
		TOTAL ASSETS	7,262,843,104.89	6,170,431,446.25	1,092,411,658.64	17.7	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,143,814.79	-6,591,305.76	-552,509.03	8.4-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,585,352.19	-1,398,850.29	-186,501.90	13.3-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,990,917.45	-8,977,759.01	-13,158.44	0.1-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-224,228,571.33	-310,087,716.87	85,859,145.54	27.7	7
		Total Capital in Excess of Par	-244,042,259.03	-329,149,235.20	85,106,976.17	25.9	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernqs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.06 -2023.06	Reporting periods
2022.06 -2022.06	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Current Year Profit	-114,805,952.22	-98,907,900.04	-15,898,052.18	16.1-	7
		Total Income - Current Year	-114,805,952.22	-98,907,900.04	-15,898,052.18	16.1-	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,537,459,319.61	-2,377,505,788.23	-159,953,531.38	6.7-	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-1,964,800,000.00	-1,774,800,000.00	-190,000,000.00	10.7-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-16,936,217.14	-21,269,804.55	4,333,587.41	20.4	8
		Total Long Term Debt	-1,981,736,217.14	-1,796,069,804.55	-185,666,412.59	10.3-	7
		Total Mortgage Bonds	-1,981,736,217.14	-1,796,069,804.55	-185,666,412.59	10.3-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	12,933,074.15	12,902,046.02	31,028.13	0.2	7
5500	2201020	2201020 Unamortized Bond Premium	-1,538,889.00	-1,610,121.00	71,232.00	4.4	7
		Total Unamort Debt Issue Costs	11,394,185.15	11,291,925.02	102,260.13	0.9	6
		Total Long-Term Debt (Net)	-1,970,342,031.99	-1,784,777,879.53	-185,564,152.46	10.4-	5
		TOTAL CAPITAL	-4,507,801,351.60	-4,162,283,667.76	-345,517,683.84	8.3-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-27,542,619.33	-4,702,685.65	-22,839,933.68	485.7-	6
		Total Short Term Debt	-27,542,619.33	-4,702,685.65	-22,839,933.68	485.7-	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,298,303.92	-5,129,936.67	831,632.75	16.2	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,298,303.92	-15,129,936.67	831,632.75	5.5	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-10,737,206.55	-3,689,246.58	-7,047,959.97	191.0-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	480.35	91.81	388.54	423.2	
****	2111110	2111110 Accts Pay-Refunds to Customers	256,911.33	-2,192.67	259,104.00	11,816.8	
****	2111130	2111130 A/P-Contractors Retainage	-5,639,265.78	-5,114,773.55	-524,492.23	10.3-	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-10,276,089.64	-18,492,437.05	8,216,347.41	44.4	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-2,190,204.08	2,190,204.08	100.0	
5500	2111400	2111400 Procurement Card Clearing	39,011.41	-8,982.01	47,993.42	534.3	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-516,750.30	-690,190.50	173,440.20	25.1	
5500	2111535	2111535 Accts Pay-Accrued Electric	-625,635.99	-719,001.35	93,365.36	13.0	
5500	2111596	2111596 Accts Pay-Sewer	971.15	971.15	0	0.0	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-1,348.03	-4,675.32	3,327.29	71.2	
****	2111910	2111910 Accts Payable Liability - Other	-851,072.88	-2,438,764.79	1,587,691.91	65.1	6
		Total Accounts Payable - Trade	-28,349,994.93	-33,349,404.94	4,999,410.01	15.0	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-81,911.44	0	-81,911.44		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-25,668,157.34	-13,793,823.93	-11,874,333.41	86.1-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-92,950,394.19	-26,922,515.68	-66,027,878.51	245.3-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	0	-363,535.02	363,535.02	100.0	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-173,682.70	-78,003.82	-95,678.88	122.7-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-57,733.52	-8,771.56	-48,961.96	558.2-	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-247,856.89	-242,278.29	-5,578.60	2.3-	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-1,013,027,657.54	-256,649,844.01	-756,377,813.53	294.7-	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-548.8	-70,000,000.00	69,999,451.20	100.0	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-13,260.45	-10,703.10	-2,557.35	23.9-	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-10,931.23	-7,862.03	-3,069.20	39.0-	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-673.31	0	-673.31		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-85,174.61	-8,365.29	-76,809.32	918.2-	6
		Total Accts Payable - Affiliate	-1,209,104,176.00	-444,871,896.71	-764,232,279.29	171.8-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,536,165.55	0	-1,536,165.55		6
		Total Construction A/P Trade	-1,536,165.55	0	-1,536,165.55		5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-6,883,947.91	6,222,325.09	-13,106,273.00	210.6-	6
		Total Accr Inc Taxes - Federal	-6,883,947.91	6,222,325.09	-13,106,273.00	210.6-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	3,662,743.62	-3,073,603.38	6,736,347.00	219.2	6
		Total Accr Inc Taxes - State	3,662,743.62	-3,073,603.38	6,736,347.00	219.2	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	199.23	0	199.23		6
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	-274,987.60	-226,714.81	-48,272.79	21.3-	6
		Total Accr Taxes - Other	-282,723.69	-234,650.13	-48,073.56	20.5-	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-22,778,540.34	-19,513,306.40	-3,265,233.94	16.7-	6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.06 -2023.06	Reporting periods
2022.06 -2022.06	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-144,694.36	-5,667.66	-139,026.70	2,453.0-	6
		Total Accrued Interest	-22,923,234.70	-19,518,974.06	-3,404,260.64	17.4-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	2,240.40	0	2,240.40		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-1,590,083.60	-1,319,922.95	-270,160.65	20.5-	
5500	2141100	2141100 Accrued Vacation	0	-45,318.75	45,318.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-677,898.00	-629,322.00	-48,576.00	7.7-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-463,942.00	-465,798.00	1,856.00	0.4	
5500	2190010	2190010 Lease Obligation - Current	-239,768.00	-262,789.00	23,021.00	8.8	
5500	2191600	2191600 Appropriated Funds - Other	-11,545.45	-36,646.41	25,100.96	68.5	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-453,808.26	-657,046.35	203,238.09	30.9	
****	2199615	2199615 Accrued Liab-Audit Fees	-338,965.31	-450,898.73	111,933.42	24.8	
5500	2199620	2199620 Accrued Liab-Paving Mains	0	-12,244.06	12,244.06	100.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	1,979.94	-3,261.00	164.7-	
****	2199900	2199900 Misc C&A Liabilities	-3,323,687.33	-3,666,618.93	342,931.60	9.4	6
		Total Other Accrued Expense	-7,098,738.61	-7,544,884.53	446,145.92	5.9	5
		TOTAL CURRENT LIABILITIES	-1,314,357,161.02	-522,203,710.98	-792,153,450.04	151.7-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-508,394.13	-486,337.48	-22,056.65	4.5-	
****	2199075	2199075 CAC-Non Unitized	-58,617,002.44	-59,782,490.52	1,165,488.08	1.9	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-5,382,237.18	-3,619,521.48	-1,762,715.70	48.7-	6
		Total Cust Advances for Constr.	-64,507,633.75	-63,888,349.48	-619,284.27	1.0-	5
		Long Term Deferred - FIT					5
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-553,944,023.31	-631,333,889.31	77,389,866.00	12.3	6
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-184,131,596.87	-2,987,564.75	-181,144,032.12	6,063.3-	6
		Total Long Term Deferred - FIT	-738,075,620.18	-634,321,454.06	-103,754,166.12	16.4-	5
		Long Term Deferred - SIT					5
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-278,645,117.00	-402,869,463.00	124,224,346.00	30.8	6
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	119,576,753.91	47,511,856.41	72,064,897.50	151.7	6
		Total Long Term Deferred - SIT	-159,068,363.09	-355,357,606.59	196,289,243.50	55.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,234,312.95	-3,487,724.95	253,412.00	7.3	6
		Total Unamortized ITC	-3,234,312.95	-3,487,724.95	253,412.00	7.3	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-276,584,265.38	-234,284,359.00	-42,299,906.38	18.1-	6
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,696,375.22	0	-1,696,375.22		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-116,979,994.11	-107,407,533.05	-9,572,461.06	8.9-	6
		Total Regulatory Liability	-395,260,634.71	-341,691,892.05	-53,568,742.66	15.7-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,707,231.56	-7,912,404.56	205,173.00	2.6	6
		Total Non-Current Operating Leases	-7,707,231.56	-7,912,404.56	205,173.00	2.6	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	105,800,096.14	100,399,295.14	5,400,801.00	5.4	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,699,280.80	-10,484,350.70	785,069.90	7.5	
5500	2291530	2291530 NQ Pension Liability - Non Current	-456,203.85	-541,777.39	85,573.54	15.8	6
		Total Pension and OPEB Liabilities	95,644,611.49	89,373,167.05	6,271,444.44	7.0	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-962,567.00	-1,627,403.00	664,836.00	40.9	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-4,226,424.00	-11,637,025.00	7,410,601.00	63.7	6
		Total Other (NC Liab)	-5,188,991.00	-13,264,428.00	8,075,437.00	60.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,277,398,175.75	-1,330,550,692.64	53,152,516.89	4.0	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	625,080.02	4,135,859.28	-3,510,779.26	84.9-	
****	2292030	2292030 CIAC-Unitized	-224,940,728.64	-216,348,879.10	-8,591,849.54	4.0-	6
		Total Contrib in Aid of Constr.	-228,898,072.76	-216,795,443.96	-12,102,628.80	5.6-	5
****	2292100	2292100 Accum Amort of CIAC	65,611,656.24	61,402,069.09	4,209,587.15	6.9	6
			65,611,656.24	61,402,069.09	4,209,587.15	6.9	5
		Total CIAC -NET	-163,286,416.52	-155,393,374.87	-7,893,041.65	5.1-	4
		TOTAL LIABILITIES & CAPITAL	-7,262,843,104.89	-6,170,431,446.25	-1,092,411,658.64	17.7-	3
			0	0	0		2
			5,471,674,471.52	**5,333,174,931.88**	**138,499,539.64**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.07 -2023.07	Reporting periods
2022.07 -2022.07	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	168,687,745.79	151,360,349.35	17,327,396.44	11.4	8
5500	1311000	1311000 Power Plan Clearing	-17,672.67	88,438.56	-106,111.23	120.0-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	15,910,533.94	1,500,000.00	14,410,533.94	960.7	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,090,754,857.75	5,691,063,784.76	399,691,072.99	7.0	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	3,904,066.18	3,200,142.88	703,923.30	22.0	8
		Total Utility Prop Plant & Equip	6,312,354,826.72	5,880,489,300.68	431,865,526.04	7.3	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	18,969,536.48	17,943,369.27	1,026,167.21	5.7	8
		Total Net Utility Plant Adjustment	1,141,774.23	115,607.02	1,026,167.21	887.6	7
		Total Gross Utility Plant	6,313,496,600.95	5,880,604,907.70	432,891,693.25	7.4	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,423,898,875.25	-1,326,125,134.82	-97,773,740.43	7.4-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,261,551.70	-5,713,386.98	-548,164.72	9.6-	
5550	1331900	1331900 Accum Depreciation - Plant History (108)	0	-238,792.22	238,792.22	100.0	7
		Less Allowance for Depreciation	-1,430,160,426.95	-1,332,077,314.02	-98,083,112.93	7.4-	6
		Total Net Utility Plant	4,883,336,174.00	4,548,527,593.68	334,808,580.32	7.4	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	165,185,339.23	189,061,915.28	-23,876,576.05	12.6-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,706,308.73	730,326.84	975,981.89	133.6	6
		Total Construction Work in Progress	166,891,647.96	189,792,242.12	-22,900,594.16	12.1-	5
		TOTAL PLANT	5,050,227,821.96	4,738,319,835.80	311,907,986.16	6.6	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191309	1191309 Other PPD-Real Estate Tax	-179,565.33	-191,916.01	12,350.68	6.4	7
****	1191310	1191310 Other PPD-PUC Assessment	-202,900.00	-198,571.00	-4,329.00	2.2-	
****	1191311	1191311 Other PPD-SBA Assessment	-12,131.00	-13,601.00	1,470.00	10.8	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	-62,746.00	-69,634.00	6,888.00	9.9	
5500	1191313	1191313 Other PPD-AWWA Dues	35,749.40	36,328.48	-579.08	1.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	2,523,521.57	0	2,523,521.57		
****	1191900	1191900 Prepaid Miscellaneous	1,373,526.41	1,093,659.30	279,867.11	25.6	7
		Total Prepayments	3,475,455.05	656,265.77	2,819,189.28	429.6	6
		Total Prepayments & Other Current Assets	3,475,455.05	656,265.77	2,819,189.28	429.6	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	534,325.00	1,507,243.69	-972,918.69	64.5-	6
5500	1111509	1111509 Cash - WF Misc Receipt - X7106- Main	0	3,339,368.44	-3,339,368.44	100.0-	
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	89,745.31	69,115.32	20,629.99	29.8	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-7,677.10	-59,332.24	51,655.14	87.1	
5500	1112509	1112509 Cash - WF Misc Receipt - X7106- Clearing	0	-3,340,899.51	3,340,899.51	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	10,412.74	0	10,412.74		
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	20,391.74	-20,391.74	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	643,909.40	1,552,990.89	-909,081.49	58.5-	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	0	-3,000,000.00	3,000,000.00	100.0	6
****	1136200	1136200 Customer A/R - Utility	62,569,761.68	63,540,477.72	-970,716.04	1.5-	
****	1137057	1137057 Accounts Receivable - Other	1,024,239.37	1,181,530.45	-157,291.08	13.3-	
5500	1199910	1199910 Rents Receivable	600	900	-300	33.3-	6
		Total Accts Receivable Trade	63,594,601.05	61,722,908.17	1,871,692.88	3.0	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,664,552.40	-10,884,595.82	220,043.42	2.0	6
		Total Allowance for Bad Debts	-10,664,552.40	-10,884,595.82	220,043.42	2.0	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	24,360,504.94	13,551,044.77	10,809,460.17	79.8	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	7,430,445.81	2,096,260.88	5,334,184.93	254.5	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	153,526.42	514,663.31	-361,136.89	70.2-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	591,475.47	139,013.41	452,462.06	325.5	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	10,061.50	0	10,061.50		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	475,313.74	42,645.06	432,668.68	1,014.6	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	283,634.73	243,910.38	39,724.35	16.3	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,294,004,272.33	447,196,516.30	846,807,756.03	189.4	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	86,068.58	28,625.15	57,443.43	200.7	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	206,508.98	13,394.52	193,114.46	1,441.7	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	0	315.31		
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	107,092.61	22,564.09	84,528.52	374.6	6
		Total Accts Receivable - Affiliates	1,327,892,849.94	463,890,101.09	864,002,748.85	186.3	5

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.07 -2023.07	Reporting periods
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Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	12,752,576.46	19,190,757.05	-6,438,180.59	33.5-	6
5500	1142020	1142020 Materials Inventory - Meters	3,554,299.47	2,899,346.21	654,953.26	22.6	
5500	1142910	1142910 Materials Inventory - Conversion	-455,714.15	-4,396,404.82	3,940,690.67	89.6	6
		Total Materials & Supplies	15,851,161.78	17,693,698.44	-1,842,536.66	10.4-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	34,343,328.76	33,393,777.83	949,550.93	2.8	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,113,831.32	7,855,015.90	-6,741,184.58	85.8-	6
		Total Unbilled Revenue	35,457,160.08	41,248,793.73	-5,791,633.65	14.0-	5
		TOTAL CURRENT ASSETS	1,436,250,584.90	575,880,162.27	860,370,422.63	149.4	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	662,041.75	1,046,322.92	-384,281.17	36.7-	7
		Total Rate Case Expense	662,041.75	1,046,322.92	-384,281.17	36.7-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	800,492,305.21	847,256,217.20	-46,763,911.99	5.5-	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	37,818.06	-37,818.06	100.0-	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	3,669,586.27	-3,669,586.27	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,291,972.96	-14,291,972.96	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,202,043.44	1,202,043.44	100.0	
5500	1242162	1242162 Reg Asset-Regulatory Asset	690	0	690		
5550	1242164	1242164 Reg Asset-Other	0	788,466.77	-788,466.77	100.0-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	4,266,954.51	1,595,318.11	37.4	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	45,318.75	-45,318.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	8,895,586.41	9,330,385.46	-434,799.05	4.7-	7
		Total Regulatory Assets	815,258,369.24	878,492,191.54	-63,233,822.30	7.2-	6
		Total Reg Assets LT	815,920,410.99	879,538,514.46	-63,618,103.47	7.2-	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	177,570.29	48,204.40	129,365.89	268.4	6
		Total Unamortized Debt Exp	177,570.29	48,204.40	129,365.89	268.4	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,558,641.37	2,940,954.48	-382,313.11	13.0-	6
		Total Prelim Survey & Invest	4,650,090.38	5,032,403.49	-382,313.11	7.6-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,891,961.46	8,875,771.46	16,190.00	0.2	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
****	1293130	1293130 Lease - Easement	4,880.15	2,460.44	2,419.71	98.3	
5500	1293200	1293200 Accumulated Lease Amortization	-1,416,558.88	-1,151,752.88	-264,806.00	23.0-	6
		Total Operating Lease Assets	7,968,069.71	8,177,654.00	-209,584.29	2.6-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	-1,052.63	-971.11	-81.52	8.4-	6
		Total Other (NC Assets)	-155,987.53	-155,906.01	-81.52	0.1-	5
		TOTAL NONCURRENT ASSETS	862,863,904.64	926,944,621.14	-64,080,716.50	6.9-	4
		TOTAL ASSETS	7,349,342,311.50	6,241,144,619.21	1,108,197,692.29	17.8	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,180,389.50	-6,628,027.09	-552,362.41	8.3-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,601,148.84	-1,414,502.16	-186,646.68	13.2-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,992,525.51	-8,978,739.39	-13,786.12	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-224,228,571.33	-310,087,716.87	85,859,145.54	27.7	
5500	3121121	3121121 Members Equity - Subsidiaries	-507,851,455.96	0	-507,851,455.96		7
		Total Capital in Excess of Par	-751,947,694.41	-329,202,588.78	-422,745,105.63	128.4-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Erngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Loss	371,529,196.52	0	371,529,196.52		7
		Current Year Profit	0	-125,147,924.49	125,147,924.49	100.0	7
		Total Income - Current Year	371,529,196.52	-125,147,924.49	496,677,121.01	396.9	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.07 -2023.07	Reporting periods
2022.07 -2022.07	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,559,029,606.25	-2,403,799,166.26	-155,230,439.99	6.5-	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-1,964,800,000.00	-1,774,800,000.00	-190,000,000.00	10.7-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-16,564,404.14	-20,816,421.88	4,252,017.74	20.4	8
		Total Long Term Debt	-1,981,364,404.14	-1,795,616,421.88	-185,747,982.26	10.3-	7
		Total Mortgage Bonds	-1,981,364,404.14	-1,795,616,421.88	-185,747,982.26	10.3-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	12,882,140.04	12,853,043.95	29,096.09	0.2	7
5500	2201020	2201020 Unamortized Bond Premium	-1,532,953.00	-1,604,185.00	71,232.00	4.4	7
		Total Unamort Debt Issue Costs	11,349,187.04	11,248,858.95	100,328.09	0.9	6
		Total Long-Term Debt (Net)	-1,970,015,217.10	-1,784,367,562.93	-185,647,654.17	10.4-	5
		TOTAL CAPITAL	-4,529,044,823.35	-4,188,166,729.19	-340,878,094.16	8.1-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-54,472,242.19	-20,000,000.00	-34,472,242.19	172.4-	6
		Total Short Term Debt	-54,472,242.19	-20,000,000.00	-34,472,242.19	172.4-	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,298,303.92	-5,129,936.67	831,632.75	16.2	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,298,303.92	-15,129,936.67	831,632.75	5.5	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-11,380,118.48	-6,109,043.32	-5,271,075.16	86.3-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	527.68	74.44	453.24	608.9	
****	2111110	2111110 Accts Pay-Refunds to Customers	16,869.17	1,075.19	15,793.98	1,468.9	
****	2111130	2111130 A/P-Contractors Retainage	-5,028,532.55	-5,119,862.23	91,329.68	1.8	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-11,579,876.47	-14,096,865.23	2,516,988.76	17.9	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-815,933.60	815,933.60	100.0	
5500	2111400	2111400 Procurement Card Clearing	-335,315.55	-422,900.04	87,584.49	20.7	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-361,361.19	-347,314.02	-14,047.17	4.0-	
5500	2111535	2111535 Accts Pay-Accrued Electric	-328,221.10	-810,345.36	482,124.26	59.5	
5500	2111596	2111596 Accts Pay-Sewer	971.15	971.15	0	0.0	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-113.83	-4,982.65	4,868.82	97.7	
****	2111910	2111910 Accts Payable Liability - Other	-702,409.83	-1,016,738.21	314,328.38	30.9	6
		Total Accounts Payable - Trade	-29,697,581.00	-28,741,863.88	-955,717.12	3.3-	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-95,935.18	0	-95,935.18		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-25,690,321.30	-13,804,322.56	-11,885,998.74	86.1-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-96,856,243.51	-32,973,453.72	-63,882,789.79	193.7-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	0	-363,566.12	363,566.12	100.0	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-179,495.43	-93,036.06	-86,459.37	92.9-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-57,733.52	-10,156.77	-47,576.75	468.4-	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-247,998.88	-242,741.93	-5,256.95	2.2-	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-1,052,682,420.07	-292,486,627.94	-760,195,792.13	259.9-	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-548.8	-70,000,000.00	69,999,451.20	100.0	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-13,260.45	-11,702.80	-1,557.65	13.3-	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-11,260.14	-8,315.23	-2,944.91	35.4-	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-673.31	0	-673.31		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-85,238.85	-8,455.69	-76,783.16	908.1-	6
		Total Accts Payable - Affiliate	-1,252,707,323.42	-486,788,572.80	-765,918,750.62	157.3-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,500,746.60	0	-1,500,746.60		6
		Total Construction A/P Trade	-1,500,746.60	0	-1,500,746.60		5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-10,210,392.36	2,588,779.39	-12,799,171.75	494.4-	6
		Total Accr Inc Taxes - Federal	-10,210,392.36	2,588,779.39	-12,799,171.75	494.4-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	3,662,743.62	206,396.62	3,456,347.00	1,674.6	6
		Total Accr Inc Taxes - State	3,662,743.62	206,396.62	3,456,347.00	1,674.6	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	262.62	0	262.62		6
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	0	1,833,332.00	-1,833,332.00	100.0-	6
		Total Accr Taxes - Other	-7,672.70	1,825,396.68	-1,833,069.38	100.4-	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-14,434,468.82	-13,779,769.06	-654,699.76	4.8-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-266,831.69	-30,496.29	-236,335.40	775.0-	6
		Total Accrued Interest	-14,701,300.51	-13,810,265.35	-891,035.16	6.5-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	2,613.80	0	2,613.80		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-276,846.86	-55,315.01	-221,531.85	400.5-	
5500	2141100	2141100 Accrued Vacation	0	-45,318.75	45,318.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-790,881.00	-733,209.00	-57,672.00	7.9-	

Financial Statement Version for AQUA

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10	Currency type Company code currency
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2022.07 -2022.07	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-537,452.00	-543,431.00	5,979.00	1.1	
5500	2190010	2190010 Lease Obligation - Current	-239,768.00	-262,789.00	23,021.00	8.8	
5500	2191600	2191600 Appropriated Funds - Other	-10,972.30	-36,646.41	25,674.11	70.1	
****	2192072	2192072 Accrued Insur Liab-Other	-628,917.00	-584,089.00	-44,828.00	7.7-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-381,995.21	-542,798.36	160,803.15	29.6	
****	2199615	2199615 Accrued Liab-Audit Fees	-393,347.18	-457,538.73	64,191.55	14.0	
5500	2199620	2199620 Accrued Liab-Paving Mains	0	-12,244.06	12,244.06	100.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	5,967.94	-7,249.00	121.5-	
****	2199900	2199900 Misc C&A Liabilities	-3,149,372.25	-3,747,202.96	597,830.71	16.0	6
		Total Other Accrued Expense	-6,408,219.06	-7,014,873.63	606,654.57	8.6	5
		TOTAL CURRENT LIABILITIES	-1,380,341,038.14	-566,864,939.64	-813,476,098.50	143.5-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-540,365.13	-486,337.48	-54,027.65	11.1-	
****	2199075	2199075 CAC-Non Unitized	-59,919,174.11	-60,146,209.12	227,035.01	0.4	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-3,904,066.18	-3,200,142.88	-703,923.30	22.0-	6
		Total Cust Advances for Constr.	-64,363,605.42	-63,832,689.48	-530,915.94	0.8-	5
		Long Term Deferred - FIT					5
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-553,944,023.31	-631,333,889.31	77,389,866.00	12.3	6
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-184,131,596.87	-2,987,564.75	-181,144,032.12	6,063.3-	6
		Total Long Term Deferred - FIT	-738,075,620.18	-634,321,454.06	-103,754,166.12	16.4-	5
		Long Term Deferred - SIT					5
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-278,645,117.00	-402,869,463.00	124,224,346.00	30.8	6
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	119,576,753.91	47,511,856.41	72,064,897.50	151.7	6
		Total Long Term Deferred - SIT	-159,068,363.09	-355,357,606.59	196,289,243.50	55.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,234,312.95	-3,487,724.95	253,412.00	7.3	6
		Total Unamortized ITC	-3,234,312.95	-3,487,724.95	253,412.00	7.3	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-276,584,265.38	-234,284,359.00	-42,299,906.38	18.1-	6
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,658,557.16	0	-1,658,557.16		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-116,979,994.11	-107,407,533.05	-9,572,461.06	8.9-	6
		Total Regulatory Liability	-395,222,816.65	-341,691,892.05	-53,530,924.60	15.7-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,707,231.56	-7,912,404.56	205,173.00	2.6	6
		Total Non-Current Operating Leases	-7,707,231.56	-7,912,404.56	205,173.00	2.6	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	105,800,096.14	99,899,295.14	5,900,801.00	5.9	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,740,355.80	-10,525,425.70	785,069.90	7.5	
5500	2291530	2291530 NQ Pension Liability - Non Current	-147,262.73	-560,703.67	413,440.94	73.7	6
		Total Pension and OPEB Liabilities	95,912,477.61	88,813,165.77	7,099,311.84	8.0	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-962,567.00	-1,627,403.00	664,836.00	40.9	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-4,226,424.00	-11,637,025.00	7,410,601.00	63.7	6
		Total Other (NC Liab)	-5,188,991.00	-13,264,428.00	8,075,437.00	60.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,276,948,463.24	-1,331,055,033.92	54,106,570.68	4.1	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	583,330.02	4,177,984.91	-3,594,654.89	86.0-	
****	2292030	2292030 CIAC-Unitized	-224,969,768.64	-216,395,725.96	-8,574,042.68	4.0-	6
		Total Contrib in Aid of Constr.	-228,968,862.76	-216,800,165.19	-12,168,697.57	5.6-	5
****	2292100	2292100 Accum Amort of CIAC	65,960,875.99	61,742,248.73	4,218,627.26	6.8	6
			65,960,875.99	61,742,248.73	4,218,627.26	6.8	5
		Total CIAC -NET	-163,007,986.77	-155,057,916.46	-7,950,070.31	5.1-	4
		TOTAL LIABILITIES & CAPITAL	-7,349,342,311.50	-6,241,144,619.21	-1,108,197,692.29	17.8-	3
			0	0	0		2
			5,505,819,413.50	**5,325,544,130.54**	**180,275,282.96**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.08 -2023.08	Reporting periods
2022.08 -2022.08	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	164,881,212.27	141,444,896.57	23,436,315.70	16.6	8
5500	1311000	1311000 Power Plan Clearing	0	-32,058.56	32,058.56	100.0	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	15,986,044.81	56,079,240.48	-40,093,195.67	71.5-	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,118,678,287.93	5,713,959,423.94	404,718,863.99	7.1	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	2,978,077.18	2,444,722.00	533,355.18	21.8	8
		Total Utility Prop Plant & Equip	6,335,638,917.92	5,947,172,809.56	388,466,108.36	6.5	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	19,046,507.78	18,031,633.31	1,014,874.47	5.6	8
		Total Net Utility Plant Adjustment	1,218,745.53	203,871.06	1,014,874.47	497.8	7
		Total Gross Utility Plant	6,336,857,663.45	5,947,376,680.62	389,480,982.83	6.5	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,434,917,784.32	-1,336,491,809.65	-98,425,974.67	7.4-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,307,239.25	-5,759,066.01	-548,173.24	9.5-	
5550	1331900	1331900 Accum Depreciation - Plant History (108)	0	-238,792.22	238,792.22	100.0	7
		Less Allowance for Depreciation	-1,441,225,023.57	-1,342,489,667.88	-98,735,355.69	7.4-	6
		Total Net Utility Plant	4,895,632,639.88	4,604,887,012.74	290,745,627.14	6.3	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	169,815,071.39	212,438,122.46	-42,623,051.07	20.1-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,349,230.17	335,278.85	1,013,951.32	302.4	6
		Total Construction Work in Progress	171,164,301.56	212,773,401.31	-41,609,099.75	19.6-	5
		TOTAL PLANT	5,066,796,941.44	4,817,660,414.05	249,136,527.39	5.2	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191309	1191309 Other PPD-Real Estate Tax	292,309.61	-264,491.05	556,800.66	210.5	7
****	1191310	1191310 Other PPD-PUC Assessment	-405,510.00	-401,091.00	-4,419.00	1.1-	
****	1191311	1191311 Other PPD-SBA Assessment	-24,246.00	-25,711.00	1,465.00	5.7	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	-125,441.00	-132,301.00	6,860.00	5.2	
5500	1191313	1191313 Other PPD-AWWA Dues	30,642.40	31,139.48	-497.08	1.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	2,105,160.46	0	2,105,160.46		
****	1191900	1191900 Prepaid Miscellaneous	891,594.54	724,256.67	167,337.87	23.1	7
		Total Prepayments	2,764,510.01	-68,197.90	2,832,707.91	4,153.7	6
		Total Prepayments & Other Current Assets	2,764,510.01	-68,197.90	2,832,707.91	4,153.7	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	20,444,930.09	201,670.95	20,243,259.14	10,037.8	6
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	91,185.31	69,424.32	21,760.99	31.3	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-5,942.30	149,232.10	-155,174.40	104.0-	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	10,412.74	479,260.12	-468,847.38	97.8-	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	40,783.48	-40,783.48	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	20,557,689.29	957,474.42	19,600,214.87	2,047.1	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	0	-3,000,000.00	3,000,000.00	100.0	6
****	1136200	1136200 Customer A/R - Utility	54,827,624.36	57,602,729.95	-2,775,105.59	4.8-	
****	1137057	1137057 Accounts Receivable - Other	1,292,883.69	1,211,136.33	81,747.36	6.7	
5500	1199910	1199910 Rents Receivable	900	900	0	0.0	6
		Total Accts Receivable Trade	56,121,408.05	55,814,766.28	306,641.77	0.5	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,825,539.40	-10,744,402.63	-81,136.77	0.8-	6
		Total Allowance for Bad Debts	-10,825,539.40	-10,744,402.63	-81,136.77	0.8-	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	24,361,681.03	13,551,776.77	10,809,904.26	79.8	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	7,828,786.39	2,417,741.53	5,411,044.86	223.8	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	159,051.45	622,223.15	-463,171.70	74.4-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	606,049.43	145,847.19	460,202.24	315.5	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	10,061.50	0	10,061.50		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	477,638.11	45,324.70	432,313.41	953.8	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	285,716.40	249,370.07	36,346.33	14.6	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,514,904,419.88	563,935,146.79	950,969,273.09	168.6	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	88,952.93	35,368.65	53,584.28	151.5	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	206,508.98	13,394.52	193,114.46	1,441.7	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	0	315.31		
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	109,299.11	22,806.69	86,492.42	379.2	6
		Total Accts Receivable - Affiliates	1,549,222,110.04	581,080,463.28	968,141,646.76	166.6	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	12,888,338.98	15,539,160.42	-2,650,821.44	17.1-	6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.08 -2023.08	Reporting periods
2022.08 -2022.08	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	1142020	1142020 Materials Inventory - Meters	3,792,277.78	2,894,123.33	898,154.45	31.0	
5500	1142910	1142910 Materials Inventory - Conversion	-255,311.88	-338,265.27	82,953.39	24.5	6
		Total Materials & Supplies	16,425,304.88	18,095,018.48	-1,669,713.60	9.2-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	38,262,410.52	38,357,160.97	-94,750.45	0.2-	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,095,163.38	7,829,953.88	-6,734,790.50	86.0-	6
		Total Unbilled Revenue	39,357,573.90	46,187,114.85	-6,829,540.95	14.8-	5
		TOTAL CURRENT ASSETS	1,673,623,056.77	691,322,236.78	982,300,819.99	142.1	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	638,286.16	989,948.92	-351,662.76	35.5-	7
		Total Rate Case Expense	638,286.16	989,948.92	-351,662.76	35.5-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	800,492,305.21	847,256,217.20	-46,763,911.99	5.5-	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	75,636.12	-75,636.12	100.0-	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	3,984,371.86	-3,984,371.86	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,291,972.96	-14,291,972.96	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,227,647.21	1,227,647.21	100.0	
5500	1242162	1242162 Reg Asset-Regulatory Asset	690	0	690		
****	1242164	1242164 Reg Asset-Other	58,358.82	788,466.77	-730,107.95	92.6-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	4,267,177.11	1,595,095.51	37.4	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	45,318.75	-45,318.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,104,530.07	9,342,830.41	-238,300.34	2.6-	7
		Total Regulatory Assets	815,525,671.72	878,831,858.97	-63,306,187.25	7.2-	6
		Total Reg Assets LT	816,163,957.88	879,821,807.89	-63,657,850.01	7.2-	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	168,084.94	53,954.13	114,130.81	211.5	6
		Total Unamortized Debt Exp	168,084.94	53,954.13	114,130.81	211.5	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,215,770.59	2,576,104.24	-360,333.65	14.0-	6
		Total Prelim Survey & Invest	4,307,219.60	4,667,553.25	-360,333.65	7.7-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,946,547.14	8,875,771.46	70,775.68	0.8	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
****	1293130	1293130 Lease - Easement	4,880.15	23,473.60	-18,593.45	79.2-	
5500	1293200	1293200 Accumulated Lease Amortization	-1,416,558.88	-1,151,752.88	-264,806.00	23.0-	6
		Total Operating Lease Assets	8,022,655.39	8,198,667.16	-176,011.77	2.1-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	11,625.68	20,535.15	-8,909.47	43.4-	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	-1,152.63	-971.11	-181.52	18.7-	6
		Total Other (NC Assets)	-164,997.00	-155,906.01	-9,090.99	5.8-	5
		TOTAL NONCURRENT ASSETS	862,800,671.61	926,889,827.22	-64,089,155.61	6.9-	4
		TOTAL ASSETS	7,603,220,669.82	6,435,872,478.05	1,167,348,191.77	18.1	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,173,079.68	-6,668,547.18	-504,532.50	7.6-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,616,879.10	-1,431,773.18	-185,105.92	12.9-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,994,133.57	-8,979,821.18	-14,312.39	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-64,228,571.33	-364,461,688.40	300,233,117.07	82.4	
5500	3121121	3121121 Members Equity - Subsidiaries	-507,851,455.96	0	-507,851,455.96		7
		Total Capital in Excess of Par	-591,957,722.91	-383,635,433.21	-208,322,289.70	54.3-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Erngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Loss	349,414,819.33	0	349,414,819.33		7
		Current Year Profit	0	-153,564,080.38	153,564,080.38	100.0	7
		Total Income - Current Year	349,414,819.33	-153,564,080.38	502,978,899.71	327.5	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,421,154,011.94	-2,486,648,166.58	65,494,154.64	2.6	5

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.08 -2023.08	Reporting periods
2022.08 -2022.08	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-2,189,800,000.00	-1,774,800,000.00	-415,000,000.00	23.4-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-16,181,424.09	-20,361,624.00	4,180,199.91	20.5	8
		Total Long Term Debt	-2,205,981,424.09	-1,795,161,624.00	-410,819,800.09	22.9-	7
		Total Mortgage Bonds	-2,205,981,424.09	-1,795,161,624.00	-410,819,800.09	22.9-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,261,597.97	12,804,041.88	457,556.09	3.6	7
5500	2201020	2201020 Unamortized Bond Premium	-1,527,017.00	-1,598,249.00	71,232.00	4.5	7
		Total Unamort Debt Issue Costs	11,734,580.97	11,205,792.88	528,788.09	4.7	6
		Total Long-Term Debt (Net)	-2,194,246,843.12	-1,783,955,831.12	-410,291,012.00	23.0-	5
		TOTAL CAPITAL	-4,615,400,855.06	-4,270,603,997.70	-344,796,857.36	8.1-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-11,000,000.00	-24,630,135.19	13,630,135.19	55.3	6
		Total Short Term Debt	-11,000,000.00	-24,630,135.19	13,630,135.19	55.3	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,298,303.92	-5,129,936.67	831,632.75	16.2	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,298,303.92	-15,129,936.67	831,632.75	5.5	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-11,057,041.93	-2,337,178.15	-8,719,863.78	373.1-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	39,228.73	0	39,228.73		
****	2111110	2111110 Accts Pay-Refunds to Customers	87,754.97	1,488.26	86,266.71	5,796.5	
****	2111130	2111130 A/P-Contractors Retainage	-5,409,560.79	-5,404,278.23	-5,282.56	0.1-	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-11,346,178.70	-22,046,398.81	10,700,220.11	48.5	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-375,520.68	375,520.68	100.0	
5500	2111400	2111400 Procurement Card Clearing	20,174.26	1,093.88	19,080.38	1,744.3	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-343,450.66	-646,200.19	302,749.53	46.9	
5500	2111535	2111535 Accts Pay-Accrued Electric	-541,555.63	-876,166.66	334,611.03	38.2	
5500	2111596	2111596 Accts Pay-Sewer	971.15	971.15	0	0.0	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-173.83	-4,922.65	4,748.82	96.5	
****	2111910	2111910 Accts Payable Liability - Other	-938,103.58	-586,266.72	-351,836.86	60.0-	6
		Total Accounts Payable - Trade	-29,487,936.01	-32,273,378.80	2,785,442.79	8.6	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-109,958.92	0	-109,958.92		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-25,771,932.26	-13,879,769.86	-11,892,162.40	85.7-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-101,527,413.42	-37,596,851.51	-63,930,561.91	170.0-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	0	-363,636.28	363,636.28	100.0	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-182,547.77	-104,276.26	-78,271.51	75.1-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-57,733.52	-39,878.37	-17,855.15	44.8-	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-247,998.88	-242,844.35	-5,154.53	2.1-	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-1,250,518,090.47	-385,052,651.79	-865,465,438.68	224.8-	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-548.8	-70,000,000.00	69,999,451.20	100.0	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-13,335.73	-11,702.80	-1,632.93	14.0-	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-11,260.14	-8,315.23	-2,944.91	35.4-	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-673.31	0	-673.31		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-85,354.14	-9,094.82	-76,259.32	838.5-	6
		Total Accts Payable - Affiliate	-1,455,313,041.34	-584,095,215.25	-871,217,826.09	149.2-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,473,290.62	0	-1,473,290.62		6
		Total Construction A/P Trade	-1,473,290.62	0	-1,473,290.62		5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-13,626,351.34	-1,979,514.17	-11,646,837.17	588.4-	6
		Total Accr Inc Taxes - Federal	-13,626,351.34	-1,979,514.17	-11,646,837.17	588.4-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	3,662,743.62	206,396.62	3,456,347.00	1,674.6	6
		Total Accr Inc Taxes - State	3,662,743.62	206,396.62	3,456,347.00	1,674.6	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	262.62	0	262.62		6
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	0	1,466,665.00	-1,466,665.00	100.0-	6
		Total Accr Taxes - Other	-7,672.70	1,458,729.68	-1,466,402.38	100.5-	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-18,285,303.61	-16,841,389.17	-1,443,914.44	8.6-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-91,160.10	-46,050.32	-45,109.78	98.0-	6
		Total Accrued Interest	-18,376,463.71	-16,887,439.49	-1,489,024.22	8.8-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	2,987.20	0	2,987.20		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-946,451.52	-697,931.34	-248,520.18	35.6-	
5500	2141100	2141100 Accrued Vacation	0	-45,318.75	45,318.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-903,864.00	-838,096.00	-65,768.00	7.8-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-610,962.00	-621,064.00	10,102.00	1.6	

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.08 -2023.08	Reporting periods
2022.08 -2022.08	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	2190010	2190010 Lease Obligation - Current	-239,768.00	-262,789.00	23,021.00	8.8	
5500	2191600	2191600 Appropriated Funds - Other	-10,565.64	-36,646.41	26,080.77	71.2	
****	2192072	2192072 Accrued Insur Liab-Other	-1,257,834.00	-1,168,178.00	-89,656.00	7.7-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-543,734.92	-496,558.29	-47,176.63	9.5-	
****	2199615	2199615 Accrued Liab-Audit Fees	-371,539.18	-492,397.73	120,858.55	24.5	
5500	2199620	2199620 Accrued Liab-Paving Mains	0	-12,244.06	12,244.06	100.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	-1,281.06	0	0.0	
****	2199900	2199900 Misc C&A Liabilities	-2,749,007.10	-4,304,139.46	1,555,132.36	36.1	6
		Total Other Accrued Expense	-7,632,020.22	-8,976,903.39	1,344,883.17	15.0	5
		TOTAL CURRENT LIABILITIES	-1,547,552,336.24	-682,307,396.66	-865,244,939.58	126.8-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,767,535.52	71,817,535.52	-50,000.00	0.1-	
****	2199070	2199070 Adv Cust-Cash Other	-540,365.13	-508,837.48	-31,527.65	6.2-	
****	2199075	2199075 CAC-Non Unitized	-61,315,778.26	-60,867,448.88	-448,329.38	0.7-	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-2,978,077.18	-2,444,722.00	-533,355.18	21.8-	6
		Total Cust Advances for Constr.	-64,884,220.57	-63,821,008.36	-1,063,212.21	1.7-	5
		Long Term Deferred - FIT					5
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-553,944,023.31	-631,333,889.31	77,389,866.00	12.3	6
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-184,131,596.87	-2,987,564.75	-181,144,032.12	6,063.3-	6
		Total Long Term Deferred - FIT	-738,075,620.18	-634,321,454.06	-103,754,166.12	16.4-	5
		Long Term Deferred - SIT					5
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-278,645,117.00	-402,869,463.00	124,224,346.00	30.8	6
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	119,576,753.91	47,511,856.41	72,064,897.50	151.7	6
		Total Long Term Deferred - SIT	-159,068,363.09	-355,357,606.59	196,289,243.50	55.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,234,312.95	-3,487,724.95	253,412.00	7.3	6
		Total Unamortized ITC	-3,234,312.95	-3,487,724.95	253,412.00	7.3	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-276,584,265.38	-234,284,359.00	-42,299,906.38	18.1-	6
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,620,739.10	0	-1,620,739.10		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-116,979,994.11	-107,407,533.05	-9,572,461.06	8.9-	6
		Total Regulatory Liability	-395,184,998.59	-341,691,892.05	-53,493,106.54	15.7-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,707,231.56	-7,912,404.56	205,173.00	2.6	6
		Total Non-Current Operating Leases	-7,707,231.56	-7,912,404.56	205,173.00	2.6	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	105,800,096.14	102,827,869.14	2,972,227.00	2.9	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,781,430.80	-10,557,077.19	775,646.39	7.3	
5500	2291530	2291530 NQ Pension Liability - Non Current	-159,511.18	-581,955.53	422,444.35	72.6	6
		Total Pension and OPEB Liabilities	95,859,154.16	91,688,836.42	4,170,317.74	4.5	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-962,567.00	-1,627,403.00	664,836.00	40.9	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-4,226,424.00	-11,637,025.00	7,410,601.00	63.7	6
		Total Other (NC Liab)	-5,188,991.00	-13,264,428.00	8,075,437.00	60.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,277,484,583.78	-1,328,167,682.15	50,683,098.37	3.8	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	580,080.02	4,175,809.75	-3,595,729.73	86.1-	
****	2292030	2292030 CIAC-Unitized	-225,090,646.36	-216,469,444.84	-8,621,201.52	4.0-	6
		Total Contrib in Aid of Constr.	-229,092,990.48	-216,876,059.23	-12,216,931.25	5.6-	5
****	2292100	2292100 Accum Amort of CIAC	66,310,095.74	62,082,657.69	4,227,438.05	6.8	6
			66,310,095.74	62,082,657.69	4,227,438.05	6.8	5
		Total CIAC -NET	-162,782,894.74	-154,793,401.54	-7,989,493.20	5.2-	4
		TOTAL LIABILITIES & CAPITAL	-7,603,220,669.82	-6,435,872,478.05	-1,167,348,191.77	18.1-	3
			0	0	0		2
			5,230,036,492.07	**5,366,251,681.65**	**-136,215,189.58**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.09 -2023.09	Reporting periods
2022.09 -2022.09	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	142,290,909.25	136,362,776.63	5,928,132.62	4.3	8
****	1311000	1311000 Power Plan Clearing	0	281,726.96	-281,726.96	100.0-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	14,976,014.30	1,500,000.00	13,476,014.30	898.4	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,150,454,355.20	5,790,525,189.96	359,929,165.24	6.2	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	5,434,094.63	5,821,779.18	-387,684.55	6.7-	8
		Total Utility Prop Plant & Equip	6,346,270,669.11	5,967,768,057.86	378,502,611.25	6.3	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	19,123,479.11	18,119,897.22	1,003,581.89	5.5	8
		Total Net Utility Plant Adjustment	1,295,716.86	292,134.97	1,003,581.89	343.5	7
		Total Gross Utility Plant	6,347,566,385.97	5,968,060,192.83	379,506,193.14	6.4	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,442,645,655.36	-1,345,153,861.83	-97,491,793.53	7.2-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,352,926.76	-5,804,744.98	-548,181.78	9.4-	
5550	1331900	1331900 Accum Depreciation - Plant History (108)	0	-125,600.00	125,600.00	100.0	7
		Less Allowance for Depreciation	-1,448,998,582.12	-1,351,084,206.81	-97,914,375.31	7.2-	6
		Total Net Utility Plant	4,898,567,803.85	4,616,975,986.02	281,591,817.83	6.1	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	183,654,207.22	228,527,149.70	-44,872,942.48	19.6-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,551,797.75	1,694,407.73	-142,609.98	8.4-	6
		Total Construction Work in Progress	185,206,004.97	230,221,557.43	-45,015,552.46	19.6-	5
		TOTAL PLANT	5,083,773,808.82	4,847,197,543.45	236,576,265.37	4.9	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191309	1191309 Other PPD-Real Estate Tax	208,140.53	1,099,998.00	-891,857.47	81.1-	7
****	1191310	1191310 Other PPD-PUC Assessment	195,512.00	129,023.00	66,489.00	51.5	
****	1191311	1191311 Other PPD-SBA Assessment	13,720.00	7,720.00	6,000.00	77.7	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	78,763.00	39,962.00	38,801.00	97.1	
5500	1191313	1191313 Other PPD-AWWA Dues	25,535.40	25,950.48	-415.08	1.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	1,686,799.35	0	1,686,799.35		
****	1191900	1191900 Prepaid Miscellaneous	468,452.09	354,854.04	113,598.05	32.0	7
		Total Prepayments	2,676,922.37	1,657,507.52	1,019,414.85	61.5	6
		Total Prepayments & Other Current Assets	2,676,922.37	1,657,507.52	1,019,414.85	61.5	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	509,657.00	94,972.95	414,684.05	436.6	6
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	94,938.48	69,424.32	25,514.16	36.8	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-80.29	-1,006,951.81	1,006,871.52	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	4,149.12	942,609.00	-938,459.88	99.6-	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	61,175.22	-61,175.22	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	625,767.76	178,333.13	447,434.63	250.9	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	-42,519.23	-3,000,000.00	2,957,480.77	98.6	6
****	1136200	1136200 Customer A/R - Utility	67,972,130.24	61,131,405.71	6,840,724.53	11.2	
****	1137057	1137057 Accounts Receivable - Other	1,196,004.47	1,305,617.59	-109,613.12	8.4-	
5500	1199910	1199910 Rents Receivable	600	900	-300	33.3-	6
		Total Accts Receivable Trade	69,126,215.48	59,437,923.30	9,688,292.18	16.3	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,623,395.40	-10,882,649.27	259,253.87	2.4	6
		Total Allowance for Bad Debts	-10,623,395.40	-10,882,649.27	259,253.87	2.4	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	24,361,681.03	13,552,887.65	10,808,793.38	79.8	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	8,153,622.30	2,674,033.61	5,479,588.69	204.9	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	165,786.90	633,997.65	-468,210.75	73.9-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	624,287.66	167,283.13	457,004.53	273.2	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	10,061.50	0	10,061.50		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	480,453.93	45,989.03	434,464.90	944.7	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	286,103.59	252,076.02	34,027.57	13.5	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,561,713,553.21	621,697,342.63	940,016,210.58	151.2	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	91,073.79	36,083.81	54,989.98	152.4	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	206,952.00	15,093.97	191,858.03	1,271.1	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	315.31	315.31	0	0.0	
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	117,474.42	23,654.50	93,819.92	396.6	6
		Total Accts Receivable - Affiliates	1,596,394,995.16	639,140,220.53	957,254,774.63	149.8	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	13,823,894.92	15,116,159.90	-1,292,264.98	8.5-	6

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Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	1142020	1142020 Materials Inventory - Meters	3,683,468.50	3,068,530.93	614,937.57	20.0	
****	1142910	1142910 Materials Inventory - Conversion	132,667.71	-161,167.30	293,835.01	182.3	6
		Total Materials & Supplies	17,640,031.13	18,023,523.53	-383,492.40	2.1-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	33,530,291.01	32,830,439.16	699,851.85	2.1	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,056,986.02	4,102,317.40	-3,045,331.38	74.2-	6
		Total Unbilled Revenue	34,587,277.03	36,932,756.56	-2,345,479.53	6.4-	5
		TOTAL CURRENT ASSETS	1,710,427,813.53	744,487,615.30	965,940,198.23	129.7	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	609,843.07	928,837.92	-318,994.85	34.3-	7
		Total Rate Case Expense	609,843.07	928,837.92	-318,994.85	34.3-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	816,564,571.32	690,046,756.20	126,517,815.12	18.3	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	0.24	-0.24	100.0-	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	4,313,764.90	-4,313,764.90	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,291,972.96	-14,291,972.96	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,253,250.98	1,253,250.98	100.0	
5500	1242162	1242162 Reg Asset-Regulatory Asset	690	0	690		
****	1242164	1242164 Reg Asset-Other	89,561.05	788,466.77	-698,905.72	88.6-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	4,417,828.31	1,444,444.31	32.7	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	22,668.75	-22,668.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,165,532.88	9,521,311.11	-355,778.23	3.7-	7
		Total Regulatory Assets	831,690,142.87	722,157,033.26	109,533,109.61	15.2	6
		Total Reg Assets LT	832,299,985.94	723,085,871.18	109,214,114.76	15.1	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	92,390.55	41,903.86	50,486.69	120.5	6
		Total Unamortized Debt Exp	92,390.55	41,903.86	50,486.69	120.5	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,081,622.90	2,342,199.44	-260,576.54	11.1-	6
		Total Prelim Survey & Invest	4,173,071.91	4,433,648.45	-260,576.54	5.9-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
****	1293110	1293110 Lease - Land	8,953,461.46	8,875,771.46	77,690.00	0.9	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
****	1293130	1293130 Lease - Easement	4,880.15	25,673.60	-20,793.45	81.0-	
5500	1293200	1293200 Accumulated Lease Amortization	-1,429,398.88	-1,169,687.88	-259,711.00	22.2-	6
		Total Operating Lease Assets	8,016,729.71	8,182,932.16	-166,202.45	2.0-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	-1,152.63	-971.11	-181.52	18.7-	6
		Total Other (NC Assets)	-156,087.53	-155,906.01	-181.52	0.1-	5
		TOTAL NONCURRENT ASSETS	878,729,841.38	769,892,200.44	108,837,640.94	14.1	4
		TOTAL ASSETS	7,672,931,463.73	6,361,577,359.19	1,311,354,104.54	20.6	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,207,552.72	-6,706,534.77	-501,017.95	7.5-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,632,021.68	-1,447,964.77	-184,056.91	12.7-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,995,689.76	-8,980,835.36	-14,854.40	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-64,228,571.33	-364,461,688.40	300,233,117.07	82.4	
5500	3121121	3121121 Members Equity - Subsidiaries	-521,397,801.96	0	-521,397,801.96		7
		Total Capital in Excess of Par	-605,555,240.72	-383,690,626.57	-221,864,614.15	57.8-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	
****	3239900	3239900 Miscellaneous Retained Earnings Adjustments	0	0	0		7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Loss	345,434,701.08	0	345,434,701.08		7
		Current Year Profit	0	-171,735,047.83	171,735,047.83	100.0	7
		Total Income - Current Year	345,434,701.08	-171,735,047.83	517,169,748.91	301.1	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6

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2023.09 -2023.09	Reporting periods
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		Total Equity	-2,438,731,648.00	-2,504,874,327.39	66,142,679.39	2.6	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-2,189,800,000.00	-1,774,800,000.00	-415,000,000.00	23.4-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-15,975,202.27	-20,148,394.17	4,173,191.90	20.7	8
		Total Long Term Debt	-2,205,775,202.27	-1,794,948,394.17	-410,826,808.10	22.9-	7
		Total Mortgage Bonds	-2,205,775,202.27	-1,794,948,394.17	-410,826,808.10	22.9-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,237,879.85	12,755,039.81	482,840.04	3.8	7
5500	2201020	2201020 Unamortized Bond Premium	-1,521,081.00	-1,592,313.00	71,232.00	4.5	7
		Total Unamort Debt Issue Costs	11,716,798.85	11,162,726.81	554,072.04	5.0	6
		Total Long-Term Debt (Net)	-2,194,058,403.42	-1,783,785,667.36	-410,272,736.06	23.0-	5
		TOTAL CAPITAL	-4,632,790,051.42	-4,288,659,994.75	-344,130,056.67	8.0-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-6,331,752.96	-32,234,776.84	25,903,023.88	80.4	6
		Total Short Term Debt	-6,331,752.96	-32,234,776.84	25,903,023.88	80.4	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,137,615.28	-4,903,221.65	765,606.37	15.6	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,137,615.28	-14,903,221.65	765,606.37	5.1	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-10,918,402.52	-2,689,422.64	-8,228,979.88	306.0-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	60,648.32	115.96	60,532.36	52,201.1	
****	2111110	2111110 Accts Pay-Refunds to Customers	17,360.27	8,832.27	8,528.00	96.6	
****	2111130	2111130 A/P-Contractors Retainage	-4,400,697.35	-5,938,332.30	1,537,634.95	25.9	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-8,252,639.62	-17,242,383.85	8,989,744.23	52.1	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-308,767.46	308,767.46	100.0	
5500	2111400	2111400 Procurement Card Clearing	14,460.37	-6,259.88	20,720.25	331.0	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-826,091.48	-662,890.62	-163,200.86	24.6-	
5500	2111535	2111535 Accts Pay-Accrued Electric	-632,913.92	-662,584.71	29,670.79	4.5	
5500	2111596	2111596 Accts Pay-Sewer	971.15	971.15	0	0.0	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-293.83	-409.35	115.52	28.2	
****	2111910	2111910 Accts Payable Liability - Other	-1,114,888.46	-2,340,638.09	1,225,749.63	52.4	6
		Total Accounts Payable - Trade	-26,052,487.07	-29,841,769.52	3,789,282.45	12.7	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-123,982.67	0	-123,982.67		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-25,842,522.97	-13,985,887.16	-11,856,635.81	84.8-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-105,280,348.65	-42,978,839.16	-62,301,509.49	145.0-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	0	-363,636.28	363,636.28	100.0	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-195,751.80	-113,353.17	-82,398.63	72.7-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-57,832.07	-43,715.26	-14,116.81	32.3-	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-247,998.88	-242,844.35	-5,154.53	2.1-	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-1,291,220,550.91	-428,621,665.09	-862,598,885.82	201.2-	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-839.2	-70,000,000.00	69,999,160.80	100.0	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-13,335.73	-11,702.80	-1,632.93	14.0-	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-11,260.14	-8,315.23	-2,944.91	35.4-	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-673.31	0	-673.31		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-85,469.40	-9,111.42	-76,357.98	838.0-	6
		Total Accts Payable - Affiliate	-1,499,866,759.71	-633,165,263.90	-866,701,495.81	136.9-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,346,235.62	0	-1,346,235.62		6
		Total Construction A/P Trade	-1,346,235.62	0	-1,346,235.62		5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-12,227,252.19	-2,824,263.91	-9,402,988.28	332.9-	6
		Total Accr Inc Taxes - Federal	-12,227,252.19	-2,824,263.91	-9,402,988.28	332.9-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	2,887,113.79	369,876.62	2,517,237.17	680.6	6
		Total Accr Inc Taxes - State	2,887,113.79	369,876.62	2,517,237.17	680.6	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	350.47	0	350.47		6
****	2115210	2115210 Sales Taxes Payable - State	333.84	0	333.84		
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	0	-303,383.16	303,383.16	100.0	6
		Total Accr Taxes - Other	-7,251.01	-311,318.48	304,067.47	97.7	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-21,429,547.92	-16,764,894.35	-4,664,653.57	27.8-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-13,336.40	-46,288.58	32,952.18	71.2	6
		Total Accrued Interest	-21,442,884.32	-16,811,182.93	-4,631,701.39	27.6-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	3,360.60	0	3,360.60		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-1,155,985.68	-1,144,107.17	-11,878.51	1.0-	
5500	2141100	2141100 Accrued Vacation	0	-22,668.75	22,668.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-1,016,847.00	-942,233.00	-74,614.00	7.9-	

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5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-684,472.00	-698,697.00	14,225.00	2.0	
5500	2190010	2190010 Lease Obligation - Current	-228,556.00	-256,156.00	27,600.00	10.8	
5500	2191600	2191600 Appropriated Funds - Other	-10,565.64	-36,646.41	26,080.77	71.2	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-566,268.74	-503,968.63	-62,300.11	12.4-	
****	2199615	2199615 Accrued Liab-Audit Fees	-440,994.18	-551,098.73	110,104.55	20.0	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	2,949.94	-4,231.00	143.4-	
****	2199900	2199900 Misc C&A Liabilities	-3,724,754.50	-5,545,282.99	1,820,528.49	32.8	6
		Total Other Accrued Expense	-7,826,364.20	-9,698,168.03	1,871,803.83	19.3	5
		TOTAL CURRENT LIABILITIES	-1,586,351,488.57	-739,420,088.64	-846,931,399.93	114.5-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-499,373.13	-473,551.48	-25,821.65	5.5-	
****	2199075	2199075 CAC-Non Unitized	-61,608,524.81	-61,209,305.08	-399,219.73	0.7-	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-5,434,094.63	-5,821,779.18	387,684.55	6.7	6
		Total Cust Advances for Constr.	-67,541,992.57	-67,504,635.74	-37,356.83	0.1-	5
		Long Term Deferred - FIT					5
****	1261010	1261010 Accumulated Deferred FIT Asset - Non-Current	9,880,243.95	0	9,880,243.95		6
****	1261020	1261020 Accumulated Deferred FIT Asset - Excess Gross UPNC	56,976,555.46	0	56,976,555.46		
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-562,104,142.42	-680,999,661.31	118,895,518.89	17.5	
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-254,261,183.23	24,728,568.25	-278,989,751.48	1,128.2-	6
		Total Long Term Deferred - FIT	-749,508,526.24	-656,271,093.06	-93,237,433.18	14.2-	5
		Long Term Deferred - SIT					5
****	1262010	1262010 Accumulated Deferred SIT Asset - Non-Current	51,891,988.21	0	51,891,988.21		6
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-281,066,130.90	-226,949,623.00	-54,116,507.90	23.8-	
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	64,071,632.30	47,154,812.41	16,916,819.89	35.9	6
		Total Long Term Deferred - SIT	-165,102,510.39	-179,794,810.59	14,692,300.20	8.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,170,959.95	-3,424,371.95	253,412.00	7.4	6
		Total Unamortized ITC	-3,170,959.95	-3,424,371.95	253,412.00	7.4	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-12,224,144.78	-230,438,054.00	218,213,909.22	94.7	6
****	2220110	2220110 Reg Liab - Excess Deferred Income Tax - NonCurrent	-167,887,118.37	0	-167,887,118.37		
****	2220120	2220120 Reg Liab - Excess DIT - Gross Up NC	-57,534,478.36	0	-57,534,478.36		
****	2220170	2220170 Reg Liab - 481a Benefit	-40,610,920.49	0	-40,610,920.49		
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,727,393.04	0	-1,727,393.04		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-121,933,771.11	-114,587,157.11	-7,346,614.00	6.4-	6
		Total Regulatory Liability	-401,917,826.15	-345,025,211.11	-56,892,615.04	16.5-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,705,603.56	-7,901,102.56	195,499.00	2.5	6
		Total Non-Current Operating Leases	-7,705,603.56	-7,901,102.56	195,499.00	2.5	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	118,253,873.14	104,892,543.14	13,361,330.00	12.7	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,659,390.98	-10,352,478.85	693,087.87	6.7	
5500	2291530	2291530 NQ Pension Liability - Non Current	-169,785.04	-604,370.18	434,585.14	71.9	6
		Total Pension and OPEB Liabilities	108,424,697.12	93,935,694.11	14,489,003.01	15.4	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-875,915.30	-1,627,403.00	751,487.70	46.2	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-3,888,506.30	-11,353,282.00	7,464,775.70	65.7	6
		Total Other (NC Liab)	-4,764,421.60	-12,980,685.00	8,216,263.40	63.3	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,291,287,143.34	-1,178,966,215.90	-112,320,927.44	9.5-	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	580,080.02	4,163,064.75	-3,582,984.73	86.1-	
****	2292030	2292030 CIAC-Unitized	-225,159,751.77	-216,534,537.84	-8,625,213.93	4.0-	6
		Total Contrib in Aid of Constr.	-229,162,095.89	-216,953,897.23	-12,208,198.66	5.6-	5
****	2292100	2292100 Accum Amort of CIAC	66,659,315.49	62,422,837.33	4,236,478.16	6.8	6
			66,659,315.49	62,422,837.33	4,236,478.16	6.8	5
		Total CIAC -NET	-162,502,780.40	-154,531,059.90	-7,971,720.50	5.2-	4
		TOTAL LIABILITIES & CAPITAL	-7,672,931,463.73	-6,361,577,359.19	-1,311,354,104.54	20.6-	3
			0	0	0		2
			5,242,545,844.44	**5,226,171,168.63**	**16,374,675.81**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.10 -2023.10	Reporting periods
2022.10 -2022.10	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	146,588,062.55	154,747,537.64	-8,159,475.09	5.3-	8
****	1311000	1311000 Power Plan Clearing	0	96,758.38	-96,758.38	100.0-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	14,982,656.90	1,500,000.00	13,482,656.90	898.8	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,181,333,354.01	5,812,886,181.26	368,447,172.75	6.3	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	3,145,482.00	5,219,432.18	-2,073,950.18	39.7-	8
		Total Utility Prop Plant & Equip	6,379,164,851.19	6,007,726,494.59	371,438,356.60	6.2	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	19,200,450.45	18,206,859.29	993,591.16	5.5	8
		Total Net Utility Plant Adjustment	1,372,688.20	379,097.04	993,591.16	262.1	7
		Total Gross Utility Plant	6,380,537,539.39	6,008,105,591.63	372,431,947.76	6.2	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,453,199,876.76	-1,355,655,132.66	-97,544,744.10	7.2-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,398,614.29	-5,850,415.37	-548,198.92	9.4-	
5550	1331900	1331900 Accum Depreciation - Plant History (108)	0	-125,600.00	125,600.00	100.0	7
		Less Allowance for Depreciation	-1,459,598,491.05	-1,361,631,148.03	-97,967,343.02	7.2-	6
		Total Net Utility Plant	4,920,939,048.34	4,646,474,443.60	274,464,604.74	5.9	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	177,817,711.06	216,934,432.05	-39,116,720.99	18.0-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,704,377.25	598,822.52	1,105,554.73	184.6	6
		Total Construction Work in Progress	179,522,088.31	217,533,254.57	-38,011,166.26	17.5-	5
		TOTAL PLANT	5,100,461,136.65	4,864,007,698.17	236,453,438.48	4.9	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191300	1191300 Prepaid - Gross Receipts	0	3,383.00	-3,383.00	100.0-	7
5500	1191304	1191304 Other PPD-Trustee	0	5,096.26	-5,096.26	100.0-	
5500	1191309	1191309 Other PPD-Real Estate Tax	127,774.33	1,579,758.69	-1,451,984.36	91.9-	
****	1191310	1191310 Other PPD-PUC Assessment	1,701,231.00	1,619,601.00	81,630.00	5.0	
****	1191311	1191311 Other PPD-SBA Assessment	119,387.00	96,844.00	22,543.00	23.3	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	685,764.00	501,197.00	184,567.00	36.8	
5500	1191313	1191313 Other PPD-AWWA Dues	20,428.40	20,761.48	-333.08	1.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	1,268,438.24	0	1,268,438.24		
****	1191900	1191900 Prepaid Miscellaneous	1,099,932.17	163,469.87	936,462.30	572.9	7
		Total Prepayments	5,022,955.14	3,990,111.30	1,032,843.84	25.9	6
		Total Prepayments & Other Current Assets	5,022,955.14	3,990,111.30	1,032,843.84	25.9	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	368,239.00	-99,266,002.01	99,634,241.01	100.4	6
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	94,938.48	74,108.90	20,829.58	28.1	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-60,332.03	106,385,162.30	-106,445,494.33	100.1-	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	4,149.12	-18,829.17	22,978.29	122.0	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	20,391.74	-20,391.74	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	424,098.02	7,211,935.21	-6,787,837.19	94.1-	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	0	-3,000,000.00	3,000,000.00	100.0	6
****	1136200	1136200 Customer A/R - Utility	57,543,905.78	60,175,073.29	-2,631,167.51	4.4-	
****	1137057	1137057 Accounts Receivable - Other	1,184,088.67	1,675,703.88	-491,615.21	29.3-	
5500	1199910	1199910 Rents Receivable	900	900	0	0.0	6
		Total Accts Receivable Trade	58,728,894.45	58,851,677.17	-122,782.72	0.2-	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,867,927.40	-11,182,072.98	314,145.58	2.8	6
		Total Allowance for Bad Debts	-10,867,927.40	-11,182,072.98	314,145.58	2.8	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	21,955.19	21,955.19	0	0.0	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	24,361,681.03	13,552,887.65	10,808,793.38	79.8	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	8,492,138.41	2,997,842.33	5,494,296.08	183.3	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	170,685.28	662,205.92	-491,520.64	74.2-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	649,055.90	195,372.09	453,683.81	232.2	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	10,061.50	0	10,061.50		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	483,560.53	50,547.10	433,013.43	856.7	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	287,523.18	253,068.17	34,455.01	13.6	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	1,624,903,799.83	776,140,999.76	848,762,800.07	109.4	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	95,978.41	39,904.20	56,074.21	140.5	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	573.12	573.12	0	0.0	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	206,952.00	15,251.62	191,700.38	1,256.9	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	1,015.34	315.31	700.03	222.0	
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	1,507.83	0	1,507.83		
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	124,423.00	24,309.38	100,113.62	411.8	6
		Total Accts Receivable - Affiliates	1,659,970,503.93	793,974,166.75	865,996,337.18	109.1	5

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.10 -2023.10	Reporting periods
2022.10 -2022.10	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	13,906,829.30	14,846,942.74	-940,113.44	6.3-	6
5500	1142020	1142020 Materials Inventory - Meters	3,465,017.97	3,118,440.03	346,577.94	11.1	
****	1142910	1142910 Materials Inventory - Conversion	285,169.28	22,664.31	262,504.97	1,158.2	6
		Total Materials & Supplies	17,657,016.55	17,988,047.08	-331,030.53	1.8-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	35,978,332.37	33,297,633.61	2,680,698.76	8.1	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,057,827.50	4,088,494.40	-3,030,666.90	74.1-	6
		Total Unbilled Revenue	37,036,159.87	37,386,128.01	-349,968.14	0.9-	5
		TOTAL CURRENT ASSETS	1,767,971,700.56	908,219,992.54	859,751,708.02	94.7	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	596,531.48	874,172.92	-277,641.44	31.8-	7
		Total Rate Case Expense	596,531.48	874,172.92	-277,641.44	31.8-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	816,564,571.32	690,046,756.20	126,517,815.12	18.3	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	-1,476,897.70	1,476,897.70	100.0	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	4,309,115.26	-4,309,115.26	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,493,889.86	-14,493,889.86	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,278,826.70	1,278,826.70	100.0	
****	1242164	1242164 Reg Asset-Other	160,255.02	788,466.77	-628,211.75	79.7-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	4,417,902.51	1,444,370.11	32.7	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	22,668.75	-22,668.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,150,771.72	9,488,630.61	-337,858.89	3.6-	7
		Total Regulatory Assets	831,745,385.68	720,819,220.56	110,926,165.12	15.4	6
		Total Reg Assets LT	832,341,917.16	721,693,393.48	110,648,523.68	15.3	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	81,077.57	15,825.53	65,252.04	412.3	6
		Total Unamortized Debt Exp	81,077.57	15,825.53	65,252.04	412.3	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,275,692.86	2,246,854.18	28,838.68	1.3	6
		Total Prelim Survey & Invest	4,367,141.87	4,338,303.19	28,838.68	0.7	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
****	1293110	1293110 Lease - Land	8,937,271.46	8,880,771.46	56,500.00	0.6	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
5500	1293130	1293130 Lease - Easement	1,880.15	0	1,880.15		
5500	1293200	1293200 Accumulated Lease Amortization	-1,429,398.88	-1,169,687.88	-259,711.00	22.2-	6
		Total Operating Lease Assets	7,997,539.71	8,162,258.56	-164,718.85	2.0-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	-1,152.63	-971.11	-181.52	18.7-	6
		Total Other (NC Assets)	-156,087.53	-155,906.01	-181.52	0.1-	5
		TOTAL NONCURRENT ASSETS	878,935,339.58	768,357,625.55	110,577,714.03	14.4	4
		TOTAL ASSETS	7,747,368,176.79	6,540,585,316.26	1,206,782,860.53	18.5	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,243,314.16	-6,743,256.10	-500,058.06	7.4-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,647,669.02	-1,463,616.64	-184,052.38	12.6-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,997,297.82	-8,981,815.74	-15,482.08	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	-64,228,571.33	-264,461,688.40	200,233,117.07	75.7	
5500	3121121	3121121 Members Equity - Subsidiaries	-521,397,801.96	0	-521,397,801.96		7
		Total Capital in Excess of Par	-605,608,257.56	-283,743,980.15	-321,864,277.41	113.4-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Erngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	
****	3239900	3239900 Miscellaneous Retained Earnings Adjustments	0	0	0		7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Loss	324,988,079.12	0	324,988,079.12		7
		Current Year Profit	0	-192,603,510.62	192,603,510.62	100.0	7
		Total Income - Current Year	324,988,079.12	-192,603,510.62	517,591,589.74	268.7	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.10 -2023.10 Reporting periods
2022.10 -2022.10 Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,459,231,286.80	-2,425,796,143.76	-33,435,143.04	1.4-	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-2,189,800,000.00	-1,899,800,000.00	-290,000,000.00	15.3-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-15,607,469.46	-19,707,436.18	4,099,966.72	20.8	8
		Total Long Term Debt	-2,205,407,469.46	-1,919,507,436.18	-285,900,033.28	14.9-	7
		Total Mortgage Bonds	-2,205,407,469.46	-1,919,507,436.18	-285,900,033.28	14.9-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,208,814.29	13,012,843.85	195,970.44	1.5	7
5500	2201020	2201020 Unamortized Bond Premium	-1,515,145.00	-1,586,377.00	71,232.00	4.5	7
		Total Unamort Debt Issue Costs	11,693,669.29	11,426,466.85	267,202.44	2.3	6
		Total Long-Term Debt (Net)	-2,193,713,800.17	-1,908,080,969.33	-285,632,830.84	15.0-	5
		TOTAL CAPITAL	-4,652,945,086.97	-4,333,877,113.09	-319,067,973.88	7.4-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-9,386,763.47	-71,390,302.95	62,003,539.48	86.9	6
		Total Short Term Debt	-9,386,763.47	-71,390,302.95	62,003,539.48	86.9	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,137,615.28	-4,903,221.65	765,606.37	15.6	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,137,615.28	-14,903,221.65	765,606.37	5.1	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-10,131,692.43	-1,845,951.62	-8,285,740.81	448.9-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	37,441.73	0	37,441.73		
****	2111110	2111110 Accts Pay-Refunds to Customers	74,487.85	9,821.33	64,666.52	658.4	
****	2111130	2111130 A/P-Contractors Retainage	-4,270,586.91	-6,061,313.96	1,790,727.05	29.5	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-9,070,936.16	-26,412,662.49	17,341,726.33	65.7	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-664,731.66	664,731.66	100.0	
5500	2111400	2111400 Procurement Card Clearing	25,414.93	-410,681.15	436,096.08	106.2	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-332,970.23	-608,980.40	276,010.17	45.3	
5500	2111535	2111535 Accts Pay-Accrued Electric	-674,795.94	-381,722.70	-293,073.24	76.8-	
5500	2111596	2111596 Accts Pay-Sewer	0	971.15	-971.15	100.0-	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-767.33	-652.69	-114.64	17.6-	
****	2111910	2111910 Accts Payable Liability - Other	-810,616.20	-1,257,089.20	446,473.00	35.5	6
		Total Accounts Payable - Trade	-25,155,020.69	-37,632,993.39	12,477,972.70	33.2	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-138,006.42	0	-138,006.42		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	-8,900,480.51	-8,900,480.51	0	0.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	-39,547,577.45	-39,547,577.45	0	0.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-25,865,942.42	-14,092,899.10	-11,773,043.32	83.5-	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-109,187,361.30	-47,280,331.00	-61,907,030.30	130.9-	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	0	-363,636.28	363,636.28	100.0	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-202,875.92	-119,651.51	-83,224.41	69.6-	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-57,891.85	-49,205.16	-8,686.69	17.7-	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-248,160.39	-243,889.69	-4,270.70	1.8-	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-1,332,621,604.21	-560,762,530.59	-771,859,073.62	137.6-	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-839.2	-70,000,000.00	69,999,160.80	100.0	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-13,405.93	-11,702.80	-1,703.13	14.6-	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-11,260.14	-8,315.23	-2,944.91	35.4-	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	-673.31	0	-673.31		
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-85,469.40	-10,100.51	-75,368.89	746.2-	6
		Total Accts Payable - Affiliate	-1,545,219,684.47	-769,728,455.85	-775,491,228.62	100.7-	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,523,815.12	-394,077.34	-1,129,737.78	286.7-	6
		Total Construction A/P Trade	-1,523,815.12	-394,077.34	-1,129,737.78	286.7-	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-15,391,048.19	-5,962,589.69	-9,428,458.50	158.1-	6
		Total Accr Inc Taxes - Federal	-15,391,048.19	-5,962,589.69	-9,428,458.50	158.1-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	2,887,113.79	425,876.62	2,461,237.17	577.9	6
		Total Accr Inc Taxes - State	2,887,113.79	425,876.62	2,461,237.17	577.9	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	390.71	0	390.71		6
****	2115210	2115210 Sales Taxes Payable - State	333.84	0	333.84		
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	0	-670,050.16	670,050.16	100.0	6
		Total Accr Taxes - Other	-7,210.77	-677,985.48	670,774.71	98.9	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-24,056,912.96	-19,778,882.05	-4,278,030.91	21.6-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-39,639.40	54,930,198.33	-54,969,837.73	100.1-	6
		Total Accrued Interest	-24,096,552.36	35,151,316.28	-59,247,868.64	168.6-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	3,734.00	0	3,734.00		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-1,627,432.89	-677,049.14	-950,383.75	140.4-	
5500	2141100	2141100 Accrued Vacation	0	-22,668.75	22,668.75	100.0	

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.10 -2023.10	Reporting periods
2022.10 -2022.10	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	2141200	2141200 Accrued Annual Incentive	-1,129,830.00	-1,044,620.00	-85,210.00	8.2-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-757,981.00	-776,330.00	18,349.00	2.4	
5500	2190010	2190010 Lease Obligation - Current	-228,556.00	-256,156.00	27,600.00	10.8	
5500	2191600	2191600 Appropriated Funds - Other	-22,215.88	-35,716.90	13,501.02	37.8	
****	2192072	2192072 Accrued Insur Liab-Other	-628,917.00	-584,089.00	-44,828.00	7.7-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-551,873.15	-490,031.14	-61,842.01	12.6-	
****	2199615	2199615 Accrued Liab-Audit Fees	-482,105.18	-363,960.73	-118,144.45	32.5-	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	-1,901.06	620	32.6	
****	2199900	2199900 Misc C&A Liabilities	-2,767,169.56	-4,361,007.59	1,593,838.03	36.5	6
		Total Other Accrued Expense	-8,193,627.72	-8,613,789.60	420,161.88	4.9	5
		TOTAL CURRENT LIABILITIES	-1,640,224,224.28	-873,726,223.05	-766,498,001.23	87.7-	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-460,958.13	-473,551.48	12,593.35	2.7	
****	2199075	2199075 CAC-Non Unitized	-64,181,061.96	-61,774,050.95	-2,407,011.01	3.9-	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-3,145,482.00	-5,219,432.18	2,073,950.18	39.7	6
		Total Cust Advances for Constr.	-67,787,502.09	-67,467,034.61	-320,467.48	0.5-	5
		Long Term Deferred - FIT					5
****	1261010	1261010 Accumulated Deferred FIT Asset - Non-Current	9,880,243.95	0	9,880,243.95		6
****	1261020	1261020 Accumulated Deferred FIT Asset - Excess Gross UPNC	56,976,555.46	0	56,976,555.46		
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-562,104,142.42	-680,999,661.31	118,895,518.89	17.5	
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-254,261,183.23	24,728,568.25	-278,989,751.48	1,128.2-	6
		Total Long Term Deferred - FIT	-749,508,526.24	-656,271,093.06	-93,237,433.18	14.2-	5
		Long Term Deferred - SIT					5
****	1262010	1262010 Accumulated Deferred SIT Asset - Non-Current	51,891,988.21	0	51,891,988.21		6
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-281,066,130.90	-226,949,623.00	-54,116,507.90	23.8-	
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	64,071,632.30	47,154,812.41	16,916,819.89	35.9	6
		Total Long Term Deferred - SIT	-165,102,510.39	-179,794,810.59	14,692,300.20	8.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,170,959.95	-3,424,371.95	253,412.00	7.4	6
		Total Unamortized ITC	-3,170,959.95	-3,424,371.95	253,412.00	7.4	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-12,224,144.78	-230,438,054.00	218,213,909.22	94.7	6
****	2220110	2220110 Reg Liab - Excess Deferred Income Tax - NonCurrent	-167,887,118.37	0	-167,887,118.37		
****	2220120	2220120 Reg Liab - Excess DIT - Gross Up NC	-57,534,478.36	0	-57,534,478.36		
****	2220170	2220170 Reg Liab - 481a Benefit	-40,610,920.49	0	-40,610,920.49		
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,689,574.98	0	-1,689,574.98		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-121,933,771.11	-113,072,441.11	-8,861,330.00	7.8-	6
		Total Regulatory Liability	-401,880,008.09	-343,510,495.11	-58,369,512.98	17.0-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,705,603.56	-7,901,102.56	195,499.00	2.5	6
		Total Non-Current Operating Leases	-7,705,603.56	-7,901,102.56	195,499.00	2.5	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	117,753,873.14	103,892,543.14	13,861,330.00	13.3	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,700,465.98	-10,393,553.85	693,087.87	6.7	
5500	2291530	2291530 NQ Pension Liability - Non Current	-180,058.90	-625,622.04	445,563.14	71.2	6
		Total Pension and OPEB Liabilities	107,873,348.26	92,873,367.25	14,999,981.01	16.2	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-875,915.30	-1,627,403.00	751,487.70	46.2	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-3,888,506.30	-11,353,282.00	7,464,775.70	65.7	6
		Total Other (NC Liab)	-4,764,421.60	-12,980,685.00	8,216,263.40	63.3	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,292,046,183.66	-1,178,476,225.63	-113,569,958.03	9.6-	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	4,177,083.08	4,160,561.14	16,521.94	0.4	
****	2292030	2292030 CIAC-Unitized	-228,759,764.83	-216,833,090.84	-11,926,673.99	5.5-	6
		Total Contrib in Aid of Constr.	-229,165,105.89	-217,254,953.84	-11,910,152.05	5.5-	5
****	2292100	2292100 Accum Amort of CIAC	67,012,424.01	62,749,199.35	4,263,224.66	6.8	6
			67,012,424.01	62,749,199.35	4,263,224.66	6.8	5
		Total CIAC -NET	-162,152,681.88	-154,505,754.49	-7,646,927.39	4.9-	4
		TOTAL LIABILITIES & CAPITAL	-7,747,368,176.79	-6,540,585,316.26	-1,206,782,860.53	18.5-	3
			0	0	0		2
			5,280,488,903.60	**5,126,878,990.74**	**153,609,912.86**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.11 -2023.11	Reporting periods
2022.11 -2022.11	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	147,622,143.73	160,900,973.94	-13,278,830.21	8.3-	8
****	1311000	1311000 Power Plan Clearing	290.32	122,315.00	-122,024.68	99.8-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,264,266.41	4,425,555.81	-161,289.40	3.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	2,500,000.00	1,518,790.79	981,209.21	64.6	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,219,450,848.70	5,840,837,143.00	378,613,705.70	6.5	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	2,126,499.00	4,769,623.18	-2,643,124.18	55.4-	8
		Total Utility Prop Plant & Equip	6,404,815,077.48	6,041,425,431.04	363,389,646.44	6.0	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	19,277,421.78	18,293,821.37	983,600.41	5.4	8
		Total Net Utility Plant Adjustment	1,449,659.53	466,059.12	983,600.41	211.0	7
		Total Gross Utility Plant	6,406,264,737.01	6,041,891,490.16	364,373,246.85	6.0	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,464,275,423.77	-1,365,244,321.43	-99,031,102.34	7.3-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,444,301.91	-5,896,085.70	-548,216.21	9.3-	
5550	1331900	1331900 Accum Depreciation - Plant History (108)	0	-125,600.00	125,600.00	100.0	7
		Less Allowance for Depreciation	-1,470,719,725.68	-1,371,266,007.13	-99,453,718.55	7.3-	6
		Total Net Utility Plant	4,935,545,011.33	4,670,625,483.03	264,919,528.30	5.7	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	181,206,324.84	213,311,224.93	-32,104,900.09	15.1-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,234,089.43	7,611,499.85	-6,377,410.42	83.8-	6
		Total Construction Work in Progress	182,440,414.27	220,922,724.78	-38,482,310.51	17.4-	5
		TOTAL PLANT	5,117,985,425.60	4,891,548,207.81	226,437,217.79	4.6	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191304	1191304 Other PPD-Trustee	0	5,096.26	-5,096.26	100.0-	7
5500	1191306	1191306 Other PPD-Utiity Deposits	0	17,564.10	-17,564.10	100.0-	
5500	1191307	1191307 Other PPD-Interest	0	256.81	-256.81	100.0-	
5500	1191309	1191309 Other PPD-Real Estate Tax	120,210.55	347,425.46	-227,214.91	65.4-	
****	1191310	1191310 Other PPD-PUC Assessment	1,488,605.00	1,417,982.00	70,623.00	5.0	
****	1191311	1191311 Other PPD-SBA Assessment	104,462.00	84,548.66	19,913.34	23.6	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	600,036.00	439,049.34	160,986.66	36.7	
5500	1191313	1191313 Other PPD-AWWA Dues	15,321.40	15,572.48	-251.08	1.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	850,077.13	0	850,077.13		
****	1191900	1191900 Prepaid Miscellaneous	609,842.51	-118,387.25	728,229.76	615.1	7
		Total Prepayments	3,788,554.59	2,209,107.86	1,579,446.73	71.5	6
		Total Prepayments & Other Current Assets	3,788,554.59	2,209,107.86	1,579,446.73	71.5	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	9,793.00	2,247,410.82	-2,237,617.82	99.6-	6
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	133,081.40	77,884.86	55,196.54	70.9	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	0	-15,547.56	15,547.56	100.0	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	4,149.12	-0.91	4,150.03	456,047.3	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	20,391.74	-20,391.74	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	164,126.97	2,347,242.40	-2,183,115.43	93.0-	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	0	-339,751.36	339,751.36	100.0	6
****	1136200	1136200 Customer A/R - Utility	57,902,061.37	67,407,218.68	-9,505,157.31	14.1-	
****	1137057	1137057 Accounts Receivable - Other	1,458,119.00	1,323,795.03	134,323.97	10.1	
5500	1199910	1199910 Rents Receivable	900	900	0	0.0	6
		Total Accts Receivable Trade	59,361,080.37	68,392,162.35	-9,031,081.98	13.2-	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,923,679.44	-11,714,090.78	790,411.34	6.7	6
		Total Allowance for Bad Debts	-10,923,679.44	-11,714,090.78	790,411.34	6.7	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	0	21,955.19	-21,955.19	100.0-	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	0	13,579,679.95	-13,579,679.95	100.0-	
5500	1135603	1135603 A/R - 9210 - Aqua Services Inc.	317,922.73	3,293,837.87	-2,975,915.14	90.3-	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	2,148.98	690,193.16	-688,044.18	99.7-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	13,631.24	216,065.57	-202,434.33	93.7-	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	1,057.90	0	1,057.90		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	4,185.10	60,815.11	-56,630.01	93.1-	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	3,521.03	257,592.47	-254,071.44	98.6-	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	64,208,630.08	822,059,072.95	-757,850,442.87	92.2-	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	4,617.17	48,331.63	-43,714.46	90.4-	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	0	573.12	-573.12	100.0-	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	0	15,837.45	-15,837.45	100.0-	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	1,780.54	315.31	1,465.23	464.7	
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	127,926.48	27,683.12	100,243.36	362.1	6
		Total Accts Receivable - Affiliates	64,845,014.63	840,290,887.81	-775,445,873.18	92.3-	5

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0L	Ledger
10	Currency type Company code currency
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2023.11 -2023.11	Reporting periods
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Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	14,059,589.37	15,026,248.09	-966,658.72	6.4-	6
5500	1142020	1142020 Materials Inventory - Meters	3,345,859.88	3,224,744.30	121,115.58	3.8	
****	1142910	1142910 Materials Inventory - Conversion	105,801.43	855,203.73	-749,402.30	87.6-	6
		Total Materials & Supplies	17,511,250.68	19,106,196.12	-1,594,945.44	8.3-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	33,640,019.87	32,289,746.75	1,350,273.12	4.2	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,039,159.56	1,019,649.11	19,510.45	1.9	6
		Total Unbilled Revenue	34,679,179.43	33,309,395.86	1,369,783.57	4.1	5
		TOTAL CURRENT ASSETS	169,425,527.23	953,940,901.62	-784,515,374.39	82.2-	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	571,968.39	821,573.56	-249,605.17	30.4-	7
		Total Rate Case Expense	571,968.39	821,573.56	-249,605.17	30.4-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	816,564,571.32	690,046,756.20	126,517,815.12	18.3	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	-1,439,079.64	1,439,079.64	100.0	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	4,596,393.06	-4,596,393.06	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,493,889.86	-14,493,889.86	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,304,763.77	1,304,763.77	100.0	
5500	1242162	1242162 Reg Asset-Regulatory Asset	0	2,021.25	-2,021.25	100.0-	
****	1242164	1242164 Reg Asset-Other	171,041.56	788,466.77	-617,425.21	78.3-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	4,418,310.61	1,443,962.01	32.7	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	7,515.00	7,515.00	0	0.0	
5500	1242204	1242204 Reg Asset - Vacation Balancing	0	22,668.75	-22,668.75	100.0-	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,056,939.35	9,442,879.45	-385,940.10	4.1-	7
		Total Regulatory Assets	831,662,339.85	721,075,057.54	110,587,282.31	15.3	6
		Total Reg Assets LT	832,234,308.24	721,896,631.10	110,337,677.14	15.3	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	70,811.95	14,067.51	56,744.44	403.4	6
		Total Unamortized Debt Exp	70,811.95	14,067.51	56,744.44	403.4	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	2,091,449.01	2,091,449.01	0	0.0	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,431,768.95	2,500,180.58	-68,411.63	2.7-	6
		Total Prelim Survey & Invest	4,523,217.96	4,591,629.59	-68,411.63	1.5-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
****	1293110	1293110 Lease - Land	8,942,231.46	8,880,771.46	61,460.00	0.7	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	128,084.86	91,472.86	36,612.00	40.0	
5500	1293130	1293130 Lease - Easement	1,880.15	150	1,730.15	1,153.4	
5500	1293200	1293200 Accumulated Lease Amortization	-1,429,398.88	-1,169,687.88	-259,711.00	22.2-	6
		Total Operating Lease Assets	8,002,499.71	8,162,408.56	-159,908.85	2.0-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	-1,152.63	-971.11	-181.52	18.7-	6
		Total Other (NC Assets)	-156,087.53	-155,906.01	-181.52	0.1-	5
		TOTAL NONCURRENT ASSETS	878,978,501.13	768,812,581.55	110,165,919.58	14.3	4
		TOTAL ASSETS	6,166,389,453.96	6,614,301,690.98	-447,912,237.02	6.8-	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,277,922.00	-6,783,776.19	-494,145.81	7.3-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,662,811.60	-1,480,887.66	-181,923.94	12.3-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-8,998,854.01	-8,982,897.53	-15,956.48	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	78,799,843.59	-264,461,688.40	343,261,531.99	129.8	
5500	3121121	3121121 Members Equity - Subsidiaries	-518,989,478.87	0	-518,989,478.87		7
		Total Capital in Excess of Par	-460,222,826.16	-283,802,853.05	-176,419,973.11	62.2-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	
****	3239900	3239900 Miscellaneous Retained Earnings Adjustments	0	0	0		7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Loss	304,403,636.18	0	304,403,636.18		7
		Current Year Profit	0	-209,313,367.08	209,313,367.08	100.0	7
		Total Income - Current Year	304,403,636.18	-209,313,367.08	513,717,003.26	245.4	6
		Treasury Stock					6

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2023.11 -2023.11	Reporting periods
2022.11 -2022.11	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,334,430,298.34	-2,442,564,873.12	108,134,574.78	4.4	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-2,189,800,000.00	-1,899,800,000.00	-290,000,000.00	15.3-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-15,238,912.61	-19,269,527.15	4,030,614.54	20.9	8
		Total Long Term Debt	-2,205,038,912.61	-1,919,069,527.15	-285,969,385.46	14.9-	7
		Total Mortgage Bonds	-2,205,038,912.61	-1,919,069,527.15	-285,969,385.46	14.9-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,156,582.23	13,010,662.28	145,919.95	1.1	7
5500	2201020	2201020 Unamortized Bond Premium	-1,509,209.00	-1,580,441.00	71,232.00	4.5	7
		Total Unamort Debt Issue Costs	11,647,373.23	11,430,221.28	217,151.95	1.9	6
		Total Long-Term Debt (Net)	-2,193,391,539.38	-1,907,639,305.87	-285,752,233.51	15.0-	5
		TOTAL CAPITAL	-4,527,821,837.72	-4,350,204,178.99	-177,617,658.73	4.1-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-20,872,524.85	-75,000,000.00	54,127,475.15	72.2	6
		Total Short Term Debt	-20,872,524.85	-75,000,000.00	54,127,475.15	72.2	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-4,137,615.28	-4,903,221.65	765,606.37	15.6	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-14,137,615.28	-14,903,221.65	765,606.37	5.1	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-10,403,703.08	-3,708,137.27	-6,695,565.81	180.6-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	24,702.58	0	24,702.58		
****	2111110	2111110 Accts Pay-Refunds to Customers	26,120.34	8,726.66	17,393.68	199.3	
****	2111130	2111130 A/P-Contractors Retainage	-4,388,782.69	-6,269,499.86	1,880,717.17	30.0	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-8,330,452.04	-20,728,721.95	12,398,269.91	59.8	
****	2111205	2111205 Received/Not Invoiced (RNI) – Lawson	0	-657,391.29	657,391.29	100.0	
5500	2111400	2111400 Procurement Card Clearing	28,124.95	-449,919.69	478,044.64	106.3	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-426,139.29	-632,200.59	206,061.30	32.6	
5500	2111535	2111535 Accts Pay-Accrued Electric	-710,636.19	-747,237.86	36,601.67	4.9	
5500	2111596	2111596 Accts Pay-Sewer	0	971.15	-971.15	100.0-	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-2,825.76	-921.16	-1,904.60	206.8-	
****	2111910	2111910 Accts Payable Liability - Other	-459,723.12	-1,939,732.50	1,480,009.38	76.3	6
		Total Accounts Payable - Trade	-24,643,314.30	-35,124,064.36	10,480,750.06	29.8	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-142,500.97	0	-142,500.97		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	0	-8,900,480.51	8,900,480.51	100.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	0	-39,547,577.45	39,547,577.45	100.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-62,232.72	-14,209,127.71	14,146,894.99	99.6	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-3,790,011.61	-53,084,405.71	49,294,394.10	92.9	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-29.89	-378,707.13	378,677.24	100.0	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-8,485.04	-126,338.54	117,853.50	93.3	
5500	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-862.16	-50,572.90	49,710.74	98.3	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-475.99	-244,765.30	244,289.31	99.8	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-37,686,215.69	-673,982,932.69	636,296,717.00	94.4	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-530.77	-11,702.80	11,172.03	95.5	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-607.74	-8,315.23	7,707.49	92.7	
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-86,636.42	-10,618.18	-76,018.24	715.9-	6
		Total Accts Payable - Affiliate	-70,116,725.02	-818,893,680.17	748,776,955.15	91.4	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,028,527.30	-7,406,754.67	6,378,227.37	86.1	6
		Total Construction A/P Trade	-1,028,527.30	-7,406,754.67	6,378,227.37	86.1	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	-18,288,690.48	-8,507,883.82	-9,780,806.66	115.0-	6
		Total Accr Inc Taxes - Federal	-18,288,690.48	-8,507,883.82	-9,780,806.66	115.0-	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	2,887,113.79	425,876.62	2,461,237.17	577.9	6
		Total Accr Inc Taxes - State	2,887,113.79	425,876.62	2,461,237.17	577.9	5
		Accr Taxes - Other					5
****	2115210	2115210 Sales Taxes Payable - State	2,003.29	0	2,003.29		6
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	0	366,664.00	-366,664.00	100.0-	6
		Total Accr Taxes - Other	-5,932.03	358,728.68	-364,660.71	101.7-	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-18,707,402.25	-16,272,677.55	-2,434,724.70	15.0-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-34,342.53	54,998,845.55	-55,033,188.08	100.1-	6
		Total Accrued Interest	-18,741,744.78	38,726,168.00	-57,467,912.78	148.4-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	4,107.40	0	4,107.40		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-1,396,091.89	-1,164,412.02	-231,679.87	19.9-	
5500	2141100	2141100 Accrued Vacation	0	-22,668.75	22,668.75	100.0	
5500	2141200	2141200 Accrued Annual Incentive	-1,242,813.00	-1,149,507.00	-93,306.00	8.1-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	

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5500	2141620	2141620 Employee Profit Sharing	-831,490.00	-853,963.00	22,473.00	2.6	
5500	2190010	2190010 Lease Obligation - Current	-228,556.00	-256,156.00	27,600.00	10.8	
5500	2191600	2191600 Appropriated Funds - Other	-69,967.77	-35,716.90	-34,250.87	95.9-	
****	2192072	2192072 Accrued Insur Liab-Other	-1,257,834.00	-1,168,178.00	-89,656.00	7.7-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-489,821.43	-423,766.00	-66,055.43	15.6-	
****	2199615	2199615 Accrued Liab-Audit Fees	-287,245.18	-380,865.73	93,620.55	24.6	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	-1,369.53	88.47	6.5	
****	2199900	2199900 Misc C&A Liabilities	-2,902,420.61	-4,548,829.51	1,646,408.90	36.2	6
		Total Other Accrued Expense	-8,703,413.54	-10,005,691.73	1,302,278.19	13.0	5
		TOTAL CURRENT LIABILITIES	-173,651,373.79	-930,330,523.10	756,679,149.31	81.3	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-460,958.13	-451,337.60	-9,620.53	2.1-	
****	2199075	2199075 CAC-Non Unitized	-66,214,260.59	-61,860,349.95	-4,353,910.64	7.0-	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-2,126,499.00	-4,769,623.18	2,643,124.18	55.4	6
		Total Cust Advances for Constr.	-68,801,717.72	-67,081,310.73	-1,720,406.99	2.6-	5
		Long Term Deferred - FIT					5
****	1261010	1261010 Accumulated Deferred FIT Asset - Non-Current	9,880,243.95	0	9,880,243.95		6
****	1261020	1261020 Accumulated Deferred FIT Asset - Excess Gross UPNC	56,976,555.46	0	56,976,555.46		
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-562,104,142.42	-680,999,661.31	118,895,518.89	17.5	
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-254,261,183.23	24,728,568.25	-278,989,751.48	1,128.2-	6
		Total Long Term Deferred - FIT	-749,508,526.24	-656,271,093.06	-93,237,433.18	14.2-	5
		Long Term Deferred - SIT					5
****	1262010	1262010 Accumulated Deferred SIT Asset - Non-Current	51,891,988.21	0	51,891,988.21		6
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-281,066,130.90	-226,949,623.00	-54,116,507.90	23.8-	
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	64,071,632.30	47,154,812.41	16,916,819.89	35.9	6
		Total Long Term Deferred - SIT	-165,102,510.39	-179,794,810.59	14,692,300.20	8.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,170,959.95	-3,424,371.95	253,412.00	7.4	6
		Total Unamortized ITC	-3,170,959.95	-3,424,371.95	253,412.00	7.4	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-12,224,144.78	-230,438,054.00	218,213,909.22	94.7	6
****	2220110	2220110 Reg Liab - Excess Deferred Income Tax - NonCurrent	-167,887,118.37	0	-167,887,118.37		
****	2220120	2220120 Reg Liab - Excess DIT - Gross Up NC	-57,534,478.36	0	-57,534,478.36		
****	2220170	2220170 Reg Liab - 481a Benefit	-40,610,920.49	0	-40,610,920.49		
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,651,756.92	0	-1,651,756.92		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-121,933,771.11	-113,072,441.11	-8,861,330.00	7.8-	6
		Total Regulatory Liability	-401,842,190.03	-343,510,495.11	-58,331,694.92	17.0-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,705,603.56	-7,901,102.56	195,499.00	2.5	6
		Total Non-Current Operating Leases	-7,705,603.56	-7,901,102.56	195,499.00	2.5	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	117,253,873.14	102,892,543.14	14,361,330.00	14.0	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,741,540.98	-10,434,628.85	693,087.87	6.6	
5500	2291530	2291530 NQ Pension Liability - Non Current	-190,332.76	-646,873.90	456,541.14	70.6	6
		Total Pension and OPEB Liabilities	107,321,999.40	91,811,040.39	15,510,959.01	16.9	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-875,915.30	-1,627,403.00	751,487.70	46.2	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-3,888,506.30	-11,353,282.00	7,464,775.70	65.7	6
		Total Other (NC Liab)	-4,764,421.60	-12,980,685.00	8,216,263.40	63.3	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,293,573,930.09	-1,179,152,828.61	-114,421,101.48	9.7-	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	-5,174,140.92	4,031,193.28	-9,205,334.20	228.4-	
****	2292030	2292030 CIAC-Unitized	-228,951,279.83	-217,154,849.84	-11,796,429.99	5.4-	6
		Total Contrib in Aid of Constr.	-238,707,844.89	-217,706,080.70	-21,001,764.19	9.6-	5
****	2292100	2292100 Accum Amort of CIAC	67,365,532.53	63,091,920.42	4,273,612.11	6.8	6
			67,365,532.53	63,091,920.42	4,273,612.11	6.8	5
		Total CIAC -NET	-171,342,312.36	-154,614,160.28	-16,728,152.08	10.8-	4
		TOTAL LIABILITIES & CAPITAL	-6,166,389,453.96	-6,614,301,690.98	447,912,237.02	6.8	3
			0	0	0		2
			5,444,971,860.84	**5,167,349,006.01**	**277,622,854.83**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.12 -2023.12	Reporting periods
2022.12 -2022.12	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	155,952,339.13	222,314,756.69	-66,362,417.56	29.9-	8
****	1311000	1311000 Power Plan Clearing	-57.67	255,285.97	-255,343.64	100.0-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,198,161.66	4,425,555.81	-227,394.15	5.1-	
****	1311130	1311130 Utility Plant Purchased/Sold	2,500,000.00	1,500,000.00	1,000,000.00	66.7	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,257,777,553.56	5,858,756,977.87	399,020,575.69	6.8	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	5,565,535.00	6,383,575.68	-818,040.68	12.8-	8
		Total Utility Prop Plant & Equip	6,454,844,561.00	6,122,487,181.34	332,357,379.66	5.4	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	19,354,393.10	18,380,783.46	973,609.64	5.3	8
		Total Net Utility Plant Adjustment	1,526,630.85	553,021.21	973,609.64	176.1	7
		Total Gross Utility Plant	6,456,371,191.85	6,123,040,202.55	333,330,989.30	5.4	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,454,544,673.79	-1,364,230,321.70	-90,314,352.09	6.6-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,489,989.50	-5,941,756.17	-548,233.33	9.2-	7
		Less Allowance for Depreciation	-1,461,034,663.29	-1,370,172,077.87	-90,862,585.42	6.6-	6
		Total Net Utility Plant	4,995,336,528.56	4,752,868,124.68	242,468,403.88	5.1	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	147,282,566.67	178,244,892.87	-30,962,326.20	17.4-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	2,164,434.91	-771,141.67	2,935,576.58	380.7	6
		Total Construction Work in Progress	149,447,001.58	177,473,751.20	-28,026,749.62	15.8-	5
		TOTAL PLANT	5,144,783,530.14	4,930,341,875.88	214,441,654.26	4.3	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191304	1191304 Other PPD-Trustee	0	5,096.26	-5,096.26	100.0-	7
5500	1191306	1191306 Other PPD-Utiity Deposits	0	17,564.10	-17,564.10	100.0-	
5500	1191307	1191307 Other PPD-Interest	0	256.81	-256.81	100.0-	
****	1191310	1191310 Other PPD-PUC Assessment	1,275,905.00	1,215,372.00	60,533.00	5.0	
****	1191311	1191311 Other PPD-SBA Assessment	89,537.00	72,674.00	16,863.00	23.2	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	514,308.00	376,114.00	138,194.00	36.7	
5500	1191313	1191313 Other PPD-AWWA Dues	10,214.40	10,383.48	-169.08	1.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	431,716.02	0	431,716.02		
****	1191900	1191900 Prepaid Miscellaneous	72,713.49	178,469.47	-105,755.98	59.3-	7
		Total Prepayments	2,394,393.91	1,875,930.12	518,463.79	27.6	6
		Total Prepayments & Other Current Assets	2,394,393.91	1,875,930.12	518,463.79	27.6	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	35,734.00	1,355,868.93	-1,320,134.93	97.4-	6
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	133,031.48	77,884.86	55,146.62	70.8	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-19.09	-12,390.57	12,371.48	99.8	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	2,149.25	-2,136.65	4,285.90	200.6	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	20,391.74	-20,391.74	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	187,999.09	1,456,721.76	-1,268,722.67	87.1-	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	0	-171,808.60	171,808.60	100.0	6
****	1136200	1136200 Customer A/R - Utility	63,833,202.17	69,955,285.77	-6,122,083.60	8.8-	
****	1137057	1137057 Accounts Receivable - Other	1,092,612.50	644,725.18	447,887.32	69.5	
5500	1199910	1199910 Rents Receivable	900	900	0	0.0	6
		Total Accts Receivable Trade	64,926,714.67	70,429,102.35	-5,502,387.68	7.8-	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-10,774,016.17	-12,579,206.75	1,805,190.58	14.4	6
		Total Allowance for Bad Debts	-10,774,016.17	-12,579,206.75	1,805,190.58	14.4	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	0	21,955.19	-21,955.19	100.0-	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	19.31	14,514,199.32	-14,514,180.01	100.0-	
****	1135603	1135603 A/R - 9210 - Aqua Services Inc.	1,032,116.89	3,679,654.20	-2,647,537.31	72.0-	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	3,284.17	720,551.55	-717,267.38	99.5-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	28,677.28	236,369.43	-207,692.15	87.9-	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	1,057.90	0	1,057.90		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	55,296.94	63,890.35	-8,593.41	13.5-	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	7,035.19	262,353.49	-255,318.30	97.3-	
5500	1135609	1135609 A/R - 5410 - Great Bay Utilities Inc.	70.6	0	70.6		
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	112,703,310.19	872,315,280.00	-759,611,969.81	87.1-	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	6,765.38	48,985.50	-42,220.12	86.2-	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	0	573.12	-573.12	100.0-	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	0	15,837.45	-15,837.45	100.0-	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	3,060.45	315.31	2,745.14	870.6	
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	0	1,507.83	-1,507.83	100.0-	
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	130,454.88	38,484.48	91,970.40	239.0	6
		Total Accts Receivable - Affiliates	114,130,742.56	891,938,892.13	-777,808,149.57	87.2-	5

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.12 -2023.12	Reporting periods
2022.12 -2022.12	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	13,192,024.48	15,992,895.36	-2,800,870.88	17.5-	6
5500	1142020	1142020 Materials Inventory - Meters	3,160,876.15	3,452,008.16	-291,132.01	8.4-	
****	1142910	1142910 Materials Inventory - Conversion	14,633.55	251,814.48	-237,180.93	94.2-	6
		Total Materials & Supplies	16,367,534.18	19,696,718.00	-3,329,183.82	16.9-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	32,445,255.11	31,389,746.90	1,055,508.21	3.4	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	1,020,491.62	1,205,399.50	-184,907.88	15.3-	6
		Total Unbilled Revenue	33,465,746.73	32,595,146.40	870,600.33	2.7	5
		TOTAL CURRENT ASSETS	220,699,114.97	1,005,413,304.01	-784,714,189.04	78.0-	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	546,154.30	767,477.85	-221,323.55	28.8-	7
		Total Rate Case Expense	546,154.30	767,477.85	-221,323.55	28.8-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	810,374,910.43	700,975,538.20	109,399,372.23	15.6	7
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	4,758,132.99	-4,758,132.99	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,493,889.86	-14,493,889.86	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,330,700.84	1,330,700.84	100.0	
****	1242164	1242164 Reg Asset-Other	259,119.48	788,466.77	-529,347.29	67.1-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	5,861,196.72	1,075.90	0.0	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	255,597.00	7,515.00	248,082.00	3,301.2	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,332,531.82	9,305,111.44	27,420.38	0.3	7
		Total Regulatory Assets	826,084,431.35	734,859,150.14	91,225,281.21	12.4	6
		Total Reg Assets LT	826,630,585.65	735,626,627.99	91,003,957.66	12.4	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	61,593.69	12,089.73	49,503.96	409.5	6
		Total Unamortized Debt Exp	61,593.69	12,089.73	49,503.96	409.5	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	0	2,091,449.01	-2,091,449.01	100.0-	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,023,431.99	2,687,103.89	-663,671.90	24.7-	6
		Total Prelim Survey & Invest	2,023,431.99	4,778,552.90	-2,755,120.91	57.7-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
****	1293110	1293110 Lease - Land	8,875,771.46	8,882,071.46	-6,300.00	0.1-	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	159,308.61	91,472.86	67,835.75	74.2	
5500	1293130	1293130 Lease - Easement	1,880.15	1,350.00	530.15	39.3	
5500	1293200	1293200 Accumulated Lease Amortization	-1,442,217.88	-1,185,625.88	-256,592.00	21.6-	6
		Total Operating Lease Assets	7,954,444.46	8,148,970.56	-194,526.10	2.4-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	0	-1,001.88	1,001.88	100.0	6
		Total Other (NC Assets)	-154,934.90	-155,936.78	1,001.88	0.6	5
		TOTAL NONCURRENT ASSETS	870,818,871.69	782,714,055.20	88,104,816.49	11.3	4
		TOTAL ASSETS	6,236,301,516.80	6,718,469,235.09	-482,167,718.29	7.2-	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,282,254.72	-6,887,811.43	-394,443.29	5.7-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,669,320.50	-1,494,951.14	-174,369.36	11.7-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-9,000,462.07	-8,982,922.56	-17,539.51	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	78,799,843.59	-264,461,688.40	343,261,531.99	129.8	
5500	3121121	3121121 Members Equity - Subsidiaries	-518,989,478.87	0	-518,989,478.87		7
		Total Capital in Excess of Par	-460,235,275.84	-283,920,976.80	-176,314,299.04	62.1-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,142,380,302.38	-1,913,217,847.01	-229,162,455.37	12.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernqs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	
****	3239900	3239900 Miscellaneous Retained Earnings Adjustments	0	0	0		7
		Balanace January 1st	-2,178,502,108.36	-1,949,339,652.99	-229,162,455.37	11.8-	6
		Income - Current Year					6
		Current Year Loss	284,242,070.80	0	284,242,070.80		7
		Current Year Profit	0	-229,163,209.43	229,163,209.43	100.0	7
		Total Income - Current Year	284,242,070.80	-229,163,209.43	513,405,280.23	224.0	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,354,604,313.40	-2,462,532,839.22	107,928,525.82	4.4	5

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.12 -2023.12 Reporting periods
2022.12 -2022.12 Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-2,189,800,000.00	-1,899,800,000.00	-290,000,000.00	15.3-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-15,111,963.57	-18,829,677.10	3,717,713.53	19.7	8
		Total Long Term Debt	-2,204,911,963.57	-1,918,629,677.10	-286,282,286.47	14.9-	7
		Total Mortgage Bonds	-2,204,911,963.57	-1,918,629,677.10	-286,282,286.47	14.9-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	13,104,434.17	13,071,811.43	32,622.74	0.2	7
5500	2201020	2201020 Unamortized Bond Premium	-1,503,273.00	-1,574,505.00	71,232.00	4.5	7
		Total Unamort Debt Issue Costs	11,601,161.17	11,497,306.43	103,854.74	0.9	6
		Total Long-Term Debt (Net)	-2,193,310,802.40	-1,907,132,370.67	-286,178,431.73	15.0-	5
		TOTAL CAPITAL	-4,547,915,115.80	-4,369,665,209.89	-178,249,905.91	4.1-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-23,123,092.31	-20,000,000.00	-3,123,092.31	15.6-	6
		Total Short Term Debt	-23,123,092.31	-20,000,000.00	-3,123,092.31	15.6-	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-3,896,638.44	-4,903,221.65	1,006,583.21	20.5	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-13,896,638.44	-14,903,221.65	1,006,583.21	6.8	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-9,710,461.40	-64,865.63	-9,645,595.77	14,870.1-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	17,543.91	0	17,543.91		
****	2111110	2111110 Accts Pay-Refunds to Customers	18,072.97	5,619.05	12,453.92	221.6	
****	2111130	2111130 A/P-Contractors Retainage	-4,037,765.19	-5,957,282.33	1,919,517.14	32.2	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-14,993,232.61	-30,441,998.87	15,448,766.26	50.7	
5500	2111400	2111400 Procurement Card Clearing	54,692.19	-24,813.49	79,505.68	320.4	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-843,129.02	-407,488.07	-435,640.95	106.9-	
5500	2111535	2111535 Accts Pay-Accrued Electric	-863,301.46	-721,680.18	-141,621.28	19.6-	
5500	2111596	2111596 Accts Pay-Sewer	0	971.15	-971.15	100.0-	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-2,947.94	-846.53	-2,101.41	248.2-	
****	2111910	2111910 Accts Payable Liability - Other	-902,852.29	-1,395,971.53	493,119.24	35.3	6
		Total Accounts Payable - Trade	-31,263,380.84	-39,008,356.43	7,744,975.59	19.9	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-138,749.67	0	-138,749.67		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	0	-8,900,480.51	8,900,480.51	100.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	0	-39,547,577.45	39,547,577.45	100.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-135,934.46	-24,060,062.16	23,924,127.70	99.4	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-11,120,281.18	-63,114,602.95	51,994,321.77	82.4	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-29.89	-378,781.02	378,751.13	100.0	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-14,220.87	-133,944.71	119,723.84	89.4	
5500	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-1,010.77	-50,587.85	49,577.08	98.0	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-475.99	-244,852.84	244,376.85	99.8	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-94,631,941.16	-736,961,605.35	642,329,664.19	87.2	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-1,778.80	0	-1,778.80		
****	2113619	2113619 A/P - 5600 - Aqua Texas	-530.77	-11,702.80	11,172.03	95.5	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-607.74	-8,315.23	7,707.49	92.7	
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-86,734.83	-10,618.18	-76,116.65	716.9-	6
		Total Accts Payable - Affiliate	-134,470,432.15	-901,761,267.07	767,290,834.92	85.1	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-2,449,973.07	-2,780,089.12	330,116.05	11.9	6
		Total Construction A/P Trade	-2,449,973.07	-2,780,089.12	330,116.05	11.9	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	8,968,620.12	3,413,257.09	5,555,363.03	162.8	6
		Total Accr Inc Taxes - Federal	8,968,620.12	3,413,257.09	5,555,363.03	162.8	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	3,841,805.73	2,363,142.62	1,478,663.11	62.6	6
		Total Accr Inc Taxes - State	3,841,805.73	2,363,142.62	1,478,663.11	62.6	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	26.48	0	26.48		6
****	2115210	2115210 Sales Taxes Payable - State	4,667.15	0	4,667.15		
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	6
		Total Accr Taxes - Other	-3,241.69	-7,935.32	4,693.63	59.1	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-25,854,448.24	-20,563,055.55	-5,291,392.69	25.7-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-128,069.23	-1,154.45	-126,914.78	10,993.5-	
5500	2129040	2129040 Interest Accrued - Miscellaneous	-587,500.00	0	-587,500.00		6
		Total Accrued Interest	-26,570,017.47	-20,564,210.00	-6,005,807.47	29.2-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	4,497.64	0	4,497.64		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-1,577,614.51	-1,537,711.99	-39,902.52	2.6-	
5500	2141200	2141200 Accrued Annual Incentive	-1,308,615.00	-1,254,394.00	-54,221.00	4.3-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-904,999.00	-931,596.00	26,597.00	2.9	
5500	2190010	2190010 Lease Obligation - Current	-232,662.00	-248,475.00	15,813.00	6.4	
5500	2191600	2191600 Appropriated Funds - Other	-69,967.77	-35,716.90	-34,250.87	95.9-	

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.12 -2023.12	Reporting periods
2022.12 -2022.12	Comparison periods

Company	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentag	Hierarchy Level
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-534,310.63	-488,879.24	-45,431.39	9.3-	
****	2199615	2199615 Accrued Liab-Audit Fees	-342,295.00	-416,435.73	74,140.73	17.8	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	12,152.94	-13,434.00	110.5-	
****	2199900	2199900 Misc C&A Liabilities	-2,445,097.81	-2,927,220.84	482,123.03	16.5	6
		Total Other Accrued Expense	-7,412,345.14	-7,828,536.05	416,190.91	5.3	5
		TOTAL CURRENT LIABILITIES	-226,378,695.26	-1,001,077,215.93	774,698,520.67	77.4	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-460,958.13	-574,281.13	113,323.00	19.7	
****	2199075	2199075 CAC-Non Unitized	-59,372,586.44	-52,969,615.43	-6,402,971.01	12.1-	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-5,565,535.00	-6,383,575.68	818,040.68	12.8	6
		Total Cust Advances for Constr.	-65,399,079.57	-59,927,472.24	-5,471,607.33	9.1-	5
		Long Term Deferred - FIT					5
****	1261010	1261010 Accumulated Deferred FIT Asset - Non-Current	8,993,824.07	0	8,993,824.07		6
****	1261020	1261020 Accumulated Deferred FIT Asset - Excess Gross UPNC	56,859,229.62	0	56,859,229.62		
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-558,364,614.29	-695,554,957.31	137,190,343.02	19.7	
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-273,793,726.06	25,969,680.25	-299,763,406.31	1,154.3-	6
		Total Long Term Deferred - FIT	-766,305,286.66	-669,585,277.06	-96,720,009.60	14.4-	5
		Long Term Deferred - SIT					5
****	1262010	1262010 Accumulated Deferred SIT Asset - Non-Current	51,876,859.36	0	51,876,859.36		6
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-287,580,102.03	-227,624,638.00	-59,955,464.03	26.3-	
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	62,281,921.61	46,682,707.41	15,599,214.20	33.4	6
		Total Long Term Deferred - SIT	-173,421,321.06	-180,941,930.59	7,520,609.53	4.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,107,606.95	-3,361,018.95	253,412.00	7.5	6
		Total Unamortized ITC	-3,107,606.95	-3,361,018.95	253,412.00	7.5	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-13,178,324.25	-229,217,491.00	216,039,166.75	94.3	6
****	2220110	2220110 Reg Liab - Excess Deferred Income Tax - NonCurrent	-146,344,965.24	0	-146,344,965.24		
****	2220120	2220120 Reg Liab - Excess DIT - Gross Up NC	-55,638,759.81	0	-55,638,759.81		
****	2220170	2220170 Reg Liab - 481a Benefit	-34,024,035.48	0	-34,024,035.48		
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,758,410.86	0	-1,758,410.86		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-124,327,841.11	-117,706,779.69	-6,621,061.42	5.6-	6
		Total Regulatory Liability	-375,272,336.75	-346,924,270.69	-28,348,066.06	8.2-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,719,902.31	-7,892,845.56	172,943.25	2.2	6
		Total Non-Current Operating Leases	-7,719,902.31	-7,892,845.56	172,943.25	2.2	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	119,147,943.14	104,892,543.14	14,255,400.00	13.6	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,608,602.07	-9,799,912.37	191,310.30	2.0	
5500	2291530	2291530 NQ Pension Liability - Non Current	-200,606.62	-668,125.76	467,519.14	70.0	6
		Total Pension and OPEB Liabilities	109,338,734.45	94,424,505.01	14,914,229.44	15.8	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-866,618.47	-1,553,735.00	687,116.53	44.2	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-3,835,503.94	-11,136,811.00	7,301,307.06	65.6	6
		Total Other (NC Liab)	-4,702,122.41	-12,690,546.00	7,988,423.59	62.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,286,588,921.26	-1,186,898,856.08	-99,690,065.18	8.4-	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	4,177,083.08	4,173,306.14	3,776.94	0.1	
****	2292030	2292030 CIAC-Unitized	-242,732,084.47	-223,853,174.40	-18,878,910.07	8.4-	6
		Total Contrib in Aid of Constr.	-243,137,425.53	-224,262,292.40	-18,875,133.13	8.4-	5
****	2292100	2292100 Accum Amort of CIAC	67,718,641.05	63,434,339.21	4,284,301.84	6.8	6
			67,718,641.05	63,434,339.21	4,284,301.84	6.8	5
		Total CIAC -NET	-175,418,784.48	-160,827,953.19	-14,590,831.29	9.1-	4
		TOTAL LIABILITIES & CAPITAL	-6,236,301,516.80	-6,718,469,235.09	482,167,718.29	7.2	3
			0	0	0		2
			5,527,905,620.60	**5,325,115,998.35**	**202,789,622.25**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.01 -2024.01	Reporting periods
2023.01 -2023.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	153,957,233.99	205,127,528.70	-51,170,294.71	24.9-	8
****	1311000	1311000 Power Plan Clearing	714.91	239,477.89	-238,762.98	99.7-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,198,161.66	4,264,266.41	-66,104.75	1.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	2,500,000.00	1,500,000.00	1,000,000.00	66.7	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,274,928,760.23	5,912,142,028.77	362,786,731.46	6.1	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	4,109,966.00	6,383,575.68	-2,273,609.68	35.6-	8
		Total Utility Prop Plant & Equip	6,468,545,866.11	6,158,507,906.77	310,037,959.34	5.0	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	19,430,012.72	18,467,745.55	962,267.17	5.2	8
		Total Net Utility Plant Adjustment	1,602,250.47	639,983.30	962,267.17	150.4	7
		Total Gross Utility Plant	6,470,148,116.58	6,159,147,890.07	311,000,226.51	5.0	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,465,330,779.59	-1,375,432,591.74	-89,898,187.85	6.5-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,535,677.13	-5,987,426.52	-548,250.61	9.2-	7
		Less Allowance for Depreciation	-1,471,866,456.72	-1,381,420,018.26	-90,446,438.46	6.5-	6
		Total Net Utility Plant	4,998,281,659.86	4,777,727,871.81	220,553,788.05	4.6	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	150,851,891.86	158,268,669.12	-7,416,777.26	4.7-	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,702,699.55	629,993.33	1,072,706.22	170.3	6
		Total Construction Work in Progress	152,554,591.41	158,898,662.45	-6,344,071.04	4.0-	5
		TOTAL PLANT	5,150,836,251.27	4,936,626,534.26	214,209,717.01	4.3	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191304	1191304 Other PPD-Trustee	0	5,096.26	-5,096.26	100.0-	7
5500	1191306	1191306 Other PPD-Utiity Deposits	0	17,564.10	-17,564.10	100.0-	
5500	1191307	1191307 Other PPD-Interest	0	256.81	-256.81	100.0-	
5500	1191309	1191309 Other PPD-Real Estate Tax	-125,309.00	-89,000.00	-36,309.00	40.8-	
****	1191310	1191310 Other PPD-PUC Assessment	1,063,205.00	1,012,762.00	50,443.00	5.0	
****	1191311	1191311 Other PPD-SBA Assessment	74,612.00	60,559.00	14,053.00	23.2	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	428,580.00	313,419.00	115,161.00	36.7	
5500	1191313	1191313 Other PPD-AWWA Dues	5,537.91	5,931.00	-393.09	6.6-	
5500	1191315	1191315 Other PPD - PURTA Tax	13,354.91	0	13,354.91		
****	1191900	1191900 Prepaid Miscellaneous	751,101.20	542,913.42	208,187.78	38.3	7
		Total Prepayments	2,211,082.02	1,869,501.59	341,580.43	18.3	6
		Total Prepayments & Other Current Assets	2,211,082.02	1,869,501.59	341,580.43	18.3	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	450,423.00	26,801,375.83	-26,350,952.83	98.3-	6
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	135,448.81	78,243.11	57,205.70	73.1	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-22,380.00	-924,706.16	902,326.16	97.6	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	2,149.25	457,072.49	-454,923.24	99.5-	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	40,783.48	-40,783.48	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	582,744.51	26,469,872.20	-25,887,127.69	97.8-	5
		Accts Receivable Trade					5
5500	1136101	1136101 Customer A/R - Utility - Manual	0	-15,227.49	15,227.49	100.0	6
****	1136200	1136200 Customer A/R - Utility	57,587,505.67	58,958,217.61	-1,370,711.94	2.3-	
****	1137057	1137057 Accounts Receivable - Other	886,801.16	1,094,607.81	-207,806.65	19.0-	
5500	1199910	1199910 Rents Receivable	900	-100	1,000.00	1,000.0	6
		Total Accts Receivable Trade	58,475,206.83	60,037,497.93	-1,562,291.10	2.6-	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-11,250,441.57	-12,338,498.41	1,088,056.84	8.8	6
		Total Allowance for Bad Debts	-11,250,441.57	-12,338,498.41	1,088,056.84	8.8	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	0	21,955.19	-21,955.19	100.0-	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	135,770.22	14,514,199.32	-14,378,429.10	99.1-	
****	1135603	1135603 A/R - 9210 - Aqua Services Inc.	1,450,098.95	3,995,474.52	-2,545,375.57	63.7-	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	26,146.38	722,035.91	-695,889.53	96.4-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	40,592.26	248,647.98	-208,055.72	83.7-	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	1,057.90	0	1,057.90		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	57,088.11	64,341.85	-7,253.74	11.3-	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	8,276.83	265,869.15	-257,592.32	96.9-	
5500	1135609	1135609 A/R - 5410 - Great Bay Utilities Inc.	70.6	0	70.6		
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	171,716,093.33	974,693,482.50	-802,977,389.17	82.4-	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	8,109.46	58,467.35	-50,357.89	86.1-	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	0	573.12	-573.12	100.0-	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	0	16,756.74	-16,756.74	100.0-	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	3,196.32	315.31	2,881.01	913.7	
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	0	1,507.83	-1,507.83	100.0-	
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	136,487.54	40,993.85	95,493.69	232.9	6
		Total Accts Receivable - Affiliates	173,742,581.28	994,663,555.53	-820,920,974.25	82.5-	5

Financial Statement Version for AQUA

0L	Ledger
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	12,829,726.57	15,813,807.72	-2,984,081.15	18.9-	6
5500	1142020	1142020 Materials Inventory - Meters	2,729,525.03	3,406,128.18	-676,603.15	19.9-	
****	1142910	1142910 Materials Inventory - Conversion	0	251,814.48	-251,814.48	100.0-	6
		Total Materials & Supplies	15,559,251.60	19,471,750.38	-3,912,498.78	20.1-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	32,870,281.37	32,338,552.75	531,728.62	1.6	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	996,833.81	1,213,196.85	-216,363.04	17.8-	6
		Total Unbilled Revenue	33,867,115.18	33,551,749.60	315,365.58	0.9	5
		TOTAL CURRENT ASSETS	273,187,539.85	1,123,725,428.82	-850,537,888.97	75.7-	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	553,722.21	796,406.48	-242,684.27	30.5-	7
		Total Rate Case Expense	553,722.21	796,406.48	-242,684.27	30.5-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	810,374,910.43	700,975,538.20	109,399,372.23	15.6	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	-1,596,520.52	1,596,520.52	100.0	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	4,924,879.06	-4,924,879.06	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,493,889.86	-14,493,889.86	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,356,902.94	1,356,902.94	100.0	
5500	1242162	1242162 Reg Asset-Regulatory Asset	0	397.04	-397.04	100.0-	
****	1242164	1242164 Reg Asset-Other	268,439.17	788,466.77	-520,027.60	66.0-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	5,861,456.42	816.2	0.0	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	255,597.00	7,515.00	248,082.00	3,301.2	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,237,714.97	9,362,400.93	-124,685.96	1.3-	7
		Total Regulatory Assets	825,998,934.19	733,461,119.82	92,537,814.37	12.6	6
		Total Reg Assets LT	826,552,656.40	734,257,526.30	92,295,130.10	12.6	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	51,328.07	10,111.95	41,216.12	407.6	6
		Total Unamortized Debt Exp	51,328.07	10,111.95	41,216.12	407.6	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	0	2,091,449.01	-2,091,449.01	100.0-	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,117,229.35	2,313,270.97	-196,041.62	8.5-	6
		Total Prelim Survey & Invest	2,117,229.35	4,404,719.98	-2,287,490.63	51.9-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,875,771.46	8,875,771.46	0	0.0	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	159,308.61	91,472.86	67,835.75	74.2	
5500	1293200	1293200 Accumulated Lease Amortization	-1,442,217.88	-1,185,625.88	-256,592.00	21.6-	6
		Total Operating Lease Assets	7,952,564.31	8,141,320.56	-188,756.25	2.3-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	0	-1,001.88	1,001.88	100.0	6
		Total Other (NC Assets)	-154,934.90	-155,936.78	1,001.88	0.6	5
		TOTAL NONCURRENT ASSETS	870,822,594.03	780,961,492.81	89,861,101.22	11.5	4
		TOTAL ASSETS	6,294,846,385.15	6,841,313,455.89	-546,467,070.74	8.0-	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,318,418.31	-6,926,100.92	-392,317.39	5.7-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,684,410.70	-1,508,815.95	-175,594.75	11.6-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-9,002,070.13	-8,983,767.37	-18,302.76	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	78,799,843.59	-224,461,688.40	303,261,531.99	135.1	
5500	3121121	3121121 Members Equity - Subsidiaries	-518,989,478.87	0	-518,989,478.87		7
		Total Capital in Excess of Par	-460,288,137.69	-243,973,975.91	-216,314,161.78	88.7-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,377,127,710.45	-2,142,380,302.38	-234,747,408.07	11.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	
****	3239900	3239900 Miscellaneous Retained Earnings Adjustments	0	0	0		7
		Balanace January 1st	-2,413,249,516.43	-2,178,502,108.36	-234,747,408.07	10.8-	6
		Income - Current Year					6
		Current Year Loss	502,211,307.97	0	502,211,307.97		7
		Current Year Profit	0	-21,161,554.59	21,161,554.59	100.0	7
		Total Income - Current Year	502,211,307.97	-21,161,554.59	523,372,862.56	2,473.2	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,371,435,346.15	-2,443,746,638.86	72,311,292.71	3.0	5

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-2,189,800,000.00	-1,974,800,000.00	-215,000,000.00	10.9-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-14,745,212.43	-18,829,677.10	4,084,464.67	21.7	8
		Total Long Term Debt	-2,204,545,212.43	-1,993,629,677.10	-210,915,535.33	10.6-	7
		Total Mortgage Bonds	-2,204,545,212.43	-1,993,629,677.10	-210,915,535.33	10.6-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	11,542,930.36	13,109,000.21	-1,566,069.85	11.9-	7
5500	2201020	2201020 Unamortized Bond Premium	0	-1,568,569.00	1,568,569.00	100.0	7
		Total Unamort Debt Issue Costs	11,542,930.36	11,540,431.21	2,499.15	0.0	6
		Total Long-Term Debt (Net)	-2,193,002,282.07	-1,982,089,245.89	-210,913,036.18	10.6-	5
		TOTAL CAPITAL	-4,564,437,628.22	-4,425,835,884.75	-138,601,743.47	3.1-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-41,266,543.59	-20,000,000.00	-21,266,543.59	106.3-	6
		Total Short Term Debt	-41,266,543.59	-20,000,000.00	-21,266,543.59	106.3-	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-3,896,638.44	-4,903,221.65	1,006,583.21	20.5	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-13,896,638.44	-14,903,221.65	1,006,583.21	6.8	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-6,996,105.28	-664,858.82	-6,331,246.46	952.3-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	14,111.28	0	14,111.28		
****	2111110	2111110 Accts Pay-Refunds to Customers	13,955.62	-3,817.03	17,772.65	465.6	
****	2111130	2111130 A/P-Contractors Retainage	-4,379,562.47	-5,511,943.43	1,132,380.96	20.5	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-4,207,869.45	-17,791,583.93	13,583,714.48	76.3	
5500	2111400	2111400 Procurement Card Clearing	25,243.11	-22,388.48	47,631.59	212.8	
5500	2111430	2111430 Fleet Card Clearing	0	-57,292.77	57,292.77	100.0	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-422,723.83	-355,418.95	-67,304.88	18.9-	
5500	2111535	2111535 Accts Pay-Accrued Electric	-696,858.34	-728,218.98	31,360.64	4.3	
5500	2111596	2111596 Accts Pay-Sewer	0	971.15	-971.15	100.0-	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-246.83	-342.75	95.92	28.0	
****	2111910	2111910 Accts Payable Liability - Other	-609,730.30	-1,043,660.72	433,930.42	41.6	6
		Total Accounts Payable - Trade	-17,259,786.49	-26,178,554.71	8,918,768.22	34.1	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-138,749.67	0	-138,749.67		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	0	-8,900,480.51	8,900,480.51	100.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	0	-39,547,577.45	39,547,577.45	100.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-173,858.13	-24,217,546.44	24,043,688.31	99.3	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-15,886,413.86	-67,973,850.01	52,087,436.15	76.6	
5500	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-5,610.74	-461,678.80	456,068.06	98.8	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-83,031.45	-139,095.00	56,063.55	40.3	
5500	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-5,191.42	-53,772.68	48,581.26	90.3	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-475.99	-245,554.90	245,078.91	99.8	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-136,115,667.59	-819,287,154.03	683,171,486.44	83.4	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-1,778.80	0	-1,778.80		
****	2113619	2113619 A/P - 5600 - Aqua Texas	-530.77	-12,006.07	11,475.30	95.6	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-607.74	-8,315.23	7,707.49	92.7	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	0	-175.43	175.43	100.0	
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-86,804.44	-83,728.79	-3,075.65	3.7-	6
		Total Accts Payable - Affiliate	-180,836,856.62	-989,269,071.36	808,432,214.74	81.7	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,497,137.42	-1,929,868.12	432,730.70	22.4	6
		Total Construction A/P Trade	-1,497,137.42	-1,929,868.12	432,730.70	22.4	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	6,239,558.26	2,379,151.28	3,860,406.98	162.3	6
		Total Accr Inc Taxes - Federal	6,239,558.26	2,379,151.28	3,860,406.98	162.3	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	3,841,805.73	2,363,142.62	1,478,663.11	62.6	6
		Total Accr Inc Taxes - State	3,841,805.73	2,363,142.62	1,478,663.11	62.6	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	73.11	0	73.11		6
****	2115210	2115210 Sales Taxes Payable - State	4,668.09	0	4,668.09		
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	0	-349,458.33	349,458.33	100.0	6
		Total Accr Taxes - Other	-3,194.12	-357,393.65	354,199.53	99.1	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-14,428,353.72	-14,424,176.40	-4,177.32	0.0	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-104,907.82	44,736.17	-149,643.99	334.5-	
5500	2129040	2129040 Interest Accrued - Miscellaneous	-587,500.00	0	-587,500.00		6
		Total Accrued Interest	-15,120,761.54	-14,379,440.23	-741,321.31	5.2-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	4,887.88	0	4,887.88		6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-762,743.76	-468,579.19	-294,164.57	62.8-	
5500	2141200	2141200 Accrued Annual Incentive	-1,418,185.00	-1,367,377.00	-50,808.00	3.7-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-1,002,484.00	-1,016,548.00	14,064.00	1.4	

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5500	2190010	2190010 Lease Obligation - Current	-232,662.00	-248,475.00	15,813.00	6.4	
5500	2191600	2191600 Appropriated Funds - Other	-76,329.99	-35,716.90	-40,613.09	113.7-	
****	2192072	2192072 Accrued Insur Liab-Other	-635,732.00	-628,917.00	-6,815.00	1.1-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-457,056.52	-410,494.10	-46,562.42	11.3-	
****	2199615	2199615 Accrued Liab-Audit Fees	-165,369.00	-236,828.73	71,459.73	30.2	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	-1,860.06	579	31.1	
****	2199900	2199900 Misc C&A Liabilities	-3,287,148.56	-3,087,096.68	-200,051.88	6.5-	6
		Total Other Accrued Expense	-8,034,104.01	-7,502,151.95	-531,952.06	7.1-	5
		TOTAL CURRENT LIABILITIES	-267,833,658.24	-1,069,777,407.77	801,943,749.53	75.0	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,840.53	-305.01	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-436,728.48	-574,281.13	137,552.65	24.0	
****	2199075	2199075 CAC-Non Unitized	-61,135,883.81	-52,969,615.43	-8,166,268.38	15.4-	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-4,109,966.00	-6,383,575.68	2,273,609.68	35.6	6
		Total Cust Advances for Constr.	-65,682,578.29	-59,927,167.23	-5,755,411.06	9.6-	5
		Long Term Deferred - FIT					5
****	1261010	1261010 Accumulated Deferred FIT Asset - Non-Current	8,993,824.07	0	8,993,824.07		6
****	1261020	1261020 Accumulated Deferred FIT Asset - Excess Gross UPNC	56,859,229.62	0	56,859,229.62		
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-558,364,614.29	-695,554,957.31	137,190,343.02	19.7	
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-273,793,726.06	25,969,680.25	-299,763,406.31	1,154.3-	6
		Total Long Term Deferred - FIT	-766,305,286.66	-669,585,277.06	-96,720,009.60	14.4-	5
		Long Term Deferred - SIT					5
****	1262010	1262010 Accumulated Deferred SIT Asset - Non-Current	51,876,859.36	0	51,876,859.36		6
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-287,580,102.03	-227,624,638.00	-59,955,464.03	26.3-	
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	62,281,921.61	46,682,707.41	15,599,214.20	33.4	6
		Total Long Term Deferred - SIT	-173,421,321.06	-180,941,930.59	7,520,609.53	4.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,107,606.95	-3,361,018.95	253,412.00	7.5	6
		Total Unamortized ITC	-3,107,606.95	-3,361,018.95	253,412.00	7.5	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-13,178,324.25	-229,217,491.00	216,039,166.75	94.3	6
****	2220110	2220110 Reg Liab - Excess Deferred Income Tax - NonCurrent	-146,344,965.24	0	-146,344,965.24		
****	2220120	2220120 Reg Liab - Excess DIT - Gross Up NC	-55,638,759.81	0	-55,638,759.81		
****	2220170	2220170 Reg Liab - 481a Benefit	-34,024,035.48	0	-34,024,035.48		
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,720,592.80	0	-1,720,592.80		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-124,327,841.11	-116,072,441.11	-8,255,400.00	7.1-	6
		Total Regulatory Liability	-375,234,518.69	-345,289,932.11	-29,944,586.58	8.7-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,719,902.31	-7,892,845.56	172,943.25	2.2	6
		Total Non-Current Operating Leases	-7,719,902.31	-7,892,845.56	172,943.25	2.2	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	119,147,943.14	104,892,543.14	14,255,400.00	13.6	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,649,677.07	-9,840,987.37	191,310.30	1.9	
5500	2291530	2291530 NQ Pension Liability - Non Current	-209,717.69	-693,703.76	483,986.07	69.8	6
		Total Pension and OPEB Liabilities	109,288,548.38	94,357,852.01	14,930,696.37	15.8	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-866,618.47	-1,553,735.00	687,116.53	44.2	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-3,835,503.94	-11,136,811.00	7,301,307.06	65.6	6
		Total Other (NC Liab)	-4,702,122.41	-12,690,546.00	7,988,423.59	62.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,286,884,787.99	-1,185,330,865.49	-101,553,922.50	8.6-	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	4,177,083.08	4,173,306.14	3,776.94	0.1	
****	2292030	2292030 CIAC-Unitized	-243,370,124.69	-223,853,174.40	-19,516,950.29	8.7-	6
		Total Contrib in Aid of Constr.	-243,775,465.75	-224,262,292.40	-19,513,173.35	8.7-	5
****	2292100	2292100 Accum Amort of CIAC	68,085,155.05	63,892,994.52	4,192,160.53	6.6	6
			68,085,155.05	63,892,994.52	4,192,160.53	6.6	5
		Total CIAC -NET	-175,690,310.70	-160,369,297.88	-15,321,012.82	9.6-	4
		TOTAL LIABILITIES & CAPITAL	-6,294,846,385.15	-6,841,313,455.89	546,467,070.74	8.0	3
			0	0	0		2
			5,528,210,674.21	**5,253,537,227.92**	**274,673,446.29**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.02 -2024.02	Reporting periods
2023.02 -2023.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	156,108,624.16	195,127,389.06	-39,018,764.90	20.0-	8
****	1311000	1311000 Power Plan Clearing	714.91	278,631.78	-277,916.87	99.7-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,198,161.66	4,264,266.41	-66,104.75	1.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	2,500,000.00	1,500,000.00	1,000,000.00	66.7	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,296,811,613.82	5,951,607,083.91	345,204,529.91	5.8	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	3,916,349.00	5,524,911.18	-1,608,562.18	29.1-	8
		Total Utility Prop Plant & Equip	6,492,386,492.87	6,187,153,311.66	305,233,181.21	4.9	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	19,504,468.13	18,554,707.64	949,760.49	5.1	8
		Total Net Utility Plant Adjustment	1,676,705.88	726,945.39	949,760.49	130.7	7
		Total Gross Utility Plant	6,494,063,198.75	6,187,880,257.05	306,182,941.70	4.9	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,476,582,251.87	-1,386,295,711.02	-90,286,540.85	6.5-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,581,364.69	-6,033,114.00	-548,250.69	9.1-	7
		Less Allowance for Depreciation	-1,483,163,616.56	-1,392,328,825.02	-90,834,791.54	6.5-	6
		Total Net Utility Plant	5,010,899,582.19	4,795,551,432.03	215,348,150.16	4.5	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	151,696,979.72	150,637,520.58	1,059,459.14	0.7	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	924,317.70	1,740,905.37	-816,587.67	46.9-	6
		Total Construction Work in Progress	152,621,297.42	152,378,425.95	242,871.47	0.2	5
		TOTAL PLANT	5,163,520,879.61	4,947,929,857.98	215,591,021.63	4.4	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191304	1191304 Other PPD-Trustee	0	5,096.26	-5,096.26	100.0-	7
5500	1191306	1191306 Other PPD-Utiity Deposits	0	17,564.10	-17,564.10	100.0-	
5500	1191307	1191307 Other PPD-Interest	0	256.81	-256.81	100.0-	
5500	1191309	1191309 Other PPD-Real Estate Tax	-84,060.74	15,804.90	-99,865.64	631.9-	
****	1191310	1191310 Other PPD-PUC Assessment	850,505.00	810,152.00	40,353.00	5.0	
****	1191311	1191311 Other PPD-SBA Assessment	59,687.00	48,444.00	11,243.00	23.2	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	342,852.00	250,724.00	92,128.00	36.7	
5500	1191313	1191313 Other PPD-AWWA Dues	0	742	-742	100.0-	
5500	1191315	1191315 Other PPD - PURTA Tax	-405,006.20	0	-405,006.20		
****	1191900	1191900 Prepaid Miscellaneous	746,468.75	889,835.55	-143,366.80	16.1-	7
		Total Prepayments	1,510,445.81	2,038,619.62	-528,173.81	25.9-	6
		Total Prepayments & Other Current Assets	1,510,445.81	2,038,619.62	-528,173.81	25.9-	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	433,102.00	4,779,980.84	-4,346,878.84	90.9-	6
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	135,443.81	82,798.90	52,644.91	63.6	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	22,379.89	-921,642.59	944,022.48	102.4	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	2,149.25	450,796.10	-448,646.85	99.5-	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	40,783.48	-40,783.48	100.0-	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	610,178.40	4,449,820.18	-3,839,641.78	86.3-	5
		Accts Receivable Trade					5
****	1136200	1136200 Customer A/R - Utility	58,398,179.66	59,917,207.64	-1,519,027.98	2.5-	6
****	1137057	1137057 Accounts Receivable - Other	863,883.76	804,283.76	59,600.00	7.4	
5500	1199910	1199910 Rents Receivable	900	-100	1,000.00	1,000.0	6
		Total Accts Receivable Trade	59,262,963.42	60,721,391.40	-1,458,427.98	2.4-	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-11,477,823.76	-12,173,886.85	696,063.09	5.7	6
		Total Allowance for Bad Debts	-11,477,823.76	-12,173,886.85	696,063.09	5.7	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	0	21,955.19	-21,955.19	100.0-	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	270,863.56	14,514,199.32	-14,243,335.76	98.1-	
****	1135603	1135603 A/R - 9210 - Aqua Services Inc.	1,749,206.91	5,387,435.87	-3,638,228.96	67.5-	
5500	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	30,322.51	725,816.69	-695,494.18	95.8-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	119,019.44	263,520.32	-144,500.88	54.8-	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	1,057.90	0	1,057.90		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	58,525.70	64,444.01	-5,918.31	9.2-	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	8,477.28	269,278.91	-260,801.63	96.9-	
5500	1135609	1135609 A/R - 5410 - Great Bay Utilities Inc.	70.6	0	70.6		
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	221,528,262.96	1,025,615,488.63	-804,087,225.67	78.4-	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	9,674.68	66,486.56	-56,811.88	85.4-	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	155.7	573.12	-417.42	72.8-	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	6,331.88	16,756.74	-10,424.86	62.2-	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	3,196.32	315.31	2,881.01	913.7	
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	0	1,507.83	-1,507.83	100.0-	
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	143,021.20	45,659.23	97,361.97	213.2	6
		Total Accts Receivable - Affiliates	224,087,780.02	1,047,012,372.64	-822,924,592.62	78.6-	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	12,679,949.77	15,578,089.38	-2,898,139.61	18.6-	6
5500	1142020	1142020 Materials Inventory - Meters	3,232,175.38	3,219,880.28	12,295.10	0.4	

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.02 -2024.02	Reporting periods
2023.02 -2023.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	1142910	1142910 Materials Inventory - Conversion	99,750.00	-67,354.21	167,104.21	248.1	6
		Total Materials & Supplies	16,011,875.15	18,730,615.45	-2,718,740.30	14.5-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	31,878,700.12	27,233,586.16	4,645,113.96	17.1	6
5550	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	973,176.00	1,207,171.02	-233,995.02	19.4-	6
		Total Unbilled Revenue	32,851,876.12	28,440,757.18	4,411,118.94	15.5	5
		TOTAL CURRENT ASSETS	322,857,295.16	1,149,219,689.62	-826,362,394.46	71.9-	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	566,629.12	767,963.39	-201,334.27	26.2-	7
		Total Rate Case Expense	566,629.12	767,963.39	-201,334.27	26.2-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	810,374,910.43	700,975,538.20	109,399,372.23	15.6	7
5500	1242151	1242151 Reg Asset-Exc Fund/Def-OPEB	0	-1,558,702.46	1,558,702.46	100.0	
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	4,847,075.08	-4,847,075.08	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,764,248.34	-14,764,248.34	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,383,105.04	1,383,105.04	100.0	
5500	1242162	1242162 Reg Asset-Regulatory Asset	0	747.04	-747.04	100.0-	
****	1242164	1242164 Reg Asset-Other	304,845.41	788,466.77	-483,621.36	61.3-	
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	5,861,604.82	667.8	0.0	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	255,597.00	7,515.00	248,082.00	3,301.2	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,135,481.08	9,267,637.31	-132,156.23	1.4-	7
		Total Regulatory Assets	825,933,106.54	733,571,025.06	92,362,081.48	12.6	6
		Total Reg Assets LT	826,499,735.66	734,338,988.45	92,160,747.21	12.6	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	41,062.45	8,134.17	32,928.28	404.8	6
		Total Unamortized Debt Exp	41,062.45	8,134.17	32,928.28	404.8	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	20,000.00	2,091,449.01	-2,071,449.01	99.0-	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	2,090,533.35	2,288,465.13	-197,931.78	8.6-	6
		Total Prelim Survey & Invest	2,110,533.35	4,379,914.14	-2,269,380.79	51.8-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,875,771.46	8,875,771.46	0	0.0	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	159,308.61	91,472.86	67,835.75	74.2	
5550	1293130	1293130 Lease - Easement	0	3,000.00	-3,000.00	100.0-	
5500	1293200	1293200 Accumulated Lease Amortization	-1,442,217.88	-1,185,625.88	-256,592.00	21.6-	6
		Total Operating Lease Assets	7,952,564.31	8,144,320.56	-191,756.25	2.4-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	0	-1,001.88	1,001.88	100.0	6
		Total Other (NC Assets)	-154,934.90	-155,936.78	1,001.88	0.6	5
		TOTAL NONCURRENT ASSETS	870,752,711.67	781,019,171.34	89,733,540.33	11.5	4
		TOTAL ASSETS	6,357,130,886.44	6,878,168,718.94	-521,037,832.50	7.6-	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,363,623.85	-6,959,854.37	-403,769.48	5.8-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,704,585.52	-1,521,091.38	-183,494.14	12.1-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-9,002,808.15	-8,984,352.02	-18,456.13	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	78,799,843.59	-224,461,688.40	303,261,531.99	135.1	
5500	3121121	3121121 Members Equity - Subsidiaries	-518,989,478.87	0	-518,989,478.87		7
		Total Capital in Excess of Par	-460,354,256.07	-244,020,589.44	-216,333,666.63	88.7-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,377,127,710.45	-2,142,380,302.38	-234,747,408.07	11.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernqs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	
****	3239900	3239900 Miscellaneous Retained Earnings Adjustments	0	0	0		7
		Balanace January 1st	-2,413,249,516.43	-2,178,502,108.36	-234,747,408.07	10.8-	6
		Income - Current Year					6
		Current Year Loss	488,149,828.80	0	488,149,828.80		7
		Current Year Profit	0	-33,019,771.56	33,019,771.56	100.0	7
		Total Income - Current Year	488,149,828.80	-33,019,771.56	521,169,600.36	1,578.4	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,385,562,943.70	-2,455,651,469.36	70,088,525.66	2.9	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-2,189,800,000.00	-1,974,800,000.00	-215,000,000.00	10.9-	8
****	2200460	2200460 Long-Term Debt - PENNVEST	-14,377,634.55	-18,388,792.68	4,011,158.13	21.8	8

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.02 -2024.02	Reporting periods
2023.02 -2023.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Total Long Term Debt	-2,204,177,634.55	-1,993,188,792.68	-210,988,841.87	10.6-	7
		Total Mortgage Bonds	-2,204,177,634.55	-1,993,188,792.68	-210,988,841.87	10.6-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	11,484,699.55	13,100,102.59	-1,615,403.04	12.3-	7
5500	2201020	2201020 Unamortized Bond Premium	0	-1,562,633.00	1,562,633.00	100.0	7
		Total Unamort Debt Issue Costs	11,484,699.55	11,537,469.59	-52,770.04	0.5-	6
		Total Long-Term Debt (Net)	-2,192,692,935.00	-1,981,651,323.09	-211,041,611.91	10.6-	5
		TOTAL CAPITAL	-4,578,255,878.70	-4,437,302,792.45	-140,953,086.25	3.2-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-42,691,149.57	0	-42,691,149.57		6
		Total Short Term Debt	-42,691,149.57	0	-42,691,149.57		5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-3,896,638.44	-4,903,221.65	1,006,583.21	20.5	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-13,896,638.44	-14,903,221.65	1,006,583.21	6.8	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-9,321,615.00	-554,361.39	-8,767,253.61	1,581.5-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	36,636.29	68.15	36,568.14	53,658.3	
****	2111110	2111110 Accts Pay-Refunds to Customers	5,096.86	38,541.03	-33,444.17	86.8-	
****	2111130	2111130 A/P-Contractors Retainage	-4,619,146.96	-5,556,042.68	936,895.72	16.9	
5500	2111160	2111160 Customer Collections Due Devel	0	3,136.00	-3,136.00	100.0-	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-6,875,895.31	-13,029,346.69	6,153,451.38	47.2	
5500	2111400	2111400 Procurement Card Clearing	21,353.09	-5,310.83	26,663.92	502.1	
5500	2111430	2111430 Fleet Card Clearing	0	-107,366.94	107,366.94	100.0	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-792,598.83	-319,823.94	-472,774.89	147.8-	
5500	2111535	2111535 Accts Pay-Accrued Electric	-929,678.12	-698,526.73	-231,151.39	33.1-	
5500	2111596	2111596 Accts Pay-Sewer	0	971.15	-971.15	100.0-	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-394.27	-342.75	-51.52	15.0-	
****	2111910	2111910 Accts Payable Liability - Other	-821,573.95	-989,197.21	167,623.26	16.9	6
		Total Accounts Payable - Trade	-23,297,816.20	-21,217,602.83	-2,080,213.37	9.8-	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-138,749.67	0	-138,749.67		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	0	-8,900,480.51	8,900,480.51	100.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	0	-39,547,577.45	39,547,577.45	100.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-221,399.69	-24,269,055.95	24,047,656.26	99.1	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-20,336,215.95	-71,640,283.11	51,304,067.16	71.6	
****	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-6,372.67	-461,678.80	455,306.13	98.6	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-89,023.32	-146,704.05	57,680.73	39.3	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-5,191.42	-54,059.65	48,868.23	90.4	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-475.99	-246,462.34	245,986.35	99.8	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-165,978,425.45	-855,044,175.26	689,065,749.81	80.6	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-1,778.80	0	-1,778.80		
****	2113619	2113619 A/P - 5600 - Aqua Texas	-530.77	-12,006.07	11,475.30	95.6	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-607.74	-8,315.23	7,707.49	92.7	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	0	-175.43	175.43	100.0	
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-86,804.44	-83,728.79	-3,075.65	3.7-	6
		Total Accts Payable - Affiliate	-215,203,711.93	-1,028,752,838.66	813,549,126.73	79.1	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-718,755.57	-1,405,193.86	686,438.29	48.9	6
		Total Construction A/P Trade	-718,755.57	-1,405,193.86	686,438.29	48.9	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	3,856,786.26	-2,181,943.04	6,038,729.30	276.8	6
		Total Accr Inc Taxes - Federal	3,856,786.26	-2,181,943.04	6,038,729.30	276.8	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	5,372,805.43	2,363,142.62	3,009,662.81	127.4	6
		Total Accr Inc Taxes - State	5,372,805.43	2,363,142.62	3,009,662.81	127.4	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	115.43	0	115.43		6
****	2115210	2115210 Sales Taxes Payable - State	5,761.23	0	5,761.23		
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	0	-698,916.66	698,916.66	100.0	6
		Total Accr Taxes - Other	-2,058.66	-706,851.98	704,793.32	99.7	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-19,291,748.60	-18,279,697.50	-1,012,051.10	5.5-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	-44,204.25	148,356.98	-192,561.23	129.8-	
5500	2129040	2129040 Interest Accrued - Miscellaneous	-587,500.00	0	-587,500.00		6
		Total Accrued Interest	-19,923,452.85	-18,131,340.52	-1,792,112.33	9.9-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	5,278.12	7,073.50	-1,795.38	25.4-	6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-986,097.42	-498,060.23	-488,037.19	98.0-	
5500	2141200	2141200 Accrued Annual Incentive	-1,527,755.00	-1,480,360.00	-47,395.00	3.2-	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-1,099,969.00	-1,101,500.00	1,531.00	0.1	
5500	2190010	2190010 Lease Obligation - Current	-232,662.00	-248,475.00	15,813.00	6.4	
5500	2191600	2191600 Appropriated Funds - Other	-76,329.99	-35,716.90	-40,613.09	113.7-	
****	2192072	2192072 Accrued Insur Liab-Other	-1,271,464.00	-1,257,834.00	-13,630.00	1.1-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-449,574.73	-332,079.83	-117,494.90	35.4-	
****	2199615	2199615 Accrued Liab-Audit Fees	-238,443.00	-307,221.73	68,778.73	22.4	

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.02 -2024.02	Reporting periods
2023.02 -2023.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	-1,281.06	0	0.0	
****	2199900	2199900 Misc C&A Liabilities	-3,588,499.69	-3,368,834.02	-219,665.67	6.5-	6
		Total Other Accrued Expense	-9,466,797.77	-8,624,548.56	-842,249.21	9.8-	5
		TOTAL CURRENT LIABILITIES	-315,970,789.30	-1,093,560,398.48	777,589,609.18	71.1	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,840.53	-305.01	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-337,083.48	-574,281.13	237,197.65	41.3	
****	2199075	2199075 CAC-Non Unitized	-61,392,493.85	-54,170,893.87	-7,221,599.98	13.3-	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-3,916,349.00	-5,524,911.18	1,608,562.18	29.1	6
		Total Cust Advances for Constr.	-65,645,926.33	-60,269,781.17	-5,376,145.16	8.9-	5
		Long Term Deferred - FIT					5
****	1261010	1261010 Accumulated Deferred FIT Asset - Non-Current	8,993,824.07	0	8,993,824.07		6
****	1261020	1261020 Accumulated Deferred FIT Asset - Excess Gross UPNC	56,859,229.62	0	56,859,229.62		
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-558,364,614.29	-695,554,957.31	137,190,343.02	19.7	
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-273,793,726.06	25,969,680.25	-299,763,406.31	1,154.3-	6
		Total Long Term Deferred - FIT	-766,305,286.66	-669,585,277.06	-96,720,009.60	14.4-	5
		Long Term Deferred - SIT					5
****	1262010	1262010 Accumulated Deferred SIT Asset - Non-Current	51,876,859.36	0	51,876,859.36		6
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-287,580,102.03	-227,624,638.00	-59,955,464.03	26.3-	
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	62,281,921.61	46,682,707.41	15,599,214.20	33.4	6
		Total Long Term Deferred - SIT	-173,421,321.06	-180,941,930.59	7,520,609.53	4.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,107,606.95	-3,361,018.95	253,412.00	7.5	6
		Total Unamortized ITC	-3,107,606.95	-3,361,018.95	253,412.00	7.5	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-13,178,324.25	-229,217,491.00	216,039,166.75	94.3	6
****	2220110	2220110 Reg Liab - Excess Deferred Income Tax - NonCurrent	-146,344,965.24	0	-146,344,965.24		
****	2220120	2220120 Reg Liab - Excess DIT - Gross Up NC	-55,638,759.81	0	-55,638,759.81		
****	2220170	2220170 Reg Liab - 481a Benefit	-34,024,035.48	0	-34,024,035.48		
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,682,774.74	0	-1,682,774.74		
5500	2220330	2220330 Reg Liab-Pension/OPEB	-124,327,841.11	-116,072,441.11	-8,255,400.00	7.1-	6
		Total Regulatory Liability	-375,196,700.63	-345,289,932.11	-29,906,768.52	8.7-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,719,902.31	-7,892,845.56	172,943.25	2.2	6
		Total Non-Current Operating Leases	-7,719,902.31	-7,892,845.56	172,943.25	2.2	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	119,147,943.14	104,892,543.14	14,255,400.00	13.6	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,690,752.07	-9,882,062.37	191,310.30	1.9	
5500	2291530	2291530 NQ Pension Liability - Non Current	-221,154.34	-719,281.76	498,127.42	69.3	6
		Total Pension and OPEB Liabilities	109,236,036.73	94,291,199.01	14,944,837.72	15.8	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-866,618.47	-1,553,735.00	687,116.53	44.2	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-3,835,503.94	-11,136,811.00	7,301,307.06	65.6	6
		Total Other (NC Liab)	-4,702,122.41	-12,690,546.00	7,988,423.59	62.9	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,286,862,829.62	-1,185,740,132.43	-101,122,697.19	8.5-	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	3,475,590.96	2,635,659.14	839,931.82	31.9	
****	2292030	2292030 CIAC-Unitized	-243,386,224.69	-223,853,174.40	-19,533,050.29	8.7-	6
		Total Contrib in Aid of Constr.	-244,493,057.87	-225,799,939.40	-18,693,118.47	8.3-	5
****	2292100	2292100 Accum Amort of CIAC	68,451,669.05	64,234,543.82	4,217,125.23	6.6	6
			68,451,669.05	64,234,543.82	4,217,125.23	6.6	5
		Total CIAC -NET	-176,041,388.82	-161,565,395.58	-14,475,993.24	9.0-	4
		TOTAL LIABILITIES & CAPITAL	-6,357,130,886.44	-6,878,168,718.94	521,037,832.50	7.6	3
			0	0	0		2
			5,550,539,449.16	**5,289,317,712.02**	**261,221,737.14**		

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.03 -2024.03	Reporting periods
2023.03 -2023.03	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		ASSETS					3
		PLANT					4
		Net Utility Plant					5
		Gross Utility Plant					6
****	1310110	1310110 Construction Complete Not Classified	160,654,105.32	220,882,119.67	-60,228,014.35	27.3-	8
****	1311000	1311000 Power Plan Clearing	0	254,410.58	-254,410.58	100.0-	
****	1311111	1311111 Plant Held for Future Use - Powerplan Clearing	4,198,161.66	4,264,266.41	-66,104.75	1.6-	
****	1311130	1311130 Utility Plant Purchased/Sold	2,500,000.00	2,488,165.59	11,834.41	0.5	
****	1311200	1311200 Utility Plant in Service - PowerPlan	6,311,082,940.62	5,965,855,722.53	345,227,218.09	5.8	
****	1311310	1311310 Non-Utility Property	28,851,029.32	28,851,029.32	0	0.0	
****	1311910	1311910 Util PP&E Clearing Acct for Data Conversion	4,238,510.00	6,870,515.18	-2,632,005.18	38.3-	8
		Total Utility Prop Plant & Equip	6,511,524,746.92	6,229,466,229.28	282,058,517.64	4.5	7
****	1311141	1311141 Plant Acquisition Adjustments-PowerPlan	-17,827,762.25	-17,827,762.25	0	0.0	8
****	1331141	1331141 Accum Amortization - Plant Acquisition Adj PP	19,578,923.54	18,641,669.71	937,253.83	5.0	8
		Total Net Utility Plant Adjustment	1,751,161.29	813,907.46	937,253.83	115.2	7
		Total Gross Utility Plant	6,513,275,908.21	6,230,280,136.74	282,995,771.47	4.5	6
		Allowance for Depreciation					6
****	1331210	1331210 Accumulated Depreciation - Utility Plant	-1,485,690,646.82	-1,388,543,143.94	-97,147,502.88	7.0-	7
****	1331310	1331310 Accumulated Depreciation - Non-Utility Property	-6,627,046.04	-6,078,801.54	-548,244.50	9.0-	7
		Less Allowance for Depreciation	-1,492,317,692.86	-1,394,621,945.48	-97,695,747.38	7.0-	6
		Total Net Utility Plant	5,020,958,215.35	4,835,658,191.26	185,300,024.09	3.8	5
		Construction Work in Progress					5
****	1311011	1311011 Construction Work In Progress-Utility-PowerPlan	151,959,034.11	134,119,681.91	17,839,352.20	13.3	6
****	1311900	1311900 CWIP Clearing Acct/Direct Pstg	1,516,538.03	2,664,954.27	-1,148,416.24	43.1-	6
		Total Construction Work in Progress	153,475,572.14	136,784,636.18	16,690,935.96	12.2	5
		TOTAL PLANT	5,174,433,787.49	4,972,442,827.44	201,990,960.05	4.1	4
		CURRENT ASSETS					4
		Prepayments & Other Current Assets					5
		Prepayments					6
5500	1191304	1191304 Other PPD-Trustee	0	5,096.26	-5,096.26	100.0-	7
5500	1191306	1191306 Other PPD-Utiity Deposits	0	17,564.10	-17,564.10	100.0-	
5500	1191307	1191307 Other PPD-Interest	0	256.81	-256.81	100.0-	
****	1191310	1191310 Other PPD-PUC Assessment	637,805.00	607,542.00	30,263.00	5.0	
****	1191311	1191311 Other PPD-SBA Assessment	44,762.00	36,329.00	8,433.00	23.2	
****	1191312	1191312 Other PPD-Cons/Public Advocate Assmt	257,124.00	188,029.00	69,095.00	36.7	
5500	1191313	1191313 Other PPD-AWWA Dues	0	-5,183.52	5,183.52	100.0	
****	1191900	1191900 Prepaid Miscellaneous	419,258.98	480,250.88	-60,991.90	12.7-	7
		Total Prepayments	1,358,949.98	1,329,884.53	29,065.45	2.2	6
		Total Prepayments & Other Current Assets	1,358,949.98	1,329,884.53	29,065.45	2.2	5
		Cash					5
5500	1111502	1111502 Cash in Banks - Aqua PA PNC Acct-X2757	13,557,224.05	7,077,578.40	6,479,645.65	91.6	6
5500	1111520	1111520 Cash in Banks - PNC Nat.City-Shenango-X3268	136,128.81	83,065.90	53,062.91	63.9	
5500	1112503	1112503 Cash Clrg - Aqua PA PNC Acct-X2757	-6,810.37	-2,610.43	-4,199.94	160.9-	
5500	1112561	1112561 Cash Clrg - PNC Aqua Acct-X3136	2,149.25	4,149.12	-1,999.87	48.2-	
5500	1112563	1112563 Cash Clrg - PNC Aqua Acct-X6161	0	-25.3	25.3	100.0	
****	1113200	1113200 Working Funds	17,103.45	17,103.45	0	0.0	6
		Total Cash	13,705,795.19	7,179,261.14	6,526,534.05	90.9	5
		Accts Receivable Trade					5
****	1136101	1136101 Customer A/R - Utility - Manual	-14,292.96	-95,780.11	81,487.15	85.1	6
****	1136200	1136200 Customer A/R - Utility	59,738,686.22	51,692,341.28	8,046,344.94	15.6	
****	1137057	1137057 Accounts Receivable - Other	1,125,673.01	1,322,125.90	-196,452.89	14.9-	
5500	1199910	1199910 Rents Receivable	900	600	300	50.0	6
		Total Accts Receivable Trade	60,850,966.27	52,919,287.07	7,931,679.20	15.0	5
		Allowance for Bad Debts					5
****	1138010	1138010 Provision for Uncollectible A/R-Customer Accounts	-11,989,903.49	-9,480,122.95	-2,509,780.54	26.5-	6
		Total Allowance for Bad Debts	-11,989,903.49	-9,480,122.95	-2,509,780.54	26.5-	5
		Accts Receivable - Affiliates					5
5500	1133140	1133140 Interco Rec - 2200 - PNG Companies LLC	147,672.99	0	147,672.99		6
5500	1133204	1133204 Interco Rec - 5100 - Aqua New Jersey Inc.	0	7,014.52	-7,014.52	100.0-	
5500	1133205	1133205 Interco Rec - 5200 - Aqua Ohio Inc.	0	21,955.19	-21,955.19	100.0-	
5500	1133224	1133224 Interco Rec - 5800 -Aqua Illinois, Inc.	11,920.39	11,920.39	0	0.0	
****	1135602	1135602 A/R - 9200 - Essential Services Inc.	405,071.76	24,353,754.94	-23,948,683.18	98.3-	
****	1135603	1135603 A/R - 9210 - Aqua Services Inc.	3,055,746.96	5,788,140.27	-2,732,393.31	47.2-	
****	1135604	1135604 A/R - 5100 - Aqua New Jersey Inc.	36,661.57	764,528.68	-727,867.11	95.2-	
5500	1135605	1135605 A/R - 5200 - Aqua Ohio Inc.	133,732.10	292,274.86	-158,542.76	54.2-	
5500	1135606	1135606 A/R - 5210 - Aqua Ohio Wastewater Inc.	1,057.90	0	1,057.90		
5500	1135607	1135607 A/R - 5300 - Aqua North Carolina Inc.	62,210.72	70,174.04	-7,963.32	11.3-	
5500	1135608	1135608 A/R - 5400 - Aqua Virginia Inc.	11,200.59	270,856.76	-259,656.17	95.9-	
****	1135610	1135610 A/R - 9100 - Essentials Utilities Inc.	312,657,813.38	1,082,702,768.35	-770,044,954.97	71.1-	
5500	1135619	1135619 A/R - 5600 - Aqua Texas	10,761.92	68,996.25	-58,234.33	84.4-	
5500	1135620	1135620 A/R - 5610 - Aqua Texas Oper (Non Reg)	155.7	573.12	-417.42	72.8-	
5500	1135621	1135621 A/R - 5700 - Aqua Indiana	6,331.88	16,756.74	-10,424.86	62.2-	
5500	1135622	1135622 A/R - 5710 - Hendricks County WW LLC	3,976.14	315.31	3,660.83	1,161.0	
5500	1135623	1135623 A/R - 5720 - Western Hancock Inc.	0	1,507.83	-1,507.83	100.0-	
5500	1135624	1135624 A/R - 5800 -Aqua Illinois, Inc.	145,412.35	50,363.70	95,048.65	188.7	6
		Total Accts Receivable - Affiliates	316,689,726.35	1,114,421,900.95	-797,732,174.60	71.6-	5
		Materials & Supplies					5
5500	1142010	1142010 Materials Inventory	12,979,718.45	14,836,008.79	-1,856,290.34	12.5-	6
5500	1142020	1142020 Materials Inventory - Meters	3,495,216.48	3,376,312.89	118,903.59	3.5	

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2024.03 -2024.03 Reporting periods
2023.03 -2023.03 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	1142910	1142910 Materials Inventory - Conversion	16,946.37	-89,056.56	106,002.93	119.0	6
		Total Materials & Supplies	16,491,881.30	18,123,265.12	-1,631,383.82	9.0-	5
		Unbilled Revenue					5
****	1131040	1131040 Unbilled Revenue - Water/WasteWater	32,138,718.43	30,832,492.11	1,306,226.32	4.2	6
****	1131045	1131045 Unbilled Revenue - Water/WasteWater - Non CIS	898,349.18	1,626,057.05	-727,707.87	44.8-	6
		Total Unbilled Revenue	33,037,067.61	32,458,549.16	578,518.45	1.8	5
		TOTAL CURRENT ASSETS	430,144,483.21	1,216,952,025.02	-786,807,541.81	64.7-	4
		NONCURRENT ASSETS					4
		Total Reg Assets LT					5
		Rate Case Expense					6
****	1253100	1253100 Deferred Rate Case Expenses	594,960.21	708,011.80	-113,051.59	16.0-	7
		Total Rate Case Expense	594,960.21	708,011.80	-113,051.59	16.0-	6
		Regulatory Assets					6
****	1242010	1242010 Reg Asset - FAS 109	841,269,821.14	707,865,932.20	133,403,888.94	18.8	7
****	1242153	1242153 Reg Asset-AFUDC Gross Up (WIP)	0	5,032,741.89	-5,032,741.89	100.0-	
****	1242154	1242154 Reg Asset-AFUDC Gross Up (InSvc)	0	14,764,248.34	-14,764,248.34	100.0-	
****	1242155	1242155 Reg Asset-AFUDC Gross Up (AD)	0	-1,436,486.78	1,436,486.78	100.0	
5500	1242162	1242162 Reg Asset-Regulatory Asset	0	1,200.09	-1,200.09	100.0-	
5500	1242164	1242164 Reg Asset-Other	435,648.07	0	435,648.07		
****	1242168	1242168 Reg Asset-COVID19 Recovery Cos	5,862,272.62	5,861,827.42	445.2	0.0	
5500	1242171	1242171 Reg Asset-Reg Asset-Twin Lakes	311,783.00	7,515.00	304,268.00	4,048.8	
****	1242208	1242208 Reg Asset - Cost of Removal - WT/WW	9,072,208.16	9,159,079.39	-86,871.23	0.9-	7
		Total Regulatory Assets	856,951,732.99	741,256,057.55	115,695,675.44	15.6	6
		Total Reg Assets LT	857,546,693.20	741,964,069.35	115,582,623.85	15.6	5
		Unamortized Debt Exp					5
5500	1199920	1199920 Unamortized Debt Issuance Exp	28,230.43	6,156.39	22,074.04	358.6	6
		Total Unamortized Debt Exp	28,230.43	6,156.39	22,074.04	358.6	5
		Prelim Survey & Invest					5
****	1250020	1250020 Preliminary Survey & Investigations (PP)	20,000.00	2,091,449.01	-2,071,449.01	99.0-	6
****	1251030	1251030 Retirement Work in Progress (Water) – PP	1,937,206.81	2,523,309.84	-586,103.03	23.2-	6
		Total Prelim Survey & Invest	1,957,206.81	4,614,758.85	-2,657,552.04	57.6-	5
		Goodwill					5
****	1311151	1311151 Goodwill-Manual	34,303,750.80	34,303,750.80	0	0.0	6
		Total Goodwill	34,303,750.80	34,303,750.80	0	0.0	5
		Operating Lease Assets					5
5500	1293110	1293110 Lease - Land	8,875,771.46	8,880,771.46	-5,000.00	0.1-	6
5500	1293115	1293115 Lease - Office Building	359,702.12	359,702.12	0	0.0	
5500	1293120	1293120 Lease - Office Equipment	159,308.61	128,084.86	31,223.75	24.4	
5550	1293130	1293130 Lease - Easement	0	3,000.00	-3,000.00	100.0-	
5500	1293200	1293200 Accumulated Lease Amortization	-1,660,754.88	-1,403,168.88	-257,586.00	18.4-	6
		Total Operating Lease Assets	7,734,027.31	7,968,389.56	-234,362.25	2.9-	5
		Other (NC Assets)					5
5500	1253921	1253921 Other Deferred DB-Susp-Amortiz	-175,730.23	-175,730.23	0	0.0	6
5500	1253922	1253922 Other Deferred DB-Service Line	20,535.15	20,535.15	0	0.0	
5500	1999997	1999997 ADP Interm Clearing	260.18	260.18	0	0.0	
****	1999998	1999998 Banner Interm Clearing	10.5	-1,001.88	1,012.38	101.0	6
		Total Other (NC Assets)	-154,924.40	-155,936.78	1,012.38	0.6	5
		TOTAL NONCURRENT ASSETS	901,414,984.15	788,701,188.17	112,713,795.98	14.3	4
		TOTAL ASSETS	6,505,993,254.85	6,978,096,040.63	-472,102,785.78	6.8-	3
		CAPITAL					4
		Equity					5
		Common Shares					6
****	3110100	3110100 Common Stock	-110,000.00	-110,000.00	0	0.0	7
		Total Common Shares	-110,000.00	-110,000.00	0	0.0	6
		Capital in Excess of Par					6
5500	3121111	3121111 Other Paid-In Cap-PSU	-7,187,968.53	-7,031,818.64	-156,149.89	2.2-	7
5500	3121112	3121112 Other Paid-In Cap-RSU	-1,721,813.76	-1,537,889.18	-183,924.58	12.0-	
5500	3121114	3121114 Other Paid-In Cap-Stock Option	-9,003,386.83	-8,984,735.95	-18,650.88	0.2-	
5500	3121115	3121115 Other Paid-In Cap-Tax on Stock	-1,644,203.90	-1,644,203.90	0	0.0	
5500	3121116	3121116 Other Paid-In Cap-Restricted Stock	-449,399.37	-449,399.37	0	0.0	
****	3121117	3121117 Other Paid-in Capital-Aqua	38,799,914.19	-224,598,109.80	263,398,023.99	117.3	
5500	3121121	3121121 Members Equity - Subsidiaries	-518,989,478.87	0	-518,989,478.87		7
		Total Capital in Excess of Par	-500,196,337.07	-244,246,156.84	-255,950,180.23	104.8-	6
		Balanace January 1st					6
****	3220000	3220000 Unappropriated Retained Earnings	-2,377,127,710.45	-2,142,380,302.38	-234,747,408.07	11.0-	7
5500	3220301	3220301 Unapprop Undistr Sub Ernngs-9110-Essential WT Hldg	-36,121,805.98	-36,121,805.98	0	0.0	
****	3239900	3239900 Miscellaneous Retained Earnings Adjustments	0	0	0		7
		Balanace January 1st	-2,413,249,516.43	-2,178,502,108.36	-234,747,408.07	10.8-	6
		Income - Current Year					6
		Current Year Loss	476,720,776.79	0	476,720,776.79		7
		Current Year Profit	0	-54,107,158.99	54,107,158.99	100.0	7
		Total Income - Current Year	476,720,776.79	-54,107,158.99	530,827,935.78	981.1	6
		Treasury Stock					6
5500	3131000	3131000 Reacquired Capital Stock	1,000.00	1,000.00	0	0.0	7
		Total Treasury Stock	1,000.00	1,000.00	0	0.0	6
		Total Equity	-2,436,834,076.71	-2,476,964,424.19	40,130,347.48	1.6	5
		Long-Term Debt					5
		Mortgage Bonds					6
5500	2200210	2200210 Long-Term Debt - Bonds	-2,189,800,000.00	-1,964,800,000.00	-225,000,000.00	11.5-	8

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2024.03 -2024.03 Reporting periods
2023.03 -2023.03 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	2200460	2200460 Long-Term Debt - PENNVEST	-14,407,781.51	-17,907,798.85	3,500,017.34	19.5	8
		Total Long Term Debt	-2,204,207,781.51	-1,982,707,798.85	-221,499,982.66	11.2-	7
		Total Mortgage Bonds	-2,204,207,781.51	-1,982,707,798.85	-221,499,982.66	11.2-	6
		Unamort Debt Issue Costs					6
5500	2201005	2201005 Debt Issuance Costs – LT - Water/Wastewater	11,452,638.49	13,057,535.80	-1,604,897.31	12.3-	7
5500	2201020	2201020 Unamortized Bond Premium	0	-1,556,697.00	1,556,697.00	100.0	7
		Total Unamort Debt Issue Costs	11,452,638.49	11,500,838.80	-48,200.31	0.4-	6
		Total Long-Term Debt (Net)	-2,192,755,143.02	-1,971,206,960.05	-221,548,182.97	11.2-	5
		TOTAL CAPITAL	-4,629,589,219.73	-4,448,171,384.24	-181,417,835.49	4.1-	4
		CURRENT LIABILITIES					4
		Short Term Debt					5
5500	2150050	2150050 Notes Payable - Short Term Debt	-19,000,000.00	-15,000,000.00	-4,000,000.00	26.7-	6
		Total Short Term Debt	-19,000,000.00	-15,000,000.00	-4,000,000.00	26.7-	5
		Current Portion - LTD					5
****	2150010	2150010 Notes Payable - Current Portion	-3,498,085.31	-4,452,573.31	954,488.00	21.4	6
5500	2150015	2150015 Notes Payable - Current Portion-FM Bonds	-10,000,000.00	-10,000,000.00	0	0.0	6
		Total Current Portion - LTD	-13,498,085.31	-14,452,573.31	954,488.00	6.6	5
		Accounts Payable - Trade					5
****	2111020	2111020 Trade Accounts Payable	-9,952,314.26	-2,543,322.56	-7,408,991.70	291.3-	6
5500	2111025	2111025 Cash Discounts Clearing - Trade A/P	36,544.36	250.97	36,293.39	14,461.2	
****	2111110	2111110 Accts Pay-Refunds to Customers	4,067.86	21,150.27	-17,082.41	80.8-	
****	2111130	2111130 A/P-Contractors Retainage	-4,468,675.75	-5,196,003.47	727,327.72	14.0	
5500	2111160	2111160 Customer Collections Due Devel	0	3,136.00	-3,136.00	100.0-	
****	2111200	2111200 Goods Received/Invoice Received Clearing	-2,965,047.91	-14,995,322.03	12,030,274.12	80.2	
5500	2111400	2111400 Procurement Card Clearing	24,354.85	103.87	24,250.98	23,347.4	
5500	2111430	2111430 Fleet Card Clearing	0	-57,292.77	57,292.77	100.0	
5500	2111530	2111530 Accts Pay-Accrued Purchased Water	-1,410,598.44	-364,861.41	-1,045,737.03	286.6-	
5500	2111535	2111535 Accts Pay-Accrued Electric	-861,515.13	-731,790.54	-129,724.59	17.7-	
5500	2111596	2111596 Accts Pay-Sewer	0	971.15	-971.15	100.0-	
5500	2111811	2111811 Expense Report Clearing - Travel Expense	-116.77	-1,304.51	1,187.74	91.0	
****	2111910	2111910 Accts Payable Liability - Other	-673,368.55	-1,208,744.81	535,376.26	44.3	6
		Total Accounts Payable - Trade	-20,266,669.74	-25,073,029.84	4,806,360.10	19.2	5
		Accts Payable - Affiliate					5
5500	2113040	2113040 Interco Payable - 2200 - PNG Companies LLC	-298,749.67	0	-298,749.67		6
5500	2113203	2113203 Interco Pay - 9210 - Aqua Services Inc.	0	-8,900,480.51	8,900,480.51	100.0	
5500	2113210	2113210 Interco Pay - 9100 - Essential Utilities	0	-39,547,577.45	39,547,577.45	100.0	
5550	2113216	2113216 Interco Pay - 5582 - Aqua Resources Inc.	-28,338,136.02	-28,338,136.02	0	0.0	
****	2113602	2113602 A/P - 9200 - Essential Services Inc.	-234,914.07	-25,281,932.78	25,047,018.71	99.1	
****	2113603	2113603 A/P - 9210 - Aqua Services Inc.	-25,351,644.87	-77,274,239.81	51,922,594.94	67.2	
****	2113604	2113604 A/P - 5100 - Aqua New Jersey Inc.	-5,957.20	-461,741.49	455,784.29	98.7	
****	2113605	2113605 A/P - 5200 - Aqua Ohio Inc.	-95,506.22	-152,972.81	57,466.59	37.6	
****	2113607	2113607 A/P - 5300 - Aqua North Carolina Inc.	-5,660.84	-54,261.55	48,600.71	89.6	
****	2113608	2113608 A/P - 5400 - Aqua Virginia Inc.	-524.6	-247,164.56	246,639.96	99.8	
****	2113610	2113610 A/P - 9100 - Essentials Utilities Inc.	-242,271,896.16	-903,698,018.16	661,426,122.00	73.2	
5500	2113616	2113616 A/P - 5582 - Aqua Resources Inc.	-3,538.80	-272	-3,266.80	1,201.0-	
****	2113619	2113619 A/P - 5600 - Aqua Texas	-1,160.95	-12,064.82	10,903.87	90.4	
5500	2113621	2113621 A/P - 5700 - Aqua Indiana	-742.72	-8,315.23	7,572.51	91.1	
5500	2113622	2113622 A/P - 5710 - Hendricks County WW LLC	0	-175.43	175.43	100.0	
5500	2113624	2113624 A/P - 5800 -Aqua Illinois, Inc.	-87,892.15	-83,728.79	-4,163.36	5.0-	6
		Total Accts Payable - Affiliate	-296,696,324.27	-1,084,061,081.41	787,364,757.14	72.6	5
		Construction A/P Trade					5
****	2111912	2111912 Accts Pay-Construction	-1,310,975.90	-2,415,444.31	1,104,468.41	45.7	6
		Total Construction A/P Trade	-1,310,975.90	-2,415,444.31	1,104,468.41	45.7	5
		Accr Inc Taxes - Federal					5
****	2132011	2132011 Accrued Federal Income Tax - Current Year	4,405,155.82	-2,422,345.91	6,827,501.73	281.9	6
		Total Accr Inc Taxes - Federal	4,405,155.82	-2,422,345.91	6,827,501.73	281.9	5
		Accr Inc Taxes - State					5
****	2133120	2133120 Accrued State Income Tax - Other-Curr Yr - WT/WW	4,276,913.00	2,315,515.62	1,961,397.38	84.7	6
		Total Accr Inc Taxes - State	4,276,913.00	2,315,515.62	1,961,397.38	84.7	5
		Accr Taxes - Other					5
5500	2115115	2115115 Local Excise Tax - AQUA	2,376.95	0	2,376.95		6
****	2115210	2115210 Sales Taxes Payable - State	6,111.76	0	6,111.76		
5500	2115310	2115310 Withholding Taxes Payable - Vendor	-7,935.32	-7,935.32	0	0.0	
5500	2136020	2136020 Accrued Property Tax – Water/Wastewater	-161,500.16	-43,735.64	-117,764.52	269.3-	
5500	2136030	2136030 Accrued PURTA Tax	-823,367.31	-1,048,374.99	225,007.68	21.5	6
		Total Accr Taxes - Other	-984,314.08	-1,100,045.95	115,731.87	10.5	5
		Accrued Interest					5
****	2121015	2121015 Interest Accrued - Long-Term Debt-WT/WW	-22,881,834.54	-20,591,650.73	-2,290,183.81	11.1-	6
5500	2121020	2121020 Interest Accrued - Short-Term Debt	102,929.87	146,044.48	-43,114.61	29.5-	
5500	2129040	2129040 Interest Accrued - Miscellaneous	-643,686.00	0	-643,686.00		6
		Total Accrued Interest	-23,422,590.67	-20,445,606.25	-2,976,984.42	14.6-	5
		Other Accrued Expense					5
5500	2112085	2112085 Retiree Flexible Spending	5,668.36	10,610.25	-4,941.89	46.6-	6
5500	2141000	2141000 Payroll Clearing	0	-2,015.99	2,015.99	100.0	
5500	2141050	2141050 Accrued Payroll	-1,161,229.91	-1,090,407.39	-70,822.52	6.5-	
5500	2141200	2141200 Accrued Annual Incentive	-328,710.00	-338,949.00	10,239.00	3.0	
5500	2141550	2141550 NQ Pension Reserve - Current	0	1,756.70	-1,756.70	100.0-	
5500	2141620	2141620 Employee Profit Sharing	-292,454.51	-243,413.00	-49,041.51	20.1-	
5500	2190010	2190010 Lease Obligation - Current	-241,899.00	-251,554.00	9,655.00	3.8	

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.03 -2024.03	Reporting periods
2023.03 -2023.03	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	2191600	2191600 Appropriated Funds - Other	-193,447.47	-35,001.90	-158,445.57	452.7-	
5500	2199411	2199411 Deferred Revenue-Antenna Leases	-537,573.93	-355,678.12	-181,895.81	51.1-	
****	2199615	2199615 Accrued Liab-Audit Fees	-311,517.00	-529,711.31	218,194.31	41.2	
5500	2199645	2199645 Accrued Liab-COVID Relief Fund	-1,281.06	-1,281.06	0	0.0	
****	2199900	2199900 Misc C&A Liabilities	-3,635,300.26	-3,191,576.41	-443,723.85	13.9-	6
		Total Other Accrued Expense	-6,697,744.78	-6,027,221.23	-670,523.55	11.1-	5
		TOTAL CURRENT LIABILITIES	-373,194,635.93	-1,168,681,832.59	795,487,196.66	68.1	4
		NONCURRENT LIABILITIES					4
		Cust Advances for Construction					5
****	2199050	2199050 CAC-WIP Non Cash	-79,050,469.71	-79,050,469.71	0	0.0	6
****	2199060	2199060 CAC-WIP Cash	7,232,934.19	7,232,934.19	0	0.0	
****	2199065	2199065 CAC-WIP Closing	71,817,535.52	71,817,535.52	0	0.0	
****	2199070	2199070 Adv Cust-Cash Other	-337,083.48	-627,681.13	290,597.65	46.3	
****	2199075	2199075 CAC-Non Unitized	-62,589,043.42	-56,099,423.13	-6,489,620.29	11.6-	
****	2199085	2199085 Adv Cust-Non Cash Dedicated Pr	-4,238,510.00	-6,870,515.18	2,632,005.18	38.3	6
		Total Cust Advances for Constr.	-67,164,636.90	-63,597,619.44	-3,567,017.46	5.6-	5
		Long Term Deferred - FIT					5
****	1261010	1261010 Accumulated Deferred FIT Asset - Non-Current	10,072,148.58	0	10,072,148.58		6
****	1261020	1261020 Accumulated Deferred FIT Asset - Excess Gross UPNC	55,689,531.77	0	55,689,531.77		
****	2210010	2210010 Accum Defd Plant Federal Income Tax Liab-Noncurr	-567,758,016.27	-705,274,967.31	137,516,951.04	19.5	
****	2210020	2210020 Accum Defd Other Federal Income Tax Liab-Noncurr	-272,733,263.53	25,406,248.25	-298,139,511.78	1,173.5-	6
		Total Long Term Deferred - FIT	-774,729,599.45	-679,868,719.06	-94,860,880.39	14.0-	5
		Long Term Deferred - SIT					5
****	1262010	1262010 Accumulated Deferred SIT Asset - Non-Current	47,710,631.82	0	47,710,631.82		6
****	2211010	2211010 Accum Defd Plant State Income Tax Liab-Noncurr	-274,978,788.05	-225,841,212.00	-49,137,576.05	21.8-	
****	2211020	2211020 Accum Defd Other State Income Tax Liab-Noncurr	50,543,559.40	45,221,198.41	5,322,360.99	11.8	6
		Total Long Term Deferred - SIT	-176,724,596.83	-180,620,013.59	3,895,416.76	2.2	5
		Unamortized ITC					5
5500	2212010	2212010 Deferred Taxes-Unam Fed ITC	-3,044,253.75	-3,297,665.95	253,412.20	7.7	6
		Total Unamortized ITC	-3,044,253.75	-3,297,665.95	253,412.20	7.7	5
		Regulatory Liability					5
****	2220100	2220100 Reg Liab - FAS109 - NonCurrent	-13,186,226.29	-227,491,748.00	214,305,521.71	94.2	6
****	2220110	2220110 Reg Liab - Excess Deferred Income Tax - NonCurrent	-167,371,842.42	0	-167,371,842.42		
****	2220120	2220120 Reg Liab - Excess DIT - Gross Up NC	-55,838,030.17	0	-55,838,030.17		
****	2220170	2220170 Reg Liab - 481a Benefit	-39,965,555.40	0	-39,965,555.40		
5500	2220225	2220225 Reg Liability - OPEB Tracker	-1,664,162.68	-1,665,356.40	1,193.72	0.1	
5500	2220330	2220330 Reg Liab-Pension/OPEB	-124,611,214.11	-116,526,218.11	-8,084,996.00	6.9-	6
		Total Regulatory Liability	-402,637,031.07	-345,683,322.51	-56,953,708.56	16.5-	5
		Non-Current Operating Leases					5
5500	2290020	2290020 Lease Obligation - Noncurrent	-7,492,128.31	-7,708,835.56	216,707.25	2.8	6
		Total Non-Current Operating Leases	-7,492,128.31	-7,708,835.56	216,707.25	2.8	5
5500	2291508	2291508 Noncurrent Liab-Pension Benefit Obligation	119,431,316.14	105,346,320.14	14,084,996.00	13.4	6
5500	2291518	2291518 OPEB Liability - Essential - Non Current	-9,683,464.58	-9,750,070.71	66,606.13	0.7	
5500	2291530	2291530 NQ Pension Liability - Non Current	-231,428.20	-708,438.39	477,010.19	67.3	6
		Total Pension and OPEB Liabilities	109,516,423.36	94,887,811.04	14,628,612.32	15.4	5
		Other (NC Liab)					5
5500	2291120	2291120 Uncertain Tax Position Reserve-State	-1,100,955.30	-1,536,224.00	435,268.70	28.3	6
5500	2299180	2299180 Accrued FIN 48 Income Tax - Long - Term	-4,105,256.12	-10,901,578.00	6,796,321.88	62.3	6
		Total Other (NC Liab)	-5,206,211.42	-12,437,802.00	7,231,590.58	58.1	5
		NONCURRRENT LIABILITIES SUBTOTAL	-1,327,482,034.37	-1,198,326,167.07	-129,155,867.30	10.8-	4
		CIAC -NET					4
		CONTRIB IN AID OF CONSTR.					5
****	2292000	2292000 CIAC-WIP Non Cash	-1,875,733.29	-1,875,733.29	0	0.0	6
****	2292010	2292010 CIAC-WIP Cash	-2,706,690.85	-2,706,690.85	0	0.0	
****	2292020	2292020 CIAC-WIP Closing	3,444,845.96	985,421.08	2,459,424.88	249.6	
****	2292030	2292030 CIAC-Unitized	-243,407,969.69	-223,895,746.79	-19,512,222.90	8.7-	6
		Total Contrib in Aid of Constr.	-244,545,547.87	-227,492,749.85	-17,052,798.02	7.5-	5
****	2292100	2292100 Accum Amort of CIAC	68,818,183.05	64,576,093.12	4,242,089.93	6.6	6
			68,818,183.05	64,576,093.12	4,242,089.93	6.6	5
		Total CIAC -NET	-175,727,364.82	-162,916,656.73	-12,810,708.09	7.9-	4
		TOTAL LIABILITIES & CAPITAL	-6,505,993,254.85	-6,978,096,040.63	472,102,785.78	6.8	3
			0	0	0		2
			5,559,342,765.50	**5,378,353,098.79**	**180,989,666.71**		

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0L	Ledger
10	Currency type Company code currency
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2023.01 -2023.01	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-152,242,236.88	**-112,179,278.04**	**-40,062,958.84**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-824.91	-2,176.23	1,351.32	62.1	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-43,583.37	-55,735.47	12,152.10	21.8	10
****	4114110	4114110 WTR-Metered Sales-Residential	-30,902,972.51	-25,308,460.25	-5,594,512.26	22.1-	10
5500	4114115	4114115 WTR-CAP Discount-Residential	1,665.55	0	1,665.55		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-9,998,229.34	-8,020,680.06	-1,977,549.28	24.7-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,690,780.66	-1,216,937.28	-473,843.38	38.9-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-751,103.32	-588,104.98	-162,998.34	27.7-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-851.22	-6,624.64	5,773.42	87.2	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,323,996.01	-1,094,838.03	-229,157.98	20.9-	10
****	4114220	4114220 WTR-Public Fire Protection	-613,322.58	-546,331.10	-66,991.48	12.3-	10
****	4114230	4114230 WTR-Private Fire Protection	-205,942.21	-170,481.27	-35,460.94	20.8-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-315,669.46	-210,223.48	-105,445.98	50.2-	10
****	4115100	4115100 WTR-Misc Srv Rev	-49,966.00	-48,598.11	-1,367.89	2.8-	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-12,000.00	-8,050.00	-3,950.00	49.1-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-30,257.89	-86,857.74	56,599.85	65.2	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-27,439.36	-20,180.00	-7,259.36	36.0-	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	0	-100	100	100.0	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-9,188.45	-2,811,522.15	2,802,333.70	99.7	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	26,135.45	-14,038.37	40,173.82	286.2	10
		Operating Revenue - Water	-45,948,326.29	-40,209,939.16	-5,738,387.13	14.3-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,726,356.15	-1,049,155.14	-2,677,201.01	255.2-	10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-717,440.01	-488,183.15	-229,256.86	47.0-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,339,587.38	-452,178.41	-887,408.97	196.3-	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-286,500.99	-112,046.55	-174,454.44	155.7-	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-2,726.77	-226.09	-2,500.68	1,106.1-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-27,988.87	0	-27,988.87		10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-186.63	0	-186.63		10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-1,990.25	-1,293.71	-696.54	53.8-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-123,976.21	-101,777.40	-22,198.81	21.8-	10
****	4215155	4215155 WW-ST Tax Surcharge	885.94	0	885.94		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-3,337.55	-12,264.28	8,926.73	72.8	10
5550	4218400	4218400 WW-Other WW Revenues	-940	-320	-620	193.8-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-461	-87,985.38	87,524.38	99.5	10
		Operating Revenue - Sewer	-6,230,605.87	-2,305,430.11	-3,925,175.76	170.3-	9
		Total Operating Revenue	-52,178,932.16	-42,515,369.27	-9,663,562.89	22.7-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
****	4305060	4305060 Rev-Contract-WW Billing	-140,979.06	46,929.89	-187,908.95	400.4-	9
5500	4305070	4305070 Rev-Contract-Lab Services	-31,179.00	-34,345.00	3,166.00	9.2	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-2,150.00	650	30.2	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-70,815.98	-69,559.99	-1,255.99	1.8-	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-41,303.75	0	-41,303.75		9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-168,839.52	-245,757.13	76,917.61	31.3	9
		Total Non Operating Revenue	-455,128.31	-305,393.23	-149,735.08	49.0-	8
		TOTAL REVENUE	-52,634,060.47	-42,820,762.50	-9,813,297.97	22.9-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,761,359.39	3,472,677.98	288,681.41	8.3	11
5500	5300190	5300190 Labor-Officers, Executives	54,646.08	97,906.58	-43,260.50	44.2-	11
		Labor Regular	3,816,005.47	3,570,584.56	245,420.91	6.9	10
5500	5300120	5300120 Salaried - Overtime Wages	564,679.55	657,491.43	-92,811.88	14.1-	11
		Labor Overtime	564,679.55	657,491.43	-92,811.88	14.1-	10
****	5300180	5300180 Salaried - Annual Incentive	122,233.00	0	122,233.00		11
		Labor Short Term Incentive	122,233.00	0	122,233.00		10
5500	5300185	5300185 Stock Option Compensation	844.81	0	844.81		11
5500	5300186	5300186 Performance Share Unit Amortization	38,289.49	0	38,289.49		11
5500	5300187	5300187 Restricted Stock Unit Amortization	13,864.81	0	13,864.81		11
		Labor Long Term Incentive	52,999.11	0	52,999.11		10
5500	5996010	5996010 RECLASS-S&W-Employees	-221,796.83	0	-221,796.83		11
****	8000010	8000010 Area Manager II	-184.5	0	-184.5		11
5500	8000029	8000029 Business Analyst III	7,068.60	0	7,068.60		11
5500	8000032	8000032 Corporate Automation Engineer	3,251.76	274.38	2,977.38	1,085.1	11
5500	8000056	8000056 Construction Coordinator III	410.88	-69.66	480.54	689.8	11
5500	8000093	8000093 Engineer I	0	7,305.68	-7,305.68	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	687.7	0	687.7		11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000169	8000169 Project Engineer I	0	-514.8	514.8	100.0	11
****	8000170	8000170 Project Engineer II	3,094.00	9,368.52	-6,274.52	67.0-	11
****	8000171	8000171 Project Engineer III	0	18,927.04	-18,927.04	100.0-	11
****	8000183	8000183 Project Coordinator	0	0	0		11
5500	8000201	8000201 Systems Administrator II	1,486.45	0	1,486.45		11
5500	8000219	8000219 Security Engineer III	1,912.35	0	1,912.35		11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8000235	8000235 System Engineer III	4,728.13	0	4,728.13		11
****	8000266	8000266 Area Supervisor III	0	0	0		11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-1,634.40	0	-1,634.40		11
5500	8000325	8000325 Manager Security GRC	767.85	0	767.85		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001181	8001181 Utility Technician	0	0	0		11
****	8001183	8001183 Utility Technician II	0	0	0		11
****	8001205	8001205 Facility Operator I	0	0	0		11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-1,433.70	-388.8	-1,044.90	268.8-	11
5500	8001220	8001220 Distribution Technician	0	-1,195.59	1,195.59	100.0	11
5500	8001224	8001224 Emergency Utility Worker	0	-141.26	141.26	100.0	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
****	8001230	8001230 Field Service Representative Leader	0	0	0		11
5500	8001231	8001231 Field Service Representative	-1,061.43	-825.94	-235.49	28.5-	11
****	8001232	8001232 Field Service Representative-First Class	0	0	0		11
5500	8001235	8001235 Inspector	-767.75	-674.24	-93.51	13.9-	11
5500	8001241	8001241 Leader	0	-5,951.94	5,951.94	100.0	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
5500	8001264	8001264 Purification Operator	0	-36.81	36.81	100.0	11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001272	8001272 Service Worker	0	111.59	-111.59	100.0-	11
5500	8001277	8001277 Utility Field Service Worker II	0	0.73	-0.73	100.0-	11
****	8001278	8001278 Utility Locator	0	-24,030.80	24,030.80	100.0	11
****	8001284	8001284 Utility Worker	-183.86	-1,130.60	946.74	83.7	11
5500	8001289	8001289 Working Foreman	0	-132.83	132.83	100.0	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002183	8002183 Utility Technician II-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	-72.92	-401.69	328.77	81.8	11
5500	8002220	8002220 Distribution Technician-TH	0	-875.48	875.48	100.0	11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-547.57	-164.64	-382.93	232.6-	11
5500	8002235	8002235 Inspector-TH	-165.76	-749.43	583.67	77.9	11
5500	8002239	8002239 Laborer-TH	0	-703.8	703.8	100.0	11
****	8002241	8002241 Leader-TH	0	-1,764.65	1,764.65	100.0	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002278	8002278 Utility Locator-TH	0	-499.89	499.89	100.0	11
****	8002284	8002284 Utility Worker-TH	0	-1,040.40	1,040.40	100.0	11
5500	8002289	8002289 Working Foreman-TH	0	-557.24	557.24	100.0	11
****	8003213	8003213 Utility Technician (Union)-DT	0	-291.6	291.6	100.0	11
5500	8003219	8003219 Distribution Technician-DT	0	-332.88	332.88	100.0	11
****	8003227	8003227 Foreman-DT	0	0	0		11
5500	8003234	8003234 Inspector-DT	0	-405.15	405.15	100.0	11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
		Activity Allocations	-204,441.00	-6,892.18	-197,548.82	2,866.3-	10
****	6996001	6996001 S&W-Employees-ST	-1,111,585.95	-1,192,620.18	81,034.23	6.8	11
****	6996002	6996002 S&W-Employees-OT	-234,572.92	0	-234,572.92		11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-11,888.70	-218,286.72	206,398.02	94.6	11
****	6996007	6996007 LTI/STI	-21,861.61	0	-21,861.61		11

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****	8720200	8720200 PTO Overhead	-996.05	-7,338.19	6,342.14	86.4	11
****	8720700	8720700 LTI/STI/Stock Overhead	-220.67	-1,618.86	1,398.19	86.4	11
		Labor - Overheads & Capitalization	-1,381,125.90	-1,419,863.95	38,738.05	2.7	10
		Total Labor	2,970,350.23	2,801,319.86	169,030.37	6.0	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	551,521.31	562,094.17	-10,572.86	1.9-	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	30,384.74	31,077.22	-692.48	2.2-	11
5500	5301025	5301025 Employee Benefits - Vision	5,377.26	5,415.98	-38.72	0.7-	11
		Employee Benefits - Health Plans	587,283.31	598,587.37	-11,304.06	1.9-	10
5500	5301030	5301030 Employee Benefits - Life Insurance	15,942.72	18,010.28	-2,067.56	11.5-	11
5500	5301040	5301040 Employee Benefits - Disability	10,651.68	23,235.20	-12,583.52	54.2-	11
		Employee Benefits - Insurance	26,594.40	41,245.48	-14,651.08	35.5-	10
5500	5301110	5301110 Employee Benefits - Pensions	0	1,420,939.00	-1,420,939.00	100.0-	11
		Employee Benefits - Pension	0	1,420,939.00	-1,420,939.00	100.0-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	182,646.00	-105,143.06	57.6-	11
		Employee Benefits - OPEB	77,502.94	182,646.00	-105,143.06	57.6-	10
5500	5301130	5301130 Employee Benefits - Savings Plan	199,027.94	117,363.79	81,664.15	69.6	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	84,952.00	77,633.00	7,319.00	9.4	11
		Employee Benefits - 401K	283,979.94	194,996.79	88,983.15	45.6	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	121	0	121		11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	603.17	124.82	478.35	383.2	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	6,587.46	0	6,587.46		11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	9,496.27	6,006.27	3,490.00	58.1	11
5500	5302920	5302920 Tuition Reimbursement Expense	14,066.00	0	14,066.00		11
****	5302925	5302925 Employee Training Expense	4,228.56	0	4,228.56		11
5500	5302926	5302926 Employee Training Expense-Seminars	1,094.00	-5,325.00	6,419.00	120.5	11
5500	5302930	5302930 Employee Relations Expense	7,316.81	0	7,316.81		11
5500	5302990	5302990 Miscellaneous Employee-Related Expense	215.95	0	215.95		11
****	8720300	8720300 Payroll Other Overhead	-1,205.43	-12,458.55	11,253.12	90.3	11
		Employee Benefits - Miscellaneous	42,523.79	-11,652.46	54,176.25	464.9	10
****	6996004	6996004 Employee Pension and Benefits	-273,551.06	-172,440.98	-101,110.08	58.6-	11
		Capitalized Employee Benefits	-273,551.06	-172,440.98	-101,110.08	58.6-	10
		Total Employee Benefits	744,333.32	2,254,321.20	-1,509,987.88	67.0-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	391,148.70	357,175.90	33,972.80	9.5	10
5500	6996009	6996009 Purchased Water	-15,592.50	0	-15,592.50		10
		Total Purchased Water	375,556.20	357,175.90	18,380.30	5.1	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	755,339.29	431,783.42	323,555.87	74.9	10
		Total Purchased Wastewater	755,339.29	431,783.42	323,555.87	74.9	9
		Sludge					9
****	5206240	5206240 Sludge Removal	170,606.81	27,727.13	142,879.68	515.3	10
5550	6996011	6996011 Sludge Removal (WW)	-800	0	-800		10
		Total Sludge	169,806.81	27,727.13	142,079.68	512.4	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	843,229.31	287,643.99	555,585.32	193.2	10
****	5206230	5206230 Fuel for Power Production	81,276.79	54,167.96	27,108.83	50.0	10
5500	6996015	6996015 Purchased Power (WW)	-8,302.90	0	-8,302.90		10
5500	6996016	6996016 Fuel for Power Production	-632.87	0	-632.87		10
		Total Purchased Power	915,570.33	341,811.95	573,758.38	167.9	9
****	5304600	5304600 Chemicals-Oper-General	189,554.06	25,891.35	163,662.71	632.1	10
5500	5304601	5304601 Chemicals-Oper-Alum	27,509.02	4,200.00	23,309.02	555.0	10
****	5304602	5304602 Chemicals-Oper-Liqui Alum	101,698.24	16,619.96	85,078.28	511.9	10
****	5304603	5304603 Chemicals-Oper-Caustic	24,948.32	13,729.30	11,219.02	81.7	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	71,844.11	32,906.11	38,938.00	118.3	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	46,941.86	28,720.05	18,221.81	63.4	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	3,133.33	595.61	2,537.72	426.1	10
****	5304607	5304607 Chemicals-Oper-Hypochlorine	31,091.08	10,539.00	20,552.08	195.0	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	116,541.71	31,711.77	84,829.94	267.5	10
5500	5304610	5304610 Chemicals-Oper-Polymer	20,078.62	24,946.03	-4,867.41	19.5-	10
5500	5304613	5304613 Chemicals-Oper-Percol	1,690.50	0	1,690.50		10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	272.48	0	272.48		10
5500	5304615	5304615 Chemicals-Oper-Lime	31,478.28	20,880.69	10,597.59	50.8	10
5500	5304617	5304617 Chemicals-Oper-Carbon	95,686.51	79,657.44	16,029.07	20.1	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	16,743.19	21,354.46	-4,611.27	21.6-	10
****	5304621	5304621 Chemicals-Oper-Misc Chem	9,983.51	25,361.84	-15,378.33	60.6-	10
5550	5304624	5304624 SW-Chem-Pump Oper-General	32,531.07	6,681.56	25,849.51	386.9	10
5500	6996018	6996018 Chemicals	-178.25	0	-178.25		10
		Chemicals	821,547.64	343,795.17	477,752.47	139.0	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	3,392,687.20	1,919,550.00	1,473,137.20	76.7	11
5500	5304110	5304110 Material Exp-Cst Dif	-21,498.23	0	-21,498.23		11
5500	5304120	5304120 Material Exp-Obslete	4,046.13	0	4,046.13		11
5500	5304140	5304140 Material Exp-Inv Rvl	0	1,177.25	-1,177.25	100.0-	11
****	5304200	5304200 Material Exp-Non Stk	317,613.67	2,510.24	315,103.43	12,552.7	11
5500	5304235	5304235 Materials & Supplies - Hydrants	2,344.81	0	2,344.81		11
****	5304300	5304300 Meter/ERT Purchases	127,186.48	233,255.50	-106,069.02	45.5-	11
5500	5304330	5304330 Laboratory Supplies	-380	0	-380		11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.01 -2023.01	Reporting periods
2022.01 -2022.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5304340	5304340 Software/Hardware Purchases	73,098.77	0	73,098.77		11
****	5304370	5304370 Small Tools & Work Equipment	96,133.37	1,799.31	94,334.06	5,242.8	11
****	5304375	5304375 Materials & Supplies - Uniforms	39,271.35	11,776.72	27,494.63	233.5	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	47,779.07	55,839.21	-8,060.14	14.4-	11
****	5304390	5304390 Misc Supplies	143,224.90	7,222.98	136,001.92	1,882.9	11
****	8720600	8720600 Tools/Clothing/Others Overhead	3.52	-887	890.52	100.4	11
		Supplies	4,221,511.04	2,232,244.21	1,989,266.83	89.1	10
****	6996020	6996020 Materials and Supplies	-3,988,066.72	-2,084,685.60	-1,903,381.12	91.3-	11
		Capitalized Supplies	-3,988,066.72	-2,084,685.60	-1,903,381.12	91.3-	10
		Total Materials & Supplies	233,444.32	147,558.61	85,885.71	58.2	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	3,983,472.86	34,269.23	3,949,203.63	11,524.1	11
****	6996031	6996031 Contractual Services-Engineering	-3,871,349.01	-21,025.56	-3,850,323.45	18,312.6-	11
		Outside Services - Engineering	112,123.85	13,243.67	98,880.18	746.6	10
5500	5303210	5303210 Accounting/Auditing Services	70,393.00	0	70,393.00		11
5500	6996032	6996032 Contractual Services-Accounting	0	-1,346.06	1,346.06	100.0	11
		Outside Services - Accounting	70,393.00	-1,346.06	71,739.06	5,329.6	10
****	5303220	5303220 Legal Services	127,607.15	51,319.56	76,287.59	148.7	11
		Outside Services - Legal	127,607.15	51,319.56	76,287.59	148.7	10
****	5303850	5303850 Testing Services	85,625.00	8,271.36	77,353.64	935.2	11
5500	6996035	6996035 Contractual Services-Testing	-7,024.03	0	-7,024.03		11
		Outside Services - Lab Testing	78,600.97	8,271.36	70,329.61	850.3	10
****	5303010	5303010 Contractor Labor - Straight Time	11,802.91	0	11,802.91		11
****	5303020	5303020 Contractor Materials	148,033.36	0	148,033.36		11
****	5303030	5303030 Contractor Services	2,356,009.46	141,824.35	2,214,185.11	1,561.2	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	65,318.45	75,996.45	-10,678.00	14.1-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	21,047.66	0	21,047.66		11
****	5303035	5303035 Contractor Services - Restoration	496,603.31	0	496,603.31		11
****	5303036	5303036 Contractor Services - Permit Fees	29,176.23	31,934.00	-2,757.77	8.6-	11
5500	5303050	5303050 Contractor Services - Leak Detection	375	0	375		11
****	5303053	5303053 Contractor Services - Main Breaks	3,563,113.17	1,560,034.24	2,003,078.93	128.4	11
****	5303054	5303054 Contractor Services - Well Cleaning	48,481.41	0	48,481.41		11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	0	10,626.00	-10,626.00	100.0-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	12,774.38	36,371.70	-23,597.32	64.9-	11
****	5303061	5303061 Contractor Services - Other-Mains	-125,391.38	0	-125,391.38		11
5500	5303062	5303062 Contractor Services - Other-Services	5,095.87	0	5,095.87		11
****	5303063	5303063 Contractor Services - Other-Meters	346,530.63	81,192.73	265,337.90	326.8	11
5500	5303064	5303064 Contractor Services - Other-Hydrants	62,059.34	-510	62,569.34	12,268.5	11
5500	5303145	5303145 Contractor Services - Other-Construction	0	-108,647.00	108,647.00	100.0	11
****	5996360	5996360 RECLASS-Contractual Services-Other	-3,016,000.00	0	-3,016,000.00		11
****	6996036	6996036 Contractual Services-Other	-3,504,458.13	-1,478,743.50	-2,025,714.63	137.0-	11
		Outside Services - Operations	520,571.67	350,078.97	170,492.70	48.7	10
5500	5997310	5997310 Other ACO Direct costs	81,666.56	45,041.08	36,625.48	81.3	11
****	5997320	5997320 WorkFlow Processing Fee	98,232.76	12,577.59	85,655.17	681.0	11
****	5997330	5997330 WorkFlow Billing Postage	130,684.95	1,364.00	129,320.95	9,481.0	11
5500	5997360	5997360 ACO Lockbox Fees	33,020.45	88,848.10	-55,827.65	62.8-	11
		Outside Services - ACO	343,604.72	147,830.77	195,773.95	132.4	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	117,129.94	66,749.72	50,380.22	75.5	12
5500	5303135	5303135 Contractor Services - Grounds Care	33,950.92	66,412.00	-32,461.08	48.9-	12
****	5303840	5303840 Security & Investigative Services	32,397.64	457.11	31,940.53	6,987.5	12
		Outside Services - Bldg & Grounds	183,478.50	133,618.83	49,859.67	37.3	11
5500	5303120	5303120 Computer & Software Maintenance Services	1,583.63	0	1,583.63		12
5500	5303315	5303315 IT/Telecom Contractor Services	249,736.18	305,317.95	-55,581.77	18.2-	12
		Outside Services - IT	251,319.81	305,317.95	-53,998.14	17.7-	11
****	5303140	5303140 Security Equipment Maintenance Services	32,019.63	16,243.93	15,775.70	97.1	12
		Outside Services - Security	32,019.63	16,243.93	15,775.70	97.1	11
5500	5303325	5303325 Professional/Temporary Labor	0	5,360.00	-5,360.00	100.0-	12
		Outside Services - Temporary Labor	0	5,360.00	-5,360.00	100.0-	11
****	5303190	5303190 Miscellaneous Repairs/Maintenance	72,587.08	0	72,587.08		12
****	5303310	5303310 Consultant Services	22,081.49	11,000.00	11,081.49	100.7	12
5500	5303320	5303320 Training Services	14,469.82	0	14,469.82		12
****	5303890	5303890 Miscellaneous Outside Services	81,975.72	0	81,975.72		12
		Outside Services - Admin & General	191,114.11	11,000.00	180,114.11	1,637.4	11
		Total Outside Services - Other	657,932.05	471,540.71	186,391.34	39.5	10
		Total Outside Services	1,910,833.41	1,040,938.98	869,894.43	83.6	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,728,291.80	1,409,941.33	318,350.47	22.6	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	774,527.60	728,962.97	45,564.63	6.3	11
5500	8732040	8732040 Employee Pension and Benefits	51,670.01	24,728.82	26,941.19	108.9	11
5500	8732150	8732150 Purchased Power (WasteWater)	1,080.42	1,138.45	-58.03	5.1-	11
5500	8732200	8732200 Materials and Supplies	59,018.78	18.78	59,000.00	314,164.0	11
5500	8732310	8732310 Contractual Services-Engineering	58,318.13	0	58,318.13		11
5500	8732320	8732320 Contractual Services-Accounting	18,789.91	4,486.76	14,303.15	318.8	11
5500	8732330	8732330 Contractual Services-Legal	18,508.44	0	18,508.44		11
5500	8732340	8732340 Contractual Services-Management Fees	193,456.51	0	193,456.51		11
5500	8732360	8732360 Contractual Services-Other	1,523,385.78	297,628.35	1,225,757.43	411.8	11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.01 -2023.01 Reporting periods
2022.01 -2022.01 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8732410	8732410 Rental of Building Real Property	10,618.97	4,218.35	6,400.62	151.7	11
5500	8732420	8732420 Rental of Equipment	0	1,456.97	-1,456.97	100.0-	11
5500	8732500	8732500 Transportation Expenses	2,341.38	0	2,341.38		11
5500	8732600	8732600 Advertising Expense	8,001.56	0	8,001.56		11
5500	8732750	8732750 Miscellaneous Expense	161,657.42	52,513.98	109,143.44	207.8	11
		Management Fees - Water	4,609,666.71	2,525,094.76	2,084,571.95	82.6	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-2,253,074.23	-122,189.23	-2,130,885.00	1,743.9-	11
		Capitalized Management Fees	-2,253,074.23	-122,189.23	-2,130,885.00	1,743.9-	10
		Total Managment Fees	2,356,592.48	2,402,905.53	-46,313.05	1.9-	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	51,802.30	41,486.03	10,316.27	24.9	11
5500	5307050	5307050 Rent Expense - Land & Land Rights	2,693.81	0	2,693.81		11
		Leases - Building	54,496.11	41,486.03	13,010.08	31.4	10
5500	5307030	5307030 Rent Expense - Equipment (Office & Other)	3,716.38	0	3,716.38		11
5500	6996042	6996042 Rental of Equipment	0	-314.91	314.91	100.0	11
		Leases - Equipment	3,716.38	-314.91	4,031.29	1,280.1	10
5500	5307090	5307090 Rent Expense - Miscellaneous	-2,539.76	525.53	-3,065.29	583.3-	11
		Leases - Other	-2,539.76	525.53	-3,065.29	583.3-	10
		Total Leases	55,672.73	41,696.65	13,976.08	33.5	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	5,638.84	0	5,638.84		11
5500	5304210	5304210 Auto Parts & Supplies	88,477.08	45,879.35	42,597.73	92.8	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	14,392.84	0	14,392.84		11
		Transportation - Services & Maintenance	108,508.76	45,879.35	62,629.41	136.5	10
5500	5304510	5304510 Gasoline	134,437.82	568.04	133,869.78	23,567.0	11
5500	5304515	5304515 Diesel Fuel	44,006.33	0	44,006.33		11
5500	5304516	5304516 Natural Gas Fuel	2,402.17	0	2,402.17		11
		Transportation - Fuel	180,846.32	568.04	180,278.28	31,736.9	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	8,778.80	8,653.30	125.5	1.5	11
5500	5399079	5399079 Transportation-Crash	5,377.74	0	5,377.74		11
5500	5996500	5996500 RECLASS-Transportation Expenses	-16,186.91	0	-16,186.91		11
****	8720500	8720500 Transportation Overhead	-349.05	-3,346.12	2,997.07	89.6	11
		Transportation - Other	-2,379.42	5,307.18	-7,686.60	144.8-	10
****	6996050	6996050 Transportation Expenses	-83,442.49	-39,138.57	-44,303.92	113.2-	11
		Capitalized Transportation	-83,442.49	-39,138.57	-44,303.92	113.2-	10
		Total Transportation	203,533.17	12,616.00	190,917.17	1,513.3	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	4,251.39	7,246.40	-2,995.01	41.3-	11
5500	5308021	5308021 Professional Dues	259	0	259		11
5500	5308041	5308041 Industry Assoc Dues	14,028.00	0	14,028.00		11
5500	5308090	5308090 Other Dues&Membershp	38,439.39	32,497.25	5,942.14	18.3	11
		Dues & Subscriptions	56,977.78	39,743.65	17,234.13	43.4	10
****	5310020	5310020 Licensing Fees	28,379.07	10,258.45	18,120.62	176.6	11
5500	5310050	5310050 Environmental Fees	500	0	500		11
		Licenses & Permits	28,879.07	10,258.45	18,620.62	181.5	10
5500	5310080	5310080 Bank Fees	8,347.47	7,845.47	502	6.4	11
5500	5310085	5310085 Bond Servicing Fees	40,439.73	0	40,439.73		11
		Bank Fees	48,787.20	7,845.47	40,941.73	521.9	10
****	5302010	5302010 Travel Expense	18,559.65	267.03	18,292.62	6,850.4	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	21,451.05	0	21,451.05		11
5500	5302020	5302020 Entertainment Expense	1,500.00	0	1,500.00		11
****	5302021	5302021 Entertainment Expense - Non-Deductible	14,234.92	0	14,234.92		11
		Travel & Entertainment	55,745.62	267.03	55,478.59	20,776.2	10
****	5303830	5303830 Advertising	13,058.79	0	13,058.79		11
5500	5399110	5399110 Chamber of Commerce & Civic Org	133,536.75	0	133,536.75		11
		Public Relations	146,595.54	0	146,595.54		10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	250	0	250		11
		Fines & Penalties	250	0	250		10
****	5304310	5304310 Office Supplies	82,043.70	0	82,043.70		11
****	5304320	5304320 Postage, Shipping, & Freight	8,439.38	-1,375.44	9,814.82	713.6	11
5500	5304350	5304350 Office Furn & Equip	8,491.95	0	8,491.95		11
5500	5304360	5304360 Promotion Supplies	888.4	871.66	16.74	1.9	11
****	5304410	5304410 Purchasing Card Expenses-MC	-84,480.40	0	-84,480.40		11
		Office Supplies	15,383.03	-503.78	15,886.81	3,153.5	10
****	5309010	5309010 Utilities - Electric and Gas	1,646.73	4,490.65	-2,843.92	63.3-	11
****	5309025	5309025 Utilities - Communications	179,059.64	118,769.91	60,289.73	50.8	11
5550	5309030	5309030 Utilities - Water	4,117.42	806.51	3,310.91	410.5	11
****	5309040	5309040 Utilities - Other	297.44	259.88	37.56	14.5	11
		Utilities	185,121.23	124,326.95	60,794.28	48.9	10
****	5310090	5310090 Miscellaneous Fees	1,608.70	0	1,608.70		11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.01 -2023.01 Reporting periods
2022.01 -2022.01 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5399040	5399040 Lost Discount Exp	850.93	0	850.93		11
****	5399900	5399900 Miscellaneous Expense	-199,381.75	123,697.01	-323,078.76	261.2-	11
5500	5399910	5399910 Miscellaneous Expense - Acct Recon Write-offs	40,569.91	0	40,569.91		11
		Other Miscellaneous	-156,352.21	123,697.01	-280,049.22	226.4-	10
****	5303900	5303900 Conversion-Projects	0	0	0		11
5550	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	0	-500	500	100.0	11
5500	5399074	5399074 Vehicle Purchases	28,677.00	0	28,677.00		11
5500	5399340	5399340 Salvage Proceeds	-186,559.25	-17,431.70	-169,127.55	970.2-	11
5550	5996810	5996810 Reclass-CIAC	0	500	-500	100.0-	11
****	6996075	6996075 Miscellaneous Expense	218,298.86	34,777.05	183,521.81	527.7	11
****	6996085	6996085 Capital Overhead	324.5	74,325.21	-74,000.71	99.6-	11
****	8720400	8720400 A&G Capital Support Overhead	-163.62	-10,762.25	10,598.63	98.5	11
****	8720900	8720900 Engineering Overhead	-160.88	0	-160.88		11
		Capital Miscellaneous & Overheads	60,416.61	80,908.31	-20,491.70	25.3-	10
		Total Miscellaneous Expenses	441,803.87	386,543.09	55,260.78	14.3	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.00	0	373,870.00		10
5500	5305020	5305020 Damages - Property	20,254.14	0	20,254.14		10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,136.00	0	76,136.00		10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,616.00	0	167,616.00		10
5500	5306060	5306060 Insurance-General Property	11,295.00	0	11,295.00		10
5500	6996057	6996057 Insurance General Liability	-113,728.20	0	-113,728.20		10
5500	6996058	6996058 Insurance Workman's Compensation	-22,708.20	0	-22,708.20		10
5500	6996059	6996059 Insurance Other	-49,918.80	0	-49,918.80		10
		Total Insurance	462,815.94	0	462,815.94		9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	473,974.91	145,883.23	328,091.68	224.9	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-45,059.20	-30,462.34	-14,596.86	47.9-	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	-240,708.34	318,001.46	-558,709.80	175.7-	10
		Total Bad Debt	188,207.37	433,422.35	-245,214.98	56.6-	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	28,802.01	105,281.43	-76,479.42	72.6-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	30,913.68	0	30,913.68		10
5500	6204011	6204011 Rent Expense - Non-Utility Operations	0	2,118.75	-2,118.75	100.0-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	825	10	815	8,150.0	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	387.89	675.19	-287.3	42.6-	10
****	6204150	6204150 Misc NonUtil Exp-Other	-80,085.75	-3,500.00	-76,585.75	2,188.2-	10
5500	6204160	6204160 Misc NonUtil-Other-Prof Servic	-4,829.55	-966.82	-3,862.73	399.5-	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	46,260.00	17,359.60	28,900.40	166.5	10
		Total Non Operating Expenses	22,273.28	120,978.15	-98,704.87	81.6-	9
		Total Operations & Maintenance Expense	12,627,680.39	11,144,593.99	1,483,086.40	13.3	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,506,039.64	10,104,285.75	1,401,753.89	13.9	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0.3	0.29	0.01	3.4	9
****	5502011	5502011 Amortization Expense - CIAC	-341,549.30	-326,553.43	-14,995.87	4.6-	9
		Total Depreciation	11,164,490.64	9,777,732.61	1,386,758.03	14.2	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	26,494.37	41,592.09	-15,097.72	36.3-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-88,263.98	88,263.98	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-86,962.09	0	-86,962.09		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	1,977.78	12,050.27	-10,072.49	83.6-	9
		Total Amortization	-58,489.94	-34,621.62	-23,868.32	68.9-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	202,610.00	198,571.00	4,039.00	2.0	9
****	5310032	5310032 Assessment-Consumer Advocate	60,273.00	66,151.00	-5,878.00	8.9-	9
****	5310033	5310033 Assessment-SBA	12,115.00	13,601.00	-1,486.00	10.9-	9
****	5310035	5310035 Assessment-DPC	2,422.00	3,483.00	-1,061.00	30.5-	9
5500	5702120	5702120 Property Taxes-WT/WW	86,136.80	89,000.00	-2,863.20	3.2-	9
5500	5703100	5703100 Payroll Taxes	463,996.84	466,983.23	-2,986.39	0.6-	9
5500	5709101	5709101 Other Miscellaneous Taxes	10	0	10		9
5500	5709140	5709140 Other Taxes-PURTA	349,458.33	413,271.00	-63,812.67	15.4-	9
****	6996005	6996005 Payroll Tax	-140,133.34	-58,891.55	-81,241.79	138.0-	9
****	8720100	8720100 Payroll Tax Overhead	-456.5	-4,076.13	3,619.63	88.8	9
		Total Taxes Other Than Income	1,036,432.13	1,188,092.55	-151,660.42	12.8-	8
		TOTAL UTILITY COSTS & EXPENSES	24,770,113.22	22,075,797.53	2,694,315.69	12.2	7
		TOTAL OPERATING INCOME	-27,863,947.25	-20,744,964.97	-7,118,982.28	34.3-	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	38,506.61	25,790.28	12,716.33	49.3	9
		Interest on Short Term Debt	38,506.61	25,790.28	12,716.33	49.3	8
****	6499011	6499011 Interest Expense - Long Term Debt	6,459,120.85	6,005,899.77	453,221.08	7.5	10
		Interest on LTD	6,459,120.85	6,005,899.77	453,221.08	7.5	9
5500	6402430	6402430 Amort-Debt Issuance Costs	50,107.39	49,002.07	1,105.32	2.3	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	44,171.39	43,066.07	1,105.32	2.6	9
		Interest on Long Term Debt	6,503,292.24	6,048,965.84	454,326.40	7.5	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-186,049.02	-177,449.38	-8,599.64	4.8-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	186,049.02	177,449.38	8,599.64	4.8	10

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.01 -2023.01	Reporting periods
2022.01 -2022.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	6996080	6996080 AFUDC-Debt	-186,049.02	-644,436.46	458,387.44	71.1	10
		AFUDC - Debt	-186,049.02	-644,436.46	458,387.44	71.1	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-583,814.92	-656,730.45	72,915.53	11.1	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	417,068.85	466,987.08	-49,918.23	10.7-	10
****	6996086	6996086 AFUDC-Equity	-417,068.85	0	-417,068.85		10
		AFUDC - Equity	-583,814.92	-189,743.37	-394,071.55	207.7-	9
		Allow For Funds Used During Construction	-769,863.94	-834,179.83	64,315.89	7.7	8
		Total Interest Expense	5,771,934.91	5,240,576.29	531,358.62	10.1	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	-54,226.00	0	-54,226.00		9
		Gains from Sales of Property	-54,226.00	0	-54,226.00		8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	0	-420,939.00	420,939.00	100.0	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-24,736.64	-49,509.36	200.1-	9
****	6299102	6299102 Nonqual - Non Service Cost	25,578.00	19,609.42	5,968.58	30.4	9
		Other Net Periodic Beneft Costs	-48,668.00	-426,066.22	377,398.22	88.6	8
		Other Net (Income) Expense	-102,894.00	-426,066.22	323,172.22	75.9	7
		TOTAL OTHER (INCOME) EXPENSE	5,669,040.91	4,814,510.07	854,530.84	17.7	6
		TOTAL INCOME BEFORE TAX & GAIN	-22,194,906.34	-15,930,454.90	-6,264,451.44	39.3-	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	1,034,105.81	0	1,034,105.81		8
		Federal Taxes - Current	1,034,105.81	0	1,034,105.81		7
		Total Income Taxes - Current	1,034,105.81	0	1,034,105.81		6
		TOTAL INCOME TAXES	1,034,105.81	0	1,034,105.81		5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-21,160,800.53	-15,930,454.90	-5,230,345.63	32.8-	4
		TOTAL NET INCOME	-21,160,800.53	-15,930,454.90	-5,230,345.63	32.8-	3
		NET INCOME AVAILABLE FOR COMMON	21,160,800.53	15,930,454.90	5,230,345.63	32.8	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.02 -2023.02	Reporting periods
2022.02 -2022.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-94,385,609.65	**-100,060,293.17**	**5,674,683.52**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-255.77	-763.37	507.6	66.5	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-59,042.21	-23,503.67	-35,538.54	151.2-	10
****	4114110	4114110 WTR-Metered Sales-Residential	-26,007,549.91	-23,023,379.49	-2,984,170.42	13.0-	10
5500	4114115	4114115 WTR-CAP Discount-Residential	4,153.52	0	4,153.52		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-9,757,948.86	-8,327,951.40	-1,429,997.46	17.2-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,661,670.23	-1,699,563.10	37,892.87	2.2	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-756,559.14	-664,689.54	-91,869.60	13.8-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-1,590.97	-5,338.09	3,747.12	70.2	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,123,501.52	-1,088,526.60	-34,974.92	3.2-	10
****	4114220	4114220 WTR-Public Fire Protection	-590,015.58	-527,142.18	-62,873.40	11.9-	10
****	4114230	4114230 WTR-Private Fire Protection	-201,387.05	-173,912.63	-27,474.42	15.8-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-277,413.67	-223,288.81	-54,124.86	24.2-	10
****	4115100	4115100 WTR-Misc Srv Rev	-50,058.00	-7,339.01	-42,718.99	582.1-	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-11,600.00	-5,750.00	-5,850.00	101.7-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-62,111.07	-60,963.15	-1,147.92	1.9-	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-18,139.96	-19,059.38	919.42	4.8	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	0	-50	50	100.0	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	2,401.46	-2,753,488.86	2,755,890.32	100.1	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	96,953.87	81.43	96,872.44	118,964.1	10
		Operating Revenue - Water	-40,475,335.09	-38,604,627.85	-1,870,707.24	4.8-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,334,629.94	-1,700,983.64	-1,633,646.30	96.0-	10
5550	4211035	4211035 WW-CAP Discount-Residential	218.96	0	218.96		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-711,748.94	-494,634.54	-217,114.40	43.9-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,212,051.61	-884,019.57	-328,032.04	37.1-	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-276,380.60	-118,759.46	-157,621.14	132.7-	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-3,119.82	-296.72	-2,823.10	951.4-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-27,976.67	0	-27,976.67		10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-186.65	0	-186.65		10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-1,990.25	-1,293.71	-696.54	53.8-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-107,551.32	-109,538.46	1,987.14	1.8	10
****	4215155	4215155 WW-ST Tax Surcharge	3,217.85	0	3,217.85		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-11,490.07	-8,291.66	-3,198.41	38.6-	10
5550	4218400	4218400 WW-Other WW Revenues	-820	-420	-400	95.2-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	35.21	-82,753.34	82,788.55	100.0	10
		Operating Revenue - Sewer	-5,684,473.85	-3,400,991.10	-2,283,482.75	67.1-	9
		Total Operating Revenue	-46,159,808.94	-42,005,618.95	-4,154,189.99	9.9-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
****	4305060	4305060 Rev-Contract-WW Billing	-153,217.93	-513,966.50	360,748.57	70.2	9
5500	4305070	4305070 Rev-Contract-Lab Services	-29,406.00	-27,758.00	-1,648.00	5.9-	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-850	-650	76.5-	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-43,364.94	-42,002.94	-1,362.00	3.2-	9
****	6104120	6104120 Nonutil Inc-Other (Water)	-23,352.05	-14,823.99	-8,528.06	57.5-	9
****	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-61,034.00	61,034.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-170,216.04	-197,230.94	27,014.90	13.7	9
		Total Non Operating Revenue	-421,567.96	-858,177.37	436,609.41	50.9	8
		TOTAL REVENUE	-46,581,376.90	-42,863,796.32	-3,717,580.58	8.7-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,415,663.83	3,346,126.55	69,537.28	2.1	11
5500	5300190	5300190 Labor-Officers, Executives	49,676.80	63,145.64	-13,468.84	21.3-	11
		Labor Regular	3,465,340.63	3,409,272.19	56,068.44	1.6	10
5500	5300120	5300120 Salaried - Overtime Wages	561,727.24	556,062.85	5,664.39	1.0	11
		Labor Overtime	561,727.24	556,062.85	5,664.39	1.0	10
5500	5300180	5300180 Salaried - Annual Incentive	42,803.70	0	42,803.70		11
		Labor Short Term Incentive	42,803.70	0	42,803.70		10
5500	5300185	5300185 Stock Option Compensation	584.65	7,098.04	-6,513.39	91.8-	11
5500	5300186	5300186 Performance Share Unit Amortization	33,753.45	83,608.81	-49,855.36	59.6-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	12,275.43	49,515.28	-37,239.85	75.2-	11
		Labor Long Term Incentive	46,613.53	140,222.13	-93,608.60	66.8-	10
****	5996010	5996010 RECLASS-S&W-Employees	169,204.52	-1,329.29	170,533.81	12,828.9	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	7,304.22	1,932.87	5,371.35	277.9	11
5500	8000032	8000032 Corporate Automation Engineer	956.4	1,280.44	-324.04	25.3-	11
5500	8000056	8000056 Construction Coordinator III	0	-69.66	69.66	100.0	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	8,723.20	-8,723.20	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	137.54	1,894.57	-1,757.03	92.7-	11
5500	8000133	8000133 Lead, Security Risk and Compliance	0	285.3	-285.3	100.0-	11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000169	8000169 Project Engineer I	0	-386.1	386.1	100.0	11
****	8000170	8000170 Project Engineer II	1,904.00	9,204.16	-7,300.16	79.3-	11

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0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.02 -2023.02 Reporting periods
2022.02 -2022.02 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8000171	8000171 Project Engineer III	5,059.20	5,976.96	-917.76	15.4-	11
5500	8000177	8000177 Project Manager II	0	928	-928	100.0-	11
5500	8000179	8000179 Project Management Office Director	0	1,018.08	-1,018.08	100.0-	11
****	8000183	8000183 Project Coordinator	0	0	0		11
5500	8000201	8000201 Systems Administrator II	2,601.41	1,149.12	1,452.29	126.4	11
5500	8000217	8000217 Systems Engineer II	104.17	0	104.17		11
5500	8000219	8000219 Security Engineer III	1,610.40	0	1,610.40		11
5500	8000228	8000228 Safety Specialist III	-815.84	0	-815.84		11
5500	8000234	8000234 Systems Engineer I	0	1,837.35	-1,837.35	100.0-	11
5500	8000235	8000235 System Engineer III	3,033.14	116.81	2,916.33	2,496.6	11
****	8000274	8000274 Field Supervisor I	0	-80.36	80.36	100.0	11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-817.2	0	-817.2		11
5500	8000325	8000325 Manager Security GRC	819.04	0	819.04		11
5500	8000342	8000342 Security Analyst II	200.04	0	200.04		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
5500	8001067	8001067 Records Coordinator	7,129.23	0	7,129.23		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	-4.77	-1.3	-3.47	266.9-	11
****	8001120	8001120 Leak Detector	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001181	8001181 Utility Technician	79.8	0	79.8		11
****	8001183	8001183 Utility Technician II	0	0	0		11
****	8001205	8001205 Facility Operator I	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-1,718.76	-97.2	-1,621.56	1,668.3-	11
5500	8001220	8001220 Distribution Technician	0	-294.94	294.94	100.0	11
5500	8001224	8001224 Emergency Utility Worker	-37.87	0	-37.87		11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
****	8001230	8001230 Field Service Representative Leader	0	0	0		11
5500	8001231	8001231 Field Service Representative	-644.98	-427.52	-217.46	50.9-	11
****	8001232	8001232 Field Service Representative-First Class	0	0	0		11
5500	8001235	8001235 Inspector	-572.61	-514.31	-58.3	11.3-	11
5500	8001239	8001239 Laborer	-64.88	0	-64.88		11
5500	8001241	8001241 Leader	-39.7	-6,514.01	6,474.31	99.4	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
5500	8001264	8001264 Purification Operator	0	-220.86	220.86	100.0	11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001272	8001272 Service Worker	0	35.44	-35.44	100.0-	11
5500	8001278	8001278 Utility Locator	0	-27,415.00	27,415.00	100.0	11
****	8001284	8001284 Utility Worker	-111.18	-4,946.60	4,835.42	97.8	11
5500	8001289	8001289 Working Foreman	-129.49	-1,712.52	1,583.03	92.4	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
5500	8002067	8002067 Records Coordinator-TH	1,020.60	0	1,020.60		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	65.49	0	65.49		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002181	8002181 Utility Technician-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	0	0		11
5500	8002220	8002220 Distribution Technician-TH	0	-20.81	20.81	100.0	11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-77.39	-164.64	87.25	53.0	11
5500	8002235	8002235 Inspector-TH	-378.88	0	-378.88		11
5500	8002241	8002241 Leader-TH	0	-589.96	589.96	100.0	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002278	8002278 Utility Locator-TH	0	-578.82	578.82	100.0	11
5500	8002284	8002284 Utility Worker-TH	0	-1,052.48	1,052.48	100.0	11
****	8002289	8002289 Working Foreman-TH	0	-185.57	185.57	100.0	11
****	8002291	8002291 Wastewater Operator I-TH	0	0	0		11
5500	8002292	8002292 Water Trtmnt Tech Full Lab Cert-TH	0	152.88	-152.88	100.0-	11
****	8002297	8002297 Facility Operator I - TH	0	0	0		11

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5500	8003218	8003218 Crew Leader-DT	0	140.8	-140.8	100.0-	11
5500	8003219	8003219 Distribution Technician-DT	0	-665.76	665.76	100.0	11
****	8003227	8003227 Foreman-DT	0	0	0		11
5500	8003230	8003230 Field Service Representative-DT	0	-329.28	329.28	100.0	11
5500	8003234	8003234 Inspector-DT	0	-841.46	841.46	100.0	11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
		Activity Allocations	195,815.65	-13,762.47	209,578.12	1,522.8	10
****	6996001	6996001 S&W-Employees-ST	-1,045,882.93	-1,339,735.44	293,852.51	21.9	11
****	6996002	6996002 S&W-Employees-OT	-260,327.72	0	-260,327.72		11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-10,679.49	-218,948.41	208,268.92	95.1	11
****	6996007	6996007 LTI/STI	-18,698.26	0	-18,698.26		11
****	8720200	8720200 PTO Overhead	-974.71	-7,982.07	7,007.36	87.8	11
****	8720700	8720700 LTI/STI/Stock Overhead	-220.19	-1,658.39	1,438.20	86.7	11
		Labor - Overheads & Capitalization	-1,336,783.30	-1,568,324.31	231,541.01	14.8	10
		Total Labor	2,975,517.45	2,523,470.39	452,047.06	17.9	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	591,617.58	612,057.22	-20,439.64	3.3-	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	32,505.33	33,593.04	-1,087.71	3.2-	11
5500	5301025	5301025 Employee Benefits - Vision	1,946.53	5,746.51	-3,799.98	66.1-	11
		Employee Benefits - Health Plans	626,069.44	651,396.77	-25,327.33	3.9-	10
5500	5301030	5301030 Employee Benefits - Life Insurance	15,977.37	18,102.32	-2,124.95	11.7-	11
5500	5301040	5301040 Employee Benefits - Disability	10,560.00	23,073.02	-12,513.02	54.2-	11
		Employee Benefits - Insurance	26,537.37	41,175.34	-14,637.97	35.6-	10
5500	5301110	5301110 Employee Benefits - Pensions	0	345,395.00	-345,395.00	100.0-	11
		Employee Benefits - Pension	0	345,395.00	-345,395.00	100.0-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	163,946.00	-86,443.06	52.7-	11
		Employee Benefits - OPEB	77,502.94	163,946.00	-86,443.06	52.7-	10
5500	5301130	5301130 Employee Benefits - Savings Plan	175,021.22	129,795.77	45,225.45	34.8	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	58,192.00	77,633.00	-19,441.00	25.0-	11
		Employee Benefits - 401K	233,213.22	207,428.77	25,784.45	12.4	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	128	0	128		11
5550	5301990	5301990 Other Employee Benefits - Miscellaneous	111.14	118.63	-7.49	6.3-	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	6,877.07	6,439.39	437.68	6.8	11
5500	5302920	5302920 Tuition Reimbursement Expense	2,250.00	7,656.00	-5,406.00	70.6-	11
5500	5302925	5302925 Employee Training Expense	5,204.76	10,850.00	-5,645.24	52.0-	11
5500	5302926	5302926 Employee Training Expense-Seminars	115	0	115		11
5500	5302930	5302930 Employee Relations Expense	376.4	0	376.4		11
****	8720300	8720300 Payroll Other Overhead	-1,201.48	-13,552.50	12,351.02	91.1	11
		Employee Benefits - Miscellaneous	13,860.89	11,511.52	2,349.37	20.4	10
****	6996004	6996004 Employee Pension and Benefits	-248,370.09	-193,816.11	-54,553.98	28.1-	11
		Capitalized Employee Benefits	-248,370.09	-193,816.11	-54,553.98	28.1-	10
		Total Employee Benefits	728,813.77	1,227,037.29	-498,223.52	40.6-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	352,329.90	364,331.81	-12,001.91	3.3-	10
5500	6996009	6996009 Purchased Water	-30,060.00	0	-30,060.00		10
		Total Purchased Water	322,269.90	364,331.81	-42,061.91	11.5-	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	1,008,844.56	340,821.18	668,023.38	196.0	10
		Total Purchased Wastewater	1,008,844.56	340,821.18	668,023.38	196.0	9
		Sludge					9
****	5206240	5206240 Sludge Removal	137,277.42	205,276.73	-67,999.31	33.1-	10
5550	6996011	6996011 Sludge Removal (WW)	-1,975.00	-80,939.37	78,964.37	97.6	10
		Total Sludge	135,302.42	124,337.36	10,965.06	8.8	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	747,528.04	1,195,240.21	-447,712.17	37.5-	10
****	5206230	5206230 Fuel for Power Production	43,135.36	40,428.98	2,706.38	6.7	10
5500	6996016	6996016 Fuel for Power Production	-19.83	0	-19.83		10
		Total Purchased Power	790,643.57	1,235,669.19	-445,025.62	36.0-	9
****	5304600	5304600 Chemicals-Oper-General	90,514.70	36,117.53	54,397.17	150.6	10
5500	5304601	5304601 Chemicals-Oper-Alum	0	18,841.00	-18,841.00	100.0-	10
****	5304602	5304602 Chemicals-Oper-Liqui Alum	97,150.33	15,097.73	82,052.60	543.5	10
****	5304603	5304603 Chemicals-Oper-Caustic	21,183.31	13,654.00	7,529.31	55.1	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	102,921.93	12,158.19	90,763.74	746.5	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	44,679.14	0	44,679.14		10
5500	5304606	5304606 Chemicals-Oper-Fluoride	2,903.27	3,990.73	-1,087.46	27.2-	10
5500	5304607	5304607 Chemicals-Oper-Hypochlorine	24,631.81	5,462.04	19,169.77	351.0	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	25,113.04	21,080.16	4,032.88	19.1	10
****	5304609	5304609 Chemicals-Oper-Zinc Ortho	39,068.12	0	39,068.12		10
5500	5304610	5304610 Chemicals-Oper-Polymer	19,786.65	1,332.48	18,454.17	1,384.9	10
5500	5304613	5304613 Chemicals-Oper-Percol	2,093.00	1,690.50	402.5	23.8	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	99.22	604.6	-505.38	83.6-	10
5500	5304615	5304615 Chemicals-Oper-Lime	22,310.95	4,895.41	17,415.54	355.8	10
5500	5304617	5304617 Chemicals-Oper-Carbon	124,801.96	0	124,801.96		10
5500	5304620	5304620 Chemicals-Oper-Ammonia	21,806.79	602.98	21,203.81	3,516.5	10
****	5304621	5304621 Chemicals-Oper-Misc Chem	6,605.53	1,143.00	5,462.53	477.9	10

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5550	5304624	5304624 SW-Chem-Pump Oper-General	90,085.70	35,694.98	54,390.72	152.4	10
		Chemicals	735,755.45	172,365.33	563,390.12	326.9	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	3,209,107.94	2,837,199.23	371,908.71	13.1	11
5500	5304105	5304105 Material Exp-Stk Cr	5,686.82	0	5,686.82		11
5500	5304110	5304110 Material Exp-Cst Dif	-5,360.14	0.13	-5,360.27	4123284.6	11
5500	5304120	5304120 Material Exp-Obslete	-1,964.93	-3,405.00	1,440.07	42.3	11
5500	5304140	5304140 Material Exp-Inv Rvl	29,536.37	0	29,536.37		11
****	5304200	5304200 Material Exp-Non Stk	134,750.22	39,357.90	95,392.32	242.4	11
5500	5304235	5304235 Materials & Supplies - Hydrants	1,969.37	0	1,969.37		11
****	5304300	5304300 Meter/ERT Purchases	209,450.21	163,597.99	45,852.22	28.0	11
****	5304330	5304330 Laboratory Supplies	220	4,085.25	-3,865.25	94.6-	11
5500	5304340	5304340 Software/Hardware Purchases	464,728.10	7,456.62	457,271.48	6,132.4	11
****	5304370	5304370 Small Tools & Work Equipment	42,189.89	4,762.84	37,427.05	785.8	11
5500	5304375	5304375 Materials & Supplies - Uniforms	7,987.91	12,015.86	-4,027.95	33.5-	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	12,864.73	734.5	12,130.23	1,651.5	11
****	5304390	5304390 Misc Supplies	89,245.53	1,640.12	87,605.41	5,341.4	11
****	8720600	8720600 Tools/Clothing/Others Overhead	4.51	-954.3	958.81	100.5	11
		Supplies	4,200,416.53	3,066,491.14	1,133,925.39	37.0	10
****	6996020	6996020 Materials and Supplies	-3,973,405.79	-3,033,458.19	-939,947.60	31.0-	11
		Capitalized Supplies	-3,973,405.79	-3,033,458.19	-939,947.60	31.0-	10
		Total Materials & Supplies	227,010.74	33,032.95	193,977.79	587.2	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	1,583,070.89	461,677.75	1,121,393.14	242.9	11
****	6996031	6996031 Contractual Services-Engineering	-1,472,948.72	-460,483.46	-1,012,465.26	219.9-	11
		Outside Services - Engineering	110,122.17	1,194.29	108,927.88	9,120.7	10
5500	5303210	5303210 Accounting/Auditing Services	70,393.00	145,676.00	-75,283.00	51.7-	11
5500	6996032	6996032 Contractual Services-Accounting	0	-31,200.00	31,200.00	100.0	11
		Outside Services - Accounting	70,393.00	114,476.00	-44,083.00	38.5-	10
****	5303220	5303220 Legal Services	421,010.09	39,997.64	381,012.45	952.6	11
5500	6996033	6996033 Contractual Services-Legal	-6,811.00	-497.51	-6,313.49	1,269.0-	11
		Outside Services - Legal	414,199.09	39,500.13	374,698.96	948.6	10
****	5303850	5303850 Testing Services	88,623.47	68,563.05	20,060.42	29.3	11
5500	6996035	6996035 Contractual Services-Testing	0	-3,712.40	3,712.40	100.0	11
		Outside Services - Lab Testing	88,623.47	64,850.65	23,772.82	36.7	10
****	5303010	5303010 Contractor Labor - Straight Time	44,848.88	5,135.00	39,713.88	773.4	11
5500	5303020	5303020 Contractor Materials	52,973.33	91,193.63	-38,220.30	41.9-	11
****	5303030	5303030 Contractor Services	2,495,817.04	919,455.01	1,576,362.03	171.4	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	63,061.75	57,127.30	5,934.45	10.4	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	0	-12,272.00	12,272.00	100.0	11
****	5303035	5303035 Contractor Services - Restoration	337,415.45	0	337,415.45		11
****	5303036	5303036 Contractor Services - Permit Fees	52,711.38	29,730.45	22,980.93	77.3	11
5500	5303040	5303040 Environmental Services	3,000.00	0	3,000.00		11
5500	5303050	5303050 Contractor Services - Leak Detection	36,167.45	1,680.00	34,487.45	2,052.8	11
****	5303053	5303053 Contractor Services - Main Breaks	8,532,894.72	10,851,369.45	-2,318,474.73	21.4-	11
****	5303054	5303054 Contractor Services - Well Cleaning	126,296.89	28,227.19	98,069.70	347.4	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	-600	5,387.50	-5,987.50	111.1-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	6,214.55	5,689.20	525.35	9.2	11
5500	5303061	5303061 Contractor Services - Other-Mains	7,213.21	7,856.30	-643.09	8.2-	11
****	5303062	5303062 Contractor Services - Other-Services	182,281.02	0	182,281.02		11
****	5303063	5303063 Contractor Services - Other-Meters	47,124.50	5,381.30	41,743.20	775.7	11
****	5303064	5303064 Contractor Services - Other-Hydrants	158,804.93	0	158,804.93		11
5500	5303145	5303145 Contractor Services - Other-Construction	368,488.35	0	368,488.35		11
****	6996036	6996036 Contractual Services-Other	-11,950,074.00	-12,744,213.76	794,139.76	6.2	11
		Outside Services - Operations	564,639.45	-748,253.43	1,312,892.88	175.5	10
5500	5997310	5997310 Other ACO Direct costs	51,997.24	26,838.56	25,158.68	93.7	11
****	5997320	5997320 WorkFlow Processing Fee	89,004.85	175,413.76	-86,408.91	49.3-	11
****	5997330	5997330 WorkFlow Billing Postage	128,041.88	245,204.10	-117,162.22	47.8-	11
5500	5997360	5997360 ACO Lockbox Fees	59,825.18	48,431.07	11,394.11	23.5	11
		Outside Services - ACO	328,869.15	495,887.49	-167,018.34	33.7-	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	153,527.66	59,651.06	93,876.60	157.4	12
****	5303135	5303135 Contractor Services - Grounds Care	26,251.74	121,193.86	-94,942.12	78.3-	12
****	5303840	5303840 Security & Investigative Services	71,633.87	13,094.65	58,539.22	447.0	12
		Outside Services - Bldg & Grounds	251,413.27	193,939.57	57,473.70	29.6	11
5500	5303110	5303110 Office Equipment Maintenance Services	79.5	0	79.5		12
****	5303120	5303120 Computer & Software Maintenance Services	1,075.28	0	1,075.28		12
5500	5303315	5303315 IT/Telecom Contractor Services	22,984.48	329,477.34	-306,492.86	93.0-	12
		Outside Services - IT	24,139.26	329,477.34	-305,338.08	92.7-	11
5500	5303140	5303140 Security Equipment Maintenance Services	11,559.52	14,397.29	-2,837.77	19.7-	12
		Outside Services - Security	11,559.52	14,397.29	-2,837.77	19.7-	11
5500	5303325	5303325 Professional/Temporary Labor	320	0	320		12
		Outside Services - Temporary Labor	320	0	320		11
5500	5303190	5303190 Miscellaneous Repairs/Maintenance	21,582.98	0	21,582.98		12
****	5303310	5303310 Consultant Services	68,172.13	19,521.30	48,650.83	249.2	12
5500	5303320	5303320 Training Services	2,304.56	95	2,209.56	2,325.9	12
****	5303890	5303890 Miscellaneous Outside Services	80,399.27	0	80,399.27		12
		Outside Services - Admin & General	172,458.94	19,616.30	152,842.64	779.2	11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Total Outside Services - Other	459,890.99	557,430.50	-97,539.51	17.5-	10
		Total Outside Services	2,036,737.32	525,085.63	1,511,651.69	287.9	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,651,311.68	1,371,318.95	279,992.73	20.4	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	772,660.61	731,311.32	41,349.29	5.7	11
5500	8732040	8732040 Employee Pension and Benefits	19,963.68	42,677.58	-22,713.90	53.2-	11
5500	8732150	8732150 Purchased Power (WasteWater)	948.51	998.83	-50.32	5.0-	11
5500	8732200	8732200 Materials and Supplies	-46,289.89	68,711.98	-115,001.87	167.4-	11
5500	8732310	8732310 Contractual Services-Engineering	17,154.15	18,925.42	-1,771.27	9.4-	11
5500	8732320	8732320 Contractual Services-Accounting	5,969.48	104,000.00	-98,030.52	94.3-	11
5500	8732330	8732330 Contractual Services-Legal	-3,962.38	398.34	-4,360.72	1,094.7-	11
5500	8732340	8732340 Contractual Services-Management Fees	92,534.06	386,331.64	-293,797.58	76.0-	11
5500	8732360	8732360 Contractual Services-Other	-58,626.05	1,820,176.62	-1,878,802.67	103.2-	11
5500	8732410	8732410 Rental of Building Real Property	10,716.31	14,408.46	-3,692.15	25.6-	11
5500	8732420	8732420 Rental of Equipment	0	1,327.78	-1,327.78	100.0-	11
5500	8732500	8732500 Transportation Expenses	-382.39	0	-382.39		11
5500	8732750	8732750 Miscellaneous Expense	58,040.34	196,579.76	-138,539.42	70.5-	11
		Management Fees - Water	2,520,038.11	4,757,166.68	-2,237,128.57	47.0-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-650,608.10	-420,401.88	-230,206.22	54.8-	11
		Capitalized Management Fees	-650,608.10	-420,401.88	-230,206.22	54.8-	10
		Total Managment Fees	1,869,430.01	4,336,764.80	-2,467,334.79	56.9-	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	48,008.03	59,097.32	-11,089.29	18.8-	11
****	5307050	5307050 Rent Expense - Land & Land Rights	23,800.10	1,645.08	22,155.02	1,346.7	11
		Leases - Building	71,808.13	60,742.40	11,065.73	18.2	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	7,949.18	46.25	7,902.93	17,087.4	11
5500	6996042	6996042 Rental of Equipment	0	-314.91	314.91	100.0	11
		Leases - Equipment	7,949.18	-268.66	8,217.84	3,058.8	10
		Total Leases	79,757.31	60,473.74	19,283.57	31.9	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	4,924.24	327.25	4,596.99	1,404.7	11
5500	5304210	5304210 Auto Parts & Supplies	7,317.17	909.15	6,408.02	704.8	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	17,819.92	38,695.44	-20,875.52	53.9-	11
		Transportation - Services & Maintenance	30,061.33	39,931.84	-9,870.51	24.7-	10
5500	5399077	5399077 Transportation - Vehicle Leases	0	31,940.23	-31,940.23	100.0-	11
		Transportation - Leases	0	31,940.23	-31,940.23	100.0-	10
****	5304510	5304510 Gasoline	191,950.34	174,156.14	17,794.20	10.2	11
5500	5304515	5304515 Diesel Fuel	37,511.41	14,540.08	22,971.33	158.0	11
5500	5304516	5304516 Natural Gas Fuel	-1,157.44	13,851.95	-15,009.39	108.4-	11
		Transportation - Fuel	228,304.31	202,548.17	25,756.14	12.7	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	-2,238.05	-485.99	-1,752.06	360.5-	11
5500	5399079	5399079 Transportation-Crash	21,349.58	16,246.77	5,102.81	31.4	11
5500	5996500	5996500 RECLASS-Transportation Expenses	-22,371.46	-94,708.74	72,337.28	76.4	11
****	8720500	8720500 Transportation Overhead	-332.37	-3,650.06	3,317.69	90.9	11
		Transportation - Other	-3,592.30	-82,598.02	79,005.72	95.7	10
****	6996050	6996050 Transportation Expenses	-80,471.00	-76,063.84	-4,407.16	5.8-	11
		Capitalized Transportation	-80,471.00	-76,063.84	-4,407.16	5.8-	10
		Total Transportation	174,302.34	115,758.38	58,543.96	50.6	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	917.15	2,717.40	-1,800.25	66.2-	11
5500	5308041	5308041 Industry Assoc Dues	306	0	306		11
5500	5308090	5308090 Other Dues&Membershp	48,043.76	42,499.25	5,544.51	13.0	11
		Dues & Subscriptions	49,266.91	45,216.65	4,050.26	9.0	10
5500	5310010	5310010 Operating Permits	0	210	-210	100.0-	11
****	5310020	5310020 Licensing Fees	345,438.85	349,264.91	-3,826.06	1.1-	11
		Licenses & Permits	345,438.85	349,474.91	-4,036.06	1.2-	10
5500	5310080	5310080 Bank Fees	7,142.68	7,840.72	-698.04	8.9-	11
5500	5310085	5310085 Bond Servicing Fees	22,984.45	0	22,984.45		11
		Bank Fees	30,127.13	7,840.72	22,286.41	284.2	10
5500	5302010	5302010 Travel Expense	15,916.86	9,623.30	6,293.56	65.4	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	10,811.53	1,896.03	8,915.50	470.2	11
5500	5302016	5302016 Travel - Meals (100% Deductible)	28.51	205	-176.49	86.1-	11
5500	5302020	5302020 Entertainment Expense	1,240.00	0	1,240.00		11
****	5302021	5302021 Entertainment Expense - Non-Deductible	11,793.73	3,116.94	8,676.79	278.4	11
		Travel & Entertainment	39,790.63	14,841.27	24,949.36	168.1	10
5500	5303830	5303830 Advertising	13,026.59	0	13,026.59		11
5500	5399110	5399110 Chamber of Commerce & Civic Org	0	8,795.00	-8,795.00	100.0-	11
		Public Relations	13,026.59	8,795.00	4,231.59	48.1	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	1,250.00	0	1,250.00		11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.02 -2023.02	Reporting periods
2022.02 -2022.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Fines & Penalties	1,250.00	0	1,250.00		10
****	5304310	5304310 Office Supplies	46,648.41	33,792.64	12,855.77	38.0	11
****	5304320	5304320 Postage, Shipping, & Freight	7,786.29	19,638.16	-11,851.87	60.4-	11
****	5304350	5304350 Office Furn & Equip	12,789.63	307.39	12,482.24	4,060.7	11
5500	5304360	5304360 Promotion Supplies	24,972.63	0	24,972.63		11
****	5304410	5304410 Purchasing Card Expenses-MC	26,857.48	171,978.95	-145,121.47	84.4-	11
		Office Supplies	119,054.44	225,717.14	-106,662.70	47.3-	10
****	5309010	5309010 Utilities - Electric and Gas	5,882.49	16,062.12	-10,179.63	63.4-	11
****	5309025	5309025 Utilities - Communications	168,335.85	66,289.78	102,046.07	153.9	11
5550	5309030	5309030 Utilities - Water	-1,071.66	681.27	-1,752.93	257.3-	11
****	5309040	5309040 Utilities - Other	340.05	239.67	100.38	41.9	11
		Utilities	173,486.73	83,272.84	90,213.89	108.3	10
****	5310090	5310090 Miscellaneous Fees	5,270.61	0	5,270.61		11
5500	5399040	5399040 Lost Discount Exp	3,745.03	309.28	3,435.75	1,110.9	11
****	5399900	5399900 Miscellaneous Expense	-223,391.75	-191,389.12	-32,002.63	16.7-	11
		Other Miscellaneous	-214,376.11	-191,079.84	-23,296.27	12.2-	10
****	5399061	5399061 CIAC-Project offset	1,201,278.44	0	1,201,278.44		11
****	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	-1,537,647.00	-22,073.60	-1,515,573.40	6,866.0-	11
5500	5399074	5399074 Vehicle Purchases	99,462.20	47,184.07	52,278.13	110.8	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-1,201,278.44	0	-1,201,278.44		11
****	5399340	5399340 Salvage Proceeds	-69,393.00	-15,622.80	-53,770.20	344.2-	11
5550	5996810	5996810 Reclass-CIAC	0	-500	500	100.0	11
****	5996850	5996850 RECLASS-Capital Overhead	0	0	0		11
****	6996075	6996075 Miscellaneous Expense	-107,686.26	-89,554.98	-18,131.28	20.2-	11
****	6996081	6996081 CIAC	336,368.56	22,573.60	313,794.96	1,390.1	11
****	6996082	6996082 CAC	1,201,278.44	0	1,201,278.44		11
****	6996085	6996085 Capital Overhead	65.3	84,117.47	-84,052.17	99.9-	11
****	8720400	8720400 A&G Capital Support Overhead	-65.3	-11,085.09	11,019.79	99.4	11
****	8720900	8720900 Engineering Overhead	0	0	0		11
		Capital Miscellaneous & Overheads	-77,617.06	15,038.67	-92,655.73	616.1-	10
		Total Miscellaneous Expenses	479,448.11	559,117.36	-79,669.25	14.2-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.00	723,294.00	-349,424.00	48.3-	10
5500	5305020	5305020 Damages - Property	17,679.97	9,504.99	8,174.98	86.0	10
5500	5305030	5305030 Claims Reimburse	0	23,812.55	-23,812.55	100.0-	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,136.00	140,286.00	-64,150.00	45.7-	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,616.00	276,650.00	-109,034.00	39.4-	10
5500	5306060	5306060 Insurance-General Property	11,295.00	27,936.00	-16,641.00	59.6-	10
5500	6996057	6996057 Insurance General Liability	-113,728.20	0	-113,728.20		10
5500	6996058	6996058 Insurance Workman's Compensation	-22,708.20	0	-22,708.20		10
5500	6996059	6996059 Insurance Other	-49,918.80	0	-49,918.80		10
		Total Insurance	460,241.77	1,201,483.54	-741,241.77	61.7-	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	669,624.27	191,900.43	477,723.84	248.9	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-41,474.70	-95,884.87	54,410.17	56.7	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	-164,611.56	-141,966.52	-22,645.04	16.0-	10
		Total Bad Debt	463,538.01	-45,950.96	509,488.97	1,108.8	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	-25,285.18	28,864.82	-54,150.00	187.6-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	42,663.73	17,379.77	25,283.96	145.5	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	0	10	-10	100.0-	10
****	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	387.9	41.55	346.35	833.6	10
****	6204150	6204150 Misc NonUtil Exp-Other	1,585.08	11,500.00	-9,914.92	86.2-	10
5500	6204160	6204160 Misc NonUtil-Other-Prof Servic	1,764.18	572.41	1,191.77	208.2	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	26,198.39	41,233.75	-15,035.36	36.5-	10
		Total Non Operating Expenses	47,314.10	99,602.30	-52,288.20	52.5-	9
		Total Operations & Maintenance Expense	12,534,926.83	12,873,400.29	-338,473.46	2.6-	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,199,813.68	10,103,040.27	1,096,773.41	10.9	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0.3	0.29	0.01	3.4	9
****	5502011	5502011 Amortization Expense - CIAC	-341,549.30	-326,553.43	-14,995.87	4.6-	9
		Total Depreciation	10,858,264.68	9,776,487.13	1,081,777.55	11.1	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	41,592.09	-13,149.00	31.6-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-88,263.96	88,263.96	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-86,962.09	0	-86,962.09		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	1,977.78	12,050.27	-10,072.49	83.6-	9
		Total Amortization	-56,541.22	-34,621.60	-21,919.62	63.3-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	206,360.00	198,571.00	7,789.00	3.9	9
****	5310032	5310032 Assessment-Consumer Advocate	60,273.00	66,151.00	-5,878.00	8.9-	9
****	5310033	5310033 Assessment-SBA	12,115.00	13,601.00	-1,486.00	10.9-	9
****	5310035	5310035 Assessment-DPC	2,422.00	3,483.00	-1,061.00	30.5-	9
****	5702101	5702101 Property Taxes	4,995.38	0	4,995.38		9
****	5702120	5702120 Property Taxes-WT/WW	112,434.38	89,000.00	23,434.38	26.3	9
5500	5703100	5703100 Payroll Taxes	314,529.27	313,084.32	1,444.95	0.5	9
5500	5709101	5709101 Other Miscellaneous Taxes	0	1,033.00	-1,033.00	100.0-	9
5500	5709140	5709140 Other Taxes-PURTA	349,458.33	413,271.00	-63,812.67	15.4-	9

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.02 -2023.02	Reporting periods
2022.02 -2022.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	6996005	6996005 Payroll Tax	-101,590.19	-64,781.26	-36,808.93	56.8-	9
****	8720100	8720100 Payroll Tax Overhead	-424.41	-4,135.01	3,710.60	89.7	9
		Total Taxes Other Than Income	960,572.76	1,029,278.05	-68,705.29	6.7-	8
		TOTAL UTILITY COSTS & EXPENSES	24,297,223.05	23,644,543.87	652,679.18	2.8	7
		TOTAL OPERATING INCOME	-22,284,153.85	-19,219,252.45	-3,064,901.40	15.9-	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	0	26,488.07	-26,488.07	100.0-	9
		Interest on Short Term Debt	0	26,488.07	-26,488.07	100.0-	8
****	6499011	6499011 Interest Expense - Long Term Debt	6,783,213.95	6,004,857.23	778,356.72	13.0	10
		Interest on LTD	6,783,213.95	6,004,857.23	778,356.72	13.0	9
5500	6402430	6402430 Amort-Debt Issuance Costs	50,390.17	49,002.07	1,388.10	2.8	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	44,454.17	43,066.07	1,388.10	3.2	9
		Interest on Long Term Debt	6,827,668.12	6,047,923.30	779,744.82	12.9	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-235,133.38	-187,478.86	-47,654.52	25.4-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	235,133.38	187,478.86	47,654.52	25.4	10
****	6996080	6996080 AFUDC-Debt	-235,073.58	-657,769.07	422,695.49	64.3	10
		AFUDC - Debt	-235,073.58	-657,769.07	422,695.49	64.3	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-673,774.18	-661,375.69	-12,398.49	1.9-	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	481,219.68	470,290.21	10,929.47	2.3	10
****	6996086	6996086 AFUDC-Equity	-481,279.48	0	-481,279.48		10
		AFUDC - Equity	-673,833.98	-191,085.48	-482,748.50	252.6-	9
		Allow For Funds Used During Construction	-908,907.56	-848,854.55	-60,053.01	7.1-	8
		Total Interest Expense	5,918,760.56	5,225,556.82	693,203.74	13.3	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	-5,250.00	0	-5,250.00		9
		Gains from Sales of Property	-5,250.00	0	-5,250.00		8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	0	-345,395.00	345,395.00	100.0	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-24,736.67	-49,509.33	200.1-	9
****	6299102	6299102 Nonqual - Non Service Cost	25,578.00	19,608.25	5,969.75	30.4	9
		Other Net Periodic Beneft Costs	-48,668.00	-350,523.42	301,855.42	86.1	8
		Other Net (Income) Expense	-53,918.00	-350,523.42	296,605.42	84.6	7
		TOTAL OTHER (INCOME) EXPENSE	5,864,842.56	4,875,033.40	989,809.16	20.3	6
		TOTAL INCOME BEFORE TAX & GAIN	-16,419,311.29	-14,344,219.05	-2,075,092.24	14.5-	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	4,561,094.32	0	4,561,094.32		8
		Federal Taxes - Current	4,561,094.32	0	4,561,094.32		7
		Total Income Taxes - Current	4,561,094.32	0	4,561,094.32		6
		TOTAL INCOME TAXES	4,561,094.32	0	4,561,094.32		5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-11,858,216.97	-14,344,219.05	2,486,002.08	17.3	4
		TOTAL NET INCOME	-11,858,216.97	-14,344,219.05	2,486,002.08	17.3	3
		NET INCOME AVAILABLE FOR COMMON	11,858,216.97	14,344,219.05	-2,486,002.08	17.3-	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.03 -2023.03	Reporting periods
2022.03 -2022.03	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-155,229,004.00	**-98,869,993.16**	**-56,359,010.84**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-1,007.60	-2,601.33	1,593.73	61.3	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-44,451.51	-81,097.74	36,646.23	45.2	10
****	4114110	4114110 WTR-Metered Sales-Residential	-29,426,478.10	-24,998,595.44	-4,427,882.66	17.7-	10
5500	4114115	4114115 WTR-CAP Discount-Residential	5,965.74	0	5,965.74		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-10,393,536.00	-8,882,515.98	-1,511,020.02	17.0-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,856,139.78	-1,684,341.01	-171,798.77	10.2-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-325,294.37	-707,647.33	382,352.96	54.0	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-3,846.35	-17,622.49	13,776.14	78.2	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,343,642.99	-1,114,863.44	-228,779.55	20.5-	10
****	4114220	4114220 WTR-Public Fire Protection	-623,584.67	-552,987.10	-70,597.57	12.8-	10
****	4114230	4114230 WTR-Private Fire Protection	-227,233.57	-180,815.91	-46,417.66	25.7-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-281,770.21	-232,795.10	-48,975.11	21.0-	10
5500	4115100	4115100 WTR-Misc Srv Rev	-46,427.50	-90,917.28	44,489.78	48.9	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-11,700.00	-6,000.00	-5,700.00	95.0-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-68,037.22	-54,085.55	-13,951.67	25.8-	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-25,800.00	-18,880.00	-6,920.00	36.7-	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	-100	0	-100		10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	26,456.30	-2,625,161.09	2,651,617.39	101.0	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	92,809.30	6,319.00	86,490.30	1,368.7	10
5500	4118400	4118400 WTR-Other Water Rev	-86,413.40	0	-86,413.40		10
		Operating Revenue - Water	-44,640,231.93	-41,244,607.79	-3,395,624.14	8.2-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,558,133.83	-2,379,233.40	-1,178,900.43	49.5-	10
5550	4211035	4211035 WW-CAP Discount-Residential	378.62	0	378.62		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-792,098.39	-574,355.95	-217,742.44	37.9-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,731,614.57	-924,277.06	-807,337.51	87.3-	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-314,154.93	-143,783.97	-170,370.96	118.5-	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-2,372.74	-325.66	-2,047.08	628.6-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-30,775.22	0	-30,775.22		10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-206.64	0	-206.64		10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-2,440.68	-1,300.52	-1,140.16	87.7-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-124,646.69	-109,221.54	-15,425.15	14.1-	10
****	4215155	4215155 WW-ST Tax Surcharge	2,494.20	0	2,494.20		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-14,113.06	-6,208.01	-7,905.05	127.3-	10
5550	4218400	4218400 WW-Other WW Revenues	-6,730.00	-340	-6,390.00	1,879.4-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	162.45	-89,284.81	89,447.26	100.2	10
		Operating Revenue - Sewer	-6,574,251.48	-4,228,330.92	-2,345,920.56	55.5-	9
		Total Operating Revenue	-51,214,483.41	-45,472,938.71	-5,741,544.70	12.6-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
****	4305060	4305060 Rev-Contract-WW Billing	-143,034.67	-233,346.33	90,311.66	38.7	9
5500	4305070	4305070 Rev-Contract-Lab Services	60,585.00	-28,985.00	89,570.00	309.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-7,500.00	-3,536.25	-3,963.75	112.1-	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-39,672.36	-40,208.60	536.24	1.3	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-70,758.59	-37,166.23	-33,592.36	90.4-	9
****	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-173,697.00	173,697.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-170,090.01	-201,970.44	31,880.43	15.8	9
		Total Non Operating Revenue	-370,981.63	-719,420.85	348,439.22	48.4	8
		TOTAL REVENUE	-51,585,465.04	-46,192,359.56	-5,393,105.48	11.7-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,923,288.03	3,872,627.05	50,660.98	1.3	11
5500	5300190	5300190 Labor-Officers, Executives	57,128.32	72,660.27	-15,531.95	21.4-	11
5500	8710100	8710100 Labor Cost Center Variances - Employees	272	0	272		11
		Labor Regular	3,980,688.35	3,945,287.32	35,401.03	0.9	10
5500	5300120	5300120 Salaried - Overtime Wages	462,011.65	476,954.75	-14,943.10	3.1-	11
		Labor Overtime	462,011.65	476,954.75	-14,943.10	3.1-	10
5500	5300180	5300180 Salaried - Annual Incentive	304,963.63	236,259.66	68,703.97	29.1	11
		Labor Short Term Incentive	304,963.63	236,259.66	68,703.97	29.1	10
5500	5300185	5300185 Stock Option Compensation	383.93	2,325.36	-1,941.43	83.5-	11
5500	5300186	5300186 Performance Share Unit Amortization	71,964.27	60,479.59	11,484.68	19.0	11
5500	5300187	5300187 Restricted Stock Unit Amortization	16,797.80	28,414.51	-11,616.71	40.9-	11
		Labor Long Term Incentive	89,146.00	91,219.46	-2,073.46	2.3-	10
****	5996010	5996010 RECLASS-S&W-Employees	-20,006.34	14,382.81	-34,389.15	239.1-	11
5500	5996030	5996030 RECLASS-S&W-Officers, Directors, Maj Shareholder	0	275,955.00	-275,955.00	100.0-	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	8,246.70	610.38	7,636.32	1,251.1	11
5500	8000032	8000032 Corporate Automation Engineer	1,817.16	1,097.52	719.64	65.6	11
5500	8000056	8000056 Construction Coordinator III	0	-905.58	905.58	100.0	11
5500	8000093	8000093 Engineer I	0	8,723.20	-8,723.20	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	1,650.48	1,502.59	147.89	9.8	11
5500	8000133	8000133 Lead, Security Risk and Compliance	0	380.4	-380.4	100.0-	11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8000168	8000168 Planning & Engineering Director	18,847.20	0	18,847.20		11
****	8000169	8000169 Project Engineer I	0	-900.9	900.9	100.0	11
****	8000170	8000170 Project Engineer II	2,499.00	9,532.88	-7,033.88	73.8-	11
****	8000171	8000171 Project Engineer III	1,644.24	0	1,644.24		11
5500	8000177	8000177 Project Manager II	0	603.2	-603.2	100.0-	11
5550	8000178	8000178 Project Manager III	0	181.4	-181.4	100.0-	11
5500	8000179	8000179 Project Management Office Director	751.25	2,181.60	-1,430.35	65.6-	11
5500	8000201	8000201 Systems Administrator II	2,236.71	1,149.12	1,087.59	94.6	11
5500	8000217	8000217 Systems Engineer II	416.68	0	416.68		11
5500	8000218	8000218 Security Engineer I	1,275.00	0	1,275.00		11
5500	8000219	8000219 Security Engineer III	2,918.85	0	2,918.85		11
5500	8000234	8000234 Systems Engineer I	0	1,334.44	-1,334.44	100.0-	11
5500	8000235	8000235 System Engineer III	6,244.70	0	6,244.70		11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000286	8000286 Plant Manager II	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-1,634.40	-797.28	-837.12	105.0-	11
5500	8000325	8000325 Manager Security GRC	1,740.46	0	1,740.46		11
5500	8000342	8000342 Security Analyst II	766.82	0	766.82		11
5500	8000367	8000367 IT Infrastructure Lead	257.04	0	257.04		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
5500	8001019	8001019 Construction Inspector	0	-2,568.26	2,568.26	100.0	11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
5500	8001067	8001067 Records Coordinator	6,165.81	0	6,165.81		11
****	8001101	8001101 Facility Operator I	0	105.96	-105.96	100.0-	11
****	8001102	8001102 Facility Operator II	29.84	0	29.84		11
****	8001103	8001103 Facility Operator III	0	98.25	-98.25	100.0-	11
****	8001104	8001104 Facility Operator Trainee	0	973.16	-973.16	100.0-	11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001181	8001181 Utility Technician	0	0	0		11
****	8001183	8001183 Utility Technician II	33.36	0	33.36		11
****	8001205	8001205 Facility Operator I	0	0	0		11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-985.86	0	-985.86		11
5500	8001220	8001220 Distribution Technician	0	106.02	-106.02	100.0-	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
****	8001230	8001230 Field Service Representative Leader	0	0	0		11
5500	8001231	8001231 Field Service Representative	-1,383.57	-452.49	-931.08	205.8-	11
5500	8001235	8001235 Inspector	-1,448.51	-62.34	-1,386.17	2,223.6-	11
****	8001239	8001239 Laborer	-207.42	0	-207.42		11
****	8001241	8001241 Leader	-138.92	-9,681.48	9,542.56	98.6	11
5500	8001251	8001251 Maintenance Water Conservation Tech	0	-133.42	133.42	100.0	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
****	8001263	8001263 Pipe Truck Operator	0	0	0		11
5500	8001264	8001264 Purification Operator	0	-147.12	147.12	100.0	11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001272	8001272 Service Worker	0	160.81	-160.81	100.0-	11
5500	8001278	8001278 Utility Locator	0	-36,518.26	36,518.26	100.0	11
5500	8001283	8001283 Utility Worker - Electrical	-187.35	0	-187.35		11
****	8001284	8001284 Utility Worker	-595.44	-6,251.41	5,655.97	90.5	11
****	8001289	8001289 Working Foreman	-152.22	-4,288.21	4,135.99	96.5	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002018	8002018 Construction Coordinator II-TH	0	0	0		11
5500	8002019	8002019 Construction Inspector-TH	0	-401.92	401.92	100.0	11
5500	8002067	8002067 Records Coordinator-TH	1,077.30	0	1,077.30		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	-41.33	41.33	100.0	11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002181	8002181 Utility Technician-TH	0	0	0		11
****	8002183	8002183 Utility Technician II-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	0	0		11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-253.5	0	-253.5		11
5500	8002235	8002235 Inspector-TH	-23.68	0	-23.68		11
5500	8002241	8002241 Leader-TH	-14.89	-969.22	954.33	98.5	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002263	8002263 Pipe Truck Operator-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002278	8002278 Utility Locator-TH	0	-710.37	710.37	100.0	11
****	8002289	8002289 Working Foreman-TH	-16.31	-415.47	399.16	96.1	11
****	8002291	8002291 Wastewater Operator I-TH	0	0	0		11
****	8003213	8003213 Utility Technician (Union)-DT	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
5500	8003234	8003234 Inspector-DT	-252.6	0	-252.6		11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003260	8003260 Operator Trainee-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
		Activity Allocations	31,317.59	253,833.68	-222,516.09	87.7-	10
****	6996001	6996001 S&W-Employees-ST	-1,205,233.66	-1,343,252.67	138,019.01	10.3	11
****	6996002	6996002 S&W-Employees-OT	-237,492.11	0	-237,492.11		11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-136,042.56	0	-136,042.56		11
****	6996007	6996007 LTI/STI	-33,137.90	0	-33,137.90		11
****	8720200	8720200 PTO Overhead	-1,351.74	-11,297.27	9,945.53	88.0	11
****	8720700	8720700 LTI/STI/Stock Overhead	-220.87	-170.4	-50.47	29.6-	11
		Labor - Overheads & Capitalization	-1,613,478.84	-1,354,720.34	-258,758.50	19.1-	10
		Total Labor	3,254,648.38	3,648,834.53	-394,186.15	10.8-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	597,117.66	608,314.74	-11,197.08	1.8-	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	32,201.64	33,650.28	-1,448.64	4.3-	11
5500	5301025	5301025 Employee Benefits - Vision	5,636.79	5,701.82	-65.03	1.1-	11
		Employee Benefits - Health Plans	634,956.09	647,666.84	-12,710.75	2.0-	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,161.17	18,053.24	-1,892.07	10.5-	11
5500	5301040	5301040 Employee Benefits - Disability	10,628.16	23,616.02	-12,987.86	55.0-	11
		Employee Benefits - Insurance	26,789.33	41,669.26	-14,879.93	35.7-	10
5500	5301110	5301110 Employee Benefits - Pensions	0	1,263,786.00	-1,263,786.00	100.0-	11
5500	5301113	5301113 Employee Benefits - NQ Pensions - Service Cost	0	-29,737.88	29,737.88	100.0	11
		Employee Benefits - Pension	0	1,234,048.12	-1,234,048.12	100.0-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	357,199.00	-279,696.06	78.3-	11
		Employee Benefits - OPEB	77,502.94	357,199.00	-279,696.06	78.3-	10
5500	5301130	5301130 Employee Benefits - Savings Plan	176,562.73	189,373.67	-12,810.94	6.8-	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	11,812.16	42,789.28	-30,977.12	72.4-	11
		Employee Benefits - 401K	188,374.89	232,162.95	-43,788.06	18.9-	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	232	125	107	85.6	11
5550	5301990	5301990 Other Employee Benefits - Miscellaneous	185.12	121.52	63.6	52.3	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	6,623.10	0	6,623.10		11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	12,250.65	7,583.11	4,667.54	61.6	11
****	5302920	5302920 Tuition Reimbursement Expense	960	7,174.00	-6,214.00	86.6-	11
****	5302925	5302925 Employee Training Expense	5,110.00	2,387.00	2,723.00	114.1	11
****	5302926	5302926 Employee Training Expense-Seminars	327	0	327		11
****	5302930	5302930 Employee Relations Expense	751.67	202.44	549.23	271.3	11
****	5302990	5302990 Miscellaneous Employee-Related Expense	200.5	32,235.02	-32,034.52	99.4-	11
5500	5996040	5996040 RECLASS-Employee Pension and Benefits	0	-16,962.15	16,962.15	100.0	11
****	8720300	8720300 Payroll Other Overhead	-1,671.49	-19,125.01	17,453.52	91.3	11
		Employee Benefits - Miscellaneous	24,968.55	13,740.93	11,227.62	81.7	10
****	6996004	6996004 Employee Pension and Benefits	-252,893.05	-260,430.04	7,536.99	2.9	11
		Capitalized Employee Benefits	-252,893.05	-260,430.04	7,536.99	2.9	10
		Total Employee Benefits	699,698.75	2,266,057.06	-1,566,358.31	69.1-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	365,161.42	389,456.78	-24,295.36	6.2-	10
5500	6996009	6996009 Purchased Water	-46,180.00	0	-46,180.00		10
		Total Purchased Water	318,981.42	389,456.78	-70,475.36	18.1-	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	799,503.88	871,741.36	-72,237.48	8.3-	10
		Total Purchased Wastewater	799,503.88	871,741.36	-72,237.48	8.3-	9
		Sludge					9
****	5206240	5206240 Sludge Removal	108,340.65	202,317.52	-93,976.87	46.5-	10
5550	5996110	5996110 RECLASS-Sludge Removal (WasteWater)	2,550.00	0	2,550.00		10
5550	6996011	6996011 Sludge Removal (WW)	-9,262.50	-94,063.21	84,800.71	90.2	10
		Total Sludge	101,628.15	108,254.31	-6,626.16	6.1-	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	744,384.38	1,014,780.31	-270,395.93	26.6-	10
****	5206230	5206230 Fuel for Power Production	91,416.48	103,198.67	-11,782.19	11.4-	10
5500	6996016	6996016 Fuel for Power Production	-992.96	-261.05	-731.91	280.4-	10
		Total Purchased Power	834,807.90	1,117,717.93	-282,910.03	25.3-	9
****	5304600	5304600 Chemicals-Oper-General	76,664.09	58,595.51	18,068.58	30.8	10
5500	5304601	5304601 Chemicals-Oper-Alum	0	7,126.59	-7,126.59	100.0-	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	96,766.94	13,694.64	83,072.30	606.6	10
5500	5304603	5304603 Chemicals-Oper-Caustic	15,934.96	19,271.82	-3,336.86	17.3-	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	88,868.55	7,748.44	81,120.11	1,046.9	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	42,142.57	0	42,142.57		10

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USD	Amounts in United States Dollar
2023.03 -2023.03	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5304606	5304606 Chemicals-Oper-Fluoride	4,351.43	2,188.36	2,163.07	98.8	10
****	5304607	5304607 Chemicals-Oper-Hypochlorine	24,425.67	33,477.81	-9,052.14	27.0-	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	21,004.00	17,725.94	3,278.06	18.5	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	77,838.78	0	77,838.78		10
5500	5304610	5304610 Chemicals-Oper-Polymer	20,111.05	4,173.49	15,937.56	381.9	10
5550	5304611	5304611 Chemicals-Oper-Soda Ash	0	980	-980	100.0-	10
5500	5304613	5304613 Chemicals-Oper-Percol	6,315.40	3,381.00	2,934.40	86.8	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	302.4	341.6	-39.2	11.5-	10
5500	5304615	5304615 Chemicals-Oper-Lime	25,574.02	13,081.23	12,492.79	95.5	10
5500	5304616	5304616 Chemicals-Oper-Copper Sulphate	44,951.78	0	44,951.78		10
****	5304617	5304617 Chemicals-Oper-Carbon	74,362.51	12,600.00	61,762.51	490.2	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	54,393.89	1,735.84	52,658.05	3,033.6	10
****	5304621	5304621 Chemicals-Oper-Misc Chem	6,993.51	43,361.32	-36,367.81	83.9-	10
5550	5304622	5304622 SW-Chem-Coll Oper-General	25	0	25		10
5550	5304623	5304623 SW-Chem-Coll Maint-General	0	1,698.73	-1,698.73	100.0-	10
****	5304624	5304624 SW-Chem-Pump Oper-General	37,259.49	43,237.09	-5,977.60	13.8-	10
		Chemicals	718,286.04	284,419.41	433,866.63	152.5	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	3,897,911.29	3,705,990.24	191,921.05	5.2	11
****	5304110	5304110 Material Exp-Cst Dif	11,378.71	67,399.93	-56,021.22	83.1-	11
5500	5304120	5304120 Material Exp-Obslete	-4,242.79	0	-4,242.79		11
5500	5304140	5304140 Material Exp-Inv Rvl	-11,061.35	222.1	-11,283.45	5,080.3-	11
****	5304200	5304200 Material Exp-Non Stk	658,811.77	215,363.97	443,447.80	205.9	11
5500	5304235	5304235 Materials & Supplies - Hydrants	1,345.00	0	1,345.00		11
****	5304300	5304300 Meter/ERT Purchases	222,524.48	192,316.57	30,207.91	15.7	11
****	5304330	5304330 Laboratory Supplies	10,352.19	23,218.63	-12,866.44	55.4-	11
****	5304340	5304340 Software/Hardware Purchases	82,078.85	1,218,921.48	-1,136,842.63	93.3-	11
****	5304370	5304370 Small Tools & Work Equipment	119,213.79	20,149.34	99,064.45	491.7	11
5500	5304375	5304375 Materials & Supplies - Uniforms	20,984.53	7,194.90	13,789.63	191.7	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	155,675.78	4,636.31	151,039.47	3,257.8	11
****	5304390	5304390 Misc Supplies	106,883.79	85,893.06	20,990.73	24.4	11
5500	5996200	5996200 RECLASS-Materials and Supplies	0	-85,172.70	85,172.70	100.0	11
****	8720600	8720600 Tools/Clothing/Others Overhead	7.28	-1,250.55	1,257.83	100.6	11
		Supplies	5,271,863.32	5,454,883.28	-183,019.96	3.4-	10
****	6996020	6996020 Materials and Supplies	-4,921,502.59	-5,189,162.86	267,660.27	5.2	11
		Capitalized Supplies	-4,921,502.59	-5,189,162.86	267,660.27	5.2	10
		Total Materials & Supplies	350,360.73	265,720.42	84,640.31	31.9	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	2,595,294.86	1,886,780.71	708,514.15	37.6	11
5500	5996310	5996310 RECLASS-Contractual Services-Engineering	0	62,849.91	-62,849.91	100.0-	11
****	6996031	6996031 Contractual Services-Engineering	-2,544,533.72	-1,838,557.95	-705,975.77	38.4-	11
		Outside Services - Engineering	50,761.14	111,072.67	-60,311.53	54.3-	10
5500	5303210	5303210 Accounting/Auditing Services	223,443.58	72,838.00	150,605.58	206.8	11
		Outside Services - Accounting	223,443.58	72,838.00	150,605.58	206.8	10
****	5303220	5303220 Legal Services	-216,902.30	63,886.44	-280,788.74	439.5-	11
5500	6996033	6996033 Contractual Services-Legal	-16,743.32	0	-16,743.32		11
		Outside Services - Legal	-233,645.62	63,886.44	-297,532.06	465.7-	10
****	5303850	5303850 Testing Services	196,225.63	48,069.60	148,156.03	308.2	11
5500	6996035	6996035 Contractual Services-Testing	-2,540.00	0	-2,540.00		11
		Outside Services - Lab Testing	193,685.63	48,069.60	145,616.03	302.9	10
****	5303010	5303010 Contractor Labor - Straight Time	14,016.50	98,323.48	-84,306.98	85.7-	11
****	5303020	5303020 Contractor Materials	88,202.95	92,543.50	-4,340.55	4.7-	11
****	5303030	5303030 Contractor Services	3,136,047.91	1,797,676.62	1,338,371.29	74.5	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	40,576.40	50,088.25	-9,511.85	19.0-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	30,165.00	12,272.00	17,893.00	145.8	11
****	5303035	5303035 Contractor Services - Restoration	1,609,769.95	522,085.78	1,087,684.17	208.3	11
****	5303036	5303036 Contractor Services - Permit Fees	57,428.40	44,199.77	13,228.63	29.9	11
5500	5303040	5303040 Environmental Services	0	9,499.00	-9,499.00	100.0-	11
****	5303050	5303050 Contractor Services - Leak Detection	45,341.00	29,774.31	15,566.69	52.3	11
5550	5303052	5303052 Contractor Services - Sewer Jetting	26,218.50	0	26,218.50		11
****	5303053	5303053 Contractor Services - Main Breaks	9,584,427.72	8,662,284.49	922,143.23	10.6	11
****	5303054	5303054 Contractor Services - Well Cleaning	129,151.54	45,763.30	83,388.24	182.2	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	0	8,782.83	-8,782.83	100.0-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	6,214.55	5,689.20	525.35	9.2	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	89,842.07	0	89,842.07		11
5500	5303061	5303061 Contractor Services - Other-Mains	554,957.09	10,120.25	544,836.84	5,383.6	11
****	5303062	5303062 Contractor Services - Other-Services	1,119,572.26	4,305.00	1,115,267.26	25,906.3	11
****	5303063	5303063 Contractor Services - Other-Meters	9,504.40	39,374.75	-29,870.35	75.9-	11
5500	5303064	5303064 Contractor Services - Other-Hydrants	92,247.09	0	92,247.09		11
5500	5303145	5303145 Contractor Services - Other-Construction	-71,446.39	1,004.87	-72,451.26	7,210.0-	11
5500	5996360	5996360 RECLASS-Contractual Services-Other	0	-1,487,385.30	1,487,385.30	100.0	11
****	6996036	6996036 Contractual Services-Other	-16,379,596.11	-9,702,596.43	-6,676,999.68	68.8-	11
		Outside Services - Operations	182,640.83	243,805.67	-61,164.84	25.1-	10
5500	5997310	5997310 Other ACO Direct costs	62,909.93	116,479.94	-53,570.01	46.0-	11
****	5997320	5997320 WorkFlow Processing Fee	81,286.20	54,937.12	26,349.08	48.0	11
****	5997330	5997330 WorkFlow Billing Postage	127,761.55	113,514.41	14,247.14	12.6	11
5500	5997360	5997360 ACO Lockbox Fees	38,997.68	-7,015.29	46,012.97	655.9	11
		Outside Services - ACO	310,955.36	277,916.18	33,039.18	11.9	10

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		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	113,194.73	184,380.05	-71,185.32	38.6-	12
****	5303135	5303135 Contractor Services - Grounds Care	58,775.43	109,663.97	-50,888.54	46.4-	12
5500	5303840	5303840 Security & Investigative Services	146,493.98	26,374.59	120,119.39	455.4	12
		Outside Services - Bldg & Grounds	318,464.14	320,418.61	-1,954.47	0.6-	11
****	5303315	5303315 IT/Telecom Contractor Services	134,076.70	281,144.55	-147,067.85	52.3-	12
		Outside Services - IT	134,076.70	281,144.55	-147,067.85	52.3-	11
5500	5303140	5303140 Security Equipment Maintenance Services	145,547.88	9,506.72	136,041.16	1,431.0	12
		Outside Services - Security	145,547.88	9,506.72	136,041.16	1,431.0	11
5500	5303325	5303325 Professional/Temporary Labor	9,226.18	1,000.00	8,226.18	822.6	12
		Outside Services - Temporary Labor	9,226.18	1,000.00	8,226.18	822.6	11
****	5303190	5303190 Miscellaneous Repairs/Maintenance	14,026.40	6,850.14	7,176.26	104.8	12
****	5303310	5303310 Consultant Services	203,110.44	25,597.05	177,513.39	693.5	12
****	5303320	5303320 Training Services	2,031.21	2,734.22	-703.01	25.7-	12
****	5303890	5303890 Miscellaneous Outside Services	59,856.60	38,288.25	21,568.35	56.3	12
		Outside Services - Admin & General	279,024.65	73,469.66	205,554.99	279.8	11
		Total Outside Services - Other	886,339.55	685,539.54	200,800.01	29.3	10
		Total Outside Services	1,614,180.47	1,503,128.10	111,052.37	7.4	9
		Managment Fees					9
5500	5996340	5996340 RECLASS-Contractual Services-Management Fees	0	3,422,660.27	-3,422,660.27	100.0-	11
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,880,257.82	1,582,547.77	297,710.05	18.8	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	826,894.36	818,110.57	8,783.79	1.1	11
5500	8732040	8732040 Employee Pension and Benefits	40,511.66	11,867.61	28,644.05	241.4	11
5500	8732150	8732150 Purchased Power (WasteWater)	904.85	1,090.11	-185.26	17.0-	11
5500	8732200	8732200 Materials and Supplies	296,175.36	62,146.76	234,028.60	376.6	11
5500	8732310	8732310 Contractual Services-Engineering	32,331.21	63,881.88	-31,550.67	49.4-	11
5500	8732320	8732320 Contractual Services-Accounting	15,076.62	19,263.56	-4,186.94	21.7-	11
5500	8732330	8732330 Contractual Services-Legal	12,682.92	36,978.38	-24,295.46	65.7-	11
5500	8732340	8732340 Contractual Services-Management Fees	288,804.43	693,009.82	-404,205.39	58.3-	11
5500	8732360	8732360 Contractual Services-Other	1,621,259.88	2,587,705.91	-966,446.03	37.3-	11
5500	8732410	8732410 Rental of Building Real Property	10,617.61	8,556.11	2,061.50	24.1	11
5500	8732420	8732420 Rental of Equipment	0	139.26	-139.26	100.0-	11
5500	8732500	8732500 Transportation Expenses	1,084.78	2,470.09	-1,385.31	56.1-	11
5500	8732600	8732600 Advertising Expense	3,257.50	0	3,257.50		11
5500	8732750	8732750 Miscellaneous Expense	298,669.44	154,331.69	144,337.75	93.5	11
		Management Fees - Water	5,328,528.44	9,464,759.79	-4,136,231.35	43.7-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-2,710,933.99	-7,074,140.25	4,363,206.26	61.7	11
		Capitalized Management Fees	-2,710,933.99	-7,074,140.25	4,363,206.26	61.7	10
		Total Managment Fees	2,617,594.45	2,390,619.54	226,974.91	9.5	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	48,008.03	48,008.04	-0.01	0.0	11
5500	5307050	5307050 Rent Expense - Land & Land Rights	240	1,793.34	-1,553.34	86.6-	11
5500	6996041	6996041 Rental of Building Real Property	-240	0	-240		11
		Leases - Building	48,008.03	49,801.38	-1,793.35	3.6-	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	8,273.41	40,405.58	-32,132.17	79.5-	11
5500	5996420	5996420 RECLASS-Rental of Equipment	17,769.00	0	17,769.00		11
****	6996042	6996042 Rental of Equipment	-24,179.00	-38,808.20	14,629.20	37.7	11
		Leases - Equipment	1,863.41	1,597.38	266.03	16.7	10
5500	5307090	5307090 Rent Expense - Miscellaneous	0	2,222.82	-2,222.82	100.0-	11
		Leases - Other	0	2,222.82	-2,222.82	100.0-	10
		Total Leases	49,871.44	53,621.58	-3,750.14	7.0-	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	2,092.81	2,045.44	47.37	2.3	11
5500	5304210	5304210 Auto Parts & Supplies	68,183.07	8,800.96	59,382.11	674.7	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	34,811.38	54,679.93	-19,868.55	36.3-	11
		Transportation - Services & Maintenance	105,087.26	65,526.33	39,560.93	60.4	10
5500	5399077	5399077 Transportation - Vehicle Leases	69,401.63	2,861.90	66,539.73	2,325.0	11
		Transportation - Leases	69,401.63	2,861.90	66,539.73	2,325.0	10
****	5304510	5304510 Gasoline	104,414.09	337,718.31	-233,304.22	69.1-	11
5500	5304515	5304515 Diesel Fuel	0	35,767.96	-35,767.96	100.0-	11
5500	5304516	5304516 Natural Gas Fuel	2,362.86	2,751.79	-388.93	14.1-	11
		Transportation - Fuel	106,776.95	376,238.06	-269,461.11	71.6-	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	1,696.95	-425.42	2,122.37	498.9	11
5500	5399079	5399079 Transportation-Crash	12,551.74	-15,584.10	28,135.84	180.5	11
5500	5996500	5996500 RECLASS-Transportation Expenses	-25,228.47	-18,162.13	-7,066.34	38.9-	11
****	8720500	8720500 Transportation Overhead	-484.1	-5,072.22	4,588.12	90.5	11
		Transportation - Other	-11,463.88	-39,243.87	27,779.99	70.8	10
****	6996050	6996050 Transportation Expenses	-138,517.02	-66,380.18	-72,136.84	108.7-	11
		Capitalized Transportation	-138,517.02	-66,380.18	-72,136.84	108.7-	10

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		Total Transportation	131,284.94	339,002.24	-207,717.30	61.3-	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	1,839.67	3,941.57	-2,101.90	53.3-	11
5500	5308021	5308021 Professional Dues	0	50	-50	100.0-	11
****	5308041	5308041 Industry Assoc Dues	636	402.32	233.68	58.1	11
5500	5308090	5308090 Other Dues&Membershp	36,646.94	53,990.10	-17,343.16	32.1-	11
		Dues & Subscriptions	39,122.61	58,383.99	-19,261.38	33.0-	10
****	5310010	5310010 Operating Permits	-326.56	3,110.00	-3,436.56	110.5-	11
****	5310020	5310020 Licensing Fees	7,803.72	382,455.84	-374,652.12	98.0-	11
		Licenses & Permits	7,477.16	385,565.84	-378,088.68	98.1-	10
5500	5310080	5310080 Bank Fees	3	7,631.98	-7,628.98	100.0-	11
5500	5310085	5310085 Bond Servicing Fees	8,853.96	47,702.68	-38,848.72	81.4-	11
		Bank Fees	8,856.96	55,334.66	-46,477.70	84.0-	10
****	5302010	5302010 Travel Expense	16,995.27	16,167.04	828.23	5.1	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	15,098.49	9,839.71	5,258.78	53.4	11
5500	5302020	5302020 Entertainment Expense	520	0	520		11
5500	5302021	5302021 Entertainment Expense - Non-Deductible	5,792.74	11,815.88	-6,023.14	51.0-	11
		Travel & Entertainment	38,406.50	37,822.63	583.87	1.5	10
5500	5303830	5303830 Advertising	200	24,558.22	-24,358.22	99.2-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	1,375.00	12,868.75	-11,493.75	89.3-	11
		Public Relations	1,575.00	37,426.97	-35,851.97	95.8-	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	500	0	500		11
		Fines & Penalties	500	0	500		10
****	5304310	5304310 Office Supplies	43,442.23	70,926.34	-27,484.11	38.8-	11
****	5304320	5304320 Postage, Shipping, & Freight	33,525.70	10,127.76	23,397.94	231.0	11
5500	5304350	5304350 Office Furn & Equip	16,002.70	32,341.05	-16,338.35	50.5-	11
5500	5304360	5304360 Promotion Supplies	9,420.67	211.65	9,209.02	4,351.1	11
****	5304410	5304410 Purchasing Card Expenses-MC	51,629.26	107,395.23	-55,765.97	51.9-	11
		Office Supplies	154,020.56	221,002.03	-66,981.47	30.3-	10
****	5309010	5309010 Utilities - Electric and Gas	1,807.20	21,567.68	-19,760.48	91.6-	11
****	5309025	5309025 Utilities - Communications	98,430.97	202,358.23	-103,927.26	51.4-	11
5550	5309030	5309030 Utilities - Water	11,121.42	0	11,121.42		11
****	5309040	5309040 Utilities - Other	2,883.93	180.98	2,702.95	1,493.5	11
		Utilities	114,243.52	224,106.89	-109,863.37	49.0-	10
****	5310090	5310090 Miscellaneous Fees	642.48	41.53	600.95	1,447.0	11
5500	5320140	5320140 Land Rights & Right of Way Fees	0	1,756.63	-1,756.63	100.0-	11
5500	5399040	5399040 Lost Discount Exp	502.51	4,127.18	-3,624.67	87.8-	11
****	5399900	5399900 Miscellaneous Expense	-230,299.17	-138,324.12	-91,975.05	66.5-	11
		Other Miscellaneous	-229,154.18	-132,398.78	-96,755.40	73.1-	10
****	5303900	5303900 Conversion-Projects	0	181,572.85	-181,572.85	100.0-	11
****	5399061	5399061 CIAC-Project offset	1,928,529.26	0	1,928,529.26		11
****	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	-1,656,726.68	-13,434.74	-1,643,291.94	12,231.7-	11
5500	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-35,729.15	0	-35,729.15		11
5500	5399074	5399074 Vehicle Purchases	617,927.16	356,011.96	261,915.20	73.6	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-1,928,529.26	-139,867.86	-1,788,661.40	1,278.8-	11
****	5399340	5399340 Salvage Proceeds	-95,862.00	-409,749.50	313,887.50	76.6	11
5500	5996750	5996750 RECLASS-Miscellaneous Expense	0	-8,921.67	8,921.67	100.0	11
5500	5996850	5996850 RECLASS-Capital Overhead	0	-4,811,919.50	4,811,919.50	100.0	11
****	6996075	6996075 Miscellaneous Expense	-680,687.54	-11,151.95	-669,535.59	6,003.8-	11
****	6996081	6996081 CIAC	-236,073.43	13,434.74	-249,508.17	1,857.2-	11
****	6996082	6996082 CAC	1,928,529.26	139,867.86	1,788,661.40	1,278.8	11
****	6996085	6996085 Capital Overhead	437.84	4,777,645.29	-4,777,207.45	100.0-	11
****	8720400	8720400 A&G Capital Support Overhead	-190.29	-16,650.58	16,460.29	98.9	11
****	8720900	8720900 Engineering Overhead	0	0	0		11
		Capital Miscellaneous & Overheads	-158,374.83	56,836.90	-215,211.73	378.6-	10
		Total Miscellaneous Expenses	-23,326.70	944,081.13	-967,407.83	102.5-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,871.00	361,649.00	12,222.00	3.4	10
5500	5305020	5305020 Damages - Property	72,072.93	30,876.67	41,196.26	133.4	10
5500	5305030	5305030 Claims Reimburse	0	450	-450	100.0-	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,137.00	70,145.00	5,992.00	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,617.00	138,327.00	29,290.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,296.00	13,968.00	-2,672.00	19.1-	10
5500	6996057	6996057 Insurance General Liability	-113,728.80	0	-113,728.80		10
5500	6996058	6996058 Insurance Workman's Compensation	-22,708.50	0	-22,708.50		10
5500	6996059	6996059 Insurance Other	-49,919.10	0	-49,919.10		10
		Total Insurance	514,637.53	615,415.67	-100,778.14	16.4-	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	139,181.18	126,419.42	12,761.76	10.1	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-49,501.18	-53,668.94	4,167.76	7.8	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	-2,693,763.90	208,844.13	-2,902,608.03	1,389.8-	10
****	6996070	6996070 Bad Debt Expense	0	-445,976.46	445,976.46	100.0	10
		Total Bad Debt	-2,604,083.90	-164,381.85	-2,439,702.05	1,484.2-	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	400,836.15	-8,833.20	409,669.35	4,637.8	10
5500	6201011	6201011 Donations - 501(c)(3)	600	5,000.00	-4,400.00	88.0-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	6,810.38	2,000.00	4,810.38	240.5	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	8,114.50	-10	8,124.50	81,245.0	10

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	483.64	327.48	156.16	47.7	10
5500	6204080	6204080 Misc NonUtil Exp-Bill Mat&Serv	4,975.00	0	4,975.00		10
****	6204150	6204150 Misc NonUtil Exp-Other	75,168.92	7,250.00	67,918.92	936.8	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	18,065.70	2,764.53	15,301.17	553.5	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	1,760.00	20,300.00	-18,540.00	91.3-	10
		Total Non Operating Expenses	516,814.29	28,798.81	488,015.48	1,694.6	9
		Total Operations & Maintenance Expense	9,894,887.77	14,662,487.02	-4,767,599.25	32.5-	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,228,660.39	10,097,745.83	1,130,914.56	11.2	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0.6	0.29	0.31	106.9	9
****	5502011	5502011 Amortization Expense - CIAC	-341,549.30	-326,553.43	-14,995.87	4.6-	9
		Total Depreciation	10,887,111.69	9,771,192.69	1,115,919.00	11.4	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	41,592.09	-13,149.00	31.6-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-88,264.03	88,264.03	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-86,962.07	0	-86,962.07		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	1,977.78	12,050.27	-10,072.49	83.6-	9
		Total Amortization	-56,541.20	-34,621.67	-21,919.53	63.3-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	203,119.50	198,595.38	4,524.12	2.3	9
****	5310032	5310032 Assessment-Consumer Advocate	60,273.00	66,151.00	-5,878.00	8.9-	9
****	5310033	5310033 Assessment-SBA	12,115.00	18,285.04	-6,170.04	33.7-	9
****	5310035	5310035 Assessment-DPC	2,422.00	3,483.00	-1,061.00	30.5-	9
5550	5702101	5702101 Property Taxes	7,882.08	0	7,882.08		9
****	5702120	5702120 Property Taxes-WT/WW	127,010.58	89,142.42	37,868.16	42.5	9
5500	5703100	5703100 Payroll Taxes	482,996.17	462,554.99	20,441.18	4.4	9
5500	5709101	5709101 Other Miscellaneous Taxes	120	-345.01	465.01	134.8	9
5500	5709140	5709140 Other Taxes-PURTA	349,458.33	114,207.00	235,251.33	206.0	9
5500	5996050	5996050 RECLASS-Employee Taxes	0	-11,323.37	11,323.37	100.0	9
****	6996005	6996005 Payroll Tax	-152,711.02	-105,118.01	-47,593.01	45.3-	9
****	8720100	8720100 Payroll Tax Overhead	-591.08	-5,559.06	4,967.98	89.4	9
		Total Taxes Other Than Income	1,092,094.56	830,073.38	262,021.18	31.6	8
		TOTAL UTILITY COSTS & EXPENSES	21,817,552.82	25,229,131.42	-3,411,578.60	13.5-	7
		TOTAL OPERATING INCOME	-29,767,912.22	-20,963,228.14	-8,804,684.08	42.0-	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	2,312.50	32,822.87	-30,510.37	93.0-	9
		Interest on Short Term Debt	2,312.50	32,822.87	-30,510.37	93.0-	8
****	6499011	6499011 Interest Expense - Long Term Debt	6,782,208.53	6,003,812.14	778,396.39	13.0	10
		Interest on LTD	6,782,208.53	6,003,812.14	778,396.39	13.0	9
5500	6402430	6402430 Amort-Debt Issuance Costs	50,295.68	49,002.07	1,293.61	2.6	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	44,359.68	43,066.07	1,293.61	3.0	9
		Interest on Long Term Debt	6,826,568.21	6,046,878.21	779,690.00	12.9	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-200,578.45	-167,876.42	-32,702.03	19.5-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	200,578.45	167,876.42	32,702.03	19.5	10
****	6996080	6996080 AFUDC-Debt	-200,578.45	-575,512.34	374,933.89	65.1	10
		AFUDC - Debt	-200,578.45	-575,512.34	374,933.89	65.1	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-650,880.32	-573,264.02	-77,616.30	13.5-	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	465,213.51	407,635.92	57,577.59	14.1	10
****	6996086	6996086 AFUDC-Equity	-465,213.51	0	-465,213.51		10
		AFUDC - Equity	-650,880.32	-165,628.10	-485,252.22	293.0-	9
		Allow For Funds Used During Construction	-851,458.77	-741,140.44	-110,318.33	14.9-	8
		Total Interest Expense	5,977,421.94	5,338,560.64	638,861.30	12.0	7
		Other Net (Income) Expense:					7
****	5380011	5380011 Operating Gain/Loss-Disposition of Assets	-152,371.08	0	-152,371.08		9
		Gains from Sales of Property	-152,371.08	0	-152,371.08		8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	0	-763,786.00	763,786.00	100.0	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-173,263.31	99,017.31	57.1	9
****	6299102	6299102 Nonqual - Non Service Cost	-7,355.00	13,969.58	-21,324.58	152.7-	9
		Other Net Periodic Beneft Costs	-81,601.00	-923,079.73	841,478.73	91.2	8
		Other Net (Income) Expense	-233,972.08	-923,079.73	689,107.65	74.7	7
		TOTAL OTHER (INCOME) EXPENSE	5,743,449.86	4,415,480.91	1,327,968.95	30.1	6
		TOTAL INCOME BEFORE TAX & GAIN	-24,024,462.36	-16,547,747.23	-7,476,715.13	45.2-	5
		INCOME TAXES					5
		Income Taxes - Current					6
****	6310011	6310011 Federal Income Tax Expense	5,157.87	6,921,093.00	-6,915,935.13	99.9-	8
		Federal Taxes - Current	5,157.87	6,921,093.00	-6,915,935.13	99.9-	7
****	6311011	6311011 State Income Tax Expense	1,649,116.00	2,077,522.00	-428,406.00	20.6-	8
		State Taxes - Current	1,649,116.00	2,077,522.00	-428,406.00	20.6-	7
		Total Income Taxes - Current	1,654,273.87	8,998,615.00	-7,344,341.13	81.6-	6
		Income Taxes - Deferred					6
****	6320021	6320021 Defd Federal Income Tax Expense-Noncurr Asset	250,574.00	-3,950,201.00	4,200,775.00	106.3	8
5500	6320110	6320110 ITC-Def Future Periods-Federal	-63,353.00	-63,353.00	0	0.0	8
		Federal Taxes - Deferred	187,221.00	-4,013,554.00	4,200,775.00	104.7	7
****	6321021	6321021 Defd State Income Tax Expense-Noncurr Asset	1,094,826.00	-2,220,141.00	3,314,967.00	149.3	8
		State Taxes - Deferred	1,094,826.00	-2,220,141.00	3,314,967.00	149.3	7
		Total Income Taxes - Deferred	1,282,047.00	-6,233,695.00	7,515,742.00	120.6	6

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		TOTAL INCOME TAXES	2,936,320.87	2,764,920.00	171,400.87	6.2	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-21,088,141.49	-13,782,827.23	-7,305,314.26	53.0-	4
		TOTAL NET INCOME	-21,088,141.49	-13,782,827.23	-7,305,314.26	53.0-	3
		NET INCOME AVAILABLE FOR COMMON	21,088,141.49	13,782,827.23	7,305,314.26	53.0	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
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2022.04 -2022.04	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-120,980,834.15	**-88,726,291.13**	**-32,254,543.02**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-940.6	-1,896.13	955.53	50.4	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-39,012.51	-7,026.22	-31,986.29	455.2-	10
****	4114110	4114110 WTR-Metered Sales-Residential	-28,213,251.21	-23,291,937.63	-4,921,313.58	21.1-	10
****	4114115	4114115 WTR-CAP Discount-Residential	7,690.97	0	7,690.97		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-10,367,731.81	-8,691,054.45	-1,676,677.36	19.3-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,681,276.77	-1,410,513.71	-270,763.06	19.2-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-918,961.90	-681,122.90	-237,839.00	34.9-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-20,872.72	-2,650.01	-18,222.71	687.6-	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,200,465.24	-962,871.35	-237,593.89	24.7-	10
****	4114220	4114220 WTR-Public Fire Protection	-615,378.30	-542,310.62	-73,067.68	13.5-	10
****	4114230	4114230 WTR-Private Fire Protection	-218,734.15	-173,023.11	-45,711.04	26.4-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-299,828.31	-206,778.25	-93,050.06	45.0-	10
5500	4115100	4115100 WTR-Misc Srv Rev	-45,387.08	-44,315.00	-1,072.08	2.4-	10
5500	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-26,653.84	-31,850.00	5,196.16	16.3	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-56,592.59	-49,620.29	-6,972.30	14.1-	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-19,441.86	-16,960.00	-2,481.86	14.6-	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	0	-50	50	100.0	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	2,276.44	-2,823,321.52	2,825,597.96	100.1	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	100,270.22	354.36	99,915.86	28,196.1	10
5500	4118400	4118400 WTR-Other Water Rev	-18,702.92	0	-18,702.92		10
		Operating Revenue - Water	-43,632,994.18	-38,936,946.83	-4,696,047.35	12.1-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,239,748.51	-2,152,932.24	-1,086,816.27	50.5-	10
5550	4211035	4211035 WW-CAP Discount-Residential	610.23	0	610.23		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-688,778.26	-487,468.57	-201,309.69	41.3-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,331,894.14	-782,543.76	-549,350.38	70.2-	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-286,272.00	-111,985.24	-174,286.76	155.6-	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-2,447.61	-342.6	-2,105.01	614.4-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-25,313.67	0	-25,313.67		10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-197.76	0	-197.76		10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-1,979.77	-1,286.90	-692.87	53.8-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-126,325.69	-111,077.43	-15,248.26	13.7-	10
****	4215155	4215155 WW-ST Tax Surcharge	2,583.86	0	2,583.86		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-6,708.62	-4,724.19	-1,984.43	42.0-	10
5550	4218400	4218400 WW-Other WW Revenues	-7,383.77	-480	-6,903.77	1,438.3-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	0	-87,350.35	87,350.35	100.0	10
		Operating Revenue - Sewer	-5,713,855.71	-3,740,191.28	-1,973,664.43	52.8-	9
		Total Operating Revenue	-49,346,849.89	-42,677,138.11	-6,669,711.78	15.6-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-143,034.66	-233,271.32	90,236.66	38.7	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-36,127.00	36,127.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-1,500.00	0	0.0	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-39,975.20	-43,624.74	3,649.54	8.4	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-26,260.00	0	-26,260.00		9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-231,092.26	-202,642.28	-28,449.98	14.0-	9
		Total Non Operating Revenue	-442,373.12	-517,676.34	75,303.22	14.5	8
		TOTAL REVENUE	-49,789,223.01	-43,194,814.45	-6,594,408.56	15.3-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,724,150.05	3,599,168.41	124,981.64	3.5	11
5500	5300190	5300190 Labor-Officers, Executives	51,302.40	68,640.57	-17,338.17	25.3-	11
		Labor Regular	3,775,452.45	3,667,808.98	107,643.47	2.9	10
5500	5300120	5300120 Salaried - Overtime Wages	477,452.58	472,694.98	4,757.60	1.0	11
		Labor Overtime	477,452.58	472,694.98	4,757.60	1.0	10
5500	5300180	5300180 Salaried - Annual Incentive	123,066.79	113,887.00	9,179.79	8.1	11
		Labor Short Term Incentive	123,066.79	113,887.00	9,179.79	8.1	10
5500	5300185	5300185 Stock Option Compensation	3,017.25	-1,543.98	4,561.23	295.4	11
5500	5300186	5300186 Performance Share Unit Amortization	35,982.42	-7,917.69	43,900.11	554.5	11
5500	5300187	5300187 Restricted Stock Unit Amortization	15,118.63	-10,912.30	26,030.93	238.5	11
		Labor Long Term Incentive	54,118.30	-20,373.97	74,492.27	365.6	10
5500	5996010	5996010 RECLASS-S&W-Employees	-193,315.94	109,090.60	-302,406.54	277.2-	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	4,358.97	1,017.30	3,341.67	328.5	11
****	8000032	8000032 Corporate Automation Engineer	765.12	2,195.04	-1,429.92	65.1-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	6,324.32	-6,324.32	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	412.62	326.65	85.97	26.3	11
5500	8000150	8000150 Mgr, Security Operations & Engineering	205.8	0	205.8		11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
5500	8000168	8000168 Planning & Engineering Director	6,282.40	0	6,282.40		11
****	8000169	8000169 Project Engineer I	0	0	0		11
****	8000170	8000170 Project Engineer II	4,522.00	6,903.12	-2,381.12	34.5-	11

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****	8000171	8000171 Project Engineer III	2,168.16	18,927.04	-16,758.88	88.5-	11
5500	8000177	8000177 Project Manager II	0	185.6	-185.6	100.0-	11
5550	8000178	8000178 Project Manager III	0	453.5	-453.5	100.0-	11
5500	8000179	8000179 Project Management Office Director	150.25	0	150.25		11
5500	8000201	8000201 Systems Administrator II	1,030.26	861.84	168.42	19.5	11
5500	8000218	8000218 Security Engineer I	525	0	525		11
5500	8000219	8000219 Security Engineer III	1,711.05	0	1,711.05		11
5500	8000228	8000228 Safety Specialist III	-206.56	0	-206.56		11
5500	8000234	8000234 Systems Engineer I	0	1,164.80	-1,164.80	100.0-	11
5500	8000235	8000235 System Engineer III	4,014.45	584.05	3,430.40	587.3	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-563.92	0	-563.92		11
5500	8000325	8000325 Manager Security GRC	1,023.80	0	1,023.80		11
5500	8000342	8000342 Security Analyst II	66.68	0	66.68		11
5500	8000367	8000367 IT Infrastructure Lead	257.04	0	257.04		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
5500	8001019	8001019 Construction Inspector	0	-2,881.00	2,881.00	100.0	11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	341	-341	100.0-	11
****	8001102	8001102 Facility Operator II	8.01	0	8.01		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	659.25	-659.25	100.0-	11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001181	8001181 Utility Technician	0	0	0		11
****	8001183	8001183 Utility Technician II	0	0	0		11
****	8001205	8001205 Facility Operator I	0	0	0		11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-2,103.42	0	-2,103.42		11
5500	8001220	8001220 Distribution Technician	0	7,568.11	-7,568.11	100.0-	11
5500	8001224	8001224 Emergency Utility Worker	-75.74	0	-75.74		11
****	8001226	8001226 Field Inspector - First Class	0	-310	310	100.0	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
5500	8001231	8001231 Field Service Representative	809.13	-521.91	1,331.04	255.0	11
5500	8001235	8001235 Inspector	-2,592.83	-109.1	-2,483.73	2,276.6-	11
5500	8001241	8001241 Leader	-278.95	1,182.78	-1,461.73	123.6-	11
****	8001242	8001242 Lead Mechanic	0	0	0		11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
5500	8001264	8001264 Purification Operator	0	-73.62	73.62	100.0	11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001278	8001278 Utility Locator	0	8,483.39	-8,483.39	100.0-	11
5500	8001284	8001284 Utility Worker	-561.58	-5,025.73	4,464.15	88.8	11
5500	8001289	8001289 Working Foreman	-129	-1,364.88	1,235.88	90.5	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
5500	8002019	8002019 Construction Inspector-TH	0	-100.49	100.49	100.0	11
****	8002025	8002025 Customer Service Specialist II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	-214.35	92.33	-306.68	332.2-	11
****	8002181	8002181 Utility Technician-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
5500	8002213	8002213 Utility Technician (Union)-TH	-54.69	0	-54.69		11
5500	8002226	8002226 Field Inspector - First Class-TH	0	-176.55	176.55	100.0	11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-87	0	-87		11
5500	8002235	8002235 Inspector-TH	-244.85	0	-244.85		11
5500	8002241	8002241 Leader-TH	0	168.56	-168.56	100.0-	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002289	8002289 Working Foreman-TH	-129.58	-139.59	10.01	7.2	11
****	8002291	8002291 Wastewater Operator I-TH	0	0	0		11
****	8002297	8002297 Facility Operator I - TH	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003256	8003256 Operator I-DT	0	0	0		11
****	8003257	8003257 Operator II-DT	0	0	0		11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.04 -2023.04	Reporting periods
2022.04 -2022.04	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
		Activity Allocations	-172,247.67	155,826.41	-328,074.08	210.5-	10
****	6996001	6996001 S&W-Employees-ST	-1,090,955.59	-1,242,647.53	151,691.94	12.2	11
****	6996002	6996002 S&W-Employees-OT	-208,052.65	-186,946.97	-21,105.68	11.3-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-45,847.12	-19,126.16	-26,720.96	139.7-	11
****	6996007	6996007 LTI/STI	-19,947.48	0	-19,947.48		11
****	8720200	8720200 PTO Overhead	-1,153.61	1,149.08	-2,302.69	200.4-	11
****	8720700	8720700 LTI/STI/Stock Overhead	-106.12	-72.98	-33.14	45.4-	11
		Labor - Overheads & Capitalization	-1,366,062.57	-1,447,644.56	81,581.99	5.6	10
		Total Labor	2,891,779.88	2,942,198.84	-50,418.96	1.7-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	572,364.87	607,608.43	-35,243.56	5.8-	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	31,985.73	33,110.41	-1,124.68	3.4-	11
5500	5301025	5301025 Employee Benefits - Vision	5,557.96	5,686.05	-128.09	2.3-	11
		Employee Benefits - Health Plans	609,908.56	646,404.89	-36,496.33	5.6-	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,381.15	18,336.86	-1,955.71	10.7-	11
5500	5301040	5301040 Employee Benefits - Disability	11,802.40	23,179.02	-11,376.62	49.1-	11
		Employee Benefits - Insurance	28,183.55	41,515.88	-13,332.33	32.1-	10
5500	5301110	5301110 Employee Benefits - Pensions	0	1,010,040.00	-1,010,040.00	100.0-	11
5500	5301113	5301113 Employee Benefits - NQ Pensions - Service Cost	0	-9,912.00	9,912.00	100.0	11
		Employee Benefits - Pension	0	1,000,128.00	-1,000,128.00	100.0-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	234,597.00	-157,094.06	67.0-	11
		Employee Benefits - OPEB	77,502.94	234,597.00	-157,094.06	67.0-	10
5500	5301130	5301130 Employee Benefits - Savings Plan	216,609.64	179,846.90	36,762.74	20.4	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	73,510.00	77,633.00	-4,123.00	5.3-	11
		Employee Benefits - 401K	290,119.64	257,479.90	32,639.74	12.7	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	98	0	98		11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	62	314.1	-252.1	80.3-	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	6,693.91	6,642.13	51.78	0.8	11
5500	5302920	5302920 Tuition Reimbursement Expense	0	2,179.50	-2,179.50	100.0-	11
****	5302925	5302925 Employee Training Expense	799	4,968.00	-4,169.00	83.9-	11
5500	5302930	5302930 Employee Relations Expense	91.8	2,790.79	-2,698.99	96.7-	11
5550	5302990	5302990 Miscellaneous Employee-Related Expense	35.9	0	35.9		11
****	8720300	8720300 Payroll Other Overhead	-1,432.53	2,225.92	-3,658.45	164.4-	11
		Employee Benefits - Miscellaneous	6,348.08	19,120.44	-12,772.36	66.8-	10
****	6996004	6996004 Employee Pension and Benefits	-271,701.15	-316,525.74	44,824.59	14.2	11
		Capitalized Employee Benefits	-271,701.15	-316,525.74	44,824.59	14.2	10
		Total Employee Benefits	740,361.62	1,882,720.37	-1,142,358.75	60.7-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	354,808.85	307,557.45	47,251.40	15.4	10
5500	6996009	6996009 Purchased Water	0	-211.2	211.2	100.0	10
		Total Purchased Water	354,808.85	307,346.25	47,462.60	15.4	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	945,372.28	1,400,994.25	-455,621.97	32.5-	10
		Total Purchased Wastewater	945,372.28	1,400,994.25	-455,621.97	32.5-	9
		Sludge					9
****	5206240	5206240 Sludge Removal	98,891.59	157,858.64	-58,967.05	37.4-	10
5550	6996011	6996011 Sludge Removal (WW)	-15,924.09	-73,016.25	57,092.16	78.2	10
		Total Sludge	82,967.50	84,842.39	-1,874.89	2.2-	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	767,970.83	664,216.72	103,754.11	15.6	10
****	5206230	5206230 Fuel for Power Production	60,661.96	-7,721.63	68,383.59	885.6	10
5500	6996016	6996016 Fuel for Power Production	-347.06	-225.09	-121.97	54.2-	10
		Total Purchased Power	828,285.73	656,270.00	172,015.73	26.2	9
****	5304600	5304600 Chemicals-Oper-General	184,049.14	60,716.92	123,332.22	203.1	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	178,783.10	176,865.42	1,917.68	1.1	10
5500	5304603	5304603 Chemicals-Oper-Caustic	89,198.77	29,543.81	59,654.96	201.9	10
****	5304604	5304604 Chemicals-Oper-Chlorine	174,285.57	92,906.09	81,379.48	87.6	10
****	5304605	5304605 Chemicals-Oper-Coagulants	95,969.19	85,039.14	10,930.05	12.9	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	2,816.09	4,008.79	-1,192.70	29.8-	10
****	5304607	5304607 Chemicals-Oper-Hypochlorine	18,258.90	29,877.51	-11,618.61	38.9-	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	162,309.05	13,999.19	148,309.86	1,059.4	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	72,936.63	91,356.37	-18,419.74	20.2-	10
****	5304610	5304610 Chemicals-Oper-Polymer	46,879.81	22,168.13	24,711.68	111.5	10
5550	5304612	5304612 Chemicals-Oper-Sodium Thi	0	537	-537	100.0-	10
5500	5304613	5304613 Chemicals-Oper-Percol	6,242.60	0	6,242.60		10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	94.5	61.6	32.9	53.4	10
5500	5304615	5304615 Chemicals-Oper-Lime	94,768.62	38,513.56	56,255.06	146.1	10
5500	5304617	5304617 Chemicals-Oper-Carbon	261,591.89	131,111.35	130,480.54	99.5	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	40,899.67	9,241.38	31,658.29	342.6	10
****	5304621	5304621 Chemicals-Oper-Misc Chem	24,481.44	6,164.38	18,317.06	297.1	10
****	5304624	5304624 SW-Chem-Pump Oper-General	-405.08	17,999.42	-18,404.50	102.3-	10
		Chemicals	1,453,159.89	810,110.06	643,049.83	79.4	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	2,985,000.72	3,959,408.00	-974,407.28	24.6-	11
5500	5304105	5304105 Material Exp-Stk Cr	27,040.69	0	27,040.69		11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.04 -2023.04	Reporting periods
2022.04 -2022.04	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5304110	5304110 Material Exp-Cst Dif	-53,891.61	-1,560.19	-52,331.42	3,354.2-	11
5500	5304120	5304120 Material Exp-Obslete	7,998.54	1,076.15	6,922.39	643.3	11
5500	5304140	5304140 Material Exp-Inv Rvl	-19,447.02	0	-19,447.02		11
****	5304200	5304200 Material Exp-Non Stk	86,222.10	19,026.35	67,195.75	353.2	11
****	5304300	5304300 Meter/ERT Purchases	210,007.44	208,123.32	1,884.12	0.9	11
****	5304330	5304330 Laboratory Supplies	-228	24,920.25	-25,148.25	100.9-	11
5500	5304340	5304340 Software/Hardware Purchases	41,158.12	11,051.55	30,106.57	272.4	11
****	5304370	5304370 Small Tools & Work Equipment	37,578.57	34,036.32	3,542.25	10.4	11
****	5304375	5304375 Materials & Supplies - Uniforms	8,906.09	7,972.72	933.37	11.7	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	2,744.14	70,913.62	-68,169.48	96.1-	11
****	5304390	5304390 Misc Supplies	61,769.58	65,136.59	-3,367.01	5.2-	11
****	8720600	8720600 Tools/Clothing/Others Overhead	4.95	185.31	-180.36	97.3-	11
		Supplies	3,394,864.31	4,400,289.99	-1,005,425.68	22.8-	10
****	6996020	6996020 Materials and Supplies	-3,319,610.29	-4,160,011.19	840,400.90	20.2	11
		Capitalized Supplies	-3,319,610.29	-4,160,011.19	840,400.90	20.2	10
		Total Materials & Supplies	75,254.02	240,278.80	-165,024.78	68.7-	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	1,913,585.84	1,657,902.06	255,683.78	15.4	11
****	6996031	6996031 Contractual Services-Engineering	-1,841,898.69	-1,330,359.54	-511,539.15	38.5-	11
		Outside Services - Engineering	71,687.15	327,542.52	-255,855.37	78.1-	10
5500	5303210	5303210 Accounting/Auditing Services	70,393.00	24,057.00	46,336.00	192.6	11
		Outside Services - Accounting	70,393.00	24,057.00	46,336.00	192.6	10
****	5303220	5303220 Legal Services	3,642.64	50,271.53	-46,628.89	92.8-	11
****	6996033	6996033 Contractual Services-Legal	-1,201.11	0	-1,201.11		11
		Outside Services - Legal	2,441.53	50,271.53	-47,830.00	95.1-	10
****	5303850	5303850 Testing Services	-11,065.85	29,618.45	-40,684.30	137.4-	11
****	6996035	6996035 Contractual Services-Testing	-20,380.00	-5,855.00	-14,525.00	248.1-	11
		Outside Services - Lab Testing	-31,445.85	23,763.45	-55,209.30	232.3-	10
****	5303010	5303010 Contractor Labor - Straight Time	-19,149.97	68,815.50	-87,965.47	127.8-	11
5500	5303020	5303020 Contractor Materials	101,138.02	67,909.29	33,228.73	48.9	11
****	5303030	5303030 Contractor Services	2,349,689.75	1,303,327.89	1,046,361.86	80.3	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	58,630.65	68,507.80	-9,877.15	14.4-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	7,331.56	32,628.12	-25,296.56	77.5-	11
****	5303035	5303035 Contractor Services - Restoration	348,120.91	848,096.82	-499,975.91	59.0-	11
****	5303036	5303036 Contractor Services - Permit Fees	61,797.94	44,088.67	17,709.27	40.2	11
5500	5303040	5303040 Environmental Services	3,864.22	0	3,864.22		11
****	5303050	5303050 Contractor Services - Leak Detection	14,118.31	6,375.00	7,743.31	121.5	11
****	5303053	5303053 Contractor Services - Main Breaks	5,071,190.47	9,703,563.53	-4,632,373.06	47.7-	11
****	5303054	5303054 Contractor Services - Well Cleaning	47,006.90	110,069.15	-63,062.25	57.3-	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	-2,567.50	10,089.75	-12,657.25	125.4-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	26,692.45	5,637.48	21,054.97	373.5	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	21,930.72	8,580.00	13,350.72	155.6	11
5500	5303058	5303058 Contractor Services - Oth-Hauling	0	2,280.00	-2,280.00	100.0-	11
5500	5303061	5303061 Contractor Services - Other-Mains	119,946.65	-16,033.67	135,980.32	848.1	11
5500	5303062	5303062 Contractor Services - Other-Services	553,158.93	29.6	553,129.33	1868680.2	11
****	5303063	5303063 Contractor Services - Other-Meters	34,570.25	54,867.76	-20,297.51	37.0-	11
5500	5303064	5303064 Contractor Services - Other-Hydrants	177,282.50	0	177,282.50		11
5500	5303145	5303145 Contractor Services - Other-Construction	479,154.96	816,039.16	-336,884.20	41.3-	11
****	6996036	6996036 Contractual Services-Other	-8,972,338.82	-12,419,643.53	3,447,304.71	27.8	11
		Outside Services - Operations	481,568.90	715,228.32	-233,659.42	32.7-	10
5500	5997310	5997310 Other ACO Direct costs	53,001.44	68,762.86	-15,761.42	22.9-	11
****	5997320	5997320 WorkFlow Processing Fee	92,767.35	97,727.05	-4,959.70	5.1-	11
****	5997330	5997330 WorkFlow Billing Postage	124,505.29	118,202.97	6,302.32	5.3	11
5500	5997360	5997360 ACO Lockbox Fees	43,080.64	46,386.62	-3,305.98	7.1-	11
		Outside Services - ACO	313,354.72	331,079.50	-17,724.78	5.4-	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	56,485.09	252,323.62	-195,838.53	77.6-	12
****	5303135	5303135 Contractor Services - Grounds Care	95,791.95	49,563.23	46,228.72	93.3	12
5500	5303840	5303840 Security & Investigative Services	150,856.47	10,610.94	140,245.53	1,321.7	12
5500	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-151,600.26	0	-151,600.26		12
		Outside Services - Bldg & Grounds	151,533.25	312,497.79	-160,964.54	51.5-	11
5550	5303150	5303150 Communications Equipment Maintenance Services	0	361.58	-361.58	100.0-	12
		Outside Services - Communications	0	361.58	-361.58	100.0-	11
5500	5303110	5303110 Office Equipment Maintenance Services	-174.34	12,724.00	-12,898.34	101.4-	12
5550	5303120	5303120 Computer & Software Maintenance Services	0	525	-525	100.0-	12
****	5303315	5303315 IT/Telecom Contractor Services	17,947.79	320,410.90	-302,463.11	94.4-	12
5500	6996364	6996364 Contractual Services - Other - IT	-17,947.79	0	-17,947.79		12
		Outside Services - IT	-174.34	333,659.90	-333,834.24	100.1-	11
5500	5303140	5303140 Security Equipment Maintenance Services	33,156.62	165,479.62	-132,323.00	80.0-	12
		Outside Services - Security	33,156.62	165,479.62	-132,323.00	80.0-	11
****	5303325	5303325 Professional/Temporary Labor	6,702.88	1,670.00	5,032.88	301.4	12
		Outside Services - Temporary Labor	6,702.88	1,670.00	5,032.88	301.4	11
5500	5303190	5303190 Miscellaneous Repairs/Maintenance	3,729.83	10,970.70	-7,240.87	66.0-	12
****	5303310	5303310 Consultant Services	60,137.15	43,085.00	17,052.15	39.6	12
5500	5303320	5303320 Training Services	634.4	4,320.00	-3,685.60	85.3-	12
****	5303890	5303890 Miscellaneous Outside Services	20,208.44	42,017.27	-21,808.83	51.9-	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-44,709.50	0	-44,709.50		12
		Outside Services - Admin & General	40,000.32	100,392.97	-60,392.65	60.2-	11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Total Outside Services - Other	231,218.73	914,061.86	-682,843.13	74.7-	10
		Total Outside Services	1,139,218.18	2,386,004.18	-1,246,786.00	52.3-	9
		Managment Fees					9
5500	5996340	5996340 RECLASS-Contractual Services-Management Fees	0	12,211.29	-12,211.29	100.0-	11
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,688,220.97	1,397,789.42	290,431.55	20.8	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	725,472.65	747,215.72	-21,743.07	2.9-	11
5500	8732040	8732040 Employee Pension and Benefits	53,025.08	16,620.83	36,404.25	219.0	11
5500	8732150	8732150 Purchased Power (WasteWater)	887.62	697.66	189.96	27.2	11
5500	8732200	8732200 Materials and Supplies	114,959.60	117,460.96	-2,501.36	2.1-	11
5500	8732310	8732310 Contractual Services-Engineering	84,454.91	63,573.61	20,881.30	32.8	11
5500	8732320	8732320 Contractual Services-Accounting	91,026.52	10,093.99	80,932.53	801.8	11
5500	8732330	8732330 Contractual Services-Legal	7,665.54	3,541.82	4,123.72	116.4	11
5500	8732340	8732340 Contractual Services-Management Fees	217,573.16	388,532.22	-170,959.06	44.0-	11
5500	8732360	8732360 Contractual Services-Other	1,646,375.81	1,053,973.25	592,402.56	56.2	11
5500	8732410	8732410 Rental of Building Real Property	10,618.97	16,161.85	-5,542.88	34.3-	11
5500	8732420	8732420 Rental of Equipment	0	804.5	-804.5	100.0-	11
5500	8732500	8732500 Transportation Expenses	857.72	3,703.58	-2,845.86	76.8-	11
5500	8732600	8732600 Advertising Expense	0	2,180.25	-2,180.25	100.0-	11
5500	8732750	8732750 Miscellaneous Expense	92,417.92	135,947.76	-43,529.84	32.0-	11
		Management Fees - Water	4,733,556.47	3,970,508.71	763,047.76	19.2	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-2,508,185.89	-1,889,928.94	-618,256.95	32.7-	11
		Capitalized Management Fees	-2,508,185.89	-1,889,928.94	-618,256.95	32.7-	10
		Total Managment Fees	2,225,370.58	2,080,579.77	144,790.81	7.0	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	54,818.80	57,520.35	-2,701.55	4.7-	11
5500	5307050	5307050 Rent Expense - Land & Land Rights	6,321.00	0	6,321.00		11
		Leases - Building	61,139.80	57,520.35	3,619.45	6.3	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	7,623.54	15,783.34	-8,159.80	51.7-	11
****	6996042	6996042 Rental of Equipment	-4,325.47	-3,740.10	-585.37	15.7-	11
		Leases - Equipment	3,298.07	12,043.24	-8,745.17	72.6-	10
5500	5307090	5307090 Rent Expense - Miscellaneous	2,002.41	0	2,002.41		11
		Leases - Other	2,002.41	0	2,002.41		10
		Total Leases	66,440.28	69,563.59	-3,123.31	4.5-	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	6,801.60	197.45	6,604.15	3,344.7	11
5500	5304210	5304210 Auto Parts & Supplies	162,625.77	17,839.84	144,785.93	811.6	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	22,556.06	11,744.53	10,811.53	92.1	11
		Transportation - Services & Maintenance	191,983.43	29,781.82	162,201.61	544.6	10
5500	5399077	5399077 Transportation - Vehicle Leases	0	12,797.88	-12,797.88	100.0-	11
		Transportation - Leases	0	12,797.88	-12,797.88	100.0-	10
****	5304510	5304510 Gasoline	80,823.61	101,697.23	-20,873.62	20.5-	11
5500	5304515	5304515 Diesel Fuel	10,550.29	33,789.97	-23,239.68	68.8-	11
5500	5304516	5304516 Natural Gas Fuel	1,519.43	5,058.36	-3,538.93	70.0-	11
5500	5304520	5304520 Fuel-Off Hwy Equip	8,765.55	0	8,765.55		11
		Transportation - Fuel	101,658.88	140,545.56	-38,886.68	27.7-	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	1,344.70	0	1,344.70		11
5500	5399079	5399079 Transportation-Crash	-18,872.66	1,386.20	-20,258.86	1,461.5-	11
5500	5996500	5996500 RECLASS-Transportation Expenses	-24,076.94	-19,749.66	-4,327.28	21.9-	11
****	8720500	8720500 Transportation Overhead	-420.94	414.63	-835.57	201.5-	11
		Transportation - Other	-42,025.84	-17,948.83	-24,077.01	134.1-	10
****	6996050	6996050 Transportation Expenses	-109,904.30	-91,350.77	-18,553.53	20.3-	11
		Capitalized Transportation	-109,904.30	-91,350.77	-18,553.53	20.3-	10
		Total Transportation	141,712.17	73,825.66	67,886.51	92.0	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	2,858.00	631.55	2,226.45	352.5	11
5500	5308021	5308021 Professional Dues	0	215	-215	100.0-	11
5500	5308090	5308090 Other Dues&Membershp	41,948.07	47,316.00	-5,367.93	11.3-	11
		Dues & Subscriptions	44,806.07	48,162.55	-3,356.48	7.0-	10
5550	5310010	5310010 Operating Permits	0	1,000.00	-1,000.00	100.0-	11
****	5310020	5310020 Licensing Fees	69,178.00	18,085.09	51,092.91	282.5	11
****	5310050	5310050 Environmental Fees	1,000.00	151.25	848.75	561.2	11
		Licenses & Permits	70,178.00	19,236.34	50,941.66	264.8	10
5500	5310080	5310080 Bank Fees	-59,707.98	12,684.54	-72,392.52	570.7-	11
5500	5310085	5310085 Bond Servicing Fees	13,601.80	0	13,601.80		11
		Bank Fees	-46,106.18	12,684.54	-58,790.72	463.5-	10
****	5302010	5302010 Travel Expense	15,216.46	28,739.20	-13,522.74	47.1-	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	7,774.33	4,054.32	3,720.01	91.8	11
5500	5302016	5302016 Travel - Meals (100% Deductible)	411.63	0	411.63		11
****	5302021	5302021 Entertainment Expense - Non-Deductible	1,616.18	5,358.58	-3,742.40	69.8-	11

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5500	5302022	5302022 Entertainment Expense-50% Non-Deductible	4,529.14	0	4,529.14		11
		Travel & Entertainment	29,547.74	38,152.10	-8,604.36	22.6-	10
****	5303830	5303830 Advertising	0	619.89	-619.89	100.0-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	12,000.00	48,618.75	-36,618.75	75.3-	11
		Public Relations	12,000.00	49,238.64	-37,238.64	75.6-	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	100	0	100		11
		Fines & Penalties	100	0	100		10
****	5304310	5304310 Office Supplies	33,011.21	25,742.00	7,269.21	28.2	11
5500	5304320	5304320 Postage, Shipping, & Freight	5,312.25	4,294.76	1,017.49	23.7	11
5500	5304350	5304350 Office Furn & Equip	9,514.03	83,534.80	-74,020.77	88.6-	11
5500	5304360	5304360 Promotion Supplies	11,512.01	0	11,512.01		11
****	5304410	5304410 Purchasing Card Expenses-MC	282,901.99	23,874.96	259,027.03	1,084.9	11
		Office Supplies	342,251.49	137,446.52	204,804.97	149.0	10
****	5309010	5309010 Utilities - Electric and Gas	791.23	-13,621.16	14,412.39	105.8	11
****	5309025	5309025 Utilities - Communications	121,371.78	77,553.45	43,818.33	56.5	11
5550	5309030	5309030 Utilities - Water	4,721.19	2,531.41	2,189.78	86.5	11
5500	5309040	5309040 Utilities - Other	123.75	463.09	-339.34	73.3-	11
		Utilities	127,007.95	66,926.79	60,081.16	89.8	10
5500	5310090	5310090 Miscellaneous Fees	7.13	774.4	-767.27	99.1-	11
5500	5399040	5399040 Lost Discount Exp	674.66	302.78	371.88	122.8	11
****	5399900	5399900 Miscellaneous Expense	-240,501.42	-189,630.56	-50,870.86	26.8-	11
5500	5399910	5399910 Miscellaneous Expense - Acct Recon Write-offs	0	30	-30	100.0-	11
		Other Miscellaneous	-239,819.63	-188,523.38	-51,296.25	27.2-	10
****	5303900	5303900 Conversion-Projects	1,120,021.92	-61,572.85	1,181,594.77	1,919.0	11
5500	5399061	5399061 CIAC-Project offset	1,206,982.52	0	1,206,982.52		11
****	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	0	-424,907.86	424,907.86	100.0	11
5550	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-8,150.00	0	-8,150.00		11
5500	5399074	5399074 Vehicle Purchases	112,110.78	164,153.25	-52,042.47	31.7-	11
5500	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-1,206,982.52	0	-1,206,982.52		11
****	5399340	5399340 Salvage Proceeds	0	-130,749.90	130,749.90	100.0	11
****	6996075	6996075 Miscellaneous Expense	-1,388,064.17	-128,090.26	-1,259,973.91	983.7-	11
****	6996081	6996081 CIAC	-1,198,832.52	424,907.86	-1,623,740.38	382.1-	11
5500	6996082	6996082 CAC	1,206,982.52	0	1,206,982.52		11
****	6996085	6996085 Capital Overhead	360.12	196,867.12	-196,507.00	99.8-	11
****	8720400	8720400 A&G Capital Support Overhead	-83.88	3,010.84	-3,094.72	102.8-	11
****	8720900	8720900 Engineering Overhead	-112.99	0	-112.99		11
		Capital Miscellaneous & Overheads	-155,768.22	43,618.20	-199,386.42	457.1-	10
		Total Miscellaneous Expenses	184,197.22	226,942.30	-42,745.08	18.8-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.00	361,649.00	12,221.00	3.4	10
5500	5305020	5305020 Damages - Property	18,772.95	23,148.50	-4,375.55	18.9-	10
5500	5305030	5305030 Claims Reimburse	0	1,322.49	-1,322.49	100.0-	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,136.00	70,145.00	5,991.00	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,616.00	138,327.00	29,289.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,295.00	13,968.00	-2,673.00	19.1-	10
5500	6996057	6996057 Insurance General Liability	-113,728.20	0	-113,728.20		10
5500	6996058	6996058 Insurance Workman's Compensation	-22,708.20	0	-22,708.20		10
5500	6996059	6996059 Insurance Other	-49,918.80	0	-49,918.80		10
		Total Insurance	461,334.75	608,559.99	-147,225.24	24.2-	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	305,810.05	512,658.37	-206,848.32	40.3-	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-31,961.24	-37,464.70	5,503.46	14.7	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	569,750.34	-460,486.52	1,030,236.86	223.7	10
		Total Bad Debt	843,599.15	14,707.15	828,892.00	5,636.0	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	383,196.62	180,444.14	202,752.48	112.4	10
5500	6201011	6201011 Donations - 501(c)(3)	3,775.00	1,250.00	2,525.00	202.0	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	6,100.00	29,349.77	-23,249.77	79.2-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	0	937.5	-937.5	100.0-	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	443.92	327.48	116.44	35.6	10
5500	6204080	6204080 Misc NonUtil Exp-Bill Mat&Serv	4,975.00	0	4,975.00		10
5500	6204140	6204140 Misc NonUtil-N-Cust-Act & Evnt	0	5,000.00	-5,000.00	100.0-	10
****	6204150	6204150 Misc NonUtil Exp-Other	165,505.17	25,850.00	139,655.17	540.3	10
5500	6204160	6204160 Misc NonUtil-Other-Prof Servic	8,859.49	-926.36	9,785.85	1,056.4	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	23,633.80	15,600.00	8,033.80	51.5	10
		Total Non Operating Expenses	596,489.00	257,832.53	338,656.47	131.3	9
		Total Operations & Maintenance Expense	13,030,351.10	14,042,776.13	-1,012,425.03	7.2-	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,298,890.30	10,178,368.07	1,120,522.23	11.0	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	-0.01	0.29	-0.3	103.4-	9
****	5502011	5502011 Amortization Expense - CIAC	-345,469.70	-326,574.44	-18,895.26	5.8-	9
		Total Depreciation	10,953,420.59	9,851,793.92	1,101,626.67	11.2	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	41,592.09	-13,149.00	31.6-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-88,264.01	88,264.01	100.0	9
5500	5507050	5507050 Regulatory Deferrals/Amortization	5,800.00	0	5,800.00		9
****	5507070	5507070 Amort-Util Plant Acq Adj	-86,962.10	0	-86,962.10		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	1,977.78	12,050.27	-10,072.49	83.6-	9

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5500	6996066	6996066 Regulatory Commission Expense-Amortization	-5,800.00	0	-5,800.00		9
		Total Amortization	-56,541.23	-34,621.65	-21,919.58	63.3-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	202,610.00	198,571.00	4,039.00	2.0	9
****	5310032	5310032 Assessment-Consumer Advocate	60,273.00	66,151.00	-5,878.00	8.9-	9
****	5310033	5310033 Assessment-SBA	12,115.00	13,601.00	-1,486.00	10.9-	9
5500	5310034	5310034 Pumping Fees	0	1,360.00	-1,360.00	100.0-	9
****	5310035	5310035 Assessment-DPC	2,422.00	3,483.00	-1,061.00	30.5-	9
****	5702120	5702120 Property Taxes-WT/WW	114,011.35	89,000.00	25,011.35	28.1	9
5500	5703100	5703100 Payroll Taxes	317,119.91	307,521.46	9,598.45	3.1	9
5500	5709140	5709140 Other Taxes-PURTA	405,736.11	366,667.00	39,069.11	10.7	9
****	6996005	6996005 Payroll Tax	-96,519.56	-106,402.89	9,883.33	9.3	9
****	8720100	8720100 Payroll Tax Overhead	-525.23	611.14	-1,136.37	185.9-	9
		Total Taxes Other Than Income	1,017,242.58	940,562.71	76,679.87	8.2	8
		TOTAL UTILITY COSTS & EXPENSES	24,944,473.04	24,800,511.11	143,961.93	0.6	7
		TOTAL OPERATING INCOME	-24,844,749.97	-18,394,303.34	-6,450,446.63	35.1-	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	283,152.41	43,912.39	239,240.02	544.8	9
		Interest on Short Term Debt	283,152.41	43,912.39	239,240.02	544.8	8
****	6499011	6499011 Interest Expense - Long Term Debt	6,758,205.98	5,997,412.89	760,793.09	12.7	10
		Interest on LTD	6,758,205.98	5,997,412.89	760,793.09	12.7	9
5500	6402430	6402430 Amort-Debt Issuance Costs	50,808.10	49,002.07	1,806.03	3.7	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	44,872.10	43,066.07	1,806.03	4.2	9
		Interest on Long Term Debt	6,803,078.08	6,040,478.96	762,599.12	12.6	8
5510	6101910	6101910 Interest Inc-Banks	0	-198.93	198.93	100.0	10
		Interest Income	0	-198.93	198.93	100.0	9
		Other Interest (Income) Expense	0	-198.93	198.93	100.0	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-161,586.74	-174,065.27	12,478.53	7.2	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	161,586.74	174,065.27	-12,478.53	7.2-	10
****	6996080	6996080 AFUDC-Debt	-161,586.74	-174,065.27	12,478.53	7.2	10
		AFUDC - Debt	-161,586.74	-174,065.27	12,478.53	7.2	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-667,040.82	-601,298.32	-65,742.50	10.9-	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	477,001.25	427,570.49	49,430.76	11.6	10
****	6996086	6996086 AFUDC-Equity	-477,001.25	-427,570.49	-49,430.76	11.6-	10
		AFUDC - Equity	-667,040.82	-601,298.32	-65,742.50	10.9-	9
		Allow For Funds Used During Construction	-828,627.56	-775,363.59	-53,263.97	6.9-	8
		Total Interest Expense	6,257,602.93	5,308,828.83	948,774.10	17.9	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	6,979.08	0	6,979.08		9
		Gains from Sales of Property	6,979.08	0	6,979.08		8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	0	-510,040.00	510,040.00	100.0	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	17,729.00	-3,129.00	17.6-	9
		Other Net Periodic Beneft Costs	-59,646.00	-566,557.00	506,911.00	89.5	8
		Other Net (Income) Expense	-52,666.92	-566,557.00	513,890.08	90.7	7
		TOTAL OTHER (INCOME) EXPENSE	6,204,936.01	4,742,271.83	1,462,664.18	30.8	6
		TOTAL INCOME BEFORE TAX & GAIN	-18,639,813.96	-13,652,031.51	-4,987,782.45	36.5-	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	2,700,909.04	1,147,833.62	1,553,075.42	135.3	8
		Federal Taxes - Current	2,700,909.04	1,147,833.62	1,553,075.42	135.3	7
		Total Income Taxes - Current	2,700,909.04	1,147,833.62	1,553,075.42	135.3	6
		TOTAL INCOME TAXES	2,700,909.04	1,147,833.62	1,553,075.42	135.3	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-15,938,904.92	-12,504,197.89	-3,434,707.03	27.5-	4
		TOTAL NET INCOME	-15,938,904.92	-12,504,197.89	-3,434,707.03	27.5-	3
		NET INCOME AVAILABLE FOR COMMON	15,938,904.92	12,504,197.89	3,434,707.03	27.5	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.05 -2023.05	Reporting periods
2022.05 -2022.05	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-155,962,540.45	**-120,614,713.31**	**-35,347,827.14**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-1,374.54	-2,312.24	937.7	40.6	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	246.25	-30,964.14	31,210.39	100.8	10
****	4114110	4114110 WTR-Metered Sales-Residential	-32,142,811.66	-27,220,543.86	-4,922,267.80	18.1-	10
****	4114115	4114115 WTR-CAP Discount-Residential	21,199.91	0	21,199.91		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-12,092,391.53	-9,687,159.11	-2,405,232.42	24.8-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-2,059,686.18	-1,460,621.29	-599,064.89	41.0-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-950,934.41	-799,188.55	-151,745.86	19.0-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-20,629.18	-55,700.36	35,071.18	63.0	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,367,636.60	-1,155,142.61	-212,493.99	18.4-	10
****	4114220	4114220 WTR-Public Fire Protection	-615,581.73	-578,241.38	-37,340.35	6.5-	10
****	4114230	4114230 WTR-Private Fire Protection	-221,837.27	-175,804.50	-46,032.77	26.2-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-320,245.15	-268,363.82	-51,881.33	19.3-	10
****	4115100	4115100 WTR-Misc Srv Rev	-44,861.92	-43,783.50	-1,078.42	2.5-	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-31,596.16	-21,650.00	-9,946.16	45.9-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-59,876.65	-62,600.02	2,723.37	4.4	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-23,078.14	-17,480.00	-5,598.14	32.0-	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	7,438.37	-1,367,392.36	1,374,830.73	100.5	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	99,341.23	22	99,319.23	451,451.0	10
5500	4118400	4118400 WTR-Other Water Rev	-46,816.08	0	-46,816.08		10
		Operating Revenue - Water	-49,871,131.44	-42,946,925.74	-6,924,205.70	16.1-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,576,825.59	-2,676,575.90	-900,249.69	33.6-	10
5550	4211035	4211035 WW-CAP Discount-Residential	1,098.22	0	1,098.22		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-808,710.67	-566,117.96	-242,592.71	42.9-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,414,815.07	-1,023,015.73	-391,799.34	38.3-	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-306,647.99	-138,728.59	-167,919.40	121.0-	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-3,570.45	-297.69	-3,272.76	1,099.4-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-30,607.66	0	-30,607.66		10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-219.97	0	-219.97		10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-2,000.73	-1,298.25	-702.48	54.1-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-136,933.55	-114,688.40	-22,245.15	19.4-	10
****	4215155	4215155 WW-ST Tax Surcharge	2,484.01	0	2,484.01		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-15,370.20	-8,094.80	-7,275.40	89.9-	10
5550	4218400	4218400 WW-Other WW Revenues	-6,937.23	-860	-6,077.23	706.7-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	65.4	-41,351.05	41,416.45	100.2	10
		Operating Revenue - Sewer	-6,298,991.48	-4,571,028.37	-1,727,963.11	37.8-	9
		Total Operating Revenue	-56,170,122.92	-47,517,954.11	-8,652,168.81	18.2-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-143,034.67	-233,271.31	90,236.64	38.7	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-31,195.00	31,195.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-1,500.00	0	0.0	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-25,210.96	-23,915.32	-1,295.64	5.4-	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-75,288.76	-11,266.70	-64,022.06	568.2-	9
****	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-174,601.00	174,601.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-176,498.79	-203,628.15	27,129.36	13.3	9
		Total Non Operating Revenue	-422,044.18	-679,888.48	257,844.30	37.9	8
		TOTAL REVENUE	-56,592,167.10	-48,197,842.59	-8,394,324.51	17.4-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	4,029,771.22	3,765,616.68	264,154.54	7.0	11
5500	5300190	5300190 Labor-Officers, Executives	58,997.76	71,908.32	-12,910.56	18.0-	11
		Labor Regular	4,088,768.98	3,837,525.00	251,243.98	6.5	10
5500	5300120	5300120 Salaried - Overtime Wages	557,963.30	458,894.86	99,068.44	21.6	11
		Labor Overtime	557,963.30	458,894.86	99,068.44	21.6	10
5500	5300180	5300180 Salaried - Annual Incentive	112,983.00	104,887.00	8,096.00	7.7	11
		Labor Short Term Incentive	112,983.00	104,887.00	8,096.00	7.7	10
5500	5300185	5300185 Stock Option Compensation	1,608.06	1,047.99	560.07	53.4	11
5500	5300186	5300186 Performance Share Unit Amortization	40,211.65	39,587.36	624.29	1.6	11
5500	5300187	5300187 Restricted Stock Unit Amortization	17,327.11	16,874.93	452.18	2.7	11
		Labor Long Term Incentive	59,146.82	57,510.28	1,636.54	2.8	10
****	5996010	5996010 RECLASS-S&W-Employees	-1,199.12	123,186.84	-124,385.96	101.0-	11
5500	5996020	5996020 RECLASS-S&W-Employees-OT	0	4,835.93	-4,835.93	100.0-	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	3,063.06	3,662.28	-599.22	16.4-	11
5500	8000032	8000032 Corporate Automation Engineer	0	2,469.42	-2,469.42	100.0-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	3,925.44	-3,925.44	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	825.24	718.63	106.61	14.8	11
5500	8000133	8000133 Lead, Security Risk and Compliance	0	47.55	-47.55	100.0-	11
5500	8000150	8000150 Mgr, Security Operations & Engineering	308.7	0	308.7		11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000169	8000169 Project Engineer I	0	0	0		11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.05 -2023.05 Reporting periods
2022.05 -2022.05 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8000170	8000170 Project Engineer II	2,142.00	0	2,142.00		11
****	8000171	8000171 Project Engineer III	2,462.40	18,927.04	-16,464.64	87.0-	11
5550	8000178	8000178 Project Manager III	0	30.23	-30.23	100.0-	11
5500	8000179	8000179 Project Management Office Director	0	581.76	-581.76	100.0-	11
5500	8000201	8000201 Systems Administrator II	852.81	1,149.12	-296.31	25.8-	11
5500	8000219	8000219 Security Engineer III	3,220.80	0	3,220.80		11
5500	8000234	8000234 Systems Engineer I	0	291.2	-291.2	100.0-	11
5500	8000235	8000235 System Engineer III	7,047.59	934.48	6,113.11	654.2	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	340	-340	100.0-	11
5500	8000276	8000276 Field Supervisor III	-870.88	0	-870.88		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-1,973.72	0	-1,973.72		11
5500	8000325	8000325 Manager Security GRC	204.76	0	204.76		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001181	8001181 Utility Technician	0	0	0		11
5500	8001182	8001182 Utility Technician I	105.03	0	105.03		11
****	8001205	8001205 Facility Operator I	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-3,236.05	0	-3,236.05		11
5500	8001219	8001219 Crew Leader	0	71.67	-71.67	100.0-	11
5500	8001220	8001220 Distribution Technician	0	843.12	-843.12	100.0-	11
5500	8001224	8001224 Emergency Utility Worker	75.74	0	75.74		11
5500	8001226	8001226 Field Inspector - First Class	-483.6	0	-483.6		11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
5500	8001231	8001231 Field Service Representative	99.85	-426.98	526.83	123.4	11
5500	8001235	8001235 Inspector	-722.86	-171.44	-551.42	321.6-	11
5500	8001241	8001241 Leader	-321.44	-684.59	363.15	53.0	11
****	8001242	8001242 Lead Mechanic	0	0	0		11
5500	8001251	8001251 Maintenance Water Conservation Tech	0	-304.96	304.96	100.0	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
5500	8001264	8001264 Purification Operator	0	-184.05	184.05	100.0	11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001278	8001278 Utility Locator	0	-259	259	100.0	11
5500	8001284	8001284 Utility Worker	115.1	-685.56	800.66	116.8	11
5500	8001289	8001289 Working Foreman	0	-473.26	473.26	100.0	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002181	8002181 Utility Technician-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	0	0		11
****	8002228	8002228 Foreman-TH	0	0	0		11
****	8002230	8002230 Field Service Representative Leader-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-55.64	-37.04	-18.6	50.2-	11
5500	8002235	8002235 Inspector-TH	-189.44	0	-189.44		11
****	8002242	8002242 Lead Mechanic-TH	0	0	0		11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002289	8002289 Working Foreman-TH	-424.06	0	-424.06		11
****	8002291	8002291 Wastewater Operator I-TH	0	0	0		11
****	8002297	8002297 Facility Operator I - TH	0	0	0		11
****	8003213	8003213 Utility Technician (Union)-DT	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003256	8003256 Operator I-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003260	8003260 Operator Trainee-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
		Activity Allocations	11,046.27	158,787.83	-147,741.56	93.0-	10
****	6996001	6996001 S&W-Employees-ST	-1,222,599.64	-1,119,916.13	-102,683.51	9.2-	11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.05 -2023.05	Reporting periods
2022.05 -2022.05	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	6996002	6996002 S&W-Employees-OT	-290,824.67	-174,485.76	-116,338.91	66.7-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-47,674.23	-19,773.95	-27,900.28	141.1-	11
****	6996007	6996007 LTI/STI	-22,522.09	0	-22,522.09		11
****	8720200	8720200 PTO Overhead	-1,466.26	-367.13	-1,099.13	299.4-	11
****	8720700	8720700 LTI/STI/Stock Overhead	-386.31	19.38	-405.69	2,093.3-	11
		Labor - Overheads & Capitalization	-1,585,473.20	-1,314,523.59	-270,949.61	20.6-	10
		Total Labor	3,244,435.17	3,303,081.38	-58,646.21	1.8-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	603,928.15	582,855.06	21,073.09	3.6	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	32,460.45	32,900.07	-439.62	1.3-	11
5500	5301025	5301025 Employee Benefits - Vision	5,688.08	5,565.08	123	2.2	11
		Employee Benefits - Health Plans	642,076.68	621,320.21	20,756.47	3.3	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,475.51	18,214.58	-1,739.07	9.5-	11
5500	5301040	5301040 Employee Benefits - Disability	10,671.84	22,967.02	-12,295.18	53.5-	11
		Employee Benefits - Insurance	27,147.35	41,181.60	-14,034.25	34.1-	10
5500	5301110	5301110 Employee Benefits - Pensions	0	1,010,040.00	-1,010,040.00	100.0-	11
5500	5301113	5301113 Employee Benefits - NQ Pensions - Service Cost	0	-9,912.00	9,912.00	100.0	11
		Employee Benefits - Pension	0	1,000,128.00	-1,000,128.00	100.0-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	234,597.00	-157,094.06	67.0-	11
		Employee Benefits - OPEB	77,502.94	234,597.00	-157,094.06	67.0-	10
5500	5301130	5301130 Employee Benefits - Savings Plan	182,072.35	138,025.23	44,047.12	31.9	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	73,510.00	77,633.00	-4,123.00	5.3-	11
		Employee Benefits - 401K	255,582.35	215,658.23	39,924.12	18.5	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	369	232	137	59.1	11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	138.13	121.46	16.67	13.7	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	6,676.56	0	6,676.56		11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	6,083.99	5,552.27	531.72	9.6	11
5500	5302120	5302120 Transfer/Relocation Expense	-130.16	-124.44	-5.72	4.6-	11
****	5302920	5302920 Tuition Reimbursement Expense	13,113.00	2,460.00	10,653.00	433.0	11
****	5302925	5302925 Employee Training Expense	7,647.63	5,660.80	1,986.83	35.1	11
5500	5302926	5302926 Employee Training Expense-Seminars	215.93	0	215.93		11
5500	5302930	5302930 Employee Relations Expense	1,798.60	779.33	1,019.27	130.8	11
5500	5302990	5302990 Miscellaneous Employee-Related Expense	3,940.00	0	3,940.00		11
5500	5996040	5996040 RECLASS-Employee Pension and Benefits	0	36,048.72	-36,048.72	100.0-	11
****	8720300	8720300 Payroll Other Overhead	-1,808.25	-606.41	-1,201.84	198.2-	11
		Employee Benefits - Miscellaneous	38,044.43	50,123.73	-12,079.30	24.1-	10
****	6996004	6996004 Employee Pension and Benefits	-283,352.49	-281,550.74	-1,801.75	0.6-	11
		Capitalized Employee Benefits	-283,352.49	-281,550.74	-1,801.75	0.6-	10
		Total Employee Benefits	757,001.26	1,881,458.03	-1,124,456.77	59.8-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	320,614.53	311,377.91	9,236.62	3.0	10
		Total Purchased Water	320,614.53	311,377.91	9,236.62	3.0	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	1,012,860.96	1,025,879.90	-13,018.94	1.3-	10
		Total Purchased Wastewater	1,012,860.96	1,025,879.90	-13,018.94	1.3-	9
		Sludge					9
****	5206240	5206240 Sludge Removal	116,420.70	245,915.74	-129,495.04	52.7-	10
5550	6996011	6996011 Sludge Removal (WW)	-5,310.00	-78,483.47	73,173.47	93.2	10
		Total Sludge	111,110.70	167,432.27	-56,321.57	33.6-	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	689,609.36	687,938.04	1,671.32	0.2	10
****	5206230	5206230 Fuel for Power Production	-4,331.57	11,904.48	-16,236.05	136.4-	10
5500	6996016	6996016 Fuel for Power Production	-475.53	0	-475.53		10
		Total Purchased Power	684,802.26	699,842.52	-15,040.26	2.1-	9
****	5304600	5304600 Chemicals-Oper-General	61,447.32	39,713.72	21,733.60	54.7	10
5500	5304601	5304601 Chemicals-Oper-Alum	-33,187.09	0	-33,187.09		10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	273,436.71	815.9	272,620.81	33,413.5	10
5500	5304603	5304603 Chemicals-Oper-Caustic	-63,207.81	13,263.53	-76,471.34	576.6-	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	261,296.19	0	261,296.19		10
5500	5304605	5304605 Chemicals-Oper-Coagulants	148,866.04	4,025.03	144,841.01	3,598.5	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	18,104.82	3,142.81	14,962.01	476.1	10
****	5304607	5304607 Chemicals-Oper-Hypochlorine	77,726.10	16,837.96	60,888.14	361.6	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	-29,216.82	14,942.70	-44,159.52	295.5-	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	127,029.54	20,346.82	106,682.72	524.3	10
5500	5304610	5304610 Chemicals-Oper-Polymer	119,037.03	0	119,037.03		10
5500	5304612	5304612 Chemicals-Oper-Sodium Thi	-6,263.80	6,263.80	-12,527.60	200.0-	10
5500	5304613	5304613 Chemicals-Oper-Percol	2,093.00	0	2,093.00		10
5500	5304615	5304615 Chemicals-Oper-Lime	79,100.23	0	79,100.23		10
5500	5304617	5304617 Chemicals-Oper-Carbon	280,418.35	0	280,418.35		10
5500	5304619	5304619 Chemicals-Oper-Potaperm	9,726.61	0	9,726.61		10
5500	5304620	5304620 Chemicals-Oper-Ammonia	14,404.07	0	14,404.07		10
5500	5304621	5304621 Chemicals-Oper-Misc Chem	153,578.93	286.2	153,292.73	53,561.4	10
5550	5304622	5304622 SW-Chem-Coll Oper-General	0	4,298.10	-4,298.10	100.0-	10
****	5304624	5304624 SW-Chem-Pump Oper-General	83,579.41	74,936.43	8,642.98	11.5	10
5500	6996018	6996018 Chemicals	-507	70	-577	824.3-	10
		Chemicals	1,577,461.83	198,943.00	1,378,518.83	692.9	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	2,955,891.25	3,362,919.52	-407,028.27	12.1-	11

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10	Currency type Company code currency
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5304110	5304110 Material Exp-Cst Dif	-46,377.02	-74.28	-46,302.74	62,335.4-	11
5500	5304120	5304120 Material Exp-Obslete	-16,369.01	-8,541.32	-7,827.69	91.6-	11
5500	5304140	5304140 Material Exp-Inv Rvl	18.25	0	18.25		11
****	5304200	5304200 Material Exp-Non Stk	399,054.01	219,345.54	179,708.47	81.9	11
5500	5304235	5304235 Materials & Supplies - Hydrants	2,543.26	0	2,543.26		11
****	5304300	5304300 Meter/ERT Purchases	221,126.86	194,884.97	26,241.89	13.5	11
****	5304330	5304330 Laboratory Supplies	3,759.19	47,815.34	-44,056.15	92.1-	11
****	5304340	5304340 Software/Hardware Purchases	893,690.54	67,431.50	826,259.04	1,225.3	11
****	5304370	5304370 Small Tools & Work Equipment	140,243.82	9,544.64	130,699.18	1,369.3	11
****	5304375	5304375 Materials & Supplies - Uniforms	11,553.57	16,121.47	-4,567.90	28.3-	11
****	5304380	5304380 Materials & Supplies - Safety Supplies	93,859.09	-40,593.01	134,452.10	331.2	11
****	5304390	5304390 Misc Supplies	236,446.81	89,064.65	147,382.16	165.5	11
5500	5996200	5996200 RECLASS-Materials and Supplies	0	2,349.57	-2,349.57	100.0-	11
****	8720600	8720600 Tools/Clothing/Others Overhead	8.87	-54.97	63.84	116.1	11
		Supplies	4,895,449.49	3,960,213.62	935,235.87	23.6	10
****	6996020	6996020 Materials and Supplies	-4,554,545.51	-3,825,970.94	-728,574.57	19.0-	11
		Capitalized Supplies	-4,554,545.51	-3,825,970.94	-728,574.57	19.0-	10
		Total Materials & Supplies	340,903.98	134,242.68	206,661.30	153.9	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	2,364,379.10	2,562,599.56	-198,220.46	7.7-	11
****	6996031	6996031 Contractual Services-Engineering	-2,289,372.79	-2,592,910.71	303,537.92	11.7	11
		Outside Services - Engineering	75,006.31	-30,311.15	105,317.46	347.5	10
****	5303210	5303210 Accounting/Auditing Services	76,052.00	72,838.00	3,214.00	4.4	11
		Outside Services - Accounting	76,052.00	72,838.00	3,214.00	4.4	10
****	5303220	5303220 Legal Services	136,279.63	159,236.15	-22,956.52	14.4-	11
5500	6996033	6996033 Contractual Services-Legal	850.5	0	850.5		11
		Outside Services - Legal	137,130.13	159,236.15	-22,106.02	13.9-	10
****	5303850	5303850 Testing Services	99,516.42	66,170.07	33,346.35	50.4	11
5500	6996035	6996035 Contractual Services-Testing	-12.84	0	-12.84		11
		Outside Services - Lab Testing	99,503.58	66,170.07	33,333.51	50.4	10
****	5303010	5303010 Contractor Labor - Straight Time	12,422.75	63,483.75	-51,061.00	80.4-	11
5500	5303020	5303020 Contractor Materials	47,065.61	43,953.21	3,112.40	7.1	11
****	5303030	5303030 Contractor Services	6,348,798.55	1,534,071.25	4,814,727.30	313.9	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	115,940.60	68,507.80	47,432.80	69.2	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	7,385.02	0	7,385.02		11
****	5303035	5303035 Contractor Services - Restoration	758,288.25	1,582,385.77	-824,097.52	52.1-	11
****	5303036	5303036 Contractor Services - Permit Fees	58,979.70	68,546.29	-9,566.59	14.0-	11
5500	5303040	5303040 Environmental Services	11,950.00	5,006.75	6,943.25	138.7	11
5500	5303050	5303050 Contractor Services - Leak Detection	-5,400.00	21,825.00	-27,225.00	124.7-	11
****	5303053	5303053 Contractor Services - Main Breaks	11,422,883.95	12,515,385.99	-1,092,502.04	8.7-	11
****	5303054	5303054 Contractor Services - Well Cleaning	140,788.36	203,578.94	-62,790.58	30.8-	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	0	4,240.00	-4,240.00	100.0-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	68,144.67	5,637.48	62,507.19	1,108.8	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	24,054.52	0	24,054.52		11
****	5303061	5303061 Contractor Services - Other-Mains	222,537.58	271,065.24	-48,527.66	17.9-	11
****	5303062	5303062 Contractor Services - Other-Services	1,244,051.01	9,347.00	1,234,704.01	13,209.6	11
****	5303063	5303063 Contractor Services - Other-Meters	30,636.07	10,445.20	20,190.87	193.3	11
5500	5303064	5303064 Contractor Services - Other-Hydrants	240,537.09	0	240,537.09		11
****	5303145	5303145 Contractor Services - Other-Construction	25,275.71	1,576,575.33	-1,551,299.62	98.4-	11
****	5996360	5996360 RECLASS-Contractual Services-Other	0	0	0		11
****	6996036	6996036 Contractual Services-Other	-19,821,072.46	-17,302,612.22	-2,518,460.24	14.6-	11
		Outside Services - Operations	953,266.98	681,442.78	271,824.20	39.9	10
5500	5997310	5997310 Other ACO Direct costs	83,106.58	43,435.74	39,670.84	91.3	11
****	5997320	5997320 WorkFlow Processing Fee	82,708.08	79,197.09	3,510.99	4.4	11
****	5997330	5997330 WorkFlow Billing Postage	123,108.35	121,503.70	1,604.65	1.3	11
5500	5997360	5997360 ACO Lockbox Fees	33,532.07	37,759.65	-4,227.58	11.2-	11
		Outside Services - ACO	322,455.08	281,896.18	40,558.90	14.4	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	211,285.82	243,538.91	-32,253.09	13.2-	12
****	5303135	5303135 Contractor Services - Grounds Care	278,846.87	25,474.81	253,372.06	994.6	12
****	5303840	5303840 Security & Investigative Services	118,681.60	179,032.55	-60,350.95	33.7-	12
****	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-277,761.94	0	-277,761.94		12
		Outside Services - Bldg & Grounds	331,052.35	448,046.27	-116,993.92	26.1-	11
5500	5303110	5303110 Office Equipment Maintenance Services	32.86	220.75	-187.89	85.1-	12
****	5303120	5303120 Computer & Software Maintenance Services	1,091.28	0	1,091.28		12
5500	5303315	5303315 IT/Telecom Contractor Services	200,321.03	270,193.96	-69,872.93	25.9-	12
5500	6996364	6996364 Contractual Services - Other - IT	-194,321.03	0	-194,321.03		12
		Outside Services - IT	7,124.14	270,414.71	-263,290.57	97.4-	11
5500	5303140	5303140 Security Equipment Maintenance Services	34,029.17	42,995.72	-8,966.55	20.9-	12
5500	6996365	6996365 Contractual Services - Other - Security	-12,690.80	0	-12,690.80		12
		Outside Services - Security	21,338.37	42,995.72	-21,657.35	50.4-	11
****	5303325	5303325 Professional/Temporary Labor	5,652.16	4,926.12	726.04	14.7	12
		Outside Services - Temporary Labor	5,652.16	4,926.12	726.04	14.7	11
****	5303190	5303190 Miscellaneous Repairs/Maintenance	61,694.45	16,026.98	45,667.47	284.9	12
****	5303310	5303310 Consultant Services	-65,117.41	58,613.38	-123,730.79	211.1-	12
5500	5303320	5303320 Training Services	1,361.13	10,264.34	-8,903.21	86.7-	12
****	5303890	5303890 Miscellaneous Outside Services	79,055.82	55,386.50	23,669.32	42.7	12
****	6996367	6996367 Contractual Services - Other - Admin & General	25,483.75	0	25,483.75		12

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Outside Services - Admin & General	102,477.74	140,291.20	-37,813.46	27.0-	11
		Total Outside Services - Other	467,644.76	906,674.02	-439,029.26	48.4-	10
		Total Outside Services	2,131,058.84	2,137,946.05	-6,887.21	0.3-	9
		Managment Fees					9
5500	5997210	5997210 Contractor Svs Management Fees	0	2,898.48	-2,898.48	100.0-	11
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,887,197.46	1,457,046.04	430,151.42	29.5	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	798,912.37	738,233.83	60,678.54	8.2	11
5500	8732040	8732040 Employee Pension and Benefits	6,290.56	29,302.97	-23,012.41	78.5-	11
5500	8732150	8732150 Purchased Power (WasteWater)	960.72	1,266.74	-306.02	24.2-	11
5500	8732200	8732200 Materials and Supplies	427,086.30	151,504.25	275,582.05	181.9	11
5500	8732310	8732310 Contractual Services-Engineering	45,563.54	49,930.97	-4,367.43	8.7-	11
5500	8732320	8732320 Contractual Services-Accounting	42,920.50	60,140.93	-17,220.43	28.6-	11
5500	8732330	8732330 Contractual Services-Legal	12,878.01	6,960.77	5,917.24	85.0	11
5500	8732340	8732340 Contractual Services-Management Fees	156,558.55	376,272.44	-219,713.89	58.4-	11
5500	8732360	8732360 Contractual Services-Other	1,758,317.73	1,055,051.59	703,266.14	66.7	11
5500	8732410	8732410 Rental of Building Real Property	10,618.97	10,607.69	11.28	0.1	11
5500	8732420	8732420 Rental of Equipment	0	886.88	-886.88	100.0-	11
5500	8732500	8732500 Transportation Expenses	998.92	1,116.37	-117.45	10.5-	11
5500	8732600	8732600 Advertising Expense	0	1,109.75	-1,109.75	100.0-	11
5500	8732750	8732750 Miscellaneous Expense	96,756.48	76,265.21	20,491.27	26.9	11
		Management Fees - Water	5,245,060.11	4,018,594.91	1,226,465.20	30.5	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733090	8733090 Purchased Water	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733180	8733180 Chemicals	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733365	8733365 Contractual Services - Other - Security	0	0	0		11
****	8733366	8733366 Contractual Services - Other - Temporary Labor	0	0	0		11
****	8733367	8733367 Contractual Srvcs - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733600	8733600 Advertising Expense	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
****	8733830	8733830 Capitalized Depreciation	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-2,865,553.79	-1,952,533.57	-913,020.22	46.8-	11
		Capitalized Management Fees	-2,865,553.79	-1,952,533.57	-913,020.22	46.8-	10
		Total Managment Fees	2,379,506.32	2,066,061.34	313,444.98	15.2	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	51,211.11	51,126.83	84.28	0.2	11
****	5307050	5307050 Rent Expense - Land & Land Rights	8,862.12	6,654.72	2,207.40	33.2	11
5510	6996041	6996041 Rental of Building Real Property	-1,060.00	0	-1,060.00		11
		Leases - Building	59,013.23	57,781.55	1,231.68	2.1	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	10,137.54	27,487.23	-17,349.69	63.1-	11
****	6996042	6996042 Rental of Equipment	-7,385.80	-23,153.32	15,767.52	68.1	11
		Leases - Equipment	2,751.74	4,333.91	-1,582.17	36.5-	10
5500	5307090	5307090 Rent Expense - Miscellaneous	451	0	451		11
		Leases - Other	451	0	451		10
		Total Leases	62,215.97	62,115.46	100.51	0.2	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	5,053.00	5,662.27	-609.27	10.8-	11
5500	5304210	5304210 Auto Parts & Supplies	121,366.58	158,853.61	-37,487.03	23.6-	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	20,525.96	17,569.23	2,956.73	16.8	11
		Transportation - Services & Maintenance	146,945.54	182,085.11	-35,139.57	19.3-	10
5500	5307040	5307040 Rent Expense - Vehicles	0	988.86	-988.86	100.0-	11
		Transportation - Leases	0	988.86	-988.86	100.0-	10
****	5304510	5304510 Gasoline	179,881.58	159,978.78	19,902.80	12.4	11
5500	5304515	5304515 Diesel Fuel	10,274.08	29,915.86	-19,641.78	65.7-	11
5500	5304516	5304516 Natural Gas Fuel	1,531.64	5,627.62	-4,095.98	72.8-	11
		Transportation - Fuel	191,687.30	195,522.26	-3,834.96	2.0-	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	1,390.45	0	1,390.45		11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5399079	5399079 Transportation-Crash	1,746.92	12,909.90	-11,162.98	86.5-	11
5500	5996500	5996500 RECLASS-Transportation Expenses	-19,533.12	-23,331.98	3,798.86	16.3	11
****	8720500	8720500 Transportation Overhead	-519.41	-150.69	-368.72	244.7-	11
		Transportation - Other	-16,915.16	-10,572.77	-6,342.39	60.0-	10
****	6996050	6996050 Transportation Expenses	-95,516.95	-72,617.95	-22,899.00	31.5-	11
		Capitalized Transportation	-95,516.95	-72,617.95	-22,899.00	31.5-	10
		Total Transportation	226,200.73	295,405.51	-69,204.78	23.4-	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	6,344.50	1,336.03	5,008.47	374.9	11
5500	5308021	5308021 Professional Dues	311.36	0	311.36		11
5500	5308041	5308041 Industry Assoc Dues	0	4,524.20	-4,524.20	100.0-	11
5500	5308090	5308090 Other Dues&Membershp	79,332.55	17,672.62	61,659.93	348.9	11
		Dues & Subscriptions	85,988.41	23,532.85	62,455.56	265.4	10
5500	5310010	5310010 Operating Permits	0	300	-300	100.0-	11
****	5310020	5310020 Licensing Fees	64,588.46	89,304.08	-24,715.62	27.7-	11
5500	5310050	5310050 Environmental Fees	150	0	150		11
		Licenses & Permits	64,738.46	89,604.08	-24,865.62	27.8-	10
5500	5310080	5310080 Bank Fees	4,904.75	8,380.53	-3,475.78	41.5-	11
5500	5310085	5310085 Bond Servicing Fees	5,896.93	14,310.69	-8,413.76	58.8-	11
		Bank Fees	10,801.68	22,691.22	-11,889.54	52.4-	10
5500	5302010	5302010 Travel Expense	21,244.46	33,943.26	-12,698.80	37.4-	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	22,900.08	3,600.93	19,299.15	535.9	11
****	5302016	5302016 Travel - Meals (100% Deductible)	341.73	1,005.94	-664.21	66.0-	11
5500	5302020	5302020 Entertainment Expense	10,491.80	0	10,491.80		11
****	5302021	5302021 Entertainment Expense - Non-Deductible	7,511.36	6,593.43	917.93	13.9	11
		Travel & Entertainment	62,489.43	45,143.56	17,345.87	38.4	10
****	5303830	5303830 Advertising	15,781.22	28,578.20	-12,796.98	44.8-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	500	5,268.75	-4,768.75	90.5-	11
5500	6996060	6996060 Advertising Expense	-300	0	-300		11
		Public Relations	15,981.22	33,846.95	-17,865.73	52.8-	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	0	1,000.00	-1,000.00	100.0-	11
		Fines & Penalties	0	1,000.00	-1,000.00	100.0-	10
****	5304310	5304310 Office Supplies	40,818.30	44,419.58	-3,601.28	8.1-	11
****	5304320	5304320 Postage, Shipping, & Freight	27,385.39	7,309.81	20,075.58	274.6	11
5500	5304350	5304350 Office Furn & Equip	15,441.37	24,713.41	-9,272.04	37.5-	11
5500	5304360	5304360 Promotion Supplies	4,349.68	509.02	3,840.66	754.5	11
****	5304410	5304410 Purchasing Card Expenses-MC	-302,299.27	585,408.31	-887,707.58	151.6-	11
		Office Supplies	-214,304.53	662,360.13	-876,664.66	132.4-	10
****	5309010	5309010 Utilities - Electric and Gas	2,318.41	3,952.10	-1,633.69	41.3-	11
5500	5309021	5309021 Utilities - Wireless Services-Cell Phones & Pagers	0	43,180.00	-43,180.00	100.0-	11
****	5309025	5309025 Utilities - Communications	127,837.82	234,209.92	-106,372.10	45.4-	11
5550	5309030	5309030 Utilities - Water	4,965.12	895.01	4,070.11	454.8	11
****	5309040	5309040 Utilities - Other	1,154.36	454.59	699.77	153.9	11
		Utilities	136,275.71	282,691.62	-146,415.91	51.8-	10
****	5310090	5310090 Miscellaneous Fees	621.05	361.27	259.78	71.9	11
5500	5399040	5399040 Lost Discount Exp	152.32	1,921.92	-1,769.60	92.1-	11
****	5399900	5399900 Miscellaneous Expense	-220,726.61	-500,131.81	279,405.20	55.9	11
5500	6996751	6996751 Other Miscellaneous Expense	-157.14	0	-157.14		11
		Other Miscellaneous	-220,110.38	-497,848.62	277,738.24	55.8	10
****	5303900	5303900 Conversion-Projects	0	0	0		11
****	5399061	5399061 CIAC-Project offset	2,272,709.94	0	2,272,709.94		11
****	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	-1,287,608.33	-13,435.00	-1,274,173.33	9,484.0-	11
5500	5399074	5399074 Vehicle Purchases	80,714.89	95,448.37	-14,733.48	15.4-	11
5500	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-1,310,596.79	-313,959.18	-996,637.61	317.4-	11
5500	5399340	5399340 Salvage Proceeds	-167,803.00	-100,391.00	-67,412.00	67.1-	11
5500	5996850	5996850 RECLASS-Capital Overhead	0	34,480.09	-34,480.09	100.0-	11
****	6996075	6996075 Miscellaneous Expense	19,791.85	-161,297.56	181,089.41	112.3	11
****	6996081	6996081 CIAC	-985,101.61	13,435.00	-998,536.61	7,432.4-	11
5500	6996082	6996082 CAC	1,310,596.79	95,400.00	1,215,196.79	1,273.8	11
****	6996085	6996085 Capital Overhead	2,078.03	-34,483.23	36,561.26	106.0	11
****	8720400	8720400 A&G Capital Support Overhead	-397.95	3.14	-401.09	12,773.6-	11
****	8720900	8720900 Engineering Overhead	-1,677.47	0	-1,677.47		11
		Capital Miscellaneous & Overheads	-67,293.65	-384,799.37	317,505.72	82.5	10
		Total Miscellaneous Expenses	-125,433.65	278,222.42	-403,656.07	145.1-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.01	361,649.00	12,221.01	3.4	10
5500	5305020	5305020 Damages - Property	66,393.48	38,058.14	28,335.34	74.5	10
5500	5305030	5305030 Claims Reimburse	0	190.65	-190.65	100.0-	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,135.98	70,145.00	5,990.98	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,616.00	138,327.00	29,289.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,295.01	13,968.00	-2,672.99	19.1-	10
5500	6996057	6996057 Insurance General Liability	-120,758.92	0	-120,758.92		10
5500	6996058	6996058 Insurance Workman's Compensation	-23,843.61	0	-23,843.61		10
5500	6996059	6996059 Insurance Other	-52,414.74	0	-52,414.74		10
		Total Insurance	498,293.21	622,337.79	-124,044.58	19.9-	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	283,127.20	156,774.79	126,352.41	80.6	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-37,753.77	-41,297.99	3,544.22	8.6	10

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
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2023.05 -2023.05	Reporting periods
2022.05 -2022.05	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	229,853.97	-96,152.46	326,006.43	339.1	10
		Total Bad Debt	475,227.40	19,324.34	455,903.06	2,359.2	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	100,702.45	260,503.26	-159,800.81	61.3-	10
5500	6201011	6201011 Donations - 501(c)(3)	7,601.63	2,152.84	5,448.79	253.1	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	-145,739.46	8,782.07	-154,521.53	1,759.5-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	158	13,968.00	-13,810.00	98.9-	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	747.48	317.48	430	135.4	10
****	6204150	6204150 Misc NonUtil Exp-Other	48,198.30	2,500.00	45,698.30	1,827.9	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	26,431.16	-1,667.93	28,099.09	1,684.7	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	35,130.00	15,894.57	19,235.43	121.0	10
		Total Non Operating Expenses	73,229.56	302,450.29	-229,220.73	75.8-	9
		Total Operations & Maintenance Expense	13,769,489.07	13,506,120.89	263,368.18	1.9	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,334,030.87	10,181,913.67	1,152,117.20	11.3	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0.53	0.3	0.23	76.7	9
****	5502011	5502011 Amortization Expense - CIAC	-345,113.65	-326,574.44	-18,539.21	5.7-	9
		Total Depreciation	10,988,917.75	9,855,339.53	1,133,578.22	11.5	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	46,044.98	-17,601.89	38.2-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-88,263.97	88,263.97	100.0	9
5500	5507050	5507050 Regulatory Deferrals/Amortization	-5,800.00	0	-5,800.00		9
****	5507070	5507070 Amort-Util Plant Acq Adj	-86,962.07	0	-86,962.07		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	2,089.31	12,050.27	-9,960.96	82.7-	9
5500	6996066	6996066 Regulatory Commission Expense-Amortization	5,800.00	0	5,800.00		9
		Total Amortization	-56,429.67	-30,168.72	-26,260.95	87.0-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	203,510.00	198,571.00	4,939.00	2.5	9
****	5310032	5310032 Assessment-Consumer Advocate	60,273.00	66,151.00	-5,878.00	8.9-	9
****	5310033	5310033 Assessment-SBA	12,115.00	13,601.00	-1,486.00	10.9-	9
****	5310035	5310035 Assessment-DPC	2,422.00	3,483.00	-1,061.00	30.5-	9
****	5702120	5702120 Property Taxes-WT/WW	101,776.27	89,071.45	12,704.82	14.3	9
5500	5703100	5703100 Payroll Taxes	344,595.92	316,131.20	28,464.72	9.0	9
5500	5709101	5709101 Other Miscellaneous Taxes	855	150	705	470.0	9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	422,667.00	-4,305.89	1.0-	9
5500	5996050	5996050 RECLASS-Employee Taxes	0	9,527.39	-9,527.39	100.0-	9
****	6996005	6996005 Payroll Tax	-113,047.41	-96,960.67	-16,086.74	16.6-	9
****	8720100	8720100 Payroll Tax Overhead	-644.61	-171.78	-472.83	275.3-	9
		Total Taxes Other Than Income	1,030,216.28	1,022,220.59	7,995.69	0.8	8
		TOTAL UTILITY COSTS & EXPENSES	25,732,193.43	24,353,512.29	1,378,681.14	5.7	7
		TOTAL OPERATING INCOME	-30,859,973.67	-23,844,330.30	-7,015,643.37	29.4-	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	126,305.13	69,129.26	57,175.87	82.7	9
		Interest on Short Term Debt	126,305.13	69,129.26	57,175.87	82.7	8
****	6499011	6499011 Interest Expense - Long Term Debt	6,757,373.20	5,998,617.35	758,755.85	12.6	10
		Interest on LTD	6,757,373.20	5,998,617.35	758,755.85	12.6	9
5500	6402430	6402430 Amort-Debt Issuance Costs	50,932.57	49,002.07	1,930.50	3.9	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	44,996.57	43,066.07	1,930.50	4.5	9
		Interest on Long Term Debt	6,802,369.77	6,041,683.42	760,686.35	12.6	8
****	5996800	5996800 Reclass-AFUDC-Debt	0	-1,344,913.21	1,344,913.21	100.0	10
****	5996801	5996801 Reclass-AFUDC-Equity	0	1,344,913.21	-1,344,913.21	100.0-	10
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	104,178.04	-217,285.48	321,463.52	147.9	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	209,458.42	217,285.48	-7,827.06	3.6-	10
****	6996080	6996080 AFUDC-Debt	-209,458.42	1,127,567.93	-1,337,026.35	118.6-	10
		AFUDC - Debt	104,178.04	1,127,567.93	-1,023,389.89	90.8-	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-627,416.13	-677,192.66	49,776.53	7.4	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	449,228.87	481,537.27	-32,308.40	6.7-	10
****	6996086	6996086 AFUDC-Equity	-449,228.87	-1,826,390.68	1,377,161.81	75.4	10
		AFUDC - Equity	-627,416.13	-2,022,046.07	1,394,629.94	69.0	9
		Allow For Funds Used During Construction	-523,238.09	-894,478.14	371,240.05	41.5	8
		Total Interest Expense	6,405,436.81	5,216,334.54	1,189,102.27	22.8	7
		Other Net (Income) Expense:					7
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	0	-510,040.00	510,040.00	100.0	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	17,729.00	-3,129.00	17.6-	9
		Other Net Periodic Beneft Costs	-59,646.00	-566,557.00	506,911.00	89.5	8
		Other Net (Income) Expense	-59,646.00	-566,557.00	506,911.00	89.5	7
		TOTAL OTHER (INCOME) EXPENSE	6,345,790.81	4,649,777.54	1,696,013.27	36.5	6
		TOTAL INCOME BEFORE TAX & GAIN	-24,514,182.86	-19,194,552.76	-5,319,630.10	27.7-	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	3,552,105.10	2,470,404.86	1,081,700.24	43.8	8
		Federal Taxes - Current	3,552,105.10	2,470,404.86	1,081,700.24	43.8	7
		Total Income Taxes - Current	3,552,105.10	2,470,404.86	1,081,700.24	43.8	6
		TOTAL INCOME TAXES	3,552,105.10	2,470,404.86	1,081,700.24	43.8	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-20,962,077.76	-16,724,147.90	-4,237,929.86	25.3-	4

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
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2023.05 -2023.05	Reporting periods
2022.05 -2022.05	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		TOTAL NET INCOME	-20,962,077.76	-16,724,147.90	-4,237,929.86	25.3-	3
		NET INCOME AVAILABLE FOR COMMON	20,962,077.76	16,724,147.90	4,237,929.86	25.3	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.06 -2023.06	Reporting periods
2022.06 -2022.06	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-174,364,921.56	**-188,833,550.72**	**14,468,629.16**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-2,460.27	-2,586.38	126.11	4.9	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-34,848.10	-106,477.94	71,629.84	67.3	10
****	4114110	4114110 WTR-Metered Sales-Residential	-36,814,197.23	-33,515,732.76	-3,298,464.47	9.8-	10
****	4114115	4114115 WTR-CAP Discount-Residential	27,880.78	0	27,880.78		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-12,138,168.56	-11,525,568.10	-612,600.46	5.3-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,639,745.62	-1,941,879.06	302,133.44	15.6	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-967,959.45	-936,805.62	-31,153.83	3.3-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-33,154.38	35,252.51	-68,406.89	194.0-	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,219,709.73	-1,358,460.35	138,750.62	10.2	10
****	4114220	4114220 WTR-Public Fire Protection	-590,937.31	-681,092.50	90,155.19	13.2	10
****	4114230	4114230 WTR-Private Fire Protection	-213,857.10	-209,994.47	-3,862.63	1.8-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-303,129.57	-346,239.64	43,110.07	12.5	10
5500	4115100	4115100 WTR-Misc Srv Rev	-45,438.50	-44,042.00	-1,396.50	3.2-	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-29,785.00	-27,300.00	-2,485.00	9.1-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-61,662.73	-73,796.86	12,134.13	16.4	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-25,940.00	-20,520.00	-5,420.00	26.4-	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	0	-150	150	100.0	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	4,480.50	-577,238.14	581,718.64	100.8	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	114,905.80	2.11	114,903.69	5445672.5	10
5500	4118400	4118400 WTR-Other Water Rev	-25,102.00	0	-25,102.00		10
		Operating Revenue - Water	-53,998,828.47	-51,332,629.20	-2,666,199.27	5.2-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,684,536.41	-4,306,612.91	622,076.50	14.4	10
5550	4211035	4211035 WW-CAP Discount-Residential	2,042.49	0	2,042.49		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-651,700.11	-801,173.41	149,473.30	18.7	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,369,153.05	-1,289,314.94	-79,838.11	6.2-	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-262,668.73	-153,010.47	-109,658.26	71.7-	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-2,477.95	-452.37	-2,025.58	447.8-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-25,339.23	0	-25,339.23		10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-199.98	0	-199.98		10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-1,791.22	-1,997.59	206.37	10.3	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-122,525.78	-117,394.18	-5,131.60	4.4-	10
****	4215155	4215155 WW-ST Tax Surcharge	3,407.20	0	3,407.20		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-11,476.39	-11,716.45	240.06	2.0	10
5550	4218400	4218400 WW-Other WW Revenues	-6,819.00	-760	-6,059.00	797.2-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	51.87	574.93	-523.06	91.0-	10
		Operating Revenue - Sewer	-6,133,186.29	-6,681,857.39	548,671.10	8.2	9
		Total Operating Revenue	-60,132,014.76	-58,014,486.59	-2,117,528.17	3.6-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-152,966.07	-233,271.31	80,305.24	34.4	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-15,104.00	15,104.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-4,215.00	2,715.00	64.4	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-29,926.91	-28,062.73	-1,864.18	6.6-	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-19,075.63	-24,676.21	5,600.58	22.7	9
5500	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-70,925.00	70,925.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-171,057.28	-203,144.14	32,086.86	15.8	9
		Total Non Operating Revenue	-375,036.89	-579,909.39	204,872.50	35.3	8
		TOTAL REVENUE	-60,507,051.65	-58,594,395.98	-1,912,655.67	3.3-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,964,833.67	3,790,574.01	174,259.66	4.6	11
5500	5300190	5300190 Labor-Officers, Executives	56,432.64	71,908.32	-15,475.68	21.5-	11
5500	8710100	8710100 Labor Cost Center Variances - Employees	276.8	0	276.8		11
		Labor Regular	4,021,543.11	3,862,482.33	159,060.78	4.1	10
5500	5300120	5300120 Salaried - Overtime Wages	621,763.81	598,226.54	23,537.27	3.9	11
		Labor Overtime	621,763.81	598,226.54	23,537.27	3.9	10
5500	5300180	5300180 Salaried - Annual Incentive	118,427.00	104,887.00	13,540.00	12.9	11
		Labor Short Term Incentive	118,427.00	104,887.00	13,540.00	12.9	10
5500	5300185	5300185 Stock Option Compensation	1,556.19	1,014.18	542.01	53.4	11
5500	5300186	5300186 Performance Share Unit Amortization	35,802.08	32,291.18	3,510.90	10.9	11
5500	5300187	5300187 Restricted Stock Unit Amortization	15,017.27	14,060.21	957.06	6.8	11
****	5996070	5996070 RECLASS-LTI/STI	0	0	0		11
		Labor Long Term Incentive	52,375.54	47,365.57	5,009.97	10.6	10
****	5996010	5996010 RECLASS-S&W-Employees	40,823.22	147,162.23	-106,339.01	72.3-	11
****	5996020	5996020 RECLASS-S&W-Employees-OT	0	0	0		11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	2,356.20	2,746.71	-390.51	14.2-	11
5500	8000032	8000032 Corporate Automation Engineer	0	4,481.54	-4,481.54	100.0-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	8,287.04	-8,287.04	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	1,100.32	1,175.94	-75.62	6.4-	11
5500	8000129	8000129 Information Security Director	698.28	0	698.28		11
5500	8000150	8000150 Mgr, Security Operations & Engineering	463.05	0	463.05		11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.06 -2023.06 Reporting periods
2022.06 -2022.06 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000170	8000170 Project Engineer II	3,570.00	5,506.06	-1,936.06	35.2-	11
5500	8000171	8000171 Project Engineer III	1,094.40	7,969.28	-6,874.88	86.3-	11
5500	8000179	8000179 Project Management Office Director	300.5	1,454.40	-1,153.90	79.3-	11
5500	8000201	8000201 Systems Administrator II	1,367.31	766.08	601.23	78.5	11
5500	8000219	8000219 Security Engineer III	2,214.30	1,431.68	782.62	54.7	11
5500	8000228	8000228 Safety Specialist III	-206.56	0	-206.56		11
5500	8000234	8000234 Systems Engineer I	0	436.8	-436.8	100.0-	11
5500	8000235	8000235 System Engineer III	5,531.02	1,168.10	4,362.92	373.5	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	-340	340	100.0	11
5500	8000276	8000276 Field Supervisor III	-653.16	0	-653.16		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-563.92	0	-563.92		11
5500	8000325	8000325 Manager Security GRC	204.76	0	204.76		11
5500	8000365	8000365 Director Network/Telecom	441.99	0	441.99		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001164	8001164 Seasonal Laborer	0	0	0		11
****	8001181	8001181 Utility Technician	0	0	0		11
****	8001205	8001205 Facility Operator I	0	0	0		11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-3,734.06	0	-3,734.06		11
5500	8001219	8001219 Crew Leader	3.81	778.55	-774.74	99.5-	11
****	8001220	8001220 Distribution Technician	104.91	-591.71	696.62	117.7	11
5500	8001224	8001224 Emergency Utility Worker	0	-75.2	75.2	100.0	11
5500	8001226	8001226 Field Inspector - First Class	160.88	-76.54	237.42	310.2	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
5500	8001231	8001231 Field Service Representative	-74.32	-491.09	416.77	84.9	11
5500	8001235	8001235 Inspector	-616.81	-1,090.99	474.18	43.5	11
****	8001239	8001239 Laborer	-129.76	0	-129.76		11
5500	8001241	8001241 Leader	0	-1,291.66	1,291.66	100.0	11
****	8001242	8001242 Lead Mechanic	0	0	0		11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
5500	8001264	8001264 Purification Operator	0	-184.05	184.05	100.0	11
****	8001270	8001270 System Operator	0	-27.42	27.42	100.0	11
5500	8001272	8001272 Service Worker	0	259.66	-259.66	100.0-	11
5500	8001284	8001284 Utility Worker	-73.4	-2,184.05	2,110.65	96.6	11
5500	8001289	8001289 Working Foreman	0	-994.97	994.97	100.0	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002018	8002018 Construction Coordinator II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002181	8002181 Utility Technician-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	-743.66	0	-743.66		11
****	8002213	8002213 Utility Technician (Union)-TH	-288.99	0	-288.99		11
5500	8002220	8002220 Distribution Technician-TH	0	-929.27	929.27	100.0	11
****	8002228	8002228 Foreman-TH	0	0	0		11
****	8002230	8002230 Field Service Representative Leader-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-113.07	-769.6	656.53	85.3	11
5500	8002235	8002235 Inspector-TH	-429.72	-1,493.75	1,064.03	71.2	11
5500	8002239	8002239 Laborer-TH	-243.3	0	-243.3		11
5500	8002241	8002241 Leader-TH	0	-712.93	712.93	100.0	11
****	8002242	8002242 Lead Mechanic-TH	0	0	0		11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
****	8002284	8002284 Utility Worker-TH	0	-649.8	649.8	100.0	11
5500	8002289	8002289 Working Foreman-TH	0	-403.26	403.26	100.0	11
****	8002291	8002291 Wastewater Operator I-TH	0	0	0		11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.06 -2023.06	Reporting periods
2022.06 -2022.06	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8002297	8002297 Facility Operator I - TH	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
5500	8003228	8003228 Facility Operator-DT	-233.77	0	-233.77		11
5500	8003230	8003230 Field Service Representative-DT	-252.32	0	-252.32		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
		Activity Allocations	52,078.13	171,317.78	-119,239.65	69.6-	10
****	6996001	6996001 S&W-Employees-ST	-1,319,519.60	-1,505,800.80	186,281.20	12.4	11
****	6996002	6996002 S&W-Employees-OT	-301,501.52	-230,321.16	-71,180.36	30.9-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-47,737.47	-19,953.98	-27,783.49	139.2-	11
****	6996007	6996007 LTI/STI	-24,274.66	0	-24,274.66		11
****	8720200	8720200 PTO Overhead	-1,172.38	-1,153.36	-19.02	1.6-	11
****	8720700	8720700 LTI/STI/Stock Overhead	-197.56	-19.38	-178.18	919.4-	11
		Labor - Overheads & Capitalization	-1,694,403.19	-1,757,248.68	62,845.49	3.6	10
		Total Labor	3,171,784.40	3,027,030.54	144,753.86	4.8	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	606,703.97	601,977.67	4,726.30	0.8	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	33,466.77	32,620.66	846.11	2.6	11
5500	5301025	5301025 Employee Benefits - Vision	10,034.19	5,607.37	4,426.82	78.9	11
		Employee Benefits - Health Plans	650,204.93	640,205.70	9,999.23	1.6	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,715.27	18,201.19	-1,485.92	8.2-	11
5500	5301040	5301040 Employee Benefits - Disability	11,152.80	26,698.82	-15,546.02	58.2-	11
		Employee Benefits - Insurance	27,868.07	44,900.01	-17,031.94	37.9-	10
5500	5301110	5301110 Employee Benefits - Pensions	0	1,010,040.00	-1,010,040.00	100.0-	11
		Employee Benefits - Pension	0	1,010,040.00	-1,010,040.00	100.0-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	-2,038,493.06	2,115,996.00	103.8	11
		Employee Benefits - OPEB	77,502.94	-2,038,493.06	2,115,996.00	103.8	10
5500	5301130	5301130 Employee Benefits - Savings Plan	229,354.81	141,769.69	87,585.12	61.8	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	77,802.70	77,633.00	169.7	0.2	11
		Employee Benefits - 401K	307,157.51	219,402.69	87,754.82	40.0	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	446	0	446		11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	255.24	521.35	-266.11	51.0-	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	3,367.98	3,385.80	-17.82	0.5-	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	5,340.03	5,910.00	-569.97	9.6-	11
5500	5302120	5302120 Transfer/Relocation Expense	-117.56	0	-117.56		11
5500	5302920	5302920 Tuition Reimbursement Expense	3,488.00	0	3,488.00		11
5500	5302925	5302925 Employee Training Expense	3,094.63	3,332.90	-238.27	7.1-	11
****	5302930	5302930 Employee Relations Expense	1,081.30	5,794.69	-4,713.39	81.3-	11
****	5996040	5996040 RECLASS-Employee Pension and Benefits	0	26,179.01	-26,179.01	100.0-	11
****	8720300	8720300 Payroll Other Overhead	-1,445.21	-1,978.84	533.63	27.0	11
		Employee Benefits - Miscellaneous	15,510.41	43,144.91	-27,634.50	64.1-	10
****	6996004	6996004 Employee Pension and Benefits	-303,904.98	-339,428.61	35,523.63	10.5	11
		Capitalized Employee Benefits	-303,904.98	-339,428.61	35,523.63	10.5	10
		Total Employee Benefits	774,338.88	-420,228.36	1,194,567.24	284.3	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	518,415.12	388,736.46	129,678.66	33.4	10
		Total Purchased Water	518,415.12	388,736.46	129,678.66	33.4	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	1,224,834.14	940,461.96	284,372.18	30.2	10
		Total Purchased Wastewater	1,224,834.14	940,461.96	284,372.18	30.2	9
		Sludge					9
****	5206240	5206240 Sludge Removal	206,622.49	57,830.01	148,792.48	257.3	10
****	6996011	6996011 Sludge Removal (WW)	-11,547.27	-2,217.50	-9,329.77	420.7-	10
		Total Sludge	195,075.22	55,612.51	139,462.71	250.8	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	742,320.35	756,575.10	-14,254.75	1.9-	10
****	5206230	5206230 Fuel for Power Production	16,071.27	7,240.58	8,830.69	122.0	10
5500	6996016	6996016 Fuel for Power Production	-421.55	0	-421.55		10
		Total Purchased Power	757,970.07	763,815.68	-5,845.61	0.8-	9
****	5304600	5304600 Chemicals-Oper-General	430,980.10	156,988.78	273,991.32	174.5	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	229,043.99	282,842.32	-53,798.33	19.0-	10
****	5304603	5304603 Chemicals-Oper-Caustic	23,047.49	31,940.76	-8,893.27	27.8-	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	139,297.45	189,830.09	-50,532.64	26.6-	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	75,969.69	118,682.84	-42,713.15	36.0-	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	10,633.05	7,669.35	2,963.70	38.6	10
****	5304607	5304607 Chemicals-Oper-Hypochlorine	55,996.08	44,425.57	11,570.51	26.0	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	184,407.19	29,762.50	154,644.69	519.6	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	196,655.31	163,280.71	33,374.60	20.4	10
5500	5304610	5304610 Chemicals-Oper-Polymer	55,303.08	39,690.80	15,612.28	39.3	10
5500	5304613	5304613 Chemicals-Oper-Percol	4,186.00	0	4,186.00		10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	235.2	-235.2	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	-62,248.87	58,685.76	-120,934.63	206.1-	10
5500	5304616	5304616 Chemicals-Oper-Copper Sulphate	0	0.22	-0.22	100.0-	10
5500	5304617	5304617 Chemicals-Oper-Carbon	375,503.61	168,183.08	207,320.53	123.3	10
5500	5304619	5304619 Chemicals-Oper-Potaperm	38,276.65	11,837.52	26,439.13	223.4	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	94,710.13	21,094.87	73,615.26	349.0	10
5500	5304621	5304621 Chemicals-Oper-Misc Chem	195,569.25	13,451.64	182,117.61	1,353.9	10

Financial Statement Version for AQUA

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2023.06 -2023.06	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5550	5304624	5304624 SW-Chem-Pump Oper-General	130,613.82	31,969.07	98,644.75	308.6	10
5550	5304626	5304626 SW-Chem-T&D Oper-General	1,666.50	3,436.68	-1,770.18	51.5-	10
5500	6996018	6996018 Chemicals	0	-1,106.07	1,106.07	100.0	10
		Chemicals	2,179,610.52	1,372,901.69	806,708.83	58.8	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	4,062,797.45	2,572,979.38	1,489,818.07	57.9	11
****	5304110	5304110 Material Exp-Cst Dif	-21,234.71	7,132.73	-28,367.44	397.7-	11
5500	5304140	5304140 Material Exp-Inv Rvl	-53,051.25	0	-53,051.25		11
****	5304200	5304200 Material Exp-Non Stk	230,207.69	70,689.23	159,518.46	225.7	11
5500	5304235	5304235 Materials & Supplies - Hydrants	1,188.00	18,761.45	-17,573.45	93.7-	11
****	5304300	5304300 Meter/ERT Purchases	327,862.30	296,556.56	31,305.74	10.6	11
****	5304330	5304330 Laboratory Supplies	3,589.87	24,650.09	-21,060.22	85.4-	11
****	5304340	5304340 Software/Hardware Purchases	81,825.27	66,320.14	15,505.13	23.4	11
****	5304370	5304370 Small Tools & Work Equipment	52,278.09	13,861.77	38,416.32	277.1	11
****	5304375	5304375 Materials & Supplies - Uniforms	31,897.34	8,682.52	23,214.82	267.4	11
****	5304380	5304380 Materials & Supplies - Safety Supplies	53,000.33	12,757.28	40,243.05	315.5	11
****	5304390	5304390 Misc Supplies	118,531.34	33,762.03	84,769.31	251.1	11
****	5996200	5996200 RECLASS-Materials and Supplies	0	13,369.05	-13,369.05	100.0-	11
****	8720600	8720600 Tools/Clothing/Others Overhead	8.06	-137.51	145.57	105.9	11
		Supplies	4,888,899.78	3,139,384.72	1,749,515.06	55.7	10
****	6996020	6996020 Materials and Supplies	-4,637,525.49	-2,990,999.36	-1,646,526.13	55.0-	11
		Capitalized Supplies	-4,637,525.49	-2,990,999.36	-1,646,526.13	55.0-	10
		Total Materials & Supplies	251,374.29	148,385.36	102,988.93	69.4	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	2,095,312.19	1,612,815.92	482,496.27	29.9	11
****	5996310	5996310 RECLASS-Contractual Services-Engineering	0	0	0		11
****	6996031	6996031 Contractual Services-Engineering	-2,004,515.94	-1,444,760.27	-559,755.67	38.7-	11
		Outside Services - Engineering	90,796.25	168,055.65	-77,259.40	46.0-	10
5500	5303210	5303210 Accounting/Auditing Services	65,638.00	72,838.00	-7,200.00	9.9-	11
		Outside Services - Accounting	65,638.00	72,838.00	-7,200.00	9.9-	10
****	5303220	5303220 Legal Services	129,832.97	64,635.38	65,197.59	100.9	11
****	6996033	6996033 Contractual Services-Legal	-22,048.64	-15,621.30	-6,427.34	41.1-	11
		Outside Services - Legal	107,784.33	49,014.08	58,770.25	119.9	10
****	5303850	5303850 Testing Services	143,413.99	57,291.60	86,122.39	150.3	11
****	6996035	6996035 Contractual Services-Testing	-8,229.55	0	-8,229.55		11
		Outside Services - Lab Testing	135,184.44	57,291.60	77,892.84	136.0	10
****	5303010	5303010 Contractor Labor - Straight Time	31,832.80	33,244.80	-1,412.00	4.2-	11
5500	5303020	5303020 Contractor Materials	79,739.10	33,242.02	46,497.08	139.9	11
****	5303030	5303030 Contractor Services	5,595,463.31	2,329,510.87	3,265,952.44	140.2	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	54,387.55	69,954.95	-15,567.40	22.3-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	187.69	3,102.00	-2,914.31	93.9-	11
****	5303035	5303035 Contractor Services - Restoration	837,538.64	2,339,718.87	-1,502,180.23	64.2-	11
****	5303036	5303036 Contractor Services - Permit Fees	87,568.01	7,619.19	79,948.82	1,049.3	11
5500	5303040	5303040 Environmental Services	0	98,161.35	-98,161.35	100.0-	11
****	5303050	5303050 Contractor Services - Leak Detection	50,471.33	23,085.87	27,385.46	118.6	11
5550	5303052	5303052 Contractor Services - Sewer Jetting	1,275.00	0	1,275.00		11
****	5303053	5303053 Contractor Services - Main Breaks	8,612,155.47	8,232,552.38	379,603.09	4.6	11
****	5303054	5303054 Contractor Services - Well Cleaning	150,718.34	185,541.97	-34,823.63	18.8-	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	0	18,990.00	-18,990.00	100.0-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	23,337.01	52,950.26	-29,613.25	55.9-	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	1,700.00	0	1,700.00		11
5500	5303061	5303061 Contractor Services - Other-Mains	5,876.00	409,563.50	-403,687.50	98.6-	11
****	5303062	5303062 Contractor Services - Other-Services	860,898.76	3,657.71	857,241.05	23,436.6	11
****	5303063	5303063 Contractor Services - Other-Meters	2,865.09	63,778.05	-60,912.96	95.5-	11
5500	5303064	5303064 Contractor Services - Other-Hydrants	157,131.82	16,658.51	140,473.31	843.3	11
****	5303145	5303145 Contractor Services - Other-Construction	0	453,962.69	-453,962.69	100.0-	11
5500	5996360	5996360 RECLASS-Contractual Services-Other	0	133,328.36	-133,328.36	100.0-	11
****	6996036	6996036 Contractual Services-Other	-15,792,869.19	-14,507,621.63	-1,285,247.56	8.9-	11
		Outside Services - Operations	760,276.73	1,001.72	759,275.01	75,797.1	10
5500	5997310	5997310 Other ACO Direct costs	75,091.85	59,450.80	15,641.05	26.3	11
****	5997320	5997320 WorkFlow Processing Fee	83,746.50	68,975.11	14,771.39	21.4	11
****	5997330	5997330 WorkFlow Billing Postage	125,866.99	110,009.27	15,857.72	14.4	11
5500	5997360	5997360 ACO Lockbox Fees	43,409.72	41,922.28	1,487.44	3.5	11
		Outside Services - ACO	328,115.06	280,357.46	47,757.60	17.0	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	114,948.71	346,541.47	-231,592.76	66.8-	12
****	5303135	5303135 Contractor Services - Grounds Care	183,631.90	147,212.06	36,419.84	24.7	12
****	5303840	5303840 Security & Investigative Services	118,615.07	6,651.67	111,963.40	1,683.2	12
****	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-132,942.38	0	-132,942.38		12
		Outside Services - Bldg & Grounds	284,253.30	500,405.20	-216,151.90	43.2-	11
5500	5303120	5303120 Computer & Software Maintenance Services	0	2,220.70	-2,220.70	100.0-	12
****	5303315	5303315 IT/Telecom Contractor Services	66,569.08	726,939.62	-660,370.54	90.8-	12
5500	6996364	6996364 Contractual Services - Other - IT	-66,569.08	0	-66,569.08		12
		Outside Services - IT	0	729,160.32	-729,160.32	100.0-	11
5500	5303140	5303140 Security Equipment Maintenance Services	174,261.51	153,218.69	21,042.82	13.7	12
		Outside Services - Security	174,261.51	153,218.69	21,042.82	13.7	11
5500	5303325	5303325 Professional/Temporary Labor	4,899.00	160	4,739.00	2,961.9	12
		Outside Services - Temporary Labor	4,899.00	160	4,739.00	2,961.9	11

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****	5303190	5303190 Miscellaneous Repairs/Maintenance	23,660.79	25,530.66	-1,869.87	7.3-	12
5500	5303310	5303310 Consultant Services	36,036.67	0	36,036.67		12
****	5303320	5303320 Training Services	7,948.98	1,823.05	6,125.93	336.0	12
****	5303890	5303890 Miscellaneous Outside Services	30,330.59	44,895.13	-14,564.54	32.4-	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-56,867.53	0	-56,867.53		12
		Outside Services - Admin & General	41,109.50	72,248.84	-31,139.34	43.1-	11
		Total Outside Services - Other	504,523.31	1,455,193.05	-950,669.74	65.3-	10
		Total Outside Services	1,992,318.12	2,083,751.56	-91,433.44	4.4-	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,858,329.04	1,497,276.23	361,052.81	24.1	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	732,381.29	798,125.34	-65,744.05	8.2-	11
5500	8732040	8732040 Employee Pension and Benefits	32,691.05	26,573.72	6,117.33	23.0	11
5500	8732150	8732150 Purchased Power (WasteWater)	893.79	713.67	180.12	25.2	11
5500	8732200	8732200 Materials and Supplies	436,507.72	143,982.63	292,525.09	203.2	11
5500	8732310	8732310 Contractual Services-Engineering	17,201.18	17,172.83	28.35	0.2	11
5500	8732320	8732320 Contractual Services-Accounting	22,743.46	28,198.20	-5,454.74	19.3-	11
5500	8732330	8732330 Contractual Services-Legal	11,050.69	59,837.65	-48,786.96	81.5-	11
5500	8732340	8732340 Contractual Services-Management Fees	282,179.00	480,118.79	-197,939.79	41.2-	11
5500	8732360	8732360 Contractual Services-Other	1,144,326.94	1,602,608.98	-458,282.04	28.6-	11
5500	8732410	8732410 Rental of Building Real Property	10,825.34	11,025.28	-199.94	1.8-	11
5500	8732420	8732420 Rental of Equipment	0	718.98	-718.98	100.0-	11
5500	8732500	8732500 Transportation Expenses	642.26	3,124.54	-2,482.28	79.4-	11
5500	8732570	8732570 Insurance General Liability	89.53	0	89.53		11
5500	8732600	8732600 Advertising Expense	5,772.48	0	5,772.48		11
5500	8732750	8732750 Miscellaneous Expense	291,920.99	119,024.05	172,896.94	145.3	11
		Management Fees - Water	4,847,554.76	4,788,500.89	59,053.87	1.2	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Srvices - Other - Bldg & Grounds	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733420	8733420 Rental of Equipment	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-2,362,291.00	-2,536,227.16	173,936.16	6.9	11
		Capitalized Management Fees	-2,362,291.00	-2,536,227.16	173,936.16	6.9	10
		Total Managment Fees	2,485,263.76	2,252,273.73	232,990.03	10.3	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	70,502.06	53,283.44	17,218.62	32.3	11
****	5307050	5307050 Rent Expense - Land & Land Rights	1,245.00	120	1,125.00	937.5	11
5500	6996041	6996041 Rental of Building Real Property	0	-120	120	100.0	11
		Leases - Building	71,747.06	53,283.44	18,463.62	34.7	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	4,252.27	13,398.51	-9,146.24	68.3-	11
5500	6996042	6996042 Rental of Equipment	-4,000.00	-2,012.00	-1,988.00	98.8-	11
		Leases - Equipment	252.27	11,386.51	-11,134.24	97.8-	10
5500	5307090	5307090 Rent Expense - Miscellaneous	2,002.41	2,328.02	-325.61	14.0-	11
		Leases - Other	2,002.41	2,328.02	-325.61	14.0-	10
		Total Leases	74,001.74	66,997.97	7,003.77	10.5	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	16,452.96	39,814.55	-23,361.59	58.7-	11
****	5304210	5304210 Auto Parts & Supplies	171,337.35	14,337.32	157,000.03	1,095.0	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	14,686.83	-22,628.52	37,315.35	164.9	11
		Transportation - Services & Maintenance	202,477.14	31,523.35	170,953.79	542.3	10
****	5307040	5307040 Rent Expense - Vehicles	0	5,123.19	-5,123.19	100.0-	11
		Transportation - Leases	0	5,123.19	-5,123.19	100.0-	10
****	5304510	5304510 Gasoline	136,296.33	98,718.47	37,577.86	38.1	11
5500	5304515	5304515 Diesel Fuel	9,213.56	0	9,213.56		11
5500	5304516	5304516 Natural Gas Fuel	1,705.67	1,422.32	283.35	19.9	11
		Transportation - Fuel	147,215.56	100,140.79	47,074.77	47.0	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	492.3	8,653.30	-8,161.00	94.3-	11

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5500	5399079	5399079 Transportation-Crash	-20,764.49	-7,035.91	-13,728.58	195.1-	11
****	5996500	5996500 RECLASS-Transportation Expenses	-31,887.17	-11,264.71	-20,622.46	183.1-	11
****	8720500	8720500 Transportation Overhead	-424.3	-613.51	189.21	30.8	11
		Transportation - Other	-52,583.66	-10,260.83	-42,322.83	412.5-	10
****	6996050	6996050 Transportation Expenses	-88,408.83	-123,227.17	34,818.34	28.3	11
		Capitalized Transportation	-88,408.83	-123,227.17	34,818.34	28.3	10
		Total Transportation	208,700.21	3,299.33	205,400.88	6,225.5	9
		Miscellaneous Expenses					9
****	5308010	5308010 Subscriptions	866.51	75,681.51	-74,815.00	98.9-	11
5550	5308021	5308021 Professional Dues	214.17	0	214.17		11
5500	5308041	5308041 Industry Assoc Dues	4,587.00	2,552.32	2,034.68	79.7	11
****	5308090	5308090 Other Dues&Membershp	43,186.49	58,922.52	-15,736.03	26.7-	11
		Dues & Subscriptions	48,854.17	137,156.35	-88,302.18	64.4-	10
5500	5310010	5310010 Operating Permits	-672	14.56	-686.56	4,715.4-	11
****	5310020	5310020 Licensing Fees	20,558.90	119,498.55	-98,939.65	82.8-	11
5500	5310050	5310050 Environmental Fees	101.78	201.47	-99.69	49.5-	11
		Licenses & Permits	19,988.68	119,714.58	-99,725.90	83.3-	10
5500	5310080	5310080 Bank Fees	7,740.79	72,380.40	-64,639.61	89.3-	11
5500	5310085	5310085 Bond Servicing Fees	0	29,815.84	-29,815.84	100.0-	11
		Bank Fees	7,740.79	102,196.24	-94,455.45	92.4-	10
5500	5302010	5302010 Travel Expense	22,545.29	9,722.72	12,822.57	131.9	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	17,807.85	8,110.58	9,697.27	119.6	11
5500	5302020	5302020 Entertainment Expense	4,550.86	2,231.21	2,319.65	104.0	11
****	5302021	5302021 Entertainment Expense - Non-Deductible	11,106.67	6,180.13	4,926.54	79.7	11
5500	5302022	5302022 Entertainment Expense-50% Non-Deductible	59.12	10,830.82	-10,771.70	99.5-	11
		Travel & Entertainment	56,069.79	37,075.46	18,994.33	51.2	10
5550	5303830	5303830 Advertising	172.78	1,686.00	-1,513.22	89.8-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	34,250.00	2,118.75	32,131.25	1,516.5	11
		Public Relations	34,422.78	3,804.75	30,618.03	804.7	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	34,000.00	2,750.00	31,250.00	1,136.4	11
		Fines & Penalties	34,000.00	2,750.00	31,250.00	1,136.4	10
****	5304310	5304310 Office Supplies	65,381.32	45,466.93	19,914.39	43.8	11
****	5304320	5304320 Postage, Shipping, & Freight	17,566.52	2,563.96	15,002.56	585.1	11
****	5304350	5304350 Office Furn & Equip	10,463.66	46,653.62	-36,189.96	77.6-	11
****	5304360	5304360 Promotion Supplies	3,033.50	10,686.45	-7,652.95	71.6-	11
****	5304410	5304410 Purchasing Card Expenses-MC	-52,997.59	89,490.02	-142,487.61	159.2-	11
		Office Supplies	43,447.41	194,860.98	-151,413.57	77.7-	10
****	5309010	5309010 Utilities - Electric and Gas	5,862.68	10,307.38	-4,444.70	43.1-	11
****	5309025	5309025 Utilities - Communications	60,830.16	92,674.61	-31,844.45	34.4-	11
5550	5309030	5309030 Utilities - Water	7,701.46	11,545.78	-3,844.32	33.3-	11
****	5309040	5309040 Utilities - Other	617.74	165.42	452.32	273.4	11
		Utilities	75,012.04	114,693.19	-39,681.15	34.6-	10
****	5310090	5310090 Miscellaneous Fees	172.52	488.25	-315.73	64.7-	11
5500	5399040	5399040 Lost Discount Exp	917.47	876.95	40.52	4.6	11
****	5399900	5399900 Miscellaneous Expense	-232,903.33	-120,780.88	-112,122.45	92.8-	11
5500	6996751	6996751 Other Miscellaneous Expense	-6,765.59	0	-6,765.59		11
		Other Miscellaneous	-238,578.93	-119,415.68	-119,163.25	99.8-	10
****	5303900	5303900 Conversion-Projects	0	-8,603.30	8,603.30	100.0	11
5500	5399061	5399061 CIAC-Project offset	73,818.70	900,199.06	-826,380.36	91.8-	11
****	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	-73,818.70	-47,420.13	-26,398.57	55.7-	11
5550	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-900	0	-900		11
5500	5399074	5399074 Vehicle Purchases	42,294.84	334,073.92	-291,779.08	87.3-	11
5500	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	0	-908,799.06	908,799.06	100.0	11
5500	5399340	5399340 Salvage Proceeds	-76,889.69	-47,571.25	-29,318.44	61.6-	11
5500	5996750	5996750 RECLASS-Miscellaneous Expense	0	2,800.98	-2,800.98	100.0-	11
****	5996850	5996850 RECLASS-Capital Overhead	0	47,497.38	-47,497.38	100.0-	11
****	6996075	6996075 Miscellaneous Expense	-2,569.57	-411,496.46	408,926.89	99.4	11
****	6996081	6996081 CIAC	900	-852,778.93	853,678.93	100.1	11
5500	6996082	6996082 CAC	0	908,799.06	-908,799.06	100.0-	11
****	6996085	6996085 Capital Overhead	350.2	-383,728.76	384,078.96	100.1	11
****	8720400	8720400 A&G Capital Support Overhead	-244.75	-241.92	-2.83	1.2-	11
****	8720900	8720900 Engineering Overhead	-105.45	0	-105.45		11
		Capital Miscellaneous & Overheads	-37,164.42	-467,269.41	430,104.99	92.0	10
		Total Miscellaneous Expenses	43,792.31	125,566.46	-81,774.15	65.1-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.99	361,642.00	12,228.99	3.4	10
5500	5305020	5305020 Damages - Property	61,631.50	18,690.12	42,941.38	229.8	10
5500	5305030	5305030 Claims Reimburse	0	-1,595.75	1,595.75	100.0	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,137.00	70,143.00	5,994.00	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,617.00	138,325.00	29,292.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,296.01	13,967.00	-2,670.99	19.1-	10
5500	6996057	6996057 Insurance General Liability	-119,414.62	0	-119,414.62		10
5500	6996058	6996058 Insurance Workman's Compensation	-23,843.61	0	-23,843.61		10
5500	6996059	6996059 Insurance Other	-52,414.74	0	-52,414.74		10
		Total Insurance	494,879.53	601,171.37	-106,291.84	17.7-	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	435,019.29	277,795.48	157,223.81	56.6	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-41,005.51	-53,586.83	12,581.32	23.5	10

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****	5311040	5311040 Uncollect Accts Exp-Reserve Change	45,840.14	509,837.08	-463,996.94	91.0-	10
****	6996070	6996070 Bad Debt Expense	0	445,976.46	-445,976.46	100.0-	10
		Total Bad Debt	439,853.92	1,180,022.19	-740,168.27	62.7-	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	134,061.36	218,005.83	-83,944.47	38.5-	10
****	6201011	6201011 Donations - 501(c)(3)	4,659.29	7,436.22	-2,776.93	37.3-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	2,874.90	21,272.90	-18,398.00	86.5-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	513.5	5,362.50	-4,849.00	90.4-	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	584.39	16,237.28	-15,652.89	96.4-	10
5500	6204130	6204130 Misc NonUtil-N-Cust-Trv & Pers	0	10,000.00	-10,000.00	100.0-	10
****	6204150	6204150 Misc NonUtil Exp-Other	33,663.12	43,242.00	-9,578.88	22.2-	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	16,167.50	-971.47	17,138.97	1,764.2	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	28,630.00	63,138.68	-34,508.68	54.7-	10
		Total Non Operating Expenses	221,154.06	383,723.94	-162,569.88	42.4-	9
		Total Operations & Maintenance Expense	15,033,366.29	12,973,522.39	2,059,843.90	15.9	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,172,195.05	10,444,157.99	728,037.06	7.0	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.3	-0.3	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-344,979.77	-326,574.44	-18,405.33	5.6-	9
		Total Depreciation	10,827,215.28	10,117,583.85	709,631.43	7.0	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	61,111.00	-32,667.91	53.5-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-100,867.32	100,867.32	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-76,971.25	0	-76,971.25		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	11,460.07	12,050.27	-590.2	4.9-	9
		Total Amortization	-37,068.09	-27,706.05	-9,362.04	33.8-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	202,612.00	198,276.00	4,336.00	2.2	9
****	5310032	5310032 Assessment-Consumer Advocate	60,266.00	66,127.00	-5,861.00	8.9-	9
****	5310033	5310033 Assessment-SBA	12,115.00	13,590.00	-1,475.00	10.9-	9
****	5310035	5310035 Assessment-DPC	2,424.00	3,456.00	-1,032.00	29.9-	9
5550	5702101	5702101 Property Taxes	14.21	0	14.21		9
5500	5702120	5702120 Property Taxes-WT/WW	86,386.79	89,000.00	-2,613.21	2.9-	9
5500	5703100	5703100 Payroll Taxes	348,115.76	332,501.33	15,614.43	4.7	9
5500	5709101	5709101 Other Miscellaneous Taxes	0	-5,733.05	5,733.05	100.0	9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	366,667.00	51,694.11	14.1	9
****	5996050	5996050 RECLASS-Employee Taxes	0	17,401.20	-17,401.20	100.0-	9
****	6996005	6996005 Payroll Tax	-120,446.47	-129,576.83	9,130.36	7.0	9
****	8720100	8720100 Payroll Tax Overhead	-661.45	-1,362.25	700.8	51.4	9
		Total Taxes Other Than Income	1,009,186.95	950,346.40	58,840.55	6.2	8
		TOTAL UTILITY COSTS & EXPENSES	26,832,700.43	24,013,746.59	2,818,953.84	11.7	7
		TOTAL OPERATING INCOME	-33,674,351.22	-34,580,649.39	906,298.17	2.6	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	143,582.29	17,474.16	126,108.13	721.7	9
		Interest on Short Term Debt	143,582.29	17,474.16	126,108.13	721.7	8
****	6499011	6499011 Interest Expense - Long Term Debt	6,756,539.82	5,997,924.35	758,615.47	12.6	10
		Interest on LTD	6,756,539.82	5,997,924.35	758,615.47	12.6	9
5500	6402430	6402430 Amort-Debt Issuance Costs	52,738.98	49,002.07	3,736.91	7.6	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	46,802.98	43,066.07	3,736.91	8.7	9
		Interest on Long Term Debt	6,803,342.80	6,040,990.42	762,352.38	12.6	8
****	5996800	5996800 Reclass-AFUDC-Debt	0	0	0		10
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-227,024.70	-213,119.60	-13,905.10	6.5-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	227,024.70	213,119.60	13,905.10	6.5	10
****	6996080	6996080 AFUDC-Debt	-227,024.70	-213,119.60	-13,905.10	6.5-	10
		AFUDC - Debt	-227,024.70	-213,119.60	-13,905.10	6.5-	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	429,587.95	-605,236.92	1,034,824.87	171.0	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	483,606.26	429,874.06	53,732.20	12.5	10
****	6996086	6996086 AFUDC-Equity	-483,606.26	-429,874.06	-53,732.20	12.5-	10
		AFUDC - Equity	429,587.95	-605,236.92	1,034,824.87	171.0	9
		Allow For Funds Used During Construction	202,563.25	-818,356.52	1,020,919.77	124.8	8
		Total Interest Expense	7,149,488.34	5,240,108.06	1,909,380.28	36.4	7
		Other Net (Income) Expense:					7
****	5380011	5380011 Operating Gain/Loss-Disposition of Assets	-204,714.53	-435,835.68	231,121.15	53.0	9
		Gains from Sales of Property	-204,714.53	-435,835.68	231,121.15	53.0	8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	0	-510,040.00	510,040.00	100.0	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	709,668.00	-695,068.00	97.9-	9
		Other Net Periodic Beneft Costs	-59,646.00	125,382.00	-185,028.00	147.6-	8
		Other Net (Income) Expense	-264,360.53	-310,453.68	46,093.15	14.8	7
		TOTAL OTHER (INCOME) EXPENSE	6,885,127.81	4,929,654.38	1,955,473.43	39.7	6
		TOTAL INCOME BEFORE TAX & GAIN	-26,789,223.41	-29,650,995.01	2,861,771.60	9.7	5
		INCOME TAXES					5
		Income Taxes - Current					6
****	6310011	6310011 Federal Income Tax Expense	-8,466,554.14	-264,602.00	-8,201,952.14	3,099.7-	8
		Federal Taxes - Current	-8,466,554.14	-264,602.00	-8,201,952.14	3,099.7-	7
****	6311011	6311011 State Income Tax Expense	478,615.00	1,509,074.00	-1,030,459.00	68.3-	8

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.06 -2023.06	Reporting periods
2022.06 -2022.06	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		State Taxes - Current	478,615.00	1,509,074.00	-1,030,459.00	68.3-	7
		Total Income Taxes - Current	-7,987,939.14	1,244,472.00	-9,232,411.14	741.9-	6
		Income Taxes - Deferred					6
****	6320021	6320021 Defd Federal Income Tax Expense-Noncurr Asset	14,826,396.00	1,878,392.00	12,948,004.00	689.3	8
5500	6320110	6320110 ITC-Def Future Periods-Federal	-63,353.00	-63,354.00	1	0.0	8
		Federal Taxes - Deferred	14,763,043.00	1,815,038.00	12,948,005.00	713.4	7
****	6321021	6321021 Defd State Income Tax Expense-Noncurr Asset	-3,783,691.00	970,186.00	-4,753,877.00	490.0-	8
		State Taxes - Deferred	-3,783,691.00	970,186.00	-4,753,877.00	490.0-	7
		Total Income Taxes - Deferred	10,979,352.00	2,785,224.00	8,194,128.00	294.2	6
		TOTAL INCOME TAXES	2,991,412.86	4,029,696.00	-1,038,283.14	25.8-	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-23,797,810.55	-25,621,299.01	1,823,488.46	7.1	4
		TOTAL NET INCOME	-23,797,810.55	-25,621,299.01	1,823,488.46	7.1	3
		NET INCOME AVAILABLE FOR COMMON	23,797,810.55	25,621,299.01	-1,823,488.46	7.1-	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.07 -2023.07	Reporting periods
2022.07 -2022.07	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-159,839,017.05	**-191,736,818.57**	**31,897,801.52**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-2,415.68	-625.01	-1,790.67	286.5-	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-34,797.29	29,002.04	-63,799.33	220.0-	10
****	4114110	4114110 WTR-Metered Sales-Residential	-30,863,041.23	-33,330,908.38	2,467,867.15	7.4	10
****	4114115	4114115 WTR-CAP Discount-Residential	36,827.14	0	36,827.14		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-11,634,565.72	-12,029,647.24	395,081.52	3.3	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-2,156,703.65	-1,852,611.58	-304,092.07	16.4-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-834,640.72	-926,073.74	91,433.02	9.9	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-16,350.92	-38,693.45	22,342.53	57.7	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,274,630.92	-1,281,961.72	7,330.80	0.6	10
****	4114220	4114220 WTR-Public Fire Protection	-620,269.36	-626,680.51	6,411.15	1.0	10
****	4114230	4114230 WTR-Private Fire Protection	-234,238.47	-217,500.79	-16,737.68	7.7-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-315,347.29	-352,756.08	37,408.79	10.6	10
****	4115100	4115100 WTR-Misc Srv Rev	-44,970.00	-43,342.00	-1,628.00	3.8-	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-27,700.00	-27,550.00	-150	0.5-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-77,670.95	-83,225.32	5,554.37	6.7	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-22,890.00	-18,199.20	-4,690.80	25.8-	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	-100	0	-100		10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-292,422.67	24,486.38	-316,909.05	1,294.2-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	107,722.84	585.03	107,137.81	18,313.2	10
5500	4118400	4118400 WTR-Other Water Rev	-24,800.00	0	-24,800.00		10
		Operating Revenue - Water	-48,333,004.89	-50,775,701.57	2,442,696.68	4.8	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,774,413.16	-3,568,025.12	-206,388.04	5.8-	10
5550	4211035	4211035 WW-CAP Discount-Residential	3,154.23	0	3,154.23		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-745,687.93	-540,691.06	-204,996.87	37.9-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,566,285.02	-1,394,990.64	-171,294.38	12.3-	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-280,062.45	-158,893.39	-121,169.06	76.3-	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-3,527.52	-492.97	-3,034.55	615.6-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-28,067.24	0	-28,067.24		10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-206.67	0	-206.67		10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-1,990.25	-1,983.26	-6.99	0.4-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-157,265.99	-123,985.35	-33,280.64	26.8-	10
****	4215155	4215155 WW-ST Tax Surcharge	2,967.49	0	2,967.49		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-14,398.55	-9,639.80	-4,758.75	49.4-	10
5550	4218400	4218400 WW-Other WW Revenues	-27,322.00	-700	-26,622.00	3,803.1-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-20,022.27	362.78	-20,385.05	5,619.1-	10
		Operating Revenue - Sewer	-6,613,127.33	-5,799,038.81	-814,088.52	14.0-	9
		Total Operating Revenue	-54,946,132.22	-56,574,740.38	1,628,608.16	2.9	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-184,518.23	-233,271.31	48,753.08	20.9	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-45,409.00	45,409.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-1,500.00	0	0.0	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-35,763.34	-29,641.97	-6,121.37	20.7-	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-79,611.83	-2,037.51	-77,574.32	3,807.3-	9
5500	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-42,616.00	42,616.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-172,079.02	-331,558.48	159,479.46	48.1	9
		Total Non Operating Revenue	-473,983.42	-686,545.27	212,561.85	31.0	8
		TOTAL REVENUE	-55,420,115.64	-57,261,285.65	1,841,170.01	3.2	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,806,855.94	3,637,810.67	169,045.27	4.6	11
5500	5300190	5300190 Labor-Officers, Executives	53,867.52	68,639.76	-14,772.24	21.5-	11
		Labor Regular	3,860,723.46	3,706,450.43	154,273.03	4.2	10
5500	5300120	5300120 Salaried - Overtime Wages	499,976.68	492,691.64	7,285.04	1.5	11
		Labor Overtime	499,976.68	492,691.64	7,285.04	1.5	10
5500	5300180	5300180 Salaried - Annual Incentive	113,170.00	104,887.00	8,283.00	7.9	11
		Labor Short Term Incentive	113,170.00	104,887.00	8,283.00	7.9	10
5500	5300185	5300185 Stock Option Compensation	1,608.06	980.38	627.68	64.0	11
5500	5300186	5300186 Performance Share Unit Amortization	36,574.71	36,721.33	-146.62	0.4-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	15,796.65	15,651.87	144.78	0.9	11
****	5996070	5996070 RECLASS-LTI/STI	0	0	0		11
		Labor Long Term Incentive	53,979.42	53,353.58	625.84	1.2	10
****	5996010	5996010 RECLASS-S&W-Employees	6,567.09	0	6,567.09		11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	1,767.15	1,220.76	546.39	44.8	11
5500	8000032	8000032 Corporate Automation Engineer	0	1,097.52	-1,097.52	100.0-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	6,106.24	-6,106.24	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	0	718.63	-718.63	100.0-	11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
5500	8000156	8000156 Network Engineer II	1,132.46	0	1,132.46		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000169	8000169 Project Engineer I	0	0	0		11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.07 -2023.07 Reporting periods
2022.07 -2022.07 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8000170	8000170 Project Engineer II	2,856.00	657.44	2,198.56	334.4	11
****	8000171	8000171 Project Engineer III	684	19,923.20	-19,239.20	96.6-	11
5500	8000179	8000179 Project Management Office Director	0	727.2	-727.2	100.0-	11
5500	8000200	8000200 Systems Administrator I	0	663.77	-663.77	100.0-	11
5500	8000201	8000201 Systems Administrator II	0	2,394.00	-2,394.00	100.0-	11
5500	8000215	8000215 Service Desk Supervisor	1,182.96	0	1,182.96		11
5500	8000219	8000219 Security Engineer III	3,120.15	1,789.60	1,330.55	74.3	11
5500	8000228	8000228 Safety Specialist III	-1,239.36	-203.96	-1,035.40	507.6-	11
5500	8000234	8000234 Systems Engineer I	0	436.8	-436.8	100.0-	11
5500	8000235	8000235 System Engineer III	0	934.48	-934.48	100.0-	11
5500	8000240	8000240 Telecom Engineer II	1,468.12	0	1,468.12		11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
5500	8000276	8000276 Field Supervisor III	0	-424.8	424.8	100.0	11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-563.92	0	-563.92		11
5500	8000312	8000312 Telecom Analyst II	925.47	0	925.47		11
5500	8000325	8000325 Manager Security GRC	204.76	0	204.76		11
5500	8000332	8000332 Lead, Enterprise Architect	7,347.30	0	7,347.30		11
5500	8000365	8000365 Director Network/Telecom	294.66	0	294.66		11
5500	8000386	8000386 Materials Mgmnt Supervisor	9,012.08	0	9,012.08		11
****	8000387	8000387 Sr Security GRC Analyst	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	24.81	-24.81	100.0-	11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001110	8001110 Instrumentation Control Specialist	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001164	8001164 Seasonal Laborer	0	0	0		11
****	8001181	8001181 Utility Technician	0	0	0		11
****	8001205	8001205 Facility Operator I	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-1,638.06	-824.74	-813.32	98.6-	11
5500	8001219	8001219 Crew Leader	-3.81	0	-3.81		11
5500	8001220	8001220 Distribution Technician	0	2,370.02	-2,370.02	100.0-	11
5500	8001224	8001224 Emergency Utility Worker	0	-75.2	75.2	100.0	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
5500	8001231	8001231 Field Service Representative	-858.67	-747.99	-110.68	14.8-	11
****	8001232	8001232 Field Service Representative-First Class	0	0	0		11
5500	8001235	8001235 Inspector	-736.98	-971.29	234.31	24.1	11
5500	8001241	8001241 Leader	-321.44	-609.48	288.04	47.3	11
****	8001242	8001242 Lead Mechanic	0	0	0		11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
5500	8001264	8001264 Purification Operator	0	-36.81	36.81	100.0	11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001272	8001272 Service Worker	0	821.6	-821.6	100.0-	11
5500	8001284	8001284 Utility Worker	0	-394.72	394.72	100.0	11
5500	8001289	8001289 Working Foreman	0	-413.12	413.12	100.0	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002018	8002018 Construction Coordinator II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002110	8002110 Instrumentation Control Specialist-TH	0	0	0		11
****	8002166	8002166 System Operator-TH	0	0	0		11
****	8002181	8002181 Utility Technician-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	-955.89	-382.73	-573.16	149.8-	11
5500	8002220	8002220 Distribution Technician-TH	0	100.51	-100.51	100.0-	11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-160.39	-43.57	-116.82	268.1-	11
5500	8002235	8002235 Inspector-TH	-49.12	-1,050.17	1,001.05	95.3	11
5500	8002241	8002241 Leader-TH	0	-200.8	200.8	100.0	11
5500	8002248	8002248 Maintenance Operator-TH	0	-176.34	176.34	100.0	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11

Financial Statement Version for AQUA

0L		Ledger
	10	Currency type Company code currency
USD		Amounts in United States Dollar
2023.07 -2023.07		Reporting periods
2022.07 -2022.07		Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002284	8002284 Utility Worker-TH	0	-480.47	480.47	100.0	11
****	8002289	8002289 Working Foreman-TH	0	-215.58	215.58	100.0	11
****	8002297	8002297 Facility Operator I - TH	0	0	0		11
****	8003213	8003213 Utility Technician (Union)-DT	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
		Activity Allocations	30,034.56	32,734.81	-2,700.25	8.2-	10
****	6996001	6996001 S&W-Employees-ST	-1,154,736.81	-1,014,748.49	-139,988.32	13.8-	11
****	6996002	6996002 S&W-Employees-OT	-246,702.03	-197,406.90	-49,295.13	25.0-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-47,528.68	-18,306.93	-29,221.75	159.6-	11
****	6996007	6996007 LTI/STI	-16,922.55	0	-16,922.55		11
****	8720200	8720200 PTO Overhead	-1,087.69	-293.14	-794.55	271.0-	11
****	8720700	8720700 LTI/STI/Stock Overhead	0	-27.98	27.98	100.0	11
		Labor - Overheads & Capitalization	-1,466,977.76	-1,230,783.44	-236,194.32	19.2-	10
		Total Labor	3,090,906.36	3,159,334.02	-68,427.66	2.2-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	558,129.70	554,333.60	3,796.10	0.7	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	30,860.42	30,470.42	390	1.3	11
5500	5301025	5301025 Employee Benefits - Vision	6,187.01	5,302.84	884.17	16.7	11
		Employee Benefits - Health Plans	595,177.13	590,106.86	5,070.27	0.9	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,479.76	0	16,479.76		11
5500	5301040	5301040 Employee Benefits - Disability	9,032.84	0	9,032.84		11
		Employee Benefits - Insurance	25,512.60	0	25,512.60		10
5500	5301110	5301110 Employee Benefits - Pensions	0	1,010,040.00	-1,010,040.00	100.0-	11
		Employee Benefits - Pension	0	1,010,040.00	-1,010,040.00	100.0-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	11
		Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	10
5500	5301130	5301130 Employee Benefits - Savings Plan	248,904.50	187,084.80	61,819.70	33.0	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	101,366.68	77,633.00	23,733.68	30.6	11
		Employee Benefits - 401K	350,271.18	264,717.80	85,553.38	32.3	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	125	125	0	0.0	11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	255.15	150	105.15	70.1	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	0	16,465.68	-16,465.68	100.0-	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	6,585.41	8,752.01	-2,166.60	24.8-	11
5500	5302120	5302120 Transfer/Relocation Expense	0	-124.44	124.44	100.0	11
****	5302920	5302920 Tuition Reimbursement Expense	3,613.00	12,265.50	-8,652.50	70.5-	11
5500	5302925	5302925 Employee Training Expense	18,066.97	4,677.72	13,389.25	286.2	11
****	5302926	5302926 Employee Training Expense-Seminars	680	90	590	655.6	11
****	5302930	5302930 Employee Relations Expense	409.06	0	409.06		11
5500	5302990	5302990 Miscellaneous Employee-Related Expense	797.92	97.09	700.83	721.8	11
****	5996040	5996040 RECLASS-Employee Pension and Benefits	0	0	0		11
****	8720300	8720300 Payroll Other Overhead	-1,226.85	-502.91	-723.94	144.0-	11
		Employee Benefits - Miscellaneous	29,305.66	41,995.65	-12,689.99	30.2-	10
****	6996004	6996004 Employee Pension and Benefits	-357,607.29	-282,475.31	-75,131.98	26.6-	11
		Capitalized Employee Benefits	-357,607.29	-282,475.31	-75,131.98	26.6-	10
		Total Employee Benefits	720,162.22	1,701,887.94	-981,725.72	57.7-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	363,889.48	352,064.85	11,824.63	3.4	10
		Total Purchased Water	363,889.48	352,064.85	11,824.63	3.4	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	1,024,739.82	960,490.07	64,249.75	6.7	10
		Total Purchased Wastewater	1,024,739.82	960,490.07	64,249.75	6.7	9
		Sludge					9
****	5206240	5206240 Sludge Removal	65,832.27	70,597.34	-4,765.07	6.7-	10
5550	6996011	6996011 Sludge Removal (WW)	10,396.59	0	10,396.59		10
		Total Sludge	76,228.86	70,597.34	5,631.52	8.0	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	818,003.68	762,717.30	55,286.38	7.2	10
****	5206230	5206230 Fuel for Power Production	5,027.56	12,659.36	-7,631.80	60.3-	10
5500	6996016	6996016 Fuel for Power Production	-473.55	0	-473.55		10
		Total Purchased Power	822,557.69	775,376.66	47,181.03	6.1	9
****	5304600	5304600 Chemicals-Oper-General	-171,838.61	103,431.10	-275,269.71	266.1-	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	249,821.27	127,464.07	122,357.20	96.0	10
5500	5304603	5304603 Chemicals-Oper-Caustic	11,702.25	20,692.50	-8,990.25	43.4-	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	222,394.32	0	222,394.32		10
5500	5304605	5304605 Chemicals-Oper-Coagulants	282,323.18	29,806.72	252,516.46	847.2	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	0	3,586.24	-3,586.24	100.0-	10
5500	5304607	5304607 Chemicals-Oper-Hypochlorine	21,188.61	31,334.02	-10,145.41	32.4-	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	106,470.03	12,969.58	93,500.45	720.9	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	47,421.57	56,850.74	-9,429.17	16.6-	10
5500	5304610	5304610 Chemicals-Oper-Polymer	137,796.33	20,567.75	117,228.58	570.0	10
5500	5304611	5304611 Chemicals-Oper-Soda Ash	2,131.50	0	2,131.50		10
5500	5304613	5304613 Chemicals-Oper-Percol	12,558.00	0	12,558.00		10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	341.6	-341.6	100.0-	10

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.07 -2023.07	Reporting periods
2022.07 -2022.07	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5304615	5304615 Chemicals-Oper-Lime	61,293.08	28,950.77	32,342.31	111.7	10
5500	5304617	5304617 Chemicals-Oper-Carbon	229,503.92	75,486.86	154,017.06	204.0	10
5500	5304619	5304619 Chemicals-Oper-Potaperm	6,673.50	18,807.54	-12,134.04	64.5-	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	98,195.73	18,592.76	79,602.97	428.1	10
5500	5304621	5304621 Chemicals-Oper-Misc Chem	111,553.14	20,250.18	91,302.96	450.9	10
5550	5304624	5304624 SW-Chem-Pump Oper-General	16,679.24	64,906.13	-48,226.89	74.3-	10
5550	5304626	5304626 SW-Chem-T&D Oper-General	0	18,702.64	-18,702.64	100.0-	10
5500	6996018	6996018 Chemicals	-13,919.60	-1,535.31	-12,384.29	806.6-	10
		Chemicals	1,431,947.46	651,205.89	780,741.57	119.9	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	2,008,955.32	2,899,818.98	-890,863.66	30.7-	11
5500	5304105	5304105 Material Exp-Stk Cr	-849.65	0	-849.65		11
****	5304110	5304110 Material Exp-Cst Dif	-227,059.06	-935.16	-226,123.90	24,180.2-	11
****	5304120	5304120 Material Exp-Obslete	1,431.64	-100	1,531.64	1,531.6	11
5500	5304140	5304140 Material Exp-Inv Rvl	594.72	625.22	-30.5	4.9-	11
****	5304200	5304200 Material Exp-Non Stk	233,102.78	131,513.58	101,589.20	77.2	11
5500	5304235	5304235 Materials & Supplies - Hydrants	15,403.23	1,647.70	13,755.53	834.8	11
****	5304300	5304300 Meter/ERT Purchases	181,506.47	221,162.25	-39,655.78	17.9-	11
****	5304330	5304330 Laboratory Supplies	-420	8,165.00	-8,585.00	105.1-	11
****	5304340	5304340 Software/Hardware Purchases	-709,698.47	899,334.54	-1,609,033.01	178.9-	11
****	5304370	5304370 Small Tools & Work Equipment	94,151.47	61,137.43	33,014.04	54.0	11
****	5304375	5304375 Materials & Supplies - Uniforms	6,168.65	12,715.81	-6,547.16	51.5-	11
****	5304380	5304380 Materials & Supplies - Safety Supplies	126,930.47	87,594.95	39,335.52	44.9	11
****	5304390	5304390 Misc Supplies	125,664.46	122,852.90	2,811.56	2.3	11
****	8720600	8720600 Tools/Clothing/Others Overhead	2.98	-35.39	38.37	108.4	11
		Supplies	1,855,885.01	4,445,497.81	-2,589,612.80	58.3-	10
****	6996020	6996020 Materials and Supplies	-1,719,459.42	-4,203,861.50	2,484,402.08	59.1	11
		Capitalized Supplies	-1,719,459.42	-4,203,861.50	2,484,402.08	59.1	10
		Total Materials & Supplies	136,425.59	241,636.31	-105,210.72	43.5-	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	1,440,878.49	2,975,552.73	-1,534,674.24	51.6-	11
****	6996031	6996031 Contractual Services-Engineering	-1,360,926.85	-2,918,802.30	1,557,875.45	53.4	11
		Outside Services - Engineering	79,951.64	56,750.43	23,201.21	40.9	10
5500	5303210	5303210 Accounting/Auditing Services	69,842.30	6,640.00	63,202.30	951.8	11
		Outside Services - Accounting	69,842.30	6,640.00	63,202.30	951.8	10
****	5303220	5303220 Legal Services	103,850.51	111,227.61	-7,377.10	6.6-	11
5500	6996033	6996033 Contractual Services-Legal	-2,391.00	0	-2,391.00		11
		Outside Services - Legal	101,459.51	111,227.61	-9,768.10	8.8-	10
****	5303850	5303850 Testing Services	47,876.39	55,767.88	-7,891.49	14.2-	11
****	6996035	6996035 Contractual Services-Testing	-646	-13,105.00	12,459.00	95.1	11
		Outside Services - Lab Testing	47,230.39	42,662.88	4,567.51	10.7	10
****	5303010	5303010 Contractor Labor - Straight Time	15,183.75	109,624.71	-94,440.96	86.1-	11
5500	5303020	5303020 Contractor Materials	79,074.97	43,125.64	35,949.33	83.4	11
****	5303030	5303030 Contractor Services	3,275,700.55	2,648,174.91	627,525.64	23.7	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	62,648.95	55,947.10	6,701.85	12.0	11
****	5303035	5303035 Contractor Services - Restoration	459,418.30	558,396.19	-98,977.89	17.7-	11
****	5303036	5303036 Contractor Services - Permit Fees	114,026.09	40,106.20	73,919.89	184.3	11
5500	5303040	5303040 Environmental Services	6,773.25	0	6,773.25		11
5500	5303050	5303050 Contractor Services - Leak Detection	20,768.94	24,332.50	-3,563.56	14.6-	11
****	5303052	5303052 Contractor Services - Sewer Jetting	800	12,013.70	-11,213.70	93.3-	11
****	5303053	5303053 Contractor Services - Main Breaks	14,777,511.81	7,510,002.12	7,267,509.69	96.8	11
****	5303054	5303054 Contractor Services - Well Cleaning	354,018.59	61,156.75	292,861.84	478.9	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	0	7,213.11	-7,213.11	100.0-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	24,580.72	0	24,580.72		11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	16,075.55	0	16,075.55		11
5500	5303061	5303061 Contractor Services - Other-Mains	191,487.15	28,116.68	163,370.47	581.0	11
5500	5303062	5303062 Contractor Services - Other-Services	768,687.48	5,627.00	763,060.48	13,560.7	11
****	5303063	5303063 Contractor Services - Other-Meters	29,266.00	24,610.70	4,655.30	18.9	11
5500	5303064	5303064 Contractor Services - Other-Hydrants	90,236.54	84,453.98	5,782.56	6.8	11
****	5303145	5303145 Contractor Services - Other-Construction	189,947.91	-224,965.93	414,913.84	184.4	11
****	6996036	6996036 Contractual Services-Other	-19,625,851.06	-12,107,321.38	-7,518,529.68	62.1-	11
		Outside Services - Operations	850,355.49	-1,119,386.02	1,969,741.51	176.0	10
5500	5997310	5997310 Other ACO Direct costs	46,147.45	58,220.42	-12,072.97	20.7-	11
****	5997320	5997320 WorkFlow Processing Fee	81,104.37	89,153.36	-8,048.99	9.0-	11
****	5997330	5997330 WorkFlow Billing Postage	127,250.91	127,589.67	-338.76	0.3-	11
5500	5997360	5997360 ACO Lockbox Fees	36,860.26	40,054.32	-3,194.06	8.0-	11
		Outside Services - ACO	291,362.99	315,017.77	-23,654.78	7.5-	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	145,334.19	288,776.71	-143,442.52	49.7-	12
****	5303135	5303135 Contractor Services - Grounds Care	227,032.33	22,857.24	204,175.09	893.3	12
5500	5303840	5303840 Security & Investigative Services	18,074.82	10,443.90	7,630.92	73.1	12
5500	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-11,081.01	0	-11,081.01		12
		Outside Services - Bldg & Grounds	379,360.33	322,077.85	57,282.48	17.8	11
5500	5303120	5303120 Computer & Software Maintenance Services	0	217.3	-217.3	100.0-	12
****	5303315	5303315 IT/Telecom Contractor Services	18,744.20	277,323.29	-258,579.09	93.2-	12
5500	6996364	6996364 Contractual Services - Other - IT	-18,744.20	0	-18,744.20		12
		Outside Services - IT	0	277,540.59	-277,540.59	100.0-	11
5500	5303140	5303140 Security Equipment Maintenance Services	59,151.39	92,673.53	-33,522.14	36.2-	12

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.07 -2023.07	Reporting periods
2022.07 -2022.07	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Outside Services - Security	59,151.39	92,673.53	-33,522.14	36.2-	11
5500	5303325	5303325 Professional/Temporary Labor	6,204.00	480	5,724.00	1,192.5	12
		Outside Services - Temporary Labor	6,204.00	480	5,724.00	1,192.5	11
5500	5303190	5303190 Miscellaneous Repairs/Maintenance	39,944.76	14,433.48	25,511.28	176.8	12
****	5303310	5303310 Consultant Services	59,529.92	3,000.52	56,529.40	1,884.0	12
5500	5303320	5303320 Training Services	128.82	1,990.38	-1,861.56	93.5-	12
****	5303890	5303890 Miscellaneous Outside Services	29,076.03	31,016.61	-1,940.58	6.3-	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-82,538.27	0	-82,538.27		12
		Outside Services - Admin & General	46,141.26	50,440.99	-4,299.73	8.5-	11
		Total Outside Services - Other	490,856.98	743,212.96	-252,355.98	34.0-	10
		Total Outside Services	1,931,059.30	156,125.63	1,774,933.67	1,136.9	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,616,951.72	1,365,399.56	251,552.16	18.4	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	692,749.55	706,166.31	-13,416.76	1.9-	11
5500	8732040	8732040 Employee Pension and Benefits	34,963.48	68,748.49	-33,785.01	49.1-	11
5500	8732150	8732150 Purchased Power (WasteWater)	1,448.11	1,154.07	294.04	25.5	11
5500	8732200	8732200 Materials and Supplies	-60,448.84	290,053.58	-350,502.42	120.8-	11
5500	8732310	8732310 Contractual Services-Engineering	36,177.01	116,500.35	-80,323.34	68.9-	11
5500	8732320	8732320 Contractual Services-Accounting	1,558.25	8,381.25	-6,823.00	81.4-	11
5500	8732330	8732330 Contractual Services-Legal	12,830.71	5,649.26	7,181.45	127.1	11
5500	8732340	8732340 Contractual Services-Management Fees	167,769.31	371,331.96	-203,562.65	54.8-	11
5500	8732360	8732360 Contractual Services-Other	809,032.14	2,589,863.14	-1,780,831.00	68.8-	11
5500	8732410	8732410 Rental of Building Real Property	10,825.34	23,427.72	-12,602.38	53.8-	11
5500	8732420	8732420 Rental of Equipment	0	-4,345.84	4,345.84	100.0	11
5500	8732500	8732500 Transportation Expenses	715.07	1,836.30	-1,121.23	61.1-	11
5500	8732600	8732600 Advertising Expense	0	1,092.75	-1,092.75	100.0-	11
5500	8732750	8732750 Miscellaneous Expense	143,303.90	195,063.42	-51,759.52	26.5-	11
		Management Fees - Water	3,467,875.75	5,740,322.32	-2,272,446.57	39.6-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733366	8733366 Contractual Services - Other - Temporary Labor	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-1,408,231.20	-3,606,220.02	2,197,988.82	60.9	11
		Capitalized Management Fees	-1,408,231.20	-3,606,220.02	2,197,988.82	60.9	10
		Total Managment Fees	2,059,644.55	2,134,102.30	-74,457.75	3.5-	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	50,662.64	55,724.44	-5,061.80	9.1-	11
****	5307050	5307050 Rent Expense - Land & Land Rights	1,161.00	9,842.17	-8,681.17	88.2-	11
5550	6996041	6996041 Rental of Building Real Property	-18	-4,607.61	4,589.61	99.6	11
		Leases - Building	51,805.64	60,959.00	-9,153.36	15.0-	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	7,334.68	6,283.62	1,051.06	16.7	11
5500	6996042	6996042 Rental of Equipment	-4,000.00	-4,664.00	664	14.2	11
		Leases - Equipment	3,334.68	1,619.62	1,715.06	105.9	10
5500	5307090	5307090 Rent Expense - Miscellaneous	0	2,483.13	-2,483.13	100.0-	11
		Leases - Other	0	2,483.13	-2,483.13	100.0-	10
		Total Leases	55,140.32	65,061.75	-9,921.43	15.2-	9
		Transportation					9
****	5303170	5303170 Automobile Repairs/Maintenance	13	459.5	-446.5	97.2-	11
5500	5304210	5304210 Auto Parts & Supplies	65,370.99	17,224.88	48,146.11	279.5	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	12,692.50	75,110.50	-62,418.00	83.1-	11
		Transportation - Services & Maintenance	78,076.49	92,794.88	-14,718.39	15.9-	10
5500	5399077	5399077 Transportation - Vehicle Leases	0	77.45	-77.45	100.0-	11
		Transportation - Leases	0	77.45	-77.45	100.0-	10
5500	5304510	5304510 Gasoline	82,698.98	142,012.67	-59,313.69	41.8-	11
5500	5304515	5304515 Diesel Fuel	13,848.24	43,696.80	-29,848.56	68.3-	11
5500	5304516	5304516 Natural Gas Fuel	1,861.40	5,688.41	-3,827.01	67.3-	11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.07 -2023.07 Reporting periods
2022.07 -2022.07 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Transportation - Fuel	98,408.62	191,397.88	-92,989.26	48.6-	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	2,351.45	0	2,351.45		11
5500	5399079	5399079 Transportation-Crash	2,060.32	14,597.70	-12,537.38	85.9-	11
****	5996500	5996500 RECLASS-Transportation Expenses	-17,987.60	-15,833.09	-2,154.51	13.6-	11
****	8720500	8720500 Transportation Overhead	-467.27	-234.57	-232.7	99.2-	11
		Transportation - Other	-14,043.10	-1,469.96	-12,573.14	855.3-	10
****	6996050	6996050 Transportation Expenses	-62,372.81	-120,405.98	58,033.17	48.2	11
		Capitalized Transportation	-62,372.81	-120,405.98	58,033.17	48.2	10
		Total Transportation	100,069.20	162,394.27	-62,325.07	38.4-	9
		Miscellaneous Expenses					9
****	5308010	5308010 Subscriptions	43.96	4,854.71	-4,810.75	99.1-	11
5500	5308021	5308021 Professional Dues	2,000.00	0	2,000.00		11
5550	5308041	5308041 Industry Assoc Dues	0	755	-755	100.0-	11
5500	5308090	5308090 Other Dues&Membershp	40,550.13	42,554.00	-2,003.87	4.7-	11
		Dues & Subscriptions	42,594.09	48,163.71	-5,569.62	11.6-	10
5500	5310010	5310010 Operating Permits	3,955.00	0	3,955.00		11
****	5310020	5310020 Licensing Fees	47,376.07	80,525.34	-33,149.27	41.2-	11
5500	5310050	5310050 Environmental Fees	160	357	-197	55.2-	11
		Licenses & Permits	51,491.07	80,882.34	-29,391.27	36.3-	10
5500	5310080	5310080 Bank Fees	7,902.01	8,611.32	-709.31	8.2-	11
5500	5310085	5310085 Bond Servicing Fees	2,275.04	36,409.08	-34,134.04	93.8-	11
		Bank Fees	10,177.05	45,020.40	-34,843.35	77.4-	10
****	5302010	5302010 Travel Expense	30,581.51	26,014.65	4,566.86	17.6	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	11,722.41	2,621.33	9,101.08	347.2	11
5500	5302020	5302020 Entertainment Expense	840	0	840		11
****	5302021	5302021 Entertainment Expense - Non-Deductible	8,270.58	5,551.90	2,718.68	49.0	11
5500	5302022	5302022 Entertainment Expense-50% Non-Deductible	192.24	0	192.24		11
		Travel & Entertainment	51,606.74	34,187.88	17,418.86	51.0	10
5500	5303830	5303830 Advertising	0	4,777.15	-4,777.15	100.0-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	3,350.00	79,583.75	-76,233.75	95.8-	11
		Public Relations	3,350.00	84,360.90	-81,010.90	96.0-	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	1,000.00	0	1,000.00		11
		Fines & Penalties	1,000.00	0	1,000.00		10
****	5304310	5304310 Office Supplies	27,113.95	46,816.16	-19,702.21	42.1-	11
****	5304320	5304320 Postage, Shipping, & Freight	8,698.99	19,624.54	-10,925.55	55.7-	11
5500	5304350	5304350 Office Furn & Equip	2,341.93	988.73	1,353.20	136.9	11
5500	5304360	5304360 Promotion Supplies	298.5	5,950.09	-5,651.59	95.0-	11
****	5304410	5304410 Purchasing Card Expenses-MC	28,555.82	176,326.95	-147,771.13	83.8-	11
		Office Supplies	67,009.19	249,706.47	-182,697.28	73.2-	10
****	5309010	5309010 Utilities - Electric and Gas	3,244.11	2,462.67	781.44	31.7	11
****	5309025	5309025 Utilities - Communications	147,726.67	134,662.99	13,063.68	9.7	11
****	5309030	5309030 Utilities - Water	8,142.00	3,190.23	4,951.77	155.2	11
****	5309040	5309040 Utilities - Other	479.08	6,013.94	-5,534.86	92.0-	11
		Utilities	159,591.86	146,329.83	13,262.03	9.1	10
****	5310090	5310090 Miscellaneous Fees	4,842.08	361.71	4,480.37	1,238.7	11
5500	5399040	5399040 Lost Discount Exp	1,246.48	949.91	296.57	31.2	11
****	5399900	5399900 Miscellaneous Expense	-242,696.45	-223,659.57	-19,036.88	8.5-	11
5500	6996751	6996751 Other Miscellaneous Expense	-4,367.45	0	-4,367.45		11
		Other Miscellaneous	-240,975.34	-222,347.95	-18,627.39	8.4-	10
****	5303900	5303900 Conversion-Projects	0	-2,374.89	2,374.89	100.0	11
****	5399061	5399061 CIAC-Project offset	1,331,211.67	363,718.60	967,493.07	266.0	11
5550	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	-29,040.00	0	-29,040.00		11
5500	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-45,000.00	0	-45,000.00		11
5500	5399074	5399074 Vehicle Purchases	0	89,278.19	-89,278.19	100.0-	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-1,302,171.67	-373,118.60	-929,053.07	249.0-	11
5500	5399340	5399340 Salvage Proceeds	-23,160.00	0	-23,160.00		11
****	5996850	5996850 RECLASS-Capital Overhead	0	-260.18	260.18	100.0	11
****	6996075	6996075 Miscellaneous Expense	-40,919.99	-54,500.60	13,580.61	24.9	11
****	6996081	6996081 CIAC	-1,257,171.67	-363,718.60	-893,453.07	245.6-	11
****	6996082	6996082 CAC	1,302,171.67	373,118.60	929,053.07	249.0	11
****	6996085	6996085 Capital Overhead	421.61	306.86	114.75	37.4	11
****	8720400	8720400 A&G Capital Support Overhead	-235.72	-26.57	-209.15	787.2-	11
****	8720900	8720900 Engineering Overhead	-180.7	0	-180.7		11
		Capital Miscellaneous & Overheads	-64,074.80	32,422.81	-96,497.61	297.6-	10
		Total Miscellaneous Expenses	81,769.86	498,726.39	-416,956.53	83.6-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.01	361,649.00	12,221.01	3.4	10
5500	5305020	5305020 Damages - Property	2,015.00	25,780.61	-23,765.61	92.2-	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,135.98	70,145.00	5,990.98	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,616.00	138,327.00	29,289.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,295.01	13,968.00	-2,672.99	19.1-	10
5500	6996057	6996057 Insurance General Liability	-119,414.62	0	-119,414.62		10
5500	6996058	6996058 Insurance Workman's Compensation	-23,843.61	0	-23,843.61		10
5500	6996059	6996059 Insurance Other	-52,414.74	0	-52,414.74		10
		Total Insurance	435,259.03	609,869.61	-174,610.58	28.6-	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	344,470.97	340,978.06	3,492.91	1.0	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-33,466.99	-30,070.13	-3,396.86	11.3-	10

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2023.07 -2023.07	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	338,985.00	103,137.39	235,847.61	228.7	10
		Total Bad Debt	649,988.98	414,045.32	235,943.66	57.0	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	-242,821.49	171,407.11	-414,228.60	241.7-	10
5500	6201011	6201011 Donations - 501(c)(3)	0	3,000.00	-3,000.00	100.0-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	-2,870.56	16,460.00	-19,330.56	117.4-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	9,401.00	0	9,401.00		10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	397.32	5,327.48	-4,930.16	92.5-	10
5500	6204080	6204080 Misc NonUtil Exp-Bill Mat&Serv	750	750	0	0.0	10
****	6204150	6204150 Misc NonUtil Exp-Other	47,884.61	104,375.70	-56,491.09	54.1-	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	2,958.15	1,538.23	1,419.92	92.3	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	27,932.16	30,625.05	-2,692.89	8.8-	10
		Total Non Operating Expenses	-156,368.81	333,483.57	-489,852.38	146.9-	9
		Total Operations & Maintenance Expense	12,823,419.91	12,286,401.92	537,017.99	4.4	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,328,522.25	10,441,509.19	887,013.06	8.5	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.29	-0.29	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-349,219.75	-340,179.64	-9,040.11	2.7-	9
		Total Depreciation	10,979,302.50	10,101,329.84	877,972.66	8.7	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	61,111.00	-32,667.91	53.5-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-75,660.66	75,660.66	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-76,971.35	0	-76,971.35		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	9,485.35	12,050.27	-2,564.92	21.3-	9
		Total Amortization	-39,042.91	-2,499.39	-36,543.52	1,462.1-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	202,610.00	198,571.00	4,039.00	2.0	9
****	5310032	5310032 Assessment-Consumer Advocate	60,273.00	66,151.00	-5,878.00	8.9-	9
****	5310033	5310033 Assessment-SBA	12,115.00	13,601.00	-1,486.00	10.9-	9
****	5310035	5310035 Assessment-DPC	2,422.00	3,483.00	-1,061.00	30.5-	9
****	5702120	5702120 Property Taxes-WT/WW	88,906.41	93,956.41	-5,050.00	5.4-	9
5500	5703100	5703100 Payroll Taxes	319,255.29	304,215.81	15,039.48	4.9	9
5500	5709101	5709101 Other Miscellaneous Taxes	0	93.77	-93.77	100.0-	9
5500	5709140	5709140 Other Taxes-PURTA	-13,354.89	366,667.00	-380,021.89	103.6-	9
****	5996050	5996050 RECLASS-Employee Taxes	0	0	0		9
****	6996005	6996005 Payroll Tax	-103,100.30	-101,804.65	-1,295.65	1.3-	9
****	8720100	8720100 Payroll Tax Overhead	-532.23	-536.72	4.49	0.8	9
		Total Taxes Other Than Income	568,594.28	944,397.62	-375,803.34	39.8-	8
		TOTAL UTILITY COSTS & EXPENSES	24,332,273.78	23,329,629.99	1,002,643.79	4.3	7
		TOTAL OPERATING INCOME	-31,087,841.86	-33,931,655.66	2,843,813.80	8.4	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	262,787.54	29,432.79	233,354.75	792.8	9
		Interest on Short Term Debt	262,787.54	29,432.79	233,354.75	792.8	8
****	6499011	6499011 Interest Expense - Long Term Debt	6,755,657.59	5,996,508.69	759,148.90	12.7	10
		Interest on LTD	6,755,657.59	5,996,508.69	759,148.90	12.7	9
5500	6402430	6402430 Amort-Debt Issuance Costs	50,934.11	49,002.07	1,932.04	3.9	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	44,998.11	43,066.07	1,932.04	4.5	9
		Interest on Long Term Debt	6,800,655.70	6,039,574.76	761,080.94	12.6	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-273,092.42	-251,274.92	-21,817.50	8.7-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	273,092.42	251,274.92	21,817.50	8.7	10
****	6996080	6996080 AFUDC-Debt	-273,092.42	-251,252.81	-21,839.61	8.7-	10
		AFUDC - Debt	-273,092.42	-251,252.81	-21,839.61	8.7-	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-485,614.63	-1,025,591.23	539,976.60	52.7	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	485,614.63	729,276.30	-243,661.67	33.4-	10
****	6996086	6996086 AFUDC-Equity	-485,614.63	-729,276.30	243,661.67	33.4	10
		AFUDC - Equity	-485,614.63	-1,025,591.23	539,976.60	52.7	9
		Allow For Funds Used During Construction	-758,707.05	-1,276,844.04	518,136.99	40.6	8
		Total Interest Expense	6,304,736.19	4,792,163.51	1,512,572.68	31.6	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	0	-175,370.00	175,370.00	100.0	9
		Gains from Sales of Property	0	-175,370.00	175,370.00	100.0	8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	0	-510,040.00	510,040.00	100.0	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	25,578.00	-10,978.00	42.9-	9
		Other Net Periodic Beneft Costs	-59,646.00	-558,708.00	499,062.00	89.3	8
		Other Net (Income) Expense	-59,646.00	-734,078.00	674,432.00	91.9	7
		TOTAL OTHER (INCOME) EXPENSE	6,245,090.19	4,058,085.51	2,187,004.68	53.9	6
		TOTAL INCOME BEFORE TAX & GAIN	-24,842,751.67	-29,873,570.15	5,030,818.48	16.8	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	3,326,444.45	3,633,545.70	-307,101.25	8.5-	8
		Federal Taxes - Current	3,326,444.45	3,633,545.70	-307,101.25	8.5-	7
		Total Income Taxes - Current	3,326,444.45	3,633,545.70	-307,101.25	8.5-	6
		TOTAL INCOME TAXES	3,326,444.45	3,633,545.70	-307,101.25	8.5-	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-21,516,307.22	-26,240,024.45	4,723,717.23	18.0	4
		TOTAL NET INCOME	-21,516,307.22	-26,240,024.45	4,723,717.23	18.0	3

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2023.07 -2023.07	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		NET INCOME AVAILABLE FOR COMMON	21,516,307.22	26,240,024.45	-4,723,717.23	18.0-	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.08 -2023.08	Reporting periods
2022.08 -2022.08	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-163,931,939.87	**-208,357,869.39**	**44,425,929.52**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-2,468.01	-2,675.51	207.5	7.8	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-48,683.10	-37,533.71	-11,149.39	29.7-	10
****	4114110	4114110 WTR-Metered Sales-Residential	-32,229,429.56	-36,004,027.92	3,774,598.36	10.5	10
****	4114115	4114115 WTR-CAP Discount-Residential	61,270.08	0	61,270.08		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-12,244,543.00	-13,021,895.64	777,352.64	6.0	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-2,318,445.47	-2,090,656.25	-227,789.22	10.9-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-884,097.34	-956,017.60	71,920.26	7.5	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-17,560.05	-32,178.90	14,618.85	45.4	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,327,071.01	-1,288,740.93	-38,330.08	3.0-	10
****	4114220	4114220 WTR-Public Fire Protection	-630,442.59	-613,816.33	-16,626.26	2.7-	10
****	4114230	4114230 WTR-Private Fire Protection	-237,001.94	-208,876.62	-28,125.32	13.5-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-311,260.04	-270,958.26	-40,301.78	14.9-	10
5500	4115100	4115100 WTR-Misc Srv Rev	-44,525.00	-43,541.66	-983.34	2.3-	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-32,450.00	-29,875.00	-2,575.00	8.6-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-79,416.08	-84,996.61	5,580.53	6.6	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-27,140.00	-23,459.17	-3,680.83	15.7-	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	0	-50	50	100.0	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-275,037.61	47,567.19	-322,604.80	678.2-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	101,748.77	0.76	101,748.01	13387896.	10
5500	4118400	4118400 WTR-Other Water Rev	-30,781.00	0	-30,781.00		10
		Operating Revenue - Water	-50,577,332.95	-54,661,732.16	4,084,399.21	7.5	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,493,728.45	-3,704,992.57	211,264.12	5.7	10
5550	4211035	4211035 WW-CAP Discount-Residential	4,719.12	0	4,719.12		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-801,406.16	-675,884.38	-125,521.78	18.6-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,553,268.85	-1,586,333.99	33,065.14	2.1	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-303,745.47	-183,690.72	-120,054.75	65.4-	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-3,480.48	-1,080.64	-2,399.84	222.1-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-30,767.44	0	-30,767.44		10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-199.98	0	-199.98		10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-2,189.28	-2,000.73	-188.55	9.4-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-214,362.96	-128,592.94	-85,770.02	66.7-	10
****	4215155	4215155 WW-ST Tax Surcharge	2,673.24	0	2,673.24		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-15,764.95	-13,239.35	-2,525.60	19.1-	10
5550	4218400	4218400 WW-Other WW Revenues	13,001.00	-840	13,841.00	1,647.7	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-19,626.34	237.19	-19,863.53	8,374.5-	10
		Operating Revenue - Sewer	-6,418,147.00	-6,296,418.13	-121,728.87	1.9-	9
		Total Operating Revenue	-56,995,479.95	-60,958,150.29	3,962,670.34	6.5	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-145,740.72	-233,271.30	87,530.58	37.5	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-31,514.00	31,514.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-1,500.00	0	0.0	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-25,977.33	-22,803.85	-3,173.48	13.9-	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-68,526.15	-26,109.96	-42,416.19	162.5-	9
****	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-118,745.00	118,745.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-186,466.00	-195,118.41	8,652.41	4.4	9
		Total Non Operating Revenue	-428,721.20	-629,573.52	200,852.32	31.9	8
		TOTAL REVENUE	-57,424,201.15	-61,587,723.81	4,163,522.66	6.8	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	4,051,155.77	4,000,859.29	50,296.48	1.3	11
5500	5300190	5300190 Labor-Officers, Executives	58,997.76	75,176.89	-16,179.13	21.5-	11
		Labor Regular	4,110,153.53	4,076,036.18	34,117.35	0.8	10
5500	5300120	5300120 Salaried - Overtime Wages	612,618.16	541,204.18	71,413.98	13.2	11
		Labor Overtime	612,618.16	541,204.18	71,413.98	13.2	10
5500	5300180	5300180 Salaried - Annual Incentive	48,875.44	104,887.00	-56,011.56	53.4-	11
		Labor Short Term Incentive	48,875.44	104,887.00	-56,011.56	53.4-	10
5500	5300185	5300185 Stock Option Compensation	1,608.06	1,081.79	526.27	48.6	11
5500	5300186	5300186 Performance Share Unit Amortization	-7,309.82	40,520.09	-47,829.91	118.0-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	15,730.26	17,271.02	-1,540.76	8.9-	11
****	5996070	5996070 RECLASS-LTI/STI	0	0	0		11
		Labor Long Term Incentive	10,028.50	58,872.90	-48,844.40	83.0-	10
****	5996010	5996010 RECLASS-S&W-Employees	8,561.72	0	8,561.72		11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	1,178.10	2,136.33	-958.23	44.9-	11
5500	8000032	8000032 Corporate Automation Engineer	0	731.68	-731.68	100.0-	11
5500	8000056	8000056 Construction Coordinator III	0	-176.05	176.05	100.0	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	4,361.60	-4,361.60	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	0	1,371.93	-1,371.93	100.0-	11
5500	8000150	8000150 Mgr, Security Operations & Engineering	411.6	0	411.6		11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11

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****	8000170	8000170 Project Engineer II	2,856.00	6,903.12	-4,047.12	58.6-	11
****	8000171	8000171 Project Engineer III	0	8,591.88	-8,591.88	100.0-	11
5550	8000178	8000178 Project Manager III	0	1,300.00	-1,300.00	100.0-	11
5500	8000179	8000179 Project Management Office Director	0	436.32	-436.32	100.0-	11
5500	8000200	8000200 Systems Administrator I	0	429.51	-429.51	100.0-	11
5500	8000201	8000201 Systems Administrator II	0	957.6	-957.6	100.0-	11
5500	8000219	8000219 Security Engineer III	1,509.75	2,147.52	-637.77	29.7-	11
5500	8000228	8000228 Safety Specialist III	0	-407.92	407.92	100.0	11
5500	8000234	8000234 Systems Engineer I	0	436.8	-436.8	100.0-	11
5500	8000235	8000235 System Engineer III	1,873.41	-817.67	2,691.08	329.1	11
5500	8000240	8000240 Telecom Engineer II	3,281.68	0	3,281.68		11
5500	8000243	8000243 Technical Services Chief	0	-147.16	147.16	100.0	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-1,691.76	-2,179.20	487.44	22.4	11
5500	8000312	8000312 Telecom Analyst II	84.05	0	84.05		11
5500	8000325	8000325 Manager Security GRC	716.66	0	716.66		11
5500	8000326	8000326 Dsktop Sup Anlyst II-Exempt	528.53	0	528.53		11
****	8000332	8000332 Lead, Enterprise Architect	2,578.00	3,051.62	-473.62	15.5-	11
****	8000381	8000381 Director Construction	0	0	0		11
****	8000387	8000387 Sr Security GRC Analyst	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
5500	8001019	8001019 Construction Inspector	0	-67	67	100.0	11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	135.76	-135.76	100.0-	11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001164	8001164 Seasonal Laborer	0	0	0		11
****	8001181	8001181 Utility Technician	0	0	0		11
****	8001205	8001205 Facility Operator I	0	0	0		11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-778.93	-155.52	-623.41	400.9-	11
5500	8001220	8001220 Distribution Technician	0	58.16	-58.16	100.0-	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
5500	8001231	8001231 Field Service Representative	-301.6	-230.03	-71.57	31.1-	11
****	8001232	8001232 Field Service Representative-First Class	0	0	0		11
5500	8001235	8001235 Inspector	-306.77	-125	-181.77	145.4-	11
5500	8001239	8001239 Laborer	-129.76	0	-129.76		11
****	8001241	8001241 Leader	0	-189.53	189.53	100.0	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001272	8001272 Service Worker	0	172.44	-172.44	100.0-	11
****	8001284	8001284 Utility Worker	-450.4	-1,632.94	1,182.54	72.4	11
****	8001289	8001289 Working Foreman	0	-494.85	494.85	100.0	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002018	8002018 Construction Coordinator II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002181	8002181 Utility Technician-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	0	0		11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-21.29	-41.88	20.59	49.2	11
5500	8002239	8002239 Laborer-TH	0	-164.22	164.22	100.0	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
****	8002283	8002283 Utility Worker - Electrical-TH	0	0	0		11
5500	8002284	8002284 Utility Worker-TH	-56.93	-111.16	54.23	48.8	11
5500	8002289	8002289 Working Foreman-TH	0	-187.34	187.34	100.0	11
****	8002297	8002297 Facility Operator I - TH	0	0	0		11
5500	8003213	8003213 Utility Technician (Union)-DT	-1,482.00	0	-1,482.00		11

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****	8003223	8003223 Emergency Utility Worker-DT	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
5500	8003234	8003234 Inspector-DT	-474.73	0	-474.73		11
****	8003256	8003256 Operator I-DT	0	0	0		11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
		Activity Allocations	17,885.33	26,094.80	-8,209.47	31.5-	10
****	6996001	6996001 S&W-Employees-ST	-1,319,496.84	-1,188,110.66	-131,386.18	11.1-	11
****	6996002	6996002 S&W-Employees-OT	-293,970.80	-252,825.65	-41,145.15	16.3-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-48,514.13	-17,001.12	-31,513.01	185.4-	11
****	6996007	6996007 LTI/STI	-12,253.48	0	-12,253.48		11
****	8720200	8720200 PTO Overhead	-741.64	-881.81	140.17	15.9	11
****	8720700	8720700 LTI/STI/Stock Overhead	-234.81	-120.59	-114.22	94.7-	11
		Labor - Overheads & Capitalization	-1,675,211.70	-1,458,939.83	-216,271.87	14.8-	10
		Total Labor	3,124,349.26	3,348,155.23	-223,805.97	6.7-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	600,641.64	599,541.40	1,100.24	0.2	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	32,694.52	32,782.62	-88.1	0.3-	11
5500	5301025	5301025 Employee Benefits - Vision	6,248.12	5,590.86	657.26	11.8	11
		Employee Benefits - Health Plans	639,584.28	637,914.88	1,669.40	0.3	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,522.41	18,174.08	-1,651.67	9.1-	11
5500	5301040	5301040 Employee Benefits - Disability	10,567.68	0	10,567.68		11
		Employee Benefits - Insurance	27,090.09	18,174.08	8,916.01	49.1	10
5500	5301110	5301110 Employee Benefits - Pensions	0	1,010,040.00	-1,010,040.00	100.0-	11
		Employee Benefits - Pension	0	1,010,040.00	-1,010,040.00	100.0-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	11
		Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	10
5500	5301130	5301130 Employee Benefits - Savings Plan	184,116.64	138,429.47	45,687.17	33.0	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	74,606.68	77,633.00	-3,026.32	3.9-	11
		Employee Benefits - 401K	258,723.32	216,062.47	42,660.85	19.7	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	335	0	335		11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	164.08	199	-34.92	17.5-	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	6,712.20	4,896.00	1,816.20	37.1	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	7,794.69	9,496.89	-1,702.20	17.9-	11
5500	5302120	5302120 Transfer/Relocation Expense	-130.16	0	-130.16		11
5500	5302920	5302920 Tuition Reimbursement Expense	900	0	900		11
****	5302925	5302925 Employee Training Expense	5,207.80	4,706.80	501	10.6	11
****	5302930	5302930 Employee Relations Expense	365.81	4,259.30	-3,893.49	91.4-	11
****	5996040	5996040 RECLASS-Employee Pension and Benefits	0	0	0		11
****	8720300	8720300 Payroll Other Overhead	-827.77	-1,518.00	690.23	45.5	11
		Employee Benefits - Miscellaneous	20,521.65	22,039.99	-1,518.34	6.9-	10
****	6996004	6996004 Employee Pension and Benefits	-299,150.02	-1,192,068.78	892,918.76	74.9	11
		Capitalized Employee Benefits	-299,150.02	-1,192,068.78	892,918.76	74.9	10
		Total Employee Benefits	724,272.26	789,665.58	-65,393.32	8.3-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	433,561.81	380,795.97	52,765.84	13.9	10
5500	6996009	6996009 Purchased Water	-40,140.00	0	-40,140.00		10
		Total Purchased Water	393,421.81	380,795.97	12,625.84	3.3	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	962,377.83	1,165,710.04	-203,332.21	17.4-	10
		Total Purchased Wastewater	962,377.83	1,165,710.04	-203,332.21	17.4-	9
		Sludge					9
****	5206240	5206240 Sludge Removal	205,812.61	118,518.90	87,293.71	73.7	10
5500	6996011	6996011 Sludge Removal (WW)	0	-1,088.50	1,088.50	100.0	10
		Total Sludge	205,812.61	117,430.40	88,382.21	75.3	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	777,262.01	867,396.95	-90,134.94	10.4-	10
****	5206230	5206230 Fuel for Power Production	13,243.27	9,731.04	3,512.23	36.1	10
5500	6996016	6996016 Fuel for Power Production	-475.33	0	-475.33		10
		Total Purchased Power	790,029.95	877,127.99	-87,098.04	9.9-	9
****	5304600	5304600 Chemicals-Oper-General	104,746.41	120,611.05	-15,864.64	13.2-	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	223,307.90	208,418.37	14,889.53	7.1	10
5500	5304603	5304603 Chemicals-Oper-Caustic	17,927.59	31,710.87	-13,783.28	43.5-	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	74,307.71	128,241.39	-53,933.68	42.1-	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	87,131.62	75,328.25	11,803.37	15.7	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	8,994.75	3,963.95	5,030.80	126.9	10
****	5304607	5304607 Chemicals-Oper-Hypochlorine	64,539.95	75,132.29	-10,592.34	14.1-	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	37,860.30	20,105.34	17,754.96	88.3	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	-31,801.00	68,361.76	-100,162.76	146.5-	10
5500	5304610	5304610 Chemicals-Oper-Polymer	26,259.25	23,885.66	2,373.59	9.9	10
5500	5304613	5304613 Chemicals-Oper-Percol	0	676.2	-676.2	100.0-	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	145.6	-145.6	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	75,819.62	28,617.51	47,202.11	164.9	10
5500	5304617	5304617 Chemicals-Oper-Carbon	60,495.80	149,294.56	-88,798.76	59.5-	10
5500	5304619	5304619 Chemicals-Oper-Potaperm	28,771.14	17,238.47	11,532.67	66.9	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	25,805.25	29,393.30	-3,588.05	12.2-	10
5500	5304621	5304621 Chemicals-Oper-Misc Chem	-127,031.99	14,882.11	-141,914.10	953.6-	10

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5500	5304622	5304622 SW-Chem-Coll Oper-General	233.58	0	233.58		10
****	5304624	5304624 SW-Chem-Pump Oper-General	147,339.32	76,588.20	70,751.12	92.4	10
5550	5304626	5304626 SW-Chem-T&D Oper-General	3,888.50	13,781.19	-9,892.69	71.8-	10
5500	6996018	6996018 Chemicals	0	-352.28	352.28	100.0	10
		Chemicals	828,595.70	1,086,023.79	-257,428.09	23.7-	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	4,026,281.40	2,029,630.90	1,996,650.50	98.4	11
5500	5304110	5304110 Material Exp-Cst Dif	-14,228.23	718,895.77	-733,124.00	102.0-	11
****	5304120	5304120 Material Exp-Obslete	-471.83	2,688.39	-3,160.22	117.6-	11
5500	5304140	5304140 Material Exp-Inv Rvl	-1,981.73	0	-1,981.73		11
****	5304200	5304200 Material Exp-Non Stk	314,209.42	54,083.04	260,126.38	481.0	11
5500	5304235	5304235 Materials & Supplies - Hydrants	5,648.22	0	5,648.22		11
****	5304300	5304300 Meter/ERT Purchases	202,034.35	275,154.12	-73,119.77	26.6-	11
****	5304330	5304330 Laboratory Supplies	857.64	36,569.50	-35,711.86	97.7-	11
****	5304340	5304340 Software/Hardware Purchases	253,241.74	33,458.40	219,783.34	656.9	11
****	5304370	5304370 Small Tools & Work Equipment	46,962.97	23,057.76	23,905.21	103.7	11
5500	5304375	5304375 Materials & Supplies - Uniforms	25,455.96	11,358.92	14,097.04	124.1	11
****	5304380	5304380 Materials & Supplies - Safety Supplies	164,472.49	9,560.41	154,912.08	1,620.3	11
****	5304390	5304390 Misc Supplies	131,375.34	28,937.38	102,437.96	354.0	11
****	5996200	5996200 RECLASS-Materials and Supplies	0	0	0		11
****	8720600	8720600 Tools/Clothing/Others Overhead	4.36	-56.7	61.06	107.7	11
		Supplies	5,153,862.10	3,223,337.89	1,930,524.21	59.9	10
****	6996020	6996020 Materials and Supplies	-4,661,801.68	-2,961,583.37	-1,700,218.31	57.4-	11
		Capitalized Supplies	-4,661,801.68	-2,961,583.37	-1,700,218.31	57.4-	10
		Total Materials & Supplies	492,060.42	261,754.52	230,305.90	88.0	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	2,210,338.10	2,617,314.11	-406,976.01	15.5-	11
****	5996310	5996310 RECLASS-Contractual Services-Engineering	0	0	0		11
****	6996031	6996031 Contractual Services-Engineering	-2,172,471.42	-2,172,026.69	-444.73	0.0	11
		Outside Services - Engineering	37,866.68	445,287.42	-407,420.74	91.5-	10
5500	5303210	5303210 Accounting/Auditing Services	66,951.00	63,381.00	3,570.00	5.6	11
5500	6996032	6996032 Contractual Services-Accounting	-20,989.14	0	-20,989.14		11
		Outside Services - Accounting	45,961.86	63,381.00	-17,419.14	27.5-	10
****	5303220	5303220 Legal Services	166,113.55	95,462.29	70,651.26	74.0	11
5500	6996033	6996033 Contractual Services-Legal	-4,935.00	-117	-4,818.00	4,117.9-	11
		Outside Services - Legal	161,178.55	95,345.29	65,833.26	69.0	10
****	5303850	5303850 Testing Services	56,721.25	46,662.81	10,058.44	21.6	11
****	5996350	5996350 RECLASS-Contractual Services-Testing	0	0	0		11
****	6996035	6996035 Contractual Services-Testing	-11,240.00	-3,780.00	-7,460.00	197.4-	11
		Outside Services - Lab Testing	45,481.25	42,882.81	2,598.44	6.1	10
****	5303010	5303010 Contractor Labor - Straight Time	36,983.00	191,885.26	-154,902.26	80.7-	11
****	5303020	5303020 Contractor Materials	117,727.30	91,578.20	26,149.10	28.6	11
****	5303030	5303030 Contractor Services	4,250,233.17	3,405,764.31	844,468.86	24.8	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	44,904.00	70,320.25	-25,416.25	36.1-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	17,528.18	23,729.32	-6,201.14	26.1-	11
****	5303035	5303035 Contractor Services - Restoration	381,976.52	1,195,793.15	-813,816.63	68.1-	11
5500	5303036	5303036 Contractor Services - Permit Fees	94,952.85	24,424.14	70,528.71	288.8	11
5500	5303040	5303040 Environmental Services	3,395.00	0	3,395.00		11
****	5303050	5303050 Contractor Services - Leak Detection	52,240.00	12,420.00	39,820.00	320.6	11
5550	5303052	5303052 Contractor Services - Sewer Jetting	1,250.00	0	1,250.00		11
****	5303053	5303053 Contractor Services - Main Breaks	9,328,187.86	17,155,491.66	-7,827,303.80	45.6-	11
****	5303054	5303054 Contractor Services - Well Cleaning	452,078.30	359,458.88	92,619.42	25.8	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	0	1,281.50	-1,281.50	100.0-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	10,081.78	12,456.52	-2,374.74	19.1-	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	5,170.14	0	5,170.14		11
5500	5303061	5303061 Contractor Services - Other-Mains	152,694.96	204,005.14	-51,310.18	25.2-	11
5500	5303062	5303062 Contractor Services - Other-Services	1,209,498.80	15,792.32	1,193,706.48	7,558.8	11
****	5303063	5303063 Contractor Services - Other-Meters	20,913.00	77,128.60	-56,215.60	72.9-	11
****	5303064	5303064 Contractor Services - Other-Hydrants	208,645.24	154,405.72	54,239.52	35.1	11
****	5996360	5996360 RECLASS-Contractual Services-Other	0	0	0		11
****	6996036	6996036 Contractual Services-Other	-15,486,153.50	-22,739,304.01	7,253,150.51	31.9	11
		Outside Services - Operations	902,306.60	256,630.96	645,675.64	251.6	10
5500	5997310	5997310 Other ACO Direct costs	75,999.18	78,432.18	-2,433.00	3.1-	11
****	5997320	5997320 WorkFlow Processing Fee	81,617.48	77,835.44	3,782.04	4.9	11
****	5997330	5997330 WorkFlow Billing Postage	134,253.84	133,160.42	1,093.42	0.8	11
5500	5997360	5997360 ACO Lockbox Fees	41,299.61	41,524.65	-225.04	0.5-	11
		Outside Services - ACO	333,170.11	330,952.69	2,217.42	0.7	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	146,673.47	281,212.23	-134,538.76	47.8-	12
****	5303135	5303135 Contractor Services - Grounds Care	191,435.79	67,737.08	123,698.71	182.6	12
5500	5303840	5303840 Security & Investigative Services	13,310.00	25,337.51	-12,027.51	47.5-	12
5500	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-33,997.07	0	-33,997.07		12
		Outside Services - Bldg & Grounds	317,422.19	374,286.82	-56,864.63	15.2-	11
5500	5303110	5303110 Office Equipment Maintenance Services	675.66	1,864.34	-1,188.68	63.8-	12
5500	5303120	5303120 Computer & Software Maintenance Services	27.31	88,612.68	-88,585.37	100.0-	12
5500	5303315	5303315 IT/Telecom Contractor Services	41,431.51	248,414.82	-206,983.31	83.3-	12
5500	6996364	6996364 Contractual Services - Other - IT	-42,011.38	0	-42,011.38		12
		Outside Services - IT	123.1	338,891.84	-338,768.74	100.0-	11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5303140	5303140 Security Equipment Maintenance Services	50,852.79	122,223.08	-71,370.29	58.4-	12
		Outside Services - Security	50,852.79	122,223.08	-71,370.29	58.4-	11
5500	5303325	5303325 Professional/Temporary Labor	3,520.00	2,020.00	1,500.00	74.3	12
		Outside Services - Temporary Labor	3,520.00	2,020.00	1,500.00	74.3	11
****	5303190	5303190 Miscellaneous Repairs/Maintenance	44,044.66	5,857.25	38,187.41	652.0	12
****	5303310	5303310 Consultant Services	38,116.51	114,997.83	-76,881.32	66.9-	12
5500	5303320	5303320 Training Services	8,188.69	1,110.00	7,078.69	637.7	12
****	5303890	5303890 Miscellaneous Outside Services	27,087.29	27,097.95	-10.66	0.0	12
5500	6996367	6996367 Contractual Services - Other - Admin & General	-76,562.32	0	-76,562.32		12
		Outside Services - Admin & General	40,874.83	149,063.03	-108,188.20	72.6-	11
		Total Outside Services - Other	412,792.91	986,484.77	-573,691.86	58.2-	10
		Total Outside Services	1,938,757.96	2,220,964.94	-282,206.98	12.7-	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,811,787.55	1,553,094.99	258,692.56	16.7	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	716,313.77	809,132.96	-92,819.19	11.5-	11
5500	8732040	8732040 Employee Pension and Benefits	44,109.70	39,301.63	4,808.07	12.2	11
5500	8732150	8732150 Purchased Power (WasteWater)	873.85	610.09	263.76	43.2	11
5500	8732200	8732200 Materials and Supplies	468,691.29	242,944.79	225,746.50	92.9	11
5500	8732310	8732310 Contractual Services-Engineering	85,086.17	55,772.34	29,313.83	52.6	11
5500	8732320	8732320 Contractual Services-Accounting	13,097.64	19,108.76	-6,011.12	31.5-	11
5500	8732330	8732330 Contractual Services-Legal	-62.92	8,361.14	-8,424.06	100.8-	11
5500	8732340	8732340 Contractual Services-Management Fees	183,083.16	343,834.41	-160,751.25	46.8-	11
5500	8732360	8732360 Contractual Services-Other	1,011,062.31	1,361,579.85	-350,517.54	25.7-	11
5500	8732410	8732410 Rental of Building Real Property	10,825.34	18,090.63	-7,265.29	40.2-	11
5500	8732500	8732500 Transportation Expenses	797.78	1,332.47	-534.69	40.1-	11
5500	8732750	8732750 Miscellaneous Expense	99,278.30	45,773.85	53,504.45	116.9	11
		Management Fees - Water	4,444,943.94	4,498,937.91	-53,993.97	1.2-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733364	8733364 Contractual Services - Other - IT	0	0	0		11
****	8733366	8733366 Contractual Services - Other - Temporary Labor	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733600	8733600 Advertising Expense	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-2,164,165.01	-2,342,641.96	178,476.95	7.6	11
		Capitalized Management Fees	-2,164,165.01	-2,342,641.96	178,476.95	7.6	10
		Total Managment Fees	2,280,778.93	2,156,295.95	124,482.98	5.8	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	53,781.43	51,126.83	2,654.60	5.2	11
5500	5307050	5307050 Rent Expense - Land & Land Rights	1,643.00	0	1,643.00		11
		Leases - Building	55,424.43	51,126.83	4,297.60	8.4	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	11,639.63	3,795.17	7,844.46	206.7	11
****	6996042	6996042 Rental of Equipment	-7,865.00	-1,961.00	-5,904.00	301.1-	11
		Leases - Equipment	3,774.63	1,834.17	1,940.46	105.8	10
5500	5307090	5307090 Rent Expense - Miscellaneous	180.94	-1,873.82	2,054.76	109.7	11
		Leases - Other	180.94	-1,873.82	2,054.76	109.7	10
		Total Leases	59,380.00	51,087.18	8,292.82	16.2	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	12,447.03	0	12,447.03		11
5500	5304210	5304210 Auto Parts & Supplies	64,566.58	104,110.75	-39,544.17	38.0-	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	10,826.50	18,086.37	-7,259.87	40.1-	11
		Transportation - Services & Maintenance	87,840.11	122,197.12	-34,357.01	28.1-	10
5500	5399077	5399077 Transportation - Vehicle Leases	0	151.9	-151.9	100.0-	11
		Transportation - Leases	0	151.9	-151.9	100.0-	10
5500	5304510	5304510 Gasoline	163,099.24	146,293.14	16,806.10	11.5	11
5500	5304515	5304515 Diesel Fuel	40,328.76	12,149.24	28,179.52	231.9	11
5500	5304516	5304516 Natural Gas Fuel	1,939.30	4,480.85	-2,541.55	56.7-	11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Transportation - Fuel	205,367.30	162,923.23	42,444.07	26.1	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	3,281.90	13,413.50	-10,131.60	75.5-	11
5500	5399079	5399079 Transportation-Crash	350.52	6,810.18	-6,459.66	94.9-	11
****	5996500	5996500 RECLASS-Transportation Expenses	-12,617.92	-22,583.60	9,965.68	44.1	11
****	8720500	8720500 Transportation Overhead	-315.73	-406.14	90.41	22.3	11
		Transportation - Other	-9,301.23	-2,766.06	-6,535.17	236.3-	10
****	6996050	6996050 Transportation Expenses	-91,523.88	-106,738.89	15,215.01	14.3	11
		Capitalized Transportation	-91,523.88	-106,738.89	15,215.01	14.3	10
		Total Transportation	192,382.30	175,767.30	16,615.00	9.5	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	71,403.42	-74,812.68	146,216.10	195.4	11
****	5308021	5308021 Professional Dues	1,715.75	0	1,715.75		11
5500	5308041	5308041 Industry Assoc Dues	49.48	0	49.48		11
5500	5308090	5308090 Other Dues&Membershp	115,005.07	35,370.15	79,634.92	225.1	11
		Dues & Subscriptions	188,173.72	-39,442.53	227,616.25	577.1	10
5500	5310010	5310010 Operating Permits	1,660.00	0	1,660.00		11
****	5310020	5310020 Licensing Fees	33,183.80	19,943.17	13,240.63	66.4	11
5500	5310050	5310050 Environmental Fees	1,500.00	0	1,500.00		11
		Licenses & Permits	36,343.80	19,943.17	16,400.63	82.2	10
5500	5310080	5310080 Bank Fees	7,968.62	6,031.59	1,937.03	32.1	11
5500	5310085	5310085 Bond Servicing Fees	57,854.38	0	57,854.38		11
		Bank Fees	65,823.00	6,031.59	59,791.41	991.3	10
****	5302010	5302010 Travel Expense	31,745.43	23,810.08	7,935.35	33.3	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	18,705.19	3,376.42	15,328.77	454.0	11
5500	5302020	5302020 Entertainment Expense	3,887.38	-930.53	4,817.91	517.8	11
5500	5302021	5302021 Entertainment Expense - Non-Deductible	4,663.77	6,353.32	-1,689.55	26.6-	11
5500	5302022	5302022 Entertainment Expense-50% Non-Deductible	4,129.85	0	4,129.85		11
		Travel & Entertainment	63,131.62	32,609.29	30,522.33	93.6	10
5500	5303830	5303830 Advertising	2,775.00	0	2,775.00		11
5500	5399110	5399110 Chamber of Commerce & Civic Org	51,100.00	2,118.75	48,981.25	2,311.8	11
		Public Relations	53,875.00	2,118.75	51,756.25	2,442.8	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	875	0	875		11
		Fines & Penalties	875	0	875		10
****	5304310	5304310 Office Supplies	-27,994.47	8,463.65	-36,458.12	430.8-	11
****	5304320	5304320 Postage, Shipping, & Freight	57,659.70	5,712.55	51,947.15	909.4	11
5500	5304350	5304350 Office Furn & Equip	2,366.91	16,170.08	-13,803.17	85.4-	11
5500	5304360	5304360 Promotion Supplies	9,987.34	0	9,987.34		11
****	5304410	5304410 Purchasing Card Expenses-MC	-150,318.86	202,768.60	-353,087.46	174.1-	11
		Office Supplies	-108,299.38	233,114.88	-341,414.26	146.5-	10
****	5309010	5309010 Utilities - Electric and Gas	3,440.34	875.96	2,564.38	292.8	11
****	5309021	5309021 Utilities - Wireless Services-Cell Phones & Pagers	0	12,680.00	-12,680.00	100.0-	11
****	5309025	5309025 Utilities - Communications	192,955.07	144,654.44	48,300.63	33.4	11
5550	5309030	5309030 Utilities - Water	6,845.78	3,715.53	3,130.25	84.2	11
****	5309040	5309040 Utilities - Other	647.85	123.75	524.1	423.5	11
		Utilities	203,889.04	162,049.68	41,839.36	25.8	10
****	5310090	5310090 Miscellaneous Fees	298.24	45.95	252.29	549.1	11
5500	5310100	5310100 Other Misc – PFAS	35.29	0	35.29		11
5500	5399040	5399040 Lost Discount Exp	799.92	2,123.97	-1,324.05	62.3-	11
****	5399900	5399900 Miscellaneous Expense	-242,314.49	-182,298.40	-60,016.09	32.9-	11
5500	6996751	6996751 Other Miscellaneous Expense	92.93	0	92.93		11
		Other Miscellaneous	-241,088.11	-180,128.48	-60,959.63	33.8-	10
****	5303900	5303900 Conversion-Projects	0	0	0		11
****	5399061	5399061 CIAC-Project offset	1,090,719.15	794,958.64	295,760.51	37.2	11
****	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	345,457.92	0	345,457.92		11
****	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-426,762.72	0	-426,762.72		11
5500	5399074	5399074 Vehicle Purchases	41,652.67	272,863.50	-231,210.83	84.7-	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-1,396,604.15	-794,958.64	-601,645.51	75.7-	11
5500	5399315	5399315 Advances for Construction - Cash - Non-Taxable	-50,000.00	0	-50,000.00		11
5500	5399340	5399340 Salvage Proceeds	-109,790.00	-125,607.25	15,817.25	12.6	11
****	5996850	5996850 RECLASS-Capital Overhead	0	0	0		11
****	6996075	6996075 Miscellaneous Expense	21,932.13	-165,540.68	187,472.81	113.2	11
****	6996081	6996081 CIAC	-1,009,414.35	-794,958.64	-214,455.71	27.0-	11
****	6996082	6996082 CAC	1,446,604.15	794,958.64	651,645.51	82.0	11
****	6996085	6996085 Capital Overhead	140.69	-3,783.11	3,923.80	103.7	11
****	8720400	8720400 A&G Capital Support Overhead	-84.37	-100.81	16.44	16.3	11
****	8720900	8720900 Engineering Overhead	0	0	0		11
		Capital Miscellaneous & Overheads	-46,148.88	-22,168.35	-23,980.53	108.2-	10
		Total Miscellaneous Expenses	216,574.81	214,128.00	2,446.81	1.1	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.01	361,649.00	12,221.01	3.4	10
5500	5305020	5305020 Damages - Property	38,562.35	35,415.85	3,146.50	8.9	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,135.98	70,145.00	5,990.98	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,616.00	138,327.00	29,289.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,295.01	13,968.00	-2,672.99	19.1-	10
****	5996560	5996560 RECLASS-Insurance Vehicle	0	0	0		10
****	5996570	5996570 RECLASS-Insurance General Liability	0	0	0		10
****	5996580	5996580 RECLASS-Insurance Workman's Compensation	0	0	0		10
****	5996590	5996590 RECLASS-Insurance Other	0	0	0		10

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2023.08 -2023.08 Reporting periods
2022.08 -2022.08 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	6996056	6996056 Insurance Vehicle	0	-29,332.50	29,332.50	100.0	10
5500	6996057	6996057 Insurance General Liability	-119,414.62	-759,459.60	640,044.98	84.3	10
5500	6996058	6996058 Insurance Workman's Compensation	-23,843.61	-147,302.70	123,459.09	83.8	10
5500	6996059	6996059 Insurance Other	-52,414.74	-290,484.90	238,070.16	82.0	10
		Total Insurance	471,806.38	-607,074.85	1,078,881.23	177.7	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	467,150.37	321,252.58	145,897.79	45.4	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-52,844.72	-36,963.63	-15,881.09	43.0-	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	160,987.00	-140,193.19	301,180.19	214.8	10
		Total Bad Debt	575,292.65	144,095.76	431,196.89	299.2	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	274,804.15	365,212.35	-90,408.20	24.8-	10
5500	6201011	6201011 Donations - 501(c)(3)	0	4,375.00	-4,375.00	100.0-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	4,886.77	13,960.00	-9,073.23	65.0-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	316	712.5	-396.5	55.6-	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	510.65	-1,158.08	1,668.73	144.1	10
5500	6204080	6204080 Misc NonUtil Exp-Bill Mat&Serv	750	0	750		10
5500	6204140	6204140 Misc NonUtil-N-Cust-Act & Evnt	200	0	200		10
****	6204150	6204150 Misc NonUtil Exp-Other	33,063.75	16,000.00	17,063.75	106.6	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	29,598.93	-614.5	30,213.43	4,916.8	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	36,630.00	89,697.59	-53,067.59	59.2-	10
		Total Non Operating Expenses	380,760.25	488,184.86	-107,424.61	22.0-	9
		Total Operations & Maintenance Expense	13,636,653.12	12,870,112.66	766,540.46	6.0	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,329,401.74	10,940,632.33	388,769.41	3.6	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.29	-0.29	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-349,219.75	-340,179.64	-9,040.11	2.7-	9
		Total Depreciation	10,980,181.99	10,600,452.98	379,729.01	3.6	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	61,111.00	-32,667.91	53.5-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-88,264.04	88,264.04	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-76,971.30	0	-76,971.30		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	9,485.35	12,050.27	-2,564.92	21.3-	9
		Total Amortization	-39,042.86	-15,102.77	-23,940.09	158.5-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	202,610.00	202,520.00	90	0.0	9
****	5310032	5310032 Assessment-Consumer Advocate	60,273.00	60,246.00	27	0.0	9
****	5310033	5310033 Assessment-SBA	12,115.00	12,110.00	5	0.0	9
****	5310035	5310035 Assessment-DPC	2,422.00	2,421.00	1	0.0	9
****	5702120	5702120 Property Taxes-WT/WW	276,579.22	89,407.00	187,172.22	209.3	9
5500	5703100	5703100 Payroll Taxes	354,251.95	344,742.03	9,509.92	2.8	9
5500	5709101	5709101 Other Miscellaneous Taxes	0	68.61	-68.61	100.0-	9
5500	5709140	5709140 Other Taxes-PURTA	422,304.11	366,667.00	55,637.11	15.2	9
****	5996050	5996050 RECLASS-Employee Taxes	0	0	0		9
****	6996005	6996005 Payroll Tax	-123,606.70	-122,299.28	-1,307.42	1.1-	9
****	8720100	8720100 Payroll Tax Overhead	-465.48	-495.29	29.81	6.0	9
		Total Taxes Other Than Income	1,206,483.10	955,387.07	251,096.03	26.3	8
		TOTAL UTILITY COSTS & EXPENSES	25,784,275.35	24,410,849.94	1,373,425.41	5.6	7
		TOTAL OPERATING INCOME	-31,639,925.80	-37,176,873.87	5,536,948.07	14.9	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	81,475.40	57,690.07	23,785.33	41.2	9
		Interest on Short Term Debt	81,475.40	57,690.07	23,785.33	41.2	8
****	6499011	6499011 Interest Expense - Long Term Debt	6,774,233.09	5,995,450.48	778,782.61	13.0	10
		Interest on LTD	6,774,233.09	5,995,450.48	778,782.61	13.0	9
5500	6402430	6402430 Amort-Debt Issuance Costs	52,242.21	49,002.07	3,240.14	6.6	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	46,306.21	43,066.07	3,240.14	7.5	9
		Interest on Long Term Debt	6,820,539.30	6,038,516.55	782,022.75	13.0	8
****	5996800	5996800 Reclass-AFUDC-Debt	0	0	0		10
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-297,602.60	-270,175.16	-27,427.44	10.2-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	297,602.60	270,175.16	27,427.44	10.2	10
****	6996080	6996080 AFUDC-Debt	-297,602.60	-270,175.16	-27,427.44	10.2-	10
		AFUDC - Debt	-297,602.60	-270,175.16	-27,427.44	10.2-	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-435,176.47	-1,089,520.28	654,343.81	60.1	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	435,176.47	774,734.69	-339,558.22	43.8-	10
****	6996086	6996086 AFUDC-Equity	-435,176.47	-774,734.69	339,558.22	43.8	10
		AFUDC - Equity	-435,176.47	-1,089,520.28	654,343.81	60.1	9
		Allow For Funds Used During Construction	-732,779.07	-1,359,695.44	626,916.37	46.1	8
		Total Interest Expense	6,169,235.63	4,736,511.18	1,432,724.45	30.2	7
		Other Net (Income) Expense:					7
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	0	-510,040.00	510,040.00	100.0	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	25,578.00	-10,978.00	42.9-	9
		Other Net Periodic Beneft Costs	-59,646.00	-558,708.00	499,062.00	89.3	8
		Other Net (Income) Expense	-59,646.00	-558,708.00	499,062.00	89.3	7
		TOTAL OTHER (INCOME) EXPENSE	6,109,589.63	4,177,803.18	1,931,786.45	46.2	6
		TOTAL INCOME BEFORE TAX & GAIN	-25,530,336.17	-32,999,070.69	7,468,734.52	22.6	5

Financial Statement Version for AQUA

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	3,415,958.98	4,568,293.56	-1,152,334.58	25.2-	8
		Federal Taxes - Current	3,415,958.98	4,568,293.56	-1,152,334.58	25.2-	7
		Total Income Taxes - Current	3,415,958.98	4,568,293.56	-1,152,334.58	25.2-	6
		TOTAL INCOME TAXES	3,415,958.98	4,568,293.56	-1,152,334.58	25.2-	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-22,114,377.19	-28,430,777.13	6,316,399.94	22.2	4
		TOTAL NET INCOME	-22,114,377.19	-28,430,777.13	6,316,399.94	22.2	3
		NET INCOME AVAILABLE FOR COMMON	22,114,377.19	28,430,777.13	-6,316,399.94	22.2-	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.09 -2023.09	Reporting periods
2022.09 -2022.09	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-123,274,211.67	**-132,639,409.27**	**9,365,197.60**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-2,101.71	-2,914.09	812.38	27.9	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-19,826.02	-32,451.67	12,625.65	38.9	10
****	4114110	4114110 WTR-Metered Sales-Residential	-31,201,464.01	-30,392,897.45	-808,566.56	2.7-	10
****	4114115	4114115 WTR-CAP Discount-Residential	61,934.94	0	61,934.94		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-12,114,089.44	-11,480,377.83	-633,711.61	5.5-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,973,269.42	-2,270,526.17	297,256.75	13.1	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-927,923.30	-855,634.22	-72,289.08	8.4-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-7,062.55	-6,642.30	-420.25	6.3-	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,197,443.08	-1,194,760.98	-2,682.10	0.2-	10
****	4114220	4114220 WTR-Public Fire Protection	-595,160.83	-516,771.90	-78,388.93	15.2-	10
****	4114230	4114230 WTR-Private Fire Protection	-241,006.84	-201,765.84	-39,241.00	19.4-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-326,481.00	-247,687.77	-78,793.23	31.8-	10
5500	4115100	4115100 WTR-Misc Srv Rev	-44,553.00	-43,601.50	-951.5	2.2-	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-33,700.00	-29,600.00	-4,100.00	13.9-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-64,542.47	-70,347.13	5,804.66	8.3	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-22,419.10	-21,710.00	-709.1	3.3-	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	-50	0	-50		10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-300,300.38	5,497.29	-305,797.67	5,562.7-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	113,663.44	10.75	113,652.69	1057234.3	10
5500	4118400	4118400 WTR-Other Water Rev	-23,453.00	0	-23,453.00		10
		Operating Revenue - Water	-48,919,247.77	-47,362,180.81	-1,557,066.96	3.3-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,585,018.89	-3,097,467.80	-487,551.09	15.7-	10
5550	4211035	4211035 WW-CAP Discount-Residential	5,407.30	0	5,407.30		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-669,481.39	-746,947.73	77,466.34	10.4	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,503,894.76	-1,515,414.43	11,519.67	0.8	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-267,232.26	-366,202.99	98,970.73	27.0	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-3,640.67	-3,942.50	301.83	7.7	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-24,436.54	-45,925.67	21,489.13	46.8	10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-57.78	-326.1	268.32	82.3	10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-1,724.88	-1,976.28	251.4	12.7	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-74,250.48	-129,218.04	54,967.56	42.5	10
****	4215155	4215155 WW-ST Tax Surcharge	3,441.33	0	3,441.33		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-12,561.97	-11,583.90	-978.07	8.4-	10
5550	4218400	4218400 WW-Other WW Revenues	-15,822.00	-740	-15,082.00	2,038.1-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-25,224.40	48.56	-25,272.96	52,044.8-	10
		Operating Revenue - Sewer	-6,174,497.39	-5,919,696.88	-254,800.51	4.3-	9
		Total Operating Revenue	-55,093,745.16	-53,281,877.69	-1,811,867.47	3.4-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-145,740.71	812,304.02	-958,044.73	117.9-	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-27,431.00	27,431.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-2,500.00	-1,500.00	-1,000.00	66.7-	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-31,225.85	-27,648.04	-3,577.81	12.9-	9
****	6104120	6104120 Nonutil Inc-Other (Water)	-73,328.06	-3,087.71	-70,240.35	2,274.8-	9
****	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-179,852.00	179,852.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-193,304.18	-191,376.16	-1,928.02	1.0-	9
		Total Non Operating Revenue	-446,609.80	380,898.11	-827,507.91	217.3-	8
		TOTAL REVENUE	-55,540,354.96	-52,900,979.58	-2,639,375.38	5.0-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,738,153.97	3,849,707.97	-111,554.00	2.9-	11
5500	5300190	5300190 Labor-Officers, Executives	53,867.52	71,908.31	-18,040.79	25.1-	11
5500	8710100	8710100 Labor Cost Center Variances - Employees	290.4	0	290.4		11
		Labor Regular	3,792,311.89	3,921,616.28	-129,304.39	3.3-	10
5500	5300120	5300120 Salaried - Overtime Wages	557,288.16	632,667.53	-75,379.37	11.9-	11
		Labor Overtime	557,288.16	632,667.53	-75,379.37	11.9-	10
5500	5300180	5300180 Salaried - Annual Incentive	113,170.00	104,887.00	8,283.00	7.9	11
		Labor Short Term Incentive	113,170.00	104,887.00	8,283.00	7.9	10
5500	5300185	5300185 Stock Option Compensation	1,556.19	1,014.18	542.01	53.4	11
5500	5300186	5300186 Performance Share Unit Amortization	34,473.04	37,987.59	-3,514.55	9.3-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	15,142.58	16,191.59	-1,049.01	6.5-	11
		Labor Long Term Incentive	51,171.81	55,193.36	-4,021.55	7.3-	10
****	5996010	5996010 RECLASS-S&W-Employees	8,561.72	-61,739.96	70,301.68	113.9	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	824.67	2,136.33	-1,311.66	61.4-	11
****	8000032	8000032 Corporate Automation Engineer	0	914.6	-914.6	100.0-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	5,670.08	-5,670.08	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	825.24	849.29	-24.05	2.8-	11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000170	8000170 Project Engineer II	3,332.00	0	3,332.00		11
****	8000171	8000171 Project Engineer III	0	7,969.28	-7,969.28	100.0-	11

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5550	8000178	8000178 Project Manager III	0	211.63	-211.63	100.0-	11
5500	8000179	8000179 Project Management Office Director	0	290.88	-290.88	100.0-	11
5500	8000200	8000200 Systems Administrator I	0	546.63	-546.63	100.0-	11
5500	8000201	8000201 Systems Administrator II	0	766.08	-766.08	100.0-	11
****	8000219	8000219 Security Engineer III	3,120.15	2,237.00	883.15	39.5	11
5500	8000228	8000228 Safety Specialist III	0	-305.94	305.94	100.0	11
5500	8000234	8000234 Systems Engineer I	0	3,276.00	-3,276.00	100.0-	11
5500	8000235	8000235 System Engineer III	1,962.62	0	1,962.62		11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000325	8000325 Manager Security GRC	102.38	0	102.38		11
****	8000332	8000332 Lead, Enterprise Architect	1,804.60	4,993.56	-3,188.96	63.9-	11
****	8000381	8000381 Director Construction	0	0	0		11
****	8000387	8000387 Sr Security GRC Analyst	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	36	0	36		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-880.6	-806.75	-73.85	9.2-	11
5500	8001220	8001220 Distribution Technician	0	174.48	-174.48	100.0-	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
5500	8001231	8001231 Field Service Representative	-1,240.63	4.92	-1,245.55	25,316.1-	11
5500	8001235	8001235 Inspector	-12.77	-1,379.00	1,366.23	99.1	11
5500	8001239	8001239 Laborer	0	-187.68	187.68	100.0	11
5500	8001241	8001241 Leader	-321.44	-2,530.76	2,209.32	87.3	11
5500	8001252	8001252 Operator - First Class	-301.21	-111.24	-189.97	170.8-	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
5500	8001264	8001264 Purification Operator	0	-147.24	147.24	100.0	11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001272	8001272 Service Worker	0	8.32	-8.32	100.0-	11
5500	8001284	8001284 Utility Worker	-303.6	-2,770.65	2,467.05	89.0	11
5500	8001289	8001289 Working Foreman	-172	-1,654.01	1,482.01	89.6	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002018	8002018 Construction Coordinator II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	0	0		11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-93.67	-16.07	-77.6	482.9-	11
5500	8002241	8002241 Leader-TH	0	-57.11	57.11	100.0	11
5500	8002252	8002252 Operator - First Class-TH	-30.15	-417.15	387	92.8	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002284	8002284 Utility Worker-TH	-440.4	0	-440.4		11
5500	8002289	8002289 Working Foreman-TH	0	-263.62	263.62	100.0	11
****	8002291	8002291 Wastewater Operator I-TH	0	0	0		11
****	8002314	8002314 Wastewater Operator II - TH	0	0	0		11
****	8003213	8003213 Utility Technician (Union)-DT	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003256	8003256 Operator I-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
****	8003314	8003314 Wastewater Operator II - DT	0	0	0		11
		Activity Allocations	16,772.91	-42,338.10	59,111.01	139.6	10
****	6996001	6996001 S&W-Employees-ST	-1,219,539.43	-1,079,258.16	-140,281.27	13.0-	11
****	6996002	6996002 S&W-Employees-OT	-276,062.73	-290,088.99	14,026.26	4.8	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-47,021.44	-21,327.57	-25,693.87	120.5-	11

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0L	Ledger
10	Currency type Company code currency
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	6996007	6996007 LTI/STI	-24,366.96	0	-24,366.96		11
****	8720200	8720200 PTO Overhead	-647.13	-1,768.10	1,120.97	63.4	11
****	8720700	8720700 LTI/STI/Stock Overhead	2.52	-13.61	16.13	118.5	11
		Labor - Overheads & Capitalization	-1,567,635.17	-1,392,456.43	-175,178.74	12.6-	10
		Total Labor	2,963,079.60	3,279,569.64	-316,490.04	9.7-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	594,277.00	601,390.76	-7,113.76	1.2-	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	32,744.71	32,977.25	-232.54	0.7-	11
5500	5301025	5301025 Employee Benefits - Vision	6,198.15	5,513.20	684.95	12.4	11
		Employee Benefits - Health Plans	633,219.86	639,881.21	-6,661.35	1.0-	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,418.74	18,131.32	-1,712.58	9.4-	11
5500	5301040	5301040 Employee Benefits - Disability	10,464.96	44,702.32	-34,237.36	76.6-	11
		Employee Benefits - Insurance	26,883.70	62,833.64	-35,949.94	57.2-	10
5500	5301110	5301110 Employee Benefits - Pensions	6,707,715.00	5,510,036.00	1,197,679.00	21.7	11
		Employee Benefits - Pension	6,707,715.00	5,510,036.00	1,197,679.00	21.7	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	11
		Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	10
5500	5301130	5301130 Employee Benefits - Savings Plan	186,527.90	143,712.42	42,815.48	29.8	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	74,606.68	77,633.00	-3,026.32	3.9-	11
		Employee Benefits - 401K	261,134.58	221,345.42	39,789.16	18.0	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	70	101.16	-31.16	30.8-	11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	134.09	0	134.09		11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	3,338.28	6,634.98	-3,296.70	49.7-	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	5,275.40	5,563.30	-287.9	5.2-	11
5500	5302120	5302120 Transfer/Relocation Expense	-260.32	0	-260.32		11
****	5302920	5302920 Tuition Reimbursement Expense	960	2,766.70	-1,806.70	65.3-	11
****	5302925	5302925 Employee Training Expense	2,149.50	9,375.00	-7,225.50	77.1-	11
5500	5302926	5302926 Employee Training Expense-Seminars	0	33,515.00	-33,515.00	100.0-	11
5500	5302930	5302930 Employee Relations Expense	1,913.88	6,055.94	-4,142.06	68.4-	11
5500	5302990	5302990 Miscellaneous Employee-Related Expense	0	605.6	-605.6	100.0-	11
****	5996040	5996040 RECLASS-Employee Pension and Benefits	0	0	0		11
****	8720300	8720300 Payroll Other Overhead	-728.37	-3,003.71	2,275.34	75.8	11
		Employee Benefits - Miscellaneous	12,852.46	61,613.97	-48,761.51	79.1-	10
****	6996004	6996004 Employee Pension and Benefits	-1,707,411.33	-1,928,975.53	221,564.20	11.5	11
		Capitalized Employee Benefits	-1,707,411.33	-1,928,975.53	221,564.20	11.5	10
		Total Employee Benefits	6,011,897.21	4,644,237.65	1,367,659.56	29.4	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	831,543.28	389,775.79	441,767.49	113.3	10
		Total Purchased Water	831,543.28	389,775.79	441,767.49	113.3	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	1,038,988.49	922,863.07	116,125.42	12.6	10
		Total Purchased Wastewater	1,038,988.49	922,863.07	116,125.42	12.6	9
		Sludge					9
****	5206240	5206240 Sludge Removal	182,994.95	53,456.54	129,538.41	242.3	10
		Total Sludge	182,994.95	53,456.54	129,538.41	242.3	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	861,259.99	816,043.35	45,216.64	5.5	10
****	5206230	5206230 Fuel for Power Production	4,430.22	10,350.56	-5,920.34	57.2-	10
5500	6996016	6996016 Fuel for Power Production	-407.18	0	-407.18		10
		Total Purchased Power	865,283.03	826,393.91	38,889.12	4.7	9
****	5304600	5304600 Chemicals-Oper-General	170,371.15	121,704.38	48,666.77	40.0	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	193,310.57	147,468.58	45,841.99	31.1	10
5500	5304603	5304603 Chemicals-Oper-Caustic	38,472.39	4,181.65	34,290.74	820.0	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	39,654.60	90,506.22	-50,851.62	56.2-	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	99,165.58	8,773.56	90,392.02	1,030.3	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	18,442.94	3,303.97	15,138.97	458.2	10
5500	5304607	5304607 Chemicals-Oper-Hypochlorine	58,114.60	-24,902.58	83,017.18	333.4	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	-14,813.40	10,604.38	-25,417.78	239.7-	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	54,508.00	43,987.24	10,520.76	23.9	10
5500	5304610	5304610 Chemicals-Oper-Polymer	48,940.90	10,552.64	38,388.26	363.8	10
5500	5304611	5304611 Chemicals-Oper-Soda Ash	5,051.20	1,007.00	4,044.20	401.6	10
5500	5304613	5304613 Chemicals-Oper-Percol	0	2,116.80	-2,116.80	100.0-	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	207.2	-207.2	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	90,945.14	21,704.96	69,240.18	319.0	10
5500	5304617	5304617 Chemicals-Oper-Carbon	111,616.80	105,802.98	5,813.82	5.5	10
5500	5304619	5304619 Chemicals-Oper-Potaperm	28,008.32	16,515.40	11,492.92	69.6	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	59,922.62	13,428.29	46,494.33	346.2	10
5500	5304621	5304621 Chemicals-Oper-Misc Chem	103,116.92	7,286.29	95,830.63	1,315.2	10
****	5304624	5304624 SW-Chem-Pump Oper-General	43,663.13	53,546.55	-9,883.42	18.5-	10
5550	5304626	5304626 SW-Chem-T&D Oper-General	1,863.85	8,551.45	-6,687.60	78.2-	10
5500	6996018	6996018 Chemicals	-1,736.28	-633.08	-1,103.20	174.3-	10
		Chemicals	1,148,619.03	645,713.88	502,905.15	77.9	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	2,318,494.85	1,468,697.17	849,797.68	57.9	11
5500	5304105	5304105 Material Exp-Stk Cr	-136.2	0	-136.2		11
5500	5304110	5304110 Material Exp-Cst Dif	-2,040.46	457.41	-2,497.87	546.1-	11
5500	5304120	5304120 Material Exp-Obslete	-22,884.31	-19,239.77	-3,644.54	18.9-	11
5500	5304140	5304140 Material Exp-Inv Rvl	3,424.48	0	3,424.48		11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5304200	5304200 Material Exp-Non Stk	388,830.27	111,014.04	277,816.23	250.3	11
5500	5304235	5304235 Materials & Supplies - Hydrants	751.84	3,471.38	-2,719.54	78.3-	11
5500	5304250	5304250 Materials – PFAS	10,842.12	0	10,842.12		11
5500	5304300	5304300 Meter/ERT Purchases	-145,936.66	690,649.29	-836,585.95	121.1-	11
****	5304330	5304330 Laboratory Supplies	595.95	21,480.47	-20,884.52	97.2-	11
5500	5304340	5304340 Software/Hardware Purchases	185,570.46	5,215.84	180,354.62	3,457.8	11
****	5304370	5304370 Small Tools & Work Equipment	46,553.45	220,654.30	-174,100.85	78.9-	11
****	5304375	5304375 Materials & Supplies - Uniforms	19,049.09	36,974.23	-17,925.14	48.5-	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	47,410.67	94,080.75	-46,670.08	49.6-	11
****	5304390	5304390 Misc Supplies	75,073.79	160,532.49	-85,458.70	53.2-	11
****	8720600	8720600 Tools/Clothing/Others Overhead	2.41	-210.2	212.61	101.1	11
		Supplies	2,925,601.75	2,793,777.40	131,824.35	4.7	10
****	6996020	6996020 Materials and Supplies	-2,567,661.26	-2,429,299.79	-138,361.47	5.7-	11
		Capitalized Supplies	-2,567,661.26	-2,429,299.79	-138,361.47	5.7-	10
		Total Materials & Supplies	357,940.49	364,477.61	-6,537.12	1.8-	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	2,393,966.45	2,045,310.80	348,655.65	17.0	11
****	6996031	6996031 Contractual Services-Engineering	-2,371,838.43	-2,183,195.15	-188,643.28	8.6-	11
		Outside Services - Engineering	22,128.02	-137,884.35	160,012.37	116.0	10
5500	5303210	5303210 Accounting/Auditing Services	69,455.00	58,701.00	10,754.00	18.3	11
5500	6996032	6996032 Contractual Services-Accounting	-21,774.14	0	-21,774.14		11
		Outside Services - Accounting	47,680.86	58,701.00	-11,020.14	18.8-	10
****	5303220	5303220 Legal Services	54,616.86	58,435.15	-3,818.29	6.5-	11
		Outside Services - Legal	54,616.86	58,435.15	-3,818.29	6.5-	10
****	5303850	5303850 Testing Services	109,094.41	77,221.92	31,872.49	41.3	11
****	6996035	6996035 Contractual Services-Testing	-21,686.00	-38,488.21	16,802.21	43.7	11
		Outside Services - Lab Testing	87,408.41	38,733.71	48,674.70	125.7	10
****	5303010	5303010 Contractor Labor - Straight Time	40,162.03	0	40,162.03		11
****	5303020	5303020 Contractor Materials	76,000.94	79,233.68	-3,232.74	4.1-	11
****	5303030	5303030 Contractor Services	4,458,733.54	5,585,755.02	-1,127,021.48	20.2-	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	58,164.00	61,679.50	-3,515.50	5.7-	11
****	5303035	5303035 Contractor Services - Restoration	650,513.42	510,412.50	140,100.92	27.4	11
****	5303036	5303036 Contractor Services - Permit Fees	89,811.00	58,292.70	31,518.30	54.1	11
5500	5303040	5303040 Environmental Services	22,439.63	4,700.00	17,739.63	377.4	11
****	5303050	5303050 Contractor Services - Leak Detection	26,680.48	2,150.00	24,530.48	1,141.0	11
****	5303053	5303053 Contractor Services - Main Breaks	7,439,403.41	11,526,317.72	-4,086,914.31	35.5-	11
****	5303054	5303054 Contractor Services - Well Cleaning	313,817.67	314,181.22	-363.55	0.1-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	6,214.55	6,228.26	-13.71	0.2-	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	48,221.17	0	48,221.17		11
5500	5303058	5303058 Contractor Services - Oth-Hauling	0	26.57	-26.57	100.0-	11
5500	5303061	5303061 Contractor Services - Other-Mains	92,010.24	420,226.22	-328,215.98	78.1-	11
****	5303062	5303062 Contractor Services - Other-Services	956,431.69	11,322.45	945,109.24	8,347.2	11
****	5303063	5303063 Contractor Services - Other-Meters	109,966.48	1,035,095.77	-925,129.29	89.4-	11
****	5303064	5303064 Contractor Services - Other-Hydrants	144,531.98	143,741.28	790.7	0.6	11
5500	5303145	5303145 Contractor Services - Other-Construction	85,287.86	746.96	84,540.90	11,318.0	11
****	5996360	5996360 RECLASS-Contractual Services-Other	0	-94,042.24	94,042.24	100.0	11
****	6996036	6996036 Contractual Services-Other	-13,671,311.91	-19,830,670.17	6,159,358.26	31.1	11
		Outside Services - Operations	947,078.18	-164,602.56	1,111,680.74	675.4	10
5500	5997310	5997310 Other ACO Direct costs	84,348.14	41,999.95	42,348.19	100.8	11
****	5997320	5997320 WorkFlow Processing Fee	96,771.14	82,980.12	13,791.02	16.6	11
****	5997330	5997330 WorkFlow Billing Postage	142,503.94	128,319.91	14,184.03	11.1	11
5500	5997360	5997360 ACO Lockbox Fees	43,131.37	47,470.61	-4,339.24	9.1-	11
		Outside Services - ACO	366,754.59	300,770.59	65,984.00	21.9	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	133,901.24	223,467.78	-89,566.54	40.1-	12
****	5303135	5303135 Contractor Services - Grounds Care	133,656.26	88,222.14	45,434.12	51.5	12
****	5303840	5303840 Security & Investigative Services	123,391.60	40,164.32	83,227.28	207.2	12
****	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-145,970.84	0	-145,970.84		12
		Outside Services - Bldg & Grounds	244,978.26	351,854.24	-106,875.98	30.4-	11
5500	5303110	5303110 Office Equipment Maintenance Services	99	1,735.66	-1,636.66	94.3-	12
5500	5303120	5303120 Computer & Software Maintenance Services	7,799.41	0	7,799.41		12
****	5303315	5303315 IT/Telecom Contractor Services	67,366.15	332,327.36	-264,961.21	79.7-	12
5500	6996364	6996364 Contractual Services - Other - IT	-67,366.15	0	-67,366.15		12
		Outside Services - IT	7,898.41	334,063.02	-326,164.61	97.6-	11
5500	5303140	5303140 Security Equipment Maintenance Services	60,154.42	23,528.61	36,625.81	155.7	12
		Outside Services - Security	60,154.42	23,528.61	36,625.81	155.7	11
5500	5303325	5303325 Professional/Temporary Labor	5,280.00	2,395.00	2,885.00	120.5	12
		Outside Services - Temporary Labor	5,280.00	2,395.00	2,885.00	120.5	11
****	5303190	5303190 Miscellaneous Repairs/Maintenance	12,811.98	19,334.51	-6,522.53	33.7-	12
****	5303310	5303310 Consultant Services	53,723.31	41,269.35	12,453.96	30.2	12
5500	5303320	5303320 Training Services	8,403.00	13,432.41	-5,029.41	37.4-	12
****	5303890	5303890 Miscellaneous Outside Services	27,114.80	60,553.08	-33,438.28	55.2-	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-20,740.76	0	-20,740.76		12
		Outside Services - Admin & General	81,312.33	134,589.35	-53,277.02	39.6-	11
		Total Outside Services - Other	399,623.42	846,430.22	-446,806.80	52.8-	10
		Total Outside Services	1,925,290.34	1,000,583.76	924,706.58	92.4	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11

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5500	8732010	8732010 S&W-Employees	1,681,585.94	1,512,006.74	169,579.20	11.2	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	733,644.17	810,960.64	-77,316.47	9.5-	11
5500	8732040	8732040 Employee Pension and Benefits	14,766.55	86,084.13	-71,317.58	82.8-	11
5500	8732150	8732150 Purchased Power (WasteWater)	108.34	1,722.11	-1,613.77	93.7-	11
5500	8732200	8732200 Materials and Supplies	196,029.66	57,394.44	138,635.22	241.5	11
5500	8732310	8732310 Contractual Services-Engineering	56,393.46	43,365.64	13,027.82	30.0	11
5500	8732320	8732320 Contractual Services-Accounting	10,415.62	7,249.14	3,166.48	43.7	11
5500	8732330	8732330 Contractual Services-Legal	-2,483.90	7,797.81	-10,281.71	131.9-	11
5500	8732340	8732340 Contractual Services-Management Fees	167,745.19	478,905.62	-311,160.43	65.0-	11
5500	8732360	8732360 Contractual Services-Other	726,210.22	1,875,295.04	-1,149,084.82	61.3-	11
5500	8732410	8732410 Rental of Building Real Property	10,825.34	-12,834.63	23,659.97	184.3	11
5500	8732420	8732420 Rental of Equipment	0	101.73	-101.73	100.0-	11
5500	8732500	8732500 Transportation Expenses	1,442.99	1,244.38	198.61	16.0	11
5500	8732600	8732600 Advertising Expense	0	2,571.24	-2,571.24	100.0-	11
5500	8732750	8732750 Miscellaneous Expense	94,759.01	174,921.90	-80,162.89	45.8-	11
		Management Fees - Water	3,691,442.59	5,046,785.93	-1,355,343.34	26.9-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733366	8733366 Contractual Services - Other - Temporary Labor	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733420	8733420 Rental of Equipment	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-1,566,071.20	-2,605,130.43	1,039,059.23	39.9	11
		Capitalized Management Fees	-1,566,071.20	-2,605,130.43	1,039,059.23	39.9	10
		Total Managment Fees	2,125,371.39	2,441,655.50	-316,284.11	13.0-	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	55,281.44	59,962.06	-4,680.62	7.8-	11
5500	5307050	5307050 Rent Expense - Land & Land Rights	1,143.00	0	1,143.00		11
****	6996041	6996041 Rental of Building Real Property	-1,500.00	-11,954.02	10,454.02	87.5	11
		Leases - Building	54,924.44	48,008.04	6,916.40	14.4	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	5,366.34	6,378.21	-1,011.87	15.9-	11
5500	6996042	6996042 Rental of Equipment	-5,239.14	-1,590.00	-3,649.14	229.5-	11
		Leases - Equipment	127.2	4,788.21	-4,661.01	97.3-	10
5500	5307090	5307090 Rent Expense - Miscellaneous	2,036.15	2,978.94	-942.79	31.6-	11
		Leases - Other	2,036.15	2,978.94	-942.79	31.6-	10
		Total Leases	57,087.79	55,775.19	1,312.60	2.4	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	3,699.48	9,667.51	-5,968.03	61.7-	11
5500	5304210	5304210 Auto Parts & Supplies	105,430.24	90,683.83	14,746.41	16.3	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	19,404.14	18,468.74	935.4	5.1	11
		Transportation - Services & Maintenance	128,533.86	118,820.08	9,713.78	8.2	10
****	5307040	5307040 Rent Expense - Vehicles	0	1,977.72	-1,977.72	100.0-	11
5500	5399077	5399077 Transportation - Vehicle Leases	-78	89.45	-167.45	187.2-	11
		Transportation - Leases	-78	2,067.17	-2,145.17	103.8-	10
5500	5304510	5304510 Gasoline	145,523.82	143,624.45	1,899.37	1.3	11
5500	5304515	5304515 Diesel Fuel	28,325.61	36,481.48	-8,155.87	22.4-	11
5500	5304516	5304516 Natural Gas Fuel	1,820.23	2,810.44	-990.21	35.2-	11
		Transportation - Fuel	175,669.66	182,916.37	-7,246.71	4.0-	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	2,343.85	2,689.00	-345.15	12.8-	11
5500	5399079	5399079 Transportation-Crash	-1,041.27	2,017.50	-3,058.77	151.6-	11
5500	5996500	5996500 RECLASS-Transportation Expenses	-28,292.05	-16,689.60	-11,602.45	69.5-	11
****	8720500	8720500 Transportation Overhead	-268.87	-827.73	558.86	67.5	11
		Transportation - Other	-27,258.34	-12,810.83	-14,447.51	112.8-	10
****	6996050	6996050 Transportation Expenses	-90,478.36	-107,417.94	16,939.58	15.8	11
		Capitalized Transportation	-90,478.36	-107,417.94	16,939.58	15.8	10
		Total Transportation	186,388.82	183,574.85	2,813.97	1.5	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	1,507.19	3,947.62	-2,440.43	61.8-	11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5308021	5308021 Professional Dues	675	1,028.50	-353.5	34.4-	11
5500	5308041	5308041 Industry Assoc Dues	1,462.58	850.65	611.93	71.9	11
5500	5308090	5308090 Other Dues&Membershp	78,827.17	66,050.01	12,777.16	19.3	11
		Dues & Subscriptions	82,471.94	71,876.78	10,595.16	14.7	10
5500	5310010	5310010 Operating Permits	510	0	510		11
****	5310020	5310020 Licensing Fees	360,390.78	51,750.64	308,640.14	596.4	11
****	5310050	5310050 Environmental Fees	5,696.96	0	5,696.96		11
		Licenses & Permits	366,597.74	51,750.64	314,847.10	608.4	10
5500	5310080	5310080 Bank Fees	6,520.89	8,187.43	-1,666.54	20.4-	11
5500	5310085	5310085 Bond Servicing Fees	9,685.77	0	9,685.77		11
		Bank Fees	16,206.66	8,187.43	8,019.23	97.9	10
****	5302010	5302010 Travel Expense	19,602.93	-9,121.00	28,723.93	314.9	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	28,254.78	20,447.15	7,807.63	38.2	11
5500	5302016	5302016 Travel - Meals (100% Deductible)	0	54.65	-54.65	100.0-	11
5500	5302020	5302020 Entertainment Expense	-660	116.01	-776.01	668.9-	11
****	5302021	5302021 Entertainment Expense - Non-Deductible	6,028.31	9,194.76	-3,166.45	34.4-	11
5500	5302022	5302022 Entertainment Expense-50% Non-Deductible	341.82	0	341.82		11
		Travel & Entertainment	53,567.84	20,691.57	32,876.27	158.9	10
5500	5303830	5303830 Advertising	0	141.42	-141.42	100.0-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	5,000.00	14,200.00	-9,200.00	64.8-	11
		Public Relations	5,000.00	14,341.42	-9,341.42	65.1-	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	4,478.00	0	4,478.00		11
		Fines & Penalties	4,478.00	0	4,478.00		10
****	5304310	5304310 Office Supplies	22,858.38	62,735.58	-39,877.20	63.6-	11
****	5304320	5304320 Postage, Shipping, & Freight	36,804.16	13,081.31	23,722.85	181.3	11
5500	5304350	5304350 Office Furn & Equip	20,236.24	-2,111.93	22,348.17	1,058.2	11
5500	5304360	5304360 Promotion Supplies	430.5	1,995.68	-1,565.18	78.4-	11
****	5304410	5304410 Purchasing Card Expenses-MC	-178,914.91	15,465.45	-194,380.36	1,256.9-	11
		Office Supplies	-98,585.63	91,166.09	-189,751.72	208.1-	10
****	5309010	5309010 Utilities - Electric and Gas	1,114.94	3,947.51	-2,832.57	71.8-	11
5500	5309020	5309020 Utilities - Phone	390.2	0	390.2		11
****	5309021	5309021 Utilities - Wireless Services-Cell Phones & Pagers	0	34,230.00	-34,230.00	100.0-	11
****	5309025	5309025 Utilities - Communications	147,575.40	106,150.19	41,425.21	39.0	11
5550	5309030	5309030 Utilities - Water	6,667.49	2,999.34	3,668.15	122.3	11
****	5309040	5309040 Utilities - Other	763.13	636.55	126.58	19.9	11
		Utilities	156,511.16	147,963.59	8,547.57	5.8	10
****	5310090	5310090 Miscellaneous Fees	411.75	379.64	32.11	8.5	11
5500	5399040	5399040 Lost Discount Exp	1,605.03	2,635.72	-1,030.69	39.1-	11
****	5399900	5399900 Miscellaneous Expense	-235,570.84	-148,310.01	-87,260.83	58.8-	11
5500	6996751	6996751 Other Miscellaneous Expense	254.91	0	254.91		11
		Other Miscellaneous	-233,299.15	-145,294.65	-88,004.50	60.6-	10
****	5399061	5399061 CIAC-Project offset	356,186.55	388,074.20	-31,887.65	8.2-	11
5500	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	-63,440.00	-12,745.00	-50,695.00	397.8-	11
****	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-5,665.41	-18,875.00	13,209.59	70.0	11
5500	5399074	5399074 Vehicle Purchases	168,378.07	2,105,037.79	-1,936,659.72	92.0-	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-292,746.55	-388,074.20	95,327.65	24.6	11
5500	5399315	5399315 Advances for Construction - Cash - Non-Taxable	50,000.00	0	50,000.00		11
****	5399340	5399340 Salvage Proceeds	-8,610.70	-117,323.83	108,713.13	92.7	11
****	6996075	6996075 Miscellaneous Expense	-207,392.84	-2,014,702.91	1,807,310.07	89.7	11
****	6996081	6996081 CIAC	-287,081.14	-356,454.20	69,373.06	19.5	11
****	6996082	6996082 CAC	242,746.55	388,074.20	-145,327.65	37.4-	11
****	6996085	6996085 Capital Overhead	131.73	15,116.65	-14,984.92	99.1-	11
****	8720400	8720400 A&G Capital Support Overhead	-131.73	3.38	-135.11	3,997.3-	11
****	8720900	8720900 Engineering Overhead	0	0	0		11
		Capital Miscellaneous & Overheads	-47,625.47	-11,868.92	-35,756.55	301.3-	10
		Total Miscellaneous Expenses	305,323.09	248,813.95	56,509.14	22.7	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.99	361,642.00	12,228.99	3.4	10
5500	5305020	5305020 Damages - Property	22,523.23	27,156.53	-4,633.30	17.1-	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,137.00	70,143.00	5,994.00	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,617.00	138,325.00	29,292.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,296.01	13,967.00	-2,670.99	19.1-	10
****	5996560	5996560 RECLASS-Insurance Vehicle	0	0	0		10
****	5996570	5996570 RECLASS-Insurance General Liability	0	0	0		10
****	5996580	5996580 RECLASS-Insurance Workman's Compensation	0	0	0		10
****	5996590	5996590 RECLASS-Insurance Other	0	0	0		10
5500	6996056	6996056 Insurance Vehicle	0	-8,380.50	8,380.50	100.0	10
5500	6996057	6996057 Insurance General Liability	-119,414.62	-216,987.30	97,572.68	45.0	10
5500	6996058	6996058 Insurance Workman's Compensation	-23,843.61	-42,086.40	18,242.79	43.3	10
5500	6996059	6996059 Insurance Other	-52,414.74	-82,995.60	30,580.86	36.8	10
		Total Insurance	455,771.26	260,783.73	194,987.53	74.8	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	412,186.05	327,796.00	84,390.05	25.7	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-29,402.56	-38,250.48	8,847.92	23.1	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	-202,144.00	-12,404.56	-189,739.44	1,529.6-	10
		Total Bad Debt	180,639.49	277,140.96	-96,501.47	34.8-	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	86,980.18	32,096.20	54,883.98	171.0	10

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5500	6201011	6201011 Donations - 501(c)(3)	0	128,650.00	-128,650.00	100.0-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	4,106.39	5,300.00	-1,193.61	22.5-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	5,372.00	0	5,372.00		10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	1,006.33	317.49	688.84	217.0	10
****	6204150	6204150 Misc NonUtil Exp-Other	64,183.96	13,530.62	50,653.34	374.4	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	33,046.43	-1,834.13	34,880.56	1,901.7	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	15,330.00	5,300.00	10,030.00	189.2	10
		Total Non Operating Expenses	210,025.29	183,360.18	26,665.11	14.5	9
		Total Operations & Maintenance Expense	18,846,243.55	15,778,176.21	3,068,067.34	19.4	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,316,511.66	11,051,735.82	264,775.84	2.4	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.29	-0.29	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-349,219.75	-340,179.64	-9,040.11	2.7-	9
		Total Depreciation	10,967,291.91	10,711,556.47	255,735.44	2.4	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	61,111.00	-32,667.91	53.5-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-88,263.91	88,263.91	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-76,971.33	0	-76,971.33		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	75,694.39	12,050.27	63,644.12	528.2	9
		Total Amortization	27,166.15	-15,102.64	42,268.79	279.9	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	229,747.00	207,030.00	22,717.00	11.0	9
****	5310032	5310032 Assessment-Consumer Advocate	136,784.00	54,448.00	82,336.00	151.2	9
****	5310033	5310033 Assessment-SBA	20,593.00	10,647.00	9,946.00	93.4	9
****	5310035	5310035 Assessment-DPC	-4,736.00	1,389.00	-6,125.00	441.0-	9
****	5702120	5702120 Property Taxes-WT/WW	89,000.00	269,375.45	-180,375.45	67.0-	9
5500	5703100	5703100 Payroll Taxes	319,418.75	333,439.86	-14,021.11	4.2-	9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	369,965.00	48,396.11	13.1	9
****	6996005	6996005 Payroll Tax	-109,260.60	-121,287.58	12,026.98	9.9	9
****	8720100	8720100 Payroll Tax Overhead	-307	-940.74	633.74	67.4	9
		Total Taxes Other Than Income	1,099,600.26	1,124,065.99	-24,465.73	2.2-	8
		TOTAL UTILITY COSTS & EXPENSES	30,940,301.87	27,598,696.03	3,341,605.84	12.1	7
		TOTAL OPERATING INCOME	-24,600,053.09	-25,302,283.55	702,230.46	2.8	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	9,292.25	61,717.23	-52,424.98	84.9-	9
		Interest on Short Term Debt	9,292.25	61,717.23	-52,424.98	84.9-	8
****	6499011	6499011 Interest Expense - Long Term Debt	7,337,299.63	5,994,437.34	1,342,862.29	22.4	10
		Interest on LTD	7,337,299.63	5,994,437.34	1,342,862.29	22.4	9
5500	6402430	6402430 Amort-Debt Issuance Costs	52,171.33	49,002.07	3,169.26	6.5	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	46,235.33	43,066.07	3,169.26	7.4	9
		Interest on Long Term Debt	7,383,534.96	6,037,503.41	1,346,031.55	22.3	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-359,403.58	-627,272.92	267,869.34	42.7	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	359,403.58	313,636.46	45,767.12	14.6	10
****	6996080	6996080 AFUDC-Debt	-359,403.58	-313,636.46	-45,767.12	14.6-	10
		AFUDC - Debt	-359,403.58	-627,272.92	267,869.34	42.7	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-458,265.94	-1,140,079.21	681,813.27	59.8	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	458,265.94	810,686.17	-352,420.23	43.5-	10
****	6996086	6996086 AFUDC-Equity	-458,265.94	-810,686.17	352,420.23	43.5	10
		AFUDC - Equity	-458,265.94	-1,140,079.21	681,813.27	59.8	9
		Allow For Funds Used During Construction	-817,669.52	-1,767,352.13	949,682.61	53.7	8
		Total Interest Expense	6,575,157.69	4,331,868.51	2,243,289.18	51.8	7
		Other Net (Income) Expense:					7
****	5380011	5380011 Operating Gain/Loss-Disposition of Assets	0	-87,021.15	87,021.15	100.0	9
		Gains from Sales of Property	0	-87,021.15	87,021.15	100.0	8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	-2,207,715.00	-510,036.00	-1,697,679.00	332.9-	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	25,578.00	-10,978.00	42.9-	9
		Other Net Periodic Beneft Costs	-2,267,361.00	-558,704.00	-1,708,657.00	305.8-	8
		Other Net (Income) Expense	-2,267,361.00	-645,725.15	-1,621,635.85	251.1-	7
		TOTAL OTHER (INCOME) EXPENSE	4,307,796.69	3,686,143.36	621,653.33	16.9	6
		TOTAL INCOME BEFORE TAX & GAIN	-20,292,256.40	-21,616,140.19	1,323,883.79	6.1	5
		INCOME TAXES					5
		Income Taxes - Current					6
****	6310011	6310011 Federal Income Tax Expense	-5,625,533.15	561,011.74	-6,186,544.89	1,102.7-	8
5500	6310021	6310021 FIN 48 Federal Income Tax Expense	3,888,506.30	0	3,888,506.30		8
		Federal Taxes - Current	-1,737,026.85	561,011.74	-2,298,038.59	409.6-	7
****	6311011	6311011 State Income Tax Expense	623,063.83	3,197,519.00	-2,574,455.17	80.5-	8
5500	6312011	6312011 FIN 48 State Income Tax Expense	875,915.30	0	875,915.30		8
		State Taxes - Current	1,498,979.13	3,197,519.00	-1,698,539.87	53.1-	7
		Total Income Taxes - Current	-238,047.72	3,758,530.74	-3,996,578.46	106.3-	6
		Income Taxes - Deferred					6
****	6320021	6320021 Defd Federal Income Tax Expense-Noncurr Asset	-27,669,835.38	-237,787.00	-27,432,048.38	11,536.4-	8
****	6320031	6320031 Defd Federal Income Tax Expense-Other Curr Liab	-4,675,009.35	0	-4,675,009.35		8
****	6320041	6320041 Defd Federal Income Tax Expense-Plant Noncurr Liab	40,810,222.28	0	40,810,222.28		8
5500	6320046	6320046 Defd Federal Income Tax Expense-EDIT Amortization	943,422.00	0	943,422.00		8
****	6320051	6320051 Defd Federal Income Tax Expense-Other NC Liab	-9,353,713.45	0	-9,353,713.45		8

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2022.09 -2022.09	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	6320110	6320110 ITC-Def Future Periods-Federal	126,706.00	-63,353.00	190,059.00	300.0	8
5500	6322011	6322011 Amortization - Deferred ITC	-190,059.00	0	-190,059.00		8
		Federal Taxes - Deferred	-8,266.90	-301,140.00	292,873.10	97.3	7
****	6321021	6321021 Defd State Income Tax Expense-Noncurr Asset	9,627,219.95	-12,218.00	9,639,437.95	78,895.4	8
****	6321031	6321031 Defd State Income Tax Expense-Other Curr Liab	-8,125,992.79	0	-8,125,992.79		8
****	6321041	6321041 Defd State Income Tax Expense-Plant Noncurr Liab	3,137,608.94	0	3,137,608.94		8
****	6321051	6321051 Defd State Income Tax Expense-Other NC Liab	-1,626,729.33	0	-1,626,729.33		8
		State Taxes - Deferred	3,012,106.77	-12,218.00	3,024,324.77	24,753.0	7
		Total Income Taxes - Deferred	3,003,839.87	-313,358.00	3,317,197.87	1,058.6	6
		TOTAL INCOME TAXES	2,765,792.15	3,445,172.74	-679,380.59	19.7-	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-17,526,464.25	-18,170,967.45	644,503.20	3.5	4
		TOTAL NET INCOME	-17,526,464.25	-18,170,967.45	644,503.20	3.5	3
		NET INCOME AVAILABLE FOR COMMON	17,526,464.25	18,170,967.45	-644,503.20	3.5-	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.10 -2023.10	Reporting periods
2022.10 -2022.10	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-150,822,597.09	**-151,646,560.76**	**823,963.67**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-1,751.56	-2,372.11	620.55	26.2	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-29,372.98	-39,015.51	9,642.53	24.7	10
****	4114110	4114110 WTR-Metered Sales-Residential	-30,663,910.32	-30,184,811.98	-479,098.34	1.6-	10
****	4114115	4114115 WTR-CAP Discount-Residential	74,247.55	0	74,247.55		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-11,607,269.17	-11,105,886.59	-501,382.58	4.5-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-2,012,270.65	-2,414,790.98	402,520.33	16.7	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-996,130.76	-941,828.11	-54,302.65	5.8-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-5,783.49	-7,877.61	2,094.12	26.6	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,335,072.46	-1,366,250.01	31,177.55	2.3	10
****	4114220	4114220 WTR-Public Fire Protection	-623,060.14	-613,319.53	-9,740.61	1.6-	10
****	4114230	4114230 WTR-Private Fire Protection	-228,924.48	-213,276.16	-15,648.32	7.3-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-323,131.29	-325,320.49	2,189.20	0.7	10
5500	4115100	4115100 WTR-Misc Srv Rev	-44,495.00	-43,421.50	-1,073.50	2.5-	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-30,300.00	-26,500.00	-3,800.00	14.3-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-78,897.19	-70,772.82	-8,124.37	11.5-	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-27,980.00	-20,560.00	-7,420.00	36.1-	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	0	-50	50	100.0	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-719,505.57	6,876.85	-726,382.42	10,562.7-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	98,986.79	0	98,986.79		10
5500	4118400	4118400 WTR-Other Water Rev	-32,035.00	0	-32,035.00		10
		Operating Revenue - Water	-48,586,655.72	-47,369,176.55	-1,217,479.17	2.6-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,549,882.85	-3,358,297.63	-191,585.22	5.7-	10
5550	4211035	4211035 WW-CAP Discount-Residential	5,811.10	0	5,811.10		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-764,995.57	-754,140.04	-10,855.53	1.4-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,258,345.81	-1,386,003.33	127,657.52	9.2	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-291,325.56	-300,300.00	8,974.44	3.0	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-2,991.75	-2,892.79	-98.96	3.4-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-30,775.26	-31,644.94	869.68	2.7	10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-68.88	-219.85	150.97	68.7	10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-2,189.28	-1,997.23	-192.05	9.6-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-145,035.10	-222,595.03	77,559.93	34.8	10
****	4215155	4215155 WW-ST Tax Surcharge	2,540.66	0	2,540.66		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-15,620.01	-13,904.49	-1,715.52	12.3-	10
5550	4218400	4218400 WW-Other WW Revenues	-7,299.00	-840	-6,459.00	768.9-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-4,912.67	72.58	-4,985.25	6,868.6-	10
		Operating Revenue - Sewer	-6,065,089.98	-6,072,762.75	7,672.77	0.1	9
		Total Operating Revenue	-54,651,745.70	-53,441,939.30	-1,209,806.40	2.3-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-152,290.62	-147,655.14	-4,635.48	3.1-	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-18,838.00	18,838.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-3,536.25	2,036.25	57.6	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-48,726.02	-53,038.02	4,312.00	8.1	9
****	6104120	6104120 Nonutil Inc-Other (Water)	-132,875.00	-5,653.41	-127,221.59	2,250.4-	9
5500	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-138,019.00	138,019.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-256,740.35	-182,994.87	-73,745.48	40.3-	9
		Total Non Operating Revenue	-592,642.99	-550,245.69	-42,397.30	7.7-	8
		TOTAL REVENUE	-55,244,388.69	-53,992,184.99	-1,252,203.70	2.3-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,967,669.44	3,663,456.05	304,213.39	8.3	11
5500	5300190	5300190 Labor-Officers, Executives	56,432.64	68,639.76	-12,207.12	17.8-	11
		Labor Regular	4,024,102.08	3,732,095.81	292,006.27	7.8	10
5500	5300120	5300120 Salaried - Overtime Wages	587,121.38	483,705.41	103,415.97	21.4	11
		Labor Overtime	587,121.38	483,705.41	103,415.97	21.4	10
5500	5300170	5300170 Salaried - Incentives / Bonuses	1,062.72	0	1,062.72		11
5500	5300180	5300180 Salaried - Annual Incentive	113,170.00	107,887.00	5,283.00	4.9	11
		Labor Short Term Incentive	114,232.72	107,887.00	6,345.72	5.9	10
5500	5300185	5300185 Stock Option Compensation	1,608.06	980.38	627.68	64.0	11
5500	5300186	5300186 Performance Share Unit Amortization	35,761.44	36,721.33	-959.89	2.6-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	15,647.34	15,651.87	-4.53	0.0	11
		Labor Long Term Incentive	53,016.84	53,353.58	-336.74	0.6-	10
****	5996010	5996010 RECLASS-S&W-Employees	-2,831.98	959,549.21	-962,381.19	100.3-	11
5500	5996020	5996020 RECLASS-S&W-Employees-OT	0	13,205.51	-13,205.51	100.0-	11
5500	5996030	5996030 RECLASS-S&W-Officers, Directors, Maj Shareholder	0	195,153.88	-195,153.88	100.0-	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	824.67	5,086.50	-4,261.83	83.8-	11
****	8000032	8000032 Corporate Automation Engineer	0	914.6	-914.6	100.0-	11
5500	8000056	8000056 Construction Coordinator III	0	410.88	-410.88	100.0-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	3,707.36	-3,707.36	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	687.7	1,045.28	-357.58	34.2-	11
5500	8000129	8000129 Information Security Director	698.28	0	698.28		11

Financial Statement Version for AQUA

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2023.10 -2023.10	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8000150	8000150 Mgr, Security Operations & Engineering	0	483.75	-483.75	100.0-	11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000170	8000170 Project Engineer II	1,904.00	0	1,904.00		11
5500	8000171	8000171 Project Engineer III	547.2	9,961.60	-9,414.40	94.5-	11
5550	8000178	8000178 Project Manager III	0	1,209.32	-1,209.32	100.0-	11
5500	8000179	8000179 Project Management Office Director	0	290.88	-290.88	100.0-	11
5500	8000200	8000200 Systems Administrator I	0	273.32	-273.32	100.0-	11
5500	8000201	8000201 Systems Administrator II	563.01	95.76	467.25	487.9	11
5500	8000218	8000218 Security Engineer I	0	445.02	-445.02	100.0-	11
****	8000219	8000219 Security Engineer III	2,918.85	4,026.60	-1,107.75	27.5-	11
5500	8000228	8000228 Safety Specialist III	0	-509.9	509.9	100.0	11
5500	8000234	8000234 Systems Engineer I	0	2,184.00	-2,184.00	100.0-	11
5500	8000235	8000235 System Engineer III	2,319.46	0	2,319.46		11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-563.92	-1,089.60	525.68	48.2	11
5500	8000325	8000325 Manager Security GRC	307.14	1,082.10	-774.96	71.6-	11
****	8000332	8000332 Lead, Enterprise Architect	1,160.10	3,329.04	-2,168.94	65.2-	11
****	8000381	8000381 Director Construction	0	0	0		11
****	8000387	8000387 Sr Security GRC Analyst	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001181	8001181 Utility Technician	116.34	492	-375.66	76.4-	11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-1,222.07	-1,180.26	-41.81	3.5-	11
5500	8001220	8001220 Distribution Technician	0	319.88	-319.88	100.0-	11
5500	8001224	8001224 Emergency Utility Worker	-75.74	0	-75.74		11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
5500	8001231	8001231 Field Service Representative	-591.45	80.96	-672.41	830.5-	11
****	8001232	8001232 Field Service Representative-First Class	0	0	0		11
5500	8001235	8001235 Inspector	0	-644.3	644.3	100.0	11
****	8001239	8001239 Laborer	0	-218.96	218.96	100.0	11
5500	8001241	8001241 Leader	-159.88	-304.16	144.28	47.4	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001284	8001284 Utility Worker	-2,400.90	-862.94	-1,537.96	178.2-	11
****	8001289	8001289 Working Foreman	0	-330.68	330.68	100.0	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002018	8002018 Construction Coordinator II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	-947.72	947.72	100.0	11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-208.16	-10.58	-197.58	1,867.5-	11
5500	8002235	8002235 Inspector-TH	0	-932.1	932.1	100.0	11
5500	8002239	8002239 Laborer-TH	-778.56	0	-778.56		11
5500	8002241	8002241 Leader-TH	0	42.77	-42.77	100.0-	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002266	8002266 Stock Attendant - First Class-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002284	8002284 Utility Worker-TH	-444.72	0	-444.72		11
****	8002289	8002289 Working Foreman-TH	0	0	0		11
****	8002291	8002291 Wastewater Operator I-TH	0	0	0		11
****	8002314	8002314 Wastewater Operator II - TH	0	0	0		11
****	8003213	8003213 Utility Technician (Union)-DT	0	0	0		11
5500	8003219	8003219 Distribution Technician-DT	125.92	0	125.92		11

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****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003228	8003228 Facility Operator-DT	0	0	0		11
****	8003256	8003256 Operator I-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
****	8003314	8003314 Wastewater Operator II - DT	0	0	0		11
		Activity Allocations	2,895.29	1,196,359.02	-1,193,463.73	99.8-	10
****	6996001	6996001 S&W-Employees-ST	-1,329,465.85	-1,632,688.87	303,223.02	18.6	11
****	6996002	6996002 S&W-Employees-OT	-289,336.84	-233,972.37	-55,364.47	23.7-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-47,165.82	-83,156.27	35,990.45	43.3	11
****	6996007	6996007 LTI/STI	-23,782.46	0	-23,782.46		11
****	8720200	8720200 PTO Overhead	-1,292.19	-510.39	-781.8	153.2-	11
****	8720700	8720700 LTI/STI/Stock Overhead	-55.84	34.74	-90.58	260.7-	11
		Labor - Overheads & Capitalization	-1,691,099.00	-1,950,293.16	259,194.16	13.3	10
		Total Labor	3,090,269.31	3,623,107.66	-532,838.35	14.7-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	601,385.88	580,129.28	21,256.60	3.7	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	32,372.02	32,506.74	-134.72	0.4-	11
5500	5301025	5301025 Employee Benefits - Vision	5,797.46	5,482.69	314.77	5.7	11
		Employee Benefits - Health Plans	639,555.36	618,118.71	21,436.65	3.5	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,772.37	18,140.17	-1,367.80	7.5-	11
5500	5301040	5301040 Employee Benefits - Disability	10,586.40	22,101.00	-11,514.60	52.1-	11
		Employee Benefits - Insurance	27,358.77	40,241.17	-12,882.40	32.0-	10
5500	5301110	5301110 Employee Benefits - Pensions	745,302.00	1,510,040.00	-764,738.00	50.6-	11
		Employee Benefits - Pension	745,302.00	1,510,040.00	-764,738.00	50.6-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	11
		Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	10
5500	5301130	5301130 Employee Benefits - Savings Plan	186,981.89	162,319.36	24,662.53	15.2	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	74,605.68	77,633.00	-3,027.32	3.9-	11
		Employee Benefits - 401K	261,587.57	239,952.36	21,635.21	9.0	10
****	5301990	5301990 Other Employee Benefits - Miscellaneous	141.96	2,025.00	-1,883.04	93.0-	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	3,362.04	0	3,362.04		11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	7,799.80	7,184.94	614.86	8.6	11
5500	5302120	5302120 Transfer/Relocation Expense	0	-124.44	124.44	100.0	11
5500	5302920	5302920 Tuition Reimbursement Expense	900	5,000.00	-4,100.00	82.0-	11
5500	5302925	5302925 Employee Training Expense	2,371.38	3,247.30	-875.92	27.0-	11
5500	5302926	5302926 Employee Training Expense-Seminars	5,360.00	260	5,100.00	1,961.5	11
5500	5302930	5302930 Employee Relations Expense	545.9	5,256.74	-4,710.84	89.6-	11
5500	5302990	5302990 Miscellaneous Employee-Related Expense	-215	0	-215		11
****	5996040	5996040 RECLASS-Employee Pension and Benefits	0	252,090.89	-252,090.89	100.0-	11
****	8720300	8720300 Payroll Other Overhead	-4,016.58	-842.27	-3,174.31	376.9-	11
		Employee Benefits - Miscellaneous	16,249.50	274,098.16	-257,848.66	94.1-	10
****	6996004	6996004 Employee Pension and Benefits	-489,055.48	-693,213.13	204,157.65	29.5	11
		Capitalized Employee Benefits	-489,055.48	-693,213.13	204,157.65	29.5	10
		Total Employee Benefits	1,278,500.66	2,066,740.21	-788,239.55	38.1-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	339,626.17	355,041.71	-15,415.54	4.3-	10
		Total Purchased Water	339,626.17	355,041.71	-15,415.54	4.3-	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	604,070.45	1,000,145.02	-396,074.57	39.6-	10
		Total Purchased Wastewater	604,070.45	1,000,145.02	-396,074.57	39.6-	9
		Sludge					9
****	5206240	5206240 Sludge Removal	146,963.64	108,570.62	38,393.02	35.4	10
		Total Sludge	146,963.64	108,570.62	38,393.02	35.4	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	789,728.99	749,970.29	39,758.70	5.3	10
****	5206230	5206230 Fuel for Power Production	11,320.55	10,278.65	1,041.90	10.1	10
5500	6996015	6996015 Purchased Power (WW)	-126.97	0	-126.97		10
5500	6996016	6996016 Fuel for Power Production	-514.9	0	-514.9		10
		Total Purchased Power	800,407.67	760,248.94	40,158.73	5.3	9
****	5304600	5304600 Chemicals-Oper-General	-6,326.40	87,802.76	-94,129.16	107.2-	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	116,847.57	21,759.55	95,088.02	437.0	10
5500	5304603	5304603 Chemicals-Oper-Caustic	17,507.58	6,403.12	11,104.46	173.4	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	55,870.82	16,178.01	39,692.81	245.4	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	48,989.93	0	48,989.93		10
5500	5304606	5304606 Chemicals-Oper-Fluoride	16,683.08	3,516.62	13,166.46	374.4	10
5500	5304607	5304607 Chemicals-Oper-Hypochlorine	40,068.05	7,990.00	32,078.05	401.5	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	179,841.20	11,418.78	168,422.42	1,475.0	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	5,032.00	19,028.81	-13,996.81	73.6-	10
5500	5304610	5304610 Chemicals-Oper-Polymer	84,707.98	2,204.45	82,503.53	3,742.6	10
5500	5304611	5304611 Chemicals-Oper-Soda Ash	-334.4	0	-334.4		10
5500	5304613	5304613 Chemicals-Oper-Percol	0	588	-588	100.0-	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	117.6	-117.6	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	75,300.82	12,162.37	63,138.45	519.1	10
5500	5304617	5304617 Chemicals-Oper-Carbon	125,722.60	9,066.18	116,656.42	1,286.7	10
5500	5304619	5304619 Chemicals-Oper-Potaperm	0	7,099.16	-7,099.16	100.0-	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	65,406.15	1,286.07	64,120.08	4,985.7	10

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5304621	5304621 Chemicals-Oper-Misc Chem	50,784.74	1,209.46	49,575.28	4,099.0	10
5550	5304624	5304624 SW-Chem-Pump Oper-General	54,418.58	33,090.58	21,328.00	64.5	10
5550	5304626	5304626 SW-Chem-T&D Oper-General	2,287.18	0	2,287.18		10
5500	6996018	6996018 Chemicals	-1,487.89	0	-1,487.89		10
		Chemicals	931,319.59	240,921.52	690,398.07	286.6	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	3,076,400.14	2,918,689.92	157,710.22	5.4	11
5500	5304110	5304110 Material Exp-Cst Dif	-1,469.42	907.12	-2,376.54	262.0-	11
5500	5304120	5304120 Material Exp-Obslete	17,333.56	0	17,333.56		11
5500	5304140	5304140 Material Exp-Inv Rvl	5,419.25	-31,256.06	36,675.31	117.3	11
****	5304200	5304200 Material Exp-Non Stk	493,750.33	349,543.18	144,207.15	41.3	11
5500	5304235	5304235 Materials & Supplies - Hydrants	4,029.69	0	4,029.69		11
****	5304300	5304300 Meter/ERT Purchases	251,919.45	148,714.19	103,205.26	69.4	11
****	5304330	5304330 Laboratory Supplies	305.02	-6,821.70	7,126.72	104.5	11
****	5304340	5304340 Software/Hardware Purchases	15,210.24	46,206.63	-30,996.39	67.1-	11
****	5304370	5304370 Small Tools & Work Equipment	33,437.88	64,594.18	-31,156.30	48.2-	11
****	5304375	5304375 Materials & Supplies - Uniforms	10,570.64	24,020.57	-13,449.93	56.0-	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	57,848.15	112,305.98	-54,457.83	48.5-	11
****	5304390	5304390 Misc Supplies	85,678.48	145,917.91	-60,239.43	41.3-	11
5500	5996200	5996200 RECLASS-Materials and Supplies	0	350.68	-350.68	100.0-	11
****	8720600	8720600 Tools/Clothing/Others Overhead	16.21	-67.6	83.81	124.0	11
		Supplies	4,050,449.62	3,773,105.00	277,344.62	7.4	10
****	6996020	6996020 Materials and Supplies	-3,581,506.91	-3,518,755.02	-62,751.89	1.8-	11
		Capitalized Supplies	-3,581,506.91	-3,518,755.02	-62,751.89	1.8-	10
		Total Materials & Supplies	468,942.71	254,349.98	214,592.73	84.4	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	2,384,393.77	1,686,886.43	697,507.34	41.3	11
****	6996031	6996031 Contractual Services-Engineering	-2,354,528.27	-1,539,827.67	-814,700.60	52.9-	11
		Outside Services - Engineering	29,865.50	147,058.76	-117,193.26	79.7-	10
5500	5303210	5303210 Accounting/Auditing Services	69,456.00	62,862.00	6,594.00	10.5	11
5500	6996032	6996032 Contractual Services-Accounting	-21,774.46	0	-21,774.46		11
		Outside Services - Accounting	47,681.54	62,862.00	-15,180.46	24.1-	10
****	5303220	5303220 Legal Services	3,604.33	54,052.12	-50,447.79	93.3-	11
		Outside Services - Legal	3,604.33	54,052.12	-50,447.79	93.3-	10
****	5303850	5303850 Testing Services	124,476.77	117,445.39	7,031.38	6.0	11
****	6996035	6996035 Contractual Services-Testing	-68,771.49	-21,512.00	-47,259.49	219.7-	11
		Outside Services - Lab Testing	55,705.28	95,933.39	-40,228.11	41.9-	10
****	5303010	5303010 Contractor Labor - Straight Time	16,079.50	55,647.42	-39,567.92	71.1-	11
5500	5303020	5303020 Contractor Materials	78,976.20	278,337.43	-199,361.23	71.6-	11
****	5303030	5303030 Contractor Services	4,438,612.44	4,495,135.70	-56,523.26	1.3-	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	34,716.00	79,452.75	-44,736.75	56.3-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	34,032.38	2,461.00	31,571.38	1,282.9	11
****	5303035	5303035 Contractor Services - Restoration	767,576.15	347,037.39	420,538.76	121.2	11
****	5303036	5303036 Contractor Services - Permit Fees	75,367.62	54,211.10	21,156.52	39.0	11
5500	5303040	5303040 Environmental Services	13,897.00	7,129.63	6,767.37	94.9	11
****	5303050	5303050 Contractor Services - Leak Detection	51,291.41	55,131.34	-3,839.93	7.0-	11
5550	5303052	5303052 Contractor Services - Sewer Jetting	1,000.00	0	1,000.00		11
****	5303053	5303053 Contractor Services - Main Breaks	10,401,216.13	12,158,280.06	-1,757,063.93	14.5-	11
****	5303054	5303054 Contractor Services - Well Cleaning	156,692.59	204,515.84	-47,823.25	23.4-	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	28,964.55	26,898.26	2,066.29	7.7	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	16,899.16	0	16,899.16		11
5500	5303061	5303061 Contractor Services - Other-Mains	301,445.54	316,558.38	-15,112.84	4.8-	11
5500	5303062	5303062 Contractor Services - Other-Services	1,030,576.25	8,407.40	1,022,168.85	12,158.0	11
****	5303063	5303063 Contractor Services - Other-Meters	31,856.21	33,216.12	-1,359.91	4.1-	11
****	5303064	5303064 Contractor Services - Other-Hydrants	126,360.81	185,844.60	-59,483.79	32.0-	11
5500	5303145	5303145 Contractor Services - Other-Construction	1,195.00	4,311.50	-3,116.50	72.3-	11
****	5996360	5996360 RECLASS-Contractual Services-Other	0	94,042.24	-94,042.24	100.0-	11
****	6996036	6996036 Contractual Services-Other	-16,816,420.89	-18,306,958.77	1,490,537.88	8.1	11
		Outside Services - Operations	790,334.05	99,659.39	690,674.66	693.0	10
5500	5997310	5997310 Other ACO Direct costs	77,531.04	43,113.20	34,417.84	79.8	11
****	5997320	5997320 WorkFlow Processing Fee	85,138.51	79,230.07	5,908.44	7.5	11
****	5997330	5997330 WorkFlow Billing Postage	199,130.01	127,180.74	71,949.27	56.6	11
5500	5997360	5997360 ACO Lockbox Fees	32,394.98	44,318.86	-11,923.88	26.9-	11
		Outside Services - ACO	394,194.54	293,842.87	100,351.67	34.2	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	123,942.11	408,341.03	-284,398.92	69.6-	12
****	5303135	5303135 Contractor Services - Grounds Care	234,566.85	72,725.10	161,841.75	222.5	12
5500	5303840	5303840 Security & Investigative Services	36,419.62	20,011.79	16,407.83	82.0	12
5500	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-46,141.22	0	-46,141.22		12
		Outside Services - Bldg & Grounds	348,787.36	501,077.92	-152,290.56	30.4-	11
5500	5303150	5303150 Communications Equipment Maintenance Services	3,142.93	0	3,142.93		12
5500	6996363	6996363 Contractual Services - Other - Communications	-3,142.93	0	-3,142.93		12
		Outside Services - Communications	0	0	0		11
5500	5303110	5303110 Office Equipment Maintenance Services	772.31	345.79	426.52	123.3	12
****	5303315	5303315 IT/Telecom Contractor Services	27,240.80	617,253.17	-590,012.37	95.6-	12
5500	6996364	6996364 Contractual Services - Other - IT	-27,240.80	0	-27,240.80		12
		Outside Services - IT	772.31	617,598.96	-616,826.65	99.9-	11
5500	5303140	5303140 Security Equipment Maintenance Services	45,639.31	73,385.29	-27,745.98	37.8-	12

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		Outside Services - Security	45,639.31	73,385.29	-27,745.98	37.8-	11
5500	5303325	5303325 Professional/Temporary Labor	22,735.56	0	22,735.56		12
		Outside Services - Temporary Labor	22,735.56	0	22,735.56		11
5500	5303190	5303190 Miscellaneous Repairs/Maintenance	7,135.82	24,689.63	-17,553.81	71.1-	12
****	5303310	5303310 Consultant Services	63,444.28	44,354.87	19,089.41	43.0	12
5500	5303320	5303320 Training Services	0	2,454.03	-2,454.03	100.0-	12
****	5303890	5303890 Miscellaneous Outside Services	25,434.52	60,449.66	-35,015.14	57.9-	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-34,159.74	0	-34,159.74		12
		Outside Services - Admin & General	61,854.88	131,948.19	-70,093.31	53.1-	11
		Total Outside Services - Other	479,789.42	1,324,010.36	-844,220.94	63.8-	10
		Total Outside Services	1,801,174.66	2,077,418.89	-276,244.23	13.3-	9
		Managment Fees					9
5500	5996340	5996340 RECLASS-Contractual Services-Management Fees	0	-1,495,002.64	1,495,002.64	100.0	11
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,825,777.87	1,534,308.41	291,469.46	19.0	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	797,540.46	804,776.76	-7,236.30	0.9-	11
5500	8732040	8732040 Employee Pension and Benefits	30,928.82	-1,311.42	32,240.24	2,458.4	11
5500	8732150	8732150 Purchased Power (WasteWater)	868.89	242.05	626.84	259.0	11
5500	8732200	8732200 Materials and Supplies	24,460.15	95,901.35	-71,441.20	74.5-	11
5500	8732310	8732310 Contractual Services-Engineering	48,371.37	30,982.88	17,388.49	56.1	11
5500	8732320	8732320 Contractual Services-Accounting	12,395.84	7,846.17	4,549.67	58.0	11
5500	8732330	8732330 Contractual Services-Legal	-1,982.88	11,674.06	-13,656.94	117.0-	11
5500	8732340	8732340 Contractual Services-Management Fees	248,784.11	234,409.34	14,374.77	6.1	11
5500	8732360	8732360 Contractual Services-Other	520,267.72	944,601.00	-424,333.28	44.9-	11
5500	8732410	8732410 Rental of Building Real Property	10,825.34	10,309.53	515.81	5.0	11
5500	8732420	8732420 Rental of Equipment	0	44.72	-44.72	100.0-	11
5500	8732500	8732500 Transportation Expenses	750.45	988.95	-238.5	24.1-	11
5500	8732600	8732600 Advertising Expense	423.32	7,355.40	-6,932.08	94.2-	11
5500	8732750	8732750 Miscellaneous Expense	210,827.62	311,120.30	-100,292.68	32.2-	11
		Management Fees - Water	3,730,239.08	2,498,246.86	1,231,992.22	49.3	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733366	8733366 Contractual Services - Other - Temporary Labor	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-1,264,818.65	-1,273,627.81	8,809.16	0.7	11
		Capitalized Management Fees	-1,264,818.65	-1,273,627.81	8,809.16	0.7	10
		Total Managment Fees	2,465,420.43	1,224,619.05	1,240,801.38	101.3	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	56,984.52	56,315.09	669.43	1.2	11
5500	5307050	5307050 Rent Expense - Land & Land Rights	3,752.54	0	3,752.54		11
5550	6996041	6996041 Rental of Building Real Property	0	-2,232.36	2,232.36	100.0	11
		Leases - Building	60,737.06	54,082.73	6,654.33	12.3	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	4,051.21	11,247.48	-7,196.27	64.0-	11
5500	6996042	6996042 Rental of Equipment	0	-5,435.67	5,435.67	100.0	11
		Leases - Equipment	4,051.21	5,811.81	-1,760.60	30.3-	10
		Total Leases	64,788.27	59,894.54	4,893.73	8.2	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	365.69	7,868.81	-7,503.12	95.4-	11
5500	5304210	5304210 Auto Parts & Supplies	55,661.13	105,614.70	-49,953.57	47.3-	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	15,329.83	7,473.39	7,856.44	105.1	11
		Transportation - Services & Maintenance	71,356.65	120,956.90	-49,600.25	41.0-	10
5500	5399077	5399077 Transportation - Vehicle Leases	12,700.98	89.45	12,611.53	14,099.0	11
		Transportation - Leases	12,700.98	89.45	12,611.53	14,099.0	10
5500	5304510	5304510 Gasoline	167,576.22	98,795.08	68,781.14	69.6	11
5500	5304515	5304515 Diesel Fuel	22,976.37	-12,149.24	35,125.61	289.1	11
5500	5304516	5304516 Natural Gas Fuel	1,837.43	4,171.76	-2,334.33	56.0-	11
		Transportation - Fuel	192,390.02	90,817.60	101,572.42	111.8	10

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5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	903.26	-12	915.26	7,627.2	11
5500	5399079	5399079 Transportation-Crash	11,013.30	0	11,013.30		11
5500	5996500	5996500 RECLASS-Transportation Expenses	-15,878.96	44,786.94	-60,665.90	135.5-	11
****	8720500	8720500 Transportation Overhead	-458.05	-71.65	-386.4	539.3-	11
		Transportation - Other	-4,420.45	44,703.29	-49,123.74	109.9-	10
****	6996050	6996050 Transportation Expenses	-105,719.16	-159,515.90	53,796.74	33.7	11
		Capitalized Transportation	-105,719.16	-159,515.90	53,796.74	33.7	10
		Total Transportation	166,308.04	97,051.34	69,256.70	71.4	9
		Miscellaneous Expenses					9
****	5308010	5308010 Subscriptions	6,543.18	9,521.36	-2,978.18	31.3-	11
5500	5308021	5308021 Professional Dues	-51.81	56.93	-108.74	191.0-	11
5500	5308041	5308041 Industry Assoc Dues	0	214	-214	100.0-	11
5500	5308090	5308090 Other Dues&Membershp	40,154.08	43,234.71	-3,080.63	7.1-	11
		Dues & Subscriptions	46,645.45	53,027.00	-6,381.55	12.0-	10
****	5310020	5310020 Licensing Fees	-271,537.47	70,986.38	-342,523.85	482.5-	11
5500	5310050	5310050 Environmental Fees	80	0	80		11
		Licenses & Permits	-271,457.47	70,986.38	-342,443.85	482.4-	10
5500	5310080	5310080 Bank Fees	3,902.10	8,512.84	-4,610.74	54.2-	11
5500	5310085	5310085 Bond Servicing Fees	41,941.90	9,840.79	32,101.11	326.2	11
		Bank Fees	45,844.00	18,353.63	27,490.37	149.8	10
****	5302010	5302010 Travel Expense	17,777.61	32,949.55	-15,171.94	46.0-	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	8,459.00	12,445.61	-3,986.61	32.0-	11
5500	5302020	5302020 Entertainment Expense	10,717.45	0	10,717.45		11
5500	5302021	5302021 Entertainment Expense - Non-Deductible	4,281.49	9,871.74	-5,590.25	56.6-	11
5500	5302022	5302022 Entertainment Expense-50% Non-Deductible	467.2	0	467.2		11
		Travel & Entertainment	41,702.75	55,266.90	-13,564.15	24.5-	10
****	5303830	5303830 Advertising	0	3,551.81	-3,551.81	100.0-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	0	20,118.75	-20,118.75	100.0-	11
		Public Relations	0	23,670.56	-23,670.56	100.0-	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	1,500.00	0	1,500.00		11
		Fines & Penalties	1,500.00	0	1,500.00		10
****	5304310	5304310 Office Supplies	33,597.86	81,413.35	-47,815.49	58.7-	11
****	5304320	5304320 Postage, Shipping, & Freight	12,401.88	7,332.27	5,069.61	69.1	11
****	5304350	5304350 Office Furn & Equip	6,386.05	27,743.50	-21,357.45	77.0-	11
5500	5304360	5304360 Promotion Supplies	782.25	4,575.82	-3,793.57	82.9-	11
****	5304410	5304410 Purchasing Card Expenses-MC	39,221.51	5,158.95	34,062.56	660.3	11
		Office Supplies	92,389.55	126,223.89	-33,834.34	26.8-	10
****	5309010	5309010 Utilities - Electric and Gas	474.66	1,759.15	-1,284.49	73.0-	11
5500	5309020	5309020 Utilities - Phone	195	0	195		11
****	5309025	5309025 Utilities - Communications	115,702.32	217,428.46	-101,726.14	46.8-	11
5550	5309030	5309030 Utilities - Water	23,937.31	2,452.31	21,485.00	876.1	11
****	5309040	5309040 Utilities - Other	203.25	2,277.75	-2,074.50	91.1-	11
		Utilities	140,512.54	223,917.67	-83,405.13	37.2-	10
****	5310090	5310090 Miscellaneous Fees	636.85	7,177.82	-6,540.97	91.1-	11
5500	5320140	5320140 Land Rights & Right of Way Fees	16,190.00	0	16,190.00		11
5500	5399040	5399040 Lost Discount Exp	5,707.08	689.89	5,017.19	727.2	11
****	5399900	5399900 Miscellaneous Expense	-175,829.96	-170,831.84	-4,998.12	2.9-	11
****	6996751	6996751 Other Miscellaneous Expense	-66,052.49	0	-66,052.49		11
		Other Miscellaneous	-219,348.52	-162,964.13	-56,384.39	34.6-	10
****	5399061	5399061 CIAC-Project offset	2,572,537.15	854,838.87	1,717,698.28	200.9	11
5500	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	0	-290,093.00	290,093.00	100.0	11
****	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-3,010.00	-8,460.00	5,450.00	64.4	11
5500	5399074	5399074 Vehicle Purchases	222,013.40	33,589.57	188,423.83	561.0	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-2,572,537.15	-564,745.87	-2,007,791.28	355.5-	11
5500	5399340	5399340 Salvage Proceeds	-49,369.00	-149,863.70	100,494.70	67.1	11
5500	5996750	5996750 RECLASS-Miscellaneous Expense	0	88.52	-88.52	100.0-	11
****	6996075	6996075 Miscellaneous Expense	-211,551.65	88,365.00	-299,916.65	339.4-	11
****	6996081	6996081 CIAC	-2,569,527.15	-556,285.87	-2,013,241.28	361.9-	11
****	6996082	6996082 CAC	2,572,537.15	564,745.87	2,007,791.28	355.5	11
****	6996085	6996085 Capital Overhead	167.94	26.33	141.61	537.8	11
****	8720400	8720400 A&G Capital Support Overhead	-167.94	-26.05	-141.89	544.7-	11
****	8720900	8720900 Engineering Overhead	0	0	0		11
		Capital Miscellaneous & Overheads	-38,907.25	-27,820.33	-11,086.92	39.9-	10
		Total Miscellaneous Expenses	-161,118.95	380,661.57	-541,780.52	142.3-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.01	361,649.00	12,221.01	3.4	10
5500	5305020	5305020 Damages - Property	54,650.29	9,294.00	45,356.29	488.0	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,135.98	70,145.00	5,990.98	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,616.00	138,327.00	29,289.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,295.01	13,968.00	-2,672.99	19.1-	10
****	5996560	5996560 RECLASS-Insurance Vehicle	0	0	0		10
****	5996570	5996570 RECLASS-Insurance General Liability	0	0	0		10
****	5996580	5996580 RECLASS-Insurance Workman's Compensation	0	0	0		10
****	5996590	5996590 RECLASS-Insurance Other	0	0	0		10
5500	6996056	6996056 Insurance Vehicle	0	-4,190.40	4,190.40	100.0	10
5500	6996057	6996057 Insurance General Liability	-119,414.62	-108,494.70	-10,919.92	10.1-	10
5500	6996058	6996058 Insurance Workman's Compensation	-23,843.61	-21,043.50	-2,800.11	13.3-	10
5500	6996059	6996059 Insurance Other	-52,414.74	-41,498.10	-10,916.64	26.3-	10

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.10 -2023.10	Reporting periods
2022.10 -2022.10	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Total Insurance	487,894.32	418,156.30	69,738.02	16.7	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	412,211.84	338,076.91	74,134.93	21.9	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-66,993.95	-36,370.57	-30,623.38	84.2-	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	244,430.00	299,423.71	-54,993.71	18.4-	10
5500	5996700	5996700 RECLASS-Bad Debt Expense	-35,730.80	0	-35,730.80		10
5500	6996070	6996070 Bad Debt Expense	35,730.80	0	35,730.80		10
		Total Bad Debt	589,647.89	601,130.05	-11,482.16	1.9-	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	58,452.81	39,635.93	18,816.88	47.5	10
5500	6201011	6201011 Donations - 501(c)(3)	0	16,578.34	-16,578.34	100.0-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	385.92	3,310.00	-2,924.08	88.3-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	1,975.00	5,587.50	-3,612.50	64.7-	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	466.69	317.49	149.2	47.0	10
5500	6204080	6204080 Misc NonUtil Exp-Bill Mat&Serv	7,500.00	0	7,500.00		10
5500	6204140	6204140 Misc NonUtil-N-Cust-Act & Evnt	500	0	500		10
****	6204150	6204150 Misc NonUtil Exp-Other	31,254.74	64,248.63	-32,993.89	51.4-	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	16,768.73	-2,124.81	18,893.54	889.2	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	49,230.00	41,227.40	8,002.60	19.4	10
		Total Non Operating Expenses	166,533.89	168,780.48	-2,246.59	1.3-	9
		Total Operations & Maintenance Expense	13,240,748.75	13,436,837.88	-196,089.13	1.5-	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,395,415.81	10,825,676.65	569,739.16	5.3	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.29	-0.29	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-353,108.52	-342,721.07	-10,387.45	3.0-	9
		Total Depreciation	11,042,307.29	10,482,955.87	559,351.42	5.3	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	61,111.00	-32,667.91	53.5-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-86,962.07	86,962.07	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-76,971.34	0	-76,971.34		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	11,312.98	26,078.33	-14,765.35	56.6-	9
		Total Amortization	-37,215.27	227.26	-37,442.53	16,475.6-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	214,275.00	203,020.00	11,255.00	5.5	9
****	5310032	5310032 Assessment-Consumer Advocate	85,687.00	60,246.00	25,441.00	42.2	9
****	5310033	5310033 Assessment-SBA	14,920.00	12,110.00	2,810.00	23.2	9
****	5310035	5310035 Assessment-DPC	36	2,421.00	-2,385.00	98.5-	9
****	5702120	5702120 Property Taxes-WT/WW	80,366.20	161,934.45	-81,568.25	50.4-	9
5500	5703100	5703100 Payroll Taxes	336,946.32	302,501.48	34,444.84	11.4	9
5500	5709101	5709101 Other Miscellaneous Taxes	5,030.65	2,000.00	3,030.65	151.5	9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	366,667.00	51,694.11	14.1	9
5500	5996050	5996050 RECLASS-Employee Taxes	0	60,739.68	-60,739.68	100.0-	9
****	6996005	6996005 Payroll Tax	-118,622.99	-144,600.40	25,977.41	18.0	9
****	8720100	8720100 Payroll Tax Overhead	-491.76	-552.01	60.25	10.9	9
		Total Taxes Other Than Income	1,036,507.53	1,026,487.20	10,020.33	1.0	8
		TOTAL UTILITY COSTS & EXPENSES	25,282,348.30	24,946,508.21	335,840.09	1.3	7
		TOTAL OPERATING INCOME	-29,962,040.39	-29,045,676.78	-916,363.61	3.2-	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	35,595.25	100,155.31	-64,560.06	64.5-	9
		Interest on Short Term Debt	35,595.25	100,155.31	-64,560.06	64.5-	8
****	6499011	6499011 Interest Expense - Long Term Debt	7,336,475.36	6,165,296.72	1,171,178.64	19.0	10
		Interest on LTD	7,336,475.36	6,165,296.72	1,171,178.64	19.0	9
5500	6402430	6402430 Amort-Debt Issuance Costs	52,569.93	49,864.72	2,705.21	5.4	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	46,633.93	43,928.72	2,705.21	6.2	9
		Interest on Long Term Debt	7,383,109.29	6,209,225.44	1,173,883.85	18.9	8
5500	5996800	5996800 Reclass-AFUDC-Debt	0	-33,325.61	33,325.61	100.0	10
5500	5996801	5996801 Reclass-AFUDC-Equity	0	-129,638.29	129,638.29	100.0	10
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-158,591.43	-144,029.97	-14,561.46	10.1-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	158,591.43	177,355.58	-18,764.15	10.6-	10
****	6996080	6996080 AFUDC-Debt	-158,591.43	-144,029.97	-14,561.46	10.1-	10
		AFUDC - Debt	-158,591.43	-273,668.26	115,076.83	42.0	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-446,664.79	-553,133.33	106,468.54	19.2	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	446,664.79	485,504.36	-38,839.57	8.0-	10
****	6996086	6996086 AFUDC-Equity	-446,664.79	-355,866.07	-90,798.72	25.5-	10
		AFUDC - Equity	-446,664.79	-423,495.04	-23,169.75	5.5-	9
		Allow For Funds Used During Construction	-605,256.22	-697,163.30	91,907.08	13.2	8
		Total Interest Expense	6,813,448.32	5,612,217.45	1,201,230.87	21.4	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	-156,877.89	0	-156,877.89		9
		Gains from Sales of Property	-156,877.89	0	-156,877.89		8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	-245,302.00	-510,040.00	264,738.00	51.9	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	25,578.00	-10,978.00	42.9-	9
		Other Net Periodic Beneft Costs	-304,948.00	-558,708.00	253,760.00	45.4	8
		Other Net (Income) Expense	-461,825.89	-558,708.00	96,882.11	17.3	7
		TOTAL OTHER (INCOME) EXPENSE	6,351,622.43	5,053,509.45	1,298,112.98	25.7	6

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.10 -2023.10	Reporting periods
2022.10 -2022.10	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		TOTAL INCOME BEFORE TAX & GAIN	-23,610,417.96	-23,992,167.33	381,749.37	1.6	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	3,163,796.00	3,138,325.78	25,470.22	0.8	8
		Federal Taxes - Current	3,163,796.00	3,138,325.78	25,470.22	0.8	7
		Total Income Taxes - Current	3,163,796.00	3,138,325.78	25,470.22	0.8	6
		TOTAL INCOME TAXES	3,163,796.00	3,138,325.78	25,470.22	0.8	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-20,446,621.96	-20,853,841.55	407,219.59	2.0	4
		TOTAL NET INCOME	-20,446,621.96	-20,853,841.55	407,219.59	2.0	3
		NET INCOME AVAILABLE FOR COMMON	20,446,621.96	20,853,841.55	-407,219.59	2.0-	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.11 -2023.11	Reporting periods
2022.11 -2022.11	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-136,972,595.60	**-120,405,258.48**	**-16,567,337.12**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-1,263.21	-2,560.64	1,297.43	50.7	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-26,365.29	-32,866.59	6,501.30	19.8	10
****	4114110	4114110 WTR-Metered Sales-Residential	-28,344,866.87	-29,758,461.52	1,413,594.65	4.8	10
****	4114115	4114115 WTR-CAP Discount-Residential	84,332.98	0	84,332.98		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-10,341,564.77	-11,065,494.11	723,929.34	6.5	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,765,311.26	-1,556,416.43	-208,894.83	13.4-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-958,515.33	-963,372.99	4,857.66	0.5	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-6,352.78	-8,026.08	1,673.30	20.8	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,183,410.80	-1,272,152.52	88,741.72	7.0	10
****	4114220	4114220 WTR-Public Fire Protection	-597,321.13	-580,336.21	-16,984.92	2.9-	10
****	4114230	4114230 WTR-Private Fire Protection	-216,718.13	-208,103.85	-8,614.28	4.1-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-295,705.39	-377,928.91	82,223.52	21.8	10
5500	4115100	4115100 WTR-Misc Srv Rev	-44,291.00	-43,650.00	-641	1.5-	10
5500	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-29,985.00	-27,500.00	-2,485.00	9.0-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-66,240.02	-75,304.83	9,064.81	12.0	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-25,580.00	-21,980.00	-3,600.00	16.4-	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-722,291.60	83,799.08	-806,090.68	961.9-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	99,882.64	0.16	99,882.48	62426550.	10
5500	4118400	4118400 WTR-Other Water Rev	-29,455.00	0	-29,455.00		10
		Operating Revenue - Water	-44,471,021.96	-45,910,355.44	1,439,333.48	3.1	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,397,503.04	-2,877,666.07	-519,836.97	18.1-	10
5550	4211035	4211035 WW-CAP Discount-Residential	6,492.06	0	6,492.06		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-661,326.84	-671,905.62	10,578.78	1.6	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,385,907.57	-1,596,696.22	210,788.65	13.2	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-260,469.80	-285,949.30	25,479.50	8.9	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-3,339.97	-2,241.03	-1,098.94	49.0-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-24,384.32	-27,154.30	2,769.98	10.2	10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-62.2	-6,574.38	6,512.18	99.1	10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-1,724.88	-1,979.78	254.9	12.9	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-125,300.50	-118,199.30	-7,101.20	6.0-	10
****	4215155	4215155 WW-ST Tax Surcharge	2,541.69	0	2,541.69		10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-14,359.06	-14,714.85	355.79	2.4	10
5550	4218400	4218400 WW-Other WW Revenues	-10,279.00	-600	-9,679.00	1,613.2-	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-5,054.11	10,205.53	-15,259.64	149.5-	10
		Operating Revenue - Sewer	-5,880,677.54	-5,593,475.32	-287,202.22	5.1-	9
		Total Operating Revenue	-50,351,699.50	-51,503,830.76	1,152,131.26	2.2	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-155,356.85	-147,655.16	-7,701.69	5.2-	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-31,691.00	31,691.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-4,500.00	-1,500.00	-3,000.00	200.0-	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-30,868.85	-26,639.13	-4,229.72	15.9-	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-80,817.55	-16,605.59	-64,211.96	386.7-	9
5500	6104125	6104125 Nonutil Inc-Other-Developer Projects	0	-35,508.00	35,508.00	100.0	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-193,047.00	-196,020.76	2,973.76	1.5	9
		Total Non Operating Revenue	-465,101.25	-456,130.64	-8,970.61	2.0-	8
		TOTAL REVENUE	-50,816,800.75	-51,959,961.40	1,143,160.65	2.2	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,975,232.58	3,829,238.58	145,994.00	3.8	11
5500	5300190	5300190 Labor-Officers, Executives	56,432.64	71,908.32	-15,475.68	21.5-	11
		Labor Regular	4,031,665.22	3,901,146.90	130,518.32	3.3	10
5500	5300120	5300120 Salaried - Overtime Wages	765,991.60	716,893.68	49,097.92	6.8	11
		Labor Overtime	765,991.60	716,893.68	49,097.92	6.8	10
5500	5300180	5300180 Salaried - Annual Incentive	112,983.00	404,637.00	-291,654.00	72.1-	11
		Labor Short Term Incentive	112,983.00	404,637.00	-291,654.00	72.1-	10
5500	5300185	5300185 Stock Option Compensation	1,556.19	1,081.79	474.4	43.9	11
5500	5300186	5300186 Performance Share Unit Amortization	34,607.84	40,520.09	-5,912.25	14.6-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	15,142.58	17,271.02	-2,128.44	12.3-	11
		Labor Long Term Incentive	51,306.61	58,872.90	-7,566.29	12.9-	10
****	5996010	5996010 RECLASS-S&W-Employees	-364,563.00	44,649.05	-409,212.05	916.5-	11
5500	5996020	5996020 RECLASS-S&W-Employees-OT	0	716.17	-716.17	100.0-	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	1,060.29	6,002.07	-4,941.78	82.3-	11
****	8000032	8000032 Corporate Automation Engineer	0	2,195.04	-2,195.04	100.0-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	4,307.08	-4,307.08	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	550.16	1,371.93	-821.77	59.9-	11
5500	8000129	8000129 Information Security Director	698.28	2,200.90	-1,502.62	68.3-	11
5500	8000150	8000150 Mgr, Security Operations & Engineering	360.15	860	-499.85	58.1-	11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000170	8000170 Project Engineer II	1,428.00	0	1,428.00		11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.11 -2023.11 Reporting periods
2022.11 -2022.11 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8000171	8000171 Project Engineer III	0	19,176.08	-19,176.08	100.0-	11
5550	8000178	8000178 Project Manager III	0	151.17	-151.17	100.0-	11
5500	8000179	8000179 Project Management Office Director	0	145.44	-145.44	100.0-	11
5500	8000201	8000201 Systems Administrator II	321.72	0	321.72		11
5500	8000217	8000217 Systems Engineer II	0	103.9	-103.9	100.0-	11
5500	8000218	8000218 Security Engineer I	0	445.02	-445.02	100.0-	11
5500	8000219	8000219 Security Engineer III	4,327.95	4,205.56	122.39	2.9	11
5500	8000228	8000228 Safety Specialist III	0	-509.9	509.9	100.0	11
5500	8000235	8000235 System Engineer III	3,300.77	2,270.24	1,030.53	45.4	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-1,127.84	-1,634.40	506.56	31.0	11
5500	8000325	8000325 Manager Security GRC	204.76	541.05	-336.29	62.2-	11
5500	8000332	8000332 Lead, Enterprise Architect	2,062.40	0	2,062.40		11
****	8000381	8000381 Director Construction	0	0	0		11
****	8000387	8000387 Sr Security GRC Analyst	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	207.12	-207.12	100.0-	11
****	8001102	8001102 Facility Operator II	71.39	0	71.39		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
5500	8001181	8001181 Utility Technician	0	225.5	-225.5	100.0-	11
****	8001182	8001182 Utility Technician I	105.03	39.55	65.48	165.6	11
****	8001213	8001213 Utility Technician (Union)	-943.74	-1,244.67	300.93	24.2	11
5500	8001220	8001220 Distribution Technician	23.92	0	23.92		11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
****	8001230	8001230 Field Service Representative Leader	0	0	0		11
5500	8001231	8001231 Field Service Representative	-289.26	-63.41	-225.85	356.2-	11
****	8001232	8001232 Field Service Representative-First Class	0	0	0		11
5500	8001235	8001235 Inspector	-553.3	-453.52	-99.78	22.0-	11
5500	8001239	8001239 Laborer	-536.09	0	-536.09		11
5500	8001248	8001248 Maintenance Operator	-73.53	0	-73.53		11
5500	8001251	8001251 Maintenance Water Conservation Tech	0	-114.36	114.36	100.0	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
****	8001270	8001270 System Operator	0	0	0		11
5500	8001284	8001284 Utility Worker	-308.62	-722	413.38	57.3	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002018	8002018 Construction Coordinator II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	77.66	-77.66	100.0-	11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
5500	8002182	8002182 Utility Technician I-TH	0	76.3	-76.3	100.0-	11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	0	0		11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-250.27	-10.58	-239.69	2,265.5-	11
5500	8002235	8002235 Inspector-TH	-1.47	-647.69	646.22	99.8	11
5500	8002251	8002251 Maintenance Water Conservation Tech-TH	0	-171.54	171.54	100.0	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002263	8002263 Pipe Truck Operator-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002284	8002284 Utility Worker-TH	0	-1,516.21	1,516.21	100.0	11
5500	8002289	8002289 Working Foreman-TH	-259.16	-123.94	-135.22	109.1-	11
****	8002314	8002314 Wastewater Operator II - TH	0	0	0		11
****	8003213	8003213 Utility Technician (Union)-DT	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003240	8003240 Leader-DT	0	0	0		11
****	8003256	8003256 Operator I-DT	0	0	0		11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003260	8003260 Operator Trainee-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.11 -2023.11	Reporting periods
2022.11 -2022.11	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8003283	8003283 Utility Worker-DT	0	-361	361	100.0	11
****	8003314	8003314 Wastewater Operator II - DT	0	0	0		11
		Activity Allocations	-354,391.46	82,393.61	-436,785.07	530.1-	10
****	6996001	6996001 S&W-Employees-ST	-1,353,981.13	-1,225,790.63	-128,190.50	10.5-	11
****	6996002	6996002 S&W-Employees-OT	-279,001.33	-258,049.84	-20,951.49	8.1-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-48,558.35	-19,375.47	-29,182.88	150.6-	11
****	6996007	6996007 LTI/STI	-24,248.07	-29.32	-24,218.75	82,601.5-	11
****	8720200	8720200 PTO Overhead	-1,047.95	-1,939.59	891.64	46.0	11
****	8720700	8720700 LTI/STI/Stock Overhead	-142.57	114.26	-256.83	224.8-	11
		Labor - Overheads & Capitalization	-1,706,979.40	-1,505,070.59	-201,908.81	13.4-	10
		Total Labor	2,900,575.57	3,658,873.50	-758,297.93	20.7-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	568,505.10	610,119.70	-41,614.60	6.8-	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	31,973.21	33,006.55	-1,033.34	3.1-	11
5500	5301025	5301025 Employee Benefits - Vision	5,796.81	5,696.23	100.58	1.8	11
		Employee Benefits - Health Plans	606,275.12	648,822.48	-42,547.36	6.6-	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,711.99	18,140.17	-1,428.18	7.9-	11
5500	5301040	5301040 Employee Benefits - Disability	10,585.82	23,431.00	-12,845.18	54.8-	11
		Employee Benefits - Insurance	27,297.81	41,571.17	-14,273.36	34.3-	10
5500	5301110	5301110 Employee Benefits - Pensions	745,302.00	1,510,040.00	-764,738.00	50.6-	11
		Employee Benefits - Pension	745,302.00	1,510,040.00	-764,738.00	50.6-	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	11
		Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	10
5500	5301130	5301130 Employee Benefits - Savings Plan	220,559.23	142,304.48	78,254.75	55.0	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	74,605.68	77,633.00	-3,027.32	3.9-	11
		Employee Benefits - 401K	295,164.91	219,937.48	75,227.43	34.2	10
5550	5301910	5301910 Employee Related Expenses-On Boarding	22	0	22		11
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	-70	0	-70		11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	123.25	55.43	67.82	122.4	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	3,338.28	0	3,338.28		11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	6,561.95	6,756.15	-194.2	2.9-	11
5500	5302120	5302120 Transfer/Relocation Expense	-325.4	-497.76	172.36	34.6	11
****	5302920	5302920 Tuition Reimbursement Expense	2,442.00	960	1,482.00	154.4	11
5500	5302925	5302925 Employee Training Expense	4,631.05	5,424.00	-792.95	14.6-	11
****	5302926	5302926 Employee Training Expense-Seminars	5,462.00	-45	5,507.00	12,237.8	11
****	5302930	5302930 Employee Relations Expense	749.64	13,266.77	-12,517.13	94.3-	11
****	5302990	5302990 Miscellaneous Employee-Related Expense	0	14,825.54	-14,825.54	100.0-	11
****	5996040	5996040 RECLASS-Employee Pension and Benefits	0	13,471.52	-13,471.52	100.0-	11
****	8720300	8720300 Payroll Other Overhead	-2,949.89	174.54	-3,124.43	1,790.1-	11
		Employee Benefits - Miscellaneous	19,984.88	54,391.19	-34,406.31	63.3-	10
****	6996004	6996004 Employee Pension and Benefits	-459,523.65	-614,831.63	155,307.98	25.3	11
		Capitalized Employee Benefits	-459,523.65	-614,831.63	155,307.98	25.3	10
		Total Employee Benefits	1,312,004.01	1,937,433.63	-625,429.62	32.3-	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	419,601.19	354,380.00	65,221.19	18.4	10
		Total Purchased Water	419,601.19	354,380.00	65,221.19	18.4	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	961,191.05	1,222,000.78	-260,809.73	21.3-	10
		Total Purchased Wastewater	961,191.05	1,222,000.78	-260,809.73	21.3-	9
		Sludge					9
****	5206240	5206240 Sludge Removal	149,663.33	267,210.50	-117,547.17	44.0-	10
5500	6996011	6996011 Sludge Removal (WW)	0	-3,684.00	3,684.00	100.0	10
		Total Sludge	149,663.33	263,526.50	-113,863.17	43.2-	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	717,019.13	827,653.12	-110,633.99	13.4-	10
****	5206230	5206230 Fuel for Power Production	23,409.40	21,277.66	2,131.74	10.0	10
5500	6996015	6996015 Purchased Power (WW)	-51.03	0	-51.03		10
5500	6996016	6996016 Fuel for Power Production	-577.13	0	-577.13		10
		Total Purchased Power	739,800.37	848,930.78	-109,130.41	12.9-	9
****	5304600	5304600 Chemicals-Oper-General	-446.37	158,143.38	-158,589.75	100.3-	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	101,811.91	208,937.48	-107,125.57	51.3-	10
5500	5304603	5304603 Chemicals-Oper-Caustic	28,555.83	52,626.58	-24,070.75	45.7-	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	63,735.00	175,073.69	-111,338.69	63.6-	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	62,528.90	53,168.46	9,360.44	17.6	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	-12,942.47	3,338.85	-16,281.32	487.6-	10
5500	5304607	5304607 Chemicals-Oper-Hypochlorine	39,404.55	62,254.81	-22,850.26	36.7-	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	32,832.99	29,392.69	3,440.30	11.7	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	83,809.60	81,193.70	2,615.90	3.2	10
5500	5304610	5304610 Chemicals-Oper-Polymer	120,695.40	21,475.15	99,220.25	462.0	10
5500	5304613	5304613 Chemicals-Oper-Percol	0	1,690.50	-1,690.50	100.0-	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	235.2	-235.2	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	57,460.98	48,826.43	8,634.55	17.7	10
5500	5304617	5304617 Chemicals-Oper-Carbon	123,277.20	194,335.86	-71,058.66	36.6-	10
5500	5304619	5304619 Chemicals-Oper-Potaperm	27,996.38	9,334.08	18,662.30	199.9	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	37.3	40,543.79	-40,506.49	99.9-	10
5500	5304621	5304621 Chemicals-Oper-Misc Chem	-4,237.75	11,435.09	-15,672.84	137.1-	10
5550	5304623	5304623 SW-Chem-Coll Maint-General	0	1,689.60	-1,689.60	100.0-	10
5550	5304624	5304624 SW-Chem-Pump Oper-General	68,839.78	79,672.12	-10,832.34	13.6-	10

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.11 -2023.11	Reporting periods
2022.11 -2022.11	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5550	5304626	5304626 SW-Chem-T&D Oper-General	1,488.33	0	1,488.33		10
5500	6996018	6996018 Chemicals	0	-100.95	100.95	100.0	10
		Chemicals	794,847.56	1,233,266.51	-438,418.95	35.5-	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	2,304,682.67	790,491.82	1,514,190.85	191.6	11
5500	5304105	5304105 Material Exp-Stk Cr	-2,820.00	0	-2,820.00		11
5500	5304110	5304110 Material Exp-Cst Dif	-2,510.65	2,856.17	-5,366.82	187.9-	11
5500	5304120	5304120 Material Exp-Obslete	-18,373.20	-226.62	-18,146.58	8,007.5-	11
5500	5304140	5304140 Material Exp-Inv Rvl	-14,776.31	0	-14,776.31		11
****	5304200	5304200 Material Exp-Non Stk	515,112.69	717,655.40	-202,542.71	28.2-	11
5500	5304235	5304235 Materials & Supplies - Hydrants	1,180.89	2,383.20	-1,202.31	50.4-	11
5500	5304250	5304250 Materials – PFAS	3,075.00	0	3,075.00		11
****	5304300	5304300 Meter/ERT Purchases	244,556.26	103,061.58	141,494.68	137.3	11
****	5304330	5304330 Laboratory Supplies	265.24	0	265.24		11
****	5304340	5304340 Software/Hardware Purchases	21,498.09	6,189.44	15,308.65	247.3	11
****	5304370	5304370 Small Tools & Work Equipment	52,651.22	41,291.97	11,359.25	27.5	11
****	5304375	5304375 Materials & Supplies - Uniforms	18,807.39	22,794.80	-3,987.41	17.5-	11
****	5304380	5304380 Materials & Supplies - Safety Supplies	2,302.93	56,674.27	-54,371.34	95.9-	11
****	5304390	5304390 Misc Supplies	133,623.93	88,606.77	45,017.16	50.8	11
5500	5996200	5996200 RECLASS-Materials and Supplies	0	53.52	-53.52	100.0-	11
****	8720600	8720600 Tools/Clothing/Others Overhead	22.33	-89.59	111.92	124.9	11
		Supplies	3,259,298.48	1,831,742.73	1,427,555.75	77.9	10
****	6996020	6996020 Materials and Supplies	-3,009,399.77	-1,564,389.89	-1,445,009.88	92.4-	11
		Capitalized Supplies	-3,009,399.77	-1,564,389.89	-1,445,009.88	92.4-	10
		Total Materials & Supplies	249,898.71	267,352.84	-17,454.13	6.5-	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	1,981,365.35	3,114,026.89	-1,132,661.54	36.4-	11
****	6996031	6996031 Contractual Services-Engineering	-1,967,455.61	-3,005,725.50	1,038,269.89	34.5	11
		Outside Services - Engineering	13,909.74	108,301.39	-94,391.65	87.2-	10
****	5303210	5303210 Accounting/Auditing Services	66,209.74	62,861.00	3,348.74	5.3	11
5500	6996032	6996032 Contractual Services-Accounting	-21,774.46	0	-21,774.46		11
		Outside Services - Accounting	44,435.28	62,861.00	-18,425.72	29.3-	10
****	5303220	5303220 Legal Services	115,544.32	118,219.98	-2,675.66	2.3-	11
5500	6996033	6996033 Contractual Services-Legal	-198	0	-198		11
		Outside Services - Legal	115,346.32	118,219.98	-2,873.66	2.4-	10
****	5303850	5303850 Testing Services	262,806.26	81,775.40	181,030.86	221.4	11
****	6996035	6996035 Contractual Services-Testing	-15,468.00	-1,563.85	-13,904.15	889.1-	11
		Outside Services - Lab Testing	247,338.26	80,211.55	167,126.71	208.4	10
****	5303010	5303010 Contractor Labor - Straight Time	123,514.31	30,772.85	92,741.46	301.4	11
5500	5303020	5303020 Contractor Materials	112,617.44	361,738.36	-249,120.92	68.9-	11
****	5303030	5303030 Contractor Services	2,671,344.26	8,831,582.31	-6,160,238.05	69.8-	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	34,932.00	52,305.45	-17,373.45	33.2-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	15,802.75	2,395.78	13,406.97	559.6	11
****	5303035	5303035 Contractor Services - Restoration	329,795.35	690,518.74	-360,723.39	52.2-	11
****	5303036	5303036 Contractor Services - Permit Fees	52,402.49	29,524.50	22,877.99	77.5	11
****	5303040	5303040 Environmental Services	1,512.79	3,520.00	-2,007.21	57.0-	11
****	5303050	5303050 Contractor Services - Leak Detection	9,490.25	63,429.18	-53,938.93	85.0-	11
****	5303052	5303052 Contractor Services - Sewer Jetting	2,985.41	0	2,985.41		11
****	5303053	5303053 Contractor Services - Main Breaks	11,002,502.72	9,806,626.99	1,195,875.73	12.2	11
****	5303054	5303054 Contractor Services - Well Cleaning	626,148.73	128,523.48	497,625.25	387.2	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	6,214.55	6,228.26	-13.71	0.2-	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	51,304.00	0	51,304.00		11
5500	5303059	5303059 Contractor Services - PFAS	53,600.00	0	53,600.00		11
5500	5303061	5303061 Contractor Services - Other-Mains	72,048.80	11,615.97	60,432.83	520.3	11
****	5303062	5303062 Contractor Services - Other-Services	1,048,451.28	5,644.92	1,042,806.36	18,473.4	11
****	5303063	5303063 Contractor Services - Other-Meters	350,855.19	29,068.00	321,787.19	1,107.0	11
****	5303064	5303064 Contractor Services - Other-Hydrants	108,141.73	78,024.11	30,117.62	38.6	11
****	5303145	5303145 Contractor Services - Other-Construction	43,900.91	559,159.49	-515,258.58	92.1-	11
****	5996360	5996360 RECLASS-Contractual Services-Other	-1,382.01	0	-1,382.01		11
****	6996036	6996036 Contractual Services-Other	-18,161,326.05	-19,740,149.31	1,578,823.26	8.0	11
		Outside Services - Operations	-1,445,143.10	950,529.08	-2,395,672.18	252.0-	10
5500	5997310	5997310 Other ACO Direct costs	78,525.70	56,918.87	21,606.83	38.0	11
****	5997320	5997320 WorkFlow Processing Fee	95,454.17	105,609.09	-10,154.92	9.6-	11
****	5997330	5997330 WorkFlow Billing Postage	100,792.05	126,285.97	-25,493.92	20.2-	11
5500	5997360	5997360 ACO Lockbox Fees	42,092.80	36,497.57	5,595.23	15.3	11
		Outside Services - ACO	316,864.72	325,311.50	-8,446.78	2.6-	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	189,872.43	134,385.82	55,486.61	41.3	12
****	5303135	5303135 Contractor Services - Grounds Care	430,431.51	53,285.59	377,145.92	707.8	12
5500	5303840	5303840 Security & Investigative Services	51,588.66	22,565.68	29,022.98	128.6	12
****	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-118,865.31	0	-118,865.31		12
		Outside Services - Bldg & Grounds	553,027.29	210,237.09	342,790.20	163.0	11
5550	5303150	5303150 Communications Equipment Maintenance Services	3,101.86	0	3,101.86		12
5550	6996363	6996363 Contractual Services - Other - Communications	-3,101.86	0	-3,101.86		12
		Outside Services - Communications	0	0	0		11
5500	5303110	5303110 Office Equipment Maintenance Services	0	459.57	-459.57	100.0-	12
****	5303120	5303120 Computer & Software Maintenance Services	1,123.28	0	1,123.28		12
****	5303315	5303315 IT/Telecom Contractor Services	13,949.20	467,136.33	-453,187.13	97.0-	12

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0L	Ledger
10	Currency type Company code currency
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2023.11 -2023.11	Reporting periods
2022.11 -2022.11	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	6996364	6996364 Contractual Services - Other - IT	-13,949.20	0	-13,949.20		12
		Outside Services - IT	1,123.28	467,595.90	-466,472.62	99.8-	11
5500	5303140	5303140 Security Equipment Maintenance Services	-1,656.51	11,485.03	-13,141.54	114.4-	12
5500	6996365	6996365 Contractual Services - Other - Security	6,156.31	0	6,156.31		12
		Outside Services - Security	4,499.80	11,485.03	-6,985.23	60.8-	11
5500	5303325	5303325 Professional/Temporary Labor	7,724.95	120	7,604.95	6,337.5	12
5500	6996366	6996366 Contractual Services - Other - Temporary Labor	-2,855.36	0	-2,855.36		12
		Outside Services - Temporary Labor	4,869.59	120	4,749.59	3,958.0	11
5500	5303190	5303190 Miscellaneous Repairs/Maintenance	14,639.47	1,039.00	13,600.47	1,309.0	12
****	5303310	5303310 Consultant Services	18,922.45	34,156.02	-15,233.57	44.6-	12
5500	5303320	5303320 Training Services	5,226.48	1,371.55	3,854.93	281.1	12
****	5303890	5303890 Miscellaneous Outside Services	38,027.32	118,130.43	-80,103.11	67.8-	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-38,444.44	0	-38,444.44		12
		Outside Services - Admin & General	38,371.28	154,697.00	-116,325.72	75.2-	11
		Total Outside Services - Other	601,891.24	844,135.02	-242,243.78	28.7-	10
		Total Outside Services	-105,357.54	2,489,569.52	-2,594,927.06	104.2-	9
		Managment Fees					9
5500	8731010	8731010 S&W-Employees	5,997.92	0	5,997.92		11
		Management Fees - Essential	5,997.92	0	5,997.92		10
5500	5996340	5996340 RECLASS-Contractual Services-Management Fees	0	-50,659.37	50,659.37	100.0	11
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,644,403.37	1,507,406.16	136,997.21	9.1	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	714,898.54	735,092.48	-20,193.94	2.7-	11
5500	8732040	8732040 Employee Pension and Benefits	30,666.56	168,700.34	-138,033.78	81.8-	11
5500	8732150	8732150 Purchased Power (WasteWater)	927.6	515.96	411.64	79.8	11
5500	8732200	8732200 Materials and Supplies	77,001.01	269,033.62	-192,032.61	71.4-	11
5500	8732310	8732310 Contractual Services-Engineering	0	98,551.14	-98,551.14	100.0-	11
5500	8732320	8732320 Contractual Services-Accounting	13,154.39	25,582.41	-12,428.02	48.6-	11
5500	8732330	8732330 Contractual Services-Legal	48,856.43	15,132.71	33,723.72	222.9	11
5500	8732340	8732340 Contractual Services-Management Fees	184,122.45	461,546.73	-277,424.28	60.1-	11
5500	8732360	8732360 Contractual Services-Other	780,434.62	2,245,222.42	-1,464,787.80	65.2-	11
5500	8732410	8732410 Rental of Building Real Property	10,825.34	10,644.28	181.06	1.7	11
5500	8732500	8732500 Transportation Expenses	1,078.73	1,506.15	-427.42	28.4-	11
5500	8732600	8732600 Advertising Expense	67.11	3,352.87	-3,285.76	98.0-	11
5500	8732750	8732750 Miscellaneous Expense	122,268.39	44,232.84	78,035.55	176.4	11
		Management Fees - Water	3,628,704.54	5,535,860.74	-1,907,156.20	34.5-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733365	8733365 Contractual Services - Other - Security	0	0	0		11
****	8733366	8733366 Contractual Services - Other - Temporary Labor	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-1,357,476.25	-3,068,054.53	1,710,578.28	55.8	11
		Capitalized Management Fees	-1,357,476.25	-3,068,054.53	1,710,578.28	55.8	10
		Total Managment Fees	2,277,226.21	2,467,806.21	-190,580.00	7.7-	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	61,045.68	51,126.82	9,918.86	19.4	11
****	5307050	5307050 Rent Expense - Land & Land Rights	6,183.00	450	5,733.00	1,274.0	11
****	6996041	6996041 Rental of Building Real Property	-1,500.00	-450	-1,050.00	233.3-	11
		Leases - Building	65,728.68	51,126.82	14,601.86	28.6	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	1,639.20	2,255.25	-616.05	27.3-	11
****	6996042	6996042 Rental of Equipment	-90.1	-2,255.25	2,165.15	96.0	11
		Leases - Equipment	1,549.10	0	1,549.10		10
5500	5307090	5307090 Rent Expense - Miscellaneous	3.53	0	3.53		11
		Leases - Other	3.53	0	3.53		10
		Total Leases	67,281.31	51,126.82	16,154.49	31.6	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	3,416.65	16,117.19	-12,700.54	78.8-	11
5500	5304210	5304210 Auto Parts & Supplies	88,499.14	81,381.92	7,117.22	8.7	11

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.11 -2023.11	Reporting periods
2022.11 -2022.11	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	38,612.94	2,615.28	35,997.66	1,376.4	11
		Transportation - Services & Maintenance	130,528.73	100,114.39	30,414.34	30.4	10
5550	5307040	5307040 Rent Expense - Vehicles	0	1,977.72	-1,977.72	100.0-	11
		Transportation - Leases	0	1,977.72	-1,977.72	100.0-	10
****	5304510	5304510 Gasoline	141,455.94	165,734.41	-24,278.47	14.6-	11
5500	5304515	5304515 Diesel Fuel	33,552.43	45,105.10	-11,552.67	25.6-	11
5500	5304516	5304516 Natural Gas Fuel	-1,981.02	2,098.82	-4,079.84	194.4-	11
		Transportation - Fuel	173,027.35	212,938.33	-39,910.98	18.7-	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	8,144.90	27	8,117.90	30,066.3	11
5500	5399079	5399079 Transportation-Crash	21,702.25	-25,284.61	46,986.86	185.8	11
****	5996500	5996500 RECLASS-Transportation Expenses	-15,792.81	-24,807.83	9,015.02	36.3	11
****	8720500	8720500 Transportation Overhead	-344.45	236.53	-580.98	245.6-	11
		Transportation - Other	13,709.89	-49,828.91	63,538.80	127.5	10
****	6996050	6996050 Transportation Expenses	-96,076.73	-30,655.95	-65,420.78	213.4-	11
		Capitalized Transportation	-96,076.73	-30,655.95	-65,420.78	213.4-	10
		Total Transportation	221,189.24	234,545.58	-13,356.34	5.7-	9
		Miscellaneous Expenses					9
****	5308010	5308010 Subscriptions	994.82	4,813.13	-3,818.31	79.3-	11
5500	5308021	5308021 Professional Dues	1,087.00	0	1,087.00		11
5500	5308090	5308090 Other Dues&Membershp	78,392.99	36,393.88	41,999.11	115.4	11
		Dues & Subscriptions	80,474.81	41,207.01	39,267.80	95.3	10
****	5310020	5310020 Licensing Fees	40,717.19	-318,756.33	359,473.52	112.8	11
5500	5310050	5310050 Environmental Fees	3,415.00	0	3,415.00		11
		Licenses & Permits	44,132.19	-318,756.33	362,888.52	113.8	10
5500	5310080	5310080 Bank Fees	9,023.37	10,060.89	-1,037.52	10.3-	11
5500	5310085	5310085 Bond Servicing Fees	5,896.93	0	5,896.93		11
		Bank Fees	14,920.30	10,060.89	4,859.41	48.3	10
****	5302010	5302010 Travel Expense	33,155.06	22,039.49	11,115.57	50.4	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	29,470.41	9,407.19	20,063.22	213.3	11
5500	5302016	5302016 Travel - Meals (100% Deductible)	119.29	0	119.29		11
5500	5302020	5302020 Entertainment Expense	1,983.80	0	1,983.80		11
****	5302021	5302021 Entertainment Expense - Non-Deductible	6,524.41	12,565.56	-6,041.15	48.1-	11
		Travel & Entertainment	71,252.97	44,012.24	27,240.73	61.9	10
5550	5303830	5303830 Advertising	0	2,705.86	-2,705.86	100.0-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	5,550.00	7,118.75	-1,568.75	22.0-	11
		Public Relations	5,550.00	9,824.61	-4,274.61	43.5-	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	-864	500	-1,364.00	272.8-	11
		Fines & Penalties	-864	500	-1,364.00	272.8-	10
****	5304310	5304310 Office Supplies	53,682.69	40,920.70	12,761.99	31.2	11
****	5304320	5304320 Postage, Shipping, & Freight	17,936.98	31,441.24	-13,504.26	43.0-	11
5500	5304350	5304350 Office Furn & Equip	3,757.40	1,103.15	2,654.25	240.6	11
5500	5304360	5304360 Promotion Supplies	5,793.88	0	5,793.88		11
****	5304410	5304410 Purchasing Card Expenses-MC	-179,964.95	-28,179.40	-151,785.55	538.6-	11
		Office Supplies	-98,794.00	45,285.69	-144,079.69	318.2-	10
****	5309010	5309010 Utilities - Electric and Gas	6,553.74	816.84	5,736.90	702.3	11
5500	5309020	5309020 Utilities - Phone	195	0	195		11
****	5309025	5309025 Utilities - Communications	112,224.82	116,792.06	-4,567.24	3.9-	11
5550	5309030	5309030 Utilities - Water	4,932.81	2,274.27	2,658.54	116.9	11
****	5309040	5309040 Utilities - Other	962.38	188.75	773.63	409.9	11
		Utilities	124,868.75	120,071.92	4,796.83	4.0	10
****	5310090	5310090 Miscellaneous Fees	731.8	4,647.81	-3,916.01	84.3-	11
5500	5399040	5399040 Lost Discount Exp	3,061.00	2,419.35	641.65	26.5	11
****	5399900	5399900 Miscellaneous Expense	-214,793.81	-161,935.75	-52,858.06	32.6-	11
5500	6996751	6996751 Other Miscellaneous Expense	-28,549.92	0	-28,549.92		11
		Other Miscellaneous	-239,550.93	-154,868.59	-84,682.34	54.7-	10
5500	5303900	5303900 Conversion-Projects	1,485.79	0	1,485.79		11
5500	5399061	5399061 CIAC-Project offset	2,224,713.63	358,105.00	1,866,608.63	521.2	11
****	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	-191,515.00	-333,250.80	141,735.80	42.5	11
5500	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-9,351,224.00	-49,953.00	-9,301,271.00	18,620.0-	11
5500	5399074	5399074 Vehicle Purchases	84,842.50	360,071.30	-275,228.80	76.4-	11
5500	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-2,033,198.63	132,260.18	-2,165,458.81	1,637.3-	11
5500	5399340	5399340 Salvage Proceeds	0	-19,500.00	19,500.00	100.0	11
5500	5996750	5996750 RECLASS-Miscellaneous Expense	12,000.00	0	12,000.00		11
****	5996850	5996850 RECLASS-Capital Overhead	-103.78	0	-103.78		11
****	6996075	6996075 Miscellaneous Expense	-148,427.20	-396,193.72	247,766.52	62.5	11
****	6996081	6996081 CIAC	7,318,025.37	25,098.80	7,292,926.57	29,056.9	11
5500	6996082	6996082 CAC	2,033,198.63	86,299.00	1,946,899.63	2,256.0	11
****	6996085	6996085 Capital Overhead	299.07	7,680.31	-7,381.24	96.1-	11
****	8720400	8720400 A&G Capital Support Overhead	-107.76	-741.53	633.77	85.5	11
****	8720900	8720900 Engineering Overhead	0	0	0		11
		Capital Miscellaneous & Overheads	-50,011.38	169,875.54	-219,886.92	129.4-	10
		Total Miscellaneous Expenses	-48,021.29	-32,787.02	-15,234.27	46.5-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	373,870.01	361,649.00	12,221.01	3.4	10
5500	5305020	5305020 Damages - Property	53,141.91	61,193.93	-8,052.02	13.2-	10
****	5305050	5305050 Worker's Compensation Claim Expenses	76,135.98	70,145.00	5,990.98	8.5	10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,616.00	138,327.00	29,289.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,295.01	13,968.00	-2,672.99	19.1-	10

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USD Amounts in United States Dollar
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5996560	5996560 RECLASS-Insurance Vehicle	0	0	0		10
****	5996570	5996570 RECLASS-Insurance General Liability	0	0	0		10
****	5996580	5996580 RECLASS-Insurance Workman's Compensation	0	-0.01	0.01	100.0	10
****	5996590	5996590 RECLASS-Insurance Other	0	0	0		10
5500	6996056	6996056 Insurance Vehicle	0	-4,190.40	4,190.40	100.0	10
5500	6996057	6996057 Insurance General Liability	-119,414.62	-108,494.70	-10,919.92	10.1-	10
5500	6996058	6996058 Insurance Workman's Compensation	-23,843.61	-21,043.50	-2,800.11	13.3-	10
5500	6996059	6996059 Insurance Other	-52,414.74	-41,498.10	-10,916.64	26.3-	10
		Total Insurance	486,385.94	470,056.22	16,329.72	3.5	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	381,385.27	222,959.16	158,426.11	71.1	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-31,561.04	-47,285.73	15,724.69	33.3	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	55,558.49	532,017.80	-476,459.31	89.6-	10
5500	5996700	5996700 RECLASS-Bad Debt Expense	-11,233.96	0	-11,233.96		10
5500	6996070	6996070 Bad Debt Expense	11,233.96	0	11,233.96		10
		Total Bad Debt	405,382.72	707,691.23	-302,308.51	42.7-	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	235,902.90	515,256.28	-279,353.38	54.2-	10
5500	6201011	6201011 Donations - 501(c)(3)	6,753.76	14,540.07	-7,786.31	53.6-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	20,014.00	0	20,014.00		10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	2,251.50	2,737.50	-486	17.8-	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	893.35	317.49	575.86	181.4	10
****	6204150	6204150 Misc NonUtil Exp-Other	88,186.53	53,600.00	34,586.53	64.5	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	4,967.06	3,854.09	1,112.97	28.9	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	29,083.65	44,560.00	-15,476.35	34.7-	10
		Total Non Operating Expenses	388,052.75	634,865.43	-246,812.68	38.9-	9
		Total Operations & Maintenance Expense	11,219,721.13	16,808,638.53	-5,588,917.40	33.3-	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,392,487.61	10,821,214.98	571,272.63	5.3	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.29	-0.29	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-353,108.52	-342,721.07	-10,387.45	3.0-	9
		Total Depreciation	11,039,379.09	10,478,494.20	560,884.89	5.4	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	61,111.00	-32,667.91	53.5-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-86,962.08	86,962.08	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-76,971.33	0	-76,971.33		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	10,265.62	1,758.02	8,507.60	483.9	9
		Total Amortization	-38,262.62	-24,093.06	-14,169.56	58.8-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	214,054.00	203,710.92	10,343.08	5.1	9
****	5310032	5310032 Assessment-Consumer Advocate	85,692.00	60,360.79	25,331.21	42.0	9
****	5310033	5310033 Assessment-SBA	14,925.00	12,421.13	2,503.87	20.2	9
****	5310035	5310035 Assessment-DPC	36	2,435.16	-2,399.16	98.5-	9
****	5702120	5702120 Property Taxes-WT/WW	169,937.31	107,347.64	62,589.67	58.3	9
5500	5703100	5703100 Payroll Taxes	345,163.33	339,490.53	5,672.80	1.7	9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	366,667.00	51,694.11	14.1	9
****	5996050	5996050 RECLASS-Employee Taxes	0	3,248.19	-3,248.19	100.0-	9
****	6996005	6996005 Payroll Tax	-113,189.07	-106,495.37	-6,693.70	6.3-	9
****	8720100	8720100 Payroll Tax Overhead	-316.61	-673.98	357.37	53.0	9
		Total Taxes Other Than Income	1,134,663.07	988,512.01	146,151.06	14.8	8
		TOTAL UTILITY COSTS & EXPENSES	23,355,500.67	28,251,551.68	-4,896,051.01	17.3-	7
		TOTAL OPERATING INCOME	-27,461,300.08	-23,708,409.72	-3,752,890.36	15.8-	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	48,045.03	22,200.32	25,844.71	116.4	9
		Interest on Short Term Debt	48,045.03	22,200.32	25,844.71	116.4	8
****	6499011	6499011 Interest Expense - Long Term Debt	7,374,537.99	6,414,128.00	960,409.99	15.0	10
		Interest on LTD	7,374,537.99	6,414,128.00	960,409.99	15.0	9
5500	6402430	6402430 Amort-Debt Issuance Costs	52,232.06	49,939.57	2,292.49	4.6	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	46,296.06	44,003.57	2,292.49	5.2	9
		Interest on Long Term Debt	7,420,834.05	6,458,131.57	962,702.48	14.9	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-227,869.32	-287,509.45	59,640.13	20.7	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	227,869.32	287,509.45	-59,640.13	20.7-	10
****	6996080	6996080 AFUDC-Debt	-227,869.32	-287,509.45	59,640.13	20.7	10
		AFUDC - Debt	-227,869.32	-287,509.45	59,640.13	20.7	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-555,908.03	-994,311.58	438,403.55	44.1	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	555,908.03	707,033.78	-151,125.75	21.4-	10
****	6996086	6996086 AFUDC-Equity	-555,908.03	-707,033.78	151,125.75	21.4	10
		AFUDC - Equity	-555,908.03	-994,311.58	438,403.55	44.1	9
		Allow For Funds Used During Construction	-783,777.35	-1,281,821.03	498,043.68	38.9	8
		Total Interest Expense	6,685,101.73	5,198,510.86	1,486,590.87	28.6	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	7,384.21	-186,543.73	193,927.94	104.0	9
		Gains from Sales of Property	7,384.21	-186,543.73	193,927.94	104.0	8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	-245,302.00	-510,040.00	264,738.00	51.9	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	25,578.00	-10,978.00	42.9-	9

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2023.11 -2023.11 Reporting periods
2022.11 -2022.11 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Other Net Periodic Beneft Costs	-304,948.00	-558,708.00	253,760.00	45.4	8
		Other Net (Income) Expense	-297,563.79	-745,251.73	447,687.94	60.1	7
		TOTAL OTHER (INCOME) EXPENSE	6,387,537.94	4,453,259.13	1,934,278.81	43.4	6
		TOTAL INCOME BEFORE TAX & GAIN	-21,073,762.14	-19,255,150.59	-1,818,611.55	9.4-	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	2,897,642.29	2,545,294.13	352,348.16	13.8	8
		Federal Taxes - Current	2,897,642.29	2,545,294.13	352,348.16	13.8	7
		Total Income Taxes - Current	2,897,642.29	2,545,294.13	352,348.16	13.8	6
		TOTAL INCOME TAXES	2,897,642.29	2,545,294.13	352,348.16	13.8	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-18,176,119.85	-16,709,856.46	-1,466,263.39	8.8-	4
		TOTAL NET INCOME	-18,176,119.85	-16,709,856.46	-1,466,263.39	8.8-	3
		NET INCOME AVAILABLE FOR COMMON	18,176,119.85	16,709,856.46	1,466,263.39	8.8	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.12 -2023.12	Reporting periods
2022.12 -2022.12	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-129,443,832.27	**-133,509,093.95**	**4,065,261.68**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-1,171.44	-338.71	-832.73	245.9-	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-26,366.22	-37,628.85	11,262.63	29.9	10
****	4114110	4114110 WTR-Metered Sales-Residential	-30,128,013.47	-30,063,606.73	-64,406.74	0.2-	10
****	4114115	4114115 WTR-CAP Discount-Residential	107,264.35	0	107,264.35		10
****	4114120	4114120 WTR-Metered Sales-Commercial	-10,093,596.03	-10,166,162.88	72,566.85	0.7	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,795,758.39	-1,631,704.96	-164,053.43	10.1-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-389,970.64	-819,861.13	429,890.49	52.4	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-900.08	-1,505.89	605.81	40.2	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,260,631.02	-1,311,752.78	51,121.76	3.9	10
****	4114220	4114220 WTR-Public Fire Protection	-635,707.88	-635,268.48	-439.4	0.1-	10
****	4114230	4114230 WTR-Private Fire Protection	-244,807.53	-221,551.10	-23,256.43	10.5-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-301,072.50	-306,262.66	5,190.16	1.7	10
5500	4115100	4115100 WTR-Misc Srv Rev	-55,332.40	-51,315.80	-4,016.60	7.8-	10
5500	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-9,135.00	-6,050.00	-3,085.00	51.0-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-71,316.40	-103,562.31	32,245.91	31.1	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-21,930.00	-24,754.45	2,824.45	11.4	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-698,885.52	2,214.05	-701,099.57	31,665.9-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	98,310.27	1.7	98,308.57	5782857.1	10
5500	4118400	4118400 WTR-Other Water Rev	-73,640.00	0	-73,640.00		10
		Operating Revenue - Water	-45,602,659.90	-45,379,110.98	-223,548.92	0.5-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,423,851.48	-3,566,802.56	142,951.08	4.0	10
5550	4211035	4211035 WW-CAP Discount-Residential	9,184.81	0	9,184.81		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-742,060.38	-742,635.21	574.83	0.1	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,232,024.58	-1,236,181.90	4,157.32	0.3	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-303,696.16	-329,225.55	25,529.39	7.8	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-3,484.48	-2,350.47	-1,134.01	48.2-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-29,876.46	-31,774.33	1,897.87	6.0	10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-68.9	-226.54	157.64	69.6	10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-2,122.93	-1,997.23	-125.7	6.3-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-119,534.33	-138,656.09	19,121.76	13.8	10
****	4215155	4215155 WW-ST Tax Surcharge	3,223.24	346.8	2,876.44	829.4	10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-14,283.02	-15,107.12	824.1	5.5	10
5550	4218400	4218400 WW-Other WW Revenues	55,071.00	-1,240.00	56,311.00	4,541.2	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-6,211.53	43.64	-6,255.17	14,333.6-	10
		Operating Revenue - Sewer	-5,809,735.20	-6,065,806.56	256,071.36	4.2	9
		Total Operating Revenue	-51,412,395.10	-51,444,917.54	32,522.44	0.1	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-146,443.59	-145,180.45	-1,263.14	0.9-	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-21,198.39	21,198.39	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-1,500.00	0	0.0	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-45,497.85	-42,767.13	-2,730.72	6.4-	9
****	6104120	6104120 Nonutil Inc-Other (Water)	-92,978.64	-17,751.06	-75,227.58	423.8-	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-175,702.90	-179,189.22	3,486.32	1.9	9
		Total Non Operating Revenue	-462,633.98	-408,097.25	-54,536.73	13.4-	8
		TOTAL REVENUE	-51,875,029.08	-51,853,014.79	-22,014.29	0.0	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,807,757.90	3,936,525.48	-128,767.58	3.3-	11
5500	5300190	5300190 Labor-Officers, Executives	53,867.52	76,613.44	-22,745.92	29.7-	11
5500	8710100	8710100 Labor Cost Center Variances - Employees	1,778.80	0	1,778.80		11
		Labor Regular	3,863,404.22	4,013,138.92	-149,734.70	3.7-	10
5500	5300120	5300120 Salaried - Overtime Wages	588,486.50	630,492.62	-42,006.12	6.7-	11
		Labor Overtime	588,486.50	630,492.62	-42,006.12	6.7-	10
5500	5300180	5300180 Salaried - Annual Incentive	65,802.00	384,387.00	-318,585.00	82.9-	11
		Labor Short Term Incentive	65,802.00	384,387.00	-318,585.00	82.9-	10
5500	5300185	5300185 Stock Option Compensation	1,608.06	25.03	1,583.03	6,324.5	11
5500	5300186	5300186 Performance Share Unit Amortization	4,332.72	104,035.24	-99,702.52	95.8-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	6,508.90	14,063.48	-7,554.58	53.7-	11
****	5996070	5996070 RECLASS-LTI/STI	0	0	0		11
		Labor Long Term Incentive	12,449.68	118,123.75	-105,674.07	89.5-	10
****	5996010	5996010 RECLASS-S&W-Employees	0	383,626.40	-383,626.40	100.0-	11
****	5996020	5996020 RECLASS-S&W-Employees-OT	0	2,618.70	-2,618.70	100.0-	11
5500	5996030	5996030 RECLASS-S&W-Officers, Directors, Maj Shareholder	0	40,374.38	-40,374.38	100.0-	11
****	8000010	8000010 Area Manager II	0	-184.5	184.5	100.0	11
5500	8000029	8000029 Business Analyst III	706.86	6,408.99	-5,702.13	89.0-	11
5500	8000032	8000032 Corporate Automation Engineer	0	731.68	-731.68	100.0-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000093	8000093 Engineer I	0	6,651.44	-6,651.44	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	825.24	1,567.92	-742.68	47.4-	11
5500	8000129	8000129 Information Security Director	0	1,185.10	-1,185.10	100.0-	11
5500	8000150	8000150 Mgr, Security Operations & Engineering	0	806.25	-806.25	100.0-	11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.12 -2023.12	Reporting periods
2022.12 -2022.12	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000170	8000170 Project Engineer II	5,236.00	0	5,236.00		11
****	8000171	8000171 Project Engineer III	410.4	0	410.4		11
5550	8000178	8000178 Project Manager III	0	120.94	-120.94	100.0-	11
5500	8000217	8000217 Systems Engineer II	0	935.1	-935.1	100.0-	11
5500	8000219	8000219 Security Engineer III	3,422.10	2,863.36	558.74	19.5	11
5500	8000235	8000235 System Engineer III	1,070.52	2,189.16	-1,118.64	51.1-	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
5500	8000276	8000276 Field Supervisor III	0	-849.6	849.6	100.0	11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000325	8000325 Manager Security GRC	0	757.47	-757.47	100.0-	11
****	8000381	8000381 Director Construction	0	0	0		11
****	8000387	8000387 Sr Security GRC Analyst	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
5500	8001066	8001066 QA Specialist II	0	-4,554.11	4,554.11	100.0	11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
5500	8001110	8001110 Instrumentation Control Specialist	93.3	0	93.3		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
5500	8001182	8001182 Utility Technician I	0	28.25	-28.25	100.0-	11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-1,032.66	-479.92	-552.74	115.2-	11
5500	8001220	8001220 Distribution Technician	121.52	0	121.52		11
5500	8001224	8001224 Emergency Utility Worker	-37.87	0	-37.87		11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
****	8001230	8001230 Field Service Representative Leader	0	0	0		11
5500	8001231	8001231 Field Service Representative	-302.36	-205.16	-97.2	47.4-	11
5500	8001235	8001235 Inspector	-655.45	-901.45	246	27.3	11
****	8001241	8001241 Leader	0	0	0		11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
****	8001270	8001270 System Operator	0	0	0		11
****	8001284	8001284 Utility Worker	-445.4	-722	276.6	38.3	11
****	8001289	8001289 Working Foreman	0	-186.1	186.1	100.0	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002018	8002018 Construction Coordinator II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
5500	8002181	8002181 Utility Technician-TH	0	8.07	-8.07	100.0-	11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	0	0		11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-47.31	-306.24	258.93	84.6	11
5500	8002235	8002235 Inspector-TH	1.47	0	1.47		11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002284	8002284 Utility Worker-TH	-227.72	0	-227.72		11
****	8002289	8002289 Working Foreman-TH	0	-15.49	15.49	100.0	11
****	8002314	8002314 Wastewater Operator II - TH	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
5500	8003240	8003240 Leader-DT	0	-380.15	380.15	100.0	11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
5500	8003283	8003283 Utility Worker-DT	0	-722	722	100.0	11
5500	8003288	8003288 Working Foreman-DT	0	-827.2	827.2	100.0	11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
****	8003314	8003314 Wastewater Operator II - DT	0	0	0		11
****	8009990	8009990 True-Up Labor	20,275.50	0	20,275.50		11
		Activity Allocations	29,414.14	440,539.29	-411,125.15	93.3-	10
****	5998607	5998607 Rcl-Topsided LTI/STI	0	-394,991.22	394,991.22	100.0	11

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0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.12 -2023.12	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	6996001	6996001 S&W-Employees-ST	-1,055,718.60	-1,453,354.17	397,635.57	27.4	11
****	6996002	6996002 S&W-Employees-OT	-255,041.82	-263,694.48	8,652.66	3.3	11
****	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-50,312.93	-49,218.44	-1,094.49	2.2-	11
****	6996007	6996007 LTI/STI	-7,063.41	-15,846.06	8,782.65	55.4	11
****	8720200	8720200 PTO Overhead	-1,905.70	-1,955.29	49.59	2.5	11
****	8720700	8720700 LTI/STI/Stock Overhead	0	-37.61	37.61	100.0	11
		Labor - Overheads & Capitalization	-1,370,042.46	-2,179,097.27	809,054.81	37.1	10
		Total Labor	3,189,514.08	3,407,584.31	-218,070.23	6.4-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	594,618.38	577,047.56	17,570.82	3.0	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	32,578.46	31,839.97	738.49	2.3	11
5500	5301025	5301025 Employee Benefits - Vision	6,262.81	5,409.36	853.45	15.8	11
		Employee Benefits - Health Plans	633,459.65	614,296.89	19,162.76	3.1	10
5500	5301030	5301030 Employee Benefits - Life Insurance	16,865.82	16,983.02	-117.2	0.7-	11
5500	5301040	5301040 Employee Benefits - Disability	9,255.44	20,708.16	-11,452.72	55.3-	11
		Employee Benefits - Insurance	26,121.26	37,691.18	-11,569.92	30.7-	10
5500	5301110	5301110 Employee Benefits - Pensions	1,102,979.00	239,920.00	863,059.00	359.7	11
		Employee Benefits - Pension	1,102,979.00	239,920.00	863,059.00	359.7	10
****	5301060	5301060 Employee Benefits - OPEB	77,502.94	99,392.31	-21,889.37	22.0-	11
		Employee Benefits - OPEB	77,502.94	99,392.31	-21,889.37	22.0-	10
5500	5301130	5301130 Employee Benefits - Savings Plan	139,145.93	141,962.50	-2,816.57	2.0-	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	72,412.32	77,633.00	-5,220.68	6.7-	11
		Employee Benefits - 401K	211,558.25	219,595.50	-8,037.25	3.7-	10
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	0	532	-532	100.0-	11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	0	1,798.34	-1,798.34	100.0-	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	3,367.98	23,546.16	-20,178.18	85.7-	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	5,127.19	5,085.79	41.4	0.8	11
5500	5302920	5302920 Tuition Reimbursement Expense	375	1,940.00	-1,565.00	80.7-	11
5500	5302925	5302925 Employee Training Expense	1,895.78	6,409.77	-4,513.99	70.4-	11
5500	5302926	5302926 Employee Training Expense-Seminars	8,380.50	50	8,330.50	16,661.0	11
5500	5302930	5302930 Employee Relations Expense	50	815	-765	93.9-	11
5500	5302990	5302990 Miscellaneous Employee-Related Expense	0	38.83	-38.83	100.0-	11
****	5996040	5996040 RECLASS-Employee Pension and Benefits	0	45,701.03	-45,701.03	100.0-	11
****	8720300	8720300 Payroll Other Overhead	-1,807.58	200.63	-2,008.21	1,001.0-	11
		Employee Benefits - Miscellaneous	17,388.87	86,117.55	-68,728.68	79.8-	10
****	5998604	5998604 Rcl-Topsided Empl Bene	0	394,991.22	-394,991.22	100.0-	11
****	6996004	6996004 Employee Pension and Benefits	-387,628.35	-732,526.70	344,898.35	47.1	11
		Capitalized Employee Benefits	-387,628.35	-337,535.48	-50,092.87	14.8-	10
		Total Employee Benefits	1,681,381.62	959,477.95	721,903.67	75.2	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	814,989.17	393,364.42	421,624.75	107.2	10
5500	6996009	6996009 Purchased Water	-77,531.25	0	-77,531.25		10
		Total Purchased Water	737,457.92	393,364.42	344,093.50	87.5	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	832,965.68	-75,944.87	908,910.55	1,196.8	10
		Total Purchased Wastewater	832,965.68	-75,944.87	908,910.55	1,196.8	9
		Sludge					9
****	5206240	5206240 Sludge Removal	221,098.76	66,051.78	155,046.98	234.7	10
****	6996011	6996011 Sludge Removal (WW)	-42,479.96	35,400.66	-77,880.62	220.0-	10
		Total Sludge	178,618.80	101,452.44	77,166.36	76.1	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	874,691.51	614,113.00	260,578.51	42.4	10
****	5206230	5206230 Fuel for Power Production	50,058.46	44,219.91	5,838.55	13.2	10
5500	6996015	6996015 Purchased Power (WW)	-48.55	59,697.20	-59,745.75	100.1-	10
5500	6996016	6996016 Fuel for Power Production	-380.58	0	-380.58		10
		Total Purchased Power	924,320.84	718,030.11	206,290.73	28.7	9
****	5304600	5304600 Chemicals-Oper-General	72,052.89	188,606.02	-116,553.13	61.8-	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	137,151.47	105,679.64	31,471.83	29.8	10
5500	5304603	5304603 Chemicals-Oper-Caustic	19,475.67	16,721.18	2,754.49	16.5	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	2,498.30	99,134.52	-96,636.22	97.5-	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	89,174.22	44,454.67	44,719.55	100.6	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	-2,568.50	3,571.72	-6,140.22	171.9-	10
5500	5304607	5304607 Chemicals-Oper-Hypochlorine	46,653.02	77,901.67	-31,248.65	40.1-	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	135,414.00	27,198.40	108,215.60	397.9	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	24,565.00	113,134.79	-88,569.79	78.3-	10
5500	5304610	5304610 Chemicals-Oper-Polymer	80,135.30	17,102.33	63,032.97	368.6	10
5500	5304611	5304611 Chemicals-Oper-Soda Ash	9,273.60	0	9,273.60		10
5500	5304613	5304613 Chemicals-Oper-Percol	0	6,762.00	-6,762.00	100.0-	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	138.6	-138.6	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	95,544.38	32,848.34	62,696.04	190.9	10
5500	5304616	5304616 Chemicals-Oper-Copper Sulphate	0	4,411.17	-4,411.17	100.0-	10
5500	5304617	5304617 Chemicals-Oper-Carbon	178,750.40	100,708.37	78,042.03	77.5	10
5500	5304619	5304619 Chemicals-Oper-Potaperm	824.22	0	824.22		10
5500	5304620	5304620 Chemicals-Oper-Ammonia	111,959.12	21,361.28	90,597.84	424.1	10
5500	5304621	5304621 Chemicals-Oper-Misc Chem	112,089.63	3,159.89	108,929.74	3,447.3	10
****	5304624	5304624 SW-Chem-Pump Oper-General	71,612.36	82,506.91	-10,894.55	13.2-	10
5550	5304626	5304626 SW-Chem-T&D Oper-General	1,406.40	4,699.83	-3,293.43	70.1-	10
5500	6996018	6996018 Chemicals	-8,480.00	-667	-7,813.00	1,171.4-	10

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Chemicals	1,177,531.48	949,434.33	228,097.15	24.0	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	604,294.70	1,354,892.16	-750,597.46	55.4-	11
5500	5304105	5304105 Material Exp-Stk Cr	-34,405.97	0	-34,405.97		11
****	5304110	5304110 Material Exp-Cst Dif	-33,740.86	2,833.80	-36,574.66	1,290.7-	11
5500	5304120	5304120 Material Exp-Obslete	-20,302.03	-7,422.95	-12,879.08	173.5-	11
5500	5304140	5304140 Material Exp-Inv Rvl	7,402.19	0	7,402.19		11
****	5304200	5304200 Material Exp-Non Stk	431,011.83	2,237,672.24	-1,806,660.41	80.7-	11
5500	5304235	5304235 Materials & Supplies - Hydrants	0	701	-701	100.0-	11
****	5304300	5304300 Meter/ERT Purchases	299,157.99	108,198.31	190,959.68	176.5	11
****	5304330	5304330 Laboratory Supplies	-2,537.00	-5,394.25	2,857.25	53.0	11
****	5304340	5304340 Software/Hardware Purchases	16,700.81	218,002.30	-201,301.49	92.3-	11
****	5304370	5304370 Small Tools & Work Equipment	25,594.75	98,776.28	-73,181.53	74.1-	11
****	5304375	5304375 Materials & Supplies - Uniforms	7,653.16	28,651.99	-20,998.83	73.3-	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	32,527.11	149,710.09	-117,182.98	78.3-	11
****	5304390	5304390 Misc Supplies	65,183.65	73,909.16	-8,725.51	11.8-	11
****	5996200	5996200 RECLASS-Materials and Supplies	91,515.51	6.01	91,509.50	1522620.6	11
****	8720600	8720600 Tools/Clothing/Others Overhead	11.4	-107.29	118.69	110.6	11
		Supplies	1,490,067.24	4,260,428.85	-2,770,361.61	65.0-	10
****	6996020	6996020 Materials and Supplies	-1,465,963.95	-3,985,722.51	2,519,758.56	63.2	11
		Capitalized Supplies	-1,465,963.95	-3,985,722.51	2,519,758.56	63.2	10
		Total Materials & Supplies	24,103.29	274,706.34	-250,603.05	91.2-	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	2,063,073.34	4,921,206.93	-2,858,133.59	58.1-	11
****	5996310	5996310 RECLASS-Contractual Services-Engineering	14,994.00	0	14,994.00		11
****	6996031	6996031 Contractual Services-Engineering	-2,101,129.34	-4,880,354.79	2,779,225.45	56.9	11
		Outside Services - Engineering	-23,062.00	40,852.14	-63,914.14	156.5-	10
5500	5303210	5303210 Accounting/Auditing Services	73,330.85	53,007.00	20,323.85	38.3	11
5500	6996032	6996032 Contractual Services-Accounting	-22,677.59	0	-22,677.59		11
		Outside Services - Accounting	50,653.26	53,007.00	-2,353.74	4.4-	10
****	5303220	5303220 Legal Services	115,485.80	227,502.10	-112,016.30	49.2-	11
5500	6996033	6996033 Contractual Services-Legal	-17,314.00	-2,580.00	-14,734.00	571.1-	11
		Outside Services - Legal	98,171.80	224,922.10	-126,750.30	56.4-	10
****	5303850	5303850 Testing Services	94,922.23	39,540.95	55,381.28	140.1	11
****	6996035	6996035 Contractual Services-Testing	-1,116.50	-4,572.04	3,455.54	75.6	11
		Outside Services - Lab Testing	93,805.73	34,968.91	58,836.82	168.3	10
****	5303010	5303010 Contractor Labor - Straight Time	79,521.93	26,359.83	53,162.10	201.7	11
****	5303020	5303020 Contractor Materials	140,253.33	636,336.64	-496,083.31	78.0-	11
****	5303030	5303030 Contractor Services	9,507,278.37	15,801,128.48	-6,293,850.11	39.8-	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	40,500.00	55,328.90	-14,828.90	26.8-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	98,833.72	19,117.94	79,715.78	417.0	11
****	5303035	5303035 Contractor Services - Restoration	711,432.79	5,003,117.85	-4,291,685.06	85.8-	11
5500	5303036	5303036 Contractor Services - Permit Fees	41,531.67	16,614.47	24,917.20	150.0	11
5500	5303040	5303040 Environmental Services	-8,275.35	0	-8,275.35		11
****	5303050	5303050 Contractor Services - Leak Detection	24,721.32	18,784.88	5,936.44	31.6	11
****	5303052	5303052 Contractor Services - Sewer Jetting	-1,433.20	0	-1,433.20		11
****	5303053	5303053 Contractor Services - Main Breaks	9,623,139.74	15,168,824.77	-5,545,685.03	36.6-	11
****	5303054	5303054 Contractor Services - Well Cleaning	396,732.87	288,804.85	107,928.02	37.4	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	0	-2,030.00	2,030.00	100.0	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	31,214.55	-6,110.00	37,324.55	610.9	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	14,724.00	0	14,724.00		11
5500	5303061	5303061 Contractor Services - Other-Mains	23,352.95	664,081.52	-640,728.57	96.5-	11
****	5303062	5303062 Contractor Services - Other-Services	914,445.33	1,125.00	913,320.33	81,184.0	11
****	5303063	5303063 Contractor Services - Other-Meters	577,376.68	232,386.21	344,990.47	148.5	11
****	5303064	5303064 Contractor Services - Other-Hydrants	239,267.19	315,721.12	-76,453.93	24.2-	11
5500	5303145	5303145 Contractor Services - Other-Construction	4,840.35	321,347.32	-316,506.97	98.5-	11
****	5996360	5996360 RECLASS-Contractual Services-Other	134,086.68	78,522.01	55,564.67	70.8	11
****	6996036	6996036 Contractual Services-Other	-21,091,909.00	-37,162,431.96	16,070,522.96	43.2	11
		Outside Services - Operations	1,501,635.92	1,477,029.83	24,606.09	1.7	10
5500	5997310	5997310 Other ACO Direct costs	64,150.88	73,749.07	-9,598.19	13.0-	11
****	5997320	5997320 WorkFlow Processing Fee	102,421.60	82,198.79	20,222.81	24.6	11
****	5997330	5997330 WorkFlow Billing Postage	133,782.30	123,616.88	10,165.42	8.2	11
5500	5997360	5997360 ACO Lockbox Fees	35,294.76	35,654.35	-359.59	1.0-	11
		Outside Services - ACO	335,649.54	315,219.09	20,430.45	6.5	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	142,143.44	572,333.93	-430,190.49	75.2-	12
****	5303135	5303135 Contractor Services - Grounds Care	384,460.79	59,549.20	324,911.59	545.6	12
5500	5303840	5303840 Security & Investigative Services	33,407.82	27,815.19	5,592.63	20.1	12
5500	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-343,456.54	0	-343,456.54		12
		Outside Services - Bldg & Grounds	216,555.51	659,698.32	-443,142.81	67.2-	11
5500	5303110	5303110 Office Equipment Maintenance Services	0	711.85	-711.85	100.0-	12
****	5303120	5303120 Computer & Software Maintenance Services	43,823.40	19,275.00	24,548.40	127.4	12
****	5303315	5303315 IT/Telecom Contractor Services	46,339.23	809,587.82	-763,248.59	94.3-	12
5500	6996364	6996364 Contractual Services - Other - IT	-47,866.20	0	-47,866.20		12
		Outside Services - IT	42,296.43	829,574.67	-787,278.24	94.9-	11
****	5303140	5303140 Security Equipment Maintenance Services	45,554.61	58,438.71	-12,884.10	22.0-	12
		Outside Services - Security	45,554.61	58,438.71	-12,884.10	22.0-	11
****	5303325	5303325 Professional/Temporary Labor	7,186.60	1,415.92	5,770.68	407.6	12

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		Outside Services - Temporary Labor	7,186.60	1,415.92	5,770.68	407.6	11
****	5303190	5303190 Miscellaneous Repairs/Maintenance	12,823.17	17,403.01	-4,579.84	26.3-	12
****	5303310	5303310 Consultant Services	44,746.65	10,817.07	33,929.58	313.7	12
5500	5303320	5303320 Training Services	105	79.99	25.01	31.3	12
****	5303890	5303890 Miscellaneous Outside Services	4,997.76	110,762.63	-105,764.87	95.5-	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-40,650.19	0	-40,650.19		12
		Outside Services - Admin & General	22,022.39	139,062.70	-117,040.31	84.2-	11
		Total Outside Services - Other	333,615.54	1,688,190.32	-1,354,574.78	80.2-	10
		Total Outside Services	2,390,469.79	3,834,189.39	-1,443,719.60	37.7-	9
		Managment Fees					9
5500	8731010	8731010 S&W-Employees	6,243.92	0	6,243.92		11
5500	8731030	8731030 S&W-Officers, Directors, Maj Shareholder	7,424.10	0	7,424.10		11
		Management Fees - Essential	13,668.02	0	13,668.02		10
5500	5996340	5996340 RECLASS-Contractual Services-Management Fees	0	-417,993.95	417,993.95	100.0	11
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,388,759.52	3,197,387.96	-1,808,628.44	56.6-	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	2,830,771.99	632,246.81	2,198,525.18	347.7	11
5500	8732040	8732040 Employee Pension and Benefits	51,619.57	22,827.96	28,791.61	126.1	11
5500	8732050	8732050 Employee Taxes	-5.51	0	-5.51		11
5500	8732150	8732150 Purchased Power (WasteWater)	797.66	1,057.40	-259.74	24.6-	11
5500	8732200	8732200 Materials and Supplies	213,119.88	246,585.13	-33,465.25	13.6-	11
5500	8732310	8732310 Contractual Services-Engineering	96,470.04	12,763.38	83,706.66	655.8	11
5500	8732320	8732320 Contractual Services-Accounting	8,091.77	26,131.10	-18,039.33	69.0-	11
5500	8732330	8732330 Contractual Services-Legal	17,153.22	47,577.22	-30,424.00	63.9-	11
5500	8732340	8732340 Contractual Services-Management Fees	280,529.76	433,357.81	-152,828.05	35.3-	11
5500	8732360	8732360 Contractual Services-Other	1,724,004.49	4,719,036.39	-2,995,031.90	63.5-	11
5500	8732410	8732410 Rental of Building Real Property	10,825.34	10,309.53	515.81	5.0	11
5500	8732500	8732500 Transportation Expenses	990.23	2,353.19	-1,362.96	57.9-	11
5500	8732570	8732570 Insurance General Liability	79.16	0	79.16		11
5500	8732600	8732600 Advertising Expense	2,149.13	574.36	1,574.77	274.2	11
5500	8732750	8732750 Miscellaneous Expense	144,100.03	391,338.83	-247,238.80	63.2-	11
		Management Fees - Water	6,769,456.28	9,325,553.12	-2,556,096.84	27.4-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733180	8733180 Chemicals	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733364	8733364 Contractual Services - Other - IT	0	0	0		11
****	8733366	8733366 Contractual Services - Other - Temporary Labor	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733420	8733420 Rental of Equipment	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733600	8733600 Advertising Expense	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-3,018,060.08	-5,833,807.32	2,815,747.24	48.3	11
		Capitalized Management Fees	-3,018,060.08	-5,833,807.32	2,815,747.24	48.3	10
		Total Managment Fees	3,765,064.22	3,491,745.80	273,318.42	7.8	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	48,008.08	55,122.94	-7,114.86	12.9-	11
****	5307050	5307050 Rent Expense - Land & Land Rights	6,601.36	7,899.44	-1,298.08	16.4-	11
****	5996410	5996410 RECLASS-Rental of Building Real Property	0	0	0		11
****	6996041	6996041 Rental of Building Real Property	0	0	0		11
		Leases - Building	54,609.44	63,022.38	-8,412.94	13.3-	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	6,281.96	9,435.56	-3,153.60	33.4-	11
5500	6996042	6996042 Rental of Equipment	-180.2	-2,970.00	2,789.80	93.9	11
		Leases - Equipment	6,101.76	6,465.56	-363.8	5.6-	10
5500	5307090	5307090 Rent Expense - Miscellaneous	2,005.94	4,762.58	-2,756.64	57.9-	11
		Leases - Other	2,005.94	4,762.58	-2,756.64	57.9-	10
		Total Leases	62,717.14	74,250.52	-11,533.38	15.5-	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	4,494.14	2,480.10	2,014.04	81.2	11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2023.12 -2023.12	Reporting periods
2022.12 -2022.12	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5304210	5304210 Auto Parts & Supplies	71,138.05	88,059.71	-16,921.66	19.2-	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	17,830.04	44,930.56	-27,100.52	60.3-	11
		Transportation - Services & Maintenance	93,462.23	135,470.37	-42,008.14	31.0-	10
5500	5399077	5399077 Transportation - Vehicle Leases	0	-2,772.45	2,772.45	100.0	11
		Transportation - Leases	0	-2,772.45	2,772.45	100.0	10
****	5304510	5304510 Gasoline	123,670.71	133,519.64	-9,848.93	7.4-	11
5500	5304515	5304515 Diesel Fuel	13,099.33	-970.69	14,070.02	1,449.5	11
5500	5304516	5304516 Natural Gas Fuel	1,830.14	2,413.77	-583.63	24.2-	11
		Transportation - Fuel	138,600.18	134,962.72	3,637.46	2.7	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	3,019.15	-1,696.33	4,715.48	278.0	11
5500	5399079	5399079 Transportation-Crash	165	25,766.90	-25,601.90	99.4-	11
****	5996500	5996500 RECLASS-Transportation Expenses	-16,815.52	-11,019.35	-5,796.17	52.6-	11
****	8720500	8720500 Transportation Overhead	-315.41	15.51	-330.92	2,133.6-	11
		Transportation - Other	-13,946.78	13,066.73	-27,013.51	206.7-	10
****	6996050	6996050 Transportation Expenses	-54,632.09	-74,117.29	19,485.20	26.3	11
		Capitalized Transportation	-54,632.09	-74,117.29	19,485.20	26.3	10
		Total Transportation	163,483.54	206,610.08	-43,126.54	20.9-	9
		Miscellaneous Expenses					9
****	5308010	5308010 Subscriptions	1,125.47	1,260.96	-135.49	10.7-	11
5500	5308090	5308090 Other Dues&Membershp	47,943.01	61,090.41	-13,147.40	21.5-	11
		Dues & Subscriptions	49,068.48	62,351.37	-13,282.89	21.3-	10
5500	5310010	5310010 Operating Permits	50	0	50		11
****	5310020	5310020 Licensing Fees	46,862.89	36,780.75	10,082.14	27.4	11
5500	5310050	5310050 Environmental Fees	40	0	40		11
		Licenses & Permits	46,952.89	36,780.75	10,172.14	27.7	10
5500	5310080	5310080 Bank Fees	10,349.63	8,520.87	1,828.76	21.5	11
****	5310085	5310085 Bond Servicing Fees	32,080.93	24,987.38	7,093.55	28.4	11
		Bank Fees	42,430.56	33,508.25	8,922.31	26.6	10
****	5302010	5302010 Travel Expense	24,020.86	12,690.24	11,330.62	89.3	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	14,879.29	18,638.35	-3,759.06	20.2-	11
5500	5302016	5302016 Travel - Meals (100% Deductible)	430.83	452.21	-21.38	4.7-	11
****	5302021	5302021 Entertainment Expense - Non-Deductible	3,517.41	1,945.03	1,572.38	80.8	11
5500	5302022	5302022 Entertainment Expense-50% Non-Deductible	678.91	40.25	638.66	1,586.7	11
		Travel & Entertainment	43,527.30	33,766.08	9,761.22	28.9	10
5500	5303830	5303830 Advertising	24,500.00	0	24,500.00		11
5500	5399110	5399110 Chamber of Commerce & Civic Org	20,000.00	0	20,000.00		11
		Public Relations	44,500.00	0	44,500.00		10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	3,500.00	2,208.10	1,291.90	58.5	11
		Fines & Penalties	3,500.00	2,208.10	1,291.90	58.5	10
****	5304310	5304310 Office Supplies	34,577.18	49,683.15	-15,105.97	30.4-	11
****	5304320	5304320 Postage, Shipping, & Freight	21,168.71	54,202.07	-33,033.36	60.9-	11
****	5304350	5304350 Office Furn & Equip	10,023.36	16,328.05	-6,304.69	38.6-	11
5500	5304360	5304360 Promotion Supplies	10,058.16	15,684.78	-5,626.62	35.9-	11
****	5304410	5304410 Purchasing Card Expenses-MC	-33,479.80	232,127.24	-265,607.04	114.4-	11
		Office Supplies	42,347.61	368,025.29	-325,677.68	88.5-	10
****	5309010	5309010 Utilities - Electric and Gas	1,253.60	5,749.01	-4,495.41	78.2-	11
5500	5309020	5309020 Utilities - Phone	195	0	195		11
****	5309025	5309025 Utilities - Communications	94,965.39	114,965.91	-20,000.52	17.4-	11
5550	5309030	5309030 Utilities - Water	11,178.48	3,221.78	7,956.70	247.0	11
****	5309040	5309040 Utilities - Other	2,665.50	3,804.82	-1,139.32	29.9-	11
		Utilities	110,257.97	127,741.52	-17,483.55	13.7-	10
****	5310090	5310090 Miscellaneous Fees	160.56	338.5	-177.94	52.6-	11
5500	5320140	5320140 Land Rights & Right of Way Fees	41,960.00	0	41,960.00		11
5500	5399040	5399040 Lost Discount Exp	1,996.85	1,645.72	351.13	21.3	11
5500	5399050	5399050 Regulatory Deferrals/Amortization	339,418.00	0	339,418.00		11
****	5399900	5399900 Miscellaneous Expense	-224,102.25	-131,816.40	-92,285.85	70.0-	11
5500	5399910	5399910 Miscellaneous Expense - Acct Recon Write-offs	0	52,096.89	-52,096.89	100.0-	11
****	6996751	6996751 Other Miscellaneous Expense	-53,997.26	0	-53,997.26		11
		Other Miscellaneous	105,435.90	-77,735.29	183,171.19	235.6	10
****	5303900	5303900 Conversion-Projects	1,813,259.35	0	1,813,259.35		11
****	5399061	5399061 CIAC-Project offset	349,195.00	444,965.45	-95,770.45	21.5-	11
5500	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	-174,271.00	-252,429.85	78,158.85	31.0	11
5500	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-48,370.98	0	-48,370.98		11
5500	5399074	5399074 Vehicle Purchases	578,510.56	103,535.61	474,974.95	458.8	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-174,924.00	-192,535.60	17,611.60	9.1	11
****	5399315	5399315 Advances for Construction - Cash - Non-Taxable	2,809,659.49	2,779,488.27	30,171.22	1.1	11
5500	5399340	5399340 Salvage Proceeds	-139,127.50	-34,726.00	-104,401.50	300.6-	11
****	5996750	5996750 RECLASS-Miscellaneous Expense	0	75.62	-75.62	100.0-	11
****	5996850	5996850 RECLASS-Capital Overhead	32,129.27	0	32,129.27		11
****	6996075	6996075 Miscellaneous Expense	-2,293,829.08	-269,767.88	-2,024,061.20	750.3-	11
****	6996081	6996081 CIAC	-126,553.02	-192,535.60	65,982.58	34.3	11
****	6996082	6996082 CAC	-2,634,735.49	-2,586,952.67	-47,782.82	1.8-	11
****	6996085	6996085 Capital Overhead	-32,036.96	10,597.54	-42,634.50	402.3-	11
****	8720400	8720400 A&G Capital Support Overhead	-6.05	-376.77	370.72	98.4	11
****	8720900	8720900 Engineering Overhead	0	-9,316.27	9,316.27	100.0	11
		Capital Miscellaneous & Overheads	-41,100.41	-199,978.15	158,877.74	79.4	10
		Total Miscellaneous Expenses	446,920.30	386,667.92	60,252.38	15.6	9
		Insurance					9

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0L Ledger
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2023.12 -2023.12 Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5305010	5305010 Injury Expenses	373,870.99	361,642.00	12,228.99	3.4	10
5500	5305020	5305020 Damages - Property	44,145.84	13,787.70	30,358.14	220.2	10
5500	5305030	5305030 Claims Reimburse	-2,684.12	0	-2,684.12		10
****	5305050	5305050 Worker's Compensation Claim Expenses	0	70,143.00	-70,143.00	100.0-	10
****	5305060	5305060 Worker's Compensation Admin	76,137.00	0	76,137.00		10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	167,617.00	138,325.00	29,292.00	21.2	10
5500	5306060	5306060 Insurance-General Property	11,296.01	13,967.00	-2,670.99	19.1-	10
****	5996560	5996560 RECLASS-Insurance Vehicle	0	0	0		10
****	5996570	5996570 RECLASS-Insurance General Liability	0	0	0		10
****	5996580	5996580 RECLASS-Insurance Workman's Compensation	0	0	0		10
****	5996590	5996590 RECLASS-Insurance Other	0	0	0		10
5500	6996056	6996056 Insurance Vehicle	0	-4,190.50	4,190.50	100.0	10
5500	6996057	6996057 Insurance General Liability	-119,414.62	-108,492.60	-10,922.02	10.1-	10
5500	6996058	6996058 Insurance Workman's Compensation	-23,843.61	-21,042.90	-2,800.71	13.3-	10
5500	6996059	6996059 Insurance Other	-52,414.74	-41,497.50	-10,917.24	26.3-	10
		Total Insurance	474,709.75	422,641.20	52,068.55	12.3	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	379,795.62	186,390.78	193,404.84	103.8	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-32,458.90	-45,274.59	12,815.69	28.3	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	-149,663.27	-577,658.84	427,995.57	74.1	10
5500	5996700	5996700 RECLASS-Bad Debt Expense	-11,258.97	0	-11,258.97		10
5500	6996070	6996070 Bad Debt Expense	11,258.97	0	11,258.97		10
		Total Bad Debt	197,673.45	-436,542.65	634,216.10	145.3	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	185,429.28	373,219.19	-187,789.91	50.3-	10
****	6201011	6201011 Donations - 501(c)(3)	120,000.00	107,244.83	12,755.17	11.9	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	-3,810.01	68,166.16	-71,976.17	105.6-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	7,860.50	3,225.00	4,635.50	143.7	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	9,362.00	11,278.16	-1,916.16	17.0-	10
5500	6204140	6204140 Misc NonUtil-N-Cust-Act & Evnt	0	-12,000.00	12,000.00	100.0	10
****	6204150	6204150 Misc NonUtil Exp-Other	65,899.86	240,820.23	-174,920.37	72.6-	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	55,689.78	1,080.62	54,609.16	5,053.5	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	28,330.00	64,360.00	-36,030.00	56.0-	10
		Total Non Operating Expenses	468,761.41	857,394.19	-388,632.78	45.3-	9
		Total Operations & Maintenance Expense	16,715,693.31	15,565,061.48	1,150,631.83	7.4	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,393,791.63	10,594,326.86	799,464.77	7.5	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.29	-0.29	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-353,108.52	-342,418.79	-10,689.73	3.1-	9
		Total Depreciation	11,040,683.11	10,251,908.36	788,774.75	7.7	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	61,111.00	-32,667.91	53.5-	9
****	5507020	5507020 Regulatory Commission Amort - Other	0	-86,962.09	86,962.09	100.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-76,971.32	0	-76,971.32		9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	9,218.26	1,977.78	7,240.48	366.1	9
		Total Amortization	-39,309.97	-23,873.31	-15,436.66	64.7-	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	212,700.00	202,610.00	10,090.00	5.0	9
****	5310032	5310032 Assessment-Consumer Advocate	85,692.00	60,513.34	25,178.66	41.6	9
****	5310033	5310033 Assessment-SBA	14,925.00	11,874.66	3,050.34	25.7	9
****	5310035	5310035 Assessment-DPC	36	2,422.00	-2,386.00	98.5-	9
****	5702120	5702120 Property Taxes-WT/WW	129,847.55	247,470.01	-117,622.46	47.5-	9
5500	5703100	5703100 Payroll Taxes	329,525.74	338,578.06	-9,052.32	2.7-	9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	472,615.00	-54,253.89	11.5-	9
****	5996050	5996050 RECLASS-Employee Taxes	478.69	10,768.16	-10,289.47	95.6-	9
****	6996005	6996005 Payroll Tax	-102,196.88	-71,422.89	-30,773.99	43.1-	9
****	8720100	8720100 Payroll Tax Overhead	-174.3	-334.18	159.88	47.8	9
		Total Taxes Other Than Income	1,089,194.91	1,275,094.16	-185,899.25	14.6-	8
		TOTAL UTILITY COSTS & EXPENSES	28,806,261.36	27,068,190.69	1,738,070.67	6.4	7
		TOTAL OPERATING INCOME	-23,068,767.72	-24,784,824.10	1,716,056.38	6.9	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	189,747.00	75,750.00	113,997.00	150.5	9
		Interest on Short Term Debt	189,747.00	75,750.00	113,997.00	150.5	8
****	6499011	6499011 Interest Expense - Long Term Debt	9,307,018.43	6,460,155.22	2,846,863.21	44.1	10
		Interest on LTD	9,307,018.43	6,460,155.22	2,846,863.21	44.1	9
5500	6402430	6402430 Amort-Debt Issuance Costs	52,232.06	50,107.39	2,124.67	4.2	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	-5,936.00	-5,936.00	0	0.0	10
		Amortization of Debt Issuance Costs	46,296.06	44,171.39	2,124.67	4.8	9
		Interest on Long Term Debt	9,353,314.49	6,504,326.61	2,848,987.88	43.8	8
****	5996800	5996800 Reclass-AFUDC-Debt	4,614.01	0	4,614.01		10
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-178,090.00	-167,796.98	-10,293.02	6.1-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	178,090.00	167,796.98	10,293.02	6.1	10
****	6996080	6996080 AFUDC-Debt	-182,704.01	-167,775.22	-14,928.79	8.9-	10
		AFUDC - Debt	-178,090.00	-167,775.22	-10,314.78	6.1-	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-402,688.18	-689,444.72	286,756.54	41.6	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	402,688.18	527,704.79	-125,016.61	23.7-	10
****	6996086	6996086 AFUDC-Equity	-402,688.18	-527,704.79	125,016.61	23.7	10

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2023.12 -2023.12	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		AFUDC - Equity	-402,688.18	-689,444.72	286,756.54	41.6	9
		Allow For Funds Used During Construction	-580,778.18	-857,219.94	276,441.76	32.2	8
		Total Interest Expense	8,962,283.31	5,722,856.67	3,239,426.64	56.6	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	0	-0.01	0.01	100.0	9
		Gains from Sales of Property	0	-0.01	0.01	100.0	8
5500	6299100	6299100 Other Expense - Non-Service Cost Benefits-Pension	-602,979.00	760,080.00	-1,363,059.00	179.3-	9
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	25,578.00	-10,978.00	42.9-	9
		Other Net Periodic Beneft Costs	-662,625.00	711,412.00	-1,374,037.00	193.1-	8
		Other Net (Income) Expense	-662,625.00	711,411.99	-1,374,036.99	193.1-	7
		TOTAL OTHER (INCOME) EXPENSE	8,299,658.31	6,434,268.66	1,865,389.65	29.0	6
		TOTAL INCOME BEFORE TAX & GAIN	-14,769,109.41	-18,350,555.44	3,581,446.03	19.5	5
		INCOME TAXES					5
		Income Taxes - Current					6
****	6310011	6310011 Federal Income Tax Expense	-7,221,766.60	-3,236,953.91	-3,984,812.69	123.1-	8
5500	6310021	6310021 FIN 48 Federal Income Tax Expense	-53,002.36	0	-53,002.36		8
		Federal Taxes - Current	-7,274,768.96	-3,236,953.91	-4,037,815.05	124.7-	7
****	6311011	6311011 State Income Tax Expense	-279,691.94	-510,934.00	231,242.06	45.3	8
5500	6312011	6312011 FIN 48 State Income Tax Expense	-9,296.83	0	-9,296.83		8
		State Taxes - Current	-288,988.77	-510,934.00	221,945.23	43.4	7
		Total Income Taxes - Current	-7,563,757.73	-3,747,887.91	-3,815,869.82	101.8-	6
		Income Taxes - Deferred					6
****	6320021	6320021 Defd Federal Income Tax Expense-Noncurr Asset	20,398,830.60	3,360,165.00	17,038,665.60	507.1	8
****	6320031	6320031 Defd Federal Income Tax Expense-Other Curr Liab	-4,595,767.20	0	-4,595,767.20		8
****	6320041	6320041 Defd Federal Income Tax Expense-Plant Noncurr Liab	8,482,229.77	0	8,482,229.77		8
5500	6320046	6320046 Defd Federal Income Tax Expense-EDIT Amortization	-35,493.00	0	-35,493.00		8
****	6320051	6320051 Defd Federal Income Tax Expense-Other NC Liab	-39,061,051.56	0	-39,061,051.56		8
5500	6320110	6320110 ITC-Def Future Periods-Federal	0	-63,353.00	63,353.00	100.0	8
5500	6322011	6322011 Amortization - Deferred ITC	-63,353.00	0	-63,353.00		8
		Federal Taxes - Deferred	-14,874,604.39	3,296,812.00	-18,171,416.39	551.2-	7
****	6321021	6321021 Defd State Income Tax Expense-Noncurr Asset	3,486,986.40	-1,048,211.00	4,535,197.40	432.7	8
****	6321031	6321031 Defd State Income Tax Expense-Other Curr Liab	-3,551,122.64	0	-3,551,122.64		8
****	6321041	6321041 Defd State Income Tax Expense-Plant Noncurr Liab	18,330,659.13	0	18,330,659.13		8
****	6321051	6321051 Defd State Income Tax Expense-Other NC Liab	-1,220,616.74	0	-1,220,616.74		8
		State Taxes - Deferred	17,045,906.15	-1,048,211.00	18,094,117.15	1,726.2	7
		Total Income Taxes - Deferred	2,171,301.76	2,248,601.00	-77,299.24	3.4-	6
		TOTAL INCOME TAXES	-5,392,455.97	-1,499,286.91	-3,893,169.06	259.7-	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-20,161,565.38	-19,849,842.35	-311,723.03	1.6-	4
		TOTAL NET INCOME	-20,161,565.38	-19,849,842.35	-311,723.03	1.6-	3
		NET INCOME AVAILABLE FOR COMMON	20,161,565.38	19,849,842.35	311,723.03	1.6	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.01 -2024.01	Reporting periods
2023.01 -2023.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-125,272,139.85	**-152,242,236.88**	**26,970,097.03**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-852.56	-824.91	-27.65	3.4-	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-28,921.58	-43,583.37	14,661.79	33.6	10
****	4114110	4114110 WTR-Metered Sales-Residential	-30,510,219.60	-30,902,972.51	392,752.91	1.3	10
****	4114115	4114115 WTR-CAP Discount-Residential	141,565.92	1,665.55	139,900.37	8,399.6	10
****	4114120	4114120 WTR-Metered Sales-Commercial	-9,936,163.17	-9,998,229.34	62,066.17	0.6	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,793,408.32	-1,690,780.66	-102,627.66	6.1-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-708,814.87	-751,103.32	42,288.45	5.6	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-2,361.16	-851.22	-1,509.94	177.4-	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,255,431.71	-1,323,996.01	68,564.30	5.2	10
****	4114220	4114220 WTR-Public Fire Protection	-609,598.19	-613,322.58	3,724.39	0.6	10
****	4114230	4114230 WTR-Private Fire Protection	-223,082.88	-205,942.21	-17,140.67	8.3-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-270,470.47	-315,669.46	45,198.99	14.3	10
****	4115100	4115100 WTR-Misc Srv Rev	-45,300.50	-49,966.00	4,665.50	9.3	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-8,050.00	-12,000.00	3,950.00	32.9	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-64,675.04	-30,257.89	-34,417.15	113.7-	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-28,840.00	-27,439.36	-1,400.64	5.1-	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-1,135,594.98	-9,188.45	-1,126,406.53	12,258.9-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	138,826.08	26,135.45	112,690.63	431.2	10
5500	4118400	4118400 WTR-Other Water Rev	-21,527.00	0	-21,527.00		10
		Operating Revenue - Water	-46,362,920.03	-45,948,326.29	-414,593.74	0.9-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,515,865.87	-3,726,356.15	210,490.28	5.6	10
5550	4211035	4211035 WW-CAP Discount-Residential	9,966.36	0	9,966.36		10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-730,878.86	-717,440.01	-13,438.85	1.9-	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,331,329.84	-1,339,587.38	8,257.54	0.6	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-273,667.58	-286,500.99	12,833.41	4.5	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-2,692.62	-2,726.77	34.15	1.3	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-29,028.24	-27,988.87	-1,039.37	3.7-	10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-62.2	-186.63	124.43	66.7	10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-2,056.59	-1,990.25	-66.34	3.3-	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-115,978.58	-123,976.21	7,997.63	6.5	10
****	4215155	4215155 WW-ST Tax Surcharge	3,746.48	885.94	2,860.54	322.9	10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-15,349.10	-3,337.55	-12,011.55	359.9-	10
5550	4218400	4218400 WW-Other WW Revenues	-590	-940	350	37.2	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-19,629.19	-461	-19,168.19	4,158.0-	10
		Operating Revenue - Sewer	-6,023,415.83	-6,230,605.87	207,190.04	3.3	9
		Total Operating Revenue	-52,386,335.86	-52,178,932.16	-207,403.70	0.4-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-141,453.72	-140,979.06	-474.66	0.3-	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-31,179.00	31,179.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-1,500.00	0	0.0	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-72,210.96	-70,815.98	-1,394.98	2.0-	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-14,697.75	-41,303.75	26,606.00	64.4	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-173,979.53	-168,839.52	-5,140.01	3.0-	9
		Total Non Operating Revenue	-404,352.96	-455,128.31	50,775.35	11.2	8
		TOTAL REVENUE	-52,790,688.82	-52,634,060.47	-156,628.35	0.3-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	4,189,485.76	3,761,359.39	428,126.37	11.4	11
5500	5300190	5300190 Labor-Officers, Executives	58,997.76	54,646.08	4,351.68	8.0	11
		Labor Regular	4,248,483.52	3,816,005.47	432,478.05	11.3	10
5500	5300120	5300120 Salaried - Overtime Wages	778,435.40	564,679.55	213,755.85	37.9	11
		Labor Overtime	778,435.40	564,679.55	213,755.85	37.9	10
5500	5300170	5300170 Salaried - Incentives / Bonuses	600	0	600		11
****	5300180	5300180 Salaried - Annual Incentive	109,570.00	122,233.00	-12,663.00	10.4-	11
		Labor Short Term Incentive	110,170.00	122,233.00	-12,063.00	9.9-	10
5500	5300185	5300185 Stock Option Compensation	1,608.06	844.81	763.25	90.3	11
5500	5300186	5300186 Performance Share Unit Amortization	36,163.59	38,289.49	-2,125.90	5.6-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	15,090.20	13,864.81	1,225.39	8.8	11
		Labor Long Term Incentive	52,861.85	52,999.11	-137.26	0.3-	10
****	5996010	5996010 RECLASS-S&W-Employees	0	-221,796.83	221,796.83	100.0	11
****	8000010	8000010 Area Manager II	0	-184.5	184.5	100.0	11
5500	8000029	8000029 Business Analyst III	811.14	7,068.60	-6,257.46	88.5-	11
5500	8000032	8000032 Corporate Automation Engineer	0	3,251.76	-3,251.76	100.0-	11
5500	8000056	8000056 Construction Coordinator III	0	410.88	-410.88	100.0-	11
5500	8000097	8000097 Enterprise Systems Manager	582.12	687.7	-105.58	15.4-	11
5500	8000150	8000150 Mgr, Security Operations & Engineering	275.94	0	275.94		11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000170	8000170 Project Engineer II	3,279.20	3,094.00	185.2	6.0	11
5500	8000171	8000171 Project Engineer III	2,149.20	0	2,149.20		11
5500	8000201	8000201 Systems Administrator II	761.22	1,486.45	-725.23	48.8-	11
5500	8000219	8000219 Security Engineer III	3,299.52	1,912.35	1,387.17	72.5	11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2024.01 -2024.01 Reporting periods
2023.01 -2023.01 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8000235	8000235 System Engineer III	2,120.58	4,728.13	-2,607.55	55.1-	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	-563.92	-1,634.40	1,070.48	65.5	11
5500	8000312	8000312 Telecom Analyst II	186.64	0	186.64		11
5500	8000325	8000325 Manager Security GRC	0	767.85	-767.85	100.0-	11
5500	8000332	8000332 Lead, Enterprise Architect	399.09	0	399.09		11
****	8000381	8000381 Director Construction	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	-8.88	0	-8.88		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-240.89	-1,433.70	1,192.81	83.2	11
5500	8001219	8001219 Crew Leader	373.7	0	373.7		11
5500	8001220	8001220 Distribution Technician	571.86	0	571.86		11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
5500	8001231	8001231 Field Service Representative	-252.35	-1,061.43	809.08	76.2	11
****	8001232	8001232 Field Service Representative-First Class	0	0	0		11
5500	8001235	8001235 Inspector	-1.36	-767.75	766.39	99.8	11
5500	8001239	8001239 Laborer	-99.87	0	-99.87		11
5500	8001241	8001241 Leader	-82.64	0	-82.64		11
****	8001252	8001252 Operator - First Class	-124.29	0	-124.29		11
5500	8001254	8001254 Operator - Third Class	-99.87	0	-99.87		11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
****	8001270	8001270 System Operator	0	0	0		11
****	8001278	8001278 Utility Locator	0	0	0		11
****	8001284	8001284 Utility Worker	-724.32	-183.86	-540.46	294.0-	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8001314	8001314 Wastewater Operator II	0	0	0		11
5500	8001316	8001316 Customer Relations Specialist I	13,134.08	0	13,134.08		11
****	8002003	8002003 Administrative Assistant I-TH	0	0	0		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	-72.92	72.92	100.0	11
5500	8002224	8002224 Emergency Utility Worker-TH	-60.02	0	-60.02		11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	0	-547.57	547.57	100.0	11
5500	8002235	8002235 Inspector-TH	0	-165.76	165.76	100.0	11
****	8002252	8002252 Operator - First Class-TH	0	0	0		11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5500	8002284	8002284 Utility Worker-TH	-28.29	0	-28.29		11
****	8002314	8002314 Wastewater Operator II - TH	0	0	0		11
****	8003213	8003213 Utility Technician (Union)-DT	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
****	8003314	8003314 Wastewater Operator II - DT	0	0	0		11
5500	8009990	8009990 True-Up Labor	527.77	0	527.77		11
		Activity Allocations	26,185.36	-204,441.00	230,626.36	112.8	10
****	6996001	6996001 S&W-Employees-ST	-1,326,642.72	-1,111,585.95	-215,056.77	19.3-	11
****	6996002	6996002 S&W-Employees-OT	-260,254.18	-234,572.92	-25,681.26	10.9-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-47,351.16	-11,888.70	-35,462.46	298.3-	11
****	6996007	6996007 LTI/STI	-24,398.67	-21,861.61	-2,537.06	11.6-	11
****	8720200	8720200 PTO Overhead	-506.43	-996.05	489.62	49.2	11
****	8720700	8720700 LTI/STI/Stock Overhead	-72.13	-220.67	148.54	67.3	11
		Labor - Overheads & Capitalization	-1,659,225.29	-1,381,125.90	-278,099.39	20.1-	10

Financial Statement Version for AQUA

0L	Ledger
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2024.01 -2024.01	Reporting periods
2023.01 -2023.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Total Labor	3,556,910.84	2,970,350.23	586,560.61	19.7	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	560,132.43	551,521.31	8,611.12	1.6	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	28,517.62	30,384.74	-1,867.12	6.1-	11
5500	5301025	5301025 Employee Benefits - Vision	5,671.67	5,377.26	294.41	5.5	11
		Employee Benefits - Health Plans	594,321.72	587,283.31	7,038.41	1.2	10
5500	5301030	5301030 Employee Benefits - Life Insurance	19,105.92	15,942.72	3,163.20	19.8	11
5500	5301040	5301040 Employee Benefits - Disability	10,352.10	10,651.68	-299.58	2.8-	11
		Employee Benefits - Insurance	29,458.02	26,594.40	2,863.62	10.8	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	11
		Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	10
5500	5301130	5301130 Employee Benefits - Savings Plan	267,538.56	199,027.94	68,510.62	34.4	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	97,485.00	84,952.00	12,533.00	14.8	11
		Employee Benefits - 401K	365,023.56	283,979.94	81,043.62	28.5	10
5500	5301910	5301910 Employee Related Expenses-On Boarding	22	0	22		11
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	107	121	-14	11.6-	11
****	5301990	5301990 Other Employee Benefits - Miscellaneous	401.91	603.17	-201.26	33.4-	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	89.1	6,587.46	-6,498.36	98.6-	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	5,192.04	9,496.27	-4,304.23	45.3-	11
5500	5302120	5302120 Transfer/Relocation Expense	-64.5	0	-64.5		11
5500	5302920	5302920 Tuition Reimbursement Expense	17,136.00	14,066.00	3,070.00	21.8	11
****	5302925	5302925 Employee Training Expense	1,442.85	4,228.56	-2,785.71	65.9-	11
5500	5302926	5302926 Employee Training Expense-Seminars	4,305.00	1,094.00	3,211.00	293.5	11
****	5302930	5302930 Employee Relations Expense	988.44	7,316.81	-6,328.37	86.5-	11
5500	5302990	5302990 Miscellaneous Employee-Related Expense	1,461.42	215.95	1,245.47	576.7	11
****	8720300	8720300 Payroll Other Overhead	-228.34	-1,205.43	977.09	81.1	11
		Employee Benefits - Miscellaneous	30,852.92	42,523.79	-11,670.87	27.4-	10
****	6996004	6996004 Employee Pension and Benefits	-307,375.54	-273,551.06	-33,824.48	12.4-	11
		Capitalized Employee Benefits	-307,375.54	-273,551.06	-33,824.48	12.4-	10
		Total Employee Benefits	789,783.62	744,333.32	45,450.30	6.1	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	427,986.99	391,148.70	36,838.29	9.4	10
5500	6996009	6996009 Purchased Water	0	-15,592.50	15,592.50	100.0	10
		Total Purchased Water	427,986.99	375,556.20	52,430.79	14.0	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	1,149,214.07	755,339.29	393,874.78	52.1	10
		Total Purchased Wastewater	1,149,214.07	755,339.29	393,874.78	52.1	9
		Sludge					9
****	5206240	5206240 Sludge Removal	128,634.22	170,606.81	-41,972.59	24.6-	10
5550	6996011	6996011 Sludge Removal (WW)	0	-800	800	100.0	10
		Total Sludge	128,634.22	169,806.81	-41,172.59	24.2-	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	853,199.13	843,229.31	9,969.82	1.2	10
****	5206230	5206230 Fuel for Power Production	44,832.50	81,276.79	-36,444.29	44.8-	10
5500	6996015	6996015 Purchased Power (WW)	-48.6	-8,302.90	8,254.30	99.4	10
5500	6996016	6996016 Fuel for Power Production	-366.73	-632.87	266.14	42.1	10
		Total Purchased Power	897,616.30	915,570.33	-17,954.03	2.0-	9
****	5304600	5304600 Chemicals-Oper-General	130,461.14	189,554.06	-59,092.92	31.2-	10
5500	5304601	5304601 Chemicals-Oper-Alum	0	27,509.02	-27,509.02	100.0-	10
****	5304602	5304602 Chemicals-Oper-Liqui Alum	95,941.07	101,698.24	-5,757.17	5.7-	10
****	5304603	5304603 Chemicals-Oper-Caustic	25,504.04	24,948.32	555.72	2.2	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	99,667.20	71,844.11	27,823.09	38.7	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	68,590.98	46,941.86	21,649.12	46.1	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	0	3,133.33	-3,133.33	100.0-	10
****	5304607	5304607 Chemicals-Oper-Hypochlorine	26,398.74	31,091.08	-4,692.34	15.1-	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	3,333.94	0	3,333.94		10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	-22,613.20	116,541.71	-139,154.91	119.4-	10
5500	5304610	5304610 Chemicals-Oper-Polymer	21,779.25	20,078.62	1,700.63	8.5	10
5500	5304613	5304613 Chemicals-Oper-Percol	0	1,690.50	-1,690.50	100.0-	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	272.48	-272.48	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	28,265.37	31,478.28	-3,212.91	10.2-	10
5500	5304617	5304617 Chemicals-Oper-Carbon	74,710.20	95,686.51	-20,976.31	21.9-	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	-19,142.91	16,743.19	-35,886.10	214.3-	10
****	5304621	5304621 Chemicals-Oper-Misc Chem	3,498.46	9,983.51	-6,485.05	65.0-	10
5550	5304624	5304624 SW-Chem-Pump Oper-General	43,947.59	32,531.07	11,416.52	35.1	10
5500	6996018	6996018 Chemicals	0	-178.25	178.25	100.0	10
		Chemicals	580,341.87	821,547.64	-241,205.77	29.4-	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	1,886,696.89	3,392,687.20	-1,505,990.31	44.4-	11
5500	5304105	5304105 Material Exp-Stk Cr	-1,617.77	0	-1,617.77		11
****	5304110	5304110 Material Exp-Cst Dif	-5,720.13	-21,498.23	15,778.10	73.4	11
5500	5304120	5304120 Material Exp-Obslete	361.04	4,046.13	-3,685.09	91.1-	11
5500	5304140	5304140 Material Exp-Inv Rvl	5,349.97	0	5,349.97		11
****	5304200	5304200 Material Exp-Non Stk	520,334.73	317,613.67	202,721.06	63.8	11
5500	5304235	5304235 Materials & Supplies - Hydrants	226.1	2,344.81	-2,118.71	90.4-	11
****	5304300	5304300 Meter/ERT Purchases	587,366.58	127,186.48	460,180.10	361.8	11
5500	5304330	5304330 Laboratory Supplies	1,257.52	-380	1,637.52	430.9	11
5500	5304340	5304340 Software/Hardware Purchases	123,969.35	73,098.77	50,870.58	69.6	11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.01 -2024.01	Reporting periods
2023.01 -2023.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5304370	5304370 Small Tools & Work Equipment	22,552.65	96,133.37	-73,580.72	76.5-	11
****	5304375	5304375 Materials & Supplies - Uniforms	22,590.07	39,271.35	-16,681.28	42.5-	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	30,392.52	47,779.07	-17,386.55	36.4-	11
****	5304390	5304390 Misc Supplies	66,831.48	143,224.90	-76,393.42	53.3-	11
5500	8720600	8720600 Tools/Clothing/Others Overhead	21.43	3.52	17.91	508.8	11
		Supplies	3,260,612.43	4,221,511.04	-960,898.61	22.8-	10
****	6996020	6996020 Materials and Supplies	-2,913,764.99	-3,988,066.72	1,074,301.73	26.9	11
		Capitalized Supplies	-2,913,764.99	-3,988,066.72	1,074,301.73	26.9	10
		Total Materials & Supplies	346,847.44	233,444.32	113,403.12	48.6	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	1,215,609.72	3,983,472.86	-2,767,863.14	69.5-	11
****	6996031	6996031 Contractual Services-Engineering	-1,184,015.47	-3,871,349.01	2,687,333.54	69.4	11
		Outside Services - Engineering	31,594.25	112,123.85	-80,529.60	71.8-	10
5500	5303210	5303210 Accounting/Auditing Services	73,074.00	70,393.00	2,681.00	3.8	11
5500	6996032	6996032 Contractual Services-Accounting	-23,018.31	0	-23,018.31		11
		Outside Services - Accounting	50,055.69	70,393.00	-20,337.31	28.9-	10
****	5303220	5303220 Legal Services	87,360.10	127,607.15	-40,247.05	31.5-	11
5500	6996033	6996033 Contractual Services-Legal	-1,011.00	0	-1,011.00		11
		Outside Services - Legal	86,349.10	127,607.15	-41,258.05	32.3-	10
****	5303850	5303850 Testing Services	84,295.15	85,625.00	-1,329.85	1.6-	11
5500	6996035	6996035 Contractual Services-Testing	-4,020.00	-7,024.03	3,004.03	42.8	11
		Outside Services - Lab Testing	80,275.15	78,600.97	1,674.18	2.1	10
****	5303010	5303010 Contractor Labor - Straight Time	52,999.25	11,802.91	41,196.34	349.0	11
****	5303020	5303020 Contractor Materials	72,106.87	148,033.36	-75,926.49	51.3-	11
****	5303030	5303030 Contractor Services	1,892,427.95	2,356,009.46	-463,581.51	19.7-	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	41,832.00	65,318.45	-23,486.45	36.0-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	-75,020.25	21,047.66	-96,067.91	456.4-	11
****	5303035	5303035 Contractor Services - Restoration	204,476.41	496,603.31	-292,126.90	58.8-	11
****	5303036	5303036 Contractor Services - Permit Fees	43,153.51	29,176.23	13,977.28	47.9	11
****	5303050	5303050 Contractor Services - Leak Detection	26.99	375	-348.01	92.8-	11
5550	5303052	5303052 Contractor Services - Sewer Jetting	4,313.75	0	4,313.75		11
****	5303053	5303053 Contractor Services - Main Breaks	3,657,106.98	3,563,113.17	93,993.81	2.6	11
****	5303054	5303054 Contractor Services - Well Cleaning	51,924.27	48,481.41	3,442.86	7.1	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	6,214.55	12,774.38	-6,559.83	51.4-	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	31,607.88	0	31,607.88		11
5500	5303059	5303059 Contractor Services - PFAS	641.34	0	641.34		11
****	5303061	5303061 Contractor Services - Other-Mains	8,712.25	-125,391.38	134,103.63	106.9	11
****	5303062	5303062 Contractor Services - Other-Services	599,193.90	5,095.87	594,098.03	11,658.4	11
****	5303063	5303063 Contractor Services - Other-Meters	110,697.45	346,530.63	-235,833.18	68.1-	11
5500	5303064	5303064 Contractor Services - Other-Hydrants	304,704.74	62,059.34	242,645.40	391.0	11
5500	5303145	5303145 Contractor Services - Other-Construction	936,989.72	0	936,989.72		11
****	5996360	5996360 RECLASS-Contractual Services-Other	-3,070.48	-3,016,000.00	3,012,929.52	99.9	11
****	6996036	6996036 Contractual Services-Other	-7,510,992.71	-3,504,458.13	-4,006,534.58	114.3-	11
		Outside Services - Operations	430,046.37	520,571.67	-90,525.30	17.4-	10
5500	5997310	5997310 Other ACO Direct costs	68,044.31	81,666.56	-13,622.25	16.7-	11
****	5997320	5997320 WorkFlow Processing Fee	74,862.89	98,232.76	-23,369.87	23.8-	11
****	5997330	5997330 WorkFlow Billing Postage	129,310.96	130,684.95	-1,373.99	1.1-	11
5500	5997360	5997360 ACO Lockbox Fees	34,118.86	33,020.45	1,098.41	3.3	11
		Outside Services - ACO	306,337.02	343,604.72	-37,267.70	10.8-	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	193,573.40	117,129.94	76,443.46	65.3	12
****	5303135	5303135 Contractor Services - Grounds Care	218,152.00	33,950.92	184,201.08	542.6	12
5500	5303840	5303840 Security & Investigative Services	19,802.16	32,397.64	-12,595.48	38.9-	12
5500	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-13,054.32	0	-13,054.32		12
		Outside Services - Bldg & Grounds	418,473.24	183,478.50	234,994.74	128.1	11
****	5303120	5303120 Computer & Software Maintenance Services	4,250.88	1,583.63	2,667.25	168.4	12
5500	5303315	5303315 IT/Telecom Contractor Services	-76,122.02	249,736.18	-325,858.20	130.5-	12
5500	6996364	6996364 Contractual Services - Other - IT	76,122.02	0	76,122.02		12
		Outside Services - IT	4,250.88	251,319.81	-247,068.93	98.3-	11
****	5303140	5303140 Security Equipment Maintenance Services	43,741.67	32,019.63	11,722.04	36.6	12
		Outside Services - Security	43,741.67	32,019.63	11,722.04	36.6	11
5500	5303325	5303325 Professional/Temporary Labor	5,981.94	0	5,981.94		12
		Outside Services - Temporary Labor	5,981.94	0	5,981.94		11
****	5303190	5303190 Miscellaneous Repairs/Maintenance	52,725.88	72,587.08	-19,861.20	27.4-	12
****	5303310	5303310 Consultant Services	63,182.45	22,081.49	41,100.96	186.1	12
5500	5303320	5303320 Training Services	1,899.98	14,469.82	-12,569.84	86.9-	12
****	5303890	5303890 Miscellaneous Outside Services	66,422.48	81,975.72	-15,553.24	19.0-	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-70,838.44	0	-70,838.44		12
		Outside Services - Admin & General	113,392.35	191,114.11	-77,721.76	40.7-	11
		Total Outside Services - Other	585,840.08	657,932.05	-72,091.97	11.0-	10
		Total Outside Services	1,570,497.66	1,910,833.41	-340,335.75	17.8-	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,917,566.65	1,728,291.80	189,274.85	11.0	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	819,197.22	774,527.60	44,669.62	5.8	11
5500	8732040	8732040 Employee Pension and Benefits	45,938.26	51,670.01	-5,731.75	11.1-	11
5500	8732150	8732150 Purchased Power (WasteWater)	958.79	1,080.42	-121.63	11.3-	11
5500	8732200	8732200 Materials and Supplies	16,831.80	59,018.78	-42,186.98	71.5-	11

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0L	Ledger
10	Currency type Company code currency
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2024.01 -2024.01	Reporting periods
2023.01 -2023.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8732310	8732310 Contractual Services-Engineering	-16,265.03	58,318.13	-74,583.16	127.9-	11
5500	8732320	8732320 Contractual Services-Accounting	10,487.67	18,789.91	-8,302.24	44.2-	11
5500	8732330	8732330 Contractual Services-Legal	-1,895.89	18,508.44	-20,404.33	110.2-	11
5500	8732340	8732340 Contractual Services-Management Fees	149,211.95	193,456.51	-44,244.56	22.9-	11
5500	8732360	8732360 Contractual Services-Other	1,275,514.74	1,523,385.78	-247,871.04	16.3-	11
5500	8732410	8732410 Rental of Building Real Property	0	10,618.97	-10,618.97	100.0-	11
5500	8732500	8732500 Transportation Expenses	597.02	2,341.38	-1,744.36	74.5-	11
5500	8732600	8732600 Advertising Expense	0	8,001.56	-8,001.56	100.0-	11
5500	8732750	8732750 Miscellaneous Expense	142,136.57	161,657.42	-19,520.85	12.1-	11
		Management Fees - Water	4,360,279.75	4,609,666.71	-249,386.96	5.4-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-2,009,405.17	-2,253,074.23	243,669.06	10.8	11
		Capitalized Management Fees	-2,009,405.17	-2,253,074.23	243,669.06	10.8	10
		Total Managment Fees	2,350,874.58	2,356,592.48	-5,717.90	0.2-	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	48,008.07	51,802.30	-3,794.23	7.3-	11
****	5307050	5307050 Rent Expense - Land & Land Rights	23,294.86	2,693.81	20,601.05	764.8	11
		Leases - Building	71,302.93	54,496.11	16,806.82	30.8	10
5500	5307030	5307030 Rent Expense - Equipment (Office & Other)	3,304.56	3,716.38	-411.82	11.1-	11
		Leases - Equipment	3,304.56	3,716.38	-411.82	11.1-	10
5500	5307090	5307090 Rent Expense - Miscellaneous	0	-2,539.76	2,539.76	100.0	11
		Leases - Other	0	-2,539.76	2,539.76	100.0	10
		Total Leases	74,607.49	55,672.73	18,934.76	34.0	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	843.74	5,638.84	-4,795.10	85.0-	11
5500	5304210	5304210 Auto Parts & Supplies	72,619.10	88,477.08	-15,857.98	17.9-	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	28,019.80	14,392.84	13,626.96	94.7	11
		Transportation - Services & Maintenance	101,482.64	108,508.76	-7,026.12	6.5-	10
5500	5304510	5304510 Gasoline	173,186.89	134,437.82	38,749.07	28.8	11
5500	5304515	5304515 Diesel Fuel	38,796.73	44,006.33	-5,209.60	11.8-	11
5500	5304516	5304516 Natural Gas Fuel	-382.64	2,402.17	-2,784.81	115.9-	11
5500	5304520	5304520 Fuel-Off Hwy Equip	10,329.79	0	10,329.79		11
		Transportation - Fuel	221,930.77	180,846.32	41,084.45	22.7	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	6,924.96	8,778.80	-1,853.84	21.1-	11
5500	5399079	5399079 Transportation-Crash	23,479.83	5,377.74	18,102.09	336.6	11
5500	5996500	5996500 RECLASS-Transportation Expenses	-12,492.35	-16,186.91	3,694.56	22.8	11
****	8720500	8720500 Transportation Overhead	-104.22	-349.05	244.83	70.1	11
		Transportation - Other	17,808.22	-2,379.42	20,187.64	848.4	10
****	6996050	6996050 Transportation Expenses	-77,509.06	-83,442.49	5,933.43	7.1	11
		Capitalized Transportation	-77,509.06	-83,442.49	5,933.43	7.1	10
		Total Transportation	263,712.57	203,533.17	60,179.40	29.6	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	2,923.61	4,251.39	-1,327.78	31.2-	11
5500	5308021	5308021 Professional Dues	0	259	-259	100.0-	11
5500	5308041	5308041 Industry Assoc Dues	100	14,028.00	-13,928.00	99.3-	11
5500	5308090	5308090 Other Dues&Membershp	41,758.42	38,439.39	3,319.03	8.6	11
		Dues & Subscriptions	44,782.03	56,977.78	-12,195.75	21.4-	10
5500	5310010	5310010 Operating Permits	18,397.00	0	18,397.00		11
****	5310020	5310020 Licensing Fees	46,523.97	28,379.07	18,144.90	63.9	11
5500	5310050	5310050 Environmental Fees	0	500	-500	100.0-	11
		Licenses & Permits	64,920.97	28,879.07	36,041.90	124.8	10
5500	5310080	5310080 Bank Fees	8,545.10	8,347.47	197.63	2.4	11
5500	5310085	5310085 Bond Servicing Fees	18,906.39	40,439.73	-21,533.34	53.2-	11
		Bank Fees	27,451.49	48,787.20	-21,335.71	43.7-	10
****	5302010	5302010 Travel Expense	14,253.41	18,559.65	-4,306.24	23.2-	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	32,465.66	21,451.05	11,014.61	51.3	11

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10 Currency type Company code currency
USD Amounts in United States Dollar
2024.01 -2024.01 Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5302020	5302020 Entertainment Expense	0	1,500.00	-1,500.00	100.0-	11
****	5302021	5302021 Entertainment Expense - Non-Deductible	3,616.05	14,234.92	-10,618.87	74.6-	11
		Travel & Entertainment	50,335.12	55,745.62	-5,410.50	9.7-	10
****	5303830	5303830 Advertising	0	13,058.79	-13,058.79	100.0-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	28,143.00	133,536.75	-105,393.75	78.9-	11
		Public Relations	28,143.00	146,595.54	-118,452.54	80.8-	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	500	250	250	100.0	11
		Fines & Penalties	500	250	250	100.0	10
****	5304310	5304310 Office Supplies	28,953.29	82,043.70	-53,090.41	64.7-	11
****	5304320	5304320 Postage, Shipping, & Freight	24,349.96	8,439.38	15,910.58	188.5	11
5500	5304350	5304350 Office Furn & Equip	0	8,491.95	-8,491.95	100.0-	11
5500	5304360	5304360 Promotion Supplies	-1,741.78	888.4	-2,630.18	296.1-	11
****	5304410	5304410 Purchasing Card Expenses-MC	-59,017.72	-84,480.40	25,462.68	30.1	11
		Office Supplies	-7,456.25	15,383.03	-22,839.28	148.5-	10
****	5309010	5309010 Utilities - Electric and Gas	2,194.15	1,646.73	547.42	33.2	11
****	5309025	5309025 Utilities - Communications	149,721.84	179,059.64	-29,337.80	16.4-	11
5550	5309030	5309030 Utilities - Water	9,222.63	4,117.42	5,105.21	124.0	11
****	5309040	5309040 Utilities - Other	3,703.90	297.44	3,406.46	1,145.3	11
		Utilities	164,842.52	185,121.23	-20,278.71	11.0-	10
****	5310090	5310090 Miscellaneous Fees	97.48	1,608.70	-1,511.22	93.9-	11
5500	5310100	5310100 Other Misc – PFAS	393.92	0	393.92		11
5500	5320140	5320140 Land Rights & Right of Way Fees	1,000.00	0	1,000.00		11
5500	5399040	5399040 Lost Discount Exp	8,926.39	850.93	8,075.46	949.0	11
****	5399900	5399900 Miscellaneous Expense	-253,159.73	-199,381.75	-53,777.98	27.0-	11
5500	5399910	5399910 Miscellaneous Expense - Acct Recon Write-offs	0	40,569.91	-40,569.91	100.0-	11
5500	6996751	6996751 Other Miscellaneous Expense	-1,024.91	0	-1,024.91		11
		Other Miscellaneous	-243,766.85	-156,352.21	-87,414.64	55.9-	10
****	5303900	5303900 Conversion-Projects	706,463.48	0	706,463.48		11
5500	5399060	5399060 Contrib in Aid of Constr - Cash - Taxable	139,102.82	0	139,102.82		11
5500	5399061	5399061 CIAC-Project offset	1,847,231.39	0	1,847,231.39		11
5500	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-563,033.89	0	-563,033.89		11
5500	5399074	5399074 Vehicle Purchases	1,831.98	28,677.00	-26,845.02	93.6-	11
5500	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-1,847,231.39	0	-1,847,231.39		11
5500	5399315	5399315 Advances for Construction - Cash - Non-Taxable	8,927.69	0	8,927.69		11
5500	5399340	5399340 Salvage Proceeds	0	-186,559.25	186,559.25	100.0	11
****	6996075	6996075 Miscellaneous Expense	-754,026.82	218,298.86	-972,325.68	445.4-	11
5500	6996081	6996081 CIAC	-1,423,300.32	0	-1,423,300.32		11
5500	6996082	6996082 CAC	1,838,303.70	0	1,838,303.70		11
****	6996085	6996085 Capital Overhead	-14.77	324.5	-339.27	104.6-	11
****	8720400	8720400 A&G Capital Support Overhead	14.77	-163.62	178.39	109.0	11
****	8720900	8720900 Engineering Overhead	0	-160.88	160.88	100.0	11
		Capital Miscellaneous & Overheads	-45,731.36	60,416.61	-106,147.97	175.7-	10
		Total Miscellaneous Expenses	84,020.67	441,803.87	-357,783.20	81.0-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	363,892.00	373,870.00	-9,978.00	2.7-	10
5500	5305020	5305020 Damages - Property	68,459.71	20,254.14	48,205.57	238.0	10
****	5305050	5305050 Worker's Compensation Claim Expenses	0	76,136.00	-76,136.00	100.0-	10
****	5305060	5305060 Worker's Compensation Admin	74,515.00	0	74,515.00		10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	185,606.00	167,616.00	17,990.00	10.7	10
5500	5306060	5306060 Insurance-General Property	11,719.00	11,295.00	424	3.8	10
5500	6996057	6996057 Insurance General Liability	-117,048.00	-113,728.20	-3,319.80	2.9-	10
5500	6996058	6996058 Insurance Workman's Compensation	-23,430.00	-22,708.20	-721.8	3.2-	10
5500	6996059	6996059 Insurance Other	-58,280.00	-49,918.80	-8,361.20	16.7-	10
		Total Insurance	505,433.71	462,815.94	42,617.77	9.2	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	307,606.56	473,974.91	-166,368.35	35.1-	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-41,839.19	-45,059.20	3,220.01	7.1	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	476,373.73	-240,708.34	717,082.07	297.9	10
5500	5996700	5996700 RECLASS-Bad Debt Expense	-12,207.37	0	-12,207.37		10
5500	6996070	6996070 Bad Debt Expense	12,207.37	0	12,207.37		10
		Total Bad Debt	742,141.10	188,207.37	553,933.73	294.3	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	195,902.92	28,802.01	167,100.91	580.2	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	22,285.27	30,913.68	-8,628.41	27.9-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	434.5	825	-390.5	47.3-	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	574.01	387.89	186.12	48.0	10
****	6204150	6204150 Misc NonUtil Exp-Other	28,877.40	-80,085.75	108,963.15	136.1	10
5500	6204160	6204160 Misc NonUtil-Other-Prof Servic	6,925.41	-4,829.55	11,754.96	243.4	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	29,707.14	46,260.00	-16,552.86	35.8-	10
		Total Non Operating Expenses	284,706.65	22,273.28	262,433.37	1,178.2	9
		Total Operations & Maintenance Expense	13,753,329.78	12,627,680.39	1,125,649.39	8.9	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,564,204.17	11,506,039.64	58,164.53	0.5	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.3	-0.3	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-366,514.00	-341,549.30	-24,964.70	7.3-	9
		Total Depreciation	11,197,690.17	11,164,490.64	33,199.53	0.3	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	26,494.37	1,948.72	7.4	9

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.01 -2024.01	Reporting periods
2023.01 -2023.01	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	5507070	5507070 Amort-Util Plant Acq Adj	-75,619.62	-86,962.09	11,342.47	13.0	9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	10,265.62	1,977.78	8,287.84	419.0	9
		Total Amortization	-36,910.91	-58,489.94	21,579.03	36.9	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	212,700.00	202,610.00	10,090.00	5.0	9
****	5310032	5310032 Assessment-Consumer Advocate	85,692.00	60,273.00	25,419.00	42.2	9
****	5310033	5310033 Assessment-SBA	14,925.00	12,115.00	2,810.00	23.2	9
****	5310035	5310035 Assessment-DPC	36	2,422.00	-2,386.00	98.5-	9
5500	5702120	5702120 Property Taxes-WT/WW	125,309.00	86,136.80	39,172.20	45.5	9
5500	5703100	5703100 Payroll Taxes	486,265.77	463,996.84	22,268.93	4.8	9
5500	5709101	5709101 Other Miscellaneous Taxes	10	10	0	0.0	9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	349,458.33	68,902.78	19.7	9
****	6996005	6996005 Payroll Tax	-153,044.82	-140,133.34	-12,911.48	9.2-	9
****	8720100	8720100 Payroll Tax Overhead	-104.1	-456.5	352.4	77.2	9
		Total Taxes Other Than Income	1,190,149.96	1,036,432.13	153,717.83	14.8	8
		TOTAL UTILITY COSTS & EXPENSES	26,104,259.00	24,770,113.22	1,334,145.78	5.4	7
		TOTAL OPERATING INCOME	-26,686,429.82	-27,863,947.25	1,177,517.43	4.2	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	122,032.54	38,506.61	83,525.93	216.9	9
		Interest on Short Term Debt	122,032.54	38,506.61	83,525.93	216.9	8
****	6499011	6499011 Interest Expense - Long Term Debt	7,781,497.24	6,459,120.85	1,322,376.39	20.5	10
		Interest on LTD	7,781,497.24	6,459,120.85	1,322,376.39	20.5	9
5500	6402430	6402430 Amort-Debt Issuance Costs	58,230.81	50,107.39	8,123.42	16.2	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	0	-5,936.00	5,936.00	100.0	10
		Amortization of Debt Issuance Costs	58,230.81	44,171.39	14,059.42	31.8	9
		Interest on Long Term Debt	7,839,728.05	6,503,292.24	1,336,435.81	20.6	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-249,479.35	-186,049.02	-63,430.33	34.1-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	249,479.35	186,049.02	63,430.33	34.1	10
****	6996080	6996080 AFUDC-Debt	-249,479.35	-186,049.02	-63,430.33	34.1-	10
		AFUDC - Debt	-249,479.35	-186,049.02	-63,430.33	34.1-	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-454,390.16	-583,814.92	129,424.76	22.2	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	454,390.16	417,068.85	37,321.31	8.9	10
****	6996086	6996086 AFUDC-Equity	-454,390.16	-417,068.85	-37,321.31	8.9-	10
		AFUDC - Equity	-454,390.16	-583,814.92	129,424.76	22.2	9
		Allow For Funds Used During Construction	-703,869.51	-769,863.94	65,994.43	8.6	8
		Total Interest Expense	7,257,891.08	5,771,934.91	1,485,956.17	25.7	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	-19,048.02	-54,226.00	35,177.98	64.9	9
		Gains from Sales of Property	-19,048.02	-54,226.00	35,177.98	64.9	8
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	25,578.00	-10,978.00	42.9-	9
		Other Net Periodic Beneft Costs	-59,646.00	-48,668.00	-10,978.00	22.6-	8
		Other Net (Income) Expense	-78,694.02	-102,894.00	24,199.98	23.5	7
		TOTAL OTHER (INCOME) EXPENSE	7,179,197.06	5,669,040.91	1,510,156.15	26.6	6
		TOTAL INCOME BEFORE TAX & GAIN	-19,507,232.76	-22,194,906.34	2,687,673.58	12.1	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	2,729,061.86	1,034,105.81	1,694,956.05	163.9	8
		Federal Taxes - Current	2,729,061.86	1,034,105.81	1,694,956.05	163.9	7
		Total Income Taxes - Current	2,729,061.86	1,034,105.81	1,694,956.05	163.9	6
		TOTAL INCOME TAXES	2,729,061.86	1,034,105.81	1,694,956.05	163.9	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-16,778,170.90	-21,160,800.53	4,382,629.63	20.7	4
		TOTAL NET INCOME	-16,778,170.90	-21,160,800.53	4,382,629.63	20.7	3
		NET INCOME AVAILABLE FOR COMMON	16,778,170.90	21,160,800.53	-4,382,629.63	20.7-	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.02 -2024.02	Reporting periods
2023.02 -2023.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-105,517,769.42	**-94,385,609.65**	**-11,132,159.77**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-871.59	-255.77	-615.82	240.8-	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-27,323.83	-59,042.21	31,718.38	53.7	10
****	4114110	4114110 WTR-Metered Sales-Residential	-27,517,886.30	-26,007,549.91	-1,510,336.39	5.8-	10
****	4114115	4114115 WTR-CAP Discount-Residential	149,245.87	4,153.52	145,092.35	3,493.2	10
****	4114120	4114120 WTR-Metered Sales-Commercial	-10,119,931.22	-9,757,948.86	-361,982.36	3.7-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,754,285.51	-1,661,670.23	-92,615.28	5.6-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-796,932.69	-756,559.14	-40,373.55	5.3-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-2,876.62	-1,590.97	-1,285.65	80.8-	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,198,342.77	-1,123,501.52	-74,841.25	6.7-	10
****	4114220	4114220 WTR-Public Fire Protection	-594,086.51	-590,015.58	-4,070.93	0.7-	10
****	4114230	4114230 WTR-Private Fire Protection	-223,442.05	-201,387.05	-22,055.00	11.0-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-259,960.30	-277,413.67	17,453.37	6.3	10
****	4115100	4115100 WTR-Misc Srv Rev	-45,485.50	-50,058.00	4,572.50	9.1	10
5500	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-20,450.00	-11,600.00	-8,850.00	76.3-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-49,482.55	-62,111.07	12,628.52	20.3	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	-21,600.00	-18,139.96	-3,460.04	19.1-	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-1,090,059.64	2,401.46	-1,092,461.10	45,491.5-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	133,907.86	96,953.87	36,953.99	38.1	10
5500	4118400	4118400 WTR-Other Water Rev	-30,365.00	0	-30,365.00		10
		Operating Revenue - Water	-43,470,228.35	-40,475,335.09	-2,994,893.26	7.4-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,337,331.26	-3,334,629.94	-2,701.32	0.1-	10
5550	4211035	4211035 WW-CAP Discount-Residential	11,140.46	218.96	10,921.50	4,987.9	10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-678,743.62	-711,748.94	33,005.32	4.6	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,474,191.38	-1,212,051.61	-262,139.77	21.6-	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-267,764.12	-276,380.60	8,616.48	3.1	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-2,972.92	-3,119.82	146.9	4.7	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-26,282.39	-27,976.67	1,694.28	6.1	10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-64.44	-186.65	122.21	65.5	10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-1,857.57	-1,990.25	132.68	6.7	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-126,142.52	-107,551.32	-18,591.20	17.3-	10
****	4215155	4215155 WW-ST Tax Surcharge	3,867.96	3,217.85	650.11	20.2	10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-13,840.50	-11,490.07	-2,350.43	20.5-	10
5550	4218400	4218400 WW-Other WW Revenues	-670	-820	150	18.3	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-20,253.24	35.21	-20,288.45	57,621.3-	10
		Operating Revenue - Sewer	-5,935,105.54	-5,684,473.85	-250,631.69	4.4-	9
		Total Operating Revenue	-49,405,333.89	-46,159,808.94	-3,245,524.95	7.0-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-141,453.72	-153,217.93	11,764.21	7.7	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	-29,406.00	29,406.00	100.0	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-1,500.00	0	0.0	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-52,517.37	-43,364.94	-9,152.43	21.1-	9
****	6104120	6104120 Nonutil Inc-Other (Water)	-132,773.86	-23,352.05	-109,421.81	468.6-	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-206,154.11	-170,216.04	-35,938.07	21.1-	9
		Total Non Operating Revenue	-534,910.06	-421,567.96	-113,342.10	26.9-	8
		TOTAL REVENUE	-49,940,243.95	-46,581,376.90	-3,358,867.05	7.2-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,805,107.88	3,415,663.83	389,444.05	11.4	11
5500	5300190	5300190 Labor-Officers, Executives	53,867.52	49,676.80	4,190.72	8.4	11
		Labor Regular	3,858,975.40	3,465,340.63	393,634.77	11.4	10
5500	5300120	5300120 Salaried - Overtime Wages	539,469.93	561,727.24	-22,257.31	4.0-	11
		Labor Overtime	539,469.93	561,727.24	-22,257.31	4.0-	10
5500	5300170	5300170 Salaried - Incentives / Bonuses	2,500.00	0	2,500.00		11
5500	5300180	5300180 Salaried - Annual Incentive	109,570.00	42,803.70	66,766.30	156.0	11
		Labor Short Term Incentive	112,070.00	42,803.70	69,266.30	161.8	10
5500	5300185	5300185 Stock Option Compensation	738.02	584.65	153.37	26.2	11
5500	5300186	5300186 Performance Share Unit Amortization	45,205.54	33,753.45	11,452.09	33.9	11
5500	5300187	5300187 Restricted Stock Unit Amortization	20,174.82	12,275.43	7,899.39	64.4	11
****	5996070	5996070 RECLASS-LTI/STI	0	0	0		11
		Labor Long Term Incentive	66,118.38	46,613.53	19,504.85	41.8	10
****	5996010	5996010 RECLASS-S&W-Employees	0	169,204.52	-169,204.52	100.0-	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	3,379.75	7,304.22	-3,924.47	53.7-	11
5500	8000032	8000032 Corporate Automation Engineer	0	956.4	-956.4	100.0-	11
****	8000088	8000088 Electrical Engineering Manager	0	0	0		11
5500	8000097	8000097 Enterprise Systems Manager	873.18	137.54	735.64	534.9	11
5500	8000150	8000150 Mgr, Security Operations & Engineering	331.12	0	331.12		11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
****	8000170	8000170 Project Engineer II	5,246.72	1,904.00	3,342.72	175.6	11
5500	8000171	8000171 Project Engineer III	1,289.52	5,059.20	-3,769.68	74.5-	11
5500	8000201	8000201 Systems Administrator II	338.32	2,601.41	-2,263.09	87.0-	11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.02 -2024.02	Reporting periods
2023.02 -2023.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	8000217	8000217 Systems Engineer II	0	104.17	-104.17	100.0-	11
5500	8000219	8000219 Security Engineer III	3,402.63	1,610.40	1,792.23	111.3	11
5500	8000228	8000228 Safety Specialist III	0	-815.84	815.84	100.0	11
5500	8000235	8000235 System Engineer III	1,817.64	3,033.14	-1,215.50	40.1-	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	0	-817.2	817.2	100.0	11
5500	8000312	8000312 Telecom Analyst II	279.96	0	279.96		11
5500	8000325	8000325 Manager Security GRC	124.99	819.04	-694.05	84.7-	11
5500	8000332	8000332 Lead, Enterprise Architect	798.18	0	798.18		11
5500	8000342	8000342 Security Analyst II	0	200.04	-200.04	100.0-	11
****	8000381	8000381 Director Construction	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
5500	8001067	8001067 Records Coordinator	0	7,129.23	-7,129.23	100.0-	11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	0	0		11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	-1.17	-4.77	3.6	75.5	11
****	8001151	8001151 Operations Team Lead	0	0	0		11
5500	8001181	8001181 Utility Technician	0	79.8	-79.8	100.0-	11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
****	8001213	8001213 Utility Technician (Union)	-892.45	-1,718.76	826.31	48.1	11
5500	8001224	8001224 Emergency Utility Worker	0	-37.87	37.87	100.0	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
****	8001230	8001230 Field Service Representative Leader	0	0	0		11
5500	8001231	8001231 Field Service Representative	-101.55	-644.98	543.43	84.3	11
****	8001232	8001232 Field Service Representative-First Class	0	0	0		11
5500	8001235	8001235 Inspector	-25.37	-572.61	547.24	95.6	11
5500	8001239	8001239 Laborer	0	-64.88	64.88	100.0	11
5500	8001241	8001241 Leader	-165.8	-39.7	-126.1	317.6-	11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
****	8001270	8001270 System Operator	0	0	0		11
5550	8001276	8001276 Utility Field Service Worker I	428.16	0	428.16		11
5500	8001284	8001284 Utility Worker	0	-111.18	111.18	100.0	11
5500	8001289	8001289 Working Foreman	0	-129.49	129.49	100.0	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8001314	8001314 Wastewater Operator II	0	0	0		11
5500	8001316	8001316 Customer Relations Specialist I	13,431.60	0	13,431.60		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
5500	8002067	8002067 Records Coordinator-TH	0	1,020.60	-1,020.60	100.0-	11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	65.49	-65.49	100.0-	11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
****	8002213	8002213 Utility Technician (Union)-TH	0	0	0		11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	0	-77.39	77.39	100.0	11
5500	8002235	8002235 Inspector-TH	0	-378.88	378.88	100.0	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002263	8002263 Pipe Truck Operator-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5550	8002276	8002276 Utility Field Service Worker I-TH	40.14	0	40.14		11
5500	8002284	8002284 Utility Worker-TH	-817.18	0	-817.18		11
****	8002289	8002289 Working Foreman-TH	0	0	0		11
****	8002291	8002291 Wastewater Operator I-TH	0	0	0		11
****	8002314	8002314 Wastewater Operator II - TH	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003290	8003290 Wastewater Operator I-DT	0	0	0		11
****	8003314	8003314 Wastewater Operator II - DT	0	0	0		11
5500	8009990	8009990 True-Up Labor	-2,895.69	0	-2,895.69		11
		Activity Allocations	26,882.70	195,815.65	-168,932.95	86.3-	10
****	6996001	6996001 S&W-Employees-ST	-1,230,704.39	-1,045,882.93	-184,821.46	17.7-	11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.02 -2024.02	Reporting periods
2023.02 -2023.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	6996002	6996002 S&W-Employees-OT	-227,687.26	-260,327.72	32,640.46	12.5	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-43,673.40	-10,679.49	-32,993.91	308.9-	11
****	6996007	6996007 LTI/STI	-29,352.45	-18,698.26	-10,654.19	57.0-	11
****	8720200	8720200 PTO Overhead	-270.41	-974.71	704.3	72.3	11
****	8720700	8720700 LTI/STI/Stock Overhead	-0.15	-220.19	220.04	99.9	11
		Labor - Overheads & Capitalization	-1,531,688.06	-1,336,783.30	-194,904.76	14.6-	10
		Total Labor	3,071,828.35	2,975,517.45	96,310.90	3.2	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	603,421.46	591,617.58	11,803.88	2.0	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	35,055.80	32,505.33	2,550.47	7.8	11
5500	5301025	5301025 Employee Benefits - Vision	6,426.58	1,946.53	4,480.05	230.2	11
		Employee Benefits - Health Plans	644,903.84	626,069.44	18,834.40	3.0	10
5500	5301030	5301030 Employee Benefits - Life Insurance	19,020.03	15,977.37	3,042.66	19.0	11
5500	5301040	5301040 Employee Benefits - Disability	10,333.73	10,560.00	-226.27	2.1-	11
		Employee Benefits - Insurance	29,353.76	26,537.37	2,816.39	10.6	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	11
		Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	10
5500	5301130	5301130 Employee Benefits - Savings Plan	193,125.53	175,021.22	18,104.31	10.3	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	97,485.00	58,192.00	39,293.00	67.5	11
		Employee Benefits - 401K	290,610.53	233,213.22	57,397.31	24.6	10
5500	5301910	5301910 Employee Related Expenses-On Boarding	1,645.00	0	1,645.00		11
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	113	128	-15	11.7-	11
5550	5301990	5301990 Other Employee Benefits - Miscellaneous	0	111.14	-111.14	100.0-	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	3,397.68	0	3,397.68		11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	6,771.75	6,877.07	-105.32	1.5-	11
5500	5302920	5302920 Tuition Reimbursement Expense	4,323.00	2,250.00	2,073.00	92.1	11
****	5302925	5302925 Employee Training Expense	5,030.50	5,204.76	-174.26	3.3-	11
5500	5302926	5302926 Employee Training Expense-Seminars	860	115	745	647.8	11
5500	5302930	5302930 Employee Relations Expense	176.45	376.4	-199.95	53.1-	11
****	5996040	5996040 RECLASS-Employee Pension and Benefits	0	0	0		11
****	8720300	8720300 Payroll Other Overhead	-161.29	-1,201.48	1,040.19	86.6	11
		Employee Benefits - Miscellaneous	22,156.09	13,860.89	8,295.20	59.8	10
****	6996004	6996004 Employee Pension and Benefits	-309,957.18	-248,370.09	-61,587.09	24.8-	11
		Capitalized Employee Benefits	-309,957.18	-248,370.09	-61,587.09	24.8-	10
		Total Employee Benefits	754,569.98	728,813.77	25,756.21	3.5	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	431,070.83	352,329.90	78,740.93	22.3	10
5500	6996009	6996009 Purchased Water	-4,000.00	-30,060.00	26,060.00	86.7	10
		Total Purchased Water	427,070.83	322,269.90	104,800.93	32.5	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	1,223,661.00	1,008,844.56	214,816.44	21.3	10
5500	6996010	6996010 Purchased WasteWater Treatment	-13,408.00	0	-13,408.00		10
		Total Purchased Wastewater	1,210,253.00	1,008,844.56	201,408.44	20.0	9
		Sludge					9
****	5206240	5206240 Sludge Removal	175,109.99	137,277.42	37,832.57	27.6	10
5550	6996011	6996011 Sludge Removal (WW)	-2,451.50	-1,975.00	-476.5	24.1-	10
		Total Sludge	172,658.49	135,302.42	37,356.07	27.6	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	810,931.56	747,528.04	63,403.52	8.5	10
****	5206230	5206230 Fuel for Power Production	136,136.39	43,135.36	93,001.03	215.6	10
5500	6996015	6996015 Purchased Power (WW)	-59.95	0	-59.95		10
5500	6996016	6996016 Fuel for Power Production	-365.13	-19.83	-345.3	1,741.3-	10
		Total Purchased Power	946,642.87	790,643.57	155,999.30	19.7	9
****	5304600	5304600 Chemicals-Oper-General	-935.57	90,514.70	-91,450.27	101.0-	10
****	5304602	5304602 Chemicals-Oper-Liqui Alum	117,962.26	97,150.33	20,811.93	21.4	10
****	5304603	5304603 Chemicals-Oper-Caustic	15,620.42	21,183.31	-5,562.89	26.3-	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	192,327.60	102,921.93	89,405.67	86.9	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	81,516.58	44,679.14	36,837.44	82.4	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	0	2,903.27	-2,903.27	100.0-	10
****	5304607	5304607 Chemicals-Oper-Hypochlorine	30,251.95	24,631.81	5,620.14	22.8	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	84,025.00	25,113.04	58,911.96	234.6	10
****	5304609	5304609 Chemicals-Oper-Zinc Ortho	22,552.20	39,068.12	-16,515.92	42.3-	10
5500	5304610	5304610 Chemicals-Oper-Polymer	49,283.68	19,786.65	29,497.03	149.1	10
5500	5304613	5304613 Chemicals-Oper-Percol	0	2,093.00	-2,093.00	100.0-	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	99.22	-99.22	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	35,055.54	22,310.95	12,744.59	57.1	10
5500	5304617	5304617 Chemicals-Oper-Carbon	164,278.80	124,801.96	39,476.84	31.6	10
5500	5304619	5304619 Chemicals-Oper-Potaperm	-17.09	0	-17.09		10
5500	5304620	5304620 Chemicals-Oper-Ammonia	8,928.29	21,806.79	-12,878.50	59.1-	10
****	5304621	5304621 Chemicals-Oper-Misc Chem	18,030.57	6,605.53	11,425.04	173.0	10
5550	5304624	5304624 SW-Chem-Pump Oper-General	39,896.49	90,085.70	-50,189.21	55.7-	10
5550	5304626	5304626 SW-Chem-T&D Oper-General	2,587.58	0	2,587.58		10
5500	6996018	6996018 Chemicals	-51.23	0	-51.23		10
		Chemicals	861,313.07	735,755.45	125,557.62	17.1	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	3,719,820.48	3,209,107.94	510,712.54	15.9	11
5500	5304105	5304105 Material Exp-Stk Cr	0	5,686.82	-5,686.82	100.0-	11
5500	5304110	5304110 Material Exp-Cst Dif	-39,226.05	-5,360.14	-33,865.91	631.8-	11

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.02 -2024.02	Reporting periods
2023.02 -2023.02	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5304120	5304120 Material Exp-Obslete	-4,094.37	-1,964.93	-2,129.44	108.4-	11
5500	5304140	5304140 Material Exp-Inv Rvl	2,087.78	29,536.37	-27,448.59	92.9-	11
****	5304200	5304200 Material Exp-Non Stk	296,449.50	134,750.22	161,699.28	120.0	11
5500	5304235	5304235 Materials & Supplies - Hydrants	0	1,969.37	-1,969.37	100.0-	11
5500	5304250	5304250 Materials – PFAS	1,067.48	0	1,067.48		11
****	5304300	5304300 Meter/ERT Purchases	228,483.06	209,450.21	19,032.85	9.1	11
5500	5304330	5304330 Laboratory Supplies	1,414.91	220	1,194.91	543.1	11
5500	5304340	5304340 Software/Hardware Purchases	91,859.66	464,728.10	-372,868.44	80.2-	11
****	5304370	5304370 Small Tools & Work Equipment	15,339.83	42,189.89	-26,850.06	63.6-	11
****	5304375	5304375 Materials & Supplies - Uniforms	25,114.36	7,987.91	17,126.45	214.4	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	20,257.38	12,864.73	7,392.65	57.5	11
****	5304390	5304390 Misc Supplies	89,734.16	89,245.53	488.63	0.5	11
****	8720600	8720600 Tools/Clothing/Others Overhead	27.49	4.51	22.98	509.5	11
		Supplies	4,448,335.67	4,200,416.53	247,919.14	5.9	10
****	6996020	6996020 Materials and Supplies	-4,279,455.85	-3,973,405.79	-306,050.06	7.7-	11
		Capitalized Supplies	-4,279,455.85	-3,973,405.79	-306,050.06	7.7-	10
		Total Materials & Supplies	168,879.82	227,010.74	-58,130.92	25.6-	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	2,722,974.46	1,583,070.89	1,139,903.57	72.0	11
****	6996031	6996031 Contractual Services-Engineering	-2,645,532.46	-1,472,948.72	-1,172,583.74	79.6-	11
		Outside Services - Engineering	77,442.00	110,122.17	-32,680.17	29.7-	10
5500	5303210	5303210 Accounting/Auditing Services	73,074.00	70,393.00	2,681.00	3.8	11
5500	6996032	6996032 Contractual Services-Accounting	-23,018.31	0	-23,018.31		11
		Outside Services - Accounting	50,055.69	70,393.00	-20,337.31	28.9-	10
****	5303220	5303220 Legal Services	81,446.08	421,010.09	-339,564.01	80.7-	11
5500	6996033	6996033 Contractual Services-Legal	-6,834.70	-6,811.00	-23.7	0.3-	11
		Outside Services - Legal	74,611.38	414,199.09	-339,587.71	82.0-	10
****	5303850	5303850 Testing Services	62,041.14	88,623.47	-26,582.33	30.0-	11
5500	6996035	6996035 Contractual Services-Testing	-3,485.00	0	-3,485.00		11
		Outside Services - Lab Testing	58,556.14	88,623.47	-30,067.33	33.9-	10
****	5303010	5303010 Contractor Labor - Straight Time	10,161.15	44,848.88	-34,687.73	77.3-	11
5500	5303020	5303020 Contractor Materials	81,314.35	52,973.33	28,341.02	53.5	11
****	5303030	5303030 Contractor Services	3,705,972.31	2,495,817.04	1,210,155.27	48.5	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	40,688.00	63,061.75	-22,373.75	35.5-	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	79,340.25	0	79,340.25		11
****	5303035	5303035 Contractor Services - Restoration	323,606.97	337,415.45	-13,808.48	4.1-	11
****	5303036	5303036 Contractor Services - Permit Fees	61,121.85	52,711.38	8,410.47	16.0	11
5500	5303040	5303040 Environmental Services	14,800.00	3,000.00	11,800.00	393.3	11
****	5303050	5303050 Contractor Services - Leak Detection	19,306.73	36,167.45	-16,860.72	46.6-	11
****	5303052	5303052 Contractor Services - Sewer Jetting	2,593.00	0	2,593.00		11
****	5303053	5303053 Contractor Services - Main Breaks	7,003,116.67	8,532,894.72	-1,529,778.05	17.9-	11
****	5303054	5303054 Contractor Services - Well Cleaning	115,160.20	126,296.89	-11,136.69	8.8-	11
5550	5303055	5303055 Contractor Services - Wastewater Hauling	0	-600	600	100.0	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	45,033.48	6,214.55	38,818.93	624.6	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	80,980.00	0	80,980.00		11
5500	5303061	5303061 Contractor Services - Other-Mains	3,862.25	7,213.21	-3,350.96	46.5-	11
****	5303062	5303062 Contractor Services - Other-Services	1,378,818.01	182,281.02	1,196,536.99	656.4	11
****	5303063	5303063 Contractor Services - Other-Meters	118,699.32	47,124.50	71,574.82	151.9	11
****	5303064	5303064 Contractor Services - Other-Hydrants	352,379.09	158,804.93	193,574.16	121.9	11
5500	5303145	5303145 Contractor Services - Other-Construction	184,969.00	368,488.35	-183,519.35	49.8-	11
****	6996036	6996036 Contractual Services-Other	-12,584,414.09	-11,950,074.00	-634,340.09	5.3-	11
		Outside Services - Operations	1,037,508.54	564,639.45	472,869.09	83.7	10
5500	5997310	5997310 Other ACO Direct costs	66,801.10	51,997.24	14,803.86	28.5	11
****	5997320	5997320 WorkFlow Processing Fee	173,908.28	89,004.85	84,903.43	95.4	11
****	5997330	5997330 WorkFlow Billing Postage	131,008.63	128,041.88	2,966.75	2.3	11
5500	5997360	5997360 ACO Lockbox Fees	41,612.13	59,825.18	-18,213.05	30.4-	11
		Outside Services - ACO	413,330.14	328,869.15	84,460.99	25.7	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	185,549.41	153,527.66	32,021.75	20.9	12
****	5303135	5303135 Contractor Services - Grounds Care	313,626.05	26,251.74	287,374.31	1,094.7	12
5500	5303840	5303840 Security & Investigative Services	18,047.21	71,633.87	-53,586.66	74.8-	12
5500	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-228,029.63	0	-228,029.63		12
		Outside Services - Bldg & Grounds	289,193.04	251,413.27	37,779.77	15.0	11
5500	5303110	5303110 Office Equipment Maintenance Services	0	79.5	-79.5	100.0-	12
****	5303120	5303120 Computer & Software Maintenance Services	1,407.36	1,075.28	332.08	30.9	12
5500	5303315	5303315 IT/Telecom Contractor Services	37,449.60	22,984.48	14,465.12	62.9	12
5500	6996364	6996364 Contractual Services - Other - IT	-37,449.60	0	-37,449.60		12
		Outside Services - IT	1,407.36	24,139.26	-22,731.90	94.2-	11
5500	5303140	5303140 Security Equipment Maintenance Services	41,822.12	11,559.52	30,262.60	261.8	12
		Outside Services - Security	41,822.12	11,559.52	30,262.60	261.8	11
5500	5303325	5303325 Professional/Temporary Labor	28,754.27	320	28,434.27	8,885.7	12
		Outside Services - Temporary Labor	28,754.27	320	28,434.27	8,885.7	11
5500	5303190	5303190 Miscellaneous Repairs/Maintenance	8,240.58	21,582.98	-13,342.40	61.8-	12
****	5303310	5303310 Consultant Services	129,951.76	68,172.13	61,779.63	90.6	12
5500	5303320	5303320 Training Services	601.92	2,304.56	-1,702.64	73.9-	12
****	5303890	5303890 Miscellaneous Outside Services	90,263.77	80,399.27	9,864.50	12.3	12
****	6996367	6996367 Contractual Services - Other - Admin & General	-141,318.72	0	-141,318.72		12
		Outside Services - Admin & General	87,739.31	172,458.94	-84,719.63	49.1-	11

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0L	Ledger
10	Currency type Company code currency
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2024.02 -2024.02	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
		Total Outside Services - Other	448,916.10	459,890.99	-10,974.89	2.4-	10
		Total Outside Services	2,160,419.99	2,036,737.32	123,682.67	6.1	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,879,624.00	1,651,311.68	228,312.32	13.8	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	764,022.09	772,660.61	-8,638.52	1.1-	11
5500	8732040	8732040 Employee Pension and Benefits	106,221.13	19,963.68	86,257.45	432.1	11
5500	8732150	8732150 Purchased Power (WasteWater)	1,018.79	948.51	70.28	7.4	11
5500	8732200	8732200 Materials and Supplies	101,885.60	-46,289.89	148,175.49	320.1	11
5500	8732310	8732310 Contractual Services-Engineering	65,950.38	17,154.15	48,796.23	284.5	11
5500	8732320	8732320 Contractual Services-Accounting	69,728.90	5,969.48	63,759.42	1,068.1	11
5500	8732330	8732330 Contractual Services-Legal	9,935.21	-3,962.38	13,897.59	350.7	11
5500	8732340	8732340 Contractual Services-Management Fees	270,375.36	92,534.06	177,841.30	192.2	11
5500	8732360	8732360 Contractual Services-Other	910,394.62	-58,626.05	969,020.67	1,652.9	11
5500	8732410	8732410 Rental of Building Real Property	0	10,716.31	-10,716.31	100.0-	11
5500	8732500	8732500 Transportation Expenses	3,101.62	-382.39	3,484.01	911.1	11
5500	8732750	8732750 Miscellaneous Expense	74,142.48	58,040.34	16,102.14	27.7	11
		Management Fees - Water	4,256,400.18	2,520,038.11	1,736,362.07	68.9	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733410	8733410 Rental of Building Real Property	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-1,704,897.06	-650,608.10	-1,054,288.96	162.0-	11
		Capitalized Management Fees	-1,704,897.06	-650,608.10	-1,054,288.96	162.0-	10
		Total Managment Fees	2,551,503.12	1,869,430.01	682,073.11	36.5	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	42,107.61	48,008.03	-5,900.42	12.3-	11
****	5307050	5307050 Rent Expense - Land & Land Rights	14,495.16	23,800.10	-9,304.94	39.1-	11
		Leases - Building	56,602.77	71,808.13	-15,205.36	21.2-	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	2,877.87	7,949.18	-5,071.31	63.8-	11
5500	6996042	6996042 Rental of Equipment	-2,750.15	0	-2,750.15		11
		Leases - Equipment	127.72	7,949.18	-7,821.46	98.4-	10
		Total Leases	56,730.49	79,757.31	-23,026.82	28.9-	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	3,834.84	4,924.24	-1,089.40	22.1-	11
5500	5304210	5304210 Auto Parts & Supplies	69,470.98	7,317.17	62,153.81	849.4	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	32,667.05	17,819.92	14,847.13	83.3	11
		Transportation - Services & Maintenance	105,972.87	30,061.33	75,911.54	252.5	10
****	5304510	5304510 Gasoline	111,687.82	191,950.34	-80,262.52	41.8-	11
5500	5304515	5304515 Diesel Fuel	32,213.81	37,511.41	-5,297.60	14.1-	11
5500	5304516	5304516 Natural Gas Fuel	1,557.79	-1,157.44	2,715.23	234.6	11
5500	5304520	5304520 Fuel-Off Hwy Equip	-9,596.92	0	-9,596.92		11
		Transportation - Fuel	135,862.50	228,304.31	-92,441.81	40.5-	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	1,846.80	-2,238.05	4,084.85	182.5	11
5500	5399079	5399079 Transportation-Crash	1,828.22	21,349.58	-19,521.36	91.4-	11
****	5996500	5996500 RECLASS-Transportation Expenses	-10,660.58	-22,371.46	11,710.88	52.3	11
****	8720500	8720500 Transportation Overhead	-83.56	-332.37	248.81	74.9	11
		Transportation - Other	-7,069.12	-3,592.30	-3,476.82	96.8-	10
****	6996050	6996050 Transportation Expenses	-122,500.22	-80,471.00	-42,029.22	52.2-	11
		Capitalized Transportation	-122,500.22	-80,471.00	-42,029.22	52.2-	10
		Total Transportation	112,266.03	174,302.34	-62,036.31	35.6-	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	70,807.38	917.15	69,890.23	7,620.4	11
5500	5308021	5308021 Professional Dues	821.29	0	821.29		11
5500	5308041	5308041 Industry Assoc Dues	334	306	28	9.2	11
5500	5308090	5308090 Other Dues&Membershp	43,310.19	48,043.76	-4,733.57	9.9-	11
		Dues & Subscriptions	115,272.86	49,266.91	66,005.95	134.0	10
5500	5310010	5310010 Operating Permits	12,704.98	0	12,704.98		11
****	5310020	5310020 Licensing Fees	17,194.76	345,438.85	-328,244.09	95.0-	11

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5310050	5310050 Environmental Fees	1,995.00	0	1,995.00		11
		Licenses & Permits	31,894.74	345,438.85	-313,544.11	90.8-	10
5500	5310080	5310080 Bank Fees	9,389.01	7,142.68	2,246.33	31.4	11
5500	5310085	5310085 Bond Servicing Fees	15,819.85	22,984.45	-7,164.60	31.2-	11
		Bank Fees	25,208.86	30,127.13	-4,918.27	16.3-	10
5500	5302010	5302010 Travel Expense	16,194.77	15,916.86	277.91	1.7	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	18,982.18	10,811.53	8,170.65	75.6	11
5500	5302016	5302016 Travel - Meals (100% Deductible)	0	28.51	-28.51	100.0-	11
5500	5302020	5302020 Entertainment Expense	1,910.00	1,240.00	670	54.0	11
****	5302021	5302021 Entertainment Expense - Non-Deductible	4,815.14	11,793.73	-6,978.59	59.2-	11
		Travel & Entertainment	41,902.09	39,790.63	2,111.46	5.3	10
5500	5303830	5303830 Advertising	0	13,026.59	-13,026.59	100.0-	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	100,250.00	0	100,250.00		11
		Public Relations	100,250.00	13,026.59	87,223.41	669.6	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	5,625.00	1,250.00	4,375.00	350.0	11
		Fines & Penalties	5,625.00	1,250.00	4,375.00	350.0	10
****	5304310	5304310 Office Supplies	1,387.11	46,648.41	-45,261.30	97.0-	11
****	5304320	5304320 Postage, Shipping, & Freight	10,136.46	7,786.29	2,350.17	30.2	11
****	5304350	5304350 Office Furn & Equip	13,959.87	12,789.63	1,170.24	9.1	11
5500	5304360	5304360 Promotion Supplies	1,079.63	24,972.63	-23,893.00	95.7-	11
****	5304410	5304410 Purchasing Card Expenses-MC	-32,329.21	26,857.48	-59,186.69	220.4-	11
		Office Supplies	-5,766.14	119,054.44	-124,820.58	104.8-	10
****	5309010	5309010 Utilities - Electric and Gas	6,829.43	5,882.49	946.94	16.1	11
****	5309025	5309025 Utilities - Communications	126,842.17	168,335.85	-41,493.68	24.6-	11
5550	5309030	5309030 Utilities - Water	6,414.95	-1,071.66	7,486.61	698.6	11
****	5309040	5309040 Utilities - Other	3,408.66	340.05	3,068.61	902.4	11
		Utilities	143,495.21	173,486.73	-29,991.52	17.3-	10
****	5310090	5310090 Miscellaneous Fees	592.64	5,270.61	-4,677.97	88.8-	11
5500	5320140	5320140 Land Rights & Right of Way Fees	21,500.00	0	21,500.00		11
5500	5399040	5399040 Lost Discount Exp	-252,346.95	3,745.03	-256,091.98	6,838.2-	11
****	5399900	5399900 Miscellaneous Expense	-249,532.26	-223,391.75	-26,140.51	11.7-	11
5500	6996751	6996751 Other Miscellaneous Expense	226,605.31	0	226,605.31		11
		Other Miscellaneous	-253,181.26	-214,376.11	-38,805.15	18.1-	10
****	5399061	5399061 CIAC-Project offset	256,610.04	1,201,278.44	-944,668.40	78.6-	11
5500	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	0	-1,537,647.00	1,537,647.00	100.0	11
5500	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-717,592.12	0	-717,592.12		11
5500	5399074	5399074 Vehicle Purchases	450,805.78	99,462.20	351,343.58	353.2	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-256,610.04	-1,201,278.44	944,668.40	78.6	11
****	5399340	5399340 Salvage Proceeds	-17,745.60	-69,393.00	51,647.40	74.4	11
****	5996850	5996850 RECLASS-Capital Overhead	0	0	0		11
****	6996075	6996075 Miscellaneous Expense	-465,775.99	-107,686.26	-358,089.73	332.5-	11
****	6996081	6996081 CIAC	460,982.08	336,368.56	124,613.52	37.0	11
****	6996082	6996082 CAC	256,610.04	1,201,278.44	-944,668.40	78.6-	11
****	6996085	6996085 Capital Overhead	138.08	65.3	72.78	111.5	11
****	8720400	8720400 A&G Capital Support Overhead	-32.78	-65.3	32.52	49.8	11
****	8720900	8720900 Engineering Overhead	0	0	0		11
		Capital Miscellaneous & Overheads	-32,610.51	-77,617.06	45,006.55	58.0	10
		Total Miscellaneous Expenses	172,090.85	479,448.11	-307,357.26	64.1-	9
		Insurance					9
****	5305010	5305010 Injury Expenses	363,892.00	373,870.00	-9,978.00	2.7-	10
5500	5305020	5305020 Damages - Property	30,292.20	17,679.97	12,612.23	71.3	10
****	5305050	5305050 Worker's Compensation Claim Expenses	0	76,136.00	-76,136.00	100.0-	10
****	5305060	5305060 Worker's Compensation Admin	74,515.00	0	74,515.00		10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	185,606.00	167,616.00	17,990.00	10.7	10
5500	5306060	5306060 Insurance-General Property	11,719.00	11,295.00	424	3.8	10
5500	6996057	6996057 Insurance General Liability	-117,048.00	-113,728.20	-3,319.80	2.9-	10
5500	6996058	6996058 Insurance Workman's Compensation	-23,430.00	-22,708.20	-721.8	3.2-	10
5500	6996059	6996059 Insurance Other	-58,280.00	-49,918.80	-8,361.20	16.7-	10
		Total Insurance	467,266.20	460,241.77	7,024.43	1.5	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	470,184.49	669,624.27	-199,439.78	29.8-	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-57,413.44	-41,474.70	-15,938.74	38.4-	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	227,006.28	-164,611.56	391,617.84	237.9	10
5500	5996700	5996700 RECLASS-Bad Debt Expense	375.91	0	375.91		10
5500	6996070	6996070 Bad Debt Expense	-375.91	0	-375.91		10
		Total Bad Debt	639,777.33	463,538.01	176,239.32	38.0	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	83,532.23	-25,285.18	108,817.41	430.4	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	20,988.80	42,663.73	-21,674.93	50.8-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	1,896.00	0	1,896.00		10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	629.42	387.9	241.52	62.3	10
****	6204150	6204150 Misc NonUtil Exp-Other	37,768.36	1,585.08	36,183.28	2,282.7	10
5500	6204160	6204160 Misc NonUtil-Other-Prof Servic	2,155.13	1,764.18	390.95	22.2	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	10,530.00	26,198.39	-15,668.39	59.8-	10
		Total Non Operating Expenses	157,499.94	47,314.10	110,185.84	232.9	9
		Total Operations & Maintenance Expense	13,930,770.36	12,534,926.83	1,395,843.53	11.1	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,565,095.16	11,199,813.68	365,281.48	3.3	9

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5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.3	-0.3	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-366,514.00	-341,549.30	-24,964.70	7.3-	9
		Total Depreciation	11,198,581.16	10,858,264.68	340,316.48	3.1	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	28,443.09	0	0.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-74,455.41	-86,962.09	12,506.68	14.4	9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	10,265.62	1,977.78	8,287.84	419.0	9
		Total Amortization	-35,746.70	-56,541.22	20,794.52	36.8	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	214,200.00	206,360.00	7,840.00	3.8	9
****	5310032	5310032 Assessment-Consumer Advocate	85,692.00	60,273.00	25,419.00	42.2	9
****	5310033	5310033 Assessment-SBA	14,925.00	12,115.00	2,810.00	23.2	9
****	5310035	5310035 Assessment-DPC	36	2,422.00	-2,386.00	98.5-	9
****	5702101	5702101 Property Taxes	649.18	4,995.38	-4,346.20	87.0-	9
****	5702120	5702120 Property Taxes-WT/WW	159,523.25	112,434.38	47,088.87	41.9	9
5500	5703100	5703100 Payroll Taxes	341,871.11	314,529.27	27,341.84	8.7	9
5500	5709101	5709101 Other Miscellaneous Taxes	40	0	40		9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	349,458.33	68,902.78	19.7	9
****	5996050	5996050 RECLASS-Employee Taxes	0	0	0		9
****	6996005	6996005 Payroll Tax	-112,736.60	-101,590.19	-11,146.41	11.0-	9
****	8720100	8720100 Payroll Tax Overhead	-117.74	-424.41	306.67	72.3	9
		Total Taxes Other Than Income	1,122,443.31	960,572.76	161,870.55	16.9	8
		TOTAL UTILITY COSTS & EXPENSES	26,216,048.13	24,297,223.05	1,918,825.08	7.9	7
		TOTAL OPERATING INCOME	-23,724,195.82	-22,284,153.85	-1,440,041.97	6.5-	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	128,354.25	0	128,354.25		9
		Interest on Short Term Debt	128,354.25	0	128,354.25		8
****	6499011	6499011 Interest Expense - Long Term Debt	7,780,665.45	6,783,213.95	997,451.50	14.7	10
		Interest on LTD	7,780,665.45	6,783,213.95	997,451.50	14.7	9
5500	6402430	6402430 Amort-Debt Issuance Costs	58,230.81	50,390.17	7,840.64	15.6	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	0	-5,936.00	5,936.00	100.0	10
		Amortization of Debt Issuance Costs	58,230.81	44,454.17	13,776.64	31.0	9
		Interest on Long Term Debt	7,838,896.26	6,827,668.12	1,011,228.14	14.8	8
****	5996800	5996800 Reclass-AFUDC-Debt	0	0	0		10
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-263,868.85	-235,133.38	-28,735.47	12.2-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	263,868.85	235,133.38	28,735.47	12.2	10
****	6996080	6996080 AFUDC-Debt	-263,868.85	-235,073.58	-28,795.27	12.2-	10
		AFUDC - Debt	-263,868.85	-235,073.58	-28,795.27	12.2-	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-363,791.01	-673,774.18	309,983.17	46.0	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	363,791.01	481,219.68	-117,428.67	24.4-	10
****	6996086	6996086 AFUDC-Equity	-363,791.01	-481,279.48	117,488.47	24.4	10
		AFUDC - Equity	-363,791.01	-673,833.98	310,042.97	46.0	9
		Allow For Funds Used During Construction	-627,659.86	-908,907.56	281,247.70	30.9	8
		Total Interest Expense	7,339,590.65	5,918,760.56	1,420,830.09	24.0	7
		Other Net (Income) Expense:					7
5500	5380011	5380011 Operating Gain/Loss-Disposition of Assets	0	-5,250.00	5,250.00	100.0	9
		Gains from Sales of Property	0	-5,250.00	5,250.00	100.0	8
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	25,578.00	-10,978.00	42.9-	9
		Other Net Periodic Beneft Costs	-59,646.00	-48,668.00	-10,978.00	22.6-	8
		Other Net (Income) Expense	-59,646.00	-53,918.00	-5,728.00	10.6-	7
		TOTAL OTHER (INCOME) EXPENSE	7,279,944.65	5,864,842.56	1,415,102.09	24.1	6
		TOTAL INCOME BEFORE TAX & GAIN	-16,444,251.17	-16,419,311.29	-24,939.88	0.2-	5
		INCOME TAXES					5
		Income Taxes - Current					6
5500	6310011	6310011 Federal Income Tax Expense	2,382,772.00	4,561,094.32	-2,178,322.32	47.8-	8
		Federal Taxes - Current	2,382,772.00	4,561,094.32	-2,178,322.32	47.8-	7
		Total Income Taxes - Current	2,382,772.00	4,561,094.32	-2,178,322.32	47.8-	6
		TOTAL INCOME TAXES	2,382,772.00	4,561,094.32	-2,178,322.32	47.8-	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-14,061,479.17	-11,858,216.97	-2,203,262.20	18.6-	4
		TOTAL NET INCOME	-14,061,479.17	-11,858,216.97	-2,203,262.20	18.6-	3
		NET INCOME AVAILABLE FOR COMMON	14,061,479.17	11,858,216.97	2,203,262.20	18.6	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.03 -2024.03	Reporting periods
2023.03 -2023.03	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
			-102,419,988.06	**-155,229,004.00**	**52,809,015.94**		
		OPERATING INCOME					6
		REVENUE					7
		Operating Revenue					8
5500	4114010	4114010 WTR-Unmetered-Residential	-968.71	-1,007.60	38.89	3.9	10
5500	4114055	4114055 Other Sales-Public Auth-Affil-5200-Aqua OH	-28,875.35	-44,451.51	15,576.16	35.0	10
****	4114110	4114110 WTR-Metered Sales-Residential	-29,057,940.31	-29,426,478.10	368,537.79	1.3	10
****	4114115	4114115 WTR-CAP Discount-Residential	212,547.39	5,965.74	206,581.65	3,462.8	10
****	4114120	4114120 WTR-Metered Sales-Commercial	-10,431,401.97	-10,393,536.00	-37,865.97	0.4-	10
****	4114130	4114130 WTR-Metered Sales-Industrial	-1,873,979.10	-1,856,139.78	-17,839.32	1.0-	10
****	4114140	4114140 WTR-Metered Sales-Public Authority	-798,308.15	-325,294.37	-473,013.78	145.4-	10
5500	4114160	4114160 WTR-Metered Sales-Bulk Water	-2,718.03	-3,846.35	1,128.32	29.3	10
****	4114210	4114210 WTR-Metered Fire Protection	-1,292,021.57	-1,343,642.99	51,621.42	3.8	10
****	4114220	4114220 WTR-Public Fire Protection	-634,851.65	-623,584.67	-11,266.98	1.8-	10
****	4114230	4114230 WTR-Private Fire Protection	-236,010.00	-227,233.57	-8,776.43	3.9-	10
5500	4115090	4115090 WTR-Sales for Resale-Metered	-272,884.02	-281,770.21	8,886.19	3.2	10
5500	4115100	4115100 WTR-Misc Srv Rev	-45,799.00	-46,427.50	628.5	1.4	10
****	4115105	4115105 WTR-Misc Srv Rev-Reconnect Fee	-16,377.41	-11,700.00	-4,677.41	40.0-	10
****	4115115	4115115 WTR-Misc Srv Rev-Late Pmt Fees	-64,355.82	-68,037.22	3,681.40	5.4	10
****	4115120	4115120 WTR-Misc Srv Rev-Bad Check Fee	1,340.00	-25,800.00	27,140.00	105.2	10
5500	4115125	4115125 WTR-Misc Srv Rev-New Acct Fee	0	-100	100	100.0	10
****	4115135	4115135 WTR-Misc Srv Rev-DSIC Imprv Surch	-1,068,607.17	26,456.30	-1,095,063.47	4,139.1-	10
****	4115140	4115140 WTR-Misc Srv Rev-ST Tax Adj Surch	133,530.97	92,809.30	40,721.67	43.9	10
5500	4118400	4118400 WTR-Other Water Rev	-27,780.00	-86,413.40	58,633.40	67.9	10
		Operating Revenue - Water	-45,505,459.90	-44,640,231.93	-865,227.97	1.9-	9
****	4211030	4211030 WW-Measured Rev-Residential	-3,455,669.95	-3,558,133.83	102,463.88	2.9	10
5550	4211035	4211035 WW-CAP Discount-Residential	15,702.96	378.62	15,324.34	4,047.4	10
****	4211040	4211040 WW-Flat Rate Rev-Residential	-743,393.49	-792,098.39	48,704.90	6.1	10
5550	4212030	4212030 WW-Measured Rev-Commercial	-1,554,965.32	-1,731,614.57	176,649.25	10.2	10
****	4212040	4212040 WW-Flat Rate Rev-Commercial	-297,721.56	-314,154.93	16,433.37	5.2	10
5550	4213030	4213030 WW-Measured Rev-Industrial	-2,910.79	-2,372.74	-538.05	22.7-	10
5550	4213040	4213040 WW-FlatRateRev-Industrial	-29,953.71	-30,775.22	821.51	2.7	10
5550	4214030	4214030 WW-Flat Rate Rev-Pub Authorit	-68.88	-206.64	137.76	66.7	10
5550	4214040	4214040 WW-Flat Rate Rev-Other Systems	-2,122.93	-2,440.68	317.75	13.0	10
5550	4214050	4214050 WW-Measured Rev-Pub Authority	-128,727.63	-124,646.69	-4,080.94	3.3-	10
****	4215155	4215155 WW-ST Tax Surcharge	4,957.97	2,494.20	2,463.77	98.8	10
****	4218300	4218300 WW-Forfeited Discounts/Abate	-14,921.31	-14,113.06	-808.25	5.7-	10
5550	4218400	4218400 WW-Other WW Revenues	120	-6,730.00	6,850.00	101.8	10
****	4218410	4218410 WW-Other WW Rev-DSIC	-25,992.50	162.45	-26,154.95	16,100.3-	10
		Operating Revenue - Sewer	-6,235,667.14	-6,574,251.48	338,584.34	5.2	9
		Total Operating Revenue	-51,741,127.04	-51,214,483.41	-526,643.63	1.0-	8
		Non Operatiing Revenue					8
5550	4305035	4305035 Revenues from M & J and Contract Work	-511	-511	0	0.0	9
5550	4305060	4305060 Rev-Contract-WW Billing	-141,453.72	-143,034.67	1,580.95	1.1	9
5500	4305070	4305070 Rev-Contract-Lab Services	0	60,585.00	-60,585.00	100.0-	9
5500	6104050	6104050 Rental Income - Non-Utility Operations	-1,500.00	-7,500.00	6,000.00	80.0	9
5500	6104070	6104070 Nonutil Inc-UMS Outside Serv	-30,536.02	-39,672.36	9,136.34	23.0	9
5500	6104120	6104120 Nonutil Inc-Other (Water)	-75,473.57	-70,758.59	-4,714.98	6.7-	9
5500	6104130	6104130 Nonutil Inc-Rent -Pole/Twr	-185,811.31	-170,090.01	-15,721.30	9.2-	9
		Total Non Operating Revenue	-435,285.62	-370,981.63	-64,303.99	17.3-	8
		TOTAL REVENUE	-52,176,412.66	-51,585,465.04	-590,947.62	1.1-	7
		UTILITY COSTS & EXPENSES					7
		Operations & Maintenance Expense:					8
		Labor					9
5500	5300110	5300110 Salaried - Straight-Time Wages	3,799,181.91	3,923,288.03	-124,106.12	3.2-	11
5500	5300161	5300161 Salaried Severance	6,424.52	0	6,424.52		11
5500	5300190	5300190 Labor-Officers, Executives	53,867.52	57,128.32	-3,260.80	5.7-	11
5500	8710100	8710100 Labor Cost Center Variances - Employees	1,760.00	272	1,488.00	547.1	11
		Labor Regular	3,861,233.95	3,980,688.35	-119,454.40	3.0-	10
5500	5300120	5300120 Salaried - Overtime Wages	434,741.70	462,011.65	-27,269.95	5.9-	11
		Labor Overtime	434,741.70	462,011.65	-27,269.95	5.9-	10
5500	5300170	5300170 Salaried - Incentives / Bonuses	1,000.00	0	1,000.00		11
5500	5300180	5300180 Salaried - Annual Incentive	183,553.68	304,963.63	-121,409.95	39.8-	11
		Labor Short Term Incentive	184,553.68	304,963.63	-120,409.95	39.5-	10
5500	5300185	5300185 Stock Option Compensation	578.68	383.93	194.75	50.7	11
5500	5300186	5300186 Performance Share Unit Amortization	-175,655.32	71,964.27	-247,619.59	344.1-	11
5500	5300187	5300187 Restricted Stock Unit Amortization	17,228.24	16,797.80	430.44	2.6	11
		Labor Long Term Incentive	-157,848.40	89,146.00	-246,994.40	277.1-	10
5500	5996010	5996010 RECLASS-S&W-Employees	-284.75	-20,006.34	19,721.59	98.6	11
****	8000010	8000010 Area Manager II	0	0	0		11
5500	8000029	8000029 Business Analyst III	5,272.41	8,246.70	-2,974.29	36.1-	11
5500	8000032	8000032 Corporate Automation Engineer	0	1,817.16	-1,817.16	100.0-	11
****	8000058	8000058 Construction Manager	0	0	0		11
5500	8000097	8000097 Enterprise Systems Manager	582.12	1,650.48	-1,068.36	64.7-	11
5500	8000150	8000150 Mgr, Security Operations & Engineering	220.74	0	220.74		11
****	8000154	8000154 New Business & Contract Operations Mgr	0	0	0		11
****	8000159	8000159 Operations Director I	0	0	0		11
5500	8000168	8000168 Planning & Engineering Director	0	18,847.20	-18,847.20	100.0-	11

Financial Statement Version for AQUA

0L Ledger
10 Currency type Company code currency
USD Amounts in United States Dollar
2024.03 -2024.03 Reporting periods
2023.03 -2023.03 Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8000170	8000170 Project Engineer II	3,935.04	2,499.00	1,436.04	57.5	11
****	8000171	8000171 Project Engineer III	698.49	1,644.24	-945.75	57.5-	11
5500	8000179	8000179 Project Management Office Director	0	751.25	-751.25	100.0-	11
5500	8000201	8000201 Systems Administrator II	0	2,236.71	-2,236.71	100.0-	11
5500	8000217	8000217 Systems Engineer II	0	416.68	-416.68	100.0-	11
5500	8000218	8000218 Security Engineer I	0	1,275.00	-1,275.00	100.0-	11
5500	8000219	8000219 Security Engineer III	2,474.64	2,918.85	-444.21	15.2-	11
5500	8000235	8000235 System Engineer III	1,312.74	6,244.70	-4,931.96	79.0-	11
****	8000274	8000274 Field Supervisor I	0	0	0		11
****	8000275	8000275 Field Supervisor II	0	0	0		11
****	8000283	8000283 Operations Team Leader	0	0	0		11
****	8000289	8000289 Production Specialist	0	0	0		11
5500	8000291	8000291 Senior Hydrogeologist	0	-1,634.40	1,634.40	100.0	11
5500	8000312	8000312 Telecom Analyst II	559.92	0	559.92		11
5500	8000325	8000325 Manager Security GRC	0	1,740.46	-1,740.46	100.0-	11
5500	8000332	8000332 Lead, Enterprise Architect	665.15	0	665.15		11
5500	8000342	8000342 Security Analyst II	0	766.82	-766.82	100.0-	11
5500	8000367	8000367 IT Infrastructure Lead	0	257.04	-257.04	100.0-	11
****	8000381	8000381 Director Construction	0	0	0		11
****	8001003	8001003 Administrative Assistant I	0	0	0		11
****	8001004	8001004 Administrative Assistant II	0	0	0		11
****	8001018	8001018 Construction Coordinator II	0	0	0		11
****	8001025	8001025 Customer Service Specialist II	0	0	0		11
5500	8001067	8001067 Records Coordinator	0	6,165.81	-6,165.81	100.0-	11
****	8001101	8001101 Facility Operator I	0	0	0		11
****	8001102	8001102 Facility Operator II	0	29.84	-29.84	100.0-	11
****	8001103	8001103 Facility Operator III	0	0	0		11
****	8001104	8001104 Facility Operator Trainee	0	0	0		11
****	8001151	8001151 Operations Team Lead	0	0	0		11
5500	8001183	8001183 Utility Technician II	0	33.36	-33.36	100.0-	11
****	8001209	8001209 Meter Reader (Union)	0	0	0		11
5500	8001213	8001213 Utility Technician (Union)	-657.31	-985.86	328.55	33.3	11
****	8001228	8001228 Foreman	0	0	0		11
****	8001229	8001229 Facility Operator	0	0	0		11
****	8001230	8001230 Field Service Representative Leader	0	0	0		11
5500	8001231	8001231 Field Service Representative	-895.43	-1,383.57	488.14	35.3	11
5500	8001235	8001235 Inspector	0	-1,448.51	1,448.51	100.0	11
****	8001239	8001239 Laborer	0	-207.42	207.42	100.0	11
5500	8001241	8001241 Leader	0	-138.92	138.92	100.0	11
5500	8001251	8001251 Maintenance Water Conservation Tech	-225.5	0	-225.5		11
****	8001257	8001257 Operator I	0	0	0		11
****	8001258	8001258 Operator II	0	0	0		11
****	8001259	8001259 Operator III	0	0	0		11
****	8001261	8001261 Operator Trainee	0	0	0		11
5500	8001265	8001265 Plant Utility Worker	48.84	0	48.84		11
****	8001270	8001270 System Operator	0	0	0		11
5550	8001276	8001276 Utility Field Service Worker I	-392.84	0	-392.84		11
5500	8001283	8001283 Utility Worker - Electrical	0	-187.35	187.35	100.0	11
5500	8001284	8001284 Utility Worker	-905.75	-595.44	-310.31	52.1-	11
5500	8001289	8001289 Working Foreman	-223.8	-152.22	-71.58	47.0-	11
****	8001291	8001291 Wastewater Operator I	0	0	0		11
****	8001314	8001314 Wastewater Operator II	0	0	0		11
5500	8001316	8001316 Customer Relations Specialist I	11,304.40	0	11,304.40		11
****	8002004	8002004 Administrative Assistant II-TH	0	0	0		11
5500	8002067	8002067 Records Coordinator-TH	0	1,077.30	-1,077.30	100.0-	11
****	8002101	8002101 Facility Operator I-TH	0	0	0		11
****	8002102	8002102 Facility Operator II-TH	0	0	0		11
****	8002103	8002103 Facility Operator III-TH	0	0	0		11
****	8002104	8002104 Facility Operator Trainee-TH	0	0	0		11
****	8002205	8002205 Facility Operator-TH	0	0	0		11
5500	8002213	8002213 Utility Technician (Union)-TH	-361.36	0	-361.36		11
****	8002228	8002228 Foreman-TH	0	0	0		11
5500	8002231	8002231 Field Service Representative-TH	-294.78	-253.5	-41.28	16.3-	11
5500	8002235	8002235 Inspector-TH	-253.75	-23.68	-230.07	971.6-	11
5500	8002241	8002241 Leader-TH	0	-14.89	14.89	100.0	11
****	8002257	8002257 Operator I-TH	0	0	0		11
****	8002258	8002258 Operator II-TH	0	0	0		11
****	8002259	8002259 Operator III-TH	0	0	0		11
****	8002261	8002261 Operator Trainee-TH	0	0	0		11
****	8002263	8002263 Pipe Truck Operator-TH	0	0	0		11
****	8002270	8002270 System Operator-TH	0	0	0		11
5550	8002276	8002276 Utility Field Service Worker I-TH	-40.14	0	-40.14		11
5500	8002284	8002284 Utility Worker-TH	-466.96	0	-466.96		11
5500	8002289	8002289 Working Foreman-TH	-50.36	-16.31	-34.05	208.8-	11
****	8002314	8002314 Wastewater Operator II - TH	0	0	0		11
****	8003227	8003227 Foreman-DT	0	0	0		11
****	8003228	8003228 Facility Operator-DT	0	0	0		11
5500	8003234	8003234 Inspector-DT	0	-252.6	252.6	100.0	11

Financial Statement Version for AQUA

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2024.03 -2024.03	Reporting periods
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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	8003256	8003256 Operator I-DT	0	0	0		11
****	8003257	8003257 Operator II-DT	0	0	0		11
****	8003258	8003258 Operator III-DT	0	0	0		11
****	8003260	8003260 Operator Trainee-DT	0	0	0		11
****	8003269	8003269 System Operator-DT	0	0	0		11
****	8003314	8003314 Wastewater Operator II - DT	0	0	0		11
5500	8009990	8009990 True-Up Labor	499.5	0	499.5		11
		Activity Allocations	22,521.26	31,317.59	-8,796.33	28.1-	10
****	6996001	6996001 S&W-Employees-ST	-1,229,706.51	-1,205,233.66	-24,472.85	2.0-	11
****	6996002	6996002 S&W-Employees-OT	-238,452.17	-237,492.11	-960.06	0.4-	11
5500	6996003	6996003 S&W-Officers, Directors, Majority Shareholder	-68,974.50	-136,042.56	67,068.06	49.3	11
****	6996007	6996007 LTI/STI	38,845.65	-33,137.90	71,983.55	217.2	11
****	8720200	8720200 PTO Overhead	-930.76	-1,351.74	420.98	31.1	11
****	8720700	8720700 LTI/STI/Stock Overhead	0	-220.87	220.87	100.0	11
		Labor - Overheads & Capitalization	-1,499,218.29	-1,613,478.84	114,260.55	7.1	10
		Total Labor	2,845,983.90	3,254,648.38	-408,664.48	12.6-	9
		Employee Benefits					9
5500	5301010	5301010 Employee Benefits - Medical	611,331.83	597,117.66	14,214.17	2.4	11
5500	5301020	5301020 Employee Benefits - Dental / Vision	33,678.57	32,201.64	1,476.93	4.6	11
5500	5301025	5301025 Employee Benefits - Vision	6,799.00	5,636.79	1,162.21	20.6	11
		Employee Benefits - Health Plans	651,809.40	634,956.09	16,853.31	2.7	10
5500	5301030	5301030 Employee Benefits - Life Insurance	19,109.94	16,161.17	2,948.77	18.2	11
5500	5301040	5301040 Employee Benefits - Disability	11,171.52	10,628.16	543.36	5.1	11
		Employee Benefits - Insurance	30,281.46	26,789.33	3,492.13	13.0	10
5500	5301060	5301060 Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	11
		Employee Benefits - OPEB	77,502.94	77,502.94	0	0.0	10
5500	5301130	5301130 Employee Benefits - Savings Plan	196,323.18	176,562.73	19,760.45	11.2	11
5500	5301131	5301131 Employee Benefits - Savings Plan(401K)-YE	384,111.65	11,812.16	372,299.49	3,151.8	11
		Employee Benefits - 401K	580,434.83	188,374.89	392,059.94	208.1	10
5500	5301910	5301910 Employee Related Expenses-On Boarding	3,455.00	0	3,455.00		11
5500	5301915	5301915 Employee Related Expenses-DOT Physicals	255	232	23	9.9	11
5550	5301990	5301990 Other Employee Benefits - Miscellaneous	163.76	185.12	-21.36	11.5-	11
5500	5301995	5301995 Employee Related Expenses-EASE Contract (EAP)	0	6,623.10	-6,623.10	100.0-	11
5500	5301996	5301996 Other Employee Benefits - Fees COLI Accounts	7,900.64	12,250.65	-4,350.01	35.5-	11
5500	5302120	5302120 Transfer/Relocation Expense	-133	0	-133		11
****	5302920	5302920 Tuition Reimbursement Expense	1,890.00	960	930	96.9	11
****	5302925	5302925 Employee Training Expense	16,814.64	5,110.00	11,704.64	229.1	11
****	5302926	5302926 Employee Training Expense-Seminars	185	327	-142	43.4-	11
****	5302930	5302930 Employee Relations Expense	-1,560.92	751.67	-2,312.59	307.7-	11
5500	5302990	5302990 Miscellaneous Employee-Related Expense	0	200.5	-200.5	100.0-	11
****	8720300	8720300 Payroll Other Overhead	-798.54	-1,671.49	872.95	52.2	11
		Employee Benefits - Miscellaneous	28,171.58	24,968.55	3,203.03	12.8	10
****	6996004	6996004 Employee Pension and Benefits	-371,844.12	-252,893.05	-118,951.07	47.0-	11
		Capitalized Employee Benefits	-371,844.12	-252,893.05	-118,951.07	47.0-	10
		Total Employee Benefits	996,356.09	699,698.75	296,657.34	42.4	9
		Purchased Water					9
****	5206100	5206100 Purchased Water	654,749.97	365,161.42	289,588.55	79.3	10
5500	6996009	6996009 Purchased Water	-32,715.75	-46,180.00	13,464.25	29.2	10
		Total Purchased Water	622,034.22	318,981.42	303,052.80	95.0	9
		Purchased Wastewater					9
****	5206115	5206115 Purchased Wastewater Treatment	1,024,201.38	799,503.88	224,697.50	28.1	10
5500	6996010	6996010 Purchased WasteWater Treatment	537.67	0	537.67		10
		Total Purchased Wastewater	1,024,739.05	799,503.88	225,235.17	28.2	9
		Sludge					9
****	5206240	5206240 Sludge Removal	180,008.52	108,340.65	71,667.87	66.2	10
5550	5996110	5996110 RECLASS-Sludge Removal (WasteWater)	0	2,550.00	-2,550.00	100.0-	10
5550	6996011	6996011 Sludge Removal (WW)	0	-9,262.50	9,262.50	100.0	10
		Total Sludge	180,008.52	101,628.15	78,380.37	77.1	9
		Purchased Power					9
****	5206210	5206210 Purchased Power	840,997.29	744,384.38	96,612.91	13.0	10
****	5206230	5206230 Fuel for Power Production	46,374.85	91,416.48	-45,041.63	49.3-	10
5500	6996015	6996015 Purchased Power (WW)	-63.48	0	-63.48		10
5500	6996016	6996016 Fuel for Power Production	-446.22	-992.96	546.74	55.1	10
		Total Purchased Power	886,862.44	834,807.90	52,054.54	6.2	9
****	5304600	5304600 Chemicals-Oper-General	118,515.60	76,664.09	41,851.51	54.6	10
5500	5304602	5304602 Chemicals-Oper-Liqui Alum	62,900.22	96,766.94	-33,866.72	35.0-	10
5500	5304603	5304603 Chemicals-Oper-Caustic	25,510.82	15,934.96	9,575.86	60.1	10
5500	5304604	5304604 Chemicals-Oper-Chlorine	59,335.20	88,868.55	-29,533.35	33.2-	10
5500	5304605	5304605 Chemicals-Oper-Coagulants	11,489.67	42,142.57	-30,652.90	72.7-	10
5500	5304606	5304606 Chemicals-Oper-Fluoride	14,736.56	4,351.43	10,385.13	238.7	10
5500	5304607	5304607 Chemicals-Oper-Hypochlorine	-8,302.39	24,425.67	-32,728.06	134.0-	10
5500	5304608	5304608 Chemicals-Oper-Polyphosphate	106,244.54	21,004.00	85,240.54	405.8	10
5500	5304609	5304609 Chemicals-Oper-Zinc Ortho	20,140.20	77,838.78	-57,698.58	74.1-	10
5500	5304610	5304610 Chemicals-Oper-Polymer	43,134.16	20,111.05	23,023.11	114.5	10
5500	5304613	5304613 Chemicals-Oper-Percol	0	6,315.40	-6,315.40	100.0-	10
5500	5304614	5304614 Chemicals-Oper-Solar Salt	0	302.4	-302.4	100.0-	10
5500	5304615	5304615 Chemicals-Oper-Lime	24,191.25	25,574.02	-1,382.77	5.4-	10
5500	5304616	5304616 Chemicals-Oper-Copper Sulphate	0	44,951.78	-44,951.78	100.0-	10

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Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	5304617	5304617 Chemicals-Oper-Carbon	-1,672.80	74,362.51	-76,035.31	102.2-	10
5500	5304620	5304620 Chemicals-Oper-Ammonia	-12,613.56	54,393.89	-67,007.45	123.2-	10
5500	5304621	5304621 Chemicals-Oper-Misc Chem	8,471.49	6,993.51	1,477.98	21.1	10
5550	5304622	5304622 SW-Chem-Coll Oper-General	0	25	-25	100.0-	10
5550	5304624	5304624 SW-Chem-Pump Oper-General	67,809.82	37,259.49	30,550.33	82.0	10
5550	5304626	5304626 SW-Chem-T&D Oper-General	1,167.45	0	1,167.45		10
5500	6996018	6996018 Chemicals	-449.78	0	-449.78		10
		Chemicals	540,608.45	718,286.04	-177,677.59	24.7-	9
		Materials & Supplies					9
****	5304100	5304100 Material Exp-Stock	1,321,561.87	3,897,911.29	-2,576,349.42	66.1-	11
****	5304110	5304110 Material Exp-Cst Dif	-6,600.08	11,378.71	-17,978.79	158.0-	11
5500	5304120	5304120 Material Exp-Obslete	-3,540.51	-4,242.79	702.28	16.6	11
5500	5304140	5304140 Material Exp-Inv Rvl	-4,041.76	-11,061.35	7,019.59	63.5	11
****	5304200	5304200 Material Exp-Non Stk	330,769.16	658,811.77	-328,042.61	49.8-	11
5500	5304235	5304235 Materials & Supplies - Hydrants	0	1,345.00	-1,345.00	100.0-	11
****	5304300	5304300 Meter/ERT Purchases	172,551.31	222,524.48	-49,973.17	22.5-	11
5500	5304330	5304330 Laboratory Supplies	-693.43	10,352.19	-11,045.62	106.7-	11
****	5304340	5304340 Software/Hardware Purchases	61,720.81	82,078.85	-20,358.04	24.8-	11
****	5304370	5304370 Small Tools & Work Equipment	24,865.14	119,213.79	-94,348.65	79.1-	11
****	5304375	5304375 Materials & Supplies - Uniforms	7,191.94	20,984.53	-13,792.59	65.7-	11
5500	5304380	5304380 Materials & Supplies - Safety Supplies	18,823.83	155,675.78	-136,851.95	87.9-	11
****	5304390	5304390 Misc Supplies	70,834.73	106,883.79	-36,049.06	33.7-	11
****	8720600	8720600 Tools/Clothing/Others Overhead	-12.71	7.28	-19.99	274.6-	11
		Supplies	1,993,430.30	5,271,863.32	-3,278,433.02	62.2-	10
****	6996020	6996020 Materials and Supplies	-1,781,935.69	-4,921,502.59	3,139,566.90	63.8	11
		Capitalized Supplies	-1,781,935.69	-4,921,502.59	3,139,566.90	63.8	10
		Total Materials & Supplies	211,494.61	350,360.73	-138,866.12	39.6-	9
		Outside Services					9
****	5303230	5303230 Contractor Services - Engineering	1,562,797.26	2,595,294.86	-1,032,497.60	39.8-	11
****	6996031	6996031 Contractual Services-Engineering	-1,573,683.94	-2,544,533.72	970,849.78	38.2	11
		Outside Services - Engineering	-10,886.68	50,761.14	-61,647.82	121.4-	10
5500	5303210	5303210 Accounting/Auditing Services	73,074.00	223,443.58	-150,369.58	67.3-	11
5500	6996032	6996032 Contractual Services-Accounting	-23,018.31	0	-23,018.31		11
		Outside Services - Accounting	50,055.69	223,443.58	-173,387.89	77.6-	10
****	5303220	5303220 Legal Services	-2,088.25	-216,902.30	214,814.05	99.0	11
5500	6996033	6996033 Contractual Services-Legal	-5,100.06	-16,743.32	11,643.26	69.5	11
		Outside Services - Legal	-7,188.31	-233,645.62	226,457.31	96.9	10
****	5303850	5303850 Testing Services	75,187.93	196,225.63	-121,037.70	61.7-	11
5500	6996035	6996035 Contractual Services-Testing	0	-2,540.00	2,540.00	100.0	11
		Outside Services - Lab Testing	75,187.93	193,685.63	-118,497.70	61.2-	10
****	5303010	5303010 Contractor Labor - Straight Time	10,121.57	14,016.50	-3,894.93	27.8-	11
****	5303020	5303020 Contractor Materials	86,513.46	88,202.95	-1,689.49	1.9-	11
****	5303030	5303030 Contractor Services	4,656,181.98	3,136,047.91	1,520,134.07	48.5	11
****	5303031	5303031 Contractor Services - Oth-Cross Connect Control	62,925.00	40,576.40	22,348.60	55.1	11
5500	5303032	5303032 Contractor Services - Oth-Hrdw/Sfts Maint	36,858.65	30,165.00	6,693.65	22.2	11
****	5303035	5303035 Contractor Services - Restoration	320,807.71	1,609,769.95	-1,288,962.24	80.1-	11
****	5303036	5303036 Contractor Services - Permit Fees	47,323.38	57,428.40	-10,105.02	17.6-	11
5500	5303040	5303040 Environmental Services	7,817.50	0	7,817.50		11
****	5303050	5303050 Contractor Services - Leak Detection	2,190.00	45,341.00	-43,151.00	95.2-	11
5550	5303052	5303052 Contractor Services - Sewer Jetting	900	26,218.50	-25,318.50	96.6-	11
****	5303053	5303053 Contractor Services - Main Breaks	5,043,738.71	9,584,427.72	-4,540,689.01	47.4-	11
****	5303054	5303054 Contractor Services - Well Cleaning	205,117.75	129,151.54	75,966.21	58.8	11
5500	5303056	5303056 Contractor Services - Basin-Lagoon Cleaning	23,772.44	6,214.55	17,557.89	282.5	11
5500	5303057	5303057 Contractor Services - Water Sludge hauling	105,974.00	89,842.07	16,131.93	18.0	11
5500	5303059	5303059 Contractor Services - PFAS	44,344.50	0	44,344.50		11
5500	5303061	5303061 Contractor Services - Other-Mains	264,857.27	554,957.09	-290,099.82	52.3-	11
****	5303062	5303062 Contractor Services - Other-Services	1,033,639.64	1,119,572.26	-85,932.62	7.7-	11
****	5303063	5303063 Contractor Services - Other-Meters	83,096.76	9,504.40	73,592.36	774.3	11
5500	5303064	5303064 Contractor Services - Other-Hydrants	94,441.78	92,247.09	2,194.69	2.4	11
5500	5303145	5303145 Contractor Services - Other-Construction	-9,810.40	-71,446.39	61,635.99	86.3	11
****	6996036	6996036 Contractual Services-Other	-11,520,185.29	-16,379,596.11	4,859,410.82	29.7	11
		Outside Services - Operations	600,626.41	182,640.83	417,985.58	228.9	10
5500	5997310	5997310 Other ACO Direct costs	67,890.00	62,909.93	4,980.07	7.9	11
****	5997320	5997320 WorkFlow Processing Fee	53,048.79	81,286.20	-28,237.41	34.7-	11
****	5997330	5997330 WorkFlow Billing Postage	92,847.88	127,761.55	-34,913.67	27.3-	11
5500	5997360	5997360 ACO Lockbox Fees	35,139.19	38,997.68	-3,858.49	9.9-	11
		Outside Services - ACO	248,925.86	310,955.36	-62,029.50	19.9-	10
		Outside Services - Other					10
****	5303130	5303130 Building & Grounds Maintenance Services	54,943.21	113,194.73	-58,251.52	51.5-	12
****	5303135	5303135 Contractor Services - Grounds Care	61,481.79	58,775.43	2,706.36	4.6	12
5500	5303840	5303840 Security & Investigative Services	43,845.99	146,493.98	-102,647.99	70.1-	12
****	6996361	6996361 Contractual Services - Other - Bldg & Grounds	-58,416.12	0	-58,416.12		12
		Outside Services - Bldg & Grounds	101,854.87	318,464.14	-216,609.27	68.0-	11
5500	5303150	5303150 Communications Equipment Maintenance Services	2,980.00	0	2,980.00		12
5500	6996363	6996363 Contractual Services - Other - Communications	-2,980.00	0	-2,980.00		12
		Outside Services - Communications	0	0	0		11
5500	5303110	5303110 Office Equipment Maintenance Services	91.56	0	91.56		12
****	5303120	5303120 Computer & Software Maintenance Services	6,870.22	0	6,870.22		12

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5500	5303315	5303315 IT/Telecom Contractor Services	-4,409.32	134,076.70	-138,486.02	103.3-	12
5500	6996364	6996364 Contractual Services - Other - IT	-1,337.62	0	-1,337.62		12
		Outside Services - IT	1,214.84	134,076.70	-132,861.86	99.1-	11
5500	5303140	5303140 Security Equipment Maintenance Services	45,522.17	145,547.88	-100,025.71	68.7-	12
		Outside Services - Security	45,522.17	145,547.88	-100,025.71	68.7-	11
5500	5303325	5303325 Professional/Temporary Labor	12,131.55	9,226.18	2,905.37	31.5	12
		Outside Services - Temporary Labor	12,131.55	9,226.18	2,905.37	31.5	11
****	5303190	5303190 Miscellaneous Repairs/Maintenance	3,811.08	14,026.40	-10,215.32	72.8-	12
****	5303310	5303310 Consultant Services	68,144.78	203,110.44	-134,965.66	66.4-	12
****	5303320	5303320 Training Services	8,166.00	2,031.21	6,134.79	302.0	12
****	5303890	5303890 Miscellaneous Outside Services	33,492.60	59,856.60	-26,364.00	44.0-	12
5500	6996367	6996367 Contractual Services - Other - Admin & General	-65,937.79	0	-65,937.79		12
		Outside Services - Admin & General	47,676.67	279,024.65	-231,347.98	82.9-	11
		Total Outside Services - Other	208,400.10	886,339.55	-677,939.45	76.5-	10
		Total Outside Services	1,165,121.00	1,614,180.47	-449,059.47	27.8-	9
		Managment Fees					9
****	8730100	8730100 Management Fees Aqua Services - Services	0	0	0		11
5500	8732010	8732010 S&W-Employees	1,834,021.87	1,880,257.82	-46,235.95	2.5-	11
5500	8732030	8732030 S&W-Officers, Directors, Maj Shareholder	-240,638.30	826,894.36	-1,067,532.66	129.1-	11
5500	8732040	8732040 Employee Pension and Benefits	-41,303.71	40,511.66	-81,815.37	202.0-	11
5500	8732150	8732150 Purchased Power (WasteWater)	1,064.42	904.85	159.57	17.6	11
5500	8732200	8732200 Materials and Supplies	299,416.47	296,175.36	3,241.11	1.1	11
5500	8732310	8732310 Contractual Services-Engineering	0	32,331.21	-32,331.21	100.0-	11
5500	8732320	8732320 Contractual Services-Accounting	8,104.54	15,076.62	-6,972.08	46.2-	11
5500	8732330	8732330 Contractual Services-Legal	9,911.53	12,682.92	-2,771.39	21.9-	11
5500	8732340	8732340 Contractual Services-Management Fees	190,650.64	288,804.43	-98,153.79	34.0-	11
5500	8732360	8732360 Contractual Services-Other	1,600,418.03	1,621,259.88	-20,841.85	1.3-	11
5500	8732410	8732410 Rental of Building Real Property	0	10,617.61	-10,617.61	100.0-	11
5500	8732500	8732500 Transportation Expenses	873.87	1,084.78	-210.91	19.4-	11
5500	8732600	8732600 Advertising Expense	0	3,257.50	-3,257.50	100.0-	11
5500	8732750	8732750 Miscellaneous Expense	120,850.55	298,669.44	-177,818.89	59.5-	11
		Management Fees - Water	3,783,369.91	5,328,528.44	-1,545,158.53	29.0-	10
****	8730310	8730310 Management Fees State Admin	0	0	0		11
****	8733010	8733010 S&W-Employees-ST	0	0	0		11
****	8733020	8733020 S&W-Employees-OT	0	0	0		11
****	8733030	8733030 S&W-Officers, Directors, Maj Shareholder	0	0	0		11
****	8733040	8733040 Employee Pension and Benefits	0	0	0		11
****	8733050	8733050 Employee Taxes	0	0	0		11
****	8733070	8733070 LTI/STI	0	0	0		11
****	8733150	8733150 Purchased Power (WasteWater)	0	0	0		11
****	8733160	8733160 Fuel for Power Production	0	0	0		11
****	8733200	8733200 Materials and Supplies	0	0	0		11
****	8733310	8733310 Contractual Services-Engineering	0	0	0		11
****	8733320	8733320 Contractual Services-Accounting	0	0	0		11
****	8733330	8733330 Contractual Services-Legal	0	0	0		11
****	8733340	8733340 Contractual Services-Management Fees	0	0	0		11
****	8733350	8733350 Contractual Services-Testing	0	0	0		11
****	8733360	8733360 Contractual Services-Other	0	0	0		11
****	8733361	8733361 Contractual Services - Other - Bldg & Grounds	0	0	0		11
****	8733367	8733367 Contractual Services - Other - Admin & General	0	0	0		11
****	8733420	8733420 Rental of Equipment	0	0	0		11
****	8733500	8733500 Transportation Expenses	0	0	0		11
****	8733570	8733570 Insurance General Liability	0	0	0		11
****	8733600	8733600 Advertising Expense	0	0	0		11
****	8733750	8733750 Miscellaneous Expense	0	0	0		11
****	8733751	8733751 Other Miscellaneous Expense	0	0	0		11
		Management Fees - State	0	0	0		10
5500	6996034	6996034 Contractual Services-Management Fees	-2,153,805.32	-2,710,933.99	557,128.67	20.6	11
		Capitalized Management Fees	-2,153,805.32	-2,710,933.99	557,128.67	20.6	10
		Total Managment Fees	1,629,564.59	2,617,594.45	-988,029.86	37.7-	9
		Leases					9
****	5307010	5307010 Rent Expense - Buildings	48,008.03	48,008.03	0	0.0	11
5500	5307050	5307050 Rent Expense - Land & Land Rights	1,969.24	240	1,729.24	720.5	11
5500	6996041	6996041 Rental of Building Real Property	0	-240	240	100.0	11
		Leases - Building	49,977.27	48,008.03	1,969.24	4.1	10
****	5307030	5307030 Rent Expense - Equipment (Office & Other)	-68.76	8,273.41	-8,342.17	100.8-	11
5500	5996420	5996420 RECLASS-Rental of Equipment	0	17,769.00	-17,769.00	100.0-	11
****	6996042	6996042 Rental of Equipment	68.76	-24,179.00	24,247.76	100.3	11
		Leases - Equipment	0	1,863.41	-1,863.41	100.0-	10
5500	5307090	5307090 Rent Expense - Miscellaneous	2,002.41	0	2,002.41		11
		Leases - Other	2,002.41	0	2,002.41		10
		Total Leases	51,979.68	49,871.44	2,108.24	4.2	9
		Transportation					9
5500	5303170	5303170 Automobile Repairs/Maintenance	3,218.14	2,092.81	1,125.33	53.8	11
5500	5304210	5304210 Auto Parts & Supplies	36,599.18	68,183.07	-31,583.89	46.3-	11
5500	5399070	5399070 Vehicle Expenses-Fleet System- Maintenance	21,225.91	34,811.38	-13,585.47	39.0-	11
		Transportation - Services & Maintenance	61,043.23	105,087.26	-44,044.03	41.9-	10
5500	5399077	5399077 Transportation - Vehicle Leases	0	69,401.63	-69,401.63	100.0-	11

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		Transportation - Leases	0	69,401.63	-69,401.63	100.0-	10
****	5304510	5304510 Gasoline	119,545.50	104,414.09	15,131.41	14.5	11
5500	5304515	5304515 Diesel Fuel	9,330.49	0	9,330.49		11
5500	5304516	5304516 Natural Gas Fuel	1,944.22	2,362.86	-418.64	17.7-	11
5500	5304520	5304520 Fuel-Off Hwy Equip	-7,961.62	0	-7,961.62		11
		Transportation - Fuel	122,858.59	106,776.95	16,081.64	15.1	10
5500	5303175	5303175 Contractor Srvcs-Transportation-Corp Claims Mgmt	1,559.85	1,696.95	-137.1	8.1-	11
5500	5399079	5399079 Transportation-Crash	9,140.84	12,551.74	-3,410.90	27.2-	11
5500	5996500	5996500 RECLASS-Transportation Expenses	-16,653.38	-25,228.47	8,575.09	34.0	11
****	8720500	8720500 Transportation Overhead	-284.26	-484.1	199.84	41.3	11
		Transportation - Other	-6,236.95	-11,463.88	5,226.93	45.6	10
****	6996050	6996050 Transportation Expenses	-34,556.81	-138,517.02	103,960.21	75.1	11
		Capitalized Transportation	-34,556.81	-138,517.02	103,960.21	75.1	10
		Total Transportation	143,108.06	131,284.94	11,823.12	9.0	9
		Miscellaneous Expenses					9
5500	5308010	5308010 Subscriptions	1,995.64	1,839.67	155.97	8.5	11
5500	5308021	5308021 Professional Dues	1,194.73	0	1,194.73		11
****	5308041	5308041 Industry Assoc Dues	1,033.34	636	397.34	62.5	11
5500	5308090	5308090 Other Dues&Membershp	45,771.61	36,646.94	9,124.67	24.9	11
		Dues & Subscriptions	49,995.32	39,122.61	10,872.71	27.8	10
5500	5310010	5310010 Operating Permits	400	-326.56	726.56	222.5	11
****	5310020	5310020 Licensing Fees	363,411.40	7,803.72	355,607.68	4,556.9	11
5500	5310050	5310050 Environmental Fees	80	0	80		11
		Licenses & Permits	363,891.40	7,477.16	356,414.24	4,766.7	10
5500	5310080	5310080 Bank Fees	8,898.92	3	8,895.92	296,530.7	11
5500	5310085	5310085 Bond Servicing Fees	23,149.90	8,853.96	14,295.94	161.5	11
		Bank Fees	32,048.82	8,856.96	23,191.86	261.8	10
****	5302010	5302010 Travel Expense	-2,548.84	16,995.27	-19,544.11	115.0-	11
****	5302015	5302015 Travel - Meals (50% Non-Deductible)	19,928.26	15,098.49	4,829.77	32.0	11
5500	5302020	5302020 Entertainment Expense	0	520	-520	100.0-	11
5500	5302021	5302021 Entertainment Expense - Non-Deductible	3,302.37	5,792.74	-2,490.37	43.0-	11
		Travel & Entertainment	20,681.79	38,406.50	-17,724.71	46.2-	10
****	5303830	5303830 Advertising	94,279.48	200	94,079.48	47,039.7	11
5500	5399110	5399110 Chamber of Commerce & Civic Org	65,745.00	1,375.00	64,370.00	4,681.5	11
5550	6996060	6996060 Advertising Expense	-779.48	0	-779.48		11
		Public Relations	159,245.00	1,575.00	157,670.00	10,010.8	10
5500	5399210	5399210 Penalties - Operating - Nondeductible-WTR/WWTR	0	500	-500	100.0-	11
		Fines & Penalties	0	500	-500	100.0-	10
****	5304310	5304310 Office Supplies	21,761.87	43,442.23	-21,680.36	49.9-	11
****	5304320	5304320 Postage, Shipping, & Freight	17,625.52	33,525.70	-15,900.18	47.4-	11
5500	5304350	5304350 Office Furn & Equip	2,542.49	16,002.70	-13,460.21	84.1-	11
5500	5304360	5304360 Promotion Supplies	13,374.63	9,420.67	3,953.96	42.0	11
****	5304410	5304410 Purchasing Card Expenses-MC	-9,978.12	51,629.26	-61,607.38	119.3-	11
		Office Supplies	45,326.39	154,020.56	-108,694.17	70.6-	10
****	5309010	5309010 Utilities - Electric and Gas	1,265.16	1,807.20	-542.04	30.0-	11
****	5309025	5309025 Utilities - Communications	169,549.62	98,430.97	71,118.65	72.3	11
****	5309030	5309030 Utilities - Water	10,896.16	11,121.42	-225.26	2.0-	11
****	5309040	5309040 Utilities - Other	3,905.95	2,883.93	1,022.02	35.4	11
		Utilities	185,616.89	114,243.52	71,373.37	62.5	10
****	5310090	5310090 Miscellaneous Fees	213.07	642.48	-429.41	66.8-	11
5500	5399040	5399040 Lost Discount Exp	938.27	502.51	435.76	86.7	11
****	5399900	5399900 Miscellaneous Expense	-259,794.34	-230,299.17	-29,495.17	12.8-	11
5500	6996751	6996751 Other Miscellaneous Expense	-199.01	0	-199.01		11
		Other Miscellaneous	-258,842.01	-229,154.18	-29,687.83	13.0-	10
****	5303900	5303900 Conversion-Projects	-222,874.11	0	-222,874.11		11
****	5399061	5399061 CIAC-Project offset	1,196,549.57	1,928,529.26	-731,979.69	38.0-	11
5500	5399062	5399062 Contrib in Aid of Constr - Non-Cash - Non-Taxable	0	-1,656,726.68	1,656,726.68	100.0	11
5500	5399064	5399064 Contrib in Aid of Constr - Cash - Non-Taxable	-52,490.00	-35,729.15	-16,760.85	46.9-	11
5500	5399074	5399074 Vehicle Purchases	374,515.09	617,927.16	-243,412.07	39.4-	11
****	5399310	5399310 Advances for Construction - Non-Cash - Non-Taxable	-1,196,549.57	-1,928,529.26	731,979.69	38.0	11
****	5399340	5399340 Salvage Proceeds	-74,119.46	-95,862.00	21,742.54	22.7	11
****	6996075	6996075 Miscellaneous Expense	-130,813.20	-680,687.54	549,874.34	80.8	11
****	6996081	6996081 CIAC	-1,144,059.57	-236,073.43	-907,986.14	384.6-	11
****	6996082	6996082 CAC	1,196,549.57	1,928,529.26	-731,979.69	38.0-	11
****	6996085	6996085 Capital Overhead	201.16	437.84	-236.68	54.1-	11
****	8720400	8720400 A&G Capital Support Overhead	-190.82	-190.29	-0.53	0.3-	11
****	8720900	8720900 Engineering Overhead	0	0	0		11
		Capital Miscellaneous & Overheads	-53,281.34	-158,374.83	105,093.49	66.4	10
		Total Miscellaneous Expenses	544,682.26	-23,326.70	568,008.96	2,435.0	9
		Insurance					9
****	5305010	5305010 Injury Expenses	363,894.00	373,871.00	-9,977.00	2.7-	10
5500	5305020	5305020 Damages - Property	63,543.89	72,072.93	-8,529.04	11.8-	10
5500	5305030	5305030 Claims Reimburse	2,404.12	0	2,404.12		10
****	5305050	5305050 Worker's Compensation Claim Expenses	0	76,137.00	-76,137.00	100.0-	10
****	5305060	5305060 Worker's Compensation Admin	74,515.00	0	74,515.00		10
****	5306010	5306010 Insurance-Directors&Officers/Fiduciary/Crime	185,606.00	167,617.00	17,989.00	10.7	10
5500	5306060	5306060 Insurance-General Property	11,719.00	11,296.00	423	3.7	10
5500	6996057	6996057 Insurance General Liability	-117,048.00	-113,728.80	-3,319.20	2.9-	10

Financial Statement Version for AQUA

0L	Ledger
10	Currency type Company code currency
USD	Amounts in United States Dollar
2024.03 -2024.03	Reporting periods
2023.03 -2023.03	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
5500	6996058	6996058 Insurance Workman's Compensation	-23,430.00	-22,708.50	-721.5	3.2-	10
5500	6996059	6996059 Insurance Other	-58,280.00	-49,919.10	-8,360.90	16.7-	10
		Total Insurance	502,924.01	514,637.53	-11,713.52	2.3-	9
		Bad Debt					9
****	5311020	5311020 Uncollect Accts Exp-Writeoffs	50,975.96	139,181.18	-88,205.22	63.4-	10
****	5311030	5311030 Uncollect Accts Exp-Recovery of Bad Debt	-40,265.58	-49,501.18	9,235.60	18.7	10
****	5311040	5311040 Uncollect Accts Exp-Reserve Change	511,919.46	-2,693,763.90	3,205,683.36	119.0	10
5500	5996700	5996700 RECLASS-Bad Debt Expense	-21,925.90	0	-21,925.90		10
5500	6996070	6996070 Bad Debt Expense	21,925.90	0	21,925.90		10
		Total Bad Debt	522,629.84	-2,604,083.90	3,126,713.74	120.1	9
		Non Operating Expenses					9
****	5381000	5381000 Acquisition Related Expenses	61,057.63	400,836.15	-339,778.52	84.8-	10
5500	6201011	6201011 Donations - 501(c)(3)	399.11	600	-200.89	33.5-	10
5500	6202021	6202021 Non Utililty Civic/Politic Activities	3,089.40	6,810.38	-3,720.98	54.6-	10
5500	6204020	6204020 Misc NonUtil Exp-Antennae	-474	8,114.50	-8,588.50	105.8-	10
5500	6204050	6204050 Misc NonUtil Exp-Non-Cust Rel	67,779.92	483.64	67,296.28	13,914.5	10
5500	6204080	6204080 Misc NonUtil Exp-Bill Mat&Serv	4,975.00	4,975.00	0	0.0	10
****	6204150	6204150 Misc NonUtil Exp-Other	62,684.52	75,168.92	-12,484.40	16.6-	10
****	6204160	6204160 Misc NonUtil-Other-Prof Servic	7,330.12	18,065.70	-10,735.58	59.4-	10
5500	6204170	6204170 Misc NonUtil-Nontax Ded Bus Ex	36,850.00	1,760.00	35,090.00	1,993.8	10
		Total Non Operating Expenses	243,691.70	516,814.29	-273,122.59	52.8-	9
		Total Operations & Maintenance Expense	12,111,788.42	9,894,887.77	2,216,900.65	22.4	8
		Depreciation:					8
****	5501001	5501001 Deprec Exp - Utility Plant	11,564,425.07	11,228,660.39	335,764.68	3.0	9
5550	5501091	5501091 Depreciation Expense - Non-Utility Plant	0	0.6	-0.6	100.0-	9
****	5502011	5502011 Amortization Expense - CIAC	-366,514.00	-341,549.30	-24,964.70	7.3-	9
		Total Depreciation	11,197,911.07	10,887,111.69	310,799.38	2.9	8
		Amortization:					8
****	5507011	5507011 Amortization Exp - Rate Case Expenses WT/WW	28,443.09	28,443.09	0	0.0	9
****	5507070	5507070 Amort-Util Plant Acq Adj	-74,455.41	-86,962.07	12,506.66	14.4	9
5500	6402421	6402421 Amort Debt Disc & Exp - Essential	12,832.02	1,977.78	10,854.24	548.8	9
		Total Amortization	-33,180.30	-56,541.20	23,360.90	41.3	8
		Taxes Other Than Income:					8
****	5310031	5310031 Assessment-PUC	212,700.00	203,119.50	9,580.50	4.7	9
****	5310032	5310032 Assessment-Consumer Advocate	85,692.00	60,273.00	25,419.00	42.2	9
****	5310033	5310033 Assessment-SBA	14,925.00	12,115.00	2,810.00	23.2	9
****	5310035	5310035 Assessment-DPC	36	2,422.00	-2,386.00	98.5-	9
****	5702101	5702101 Property Taxes	980.88	7,882.08	-6,901.20	87.6-	9
****	5702120	5702120 Property Taxes-WT/WW	141,936.19	127,010.58	14,925.61	11.8	9
5500	5703100	5703100 Payroll Taxes	450,519.78	482,996.17	-32,476.39	6.7-	9
5500	5709101	5709101 Other Miscellaneous Taxes	-25.1	120	-145.1	120.9-	9
5500	5709140	5709140 Other Taxes-PURTA	418,361.11	349,458.33	68,902.78	19.7	9
****	6996005	6996005 Payroll Tax	-149,424.93	-152,711.02	3,286.09	2.2	9
****	8720100	8720100 Payroll Tax Overhead	-370.93	-591.08	220.15	37.2	9
		Total Taxes Other Than Income	1,175,330.00	1,092,094.56	83,235.44	7.6	8
		TOTAL UTILITY COSTS & EXPENSES	24,451,849.19	21,817,552.82	2,634,296.37	12.1	7
		TOTAL OPERATING INCOME	-27,724,563.47	-29,767,912.22	2,043,348.75	6.9	6
		OTHER (INCOME) EXPENSE					6
		Interest Expense:					7
5500	6499021	6499021 Interest Expense - Short Term Debt	68,289.85	2,312.50	65,977.35	2,853.1	9
		Interest on Short Term Debt	68,289.85	2,312.50	65,977.35	2,853.1	8
****	6499011	6499011 Interest Expense - Long Term Debt	7,778,184.72	6,782,208.53	995,976.19	14.7	10
		Interest on LTD	7,778,184.72	6,782,208.53	995,976.19	14.7	9
5500	6402430	6402430 Amort-Debt Issuance Costs	31,977.06	50,295.68	-18,318.62	36.4-	10
5500	6402440	6402440 Amort-Premium/Disc on Debt	0	-5,936.00	5,936.00	100.0	10
		Amortization of Debt Issuance Costs	31,977.06	44,359.68	-12,382.62	27.9-	9
		Interest on Long Term Debt	7,810,161.78	6,826,568.21	983,593.57	14.4	8
****	6404001	6404001 Allowance for Funds Used Dur Constr-Debt	-309,269.04	-200,578.45	-108,690.59	54.2-	10
****	6499998	6499998 Capitalized AFUDC Debt - Project Use	309,269.04	200,578.45	108,690.59	54.2	10
****	6996080	6996080 AFUDC-Debt	-309,269.04	-200,578.45	-108,690.59	54.2-	10
		AFUDC - Debt	-309,269.04	-200,578.45	-108,690.59	54.2-	9
****	6103000	6103000 Allowance Funds Used During Construction-Equity	-362,415.27	-650,880.32	288,465.05	44.3	10
****	6499999	6499999 Capitalized AFUDC Equity - Project Use	362,415.27	465,213.51	-102,798.24	22.1-	10
****	6996086	6996086 AFUDC-Equity	-362,415.27	-465,213.51	102,798.24	22.1	10
		AFUDC - Equity	-362,415.27	-650,880.32	288,465.05	44.3	9
		Allow For Funds Used During Construction	-671,684.31	-851,458.77	179,774.46	21.1	8
		Total Interest Expense	7,206,767.32	5,977,421.94	1,229,345.38	20.6	7
		Other Net (Income) Expense:					7
****	5380011	5380011 Operating Gain/Loss-Disposition of Assets	-3,115.00	-152,371.08	149,256.08	98.0	9
		Gains from Sales of Property	-3,115.00	-152,371.08	149,256.08	98.0	8
5500	6299101	6299101 Other Expense - Non-Service Cost OPEB	-74,246.00	-74,246.00	0	0.0	9
****	6299102	6299102 Nonqual - Non Service Cost	14,600.00	-7,355.00	21,955.00	298.5	9
		Other Net Periodic Beneft Costs	-59,646.00	-81,601.00	21,955.00	26.9	8
		Other Net (Income) Expense	-62,761.00	-233,972.08	171,211.08	73.2	7
		TOTAL OTHER (INCOME) EXPENSE	7,144,006.32	5,743,449.86	1,400,556.46	24.4	6
		TOTAL INCOME BEFORE TAX & GAIN	-20,580,557.15	-24,024,462.36	3,443,905.21	14.3	5
		INCOME TAXES					5
		Income Taxes - Current					6

Financial Statement Version for AQUA

0L	Ledger
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USD	Amounts in United States Dollar
2024.03 -2024.03	Reporting periods
2023.03 -2023.03	Comparison periods

Company C	Account Number	Text for B/S P&L Item	Total of Reporting Period	Total of the Comparison Period	Absolute Difference	Percentage	Hierarchy Level
****	6310011	6310011 Federal Income Tax Expense	-548,369.56	5,157.87	-553,527.43	10,731.7-	8
5500	6310021	6310021 FIN 48 Federal Income Tax Expense	269,752.18	0	269,752.18		8
		Federal Taxes - Current	-278,617.38	5,157.87	-283,775.25	5,501.8-	7
****	6311011	6311011 State Income Tax Expense	1,250,891.54	1,649,116.00	-398,224.46	24.1-	8
5500	6312011	6312011 FIN 48 State Income Tax Expense	234,336.83	0	234,336.83		8
		State Taxes - Current	1,485,228.37	1,649,116.00	-163,887.63	9.9-	7
		Total Income Taxes - Current	1,206,610.99	1,654,273.87	-447,662.88	27.1-	6
		Income Taxes - Deferred					6
****	6320021	6320021 Defd Federal Income Tax Expense-Noncurr Asset	2,176,495.79	250,574.00	1,925,921.79	768.6	8
****	6320031	6320031 Defd Federal Income Tax Expense-Other Curr Liab	-1,760,584.05	0	-1,760,584.05		8
****	6320041	6320041 Defd Federal Income Tax Expense-Plant Noncurr Liab	5,709,203.99	0	5,709,203.99		8
5500	6320046	6320046 Defd Federal Income Tax Expense-EDIT Amortization	546,895.00	0	546,895.00		8
****	6320051	6320051 Defd Federal Income Tax Expense-Other NC Liab	-618,731.79	0	-618,731.79		8
5500	6320110	6320110 ITC-Def Future Periods-Federal	0	-63,353.00	63,353.00	100.0	8
5500	6322011	6322011 Amortization - Deferred ITC	-63,353.20	0	-63,353.20		8
		Federal Taxes - Deferred	5,989,925.74	187,221.00	5,802,704.74	3,099.4	7
****	6321021	6321021 Defd State Income Tax Expense-Noncurr Asset	5,344,754.09	1,094,826.00	4,249,928.09	388.2	8
****	6321031	6321031 Defd State Income Tax Expense-Other Curr Liab	-3,473,308.56	0	-3,473,308.56		8
****	6321041	6321041 Defd State Income Tax Expense-Plant Noncurr Liab	455,056.43	0	455,056.43		8
****	6321051	6321051 Defd State Income Tax Expense-Other NC Liab	-371,533.55	0	-371,533.55		8
		State Taxes - Deferred	1,954,968.41	1,094,826.00	860,142.41	78.6	7
		Total Income Taxes - Deferred	7,944,894.15	1,282,047.00	6,662,847.15	519.7	6
		TOTAL INCOME TAXES	9,151,505.14	2,936,320.87	6,215,184.27	211.7	5
		TOTAL NET INC BFR EQTY EARNG IN SUBSIDIARIES	-11,429,052.01	-21,088,141.49	9,659,089.48	45.8	4
		TOTAL NET INCOME	-11,429,052.01	-21,088,141.49	9,659,089.48	45.8	3
		NET INCOME AVAILABLE FOR COMMON	11,429,052.01	21,088,141.49	-9,659,089.48	45.8-	3
		TOTAL NET INCOME AVAILABLE FOR COMMON	0	0	0		2

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

K. Other Data

OD2. Supply a copy of internal and independent audit reports of the historic test year and prior calendar year, noting any exceptions and recommendations and disposition thereof.

A. Please see the attached.

AQUA PENNSYLVANIA, INC.

(a wholly owned subsidiary of Essential Utilities, Inc.)

Consolidated Financial Statements
As of and for the years ended
December 31, 2021 and 2020

Report of Independent Auditors

To the Board of Directors and Stockholder of Aqua Pennsylvania, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Aqua Pennsylvania, Inc. and its subsidiaries, (the "Company"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the related consolidated statements of income, of cash flows, of capitalization, and of stockholder's equity for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
April 29, 2022

AQUA PENNSYLVANIA, INC.
Consolidated Balance Sheets
(In thousands of dollars, except per share amounts)
December 31, 2021 and 2020

Assets	2021	2020
Utility plant, net of accumulated depreciation	$ 4,423,732	$ 4,210,724
Construction work-in-progress	152,319	119,467
Utility plant acquisition adjustment, net	(502)	(1,575)
Net utility plant	4,575,549	4,328,616
Investment in nonutility property, net of accumulated depreciation	23,453	23,913
Current assets:		
Cash and cash equivalents	2,616	781
Accounts receivable, less allowance for doubtful accounts of $11,317 and $10,800, in 2021 and 2020, respectively	44,420	40,976
Accounts receivable-affiliates	41	75
Unbilled revenues	26,829	25,178
Materials and supplies	16,421	6,695
Prepayments and other current assets	4,984	10,007
Total current assets	95,311	83,712
Deferred charges and non-current assets:		
Debt issuance expense, net of accumulated amortization	133	121
Regulatory assets	860,585	804,032
Other deferred charges, net	4,808	3,713
Operating lease right-of-use assets	8,408	8,556
Goodwill	34,304	34,304
Pension	89,699	77,799
Total deferred charges and non-current assets	997,937	928,525
Total assets	$ 5,692,250	$ 5,364,766

Liabilities and Stockholder's Equity	2021	2020
Common stockholder's equity:		
Common stock, $100 par value, 1,000,000 shares authorized, 1,000 shares issued and outstanding	$ 100	$ 100
Capital in excess of par value	208,833	162,481
Retained earnings	1,949,339	1,749,270
Total stockholder's equity	2,158,272	1,911,851
Long-term debt, excluding current portion	1,810,164	1,815,768
Debt issuance expense, net of amortization	(13,192)	(13,763)
Total long-term debt, excluding current portion, net of debt issuance costs	1,796,972	1,802,005
Current liabilities:		
Current portion of long-term debt	5,382	11,346
Loans payable	35,000	49,198
Accounts payable	31,886	33,414
Accounts payable-affiliates	48,448	16,466
Income taxes payable	563	(235)
Accrued interest	19,539	19,838
Other current liabilities	7,368	6,146
Total current liabilities	148,186	136,173
Deferred credits and other non-current liabilities:		
Customers' advances for construction	60,489	55,059
Deferred income taxes	964,135	901,042
Investment tax credits	3,614	3,868
Regulatory liabilities	342,582	347,776
Operating lease liabilities	8,141	8,315
Accounts Payable-affiliates	28,338	28,338
Other	24,950	14,217
Total deferred credits and other non-current liabilities	1,432,249	1,358,615
Contributions in aid of construction	156,571	156,122
Total liabilities and stockholder's equity	$ 5,692,250	$ 5,364,766

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Income
(In thousands of dollars)
Years ended December 31, 2021 and 2020

	2021	2020
Operating revenues	$ 530,001	$ 508,882
Operating expenses:		
Operating, maintenance and administrative expenses	146,653	130,892
Depreciation	111,951	105,137
Amortization	(561)	(565)
Taxes other than income taxes	13,666	12,641
Gain on sale of other assets	(822)	(402)
Total operating expenses	270,887	247,703
Operating income	259,114	261,179
Other expense:		
Interest on long-term debt	72,338	74,097
Other interest expense, net	846	1,135
Allowance for funds used during construction	(9,101)	(6,201)
Other net periodic benefit costs (income)	(4,971)	224
Amortization of debt issuance costs	145	101
Other expense (income), net	(2,399)	4,234
Total other expense	56,858	73,590
Income before income taxes	202,256	187,589
Provision for income taxes	2,187	120
Net income	$ 200,069	$ 187,469

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Cash Flows
(In thousands of dollars)
Years ended December 31, 2021 and 2020

Cash flows from operating activities:	2021	2020
Net income	$ 200,069	$ 187,469
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	111,535	104,673
Deferred income taxes and income tax credits	(4,761)	(15,800)
Provision for doubtful accounts	2,949	2,821
Stock based compensation	854	765
Gain on sale of other assets	(822)	(402)
Allowance for equity funds used during construction	(6,963)	(4,418)
Changes in current assets and current liabilities:		
Receivables, unbilled revenue, materials and supplies and prepayments	(13,111)	(17,169)
Income taxes receivable/payable and other accrued taxes	4,321	15,330
Affiliate receivable/payable	(24,350)	(38,493)
Payables and other accrued liabilities	1,996	(246)
Accrued interest	(299)	160
Other	3,633	(3,538)
Net cash provided by operating activities	275,051	231,152
Cash flows used in investing activities:		
Construction expenditures	(344,192)	(321,927)
Allowance for borrowed funds used during construction	(2,138)	(1,783)
Acquisitions of water and wastewater systems	-	(21,000)
Net proceeds on sale of other assets	936	572
Other	-	(862)
Net cash used in investing activities	(345,394)	(345,000)
Cash flows from financing activities:		
Customers' advances and contributions in aid of construction	825	1,636
Repayments of customers' advances	(2,801)	(2,857)
Net borrowings of loans payable	(14,350)	23,474
Proceeds from long-term debt	44	325,543
Debt issuance costs paid	-	(979)
Repayments of long-term debt	(11,540)	(202,832)
Capital contribution from Aqua America, Inc.	100,000	20,000
Dividends paid - common stock	-	(50,000)
Net cash provided by financing activities	72,178	113,985
Net change in cash and cash equivalents	1,835	137
Cash and cash equivalents at beginning of year	781	644
Cash and cash equivalents at end of year	$ 2,616	$ 781

Cash paid for interest on borrowings, net of amounts capitalized, was $102,943 and $107,955 in 2021 and 2020, respectively.
Cash paid for income taxes was $2,782 and $3,780 in 2021 and 2020, respectively.
Non-cash financing activity - Return of Capital Contribution to Parent was $54,502 and $51,437 in 2021 and 2020, respectively.
See Note 1 - Summary of Significant Accounting Policies-Customers' Advances for Construction and Contributions in Aid of Construction, Note 11-Employee Stock and Incentive Plan and Note 13 - Affiliated Company Transactions for description of non-cash activities.
See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Capitalization
(In thousands of dollars, except per share amounts)
December 31, 2021 and 2020

				2021	2020
Stockholder's equity:					
Common stock, $100 par value, authorized 1,000,000 shares					
1,000 shares issued and outstanding				$ 100	$ 100
Capital in excess of par value				208,833	162,481
Retained earnings				1,949,339	1,749,270
Total common stockholder's equity				2,158,272	1,911,851
Long-term debt:					
Long-term debt (substantially secured by utility plant):					
Interest Rate Range	Maturity Date Range				
1.00% to 1.99%	2021	to	2039	9,341	10,260
2.00% to 2.99%	2024	to	2058	161,899	163,811
3.00% to 3.99%	2021	to	2056	707,861	710,387
4.00% to 4.99%	2021	to	2059	847,705	847,917
5.00% to 5.99%	2028	to	2043	1,940	1,878
6.00% to 6.99%	2027			20,000	20,000
7.00% to 7.99%	2025			15,000	15,000
9.00% to 9.99%	2021	to	2026	11,800	12,400
				1,775,546	1,781,653
Unsecured notes payable:					
Notes ranging from 5.64% to 5.95%, due 2021 through 2034				40,000	45,461
				1,815,546	1,827,114
Current portion of long-term debt				5,382	11,346
Long-term debt, excluding current portion				1,810,164	1,815,768
Less: debt issuance costs				13,192	13,763
Long-term debt, excluding current portion, net of debt issuance costs				1,796,972	1,802,005
Total capitalization				$ 3,955,244	$ 3,713,856

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Stockholder's Equity
(In thousands of dollars, except per share amounts)
Years ended December 31, 2021 and 2020

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Total Stockholder's Equity
Balance at December 31, 2019	$ 100	$ 163,209	$ 1,611,801	$ 1,775,110
Net income	-	-	187,469	187,469
Common stock dividends paid, $50 per share	-	-	(50,000)	(50,000)
Stock based compensation	-	765	-	765
Acquisitions funded by Essential Utilities, Inc.	-	29,944	-	29,944
Capital contribution from Essential Utilities, Inc.	-	20,000	-	20,000
Return of capital contribution to Essential Utilities, Inc.	-	(51,437)	-	(51,437)
Balance at December 31, 2020	100	162,481	1,749,270	1,911,851
Net income	-	-	200,069	200,069
Stock based compensation	-	854	-	854
Capital contribution from Essential Utilities, Inc.	-	100,000	-	100,000
Return of capital contribution to Essential Utilities, Inc.	-	(54,502)	-	(54,502)
Balance at December 31, 2021	$ 100	$ 208,833	$ 1,949,339	$ 2,158,272

See accompanying notes to consolidated financial statements.

1. Summary of Significant Accounting Policies

Nature of Operations

Aqua Pennsylvania, Inc. ("the Company") is a regulated public utility which supplies water to residential, commercial and industrial customers. The Company's customers are principally located in the suburban areas north and west of the City of Philadelphia and in 27 other counties in Pennsylvania. No single customer accounted for more than one percent of the Company's operating revenues in 2021 or 2020. The Company is a wholly owned subsidiary of Essential Utilities, Inc. ("the Parent"). The Company has wholly owned subsidiaries that are regulated public utilities which provide water and wastewater services to customers in Pennsylvania.

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation

The Company's consolidated financial statements are presented in accordance with U.S. generally accepted accounting principles.

The Company has evaluated the period from December 31, 2021, the date of the consolidated financial statements, through April 29, 2022, the date the consolidated financial statements were available for issuance, for subsequent events and determined that no material subsequent events occurred that would affect the information presented in these consolidated financial statements or require additional disclosures.

Use of Estimates in Preparation of Consolidated Financial Statement

The preparation of consolidated financial statements in conformity with accounting principles accepted in the United States of America requires

1. Summary of Significant Accounting Policies (Continued)

Use of Estimates in Preparation of Consolidated Financial Statement (Continued)

management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

The current novel coronavirus ("COVID-19") pandemic has caused significant social and economic restrictions that have been imposed in the United States and abroad, which has resulted in significant volatility in the global economy and led to reduced economic activity in some industries. In the preparation of these financial statements and related disclosures, we have assessed the impact that the COVID-19 pandemic has had on our estimates, assumptions, forecasts, and accounting policies. Because of the essential nature of our business, we do not believe the COVID-19 pandemic had a material impact on our estimates, assumptions and forecasts used in the preparation of our financial statements, except for the change in the allowance for doubtful accounts, although we continue to monitor this closely. As the COVID-19 situation is unprecedented and ever evolving, future events and effects related to the COVID-19 pandemic cannot be determined with precision, and actual results could significantly differ from our estimates or forecasts.

Recognition of Revenues

The Company recognizes revenue as water and wastewater services are provided to our customers, which happens over time as the service is delivered and the performance obligation is satisfied. Operating revenues include amounts billed to customers on a cycle basis and unbilled amounts based on estimated usage from the date of the latest meter read to the end of the accounting period. The Company's actual results could differ from these estimates. Unbilled amounts are included in unbilled revenues on the consolidated balance sheet.

Generally, payment is due within 30 days once a bill is issued to a customer. Sales tax and other taxes we collect on behalf of government authorities, concurrent with our revenue-producing activities, are primarily excluded from revenue. The following table presents our revenues disaggregated by major source and customer class:

1. Summary of Significant Accounting Policies (Continued)

Recognition of Revenues (Continued)

	Twelve Months Ended December 31, 2021		
	Water Revenues	Wastewater Revenues	Other Revenues
Residential	$ 310,571	24,494	-
Commercial	108,547	9,869	-
Fire protection	21,412	-	-
Industrial	18,683	4	-
Other water	34,328	-	-
Other wastewater	-	2,093	-
Other utility	-	-	7,402
Revenue Total-2021	$ 493,541	36,460	7,402

	Twelve Months Ended December 31, 2020		
	Water Revenues	Wastewater Revenues	Other Revenues
Residential	$ 318,190	$ 22,579	$ -
Commercial	102,714	7,863	-
Fire protection	21,463	-	-
Industrial	18,329	4	-
Other water	16,257	-	-
Other wastewater	-	1,483	-
Other utility	-	-	2,923
Revenue Total-2020	$ 476,953	$ 31,929	$ 2,923

1. Summary of Significant Accounting Policies (Continued)

Recognition of Revenues (Continued)

Revenues from Contracts with Customers – These revenues are composed of three main categories: water, wastewater, and other. Water revenues represent revenues earned for supplying customers with water service. Wastewater revenues represent revenues earned for treating wastewater and releasing it into the water supply. Other revenues are associated fees that relate to the regulated business but are not water and wastewater revenues. See description below for a discussion on the performance obligation for each of these revenue streams:

- Tariff Revenues – These revenues are categorized by customer class: residential, commercial, fire protection, industrial, other water, and other wastewater. The rates that generate these revenues are approved by the respective state utility commission, and revenues are billed cyclically and accrued for when unbilled. Other water and other wastewater revenues consist primarily of fines, penalties, surcharges, and availability lot fees. Our performance obligation for tariff revenues is to provide potable water or wastewater treatment service to customers. This performance obligation is satisfied over time as the services are rendered. The amounts that the Company has a right to invoice for tariff revenues reflect the right to consideration from the customers in an amount that corresponds directly with the value transferred to the customer for the performance completed to date.

- Other Utility Revenues – Other utility revenues represent revenues earned primarily from: antenna revenues, which represent fees received from telecommunication operators that have put cellular antennas on our water towers, operation and maintenance and billing contracts, which represent fees earned from municipalities for our operation of their water or wastewater treatment services or performing billing services, and fees earned from developers for accessing our water mains. The performance obligations vary for these revenues, but all are primarily recognized over time as the service is delivered.

1. Summary of Significant Accounting Policies (Continued)

Regulation

As a regulated public water and wastewater utility, the Company is subject to regulation by the Pennsylvania Public Utility Commission ("PAPUC"), which has jurisdiction with respect to rates, service, accounting procedures, acquisitions and other matters. Regulated public utilities follow the Financial Accounting Standards Board's ("FASB") accounting guidance for regulated operations, which provides for the recognition of regulatory assets and liabilities as allowed by regulators for costs or credits that are reflected in current rates or are considered probable of being included in future rates. Costs for which the Company has received or expects to receive prospective rate recovery are deferred as regulatory assets and amortized over the period of rate recovery in accordance with the FASB's accounting guidance for regulated operations. The regulatory assets or liabilities are then relieved as the cost or credit is reflected in Company's rates charged for utility service. If, as a result of a change in circumstances, it is determined that the Company no longer meets the criteria to apply regulatory accounting, the Company would have to discontinue regulatory accounting and write-off the respective regulatory assets and liabilities. See Note – 5 *Regulatory Assets and Liabilities* for further information regarding the Company's regulatory assets.

The Company makes significant judgments and estimates to record regulatory assets and liabilities. For each regulatory jurisdiction with regulated operations, the Company evaluates at the end of each reporting period whether the regulatory assets and liabilities continue to meet the probable criteria for future recovery or refund. The evaluation considers factors such as regulatory orders or guidelines, in the same regulatory jurisdiction, of a specific matter or a similar matter, as provided to the Company in the past or to other regulated utilities. In addition, the evaluation may be impacted by changes in the regulatory environment and pending or new legislation that could impact the ability to recover costs through regulated rates. There may be multiple participants to rate or transactional regulatory proceedings who might offer different views on various aspects of such proceedings, and in these instances may challenge the prudence of our business policies and practices, seek cost disallowances or request other relief.

1. Summary of Significant Accounting Policies (Continued)

Utility Plant and Depreciation

Utility plant is stated at cost which includes contracted cost, direct labor and fringe benefits, materials, overheads, and for certain utility plant, an allowance for the cost of funds used during construction. Water systems acquired are recorded at estimated original cost when first devoted to utility service and the applicable depreciation is recorded in accumulated depreciation. Utility plant acquisition adjustment represents the difference between the estimated original cost, less applicable depreciation and the purchase price of utility plant assets acquired through business acquisitions. Acquisition adjustments are amortized over 20 years if recoverable in rate base.

Utility expenditures for maintenance and repairs, including major maintenance projects and minor renewals and betterments, are charged to operating expenses when incurred in accordance with the Uniform System of Accounts prescribed by the PAPUC. The cost of new units of property and betterments are capitalized.

The cost of software upgrades and enhancements are capitalized if they result in added functionality which enable the software to perform tasks it was previously incapable of performing. Certain information technology costs associated with major system installations, conversions and improvements, such as software training, data conversion and business process re-engineering costs, are deferred as a regulatory asset if the Company expects to recover these costs in future rates. If these costs are not deferred, then these costs are charged to operating expenses when incurred. As of December 31, 2021, $13,319 costs have been incurred and deferred since the last rate proceedings as a regulatory asset, and the deferral is reported as a component of net property, plant and equipment.

1. Summary of Significant Accounting Policies (Continued)

Utility Plant and Depreciation (Continued)

When units of property are replaced, retired or abandoned, the recorded value thereof is credited to utility plant and such value, together with the net cost of removal, is charged to accumulated depreciation. To the extent the Company recovers cost of removal or other retirement costs through rates after the retirement costs are incurred, a regulatory asset is recorded.

The straight-line remaining life method is used to compute depreciation on utility plant. The straight-line method is used with respect to transportation and mechanical equipment, office equipment and laboratory equipment. Depreciation is recorded over the estimated useful lives of the assets which range from 14 to 94 years for utility plant and 5 to 64 years for both transportation and mechanical equipment and all non-utility plant, office equipment and laboratory equipment.

Long-lived assets of the Company, which consist primarily of utility plant in service, operating lease right-of-use assets and intangible assets, are reviewed for impairment when changes in circumstances or events occur. These circumstances or events could include a decline in the market value or physical condition of a long-lived asset, an adverse change in the manner in which long-lived assets are used or planned to be used, a change in historical trends, operating cash flows associated with the long-lived assets, changes in macroeconomic conditions, industry and market conditions, or overall financial performance. When these circumstances or events occur, the Company determines whether it is more likely than not that the fair value of those assets is less than their carrying amount. If the Company determines that it is more likely than not (that is, the likelihood of more than 50 percent), the Company would recognize an impairment charge if it is determined that the carrying amount of an asset exceeds the sum of the undiscounted estimated cash flows. In this circumstance, the Company would recognize an impairment charge equal to the difference between the carrying amount and the fair value of the asset. Fair value is estimated to be the present value of future net cash flows associated with the asset, discounted using a discount rate commensurate with the risk and remaining life of the asset. During the year ended December 31, 2021, there have been no such circumstances or events.

Regulatory assets are reviewed for the continued application of the FASB accounting guidance for regulated operations. The Company’s review determines whether there have been changes in circumstances or events, such as regulatory disallowances, or abandonments, that have occurred that require adjustments to the carrying value of these assets. Adjustments to the carrying value of these assets would be

1. Summary of Significant Accounting Policies (Continued)

made in instances where their inclusion in the rate-making process is unlikely. For utility plant in service, we would recognize an impairment loss for any amount disallowed by the PAPUC.

As of December 31, 2021, and 2020, property, plant and equipment additions purchased at the period end, but not yet paid for are $27,793 and $31,134, respectively.

Allowance for Funds Used During Construction

The allowance for funds used during construction ("AFUDC") is a credit to income which represents the estimated cost of funds used to finance the construction of utility plant. AFUDC is applied to construction projects requiring more than one month to complete. No AFUDC is applied to projects funded by customer advances for construction or contributions in aid of construction. AFUDC includes the net cost of borrowed funds and a rate of return on other funds when used, and is recovered through water rates as the utility plant is depreciated.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less, which are not restricted for construction activity, to be cash equivalents.

Accounts Receivable

Accounts receivable are recorded on the invoiced amounts. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in our existing accounts receivable, and is determined based on lifetime expected credit and the aging of account balances. The Company reviews the allowance for doubtful accounts quarterly. Account balances are written off against the allowance when it is probable the receivable will not be recovered. When utility customers request extended payment terms, credit is extended based on regulatory guidelines and collateral is not required. During 2021 and 2020, the Company increased its allowance for doubtful accounts as a result of its decline in its accounts receivable aging due to COVID-19.

1. Summary of Significant Accounting Policies (Continued)

Deferred Charges

Deferred charges consist of preliminary survey costs, retirement work in progress expenses and other expenses.

Other expenses, for which the Company has received or expects to receive prospective rate recovery, are deferred and amortized over the period of rate recovery.

Funds Restricted for Construction Activity

The proceeds received from certain financings for construction and capital improvement of utility facilities are held in escrow until the designated expenditures are incurred. These amounts are reported as funds restricted for construction activity and are expected to be released over time as the capital projects are funded.

Goodwill

Goodwill represents the excess cost over the fair value of net tangible and identifiable intangible assets acquired through acquisitions. Goodwill is not amortized but is tested for impairment annually, or more often if circumstances indicate a possible impairment may exist. When testing goodwill for impairment, the Company may assess qualitative factors, including macroeconomic conditions, industry and market considerations, cost factors, overall financial performance and entity specific events, to determine whether it's more likely than not that the fair value of a reporting unit is less than its carrying amount. Based on the assessment of the qualitative factors previously noted or on a voluntary basis, the Company may perform a quantitative goodwill impairment test by determining the fair value of a reporting unit, which we would estimate based on a discounted cash flow analysis and a market comparison analysis. If the Company performs a quantitative test and determines that the reporting unit's fair value is less than its carrying amount, the Company would record an impairment loss for the amount by which a reporting unit's carrying amount exceeds its fair value not to exceed the carrying amount of goodwill.

1. Summary of Significant Accounting Policies (Continued)

Goodwill (Continued)

The Company tested the goodwill attributable for its reporting unit for impairment as of July 31, 2021, in conjunction with the timing of its annual strategic business plan and concluded that the reporting unit's estimated fair value exceeded its carrying amount, indicating that the Company's goodwill was not impaired.

Income Taxes

The Company accounts for some income and expense items in different time periods for financial reporting than for tax reporting purposes. Deferred income taxes are provided on the temporary differences between the tax basis of the assets and liabilities and the amounts at which they are carried in the consolidated financial statements. The income tax effect of temporary differences not reflected currently in rates is recorded as deferred taxes with an offsetting regulatory asset or liability. These deferred income taxes are based on the enacted tax rates expected to be in effect when such temporary differences are projected to reverse. Investment tax credits are deferred and amortized over the estimated useful lives of the related properties.

The Company's earnings are included with those of the Parent and affiliated companies for purposes of filing a consolidated Federal income tax return. The allocation of the Federal income tax to the Company is computed on a stand-alone basis. See Note 13 for additional information regarding the Company and Parent company activity.

Judgment is required in evaluating the Company's Federal and state tax positions. Despite management's belief that the Company's tax return positions are fully supportable, the Company establishes reserves when it believes that its tax positions are likely to be challenged and it may not fully prevail in these challenges. The Company's provision for income taxes includes interest, penalties and reserves for uncertain tax positions.

The tax accounting method permits the expensing of qualifying utility asset improvement costs that were previously being capitalized and depreciated for book and tax purposes ("the Repairs"). The Repairs accounting authorized for the Company by the Pennsylvania Public Utility Commission ("PAPUC") provides for the

1. Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

flow-through treatment of qualifying income tax benefits, generating a reduction in income tax expense, and reduces the amount of taxes currently payable in both 2021 and 2020. For repair expense qualifying capital expenditures made prior to 2012 ("catch - up adjustment" or "481 Adjustment"), the Company was permitted by the PAPUC to amortize the resulting deferred tax benefits over ten years as a reduction to income tax expense that commenced in 2013. As a result of the May 2019 rate order, the amortization period of the catch-up adjustment was slightly shortened to align with the Company's expected rate filing cadence and result in an expiration of the amortization in approximately 2022. Both the catch-up and current benefits attributable to tax repairs expense are now included in the Company's cost of service and accounted for in the utility rates charged to customers. Additionally, as a result of the settlement, the current benefit recognized by the Company is limited to within a range of tax benefit ("the Collar"), which is between $155,865 and $161,865. Amounts recognized above or below the Collar are required to be recorded as either a regulatory asset or liability, subject to disposition in the next base rate case.

Customers' Advances for Construction

Water mains or, in some instances, cash advances to reimburse the Company its costs to construct water mains, are contributed to the Company by customers, real estate developers and builders in order to extend water service to their properties. The value of these contributions is recorded as Customers' Advances for Construction. The Company makes refunds on these advances over a specific period of time based on operating revenues related to the main or as new customers are connected to and take service from the main. After all refunds are made, any remaining balance is transferred to Contributions in Aid of Construction. Non-cash property, in the form of water mains, has been received as advances or contributions of $11,269 in 2021 and $10,413 in 2020.

Contributions in Aid of Construction

Contributions in aid of construction include direct non-refundable contributions and the portion of customers' advances for construction that have become non-refundable. The Company depreciates contributed property and amortizes contributions in aid of construction at the composite rate of the related property. Contributions in aid of construction are deducted from the Company's rate base for rate-making purposes, and therefore, no return is earned on contributed property.

1. Summary of Significant Accounting Policies (Continued)

Contributions in Aid of Construction (Continued)

Non-cash property, in the form of water mains, has been received, generally from developers as contributions of $411 in 2021 and $1,271 in 2020.

Materials and Supplies

Materials and supplies are stated at cost under the first-in, first-out method.

Other Comprehensive Income ("OCI")

For the periods presented, the Company does not have any OCI and therefore, comprehensive income equals net income. In addition, there is no accumulated comprehensive income.

Recent Accounting Pronouncements

Pronouncements to be adopted upon the effective date:

In August 2020, the FASB issued updated accounting guidance on accounting for convertible instruments and contracts in an entity's own equity. The updated guidance reduces the number of accounting models for convertible debt and convertible preferred stock instruments and makes certain disclosure amendments intended to improve the information provided to users. Additionally, the guidance also amends the derivative guidance for the "own stock" scope exception, which exempts qualifying instruments from being accounted for as derivatives if certain criteria are met. Further, the standard changes the way certain convertible instruments are treated when calculating earnings per share. The updated accounting guidance is effective for fiscal years beginning after December 15, 2021 with early adoption permitted beginning in 2021. The adoption of this standard is not expected to have a material impact to the Company's consolidated financial statements.

In October 2021, the FASB issued accounting guidance on accounting for revenue contracts with customers acquired in a business combination. The guidance specifies for all revenue contracts acquired in a business combination, regardless of their timing of payment, the circumstances in which the acquirer should recognize contract assets and contract

1. Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements (Continued)

liabilities, as well as how to measure those contract assets and contract liabilities. The updated accounting guidance is effective for fiscal years beginning after December 15, 2022 with early adoption permitted. The Company is evaluating the requirements of the updated guidance to determine the impact of adoption.

Pronouncements adopted during the fiscal year:

In March 2020, the FASB issued accounting guidance that provides companies with optional guidance, including expedients and exceptions for applying generally accepted accounting principles to contracts and other transactions affected by reference rate reform, such as the London Interbank Offered Rate (LIBOR). The accounting guidance was effective upon issuance and generally can be applied to applicable contract modifications through December 31, 2022. The Company adopted the guidance in the fourth quarter of 2021, and there was no impact on its consolidated financial statements upon adoption.

In December 2019, the FASB issued updated accounting guidance that simplifies the accounting for income taxes. The updated guidance removes certain exceptions to the general principles of accounting for income taxes to reduce the cost and complexity of its application, including the accounting for intraperiod tax allocation when there is a loss from continuing operations and income or a gain from other items, deferred tax liabilities for equity method investments when a foreign subsidiary becomes an equity method investment or when a foreign equity method investment becomes a subsidiary, and calculating income taxes in an interim period when a year-to-date loss exceeds the anticipated loss for the year. Additionally, the updated guidance clarifies and amends the existing guidance over accounting for franchise taxes and other taxes partially based on income, an entity's tax basis of goodwill, separate entity financial statements, interim recognition of enactment of tax laws or rate changes, and improvements to the Codification for income taxes related to employee stock ownership plans and investments in qualified affordable housing projects accounted for using the equity method. The updated accounting guidance is effective for fiscal years beginning after December 15, 2020 and interim periods within those fiscal years with early adoption permitted. As permitted, we adopted this updated guidance on January 1, 2021, which did not have a material impact on our consolidated financial statements.

2. Utility Plant

Utility Plant is composed of the following:

	December 31, 2021	December 31, 2020	Approximate range of remaining lives
Utility plant			
Mains and accessories	$ 2,979,145	$ 2,814,412	32 to 94 years
Services, hydrants, treatment plants and reservoirs	1,503,530	1,375,598	15 to 74 years
Operations structures and water tanks	182,676	167,847	14 to 59 years
Miscellaneous pumping and purification equipment	462,101	457,529	18 to 58 years
Meters, data processing, transportation and operating equipment	500,510	461,458	5 to 57 years
Land and other non-depreciable assets	57,853	80,749	
Utility plant	5,685,815	5,357,593	
Utility construction work-in-progress	152,319	119,467	
Net utility plant acquisition adjustment	(502)	(1,575)	3 to 19 years
Total utility plant	5,837,632	5,475,485	
Accumulated depreciation	(1,262,083)	(1,146,869)	
Utility plant, net of accumulated depreciation	$ 4,575,549	$ 4,328,616	

3. Acquisitions

Water and Wastewater Utility Acquisitions – Completed:

In December 2020, the Company acquired the wastewater utility system assets of New Garden Township, Pennsylvania, which serves 1,965 customers. The total purchase price for the utility system, which was funded by a capital contribution from the Parent, was $29,944. The preliminary purchase price allocation for this acquisition consisted primarily of acquired property, plant and equipment, net of accumulated depreciation totaling $29,500. In June 2020, the Company acquired the wastewater utility system assets of East Norriton Township, Pennsylvania which serves 4,947 customers. The total purchase price for the utility system acquired was $21,000 in cash. The preliminary purchase price allocation for this acquisition consisted primarily of acquired property, plant and equipment, net of accumulated depreciation totaling $20,755.

3. Acquisitions (Continued)

Water and Wastewater Utility Acquisitions – Pending Completion:

In October 2021, the Company entered into a purchase agreement to acquire the wastewater utility assets of the City of Beaver Falls, Pennsylvania which consists of approximately 7,600 customers for $41,250. In July 2021, the Company entered into a purchase agreement to acquire the water utility assets of Shenandoah Borough, Pennsylvania which consists of approximately 2,930 customers for $12,000. In January 2021, the Company entered into purchase agreements to acquire, in separate transactions, the wastewater utility system assets of East Whiteland Township, Pennsylvania and Willistown Township, Pennsylvania which consist of approximately 10,500 customers for $72,400. In September 2020, the Company entered into a purchase agreement to acquire the wastewater utility system assets of Lower Makefield Township, Pennsylvania, which consists of approximately 11,000 customers for $53,000.

The purchase price for these pending acquisitions are subject to certain adjustments at closing, and are subject to regulatory approval, including the final determination of the fair value of the rate based acquired. The closing for the wastewater assets of Lower Makefield Township occurred in the first quarter of 2022, and the closings of our acquisitions of East Whiteland Township, Willistown Township, and Shenandoah Borough are expected to occur in the second half of 2022. The closings of our Beaver Falls and Southern Oaks acquisitions are expected to occur late in 2022 or in early 2023. Closing for our utility acquisitions are subject to the timing of the regulatory approval process.

3. Acquisitions (Continued)

In September 2019, the Company entered into a purchase agreement to acquire the wastewater utility system assets of the Delaware County Regional Water Quality Control Authority ("DELCORA"), which consists of approximately 16,000 customers, or the equivalent of 198,000 retail customers, in 42 municipalities in Southeast Pennsylvania for $276,500. In May 2020, Delaware County, Pennsylvania filed a lawsuit alleging that DELCORA does not have the legal authority to establish and fund a customer trust with the net proceeds of the transaction. In December 2020, the judge in the Delaware County Court lawsuit issued an order that (1) the County cannot interfere with the purchase agreement between DELCORA and the Company, (2) the County cannot terminate DELCORA prior to the closing of the transaction, and (3) that the establishment of the customer trust was valid. Delaware County appealed this decision to Commonwealth Court of Pennsylvania. A three-judge panel heard oral arguments on October 18, 2021. On March 3, 2022, the Commonwealth Court issued a decision finding that Delaware County can dissolve the Authority if it so chooses but that the purchase agreement must be upheld regardless of who owns the system. At the Pennsylvania Public Utility Commission ("PUC"), the administrative law judges in the regulatory approval process recommended that the Company's application be denied, and subsequently, the Company provided exceptions to the recommended decision. On March 30, 2021, the PUC ruled that the case be remanded back to the Office of Administrative Law Judge and vacated the original administrative law judges' recommended decision. The March 30, 2021 order was also appealed to the Commonwealth Court by Delaware County and a decision is expected in the next several months.

After the PUC issued its March 30, 2021 order, the administrative law judge issued an order on April 16, 2021 staying the proceeding until the Delaware County Court lawsuit is final and unappealable. On March 25, 2022, the Company sent a letter notifying the PUC of the March 3, 2022 Commonwealth Court's decision and requested that the PUC move forward with processing the application. Several parties responded to the Company's letter and referenced the issues in the second appeal before Commonwealth Court regarding the March 30, 2021 PUC order. The purchase price for this pending acquisition is subject to certain adjustments at closing, and is subject to regulatory approval, including the final determination of the fair value of the rate base acquired. Closing of our acquisition of DELCORA is expected to occur in late 2022 or early 2023, subject to the timing of the regulatory approval process and Delaware County's on-going litigation.

See Note 13 for additional information regarding the Company and Parent company activity.

4. Income Taxes

The provision for income taxes is composed of the following:

	Years ended December 31,	
	2021	2020
Current:		
Federal	$ 6,258	$ 10,715
State	690	5,205
	6,948	15,920
Deferred:		
Federal	(2,055)	(9,755)
State	(2,706)	(6,045)
	(4,761)	(15,800)
Total tax expense	$ 2,187	$ 120

The statutory Federal tax rate is 21% for both 2021 and 2020, and the Pennsylvania Corporate Net Income tax rate is 9.99% for both years presented.

The primary components of the net deferred tax liability and investment tax credits of $967,749 and $904,910 at December 31, 2021 and 2020, respectively, include basis differences in utility plant, partially offset by advances and contributions, and income taxes recoverable.

4. Income Taxes (Continued)

At December 31, 2021, the Company has a cumulative state NOL of $546,133 without regard to unrecognized tax benefits. The Company believes that the state NOLs are more likely than not to be recovered and require no valuation allowance. The state NOLs do not begin to expire until 2032.

As of December 31, 2021 and 2020, the reserve for uncertain tax position is $18,546 and $17,593, respectively, excluding accrued interest and penalties. The unrecognized tax benefits relate to the income tax accounting change to adopt the IRS temporary tangible property regulations, and the tax position is attributable to a temporary difference. As a result of the regulatory treatment afforded by the income tax accounting change and despite this position being a temporary difference, as of December 31, 2021 and 2020, $34,443 and $33,050, respectively, of these tax benefits would have an impact on the Company's effective income tax rate in the event the Company does sustain all, or a portion, of its tax position. The Company does not expect a material change in this estimate in the next twelve months. The reserve for uncertain tax positions could increase or decrease for things such as the expiration of statutes of limitations, audit settlements, or tax examination activities. The Company has elected to recognize accrued interest and penalties related to uncertain tax positions as income tax expense. The Company has not recognized any penalties and interest due to the available Net Operating Losses ("NOLs") of other members within its consolidated Federal filing group.

As of December 31, 2021, the Parent's federal income tax returns remain subject to examination by federal tax authorities for the 2018 through 2021 tax years.

5. Regulatory Assets and Liabilities

Regulatory assets represent costs that are expected to be fully recovered from customers in future rates while regulatory liabilities represent amounts that are expected to be refunded to customers in future rates. Except for income taxes and utility plant retirement costs, regulatory assets and regulatory liabilities are excluded from the Company's rate base and do not earn a return. As of December 31, 2021 and 2020, the current portion of regulatory assets of $91 and $456, respectively, are included in prepayments and other current assets. The components of regulatory assets and liabilities are as follows:

	December 31, 2021		December 31, 2020	
	Regulatory Assets	Regulatory Liabilities	Regulatory Assets	Regulatory Liabilities
Income taxes	$ 830,327	$ 241,703	$ 776,023	$ 261,797
Postretirement benefits -Pension	-	100,879	-	85,979
Postretirement benefits-OPEB	(2,500)	-	(1,069)	-
Utility plant retirement costs	9,632	-	9,380	-
Accrued vacation	91	-	456	-
Rate case filing expenses & other	23,126	-	19,698	-
	$ 860,676	$ 342,582	$ 804,488	$ 347,776

5. Regulatory Assets and Liabilities (Continued)

Items giving rise to deferred state income taxes as well as a portion of deferred Federal income taxes related to certain differences between tax and book depreciation expense are recognized in the rate setting process on a cash or flow-through basis and will be recovered as they reverse. Amounts include differences that arise between certain utility asset improvement costs capitalized for book and deducted as a repair expense for tax purposes. On December 22, 2017, the Tax Cuts and Job Act ("TCJA") was enacted, which reduced the Federal corporate income tax rate from 35% to 21%. Reductions in accumulated deferred income tax balances due to the reduction in the corporate income tax rate to 21% under the provisions of the TCJA will result in amounts previously collected from utility customers for these deferred taxes to be refundable to such customers, generally through reductions in future rates. The TCJA includes provisions that stipulate how these excess deferred taxes relating to certain accelerated tax depreciation benefits are to be passed back to customers. In 2019, the amortization of the excess deferred income taxes was incorporated into the Company's cost of service by a rate order issued in May 2019.

The regulatory liability related to the catch-up component of the Company's repair tax accounting change represents the tax benefits realized, which have not yet flowed-through as a reduction to income tax expense due to the ten-year amortization period which began in 2013.

Postretirement benefits include pension and other postretirement benefits. The regulatory liability for postretirement benefits related to pension represents amounts recovered through rates before the costs are incurred. The regulatory balance related to postretirement benefits other than pensions includes deferred amounts funded by customers in excess of required amounts needing funding through an actuarial study. Excess funding of postretirement benefits since the Company's last base rate case and included as a reduction to cost of service postretirement benefits expense through an amortization. Postretirement benefits expense funding excess or deficit is periodically reviewed during each rate case filed by the Company and fully recoverable in future rates charged to customers.

5. Regulatory Assets and Liabilities (Continued)

The regulatory asset for utility plant retirement costs, representing cost of removal, represents costs already incurred that are expected to be recovered in future rates over a five-year recovery period.

The regulatory asset for accrued vacation represents costs that would otherwise be charged to operations and maintenance expense for vacation that is earned by employees, which is recovered as a cost of service.

The regulatory asset related to rate case filing expenses represents the costs associated with filing for rate increases that are deferred and amortized over periods that range from one to three years. Other represents costs incurred by the Company for which it has received or expects to receive rate recovery.

6. Commitments and Contingencies

The Company maintains agreements with other water purveyors for the purchase of water to supplement its water supply, particularly during periods of peak demands. The agreements stipulate purchases of minimum quantities of water or charge a monthly commitment fee through the year 2026. The Company is committed to a total of $14,301 in water purchase payments: $3,390 in 2022, $3,386 in 2023, $3,361 in 2024, $3,212 in 2025, $621 in 2026 and $331 thereafter. The Company purchased approximately $4,732 and $4,808 of water under these agreements during the years ended December 31, 2021 and 2020, respectively.

The Company is routinely involved in condemnation procedures and legal matters during the ordinary course of business. Although the results of legal proceedings cannot be predicted with certainty, there are no other pending legal proceedings to which the Company is a party or to which any of its properties is the subject that are material or are expected to have a material effect on the Company’s financial position, results of operations or cash flows.

7. Leases

The Company leases facilities and other equipment for use in its operations, which are accounted for as operating leases. Leases with a term of 12 months or less are not recorded on the balance sheet; rather, lease expense is recognized over the lease term. Our leases have remaining lives of 1 year to 32 years.

Some of the Company's leases can be extended on a month-to-month basis, which allow us to terminate the lease at any given month without penalty while others include options to extend the leases for up to 50 years. The renewal of a month-to-month lease is at our sole discretion.

The Company accounts for lease and non-lease components of lease arrangements separately. For calculating lease liabilities, we may deem lease terms to include options to extend or terminate the lease when it's reasonably certain that we will exercise that option. The Company's lease agreements do not contain significant residual value guarantees, restrictions or covenants.

Lease liabilities and corresponding right-of-use assets are recorded based on the present value of the lease payments over the expected lease term, including leases with variable payments that are based on a market rate or an index. All other variable payments are expensed as incurred. Since the Company's lease agreements do not provide an implicit interest rate, the Company utilized the Parent's incremental borrowing rate to determine the discount rate used to present value the lease payments.

	Years Ended December 31,	
Components of lease expense were as follows:	2021	2020
Operating lease cost	$ 684	$ 661

	Year Ended December 31,	
	2021	2020
Supplemental cash flow information related to leases was as follows:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 610	$ 628

7. Leases (continued)

Supplemental balance sheet information related to leases was as follows:	Year Ended December 31,	
Operating leases:	2021	2020
Operating lease right-of-use assets	$ 8,408	$ 8,556
Other accrued liabilities	267	241
Operating lease liabilities	8,141	8,315
Total operating lease liabilities	$ 8,408	$ 8,556

	Year Ended December 31,	
Weighted average remaining lease term:	2021	2020
Operating leases	25 years	26 years
Weighted average discount rate:		
Operating leases	4.22%	4.22%

	Operating Leases
2022	$ 597
2023	570
2024	525
2025	525
2026	525
Thereafter	10,394
Total operating lease payments	$ 13,136
Total operating lease payments	$ 13,136
Less operating lease liabilities	8,408
Present value adjustment	$ 4,728

8. Long-term Debt and Loans Payable

The consolidated Statements of Capitalization provide a summary of long-term debt as of December 31, 2021 and 2020. The supplemental indentures with respect to certain issues of the First Mortgage Bonds restrict the ability of the Company to declare dividends, in cash or property, or repurchase or otherwise acquire the Company's stock. Approximately $1,929,339 and $1,729,269 of the Company's retained earnings were free of these restrictions as of December 31, 2021 and 2020, respectively. Certain supplemental indentures also prohibit the Company from making loans to, or purchasing the stock of the Parent. Loan agreements for the Company contain restrictions on minimum net assets. As of December 31, 2021, there were restrictions on the Company's net assets of $1,523,351 of their total net assets of $2,158,272.

8. Long-term Debt and Loans Payable (Continued)

Sinking fund payments are required for certain issues of long-term debt. The future sinking fund payments and debt maturities of the Company's long-term debt are as follows:

Interest Rate Range	2022	2023	2024	2025	2026	Thereafter
1.00% To 1.99%	947	826	755	766	776	5,271
2.00% To 2.99%	1,965	2,017	1,619	1,427	1,304	153,566
3.00% To 3.99%	2,470	1,836	1,530	598	553	700,874
4.00% To 4.99%	-	-	-	-	-	847,705
5.00% To 5.99%	-	10,000	10,000	-	-	21,940
6.00% To 6.99%	-	-	-	-	-	20,000
7.00% To 7.99%	-	-	-	15,000	-	-
9.00% To 9.99%	-	-	-	-	11,801	-
Total	5,382	14,679	13,904	17,791	14,434	1,749,356

In November 2021, the Company renewed its $100,000 364-day unsecured revolving credit facility with four banks. The funds borrowed under this agreement are classified as loans payable and are used to provide working capital. As of December 31, 2021, and 2020, funds borrowed under the Company's revolving credit agreement were $35,000, and $49,198, respectively. Prior to November 2021, interest under this facility is based, at the borrower's option, on the prime rate, an adjusted federal funds rate, an adjusted London Interbank Offered Rate corresponding to the interest period selected, an adjusted Euro-Rate corresponding to the interest period selected or at rates offered by the banks. Effective November 2021, interest under this facility is based, at the borrower's option, on the prime rate, an adjusted overnight bank funding rate, or an adjusted Bloomberg Short-Term Bank Yield Index (BSBY) floating rate. This agreement restricts short-term borrowing of the Company. A renewal fee of 5.0 basis points was charged on the total commitment amount of the revolving credit agreement. The average cost of borrowing under this facility was 0.78% and 1.12%, and the average borrowing was $40,312 and $37,166 during 2021 and 2020, respectively. The maximum amount outstanding at the end of any one month was $70,000 in 2021 and $54,669 in 2020.

8. Long-term Debt and Loans Payable (Continued)

In November 2020, the Company issued $150,000 of first mortgage bonds, of which $50,000 is due in 2053, $50,000 is due in 2057 and $50,000 is due in 2058 with interest rates of 2.85%, 2.89% and 2.90%, respectively. The proceeds from these bonds were used to repay existing indebtedness and for general corporate purposes.

In September 2020, the Company provided notice for the early redemption of $25,910 of tax exempt bonds at 5.00% that were originally maturing 2033, $19,270 of tax-exempt bonds at 5.00% that were originally maturing in 2034, $15,000 of tax-exempt bonds at 4.50% that were originally maturing in 2042 and $81,205 of tax-exempt bonds at 5.00% that were originally maturing in 2043.

In May 2020, the Company issued $175,000 of first mortgage bonds, of which $75,000 is due in 2051, $50,000 is due in 2055 and $50,000 is due in 2056 with interest rates of 3.49%, 3.54% and 3.55%, respectively. The proceeds from these bonds were used to repay existing indebtedness and for general corporate purposes.

9. Fair Value of Financial Instruments

The carrying amount of current assets and liabilities that are considered financial instruments approximates their fair values as of the dates presented. The carrying amount of the Company's long-term debt as of December 31, 2021 and 2020 is $1,815,546 and $1,827,114 respectively. The estimated fair value of the Company's long-term debt as of December 31, 2021 and 2020 is $2,118,674 and $2,193,824 , respectively. The fair value of long-term debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments of the same duration.

The Company's customers' advances for construction and related tax deposits have carrying values of $60,489 and $55,059 at December 31, 2021 and 2020, respectively. Their relative fair values cannot be accurately estimated since future refund payments depend on several variables, including new customer connections, customer consumption levels and future rate increases. Portions of these non-interest bearing instruments are payable annually through 2030 and amounts not paid by the contract expiration dates become non-refundable. The fair value of these amounts would, however, be less than their carrying value due to the non-interest bearing feature.

10. Pension Plans and Other Postretirement Benefits

The Company participates in a noncontributory qualified defined benefit pension plan sponsored by the Parent covering non-union employees hired prior to April 1, 2003 and select union employees. The eligibility of union employees is determined by the collective bargaining agreements covering those employees. Benefits under the plan are based on the participant's years of service and the annual average of the applicable compensation during the five consecutive computation periods of the final 10 computation periods as an active participant yielding the highest such average. Pension cost of the Company is based on amounts contributed to the pension plan as approved by the Parent and incorporated in rates approved by the PAPUC. Information regarding accumulated and projected benefit obligations is not prepared at the subsidiary level.

In August 2014, the Parent announced changes to the way it will provide future retirement benefits to employees acquired through a prior acquisition. Effective January 1, 2015, the Parent will provide future retirement benefits for these employees through its deferred contribution plan. As a result, no further

10. Pension Plans and Other Postretirement Benefits (Continued)

service will be considered in future accruals in the qualified defined benefit pension plan after December 31, 2014.

The funding amount for the pension plan for Essential Utilities, Inc. Retirement Income Plan will be determined each year based on the recommendation of management and subject to approval by the Parent's Pension Committee. The funding amount will be an amount greater than or equal to the minimum required contribution and less than or equal to the maximum tax deductible contribution. The Company recorded pension funding and expense of $12,000 and $9,780 in 2021 and 2020, respectively.

The Company participates in two postretirement benefit plans sponsored by the Parent that provide certain life insurance benefits for retired employees and certain health care benefits for retired employees and their dependents. Employees may become eligible for these benefits if they have completed at least fifteen years of service and retire from the Company after reaching age 55 while still working for the Company. Retirees and their dependents under age 65 are covered by a point-of-service managed care plan that requires co-payments or an HMO. Employees hired after April 1, 2003 are not eligible for benefits.

Employees who elect to retire prior to attaining age 65 are generally required to make contributions towards their medical coverage until attaining 65. Retirees and their dependents age 65 and over are required to purchase their own medical and drug coverage. The cost of this coverage is offset by Company contributions deposited in the plan's Premium Reimbursement Account. Costs of the Company are based on amounts contributed to the plans and incorporated in rates approved by the PAPUC.

The Company's funding policy is to contribute the lower of the other postretirement benefits cost or the maximum allowed by the Internal Revenue Code. The Company recorded costs for postretirement benefits other than pensions of $1,924 and $1,924 in 2021 and 2020, respectively. The Company funded postretirement benefits other than pensions of $0 in 2021 and $253 in 2020. Information regarding accumulated and projected benefit obligations is not prepared at the subsidiary level.

The Parent has 401(k) savings plans, which are defined contribution plans and cover substantially all employees. The Company makes matching contributions that are based on a percentage of the employee's contribution,

10. Pension Plans and Other Postretirement Benefits (Continued)

subject to specific limitations, as well as certain other Company contributions. Participants may diversify their Company matching account balances into other investments offered under 401(k) savings plans. The Company's contributions, which are recorded as compensation expense, were $2,379 and $2,136 for 2021 and 2020, respectively.

11. Employee Stock and Incentive Plan

The Company's employees participate in an Equity Compensation Plan sponsored by the Parent. Under the Essential Utilities, Inc. 2009 Omnibus Equity Compensation Plan, as approved by the Parent's shareholders to replace the 2004 Equity Compensation Plan, stock options, stock units, stock awards, stock appreciation rights, dividend equivalents, and other stock-based awards may be granted to the Company's employees, non-employee directors and consultants and advisors. During 2019, the Parent granted stock options, which are based upon the common stock of the Parent. Options are exercisable in installments of 33% annually, starting one year from the date of the grant and expire 10 years from the date of the grant. The Parent determines the grant date fair value per stock option using the Black-Scholes option-pricing model.

The fair value of each stock option is amortized into compensation expense using the graded vesting method, which results in the recognition of compensation costs over the requisite service period for each separately vesting tranche of the stock options as though the stock options were, in substance, multiple stock option grants. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs. Since the Company is not obligated to reimburse the Parent for stock-based compensation costs incurred, the Company records these liabilities resulting from compensation costs to paid-in capital.

For the year ended December 31, 2021, the Company's stock-based compensation related to stock options resulted in the following: operations and maintenance expense of $52 and lowered income tax expense by $15. For the year ended December 31, 2020, the Company's stock-based compensation related to stock options resulted in the following: operations and maintenance expense of $141 and lowered income tax expense by $41.

11. Employee Stock and Incentive Plan (Continued)

During 2021 and 2020, the Parent granted performance share units ("PSU"). A PSU represents the right to receive a share of the Parent's common stock if specified performance goals are met over the three year performance period specified in the grant, subject to exceptions through the respective vesting periods. The fair value of each PSU grant is amortized into compensation expense on a straight-line basis through the respective vesting period, which is generally three years. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. During the year ended December 31, 2021, the Company recorded stock-based compensation related to PSU's as a component of operations and maintenance expense of $521 and recorded an income tax benefit of $150. During the year ended December 31, 2020, the Company recorded stock-based compensation related to PSU's as a component of operations and maintenance expense of $358 and recorded an income tax benefit of $104. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs.

During 2021 and 2020, the Parent granted restricted share units ("RSU"). A RSU represents the right to receive a share of the Parent's common stock and are valued based on the fair market value of the Parent's stock on the date of grant. RSUs are eligible to be earned at the end of a specified restriction period, generally three years, beginning on the date of grant. In some cases, the right to receive the shares is subject to specific performance goals established at the time the grant is made. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. During the year ended December 31, 2021, the Company recorded stock-based compensation related to awards of RSUs as a component of operations and maintenance expense of $282 and recorded income tax benefit of $81. During the year ended December 31, 2020, the Company recorded stock-based compensation related to awards of RSUs as a component of operations and maintenance expense of $265 and recorded income tax benefit of $77. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs.

12. Water and Wastewater Rates

On August 20, 2021, Aqua Pennsylvania, filed an application with the PAPUC designed to increase water and wastewater rates by $97,685 or 17.9% on an annual basis. The Company anticipates a final order to be issued by May 2022.

In May 2019, the Pennsylvania Public Utility Commission granted Aqua Pennsylvania a water and wastewater increase of base rates designed with $158,865 of tax benefits to be flowed-through to income for qualifying utility asset improvement costs, subject to $3,000 either above or below this target amount. To the extent actual tax benefits are outside this range, tax benefits will either be deferred or accrued, and settled in the next rate filing.

The Distribution System Improvement Charges ("DSIC") enables water and wastewater utilities in Pennsylvania to add a surcharge to customer bills to offset the additional depreciation and capital costs related to infrastructure system replacement and rehabilitation projects completed and placed into service between base rate filings. The Company is permitted to request adjustments to the DSIC quarterly to reflect subsequent capital expenditures and it is reset to zero when new base rates that reflect the costs of those additions become effective or when the Company's earnings exceed a PAPUC benchmark. The maximum DSIC that can be in effect at any time is 7.5% for water and 5.0% for wastewater. The DSIC provided revenues of $22,043 and $3,817 in 2021 and 2020, respectively.

In addition to its base rates and the DSIC, the Company has utilized a surcharge or credit on its bills to reflect certain changes in Pennsylvania State Taxes, called the State Tax Adjustment Surcharge ("STAS') until such time as the tax changes are incorporated into base rates. The Company's STAS surcharge rates remained at zero during 2021 and 2020.

13. Affiliated Company Transactions

The Company has service agreements with the Parent and subsidiaries of the Parent ("other affiliates"). The types of services rendered between these entities relate to general supervision and administrative functions, long-range planning, tax, accounting, financing, engineering, legal, data processing services and other specialized support. Expenditures recorded for these services from the Parent and other affiliates amounted to approximately $36,696 and $35,633 for 2021 and 2020, respectively, and of those amounts, $25,102 and $24,910, respectively, have been recorded within Operations, maintenance and administrative expenses on the Consolidated Statements of Income with the remainder recorded to net utility plant on the Consolidated Balance Sheets. The Company also provides various management, advisory, and other services for other affiliates and is reimbursed by these affiliates. The amounts billed were $262 and $588 in 2021 and 2020, respectively. Additionally, the Parent may fund acquisitions on behalf of the Company, and such amounts would be included in the accounts payable-affiliates account.

The Company participates in the Parent's centralized treasury function whereby the Company transfers its cash to the Parent. Under this arrangement, available cash is used to fund accounts payable due from the Company and to pay-down accounts payable-affiliate, or available cash would be reflected as amounts due from the Parent and other affiliates to the Company. The reduction of the accounts payable-affiliates will also be settled through the collection of cash on behalf of the Company and capital contributions. The Parent made cash contributions of $100,000 and $20,000 to the Company in 2021 and 2020, respectively, which is disclosed in the Consolidated Statement of Stockholder's Equity.

The amounts owed to the Parent and other affiliates by the Company were $76,786 and $44,804 at December 31, 2021 and 2020, respectively. Amounts owed to the Parent and other affiliates are reflected in the accompanying balance sheet.

Amounts due from the Parent and other affiliates to the Company amounted to $41 and $75 at December 31, 2021 and 2020, respectively. Amounts due from the Parent and other affiliates are reflected in the accompanying balance sheet.

The Company returned noncash equity contributions to the Parent of $54,502 and $51,437 in 2021 and 2020, respectively, which is reported on the Statements of Consolidated Stockholder's Equity as return of capital contributions. In 2021 and 2020, the return of these noncash equity contributions related to the settlement of certain net intercompany receivables due from the Parent.

AQUA PENNSYLVANIA, INC.

(a wholly owned subsidiary of Essential Utilities, Inc.)

Consolidated Financial Statements
As of and for the years ended
December 31, 2022 and 2021

Report of Independent Auditors

To the Board of Directors and Stockholder of Aqua Pennsylvania, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Aqua Pennsylvania Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of income, of cash flows, of capitalization, and of stockholder's equity for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are

considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Philadelphia, Pennsylvania
April 28, 2023

AQUA PENNSYLVANIA, INC.
Consolidated Balance Sheets
(In thousands of dollars, except per share amounts)
December 31, 2022 and 2021

Assets	2022	2021
Utility plant, net of accumulated depreciation	$ 4,729,404	$ 4,423,732
Construction work-in-progress	180,776	152,319
Utility plant acquisition adjustment, net	553	(502)
Net utility plant	4,910,733	4,575,549
Investment in nonutility property, net of accumulated depreciation	22,909	23,453
Current assets:		
Cash and cash equivalents	1,457	2,616
Accounts receivable, less allowance for doubtful accounts of $12,579 and $11,317, in 2022 and 2021, respectively	57,850	44,420
Accounts receivable-affiliates	87,496	41
Unbilled revenues	32,595	26,829
Materials and supplies	18,646	16,421
Prepayments and other current assets	3,135	4,984
Total current assets	201,179	95,311
Deferred charges and non-current assets:		
Debt issuance expense, net of accumulated amortization	12	133
Regulatory assets	746,356	860,585
Other deferred charges, net	4,623	4,808
Operating lease right-of-use assets	8,149	8,408
Goodwill	34,304	34,304
Pension	104,893	89,699
Total deferred charges and non-current assets	898,337	997,937
Total assets	$ 6,033,158	$ 5,692,250

Liabilities and Stockholder's Equity	2022	2021
Common stockholder's equity:		
Common stock, $100 par value, 1,000,000 shares authorized, 1,000 shares issued and outstanding	$ 100	$ 100
Capital in excess of par value	283,930	208,833
Retained earnings	2,178,502	1,949,339
Total stockholder's equity	2,462,532	2,158,272
Long-term debt, excluding current portion	1,920,204	1,810,164
Debt issuance expense, net of amortization	(13,072)	(13,192)
Total long-term debt, excluding current portion, net of debt issuance costs	1,907,132	1,796,972
Current liabilities:		
Current portion of long-term debt	14,903	5,382
Loans payable	20,000	35,000
Accounts payable	44,040	31,886
Accounts payable-affiliates	68,981	48,448
Income taxes payable	-	563
Accrued interest	20,564	19,539
Other current liabilities	7,836	7,368
Total current liabilities	176,324	148,186
Deferred credits and other non-current liabilities:		
Customers' advances for construction	59,927	60,489
Deferred income taxes	856,740	964,135
Investment tax credits	3,361	3,614
Regulatory liabilities	346,924	342,582
Operating lease liabilities	7,893	8,141
Accounts Payable-affiliates	28,338	28,338
Other	23,159	24,950
Total deferred credits and other non-current liabilities	1,326,342	1,432,249
Contributions in aid of construction	160,828	156,571
Total liabilities and stockholder's equity	$ 6,033,158	$ 5,692,250

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Income
(In thousands of dollars)
Years ended December 31, 2022 and 2021

	2022	2021
Operating revenues	$ 605,409	$ 530,001
Operating expenses:		
Operating, maintenance and administrative expenses	162,089	146,653
Depreciation	121,777	111,951
Amortization	(415)	(561)
Taxes other than income taxes	12,275	13,666
Gain on sale of other assets	(885)	(822)
Total operating expenses	294,841	270,887
Operating income	310,568	259,114
Other expense:		
Interest on long-term debt	73,035	72,338
Other interest expense, net	1,082	846
Allowance for funds used during construction	(12,152)	(9,101)
Other net periodic benefit costs (income)	(4,790)	(4,971)
Amortization of debt issuance costs	138	145
Other expense (income), net	(2,151)	(2,399)
Total other expense	55,162	56,858
Income before income taxes	255,406	202,256
Provision for income taxes	26,244	2,187
Net income	$ 229,162	$ 200,069

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Cash Flows
(In thousands of dollars)
Years ended December 31, 2022 and 2021

Cash flows from operating activities:	2022	2021
Net income	$ 229,162	$ 200,069
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	121,500	111,535
Deferred income taxes and income tax credits	(1,513)	(4,761)
Provision for doubtful accounts	1,263	2,949
Stock based compensation	714	854
Gain on sale of other assets	(885)	(822)
Allowance for equity funds used during construction	(9,137)	(6,963)
Changes in current assets and current liabilities:		
Receivables, unbilled revenue, materials and supplies and prepayments	(23,719)	(13,111)
Income taxes receivable/payable and other accrued taxes	(1,982)	4,321
Affiliate receivable/payable	(166,923)	(24,350)
Payables and other accrued liabilities	(985)	1,996
Accrued interest	1,025	(299)
Other	(2,190)	3,633
Net cash provided by operating activities	146,330	275,051
Cash flows used in investing activities:		
Construction expenditures	(317,851)	(344,192)
Allowance for borrowed funds used during construction	(3,015)	(2,138)
Net proceeds on sale of other assets	975	936
Net cash used in investing activities	(319,891)	(345,394)
Cash flows from financing activities:		
Customers' advances and contributions in aid of construction	1,272	825
Repayments of customers' advances	(3,032)	(2,801)
Net repayments of loans payable	(15,000)	(14,350)
Proceeds from long-term debt	124,581	44
Repayments of long-term debt	(5,419)	(11,540)
Capital contribution from (to) Essential Utilities, Inc.	70,000	100,000
Net cash provided by financing activities	172,402	72,178
Net change in cash and cash equivalents	(1,159)	1,835
Cash and cash equivalents at beginning of year	2,616	781
Cash and cash equivalents at end of year	$ 1,457	$ 2,616

Cash paid for interest on borrowings, net of amounts capitalized, was $70,077 and $71,345 in 2022 and 2021, respectively.
Cash paid for income taxes was $8,287 and $2,782 in 2022 and 2021, respectively.
Non-cash financing activity - Return of Capital Contribution to Parent was $100,000 and $54,502 in 2022 and 2021, respectively.
See Note 1 - Summary of Significant Accounting Policies-Customers' Advances for Construction and Contributions in Aid of Construction, Note 11-Employee Stock and Incentive Plan and Note 13 - Affiliated Company Transactions for description of non-cash activities.
See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Capitalization
(In thousands of dollars)
December 31, 2022 and 2021

			2022	2021
Stockholders' equity:				
Common stock, $100 par value, authorized 1,000,000 shares				
1,000 shares issued and outstanding			$ 100	$ 100
Capital in excess of par value			283,930	208,833
Retained earnings			2,178,502	1,949,339
Total common stockholders' equity			2,462,532	2,158,272
Long-term debt:				
Long-term debt (substantially secured by utility plant):				
Interest Rate Range	Maturity Date Range			
1.00% to 1.99%	2023	to 2039	8,368	9,341
2.00% to 2.99%	2024	to 2058	159,755	161,899
3.00% to 3.99%	2022	to 2056	705,609	707,861
4.00% to 4.99%	2040	to 2059	972,572	847,705
5.00% to 5.99%	2028	to 2043	2,003	1,940
6.00% to 6.99%	2027		20,000	20,000
7.00% to 7.99%	2025		15,000	15,000
9.00% to 9.99%	2026		11,800	11,800
			1,895,107	1,775,546
Unsecured notes payable:				
Notes at 5.95%, due 2023 through 2034			40,000	40,000
			1,935,107	1,815,546
Current portion of long-term debt			14,903	5,382
Long-term debt, excluding current portion			1,920,204	1,810,164
Less: debt issuance costs			13,072	13,192
Long-term debt, excluding current portion, net of debt issuance costs			1,907,132	1,796,972
Total capitalization			$ 4,369,664	$ 3,955,244

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Stockholder's Equity
(In thousands of dollars, except per share amounts)
Years ended December 31, 2022 and 2021

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Total Stockholder's Equity
Balance at December 31, 2020	$ 100	$ 162,481	$ 1,749,270	$ 1,911,851
Net income	-	-	200,069	200,069
Stock based compensation	-	854	-	854
Capital contribution from Essential Utilities, Inc.	-	100,000	-	100,000
Return of capital contribution to Essential Utilities, Inc.	-	(54,502)	-	(54,502)
Balance at December 31, 2021	100	208,833	1,949,339	2,158,272
Net income	-	-	229,162	229,162
Stock based compensation	-	714	-	714
Acquisitions funded by Essential Utilities, Inc.	-	104,384	-	104,384
Capital contribution from Essential Utilities, Inc.	-	70,000	-	70,000
Return of capital contribution to Essential Utilities, Inc.	-	(100,000)	-	(100,000)
Balance at December 31, 2022	$ 100	$ 283,931	$ 2,178,501	$ 2,462,532

See accompanying notes to consolidated financial statements.

1. Summary of Significant Accounting Policies

Nature of Operations

Aqua Pennsylvania, Inc. ("the Company") is a regulated public utility which supplies water to residential, commercial and industrial customers. The Company's customers are principally located in the suburban areas north and west of the City of Philadelphia and in 27 other counties in Pennsylvania. No single customer accounted for more than one percent of the Company's operating revenues in 2022 or 2021. The Company is a wholly owned subsidiary of Essential Utilities, Inc. ("the Parent"). The Company has wholly owned subsidiaries that are regulated public utilities which provide water and wastewater services to customers in Pennsylvania.

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation

The Company's consolidated financial statements are presented in accordance with U.S. generally accepted accounting principles.

The Company has evaluated the period from December 31, 2022, the date of the consolidated financial statements, through April 28, 2023, the date the consolidated financial statements were available for issuance, for subsequent events and determined that no material subsequent events occurred that would affect the information presented in these consolidated financial statements or require additional disclosures.

Use of Estimates in Preparation of Consolidated Financial Statement

The preparation of consolidated financial statements in conformity with accounting principles accepted in the United States of America requires

1. Summary of Significant Accounting Policies (Continued)

Use of Estimates in Preparation of Consolidated Financial Statement (Continued)

management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Recognition of Revenues

The Company recognizes revenue as water and wastewater services are provided to our customers, which happens over time as the service is delivered and the performance obligation is satisfied. Operating revenues include amounts billed to customers on a cycle basis and unbilled amounts based on estimated usage from the date of the latest meter read to the end of the accounting period. The Company's actual results could differ from these estimates. Unbilled amounts are included in unbilled revenues on the consolidated balance sheet.

Generally, payment is due within 30 days once a bill is issued to a customer. Sales tax and other taxes we collect on behalf of government authorities, concurrent with our revenue-producing activities, are primarily excluded from revenue. The following table presents our revenues disaggregated by major source and customer class:

1. Summary of Significant Accounting Policies (Continued)

Recognition of Revenues (Continued)

	Twelve Months Ended December 31,2022		
	Water Revenues	Wastewater Revenues	Other Revenues
Residential	$ 347,093	$ 41,983	$ -
Commercial	124,004	16,474	-
Fire protection	23,860	-	-
Industrial	21,231	151	-
Other water	28,546	-	-
Other wastewater	-	2,067	-
Other utility	-	-	6,010
Revenue Total-2022	$ 544,734	$ 60,675	$ 6,010

	Twelve Months Ended December 31,2021		
	Water Revenues	Wastewater Revenues	Other Revenues
Residential	$ 310,571	$ 24,494	-
Commercial	108,547	9,869	-
Fire protection	21,412	-	-
Industrial	18,683	4	-
Other water	34,328	-	-
Other wastewater	-	2,093	-
Other utility	-	-	7,402
Revenue Total-2021	$ 493,541	$ 36,460	$ 7,402

1. Summary of Significant Accounting Policies (Continued)

Recognition of Revenues (Continued)

Revenues from Contracts with Customers – These revenues are composed of three main categories: water, wastewater, and other. Water revenues represent revenues earned for supplying customers with water service. Wastewater revenues represent revenues earned for treating wastewater and releasing it into the water supply. Other revenues are associated fees that relate to the regulated business but are not water and wastewater revenues. See description below for a discussion on the performance obligation for each of these revenue streams:

- Tariff Revenues - These revenues are categorized by customer class: residential, commercial, fire protection, industrial, other water, and other wastewater. The rates that generate these revenues are approved by the state utility commission, and revenues are billed cyclically and accrued for when unbilled. Other water and other wastewater revenues consist primarily of fines, penalties, surcharges, and availability lot fees. Our performance obligation for tariff revenues is to provide potable water or wastewater treatment service to customers. This performance obligation is satisfied over time as the services are rendered. The amounts that the Company has a right to invoice for tariff revenues reflect the right to consideration from the customers in an amount that corresponds directly with the value transferred to the customer for the performance completed to date.

- Other Utility Revenues - Other utility revenues represent revenues earned primarily from: antenna revenues, which represent fees received from telecommunication operators that have put cellular antennas on our water towers, operation and maintenance and billing contracts, which represent fees earned from municipalities for our operation of their water or wastewater treatment services or performing billing services, and fees earned from developers for accessing our water mains. The performance obligations vary for these revenues, but all are primarily recognized over time as the service is delivered.

1. Summary of Significant Accounting Policies (Continued)

Regulation

As a regulated public water and wastewater utility, the Company is subject to regulation by the Pennsylvania Public Utility Commission ("PAPUC"), which has jurisdiction with respect to rates, service, accounting procedures, acquisitions and other matters. Regulated public utilities follow the Financial Accounting Standards Board's ("FASB") accounting guidance for regulated operations, which provides for the recognition of regulatory assets and liabilities as allowed by regulators for costs or credits that are reflected in current rates or are considered probable of being included in future rates. Costs for which the Company has received or expects to receive prospective rate recovery are deferred as regulatory assets and amortized over the period of rate recovery in accordance with the FASB's accounting guidance for regulated operations. The regulatory assets or liabilities are then relieved as the cost or credit is reflected in Company's rates charged for utility service. If, as a result of a change in circumstances, it is determined that the Company no longer meets the criteria to apply regulatory accounting, the Company would have to discontinue regulatory accounting and write-off the respective regulatory assets and liabilities. See Note – 5 *Regulatory Assets and Liabilities* for further information regarding the Company's regulatory assets.

The Company makes significant judgments and estimates to record regulatory assets and liabilities. For each regulatory jurisdiction with regulated operations, the Company evaluates at the end of each reporting period whether the regulatory assets and liabilities continue to meet the probable criteria for future recovery or refund. The evaluation considers factors such as regulatory orders or guidelines, in the same regulatory jurisdiction, of a specific matter or a similar matter, as provided to the Company in the past or to other regulated utilities. In addition, the evaluation may be impacted by changes in the regulatory environment and pending or new legislation that could impact the ability to recover costs through regulated rates. There may be multiple participants to rate or transactional regulatory proceedings who might offer different views on various aspects of such proceedings, and in these instances may challenge the prudence of our business policies and practices, seek cost disallowances or request other relief.

1. Summary of Significant Accounting Policies (Continued)

Utility Plant and Depreciation

Utility plant is stated at cost which includes contracted cost, direct labor and fringe benefits, materials, overheads, and for certain utility plant, an allowance for the cost of funds used during construction. Water systems acquired are recorded at estimated original cost when first devoted to utility service and the applicable depreciation is recorded in accumulated depreciation. Utility plant acquisition adjustment represents the difference between the estimated original cost, less applicable depreciation and the purchase price of utility plant assets acquired through business acquisitions. Acquisition adjustments are amortized over 20 years if recoverable in rate base.

Utility expenditures for maintenance and repairs, including major maintenance projects and minor renewals and betterments, are charged to operating expenses when incurred in accordance with the Uniform System of Accounts prescribed by the PAPUC. The cost of new units of property and betterments are capitalized.

The cost of software upgrades and enhancements are capitalized if they result in added functionality which enable the software to perform tasks it was previously incapable of performing. Certain information technology costs associated with major system installations, conversions and improvements, such as software training, data conversion and business process re-engineering costs, are deferred as a regulatory asset if the Company expects to recover these costs in future rates. If these costs are not deferred, then these costs are charged to operating expenses when incurred. As of December 31, 2022, $7,038 costs have been incurred and deferred since the last rate proceedings as a regulatory asset, and the deferral is reported as a component of net property, plant and equipment.

1. Summary of Significant Accounting Policies (Continued)

Utility Plant and Depreciation (Continued)

When units of property are replaced, retired or abandoned, the recorded value thereof is credited to utility plant and such value, together with the net cost of removal, is charged to accumulated depreciation. To the extent the Company recovers cost of removal or other retirement costs through rates after the retirement costs are incurred, a regulatory asset is recorded.

The straight-line remaining life method is used to compute depreciation on utility plant. The straight-line method is used with respect to transportation and mechanical equipment, office equipment and laboratory equipment. Depreciation is recorded over the estimated useful lives of the assets which range from 14 to 94 years for utility plant and 5 to 64 years for both transportation and mechanical equipment and all non-utility plant, office equipment and laboratory equipment.

Long-lived assets of the Company, which consist primarily of utility plant in service, operating lease right-of-use assets and intangible assets, are reviewed for impairment when changes in circumstances or events occur. These circumstances or events could include a decline in the market value or physical condition of a long-lived asset, an adverse change in the manner in which long-lived assets are used or planned to be used, a change in historical trends, operating cash flows associated with the long-lived assets, changes in macroeconomic conditions, industry and market conditions, or overall financial performance. When these circumstances or events occur, the Company determines whether it is more likely than not that the fair value of those assets is less than their carrying amount. If the Company determines that it is more likely than not (that is, the likelihood of more than 50 percent), the Company would recognize an impairment charge if it is determined that the carrying amount of an asset exceeds the sum of the undiscounted estimated cash flows. In this circumstance, the Company would recognize an impairment charge equal to the difference between the carrying amount and the fair value of the asset. Fair value is estimated to be the present value of future net cash flows associated with the asset, discounted using a discount rate commensurate with the risk and remaining life of the asset. During the year ended December 31, 2022, there have been no such circumstances or events.

Regulatory assets are reviewed for the continued application of the FASB accounting guidance for regulated operations. The Company's review determines whether there have been changes in circumstances or events, such as regulatory disallowances, or abandonments, that have occurred that require adjustments to the carrying value of these assets. Adjustments to the carrying value of these assets would be

1. Summary of Significant Accounting Policies (Continued)

made in instances where their inclusion in the rate-making process is unlikely. For utility plant in service, we would recognize an impairment loss for any amount disallowed by the PAPUC.

As of December 31, 2022, and 2021, property, plant and equipment additions purchased at the period end, but not yet paid for are $42,711 and $27,793, respectively.

Allowance for Funds Used During Construction

The allowance for funds used during construction ("AFUDC") is a credit to income which represents the estimated cost of funds used to finance the construction of utility plant. AFUDC is applied to construction projects requiring more than one month to complete. No AFUDC is applied to projects funded by customer advances for construction or contributions in aid of construction. AFUDC includes the net cost of borrowed funds and a rate of return on other funds when used, and is recovered through water rates as the utility plant is depreciated.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less, which are not restricted for construction activity, to be cash equivalents.

Accounts Receivable

Accounts receivable are recorded on the invoiced amounts. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in our existing accounts receivable, and is determined based on lifetime expected credit losses and the aging of account balances. The Company reviews the allowance for doubtful accounts quarterly. Account balances are written off against the allowance when it is probable the receivable will not be recovered. When utility customers request extended payment terms, credit is extended based on regulatory guidelines and collateral is not required. During 2022 and 2021, the Company increased its allowance for doubtful accounts as a result of its deterioration in its accounts receivable aging due to COVID-19.

1. Summary of Significant Accounting Policies (Continued)

Deferred Charges

Deferred charges consist of preliminary survey costs, retirement work in progress expenses and other expenses.

Other expenses, for which the Company has received or expects to receive prospective rate recovery, are deferred and amortized over the period of rate recovery.

Funds Restricted for Construction Activity

The proceeds received from certain financings for construction and capital improvement of utility facilities are held in escrow until the designated expenditures are incurred. These amounts are reported as funds restricted for construction activity and are expected to be released over time as the capital projects are funded. There are no restrictions outstanding as of December 31, 2022 or December 31, 2021.

Goodwill

Goodwill represents the excess cost over the fair value of net tangible and identifiable intangible assets acquired through acquisitions. Goodwill is not amortized but is tested for impairment annually, or more often if circumstances indicate a possible impairment may exist. When testing goodwill for impairment, the Company may assess qualitative factors, including macroeconomic conditions, industry and market considerations, cost factors, overall financial performance and entity specific events, to determine whether it's more likely than not that the fair value of a reporting unit is less than its carrying amount. Based on the assessment of the qualitative factors previously noted or on a voluntary basis, the Company may perform a quantitative goodwill impairment test by determining the fair value of a reporting unit, which we would estimate based on a discounted cash flow analysis and a market comparison analysis. If the Company performs a quantitative test and determines that the reporting unit's fair value is less than its carrying amount, the Company would record an impairment loss for the amount by which a reporting unit's carrying amount exceeds its fair value not to exceed the carrying amount of goodwill.

1. Summary of Significant Accounting Policies (Continued)

Goodwill (Continued)

In 2022, the Company changed the annual goodwill impairment test date from July 31 to October 1, which is a change in accounting principle, that management believes is preferable as the new test date better aligns with the long-term planning and forecasting process. The change did not delay, accelerate or avoid an impairment charge nor did it change the requirement to assess goodwill on an interim date between scheduled annual testing dates if triggering events are present. To ensure that no lapse in an assessment occurred since the prior period, during the third quarter of 2022, the Company performed qualitative tests as of July 31, 2022, and determined that it was more likely than not that the fair value exceeded carrying value at the time of the change in impairment test date. The Company also tested the goodwill attributable to its reporting unit for impairment as of October 1, 2022 in conjunction with the timing of its annual strategic business plan and concluded that the reporting unit's estimated fair value exceeded its carrying amount, indicating that the Company's goodwill was not impaired.

Income Taxes

The Company accounts for some income and expense items in different time periods for financial reporting than for tax reporting purposes. Deferred income taxes are provided on the temporary differences between the tax basis of the assets and liabilities and the amounts at which they are carried in the consolidated financial statements. The income tax effect of temporary differences not reflected currently in rates is recorded as deferred taxes with an offsetting regulatory asset or liability. These deferred income taxes are based on the enacted tax rates expected to be in effect when such temporary differences are projected to reverse. Investment tax credits are deferred and amortized over the estimated useful lives of the related properties.

The Company's earnings are included with those of the Parent and affiliated companies for purposes of filing a consolidated Federal income tax return. The allocation of the Federal income tax to the Company is computed on a stand-alone basis. See Note 13 for additional information regarding the Company and Parent company activity.

Judgment is required in evaluating the Company's Federal and state tax positions. Despite management's belief that the Company's tax return positions are fully supportable, the Company establishes reserves when it believes that its tax positions are likely to be challenged and it may not fully prevail in these challenges. The Company's provision for income taxes includes interest, penalties and reserves for uncertain tax positions.

The tax accounting method permits the expensing of qualifying utility asset improvement costs that were previously being capitalized and depreciated for book and tax purposes ("the Repairs"). The Repairs accounting authorized for the Company by the Pennsylvania Public Utility Commission ("PAPUC") provides for the

1. Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

flow-through treatment of qualifying income tax benefits, generating a reduction in income tax expense, and reduces the amount of taxes currently payable in both 2022 and 2021. For repair expense qualifying capital expenditures made prior to 2012 ("catch - up adjustment" or "481 Adjustment"), the Company was permitted by the PAPUC to amortize the resulting deferred tax benefits over ten years as a reduction to income tax expense that commenced in 2013. As a result of the May 2022 rate order, the remaining amortization period of the catch-up adjustment was extended to align with the Company's expected rate filing cadence and results in the expiration of the amortization in 2025. Both the catch-up and current benefits attributable to tax repairs expense are now included in the Company's cost of service and accounted for in the utility rates charged to customers. Additionally, as a result of the settlement, the current benefit recognized by the Company is limited to within a range of tax benefit ("the Collar"), which is between $155,060 and $163,060. Amounts recognized above or below the Collar are required to be recorded as either a regulatory asset or liability, subject to disposition in the next base rate case.

Customers' Advances for Construction

Water mains or, in some instances, cash advances to reimburse the Company its costs to construct water mains, are contributed to the Company by customers, real estate developers and builders in order to extend water service to their properties. The value of these contributions is recorded as Customers' Advances for Construction. The Company makes refunds on these advances over a specific period of time based on operating revenues related to the main or as new customers are connected to and take service from the main. After all refunds are made, any remaining balance is transferred to Contributions in Aid of Construction. Non-cash property, in the form of water mains, has been received as advances or contributions of $8,415 in 2022 and $11,269 in 2021

Contributions in Aid of Construction

Contributions in aid of construction include direct non-refundable contributions and the portion of customers' advances for construction that have become non-refundable. The Company depreciates contributed property and amortizes contributions in aid of construction at the composite rate of the related property. Contributions in aid of construction are deducted from the Company's rate base for rate-making purposes, and therefore, no return is earned on contributed property.

1. Summary of Significant Accounting Policies (Continued)

Contributions in Aid of Construction (Continued)

Non-cash property, in the form of water mains, has been received, generally from developers as contributions of $932 in 2022 and $411 in 2021

Materials and Supplies

Materials and supplies are stated at cost under the first-in, first-out method.

Other Comprehensive Income ("OCI")

For the periods presented, the Company does not have any OCI and therefore, comprehensive income equals net income. In addition, there is no accumulated comprehensive income.

Recent Accounting Pronouncements

Pronouncements to be adopted upon the effective date:

In October 2021, the FASB issued accounting guidance on accounting for acquired revenue contracts with customers in a business combination. The guidance specifies for all acquired revenue contracts, regardless of their timing of payment, the circumstances in which the acquirer should recognize contract assets and contract liabilities that are acquired in a business combination, as well as how to measure those contract assets and contract liabilities. The updated accounting guidance is effective for fiscal years beginning after December 15, 2022 with early adoption permitted. The Company adopted this guidance effective January 1, 2023, and will apply it prospectively to business combinations occurring on or after that date.

1. Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements (Continued)

Pronouncements adopted during the fiscal year:

In August 2020, the FASB issued updated accounting guidance on accounting for convertible instruments and contracts in an entity's own equity. The updated guidance reduces the number of accounting models for convertible debt and convertible preferred stock instruments and makes certain disclosure amendments intended to improve the information provided to users. Additionally, the guidance also amends the derivative guidance for the "own stock" scope exception, which exempts qualifying instruments from being accounted for as derivatives if certain criteria are met. Further, the standard changes the way certain convertible instruments are treated when calculating earnings per share. As permitted, we adopted this updated guidance on January 1, 2022, which did not have a material impact on our consolidated financial statements.

Recently issued accounting standards or pronouncements not disclosed above have been excluded as they are not relevant to the Company.

2. Utility Plant

Utility Plant is composed of the following:

	December 31, 2022	December 31, 2021	Approximate range of remaining lives
Utility plant			
Mains and accessories	$ 3,107,754	$ 2,979,145	26 to 84 years
Services, hydrants, treatment plants and reservoirs	1,660,468	1,503,530	18 to 73 years
Operations structures and water tanks	189,352	182,676	10 to 60 years
Miscellaneous pumping and purification equipment	532,273	462,101	9 to 47 years
Meters, data processing, transportation and operating equipment	539,272	500,510	5 to 44 years
Land and other non-depreciable assets	64,515	57,853	
Utility plant	6,093,634	5,685,815	
Utility construction work-in-progress	180,776	152,319	
Net utility plant acquisition adjustment	553	(502)	10 to 35 years
Total utility plant	6,274,963	5,837,632	
Accumulated depreciation	(1,364,230)	(1,262,083)	
Utility plant, net of accumulated depreciation	$ 4,910,733	$ 4,575,549	

3. Acquisitions

Water and Wastewater Utility Acquisitions – Completed:

In August 2022, the Company acquired the municipal wastewater assets of East Whiteland Township, Chester County, Pennsylvania, which serves 4,018 customers, for a cash purchase price of $54,374. Additionally, in March 2022, the Company acquired the wastewater system of Lower Makefield Township, which serves 11,323 customer connections in Lower Makefield, Falls, and Middletown townships, and Yardley Borough, Bucks County, Pennsylvania, for a cash purchase price of $53,000.

The purchase price allocation for these acquisitions consisted primarily of property, plant and equipment. The operating revenues included in the consolidated financial statements of the Company during the period owned by the Company for these utility systems acquired in 2022 are $11,120.

3. Acquisitions (Continued)

Water and Wastewater Utility Acquisitions – Pending Completion:

In October 2021, the Company entered into a purchase agreement to acquire the wastewater utility assets of the City of Beaver Falls, Pennsylvania which consists of approximately 7,600 customers for $41,250. In July 2021, the Company entered into a purchase agreement to acquire the water utility assets of Shenandoah Borough, Pennsylvania, which consists of approximately 2,930 customers for $12,000. In January 2021, the Company entered into purchase agreement to acquire the wastewater utility system assets of Willistown Township, Pennsylvania, which consist of approximately 2,300 customers for $17,500.

The purchase price for these pending acquisitions are subject to certain adjustments at closing, and are subject to regulatory approval, including the final determination of the fair value of the rate based acquired. These pending acquisitions are expected to close in 2023 and in early 2024. Closing for our utility acquisitions are subject to the timing of the regulatory approval process.

3. Acquisitions (Continued)

In September 2019, the Company entered into a purchase agreement to acquire the wastewater utility system assets of the Delaware County Regional Water Quality Control Authority ("DELCORA"), which consists of approximately 16,000 customers, or the equivalent of 198,000 retail customers, in 42 municipalities in Southeast Pennsylvania for $276,500. In May 2020, Delaware County, Pennsylvania filed a lawsuit alleging that DELCORA does not have the legal authority to establish and fund a customer trust with the net proceeds of the transaction. In December 2020, the judge in the Delaware County Court lawsuit issued an order that (1) the County cannot interfere with the purchase agreement between DELCORA and the Company, (2) the County cannot terminate DELCORA prior to the closing of the transaction, and (3) the establishment of the customer trust was valid. Delaware County appealed this decision to Commonwealth Court of Pennsylvania. On March 3, 2022, the Commonwealth Court issued a decision finding that Delaware County can dissolve the Authority if it so chooses, but the purchase agreement must be upheld regardless of who is operating the system. The case was remanded back to the trial court for the entry of an order consistent with the Commonwealth Court's opinion. This order was issued on September 8, 2022 ("Remand Order). Since then, the County has challenged the Remand Order through two separate actions:

First, Delaware County filed an Application for Determination of Finality ("Application") on October 13, 2022. The Company filed its opposition to the Application on October 27, 2022, and on November 2, 2022, the Delaware County Court of Common Pleas denied Delaware County's Application for Determination of Finality indicating that its previous order already constituted a final order that addressed the claims of all parties. On December 2, 2022, following the denial of its Application, Delaware County filed a Petition for Permission to Appeal ("Petition") the Remand Order in the Commonwealth Court of Pennsylvania. On December 16, 2022, the Company filed an Answer in opposition to the Petition, and the matter is currently pending before Commonwealth Court.

3. Acquisitions (Continued)

Second, on November 2, 2022, Delaware County filed a Notice of Appeal ("Notice of Appeal") from the Remand Order. On December 2, 2022, the Delaware County of Common Pleas issued an Opinion concluding that the County Court did not err in issuing the Remand Order. On January 13, 2023, Delaware County filed an Application in Commonwealth Court seeking confirmation of briefing deadlines with respect to the Notice of Appeal. In response, by Order dated January 24, 2023, the Commonwealth Court stated that "the record received from the Court of Common Pleas of Delaware County is currently under review for finality. A briefing schedule will be issued upon completion of this review."

On January 25, 2023, DELCORA filed in the Delaware Court of Common Pleas a complaint for Declaratory Judgment seeking resolution of whether the County Ordinance dissolving DELCORA is a final action prohibiting DELCORA from carrying out the material transaction of the Asset Purchase Agreement and, in the event that DELCORA retains the ability to close the transaction, whether DELCORA is permitted to exist as a trust.

The administrative law judges in the regulatory approval process recommended that the Company's application be denied, and subsequently, the Company provided exceptions to the recommended decision. On March 30, 2021, the Pennsylvania Public Utility Commission ("PUC") ruled that the case be remanded back to the Office of Administrative Law Judge ("ALJ") and vacated the original administrative law judges' recommended decision ("2021 Order"). This 2021 Order was also appealed to the Commonwealth Court by Delaware County. The County appealed the 2021 Order on April 29, 2022. A decision was issued by the Commonwealth Court on September 12, 2022 which dismissed the appeal of the County.

After the PUC issued the 2021 Order, on April 16, 2021, the administrative law judge issued an order staying the proceeding until the Delaware County Court lawsuit is final and unappealable. On March 25, 2022, the Company sent a letter notifying the PUC of the March 3, 2022 Commonwealth Court decision (that originated in Delaware County Court of Common Pleas) and requested that the PUC move forward with processing the application. On July 14, 2022, the Commission moved to lift the stay imposed by the ALJ, and required the ALJ to establish a schedule on remand for the proceeding. The published procedural schedule has the proceeding concluding in June 2023.

3. Acquisitions (Continued)

On January 26, 2023, several parties involved in the PUC case filed a joint motion for stay based on DELCORA's filing of the January 25, 2023 complaint for Declaratory Judgment filed by DELCORA, and referenced the City of Chester's bankruptcy filing in which the City of Chester has asserted reversionary contract interests regarding to DELCORA's wastewater assets. On February 6, 2023, the ALJ stayed the PUC DELCORA application proceedings again. The Company will be filing a Petition for Interlocutory Review to the PUC asking to review the ALJ's February 6, 2023 decision to stay the current proceedings.

The purchase price for this pending acquisition is subject to certain adjustments at closing, and is subject to regulatory approval, including the final determination of the fair value of the rate base acquired. Closing of our acquisition of DELCORA is expected to occur in 2023, subject to the timing of the regulatory approval process and Delaware County's on-going litigation.

See Note 13 for additional information regarding the Company and Parent company activity.

4. Income Taxes

The provision for income taxes is composed of the following:

	Years ended December 31,	
	2022	2021
Current:		
Federal	$ 21,484	$ 6,258
State	6,273	690
	27,757	6,948
Deferred:		
Federal	(465)	(2,055)
State	(1,048)	(2,706)
	(1,513)	(4,761)
Total tax expense	$ 26,244	$ 2,187

The statutory Federal tax rate is 21% for both 2022 and 2021, and the Pennsylvania Corporate Net Income tax rate is 9.99% for both years presented.

The primary components of the net deferred tax liability and investment tax credits of $860,101 and $967,749 at December 31, 2022 and 2021, respectively, include basis differences in utility plant, partially offset by advances and contributions, and income taxes recoverable.

On July 8, 2022, Pennsylvania enacted House Bill 1342 into law, which among other things, reduces Pennsylvania's corporate income tax rate from 9.99% to 8.99% beginning January 1, 2023, and an additional 0.5% annually through 2031, when it reaches to 4.99%. The Company evaluated the impacts of the tax rate change and recorded a reduction to deferred tax liabilities of $178,438 with a corresponding reduction primarily to regulatory assets.

4. Income Taxes (Continued)

At December 31, 2022, the Company has a cumulative state NOL of $523,727 without regard to unrecognized tax benefits. The Company believes that the state NOLs are more likely than not to be recovered and require no valuation allowance. The state NOLs do not begin to expire until 2032.

As of December 31, 2022 and 2021, the reserve for uncertain tax position is $17,567 and $18,546, respectively, excluding accrued interest and penalties. The unrecognized tax benefits relate to the income tax accounting change to adopt the IRS temporary tangible property regulations, and the tax position is attributable to a temporary difference. As a result of the regulatory treatment afforded by the income tax accounting change and despite this position being a temporary difference, as of December 31, 2022 and 2021, $37,121 and $34,443, respectively, of these tax benefits would have an impact on the Company's effective income tax rate in the event the Company does sustain all, or a portion, of its tax position. The Company does not expect a material change in this estimate in the next twelve months. The reserve for uncertain tax positions could increase or decrease for things such as the expiration of statutes of limitations, audit settlements, or tax examination activities. The Company has elected to recognize accrued interest and penalties related to uncertain tax positions as income tax expense. The Company has not recognized any penalties and interest due to the available Net Operating Losses ("NOLs") of other members within its consolidated Federal filing group.

As of December 31, 2022, the Parent's federal income tax returns remain subject to examination by federal tax authorities for the 2019 through 2022 tax years.

5. Regulatory Assets and Liabilities

Regulatory assets represent costs that are expected to be fully recovered from customers in future rates while regulatory liabilities represent amounts that are expected to be refunded to customers in future rates. Except for income taxes and utility plant retirement costs, regulatory assets and regulatory liabilities are excluded from the Company's rate base and do not earn a return. As of December 31, 2022 and 2021, the current portion of regulatory assets of $0 and $91, respectively, are included in prepayments and other current assets. The components of regulatory assets and liabilities are as follows:

	December 31, 2022		December 31, 2021	
	Regulatory		Regulatory	
	Assets	Liabilities	Assets	Liabilities
Income taxes	$711,705	$229,216	$830,327	$241,703
Postretirement benefits	-	117,708	(2,500)	100,879
Utility plant retirement costs	9,305	-	9,632	-
Accrued vacation	-	-	91	-
Rate case filing expenses & other	25,346	-	23,126	-
	$746,356	$346,924	$860,676	$342,582

5. Regulatory Assets and Liabilities (Continued)

Items giving rise to deferred state income taxes as well as a portion of deferred Federal income taxes related to certain differences between tax and book depreciation expense are recognized in the rate setting process on a cash or flow-through basis and will be recovered as they reverse. Amounts include differences that arise between certain utility asset improvement costs capitalized for book and deducted as a repair expense for tax purposes. On December 22, 2017, the Tax Cuts and Job Act ("TCJA") was enacted, which reduced the Federal corporate income tax rate from 35% to 21%. Reductions in accumulated deferred income tax balances due to the reduction in the corporate income tax rate to 21% under the provisions of the TCJA will result in amounts previously collected from utility customers for these deferred taxes to be refundable to such customers, generally through reductions in future rates. The TCJA includes provisions that stipulate how these excess deferred taxes relating to certain accelerated tax depreciation benefits are to be passed back to customers. The amortization of the excess deferred income taxes is incorporated into the Company's cost of service.

The regulatory liability related to the catch-up component of the Company's repair tax accounting change represents the tax benefits realized, which have not yet flowed-through as a reduction to income tax expense due to the ten-year amortization period which began in 2013.

Postretirement benefits include pension and other postretirement benefits. The regulatory liability for postretirement benefits related to pension represents amounts recovered through rates before the costs are incurred. The regulatory balance related to postretirement benefits other than pensions includes deferred amounts funded by customers in excess of required amounts needing funding through an actuarial study. Excess funding of postretirement benefits since the Company's last base rate case is included as a reduction to cost of service postretirement benefits expense through an amortization. Postretirement benefits expense funding excess or deficit is periodically reviewed during each rate case filed by the Company and is fully recoverable in future rates charged to customers.

5. Regulatory Assets and Liabilities (Continued)

The regulatory asset for utility plant retirement costs, representing cost of removal, represents costs already incurred that are expected to be recovered in future rates over a five-year recovery period.

The regulatory asset related to rate case filing expenses represents the costs associated with filing for rate increases that are deferred and amortized over periods that range from one to three years. Other represents costs incurred by the Company for which it has received or expects to receive rate recovery.

6. Commitments and Contingencies

The Company maintains agreements with other water purveyors for the purchase of water to supplement its water supply, particularly during periods of peak demands. The agreements stipulate purchases of minimum quantities of water or charge a monthly commitment fee through the year 2027. The Company is committed to a total of $11,265 in water purchase payments: $3,492 in 2023, $3,459 in 2024, $3,299 in 2025, $642 in 2026, $134 in 2027 and $239 thereafter. The Company purchased approximately $4,344 and $4,732 of water under these agreements during the years ended December 31, 2022 and 2021, respectively.

The Company is routinely involved in condemnation procedures and legal matters during the ordinary course of business. Although the results of legal proceedings cannot be predicted with certainty, there are no other pending legal proceedings to which the Company is a party or to which any of its properties is the subject that are material or are expected to have a material effect on the Company's financial position, results of operations or cash flows.

7. Leases

The Company leases facilities and other equipment for use in its operations, which are accounted for as operating leases. Leases with a term of 12 months or less are not recorded on the balance sheet; rather, lease expense is recognized over the lease term. Our leases have remaining lives of 1 year to 33 years.

Some of the Company's leases can be extended on a month-to-month basis, which allow us to terminate the lease at any given month without penalty while others include options to extend the leases for up to 50 years. The renewal of a month-to-month lease is at our sole discretion.

The Company accounts for lease and non-lease components of lease arrangements separately. For calculating lease liabilities, we may deem lease terms to include options to extend or terminate the lease when it's reasonably certain that we will exercise that option. The Company's lease agreements do not contain significant residual value guarantees, restrictions or covenants.

Lease liabilities and corresponding right-of-use assets are recorded based on the present value of the lease payments over the expected lease term, including leases with variable payments that are based on a market rate or an index. All other variable payments are expensed as incurred. Since the Company's lease agreements do not provide an implicit interest rate, the Company utilized the Parent's incremental borrowing rate to determine the discount rate used to present value the lease payments.

Components of lease expense were as follows:	Years Ended December 31, 2022	2021
Operating lease cost	$ 663	$ 684

	Year Ended December 31, 2022	2021
Supplemental cash flow information related to leases was as follows:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 611	$ 610

7. Leases (continued)

Supplemental balance sheet information related to leases was as follows:	Year Ended December 31,	
Operating leases:	2022	2021
Operating lease right-of-use assets	$ 8,141	$ 8,408
Other accrued liabilities	248	267
Operating lease liabilities	7,893	8,141
Total operating lease liabilities	$ 8,141	$ 8,408

	Year Ended December 31,	
Weighted average remaining lease term:	2022	2021
Operating leases	24 years	25 years
Weighted average discount rate:		
Operating leases	4.22%	4.22%

	Operating Leases
2023	$ 570
2024	525
2025	525
2026	525
2027	525
Thereafter	9,869
Total operating lease payments	$ 12,539
Total operating lease payments	$ 12,539
Less operating lease liabilities	8,141
Present value adjustment	$ 4,398

8. Long-term Debt and Loans Payable

The consolidated Statements of Capitalization provide a summary of long-term debt as of December 31, 2022 and 2021. The supplemental indentures with respect to certain issues of the First Mortgage Bonds restrict the ability of the Company to declare dividends, in cash or property, or repurchase or otherwise acquire the Company's stock. Approximately $2,158,501 and $1,929,339 of the Company's retained earnings were free of these restrictions as of December 31, 2022 and 2021, respectively. Certain supplemental indentures also prohibit the Company from making loans to, or purchasing the stock of the Parent. Loan agreements for the Company contain restrictions on minimum net assets. As of December 31, 2022, there were restrictions on the Company's net assets of $1,678,703 of their total net assets of $2,462,532.

Sinking fund payments are required for certain issues of long-term debt. The future sinking fund payments and debt maturities of the Company's long-term debt are as follows:

Interest Rate Range	2023	2022	2025	2026	2027	Thereafter
	-	-	-	-	-	-
1.00% To 1.99%	872	712	766	776	787	4,455
2.00% To 2.99%	2,182	1,268	1,428	1,305	1,113	152,460
3.00% To 3.99%	1,849	1,731	598	555	332	700,544
4.00% To 4.99%	-	-	-	-	-	972,571
5.00% To 5.99%	10,000	10,000	-	-	-	22,003
6.00% To 6.99%	-	-	-	-	20,000	-
7.00% To 7.99%	-	-	15,000	-	-	-
8.00% To 8.99%	-	-	-	-	-	-
9.00% To 9.99%	-	-	-	11,800	-	-
Total	14,903	13,711	17,792	14,436	22,232	1,852,033

8. Long-term Debt and Loans Payable (Continued)

In June 2022, the Company renewed its $100,000 364-day unsecured revolving credit facility with four banks. The funds borrowed under this agreement are classified as loans payable and are used to provide working capital. As of December 31, 2022, and 2021, funds borrowed under the Company's revolving credit agreement were $20,000, and $35,000, respectively. Interest under this facility is based, at the borrower's option, on the prime rate, an adjusted overnight bank funding rate, or an adjusted Bloomberg Short-Term Bank Yield Index (BSBY) floating rate. This agreement restricts short-term borrowing of the Company. A renewal fee of 2.5 basis points was charged on the total commitment amount of the revolving credit agreement. The average cost of borrowing under this facility was 2.40% and 0.78%, and the average borrowing was $31,555 and $40,312 during 2022 and 2021, respectively. The maximum amount outstanding at the end of any one month was $55,000 in 2022 and 70,000 in 2021.

In October 2022, the Company issued $125,000 of first mortgage bonds due in 2052 with an interest rate of 4.50%. The proceeds from these bonds were used repay existing indebtedness and for general corporate purposes.

In January 2023, the Company issued $75,000 of first mortgage bonds, due in 2043 with an interest rate of 5.60% The proceeds from these bonds were used repay existing indebtedness and for general corporate purposes.

9. Fair Value of Financial Instruments

The carrying amount of current assets and liabilities that are considered financial instruments approximates their fair values as of the dates presented. The carrying amount of the Company's long-term debt as of December 31, 2022 and 2021 is $1,935,107 and $1,815,546 respectively. The estimated fair value of the Company's long-term debt as of December 31, 2022 and 2021 is $1,544,071 and $2,118,674, respectively. The fair value of long-term debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments of the same duration.

The Company's customers' advances for construction and related tax deposits have carrying values of $59,927 and $60,489 at December 31, 2022 and 2021, respectively. Their relative fair values cannot be accurately estimated since future refund payments depend on several variables, including new customer connections, customer consumption levels and future rate increases. Portions of these non-interest bearing instruments are payable annually through 2030 and amounts not paid by the contract expiration dates become non-refundable. The fair value of these amounts would, however, be less than their carrying value due to the non-interest bearing feature.

10. Pension Plans and Other Postretirement Benefits

The Company participates in a noncontributory qualified defined benefit pension plan sponsored by the Parent covering non-union employees hired prior to April 1, 2003 and select union employees. The eligibility of union employees is determined by the collective bargaining agreements covering those employees. Benefits under the plan are based on the participant's years of service and the annual average of the applicable compensation during the five consecutive computation periods of the final 10 computation periods as an active participant yielding the highest such average. Pension cost of the Company is based on amounts contributed to the pension plan as approved by the Parent and incorporated in rates approved by the PAPUC. Information regarding accumulated and projected benefit obligations is not prepared at the subsidiary level.

In August 2014, the Parent announced changes to the way it will provide future retirement benefits to employees acquired through a prior acquisition. Effective January 1, 2015, the Parent will provide future retirement benefits for these employees through its deferred contribution plan. As a result, no further

10. Pension Plans and Other Postretirement Benefits (Continued)

service will be considered in future accruals in the qualified defined benefit pension plan after December 31, 2014.

The funding amount for the pension plan for Essential Utilities, Inc. Retirement Income Plan will be determined each year based on the recommendation of management and subject to approval by the Parent's Pension Committee. The funding amount will be an amount greater than or equal to the minimum required contribution and less than or equal to the maximum tax deductible contribution. The Company recorded pension funding and expense of $12,000 and $12,000 in 2022 and 2021, respectively.

The Company participates in two postretirement benefit plans sponsored by the Parent that provide certain life insurance benefits for retired employees and certain health care benefits for retired employees and their dependents. Employees may become eligible for these benefits if they have completed at least fifteen years of service and retire from the Company after reaching age 55 while still working for the Company. Retirees and their dependents under age 65 are covered by a point-of-service managed care plan that requires co-payments or an HMO. Employees hired after April 1, 2003 are not eligible for benefits.

Employees who elect to retire prior to attaining age 65 are generally required to make contributions towards their medical coverage until attaining 65. Retirees and their dependents age 65 and over are required to purchase their own medical and drug coverage. The cost of this coverage is offset by Company contributions deposited in the plan's Premium Reimbursement Account. Costs of the Company are based on amounts contributed to the plans and incorporated in rates approved by the PAPUC.

The Company's funding policy is to contribute the lower of the other postretirement benefits cost or the maximum allowed by the Internal Revenue Code. The Company recorded costs for postretirement benefits other than pensions of $(1,270) and $1,924 in 2022 and 2021, respectively. The Company funded postretirement benefits other than pensions of $416 in 2022 and $0 in 2021. Information regarding accumulated and projected benefit obligations is not prepared at the subsidiary level.

The Parent has 401(k) savings plans, which are defined contribution plans and cover substantially all employees. The Company makes matching contributions that are based on a percentage of the employee's contribution,

10. Pension Plans and Other Postretirement Benefits (Continued)

subject to specific limitations, as well as certain other Company contributions. Participants may diversify their Company matching account balances into other investments offered under 401(k) savings plans. The Company's contributions, which are recorded as compensation expense, were $2,709 and $2,379 for 2022 and 2021, respectively.

11. Employee Stock and Incentive Plan

The Company's employees participate in an Equity Compensation Plan sponsored by the Parent. Under the Essential Utilities, Inc. 2009 Omnibus Equity Compensation Plan, as approved by the Parent's shareholders to replace the 2004 Equity Compensation Plan, stock options, stock units, stock awards, stock appreciation rights, dividend equivalents, and other stock-based awards may be granted to the Company's employees, non-employee directors and consultants and advisors. During 2019, the Parent granted stock options, which are based upon the common stock of the Parent. Options are exercisable in installments of 33% annually, starting one year from the date of the grant and expire 10 years from the date of the grant. The Parent determines the grant date fair value per stock option using the Black-Scholes option-pricing model.

The fair value of each stock option is amortized into compensation expense using the graded vesting method, which results in the recognition of compensation costs over the requisite service period for each separately vesting tranche of the stock options as though the stock options were, in substance, multiple stock option grants. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs. Since the Company is not obligated to reimburse the Parent for stock-based compensation costs incurred, the Company records these liabilities resulting from compensation costs to paid-in capital.

For the year ended December 31, 2022, the Company's stock-based compensation related to stock options resulted in the following: operations and maintenance expense of $15 and lowered income tax expense by $4. For the year ended December 31, 2021, the Company's stock-based compensation related to stock options resulted in the following: operations and maintenance expense of $52 and lowered income tax expense by $15.

11. Employee Stock and Incentive Plan (Continued)

During 2022 and 2021, the Parent granted performance share units ("PSU"). A PSU represents the right to receive a share of the Parent's common stock if specified performance goals are met over the three year performance period specified in the grant, subject to exceptions through the respective vesting periods. The fair value of each PSU grant is amortized into compensation expense on a straight-line basis through the respective vesting period, which is generally three years. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. During the year ended December 31, 2022, the Company recorded stock-based compensation related to PSU's as a component of operations and maintenance expense of $505 and recorded an income tax benefit of $146. During the year ended December 31, 2021, the Company recorded stock-based compensation related to PSU's as a component of operations and maintenance expense of $521 and recorded an income tax benefit of $150. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs.

During 2022 and 2021, the Parent granted restricted share units ("RSU"). A RSU represents the right to receive a share of the Parent's common stock and are valued based on the fair market value of the Parent's stock on the date of grant. RSUs are eligible to be earned at the end of a specified restriction period, generally three years, beginning on the date of grant. In some cases, the right to receive the shares is subject to specific performance goals established at the time the grant is made. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. During the year ended December 31, 2022, the Company recorded stock-based compensation related to awards of RSUs as a component of operations and maintenance expense of $194 and recorded income tax benefit of $56. During the year ended December 31, 2021, the Company recorded stock-based compensation related to awards of RSUs as a component of operations and maintenance expense of $282 and recorded income tax benefit of $81. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs.

12. Water and Wastewater Rates

On May 16, 2022, the Company's regulated water and wastewater operating subsidiary in Pennsylvania, Aqua Pennsylvania, received an order from the Pennsylvania Public Utility Commission that allowed base rate increases that would increase total annual operating revenues by $69,251. New rates went into effect on May 19, 2022.

The Distribution System Improvement Charges ("DSIC") enables water and wastewater utilities in Pennsylvania to add a surcharge to customer bills to offset the additional depreciation and capital costs related to infrastructure system replacement and rehabilitation projects completed and placed into service between base rate filings. The Company is permitted to request adjustments to the DSIC quarterly to reflect subsequent capital expenditures and it is reset to zero when new base rates that reflect the costs of those additions become effective or when the Company's earnings exceed a PAPUC benchmark. The maximum DSIC that can be in effect at any time is an increase of base rates of 7.5% for water and 5.0% for wastewater. At the time the rate order was received, the rates in effect also included $35,470 in Distribution System Improvement Charges ("DSIC"), which was 7.2% above prior base rates. Consequently, the aggregate annual base rates increased by $104,721 since the last base rate increase and DSIC was reset to zero.

In addition to its base rates and the DSIC, the Company has utilized a surcharge or credit on its bills to reflect certain changes in Pennsylvania State Taxes, called the State Tax Adjustment Surcharge ("STAS") until such time as the tax changes are incorporated into base rates. The Company's STAS surcharge rates remained at zero during 2022 and effective January 1, 2023 a surcredit was implemented to reflect the change in the Pennsylvania state tax rate.

13. Affiliated Company Transactions

The Company has service agreements with the Parent and subsidiaries of the Parent ("other affiliates"). The types of services rendered between these entities relate to general supervision and administrative functions, long-range planning, tax, accounting, financing, engineering, legal, data processing services and other specialized support. Expenditures recorded for these services from the Parent and other affiliates amounted to approximately $60,696 and $36,696 for 2022 and 2021, respectively, and of those amounts, $27,971 and $25,102, respectively, have been recorded within Operations, maintenance and administrative expenses on the Consolidated Statements of Income with the remainder recorded to net utility plant on the Consolidated Balance Sheets. The Company also provides various management, advisory, and other services for other affiliates and is reimbursed by these affiliates. The amounts billed were $591 and $262 in 2022 and 2021, respectively. Additionally, the Parent may fund acquisitions on behalf of the Company, and such amounts would be included in the accounts payable-affiliates account. Acquisitions funded by Parent in 2022 were considered equity contributions, refer to Footnote 3 for more detail regarding acquisitions.

The Company participates in the Parent's centralized treasury function whereby the Company transfers its cash to the Parent. Under this arrangement, available cash is used to fund accounts payable due from the Company and to pay-down accounts payable-affiliate, or available cash would be reflected as amounts due from the Parent and other affiliates to the Company. The reduction of the accounts payable-affiliates will also be settled through the collection of cash on behalf of the Company and capital contributions. The Parent made cash contributions of $70,000 and $100,000 to the Company in 2022 and 2021, respectively, which is disclosed in the Consolidated Statement of Stockholder's Equity.

The amounts owed to the Parent and other affiliates by the Company were $97,319 and $76,786 at December 31, 2022 and 2021, respectively. Amounts owed to the Parent and other affiliates are reflected in the accompanying balance sheet.

Amounts due from the Parent and other affiliates to the Company amounted to $87,496 and $41 at December 31, 2022 and 2021, respectively. Amounts due from the Parent and other affiliates are reflected in the accompanying balance sheet.

The Company returned noncash equity contributions to the Parent of $100,000 and $54,502 in 2022 and 2021, respectively, which is reported on the Statements of Consolidated Stockholder's Equity as return of capital contributions. In 2022 and 2021, the return of these noncash equity contributions related to the settlement of certain net intercompany receivables due from the Parent.

AQUA PENNSYLVANIA, INC.

(a wholly owned subsidiary of Essential Utilities, Inc.)

Consolidated Financial Statements
As of and for the years ended
December 31, 2023 and 2022

Report of Independent Auditors

To the Board of Directors and Stockholder of Aqua Pennsylvania, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Aqua Pennsylvania, Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022 and the related consolidated statements of income, of cash flows, of capitalization, and of stockholder's equity for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are

considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Philadelphia, Pennsylvania
April 26, 2024

AQUA PENNSYLVANIA, INC.
Consolidated Balance Sheets
(In thousands of dollars, except per share amounts)
December 31, 2023 and 2022

Assets	2023	2022
Utility plant, net of accumulated depreciation	$ 4,971,449	$ 4,729,404
Construction work-in-progress	153,976	180,776
Utility plant acquisition adjustment, net	1,527	553
Net utility plant	5,126,952	4,910,733
Investment in nonutility property, net of accumulated depreciation	22,361	22,909
Current assets:		
Cash and cash equivalents	188	1,457
Accounts receivable, less allowance for doubtful accounts of $10,774 and $12,579, in 2023 and 2022, respectively	54,153	57,850
Accounts receivable-affiliates	18,225	87,496
Unbilled revenues	33,466	32,595
Materials and supplies	15,967	18,646
Prepayments and other current assets	10,687	3,135
Total current assets	132,686	201,179
Deferred charges and non-current assets:		
Debt issuance expense, net of accumulated amortization	62	12
Regulatory assets	854,207	746,356
Other deferred charges, net	1,868	4,623
Operating lease right-of-use assets	7,954	8,149
Goodwill	34,304	34,304
Pension	119,148	104,893
Total deferred charges and non-current assets	1,017,543	898,337
Total assets	$ 6,299,542	$ 6,033,158

Liabilities and Stockholder's Equity	2023	2022
Common stockholder's equity:		
Common stock, $100 par value, 1,000,000 shares authorized, 1,000 shares issued and outstanding	$ 100	$ 100
Capital in excess of par value	(58,745)	283,930
Retained earnings	2,413,249	2,178,502
Total stockholder's equity	2,354,604	2,462,532
Long-term debt, excluding current portion	2,206,415	1,920,204
Debt issuance expense, net of amortization	(13,104)	(13,072)
Total long-term debt, excluding current portion, net of debt issuance costs	2,193,311	1,907,132
Current liabilities:		
Current portion of long-term debt	13,897	14,903
Loans payable	23,123	20,000
Accounts payable	37,841	44,040
Accounts payable-affiliates	10,226	68,981
Accrued interest	26,570	20,564
Other current liabilities	7,416	7,836
Total current liabilities	119,073	176,324
Deferred credits and other non-current liabilities:		
Customers' advances for construction	65,399	59,927
Deferred income taxes	941,562	856,740
Investment tax credits	3,108	3,361
Regulatory liabilities	396,497	346,924
Operating lease liabilities	7,720	7,893
Accounts Payable-affiliates	28,338	28,338
Other	14,511	23,159
Total deferred credits and other non-current liabilities	1,457,135	1,326,342
Contributions in aid of construction	175,419	160,828
Total liabilities and stockholder's equity	$ 6,299,542	$ 6,033,158

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Income
(In thousands of dollars)
Years ended December 31, 2023 and 2022

	2023	2022
Operating revenues	$ 638,653	$ 605,409
Operating expenses:		
Operating, maintenance and administrative expenses	160,438	162,089
Depreciation	131,729	121,777
Amortization	(634)	(415)
Taxes other than income taxes	12,281	12,275
Gain on sale of other assets	(559)	(885)
Total operating expenses	303,255	294,841
Operating income	335,398	310,568
Other expense:		
Interest on long-term debt	85,182	73,035
Other interest expense, net	1,767	1,082
Allowance for funds used during construction	(7,959)	(12,152)
Other net periodic benefit income	(4,017)	(4,790)
Amortization of debt issuance costs	147	138
Other income, net	(2,422)	(2,151)
Total other expense	72,698	55,162
Income before income taxes	262,700	255,406
Provision for income taxes	27,953	26,244
Net income	$ 234,747	$ 229,162

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Cash Flows
(In thousands of dollars)
Years ended December 31, 2023 and 2022

Cash flows from operating activities:	2023	2022
Net income	$ 234,747	$ 229,162
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	131,241	121,500
Deferred income taxes and income tax credits	17,437	(1,513)
Provision for doubtful accounts	(1,805)	1,263
Stock based compensation	586	714
Gain on sale of other assets	(559)	(885)
Allowance for equity funds used during construction	(5,558)	(9,137)
Changes in current assets and current liabilities:		
Receivables, unbilled revenue, materials and supplies and prepayments	7,443	(23,719)
Income taxes receivable/payable and other accrued taxes	5,683	(1,982)
Affiliate receivable/payable	(152,917)	(166,923)
Payables and other accrued liabilities	6,386	(985)
Accrued interest	6,006	1,025
Other	(7,979)	(2,190)
Net cash provided by operating activities	240,711	146,330
Cash flows used in investing activities:		
Construction expenditures	(326,296)	(317,851)
Allowance for borrowed funds used during construction	(2,401)	(3,015)
Acquisitions of water and wastewater systems	(12,291)	-
Net proceeds on sale of other assets	793	975
Net cash used in investing activities	(340,195)	(319,891)
Cash flows from financing activities:		
Customers' advances and contributions in aid of construction	13,565	1,272
Repayments of customers' advances	(3,008)	(3,032)
Net repayments of loans payable	3,123	(15,000)
Proceeds from long-term debt	299,208	124,581
Repayments of long-term debt	(14,673)	(5,419)
Capital contribution from (return of capital to) Essential Utilities, Inc.	(200,000)	70,000
Net cash provided by financing activities	98,215	172,402
Net change in cash and cash equivalents	(1,269)	(1,159)
Cash and cash equivalents at beginning of year	1,457	2,616
Cash and cash equivalents at end of year	$ 188	$ 1,457

Cash paid for interest on borrowings, net of amounts capitalized, was $78,542 and $70,077 in 2023 and 2022, respectively.
Cash paid for income taxes was $5,504 and $8,287 in 2023 and 2022, respectively.
Non-cash financing activity - Return of Capital Contribution to Parent was $143,397 and $100,000 in 2023 and 2022, respectively.
See Note 1 - Summary of Significant Accounting Policies-Customers' Advances for Construction and Contributions in Aid of Construction, Note 11-Employee Stock and Incentive Plan and Note 13 - Affiliated Company Transactions for description of non-cash activities.
See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANLA, INC.
Consolidated Statements of Capitalization
(In thousands of dollars)
December 31, 2023 and 2022

	2023	2022
Stockholders' equity:		
Common stock, $100 par value, authorized 1,000,000 shares 1,000 shares issued and outstanding	$ 100	$ 100
Capital in excess of par value	(58,745)	283,930
Retained earnings	2,413,249	2,178,502
Total common stockholders' equity	2,354,604	2,462,532
Long-term debt:		
Long-term debt (substantially secured by utility plant):		
Interest Rate Range / Maturity Date Range		
1.00% to 1.99% (2023 to 2039)	7,538	8,368
2.00% to 2.99% (2024 to 2058)	157,917	159,755
3.00% to 3.99% (2023 to 2056)	703,555	705,609
4.00% to 4.99% (2040 to 2059)	972,436	972,572
5.00% to 5.99% (2028 to 2061)	302,066	2,003
6.00% to 6.99% (2027)	20,000	20,000
7.00% to 7.99% (2025)	15,000	15,000
9.00% to 9.99% (2026)	11,800	11,800
	2,190,312	1,895,107
Unsecured notes parable:		
Notes at 5.95%, due 2023 through 2034	30,000	40,000
	2,220,312	1,935,107
Current portion of long-term debt	13,897	14,903
Long-term debt, excluding current portion	2,206,415	1,920,204
Less: debt issuance costs	13,104	13,072
Long-term debt, excluding current portion, net of debt issuance costs	2,193,311	1,907,132
Total capitalization	$ 4,547,915	$ 4,369,664

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Consolidated Statements of Stockholder's Equity
(In thousands of dollars, except per share amounts)
Years ended December 31, 2023 and 2022

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Total Stockholder's Equity
Balance at December 31, 2021	$ 100	$ 208,832	$ 1,949,340	$ 2,158,272
Net income	-	-	229,162	229,162
Stock based compensation	-	714	-	714
Acquisitions funded by Essential Utilities, Inc.	-	104,384	-	104,384
Capital contribution from Essential Utilities, Inc.	-	70,000	-	70,000
Return of capital contribution to Essential Utilities, Inc.	-	(100,000)	-	(100,000)
Balance at December 31, 2022	100	283,930	2,178,502	2,462,532
Net income	-	-	234,747	234,747
Stock based compensation	-	586	-	586
Acquisitions funded by Essential Utilities, Inc.	-	136	-	136
Capital contribution from Essential Utilities, Inc.	-	-	-	-
Return of capital contribution to Essential Utilities, Inc.	-	(343,397)	-	(343,397)
Balance at December 31, 2023	$ 100	$ (58,745)	$ 2,413,249	$ 2,354,604

See accompanying notes to consolidated financial statements.

AQUA PENNSYLVANIA, INC.
Notes to Consolidated Financial Statements
December 31, 2023 and 2022
(In thousands of dollars)

1. Summary of Significant Accounting Policies

Nature of Operations

Aqua Pennsylvania, Inc. ("the Company") is a regulated public utility which supplies water to residential, commercial and industrial customers. The Company's customers are principally located in the suburban areas north and west of the City of Philadelphia and in 27 other counties in Pennsylvania. No single customer accounted for more than one percent of the Company's operating revenues in 2023 or 2022. The Company is a wholly owned subsidiary of Essential Utilities, Inc. ("the Parent"). The Company has wholly owned subsidiaries that are regulated public utilities which provide water and wastewater services to customers in Pennsylvania.

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation

The Company's consolidated financial statements are presented in accordance with U.S. generally accepted accounting principles.

The Company has evaluated the period from December 31, 2023, the date of the consolidated financial statements, through April 26, 2024, the date the consolidated financial statements were available for issuance, for subsequent events and determined that no material subsequent events occurred that would affect the information presented in these consolidated financial statements or require additional disclosures.

Use of Estimates in Preparation of Consolidated Financial Statement

The preparation of consolidated financial statements in conformity with accounting principles accepted in the United States of America requires

1. Summary of Significant Accounting Policies (Continued)

Use of Estimates in Preparation of Consolidated Financial Statement (Continued)

management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Recognition of Revenues

The Company recognizes revenue as water and wastewater services are provided to our customers, which happens over time as the service is delivered and the performance obligation is satisfied. Operating revenues include amounts billed to customers on a cycle basis and unbilled amounts based on estimated usage from the date of the latest meter read to the end of the accounting period. The Company's actual results could differ from these estimates. Unbilled amounts are included in unbilled revenues on the consolidated balance sheet.

Generally, payment is due within 30 days once a bill is issued to a customer. Sales tax and other taxes we collect on behalf of government authorities, concurrent with our revenue-producing activities, are primarily excluded from revenue. The following table presents our revenues disaggregated by major source and customer class:

1. Summary of Significant Accounting Policies (Continued)

Recognition of Revenues (Continued)

Twelve Months Ended December 31,2023

	Water Revenues	Wastewater Revenues	Other Revenues
Residential	$ 366,444	$ 51,061	$ -
Commercial	132,784	20,338	-
Fire protection	25,200	-	-
Industrial	22,611	373	-
Other water	18,019	-	-
Other wastewater	-	1,824	-
Other utility	-	-	5,357
Total	$ 565,057	$ 73,596	$ 5,357

Twelve Months Ended December 31,2022

	Water Revenues	Wastewater Revenues	Other Revenues
Residential	$ 347,093	$ 41,983	$ -
Commercial	124,004	16,474	-
Fire protection	23,860	-	-
Industrial	21,231	151	-
Other water	28,546	-	-
Other wastewater	-	2,067	-
Other utility	-	-	6,010
Total	$ 544,734	$ 60,675	$ 6,010

1. Summary of Significant Accounting Policies (Continued)

Recognition of Revenues (Continued)

Revenues from Contracts with Customers – These revenues are composed of three main categories: water, wastewater, and other. Water revenues represent revenues earned for supplying customers with water service. Wastewater revenues represent revenues earned for treating wastewater and releasing it into the water supply. Other revenues are associated fees that relate to the regulated business but are not water and wastewater revenues. See description below for a discussion on the performance obligation for each of these revenue streams:

- Tariff Revenues – These revenues are categorized by customer class: residential, commercial, fire protection, industrial, other water, and other wastewater. The rates that generate these revenues are approved by the state utility commission, and revenues are billed cyclically and accrued for when unbilled. Other water and other wastewater revenues consist primarily of fines, penalties, surcharges, and availability lot fees. Our performance obligation for tariff revenues is to provide potable water or wastewater treatment service to customers. This performance obligation is satisfied over time as the services are rendered. The amounts that the Company has a right to invoice for tariff revenues reflect the right to consideration from the customers in an amount that corresponds directly with the value transferred to the customer for the performance completed to date.

- Other Utility Revenues – Other utility revenues represent revenues earned primarily from: antenna revenues, which represent fees received from telecommunication operators that have put cellular antennas on our water towers, operation and maintenance and billing contracts, which represent fees earned from municipalities for our operation of their water or wastewater treatment services or performing billing services, and fees earned from developers for accessing our water mains. The performance obligations vary for these revenues, but all are primarily recognized over time as the service is delivered.

1. Summary of Significant Accounting Policies (Continued)

Regulation

As a regulated public water and wastewater utility, the Company is subject to regulation by the Pennsylvania Public Utility Commission ("PAPUC"), which has jurisdiction with respect to rates, service, accounting procedures, acquisitions and other matters. Regulated public utilities follow the Financial Accounting Standards Board's ("FASB") accounting guidance for regulated operations, which provides for the recognition of regulatory assets and liabilities as allowed by regulators for costs or credits that are reflected in current rates or are considered probable of being included in future rates. Costs for which the Company has received or expects to receive prospective rate recovery are deferred as regulatory assets and amortized over the period of rate recovery in accordance with the FASB's accounting guidance for regulated operations. The regulatory assets or liabilities are then relieved as the cost or credit is reflected in Company's rates charged for utility service. If, as a result of a change in circumstances, it is determined that the Company no longer meets the criteria to apply regulatory accounting, the Company would have to discontinue regulatory accounting and write-off the respective regulatory assets and liabilities. See Note – 5 *Regulatory Assets and Liabilities* for further information regarding the Company's regulatory assets.

The Company makes significant judgments and estimates to record regulatory assets and liabilities. For each regulatory jurisdiction with regulated operations, the Company evaluates at the end of each reporting period whether the regulatory assets and liabilities continue to meet the probable criteria for future recovery or refund. The evaluation considers factors such as regulatory orders or guidelines, in the same regulatory jurisdiction, of a specific matter or a similar matter, as provided to the Company in the past or to other regulated utilities. In addition, the evaluation may be impacted by changes in the regulatory environment and pending or new legislation that could impact the ability to recover costs through regulated rates. There may be multiple participants to rate or transactional regulatory proceedings who might offer different views on various aspects of such proceedings, and in these instances may challenge the prudence of our business policies and practices, seek cost disallowances or request other relief.

1. Summary of Significant Accounting Policies (Continued)

Utility Plant and Depreciation

Utility plant is stated at cost which includes contracted cost, direct labor and fringe benefits, materials, overheads, and for certain utility plant, an allowance for the cost of funds used during construction. Water systems acquired are recorded at estimated original cost when first devoted to utility service and the applicable depreciation is recorded in accumulated depreciation. Utility plant acquisition adjustment represents the difference between the estimated original cost, less applicable depreciation and the purchase price of utility plant assets acquired through business acquisitions. Acquisition adjustments are amortized over 20 years if recoverable in rate base.

Utility expenditures for maintenance and repairs, including major maintenance projects and minor renewals and betterments, are charged to operating expenses when incurred in accordance with the Uniform System of Accounts prescribed by the PAPUC. The cost of new units of property and betterments are capitalized.

The cost of software upgrades and enhancements are capitalized if they result in added functionality which enable the software to perform tasks it was previously incapable of performing. Certain information technology costs associated with major system installations, conversions and improvements, such as software training, data conversion and business process re-engineering costs, are deferred as a regulatory asset if the Company expects to recover these costs in future rates. If these costs are not deferred, then these costs are charged to operating expenses when incurred. As of December 31, 2023, $1,643 costs have been incurred and deferred since the last rate proceedings as a regulatory asset, and the deferral is reported as a component of net property, plant and equipment.

1. Summary of Significant Accounting Policies (Continued)

Utility Plant and Depreciation (Continued)

When units of property are replaced, retired or abandoned, the recorded value thereof is credited to utility plant and such value, together with the net cost of removal, is charged to accumulated depreciation. To the extent the Company recovers cost of removal or other retirement costs through rates after the retirement costs are incurred, a regulatory asset is recorded.

The straight-line remaining life method is used to compute depreciation on utility plant. The straight-line method is used with respect to transportation and mechanical equipment, office equipment and laboratory equipment. Depreciation is recorded over the estimated useful lives of the assets which range from 14 to 94 years for utility plant and 5 to 64 years for both transportation and mechanical equipment and all non-utility plant, office equipment and laboratory equipment.

Long-lived assets of the Company, which consist primarily of utility plant in service, operating lease right-of-use assets and intangible assets, are reviewed for impairment when changes in circumstances or events occur. These circumstances or events could include a decline in the market value or physical condition of a long-lived asset, an adverse change in the manner in which long-lived assets are used or planned to be used, a change in historical trends, operating cash flows associated with the long-lived assets, changes in macroeconomic conditions, industry and market conditions, or overall financial performance. When these circumstances or events occur, the Company determines whether it is more likely than not that the fair value of those assets is less than their carrying amount. If the Company determines that it is more likely than not (that is, the likelihood of more than 50 percent), the Company would recognize an impairment charge if it is determined that the carrying amount of an asset exceeds the sum of the undiscounted estimated cash flows. In this circumstance, the Company would recognize an impairment charge equal to the difference between the carrying amount and the fair value of the asset. Fair value is estimated to be the present value of future net cash flows associated with the asset, discounted using a discount rate commensurate with the risk and remaining life of the asset. During the year ended December 31, 2023, there have been no such circumstances or events.

Regulatory assets are reviewed for the continued application of the FASB accounting guidance for regulated operations. The Company's review determines whether there have been changes in circumstances or events, such as regulatory disallowances, or abandonments, that have occurred that require adjustments to the carrying value of these assets. Adjustments to the carrying value of these assets would be made in instances where their inclusion in the rate-making process is unlikely. For utility plant in service, we would recognize an impairment loss for any amount disallowed by the PAPUC.

1. Summary of Significant Accounting Policies (Continued)

As of December 31, 2023, and 2022, property, plant and equipment additions purchased at the period end, but not yet paid for are $29,083 and $42,711, respectively.

Allowance for Funds Used During Construction

The allowance for funds used during construction ("AFUDC") is a credit to income which represents the estimated cost of funds used to finance the construction of utility plant. AFUDC is applied to construction projects requiring more than one month to complete. No AFUDC is applied to projects funded by customer advances for construction or contributions in aid of construction. AFUDC includes the net cost of borrowed funds and a rate of return on other funds when used, and is recovered through water rates as the utility plant is depreciated.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less, which are not restricted for construction activity, to be cash equivalents.

Accounts Receivable

Accounts receivable are recorded on the invoiced amounts. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in our existing accounts receivable, and is determined based on lifetime expected credit losses and the aging of account balances. The Company reviews the allowance for doubtful accounts quarterly. Account balances are written off against the allowance when it is probable the receivable will not be recovered. When utility customers request extended payment terms, credit is extended based on regulatory guidelines and collateral is not required.

1. Summary of Significant Accounting Policies (Continued)

Deferred Charges

Deferred charges consist of preliminary survey costs, retirement work in progress expenses and other expenses.

Other expenses, for which the Company has received or expects to receive prospective rate recovery, are deferred and amortized over the period of rate recovery.

Funds Restricted for Construction Activity

The proceeds received from certain financings for construction and capital improvement of utility facilities are held in escrow until the designated expenditures are incurred. These amounts are reported as funds restricted for construction activity and are expected to be released over time as the capital projects are funded. There are no restrictions outstanding as of December 31, 2023 or December 31, 2022.

Goodwill

Goodwill represents the excess cost over the fair value of net tangible and identifiable intangible assets acquired through acquisitions. Goodwill is not amortized but is tested for impairment annually, or more often if circumstances indicate a possible impairment may exist. When testing goodwill for impairment, the Company may assess qualitative factors, including macroeconomic conditions, industry and market considerations, changes to regulatory environment, recent regulatory and legislative proceedings, cost factors, overall financial performance and entity specific events, to determine whether it's more likely than not that the fair value of a reporting unit is less than its carrying amount. Based on the assessment of the qualitative factors previously noted or on a voluntary basis, the Company may perform a quantitative goodwill impairment test by determining the fair value of a reporting unit, which we would estimate based on a discounted cash flow analysis and a market comparison analysis. If the Company performs a quantitative test and determines that the reporting unit's fair value is less than its carrying amount, the Company would record an impairment loss for the amount by which a reporting unit's carrying amount exceeds its fair value not to exceed the carrying amount of goodwill.

During the fourth quarter of 2023, we completed our annual impairment assessment. We elected to perform a qualitative assessment for the Company, and based on our analysis, we determined that none of the goodwill was impaired.

1. Summary of Significant Accounting Policies (Continued)

Income Taxes

The Company accounts for some income and expense items in different time periods for financial reporting than for tax reporting purposes. Deferred income taxes are provided on the temporary differences between the tax basis of the assets and liabilities and the amounts at which they are carried in the consolidated financial statements. The income tax effect of temporary differences not reflected currently in rates is recorded as deferred taxes with an offsetting regulatory asset or liability. These deferred income taxes are based on the enacted tax rates expected to be in effect when such temporary differences are projected to reverse. Investment tax credits are deferred and amortized over the estimated useful lives of the related properties.

The Company's earnings are included with those of the Parent and affiliated companies for purposes of filing a consolidated Federal income tax return. The allocation of the Federal income tax to the Company is computed on a stand-alone basis. See Note 13 for additional information regarding the Company and Parent company activity.

Judgment is required in evaluating the Company's Federal and state tax positions. Despite management's belief that the Company's tax return positions are fully supportable, the Company establishes reserves when it believes that its tax positions are likely to be challenged and it may not fully prevail in these challenges. The Company's provision for income taxes includes interest, penalties and reserves for uncertain tax positions.

The tax accounting method permits the expensing of qualifying utility asset improvement costs that were previously being capitalized and depreciated for book and tax purposes ("the Repairs"). The Repairs accounting authorized for the Company by the PAPUC provides for the

1. Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

flow-through treatment of qualifying income tax benefits, generating a reduction in income tax expense, and reduces the amount of taxes currently payable in both 2023 and 2022. For repair expense qualifying capital expenditures made prior to 2012 ("catch - up adjustment" or "481 Adjustment"), the Company was permitted by the PAPUC to amortize the resulting deferred tax benefits over ten years as a reduction to income tax expense that commenced in 2013. As a result of the May 2022 rate order, the remaining amortization period of the catch-up adjustment was extended to align with the Company's expected rate filing cadence and results in the expiration of the amortization in 2025. Both the catch-up and current benefits attributable to tax repairs expense are now included in the Company's cost of service and accounted for in the utility rates charged to customers. Additionally, as a result of the settlement, the current benefit recognized by the Company is limited to within a range of tax benefit ("the Collar"), which is between $155,060 and $163,060. Amounts recognized above or below the Collar are required to be recorded as either a regulatory asset or liability, subject to disposition in the next base rate case.

Customers' Advances for Construction

Water mains or, in some instances, cash advances to reimburse the Company its costs to construct water mains, are contributed to the Company by customers, real estate developers and builders in order to extend water service to their properties. The value of these contributions is recorded as Customers' Advances for Construction. The Company makes refunds on these advances over a specific period of time based on operating revenues related to the main or as new customers are connected to and take service from the main. After all refunds are made, any remaining balance is transferred to Contributions in Aid of Construction. Non-cash property, in the form of water mains, has been received as advances or contributions of $12,602 in 2023 and $8,415 in 2022

Contributions in Aid of Construction

Contributions in aid of construction include direct non-refundable contributions and the portion of customers' advances for construction that have become non-refundable. The Company depreciates contributed property and amortizes contributions in aid of construction at the composite rate of the related property. Contributions in aid of construction are deducted from the Company's rate base for rate-making purposes, and therefore, no return is earned on contributed property.

1. Summary of Significant Accounting Policies (Continued)

Contributions in Aid of Construction (Continued)

Non-cash property, in the form of water mains, has been received, generally from developers as contributions of $1,188 in 2023 and $932 in 2022

Materials and Supplies

Materials and supplies are stated at cost under the first-in, first-out method.

Other Comprehensive Income ("OCI")

For the periods presented, the Company does not have any OCI and therefore, comprehensive income equals net income. In addition, there is no accumulated comprehensive income.

Recent Accounting Pronouncements

Pronouncements to be adopted upon the effective date:

In December 2023, the FASB issued Accounting Standards Update ("ASU") 2023-09, *"Income Taxes* (Topic 740): *Improvements to Income Tax Disclosures"*. The ASU enhances the transparency and decision usefulness of income tax disclosures and is effective for annual periods beginning after December 15, 2024 on a prospective basis. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements and related disclosures.

Pronouncements adopted during the fiscal year:

In October 2021, the FASB issued accounting guidance on accounting for acquired revenue contracts with customers in a business combination. The guidance specifies for all acquired revenue contracts, regardless of their timing of payment, the circumstances in which the acquirer should recognize contract assets and contract liabilities that are acquired in a business combination, as well as how to measure those contract assets and contract liabilities. The updated accounting guidance is effective for fiscal years beginning after December 15, 2022 with early adoption permitted. The Company adopted this guidance effective January 1, 2023, and will apply it prospectively to business combinations occurring on or after that date.

Recently issued accounting standards or pronouncements not disclosed above have been excluded as they are not relevant to the Company.

2. Utility Plant

Utility Plant is composed of the following:

	December 31, 2023	December 31, 2022	Approximate range of remaining lives
Utility plant			
Mains and accessories	$ 3,314,669	$ 3,107,754	26 to 84 years
Services, hydrants, treatment, plants and reservoirs	1,736,366	1,660,468	18 to 73 years
Operations structures and water tanks	201,911	189,352	15 to 60 years
Miscellaneous pumping and purification equipment	553,704	532,273	18 to 47 years
Meters, data processing, transportation and operating	554,312	539,272	5 to 44 years
Land and other non-depreciable assets	65,032	64,515	
Utility plant total	6,425,994	6,093,634	
Utility construction work-in-progress	153,976	180,776	
Net utility plant acquisition adjustment	1,527	553	10 to 35 years
Total utility plant	6,581,497	6,274,963	
Accumulated depreciation	(1,454,545)	(1,364,230)	
Utility plant, net of accumulated depreciation	$ 5,126,952	$ 4,910,733	

3. Acquisitions

Water and Wastewater Utility Acquisitions – Completed:

In July 2023, the Company completed the water utility asset acquisition of Shenandoah Borough, Pennsylvania, which serves approximately 2,900 customers for $12,291. In March 2023, the Company acquired the North Heidelberg Sewer Company in Berks County, Pennsylvania, which serves approximately 300 customer connections for a cash purchase price of $136. The purchase price allocation for these acquisitions consisted primarily of property, plant and equipment. The operating revenues included in the consolidated financial statements of the Company during the period owned by the Company for these utility systems acquired in 2023 are $902.

In August 2022, the Company acquired the municipal wastewater assets of East Whiteland Township, Chester County, Pennsylvania, which serves 4,018 customers, for a cash purchase price of $54,374. Subsequent to the August 2022 closing on the acquisition of the municipal wastewater assets of East Whiteland Township, a party filed an appeal to the Pennsylvania Public Utility Commission's order of approval. On July 31, 2023, a decision was issued by the Pennsylvania Commonwealth Court that agreed with the party's appeal and reversed the order which approved the acquisition. In an effort to resolve the matter, the Company pursued and is continuing to pursue certain legal actions. Management believes the final resolution of this matter is not expected to have a material adverse effect on the Company's financial position, results of operations or cash flows.

3. Acquisitions (Continued)

Additionally, in March 2022, the Company acquired the wastewater system of Lower Makefield Township, which serves 11,323 customer connections in Lower Makefield, Falls, and Middletown townships, and Yardley Borough, Bucks County, Pennsylvania, for a cash purchase price of $53,000. The purchase price allocation for these acquisitions consisted primarily of property, plant and equipment. The operating revenues included in the consolidated financial statements of the Company during the period owned by the Company for the utility systems acquired in 2022 were $15,326 in 2023 and $11,120 in 2022.

Water and Wastewater Utility Acquisitions – Pending Completion:

In December 2023, the Company entered into a purchase agreement to acquire North Versailles wastewater assets in North Versailles Township, Pennsylvania which serves approximately 4,400 customers for between $25,000 and $30,000. In September 2023, the Company entered into a purchase agreement to acquire Greenville Municipal Water Authority's water system in Greenville, Pennsylvania which serves approximately 3,000 customers for $18,000. In April 2023, the Company entered into a purchase agreement to acquire Greenville Sanitary Authority's wastewater utility assets, which serves approximately 2,300 customers in Greenville, Pennsylvania for $18,000.

The purchase price for these pending acquisitions are subject to certain adjustments at closing, and are subject to regulatory approval, including the final determination of the fair value of the rate based acquired. These pending acquisitions are expected to close in 2024 or 2025. Closing for our utility acquisitions are subject to the timing of the regulatory approval process.

DELCORA Purchase Agreement

In September 2019, the Company entered into a purchase agreement to acquire the wastewater utility system assets of the Delaware County Regional Water Quality Control Authority ("DELCORA"), which consists of approximately 16,000 customers, or the equivalent of 198,000 retail customers, in 42 municipalities in Southeast Pennsylvania for $276,500. There are several legal proceedings involving the Company as a result of the purchase agreement:

In 2020, Delaware County, Pennsylvania (the "County") filed a lawsuit alleging that DELCORA did not have the legal authority to establish and fund a customer trust with the net proceeds of the transaction (the "County Lawsuit"). In 2020, the judge in the Delaware County Court lawsuit issued an order that (1) the County cannot interfere with the purchase agreement between DELCORA and the Company; (2) the County cannot terminate DELCORA prior to the closing of the transaction; and (3) the establishment of the customer trust was valid. The County appealed this decision to the Commonwealth Court of Pennsylvania.

3. Acquisitions (Continued)

On March 3, 2022, the Commonwealth Court issued a decision finding that the County can dissolve DELCORA if it so chooses, but the purchase agreement must be upheld regardless of who is operating the system. The case was remanded back to the trial court for the entry of an order consistent with the Commonwealth Court's opinion and the order was issued in September 2022 ("Remand Order"). Since then, the County has challenged the Remand Order that has resulted in the Remand Order being on appeal to the Commonwealth Court. The Commonwealth Court has scheduled oral argument on this appeal for April 2024.

On January 25, 2023, DELCORA filed in the Delaware Court of Common Pleas a complaint for Declaratory Judgment against the Company and the County seeking resolution of whether the County Ordinance dissolving DELCORA is a final action prohibiting DELCORA from carrying out the material transaction of the Asset Purchase Agreement and, in the event that DELCORA retains the ability to close the transaction, whether DELCORA is permitted to exist as a trust (the "DELCORA Complaint"). The Company filed preliminary objections to the DELCORA complaint, which were scheduled for a hearing on October 12, 2023. However, prior to the scheduled hearing, the Court notified the parties that the hearing was canceled and would be re-listed after the parties receive the benefit of the Commonwealth Court's decision on the appeal addressed above. The administrative law judges ("ALJ") in the regulatory approval process (the "PUC Process") recommended that the Company's application to acquire DELCORA be denied, and subsequently, the Company provided exceptions to the recommended decision.

On March 30, 2021, the PAPUC ruled that the case be remanded back to the ALJ and vacated the original administrative law judges' recommended decision ("2021 Order"). This 2021 Order was also appealed to the Commonwealth Court by the County on April 29, 2021. A decision was issued by the Commonwealth Court on September 12, 2022, which dismissed the appeal of the County.

After the PAPUC issued the 2021 Order, on April 16, 2021, the ALJ issued an order staying the proceeding until the County Lawsuit is final and unappealable. On March 25, 2022, the Company sent a letter notifying the PAPUC of the March 3, 2022, Commonwealth Court decision (that originated in Delaware County Court of Common Pleas) and requested that the PAPUC move forward with processing the application.

On July 14, 2022, the Commission moved to lift the stay imposed by the ALJ and required the ALJ to establish a schedule on remand for the proceeding. The ALJ established a procedural schedule for the remand proceeding, which was subsequently stayed.

On August 17, 2022, the Receiver for the City of Chester filed suit in Delaware County Common Pleas Court against DELCORA premised upon the claimed reversionary interest of the City of Chester in some of DELCORA's assets. The Company intervened in that matter and filed preliminary objections. Following a hearing on the Company's preliminary objections, the Receiver for the City of Chester discontinued the case without prejudice.

3. Acquisitions (Continued)

On January 26, 2023, several parties involved in the PAPUC case filed a joint motion for stay based on the DELCORA Complaint and referenced the City of Chester's bankruptcy filing in which the City of Chester has asserted reversionary contract interests regarding some of DELCORA's wastewater assets. On February 6, 2023, the ALJ stayed the PAPUC Process.

On May 23, 2023, the United States Bankruptcy Court issued an order in the City of Chester's bankruptcy filing staying the PAPUC Process until relief from the stay is granted by the Bankruptcy Court. The Company appealed the Bankruptcy Court stay order to the United States District Court for the Eastern District of Pennsylvania and is awaiting the Court decision whether oral argument will be scheduled or a decision rendered based solely on the briefing.

On June 16, 2023, the Company filed a Complaint against DELCORA in the Delaware County Court of Common Pleas requesting a declaratory judgment and injunctive relief regarding breach of the Asset Purchase Agreement in acting outside the ordinary course of business by attempting to enter into a new agreement with Philadelphia Water Department ("PWD") for the treatment of wastewater without the Company's consent. DELCORA filed an answer, new matter and counterclaim against the Company, alleging that the Company has tortiously interfered with DELCORA's contract with PWD. The Company filed preliminary objections to the counterclaim, and DELCORA filed an amended counterclaim. The Company filed preliminary objections to the amended counterclaim, and on October 9, 2023, DELCORA filed a second amended counterclaim, to which the Company filed preliminary objections. The preliminary objections remain pending before the Court.

The purchase price for this pending acquisition is subject to certain adjustments at closing, and is subject to regulatory approval, including the final determination of the fair value of the rate base acquired. We plan to finance the purchase price of this acquisition with a mix of equity and debt financing, utilizing our revolving credit facility until permanent debt is secured. Closing of our acquisition of DELCORA is subject to the timing of the above-described regulatory approval process and on-going litigation.

4. Income Taxes

The provision for income taxes is composed of the following:

	Years ended December 31,	
	2023	2022
Current:		
Federal	$ 7,178	$ 21,484
State	3,338	6,273
	10,516	27,757
Deferred:		
Federal	67	(465)
State	17,370	(1,048)
	17,437	(1,513)
Total tax expense	$ 27,953	$ 26,244

The statutory Federal tax rate is 21% for both 2023 and 2022 and the Pennsylvania Corporate Net Income tax rate is 8.99% for 2023 and 9.99% for 2022.

The primary components of the net deferred tax liability and investment tax credits of $944,670 and $860,101 at December 31, 2023 and 2022, respectively, include basis differences in utility plant, partially offset by advances and contributions, and income taxes recoverable.

On July 8, 2022, Pennsylvania enacted House Bill 1342 into law, which among other things, reduces Pennsylvania's corporate income tax rate from 9.99% to 8.99% beginning January 1, 2023, and an additional 0.5% annually through 2031, when it reaches to 4.99%. The Company evaluated the impacts of the tax rate change and recorded a reduction to deferred tax liabilities of $178,438 with a corresponding reduction primarily to regulatory assets.

4. Income Taxes (Continued)

At December 31, 2023, the Company has a cumulative state Net Operating Loss ("NOL") of $489,238 without regard to unrecognized tax benefits. The Company believes that the state NOLs are more likely than not to be recovered and require no valuation allowance. The state NOLs do not begin to expire until 2029.

As of December 31, 2023, and 2022, the reserve for uncertain tax position is $7,219 and $17,567, respectively, excluding accrued interest and penalties. The unrecognized tax benefits relate to the income tax accounting change to adopt the IRS temporary tangible property regulations, and the tax position is attributable to a temporary difference. As a result of the regulatory treatment afforded by the income tax accounting change and despite this position being a temporary difference, as of December 31, 2023 and 2022, $6,591 and $37,121, respectively, of these tax benefits would have an impact on the Company's effective income tax rate in the event the Company does sustain all, or a portion, of its tax position. The reserve for uncertain tax positions could increase or decrease for things such as the expiration of statutes of limitations, audit settlements, or tax examination activities. The Company has elected to recognize accrued interest and penalties related to uncertain tax positions as income tax expense. The Company has not recognized any penalties and interest due to the available NOLs of other members within its consolidated Federal filing group.

As of December 31, 2023, the Parent's federal income tax returns remain subject to examination by federal tax authorities for the 2020 through 2023 tax years.

5. Regulatory Assets and Liabilities

Regulatory assets represent costs that are expected to be fully recovered from customers in future rates while regulatory liabilities represent amounts that are expected to be refunded to customers in future rates. Except for income taxes and utility plant retirement costs, regulatory assets and regulatory liabilities are excluded from the Company's rate base and do not earn a return. The components of regulatory assets and liabilities are as follows:

	December 31, 2023		December 31, 2022	
	Regulatory		Regulatory	
	Assets	Liabilities	Assets	Liabilities
Income taxes	$ 837,951	$ 270,411	$ 711,705	$ 229,216
Postretirement benefits	-	126,086	-	117,708
Utility plant retirement costs	9,333	-	9,305	-
Rate case filing expenses & other	6,923	-	25,346	-
	$ 854,207	$ 396,497	$ 746,356	$ 346,924

5. Regulatory Assets and Liabilities (Continued)

Items giving rise to deferred state income taxes as well as a portion of deferred Federal income taxes related to certain differences between tax and book depreciation expense are recognized in the rate setting process on a cash or flow-through basis and will be recovered as they reverse. Amounts include differences that arise between certain utility asset improvement costs capitalized for book and deducted as a repair expense for tax purposes. On December 22, 2017, the Tax Cuts and Job Act ("TCJA") was enacted, which reduced the Federal corporate income tax rate from 35% to 21%. Reductions in accumulated deferred income tax balances due to the reduction in the corporate income tax rate to 21% under the provisions of the TCJA will result in amounts previously collected from utility customers for these deferred taxes to be refundable to such customers, generally through reductions in future rates. The TCJA includes provisions that stipulate how these excess deferred taxes relating to certain accelerated tax depreciation benefits are to be passed back to customers. The amortization of the excess deferred income taxes is incorporated into the Company's cost of service.

The regulatory liability related to the catch-up component of the Company's repair tax accounting change represents the tax benefits realized, which have not yet flowed-through as a reduction to income tax expense due to the ten-year amortization period which began in 2013.

Postretirement benefits include pension and other postretirement benefits. The regulatory liability for postretirement benefits related to pension represents amounts recovered through rates before the costs are incurred. The regulatory balance related to postretirement benefits other than pensions includes deferred amounts funded by customers in excess of required amounts needing funding through an actuarial study. Excess funding of postretirement benefits since the Company's last base rate case is included as a reduction to cost of service postretirement benefits expense through an amortization. Postretirement benefits expense funding excess or deficit is periodically reviewed during each rate case filed by the Company and is fully recoverable in future rates charged to customers.

5. Regulatory Assets and Liabilities (Continued)

The regulatory asset for utility plant retirement costs, representing cost of removal, represents costs already incurred that are expected to be recovered in future rates over a five-year recovery period.

The regulatory asset related to rate case filing expenses represents the costs associated with filing for rate increases that are deferred and amortized over periods that range from one to three years. Other represents costs incurred by the Company for which it has received or expects to receive rate recovery.

6. Commitments and Contingencies

The Company maintains agreements with other water purveyors for the purchase of water to supplement its water supply, particularly during periods of peak demands. The agreements stipulate purchases of minimum quantities of water or charge a monthly commitment fee through the year 2028. The Company is committed to a total of $10,327 in water purchase payments: $4,633 in 2024, $4,461 in 2025, $845 in 2026, $146 in 2027, $146 in 2028 and $96 thereafter. The Company purchased approximately $5,505 and $4,344 of water under these agreements during the years ended December 31, 2023 and 2022, respectively.

The Company is routinely involved in condemnation procedures and legal matters during the ordinary course of business. Although the results of legal proceedings cannot be predicted with certainty, there are no other pending legal proceedings to which the Company is a party or to which any of its properties is the subject that are material or are expected to have a material effect on the Company's financial position, results of operations or cash flows.

7. Leases

The Company leases facilities and other equipment for use in its operations, which are accounted for as operating leases. Leases with a term of 12 months or less are not recorded on the balance sheet; rather, lease expense is recognized over the lease term. Our leases have remaining lives of 1 year to 29 years.

Some of the Company's leases can be extended on a month-to-month basis, which allow us to terminate the lease at any given month without penalty while others include options to extend the leases for up to 50 years. The renewal of a month-to-month lease is at our sole discretion.

The Company accounts for lease and non-lease components of lease arrangements separately. For calculating lease liabilities, we may deem lease terms to include options to extend or terminate the lease when it's reasonably certain that we will exercise that option. The Company's lease agreements do not contain significant residual value guarantees, restrictions or covenants.

Lease liabilities and corresponding right-of-use assets are recorded based on the present value of the lease payments over the expected lease term, including leases with variable payments that are based on a market rate or an index. All other variable payments are expensed as incurred. Since the Company's lease agreements do not provide an implicit interest rate, the Company utilized the Parent's incremental borrowing rate to determine the discount rate used to present value the lease payments.

Components of lease expense were as follows:	Years Ended December 31, 2023	2022
Operating lease cost	$ 620	$ 663

	Years Ended December 31, 2023	2022
Supplemental cash flow information related to leases was as follows:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 628	$ 611

7. Leases (Continued)

Supplemental balance sheet information related to leases was as follows:	Year Ended December 31, 2023	2022
Operating leases:		
Operating lease right-of-use assets	$ 7,954	$ 8,141
Other accrued liabilities	233	248
Operating lease liabilities	7,721	7,893
Total operating lease liabilities	$ 7,954	$ 8,141

	Year Ended December 31, 2023	2022
Weighted average remaining lease term:		
Operating leases	23 years	24 years
Weighted average discount rate:		
Operating leases	4.23%	4.22%

	Operating Leases
2024	$ 547
2025	547
2026	537
2027	533
2028	529
Thereafter	9,343
Total operating lease payments	$ 12,036

Total operating lease payments	$ 12,036
Less operating lease liabilities	7,953
Present value adjustment	$ 4,083

8. Long-term Debt and Loans Payable

The consolidated Statements of Capitalization provide a summary of long-term debt as of December 31, 2023 and 2022. The supplemental indentures with respect to certain issues of the First Mortgage Bonds restrict the ability of the Company to declare dividends, in cash or property, or repurchase or otherwise acquire the Company's stock. Approximately $2,393,249 and $2,158,501 of the Company's retained earnings were free of these restrictions as of December 31, 2023 and 2022, respectively. Certain supplemental indentures also prohibit the Company from making loans to, or purchasing the stock of, the Parent. Loan agreements for the Company contain restrictions on minimum net assets. As of December 31, 2023, there were restrictions on the Company's net assets of $1,747,255 of their total net assets of $2,354,604.

Sinking fund payments are required for certain issues of long-term debt. The future sinking fund payments and debt maturities of the Company's long-term debt are as follows:

Interest Rate	2024	2025	2026	2027	2028	Thereafter
1.00% To 1.99%	$ 748	$ 759	$ 769	$ 780	$ 791	$ 3,691
2.00% To 2.99%	1,619	1,427	1,304	1,111	906	151,550
3.00% To 3.99%	1,530	598	553	331	217	700,325
4.00% To 4.99%	-	-	-	-	-	972,437
5.00% To 5.99%	10,000	-	-	-	3,000	319,066
6.00% To 6.99%	-	-	-	20,000	-	-
7.00% To 7.99%	-	15,000	-	-	-	-
8.00% To 8.99%	-	-	-	-	-	-
9.00% To 9.99%	-	-	11,800	-	-	-
Total	$ 13,897	$ 17,784	$ 14,426	$ 22,222	$ 4,914	$ 2,147,069

8. Long-term Debt and Loans Payable (Continued)

In June 2023, the Company renewed its $100,000 364-day unsecured revolving credit facility with four banks. The funds borrowed under this agreement are classified as loans payable and are used to provide working capital. As of December 31, 2023, and 2022, funds borrowed under the Company's revolving credit agreement were $23,123, and $20,000, respectively. Interest under this facility is based, at the borrower's option, on the prime rate, an adjusted overnight bank funding rate, or an adjusted Bloomberg Short-Term Bank Yield Index (BSBY) floating rate. This agreement restricts short-term borrowing of the Company. A renewal fee of 5 basis points was charged on the total commitment amount of the revolving credit agreement. The average cost of borrowing under this facility was 5.36% and 2.40%, and the average borrowing was $19,275 and $31,555 during 2023 and 2022, respectively. The maximum amount outstanding at the end of any one month was $54,472 in 2023 and $55,000 in 2022.

In August 2023, the Company issued $225,000 in aggregate principal amount of first mortgage bonds. The bonds consisted of $175,000 of 5.48% first mortgage bonds due in 2053; and $50,000 of 5.56% first mortgage bonds due in 2061. The proceeds from these bonds were used repay existing indebtedness and for general corporate purposes.

In January 2023, the Company issued $75,000 of first mortgage bonds, due in 2043 with an interest rate of 5.60% The proceeds from these bonds were used repay existing indebtedness and for general corporate purposes.

In October 2022, the Company issued $125,000 of first mortgage bonds due in 2052 with an interest rate of 4.50%. The proceeds from these bonds were used repay existing indebtedness and for general corporate purposes.

9. Fair Value of Financial Instruments

The carrying amount of current assets and liabilities that are considered financial instruments approximates their fair values as of the dates presented. The carrying amount of the Company's long-term debt as of December 31, 2023 and 2022 is $2,220,312 and $1,935,107 respectively. The estimated fair value of the Company's long-term debt as of December 31, 2023 and 2022 is $1,864,551 and $1,544,071, respectively. The fair value of long-term debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments of the same duration.

The Company's customers' advances for construction and related tax deposits have carrying values of $65,399 and $59,927 at December 31, 2023 and 2022, respectively. Their relative fair values cannot be accurately estimated since future refund payments depend on several variables, including new customer connections, customer consumption levels and future rate increases. Portions of these non-interest bearing instruments are payable annually through 2030 and amounts not paid by the contract expiration dates become non-refundable. The fair value of these amounts would, however, be less than their carrying value due to the non-interest bearing feature.

10. Pension Plans and Other Postretirement Benefits

The Company participates in a noncontributory qualified defined benefit pension plan sponsored by the Parent covering non-union employees hired prior to April 1, 2003 and select union employees. The eligibility of union employees is determined by the collective bargaining agreements covering those employees. Benefits under the plan are based on the participant's years of service and the annual average of the applicable compensation during the five consecutive computation periods of the final 10 computation periods as an active participant yielding the highest such average. Pension cost of the Company is based on amounts contributed to the pension plan as approved by the Parent and incorporated in rates approved by the PAPUC. Information regarding accumulated and projected benefit obligations is not prepared at the subsidiary level.

In August 2014, the Parent announced changes to the way it will provide future retirement benefits to employees acquired through a prior acquisition. Effective January 1, 2015, the Parent will provide future retirement benefits for these employees through its deferred contribution plan. As a result, no further service will be considered in future accruals in the qualified defined benefit pension plan after December 31, 2014.

10. Pension Plans and Other Postretirement Benefits (Continued)

The funding amount for the pension plan for Essential Utilities, Inc. Retirement Income Plan will be determined each year based on the recommendation of management and subject to approval by the Parent's Pension Committee. The funding amount will be an amount greater than or equal to the minimum required contribution and less than or equal to the maximum tax deductible contribution. The Company records expense in an amount equal to the planned funding amount. The Company recorded pension expense of $6,000 and $12,000 in 2023 and 2022, respectively.

The Company participates in two postretirement benefit plans sponsored by the Parent that provide certain life insurance benefits for retired employees and certain health care benefits for retired employees and their dependents. Employees may become eligible for these benefits if they have completed at least fifteen years of service and retire from the Company after reaching age 55 while still working for the Company. Retirees and their dependents under age 65 are covered by a point-of-service managed care plan that requires co-payments or an HMO. Employees hired after April 1, 2003 are not eligible for benefits.

Employees who elect to retire prior to attaining age 65 are generally required to make contributions towards their medical coverage until attaining 65. Retirees and their dependents age 65 and over are required to purchase their own medical and drug coverage. The cost of this coverage is offset by Company contributions deposited in the plan's Premium Reimbursement Account. Costs of the Company are based on amounts contributed to the plans and incorporated in rates approved by the PAPUC.

The Company's funding policy is to contribute the lower of the other postretirement benefits cost or the maximum allowed by the Internal Revenue Code. The Company recorded costs for postretirement benefits other than pensions of $39 and $(1,270) in 2023 and 2022, respectively. The Company funded postretirement benefits other than pensions of $0 in 2023 and $416 in 2022. Information regarding accumulated and projected benefit obligations is not prepared at the subsidiary level.

The Parent has 401(k) savings plans, which are defined contribution plans and cover substantially all employees. The Company makes matching contributions that are based on a percentage of the employee's contribution, subject to specific limitations, as well as certain other Company contributions.

10. Pension Plans and Other Postretirement Benefits (Continued)

Participants may diversify their Company matching account balances into other investments offered under 401(k) savings plans. The Company's contributions, which are recorded as compensation expense, were $3,197 and $2,709 for 2023 and 2022, respectively.

11. Employee Stock and Incentive Plan

The Company's employees participate in an Equity Compensation Plan sponsored by the Parent. Under the Essential Utilities, Inc. 2009 Omnibus Equity Compensation Plan, as approved by the Parent's shareholders to replace the 2004 Equity Compensation Plan, stock options, stock units, stock awards, stock appreciation rights, dividend equivalents, and other stock-based awards may be granted to the Company's employees, non-employee directors and consultants and advisors. During 2019, the Parent granted stock options, which are based upon the common stock of the Parent. Options are exercisable in installments of 33% annually, starting one year from the date of the grant and expire 10 years from the date of the grant. The Parent determines the grant date fair value per stock option using the Black-Scholes option-pricing model.

The fair value of each stock option is amortized into compensation expense using the graded vesting method, which results in the recognition of compensation costs over the requisite service period for each separately vesting tranche of the stock options as though the stock options were, in substance, multiple stock option grants. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs. Since the Company is not obligated to reimburse the Parent for stock-based compensation costs incurred, the Company records these liabilities resulting from compensation costs to paid-in capital.

For the year ended December 31, 2023, the Company's stock-based compensation related to stock options resulted in the following: operations and maintenance expense of $18 and lowered income tax expense by $5. For the year ended December 31, 2022, the Company's stock-based compensation related to stock options resulted in the following: operations and maintenance expense of $15 and lowered income tax expense by $4.

11. Employee Stock and Incentive Plan (Continued)

During 2023 and 2022, the Parent granted performance share units ("PSU"). A PSU represents the right to receive a share of the Parent's common stock if specified performance goals are met over the three year performance period specified in the grant, subject to exceptions through the respective vesting periods. The fair value of each PSU grant is amortized into compensation expense on a straight-line basis through the respective vesting period, which is generally three years. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. During the year ended December 31, 2023, the Company recorded stock-based compensation related to PSU's as a component of operations and maintenance expense of $394 and recorded an income tax benefit of $114. During the year ended December 31, 2022, the Company recorded stock-based compensation related to PSU's as a component of operations and maintenance expense of $505 and recorded an income tax benefit of $146. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs.

During 2023 and 2022, the Parent granted restricted share units ("RSU"). A RSU represents the right to receive a share of the Parent's common stock and are valued based on the fair market value of the Parent's stock on the date of grant. RSUs are eligible to be earned at the end of a specified restriction period, generally three years, beginning on the date of grant. In some cases, the right to receive the shares is subject to specific performance goals established at the time the grant is made. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. During the year ended December 31, 2023, the Company recorded stock-based compensation related to awards of RSUs as a component of operations and maintenance expense of $174 and recorded income tax benefit of $50. During the year ended December 31, 2022, the Company recorded stock-based compensation related to awards of RSUs as a component of operations and maintenance expense of $194 and recorded income tax benefit of $56. Compensation expense recognized by the Parent is allocated to its subsidiaries based on actual employee costs.

12. Water and Wastewater Rates

On May 16, 2022, the Company received an order from the PAPUC that allowed base rate increases that would increase total annual operating revenues by $69,251. New rates went into effect on May 19, 2022. The Distribution System Improvement Charges ("DSIC") enables water and wastewater utilities in Pennsylvania to add a surcharge to customer bills to offset the additional depreciation and capital costs related to infrastructure system replacement and rehabilitation projects completed and placed into service between base rate filings. The Company is permitted to request adjustments to the DSIC quarterly to reflect subsequent capital expenditures and it is reset to zero when new base rates that reflect the costs of those additions become effective or when the Company's earnings exceed a PAPUC benchmark. The maximum DSIC that can be in effect at any time is an increase of base rates of 7.5% for water and 5.0% for wastewater. At the time the rate order was received, the rates in effect also included $35,470 in DSIC, which was 7.2% above prior base rates. Consequently, the aggregate annual base rates increased by $104,721 since the last base rate increase and DSIC was reset to zero.

13. Affiliated Company Transactions

The Company has service agreements with the Parent and subsidiaries of the Parent ("other affiliates"). The types of services rendered between these entities relate to general supervision and administrative functions, long-range planning, tax, accounting, financing, engineering, legal, data processing services and other specialized support. Expenditures recorded for these services from the Parent and other affiliates amounted to approximately $53,017 and $60,696 for 2023 and 2022, respectively, and of those amounts, $28,888 and $27,971, respectively, have been recorded within Operations, maintenance and administrative expenses on the Consolidated Statements of Income with the remainder recorded to net utility plant on the Consolidated Balance Sheets. The Company also provides various management, advisory, and other services for other affiliates and is reimbursed by these affiliates. The amounts billed were $296 and $591 in 2023 and 2022, respectively. Additionally, the Parent may fund acquisitions on behalf of the Company, and such amounts would be included in the accounts payable-affiliates account. Acquisitions funded by Parent in 2023 were considered equity contributions, refer to Footnote 3 for more detail regarding acquisitions.

The Company participates in the Parent's centralized treasury function whereby the Company transfers its cash to the Parent. Under this arrangement, available cash is used to fund accounts payable due from the Company and to pay-down accounts payable-affiliate, or available cash would be reflected as amounts due from the Parent and other affiliates to the Company. The reduction of the accounts payable-affiliates will also be settled through the collection of cash on behalf of the Company and capital contributions. The Parent made cash contributions of $0 and $70,000 to the Company in 2023 and 2022, respectively, which is disclosed in the Consolidated Statement of Stockholder's Equity.

The amounts owed to the Parent and other affiliates by the Company were $38,564 and $97,319 at December 31, 2023 and 2022, respectively. Amounts owed to the Parent and other affiliates are reflected in the accompanying balance sheet.

Amounts due from the Parent and other affiliates to the Company amounted to $18,225 and $87,496 at December 31, 2023 and 2022, respectively. Amounts due from the Parent and other affiliates are reflected in the accompanying balance sheet.

The Company returned equity contributions to the Parent of $343,397 and $100,000 in 2023 and 2022, respectively, which is reported on the Statements of Consolidated Stockholder's Equity as return of capital contributions. In 2023, $200,000 of the return of these cash equity contributions were paid in cash to parent, and $143,397 related to noncash settlement of net intercompany positions with the Parent.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

K. Other Data

OD3. Provide all monthly or quarterly, or both, budget variance reports to management, or the board of directors, or both, submitted during the past year. Please provide the most recent detailed budget variance report which the company compiled, and update as additional reports are issued.

A. Please see the attached.

Aqua PA
(000 OMITTED)
March 31, 2023

	CURRENT YEAR	PRIOR YEAR	BUDGET	VARIANCES (UNFAVORABLE) FAVORABLE PRIOR YEAR	%	BUDGET	%
Quarter:							
Operating revenues	$ 150,801	$ 131,642	$ 152,576	$19,159	14.6%	($1,775)	(1.2%)
Cost & expenses:							
Operations and maintenance	35,057	38,446	39,632	3,389	8.8%	4,575	11.5%
Depreciation	32,910	29,325	33,376	(3,585)	(12.2%)	466	1.4%
Amortization	(171)	(140)	(74)	31	22.1%	97	131.1%
Taxes other than income	3,089	3,047	3,130	(42)	(1.4%)	41	1.3%
Total costs & expenses	70,885	70,678	76,064	(207)	(0.3%)	5,179	6.8%
Operating income	79,916	60,964	76,512	18,952	31.1%	3,404	4.4%
Interest expense, net	20,198	18,265	19,614	(1,933)	(10.6%)	(584)	(3.0%)
AFUDC	(2,530)	(2,424)	(2,338)	106	4.4%	192	8.2%
Gains on sales of properties	(212)	-	(94)	212	100.0%	118	125.5%
Other net periodic benefit costs	(179)	(1,700)	(146)	(1,521)	(89.5%)	33	22.6%
Income before taxes	62,639	46,823	59,476	15,816	33.8%	3,163	5.3%
Provision for income taxes	8,532	2,765	8,615	(5,767)	(208.6%)	83	1.0%
Net income	$ 54,107	$ 44,058	$ 50,861	$ 10,049	22.8%	$ 3,246	6.4%

AQUA PENNSYLVANIA, INC. – March 31, 2023
(In"000" unless otherwise stated)

Net income for the first quarter was $54,107, an increase of $3,246 or 6.4% compared to budget and an increase of $10,049 or 22.8% compared to prior year. The favorable first quarter net income variance to budget is due to favorable changes in operations and maintenance expenses of $4,575, depreciation and amortization of $563, AFUDC of $192, taxes other than income of $41, benefits of $33, gains of $118, and income taxes of $83; partially offset by unfavorable changes in revenue of ($1,775) and interest of ($584). The $10,049 favorable variance to prior year is primarily due to favorable revenue of $19,159, favorable operations and maintenance expense reductions of $3,389, gains of $212 and favorable AFUDC of $106; partially offset by unfavorable depreciation ($3,585), interest expense ($1,933), other benefits ($1,521) and taxes ($5,767).

Operating revenues for the first quarter were $150,801, a decrease of ($1,775) or 1.2% compared to budget and an increase of $19,159 or 14.6% compared to prior year. Utility revenue is favorable compared to prior year due to the rate case, acquisitions and increased consumption. The decrease compared to budget is due to lower than expected consumption.

Operating and maintenance expenses for the first quarter were $4,575 or 11.5% lower than budget and $3,389 or 8.8% lower than prior year. The favorable variance from prior year and budget is related to changing the bad debt reserve policy back to normal levels based on company history prior to Covid-19, this resulted in a $2,440 benefit. The remaining variance relative to budget is primarily due to favorable purchased wastewater and labor. Then the remaining variance related to prior year is primarily due to pension contributions being made in the prior year but not the current year.

Depreciation expense for the first quarter was $466 or 1.4% lower than budget and ($3,389) or 8.8% higher than prior year. The favorable variance to budget is due to slightly less capital additions than anticipated. The unfavorable variance to prior year is due to additional assets placed in service during 2022 and 2023.

AQUA PENNSYLVANIA, INC. – March 31, 2023
(In"000" unless otherwise stated)

Taxes other than income for the first quarter were favorable by $41 or 1.3% compared to budget and unfavorable by ($42) or 1.4% compared to prior year. Variances are a result of fluctuations in PURTA and real estate taxes.

Interest expense for the first quarter was unfavorable by ($584) or 3% compared to budget and unfavorable by ($1,933) or 10.6% compared to prior year. The unfavorable variance from budget is due to a $75,000 bond issuance in January 2023. The unfavorable variance from prior year is due to the issuance in January and the $125,000 bond issuance in October 2022.

AFUDC - Allowance for Funds Used During Construction for the first quarter was favorable by $192 or 8.2% compared to budget and unfavorable by $106 or 4.4% compared to prior year. The favorable variance to budget and from prior year is due to higher than anticipated CWIP balances.

Provision for income taxes for the first quarter was favorable by $88 or 1% compared to budget and unfavorable ($5,767) or 208.6% compared to prior year. Variances are due to pre-tax income, FIN 48 and tax repairs.

Aqua PA
(000 OMITTED)
June 30, 2023

	CURRENT YEAR	PRIOR YEAR	BUDGET	VARIANCES (UNFAVORABLE) FAVORABLE PRIOR YEAR	%	BUDGET	%
Quarter:							
Operating revenues	$ 166,888	$ 150,222	$ 162,975	$16,666	11.1%	$3,913	2.4%
Cost & expenses:							
Operations and maintenance	41,834	40,757	39,215	(1,077)	(2.6%)	(2,619)	(6.7%)
Depreciation	32,769	29,825	33,780	(2,944)	(9.9%)	1,011	3.0%
Amortization	(151)	(56)	(64)	95	169.6%	87	135.9%
Taxes other than income	3,057	2,914	2,953	(143)	(4.9%)	(104)	(3.5%)
Total costs & expenses	77,509	73,440	75,884	(4,069)	(5.5%)	(1,625)	(2.1%)
Operating income	89,379	76,782	87,091	12,597	16.4%	2,288	2.6%
Interest expense, net	20,962	18,217	19,503	(2,745)	(15.1%)	(1,459)	(7.5%)
AFUDC	(1,149)	(2,488)	(912)	(1,339)	(53.8%)	237	26.0%
Gains on sales of properties	(198)	(436)	(93)	(238)	(54.6%)	105	112.9%
Other net periodic benefit costs	(179)	(1,008)	(146)	(829)	(82.2%)	33	22.6%
Income before taxes	69,943	62,497	68,740	7,446	11.9%	1,203	1.8%
Provision for income taxes	9,245	7,648	9,987	(1,597)	(20.9%)	742	7.4%
Net income	$ 60,698	$ 54,849	$ 58,753	$ 5,849	10.7%	$ 1,945	3.3%
Year-to-date:							
Operating revenues	$ 317,689	$ 281,864	$ 315,551	$35,825	12.7%	$2,138	0.7%
Cost & expenses:							
Operations and maintenance	76,891	79,203	78,847	2,312	2.9%	1,956	2.5%
Depreciation	65,679	59,150	67,156	(6,529)	(11.0%)	1,477	2.2%
Amortization	(322)	(196)	(138)	126	64.3%	184	133.3%
Taxes other than income	6,146	5,961	6,083	(185)	(3.1%)	(63)	(1.0%)
Total costs & expenses	148,394	144,118	151,948	(4,276)	(3.0%)	3,554	2.3%
Operating income	169,295	137,746	163,603	31,549	22.9%	5,692	3.5%
Interest expense, net	41,160	36,482	39,117	(4,678)	(12.8%)	(2,043)	(5.2%)
AFUDC	(3,679)	(4,912)	(3,250)	(1,233)	(25.1%)	429	13.2%
Gains on sales of properties	(410)	(436)	(187)	(26)	(6.0%)	223	119.3%
Other net periodic benefit costs	(358)	(2,708)	(292)	(2,350)	(86.8%)	66	22.6%
Income before taxes	132,582	109,320	128,216	23,262	21.3%	4,366	3.4%
Provision for income taxes	17,776	10,413	18,602	(7,363)	(70.7%)	826	4.4%
Net income	$ 114,806	$ 98,907	$ 109,614	$ 15,899	16.1%	$ 5,192	4.7%

AQUA PENNSYLVANIA, INC. – JUNE 30, 2023
(In"000" unless otherwise stated)

Net income for the second quarter was $60,698, an increase of $1,945 or 3.3% compared to budget and an increase of $5,849 or 10.7% compared to prior year. The favorable second quarter net income variance to budget is due to favorable changes in in revenue of $3,913, depreciation and amortization of $1,098, AFUDC of $237, benefits of $33, gains of $105 and income taxes of $742; partially offset by unfavorable changes in operations and maintenance expenses of ($2,619), and interest of ($1,459) and taxes other than income of ($104). The $5,849 favorable variance to prior year is primarily due to favorable revenue of $16,666; partially offset by unfavorable depreciation ($2,944), operations and maintenance ($1,077), interest expense ($2,745), other benefits ($829), income taxes ($1,597), AFUDC of ($1,339) and less gains of ($238). Year-to-date net income was $114,806, an increase of $5,192 or 4.7% compared to budget and an increase of $15,899 or 16.1% compared to prior year.

Operating revenues for the second quarter were $166,888, an increase of $3,913 or 2.4% compared to budget and an increase of $16,666 or 11.1% compared to prior year. Utility revenue is favorable compared to budget and prior year due to the rate case, acquisitions and increased consumption. Year-to-date operating revenues were $317,689, an increase of $2,138 or 0.7% compared to budget and an increase of $35,825 or 12.7% compared to prior year.

Operating and maintenance expenses for the second quarter were ($2,619) or 6.7% unfavorable to budget and ($1,077) or 2.6% unfavorable to prior year. The unfavorable variance from budget is primarily a result of increased chemicals expense. The unfavorable variance from prior year is primarily a result of increased chemicals expense ($2,828); partially offset by favorable outside services of $1,345. Year-to-date operating expenses were $1,956 or 2.5% favorable to budget and $2,312 or 2.9% favorable to prior year primarily due to a benefit realized in Q1 from reverting back to pre-covid bad debt reserves.

Depreciation expense for the second quarter was $1,011 or 3% favorable to budget and ($2,944) or 9.9% unfavorable to prior year. The favorable variance to budget is due to less capital additions than anticipated. The unfavorable variance to prior year is due to additional assets placed in service during 2022 and 2023. Year-to-date depreciation expense was $1,477 or 2.2% favorable to budget and ($6,529) or 11% unfavorable to prior year.

Taxes other than income for the second quarter were unfavorable ($104) or 3.5% compared to budget and unfavorable by ($143) or 4.9% compared to prior year. Variances are from fluctuations in PURTA and real estate taxes. Year-to-date taxes other than income were unfavorable ($63) or 1% compared to budget and unfavorable $185 or 3.1% compared to prior year.

Interest expense for the second quarter was unfavorable by ($1,459) or 7.5% compared to budget and unfavorable by ($2,745) or 15.1% compared to prior year. The unfavorable variance from budget is due to a $75,000 bond issuance in January 2023. The unfavorable variance from prior year is due to the issuance in January and the $125,000 bond issuance in October 2022. Year-to-date interest expense was unfavorable ($2,043) or 5.2% compared to budget and unfavorable ($4,678) or 12.8% compared to prior year.

AFUDC - Allowance for Funds Used During Construction for the second quarter was favorable by $237 or 26% compared to budget and unfavorable by $(1,339) or 53.8% compared to prior year. Variances are driven by actual and expected CWIP balances (AFUDC increases with CWIP). Year-to-date AFUDC was favorable $429 or 13.2% compared to budget and unfavorable (1,233) or 25.1% compared to prior year.

Provision for income taxes for the second quarter was favorable by $742 or 7.4% compared to budget and unfavorable ($1,597) or 20.9% compared to prior year. Variances are due to pre-tax income, FIN 48 and tax repairs. Year-to-date income taxes were favorable $826 or 4.4% compared to budget and unfavorable ($7,363) or 70.7% compared to prior year.

Aqua PA
(000 OMITTED)
September 30, 2023

	CURRENT YEAR	PRIOR YEAR	BUDGET	VARIANCES (UNFAVORABLE) FAVORABLE PRIOR YEAR	%	BUDGET	%
Quarter:							
Operating revenues	$ 168,385	$ 171,750	$ 171,987	$ (3,365)	(2.0%)	$ (3,602)	(2.1%)
Cost & expenses:							
Operations and maintenance	45,306	40,949	35,680	(4,357)	(10.6%)	(9,626)	(27.0%)
Depreciation	32,927	31,413	34,071	(1,514)	(4.8%)	1,144	3.4%
Amortization	(51)	(33)	(44)	18	54.5%	7	15.9%
Taxes other than income	2,875	3,024	3,167	149	4.9%	292	9.2%
Total costs & expenses	81,057	75,353	72,874	(5,704)	(7.6%)	(8,183)	(11.2%)
Operating income	87,328	96,397	99,113	(9,069)	(9.4%)	(11,785)	(11.9%)
Interest expense, net	21,358	18,265	21,601	(3,093)	(16.9%)	243	1.1%
AFUDC	(2,309)	(4,404)	(2,120)	(2,095)	(47.6%)	189	8.9%
Gains on sales of properties	-	(262)	(94)	(262)	(100.0%)	(94)	(100.0%)
Other net periodic benefit costs	(2,386)	(1,676)	(146)	710	42.4%	2,240	1534.2%
Income before taxes	70,665	84,474	79,871	(13,809)	(16.3%)	(9,206)	(11.5%)
Provision for income taxes	9,508	11,647	11,559	2,139	18.4%	2,051	17.7%
Net income	$ 61,157	$ 72,827	$ 68,312	$ (11,670)	(16.0%)	$ (7,155)	(10.5%)
Year-to-date:							
Operating revenues	$ 486,074	$ 453,614	$ 487,538	$ 32,460	7.2%	$ (1,464)	(0.3%)
Cost & expenses:							
Operations and maintenance	122,197	120,152	114,527	(2,045)	(1.7%)	(7,670)	(6.7%)
Depreciation	98,606	90,563	101,227	(8,043)	(8.9%)	2,621	2.6%
Amortization	(373)	(229)	(182)	144	62.9%	191	104.9%
Taxes other than income	9,021	8,985	9,250	(36)	(0.4%)	229	2.5%
Total costs & expenses	229,451	219,471	224,822	(9,980)	(4.5%)	(4,629)	(2.1%)
Operating income	256,623	234,143	262,716	22,480	9.6%	(6,093)	(2.3%)
Interest expense, net	62,518	54,747	60,718	(7,771)	(14.2%)	(1,800)	(3.0%)
AFUDC	(5,988)	(9,316)	(5,370)	(3,328)	(35.7%)	618	11.5%
Gains on sales of properties	(410)	(698)	(281)	(288)	(41.3%)	129	45.9%
Other net periodic benefit costs	(2,744)	(4,384)	(438)	(1,640)	(37.4%)	2,306	526.5%
Income before taxes	203,247	193,794	208,087	9,453	4.9%	(4,840)	(2.3%)
Provision for income taxes	27,284	22,060	30,161	(5,224)	(23.7%)	2,877	9.5%
Net income	$ 175,963	$ 171,734	$ 177,926	$ 4,229	2.5%	$ (1,963)	(1.1%)

AQUA PENNSYLVANIA, INC. – SEPTEMBER 30, 2023
(In"000" unless otherwise stated)

Net income for the third quarter was $61,157, a decrease of ($7,155) or 10.5% compared to budget and a decrease of ($11,670) or 16% compared to prior year. The unfavorable third quarter net income variance to budget is due to unfavorable changes in revenue of ($3,602) and unfavorable operations and maintenance of ($9,626); partially offset by favorable depreciation and amortization of $1,144, AFUDC of $189, nonutility benefits of $2,240, interest expense of $243, and income and other taxes of $2,343. The ($11,670) unfavorable variance to prior year is primarily due to unfavorable revenue ($3,365), depreciation ($1,514), operations and maintenance ($4,357), interest expense ($3,093) and AFUDC ($2,095); partially offset by favorable other nonutility benefits $710 and income taxes $2,139. Year-to-date net income was $175,963, a decrease of ($1,963) or 1.1% compared to budget and an increase of $4,229 or 2.5% compared to prior year.

Operating revenues for the third quarter were $168,385, a decrease of ($3,602) or 2.1% compared to budget and a decrease of ($3,365) or 2% compared to prior year. Utility revenue is unfavorable compared to budget and prior year due to decreased consumption. Year-to-date operating revenues were $486,074, a decrease of ($1,464) or 0.3% compared to budget and an increase of $32,460 or 7.2% compared to prior year.

Operating and maintenance expenses for the third quarter were ($9,626) or 27% unfavorable to budget and ($4,357) or 10.6% unfavorable to prior year. The unfavorable variance from budget and prior year is primarily a result of increased chemicals expense and a catch-up pension contribution made during the third quarter. Also, specific to the variance against budget, PA anticipated a $3 million credit from closing the Delcora acquisition which did not occur as planned. Year-to-date operating expenses were ($7,670) or 6.7% unfavorable to budget and ($2,045) or 1.7% unfavorable to prior year.

Depreciation expense for the third quarter was $1,144 or 3.4% favorable to budget and ($1,514) or 4.8% unfavorable to prior year. The favorable variance to budget is due to less capital additions than anticipated. The unfavorable variance to prior year is due to additional assets placed in service during 2022 and 2023. Year-to-date depreciation expense was $2,621 or 2.6% favorable to budget and ($8,043) or 8.9% unfavorable to prior year.

Taxes other than income for the third quarter were favorable $292 or 9.2% compared to budget and $149 or 4.9% compared to prior year. Variances are from fluctuations in PURTA and real estate taxes. Year-to-date taxes other than income were favorable $229 or 2.5% compared to budget and unfavorable ($36) or 0.4% compared to prior year.

Interest expense for the third quarter was favorable by $243 or 1.1% compared to budget and unfavorable by ($3,093) or 16.9% compared to prior year. The favorable variance from budget is due timing of planned bond issuances. The unfavorable variance from prior year is due to the $225,000 issuance in August 2023, the $75,000 issuance in January 2023, and the $125,000 bond issuance in October 2022. Year-to-date interest expense was unfavorable ($1,800) or 3% compared to budget and unfavorable ($7,771) or 14.2% compared to prior year.

AFUDC - Allowance for Funds Used During Construction for the third quarter was favorable by $189 or 8.9% compared to budget and unfavorable by $(2,095) or 47.6% compared to prior year. Variances are driven by actual and expected CWIP balances (AFUDC increases with CWIP). Year-to-date AFUDC was favorable $618 or 11.5% compared to budget and unfavorable ($3,328) or 35.7% compared to prior year.

Provision for income taxes for the third quarter was favorable by $2,051 or 17.7% compared to budget and $2,139 or 18.4% compared to prior year. Variances are due to pre-tax income, FIN 48 and tax repairs. Year-to-date income taxes were favorable $2,877 or 9.5% compared to budget and unfavorable ($5,224) or 23.7% compared to prior year.

Aqua PA
(000 OMITTED)
December 31, 2023

	CURRENT YEAR	PRIOR YEAR	BUDGET	VARIANCES (UNFAVORABLE) FAVORABLE PRIOR YEAR	%	BUDGET	%
Quarter:							
Operating revenues	$ 157,936	$ 157,805	$ 161,587	$ 131	0.1%	$ (3,651)	(2.3%)
Cost & expenses:							
Operations and maintenance	41,176	45,796	39,609	4,620	10.1%	(1,567)	(4.0%)
Depreciation	33,122	31,214	34,354	(1,908)	(6.1%)	1,232	3.6%
Amortization	(114)	(48)	(45)	66	137.5%	69	153.3%
Taxes other than income	3,260	3,290	3,144	30	0.9%	(116)	(3.7%)
Total costs & expenses	77,444	80,252	77,062	2,808	3.5%	(382)	(0.5%)
Operating income	80,492	77,553	84,525	2,939	3.8%	(4,033)	(4.8%)
Interest expense, net	24,431	19,370	22,239	(5,061)	(26.1%)	(2,192)	(9.9%)
AFUDC	(1,971)	(2,837)	(2,708)	(866)	(30.5%)	(737)	(27.2%)
Gains on sales of properties	(149)	(187)	(94)	(38)	(20.3%)	55	58.5%
Gain on sale of utility system	-	-	-	-	100.0%	-	100.0%
Other net periodic benefit costs	(1,273)	(406)	(146)	867	213.5%	1,127	771.9%
Income before taxes	59,454	61,613	65,234	(2,159)	(3.5%)	(5,780)	(8.9%)
Provision for income taxes	670	4,185	9,431	3,515	84.0%	8,761	92.9%
Net income	$ 58,784	$ 57,428	$ 55,803	$ 1,356	2.4%	$ 2,981	5.3%
Year-to-date:							
Operating revenues	$ 644,010	$ 611,419	$ 649,125	$ 32,591	5.3%	$ (5,115)	(0.8%)
Cost & expenses:							
Operations and maintenance	163,373	165,948	154,136	2,575	1.6%	(9,237)	(6.0%)
Depreciation	131,728	121,777	135,581	(9,951)	(8.2%)	3,853	2.8%
Amortization	(487)	(277)	(227)	210	75.8%	260	114.5%
Taxes other than income	12,281	12,275	12,394	(6)	(0.0%)	113	0.9%
Total costs & expenses	306,895	299,723	301,884	(7,172)	(2.4%)	(5,011)	(1.7%)
Operating income	337,115	311,696	347,241	25,419	8.2%	(10,126)	(2.9%)
Interest expense, net	86,949	74,117	82,957	(12,832)	(17.3%)	(3,992)	(4.8%)
AFUDC	(7,959)	(12,153)	(8,078)	(4,194)	(34.5%)	(119)	(1.5%)
Gains on sales of properties	(559)	(885)	(375)	(326)	(36.8%)	184	49.1%
Gain on sale of utility system	-		-	-	100.0%	-	100.0%
Other net periodic benefit costs	(4,017)	(4,790)	(584)	(773)	(16.1%)	3,433	587.8%
Income before taxes	262,701	255,407	273,321	7,294	2.9%	(10,620)	(3.9%)
Provision for income taxes	27,954	26,245	39,592	(1,709)	(6.5%)	11,638	29.4%
Net income	$ 234,747	$ 229,162	$ 233,729	$ 5,585	2.4%	$ 1,018	0.4%

Net income for the fourth quarter was $58,784, an increase of $2,981 or 5.3% compared to budget and an increase of $1,356 or 2.4% compared to prior year. The favorable fourth quarter net income variance to budget is due to favorable taxes of $8,761, depreciation and amortization of $1,301, other benefits of $1,127, and $55 in gains on sales. This favorability is partially offset by unfavorable revenue of ($3,651), operations and maintenance of ($1,567), interest expense of ($2,192), AFUDC of ($737), and nonincome taxes ($116). The $1,356 favorable variance to prior year is due to favorable taxes of $3,515, operations and maintenance $4,620, other benefits of $867, revenue of $131, and favorable nonincome tax of $30. This favorability is partially offset by unfavorable depreciation of ($1,842), interest expense of ($5,061), AFUDC of ($866), and less gains on sale ($38). Year-to-date net income was $234,747, an increase of $1,018 or 0.4% compared to budget and an increase of $5,585 or 2.4% compared to prior year.

Operating revenues for the fourth quarter were $157,936, a decrease of ($3,651) or 2.3% compared to budget and an increase of $131k or 0.1% compared to prior year. Utility revenue is unfavorable compared to budget due to decreased consumption. Year-to-date operating revenues were $644,010, a decrease of ($5,115) or 0.8% compared to budget and an increase of $32,591 or 5.3% compared to prior year.

Operating and maintenance expenses for the fourth quarter were ($1,567) or 4% unfavorable to budget and $4,620 or 10.1% favorable to prior year. The unfavorable variance from budget is primarily a result of increased chemicals expense and higher than anticipated pension contributions. Favorability from prior year is primarily due to an insurance receipt from property damage caused by Hurricane Ida in 2021, and from less pension contributions in 2023 compared to 2022. Year-to-date operating expenses were ($9,237) or 6% unfavorable to budget and $2,575 or 1.6% favorable to prior year.

Depreciation expense for the fourth quarter was $1,232 or 3.6% favorable to budget and ($1,908) or 6.1% unfavorable to prior year. The favorable variance to budget is due to less capital additions than anticipated. The unfavorable variance to prior year is due to additional assets placed in service during 2022 and 2023. Year-to-date depreciation expense was $3,853 or 2.8% favorable to budget and ($9,951) or 8.2% unfavorable to prior year.

Taxes other than income for the fourth quarter were unfavorable ($116) or 3.7% compared to budget and favorable $30 or 0.9% compared to prior year. Variances are from fluctuations in PURTA and real estate taxes. Year-to-date taxes other than income were favorable $113 or 0.9% compared to budget and unfavorable ($6) or 0% compared to prior year.

Interest expense for the fourth quarter was unfavorable by ($2,192) or 9.9% compared to budget and unfavorable by ($5,061) or 26.1% compared to prior year. The unfavorable variances are due to the $225,000 issuance in August 2023, the $75,000 issuance in January 2023, and the $125,000 bond issuance in October 2022. Year-to-date interest expense was unfavorable ($3,992) or 4.8% compared to budget and unfavorable ($12,832) or 17.3% compared to prior year.

AFUDC - Allowance for Funds Used During Construction for the fourth quarter was unfavorable by ($737) or 27.2% compared to budget and unfavorable by $(866) or 30.5% compared to prior year. Variances are driven by actual and expected CWIP balances (AFUDC increases with CWIP). Year-to-date AFUDC was unfavorable ($119) or 1.5% compared to budget and unfavorable ($4,194) or 34.5% compared to prior year.

Provision for income taxes for the fourth quarter was favorable by $8,761 or 92.9% compared to budget and $3,515 or 84% compared to prior year. Variances are due to pre-tax income, FIN 48 and tax repairs. Year-to-date income taxes were favorable $11,638 or 29.4% compared to budget and unfavorable ($1,709) or 6.5% compared to prior year.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - JANUARY		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(45,948,326)	(45,152,111)	796,215	-1.76%
Operating Revenue - Sewer	(6,230,606)	(5,748,726)	481,880	-8.38%
Operating Revenue	**(52,178,932)**	**(50,900,837)**	**1,278,095**	**-2.51%**
Non Operatiing Revenue	(455,128)	(576,563)	(121,435)	21.06%
REVENUE	**(52,634,060)**	**(51,477,400)**	**1,156,660**	**-2.25%**
Labor	2,970,350	3,390,882	420,531	12.40%
Employee Benefits	744,333	711,637	(32,696)	-4.59%
Purchased Water	375,556	332,271	(43,286)	-13.03%
Purchased Wastewater	755,339	1,110,145	354,805	31.96%
Sludge	169,807	116,743	(53,063)	-45.45%
Purchased Power	915,570	1,093,821	178,251	16.30%
Chemicals	821,548	716,230	(105,317)	-14.70%
Materials & Supplies	233,444	205,890	(27,554)	-13.38%
Outside Services	1,910,833	1,699,953	(210,881)	-12.41%
Managment Fees	2,356,592	2,369,013	12,421	0.52%
Leases	55,673	59,979	4,307	7.18%
Transportation	203,533	137,917	(65,616)	-47.58%
Miscellaneous Expenses	441,804	179,639	(262,165)	-145.94%
Insurance	462,816	433,585	(29,231)	-6.74%
Bad Debt	188,207	249,411	61,203	24.54%
Non Operating Expenses	22,273	437,378	415,104	94.91%
OPERATIONS & MAINTENANCE EXPENSE	**12,627,680**	**13,244,493**	**616,813**	**4.66%**
Depreciation	11,164,491	11,125,250	(39,241)	-0.35%
Amortization	(58,490)	(24,698)	33,792	-136.82%
Taxes Other Than Income	1,036,432	1,071,683	35,251	3.29%
UTILITY COSTS & EXPENSES	**24,770,113**	**25,416,728**	**646,615**	**2.54%**
OPERATING INCOME	**(27,863,947)**	**(26,060,672)**	**1,803,276**	**-6.92%**
Interest on Short Term Debt	38,507	35,936	(2,570)	-7.15%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	6,503,292	6,503,671	379	0.01%
Other Interest (Income) Expense	-	(33)	(33)	100.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(769,864)	(979,427)	(209,563)	21.40%
INTEREST EXPENSE	**5,771,935**	**5,560,147**	**(211,788)**	**-3.81%**
Gains from Sales of Property	(54,226)	(31,200)	23,026	-73.80%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(48,668)	(48,668)	-	0.00%
OTHER NET (INCOME) EXPENSE	**(102,894)**	**(79,868)**	**23,026**	**-28.83%**
OTHER (INCOME) EXPENSE	**5,669,041**	**5,480,279**	**(188,762)**	**-3.44%**
INCOME BEFORE TAX & GAIN	**(22,194,906)**	**(20,580,392)**	**1,614,514**	**-7.84%**
Income Taxes - Current	1,034,106	2,805,770	1,771,665	63.14%
Income Taxes - Deferred	-	212,473	212,473	100.00%
INCOME TAXES	**1,034,106**	**3,018,244**	**1,984,138**	**65.74%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(21,160,801)**	**(17,562,149)**	**3,598,652**	**-20.49%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(21,160,801)**	**(17,562,149)**	**3,598,652**	**-20.49%**
INCOME STATEMENT	**(21,160,801)**	**(17,562,149)**	**3,598,652**	**-20.49%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - FEBRUARY		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(40,475,335)	(42,013,443)	(1,538,108)	3.66%
Operating Revenue - Sewer	(5,684,474)	(5,567,126)	117,348	-2.11%
Operating Revenue	**(46,159,809)**	**(47,580,569)**	**(1,420,760)**	**2.99%**
Non Operatiing Revenue	(421,568)	(576,563)	(154,995)	26.88%
REVENUE	**(46,581,377)**	**(48,157,132)**	**(1,575,755)**	**3.27%**
Labor	2,975,517	3,107,244	131,727	4.24%
Employee Benefits	728,814	712,937	(15,877)	-2.23%
Purchased Water	322,270	329,163	6,893	2.09%
Purchased Wastewater	1,008,845	1,107,685	98,840	8.92%
Sludge	135,302	118,607	(16,695)	-14.08%
Purchased Power	790,644	833,327	42,683	5.12%
Chemicals	735,755	713,725	(22,031)	-3.09%
Materials & Supplies	227,011	220,235	(6,776)	-3.08%
Outside Services	2,036,737	1,698,253	(338,484)	-19.93%
Managment Fees	1,869,430	2,285,828	416,398	18.22%
Leases	79,757	58,211	(21,546)	-37.01%
Transportation	174,302	129,647	(44,655)	-34.44%
Miscellaneous Expenses	479,448	105,191	(374,258)	-355.79%
Insurance	460,242	433,585	(26,657)	-6.15%
Bad Debt	463,538	249,411	(214,127)	-85.85%
Non Operating Expenses	47,314	391,389	344,074	87.91%
OPERATIONS & MAINTENANCE EXPENSE	**12,534,927**	**12,494,436**	**(40,490)**	**-0.32%**
Depreciation	10,858,265	11,125,250	266,985	2.40%
Amortization	(56,541)	(24,698)	31,843	-128.93%
Taxes Other Than Income	960,573	988,804	28,231	2.86%
UTILITY COSTS & EXPENSES	**24,297,223**	**24,583,792**	**286,569**	**1.17%**
OPERATING INCOME	**(22,284,154)**	**(23,573,340)**	**(1,289,186)**	**5.47%**
Interest on Short Term Debt	-	35,936	35,936	100.00%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	6,827,668	6,502,659	(325,009)	-5.00%
Other Interest (Income) Expense	-	(33)	(33)	100.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(908,908)	(780,388)	128,519	-16.47%
INTEREST EXPENSE	**5,918,761**	**5,758,174**	**(160,587)**	**-2.79%**
Gains from Sales of Property	(5,250)	(31,200)	(25,950)	83.17%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(48,668)	(48,668)	-	0.00%
OTHER NET (INCOME) EXPENSE	**(53,918)**	**(79,868)**	**(25,950)**	**32.49%**
OTHER (INCOME) EXPENSE	**5,864,843**	**5,678,306**	**(186,537)**	**-3.29%**
INCOME BEFORE TAX & GAIN	**(16,419,311)**	**(17,895,034)**	**(1,475,723)**	**8.25%**
Income Taxes - Current	4,561,094	2,419,862	(2,141,232)	-88.49%
Income Taxes - Deferred	-	183,249	183,249	100.00%
INCOME TAXES	**4,561,094**	**2,603,111**	**(1,957,983)**	**-75.22%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(11,858,217)**	**(15,291,923)**	**(3,433,706)**	**22.45%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(11,858,217)**	**(15,291,923)**	**(3,433,706)**	**22.45%**
INCOME STATEMENT	**(11,858,217)**	**(15,291,923)**	**(3,433,706)**	**22.45%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - MARCH		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(44,640,232)	(46,464,654)	(1,824,422)	3.93%
Operating Revenue - Sewer	(6,574,251)	(5,900,502)	673,750	-11.42%
Operating Revenue	**(51,214,483)**	**(52,365,156)**	**(1,150,673)**	**2.20%**
Non Operatiing Revenue	(370,982)	(576,563)	(205,582)	35.66%
REVENUE	**(51,585,465)**	**(52,941,719)**	**(1,356,254)**	**2.56%**
Labor	3,254,648	3,400,080	145,432	4.28%
Employee Benefits	699,699	709,517	9,818	1.38%
Purchased Water	318,981	388,110	69,128	17.81%
Purchased Wastewater	799,504	1,108,021	308,517	27.84%
Sludge	101,628	120,770	19,142	15.85%
Purchased Power	834,808	847,074	12,266	1.45%
Chemicals	718,286	715,495	(2,791)	-0.39%
Materials & Supplies	350,361	226,542	(123,819)	-54.66%
Outside Services	1,614,180	2,468,145	853,964	34.60%
Managment Fees	2,617,594	2,511,266	(106,329)	-4.23%
Leases	49,871	59,580	9,709	16.30%
Transportation	131,285	132,800	1,515	1.14%
Miscellaneous Expenses	(23,327)	449,186	472,513	105.19%
Insurance	514,638	433,585	(81,053)	-18.69%
Bad Debt	(2,604,084)	249,411	2,853,494	1144.10%
Non Operating Expenses	516,814	431,828	(84,986)	-19.68%
OPERATIONS & MAINTENANCE EXPENSE	**9,894,888**	**14,251,408**	**4,356,520**	**30.57%**
Depreciation	10,887,112	11,125,250	238,138	2.14%
Amortization	(56,541)	(24,698)	31,843	-128.93%
Taxes Other Than Income	1,092,095	1,069,276	(22,818)	-2.13%
UTILITY COSTS & EXPENSES	**21,817,553**	**26,421,236**	**4,603,684**	**17.42%**
OPERATING INCOME	**(29,767,912)**	**(26,520,483)**	**3,247,429**	**-12.24%**
Interest on Short Term Debt	2,313	35,936	33,624	93.56%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	6,826,568	6,499,992	(326,576)	-5.02%
Other Interest (Income) Expense	-	(33)	(33)	100.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(851,459)	(578,367)	273,092	-47.22%
INTEREST EXPENSE	**5,977,422**	**5,957,528**	**(19,894)**	**-0.33%**
Gains from Sales of Property	(152,371)	(31,200)	121,171	-388.37%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(81,601)	(48,668)	32,933	-67.67%
OTHER NET (INCOME) EXPENSE	**(233,972)**	**(79,868)**	**154,104**	**-192.95%**
OTHER (INCOME) EXPENSE	**5,743,450**	**5,877,660**	**134,210**	**2.28%**
INCOME BEFORE TAX & GAIN	**(24,024,462)**	**(20,642,823)**	**3,381,640**	**-16.38%**
Income Taxes - Current	1,654,274	2,783,213	1,128,939	40.56%
Income Taxes - Deferred	1,282,047	210,765	(1,071,282)	-508.28%
INCOME TAXES	**2,936,321**	**2,993,978**	**57,657**	**1.93%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(21,088,141)**	**(17,648,845)**	**3,439,297**	**-19.49%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(21,088,141)**	**(17,648,845)**	**3,439,297**	**-19.49%**
INCOME STATEMENT	**(21,088,141)**	**(17,648,845)**	**3,439,297**	**-19.49%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - APRIL		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(43,632,994)	(43,674,566)	(41,572)	0.10%
Operating Revenue - Sewer	(5,713,856)	(5,620,358)	93,498	-1.66%
Operating Revenue	**(49,346,850)**	**(49,294,924)**	**51,926**	**-0.11%**
Non Operatiing Revenue	(442,373)	(576,563)	(134,190)	23.27%
REVENUE	**(49,789,223)**	**(49,871,487)**	**(82,264)**	**0.16%**
Labor	2,891,780	3,028,658	136,878	4.52%
Employee Benefits	740,362	710,849	(29,513)	-4.15%
Purchased Water	354,809	338,212	(16,597)	-4.91%
Purchased Wastewater	945,372	1,107,145	161,772	14.61%
Sludge	82,968	118,000	35,033	29.69%
Purchased Power	828,286	793,187	(35,099)	-4.43%
Chemicals	1,453,160	719,450	(733,710)	-101.98%
Materials & Supplies	75,254	219,089	143,835	65.65%
Outside Services	1,139,218	1,742,193	602,974	34.61%
Managment Fees	2,225,371	2,330,938	105,567	4.53%
Leases	66,440	61,345	(5,095)	-8.31%
Transportation	141,712	141,313	(399)	-0.28%
Miscellaneous Expenses	184,197	58,799	(125,398)	-213.26%
Insurance	461,335	433,585	(27,750)	-6.40%
Bad Debt	843,599	249,411	(594,189)	-238.24%
Non Operating Expenses	596,489	419,403	(177,086)	-42.22%
OPERATIONS & MAINTENANCE EXPENSE	**13,030,351**	**12,471,576**	**(558,775)**	**-4.48%**
Depreciation	10,953,421	11,260,210	306,790	2.72%
Amortization	(56,541)	(24,698)	31,844	-128.93%
Taxes Other Than Income	1,017,243	965,723	(51,520)	-5.33%
UTILITY COSTS & EXPENSES	**24,944,473**	**24,672,812**	**(271,661)**	**-1.10%**
OPERATING INCOME	**(24,844,750)**	**(25,198,676)**	**(353,926)**	**1.40%**
Interest on Short Term Debt	283,152	35,936	(247,216)	-687.93%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	6,803,078	6,451,215	(351,863)	-5.45%
Other Interest (Income) Expense	-	(33)	(33)	100.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(828,628)	(362,133)	466,495	-128.82%
INTEREST EXPENSE	**6,257,603**	**6,124,986**	**(132,617)**	**-2.17%**
Gains from Sales of Property	6,979	(31,200)	(38,179)	122.37%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(59,646)	(48,668)	10,978	-22.56%
OTHER NET (INCOME) EXPENSE	**(52,667)**	**(79,868)**	**(27,201)**	**34.06%**
OTHER (INCOME) EXPENSE	**6,204,936**	**6,045,118**	**(159,819)**	**-2.64%**
INCOME BEFORE TAX & GAIN	**(18,639,814)**	**(19,153,558)**	**(513,744)**	**2.68%**
Income Taxes - Current	2,700,909	2,573,154	(127,755)	-4.96%
Income Taxes - Deferred	-	194,858	194,858	100.00%
INCOME TAXES	**2,700,909**	**2,768,012**	**67,103**	**2.42%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(15,938,905)**	**(16,385,546)**	**(446,642)**	**2.73%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(15,938,905)**	**(16,385,546)**	**(446,642)**	**2.73%**
INCOME STATEMENT	**(15,938,905)**	**(16,385,546)**	**(446,642)**	**2.73%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - MAY		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(49,871,131)	(48,419,497)	1,451,634	-3.00%
Operating Revenue - Sewer	(6,298,991)	(5,973,716)	325,276	-5.45%
Operating Revenue	**(56,170,123)**	**(54,393,213)**	**1,776,910**	**-3.27%**
Non Operatiing Revenue	(422,044)	(576,563)	(154,519)	26.80%
REVENUE	**(56,592,167)**	**(54,969,776)**	**1,622,391**	**-2.95%**
Labor	3,244,435	3,412,571	168,136	4.93%
Employee Benefits	757,001	713,689	(43,312)	-6.07%
Purchased Water	320,615	349,188	28,574	8.18%
Purchased Wastewater	1,012,861	1,156,689	143,828	12.43%
Sludge	111,111	128,631	17,521	13.62%
Purchased Power	684,802	779,324	94,522	12.13%
Chemicals	1,577,462	717,468	(859,994)	-119.87%
Materials & Supplies	340,904	217,137	(123,767)	-57.00%
Outside Services	2,131,059	1,728,080	(402,979)	-23.32%
Managment Fees	2,379,506	2,319,418	(60,089)	-2.59%
Leases	62,216	47,924	(14,292)	-29.82%
Transportation	226,201	142,541	(83,659)	-58.69%
Miscellaneous Expenses	(125,434)	147,208	272,642	185.21%
Insurance	498,293	433,585	(64,708)	-14.92%
Bad Debt	475,227	249,411	(225,817)	-90.54%
Non Operating Expenses	73,230	415,646	342,416	82.38%
OPERATIONS & MAINTENANCE EXPENSE	**13,769,489**	**12,958,510**	**(810,979)**	**-6.26%**
Depreciation	10,988,918	11,260,210	271,292	2.41%
Amortization	(56,430)	(24,698)	31,732	-128.48%
Taxes Other Than Income	1,030,216	998,244	(31,972)	-3.20%
UTILITY COSTS & EXPENSES	**25,732,193**	**25,192,267**	**(539,927)**	**-2.14%**
OPERATING INCOME	**(30,859,974)**	**(29,777,509)**	**1,082,465**	**-3.64%**
Interest on Short Term Debt	126,305	35,936	(90,369)	-251.47%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	6,802,370	6,450,366	(352,004)	-5.46%
Other Interest (Income) Expense	-	(33)	(33)	100.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(523,238)	(295,836)	227,402	-76.87%
INTEREST EXPENSE	**6,405,437**	**6,190,433**	**(215,004)**	**-3.47%**
Gains from Sales of Property	-	(31,200)	(31,200)	100.00%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(59,646)	(48,668)	10,978	-22.56%
OTHER NET (INCOME) EXPENSE	**(59,646)**	**(79,868)**	**(20,222)**	**25.32%**
OTHER (INCOME) EXPENSE	**6,345,791**	**6,110,565**	**(235,226)**	**-3.85%**
INCOME BEFORE TAX & GAIN	**(24,514,183)**	**(23,666,944)**	**847,239**	**-3.58%**
Income Taxes - Current	3,552,105	3,177,769	(374,336)	-11.78%
Income Taxes - Deferred	-	240,644	240,644	100.00%
INCOME TAXES	**3,552,105**	**3,418,413**	**(133,692)**	**-3.91%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(20,962,078)**	**(20,248,531)**	**713,547**	**-3.52%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(20,962,078)**	**(20,248,531)**	**713,547**	**-3.52%**
INCOME STATEMENT	**(20,962,078)**	**(20,248,531)**	**713,547**	**-3.52%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - JUNE		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(53,998,828)	(51,393,212)	2,605,616	-5.07%
Operating Revenue - Sewer	(6,133,186)	(6,164,128)	(30,942)	0.50%
Operating Revenue	**(60,132,015)**	**(57,557,340)**	**2,574,674**	**-4.47%**
Non Operatiing Revenue	(375,037)	(576,563)	(201,526)	34.95%
REVENUE	**(60,507,052)**	**(58,133,904)**	**2,373,148**	**-4.08%**
Labor	3,171,784	3,373,827	202,042	5.99%
Employee Benefits	774,339	729,594	(44,745)	-6.13%
Purchased Water	518,415	516,702	(1,714)	-0.33%
Purchased Wastewater	1,224,834	1,157,565	(67,270)	-5.81%
Sludge	195,075	132,308	(62,767)	-47.44%
Purchased Power	757,970	798,821	40,851	5.11%
Chemicals	2,179,611	729,434	(1,450,176)	-198.81%
Materials & Supplies	251,374	219,052	(32,322)	-14.76%
Outside Services	1,992,318	1,946,177	(46,141)	-2.37%
Managment Fees	2,485,264	2,399,692	(85,572)	-3.57%
Leases	74,002	48,209	(25,792)	-53.50%
Transportation	208,700	144,439	(64,262)	-44.49%
Miscellaneous Expenses	43,792	135,737	91,944	67.74%
Insurance	494,880	433,585	(61,295)	-14.14%
Bad Debt	439,854	249,411	(190,443)	-76.36%
Non Operating Expenses	221,154	411,768	190,614	46.29%
OPERATIONS & MAINTENANCE EXPENSE	**15,033,366**	**13,426,319**	**(1,607,047)**	**-11.97%**
Depreciation	10,827,215	11,260,210	432,995	3.85%
Amortization	(37,068)	(14,707)	22,361	-152.04%
Taxes Other Than Income	1,009,187	989,525	(19,662)	-1.99%
UTILITY COSTS & EXPENSES	**26,832,700**	**25,661,347**	**(1,171,353)**	**-4.56%**
OPERATING INCOME	**(33,674,351)**	**(32,472,556)**	**1,201,795**	**-3.70%**
Interest on Short Term Debt	143,582	35,936	(107,646)	-299.55%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	6,803,343	6,493,266	(310,077)	-4.78%
Other Interest (Income) Expense	-	(33)	(33)	100.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	202,563	(253,522)	(456,086)	179.90%
INTEREST EXPENSE	**7,149,488**	**6,275,647**	**(873,842)**	**-13.92%**
Gains from Sales of Property	(204,715)	(31,200)	173,515	-556.14%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(59,646)	(48,668)	10,978	-22.56%
OTHER NET (INCOME) EXPENSE	**(264,361)**	**(79,868)**	**184,493**	**-231.00%**
OTHER (INCOME) EXPENSE	**6,885,128**	**6,195,779**	**(689,349)**	**-11.13%**
INCOME BEFORE TAX & GAIN	**(26,789,223)**	**(26,276,778)**	**512,446**	**-1.95%**
Income Taxes - Current	(7,987,939)	3,532,690	11,520,629	326.11%
Income Taxes - Deferred	10,979,352	267,521	(10,711,831)	-4004.11%
INCOME TAXES	**2,991,413**	**3,800,211**	**808,798**	**21.28%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(23,797,811)**	**(22,476,567)**	**1,321,243**	**-5.88%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(23,797,811)**	**(22,476,567)**	**1,321,243**	**-5.88%**
INCOME STATEMENT	**(23,797,811)**	**(22,476,567)**	**1,321,243**	**-5.88%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - JULY		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(48,333,005)	(52,015,035)	(3,682,030)	7.08%
Operating Revenue - Sewer	(6,613,127)	(6,251,113)	362,014	-5.79%
Operating Revenue	**(54,946,132)**	**(58,266,149)**	**(3,320,016)**	**5.70%**
Non Operatiing Revenue	(473,983)	(567,551)	(93,568)	16.49%
REVENUE	**(55,420,116)**	**(58,833,700)**	**(3,413,584)**	**5.80%**
Labor	3,090,906	3,202,191	111,285	3.48%
Employee Benefits	720,162	716,012	(4,150)	-0.58%
Purchased Water	363,889	372,488	8,598	2.31%
Purchased Wastewater	1,024,740	1,156,689	131,949	11.41%
Sludge	76,229	126,734	50,505	39.85%
Purchased Power	822,558	853,705	31,147	3.65%
Chemicals	1,431,947	724,115	(707,832)	-97.75%
Materials & Supplies	136,426	243,805	107,380	44.04%
Outside Services	1,931,059	1,728,025	(203,034)	-11.75%
Managment Fees	2,059,645	2,253,964	194,320	8.62%
Leases	55,140	50,932	(4,208)	-8.26%
Transportation	100,069	143,302	43,233	30.17%
Miscellaneous Expenses	81,770	219,487	137,717	62.75%
Insurance	435,259	433,851	(1,408)	-0.32%
Bad Debt	649,989	249,411	(400,578)	-160.61%
Non Operating Expenses	(156,369)	(2,854,095)	(2,697,726)	94.52%
OPERATIONS & MAINTENANCE EXPENSE	**12,823,420**	**9,620,616**	**(3,202,803)**	**-33.29%**
Depreciation	10,979,303	11,356,924	377,621	3.33%
Amortization	(39,043)	(14,707)	24,336	-165.47%
Taxes Other Than Income	568,594	1,041,448	472,854	45.40%
UTILITY COSTS & EXPENSES	**24,332,274**	**22,004,281**	**(2,327,992)**	**-10.58%**
OPERATING INCOME	**(31,087,842)**	**(36,829,418)**	**(5,741,576)**	**15.59%**
Interest on Short Term Debt	262,788	35,936	(226,851)	-631.26%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	6,800,656	7,052,380	251,724	3.57%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(758,707)	(487,414)	271,293	-55.66%
INTEREST EXPENSE	**6,304,736**	**6,600,902**	**296,166**	**4.49%**
Gains from Sales of Property	-	(31,200)	(31,200)	100.00%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(59,646)	(48,668)	10,978	-22.56%
OTHER NET (INCOME) EXPENSE	**(59,646)**	**(79,868)**	**(20,222)**	**25.32%**
OTHER (INCOME) EXPENSE	**6,245,090**	**6,521,034**	**275,944**	**4.23%**
INCOME BEFORE TAX & GAIN	**(24,842,752)**	**(30,308,384)**	**(5,465,632)**	**18.03%**
Income Taxes - Current	3,326,444	4,080,734	754,290	18.48%
Income Taxes - Deferred	-	309,023	309,023	100.00%
INCOME TAXES	**3,326,444**	**4,389,757**	**1,063,312**	**24.22%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(21,516,307)**	**(25,918,627)**	**(4,402,320)**	**16.99%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(21,516,307)**	**(25,918,627)**	**(4,402,320)**	**16.99%**
INCOME STATEMENT	**(21,516,307)**	**(25,918,627)**	**(4,402,320)**	**16.99%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - AUGUST		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(50,577,333)	(52,004,622)	(1,427,289)	2.74%
Operating Revenue - Sewer	(6,418,147)	(6,280,668)	137,479	-2.19%
Operating Revenue	**(56,995,480)**	**(58,285,291)**	**(1,289,811)**	**2.21%**
Non Operatiing Revenue	(428,721)	(605,496)	(176,775)	29.20%
REVENUE	**(57,424,201)**	**(58,890,787)**	**(1,466,586)**	**2.49%**
Labor	3,124,349	3,500,650	376,301	10.75%
Employee Benefits	724,272	723,528	(744)	-0.10%
Purchased Water	393,422	370,737	(22,685)	-6.12%
Purchased Wastewater	962,378	1,156,689	194,311	16.80%
Sludge	205,813	126,992	(78,821)	-62.07%
Purchased Power	790,030	848,229	58,199	6.86%
Chemicals	828,596	742,949	(85,647)	-11.53%
Materials & Supplies	492,060	233,010	(259,050)	-111.18%
Outside Services	1,938,758	1,733,144	(205,614)	-11.86%
Managment Fees	2,280,779	2,305,716	24,937	1.08%
Leases	59,380	48,268	(11,112)	-23.02%
Transportation	192,382	141,738	(50,644)	-35.73%
Miscellaneous Expenses	216,575	74,934	(141,641)	-189.02%
Insurance	471,806	433,851	(37,955)	-8.75%
Bad Debt	575,293	249,411	(325,882)	-130.66%
Non Operating Expenses	380,760	487,844	107,084	21.95%
OPERATIONS & MAINTENANCE EXPENSE	**13,636,653**	**13,177,690**	**(458,963)**	**-3.48%**
Depreciation	10,980,182	11,356,924	376,742	3.32%
Amortization	(39,043)	(14,707)	24,336	-165.47%
Taxes Other Than Income	1,206,483	1,076,720	(129,763)	-12.05%
UTILITY COSTS & EXPENSES	**25,784,275**	**25,596,627**	**(187,648)**	**-0.73%**
OPERATING INCOME	**(31,639,926)**	**(33,294,160)**	**(1,654,234)**	**4.97%**
Interest on Short Term Debt	81,475	35,936	(45,539)	-126.72%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	6,820,539	7,062,462	241,923	3.43%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(732,779)	(794,862)	(62,083)	7.81%
INTEREST EXPENSE	**6,169,236**	**6,303,536**	**134,300**	**2.13%**
Gains from Sales of Property	-	(31,200)	(31,200)	100.00%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(59,646)	(48,668)	10,978	-22.56%
OTHER NET (INCOME) EXPENSE	**(59,646)**	**(79,868)**	**(20,222)**	**25.32%**
OTHER (INCOME) EXPENSE	**6,109,590**	**6,223,668**	**114,078**	**1.83%**
INCOME BEFORE TAX & GAIN	**(25,530,336)**	**(27,070,492)**	**(1,540,156)**	**5.69%**
Income Taxes - Current	3,415,959	3,643,991	228,032	6.26%
Income Taxes - Deferred	-	275,949	275,949	100.00%
INCOME TAXES	**3,415,959**	**3,919,940**	**503,981**	**12.86%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(22,114,377)**	**(23,150,552)**	**(1,036,175)**	**4.48%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(22,114,377)**	**(23,150,552)**	**(1,036,175)**	**4.48%**
INCOME STATEMENT	**(22,114,377)**	**(23,150,552)**	**(1,036,175)**	**4.48%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - SEPTEMBER		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(48,919,248)	(47,414,910)	1,504,338	-3.17%
Operating Revenue - Sewer	(6,174,497)	(6,275,886)	(101,389)	1.62%
Operating Revenue	**(55,093,745)**	**(53,690,796)**	**1,402,949**	**-2.61%**
Non Operatiing Revenue	(446,610)	(571,731)	(125,121)	21.88%
REVENUE	**(55,540,355)**	**(54,262,527)**	**1,277,828**	**-2.35%**
Labor	2,963,080	3,411,523	448,444	13.14%
Employee Benefits	6,011,897	746,437	(5,265,460)	-705.41%
Purchased Water	831,543	587,635	(243,908)	-41.51%
Purchased Wastewater	1,038,988	1,157,565	118,576	10.24%
Sludge	182,995	135,228	(47,767)	-35.32%
Purchased Power	865,283	792,894	(72,389)	-9.13%
Chemicals	1,148,619	731,043	(417,576)	-57.12%
Materials & Supplies	357,940	244,550	(113,390)	-46.37%
Outside Services	1,925,290	1,867,026	(58,264)	-3.12%
Managment Fees	2,125,371	2,307,062	181,691	7.88%
Leases	57,088	50,035	(7,052)	-14.09%
Transportation	186,389	141,296	(45,093)	-31.91%
Miscellaneous Expenses	305,323	109,698	(195,625)	-178.33%
Insurance	455,771	433,851	(21,920)	-5.05%
Bad Debt	180,639	249,411	68,771	27.57%
Non Operating Expenses	210,025	(83,348)	(293,373)	351.99%
OPERATIONS & MAINTENANCE EXPENSE	**18,846,244**	**12,881,908**	**(5,964,336)**	**-46.30%**
Depreciation	10,967,292	11,356,924	389,632	3.43%
Amortization	27,166	(14,707)	(41,873)	284.72%
Taxes Other Than Income	1,099,600	1,048,983	(50,617)	-4.83%
UTILITY COSTS & EXPENSES	**30,940,302**	**25,273,108**	**(5,667,194)**	**-22.42%**
OPERATING INCOME	**(24,600,053)**	**(28,989,419)**	**(4,389,366)**	**15.14%**
Interest on Short Term Debt	9,292	35,936	26,644	74.14%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	7,383,535	7,378,725	(4,810)	-0.07%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(817,670)	(838,024)	(20,354)	2.43%
INTEREST EXPENSE	**6,575,158**	**6,576,638**	**1,480**	**0.02%**
Gains from Sales of Property	-	(31,200)	(31,200)	100.00%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(2,267,361)	(48,668)	2,218,693	-4558.83%
OTHER NET (INCOME) EXPENSE	**(2,267,361)**	**(79,868)**	**2,187,493**	**-2738.89%**
OTHER (INCOME) EXPENSE	**4,307,797**	**6,496,770**	**2,188,973**	**33.69%**
INCOME BEFORE TAX & GAIN	**(20,292,256)**	**(22,492,649)**	**(2,200,393)**	**9.78%**
Income Taxes - Current	(238,048)	3,020,958	3,259,006	107.88%
Income Taxes - Deferred	3,003,840	228,769	(2,775,071)	-1213.05%
INCOME TAXES	**2,765,792**	**3,249,727**	**483,935**	**14.89%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(17,526,464)**	**(19,242,923)**	**(1,716,458)**	**8.92%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(17,526,464)**	**(19,242,923)**	**(1,716,458)**	**8.92%**
INCOME STATEMENT	**(17,526,464)**	**(19,242,923)**	**(1,716,458)**	**8.92%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - OCTOBER		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(48,586,656)	(49,505,918)	(919,263)	1.86%
Operating Revenue - Sewer	(6,065,090)	(6,373,180)	(308,090)	4.83%
Operating Revenue	**(54,651,746)**	**(55,879,098)**	**(1,227,352)**	**2.20%**
Non Operatiing Revenue	(592,643)	(573,137)	19,506	-3.40%
REVENUE	**(55,244,389)**	**(56,452,235)**	**(1,207,847)**	**2.14%**
Labor	3,090,269	3,441,312	351,043	10.20%
Employee Benefits	1,278,501	755,290	(523,211)	-69.27%
Purchased Water	339,626	344,140	4,514	1.31%
Purchased Wastewater	604,070	1,156,689	552,618	47.78%
Sludge	146,964	134,378	(12,585)	-9.37%
Purchased Power	800,408	802,670	2,263	0.28%
Chemicals	931,320	736,307	(195,013)	-26.49%
Materials & Supplies	468,943	253,579	(215,363)	-84.93%
Outside Services	1,801,175	1,840,020	38,845	2.11%
Managment Fees	2,465,420	2,341,261	(124,160)	-5.30%
Leases	64,788	52,903	(11,885)	-22.47%
Transportation	166,308	142,113	(24,195)	-17.03%
Miscellaneous Expenses	(161,119)	137,400	298,519	217.26%
Insurance	487,894	433,851	(54,043)	-12.46%
Bad Debt	589,648	249,411	(340,237)	-136.42%
Non Operating Expenses	166,534	521,858	355,324	68.09%
OPERATIONS & MAINTENANCE EXPENSE	**13,240,749**	**13,343,182**	**102,434**	**0.77%**
Depreciation	11,042,307	11,451,155	408,848	3.57%
Amortization	(37,215)	(14,707)	22,508	-153.05%
Taxes Other Than Income	1,036,508	1,053,668	17,160	1.63%
UTILITY COSTS & EXPENSES	**25,282,348**	**25,833,299**	**550,950**	**2.13%**
OPERATING INCOME	**(29,962,040)**	**(30,618,937)**	**(656,896)**	**2.15%**
Interest on Short Term Debt	35,595	35,936	341	0.95%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	7,383,109	7,377,818	(5,291)	-0.07%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(605,256)	(877,865)	(272,609)	31.05%
INTEREST EXPENSE	**6,813,448**	**6,535,889**	**(277,560)**	**-4.25%**
Gains from Sales of Property	(156,878)	(31,200)	125,678	-402.81%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(304,948)	(48,668)	256,280	-526.59%
OTHER NET (INCOME) EXPENSE	**(461,826)**	**(79,868)**	**381,958**	**-478.24%**
OTHER (INCOME) EXPENSE	**6,351,622**	**6,456,021**	**104,398**	**1.62%**
INCOME BEFORE TAX & GAIN	**(23,610,418)**	**(24,162,916)**	**(552,498)**	**2.29%**
Income Taxes - Current	3,163,796	3,244,926	81,130	2.50%
Income Taxes - Deferred	-	245,729	245,729	100.00%
INCOME TAXES	**3,163,796**	**3,490,655**	**326,859**	**9.36%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(20,446,622)**	**(20,672,260)**	**(225,638)**	**1.09%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(20,446,622)**	**(20,672,260)**	**(225,638)**	**1.09%**
INCOME STATEMENT	**(20,446,622)**	**(20,672,260)**	**(225,638)**	**1.09%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - NOVEMBER		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(44,471,022)	(45,027,997)	(556,975)	1.24%
Operating Revenue - Sewer	(5,880,678)	(6,253,113)	(372,435)	5.96%
Operating Revenue	**(50,351,700)**	**(51,281,110)**	**(929,410)**	1.81%
Non Operatiing Revenue	(465,101)	(619,736)	(154,635)	24.95%
REVENUE	**(50,816,801)**	**(51,900,846)**	**(1,084,045)**	2.09%
Labor	2,900,576	3,548,472	647,896	18.26%
Employee Benefits	1,312,004	743,435	(568,569)	-76.48%
Purchased Water	419,601	337,295	(82,306)	-24.40%
Purchased Wastewater	961,191	1,156,689	195,497	16.90%
Sludge	149,663	131,802	(17,862)	-13.55%
Purchased Power	739,800	612,668	(127,133)	-20.75%
Chemicals	794,848	745,607	(49,241)	-6.60%
Materials & Supplies	249,899	245,892	(4,006)	-1.63%
Outside Services	(105,358)	1,720,145	1,825,503	106.12%
Managment Fees	2,277,226	2,210,612	(66,614)	-3.01%
Leases	67,281	47,796	(19,485)	-40.77%
Transportation	221,189	143,587	(77,602)	-54.05%
Miscellaneous Expenses	(48,021)	87,435	135,456	154.92%
Insurance	486,386	433,851	(52,535)	-12.11%
Bad Debt	405,383	249,411	(155,972)	-62.54%
Non Operating Expenses	388,053	472,480	84,427	17.87%
OPERATIONS & MAINTENANCE EXPENSE	**11,219,721**	**12,887,175**	**1,667,454**	12.94%
Depreciation	11,039,379	11,451,155	411,776	3.60%
Amortization	(38,263)	(14,707)	23,556	-160.17%
Taxes Other Than Income	1,134,663	1,054,055	(80,608)	-7.65%
UTILITY COSTS & EXPENSES	**23,355,501**	**25,377,678**	**2,022,178**	7.97%
OPERATING INCOME	**(27,461,300)**	**(26,523,168)**	**938,132**	-3.54%
Interest on Short Term Debt	48,045	35,936	(12,109)	-33.70%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	7,420,834	7,376,994	(43,840)	-0.59%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(783,777)	(916,164)	(132,387)	14.45%
INTEREST EXPENSE	**6,685,102**	**6,496,766**	**(188,336)**	-2.90%
Gains from Sales of Property	7,384	(31,200)	(38,584)	123.67%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(304,948)	(48,668)	256,280	-526.59%
OTHER NET (INCOME) EXPENSE	**(297,564)**	**(79,868)**	**217,696**	-272.57%
OTHER (INCOME) EXPENSE	**6,387,538**	**6,416,898**	**29,360**	0.46%
INCOME BEFORE TAX & GAIN	**(21,073,762)**	**(20,106,270)**	**967,492**	-4.81%
Income Taxes - Current	2,897,642	2,700,015	(197,628)	-7.32%
Income Taxes - Deferred	-	204,465	204,465	100.00%
INCOME TAXES	**2,897,642**	**2,904,479**	**6,837**	0.24%
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(18,176,120)**	**(17,201,791)**	**974,329**	-5.66%
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(18,176,120)**	**(17,201,791)**	**974,329**	-5.66%
INCOME STATEMENT	**(18,176,120)**	**(17,201,791)**	**974,329**	-5.66%

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - DECEMBER		VARIANCE	
ACCOUNT	**ACTUAL 2023**	**BUDGET 2023**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(45,602,660)	(46,490,663)	(888,003)	1.91%
Operating Revenue - Sewer	(5,809,735)	(6,145,459)	(335,724)	5.46%
Operating Revenue	**(51,412,395)**	**(52,636,122)**	**(1,223,727)**	**2.32%**
Non Operatiing Revenue	(462,634)	(597,673)	(135,039)	22.59%
REVENUE	**(51,875,029)**	**(53,233,795)**	**(1,358,766)**	**2.55%**
Labor	3,189,514	3,462,435	272,921	7.88%
Employee Benefits	1,681,382	738,226	(943,156)	-127.76%
Purchased Water	737,458	534,863	(202,595)	-37.88%
Purchased Wastewater	832,966	1,157,565	324,599	28.04%
Sludge	178,619	135,676	(42,943)	-31.65%
Purchased Power	924,321	848,955	(75,366)	-8.88%
Chemicals	1,177,531	732,878	(444,654)	-60.67%
Materials & Supplies	24,103	240,204	216,101	89.97%
Outside Services	2,390,470	1,789,987	(600,483)	-33.55%
Managment Fees	3,765,064	2,308,666	(1,456,398)	-63.08%
Leases	62,717	51,057	(11,660)	-22.84%
Transportation	163,484	146,681	(16,802)	-11.45%
Miscellaneous Expenses	446,920	126,070	(320,850)	-254.50%
Insurance	474,710	433,851	(40,859)	-9.42%
Bad Debt	197,673	249,411	51,737	20.74%
Non Operating Expenses	468,761	422,400	(46,361)	-10.98%
OPERATIONS & MAINTENANCE EXPENSE	**16,715,693**	**13,378,926**	**(3,336,767)**	**-24.94%**
Depreciation	11,040,683	11,451,155	410,472	3.58%
Amortization	(39,310)	(14,707)	24,603	-167.29%
Taxes Other Than Income	1,089,195	1,036,037	(53,158)	-5.13%
UTILITY COSTS & EXPENSES	**28,806,261**	**25,851,411**	**(2,954,850)**	**-11.43%**
OPERATING INCOME	**(23,068,768)**	**(27,382,384)**	**(4,313,616)**	**15.75%**
Interest on Short Term Debt	189,747	35,936	(153,811)	-428.01%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	9,353,314	7,376,172	(1,977,142)	-26.80%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(580,778)	(914,125)	(333,347)	36.47%
INTEREST EXPENSE	**8,962,283**	**6,497,983**	**(2,464,300)**	**-37.92%**
Gains from Sales of Property	-	(31,200)	(31,200)	100.00%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(662,625)	(48,668)	613,957	-1261.52%
OTHER NET (INCOME) EXPENSE	**(662,625)**	**(79,868)**	**582,757**	**-729.65%**
OTHER (INCOME) EXPENSE	**8,299,658**	**6,418,115**	**(1,881,543)**	**-29.32%**
INCOME BEFORE TAX & GAIN	**(14,769,109)**	**(20,964,269)**	**(6,195,160)**	**29.55%**
Income Taxes - Current	(7,563,758)	2,821,568	10,385,326	368.07%
Income Taxes - Deferred	2,171,302	213,670	(1,957,632)	-916.20%
INCOME TAXES	**(5,392,456)**	**3,035,238**	**8,427,694**	**277.66%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(20,161,565)**	**(17,929,031)**	**2,232,534**	**-12.45%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(20,161,565)**	**(17,929,031)**	**2,232,534**	**-12.45%**
INCOME STATEMENT	**(20,161,565)**	**(17,929,031)**	**2,232,534**	**-12.45%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - JANUARY		VARIANCE	
ACCOUNT	**ACTUAL 2024**	**BUDGET 2024**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(46,362,920)	(46,398,757)	(35,837)	0.08%
Operating Revenue - Sewer	(6,023,416)	(5,806,820)	216,596	-3.73%
Operating Revenue	**(52,386,336)**	**(52,205,577)**	**180,759**	**-0.35%**
Non Operatiing Revenue	(404,353)	(471,719)	(67,366)	14.28%
REVENUE	**(52,790,689)**	**(52,677,296)**	**113,393**	**-0.22%**
Labor	3,556,911	3,518,708	(38,202)	-1.09%
Employee Benefits	789,784	780,854	(8,930)	-1.14%
Purchased Water	427,987	430,930	2,943	0.68%
Purchased Wastewater	1,149,214	1,130,391	(18,823)	-1.67%
Sludge	128,634	128,360	(274)	-0.21%
Purchased Power	897,616	1,099,112	201,496	18.33%
Chemicals	580,342	915,410	335,068	36.60%
Materials & Supplies	346,847	252,053	(94,795)	-37.61%
Outside Services	1,570,498	1,748,020	177,523	10.16%
Managment Fees	2,350,875	2,284,431	(66,444)	-2.91%
Leases	74,607	59,453	(15,154)	-25.49%
Transportation	263,713	200,790	(62,923)	-31.34%
Miscellaneous Expenses	84,021	259,998	175,978	67.68%
Insurance	505,434	477,739	(27,695)	-5.80%
Bad Debt	742,141	308,579	(433,562)	-140.50%
Non Operating Expenses	284,707	309,299	24,592	7.95%
OPERATIONS & MAINTENANCE EXPENSE	**13,753,330**	**13,904,126**	**150,797**	**1.08%**
Depreciation	11,197,690	11,187,121	(10,569)	-0.09%
Amortization	(36,911)	(47,177)	(10,266)	21.76%
Taxes Other Than Income	1,190,150	1,133,402	(56,748)	-5.01%
UTILITY COSTS & EXPENSES	**26,104,259**	**26,177,473**	**73,214**	**0.28%**
OPERATING INCOME	**(26,686,430)**	**(26,499,823)**	**186,607**	**-0.70%**
Interest on Short Term Debt	122,033	20,833	(101,199)	-485.76%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	7,839,728	7,688,011	(151,717)	-1.97%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(703,870)	(717,945)	(14,076)	1.96%
INTEREST EXPENSE	**7,257,891**	**6,990,899**	**(266,992)**	**-3.82%**
Gains from Sales of Property	(19,048)	-	19,048	0.00%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(59,646)	(36,375)	23,271	-63.98%
OTHER NET (INCOME) EXPENSE	**(78,694)**	**(36,375)**	**42,319**	**-116.34%**
OTHER (INCOME) EXPENSE	**7,179,197**	**6,954,524**	**(224,673)**	**-3.23%**
INCOME BEFORE TAX & GAIN	**(19,507,233)**	**(19,545,299)**	**(38,067)**	**0.19%**
Income Taxes - Current	2,729,062	2,387,879	(341,183)	-14.29%
Income Taxes - Deferred	-	345,747	345,747	100.00%
INCOME TAXES	**2,729,062**	**2,733,626**	**4,564**	**0.17%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(16,778,171)**	**(16,811,674)**	**(33,503)**	**0.20%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(16,778,171)**	**(16,811,674)**	**(33,503)**	**0.20%**
INCOME STATEMENT	**(16,778,171)**	**(16,811,674)**	**(33,503)**	**0.20%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - FEBRUARY		VARIANCE	
ACCOUNT	**ACTUAL 2024**	**BUDGET 2024**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(43,470,228)	(43,019,658)	450,570	-1.05%
Operating Revenue - Sewer	(5,935,106)	(5,657,878)	277,228	-4.90%
Operating Revenue	**(49,405,334)**	**(48,677,536)**	**727,798**	**-1.50%**
Non Operatiing Revenue	(534,910)	(445,719)	89,191	-20.01%
REVENUE	**(49,940,244)**	**(49,123,255)**	**816,989**	**-1.66%**
Labor	3,071,828	3,222,934	151,106	4.69%
Employee Benefits	754,570	778,114	23,544	3.03%
Purchased Water	427,071	427,908	837	0.20%
Purchased Wastewater	1,210,253	1,128,541	(81,712)	-7.24%
Sludge	172,658	128,360	(44,298)	-34.51%
Purchased Power	946,643	935,437	(11,206)	-1.20%
Chemicals	861,313	908,156	46,843	5.16%
Materials & Supplies	168,880	263,133	94,253	35.82%
Outside Services	2,160,420	1,773,521	(386,899)	-21.82%
Managment Fees	2,551,503	2,270,619	(280,884)	-12.37%
Leases	56,730	92,679	35,949	38.79%
Transportation	112,266	204,749	92,483	45.17%
Miscellaneous Expenses	172,091	18,388	(153,703)	-835.87%
Insurance	467,266	477,739	10,473	2.19%
Bad Debt	639,777	308,579	(331,198)	-107.33%
Non Operating Expenses	157,500	296,299	138,799	46.84%
OPERATIONS & MAINTENANCE EXPENSE	**13,930,770**	**13,235,156**	**(695,614)**	**-5.26%**
Depreciation	11,198,581	11,187,121	(11,460)	-0.10%
Amortization	(35,747)	(46,012)	(10,266)	22.31%
Taxes Other Than Income	1,122,443	1,044,375	(78,068)	-7.48%
UTILITY COSTS & EXPENSES	**26,216,048**	**25,420,640**	**(795,408)**	**-3.13%**
OPERATING INCOME	**(23,724,196)**	**(23,702,615)**	**21,580**	**-0.09%**
Interest on Short Term Debt	128,354	20,833	(107,521)	-516.10%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	7,838,896	7,688,011	(150,885)	-1.96%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(627,660)	(696,513)	(68,853)	9.89%
INTEREST EXPENSE	**7,339,591**	**7,012,331**	**(327,260)**	**-4.67%**
Gains from Sales of Property	-	-	-	0.00%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(59,646)	(36,375)	23,271	-63.98%
OTHER NET (INCOME) EXPENSE	**(59,646)**	**(36,375)**	**23,271**	**-63.98%**
OTHER (INCOME) EXPENSE	**7,279,945**	**6,975,956**	**(303,989)**	**-4.36%**
INCOME BEFORE TAX & GAIN	**(16,444,251)**	**(16,726,659)**	**(282,408)**	**1.69%**
Income Taxes - Current	2,382,772	2,043,522	(339,250)	-16.60%
Income Taxes - Deferred	-	295,886	295,886	100.00%
INCOME TAXES	**2,382,772**	**2,339,408**	**(43,364)**	**-1.85%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(14,061,479)**	**(14,387,251)**	**(325,772)**	**2.26%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(14,061,479)**	**(14,387,251)**	**(325,772)**	**2.26%**
INCOME STATEMENT	**(14,061,479)**	**(14,387,251)**	**(325,772)**	**2.26%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS
VARIANCE INCOME STATEMENT

	MONTH TO DATE - MARCH		VARIANCE	
ACCOUNT	**ACTUAL 2024**	**BUDGET 2024**	**VARIANCE $**	**VARIANCE %**
Operating Revenue - Water	(45,505,460)	(46,427,835)	(922,375)	1.99%
Operating Revenue - Sewer	(6,235,667)	(6,378,369)	(142,702)	2.24%
Operating Revenue	**(51,741,127)**	**(52,806,204)**	**(1,065,077)**	**2.02%**
Non Operatiing Revenue	(435,286)	(448,819)	(13,533)	3.02%
REVENUE	**(52,176,413)**	**(53,255,023)**	**(1,078,610)**	**2.03%**
Labor	2,845,984	3,191,243	345,259	10.82%
Employee Benefits	996,356	778,534	(217,822)	-27.98%
Purchased Water	622,034	787,507	165,473	21.01%
Purchased Wastewater	1,024,739	1,129,891	105,152	9.31%
Sludge	180,009	128,360	(51,649)	-40.24%
Purchased Power	886,862	843,798	(43,064)	-5.10%
Chemicals	540,608	838,352	297,743	35.52%
Materials & Supplies	211,495	292,188	80,693	27.62%
Outside Services	1,165,121	2,092,868	927,747	44.33%
Managment Fees	1,629,565	2,429,854	800,289	32.94%
Leases	51,980	52,429	449	0.86%
Transportation	143,108	169,613	26,505	15.63%
Miscellaneous Expenses	544,682	478,678	(66,004)	-13.79%
Insurance	502,924	477,739	(25,185)	-5.27%
Bad Debt	522,630	308,579	(214,051)	-69.37%
Non Operating Expenses	243,692	345,689	101,997	29.51%
OPERATIONS & MAINTENANCE EXPENSE	**12,111,788**	**14,345,321**	**2,233,533**	**15.57%**
Depreciation	11,197,911	11,187,121	(10,790)	-0.10%
Amortization	(33,180)	(46,012)	(12,832)	27.89%
Taxes Other Than Income	1,175,330	1,089,189	(86,141)	-7.91%
UTILITY COSTS & EXPENSES	**24,451,849**	**26,575,619**	**2,123,770**	**7.99%**
OPERATING INCOME	**(27,724,563)**	**(26,679,404)**	**1,045,159**	**-3.92%**
Interest on Short Term Debt	68,290	20,833	(47,457)	-227.79%
Interest on Revolver Debt	-	-	-	0.00%
Interest on Long Term Debt	7,810,162	7,688,011	(122,151)	-1.59%
Other Interest (Income) Expense	-	-	-	0.00%
Capitalized Interest Expense other than AFUDC	-	-	-	0.00%
Allowance For Funds Used During Construction	(671,684)	(676,264)	(4,580)	0.68%
INTEREST EXPENSE	**7,206,767**	**7,032,580**	**(174,187)**	**-2.48%**
Gains from Sales of Property	(3,115)	(150,000)	(146,885)	97.92%
Gains From Sales of Investments	-	-	-	0.00%
Gains from Sales of Utility Systems	-	-	-	0.00%
Change in Fair Value of NQPP	-	-	-	0.00%
Other Net Periodic Beneft Costs	(59,646)	(36,375)	23,271	-63.98%
OTHER NET (INCOME) EXPENSE	**(62,761)**	**(186,375)**	**(123,614)**	**66.33%**
OTHER (INCOME) EXPENSE	**7,144,006**	**6,846,205**	**(297,801)**	**-4.35%**
INCOME BEFORE TAX & GAIN	**(20,580,557)**	**(19,833,199)**	**747,358**	**-3.77%**
Income Taxes - Current	1,206,611	2,423,052	1,216,441	50.20%
Income Taxes - Deferred	7,944,894	350,839	(7,594,055)	-2164.54%
INCOME TAXES	**9,151,505**	**2,773,892**	**(6,377,613)**	**-229.92%**
NET INCOME BEFR EQTY EARNINGS IN SUBSIDIARIES	**(11,429,052)**	**(17,059,307)**	**(5,630,255)**	**33.00%**
Equity Earnings in Subsidiaries	-	-	-	0.00%
INCOME STATEMENT	**(11,429,052)**	**(17,059,307)**	**(5,630,255)**	**33.00%**
INCOME STATEMENT	**(11,429,052)**	**(17,059,307)**	**(5,630,255)**	**33.00%**

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

K. Other Data

OD4. Provide a copy of the company's most recent operating and capital budgets.

A. Please refer to the Company's response to RR8 for the most recent operating budget and the Company's response to RR26 for the most recent capital budget.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

K. Other Data

OD5. Provide a schedule that shows the percentage of unaccounted for water for the test year and 2 prior years. Describe how this amount was determined and explain any steps taken to reduce unaccounted for water. Provide a similar analysis of infiltration for wastewater utilities.

A. Unaccounted for water:

Aqua PA utilizes the metered ratio method for determining unaccounted-for water (non-revenue water). This is the most conservative method in that there is no estimate for flushing, company use or water used for fires. The metered ratio calculation for 2021, 2022 and historic test year and its concomitant unaccounted-for water factor are listed below.

	2021	2022	2023
Metered Sales (gallons)	33,634,341,297	34,446,129,806	34,364,098,852
Send-Out (gallons)	42,197,376,941	42,665,585,842	42,525,052,082
Metered Ratio	79.71%	80.74%	80.81%
Unaccounted for Water Ratio	20.29%	19.26%	19.19%

Aqua PA has a dedicated Water Conservation Group which operates three vehicles that are fully equipped with state-of-the-art acoustic leak detection equipment. There are three field operators dedicated to the controlling of unaccounted for water. They perform valve by valve surveys on stream crossings, limestone areas, and transmission mains and assist maintenance crews on main breaks to mitigate water loss. Send-out accuracy is controlled by the quarterly calibrating of send-out master meters at treatment plants. These devices are also used to observe any abnormal flows during off peak hours. In addition, the company's SCADA system facilitates the identification of potential problem areas.

Infiltration for wastewater *(000,000 gallons)* :

	2021	2022	2023
Total Plant Flow	2,952	2,950	3,466
Estimated Customer Flow	2,459	2,470	3,033
Estimated I&I	493	480	433

Data is for facilities for which PADEP Chapter 94 Municipal Waste Load Management Reports are required and prepared as well as DMR effluent discharge reports.

With respect to Inflow and Infiltration (I&I) reduction efforts, the Company has conducted manhole inspections on all known and accessible manholes throughout all of their wastewater systems. This field work involved utilizing a GPS unit to document asset locations and inspecting the manholes for I&I and structural concerns. With this field information, the Company was able to develop a Geographical Information System (GIS) database and system map to document investigation and rehabilitation/replacement measures.

The Company also monitors the Discharge Monitoring Reports (DMRs) and are in constant contact with operations staff regarding wet weather induced peak flows at each of the systems. Based upon these reviews and this dialogue, several of the wastewater systems warranted further I&I investigation. Due to the size of the larger systems, the Company has engaged flow metering companies to further pinpoint the I&I in these systems and to develop sub-basins.

Based upon system knowledge, results of the manhole inspections, and flow metering, additional investigation measures are being selected including but not limited to closed circuit mainline inspections, which are being coded via the NASSCO Pipeline Assessment and Certification Program (PACP) system. To date, the Company has essentially completed all of their NE and Western wastewater systems and a significant portion of the larger SE systems. Additional investigation is currently being planned.

Based upon these investigations, rehabilitation / replacement work is being prioritized to address the most critical deficiencies and a further reduction in I&I.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

K. Other Data

OD6. Provide a corporate history (include the dates of original incorporation, subsequent mergers, or acquisitions, or both). Indicate all counties and cities and other governmental subdivisions to which service is provided, including service areas outside the state, and the total population in the area served.

A. Please see the attached for the Company's history of the acquisitions and mergers, leading to approximately 501,900 customers served.

Please refer to Original Tariff Water-PA P.U.C. No. 4 as filed for Aqua Pennsylvania, Inc. for the counties, cities and other governmental subdivisions to which water service is provided.

Please refer to Original Tariff Sewer-PA P.U.C. No. 4 as filed for Aqua Pennsylvania Wastewater, Inc. for the counties, cities and other governmental subdivisions to which wastewater service is provided.

AQUA PENNSYLVANIA, INC.
2024 RATE CASE
FILING REQUIREMENTS

		Name of Acquisition	Name of Acquiring Company	Date Acquired	Date Merged with Acquiring Company	Date Renamed or Merged	County/City or other Governmental Subdivision of Acquired Company	Description
Water		The Clifton Heights Water Company	Springfield Water Company	03/24/1886	08/05/1896		Delaware County	Acquired
Water		The Ridley Park Cold Spring Water Co.	Springfield Water Company	06/20/1889	06/23/1892		Delaware County	Acquired
Water		The Jenkintown Water Company	Springfield Water Company	01/7/1889	9/25/1928		Montgomery County	Acquired
Water		The Lansdowne Water Company	Springfield Water Company	07/11/1890	06/08/1899		Delaware County	Acquired
Water		Wayne Water Works Company	Springfield Water Company	11/17/1891	1/12/1904		Delaware County	Acquired
Water		Consumer's Water Company of Upper Darby	Springfield Water Company	03/07/1892	06/14/1892		Delaware County	Acquired
Water		The Penn Water Company of Sharon Hill	Springfield Water Company	03/07/1892	06/15/1892		Delaware County	Acquired
Water		The Citizens Water Company of Darby Borough	Springfield Water Company	03/07/1892	06/15/1892		Delaware County	Acquired
Water		The Highland Water Company	Springfield Water Company	03/07/1892	06/15/1892		Delaware County	Acquired
Water		The People's Water Company	Springfield Water Company	03/07/1892	06/15/1892		Delaware County	Acquired
Water		The Tinicum Water Company	Springfield Water Company	03/07/1892	06/15/1892		Delaware County	Acquired
Water		The Bryn Mawr Water Company	Springfield Water Company	04/6/1892	08/26/1896		Montgomery County	Acquired
Water		The Eddystone Water Company	Springfield Water Company	12/22/1892			Delaware County	Acquired
Water		The Collingdale Water Company	Springfield Water Company	12/22/1892	10/18/1900		Delaware County	Acquired
Water		The Oak Lane Water Company	Springfield Water Company	06/12/1893	10/27/1899		Montgomery County	Acquired
Water		Berwyn Water Company	Springfield Water Company	07/23/1895			Chester County	Acquired
Water		Tredyffrin Water Company	Berwyn Water Company	07/23/1895	07/29/1895		Chester County	Acquired
Water		Villanova Water Company	Berwyn Water Company	07/23/1895	07/29/1895		Delaware County	Acquired
Water		Willistown Water Company	Berwyn Water Company	07/23/1895	07/29/1895		Chester County	Acquired
Water		East Whiteland Water Company	Berwyn Water Company	07/23/1895	07/29/1895		Chester County	Acquired
Water		The West Conshohocken Water Co.	Springfield Water Company	9/28/1897	9/25/1928		Montgomery County	Acquired
Water		North Springfield Water Company	Springfield Water Company	06/20/1898			Montgomery County	Acquired
Water		Peoples' Water Company of Abington	North Springfield Water Company	06/20/1898	06/24/1898		Montgomery County	Acquired
Water		Dewey Water Company	North Springfield Water Company	06/20/1898	06/24/1898		Montgomery County	Acquired
Water		Upper Dublin Water Company	North Springfield Water Company	06/20/1898	06/24/1898		Montgomery County	Acquired
Water		Moreland Water Company	North Springfield Water Company	06/20/1898	06/24/1898		Montgomery County	Acquired
Water		Citizens' Water Company of Whitemarsh Township	North Springfield Water Company	06/20/1898	06/14/1898		Montgomery County	Acquired
Water		Consumer's Water Company of Plymouth Township	North Springfield Water Company	06/20/1898	06/24/1898		Montgomery County	Acquired
Water		Schuylkill Township Water Company	Berwyn Water Company	06/20/1898	06/24/1898		Chester County	Acquired
Water		The Glenside Water Company	North Springfield Water Company	07/07/1898	07/20/1899		Montgomery County	Acquired
Water		Berwyn Water Company	Springfield Water Company		10/09/1899		Chester County	Merged
Water		Consumers Water Company	Springfield Water Company	8/26/1901	10/31/1901		Delaware County	Acquired
Water		Citizens Water Company of Haverford	Springfield Water Company	8/26/1901	10/31/1901		Delaware County	Acquired
Water		Peoples' Water Company of Delaware County	Springfield Water Company	8/26/1901	1/12/2004		Delaware County	Acquired
Water		Rydal Water Company	Springfield Water Company	1/27/1905			Montgomery County	Acquired
Water		Rydal Water Company	Springfield Consolidated Water Co.			7/27/1908		Name Changed
Water		Rockledge Water Company	Springfield Consolidated Water Co.	9/16/1909	12/31/1940		Montgomery County	Acquired
Water		Springfield Water Company	Springfield Consolidated Water Co.			10/2/1923		Merged/Name Changed
Water		North Springfield Water Company	Springfield Consolidated Water Co.			10/2/1923		Merged/Name Changed
Water		The Eddystone Water Company	Springfield Consolidated Water Co.			10/2/1923		Merged/Name Changed
Water		Newtown Water Company	Springfield Consolidated Water Co.	5/6/1925	12/31/1940		Delaware County	Acquired
Water		Springfield Consolidated Water Co.	Philadelphia Suburban Water Company			5/11/1925		Name Changed
Water		Great Valley Water Company	Philadelphia Suburban Water Company	6/22/1961	12/31/1985		Chester County	Acquired
Water		Pocopson Water Company	Philadelphia Suburban Water Company	5/13/1976	12/23/1986		Chester County	Acquired
Water		Beversrede Water Company	Philadelphia Suburban Water Company	3/21/1977	10/31/1990		Chester County	Acquired
Water		Uwchlan Township Municipal Authority	Philadelphia Suburban Water Company	12/17/1992	12/30/1992		Chester County	Acquired
Water		West Whiteland Township	Philadelphia Suburban Water Company	12/22/1992	12/31/1992		Chester County	Acquired
Water		Malvern Borough	Philadelphia Suburban Water Company	12/2/1993	12/31/1993		Chester County	Acquired
Water		Grandstaff Water Company	Philadelphia Suburban Water Company	12/15/1994	12/22/1994		Chester County	Acquired
Water		Chesterdale Water Company	Philadelphia Suburban Water Company	12/15/1994	12/28/1994		Chester County	Acquired
Water		Phoenixville Outside Water Company	Philadelphia Suburban Water Company	12/15/1994	12/21/1995		Montgomery County	Acquired
Water		La Reserve Water Company	Philadelphia Suburban Water Company	12/16/1994	1/19/1996		Chester County	Acquired
Water		Media Water Company	Philadelphia Suburban Water Company	3/30/1995	5/23/1995		Delaware County	Acquired
Water		Deerfield Knoll Home Owners Association	Philadelphia Suburban Water Company	6/8/1995	6/8/1995		Chester County	Acquired
Water		Castle Rock Homeowner Association	Philadelphia Suburban Water Company	9/27/1995	12/19/1995		Delaware County	Acquired
Water		Schuylkill Township Water Company	Philadelphia Suburban Water Company	12/21/1995	12/21/1995		Chester County	Acquired
Water		Franklin Water Company	Philadelphia Suburban Water Company	3/15/1996	4/19/1996		Chester County	Acquired
Water		Perkiomen Township Municipal Authority	Philadelphia Suburban Water Company	5/23/1996	5/23/1996		Montgomery County	Acquired
Water		Hatboro Water Authority	Philadelphia Suburban Water Company	9/20/1996	11/1/1996		Montgomery County	Acquired
Water		Cherry Water Company	Philadelphia Suburban Water Company	9/20/1996	1/31/1997		Montgomery County	Acquired
Water		Spring Run Water Company	Philadelphia Suburban Water Company	11/4/1996	11/22/1996		Chester County	Acquired
Water		Bradford Glen Water Company	Philadelphia Suburban Water Company	11/4/1996	11/22/1996		Chester County	Acquired
Water		Friends Water Company	Philadelphia Suburban Water Company	11/4/1996	11/22/1996		Chester County	Acquired
Wastewater		Little Washington Drainage Company	Philadelphia Suburban Water Company	11/22/1996				Subsidiary
Wastewater		Little Washington Drainage Company	Little Washington Wastewater Company			11/22/1996		Name Changed
Water		Bristol Water Authority	Philadelphia Suburban Water Company	12/6/1996	1/1/1997		Bucks County	Acquired
Water		Peddler's View Water Company	Philadelphia Suburban Water Company	9/12/1997	9/24/1997		Bucks County	Acquired
Wastewater		Peddler's View Wastewater Company	Little Washington Wastewater Company	9/12/1997	9/24/1997		Bucks County	Acquired

		Name of Acquisition	Name of Acquiring Company	Date Acquired	Date Merged with Acquiring Company	Date Renamed or Merged	County/City or other Governmental Subdivision of Acquired Company	Description
Water		West Chester Municipal Authority	Philadelphia Suburban Water Company	1/23/1998	1/23/1998		Chester County	Acquired
Water		Brandywine Hospital Water Assets	Philadelphia Suburban Water Company	3/12/1998	4/29/1998		Chester County	Acquired
Water		Flying Hills Water Company	Philadelphia Suburban Water Company	6/18/1998	6/25/1998		Berks County	Acquired
Water		Brandywine Reit Water Company	Philadelphia Suburban Water Company	10/16/1998	11/11/1998		Berks County	Acquired
Water		Consumers Pennsylvania Water Company	Philadelphia Suburban Water Company	3/11/1999			Lawrence County	Acquired
Water		Plumsock Homeowners Association	Philadelphia Suburban Water Company	6/17/1999	6/17/1999		Chester County	Acquired
Water		Perkiomen II	Philadelphia Suburban Water Company	9/15/1999	9/22/1997		Montgomery County	Acquired
Water		Springton Court Trailer Park	Philadelphia Suburban Water Company	10/13/1999	10/13/1999		Chester County	Acquired
Water		East Marlborough Township	Philadelphia Suburban Water Company	10/15/1999	10/29/1999		Chester County	Acquired
Water		Bensalem Township	Philadelphia Suburban Water Company	10/15/1999	12/3/1999		Bucks County	Acquired
Wastewater		Chesterdale Wastewater	Little Washington Wastewater Company	11/17/1999	11/17/1999		Chester County	Acquired
Water		Whitehorse Village Inc.	Philadelphia Suburban Water Company	2/1/2000	8/17/2000		Delaware County	Acquired
Water		Fulmor Heights Home Ownership Association	Philadelphia Suburban Water Company	3/31/2000	5/12/2000		Montgomery County	Acquired
Wastewater		Twin Hills Wastewater	Little Washington Wastewater Company	4/13/2000	4/13/2000		Chester County	Acquired
Water		Chatwood Water Company	Philadelphia Suburban Water Company	8/21/2000	8/17/2000		Chester County	Acquired
Wastewater		Plumsock Wastewater	Little Washington Wastewater Company	10/13/2000	10/13/2000		Chester County	Acquired
Water		Orchard Ave, Elizabeth Manor & Circle Ave	Philadelphia Suburban Water Company	11/28/2000	11/28/2000		Chester County	Acquired
Water		Waymart, Fawn Lake Forest, Northeastern, Woodlock Springs & Western Water Companies	Philadelphia Suburban Water Company	12/20/2000			Pike, Mercer, & Wayne Counties	Acquired
Water		Springton Court	Philadelphia Suburban Water Company	3/1/2001	3/1/2001		Chester County	Acquired
Water		Dresher Woods Condominium	Philadelphia Suburban Water Company	4/1/2001	4/1/2001		Montgomery County	Acquired
Wastewater		Media Borough	Little Washington Wastewater Company	4/1/2001	4/1/2001		Delaware County	Acquired
Water		Geigertown Water Company	Philadelphia Suburban Water Company	5/25/2001	6/22/2001		Berks County	Acquired
Water		Icedale-Deer Run	Philadelphia Suburban Water Company	7/1/2001	7/1/2001		Berks County	Acquired
Water		Chalfont Borough	Philadelphia Suburban Water Company	11/1/2001	11/1/2001		Bucks County	Acquired
Water		Paupack Water Company	Philadelphia Suburban Water Company	11/1/2001	11/1/2001		Pike County	Acquired
Water		PA State Correctional Institute (SCI Forest)	Philadelphia Suburban Water Company	1/1/2002	1/1/2002		Forest County	Acquired
Water		Waymart, Fawn Lake Forest, Northeastern, Woodlock Springs & Western Water Companies	Pennsylvania Suburban Water Company			1/1/2002		Merged/Name Changed
Water		Philadelphia Suburban Water Company	Pennsylvania Suburban Water Company			1/1/2002		Merged/Name Changed
Water		Consumers Pennsylvania Water Company	Pennsylvania Suburban Water Company			1/1/2002		Merged/Name Changed
Water		Citizens Water Company of Wapwallopen	Philadelphia Suburban Water Company	2/2/2002	2/2/2002		Luzerne County	Acquired
Water		White Haven Municipal Authority	Consumers Pennsylvania Water Company	3/1/2002	3/1/2002		Luzerne and Carbon Counties	Acquired
Wastewater		White Haven Municipal Authority	Little Washington Wastewater Company	3/1/2002	3/1/2002		Luzerne and Carbon Counties	Acquired
Water		Schickshinny Lake Property Owner's Association	Consumers Pennsylvania Water Company	5/1/2002	5/1/2002		Luzerne County	Acquired
Water		National Utilities, Inc.	Pennsylvania Suburban Water Company	6/1/2002	6/1/2002		Lackawanna, Luzerne, Monroe, Susquehanna Wyoming Counties	Acquired
Wastewater		Rivercrest Wastewater	Little Washington Wastewater Company	6/28/2002	6/28/2002		Wyoming County	Acquired
Water		Rolling Green Water Company	Pennsylvania Suburban Water Company	7/1/2002	7/1/2002		Snyder County	Acquired
Water		Monroe Manor Water Company	Pennsylvania Suburban Water Company	8/1/2002	8/1/2002		Snyder County	Acquired
Water		The Ariana Corporation	Consumers Pennsylvania Water Company	8/1/2002	8/1/2002		Northampton County	Acquired
Wastewater		Bridlewood Wastewater System	Little Washington Wastewater Company	10/16/2002	10/16/2002		Chester County	Acquired
Water		White Rock Water Systems	Consumers Pennsylvania Water Company	11/1/2002	11/1/2002		Cumberland County	Acquired
Water		Deer Lake West Brunswick (D.L.W.B.)	Consumers Pennsylvania Water Company	11/1/2002	11/1/2002		Schuylkill County	Acquired
Water		State Correctional Institution at Waymart (SCI)	Pennsylvania Suburban Water Company	12/1/2002	12/1/2002		Wayne County	Acquired
Water		Jefferson Heights	Pennsylvania Suburban Water Company	8/1/2003	8/1/2003		Lackawanna County	Acquired
Water		Maple Crest Water Company	Pennsylvania Suburban Water Company	8/1/2003	8/1/2003		Luzerne County	Acquired
Water		Sunrise Estates and Windsor Farm	Pennsylvania Suburban Water Company	8/1/2003	8/1/2003		Luzerne County	Acquired
Water		Cedar Lane Water Association, Inc.	Pennsylvania Suburban Water Company	10/1/2003	10/1/2003		Luzerne County	Acquired
Water		Pine Beach Water Supply	Pennsylvania Suburban Water Company	11/1/2003	11/1/2003		Wayne County	Acquired
Water		Pinecrest Lake	Pennsylvania Suburban Water Company	12/1/2003	12/1/2003		Monroe County	Acquired
Water		Charlestown Meadows	Pennsylvania Suburban Water Company	12/1/2003	12/1/2003		Chester County	Approval from Commission to serve
Water		Pennsylvania Suburban Water Company	Aqua Pennsylvania, Inc.			1/16/2004		Name Changed
Water		Canal Acres	Aqua Pennsylvania, Inc.	2/1/2004	2/1/2004		Lackawaxen Township	Acquired
Water		Tafton Water Company	Aqua Pennsylvania, Inc.	3/1/2004	3/1/2004		Pike County	Acquired
Water		Applewood Water Company	Aqua Pennsylvania, Inc.	3/1/2004	3/1/2004		Luzerne County	Acquired
Water		Meribah Water Company	Aqua Pennsylvania, Inc.	3/1/2004	3/1/2004		Juniata County	Acquired
Water		Marienville Water Supply Company	Aqua Pennsylvania, Inc.	3/1/2004	3/1/2004		Forest County	Acquired
Water		Barrett Water Company, Inc.	Aqua Pennsylvania, Inc.	4/1/2004	4/1/2004		Luzerne County	Acquired
Water		Hex Acres Water Company	Aqua Pennsylvania, Inc.	4/1/2004	4/1/2004		Luzerne County	Acquired
Water		Tambur Waterworks	Aqua Pennsylvania, Inc.	4/1/2004	4/1/2004		Luzerne County	Acquired
Water		Eagle Rock Community Association, Inc.	Aqua Pennsylvania, Inc.	6/1/2004	6/1/2004		Luzerne and Schuylkill Counties	Acquired
Wastewater		Eagle Rock Community Association, Inc.	Little Washington Wastewater Company	6/1/2004	6/1/2004		Luzerne and Schuylkill Counties	Acquired
Water		Eagle Rock Utility Corporation	Aqua Pennsylvania, Inc.	6/1/2004	6/1/2004		Schuylkill County	Acquired
Water		Fieldcrest Water Association, Inc.	Aqua Pennsylvania, Inc.	7/1/2004	7/1/2004		Luzerne County	Acquired
Water		Thornhurst Country Club Estates Property Owners Assoc.	Aqua Pennsylvania, Inc.	8/1/2004	8/1/2004		Lackawanna County	Acquired
Wastewater		Thornhurst Country Club Estates Property Owners Assoc.	Little Washington Wastewater Company	8/1/2004	8/1/2004		Lackawanna County	Acquired
Water		Christian Springs Water Company, Inc.	Aqua Pennsylvania, Inc.	8/1/2004	8/1/2004		Northampton County	Acquired
Water		Links of Gettysburg	Aqua Pennsylvania, Inc.	9/1/2004	9/1/2004		Adams County	Acquired
Water		Pennsview Water Company	Aqua Pennsylvania, Inc.	10/1/2004	10/1/2004		Snyder County	Acquired
Wastewater		Links of Gettysburg	Little Washington Wastewater Company	12/1/2004	12/1/2004		Adams County	Acquired
Water		Stanton Water System	Aqua Pennsylvania, Inc.	2/1/2005	2/1/2005		Lackawanna County	Acquired

		Name of Acquisition	Name of Acquiring Company	Date Acquired	Date Merged with Acquiring Company	Date Renamed or Merged	County/City or other Governmental Subdivision of Acquired Company	Description
Water		Laurel Lakes	Aqua Pennsylvania, Inc.	7/1/2005	7/1/2005		Luzerne County	Acquired
Wastewater		Laurel Lakes	Aqua Pennsylvania, Inc.	7/1/2005	7/1/2005		Luzerne County	Acquired
Water		Bear Creek Township	Aqua Pennsylvania, Inc.	7/1/2005	7/1/2005		Luzerne County	Acquired
Water		Penn Lake Park Borough	Aqua Pennsylvania, Inc.	7/1/2005	7/1/2005		Luzerne County	Acquired
Water		Saint Johns	Aqua Pennsylvania, Inc.	7/1/2005	7/1/2005		Luzerne County	Acquired
Wastewater		Deerfield Knoll Home Owners Association	Little Washington Wastewater Company	6/1/2005	6/1/2005		Chester County	Acquired
Water		Meadowcrest Water Company	Aqua Pennsylvania, Inc.	8/1/2005	8/1/2005		Luzerne County	Acquired
Water		Garbush Water Company	Aqua Pennsylvania, Inc.	10/19/2005	10/19/2005		Luzerne County	Acquired
Water		Oakland Beach Water Company	Aqua Pennsylvania, Inc.	12/30/2005	12/30/2005		Crawford County	Acquired
Water		C S Water Company	Aqua Pennsylvania, Inc.	1/21/2006	1/21/2006		Pike County	Acquired
Wastewater		C S Wastewater Company	Little Washington Wastewater Company	1/21/2006	1/21/2006		Pike County	Acquired
Water		Greenbriar Estates Water Company	Aqua Pennsylvania, Inc.	9/28/2006	9/28/2006		Luzerne County	Acquired
Water		Floral Estates Water Company	Aqua Pennsylvania, Inc.	10/31/2006	10/31/2006		Lackawanna County	Acquired
Water		Country Club Gardens Water Company	Aqua Pennsylvania, Inc.	11/30/2006	11/30/2006		Lehigh County	Acquired
Water		Garden Hills Water Company	Aqua Pennsylvania, Inc.	2/28/2007	2/28/2007		Wayne County	Acquired
Wastewater		The Greens at Penn Oaks	Little Washington Wastewater Company	6/29/2007	6/29/2007		Chester County	Acquired
Wastewater		Newlin Greens	Little Washington Wastewater Company	8/9/2007	8/9/2007		Chester County	Acquired
Water		Lakeside Acres Water Company	Aqua Pennsylvania, Inc.	12/19/2007	12/19/2007		Crawford County	Acquired
Water		Honesdale Consolidated Water Company	Aqua Pennsylvania, Inc.	9/30/2008	9/30/2008		Wayne County	Acquired
Wastewater		New Daleville Wastewater System	Little Washington Wastewater Company	10/30/2008	10/30/2008		Chester County	Acquired
Water		Emlenton Water Company	Aqua Pennsylvania, Inc.	12/30/2008	12/30/2008		Venango County	Acquired
Water		Gouldsboro Water Company	Aqua Pennsylvania, Inc.	1/5/2009	1/5/2009		Wayne County	Acquired
Water		Washington Park Water System	Aqua Pennsylvania, Inc.	3/31/2009	3/31/2009		Wyoming County	Acquired
Wastewater		Washington Park Sanitary Company	Little Washington Wastewater Company	3/31/2009	3/31/2009		Wyoming County	Acquired
Water		Sleepy Hollow Water System	Aqua Pennsylvania, Inc.	3/31/2009	3/31/2009		Luzerne County	Acquired
Water		Clarendon Water Company	Aqua Pennsylvania, Inc.	4/30/2009	4/30/2009		Warren County	Acquired
Water		Kratzerville Municipal Authority	Aqua Pennsylvania, Inc.	5/29/2009	5/29/2009		Snyder County	Acquired
Water		Cove Village Association	Aqua Pennsylvania, Inc.	8/5/2009	8/5/2009		Schuylkill County	Acquired
Wastewater		Cove Village Association	Little Washington Wastewater Company	8/5/2009	8/5/2009		Schuylkill County	Acquired
Water		Athens Township Authority	Aqua Pennsylvania, Inc.	12/23/2009	12/23/2009		Bradford County	Acquired
Water		Stony Creek Wastewater System	Little Washington Wastewater Company	4/30/2010	4/30/2010		Montgomery County	Acquired
Water		Paupackan Lake Estates	Aqua Pennsylvania, Inc.	9/22/2010	9/22/2010		Wayne County	Acquired
Water		Sand Springs Water Company, Inc.	Aqua Pennsylvania, Inc.	11/1/2011	11/1/2011		Luzerne County	Acquired
Wastewater		Realen Valley Forge Greenes Associates (Village at Valley Forge - T	Little Washington Wastewater Company	3/31/2012	3/31/2012		Montgomery County	Acquired
Water		Mifflin Township Water Authority	Aqua Pennsylvania, Inc.	4/2/2012	4/2/2012		Columbia County	Acquired
Water		Total Environmental Solutions, Inc. (TESI) - Beech Mountain Lakes R	Aqua Pennsylvania, Inc.	5/4/2012	5/4/2012		Luzerne County	Acquired
Wastewater		Total Environmental Solutions, Inc. (TESI) - Beech Mountain Lakes R	Little Washington Wastewater Company	5/4/2012	5/4/2012		Luzerne County	Acquired
Wastewater		Kidder Township Wastewater System	Little Washington Wastewater Company	10/1/2012	10/1/2012		Carbon County	Acquired
Water		C&N Dining LLC (Yalick Farms)	Aqua Pennsylvania, Inc.	12/21/2012	12/21/2012		Luzerne County	Acquired
Wastewater		Sage Hill Development, L.P. Wastewater System	Little Washington Wastewater Company	12/21/2012	12/21/2012		Chester County	Acquired
Water		Total Environmental Solutions, Inc. (TESI) - Treasure Lake Communi	Aqua Pennsylvania, Inc.	3/1/2013	3/1/2013		Clearfield County	Acquired
Wastewater		Total Environmental Solutions, Inc. (TESI) - Treasure Lake Communi	Little Washington Wastewater Company	3/1/2013	3/1/2013		Clearfield County	Acquired
Water		BCWSA/Concord Park Community	Aqua Pennsylvania, Inc.	3/30/2013	3/30/2013		Bucks County	Acquired
Water		Bristol Township Water System of Newportville-Ferguson Area	Aqua Pennsylvania, Inc.	8/1/2013	8/1/2013		Bucks County	Acquired
Wastewater		Little Washington Wastewater Company	Aqua Pennsylvania Wastewater, Inc.			1/1/2014		Name Changed
Wastewater		Penn Township Wastewater System	Aqua Pennsylvania Wastewater, Inc.	3/29/2014	3/29/2014		Chester County	Acquired
Water		Mt. Jewett Borough Water System	Aqua Pennsylvania, Inc.	5/6/2015	5/6/2015		McKean County	Acquired
Water		Factoryville Bunker Hill Water Company, Inc.	Aqua Pennsylvania, Inc.	8/12/2015	8/12/2015		Wyoming County	Acquired
Wastewater		Bunker Hill Sewer Company, Inc.	Aqua Pennsylvania Wastewater, Inc.	8/12/2015	8/12/2015		Wyoming County	Acquired
Water		Robin Hood Lakes Water Company, Inc.	Aqua Pennsylvania, Inc.	10/15/2015	10/15/2015		Monroe County	Acquired
Water		Superior Water Company, Inc.	Aqua Pennsylvania, Inc.	1/1/2016			Berks, Chester and Montgomery Counties	Acquired
Wastewater		Honeycroft Village, L.P.	Aqua Pennsylvania Wastewater, Inc.	11/1/2016	11/1/2016		Chester County	Acquired
Water		East Cameron Township Municipal Authority	Aqua Pennsylvania, Inc.	12/20/2016	12/20/2016		Northumberland County	Acquired
Wastewater		Emlenton Area Municipal Authority	Aqua Pennsylvania Wastewater, Inc.	12/30/2016	12/30/2016		Venango and Clarion Counties	Acquired
Wastewater		Township of Tobyhanna	Aqua Pennsylvania Wastewater, Inc.	7/1/2017	7/1/2017		Monroe County	Acquired
Wastewater		Avon Grove School District	Aqua Pennsylvania Wastewater, Inc.	9/8/2017	9/8/2017		Chester County	Acquired
Water		Sun Valley Lake Village Water System	Aqua Pennsylvania, Inc.	1/30/2018	1/30/2018		Monroe County	Acquired
Wastewater		Limerick Township	Aqua Pennsylvania Wastewater, Inc.	7/26/2018	7/26/2018		Montgomery County	Acquired
Wastewater		East Bradford Township	Aqua Pennsylvania Wastewater, Inc.	12/13/2018	12/13/2018		Chester County	Acquired
Water		Borough of Phoenixville	Aqua Pennsylvania, Inc.	12/5/2019	12/5/2019		Montgomery and Chester Counties	Acquired
Wastewater		Cheltenham Township	Aqua Pennsylvania Wastewater, Inc.	12/20/2019	12/20/2019		Montgomery County	Acquired
Wastewater		East Norriton Township	Aqua Pennsylvania Wastewater, Inc.	6/20/2020	6/20/2020		Montgomery County	Acquired
Wastewater		New Garden Township	Aqua Pennsylvania Wastewater, Inc.	12/22/2020	12/22/2020		Chester County	Acquired
Wastewater		Lower Makefield Township	Aqua Pennsylvania Wastewater, Inc.	3/4/2022	3/4/2022		Bucks County	Acquired
Wastewater		East Whiteland Township	Aqua Pennsylvania Wastewater, Inc.	8/12/2022	8/12/2022		Chester County	Acquired
Wastewater		The North Heidelberg Sewer Company	Aqua Pennsylvania Wastewater, Inc.	3/31/2023	3/31/2023		Berks County	Acquired
Water		Borough of Shenandoah and Municipal Authority of Shenandoah	Aqua Pennsylvania, Inc.	7/24/2023	7/24/2023		Schuylkill County	Acquired
Water		The James Black Water Company	Aqua Pennsylvania, Inc.	5/2/2024	5/2/2024		Lackawanna County	Acquired

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF WILLIAM C. PACKER

Topics Addressed:

PFAS Deferral, COVID-19, Rate Base Adjustments, Tax Repair CAP Costs Offset, Interest Synchronization, Act 11 Revenue Allocation, FMV, Return on Equity Considerations, Management Performance, And Various Other Matters

DATE SERVED: September 12, 2024 **Aqua Statement No. 1-R**
DATE ADMITTED: _____

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I. INTRODUCTION

Q. Please state your name and business address.

A. William C. Packer. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. Did you previously submit testimony in this proceeding on behalf of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively, "Aqua" or the "Company")?

A. Yes. I submitted my direct testimony, Aqua Statement No. 1, on May 23, 2024.

Q. What is the purpose of your rebuttal testimony?

A. My testimony responds to certain portions of the direct testimony submitted by the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Bureau of Investigation and Enforcement ("I&E"), the Office of Consumer Advocate ("OCA"), and the Office of Small Business Advocate ("OSBA").

Specifically, I will be responding to the following pieces of testimony and the identified issues raised therein:

- OCA Statement No. 1, the direct testimony of Christine Hoover, regarding Perfluoroalkyl and Polyfluoroalkyl Substances ("PFAS") deferral, the East Whiteland acquisition, notices, and general ratemaking issues.
- OCA Statement No. 2, the direct testimony of Ralph Smith, regarding Overall Financial Summary, Cash Working Capital, PFAS deferral, and COVID-19 Deferral.
- OCA Statement 3, the direct testimony of Aaron Rothschild, regarding fair market value.
- OCA Statement No. 5, the direct testimony of Jerome D. Mierzwa, regarding Act 11 subsidization and revenue allocation.
- OCA Statement No. 6, the direct testimony of Roger Colton, regarding CAP cost offsets.

- OCA Statement No. 7, the direct testimony of Barbara Alexander, regarding management performance.

- I&E Statement No. 1, the direct testimony of Zachari Walker, regarding overall I&E Position, PFAS, and COVID Deferral.

- I&E Statement No. 2, the direct testimony of Christopher Keller, regarding management performance.

- I&E Statement No. 3, the direct testimony of Ethan Cline, regarding Act 11 revenue allocation and post rate case capital reporting.

- OSBA Statement No. 1 (REVISED), the direct testimony of Jason Hails, regarding management performance.

- OSBA Statement No. 2 (REVISED), the direct testimony of Roger Cathcart, regarding Act 11 revenue allocation.

Q. Are you sponsoring any exhibits associated with your rebuttal testimony?

A. Yes, I am sponsoring the Company's revised accounting exhibits. Specifically, Exhibit WCP-1-R, Exhibit 1-A(a) through Exhibit 1-E(e) present the Company's revised revenue, expense and rate base claims for water and wastewater operations, respectively. These exhibits contain all of the pages found in Exhibit Nos. 1-A through Exhibit 1-E, which are the fully projected future test year ("FPFTY") accounting exhibits that the Company originally filed in this proceeding. The pages that have been revised are so marked. In addition, Schedule A-1.1 to the exhibits sets forth all of the changes that were made in Exhibit 1-A(a) through Exhibit 1-E(e) from the Company's original accounting exhibits (Exhibit Nos. 1-A through Exhibit 1-E). Also included in Schedule A-1.1 is a list of the Company's original and revised claims and references to the source of the change and the responsible Company witness. As a result, Exhibit 1-A(a) through Exhibit 1-E(e) fully reflect the Company's final revenue, expense and rate base claims in this case for water and wastewater operations, respectively.

Q. Please generally describe the revisions set forth in Exhibit 1-A(a) through Exhibit 1-E(e).

A. The revisions presented in Exhibit Nos. 1-A(a) through Exhibit 1-E(e) are intended to reflect: (1) corrections to the Company's initial filing; (2) the Company's decision to adopt certain adjustments proposed by the active parties; and (3) more recent data or the Company's revised position on certain issues, as previously set forth in interrogatory responses.

II. PFAS DEFERRAL

Q. Please describe why the Company has requested a deferral of PFAS related costs.

A. The Company is using an accepted method in the regulatory and accounting world frequently utilized for significant, non-recurring type events affecting utilities – that absent deferred authorization – the economic impacts of the investments made and expense incurred would significantly impair the Company's opportunity to realize a Commission authorized fair rate return. As I stated in my direct testimony, capital investments to deal with the federal PFAS mandate are approximately $300 million and incremental operations and maintenance ("O&M") expenses occasioned by PFAS solutions are estimated to be as much as five percent of the capital invested, or approximately $15 million.

Q. Is Aqua seeking guaranteed recovery of these costs in its requests for deferred accounting treatment?

A. No, it is not seeking guaranteed recovery and the Company will have to support its prudent spending related to these costs in its next base rate case. OCA Witness Smith acknowledged this on page 62 of his Direct Testimony. Utilizing a commonly accepted deferral tool allows the Company to ask the Commission to recover the investments and

expenses made at a future point in time. It is not seeking a new and ongoing recovery surcharge to be collected on a quarterly basis. Quarterly, immediate recovery -- with 100% debt and equity -- would have required the Company to propose a tracking surcharge similar to what Pennsylvania American Water Company ("PAWC") proposed in its last rate case at Docket Nos. R-2023-3043189, *et al*. and the Commission disallowed. I believe the Company's proposal is a conversative but necessary approach.

Q. Do you agree with OCA Witnesses Hoover[1] and Smith,[2] and I&E Witness Walker[3] on the proposed rejection of the Company's proposed request to defer PFAS related costs?

A. I do not. I believe that the Company's request is the exact reason why deferred accounting treatment is utilized. This is a health-related issue that the Company is trying to address, and the Company is on a very tight timeline. No one in the Company or anyone in the industry could have anticipated the Environmental Protection Agency's ("EPA") intention when it set a 4 parts per trillion ("ppt") standard or that the compliance date for the PFAS National Primary Drinking Water Regulation ("NPDWR"), other than the maximum contaminant levels ("MCL"), would be April 26, 2029. The determination for compliance is based upon the last 4 quarters running annual average for the prior 4 quarters. Hence the Company's compliance on April 26, 2029 will be measured on all samples collected between April 26, 2028 and April 26, 2029. Therefore, all treatment has to be operational in Q1 2028. I cannot recall an environmental rule impacting the Company in this fashion regarding size, timeline, and pace in my career. These are not just "normal" capital

[1] OCA St. No. 1, p. 38.
[2] OCA St. No. 2, pp. 61-63.
[3] I&E St. No. 1, pp. 42-44.

investments to comply with the EPA's PFAS rule. The Company's request meets the standards for deferral as stated by I&E Witness Walker in his testimony on page 42 stating deferred accounting treatment may be granted if the expense is: (1) extraordinary; (2) unanticipated; (3) non-recurring; and (4) substantial. I address each of these alleged requirements in kind below:

Extraordinary – This is a human health issue mandated by the EPA with a fast-tracked compliance deadline of April 26, 2029. The determination for compliance is based upon the last 4 quarters running annual average for the prior 4 quarters. Hence the Company's compliance on April 26, 2029 will be measured on all samples collected between April 26, 2028 and April 26, 2029. Therefore, all treatment has to be operational in Q1 2028.

Unanticipated – The EPA is the first agency that I am aware of that moved the MCL level to 4 ppt which is a stricter standard that what Pennsylvania and other states have adopted. This is essentially a non-detect standard. I understand that the industry was aware the current EPA administration was working on this issue. However, the industry had no idea it would be required to meet a level of non-detection coupled with being on a with having treatment online by Q1 2028.

Non-recurring – The level of needed capital to meet the new federal mandate will be a one-time event. Admittedly, operational expense associated with operating this new equipment will be ongoing. However, that does not negate the initial investment of $300 million that will not be recurring in this size or capacity related to this new federal mandate.

Substantial – As previously mentioned, approximately $300 million in capital for Aqua is, by any measure, substantial. Based on my experience, I have never seen any health-related EPA mandate that created this capital need and that has a very real impact on the

financials of the Company.

Q. OCA Witness Hoover attempts to argue against the use of a deferred accounting tool because use of this tool for PFAS related costs unreasonably shifts risks to customers, Aqua has been incurring these PFAS costs for many years, and that Aqua's request generally does not meet standards for deferral.[4] Please respond.

A. Ms. Hoover expounds on several reasons why she disagrees with the Company's request for deferred accounting treatment for a period of time for PFAS capital and costs. First, I do not believe there are any unreasonable shifts of risk to customers as suggested by Witness Hoover. In fact, our PFAS capital plan and the associated accounting proposal is meant to help customers and the Company avoid the need to file additional rate cases at a substantial cost in order to preserve its opportunity to earn fair and reasonable returns on invested capital afforded to it by virtue of the regulatory compact Ms. Hoover opines on. I acknowledge that the Company's request decreases regulatory lag associated with the costs of compliance with the EPA rules. This request to decrease regulatory lag is not taken lightly and the Company would not request it if it was not important to do so. As I stated earlier, I cannot recall an environmental rule impacting the Company in this fashion regarding size, timeline, and pace in my career. These are not just "normal" capital investments to comply with the EPA's new PFAS rule. Unfortunately, this new rule promulgated by the EPA will increase costs for Aqua customers and residents through the Commonwealth and the country. In regard to Ms. Hoover's acknowledgement that PFAS regulations occasioning this deferred accounting request are being challenged in federal court, the Company submits that deferred accounting is still warranted as the need to

[4] OCA St. No. 1, p. 38.

address PFAS treatment is both a question of need and timing. While the required compliance could be impacted to allow for more time, the significance of the capital investments to address this lower standard cannot be ignored.

Q. Please respond to OCA Witness Hoover and I&E Witness Walker's argument that Aqua has address a limited number of wells with PFAS treatment since 2017.

A. I agree that Aqua has put filters on a limited number of wells – in total four wells - and has increased expenses related to those particular upgrades, but that was solving for a different problem, that is, state standards of 13 ppt. This does not override the need for Aqua's request now relating to the new EPA standard at 4 ppt which results in more wells and now including some surface water treatment plants, which are approximately 90% of the Company's annual water production source, needing significant investments to achieve compliance. Utilizing these circumstances as a basis for asserting that Aqua does not meet the regulatory requirements for deferral authorization is not supported by her arguments. She presents a case of comparing apples and oranges in the amount of capital needed and costs incurred needed to address different problems. Being proactive to address a health-related issue in certain wells in our service territory should not be a penalty for seeking deferral treatment. Leaving these important key facts out does not provide the reader with the full picture of what the Company is required to do to address water quality for its customers.

Q. Please respond to OCA Witness Hoover's suggestion and I&E Witness Walker's argument(s) that addressing PFAS over time might cause decreases in other expenses when the overall filtration process to the system is improved.

A. Mr. Walker states that this cost should be addressed in a base rate case proceeding where

the impact can be fully evaluated to affected rate base and expense items implying that that costs related to addressing PFAS will somehow lower expenses. As I noted previously, addressing PFAS as required by the EPA is a costly endeavor. As discussed in Mr. Duerr's testimony added costs include regular process control testing, compliance testing, maintenance equipment, increased electric costs due to higher pressure through the vessels, and cost of the filter change outs and disposal of rinse water. These are not changing out certain costs, they are additional costs. Based on my experience, adding $300 million of capital to run and additional incremental costs operate a water system with new PFAS treatment equipment will increase costs, not decrease them.

Q. Please respond to I&E witness Walker's recommendation that the PUC address deferral treatment of PFAS costs on statewide basis.

A. Mr. Walker's recommendation may have made sense several years ago assuming someone anticipated the EPA would enact a rule requiring basically non-detection of PFAS and the accelerated timeline to complete the capital investments. Unfortunately, and realistically, there is no time for a separate statewide PUC docketed proceeding in this matter to effectively address the issue. Aqua must comply with the EPA rule by April 26, 2029, with all treatment online by Q1 2028, or face non-compliance and potential lawsuits. Construction to reach compliance with the EPA's PFAS mandate is happening already.

Q. What could happen if the Commission does not allow a deferral of the PFAS costs?

A. Given the extraordinary nature of the investments and operating expenses related to comply with this new federal mandate, it is likely that the Company will have to seek more immediate rate relief following the conclusion of this case. To avoid significant additional rate case expense that is occasioned by this issue, the Company strongly advocates for the

approval of its request for deferred accounting treatment so that it can avoid multiple base rate cases in quick succession. Mr. Walker also questions the impact on Aqua's net earnings. I believe the impacts are very real. For instance, the Company's estimate of approximately $300 million in capital investments between 2025 and 2029 result in an average of $75 million per year in investments. Those investments have an annual cost or revenue requirement of approximately $9 million pre-tax and approximately $6.5 million after tax. This is significant and has an impact on Aqua's ability to preserve its opportunity to earn its allowed return on equity afforded to it as a regulated utility.

Q. Does OCA Witness Smith[5] provide any other arguments for the rejection of the request to defer PFAS costs?

A. Mr. Smith recognizes the important public health and safety nature of these investments and costs. He also acknowledges the magnitude of them. I agree. He then asserts that isolating and tracking PFAS capital costs and expenses runs counter to ratemaking principles in that the Company is somehow guaranteed recovery. He also acknowledges that the Company is not seeking a guarantee, but it will likely get recovery of these costs and that the Company will not then work as hard to receive any available funding to offset the costs.

To the contrary, the Company is exhausting all of its resources to address a health issue that it did not create. Isolating and tracking these costs, and the Company's efforts to pursue funding sources, whether through grants, loans, litigation or other sources, would happen regardless of the Company's proposed deferred accounting treatment and approving a deferral request will actually provide more oversight, transparency, and review

[5] OCA St. No. 2, pp. 61-63.

of these costs. I believe this type of health-related capital endeavor is exactly the type of expense deferred accounting treatment should be used for.

III. COVID-19

Q. I&E Witness Walker recommends reduction of $1,465,568 to COVID-19 expense claim due to the 48-month amortization period proposed by Mr. Walker.[6] Would you like to comment?

A. I do not agree with Mr. Walker's recommendations on this point. The Company is focusing on when the costs were incurred while it appears that Mr. Walker is focused on rate case timing using a simple historical average which is no longer appropriate going forward. Furthermore, his use of a historical average includes the time period between the 2011 base rate case and 2018 base rate case which included a tax repair provision that enabled the Company to stay out of rate cases for extended periods of time. This seven year long stay out should at the very least, be excluded from Mr. Walker's averaging exercise.

Q. Why do you believe two years is an appropriate amortization period?

A. The costs were incurred over a two year period and the amounts deferred are not being requested as a component of rate base. Therefore, the carrying cost is being borne by the Company. Please see the Rebuttal Testimony of Christopher E. Manning, Aqua Statement No. 3-R, for further discussion on the Company's rate case timing. As stated in responses to discovery, the Company will be filing its next base rate case in 2026 and will be on a two-year rate cycle for the foreseeable future.

IV. RATE BASE ADJUSTMENTS

[6] I&E St. No. 1, pp. 28, 30.

Q. Can you summarize the adjustment to Rate Base proposed by OCA Witness Smith in his direct testimony?

A. Yes. While this topic is covered specifically by the Company's expert tax witness Panpilas Fischer, I will offer a few points on the matter. Mr. Smith is opposed to the Company's inclusion of an approximate $30 million addition to rate base for a deferred tax asset on the Company's books related to PA State Income Tax Net Operating Losses accumulated, and not yet monetized in the form of a cash tax benefit to the Company, which is due to state mandated limitations on annual utilization. Mr. Smith makes an adjustment to reduce rate base by approximately $30 million.

Q. How was this PA Net Operating Loss ("NOL") created?

A. The NOL was created by the Company's previously authorized treatment related to its change in tax accounting method of its tangible property ("Tax Repairs"). The Company in its 2011 Rate Case was authorized to use flow-through accounting for any tax benefits resulting from this change. In return, the Company agreed to delay its next rate case filing, normally expected rate case in 2 years and amortize that tax repair 481(a) ("Catch-up") adjustment over a period of 10 years. In the end, the Company was able to stay out of rates for nearly 7 years, eliminate its Distribution System Improvement Charge ("DSIC") effective January 1, 2013 from 2.82% to zero and remained so until October 1, 2017. In August of 2018, the Company filed its first base rate case since 2011 and that rate case resulted in new base rates effective in May of 2019, which reflected and memorialized all of the tax benefits associated its previously authorized tax repair accounting treatment in base rates, including negative deferred tax expense for PA State Income.

Q. Is it appropriate to include the PA State NOL deferred tax asset in rate base?

A. Yes, it is appropriate. Customers benefited in multiple ways. Notably, as directed by the Commission, the Company amortized the 481(a) adjustment over a period of 10 years, which is an accelerated level of benefit return to customers in advance of the cash realization by the Company. This is one of the reasons why there is an NOL in the first place. To disregard its inclusion in rate base to at least allow a return on investment to offset carrying costs is not proper rate making nor justified given the record established in multiple rate cases over the past 13 years. It is my recommendation that OCA Witness Smith's proposed adjustment to reduce rate base be disregarded.

V. TAX REPAIR

Q. Please summarize OCA Witness Smith recommended related adjustment to the level tax repair deduction benefit utilized in the calculations of Income Tax Expense on Schedule F-2?

A. This again is covered by the Company's expert tax witness Panpilas Fischer, but I will offer a few complementing points. OCA Witness Smith recommends increasing the forecasted level of expected tax repair deduction benefits in the fully projected future test year ("FPFTY") from approximately $163 million as filed by Aqua, to approximately $194 million. The basis of his adjustment was an abnormally high level of tax repair benefit expected to be realized by the Company for its tax year 2023.

Q. Is it appropriate to use an historical year to forecast the level of tax repair benefit?

A. No, it is not. Doing so comes with significant rate risk to customers while at the same time imputing a tax benefit that is not matched with additional corresponding investment increasing rate base and depreciation expense. In other words, his recommendation only imputes the tax benefit to reduce rates, while not considering the projects necessary to

support such a recommendation. In short, the Company's projected capital included in this rate case and its resulting tax benefits are matched based on our application of the tax repair methods of accounting, units of property, pressure zones, and non-network. It is not something that should be based on prior year experience for rate making. Moreover, the establishment of the collar protects both the Company and the customers from any large variances from the amounts set in rates, that is, if there are any today outside of the $4 million above or below the level set, those amounts are deferred to the next rate case. Simply said, this recommendation is not necessary.

Q. What is the rate risk associated with setting an arbitrarily high tax repair benefit?

A. The risk is that when the Company's actual tax repair expense is more in line with our $163 million per year projections, or $30 million less per year, than the levels recommended by Mr. Smith. The Company is replacing less mains annually, which is the largest single category of associated tax repair benefits, and that trend is expected to continue, hence there are more justified reasons to forecast lower future tax repairs expense than increase it. The result of an incorrect level of repairs expense benefit set in this rate case will likely trigger an under the collar recovery being deferred that will increase customer rates to recover the benefit lost due to an incorrect projection in the next rate case. Combine that likely result along with a potential lowering of future benefit (i.e., instead of $163 million per year ongoing, dropping to $143 million) would likely result in a significant increase in the next rate case just to recover the tax expense both from this rate case and the next one. For example, assume the Company is only able to produce tax repair benefits of $163 million per year as we propose, but the level in this case is set to Mr. Smith's $194 million per year. That incorrect projection would be in place for at least two years before the next

rate case, or accumulate to approximately $62 million ($194 million less $163 million = $31 million per year x 2 = $62 million). Combine that with another $20 million per year of reduced ongoing level of future tax repair benefits in the next case and there is a real potential for a total of $82 million of pre-tax cost benefit needing future recovery from customers. After accounting for tax impacts and grossed up in terms of revenue requirement, that equates to an approximate $30 million increase in revenues just to cover the tax. I strongly recommend the Commission not adopt Mr. Smith's recommendation as further explained by Witness Fischer.

VI. CAP COST OFFSETS

Q. Please summarize the testimony of OCA Witness Colton[7] regarding his proposed CAP offsets related specifically to bill discounts and arrearage forgiveness amounts claimed in this rate case by the Company.

A. Mr. Colton starting on page 48 of his testimony and continuing through page 61 outlines his proposed CAP Cost offsets related to bill discounts and arrearage forgiveness claims made by the Company in this rate application. He recommends a $2,455,931.82 offset to revenue for water bill discounts and a $352,626.60 offset to revenue for wastewater bill discounts. Lastly, Mr. Colton recommends offsets to arrearage forgiveness impacts to bad debt expense in the amounts of $812,620 for water and $89,774 for wastewater. Mr. Colton raises the issue of the Company's non-compliance to Commission directives from its last base rate case proceeding, specifically where it was directed to work with the OCA and other statutory advocates as to the type of data collection and analysis that would be necessary to calculate an appropriate offset later.

[7] OCA St. No. 6.

Q. Do you agree with Mr. Colton that the Company did not comply with a Commission directive regarding this issue because it may have disagreed with the order?

A. No. The Company is committed to ensuring that the appropriate implementation and cost offsets are reflected in the CAP program such that the desired impacts and necessary bill relief is realized by customers. The Company meets with the Advocates and holds periodic meetings with them through its Aqua Assistance Collaborative Group which focuses on customer initiatives not necessarily germane to this topic. However, this topic was not discussed and was an oversight on the Company's part.

Q. Please respond to Mr. Colton's recommendation for CAP cost offsets related to bill discounts and arrearage forgiveness?

A. I have reviewed Mr. Colton's recommendations on CAP offsets and take no issue with them as proposed for this case.

VII. INTEREST SYNCHRONIZATION

Q. OCA Witness Smith has proposed substantial increases in the interest deduction reflected in the calculation of income tax expense for water and wastewater operations, with a resulting substantial deduction in state and federal income tax expense.[8] What are the bases for this increase to the interest deduction?

A. The interest expense deductions for income tax purposes reflect the use of interest synchronization, which calculates the pro forma interest expense deduction by multiplying rate base times the weighted cost of debt. The Company used interest synchronization in its calculation of the interest expense deduction for income tax purposes, using the Company's FPFTY rate base for its water and wastewater operations times the weighted

[8] OCA St. No. 2, p. 52; OCA Exhibit LA-1, Schedule C-4.

cost of debt provided by Company witness Mr. Moul.

OCA's adjustments reflect the proposed weighted cost of debt proposed by OCA Witness Rothschild, partially offset by reductions to rate base proposed by OCA Witness Smith.

Q. Does the Company agree with these adjustments?

A. No. With respect to the proposed change to the weighted cost of debt, this is a result of Mr. Rothschild's recommended use of a 49.47% debt ratio in the capital structure, rather than the use of the projected actual capital structure of the Company for the FPFTY, which reflects a debt ratio of 46.05%. Mr. Moul explains in his rebuttal testimony (Aqua Statement No. 7-R) the errors of Mr. Rothschild in proposing a hypothetical capital structure.

VIII. ACT 11

Q. Can you generally respond to how and why the Company made the Act 11 allocation that it did?

A. Aqua proposed to allocate a portion of the wastewater revenue requirement to its water customers in order to provide a path for gradualism for the subject systems. This is similar to the Company's proposal in its last base rate. The intent is to avoid substantial rate hikes to wastewater customers that will be subject to rate increase as a part of this case. I note that the Company understands the sensitivity and fairness issues related to the Act 11 allocation and endeavors to provide proposals that are balanced and fair to both our current water customers and wastewater customers. I also note that no party asserts that Aqua should not be permitted to allocate any of the wastewater revenues for its Wastewater Base and other operating divisions to the combined wastewater and water customer base, and no

party asserts that an allocation of wastewater revenues to water customers is not in the public interest. Rather, various parties have disputed the amount of the wastewater revenue requirement to be allocated to water customers.

Q. OCA Witness Smith,[9] I&E Witness Cline,[10] and OSBA Witness Cathcart,[11] recommend lowering the Act 11 allocation from Wastewater to Water. Please briefly describe their adjustments.

A. Aqua proposed a shift of $21.9 million Act 11 shift or 20% shift of the wastewater revenue requirement to water including East Whiteland. OCA Witness Smith recommends reduction to $1.715 million to that proposed allocation, I&E Witness Cline recommends a reduction to $3.5 million to that proposed allocation and OSBA Witness Cathcart recommends a reduction to $19.7 million to that proposed allocation.

Q. What is the OCA's rationale for its proposal?

A. OCA Witness Mierzwa, states that the Act 11 shift should be no higher than 10% of the wastewater cost of service, which would be a 50% decrease from that approved by the Commission in the Company's last base rate case proceeding.[12] It appears that the OCA Witnesses are proposing a 2.48% Act 11 allocation of the wastewater base and Lower Makefield revenue requirements.

Q. What is I&E's rationale for its proposal?

A. I&E Witness Kline disagrees with the amount of the shift and states that he believes that because not many wastewater customers are water customers, the water customers should not be subsidizing as much and that each separate utility should be responsible for its own

[9] OCA St. No. 2.
[10] I&E St. No. 3
[11] OSBA St. No. 2 (REVISED).
[12] OCA St. No. 5, p. 6.

cost of service.[13] In addition, he argues that water customers should not be subsidizing a rate decrease.

Q. Please respond to both the OCA and I&E's adjustments.

A. From the Company's perspective, we disagree with both I&E and OCA and submit that the Company's proposal is the most reasonable approach. As stated above, the Company's overall proposal was a 20% allocation of the revenue requirement from wastewater to water. I note that this is a lower requested allocation than in prior Aqua base rate cases. I believe this is reasonable because, as the wastewater business has grown over the past decade and realized economies of scale, it has been able to spread the wastewater cost of service across its much larger customer base thereby lowering the need for the Act 11 regulatory tool. A similar Act 11 allocation has been proposed in the past. The Company's proposal of allocation via Act 11 are intended to provide a path of gradualism for these systems. In Aqua's last litigated base rate case, the Commission approved a 16.83% Act 11 allocation. PAWC requested a $71.1 million or 26.97% Act 11 allocation shift, and the Commission approved a $23.3 million or 11.2% based on my review PAWC's most recent litigated case. Both of these allocations are substantially larger than what is proposed by OCA and I&E, respectively, and their proposals on this point should be rejected.

Further, the Company does not believe that the measure of the appropriate allocation should be simply whether the percentage revenue shift is half of the approved shift in the last case. Mr. Mierzwa has offered no support for why 10% is a reasonable shift. Aqua Witness Ms. Heppenstall explains why the proposed individual rate zone increases, and proposed rate zone consolidations, are reasonable and should be adopted.

[13] I&E St. No. 3, pp. 12-13.

Q. OSBA Witness Cathcart states that he does not oppose Act 11, but states "Act 11 does not supersede the cost-of-service principles established by the Commonwealth Court's decision in Lloyd."[14] Please respond.

A. Mr. Cathcart makes this statement in the context of asserting that Act 11 does not authorize a permanent shift in revenue responsibility from wastewater to water customers. Aqua has not proposed in this, or any case, that Act 11 be used to permanently shift revenues. Therefore, I am advised by counsel that the scope of the Commission's authority under Act 11 in future proceedings is not relevant here.

IX. EAST WHITELAND

Q. I&E Witness Cline, and OCA Witnesses Mierzwa, Hoover, and Smith all discuss the East Whiteland acquisition and assert that it should not be included in this case.[15] Do you agree with these recommendations?

A. I disagree. The Commission supported Aqua purchasing the East Whiteland wastewater system in an order issued on July 29, 2022. Certificates of Public Convenience were issued to Aqua to own and operate the East Whiteland system by the Commission. East Whiteland and Aqua closed on the transaction on August 12, 2022 and Aqua currently owns and operates the East Whiteland wastewater system subject to the Commission's jurisdiction, including jurisdiction over rates to be charged. To be clear, Aqua has been providing wastewater service to these customers since August 12, 2022, including billing and collections, investment and expansion of the customer base, and making sure that East Whiteland customers have safe and reliable service. The Company also has incurred and continues to incur investment in the plant serving East Whiteland customers. The rate base

[14] OSBA St. No. 2 (REVISED), p. 11.
[15] I&E St. No. 3, pp. 7-8; OCA St. No 5, p. 14; OCA St. No. 1, p. 10; OCA St. No. 2, pp. 9-10.

associated with these assets are used and useful in the public service. So long as the Commission regulates the rates that Aqua is allowed to charge East Whiteland customers, Aqua should be permitted to increase the rates to East Whiteland customers as supported by the cost of service.

Q. OCA Witness Smith argues that the criteria to be used to determine whether a proposed acquisition is reasonably likely to occur by the end of the FPFTY prior to or at the close of the record in this case are: (1) a final Commission order approving the acquisition; and (2) there is a lack of uncertainly that the utility will close the acquisition for reasons other than PUC approval.[16] Please respond.

A. Mr. Smith's criteria are just that – his. As many of the parties have acknowledged, the OCA has appealed the Commission's decision approving this transaction. However, I am advised by counsel that this appeal does not undue the approved transaction at this time. The Commission is supporting its decision to approve the purchase of the East Whiteland wastewater system on appeal. If the Pennsylvania Supreme Court ultimately decides in the OCA's favor, or remands the proceeding back to the PUC, or offers some other alternative, the Commission can follow those Supreme Court directives at that time.

Q. OCA Witness Hoover offers her perspective of the regulatory compact, asserts traditional ratemaking reflects the regulatory compact, argues that Aqua is attempting to move away from traditional ratemaking to reduce risk, asserts that there is not a focus on consumer needs, and argues that use of the DSIC, FPFTY, and Section 1329 and Section 1311(c) of the Public Utility Code move away from traditional ratemaking.[17] Please respond.

[16] OCA St. No. 2, p. 26.
[17] OCA St. No. 1, pp. 17-37.

A. My general observation is that Witness Hoover disagrees with laws passed by the Pennsylvania General Assembly and the Orders issued by the Commission implementing those laws. Witness Hoover's testimony regarding these subjects will be addressed more fully in the Rebuttal Testimony of Paul J. Hibbard (Aqua Statement No. 15-R).

X. MISCELLANEOUS ITEMS

Q. OCA Witness Mierzwa recommends Aqua immediately pursue obtaining water usage data for customers served by Chester Water Authority ("CWA") in Thompson Tract, the Bancroft Subdivision, and Honeycroft Village and report on the results of its efforts and costs it incurs to obtain this data.[18] Please provide some context.

A. Mr. Mierzwa and the OCA are likely aware of the issue recently regarding water usage data in relation to CWA. I refer Mr. Mierzwa to Docket Nos. A-2022-3036095 and A-2024-3046777. Unfortunately, CWA will not enter into a written contract with any wastewater provider to provide water usage data. This includes Aqua. In the decision referenced above, the Commission directed the Company to charge a flat rate since a written contract is required.

Q. Please comment on the concerns raised that the rate decrease proposed for New Garden customers will not be realized by most customers.

A. The Company performed an analysis of the New Garden billing data regarding what customers would see a decrease in rates based upon the Company's proposal. The analysis showed, for the historic test year ("HTY"), there were about 446 residential bills out of 8,055 total bills for the year where consumption was fewer than 3,000 gallons a quarter, which is about 5.5% of the cumulative HTY bills. Or in other words, 94.5% of the

[18] OCA St. No. 5, p. 39.

residential customers are using over 3,000 gallons a quarter and would receive a decrease to their bill under proposed rates.

For the commercial customers, there were about 99 bills out of 1,616 total bills for the HTY where consumption was fewer than 3,000 gallons a quarter, which is about 6% of the cumulative HTY bills. Mr. Duerr also addresses the New Garden system in his Rebuttal Testimony (Aqua Statement No 11-R).

Q. OCA Witness Rothschild states that Aqua has indicated that Fair Market Value ("FMV") acquisitions present a competitive advantage, thereby making Aqua Witness Moul's recommended ROE overstated.19 Please respond.

A. Section 1329 authorizes the establishment of FMV as rate base for certain acquisitions. Importantly, under the provisions of Section 1329, Aqua cannot include in rate base amounts in excess of its actual investment in the acquisitions, as the Company may only include the lesser of actual acquisition price or FMV. As such, Aqua is including no more in rate base than it would include whenever it purchases a new asset – the amount it paid. There is no reason Aqua should get a lowered return on its actual investment.

Q. OCA Witness Rothschild states that the Commission should use the low end of range of reasonableness to address concerns related to affordability.[20] Do you agree?

A. I do not. The Company is entitled to a fair and reasonable rate of return. While I certainly recognize the affordability concerns raised by various of the parties, Aqua must also provide safe and reliable service to all of its customers. The requested rate increase in this proceeding would allow Aqua to do exactly that, while balancing affordability and rate

[19] OCA St. No. 3, pp. 97-100.
[20] OCA St. No. 3, p. 103.

gradualism concerns. Further, I note that Aqua's low-income customer assistance programs provide assistance to customers with payment difficulties.

Q. OCA Witness Alexander describes the Company's limitation of liability tariff provisions and recommends certain changes to the same.[21] Please elaborate.

A. Witness Alexander reviews the claims made against the Company from 2019-2024 and recommends that the limitation of liability amount be increased in the Company's tariff from $2,000 to $6,000 based on the fact that the Company has made payments to settle claims in excess of the $2,000. Ms. Alexander also recommends that the tariff be adjusted to clarify "Act of God" liability language to exclude situations where the Company is negligent or falls short of the requirements in Section 1501 of the Public Utility Code.

Q. Do you agree with Ms. Alexander's recommendations related to the liability provisions in the Company's Tariff?

A. No. The Company is not willing to accept Ms. Alexander's recommendations at this time. In the Company's opinion, it is unclear what ramifications would ensue with such a change, and Ms. Alexander has not presented any testimony related to the same. It is certainly possible to assume that, with more liability exposure in Aqua's tariff, the Company's insurance costs would increase. As such, Aqua does not accept Ms. Alexander's recommendation. As to Ms. Alexander's second recommendation on this point, the Act of God liability language present in the Tariff does <u>not</u> include situations where the Company is negligent or fails to satisfy the mandates of Section 1501 of the Public Utility Code and, as such, this recommendation is an unnecessary change. While I am not a lawyer, and this will be further explained in the Company's Main Brief, I am advised by counsel that an

[21] OCA St. No. 7, pp. 22-25.

"Act of God" already does not include situations where the Company was negligent or failed to satisfy Section 1501 of the Public Utility Code.

Q. Please respond to the portion of OCA Witness Hoover's Direct Testimony describing current base rate case notice requirements and how she would like them to be changed.[22]

A. Witness Hoover spends a significant part of her testimony discussing how best to communicate with customers with respect to base rate case filings. I fully respect and appreciate the importance of how Aqua and all utilities communicate with its customers. Based on my experience, there is no one perfect way to notice customers and no one perfect way to explain rate impacts to all the diverse households the Company serves.

Q. Can you further elaborate?

A. I believe the current regulations and practices strike the appropriate balance between using technology and publications to notify customer of a proposed base rate increase. I do not believe the intent of a base rate case notice is to answer every unique and individual customer's question about rate increases, usage, service, infrastructure improvements in their community, how to file a complaint, or explanations about the cause of the rate increase. Rather, I believe the intent of the base rate case notice is to make sure customers are aware that a base rate increase is being requested and to signal their opportunities to ask questions and participate in the proceeding and, in a general fashion, understand how the rate increase affects them. Following a base rate case notice, the customer is free to contact Aqua – or several other entities - to discuss questions they may have with their service or how the rate case filing may affect them.

[22] OCA St. No. 1, pp. 41-48.

Q. Witness Hoover asserts that, by providing rate impacts only at one usage level, Aqua's rate case notice likely underestimates the rate impact for many customers.[23] Do you agree?

A. I agree that there are probably hundreds of pieces of information that could be put on a notice. I have been a part of base rate proceedings in other jurisdictions that require more and less information on the notice. I believe that the vast majority of customers that want to see and understand their usage and a possible increase can review their bill, look at the usage, and then look at the usage used as proxy on the notice to gain perspective on how a rate increase will impact them in a general fashion.

Additionally, providing many different levels of usage for residential customers may confuse customers. As noted above, customers have the option, as indicated in the notice, to contact Aqua to determine how the proposed rate changes would impact their bill or to visit the Company's website to review the proposed rates in the tariffs.

Providing rate impact calculations at different levels is not required by the Commission's regulations (*see* 52 Pa. Code § 53.45). The Company does not agree with the OCA's attempt to challenge the current Commission regulations that would only apply to Aqua. The Commission has also similarly discussed the notice requirements in its recent implementation order of Section 1329 of the Public Utility Code and did not adopt the OCA's proposed multi-level usage notice. I also disagree with adding new notice requirements including a required press release and separate billing insert. The Company is in compliance with existing notice provisions and those provisions provide ample information to customers over the course of a nine month time period.

[23] OCA St. No. 1, p. 8.

Q. Does OCA Witness Hoover take issue with the customer notices regarding the Act 11 shift?

A. Yes. First, I note that the Company's Act 11 shift was conservative in that it was consistent with what Aqua has proposed in the past and did not shift 100% of their base wastewater operation increase to its water customers. Ms. Hoover states the Company should have shown what it wants to charge for wastewater service before the Act 11 shift. To respond, I note that notices sent to the Company's customers must be consistent with the proposed tariffs filed in the case. Notices sent to customers in this case reflected average monthly bills at those proposed rates, consistent with those proposed tariffs. Ms. Hoover's recommendation on this point would create notices that do not square with the proposed tariffs. I believe this would serve to further confuse customers. As was recently noticed in the PAWC rate case, Aqua also has provided notice to customers of its proposed rates, inclusive of the impact of Act 11. There is not an alternative set of rates as Ms. Hoover suggests and the notices reflect the rates shown in the proposed tariff as described above.

Q. OCA Witness Hoover asserts the same issue with respect to notice and cost sharing for Shenandoah water customers. Please respond.

A. My response is similar to that above, noting also that every water acquisition that the Company has completed since single tariff pricing was adopted in the Commonwealth would have some revenue deficiency that is being paid for by other water customers. All of the Company's water customers have been noticed in the same way for decades which includes some aspect of water to water allocation.

Q. Please address comments regarding including the amount of Act 11 on customer bills that was requested in testimony provided at public input hearings.

A. The Public Utility Code and the Commission's regulations do not require the Company to do so. The Act 11 component of the revenue requirement is embedded in the rates of the Company's tariff thus, it is split between the service charges and volumetric charges and not separately identifiable to provide an exact quantification required when reporting billable charges on a customer bill. The Act 11 allocation is identified when the Company files an application for an increase in base rates, specifically Exhibit 1-A in this proceeding, such that the Commission and any interested parties can understand the revenue requirement movements between the wastewater and water utilities. In order to address this, the Commission would have to issue regulations to establish a calculation of each customer's bill to determine what portion of a bill is attributable to the overall impact of Act 11 allocations.

In summary, the charges that the Company includes on a customer bill must have reference to, or line of sight of, an applicable tariff rate or Rider. In this instance, Act 11 as a component of cost of service has neither, thus any recommendation regarding this should be rejected.

Q. On page 4-5 of Mr. Cline's Rebuttal Testimony (I&E Statement No. 3), he recommends that the Company provide an update to Schedule G-2 of Exhibits 1-A through 1-E. Do you agree with Mr. Cline's recommendation?

A. Yes. The Company will agree to provide an update to Schedule G-2 of Exhibits 1-A through 1-E no later than April 1, 2025 which will include actual capital expenditures, plant additions, and retirements by month for the twelve months ending December 31, 2024, and

will provide a subsequent update for the same data no later than April 1, 2026[24] for the twelve months ending December 31, 2025.

XI. EXEMPLARY MANAGERIAL PERFORMANCE

Q. Did the Company provided evidence of exemplary management performance in this proceeding?

A. Yes. My Direct Testimony specifically addresses the performance of Aqua's management (Aqua Statement No. 1, pp. 25-33) and provides detailed information regarding the Company's efforts to provide safe and reliable water and wastewater service. Those efforts include: (1) optimization of water quality and proactive efforts to improve system reliability; (2) wastewater treatment compliance; (3) system reliability and infrastructure rehabilitation including lead service line replacement; (4) customer service focus and upgrades including an interactive map and customer assistance programs; (5) acting to assist the Commission, OCA, and the Pennsylvania Department of Environmental Protection to address issues on small systems and acting as a receiver for the North Heidelberg Sewer Company, Bell Aire Acres, Venango Water Company and Twin Lakes Utilities, Inc.; and (6) recognition for excellence of operations including the Partnership for Safe Water. Aqua is a mission-based utility focused on providing safe and reliable service to its customers. I reiterate that Aqua consistently makes prudent and necessary investments in its infrastructure to serve customers. With the approval of an adequate Return on Equity ("ROE"), Aqua will be able to continue to address the formidable tasks of rehabilitating its infrastructure, acquiring and repairing aging and troubled systems, and maintaining quality service for all of its customers. The Commission has given clear

[24] I note that Mr. Cline's Direct Testimony stated that the Company should provide an update by April 1, 2025 for the year ending December 1, 2025. I believe this was an inadvertent error and should have been April 1, 2026.

signals that service quality is a critical component in establishing rates. For all of these reasons and those reasons listed in Aqua Witness Todd Duerr's Direct and Rebuttal Testimonies (Aqua Statement No. 11; 11-R), an increment for exemplary management effectiveness has been fully supported and should be adopted if, for any reason, the Commission were to consider adopting an ROE of less than 10.95%.

Q. Have any parties acknowledged the receipt of additional basis points in recognition of management performance?

A. Yes. I&E Witness Keller notes that the Commission awarded Aqua an addition of 25 basis points for its management performance efforts in its last base rate case.[25] I note that since the last base rate case, Aqua has been asked to address three more troubled systems which include Venango Water, Deer Haven Water and Deer Haven Wastewater. While Witness Keller acknowledges that the Commission has granted additional basis points to the ROE for management performance, he fails recognize the troubled systems that the Company is currently acting as receive for. Most recently, the Commission asked the Company to act as receiver for Deer Haven Water and Wastewater. Aqua Witness Duerr further describes the Deer Haven Receiverships in his Rebuttal Testimony.

I further note that it does not appear that Mr. Keller disputes my direct testimony about Aqua's various initiatives and accomplishments that demonstrate superior management effectiveness in several areas. While Mr. Keller points to language which focuses on Aqua's efforts and willingness to quickly provide emergency aid to various water and wastewater systems that needed substantial improvement, the Commission did not say this was the only factor that led to the 25 basis point award in its last base rate case.

[25] I&E St. No. 2, p. 68.

Q. Do you agree with Mr. Keller's assertions about recognizing management performance?

A. No. Essentially, Mr. Keller asserts that Aqua should not be recognized for many of the initiatives I described in my Direct Testimony, including infrastructure improvement programs, because they are either funded by customers or required by the Public Utility Code. Rather, he contends that Aqua's level of performance is legally required and therefore no recognition of its management effectiveness is necessary.

Initially, I note that no witness has articulated objective criteria for determining where the line should be drawn between a utility doing what the law requires and going the extra mile to contain costs, provide excellent service and dedicate itself to vigorously pursuing the policy goals of the Commission, environmental regulators, and other government agencies. The attempts to recharacterize exemplary performance are contradicted by Section 523 of the Public Utility Code.

In PPL Electric Utilities Corporation's ("PPL") 2012 base rate case, the OCA also argued that "all regulated utilities are required to provide safe, adequate, reasonable and efficient service as a matter of law" and "a utility must be doing more than providing efficient and reasonable service in order to receive more than the indicated rate of return." *See Pa. PUC, et al. v. PPL Electric Utilities Corporation,* Docket Nos. R-2012-2290597, *et al*., p. 95 (Order entered Dec. 5, 2012) ("*PPL 2012 Order*). Similarly, in UGI Utilities, Inc. – Electric Division's ("UGI Electric") 2018 base rate case, I&E contended that no utility should reap additional rewards for programs funded by customers or for meeting the company's statutory obligation to provide safe and reliable service See *Pa. PUC, et al. v. UGI Utilities Inc. - Electric Division*, Docket Nos. R-2017-2640058, *et al*., p. 111 (Order

entered Oct. 25, 2018) ("*UGI 2018 Order"*). The Commission rejected I&E's and the OCA's position in the aforementioned PPL and UGI Electric base rate cases, and likewise rejected such contentions in Aqua's last base rate case. It should do the same in this case.

Q. OCA Witness Alexander acknowledges the Company uses call center performance metrics that correlate to incentive compensation, however, takes issue with a particular discovery response.[26] Please respond.

A. The Company does link call center performance to its incentive compensation and this is tracked and measured. Nothing in the Aqua-Peoples Merger Settlement directed that compliance with the call center metrics was to be a specific criterion for management incentive compensation. The absence of a specific link between incentive compensation and call center performance criteria provides no basis for claiming that Aqua management is not attentive to customer service issues, or to disallow basis point recognition for exemplary management in the rate of return on common equity. I would observe that OCA admits that the Company met the call center metrics.

Q. OSBA Witness Hails recommends an ROE no higher than 10.58% by computing an implied management performance adder in Mr. Moul's testimony.[27] Do you agree?

A. Mr. Moul's testimony speaks for itself, and it is inappropriate to infer that his recommendation includes something not specified. Aqua supports the addition of a management performance adder in the Commission's final ROE allowance. Mr. Hails' objections to a management performance adder have been rejected in prior Commission orders, as explained previously.

Q. Is there anything else you would like to add regarding this topic?

[26] OCA St. No. 7, pp. 8-9.
[27] OSBA St. No. 1, pp. 4-5 (REVISED).

A. Yes. The witnesses opposing recognition of management performance do not acknowledge the Company's eligibility for performance factor recognition under the Commission's Policy Statement at 52 Pa. Code § 69.711(b)(1). Notwithstanding their erroneous position with regard to Section 523 of the Public Utility Code, the Company certainly has demonstrated that its performance deserves recognition based on the Company's long history of aggressively implementing the Commission's and the Pennsylvania Department of Environmental Protection's policies to continuously address troubled water and wastewater systems and upgrading the facilities in those systems to furnish safe and reliable service.

Q. OCA Witness Mierzwa refers to a report analyzing whether different methods of calculating a flat rate would be more reasonable for some rate zones in reference to a performance adder.[28] Can you please comment?

A. The Company takes directives from the Commission very seriously. Witness Manning and Witness Heppenstall provide a response to this issue.

XII. CONCLUSION

Q. Does this conclude your rebuttal testimony?

A. Yes, it does, but I reserve the right to supplement my Rebuttal Testimony as needed during this proceeding.

[28] OCA St. No. 5, p. 39.

EXHIBIT NO. WCP-1-R

AQUA PENNSYLVANIA, INC. - WATER BASE

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AQUA PENNSYLVANIA, INC. - WATER BASE

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AQUA PENNSYLVANIA, INC. - WATER BASE

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	Rate Base - Cash Working Capital Summary	G-5	Harold C. Walker
	Rate Base - Cash Working Capital - Calculation Of Lag Days In Receipt Of Revenue	G-5.1	Harold C. Walker
	Rate Base - Cash Working Capital - Calculation Of Lag Days In Payment Of Expenses	G-5.2	Harold C. Walker
	Rate Base - Cash Working Capital - Calculation Of Lag Days In Payment Of Taxes	G-5.3	Harold C. Walker
	Rate Base - Cash Working Capital - Calculation Of Lag Days In Payment Of Interest	G-5.4	Harold C. Walker
	Rate Base - Contributions In Aid Of Construction (CIAC) And Customer Advances For Construction (CAC)	G-6	Renee T. Marquis & John J. Spanos
	Rate Base - Deferred Income Taxes	G-7	Panpilas Fischer

Docket No. R-2024-3047822

AQUA PENNSYLVANIA, INC. - WATER BASE

WATER AND WASTEWATER REVENUE REQUIREMENT - SUMMARY

		Total Company	Water Base Operations	Water Shenandoah	Wastewater Base Operations	Wastewater Lower Makefield	Wastewater East Whiteland
Present Rate Revenue	(1)	$ 671,008,440	$ 596,344,820	$ 1,842,104	$ 57,682,604	$ 11,613,830	$ 3,525,082
Additional Revenue Requirement	(2)	126,575,271	87,862,871	2,254,046	25,938,927	3,526,708	6,992,719
Cost of Service Allocation	(3)	-	1,465,416	(1,465,416)	-	-	-
Act 11 Allocation	(4)	(0)	21,846,907	-	(17,744,150)	(958,164)	(3,144,592)
Proposed Revenues		$ 797,583,710	$ 707,520,013	$ 2,630,735	$ 65,877,381	$ 14,182,374	$ 7,373,208
Rate Increase/(Decrease) - $		$ 126,575,271	$ 111,175,193	$ 788,630	$ 8,194,777	$ 2,568,544	$ 3,848,126
Rate Increase/(Decrease) - %		18.86%	18.64%	42.81%	14.21%	22.12%	109.16%

Notes:

(1) **Present Rate Revenues** are developed in the schedules of Exhibits 1-A through 1-E that relate to each of these operations.

(2) **Additional Revenue Requirement** are developed in the schedules of Exhibits 1-A through 1-E that relate to each of these operations.

(3) **Cost of Service Allocation** from Water Shenandoah to Water Base Operations.

(4) **Act 11 Allocation** is the allocation between wastewater operations and water operations is achieved by the proposed consolidation of water and wastewater revenue requirements to derive the water and wastewater rates proposed by the Company in this case.

Docket No. R-2024-3047822
Exhibit 1-A

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA, INC. - WATER BASE

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	564,324,528	$ 1,183,789	565,508,317	$ 32,890,404	$ 598,398,721	$ (2,053,902)	$ 596,344,820	$ 87,862,871	$ 684,207,690
2	Operating Expenses	122,259,439	(1,057,121)	121,202,318	9,656,458	130,858,776	14,717,698	145,576,474	386,646	145,963,119
3	Depreciation	116,808,845	16,864,708	133,673,553	4,745,054	138,418,607	3,844,349	142,262,956		142,262,956
4	Taxes, other than income :									
5	PUC assessment	2,280,687	165,057	2,445,744	142,246	2,587,990	(8,883)	2,579,107	379,995	2,959,102
6	OCA & SBA assessments	959,581	197,782	1,157,363	67,313	1,224,676	(4,203)	1,220,472	179,819	1,400,292
7	Public Utility Realty tax	4,373,227	326,773	4,700,000	-	4,700,000	-	4,700,000	-	4,700,000
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	1,162,341	-	1,162,341	-	1,162,341	-	1,162,341	-	1,162,341
10	Federal & State payroll tax	2,487,473	434,260	2,921,733	252,193	3,173,926	149,200	3,323,126	-	3,323,126
11	Total Taxes, other than income	11,263,310	1,123,871	12,387,181	461,753	12,848,934	136,114	12,985,047	559,814	13,544,861
12	Utility Operating Income Before Tax	313,992,933	(15,747,668)	298,245,265	18,027,140	316,272,405	(20,752,062)	295,520,343	86,916,411	382,436,754
13	Income Taxes:									
14	Federal Tax-Current	4,753,143	10,609,384	15,362,528	8,244,496	23,607,023	(5,132,087)	18,474,937	16,794,076	35,269,013
15	Pa. CNI Tax-Current	2,735,986	4,285,005	7,020,991	(1,127,177)	5,893,814	(1,568,643)	4,325,171	6,944,621	11,269,792
16	Federal Tax-Deferred	(2,075,765)	2,788,818	713,053	(1,372,488)	(659,435)	(6,590,223)	(7,249,658)	-	(7,249,658)
17	Pa. CNI Tax-Deferred	17,371,174	(18,188,067)	(816,893)	3,262,154	2,445,261	(191,500)	2,253,761	-	2,253,761
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	(253,412)	-	(253,412)	151,272	(102,140)	-	(102,140)	-	(102,140)
20	Total Income Taxes	22,531,127	(504,860)	22,026,267	9,158,256	31,184,523	(13,482,453)	17,702,070	23,738,697	41,440,767
21	Total Operating Revenue Deductions	272,862,721	16,426,598	289,289,319	24,021,520	313,310,839	5,215,708	318,526,547	24,685,157	343,211,703
22	Utility Operating Income	291,461,807	(15,242,809)	276,218,998	8,868,884	285,087,882	(7,269,610)	277,818,273	63,177,714	340,995,987
23	Income Deductions:									
24	Interest on Long-Term debt	85,178,589	(3,566,525)	81,612,065	(2,332,613)	79,279,452	6,632,995	85,912,447		85,912,447
25	Amort. Of debt discount & expense	692,396	(692,396)	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(6,955,870)	6,955,870	-	-	-	-	-		-
28	Total Income Deductions	78,915,115	2,696,950	81,612,065	(2,332,613)	79,279,452	6,632,995	85,912,447	-	85,912,447
29	Net Income	$ 212,546,692	$ (17,939,758)	$ 194,606,933	$ 11,201,497	$ 205,808,431	$ (13,902,605)	$ 191,905,826	$ 63,177,714	$ 255,083,540
30	Preferred Dividend									
31	Net Income-Common	$ 212,546,692	$ (17,939,758)	$ 194,606,933	$ 11,201,497	$ 205,808,431	$ (13,902,605)	$ 191,905,826	$ 63,177,714	$ 255,083,540

AQUA PENNSYLVANIA, INC. - WATER BASE

REVENUE, EXPENSE & RATE BASE REVISIONS MADE TO EXHIBIT 1-A WATER BASE

LINE NO.	DESCRIPTION	SCHEDULE	REFERENCE	CATEGORY	PROPOSED RATES ORIGINAL CLAIM	PROPOSED RATES REVISED CLAIM	COMPANY WITNESS	ADJUSTMENT $
1	Correction: Legal Expense	Schedule C-9.1		Expense	745,787	679,102	Michael S. Ercolino	(66,685)
2	Cash Working Capital Impacts of Adjustments & Corrections	Schedule G-1		Rate Base	7,707,000	7,704,000	William C. Packer	(3,000)

Total	Revenue	$	-
Total	Expense	$	(66,685)
Total	Rate Base	$	(3,000)

AQUA PENNSYLVANIA, INC. - WATER BASE

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Metered:							
2	Residential	406,878	408,864	410,498	412,132	411,848	-	284
3	Commercial	23,102	23,365	23,535	23,705	23,677	-	28
4	Industrial	722	720	720	720	716	-	4
5	Public	1,212	1,197	1,197	1,197	1,192	-	5
6	Bulk Water	-	-	-	-	-	-	-
7	Private Fire Protection	5,729	5,770	5,770	5,770	5,770	-	-
8	Sales to Water Utilities	21	22	22	22	22	-	-
9	Total Metered Customers	437,664	439,938	441,742	443,546	443,225	-	321
10	Other:							
11	Unmetered	875	1,009	1,009	1,009	989	-	20
12	Availability Charge	-	-	-	-	-	-	-
13	Public Fire Protection	265	264	264	264	264	-	-
14	Private Fire Protection	838	847	847	847	847	-	-
15	Total Customers	439,642	442,058	443,862	445,666	445,325	-	341

AQUA PENNSYLVANIA, INC. - WATER BASE

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
		YEAR 1			
1	Pro Forma Rate Base	Schedule G-1		$	4,318,244,093
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	340,995,987
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	277,818,273
5	Operating Income Deficit		=	$	63,177,714
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3907
7	Revenue Deficit		=	$	87,862,871

AQUA PENNSYLVANIA, INC. - WATER BASE

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ 276,218,998	$ 3,948,801,824	7.00%
2	Present Rates December 31, 2024	$ 285,087,882	$ 4,127,045,593	6.91%
3	Present Rates December 31, 2025	$ 277,818,273	$ 4,318,244,093	6.43%
4	Proposed Rates December 31, 2025	$ 340,995,987	$ 4,318,244,093	7.90%

AQUA PENNSYLVANIA, INC. - WATER BASE

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**0.440%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9892
7	State Tax Rate	**7.990%**		
8	State Tax $$ ==========>		$	0.0790
9	State Factor		$	0.9102
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ==========>		$	0.1911
12	Combined Income Tax Factor on Gross Revenues			27.02%
13	Net Operating Income Factor			**71.90%**
14	Gross Revenue Conversion Factor			**1.39073**

Docket No. R-2024-3047822
Exhibit 1-A

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA, INC. - WATER BASE

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Metered Sales:										
2	Residential	$ 367,856,225	$ 618,595	$ 368,474,821	$ 20,628,721	$ 389,103,542	$ (3,032,595)	$ 386,070,947	15.7%	$ 60,587,180	$ 446,658,127
3	Commercial	133,408,984	191,172	133,600,156	9,264,997	142,865,153	94,741	142,959,894	14.4%	20,589,345	163,549,239
4	Industrial	22,687,969	(107,177)	22,580,792	1,509,027	24,089,819	214,492	24,304,311	13.6%	3,298,135	27,602,445
5	Public	10,112,996	489,569	10,602,565	219,784	10,822,349	1,368	10,823,717	15.5%	1,679,199	12,502,916
6	Bulk Water	135,692	-	135,692	(738)	134,955	-	134,955	0.0%		134,955
7	Private Fire Protection	15,240,196	22,071	15,262,267	1,002,223	16,264,489	-	16,264,489	0.0%		16,264,489
8	Sales to Water Utilities	3,668,949	1,053	3,670,002	166,870	3,836,871	668,093	4,504,964	0.6%	27,895	4,532,860
9	Total Metered Sales	553,111,012	1,215,283	554,326,295	32,790,883	587,117,178	(2,053,902)	585,063,276	14.7%	86,181,755	671,245,031
10	Other:										
11	Unmetered	18,135	124	18,259	(8,813)	9,446	-	9,446	7.2%	676	10,122
12	Availability Charge	-	-	-	-	-	-	-	0.0%		-
13	Public Fire Protection	7,347,754	(17,231)	7,330,523	(75,445)	7,255,078	-	7,255,078	10.1%	736,084	7,991,161
14	Private Fire Protection	2,701,963	(14,387)	2,687,576	174,637	2,862,213	-	2,862,213	33.0%	944,356	3,806,569
15	Total Sales to General Customers	563,178,863	1,183,789	564,362,652	32,881,262	597,243,915	(2,053,902)	595,190,013	14.8%	87,862,871	683,052,883
16	Other Water Revenue:										
17	Forfeited Discounts	-	-	-	-	-	-	-	0.0%		-
18	Miscellaneous Service Revenue	1,145,665	-	1,145,665	9,142	1,154,807	-	1,154,807	0.0%		1,154,807
19	Sub-Total	1,145,665	-	1,145,665	9,142	1,154,807	-	1,154,807	0.0%	-	1,154,807
20	Total Operating Revenue	$ 564,324,528	$ 1,183,789	$ 565,508,317	$ 32,890,404	$ 598,398,721	$ (2,053,902)	$ 596,344,820	14.7%	$ 87,862,871	$ 684,207,690

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 564,324,528				
2	Present Rates at 12/31/23					$ 565,508,317		
3	Present Rates at 12/31/24							$ 598,398,721
4	Unbilled Revenue Adjustment	Schedule B-3	269,110		-		-	
5	DSIC Annualization	Schedule B-4	-		35,639,834		-	
6	Change In Customers	Schedule B-5	596,522		1,269,217		1,269,218	
7	Customer Assistance Program	Schedule B-6	65,284		(4,054,528)		(2,987,822)	
8	Declining Residential Consumption Adjustment	Schedule B-7	-		(1,219,249)		(1,219,250)	
9	Miscellaneous Revenue Adjustments	Schedule B-8	-		-		-	
10	Specific Customer Adjustments	Schedule B-9	461,000		1,255,130		883,953	
11	Eliminate Twin Lakes And Venango Revenue	Schedule B-10	(208,127)		-		-	
12	Pro Forma Adjustment			1,183,789		32,890,404		(2,053,902)
13	Pro Forma Present Rates at December 31, 2023			$ 565,508,317				
14	Pro Forma Present Rates at December 31, 2024					$ 598,398,721		
15	Pro Forma Present Rates at December 31, 2025							$ 596,344,820

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT
1	Metered Sales:	
2	Residential	$ (209,779)
3	Commercial	(146,309)
4	Industrial	107,177
5	Public	(28,569)
6	Bulk Water	-
7	Private Fire Protection	(22,071)
8	Sales to Water Utilities	(1,053)
9	Total Metered Sales	(300,603)
10	Other:	
11	Unmetered	(124)
12	Availability Charge	-
13	Public Fire Protection	17,231
14	Private Fire Protection	14,387
15	Total Sales to General Customers	(269,110)
16	Other Water Revenue:	
17	Forfeited Discounts	
18	Miscellaneous Service Revenue	
19	Sub-Total	-
20	Total Operating Revenue	$ (269,110)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

DSIC ANNUALIZATION

This revenue adjustment is being made to reflect the annualization of the Distribution System Improvement Charge revenues for December 31, 2024 based on the Company's pro forma level at December 31, 2024 and the 7.16% rate that is expected to become effective on January 1, 2025.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 DSIC REVENUE	ANNUALIZED PRESENT RATES 12/31/2024 DSIC REVENUE	PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Metered Sales:				
2	Residential	$ 2,001,257	$ 25,795,079	$ 23,793,822	
3	Commercial	726,170	9,562,757	8,836,587	
4	Industrial	103,347	1,353,752	1,250,405	
5	Public	47,476	624,697	577,221	
6	Bulk Water	738	-	(738)	
7	Private Fire Protection	82,984	1,085,207	1,002,223	
8	Sales to Water Utilities	(2,105)	1,193	3,298	
9	Total Metered Sales	2,959,867	38,422,684	35,462,818	-
10	Other:				
11	Unmetered	99	631	532	
12	Availability Charge	-	-	-	
13	Public Fire Protection	-	-	-	
14	Private Fire Protection	14,613	191,097	176,484	
15	Total Sales to General Customers	2,974,579	38,614,413	35,639,834	-
16	Other Water Revenue:				
17	Forfeited Discounts	-	-	-	
18	Miscellaneous Service Revenue	-	-	-	
19	Sub-Total	-	-	-	-
20	Total Operating Revenue	$ 2,974,579	$ 38,614,413	$ 35,639,834	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CHANGE IN CUSTOMERS

The following adjustment reflects the change in revenues due to the average change in number of customers during the three years ending December 31, 2025. Projections were based on a three year historical growth average exclusive of acquisitions.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Metered Sales:			
2	Residential	$ 551,659	$ 1,174,477	$ 1,174,477
3	Commercial	44,863	94,740	94,741
4	Industrial			
5	Public			
6	Bulk Water			
7	Private Fire Protection			
8	Sales to Water Utilities			
9	Total Metered Sales	596,522	1,269,217	1,269,218
10	Other:			
11	Unmetered			
12	Availability Charge			
13	Public Fire Protection			
14	Private Fire Protection			
15	Total Sales to General Customers	596,522	1,269,217	1,269,218
16	Other Water Revenue:			
17	Forfeited Discounts			
18	Miscellaneous Service Revenue			
19	Sub-Total	-	-	-
20	Total Operating Revenue	$ 596,522	$ 1,269,217	$ 1,269,218

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CUSTOMER ASSISTANCE PROGRAM

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Metered Sales:				
2	Residential	$ (492,494)	$ (427,210)	$ (4,481,738)	$ (7,469,560)
3	Commercial				
4	Industrial				
5	Public				
6	Bulk Water				
7	Private Fire Protection				
8	Sales to Water Utilities				
9	Total Metered Sales	(492,494)	(427,210)	(4,481,738)	(7,469,560)
10	Other:				
11	Unmetered				
12	Availability Charge				
13	Public Fire Protection				
14	Private Fire Protection				
15	Total Sales to General Customers	(492,494)	(427,210)	(4,481,738)	(7,469,560)
16	Other Water Revenue:				
17	Forfeited Discounts				
18	Miscellaneous Service Revenue				
19	Sub-Total	-	-	-	-
20	Total Operating Revenue	$ (492,494)	$ (427,210)	$ (4,481,738)	$ (7,469,560)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

DECLINING RESIDENTIAL CONSUMPTION ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Metered Sales:		
2	Residential	$ (1,219,249)	$ (1,219,250)
3	Commercial		
4	Industrial		
5	Public		
6	Bulk Water		
7	Private Fire Protection		
8	Sales to Water Utilities		
9	Total Metered Sales	(1,219,249)	(1,219,250)
10	Other:		
11	Unmetered		
12	Availability Charge		
13	Public Fire Protection		
14	Private Fire Protection		
15	Total Sales to General Customers	(1,219,249)	(1,219,250)
16	Other Water Revenue:		
17	Forfeited Discounts		
18	Miscellaneous Service Revenue		
19	Sub-Total	-	-
20	Total Operating Revenue	$ (1,219,249)	$ (1,219,250)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION		PER BOOKS 12/31/2023 AMOUNT	12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2023 AMOUNT
1	Metered Sales:				
2	Residential			$ -	$ -
3	Commercial			-	-
4	Industrial			-	-
5	Public			-	-
6	Bulk Water			-	-
7	Private Fire Protection			-	-
8	Sales to Water Utilities			-	-
9	Total Metered Sales		-	-	-
10	Other:				
11	Unmetered	(b)		-	-
12	Availability Charge			-	-
13	Public Fire Protection			-	-
14	Private Fire Protection			-	-
15	Total Sales to General Customers		-	-	-
16	Other Water Revenue:				
17	Forfeited Discounts			-	-
18	Miscellaneous Service Revenue			-	-
19	Sub-Total		-	-	-
20	Total Operating Revenue		$ -	$ -	$ -

(a)
(b) Eliminate Backbills

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

SPECIFIC CUSTOMER ADJUSTMENTS

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT		PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Metered Sales:						
2	Residential	(a)		$ 924,799	(b)	$ 9,400	
3	Commercial	(a)		333,670			
4	Industrial	(a)		3,217	(d)	255,404	214,492
5	Public	(a)	461,000	(420,321)	(d)	62,885	1,368
6	Bulk Water						
7	Private Fire Protection	(c)					
8	Sales to Water Utilities	(a)		401,740	(d)	(238,169)	668,093
9	Total Metered Sales		461,000	1,243,105		89,521	883,953
10	Other:						
11	Unmetered			55	(b)	(9,400)	
12	Availability Charge						
13	Public Fire Protection	(a)		(75,445)			
14	Private Fire Protection	(a)		(1,847)			
15	Total Sales to General Customers		461,000	1,165,868		80,121	883,953
16	Other Water Revenue:						
17	Forfeited Discounts						
18	Miscellaneous Service Revenue	(a)		9,142	(d)		
19	Sub-Total		-	9,142		-	-
20	Total Operating Revenue		$ 461,000	$ 1,175,010		$ 80,121	$ 883,953

(a) Refer to AP Statement No. 10
(b) Move from Flat Rate to Unmetered
(c) Private Fire Adjustment
(d) Contract Customer inflation. Refer to AP Statement No. 10

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

ELIMINATE TWIN LAKES AND VENANGO REVENUE

Beginning January 15, 2021, the Company was appointed receiver for Twin Lakes Utilities, Inc. at Docket No. P-2020-3020914.
Beginning August 12, 2023, the Company was appointed receiver for the Venango Water Company at Docket No. M-2023-3042180.
The following adjustment removes the revenue collected from Twin Lakes and Venango during the test year which
was recorded above the line. Refer to Schedule C-10.1 and Schedule C-10.2 of this exhibit for the removal of Twin Lakes and Venango expenses.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PER BOOKS 12/31/2023 AMOUNT	12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2023 AMOUNT
		Twin Lakes	**Venango**		
1	Metered Sales:				
2	Residential	$ 208,127	$ -	$ (208,127)	$ -
3	Commercial	-	-	-	-
4	Industrial	-	-	-	-
5	Public	-	-	-	-
6	Bulk Water	-	-	-	-
7	Private Fire Protection	-	-	-	-
8	Sales to Water Utilities	-	-	-	-
9	Total Metered Sales	208,127	-	(208,127)	-
10	Other:				
11	Unmetered	-	-	-	-
12	Availability Charge	-	-	-	-
13	Public Fire Protection	-	-	-	-
14	Private Fire Protection	-	-	-	-
15	Total Sales to General Customers	208,127	-	(208,127)	-
16	Other Water Revenue:				
17	Forfeited Discounts	-	-	-	-
18	Miscellaneous Service Revenue	-	-	-	-
19	Sub-Total	-	-	-	-
20	Total Operating Revenue	$ 208,127	$ -	$ (208,127)	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		Source of Supply				
2		-Operations-				
3	6011	Labor	$ 697,153	$ 686,809	$ 796,503	$ 836,081
4	6041	Employee Benefits	181,515	178,969	183,309	187,525
5	6101	Purchased Water	5,295,423	5,295,423	6,013,578	5,343,627
6	6151	Purchased Power	6,368,552	6,405,893	6,402,047	8,638,697
7	6161	Purchased Power	167,117	168,254	168,157	273,760
8	6201	Supplies	59,473	59,473	60,915	62,316
9	6311	OS Engineer	(16,663)	(16,663)	(17,067)	(17,460)
10	6351	OS Lab Testing	(49)	(49)	(50)	(51)
11	6361	OS Other	327,725	327,725	335,672	343,393
12	6501	Transportation	45,951	45,379	46,479	47,548
13	6751	Other	16,795	16,795	17,203	17,598
14		-Maintenance-				
15	6012	Labor	104,794	104,794	121,321	127,306
16	6042	Employee Benefits	47,580	47,580	48,734	49,855
17	6202	Supplies	91,740	91,740	93,965	96,126
18	6312	OS Engineer	24,643	24,643	25,241	25,821
19	6362	OS Other	254,754	254,754	260,932	266,933
20	6502	Transportation	6,980	6,980	7,149	7,313
21	6752	Other	674	674	690	706
22						
23		Total Source of Supply Expense	$ 13,674,156	$ 13,699,171	$ 14,564,777	$ 16,307,096
24						
25		--Treatment--				
26		-Operations-				

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
27	6013	Labor	7,668,498	7,668,498	8,877,870	9,315,901
28	6043	Employee Benefits	2,186,920	2,186,920	2,239,953	2,291,472
29	6153	Purchased Power	109,373	110,116	108,605	149,987
30	6163	Purchased Power	59,975	60,383	60,348	81,413
31	6183	Chemicals	12,621,737	10,189,853	12,817,582	16,199,379
32	6203	Supplies	526,497	526,497	539,264	551,668
33	6313	OS Engineer	(12,020)	(12,020)	(12,311)	(12,595)
34	6353	OS Lab Testing	496,530	496,530	508,571	520,268
35	6363	OS Other	(928,007)	(928,007)	(950,511)	(352,973)
36	6423	Leases	4,201	4,201	4,201	4,201
37	6503	Transportation	483,628	483,628	495,356	506,749
38	6504	Transportation	2,831	2,830	2,899	2,966
39	6753	Other	194,387	194,387	199,101	203,680
40		-Maintenance-				
41	6014	Labor	43,292	43,288	50,115	52,588
42	6044	Employee Benefits	13,839	13,837	14,173	14,499
43	6204	Supplies	201,065	201,065	205,940	210,677
44	6314	OS Engineer	38,720	38,720	39,659	40,571
45	6354	OS Lab Testing	12,030	12,030	12,322	12,606
46	6364	OS Other	1,910,504	2,410,504	2,456,833	2,501,840
47	6424	Leases	2,321	2,321	2,321	2,321
48	6754	Other	69,734	69,734	71,425	73,068
49						
50		Total Treatment Expense	$ 25,706,055	$ 23,775,316	$ 27,743,717	$ 32,370,287
51						
52		--Transmission and Distribution--				

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
53		-Operations-				
54	6015	Labor	4,989,070	4,987,625	5,774,399	6,059,344
55	6045	Employee Benefits	1,400,594	1,400,256	1,434,212	1,467,199
56	6155	Purchased Power	1,106,700	1,114,227	1,113,584	1,502,284
57	6165	Purchased Power	5,451	5,489	5,485	7,400
58	6205	Supplies	125,031	125,031	128,063	131,008
59	6315	OS Engineer	3,370	3,370	3,452	3,531
60	6355	OS Lab Testing	1,094	1,094	1,121	1,146
61	6365	OS Other	542,094	540,337	553,440	566,170
62	6415	Leases	50,214	50,214	50,214	50,214
63	6505	Transportation	306,224	306,134	313,558	320,770
64	6755	Other	16,913	16,913	17,323	17,722
65		-Maintenance-				
66	6016	Labor	1,100,451	1,100,424	1,273,971	1,336,829
67	6046	Employee Benefits	294,373	294,367	301,506	308,440
68	6206	Supplies	294,745	294,745	301,892	308,836
69	6316	OS Engineer	3,330	3,330	3,410	3,489
70	6366	OS Other	1,290,655	1,290,655	1,321,953	1,352,358
71	6506	Transportation	60,987	60,985	62,464	63,901
72	6756	Other	19,267	19,267	19,734	20,188
73						
74		Total Transmission and Distribution Expense	$ 11,610,562	$ 11,614,462	$ 12,679,782	$ 13,520,829
75						
76		--Customer Accounting--				
77	6017	Labor	3,038,810	3,036,657	3,515,845	3,689,374
78	6047	Employee Benefits	735,310	734,967	752,790	770,104

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
79	6207	Supplies	194,774	194,774	199,497	204,086
80	6347	Management Fees	5,331,527	5,331,527	5,460,816	5,586,415
81	6367	OS Other	87,513	87,513	89,635	101,788
82	6507	Transportation	182,430	182,340	186,762	191,057
83	6757	Other	8,928	8,928	9,144	9,354
84	6707	Bad Debt	1,837,023	3,058,282	3,857,783	4,674,136
85						
86		Total Customer Accounting Expense	$ 11,416,315	$ 12,634,988	$ 14,072,272	$ 15,226,314
87						
88		--Administrative and General--				
89	6018	Labor	11,956,653	11,956,653	13,842,294	14,525,268
90	6038	Labor	1,588,529	1,587,490	1,837,987	1,928,700
91	6048	Employee Benefits	5,640,177	3,932,094	2,906,131	2,702,789
92	6158	Purchased Power	231,858	233,435	233,301	314,735
93	6168	Purchased Power	69,175	69,646	69,605	93,901
94	6208	Supplies	1,078,439	1,078,439	1,104,591	1,129,997
95	6318	OS Engineer	135,136	135,136	138,413	141,596
96	6328	OS Accounting	776,660	596,778	586,743	591,312
97	6338	OS Legal	815,255	679,102	679,102	679,102
98	6348	Management Fees	20,090,234	20,090,234	20,577,422	21,050,703
99	6349	Management Fees	-	23,022	182,926	376,585
100	6358	OS Lab Testing	98,017	98,017	100,394	102,703
101	6368	OS Other	5,743,079	7,826,232	8,016,018	8,905,387
102	6418	Leases	531,377	531,377	531,377	531,377
103	6428	Leases	25,405	25,405	25,405	25,405
104	6508	Transportation	692,743	692,743	709,543	725,862

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
105	6568	Insurance	-	(527)	3,847	13,481
106	6578	Insurance	3,550,261	3,533,087	3,619,248	3,862,294
107	6588	Insurance	626,750	623,215	666,175	742,082
108	6598	Insurance	1,377,763	1,369,993	1,484,408	1,695,204
109	6608	Other	58,879	58,879	60,307	166,694
110	6758	Other	4,357,230	3,929,197	4,024,480	4,117,044
111	6668	Amortization of Rate Case	315,844	315,844	315,844	1,149,461
112	6678	Amortization Other	-	-	-	2,511,175
113	4060	Amortization of UPAA	92,889	92,889	82,667	69,092
114						
115		Total Admin & General Expense	$ 59,852,352	$ 59,478,380	$ 61,798,227	$ 68,151,947
116						
117		Total Operating Expenses	$ 122,259,439	$ 121,202,318	$ 130,858,776	$ 145,576,474

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 31,187,250	$ (15,012)	$ 31,172,238	$ 4,918,068	$ 36,090,305	$ 1,781,087	$ 37,871,393
2	Employee Benefits	10,500,308	(1,711,316)	8,788,992	(908,183)	7,880,809	(88,924)	7,791,885
3	Purchased Water	5,295,423	-	5,295,423	718,155	6,013,578	(669,951)	5,343,627
4	Purchased Wastewater	-	-	-	-	-	-	-
5	Sludge	-	-	-	-	-	-	-
6	Purchased Power	8,118,202	49,241	8,167,442	(6,310)	8,161,133	2,901,044	11,062,177
7	Chemicals	12,621,737	(2,431,884)	10,189,853	2,627,729	12,817,582	3,381,798	16,199,379
8	Supplies	2,571,762	-	2,571,762	62,365	2,634,128	60,585	2,694,713
9	OS Engineer	176,515	-	176,515	4,280	180,796	4,158	184,954
10	OS Accounting	776,660	(179,881)	596,778	(10,035)	586,743	4,569	591,312
11	OS Legal	815,255	(136,153)	679,102	-	679,102	-	679,102
12	OS Lab Testing	607,623	-	607,623	14,735	622,358	14,314	636,672
13	OS Other	9,228,316	2,581,397	11,809,713	274,261	12,083,973	1,600,922	13,684,895
14	Management Fees	25,421,761	23,022	25,444,783	776,382	26,221,164	792,539	27,013,703
15	Leases	613,518	-	613,518	-	613,518	-	613,518
16	Transportation	1,781,774	(755)	1,781,020	43,190	1,824,209	41,957	1,866,166
17	Insurance	5,554,774	(29,006)	5,525,768	247,909	5,773,677	539,384	6,313,061
18	Other	4,742,807	(428,033)	4,314,774	104,633	4,419,407	206,646	4,626,053
19	Bad Debt	1,837,023	1,221,260	3,058,282	799,500	3,857,783	816,354	4,674,136
20	Amortization of Rate Case	315,844	-	315,844	-	315,844	833,617	1,149,461
21	Amortization of UPAA	92,889	-	92,889	(10,221)	82,667	(13,576)	69,092
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	2,511,175	2,511,175
24	Total Operating Expenses	$ 122,259,439		$ 121,202,318		$ 130,858,776		$ 145,576,474
25	Pro Forma Adjustments		$ (1,057,121)		$ 9,656,458		$ 14,717,698	
26	Uncollectibles @ Proposed Rates							$ 386,646
27	Proposed Rates @ 12/31/25							$ 145,963,119

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 122,259,439				
2	Present Rates at 12/31/23					$ 121,202,318		
3	Present Rates at 12/31/24							$ 130,858,776
4	Present Rates at 12/31/25							
5	General Price Level Adjustment	Schedule C-4.1	-		658,553		639,668	
6	Uncollectible Accounts	Schedule C-4.2	1,229,868		799,709		816,557	
7	Additional Cost Of Serving Customers	Schedule C-4.3	-		-		148,303	
8	Rate Case Expense	Schedule C-4.4	-		-		833,617	
9	Payroll	Schedule C-4.5	-		4,918,432		1,781,441	
10	Insurance Expense	Schedule C-4.6	(29,006)		247,909		539,384	
11	Management Service & Sundry	Schedule C-4.7	23,022		627,725		648,126	
12	Page Held For Future Use	Schedule C-4.8	-		-		-	
13	Miscellaneous Expense Adjustments	Schedule C-4.9	2,038,439		-		3,940,575	
14	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
15	Audit Fee Expense	Schedule C-4.11	(179,881)		(10,035)		4,569	
16	Adjustment To Amortization Of Acquisition Adjustments	Schedule C-5.1	-		(10,221)		(13,576)	
17	Page Held For Future Use	Schedule C-5.2	-		-		-	
18	Purchased Power Expense	Schedule C-6.1	55,216		(4,717)		2,851,309	
19	Chemicals	Schedule C-6.2	(2,431,884)		2,630,001		3,308,804	
20	Purchased Water Expense	Schedule C-7.1	-		718,155		(692,601)	
21	Water Production Adjustment	Schedule C-7.2	-		(3,720)		7,392	
22	Dredging Expense	Schedule C-7.3	500,000		-		-	
23	Employee Group Insurance	Schedule C-8.1	(88,379)		516,995		473,502	
24	Pension	Schedule C-8.2	(67,800)		(2,733,200)		-	
25	Post Retirement Benefits	Schedule C-8.3	(85,220)		15,036		(634,035)	
26	401K Expense	Schedule C-8.4	(36,125)		626,318		171,281	
27	Remove Intracompany Benefits	Schedule C-8.5	(1,430,559)		659,518		(106,618)	
28	Legal Expense	Schedule C-9.1	(136,153)		-		-	
29	Eliminate NAWC Lobbying Expense	Schedule C-9.2	(43,494)		-		-	
30	Eliminate Twin Lakes Expenses	Schedule C-10.1	(375,029)		-		-	
31	Eliminate Venango Expenses	Schedule C-10.2	(136)		-		-	
32	Pro Forma Adjustments			$ (1,057,121)		$ 9,656,458		$ 14,717,698
33	Pro Forma Present Rates at December 31, 2023			$ 121,202,318				
34	Pro Forma Present Rates at December 31, 2024					$ 130,858,776		
35	Pro Forma Present Rates at December 31, 2025							$ 145,576,474

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 121,202,318	
3	Present Rates 12/31/2024		$ 130,858,776
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	31,187,250	36,105,682
6	Employee Benefits	8,494,150	7,578,818
7	Purchased Water	5,295,423	6,013,578
8	Purchased Power	8,173,417	8,168,700
9	Chemicals	10,189,853	12,819,854
10	Supplies	-	-
11	OS Engineer	-	-
12	OS Accounting	596,778	586,743
13	OS Legal	679,102	679,102
14	OS Lab Testing	-	-
15	OS Other	500,000	500,000
16	Management Fees	19,314,615	19,942,340
17	Leases	613,518	613,518
18	Transportation	-	-
19	Insurance	5,525,768	5,773,677
20	Other	-	-
21	Bad Debt	3,066,891	3,866,600
22	Amortization of Rate Case	315,844	315,844
23	Amortization of UPAA	92,889	82,667
24	Amortization of Tank Painting	-	-
25	Amortization Other	-	-
26	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 94,045,498	$ 103,047,122
27	Total Operating Expenses Subject to Effects of Inflation	$ 27,156,820	$ 27,811,653
28	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
29	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 658,553	$ 639,668

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)			
1	First Quarter	2024	2.500%	(a)
2	Second Quarter	2024	2.500%	(a)
3	Third Quarter	2024	2.400%	(a)
4	Fourth Quarter	2024	2.300%	(a)
5	Annual Average for the Period Ending 12/31/2024		2.425%	
6	First Quarter	2025	2.300%	(b)
7	Second Quarter	2025	2.300%	(b)
8	Third Quarter	2025	2.300%	(b)
9	Fourth Quarter	2025	2.300%	(b)
10	Annual Average for the Period Ending 12/31/2025		2.300%	

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 0.44006% with regard to sales to general customers.

LINE NO.	DESCRIPTION		PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue		$ 560,204,284	$ 564,362,652	$ 597,243,915	$ 595,190,013	
2	Annualized Uncollectible Account based on Experience Factor @	0.44006%		2,483,511	2,628,207	2,619,169	‡
3	Arrearage Forgiveness			583,380	1,238,393	2,063,988	‡
4	Less: Amount Charged to Operating Expense						
5	During the Twelve Months Ended 12/31/2023			1,837,023			
6	Less: Present Rates 12/31/2023				3,066,891		
7	Less: Present Rates 12/31/2024					3,866,600	
8	Increase/(Decrease)			$ 1,229,868	$ 799,709	$ 816,557	
9	Pro Forma Adjustment:						
10	6707			$ 1,229,868	$ 799,709	$ 816,557	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

DERIVATION OF UNCOLLECTIBLE ACCOUNTS

BASED ON THREE YEARS OF HISTORY

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2021 AMOUNT	PRESENT RATES 12/31/2022 AMOUNT	PRESENT RATES 12/31/2023 AMOUNT	THREE YEAR AVERAGE
1	Net Write-Offs	$ 2,519,463	$ 2,606,997	$ 1,837,023	
2	Sales to General Customers	$ 492,110,720	$ 542,811,406	$ 560,204,284	
3	Factor	0.0051197	0.0048028	0.0032792	0.0044006

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADDITIONAL COST OF SERVING CUSTOMERS

The Company computes the additional cost of providing service to customers connected during the three years ending December 31, 2025, exclusive of acquisitions.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT
1	Estimated Additional Revenue from New Customers		
2	connected during the three years ended December 31, 2025	Schedule B-5	$ 2,538,435
3	Operating Ratio		5.84%
4	Cost of Providing Service to New Customers		$ 148,303
5	The operating ratio specifically related to the adjusted cost of serving new customers		
6	was computed as follows:		
7	Purchased Power Expense		$ 11,020,010
8	Chemical Expense		$ 16,128,658
9	Bill Processing & Postage Expense		$ 2,370,529
10	Purchased Water Expense		$ 5,320,977
11	Total		$ 34,840,174
12	Total Water Sales at Present Rates	Schedule B-1	$ 596,344,820
13	Operating Ratio		5.84%
14	Pro Forma Adjustment:		
15	6161		$ 46,908
16	6183		$ 68,654
17	6367		$ 10,091
18	6101		$ 22,650
19	Total		$ 148,303

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of water customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants & Regulatory Support			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Water - Current Exhibit	88.08%	$	2,298,922	$ 1,149,461
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	315,844	$ 1,149,461 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			315,844	
19	Less: Present Rates 12/31/2024				315,844
20	Increase/(Decrease)		$	-	$ 833,617
21	Pro Forma Adjustment:				
22	6668			-	$ 833,617

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ 19,742,612	$ 21,174,682	
3	Capital Payroll		6,252,485	6,706,022	
4	Non-Operating Payroll		232,963	249,861	
5	Expense Payroll	11,451,231	13,257,164	14,218,799	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ 1,805,933	$ 961,635	
7	**Union Payroll**				
8	Gross Payroll		$ 34,026,087	$ 35,246,945	
9	Capital Payroll		10,776,062	11,162,707	
10	Non-Operating Payroll		401,508	415,914	
11	Expense Payroll	19,736,019	22,848,518	23,668,323	‡
12	Union Expense Payroll Increase/(Decrease)		$ 3,112,498	$ 819,806	
13	Total Expense Payroll Increase/(Decrease)		$ 4,918,432	$ 1,781,441	
14	Pro Forma Adjustment:				
15	6011		$ 109,945	$ 39,822	
16	6012		$ 16,527	$ 5,986	
17	6013		$ 1,209,372	$ 438,031	
18	6014		$ 6,827	$ 2,473	
19	6015		$ 786,809	$ 284,980	
20	6016		$ 173,548	$ 62,859	
21	6017		$ 479,240	$ 173,579	
22	6018		$ 1,885,642	$ 682,974	
23	6038		$ 250,521	$ 90,738	
24	65052		$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		4,384,344	$ 4,282,139	$ 4,710,353	
2	Workers Compensation		902,313	886,663	975,329	
3	Vehicle		134,646	139,692	153,661	
4	Other (Exec Risk, Property, Surety Bond)		1,983,524	2,585,309	2,843,840	
5			7,404,826	7,893,804	8,683,184	
6	Capitalized portion not charged to operating expense	31.67%	(2,345,108)	(2,499,968)	(2,749,964)	
7	Property Damages		466,050	379,841	379,841	
8	Subtotal Insurance		$ 5,525,768	$ 5,773,677	$ 6,313,061	‡
9	Less: Amount Charged to Operating Expense					
10	During the Twelve Months Ended 12/31/2023		5,554,774			
11	Less: Present Rates 12/31/2023			5,525,768		
12	Less: Present Rates 12/31/2024				5,773,677	
13	Increase/(Decrease)		$ (29,006)	$ 247,909	$ 539,384	
14	Pro Forma Adjustment:					
15	6578		$ (17,174)	$ 134,483	$ 292,599	
16	6588		$ (3,534)	$ 27,846	$ 60,586	
17	6568		$ (527)	$ 4,387	$ 9,545	
18	6598		$ (7,770)	$ 81,193	$ 176,654	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 19,314,615	$ 19,314,615	$ 19,942,340	‡
2	Payroll & Benefit Increase		627,725	648,126	‡
3	Management Fees All Other	6,130,168	6,130,168	6,130,168	
4	Total Expense Claim	$ 25,444,783	$ 26,072,508	$ 26,720,634	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	25,421,761			
7	Less: Present Rates 12/31/2023		25,444,783		
8	Less: Present Rates 12/31/2024			26,072,508	
9	Increase/(Decrease)	$ 23,022	$ 627,725	$ 648,126	
10	Pro Forma Adjustment:				
11	6349	$ 23,022	$ 627,725	$ 648,126	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma expenses.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	**Additions:**			
2	IDA Reimbursement	$ 2,083,153		
3	GAC Changeout			$ 619,400
4	ROW Clearing			$ 480,000
5	Residual Hauling			$ 105,000
6	OM OS Other			$ 225,000
7	Amortization of COVID Reg Asset over 2 Year Period			$ 2,511,175
8	**Deductions:**			
9	Fines	$ (44,714)		
10	Increase/(Decrease)	$ 2,038,439	$ -	$ 3,940,575
11	Pro Forma Adjustment:			
12	6368	$ 2,083,153		$ 225,000
13	6363			$ 619,400
14	6368			$ 480,000
15	6608			$ 105,000
16	6678			$ 2,511,175
17	6758	$ (44,714)		

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	613,518	$ 613,518	$ 613,518	‡
2	Total Specific Expenses Not Subject to Increase	$ 613,518	$ 613,518	$ 613,518	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 873,377	$ 858,690	$ 865,376	
			873,377	858,690	865,376	
2	Capitalized portion not charged to operating expense	31.67%	(276,598)	(271,947)	(274,065)	
3	Subtotal Audit Fees		$ 596,778	$ 586,743	$ 591,312	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		776,660			
6	Less: Present Rates 12/31/2023			596,778		
7	Less: Present Rates 12/31/2024				586,743	
8	Increase/(Decrease)		$ (179,881)	$ (10,035)	$ 4,569	
9	Pro Forma Adjustment:					
10	6328		$ (179,881)	$ (10,035)	$ 4,569	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADJUSTMENT TO AMORTIZATION OF ACQUISITION ADJUSTMENTS

The Company is making an adjustment to remove the acquisition adjustments that will be fully amortized before the end of the full-projected future test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	N.U.I.	$ 61,077	$ 35,628	$ -
2	White Rock	$ 11,378	$ 6,637	$ -
3	Schickshinny Lake	$ (14,658)	$ (9,772)	$ -
4	Ariana	$ (408)	$ (272)	$ -
5	Jefferson Heights	$ (3,444)	$ (2,296)	$ -
6	Maple Crest	$ (278)	$ (185)	$ -
7	DLWB	$ (7,376)	$ (4,918)	$ -
8	Bristol Township Water	$ (22,493)	$ (11,247)	$ -
9		$ 23,797	$ 13,576	$ -
10	Less: Amount Charged to Operating Expense			
11	During the Twelve Months Ended 12/31/2023	$ 23,797		
12	Less: Present Rates 12/31/2023		$ 23,797	
13	Less: Present Rates 12/31/2024			$ 13,576
14	Increase/(Decrease)	$ -	$ (10,221)	$ (13,576)
15	Pro Forma Adjustment:			
16	4060	-	(10,221)	(13,576)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	ORIGINAL ACQUISITION ADJUSTMENT	DATE OF OWNERSHIP	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 7,727,099	$ 7,743,161	$ 10,556,253	
2	Claimed Purchased Power Expense - Gas	446,318	425,539	463,757	
3		$ 8,173,417	$ 8,168,700	$ 11,020,010	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	8,118,202			
6	Less: Present Rates 12/31/2023		8,173,417		
7	Less: Present Rates 12/31/2024			8,168,700	
8	Increase/(Decrease)	$ 55,216	$ (4,717)	$ 2,851,309	
9	Pro Forma Adjustment:				
10	6151	$ 43,316	$ (3,700)	$ 2,236,790	
11	6153	$ 744	$ (64)	$ 38,414	
12	6155	$ 7,527	$ (643)	$ 388,700	
13	6158	$ 1,577	$ (135)	$ 81,434	
14	6161	$ 1,137	$ (97)	$ 58,696	
15	6163	$ 408	$ (35)	$ 21,065	
16	6165	$ 37	$ (3)	$ 1,915	
17	6167	$ -	$ -	$ -	
18	6168	$ 470	$ (40)	$ 24,296	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	Southeastern Pennsylvania	102,850,603	$ 5,914,350	102,850,603	$ 5,914,350	102,850,603	$ 8,121,574
2	PP&L	Southeastern Pennsylvania	289,303	$ 20,982	289,303	$ 20,982	289,303	$ 28,632
3	MetEd	Southeastern Pennsylvania	1,585,441	$ 144,748	1,585,441	$ 147,601	1,585,441	$ 180,737
4	PP&L	Roaring Creek	4,506,987	$ 270,084	4,506,987	$ 270,084	4,506,987	$ 389,249
5	MetEd	Roaring Creek	143,062	$ 13,814	143,062	$ 14,071	143,062	$ 17,061
6	Adams Co-op	Roaring Creek	89,664	$ 10,836	89,664	$ 10,890	89,664	$ 11,195
7	PenElec	Susquehanna	172,615	$ 15,033	172,615	$ 15,246	172,615	$ 19,494
8	TriCounty REC	Susquehanna	8,539	$ 1,657	8,539	$ 1,666	8,539	$ 1,712
9	PenElec	Shenango	1,642,577	$ 147,813	1,642,577	$ 149,834	1,642,577	$ 190,257
10	Penn Power	Shenango	8,694,210	$ 536,540	8,694,210	$ 540,626	8,694,210	$ 742,071
11	United Electric Co-op	Shenango	47,187	$ 8,568	47,187	$ 8,610	47,187	$ 8,851
12	West Penn Power	Shenango	113,369	$ 9,455	113,369	$ 9,500	113,369	$ 12,152
13	PP&L	White Haven	6,377,036	$ 493,360	6,377,036	$ 493,360	6,377,036	$ 661,969
14	UGI	White Haven	736,458	$ 123,750	736,458	$ 124,369	736,458	$ 127,851
15	Claverack	White Haven	35,274	$ 5,227	35,274	$ 5,253	35,274	$ 5,400
16	PenElec	White Haven	659,837	$ 55,803	659,837	$ 56,615	659,837	$ 72,853
17	MetEd	White Haven	243,502	$ 19,666	243,502	$ 20,105	243,502	$ 25,194
18	PJM Demand Response (CPower)	Southeastern Pennsylvania		$ (14,809)		$ (20,000)		$ (20,000)
19	Constellation Energy Peak Response Rebate PECO	Southeastern Pennsylvania		$ (29,164)		$ (22,000)		$ (22,000)
20	Constellation Energy Peak Response Rebate PPL	Roaring Creek		$ (12,454)		$ (10,000)		$ (10,000)
21	Constellation Energy Peak Response Rebate Penn Power	Shenango		$ (8,160)		$ (8,000)		$ (8,000)
22	Solar Generated Power	Pickering	1,887,163		1,796,389		1,787,407	
23	Solar Generated Power	Ingrams	769,200		789,774		785,825	
24				$ 7,727,099		$ 7,743,161		$ 10,556,253

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - GAS

LINE NO.	UTILITY	LOCATION	HISTORIC THERMS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE THERMS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE THERMS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	Southeastern Pennsylvania	230,027	$ 223,606	228,566	$ 231,740	228,566	$ 257,000
2	UGI Utilities Inc	Southeastern Pennsylvania	1,597	$ 2,587	1,882	$ 3,180	1,882	$ 3,526
3	UGI Utilities Inc	Roaring Creek	9,674	$ 13,051	10,410	$ 14,648	10,410	$ 16,245
4	Columbia Gas of Pennsylvania	Shenango	4,190	$ 6,086	4,210	$ 6,378	4,210	$ 7,074
5	National Fuel / Marathon Energy	Shenango	69,690	$ 66,203	64,469	$ 63,877	64,469	$ 70,839
6	UGI Utilities Inc	White Haven	5,188	$ 9,564	6,116	$ 11,757	6,116	$ 13,039
7	Direct Purchases - Fuel Oil, Propane, and Generator Diesel	All PA	-	$ 123,053	-	$ 91,747	-	$ 93,582
8	Valley Energy	Susquehanna	1,957	$ 2,169	1,913	$ 2,212	1,913	$ 2,453
9				$ 446,318		$ 425,539		$ 463,757

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The company utilizes various chemicals in the water treatment process. The chemical expense claim is based on the total production gallons for the twelve months ended December 31, 2023 multiplied by the normalized chemical treatment cost per million gallons. The cost per million gallons for the historic test year was increased by a normalized average year over year growth rate to arrive at the treatment cost per million gallons for the future and fully projected future test years.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Chemical Treatment Cost Per Million Gallons	$ 246.20	$ 309.74	$ 389.68	
2	Claimed Production Sendout	41,389 MG			
3	Claimed Chemical Expense	$ 10,189,853	$ 12,819,854	$ 16,128,658	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	12,621,737			
6	Less: Present Rates 12/31/2023		10,189,853		
7	Less: Present Rates 12/31/2024			12,819,854	
8	Increase/(Decrease)	$ (2,431,884)	$ 2,630,001	$ 3,308,804	
9	Pro Forma Adjustment:				
10	6183	$ (2,431,884)	$ 2,630,001	$ 3,308,804	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WATER EXPENSE

The Company summarized the actual gallons and expenses from each of its purchased water vendors and projected the Future Test Year and Fully Projected Future Test Year expense claim using historical test year and future test year gallons, adjusted to reflect known changes in gallons purchased and new rates that are scheduled to be in effect during the future test years.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Water Expense	$ 6,013,578	$ 5,320,977	‡
2	Less: Amount Charged to Operating Expense			
3	During the Twelve Months Ended 12/31/2023	5,295,423		
4	Less: Present Rates 12/31/2024		6,013,578	
5	Increase/(Decrease)	$ 718,155	$ (692,601)	
6	Pro Forma Adjustment:			
7	6101	$ 718,155	$ (692,601)	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WATER - DETAIL BY SUPPLIER

LINE NO.	Supplier	Account Name	PRESENT RATES 12/31/2021 GALLONS	PRESENT RATES 12/31/2021 AMOUNT $	PRESENT RATES 12/31/2022 GALLONS	PRESENT RATES 12/31/2022 AMOUNT $	PRESENT RATES 12/31/2023 GALLONS	PRESENT RATES 12/31/2023 AMOUNT $	PRESENT RATES 12/31/2024 GALLONS	PRESENT RATES 12/31/2024 AMOUNT $	PRESENT RATES 12/31/2025 GALLONS	PRESENT RATES 12/31/2025 AMOUNT $
1	Aqua Ohio	Mahoning	48,515,500	$ 392,218	35,946,900	$ 304,021	41,159,500	$ 363,454	41,159,500	$ 379,806	41,159,500	$ 396,909
2	Bucks County Water Authority and Sewer	Bensalem & Southhampton	3,041,000	$ 7,907	-	$ -	-	$ -	-	$ -	-	$ -
3	CANDO	Sand Springs	13,942,000	$ 48,069	14,370,000	$ 49,182	19,167,000	$ 61,654	19,167,000	$ 61,654	19,167,000	$ 61,654
4	Chester Water Authority	Birney Highway	39,051,000	$ 129,354	38,403,000	$ 132,972	38,811,000	$ 142,317	38,811,000	$ 153,903	38,811,000	$ 160,941
5	Chester Water Authority	Cheyney Rd	55,458,000	$ 198,732	54,959,000	$ 205,962	51,970,000	$ 207,454	44,744,000	$ 193,886	-	$ 9,474
6	Chester Water Authority	Eddystone	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
7	Chester Water Authority	Pocopson	-	$ 4,391	-	$ 4,501	-	$ 4,726	-	$ 5,196	-	$ 5,542
8	Chester Water Authority	Ridley	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
9	Downingtown Municipal Authority	Rock Raymond	104,135,000	$ 108,098	117,096,000	$ 129,627	122,382,200	$ 934,008	51,735,000	$ 698,423	-	$ -
10	Philadelphia Water Department	Knights Rd	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
11	Philadelphia Water Department	Miquon	1,808,664	$ 11,725	-	$ 3,657	-	$ 3,657	-	$ 3,657	-	$ 3,657
12	Philadelphia Water Department	Tinicum and Cheltenham	506,400,000	$ 3,680,591	685,200,000	$ 3,334,348	464,700,000	$ 3,461,295	632,000,000	$ 4,296,378	632,000,000	$ 4,457,627
13	Phoenixville Water	Schuylkill	1,921,400	$ 5,764	2,351,000	$ 7,053	1,750,000	$ 5,250	1,504,000	$ 4,512	1,504,000	$ 4,512
14	Phoenixville Water	Upper Prov. and East Pikeland	46,609,000	$ 110,418	51,395,000	$ 119,990	54,185,000	$ 125,570	49,000,000	$ 126,200	49,000,000	$ 126,200
15	Pottstown Water	Farmingham	-	$ -	-	$ -	3,597,240	$ 14,677	21,000,000	$ 89,964	21,000,000	$ 94,462
16	Total		820,881,564	$ 4,697,267	999,720,900	$ 4,291,312	797,721,940	$ 5,324,062	899,120,500	$ 6,013,578	802,641,500	$ 5,320,977

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

WATER PRODUCTION ADJUSTMENT

The company is claiming an increase to the costs associated with increased production caused by the adjustment to consumption in the future and fully projected future test years.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	The production cost specifically related to the adjusted cost of the change in production			
2	was computed as follows:			
3	Purchased Power Expense	Schedule C-6.1	$ 8,168,700	$ 11,020,010
4	Chemical Expense	Schedule C-6.2	$ 12,819,854	$ 16,128,658
5			$ 20,988,554	$ 27,148,668
6	Estimated Production Gallons (Thousands)		41,389,308	41,389,308
7	Production Cost per 1,000 Gallons		$ 0.51	$ 0.66
8	Increased Gallons from Reduced Purchased Water	Schedule C-7.1.i	77,873	96,479
9	Decreased Gallons From Declining Residential Consumption	Schedule B-7	(85,209)	(85,209)
10	Estimated Change in Production Gallons (Thousands)		(7,336)	11,270
11	Total Production Cost Increase / (Decrease)		$ (3,720)	$ 7,392
12	Pro Forma Adjustment:			
13	6153		$ (1,448)	$ 3,001
14	6183		$ (2,272)	$ 4,392

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

DREDGING EXPENSE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Total Cost of Dredging at Crum Treatment Plant	$ 1,500,000				
2	Occuring once every	3 Years				
3	Claimed Dredging Expense Normalization		$ 500,000	$ 500,000	$ 500,000	‡
4	Less: Amount Charged to Operating Expense During the Twelve Months Ended 12/31/2023		-			
5	Less: Present Rates 12/31/2023			500,000		
6	Less: Present Rates 12/31/2024				500,000	
7	Increase/(Decrease)		$ 500,000	$ -	$ -	
8	Pro Forma Adjustment:					
9	6364		$ 500,000	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE GROUP INSURANCE

The Company offers group insurance coverage to all full time employees. The following amounts summarize the Company's estimated annualized group insurance expense, less the employee co-pay, and adjusted for the portion not charged to operations. This results from the calculation of group insurance levels projected to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Medical/Prescription/Vision/Dental		$ 7,497,770	$ 8,149,076	$ 8,808,008	
2	Life/ADD/LTD		323,384	428,694	462,726	
3						
4			7,821,155	8,577,770	9,270,734	
5	Capitalized portion not charged to operating expense	31.67%	(2,476,960)	(2,716,580)	(2,936,041)	
6	Sub-Total		$ 5,344,195	$ 5,861,190	$ 6,334,692	‡
7	Less: Amount Charged to Operating Expense					
8	During the Twelve Months Ended 12/31/2023		5,432,574			
9	Less: Present Rates 12/31/2023			5,344,195		
10	Less: Present Rates 12/31/2024				5,861,190	
11	Increase/(Decrease)		$ (88,379)	$ 516,995	$ 473,502	
12	Pro Forma Adjustment:					
13	6048		$ (88,379)	$ 516,995	$ 473,502	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PENSION

The Company's pension expense claim is based on its analysis of ERISA minimum and IRS maximum deductible pension contribution data provided by its outside actuary, Towers Watson.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Aqua Pennsylvania's claim based on range of actuarial results		$ 6,000,000	$ 2,000,000	$ 2,000,000	
2	Less: Capitalized Portion	31.67%	(1,900,200)	(633,400)	(633,400)	
3			$ 4,099,800	$ 1,366,600	$ 1,366,600	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		4,167,600			
6	Less: Present Rates 12/31/2023			4,099,800		
7	Less: Present Rates 12/31/2024				1,366,600	
8	Increase/(Decrease)		$ (67,800)	$ (2,733,200)	$ -	
9	Pro Forma Adjustment:					
10	6048		$ (67,800)	$ (2,733,200)	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

POST RETIREMENT BENEFITS

The following adjustment is based on the results of the most recent valuation of post-retirement benefits (SFAS 106) which was performed for AP by Towers Watson. Included in the claim is the amortization of the funding deficit that conforms to the Commission's 1997 Order at Docket No. R-00973952.

LINE NO.	DESCRIPTION			PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	SFAS 106						
2	Annual Expense for Aqua PA Employees			$ (84,989)	$ (62,984)	$ (62,984)	
3	Funding Deficit (1/1/25 - 12/31/26) - 2 Year Amortization	$ (1,855,803)				(927,902)	
4	Less: Capitalized Portion		31.67%	26,916	19,947	313,813	
5				$ (58,073)	$ (43,037)	$ (677,072)	‡
6	Less: Amount Charged to Operating Expense						
7	During the Twelve Months Ended 12/31/2023			27,147			
8	Less: Present Rates 12/31/2023				(58,073)		
9	Less: Present Rates 12/31/2024					(43,037)	
10	Increase/(Decrease)			$ (85,220)	$ 15,036	$ (634,035)	
11	Pro Forma Adjustment:						
12	6048			$ (85,220)	$ 15,036	$ (634,035)	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

401K Expense

The following adjustment is being made to annualize the employer 401k contributions, adjusted for the portion not charged to operating expense, based on the annualized compensation claim at December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Annualized 401k - Company Match		$ 3,196,868	$ 4,113,476	$ 4,364,143	
2			3,196,868	4,113,476	4,364,143	
3	Capitalized portion not charged to operating expense	31.67%	(1,012,448)	(1,302,738)	(1,382,124)	
4	Sub-Total		$ 2,184,420	$ 2,810,738	$ 2,982,019	‡
5	Less: Amount Charged to Operating Expense					
6	During the Twelve Months Ended 12/31/2023		2,220,545			
7	Less: Present Rates 12/31/2023			2,184,420		
8	Less: Present Rates 12/31/2024				2,810,738	
9	Increase/(Decrease)		$ (36,125)	$ 626,318	$ 171,281	
10	Pro Forma Adjustment:					
11	6048		$ (36,125)	$ 626,318	$ 171,281	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

REMOVE INTRACOMPANY BENEFITS

The Company charges a portion of employee benefits and other related overheads to Shenandoah and Wastewater through an intracompany transaction which is allocated based on approximately 60% of payroll expense. Refer to the Exhibits 1-B through 1-E, Schedule C-8.1 for the corresponding entry.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Exhibit 1-B Shenandoah Water - Schedule C-8.1	$ (127,464)	$ (206,410)	$ (210,511)	
2	Exhibit 1-C Wastewater Base - Schedule C-8.1	$ (2,662,384)	$ (2,016,957)	$ (2,114,321)	
3	Exhibit 1-D WW LOWER MAKEFIELD - Schedule C-8.1	$ (153,124)	$ (94,059)	$ (96,559)	
4	Exhibit 1-E WW EAST WHITELAND - Schedule C-8.1	$ (133,220)	$ (99,247)	$ (101,900)	
5					
6					
7	Total Intracompany Benefits	$ (3,076,192)	$ (2,416,674)	$ (2,523,291)	‡
8	Less: Amount Charged to Operating Expense				
9	During the Twelve Months Ended 12/31/2023	(1,645,632)			
10	Less: Present Rates 12/31/2023		(3,076,192)		
11	Less: Present Rates 12/31/2024			(2,416,674)	
12	Increase/(Decrease)	$ (1,430,559)	$ 659,518	$ (106,618)	
13	Pro Forma Adjustment:				
14	6048	$ (1,430,559)	$ 659,518	$ (106,618)	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

LEGAL EXPENSE

The Company incurs cost for general legal services during the normal course of business to protect and defend the Company's interests in a variety of legal matters. This adjustment normalizes the Company's legal expense claim experienced in the historic test year to levels that are expected to be realized during the first year rates are in effect and more in line with prior experience.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Legal Expense Claim (3 Year Average)	$ 679,102	$ 679,102	$ 679,102	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	815,255			
4	Less: Present Rates 12/31/2023		679,102		
5	Less: Present Rates 12/31/2024			679,102	
6	Increase/(Decrease)	$ (136,153)	$ -	$ -	
7	Pro Forma Adjustment:				
8	6338	$ (136,153)	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ELIMINATE NAWC LOBBYING EXPENSE

This adjustment removes the lobbying expense portion, approximately 11%, of the National Association of Water Companies annual dues for the historic test year.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT
1	Claimed Lobbying Expense		$ -
2	Less:	Amount Charged to Operating Expense	
3		During the Twelve Months Ended 12/31/2023	43,494
4	Increase/(Decrease)		$ (43,494)
5	Pro Forma Adjustment:		
6	6758		$ (43,494)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ELIMINATE TWIN LAKES EXPENSES

Beginning January 15, 2021, the Company was appointed receiver for the Twin Lakes Water System at Docket No. P-2020-3020914. The following adjustment removes the expenses incurred from operating the Twin Lakes Water System which were recorded above the line during the test year. Refer to Schedule B-10 of this exhibit for the removal of Twin Lakes revenues.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT
1	Claimed Twin Lakes Water Expenses	$ -
2	Less: Amount Charged to Operating Expense	
3	During the Twelve Months Ended 12/31/2023	375,029
4	Increase/(Decrease)	$ (375,029)
	Pro Forma Adjustment:	
5	6011	(10,344)
6	6014	(4)
7	6015	(1,446)
8	6016	(27)
9	6017	(2,153)
10	6038	(1,039)
11	6041	(2,545)
12	6044	(2)
13	6045	(338)
14	6046	(5)
15	6047	(343)
16	6151	(5,975)
17	6365	(1,757)
18	6501	(572)
19	6504	(0)
20	6505	(90)
21	6506	(2)
22	6507	(91)
23	6707	(8,473)
24	6758	(339,825)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ELIMINATE VENANGO EXPENSES

Beginning August 12, 2023, the Company was appointed receiver for the Venango Water Company at Docket No. M-2023-3042180. The following adjustment removes the expenses incurred from operating the Venango Water System which were recorded above the line during the test year. Refer to Schedule B-10 of this exhibit for the removal of Venango revenues.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT
1	Claimed Venango Water Expenses	$ -
2	Less: Amount Charged to Operating Expense	
3	During the Twelve Months Ended 12/31/2023	136
4	Increase/(Decrease)	$ (136)
	Pro Forma Adjustment:	
5	6707	(136)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 133,673,553	$ 138,418,607	$ 142,262,956
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	116,808,845		
4	Less: Present Rates 12/31/2023		133,673,553	
5	Less: Present Rates 12/31/2024			138,418,607
6	Less: Present Rates 12/31/2024			
7	Increase/(Decrease)	$ 16,864,708	$ 4,745,054	$ 3,844,349
8	Pro Forma Adjustment:			
9		$ 16,864,708	$ 4,745,054	$ 3,844,349

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 11,263,310						
2	Present Rates at 12/31/23				$ 12,387,181				
3	Present Rates at 12/31/24						$ 12,848,934		
4	Present Rates at 12/31/25								$ 12,985,047
5	General Assessment Fees By The Pennsylvania Public Utility Commission	165,057		142,246		(8,883)		379,995	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	197,782		67,313		(4,203)		179,819	
7	Public Utility Realty Tax	326,773		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Payroll Taxes	434,260		252,193		149,200			
10	Pro Forma Adjustment		$ 1,123,871		$ 461,753		$ 136,114		$ 559,814
11	Pro Forma Present Rates at December 31, 2023		$ 12,387,181						
12	Pro Forma Present Rates at December 31, 2024				$ 12,848,934				
13	Pro Forma Present Rates at December 31, 2025						$ 12,985,047		
14	Pro Forma Proposed Rates at December 31, 2025								$ 13,544,861

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 565,508,317	$ 598,398,721	$ 596,344,820	$ 684,207,690
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	2,445,744	2,587,990	2,579,107	2,959,102
4	Total General Assessment Fees		$ 2,445,744	$ 2,587,990	$ 2,579,107	$ 2,959,102
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		2,280,687			
7	Less: Present Rates 12/31/2023			2,445,744		
8	Less: Present Rates 12/31/2024				2,587,990	
9	Less: Present Rates 12/31/2025					2,579,107
10	Increase/(Decrease)		$ 165,057	$ 142,246	$ (8,883)	$ 379,995
11	Pro Forma Adjustment:					
12	4081		$ 165,057	$ 142,246	$ (8,883)	$ 379,995

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 565,508,317	$ 598,398,721	$ 596,344,820	$ 684,207,690
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	985,336	1,042,644	1,039,065	1,192,156
4	Small Business Advocate Fee At	0.000303478942	171,620	181,601	180,978	207,643
5	Damage Prevention Fee At	0.000000719937	407	431	429	493
6	Total General Assessment Fees		$ 1,157,363	$ 1,224,676	$ 1,220,472	$ 1,400,292
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		959,581			
9	Less: Present Rates 12/31/2023			1,157,363		
10	Less: Present Rates 12/31/2024				1,224,676	
11	Less: Present Rates 12/31/2025					1,220,472
12	Increase/(Decrease)		$ 197,782	$ 67,313	$ (4,203)	$ 179,819
13	Pro Forma Adjustment:					
14	4081		$ 197,782	$ 67,313	$ (4,203)	$ 179,819

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

PURTA for the future test year and fully projected future test year are based on the year 2023 estimated tax liability.
This is the latest statement that the Company has received from the Commonwealth of Pennsylvania.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ 4,700,000	$ 4,700,000	$ 4,700,000
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	4,373,227		
4	Less: Present Rates 12/31/2023		4,700,000	
5	Less: Present Rates 12/31/2024			4,700,000
6	Increase/(Decrease)	$ 326,773	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ 326,773	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ 1,162,341	$ 1,162,341	$ 1,162,341
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	1,162,341		
4	Less: Present Rates 12/31/2023		1,162,341	
5	Less: Present Rates 12/31/2024			1,162,341
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made to annualize payroll tax expense based on the annualized compensation claim made at December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI		$ 3,315,637	$ 3,621,835	$ 3,794,701
2	FICA Medicare		789,942	864,426	906,659
3	FICA Total		4,105,579	4,486,261	4,701,359
4	FUTA		29,033	26,337	26,872
5	SUTA		141,304	132,399	135,117
6	Annualized Payroll Taxes		4,275,915	4,644,996	4,863,348
7	Capitalized portion not charged to operating expense	31.67%	(1,354,182)	(1,471,070)	(1,540,222)
8	Sub-Total		$ 2,921,733	$ 3,173,926	$ 3,323,126
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		2,487,473		
11	Less: Present Rates 12/31/2023			2,921,733	
12	Less: Present Rates 12/31/2024				3,173,926
13	Increase/(Decrease)		$ 434,260	$ 252,193	$ 149,200
14	Pro Forma Adjustment:				
15	40812		$ 434,260	$ 252,193	$ 149,200

Docket No. R-2024-3047822
Exhibit 1-A

Schedule E-1
Witness: William C. Packer

AQUA PENNSYLVANIA, INC. - WATER BASE

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

6			PRESENT RATES			PRESENT RATES			PRESENT RATES	
7	Calculation of Interest:		12/31/23			12/31/24			12/31/25	
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$ 3,948,801,824		Schedule G-1 Col 4, Row 15	$ 4,127,045,593		Schedule G-1 Col 5, Row 15	$ 4,318,244,093	
9	Applicable Percentage		48.52%			45.31%			46.05%	
10	Applicable Portion of Rate Base		$ 1,915,776,165			$ 1,869,798,393			$ 1,988,714,048	
11	Cost Rate		4.26%			4.24%			4.32%	
12	Pro-Forma Long-term Interest Expense		$ 81,612,065			$ 79,279,452			$ 85,912,447	
13	Less: Interest on Long Term Debt Per Books 12/31/23		85,178,589							
14	Less: Interest on Long Term Debt Present Rates at 12/31/23					81,612,065				
15	Less: Interest on Long Term Debt Present Rates at 12/31/24								79,279,452	
16	Long Term Debt Pro Forma Adjustment		$ (3,566,525)			$ (2,332,613)			$ 6,632,995	

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

Since the debt discount and expense is considered in calculating the cost rate of debt used to calculate interest on long-term debt, it should be eliminated.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ 692,396	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	(692,396)	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ (692,396)	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

Other Interest Charges for the year ending December 31, 2023 were principally for funds borrowed through bank loans to finance the Company's capital expenditures. The bank loans outstanding are anticipated to be refinanced with long-term debt prior to the end of the future test year. Therefore, the interest on bank loans is eliminated.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (6,955,870)	$ -	$ -
2	Eliminate Interest During Construction	6,955,870	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 6,955,870	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	YEAR 1 PRESENT RATES 12/31/25 AMOUNT	YEAR 1 PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ 15,362,528	$ 23,607,023	$ 18,474,937	$ 35,269,013
2	Less: Per Book	Schedule A-1	4,753,143			
3	Less: Present Rates at 12/31/23			15,362,528		
4	Less: Present Rates at 12/31/24				23,607,023	
5	Less: Present Rates at 12/31/25					18,474,937
6	Pro Forma Adjustment		$ 10,609,384	$ 8,244,496	$ (5,132,087)	$ 16,794,076
7	State Income Tax - Current	Schedule F-2	$ 7,020,991	$ 5,893,814	$ 4,325,171	$ 11,269,792
8	Less: Per Book	Schedule A-1	2,735,986			
9	Less: Present Rates at 12/31/23			7,020,991		
10	Less: Present Rates at 12/31/24				5,893,814	
11	Less: Present Rates at 12/31/25					4,325,171
12	Pro Forma Adjustment		$ 4,285,005	$ (1,127,177)	$ (1,568,643)	$ 6,944,621
13	Federal Income Tax - Deferred	Schedule F-2	$ 713,053	$ (659,435)	$ (7,249,658)	$ (7,249,658)
14	Less: Per Book	Schedule A-1	(2,075,765)			
15	Less: Present Rates at 12/31/23			713,053		
16	Less: Present Rates at 12/31/24				(659,435)	
17	Less: Present Rates at 12/31/25					(7,249,658)
18	Pro Forma Adjustment		$ 2,788,818	$ (1,372,488)	$ (6,590,223)	$ -
19	State Income Tax - Deferred	Schedule F-2	$ (816,893)	$ 2,445,261	$ 2,253,761	$ 2,253,761
20	Less: Per Book	Schedule A-1	17,371,174			
21	Less: Present Rates at 12/31/23			(816,893)		
22	Less: Present Rates at 12/31/24				2,445,261	
23	Less: Present Rates at 12/31/25					2,253,761
24	Pro Forma Adjustment		$ (18,188,067)	$ 3,262,154	$ (191,500)	$ -
25	Income Tax Credit Amortization	Schedule F-2	$ (253,412)	$ (102,140)	$ (102,140)	$ (102,140)
26	Less: Per Book	Schedule A-1	(253,412)			
27	Less: Present Rates at 12/31/23			(253,412)		
28	Less: Present Rates at 12/31/24				(102,140)	
29	Less: Present Rates at 12/31/25					(102,140)
30	Pro Forma Adjustment		$ -	$ 151,272	$ -	$ -

AQUA PENNSYLVANIA, INC. - WATER BASE

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ 298,245,265	$ 298,245,265	$ 316,272,405	$ 316,272,405	$ 295,520,343	$ 295,520,343	$ 382,436,754	$ 382,436,754
2	Interest Expense	Schedule A-1	(81,612,065)	(81,612,065)	(79,279,452)	(79,279,452)	(85,912,447)	(85,912,447)	(85,912,447)	(85,912,447)
3	State Income Tax	[12]	(7,020,991)		(5,893,814)		(4,325,171)		(11,269,792)	
4	Tax Repair Deduction		(180,662,792)	(180,662,792)	(158,600,000)	(158,600,000)	(158,600,000)	(158,600,000)	(158,600,000)	(158,600,000)
5	Book Depreciation	Schedule A-1	133,673,553	133,673,553	138,418,607	138,418,607	142,262,956	142,262,956	142,262,956	142,262,956
6	Tax Depreciation		(86,642,786)	(88,720,887)	(88,360,355)	(91,508,095)	(86,505,415)	(89,240,151)	(86,505,415)	(89,240,151)
7	COR & Other Basis Differences, net of book		(2,825,291)	(2,825,291)	(10,142,994)	(10,142,994)	(14,464,377)	(14,464,377)	(14,464,377)	(14,464,377)
8	Taxable Income	Sum of Lines [1] : [7]	$ 73,154,893	$ 78,097,783	$ 112,414,398	$ 115,160,472	$ 87,975,889	$ 89,566,325	$ 167,947,679	$ 176,482,736
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	15,362,528	7,020,991	23,607,023	9,777,124	18,474,937	7,156,349	35,269,013	14,100,971
11	Other - NOL		-	-	-	(3,883,310)	-	(2,831,178)	-	(2,831,178)
12	Total - Current Income Tax	[10] + [11]	$ 15,362,528	$ 7,020,991	$ 23,607,023	$ 5,893,814	$ 18,474,937	$ 4,325,171	$ 35,269,013	$ 11,269,792
13	Normalized Book Depreciation		(71,506,714)	(3,059,152)	(84,968,590)	(222,073)	(88,209,879)	(214,147)	(88,209,879)	(214,147)
14	Normalized Tax Depreciation		86,641,579	477,089	88,359,148	414,851	86,504,208	485,534	86,504,208	485,534
15	Normalized Basis Differences		2,825,291	-	10,142,994	-	14,464,377	-	14,464,377	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	3,771,633	(183,381)	2,842,046	12,930	2,679,328	17,130	2,679,328	17,130
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	3,067,815	-	2,236,631	-	2,236,631
19	Flowback of Catch Up Adjustment		(845,134)	(633,512)	(845,134)	(635,484)	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		(2,456,195)	-	(2,899,096)	-	(2,997,502)	-	(2,997,502)	-
21	Flowback of TCJA 2017 - 10 Years		242,749	-	242,749	-	242,749	-	242,749	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	(2,436,764)	-	(2,436,764)	-
23	Flowback of Tax Repairs Collar		-	-	-	-	(4,737,469)	-	(4,737,469)	-
24	Total Flow Through	Sum of Lines [19] : [23]	(3,058,579)	(633,512)	(3,501,481)	(635,484)	(9,928,987)	-	(9,928,987)	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ 713,053	$ (816,893)	$ (659,435)	$ 2,445,261	$ (7,249,658)	$ 2,253,761	$ (7,249,658)	$ 2,253,761
26	Amortization of Income Tax Credit		(253,412)		(102,140)		(102,140)		(102,140)	
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ 15,822,169	$ 6,204,098	$ 22,845,448	$ 8,339,075	$ 11,123,138	$ 6,578,932	$ 27,917,214	$ 13,523,553

AQUA PENNSYLVANIA, INC. - WATER BASE

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 5,713,177,283	$ 5,992,711,834	$ 6,283,245,854
2	Utility Plant Acquisition Adjustment	Schedule G-3	3,296,760	2,917,936	2,581,377
3			5,716,474,043	5,995,629,770	6,285,827,230
4	Less: Accumulated Depreciation	Schedule G-2	(1,259,730,162)	(1,357,233,703)	(1,461,389,326)
5	Net Plant in Service		4,456,743,881	4,638,396,067	4,824,437,904
6	Additions:				
7	Materials & Supplies	Schedule G-4	16,367,534	17,396,771	17,396,771
8	Cash Working Capital	Schedule G-5	7,704,000	7,704,000	7,704,000
9			24,071,534	25,100,771	25,100,771
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	(204,907,721)	(206,078,931)	(201,180,696)
12	Deferred Income Taxes	Schedule G-7	(327,105,870)	(330,372,314)	(330,113,886)
13	Investment Tax Credit		-	-	-
14			(532,013,591)	(536,451,245)	(531,294,582)
15	Total Rate Base		$ 3,948,801,824	$ 4,127,045,593	$ 4,318,244,093

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 5,713,177,283	$ 5,713,177,283	$ 5,992,711,834
2	Plus: Additions		312,651,283	321,611,171
3	Less: Retirements		(33,116,732)	(31,077,152)
4	Utility Plant in Service	$ 5,713,177,283	$ 5,992,711,834	$ 6,283,245,854
5	Accumulated Depreciation	$ (1,259,730,162)	$ (1,357,233,703)	$ (1,461,389,326)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

The following adjustment reflects the recognition of the positive Utility Plant Acquisition Adjustments (UPAA) associated with the acquisition of various water utility assets pursuant to the terms of the Commission-approved settlement of the Company's rate cases at Docket Nos. R-00038805, R-00051030, R-00072711, R-2009-2132019, and R-2018-3003558.

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE
1	N.U.I.	R-00038805	$ 1,221,535	6/26/2002	8/04 - 7/24	$ 35,628	$ 35,628	$ 0	$ -	$ 0
2	White Rock	R-00038805	227,554	11/22/2002	8/04 - 7/24	6,637	6,637	(0)	-	(0)
3	Marienville	R-00051030	467,205	3/30/2004	7/06 - 6/26	58,402	23,360	35,041	23,360	11,681
4	Meribah	R-00051030	13,387	3/31/2004	7/06 - 6/26	1,673	669	1,004	669	334
5	Hex Acres	R-00051030	85,923	4/30/2004	7/06 - 6/26	10,741	4,296	6,445	4,296	2,149
6	Tambur	R-00051030	36,314	4/30/2004	7/06 - 6/26	4,539	1,816	2,724	1,816	908
7	Barret Water	R-00051030	34,881	4/30/2004	7/06 - 6/26	4,360	1,744	2,616	1,744	872
8	Oneida	R-00051030	76,172	6/24/2004	7/06 - 6/26	9,522	3,809	5,713	3,809	1,905
9	Christian Springs	R-00051030	6,055	8/19/2004	7/06 - 6/26	757	303	454	303	151
10	Stanton	R-00051030	41,903	2/25/2005	7/06 - 6/26	5,238	2,095	3,143	2,095	1,048
11	Meadowcrest	R-00051030	101,156	8/18/2005	7/06 - 6/26	12,645	5,058	7,587	5,058	2,529
12	Garbush	R-00072711	65,216	10/19/2005	8/08 - 7/28	15,217	3,261	11,956	3,261	8,696
13	C S Water	R-00072711	887,125	1/20/2006	8/08 - 7/28	203,302	44,356	158,946	44,356	114,590
14	Country Club Gardens	R-00072711	60,900	11/28/2006	8/08 - 7/28	13,956	3,045	10,911	3,045	7,866
15	Lakeside Acres	R-00072711	108,602	12/19/2007	8/08 - 7/28	24,888	5,430	19,458	5,430	14,027
16	Honesdale	R-2009-2132019	1,521,927	9/30/2008	7/10 - 6/30	494,626	76,096	418,529	76,096	342,433
17	Washington Park (1)	R-2009-2132019	(11,493)	3/31/2009	7/10 - 6/30	(3,735)	(575)	(3,160)	(575)	(2,585)
18	Sleepy Hollow (1)	R-2009-2132019	(99,921)	3/31/2009	7/10 - 6/30	(32,474)	(4,996)	(27,478)	(4,996)	(22,482)
19	Clarendon	R-2009-2132019	201,107	4/30/2009	7/10 - 6/30	65,361	10,055	55,305	10,055	45,250
20	Kratzerville	R-2009-2132019	56,599	5/29/2009	7/10 - 6/30	18,395	2,830	15,565	2,830	12,735
21	Treasure Lake	R-2018-3003558	3,024,801	2/28/2013	4/19 - 3/39	2,306,411	151,240	2,155,171	151,240	2,003,931
22	Mt Jewett Water	R-2018-3003558	49,459	5/5/2015	4/19 - 3/39	37,712	2,473	35,239	2,473	32,766
23	Sun Valley Water	R-2018-3003558	3,883	1/29/2018	4/19 - 3/39	2,961	194	2,766	194	2,572
24	Effect to Rate Base Element		$ 8,180,291			$ 3,296,760	$ 378,824	$ 2,917,936	$ 336,559	$ 2,581,377

(1) Washington Park and Sleepy Hollow are exceptions to the treatment of negative acquisition adjustments as provided for in Section 1327 of the Public Utility Code because it was stipulated in the order approving their acquisition (Docket No. A-230550F2000) that rate base for rate making purposes would be limited to purchase price. To accomplish that requirement, the negative acquisition adjustment had to be included as a deduction to rate base.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

The Company's claim for materials and supplies at December 31, 2024 and December 31, 2025 is calculated on the basis of the average monthly balances in the materials and supplies account during the period December 2022 to December 2023.

LINE NO.	MONTH	YEAR		BALANCE
1	December	2022	$	19,696,718
2	January	2023		19,374,554
3	February	2023		18,714,106
4	March	2023		18,112,695
5	April	2023		16,948,305
6	May	2023		16,750,637
7	June	2023		15,108,709
8	July	2023		15,851,162
9	August	2023		16,425,305
10	September	2023		17,640,031
11	October	2023		17,657,017
12	November	2023		17,511,251
13	December	2023		16,367,534
14	Total		$	226,158,025
15	13 Month Average		$	17,396,771
16	Allowance for Materials & Supplies			
17	At 12/31/2024 and 12/31/2025		$	17,396,771

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ 11,011,000	$ 11,011,000	$ 11,011,000
2	Cash Working Capital - Taxes	Schedule G-5.3	5,849,000	5,849,000	5,849,000
3	Cash Working Capital - Interest	Schedule G-5.4	(9,156,000)	(9,156,000)	(9,156,000)
4	Total Cash Working Capital Requirement		$ 7,704,000	$ 7,704,000	$ 7,704,000

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR		BALANCE
	(1)	(2)		(3)
1	December	2022	$	61,510,177
2	January	2023		52,266,091
3	February	2023		51,701,480
4	March	2023		45,720,027
5	April	2023		54,123,269
6	May	2023		49,340,617
7	June	2023		55,621,757
8	July	2023		55,115,872
9	August	2023		47,868,980
10	September	2023		59,539,177
11	October	2023		50,522,557
12	November	2023		50,710,009
13	December	2023		55,985,866
14	Total		$	690,025,877
15	Average Accounts Receivable Balance		$	53,078,914
16	Gross Utility Water Revenues recorded			
17	During the Twelve Months Ended 12/31/2023		$	564,324,528
16	Average Daily Billing		$	1,546,095
18	Lag in Receipt of Payment			34.3
19	Average Use Period (a)			15.2
20	Bill Issue Period			2.0
21	Lag Days in Receipt of Revenue			51.5

Reference:
(a) One-half of monthly billing period.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 23,668,323	5.5	(a)	$ 130,175,779
2	Non-Union Labor	14,218,799	9.0	(a)	127,969,193
3	Management Fee	27,013,703	15.7	(a)	424,115,142
4	Electric Power	11,062,177	43.3	(a)	478,992,266
5	Water Purchased	5,343,627	41.6	(a)	222,294,875
6	Employee Group Insurance	6,334,692	16.3	(a)	103,255,487
7	Liability Insurance	6,313,061	(46.4)	(a)	(292,926,026)
8	SFI Postage	1,406,166	(5.4)	(a)	(7,593,296)
9	Pension	1,366,600	440.0	(a)	601,304,000
10	SFAS106	(677,072)	45.1	(a)	(30,552,882)
11	All Other Expenses (b)	41,122,533	31.3	(a)	1,287,135,282
12	Total	$ 137,172,610			$ 3,044,169,819
13	Average Lag Days in Payment of Expenses		22.2	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		51.5	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		29.3	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 375,815	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ 11,011,390	[16] * [18]	
20	USE		$ 11,011,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 2,579,107	(198.5)	(a)	$ (511,952,829)
2	OCA & SBA - General Assessments	1,220,472	(198.5)	(a)	(242,263,770)
3	Public Utility Realty Tax	4,700,000	(48.3)	(a)	(227,010,000)
4	Local, County, School, & Municipal Tax	1,162,341	(92.9)	(a)	(107,981,517)
5	FICA Taxes - Hourly	2,765,833	5.5	(a)	15,212,079
6	FICA Taxes - Executive & Exempt	1,935,527	9.0	(a)	17,419,742
7	Federal Unemployment Tax	26,872	75.9	(a)	2,038,883
8	PA Unemployment Tax	135,117	75.9	(a)	10,252,013
9	PA State Income Tax	4,325,171	36.5	(a)	157,868,742
10	Federal Income Tax	18,474,937	36.5	(a)	674,335,192
11	Total	$ 37,325,377			$ (212,081,465)
12	Average Lag Days in Payment of Taxes		(5.7)	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		51.5	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		57.2	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ 102,261	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ 5,849,347	[15] * [17]	
19	USE		$ 5,849,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 85,492,242	90.8	(a)	$ 7,758,421,005
2	PennVest-Interest	420,204	14.7	(a)	6,180,507
3	Total	$ 85,912,447			$ 7,764,601,511
4	Average Lag Days in Payment of Interest		90.4	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		51.5	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(38.9)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 235,377		
10	Cash Working Capital Required		$ (9,156,148)		
11	USE		$ (9,156,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ 204,907,721	$ 204,907,721	$ 206,078,931
2	Plus: Contributions		6,100,000	-
3	Less: Amortization		(4,928,790)	(4,898,235)
4	Customer Advances and Contributions In Aid Of Construction	$ (204,907,721)	$ (206,078,931)	$ (201,180,696)

AQUA PENNSYLVANIA, INC. - WATER BASE

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ 327,105,870	$ 327,105,870	$ 330,372,314
2					
3	Change in Deferred Tax	Schedule F-2		3,266,444	(258,428)
4	Deferred Income Taxes		$ (327,105,870)	$ (330,372,314)	$ (330,113,886)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

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	Number Of Customers Served And Whose Bills Will Be Changed	A-2	William C. Packer
	Calculation Of Revenue Deficiency And Rate Of Return At Current And Proposed Rates December 31,	A-3	William C. Packer
	Statement Of Utility's Calculation Of Rate Of Return - Earned In The Year Ended December 31, 2023 And Anticipated Under Present And Proposed Rates For The Test Years Ended December 31, 2024 And December 31, 2025	A-4	William C. Packer
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	Operating Revenues - Unbilled Revenue Adjustment	B-3	Gregory R. Herbert
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AQUA PENNSYLVANIA, INC. - SHENANDOAH

TABLE OF CONTENTS TO EXHIBIT 1-B WATER SHENANDOAH

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AQUA PENNSYLVANIA, INC. - SHENANDOAH

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	Rate Base - Contributions In Aid Of Construction (CIAC) And Customer Advances For Construction (CAC)	G-6	Renee T. Marquis & John J. Spanos
	Rate Base - Deferred Income Taxes	G-7	Panpilas Fischer

Docket No. R-2024-3047822
Exhibit 1-B

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA, INC. - SHENANDOAH

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	732,434	$ 1,096,802	1,829,237	$ 5,968	$ 1,835,205	$ 6,900	$ 1,842,104	$ 2,254,046	$ 4,096,150
2	Operating Expenses	808,634	478,140	1,286,774	365,951	1,652,725	125,031	1,777,756	9,919	1,787,675
3	Depreciation	711	774,425	775,136	(149,307)	625,829	34,405	660,234		660,234
4	Taxes, other than income :									
5	PUC assessment	-	7,911	7,911	26	7,937	30	7,967	9,748	17,715
6	OCA & SBA assessments	-	3,744	3,744	12	3,756	14	3,770	4,613	8,383
7	Public Utility Realty tax	-	-	-	-	-	-	-	-	-
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	-	-	-	-	-	-	-	-	-
10	Federal & State payroll tax	12,975	(12,975)	-	-	-	-	-	-	-
11	Total Taxes, other than income	12,975	(1,320)	11,655	38	11,693	44	11,737	14,362	26,098
12	Utility Operating Income Before Tax	(89,886)	(154,442)	(244,328)	(210,714)	(455,042)	(152,580)	(607,622)	2,229,766	1,622,143
13	Income Taxes:									
14	Federal Tax-Current	-	(54,544)	(54,544)	(87,150)	(141,695)	(32,370)	(174,065)	430,838	256,773
15	Pa. CNI Tax-Current	-	(25,657)	(25,657)	(36,943)	(62,600)	(9,379)	(71,979)	178,158	106,180
16	Federal Tax-Deferred	-	(50,148)	(50,148)	47,188	(2,960)	(2,364)	(5,324)	-	(5,324)
17	Pa. CNI Tax-Deferred	-	-	-	-	-	-	-	-	-
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	-	-	-	-	-	-	-	-	-
20	Total Income Taxes	-	(130,350)	(130,350)	(76,905)	(207,255)	(44,112)	(251,368)	608,996	357,628
21	Total Operating Revenue Deductions	822,320	1,120,894	1,943,215	139,777	2,082,992	115,367	2,198,359	633,276	2,831,635
22	Utility Operating Income	(89,886)	(24,092)	(113,978)	(133,809)	(247,787)	(108,468)	(356,255)	1,620,770	1,264,515
23	Income Deductions:									
24	Interest on Long-Term debt	-	279,866	279,866	16,526	296,392	22,197	318,589		318,589
25	Amort. Of debt discount & expense	-	-	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(1,080)	1,080	-	-	-	-	-		-
28	Total Income Deductions	(1,080)	280,947	279,866	16,526	296,392	22,197	318,589	-	318,589
29	Net Income	$ (88,806)	$ (305,039)	$ (393,845)	$ (150,334)	$ (544,179)	$ (130,665)	$ (674,844)	$ 1,620,770	$ 945,926
30	Preferred Dividend									
31	Net Income-Common	$ (88,806)	$ (305,039)	$ (393,845)	$ (150,334)	$ (544,179)	$ (130,665)	$ (674,844)	$ 1,620,770	$ 945,926

AQUA PENNSYLVANIA, INC. - SHENANDOAH

REVENUE, EXPENSE & RATE BASE REVISIONS MADE TO EXHIBIT 1-B WATER SHENANDOAH

LINE NO.	DESCRIPTION	SCHEDULE	REFERENCE	CATEGORY	PROPOSED RATES ORIGINAL CLAIM	PROPOSED RATES REVISED CLAIM	COMPANY WITNESS	ADJUSTMENT $
1	Correction: Miscellaneous Revenue at Present Rates	Schedule B-1		Revenue		20,183	Gregory R. Herbert & Constance Heppenstall	20,183

Total	Revenue	$	20,183
Total	Expense	$	-
Total	Rate Base	$	-

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Metered:							
2	Residential	-	2,675	2,675	2,675	2,675	-	-
3	Commercial	-	214	214	214	214	-	-
4	Industrial	-	4	4	4	4	-	-
5	Public	-	30	30	30	30	-	-
6	Bulk Water	-	-	-	-	-	-	-
7	Private Fire Protection	-	-	-	-	-	-	-
8	Sales to Water Utilities	-	-	-	-	-	-	-
9	Total Metered Customers	-	2,923	2,923	2,923	2,923	-	-
10	Other:							
11	Unmetered	-	21	21	21	21	-	-
12	Availability Charge	-	-	-	-	-	-	-
13	Public Fire Protection	-	3	3	3	3	-	-
14	Private Fire Protection	-	2	2	2	2	-	-
15	Total Customers	-	2,949	2,949	2,949	2,949	-	-

AQUA PENNSYLVANIA, INC. - SHENANDOAH

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
1	Pro Forma Rate Base	Schedule G-1		$	16,013,341
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	1,264,515
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	(356,255)
5	Operating Income Deficit		=	$	1,620,770
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3907
7	Revenue Deficit		=	$	2,254,046

AQUA PENNSYLVANIA, INC. - SHENANDOAH

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ (113,978)	$ 13,541,347	-0.84%
2	Present Rates December 31, 2024	$ (247,787)	$ 15,429,265	-1.61%
3	Present Rates December 31, 2025	$ (356,255)	$ 16,013,341	-2.22%
4	Proposed Rates December 31, 2025	$ 1,264,515	$ 16,013,341	7.90%

AQUA PENNSYLVANIA, INC. - SHENANDOAH

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**0.440%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9892
7	State Tax Rate	**7.990%**		
8	State Tax $$ ==========>		$	0.0790
9	State Factor		$	0.9102
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ==========>		$	0.1911
12	Combined Income Tax Factor on Gross Revenues			27.02%
13	Net Operating Income Factor			**71.90%**
14	Gross Revenue Conversion Factor			**1.39073**

AQUA PENNSYLVANIA, INC. - SHENANDOAH

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Metered Sales:										
2	Residential	$ 588,775	$ 868,383	$ 1,457,158	$ (7,015)	$ 1,450,143	$ (0)	$ 1,450,143	120.0%	$ 1,740,020	$ 3,190,162
3	Commercial	100,820	112,990	213,811	5,833	219,644	-	219,644	107.5%	236,078	455,722
4	Industrial	26,436	37,455	63,891	-	63,891	-	63,891	168.3%	107,553	171,444
5	Public	2,673	54,055	56,728	250	56,978	-	56,978	167.7%	95,539	152,517
6	Bulk Water	-	-	-	-	-	-	-	0.0%		-
7	Private Fire Protection	-	-	-	-	-	-	-	0.0%		-
8	Sales to Water Utilities	-	-	-	-	-	-	-	0.0%	-	-
9	Total Metered Sales	718,704	1,072,884	1,791,588	(932)	1,790,656	(0)	1,790,655	121.7%	2,179,190	3,969,845
10	Other:										
11	Unmetered	-	-	-	-	-	-	-	0.0%	-	-
12	Availability Charge	-	-	-	-	-	-	-	0.0%		-
13	Public Fire Protection	3,028	5,141	8,170	-	8,170	-	8,170	916.2%	74,856	83,026
14	Private Fire Protection	4,339	18,757	23,096	-	23,096	-	23,096	0.0%	-	23,096
15	Total Sales to General Customers	726,071	1,096,782	1,822,854	(932)	1,821,922	(0)	1,821,921	123.7%	2,254,046	4,075,967
16	Other Water Revenue:										
17	Forfeited Discounts	-	-	-	-	-	-	-	0.0%		-
18	Miscellaneous Service Revenue	6,363	20	6,383	6,900	13,283	6,900	20,183	0.0%		20,183
19	Sub-Total	6,363	20	6,383	6,900	13,283	6,900	20,183	0.0%	-	20,183
20	Total Operating Revenue	$ 732,434	$ 1,096,802	$ 1,829,237	$ 5,968	$ 1,835,205	$ 6,900	$ 1,842,104	122.4%	$ 2,254,046	$ 4,096,150

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 732,434				
2	Present Rates at 12/31/23					$ 1,829,237		
3	Present Rates at 12/31/24							$ 1,835,205
4	Unbilled Revenue Adjustment	Schedule B-3	(113,473)		-		-	
5	Page Held For Future Use	Schedule B-4	-		-		-	
6	Page Held For Future Use	Schedule B-5	-		-		-	
7	Customer Assistance Program	Schedule B-6	216		(12,262)		(0)	
8	Page Held For Future Use	Schedule B-7	-		-		-	
9	Miscellaneous Revenue Adjustments	Schedule B-8	-		6,900		6,900	
10	Specific Customer Adjustments	Schedule B-9	-		11,330		-	
11	Annualization Of Acquisition	Schedule B-10	1,210,059		-		-	
12	Pro Forma Adjustment			1,096,802		5,968		6,900
13	Pro Forma Present Rates at December 31, 2023			$ 1,829,237				
14	Pro Forma Present Rates at December 31, 2024					$ 1,835,205		
15	Pro Forma Present Rates at December 31, 2025							$ 1,842,104

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT
1	Metered Sales:	
2	Residential	$ 90,313
3	Commercial	14,638
4	Industrial	3,915
5	Public	4,466
6	Bulk Water	-
7	Private Fire Protection	-
8	Sales to Water Utilities	
9	Total Metered Sales	113,333
10	Other:	
11	Unmetered	
12	Availability Charge	
13	Public Fire Protection	45
14	Private Fire Protection	94
15	Total Sales to General Customers	113,473
16	Other Water Revenue:	
17	Forfeited Discounts	
18	Miscellaneous Service Revenue	
19	Sub-Total	-
20	Total Operating Revenue	$ 113,473

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CUSTOMER ASSISTANCE PROGRAM

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Metered Sales:				
2	Residential	$ (1,748)	$ (1,532)	$ (13,794)	$ (13,794)
3	Commercial				
4	Industrial				
5	Public				
6	Bulk Water				
7	Private Fire Protection				
8	Sales to Water Utilities				
9	Total Metered Sales	(1,748)	(1,532)	(13,794)	(13,794)
10	Other:				
11	Unmetered				
12	Availability Charge				
13	Public Fire Protection				
14	Private Fire Protection				
15	Total Sales to General Customers	(1,748)	(1,532)	(13,794)	(13,794)
16	Other Water Revenue:				
17	Forfeited Discounts				
18	Miscellaneous Service Revenue				
19	Sub-Total	-	-	-	-
20	Total Operating Revenue	$ (1,748)	$ (1,532)	$ (13,794)	$ (13,794)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2023 AMOUNT
1	Metered Sales:			
2	Residential		$ -	$ -
3	Commercial		-	-
4	Industrial		-	-
5	Public		-	-
6	Bulk Water		-	-
7	Private Fire Protection		-	-
8	Sales to Water Utilities		-	-
9	Total Metered Sales	-	-	-
10	Other:			
11	Unmetered		-	-
12	Availability Charge		-	-
13	Public Fire Protection		-	-
14	Private Fire Protection		-	-
15	Total Sales to General Customers	-	-	-
16	Other Water Revenue:			
17	Forfeited Discounts		-	-
18	Miscellaneous Service Revenue		-	-
19	Sub-Total	-	-	-
20	Total Operating Revenue	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

SPECIFIC CUSTOMER ADJUSTMENTS

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2024 ADJUSTMENT
1	Metered Sales:		
2	Residential	(a)	$ 5,247
3	Commercial	(a)	5,833
4	Industrial		
5	Public	(a)	250
6	Bulk Water		
7	Private Fire Protection		
8	Sales to Water Utilities		
9	Total Metered Sales		11,330
10	Other:		
11	Unmetered		
12	Availability Charge		
13	Public Fire Protection		
14	Private Fire Protection		
15	Total Sales to General Customers		11,330
16	Other Water Revenue:		
17	Forfeited Discounts		
18	Miscellaneous Service Revenue		
19	Sub-Total		-
20	Total Operating Revenue		$ 11,330

(a) Refer to AP Statement No. 10

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

ANNUALIZATION OF ACQUISITION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 ADJUSTMENT
1	Metered Sales:	
2	Residential	$ 958,480
3	Commercial	127,629
4	Industrial	41,371
5	Public	58,521
6	Bulk Water	
7	Private Fire Protection	
8	Sales to Water Utilities	
9	Total Metered Sales	1,186,001
10	Other:	
11	Unmetered	
12	Availability Charge	
13	Public Fire Protection	5,187
14	Private Fire Protection	18,851
15	Total Sales to General Customers	1,210,039
16	Other Water Revenue:	
17	Forfeited Discounts	
18	Miscellaneous Service Revenue	20
19	Sub-Total	20
20	Total Operating Revenue	$ 1,210,059

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		Source of Supply				
2		-Operations-				
3	6151	Purchased Power	9,763	10,401	23,713	30,051
4	6201	Supplies	5,856	5,856	5,998	6,136
5		-Maintenance-				
6	6202	Supplies	6,754	6,754	6,917	7,077
7						
8		Total Source of Supply Expense	$ 22,373	$ 23,010	$ 36,628	$ 43,263
9						
10		--Treatment--				
11		-Operations-				
12	6013	Labor	150,454	150,454	243,640	248,480
13	6043	Employee Benefits	48,761	48,761	49,944	51,092
14	6153	Purchased Power	3,133	3,338	7,611	9,645
15	6183	Chemicals	30,680	100,232	126,102	158,649
16	6203	Supplies	15,315	20,315	20,807	21,286
17	6353	OS Lab Testing	15,248	15,248	15,618	15,977
18	6363	OS Other	23,650	23,650	24,224	24,781
19	6503	Transportation	14,803	40,942	41,935	42,900
20		-Maintenance-				
21	6204	Supplies	1,532	1,532	1,569	1,605
22	6364	OS Other	216,313	216,313	221,558	226,654
23						
24		Total Treatment Expense	$ 519,889	$ 620,785	$ 753,008	$ 801,069
25						
26		--Transmission and Distribution--				

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
27		-Operations-				
28	6015	Labor	2,762	2,762	4,472	4,561
29	6045	Employee Benefits	1,281	1,281	1,312	1,343
30	6155	Purchased Power	67,402	71,802	163,707	207,459
31	6205	Supplies	109	109	112	115
32	6365	OS Other	82,895	82,895	84,905	86,858
33	6415	Leases	576	576	576	576
34	6505	Transportation	179	179	183	188
35	6755	Other	242	242	248	254
36		-Maintenance-				
37	6016	Labor	3,301	3,301	5,346	5,452
38	6046	Employee Benefits	300	300	307	314
39	6206	Supplies	644	644	660	675
40	6366	OS Other	12,696	12,696	13,003	13,302
41	6506	Transportation	56	56	57	59
42						
43		Total Transmission and Distribution Expense	$ 172,443	$ 176,843	$ 274,890	$ 321,155
44						
45		--Customer Accounting--				
46	6017	Labor	12,571	12,571	20,357	20,761
47	6047	Employee Benefits	4,490	4,490	4,599	4,705
48	6207	Supplies	323	323	330	338
49	6507	Transportation	829	829	849	869
50	6707	Bad Debt	3,979	8,022	8,017	8,017
51						
52		Total Customer Accounting Expense	$ 22,192	$ 26,234	$ 34,153	$ 34,690

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
53						
54		--Administrative and General--				
55	6018	Labor	39,836	39,836	64,508	65,790
56	6038	Labor	3,516	3,516	5,694	5,807
57	6048	Employee Benefits	15,063	72,631	150,248	153,057
58	6158	Purchased Power	122	129	295	374
59	6328	OS Accounting	-	3,981	3,914	3,945
60	6349	Management Fees	-	169,744	174,923	180,210
61	6368	OS Other	8,119	108,119	110,741	113,288
62	6508	Transportation	2,804	2,804	2,872	2,939
63	6568	Insurance	-	670	700	763
64	6578	Insurance	-	21,826	22,723	24,673
65	6588	Insurance	-	4,492	4,678	5,081
66	6598	Insurance	-	9,874	10,416	11,597
67	6758	Other	2,277	2,277	2,332	2,386
68	6668	Amortization of Rate Case	-	-	-	7,668
69						
70		Total Admin & General Expense	$ 71,737	$ 439,901	$ 554,045	$ 577,579
71						
72		Total Operating Expenses	$ 808,634	$ 1,286,774	$ 1,652,725	$ 1,777,756

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 212,440	$ -	$ 212,440	$ 131,578	$ 344,017	$ 6,834	$ 350,852
2	Employee Benefits	69,896	57,568	127,464	78,947	206,410	4,101	210,511
3	Purchased Water	-	-	-	-	-	-	-
4	Purchased Wastewater	-	-	-	-	-	-	-
5	Sludge	-	-	-	-	-	-	-
6	Purchased Power	80,420	5,249	85,670	109,657	195,327	52,201	247,528
7	Chemicals	30,680	69,552	100,232	25,870	126,102	32,547	158,649
8	Supplies	30,532	5,000	35,532	862	36,394	837	37,231
9	OS Engineer	-	-	-	-	-	-	-
10	OS Accounting	-	3,981	3,981	(67)	3,914	30	3,945
11	OS Legal	-	-	-	-	-	-	-
12	OS Lab Testing	15,248	-	15,248	370	15,618	359	15,977
13	OS Other	343,673	100,000	443,673	10,759	454,432	10,452	464,884
14	Management Fees	-	169,744	169,744	5,179	174,923	5,287	180,210
15	Leases	576	-	576	-	576	-	576
16	Transportation	18,671	26,140	44,811	1,087	45,897	1,056	46,953
17	Insurance	-	36,863	36,863	1,654	38,517	3,598	42,115
18	Other	2,519	-	2,519	61	2,580	59	2,639
19	Bad Debt	3,979	4,042	8,022	(4)	8,017	(0)	8,017
20	Amortization of Rate Case	-	-	-	-	-	7,668	7,668
21	Amortization of UPAA	-	-	-	-	-	-	-
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	-	-
24	Total Operating Expenses	$ 808,634		$ 1,286,774		$ 1,652,725		$ 1,777,756
25	Pro Forma Adjustments		$ 478,140		$ 365,951		$ 125,031	
26	Uncollectibles @ Proposed Rates							$ 9,919
27	Proposed Rates @ 12/31/25							$ 1,787,675

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 808,634				
2	Present Rates at 12/31/23					$ 1,286,774		
3	Present Rates at 12/31/24							$ 1,652,725
4	Present Rates at 12/31/25							
5	General Price Level Adjustment	Schedule C-4.1	-		14,130		13,727	
6	Uncollectible Accounts	Schedule C-4.2	4,042		(4)		(0)	
7	Additional Cost Of Serving Customers	Schedule C-4.3	-		-		-	
8	Rate Case Expense	Schedule C-4.4	-		-		7,668	
9	Payroll	Schedule C-4.5	-		131,578		6,834	
10	Insurance Expense	Schedule C-4.6	36,863		1,654		3,598	
11	Management Service & Sundry	Schedule C-4.7	169,744		4,188		4,324	
12	Page Held For Future Use	Schedule C-4.8	-		-		-	
13	Miscellaneous Expense Adjustments	Schedule C-4.9	131,140		-		-	
14	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
15	Audit Fee Expense	Schedule C-4.11	3,981		(67)		30	
16	Page Held For Future Use	Schedule C-5.1	-		-		-	
17	Purchased Power Expense	Schedule C-6.1	5,249		109,657		52,201	
18	Chemicals	Schedule C-6.2	69,552		25,870		32,547	
19	Purchased Water Expense	Schedule C-7.1	-		-		-	
20	Water Production Adjustment	Schedule C-7.2	-		-		-	
21	Employee Benefits	Schedule C-8.1	57,568		78,947		4,101	
22	Page Held For Future Use	Schedule C-9.1	-		-		-	
23	Page Held For Future Use	Schedule C-9.2	-		-		-	
24	Page Held For Future Use	Schedule C-10.1	-		-		-	
25	Page Held For Future Use	Schedule C-10.2	-		-		-	
26	Pro Forma Adjustments			$ 478,140		$ 365,951		$ 125,031
27	Pro Forma Present Rates at December 31, 2023			$ 1,286,774				
28	Pro Forma Present Rates at December 31, 2024					$ 1,652,725		
29	Pro Forma Present Rates at December 31, 2025							$ 1,777,756

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 1,286,774	
3	Present Rates 12/31/2024		$ 1,652,725
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	212,440	344,017
6	Employee Benefits	127,464	206,410
7	Purchased Water	-	-
8	Purchased Power	85,670	195,327
9	Chemicals	100,232	126,102
10	Supplies	-	-
11	OS Engineer	-	-
12	OS Accounting	3,981	3,914
13	OS Legal	-	-
14	OS Lab Testing	-	-
15	OS Other	-	-
16	Management Fees	128,849	133,037
17	Leases	576	576
18	Transportation	-	-
19	Insurance	36,863	38,517
20	Other	-	-
21	Bad Debt	8,022	8,017
22	Amortization of Rate Case	-	-
23	Amortization of UPAA	-	-
24	Amortization of Tank Painting	-	-
25	Amortization Other	-	-
26	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 704,096	$ 1,055,917
27	Total Operating Expenses Subject to Effects of Inflation	$ 582,678	$ 596,808
28	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
29	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 14,130	$ 13,727

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)			
1	First Quarter	2024	2.500%	(a)
2	Second Quarter	2024	2.500%	(a)
3	Third Quarter	2024	2.400%	(a)
4	Fourth Quarter	2024	2.300%	(a)
5	Annual Average for the Period Ending 12/31/2024		2.425%	
6	First Quarter	2025	2.300%	(b)
7	Second Quarter	2025	2.300%	(b)
8	Third Quarter	2025	2.300%	(b)
9	Fourth Quarter	2025	2.300%	(b)
10	Annual Average for the Period Ending 12/31/2025		2.300%	

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 0.44006% with regard to sales to general customers.

LINE NO.	DESCRIPTION	PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue	$ 726,071	$ 1,822,854	$ 1,821,922	$ 1,821,921	
2	Annualized Uncollectible Account based on Experience Factor @ 0.44006%		8,022	8,017	8,017	‡
3	Less: Amount Charged to Operating Expense					
4	During the Twelve Months Ended 12/31/2023		3,979			
5	Less: Present Rates 12/31/2023			8,022		
6	Less: Present Rates 12/31/2024				8,017	
7	Increase/(Decrease)		$ 4,042	$ (4)	$ (0)	
8	Pro Forma Adjustment:					
9	6707		$ 4,042	$ (4)	$ (0)	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADDITIONAL COST OF SERVING CUSTOMERS

The Company computes the additional cost of providing service to customers connected during the three years ending December 31, 2025, exclusive of acquisitions.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT
1	Estimated Additional Revenue from New Customers		
2	connected during the three years ended December 31, 2025	Schedule B-5	$ -
3	Operating Ratio		22.56%
4	Cost of Providing Service to New Customers		$ -
5	The operating ratio specifically related to the adjusted cost of serving new customers		
6	was computed as follows:		
7	Purchased Power Expense		$ 247,528
8	Chemical Expense		$ 158,649
9	Bill Processing & Postage Expense		9,381
10	Purchased Water Expense		$ -
11	Total		$ 415,558
12	Total Water Sales at Present Rates	Schedule B-1	$ 1,842,104
13	Operating Ratio		22.56%
14	Pro Forma Adjustment:		
15	6161		$ -
16	6183		$ -
17	6367		$ -
18	6101		$ -
19	Total		$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of water customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Water - Current Exhibit	0.59%	$	15,336	$ 7,668
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	-	$ 7,668 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			-	
19	Less: Present Rates 12/31/2024				-
20	Increase/(Decrease)		$	-	$ 7,668
21	Pro Forma Adjustment:				
22	6668				$ 7,668

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ 144,912	$ 148,313	
3	Capital Payroll		45,894	46,971	
4	Non-Operating Payroll		1,710	1,750	
5	Expense Payroll	60,090	97,308	99,592	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ 37,218	$ 2,284	
7	**Union Payroll**				
8	Gross Payroll		$ 367,400	$ 374,176	
9	Capital Payroll		116,356	118,502	
10	Non-Operating Payroll		4,335	4,415	
11	Expense Payroll	152,349	246,709	251,259	‡
12	Union Expense Payroll Increase/(Decrease)		$ 94,360	$ 4,550	
13	Total Expense Payroll Increase/(Decrease)		$ 131,578	$ 6,834	
14	Pro Forma Adjustment:				
15	6011		$ -	$ -	
16	6012		$ -	$ -	
17	6013		$ 93,186	$ 4,840	
18	6014		$ -	$ -	
19	6015		$ 1,710	$ 89	
20	6016		$ 2,045	$ 106	
21	6017		$ 7,786	$ 404	
22	6018		$ 24,673	$ 1,282	
23	6038		$ 2,178	$ 113	
24	65052		$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		$ 29,248	$ 28,566	$ 31,423	
2	Workers Compensation		6,019	5,915	6,506	
3	Vehicle		898	932	1,025	
4	Other (Exec Risk, Property, Surety Bond)		13,232	17,247	18,971	
5			49,398	52,660	57,926	
6	Capitalized portion not charged to operating expense	31.67%	(15,644)	(16,677)	(18,345)	
7	Property Damages		3,109	2,534	2,534	
8	Subtotal Insurance		$ 36,863	$ 38,517	$ 42,115	‡
						‡
9	Less: Amount Charged to Operating Expense					
10	During the Twelve Months Ended 12/31/2023		-			
11	Less: Present Rates 12/31/2023			36,863		
12	Less: Present Rates 12/31/2024				38,517	
13	Increase/(Decrease)		$ 36,863	$ 1,654	$ 3,598	
14	Pro Forma Adjustment:					
15	6578		$ 21,826	$ 897	$ 1,952	
16	6588		$ 4,492	$ 186	$ 404	
17	6568		$ 670	$ 29	$ 64	
18	6598		$ 9,874	$ 542	$ 1,178	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 128,849	$ 128,849	$ 133,037	‡
2	Payroll & Benefit Increase		4,188	4,324	‡
3	Management Fees All Other	40,895	40,895	40,895	
4	Total Expense Claim	$ 169,744	$ 173,932	$ 178,255	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	-			
7	Less: Present Rates 12/31/2023		169,744		
8	Less: Present Rates 12/31/2024			173,932	
9	Increase/(Decrease)	$ 169,744	$ 4,188	$ 4,324	
10	Pro Forma Adjustment:				
11	6349	$ 169,744	$ 4,188	$ 4,324	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	OM OS Other	$ 100,000		
2	Supplies	5,000		
3	Transportation	26,140		
4	Increase/(Decrease)	$ 131,140	$ -	$ -
5	Pro Forma Adjustment:			
6	6368	$ 100,000		
7	6203	$ 5,000		
8	6503	$ 26,140		

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	$ 576	$ 576	$ 576	‡
2	Total Specific Expenses Not Subject to Increase	$ 576	$ 576	$ 576	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 5,826	$ 5,728	$ 5,773	
			5,826	5,728	5,773	
2	Capitalized portion not charged to operating expense	31.67%	(1,845)	(1,814)	(1,828)	
3	Subtotal Audit Fees		$ 3,981	$ 3,914	$ 3,945	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		-			
6	Less: Present Rates 12/31/2023			3,981		
7	Less: Present Rates 12/31/2024				3,914	
8	Increase/(Decrease)		$ 3,981	$ (67)	$ 30	
9	Pro Forma Adjustment:					
10	6328		$ 3,981	$ (67)	$ 30	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	ORIGINAL ACQUISITION ADJUSTMENT	DATE OF OWNERSHIP	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 85,670	$ 195,327	$ 247,528	
2	Claimed Purchased Power Expense - Gas	-	-	-	
3		$ 85,670	$ 195,327	$ 247,528	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	80,420			
6	Less: Present Rates 12/31/2023		85,670		
7	Less: Present Rates 12/31/2024			195,327	
8	Increase/(Decrease)	$ 5,249	$ 109,657	$ 52,201	
9	Pro Forma Adjustment:				
10	6151	$ 637	$ 13,313	$ 6,337	
11	6153	$ 205	$ 4,273	$ 2,034	
12	6155	$ 4,400	$ 91,906	$ 43,751	
13	6158	$ 8	$ 166	$ 79	
14	6161	$ -	$ -	$ -	
15	6163	$ -	$ -	$ -	
16	6165	$ -	$ -	$ -	
17	6167	$ -	$ -	$ -	
18	6168	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	PP&L	Shenandoah	865,937	$ 85,670	1,974,336	$ 195,327	1,974,336	$ 247,528
2				$ 85,670		$ 195,327		$ 247,528

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The company utilizes various chemicals in the water treatment process. The chemical expense claim is based on the total production gallons annualized for the twelve months ended December 31, 2023 multiplied by the normalized chemical treatment cost per million gallons. The cost per million gallons for the historic test year was increased by an average year over year growth rate to arrive at the treatment cost per million gallons for the future and fully projected future test years.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Chemical Treatment Cost Per Million Gallons	$ 130.72	$ 164.46	$ 206.91	
2	Claimed Production Sendout	0,767 MG			
3	Claimed Chemical Expense	$ 100,232	$ 126,102	$ 158,649	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	30,680			
6	Less: Present Rates 12/31/2023		100,232		
7	Less: Present Rates 12/31/2024			126,102	
8	Increase/(Decrease)	$ 69,552	$ 25,870	$ 32,547	
9	Pro Forma Adjustment:				
10	6183	$ 69,552	$ 25,870	$ 32,547	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WATER EXPENSE

The Company is not making a claim for Purchased Water expense for Shenandoah in this case.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Water Expense	$ -	$ -	‡
2	Less: Amount Charged to Operating Expense			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2024		-	
5	Increase/(Decrease)	$ -	$ -	
6	Pro Forma Adjustment:			
7	6101	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

Docket No. R-2024-3047822
Exhibit 1-B

Schedule C-7.2
Witness: Christopher E. Manning

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

WATER PRODUCTION ADJUSTMENT

The company is claiming an increase to the costs associated with increased production caused by the adjustment to consumption in the future and fully projected future test years.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	The production cost specifically related to the adjusted cost of the change in production			
2	was computed as follows:			
3	Purchased Power Expense	Schedule C-6.1	$ 195,327	$ 247,528
4	Chemical Expense	Schedule C-6.2	$ 126,102	$ 158,649
5			$ 321,429	$ 406,177
6	Estimated Production Gallons (Thousands)		766,753	766,753
7	Production Cost per 1,000 Gallons		$ 0.42	$ 0.53
8				
9				
10	Estimated Change in Production Gallons (Thousands)		-	-
11	Total Production Cost Increase / (Decrease)		$ -	$ -
12	Pro Forma Adjustment:			
13	6153		$ -	$ -
14	6183		$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE BENEFITS

The Company offers group insurance coverage to all full time employees. The following amounts summarize the Company's estimated annualized group insurance expense, less the employee co-pay, and adjusted for the portion not charged to operations. This results from the calculation of group insurance levels projected to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Water Intracompany Benefits	$ 127,464	$ 206,410	$ 210,511	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	69,896			
4	Less: Present Rates 12/31/2023		127,464		
5	Less: Present Rates 12/31/2024			206,410	
6	Increase/(Decrease)	$ 57,568	$ 78,947	$ 4,101	
7	Pro Forma Adjustment:				
8	6048	$ 57,568	$ 78,947	$ 4,101	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Legal Expense Claim (3 Year Average)				‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	-			
4	Less: Present Rates 12/31/2023		-		
5	Less: Present Rates 12/31/2024			-	
6	Increase/(Decrease)	$ -	$ -	$ -	
7	Pro Forma Adjustment:				
8	6338	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 775,136	$ 625,829	$ 660,234
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	711		
4	Less: Present Rates 12/31/2023		775,136	
5	Less: Present Rates 12/31/2024			625,829
6	Increase/(Decrease)	$ 774,425	$ (149,307)	$ 34,405
7	Pro Forma Adjustment:			
8		$ 774,425	$ (149,307)	$ 34,405

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 12,975						
2	Present Rates at 12/31/23				$ 11,655				
3	Present Rates at 12/31/24						$ 11,693		
4	Present Rates at 12/31/25								$ 11,737
5	General Assessment Fees By The Pennsylvania Public Utility Commission	7,911		26		30		9,748	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	3,744		12		14		4,613	
7	Public Utility Realty Tax	-		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Payroll Taxes	(12,975)		-		-			
10	Pro Forma Adjustment		$ (1,320)		$ 38		$ 44		$ 14,362
11	Pro Forma Present Rates at December 31, 2023		$ 11,655						
12	Pro Forma Present Rates at December 31, 2024				$ 11,693				
13	Pro Forma Present Rates at December 31, 2025						$ 11,737		
14	Pro Forma Proposed Rates at December 31, 2025								$ 26,098

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 1,829,237	$ 1,835,205	$ 1,842,104	$ 4,096,150
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	7,911	7,937	7,967	17,715
4	Total General Assessment Fees		$ 7,911	$ 7,937	$ 7,967	$ 17,715
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		-			
7	Less: Present Rates 12/31/2023			7,911		
8	Less: Present Rates 12/31/2024				7,937	
9	Less: Present Rates 12/31/2025					7,967
10	Increase/(Decrease)		$ 7,911	$ 26	$ 30	$ 9,748
11	Pro Forma Adjustment:					
12	4081		$ 7,911	$ 26	$ 30	$ 9,748

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 1,829,237	$ 1,835,205	$ 1,842,104	$ 4,096,150
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	3,187	3,198	3,210	7,137
4	Small Business Advocate Fee At	0.000303478942	555	557	559	1,243
5	Damage Prevention Fee At	0.000000719937	1	1	1	3
6	Total General Assessment Fees		$ 3,744	$ 3,756	$ 3,770	$ 8,383
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			3,744		
10	Less: Present Rates 12/31/2024				3,756	
11	Less: Present Rates 12/31/2025					3,770
12	Increase/(Decrease)		$ 3,744	$ 12	$ 14	$ 4,613
13	Pro Forma Adjustment:					
14	4081		$ 3,744	$ 12	$ 14	$ 4,613

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made move payroll taxes per books to Intracompany Benefits, Schedule C-8.1, for ratemaking purposes.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI				
2	FICA Medicare				
3	FICA Total		-	-	-
4	FUTA				
5	SUTA				
6	Annualized Payroll Taxes		-	-	-
7	Capitalized portion not charged to operating expense	31.67%	-	-	-
8	Sub-Total		$ -	$ -	$ -
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		12,975		
11	Less: Present Rates 12/31/2023			-	
12	Less: Present Rates 12/31/2024				-
13	Increase/(Decrease)		$ (12,975)	$ -	$ -
14	Pro Forma Adjustment:				
15	40812		$ (12,975)	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

6			PRESENT RATES			PRESENT RATES			PRESENT RATES	
7	Calculation of Interest:		12/31/23			12/31/24			12/31/25	
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$	13,541,347	Schedule G-1 Col 4, Row 15	$	15,429,265	Schedule G-1 Col 5, Row 15	$	16,013,341
9	Applicable Percentage			48.52%			45.31%			46.05%
10	Applicable Portion of Rate Base		$	6,569,636		$	6,990,379		$	7,374,747
11	Cost Rate			4.26%			4.24%			4.32%
12	Pro-Forma Long-term Interest Expense		$	279,866		$	296,392		$	318,589
13	Less: Interest on Long Term Debt Per Books 12/31/23			-						
14	Less: Interest on Long Term Debt Present Rates at 12/31/23						279,866			
15	Less: Interest on Long Term Debt Present Rates at 12/31/24									296,392
16	Long Term Debt Pro Forma Adjustment		$	279,866		$	16,526		$	22,197

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

Since the debt discount and expense is considered in calculating the cost rate of debt used to calculate interest on long-term debt, it should be eliminated.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ -	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (1,080)	$ -	$ -
2	Eliminate Interest During Construction	1,080	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 1,080	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT	PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ (54,544)	$ (141,695)	$ (174,065)	$ 256,773
2	Less: Per Book	Schedule A-1	-			
3	Less: Present Rates at 12/31/23			(54,544)		
4	Less: Present Rates at 12/31/24				(141,695)	
5	Less: Present Rates at 12/31/25					(174,065)
6	Pro Forma Adjustment		$ (54,544)	$ (87,150)	$ (32,370)	$ 430,838
7	State Income Tax - Current	Schedule F-2	$ (25,657)	$ (62,600)	$ (71,979)	$ 106,180
8	Less: Per Book	Schedule A-1	-			
9	Less: Present Rates at 12/31/23			(25,657)		
10	Less: Present Rates at 12/31/24				(62,600)	
11	Less: Present Rates at 12/31/25					(71,979)
12	Pro Forma Adjustment		$ (25,657)	$ (36,943)	$ (9,379)	$ 178,158
13	Federal Income Tax - Deferred	Schedule F-2	$ (50,148)	$ (2,960)	$ (5,324)	$ (5,324)
14	Less: Per Book	Schedule A-1	-			
15	Less: Present Rates at 12/31/23			(50,148)		
16	Less: Present Rates at 12/31/24				(2,960)	
17	Less: Present Rates at 12/31/25					(5,324)
18	Pro Forma Adjustment		$ (50,148)	$ 47,188	$ (2,364)	$ -
19	State Income Tax - Deferred	Schedule F-2	$ -	$ -	$ -	$ -
20	Less: Per Book	Schedule A-1	-			
21	Less: Present Rates at 12/31/23			-		
22	Less: Present Rates at 12/31/24				-	
23	Less: Present Rates at 12/31/25					-
24	Pro Forma Adjustment		$ -	$ -	$ -	$ -
25	Income Tax Credit Amortization	Schedule F-2	$ -	$ -	$ -	$ -
26	Less: Per Book	Schedule A-1	-			
27	Less: Present Rates at 12/31/23			-		
28	Less: Present Rates at 12/31/24				-	
29	Less: Present Rates at 12/31/25					-
30	Pro Forma Adjustment		$ -	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ (244,328)	$ (244,328)	$ (455,042)	$ (455,042)	$ (607,622)	$ (607,622)	$ 1,622,143	$ 1,622,143
2	Interest Expense	Schedule A-1	(279,866)	(279,866)	(296,392)	(296,392)	(318,589)	(318,589)	(318,589)	(318,589)
3	State Income Tax	[12]	25,657		62,600		71,979		(106,180)	
4	Tax Repair Deduction		-	-	-	-	-	-	-	-
5	Book Depreciation	Schedule A-1	775,136	775,136	625,829	625,829	660,234	660,234	660,234	660,234
6	Tax Depreciation		(536,334)	(536,334)	(611,732)	(611,732)	(634,882)	(634,882)	(634,882)	(634,882)
7	COR & Other Basis Differences, net of book		-	-	-	-	-	-	-	-
8	Taxable Income	Sum of Lines [1] : [7]	$ (259,736)	$ (285,392)	$ (674,738)	$ (737,337)	$ (828,881)	$ (900,860)	$ 1,222,727	$ 1,328,906
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	(54,544)	(25,657)	(141,695)	(62,600)	(174,065)	(71,979)	256,773	106,180
11	Other - NOL		-	-	-	-	-	-	-	-
12	Total - Current Income Tax	[10] + [11]	$ (54,544)	$ (25,657)	$ (141,695)	$ (62,600)	$ (174,065)	$ (71,979)	$ 256,773	$ 106,180
13	Normalized Book Depreciation		(775,136)	-	(625,829)	-	(660,234)	-	(660,234)	-
14	Normalized Tax Depreciation		536,334	-	611,732	-	634,882	-	634,882	-
15	Normalized Basis Differences		-	-	-	-	-	-	-	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	(50,148)	-	(2,960)	-	(5,324)	-	(5,324)	-
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	-	-	-	-	-
19	Flowback of Catch Up Adjustment		-	-	-	-	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		-	-	-	-	-	-	-	-
21	Flowback of TCJA 2017 - 10 Years		-	-	-	-	-	-	-	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	-	-	-	-
23	Flowback of Tax Repairs Collar		-	-	-	-	-	-	-	-
24	Total Flow Through	Sum of Lines [19] : [23]	-	-	-	-	-	-	-	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ (50,148)	$ -	$ (2,960)	$ -	$ (5,324)	$ -	$ (5,324)	$ -
26	Amortization of Income Tax Credit		-	-	-	-	-	-	-	-
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ (104,693)	$ (25,657)	$ (144,655)	$ (62,600)	$ (179,389)	$ (71,979)	$ 251,449	$ 106,180

AQUA PENNSYLVANIA, INC. - SHENANDOAH

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 13,474,666	$ 16,065,109	$ 17,240,275
2	Utility Plant Acquisition Adjustment	Schedule G-3	-	-	-
3			13,474,666	16,065,109	17,240,275
4	Less: Accumulated Depreciation	Schedule G-2	(66,319)	(771,805)	(1,368,218)
5	Net Plant in Service		13,408,347	15,293,305	15,872,057
6	Additions:				
7	Materials & Supplies	Schedule G-4	-	-	-
8	Cash Working Capital	Schedule G-5	133,000	133,000	133,000
9			133,000	133,000	133,000
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	-	-	-
12	Deferred Income Taxes	Schedule G-7	-	2,960	8,284
13	Investment Tax Credit		-	-	-
14			-	2,960	8,284
15	Total Rate Base		$ 13,541,347	$ 15,429,265	$ 16,013,341

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 13,474,666	$ 13,474,666	$ 16,065,109
2	Plus: Additions		2,692,071	1,213,000
3	Less: Retirements		(101,628)	(37,834)
4	Utility Plant in Service	$ 13,474,666	$ 16,065,109	$ 17,240,275
5	Accumulated Depreciation	$ (66,319)	$ (771,805)	$ (1,368,218)

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

The Company's claim for materials and supplies at December 31, 2024 and December 31, 2025 is calculated on the basis of the average monthly balances in the materials and supplies account during the period December 2022 to December 2023.

LINE NO.	MONTH	YEAR	BALANCE
1	December	2022	$ -
2	January	2023	-
3	February	2023	-
4	March	2023	-
5	April	2023	-
6	May	2023	-
7	June	2023	-
8	July	2023	-
9	August	2023	-
10	September	2023	-
11	October	2023	-
12	November	2023	-
13	December	2023	-
14	Total		$ -
15	13 Month Average		$ -
16	Allowance for Materials & Supplies		
17	At 12/31/2024 and 12/31/2025		$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ 168,000	$ 168,000	$ 168,000
2	Cash Working Capital - Taxes	Schedule G-5.3	(6,000)	(6,000)	(6,000)
3	Cash Working Capital - Interest	Schedule G-5.4	(29,000)	(29,000)	(29,000)
4	Total Cash Working Capital Requirement		$ 133,000	$ 133,000	$ 133,000

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH (1)	YEAR (2)	BALANCE (3)
1	December	2022	
2	January	2023	
3	February	2023	
4	March	2023	
5	April	2023	
6	May	2023	
7	June	2023	
8	July	2023	
9	August	2023	253,457
10	September	2023	207,135
11	October	2023	172,072
12	November	2023	139,782
13	December	2023	196,001
14	Total		$ 968,447
15	Average Accounts Receivable Balance		$ 193,689
16	Gross Utility Water Revenues recorded		
17	During the Five Months Ended 12/31/2023		$ 732,434
16	Average Daily Billing		$ 4,819
18	Lag in Receipt of Payment		40.2
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		57.4

Reference:
(a) One-half of monthly billing period.

Docket No. R-2024-3047822
Exhibit 1-B

Schedule G-5.2
Witness: Harold C. Walker

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 251,259	5.5	(a)	$ 1,381,926
2	Non-Union Labor	99,592	9.0	(a)	896,332
3	Management Fee	180,210	15.7	(a)	2,829,302
4	Electric Power	247,528	43.3	(a)	10,717,962
5	Water Purchased	0	41.6	(a)	0
6	Employee Group Insurance	206,410	16.3	(a)	3,364,489
7	Liability Insurance	42,115	(46.4)	(a)	(1,954,130)
8	SFI Postage	9,381	(5.4)	(a)	(50,655)
9	Pension	0	440.0	(a)	0
10	SFAS106	0	45.1	(a)	0
11	All Other Expenses (b)	725,574	31.3	(a)	22,710,465
12	Total	$ 1,762,070			$ 39,895,690
13	Average Lag Days in Payment of Expenses		22.6	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		57.4	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		34.8	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 4,828	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ 168,000	[16] * [18]	
20	USE		$ 168,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 7,967	(198.5)	(a)	$ (1,581,418)
2	OCA & SBA - General Assessments	3,770	(198.5)	(a)	(748,351)
3	Public Utility Realty Tax	-	(48.3)	(a)	-
4	Local, County, School, & Municipal Tax	-	(92.9)	(a)	-
5	FICA Taxes - Hourly	-	5.5	(a)	-
6	FICA Taxes - Executive & Exempt	-	9.0	(a)	-
7	Federal Unemployment Tax	-	75.9	(a)	-
8	PA Unemployment Tax	-	75.9	(a)	-
9	PA State Income Tax	(71,979)	36.5	(a)	(2,627,222)
10	Federal Income Tax	(174,065)	36.5	(a)	(6,353,372)
11	Total	$ (234,307)			$ (11,310,363)
12	Average Lag Days in Payment of Taxes		48.3	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		57.4	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		9.1	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ (642)	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ (5,842)	[15] * [17]	
19	USE		$ (6,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 318,589	90.8	(a)	$ 28,911,957
2	PennVest-Interest	-	14.7	(a)	-
3	Total	$ 318,589			$ 28,911,957
4	Average Lag Days in Payment of Interest		90.8	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		57.4	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(33.4)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 873		
10	Cash Working Capital Required		$ (29,153)		
11	USE		$ (29,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ -	$ -	$ -
2	Plus: Contributions		-	-
3	Less: Amortization		-	-
4	Customer Advances and Contributions In Aid Of Construction	$ -	$ -	$ -

AQUA PENNSYLVANIA, INC. - SHENANDOAH

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ -	$ -	$ (2,960)
2	Change in Deferred Tax	Schedule F-2		(2,960)	(5,324)
3	Deferred Income Taxes		$ -	$ 2,960	$ 8,284

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

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	Calculation Of Revenue Deficiency And Rate Of Return At Current And Proposed Rates December 31,	A-3	William C. Packer
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AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

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AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

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	Rate Base - Cash Working Capital - Calculation Of Lag Days In Payment Of Taxes	G-5.3	Harold C. Walker
	Rate Base - Cash Working Capital - Calculation Of Lag Days In Payment Of Interest	G-5.4	Harold C. Walker
	Rate Base - Contributions In Aid Of Construction (CIAC) And Customer Advances For Construction (CAC)	G-6	Renee T. Marquis & John J. Spanos
	Rate Base - Deferred Income Taxes	G-7	Panpilas Fischer

Docket No. R-2024-3047824
Exhibit 1-C

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	$ 58,270,675	$ (729,175)	$ 57,541,500	$ 279,748	$ 57,821,248	$ (138,643)	$ 57,682,604	$ 25,938,927	$ 83,621,531
2	Operating Expenses	25,256,428	157,372	25,413,800	1,061,469	26,475,270	3,050,847	29,526,117	272,567	29,798,684
3	Depreciation	12,514,888	244,465	12,759,353	737,479	13,496,832	635,877	14,132,709		14,132,709
4	Taxes, other than income :									
5	PUC assessment	228,404	20,455	248,859	1,210	250,069	(600)	249,469	112,182	361,651
6	OCA & SBA assessments	93,192	24,572	117,764	573	118,336	(284)	118,053	53,086	171,139
7	Public Utility Realty tax	-	-	-	-	-	-	-	-	-
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	306,067	-	306,067	-	306,067	-	306,067	-	306,067
10	Federal & State payroll tax	343,351	-	343,351	-	343,351	-	343,351	-	343,351
11	Total Taxes, other than income	971,014	45,027	1,016,041	1,782	1,017,823	(883)	1,016,940	165,269	1,182,208
12	Utility Operating Income Before Tax	19,528,345	(1,176,039)	18,352,306	(1,520,983)	16,831,323	(3,824,484)	13,006,839	25,501,091	38,507,930
13	Income Taxes:									
14	Federal Tax-Current	2,425,720	(2,165,370)	260,350	(389,705)	(129,355)	(966,041)	(1,095,396)	4,927,346	3,831,950
15	Pa. CNI Tax-Current	601,735	(487,569)	114,166	(32,425)	81,741	58,266	140,007	2,037,537	2,177,544
16	Federal Tax-Deferred	2,396,570	(651,405)	1,745,164	(352,325)	1,392,839	87,825	1,480,664	-	1,480,664
17	Pa. CNI Tax-Deferred	(2,026)	(33,443)	(35,469)	1,972	(33,497)	33,497	-	-	-
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	-		-		-		-		-
20	Total Income Taxes	5,421,999	(3,337,787)	2,084,212	(772,484)	1,311,728	(786,453)	525,275	6,964,884	7,490,158
21	Total Operating Revenue Deductions	44,164,330	(2,890,924)	41,273,406	1,028,247	42,301,653	2,899,388	45,201,040	7,402,719	52,603,759
22	Utility Operating Income	14,106,345	2,161,749	16,268,094	(748,499)	15,519,595	(3,038,031)	12,481,564	18,536,208	31,017,772
23	Income Deductions:									
24	Interest on Long-Term debt	3,295	7,406,483	7,409,778	(254,981)	7,154,798	659,994	7,814,792		7,814,792
25	Amort. Of debt discount & expense	949	(949)	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(808,107)	808,107	-	-	-	-	-		-
28	Total Income Deductions	(803,863)	8,213,641	7,409,778	(254,981)	7,154,798	659,994	7,814,792	-	7,814,792
29	Net Income	$ 14,910,208	$ (6,051,893)	$ 8,858,316	$ (493,518)	$ 8,364,797	$ (3,698,025)	$ 4,666,772	$ 18,536,208	$ 23,202,980
30	Preferred Dividend									
31	Net Income-Common	$ 14,910,208	$ (6,051,893)	$ 8,858,316	$ (493,518)	$ 8,364,797	$ (3,698,025)	$ 4,666,772	$ 18,536,208	$ 23,202,980

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

REVENUE, EXPENSE & RATE BASE REVISIONS MADE TO EXHIBIT 1-C WASTEWATER BASE

LINE NO.	DESCRIPTION	SCHEDULE	REFERENCE	CATEGORY	PROPOSED RATES ORIGINAL CLAIM	PROPOSED RATES REVISED CLAIM	COMPANY WITNESS	ADJUSTMENT $
1	Correction: Legal Expense	Schedule C-9.1		Expense	58,328	40,122		(18,206)
2	Cash Working Capital Impacts of Adjustments & Corrections	Schedule G-1		Rate Base	1,247,000	1,246,000	William C. Packer	(1,000)

Total	Revenue	$	-
Total	Expense	$	(18,206)
Total	Rate Base	$	(1,000)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Residential	38,643	39,065	39,504	39,943	39,943	-	-
2	Commercial	2,257	2,267	2,267	2,267	2,267	-	-
3	Industrial	9	9	9	9	9	-	-
4	Public	60	58	58	58	58	-	-
5	Miscellaneous	-	-	-	-	-	-	-
6	Availability Charge	-	-	-	-	-	-	-
7	Total Customers	40,969	41,399	41,838	42,277	42,277	-	-

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
1	Pro Forma Rate Base	Schedule G-1		$	392,797,320
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	31,017,772
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	12,481,564
5	Operating Income Deficit		=	$	18,536,208
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3994
7	Revenue Deficit		=	$	25,938,927

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ 16,268,094	$ 358,522,317	4.54%
2	Present Rates December 31, 2024	$ 15,519,595	$ 372,456,873	4.17%
3	Present Rates December 31, 2025	$ 12,481,564	$ 392,797,320	3.18%
4	Proposed Rates December 31, 2025	$ 31,017,772	$ 392,797,320	7.90%

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**1.051%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9831
7	State Tax Rate	**7.990%**		
8	State Tax $$ ============>		$	0.0786
9	State Factor		$	0.9046
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ============>		$	0.1900
12	Combined Income Tax Factor on Gross Revenues			26.85%
13	Net Operating Income Factor			**71.46%**
14	Gross Revenue Conversion Factor			**1.39937**

Docket No. R-2024-3047824
Exhibit 1-C

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Residential	$ 39,779,101	$ (334,441)	$ 39,444,659	$ 82,924	$ 39,527,584	$ (138,643)	$ 39,388,940	40.8%	$ 16,073,439	$ 55,462,379
2	Commercial	16,860,336	(729,430)	16,130,906	192,100	16,323,006	-	16,323,006	59.3%	9,683,599	26,006,605
3	Industrial	7,024	(122)	6,901	83	6,984	-	6,984	133.1%	9,299	16,283
4	Public	1,525,711	333,622	1,859,333	4,675	1,864,008	-	1,864,008	9.3%	172,591	2,036,599
5	Other	24,169	(691)	23,477	(34)	23,443	-	23,443	0.0%		23,443
6	Availability Charge	-	-	-	-	-	-	-	0.0%		-
7	Total Sales to General Customers	58,196,341	(731,063)	57,465,278	279,748	57,745,026	(138,643)	57,606,382	45.0%	25,938,927	83,545,309
8	Forfeited Discounts	95,385	-	95,385	-	95,385	-	95,385	0.0%		95,385
9	Other WW Revenues	(21,051)	1,887	(19,163)	-	(19,163)	-	(19,163)	0.0%		(19,163)
10	Miscellaneous WW Service Revenues	-	-	-	-	-	-	-	0.0%		-
11	Total Other WW Revenues	74,334	1,887	76,222	-	76,222	-	76,222	0.0%	-	76,222
12	Total Operating Revenue	$ 58,270,675	$ (729,175)	$ 57,541,500	$ 279,748	$ 57,821,248	$ (138,643)	$ 57,682,604	45.0%	$ 25,938,927	$ 83,621,531

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 58,270,675				
2	Present Rates at 12/31/23					$ 57,541,500		
3	Present Rates at 12/31/24							$ 57,821,248
4	Unbilled Revenue Adjustment	Schedule B-3	(1,197,955)		-		-	
5	DSIC Annualization	Schedule B-4	-		660,431		-	
6	Change In Customers	Schedule B-5	192,284		399,232		383,532	
7	Customer Assistance Program	Schedule B-6	33,413		(779,915)		(522,175)	
8	Miscellaneous Revenue Adjustments	Schedule B-7	243,082		-		-	
9	Pro Forma Adjustment			(729,175)		279,748		(138,643)
10	Pro Forma Present Rates at December 31, 2023			$ 57,541,500				
11	Pro Forma Present Rates at December 31, 2024					$ 57,821,248		
12	Pro Forma Present Rates at December 31, 2025							$ 57,682,604

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOK 12/31/2023 AMOUNT
1	Residential	$ 547,887
2	Commercial	648,469
3	Industrial	122
4	Public	786
5	Other	691
6	Availability Charge	
7	Total Sales to General Customers	1,197,955
8	Forfeited Discounts	
9	Other WW Revenues	
10	Miscellaneous WW Service Revenues	
11	Total Other WW Revenues	-
12	Total Operating Revenue	$ 1,197,955

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

DSIC ANNUALIZATION

This revenue adjustment is being made to reflect the annualization of the Distribution System Improvement Charge revenues for December 31, 2024 based on the Company's pro forma level at December 31, 2024 and the 1.34% rate that is expected to become effective on January 1, 2025.

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 DSIC REVENUE	ANNUALIZED PRESENT RATES 12/31/2024 DSIC REVENUE	PRESENT RATES 12/31/2024 ADJUSTMENT
1	Residential	$ 57,439	$ 521,046	$ 463,607
2	Commercial	23,736	215,836	192,100
3	Industrial	10	93	83
4	Public	(15)	4,660	4,675
5	Other	34	-	(34)
6	Availability Charge	-	-	-
7	Total Sales to General Customers	81,204	741,635	660,431
8	Forfeited Discounts	-		-
9	Other WW Revenues	-		-
10	Miscellaneous WW Service Revenues	-		-
11	Total Other WW Revenues	-	-	-
12	Total Operating Revenue	$ 81,204	$ 741,635	$ 660,431

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CHANGE IN CUSTOMERS

The following adjustment reflects the change in revenues due to the average change in number of residential customers during the three years ending December 31, 2025. Projections were based on a three year historical growth average exclusive of acquisitions.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT	PRESENT RATES 12/31/2025 ADJUSTMENT
1	Residential	$ 192,284	$ 399,232	$ 383,532
2	Commercial			
3	Industrial			
4	Public			
5	Other			
6	Availability Charge			
7	Total Sales to General Customers	192,284	399,232	383,532
8	Forfeited Discounts			
9	Other WW Revenues			
10	Miscellaneous WW Service Revenues			
11	Total Other WW Revenues	-	-	-
12	Total Operating Revenue	$ 192,284	$ 399,232	$ 383,532

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

CUSTOMER ASSISTANCE PROGRAM

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Residential	$ (37,260)	$ (3,846)	$ (783,761)	$ (1,305,937)
2	Commercial				
3	Industrial				
4	Public				
5	Other				
6	Availability Charge				
7	Total Sales to General Customers	(37,260)	(3,846)	(783,761)	(1,305,937)
8	Forfeited Discounts				
9	Other WW Revenues				
10	Miscellaneous WW Service Revenues				
11	Total Other WW Revenues	-	-	-	-
12	Total Operating Revenue	$ (37,260)	$ (3,846)	$ (783,761)	$ (1,305,937)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 AMOUNT		PRESENT RATES 12/31/2023 ADJUSTMENT
1	Residential	(a) & (b)	$ (229,519)		(c)	$ 217,267
2	Commercial	(b)	(27,177)		(c)	(53,784)
3	Industrial					
4	Public				(c)	334,408
5	Other					
6	Availability Charge					
7	Total Sales to General Customers		(256,696)	-		497,891
8	Forfeited Discounts					
9	Other WW Revenues					1,887
10	Miscellaneous WW Service Revenues					
11	Total Other WW Revenues		-	-		1,887
12	Total Operating Revenue		$ (256,696)	$ -		$ 499,778

(a) Deduct Meter Credits
(b) Adjustment for change of flat rate to metered customers in Zone 1-A, 2, 3 and 5.

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		--Collection--				
2		-Operations-				
3	7011	Labor	354,524	354,524	268,579	281,544
4	7041	Employee Benefits	80,086	80,086	78,476	77,729
5	7151	Purchased Power	1,277,812	1,256,183	1,258,822	1,619,104
6	7161	Purchased Power	63,812	62,732	62,863	79,674
7	7201	Supplies	4,634	4,634	4,747	4,856
8	7311	OS Engineer	73,066	73,066	74,838	76,559
9	7351	OS Lab Testing	1,305	1,305	1,337	1,367
10	7361	OS Other	181,413	181,413	185,812	190,086
11	7411	Leases	35,461	35,461	35,461	35,461
12	7501	Transportation	20,463	20,463	20,960	21,442
13	7751	Other	56,789	56,789	58,167	59,504
14		-Maintenance-				
15	7012	Labor	2,534	2,534	1,920	2,013
16	7042	Employee Benefits	466	466	457	452
17	7202	Supplies	2,519	2,519	2,580	2,640
18	7362	OS Other	438,159	438,159	448,785	459,107
19	7502	Transportation	116	116	118	121
20	7752	Other	1,154	1,154	1,182	1,209
21						
22		Total Collection Expense	$ 2,594,315	$ 2,571,606	$ 2,505,103	$ 2,912,868
23						
24		--Pumping--				
25		-Operations-				
26	7013	Labor	225,471	225,471	170,811	179,056
27	7043	Employee Benefits	56,023	56,023	54,897	54,375
28	7153	Purchased Power	664	653	655	830
29	7163	Purchased Power	177	174	174	221
30	7183	Chemicals	25,597	25,597	375,268	877,072
31	7203	Supplies	35,963	35,963	36,835	37,682
32	7353	OS Lab Testing	1,253	1,253	1,283	1,312

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
33	7363	OS Other	145,496	145,496	149,025	152,452
34	7503	Transportation	13,123	13,123	13,441	13,750
35	7753	Other	14,178	14,178	14,522	14,856
36		-Maintenance-				
37	7014	Labor	1,819	1,819	1,378	1,445
38	7044	Employee Benefits	277	277	271	269
39	7204	Supplies	29,305	29,305	30,015	30,706
40	7354	OS Lab Testing	77,669	77,669	79,553	81,383
41	7364	OS Other	195,138	195,138	199,870	204,467
42	7504	Transportation	84	84	86	88
43	7754	Other	2,061	2,061	2,111	2,159
44						
45		Total Pumping Expense	$ 824,297	$ 824,283	$ 1,130,195	$ 1,652,123
46						
47		--Treatment & Disposal--				
48		-Operations-				
49	7015	Labor	1,534,063	1,534,063	1,162,169	1,218,270
50	7045	Employee Benefits	445,907	445,907	436,946	432,787
51	7105	Purchased Wastewater	5,995,393	6,319,296	8,254,408	8,825,200
52	7115	Sludge	1,721,015	1,721,015	1,762,750	1,826,648
53	7165	Purchased Power	16,591	16,310	16,344	20,715
54	7185	Chemicals	1,109,517	1,109,517	1,136,423	1,162,561
55	7205	Supplies	122,567	122,567	125,539	128,427
56	7315	OS Engineer	25,760	25,760	26,384	26,991
57	7355	OS Lab Testing	421,362	421,362	431,580	441,507
58	7365	OS Other	951,839	951,839	974,922	997,345
59	7415	Leases	3,350	3,350	3,350	3,350
60	7425	Leases	4,621	4,621	4,621	4,621
61	7505	Transportation	96,333	96,333	98,669	100,938
62	7755	Other	59,042	59,042	60,473	61,864
63		-Maintenance-				
64	7016	Labor	7,284	7,284	5,518	5,784

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
65	7046	Employee Benefits	863	863	846	838
66	7186	Chemicals	11,152	11,152	11,422	11,685
67	7206	Supplies	23,654	23,654	24,228	24,785
68	7316	OS Engineer	4,572	4,572	4,683	4,791
69	7366	OS Other	430,855	430,855	441,303	451,453
70	7506	Transportation	268	268	274	280
71	7756	Other	599	599	614	628
72						
73		Total Treatment & Disposal Expense	$ 12,986,608	$ 13,310,230	$ 14,983,466	$ 15,751,467
74						
75		--Reclaimed Water Treatment--				
76		-Operations-				
77						
78						
79		--Customer Accounting--				
80	7017	Labor	7,377	7,377	5,589	5,859
81	7047	Employee Benefits	2,045	2,045	2,004	1,985
82	7207	Supplies	60	60	61	62
83	7347	Management Fees	727,026	727,026	744,657	761,784
84	7357	OS Lab Testing	2,261	2,261	2,316	2,369
85	7367	OS Other	6,830	6,830	6,996	11,192
86	7507	Transportation	468	468	479	490
87	7757	Other	5	5	5	5
88	7707	Bad Debt	530,848	612,037	743,796	836,698
89						
90		Total Customer Accounting Expense	$ 1,276,920	$ 1,358,109	$ 1,505,903	$ 1,620,444
91						
92		--Administrative and General--				
93	7018	Labor	2,071,440	2,071,440	1,569,272	1,645,026
94	7038	Labor	232,794	232,794	176,359	184,872
95	7048	Employee Benefits	870,178	2,076,717	1,443,060	1,545,887
96	7158	Purchased Power	33,035	32,476	32,544	41,247

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
97	7168	Purchased Power	4,359	4,285	4,294	5,442
98	7208	Supplies	164,334	164,334	168,319	172,190
99	7318	OS Engineer	297,797	297,797	305,019	312,034
100	7328	OS Accounting	105,908	55,889	54,949	55,377
101	7338	OS Legal	233,944	40,122	40,122	40,122
102	7348	Management Fees	2,739,577	2,739,577	2,806,011	2,870,550
103	7349	Management Fees	-	(1,083,684)	(1,095,040)	(1,102,484)
104	7358	OS Lab Testing	18,681	18,681	19,134	19,574
105	7368	OS Other	1,070,566	1,070,566	1,096,527	1,121,748
106	7418	Leases	84,661	84,661	84,661	84,661
107	7428	Leases	655	655	655	655
108	7508	Transportation	128,994	128,994	132,122	135,161
109	7578	Insurance	129,312	48,373	33,514	36,125
110	7588	Insurance	5,304	(589)	(1,145)	(1,115)
111	7598	Insurance	14,640	(1,625)	(3,983)	(3,786)
112	7758	Other	403,055	403,055	412,829	422,324
113	7608	Other	8,029	8,029	8,224	8,413
114	7668	Amortization of Rate Case	23,524	23,524	23,524	107,648
115	4060	Amortization of UPAA	(1,066,498)	(1,066,498)	(960,368)	(532,417)
116	7678	Amortization Other	-	-	-	419,962
117						
118		Total Admin & General Expense	$ 7,574,288	$ 7,349,572	$ 6,350,603	$ 7,589,215
119						
120		Total Operating Expenses	$ 25,256,428	$ 25,413,800	$ 26,475,270	$ 29,526,117

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 4,437,307	$ -	$ 4,437,307	$ (1,075,712)	$ 3,361,595	$ 162,274	$ 3,523,869
2	Employee Benefits	1,455,845	1,206,538	2,662,384	(645,427)	2,016,957	97,364	2,114,321
3	Purchased Water	-	-	-	-	-	-	-
4	Purchased Wastewater	5,995,393	323,903	6,319,296	1,935,111	8,254,408	570,792	8,825,200
5	Sludge	1,721,015	-	1,721,015	41,735	1,762,750	63,898	1,826,648
6	Purchased Power	1,396,450	(23,637)	1,372,813	2,883	1,375,696	391,536	1,767,231
7	Chemicals	1,146,266	-	1,146,266	376,848	1,523,113	528,204	2,051,318
8	Supplies	383,035	-	383,035	9,289	392,324	9,023	401,347
9	OS Engineer	401,195	-	401,195	9,729	410,924	9,451	420,375
10	OS Accounting	105,908	(50,019)	55,889	(940)	54,949	428	55,377
11	OS Legal	233,944	(193,822)	40,122	-	40,122	-	40,122
12	OS Lab Testing	522,531	-	522,531	12,671	535,203	12,310	547,512
13	OS Other	3,420,297	-	3,420,297	82,942	3,503,239	84,610	3,587,850
14	Management Fees	3,466,603	(1,083,684)	2,382,919	72,709	2,455,628	74,222	2,529,850
15	Leases	128,749	-	128,749	-	128,749	-	128,749
16	Transportation	259,848	-	259,848	6,301	266,149	6,121	272,270
17	Insurance	149,256	(103,096)	46,160	(17,774)	28,386	2,839	31,224
18	Other	544,912	-	544,912	13,214	558,126	12,837	570,963
19	Bad Debt	530,848	81,189	612,037	131,759	743,796	92,901	836,698
20	Amortization of Rate Case	23,524	-	23,524	-	23,524	84,123	107,648
21	Amortization of UPAA	(1,066,498)	-	(1,066,498)	106,130	(960,368)	427,951	(532,417)
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	419,962	419,962
24	Total Operating Expenses	$ 25,256,428		$ 25,413,800		$ 26,475,270		$ 29,526,117
25	Pro Forma Adjustments		$ 157,372		$ 1,061,469		$ 3,050,847	
26	Uncollectibles @ Proposed Rates							$ 272,567
27	Proposed Rates @ 12/31/25							$ 29,798,684

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 25,256,428				
2	Present Rates at 12/31/23					$ 25,413,800		
3	Present Rates at 12/31/24							$ 26,475,270
4	General Price Level Adjustment	Schedule C-4.1	-		190,002		187,536	
5	Uncollectible Accounts	Schedule C-4.2	81,189		131,561		89,750	
6	Additional Cost Of Serving Customers	Schedule C-4.3	-		-		196,671	
7	Rate Case Expense	Schedule C-4.4	-		-		84,123	
8	Payroll	Schedule C-4.5	-		(1,075,712)		162,274	
9	Insurance Expense	Schedule C-4.6	(103,096)		(17,774)		2,839	
10	Management Service & Sundry	Schedule C-4.7	(1,083,684)		58,787		60,697	
11	Page Held For Future Use	Schedule C-4.8	-		-		-	
12	Miscellaneous Expense Adjustments	Schedule C-4.9	-		-		419,962	
13	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
14	Audit Fee Expense	Schedule C-4.11	(50,019)		(940)		428	
15	Adjustment To Amortization Of Acquisition Adjustments	Schedule C-5.1	-		136,132		427,951	
16	Amortization Of New Negative Acquisition Adjustments	Schedule C-5.2	-		(30,002)		-	
17	Purchased Power Expense	Schedule C-6.1	(23,637)		2,883		367,875	
18	Chemicals	Schedule C-6.2	-		376,848		500,740	
19	Purchased Wastewater Treatment Expense	Schedule C-7.1	323,903		1,935,111		452,636	
20	Employee Benefits	Schedule C-8.1	1,206,538		(645,427)		97,364	
21	Legal Expense	Schedule C-9.1	(193,822)		-		-	
22	Pro Forma Adjustments			$ 157,372		$ 1,061,469		$ 3,050,847
23	Pro Forma Present Rates at December 31, 2023			$ 25,413,800				
24	Pro Forma Present Rates at December 31, 2024					$ 26,475,270		
25	Pro Forma Present Rates at December 31, 2025							$ 29,526,117

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 25,413,800	
3	Present Rates 12/31/2024		$ 26,475,270
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	4,437,307	3,361,595
6	Employee Benefits	2,662,384	2,016,957
7	Purchased Wastewater	6,319,296	8,254,408
8	Sludge	-	-
9	Purchased Power	1,372,813	1,375,696
10	Chemicals	1,146,266	1,523,113
11	Supplies	-	-
12	OS Engineer	-	-
13	OS Accounting	55,889	54,949
14	OS Legal	40,122	40,122
15	OS Lab Testing	-	-
16	OS Other	-	-
17	Management Fees	1,808,825	1,867,612
18	Leases	128,749	128,749
19	Transportation	-	-
20	Insurance	46,160	28,386
21	Other	-	-
22	Bad Debt	603,847	606,787
23	Amortization of Rate Case	23,524	23,524
24	Amortization of UPAA	(1,066,498)	(960,368)
25	Amortization of Tank Painting	-	-
26	Amortization Other	-	-
27	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 17,578,683	$ 18,321,530
28	Total Operating Expenses Subject to Effects of Inflation	$ 7,835,118	$ 8,153,740
29	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
30	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 190,002	$ 187,536

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)			
1	First Quarter	2024	2.500%	(a)
2	Second Quarter	2024	2.500%	(a)
3	Third Quarter	2024	2.400%	(a)
4	Fourth Quarter	2024	2.300%	(a)
5	Annual Average for the Period Ending 12/31/2024		2.425%	
6	First Quarter	2025	2.300%	(b)
7	Second Quarter	2025	2.300%	(b)
8	Third Quarter	2025	2.300%	(b)
9	Fourth Quarter	2025	2.300%	(b)
10	Annual Average for the Period Ending 12/31/2025		2.300%	

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

Docket No. R-2024-3047824
Exhibit 1-C

Schedule C-4.2
Witness: Renee T. Marquis

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 1.05080% with regard to sales to general customers.

LINE NO.	DESCRIPTION	PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue	$ -	$ 57,465,278	$ 57,745,026	$ 57,606,382	
2	Annualized Uncollectible Account based on Experience Factor @ 1.05080%		603,847	606,787	605,330	‡
3	Arrearage Forgiveness		8,190	136,811	228,018	
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		530,848			
6	Less: Present Rates 12/31/2023			612,037		
7	Less: Present Rates 12/31/2024				743,598	
8	Increase/(Decrease)		$ 81,189	$ 131,561	$ 89,750	
9	Pro Forma Adjustment:					
10	7707		$ 81,189	$ 131,561	$ 89,750	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

DERIVATION OF UNCOLLECTIBLE ACCOUNTS

BASED ON THREE YEARS OF HISTORY NORMALIZED

LINE NO.	DESCRIPTION	12/31/2021 AMOUNT	12/31/2022 AMOUNT	12/31/2023 AMOUNT	THREE YEAR AVERAGE
1	Net Write-Offs	$ 429,184	$ 524,704	$ 530,848	
2	Sales to General Customers	$ 36,396,442	$ 49,451,319	$ 58,196,341	
3	Factor	0.0117919	0.0106105	0.0091217	0.0105080

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADDITIONAL COST OF SERVING CUSTOMERS

The Company computes the additional cost of providing service to customers connected during the three years ending December 31, 2025, exclusive of acquisitions.

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT
1	Estimated Additional Revenue from New Customers		
2	connected during the three years ended December 31, 2025	Schedule B-5	$ 782,764
3	Operating Ratio		25.13%
4	Cost of Providing Service to New Customers		$ 196,671
5	The operating ratio specifically related to the adjusted cost of serving new customers		
6	was computed as follows:		
7	Purchased Power Expense		$ 1,743,571
8	Chemical Expense		2,023,854
9	Bill Processing & Postage Expense		297,406
10	Purchased Wastewater Expense		8,707,044
11	Sludge Expense		1,721,015
12	Total		$ 14,492,890
13	Total Wastewater Sales at Present Rates	Schedule B-1	$ 57,682,604
14	Operating Ratio		25.13%
15	Pro Forma Adjustment:		
16	7151		$ 23,661
17	7183		$ 27,464
18	7367		$ 4,036
19	7105		$ 118,156
20	7115		$ 23,355
21	Total		$ 196,671

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of wastewater customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Wastewater - Current Exhibit	8.25%	$	215,295	$ 107,648
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	23,524	$ 107,648 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			23,524	
19	Less: Present Rates 12/31/2024				23,524
20	Increase/(Decrease)		$	-	$ 84,123
21	Pro Forma Adjustment:				
22	7668			-	$ 84,123

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ 2,392,450	$ 2,562,460	
3	Capital Payroll		757,689	811,531	
4	Non-Operating Payroll		28,231	30,237	
5	Expense Payroll	2,120,620	1,606,530	1,720,692	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ (514,090)	$ 114,162	
7	**Union Payroll**				
8	Gross Payroll		$ 2,613,648	$ 2,685,297	
9	Capital Payroll		827,742	850,433	
10	Non-Operating Payroll		30,841	31,687	
11	Expense Payroll	2,316,686	1,755,065	1,803,177	‡
12	Union Expense Payroll Increase/(Decrease)		$ (561,621)	$ 48,112	
13	Total Expense Payroll Increase/(Decrease)		$ (1,075,712)	$ 162,274	
14	Pro Forma Adjustment:				
15	7011		$ (85,945)	$ 12,965	
16	7012		$ (614)	$ 93	
17	7013		$ (54,660)	$ 8,246	
18	7014		$ (441)	$ 67	
19	7015		$ (371,894)	$ 56,101	
20	7016		$ (1,766)	$ 266	
21	7017		$ (1,788)	$ 270	
22	7018		$ (502,168)	$ 75,753	
23	7038		$ (56,435)	$ 8,513	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		$ 53,035	$ 35,205	$ 38,725	
2	Workers Compensation		3,861	1,174	1,292	
3	Other (Exec Risk, Property, Surety Bond)		10,658	5,163	5,680	
4			67,554	41,542	45,697	
5	Capitalized portion not charged to operating expense	31.67%	(21,394)	(13,156)	(14,472)	
6	Subtotal Insurance		$ 46,160	$ 28,386	$ 31,224	‡
7	Less: Amount Charged to Operating Expense					
8	During the Twelve Months Ended 12/31/2023		149,256			
9	Less: Present Rates 12/31/2023			46,160		
10	Less: Present Rates 12/31/2024				28,386	
11	Increase/(Decrease)		$ (103,096)	$ (17,774)	$ 2,839	
12	Pro Forma Adjustment:					
13	7578		$ (80,938)	$ (15,062)	$ 2,406	
14	7588		$ (5,893)	$ (502)	$ 80	
15	7598		$ (16,265)	$ (2,209)	$ 353	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania Wastewater during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 1,808,825	$ 1,808,825	$ 1,867,612	‡
2	Payroll & Benefit Increase		58,787	60,697	‡
3	Management Fees All Other	574,094	574,094	574,094	
4	Total Expense Claim	$ 2,382,919	$ 2,441,706	$ 2,502,404	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	3,466,603			
7	Less: Present Rates 12/31/2023		2,382,919		
8	Less: Present Rates 12/31/2024			2,441,706	
9	Increase/(Decrease)	$ (1,083,684)	$ 58,787	$ 60,697	
10	Pro Forma Adjustment:				
11	7349	$ (1,083,684)	$ 58,787	$ 60,697	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	**Additions:**			
2	Amortization of COVID Reg Asset over 2 Year Period			419,962
3				
4				
5				
6				
7	Increase/(Decrease)	$ -	$ -	$ 419,962
8	Pro Forma Adjustment:			
9	7678			$ 419,962
10				
11				

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	$ 128,749	$ 128,749	$ 128,749	‡
2	Total Specific Expenses Not Subject to Increase	$ 128,749	$ 128,749	$ 128,749	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 81,792	$ 80,417	$ 81,043	
			81,792	80,417	81,043	
2	Capitalized portion not charged to operating expense	31.67%	(25,904)	(25,468)	(25,666)	
3	Subtotal Audit Fees		$ 55,889	$ 54,949	$ 55,377	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		105,908			
6	Less: Present Rates 12/31/2023			55,889		
7	Less: Present Rates 12/31/2024				54,949	
8	Increase/(Decrease)		$ (50,019)	$ (940)	$ 428	
9	Pro Forma Adjustment:					
10	7328		$ (50,019)	$ (940)	$ 428	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

ADJUSTMENT TO AMORTIZATION OF ACQUISITION ADJUSTMENTS

The Company is making an adjustment to remove the acquisition adjustments that will be fully amortized before the end of the full-projected future test year.

LINE NO.	DESCRIPTION	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Pinecrest	1/04 - 12/23	$ (16,220)	$ -	$ -
2	Eagle Rock	7/04 - 6/24	$ (105,365)	$ (52,683)	$ -
3	Thornhurst	9/04 - 8/24	$ (13,408)	$ (8,939)	$ -
4	Links @ Gettysburgh	1/05 - 12/24	$ (46,645)	$ (46,645)	$ -
5	Deerfield Knoll	7/05 - 6/25	$ (8,495)	$ (8,495)	$ (4,247)
6	Beech Mountain WW	6/13 - 5/23	$ (736)	$ -	$ -
7	Village at Valley Forge	6/13 - 5/23	$ (49,218)	$ -	$ -
8	Kidder Twp	2/14 - 1/24	$ (13,971)	$ (1,164)	$ -
9	Penn Township Sewer	4/15 - 3/25	$ (419,031)	$ (419,031)	$ (104,758)
10			$ (673,088)	$ (536,956)	$ (109,005)
11	Less: Amount Charged to Operating Expense				
12	During the Twelve Months Ended 12/31/2023		$ (673,088)		
13	Less: Present Rates 12/31/2023			$ (673,088)	
14	Less: Present Rates 12/31/2024				$ (536,956)
15	Increase/(Decrease)		$ -	$ 136,132	$ 427,951
16	Pro Forma Adjustment:				
17	4060		-	136,132	427,951

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AMORTIZATION OF NEW NEGATIVE ACQUISITION ADJUSTMENTS

The Company is proposing to amortize certain negative acquisition adjustments involving acquisitions that were closed after the last AP rate case was filed. A twenty year amortization period was selected similar to the treatment of prior acquisition adjustments approved by the Commission.

LINE NO.	DESCRIPTION	ORIGINAL ACQUISITION ADJUSTMENT	DATE OF OWNERSHIP	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	North Heidelberg WW	$ (600,038)	3/31/2023	$ -	$ (30,002)	$ (30,002)
2		$ (600,038)		$ -	$ (30,002)	$ (30,002)
3	Amortization Period	20 Years				
4	Annual Amortization	$ (30,002)				
5	Less: Amount Charged to Operating Expense					
6	During the Twelve Months Ended 12/31/2023			$ -		
7	Less: Present Rates 12/31/2023				$ -	
8	Less: Present Rates 12/31/2024					$ (30,002)
9	Increase/(Decrease)			$ -	$ (30,002)	$ -
10	Pro Forma Adjustment:					
11	4060			-	(30,002)	-

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 1,294,571	$ 1,300,703	$ 1,668,207	
2	Claimed Purchased Power Expense - Gas	78,242	74,993	75,363	
3		$ 1,372,813	$ 1,375,696	$ 1,743,571	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	1,396,450			
6	Less: Present Rates 12/31/2023		1,372,813		
7	Less: Present Rates 12/31/2024			1,375,696	
8	Increase/(Decrease)	$ (23,637)	$ 2,883	$ 367,875	
9	Pro Forma Adjustment:				
10	7151	$ (21,629)	$ 2,638	$ 336,622	
11	7153	$ (11)	$ 1	$ 175	
12	7155	$ -	$ -	$ -	
13	7158	$ (559)	$ 68	$ 8,703	
14	7161	$ (1,080)	$ 132	$ 16,810	
15	7163	$ (3)	$ 0	$ 47	
16	7165	$ (281)	$ 34	$ 4,371	
17	7168	$ (74)	$ 9	$ 1,148	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	Adams Co-op	Wastewater	144,908	$ 16,540	144,908	$ 16,623	144,908	$ 16,706
2	Central Electric Co-op	Wastewater	1,620	$ 695	1,620	$ 698	1,620	$ 702
3	Met-Ed	Wastewater	244,258	$ 21,817	244,258	$ 22,256	244,258	$ 27,361
4	PECO	Wastewater	11,257,018	$ 833,053	11,257,018	$ 833,053	11,257,018	$ 1,086,907
5	PenElec	Wastewater	777,521	$ 64,954	777,521	$ 65,279	777,521	$ 65,605
6	PP&L	Wastewater	3,960,002	$ 291,309	4,018,583	$ 295,618	4,018,583	$ 401,870
7	United Electric Co-op	Wastewater	488,256	$ 66,203	492,960	$ 67,175	492,960	$ 69,056
8				$ 1,294,571		$ 1,300,703		$ 1,668,207

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - GAS

LINE NO.	UTILITY	LOCATION	HISTORIC THERMS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE THERMS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE THERMS	PRESENT RATES 12/31/2025 AMOUNT
1	COLUMBIA GAS OF PA	Wastewater	1,218	$ 2,039	1,433	$ 2,503	1,433	$ 2,503
2	PECO	Wastewater	50,079	$ 54,595	45,266	$ 51,470	45,266	$ 51,470
3	UGI UTILITIES , INC	Wastewater	1,039	$ 1,458	1,704	$ 2,494	1,704	$ 2,494
4	Direct Purchases - Fuel Oil, Propane and Generator Diesel	Wastewater		$ 20,149		$ 18,526		$ 18,896
5				$ 78,242		$ 74,993		$ 75,363

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The chemical expense claim was based on a three year, year over year average growth rate for the three years ended December 31, 2023.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Chemical Expense Claim	$ 1,146,266	$ 1,523,113	$ 2,023,854	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	1,146,266			
4	Less: Present Rates 12/31/2023		1,146,266		
5	Less: Present Rates 12/31/2024			1,523,113	
6	Increase/(Decrease)	$ -	$ 376,848	$ 500,740	
7	Pro Forma Adjustment:				
8	7183	$ -	$ 376,848	$ 500,740	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WASTEWATER TREATMENT EXPENSE

The Company's claim for purchased wastewater treatment expense normalizes the cost of services provided by wastewater treatment providers for the Company's Beech Mountain, Cheltenham, East Bradford, East Norriton, Limerick, Media, New Garden and Village at Valley Forge areas. The service providers are Butler Township Sewer Authority, Philadelphia Water Department, West Chester Borough, East Norriton-Plymouth-Whitpain JSA, PA American Water, Nether Providence Township, Avondale, Kennett, and Upper Merion Township.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Wastewater Expense	$ 6,319,296	$ 8,254,408	$ 8,707,044	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	5,995,393			
4	Less: Present Rates 12/31/2023		6,319,296		
5	Less: Present Rates 12/31/2024			$ 8,254,408	
6	Increase/(Decrease)	$ 323,903	$ 1,935,111	$ 452,636	
7	Pro Forma Adjustment:				
8	7105	$ 323,903	$ 1,935,111	$ 452,636	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE BENEFITS

Aqua Pennsylvania Water Operations charges a portion of employee benefits and other related overheads to Aqua Pennsylvania Wastewater through an intracompany transaction which is calculated based on approximately 60% of wastewater payroll expense.
Refer to Exhibit 1-A Water, Schedule C-8.5 for the corresponding entry.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Wastewater Intracompany Benefits	$ 2,662,384	$ 2,016,957	$ 2,114,321	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	1,455,845			
4	Less: Present Rates 12/31/2023		2,662,384		
5	Less: Present Rates 12/31/2024			2,016,957	
6	Increase/(Decrease)	$ 1,206,538	$ (645,427)	$ 97,364	
7	Pro Forma Adjustment:				
8	7048	$ 1,206,538	$ (645,427)	$ 97,364	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

LEGAL EXPENSE

The Company incurs cost for general legal services during the normal course of business to protect and defend the Company's interests in a variety of legal matters. This adjustment normalizes the Company's legal expense claim experienced in the historic test year to levels that are expected to be realized during the first year rates are in effect and more in line with prior experience.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Legal Expense Claim (3 Year Average)	$ 40,122	$ 40,122	$ 40,122	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	233,944			
4	Less: Present Rates 12/31/2023		40,122		
5	Less: Present Rates 12/31/2024			40,122	
6	Increase/(Decrease)	$ (193,822)	$ -	$ -	
7	Pro Forma Adjustment:				
8	7338	$ (193,822)	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 12,759,353	$ 13,496,832	$ 14,132,709
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	12,514,888		
4	Less: Present Rates 12/31/2023		12,759,353	
5	Less: Present Rates 12/31/2024			13,496,832
6	Increase/(Decrease)	$ 244,465	$ 737,479	$ 635,877
7	Pro Forma Adjustment:			
8		$ 244,465	$ 737,479	$ 635,877

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 971,014						
2	Present Rates at 12/31/23				$ 1,016,041				
3	Present Rates at 12/31/24						$ 1,017,823		
4	Present Rates at 12/31/25								$ 1,016,940
5	General Assessment Fees By The Pennsylvania Public Utility Commission	20,455		1,210		(600)		112,182	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	24,572		573		(284)		53,086	
7	Public Utility Realty Tax	-		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Pro Forma Adjustment		$ 45,027		$ 1,782		$ (883)		$ 165,269
10	Pro Forma Present Rates at December 31, 2023		$ 1,016,041						
11	Pro Forma Present Rates at December 31, 2024				$ 1,017,823				
12	Pro Forma Present Rates at December 31, 2025						$ 1,016,940		
13	Pro Forma Proposed Rates at December 31, 2025								$ 165,269

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 57,541,500	$ 57,821,248	$ 57,682,604	$ 83,621,531
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	248,859	250,069	249,469	361,651
4	Total General Assessment Fees		$ 248,859	$ 250,069	$ 249,469	$ 361,651
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		228,404			
7	Less: Present Rates 12/31/2023			248,859		
8	Less: Present Rates 12/31/2024				250,069	
9	Less: Present Rates 12/31/2025					249,469
10	Increase/(Decrease)		$ 20,455	$ 1,210	$ (600)	$ 112,182
11	Pro Forma Adjustment:					
12	4081		$ 20,455	$ 1,210	$ (600)	$ 112,182

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 57,541,500	$ 57,821,248	$ 57,682,604	$ 83,621,531
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	100,260	100,747	100,506	145,701
4	Small Business Advocate Fee At	0.000303478942	17,463	17,548	17,505	25,377
5	Damage Prevention Fee At	0.000000719937	41	42	42	60
6	Total General Assessment Fees		$ 117,764	$ 118,336	$ 118,053	$ 171,139
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		93,192			
9	Less: Present Rates 12/31/2023			117,764		
10	Less: Present Rates 12/31/2024				118,336	
11	Less: Present Rates 12/31/2025					118,053
12	Increase/(Decrease)		$ 24,572	$ 573	$ (284)	$ 53,086
13	Pro Forma Adjustment:					
14	4081		$ 24,572	$ 573	$ (284)	$ 53,086

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ 306,067	$ 306,067	$ 306,067
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	306,067		
4	Less: Present Rates 12/31/2023		306,067	
5	Less: Present Rates 12/31/2024			306,067
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made move payroll taxes per books to Intracompany Benefits, Schedule C-8.1, for ratemaking purposes.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI				
2	FICA Medicare				
3	FICA Total		-	-	-
4	FUTA				
5	SUTA				
6	Annualized Payroll Taxes		-	-	-
7	Capitalized portion not charged to operating expense	31.67%	-	-	-
8	Sub-Total		-	-	-
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		343,351		
11	Less: Present Rates 12/31/2023			-	
12	Less: Present Rates 12/31/2024				-
13	Increase/(Decrease)		$ 343,351	$ -	$ -
14	Pro Forma Adjustment:				
15	40812		$ 343,351	$ -	$ -

Docket No. R-2024-3047824
Exhibit 1-C

Schedule E-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

6				PRESENT RATES			PRESENT RATES			PRESENT RATES
7	Calculation of Interest:			12/31/23			12/31/24			12/31/25
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15		$ 358,522,317	Schedule G-1 Col 4, Row 15		$ 372,456,873	Schedule G-1 Col 5, Row 15		$ 392,797,320
9	Applicable Percentage			48.52%			45.31%			46.05%
10	Applicable Portion of Rate Base			$ 173,938,460			$ 168,745,231			$ 180,897,960
11	Cost Rate			4.26%			4.24%			4.32%
12	Pro-Forma Long-term Interest Expense			$ 7,409,778			$ 7,154,798			$ 7,814,792
13	Less: Interest on Long Term Debt Per Books 12/31/23			3,295						
14	Less: Interest on Long Term Debt Present Rates at 12/31/23						7,409,778			
15	Less: Interest on Long Term Debt Present Rates at 12/31/24									7,154,798
16	Long Term Debt Pro Forma Adjustment			$ 7,406,483			$ (254,981)			$ 659,994

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ 949	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	(949)	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ (949)	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (808,107)	$ -	$ -
2	Eliminate Interest During Construction	808,107	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 808,107	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT	PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ 260,350	$ (129,355)	$ (1,095,396)	$ 3,831,950
2	Less: Per Book	Schedule A-1	2,425,720			
3	Less: Present Rates at 12/31/23			260,350		
4	Less: Present Rates at 12/31/24				(129,355)	
5	Less: Present Rates at 12/31/25					(1,095,396)
6	Pro Forma Adjustment		$ (2,165,370)	$ (389,705)	$ (966,041)	$ 4,927,346
7	State Income Tax - Current	Schedule F-2	$ 114,166	$ 81,741	$ 140,007	$ 2,177,544
8	Less: Per Book	Schedule A-1	601,735			
9	Less: Present Rates at 12/31/23			114,166		
10	Less: Present Rates at 12/31/24				81,741	
11	Less: Present Rates at 12/31/25					140,007
12	Pro Forma Adjustment		$ (487,569)	$ (32,425)	$ 58,266	$ 2,037,537
13	Federal Income Tax - Deferred	Schedule F-2	$ 1,745,164	$ 1,392,839	$ 1,480,664	$ 1,480,664
14	Less: Per Book	Schedule A-1	2,396,570			
15	Less: Present Rates at 12/31/23			1,745,164		
16	Less: Present Rates at 12/31/24				1,392,839	
17	Less: Present Rates at 12/31/25					1,480,664
18	Pro Forma Adjustment		$ (651,405)	$ (352,325)	$ 87,825	$ -
19	State Income Tax - Deferred	Schedule F-2	$ (35,469)	$ (33,497)	$ -	$ -
20	Less: Per Book	Schedule A-1	(2,026)			
21	Less: Present Rates at 12/31/23			(35,469)		
22	Less: Present Rates at 12/31/24				(33,497)	
23	Less: Present Rates at 12/31/25					-
24	Pro Forma Adjustment		$ (33,443)	$ 1,972	$ 33,497	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ 18,352,306	$ 18,352,306	$ 16,831,323	$ 16,831,323	$ 13,006,839	$ 13,006,839	$ 38,507,930	$ 38,507,930
2	Interest Expense	Schedule A-1	(7,409,778)	(7,409,778)	(7,154,798)	(7,154,798)	(7,814,792)	(7,814,792)	(7,814,792)	(7,814,792)
3	State Income Tax	[12]	(114,166)		(81,741)		(140,007)		(2,177,544)	
4	Tax Repair Deduction		(5,017,876)	(5,017,876)	(4,460,000)	(4,460,000)	(4,460,000)	(4,460,000)	(4,460,000)	(4,460,000)
5	Book Depreciation	Schedule A-1	12,759,353	12,759,353	13,496,832	13,496,832	14,132,709	14,132,709	14,132,709	14,132,709
6	Tax Depreciation		(17,367,400)	(17,451,403)	(18,415,380)	(18,499,383)	(19,814,747)	(19,890,523)	(19,814,747)	(19,890,523)
7	COR & Other Basis Differences, net of book		37,324	37,324	(832,214)	(832,214)	(126,176)	(126,176)	(126,176)	(126,176)
8	Taxable Income	Sum of Lines [1] : [7]	$ 1,239,762	$ 1,269,925	$ (615,978)	$ (618,240)	$ (5,216,174)	$ (5,151,943)	$ 18,247,380	$ 20,349,148
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	260,350	114,166	(129,355)	(52,489)	(1,095,396)	(411,640)	3,831,950	1,625,897
11	Other - NOL		-	-	-	134,230	-	551,647	-	551,647
12	Total - Current Income Tax	[10] + [11]	$ 260,350	$ 114,166	$ (129,355)	$ 81,741	$ (1,095,396)	$ 140,007	$ 3,831,950	$ 2,177,544
13	Normalized Book Depreciation		(8,553,659)	-	(12,153,050)	-	(12,754,931)	-	(12,754,931)	-
14	Normalized Tax Depreciation		17,367,400	-	18,415,380	-	19,814,747	-	19,814,747	-
15	Normalized Basis Differences		(37,324)	-	832,214	-	126,176	-	126,176	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	1,843,048	-	1,489,854	-	1,509,058	-	1,509,058	-
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	-	-	-	-	-
19	Flowback of Catch Up Adjustment		(55,013)	(35,469)	(55,013)	(33,497)	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		(43,421)	-	(42,553)	-	(28,945)	-	(28,945)	-
21	Flowback of TCJA 2017 - 10 Years		551	-	551	-	551	-	551	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	-	-	-	-
23	Flowback of Tax Repairs Collar		-	-	-	-	-	-	-	-
24	Total Flow Through	Sum of Lines [19] : [23]	(97,883)	(35,469)	(97,015)	(33,497)	(28,394)	-	(28,394)	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ 1,745,164	$ (35,469)	$ 1,392,839	$ (33,497)	$ 1,480,664	$ -	$ 1,480,664	$ -
26	Amortization of Income Tax Credit		-	-	-	-	-	-	-	-
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ 2,005,514	$ 78,697	$ 1,263,484	$ 48,244	$ 385,268	$ 140,007	$ 5,312,614	$ 2,177,544

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 574,603,489	$ 602,778,002	$ 637,496,786
2	Utility Plant Acquisition Adjustment	Schedule G-3	1,259,216	1,157,873	1,056,529
3			575,862,706	603,935,875	638,553,315
4	Less: Accumulated Depreciation	Schedule G-2	(183,282,942)	(196,145,527)	(209,545,011)
5	Net Plant in Service		392,579,764	407,790,348	429,008,304
6	Additions:				
7	Materials & Supplies	Schedule G-4	-	-	-
8	Cash Working Capital	Schedule G-5	1,246,000	1,246,000	1,246,000
9			1,246,000	1,246,000	1,246,000
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	(24,872,177)	(24,594,178)	(24,703,546)
12	Deferred Income Taxes	Schedule G-7	(10,431,270)	(11,985,297)	(12,753,439)
13	Investment Tax Credit		-	-	-
14			(35,303,447)	(36,579,475)	(37,456,985)
15	Total Rate Base		$ 358,522,317	$ 372,456,873	$ 392,797,320

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 574,603,489	$ 574,603,489	$ 602,778,002
2	Plus: Additions		29,056,854	35,929,062
3	Less: Retirements		(882,342)	(1,210,278)
4	Utility Plant in Service	$ 574,603,489	$ 602,778,002	$ 637,496,786
5	Accumulated Depreciation	(183,282,942)	(196,145,527)	(209,545,011)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

The following adjustment reflects the recognition of the positive Utility Plant Acquisition Adjustments (UPAA) associated with the acquisition of various water utility assets pursuant to the terms of the Commission-approved settlement of the Company's rate cases at Docket Nos. R-00072319, R-2008-2081738, and R-2010-2207833, and R-2018-3003558.

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE
1	Rivercrest	R-00072319	$ 41,118	6/27/2002	10/06 - 9/26	$ 5,654	$ 2,056	$ 3,598	$ 2,056	$ 1,542
2	White Haven	R-2008-2081738	267,972	3/11/2002	10/08 - 9/28	63,644	13,399	50,245	13,399	36,847
3	Masthope	R-2010-2207833	309,404	1/20/2006	6/11 - 5/31	116,026	15,470	100,556	15,470	85,086
4	Treasure Lake	R-2018-3003558	1,298,027	2/28/2012	4/19 - 3/39	989,746	64,901	924,844	64,901	859,943
5	Bunker Hill WW	R-2018-3003558	35,598	8/11/2015	4/19 - 3/39	27,144	1,780	25,364	1,780	23,584
6	Avon Grove	R-2018-3003558	74,758	9/7/2017	4/19 - 3/39	57,003	3,738	53,265	3,738	49,527
7	Effect to Rate Base Element		$ 2,026,877			$ 1,259,216	$ 101,344	$ 1,157,873	$ 101,344	$ 1,056,529

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

LINE NO.	MONTH	YEAR	BALANCE
1	December	2022	$ -
2	January	2023	-
3	February	2023	-
4	March	2023	-
5	April	2023	-
6	May	2023	-
7	June	2023	-
8	July	2023	-
9	August	2023	-
10	September	2023	-
11	October	2023	-
12	November	2023	-
13	December	2023	-
14	Total		$ -
15	13 Month Average		$ -
16	Allowance for Materials & Supplies		
17	At 12/31/2024 and 12/31/2025		$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ 1,706,000	$ 1,706,000	$ 1,706,000
2	Cash Working Capital - Taxes	Schedule G-5.3	332,000	332,000	332,000
3	Cash Working Capital - Interest	Schedule G-5.4	(792,000)	(792,000)	(792,000)
4	Total Cash Working Capital Requirement		$ 1,246,000	$ 1,246,000	$ 1,246,000

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR	BALANCE
	(1)	(2)	(3)
1	December	2022	$ 7,130,340
2	January	2023	5,536,846
3	February	2023	6,855,431
4	March	2023	4,756,415
5	April	2023	5,397,316
6	May	2023	4,930,228
7	June	2023	5,908,335
8	July	2023	5,719,491
9	August	2023	5,352,732
10	September	2023	6,678,882
11	October	2023	5,473,376
12	November	2023	5,448,339
13	December	2023	6,470,309
14	Total		$ 75,658,040
15	Average Accounts Receivable Balance		$ 5,819,849
16	Gross Utility Wastewater Revenues recorded		
17	During the Twelve Months Ended 12/31/2023		$ 58,270,675
16	Average Daily Billing		$ 159,646
18	Lag in Receipt of Payment		36.5
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		53.7

Reference:
(a) One-half of monthly billing period.

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 1,803,177	5.5	(a)	$ 9,917,472
2	Non-Union Labor	1,720,692	9.0	(a)	15,486,229
3	Management Fee	2,529,850	15.7	(a)	39,718,640
4	Electric Power	1,767,231	43.3	(a)	76,521,113
5	Purchased Wastewater	8,825,200	49.8	(a)	439,494,967
6	Employee Group Insurance	2,114,321	16.3	(a)	34,463,437
7	Liability Insurance	31,224	(46.4)	(a)	(1,448,815)
8	SFI Postage	132,592	(5.4)	(a)	(715,996)
9	Pension	0	440.0	(a)	0
10	SFAS106	0	45.1	(a)	0
11	All Other Expenses (b)	9,769,939	31.3	(a)	305,799,094
12	Total	$ 28,694,227			$ 919,236,142
13	Average Lag Days in Payment of Expenses		32.0	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		53.7	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		21.7	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 78,614	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ 1,705,931	[16] * [18]	
20	USE		$ 1,706,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 249,469	(198.5)	(a)	$ (49,519,626)
2	OCA & SBA - General Assessments	118,053	(198.5)	(a)	(23,433,431)
3	Public Utility Realty Tax	-	(48.3)	(a)	-
4	Local, County, School, & Municipal Tax	306,067	(92.9)	(a)	(28,433,634)
5	FICA Taxes - Hourly	-	5.5	(a)	-
6	FICA Taxes - Executive & Exempt	-	9.0	(a)	-
7	Federal Unemployment Tax	-	75.9	(a)	-
8	PA Unemployment Tax	-	75.9	(a)	-
9	PA State Income Tax	140,007	36.5	(a)	5,110,253
10	Federal Income Tax	(1,095,396)	36.5	(a)	(39,981,971)
11	Total	$ (281,801)			$ (136,258,408)
12	Average Lag Days in Payment of Taxes		483.5	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		53.7	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		(429.8)	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ (772)	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ 331,830	[15] * [17]	
19	USE		$ 332,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 7,810,175	90.8	(a)	$ 708,773,355
2	PennVest-Interest	4,617	14.7	(a)	67,911
3	Total	$ 7,814,792			$ 708,841,266
4	Average Lag Days in Payment of Interest		90.7	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		53.7	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(37.0)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 21,410		
10	Cash Working Capital Required		$ (792,184)		
11	USE		$ (792,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ 24,872,177	$ 24,872,177	$ 24,594,178
2	Plus: Contributions		409,121	802,735
3	Less: Amortization		(687,120)	(693,367)
4	Customer Advances and Contributions In Aid Of Construction	$ (24,872,177)	$ (24,594,178)	$ (24,703,546)

AQUA PENNSYLVANIA WASTEWATER, INC. - WW BASE

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ 10,431,270	$ 10,431,270	$ 11,985,297
2	Change in Deferred Tax	Schedule F-2		1,554,027	768,142
3	Deferred Income Taxes		$ (10,431,270)	$ (11,985,297)	$ (12,753,439)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

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AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

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AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

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Docket No. R-2024-3047824
Exhibit 1-D

Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	$ 11,809,110	$ (195,280)	$ 11,613,830	$ -	$ 11,613,830	$ -	$ 11,613,830	$ 3,526,708	$ 15,140,538
2	Operating Expenses	4,737,346	1,242,096	5,979,441	1,074,156	7,053,597	628,724	7,682,321	37,059	7,719,380
3	Depreciation	914,836	1,337,249	2,252,085	(49,097)	2,202,988	(12,449)	2,190,539		2,190,539
4	Taxes, other than income :									
5	PUC assessment	-	50,228	50,228	-	50,228	-	50,228	15,253	65,481
6	OCA & SBA assessments	-	23,769	23,769	-	23,769	-	23,769	7,218	30,986
7	Public Utility Realty tax	-	-	-	-	-	-	-	-	-
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	-	-	-	-	-	-	-	-	-
10	Federal & State payroll tax	16,873	-	16,873	-	16,873	-	16,873	-	16,873
11	Total Taxes, other than income	16,873	73,997	90,870	-	90,870	-	90,870	22,470	113,340
12	Utility Operating Income Before Tax	6,140,056	(2,848,622)	3,291,434	(1,025,059)	2,266,375	(616,275)	1,650,100	3,467,179	5,117,279
13	Income Taxes:									
14	Federal Tax-Current	-	442,606	442,606	(170,630)	271,977	(116,052)	155,925	669,932	825,857
15	Pa. CNI Tax-Current	-	208,194	208,194	(88,037)	120,158	(55,680)	64,478	277,028	341,505
16	Federal Tax-Deferred	-	(24,991)	(24,991)	(3,442)	(28,433)	(5,280)	(33,713)	-	(33,713)
17	Pa. CNI Tax-Deferred	-	-	-	-	-	-	-	-	-
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	-		-		-		-		-
20	Total Income Taxes	-	625,810	625,810	(262,108)	363,702	(177,012)	186,690	946,960	1,133,650
21	Total Operating Revenue Deductions	5,669,054	3,279,151	8,948,206	762,951	9,711,157	439,263	10,150,420	1,006,489	11,156,909
22	Utility Operating Income	6,140,056	(3,474,432)	2,665,624	(762,951)	1,902,673	(439,263)	1,463,410	2,520,220	3,983,630
23	Income Deductions:									
24	Interest on Long-Term debt	-	1,094,595	1,094,595	(108,112)	986,483	17,175	1,003,658		1,003,658
25	Amort. Of debt discount & expense	-	-	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(21,534)	21,534	-	-	-	-	-		-
28	Total Income Deductions	(21,534)	1,116,128	1,094,595	(108,112)	986,483	17,175	1,003,658	-	1,003,658
29	Net Income	$ 6,161,589	$ (4,590,560)	$ 1,571,029	$ (654,839)	$ 916,190	$ (456,438)	$ 459,752	$ 2,520,220	$ 2,979,972
30	Preferred Dividend									
31	Net Income-Common	$ 6,161,589	$ (4,590,560)	$ 1,571,029	$ (654,839)	$ 916,190	$ (456,438)	$ 459,752	$ 2,520,220	$ 2,979,972

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

REVENUE, EXPENSE & RATE BASE REVISIONS MADE TO EXHIBIT 1-D WASTEWATER LOWER MAKEFIELD

LINE NO.	DESCRIPTION	SCHEDULE	REFERENCE	CATEGORY	PROPOSED RATES ORIGINAL CLAIM	PROPOSED RATES REVISED CLAIM	COMPANY WITNESS	ADJUSTMENT $

Total	Revenue	$	-
Total	Expense	$	-
Total	Rate Base	$	-

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Residential	11,132	11,168	11,168	11,168	11,168	-	-
2	Commercial	267	270	270	270	270	-	-
3	Industrial	-	-	-	-	-	-	-
4	Public	7	7	7	7	7	-	-
5	Miscellaneous	-	-	-	-	-	-	-
6	Availability Charge	-	-	-	-	-	-	-
7	Total Customers	11,406	11,445	11,445	11,445	11,445	-	-

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
1	Pro Forma Rate Base	Schedule G-1		$	50,447,179
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	3,983,630
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	1,463,410
5	Operating Income Deficit		=	$	2,520,220
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3994
7	Revenue Deficit		=	$	3,526,708

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ 2,665,624	$ 52,961,998	5.03%
2	Present Rates December 31, 2024	$ 1,902,673	$ 51,353,282	3.71%
3	Present Rates December 31, 2025	$ 1,463,410	$ 50,447,179	2.90%
4	Proposed Rates December 31, 2025	$ 3,983,630	$ 50,447,179	7.90%

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**1.051%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9831
7	State Tax Rate	**7.990%**		
8	State Tax $$ ============>		$	0.0786
9	State Factor		$	0.9046
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ============>		$	0.1900
12	Combined Income Tax Factor on Gross Revenues			26.85%
13	Net Operating Income Factor			**71.46%**
14	Gross Revenue Conversion Factor			**1.39937**

Docket No. R-2024-3047824
Exhibit 1-D

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Residential	$ 9,900,220	$ (141,113)	$ 9,759,107	$ -	$ 9,759,107	$ -	$ 9,759,107	42.7%	$ 4,166,514	$ 13,925,620
2	Commercial	1,799,179	(58,488)	1,740,691	-	1,740,691	-	1,740,691	-34.7%	(604,337)	1,136,354
3	Industrial	-	-	-	-	-	-	-	0.0%	-	-
4	Public	51,982	3,906	55,889	-	55,889	-	55,889	-63.5%	(35,468)	20,420
5	Other	-	-	-	-	-	-	-	0.0%		-
6	Availability Charge	-	-	-	-	-	-	-	0.0%		-
7	Total Sales to General Customers	11,751,382	(195,695)	11,555,687	-	11,555,687	-	11,555,687	30.5%	3,526,708	15,082,395
8	Forfeited Discounts	47,145	-	47,145	-	47,145	-	47,145	0.0%		47,145
9	Other WW Revenues	10,583	-	10,583	-	10,583	-	10,583	0.0%		10,583
10	Miscellaneous WW Service Revenues	-	415	415	-	415	-	415	0.0%		415
11	Total Other WW Revenues	57,728	415	58,143	-	58,143	-	58,143	0.0%	-	58,143
12	Total Operating Revenue	$ 11,809,110	$ (195,280)	$ 11,613,830	$ -	$ 11,613,830	$ -	$ 11,613,830	30.4%	$ 3,526,708	$ 15,140,538

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 11,809,110				
2	Present Rates at 12/31/23					$ 11,613,830		
3	Present Rates at 12/31/24							$ 11,613,830
4	Unbilled Revenue Adjustment	Schedule B-3	(175,866)		-		-	
5	Page Held For Future Use	Schedule B-4	-		-		-	
6	Page Held For Future Use	Schedule B-5	-		-		-	
7	Page Held For Future Use	Schedule B-6	-		-		-	
8	Miscellaneous Revenue Adjustments	Schedule B-7	(19,414)		-		-	
9	Pro Forma Adjustment			(195,280)		-		-
10	Pro Forma Present Rates at December 31, 2023			$ 11,613,830				
11	Pro Forma Present Rates at December 31, 2024					$ 11,613,830		
12	Pro Forma Present Rates at December 31, 2025							$ 11,613,830

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOK 12/31/2023 AMOUNT
1	Residential	$ 127,096
2	Commercial	52,667
3	Industrial	-
4	Public	(3,897)
5	Other	
6	Availability Charge	
7	Total Sales to General Customers	175,866
8	Forfeited Discounts	
9	Other WW Revenues	
10	Miscellaneous WW Service Revenues	
11	Total Other WW Revenues	-
12	Total Operating Revenue	$ 175,866

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT		PRESENT RATES 12/31/2023 ADJUSTMENT
1	Residential	(a)	$ (11,682)		(b)	$ (2,335)
2	Commercial				(b)	(5,821)
3	Industrial					
4	Public				(b)	9
5	Other					
6	Availability Charge					
7	Total Sales to General Customers		(11,682)	-		(8,147)
8	Forfeited Discounts					
9	Other WW Revenues					
10	Miscellaneous WW Service Revenues				(b)	415
11	Total Other WW Revenues		-	-		415
12	Total Operating Revenue		$ (11,682)	$ -		$ (7,732)

(a) Deduct Meter Credits
(b) Refer to AP Statement No. 10

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		--Collection--				
2		-Operations-				
3	7011	Labor	37,740	37,740	23,183	23,799
4	7041	Employee Benefits	7,651	7,651	7,408	7,329
5	7151	Purchased Power	49,768	52,609	52,418	65,314
6	7361	OS Other	11,179	11,179	11,450	11,713
7	7501	Transportation	2,173	2,173	2,225	2,277
8	7751	Other	10,472	10,472	10,726	10,973
9		-Maintenance-				
10	7012	Labor	1,298	1,298	798	819
11	7042	Employee Benefits	250	250	242	240
12	7202	Supplies	2,157	2,157	2,209	2,260
13	7362	OS Other	115,901	115,901	118,712	121,442
14	7502	Transportation	94	94	96	98
15	7752	Other	5,797	5,797	5,938	6,074
16						
17		Total Collection Expense	$ 244,480	$ 247,322	$ 235,406	$ 252,338
18						
19		--Pumping--				
20		-Operations-				
21	7013	Labor	9,514	9,514	5,844	6,000
22	7043	Employee Benefits	2,013	2,013	1,949	1,928
23	7203	Supplies	891	891	912	933
24	7363	OS Other	6,363	6,363	6,517	6,667
25	7503	Transportation	595	595	609	623
26	7753	Other	686	686	702	718
27		-Maintenance-				
28	7204	Supplies	5,211	5,211	5,338	5,460
29	7364	OS Other	65,325	65,325	66,910	68,448
30	7754	Other	2,380	2,380	2,438	2,494
31						
32		Total Pumping Expense	$ 92,978	$ 92,978	$ 91,219	$ 93,273

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
33						
34		--Treatment & Disposal--				
35		-Operations-				
36	7015	Labor	108,498	108,498	66,647	68,418
37	7045	Employee Benefits	38,178	38,178	36,966	36,572
38	7105	Purchased Wastewater	4,029,647	4,394,824	5,604,104	6,154,656
39	7115	Sludge	15,158	15,158	15,525	15,882
40	7365	OS Other	7,251	7,251	7,427	7,598
41	7505	Transportation	6,771	6,771	6,935	7,095
42		-Maintenance-				
43	7366	OS Other	10,901	10,901	11,165	11,422
44						
45		Total Treatment & Disposal Expense	$ 4,216,403	$ 4,581,580	$ 5,748,770	$ 6,301,643
46						
47		--Reclaimed Water Treatment--				
48		-Operations-				
49						
50						
51		--Customer Accounting--				
52	7707	Bad Debt	21,122	121,428	121,428	121,428
53						
54		Total Customer Accounting Expense	$ 21,122	$ 121,428	$ 121,428	$ 121,428
55						
56		--Administrative and General--				
57	7018	Labor	97,007	97,007	59,588	61,172
58	7038	Labor	1,149	1,149	706	725
59	7048	Employee Benefits	18,245	105,032	47,493	50,491
60	7208	Supplies	3,913	3,913	4,008	4,100
61	7318	OS Engineer	45,670	45,670	46,778	47,853
62	7328	OS Accounting	-	15,451	15,191	15,309
63	7349	Management Fees	-	658,772	678,873	699,392
64	7368	OS Other	14,086	14,086	14,428	14,760

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
65	7508	Transportation	5,433	5,433	5,565	5,693
66	7578	Insurance	-	10,018	5,854	6,512
67	7588	Insurance	-	729	590	616
68	7598	Insurance	-	2,013	1,403	1,504
69	7758	Other	(23,140)	(23,140)	(23,701)	(24,247)
70	7668	Amortization of Rate Case	-	-	-	29,760
71						
72		Total Admin & General Expense	$ 162,362	$ 936,134	$ 856,775	$ 913,640
73						
74		Total Operating Expenses	$ 4,737,346	$ 5,979,441	$ 7,053,597	$ 7,682,321

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 255,207	$ -	$ 255,207	$ (98,441)	$ 156,765	$ 4,167	$ 160,932
2	Employee Benefits	66,336	86,788	153,124	(59,065)	94,059	2,500	96,559
3	Purchased Water	-	-	-	-	-	-	-
4	Purchased Wastewater	4,029,647	365,177	4,394,824	1,209,280	5,604,104	550,552	6,154,656
5	Sludge	15,158	-	15,158	368	15,525	357	15,882
6	Purchased Power	49,768	2,841	52,609	(191)	52,418	12,896	65,314
7	Chemicals	-	-	-	-	-	-	-
8	Supplies	12,172	-	12,172	295	12,467	287	12,754
9	OS Engineer	45,670	-	45,670	1,107	46,778	1,076	47,853
10	OS Accounting	-	15,451	15,451	(260)	15,191	118	15,309
11	OS Legal	-	-	-	-	-	-	-
12	OS Lab Testing	-	-	-	-	-	-	-
13	OS Other	231,007	-	231,007	5,602	236,609	5,442	242,051
14	Management Fees	-	658,772	658,772	20,101	678,873	20,519	699,392
15	Leases	-	-	-	-	-	-	-
16	Transportation	15,066	-	15,066	365	15,431	355	15,786
17	Insurance	-	12,761	12,761	(4,914)	7,847	785	8,632
18	Other	(3,806)	-	(3,806)	(92)	(3,898)	(90)	(3,987)
19	Bad Debt	21,122	100,306	121,428	-	121,428	-	121,428
20	Amortization of Rate Case	-	-	-	-	-	29,760	29,760
21	Amortization of UPAA	-	-	-	-	-	-	-
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	-	-
24	Total Operating Expenses	$ 4,737,346		$ 5,979,441		$ 7,053,597		$ 7,682,321
25	Pro Forma Adjustments		$ 1,242,096		$ 1,074,156		$ 628,724	
26	Uncollectibles @ Proposed Rates							$ 37,059
27	Proposed Rates @ 12/31/25							$ 7,719,380

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 4,737,346				
2	Present Rates at 12/31/23					$ 5,979,441		
3	Present Rates at 12/31/24							$ 7,053,597
4	General Price Level Adjustment	Schedule C-4.1	-		11,494		11,166	
5	Uncollectible Accounts	Schedule C-4.2	100,306		-		-	
6	Page Held For Future Use	Schedule C-4.3	-		-		-	
7	Rate Case Expense	Schedule C-4.4	-		-		29,760	
8	Payroll	Schedule C-4.5	-		(98,441)		4,167	
9	Insurance Expense	Schedule C-4.6	12,761		(4,914)		785	
10	Management Service & Sundry	Schedule C-4.7	658,772		16,252		16,780	
11	Page Held For Future Use	Schedule C-4.8	-		-		-	
12	Miscellaneous Expense Adjustments	Schedule C-4.9	-		-		-	
13	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
14	Audit Fee Expense	Schedule C-4.11	15,451		(260)		118	
15	Page Held For Future Use	Schedule C-5.1	-		-		-	
16	Purchased Power Expense	Schedule C-6.1	2,841		(191)		12,896	
17	Chemicals	Schedule C-6.2	-		-		-	
18	Purchased Wastewater Treatment Expense	Schedule C-7.1	365,177		1,209,280		550,552	
19	Employee Benefits	Schedule C-8.1	86,788		(59,065)		2,500	
20	Pro Forma Adjustments			$ 1,242,096		$ 1,074,156		$ 628,724
21	Pro Forma Present Rates at December 31, 2023			$ 5,979,441				
22	Pro Forma Present Rates at December 31, 2024					$ 7,053,597		
23	Pro Forma Present Rates at December 31, 2025							$ 7,682,321

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 5,979,441	
3	Present Rates 12/31/2024		$ 7,053,597
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	255,207	156,765
6	Employee Benefits	153,124	94,059
7	Purchased Wastewater	4,394,824	5,604,104
8	Sludge	-	-
9	Purchased Power	52,609	52,418
10	Chemicals	-	-
11	Supplies	-	-
12	OS Engineer	-	-
13	OS Accounting	15,451	15,191
14	OS Legal	-	-
15	OS Lab Testing	-	-
16	OS Other	-	-
17	Management Fees	500,061	516,313
18	Leases	-	-
19	Transportation	-	-
20	Insurance	12,761	7,847
21	Other	-	-
22	Bad Debt	121,428	121,428
23	Amortization of Rate Case	-	-
24	Amortization of UPAA	-	-
25	Amortization of Tank Painting	-	-
26	Amortization Other	-	-
27	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 5,505,463	$ 6,568,126
28	Total Operating Expenses Subject to Effects of Inflation	$ 473,978	$ 485,472
29	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
30	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 11,494	$ 11,166

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)			
1	First Quarter	2024	2.500%	(a)
2	Second Quarter	2024	2.500%	(a)
3	Third Quarter	2024	2.400%	(a)
4	Fourth Quarter	2024	2.300%	(a)
5	Annual Average for the Period Ending 12/31/2024		2.425%	
6	First Quarter	2025	2.300%	(b)
7	Second Quarter	2025	2.300%	(b)
8	Third Quarter	2025	2.300%	(b)
9	Fourth Quarter	2025	2.300%	(b)
10	Annual Average for the Period Ending 12/31/2025		2.300%	

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 1.05080% with regard to sales to general customers.

LINE NO.	DESCRIPTION	PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue	$ 11,751,382	$ 11,555,687	$ 11,555,687	$ 11,555,687	
2	Annualized Uncollectible Account based on Experience Factor @ 1.05080%		121,428	121,428	121,428	‡
3	Less: Amount Charged to Operating Expense					
4	During the Twelve Months Ended 12/31/2023		21,122			
5	Less: Present Rates 12/31/2023			121,428		
6	Less: Present Rates 12/31/2024				121,428	
7	Increase/(Decrease)		$ 100,306	$ -	$ -	
8	Pro Forma Adjustment:					
9	7707		$ 100,306	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of wastewater customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Wastewater - Current Exhibit	2.28%	$	59,520	$ 29,760
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	-	$ 29,760 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			-	
19	Less: Present Rates 12/31/2024				-
20	Increase/(Decrease)		$	-	$ 29,760
21	Pro Forma Adjustment:				
22	7668				$ 29,760

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ -	$ -	
3	Capital Payroll		-	-	
4	Non-Operating Payroll		-	-	
5	Expense Payroll	-	-	-	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ -	$ -	
7	**Union Payroll**				
8	Gross Payroll		$ 233,456	$ 239,661	
9	Capital Payroll		73,935	75,901	
10	Non-Operating Payroll		2,755	2,828	
11	Expense Payroll	255,207	156,765	160,932	‡
12	Union Expense Payroll Increase/(Decrease)		$ (98,441)	$ 4,167	
13	Total Expense Payroll Increase/(Decrease)		$ (98,441)	$ 4,167	
14	Pro Forma Adjustment:				
15	7011		$ (14,558)	$ 616	
16	7012		$ (501)	$ 21	
17	7013		$ (3,670)	$ 155	
18	7015		$ (41,851)	$ 1,772	
19	7018		$ (37,419)	$ 1,584	
20	7038		$ (443)	$ 19	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		$ 14,662	$ 9,733	$ 10,706	
2	Workers Compensation		1,067	325	357	
3	Other (Exec Risk, Property, Surety Bond)		2,946	1,427	1,570	
4			18,676	11,485	12,633	
5	Capitalized portion not charged to operating expense	31.67%	(5,915)	(3,637)	(4,001)	
6	Subtotal Insurance		$ 12,761	$ 7,847	$ 8,632	‡
7	Less: Amount Charged to Operating Expense					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			12,761		
10	Less: Present Rates 12/31/2024				7,847	
11	Increase/(Decrease)		$ 12,761	$ (4,914)	$ 785	
12	Pro Forma Adjustment:					
13	7578		$ 10,018	$ (4,164)	$ 665	
14	7588		$ 729	$ (139)	$ 22	
15	7598		$ 2,013	$ (611)	$ 98	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania Wastewater during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 500,061	$ 500,061	$ 516,313	‡
2	Payroll & Benefit Increase		16,252	16,780	‡
3	Management Fees All Other	158,712	158,712	158,712	
4	Total Expense Claim	$ 658,772	$ 675,024	$ 691,804	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	-			
7	Less: Present Rates 12/31/2023		658,772		
8	Less: Present Rates 12/31/2024			675,024	
9	Increase/(Decrease)	$ 658,772	$ 16,252	$ 16,780	
10	Pro Forma Adjustment:				
11	7349	$ 658,772	$ 16,252	$ 16,780	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1				
2				
3				
4				
5				
6				
7	Increase/(Decrease)	$ -	$ -	$ -
8	Pro Forma Adjustment:			
9				
10				
11				
12				

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	$ -	$ -	$ -	‡
2	Total Specific Expenses Not Subject to Increase	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 22,612	$ 22,232	$ 22,405	
			22,612	22,232	22,405	
2	Capitalized portion not charged to operating expense	31.67%	(7,161)	(7,041)	(7,096)	
3	Subtotal Audit Fees		$ 15,451	$ 15,191	$ 15,309	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		-			
6	Less: Present Rates 12/31/2023			15,451		
7	Less: Present Rates 12/31/2024				15,191	
8	Increase/(Decrease)		$ 15,451	$ (260)	$ 118	
9	Pro Forma Adjustment:					
10	7328		$ 15,451	$ (260)	$ 118	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 52,008	$ 52,008	$ 64,904	
2	Claimed Purchased Power Expense - Gas	601	411	411	
3		$ 52,609	$ 52,418	$ 65,314	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	49,768			
6	Less: Present Rates 12/31/2023		52,609		
7	Less: Present Rates 12/31/2024			52,418	
8	Increase/(Decrease)	$ 2,841	$ (191)	$ 12,896	
9	Pro Forma Adjustment:				
10	7151	$ 2,841	$ (191)	$ 12,896	
11	7153	$ -	$ -	$ -	
12	7155	$ -	$ -	$ -	
13	7158	$ -	$ -	$ -	
14	7161	$ -	$ -	$ -	
15	7163	$ -	$ -	$ -	
16	7165	$ -	$ -	$ -	
17	7168	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	Lower Makefield	533,294	$ 52,008	533,294	$ 52,008	533,294	$ 64,904
2				$ 52,008		$ 52,008		$ 64,904

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - GAS

LINE NO.	UTILITY	LOCATION	HISTORIC THERMS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE THERMS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE THERMS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	Lower Makefield	202	$ 601	132	$ 411	132	$ 411
2				$ 601		$ 411		$ 411

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The company is not making a claim for chemical expenses for Lower Makefield in this case.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Chemical Expense Claim	$ -	$ -	$ -	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	-			
4	Less: Present Rates 12/31/2023		-		
5	Less: Present Rates 12/31/2024			-	
6	Increase/(Decrease)	$ -	$ -	$ -	
7	Pro Forma Adjustment:				
8	7183	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WASTEWATER TREATMENT EXPENSE

The Company's claim for purchased wastewater treatment expense normalizes the cost of services provided by wastewater treatment providers for the Company's Lower Makefield service area.The service providers are Bucks Countyy Water and Sewer Authority, Morrisville Municipal Authority, the Township of Falls Authority, and Yardley Borough.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Wastewater Expense	$ 4,394,824	$ 5,604,104	$ 6,154,656	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	4,029,647			
4	Less: Present Rates 12/31/2024		4,394,824		
5	Less: Present Rates 12/31/2024			$ 5,604,104	
6	Increase/(Decrease)	$ 365,177	$ 1,209,280	$ 550,552	
7	Pro Forma Adjustment:				
8	7105	$ 365,177	$ 1,209,280	$ 550,552	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE BENEFITS

Aqua Pennsylvania Water Operations charges a portion of employee benefits and other related overheads to Aqua Pennsylvania Wastewater through an intracompany transaction which is calculated based on approximately 60% of wastewater payroll expense.
Refer to Exhibit 1-A Water, Schedule C-8.5 for the corresponding entry.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Wastewater Intracompany Benefits	$ 153,124	$ 94,059	$ 96,559	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	66,336			
4	Less: Present Rates 12/31/2023		153,124		
5	Less: Present Rates 12/31/2024			94,059	
6	Increase/(Decrease)	$ 86,788	$ (59,065)	$ 2,500	
7	Pro Forma Adjustment:				
8	7048	$ 86,788	$ (59,065)	$ 2,500	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 2,252,085	$ 2,202,988	$ 2,190,539
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	914,836		
4	Less: Present Rates 12/31/2023		2,252,085	
5	Less: Present Rates 12/31/2024			2,202,988
6	Increase/(Decrease)	$ 1,337,249	$ (49,097)	$ (12,449)
7	Pro Forma Adjustment:			
8		$ 1,337,249	$ (49,097)	$ (12,449)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 16,873						
2	Present Rates at 12/31/23				$ 90,870				
3	Present Rates at 12/31/24						$ 90,870		
4	Present Rates at 12/31/25								$ 90,870
5	General Assessment Fees By The Pennsylvania Public Utility Commission	50,228		-		-		15,253	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	23,769		-		-		7,218	
7	Public Utility Realty Tax	-		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Pro Forma Adjustment		$ 73,997		$ -		$ -		$ 22,470
10	Pro Forma Present Rates at December 31, 2023		$ 90,870						
11	Pro Forma Present Rates at December 31, 2024				$ 90,870				
12	Pro Forma Present Rates at December 31, 2025						$ 90,870		
13	Pro Forma Proposed Rates at December 31, 2025								$ 22,470

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 11,613,830	$ 11,613,830	$ 11,613,830	$ 15,140,538
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	50,228	50,228	50,228	65,481
4	Total General Assessment Fees		$ 50,228	$ 50,228	$ 50,228	$ 65,481
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		-			
7	Less: Present Rates 12/31/2023			50,228		
8	Less: Present Rates 12/31/2024				50,228	
9	Less: Present Rates 12/31/2025					50,228
10	Increase/(Decrease)		$ 50,228	$ -	$ -	$ 15,253
11	Pro Forma Adjustment:					
12	4081		$ 50,228	$ -	$ -	$ 15,253

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 11,613,830	$ 11,613,830	$ 11,613,830	$ 15,140,538
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	20,236	20,236	20,236	26,381
4	Small Business Advocate Fee At	0.000303478942	3,525	3,525	3,525	4,595
5	Damage Prevention Fee At	0.000000719937	8	8	8	11
6	Total General Assessment Fees		$ 23,769	$ 23,769	$ 23,769	$ 30,986
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			23,769		
10	Less: Present Rates 12/31/2024				23,769	
11	Less: Present Rates 12/31/2025					23,769
12	Increase/(Decrease)		$ 23,769	$ -	$ -	$ 7,218
13	Pro Forma Adjustment:					
14	4081		$ 23,769	$ -	$ -	$ 7,218

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made move payroll taxes per books to Intracompany Benefits, Schedule C-8.1, for ratemaking purposes.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI				
2	FICA Medicare				
3	FICA Total		-	-	-
4	FUTA				
5	SUTA				
6	Annualized Payroll Taxes		-	-	-
7	Capitalized portion not charged to operating expense	31.67%	-	-	-
8	Sub-Total		-	-	-
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		16,873		
11	Less: Present Rates 12/31/2023			-	
12	Less: Present Rates 12/31/2024				-
13	Increase/(Decrease)		$ 16,873	$ -	$ -
14	Pro Forma Adjustment:				
15	40812		$ 16,873	$ -	$ -

Docket No. R-2024-3047824
Exhibit 1-D

Schedule E-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

6			PRESENT RATES			PRESENT RATES			PRESENT RATES	
7	Calculation of Interest:		12/31/23			12/31/24			12/31/25	
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$ 52,961,998		Schedule G-1 Col 4, Row 15	$ 51,353,282		Schedule G-1 Col 5, Row 15	$ 50,447,179	
9	Applicable Percentage		48.52%			45.31%			46.05%	
10	Applicable Portion of Rate Base		$ 25,694,714			$ 23,266,107			$ 23,232,826	
11	Cost Rate		4.26%			4.24%			4.32%	
12	Pro-Forma Long-term Interest Expense		$ 1,094,595			$ 986,483			$ 1,003,658	
13	Less: Interest on Long Term Debt Per Books 12/31/23		-							
14	Less: Interest on Long Term Debt Present Rates at 12/31/23					1,094,595				
15	Less: Interest on Long Term Debt Present Rates at 12/31/24								986,483	
16	Long Term Debt Pro Forma Adjustment		$ 1,094,595			$ (108,112)			$ 17,175	

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ -	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (21,534)	$ -	$ -
2	Eliminate Interest During Construction	21,534	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 21,534	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT	PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ 442,606	$ 271,977	$ 155,925	$ 825,857
2	Less: Per Book	Schedule A-1	-			
3	Less: Present Rates at 12/31/23			442,606		
4	Less: Present Rates at 12/31/24				271,977	
5	Less: Present Rates at 12/31/25					155,925
6	Pro Forma Adjustment		$ 442,606	$ (170,630)	$ (116,052)	$ 669,932
7	State Income Tax - Current	Schedule F-2	$ 208,194	$ 120,158	$ 64,478	$ 341,505
8	Less: Per Book	Schedule A-1	-			
9	Less: Present Rates at 12/31/23			208,194		
10	Less: Present Rates at 12/31/24				120,158	
11	Less: Present Rates at 12/31/25					64,478
12	Pro Forma Adjustment		$ 208,194	$ (88,037)	$ (55,680)	$ 277,028
13	Federal Income Tax - Deferred	Schedule F-2	$ (24,991)	$ (28,433)	$ (33,713)	$ (33,713)
14	Less: Per Book	Schedule A-1	-			
15	Less: Present Rates at 12/31/23			(24,991)		
16	Less: Present Rates at 12/31/24				(28,433)	
17	Less: Present Rates at 12/31/25					(33,713)
18	Pro Forma Adjustment		$ (24,991)	$ (3,442)	$ (5,280)	$ -
19	State Income Tax - Deferred	Schedule F-2	$ -	$ -	$ -	$ -
20	Less: Per Book	Schedule A-1	-			
21	Less: Present Rates at 12/31/23			-		
22	Less: Present Rates at 12/31/24				-	
23	Less: Present Rates at 12/31/25					-
24	Pro Forma Adjustment		$ -	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ 3,291,434	$ 3,291,434	$ 2,266,375	$ 2,266,375	$ 1,650,100	$ 1,650,100	$ 5,117,279	$ 5,117,279
2	Interest Expense	Schedule A-1	(1,094,595)	(1,094,595)	(986,483)	(986,483)	(1,003,658)	(1,003,658)	(1,003,658)	(1,003,658)
3	State Income Tax	[12]	(208,194)		(120,158)		(64,478)		(341,505)	
4	Tax Repair Deduction		-	-	-	-	-	-	-	-
5	Book Depreciation	Schedule A-1	2,252,085	2,252,085	2,202,988	2,202,988	2,190,539	2,190,539	2,190,539	2,190,539
6	Tax Depreciation		(2,133,080)	(2,133,080)	(2,067,594)	(2,067,594)	(2,030,001)	(2,030,001)	(2,030,001)	(2,030,001)
7	COR & Other Basis Differences, net of book		-	-	-	-	-	-	-	-
8	Taxable Income	Sum of Lines [1] : [7]	$ 2,107,650	$ 2,315,844	$ 1,295,128	$ 1,415,286	$ 742,502	$ 806,980	$ 3,932,654	$ 4,274,159
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	442,606	208,194	271,977	120,158	155,925	64,478	825,857	341,505
11	Other - NOL		-	-	-	-	-	-	-	-
12	Total - Current Income Tax	[10] + [11]	$ 442,606	$ 208,194	$ 271,977	$ 120,158	$ 155,925	$ 64,478	$ 825,857	$ 341,505
13	Normalized Book Depreciation		(2,252,085)	-	(2,202,988)	-	(2,190,539)	-	(2,190,539)	-
14	Normalized Tax Depreciation		2,133,080	-	2,067,594	-	2,030,001	-	2,030,001	-
15	Normalized Basis Differences		-	-	-	-	-	-	-	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	(24,991)	-	(28,433)	-	(33,713)	-	(33,713)	-
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	-	-	-	-	-
19	Flowback of Catch Up Adjustment		-	-	-	-	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		-	-	-	-	-	-	-	-
21	Flowback of TCJA 2017 - 10 Years		-	-	-	-	-	-	-	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	-	-	-	-
23	Flowback of Tax Repairs Collar		-	-	-	-	-	-	-	-
24	Total Flow Through	Sum of Lines [19] : [23]	-	-	-	-	-	-	-	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ (24,991)	$ -	$ (28,433)	$ -	$ (33,713)	$ -	$ (33,713)	$ -
26	Amortization of Income Tax Credit		-		-		-		-	
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ 417,615	$ 208,194	$ 243,544	$ 120,158	$ 122,212	$ 64,478	$ 792,144	$ 341,505

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 54,568,266	$ 55,169,646	$ 56,469,936
2	Utility Plant Acquisition Adjustment	Schedule G-3	-	-	-
3			54,568,266	55,169,646	56,469,936
4	Less: Accumulated Depreciation	Schedule G-2	(1,185,150)	(3,424,745)	(5,665,883)
5	Net Plant in Service		53,383,116	51,744,901	50,804,053
6	Additions:				
7	Materials & Supplies	Schedule G-4	-	-	-
8	Cash Working Capital	Schedule G-5	(365,000)	(365,000)	(365,000)
9			(365,000)	(365,000)	(365,000)
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	(56,118)	(55,052)	(54,019)
12	Deferred Income Taxes	Schedule G-7	-	28,433	62,146
13	Investment Tax Credit		-	-	-
14			(56,118)	(26,619)	8,126
15	Total Rate Base		$ 52,961,998	$ 51,353,282	$ 50,447,179

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 54,568,266	$ 54,568,266	$ 55,169,646
2	Plus: Additions		635,753	1,334,714
3	Less: Retirements		(34,373)	(34,424)
4	Utility Plant in Service	$ 54,568,266	$ 55,169,646	$ 56,469,936
5	Accumulated Depreciation	(1,185,150)	(3,424,745)	(5,665,883)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

LINE NO.	MONTH	YEAR	BALANCE
1	December	2022	$ -
2	January	2023	-
3	February	2023	-
4	March	2023	-
5	April	2023	-
6	May	2023	-
7	June	2023	-
8	July	2023	-
9	August	2023	-
10	September	2023	-
11	October	2023	-
12	November	2023	-
13	December	2023	-
14	Total		$ -
15	13 Month Average		$ -
16	Allowance for Materials & Supplies		
17	At 12/31/2024 and 12/31/2025		$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ (248,000)	$ (248,000)	$ (248,000)
2	Cash Working Capital - Taxes	Schedule G-5.3	44,000	44,000	44,000
3	Cash Working Capital - Interest	Schedule G-5.4	(161,000)	(161,000)	(161,000)
4	Total Cash Working Capital Requirement		$ (365,000)	$ (365,000)	$ (365,000)

Docket No. R-2024-3047824 Schedule G-5.1
Exhibit 1-D Witness: Harold C. Walker

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR	BALANCE
	(1)	(2)	(3)
1	December	2022	$ 532,241
2	January	2023	504,968
3	February	2023	398,494
4	March	2023	431,567
5	April	2023	459,800
6	May	2023	396,920
7	June	2023	527,916
8	July	2023	481,674
9	August	2023	436,388
10	September	2023	631,454
11	October	2023	509,073
12	November	2023	473,408
13	December	2023	475,768
14	Total		$ 6,259,671
15	Average Accounts Receivable Balance		$ 481,513
16	Gross Utility Wastewater Revenues recorded		
17	During the Twelve Months Ended 12/31/2023		$ 11,809,110
16	Average Daily Billing		$ 32,354
18	Lag in Receipt of Payment		14.9
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		32.1

Reference:
(a) One-half of monthly billing period.

Docket No. R-2024-3047824
Exhibit 1-D

Schedule G-5.2
Witness: Harold C. Walker

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 160,932	5.5	(a)	$ 885,128
2	Non-Union Labor	0	9.0	(a)	0
3	Management Fee	699,392	15.7	(a)	10,980,455
4	Electric Power	65,314	43.3	(a)	2,828,108
5	Purchased Wastewater	6,154,656	49.8	(a)	306,501,868
6	Employee Group Insurance	96,559	16.3	(a)	1,573,919
7	Liability Insurance	8,632	(46.4)	(a)	(400,533)
8	SFI Postage	36,656	(5.4)	(a)	(197,941)
9	Pension	0	440.0	(a)	0
10	SFAS106	0	45.1	(a)	0
11	All Other Expenses (b)	308,992	31.3	(a)	9,671,444
12	Total	$ 7,531,134			$ 331,842,447
13	Average Lag Days in Payment of Expenses		44.1	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		32.1	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		(12.0)	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 20,633	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ (247,599)	[16] * [18]	
20	USE		$ (248,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 50,228	(198.5)	(a)	$ (9,970,294)
2	OCA & SBA - General Assessments	23,769	(198.5)	(a)	(4,718,093)
3	Public Utility Realty Tax	-	(48.3)	(a)	-
4	Local, County, School, & Municipal Tax	-	(92.9)	(a)	-
5	FICA Taxes - Hourly	-	5.5	(a)	-
6	FICA Taxes - Executive & Exempt	-	9.0	(a)	-
7	Federal Unemployment Tax	-	75.9	(a)	-
8	PA Unemployment Tax	-	75.9	(a)	-
9	PA State Income Tax	64,478	36.5	(a)	2,353,435
10	Federal Income Tax	155,925	36.5	(a)	5,691,277
11	Total	$ 294,400			$ (6,643,675)
12	Average Lag Days in Payment of Taxes		(22.6)	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		32.1	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		54.7	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ 807	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ 44,120	[15] * [17]	
19	USE		$ 44,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 1,003,658	90.8	(a)	$ 91,081,972
2	PennVest-Interest	-	14.7	(a)	-
3	Total	$ 1,003,658			$ 91,081,972
4	Average Lag Days in Payment of Interest		90.8	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		32.1	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(58.7)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 2,750		
10	Cash Working Capital Required		$ (161,410)		
11	USE		$ (161,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ 56,118	$ 56,118	$ 55,052
2	Plus: Contributions		-	-
3	Less: Amortization		(1,066)	(1,032)
4	Customer Advances and Contributions In Aid Of Construction	$ (56,118)	$ (55,052)	$ (54,019)

AQUA PENNSYLVANIA WASTEWATER, INC. - LOWER MAKEFIELD

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ -	$ -	$ (28,433)
2	Change in Deferred Tax	Schedule F-2		(28,433)	(33,713)
3	Deferred Income Taxes		$ -	$ 28,433	$ 62,146

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

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	Revenue, Expense & Rate Base Revisions Made To Exhibit 1-E Wastewater East Whiteland	A-1.1	William C. Packer
	Number Of Customers Served And Whose Bills Will Be Changed	A-2	William C. Packer
	Calculation Of Revenue Deficiency And Rate Of Return At Current And Proposed Rates December 31,	A-3	William C. Packer
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AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

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AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

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Schedule A-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

PRO FORMA STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		PER BOOKS	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Operating Revenues	$ 3,516,854	$ 8,228	$ 3,525,082	$ -	$ 3,525,082	$ -	$ 3,525,082	$ 6,992,719	$ 10,517,800
2	Operating Expenses	1,858,500	344,744	2,203,244	6,354	2,209,598	178,722	2,388,320	73,480	2,461,799
3	Depreciation	943,369	820,186	1,763,555	140,310	1,903,865	(13,702)	1,890,163		1,890,163
4	Taxes, other than income :									
5	PUC assessment	-	15,245	15,245	-	15,245	-	15,245	30,243	45,488
6	OCA & SBA assessments	-	7,214	7,214	-	7,214	-	7,214	14,311	21,526
7	Public Utility Realty tax	-	-	-	-	-	-	-	-	-
8	State Capital Stock tax	-	-	-	-	-	-	-	-	-
9	Local property taxes & misc.	-	-	-	-	-	-	-	-	-
10	Federal & State payroll tax	14,661	-	14,661	-	14,661	-	14,661	-	14,661
11	Total Taxes, other than income	14,661	22,460	37,121	-	37,121	-	37,121	44,554	81,675
12	Utility Operating Income Before Tax	700,324	(1,179,162)	(478,838)	(146,664)	(625,502)	(165,020)	(790,522)	6,874,685	6,084,163
13	Income Taxes:									
14	Federal Tax-Current	-	(401,378)	(401,378)	(52,117)	(453,495)	(37,485)	(490,981)	1,328,334	837,353
15	Pa. CNI Tax-Current	-	(188,801)	(188,801)	(11,550)	(200,352)	(2,677)	(203,028)	549,287	346,259
16	Federal Tax-Deferred	-	98,400	98,400	18,334	116,734	(2,357)	114,377	-	114,377
17	Pa. CNI Tax-Deferred	-	-	-	-	-	-	-	-	-
18	ITC-Current	-		-		-		-		-
19	ITC-Amortized	-		-		-		-		-
20	Total Income Taxes	-	(491,779)	(491,779)	(45,334)	(537,113)	(42,519)	(579,632)	1,877,621	1,297,989
21	Total Operating Revenue Deductions	2,816,530	695,610	3,512,140	101,331	3,613,471	122,501	3,735,972	1,995,654	5,731,626
22	Utility Operating Income	700,324	(687,383)	12,941	(101,331)	(88,389)	(122,501)	(210,890)	4,997,064	4,786,174
23	Income Deductions:									
24	Interest on Long-Term debt	-	1,152,716	1,152,716	25,759	1,178,475	27,380	1,205,856		1,205,856
25	Amort. Of debt discount & expense	-	-	-	-	-	-	-		-
26	Other interest charges	-	-	-	-	-	-	-		-
27	Interest during Construction	(56,179)	56,179	-	-	-	-	-		-
28	Total Income Deductions	(56,179)	1,208,895	1,152,716	25,759	1,178,475	27,380	1,205,856	-	1,205,856
29	Net Income	$ 756,503	$ (1,896,277)	$ (1,139,775)	$ (127,090)	$ (1,266,864)	$ (149,881)	$ (1,416,746)	$ 4,997,064	$ 3,580,318
30	Preferred Dividend									
31	Net Income-Common	$ 756,503	$ (1,896,277)	$ (1,139,775)	$ (127,090)	$ (1,266,864)	$ (149,881)	$ (1,416,746)	$ 4,997,064	$ 3,580,318

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

REVENUE, EXPENSE & RATE BASE REVISIONS MADE TO EXHIBIT 1-E WASTEWATER EAST WHITELAND

LINE NO.	DESCRIPTION	SCHEDULE	REFERENCE	CATEGORY	PROPOSED RATES ORIGINAL CLAIM	PROPOSED RATES REVISED CLAIM	COMPANY WITNESS	ADJUSTMENT $

Total	Revenue	$	-
Total	Expense	$	-
Total	Rate Base	$	-

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NUMBER OF CUSTOMERS SERVED

AND WHOSE BILLS WILL BE CHANGED

LINE NO.	CUSTOMER CLASS	SERVED AT 12/31/2022	SERVED AT 12/31/2023	TO BE SERVED AT 12/31/2024	TO BE SERVED AT 12/31/2025	INCREASED BILLS	DECREASED BILLS	UNCHANGED BILLS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Residential	3,349	3,353	3,353	3,353	3,353	-	-
2	Commercial	600	600	600	600	600	-	-
3	Industrial	68	68	68	68	68	-	-
4	Public	3	3	3	3	3	-	-
5	Miscellaneous	-	-	-	-	-	-	-
6	Availability Charge	-	-	-	-	-	-	-
7	Total Customers	4,020	4,024	4,024	4,024	4,024	-	-

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

CALCULATION OF REVENUE DEFICIENCY AND RATE OF RETURN

AT CURRENT AND PROPOSED RATES DECEMBER 31, 2025

LINE NO.	DESCRIPTION	REFERENCE			
1	Pro Forma Rate Base	Schedule G-1		$	60,610,296
2	Recommended Rate of Return	Schedule E-1	X		7.90%
3	Operating Income, Pro Forma Proposed Rates		=	$	4,786,174
4	Operating Income, Pro Forma Present Rates	Schedule A-1		$	(210,890)
5	Operating Income Deficit		=	$	4,997,064
6	Gross Revenue Conversion Factor	Schedule A-5	X		1.3994
7	Revenue Deficit		=	$	6,992,719

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

STATEMENT OF UTILITY'S CALCULATION OF RATE OF RETURN
EARNED IN THE YEAR ENDED DECEMBER 31, 2023 AND
ANTICIPATED UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2025

LINE NO.		NET UTILITY OPERATING INCOME	VALUATION AT ORIGINAL COST	RATE OF RETURN
1	Present Rates December 31, 2023	$ 12,941	$ 55,774,192	0.02%
2	Present Rates December 31, 2024	$ (88,389)	$ 61,347,808	-0.14%
3	Present Rates December 31, 2025	$ (210,890)	$ 60,610,296	-0.35%
4	Proposed Rates December 31, 2025	$ 4,786,174	$ 60,610,296	7.90%

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

CALCULATION OF GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	RATE		
1	Dollar (Taxable income)		$	1.0000
2	Less:			
3	Gross Receipts Tax	**0.000%**	N/A	
4	PUC Assessments	**0.637%**	Schedule D-2.1 & Schedule D-2.2	
5	Bad Debt	**1.051%**	Schedule C-4.2.i	
6	Subtotal (Taxable income)		$	0.9831
7	State Tax Rate	**7.990%**		
8	State Tax $$ ============>		$	0.0786
9	State Factor		$	0.9046
10	Federal Tax Rate	**21.00%**		
11	Fed Tax $$ ============>		$	0.1900
12	Combined Income Tax Factor on Gross Revenues			26.85%
13	Net Operating Income Factor			**71.46%**
14	Gross Revenue Conversion Factor			**1.39937**

Docket No. R-2024-3047824
Exhibit 1-E

Schedule B-1
Witness: Gregory R. Herbert & Constance Heppenstall

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

STATEMENT OF OPERATING REVENUE FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.	CUSTOMER CLASS	REVENUE FOR 12 MOS. ENDED 12/31/23	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	REVENUE RATE INCREASE %	REVENUE RATE INCREASE $	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Residential	$ 1,439,064	$ 3,774	$ 1,442,838	$ -	$ 1,442,838	$ -	$ 1,442,838	197.2%	$ 2,844,774	$ 4,287,612
2	Commercial	1,702,220	3,831	1,706,051	-	1,706,051	-	1,706,051	194.7%	3,322,068	5,028,119
3	Industrial	366,475	(224)	366,251	-	366,251	-	366,251	220.5%	807,420	1,173,671
4	Public	1,862	846	2,708	-	2,708	-	2,708	681.5%	18,457	21,166
5	Other	-	-	-	-	-	-	-	0.0%		-
6	Availability Charge	-	-	-	-	-	-	-	0.0%		-
7	Total Sales to General Customers	3,509,621	8,228	3,517,849	-	3,517,849	-	3,517,849	198.8%	6,992,719	10,510,567
8	Forfeited Discounts	6,953	-	6,953	-	6,953	-	6,953	0.0%		6,953
9	Other WW Revenues	280	-	280	-	280	-	280	0.0%		280
10	Miscellaneous WW Service Revenues	-	-	-	-	-	-	-	0.0%		-
11	Total Other WW Revenues	7,233	-	7,233	-	7,233	-	7,233	0.0%	-	7,233
12	Total Operating Revenue	$ 3,516,854	$ 8,228	$ 3,525,082	$ -	$ 3,525,082	$ -	$ 3,525,082	198.4%	$ 6,992,719	$ 10,517,800

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING REVENUES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 3,516,854				
2	Present Rates at 12/31/23					$ 3,525,082		
3	Present Rates at 12/31/24							$ 3,525,082
4	Unbilled Revenue Adjustment	Schedule B-3	(3,351)		-		-	
5	Page Held For Future Use	Schedule B-4	-		-		-	
6	Page Held For Future Use	Schedule B-5	-		-		-	
7	Page Held For Future Use	Schedule B-6	-		-		-	
8	Miscellaneous Revenue Adjustments	Schedule B-7	11,579		-		-	
9	Pro Forma Adjustment			8,228		-		-
10	Pro Forma Present Rates at December 31, 2023			$ 3,525,082				
11	Pro Forma Present Rates at December 31, 2024					$ 3,525,082		
12	Pro Forma Present Rates at December 31, 2025							$ 3,525,082

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

UNBILLED REVENUE ADJUSTMENT

The following adjustment is being made to eliminate the unbilled revenue accrued per books for the historic test year.

LINE NO.	DESCRIPTION	PER BOOK 12/31/2023 AMOUNT
1	Residential	$ 5,712
2	Commercial	(2,574)
3	Industrial	258
4	Public	(44)
5	Other	
6	Availability Charge	
7	Total Sales to General Customers	3,351
8	Forfeited Discounts	
9	Other WW Revenues	
10	Miscellaneous WW Service Revenues	
11	Total Other WW Revenues	-
12	Total Operating Revenue	$ 3,351

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING REVENUES

MISCELLANEOUS REVENUE ADJUSTMENTS

The following adjustments reflect miscellaneous additions or deductions from pro forma revenues.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 ADJUSTMENT	PRESENT RATES 12/31/2024 ADJUSTMENT
1	Residential	(a)	$ 9,486	
2	Commercial	(a)	1,257	
3	Industrial	(a)	34	
4	Public	(a)	802	
5	Other			
6	Availability Charge			
7	Total Sales to General Customers		11,579	-
8	Forfeited Discounts			
9	Other WW Revenues			
10	Miscellaneous WW Service Revenues			
11	Total Other WW Revenues		-	-
12	Total Operating Revenue		$ 11,579	$ -

(a) Adjustment for change of flat rate to metered customers.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
1		--Collection--				
2		-Operations-				
3	7011	Labor	62,511	62,511	46,570	47,815
4	7041	Employee Benefits	18,640	46,369	13,520	16,484
5	7151	Purchased Power	52,982	51,708	51,708	64,081
6	7201	Supplies	69	69	70	72
7	7361	OS Other	1,694	1,694	1,735	1,775
8	7501	Transportation	4,085	4,085	4,184	4,280
9	7751	Other	8,549	8,549	8,757	8,958
10		-Maintenance-				
11	7012	Labor	304	304	227	233
12	7042	Employee Benefits	66	163	167	171
13	7202	Supplies	66	66	67	69
14	7362	OS Other	18,252	18,252	18,695	19,125
15	7502	Transportation	19	19	19	20
16						
17		Total Collection Expense	$ 167,236	$ 193,788	$ 145,719	$ 163,081
18						
19		--Pumping--				
20		-Operations-				
21	7013	Labor	247	247	184	189
22	7043	Employee Benefits	13	31	32	33
23	7163	Purchased Power	2,062	2,012	2,012	2,493
24	7203	Supplies	669	669	685	701
25	7363	OS Other	270,001	270,001	276,548	282,909
26	7503	Transportation	5	5	5	5

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
27	7753	Other	209	209	214	219
28		-Maintenance-				
29	7204	Supplies	1,359	1,359	1,392	1,424
30	7364	OS Other	17,239	17,239	17,657	18,063
31	7754	Other	7	7	7	8
32						
33		Total Pumping Expense	$ 291,810	$ 291,779	$ 298,737	$ 306,044
34						
35		--Treatment & Disposal--				
36		-Operations-				
37	7015	Labor	65,839	65,839	49,049	50,360
38	7045	Employee Benefits	17,742	44,134	45,204	46,244
39	7105	Purchased Wastewater	1,123,416	1,123,309	1,239,464	1,369,146
40	7205	Supplies	186	186	191	195
41	7365	OS Other	7,542	7,542	7,725	7,902
42	7505	Transportation	3,201	3,201	3,278	3,354
43		-Maintenance-				
44						
45		Total Treatment & Disposal Expense	$ 1,217,926	$ 1,244,210	$ 1,344,911	$ 1,477,201
46						
47		--Reclaimed Water Treatment--				
48		-Operations-				
49						
50						
51		--Customer Accounting--				
52	7047	Employee Benefits	-	-	(33,973)	(32,102)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EXPENSE DETAIL ACCOUNTS

LINE NO.	Acct. No.	Account Title	PER BOOKS 12/31/23	PRESENT RATES 12/31/23	PRESENT RATES 12/31/24	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)
53	7707	Bad Debt	11,995	36,966	36,966	36,966
54						
55		Total Customer Accounting Expense	$ 11,995	$ 36,966	$ 2,993	$ 4,864
56						
57		--Administrative and General--				
58	7018	Labor	93,132	93,132	69,382	71,237
59	7048	Employee Benefits	17,094	42,523	40,323	38,968
60	7318	OS Engineer	33,750	33,750	34,568	35,363
61	7328	OS Accounting	-	5,432	5,341	5,383
62	7349	Management Fees	-	231,621	238,688	245,902
63	7368	OS Other	1,613	1,613	1,653	1,691
64	7508	Transportation	5,121	5,121	5,246	5,366
65	7578	Insurance	-	3,522	2,058	2,290
66	7588	Insurance	-	256	208	217
67	7598	Insurance	-	708	493	529
68	7758	Other	18,822	18,822	19,278	19,722
69	7668	Amortization of Rate Case	-	-	-	10,463
70						
71		Total Admin & General Expense	$ 169,533	$ 436,501	$ 417,239	$ 437,130
72						
73		Total Operating Expenses	$ 1,858,500	$ 2,203,244	$ 2,209,598	$ 2,388,320

Docket No. R-2024-3047824
Exhibit 1-E

Schedule C-2
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SUMMARY OF EXPENSE ACCOUNTS

LINE NO.		PER BOOKS 12/31/23	ADJUSTMENTS 12/31/23	PRESENT RATES 12/31/23	ADJUSTMENTS 12/31/24	PRESENT RATES 12/31/24	ADJUSTMENTS 12/31/25	PRESENT RATES 12/31/25
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Labor	$ 222,033	$ -	$ 222,033	$ (56,621)	$ 165,412	$ 4,421	$ 169,833
2	Employee Benefits	53,555	79,665	133,220	(67,945)	65,274	4,524	69,798
3	Purchased Water	-	-	-	-	-	-	-
4	Purchased Wastewater	1,123,416	(108)	1,123,309	116,155	1,239,464	129,682	1,369,146
5	Sludge	-	-	-	-	-	-	-
6	Purchased Power	55,044	(1,324)	53,720	-	53,720	12,855	66,574
7	Chemicals	-	-	-	-	-	-	-
8	Supplies	2,348	-	2,348	57	2,405	55	2,461
9	OS Engineer	33,750	-	33,750	818	34,568	795	35,363
10	OS Accounting	-	5,432	5,432	(91)	5,341	42	5,383
11	OS Legal	-	-	-	-	-	-	-
12	OS Lab Testing	-	-	-	-	-	-	-
13	OS Other	316,341	-	316,341	7,671	324,012	7,452	331,464
14	Management Fees	-	231,621	231,621	7,067	238,688	7,214	245,902
15	Leases	-	-	-	-	-	-	-
16	Transportation	12,431	-	12,431	301	12,732	293	13,025
17	Insurance	-	4,487	4,487	(1,728)	2,759	276	3,035
18	Other	27,587	-	27,587	669	28,256	650	28,906
19	Bad Debt	11,995	24,971	36,966	-	36,966	-	36,966
20	Amortization of Rate Case	-	-	-	-	-	10,463	10,463
21	Amortization of UPAA	-	-	-	-	-	-	-
22	Amortization of Tank Painting	-	-	-	-	-	-	-
23	Amortization Other	-	-	-	-	-	-	-
24	Total Operating Expenses	$ 1,858,500		$ 2,203,244		$ 2,209,598		$ 2,388,320
25	Pro Forma Adjustments		$ 344,744		$ 6,354		$ 178,722	
26	Uncollectibles @ Proposed Rates							$ 73,480
27	Proposed Rates @ 12/31/25							$ 2,461,799

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO OPERATING EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Per Books			$ 1,858,500				
2	Present Rates at 12/31/23					$ 2,203,244		
3	Present Rates at 12/31/24							$ 2,209,598
4	General Price Level Adjustment	Schedule C-4.1	-		10,870		9,779	
5	Uncollectible Accounts	Schedule C-4.2	24,971		-		-	
6	Page Held For Future Use	Schedule C-4.3	-		-		-	
7	Rate Case Expense	Schedule C-4.4	-		-		10,463	
8	Payroll	Schedule C-4.5	-		(56,621)		4,421	
9	Insurance Expense	Schedule C-4.6	4,487		(1,728)		276	
10	Management Service & Sundry	Schedule C-4.7	231,621		5,714		5,900	
11	Page Held For Future Use	Schedule C-4.8	-		-		-	
12	Miscellaneous Expense Adjustments	Schedule C-4.9	-		-		-	
13	Specific Expenses Not Subject To Increase	Schedule C-4.10	-		-		-	
14	Audit Fee Expense	Schedule C-4.11	5,432		(91)		42	
15	Page Held For Future Use	Schedule C-5.1	-		-		-	
16	Purchased Power Expense	Schedule C-6.1	(1,324)		-		12,855	
17	Chemicals	Schedule C-6.2	-		-		-	
18	Purchased Wastewater Treatment Expense	Schedule C-7.1	(108)		116,155		129,682	
19	Employee Benefits	Schedule C-8.1	79,665		(67,945)		5,305	
20	Pro Forma Adjustments			$ 344,744		$ 6,354		$ 178,722
21	Pro Forma Present Rates at December 31, 2023			$ 2,203,244				
22	Pro Forma Present Rates at December 31, 2024					$ 2,209,598		
23	Pro Forma Present Rates at December 31, 2025							$ 2,388,320

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

GENERAL PRICE LEVEL ADJUSTMENT

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Total Operations and Maintenance Expenses:		
2	Present Rates 12/31/2023	$ 2,203,244	
3	Present Rates 12/31/2024		$ 2,209,598
4	*Less amounts specifically adjusted in this filing or not otherwise subject to inflation:*		
5	Labor	222,033	165,412
6	Employee Benefits	133,220	99,247
7	Purchased Wastewater	1,123,309	1,239,464
8	Sludge	-	-
9	Purchased Power	53,720	53,720
10	Chemicals	-	-
11	Supplies	-	-
12	OS Engineer	-	-
13	OS Accounting	5,432	5,341
14	OS Legal	-	-
15	OS Lab Testing	-	-
16	OS Other	-	-
17	Management Fees	175,819	181,533
18	Leases	-	-
19	Transportation	-	-
20	Insurance	4,487	2,759
21	Other	-	-
22	Bad Debt	36,966	36,966
23	Amortization of Rate Case	-	-
24	Amortization of UPAA	-	-
25	Amortization of Tank Painting	-	-
26	Amortization Other	-	-
27	Total Operating Expenses Adjusted/Unadjusted for Separately	$ 1,754,985	$ 1,784,441
28	Total Operating Expenses Subject to Effects of Inflation	$ 448,259	$ 425,157
29	Inflation Factor - Schedule C-4.1.i	2.425%	2.300%
30	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 10,870	$ 9,779

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INFLATION FACTOR CALCULATION

LINE NO.	GDP Chained Price Index (% Change From Same Quarter Prior Year)			
1	First Quarter	2024	2.500%	(a)
2	Second Quarter	2024	2.500%	(a)
3	Third Quarter	2024	2.400%	(a)
4	Fourth Quarter	2024	2.300%	(a)
5	Annual Average for the Period Ending 12/31/2024		2.425%	
6	First Quarter	2025	2.300%	(b)
7	Second Quarter	2025	2.300%	(b)
8	Third Quarter	2025	2.300%	(b)
9	Fourth Quarter	2025	2.300%	(b)
10	Annual Average for the Period Ending 12/31/2025		2.300%	

Source:
(a) Blue Chip Economic Indicators Volume 48, No. 8, August 11, 2023, Page 5, Forecasted Future Periods
(b) 2025 not available in Blue Chip Report. Used Prior Quarter, Q4-2024.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

UNCOLLECTIBLE ACCOUNTS

For the three years ended December 31, 2023, the Company experienced an average uncollectible accounts factor of 1.05080% with regard to sales to general customers.

LINE NO.	DESCRIPTION	PER BOOKS	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Sales to General Customers Excluding Forfeited Discounts and Misc Revenue	$ 3,509,621	$ 3,517,849	$ 3,517,849	$ 3,517,849	
2	Annualized Uncollectible Account based on Experience Factor @ 1.05080%		36,966	36,966	36,966	‡
3	Less: Amount Charged to Operating Expense					
4	During the Twelve Months Ended 12/31/2023		11,995			
5	Less: Present Rates 12/31/2023			36,966		
6	Less: Present Rates 12/31/2024				36,966	
7	Increase/(Decrease)		$ 24,971	$ -	$ -	
8	Pro Forma Adjustment:					
9	7707		$ 24,971	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

RATE CASE EXPENSE

The following adjustment reflects the estimated cost of this rate case as summarized below. The total cost is being allocated based on the ratio of wastewater customers served to total water and wastewater customers. The Company proposes to normalize this cost over a twenty-four month period, which is consistent with the rate treatment in previous cases.

LINE NO.	DESCRIPTION				
1	Engineering, Cost Allocation and Depreciation		$	400,000	
2	Legal			1,200,000	
3	Other Consultants			400,000	
4	Rate of Return			95,000	
5	Notices and Postage			450,000	
6	Miscellaneous			65,000	
7	Total		$	2,610,000	
8	Allocation of Total Rate Case Expense			Total	Annual Amortization
9	Water	88.67%	$	2,314,287	$ 1,157,144
10	Wastewater	11.33%	$	295,713	$ 147,857
11	Wastewater - Current Exhibit	0.80%	$	20,927	$ 10,463
12	Normalization Period			24 Months	
13				PRESENT RATES	PRESENT RATES
14				12/31/2024	12/31/2025
15				AMOUNT	AMOUNT
16	Annual Expense on a 24 Month Normalized Basis		$	-	$ 10,463 ‡
17	Less: Amount Charged to Operating Expense				
18	During the Twelve Months Ended 12/31/2023			-	
19	Less: Present Rates 12/31/2024				-
20	Increase/(Decrease)		$	-	$ 10,463
21	Pro Forma Adjustment:				
22	7668				$ 10,463

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAYROLL

The following amounts summarize the Company's estimated annualized payroll expense. This results from the calculation of employee compensation levels scheduled to be in effect by December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	**Non-Union Payroll**				
2	Gross Payroll		$ -	$ -	
3	Capital Payroll		-	-	
4	Non-Operating Payroll		-	-	
5	Expense Payroll	-	-	-	‡
6	Non-Union Expense Payroll Increase/(Decrease)		$ -	$ -	
7	**Union Payroll**				
8	Gross Payroll		$ 246,332	$ 252,916	
9	Capital Payroll		78,013	80,098	
10	Non-Operating Payroll		2,907	2,984	
11	Expense Payroll	222,033	165,412	169,833	‡
12	Union Expense Payroll Increase/(Decrease)		$ (56,621)	$ 4,421	
13	Total Expense Payroll Increase/(Decrease)		$ (56,621)	$ 4,421	
14	Pro Forma Adjustment:				
15	7011		$ (15,941)	$ 1,245	
16	7012		$ (78)	$ 6	
17	7013		$ (63)	$ 5	
18	7015		$ (16,790)	$ 1,311	
19	7018		$ (23,750)	$ 1,854	
20	7038		$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

INSURANCE EXPENSE

The Company's self insured policies for General Liability, Workers Compensation, Vehicle, and Other are evaluated annually by a third party insurance broker, using multiple year claims history. The Company has based its expense claim on the actual and projected premiums for the twelve months ending December 31, 2024 and December 31, 2025.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	General Liability		$ 5,155	$ 3,422	$ 3,764	
2	Workers Compensation		375	114	126	
3	Other (Exec Risk, Property, Surety Bond)		1,036	502	552	
4			6,566	4,038	4,442	
5	Capitalized portion not charged to operating expense	31.67%	(2,080)	(1,279)	(1,407)	
6	Subtotal Insurance		$ 4,487	$ 2,759	$ 3,035	‡
7	Less: Amount Charged to Operating Expense					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			4,487		
10	Less: Present Rates 12/31/2024				2,759	
11	Increase/(Decrease)		$ 4,487	$ (1,728)	$ 276	
12	Pro Forma Adjustment:					
13	7578		$ 3,522	$ (1,464)	$ 234	
14	7588		$ 256	$ (49)	$ 8	
15	7598		$ 708	$ (215)	$ 34	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MANAGEMENT SERVICE & SUNDRY

The following amounts summarize the estimated additional annualized payroll expense and the company portion of employee benefit related premiums of the Aqua Services, Inc. employees whose time was charged to Aqua Pennsylvania Wastewater during the test year.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Management Fees Labor & Benefits	$ 175,819	$ 175,819	$ 181,533	‡
2	Payroll & Benefit Increase		5,714	5,900	‡
3	Management Fees All Other	55,802	55,802	55,802	
4	Total Expense Claim	$ 231,621	$ 237,335	$ 243,235	
5	Less: Amount Charged to Operating Expense				
6	During the Twelve Months Ended 12/31/2023	-			
7	Less: Present Rates 12/31/2023		231,621		
8	Less: Present Rates 12/31/2024			237,335	
9	Increase/(Decrease)	$ 231,621	$ 5,714	$ 5,900	
10	Pro Forma Adjustment:				
11	7349	$ 231,621	$ 5,714	$ 5,900	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

MISCELLANEOUS EXPENSE ADJUSTMENTS

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1				
2				
3				
4				
5				
6				
7	Increase/(Decrease)	$ -	$ -	$ -
8	Pro Forma Adjustment:			
9				
10				
11				
12				

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

SPECIFIC EXPENSES NOT SUBJECT TO INCREASE

The following amounts reflect specific expenses that are not separately adjusted for and are not subject to growth.
These amounts are eliminated from the eligible Operating Expenses subject to increase on Schedule C-4.1.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Leases	$ -	$ -	$ -	‡
2	Total Specific Expenses Not Subject to Increase	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

AUDIT FEE EXPENSE

The Company incurs audit fees annually from its third party auditor.
The Company has based its audit fee expense claim on the actual
fee schedule and projected fee schedule provided by its third party auditor.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Audit Fees Expense Claim		$ 7,950	$ 7,817	$ 7,877	
			7,950	7,817	7,877	
2	Capitalized portion not charged to operating expense	31.67%	(2,518)	(2,476)	(2,495)	
3	Subtotal Audit Fees		$ 5,432	$ 5,341	$ 5,383	‡
4	Less: Amount Charged to Operating Expense					
5	During the Twelve Months Ended 12/31/2023		-			
6	Less: Present Rates 12/31/2023			5,432		
7	Less: Present Rates 12/31/2024				5,341	
8	Increase/(Decrease)		$ 5,432	$ (91)	$ 42	
9	Pro Forma Adjustment:					
10	7328		$ 5,432	$ (91)	$ 42	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PAGE HELD FOR FUTURE USE

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER EXPENSE

This adjustment summarizes the Company's purchased power expense claim as detailed on Schedule C-6.1.i & Schedule C-6.1.ii.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Power Expense - Electric	$ 53,720	$ 53,720	$ 66,574	
2	Claimed Purchased Power Expense - Gas	-	-	-	
3		$ 53,720	$ 53,720	$ 66,574	‡
4	Less: Amount Charged to Operating Expense				
5	During the Twelve Months Ended 12/31/2023	55,044			
6	Less: Present Rates 12/31/2023		53,720		
7	Less: Present Rates 12/31/2024			53,720	
8	Increase/(Decrease)	$ (1,324)	$ -	$ 12,855	
9	Pro Forma Adjustment:				
10	7151	$ (1,274)	$ -	$ 12,373	
11	7153	$ -	$ -	$ -	
12	7155	$ -	$ -	$ -	
13	7158	$ -	$ -	$ -	
14	7161	$ -	$ -	$ -	
15	7163	$ (50)	$ -	$ 481	
16	7165	$ -	$ -	$ -	
17	7168	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - ELECTRIC

LINE NO.	UTILITY	LOCATION	HISTORIC KW HOURS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE KW HOURS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE KW HOURS	PRESENT RATES 12/31/2025 AMOUNT
1	PECO	East Whiteland	524,300	$ 53,720	524,300	$ 53,720	524,300	$ 66,574
2				$ 53,720		$ 53,720		$ 66,574

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED POWER - GAS

LINE NO.	UTILITY	LOCATION	HISTORIC THERMS	PRESENT RATES 12/31/2023 AMOUNT	FUTURE THERMS	PRESENT RATES 12/31/2024 AMOUNT	FULLY PROJECTED FUTURE THERMS	PRESENT RATES 12/31/2025 AMOUNT
1				$ -		$ -		$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

CHEMICALS

The company is not making a claim for chemical expenses for East Whiteland in this case.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Chemical Expense Claim	$ -	$ -	$ -	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	-			
4	Less: Present Rates 12/31/2023		-		
5	Less: Present Rates 12/31/2024			-	
6	Increase/(Decrease)	$ -	$ -	$ -	
7	Pro Forma Adjustment:				
8	7183	$ -	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

PURCHASED WASTEWATER TREATMENT EXPENSE

The Company's claim for purchased wastewater treatment expense normalizes the cost of services provided by wastewater treatment providers for the Company's East Whiteland service area.
The service providers are Valley Forge Sewer Authority, East Goshen, and Tredyffrin Township.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Claimed Purchased Wastewater Expense	$ 1,123,309	$ 1,239,464	$ 1,369,146	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	1,123,416			
4	Less: Present Rates 12/31/2023		1,123,309		
5	Less: Present Rates 12/31/2024			$ 1,239,464	
6	Increase/(Decrease)	$ (108)	$ 116,155	$ 129,682	
7	Pro Forma Adjustment:				
8	7105	$ (108)	$ 116,155	$ 129,682	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OPERATING EXPENSES

EMPLOYEE BENEFITS

Aqua Pennsylvania Water Operations charges a portion of employee benefits and other related overheads to Aqua Pennsylvania Wastewater through an intracompany transaction which is calculated based on approximately 60% of wastewater payroll expense.
Refer to Exhibit 1-A Water, Schedule C-8.5 for the corresponding entry.

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	
1	Wastewater Intracompany Benefits	$ 133,220	$ 99,247	$ 101,900	‡
2	Less: Amount Charged to Operating Expense				
3	During the Twelve Months Ended 12/31/2023	53,555			
4	Less: Present Rates 12/31/2023		133,220		
5	Less: Present Rates 12/31/2024			99,247	
6	Increase/(Decrease)	$ 79,665	$ (33,973)	$ 2,653	
7	Pro Forma Adjustment:				
8	7041	$ 27,728	$ (33,973)	$ 2,653	
9	7042	$ 98	$ -	$ -	
10	7043	$ 19	$ -	$ -	
11	7044	$ -	$ -	$ -	
12	7045	$ 26,392	$ -	$ -	
13	7046	$ -	$ -	$ -	
14	7047	$ -	$ (33,973)	$ 2,653	
15	7048	$ 25,429	$ -	$ -	

‡ : Amount removed for Inflation Adjustment (Schedule C-4.1)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

STATEMENT OF DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)
1	Annualized Depreciation Expense	$ 1,763,555	$ 1,903,865	$ 1,890,163
2	Less: Amount Charged to Depreciation Expense			
3	During the Twelve Months Ended 12/31/2023	943,369		
4	Less: Present Rates 12/31/2023		1,763,555	
5	Less: Present Rates 12/31/2024			1,903,865
6	Increase/(Decrease)	$ 820,186	$ 140,310	$ (13,702)
7	Pro Forma Adjustment:			
8		$ 820,186	$ 140,310	$ (13,702)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO TAXES OTHER THAN INCOME

LINE NO.	DESCRIPTION	ADJUSTMENT	PRESENT RATES 12/31/23 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/24 AMOUNT	ADJUSTMENT	PRESENT RATES 12/31/25 AMOUNT	ADJUSTMENT	PROPOSED RATES AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Per Books		$ 14,661						
2	Present Rates at 12/31/23				$ 37,121				
3	Present Rates at 12/31/24						$ 37,121		
4	Present Rates at 12/31/25								$ 37,121
5	General Assessment Fees By The Pennsylvania Public Utility Commission	15,245		-		-		30,243	
6	General Assessment Fees By The Consumer Advocate, Small Business Advocate, And Damage Prevention Committee	7,214		-		-		14,311	
7	Public Utility Realty Tax	-		-		-			
8	Pennsylvania Property Tax	-		-		-			
9	Pro Forma Adjustment		$ 22,460		$ -		$ -		$ 44,554
10	Pro Forma Present Rates at December 31, 2023		$ 37,121						
11	Pro Forma Present Rates at December 31, 2024				$ 37,121				
12	Pro Forma Present Rates at December 31, 2025						$ 37,121		
13	Pro Forma Proposed Rates at December 31, 2025								$ 44,554

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 3,525,082	$ 3,525,082	$ 3,525,082	$ 10,517,800
2	Estimated General Assessment Fee:					
3	Public Utility Commission Fee At	0.004324859316	15,245	15,245	15,245	45,488
4	Total General Assessment Fees		$ 15,245	$ 15,245	$ 15,245	$ 45,488
5	Less: Amount Charged to Taxes Other Than Income					
6	During the Twelve Months Ended 12/31/2023		-			
7	Less: Present Rates 12/31/2023			15,245		
8	Less: Present Rates 12/31/2024				15,245	
9	Less: Present Rates 12/31/2025					15,245
10	Increase/(Decrease)		$ 15,245	$ -	$ -	$ 30,243
11	Pro Forma Adjustment:					
12	4081		$ 15,245	$ -	$ -	$ 30,243

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

GENERAL ASSESSMENT FEES BY THE CONSUMER ADVOCATE, SMALL BUSINESS ADVOCATE, AND DAMAGE PREVENTION COMMITTEE

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT	PROPOSED RATES AMOUNT
1	Gross Utility Water Revenues		$ 3,525,082	$ 3,525,082	$ 3,525,082	$ 10,517,800
2	Estimated General Assessment Fee:					
3	Consumer Advocate Fee At	0.001742389526	6,142	6,142	6,142	18,326
4	Small Business Advocate Fee At	0.000303478942	1,070	1,070	1,070	3,192
5	Damage Prevention Fee At	0.000000719937	3	3	3	8
6	Total General Assessment Fees		$ 7,214	$ 7,214	$ 7,214	$ 21,526
7	Less: Amount Charged to Taxes Other Than Income					
8	During the Twelve Months Ended 12/31/2023		-			
9	Less: Present Rates 12/31/2023			7,214		
10	Less: Present Rates 12/31/2024				7,214	
11	Less: Present Rates 12/31/2025					7,214
12	Increase/(Decrease)		$ 7,214	$ -	$ -	$ 14,311
13	Pro Forma Adjustment:					
14	4081		$ 7,214	$ -	$ -	$ 14,311

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PUBLIC UTILITY REALTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	PURTA Liability	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4082	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PENNSYLVANIA PROPERTY TAX

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Claimed Property Tax Expense	$ -	$ -	$ -
2	Less: Amount Charged to Taxes Other Than Income			
3	During the Twelve Months Ended 12/31/2023	-		
4	Less: Present Rates 12/31/2023		-	
5	Less: Present Rates 12/31/2024			-
6	Increase/(Decrease)	$ -	$ -	$ -
7	Pro Forma Adjustment:			
8	4081	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

TAXES OTHER THAN INCOME

PAYROLL TAXES

The following adjustment is being made move payroll taxes per books to Intracompany Benefits, Schedule C-8.1, for ratemaking purposes.

LINE NO.	DESCRIPTION		PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	FICA OASDI				
2	FICA Medicare				
3	FICA Total		-	-	-
4	FUTA				
5	SUTA				
6	Annualized Payroll Taxes		-	-	-
7	Capitalized portion not charged to operating expense	31.67%	-	-	-
8	Sub-Total		-	-	-
9	Less: Amount Charged to Taxes Other Than Income				
10	During the Twelve Months Ended 12/31/2023		14,661		
11	Less: Present Rates 12/31/2023			-	
12	Less: Present Rates 12/31/2024				-
13	Increase/(Decrease)		$ 14,661	$ -	$ -
14	Pro Forma Adjustment:				
15	40812		$ 14,661	$ -	$ -

Docket No. R-2024-3047824
Exhibit 1-E

Schedule E-1
Witness: William C. Packer

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

INTEREST ON LONG-TERM DEBT

For the purposes of calculating long-term debt interest expense, the Company is using the pro-forma capital structure and cost rates as noted below:

LINE NO.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		PRESENT RATES @ 12/31/23			PRESENT RATES @ 12/31/24			PRESENT RATES @ 12/31/25		
2	Capital Structure	$	%	Cost Rate	$	%	Cost Rate	$	%	Cost Rate
3	Long-term Debt	$ 2,218,808,602	48.52%	4.26%	$ 2,204,911,964	45.31%	4.24%	$ 2,312,128,262	46.05%	4.32%
4	Common Equity	$ 2,354,604,313	51.48%	10.95%	$ 2,661,801,067	54.69%	10.95%	$ 2,708,369,391	53.95%	10.95%
5		$ 4,573,412,915	100.00%	7.70%	$ 4,866,713,031	100.00%	7.91%	$ 5,020,497,653	100.00%	7.90%

6			PRESENT RATES			PRESENT RATES			PRESENT RATES	
7	Calculation of Interest:		12/31/23			12/31/24			12/31/25	
8	Original Cost Rate Base	Schedule G-1 Col 3, Row 15	$ 55,774,192		Schedule G-1 Col 4, Row 15	$ 61,347,808		Schedule G-1 Col 5, Row 15	$ 60,610,296	
9	Applicable Percentage		48.52%			45.31%			46.05%	
10	Applicable Portion of Rate Base		$ 27,059,060			$ 27,794,225			$ 27,913,324	
11	Cost Rate		4.26%			4.24%			4.32%	
12	Pro-Forma Long-term Interest Expense		$ 1,152,716			$ 1,178,475			$ 1,205,856	
13	Less: Interest on Long Term Debt Per Books 12/31/23		-							
14	Less: Interest on Long Term Debt Present Rates at 12/31/23					1,152,716				
15	Less: Interest on Long Term Debt Present Rates at 12/31/24								1,178,475	
16	Long Term Debt Pro Forma Adjustment		$ 1,152,716			$ 25,759			$ 27,380	

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

AMORTIZATION OF DEBT ISSUANCE & PREMIUM/DISCOUNT ON DEBT

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Amortization of Debt Discount and Expense Per Books	$ -	$ -	$ -
2	Eliminate Amortization of Debt Discount and Expense	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4276	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

OTHER INTEREST CHARGES

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Other Interest Charges Per Books	$ -	$ -	$ -
2	Eliminate Other Interest Charges	-	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4190	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

INTEREST DURING CONTRUCTION

The Company eliminates interest during construction to allow for full recovery of the Company's interest expense claim (weighted cost of debt times rate base).

LINE NO.	DESCRIPTION	PER BOOKS 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Interest During Construction Per Books	$ (56,179)	$ -	$ -
2	Eliminate Interest During Construction	56,179	-	-
3	Sub-Total	$ -	$ -	$ -
4	Pro Forma Adjustment:			
5	4200	$ 56,179	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO STATEMENT OF INCOME

SUMMARY OF ADJUSTMENTS TO INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/23 AMOUNT	PRESENT RATES 12/31/24 AMOUNT	PRESENT RATES 12/31/25 AMOUNT	PROPOSED RATES 12/31/25 AMOUNT
	(1)	(2)	(3)	(4)	(5)	(6)
1	Federal Income Tax - Current	Schedule F-2	$ (401,378)	$ (453,495)	$ (490,981)	$ 837,353
2	Less: Per Book	Schedule A-1	-			
3	Less: Present Rates at 12/31/23			(401,378)		
4	Less: Present Rates at 12/31/24				(453,495)	
5	Less: Present Rates at 12/31/25					(490,981)
6	Pro Forma Adjustment		$ (401,378)	$ (52,117)	$ (37,485)	$ 1,328,334
7	State Income Tax - Current	Schedule F-2	$ (188,801)	$ (200,352)	$ (203,028)	$ 346,259
8	Less: Per Book	Schedule A-1	-			
9	Less: Present Rates at 12/31/23			(188,801)		
10	Less: Present Rates at 12/31/24				(200,352)	
11	Less: Present Rates at 12/31/25					(203,028)
12	Pro Forma Adjustment		$ (188,801)	$ (11,550)	$ (2,677)	$ 549,287
13	Federal Income Tax - Deferred	Schedule F-2	$ 98,400	$ 116,734	$ 114,377	$ 114,377
14	Less: Per Book	Schedule A-1	-			
15	Less: Present Rates at 12/31/23			98,400		
16	Less: Present Rates at 12/31/24				116,734	
17	Less: Present Rates at 12/31/25					114,377
18	Pro Forma Adjustment		$ 98,400	$ 18,334	$ (2,357)	$ -
19	State Income Tax - Deferred	Schedule F-2	$ -	$ -	$ -	$ -
20	Less: Per Book	Schedule A-1	-			
21	Less: Present Rates at 12/31/23			-		
22	Less: Present Rates at 12/31/24				-	
23	Less: Present Rates at 12/31/25					-
24	Pro Forma Adjustment		$ -	$ -	$ -	$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 12/31/23 FEDERAL	PRESENT RATES 12/31/23 STATE	PRESENT RATES 12/31/24 FEDERAL	PRESENT RATES 12/31/24 STATE	PRESENT RATES 12/31/25 FEDERAL	PRESENT RATES 12/31/25 STATE	PROPOSED RATES 12/31/25 FEDERAL	PROPOSED RATES 12/31/25 STATE
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ (478,838)	$ (478,838)	$ (625,502)	$ (625,502)	$ (790,522)	$ (790,522)	$ 6,084,163	$ 6,084,163
2	Interest Expense	Schedule A-1	(1,152,716)	(1,152,716)	(1,178,475)	(1,178,475)	(1,205,856)	(1,205,856)	(1,205,856)	(1,205,856)
3	State Income Tax	[12]	188,801		200,352		203,028		(346,259)	
4	Tax Repair Deduction		-	-	-	-	-	-	-	-
5	Book Depreciation	Schedule A-1	1,763,555	1,763,555	1,903,865	1,903,865	1,890,163	1,890,163	1,890,163	1,890,163
6	Tax Depreciation		(2,232,128)	(2,232,128)	(2,459,742)	(2,459,742)	(2,434,816)	(2,434,816)	(2,434,816)	(2,434,816)
7	COR & Other Basis Differences, net of book		-	-	-	-	-	-	-	-
8	Taxable Income	Sum of Lines [1] : [7]	$ (1,911,325)	$ (2,100,127)	$ (2,159,502)	$ (2,359,854)	$ (2,338,002)	$ (2,541,031)	$ 3,987,395	$ 4,333,654
9	Income Tax Rate		21.00%	8.99%	21.00%	8.49%	21.00%	7.99%	21.00%	7.99%
10	Pro Forma Income Tax : Current	[8] * [9]	(401,378)	(188,801)	(453,495)	(200,352)	(490,981)	(203,028)	837,353	346,259
11	Other - NOL		-	-	-	-	-	-	-	-
12	Total - Current Income Tax	[10] + [11]	$ (401,378)	$ (188,801)	$ (453,495)	$ (200,352)	$ (490,981)	$ (203,028)	$ 837,353	$ 346,259
13	Normalized Book Depreciation		(1,763,555)	-	(1,903,865)	-	(1,890,163)	-	(1,890,163)	-
14	Normalized Tax Depreciation		2,232,128	-	2,459,742	-	2,434,816	-	2,434,816	-
15	Normalized Basis Differences		-	-	-	-	-	-	-	-
16	Income Tax Rate		21.00%	7.10%	21.00%	6.71%	21.00%	6.31%	21.00%	6.31%
17	Deferred Income Tax - Tax/Book Depreciation	([13] + [14] + [15]) * [16]	98,400	-	116,734	-	114,377	-	114,377	-
18	Deferred Income Tax - Federal NOL/PA NOL (Historical only)		-	-	-	-	-	-	-	-
19	Flowback of Catch Up Adjustment		-	-	-	-	-	-	-	-
20	Flowback of TCJA 2017 (ARAM) - Protected		-	-	-	-	-	-	-	-
21	Flowback of TCJA 2017 - 10 Years		-	-	-	-	-	-	-	-
22	Flowback of Tax Repairs Historical UTP		-	-	-	-	-	-	-	-
23	Flowback of Tax Repairs Collar		-	-	-	-	-	-	-	-
24	Total Flow Through	Sum of Lines [19] : [23]	-	-	-	-	-	-	-	-
25	Total - Deferred Income Tax	[17] + [18] + [24]	$ 98,400	$ -	$ 116,734	$ -	$ 114,377	$ -	$ 114,377	$ -
26	Amortization of Income Tax Credit		-	-	-	-	-	-	-	-
			FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE	FEDERAL	STATE
27	Total - Income Tax	[12] + [25] + [26]	$ (302,978)	$ (188,801)	$ (336,761)	$ (200,352)	$ (376,603)	$ (203,028)	$ 951,730	$ 346,259

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

RATE BASE AS OF DECEMBER 31, 2023,

DECEMBER 31, 2024 AND DECEMBER 31, 2025 UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	ORIGINAL COST 12/31/23	ORIGINAL COST 12/31/24	ORIGINAL COST 12/31/25
	(1)	(2)	(3)	(4)	(5)
1	Utility Plant in Service	Schedule G-2	$ 57,299,468	$ 64,821,192	$ 66,114,136
2	Utility Plant Acquisition Adjustment	Schedule G-3	-	-	-
3			57,299,468	64,821,192	66,114,136
4	Less: Accumulated Depreciation	Schedule G-2	(947,569)	(2,789,868)	(4,716,491)
5	Net Plant in Service		56,351,899	62,031,324	61,397,645
6	Additions:				
7	Materials & Supplies	Schedule G-4	-	-	-
8	Cash Working Capital	Schedule G-5	(29,000)	(29,000)	(29,000)
9			(29,000)	(29,000)	(29,000)
10	Deductions:				
11	Contributions in Aid of Construction and Customer Advances for Construction	Schedule G-6	(548,707)	(537,783)	(527,238)
12	Deferred Income Taxes	Schedule G-7	-	(116,734)	(231,111)
13	Investment Tax Credit		-	-	-
14			(548,707)	(654,517)	(758,349)
15	Total Rate Base		$ 55,774,192	$ 61,347,808	$ 60,610,296

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT IN SERVICE & ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Utility Plant in Service	$ 57,299,468	$ 57,299,468	$ 64,821,192
2	Plus: Additions		7,562,970	1,300,934
3	Less: Retirements		(41,245)	(7,990)
4	Utility Plant in Service	$ 57,299,468	$ 64,821,192	$ 66,114,136
5	Accumulated Depreciation	(947,569)	(2,789,868)	(4,716,491)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

UTILITY PLANT ACQUISITION ADJUSTMENTS

LINE NO.	DESCRIPTION	DOCKET NO.	ORIGINAL ACQUISITION ADJUSTMENT	DATE CLOSED	AMORTIZATION PERIOD	PRESENT RATES 12/31/2023 BALANCE	FTY AMORTIZATIONS	PRESENT RATES 12/31/2024 BALANCE	FPFTY AMORTIZATIONS	PRESENT RATES 12/31/2025 BALANCE

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

MATERIALS AND SUPPLIES

LINE NO.	MONTH	YEAR	BALANCE
1	December	2022	$ -
2	January	2023	-
3	February	2023	-
4	March	2023	-
5	April	2023	-
6	May	2023	-
7	June	2023	-
8	July	2023	-
9	August	2023	-
10	September	2023	-
11	October	2023	-
12	November	2023	-
13	December	2023	-
14	Total		$ -
15	13 Month Average		$ -
16	Allowance for Materials & Supplies		
17	At 12/31/2024 and 12/31/2025		$ -

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL SUMMARY

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Cash Working Capital - Expenses	Schedule G-5.2	$ 109,000	$ 109,000	$ 109,000
2	Cash Working Capital - Taxes	Schedule G-5.3	(20,000)	(20,000)	(20,000)
3	Cash Working Capital - Interest	Schedule G-5.4	(118,000)	(118,000)	(118,000)
4	Total Cash Working Capital Requirement		$ (29,000)	$ (29,000)	$ (29,000)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN RECEIPT OF REVENUE

The time between rendering of a bill and receipt of payment is determined by dividing the average accounts receivable balances for the test year by the average daily billing as follows:

LINE NO.	MONTH	YEAR	BALANCE
	(1)	(2)	(3)
1	December	2022	$ 405,947
2	January	2023	359,706
3	February	2023	395,951
4	March	2023	394,182
5	April	2023	407,203
6	May	2023	354,454
7	June	2023	339,041
8	July	2023	346,628
9	August	2023	343,027
10	September	2023	332,120
11	October	2023	332,592
12	November	2023	356,121
13	December	2023	365,270
14	Total		$ 4,732,241
15	Average Accounts Receivable Balance		$ 364,019
16	Gross Utility Wastewater Revenues recorded		
17	During the Twelve Months Ended 12/31/2023		$ 3,516,854
16	Average Daily Billing		$ 9,635
18	Lag in Receipt of Payment		37.8
19	Average Use Period (a)		15.2
20	Bill Issue Period		2.0
21	Lag Days in Receipt of Revenue		55.0

Reference:
(a) One-half of monthly billing period.

Docket No. R-2024-3047824
Exhibit 1-E

Schedule G-5.2
Witness: Harold C. Walker

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF EXPENSES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Hourly Labor	$ 169,833	5.5	(a)	$ 934,080
2	Non-Union Labor	0	9.0	(a)	0
3	Management Fee	245,902	15.7	(a)	3,860,668
4	Electric Power	66,574	43.3	(a)	2,882,661
5	Purchased Wastewater	1,369,146	49.8	(a)	68,183,462
6	Employee Group Insurance	101,900	16.3	(a)	1,660,965
7	Liability Insurance	3,035	(46.4)	(a)	(140,825)
8	SFI Postage	12,888	(5.4)	(a)	(69,595)
9	Pension	0	440.0	(a)	0
10	SFAS106	0	45.1	(a)	0
11	All Other Expenses (b)	371,613	31.3	(a)	11,631,473
12	Total	$ 2,340,890			$ 88,942,889
13	Average Lag Days in Payment of Expenses		38.0	Col 5, Row 12 / Col 2, Row 12	
14	Average Lag Days in Receipt of Revenues		55.0	Schedule G-5.1	
15	Average Lag Days between Payment of Expenses				
16	and Receipt of Revenue		17.0	[14] - [13]	
17	WORKING CAPITAL REQUIREMENT				
18	Pro-forma Annual Expense Per Day		$ 6,413	Col 2, Row 12 / 365	
19	Cash Working Capital Required		$ 109,028	[16] * [18]	
20	USE		$ 109,000	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.
(b) Less annual uncollectible accounts expense and other non-cash items

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF TAXES

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	PA PUC - General Assessments	$ 15,245	(198.5)	(a)	$ (3,026,228)
2	OCA & SBA - General Assessments	7,214	(198.5)	(a)	(1,432,057)
3	Public Utility Realty Tax	-	(48.3)	(a)	-
4	Local, County, School, & Municipal Tax	-	(92.9)	(a)	-
5	FICA Taxes - Hourly	-	5.5	(a)	-
6	FICA Taxes - Executive & Exempt	-	9.0	(a)	-
7	Federal Unemployment Tax	-	75.9	(a)	-
8	PA Unemployment Tax	-	75.9	(a)	-
9	PA State Income Tax	(203,028)	36.5	(a)	(7,410,535)
10	Federal Income Tax	(490,981)	36.5	(a)	(17,920,789)
11	Total	$ (671,549)			$ (29,789,609)
12	Average Lag Days in Payment of Taxes		44.4	Col 5, Row 11 / Col 2, Row 11	
13	Average Lag Days in Receipt of Revenues		55.0	Schedule G-5.1	
14	Average Lag Days between Payment of Taxes				
15	and Receipt of Revenue		10.6	[13] - [12]	
16	WORKING CAPITAL REQUIREMENT				
17	Pro-forma Annual Tax Expense Per Day		$ (1,840)	Col 2, Row 11 / 365	
18	Cash Working Capital Required		$ (19,503)	[15] * [17]	
19	USE		$ (20,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CASH WORKING CAPITAL

CALCULATION OF LAG DAYS IN PAYMENT OF INTEREST

LINE NO.	ITEM	AMOUNT	LAG DAYS	Ref. #	DOLLAR DAYS
	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt- Interest	$ 1,205,856	90.8	(a)	$ 109,431,397
2	PennVest-Interest	-	14.7	(a)	-
3	Total	$ 1,205,856			$ 109,431,397
4	Average Lag Days in Payment of Interest		90.8	Col 5, Row 3 / Col 2, Row 3	
5	Average Lag Days in Receipt of Revenues		55.0	Schedule G-5.1	
6	Average Lag Days between Payment of Interest				
7	and Receipt of Revenue		(35.8)	[5] - [4]	
8	WORKING CAPITAL REQUIREMENT				
9	Pro-forma Annual Interest Expense Per Day		$ 3,304		
10	Cash Working Capital Required		$ (118,273)		
11	USE		$ (118,000)	* Rounded to nearest thousandth	

Reference:
(a) Developed in Exhibit 7.

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) AND CUSTOMER ADVANCES FOR CONSTRUCTION (CAC)

LINE NO.	DESCRIPTION	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Customer Advances and Contributions In Aid Of Construction	$ 548,707	$ 548,707	$ 537,783
2	Plus: Contributions		-	-
3	Less: Amortization		(10,924)	(10,545)
4	Customer Advances and Contributions In Aid Of Construction	$ (548,707)	$ (537,783)	$ (527,238)

AQUA PENNSYLVANIA WASTEWATER, INC. - EAST WHITELAND

NOTES TO RATE BASE ELEMENTS

DEFERRED INCOME TAXES

LINE NO.	DESCRIPTION	REFERENCE	PRESENT RATES 12/31/2023 AMOUNT	PRESENT RATES 12/31/2024 AMOUNT	PRESENT RATES 12/31/2025 AMOUNT
1	Deferred Income Taxes	FR.TX4	$ -	$ -	$ 116,734
2	Change in Deferred Tax	Schedule F-2		116,734	114,377
3	Deferred Income Taxes		$ -	$ (116,734)	$ (231,111)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF CHRISTOPHER E. MANNING

Topics Addressed:

Certain Expense Adjustments
EDU/Flat Rate Billing

DATE SERVED: September 12, 2024 **Aqua Statement No. 3-R**
DATE ADMITTED: _____

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. What is your name and business address?

A. My name is Christopher. E. Manning. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc. ("AP") as a Finance and Rate Analyst II.

Q. Have you previously provided testimony in this proceeding?

A. Yes. I provided Direct Testimony on behalf of AP and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua PA," or the "Company") as Statement No. 3 with the Company's filing to the Pennsylvania Public Utility Commission ("PUC" or the "Commission").

Q. What is the purpose of your Rebuttal Testimony?

A. The purpose of my testimony is to address the Direct Testimonies of Office of Consumer Advocate ("OCA") witness Ralph Smith (OCA Statement No. 2), the Commission's Bureau of Investigation and Enforcement ("I&E") witnesses Zachari Walker (I&E Statement No. 1) and Ethan Cline (I&E Statement No. 3), and SCH USA LLC's ("SCH USA") witnesses Carlos Padilla (SCH USA Statement No. 1) and Frank Lacey (SCH USA Statement No. 3).

II. OPERATING EXPENSE ADJUSTMENTS

Q. Has any party recommended an adjustment to the Company's claimed payroll expense?

A. Yes. Both I&E witness Walker and OCA witness Smith proposed adjustments to payroll expense based upon an employee vacancy adjustment. OCA also proposes an adjustment

to remove seasonal positions based upon the Company's actual hiring of seasonal positions in the future test year ("FTY").

Q. Please summarize I&E witness Walker's proposed adjustment.

A. Mr. Walker's proposed adjustment is based on the utilization of a vacancy rate percentage of 4.26%. I&E St. 1 at 12-13. I&E witness Walker asserts that this rate is representative of the Company's 3-year average full-time employee vacancies for the years 2021, 2022, and 2023.

Mr. Walker calculates his proposed vacancy rate by summing the average non-union and union employees that the Company had employed in each year and subtracting that amount from the Company's authorized full time head count for each year to derive a number of vacant positions for that year (*e.g.*, 196 Non-Union Employees + 368 Union Employees = 564 Full Time Employees in 2023; 590 Authorized Full Time Employees in 2023 – 564 Actual Full Time Employees = 26 Vacant Positions in 2023). The number of vacant positions that Mr. Walker had calculated for each year was 28 positions in 2021, 23 positions in 2022, and 26 positions in 2023. Mr. Walker averaged his three years of vacant positions to arrive at an average vacant position amount of 26 positions.

Mr. Walker carried this amount of 26 vacant positions forward into the fully projected future test year ("FPFTY") and applied that to the 610 budgeted full-time positions claimed in the FPFTY, resulting in a vacancy rate of 4.26% (26/610 = 4.26%). Mr. Walker then multiplied this percentage by the claimed labor expense for each division. I&E St. 1 at 14. These adjustments amount to proposed expense decreases of $1,613,321 for the Company's Water Base Operations, $14,916 for the Company's Shenandoah

Operations, $150,117 for the Company's Wastewater Base Operations and $6,856 for the Company's Lower Makefield Operations.

Q. Please summarize OCA witness Smith's proposed adjustment.

A. Mr. Smith's proposed adjustment is based on the utilization of a vacancy rate percentage of 4.57% for Water Base Operations and 4.69% for Wastewater Base Operations. Mr. Smith derives these rates by utilizing the Company's response to OCA-IX-1 in addition to the information provided as part of Exhibit 2 of the Company's initial filing. OCA St. 2 at 46. The Company's response to OCA-IX-1 provides all labor related costs in the Company's filing that are for positions that had not been filled as of May 31, 2024, but for which the Company projects would be filled at various points during the FTY and FPFTY.

Mr. Smith calculates his proposed vacancy rates by taking the gross dollars in each rate division associated with the vacant full-time positions provided in the response to OCA-IX-1 and dividing them by the Company's claimed gross dollars for each respective rate division. From there, Mr. Smith applied his proposed vacancy rates that he calculated to the Company's gross payroll claim to arrive at his proposed gross payroll amounts for the Company. Mr. Smith then applies the Company's capital and non-operating labor rates to his proposed gross payroll amounts to calculate what he proposes the Company's expense payroll claims should be. Mr. Smith then subtracts the Company's claimed expense payroll amounts from his calculated expense payroll amounts to arrive at his adjustments. These adjustments amount to proposed expense decreases of $1,760,230 for the Company's Water Base Operations and $167,998 for the Company's Wastewater Base Operations.

In addition to the proposed adjustment for the Company's full time labor complement, Mr. Smith also recommends that the Company remove 25 seasonal positions from its claim. OCA St. 2 at 43. These 25 positions are viewed as a separate adjustment and were not subject to the vacancy percentages that Mr. Smith utilized for his proposed adjustment to the Company's full time employee labor claim.

Q. Does the Company agree with any of the adjustments proposed by I&E and OCA related to payroll expense?

A. No. The Company does not agree with the 4.26% full time vacancy rate adjustment proposed by I&E, as it is not reasonable. The Company also does not agree with the 4.57% full time vacancy rate for Water Base Operations, the 4.69% full time vacancy rate for Wastewater Base Operations proposed by OCA, or with the proposed reduction of number of seasonal employees to 10.

Q. Please explain why I&E witness Mr. Walker's proposed vacancy rate adjustment should be rejected.

A. Mr. Walker fails to recognize or take into account the vacancy credit that the Company has already reflected in its FTY and FPFTY claim (see Exhibit CEM-1-R). Thus, his adjustment double counts the vacancy adjustment already built into the Company's expense claim because he does not apply his rate to unadjusted gross labor.

Mr. Walker's calculation of the full-time vacancy rate is inaccurate for additional reasons. First, Mr. Walker applied his vacancy rate and adjusted the payroll claim for all full-time, part-time, co-op and seasonal employees even though his vacancy rate was computed using only full-time employees. While the Company does not agree that Mr. Walker's adjustment should be adopted, if it is adopted by the Commission, then the

Company submits it is only appropriate to apply this adjustment to the full-time labor expense aspect of its payroll expense claim.

Second, Mr. Walker fails to address and/or account for how the growth of the Company through the acquiring of new systems impacts his calculations or may impact his calculations. For example, in his calculation of the average number of full-time union employees in HTY, Mr. Walker averages four quarters of data together. However, the Company acquired Shenandoah in July 2023, which accounted for 7 additional union employees. This growth in union employees is not appropriately reflected in Mr. Walker's average because these employees simply did not exist before the closing of the Shenandoah system in the 2023 Q1 or Q2 data. Thus, the 2023 Q1 and Q2 data that Mr. Walker utilized in his calculation should not be considered unless it was appropriately adjusted. As noted in the Company's response to I&E-RE-35, the Company has employed 373, 376, 380, and 380 union employees in its last four quarters of operations. If an average of these numbers were to be utilized, which consists of operations with no employee growth through acquisition, the resulting number is substantially different than what Mr. Walker utilized for his number of HTY union employees in his calculation.

Q. Please explain why OCA witness Mr. Smith's proposed vacancy rate adjustment should be rejected.

A. Mr. Smith fails to recognize or take into account the vacancy credit that the Company has already reflected in its FTY and FPFTY claim. Thus, his adjustment double counts the vacancy adjustment already built into the Company's expense claim because he does not apply his rate to unadjusted gross labor. Mr. Smith does acknowledge that he would continue to review additional information pertaining to the Company's labor vacancy rate

and labor claims upon the receipt of the Company's response to discovery question OCA-XXIII-1 (OCA St. 2 at 47), which the due date of OCA Set 23 was after the due date of the OCA's direct testimony, and is attached to my Rebuttal Testimony as Exhibit CEM-1-R.

Mr. Smith's calculation of the full-time vacancy rate is inaccurate for additional reasons. First, Mr. Smith's vacancy rates were derived by utilizing the Company's response to OCA-IX-1 as well as payroll information contained within Exhibit 2 of the Company's initial filing which the Company provided to support its labor claims. OCA St. 2 at 46. By utilizing the vacant positions provided in response to OCA-IX-1, which provides vacancies as of May 31, 2024 for both FTY and FPFTY positions, to derive a vacancy rate, Mr. Smith includes 15 full time positions which will not be hired until the start of the FPFTY in his calculations. These positions are noted in Exhibit 2 of the Company's initial filing as not starting until 2025 and should not be included in any vacancy rate calculation as the positions are not set to be filled until then. It is inappropriate to include positions that will not start until the FPFTY in a vacancy rate calculation based upon FTY or 2024 data. If these positions (unique IDs of PA-0640 through PA-0654), which will not start until the FPFTY, were to be removed from Mr. Smith's calculation in his supporting files, the vacancy rates that would result would be 1.95% for Water Base Operations and 2.75% for Wastewater Base Operations. Please see Exhibit CEM-2-R showing the removal of these positions and the resulting vacancy calculation.

Q. Please respond to OCA witness Mr. Smith's further adjustment related to seasonal position vacancies.

A. I do not agree with Mr. Smith's proposal to reduce the number of seasonal positions to reflect the number that the Company has actually hired in the FTY. The Company has hired

15 seasonal positions in the FTY, or 5 additional seasonal employees than what was provided in its response to OCA-IX-1 per the Company's response to OCA-XXIII-3. If the Commission agrees with Mr. Smith, the seasonal adjustment should be based off of the FTY seasonal employees actually hired by the Company. As such, the $201,500 that Mr. Smith proposed be removed should be reduced accordingly by $40,300 to reflect the five additional seasonal employees that have been hired, or a total adjustment of $161,200. As mentioned earlier, Mr. Smith does acknowledge that he would continue to review and revise information based upon additional information that is provided.

However, the 15 seasonal positions that the Company has hired this year are an anomaly and do not reflect the historical seasonal hiring practices of the Company. The Company hired 21 seasonal positions in 2022 and 23 seasonal positions in the 2023. The Company always actively strives to fill each respective authorized seasonal position, of which there are 35 for the FTY.

Q. Do I&E and OCA propose adjustments to the Company's Payroll Tax Expense claim?

A. Yes. I&E witness Walker proposes to reduce the Company's Payroll Tax Expense claim for Water Base Operations by 4.26% or $141,565, based upon his proposed vacancy rate. I&E St. 1 at 18.

OCA also proposes to reduce the Company's Payroll Tax Expense claim. OCA witness Smith proposes to reduce the Company's Payroll Tax Expense claim for Water Base Operations by $150,072 and Wastewater Base Operations by $12,852. Mr. Smith's adjustment is primarily based upon his proposed vacancy rates of 4.57% for Water Base

Operations and 4.69% for Wastewater Base Operations, but also accounts for his proposed removal of 25 seasonal positions from the Water Base Operations. OCA St. 2 at 48.

Q. Does the Company agree with these adjustments?

A. The Company does not agree with I&E Witness walker's adjustment to payroll tax for the same reasons as previously discussed regarding the flaws in his proposed vacancy rate adjustment. As for OCA's proposals, the Company also does not agree with OCA Witness Smith's adjustment to payroll tax for the same reasons as previously discussed regarding the flaws in his proposed vacancy rate adjustment. Finally, the Company does not agree with the adjustment made by witness Smith that reflects the impact of the proposed reduction to seasonal employees.

Q. Has any party recommended an adjustment to the Company's claimed 401k expense?

A. Yes. OCA witness Smith proposed an adjustment to decrease 401k expense for Water Base Operations by $136,152 based upon his proposed employee vacancy rate of 4.57% for Water Base Operations. OCA St. 2 at 48.

Q. Does the Company agree with OCA witness Smith's adjustment to 401k Expense?

A. No. The Company does not agree with OCA witness Smith's adjustment to 401k Expense for the same reasons as previously discussed regarding the flaws in his proposed vacancy rate adjustment.

Q. Has any party recommended an adjustment to the Company's claimed group insurance expense in Water Base Operations?

A. Yes. OCA witness Smith proposed an adjustment to decrease group insurance expense for Water Base Operations by $289,226 based upon his proposed employee vacancy rate of 4.57% for Water Base Operations. OCA St. 2 at 49-50.

Q. Does the Company agree with OCA witness Smith's adjustment to Group Insurance Expense?

A. No. The Company does not agree with OCA witness Smith's adjustment to Group Insurance Expense for the same reasons as previously discussed regarding the flaws in his proposed vacancy rate adjustment.

Q. Does OCA witness Smith make a corresponding adjustment to Wastewater Intracompany Benefits to account for his proposed adjustment to Wastewater employee benefits?

A. Yes. OCA witness Smith proposed an adjustment to decrease Wastewater Intracompany Benefits Expense for Wastewater Base Operations by $100,799 based upon his proposed employee vacancy rate of 4.69% for Wastewater Base Operations. OCA St. 2 at 51-52.

Q. Does the Company agree with OCA witness Smith's adjustment to Wastewater Intracompany Benefits?

A. No. The Company does not agree with OCA witness Smith's adjustment to Wastewater Intracompany Benefits for the same reasons as previously discussed regarding the flaws in his proposed vacancy rate adjustment. The Company does acknowledge that the calculations and impacts provided by OCA witness Smith are mathematically accurate and that any decrease to Wastewater Intracompany benefits would increase pre-tax operating expense for Water Base Operations.

Q. Has I&E witness Walker recommended an adjustment to the Company's claimed Employee Benefits Expense?

A. Yes. Mr. Walker proposes an adjustment to decrease total Employee Benefit Expense for Water Base Operations, Shenandoah, Wastewater Base Operations, and Lower Makefield

based upon his proposed vacancy rate of 4.26%. Mr. Walker applies his proposed vacancy rate of 4.26% to each of the Company's proposed total Employee Benefits Expense found on Schedule C-2 of each respective exhibit. I&E St. 1 at 16-17. This proposed adjustment would reduce employee benefit expense by $331,934 for Water Base Operations, $8,968 for Shenandoah, $90,070 for Wastewater Base Operations, and $4,113 for Lower Makefield. I&E St. 1 at 16-17.

Q. Does the Company agree with I&E witness Walker's adjustment to Employee Benefits Expense?

A. No. The Company does not agree with I&E witness Walker's adjustment to Employee Benefit Expense for the same reasons as previously discussed regarding the flaws in his proposed vacancy rate adjustment.

Q. Please describe the Company's General Price Level Adjustment.

A. This adjustment reflects the anticipated effect of price increases on operating expenses, like transportation, supplies, outside services, and other small expense categories that were not specifically adjusted for elsewhere in this case. The adjustment was described in my direct testimony, Aqua Statement No. 3 at 2-3.

Q. Has any party proposed that the Company's General Price Level Adjustment be disallowed?

A. Yes. Both I&E witness Walker and OCA witness Smith recommend that this proposed adjustment, to specific categories of expenses not otherwise adjusted, be disallowed and removed in its entirety. I&E St. 1 at 33-36; OCA St. 2 at 38-40.

Q. Please summarize the basis for Mr. Walker and Mr. Smith's recommendation to disallow the General Price Level Adjustment.

A. Both Mr. Walker and Mr. Smith assert that the adjustment is a "blanket" or "generalized" inflation adjustment which does not utilize a targeted approach. Both witnesses cite cases where the Commission disallowed blanket generalized inflation adjustments. OCA witness Smith does acknowledge that there was a recent case where the Commission allowed an inflation adjustment, but noted that the approach utilized in that case was more targeted than the approach utilized by the Company in this case.

Q. Do you agree with I&E witness Walker and OCA witness Smith's adjustment to remove the Company's use of a General Price Level Adjustment?

A. No, I do not agree with I&E witness Walker and OCA witness Smith's assertion that the proposed adjustment is a blanket generalized inflation adjustment. The Company's adjustment reflects the anticipated effect of inflation only on operating expenses that were not specifically adjusted in this case.

The Company believes that the summary level accounts (e.g., Transportation and Supplies) that fall under the General Price Level Adjustment are better suited for a general price level adjustment as it represents a conservative approach. Given the current economic conditions and the Company's analysis of historical costs associated within these summary accounts, the Company deems it reasonable and appropriate to utilize such an adjustment. The overall percentage increases to summary level accounts such as Transportation and Materials and Supplies over the past three years are significantly greater than the requested CPI inflation amounts requested in the FTY and FPFTY as shown below in Table 1 which was provided in response to I&E-RE-33 to highlight and support the increased costs.

Table 1

Aqua Pennsylvania State Totals	2020	2021	2022	2023	3 YR AVG	FTY CPI	FPFTY CPI
Total Sludge	$ 1,046,248.55	$ 1,147,648.22	1,283,239.81	1,736,172.99			
Percentage Change (YOY)		**9.69%**	**11.81%**	**35.30%**	18.93%	2.425%	2.30%
Total Materials & Supplies	$ 2,815,536.42	$ 2,535,601.80	2,633,496.42	3,207,719.29			
Percentage Change (YOY)		**-9.94%**	**3.86%**	**21.80%**	5.24%	2.425%	2.30%
Outside Services - Lab Testing	$ 750,054.81	$ 912,109.17	$ 603,809.98	$ 1,141,121.56			
Percentage Change (YOY)		**21.61%**	**-33.80%**	**88.99%**	25.60%	2.425%	2.30%
Total Transportation	$ 1,035,729.00	$ 1,130,832.00	$ 1,899,850.54	$ 2,115,554.70			
Percentage Change (YOY)		**9.18%**	**68.00%**	**11.35%**	29.51%	2.425%	2.30%

Neither Mr. Walker nor Mr. Smith make any mention or take into consideration any historical data or present economic conditions. Both witnesses fail to address the macro conditions in which the world is currently operating in and fail to make any mention of actual inflation rates seen over the past few years. All of the expenses that the Company is requesting be increased under the general price level adjustment are directly and adversely impacted by inflation. The Commission should not adopt I&E Witness Walker and OCA Witness Smith's recommendation.

Q. Has any party proposed an adjustment to the Company's claim for normalized rate case expense?

A. Yes. I&E witness Walker has proposed an adjustment to reduce the Company's Rate Case Expense claim in the FPFTY by a combined $647,268 in Exhibits 1-A through 1-D. This amount excludes another $5,232 that the Company believes Mr. Walker would have adjusted out for East Whiteland in Exhibit 1-E. I&E St. 1 at 24-27.

Mr. Walker does not dispute the total amount of the Company's Rate Case Expense claim, but rather the normalization period over which the Company is to expense the costs associated with the rate case. Mr. Walker proposes that a normalization period of 4 years,

or 48 months, should be used in lieu of the two-year, or 24-month, normalization period that the Company proposed.

Q. Do you agree with I&E witness Walker's adjustment and proposed normalization period for the Company's rate case expense claim?

A. I do not. Mr. Walker argues that the historical cadence in which the Company has filed its last four rate cases is 48 months and that 48 months should be the appropriate time frame to normalize rate case expense over. However, Mr. Walker fails to take into consideration the reasoning for why the Company was able to stay out between its 2011 and 2018 cases. As discussed at pages 88-90 of the Commission's Order in *PA PUC v. Aqua Pennsylvania, Inc., et al.,* Docket Nos. R-2021-3027385 and R-2021-3027386, the Company was able to avoid filing a rate case for an extended period after the 2011 rate case due to a provision in that settlement regarding the use of tax repair deduction for income tax purposes. That situation will not recur in the future. This stay-out period does not reflect the Company's rate filing interval, nor should it be used to evaluate the Company's historical filing cadence.

The interval between the Company's last two case filings were 36 months (2018 Rate Case) and 33 months (2021 Rate Case), respectively, and highlight the Company's ability to stick to the normalization periods that it requests. The Company had requested normalization periods of 36 months in both of its last two cases. The Company intends to file its next case approximately 24 months from the filing of the current case and requests that the normalization period for Rate Case Expense align with that expected time frame. A 24-month filing interval is expected due to the need to address PFAS requirements, as explained further by Mr. Packer.

Q. Has any party recommended an adjustment to the Company's claimed legal expense?

A. Yes. OCA witness Smith proposes an adjustment to remove legal fees associated with the Company's appeal of Commission orders which would reduce the Company's legal expense claim by $66,685 for Water Base Operations and $18,206 for Wastewater Base Operations. OCA St. 2 at 41.

Q. Do you agree with OCA witness Smith's proposed adjustment to the Company's legal expense claim?

A. Yes. While appeals are undoubtedly a part of business operations for the Company, the Company accepts Mr. Smith's proposed adjustment to decrease legal expense in its' Water and Wastewater Base Operations based upon the nature of these appeals. The expense reductions that have been proposed by Mr. Smith have been reflected in the Company's rebuttal models (AP Exhibit 1-A(a) through 1-E(e)). The Company will note however, that after the appellate process for Twin Lakes Utilities, Inc. is completed, it will be making a claim in the first base rate case for expenses associated with defending its position in Twin Lakes case.

Q. Please discuss the adjustment made by I&E witness Walker to Membership Dues.

A. Mr. Walker made an adjustment to the Company's Water Base Operations of $374,364 and the Company's Wastewater Base Operations of $332. Mr. Walker made this adjustment based upon the removal of the Company's membership dues to the Chamber of Commerce and Service/Social Other organizations. I&E St. 1 at 20-21.

Q. Do you agree with Mr. Walker's adjustment to Membership Dues?

A. No. The Company's dues to the Chamber of Commerce allow for the Company to be a partner with local businesses and municipalities in the areas the Company serve. It also

provides the opportunity to interact with business leaders across the Commonwealth of Pennsylvania to promote a strong business climate which will promote jobs, increase population in the state and in turn support the areas we serve.

Q. Does any party make expense adjustment claims based on the removal of the East Whiteland system from the Company's base rate case?

A. Yes. I&E and OCA both make adjustments throughout their testimonies regarding the removal of certain expenses based on their belief that East Whiteland should be removed from this case. The subject of East Whiteland and its inclusion in this case are described in the Rebuttal Testimony of William C. Packer (Aqua Statement No. 1-R). However, I will note that for the reasons set forth in Mr. Packer's Rebuttal Testimony those adjustments should be rejected by the Commission. If East Whiteland is excluded from this case, certain allocated costs will need to be re-allocated back to Aqua.

III. EDU/FLAT RATE BILLING

Q. Who is SCH USA and what is the nature of their complaint?

A. SCH USA is a commercial, unmetered wastewater customer of the Company that owns and operates a large commercial resort known as the "Split Rock Resort". The resort is situated in Kidder Township, Carbon County, Pennsylvania. SCH USA provides water service to itself via its own private wells and the Company provides wastewater service to SCH USA. SCH USA is located within Rate Zone 4 of the Company's current Wastewater Tariff and is billed on a flat per equivalent dwelling unit or "EDU" basis monthly.

SCH asserts that the Company's current and proposed wastewater tariff results in unjust and unreasonable rates being charges to SCH USA. SCH USA St. 1 at 3. SCH also asserts that the number of EDUs that the Company is billing to SCH USA and that would

be billed to SCH USA under the proposed tariff do not have any relationship to the flows that are coming from the properties. SCH USA St. 3 at 3. SCH USA witness Padilla argues that if the resort is operating at anything less than 100% occupancy, which he claims that flat EDU rates are based on, that SCH USA is being charged for more wastewater usage than the Company is collecting and treating. SCH USA St. 1 at 3-4. SCH USA also claims that the Settlement Agreement (SCH USA St. 3 Exhibit FL-2), which stipulates the number of EDUs associated with their resort, does not provide an accurate basis for billing. SCH USA St. 3 at 3-7.

SCH USA therefore proposes that the Company evaluate alternate methods of billing SCH USA. Mr. Padilla claims that the Company can do this in a number of ways including: (1) measuring actual water consumption, (2) measuring actual wastewater discharges into Aqua's system; (3) adjusting the EDUs used for billing purposes to better reflect actual usage and occupancy; or (4) assigning a different proxy that more accurately reflects actual usage and occupancy. SCH USA St. 1 at 4. Mr. Padilla further notes that the Company should be required to provide billing options for currently unmetered customers such as SCH USA to be billed for actual usage rather than using EDUs which he claims are an unfair and inaccurate estimation. SCH USA St. 1 at 5.

Q. Do you agree with SCH USA's claims?

A. No, I do not. I will describe why the number of EDUs being charged to SCH USA is appropriate, why it is appropriate to utilize the number of EDUs from the Settlement Agreement for SCH USA's billing, and why SCH USA is billed on a flat rate per EDU basis as an unmetered customer. These issues are also addressed in the Rebuttal Testimony of Gregory R. Herbert (Aqua Statement No. 10-R). SCH USA's issues, from an

operational aspect, are addressed in the Rebuttal Testimony of Todd M. Duerr (Aqua Statement No. 11-R).

Q. Does SCH currently have outstanding balances owed to the Company?

A. **[BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]** and is the focus of the current compliant filing SCH USA made against Aqua in Docket Nos. C-2022-3036893 and C-2022-3037118.

Q. What are the number of EDUs that the Company charges SCH USA on a monthly basis?

A. SCH USA is currently billed 330 EDUs on a monthly basis. These EDUs are broken out amongst four accounts as noted in the Company's response to SCH-I-7. These accounts are as follows: Willowbrook (128 EDUs), Galleria and Water Park (145 EDUs), Lodge-Remaining Uses (53 EDUs), and Laundromat (4 EDUs).

Q. Do SCH USA witnesses Padilla and Lacey explain how the EDUs associated with SCH USA were originally determined?

A. Yes. Witnesses Padilla and Lacey assert that the number of EDUs were originally set by a Settlement Agreement between Split Rock's original owner and Kidder Township in 2010.

Q. Do you agree with witnesses Padilla and Lacey as to how the EDUs associated with SCH USA were determined?

A. Yes, I do. At the time of the Company's acquisition of the wastewater assets of Kidder Township by Aqua in 2012, the number of EDUs that were transferred to Aqua from Kidder Township were taken from the Settlement Agreement, which was entered into between the Kidder Township and Vacation Charters Ltd., Split Rock Country Club, Inc., and Summit

Management and Utilities, Inc. As was reflected in the Company's Compliance Tariff at Docket No. A-2012-2298067, included in my Rebuttal Testimony as Exhibit CEM-3-R, Willowbrook at Lake Harmony would be billed 128 EDUs, the Galleria and Water Park would be billed 145 EDUs and the Remaining Uses or what is known as the Lodge would be billed 53 EDUs. SCH USA also acquired another property, a Laundromat, which consisted of 4 EDUs at the time of acquisition. The aforementioned number of EDUs comprise 330 of the 430 EDUs noted in the Settlement Agreement. The remaining EDUs were not purchased by SCH USA and are currently billed to another customer of the Company.

Q. Does SCH USA witness Lacey further comment on how the EDUs associated with SCH USA were originally determined?

A. Yes. Witness Lacey notes that as part of the Settlement Agreement that the number of EDUs was determined before a proposed expansion of 192 units (384 rooms) at the resort was started. Mr. Lacey asserts that the proposed expansion was included in the derivation of EDUs included in the Settlement Agreement and that the expansion was never built. Mr. Lacey further asserts that the Company is currently (and has always been) billing SCH USA for wastewater throughput from those unbuilt rooms that were planned when the Settlement Agreement was negotiated.

Q. Do you agree with witness Lacey's claim that the Company is currently billing SCH USA for unbuilt rooms that were planned but never built?

A. No, I do not. At the time that the Settlement Agreement was entered into, all parties acknowledged that the 320 units had been approved for construction at Willowbrook per

the Agreement. At the time of the agreement, 128 units were built and in use. 192 units were still not constructed and had yet to been built.

All parties of the Settlement Agreement agreed that each of the 320 Willowbrook Units were to be **1** EDU. The Company, from the time of the acquisition and up through present time, is only billing Willowbrook **128** EDUs meaning that the Company is not billing or charging for any of the unbuilt rooms that Mr. Lacey is claiming. The Settlement Agreement also states that the number of EDUs that were set at the time were based on all the currently existing improvements at the premises that were owned, operated, and or occupied by the Plaintiffs (SCH St. 3, Exhibit FL-2, Settlement Agreement, Paragraph 12). Paragraph 13 of the Settlement Agreement further provides that future EDUs added to the system by the Plaintiffs would be billed at then existing rates by Kidder Township or its successor.

Q. Why was it appropriate to establish the number of EDUs for SCH USA based upon the Settlement Agreement?

A. The Settlement Agreement was appropriate to utilize for the number of the EDUs associated with the Split Rock Resort as Kidder Township had been charging the resort this exact number of EDUs prior to the Company's ownership of the Kidder Wastewater system. As is commonplace with any acquisition, the number of EDUs, or billing determinants, associated with a customer remain consistent with what the system's previous owner had been charging. The assigned EDUs from Kidder Township's billing system were transferred to the Company for billing purposes. As previously mentioned, the Commission approved the Company's acquisition of the Kidder Township wastewater system in 2012 at Docket No. A-2012-2298067, and the Compliance Tariff that was filed

as part of this proceeding explicitly lists out the number of EDUs that were coming over with the Split Rock Resort.

Q. Has the Commission reviewed the EDUs billed to the SCH USA accounts since the Company's acquisition of the Kidder Township Wastewater Assets?

A. Yes. As part of the Company's past two base rate cases in 2018 and 2021 at Docket Nos. R-2018-3003561 and R-2021-3027386, the number of EDUs billed to SCH USA were reviewed and included in the revenue requirements as set forth in the respective Commission orders in both the 2018 and 2021 wastewater rate cases. The Commission approved those rates through the Compliance Tariffs filed in the dockets referenced above and those rates were determined by the Commission to be just and reasonable.

Q. Why is it not appropriate to establish the number of EDUs for SCH USA based upon occupancy rate?

A. Occupancy rates have never been used by the Company to determine the number of EDUs associated with a customer's premise. Factoring in occupancy rate for an unmetered customer is impossible as the customers' usage is not tracked. SCH USA is an unmetered customer that only asserts that their occupancy rates impact the amount of wastewater they are producing. SCH USA provides no auditable, numerical data pertaining to its water and wastewater usage, but claims that their actual wastewater usage is much lower than what is being billed by Aqua. SCH USA has offered no substantiation or validation of this claim.

The Company is required to handle the maximum amount of flow that could come from this customer. EDUs are not a variable number and do not ebb and flow with each and every customer's usage at their premise. Once an EDU assignment is set, it does not

change unless there is a material and quantifiable change in the nature of operations associated with the premise in question.

Q. Has the nature of the Split Rock Resort that is now owned by SCH USA changed since the Company's acquisition of the Kidder Township Wastewater system?

A. Not to Aqua's knowledge. The Split Rock Resort has not changed the nature of its operations since the Company acquired the Kidder Township Wastewater system. SCH USA is running and operating a resort that has the ability to produce as much wastewater as the day that the Company acquired the Kidder Township Wastewater System as it does today. Thus, there is no reasoning or fact based evidence to change the assignment of EDUs associated with SCH USA.

Q. Why is SCH billed on a flat rate per EDU basis?

A. SCH USA is billed on a flat rate per EDU basis as their water sources – privately owned wells – are not metered. A discussion on the operational reasons why SCH USA is not billed on a metered basis are included in the Rebuttal Testimony of Todd M. Duerr (Aqua Statement No. 11-R).

Q. Please respond to Public Input Hearing witness John Day regarding his concerns on flat rate billing in Lake Harmony.

A. I have reviewed Mr. Day's written complaint and testimony at the public input hearing. Mr. Day wants the Commission to establish a lower flat rate for seasonal communities, or require investor owned utilities to put water meters on private wells to provide metered rates for flat rate customers. The Company respectfully disagrees and notes that any changes from prior Commission precedent will have a significant impact on all investor owned wastewater utilities. I will first provide some general background on Mr. Day's

previous complaints and Commission decisions on this matter. Then I will discuss his complaints in this case more specifically.

Q. Did Mr. Day file a similar complaint in 2021 regarding flat rate billing?

A. Yes. At Docket No. C-2021-3026213, Mr. Day filed a complaint wherein he argued that as a seasonal/second home resident, he is only at his Lake Harmony property 5-10 days per month, and therefore should not be charged the full monthly rate due to the limited time spent at the Lake Harmony property. The Administrative Law Judge Joel H. Cheskis and the Commission denied his complaint stating:

> Mr. Day's complaint will be denied because he has failed to satisfy his burden of demonstrating that Aqua violated the Public Utility Code, a Commission order or regulation or a Commission-approved tariff of the company.[1]

Moreover the ALJ, in his reasoning which was adopted by the Commission, stated:

> Furthermore, Mr. Day has not presented any evidence demonstrating that Aqua's tariff is unreasonable as applied to him. For example, Mr. Day's primary argument is that he is only at the service address for 5-10 days per month and that, as a result, he should not be required to pay the monthly service charge as if he were at the service address every day of the month. Mr. Day testified: "We are not full-time residents and the rates as it's been implemented are metered rates, is charging us at a higher level, an unequitable level, for the services that we're receiving." Tr. 10-11. This argument is without merit and will be rejected.[2]
>
> . . .
>
> The fact that Mr. Day is present at the service address only 5-10 days a month is irrelevant to whether the $100 sewer charge is reasonable. Aqua has no control over when its customers are present at the service address. Yet, Aqua still is required to have its sewer service

[1] *John Day v. Aqua Pennsylvania Wastewater, Inc.*, Docket No. C-2021-3026213, Initial Decision at 7 (Oct. 28, 2021). The Initial Decision became final without further action of the Commission on November 30, 2021 at Docket No. C-2021-3026213.
[2] *Id*. at 8.

> available for whenever the customer desires to use it. Mr. Day is required to pay the monthly sewer charge whether he is present at the service address every day of the month or no days of the month. If Mr. Day were present at the service address every day of every month, he would still pay the $100 sewer charge. Mr. Day's argument to the contrary will be rejected.[3]
>
> In fact, if Aqua were to do what Mr. Day is requesting, then the company could be giving Mr. Day preferential treatment over other existing customers which could be a violation of the Public Utility Code. *See*, 66 Pa.C.S. § 1303 ("No public utility shall, directly or indirectly, by any device whatsoever, or in any wise, demand or receive from any person, corporation, or municipal corporation a greater or less rate for any service rendered or to be rendered by such public utility than that specific in the tariffs of such public utility applicable thereto."). In addition, if Aqua were to do what Mr. Day is requesting, and Aqua then has to provide the same service to all of its customers, the cost to provide service to all Aqua customers would likely increase exorbitantly. Aqua's tariffs are in place to enable Aqua to provide a reliable system for all its customers. Aqua must treat all customers consistently to ensure that such service is provided.[4]

Q. Did the Commission also address unmetered residential wastewater rates and Mr. Day's concern in the Company's 2021 Base Rate Case?

Yes. Mr. Duerr references this case in which the Commission ultimately agreed to maintain the existing billing practice for Lake Harmony as a part of his rebuttal testimony (Aqua Statement No. 11-R). The Company acknowledges that in that rate case order it was directed to "study and report the results in the next base rate case proceeding in order to determine whether different methods of calculating a flat rate would be more reasonable for some systems rather than applying a system wide average to each system." The Company takes directives from the Commission very seriously. The OCA asked a

[3] *Id*.
[4] *Id.* at 9.

discovery question about this topic and the Company responded with the analysis that it had performed to support its proposal (OCA-XIII-16).

As witness Heppenstall states in her Rebuttal Testimony (Aqua Statement No. 5-R), in studying whether different methods of calculating a flat rate would be more reasonable for some systems, Witness Heppenstall found that in an effort to move all systems toward consolidated rates, using average consumption across the systems was appropriate in determining wastewater flat rates.

The Company did perform an analysis of average usage in each rate zone. *See* Aqua Exhibit CEM-4-R. This analysis first recognized that there is no other known methodology utilized across the industry other than to utilize a system average to calculate a flat rate. Second, the order states whether a different method would be more reasonable than applying a system wide average. Rather than solely relying on the 2024 water average, we evaluated each respective wastewater rate zone to see what each rate zone's usage was. That review revealed that if you look at Lake Harmony which is at Rate Zone 4 currently, you would see that the average residential customer in Rate Zone 4 uses 3,835 gallons based off of billing determinants for 2023. What we are proposing in this base rate case is a wastewater flat rate based on 3,870 gallons per month, which is the system average residential water usage. The Company then analyzed and compared this usage to average usage in Rate Zone 4. Due to the closeness of these two data points, the Company is proposing that 3,870 gallons be used as the appropriate average usage to be used in designing the flat rates. Further, in proposing and designing rates for Rate Zone 4 specifically, the Company proposed a rate that would mitigate the size of the rate increase – which under the Company's proposal would go from $133.35 per month to $135.20 per

month. The Company performed the analysis in compliance with the Commission's order but did not include the analysis in its main filing in this case. This was an oversight, but the analysis has since been provided to the parties through discovery in this proceeding.

IV. CONCLUSION

Q. Does that conclude your Rebuttal Testimony at this time?

A. Yes, it does, but I reserve the right to supplement my Rebuttal Testimony as needed during this proceeding.

EXHIBIT NO. CEM-1-R

Vacancy Calc for OCA Set 23 1	
Vacancy Rate:	2%
Non Op Rate:	1.18%
Capital Labor Rate	31.67%

	FTY Water Base	FTY Shenandoah	FTY WW Base	FTY LM	FTY EW	Totals
Gross Dollars	$ 54,711,971.83	$ 521,854.62	$ 5,098,748.12	$ 237,692.91	$ 250,612.06	$ 60,820,879.55
Non Union	$ 20,124,470.99	$ 147,855.43	$ 2,440,029.15	$ -	$ -	$ 22,712,355.58
Union	$ 34,587,500.84	$ 373,999.19	$ 2,658,718.97	$ 237,692.91	$ 250,612.06	$ 38,108,523.97
Exclusions:						
Non Union Overtime	$ 481,229.07	$ 666.50	$ 56,559.37			$ 538,454.95
Union Overtime	$ 6,516,830.49	$ 44,040.30	$ 405,178.70	$ 25,829.68	$ 36,605.55	$ 7,028,484.73
Overtime	$ 6,998,059.57	$ 44,706.80	$ 461,738.07	$ 25,829.68	$ 36,605.55	$ 7,566,939.68
Seasonals/Co-Ops/Part Time Employees (Non Union)	$ 550,286.04		$ 4,504.17			$ 554,790.22
Vacancy Eligible Amounts:						
Non Union	$ 19,092,955.87	$ 147,188.94	$ 2,378,965.61	$ -	$ -	$ 21,619,110.41
Union	$ 28,070,670.35	$ 329,958.89	$ 2,253,540.27	$ 211,863.23	$ 214,006.51	$ 31,080,039.24
	$ 47,163,626.22	$ 477,147.82	$ 4,632,505.88	$ 211,863.23	$ 214,006.51	$ 52,699,149.66
Vacancy Eligible Amounts	$ 47,163,626.22	$ 477,147.82	$ 4,632,505.88	$ 211,863.23	$ 214,006.51	$ 52,699,149.66
Non Union	$ (381,859.12)	$ (2,943.78)	$ (47,579.31)	$ -	$ -	$ (432,382.21)
Union	$ (561,413.41)	$ (6,599.18)	$ (45,070.81)	$ (4,237.26)	$ (4,280.13)	$ (621,600.78)
FTY Vacancy Credit	$ (943,272.52)	$ (9,542.96)	$ (92,650.12)	$ (4,237.26)	$ (4,280.13)	$ (1,053,982.99)
FTY Gross Labor After Vacancy Credit						
Non Union	$ 19,742,611.87	$ 144,911.66	$ 2,392,449.84	$ -	$ -	$ 22,279,973.37
Union	$ 34,026,087.44	$ 367,400.01	$ 2,613,648.16	$ 233,455.65	$ 246,331.93	$ 37,486,923.19
FTY Gross Labor After Vacancy Credit	$ 53,768,699.31	$ 512,311.67	$ 5,006,098.01	$ 233,455.65	$ 246,331.93	$ 59,766,896.55
FTY Labor Claim						

Non Union Payroll	FTY Water Base	FTY Shenandoah	FTY WW Base	FTY LM	FTY EW	Totals
Gross Payroll	$ 19,742,611.87	$ 144,911.66	$ 2,392,449.84	$ -	$ -	$ 22,279,973.37
Capital Payroll	$ 6,252,485.18	$ 45,893.52	$ 757,688.87	$ -	$ -	$ 7,056,067.57
Non-Operating Payroll	$ 232,962.82	$ 1,709.96	$ 28,230.91	$ -	$ -	$ 262,903.69
Expense Payroll	$ 13,257,163.87	$ 97,308.18	$ 1,606,530.07	$ -	$ -	$ 14,961,002.12

Union Payroll	FTY Water Base	FTY Shenandoah	FTY WW Base	FTY LM	FTY EW	Totals
Gross Payroll	$ 34,026,087.44	$ 367,400.01	$ 2,613,648.16	$ 233,455.65	$ 246,331.93	$ 37,486,923.19
Capital Payroll	$ 10,776,061.89	$ 116,355.58	$ 827,742.37	$ 73,935.40	$ 78,013.32	$ 11,872,108.57
Non-Operating Payroll	$ 401,507.83	$ 4,335.32	$ 30,841.05	$ 2,754.78	$ 2,906.72	$ 442,345.69
Expense Payroll	$ 22,848,517.71	$ 246,709.11	$ 1,755,064.74	$ 156,765.47	$ 165,411.89	$ 25,172,468.92

FPFTY VALUES BELOW

	FPFTY Water Base	FPFTY Shenandoah	FPFTY WW Base	FPFTY LM	FPFTY EW	Totals
Gross Dollars	$ 57,414,215.39	$ 532,220.32	$ 5,345,049.42	$ 244,009.18	$ 257,307.65	$ 63,792,801.95
Non Union	$ 21,585,298.73	$ 151,326.11	$ 2,613,469.19	$ -	$ -	$ 24,350,094.03
Union	$ 35,828,916.66	$ 380,894.22	$ 2,731,580.22	$ 244,009.18	$ 257,307.65	$ 39,442,707.93
Exclusions:						
Non Union Overtime	$ 496,756.74	$ 688.16	$ 58,397.55			$ 555,842.45
Union Overtime	$ 6,730,319.23	$ 44,995.40	$ 417,401.78	$ 26,604.57	$ 37,703.71	$ 7,257,024.71
Overtime	$ 7,227,075.97	$ 45,683.56	$ 475,799.34	$ 26,604.57	$ 37,703.71	$ 7,812,867.16
Seasonals/Co-Ops/Part Time Employees (Non Union)	$ 557,727.23		$ 4,630.90			$ 562,358.13
Vacancy Eligible Amounts:						
Non Union	$ 20,530,814.76	$ 150,637.95	$ 2,550,440.74	$ -	$ -	$ 23,231,893.44
Union	$ 29,098,597.43	$ 335,898.81	$ 2,314,178.44	$ 217,404.60	$ 219,603.94	$ 32,185,683.22
	$ 49,629,412.19	$ 486,536.76	$ 4,864,619.18	$ 217,404.60	$ 219,603.94	$ 55,417,576.66
Vacancy Eligible Amounts	$ 49,629,412.19	$ 486,536.76	$ 4,864,619.18	$ 217,404.60	$ 219,603.94	$ 55,417,576.66
Non Union	$ (410,616.30)	$ (3,012.76)	$ (51,008.81)	$ -	$ -	$ (464,637.87)
Union	$ (581,971.95)	$ (6,717.98)	$ (46,283.57)	$ (4,348.09)	$ (4,392.08)	$ (643,713.66)
FPFTY Vacancy Credit	$ (992,588.24)	$ (9,730.74)	$ (97,292.38)	$ (4,348.09)	$ (4,392.08)	$ (1,108,351.53)
FPFTY Gross Labor After Vacancy Credit						
Non Union	$ 21,174,682.43	$ 148,313.35	$ 2,562,460.38	$ -	$ -	$ 23,885,456.16
Union	$ 35,246,944.71	$ 374,176.24	$ 2,685,296.65	$ 239,661.08	$ 252,915.58	$ 38,798,994.26
FPFTY Gross Labor After Vacancy Credit	$ 56,421,627.14	$ 522,489.59	$ 5,247,757.03	$ 239,661.08	$ 252,915.58	$ 62,684,450.42
FPFTY Labor Claim						
Non Union Payroll	FPFTY Water Base	FPFTY Shenandoah	FPFTY WW Base	FPFTY LM	FPFTY EW	Totals
Gross Payroll	$ 21,174,682.43	$ 148,313.35	$ 2,562,460.38	$ -	$ -	$ 23,885,456.16
Capital Payroll	$ 6,706,021.93	$ 46,970.84	$ 811,531.20	$ -	$ -	$ 7,564,523.97
Non-Operating Payroll	$ 249,861.25	$ 1,750.10	$ 30,237.03	$ -	$ -	$ 281,848.38
Expense Payroll	$ 14,218,799.25	$ 99,592.41	$ 1,720,692.14	$ -	$ -	$ 16,039,083.81
Union Payroll	FPFTY Water Base	FPFTY Shenandoah	FPFTY WW Base	FPFTY LM	FPFTY EW	Totals
Gross Payroll	$ 35,246,944.71	$ 374,176.24	$ 2,685,296.65	$ 239,661.08	$ 252,915.58	$ 38,798,994.26
Capital Payroll	$ 11,162,707.39	$ 118,501.62	$ 850,433.45	$ 75,900.67	$ 80,098.36	$ 12,287,641.48
Non-Operating Payroll	$ 415,913.95	$ 4,415.28	$ 31,686.50	$ 2,828.00	$ 2,984.40	$ 457,828.13
Expense Payroll	$ 23,668,323.37	$ 251,259.35	$ 1,803,176.70	$ 160,932.42	$ 169,832.81	$ 26,053,524.65

EXHIBIT NO. CEM-2-R

Line No.	Unique ID	Union Status	Position Title	Water Base	Shenandoah Water	Wastewater Base	Lower Makefield	East Whiteland	FPFTY Gross Payroll
				(A)	(B)	(C)	(D)	(E)	(F)
			Non-Union						
1	PA - 0638	Non-Union	Engineer Co-op	$ 41,414					$ 41,414
2	PA - 0122	Non-Union	Laboratory Assistant	$ 36,839		$ 5,024			$ 41,863
3	PA - 0153	Non-Union	Estimator I	$ 78,351		$ 10,684			$ 89,035
4	PA - 0154	Non-Union	Chemist	$ 62,003		$ 8,455			$ 70,458
5	PA - 0177	Non-Union	Facility Operator Trainee	$ 58,326					$ 58,326
6	PA - 0334	Non-Union	Facility Operator Trainee	$ 56,010					$ 56,010
7	PA - 0441	Non-Union	Treatment Manager	$ 132,267					$ 132,267
8	PA - 0570	Non-Union	Distribution Manager	$ 155,457					$ 155,457
9	PA - 0218	Non-Union	Mechanical Maintenance Supervisor	$ 143,821					$ 143,821
10	PA - 0639	Non-Union	Lead Safety Specialist	$ 107,930		$ 14,718			$ 122,648
11	PA-0640	Non-Union	Rates Analyst II						$ -
12	PA-0641	Non-Union	Director of Rates						$ -
13	PA-0642	Non-Union	Accounting Manager						$ -
14	PA-0643	Non-Union	Capital Budget Analyst						$ -
15	PA-0644	Non-Union	Construction Coordinator I						$ -
16	PA-0647	Non-Union	Project Engineer I						$ -
17	PA-0648	Non-Union	Project Engineer I						$ -
18	PA-0649	Non-Union	Administrative Assistant I						$ -
19	PA-0650	Non-Union	Project Engineer II						$ -
20	PA-0651	Non-Union	Field Service Project Coordinator						$ -
21	PA-0652	Non-Union	Field Service Project Coordinator						$ -
22	PA-0653	Non-Union	Production Specialist						$ -
23	PA-0654	Non-Union	Operations Team Lead						$ -
24	PA - 0637	Non-Union	Administrative Assistant		$ 45,154				$ 45,154
25			Total Non-Union Open Positions	$ 872,418	$ 45,154	$ 38,880	$ -	$ -	$ 956,453
26			Gross Non-Union Payroll per Aqua PA Schedule C-4.5	$ 21,174,682	$ 148,313	$ 2,562,460	$ -	$ -	$ 23,885,456
27			Vacancy Rate	4.12%	30.45%	1.52%	0.00%	0.00%	4.00%
			Union						
28	PA - 0296	Union	Operator Trainee	$ 55,788					$ 55,788
29	PA - 0533	Union	System Operator II			$ 105,413			$ 105,413
30	PA - 0059	Union	System Operator				$ 80,314		$ 80,314
31	PA - 0379	Union	Utility Worker	$ 112,833					$ 112,833
32	PA-0645	Union	Field Service Representative - Third Class						$ -
33	PA-0646	Union	Field Service Representative - Third Class						$ -
34	PA - 0569	Union	Customer Service Specialist A	$ 54,848					$ 54,848
35			Total Union Open Positions	$ 223,468	$ -	$ 105,413	$ 80,314	$ -	$ 409,196
36			Gross Union Payroll per Aqua PA Schedule C-4.5	$ 35,246,945	$ 374,176	$ 2,685,297	$ 239,661	$ 252,916	$ 38,798,994
37			Vacancy Rate	0.63%	0.00%	3.93%	33.51%	0.00%	1.05%
			Non-Union and Union						
38			Total Non-Union and Union Open Positions	$ 1,095,886	$ 45,154	$ 144,294	$ 80,314	$ -	$ 1,365,648
39			Gross Non-Union and Union Payroll per Aqua PA Schedule C-4.5	$ 56,220,127	$ 522,490	$ 5,247,757	$ 239,661	$ 252,916	$ 62,482,950
40			Vacancy Rate	1.95%	8.64%	2.75%	33.51%	0.00%	2.19%

Notes and Source:
Cols. A-E: Amounts from Highly Confidential Exhibit 2-For Filing Attachment from Aqua PA's filing
Open positions identified in response to OCA-IX-1

41	Gross Non-Union and Union Payroll per Aqua PA Schedule C-4.5	$ 56,421,627
42	Less Gross Payroll for Seasonal Positions	$ (201,500)
43	Net Non-Union and Union Gross Payroll Expense	$ 56,220,127

EXHIBIT NO. CEM-3-R

THOMAS, LONG,
NIESEN & KENNARD
Attorneys and Counsellors at Law

THOMAS T. NIESEN
Direct Dial: 717.255.7641
tniesen@thomaslonglaw.com

October 11, 2012

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
P. O. Box 3265
Harrisburg, PA 17105-3265

In re: Docket No. A-2012-2298067
Application of Little Washington Wastewater Company

Dear Secretary Chiavetta:

We are counsel to Little Washington Wastewater Company (LWWC) in the above matter. In accordance with Ordering Paragraph No. 4 of the Order of the Public Utility Commission entered July 19, 2012, enclosed for filing is the Company's Supplement No. 83 to its Tariff Sewer Pa. P.U.C. No. 1.

Very truly yours,

THOMAS, LONG, NIESEN & KENNARD

By

Thomas T. Niesen

cc: Keith E. Gabage (w/encl.)

121011-Chiavetta (Supp 83).wpd

Supplement No.83
to
SEWER-PA. P.U.C. NO. 1

LITTLE WASHINGTON WASTEWATER COMPANY

d/b/a SUBURBAN WASTEWATER COMPANY

RATES AND RULES

GOVERNING THE COLLECTION

OF

WASTE WATER

IN PORTIONS OF

ADAMS, BUCKS, CARBON, CHESTER, DELAWARE, LACKAWANNA, LUZERNE, MONROE, MONTGOMERY, PIKE, SCHUYLKILL AND WYOMING COUNTY

ISSUED: October 11, 2012
by
NICHOLAS DeBENEDICTIS, Chairman
762 West Lancaster Avenue
Bryn Mawr, Pennsylvania 19010

EFFECTIVE: October 1, 2012

NOTICE

THIS SUPPLEMENT ESTABLISHES WASTEWATER RATES FOR CUSTOMERS OF THE LAKE HARMONY DIVISION IN A PORTION OF KIDDER TOWNSHIP, CARBON COUNTY, PA.

LIST OF CHANGES MADE BY THIS TARIFF

LWWC acquired the community wastewater system serving the Lake Harmony area ("Lake Harmony Division") effective at 12:01AM on Monday, October 1, 2012. This tariff creates rates for Lake Harmony Division customers. Also included in this tariff are additions to LWWC's Rules and Regulations governing the provision of service within the Lake Harmony Division.

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(C) Indicates Change

LITTLE WASHINGTON/WILLISTOWN WOODS DIVISION TOWNSHIPS

TOWNSHIP	COUNTY
E Brandywine (portion)	Chester
Willistown (portion)	Chester
Westtown (portion)	Chester

PEDDLERS VIEW DIVISION TOWNSHIPS

TOWNSHIP	COUNTY
Solebury (portion)	Bucks

EAST BRADFORD DIVISION TOWNSHIPS

TOWNSHIP	COUNTY
East Bradford (portion)	Chester

TWIN HILLS DIVISION TOWNSHIPS

TOWNSHIP	COUNTY
West Pikeland (portion)	Chester

PLUMSOCK DIVISION TOWNSHIPS

TOWNSHIP	COUNTY
Willistown (portion)	Chester

MEDIA DIVISION BOROUGHS

BOROUGH	COUNTY
Media	Delaware

WHITE HAVEN BOROUGHS

BOROUGH	COUNTY
White Haven	Luzerne

WHITE HAVEN TOWNSHIPS

TOWNSHIP	COUNTY
Dennison (portion)	Luzerne
	Carbon
East Side (portion)	Carbon

BRIDLEWOOD TOWNSHIPS

TOWNSHIP	COUNTY
Thornbury (portion)	Chester

PINECREST TOWNSHIPS

TOWNSHIP	COUNTY
Tobyhanna (portion)	Monroe

EAGLE ROCK TOWNSHIPS

TOWNSHIP	COUNTY
East Union (portion)	Schuylkill
North Union (portion)	Schuylkill
Black Creek (portion)	Luzerne
Hazle (portion)	Luzerne

THORNHURST TOWNSHIPS

TOWNSHIP	COUNTY
Lehigh	Lackawanna

RIVERCREST TOWNSHIPS

TOWNSHIP	COUNTY
Tunkahannock	Wyoming
Washington	Wyoming

WILBAR DIVISION TOWNSHIPS

TOWNSHIP	COUNTY
Rice	Luzerne

DEERFIELD KNOLL TOWNSHIP

TOWNSHIP	COUNTY
Willistown	Chester

LINKS AT GETTYSBURG TOWNSHIP

TOWNSHIP	COUNTY
Mount Joy	Adams
Cumberland	Adams

CS SEWER TOWNSHIP

TOWNSHIP	COUNTY
Lackawaxen	Pike

THE GREENS AT PENN OAKS

TOWNSHIP	COUNTY
Thornbury	Chester

NEWLIN GREEN TOWNSHIP

TOWNSHIP	COUNTY
Newlin	Chester

NEW DALEVILLE DIVISON

TOWNSHIPS	COUNTY
Londonderry	Chester

VILLAGE AT VALLEY FORGE

TOWNSHIP	COUNTY
Upper Merion	Montgomery

BEECH MOUNTAIN LAKES DIVISON Kidder (portion)

TONWSHIPS	COUNTY
Butler	Luzerne
Dennison	Luzerne

LAKE HARMONY DIVISION (C)

TOWNSHIP	COUNTY
Kidder	Carbon

(C) Indicates Change

SCHEDULE OF RATES

Unmetered Rates

Customer Charge / Equivalent Domestic Unit ("EDU" – also referred to as "Equivalent Dwelling Unit")

Quarterly	Monthly
$ 187.50	$ 62.50

For the purpose of this Lake Harmony Division Schedule of Rates, EDU is defined to have the following wastewater characteristics:

- Flow: 225 gpd
- CBOD: 250 mg/l
- Total Phosphorous: 8 mg/l
- Total Suspended Solids: 250 mg/l
- TKN: 40 mg/l as N
- Grease: 100 mg/l

The following Groupings are Accounts for service currently billed in the name of Vacation Charters and all sewage emanating from these Groupings either traverses through a collection system owned by another entity and into LWWC's Lake Harmony Division Assets or may be directly connected to the Lake Harmony Division Assets that delivers the sewage to LWWC's wastewater treatment plant (also a Lake Harmony Division Asset) located within the Split Rock community. These Accounts are billed based upon the current EDU values to the right of each Grouping.

Grouping:

- Westwood Condominium Association, Inc. @ 90 EDUs
- Willowbrook at Lake Harmony @ 128 EDUs
- The Galleria and the Water Park @ 145 EDUs
- Split Rock Country Club (for Club House and the Cart Barn) @ 14 EDUs
- Remaining Uses @ 53 EDUs

The following apply within the Lake Harmony Division and together with the balance of LWWC's tariff represent the Rules and Regulations governing service to the Lake Harmony Division:

DEFINITIONS:

1. **Grinder Pump**: Any mechanical or powered device used to grind, macerate or fluidize waste so that it can be discharged into the Company's facilities. This device is a component of the Customer service line and the sole responsibility of the Customer to own, maintain and operate along with the balance of their Customer service line. The Customer shall be responsible for all power to operate the device in accordance with the manufacture's specifications and guidelines.

The following apply within the Lake Harmony Division and, in particular, to those Lake Harmony Division customers identified on Attachment 6 of the Assets Purchase Agreement ("APA") between The Township of Kidder and Little Washington Wastewater Company d/b/a Suburban Wastewater Company ("LWWC"), dated March 15, 2012. This APA was included in LWWC's Application filing of April 5, 2012, which was approved via the Pennsylvania Public Utility Commission's ("PUC") Order entered on July 19, 2012 at Docket Number A-2012-2298067. The Township of Kidder advised their customers within the Lake Harmony Division of the APA and filing with the PUC through their letter of May 15, 2012.

1. Those customers within the Lake Harmony Division whose addresses do not appear on Attachment 6 of the APA own their Customer service line in its entirety, including the grinder pump on their Customer service line should one exist.
2. Those customers within the Lake Harmony Division whose addresses appear on Attachment 6 of the APA will ultimately be the owners of their Customer service line in its entirety effective on January 1, 2018, including the grinder pump and that portion of the Customer service line from the curb-line or edge-of-road to and including the grinder pump.
3. All customers shall comply with the following guidelines to ensure that the grinder pump on their Customer service line will function properly for its typical useful life of ten (10) years.
    a. The grinder pump shall be protected from excessive moisture, freezing and prolonged non-use
    b. The grinder pump shall not be disassembled, modified, abused or tampered with by someone other than a licensed plumber authorized to install and maintain the device and related equipment
    c. Water containing sand, lime, cement, gravel or other abrasives shall not be discharged to the grinder pump
    d. Chemicals, hydrocarbons, gasoline, explosives, and strong chemicals shall not be discharged to the grinder pump
    e. Other foreign matter not typically discharged from normal residential uses shall not be discharged to the grinder pump
4. Any customer whose address is identified on Attachment 6 and who fails to comply with the guidelines enumerated in 3 above, shall be liable for any and all resulting damages to the grinder pump, including replacement cost of the grinder pump and related equipment.
5. Any customer whose address appears on Attachment 6 agrees to allow the Company the right to enter upon their property (absent any formal easement of record) to maintain that portion of the Customer service line owned by the Company until such time as the grinder pump and related equipment as well as that portion of the Customer service line from the curb-line or edge-of-road to and including the grinder pump are assumed as components of the Customer service line by the Customer on January 1, 2018 as enumerated in 2 above.

EXHIBIT NO. CEM-4-R

AQUA PENNSYLVANIA, INC.
WASTEWATER OPERATIONS
TO AVERAGE CUSTOMER CONSUMPTION BY CLASS AND SERVICE AREA ANALYSIS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Rate Division	Tariff Ref.	Consumption Residential	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Commercial	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Industrial	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Public	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Total Metered Sales
(1)		(2)				(3)				(4)				(5)				(7)
Rate Zone 1	1	1,449,087	49,199	29.45	EDU	1,182,227	5,212	226.85	5/8"	559	12	46.58	5/8"	91,170	373	244.69	5/8"	2,723,043
Rate Zone 1A	1A	707,077	25,945	27.25	5/8"	1,239,728	772	1,605.66	2"									1,946,805
Rate Zone 2	2	365,148	13,250	27.56	EDU	226,084	2,303	98.15	EDU					370	60	6.17	EDU	591,602
Rate Zone 3	3	754,932	27,917	27.04	EDU	49,060	1,452	33.79	EDU									803,992
Rate Zone 4	4	249,769	6,513	38.35	EDU	74,429	1,385	53.73	EDU									324,198
Rate Zone 5	5	264,432	7,015	37.70	EDU	10,587	42	252.07	EDU									275,019
Rate Zone 6	6	213,133	16,719	12.75	EDU	12,642	100	126.29	EDU									225,775
Rate Zone 7	7	2,274,229	58,212	39.07	EDU	1,613,664	28,471	56.68	EDU					31,271	48	651.07	EDU	3,919,164
Rate Zone 8	8	479,298	14,877	32.22	EDU	360,238	406	887.07	EDU					7,101	24	295.88	EDU	846,637
Rate Zone 9	9	4,543,820	119,214	38.11	EDU	2,781,963	83,401	33.36	EDU	3,189	107	29.92	EDU	89,566	1,249	71.73	EDU	7,418,538
Rate Zone 10	10	1,913,530	53,168	35.99	EDU	1,540,066	3,998	385.21	EDU									3,453,596
Rate Zone 11	11	907,472	24,659	36.80	EDU	180,929	5,187	34.88	EDU					2,340	37	64.11	EDU	1,090,741
Rate Zone 12	12	5,460,238	131,928	41.39	EDU	688,711	10,712	64.29	EDU					22,674	85	267.28	EDU	6,171,622
Rate Zone 13*	13				Unmetered	202,313	120	1,685.94	EDU	48,361	36	1,343.36	EDU				Unmetered	250,674
Rate Zone 14	14	130,704	3,240	40.34	EDU	6,496	12	541.33	EDU									137,200
Total		19,712,869	551,856	35.72		10,169,137	143,573	70.83		52,109	155	337.06		244,492	1,875	130.43		30,178,607

*Rate Zone 13 includes only unmetered Residential and Public class customers in the Historic Test Year. Commercial and Industrial amounts reflect the high volume users.

AQUA PENNSYLVANIA, INC.
WATER OPERATIONS
TO AVERAGE CUSTOMER CONSUMPTION BY CLASS AND SERVICE AREA ANALYSIS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Rate Division	Tariff Ref.	Consumption Residential	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Commercial	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Industrial	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Public	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Total Metered Sales
(1)		(2)				(3)				(4)				(5)				(7)
Rate Zone 1 - Main Division	1	178,450,652	4,512,648	39.54	5/8"	100,068,793	264,207	378.75	5/8"	19,056,084	8,373	2,275.84	5/8"	6,124,231	13,932	439.58	5/8"	303,699,760
CC Gardens and Sand Springs	1					20,862	58	362.19	EDU									20,862
Beech Mountain Division	1	383,223	11,464	33.43	EDU	21,300	54	398.13	EDU									404,523
Bristol Township Division	1	218,760	5,246	41.70	EDU	273,700	1,764	155.14	EDU									492,460
Rate Zone 2 - Main Division	2	3,404,288	82,641	41.19	5/8"	216,457	2,919	74.16	5/8"	25,577	60	425.57	2"	19,657	156	126.09	1"	3,665,979
Concord Park	2	70,611	1,957	36.08	EDU	39,833	12	3,319.42	EDU					40	12	3.33	4"	110,484
Treasure Lake	2	707,161	25,759	27.45	EDU	172,473	373	462.02	EDU									879,634
Rate Zone 3 - All Divisions	3	1,229,730	66,921	18.38	5/8"	155,130	1,115	139.13	5/8"	6,154	12	512.83	5/8"					1,391,014
Bunker Hill Division	BH	32,438	833	38.96	5/8"													32,438
Sun Valley	SV	23,684	750	31.60	5/8"													23,684
Phoenixville Division	PH	195,927	5,431	36.08	5/8"	167,236	848	197.28	5/8"	1,498	36	41.61	5/8"					364,661
Belle Aire	BA				Unmetered													-
Shenandoah	SN	950,808	31,932	29.78	5/8"	217,967	2,388	91.29	5/8"	191,970	60	3,183.58	5/8"	87,587	395	221.57	5/8"	1,448,332
Total		185,667,282	4,745,581	39.12		101,353,751	273,736	370.26		19,281,283	8,542	2,257.34		6,231,515	14,495	429.90		312,533,832

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3048722 and R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF CONSTANCE E. HEPPENSTALL

Topics Addressed:

Cost of Service Allocation
Customer Rate Design

DATE SERVED: September 12, 2024 **Aqua Statement No. 5-R**
DATE ADMITTED: _____

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.
DOCKET R-2024-3047822 AND R-2024-3047824

REBUTTAL TESTIMONY OF CONSTANCE E. HEPPENSTALL

Q. Please state your name and address.

A. My name is Constance E. Heppenstall. My business address is 1010 Adams Avenue, Audubon, Pennsylvania.

Q. By whom are you employed?

A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC.

Q. Are you the same Constance E. Heppenstall who submitted direct testimony in this case?

A. Yes. I submitted Aqua Statement No. 5 and Exhibit Nos. 5-A Part I and 5-B, Part I.

Q. What is the purpose of your rebuttal testimony in this proceeding?

A. I will address the proposed the cost of service, revenue distribution and rate design issues for both water and wastewater rate filings raised in the direct testimonies and exhibits of Pennsylvania Office of Consumer Advance ("OCA") Witness Jerome D. Mierzwa, the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Bureau of Investigation and Enforcement ("I&E") Witness Ethan Cline, Pennsylvania Office of Small Business Advocate ("OSBA") Witness Roger Cathcart and the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania ("CAUSE-PA") Witness Harry S. Geller.

Q. Have you prepared an exhibit related to your rebuttal testimony?

A. Yes, I have prepared Exhibits CEH-1-R, CEH-2-R, and CEH-3-R.

Q. Do you have any corrections to your exhibits?

A. Yes, during the course of the rate proceeding, certain corrections to the cost of service study came to light.

Q. Please describe the changes and the impact to the cost of service study.

A. In Exhibit CEH-1-R, the Water Base Cost of Service Study was updated to reflect the correct amount of customer assistance program (CAP) costs in Account 636.8. This change to the cost of service study creates a minimal change to the results of the cost of service study. The study was also revised to correct the average daily flow for 2022 and 2023 as shown on Schedule F. This change had no effect on the cost of service study. Finally, Schedules A and A-1 reflect the revised contract revenues as described in the rebuttal testimony of Greg R. Herbert (Aqua Statement No. 10-R).

Rebuttal of OCA Witness Jerome D. Mierzwa

Q. Did Mr. Mierzwa comment on the Company's water and wastewater cost of service studies?

A. Yes, Mr. Mierzwa states that the cost of service studies reasonably reflect the class cost responsibilities in the filing. *See* OCA St. No. 5, at pp. 10, 12-13.

Q. Does Mr. Mierzwa agree with the Company's water revenue allocation under proposed rates?

A. Yes, Mr. Mierzwa finds that the overall proposed revenue allocations are reasonable. However, he finds that certain rates should be adjusted.

Q. Please describe these adjustments.

A. For the Bunker Hill, Sun Valley and Phoenixville areas, he proposes limiting the increases to 60%, rather than 75% as recommended by the Company. OCA St. No. 5, at p. 26.

Q. How do you respond?

A. I disagree. These areas have very low rates as compared to Rate Zone 1. The average residential bill under present rates ranges from $23.66 per month for Phoenixville to $40.26 per month for Bunker Hill. In comparison, the average monthly bill for Rate Zone 1 residential customers is presently $80.91. As these areas have been part of the system through several rate cases (Bunker Hill was acquired in 2015, Sun Valley in 2018 and Phoenixville in 2019), a larger increase is warranted to move their rates closer to Rate Zone 1 rates. Finally, the Company's proposed actual increase to these customers is 63.3% due to the Distribution System Improvement Charge ("DISC") rate currently being paid by these customers under present rates. This increase is very close to the increase of 60% recommended by Mr. Mierzwa.

Q. Mr. Mierzwa states that your support for the water customer charge was not included in your Exhibit 5-A. OCA St. No. 5, at pp. 28-29. How do you respond?

A. Please see Appendix A of Exhibit 5-A that includes the cost of service related filing requirements for the PUC. Pages A37 to A39 include the two calculations of customer costs. The first is a calculation based on total customer costs and the second calculation only includes direct costs. The second calculation supports the

Company's recommended proposed 5/8-inch customer charge of $23.90.

Q. Does Mr. Mierzwa support the Company's proposed customer charges?

A. No, on page 29 of his direct testimony, he states that "Aqua's direct cost analysis includes costs that are not direct customer costs and do not change with the addition or subtraction of a customer."

Q. Has his method of calculation of customer charges been supported by the PUC?

A. No. Most recently, the Commission's order for the most recent Pennsylvania American Water Company ("PAWC") rate case (Docket No. R-2023-3043189), states on page 241, "With regard to the alternative proposal of the OCA, which relies on the OCA's assertion that PAWC's customer cost analysis is flawed because it includes costs that are not direct customer costs and do not change with the addition or subtraction of a customer, we find it to be without merit. Rather, we concur with the ALJs and Commission orders that have previously rejected such limitations on cost recovery through the fixed customer charge, as proposed by the OCA. *See Pa. PUC, et al. v. UGI Utilities, Inc. – Electric Division*, Docket Nos. R-2017-2640058, et al., at pp 168-75 (Order entered Oct. 25, 2018); *see also Pa. PUC, et al. v. Aqua Pennsylvania, Inc.*, Docket Nos. R-2021-3027385 and R-2021-3027386, et al., at pp. 268-69 (Opinion and Order entered May 16, 2022). Therefore, based upon our consideration of the evidence and record herein, we shall adopt the ALJs' recommendation on this issue. Accordingly, we shall deny the OCA's Exception No. 15." Therefore, I recommend that the Commission reject Mr. Mierzwa's proposal regarding the water customer charge.

Q. As to the Wastewater Cost of Service, does OCA recommend removing East Whiteland from the revenue requirements and pro forma present and proposed revenue in this case?

A. Yes. Aqua witness Mr. Packer will further address this issue in rebuttal (Aqua Statement No. 1-R).

Q. Please describe Mr. Mierzwa's recommended wastewater rate design.

A. Mr. Mierzwa recommends a 20% increase to Rate Zone 1 and 1A rates, while maintaining the Company's recommended rate design for Rate Zones 7, 9, 10, 12 and 14. OCA St. No. 5, at p. 22.

Q. Do you agree with his wastewater rate design?

A. No, in his direct testimony, Mr. Mierzwa recognizes that his rate design delays rate consolidation for Rate Zones 7, 9, 10, 12, and 14 with Rate Zone 1. As a matter of fairness, the Company's goal is to consolidate rates as quickly as possible. Each wastewater customer receives the same level of service by the Company, and therefore should pay the same charge for that service. This uniform service for all customers includes wastewater collection, wastewater treatment, centralized customer service and billing that should be the same cost for each customer. In addition, each rate zone has been part of the Aqua system through at least one rate case. Further delaying rate consolidation just "kicks the can down the road" to future rate cases. In addition, a 20% rate increase would bring the average monthly bill for a residential wastewater customer in Rate Zones 1 and 1A above $100, a level that would be mitigated through the use of Act 11.

Q. Mr. Mierzwa recommends that Act 11 contribution from Water Base proposed

revenues be limited to 10% of wastewater revenue requirements as this was the level approved by the Commission in the Company's prior rate case. OCA St. No. 5, at pp. 10, 22. Do you agree?

A. No, Mr. Mierzwa's 10% limitation appears to be a number based on the outcome of a prior case and is not connected to this caser. Act 11 revenue sharing of 20% of the wastewater revenue requirement, lower than the amount requested in the prior case, allows the Company to mitigate the increases to its wastewater customers while minimally impacting rates for water customers.

Q. As to unmetered customer wastewater rates, Mr. Mierzwa states that the Company did not follow the direction of the Commission Order in the prior case on page 273 to "study and report the results of in the next base rate proceeding in order to determine whether different methods of calculating a flat rate would be more reasonable for some systems rather than applying a system wide average to each system." OCA St. No. 5, at pp. 38-39. How do you respond?

A. The Company examined the issue and as shown in response to data request OCA-XIII-16, filed as Exhibit CEH-2-R, found that based on similar average usage across the system and on the desired movement toward consolidated rates, a system wide usage level was appropriate in determining the wastewater flat rate.

<u>Rebuttal of I&E Witness Ethan Cline</u>

Q. Did Mr. Cline comment on the Company's water and wastewater cost of service studies?

A. No, he did not. Therefore, I assume that he finds the cost of service studies

sufficient as a guideline for rate design.

Q. For water rate design, Mr. Cline recommends a smaller increase to Shenandoah Public Fire Rates. I&E St. No. 3, at pp. 46-47. Please discuss.

A. Mr. Cline recommends that the Public Fire rate be lowered to 25% of the Shenandoah Operations Public Fire cost of service. I have no argument with this change. I had set the Shenandoah Public Fire rate to the rate for all water operations, rather than just examining the rate for the Shenandoah Operations.

Q. Mr. Cline also recommends raising the residential rates for Shenandoah customers to equal Rate Zone 1 rates. I&E St. No. 3, at pp. 48-49. Do you agree?

A. No. As the cost of service study shows, Shenandoah residential customers are already subsidizing the other non-residential classes. By raising the residential rates further, I&E witness Cline's proposed revenues are moving away from cost of service. Exhibit CEH-3-R shows the result of the cost of service, without subsidy from the Water Base Operations, showing both the Company's proposed revenues and I&E's proposed revenues. The percentage of costs related to the residential class is 68.9%. Under present rates, the residential class supplies 79.2% of the revenue and under the Company's proposed rates, this percentage of revenue dropped slightly to 78.9% (see page 1 of Exhibit CEH-3-R). The Company's rates move revenues marginally closer to the cost of service. However, under Mr. Cline's rates, the percentage is 82.9% (see page 2 of Exhibit CEH-3-R), moving away from the cost of service. Therefore, based on the cost of service study, which was not opposed by Mr. Cline, the Company rejects Mr. Cline's revised rates for

the Shenandoah residential customers.

Q. As to the Wastewater Cost of Service, does I&E recommend removing East Whiteland from the revenue requirements and pro forma present and proposed revenue in this case?

A. Aqua witness Mr. Packer will address this issue in his rebuttal testimony (Aqua Statement No. 1-R).

Q. Please describe Mr. Cline's goal related to his wastewater rate design.

A. Mr. Cline's goal in his wastewater rate design is to reduce, to the extent possible, the Act 11 shift in revenues from wastewater to water. He performs this by increasing proposed wastewater rates well above the wastewater rates proposed by the Company**.** A comparison of his proposed monthly residential bill increases to the Company's proposed increases are shown below:

Rate Zone	Present Monthly Bill	Company Proposed Bill		Company Increase	I&E Proposed Bill		I&E Increase
RZ 1	$ 95.19	RZ 1	$ 92.85	-2.5%	RZ 1	$ 116.58	22.5%
RZ 1A	$ 95.19	RZ 1	$ 92.85	-2.5%	RZ 1	$ 116.58	22.5%
RZ 2	$ 106.04	No Increase	$ 104.63	-1.3%	Combine with RZ 3	$ 123.66	16.6%
RZ 3	$ 115.36	No Increase	$ 113.83	-1.3%	Combine with RZ 2	$ 123.66	7.2%
RZ 4	$ 137.01	No Increase	$ 135.20	-1.3%	Combine with RZ 5	$ 147.73	7.8%
RZ 5	$ 150.62	No Increase	$ 148.63	-1.3%	Combine with RZ 4	$ 147.73	-1.9%
RZ 6	$ 71.17	RZ 1 increase	$ 69.41	-2.5%	Usage Rates to RZ 1	$ 93.41	31.2%
RZ 7	$ 78.39	RZ 1	$ 92.85	18.4%	RZ 1	$ 116.58	48.7%
RZ 8	$ 104.41	RZ 2	$ 104.63	0.2%	RZ 1	$ 116.58	11.7%
RZ 9	$ 61.68	RZ 1	$ 92.85	50.5%	Combine with RZ 10	$ 110.79	79.6%
RZ 10	$ 66.35	RZ 1	$ 92.85	39.9%	Combine with RZ 9	$ 110.79	67.0%
RZ 11	$ 137.29	RZ 2	$ 104.63	-23.8%	EDU Charge to RZ 1	$ 138.86	1.1%
RZ 12	$ 70.51	RZ 1	$ 92.85	31.7%	Combine with RZ 14	$ 106.90	51.6%
RZ 13	$ 45.17	EW	$ 73.90	63.6%	No change	$ 45.17	0.0%
RZ 14	$ 65.48	RZ 1	$ 92.85	41.8%	Combine with RZ 12	$ 106.90	63.3%

As seen above, Mr. Cline's rate design increases rates for all but one rate zone, and results in monthly bills larger than $100 for all but two rate zones and proposes increases of 48% or higher for five rate zones. In comparison, the Company's rate design attempted to maintain monthly residential bills to a level

lower than $100 per month and for those customers whose bill is already over $100 per month, the Company proposed no increase. In addition, the Company is only recommending that one rate zone experience an increase over 50%. Mr. Cline attempts to move proposed rates toward consolidated rates and at the same time reducing the Act 11 subsidy from the $21,850,629 (3% of the total water revenue requirement) to $3,547,094 (0.5% of the total water revenue requirement. As a result, his rate design creates an overall increase to the wastewater customers of 45.22% rather than the Company proposed increase of 20.09%. In summary, by adding an additional 3% to the water revenue requirement through Act 11 (equivalent to approximately $2.90 per month for a Rate Zone 1 residential customer), the Company's rate design allows for more affordable wastewater rates for its wastewater customers. See chart above.

Q. Do both the Company's proposed rate designs and I&E's proposed rate designs move closer to consolidated rates?

A. The Company's rate design moves from a total of fourteen different rate zones under present rates to seven rate zones. These include the moving of Rate Zones 1A, 7, 9, 10,12 and 14 to Rate Zone 1 rates and Rate Zones 8 and 11 to Rate Zone 2 rates, leaving Rate Zones 3, 4, 5, 6, and 13 as separate rate zones. Similarly, I believe that Mr. Cline's proposed rate design recommends nine different rate zones, albeit at much higher rates.

Q. Why does Mr. Cline believe that large increases are reasonable in certain rate zones?

A. He argues that it is reasonable for Rate Zones 9, 10, 12 and 14 to receive large

increases because of movement toward consolidated pricing and due to the fact that these systems were acquired under Section 1329 and, therefore, they received benefits from this acquisition that makes it reasonable to assign them a greater than average increase in rates. I&E St. No. 3, at p. 42; *see also* I&E St. No. 3, at pp. 34-35 (Rate Zone 9), 35-36 (Rate Zone 10), 39-40 (Rate Zone 12), and 40-42 (Rate Zone 12).

Q. How do you react?

A. I agree that rates should move toward consolidation, which the Company's proposed rate design partially accomplishes. However, I disagree with Mr. Cline's argument that as these areas were acquired under Section 1329, with its associated benefits, these areas should have larger increases. Several of these areas have already had their rates increased in prior rate case(s). For example, in the Company's prior rate case, the average residential customer in Rate Zones 9 and 10 received an increase of 68% and 75% respectively, both higher than the Rate Zone 1 average residential increase of 48%. At some point, these customers should be treated as any other customer group and not be treated as outliers.

Q. Please describe Mr. Cline's recommendation regarding rates for wastewater flat rate customers.

A. Mr. Cline states that the Company's methodology for determining the flat rates is reasonable. I&E St. No. 3, at pp. 14-16. However, he recommends that the nonresidential flat rate be calculated based on usage of 4,666 gallons per month.

Q. Do you agree?

A. The Company does not oppose Mr. Cline's recommendation.

Q. Finally, Mr. Cline recommends that revenue from forfeited discounts should be revised as rate design is finalized. I&E St. No. 3, at pp. 45-46. Do you agree?

A. Yes, I do.

Rebuttal of OSBA Witness Roger Cathcart

Q. Does Mr. Cathcart appear to have any typos in his testimony?

A. Yes, on page 4, line 61, Mr. Cathcart states that the Company plans to recover "$20.8 million" in wastewater revenue from the water operations. OSBA St. No. 2 (REVISED), at p. 4. The amount is actually $21,850,629. He makes a similar typo on page 10, line 185. OSBA St. No. 2 (REVISED), at p. 10. The amount is correct on line 184. Also, on page 14, he lists OSBA's revised Act 11 revenue requirement as $18.651 million, but in the chart above the amount is $19,651,288, the same that is on Schedule Q5 (W). OSBA St. No. 2 (REVISED), at p. 14. In addition, he lists one of his schedules as BK-4WW when I believe it should be listed as Schedule Q-4WW.

Q. Mr. Cathcart presented his proposed water revenue allocation in Schedule Q-4 (W). Is his revenue allocation different than what is proposed by the Company?

A. No, it appears, by comparing Schedule Q-1 (W) to Schedule Q-4 (W), Mr. Cathcart's recommended water revenue allocation is the same as the Company's proposed recommendation.

Q. Does Mr. Cathcart discuss the rates and Water Base Operations contribution for Shenandoah Water Operations?

A. No, he does not discuss the rates or contributions related to Shenandoah Water Operations. Therefore, it appears that he accepts the Shenandoah Water rate design and the contribution from Water Base Operations.

Q. Please discuss Mr. Cathcart's recommended changes to wastewater rate design.

A. Mr. Cathcart recommends adjusting the overall increase to wastewater to 23.3% from the Company's recommendation of 20.0%. He recommends lowering the increase for East Whiteland to 40% from 109% and raising the increase to the Wastewater Base Operations to 22.4%. As his overall adjustments are small and he provides no specific rate design to accomplish his recommendations in his workpapers, the Company recommends that his rate recommendations be rejected.

Rebuttal of CAUSE-PA Witness Harry S. Geller

Q. On page 7 of his direct testimony, Mr. Geller states that the Company proposes that Shenandoah Water customers' rates will move to Rate Zone 1 rates in this case. CAUSE-PA St. No. 1, at p. 7. Is that correct?

A. No, the Company is proposing that only the customer charge for Shenandoah customers move to Rate Zone 1 rates. The volumetric rates will be lower that Rate Zone 1 rates for residential customers.

Q. Mr. Geller also states that the Company's current rate structure that includes inclining block rates disadvantages low income and rental customers. CAUSE-PA St. No. 1, at p. 9. Please respond.

A. The Company's rate design of inclining block rates for residential customers has historically been implemented to encourage conservation and to maintain a low "lifeline" rate for senior citizens and other low water users, such as apartment dwellers. If this rate structure is eliminated in favor of a one block rate, the rate for the first 2,000 gallons rate would necessarily be higher for these customers as the one block rate would be a weighted average of the low "lifeline" rate and the higher second block rate.

Scale Back Proposals

Q. Please summarize the parties' respective positions on the scale back of water and wastewater rates.

A. A form of scale back seems to be agreed to by the parties. The scale back would first scale back Act 11 contributions to each of its wastewater divisions. Then it would scale back the contribution from Water Base Operations to Shenandoah Water Operations while maintaining customer charges at the Rate Zone 1 level. Finally, the Company stated that after calculating revised Act 11 contributions, the revised contributions to Shenandoah, and after reviewing the decrease to revenue requirement, the Company would scale back the rates by customer class to continue to move revenues under proposed rates toward the cost of service by customer class. The Company agrees with Mr. Cline's further clarification that rate zones that receive no increase under proposed rates would not receive any scale

back.

Q. Does this conclude your rebuttal testimony?

A. Yes, it does

EXHIBIT NO. CEH-1-R

AQUA PENNSYLVANIA, INC. - WATER BASE

COMPARISON OF PRO FORMA COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

	Pro Forma Cost of Service - FPFTY					Pro Forma Revenues Under Present Rates		Pro Forma Revenues Under Proposed Rates - FPFTY		Proposed Increase	
Customer Classification	Amount	Act 11	Shenandoah Contribution	Water COS Plus Act 11, Shenandoah	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Residential	$ 449,710,165	$ 13,116,320	$ 749,673	$ 463,576,159	66.6%	$ 386,080,392	66.0%	$ 462,791,353	66.5%	$ 76,710,961	19.9%
Commercial	161,951,468	8,245,608	267,782	170,464,857	24.5%	143,094,848	24.5%	169,163,248	24.3%	26,068,400	18.2%
Industrial	25,344,049	340,775	319,052	26,003,876 *	3.7%	20,260,902	3.5%	24,431,574	3.5%	4,170,672	20.6%
Public	9,932,865	147,926	128,879	10,209,669 *	1.5%	9,349,510	1.6%	11,148,842	1.6%	1,799,332	19.2%
Other Water Utilities	5,694			5,694 *	0.0%	17,848	0.0%	19,862	0.0%	2,014	11.3%
Private Fire Protection	17,619,427		155	17,619,582	2.5%	19,126,701	3.3%	20,322,361	2.9%	1,195,659	6.3%
Public Fire Protection	8,187,042			8,187,042	1.2%	7,255,078	1.2%	8,187,042	1.2%	931,964	12.8%
Total Tariff Sales of Water	672,750,710	21,850,629	1,465,540	696,066,880	100.0%	585,185,281	100.0%	696,064,282	100.0%	110,879,001	18.9%
Contract Sales - Industrial	4,048,542			4,048,542		4,043,409		4,048,542		5,133	0.1%
Contract Sales - Public	1,800,928			1,800,928		1,474,207		1,800,928		326,721	22.2%
Contract Sales - OWU	3,991,792			3,991,792		3,960,775		3,991,792		31,017	0.8%
Subtotal Contract Sales	9,841,262	-	-	9,841,262		9,478,391		9,841,262		362,871	3.8%
Total Sales of Water	683,120,601	21,850,629	1,465,540	706,436,771		594,663,672		705,905,544		111,241,872	18.7%
Other Water Revenues	1,154,807			1,154,807		1,154,807		1,154,807		-	0.0%
Subtotal Other Revenue	1,154,807			1,154,807		1,154,807		1,154,807		-	
Total	$ 684,275,408	$ 21,850,629	$ 1,465,540	$ 707,591,578		$ 595,818,479		$ 707,060,351		111,241,872	18.7%

* Contract Sales Excluded.

AQUA PENNSYLVANIA, INC. - BASE WATER

COMPARISON OF PRO FORMA COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Customer Classification	Pro Forma COS - FPFTY Exclude Act 11 Amount	Shenandoah Contribution	Total Amount	Percent of Total	Pro Forma Revenues Under Present Rates Amount	Percent of Total	Pro Forma Revenues Amount	Percent of Total	Proposed Increase Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Residential	$ 449,710,165	$ 749,673	$ 450,459,839	66.8%	$ 386,080,392	66.0%	$ 462,791,353	66.5%	$ 76,710,961	19.9%
Commercial	161,951,468	267,782	162,219,249	24.1%	143,094,848	24.5%	169,163,248	24.3%	26,068,400	18.2%
Industrial	25,344,049 *	319,052	25,663,101	3.8%	20,260,902	3.5%	24,431,574	3.5%	4,170,672	20.6%
Public	9,932,865 *	128,879	10,061,743	1.5%	9,349,510	1.6%	11,148,842	1.6%	1,799,332	19.2%
Other Water Utilities	5,694 *	-	5,694	0.0%	17,848	0.0%	19,862	0.0%	2,014	11.3%
Private Fire Protection	17,619,427	155	17,619,582	2.6%	19,126,701	3.3%	20,322,361	2.9%	1,195,659	6.3%
Public Fire Protection	8,187,042	-	8,187,042	1.2%	7,255,078	1.2%	8,187,042	1.2%	931,964	12.8%
Total Tariff Sales of Water	672,750,710	1,465,540	674,216,250	100.0%	585,185,281	100.0%	696,064,282	100.0%	110,879,001	18.9%
Contract Sales - Industrial	4,048,542		4,048,542		4,043,409		4,048,542		5,133	0.1%
Contract Sales - Public	1,800,928		1,800,928		1,474,207		1,800,928		326,721	22.2%
Contract Sales - OWU	3,991,792		3,991,792		3,960,775		3,991,792		31,017	0.8%
Subtotal Contract Sales	9,841,262		9,841,262		9,478,391		9,841,262		362,871	3.8%
Total Sales of Water	683,120,601	1,465,540	684,586,141		594,663,672		705,905,544		111,241,872	18.7%
Other Revenues - Wheeling Fees							-			
Other Water Revenues	1,154,807		1,154,807		1,154,807		1,154,807		-	0.0%
Subtotal Other Revenue	1,154,807	-	1,154,807		1,154,807		1,154,807		-	
Total	$ 684,275,408	$ 1,465,540	$ 685,740,949		$ 595,818,479		$ 707,060,351		111,241,872	18.7%

* Contract Sales Excluded.

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
OPERATION AND MAINTENANCE EXPENSES										
	Source of Supply									
	----Operation----									
601.1	Operation Labor									
	Treatment Plants & Wells	2	791,355	474,767	253,544	43,810	15,389	6	1,487	2,353
	Booster Stations	3	44,726	25,062	13,348	2,306	810	0	1,198	2,002
604.1	Employee Benefits	22	187,525	111,893	59,743	10,323	3,626	1	736	1,202
620.1	Materials and Supplies									
	Treatment Plants & Wells	2	58,982	35,386	18,897	3,265	1,147	0	111	175
	Booster Stations	3	3,334	1,868	995	172	60	0	89	149
631.1	Contract Services Engineering	22	(17,460)	(10,418)	(5,562)	(961)	(338)	(0)	(69)	(112)
635.1	Contract Services - Lab Testing	2	(51)	(31)	(16)	(3)	(1)	(0)	(0)	(0)
636.1	Contract Services Other	22	343,393	204,897	109,400	18,903	6,640	3	1,349	2,201
641.1	Building Rental									
	Treatment Plants & Wells	2	-	-	-	-	-	-	-	-
	Booster Stations	3	-	-	-	-	-	-	-	-
650.1	Transportation	22	47,548	28,371	15,148	2,617	919	0	187	305
675.1	Other	22	17,598	10,501	5,607	969	340	0	69	113
	Total Operation		1,476,951	882,296	471,104	81,403	28,593	11	5,157	8,387
	----Maintenance----									
601.2	Maintenance Labor									
	Treatment Plants & Wells	2	92,806	55,678	29,734	5,138	1,805	1	174	276
	Booster Stations	3	34,500	19,332	10,296	1,779	625	0	924	1,544
604.2	Employee Benefits	22	49,855	29,748	15,883	2,744	964	0	196	320
620.2	Materials and Supplies									
	Treatment Plants & Wells	2	70,075	42,041	22,452	3,879	1,363	1	132	208
	Booster Stations	3	26,051	14,597	7,775	1,343	472	0	698	1,166
631.2	Contractor Services - Engineer									
	Treatment Plants & Wells	2	18,824	11,293	6,031	1,042	366	0	35	56
	Booster Stations	3	6,997	3,921	2,088	361	127	0	187	313
636.2	Contractor Services - other	2	266,933	160,144	85,523	14,778	5,191	2	502	794
675.2	Miscellaneous									
	Treatment Plants & Wells	2	514	309	165	28	10	0	1	2
	Booster Stations	3	191	107	57	10	3	0	5	9
650.1	Transportation	22	7,313	4,364	2,330	403	141	0	29	47
	Total Maintenance		574,061	341,534	182,334	31,506	11,067	4	2,883	4,734
	----Miscellaneous----									
610.1	Water Purchased for Resale	1	5,343,627	3,148,283	1,728,212	325,895	104,893	44	14,059	22,241
615.1	Power Purchased	1	8,638,697	5,089,625	2,793,889	526,854	169,574	71	22,728	35,956
616.1	Power Purchased	1	273,760	161,290	88,538	16,696	5,374	2	720	1,139
	Total Miscellaneous		14,256,084	8,399,198	4,610,640	869,445	279,840	116	37,507	59,336
	Total Source of Supply Expenses		16,307,096	9,623,028	5,264,078	982,353	319,500	131	45,547	72,457

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Water Treatment Expenses									
	----Operation----									
601.3	Operating Labor	2	9,315,901	5,588,990	2,984,743	515,738	181,157	69	17,507	27,696
604.3	Employee Benefits	2	2,291,472	1,374,748	734,170	126,858	44,560	17	4,306	6,812
615.3	Purchased Power	1	149,987	88,367	48,508	9,147	2,944	1	395	624
616.3	Purchased Power	1	81,413	47,966	26,330	4,965	1,598	1	214	339
618.3	Chemicals	1	16,199,379	9,544,122	5,239,132	987,962	317,986	132	42,620	67,424
620.3	Materials and Supplies	2	551,668	330,968	176,750	30,541	10,728	4	1,037	1,640
631.3	Contractor Services	2	(12,595)	(7,556)	(4,035)	(697)	(245)	(0)	(24)	(37)
635.3	Contractor Services - testing	2	520,268	312,130	166,690	28,803	10,117	4	978	1,547
636.3	Contractor Services - other	2	(352,973)	(211,763)	(113,090)	(19,541)	(6,864)	(3)	(663)	(1,049)
642.3	Equipment Rental	2	4,201	2,521	1,346	233	82	0	8	12
650.3	Transportation	2	509,715	305,799	163,309	28,218	9,912	4	958	1,515
675.3	Miscellaneous	2	203,680	122,196	65,257	11,276	3,961	2	383	606
	Total Operation		29,462,117	17,498,488	9,489,111	1,723,503	575,936	231	67,718	107,129
	----Maintenance----									
601.4	Maintenance Labor	2	52,588	31,550	16,849	2,911	1,023	0	99	156
604.4	Employee Benefits	2	14,499	8,699	4,645	803	282	0	27	43
620.4	Materials and Supplies	2	210,677	126,394	67,499	11,663	4,097	2	396	626
631.4	Contractor Services - Eng	2	40,571	24,340	12,999	2,246	789	0	76	121
635.4	Contractor Services - Testing	2	12,606	7,563	4,039	698	245	0	24	37
636.4	Contractor Services - Other	2	2,501,840	1,500,956	801,570	138,505	48,651	19	4,702	7,438
642.4	Equipment Rental	2	2,321	1,392	744	128	45	0	4	7
650.4	Transportation	2	-	-	-	-	-	-	-	-
675.4	Miscellaneous	2	73,068	43,836	23,410	4,045	1,421	1	137	217
	Total Maintenance		2,908,169	1,744,730	931,755	160,999	56,552	22	5,465	8,646
	Total Water Treament Expenses		32,370,287	19,243,218	10,420,866	1,884,502	632,489	252	73,184	115,775

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Transmission & Distribution Expenses									
	----Operation----									
601.5	Operating Labor									
	Supervision & Engineering	12	425,366	318,294	60,548	6,768	4,165	11	14,217	21,364
	Maps & Records	12	816,800	611,196	116,265	12,995	7,998	21	27,299	41,024
	Storage Facilities	5	555,037	328,329	160,864	24,704	9,764	3	11,742	19,631
	12 inch and Over Mains	3	135,123	75,715	40,326	6,968	2,448	1	3,619	6,048
	Under 12 inch Mains	4	730,757	407,851	199,363	30,616	12,101	4	30,216	50,605
	Hydrants	6	186,628	-	-	-	-	-	20,912	165,716
	Removing and Resetting Meters	7	2,796,993	2,429,337	253,841	12,978	20,654	109	80,074	-
	Miscellaneous Meter Expense	7	130,275	113,151	11,823	604	962	5	3,730	-
	Services on Customer's Premises	8	282,365	250,394	19,269	725	1,228	4	10,745	-
604.5	Employee Benefits	12	1,467,199	1,097,878	208,845	23,343	14,366	38	49,037	73,691
6502.2	Operating Labor	12	-	-	-	-	-	-	-	-
615.5	Purchased Power	1	1,502,284	885,095	485,862	91,621	29,489	12	3,952	6,253
615.6	Purchased Power	1	7,400	4,360	2,393	451	145	0	19	31
620.5	Materials and Supplies	12	131,008	98,031	18,648	2,084	1,283	3	4,379	6,580
631.5	Contractor Services - Eng	12	3,531	2,642	503	56	35	0	118	177
635.5	Contractor Services - Lab	2	1,146	688	367	63	22	0	2	3
636.5	Contractor Services - Other	12	566,170	423,654	80,590	9,008	5,544	15	18,923	28,436
641.5	Property Rental	12	50,214	37,574	7,148	799	492	1	1,678	2,522
642.5	Property & Equipment Rental	12	-	-	-	-	-	-	-	-
650.5	Transportation	12	320,770	240,026	45,659	5,103	3,141	8	10,721	16,111
675.5	Miscellaneous	12	17,722	13,261	2,523	282	174	0	592	890
	Total Operation		10,126,788	7,337,476	1,714,837	229,169	114,009	238	291,975	439,083
	----Maintenance----									
601.6	Maintenance Labor									
	Supervision & Engineering	13	87,028	50,779	15,632	2,228	962	1	4,140	13,286
	Structures & Improvements	5	21,790	12,890	6,315	970	383	0	461	771
	12 inch and Over Mains	3	99,861	55,956	29,802	5,150	1,809	1	2,674	4,469
	Under 12 inch Mains	4	591,680	330,230	161,421	24,789	9,798	3	24,466	40,974
	Services	8	309,075	274,079	21,092	793	1,344	5	11,761	-
	Meters	7	64,569	56,082	5,860	300	477	3	1,849	-
	Hydrants	6	162,826	-	-	-	-	-	18,245	144,581
604.6	Employee Benefits	13	308,440	179,969	55,402	7,898	3,408	3	14,673	47,087
620.6	Materials and Supplies	13	308,836	180,200	55,473	7,908	3,413	3	14,692	47,147
631.6	Contractor Services - Eng	13	3,489	2,036	627	89	39	0	166	533
636.6	Contractor Services - Other	13	1,352,358	789,077	242,912	34,628	14,944	12	64,334	206,452
641.6	Equipment Rental	13	-	-	-	-	-	-	-	-
650.6	Transportation	13	63,901	37,285	11,478	1,636	706	1	3,040	9,755
675.6	Miscellaneous	13	20,188	11,779	3,626	517	223	0	960	3,082
	Total Maintenance		3,394,041	1,980,362	609,640	86,905	37,506	31	161,460	518,136
	Total Transmission and Distribution Expenses		13,520,829	9,317,838	2,324,477	316,075	151,515	269	453,436	957,219

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Customer Accounting and Collecting Expenses									
601.7	Labor	11	3,689,374	3,551,750	126,185	3,860	6,412	15	310	841
604.7	Employee Benefits	11	770,104	741,377	26,339	806	1,338	3	65	176
616.7	Purchased Power	11	-	-	-	-	-	-	-	-
620.7	Materials and Supplies	9	204,086	191,987	11,093	339	564	1	27	75
634.7	Management Fees	11	5,586,415	5,378,027	191,069	5,845	9,709	22	470	1,273
636.7	Contractor Services - Billing	9	70,907	66,704	3,854	118	196	0	9	26
636.7	Contractor Services - Meter Reading	10	30,881	29,060	1,679	51	85	0	4	-
650.7	Transportation	9	191,057	179,731	10,384	318	528	1	26	70
670.7	Bad Debt Expense	9	2,997,092	2,819,418	162,899	4,983	8,278	19	401	1,095
670.7	Arrearage Forgiveness	DA	2,063,988	2,063,988						
675.7	Miscellaneous	9	9,354	8,800	508	16	26	0	1	3
	Total Customer Accounting and Collecting Expenses		15,613,258	15,030,842	534,011	16,336	27,136	62	1,313	3,559
	Administrative and General Expenses									
601.8	Labor	14	14,438,054	10,954,674	2,464,937	369,526	151,326	145	161,454	335,991
601.8	CAP Program Expense	DR	87,214	87,214						
603.8	Officers Labor	14	1,949,517	1,479,169	332,831	49,896	20,433	20	21,801	45,368
603.8	CAP Program Expense	DR	(20,817)	(20,817)						
604.8	Employee Benefits	14	2,702,789	2,050,704	461,434	69,175	28,328	27	30,224	62,897
615.8	Purchased Power	14	314,735	238,801	53,733	8,055	3,299	3	3,520	7,324
616.8	Purchased Power	14	93,901	71,246	16,031	2,403	984	1	1,050	2,185
6208	Materials and Supplies	14	1,129,997	857,369	192,919	28,921	11,844	11	12,636	26,296
631.8	Contractor Services - Engineering	14	141,596	107,434	24,174	3,624	1,484	1	1,583	3,295
632.8	Contractor Services - Accounting	14	591,312	448,650	100,952	15,134	6,198	6	6,612	13,761
633.8	Contractor Services - Legal	14	745,787	565,856	127,324	19,088	7,817	7	8,340	17,355
634.9	Contractor Services - Mgmt Fee	14	21,427,288	16,257,659	3,658,174	548,408	224,581	215	239,611	498,640
635.8	Contractor Services - Lab Testing	2	102,703	61,616	32,905	5,686	1,997	1	193	305
636.8	Contractor Services - Other	14	8,649,265	6,562,510	1,476,646	221,369	90,654	87	96,721	201,279
636.8	CAP Program Expense	DR	256,122	256,122						
641.8	Rent - Building	14	502,722	381,433	85,827	12,867	5,269	5	5,622	11,699
641.8	CAP Program Expense	DR	28,655	28,655						
642.8	Rent - Equipment	14	25,405	19,276	4,337	650	266	0	284	591
650.8	Transportation	14	725,862	550,738	123,923	18,578	7,608	7	8,117	16,892
656.8	Vehicle Insurance	14	13,481	10,228	2,301	345	141	0	151	314
657.8	General Liability Insurance	14	3,862,294	2,930,462	659,390	98,851	40,481	39	43,190	89,880
658.8	A&G Workers Comp Insurance	16	742,082	539,710	143,978	22,094	8,893	8	9,247	18,151
659.8	A&G General Liablity Insurance	14	1,695,204	1,286,213	289,414	43,387	17,768	17	18,957	39,449
660.8	Advertising	14	166,694	126,477	28,459	4,266	1,747	2	1,864	3,879
666.8	Rate Case Amortization	19	1,149,461	768,038	276,977	43,348	16,987	10	30,183	13,918
406.0	Amortization of UPAA	14	2,580,267	1,957,742	440,516	66,039	27,044	26	28,854	60,046
675.8	A & G Miscellaneous	14	4,117,044	3,123,750	702,882	105,371	43,151	41	46,039	95,809
	Subtotal Administrative and General		68,218,632	51,700,929	11,700,065	1,757,081	718,300	680	776,252	1,565,326

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Total Operation & Maintenance Expenses		146,030,102	104,915,855	30,243,498	4,956,348	1,848,940	1,394	1,349,731	2,714,336
503.00	**DEPRECIATION EXPENSE**									
304.20	Power and Pumping Structures									
	Major Treatment Plants	2	656,405	393,804	210,307	36,339	12,764	5	1,234	1,951
	Other Structures	3	1,246,439	698,428	371,983	64,275	22,577	9	33,381	55,787
304.30	Purification Buildings									
	Major Treatment Plants	2	5,141,167	3,084,397	1,647,190	284,620	99,975	38	9,662	15,285
	Other Structures	2	2,167,685	1,300,483	694,510	120,005	42,153	16	4,074	6,444
304.61	Office Buildings	14	2,411,905	1,830,000	411,773	61,730	25,279	24	26,971	56,128
304.62	Stores, Shop and Garage Bldgs.	14	147,672	112,044	25,211	3,780	1,548	1	1,651	3,437
304.63	Misc. Structures and Impr.	14	2,228,216	1,690,628	380,412	57,029	23,354	22	24,917	51,853
305.00	Collecting & Impounding Res.	1	995,352	586,427	321,912	60,704	19,538	8	2,619	4,143
306.00	Lake, River and Other Intakes	2	738,266	442,916	236,535	40,871	14,356	5	1,387	2,195
307.00	Wells and Springs	2	1,965,323	1,179,078	629,674	108,802	38,218	15	3,693	5,843
310.40	Other Power Producing Equipment	3	1,873,661	1,049,884	559,169	96,620	33,938	13	50,178	83,859
311.00	Electric Pumping Equipment	3	3,074,787	1,722,921	917,628	158,558	55,695	21	82,346	137,617
320.00	Purification System									
	Structures	2	2,454,670	1,472,657	786,457	135,893	47,734	18	4,613	7,298
	Wells and Boosters	2	359,929	215,936	115,318	19,926	6,999	3	676	1,070
	Equipment	2	5,272,877	3,163,415	1,689,389	291,912	102,537	39	9,909	15,676
	Computers	2	66,337	39,798	21,254	3,672	1,290	0	125	197
	Painting	2	8,263	4,957	2,647	457	161	0	16	25
	Filter Media	2	397,155	238,270	127,245	21,987	7,723	3	746	1,181
330.00	Distr. Reservoirs & Standpipes									
	Tanks	5	1,590,962	941,123	461,102	70,812	27,987	9	33,658	56,271
	Tank Painting	5	4,270,162	2,525,985	1,237,603	190,059	75,119	25	90,339	151,032
331.00	Mains and Accessories									
	12 inch and Over	3	9,442,316	5,290,893	2,817,930	486,914	171,033	65	252,874	422,607
	Under 12 inch	4	51,359,766	28,665,013	14,011,829	2,151,803	850,473	284	2,123,698	3,556,666
333.00	Services	8	9,635,606	8,544,605	657,562	24,725	41,910	149	366,655	-

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
334.00	Meters									
	Remote	7	4,820,261	4,186,653	437,462	22,366	35,595	187	137,997	-
	ERTS	7A	1,970,311	1,761,757	184,085	9,412	14,978	79	-	-
335.00	Fire Hydrants	6	1,998,855	-	-	-	-	-	223,973	1,774,882
336.00	Back Flow Prevention Devices	7	12,401	10,771	1,125	58	92	0	355	-
339.00	Other Plant and Miscellaneous	14	3,741	2,838	639	96	39	0	42	87
340.00	Office Furniture and Equipment									
	Furniture	14	510,294	387,179	87,120	13,060	5,348	5	5,706	11,875
	Mechanical Equipment	14	117,797	89,377	20,111	3,015	1,235	1	1,317	2,741
	Computers	14	16,950,286	12,860,795	2,893,838	433,824	177,657	170	189,547	394,454
341.00	Transportation Equipment									
	Vehicles	14	2,190,191	1,661,777	373,920	56,056	22,956	22	24,492	50,968
	Other	14	204,186	154,923	34,860	5,226	2,140	2	2,283	4,752
342.00	Stores Equipment	14	173,708	131,799	29,656	4,446	1,821	2	1,942	4,042
343.10	Shop Equipment	14	144,151	109,373	24,610	3,689	1,511	1	1,612	3,355
343.20	Tools & Work Equipment - General	14	939,743	713,017	160,438	24,052	9,850	9	10,509	21,869
344.00	Laboratory Equipment									
	Conventional	2	23,809	14,284	7,628	1,318	463	0	45	71
	Electronic	2	288,639	173,166	92,478	15,979	5,613	2	542	858
345.00	Power Generator Equipment	14	8,318	6,311	1,420	213	87	0	93	194
346.00	Communication Equipment									
	Communication Equipment	14	649,433	492,748	110,874	16,622	6,807	7	7,262	15,113
	SCADA Equipment	3	3,632,921	2,035,665	1,084,196	187,340	65,805	25	97,293	162,598
347	Miscellaneous Equipment	14	116,534	88,419	19,895	2,983	1,221	1	1,303	2,712
348	Other Tangible Plant	14	2,456	1,863	419	63	26	0	27	57
	Total Depreciation Expense		142,262,956	90,076,378	33,899,416	5,291,312	2,075,605	1,289	3,831,764	7,087,192

AQUA PENNSYLVANIA, INC. - BASE WATER

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSIFICATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Other Public Authority	Other Water Utilities	Private Fire Protection	Public Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	TAXES OTHER THAN INCOME TAXES									
	Federal and State Payroll Taxes	16	3,323,126	2,416,881	644,750	98,938	39,826	38	41,411	81,282
	State Capital Stock Tax	18	-	-	-	-	-	-	-	-
	PUC Assessment	19	2,959,395	1,977,387	713,102	111,603	43,735	25	77,709	35,834
	OCA and SBA Assessments	19	1,400,430	935,729	337,451	52,812	20,696	12	36,773	16,957
	Local Property Taxes and Misc.	18	1,162,341	703,116	289,076	45,347	17,618	9	37,671	69,504
	Public Utility Realty Taxes	18	4,700,000	2,843,092	1,168,895	183,365	71,240	37	152,325	281,046
	Total Taxes Other Than Income Taxes		13,545,292	8,876,205	3,153,273	492,066	193,115	120	345,889	484,623
	INCOME TAXES									
	Federal Income Taxes	18	35,269,060	21,334,720	8,771,455	1,375,981	534,589	276	1,143,059	2,108,981
	State Income Taxes	18	11,269,812	6,817,258	2,802,815	439,678	170,822	88	365,251	673,900
	Deferred Taxes	18	(4,995,897)	(3,022,084)	(1,242,485)	(194,909)	(75,725)	(39)	(161,915)	(298,739)
	ITC-Amortized	18	(102,140)	(61,786)	(25,402)	(3,985)	(1,548)	(1)	(3,310)	(6,108)
	Total Income Taxes		41,440,834	25,068,107	10,306,382	1,616,765	628,137	324	1,343,084	2,478,034
	UTILITY OPERATING INCOME	18	340,996,224	206,273,117	84,806,141	13,303,566	5,168,632	2,664	11,051,578	20,390,526
	Total Cost of Service		684,275,408	435,209,662	162,408,711	25,660,057	9,914,429	5,791	17,922,046	33,154,712
	Less:									
	Other Water Revenues	19	(1,154,807)	(771,611)	(278,265)	(43,550)	(17,066)	(10)	(30,323)	(13,983)
	Revenues from Contract Sales	19	(9,841,262)	(6,928,879)	(2,498,751)	(391,064)	(153,250)	(88)	(272,295)	(125,564)
	Unrecovered Public Fire	20		-	-	-	-	-	-	(24,828,123)
	Reallocate Unrecovered Public Fire	21		22,200,993	2,319,774	118,605	188,752	-	-	-
	Total Cost of Service Related to Sales		673,279,339	449,710,166	161,951,468	25,344,049	9,932,865	5,694	17,619,427	8,187,042
	Act 11		**21,850,629**	**13,116,320**	**8,245,608**	**340,775**	**147,926**			
	Shenandoah Contribution		**1,465,540**	**749,673**	**267,782**	**319,052**	**128,879**		**155**	
	Total Cost of Service		**$ 696,595,509**	**$ 463,576,159**	**$ 170,464,857**	**$ 26,003,876**	**$ 10,209,669**	**$ 5,694**	**$ 17,619,582**	**$ 8,187,042**

AQUA PENNSYLVANIA, INC. - WATER BASE

ALLOCATION OF COST OF SERVICE TO COST FUNCTIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Total Company Test Year	Base	Extra Capacity		Customer Facilities		Customer Accounting		Fire Service		
					Max Day	Max Hour	Meters	Services	Billing and Coll	Meter Reading	Private Fire	Public Fire	Residential Fire
(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
OPERATION AND MAINTENANCE EXPENSES													
	Source of Supply												
	----Operation----												
601.1	Operation Labor												
	Treatment Plants & Wells	2	791,355	561,414	226,102	-	-	-	-	-	1,487	2,353	-
	Booster Stations	3	44,726	29,556	11,903	-	-	-	-	-	1,198	2,002	68
604.1	Employee Benefits	22	187,525	132,287	53,277	-	-	-	-	-	736	1,202	23
620.1	Materials and Supplies												
	Treatment Plants & Wells	2	58,982	41,844	16,852	-	-	-	-	-	111	175	-
	Booster Stations	3	3,334	2,203	887	-	-	-	-	-	89	149	5
631.1	Contract Services Engineering	22	(17,460)	(12,317)	(4,960)	-	-	-	-	-	(69)	(112)	(2)
635.1	Contract Services - Lab Testing	2	(51)	(36)	(15)	-	-	-	-	-	-	-	-
636.1	Contract Services Other	22	343,393	242,241	97,559	-	-	-	-	-	1,348	2,201	43
641.1	Building Rental												
	Treatment Plants & Wells	2	-	-	-	-	-	-	-	-	-	-	-
	Booster Stations	3	-	-	-	-	-	-	-	-	-	-	-
650.1	Transportation	22	47,548	33,542	13,509	-	-	-	-	-	187	305	6
675.1	Other	22	17,598	12,415	5,000	-	-	-	-	-	69	113	2
	Total Operation		1,476,951	1,043,149	420,114	-	-	-	-	-	5,156	8,388	145
	----Maintenance----												
601.2	Maintenance Labor												
	Treatment Plants & Wells	2	92,806	65,840	26,516	-	-	-	-	-	174	276	-
	Booster Stations	3	34,500	22,798	9,182	-	-	-	-	-	924	1,544	52
604.2	Employee Benefits	22	49,855	35,169	14,164	-	-	-	-	-	196	320	6
620.2	Materials and Supplies												
	Treatment Plants & Wells	2	70,075	49,714	20,021	-	-	-	-	-	132	208	-
	Booster Stations	3	26,051	17,215	6,933	-	-	-	-	-	698	1,166	39
631.2	Contractor Services - Engineer												
	Treatment Plants & Wells	2	18,824	13,354	5,378	-	-	-	-	-	35	56	-
	Booster Stations	3	6,997	4,624	1,862	-	-	-	-	-	187	313	11
636.2	Contractor Services - other	2	266,933	189,371	76,267	-	-	-	-	-	502	794	-
675.2	Miscellaneous												
	Treatment Plants & Wells	2	514	365	147	-	-	-	-	-	1	2	-
	Booster Stations	3	191	127	51	-	-	-	-	-	5	9	-
650.1	Transportation	22	7,313	5,159	2,078	-	-	-	-	-	29	47	1
	Total Maintenance		574,061	403,736	162,599	-	-	-	-	-	2,883	4,735	109

AQUA PENNSYLVANIA, INC. - WATER BASE

ALLOCATION OF COST OF SERVICE TO COST FUNCTIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Total Company Test Year	Base	Extra Capacity		Customer Facilities		Customer Accounting		Fire Service		
					Max Day	Max Hour	Meters	Services	Billing and Coll	Meter Reading	Private Fire	Public Fire	Residential Fire
(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	----Miscellaneous----												
610.1	Water Purchased for Resale	1	5,343,627	5,307,327	-	-	-	-	-	-	14,059	22,241	-
615.1	Power Purchased	1	8,638,697	8,580,013	-	-	-	-	-	-	22,728	35,956	-
616.1	Power Purchased	1	273,760	271,901	-	-	-	-	-	-	720	1,139	-
	Total Miscellaneous		14,256,084	14,159,241	-	-	-	-	-	-	37,507	59,336	-
	Total Source of Supply Expenses		16,307,096	15,606,126	582,713	-	-	-	-	-	45,546	72,459	254
	Water Treatment Expenses												
	----Operation----												
601.3	Operating Labor	2	9,315,901	6,609,012	2,661,686	-	-	-	-	-	17,507	27,696	-
604.3	Employee Benefits	2	2,291,472	1,625,647	654,706	-	-	-	-	-	4,306	6,812	-
615.3	Purchased Power	1	149,987	148,968	-	-	-	-	-	-	395	624	-
616.3	Purchased Power	1	81,413	80,860	-	-	-	-	-	-	214	339	-
618.3	Chemicals	1	16,199,379	16,089,335	-	-	-	-	-	-	42,620	67,424	-
620.3	Materials and Supplies	2	551,668	391,371	157,619	-	-	-	-	-	1,037	1,640	-
631.3	Contractor Services	2	(12,595)	(8,935)	(3,598)	-	-	-	-	-	(24)	(37)	-
635.3	Contractor Services - testing	2	520,268	369,096	148,648	-	-	-	-	-	978	1,547	-
636.3	Contractor Services - other	2	(352,973)	(250,411)	(100,849)	-	-	-	-	-	(663)	(1,049)	-
642.3	Equipment Rental	2	4,201	2,981	1,200	-	-	-	-	-	8	12	-
650.3	Transportation	2	509,715	361,609	145,633	-	-	-	-	-	958	1,515	-
675.3	Miscellaneous	2	203,680	144,497	58,194	-	-	-	-	-	383	606	-
	Total Operation		29,462,117	25,564,030	3,723,239	-	-	-	-	-	67,719	107,129	-
	----Maintenance----												
601.4	Maintenance Labor	2	52,588	37,308	15,025	-	-	-	-	-	99	156	-
604.4	Employee Benefits	2	14,499	10,286	4,143	-	-	-	-	-	27	43	-
620.4	Materials and Supplies	2	210,677	149,461	60,193	-	-	-	-	-	396	626	-
631.4	Contractor Services - Eng	2	40,571	28,783	11,592	-	-	-	-	-	76	121	-
635.4	Contractor Services - Testing	2	12,606	8,943	3,602	-	-	-	-	-	24	37	-
636.4	Contractor Services - Other	2	2,501,840	1,774,889	714,812	-	-	-	-	-	4,702	7,438	-
642.4	Equipment Rental	2	2,321	1,646	663	-	-	-	-	-	4	7	-
650.4	Transportation	2	-	-	-	-	-	-	-	-	-	-	-
675.4	Miscellaneous	2	73,068	51,837	20,876	-	-	-	-	-	137	217	-
	Total Maintenance		2,908,169	2,063,153	830,906	-	-	-	-	-	5,465	8,645	-
	Total Water Treament Expenses		32,370,287	27,627,183	4,554,145	-	-	-	-	-	73,184	115,774	-

AQUA PENNSYLVANIA, INC. - WATER BASE

ALLOCATION OF COST OF SERVICE TO COST FUNCTIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Total Company Test Year	Base	Extra Capacity		Customer Facilities		Customer Accounting		Fire Service		
					Max Day	Max Hour	Meters	Services	Billing and Coll	Meter Reading	Private Fire	Public Fire	Residential Fire
(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Transmission & Distribution Expenses												
	----Operation----												
601.5	Operating Labor												
	Supervision & Engineering	12	425,366	59,669	3,204	51,677	251,024	23,979	-	-	14,217	21,364	233
	Maps & Records	12	816,800	114,578	6,152	99,231	482,022	46,045	-	-	27,299	41,024	448
	Storage Facilities	5	555,037	260,607	-	262,390	-	-	-	-	11,742	19,631	667
	12 inch and Over Mains	3	135,123	89,292	35,961	-	-	-	-	-	3,619	6,048	204
	Under 12 inch Mains	4	730,757	325,185	-	322,977	-	-	-	-	30,216	50,605	1,772
	Hydrants	6	186,628	-	-	-	-	-	-	-	20,912	165,716	-
	Removing and Resetting Meters	7	2,796,993	-	-	-	2,716,919	-	-	-	80,074	-	-
	Miscellaneous Meter Expense	7	130,275	-	-	-	126,545	-	-	-	3,730	-	-
	Services on Customer's Premises	8	282,365	-	-	-	-	271,620	-	-	10,745	-	-
604.5	Employee Benefits	12	1,467,199	205,813	11,050	178,247	865,846	82,709	-	-	49,037	73,691	805
6502.2	Operating Labor	13	-	-	-	-	-	-	-	-	-	-	-
615.5	Purchased Power	1	1,502,284	1,492,079	-	-	-	-	-	-	3,952	6,253	-
615.6	Purchased Power	1	7,400	7,350	-	-	-	-	-	-	19	31	-
620.5	Materials and Supplies	12	131,008	18,377	987	15,916	77,312	7,385	-	-	4,379	6,580	72
631.5	Contractor Services - Eng	12	3,531	495	27	429	2,084	199	-	-	118	177	2
635.5	Contractor Services - Lab	2	1,146	813	328	-	-	-	-	-	2	3	-
636.5	Contractor Services - Other	12	566,170	79,420	4,264	68,783	334,117	31,916	-	-	18,923	28,436	311
641.5	Property Rental	12	50,214	7,044	378	6,100	29,633	2,831	-	-	1,678	2,522	28
642.5	Property & Equipment Rental	12	-	-	-	-	-	-	-	-	-	-	-
650.5	Transportation	12	320,770	44,996	2,416	38,970	189,298	18,083	-	-	10,721	16,111	176
675.5	Miscellaneous	12	17,722	2,486	133	2,153	10,458	999	-	-	592	890	10
	Total Operation		10,126,788	2,708,204	64,900	1,046,873	5,085,258	485,766	-	-	291,975	439,082	4,728
	----Maintenance----												
601.6	Maintenance Labor												
	Supervision & Engineering	13	87,028	23,642	1,851	18,927	4,367	20,703	-	-	4,140	13,286	112
	Structures & Improvements	5	21,790	10,231	-	10,301	-	-	-	-	461	771	26
	12 inch and Over Mains	3	99,861	65,990	26,576	-	-	-	-	-	2,674	4,469	151
	Under 12 inch Mains	4	591,680	263,297	-	261,508	-	-	-	-	24,466	40,974	1,435
	Services	8	309,075	-	-	-	-	297,314	-	-	11,761	-	-
	Meters	7	64,569	-	-	-	62,721	-	-	-	1,849	-	-
	Hydrants	6	162,826	-	-	-	-	-	-	-	18,245	144,581	-
604.6	Employee Benefits	13	308,440	83,790	6,559	67,080	15,479	73,375	-	-	14,673	47,087	398
620.6	Materials and Supplies	13	308,836	83,898	6,567	67,166	15,499	73,469	-	-	14,692	47,147	398
631.6	Contractor Services - Eng	13	3,489	948	74	759	175	830	-	-	166	533	4
636.6	Contractor Services - Other	13	1,352,358	367,378	28,757	294,113	67,868	321,711	-	-	64,335	206,451	1,744
641.6	Equipment Rental	13	-	-	-	-	-	-	-	-	-	-	-
650.6	Transportation	13	63,901	17,359	1,359	13,897	3,207	15,201	-	-	3,040	9,755	82
675.6	Miscellaneous	13	20,188	5,484	429	4,391	1,013	4,803	-	-	960	3,082	26
	Total Maintenance		3,394,041	922,017	72,172	738,142	170,329	807,406	-	-	161,462	518,136	4,376
	Total Transmission and Distribution Expenses		13,520,829	3,630,221	137,072	1,785,015	5,255,587	1,293,172	-	-	453,437	957,218	9,104

AQUA PENNSYLVANIA, INC. - WATER BASE

ALLOCATION OF COST OF SERVICE TO COST FUNCTIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Total Company Test Year	Base	Extra Capacity		Customer Facilities		Customer Accounting		Fire Service		
					Max Day	Max Hour	Meters	Services	Billing and Coll	Meter Reading	Private Fire	Public Fire	Residential Fire
(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Customer Accounting and Collecting Expenses												
601.7	Labor	11	3,689,374	-	-	-	-	-	3,667,079	20,461	493	1,340	-
604.7	Employee Benefits	11	770,104	-	-	-	-	-	765,451	4,271	103	280	-
616.7	Purchased Power	11	-	-	-	-	-	-	-	-	-	-	-
620.7	Materials and Supplies	9	204,086	-	-	-	-	-	203,984	-	27	75	-
634.7	Management Fees	11	5,586,415	1	-	-	-	-	5,552,657	30,982	746	2,029	-
636.7	Contractor Services - Billing	9	70,907	-	-	-	-	-	70,872	-	9	26	-
636.7	Contractor Services - Meter Reading	10	30,881	-	-	-	-	-	-	30,876	4	-	-
650.7	Transportation	9	191,057	-	-	-	-	-	190,962	-	26	70	-
670.7	Bad Debt Expense	9	2,997,092	-	-	-	-	-	2,995,596	-	401	1,095	-
670.7	Arrearage Forgiveness	9	2,063,988	-	-	-	-	-	2,062,958	-	276	754	-
675.7	Miscellaneous	9	9,354	-	-	-	-	-	9,350	-	1	3	-
	Total Customer Accounting and Collecting Expenses		15,613,258	1	-	-	-	-	15,518,909	86,590	2,086	5,672	-
	Administrative and General Expenses												
601.8	Labor	14	14,438,054	4,419,069	1,539,411	594,877	1,751,487	430,965	5,171,861	28,857	161,712	336,696	3,119
601.8	CAP Program Expense	9	87,214	-	-	-	-	-	87,170	-	12	32	-
603.8	Officers Labor	14	1,949,517	596,691	207,861	80,324	236,497	58,192	698,337	3,896	21,835	45,463	421
603.8	CAP Program Expense	9	(20,817)	-	-	-	-	-	(20,806)	-	(3)	(8)	-
604.8	Employee Benefits	14	2,702,789	827,245	288,176	111,360	327,877	80,676	968,167	5,402	30,272	63,029	584
615.8	Purchased Power	1	314,735	312,597	-	-	-	-	-	-	828	1,310	-
616.8	Purchased Power	1	93,901	93,263	-	-	-	-	-	-	247	391	-
6208	Materials and Supplies	14	1,129,997	345,859	120,482	46,558	137,080	33,730	404,776	2,259	12,656	26,352	244
631.8	Contractor Services - Engineering	14	141,596	43,339	15,097	5,834	17,177	4,227	50,721	283	1,586	3,302	31
632.8	Contractor Services - Accounting	14	591,312	180,983	63,047	24,363	71,732	17,650	211,814	1,182	6,623	13,789	128
633.8	Contractor Services - Legal	14	745,787	228,264	79,517	30,728	90,472	22,261	267,149	1,491	8,353	17,392	161
634.9	Contractor Services - Mgmt Fee	14	21,427,288	6,558,271	2,284,616	882,848	2,599,354	639,588	7,675,477	42,826	239,994	499,685	4,628
635.8	Contractor Services - Lab Testing	2	102,703	72,861	29,344	-	-	-	-	-	193	305	-
636.8	Contractor Services - Other	14	8,649,265	2,647,289	922,200	356,367	1,049,246	258,174	3,098,256	17,287	96,875	201,701	1,868
636.8	CAP Program Expense	9	256,122	-	-	-	-	-	255,994	-	34	94	-
641.8	Rent - Building	14	502,722	153,868	53,601	20,713	60,985	15,006	180,080	1,005	5,631	11,723	109
641.8	CAP Program Expense	9	28,655	-	-	-	-	-	28,641	-	4	10	-
642.8	Rent - Equipment	14	25,405	7,776	2,709	1,047	3,082	758	9,100	51	285	592	5
650.8	Transportation	14	725,862	222,165	77,393	29,907	88,055	21,666	260,011	1,451	8,130	16,927	157
656.8	Vehicle Insurance	14	13,481	4,126	1,437	555	1,635	402	4,829	27	151	314	3
657.8	General Liability Insurance	14	3,862,294	1,182,136	411,805	159,134	468,537	115,287	1,383,514	7,720	43,259	90,069	834
658.8	A&G Workers Comp Insurance	16	742,082	266,058	93,659	33,413	110,544	22,550	187,209	1,045	9,257	18,177	171
659.8	A&G General Liablity Insurance	14	1,695,204	518,853	180,746	69,846	205,646	50,601	607,240	3,388	18,987	39,532	366
660.8	Advertising	14	166,694	51,020	17,773	6,868	20,222	4,976	59,711	333	1,867	3,887	36
666.8	Rate Case Amortization	19	1,149,461	519,897	101,596	200,287	97,088	90,666	94,134	522	30,143	13,831	1,296
406.0	Amortization of UPAA	14	2,580,267	789,745	275,113	106,312	313,013	77,019	924,278	5,157	28,900	60,172	557
675.8	A & G Miscellaneous	14	4,117,044	1,260,108	438,967	169,631	499,440	122,891	1,474,768	8,229	46,113	96,010	889
	Subtotal Administrative and General		68,218,632	21,301,483	7,204,550	2,930,972	8,149,169	2,067,285	24,082,431	132,411	773,944	1,560,777	15,607
	Total Operation & Maintenance Expenses		146,030,102	68,165,014	12,478,480	4,715,987	13,404,756	3,360,457	39,601,340	219,001	1,348,197	2,711,900	24,965

AQUA PENNSYLVANIA, INC. - WATER BASE

ALLOCATION OF COST OF SERVICE TO COST FUNCTIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Total Company Test Year	Base	Extra Capacity		Customer Facilities		Customer Accounting		Fire Service		
					Max Day	Max Hour	Meters	Services	Billing and Coll	Meter Reading	Private Fire	Public Fire	Residential Fire
(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
503.00	**DEPRECIATION EXPENSE**												
304.20	Power and Pumping Structures												
	Major Treatment Plants	2	656,405	465,676	187,544	-	-	-	-	-	1,234	1,951	-
	Other Structures	3	1,246,439	823,668	331,721	-	-	-	-	-	33,381	55,787	1,883
304.30	Purification Buildings												
	Major Treatment Plants	2	5,141,167	3,647,316	1,468,905	-	-	-	-	-	9,662	15,285	-
	Other Structures	2	2,167,685	1,537,828	619,339	-	-	-	-	-	4,074	6,444	-
304.61	Office Buildings	14	2,411,905	738,214	257,162	99,375	292,589	71,994	863,969	4,821	27,014	56,246	521
304.62	Stores, Shop and Garage Bldgs.	14	147,672	45,198	15,745	6,084	17,914	4,408	52,898	295	1,654	3,444	32
304.63	Misc. Structures and Impr.	14	2,228,216	681,992	237,576	91,807	270,306	66,511	798,170	4,454	24,957	51,962	481
305.00	Collecting & Impounding Res.	1	995,352	988,590	-	-	-	-	-	-	2,619	4,143	-
306.00	Lake, River and Other Intakes	2	738,266	523,751	210,933	-	-	-	-	-	1,387	2,195	-
307.00	Wells and Springs	2	1,965,323	1,394,266	561,521	-	-	-	-	-	3,693	5,843	-
310.40	Other Power Producing Equipment	3	1,873,661	1,238,147	498,646	-	-	-	-	-	50,178	83,859	2,830
311.00	Electric Pumping Equipment	3	3,074,787	2,031,872	818,308	-	-	-	-	-	82,346	137,617	4,645
320.00	Purification System												
	Structures	2	2,454,670	1,741,425	701,334	-	-	-	-	-	4,613	7,298	-
	Wells and Boosters	2	359,929	255,346	102,837	-	-	-	-	-	676	1,070	-
	Equipment	2	5,272,877	3,740,755	1,506,536	-	-	-	-	-	9,909	15,676	-
	Computers	2	66,337	47,062	18,953	-	-	-	-	-	125	197	-
	Painting	2	8,263	5,862	2,361	-	-	-	-	-	16	25	-
	Filter Media	2	397,155	281,755	113,473	-	-	-	-	-	746	1,181	-
330.00	Distr. Reservoirs & Standpipes												
	Tanks	5	1,590,962	747,006	-	752,115	-	-	-	-	33,658	56,271	1,912
	Tank Painting	5	4,270,162	2,004,974	-	2,018,686	-	-	-	-	90,339	151,032	5,131
331.00	Mains and Accessories												
	12 inch and Over	3	9,442,316	6,239,644	2,512,928	-	-	-	-	-	252,874	422,607	14,263
	Under 12 inch	4	51,359,766	22,855,004	-	22,699,762	-	-	-	-	2,123,698	3,556,666	124,532
333.00	Services	8	9,635,606	-	-	-	-	9,268,951	-	-	366,655	-	-

AQUA PENNSYLVANIA, INC. - WATER BASE

ALLOCATION OF COST OF SERVICE TO COST FUNCTIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Total Company Test Year	Base	Extra Capacity		Customer Facilities		Customer Accounting		Fire Service		
					Max Day	Max Hour	Meters	Services	Billing and Coll	Meter Reading	Private Fire	Public Fire	Residential Fire
(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
334.00	Meters												
	Remote	7	4,820,261	-	-	-	4,682,264	-	-	-	137,997	-	-
	ERTS	7A	1,970,311	-	-	-	1,970,311	-	-	-	-	-	-
335.00	Fire Hydrants	6	1,998,855	-	-	-	-	-	-	-	223,973	1,774,882	-
	Back Flow Prevention Devices	7	12,401	-	-	-	12,046	-	-	-	355	-	-
339.00	Other Plant and Miscellaneous	14	3,741	1,145	399	154	454	112	1,340	7	42	87	1
340.00	Office Furniture and Equipment												
	Furniture	14	510,294	156,186	54,408	21,025	61,904	15,232	182,793	1,020	5,715	11,900	110
	Mechanical Equipment	14	117,797	36,054	12,560	4,853	14,290	3,516	42,196	235	1,319	2,747	25
	Computers	14	16,950,286	5,187,991	1,807,270	698,387	2,056,247	505,953	6,071,768	33,878	189,850	395,281	3,661
341.00	Transportation Equipment												
	Vehicles	14	2,190,191	670,354	233,522	90,240	265,693	65,376	784,549	4,378	24,531	51,075	473
	Other	14	204,186	62,495	21,771	8,413	24,770	6,095	73,142	408	2,287	4,762	44
342.00	Stores Equipment	14	173,708	53,167	18,521	7,157	21,073	5,185	62,224	347	1,946	4,051	38
343.10	Shop Equipment	14	144,151	44,120	15,370	5,939	17,487	4,303	51,636	288	1,615	3,362	31
343.20	Tools & Work Equipment - General	14	939,743	287,628	100,197	38,719	114,001	28,051	336,626	1,878	10,525	21,915	203
344.00	Laboratory Equipment	0	-										
	Conventional	2	23,809	16,891	6,803	-	-	-	-	-	45	71	-
	Electronic	2	288,639	204,770	82,468	-	-	-	-	-	542	858	-
345.00	Power Generator Equipment	14	8,318	2,546	887	343	1,009	248	2,980	17	93	194	2
346.00	Communication Equipment												
	Communication Equipment	14	649,433	198,773	69,244	26,758	78,783	19,385	232,634	1,298	7,274	15,145	140
	SCADA Equipment	3	3,632,921	2,400,696	966,846	-	-	-	-	-	97,293	162,598	5,488
347	Miscellaneous Equipment	14	116,534	35,668	12,425	4,801	14,137	3,478	41,744	233	1,305	2,718	25
348	Other Tangible Plant	14	2,456	752	262	101	298	73	880	5	28	57	1
	Total Depreciation Expense		142,262,956	61,394,587	13,568,775	26,574,719	9,915,576	10,068,871	9,599,549	53,562	3,832,243	7,088,502	166,472

AQUA PENNSYLVANIA, INC. - WATER BASE

ALLOCATION OF COST OF SERVICE TO COST FUNCTIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Account Number	Account Description	Factor Ref.	Total Company Test Year	Base	Extra Capacity		Customer Facilities		Customer Accounting		Fire Service		
					Max Day	Max Hour	Meters	Services	Billing and Coll	Meter Reading	Private Fire	Public Fire	Residential Fire
(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	TAXES OTHER THAN INCOME TAXES												
	Federal and State Payroll Taxes	16	3,323,126	1,191,436	419,417	149,627	495,026	100,983	838,343	4,678	41,453	81,397	765
	State Capital Stock Tax	18	-	-	-	-	-	-	-	-	-	-	-
	PUC Assessment	19	2,959,395	1,338,524	261,568	515,659	249,961	233,428	242,357	1,343	77,606	35,609	3,338
	OCA and SBA Assessments	19	1,400,430	633,409	123,778	244,017	118,285	110,462	114,687	636	36,724	16,851	1,579
	Local Property Taxes	18	1,162,341	528,220	101,039	259,235	26,938	119,552	18,584	103	37,604	69,354	1,711
	Public Utility Realty Taxes	18	4,700,000	2,135,892	408,559	1,048,235	108,923	483,415	75,144	417	152,053	280,438	6,919
	Total Taxes Other Than Income Taxes		13,545,292	5,827,481	1,314,361	2,216,773	999,133	1,047,840	1,289,115	7,177	345,440	483,649	14,312
	INCOME TAXES												
	Federal Income Taxes	18	35,269,060	16,027,848	3,065,846	7,866,010	817,368	3,627,576	563,884	3,133	1,141,017	2,104,425	51,919
	State Income Taxes	18	11,269,812	5,121,510	979,655	2,513,491	261,180	1,159,149	180,182	1,001	364,599	672,444	16,590
	Deferred Taxes	18	(4,995,897)	(2,270,361)	(434,280)	(1,114,228)	(115,781)	(513,850)	(79,875)	(444)	(161,626)	(298,094)	(7,354)
	ITC-Amortized	18	(102,140)	(46,417)	(8,879)	(22,780)	(2,367)	(10,506)	(1,633)	(9)	(3,304)	(6,094)	(150)
	Total Income Taxes		41,440,834	18,832,580	3,602,342	9,242,493	960,400	4,262,369	662,558	3,681	1,340,686	2,472,681	61,005
	UTILITY OPERATING INCOME	18	340,996,224	154,964,030	29,641,900	76,051,925	7,902,659	35,072,941	5,451,868	30,290	11,031,838	20,346,470	501,973
	Total Cost of Service		684,275,408	309,183,692	60,605,858	118,801,897	33,182,524	53,812,478	56,604,430	313,711	17,898,404	33,103,202	768,727
	Less:												
	Other Water Revenues	19	(1,154,807)	(522,315)	(102,068)	(201,219)	(97,539)	(91,088)	(94,572)	(524)	(30,283)	(13,895)	(1,302)
	Revenues from Contract Sales	19	(9,841,262)	(4,690,264)	(916,550)	(1,806,898)	(875,877)	(817,946)	(849,235)	(4,706)	(271,935)	(124,778)	(11,695)
	Unrecovered Public Fire	20	(24,828,123)	-	-	-	-	-	-	-	-	(24,828,123)	-
	Reallocate Unrecovered Public Fire	21	24,828,123	-	-	-	24,828,123	-	-	-	-	-	-
	Total Cost of Service Related to Sales		672,750,710	303,971,113	59,587,240	116,793,780	57,037,231	52,903,444	55,660,623	308,481	17,596,186	8,136,406	755,730
	Act 11		**21,850,629**	10,277,505	2,014,692	3,948,891	1,928,474	1,788,708	1,881,930	10,430			
	Contribution to Shenandoah		**1,465,540**	671,050	131,545	257,835	125,916	116,790	122,877	681	38,846		
	Total Cost of Service		**696,066,880**	**314,919,668**	**61,733,477**	**121,000,506**	**59,091,621**	**54,808,942**	**57,665,430**	**319,592**	**17,635,032**	**8,136,406**	**755,730**

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma, future test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, 100 Gallons	Allocation Factor
(1)	(2)	(3)
Residential	505,230	0.589166
Commercial	277,340	0.323416
Industrial	52,299	0.060988
Public	16,833	0.019630
Other Water Utilities	7	0.000008
Private Fire Protection	2,256	0.002631
Public Fire Protection	3,569	0.004162
Total	857,534	1.000000

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capapcity demand for each customer classification , as follows:

	Average Daily Consumption		Maximum Day Extra Capacity		
Customer Classification	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)=(2)x 0.714286	(4)	(5)=(4)x 0.285714	(6)=(3)+(5)
Residential	0.589166	0.420833	0.626879	0.179108	0.59994
Commercial	0.323416	0.231011	0.312834	0.089381	0.32039
Industrial	0.060988	0.043563	0.041295	0.011798	0.05536
Public	0.019630	0.014021	0.018987	0.005425	0.01945
Other Water Utilities	0.000008	0.000006	0.000006	0.000002	0.00001
Private Fire Protection	0.002631	0.001879			0.00188
Public Fire Protection	0.004162	0.002973			0.00297
Total	1.000000	0.714286	1.00000	0.285714	1.00000

The derivation of the maximum day extra capapcity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

AQUA PENNSYLVANIA, INC.- BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

		Maximum Day Extra Capacity		
Customer Classification	Average Daily Consumption, 100 Gallons	Factor*	Rate of Flow, 100 Gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	505,230	1.1	555,753.0	0.626879
Commercial	277,340	1.0	277,340.0	0.312834
Industrial	52,299	0.7	36,609.3	0.041295
Public	16,833	1.0	16,833.0	0.018987
Other Water Utilities	7	0.7	4.9	0.000006
Total	851,709		886,540.2	1.000000

The weightings of the factos is based on the maximum day ratio of 1.40, based on a review of maximum day ratios experienced during the period 1966 through 2017 (see Schedule F)

	Maximum Day Ratio	Weight
Average Day	1.00	0.7143
Maximum Day Extra Capacity	0.40	0.2857
Total	1.40	1.0000

* Ratio of maximum day to average day minus 1.0.

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		
Customer Classification	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)=(2) X 0.665337	(4)	(5)=(4) X 0.266135	(6)	(7)=(6) X 0.068528	(8)=(3)+(5)+(7)
Residential	0.589166	0.391994	0.626879	0.166834	0.022042	0.001511	0.560338
Commercial	0.323416	0.215180	0.312834	0.083256			0.298436
Industrial	0.060988	0.040577	0.041295	0.010990			0.051567
Public	0.019630	0.013060	0.018987	0.005053			0.018113
Other Water Utilities	0.000008	0.000005	0.000006	0.000001			0.000007
Private Fire Protection	0.002631	0.001750			0.365256	0.025030	0.026781
Public Fire Protection	0.004162	0.002769			0.612701	0.041987	0.044757
Total	1.000000	0.665337	1.000000	0.266135	1.000000	0.068528	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capapcity demand, and the fire protection demand for each customer classification.

	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		
Customer Classification	100 Gals.	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)	(4)=(3) X 0.444998	(5)	(6)=(5) X 0.445000	(7)	(8)=(7) X 0.110002	(9)=(4)+(6)+(8)
Residential	21,051.3	0.589167	0.262178	0.659593	0.293519	0.022042	0.002425	0.558122
Commercial	11,555.8	0.323415	0.143919	0.289659	0.128898			0.272817
Industrial	2,179.1	0.060987	0.027139	0.033163	0.014758			0.041897
Public	701.4	0.019630	0.008735	0.017581	0.007824			0.016559
Other Water Utilities	0.3	0.000008	0.000004	0.000004	0.000002			0.000006
Private Fire Protection	94.0	0.002631	0.001171			0.365256	0.040179	0.041349
Public Fire Protection	148.7	0.004162	0.001852			0.612701	0.067398	0.069250
Total	35,730.6	1.000000	0.444998	1.000000	0.445000	1.000000	0.110002	1.000000

The maximum hour extra capacity factors in column 5 are determined as follows:

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weightings of the factors is based on the potential demannd of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.40 and the total system sendout for the test year of 116.5 mgd. The rato is based on a review of the experienced maximum day ratios during the period 1966 through 2023 (see Schedule F). The system demand for fire protection is 20,000 gpm for 10 hours.

	Ratio	Rate of Flow, (GPD)	Weight
Average Day	1.00	116,506,992	0.665337
Maximum Day Extra Capacity	0.40	46,602,797	0.266135
Subtotal	1.40	163,109,789	0.931472
Fire Protection		12,000,000	0.068528
Total		175,109,789	1.000000

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potiential demands (see Schedule G).

AQUA PENNSYLVANIA, INC.

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.

The weightings of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maixmum hour ratio of 2.0 and the total system sendout for the test year of 116.5 mgd. The ratio is based on a review of the experienced maximum hour ratios during the period 1966 through 2023 (see Schedule F) The system demand for fire protection is 20,000 gpm.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	80,908	0.4450
Maximum Hour Extra Capacity	1.00	80,908	0.4450
Subtotal	2.00	161,816	0.8900
Fire Protection		20,000	0.1100
Total		181,816	1.0000

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption 100 Gals.	Maximum Hour Extra Capacity Factor*	Maximum Hour Extra Capacity 100 Gals. Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	21,051.3	3.5	73,679.6	0.659593
Commercial	11,555.8	2.8	32,356.2	0.289659
Industrial	2,179.1	1.7	3,704.5	0.033163
Public	701.4	2.8	1,963.9	0.017581
Other Water Utilities	0.3	1.5	0.5	0.000004
Total	35,487.9		111,704.6	1.000000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule G).

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weightings of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		
Customer Classification	100 Gals.	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
(1)	(2)	(3)	(4)=(3) X 0.472742	(5)	(6)=(5) X 0.472742	(7)	(8)=(7) X 0.054516	(9)=(4)+(6)+(8)
Residential	21,051.3	0.589167	0.278524	0.659593	0.311817	0.022042	0.001202	0.591543
Commercial	11,555.8	0.323415	0.152892	0.289659	0.136934			0.289826
Industrial	2,179.1	0.060987	0.028831	0.033163	0.015678			0.044509
Public	701.4	0.019630	0.009280	0.017581	0.008311			0.017591
Other Water Utilities	0.3	0.000008	0.000004	0.000004	0.000002			0.000006
Private Fire Protection	94.0	0.002631	0.001244			0.365256	0.019912	0.021156
Public Fire Protection	148.7	0.004162	0.001967			0.612701	0.033402	0.035369
Total	35,730.6	1.000000	0.472742	1.000000	0.472742	1.000000	0.054516	1.000000

The weighting of the factors is based on the ratio of the capacity required for a 10-hour dmenad of fire flow, as related to total storage capacity. The calculation is shown on the following page.

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

The weighting of the factors is based on the ratio of the capacity required for a 10-hour demand of fire flow, as related to total storage capacity.

Fire Protection Weight = $\frac{\text{20,000 GPM X 60 Min. X 10 Hours}}{\text{220,120,710 Gallons}}$ = 0.0545

General Service Weight = 1.0000 - 0.0545 = 0.9455

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	50.00	0.4727
Extra Capacity Maximum Hour	1.00	50.00	0.4727
Total	2.00	100.00	0.9455

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Factors are based on the number of hydrants, as follows:

Customer Classification	Number of Hydrants	Allocation Factor
(1)	(2)	(3)
Private Fire Protection	2,680	0.1121
Public Fire Protection	21,237	0.8879
Total	23,917	1.0000

FACTOR 7 AND 7A. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below:

Customer Classification	5/8" Dollar Equivalents	Factor 8 Allocation Factor	Factor 8A Allocation Factor
(1)	(2)	(3)	(3)
Residential	402,260	0.868553	0.894152
Commercial	42,032	0.090755	0.093430
Industrial	2,149	0.004640	0.004777
Public	3,420	0.007384	0.007602
Other Water Utilities	18	0.000039	0.000040
Private Fire Protection	13,259	0.028629	
Total	463,138	1.000000	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below:

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	402,254	0.886774
Commercial	30,956	0.068243
Industrial	1,164	0.002566
Public	1,973	0.004350
Other Water Utilities	7	0.000015
Private Fire Protection	17,261	0.038052
Total	453,615	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

	5/8"	Residential		Commercial		Industrial		Public		Other Water Utilities		Private Fire Protection		Total	
Meter Size	Dollar Equivalent	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
5/8	1.00	384,163	384,163	11,377	11,377	182	182	327	327	0	0	13,259	13,259	409,306	409,308
3/4	1.11	10,218	11,342	1,856	2,060	45	50	91	101	0	0	0	0	12,210	13,553
1	1.20	5,295	6,354	3,304	3,964	164	197	211	253	1	1	0	0	8,975	10,769
1-1/2	1.99	134	266	2,305	4,588	56	111	97	192	0	0	0	0	2,591	5,157
2	2.59	52	135	2,856	7,397	144	372	218	565	0	0	0	0	3,270	8,469
3	7.50	0	0	634	4,755	31	232	122	914	0	0	0	0	787	5,901
4	8.26	0	0	555	4,580	44	364	86	712	2	17	0	0	687	5,673
6	13.77	0	0	166	2,287	30	416	14	193	0	0	0	0	210	2,896
8	19.48	0	0	46	894	6	118	7	142	0	0	0	0	59	1,154
10	21.24	0	0	6	130	5	107	1	21	0	0	-	0	12	258
Total		399,862	402,260	23,104	42,032	707	2,149	1,174	3,420	3	18	13,259	13,259	438,107	463,138

AQUA PENNSYLVANIA, INC. - BASE WATER

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Public		Other Water Utilities		Private Fire Protection		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	394,381	394,381	13,232	13,232	227	227	418	418	0	0	0	0	408,258	408,258
1	1.43	5,295	7,572	3,304	4,724	164	235	211	301	1	1	0	0	8,975	12,833
1-1/2	1.58	134	211	2,305	3,642	56	88	97	152	0	0	0	0	2,591	4,093
2	1.73	52	90	2,856	4,941	144	249	218	378	0	0	6	10	3,276	5,668
4	3.14	0	0	1,189	3,732	75	235	208	654	2	6	1,946	6,110	3,420	10,737
6	3.14	0	0	166	522	30	95	14	44	0	0	2,540	7,976	2,750	8,637
8	3.14	0	0	46	144	6	19	7	23	0	0	952	2,989	1,011	3,175
10	3.14	0	0	6	19	5	16	1	3	0	0	55	173	67	211
12	3.14											1	3	1	3
Total		399,862	402,254	23,104	30,956	707	1,164	1,174	1,973	3	7	5,500	17,261	430,349	453,615

AQUA PENNSYLVANIA, INC. - BASE WATER

SUMMARY OF METERS

	ZONE 1	ZONE 2	ZONE 3	BH SV	Phoenixville
RESIDENTIAL					
5/8 - Meter	4,426,568	109,679	66,561	1,582	5,373
3/4 - Meter	122,290	149	180		
1 - Meter	62,809	516	168		50
1 1/2 - Meter	1,595	-	-		8
2 - Meter	603	12	12		
3 - Meter		-	-		
4 - Meter		-	-		
6 - Meter		-	-		
8-Meter					
10-Meter					
12-meter					
	4,613,865	110,357	66,921	1,582	5,431
COMMERCIAL					
5/8 - Meter	133,464	1,978	716		362
3/4 - Meter	22,159	36	36		36
1 - Meter	38,480	795	138		229
1 1/2 - Meter	27,388	96	36		145
2 - Meter	33,778	264	177		52
3 - Meter	7,520	52	12		24
4 - Meter	5,747	60	-		848
6 - Meter	1,993	-	-		
8 - Meter	527	24	-		
10 - Meter	73	-	-		
	271,128	3,304	1,115	-	1,695
INDUSTRIAL					
5/8 - Meter	2,155	-	12		12
3/4 - Meter	545	-	-		
1 - Meter	1,949	12	-		12
1 1/2 - Meter	667	-	-		
2 - Meter	1,664	48	-		12
3 - Meter	371	-	-		
4 - Meter	529	-	-		
6 - Meter	362	-	-		
8 - Meter	72	-	-		
10 - Meter	61	-	-		
	8,373	60	12	-	36

PUBLIC					
5/8 - Meter	3,900	24			
3/4 - Meter	1,093	-			
1 - Meter	2,469	60			
1 1/2 - Meter	1,146	12			
2 - Meter	2,595	24			
3 - Meter	1,463	-			
4 - Meter	999	36			
6 - Meter	168	-			
8 - Meter	87	-			
10 - Meter	12	-			
	13,932	156	-	-	-
SFR					
5/8 - Meter					
3/4 - Meter					
1 - Meter	8				
1 1/2 - Meter					
2 - Meter					
3 - Meter					
4 - Meter	24				
6 - Meter					
8 - Meter					
10 - Meter					
	32	-	-	-	-
UNMETERED					
RESIDENTIAL	93		13		
COMMERCIAL					
INDUSTRIAL					
PUBLIC					
SFR					
	93	-	13	-	-

Belle Aire	Total
188	4,609,951
	122,620
	63,543
	1,603
	627
	-
	-
	-
188	4,798,343
	-
	136,519
	22,267
	39,642
	27,664
	34,270
	7,608
	6,654
	1,993
	551
	73
-	277,242
	2,179
	545
	1,973
	667
	1,724
	371
	529
	362
	72
	61
-	8,481

	3,924
	1,093
	2,528
	1,158
	2,619
	1,463
	1,035
	168
	87
	12
-	14,088

	-
	-
	8
	-
	-
	-
	24
	-
	-
	-
	-
	-
-	32

	106
	-
	-
	-
	-
-	106

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 9. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on number of bills

Customer Classification	Total Bills	Allocation Factor
(1)	(2)	(3)
Residential	4,798,449	0.940718
Commercial	277,242	0.054352
Industrial	8,481	0.001663
Public	14,088	0.002762
Other Water Utilities	32	0.000006
Private Fire Protection	682	0.000134
Public Fire Protection	1,864	0.000365
Total	5,100,839	1.000000

FACTOR 10. ALLOCATION OF METER READING COSTS.

Factors are based on number of bills for metered customers

Customer Classification	Total Bills	Allocation Factor
(1)	(2)	(3)
Residential	4,798,449	0.941062
Commercial	277,242	0.054372
Industrial	8,481	0.001663
Public	14,088	0.002763
Other Water Utilities	32	0.000006
Private Fire Protection	682	0.000134
Total	5,098,975	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 11. ALLOCATION OF CUSTOMERS' ACCOUNTING AND COLLECTING EXPENSES, MATERIALS AND SUPPLIES.

Factors are based on customers' accounting and collecting expenses, meter reading and billing and collecting expenses as follows:

Customer Classification	Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$ 10,737,714	0.962697
Commercial	381,486	0.034202
Industrial	11,670	0.001046
Public	19,385	0.001738
Other Water Utilities	44	0.000004
Private Fire Protection	938	0.000084
Public Fire Protection	2,542	0.000228
Total	$ 11,153,780	1.000000

FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION AND MAINTENANCE SUPERVISION AND ENGINEERING, MAPS AND RECORDS AND OTHER DEPARTMENTAL EXPENSES.

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission and Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$ 3,605,464	0.748282
Commercial	685,853	0.142343
Industrial	76,659	0.015910
Public	47,179	0.009792
Other Water Utilities	126	0.000026
Private Fire Protection	161,040	0.033422
Public Fire Protection	242,004	0.050226
Total	$ 4,818,325	1.000000

ALTERNATE FACTOR 13. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPEF AND ENGINEERING AND MISCELLANEOUS PLANT.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Labor	Allocation Factor
(1)	(2)	(3)
Residential	$729,237	0.5835
Commercial	224,490	0.1796
Industrial	32,002	0.0256
Public	13,811	0.0111
Other Water Utilities	11	0.0000
Private Fire Protection	59,455	0.0476
Public Fire Protection	190,795	0.1527
Total	$1,249,802	1.0000

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power and chemicals.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$32,871,070	0.7587
Commercial	7,396,397	0.1707
Industrial	1,108,817	0.0256
Public	454,077	0.0105
Other Water Utilities	435	0.0000
Private Fire Protection	484,465	0.0112
Public Fire Protection	1,008,190	0.0233
Total	$43,323,451	1.0000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 15. ALLOCATION OF CASH WORKING - EXPENSES

Factors are based on the allocation of total operation and maintenance expenses.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	$104,147,816	0.7189
Commercial	29,966,521	0.2068
Industrial	4,913,000	0.0339
Public	1,831,953	0.0126
Other Water Utilities	1,385	0.0000
Private Fire Protection	1,319,548	0.0091
Public Fire Protection	2,700,418	0.0186
Total	$144,880,642	1.0000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	$27,495,255	0.7273
Commercial	7,334,890	0.1940
Industrial	1,125,554	0.0298
Public	453,072	0.0120
Other Water Utilities	427	0.0000
Private Fire Protection	471,102	0.0125
Public Fire Protection	924,697	0.0245
Total	$37,804,996	1.0000

FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS, MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

Factors are based on the allocation of the original cost less depreciaton other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	$2,785,254,921	##########
Commercial	1,146,197,290	##########
Industrial	179,813,416	##########
Public	69,856,058	##########
Other Water Utilities	35,976	##########
Private Fire Protection	149,452,282	##########
Public Fire Protection	275,724,195	##########
Total	$4,606,334,138	##########

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are base on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	$2,610,603,159	0.604913
Commercial	1,073,310,881	0.248701
Industrial	168,370,610	0.039014
Public	65,414,473	0.015157
Other Water Utilities	33,722	0.000008
Private Fire Protection	139,869,333	0.032410
Public Fire Protection	258,063,540	0.059797
Total	$4,315,665,718	1.000000

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	$451,312,619	0.668173
Commercial	162,756,205	0.240962
Industrial	25,471,961	0.037711
Public	9,981,937	0.014778
Other Water Utilities	5,707	0.000008
Private Fire Protection	17,735,971	0.026258
Public Fire Protection	8,178,597	0.012108
Total	$675,442,996	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 20. ALLOCATION OF UNRECOVERED PUBLIC FIRE PROTECTION.

These costs are deducted directly from the Public Fire Protection Classification.

Customer Classification	Allocation Factor
(1)	(2)
Public Fire Protection	1.0000

FACTOR 21. REALLOCATION OF UNRECOVERED PUBLIC FIRE PROTECTION.

These costs are allocated based on meter equivalents.

Customer Classification	5/8" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	402,260	0.894187
Commercial	42,032	0.093433
Industrial	2,149	0.004777
Public	3,420	0.007602
Total	449,861	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 22. ALLOCATION OF SOURCE OF SUPPLY BENEFITS AND OTHER COSTS

These costs are allocated based on the Source of Supply labor allocation.

Customer Classification	Source of Supply Labor	Allocation Factor
(1)	(2)	(3)
Residential	574,838	0.596684
Commercial	306,923	0.318587
Industrial	53,034	0.055049
Public	18,628	0.019336
Other Water Utilities	7	0.000007
Private Fire Protection	3,783	0.003927
Public Fire Protection	6,174	0.006409
Total	963,388	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO RESIDENTIAL, COMMERCIAL, INDUSTRIAL, PUBLIC, SALES TO OTHER WATER UTILITIES AND FIRE PROTECTION CUSTOMER CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Residential (4)	Commercial (5)	Industrial (6)	Other Public Authority (7)	Other Water Utilities (8)	Private Fire Protection (9)	Public Fire Protection (10)
NONDEPRECIABLE PLANT										
301	Organization	17	7,076,060	4,278,593	1,760,741	276,222	107,310	55	229,582	423,556
302	Franchise and Consents	17	2,883,289	1,743,403	717,451	112,552	43,726	23	93,548	172,587
303	Miscellaneous Intangible Plant	17	4,382,345	2,649,818	1,090,462	171,070	66,459	34	142,185	262,317
303.1	Water Rights	1	1,703,879	1,003,868	551,061	103,916	33,446	14	4,483	7,092
303.1	Reservoir Land	1	2,826,590	1,665,330	914,163	172,387	55,485	23	7,437	11,765
303.1	Other Sources of Supply Land	2	6,878,759	4,126,849	2,203,902	380,815	133,765	51	12,927	20,450
303.2	Power and Pumping Land	3	1,566,726	877,897	467,568	80,792	28,379	11	41,958	70,121
303.3	Purification Land	2	1,408,638	845,100	451,317	77,984	27,392	10	2,647	4,188
303.4	T&D Right of Way	3	1,426,536	799,344	425,730	73,563	25,839	10	38,204	63,847
303.5	Distr. Reservoir & Standpipe Land	5	1,314,949	777,849	381,106	58,527	23,132	8	27,819	46,509
303.6	Office Land	14	3,128,180	2,373,464	534,059	80,062	32,787	31	34,981	72,797
303.6	Stores, Shop and Garage Land	14	1,002,955	760,978	171,229	25,670	10,512	10	11,216	23,340
303.6	Miscellaneous Land	14	1,066,770	809,397	182,124	27,303	11,181	11	11,929	24,825
	Total Nondepreciable Plant		36,665,675	22,711,890	9,850,913	1,640,863	599,413	291	658,916	1,203,394
DEPRECIABLE PLANT										
304.2	Power and Pumping Structures									
	Major Treatment Plants	2	15,842,590	9,504,618	5,075,844	877,062	308,076	117	29,772	47,100
	Other Structures	3	41,425,214	23,212,140	12,362,789	2,136,184	750,353	286	1,109,406	1,854,056
304.3	Purification Buildings									
	Major Treatment Plants	2	126,455,344	75,865,737	40,515,322	7,000,701	2,459,055	937	237,643	375,949
	Other Structures	2	64,602,306	38,757,568	20,698,083	3,576,452	1,256,259	479	121,405	192,061
304.3	Office Buildings	14	53,461,027	40,562,816	9,127,134	1,368,277	560,329	536	597,829	1,244,104

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO
RESIDENTIAL, COMMERCIAL, INDUSTRIAL, PUBLIC, SALES TO OTHER WATER UTILITIES AND FIRE PROTECTION CUSTOMER CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Residential (4)	Commercial (5)	Industrial (6)	Other Public Authority (7)	Other Water Utilities (8)	Private Fire Protection (9)	Public Fire Protection (10)
304.3	Stores, Shop and Garage Bldgs.	14	2,407,991	1,827,030	411,104	61,630	25,238	24	26,927	56,037
304.3	Misc Structures and Impr.	14	33,294,081	25,261,424	5,684,132	852,126	348,958	334	372,312	774,795
305	Collecting & Impounding Res.	1	32,083,661	18,902,599	10,376,357	1,956,707	629,787	262	84,411	133,537
306	Lake, River and Other Intakes	2	13,985,903	8,390,716	4,480,976	774,274	271,970	104	26,283	41,580
307	Wells and Springs	2	58,348,547	35,005,682	18,694,427	3,230,237	1,134,648	432	109,652	173,469
310.4	Other Power Producing Equipment	3	21,208,458	11,883,914	6,329,375	1,093,662	384,158	146	567,982	949,221
311	Electric Pumping Equipment	3	60,049,614	33,648,108	17,920,987	3,096,593	1,087,705	414	1,608,184	2,687,623
320	Purification System									
	Structures	2	48,680,474	29,205,410	15,596,850	2,695,002	946,642	361	91,484	144,726
	Wells & Boosters	2	11,784,514	7,070,012	3,775,668	652,403	229,162	87	22,146	35,035
	Equipment	2	187,254,833	112,341,839	59,995,011	10,366,625	3,641,364	1,388	351,902	556,704
	Computers	2	617,164	370,262	197,735	34,167	12,001	5	1,160	1,835
	Painting	2	35,159	21,093	11,265	1,946	684	-	66	105
	Filter Media	2	2,950,701	1,770,246	945,382	163,354	57,379	22	5,545	8,772
330	Distr. Reservoirs & Standpipes									
	Tanks	5	67,021,813	39,646,297	19,424,648	2,983,053	1,179,014	394	1,417,902	2,370,505
	Tank Painting	5	16,536,160	9,781,853	4,792,605	736,003	290,896	97	349,836	584,870
331	Mains & Accessories									
	12 Inch and Over	3	694,734,492	389,286,449	207,334,018	35,825,545	12,584,025	4,795	18,605,634	31,094,026
	Under 12 Inch	4	2,218,378,445	1,238,125,718	605,211,859	92,942,648	36,734,419	12,265	91,728,744	153,622,792
333	Services	8	486,971,955	431,834,081	33,232,375	1,249,596	2,118,086	7,515	18,530,302	-
334	Meters									
	Remote	7	64,671,758	56,170,863	5,869,273	300,082	477,563	2,513	1,851,463	-
	ERTS	7A	18,921,969	16,919,108	1,767,871	90,387	143,846	757	-	-
335	Fire Hydrants	6	83,854,380	-	-	-	-	-	9,395,931	74,458,449
336	Back Flow Prevention Devices	7	277,858	241,334	25,217	1,289	2,052	11	7,955	-
339	Other Plant and Misc.	14	60,000	45,524	10,244	1,536	629	1	671	1,396
340	Office Furniture & Equipment									
	Furniture	14	4,974,333	3,774,206	849,243	127,313	52,136	50	55,626	115,759
	Mechanical Equipment	14	414,068	314,168	70,692	10,598	4,340	4	4,630	9,636
	Computers	14	96,951,245	73,560,419	16,552,002	2,481,363	1,016,154	973	1,084,159	2,256,176
341	Transporation Equipment									
	Vehicles	14	9,989,627	7,579,492	1,705,479	255,674	104,702	100	111,709	232,471
	Other	14	2,031,995	1,541,748	346,912	52,007	21,298	20	22,723	47,287
342	Stores Equipment	14	1,787,074	1,355,919	305,098	45,738	18,730	18	19,984	41,587
343.1	Shop Equipment	14	2,578,845	1,956,664	440,273	66,003	27,029	26	28,838	60,013
343.2	Tools & Work Equipment - General	14	8,778,790	6,660,786	1,498,759	224,684	92,011	88	98,169	204,293
344	Laboratory Equipment									
	Conventional	2	413,153	247,867	132,371	22,873	8,034	3	776	1,228

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO RESIDENTIAL, COMMERCIAL, INDUSTRIAL, PUBLIC, SALES TO OTHER WATER UTILITIES AND FIRE PROTECTION CUSTOMER CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Residential (4)	Commercial (5)	Industrial (6)	Other Public Authority (7)	Other Water Utilities (8)	Private Fire Protection (9)	Public Fire Protection (10)
	Electronic	2	4,489,760	2,693,591	1,438,485	248,558	87,308	33	8,437	13,348
345	Power Generating Equipment	14	117,278	88,983	20,022	3,002	1,229	1	1,311	2,729
346	Communication Equipment									
	Communication Equipment	14	6,288,858	4,771,584	1,073,665	160,957	65,914	63	70,325	146,350
	SCADA Equipment	3	18,198,220	10,197,162	5,431,010	938,432	329,632	126	487,365	814,492
347	Miscellaneous Equipment	14	1,043,899	792,044	178,220	26,717	10,941	10	11,673	24,293
348	Other Intangible Plant	14	36,601	27,771	6,249	937	384	-	409	852
	Total Depreciable Plant		4,584,010,157	2,771,214,845	1,139,915,031	178,732,397	69,474,140	35,797	149,258,681	275,379,261
	Total Utility Plant		4,620,675,832	2,793,926,735	1,149,765,944	180,373,260	70,073,553	36,088	149,917,597	276,582,655
OTHER RATE BASE ELEMENTS										
	Materials and Supplies	17	17,396,771	10,519,090	4,328,851	679,102	263,826	136	564,437	1,041,329
	Cash Working Capital	14	7,707,000	5,847,580	1,315,778	197,252	80,778	77	86,184	179,351
	Acquisition Adjustment	17		-	-	-	-	-	-	-
	Deferred Income Taxes	18	(330,113,886)	(199,690,247)	(82,099,692)	(12,879,004)	(5,003,684)	(2,579)	(10,698,884)	(19,739,795)
	Customer Advances	17		-	-	-	-	-	-	-
	Total Other Rate Base Elements		(305,010,115)	(183,323,576)	(76,455,063)	(12,002,650)	(4,659,080)	(2,366)	(10,048,263)	(18,519,115)
	Total Original Cost Measure of Value		4,315,665,717	2,610,603,159	1,073,310,881	168,370,610	65,414,473	33,722	139,869,334	258,063,540

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO FUNCTIONAL CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Base (5)	Extra Capacity		Customer Facilities		Customer Accounting		Fire Service	
					Maximim Day (6)	Maximim Hour (7)	Meters (8)	Services (9)	Billing and Coll (10)	Meter Reading (11)	Private Fire (12)	Public Fire (13)
NONDEPRECIABLE PLANT												
301	Organization	17	7,076,060	3,217,425	614,872	1,580,302	162,835	728,662	109,109	606	229,172	422,640
302	Franchise and Consents	17	2,883,289	1,311,007	250,542	643,927	66,351	296,909	44,459	247	93,381	172,213
303	Miscellaneous Intangible Plant	17	4,382,345	1,992,615	380,802	978,712	100,847	451,275	67,573	375	141,931	261,749
303	Water Rights	1	1,703,879	1,692,305	-	-	-	-	-	-	4,483	7,092
303	Reservoir Land	1	2,826,590	2,807,389	-	-	-	-	-	-	7,437	11,765
303	Other Sources of Supply Land	2	6,878,759	4,880,022	1,965,360	-	-	-	-	-	12,927	20,450
303	Power and Pumping Land	3	1,566,726	1,035,319	416,960	-	-	-	-	-	41,958	70,121
303	Purification Land	2	1,408,638	999,335	402,468	-	-	-	-	-	2,647	4,188
303	T&D Right of Way	3	1,426,536	942,679	379,651	-	-	-	-	-	38,204	63,847
304	Distr. Reservoir & Standpipe Land	5	1,314,949	617,409	-	621,632	-	-	-	-	27,819	46,509
304	Office Land	14	3,128,180	957,445	333,532	128,887	379,481	93,374	1,120,547	6,252	35,037	72,949
304	Stores, Shop and Garage Land	14	1,002,955	306,975	106,937	41,324	121,669	29,937	359,269	2,005	11,233	23,389
304	Miscellaneous Land	14	1,066,770	326,507	113,741	43,953	129,410	31,842	382,128	2,132	11,948	24,877
	Total Nondepreciable Plant		36,665,675	21,086,432	4,964,865	4,038,737	960,593	1,631,999	2,083,085	11,617	658,177	1,201,789
DEPRECIABLE PLANT												
304	Power and Pumping Structures											
	Major Treatment Plants	2	15,842,590	11,239,264	4,526,454	-	-	-	-	-	29,772	47,100
	Other Structures	3	41,425,214	27,374,490	11,024,688	-	-	-	-	-	1,109,406	1,854,056
304	Purification Buildings											
	Major Treatment Plants	2	126,455,344	89,711,654	36,130,098	-	-	-	-	-	237,643	375,949
	Other Structures	2	64,602,306	45,831,038	18,457,802	-	-	-	-	-	121,405	192,061
305	Office Buildings	14	53,461,027	16,362,869	5,700,111	2,202,704	6,485,381	1,595,771	19,150,294	106,852	598,785	1,246,713
305	Stores, Shop and Garage Bldgs.	14	2,407,991	737,016	256,744	99,214	292,114	71,877	862,567	4,813	26,970	56,154
305	Misc Structures and Impr.	14	33,294,081	10,190,352	3,549,875	1,371,784	4,038,920	993,803	11,926,285	66,544	372,907	776,419
305	Collecting & Impounding Res.	1	32,083,661	31,865,712	-	-	-	-	-	-	84,411	133,537
306	Lake, Rive and Other Intakes	2	13,985,903	9,922,068	3,995,972	-	-	-	-	-	26,283	41,580
307	Wells and Springs	2	58,348,547	41,394,412	16,671,013	-	-	-	-	-	109,652	173,469
310	Other Power Producing Equipment	3	21,208,458	14,014,912	5,644,307	-	-	-	-	-	567,982	949,221
	Pumping Equipment	3	60,049,614	39,681,812	15,981,288	-	-	-	-	-	1,608,184	2,687,623
320	Purification System											
	Structures	2	48,680,474	34,535,558	13,908,707	-	-	-	-	-	91,484	144,726
	Wells & Boosters	2	11,784,514	8,360,329	3,367,004	-	-	-	-	-	22,146	35,035
	Equipment	2	187,254,833	132,844,846	53,501,381	-	-	-	-	-	351,902	556,704
	Computers	2	617,164	437,837	176,333	-	-	-	-	-	1,160	1,835
	Painting	2	35,159	24,943	10,045	-	-	-	-	-	66	105
	Filter Media	2	2,950,701	2,093,326	843,057	-	-	-	-	-	5,545	8,772
330	Distr. Reservoirs & Standpipes											
	Tanks	5	67,021,813	31,468,827	-	31,684,041	-	-	-	-	1,417,902	2,370,505
	Tank Painting	5	16,536,160	7,764,242	-	7,817,341	-	-	-	-	349,836	584,870
331	Mains & Accessories											
	12 Inch and Over	3	694,734,492	459,092,436	184,892,979	-	-	-	-	-	18,605,634	31,094,026
	Under 12 Inch	4	2,218,378,445	987,174,461	-	980,469,081	-	-	-	-	91,728,744	153,622,792
333	Services	8	486,971,955	-	-	-	-	468,441,653	-	-	18,530,302	-
334	Meters											
	Remote	7	64,671,758	-	-	-	62,820,295	-	-	-	1,851,463	-
	ERTS	7A	18,921,969	-	-	-	18,921,969	-	-	-	-	-

AQUA PENNSYLVANIA, INC. - BASE WATER

FACTOR 18. ORIGINAL COST MEASURE OF VALUE RATE BASE ALLOCATED TO FUNCTIONAL CLASSIFICATIONS

	Account (1)	Factor Ref. (2)	Measure of Value (3)	Base (5)	Extra Capacity Maximim Day (6)	Extra Capacity Maximim Hour (7)	Customer Facilities Meters (8)	Customer Facilities Services (9)	Customer Accounting Billing and Coll (10)	Customer Accounting Meter Reading (11)	Fire Service Private Fire (12)	Fire Service Public Fire (13)
335	Fire Hydrants	6	83,854,380	-	-	-	-	-	-	-	9,395,931	74,458,449
336	Back Flow Prevention Devices	7	277,858	-	-	-	269,903	-	-	-	7,955	-
339	Other Plant and Misc.	14	60,000	18,364	6,397	2,472	7,279	1,791	21,493	120	672	1,399
340	Office Furniture & Equipment											
	Furniture	14	4,974,333	1,522,499	530,372	204,953	603,439	148,480	1,781,858	9,942	55,715	116,002
	Mechanical Equipment	15	414,068	193,329	35,373	12,906	38,033	9,345	112,911	624	3,767	7,711
	Computers	15	96,951,245	45,266,767	8,282,365	3,021,817	8,905,227	2,188,079	26,437,437	146,202	882,016	1,805,494
341	Transporation Equipment											
	Vehicles	15	9,989,627	4,664,181	853,395	311,361	917,574	225,454	2,724,051	15,064	90,881	186,034
	Other	15	2,031,995	948,743	173,590	63,334	186,644	45,860	554,101	3,064	18,486	37,841
342	Stores Equipment	15	1,787,074	834,389	152,666	55,700	164,147	40,332	487,314	2,695	16,258	33,280
343	Shop Equipment	15	2,578,845	1,204,069	220,306	80,379	236,874	58,202	703,220	3,889	23,461	48,025
343	Tools & Work Equipment - General	15	8,778,790	4,098,838	749,956	273,621	806,355	198,127	2,393,870	13,238	79,865	163,485
344	Laboratory Equipment											
	Conventional	2	413,153	293,105	118,044	-	-	-	-	-	776	1,228
	Electronic	2	4,489,760	3,185,186	1,282,789	-	-	-	-	-	8,437	13,348
345	Power Generating Equipment	3	117,278	77,499	31,212	-	-	-	-	-	3,141	5,249
346	Communication Equipment	15	6,288,858	2,936,283	537,245	196,014	577,648	141,932	1,714,896	9,484	57,213	117,116
	SCADA Equipment	3	18,198,220	12,025,695	4,843,178	-	-	-	-	-	487,365	814,492
347	Miscellaneous Equipment	15	1,043,899	487,399	89,178	32,537	95,885	23,560	284,659	1,574	9,497	19,440
348	Other Intangible Plant	15	36,601	17,089	3,127	1,141	3,362	826	9,981	55	333	682
	Total Depreciable Plant		4,584,010,157	2,079,895,839	396,547,051	1,027,900,400	105,371,049	474,185,092	69,164,937	384,160	148,991,353	274,782,527
	Total Utility Plant		4,620,675,832	2,100,982,271	401,511,916	1,031,939,137	106,331,642	475,817,091	71,248,022	395,777	149,649,530	275,984,316
OTHER RATE BASE ELEMENTS												
	Materials and Supplies	17	17,396,771	7,910,165	1,511,686	3,885,234	400,337	1,791,444	268,248	1,490	563,428	1,039,077
	Cash Working Capital	14	7,707,000	2,358,889	821,734	317,544	934,940	230,048	2,760,727	15,404	86,321	179,727
	Acquisition Adjustment	17	-	-	-	-	-	-	-	-	-	-
	Deferred Income Taxes	18	(330,113,886)	(150,018,606)	(28,695,927)	(73,624,852)	(7,650,459)	(33,953,645)	(5,277,880)	(29,323)	(10,679,775)	(19,697,146)
	Customer Advances	17	-	-	-	-	-	-	-	-	-	-
	Total Other Rate Base Elements		(305,010,115)	(139,749,552)	(26,362,507)	(69,422,074)	(6,315,182)	(31,932,153)	(2,248,905)	(12,429)	(10,030,026)	(18,478,342)
	Total Original Cost Measure of Value		4,315,665,717	1,961,232,719	375,149,409	962,517,063	100,016,460	443,884,938	68,999,117	383,348	139,619,504	257,505,974

Residential Fire (14)
10,431
4,250
6,460
-
-
-
2,367
-
2,155
1,580
676
217
230
28,366
-
62,574
-
-
11,548
520
7,192
-
-
-
32,036
90,707
-
-
-
-
-
-
80,537
19,871
1,049,417
5,378,894
-
-
-

Residential Fire (14)
-
-
13
1,074
68
15,839
1,632
332
292
421
1,434
-
-
177
1,027
27,489
171
6
6,783,271
6,811,637
25,646
1,665
-
(485,953)
-
-458,642
6,352,995

AQUA PENNSYLVANIA, INC. - BASE WATER

DEVELOPMENT OF RATE OF RETURN BY CUSTOMER CLASSIFICATION
UNDER PROPOSED RATES

ITEM	COST OF SERVICE	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PUBLIC	OTHER WATER UTILITIES	FIRE PROTECTION	
							PRIVATE	PUBLIC
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. REVENUES FROM SALES	696,064,282	462,791,353	169,163,248	24,431,574	11,148,842	19,862	20,322,361	8,187,042
2. OTHER REVENUES	10,996,069	7,700,490	2,777,016	434,614	170,316	97	302,619	139,547
3. TOTAL OPERATING REVENUES	707,060,351	470,491,843	171,940,264	24,866,188	11,319,158	19,959	20,624,979	8,326,588
4. LESS: OPERATING EXPENSES (INCLUDES REALLOCATION OF FIRE, SHENANDOAH FUNDS & ACT 11)	325,154,520	239,935,424	78,129,350	11,518,159	4,583,216	2,803	5,527,539	-14,541,972
5. RETURN AND INCOME TAXES	381,905,830	230,556,418	93,810,914	13,348,029	6,735,942	17,156	15,097,440	22,868,560
6. LESS: TAXABLE EXCLUSIONS (FACTOR 18)	85,912,507	51,969,609	21,366,536	3,351,775	1,302,214	671	2,784,397	5,137,304
7. TAXABLE INCOME	295,993,324	178,586,809	72,444,377	9,996,254	5,433,728	16,485	12,313,044	17,731,256
8. LESS: INCOME TAXES (TAX. INC.)	41,440,834	24,958,645	10,124,564	1,397,040	759,398	2,304	1,720,826	2,478,056
9. NET RETURN (Line 5 - Line 8)	340,464,997	205,597,773	83,686,350	11,950,989	5,976,544	14,852	13,376,614	20,390,504
10. ORIGINAL COSTS MEASURE OF VALUE	4,315,665,717	2,610,603,159	1,073,310,881	168,370,610	65,414,473	33,722	139,869,334	258,063,540
11. RATE OF RETURN, PERCENT	7.89	7.88	7.80	7.10	9.14	44.04	9.56	7.90
12. RELATIVE RATE OF RETURN	1.00	1.00	0.99	0.90	1.16	5.57	1.21	1.00

AQUA PENNSYLVANIA, INC. - BASE WATER

SUMMARY OF AVERAGE DAILY SEND OUT,
MAXIMUM DAILY USE AND MAXIMUM HOURLY USE FOR THE YEARS 1962 - 2023

	Average Daily	Maximum Daily Use			Maximum Hourly Use		
Year	Send Out (MGD)	MGD	Ratio to Average	Highest Use Day	MGD	Ratio to Average	Highest Use Hour
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1962	56.90	78.18	1.37	5/19/62	131.83	2.32	6-7PM
1963	59.10	88.52	1.50	6/27/63	145.10	2.46	7-8PM
1966	66.50	94.68	1.42	6/25/66	133.20	2.00	7-8PM
1967	68.80	101.83	1.48	6/16/67	152.40	2.22	8-9PM
1968	72.90	92.06	1.26	7/23/68	152.11	2.09	7-8PM
1969	73.90	93.41	1.26	5/29/69	129.98	1.76	6-7PM
1970	74.60	91.28	1.22	9/24/70	129.46	1.74	6-7PM
1971	76.20	99.97	1.31	7/08/71	145.60	1.91	8-9PM
1972	75.90	94.35	1.24	8/25/72	137.59	1.81	6-7PM
1973	76.30	95.65	1.25	6/11/73	142.13	1.86	10-11AM
1974	77.60	97.21	1.25	6/10/74	134.21	1.73	7-8PM
1975	77.10	90.78	1.18	5/24/75	136.70	1.77	9-10AM
1976	79.40	96.90	1.22	6/10/76	132.20	1.66	7-8AM
1977	79.60	100.51	1.26	5/28/77	149.21	1.87	10-11AM
1978	78.60	91.53	1.16	6/19/78	129.77	1.65	8-9AM
1979	78.20	88.75	1.13	5/10/79	122.81	1.57	7-8AM
1980	80.80	102.04	1.26	7/15/80	147.88	1.83	7-8PM
1981	76.80	86.30	1.12	6/16/81	118.08	1.54	9-10PM
1982	78.50	93.00	1.18	7/26/82	130.01	1.66	N/A
1983	80.70	104.43	1.29	7/16/83	146.66	1.82	10-11AM
1984	82.20	100.75	1.23	6/11/84	152.09	1.85	7-8PM
1985	81.30	92.21	1.13	4/22/85	129.19	1.59	7-8AM
1986	88.00	114.19	1.30	7/07/86	157.94	1.79	7-8PM
1987	87.40	107.84	1.23	8/04/87	147.12	1.68	7-8PM
1988	89.20	117.52	1.32	6/21/88	128.90	1.45	8-9PM
1989	87.90	101.19	1.15	7/11/89	138.00	1.57	7-8AM
1990	88.40	102.75	1.16	7/04/90	151.52	1.71	9-10AM
1991	87.20	113.49	1.30	6/10/91	159.00	1.82	8-9PM
1992	85.40	100.30	1.17	6/15/92	132.00	1.55	9-10AM
1993	89.10	118.80	1.33	7/10/93	170.00	1.91	9-10AM
1994	89.80	113.90	1.27	7/13/94	142.40	1.59	7-8AM
1995	92.60	121.80	1.32	7/15/95	180.15	1.95	9-10AM
1996	94.20	110.00	1.17	6/8/96	161.09	1.71	9-10AM
1997	103.80	142.53	1.37	7/16/97	205.57	1.98	7-8PM
1998	108.80	139.39	1.28	7/29/98	182.65	1.68	7-8AM
1999	108.10	148.16	1.37	7/16/99	198.99	1.84	8-9PM
2000	113.54	136.91	1.21	6/11/00	195.58	1.72	10-11AM
2001	119.11	160.48	1.35	8/8/01	228.58	1.92	11-12AM
2002	115.41	152.07	1.32	8/14/02	196.46	1.70	7-8AM
2003	111.22	130.48	1.17	6/30/03	172.19	1.55	7-8AM
2004	112.93	133.44	1.18	7/11/04	177.15	1.57	8-9PM
2005	116.28	142.40	1.22	6/26/05	192.45	1.66	10-11AM
2006	113.19	142.50	1.26	8/23/06	180.09	1.59	8-9AM
2007	114.41	137.64	1.20	8/4/07	190.15	1.66	9-10AM
2008	113.27	141.79	1.25	7/18/08	192.98	1.70	3-4PM
2009	106.32	123.45	1.16	5/25/09	173.22	1.63	11-12PM
2010	109.92	152.25	1.39	7/7/10	222.17	2.02	6-7PM
2011	108.90	149.69	1.37	7/22/11	210.20	1.93	10-11AM
2012 *	106.33	139.36	1.31	7/9/12	180.20	1.69	10-11PM
2013	129.91	**			**		
2014	125.67	**			**		
2015	121.52	**			**		
2016	121.10	**			**		
2017	116.50	**			**		
2018	116.54	**			**		
2019	115.27	**			**		
2020	114.20	**			**		
2021	113.86	121.80	1.07		**		
2022	116.87	125.70	1.08		**		
2023	116.53	123.50	1.06		**		

* Data for 2012 and prior reflect southeast PA only.
** Maximum day and hour data not available State-wide.

AQUA PENNSYLVANIA, INC. - BASE WATER

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO RESIDENTIAL AND PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description			Restrictive Diameters Squared	Quantity	Relative Demand	Allocation Factor
(1)			(2)	(3)	(4)=(2)x(3)	(5)
GENERAL SERVICE - RESIDENTIAL						
3/4	- inch meter		0.56	47	26	
1	- inch meter		1.00	10,934	10,934	
1-1/2	- inch meter		2.25	2,201	4,953	
2	- inch meter		4.00	76	304	
				13,259	16,217	0.022042
PRIVATE FIRE PROTECTION						
Hydrant	Lead	Nozzle Sizes				
6	6	2-2 1/2",1-4 1/2"	32.75	2,178	71,325	
4	4	2-2 1/2",1-4 1/2"	16.00	200	3,200	
4	4	2-2 1/2"	12.50	200	2,500	
5	6	2-2 1/2",1-4"	25.00	102	2,550	
Fire Lines						
1	-inch		1.00	0	0	
1-1/2	-inch		2.25	0	0	
2	-inch		4.00	6	24	
3	-inch		9.00	3	27	
4	-inch		16.00	1,943	31,088	
6	-inch		36.00	2,540	91,440	
8	-inch		64.00	952	60,928	
10	-inch		100.00	55	5,500	
12	-inch		144.00	1	144	
Total Fire Lines				5,500	189,151	
Total Private Fire Protection				8,180	268,726	0.365256
PUBLIC FIRE PROTECTION						
Hydrant	Lead	Nozzle Sizes				
6	6	2-5"	25.00	14,752	368,800	
6	6	2-2 1/2",	12.50	2,609	32,609	
4	4	2-2 1/2",1-4 1/2"	16.00	95	1,520	
4	4	2-2 1/2"	12.50	590	7,375	
6	4	2-2 1/4",1-4 1/2"	16.00	167	2,672	
5	6	2-2 1/2"	12.50	3,024	37,800	
Total Public Fire Protection				21,237	450,776	0.612701
Total Fire Protection				42,675	735,719	1.000000

AQUA PENNSYLVANIA, INC. - BASE WATER

CALCULATION OF COMMODITY/DEMAND RATES FOR STANDBY SERVICE

Firm Standby Service:

	Cost of Service		Units	Cost	
	Annual	Per Month	Hundred Gals.	Per Unit	
Description:					
Total Base Costs	303,971,113				
Less: Variable Costs	32,196,547		310,873,785	0.1036	Per Hundred Gallons
Fixed Base Costs	271,774,566	$22,647,880	851,709 Avg Day	26.5911	Per Hundred of Avg Day
Max Day Extra Capacity	59,587,240	$4,965,603	1,738,249 Peak Day	2.8567	Per Hundred of Peak Day
Max Hour Extra Capacity	116,793,780	$9,732,815	147,193 Peak Hour	66.1230	Per Hundred Peak Hour

Interruptible Standby Service:

	Cost of Service		Units	Cost	
	Annual	Per Month	Hundred Gals.	Per Unit	
Description:					
Fixed Base Costs	271,774,566				
Less: Depreciation Return and Taxes	237,855,309				
Total	33,919,257	$2,826,605	851,709 Avg Day	3.3187	Per Hundred of Avg Day
Max Day Extra Capacity	59,587,240				
Less: Depreciation Return and Taxes	47,322,615				
Total	12,264,625	$1,022,052	1,738,249 Peak Day	0.5880	Per Hundred of Peak Day
Max Hour Extra Capacity	116,793,780				
Less: Depreciation Return and Taxes	113,176,607				
Total	3,617,173	$301,431	147,193 Peak Hour	2.0479	Per Hundred Peak Hour
Depreciation, Return & Taxes for Base, Max Day and Max Hour	398,354,531				
Plus: Variable Costs	32,196,547				
Total	430,551,078		310,873,785	$1.3850	Per Hundred Gallons

AQUA PENNSYLVANIA, INC. - BASE WATER
CALCULATION OF CUSTOMER COST PER MONTH FOR A 5/8-INCH METER

Cost Function	Cost of Service	Total Units		Cost Per 5/8-inch Meter	Cost Per 5/8-inch Meter Monthly Bill
(1)	(2)	(3)		(4)	(5)
Meters	32,209,108	449,879	5/8-inch Equivalents	$ 71.60	$ 5.97
Services	52,903,444	436,354	3/4-inch Equivalents	121.24	10.10
Billing and Collecting	55,660,623	5,098,293	Bills	10.92	10.92
Meter Reading	308,481	5,098,293	Readings	0.06	0.06
Subtotal Customer Costs	$141,081,656				27.05
Unrecovered Public Fire	24,828,123	449,879	5/8-inch Equivalents	55.19	4.60
Total Customer Costs and Public Fire	$165,909,779				$ 31.65

AQUA PENNSYLVANIA, INC.
CALCULATION OF CUSTOMER COST PER MONTH FOR A 5/8-INCH METER
DIRECT CUSTOMER COSTS ONLY

Cost Function	Cost of Service	Total Units		Cost Per 5/8-inch Meter	Cost Per 5/8-inch Meter Monthly Bill
(1)	(2)	(3)		(4)	(5)
Meters	22,508,265	449,879	5/8-inch Equivalents	$ 50.03	$ 4.17
Services	49,941,608	436,354	3/4-inch Equivalents	114.45	9.54
Billing and Collecting	28,522,334	5,098,293	Bills	5.59	5.59
Meter Reading	157,089	5,098,293	Readings	0.03	0.03
Subtotal Customer Costs	$101,129,296				19.33
Unrecovered Public Fire	24,828,123	449,879	5/8-inch Equivalents	55.19	4.60
Total Customer Costs and Public Fire	$125,957,419				$ 23.93

AQUA PENNSYLVANIA, INC. - BASE WATER

ANALYSIS OF DIRECT CUSTOMER COSTS

Description		Meters	Services	Billing and Collecting	Meter Reading
Operation and Maintenance					
Transmission and Distribution Expenses		$ 5,255,587	$ 1,293,172	$ -	$ -
Customer Accounting				15,869,908	86,590
Transportation Expense		88,055	21,666	260,011	1,451
Worker's Compensation*		14,475	1,781	71,982	402
Advertising Expense		20,222	4,976	59,711	333
Rent - Building		60,985	15,006	180,080	1,005
Rent - Equipment		3,082	758	9,100	51
Subtotal		5,442,406	1,337,359	16,450,792	89,832
Depreciation Expense					
Meters		6,652,575			
Services			9,268,951		
Office Buildings		292,589	71,994	863,969	4,821
Office Furniture and Equipment		2,132,441	524,701	6,296,757	35,133
Transportation Equipment		290,463	71,471	857,691	4,786
Subtotal		9,368,068	9,937,117	8,018,417	44,740
Taxes Other than Income					
Payroll Taxes*		64,820	7,975	322,343	1,799
Assessments		368,246	343,890	357,044	1,979
Subtotal		433,066	351,865	679,387	3,778
Rate Base					
Meters		81,742,264			
Services			468,441,653		
Office Buildings		6,485,381	1,595,771	19,150,294	106,852
Office Furniture and Equipment		9,546,699	2,345,904	28,332,206	156,768
Transportation Equipment		1,104,218	271,314	3,278,152	18,128
Other Rate Base Elements		(6,315,182)	(31,932,153)	(2,248,905)	(12,429)
Subtotal		92,563,380	440,722,489	48,511,747	269,319
Return and Income Taxes @	8.9%	8,238,141	39,224,302	4,317,545	23,969
Other Revenue		(973,416)	(909,034)	(943,807)	(5,230)
Total Direct Customer Costs		22,508,265	49,941,608	28,522,334	157,089

* Based on percentage of Direct Labor Expense to Total Labor Expense as shown below:

Labor Ratio	0.0195	0.0024	0.0970	0.0005

EXHIBIT NO. CEH-2-R

Witness: Gregory R. Herbert
Date: 7/30/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XIII INTERROGATORIES

OCA-XIII-16 Refer to page 273 of the Commission Order entered in Aqua's previous general rate increase request at Docket Numbers R-2021-3027385 and R-2021-3027386. Provide the study and report ordered by the Commission regarding "whether different methods of calculating a flat rate would be more reasonable for some systems rather than applying a system-wide average to each system." Please provide all supplemental documents, reports, supplements, workpapers in native format, or other information which supports Aqua's study and report.

RESPONSE

Please refer to the OCA-XIII-16 - Attachment for the review of average usage by class and Rate Zone.

The Company's rate design as filed utilized the standard industry practice of basing the flat rate on a system-wide average usage per month plus a customer charge in situations where metered water information was unavailable. In order to move toward the Company's goal of single tariff pricing, utilizing a system-wide average usage is reasonable to calculate a flat rate. Flat rates calculated using individual rate zone monthly averages would result in flat rate customers being further away from rate consolidation or single tariff pricing. For example, a flat rate customer in rate zone with a lower monthly usage than the monthly usage in the Main division would experience a greater increase than a metered customer of the same rate zone should they be consolidated to the Main division water or wastewater rates in future rate proceedings.

AQUA PENNSYLVANIA, INC.
WASTEWATER OPERATIONS
TO AVERAGE CUSTOMER CONSUMPTION BY CLASS AND SERVICE AREA ANALYSIS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

Rate Division	Tariff Ref.	Consumption Residential	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Commercial	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Industrial	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Consumption Public	Number of Bills	Average Usage 100 Gallons	Most Common Meter Size	Total Metered Sales
(1)		(2)				(3)				(4)				(5)				(7)
Rate Zone 1	1	1,449,087	49,199	29.45	EDU	1,182,227	5,212	226.85	5/8"	559	12	46.58	5/8"	91,170	373	244.69	5/8"	2,723,043
Rate Zone 1A	1A	707,077	25,945	27.25	5/8"	1,239,728	772	1,605.66	2"									1,946,805
Rate Zone 2	2	365,148	13,250	27.56	EDU	226,084	2,303	98.15	EDU					370	60	6.17	EDU	591,602
Rate Zone 3	3	754,932	27,917	27.04	EDU	49,060	1,452	33.79	EDU									803,992
Rate Zone 4	4	249,769	6,513	38.35	EDU	74,429	1,385	53.73	EDU									324,198
Rate Zone 5	5	264,432	7,015	37.70	EDU	10,587	42	252.07	EDU									275,019
Rate Zone 6	6	213,133	16,719	12.75	EDU	12,642	100	126.29	EDU									225,775
Rate Zone 7	7	2,274,229	58,212	39.07	EDU	1,613,664	28,471	56.68	EDU					31,271	48	651.07	EDU	3,919,164
Rate Zone 8	8	479,298	14,877	32.22	EDU	360,238	406	887.07	EDU					7,101	24	295.88	EDU	846,637
Rate Zone 9	9	4,543,820	119,214	38.11	EDU	2,781,963	83,401	33.36	EDU	3,189	107	29.92	EDU	89,566	1,249	71.73	EDU	7,418,538
Rate Zone 10	10	1,913,530	53,168	35.99	EDU	1,540,066	3,998	385.21	EDU									3,453,596
Rate Zone 11	11	907,472	24,659	36.80	EDU	180,929	5,187	34.88	EDU					2,340	37	64.11	EDU	1,090,741
Rate Zone 12	12	5,460,238	131,928	41.39	EDU	688,711	10,712	64.29	EDU					22,674	85	267.28	EDU	6,171,622
Rate Zone 13*	13				Unmetered	202,313	120	1,685.94	EDU	48,361	36	1,343.36	EDU				Unmetered	250,674
Rate Zone 14	14	130,704	3,240	40.34	EDU	6,496	12	541.33	EDU									137,200
Total		19,712,869	551,856	35.72		10,169,137	143,573	70.83		52,109	155	337.06		244,492	1,875	130.43		30,178,607

*Rate Zone 13 includes only unmetered Residential and Public class customers in the Historic Test Year. Commercial and Industrial amounts reflect the high volume users.

EXHIBIT NO. CEH-3-R

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

COMPARISON OF PRO FORMA COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Customer Classification	Pro Forma COS - FPFTY Exclude Contrib. Amount	Pro Forma COS - FPFTY Exclude Contrib. Percent of Total	Pro Forma Revenues Under Present Rates Amount	Pro Forma Revenues Under Present Rates Percent of Total	Pro Forma Revenues Under Proposed Rates Exclude Contrib. Amount	Pro Forma Revenues Under Proposed Rates Exclude Contrib. Percent of Total	Proposed Increase Amount	Proposed Increase Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	$ 2,819,285	68.9%	$ 1,450,143	79.6%	$ 2,069,612	78.9%	$ 619,469	42.7%
Commercial	571,472	14.0%	219,644	12.1%	303,691	11.6%	84,047	38.3%
Industrial	421,234	10.3%	63,892	3.5%	102,182	3.9%	38,290	59.9%
Public	219,869	5.4%	56,977	3.1%	90,991	3.5%	34,013	59.7%
Private Fire Protection	23,251	0.6%	23,096	1.3%	23,096	0.9%	-	0.0%
Public Fire Protection	34,717	0.8%	8,170	0.4%	34,820	1.3%	26,650	326.2%
Total Tariff Sales of Water	4,089,829	100.0%	1,821,922	100.0%	2,624,391	100.0%	802,469	44.0%
Other Water Revenues	6,383		6,383		6,383		-	0.0%
Subtotal Other Revenue	6,383		6,383		6,383		-	
Total	$ 4,096,212		$ 1,828,305		$ 2,630,774		$ 802,469	43.9%

Exhibit CEH-3-R
Page 1 of 2

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

COMPARISON OF PRO FORMA COST OF SERVICE WITH REVENUES UNDER PRESENT AND I&E PROPOSED RATES - WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Customer Classification	Pro Forma COS - FPFTY Exclude Contrib. Amount	Pro Forma COS - FPFTY Exclude Contrib. Percent of Total	Pro Forma Revenues Under Present Rates Amount	Pro Forma Revenues Under Present Rates Percent of Total	Pro Forma I&E Revenues Under Proposed Rates Exclude Contrib. Amount	Pro Forma I&E Revenues Under Proposed Rates Exclude Contrib. Percent of Total	Proposed Increase Amount	Proposed Increase Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	$ 2,819,285	68.9%	$ 1,450,143	79.6%	$ 2,553,497	82.9%	$ 1,103,354	76.1%
Commercial	571,472	14.0%	219,644	12.1%	303,691	9.9%	84,047	38.3%
Industrial	421,234	10.3%	63,892	3.5%	102,182	3.3%	38,290	59.9%
Public	219,869	5.4%	56,977	3.1%	90,171	2.9%	33,194	58.3%
Private Fire Protection	23,251	0.6%	23,096	1.3%	23,096	0.7%	-	0.0%
Public Fire Protection	34,717	0.8%	8,170	0.4%	8,675	0.3%	505	6.2%
Total Tariff Sales of Water	4,089,829	100.0%	1,821,922	100.0%	3,081,312	100.0%	1,259,390	69.1%
Other Water Revenues	6,383		6,383		6,383		-	0.0%
Subtotal Other Revenue	6,383		6,383		6,383		-	
Total	$ 4,096,212		$ 1,828,305		$ 3,087,695		$ 1,259,390	68.9%

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF JOHN J. SPANOS

Topics Addressed:

Depreciation

DATE SERVED: September 12, 2024
DATE ADMITTED: _____

Aqua Statement No. 6-R

Aqua Statement No. 6-R

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

REBUTTAL TESTIMONY OF JOHN J. SPANOS

Q. Please state your name and address.

A. My name is John J. Spanos. My business address is 207 Senate Avenue, Camp Hill, Pennsylvania 17011.

Q. With what firm are you associated and in what capacity?

A. I am associated with the firm of Gannett Fleming Valuation and Rate Consultants, LLC ("Gannett Fleming") as President.

Q. How long have you been associated with Gannett Fleming?

A. I have been associated with the firm since June 1986.

Q. Have you previously filed testimony in this matter?

A. Yes, I previously submitted Aqua Statement No. 6.

Q. What is the purpose of your rebuttal testimony?

A. My rebuttal testimony responds to the depreciation-related testimony of Brian C. Andrews on behalf of the Pennsylvania Office of Consumer Advocate ("OCA"). Mr. Andrews has proposed the use of the Average Life Group ("ALG") procedure to calculate depreciation expense and depreciation annual accrual rates in an effort to "mitigate the rate increases associated with Aqua PA's accelerated investment to upgrade its infrastructure."[1]

[1] OCA Statement No. 4, p. 3, lines 12-13.

Q. Please summarize your rebuttal testimony.

A. Mr. Andrews has proposed a reduction in depreciation expense of $14.1 million based on an issue that the Commission has already clearly addressed and decided consistently for almost 40 years. The issue relates to the depreciation procedure that Aqua Pennsylvania, Inc. has been utilizing for developing depreciation rates and expense for 40 years. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua" or the "Company") uses the Equal Life Group ("ELG") procedure rather than the ALG procedure. The Average Life Group procedure is most commonly referred to, in Pennsylvania, as the Average Service Life ("ASL") procedure. The use of the ELG procedure was established with the Pennsylvania Public Utility Commission ("PUC" or the "Commission") during the 1980s and has been used by most utilities within the Commonwealth of Pennsylvania to calculate depreciation expense and annual depreciation accrual rates since that time.

In my testimony, I will address the following topics. First, I will discuss Mr. Andrews's misunderstanding of the ELG methodology and its application within the Commonwealth of Pennsylvania. Second, I will explain the impact of proposing such a radical reduction of depreciation expense for the Company. Third, I will explain why the recent decisions regarding ELG in other state jurisdictions that Mr. Andrews uses to support his ALG proposal are not applicable in this case. And lastly, I will show that the Company's proposed composite annual depreciation accrual rate of 2.39%, calculated as of December 31, 2025 for the water base operations, is consistent with the range of composite annual

depreciation accrual rates of other water utilities within the United States regardless of the depreciation procedure utilized. A similar presentation for wastewater assets will be set forth. This discussion will include all procedure and method issues surrounding other Aqua entities that Mr. Andrews presents.

II. EQUAL LIFE GROUP VS AVERAGE LIFE GROUP

Q. What is the equal life group procedure?

A. For the ELG procedure, a group of property (e.g., a vintage within a property account) is subdivided into groups having equal service lives. The size of these "equal life groups" is based on the estimated survivor characteristics of the account. Depreciation can then be calculated for each equal life group based on the straight line method, meaning that an equal amount of the group's service value is recorded as depreciation expense in each year of service. The total depreciation for an account is the summation of the calculated depreciation for each equal life group. Based on the survivor curve estimate for an account, the ELG procedure mathematically estimates the life for each unit in the account, and then depreciates each unit over its expected life. The procedure is also known as the Unit Summation Procedure.

Q. How does the ELG procedure differ from the ASL (also referred to as ALG) procedure?

A. While the ELG procedure calculates depreciation for each equal life group, the ASL (or ALG) procedure depreciates every asset within an account over the average life of the entire account. Using equal life groups, rather than an average life, as the basis for depreciation provides a more precise calculation that better

matches recovery with consumption of assets by depreciating assets that have shorter lives than the average over their shorter lives (and the longer-lived assets over their longer lives) as opposed to depreciating all assets over the average life for the group.

Q. Is ELG supported by depreciation authorities?

A. Yes. ELG is discussed and supported in authoritative depreciation texts and academic literature. For example, Robley Winfrey, who developed the Iowa survivor curves at Iowa State University and is regarded as a pioneer of utility depreciation practices, referred to the ELG procedure as "the only mathematically correct procedure."[2]

Depreciation Systems by Wolf and Fitch, also supports the appropriateness of ELG stating, "Application of the equal life group procedure is generally considered to better match the consumption of capital with service provided than does application of the average life procedure."[3]

Q. Please explain how depreciation is determined using the ELG procedure.

A. A simple two-unit example will demonstrate how the ELG procedure more appropriately matches cost recovery to consumption than the ASL procedure. In this example, each unit costs $1,000. Unit A will be in service for 5 years, and unit B will be in service for 15 years. There is no net salvage for these units.

For the ASL procedure, the average service life for the two units is 10 years ([5+15]/2), so the annual depreciation rate is 10% (1/10) throughout the lives of

[2] Robley Winfrey, Depreciation of Group Properties, Bulletin 155 (Ames, IA: Iowa State University Press, 1942, reprinted 1969); p. 71

[3] Frank K. Wolf and W. Chester Fitch, *Depreciation Systems* (Ames, IA: Iowa State University Press, 1994); p.75

both units. For the first five years, the total annual depreciation amount is $200 ($2,000 x 10%). At the end of year 5, the total of the annual accruals for the account is $1,000 ($200 x 5). Unit A is then retired, which results in a reduction in the plant in service and accumulated depreciation of $1,000, consistent with established plant retirement procedure. At the start of year 6, Unit B remains in service with an accumulated depreciation balance of $0. At this point, one-third of Unit B's service life has expired, and its full original cost must still be recovered.

For the remaining 10 years, $100 ($1,000 x 10%) of annual expense is accumulated in depreciation, for a total of $1,000 when Unit B is retired. Thus, at the time of Unit B's retirement, the Company will have fully recovered the total depreciable cost of both units. However, at the end of year five, only one unit remained in service with two-thirds of its life expectancy left but with 100% of that unit's original investment still to be recovered. As a result, the ASL procedure is ineffective in matching cost recovery to the actual consumption of the asset. This is a characteristic deficiency of the ASL procedure.

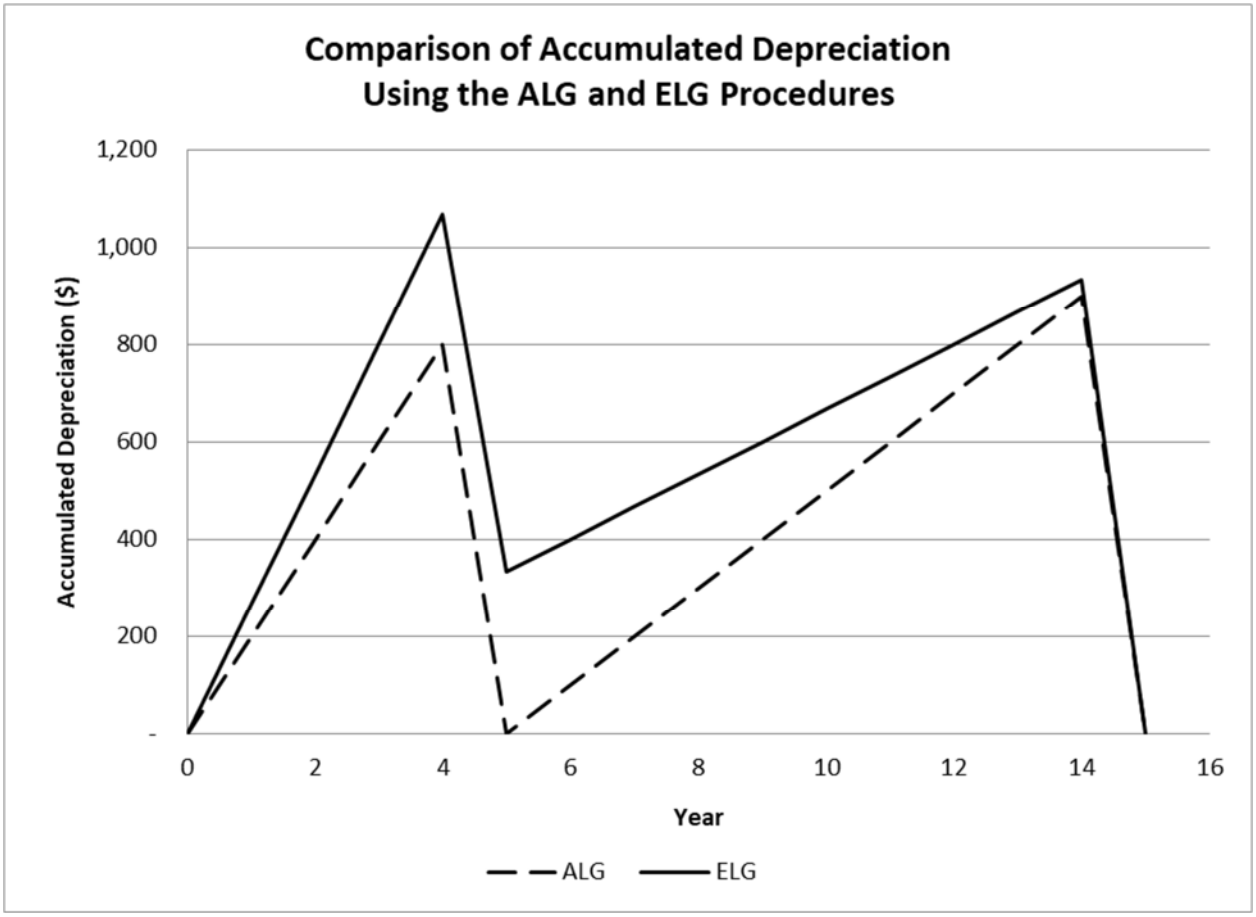
When depreciation is determined using the ELG procedure, the pattern of cost recovery better matches actual consumption. Using the same two-unit example, the annual depreciation expense under the ELG procedure is calculated by summing the annual expense for each equal life group. In this case, there are two equal life groups – one for Unit A, which has a life of 5 years, and one for Unit B, which has a life of 15 years. The annual depreciation rate for Unit A is 20% (1/5) and for Unit B is 6.67% (1/15). Thus, the annual accruals for years 1 through 5 will be $200 ($1,000 x 20%) for the first equal life group (Unit A) summed with

$66.67 ($1,000 x 6.67%) for the second (Unit B), or $266.67. At the end of year 5, when Unit A is retired, the total accruals would be $1,333.33 ($266.67 x 5). The retirement of Unit A results in a reduction of $1,000 in accumulated depreciation, and at the start of year 6, the $1,000 original cost of Unit B remains with $333.33 in accumulated depreciation. Thus, with one-third of Unit B's life consumed, accumulated depreciation is exactly one-third of the original cost for this unit.

In the years 6 through 15, the annual depreciation expense is $66.67 for a total of $666.67 over the 10-year period. After the retirement of Unit B, the accumulated depreciation is $0 ($1,000 of accruals less the $1,000 retirement of Unit B), and the full recovery of both units has been obtained.

As this example shows, the ELG procedure better matches the cost recovery of both units with their actual service lives. Figure 1 below provides a graph of the accumulated depreciation for both procedures. The end of year 5 provides the best illustration of the difference between the two procedures. Under the ELG procedure, Unit A is fully recovered when retired at the end of year 5; Unit B is one-third through its service life and has had one-third of its cost recovered. This contrasts with the ASL procedure, in which accumulated depreciation is $0 at the end of year 5, even though the only unit remaining in service has consumed one-third of its service life. Clearly, the ELG procedure provides a better match regarding the consumption of the service value for the two units. Additionally, rate base under ELG at the end of year 5 is $667 (=$1,000-$333) versus $1,000 (=$1,000 - $0) under ASL.

Figure 1. Comparison of Accumulated Depreciation Using the ALG and ELG Procedures



Q. You have provided a simple two-unit example demonstrating how ELG works. Do the same principles apply to larger property groups with many units?

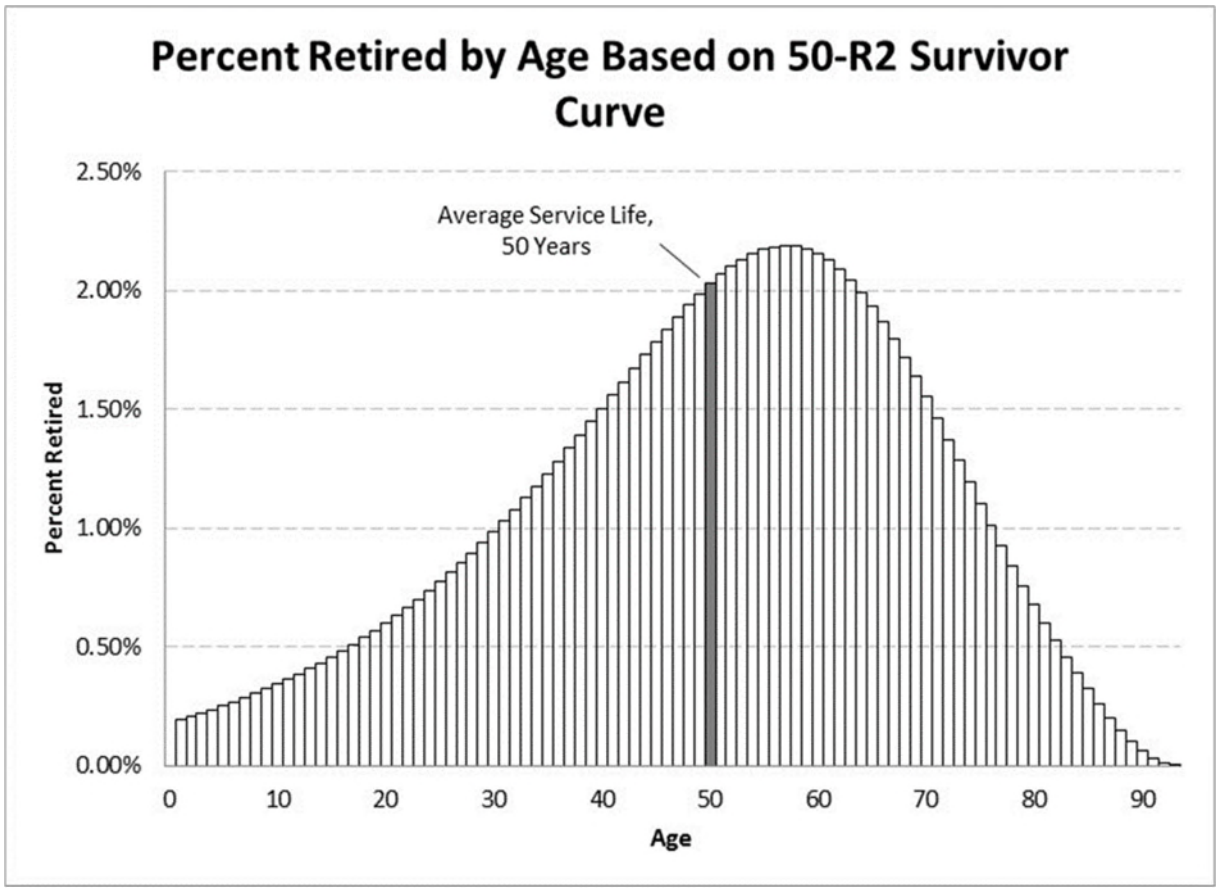
A. Yes. The same principles apply when the ELG procedure is applied to a large group of property with many units, as is typical of utility property. The survivor curve estimated for each property account can be used to divide an account into equal life groups. The survivor curve allows for the calculation of the percentage of the property account that is in each equal life group, which allows for the calculation of ELG annual depreciation accruals for the entire property group.

Under the ASL procedure, the depreciation expense for all property in the account is calculated based on the average service life for the entire group.

The ELG procedure recognizes the reality of dispersion. Specifically, it recognizes that in actual utility operations only a very small percentage of the account will be retired at the average service life. Figure 2 below is a chart of the frequency curve for the 50-R2 survivor curve. The frequency curve shows the percentage of property in this account that will be retired at each age, based on the estimated survivor curve. This percentage is also the size of each equal life group.

The shaded bar in Figure 2 represents the percentage of property that will have a life of 50 years. In other words, this shows the percentage of property that is expected to be in service for the average service life. Only 2.07% of the assets will be in service for exactly 50 years. In contrast, a majority, 97.93%, of the assets will have a service life different than 50 years.

Figure 2. Percent Retired by Age Based on 50-R2 Survivor Curve



The ELG procedure recognizes this dispersion and allocates costs for each equal life group over the expected life for that group. The service lives indicated by the 50-R2 survivor curves range from 1 year to 93 years. As a result, the ELG procedure allocates cost in a manner that approximates the result of each asset being depreciated over its actual life. Conversely, the ASL procedure depreciates every unit of property within an account over the same life, that is, the average life. As Figure 2 shows, this average life will be incorrect most of the time – in this example, the average life will be the wrong life for 97.93% of the individual assets.

Just as in the case for the two-unit example provided above, the ELG procedure better matches capital recovery with the actual lives forecast by the

estimated survivor curve.

III. PENNSYLVANIA PRECEDENT

Q. Is the ELG procedure supported by other depreciation authorities?

A. Yes. ELG is discussed and supported in authoritative depreciation texts and academic literature. As noted previously, Robley Winfrey, who developed the Iowa survivor curves that are universally used in estimating service lives based on historical retirement data, referred to the ELG procedure as "the only mathematically correct procedure." [4]

Q. Are other commissions implementing the ELG procedure given the current regulatory environment?

A. Yes. The ELG procedure is being utilized for some utilities by the Texas Railroad Commission. It is also used in jurisdictions in Canada. The Federal Communications Commission ("FCC") first adopted ELG in the 1980s in the context of rapid technological change in the telecommunications industry at that time.[5]

ELG has also been adopted recently in Colorado in response to significant technological and regulatory changes facing the gas industry.[6] For similar reasons, New York is also considering ELG in an active statewide case.[7]

[4] Robley Winfrey, Depreciation of Group Properties, Bulletin 155 (Ames, IA: Iowa State University Press, 1942, reprinted 1969); p. 71.
[5] See, Id., pages 172 through 175 for a discussion of the use of the ELG procedure in the telecommunications industry.
[6] Decision No. C22-0642 in Proceeding No. 22AL-0046G p. 51, lines 161-163.
[7] New York State Department of Public Service Cases 24-E-0322 and 24-G-0323.

Q. Has the ELG procedure been previously adopted in Pennsylvania?

A. Yes. ELG is the predominant method used in Pennsylvania and has been for many years. Most Pennsylvania gas, electric and water utilities have used the ELG procedure since the 1980s. ELG was adopted for Aqua in the 1980s related to vintages subsequent to 1983 and then related to all vintages in a later case and has been used for depreciation since this approval.[8] Approximately every five years beginning in the mid-1980s, the Company has filed a service life study report with the PUC for approval based on Commission regulations. In 2020, Aqua submitted its most recent five-year service life study report to the Commission and all depreciation parameters and methods, including the use of the ELG procedure, were approved. Additionally, Aqua submits annual depreciation reports to the Commission each year updating the Company's depreciation accrual rates for book purposes as well as identifying the underlying depreciation parameters and calculation methods and procedures used to determine depreciation expense. Under the Commission's regulation 52 Pa. Code §73.9(c), once such depreciation reports are filed and accepted "*[i]n subsequent ratemaking proceedings, the most recent annual depreciation report or service life study approved or deemed approved for accounting purposes only under this chapter, constitutes a rebuttable presumption as to the reasonableness of the accrued depreciation claimed for ratemaking purposes, and the burden of proving the unreasonableness of the accrued depreciation shall be on the challenging party*."

[8] ELG was adopted for many Pennsylvania utilities in the 1980s on a go-forward basis. For this reason, vintages of plant subsequent to the adoption of ELG use ELG while older vintages use ASL. In the early 2000s, Aqua moved to ELG for all vintages.

Q. Are the Company's current depreciation rates based on the ELG procedure?

A. Yes. The Company's most recent annual depreciation report was filed on June 30, 2024, and its most recent service life study was filed in August 2020. All have been approved for accounting purposes using the ELG procedure. The ELG procedure was also adopted in the most recent rate case, Docket No. R-2021-3027385 and R-2021-3027386.

Q. Since the use of ELG is the predominant and longstanding practice in Pennsylvania, has Mr. Andrews provided evidentiary support for his recommendation that the Company should deviate from this practice?

A. No. Mr. Andrews has provided very little evidence to support why the ALG method is more appropriate than ELG. None of Mr. Andrews's arguments support overturning longstanding precedent despite having the burden of doing so under 52 Pa. Code §73.9(c). He appears to disagree with ELG simply because it can produce higher depreciation rates, but he provides no evidence for why lower depreciation rates are more appropriate.

He offers minimal justification to support his claim that the Company's approved depreciation rates or calculation procedures, which are based on longstanding precedent, are unreasonable. Further, Mr. Andrews ignores the issue of precedent, in effect only arguing that his proposal should be adopted because it results in lower depreciation expense and a short-term reduction in rates for current customers.

However, as I will explain, Mr. Andrews is incorrect that the longstanding use of ELG costs customers more than ASL. In fact, the opposite is true. Current

customers benefit from the continued use of ELG, because rate base is lower than had ASL been used during this time. The more precise recovery through ELG benefits customers over time, because shorter-lived assets are correctly recovered over their useful lives, resulting in a lower rate base and lower return on rate base that exceeds the higher annual depreciation expense. Further, the alleged benefit proposed by Mr. Andrews, of lower short-term rates, is the result of the *change* in procedure, not from the procedure itself. Over time, the ASL depreciation rates will result in a higher rate base and higher overall cost to customers.

IV. DEPRECIATION AND RATE BASE

Q. How does Mr. Andrews discuss the impact of ELG on customer rates?

A. Mr. Andrews states on page 22, lines 5 to 15 of his testimony "Utilities typically only update their depreciation expense recovered from customers in the context of a rate case, which is often not an every year occurrence. When depreciation rates for new assets are proposed using the ELG procedure, the rates put forward for approval would be analogous to the year 1 depreciation rate in this example. Therefore, if the ELG method were approved in a depreciation study, given this example and left in place for 10 years, the effective depreciation rate would be 34.38% every year. To be just to consumers and to produce reasonable rates, ELG depreciation rates should be updated each year and the corresponding depreciation expense adjusted in base rates; however, the ELG depreciation rates are not properly implemented and create intergenerational inequities, significantly overcharging customers in base rates based on the higher depreciation rates in earlier years."

Q. Does Aqua perform regular rate cases?

A. Yes. Including the instant rate case, Aqua has performed 3 rate cases since 2018.

Q. Is Aqua required by Pennsylvania regulations to update its depreciation expense and annual depreciation accrual rates each year by filing an Annual Depreciation Report?

A. Yes.

Q. Does Aqua's proposed ELG depreciation rates meet Mr. Andrews' stated requirements for ELG depreciation rates "to be just to consumers and to produce reasonable rates?"

A. Absolutely yes.

Q. Please explain this concept further.

A. Depreciation impacts customer rates in two ways. Depreciation expense is a direct component of the revenue requirement; however, accumulated depreciation[9] is also a *reduction* to rate base. A higher level of accumulated depreciation results in a lower rate base, a lower return on rate base and, therefore, lower customer rates when compared to a lower level of accumulated depreciation.

The implication of Mr. Andrews' testimony is that a utility has an incentive for higher depreciation because it results in higher customer rates, and thus more cash flow for the Company. However, in the long term, his description of the rate impact is fundamentally incorrect. Higher depreciation expense will, over time, result in higher accumulated depreciation. Because average depreciation rates

[9] Accumulated depreciation is the depreciation expense recorded to date, less recorded retirements and cost of removal, plus recorded gross salvage.

for a utility are typically in the 2% to 3% range and the return on rate base is higher (typically 7% to 8% or more), higher depreciation expense tends to produce lower customer rates over time. Mr. Andrews' suggestion that a utility has an incentive to "overcharge" for depreciation expense is simply incorrect.

The longstanding use of ELG depreciation rates for Pennsylvania utilities has resulted in a lower rate base than if ASL had been used. Customers today pay lower customer rates than if ASL had been used during the years since ELG's adoption. As a result, it has been in customers' interest not only to use ELG but also to use it consistently.

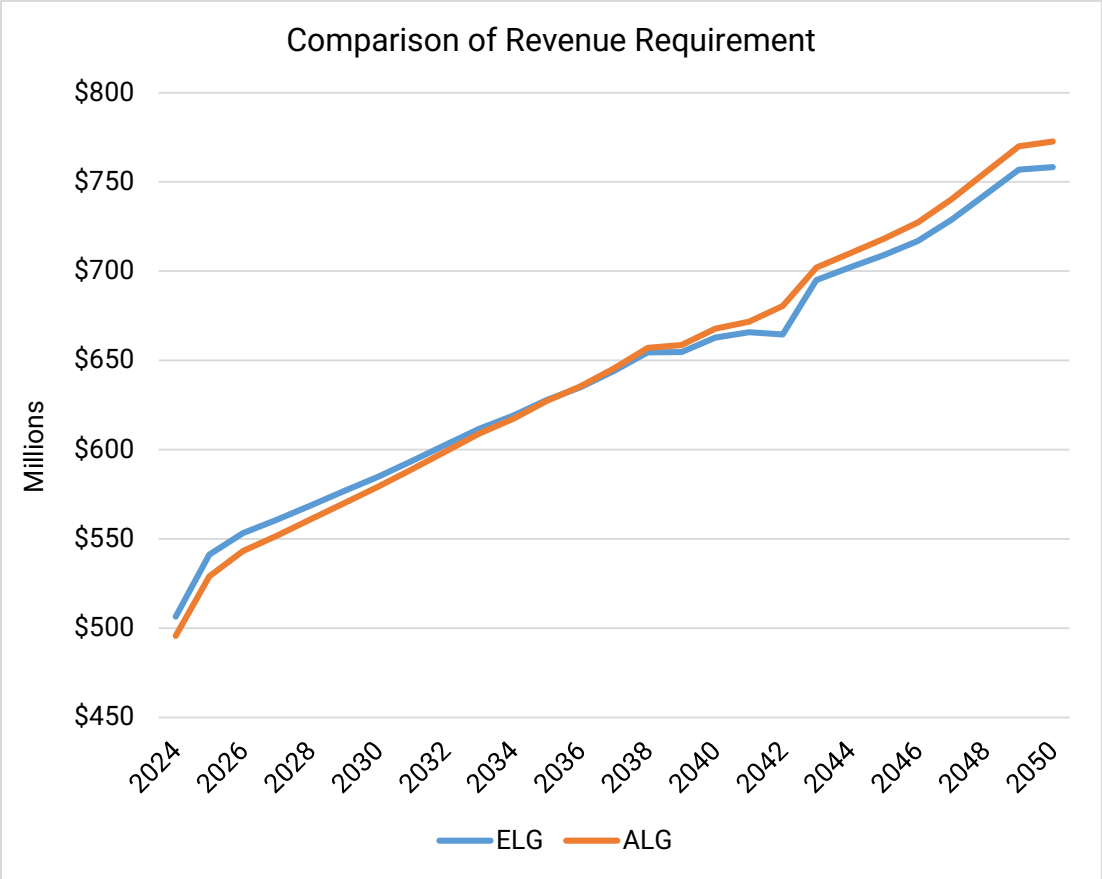
Over time ASL will result in higher customer rates than ELG. It is correct to assume that if the Company were to switch from ELG to ASL there would be a *short*-term benefit to current customers. However, this is not because ASL is in customers' best interest in the long term, but only because current customers would benefit from both lower ASL depreciation rates and from the lower rate base that exists due to the longstanding use of ELG.

Mr. Andrews' proposal is, therefore, not a recommendation that is in the long-term interest of lower customer rates. Instead, it is a short-term subsidy only to current customers who benefit from ELG depreciation rates that were paid by a previous generation of customers. The costs of a higher rate base will be paid for by future customers who will have to pay higher overall customer rates. Adopting ALG would serve as an intergenerational subsidy to current customers at the expense of other generations of customers.

Q. Can you illustrate this concept?

A. Yes. This concept is illustrated in Exhibit No. JJS-1-R, which forecasts plant and reserve balances for Aqua through 2050 under two scenarios: one adopting the ALG procedure and the other maintaining the currently-approved ELG procedure. Figure 3 below shows a high-level estimate of the Company's revenue requirement for the period 2024 through 2050 under each of these scenarios. This demonstrates that while ELG leads to higher depreciation expenses in the short term, it results in lower revenue requirements over the long term. The ELG approach is arguably more beneficial to customers as it provides more stable and lower rates over time.

Figure 3. Comparison of Revenue Requirement



V. INTERGENERATIONAL INEQUITY

Q. Please explain the concept of "intergenerational equity."

A. Intergenerational equity is a ratemaking principle in which customers receiving the benefit from the use of an asset (e.g., from water utility property used to provide water service) are the same customers who pay for the cost of that asset - no more, no less. There are two related concepts when considering intergenerational equity as it pertains to depreciation. The first is the inequity that results when customers pay for assets from which they receive no service. For example, if an asset is retired before becoming fully depreciated, then customers subsequent to the retirement will have to pay for an asset from which they are not receiving service. This is less equitable, as one generation of customers bears the cost of an asset that does not provide service to them. Depreciation rates should be designed to avoid this outcome. However, in real-world operations, circumstances can change such that assets are retired earlier than expected. This result is different than designing depreciation rates to include intergenerational inequity, which can and should be avoided.

The second concept is related to the distribution of depreciation charges over the life of an asset. For example, if depreciation expense is higher in the earlier years of an asset's life and lower in later years (or vice versa), this also is less equitable because one generation of customers pays a higher share than the next.

In my professional opinion, the first concept related to intergenerational equity can be more detrimental to customers than the second. That is, there is greater inequity resulting from a customer paying for an asset from which they

received no service than the inequity resulting from one generation paying a somewhat different share of the same asset than another generation.

Q. How does the ELG procedure calculate depreciation expense?

A. The ELG procedure calculates depreciation expense for assets with like lives within a depreciable group in accordance with the Iowa Survivor Curve proposed for the account and summing that depreciation expense for each similar life group of assets to develop an annual depreciation accrual rate applicable to the depreciable group. This procedure is designed to more appropriately match the recovery of the assets' costs to the period of time over which they are providing service to rate payers.

Q. How does the ALG procedure calculate depreciation expense?

A. The ALG procedure calculates depreciation expense by applying the same average service life from the proposed Iowa Survivor Curve to all assets within a depreciable group rather than grouping assets within a depreciable group by like lives. The ALG procedure operates with the assumption that some of the assets within a depreciable group will retire prior the average service life applied to the depreciable group and other assets will survive longer than the average service life applied to the depreciable group. Continuing, the ALG procedures assumes the over-recovery of the assets surviving longer than the average service life will offset the amount of the under-recovery of the assets retiring prior to reaching the average service life of the depreciable group.

Q. Does the use of ELG versus ALG or vice versa impact the total amount of asset cost to be recovered?

A. No. Both procedures are designed to recover the total service value of an asset over the asset's service life.

Q. Has Mr. Andrews claimed that the ELG procedure produces intergenerational inequity?

A. Yes.[10]

Q. Why does Mr. Andrews make that claim?

A. Given the precise nature of the calculation process utilized in the ELG procedure, the level of depreciation expense associated with assets that are younger than the proposed average service life is higher than depreciation expense using the ALG procedure. Conversely, as the assets mature and the lives grow longer, the level of depreciation expense associated with assets that are older than the proposed average service life is lower than depreciation expense using the ALG procedure. Mr. Andrews' claim focuses on the higher level of depreciation expense calculated for younger assets while disregarding the associated lower level of depreciation expense calculated associated with the older, more mature assets within the depreciable group. Mr. Andrews misrepresents this more accurate allocation of depreciation expense as intergenerational inequity.

Q. Does the use of the ELG procedure produce intergenerational inequity?

A. No, quite the opposite. The very nature of the ELG procedure more precisely calculates depreciation expense for assets with like lives within a depreciable group and sums that expense to develop an annual depreciation accrual rate applicable to the depreciable group. As a result, it more appropriately matches the

[10] OCA Statement No. 4, pp. 23, lines 1-9.

recovery of the asset's cost to the period of time over which it is providing service to rate payers.

In contrast, there is a stronger argument that the ASL procedure results in intergenerational inequity. Because depreciation expense on shorter-lived assets occurs over the average service life, recovery for these assets is deferred. ELG produces a more equitable recovery by recovering these costs over the actual, shorter, service lives.

Q. Does the use of the ELG procedure require the calculation of annual depreciation rates to be updated more frequently than the ALG procedure to prevent intergenerational inequity?

A. No. Regardless of the procedure selected, the calculation of depreciation expense and annual depreciation accrual rates should be updated regularly to prevent intergenerational inequity and the inherent variable of plant activity.

Q. How frequently does Pennsylvania regulation require the calculation of depreciation rates?

A. Pennsylvania regulation requires utilities operating within the state to calculate and file updated depreciation rates annually. This annual requirement alleviates concern for the development of generational inequity.[11]

VI. RATE BASE FOR FORECASTED TEST YEAR

Q. What is the appropriate process for calculating the proposed depreciation expense and annual depreciation accrual rates during a rate case in Pennsylvania?

[11] Robley Winfrey, Depreciation of Group Properties, Bulletin 155 (Ames, IA: Iowa State University Press, 1942, reprinted 1969); p. 71.

A. Pennsylvania provides for the calculation of proposed depreciation expense and annual depreciation accrual rates as of a Fully Projected Future Test Year ("FPFTY") date. This requires the development of plant and reserve balances as of the FPFTY. In the instant case, the FPFTY date is December 31, 2025.

Q. Please explain how the FPFTY levels of plant and accumulated depreciation (or "book reserve") are developed.

A. The process begins with the calculation of depreciation expense and annual deprecation accrual rates as of a Historical Test Year ("HTY") which is completed using historical, or actual, levels of plant and reserve. In the instant case, the HTY date is December 31, 2023. Once depreciation expense and annual depreciation accrual rates are calculated as of the HTY date, they are utilized along with projected levels of plant activity to develop the plant values and bring forward the book reserve to a Future Test Year ("FTY") date at which the levels of depreciation expense and annual depreciation accrual rates are calculated again. In the instant case, the FTY date is December 31, 2024. The final step to calculate the proposed depreciation expense and annual depreciation accrual rates is to utilize the FTY depreciation expense and annual depreciation accrual rates along with projected levels of plant activity to develop the plant values and bring forward the reserve to a FPFTY date where the proposed levels of depreciation expense and annual depreciation rates are calculated. In the instant case, the FPFTY date is December 31, 2025.

Q. Is it important to maintain a consistent process and procedures during the calculations described above?

A. Yes, it is. Maintaining a consistent process and procedures eliminates the possibility of unnecessary swings in the level of depreciation expense and annual depreciation accrual rates such as what Mr. Andrews is proposing.

Q. Please describe how Mr. Andrews has deviated from the Pennsylvania process described above.

A. Mr. Andrews appears to have developed a FPFTY book reserve by applying the proposed ALG alternative procedure, however, his results are not consistent with the proper methodology as he presents for December 31, 2025.

Q. What is the difference in Mr. Andrews' proposed FPFTY book reserve and depreciation expense?

A. Mr. Andrews has calculated a total book reserve that is approximately $356,000 too high for the combined water and wastewater systems. Almost all of the difference relates to the water base operations. With a book reserve that is $356,000 too high the impact on depreciation expense as of the December 31, 2025 as proposed by Mr. Andrews is not only the $14.1 million less than what is presented in the depreciation study due to the unnecessary change to the ALG procedure but also a component of the $14.1 million is due to utilization of the incorrect book reserve.

Q. What is the correct level of the book depreciation reserve as of December 31, 2025 for Aqua if Mr. Andrews proposal using the average life group is utilized?

A. The attached Exhibit JJS-2-R sets forth the proper development of the projected book reserve for Aqua as of December 31, 2025 using the ALG procedure for both

water systems and all three wastewater systems. This is a total reduction in book depreciation reserve of $356,191 compared to what Mr. Andrews has presented. The difference in the combined water base and Shenandoah Water system book reserve is $355,390. The difference in the combined wastewater base, Lower Makefield and East Whiteland system book reserve is only $801 due to the ownership for the wastewater assets has been so short. This means that the total rate base for Aqua should be increased by $356,191 for developing depreciation rates and expense as of December 31, 2025 using Mr. Andrews methodology.

Q. Has Mr. Andrews provided decisions regarding ELG procedure from other jurisdictions to support his proposed use of the ALG procedure?

A. Yes. Mr. Andrews cites decisions from Indiana and Kentucky to support his proposal of the ALG procedure in this case.

Q. Why are the Indiana and Kentucky decisions not applicable to the instant case?

A. Both the decisions referenced by Mr. Andrews were cases involving electric utilities with an asset base including electric generation, transmission and distribution assets. These are significantly different assets than those of a water or wastewater utility with significantly different costs associated with them, and more importantly, they are assets that are being recovered over much shorter remaining lives than originally planned.

Q. Was the Indiana decision referenced in Mr. Andrews's direct testimony based on a "change in landscape" and a "higher than average investment cycle"?

A. Yes. I have provided an excerpt from the Indiana decision referenced by Mr. Andrews below citing to both "a changed landscape" and "a higher than average investment cycle" as the basis of the Indiana Utility Regulatory Commission decision.

> While we have determined in the past that the ELG methodology was appropriate and acknowledge the weight given to precedent in many prior decisions, we always evaluate each case as it comes before us and do not need to approve the same methodology based on prior decisions, especially in light of a changed landscape. The use of ELG in a higher than average investment cycle has the effect of unnecessarily increasing the near term depreciation expense as compared to the use of ALG.[12]

Q. Does "a changed landscape" exist for Aqua?

A. No. Aqua is operating within the same "landscape" that has existed for its three most recent rate cases. The ELG procedure has been proposed and approved in each of those rate cases. There has been growth via acquisition for both water and wastewater assets, the overall landscape is not comparable to the examples provided in Mr. Andrews testimony.

Q. Is the level of growth for Aqua expected to continue into the future?

A. Yes. Aqua is not in a short term higher than average investment cycle as Mr. Andrews describes in his testimony. The current plans show considerable amounts of system improvements and there are potential acquisitions of wastewater systems that will offer improved service for customers.

Q. Is the Company's proposed 2.39% composite depreciation rate for water base operations calculated using the ELG procedure as of December 31, 2025 reasonable and consistent with comparable water utilities in the United

[12] Final Order, Cause No. 45253, p. 90.

States?

A. Yes. In fact, in reviewing the composite depreciation rate utilized by various other water utilities one can see the average exceeds 2.39%. The attached Exhibit No. JJS-3-R sets forth composite depreciation rates of comparable water utilities. Also, included within Exhibit No. JJS-3-R is a comparison of composite depreciation rates for wastewater utilities.

Q. Is the proposed 2.17% composite depreciation rate calculated by Mr. Andrews using the ALG procedure as of December 31, 2025 reasonable and consistent with other water utilities in the United States?

A. No, the 2.17% composite depreciation rate proposed by Mr. Andrews for the water base operations is unreasonably low and inconsistent with other water utilities in the industry. This is particularly low for the type of asset mix that is part of the water base operations. Additionally, the Company has been properly conducting annual depreciation updates per regulations which confirm a consistent recovery pattern for the asset utilization. It should also be noted that a composite rate for wastewater base operations below 2.00 percent is also unreasonably low.

Q. Has Mr. Andrews also attempted to compare Aqua depreciation procedures to the other Aqua entities?

A. Yes. however, he only attempts to compare the depreciation procedure and not all the other key factors that need to be considered when determining comparable information.

Q. Can you identify some of the other key factors between the Aqua entities that Mr. Andrews ignores?

A. Yes. First, some of the other Aqua entities utilize the straight line, remaining life method while others use whole life. Second, some have an asset mix that includes major treatment facilities with surface water and others utilize small treatment facilities and wells. Third, some include a net salvage accrual in rates while Pennsylvania uses amortization of net salvage after incurred approach. Fourth, some include an asset mix that has a high percentage of acquired assets that have been determined with different market values. Fifth, wastewater assets have not been regulated nearly as long as water so the development of rates will be influenced by the percentage of acquired assets to original assets.

Q. You were the witness supporting depreciation expense claims by the other Aqua entities. Is there any inconsistency in your supporting different depreciation methods in different jurisdictions?

A. No. In other jurisdictions, and at the direction of the utility involved, I presented depreciation calculations in accordance with established procedures in those jurisdictions.

Q. Does this complete your Prepared Rebuttal Testimony?

A. Yes, it does.

EXHIBIT NO. JJS-1-R

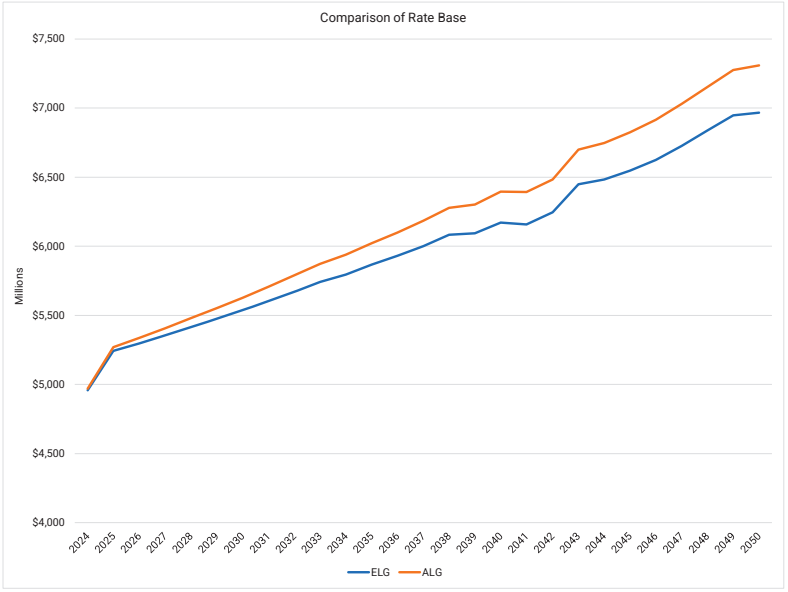
AQUA PENNSYLVANIA, INC.

Assumptions

0 *Future Net Salvage*

8.0% *Rate of Return*

		EQUAL LIFE GROUP								AVERAGE LIFE GROUP									
TEST YEAR	AVERAGE ORIGINAL COST	BOOK RESERVE	COMPOSITE REMAINING LIFE	FUTURE ACCRUALS	EXPENSE	RATE	RETURN	REVENUE REQUIREMENT	RATE BASE	BOOK RESERVE	COMPOSITE REMAINING LIFE	FUTURE ACCRUALS	EXPENSE	RATE	RETURN	REVENUE REQUIREMENT	RATE BASE	RETIREMENTS	NET SALVAGE
2023	6,058,209,818	1,364,198,515	42.7	4,694,011,303						1,364,198,515	47.8	4,694,011,303							
2024	6,347,947,195	1,390,076,592	40.7	4,957,870,603	109,957,479	1.73	396,629,648	506,587,127	4,957,870,603	1,378,338,402	46.2	4,969,608,793	98,219,289	1.55	397,568,703	495,787,992	4,969,608,793	84,079,402	-
2025	6,703,189,264	1,459,854,642	40.5	5,243,334,621	121,848,841	1.82	419,466,770	541,315,611	5,243,334,621	1,433,835,847	45.2	5,269,353,417	107,568,235	1.60	421,548,273	529,116,508	5,269,353,417	52,070,790	-
2026	6,840,205,659	1,543,659,304	40.0	5,296,546,355	129,525,250	1.89	423,723,708	553,248,958	5,296,546,355	1,504,568,709	44.7	5,335,636,950	116,453,451	1.70	426,850,956	543,304,407	5,335,636,950	45,720,589	-
2027	6,984,232,545	1,629,090,164	39.5	5,355,142,381	132,352,427	1.90	428,411,390	560,763,817	5,355,142,381	1,576,974,386	44.2	5,407,258,159	119,327,243	1.71	432,580,653	551,907,896	5,407,258,159	46,921,567	-
2028	7,131,574,122	1,715,647,534	39.0	5,415,926,588	135,408,602	1.90	433,274,127	568,682,729	5,415,926,588	1,650,528,056	43.6	5,481,046,066	122,404,903	1.72	438,483,685	560,888,588	5,481,046,066	48,851,233	-
2029	7,282,595,719	1,807,680,661	38.5	5,474,915,058	138,832,884	1.91	437,993,205	576,826,089	5,474,915,058	1,729,568,175	43.0	5,553,027,544	125,839,876	1.73	444,242,204	570,082,080	5,553,027,544	46,799,756	-
2030	7,441,876,656	1,906,435,711	38.1	5,535,440,945	142,022,856	1.91	442,835,276	584,858,132	5,535,440,945	1,815,340,430	42.5	5,626,536,227	129,040,061	1.73	450,122,898	579,162,959	5,626,536,227	43,267,806	-
2031	7,610,536,890	2,006,846,230	37.6	5,603,690,661	145,287,307	1.91	448,295,253	593,582,560	5,603,690,661	1,902,736,192	42.0	5,707,800,699	132,272,550	1.74	456,624,056	588,896,606	5,707,800,699	44,876,788	-
2032	7,781,885,907	2,109,065,597	37.2	5,672,820,310	148,923,417	1.91	453,825,625	602,749,042	5,672,820,310	1,991,878,178	41.6	5,790,007,729	135,846,036	1.75	463,200,618	599,046,654	5,790,007,729	46,704,050	-
2033	7,941,395,806	2,199,193,637	37.0	5,742,202,170	152,359,678	1.92	459,376,174	611,735,852	5,742,202,170	2,068,889,140	41.3	5,872,506,666	139,242,600	1.75	469,800,533	609,043,133	5,872,506,666	62,231,638	-
2034	8,105,809,107	2,310,039,066	36.6	5,795,770,042	155,314,506	1.92	463,661,603	618,976,109	5,795,770,042	2,166,597,120	40.9	5,939,211,988	142,177,056	1.75	475,136,959	617,314,015	5,939,211,988	44,469,077	-
2035	8,266,976,635	2,400,291,707	36.5	5,866,684,928	158,527,538	1.92	469,334,794	627,862,332	5,866,684,928	2,243,699,514	40.8	6,023,277,122	145,377,291	1.76	481,862,170	627,239,461	6,023,277,122	68,274,897	-
2036	8,424,898,601	2,494,261,438	36.2	5,930,637,163	160,610,947	1.91	474,450,973	635,061,920	5,930,637,163	2,324,573,625	40.4	6,100,324,976	147,515,327	1.75	488,025,998	635,541,325	6,100,324,976	66,641,216	-
2037	8,612,379,767	2,610,888,348	35.7	6,001,491,419	164,027,761	1.90	480,119,314	644,147,075	6,001,491,419	2,428,059,684	40.0	6,184,320,083	150,886,910	1.75	494,745,607	645,632,517	6,184,320,083	47,400,850	-
2038	8,743,175,451	2,660,871,944	36.4	6,082,303,506	167,959,331	1.92	486,584,280	654,543,611	6,082,303,506	2,464,786,419	40.7	6,278,389,032	154,702,470	1.77	502,271,123	656,973,593	6,278,389,032	117,975,735	-
2039	8,870,003,821	2,775,973,644	36.1	6,094,030,177	167,270,411	1.89	487,522,414	654,792,825	6,094,030,177	2,566,963,364	40.3	6,303,040,457	154,345,657	1.74	504,243,237	658,588,894	6,303,040,457	52,168,712	-
2040	9,075,759,719	2,903,169,186	35.6	6,172,590,533	169,015,708	1.86	493,807,243	662,822,951	6,172,590,533	2,681,356,620	39.9	6,394,403,099	156,213,423	1.72	511,552,248	667,765,671	6,394,403,099	41,820,166	-
2041	9,173,288,863	3,015,152,742	37.4	6,158,136,120	173,250,616	1.89	492,650,890	665,901,506	6,158,136,120	2,780,431,431	39.5	6,392,857,431	160,341,871	1.75	511,428,594	671,770,465	6,392,857,431	61,267,060	-
2042	9,381,689,908	3,135,465,330	34.9	6,246,224,578	164,833,112	1.76	499,697,966	664,531,078	6,246,224,578	2,897,648,423	39.1	6,484,041,485	161,737,516	1.72	518,723,319	680,460,835	6,484,041,485	44,520,524	-
2043	9,655,628,419	3,207,101,326	35.1	6,448,527,093	179,145,200	1.86	515,882,167	695,027,367	6,448,527,093	2,956,127,195	39.3	6,699,501,224	165,987,976	1.72	535,960,098	701,948,074	6,699,501,224	107,509,204	-
2044	9,792,239,169	3,309,750,058	35.0	6,482,489,112	183,546,938	1.87	518,599,129	702,146,067	6,482,489,112	3,045,594,747	39.2	6,746,644,422	170,365,759	1.74	539,731,554	710,097,313	6,746,644,422	80,898,207	-
2045	9,967,273,675	3,419,113,608	35.0	6,548,160,067	185,173,900	1.86	523,852,805	709,026,705	6,548,160,067	3,141,917,749	39.2	6,825,355,926	172,133,352	1.73	546,028,474	718,161,826	6,825,355,926	75,810,350	-
2046	10,175,569,859	3,550,760,345	34.8	6,624,809,515	186,970,069	1.84	529,984,761	716,954,830	6,624,809,515	3,260,677,731	38.9	6,914,892,129	174,083,314	1.71	553,191,370	727,274,684	6,914,892,129	55,323,332	-
2047	10,416,779,938	3,689,269,492	34.4	6,727,510,446	190,611,478	1.83	538,200,836	728,812,314	6,727,510,446	3,386,308,014	38.5	7,030,471,925	177,732,614	1.71	562,437,754	740,170,368	7,030,471,925	52,102,331	-
2048	10,669,025,911	3,831,227,220	34.0	6,837,798,691	195,771,130	1.83	547,023,895	742,795,025	6,837,798,691	3,515,222,059	38.1	7,153,803,852	182,727,447	1.71	572,304,308	755,031,755	7,153,803,852	53,813,402	-
2049	10,830,296,099	3,883,287,548	34.6	6,947,008,551	201,059,208	1.86	555,760,684	756,819,892	6,947,008,551	3,554,064,355	38.7	7,276,231,744	187,841,175	1.73	582,098,540	769,939,715	7,276,231,744	148,998,879	-
2050	10,988,524,210	4,021,384,266	34.3	6,967,139,944	200,959,089	1.83	557,371,196	758,330,285	6,967,139,944	3,679,215,948	38.4	7,309,308,262	188,013,965	1.71	584,744,661	772,758,626	7,309,308,262	62,862,371	-
					4,360,565,684		***12,978,336,126***						***4,018,397,366***		***13,365,508,593***				



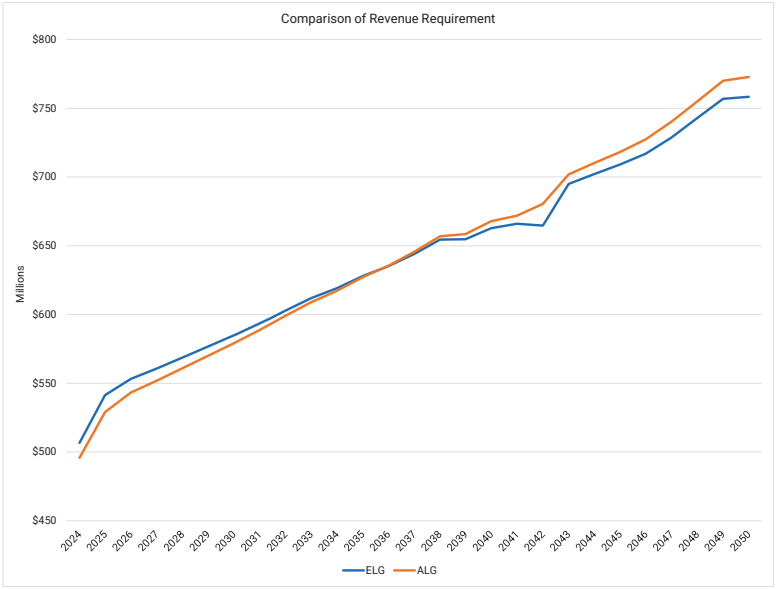


EXHIBIT NO. JJS-2-R

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

		FUTURE TEST YEAR							FULLY PROJECTED FUTURE TEST YEAR						
ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ACQUISITIONS AND ADJUSTMENTS	RESERVE AT END OF PERIOD	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ACQUISITIONS AND ADJUSTMENTS	RESERVE AT END OF PERIOD
(1)	(2)	+ (3)	+ (4)	- (5)	+ (6)	- (7)	+ (8)	= (9)	+ (10)	+ (11)	- (12)	+ (13)	- (14)	+ (15)	= (16)
WATER PLANT IN SERVICE															
304.2	20,107,346	1,570,718	32,620	52,806		12,089		21,645,789	1,630,820	18,631	208,873		34,944		23,051,423
304.3	74,055,929	6,097,764	24,676	155,483		4,691		80,018,195	6,206,170	23,247	615,014		20,234		85,612,364
304.61	26,245,652	2,117,669		38,137				28,325,184	2,104,955		150,852				30,279,286
304.62	5,445,444	146,732						5,592,177	144,286						5,736,463
304.63	17,062,423	1,676,817	77,836	46,938		93,876		18,676,262	1,777,534	94,294	185,665		148,532		20,213,893
305	14,422,640	640,258	61,767	268,004		53,601		14,803,060	732,599	72,487	22,264		8,906		15,576,976
306	9,457,963	675,743		3,259				10,130,448	730,710		53				10,861,106
307	21,957,196	1,358,449	49,202	3,160,642		501,665		19,702,540	1,549,118	137,979	476,265		82,775		20,830,597
310.4	14,263,799	1,744,951		17,114				15,991,636	1,779,323		11,950				17,759,009
311	48,804,104	2,706,337	154	245,459		227		51,264,909	2,782,189	145	204,536		204		53,842,503
320.1	50,042,951	2,601,406	6,775	132,298	106	908		52,518,032	2,522,162	517	161,619	162	857		54,878,397
320.2	41,802,830	3,549,628	1,783	1,488,357	1,196	10,210		43,856,870	4,093,598	5,820	1,818,213	1,818	9,636		46,130,257
320.3	6,747,002			8,269				6,738,733	12,794		8,081				6,743,446
320.4	257,793							257,793	5,980		2,020				261,753
320.5	3,516,391	203,907		24,806	20	170		3,695,342	241,860		30,304	30	161		3,906,768
320.51	0							0	57,038						57,038
330.01	27,362,412	1,231,635	15,374	55,779		2,305		28,551,337	1,257,385	5,665	493,052		40,332		29,281,003
330.02	55,915,970	5,322,397		47,515		1,964		61,188,888	4,823,147	4,826	420,007		34,357		65,562,497
331.01	7,961,382	947,629	77,987	122,877		34,859		8,829,262	1,000,101	42,371	153,167		45,950		9,672,617
331.02	294,737,880	37,410,949	1,208,350	4,168,586		1,182,585		328,006,008	39,101,710	1,437,450	5,196,198		1,558,860		361,790,110
331.03	78,209,791	8,333,427	337,557	1,547,016		438,873		84,894,887	8,760,718	533,456	1,928,375		578,513		91,682,173
331.04	1,825,398	96,369	8,634	3,072		871		1,926,457	96,099		3,829		1,149		2,017,578
331.05	2,542,495	214,324	7,365	184,315		52,288		2,527,580	249,036	63,557	229,751		68,925		2,541,497
331.06	9,875,170	1,062,518	260,835	4,915		1,394		11,192,213	1,054,765		6,127		1,838		12,239,013
331.07	7,459,766	547,948						8,007,714	545,301						8,553,016
331.08	23,985	2,669	1,863	922		261		27,335	2,729		1,149		345		28,570
331.10	167,077	39,440	561					207,078	39,054						246,132
331.11	1,149,128	117,156	345,771	1,536		436		1,610,083	73,804		1,915		574		1,681,398
331.13	7,226,903	1,044,848	3,267	110,589		31,373		8,133,056	1,097,992	38,134	137,851		41,355		9,089,976
331.99	32,768,148	2,905,443						35,673,591	2,905,443						38,579,035
333	125,403,691	8,181,190	416,970	388,549		312,090		133,301,212	8,679,663	377,438	456,132		342,966		141,559,215
334.02	91,238,784	3,330,140	(44,676)	2,693,651	55,564			91,886,160	3,900,678	(52,121)	1,448,700	28,974			94,314,991
334.03	43,673,456	1,391,053	7,072	804,597		160,919		44,106,065	1,623,453	39,256	432,728		64,909		45,271,136
335	26,549,396	1,975,239	54,277	218,172		31,870		28,328,871	2,041,018	40,533	217,266		30,004		30,163,151
336	83,086	10,616		157				93,545	10,629		166				104,008
339	0	1,685						1,685	3,284						4,969
340.1	4,211,318	454,961		46,013				4,620,266	456,973		423,068			(304,700)	4,349,470
340.2	655,980	91,457		65,891				681,546	96,044		15,567			(175,900)	586,124
340.3	4,335,803	3,168,231		8,075,494			2,150,400	1,578,941	2,477,169		5,846,620			1,861,100	70,590
340.4	17,943,243	4,132,070		6,689,149			(2,150,400)	13,235,764	3,873,252		5,079,280				12,029,735
340.41	16,032,651	4,573,144						20,605,796	5,160,837					(1,380,500)	24,386,133
341.1	16,994,178	1,683,058	(29,935)	574,555	6,843			18,079,590	1,957,004	(24,134)	225,060	2,543			19,789,943
341.2	796,060	144,776		97,643				843,192	148,156		26,008				965,340
342	1,410,536	174,820						1,585,356	174,414		46,862				1,712,908
343.1	1,015,829	138,523	(1,511)	16,165	13,369			1,150,046	147,874	(3,274)	93,678	14,052			1,215,019
343.2	9,028,070	940,209		122,066				9,846,213	921,442		970,619				9,797,036
344.1	847,483	21,156		2,522				866,117	21,194		2,843				884,468
344.2	3,002,294	202,638		123,572				3,081,360	229,964		139,311				3,172,013
345	0	3,364						3,364	6,544						9,908
346.01	2,924,694	580,466	99	385,653		700		3,118,906	643,227	966					3,763,099
346.02	10,604,176	2,784,232	2,721	922,372		1,674		12,467,082	2,888,119	2,312	3,166,980		6,017		12,184,516
347	1,545,545	104,372		1,819				1,648,099	109,493		19,133				1,738,459
348	18,920	1,780						20,700	2,197						22,896
TOTAL WATER PLANT IN SERVICE	**1,259,730,162**	**118,456,312**	**2,927,394**	**33,116,732**	**77,100**	**2,931,900**	**0**	**1,345,142,335**	**122,951,047**	**2,859,555**	**31,077,152**	**47,579**	**3,122,342**	**0**	**1,436,801,023**
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION															
304.2	(321,141)	(4,134)						(325,275)	(4,052)						(329,327)
304.3	(31,056)	(68,451)						(99,507)	(68,451)						(167,957)
304.63	(32,293)	(3,807)						(36,100)	(3,808)						(39,908)
307	(1,045,735)	(45,580)						(1,091,315)	(45,306)						(1,136,621)
310.4	(760,129)	(24,000)						(784,129)	(23,700)						(807,829)
311	(1,114,516)	(42,829)						(1,157,346)	(41,918)						(1,199,264)
320.2	(42,159)	(189,577)						(231,736)	(188,605)						(420,341)
330.01	(1,391,697)	(30,088)						(1,421,785)	(30,088)						(1,451,873)
331.01	(91,732)	(18,391)						(110,123)	(19,169)						(129,292)
331.02	(40,277,597)	(2,689,775)						(42,967,371)	(2,706,562)						(45,673,934)
331.03	(2,004,286)	(222,498)						(2,226,784)	(230,657)						(2,457,442)
331.04	(58)	(283)						(341)	(443)						(784)
331.06	(472,282)	(82,596)						(554,878)	(83,612)						(638,490)
331.11	(2,705,542)	(172,733)						(2,878,275)	(153,730)						(3,032,005)
331.13	(1,498,343)	(163,154)						(1,661,497)	(162,871)						(1,824,368)
333	(3,325,706)	(304,527)						(3,630,233)	(304,527)						(3,934,760)
334	(79,525)						3,785	(75,740)							(75,740)
335	(3,574,868)	(240,347)						(3,815,214)	(240,347)						(4,055,561)
343.2	(84)							(84)							(84)
344.2	(1,662)							(1,662)							(1,662)
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS	**(58,770,410)**	**(4,302,770)**	**0**	**0**	**0**	**0**	**3,785**	**(63,069,395)**	**(4,307,845)**	**0**	**0**	**0**	**0**	**0**	**(67,377,240)**

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

			FUTURE TEST YEAR								FULLY PROJECTED FUTURE TEST YEAR							
ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023		DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ACQUISITIONS AND ADJUSTMENTS	RESERVE AT END OF PERIOD	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE		PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ACQUISITIONS AND ADJUSTMENTS	RESERVE AT END OF PERIOD
(1)	(2)	+	(3)	+ (4)	-	(5)	+ (6)	- (7)	+ (8)	= (9)	+ (10)	+ (11)	-	(12)	+ (13)	- (14)	+ (15)	= (16)
TOTAL PLANT IN SERVICE	1,200,959,751		114,153,542	2,927,394		33,116,732	77,100	2,931,900	3,785	1,282,072,940	118,643,203	2,859,555		31,077,152	47,579	3,122,342	0	1,369,423,783

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

		FUTURE TEST YEAR							FULLY PROJECTED FUTURE TEST YEAR						
ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ACQUISITIONS AND ADJUSTMENTS	RESERVE AT END OF PERIOD	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ACQUISITIONS AND ADJUSTMENTS	RESERVE AT END OF PERIOD
(1)	(2)	+ (3)	+ (4)	- (5)	+ (6)	- (7)	+ (8)	= (9)	+ (10)	+ (11)	- (12)	+ (13)	- (14)	+ (15)	= (16)
WATER PLANT IN SERVICE															
304.3	19,127	216,595		6,136		185		229,401	230,592	37	19,018		626		440,387
304.63	484	6,113		1,534		3,068		1,995	10,171	614	4,755		3,804		4,222
310.4	0	181		153				27	4,903		2,059				2,872
311	6,513	68,460		462				74,511	64,531						139,042
320.2	6	1,348		5,858			5,040	535	2,088						2,624
330.01	35,935	340,142					(19,270)	356,807	310,016						666,823
331.01	364	6,181		1,308		371		4,866	4,807	77					9,750
331.02	1,119	52,352		45,784		12,988		(5,301)	29,429	2,678					26,806
331.03	1,133	11,349		16,351		4,639	12,160	3,652	10,499	956				(4,950)	10,157
331.06	1	502		1,962		557	2,070	54	797						851
333	261	1,494	26	1,008		809		(36)	3,662	162	2,486		1,869	1,170	604
334.02	365	26,538	(88)					26,815	26,097						52,912
335	258	8,376	131	7,340		1,072		353	6,109	214	8,264		1,141	3,780	1,051
339	0	283						283	554						837
340.2	1	320						321	503						824
341.1	142	15,657					(10,510)	5,289	17,016						22,306
341.2	130			10,640			10,510	0							0
343.1	56	1,246						1,301	2,103						3,404
343.2	186	3,542						3,728	5,820						9,548
346.01	239	6,029		3,091				3,176	10,181		1,253				12,104
TOTAL WATER PLANT IN SERVICE	**66,319**	**766,709**	**69**	**101,628**	**0**	**23,690**	**0**	**707,779**	**739,880**	**4,738**	**37,834**	**0**	**7,439**	**0**	**1,407,124**

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

		FUTURE TEST YEAR							FULLY PROJECTED FUTURE TEST YEAR						
ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ADJUSTMENTS	RESERVE AT END OF PERIOD	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	RESERVE AT END OF PERIOD
(1)	(2) +	(3) +	(4) -	(5) +	(6) -	(7) +	(8) =	(9) +	(10) +	(11) -	(12) +	(13) -	(14) =	(15)
354.20	4,403,669	1,109,299	24,413	4,399		1,465		5,531,517	1,121,458	24,706	4,511		1,502	6,671,667
354.30	9,798,418	351,239	10,461	6,949		567		10,152,601	349,828	10,574	7,126		582	10,505,295
354.40	29,876,711	1,534,752	149,870	47,677		7,719		31,505,937	1,519,949	149,603	48,891		7,916	33,118,682
354.50	780,756	36,239	18,420					835,414	35,517	18,420				889,351
354.70	1,255,151	25,567		177				1,280,541	25,223		182			1,305,583
355.20	46,104	7,344		88				53,360	8,681		306			61,736
355.30	1,422,151	47,174		539				1,468,786	47,785		1,878			1,514,692
355.40	1,839,210	139,555		9,311				1,969,454	162,847		32,430			2,099,871
360.00	27,387,781	1,241,665	3,094	15,499		321		28,616,720	1,247,158	1,629	2,919		61	29,862,528
361.00	48,763,704	2,545,651	1,530	66,600		326		51,243,959	2,673,165	65	47,852		234	53,869,103
362.00	5,876	284						6,160	280					6,440
363.00	14,038,857	337,932	3,556	2,727		516		14,377,102	348,406	3,228	2,870		544	14,725,323
364.00	469,509	31,354		682				500,181	31,810		522			531,468
370.30	1,645,951	90,179						1,736,129	88,273					1,824,403
371.30	14,534,054	727,416	4,744	102,853		4,300		15,159,061	822,386	3,524	207,422		8,672	15,768,877
371.50	136,607	3,987		8,077				132,517	4,292		16,290			120,520
380.00	21,544,683	2,049,526	32,256	288,029		18,180		23,320,257	2,378,445	35,892	555,232		35,045	25,144,317
381.40	42,496	2,900						45,396	2,876					48,272
381.50	1,971	156						2,127	156					2,283
382.00	179,510	9,541						189,051	9,418					198,468
389.20	459,689	27,713						487,402	25,134					512,536
389.30	41,383	2,816						44,199	2,688					46,887
389.40	8,403	321						8,724	314					9,038
390.71	13,106	1,707						14,812	1,582					16,395
390.73	74,449	24,077						98,526	100,372		114,001			84,897
390.75	245,385	103,361		178,484				170,263	144,481		164,636			150,108
390.76	293,162	58,510		141,846				209,826	69,358		3,211			275,973
390.77	192,083	38,393						230,476	47,425					277,901
391.00	1,455,343	33,162	5,636					1,494,141	50,059	5,636				1,549,836
392.00	2,846	254						3,100	439					3,539
393.00	126,581	41,075					55	167,710	52,569					220,279
394.00	336,140	38,119					20	374,279	39,074					413,352
395.00	178,307	8,957						187,263	7,722					194,985
396.00	418,277	115,266		11,871		579		521,094	130,185					651,279
396.70	1,236,144	399,410	1,200					1,636,754	459,327	1,316				2,097,397
397.00	28,477	1,638		2,621				27,494	1,162					28,656
SUBTOTAL	**183,282,942**	**11,186,540**	**255,180**	**888,429**	**0**	**33,974**	**75**	**193,802,335**	**12,009,843**	**254,593**	**1,210,278**	**0**	**54,555**	**204,801,938**
LESS:														
CUSTOMERS' ADVANCES AND CONTRIBUTIONS														Schedule
354.20	(580,917)	(38,884)						(619,800)	(38,707)					(658,507)
354.30	(280,184)	(23,209)						(303,392)	(23,209)					(326,601)
354.40	(2,756,058)	(148,844)						(2,904,902)	(146,198)					(3,051,100)
354.70	(10,496)	(269)						(10,766)	(263)					(11,029)
360.00	(2,172,959)	(153,917)						(2,326,876)	(153,917)					(2,480,793)
361.00	(1,252,080)	(132,218)						(1,384,298)	(140,942)					(1,525,241)
363.00	(655,684)	(34,043)						(689,727)	(34,043)					(723,771)
371.30	(214,145)	(18,491)						(232,636)	(18,424)					(251,060)
380.00	(1,000,166)	(25,237)						(1,025,404)	(24,914)					(1,050,317)
381.40	(1,383)	(22)						(1,405)	(20)					(1,425)
382.00	(1,412)	(21)						(1,433)	(19)					(1,452)
389.20	(8,760)	(493)						(9,253)	(469)					(9,722)
390.71	(275)			(275)				0						0
393.00	(4,504)			(4,449)			55	0						0
394.00	(1,383)			(1,363)			20	0						0
396.70	(3,356)	(1,135)						(4,491)	(1,135)					(5,626)
SUBTOTAL	**(8,943,762)**	**(576,784)**	**0**	**(6,087)**	**0**	**0**	**75**	**(9,514,384)**	**(582,261)**	**0**	**0**	**0**	**0**	**(10,096,645)**
TOTAL	**174,339,181**	**10,609,756**	**255,180**	**882,342**	**0**	**33,974**	**150**	**184,287,951**	**11,427,581**	**254,593**	**1,210,278**	**0**	**54,555**	**194,705,292**

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

		FUTURE TEST YEAR							FULLY PROJECTED FUTURE TEST YEAR						
ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ADJUSTMENTS	RESERVE AT END OF PERIOD	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	RESERVE AT END OF PERIOD
(1)	(2) +	(3) +	(4) -	(5) +	(6) -	(7)	(8) =	(9)	(10) +	(11) -	(12) +	(13) -	(14) =	(15)
354.20	8	538		149		50		347	749	10				1,106
354.30	103,369	167,010		235		19		270,125	163,664	4				433,792
354.40	188,964	415,953		1,615		261	(3)	603,039	394,279	52				997,370
354.50	0						3	3	4					7
354.70	4	48		6				45	48					93
355.20	29	851		7				872	879					1,751
355.30	6,531	42,824		46			(1,364)	47,944	35,178					83,122
355.40	0			795			1,364	569	1,035					1,604
360.00	33,611	49,312						82,923	48,927					131,851
361.00	744,002	1,114,662		726		4		1,857,935	1,110,411	1	3,728		18	2,964,600
363.00	67,839	92,017						159,857	91,367					251,223
364.00	8,573	22,184		678				30,080	20,021					50,101
371.30	31,900	99,812		27,921		1,167	(2,196)	100,427	92,090	233				192,750
371.50	0			2,193			2,196	3	4					7
393.00	166	4,152						4,318	4,343					8,661
395.00	0							0						
396.00	132	5,917						6,049	12,985					19,035
396.70	22	1,354						1,375	25,855					27,231
SUBTOTAL	**1,185,150**	**2,016,634**	**0**	**34,373**	**0**	**1,501**	**0**	**3,165,910**	**2,001,841**	**300**	**3,728**	**0**	**18**	**5,164,305**
LESS:														
CUSTOMERS' ADVANCES AND CONTRIBUTIONS														
361.00	(142)	(594)						(736)	(594)					(1,330)
363.00	(58)	(259)						(317)	(259)					(576)
SUBTOTAL	**(200)**	**(853)**	**0**	**0**	**0**	**0**	**0**	**(1,053)**	**(853)**	**0**	**0**	**0**	**0**	**(1,906)**
TOTAL	**1,184,950**	**2,015,781**	**0**	**34,373**	**0**	**1,501**	**0**	**3,164,857**	**2,000,988**	**300**	**3,728**	**0**	**18**	**5,162,398**

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

BRINGFORWARD TO DECEMBER 31, 2025 OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

		FUTURE TEST YEAR						FULLY PROJECTED FUTURE TEST YEAR					
ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	RESERVE AT END OF PERIOD	DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	RESERVE AT END OF PERIOD
(1)	(2) +	(3) +	(4) -	(5) +	(6) -	(7) =	(8) +	(9) +	(10) -	(11) +	(12) -	(13) =	(14)
354.20	20	764					783	764					1,547
354.30	114,485	205,938					320,423	204,243					524,666
354.40	126,792	312,470					439,262	311,342					750,604
355.20	8	201		1			207	204					412
355.30	1,522	4,072		6			5,588	4,031					9,620
355.40	4	162		97			69	228					297
360.00	76,581	95,600					172,181	95,206					267,387
361.00	510,927	803,311		41,141		202	1,272,895	819,822	40	7,990		39	2,084,728
363.00	110,079	157,320					267,399	156,588					423,987
364.00	4,549	13,506					18,055	11,808					29,863
371.30	2,603	5,112		0		0	7,715	4,889					12,604
391.70	0						0						0
397.00	0						0	30,731					30,731
SUBTOTAL	**947,569**	**1,598,456**	**0**	**41,245**	**0**	**202**	**2,504,578**	**1,639,856**	**40**	**7,990**	**0**	**39**	**4,136,445**
LESS:													
CUSTOMERS' ADVANCES AND CONTRIBUTIONS													
361.00	(3,734)	(7,343)					(11,077)	(7,296)					(18,373)
363.00	(535)	(1,141)					(1,676)	(1,141)					(2,817)
SUBTOTAL	**(4,269)**	**(8,484)**	**0**	**0**	**0**	**0**	**(12,753)**	**(8,437)**	**0**	**0**	**0**	**0**	**(21,190)**
TOTAL	**943,300**	**1,589,972**	**0**	**41,245**	**0**	**202**	**2,491,825**	**1,631,419**	**40**	**7,990**	**0**	**39**	**4,115,255**

EXHIBIT NO. JJS-3-R

COMPOSITE RATES
USED BY WATER UTILITIES

COMPANY 1	3.00
COMPANY 2	2.45
COMPANY 3	2.46
COMPANY 4	2.06
COMPANY 5	2.27
COMPANY 6	3.21
COMPANY 7	2.73
COMPANY 8	2.79
COMPANY 9	2.83
COMPANY 10	2.28
COMPANY 11	2.67
COMPANY 12	2.46
COMPANY 13	2.57
COMPANY 14	2.92

LIST OF COMPANIES:

ILLINOIS AMERICAN WATER
INDIANA AMERICAN WATER
IOWA AMERICAN WATER
KENTUCKY AMERICAN WATER
NEW JERSEY AMERICAN WATER
PENNSYLVANIA AMERICAN WATER
SUEZ WATER NEW JERSEY
SUEZ WATER NEW YORK
SUEZ WATER OWEGO-NICHOLS
SUEZ WATER RHODE ISLAND
SUEZ WATER WEST CHESTER
VIRGINIA AMERICAN WATER
WEST VIRGINIA AMERICAN WATER
YORK WATER

COMPOSITE RATES
USED BY WASTEWATER UTILITIES

COMPANY 1	3.28
COMPANY 2	2.25
COMPANY 3	2.00
COMPANY 4	2.95
COMPANY 5	2.06
COMPANY 6	2.25
COMPANY 7	4.65

LIST OF COMPANIES:

ILLINOIS AMERICAN WATER
INDIANA AMERICAN WATER
NEW JERSEY AMERICAN WATER
PENNSYLVANIA AMERICAN WATER
VIRGINIA AMERICAN WATER
WEST VIRGINIA AMERICAN WATER
YORK WATER

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF

PAUL R. MOUL

Topics Addressed:

Cost of Capital

DATE SERVED: September 12, 2024 **Aqua Statement No. 7-R**
DATE ADMITTED:

REBUTTAL TESTIMONY OF PAUL R. MOUL

INTRODUCTION

1. Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Paul Ronald Moul. My business address is 251 Hopkins Road, Haddonfield, New Jersey 08033-3062. I am Managing Consultant at the firm P. Moul & Associates, an independent financial and regulatory consulting firm.

2. Q. DID YOU PREVIOUSLY SUBMIT TESTIMONY IN THIS PROCEEDING ON BEHALF OF AQUA PENNSYLVANIA, INC., and AQUA PENNSYLVANIA WASTEWATER, INC. (collectively "AP" OR THE "COMPANY")?

A. Yes. I submitted my direct testimony, Aqua Statement No. 7, that was filed on May 23, 2024.

3. Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. My rebuttal testimony responds to the direct testimony submitted by Christopher Keller, a witness appearing on behalf of the Commission's Bureau of Investigation and Enforcement ("I&E"), Aaron L. Rothschild, a witness appearing on behalf of the Office of the Consumer Advocate ("OCA"), and Jason Hails, a witness appearing on behalf of the Office of Small Business Advocate ("OSBA"). If I fail to address each and every issue in the testimony of these witnesses, it does not imply agreement with those issues.

4. Q. WHAT RATE OF RETURN ISSUES HAVE BEEN DISPUTED IN THIS CASE?

A. The Company's capital structure has been challenged by Mr. Rothschild. Mr. Keller has accepted the Company's proposed capital structure. Each of the opposing witnesses have accepted the Company's proposed cost of debt in this case. The cost of equity has been disputed by both Messrs. Rothschild and Keller. The equity returns proposed by the I&E and OCA witnesses are entirely too low to reflect the risks of AP and the prospective cost of equity. Aside from technical issues that I will discuss later in my rebuttal testimony, the Commission should take into consideration the following:

1) A rate of return that will be reflective of the current capital cost rates, which is today higher than any time since the financial crisis of 2007-08.

2) A rate of return that will reflect and be supportive of the Company's financial and risk profile.

3) The management effectiveness displayed by AP.

As I explain below, the opposing party recommendations fail to adequately consider these points and thereby understate the required cost of common equity in this proceeding.

5. Q. PLEASE SUMMARIZE THE KEY POINTS OF YOUR COST OF EQUITY REBUTTAL TESTIMONY.

A. My key points are:

- Comparable Companies - Messrs. Keller and Rothschild have made two deletions to the members of my Water Group. I do not oppose these adjustments to the Water Group.
- Discounted Cash Flow (DCF) - A variety of DCF results derived by the opposing witnesses are too close to the cost of debt to provide a reliable measure of the cost of equity. As such, alternative models for determining the cost of equity should be considered as has been Commission practice in other recent proceedings.
- DCF Leverage Adjustment - The I&E and OCA witnesses have not refuted the accuracy of the Company's leverage adjustments to the DCF and beta component of the CAPM.
- Capital Asset Pricing Model - A reasonable application of the CAPM mandates using prospective yields on 30-year Treasury bonds, leverage adjusted betas, and size adjustment and produces a higher equity cost rate

than the DCF method.

- Risk Premium Analysis - The Risk Premium approach has previously been considered by the Commission and the results presented by the Company substantiate the Company's proposed return in this case.
- Comparable Earnings Approach - This approach verifies the Company's proposed return in this case.
- Management effectiveness of AP warrants an equity return above the midpoint of the indicated returns shown by the standard models of the cost of equity.

6. Q. WHAT ARE THE KEY ASPECTS OF THE RATE OF RETURN ISSUE THAT THE PENNSYLVANIA PUBLIC UTILITY COMMISSION ("COMMISSION") SHOULD CONSIDER WHEN DECIDING THIS ISSUE IN THIS CASE?

A. The issues involve the Company's cost of equity and the capital structure. Mr. Rothschild has opposed the actual capital structure and instead proposed a hypothetical capital structure. Mr. Rothschild's use of a hypothetical capital structure, rather than the Company's projected actual capital structure for the FPFTY, is factually wrong and contrary to long-standing Commission practice and precedent. I will detail the Commission recent findings on capital structure below.

7. Q. HOW SHOULD THE RATE OF RETURN SET BY THE COMMISSION SUPPORT THE COMPANY'S FINANCIAL PROFILE?

A. The Commission should set the Company's return on equity at a level that will attract investment in the Company to ensure the Company's financial ability to render safe and reliable service. Applying this principle, the Commission should reject the proposals by Messrs. Keller and Rothschild to lower the Company's return on common equity to 9.37% and 8.70%, respectively. These proposed equity returns would be viewed by investors as unsupportive of the Company's financial condition. Indeed, in

my memory, the Commission has not set a return on equity on an original cost rate base that was less than 9% for an investor-owned utility in the past 40-years. This makes Mr. Rothschild's proposal clearly an outlier and should be rejected. Indeed, the Commission approved 10.00% in the Company's last rate case in 2022. Columbia Water received a 9.75% equity return without any recognition of management performance. And, the Commission's recent order in Pennsylvania-American's rate case set a 9.45% return on equity. Recently, the water utility return on equity was set at 9.65% in the Commission's Quarterly Earnings Report issued on August 1, 2024 (Docket No. M-2024-3049527). These facts have not been adequately incorporated into the cost of equity proposals of Messrs. Rothschild and Keller. Indeed, with current interest rates, an equity return above 10% is clearly warranted today.

8. Q. IS THERE ANYTHING UNUSUAL ABOUT THE TESTIMONY OF MR. ROTHSCHILD?

A. Yes. Mr. Rothschild prepares approximately sixty (60) pages of testimony devoted to his analysis of the cost of equity using a variety of approaches (e.g., constant and non-constant DCF and CAPM). Of his results, 79% (11 of 14) of them are below 8% and just 21% (3 of 14) are above 8% (see page 15 of OCA Statement 3). He concludes that from his analysis the midpoint of his range is 7.65%. But, this is not his proposed cost of equity for AP in this case. Rather, he proposes an 8.70% equity return that is the midpoint of the top of his range and the DCF that I developed absent my leverage adjustment. It is indeed perplexing that Mr. Rothschild could only give one-half weight to his own analysis even after going to the top of his range. This seems to indicate that his analysis is woefully inadequate and cannot be relied upon in any meaningful way.

9. Q. ARE THERE ADDITIONAL ISSUES THAT THE COMMISSION SHOULD CONSIDER WHEN SETTING THE COMPANY'S RETURN?

A. Yes. The investment community would be very concerned if the Commission were to adopt the position of the OCA in this case. If it were to do so, investors would view Pennsylvania regulation as less supportive of the Company at a time of high levels of capital investment. Over the next five years, AP expects capital expenditures to be approximately $1.954 billion. If the Commission were to adopt the returns proposed by the OCA, Pennsylvania's regulatory support would certainly be placed into question by the investment community. Although cost allocations, rate design issues, and regulatory policies relative to the cost of service are important considerations, the return on equity used by the Commission to set rates embodies in a single numerical value a clear signal of regulatory support (or lack thereof) for the financial strength of the utilities that it regulates. In a single figure, the return on equity utilized to set rates provides a common and widely understood benchmark that can be compared from one company to another and is the basis by which returns on all financial assets (stocks – both utility and non-regulated, bonds, money market instruments, and so forth) can be measured. So, while varying degrees of sophistication are required to interpret the meaning of specific Commission policies on technical matters, the return on equity figure is universally understood and communicates to investors the types of returns that they can reasonably expect from an investment in utilities operating in Pennsylvania.

10. Q. SHOULD THE COMMISSION CONSIDER THE RELATIVELY HIGH LEVELS OF CAPITAL COSTS WHEN DECIDING THE RETURN ON EQUITY IN THIS CASE?

A. Yes. To gain a consensus view of future interest rates, I tabulated the forecasts of yields on 10-year Treasury notes published by a variety of well recognized and investor-influencing sources. I chose the 10-year Treasury note because it is available on a consistent basis for each source. The comparisons are:

	2025	2026	2027	2028	2029	2030
Blue Chip	4.0%	4.0%	4.0%	4.0%	4.2%	4.2%
CBO	4.1%	3.7%	3.6%	3.7%	3.8%	3.9%

The Blue Chip (June 1, 2024) and CBO (June 2024) reflect the general consensus that interest rates will remain at elevated levels in the future. The relatively high levels of interest rates represent one key factor that adds to the risk of common equity. And for comparison purposes, the yield on public utility bonds always exceeds Treasury yields. As noted in my direct testimony (see page 38 of Statement No. 7), the spread in those yields are at least 1.25%. The Commission should take into account the forecast of interest rates when it sets the cost of equity for AP.

11. Q. HOW IS THE REMAINDER OF YOUR TESTIMONY ORGANIZED?

A. I will cover the issues of (i) capital structure, (ii) the weight to be given to the DCF method, (iii) the DCF growth rate, (iv) the leverage adjustment to the DCF and CAPM methods, (v) the CAPM method, (vi) the Risk Premium analysis, (vii) Comparable Earnings, and (viii) management performance as part of the return on equity consideration.

CAPITAL STRUCTURE RATIOS

12. Q. ARE THERE DIFFERENCES IN THE PROPOSED CAPITAL STRUCTURES UTILIZED BY THE RATE OF RETURN WITNESSES IN THIS CASE?

A. Yes. Mr. Rothschild has erroneously proposed a lower hypothetical common equity ratio than in AP's actual capital structure. Mr. Keller has accepted the Company's proposed capital structure, because it falls within the range of capital structures of the proxy group.

13. Q. IS THERE ANY BASIS TO DEVIATE FROM THE COMPANY'S ACTUAL CAPITAL

STRUCTURE TO SET THE RATE OF RETURN IN THIS CASE?

A. No. The Company's actual capital structure ratios are entirely reasonable and acceptable. That alone is sufficient to support the use of the Company's actual capital structure in this case. Mr. Rothschild's proposal is based on the average common equity from his proxy group. In reaching his conclusion on capital structure ratios, Mr. Rothschild says his 50.53% common equity ratio is based on his Water Proxy Group.

My understanding of his testimony is that he believes that the capital structure of the proxy group is the default capital structure and it would be inaccurate to reject it in this case (see page 80 of OCA Statement No. 3). But he has it backwards. The Commission has previously established that it is the prerogative of a utility's management to select its own capital structure, and as long as it is reasonable, it will be used to set rates. Mr. Rothschild's proposed hypothetical capital structure, which is essentially a generic one, should be rejected. Mr. Rothschild might have been led to a different conclusion if he had considered recently approved common equity ratios by the Commission.

Indeed, in its Order Entered on October 25, 2018 in Docket No. R-2017-2640058, the Commission adopted a 54.02% common equity ratio for UGI Utilities, Inc. – Electric Division. Furthermore, the Commission accepted a 54.19% common equity ratio in the Columbia Gas of Pennsylvania rate case at Docket No. R-2020-3018835 (Order Entered February 19, 2021) and 53.38% common equity ratio for PECO Energy Company – Gas Division at Docket No. R-2020-3018929 (Order Entered June 22, 2021). And in the Company's 2022 rate case, the Commission accepted a 53.95% common equity ratio. In the later 2023 rate case, a 63.34% common equity ratio was accepted for Columbia Water Company. The Commission likewise accepted the utility's actual common equity ratio of 52.87% in the Pennsylvania-American rate case. Indeed, the Company's proposed common equity

ratio of 53.95% is entirely reasonable based on prior Commission decisions which have approved equity ratios that are within the range employed by the barometer group. Moreover, the reasonableness of the Company's actual capital structure containing a common equity ratio of 53.95% is revealed by the data provided by Mr. Keller. His data shows that the Company's common equity ratio is within the range employed by his barometer group and, therefore, supports the level of common equity proposed by the Company. Those comparisons show that his Barometer Group has a range of common equity ratios from 41.92% to 55.63% according to Mr. Keller. This comparison supports the actual 53.95% common equity ratio for AP. Hence, the Company's actual common equity ratio conforms with Commission policy that states that the actual, not hypothetical, common equity ratio will be employed when it falls within the Barometer Group's range.

14. Q. IS THERE ANOTHER ISSUE THAT SHOULD BE CONSIDERED REGARDING MR. ROTHSCHILD'S HYPOTHETICAL CAPITAL STRUCTURE?

A. Yes. Another problem with Mr. Rothschild's approach is that when proposing a hypothetical debt ratio, he creates a mismatch between the cost of long-term debt that he accepts and his hypothetical debt ratio that he advocates. This mismatch arises because the hypothetical long-term debt ratio contains more debt than the amount of long-term debt that is actually outstanding for AP. That is to say, with more debt in the hypothetical capital structure, a higher cost of debt would be related to the higher hypothetical debt ratio. Mr. Rothschild never addresses this inconsistency in his proposal, and hence, should be rejected.

COST OF EQUITY

15. Q. THE DCF MODEL HAS BEEN USED BY MR. KELLER, MR. ROTHSCHILD AND YOU AS ONE METHOD TO MEASURE THE COST OF EQUITY. WHAT IS YOUR POSITION CONCERNING THE USEFULNESS OF THE DCF METHOD?

A. While the results of a DCF analysis should certainly be given weight, the use of more than one method provides a superior foundation for the cost of equity determination. Since all cost of equity methods contain certain unrealistic and overly restrictive assumptions, the use of more than one method will capture the multiplicity of factors that motivate investors to commit capital to an enterprise (i.e., current income, capital appreciation, preservation of capital, level of risk bearing). I am aware that the Commission usually expresses its cost of equity determination in the context of the DCF model. But the Commission also considers other methods as well. In its order entered on December 28, 2012, in Docket No. R-2012-2290597, the Commission stated:

> Sole reliance on one methodology without checking the validity of the results of that methodology with other cost of equity analyses does not always lend itself to responsible ratemaking. We conclude that methodologies other than the DCF can be used as a check upon the reasonableness of the DCF derived equity return calculation.[1]

Similarly, in the Aqua Pennsylvania decision entered in 2022, the Commission observed:

> In the 2012 PPL Order, the Commission considered PPL's CAPM and RP methods, tempered by informed judgment, instead of DCF-only results. We conclude that methodologies other than the DCF can be used as a check upon the reasonableness of the DCF derived ROE calculation. Historically, we have relied primarily upon the DCF methodology in arriving at ROE determinations and have utilized the results of the CAPM as a check upon the reasonableness of the DCF derived equity return. As such, where evidence based on other methods suggests that the DCF-only results may understate the utility's ROE, we will

[1] Pennsylvania Public Utility Commission v. PPL Electric Utilities, R-2012-2290597, meeting held December 5, 2012, at 80.

> consider those other methods, to some degree, in determining the appropriate range of reasonableness for our equity return determination.[2]

Again, the Commission recognized the need for additional methods in its decision for Columbia Water in 2023:

> In *Aqua 2022*, the Commission determined the ROE by using informed judgement based on I&E's DCF and CAPM methodologies. We conclude that methodologies other than the DCF can be used as a check upon the reasonableness of the DCF derived ROE calculation. We historically have primarily relied upon the DCF methodology in arriving at ROE determinations and utilized the results of the CAPM, as a check upon the reasonableness of the DCF derived equity return. As such, where evidence based on other methods suggests that the DCF-only results may understate the utility's ROE, we will consider those other methods, to some degree, in determining the appropriate range of reasonableness for our ROE determination.[3]

The Commission has acknowledged the usefulness of other methods, such as CAPM, as a means of establishing a range of reasonable returns. Indeed, it is clear that the Commission has been guided by the results of other models and other factors aside from DCF when setting the DSIC return. The Commission's selection of the rate of return on equity for use in the DSIC is usually set well above the cost of equity indicated by the DCF model alone.

Indeed, the influence of other methods must have an impact on the Commission's attitude toward the DCF model because the Commission's selection of the rate of return on equity for use in the DSIC is usually set well above the cost of equity indicated by the DCF model alone. For example, in the Quarterly Earnings Report at Docket No. M-2023-3044811, the Commission set the DSIC return at 9.65%

[2] Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc., R-2021-3027385, order entered May 16, 2022, at 154-55.

[3] Pennsylvania Public Utility Commission v. Columbia Water Company, R-2023-3040258, order entered January 18, 2024, at 108.

for the Water Companies. It is clear that the Commission has been guided by the results of the CAPM and other factors aside from DCF when setting the DSIC return, which is considerably higher than the DCF alone (i.e., 9.65% vs 8.49%).

16. Q. WHAT HAS MR. KELLER DONE WITH THE RESULTS OF MODELS OTHER THAN DCF?

A. Nothing. In this case, Mr. Keller essentially ignores the results of the CAPM, calling his CAPM results a basis for comparison, not as a check (see page 18 of I&E Statement No. 2). Unlike Mr. Keller, Mr. Rothschild acknowledges (see page 14 of OCA Statement No. 3) that the CAPM serves as a check on the DCF because it considers how inflation and interest rates are impacting the cost of equity. The use of multiple methods provides a more comprehensive and reliable basis to establish a reasonable equity return for AP. In his testimony, Mr. Keller shows that the average DCF result is too low by reference to his traditional CAPM result that show an 11.05% result using forecast market returns. As I will explain below, Mr. Keller's alternative CAPM contains unrealistic assumptions regarding future market returns that conflict with traditional CAPM applications. In this situation, the Commission should consider moving to within the top half of the range of DCF returns submitted in this case due to this understatement. This process would preserve use of DCF, but also accommodate the tendency of the DCF model to understate the required return in this market. Mr. Keller's DCF return range is from 7.03% for Middlesex to 12.87% for California. Since Mr. Keller's traditional CAPM result is 11.05% using forecast returns, then it stands to reason that the top half of the range of DCF results should be emphasized in this case, because the average DCF by itself is too low. Hence if DCF is to be used exclusively, as argued by Mr. Keller, then the proper DCF return should be 11.12% which is within the top half of the range, i.e., 9.37% + 12.87% = 22.24% ÷ 2, and is without regard to management performance.

Indeed, the CAPM and RP methods reflect directly the changes in interest rates and are an important indicator of higher equity cost rates. Although Mr. Keller claims (see page 26 of I&E Statement No. 2) that DCF sufficiently considers economic factors, including inflation, there is no input in the DCF that Mr. Keller can point to that substantiates his position. We know that CAPM and RP reflect directly changes in interest rates and those models are more responsive to inflation in this regard than DCF.

17. Q. HAS THE NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS ("NARUC") TAKEN A POSITION ON THE USE OF MULTIPLE METHODS TO MEASURE THE COST OF EQUITY?

A. Yes. The NARUC has published a paper entitled "Cost of Capital and Capital Markets Primer for Utility Regulators." In it, the NARUC said:

> The goal of all cost of equity models is to capture the realities of the capital marketplace and each model does so from a different perspective. Because these financial models are simplifications of the real world, the ROE results are estimates rather than exact discernments of ultimate truth. Ideally, the model results will corroborate each other but may not in practice. Different estimates resulting from different models can usefully frame, bracket, or define a range or zone of estimates.
>
> Investors, investment bankers, and corporate financial professionals use multiple models when evaluating the cost of equity. Likewise, it is desirable for regulators to also use multiple models when evaluating the cost of equity.

DCF APPLICATION BY I&E

18. Q. WHAT FORM OF THE DCF MODEL HAS BEEN EMPLOYED IN THIS CASE?

A. The constant growth form of the DCF model has been used by Mr. Keller, Mr. Rothschild, and me.

19. Q. ARE THERE LIMITATIONS TO THE APPLICATION OF THE DCF THAT INDICATES THAT IT SHOULD NOT BE USED ALONE TO ESTABLISH THE

EQUITY RETURN, WHICH MR. KELLER SEEMS TO SUPPORT, ESPECIALLY IN TIMES OF RISING OR FALLING INTEREST RATES?

A. My point is that all models have their strengths and weaknesses, and it is important to rely on more than one model in determining the cost of common equity. There are many assumptions associated with the specification of the DCF. These are:

- The form of the model. A choice must be made whether to employ the continuous or discrete form of the model.
- Whether a finite or infinite form of the model realistically represents investor's horizon.
- Whether compounding of the quarterly dividend should be employed.
- The timing of the dividend payments regarding the interval from the ex-dividend date and the stock measurement date needs to be addressed.
- A choice is necessary relative to a representative price that would reasonably represent the rate effective period, e.g., 12-month average, 6-month average, 13-week average, spot, etc.
- Assumptions concerning the structure of returns which under the DCF assumes that the price-earnings multiple, dividend payout ratio, and earned return will be constant.
- Whether single or multiple growth rates better reflect investor expectations.
- Choices concerning the use of historical or forecast growth rates.
- From a historical perspective, whether 10-years, 5-years, or some other historical period is representative of investor expectations.
- Choice among variables to measure growth, e.g., earnings per share, dividends per share, book value per share, cash flow per share, retention growth, price growth, etc.

- Choice of investor influencing growth rates that are available from Yahoo! Finance, Zacks, and Value Line.
- Whether the growth rate if measured by the formula "b x r" should be modified for external growth, i.e., "sv."
- The potential misspecification of the rate of return applicable to book value when taken directly from DCF if the market price diverges from book value.

Many of the assumptions, especially the constant price-earnings multiple, constant payout rate, and constant earned return, are particularly unrealistic.

20. Q. DO THE DCF RESULTS PROPOSED BY MR. KELLER PROVIDE A REASONABLE REPRESENTATION OF THE COST OF EQUITY?

A. Not in my opinion. I&E Witness Keller concludes that the DCF cost of equity is 9.37%, while the CAPM cost rate is 11.05% using forecast returns following the traditional considerations (I&E Statement No. 2, pages 30 and 34). As noted above, the Commission has stated that it would consider other methods when the other methods showed that the DCF method understated the cost of equity. It should be noted that I&E's DCF result in this case is also too low for two reasons. First, there have been significant increases in interest rates since the Pandemic, indicating a higher cost of equity today. Second, I&E's own CAPM result of 11.05% using traditional forecast returns illustrates its DCF result is too low.

Focusing on the DCF approach, the principal purpose of assembling a barometer group is to avoid relying on data for a single company that may not be representative and to thereby smooth out any abnormalities. That said, when some of the DCF results for companies in the I&E barometer group are unreasonable on their face, the reliability of the method being used, or the witness' application of that method, must be questioned. As indicated below, the DCF results shown below fall into this category:

Company	Average: 52 wk & Spot Yield	+	Growth	=	Total
Middlesex Water	2.43%	+	4.60%	=	7.03%

It is a fundamental tenet of finance that the cost of equity must be higher than the cost of debt by a meaningful margin to compensate for the higher risk associated with a common equity investment. As noted above, the DCF return for Middlesex fails to provide a sufficient spread over the yield of on A-rated public utility bonds, which currently stands at 5.38% for the month of August 2024.

21. Q. PLEASE SUMMARIZE THE DCF GROWTH RATE ANALYSIS PERFORMED BY MR. KELLER.

A. As shown on page 29 of I&E Statement No. 2, Mr. Keller proposes a growth rate based on his review of analysts' projected earnings growth rates. His growth rate (i.e., 6.61%) is slightly below the 6.75% growth rate that I determined. Furthermore, there is a small downward bias in his group average growth rate. When Mr. Keller averaged his growth rates on Schedule 5 of I&E Exhibit No. 2, he averaged the results by source rather than across the members of his Proxy Group. Had he done so, the group average growth rate would have been 6.68%, thereby producing a DCF result of 9.44% (2.76% + 6.68%). Setting this aside, two of his growth rates are out-of-date. The most recent July 5, 2024 Value Line growth rates are 4.50% (up from 3.00%) for American Water Works and 11.50% (up from 10.00%) for California Water Service. The other Value Line growth rates remain unchanged. These current growth rates increase the Barometer Group growth rate to 7.08% (up from 6.55%) using the Value Line source. This moves the overall growth rate up to 6.78% (up from 6.61%) for the Barometer Group. The resulting DCF return would then be 9.54% (2.76% + 6.78%).

22. Q. WHAT DCF RETURN IS INDICATED FROM THE DATA PRESENTED BY MR. KELLER AFTER REMOVING THE UNDULY LOW RESULTS FOR MIDDLESEX?

A. Those results based on the current Value Line growth rates are revealed below:

Company	Average: 52 wk & Spot Yield	+	Growth	=	Total
American Water Works	2.44%	+	6.67%	=	9.11%
American States Water	2.63%	+	5.73%	=	8.36%
California Water Service	2.47%	+	11.15%	=	13.62%
SJW Group	2.95%	+	7.17%	=	10.12%
Essential Utilities	3.62%	+	6.00%	=	9.62%
Average					**10.17%**

The DCF return shown above are calculated without regard to the leverage adjustment that is necessary to align the market-determined cost of equity with the book value capital structure used for ratesetting.

DCF APPLICATION BY OCA

23. Q. PLEASE SUMMARIZE MR. ROTHSCHILD'S DCF METHODOLOGY.

A. In his DCF analyses, Mr. Rothschild uses average dividend yields for the yearly period and spot prices as of June 30, 2024 (see Exhibit ALR-3, page 1). He arrives at a dividend yield of 2.41% and 2.60% for each calculation. He employs the Retention Growth Rate as his first DCF approach. As part of his retention growth analysis, Mr. Rothschild relies upon book value returns for his proxy group (see Source [C] on page 1 of Exhibit ALR-3).

24. Q. ARE THERE ASPECTS OF MR. ROTHSCHILD'S DCF TESTIMONY WHERE HE IS INCONSISTENT IN HIS APPROACH?

A. Yes. Specific instances include:

- Mr. Rothschild states that his recommended ROE is "market-based" and "forward-looking" (page 17 of OCA Statement 3), yet he criticizes forecasts as unreliable (pages 111-112).
- He claims that he uses primarily current, forward-looking market data (e.g., stock prices, bond yields, stock option prices) and then criticizes me for relying on historical data (betas in my CAPM are based on past 5 years of data) and non-market data. Yet, he used historical data himself, which conflicts with his own criticism of historical data. Indeed, Mr. Rothschild used book value data extensively in his analysis. First, he calculates a return on book value as part of his Retention Growth Rate (see pages 57-59 of OCA Statement No. 3). Second, he also employs book value per share growth rates in his non-constant DCF (see page 61 of OCA Statement No. 3).
- Despite his asserted preference for forward-looking data, he claims that using analysts' forecasts would be speculative. He also states that his market-based cost of equity recommendation is not based on future stock prices because he cannot "predict the future" and "capital markets are unpredictable" (page 22 of OCA Statement No. 3).
- His retention method relies on historic data in part, yet he previously criticized my use of historic data.
- He states that he uses an analytical approach focused on market data while my testimony is too focused on non-market data. Yet he uses book value data in his analysis, e.g. growth rate and book value per share. Also, he uses historical data for risk free rate of return for CAPM.
- Although he criticizes analyst forecasts as speculative and unreliable (page 22), he admits to using them. Specifically, he admits to relying on Value Line

and Zacks analyst forecasts in his DCF analysis despite his own criticisms of the data.

25. Q. AT PAGE 22 OF OCA STATEMENT NO. 3, MR. ROTHSCHILD ASSERTS THAT HE USES AN ANALYTICAL APPROACH FOCUSED PRIMARILY OF MARKET DATA. HE FURTHER ALLEGES THAT MY ANALYSIS IS TOO FOCUSED ON NON-MARKET DATA. IS THIS AN ACCURATE DESCRIPTION OF THE EVIDENCE IN THIS CASE?

A. No. Both Mr. Rothschild and I have considered both historical and forecast data for this case. And, we both have used book value data and market data in our analysis. For example, the dividend yield component of the DCF and the risk-free rate of return component of the CAPM are recent averages of historical data. No other approach here is possible. Forecasts have been employed by both of us for the growth component of the DCF and the market risk premium of the CAPM. I have looked at book value measures of historical data, just like Mr. Rothschild as revealed on pages 50, 52, 59, 66, 68, 70, 71, and 90 of OCA Statement No. 3. His extensive use of history strongly indicates that Mr. Rothschild's analysis is in no way superior to my analysis.

26. Q. AT PAGE 114 OF OCA STATEMENT NO. 3, MR. ROTHSCHILD CLAIMS THAT IT IS DANGEROUS TO USE ANALYSTS' EPS GROWTH FORECASTS WITHOUT ADDITIONAL INTERPRETATION. DO YOU AGREE?

A. No. As noted above, to properly reflect investor expectations within the limitations of the DCF model, earnings per share growth, which is the basis for the capital gains yield and the source of dividend payments, must be given greatest weight. The reason that earnings per share growth is the primary determinant of investor expectations rests with the fact that the capital gains yield (i.e., price appreciation) will track earnings growth with a constant price-earnings multiple (a key assumption of the DCF model).

It is also important to recognize that analysts' forecasts significantly influence investor growth expectations and include review of historic growth rates. The theory of the model rests on the assumption that there will be a constant price-earnings multiple, and therefore the price of stock will increase at the same rate as earnings growth – that is, EPS growth is the metric that drives the DCF analysis. Moreover, with the constant payout ratio assumption of the DCF, dividend growth will equal earnings growth in the long-term. Finally, with a consistent market-to-book ratio assumption of the DCF, book value per share growth will equal the other variables of growth, i.e., earnings per share and dividends per share. It is therefore not surprising that Professor Myron Gordon found that EPS forecasts are the best measure of growth in the DCF. I cited to his work on this matter above.

27. Q. IN HIS DIRECT TESTIMONY, MR. ROTHSCHILD RELIES HEAVILY ON RETENTION GROWTH IN HIS CONSTANT GROWTH DCF ANALYSIS. PLEASE DISCUSS THE LIMITATIONS OF THIS APPROACH.

A. Retention growth, along with external financing growth, is another means of describing book value per share growth. Other factors also contribute to earnings growth that is not accounted for by the retention growth formula, such as sales of new common stock that Mr. Rothschild has included in his DCF growth rate analysis, reacquisition of common stock previously issued, changes in financial leverage, acquisition of new business opportunities, profitable liquidation of assets, and repositioning of existing assets. In my view, book value per share growth, or its surrogate retention growth, does not represent the proper financial variable to be considered when selecting the DCF growth component. The following shows how the return expected of 10.40% translates into a much lower DCF result for his Comparison Group (see page 1 of Exhibit ALR-3).

	Year Ending 6/30/2024	As of 6/30/2024
Return on Equity (Line 2c)	10.40%	10.40%
Dividend Yield on Book Value (Line 2b)	-6.24%	-6.02%
Dividend Yield on Market Value (Lines 2 & 6)	2.47%	2.67%
Result	6.63%	7.05%
New financing growth (Line 4)	1.13%	0.94%
Average DCF return	7.76%	7.99%

As shown above, the retention approach advocated by Mr. Rothschild is clearly inconsistent with the traditional form of the DCF model used by the Commission. It should be noted that the Commission has not previously adopted a retention growth approach in the DCF analysis. A key component of retention growth is the analyst's assumed return on book common equity. Mr. Rothschild does not and cannot explain why an investor expected return of 10.40%, even if that were correct, should be reduced to 7.76% or 7.99% in this case, particularly since rates are set on book value (net original cost).

28. Q. WHAT DCF RESULTS WOULD BE OBTAINED BY RELYING ON FORECASTS OF EARNINGS PER SHARE GROWTH STATED BY MR. ROTHSCHILD THAT IS TYPICALLY CONSIDERED BY THE COMMISSION?

A. Mr. Rothschild himself relied on forecast by analysts published by Value Line and Zacks (see page 59 of OCA Statement No. 3), but fails to use these forecasts directly. This violates the process used by investors that I will discuss below, which results in a mis-specified cost of equity determination by Mr. Rothschild. Mr. Rothschild declined

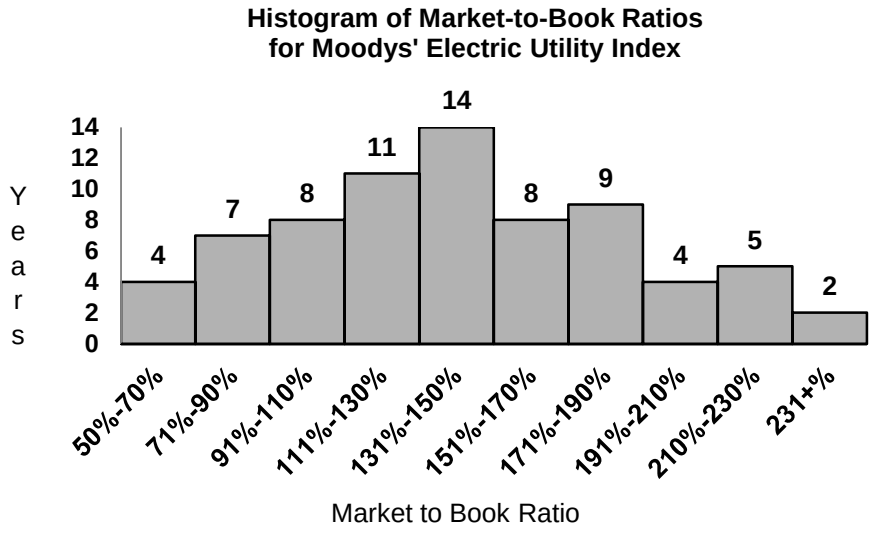
to use directly the earnings per share forecast growth rate of 6.90% by Zacks (see page 3 of Exhibit ALR-5). Had he done so, the resulting DCF return would be 9.39% ((2.41% (1 + 0.5 (0.0690)) + 6.90%) to 9.59% ((2.60% (1 + 0.5 (0.0690)) + 6.90%) with the Zacks growth rate.[4] This provides a far more reasonable, though still inadequate, DCF result than the DCF returns advocated by Mr. Rothschild (see OCA Statement No. 3 at page 15). As I describe in my pre-filed direct testimony (Statement No. 7), forecasts of the earnings growth rate are widely used by investors to set utility stock prices and are the only valid measure of growth for DCF purposes according to Professor Myron Gordon, the father of the DCF model in rate cases.

29. Q. ONE OF THE FEATURES OF MR. ROTHSCHILD'S DIRECT TESTIMONY IS HIS CONTENTION THAT WHEN STOCK PRICES ARE CONSIDERABLY HIGHER THAN THEIR BOOK VALUE THEN THE RETURN THAT INVESTORS EXPECT TO RECEIVE ON THEIR MARKET PRICES IS LESS THAN WHATEVER IS ANTICIPATED ON BOOK VALUE (APPENDIX A OF OCA STATEMENT NO. 3). PLEASE RESPOND.

A. Mr. Rothschild makes this assertion in Appendix A of his direct testimony. That is to say, when a company has a market-to-book ratio above 1, it is over earning, in Mr. Rothschild's view. But such a claim is unwarranted given the evidence of the history of market-to-book ratios I provide below. The Commission has stated that it does not believe that its rate case decisions can ensure any particular market-to-book ratios (*PUC vs. The York Water Co.*, 62 Pa.PUC 459, Order Entered November 25, 1986). Moreover, if this assertion were correct then it leads to the inevitable conclusion that if investors expected to earn their required return, then stock prices would revert to their book value. However, the market for stocks shows that Mr. Rothschild's assertion is

[4] As noted previously with regard to Mr. Keller's analysis, the Value Line earnings per share growth rate is 7.08% using the latest reports.

baseless. In the long history of market-to-book ratios for electric utilities since 1945, M/B ratios equal to 1.0 are unusual and ratios of greater than 1.0 are quite common. That data is shown below.



These data show that it is unusual for market prices to gravitate to book value. Indeed, in only about 11% of the years studied did electric utility stock prices approximate book value. In 74% of the years, electric utilities stock prices exceeded book value and sometimes by a substantial amount. The average market-to-book ratio over the past 72 years is 143%.

30. Q. MR. ROTHSCHILD ALSO USES WHAT HE IDENTIFIES AS "CONSTANT GROWTH – OPTION-IMPLIED GROWTH" MODEL OF THE DCF. WHAT VALUE DO THE RESULTS OF THE MODEL PROVIDE?

A. Very little to none. Mr. Rothschild provides virtually no explanation for this model and only divulges the result on page 15 of OCA Statement No. 3. These are the only values provided by Mr. Rothschild, i.e., 7.59% and 7.83%, and reveal that these are unrealistic return expectations as shown by the Zacks determined DCF results of 9.39% and 9.59% described above.

31. Q. MR. ROTHSCHILD ALSO SUBMITS A THIRD ALTERNATIVE DCF CALCULA-

TION, USING NON-CONSTANT GROWTH ASSUMPTIONS, TO MEASURE THE COST OF EQUITY. IS THIS DATA USEFUL IN THIS CASE?

A. Mr. Rothschild's non-constant growth DCF model suffers from the same flaw as his constant growth model, as he improperly relies on book value per share growth. When properly applied, it shows that his constant-growth DCF model results are unrealistic. As shown on Rebuttal Exhibit PRM-1-R, the non-constant DCF results are 13.64% and 11.35%, which demonstrates the unreasonable results of Mr. Rothschild's constant growth DCF model. As opposed to Mr. Rothschild's use of book value per share growth as a key input in his non-constant the DCF, I have corrected his calculation by using EPS and Price-Earnings multiple forecasts by Value Line. These inputs are essential to understanding investors future return expectations, because stock prices are a function of future earnings per share and expected Price-Earnings multiples. The corrected non-constant DCF results are shown on Rebuttal Exhibit PRM-1-R.

LEVERAGE ADJUSTMENT

32. Q. AT PAGES 48-56 OF I&E STATEMENT NO. 2, MR. KELLER RESPONDS TO YOUR LEVERAGE ADJUSTMENT AND ARGUES THAT IT SHOULD BE REJECTED. DO YOU AGREE?

A. No. Mr. Keller states that he opposes the leverage adjustment. In his discussion of my leverage adjustment, Mr. Keller mentions market-to-book ratios ("M/B") (see page 49 of I&E Statement No. 2). I need to be clear that my leverage adjustment is not designed to produce any particular M/B ratio.

33. Q. PLEASE RESPOND TO MR. KELLER'S CRITICISM OF YOUR LEVERAGE ADJUSTMENT.

A. Mr. Keller offers three reasons for not making a leverage adjustment. First, Mr. Keller

notes that the credit rating agencies assess financial risk in terms of a company's booked debt obligations in their analysis of the creditworthiness of a company (see I&E Statement No. 2 pages 50-51). I agree. But this has nothing to do with my leverage adjustment. The credit rating agencies do not measure the market required cost of equity for a company. The credit rating agencies are only concerned with the interests of lenders. They are judging risk associated with a company's ability to make timely payments of principal and interest. Hence, they are not concerned with the cost of equity or how it is applied in the rate-setting context. While Mr. Keller's observation is correct, it has no relevance to my leverage adjustment.

34. Q. SECOND, MR. KELLER ALSO QUESTIONS YOUR LEVERAGE ADJUSTMENT BY REFERENCE TO PRIOR COMMISSION ORDERS. PLEASE COMMENT.

A. Mr. Keller points to several decisions where the Commission declined to make a leverage adjustment (see I&E Statement No. 2 pages 51-53). The fact that the Commission declined to use the leverage adjustment in the Aqua Pennsylvania case cited by Mr. Keller does not invalidate its use. Notably, the Commission did not repudiate the leverage adjustment in the Aqua 2008 rate case, but instead arrived at an 11.00% return on equity for Aqua by including a separate return increment for management performance. Just like an increment for management performance is not recognized in all rate cases, so too the Commission seems to be taking a similar approach to the leverage adjustment. As to the City of Lancaster decision, the situation there was quite different than the leverage adjustment that I propose in this case. Lancaster proposed a leverage adjustment to the cost of equity measured with the Hamada formula and applied it to the DCF result, the Risk Premium result, and the CAPM. While the Hamada formula plays a role in the CAPM, it is not applicable to the DCF or the Risk Premium measures of the cost of equity. Hence, this distinguishes the City of Lancaster approach to the leverage adjustment from mine in this case. As

to the UGI Utilities – Electric Division case, there the Commission granted a management performance increment rather than a leverage adjustment when arriving at a 9.85% equity return. And for Columbia, the Company accepted the I&E's recommendation of the allowed return, which was 9.86%, in a case litigated at the height of the COVID-19 Pandemic. Thus, Columbia chose not to argue the leverage adjustment in Exceptions to the Commission. However, based upon the current inputs to the DCF that indicated a low result, the Commission should now consider using the leverage adjustment, just as it did previously when the DCF was suggesting unusual results. In the PECO - gas rate case, the Commission arrived at a 10.24% return without the leverage adjustment, because that return was already deemed to be on the higher side and no additional adjustment was warranted. Finally, the Commission set the equity return at 10.00% for Aqua Pennsylvania recently without a leverage adjustment, but with an adjustment for management performance.

35. Q. THIRD, MR. KELLER ARGUES THAT INFORMATION PROVIDED INVESTORS IS BOOK VALUES ACCORDING TO <u>VALUE LINE</u>. IS THIS CORRECT?

A. No. Mr. Keller contends that information presented to investors (see page 55 of I&E Statement No. 3), such as that included in the <u>Value Line</u> reports, argues against my leverage adjustment because investors base their investment decisions on book value. However, the <u>Value Line</u> reports clearly show the market capitalization of each company in his barometer group. This means that investors are well aware of the market capitalization of the gas utility stocks that Mr. Keller relies upon for his analysis of the cost of equity. More importantly, I fundamentally disagree that investors base their decisions on book values. To the contrary, it is the future cash flows that investors expect to realize that determines the price they are willing to pay for a share of common equity. Stated differently, investors are concerned with the return that will be earned on the dollars they invest (i.e., their market price) and not some accounting value of

little relevance to them. The financial risk associated with the book value capital structure is different from the market value of the capitalization. I clearly demonstrate this point on Schedule 10 of AP Exhibit 4-A. Hence, the observation of Mr. Keller is misplaced because I have clearly shown the difference in financial risk and that risk difference must be taken into account when arriving at an equity return that is applicable to the weighted average cost of capital using book value weights.

36. Q. MR. ROTHSCHILD CRITICIZED THE LEVERAGE ADJUSTMENT THAT YOU PROPOSE TO ACCOUNT FOR THE DIVERGENCE OF MARKET CAPITALIZATION AND BOOK VALUE CAPITALIZATION. PLEASE COMMENT.

A. Mr. Rothschild claims that the market value capital structure and the book value capital structure are two completely different ways of measuring the same thing. But it must be recognized that, in order to make the DCF results relevant in the rate-setting context, the market-derived cost rate cannot be used without modification. The importance of the leverage modification to the DCF results was fully supported in my direct testimony, wherein it was shown that the market value of the equity in the Water Group's capitalization was much higher than its book value. The market value common equity ratio was 72.10% compared to a book value common equity ratio 51.69%. The leverage adjustment is necessary to make the market-derived DCF results applicable in the rate-setting context. Because the market-based cost rate is determined based on less financial risk than that reflected in the ratemaking capital structure, and because increased financial risk justifies a higher return on equity, it is necessary to account for the higher financial risk that arises from the lower common equity ratio measured by book value capitalization.

37. Q. DO YOU AGREE WITH MR. ROTHSCHILD'S CONTENTION THAT THE MARKET VALUE CAPITAL STRUCTURE AND THE BOOK VALUE CAPITAL STRUCTURE

ARE TWO COMPLETELY DIFFERENT WAYS OF MEASURING THE SAME THING?

A. No. As Professors Modigliani and Miller proved 50 years ago (as discussed on page 33 of my direct testimony – Statement No., 7), the amount of leverage, or proportion of debt, in a firm's capital structure is directly related to the firm's financial risk and cost of equity. Mr. Rothschild's analogy to the measurement of weight on two scales (see page 87 of OCA Statement No. 3) is no analogy at all. According to Mr. Rothschild's analogy, one loses weight by merely changing the calibration of the scale from pounds to kilograms. Mr. Rothschild's position that a cost of equity derived from market-value capitalizations may be applied to a book-value capitalization is just like saying one kilogram is the same as one pound. This is, of course, incorrect, just as it is indisputable that there is more financial risk associated with a 51.69% common equity ratio than there is with a 72.10% common equity ratio. Unlike weight, there is only one scale for measuring financial risk and that is the proportion of leverage in a firm's capital structure. A firm's financial risk changes when the quantities of debt and equity capital, on which the proportion is based, are changed. For the Water Group, the average market value of their debt is $2,621 million and the book value of their debt is $2,884 million. Both of these measures are stated as dollar values; there has been no change in the units of measurement. Likewise, for their equity, the average market value of the Water Group's common equity is $5,765 million and the corresponding book value is $2,501 million. Again, both are stated in dollars and there has been no change in the units of measurement. A measurement of financial risk that is based on a market-value capitalization cannot be applied directly to book-value capitalization if there is a material difference attributed to a change in financial risk between the two. Unlike weight, where the relationship between the scales of measurement is fixed (*i.e.*, one-pound equals 0.45359 kilograms), the financial risk associated with a market-

value capitalization can be higher or lower than the financial risk associated with a book-value capitalization, depending on the quantities, stated in dollars, of debt and equity measured and their relative proportion to the total capitalization. Financial risk is measured as a percent of fixed-cost (*i.e.*, senior) capital. That is to say, the quantities that are used to measure financial risk account for the different quantities of debt and equity that result from market and book valuations of capital.

Indeed, Mr. Rothschild's own studies support this proposition. Using his adjustment noted in Source [F] shown on Exhibit ALR-1, the adjustment would be 0.82% (72.10% - 51.69% = 20.41% x 0.04%). Although less than my leverage adjustment of 1.20%, it does establish the propriety of the adjustment. Therefore, in order to apply a measurement of a return measured based on a firm's market-value capitalization to a book-value capitalization, the return measurement must be adjusted before it is applied to the firm's capitalization measured based on book value. All returns derived from the market models of the cost of equity are related to the price of stock established by investors and not based on book values.

COST OF COMMON EQUITY - CAPITAL ASSET PRICING MODEL

38. Q. AT PAGE 20 OF I&E STATEMENT NO. 2, MR. KELLER ARGUES THAT THE CAPM IS LESS RESPONSIVE THAN DCF TO CHANGES IN THE CAPITAL MARKETS, BECAUSE THE CAPM MEASURES THE RETURN ON EQUITY INDIRECTLY. DOES THIS OBSERVATION DEFEAT THE USEFULNESS OF THE RESULTS OF THE CAPM?

A. Absolutely not. The CAPM is just as responsive to changes in capital costs as is the DCF. Indeed, the CAPM is more responsive to the current level and trend in interest rates because the risk-free rate of return reflects those factors directly. The market risk premium is also forward-looking, as it is based on a DCF type calculation for the

market total return, as proposed by Mr. Keller. The bottom line is the CAPM is just as responsive to changes in capital costs as any other method.

39. Q. DO YOU HAVE CONCERNS REGARDING MR. KELLER'S APPLICATIONS OF THE CAPM?

A. Yes. Mr. Keller's CAPM analysis understates the cost of equity for a number of reasons: (i) his use of the yield on 10-year Treasury notes, (ii) his failure to use leveraged adjusted betas, and (iii) his failure to make a size adjustment. With regard to Mr. Keller's CAPM analysis, which produces a 11.05% cost rate with forecasted market returns, it can be argued that he has understated the risk-free rate. On Schedule 8 of I&E Exhibit No. 2, he uses a projected 10-year treasury note yield from Blue Chip on May 31, 2024 and June 1, 2024, producing a 4.18% risk-free rate.

40. Q. HOW DOES THE USE OF THE YIELD ON 10-YEAR TREASURY NOTES COMPARE WITH YIELDS ON LONGER-TERM TREASURY BONDS?

A. The Blue Chip report shows this comparison. For the first quarter of 2024, the gap was 0.17% (4.33% - 4.16%) between the yields on 30-year and 10-year Treasury obligations. For the period 2026-2030, that gap is projected to increase to 0.2% (4.3% - 4.1%) according to the June 1, 2024 Blue Chip. This shows a systematic understatement of Mr. Keller's CAPM returns. Shorter-term rates, such as 10-year notes, respond more to the policy initiatives of monetary officials, while long-term rates, such as 30-year bonds, are more a reflection of investor sentiment of their required returns. For this reason, long-term rates, such as those revealed by 30-year Treasury bonds, should be used to measure the risk-free rate of return.

41. Q. HOW HAS MR. KELLER UNDERSTATED THE RISK-FREE RATE OF RETURN?

A. The support for his risk-free rate of return is shown on his Schedule 8 of I&E Exhibit No. 2. There, he incorrectly gives the same weight to the yield on 10-year Treasury notes for the third quarter of 2024 as he does for the entire five-year period from 2026

through 2030. This approach leads to an understated risk-free rate of return. Even if 10-year rates are used, it is necessary to correct the weights assigned to the forecast data presented by Mr. Keller. The resulting risk-free rate of return is 4.07% using the yield on 10-year Treasury Notes and 4.28% using the yield on 30-year Treasury Bonds.

Year	10-Year Treasury Yield	30-Year Treasury Yield
2025	4.00%	4.20%
2026	4.00%	4.20%
2027	4.00%	4.20%
2028	4.00%	4.30%
2029	4.20%	4.40%
2030	4.20%	4.40%
Average	4.07%	4.28%

42. Q. HOW SHOULD THESE RESULTS BE USED IN THE CAPM?

A. The risk-free rate of return should be calculated with the data that I present above. The size adjustment of 1.02% must also be incorporated into the CAPM. I have corrected Mr. Keller's CAPM as indicated below using those inputs and the forecast yield on 30-year Treasury bond shown above:

	Rf	+	*β*	(	*Rm*	-	*Rf*	) +	*size*	=	*K*
Gas Group	4.28%	+	0.83	(	12.46%	-	4.28%	) +	1.02%	=	12.09%

Note that even without the size adjustment, revising Mr. Keller's CAPM only to reflect the 30 year bond yield would produce a cost of equity of 11.07%.

43. Q. MR. KELLER ALSO PRESENTS A CAPM CALCULATION USING THE "KROLL ERP." IS THIS CALCULATION USEFUL TO ESTABLISH THE COST OF EQUITY FOR AP IN THIS CASE?

A. No. There are three substantial flaws with this approach. First, the total market return using the "Kroll ERP" is just 9.18% (4.18% + 5.00%) using Mr. Keller's data. This return is way out of line with investor expectations. Mr. Keller calculates the investor expected total market return of 12.77% using the Value Line data source (see Schedule 10 of I&E Exhibit No. 2). My calculation produced an investor expected return of 11.83% (see Schedule 13 of AP Exhibit 4-A). Looking at historical measures, Mr. Keller established a total market return of 12.16%, and I determined a total market return of 12.21% during periods of average-to-low periods of interest rates. Moreover, recent actual stock market returns were 26.29% in 2023, 17.36% for the past five-years on an annualized basis, and 12.0% on average for the past 97 years (1926-2023). All these returns clearly demonstrate that 9.18% is just too low using the "Kroll ERP."

Second, a total market return of 9.18% using the "Kroll ERP" makes no sense when Mr. Keller calculates a 9.37% DCF return for his Water Proxy Group. Since the Water Proxy Group has a beta of 0.83, the total market return must be higher than the DCF for the Water Proxy Group, because by definition the total market has a beta of 1.00. It is nonsensical that the overall market return using the "Kroll ERP" could be less than the Water Proxy Group DCF return.

Third, based on Mr. Keller's response to AP interrogatories, the Kroll publication dated June 6, 2024 describes the considerations that go into their ERP number. The document is provided as Rebuttal Exhibit PRM-2-R. As a preliminary item, it is noteworthy that Kroll provides no empirical data to support its ERP. Their entire discussion is qualitative based, rather than quantitively based. It merely sets forth in five (5) pages an ERP number with a subjective narrative dealing with their judgment regarding macroeconomics issues and the overall state of the capital markets. There is no data presented by Kroll that would provide any verification for its

position. In particular, there is no forecasted market return or risk free return component presented by Kroll that would allow anyone to examine the validity of the stated result of 5%. This is especially important given the large divergence between the ”Kroll ERP” of 5% and the 8.28% difference between forecasted market return (12.46%) and Risk free return (4.18%) shown in Mr. Keller’s traditional calculation.

44. Q. HAS MR. KELLER PROPERLY USED THE “KROLL ERP”?

A. No. First, according to Kroll, the “Kroll ERP” should be applied to a spot yield on 20-year Treasury bonds. Mr. Keller has failed to follow this prescription, because he used yields on 10-year Treasury notes and used yield forecast stretching out to 2030. Second, Kroll opines that the ERP are inputs in the CAPM and other models used to develop “discount rates.” Discount rates are used in the valuation process to establish a dollar value of a stream of future expected cash flows. Mr. Keller has not explained how the determination of “discount rates” are relevant here because he has not developed a series of cash flows upon which to discount to “present” value. For all of the reasons stated above, the “Kroll ERP” is simply not relevant to the cost of equity determination in this case.

45. Q. MR. KELLER QUESTIONS THE NEED TO ADJUST THE CAPM RESULTS FOR SIZE DIFFERENCES. PLEASE COMMENT.

A. As a preliminary matter, it is noteworthy that CAPM provides compensation solely for systematic risk, and that the size of the Water Group must be considered separately. Just as investors have choices concerning large cap, midcap, and small cap equity investments offered by many mutual funds and ETFs, size is clearly on important investment criteria for investors. It is well recognized that the return for small cap investments outperform large cap investments. Indeed, the Ibbotson Yearbook shows that small cap stocks have outperformed large cap stocks by four percentage points (4.00%) over the past ninety-seven (97) years. As I indicated with the data presented

on Schedules 2, 3 and 4 of AP Exhibit 4-A, the water utilities are small, as they are just 12% of the size of the electric and gas utilities that comprise the S&P Public Utilities. Indeed, recent Federal Energy Regulatory Commission ("FERC") orders specifically prescribe an adjustment to the CAPM due to the size of an enterprise.[5] Mr. Keller's arguments revolve around the purported distinction between regulated utilities and unregulated industrial companies (see pages 62-63 of I&E Statement No. 2). However, the Wong article that he relies upon was authored nearly thirty (30) years ago, and employed data going back into the 1960s. Enormous changes have occurred in the industry since the 1960s that have fundamentally changed the utility business. The Wong article also noted that betas for the non-regulated companies were larger than the betas of the utilities. This, however, is not a revelation, because utilities continue to have lower betas than many other companies. This fact does not invalidate the additional risk associated with small size.

The Wong article further concludes that size cannot be explained in terms of beta. Again, this should not be a surprise. Beta is not the tool that should be employed to make that determination. Indeed, beta is a measure of systematic risk and it does not provide the means to identify the return necessary to compensate for the additional risk of small size. In contrast, the famous Fama/French study (see "The Cross-Section of Expected Stock Returns," The Journal of Finance, June 1992) identified size as a separate factor that helps explain returns.

46. Q. HOW DOES SIZE AFFECT THE FINANCIAL PERFORMANCE OF A SMALL COMPANY?

[5] *See, e.g.*, Association of Businesses Advocating Tariff Equity, 171 FERC ¶61,154 (May 21, 2020).

A. Examples of the financial consequences of external factors that can influence the financial performance of a small company include loss of a large customer and the effect of unexpected changes in expense.

47. Q. MR. ROTHSCHILD USES A VARIETY OF APPROACHES TO APPLY THE CAPM. IS THERE ANYTHING UNUSUAL IN HIS APPROACH?

A. Yes. Mr. Rothschild uses a beta that is not leverage adjusted, an unrealistic market risk premium, and ignores the size adjustment. He therefore proposes a totally unrealistic CAPM result of 7.06% to 8.03%. This compares with my CAPM of 10.48% (11.50% - 1.02%), (excluding the leverage and size adjustments), Mr. Keller's CAPM of 11.05% using forecast returns, and the Quarterly Earnings Report's CAPM of 10.72%. Aside from his consideration of yields on 3-month Treasury bills which are rarely considered in rate cases such as these, he uses a non-standard approach for the selection of his betas and an unusual approach for his market risk premium. He makes CAPM calculations that produce results in the range of 7.06% to 8.03%. By any reasonable standard, such low returns are simply not credible. All of Mr. Rothschild's CAPM results are below his DCF returns. In contrast, Mr. Keller and I have provided CAPM results that exceed the DCF. Mr. Rothschild does not use betas that are available to investors, but instead uses a "phantom" beta that invalidates his CAPM. Mr. Rothschild calculates "option implied betas" that have not and could not have any influence on the types of returns investors could expect using the CAPM, such as the Value Line betas do. Rather than use betas that are available to or used by investors, Mr. Rothschild has manufactured his own betas. It is well known that investors use the Value Line data. He says he follows the Value Line approach for calculating betas, but he ignores the actual Value Line betas. This makes no sense. There is no evidence that the betas calculated by Mr. Rothschild have any bearing on investor expected returns, and in setting rates of return that is what is relevant. Even

if Mr. Rothschild was correct that his calculations are valid, investors simply could not have relied on them. The Value Line data is relied upon by investors. As such, the Value Line betas should be used directly in the cost of capital computation.

I know of no other witness in public utility rate cases that use "Historical Blended" betas or "Forward" betas like Mr. Rothschild. Mr. Rothschild has not shown, nor could he, that investors use his betas. If they are not used by investors, they have no relevance in establishing a market-based cost of equity. His cumulative probability "Option-Implied Growth Rate" for the S&P 500 is also highly unusual and not supported in other rate cases. To show how unusual Mr. Rothschild's approach is here, just consider the overall market risk of 12.46% that Mr. Keller developed and the 7.80% (see page 6 of Exhibit ALR-4) or 7.93% (see page 4 of Exhibit ALR-4) market return that Mr. Rothschild proposes. With Mr. Rothschild's unconventional approach, it is not surprising that he develops CAPM returns that are not credible. Those returns are clearly outside the range of reasonableness when Mr. Keller develops a CAPM of 11.05% with forecasted returns and I obtained 10.48% without the size adjustment or the leveraged betas (see page 41 of Aqua Statement No. 7).

Q. MR. ROTHSCHILD ASSERTS THAT HIS "OPTIONS-IMPLIED GROWTH RATE" USES THE SAME METHODOLOGY AS USED BY THE CHICAGO BOARD OF OPTIONS EXCHANGE (PAGE 76 OF OCA STATEMENT 3). PLEASE COMMENT AS TO THE RELEVANCE OF SUCH APPROACH?

A. His "Option-Implied Market Risk Premium" for the S&P 500 is also highly unusual and not supported in other rate cases. With Mr. Rothschild's unconventional approach, it is not surprising that he develops market risk premium that are not credible given his results of 2.46% and 3.30% (see page 4 of Exhibit ALR-4) and 2.32% and 3.20% (see page 6 of Exhibit ALR-4). As I explained above regarding Mr. Keller's market risk

premium, the values calculated by Mr. Rothschild are way outside anything that investors would currently consider reasonable.

48. Q. AT PAGES 93-94 OF OCA STATEMENT 3, MR. ROTHSCHILD ALSO CHALLENGES THE ADJUSTMENT THAT YOU MADE TO THE RESULTS OF THE CAPM FOR THE SIZE OF THE WATER GROUP. PLEASE RESPOND.

A. A size adjustment is necessary because the financial impact of changes in specific dollar amounts of revenues and costs have a magnified influence on a small company because there are fewer dollars over which those revenues or costs can be spread. The SBBI/Morningstar Yearbook clearly demonstrates that the simple CAPM does not reflect the return that is associated with small size. As Ibbotson has stated:

> The security market line is based on the pure CAPM without adjusting for the size premium. Based on the risk (or beta) of a security, the expected return should fluctuate along the security market line. However, the expected returns for the smaller deciles of the NYSE/AMEX/NASDAQ lie above the line, indicating that these deciles have had returns in excess of those appropriate for their systematic risk.

COST OF COMMON EQUITY - RISK PREMIUM ANALYSIS

49. Q. DO YOU BELIEVE THE RISK PREMIUM METHOD PROVIDES SIGNIFICANT EVIDENCE OF THE COST OF EQUITY?

A. Yes. In my opinion, the Risk Premium results should be given serious consideration. The Risk Premium method is straight-forward, understandable and has intuitive appeal because it is based on a company's own borrowing rate. The utility's borrowing rate provides the foundation for its cost of equity, which must be higher than the cost of debt in recognition of the higher risk of equity (see Aqua Statement No. 7 pages 40-41). So, while Mr. Keller and Mr. Rothschild decline to use the Risk Premium approach to measure the Company's cost of equity, it is an approach that provides a direct and complete reflection of a utility's risk and return because it considers additional factors

not reflected in the beta measure of systematic risk. It is particularly useful when investors expect changes in the cost of debt prospectively, which is currently the expectation of investors, as I have explained above and in Aqua Statement No. 7, page 40. Indeed, the Risk Premium approach provides for direct reflection of prospective interest rates in the model and therefore should be given weight in determining the equity cost rate in this case.

50. Q. WHAT DOES MR. KELLER SAY ABOUT YOUR RISK PREMIUM ANALYSIS?

A. Mr. Keller makes the unfounded assertion that the Risk Premium and CAPM methods should only be used as a comparison to the results of the DCF method because they do not carry over from the investment decision-making process to the utility rate setting process (see pages 21 of I&E Statement No. 2). In fact, it is precisely because investors consider the results of other methods that they too should be used in addition to the DCF in the development of the cost of equity in this proceeding. Mr. Keller's assertion that the Risk Premium method does not measure the current cost of equity as directly as the DCF is similarly without foundation. As I explained in my direct testimony and earlier in this rebuttal testimony, we are facing the prospect of increased interest rates for the foreseeable future. I incorporated the trend toward higher interest rates when I developed my Risk Premium cost of equity of 11.50% although, as noted above on page 15 of my rebuttal, actual interest rates on A-rated public utility bonds have already exceeded the projection I used for my Risk Premium cost of equity (see page 41 of Aqua Statement No. 7, where the forecasts show 5.25% to 5.55% yields on A-rated public utility bonds, yet I used just 5.00%). Hence, my Risk Premium cost rate is fully responsive to changing market fundamentals and the credit quality of the Water Group.

51. Q. MR. ROTHSCHILD CLAIMS (SEE PAGES 89-91 OF OCA STATEMENT NO. 3) THAT YOUR RISK PREMIUM APPROACH IS FLAWED. PLEASE RESPOND.

A. Mr. Rothschild claims that a Kroll supply-side equity risk premium (see page 91 of OCA Statement No. 3) is much lower than the risk premium that I established using historical data (see page 41 of Aqua Statement No. 7). His claim is unsupported because he has not shown that his risk premium is related to the level of interest rates, i.e., it expands when interest rates decline and contracts as interest rates increase, and it is not based on actual measurable returns that are revealed by historical data.

COST OF COMMON EQUITY - COMPARABLE EARNINGS APPROACH

52. Q. PLEASE RESPOND TO THE CRITICISM OF THE COMPARABLE EARNINGS APPROACH.

A. The underlying premise of the Comparable Earnings method is that regulation should emulate results obtained by firms operating in competitive markets and that a utility must be given an opportunity cost of capital equal to that which could be earned if one invested in firms of comparable risk. For non-regulated firms, the cost of capital concept is used to determine whether the expected marginal returns on new projects will be greater than the cost of capital, i.e., the cost of capital provides the hurdle rate at which new projects can be justified, and therefore undertaken. Further, given the 10-year time frame (i.e., five years historical and five years projected) considered by my study, it is unlikely that the earned returns of non-regulated firms would diverge significantly from their cost of capital.

The Comparable Earnings approach satisfies the comparability standard established in the Hope case. In addition, the financial community has expressed the view that the regulatory process must consider the returns that are being achieved in the non-regulated sector to ensure that regulated companies can compete effectively in the capital markets. Moreover, in a 1994 study that addressed the ROE issue, John Olson (then with Merrill Lynch) established that equity returns from non-regulated

companies provide better assessment of investor requirements than those available for regulated utilities.[6]

53. Q. ON PAGES 13, 54, 60 AND 64 OF I&E STATEMENT NO. 2, MR. KELLER MAKES A SERIES OF CALCULATIONS PURPORTING TO MEASURE THE REVENUE REQUIREMENT IMPACT OF CAPITAL STRUCTURE, LEVERAGE ADJUSTMENT, BETA ADJUSTMENT AND THE SIZE ADJUSTMENT. WHAT VALUE DO THESE CALCULATIONS HAVE?

A. On their own, not much. Each of the adjustments to the DCF and CAPM are established based on objective data, not based on "bottom line" impact. Each adjustment must be considered on their own merits not a revenue requirements basis.

OSBA PROPOSAL

54. Q. MR. HAILS MAKES TWO PROPOSALS REGARDING THE COST OF EQUITY DETERMINATION IN THIS CASE. THEY ARE TO (I) MOVE TO THE LOW END OF THE RANGE OF RETURNS INDICATED BY THE VARIOUS MODELS OF THE COST OF EQUITY AND (II) REMOVE "IMPLIED MANAGEMENT PERFORMANCE ADJUSTMENT" FROM THAT LOW END RETURN. WHAT IS YOUR RESPONSE TO THESE PROPOSALS?

A. Both of these proposals should be rejected by the Commission. First, the low end of the range is represented by the DCF return. As such, Mr. Hails essentially is proposing an equity return based on the results of one model. I discussed at length the deficiency of such an approach when I rebutted the testimony of Mr. Keller. Moreover, the 10.95% return on equity that I propose

[6] "Natural Gas: The Case for ROE Reform," John E. Olson First Vice President, Merrill Lynch & Co., October 11, 1994.

for AP is already well below the midpoint of my range of returns of 12.19% (10.58% + 13.80% = 24.38% ÷ 2) or the average of all the results 12.20% (10.58% + 11.50% + 13.80% + 12.90% = 48.78% ÷ 4). There is no justification for further reducing the 10.95% equity return I propose given the significant uncertainty in the capital markets and the current level of interest rates discussed above.

As to Mr. Hails' second point, there is no justification for making a further 0.21% downward adjustment for "implied management performance." His 0.21% downward adjustment is taken from other Pennsylvania rate case that contained fundamentals that differ from AP. There is no basis to equate facts from eighteen (18) other Pennsylvania rate cases to AP. Mr. Hails has provided no linkage from those cases to AP. Furthermore, the 10.58% equity return established by the DCF has discrete components. They are the dividend yield (2.63%), the growth rate (6.75%), and the leverage adjustment (1.20%). There is no basis to remove 0.21% from any of these components for any "implied management performance." The combination of the DCF components provides a result that stands on its own, unless a reduction in the return is associated with poor management performance. There is no evidence in this case that a penalty for poor management performance is warranted in this case, which is essentially the result of Mr. Hail's proposal. It should be rejected by the Commission.

MANAGEMENT PERFORMANCE

55. Q. BOTH MR. KELLER AND MR. ROTHSCHILD OPPOSE ANY RECOGNITION FOR

MANAGEMENT PERFORMANCE IN THE DETERMINATION OF THE RETURN ON EQUITY. MR. KELLER AND MR. ROTHSCHILD ASSERT THAT AP HAS NOT DONE ANYTHING OTHER THAN WHAT IT IS REQUIRED. HOW DO YOU RESPOND?

A. As I stated in my direct testimony, I believe AP has performed in an exemplary manner, as explained by AP Witness Packer, and that performance should be recognized in this case. Mr. Keller simply disagrees, without addressing or refuting any of the items highlighted by AP' witnesses, as examples of AP's excellent performance. In each case, neither Messrs. Keller nor Rothschild have shown that AP is not entitled to some form of management performance recognition by the Commission. Mr. Packer's direct and rebuttal testimony establish that the Company's management performance warrants recognition by the Commission.

SUMMARY

56. Q. PLEASE SUMMARIZE YOUR REBUTTAL TESTIMONY.

A. It is my opinion that the equity allowances proposed by Mr. Keller and Mr. Rothschild seriously understate the cost of common equity for AP and, in Mr. Rothschild's case inappropriately uses a hypothetical capital structure. In an environment of high interest rates and Company-specific risk factors, an opportunity to earn a cost of equity of 10.95% is reasonable for AP.

57. Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY AT THIS TIME?

A. Yes. I reserve the right to supplement my testimony as additional issues arise during the course of this proceeding. Thank you.

EXHIBIT NO. PRM-1-R

NON-CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
(BASED ON VALUE LINE FORECASTS AND CLOSING STOCK PRICE)
RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]
		Forecasted Dividends per Share					Growth	EPS		Closing Stock Price		Cash Flow From Buying and Selling Stock (At Closing Price)					
		2024	2025	2026	2027	2028	2025-28	EPS	PE ratio	6/30/2024	6/30/2028	2024	2025	2026	2027	2028	IRR / DCF
		[A]	[A]	[B]	[B]	[A]	[B]	[C]	[C]	[D]	[E]	[F]	[F]	[F]	[F]	[F]	[G]
AMER. STATES WATER	AWR	$1.66	$1.80	$2.01	$2.24	$2.50	11.57%	$3.90	27.00	$72.57	$105.30	($71.74)	$1.80	$2.01	$2.24	$106.55	12.31%
AMERICAN WATER	AWK	$2.78	$2.99	$3.32	$3.69	$4.10	11.10%	$7.00	26.00	$129.16	$182.00	($127.77)	$2.99	$3.32	$3.69	$184.05	11.35%
ESSENTIAL UTIL.	WTRG	$1.19	$1.27	$1.41	$1.57	$1.75	11.28%	$2.65	24.00	$37.33	$63.60	($36.74)	$1.27	$1.41	$1.57	$64.48	17.64%
CALIFORNIA WATER	CWT	$1.04	$1.12	$1.21	$1.30	$1.40	7.72%	$3.00	24.00	$48.49	$72.00	($47.97)	$1.12	$1.21	$1.30	$72.70	12.67%
MIDDLESEX WATER	MSEX	$1.26	$1.32	$1.41	$1.50	$1.60	6.62%	$3.00	28.00	$52.26	$84.00	($51.63)	$1.32	$1.41	$1.50	$84.80	15.03%
SJW GROUP	SJW	$1.52	$1.60	$1.68	$1.76	$1.85	4.96%	$3.45	23.00	$54.22	$79.35	($53.46)	$1.60	$1.68	$1.76	$80.28	12.85%
Maximum		$2.78	$2.99	$3.32	$3.69	$4.10	11.57%	$7.00	28.00	$129.16	$182.00	($36.74)	$2.99	$3.32	$3.69	$184.05	17.64%
Minimum		$1.04	$1.12	$1.21	$1.30	$1.40	4.96%	$2.65	23.00	$37.33	$63.60	($127.77)	$1.12	$1.21	$1.30	$64.48	11.35%
Median		$1.39	$1.46	$1.55	$1.67	$1.80	9.41%	$3.23	25.00	$53.24	$81.68	($52.55)	$1.46	$1.55	$1.67	$82.54	12.76%
Average		$1.58	$1.68	$1.84	$2.01	$2.20	8.88%	$3.83	25.33	$65.67	$97.71	($64.88)	$1.68	$1.84	$2.01	$98.81	**13.64%**

Sources:
[A] Value Line: Most current data available at time of schedule preparation. 2028 data is VL forecast for 2027-29.
[B] Straight line interpolation based on Value Line data, assuming constant dividend growth for 2025-28.
[C] Straight line interpolation based on Value Line data, assuming constant book value growth for 2025-28.
[D] EOD Data: Market Data as of June 30, 2024.
[E] Stock Price projected assuming constant Market to Book Ratio (Exhibit ALR-5, page 1) and using VL projected Book Value.
[F] Cash Flow from purchasing stock on July 1, 2024, receiving dividends through 2028, and selling on June 30, 2028.
Negative number in 2024 reflects cash outflow required to purchase stock.
Cash flow sources are 1) dividends and 2) proceeds of stock sale.
2 of 4 dividends assumed received in 2024 and 2 of 4 in 2028 based on purchase and sale date.
[G] Total return on equity to investor who purchased, held, and sold stock as described above,
assuming Value Line projections of Dividends and Book Value are correct and
assuming Stock Price grows at same rate as Book Value.
DCF result is an Internal Rate of Return computation made using the "IRR" function built into Microsoft Excel
based on projected cash flows from 2024 to 2028.

NON-CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
(BASED ON VALUE LINE FORECASTS AND LTM AVERAGE STOCK PRICE)
RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]
		Forecasted Dividends per Share					Growth	EPS		LTM Avg. Stock Price		Cash Flow From Buying and Selling Stock (At LTM Average Price)					
		2024	2025	2026	2027	2028	2025-28	EPS	PE ratio	6/30/24	6/30/2028	2024	2025	2026	2027	2028	IRR / DCF
		[A]	[A]	[B]	[B]	[A]	[B]	[C]	[C]	[D]	[E]	[F]	[F]	[F]	[F]	[F]	[G]
AMER. STATES WATER	AWR	$1.66	$1.80	$2.01	$2.24	$2.50	11.57%	$3.90	27.00	$77.98	$105.30	($77.15)	$1.80	$2.01	$2.24	$106.55	10.22%
AMERICAN WATER	AWK	$2.78	$2.99	$3.32	$3.69	$4.10	11.10%	$7.00	26.00	$132.28	$182.00	($130.89)	$2.99	$3.32	$3.69	$184.05	10.66%
ESSENTIAL UTIL.	WTRG	$1.19	$1.27	$1.41	$1.57	$1.75	11.28%	$2.65	24.00	$37.67	$63.60	($37.07)	$1.27	$1.41	$1.57	$64.48	17.36%
CALIFORNIA WATER	CWT	$1.04	$1.12	$1.21	$1.30	$1.40	7.72%	$3.00	24.00	$49.18	$72.00	($48.66)	$1.12	$1.21	$1.30	$72.70	12.26%
MIDDLESEX WATER	MSEX	$1.26	$1.32	$1.41	$1.50	$1.60	6.62%	$3.00	28.00	$64.89	$84.00	($64.26)	$1.32	$1.41	$1.50	$84.80	8.73%
SJW GROUP	SJW	$1.52	$1.60	$1.68	$1.76	$1.85	4.96%	$3.45	23.00	$62.16	$79.35	($61.40)	$1.60	$1.68	$1.76	$80.28	8.87%
Maximum		$2.78	$2.99	$3.32	$3.69	$4.10	11.57%	$7.00	28.00	$132.28	$182.00	($37.07)	$2.99	$3.32	$3.69	$184.05	17.36%
Minimum		$1.04	$1.12	$1.21	$1.30	$1.40	4.96%	$2.65	23.00	$37.67	$63.60	($130.89)	$1.12	$1.21	$1.30	$64.48	8.73%
Median		$1.39	$1.46	$1.55	$1.67	$1.80	9.41%	$3.23	25.00	$63.52	$81.68	($62.83)	$1.46	$1.55	$1.67	$82.54	10.44%
Average		$1.58	$1.68	$1.84	$2.01	$2.20	8.88%	$3.83	25.33	$70.69	$97.71	($69.90)	$1.68	$1.84	$2.01	$98.81	**11.35%**

Sources:
[A] Value Line: Most current data available at time of schedule preparation. 2028 data is VL forecast for 2027-29.
[B] Straight line interpolation based on Value Line data, assuming constant dividend growth for 2025-28.
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Cash flow sources are 1) dividends and 2) proceeds of stock sale.
2 of 4 dividends assumed received in 2024 and 2 of 4 in 2028 based on purchase and sale date.
[G] Total return on equity to investor who purchased, held, and sold stock as described above,
assuming Value Line projections of Dividends and Book Value are correct and
assuming Stock Price grows at same rate as Book Value.
DCF result is an Internal Rate of Return computation made using the "IRR" function built into Microsoft Excel
based on projected cash flows from 2024 to 2028.

EXHIBIT NO. PRM-2-R

KROLL

June 6, 2024

Kroll Lowers its Recommended U.S. Equity Risk Premium to 5.0%, Effective June 5, 2024

Executive Summary

Kroll regularly reviews fluctuations in global economic and financial market conditions that may warrant changes to our equity risk premium (ERP) and accompanying risk-free rate recommendations. The risk-free rate and ERP are key inputs used to calculate the cost of equity capital in the context of the Capital Asset Pricing Model (CAPM) and other models used to develop discount rates. We also update country risk data on a quarterly basis for 175+ countries using various models.

The Kroll Recommended U.S. ERP is decreasing from 5.5% to 5.0% when developing USD-denominated discount rates as of June 5, 2024, and thereafter, until further notice.

Notwithstanding the current recommendation, we are monitoring economic and geopolitical events that may change our views and impact our guidance toward the end of 2024 and into 2025. In particular, the U.S. Presidential Election in November 2024 has the potential to cause turmoil in U.S. and global financial markets. Of particular concern is any potential promise of a significant increase in government spending and a corresponding rise in the U.S. budget deficit, which could place upward pressure on long-term interest rates and disrupt financial markets. Other global geopolitical events that warrant close watch include, but are not limited to, the impact of general elections in other major economies (e.g., Mexico, India, UK), trade conflicts between the U.S. and China, rising tensions in the Middle East and the protracted Russia's war on Ukraine.

Background

The Kroll U.S. Recommended ERP was last changed on June 8, 2023, when it was lowered from 6.0% to 5.5%. This ERP guidance was applicable when developing USD-denominated discount rates and was to be used in conjunction with our U.S. risk-free guidance—the higher of the spot 20-year U.S. Treasury yield (prevailing as of the valuation date) and the Kroll normalized U.S. risk-free rate of 3.5%.

In the "Kroll Cost of Capital Recommendations and Potential Upcoming Changes – February 8, 2024 Update", Kroll reaffirmed its Recommended U.S. ERP guidance at 5.5%. However, that communication also indicated that a "risk-on" attitude in U.S. equity markets meant that the ERP was likely to come down in 2024. At the time, we balanced new stock market record highs (which were partly boosted by optimism around generative artificial intelligence (GenAI), an expected improvement in earnings growth and a resilient U.S. economy), with the potential negative impact from restrictive monetary policies (keeping interest rates higher for a longer period of time) and the risk of major geopolitical events broadening to the global economy (e.g., escalating conflicts in the Middle East).

At this juncture, the U.S. economy continues to be resilient, but there are signs that the labor market is cooling, and consumer spending is slowing. These latest indicators actually increase the probability of a soft-landing scenario (i.e., lower inflation, lower real growth, but no recession) and create the conditions for the U.S. central bank (the Federal Reserve Bank, or the Fed) to start cutting interest rates. This, in turn, is likely to create more favorable financing conditions and continue to support U.S. equity markets.

Based on current economic and financial market conditions, the Kroll Recommended ERP is being lowered from 5.5% to 5.0% when developing USD-denominated discount rates as of June 5, 2024, and thereafter, until further notice. In addition, we continue to recommend using the spot 20-year U.S. Treasury yield as the proxy for the risk-free rate if the prevailing spot yield as of the valuation date is higher than the Kroll normalized U.S. risk-free rate of 3.5%.

The decision to lower the U.S. ERP Recommendation is based on the following trends in economic indicators and financial market conditions:

- In late 2023 and early in 2024, investors began pricing several cuts in the Fed funds rate—the central bank's policy interest rate—which helped fuel a surge in equity markets. However, a surprising resilience in the U.S. economy and a sudden increase in inflation readings in December 2023 and again in February and March 2024, led to a delay in expectations on the number and timing of Fed rate cuts in 2024. Markets reacted by pricing a single-rate cut later this year (contrary to prior expectations of three cuts taking place earlier in the year), with some economists even suggesting a rate hike as a possibility. More recently, however, economic activity has shown signs of slowing down. First quarter real GDP growth was downwardly revised to 1.3%, partly due to a deceleration in consumer spending, as pandemic-related excess savings have been mostly depleted and the overhang of inflation has diminished purchasing power. This slowdown (together with the inflation and unemployment trends discussed below), actually makes it more likely that the Fed will begin cutting interest rates earlier this year relative to recent expectations.

- Major equity indices have recently reached new all-time highs, supported by investors' continued optimism. The surge in technology stocks due to potential productivity gains from GenAI has broadened to other sectors in the economy. Since their respective cycle lows in late October 2023 through May 28, 2024, the S&P 500 Index (a market-cap-weighted index) has increased 28.9% in price terms, whereas the NASDAQ Composite surged by 35.1%. The S&P 500 Equal-Weight Index also gained 22.9% since its October low. For perspective, a 20% or higher increase in equity markets relative to recent lows is considered to be a "bull" market. In addition, during the month of May 2024, all major equity indices reached all-time highs: the S&P 500 Index hit a new record on May 21, 2024, while the NASDAQ Composite did so on May 28, 2024. The Dow Jones Industrial Average (DJIA), an equal-weighted index that no longer attracts significant global investment allocations, surpassed the psychological level of 40,000 for the first time on May 17, 2024.[1]

- The VIX (the volatility index on the S&P 500), also referred to as the "fear index," has been generally low during 2024. Since the beginning of 2024 through May 28, the index has averaged 14.1, with a low of 11.9 reached on May 21, 2024—the lowest level since November 2019. These levels are also much lower than the long-term historical average of 20.1 and the average observed since the height of COVID-19. For perspective, during 2022 and 2023, the VIX averaged 25.6 and 16.8, respectively.

- U.S. corporate credit spreads have been fairly tight and are currently lower than in June 2023, when we last changed our ERP recommendation. They are also significantly lower than their long-term historical average (from late 1996 through the present). The underlying corporate yields on investment-grade and speculative-grade bonds have generally been on a downward trend since 2023.

- ERP indications from forward-looking models based on Professor Aswath Damodaran are at similar levels as when we last changed our U.S. ERP recommendation, while the Default Spread model points to a sustained decline in ERP.

[1] According to an analysis by S&P Dow Jones Indices, at the end of 2019, there were over USD 11.2 trillion index-linked products and derivative contracts benchmarked to the S&P 500, which included USD 4.6 trillion passively tracking the index. In comparison, there were USD 32 billion benchmarked to the DJIA, which included USD 28 billion in passive assets. For more details see "Comparing Iconic Indices: The S&P 500® and DJIA®", S&P Dow Jones Indices – A Division of S&P Global, June 2021. Available here: https://www.spglobal.com/spdji/en/documents/education/education-comparing-iconic-indices-the-sp-500-and-djia.pdf.

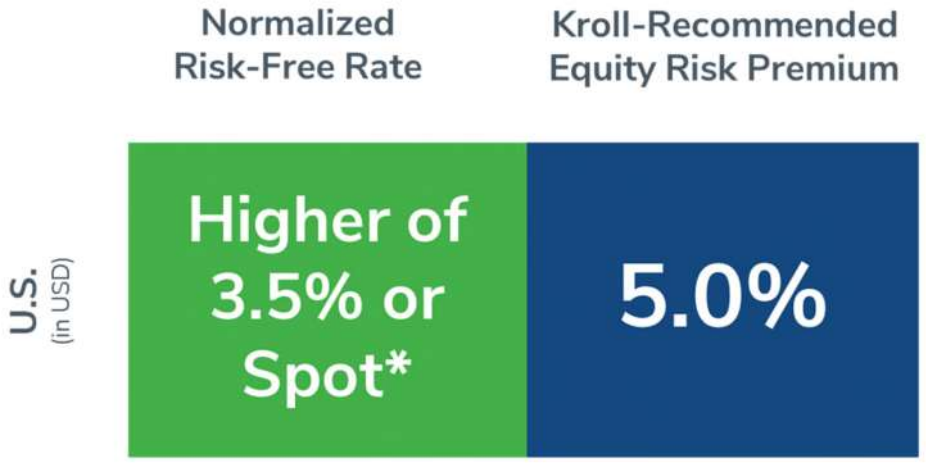
- Even though the U.S. unemployment rate has increased recently, it is still relatively low on a historical basis: in April 2024, the unemployment rate ticked up to 3.9%, from 3.8% in March 2024 and from 3.4% in April 2023, a post-pandemic low. For perspective, unemployment rates of 3.4% were last observed in the late 1960s. The persistence of low unemployment is one of the major reasons why economists believe that a soft landing is achievable, and the probability of a U.S. recession in the near term is relatively low. During past recessions, the unemployment rate saw significant increases. In the U.S., the average unemployment rate during a recession is 6.3%, which is far above the current level.

- Inflation, as measured by Consumer Price Index (CPI), is still above the Fed's 2.0% target, but far below its multiple-decades high of 9.1% (before seasonal adjustments) in the 12-month period ending in June 2022. The process of disinflation has been a bumpy one, supporting the Fed's decision to keep interest rates at their current high level for a longer period. In June 2023, CPI inflation reached a local low of 3.0%, only to continue moving range-bound between 3.1% and 3.7%. The latest CPI inflation was 3.4% as of April 2024, a downtick from the prior month and a welcome reading after two consecutive months of rate acceleration. The Fed's preferred gauge for inflation, the Personal Consumer Expenditures (PCE) Price Index, has actually accelerated in March to 2.7% and remained at that level in April 2024. The core PCE index (i.e., excluding food and energy) dropped to 2.8% in February, but has remained at that level since then. Nevertheless, wage price pressures appear to be easing and the cooling job market may bode well for inflation trends.

Notwithstanding these positive factors that support a decrease in the U.S. ERP, we are monitoring economic and geopolitical events that may change our views and impact our guidance toward the end of 2024 and into 2025. In particular, the U.S. Presidential Election in November 2024 has the potential to cause turmoil in U.S. and global financial markets. The growing level of government debt in the U.S., especially in an election year when candidates propose different fiscal packages to sway voters, may worsen the fiscal position for the country and create upward pressures on long-term interest rates. The acrimonious political debate regarding the debt ceiling that took place in the first half of 2023 was a contributing factor to Fitch Ratings' decision to lower its U.S. sovereign credit rating from AAA to AA+. S&P Global Ratings had already downgraded the U.S. credit rating to AA+ back in 2011 under similar circumstances. Moreover, Moody's Investor Services, the last major credit agency assigning the coveted Aaa rating to the U.S., has lowered its outlook, citing political and financial concerns. Therefore, this will be an area that will warrant close monitoring. Other geopolitical events with potential for escalation to global markets will also be monitored.

Summary of U.S. Cost of Capital Recommendations

- **Kroll is lowering its Recommended U.S. ERP from 5.5% to 5.0% when developing USD-denominated discount rates as of June 5, 2024, and thereafter, until further notice.** This is matched with the higher of the spot 20-year U.S. Treasury yield as of the valuation date and the Kroll normalized U.S. risk-free rate of 3.5%.



* We recommend using the spot 20-year U.S. Treasury yield as the proxy for the risk-free rate, if the prevailing yield as of the valuation date is higher than our recommended U.S. normalized risk-free rate of 3.5%. This guidance is effective when developing USD-denominated discount rates as of June 16, 2022, and thereafter.

- Regarding risk-free rates, as investors attempt to predict the pace and magnitude of potential rate cuts by major central banks, we continue to observe high levels of volatility in spot yields of government bonds of major economies. Long-term bonds yields may continue to fluctuate considerably in the near future, before stabilizing. During these periods, project teams may need to consider using a moving average of spot yields to mitigate the impact of this volatility in their valuation analyses (e.g., weekly or monthly averages).

- Notwithstanding the current recommendations, we are monitoring economic and geopolitical events that may change our views and impact our guidance toward the end of 2024 and into 2025. In particular, the U.S. Presidential Election in November 2024 has the potential to cause disruption in U.S. and global financial markets. Of particular concern is any potential promise of significant increases in government spending that lead to a significant rise in the budget deficit, which could place upward pressures on long-term interest rates and disrupt equity markets. Other global geopolitical events that warrant close watch include, but are not limited to, the impact of general elections in other major economies (e.g., Mexico, India, UK), trade conflicts between the U.S. and China, rising tensions in the Middle East and the protracted Russia's war on Ukraine.

Please contact our support team with any questions: costofcapital.support@kroll.com

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822 and R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF PANPILAS W. FISCHER

Topics Addressed:

PA NOL Deferred Tax Asset
Income Tax Impacts of Repairs Deduction
Income Tax Impacts of Interest Synchronization

DATE SERVED: September 12, 2024 **Aqua Statement No. 8-R**
DATE ADMITTED: _____

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AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.
REBUTTAL TESTIMONY OF PANPILAS W. FISCHER

I. INTRODUCTION AND PURPOSE OF TESTIMONY

Q. What is your name and business address?

A. My name is Panpilas W. Fischer, and my business address is 4355 Cobb Parkway, Suite J255, Atlanta, GA 30339.

Q. Did you previously submit testimony in this proceeding on behalf of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. ("Aqua" or the "Company")?

A. Yes, I submitted my direct testimony, Aqua Statement No. 8, on May 23, 2024.

Q. What is the purpose of your rebuttal testimony?

A. Subsequent to the filing of my prepared direct testimony, Ralph C. Smith filed direct testimony on behalf of the Pennsylvania Office of the Consumer Advocate ("OCA"). My testimony responds to portions of the direct testimony submitted by Mr. Smith. Specifically, I will respond to the recommendations of Mr. Smith about 1) the PA Net Operating Loss ("NOL") deferred tax asset, 2) the level of tax repairs deduction claimed in this case, including the continued adjustment for uncertain tax positions and the repairs deduction deferral mechanism (the "collar"), and 3) the income tax expense impacts of interest synchronization and other proposed adjustments.

Q. Are you sponsoring any exhibits associated with your rebuttal testimony?

A. Yes, I am sponsoring Exhibit PWF-1-R, which provides information regarding Aqua's NOL balance and Exhibit PWF-2-R, which provides support for Aqua's negative state income tax expense.

II. PENNSYLVANIA NOL DEFERRED TAX ASSET

Q. On page 32 of Mr. Smith's Direct Testimony, Mr. Smith proposes a decrease to rate base by the removal of the PA NOL deferred tax asset in the amount of $32.728 million. Do you agree with this adjustment?

A. No, I do not. Mr. Smith asserts that the PA NOL deferred tax asset should not be included in rate base because it was not included in previous rate cases and the IRS normalization rules do not require its inclusion in rate base.

Q. Do you have a correction to this amount?

A. Yes. In the response to Aqua's discovery response to OCA-XV-25a, the Company stated that the PA NOL included in rate base was $32.728 million ($31.414 million in the Company's proposed Water base and $1.314 million in the Company's proposed Wastewater base). After further review, I determined that there was a formula error in Attachment 1 to that discovery response. The amount included in rate base in the Company's filing is actually $29.242 million ($28.305 million in the Company's proposed Water base and $0.937 million in the Company's proposed Wastewater base), not $32.728 million. Exhibit PWF-1-R supports those amounts included in rate base in the FPFTY.

Q. Why is a deferred tax asset recorded for a net operating loss?

A. When a net operating loss occurs, it indicates that the Company has taken a level of tax deductions that result in negative taxable income (a taxable loss). As a result, the taxing authority, whether it is the IRS or the PA Department of Revenue, does not allow the Company to monetize the tax deductions that generate a tax loss in the current year. In other words, the tax deductions only reduce the Company's cash payments for taxes to the taxing authority to zero and not below. For the portion of the tax liability that is below zero

(the NOL) there is no further reduction in cash payments and the Company records a "receivable" for the future reduction in cash tax payments for this amount.

Under normalization accounting, the Company records a deferred tax asset for the income tax impact of the amount of the net operating loss, offset by a credit to deferred tax expense (negative deferred tax expense). In addition, both the negative current tax expense along with the current income tax receivable recorded are reversed to zero. This example below illustrates how the $29.242 million tax impact of the NOL is recorded under the normalization method of accounting:

Normalization Accounting:				
Line No	Account	Description	Amount Dr/(Cr)	Cost of Service
1	409	Current inc tax expense	$ (29,242)	$ (29,242)
2	236	Current inc tax payable	$ 29,242	
3	409	Current inc tax expense	$ 29,242	$ 29,242
4	236	Current inc tax payable	$ (29,242)	
5	411	Deferred inc tax expense	$ (29,242)	$ (29,242)
6	190	Deferred inc tax asset (funded)	$ 29,242	
7	**Revenue rqmt increase/(reduction) before gross-up**			$ (29,242)

Lines 1 and 2 represent how the $29.242 million tax effect of the loss is reflected in cost of service prior to the recording of any net operating loss. Upon recording the future tax benefit of the net operating loss, since the negative deferred tax expense (line 5) is offset by the charge to current tax expense (line 3) and the current income tax receivable (line 4) is replaced by the NOL deferred tax asset (line 6), overall negative or reduced tax expense (line 7) results.

The $29.242 million PA NOL deferred tax asset on the balance sheet represents the

amount that the Company will be able to reduce taxes payable to the PA Department of Revenue in the future when there is positive taxable income.

Q. Please explain why the Company used normalization accounting for the PA NOL when Pennsylvania regulatory requirements generally require flow through accounting for state income tax expense?

A. The book versus tax timing differences that resulted in the FPFTY PA NOL deferred tax asset of $29.242 million is the state tax benefit of property related deductions that the Company has provided to customers in rates. In order for the Company to pass these tax benefits to customers in rates, even though the Company has not received the cash benefits yet, the Company had to reflect reduced state income tax expense in its cost of service calculation (per line 7 in the normalization accounting example above). See Exhibit PWF-2-R for Schedules F-2 from the previous rate cases, which show negative deferred state income tax expense and negative or reduced state effective tax rates. In order to reflect reduced state income tax expense in its cost of service calculation, the Company had to use normalization accounting to record the tax impact of the PA NOL in rates. Had the Company used flow through accounting for the tax impact of the PA NOL, the creation of the PA NOL would have resulted in an increase to current income tax expense, with no offsetting decrease to deferred income tax expense, thus reflecting state tax expense of $0 and negating the negative or reduced state income tax expense in cost of service. See the illustration of flow through accounting for the same $29.242 million tax impact of PA NOL example below:

Flow Through Accounting:				
Line No	Account	Description	Amount Dr/(Cr)	Cost of Service
1	409	Current inc tax expense	$ (29,242)	$ (29,242)
2	236	Current inc tax payable	$ 29,242	
3	409	Current inc tax expense	$ 29,242	$ 29,242
4	236	Current inc tax payable	$ (29,242)	
5	254	FAS 109 Regulatory liability	$ (29,242)	$ -
6	190	Deferred inc tax asset (unfunded)	$ 29,242	
7	**Revenue rqmt increase/(reduction) before gross-up**			$ -

In this example, line 5 is a credit to a FAS 109 Regulatory liability under flow through accounting and on line 7, overall tax expense is $0, resulting in no reduction to the revenue requirement, which would not achieve the desired outcome of a reduced revenue requirement/passing the tax benefits to customers. Under normalization accounting, line 5 is a negative deferred income tax expense (offset by a funded deferred tax asset) recorded to provide customers the benefit, via reduced income tax expense in cost of service, resulting in reduced rates. The $29.242 million represents state income tax benefits already passed through to customers that the Company has yet to receive (monetize).

Q. Why is it important to include the PA NOL deferred tax asset in rate base?

A. For the same reason other deferred tax liabilities and assets are included in rate base, the PA NOL deferred tax asset should be included in rate base in this case. In the case of deferred tax liabilities, these represent future amounts of income tax owed to the taxing authority by the Company, which have already been collected from customers in rates via a charge to deferred income tax expense under normalization accounting. They are a source of capital for the Company, in the form of an interest free loan from the taxing authority, that the Company can use to finance future investments in plant, so customers receive a

benefit when the deferred tax liabilities are included as a reduction to rate base. The reverse is true in the case of deferred tax assets. These represent future amounts of income tax reductions to be received by the Company, which have already been provided to customers in rates, via a credit to deferred income tax expense, if normalization accounting is used. Since these benefits have already been provided to customers, but the Company has not monetized the benefits, the PA NOL deferred tax asset should be included in rate base. When the Company is in the reverse situation, where it has collected income tax from customers that it has yet to pay to the taxing authorities and used normalization accounting, it would include those deferred tax liabilities as a reduction to rate base. The Company does not base its decision to include/exclude a deferred tax asset or liability in rate base only when the result is favorable to the Company.

Q. Mr. Smith contends that the PA NOL deferred tax asset should not be in rate base because it is not a requirement under the IRS normalization rules. Are there any tax related items included in rate base, even though the IRS normalization rules do not require their inclusion?

A. Yes, there are. The IRS normalization rules generally only pertain to federal method/life book versus tax timing differences, however Aqua includes as a reduction or increase to rate base deferred tax assets/liabilities related to many other book versus tax timing differences such cost of removal, Allowance for Funds Used During Construction ("AFUDC") debt, Contributions In Aid of Construction ("CIAC"), tax capitalized interest, tank painting costs and others. Furthermore, under the IRS normalization rules, there is a consistency requirement[1] which provides that one way the requirements of § 168(i)(9)(A)

[1] IRC Section 168(i)(9)(B)(i)

will not be satisfied is if the taxpayer, for ratemaking purposes, uses a procedure or adjustment which is inconsistent with such requirements. Under § 168(i)(9)(B)(ii), such inconsistent procedures and adjustments include the use of an estimate or projection of the taxpayer's tax expense, depreciation expense, or reserve for deferred taxes under §168(i)(9)(A)(ii), unless such estimate or projection is also used, for ratemaking purposes, with respect to all three of these items and with respect to the rate base (hereinafter referred to as the "Consistency Rule"). As discussed previously, the normalization of the PA NOL deferred tax asset enabled the refund of the 481(a) tax repair benefit and ongoing tax benefits to customers by means of negative deferred state income tax expense being recorded as an offset to the PA NOL deferred tax asset. To not include the PA NOL deferred tax asset in rate base would violate the nature of the Consistency Rules and would be contrary to established ratemaking practices whereby the inclusion of deferred income tax expense in ratemaking results in the inclusion of the offsetting deferred tax asset or liability in rate base.

Q. Are there any other issues related to the PA NOL deferred tax asset you would like to discuss?

A. Yes, I would like to point out two instances where Mr. Smith either misquoted or misinterpreted from my direct testimony and the Company's response to OCA-XV-28(d). On OCA Statement No. 2, p. 33, line 11 of the direct testimony of Mr. Smith, he quotes my direct testimony as "*the Company will discontinue the normalization of the state income taxes for the PA NOL in 2024*", but my direct testimony says "*the Company will discontinue the normalization of the state income taxes for the PA NOL in **2025***". (emphasis added).

Q. What is the second instance you referred to?

A. On OCA Statement No. 2, p. 33, lines 16-18 of Mr. Smith's direct testimony he states "*the Company's response to OCA-XV-28(d) indicates that it recorded equal amounts of a regulatory asset and a credit in the same amount related to its financial accounting for PL [sic] NOL amounts as of December 31, 2023*". This is not accurate because not all of the PA NOL amounts were recorded with equal amounts to a FAS 109 regulatory asset/liability. The FAS 109 regulatory asset recorded by the Company (and discussed in the response) is only related to the **deficient** PA NOL deferred tax asset, which as I will explain later relates to scheduled future state income tax rate changes.

This is an important distinction because the recognition of deferred income tax expense in the ratemaking process creates what is referred to as a "funded" deferred tax asset or liability. When deferred income tax expense is included in cost of service, customers have either been charged or been given a benefit because the deferred income tax expense impacts the revenue requirement/rates. The corresponding funded deferred tax assets or liabilities are then included in rate base. This is the mandate of the IRS normalization rules as it relates to federal method/life book versus tax timing differences, and as stated previously, it is the Company's historical practice applied to other normalized book versus tax timing differences in the ratemaking calculation, despite not being a requirement of the IRS normalization rules.

Q. What is the difference between the deficient PA NOL deferred tax asset and the PA NOL deferred tax asset?

A. The deficient PA NOL deferred tax asset is a result of the graduated state income tax rate decrease from 9.99% to 4.99% ultimately in 2031. Under ASC 740, companies are required

to account for changes to state income tax rates or laws during the period in which the law is enacted. FAS 109 also requires companies to adjust total deferred income tax balances to the enacted tax rates. In compliance with ASC 740, the excess or deficiency is recorded to a regulatory asset (in the case of deferred tax assets where there is a tax rate decrease) or a regulatory liability (in the case of deferred tax liabilities when there is a tax rate decrease) for future determination by the regulatory commission, the method and timing of when the amounts are to be recovered from or returned to customers.

Q. What is your recommendation regarding Mr. Smith's proposal to remove the PA NOL deferred tax asset from rate base?

A. Mr. Smith's proposal does not account for the underlying reason for normalizing the PA NOL; the reason being to provide past and ongoing state income tax benefits to customers that the Company has yet to monetize. Mr. Smith's reasoning that lack of inclusion in prior rate cases should prevent the PA NOL deferred tax asset from being included in rate base in this rate case is flawed. The Company's lack of inclusion of both the PA NOL and Federal NOL deferred tax asset in rate base in prior rate cases was completely inadvertent, and that should not preclude the Company from taking corrective action in this rate case. In addition, Mr. Smith's proposal is not consistent with the longstanding ratemaking methodology that the inclusion of deferred tax assets and liabilities in rate base be determined by which deferred tax assets and liabilities customers have funded, through the deferred income tax expense, and it should therefore be rejected.

III. INCOME TAX IMPACTS OF REPAIRS DEDUCTION

Q. What tax repair deduction has Aqua claimed for the FPFTY?

A. The Company has included a net total repair deduction of $163,060,000 ($158,600,000 for

water and $4,460,000 for wastewater). The Company has also proposed to continue the practice of recording a collar of $4 million on the repair deduction which was approved in the 2021 Base Rate Case. Under the approved collar mechanism, if the net repairs deductions for Aqua vary by more than $4 million above or below $163,060,000 (i.e., above $167,060,000, or below $159,060,000), Aqua will record a regulatory liability or asset for the related income tax expense impacts of the repair deduction variations above $167,060,000 or below $159,060,000.

Q. What is the purpose of the collar mechanism?

A. In Aqua's 2018 Base Rate Case, questions were raised regarding the accuracy of the Company's projection of the tax deductions for repairs, which impact its claimed and actual tax expense. The concern was that if the Company's projection was lower or higher than its actual deductions, then its actual tax expense could be lower or higher than the amount claimed for rate making purposes. Rather than establish a tracker mechanism, the settlement of that 2018 case established a collar mechanism, which captures effects from large differentials.

Q. Has any party proposed a change to the tax deduction for repairs in this case?

A. Yes. OCA Witness Smith proposes to increase the deduction for tax repairs to $195.428 million. As calculated by Mr. Smith, this would reduce the Company's federal and state income tax expense by approximately $8.688 million (OCA Statement No. 2, p. 53, lines 19-20).

Q. What is the basis for Mr. Smith's claimed adjustment to the tax repair deduction?

A. Mr. Smith states that he relied upon the Company's response to OCA-IX-24 showing the 2023 gross repairs deduction, which he asserts is the most current full year of information

available and is consistent with the Company's growing water and wastewater utility operations. His adjustment also removes the other components of the repair deduction: namely the collar mechanism and the provision for uncertain tax positions ("FIN 48") projected, less AFUDC.

Q. Do you agree with Mr. Smith's proposed adjustment?

A. No, I do not. The Company claims a deduction for repairs on its tax return based on many factors. These factors include the mix of capital spend between new business and replacement type work and, if there is replacement work, the amount or percentage of the unit of property that was replaced. Whether or not there are capacity increases, or other betterments, as a result of the replacement work and whether or not program type work requires analysis on an aggregated basis or not are some other factors. Another important consideration is that Aqua claims the repairs deduction based on the date the related book asset is placed in service, not when the dollars are incurred, which can result in year over year fluctuations as property is placed in service much later than when the dollars are incurred on larger projects. The table below, which shows the fluctuation in the tax repairs deduction (before and after reductions for AFUDC and FIN 48), illustrates the point that the mix of projects in any given year analyzed under numerous factors determines the level of repairs deduction.

Repairs Deduction by Year				
	Actual	Actual	Actual	Estimate
Gross Deduction	**2020**	**2021**	**2022**	**2023**
Water	149,558,191	171,048,566	161,637,003	190,410,879
WW	5,571,575	5,785,944	4,012,705	5,017,879
Subtotal	155,129,766	176,834,510	165,649,708	195,428,758
Less: AFUDC	0*	(745,782)	(1,676,841)	(2,611,236)
Repairs Deduction reported on tax return	155,129,766	176,088,728	163,972,867	192,817,522
Less: UTP	(2,898,633)	(3,278,203)	(1,407,393)	(3,353,683)
Net Repairs	$ 152,231,133	$ 172,810,525	$ 162,565,474	$ 189,463,839
*Note: The 2020 gross repairs deduction is already reduced for AFUDC.				

The 2021 and 2023 repairs deductions are higher, but the 2020 and 2022 repairs deduction are much lower. The increase in estimated deductible repairs for 2023 is a result of analyzing the specific projects that went into service in 2023 based on the various factors previously discussed and is not indicative of a normal going forward level of repairs deductions as claimed by Mr. Smith. The Company based its projection of deductible repairs included in the FPFTY by considering capital requirements for the immediate future, as well as historical data such as the qualifying repair factors, resource constraints and determined that the inventory of repairs eligible pipe is dwindling. Due to Aqua's efforts over the last eleven years to replace pipe in the age and condition category, the footage of repairs eligible pipe being replaced is expected to decline compared to historical years, where there was an emphasis on the replacement of aging pipe.

It should also be noted that if the Company did incur a higher level of spend that qualified for a repair deduction, the Company has proposed the continuation of the collar mechanism. Therefore, if the net repairs deductions for Aqua exceed $167,060,000, Aqua will record a regulatory liability for the related income tax benefit for the amount over $167,060,000. The Company's estimated net repair deduction included in the FPFTY

remains at $163,060,000, therefore resulting in no adjustment to the Company's claimed income tax expense related to the repair deduction. I note that the adjustment of the tax repair deduction was a litigated issue in the Company's 2021 base rate case and the Commission specifically rejected OCA's proposal to increase the level of the repairs deduction under the same premise as this case.

Q. Is there a consequence to overstating the repairs deduction?

A. Yes. With the collar mechanism, if the repairs deduction allowance is overstated, customers rates in the next rate case will be increased to collect the deferred balance.

Q. OCA Witness Smith also opposes the Company's netting of the provision for uncertain tax positions (FIN 48) in computing its tax repair deduction at OCA St. 2, pages 56-57. Do you agree with this?

A. I disagree with Mr. Smith's claim that the estimated income tax benefit related to the tax repair deduction should not be reduced by the provision for uncertain tax positions. As I explained in my direct testimony, the Company is required to routinely assess the need for a provision for uncertain tax positions and evaluate whether they are more likely than not to be sustained upon examination. The tax impact of any uncertain tax positions that are greater than 50 percent likely of being realized upon settlement must be recognized in the Company's financial statements and disclosed in its Federal income tax return. Although the IRS released guidance in 2023 for the natural gas industry, as of the date of this filing, the IRS still has not issued guidance regarding the repair deduction for the water industry, which means that there is no "safe harbor" or approved methodology that the IRS will accept without dispute. If disallowed, the resulting audit adjustment would be calculated on all historical deductions taken by the Company and the Company would be put on a

deemed permissible method. It would be imprudent to pass an income tax benefit to customers that has not met the threshold for financial statement recognition. This FIN 48 adjustment has been approved in both the 2018 and 2021 base rate cases. More particularly, the inclusion of the FIN 48 adjustment to the tax repair deduction was a litigated issue in the Company's 2021 base rate case and the Commission specifically rejected OCA's proposal to disallow the FIN 48 adjustment.

If the income tax benefit is not reduced by the reserve for uncertain tax positions, and the tax position is subsequently audited and disallowed, the Company would need to record a regulatory asset to recover the disallowed benefit that has been included in customer rates. If the tax position is subsequently audited and the position is partially or wholly sustained, the net reversal of the uncertain tax position will be returned to customers to the extent it was included in customer rates. By including the reduction for uncertain tax position in current rates, the benefit from the uncertain tax position is normalized to mitigate the risk of disallowance. I note that the Company deducts from rate base the reserve balance to compensate customers for the time value of money benefits of the FIN 48 exclusion.

It is the Company's position that the benefit of the repair deduction be reduced by the estimated reserve for uncertain tax positions in the ratemaking income tax calculations, which is consistent with the treatment in the 2018 rate case settlement and 2021 fully litigated rate case PUC Order and in the Company's as filed case exhibits in this proceeding. Mr. Smith's proposal to remove the FIN 48 adjust should be rejected.

Q. OCA Witness Smith recommends elimination of the collar mechanism. Alternatively, he recommends that the collar be reduced to $1,500,000 from the current $4,000,000 OCA St. 2, pages 58-59. Do you agree with this?

A. I disagree with Mr. Smith's recommendation. As demonstrated in this proceeding, there remains substantial disagreement regarding the projection of the repairs allowance deduction. Eliminating the collar entirely may incentivize parties to claim extreme deductions in order to affect tax expense. With respect to the alternative proposal, at a collar amount of $1,500,000 above or below the threshold, as recommended by Mr. Smith, a tax impact as low as $400,000 would be required to be recorded to a regulatory asset or liability for inclusion in the next base rate case. As the state income tax rate continues to decline, a tax impact as low as $374,000 would require regulatory asset or liability treatment. The level of the collar was set at $4 million annually to minimize tracking, accounting and reporting requirements for amounts that would not materially impact rates. Mr. Smith's recommendation to reduce the collar to $1,500,000 should be rejected.

IV. INCOME TAX IMPACTS OF INTEREST SYNCHRONIZATION

Q. OCA Witness Smith proposes an adjustment to income tax expense for Interest Synchronization at OCA St. 2, page 53. Please comment.

A. Mr. Smith has proposed adjustments to income tax expense based upon OCA's proposed changes to the capital structure of the Company and OCA's proposed adjustments to rate base, which impact the calculation of interest expense deductible for income taxes. While I do not disagree with Mr. Smith's calculation of the impact on tax expense of the interest expense adjustment, the Company disagrees with the OCA's proposed change to the Company's capital structure and rate base, therefore making OCA's recommended

adjustment to the tax expense for purposes of interest synchronization unnecessary. Company witness Moul addresses proposed changes to the Company's capital structure, Mr. Spanos addresses OCA's proposed changes to depreciation and the depreciation reserve and Mr. Packer address the proposed changes related to the removal of East Whiteland from rate base.

V. CONCLUSION

Q. Does this conclude your rebuttal testimony?

A. Yes it does, but I reserve the right to supplement my rebuttal testimony as needed during this proceeding

EXHIBIT NO. PWF-1-R

AQUA PENNSYLVANIA, INC. **Exhibit PWF-1-R**
AQUA PENNSYLVANIA WASTEWATER, INC.

PA NOL included in Rate Base (due to historical deferral treatment)

Co	HTY 12/31/2023 DTA	NOL Creation 12/31/2024	NOL Utilization 12/31/2024	Adjustment 12/31/2024	FTY Balance 12/31/2024	FPFTY-Current Rates NOL Creation 12/31/2025	NOL Utilization 12/31/2025	Adjustment	FPFTY Corrected Balance 12/31/2025	OCA-XV-25a Attachment 1 Balance 12/31/2025	Difference
5500	32,121,572										
5510	1,559,290										
Subtotal-Water	33,680,863	-	(3,109,318)	-	30,571,545	-	(2,267,005)	-	28,304,540	31,413,858	(3,109,318)
Wastewater	937,053	84,491	-	-	937,053	376,590	-	-	937,053	1,313,644	(376,590)
Total		Non-Rate Base (New NOL)				Non Rate Base (New NOL)			29,241,593	32,727,501	(3,485,908)

EXHIBIT NO. PWF-2-R

AQUA PENNSYLVANIA, INC.

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 3/31/18 FEDERAL	PRESENT RATES 3/31/18 STATE	PROPOSED RATES 3/31/20 FEDERAL	PROPOSED RATES 3/31/20 STATE
	(1)	(2)	(3)	(4)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ 191,834,166	$ 191,834,166	$ 230,028,788	$ 230,028,788
2	Interest Expense	Schedule A-1	(56,003,976)	(56,003,976)	(67,250,905)	(67,250,905)
3	State Income Tax	[11]	3,788,358		(2,549,642)	
4	Tax Repair Deduction		(185,114,428)	(185,114,428)	(154,514,546)	(154,514,546)
5	Book Depreciation	Schedule A-1	84,961,768	84,961,768	100,767,946	100,767,946
6	Tax Depreciation		(59,919,858)	(73,599,036)	(74,546,547)	(83,509,343)
7	Taxable Income	Sum of Lines [1] : [6]	$ (20,453,970)	$ (37,921,506)	$ 31,935,096	$ 25,521,941
8	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
9	Pro Forma Income Tax : Current	[7] * [8]	(4,295,334)	(3,788,358)	6,706,370	2,549,642
10	Other					
11	Total - Current Income Tax	[9] + [10]	$ (4,295,334)	$ (3,788,358)	$ 6,706,370	$ 2,549,642
12	Deferred Income Tax:					

13	Catch Up Adjustment		$ (32,598,426)	$ (45,519,383)	$ (36,387,476)	$ (50,810,278)
14	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
15	Deferred Income Tax - Repair Adjustm	[13] * [14]	(6,845,669)	(4,547,386)	(7,641,370)	(5,075,947)
16	Normalized Book Depreciation		(58,503,559)		(70,715,234)	
17	Normalized Tax Depreciation		53,881,050		70,176,308	
18	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
19	Deferred Income Tax - Tax/Book Depre	([16] + [17]) * [18]	(970,727)	-	(113,174)	-
20	Flowback of TRA-86		(57,648)		(57,648)	
21	Flowback of TCJA 2017 (ARAM) - Protected		-		(3,710,939)	
22	Flowback of TCJA 2017 - 10 Years		-		244,192	
23	Total Flow Through		(57,648)	-	(3,524,395)	-
24	Total - Deferred Income Tax	[15] + [19] + [23]	$ (7,874,044)	$ (4,547,386)	$ (11,278,940)	$ (5,075,947)
25	Amortization of Income Tax Credit		(253,413)		(253,413)	
			FEDERAL	STATE	FEDERAL	STATE
26	Total - Income Tax	[11] + [24] + [25]	$ (12,422,791)	$ (8,335,745)	$ (4,825,983)	$ (2,526,305)
				-6.14%		-1.55%
				State ETR		State ETR

AQUA PENNSYLVANIA WASTEWATER, INC.

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 3/31/18 FEDERAL	PRESENT RATES 3/31/18 STATE	PROPOSED RATES 3/31/20 FEDERAL	PROPOSED RATES 3/31/20 STATE
	(1)	(2)	(3)	(4)	(9)	(10)

1	Utility Operating Income Before Tax	Schedule A-1	$ 2,305,919	$ 2,305,919	$ 11,723,584	$ 11,723,584
2	Interest Expense	Schedule A-1	(1,681,669)	(1,681,669)	(2,964,921)	(2,964,921)
3	State Income Tax	[11]	77,428		(461,762)	
4	Tax Repair Deduction		(1,433,504)	(1,433,504)	(4,350,142)	(4,350,142)
5	Book Depreciation	Schedule A-1	3,017,474	3,017,474	5,349,158	5,349,158
6	Tax Depreciation		(2,103,711)	(2,983,271)	(4,255,882)	(5,135,442)
7	Taxable Income	Sum of Lines [1] : [6]	$ 181,936	$ (775,052)	$ 5,040,036	$ 4,622,238
8	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
9	Pro Forma Income Tax : Current	[7] * [8]	38,207	(77,428)	1,058,408	461,762
10	Other					
11	Total - Current Income Tax	[9] + [10]	$ 38,207	$ (77,428)	$ 1,058,408	$ 461,762
12	Deferred Income Tax:					
13	Catch Up Adjustment		$ (226,865)	$ (341,678)	$ (253,235)	$ (381,392)
14	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
15	Deferred Income Tax - Repair Adjustme	[13] * [14]	(47,642)	(34,134)	(53,179)	(38,101)
16	Normalized Book Depreciation		(2,677,317)		(4,771,535)	
17	Normalized Tax Depreciation		2,103,711		4,255,882	
18	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
19	Deferred Income Tax - Tax/Book Depre	([16] + [17]) * [18]	(120,457)	-	(108,287)	-
20	Flowback of TRA-86					
21	Flowback of TCJA 2017 (ARAM) - Protected		-		(61,651)	
22	Flowback of TCJA 2017 - 10 Years		-		(892)	
23	Total Flow Through		-	-	(62,543)	-

24	Total - Deferred Income Tax	[15] + [19] + [23]	$ (168,099)	$ (34,134)	$ (224,009)	$ (38,101)
25	Amortization of Income Tax Credit		-		-	
			FEDERAL	STATE	FEDERAL	STATE
26	Total - Income Tax	[11] + [24] + [25]	$ (129,892)	$ (111,561)	$ 834,399	$ 423,660
						4.84%

AQUA PENNSYLVANIA, INC.

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 3/31/21 FEDERAL	PRESENT RATES 3/31/21 STATE	PROPOSED RATES 3/31/23 FEDERAL	PROPOSED RATES 3/31/23 STATE
	(1)	(2)	(3)	(4)	(9)	(10)
1	Utility Operating Income Before Tax	Schedule A-1	$ 251,628,280	$ 251,628,280	$ 300,913,691	$ 300,913,691
2	Interest Expense	Schedule A-1	(64,407,767)	(64,407,767)	(70,185,219)	(70,185,219)
3	State Income Tax	[11]	(5,443,321)		(9,992,859)	
4	Tax Repair Deduction		(151,448,045)	(151,448,045)	(154,600,000)	(154,600,000)
5	Book Depreciation	Schedule A-1	103,588,615	103,588,615	122,166,578	122,166,578
6	Tax Depreciation		(74,724,997)	(84,873,388)	(87,982,934)	(98,266,432)
7	Taxable Income	Sum of Lines [1] : [6]	$ 59,192,766	$ 54,487,695	$100,319,257	$100,028,619
8	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
9	Pro Forma Income Tax : Current	[7] * [8]	12,430,481	5,443,321	21,067,044	9,992,859
10	Other					
11	Total - Current Income Tax	[9] + [10]	$ 12,430,481	$ 5,443,321	$ 21,067,044	$ 9,992,859
12	Deferred Income Tax:					

13	Catch Up Adjustment		$ (37,642,216)	$ (52,562,356)	$ (3,136,851)	$ (4,380,196)
14	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
15	Deferred Income Tax - Repair Adjustment	[13] * [14]	(7,904,865)	(5,250,979)	(658,739)	(437,582)
16	Normalized Book Depreciation		(74,660,870)		(88,536,184)	
17	Normalized Tax Depreciation		69,625,884		82,812,103	
18	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
19	Deferred Income Tax - Tax/Book Depreciation	([16] + [17]) * [18]	(1,057,347)	-	(1,202,057)	-
20	Flowback of TRA-86		(57,648)		(57,648)	
21	Flowback of TCJA 2017 (ARAM) - Protected		(3,764,040)		(3,495,629)	
22	Flowback of TCJA 2017 - 10 Years		242,749		242,749	
23	Total Flow Through		(3,578,940)	-	(3,310,529)	-
24	Total - Deferred Income Tax	[15] + [19] + [23]	$ (12,541,152)	$ (5,250,979)	$ (5,171,324)	$ (437,582)
25	Amortization of Income Tax Credit		(253,413)		(253,413)	
			FEDERAL	STATE	FEDERAL	STATE
26	Total - Income Tax	[11] + [24] + [25]	$ (364,084)	$ 192,341	$ 15,642,307	$ 9,555,277
				0.10%		4.14%
				State ETR		State ETR

AQUA PENNSYLVANIA WASTEWATER, INC. - BASE

COMPUTATION OF FEDERAL AND STATE INCOME TAXES

UNDER PRESENT AND PROPOSED RATES

LINE NO.		REFERENCE	PRESENT RATES 3/31/21 FEDERAL	PRESENT RATES 3/31/21 STATE	PROPOSED RATES 3/31/23 FEDERAL	PROPOSED RATES 3/31/23 STATE
	(1)	(2)	(3)	(4)	(9)	(10)

1	Utility Operating Income Before Tax	Schedule A-1	$ 2,732,251	$ 2,732,251	$ 16,552,284	$ 16,552,284
2	Interest Expense	Schedule A-1	(3,110,351)	(3,110,351)	(3,654,203)	(3,654,203)
3	State Income Tax	[11]	1,163,532		(365,313)	
4	Tax Repair Deduction		(4,870,211)	(4,870,211)	(4,460,000)	(4,460,000)
5	Book Depreciation	Schedule A-1	5,886,311	5,886,311	7,780,016	7,780,016
6	Tax Depreciation		(10,493,186)	(12,284,968)	(12,541,095)	(12,561,306)
7	Taxable Income	Sum of Lines [1] : [6]	$ (8,691,654)	$ (11,646,968)	$ 3,311,690	$ 3,656,791
8	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
9	Pro Forma Income Tax : Current	[7] * [8]	(1,825,247)	(1,163,532)	695,455	365,313
10	Other					
11	Total - Current Income Tax	[9] + [10]	$ (1,825,247)	$ (1,163,532)	$ 695,455	$ 365,313
12	Deferred Income Tax:					
13	Catch Up Adjustment		$ (261,967)	$ (394,544)	$ (21,831)	$ (32,879)
14	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
15	Deferred Income Tax - Repair Adjustment	[13] * [14]	(55,013)	(39,415)	(4,584)	(3,285)
16	Normalized Book Depreciation		(5,301,232)		(7,065,181)	
17	Normalized Tax Depreciation		10,493,186		12,541,095	
18	Income Tax Rate		21.00%	9.99%	21.00%	9.99%
19	Deferred Income Tax - Tax/Book Depreciation	([16] + [17]) * [18]	1,090,310	-	1,149,942	-
20	Flowback of TRA-86		-		-	
21	Flowback of TCJA 2017 (ARAM) - Protected		(8,550)		(6,303)	
22	Flowback of TCJA 2017 - 10 Years		551		551	
23	Total Flow Through		(7,998)	-	(5,752)	-

24	Total - Deferred Income Tax	[15] + [19] + [23]	$ 1,027,299	$ (39,415)	$ 1,139,605	$ (3,285)
25	Amortization of Income Tax Credit		-		-	
			FEDERAL	STATE	FEDERAL	STATE
26	Total - Income Tax	[11] + [24] + [25]	$ (797,948)	$ (1,202,947)	$ 1,835,060	$ 362,029
				318.16%		2.81%

AP Statement No. 9-R

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NO. R-2024-3047822 (WATER)

DOCKET NO. R-2024-3047824 (WASTEWATER)

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY

OF

HAROLD WALKER, III

REGARDING

CASH WORKING CAPITAL

SEPTEMBER 12, 2024

TABLE OF CONTENTS

I. INTRODUCTION 1
II. SCOPE OF TESTIMONY 1
III. CASH WORKING CAPITAL 2

I. INTRODUCTION

Q. STATE YOUR NAME AND ADDRESS.

A. My name is Harold Walker, III. My business address is 1010 Adams Avenue, Audubon, Pennsylvania, 19403.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC as Manager, Financial Studies.

Q. ARE YOU THE SAME HAROLD WALKER WHO PREVIOUSLY SUBMITTED TESTIMONY IN THIS PROCEEDING?

A. Yes.

II. SCOPE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. ("Aqua PA" or "Company") asked me to respond to and comment on the direct testimony submitted by Bureau of Investigation and Enforcement ("I&E") witness Zachari Walker and the direct testimony submitted by Office of Consumer Advocate ("OCA") witness Ralph C. Smith concerning the cash working capital allowance that Aqua PA should be afforded an opportunity to earn on as part of its rate base claim. My rebuttal testimony is supported by Exhibit HW-1-R, which is composed

of 1 Schedule.

III. CASH WORKING CAPITAL

Q. ARE THERE ANY AREAS OF AGREEMENT IN THE WORKING CAPITAL TESTIMONIES PRESENTED IN THESE PROCEEDINGS?

A. Yes, all parties have adopted my recommended net lag days (revenue lag days less expense lead days) presented in my direct testimony. Accordingly, the only issue regarding the Company's working capital is the amount of O&M, taxes and interest expense to be applied to the net lag days.[1]

Q. ON PAGES 35 AND 36 OCA WITNESS SMITH DISCUSSES THE INCREASE IN THE COMPANY'S CASH WORKING CAPITAL. DOES THE COMPANY REQUIRE AN UNUSUAL AMOUNT OF CASH WORKING CAPITAL?

A. No. The Company's amount of cash working capital is similar to, if not lower than, other Pennsylvania water and wastewater utilities' cash working capital. Exhibit HW-1-R, Schedule 1 shows a comparison of the amount of cash working capital required by the Company and other Pennsylvania water and wastewater utilities whose cash working capital was determined using the lead-lag methodology. The other Pennsylvania water and wastewater utilities shown in the comparison are the only Pennsylvania water and wastewater utilities that I am aware of whose cash

[1] I&E Statement No. 1 at pp. 37-38; and OCA Statement 2 at p. 35. Mr. Smith states, "It is believed that adjustments to reduce the amount of cash working capital to be included in Aqua PA's water and wastewater utility rate base will be needed; however, those have not yet been quantified" which I believe to be flow through adjustment in expenses.

working capital was determined using a lead-lag methodology.[2] The analysis shown on Exhibit HW-1-R, Schedule 1 compares the amount of cash working capital required for each utility relative to each utilities' net plant in service, proposed revenues, and proposed operating expenses and taxes other than income that was requested in each utilities most recent rate filing. The comparison shown on Exhibit HW-1-R, Schedule 1 indicates the Company's amount of cash working capital is either the lowest or second lowest of the Pennsylvania water and wastewater utilities rate filing reviewed.

Q. HAVE YOU UPDATED THE COMPANY'S CASH WORKING CAPITAL?

A. No. I agree with I&E witness Walker that all changes to the Company's revenues, expenses, taxes, and rate base will be brought together in the Administrative Law Judge's Recommended Decision and again in the Commission's Final Order. Accordingly, the Company's cash working capital is not being updated at this time.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes, it does.

[2] The other Pennsylvania water and wastewater utilities' cash work capital analyzed include Community Utilities of Pennsylvania Inc., Pennsylvania-American Water Company, Veolia Water Pennsylvania, Inc., and York Water Company,

EXHIBIT NO. HW-1-R

Comparison of Pennsylvania Water and Wastewater Utilities'
Cash Working Capital Based on Lead-Lag Studies

	Cash Working Capital as a Percent of:		
	FPFTY Net Plant in Service	Proposed Revenues	Proposed Operating Expenses and Taxes Other Than Income
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (1)	0.16%	1.09%	4.29%
Community Utilities of Pennsylvania Inc. (2)	2.71%	10.94%	20.08%
Pennsylvania-American Water Company (3)	0.18%	1.38%	5.00%
Veolia Water Pennsylvania, Inc. (4)	0.17%	1.07%	2.93%
York Water Company (5)	0.81%	4.94%	11.99%
Average	0.97%	4.58%	10.00%
Median	0.49%	3.16%	8.49%
Range:			
Low	0.17%	1.07%	2.93%
High	2.71%	10.94%	20.08%
Aqua's Rank Within the Five Utilities	5	4	4

Notes:
(1) Rate filing in Docket Nos. R-2024-3047822 and R-2024-3047824. Includes: Water Base; Shenandoah; Aqua Pennsylvania Wastewater, Inc. - WW Base; Lower Makefield; and East Whiteland.
(2) Rate filing in Docket Nos. R-2023-3042804 and R-2023-3042805. Includes combined water and wastewater operations.
(3) Rate filing in Docket Nos. R-2023-3043189 and R-2023-3043190. Includes: Water Operations; Wastewater SSS General Operations; BASA WW Operations; Brentwood WW Operations; and Wastewater CSS Operations.
(4) Rate filing in Docket Nos. R-2024-3045192 and R-2024-3045193. Includes combined water and wastewater operations.
(5) Rate filing in Docket Nos. R-2022-3031340 and R-2022-3032806. Includes combined water and wastewater operations.

Comment: Based on the most recent rate filings of the utilities listed.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF GREGORY R. HERBERT

Topics Addressed:

Revenue and Billing Determinants

DATE SERVED: September 12, 2024 **Aqua Statement No. 10-R**
DATE ADMITTED: _____

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.
DOCKET R-2024-3047822 AND R-2024-3047824

REBUTTAL TESTIMONY OF GREGORY R. HERBERT

Q. Please state your name and address.

A. My name is Gregory R. Herbert. My business address is 207 Senate Avenue, Camp Hill, Pennsylvania 17011.

Q. By whom are you employed?

A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC.

Q. Are you the same Gregory R. Herbert who submitted direct testimony in this case?

A. Yes, I submitted Aqua Statement No. 10 and Part II of Exhibit Nos. 5-A and 5-B.

Q. What is the purpose of your testimony?

A. I will address the contract customer rates and the billing determinants corrections for the water and wastewater contract customers that were raised during discovery, and I will address the issues brought forth in the testimonies and exhibits of SCH USA, LLC ("SCH USA") witnesses Carlos Padilla and Frank Lacey.

Q. Do you have any exhibits with your rebuttal testimony?

A. Yes, attached to my rebuttal testimony are Exhibits GRH-1-R, GRH-2-R, and GRH-3-R.

Q. What are these exhibits?

A. These exhibits set forth corrections to contract customer rates and billing determinants that were raised during discovery. Specifically, during discovery, the water contract rates for New Wilmington Borough were revised under present and

proposed rates for the fully projected future test year ("FPFTY") ending December 31, 2025. In addition, the Horsham Township base rates were inadvertently linked to the Schwenksville Borough base rates under present and proposed rates and were corrected to reflect the correct Horsham Township base rates under present and proposed rates. The Masury contract's 12-inch meter billing determinants showed 28 billed months, which were updated to reflect the correct billing determinants of 24 billed months. See Schedule 5 of Exhibit GRH-1-R for the corrected contract rates and billing determinants.

During discovery, the Third Party contract wastewater sales customers' rates required corrections. The proposed rates for Dennison Township, East Side Borough, Penn Lake Borough and Foster Township, developed in the Company's prior rate case, should reflect the proposed rates for this rate proceeding. The Southdown Homes, Upper Providence and Elwyn proposed rates were corrected to be increased by the rolling 5-year average of the Consumer Price Index. The corrected proposed rates are reflected in Schedule 5-WW of Exhibit GRH-2-R

Exhibit GRH-3-R includes Company sponsored responses to interrogatories that are referenced in my rebuttal testimony.

Q. Per Mr. Padilla's direct testimony (SCH USA St. No. 1), please briefly describe the acquisition of the Township of Kidder Wastewater System.

A. The Company acquired the Township of Kidder's (the "Township") wastewater system in July of 2012, at Docket No. A-2012-2298067. The Split Rock Resort is located in the Lake Harmony area of the Township. At the time of the acquisition, the Company was transferred the number of assigned equivalent dwelling units or

"EDUs" from the Township's billing system, including the EDUs for Split Rock Resort. The EDUs transferred were based on the 2010 Settlement Agreement between the Township and Vacation Charters Ltd., Split Rock Country Club, Inc., and Summit Management & Utilities, Inc. See Exhibit FL-1 in the direct testimony of SCH USA Witness Lacey.

Q. What is the Company's definition of an EDU?

A. The Company defines an EDU under the proposed tariff as, "Except for existing Customers acquired by the Company through a purchase or acquisition and for billing purposes only, the EDU is a measure assigned by the Company based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP regulation at 25 Pa. Code § 73.17(b) divided by the Company's typical estimated average daily wastewater flow from a current single-family unit. Residential Customers are designated as on EDU; however, in the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property."

Q. Please describe the acquisition of Split Rock Resort by SCH USA.

A. In October of 2020, SCH USA acquired parts of Split Rock Resort. The acquisition included Willowbrook at Lake Harmony, the Galleria and the Water Park, the Lodge, and the laundry that serves Willowbrook, the Galleria and the Lodge. As outlined in the direct testimony of SCH USA Witness Padilla, SCH USA operates the Lodge, which has 50 hotel rooms, a restaurant and meeting room; Willowbrook at Lake Harmony, which is a resort hotel and has 256 guest rooms; The Galleria, which has 77 hotel rooms, eight VIP rooms, a food court, shops, restaurants, movie

theater, racquetball court, waterpark, indoor pool, lobby bar, and a meeting space; and a laundry, which serves the Lodge, Willowbrook and the Galleria. In total, the resort has 383 hotel rooms and multiple amenities. SCH USA also purchased the wells that provide the drinking water to these locations of the resort.

Q. Please describe the number of EDUs and rates the Split Rock Resort is allocated/charged by the Company.

A. Aqua was transferred the assigned number of EDUs from the Township's billing system (including the EDUs for Split Rock Resort). The number of EDUs for Split Rock Resort was determined in the 2010 Settlement Agreement. Split Rock Resort falls under the Company's Rate Zone 4 wastewater tariff and is charged $131.00 per EDU under present rates (excluding the Distribution System Improvement Charge ("DSIC")), and $134.33 per EDU under proposed rates. The present flat rates were calculated based on a residential customer's average monthly usage of 4,000 gallons per month, which was the system-wide average monthly residential usage calculated in the 2021 rate case at Docket Nos. R-2021-3027385 and R-2021-3027386, and the proposed flat rates are calculated based on the calculated system-wide residential customer's average monthly usage of 3,870 gallons per month, based on this rate proceeding's historic test year ("HTY") end December 31, 2023, consumption and billing determinants. Aqua bills SCH USA the following number of EDUs per month:

Willowbrook at Lake Harmony (Willowbrook): 128 EDUs

Galleria and the Water Park (Galleria): 145 EDUs

The Lodge: 53 EDUs

Laundry (serves the above premises): 4 EDUs

Total EDUs Charged to SCH: 330 EDUs

Q. Could the Company simply agree to charging SCH USA a different level of EDUs in this case?

A. No, it cannot. First and foremost, Aqua is a regulated Company where the Pennsylvania Public Utility Commission ("Commission") sets and approves the rates, rate structures and billing determinants charged to its customers. Additionally, the Split Rock Resort is operating the same type of business that has always been present at this location. The Company has no obligation or reasoning to change the predetermined EDUs that were adopted in the 2010 Settlement Agreement and then approved by the Commission in the Company's 2021 rate case. Therefore, any requests for changes in the allocated number of EDUs must be decided upon by the Commission in this rate proceeding.

Q. What is Mr. Padilla's complaint as to Aqua's billing procedures?

A. I understand that currently SCH/Split Rock Resort **[BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]** and that is the focus of the current compliant filing SCH USA made against Aqua in Docket Nos. C-2022-3036893 and C-2022-3037118. In this proceeding, Mr. Padilla claims the methodology of Aqua's billing assumes Split Rock Resort is at full occupancy every single day of the year. I will respond to this allegation.

Q. Does Aqua charge SCH/Split Rock Resort based on full occupancy?

A. No, it does not. The Company charges Split Rock Resort based on predetermined EDUs, which totals 330 EDUs. There are 383 total hotel rooms not counting the multiple amenities at the resort. The largest gap between EDUs and number of hotel rooms is Willowbrook, which has 256 rooms and is charged 128 EDUs or half the amount of rooms. Based on the 2010 Settlement Agreement, Willowbrook has 128 units with two rooms in each unit, and each unit counts as one EDU. The Lodge and Galleria are charged a similar number of EDUs as the number of guest rooms, but also have multiple amenities at these premises, which should also be allocated EDUs as these amenities produce wastewater consumption. Aqua acquired the Township's wastewater system and adopted the predetermined EDU allocation that was developed in the 2010 Settlement Agreement.

Q. Please provide more comments on SCH USA's ongoing assertion about EDU assignment.

A. I note that the number of guest rooms and multiple amenities is greater than the 330 EDUs the Company charges SCH USA. The Company maintains this is a reasonable number of EDUs to charge as they were defined by the 2010 Settlement Agreement. Therefore, SCH USA could very well be allocated more than 330 EDUs if the Commission does not rule in favor of maintaining a flat rate charge per EDU for SCH USA.

Q. Is SCH USA under the impression that it is being charged EDUs for an expansion of guest rooms that never materialized based on the 2010 Settlement Agreement?

A. Yes. In the Direct Testimony of SCH USA witness Lacey, he erroneously states:

> "This Settlement was agreed to, and the number of EDUs was determined before a proposed expansion of 198 units (384 rooms) at the resort was started. Importantly, the proposed expansion of 192 units (384 rooms), included in the derivation of EDUs included in the settlement, was never actually built. Aqua is currently (and has always been) billing SCH USA for wastewater throughput from those unbuilt rooms that were planned when the Settlement was negotiated." SCH USA St. No. 3, at p. 4.

The 2010 Settlement Agreement is clear that those additional 192 EDUs related to the construction at Willowbrook were not considered in setting the number of EDU's at that time, as the expansion of these 192 units would have increased the EDU count at Willowbrook from 128 EDUs (for the existing units) to 320 EDUs. However, Aqua currently charges Willowbrook for only 128 EDUs, which shows the 192 unit expansion is not considered in the EDU count for Willowbrook and Aqua is not charging SCH USA for the unbuilt units. In addition, in the Company's prior rate case at Docket Nos. R-2021-3027385 and R-2021-3027386, the number of EDUs Split Rock Resort was charged was not contested, and the Company is obligated to bill the resort the Commission approved Rate Zone 4 tariff rates.

Q. Please briefly describe the relief SCH USA is seeking.

A. Mr. Padilla states SCH USA is "seeking to pay rates based on actual wastewater service being provided." SCH USA St. No. 1, at p. 4. He provides four recommendations, (1) measuring actual water consumption; (2) measuring actual wastewater discharges to Aqua's system, (3) adjusting the EDUs for billing

purposes to better reflect actual usage and occupancy; or (4) assigning a different proxy that more accurately reflects actual usage and occupancy. SCH USA St. No. 1, at p. 4.

Q. Does the Company have any customers in a similar situation as SCH USA?

A. The Company currently has a limited number of customers it bills through metered private wells or bills based on wastewater flows. The Company sponsored responses to interrogatories SCH-I-1 and SCH-I-2, which are included in SCH USA witness Lacey's Exhibit FL-3, describe the customer classes, and the breakdown of number of customers by service area for these customers. All these customers with metered wells or metered wastewater flows were in place before Aqua acquired these systems. Aqua adopted the applicable rate structure(s) upon acquisition, similar to how Aqua has maintained the same number of predetermined EDUs to charge its unmetered customers a flat rate in the Township.

Q. What is the Company's position regarding SCH USA Witness Padilla's recommendations?

A. The recommendations Mr. Padilla provides in his direct testimony would cause a myriad of issues and increased costs for the Company and, ultimately, Aqua's customers. Split Rock Resort has privately owned wells, that are not metered, that provide water to its resort customers. If the privately owned wells or wastewater flows were metered, issues such as determining which party would own these meters (either water or wastewater meters), the responsibility and cost of the initial installation, which party would maintain the meters, shut-off procedures for

delinquency, accuracy of the readings, or performing audits of the well meter readings could arise. Furthermore, any costs the Company would incur to make these recommended changes to measure usage will increase the revenue requirement, not reduce it, and ultimately increase the rates paid by SCH USA. Lastly, Mr. Padilla's recommendations related to adjusting EDUs or assigning different proxies based on different levels of occupancy rates or usage is further discussed below in my rebuttal testimony.

Q. Please explain further the issues related to the accuracy of meter readings or performing audits of the meter readings are unique to SCH USA.

A. In situations where an independent entity provides water service and bills a customer for this service, the entity has an incentive to correctly meter a customer's usage. However, for SCH USA, who provides water service for itself through private wells has less incentive to accurately measure water usage. SCH USA's situation poses a risk for the Company to spend more time and money on ensuring accurate meter readings, and those costs would ultimately be recovered through the rates charged to SCH USA.

Q. SCH USA Witness Padilla argues that if the resort is at less than full capacity, SCH USA is charged for more wastewater flows than what Aqua collects and treats. How do you respond?

A. Since the resort is supplied water through unmetered wells, the Company has no reason to suspect, at any level of occupancy, that the resort is being overcharged, as SCH USA is under a Commission approved, flat rate charge per EDU rate structure. The resort has a laundry, water park, pool, movie theater, restaurants,

bar, and shops. Based on my review of the Split Rock Resort website, some or most of these amenities at the resort are also available to the public and are not exclusive to guests staying at the resort hotels. It is possible that the public consumption is de minimis compared to the consumption produced by its hotel guests, but I am simply pointing out another factor that would make it unreasonable to have charges based solely on occupancy rates where the business provides services to its guests and public, as both contribute to wastewater consumption. Furthermore, the Company has never used occupancy rates for the allocation of EDUs, and it is currently not authorized by the Commission and cannot bill based upon occupancy levels.

Q. If the Commission were to reduce the EDUs charged to SCH USA, explain the calculations to revenues under present and proposed rates that would be required to make.

A. An individual customer's rates cannot be considered in a vacuum, and if SCH USA's allocated number of EDUs were reduced, it would impact other customers rates in Rate Zone 4. A pro forma revenue adjustment under present and proposed rates would be required to adjust for the reduction of EDUs charged to Split Rock USA. The proposed rates would then need to be recalculated, which would result in an increase in proposed rates for all customers in Rate Zone 4 to make up for the reduction in EDUs to Split Rock Resort.

Q. Does this conclude your rebuttal testimony?

A. Yes, it does.

EXHIBIT NO. GRH-1-R

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rates

Rate Description	Zone 1		
	Current Rates	FPFTY Rates	Change
RESIDENTIAL			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
5/8,3/4	22.72	26.11	14.9%
5/8,1	23.07	26.46	14.7%
5/8,1-1/2	26.40	29.79	12.8%
5/8,2	28.51	31.90	11.9%
3/4,1	37.76	43.56	15.4%
3/4,1-1/2	41.09	46.89	14.1%
3/4,2	43.20	49.00	13.4%
1,1	62.36	72.26	15.9%
1,1-1/2	65.69	75.59	15.1%
1,2	67.80	77.70	14.6%
1-1/2,1	105.06	114.96	9.4%
1-1/2,1-1/2	108.39	118.29	9.1%
1-1/2,2	110.50	120.40	9.0%
2,1-1/2	143.89	153.79	6.9%
2,2	146.00	155.90	6.8%
Consumption Charges:			
1st block	1.3050	1.7349	32.9%
2nd block	1.5451	2.0540	32.9%
3rd block			
Beech Mountain	0.6158	1.1084	80.0%
Bristol Township	0.8575	1.5436	80.0%
Concord Park			
First 20			
Over 20			
Treasure Lake			
First 20			
Over 20			
Block Size (100 gallons)			
First	20	20	
Next or Over	20	20	
Next			
Next			
Over			

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rates

Rate Description	Zone 1		
	Current Rates	FPFTY Rates	Change
COMMERCIAL			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
Consumption Charges:		0.287605	
1st block	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%
3rd block	1.0217	1.3155	28.8%
4th block	0.9351	1.2040	28.8%
CC Gardens & Sand Springs	1.4017	1.8635	32.9%
Beech Mountain	0.6158	1.1084	80.0%
Bristol Township	1.4017	1.8048	28.8%
Concord Park			
Treasure Lake			
Block Size (100 gallons)			
First	100		
Next	233		
Next	3,000		
Next or Over	3,333		
Over			
Fist			
Over			
INDUSTRIAL			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
Consumption Charges:			
1st block	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%
3rd block	1.0217	1.3155	28.8%
4th block	0.9351	1.2040	28.8%
5th block	0.9104	1.2040	32.2%
6th block	0.7283	0.9682	32.9%
First	100		
Next	233		
Next	3000		
Next	30,000		
Next or Over	66,667		
Over or First	100,000		
Over			

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rates

Rate Description	Zone 1 Current Rates	Zone 1 FPFTY Rates	Change
Public			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
5/8,1-1/2	26.40	31.90	20.8%
Consumption Charges:			
1st block	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%
3rd block	1.0163	1.3511	32.9%
4th block	0.9301	1.2365	32.9%
CC Gardens & Sand Springs	1.4017	1.8635	32.9%
Beech Mountain	0.6158	0.8187	32.9%
Bristol Township	1.4017	1.8635	32.9%
Concord Park			
Treasure Lake			
First	100		
Next	233		
Next	3,000		
Over	3,333		
Sales to Other Water Utilities			
Customer Charges:			
5/8	20.51	23.90	16.5%
3/4	35.20	41.00	16.5%
1	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%
2	164.00	191.10	16.5%
3	329.00	383.00	16.4%
4	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%
Consumption Charges: ##			
All Usage	1.4017	1.8048	28.8%
UNMETERED			
Zone 1, 2 and 3	83.00	97.01	16.9%

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Zone 2			Zone 3		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
RESIDENTIAL						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
5/8,3/4	22.72	26.11	14.9%			
5/8,1	23.07	26.46	14.7%			
5/8,1-1/2	26.40	29.79	12.8%			
5/8,2	28.51	31.90	11.9%			
3/4,1	37.76	43.56	15.4%			
3/4,1-1/2						
3/4,2						
1,1						
1,1-1/2						
1,2						
1-1/2,1						
1-1/2,1-1/2						
1-1/2,2						
2,1-1/2						
2,2						
Consumption Charges:						
1st block	1.3050	1.7349	32.9%	1.2231	1.6307	33.3%
2nd block	1.5451	2.0540	32.9%	1.5451	2.0540	32.9%
3rd block						
Beech Mountain						
Bristol Township						
Concord Park	1.0566	1.7349				
First 20		1.7349				
Over 20						
Treasure Lake	0.9204	1.6567				
First 20		1.6567				
Over 20						
Block Size (100 gallons)						
First	20	20		40	40	
Next or Over	20	20		40	40	
Next						
Next						
Over						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Zone 2			Zone 3		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
COMMERCIAL						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
Consumption Charges:						
1st block	1.4017	1.8048	28.8%	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%	1.2315	1.5857	28.8%
3rd block	1.0217	1.3155	28.8%	1.0217	1.3155	28.8%
4th block	0.9351	1.2040	28.8%	0.9351	1.2040	28.8%
CC Gardens & Sand Spr						
Beech Mountain						
Bristol Township						
Concord Park	1.0566	1.7349	64.2%			
Treasure Lake	0.9204	1.6567	80.0%			
Block Size (100 gallons)						
First	100			100		
Next	233			233		
Next	3,000			3,000		
Next or Over	3,333			3,333		
Over						
Fist						
Over						
INDUSTRIAL						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
Consumption Charges:						
1st block	1.4017	1.8048	28.8%	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%	1.2315	1.5857	28.8%
3rd block	1.0217	1.3155	28.8%	1.0217	1.3155	28.8%
4th block	0.9351	1.2040	28.8%	0.9351	1.2040	28.8%
5th block	0.9104	1.2040	32.2%	0.9104	1.2040	32.2%
6th block	0.7283	0.9682	32.9%	0.7283	0.9682	32.9%
First	100			100		
Next	233			233		
Next	3000			3000		
Next	30,000			30,000		
Next or Over	66,667			66,667		
Over or First	100,000			100,000		
Over						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Zone 2			Zone 3		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
Public						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
5/8,1-1/2						
Consumption Charges:						
1st block	1.4017	1.8048	28.8%	1.4017	1.8048	28.8%
2nd block	1.2315	1.5857	28.8%	1.2315	1.5857	28.8%
3rd block	1.0163	1.3511	32.9%	1.0163	1.3511	32.9%
4th block	0.9301	1.2365	32.9%	0.9301	1.2365	32.9%
CC Gardens & Sand Spr						
Beech Mountain						
Bristol Township						
Concord Park	1.0566	1.8048	70.8%			
Treasure Lake	0.9204	1.5857	72.3%			
First	100			100		
Next	233			233		
Next	3,000			3,000		
Over	3,333			3,333		
Sales to Other Water Utilitie						
Customer Charges:						
5/8	20.51	23.90	16.5%	30.51	33.90	11.1%
3/4	35.20	41.00	16.5%	30.51	33.90	11.1%
1	59.80	69.70	16.6%	59.80	69.70	16.6%
1-1/2	115.20	134.20	16.5%	115.20	134.20	16.5%
2	164.00	191.10	16.5%	164.00	191.10	16.5%
3	329.00	383.00	16.4%	329.00	383.00	16.4%
4	536.00	625.00	16.6%	536.00	625.00	16.6%
6	1,105.00	1,288.00	16.6%	1,105.00	1,288.00	16.6%
8	1,934.00	2,254.00	16.5%	1,934.00	2,254.00	16.5%
10	2,858.00	3,330.00	16.5%	2,858.00	3,330.00	16.5%
12	3,461.00	4,033.00	16.5%		4,033.00	
Consumption Charges:						
All Usage	1.4017	1.8048	28.8%	1.4017	1.8048	28.8%
UNMETERED						
Zone 1, 2 and 3	83.00	97.01	16.9%	83.00	97.01	16.9%

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Bunker Hill/Sun Valley			Phoenixville		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
RESIDENTIAL						
Customer Charges:	Bunker Hill					
5/8	11.80	20.65	75.0%	4.90	8.58	75.1%
3/4	Sun Valley			4.90	8.60	75.5%
1	18.00	31.50	75.0%	9.90	17.30	74.7%
1-1/2				17.30	30.30	75.1%
2				37.00	64.80	75.1%
3				61.70	108.00	75.0%
4				123.30	215.90	75.1%
6				197.30	345.50	75.1%
8				419.30	734.20	75.1%
10						
12						
5/8,3/4						
5/8,1						
5/8,1-1/2						
5/8,2						
3/4,1						
3/4,1-1/2						
3/4,2						
1,1						
1,1-1/2						
1,2						
1-1/2,1						
1-1/2,1-1/2						
1-1/2,2						
2,1-1/2						
2,2						
Consumption Charges:	**Consumption Charges: Bunker Hill**					
1st block	0.6660	1.1655	75.0%	0.4440	0.7770	75.0%
2nd block	**Consumption Charges: Sun Valley**			0.3626	0.6346	75.0%
3rd block	0.5000	0.8750	75.0%	0.2960	0.5180	75.0%
Beech Mountain						
Bristol Township						
Concord Park						
First 20						
Over 20						
Treasure Lake						
First 20						
Over 20						
Block Size (100 gallons)						
First	0			3,333		
Next or Over	0			13,334		
Next				16,667		
Next						
Over						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Bunker Hill/Sun Valley			Phoenixville		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
COMMERCIAL						
Customer Charges:						
5/8				4.90	8.58	75.1%
3/4				4.90	8.60	75.5%
1				9.90	17.30	74.7%
1-1/2				17.30	30.30	75.1%
2				37.00	64.80	75.1%
3				61.70	108.00	75.0%
4				123.30	215.90	75.1%
6				197.30	345.50	75.1%
8				419.30	734.20	75.1%
10						
12						
Consumption Charges:						
1st block				0.4440	0.7770	75.0%
2nd block				0.3626	0.6346	75.0%
3rd block				0.2960	0.5180	75.0%
4th block						
CC Gardens & Sand Spri						
Beech Mountain						
Bristol Township						
Concord Park						
Treasure Lake						
Block Size (100 gallons)						
First				3,333		
Next				13,334		
Next				16,667		
Next or Over						
Over						
Fist						
Over						
INDUSTRIAL						
Customer Charges:						
5/8				4.90	8.58	75.1%
3/4				4.90	8.60	75.5%
1				9.90	17.30	74.7%
1-1/2				17.30	30.30	75.1%
2				37.00	64.80	75.1%
3				61.70	108.00	75.0%
4				123.30	215.90	75.1%
6				197.30	345.50	75.1%
8				419.30	734.20	75.1%
10						
12						
Consumption Charges:						
1st block				0.4440	0.7770	75.0%
2nd block				0.3626	0.6346	75.0%
3rd block				0.2960	0.5180	75.0%
4th block						
5th block						
6th block						
First				3,333		
Next				13,334		
Next				16,667		
Next						
Next or Over						
Over or First						
Over						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Bunker Hill/Sun Valley			Phoenixville		
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change
Public						
Customer Charges:						
5/8				4.90	8.58	75.1%
3/4				4.90	8.60	75.5%
1				9.90	17.30	74.7%
1-1/2				17.30	30.30	75.1%
2				37.00	64.80	75.1%
3				61.70	108.00	75.0%
4				123.30	215.90	75.1%
6				197.30	345.50	75.1%
8				419.30	734.20	75.1%
10						
12						
5/8,1-1/2						
Consumption Charges:						
1st block				0.4440	0.7770	75.0%
2nd block				0.3626	0.6346	75.0%
3rd block				0.2960	0.5180	75.0%
4th block						
CC Gardens & Sand Spri						
Beech Mountain						
Bristol Township						
Concord Park						
Treasure Lake						
First				3,333		
Next				13,334		
Next				16,667		
Over						
Sales to Other Water Utilitie						
Customer Charges:						
5/8						
3/4						
1						
1-1/2						
2						
3						
4						
6						
8						
10						
12						
Consumption Charges:						
All Usage						
UNMETERED						
Zone 1, 2 and 3						

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Shenandoah					Belle Aire		
	Current Rates	Present Allowance	FPFTY Rates	Change	Proposed Allowance	Current Rates	FPFTY Rates	Change
RESIDENTIAL								
Customer Charges:		*(gals.)*			*(gals.)*			
5/8	20.49	1,000	23.90	16.6%	-	50.00	23.90	
3/4	29.88	1,000	41.00	37.2%	-		41.00	
1	40.91	1,000	69.70	70.4%	-		69.70	
1-1/2			134.20		-		134.20	
2	110.29	2,000	191.10	73.3%	-		191.10	
3	679.73	84,000	383.00	-43.7%	-		383.00	
4	1,223.46	150,000	625.00	-48.9%	-		625.00	
6	2,582.84	324,000	1,288.00	-50.1%	-		1,288.00	
8	3,616.05	453,000	2,254.00	-37.7%	-		2,254.00	
10								
12								
5/8,3/4								
5/8,1								
5/8,1-1/2								
5/8,2								
3/4,1								
3/4,1-1/2								
3/4,2								
1,1								
1,1-1/2								
1,2								
1-1/2,1								
1-1/2,1-1/2								
1-1/2,2								
2,1-1/2								
2,2								
		Fixed						
	Consumption Chg: Allow + Blocks					**Consumption**		
Consumption Charges:	-		1.2687				1.2144	
1st block	2.0490		1.5021	-26.7%			1.4378	
2nd block	1.0960							
3rd block	0.4830							
Beech Mountain	1.0960							
Bristol Township								
Concord Park								
First 20								
Over 20								
Treasure Lake								
First 20								
Over 20								

Block Size (100 gallons)		Residential
First	10	20
Next or Over	10	20
Next	10	
Next	40	
Over	70	

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Shenandoah					Belle Aire		
	Current Rates	Present Allowance	FPFTY Rates	Change	Proposed Allowance	Current Rates	FPFTY Rates	Change
COMMERCIAL								
Customer Charges:					*(gals.)*			
5/8	20.49	1,000	23.90	16.6%	-			
3/4	29.88	1,000	41.00	37.2%	-			
1	40.91	1,000	69.70	70.4%	-			
1-1/2	-		134.20					
2	110.29	2,000	191.10	73.3%	-			
3	679.73	84,000	383.00	-43.7%	-			
4	1,223.46	150,000	625.00	-48.9%	-			
6	2,582.84	324,000	1,288.00	-50.1%	-			
8	3,616.05	453,000	2,254.00	-37.7%	-			
10								
12								
Consumption Charges:	**Consumption Chg: Over Allowance**							
1st block	-		1.173100					
2nd block	2.0490		1.030700	-49.7%				
3rd block	1.0960		0.486700	-55.6%				
4th block	0.4830		0.445500	-7.8%				
CC Gardens & Sand Spr	1.0960			-100.0%				
Beech Mountain								
Bristol Township	**Consumption Chg 2"+: Over Allowance**							
Concord Park	-		RZ 1 Blocking					
Treasure Lake	0.392							
	0.189							
Block Size (100 gallons)								
First	10							
Next	10							
Next	10							
Next or Over	40							
Over	70							
Fist	500		*Greater than 1" Meters					
Over	500		*Greater than 1" Meters					
INDUSTRIAL								
Customer Charges:					*(gals.)*			
5/8	20.49	1,000	23.90	16.6%	-			
3/4	29.88	1,000	41.00	37.2%	-			
1	40.91	1,000	69.70	70.4%	-			
1-1/2	-		134.20					
2	110.29	2,000	191.10	73.3%	-			
3	679.73	84,000	383.00	-43.7%	-			
4	1,223.46	150,000	625.00	-48.9%	-			
6	2,582.84	324,000	1,288.00	-50.1%	-			
8	3,616.05	453,000	2,254.00	-37.7%	-			
10								
12	**Consumption Chg: Over Allowance**							
	-		1.1731					
	2.0490		1.0307					
Consumption Charges:	1.0960		0.4867					
1st block	0.4830		0.4455					
2nd block	1.0960		0.4455					
3rd block			0.3582					
4th block	**Consumption Chg 2"+: Over Allowance**							
5th block	-							
6th block	0.392							
	0.189							
First	10		RZ 1 blocking					
Next	10							
Next	10							
Next	40							
Next or Over	70							
Over or First	500		*Greater than 1" Meters					
Over	500		*Greater than 1" Meters					

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rate

Rate Description	Shenandoah					Belle Aire		
	Current Rates	Present Allowance	FPFTY Rates	Change	Proposed Allowance	Current Rates	FPFTY Rates	Change
Public								
Customer Charges:		*(gals.)*			*(gals.)*			
5/8	20.49	1,000	23.90	16.6%	-			
3/4	29.88	1,000	41.00	37.2%	-			
1	40.91	1,000	69.70	70.4%	-			
1-1/2	-		134.20					
2	110.29	2,000	191.10	73.3%	-			
3	679.73	84,000	383.00	-43.7%	-			
4	1,223.46	150,000	625.00	-48.9%	-			
6	2,582.84	324,000	1,288.00	-50.1%	-			
8	3,616.05	453,000	2,254.00	-37.7%	-			
10								
12								
5/8,1-1/2	**Consumption Chg: Over Allowance**							
	-		1.1731					
	2.0490		1.0307	-49.7%				
Consumption Charges:	1.0960		0.4999	-54.4%				
1st block	0.4830		0.4575	-5.3%				
2nd block	1.0960							
3rd block								
4th block	**Consumption Chg 2"+: Over Allowance**							
CC Gardens & Sand Spr	-							
Beech Mountain	0.392							
Bristol Township	0.189							
Concord Park								
Treasure Lake								
First	10	RZ 1 blocking						
Next	10							
Next	10							
Over	40							
	70							
	500	*Greater than 1" Meters						
	500	*Greater than 1" Meters						
Sales to Other Water Utilitie								
Customer Charges:								
5/8								
3/4								
1								
1-1/2								
2								
3								
4								
6								
8								
10								
12								
Consumption Charges:								
All Usage								
UNMETERED								
Zone 1, 2 and 3						75.07		

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rates

		Contract Rates			
		2023 Rates	2024 Rates	FPFTY Rates	Change
Contracts					
Rate Zone 1: Industrial					
Customer Charges:					
5/8		20.51	20.51	23.90	16.5%
3/4		35.20	35.20	41.00	16.5%
1		59.80	59.80	69.70	16.6%
1-1/2		115.20	115.20	134.20	16.5%
2		164.00	164.00	191.10	16.5%
3		329.00	329.00	383.00	16.4%
4		536.00	536.00	625.00	16.6%
6		1,105.00	1,105.00	1,288.00	16.6%
8		1,934.00	1,934.00	2,254.00	16.5%
10		2,858.00	2,858.00	3,330.00	16.5%
12		3,461.00	3,461.00	4,033.00	16.5%
Industrial Contracts					
Minimum Customer Charges:					
Montenay - Covanta					
6 inch (Jan 1 Rate Change)		47,280.00	49,800.00	50,796.00	7.44%
Liberty Power		100,874.15			
10-inch (Jan 1 Rate Change)		108,708.74	112,491.06	114,763.38	5.57%
Consumption Charges:					
Montenay - Covanta	GDP				
Allowance		-	-	-	
All Usage (Jan 1 Rate Change)		0.3940	0.4150	0.4233	7.44%
Liberty Power	CPI	0.1040			
All usage		0.1120	0.1150	0.1173	4.75%
Mt. Carmel					
Allowance 125,000 100 gallons	Contract				
All Usage (Jan. - May)		0.3200	0.3270	0.5050	57.81%
All Usage (Jun. - Dec.)		0.3270	0.5050	0.5150	57.49%

		Contract Rates			
		2023 Rates	2024 Rates	FPFTY Rates	Change
Contracts					
Rate Zone 1: Public					
Customer Charges:					
5/8		20.51	20.51	23.90	16.5%
3/4		35.20	35.20	41.00	16.5%
1		59.80	59.80	69.70	16.6%
1-1/2		115.20	115.20	134.20	16.5%
2		164.00	164.00	191.10	16.5%
3		329.00	329.00	383.00	16.4%
4		536.00	536.00	625.00	16.6%
6		1,105.00	1,105.00	1,288.00	16.6%
8		1,934.00	1,934.00	2,254.00	16.5%
10		2,858.00	2,858.00	3,330.00	16.5%
12		3,461.00	3,461.00	4,033.00	16.5%
Public Contracts					
Minimum Customer Charges:					
Canaan Federal Prison					
10 inch		25,227.82	29,667.62	29,667.62	17.60%
SCI Waymart					
8-inch (Jan 1 Rate Change)		5,035.78	5,155.38	5,259.52	4.44%
Consumption Charges:					
SCI Forest County	MD%				
up to 100		1.4017	1.4017	1.8048	28.76%
next 233		1.2315	1.2315	1.5857	28.76%
next 3,000		1.0163	1.0163	1.3511	32.94%
over 3,333		0.9301	0.9301	1.2365	32.94%
True Up Rate		0.9301	0.9301	1.2365	32.94%
Canaan Federal Prison	MD%				
Allowance 45,000 100 gallons		-	-	-	
Over 45,000		0.1410	0.1658	0.1658	17.59%
SCI Waymart	CPI				
Allowance 48,000 100 gallon					
Over 48,000		0.1810	0.1853	0.1890	4.44%

		Contract Rates			
		2023 Rates	2024 Rates	FPFTY Rates	Change
Contracts					
Rate Zone 1: Sales to Other Water Utilities					
Customer Charges:					
5/8		20.51	20.51	23.90	16.5%
3/4		35.20	35.20	41.00	16.5%
1		59.80	59.80	69.70	16.6%
1-1/2		115.20	115.20	134.20	16.5%
2		164.00	164.00	191.10	16.5%
3		329.00	329.00	383.00	16.4%
4		536.00	536.00	625.00	16.6%
6		1,105.00	1,105.00	1,288.00	16.6%
8		1,934.00	1,934.00	2,254.00	16.5%
10		2,858.00	2,858.00	3,330.00	16.5%
12		3,461.00	3,461.00	4,033.00	16.5%
Sales to Other Water Utilities Contracts					
Minimum Customer Charges:					
Veolia PA Water	MD%				
2-inch		5,396.00	5,396.00	6,443.36	19.4%
Chemung	MD%				
10-inch		646.50	646.50	737.50	14.1%
Warwick	CPI				
8-inch		46,092.68	48,457.80	49,436.65	7.3%
Horsham	CPI				
6-inch (Period 1)		13,195.00	13,765.00	13,801.00	
6-inch (Period 2)		13,765.00	13,801.00	14,014.00	
Schwenksville					
3-inch (Period 1)		10,809.50	11,472.50	11,744.97	8.7%
3-inch (Period 2)		11,472.50	11,744.97	11,982.22	4.4%
Consumption Charges:					
Veolia PA Water	MD%				
1st Block		0.4360	0.4360	0.5206	19.4%
2nd Block		0.3725	0.3725	0.4448	19.4%
Chemung	MD %				
All Usage		0.8140	0.8140	0.9720	19.4%
New Wilmington	MD%				
All Usage		1.4017	0.7130	0.7273	-48.1%
Warwick	CPI				
up to 243,333		0.2230	0.2345	0.2392	7.3%
over 243,333		0.2168	0.2279	0.2325	7.2%
Sharpsville	CPI				
All Usage (Period 1)		0.2690	0.2830	0.2897	7.7%
All Usage (Period 2)		0.2830	0.2897	0.2956	4.4%
Hubbard Township	CPI - Cleveland				
All Usage (Jan. - Nov.)		0.2460	0.2660	0.2876	16.9%
All Usage (Dec. - Oct.)		0.2660	0.2876	0.3110	16.9%
Horsham (contract)	CPI				
Minimum - (Period 1)		-	-	-	
Block 1 - (Period 1)		0.5320	0.5570	0.5570	4.7%
Minimum - (Period 2)		-	-	-	
Block 1 - (Period 2)		0.5570	0.5570	0.5683	2.0%
Schwenksville	CPI				
Allowance (Period 1)		-	-	-	
All Usage (Period 1)		0.4110	0.4370	0.4474	8.9%
Allowance (Period 2)		-	-	-	
All Usage (Period 2)		0.4370	0.4474	0.4564	4.4%
Downingtown	CPI				
All Usage		0.1180	0.1180	0.1204	2.0%
Bristol	CPI				
All Usage		0.6550	0.6706	0.6841	4.4%
Masury Water Company	CPI				
All usage (Jan. to June)		0.2500	0.2587	0.2648	5.9%

Docket No. 24-3047822
Aqua Pennsylvania, Inc.
Current and Proposed Rates

	Main Division			Main Division			Superior			Bristol			Shenandoah	
	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates	Change	Current Rates	FPFTY Rates
Private Fire														
Customer Charges:				**Flat Rate**										
Monthly			1.14072	Monthly				1.14072			1.14072			
1 inch	7.10	8.10	14.1%	7.10	8.10	14.1%	7.10	8.10	14.1%	7.10	8.10	14.1%	569.00	569.00
1-1/2 inch	16.30	18.60	14.1%	16.30	18.60	14.1%	16.30	18.60	14.1%	16.30	18.60	14.1%		
2 inch	40.20	45.90	14.2%	40.20	45.90	14.2%	30.00	45.90	53.0%	40.20	45.90	14.2%		
3 inch	65.30	74.50	14.1%	65.30	74.50	14.1%	65.30	74.50	14.1%	65.30	74.50	14.1%		
4 inch	110.50	126.00	14.0%	110.50	126.00	14.0%	110.50	126.00	14.0%	110.50	126.00	14.0%		
6 inch	243.40	277.70	14.1%	243.40	277.70	14.1%	243.40	277.70	14.1%	221.40	277.70	25.4%		
8 Inch	424.50	484.20	14.1%	424.50	484.20	14.1%	424.50	484.20	14.1%	366.40	484.20	32.2%		
10 inch	646.50	737.50	14.1%	646.50	737.50	14.1%	646.50	737.50	14.1%	548.40	737.50	34.5%		
12 inch	1,790.80	2,042.80	14.1%	1,790.80	2,042.80	14.1%								
Consumption Charges:													**Auto Sprinkler - Per Month**	
All usage	1.3861	1.7349	25.2%				1.3861	1.7349	25.2%	1.3861	1.7349	25.2%	$ 86.13	$ 86.13
													Plus Sq Footage - Per Mon	
Private Fire Hydrants				0	0.25								0.00724	0.00724
Main Division	$ 51.10	$ 51.10	0.0%			$ -							**Sprinkler + Sq Ft. Quarterly**	
Peddlers View	34.10	42.60	24.9%			$ 8.50							$ 245.64	$ 245.64
Honesdale	34.10	42.60	24.9%			$ 8.50							$ 276.31	$ 276.31
Sand Springs	34.10	42.60	24.9%			$ 8.50							$ 276.00	$ 276.00
Eagle Rock	29.80	40.50	35.9%			$ 10.70							$ 189.77	$ 189.77
Phoenixville	29.50	40.30	36.6%			$ 10.80								
Shenandoah	50.98	51.10	0.2%										50.98	$ 50.98
Qualified Hydrant	34.10	42.60	24.9%											
Public Fire Hydrants														
Main Division	$ 28.57	$ 32.38	13.3%											
Main Division >6	34.00	34.00	0.0%											
Bensalem	24.90	28.60	14.9%											
Bristol Township	22.30	27.50	23.3%											
Chalfont	29.80	31.10	4.4%											
Concord Park	16.90	24.60	45.6%											
Kratzerville	29.80	32.38	8.7%											
Mifflin Township	19.50	25.90	32.8%											
Mount Jewett	12.20	22.30	82.8%											
Phoenixville	28.57	32.38	13.3%											
Shenandoah	4.75	20.23	326.2%										4.75	-

AQUA PENNSYLVANIA, INC
WATER OPERATIONS WITHOUT ACQUISITION
SUMMARY OF PRO FORMA REVENUES UNDER PROPOSED RATES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	FPFTY Revenues, Present Rates	FPFTY Revenues, Proposed Rates	FPFTY Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 386,070,947	$ 462,781,051	$ 76,710,104	19.9%
Commercial	143,094,848	169,163,248	26,068,400	18.2%
Industrial	20,260,902	24,431,574	4,170,672	20.6%
Public	9,349,510	11,148,842	1,799,332	19.2%
Sales for Resale	17,848	19,862	2,014	11.3%
Total Sales of Water	558,794,055	667,544,577	108,750,522	
Unmetered Sales (Residential)	9,446	10,302	856	9.1%
Private Fire	19,126,701	20,322,361	1,195,659	6.3%
Public Fire	7,255,078	8,187,042	931,964	12.8%
Contract Revenues Industrial	4,043,409	4,048,542	5,133	0.1%
Contract Revenues Public	1,474,207	1,800,928	326,721	22.2%
Contract Revenues Sales for Resale	3,960,775	3,991,792	31,017	0.8%
Total Contract Revenue	9,478,391	9,841,262	362,871	
Subtotal	594,663,672	705,905,544	111,241,872	
Other Revenues - Wheeling Fee	-	-	-	0.0%
Other Operating Revenues	1,154,807	1,154,807	-	0.0%
Total Water Revenue	$ 595,818,479	$ 707,060,351	$ 111,241,872	18.7%

AQUA PENNSYLVANIA, INC
WATER OPERATIONS ACQUISITION
SUMMARY OF PRO FORMA REVENUES UNDER PROPOSED RATES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	FPFTY Revenues, Present Rates	FPFTY Revenues, Proposed Rates	FPFTY Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 1,450,143	$ 2,069,612	$ 619,469	42.7%
Commercial	219,644	303,691	84,047	38.3%
Industrial	63,892	102,182	38,290	59.9%
Public	56,977	90,991	34,013	59.7%
Sales for Resale	-	-	-	0.0%
Total Sales of Water	1,790,656	2,566,475	775,819	
Unmetered Sales (Residential)	-	-	-	0.0%
Private Fire	23,096	23,096	-	0.0%
Public Fire	8,170	34,820	26,650	326.2%
Contract Revenues Industrial	-	-	-	0.0%
Contract Revenues Public	-	-	-	0.0%
Contract Revenues Sales for Resale	-	-	-	0.0%
Total Contract Revenue	-	-	-	
Subtotal	1,821,922	2,624,391	802,469	
Other Revenues - Wheeling Fee	-	-	-	0.0%
Other Operating Revenues	6,383	6,383	-	0.0%
Total Water Revenue	$ 1,828,305	$ 2,630,774	$ 802,469	43.9%

AQUA PENNSYLVANIA INC.
WATER OPERATIONS WITHOUT ACQUISITION
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023 (a)	Adjustment to Per Books Revenue 12/31/2023	Adjusted Revenues, Per Books Present Rates 12/31/2023 (a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)=(10)+(11)
METERED SALES											
Residential	$ 366,191,579	$ -	$ 366,191,579	$ (84,896)	$ 366,106,683	$ (2,798,219)	$ 363,308,464	$ (3,032,596)	$ 360,275,867	$ 25,795,079	$ 386,070,947
Commercial	133,102,367	-	133,102,367	195,381	133,297,748	139,603	133,437,351	94,740	133,532,091	9,562,757	143,094,848
Industrial	18,903,932	-	18,903,932	3,218	18,907,150	-	18,907,150	0	18,907,150	1,353,752	20,260,902
Public Authority	8,279,367	-	8,279,367	445,446	8,724,813	-	8,724,813	1	8,724,814	624,697	9,349,510
Sales for Resale	17,170		17,170	(514)	16,656	-	16,656	(0)	16,656	1,193	17,848
Total Sales of Water	$ 526,494,415	$ -	$ 526,494,415	558,635	$ 527,053,050	$ (2,658,616)	$ 524,394,434	$ (2,937,856)	$ 521,456,578	$ 37,337,477	$ 558,794,055
Unmetered Sales	$ 18,160		$ 18,160	$ 55	$ 18,215	$ (9,400)	$ 8,815	$ (0)	$ 8,815	$ 631	$ 9,446
Private Fire	$ 17,853,507	$ -	$ 17,853,507	$ (3,760)	$ 17,849,747	$ 650	$ 17,850,397	$ -	$ 17,850,397	$ 1,276,304	$ 19,126,701
Public Fire	7,330,523	-	7,330,523	(75,445)	7,255,078	-	7,255,078	-	7,255,078		7,255,078
Contract Revenues Industrial	3,573,513		3,573,513	3,089	3,576,602	252,315	3,828,917	214,492	4,043,409	-	4,043,409
Contract Revenues Public	1,409,954		1,409,954	37	1,409,991	62,848	1,472,839	1,368	1,474,207	-	1,474,207
Contract Revenues Sales for Resale	4,057,192		4,057,192	5,734	4,062,925	(231,655)	3,831,270	129,505	3,960,775	-	3,960,775
Total Contract Revenue	9,040,658		9,040,658	8,860	9,049,518	83,508	9,133,026	345,365	9,478,391	-	9,478,391
Subtotal	560,737,264	-	560,737,264	488,345	561,225,608	(2,583,858)	558,641,750	(2,592,491)	556,049,259	38,614,413	594,663,672
Other Revenues - Wheeling Fees	-	-	-		-		-		-		-
Other Operating Revenues	1,154,807	-	1,154,807		1,154,807		1,154,807		1,154,807		1,154,807
Total Water Revenue	$ 561,892,071	$ -	$ 561,892,071	$ 488,345	$ 562,380,416	$ (2,583,858)	$ 559,796,557	$ (2,592,491)	$ 557,204,066	$ 38,614,413	$ 595,818,479

(a) Excludes DSIC and Unbilled revenues.

AQUA PENNSYLVANIA INC.
WATER OPERATIONS ACQUISITION
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023 (a)	Adjustment to Per Books Revenue 12/31/2023	Adjusted Revenues, Per Books Present Rates 12/31/2023 (a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)=(10)+(11)
METERED SALES											
Residential	$ 498,762	$ 958,480 (b)	$ 1,457,242	$ -	$ 1,457,242	$ (7,099)	$ 1,450,143	$ (0)	$ 1,450,143	$ -	$ 1,450,143
Commercial	86,542	127,629	214,171	-	214,171	5,473	219,644	(0)	219,644	-	219,644
Industrial	22,520	41,371	63,891	-	63,891	-	63,891	1	63,892	-	63,892
Public Authority	(1,545)	58,521	56,976	-	56,976	-	56,976	1	56,977	-	56,977
Sales for Resale	-		-	-		-	-	-	-		-
Total Sales of Water	$ 606,279	$ 1,186,001	$ 1,792,280	-	$ 1,792,280	$ (1,626)	$ 1,790,654	$ 2	$ 1,790,656	$ -	$ 1,790,656
Unmetered Sales	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Private Fire	$ 4,245	$ 18,851	$ 23,096	$ -	$ 23,096	$ -	$ 23,096	$ -	$ 23,096	$ -	$ 23,096
Public Fire	2,983	5,187	8,170	-	8,170	-	8,170	-	8,170		8,170
Contract Revenues Industrial	-		-	-	-	-	-	-	-	-	-
Contract Revenues Public	-		-	-	-	-	-	-	-	-	-
Contract Revenues Sales for Resale	-		-	-	-	-	-	-	-	-	-
Total Contract Revenue	-		-	-	-	-	-	-	-	-	-
Subtotal	613,507	1,210,039	1,823,546	-	1,823,546	(1,626)	1,821,920	2	1,821,922	-	1,821,922
Other Revenues - Wheeling Fees	-	-	-		-		-		-		-
Other Operating Revenues	6,383	-	6,383		6,383		6,383		6,383		6,383
Total Water Revenue	$ 619,890	$ 1,210,039	$ 1,829,929	$ -	$ 1,829,929	$ (1,626)	$ 1,828,303	$ 2	$ 1,828,305	$ -	$ 1,828,305

(a) Excludes Unbilled revenues.
(b) Adjustment to per books revenue to reflect the full twelve months of billing determinants of the historic test year.

AQUA PENNSYLVANIA INC - WATER OPERATIONS
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PRESENT RATES AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Rate Zone	Residential	Commercial	Industrial	Public	Sales for Resale	Total
Present Rate Application - ProForma as of December 31, 2025						
Rate Zone 1 - Main Division	$ 348,955,643	$ 132,477,119	$ 18,860,768	$ 8,672,198	$ 16,656	$ 508,982,384
Rate Zone 2	7,769,275	717,386	37,399	52,616		8,576,676
Rate Zone 3	3,381,772	251,718	7,696			3,641,186
Rate Zone Bunker Hill	31,427					31,427
Rate Zone Sun Valley	25,331					25,331
Rate Zone Phoenixville	111,835	85,868	1,287			198,990
Rate Zone Shenandoah	1,450,143	219,644	63,892	56,977		1,790,656
Rate Zone Belle Aire	9,399					9,399
	$ 361,734,825	$ 133,751,735	$ 18,971,042	$ 8,781,791	$ 16,656	$ 523,256,049
Contract Revenues			4,043,409	1,474,207	3,960,775	9,478,391
Private Fire Services (Includes DSIC)						19,149,797
Public Fire Services						7,263,248
DSIC Revenue	25,795,710	9,562,757	1,353,752	624,697	1,193	37,338,109
Other Operating Revenues						1,161,190
Total Pro Forma @ Present Rate with DSIC	**$ 387,530,535**	**$ 143,314,492**	**$ 24,368,203**	**$ 10,880,695**	**$ 3,978,623**	**$ 597,646,784**

AQUA PENNSYLVANIA INC - WATER OPERATIONS
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PRESENT RATES AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Proposed Rate Application - Proforma as of December 31, 2025

Rate Zone 1 - Main Division	$ 448,108,176	$ 167,707,757	$ 24,372,375	$ 11,084,308	$ 19,862	$ 651,292,478
Rate Zone 2	10,286,400	990,706	47,101	64,534		11,388,741
Rate Zone 3	4,086,696	314,510	9,845			4,411,051
Rate Zone Bunker Hill	54,998					54,998
Rate Zone Sun Valley	44,324					44,324
Rate Zone Phoenixville	196,647	150,275	2,253			349,175
Rate Zone Shenandoah	2,069,612	303,691	102,182	90,991		2,566,475
Rate Zone Belle Aire	14,112					14,112
	$ 464,860,965	$ 169,466,939	$ 24,533,756	$ 11,239,833	$ 19,862	$ 670,121,354
Contract Revenues			4,048,542	1,800,928	3,991,792	9,841,262
Private Fire Services (Includes DSIC)						20,345,457
Public Fire Services						8,221,861
Other Operating Revenues						1,161,190
Total Pro Forma @ Proposed Rate	**$ 464,860,965**	**$ 169,466,939**	**$ 28,582,298**	**$ 13,040,761**	**$ 4,011,654**	**$ 709,691,125**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Main Division - Bill Analysis	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	179,052,635	4,538,661	$ 354,424,671	179,051,468	4,594,350	$ 351,829,757	178,786,895	4,613,958	$ 348,955,643	$ 24,985,224	$ 373,940,867	$ 448,108,176	19.83%
Commercial	100,384,655	266,082	132,242,777	100,440,266	269,088	132,382,380	100,478,006	271,128	132,477,119	9,485,362	141,962,481	167,707,757	18.14%
Industrial	19,056,084	8,373	18,860,768	19,056,084	8,373	18,860,768	19,056,084	8,373	18,860,768	1,350,431	20,211,199	24,372,375	20.59%
Public	6,124,231	13,932	8,672,197	6,124,231	13,932	8,672,197	6,124,231	13,932	8,672,198	620,929	9,293,127	11,084,308	19.27%
Sales for Resale	2,588	32	16,656	2,588	32	16,656	2,588	32	16,656	1,193	17,848	19,862	11.28%
Total Rate Zone 1	304,620,193	4,827,080	$ 514,217,069	304,672,049	4,885,775	$ 511,761,758	304,445,216	4,907,423	$ 508,982,384	$ 36,443,139	$ 545,425,522	$ 651,292,478	19.41%

Rate Zone 1 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	4,188,748	$ 20.51	$ 85,911,219	4,234,039	$ 20.51	$ 86,840,138	4,253,647	$ 20.51	$ 87,242,298	$ 6,246,549	$ 93,488,847	$ 23.90	$ 101,662,161	8.74%
3/4 - Meter	119,146	35.20	4,193,936	119,146	35.20	4,193,936	119,146	35.20	4,193,936	300,286	4,494,222	41.00	4,884,982	8.69%
1 - Meter	60,223	59.80	3,601,311	60,223	59.80	3,601,311	60,223	59.80	3,601,311	257,854	3,859,165	69.70	4,197,515	8.77%
1 1/2 - Meter	1,559	115.20	179,597	1,559	115.20	179,597	1,559	115.20	179,597	12,859	192,456	134.20	209,218	8.71%
2 - Meter	579	164.00	94,907	579	164.00	94,907	579	164.00	94,907	6,795	101,702	191.10	110,590	8.74%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	-	536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
5/8,3/4 - Meter	564	22.72	12,823	564	22.72	12,823	564	22.72	12,823	918	13,741	26.11	14,736	7.24%
5/8,1 - Meter	129,405	23.07	2,985,362	129,405	23.07	2,985,362	129,405	23.07	2,985,362	213,752	3,199,114	26.46	3,424,043	7.03%
5/8,1-1/2 - Meter	22,900	26.40	604,552	22,900	26.40	604,552	22,900	26.40	604,552	43,286	647,838	29.79	682,182	5.30%
5/8,2 - Meter	444	28.51	12,664	444	28.51	12,664	444	28.51	12,664	907	13,571	31.90	14,170	4.42%
3/4,1 - Meter	1,164	37.76	43,949	1,164	37.76	43,949	1,164	37.76	43,949	3,147	47,096	43.56	50,699	7.65%
3/4,1-1/2 - Meter	1,896	41.09	77,923	1,896	41.09	77,923	1,896	41.09	77,923	5,579	83,502	46.89	88,922	6.49%
3/4,2 - Meter	84	43.20	3,633	84	43.20	3,633	84	43.20	3,633	260	3,893	49.00	4,121	5.85%
1,1 - Meter	630	62.36	39,281	630	62.36	39,281	630	62.36	39,281	2,813	42,094	72.26	45,517	8.13%
1,1-1/2 - Meter	1,608	65.69	105,649	1,608	65.69	105,649	1,608	65.69	105,649	7,564	113,213	75.59	121,571	7.38%
1,2 - Meter	348	67.80	23,594	348	67.80	23,594	348	67.80	23,594	1,689	25,283	77.70	27,040	6.95%
1-1/2,1 - Meter	12	105.06	1,261	12	105.06	1,261	12	105.06	1,261	90	1,351	114.96	1,380	2.12%
1-1/2,1-1/2 - Meter		108.39	-	-	108.39	-	-	108.39	-	-	-	118.29	-	0.00%
1-1/2,2 - Meter	24	110.50	2,652	24	110.50	2,652	24	110.50	2,652	190	2,842	120.40	2,890	1.69%
2,1-1/2 - Meter	12	143.89	1,727	12	143.89	1,727	12	143.89	1,727	124	1,851	153.79	1,845	-0.31%
2,2 - Meter	12	146.00	1,752	12	146.00	1,752	12	146.00	1,752	125	1,877	155.90	1,871	-0.34%
Subtotal	4,529,358		$ 97,897,792	4,574,649		$ 98,826,711	4,594,257		$ 99,228,871	$ 7,104,787	$ 106,333,658		$ 115,545,453	
Unmetered Customers	93	$ 83.00	$ 7,736	93	$ 83.00	$ 7,736	93	$ 83.00	7,736	$ 554	$ 8,289	$ 97.01	$ 9,041	9.07%
Usage in Blocks (in 100 Gallons)														
Block 1	80,002,549	$ 1.3050	$ 104,403,327	80,186,749	$ 1.3050	$ 104,643,708	80,208,389	$ 1.3050	104,671,947	$ 7,494,511	$ 112,166,458	$ 1.7349	$ 139,153,533	24.06%
Block 2	98,448,102	1.5451	152,112,163	98,527,308	1.5451	152,234,544	98,244,095	1.5451	151,796,951	10,868,662	162,665,613	2.0540	201,793,370	24.05%
Subtotal	178,450,652		256,515,490	178,714,058		256,878,252	178,452,483		256,468,898	$ 18,363,173	$ 274,832,071		$ 340,946,903	
Usage with no Blocks (in 100 Gallons)														
All Usage - Beech Mountain	383,223	0.6158	235,989	383,223	0.6158	235,989	381,315	0.6158	234,814	16,813	251,627	1.1084	422,649	67.97%
All Usage - Bristol Township	218,760	0.8575	187,587	218,760	0.8575	187,587	217,669	0.8575	186,652	13,364	200,016	1.5436	335,995	67.98%
Subtotal	601,983		$ 423,576	601,983		$ 423,576	598,984		$ 421,466	$ 30,177	$ 451,643		$ 758,644	
RZ 1 Residential Bill Analysis Usage	179,052,635													
Low Income: (HTY Discounts)			(419,923)											
Low Income Discount Tier 1						$ (2,491,792)			$ (4,152,987)	$ (297,354)	$ (4,450,341)		(5,352,894)	20.28%
Low Income Discount Tier 2						(1,093,087)			(1,821,812)	(130,442)	(1,952,254)		(2,296,651)	17.64%
Low Income Discount Tier 3						(712,334)			(1,187,224)	(85,005)	(1,272,229)		(1,422,974)	11.85%
RZ 1 Residential Bill Analysis Revenues			**$ 354,424,671**											
Adjustment (1):														
5/8 - Meter	9,210	$ 20.51	$188,897	19,608	$ 20.51	$402,160	19,608	$ 20.51	402,160	$28,795	$430,955	$ 23.90	$468,631	8.74%
Block 1	184,200	$ 1.3050	240,381	392,160	$ 1.3050	511,769	392,160	$1.3050	511,769	36,643	548,411	$1.7349	$680,358	24.06%
Block 2	79,206	1.5451	122,381	168,629	1.5451	260,548	168,629	1.5451	260,548	18,655	279,204	2.0540	$346,364	24.05%
Adjustment (2):														
Block 1				(370,521)	1.3050	(483,530)	(370,521)	1.3050	(483,530)	(34,621)	(518,151)	1.7349	(642,817)	24.06%
Block 2				(451,842)	1.5451	(698,141)	(451,842)	1.5451	(698,141)	(49,987)	(748,128)	2.0540	(928,084)	24.05%
All Usage - Beech Mountain				(1,908)	0.6158	(1,175)	(1,908)	0.6158	(1,175)	(84)	(1,259)	1.1084	(2,115)	67.97%
All Usage - Bristol Township				(1,091)	0.8575	(935)	(1,091)	0.8575	(935)	(67)	(1,002)	1.5436	(1,683)	67.95%
RZ 1 Residential Annualized/Pro Forma Usage	179,316,041			179,051,468			178,786,895							
RZ 1 Residential Annualized/Pro Forma Revenues			**$ 354,976,330**			**$ 351,829,757**			**$ 348,955,643**	**$ 24,985,224**	**$ 373,940,867**		**$ 448,108,176**	19.83%

Note (1) Adjustment to account for the annualized growth (loss) in customers.
Note (2) Adjustment to account for the impact of declining usage.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	128,418	$ 20.51	$ 2,633,851	129,384	$ 20.51	$ 2,653,664	131,424	$ 20.51	$ 2,695,504	$ 192,998	$ 2,888,502	$ 23.90	$ 3,141,031	8.74%
3/4 - Meter	22,159	35.20	779,997	22,159	35.20	779,997	22,159	35.20	779,997	55,848	835,845	41.00	908,519	8.69%
1 - Meter	38,480	59.80	2,301,122	38,480	59.80	2,301,122	38,480	59.80	2,301,122	164,760	2,465,882	69.70	2,682,077	8.77%
1 1/2 - Meter	27,388	115.20	3,155,040	27,388	115.20	3,155,040	27,388	115.20	3,155,040	225,901	3,380,941	134.20	3,675,403	8.71%
2 - Meter	33,778	164.00	5,539,592	33,778	164.00	5,539,592	33,778	164.00	5,539,592	396,635	5,936,227	191.10	6,454,976	8.74%
3 - Meter	7,520	329.00	2,474,014	7,520	329.00	2,474,014	7,520	329.00	2,474,014	177,139	2,651,154	383.00	2,880,083	8.64%
4 - Meter	5,747	536.00	3,080,124	5,747	536.00	3,080,124	5,747	536.00	3,080,124	220,537	3,300,661	625.00	3,591,563	8.81%
6 - Meter	1,993	1,105.00	2,202,597	1,993	1,105.00	2,202,597	1,993	1,105.00	2,202,597	157,706	2,360,302	1,288.00	2,567,370	8.77%
8 - Meter	527	1,934.00	1,018,444	527	1,934.00	1,018,444	527	1,934.00	1,018,444	72,921	1,091,365	2,254.00	1,186,956	8.76%
10 - Meter	73	2,858.00	209,206	73	2,858.00	209,206	73	2,858.00	209,206	14,979	224,185	3,330.00	243,756	8.73%
Subtotal	266,082		$ 23,393,987	267,048		$ 23,413,800	269,088		$23,455,640	$ 1,679,424	$ 25,135,063		$ 27,331,734	
Usage in Blocks (in 100 Gallons)														
Block 1	13,635,308	$ 1.4017	$ 19,112,612	13,653,179	$ 1.4017	$ 19,137,662	13,690,919	$ 1.4017	$ 19,190,562	$ 1,374,044	$ 20,564,606	$ 1.8048	$ 24,709,371	20.15%
Block 2	15,039,159	1.2315	18,520,724	15,039,159	1.2315	18,520,724	15,039,159	1.2315	18,520,724	1,326,084	19,846,808	1.5857	23,847,594	20.16%
Block 3	46,064,408	1.0217	47,064,006	46,064,408	1.0217	47,064,006	46,064,408	1.0217	47,064,006	3,369,783	50,433,788	1.3155	60,597,729	20.15%
Block 4	25,245,398	0.9351	23,606,972	25,245,398	0.9351	23,606,972	25,245,398	0.9351	23,606,972	1,690,259	25,297,231	1.2040	30,395,459	20.15%
Subtotal	99,984,273		108,304,314	100,002,144		108,329,364	100,039,884		$ 108,382,263	$ 7,760,170	$ 116,142,433		$ 139,550,153	
Usage with no Blocks (in 100 Gallons)														
All Usage - CC Gardens & Sand Springs	20,862	1.4017	29,242	20,862	1.4017	29,242	20,862	1.4017	$ 29,242	2,094	31,336	1.8635	38,876	24.06%
All Usage - Beech Mountain	21,300	0.6158	13,117	21,300	0.6158	13,117	21,300	0.6158	13,117	939	14,056	1.1084	23,609	67.97%
All Usage - Bristol Township	273,700	1.4017	383,645	273,700	1.4017	383,645	273,700	1.4017	383,645	27,469	411,114	1.8048	493,974	20.15%
Bulk Commercial Usage	84,520	1.4017	118,472	84,520	1.4017	118,472	84,520	1.4017	118,472	8,483	126,954	1.8048	152,542	20.16%
Subtotal	400,382		$ 544,476	400,382		$ 544,476	400,382		$ 544,476	$ 38,984	$ 583,460		$ 709,001	
RZ 1 Commercial Bill Analysis Usage	100,384,655													
RZ 1 Commercial Bill Analysis Revenues			**$ 132,242,777**											
Adjustment (1):														
5/8 - Meter	966	$ 20.51	$19,813	2,040	$ 20.51	$ 41,840	2,040	20.51	$ 41,840	$ 2,996	$ 44,836	$ 23.90	$ 48,756	8.74%
Block 1	17,871	1.4017	25,050	37,740	1.4017	52,900	37,740	1.40	52,900	3,788	56,688	$ 1.8048	68,113	20.15%
RZ 1 Commercial Annualized/Pro Forma Usage	100,402,526			100,440,266			100,478,006							
RZ 1 Commercial Revenues			**$ 132,287,640**			**$ 132,382,380**			**$ 132,477,119**	**$ 9,485,362**	**$ 141,962,481**		**$ 167,707,757**	**18.14%**

Rate Zone 1 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Bill Analysis (BA) @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	2,155	$ 20.51	$ 44,191	2,155	$ 20.51	$ 44,191	2,155	$ 20.51	$ 44,191	$ 3,164	$ 47,355	$ 23.90	$ 51,495	8.74%
3/4 - Meter	545	35.20	19,180	545	35.20	19,180	545	35.20	19,180	1,373	20,554	41.00	22,341	8.70%
1 - Meter	1,949	59.80	116,556	1,949	59.80	116,556	1,949	59.80	116,556	8,345	124,902	69.70	135,852	8.77%
1 1/2 - Meter	667	115.20	76,804	667	115.20	76,804	667	115.20	76,804	5,499	82,303	134.20	89,471	8.71%
2 - Meter	1,664	164.00	272,830	1,664	164.00	272,830	1,664	164.00	272,830	19,535	292,365	191.10	317,914	8.74%
3 - Meter	371	329.00	121,927	371	329.00	121,927	371	329.00	121,927	8,730	130,657	383.00	141,940	8.64%
4 - Meter	529	536.00	283,276	529	536.00	283,276	529	536.00	283,276	20,283	303,559	625.00	330,313	8.81%
6 - Meter	362	1,105.00	400,342	362	1,105.00	400,342	362	1,105.00	400,342	28,664	429,006	1,288.00	466,642	8.77%
8 - Meter	72	1,934.00	140,022	72	1,934.00	140,022	72	1,934.00	140,022	10,026	150,047	2,254.00	163,190	8.76%
10 - Meter	61	2,858.00	172,909	61	2,858.00	172,909	61	2,858.00	172,909	12,380	185,289	3,330.00	201,465	8.73%
Subtotal	8,373		$ 1,648,037	8,373		$ 1,648,037	8,373		$ 1,648,037	$ 117,999	$ 1,766,037		$ 1,920,623	
Usage (in 100 Gallons)														
Block 1	489,100	$ 1.4017	$ 685,572.0	489,100	$ 1.4017	$ 685,572.0	489,100	$ 1.4017	$ 685,572	$ 49,087.0	$ 734,659.0	$ 1.8048	$ 882,728.0	20.15%
Block 2	602,002	1.2315	741,365	602,002	1.2315	741,365	602,002	1.2315	741,365	53,082	794,447	1.5857	954,594	20.16%
Block 3	2,722,912	1.0217	2,781,999	2,722,912	1.0217	2,781,999	2,722,912	1.0217	2,781,999	199,191	2,981,190	1.3155	3,581,990	20.15%
Block 4	5,912,564	0.9351	5,528,839	5,912,564	0.9351	5,528,839	5,912,564	0.9351	5,528,839	395,865	5,924,704	1.2040	7,118,727	20.15%
Block 5	3,735,731	0.9104	3,401,010	3,735,731	0.9104	3,401,010	3,735,731	0.9104	3,401,010	243,512	3,644,522	1.2040	4,497,820	23.41%
Block 6	5,593,775	0.7283	4,073,946	5,593,775	0.7283	4,073,946	5,593,775	0.7283	4,073,946	291,695	4,365,641	0.9682	5,415,893	24.06%
Subtotal	19,056,084		$ 17,212,731	19,056,084		$ 17,212,731	19,056,084		$ 17,212,731	$ 1,232,432	$ 18,445,163		$ 22,451,752	
RZ 1 Industrial Bill Analysis Usage	19,056,084													
RZ 1 Industrial Bill Analysis Revenues			**$ 18,860,768**											
RZ 1 Industrial Annualized/Pro Forma Usage	19,056,084			19,056,084			19,056,084							
RZ 1 Industrial Annualized/Pro Forma Revenues			**$ 18,860,768**			**$ 18,860,768**			**$ 18,860,768**	**$ 1,350,431**	**$ 20,211,199**		**$ 24,372,375**	**20.59%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Bill Analysis (BA) @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	3,900	$ 20.51	$ 79,997	3,900	$ 20.51	$ 79,997	3,900	$ 20.51	$ 79,997	$ 5,728	$ 85,725	$ 23.90	$ 93,220	8.74%
3/4 - Meter	1,093	35.20	38,481	1,093	35.20	38,481	1,093	35.20	38,481	2,755	41,236	41.00	44,821	8.69%
1 - Meter	2,469	59.80	147,622	2,469	59.80	147,622	2,469	59.80	147,622	10,570	158,192	69.70	172,061	8.77%
1 1/2 - Meter	1,146	115.20	132,042	1,146	115.20	132,042	1,146	115.20	132,042	9,454	141,496	134.20	153,820	8.71%
2 - Meter	2,595	164.00	425,514	2,595	164.00	425,514	2,595	164.00	425,514	30,467	455,981	191.10	495,828	8.74%
3 - Meter	1,463	329.00	481,294	1,463	329.00	481,294	1,463	329.00	481,294	34,461	515,755	383.00	560,291	8.64%
4 - Meter	999	536.00	535,357	999	536.00	535,357	999	536.00	535,357	38,332	573,688	625.00	624,250	8.81%
6 - Meter	168	1,105.00	185,861	168	1,105.00	185,861	168	1,105.00	185,861	13,308	199,169	1,288.00	216,642	8.77%
8 - Meter	87	1,934.00	168,645	87	1,934.00	168,645	87	1,934.00	168,645	12,075	180,720	2,254.00	196,549	8.76%
10 - Meter	12	2,858.00	34,296	12	2,858.00	34,296	12	2,858.00	34,296	2,456	36,752	3,330.00	39,960	8.73%
Subtotal	13,932		$ 2,229,109	13,932		$ 2,229,109	13,932		$ 2,229,109	$ 159,604	$ 2,388,714		$ 2,597,442	
Usage (in 100 Gallons)														
Block 1	644,586	$ 1.4017	$ 903,516	644,586	$ 1.4017	$ 903,516	644,586	$ 1.4017	$ 903,516	$ 64,692	$ 968,208	$ 1.8048	$ 1,163,349	20.15%
Block 2	795,246	1.2315	979,345	795,246	1.2315	979,345	795,246	1.2315	979,345	70,121	1,049,466	1.5857	1,261,021	20.16%
Block 3	2,358,083	1.0163	2,396,520	2,358,083	1.0163	2,396,520	2,358,083	1.0163	2,396,520	171,591	2,568,111	1.3511	3,186,006	24.06%
Block 4	2,326,317	0.9301	2,163,707	2,326,317	0.9301	2,163,707	2,326,317	0.9301	2,163,707	154,921	2,318,628	1.2365	2,876,490	24.06%
Subtotal	6,124,231		$ 6,443,088	6,124,231		$ 6,443,088	6,124,231		$ 6,443,088	$ 461,325	$ 6,904,413		$ 8,486,866	
RZ 1 Public Bill Analysis Usage	6,124,231													
RZ 1 Public Bill Analysis Revenues			**$ 8,672,197**											
RZ 1 Public Annualized/Pro Forma Usage	6,124,231			6,124,231			6,124,231							
RZ 1 Public Annualized/Pro Forma Revenues			**$ 8,672,197**			**$ 8,672,197**			**$ 8,672,198**	**$ 620,929**	**$ 9,293,127**		**$ 11,084,308**	**19.27%**

Rate Zone 1 - Sales for Resale	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Bill Analysis (BA) @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
1 - Meter	8	$ 20.51	$ 164	8	$ 20.51	$ 164	8	$ 20.51	$ 164	$ 12	$ 176	$ 23.90	$ 191	8.63%
4 - Meter	24	536.00	12,864	24	536.00	12,864	24	536.00	12,864	921	13,785	625.00	15,000	8.81%
Subtotal	32		$ 13,028	32		$ 13,028	32		$ 13,028	$ 933	$ 13,961		$ 15,191	
Usage (in 100 Gallons)														
All Usage	2,588	$ 1.4017	$3,628	2,588	$ 1.4017	$ 3,628	2,588	$ 1.4017	$ 3,628	$ 260	$ 3,887	$ 1.8048	$ 4,671	20.16%
RZ 1 Sales for Resale Annualized/Pro Forma Usage	2,588													
RZ 1 Sales for Resale Bill Analysis Revenues			**$ 16,656**											
RZ 1 Sales for Resale Annualized/Pro Forma Usage	2,588			2,588			2,588							
RZ 1 Sales for Resale Annualized/Pro Forma Revenues			**$ 16,656**			**$ 16,656**			**$ 16,656**	**$ 1,193**	**$ 17,848**		**$ 19,862**	**11.28%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 2	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	4,182,060	110,357	$ 7,904,287	4,161,469	110,357	$ 7,830,448	4,140,877	110,357	$ 7,769,275	$ 556,280	$ 8,325,555	$ 10,286,400	23.55%
Commercial	428,763	3,304	717,387	428,763	3,304	717,387	428,763	3,304	717,386	51,365	768,751	990,706	28.87%
Industrial	25,577	60	37,399	25,577	60	37,399	25,577	60	37,399	2,678	40,077	47,101	17.53%
Public	19,697	156	52,616	19,697	156	52,616	19,697	156	52,616	3,767	56,383	64,534	14.46%
Total Rate Zone 2	4,656,097	113,877	$ 8,711,689	4,635,505	113,877	$ 8,637,850	4,614,914	113,877	$ 8,576,676	$ 614,090	$ 9,190,766	$ 11,388,741	23.92%

Rate Zone 2 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	108,591	$ 20.51	$ 2,227,199	108,591	$ 20.51	$ 2,227,199	108,591	$ 20.51	$ 2,227,199	$ 159,467	$ 2,386,667	$ 23.90	$ 2,595,323	8.74%
3/4 - Meter	149	35.20	5,255	149	35.20	5,255	149	35.20	5,255	376	5,632	41.00	6,121	8.69%
1 - Meter	516	59.80	30,857	516	59.80	30,857	516	59.80	30,857	2,209	33,066	69.70	35,965	8.77%
1 1/2 - Meter	-	115.20	-	-	115.20	-	-	115.20	-	-	-	134.20	-	0.00%
2 - Meter	12	164.00	1,968	12	164.00	1,968	12	164.00	1,968	141	2,109	191.10	2,293	8.73%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	-	536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
5/8,3/4 - Meter	348	22.72	7,907	348	22.72	7,907	348	22.72	7,907	566	8,473	26.11	9,086	7.24%
5/8,1 - Meter	716	23.07	16,527	716	23.07	16,527	716	23.07	16,527	1,183	17,711	26.46	18,956	7.03%
5/8,1-1/2 - Meter	12	26.40	317	12	26.40	317	12	26.40	317	23	339	29.79	357	5.16%
5/8,2 - Meter	12	28.51	342	12	28.51	342	12	28.51	342	24	367	31.90	383	4.47%
Subtotal	110,357		$ 2,290,372	110,357		$ 2,290,372	110,357		$ 2,290,372	$ 163,991	$ 2,454,363		$ 2,668,484	
Unmetered Customers	-	$ 83.00	$ -	-	$ 83.00	$ -	-	$ 83.00		$ -	$ -	$ 97.01	$ -	0.00%
Usage in Blocks (in 100 Gallons)														
Block 1	1,530,300	$ 1.3050	$ 1,997,041	1,530,300	$ 1.3050	$ 1,997,041	1,522,791	$ 1.3050	$ 1,987,242	$ 142,287	$ 2,129,529	$ 1.7349	$ 2,641,890	24.06%
Block 2	1,873,988	1.5451	2,895,498	1,873,988	1.5451	2,895,498	1,864,783	1.5451	2,881,277	206,299	3,087,576	2.0540	3,830,265	24.05%
Subtotal	3,404,288		4,892,539	3,404,288		4,892,539	3,387,574		4,868,519	348,586	5,217,105		6,472,155	
Usage with no Blocks (in 100 Gallons)														
All Usage - Concord Park	70,611	1.0566	74,608	70,611	1.0566	74,608	70,258	1.0566	74,235	5,315	79,550	1.7349	121,891	53.23%
								1.0566				1.7349		
All Usage - Treasure Lake	707,161	0.9204	650,871	707,161	0.9204	650,871	703,636	0.9204	647,627	46,370	693,997	1.6567	1,165,714	67.97%
								0.9204				1.6567		
Subtotal	777,772		$ 725,479	777,772		$ 725,479	773,894		$ 721,861	$ 51,685	$ 773,547		$ 1,287,605	
RZ 2 Residential Bill Analysis Usage	4,182,060													
Low Income:			(4,103)											
Low Income Discount Tier 1						($28,632)			($47,720)	($3,417)	($51,137)		($59,993)	17.32%
Low Income Discount Tier 2						(12,920)			(21,534)	(1,542)	(23,076)		($26,468)	14.70%
Low Income Discount Tier 3						(8,752)			(14,586)	(1,044)	(15,630)		($16,997)	8.74%
RZ 2 Residential Bill Analysis Revenues			**$ 7,904,287**											
Adjustment (1):														
Block 1				(7,509)	$1.3050	(9,799)	(7,509)	$1.3050	($9,799)	($702)	($10,501)	$1.7349	($13,027)	24.06%
Block 2				(9,204)	1.5451	(14,222)	(9,204)	1.5451	(14,222)	(1,018)	(15,240)	$2.0540	(18,906)	24.06%
All Usage - Concord Park				(353)	1.0566	(373)	(353)	1.0566	(373)	(27)	(400)	$1.7349	(613)	53.35%
All Usage - Treasure Lake				(3,525)	0.9204	(3,244)	(3,525)	0.9204	(3,244)	(232)	(3,477)	$1.6567	(5,840)	67.98%
RZ 2 Residential Annualized/Pro Forma Usage	4,182,060			4,161,469			4,140,877							
RZ 2 Residential Annualized/Pro Forma Revenues			**$ 7,904,287**			**$ 7,830,448**			**$ 7,769,275**	**$ 556,280**	**$ 8,325,555**		**$ 10,286,400**	**24.00%**

Note (1) Adjustment to account for the impact of declining usage.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Rate Zone 2 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	1,978	$ 20.51	$ 40,567	1,978	$ 20.51	$ 40,567	1,978	$ 20.51	$ 40,567	$ 2,905	$ 43,471	$ 23.90	$ 47,272	8.74%
3/4 - Meter	36	35.20	1,267	36	35.20	1,267	36	35.20	1,267	91	1,358	41.00	1,476	8.69%
1 - Meter	795	59.80	47,511	795	59.80	47,511	795	59.80	47,511	3,402	50,913	69.70	55,377	8.77%
1 1/2 - Meter	96	115.20	11,059	96	115.20	11,059	96	115.20	11,059	792	11,851	134.20	12,883	8.71%
2 - Meter	264	164.00	43,214	264	164.00	43,214	264	164.00	43,214	3,094	46,308	191.10	50,355	8.74%
3 - Meter	52	329.00	17,141	52	329.00	17,141	52	329.00	17,141	1,227	18,368	383.00	19,954	8.63%
4 - Meter	60	536.00	32,106	60	536.00	32,106	60	536.00	32,106	2,299	34,405	625.00	37,438	8.81%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter	24	1,934.00	46,416	24	1,934.00	46,416	24	1,934.00	46,416	3,323	49,739	2,254.00	54,096	8.76%
10 - Meter	-	2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	3,304		$ 239,281	3,304		$ 239,281	3,304		$ 239,282	$ 17,133	$ 256,414		$ 278,851	
Usage in Blocks (in 100 Gallons)														
Block 1	117,369	$ 1.4017	$ 164,517	117,369	$ 1.4017	$ 164,517	117,369	$ 1.4017	$ 164,517	$ 11,779	$ 176,296	$ 1.8048	$ 211,828	20.15%
Block 2	54,904	1.2315	67,614	54,904	1.2315	67,614	54,904	1.2315	67,614	4,841	72,455	1.5857	87,061	20.16%
Block 3	44,184	1.0217	45,143	44,184	1.0217	45,143	44,184	1.0217	45,143	3,232	48,375	1.3155	58,124	20.15%
Block 4	-	0.9351	-	-	0.9351	-	-	0.9351	-	-	-	1.2040	-	0.00%
Subtotal	216,457		277,274	216,457		277,274	216,457		277,273	19,853	297,126		357,013	
Usage with no Blocks (in 100 Gallons)														
All Usage - Concord Park	39,833	1.0566	42,088	39,833	1.0566	42,088	39,833	1.0566	42,088	3,013	45,101	1.7349	69,106	53.22%
All Usage - Treasure Lake	172,473	0.9204	158,744	172,473	0.9204	158,744	172,473	0.9204	158,744	11,366	170,110	1.6567	285,736	67.97%
Subtotal	212,306		$ 200,832	212,306		$ 200,832	212,306		$ 200,832	$ 14,380	$ 215,211		$ 354,842	
RZ 2 Commercial Bill Analysis Usage	428,763													
RZ 2 Commercial Bill Analysis Revenues			**$ 717,387**											
RZ 2 Commercial Annualized/Pro Forma Usage	428,763			428,763			428,763							
RZ 2 Commercial Revenues			**$ 717,387**			**$ 717,387**			**$ 717,386**	**$ 51,365**	**$ 768,751**		**$ 990,706**	**28.87%**

Rate Zone 2 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	-	$ 20.51	$ -	-	$ 20.51	$ -	-	$ 20.51	$ -	$ -	$ -	$ 23.90	$ -	0.00%
3/4 - Meter	-	35.20	-	-	35.20	-	-	35.20	-	-	-	41.00	-	0.00%
1 - Meter	12	59.80	718	12	59.80	718	12	59.80	718	51	769	69.70	836	8.72%
1 1/2 - Meter	-	115.20	-	-	115.20	-	-	115.20	-	-	-	134.20	-	0.00%
2 - Meter	48	164.00	7,888	48	164.00	7,888	48	164.00	7,888	565	8,453	191.10	9,192	8.74%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	-	536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter	-	1,934.00	-	-	1,934.00	-	-	1,934.00	-	-	-	2,254.00	-	0.00%
10 - Meter	-	2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	60		$ 8,606	60		$ 8,606	60		$ 8,606	$ 616	$ 9,222		$ 10,028	
Usage (in 100 Gallons)														
Block 1	3,924	$ 1.4017	$ 5,500.0	3,924	$ 1.4017	$ 5,500.0	3,924	$ 1.4017	$ 5,500.3	$ 393.8	$ 5,894.1	$ 1.8048	$ 7,082.0	20.15%
Block 2	5,576	1.2315	6,867	5,576	1.2315	6,867	5,576	1.2315	6,867	492	7,359	1.5857	8,842	20.16%
Block 3	16,077	1.0217	16,426	16,077	1.0217	16,426	16,077	1.0217	16,426	1,176	17,602	1.3155	21,149	20.15%
Block 4	-	0.9351	-	-	0.9351	-	-	0.9351	-	-	-	1.2040	-	0.00%
Block 5	-	0.9104	-	-	0.9104	-	-	0.9104	-	-	-	1.2040	-	0.00%
Block 6	-	0.7283	-	-	0.7283	-	-	0.7283	-	-	-	0.9682	-	0.00%
Subtotal	25,577		$ 28,793	25,577		$ 28,793	25,577		$ 28,793	$ 2,062	$ 30,855		$ 37,073	
RZ 2 Industrial Bill Analysis Usage	25,577													
RZ 2 Industrial Bill Analysis Revenues			**$ 37,399**											
RZ 2 Industrial Annualized/Pro Forma Usage	25,577			25,577			25,577							
RZ 2 Industrial Annualized/Pro Forma Revenues			**$ 37,399**			**$ 37,399**			**$ 37,399**	**$ 2,678**	**$ 40,077**		**$ 47,101**	**18.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
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Rate Zone 2 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Proforma Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	24	$ 20.51	$ 492	24	$ 20.51	$ 492	24	$ 20.51	$ 492	$ 35	$ 527	$ 23.90	$ 574	8.82%
3/4 - Meter	-	35.20	-	-	35.20	-	-	35.20	-	-	-	41.00	-	0.00%
1 - Meter	60	59.80	3,570	60	59.80	3,570	60	59.80	3,570	256	3,826	69.70	4,161	8.77%
1 1/2 - Meter	12	115.20	1,382	12	115.20	1,382	12	115.20	1,382	99	1,481	134.20	1,610	8.68%
2 - Meter	24	164.00	3,969	24	164.00	3,969	24	164.00	3,969	284	4,253	191.10	4,625	8.75%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	36	536.00	19,296	36	536.00	19,296	36	536.00	19,296	1,382	20,678	625.00	22,500	8.81%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter	-	1,934.00	-	-	1,934.00	-	-	1,934.00	-	-	-	2,254.00	-	0.00%
10 - Meter	-	2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	156		$ 28,709	156		$ 28,709	156		$ 28,710	$ 2,056	$ 30,765		$ 33,470	
Usage (in 100 Gallons)														
Block 1	5,874	$ 1.4017	$ 8,234	5,874	$ 1.4017	$ 8,234	5,874	$ 1.4017	$ 8,234	$ 590	$ 8,823	$ 1.8048	$ 10,601	20.15%
Block 2	7,542	1.2315	9,288	7,542	1.2315	9,288	7,542	1.2315	9,288	665	9,953	1.5857	11,959	20.15%
Block 3	6,241	1.0163	6,343	6,241	1.0163	6,343	6,241	1.0163	6,343	454	6,797	1.3511	8,432	24.06%
Block 4	-	0.9301	-	-	0.9301	-	-	0.9301	-	-	-	1.2365	-	0.00%
Subtotal	19,657		$ 23,865	19,657		$ 23,865	19,657		$ 23,864	$ 1,709	$ 25,573		$ 30,992	
Usage with no Blocks (in 100 Gallons)														
All Usage - Concord Park	40	$ 1.0566	$ 42	40	$ 1.0566	$ 42	40	$ 1.0566	$ 42	$ 3	$ 45	$ 1.8048	$ 72	58.98%
Subtotal	40		$ 42	40		$ 42	40		$ 42	$ 3	$ 45		$ 72	
RZ 2 Public Bill Analysis Usage	19,697													
RZ 2 Public Bill Analysis Revenues			**$ 52,616**											
RZ 2 Public Annualized/Pro Forma Usage	19,697			19,697			19,697							
RZ 2 Public Annualized/Pro Forma Revenues			**$ 52,616**			**$ 52,616**			**$ 52,616**	**$ 3,767**	**$ 56,383**		**$ 64,534**	**14.46%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 3	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	1,229,730	66,934	$ 3,615,730	1,223,595	66,934	$ 3,478,175	1,217,459	66,934	$ 3,381,772	$ 242,135	$ 3,623,907	$ 4,086,696	12.77%
Commercial	155,130	1,115	251,717	155,130	1,115	251,717	155,130	1,115	251,718	18,023	269,741	314,510	16.60%
Industrial	6,154	12	7,696	6,154	12	7,696	6,154	12	7,696	551	8,247	9,845	19.38%
Total Rate Zone 3	1,391,014	68,061	$ 3,875,143	1,384,879	68,061	$ 3,737,588	1,378,743	68,061	$ 3,641,186	$ 260,709	$ 3,901,895	$ 4,411,051	13.05%

Rate Zone 3 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	66,561	$ 30.51	$ 2,030,773	66,561	$ 30.51	$ 2,030,773	66,561	$ 30.51	$ 2,030,773	$ 145,403	$ 2,176,176	$ 33.90	$ 2,256,415	3.69%
3/4 - Meter	180	30.51	5,498	180	30.51	5,498	180	30.51	5,498	394	5,892	33.90	6,109	3.69%
1 - Meter	168	59.80	10,052	168	59.80	10,052	168	59.80	10,052	720	10,772	69.70	11,717	8.77%
1 1/2 - Meter		115.20	-	-	115.20	-	-	115.20	-	-	-	134.20	-	0.00%
2 - Meter	12	164.00	1,968	12	164.00	1,968	12	164.00	1,968	141	2,109	191.10	2,293	8.73%
3 - Meter		329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter		536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter		1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
Subtotal	66,921		$ 2,048,291	66,921		$ 2,048,291	66,921		$ 2,048,291	$ 146,658	$ 2,194,949		$ 2,276,534	
Unmetered Customers	13	$ 83.00	$ 1,079	13	$ 83.00	$ 1,079	13	$ 83.00	$ 1,079	$ 77	$ 1,156	$ 97.01	$ 1,261	9.06%
Usage (in 100 Gallons)														
Block 1	1,026,592	$ 1.2231	$ 1,255,625	1,026,592	$ 1.2231	$ 1,255,625	1,021,470	$ 1.2231	$ 1,249,359	$ 89,454	$ 1,338,814	$ 1.6307	$ 1,665,703	24.42%
Block 2	203,138	1.5451	313,869	203,138	1.5451	313,869	202,125	1.5451	312,304	22,361	334,665	2.0540	415,165	24.05%
Subtotal	1,229,730		$ 1,569,494	1,229,730		$ 1,569,494	1,223,595		$ 1,561,663	$ 111,815	$ 1,673,478		$ 2,080,868	
RZ 3 Residential Bill Analysis Usage	1,229,730													
Low Income:			(3,134)											
Low Income Discount Tier 1						($69,086)			($115,144)	($8,244)	($123,388)		($139,379)	12.96%
Low Income Discount Tier 2						(37,841)			(63,068)	(4,516)	(67,583)		($74,114)	9.66%
Low Income Discount Tier 3						(25,932)			(43,219)	(3,095)	(46,314)		($48,039)	3.73%
RZ 3 Residential Bill Analysis Revenues			**$ 3,615,730**											
Adjustment (1):														
Block 1				(5,123)	$1.2231	(6,265)	(5,123)	$1.2231	($6,265)	($449)	($6,714)	$1.6307	($8,353)	24.41%
Block 2				(1,013)	1.5451	(1,565)	(1,013)	1.5451	(1,565)	(112)	(1,677)	$2.0540	(2,081)	24.07%
RZ 3 Residential Annualized/Pro Forma Usage	1,229,730			1,223,595			1,217,459							
RZ 3 Residential Annualized/Pro Forma Revenues			**$ 3,615,730**			**$ 3,478,175**			**$ 3,381,772**	**$ 242,135**	**$ 3,623,907**		**$ 4,086,696**	**12.77%**

Note (1) Adjustment to account for the impact of declining usage.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Rate Zone 3 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	716	$ 30.51	$ 21,848	716	$ 30.51	$ 21,848	716	$ 30.51	$ 21,848	$ 1,564	$ 23,413	$ 33.90	$ 24,276	3.69%
3/4 - Meter	36	30.51	1,098	36	30.51	1,098	36	30.51	1,098	79	1,177	33.90	1,220	3.65%
1 - Meter	138	59.80	8,270	138	59.80	8,270	138	59.80	8,270	592	8,862	69.70	9,640	8.77%
1 1/2 - Meter	36	115.20	4,147	36	115.20	4,147	36	115.20	4,147	297	4,444	134.20	4,831	8.70%
2 - Meter	177	164.00	28,962	177	164.00	28,962	177	164.00	28,962	2,074	31,036	191.10	33,748	8.74%
3 - Meter	12	329.00	3,948	12	329.00	3,948	12	329.00	3,948	283	4,231	383.00	4,596	8.64%
4 - Meter		536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter		1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter		1,934.00	-	-	1,934.00	-	-	1,934.00	-	-	-	2,254.00	-	0.00%
10 - Meter		2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	1,115		$ 68,273	1,115		$ 68,273	1,115		$ 68,275	$ 4,888	$ 73,163		$ 78,311	
Usage (in 100 Gallons)														
Block 1	44,190	$ 1.4017	$ 61,942	44,190	$ 1.4017	$ 61,942	44,190	$ 1.4017	$ 61,942	$ 4,435	$ 66,377	$ 1.8048	$ 79,755	20.16%
Block 2	41,242	1.2315	50,790	41,242	1.2315	50,790	41,242	1.2315	50,790	3,637	54,426	1.5857	65,398	20.16%
Block 3	63,952	1.0217	65,339	63,952	1.0217	65,339	63,952	1.0217	65,339	4,678	70,018	1.3155	84,128	20.15%
Block 4	5,746	0.9351	5,373	5,746	0.9351	5,373	5,746	0.9351	5,373	385	5,758	1.2040	6,918	20.15%
Subtotal	155,130		$ 183,444	155,130		$ 183,444	155,130		$ 183,444	$ 13,135	$ 196,578		$ 236,199	
RZ 3 Commercial Bill Analysis Usage	155,130													
RZ 3 Commercial Bill Analysis Revenues			**$ 251,717**											
RZ 3 Commercial Annualized/Pro Forma Usage	155,130			155,130			155,130							
RZ 3 Commercial Revenues			**$ 251,717**			**$ 251,717**			**$ 251,718**	**$ 18,023**	**$ 269,741**		**$ 314,510**	**16.60%**

Rate Zone 3 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	12	$ 30.51	$ 366	12	$ 30.51	$ 366	12	$ 30.51	$ 366	$ 26	$ 392	$ 33.90	$ 407	3.74%
3/4 - Meter	-	30.51	-	-	30.51	-	-	30.51	-	-	-	33.90	-	0.00%
1 - Meter	-	59.80	-	-	59.80	-	-	59.80	-	-	-	69.70	-	0.00%
1 1/2 - Meter	-	115.20	-	-	115.20	-	-	115.20	-	-	-	134.20	-	0.00%
2 - Meter	-	164.00	-	-	164.00	-	-	164.00	-	-	-	191.10	-	0.00%
3 - Meter	-	329.00	-	-	329.00	-	-	329.00	-	-	-	383.00	-	0.00%
4 - Meter	-	536.00	-	-	536.00	-	-	536.00	-	-	-	625.00	-	0.00%
6 - Meter	-	1,105.00	-	-	1,105.00	-	-	1,105.00	-	-	-	1,288.00	-	0.00%
8 - Meter	-	1,934.00	-	-	1,934.00	-	-	1,934.00	-	-	-	2,254.00	-	0.00%
10 - Meter	-	2,858.00	-	-	2,858.00	-	-	2,858.00	-	-	-	3,330.00	-	0.00%
Subtotal	12		$ 366	12		$ 366	12		$ 366	$ 26	$ 392		$ 407	
Usage (in 100 Gallons)														
Block 1	1,200	$ 1.4017	$ 1,682.0	1,200	$ 1.4017	$ 1,682	1,200	$ 1.4017	$ 1,682	$ 120	$ 1,802	$ 1.8048	$ 2,166	20.17%
Block 2	2,795	1.2315	3,442	2,795	1.2315	3,442	2,795	1.2315	3,442	246	3,688	1.5857	4,432	20.16%
Block 3	2,159	1.0217	2,206	2,159	1.0217	2,206	2,159	1.0217	2,206	158	2,364	1.3155	2,840	20.15%
Block 4	-	0.9351	-	-	0.9351	-	-	0.9351	-	-	-	1.2040	-	0.00%
Block 5	-	0.9104	-	-	0.9104	-	-	0.9104	-	-	-	1.2040	-	0.00%
Block 6	-	0.7283	-	-	0.7283	-	-	0.7283	-	-	-	0.9682	-	0.00%
Subtotal	6,154		$ 7,330	6,154		$ 7,330	6,154		$ 7,330	$ 525	$ 7,855		$ 9,438	
RZ 3 Industrial Bill Analysis Usage	6,154													
RZ 3 Industrial Bill Analysis Revenues			**$ 7,696**											
RZ 3 Industrial Annualized/Pro Forma Usage	6,154			6,154			6,154							
RZ 3 Industrial Annualized/Pro Forma Revenues			**$ 7,696**			**$ 7,696**			**$ 7,696**	**$ 551**	**$ 8,247**		**$ 9,845**	**19.38%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Bunker Hill and Sun Valley Divisions	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Bunker Hill - Residential	32,438	833	$ 31,380	32,438	833	$ 31,429	32,438	833	$ 31,427	$ 2,250	$ 33,677	$ 54,998	63.00%
Sun Valley - Residential	23,684	750	25,333	23,684	750	25,330	23,684	750	25,331	1,814	27,144	44,324	63.00%
Total Zone 3	56,122	1,582	$ 56,713	56,122	1,582	$ 56,758	56,122	1,582	$ 56,758	$ 4,064	$ 60,822	$ 99,322	63.00%

Bunker Hill - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	833	$ 11.80	$ 9,826	833	$ 11.80	$ 9,826	833	$ 11.80	$ 9,826	$ 704	$ 10,529	$ 20.65	$ 17,195	63.00%
Subtotal	833		$ 9,826	833		$ 9,826	833		$ 9,826	$ 704	$ 10,529		$ 17,195	
Usage (in 100 Gallons)														
All Usage	32,438	$ 0.6660	$ 21,604	32,438	$ 0.6660	$ 21,604	32,438	$ 0.6660	$ 21,604	$ 1,547	$ 23,151	$ 1.1655	$ 37,806	63.00%
Subtotal	32,438		$ 21,604	32,438		$ 21,604	32,438		$ 21,604	$ 1,547	$ 23,151		$ 37,806	
RZ Bunker Hill Residential Bill Analysis Usage	32,438													
Low Income:			(50)											
Low Income Discount Tier 1						($1)			($1)	($0)	($1)		($2)	33.00%
Low Income Discount Tier 2						(0)			(1)	(0)	(1)		($1)	32.00%
Low Income Discount Tier 3						(0)			(0)	(0)	(0)		($1)	29.00%
RZ Bunker Hill Residential Bill Analysis Revenues			**$ 31,380**											
RZ Bunker Hill Residential Annualized/Pro Forma Usage	32,438			32,438			32,438							
RZ Bunker Hill Residential Annualized/Pro Forma Revenues			**$ 31,380**			**$ 31,429**			**$ 31,427**	**$ 2,250**	**$ 33,677**		**$ 54,998**	**63.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Sun Valley - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	750	$ 18.00	$ 13,491	750	$ 18.00	$ 13,491	750	$ 18.00	$ 13,491	$ 966	$ 14,457	$ 31.50	$ 23,609	63.00%
Subtotal	750		$ 13,491	750		$ 13,491	750		$ 13,491	$ 966	$ 14,457		$ 23,609	
Usage (in 100 Gallons)														
All Usage	23,684	$ 0.5000	$ 11,842	23,684	$ 0.5000	$ 11,842	23,684	$ 0.5000	$ 11,842	$ 848	$ 12,690	$ 0.8750	$ 20,723	63.00%
Subtotal	23,684		$ 11,842	23,684		$ 11,842	23,684		$ 11,842	$ 848	$ 12,690		$ 20,723	
RZ Bunker Hill Residential Bill Analysis Usage	23,684													
Low Income:														
Low Income Discount Tier 1						($2)			($1)	($0)	($1)		($4)	186.00%
Low Income Discount Tier 2						(1)			(1)	(0)	(1)		($2)	214.00%
Low Income Discount Tier 3						(1)			(0)	(0)	(0)		($1)	207.00%
Low Income Discount Tier 4														
RZ Bunker Hill Residential Bill Analysis Revenues			**$ 25,333**											
RZ Bunker Hill Residential Annualized/Pro Forma Usage	23,684			23,684			23,684							
RZ Bunker Hill Residential Annualized/Pro Forma Revenues			**$ 25,333**			**$ 25,330**			**$ 25,331**	**$ 1,814**	**$ 27,144**		**$ 44,324**	**63.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Phoenixville Division	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Annualized Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	195,927	5,431	$ 114,097	195,927	5,431	$ 112,740	195,927	5,431	$ 111,835	$ 8,007	$ 119,843	$ 196,647	64.00%
Commercial	167,236	848	85,867	167,236	848	85,867	167,236	848	85,868	6,148	92,016	150,275	63.00%
Industrial	1,498	36	1,287	1,498	36	1,287	1,498	36	1,287	92	1,379	2,253	63.00%
Total Phoenixville Division	364,661	6,314	$ 201,251	364,661	6,314	$ 199,894	364,661	6,314	$ 198,990	$ 14,248	$ 213,238	$ 349,175	64.00%

Rate Zone Phoenixville - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	5,373	$ 4.90	$ 26,328	5,373	$ 4.90	$ 26,328	5,373	$ 4.90	$ 26,328	$ 1,885	$ 28,213	$ 8.58	$ 46,101	63.00%
1 - Meter	50	9.90	492	50	9.90	492	50	9.90	492	35	527	17.30	860	63.00%
2 - Meter	8	37.00	285	8	37.00	285	8	37.00	285	20	305	64.80	499	63.00%
Subtotal	5,431		$ 27,105	5,431		$ 27,105	5,431		$ 27,105	$ 1,941	$ 29,046		$ 47,460	
Usage (in 100 Gallons)														
Block 1	195,927	$ 0.4440	$ 86,992	195,927	$ 0.4440	$ 86,992	195,927	$ 0.4440	$ 86,992	$ 6,229	$ 93,220	$ 0.7770	$ 152,235	63.00%
Block 2	-	0.3626	-	-	0.3626	-	-	0.3626	-	-	-	0.6346	-	0.00%
Block 3	-	0.2960	-	-	0.2960	-	-	0.2960	-	-	-	0.5180	-	0.00%
Subtotal	195,927		$ 86,992	195,927		$ 86,992	195,927		$ 86,992	$ 6,229	$ 93,220		$ 152,235	
RZ Phoenixville Residential Bill Analysis Usage	195,927													
Low Income:														
Low Income Discount Tier 1						($797)			($1,328)	($95)	($1,423)		($1,819)	28.00%
Low Income Discount Tier 2						(336)			(560)	(40)	(600)		($752)	25.00%
Low Income Discount Tier 3						(224)			(374)	(27)	(401)		($478)	19.00%
RZ Phoenixville Residential Bill Analysis Revenues			**$ 114,097**											
RZ Phoenixville Residential Usage	195,927			195,927			195,927							
RZ Phoenixville Residential Annualized/Pro Forma Revenues			**$ 114,097**			**$ 112,740**			**$ 111,835**	**$ 8,007**	**$ 119,843**		**$ 196,647**	**64.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
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Rate Zone Phoenixville - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	362	$ 4.90	$ 1,771	362	$ 4.90	$ 1,771	362	$ 4.90	$ 1,771	$ 127	$ 1,898	$ 8.58	$ 3,102	63.00%
3/4 - Meter	36	4.90	176	36	4.90	176	36	4.90	176	13	189	8.60	310	64.00%
1 - Meter	229	9.90	2,268	229	9.90	2,268	229	9.90	2,268	162	2,430	17.30	3,963	63.00%
1 1/2 - Meter	145	17.30	2,505	145	17.30	2,505	145	17.30	2,505	179	2,684	30.30	4,387	63.00%
2 - Meter	52	37.00	1,935	52	37.00	1,935	52	37.00	1,935	139	2,074	64.80	3,389	63.00%
4 - Meter	24	123.30	2,959	24	123.30	2,959	24	123.30	2,959	212	3,171	215.90	5,182	63.00%
Subtotal	848		$ 11,614	848		$ 11,614	848		$ 11,615	$ 832	$ 12,447		$ 20,333	
Usage (in 100 Gallons)														
Block 1	167,236	$ 0.4440	$ 74,253	167,236	$ 0.4440	$ 74,253	167,236	$ 0.4440	$ 74,253	$ 5,316	$ 79,569	$ 0.7770	$ 129,942	63.00%
Block 2	-	0.3626	-	-	0.3626	-	-	0.3626	-	-	-	0.6346	-	0.00%
Block 3	-	0.2960	-	-	0.2960	-	-	0.2960	-	-	-	0.5180	-	0.00%
Subtotal	167,236		$ 74,253	167,236		$ 74,253	167,236		$ 74,253	$ 5,316	$ 79,569		$ 129,942	
RZ Phoenixville Commercial Bill Analysis Usage	167,236													
RZ Phoenixville Commercial Bill Analysis Revenues			**$ 85,867**											
RZ Phoenixville Commercial Annualized/Pro Forma Usage	167,236			167,236			167,236							
RZ Phoenixville Commercial Annualized/Pro Forma Revenues			**$ 85,867**			**$ 85,867**			**$ 85,868**	**$ 6,148**	**$ 92,016**		**$ 150,275**	**63.00%**

Rate Zone Phoenixville - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	12	$ 4.90	$ 59	12	$ 4.90	$ 59	12	$ 4.90	$ 59	$ 4	$ 63	$ 8.58	$ 103	63.00%
1 - Meter	12	9.90	119	12	9.90	119	12	9.90	119	9	127	17.30	208	63.00%
2 - Meter	12	37.00	444	12	37.00	444	12	37.00	444	32	476	64.80	778	64.00%
Subtotal	36		$ 622	36		$ 622	36		$ 622	$ 45	$ 666		$ 1,089	
Usage (in 100 Gallons)														
Block 1	1,498	$ 0.4440	$ 665	1,498	$ 0.4440	$ 665	1,498	$ 0.4440	$ 665	$ 48	$ 713	$ 0.7770	$ 1,164	63.00%
Block 2	-	0.3626	-	-	0.3626	-	-	0.3626	-	-	-	0.6346	-	0.00%
Block 3	-	0.2960	-	-	0.2960	-	-	0.2960	-	-	-	0.5180	-	0.00%
Subtotal	1,498		$ 665	1,498		$ 665	1,498		$ 665	$ 48	$ 713		$ 1,164	
RZ Phoenixville Industrial Bill Analysis Usage	1,498													
RZ Phoenixville Industrial Bill Analysis Revenues			**$ 1,287**											
RZ Phoenixville Industrial Annualized/Pro Forma Usage	1,498			1,498			1,498							
RZ Phoenixville Industrial Annualized/Pro Forma Revenues			**$ 1,287**			**$ 1,287**			**$ 1,287**	**$ 92**	**$ 1,379**		**$ 2,253**	**63.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Zone Shenandoah	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	956,100	31,932	$ 1,457,242	950,808	31,932	$ 1,450,143	950,808	31,932	$ 1,450,143	$ -	$ 1,450,143	$ 2,069,612	43.00%
Commercial	217,967	2,388	214,171	221,154	2,484	219,644	221,154	2,484	219,644	-	219,644	303,691	38.00%
Industrial	191,970	60	63,891	191,970	60	63,891	191,970	60	63,892	-	63,892	102,182	60.00%
Public	87,587	395	56,976	87,587	395	56,976	87,587	395	56,977	-	56,977	90,991	60.00%
Total Zone Shenandoah	1,453,624	34,776	$ 1,792,280	1,451,519	34,872	$ 1,790,654	1,451,519	34,872	$ 1,790,656	$ -	$ 1,790,656	$ 2,566,475	43.00%

Rate Zone Shenandoah - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Billing Determinants	Proposed Rates	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge															
5/8 - Meter	31,860	$ 20.49	$ 652,818	31,860	$ 20.49	$ 652,818	31,860	$ 20.49	$ 652,818	$ -	$ 652,818	31,860	$ 23.90	$ 761,461	17.00%
1 - Meter	72	40.91	2,954	72	40.91	2,954	72	40.91	2,954	-	2,954	72	69.70	5,032	70.00%
Subtotal	31,932		$ 655,772	31,932		$ 655,772	31,932		$ 655,771	$ -	$ 655,771	31,932		$ 766,493	
Usage in Blocks (in 100 Gallons) - Present Rates															
Allowance	273,273	$ -	$ -	273,273	$ -	$ -	273,273	$ -	$ -	$ -	$ -				
Block 1	203,573	2.0490	417,121	203,573	2.0490	417,121	203,573	2.0490	417,121	-	417,121				
Block 2	142,020	1.0960	155,654	142,020	1.0960	155,654	142,020	1.0960	155,654	-	155,654				
Block 3	217,914	0.4830	105,252	217,914	0.4830	105,252	217,914	0.4830	105,252	-	105,252				
Block 4	114,029	1.0960	124,975	114,029	1.0960	124,975	114,029	1.0960	124,975	-	124,975				
Subtotal	950,808		803,002	950,808		803,002	950,808		803,003	-	803,003				
Usage in Blocks (in 100 Gallons) - Present Rates															
Block 1												476,846	1.2687	604,974	
Block 2												473,962	1.5021	711,939	
												950,808		1,316,913	
RZ Shenandoah Residential Bill Analysis Usage	950,808														
Low Income:			(1,532)			(5,163)			$ (5,163)	$ -	$ (5,163)			(5,163)	0.00%
Low Income Discount Tier 1						($6,935)			(6,935)	-	(6,935)			(6,935)	0.00%
Low Income Discount Tier 2						(1,696)			(1,696)	-	(1,696)			(1,696)	0.00%
Low Income Discount Tier 3						0			-	-	-			-	0.00%
RZ Shenandoah Residential Bill Analysis Revenues			**$ 1,457,242**												
Adjustment (1):															
5/8-Meter - Low-Income	252	$ (20.49)	($5,163)												
All Usage Low Income Tier 1	3,385	(2.0490)	(6,935)												
All Usage Low Income Tier 2	1,655	(1.0245)	(1,696)												
All Usage Low Income Tier 3	0	-	0												
RZ Shenandoah Residential Annualized/Pro Forma Usage	956,100			950,808			950,808								
RZ Shenandoah Residential Annualized/Pro Forma Revenues			**$ 1,444,980**			**$ 1,450,143**			**$ 1,450,143**	**$ -**	**$ 1,450,143**			**$ 2,069,612**	**43.00%**

Note (1) Adjustment to account for ProForma Low-Income customer discounts.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
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Rate Zone Shenandoah - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Billing Determinants	Proposed Rates	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge															
5/8 - Meter	2,004	$ 20.49	$ 41,068	2,088	$ 20.49	$ 42,789	2,088	$ 20.49	$ 42,789	$ -	$ 42,789	2,088	$ 23.90	$ 49,910	17.00%
1 - Meter	264	40.91	10,784	264	40.91	10,784	264	40.91	10,784	-	10,784	264	69.70	$ 18,373	70.00%
2 - Meter	108	110.29	11,878	120	110.29	13,202	120	110.29	13,202	-	13,202	120	191.10	$ 22,875	73.00%
4 - Meter	12	1,223.46	14,682	12	1,223.46	14,682	12	1,223.46	14,682	-	14,682	12	625.00	$ 7,500	-49.00%
Subtotal	2,388		$ 78,412	2,484		$ 81,457	2,484		$ 81,456	$ -	$ 81,456	2,484		$ 98,658	
Usage 5/8" to 1" (in 100 Gallons) - Present Rates															
Allowance	17,763	$ -	$ -	18,441	$ -	$ -	18,441	$ -	$ -	$ -	$ -				
Block 1	14,750	2.0490	30,222	15,270	2.0490	31,287	15,270	2.0490	31,287	-	31,287				
Block 2	10,497	1.0960	11,505	10,897	1.0960	11,943	10,897	1.0960	11,943	-	11,943				
Block 3	25,755	0.4830	12,440	26,535	0.4830	12,817	26,535	0.4830	12,817	-	12,817				
Block 4	43,948	1.0960	48,167	44,400	1.0960	48,662	44,400	1.0960	48,662	-	48,662				
Subtotal	112,713		$ 102,334	115,543		$ 104,709	115,543		$ 104,710	$ -	$ 104,710				
Usage 2" (in 100 Gallons) - Present Rates															
Allowance	2,109	-	-	2,329	-	-	2,329	-	-	-	-				
Block 1	70,486	0.3920	27,631	70,623	0.3920	27,684	70,623	0.3920	27,684	-	27,684				
Block 2	-	0.1890	-	-	0.1890	-	-	0.1890	-	-	-				
Subtotal	72,595		$ 27,631	72,952		$ 27,684	72,952		$ 27,684	$ -	$ 27,684				
Usage 4" (in 100 Gallons) - Present Rates															
Allowance	17,880	-	-	17,880	-	-	17,880	-	-	-	-				
Block 1	14,780	0.3920	5,794	14,780	0.3920	5,794	14,780	0.3920	5,794	-	5,794				
Block 2	-	0.1890	-	-	0.1890	-	-	0.1890	-	-	-				
Subtotal	32,660		$ 5,794	32,660		$ 5,794	32,660		$ 5,794	$ -	$ 5,794				
All Usage (in 100 Gallons) - Proposed Rates															
Block 1												127,980	1.17310	$ 150,133	
Block 2												17,951	1.03070	18,502	
Block 3												70,033	0.48670	34,085	
Block 4												5,190	0.44550	2,312	
												221,154		205,033	
RZ Shenandoah Commercial Bill Analysis Usage	217,967														
RZ Shenandoah Commercial Bill Analysis Revenues			**$ 214,171**												
Adjustment (1):															
2 - Meter	12	$ 110.29	$ 1,323												
Allowance	220	-	-												
Block 1	137	0.3920	54												
Block 2	0	0.1890	-												
5/8 - Meter	84	$ 20.49	$ 1,721												
Allowance	678	-	-												
Block 1	520	2.0490	1,065												
Block 2	400	1.0960	438												
Block 3	780	0.4830	377												
Block 4	452	1.0960	495												
RZ Shenandoah Commercial Annualized/Pro Forma Usage	221,154			221,154			221,154					221,154			
RZ Shenandoah Commercial Annualized/Pro Forma Revenues			**$ 219,644**			**$ 219,644**			**$ 219,644**	**$ -**	**$ 219,644**			**$ 303,691**	**38.00%**

Note (1) Adjustment to account for free service customers moving to metered rates.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone Shenandoah - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Billing Determinants	Proposed Rates	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge															
5/8 - Meter	24	$ 20.49	$ 494	24	$ 20.49	$ 494	24	$ 20.49	$ 494	$ -	$ 494	24	$ 23.90	$ 576	17.00%
1 - Meter	12	40.91	499	12	40.91	499	12	40.91	499	-	499	12	69.70	$ 850	70.00%
2 - Meter	12	110.29	1,301	12	110.29	1,301	12	110.29	1,301	-	1,301	12	191.10	$ 2,255	73.00%
4 - Meter	12	1,223.46	14,926	12	1,223.46	14,926	12	1,223.46	14,926	-	14,926	12	625.00	$ 7,625	-49.00%
Subtotal	60		$ 17,220	60		$ 17,220	60		$ 17,221	$ -	$ 17,221			$ 11,306	
Usage in Blocks (in 100 Gallons) - Present Rates															
Allowance	327	$ -	$ -	327	$ -	$ -	327	$ -	$ -	$ -	$ -				
Block 1	181	2.0490	372	181	2.0490	372	181	2.0490	372	-	372				
Block 2	118	1.0960	129	118	1.0960	129	118	1.0960	129	-	129				
Block 3	168	0.4830	81	168	0.4830	81	168	0.4830	81	-	81				
Block 4	1,076	1.0960	1,179	1,076	1.0960	1,179	1,076	1.0960	1,179	-	1,179				
Subtotal	1,870		$ 1,761	1,870		$ 1,761	1,870		$ 1,761	$ -	$ 1,761				
Usage 2" (in 100 Gallons) - Present Rates															
Allowance	-	$ -	-	-	$ -	-	-	$ -	-	-	-				
Block 1	-	0.3920	-		0.3920	-		0.3920	-	-	-				
Block 2	-	0.1890	-	-	0.1890	-	-	0.1890	-	-	-				
Subtotal	-		$ -	-		$ -	-		$ -	$ -	$ -				
Usage 4" (in 100 Gallons) - Present Rates															
Allowance	18,000	-	-	18,000	-	-	18,000	-	-	-	-				
Block 1	61,000	0.3920	23,912	61,000	0.3920	23,912	61,000	0.3920	23,912	-	23,912				
Block 2	111,100	0.1890	20,998	111,100	0.1890	20,998	111,100	0.1890	20,998	-	20,998				
Subtotal	190,100		$ 44,910	190,100		$ 44,910	190,100		$ 44,910	$ -	$ 44,910				
Usage (in 100 Gallons) - Proposed Rates															
Block 1												3,070	1.17310	$ 3,601	
Block 2												2,796	1.03070	$ 2,882	
Block 3												36,000	0.48670	$ 17,521	
Block 4												150,104	0.44550	$ 66,871	
Block 5												-	0.44550	$ -	
Block 6												-	0.35820	$ -	
												191,970		90,876	
RZ Shenandoah Industrial Bill Analysis Usage	191,970														
RZ Shenandoah Industrial Bill Analysis Revenues			**$ 63,891**												
RZ Shenandoah Industrial Annualized/Pro Forma Usage	191,970			191,970			191,970					191,970			
RZ Shenandoah Industrial Annualized/Pro Forma Revenues			**$ 63,891**			**$ 63,891**			**$ 63,892**	**$ -**	**$ 63,892**			**$ 102,182**	**60.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone Shenandoah - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Billing Determinants	Proposed Rates	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge															
5/8 - Meter	228	$ 20.49	$ 4,661	228	$ 20.49	$ 4,661	228	$ 20.49	$ 4,661	$ -	$ 4,661	228	$ 23.90	$ 5,437	17.00%
1 - Meter	60	40.91	2,467	60	40.91	2,467	60	40.91	2,467	-	2,467	60	69.70	4,203	70.00%
2 - Meter	96	110.29	10,555	96	110.29	10,555	96	110.29	10,555	-	10,555	96	191.10	18,288	73.00%
3 - Meter	12	679.73	8,021	12	679.73	8,021	12	679.73	8,021	-	8,021	12	383.00	4,519	-44.00%
Subtotal	395		$ 25,704	395		$ 25,704	395		$ 25,704	$ -	$ 25,704			$ 32,448	26.00%
Usage in Blocks (in 100 Gallons) - Present Rates															
Allowance	1,783	$ -	$ -	1,783	$ -	$ -	1,783	$ -	$ -	$ -	$ -				
Block 1	1,032	2.0490	2,114	1,032	2.0490	2,114	1,032	2.0490	2,114	-	2,114				
Block 2	670	1.0960	734	670	1.0960	734	670	1.0960	734	-	734				
Block 3	1,050	0.4830	507	1,050	0.4830	507	1,050	0.4830	507	-	507				
Block 4	722	1.0960	791	722	1.0960	791	722	1.0960	791	-	791				
Subtotal	5,257		$ 4,146	5,257		$ 4,146	5,257		$ 4,147	$ -	$ 4,147				
Usage 2" (in 100 Gallons) - Present Rates															
Allowance	1,591	-	$ -	1,591	-	$ -	1,591	-	$ -	$ -	$ -				
Block 1	56,589	0.3920	22,183	56,589	0.3920	22,183	56,589	0.3920	22,183	-	22,183				
Block 2	3,140	0.1890	593	3,140	0.1890	593	3,140	0.1890	593	-	593				
Subtotal	61,320		$ 22,776	61,320		$ 22,776	61,320		$ 22,776	$ -	$ 22,776				
Usage 3" (in 100 Gallons) - Present Rates															
Allowance	9,912	-	-	9,912	-	-	9,912	-	-	-	-				
Block 1	11,098	0.3920	4,350	11,098	0.3920	4,350	11,098	0.3920	4,350	-	4,350				
Block 2	-	0.1890	-	-	0.1890	-	-	0.1890	-	-	-				
Subtotal	21,010		$ 4,350	21,010		$ 4,350	21,010		$ 4,350	$ -	$ 4,350				
All Usage (in 100 Gallons) - Proposed Rates															
Block 1												12,477	1.17310	$ 14,637	
Block 2												12,453	1.03070	12,835	
Block 3												56,725	0.49990	28,357	
Block 4												5,932	0.45750	2,714	
												87,587		$ 58,543	
RZ Shenandoah Public Bill Analysis Usage	87,587														
RZ Shenandoah Public Bill Analysis Revenues			**$ 56,976**												
RZ Shenandoah Public Annualized/Pro Forma Usage	87,587			87,587			87,587					87,587			
RZ Shenandoah Public Annualized/Pro Forma Revenues			**$ 56,976**			**$ 56,976**			**$ 56,977**	**$ -**	**$ 56,977**			**$ 90,991**	**60.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Belle Aire Divisions	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	7,426	188	$ 9,400	7,426	188	$ 9,400	7,426	188	$ 9,399	$ -	$ 9,399	$ 14,112	50.00%
Total Zone 3	7,426	188	$ 9,400	7,426	188	$ 9,400	7,426	188	$ 9,399	$ -	$ 9,399	$ 14,112	50.00%

Belle Aire - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Proforma @ Present Rate	Proforma DSIC Revenues	12/31/2025 Total Revenues @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge	188	50.00	$ 9,400											
Customer Charge														
5/8 - Meter		$ 50.00		188	$ 50.00	$ 9,400	188	$ 50.00	$ 9,400	$ -	$ 9,400	$ 75.07	$ 14,114	50.00%
Subtotal				188		$ 9,400	188		$ 9,400	$ -	$ 9,400		$ 14,114	
Usage (in 100 Gallons)														
Block 1		$ -		3,760	$ -	$ -	3,760	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Block 2		-		3,666	-	$ -	3,666	-	-	-	-	-	-	0.00%
Subtotal				7,426		$ -	7,426		$ -	$ -	$ -		$ -	
RZ Belle Aire Residential Bill Analysis Usage	0													
Low Income:														
Low Income Discount Tier 1						(0)			$ (0)	$ -	$ (0)		(1)	
Low Income Discount Tier 2						(0)			(0)	-	(0)		(1)	
Low Income Discount Tier 3						(0)			(0)	-	(0)		(0)	
RZ Belle Aire Residential Bill Analysis Revenues			**$ 9,400**											
Adjustment (1):														
Flat Rate	(188)	$ 50.00	($9,400)											
5/8 - Meter	188	50.00	9,400											
All Usage - Block 1	3,760	$0.0000	0											
All Usage - Block 2	3,666	-	0											
RZ Belle Aire Residential Annualized/Pro Forma Usage	7,426			7,426			7,426							
RZ Belle Aire Residential Annualized/Pro Forma Revenues			**$ 9,400**			**$ 9,400**			**$ 9,399**	**$ -**	**$ 9,399**		**$ 14,112**	**50.00%**

Note (1) Adjustment to account for the change from flat rate to metered rates.

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Contract Customers	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis (BA) Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Mt. Carmel - Industrial	1,488,231	52	$ 512,018	1,488,231	52	$ 639,167	1,488,231	52	$ -	$ 789,388	$ 794,521	1.00%
Covanta - Industrial	1,953,800	12	773,737	1,953,800	12	814,977	1,953,800	12	-	831,277	831,277	0.00%
Liberty Power - Industrial	8,912,000	12	2,290,847	8,912,000	12	2,374,773	8,912,000	12	-	2,422,744	2,422,744	0.00%
Contract Industrial	12,354,031	76	$ 3,576,602	12,354,031	76	$ 3,828,917	12,354,031	76	$ -	$ 4,043,409	$ 4,048,542	
Canaan Federal Prison - Public	862,490	12	$ 348,205	862,490	12	$ 409,480	862,490	12	$ -	$ 409,480	$ 409,480	0.00%
SCI Forest County Prison - Public	1,058,746	12	995,592	1,058,746	12	995,592	1,058,746	12	-	995,592	1,322,313	33.00%
SCI Waymart - Public	598,030	12	66,194	598,030	12	67,767	598,030	12	-	69,135	69,135	0.00%
Contract Public	2,519,266	36	$ 1,409,991	2,519,266	36	$ 1,472,839	2,519,266	36	$ -	$ 1,474,207	$ 1,800,928	
Veolia Water PA - Sales for Resale	10,290	12	$ 64,752	10,290	12	$ 64,752	10,290	12	$ -	$ 77,320	$ 77,320	0.00%
Chemung - Sales for Resale	12,385	12	17,839	12,385	12	17,839	12,385	12	-	19,796	20,888	6.00%
New Wilmington - Sales for Resale	567,373	24	808,151	567,373	24	417,401	567,373	24	-	425,492	427,628	1.00%
Warwick - Sales for Resale	2,406,230	12	611,959	2,406,230	12	643,376	2,406,230	12	-	656,372	656,372	0.00%
Borough of Sharpsville - Sales for Resale	1,709,706	24	508,536	1,709,706	24	531,323	1,709,706	24	-	542,678	550,358	1.00%
Hubbard Township - Sales for Resale	2,914,800	12	726,130	2,914,800	12	798,425	2,914,800	12	-	862,260	864,456	0.00%
Horsham - Sales for Resale	1,258,880	12	748,111	1,258,880	12	764,940	1,258,880	12	-	772,607	772,607	0.00%
Schwenksville - Sales for Resale	330,728	12	146,893	330,728	12	151,651	330,728	12	-	154,839	154,839	0.00%
Downingtown - Sales for Resale	1,905	-	225	1,905	-	225	1,905	-	-	229	229	0.00%
Bristol - Sales for Resale	27,021	6	17,822	27,021	6	18,242	27,021	6	-	18,608	18,628	0.00%
Masury Water Co. - Sales for Resale	1,217,070	48	412,507	1,217,070	48	423,096	1,217,070	48	-	430,574	448,467	4.00%
Contacts Sales for Resale	10,456,388	174	$ 4,062,925	10,456,388	174	$ 3,831,270	10,456,388	174	$ -	$ 3,960,775	$ 3,991,792	
Total Zone 3	25,329,685	286	$ 9,049,518	25,329,685	286	$ 9,133,026	25,329,685	286	$ -	$ 9,478,391	$ 9,841,262	4.00%

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Contracts - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Mt. Carmel Contract													
Customer Charge - Period 1 (Jan. - Jun.)													
1 - Meter	6	$ 59.80	$ 359	6	$ 59.80	$ 359	6	$ 59.80	$ -	$ 359	$ 69.70	$ 418	16.00%
1 1/2 - Meter	6	115.20	691	6	115.20	691	6	115.20	-	691	134.20	805	16.00%
6 - Meter	12	1,105.00	13,260	12	1,105.00	13,260	12	1,105.00	-	13,260	1,288.00	15,456	17.00%
Customer Charge - Period 2 (Jul. - Dec.)													
1 - Meter	7	59.80	419	7	59.80	419	7	59.80	-	419	69.70	488	16.00%
1 1/2 - Meter	7	115.20	806	7	115.20	806	7	115.20	-	806	134.20	939	17.00%
6 - Meter	14	1,105.00	15,470	14	1,105.00	15,470	14	1,105.00	-	15,470	1,288.00	18,032	17.00%
Subtotal	52		$ 31,005	52		$ 31,005	52		$ -	$ 31,005		$ 36,138	
Usage (in 100 Gallons)													
All Usage - Period 1	805,590	$ 0.3200	$ 257,789	805,590	$ 0.3270	$ 263,428	805,590	$ 0.5050	$ -	$ 406,823	$ 0.5050	$ 406,823	0.00%
All Usage - Period 2	682,641	$ 0.3270	223,224	682,641	$ 0.5050	344,734	682,641	$ 0.5150	-	351,560	$ 0.5150	351,560	0.00%
Subtotal	1,488,231		$ 481,013	1,488,231		$ 608,162	1,488,231		$ -	$ 758,383		$ 758,383	
Total Mt. Carmel Contract Revenue			**$ 512,018**			**$ 639,167**				**$ 789,388**		**$ 794,521**	**1.00%**
Covanta Contract													
Customer Charge													
6 - Meter	12	$ 47,280.00	$ 567,360	12	$ 49,800.00	$ 597,600	12	$ 50,796.00	$ -	$ 609,552	$ 50,796.00	$ 609,552	0.00%
Subtotal	12		$ 567,360	12		$ 597,600	12		$ -	$ 609,552		$ 609,552	
Usage (in 100 Gallons)													
Allowance	1,430,000	$ -	$ -	1,430,000	$ -	$ -	1,430,000	$ -	$ -	$ -	$ -	$ -	0.00%
Over Allowance	523,800	$ 0.3940	206,377	523,800	0.4150	217,377	523,800	0.4233	-	221,725	0.4233	221,725	0.00%
Subtotal	1,953,800		$ 206,377	1,953,800		$ 217,377	1,953,800		$ -	$ 221,725		$ 221,725	
Total Covanta Contract Revenue			**$ 773,737**			**$ 814,977**				**$ 831,277**		**$ 831,277**	**0.00%**
Liberty Contract													
Customer Charge													
6 - Meter (Jan. @ 2022 Rate)	1	$ 100,874.15	$ 100,874										
6 - Meter	11	$ 108,708.74	1,195,796	12	$ 112,491.06	$ 1,349,893	12	$ 114,763.38	$ -	$ 1,377,161	$ 114,763.38	$ 1,377,161	0.00%
Subtotal	12		$ 1,296,670	12		$ 1,349,893	12		$ -	$ 1,377,161		$ 1,377,161	
Usage (in 100 Gallons)													
All Usage (Jan. @ 2022 Rate)	495,900	0.1040	51,574										
All Usage	8,416,100	$ 0.1120	$ 942,603	8,912,000	$ 0.1150	$ 1,024,880	8,912,000	$ 0.1173	$ -	$ 1,045,583	$ 0.1173	$ 1,045,583	0.00%
Subtotal	8,912,000		$ 994,177	8,912,000		$ 1,024,880	8,912,000		$ -	$ 1,045,583		$ 1,045,583	
Total Liberty Contract Revenue			**$ 2,290,847**			**$ 2,374,773**				**$ 2,422,744**		**$ 2,422,744**	**0.00%**
RZ Contracts Industrial Annualized/Pro Forma Usage	12,354,031			12,354,031			12,354,031						
RZ Contracts Industrial Annualized/Pro Forma Revenues			**$ 3,576,602**			**$ 3,828,917**			**$ -**	**$ 4,043,409**		**$ 4,048,542**	**0.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Contracts - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Canaan Federal Prison Contract													
Customer Charge													
8 - Meter	12	$ 25,227.82	$ 302,734	12	$ 29,667.62	$ 356,011	12	$ 29,667.62	$ -	$ 356,011	$ 29,667.62	$ 356,011	0.00%
Subtotal	12		$ 302,734	12		$ 356,011	12		$ -	$ 356,011		$ 356,011	
Usage (in 100 Gallons)													
Allowance	540,000	$ -	$ -	540,000	$ -	$ -	540,000	$ -	$ -	$ -	$ -	$ -	0.00%
Over Allowance	322,490	0.1410	45,471	322,490	0.1658	53,469	322,490	0.1658	-	53,469	0.1658	53,469	0.00%
Subtotal	862,490		$ 45,471	862,490		$ 53,469	862,490		$ -	$ 53,469		$ 53,469	
Total Canaan Federal Prison Contract Revenue			**$ 348,205**			**$ 409,480**				**$ 409,480**		**$ 409,480**	0.00%
SCI Forest County Prison Contract													
Customer Charge													
4 - Meter	12	$ 536.00	$ 6,378	12	$ 536.00	$ 6,378	12	$ 536.00	$ -	$ 6,378	$ 625.00	$ 7,438	17.00%
Subtotal	12		$ 6,378	12		$ 6,378	12		$ -	$ 6,378		$ 7,438	
Usage (in 100 Gallons)													
Block 1	1,190	$ 1.4017	$ 1,668	1,190	$ 1.4017	$ 1,668	1,190	$ 1.4017	$ -	$ 1,668	$ 1.8048	$ 2,148	29.00%
Block 2	2,773	1.2315	3,415	2,773	1.2315	3,415	2,773	1.2315	-	3,415	1.5857	4,397	29.00%
Block 3	35,700	1.0163	36,282	35,700	1.0163	36,282	35,700	1.0163	-	36,282	1.3511	48,234	33.00%
Block 4	718,215	0.9301	668,012	718,215	0.9301	668,012	718,215	0.9301	-	668,012	1.2365	888,073	33.00%
True-Up Consumption	300,868	0.9301	279,837	300,868	0.9301	279,837	300,868	0.9301	-	279,837	1.2365	372,023	33.00%
Subtotal	1,058,746		$ 989,214	1,058,746		$ 989,214	1,058,746		$ -	$ 989,214		$ 1,314,875	
			$ 995,592			**$ 995,592**				**$ 995,592**		**$ 1,322,313**	33.00%
SCI Waymart Prison Contract													
Customer Charge													
8 - Meter	12	$ 5,035.78	$ 60,429	12	$ 5,155.38	$ 61,865	12	$ 5,259.52	$ -	$ 63,114	$ 5,259.52	$ 63,114	0.00%
Subtotal	12		$ 60,429	12		$ 61,865	12		$ -	$ 63,114		$ 63,114	
Usage (in 100 Gallons)													
Allowance	566,180	$ -	$ -	566,180	$ -	$ -	566,180	$ -	$ -	$ -	$ -	$ -	0.00%
Over Allowance	31,850	0.1810	5,765	31,850	0.1853	5,902	31,850	0.1890	-	6,021	0.1890	6,021	0.00%
Subtotal	598,030		$ 5,765	598,030		$ 5,902	598,030		$ -	$ 6,021		$ 6,021	
Total SCI Waymart Prison Contract Revenue			**$ 66,194**			**$ 67,767**				**$ 69,135**		**$ 69,135**	0.00%
RZ Contracts Public Annualized/Pro Forma Usage	2,519,266			2,519,266			2,519,266						
RZ Contracts Public Annualized/Pro Forma Revenues			**$ 1,409,991**			**$ 1,472,839**			**$ -**	**$ 1,474,207**		**$ 1,800,928**	**22.00%**

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Contracts - Sales for Resale	12/31/2023 Billing Determinants	Current Rate	3,576,602 BA/Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	3,828,917 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	Proforma DSIC Revenues	4,043,409 Proforma @ Present Rate	Proposed Rate	4,048,542 Proforma @ Proposed Rate	% Percent Change
Veolia Water PA Contract													
Customer Charge													
2 - Meter	12	$ 5,396.00	$ 64,752	12	$ 5,396.00	$ 64,752	12	$ 6,443.36	$ -	$ 77,320	$ 6,443.36	$ 77,320	0.00%
Subtotal	12		$ 64,752	12		$ 64,752	12		$ -	$ 77,320		$ 77,320	
Usage (in 100 Gallons)													
Allowance	10,290	-	-	10,290	-	-	10,290	-	-	-	-	-	0.00%
Subtotal	10,290		$ -	10,290		$ -	10,290		$ -	$ -		$ -	
Total Veolia Water PA Contract Revenue			**$ 64,752**			**$ 64,752**				**$ 77,320**		**$ 77,320**	0.00%
Chemung Contract													
Customer Charge													
10 - Meter	12	$ 646.50	$ 7,758	12	$ 646.50	$ 7,758	12	$ 646.50	$ -	$ 7,758	$ 737.50	$ 8,850	14.00%
Subtotal	12		$ 7,758	12		$ 7,758	12		$ -	$ 7,758		$ 8,850	
Usage (in 100 Gallons)													
All Usage	12,385	0.8140	10,081	12,385	0.8140	10,081	12,385	0.9720	-	12,038	0.9720	12,038	0.00%
Subtotal	12,385		$ 10,081	12,385		$ 10,081	12,385		$ -	$ 12,038		$ 12,038	
Total Chemung Contract Revenue			**$ 17,839**			**$ 17,839**				**$ 19,796**		**$ 20,888**	6.00%
New Wilmington Contract													
Customer Charge													
4 - Meter	24	$ 536.00	$ 12,864	24	$ 536.00	$ 12,864	24	$ 536.00	$ -	$ 12,864	$ 625.00	$ 15,000	17.00%
Subtotal	24		$ 12,864	24		$ 12,864	24		$ -	$ 12,864		$ 15,000	
Usage (in 100 Gallons)													
All Usage	567,373	1.4017	795,287	567,373	0.7130	404,537	567,373	0.7273	-	412,628	0.7273	412,628	0.00%
Subtotal	567,373		$ 795,287	567,373		$ 404,537	567,373		$ -	$ 412,628		$ 412,628	
Total New Wilmington Contract Revenue			**$ 808,151**			**$ 417,401**				**$ 425,492**		**$ 427,628**	1.00%
Warwick Contract													
Customer Charge													
8 - Meter	12	$ 46,092.68	$ 553,112	12	$ 48,457.80	$ 581,494	12	$ 49,436.65	$ -	$ 593,240	$ 49,436.65	$ 593,240	0.00%
Subtotal	12		$ 553,112	12		$ 581,494	12		$ -	$ 593,240		$ 593,240	
Usage (in 100 Gallons)													
Allowance	2,142,200	-	$ -	2,142,200	-	-	2,142,200	-	$ -	$ -	-	$ -	0.00%
Block 1	259,010	0.2230	57,759	259,010	0.2345	60,738	259,010	0.2392	-	61,965	0.2392	61,965	0.00%
Block 2	5,020	0.2168	1,088	5,020	0.2279	1,144	5,020	0.2325	-	1,167	0.2325	1,167	0.00%
Subtotal	2,406,230		$ 58,847	2,406,230		$ 61,882	2,406,230		$ -	$ 63,132		$ 63,132	
Total Warwick Contract Revenue			**$ 611,959**			**$ 643,376**				**$ 656,372**		**$ 656,372**	0.00%

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Sharpsville Contract																								
Customer Charge - Period 1 (Jan. - Nov.)																								
8 - Meter	22	$	1,934.00	$	42,548	22	$	1,934.00	$	42,548	22	$	1,934.00	$	-	$	42,548	$	2,254.00	$	49,588	17.00%		
Customer Charge - Period 2 (Dec. - Dec.)																								
8 - Meter	2		1,934.00		3,868	2	$	1,934.00		3,868	2	$	1,934.00	$	-		3,868	$	2,254.00		4,508	17.00%		
Subtotal	24			$	46,416	24			$	46,416	24			$	-	$	46,416			$	54,096				
Usage (in 100 Gallons)																								
All Usage - Period 1	1,551,874	$	0.2690	$	417,454	1,551,874	$	0.2830	$	439,180	1,551,874	$	0.2897	$	-	$	449,611	$	0.2897	$	449,611	0.00%		
All Usage - Period 2	157,832		0.2830		44,666	157,832		0.2897		45,727	157,832		0.2956		-		46,651		0.2956		46,651	0.00%		
Subtotal	1,709,706			$	462,120	1,709,706			$	484,907	1,709,706			$	-	$	496,262			$	496,262				
Total Sharpsville Contract Revenue				**$**	**508,536**				**$**	**531,323**						**$**	**542,678**			**$**	**550,358**	1.00%		
Hubbard Township Contract																								
Customer Charge - Period 1 (Jan. - Nov.)																								
6 - Meter	11	$	-	$	-	11	$	1,105.00	$	12,155	11	$	1,105.00	$	-	$	12,155	$	1,288.00	$	14,168	17.00%		
Customer Charge - Period 2 (Dec. - Dec.)																								
6 - Meter	1		-		-	1	$	1,105.00		1,105	1	$	1,105.00		-		1,105	$	1,288.00		1,288	17.00%		
Subtotal	12			$	-	12			$	13,260	12			$	-	$	13,260			$	15,456				
Usage (in 100 Gallons)																								
All Usage - Period 1	2,460,350	$	0.2460	$	605,246	2,460,350	$	0.2660	$	654,453	2,460,350	$	0.2876	$	-	$	707,661	$	0.2876	$	707,661	0.00%		
All Usage - Period 2	454,450	$	0.2660		120,884	454,450		0.2876		130,712	454,450		0.3110		-		141,339		0.3110		141,339	0.00%		
Subtotal	2,914,800			$	726,130	2,914,800			$	785,165	2,914,800			$	-	$	849,000			$	849,000				
Total Hubbard Township Contract Revenue				**$**	**726,130**				**$**	**798,425**						**$**	**862,260**			**$**	**864,456**	0.00%		
Horsham Contract																								
Customer Charge - Period 1 (Jan. - Jun.)																								
6 - Meter	6	$	13,195.00	$	79,170	6	$	13,765.00	$	82,590	6	$	13,801.00	$	-	$	82,806	$	13,801.00	$	82,806	0.00%		
Customer Charge - Period 2 (Jul. - Dec.)																								
6 - Meter	6		13,765.00		82,590	6	$	13,801.00		82,806	6		14,014.00		-		84,084		14,014.00		84,084	0.00%		
Subtotal	12			$	161,760	12			$	165,396	12			$	-	$	166,890			$	166,890				
Usage (in 100 Gallons)																								
Allowance - Period 1	91,000	$	-	$	-	91,000	$	-	$	-	91,000	$	-	$	-	$	-	$	-	$	-	0.00%		
All Usage - Period 1	527,700	$	0.5320		280,736	527,700		0.5570		293,929	527,700		0.5570		-		293,929		0.5570		293,929	0.00%		
Allowance - Period 2	91,500	$	-		-	91,500		-		-	91,500		-		-		-		-		-	0.00%		
All Usage - Period 2	548,680	$	0.5570		305,615	548,680		0.5570		305,615	548,680		0.5683		-		311,788		0.5683		311,788	0.00%		
Subtotal	1,258,880			$	586,351	1,258,880			$	599,544	1,258,880			$	-	$	605,717			$	605,717				
Total Horsham Contract Revenue				**$**	**748,111**				**$**	**764,940**						**$**	**772,607**			**$**	**772,607**	0.00%		
Schwenksville Contract																								
Customer Charge - Period 1 (Jan. - Mar.)																								
3 - Meter	3	$	10,809.50	$	32,429	3	$	11,472.50	$	34,418	3	$	11,744.97	$	-	$	35,235	$	11,744.97	$	35,235	0.00%		
Customer Charge - Period 2 (Apr. - Dec.)																								
3 - Meter	9		11,472.50		103,253	9	$	11,744.97		105,705	9		11,982.22		-		107,840		11,982.22		107,840	0.00%		
Subtotal	12			$	135,682	12			$	140,123	12			$	-	$	143,075			$	143,075				
Usage (in 100 Gallons)																								
Allowance - Period 1	76,500	$	-	$	-	76,500	$	-	$	-	76,500	$	-	$	-	$	-	$	-	$	-	0.00%		
All Usage - Period 1	3,063	$	0.4110		1,259	3,063		0.4370		1,339	3,063		0.4474		-		1,370		0.4474		1,370	0.00%		
Allowance - Period 2	228,391	$	-		-	228,391		-		-	228,391		-		-		-		-		-	0.00%		
All Usage - Period 2	22,774	$	0.4370		9,952	22,774		0.4474		10,189	22,774		0.4564		-		10,394		0.4564		10,394	0.00%		
Subtotal	330,728			$	11,211	330,728			$	11,528	330,728			$	-	$	11,764			$	11,764				
Total Schwenksville Contract Revenue				**$**	**146,893**				**$**	**151,651**						**$**	**154,839**			**$**	**154,839**	0.00%		
Downingtown Contract																								
Customer Charge																								
5/8 - Meter	-	$	20.51	$	-	-	$	20.51	$	-	-	$	20.51	$	-	$	-	$	23.90	$	-	0.00%		
Subtotal	-			$	-	-			$	-	-			$	-	$	-			$	-				
Usage (in 100 Gallons)																								
All Usage	1,905		0.1180		225	1,905		0.1180		225	1,905		0.1204		-		229		0.1204		229	0.00%		
Subtotal	1,905			$	225	1,905			$	225	1,905			$	-	$	229			$	229				
Total Downingtown Contract Revenue				**$**	**225**				**$**	**225**						**$**	**229**			**$**	**229**	0.00%		

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Bristol Contract																				
Customer Charge																				
5/8 - Meter	6	$	20.51	$	123	6	$	20.51	$	123	6	$	20.51	$	-	$	123	$	23.90	$	143	16.00%
Subtotal	6			$	123	6			$	123	6			$	-	$	123			$	143	
Usage (in 100 Gallons)																				
All Usage	27,021		0.6550		17,699	27,021		0.6706		18,119	27,021		0.6841		-		18,485		0.6841		18,485	0.00%
Subtotal	27,021			$	17,699	27,021			$	18,119	27,021			$	-	$	18,485			$	18,485	
Total Bristol Contract Revenue				**$**	**17,822**				**$**	**18,242**						**$**	**18,608**			**$**	**18,628**	0.00%
Masury Contract																				
Customer Charge																				
2 - Meter	12	$	164.00	$	1,968	12	$	164.00	$	1,968	12	$	164.00	$	-	$	1,968	$	191.10	$	2,293	17.00%
8 - Meter	12		1,934.00		23,208	12		1,934.00		23,208	12		1,934.00		-		23,208		2,254.00		27,048	17.00%
12 - Meter	24		3,461.00		83,064	24		3,461.00		83,064	24		3,461.00		-		83,064		4,033.00		96,792	17.00%
Subtotal	48			$	108,240	48			$	108,240	48			$	-	$	108,240			$	126,133	
Usage (in 100 Gallons)																				
All Usage	1,217,070		0.2500		304,267	1,217,070		0.2587		314,856	1,217,070		0.2648		-		322,334		0.2648		322,334	0.00%
Subtotal	1,217,070			$	304,267	1,217,070			$	314,856	1,217,070			$	-	$	322,334			$	322,334	
Total Masury Contract Revenue				**$**	**412,507**				**$**	**423,096**						**$**	**430,574**			**$**	**448,467**	4.00%
RZ Contracts Sales for Resale Annualized/Pro Forma Usage	10,456,388					10,456,388					10,456,388											
RZ Contracts Sales for Resale Annualized/Pro Forma Revenues				**$**	**4,062,925**				**$**	**3,831,270**				**$**	**-**	**$**	**3,960,775**			**$**	**3,991,792**	**1.00%**

AQUA PENNSYLVANIA, INC.
RATE ZONE 1
CUSTOMER GROWTH REVENUE ADJUSTMENT UNDER PRESENT RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2021, 2022 AND 2023

		Residential	Commercial	Total
Historic TY Customer Growth Calculation				
1	Number of Customers as of 12/31/23	387,583	21,930	409,513
2	Number of Customer as of 12/31/22	386,048	21,769	407,817
3	Projected Daily Usage in gallons	94.03	60.82	155
4	Monthly Volumes per Normalization (Gallons) Line 3 X (365 Days/12 Months)	2,860	1,850	4,710
5	HTY Customer Annualized Growth Bills (Line 2-Line 1) X 12 Divided by 2	9,210	966	10,176
6	HTY Customer Annualized Growth Volumes (Line 4 X Line 5 / 100)	263,406	17,871	281,277
	Priced At First Block	184,200	17,871	202,071
	Priced At Second Block	79,206		79,206
	Priced At Third Block			-
	Priced At Fourth Block			-
	Priced At Fifth Block			
	Priced At Sixth Block			
Future Test Year Customer Growth Calculation				
7	Forecasted Customer Growth	1,634	170	1,804
8	Annualized Bills (Line 7 X 12)	19,608	2,040	21,648
9	HTY Customer Annualized Growth Volumes (Line 4 X Line 8)	560,789	37,740	598,529
10	Average Volumes Per Normalization			
	Priced At First Block	392,160	37,740	429,900
	Priced At Second Block	168,629		168,629
	Priced At Third Block			-
	Priced At Fourth Block			-
	Priced At Fifth Block			-
	Priced At Sixth Block			-

AQUA PENNSYLVANIA, INC.
RATE ZONE 1
CUSTOMER GROWTH REVENUE ADJUSTMENT UNDER PRESENT RATES
FOR THE TEST YEARS ENDED DECEMBER 31, 2021, 2022 AND 2023

Fully Projected Future Test Year Customer Growth Calculation

11	Monthly Volumes per Normalization (Gallons) Line 3 X (366 Days/12 Months)	2,860	1,850	4,710
12	Forecasted Customer Growth	1,634	170	1,804
13	Annualized Bills (Line 12 X 12)	19,608	2,040	21,648
14	HTY Customer Annualized Growth Volumes (Line 11 X Line 12)	560,789	37,740	598,529
15	Average Volumes Per Normalization			
16	Priced At First Block	392,160	37,740	429,900
17	Priced At Second Block	168,629		168,629
18	Priced At Third Block			-
19	Priced At Fourth Block			-
20	Priced At Fifth Block			-
21	Priced At Sixth Block			-
22	Total Bills	48,426	5,046	53,472
23	Priced At First Block	968,520	93,351	1,061,871
24	Priced At Second Block	416,464	-	416,464
25	Priced At Third Block	-	-	-
26	Priced At Fourth Block	-	-	-
27	Priced At Fifth Block	-	-	-
28	Priced At Sixth Block	-	-	-

	Number of Customers	Residential	Commercial
29	**Period Ending 12/31/21**	384,315	21,590
30	**Period Ending 12/31/22**	386,048	21,769
31	**Historic Test Year Period Ending 12/31/23**	387,583	21,930
32	**Increase 2021-2022**	1,733	179
33	**Increase 2022-2023**	1,535	161
34	**Average Growth/(Decline)**	1,634	170

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT AND PROPOSED RATES TO METERED PRIVATE FIRE CUSTOMERS AND PRIVATE HYDRANTS
AS OF DECEMBER 31, 2023, 2024 AND 2025

Service	2023 Rates			2024 Present Rates			2025 Present Rates			2025 Proposed Rates	
Connection Size	Number	Rate	Revenue	Number	Rate	Revenue	Number	Rate	Revenue	Rate	Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Main Division											
1" or A or F1	694	7.10	$ 4,928	694	$7.10	$ 4,928	694	$7.10	$ 4,928	8.10	$ 5,622
1 1/2" or B or F1.5	1,806	16.30	29,438	1,806	16.30	29,438	1,806	16.30	29,438	18.60	33,592
2" or C or F2	4,859	40.20	195,320	4,859	40.20	195,320	4,859	40.20	195,320	45.90	223,014
3" or D or F3	24	65.30	1,587	24	65.30	1,587	24	65.30	1,587	74.50	1,810
4" or E or F4	23,166	110.50	2,559,876	23,166	110.50	2,559,876	23,166	110.50	2,559,876	126.00	2,918,954
6" or G or F6	29,989	243.40	7,299,274	29,989	243.40	7,299,274	29,989	243.40	7,299,274	277.70	8,327,890
8" or K or F8	11,188	424.50	4,749,094	11,188	424.50	4,749,094	11,188	424.50	4,749,094	484.20	5,416,988
10" or L or F10	617	646.50	398,826	617	646.50	398,826	617	646.50	398,826	737.50	454,964
12" or F12	12	1,790.80	21,490	12	1,790.80	21,490	12	1,790.80	21,490	2,042.80	24,514
All Usage	555,989	1.3861	770,656	555,989	1.3861	770,656	555,989	1.3861	770,656	1.7349	964,585
Superior											
1" or A or F1	5,530	7.10	$ 39,264	5,530	7.10	$ 39,264	5,530	7.10	$ 39,264	8.10	$ 44,795
2" or C or F2	26	30.00	768	26	30.00	768	26	30.00	768	45.90	1,175
4" or E or F4	97	110.50	10,696	97	110.50	10,696	97	110.50	10,696	126.00	12,197
6" or G or F6	168	243.40	40,964	168	243.40	40,964	168	243.40	40,964	277.70	46,737
8" or K or F8	36	424.50	15,282	36	424.50	15,282	36	424.50	15,282	484.20	17,431
Bristol Township											
3" or D or F3	12	65.30	$ 784	12	65.30	$ 784	12	65.30	$ 784	74.50	$ 894
4" or E or F4	50	110.50	5,536	50	110.50	5,536	50	110.50	5,536	126.00	6,313
6" or G or F6	321	221.40	70,981	321	221.40	70,981	321	221.40	70,981	277.70	89,031
8" or K or F8	204	366.40	74,746	204	366.40	74,746	204	366.40	74,746	484.20	98,777
10" or L or F10	48	548.40	26,323	48	548.40	26,323	48	548.40	26,323	737.50	35,400
All Usage	136	1.3861	189	136	1.3861	189	136	1.3861	189	1.7349	236
Shenandoah - Quarterly Rates											
Automatic Sprinkler System	24	86.13	$ 2,067	24	86.13	$ 2,067	24	86.13	$ 2,067	86.13	$ 2,067
Sprinkler + Sq. Ft.	12	245.64	2,948	12	245.64	2,948	12	245.64	2,948	245.64	2,948
Sprinkler + Sq. Ft.	12	276.31	3,316	12	276.31	3,316	12	276.31	3,316	276.31	3,316
Sprinkler + Sq. Ft.	12	276.00	3,312	12	276.00	3,312	12	276.00	3,312	276.00	3,312
Sprinkler + Sq. Ft.	12	189.77	2,277	12	189.77	2,277	12	189.77	2,277	189.77	2,277
Liberty Power Contract											
10" or L or F10	12	-	$ -		-	$ -		-	$ -	-	$ -
All Usage	216,700	0.1120	24,270	216,700	0.1150	24,921	216,700	0.1150	24,921	0.1173	25,424
Private Hydrants											
Hydrants (Main)	25,941	51.10	$ 1,325,580	25,941	51.10	$ 1,325,580	25,941	51.10	$ 1,325,580	51.10	$ 1,325,580
Eagle Rock	4,880	29.80	145,424	4,880	29.80	145,424	4,880	29.80	145,424	40.50	197,640
Honesdale/Peddlers View	252	34.10	8,593	252	34.10	8,593	252	34.10	8,593	42.60	10,735
Sand Springs	516	34.10	17,596	516	34.10	17,596	516	34.10	17,596	42.60	21,982
Phoenixville	222	29.50	6,534	222	29.50	6,534	222	29.50	6,534	40.30	8,926
Qualified Hydrant	168	34.10	5,729	168	34.10	5,729	168	34.10	5,729	42.60	7,157
Shenandoah	180	50.98	9,176	180	50.98	9,176	180	50.98	9,176	50.98	9,176
Subtotal									17,873,493		
DSIC @ 7.16%									$ 1,276,304		
Total Private Fire	111,089		$ 17,872,843	111,077		$ 17,873,493	111,077		$ 19,149,797		$ 20,345,457

AQUA PENNSYLVANIA INC. - WATER OPERATIONS
APPLICATION OF PRESENT AND PROPOSED RATES TO PUBLIC FIRE HYDRANTS
AS OF DECEMBER 31, 2023, 2024 AND 2025

Service Area	2023 Billed Number of Hydrants	Current Monthly Rate	Bill Analysis Revenues	12 ME Dec. 2024 Number of Hydrants	Monthly Present Rate	12 ME Dec. 2024 Revenues	12 ME Dec. 2025 Number of Hydrants	Monthly Present Rate	12 ME Dec. 2025 Revenues	FPFTY Monthly Proposed Rate	Pro Forma Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All Territories	223,235	$ 28.57	$ 6,377,813	223,235	$ 28.57	$ 6,377,813	223,235	$ 28.57	$ 6,377,813	$ 32.38	$ 7,228,336
Exceptions:											
Bensalem Township	16,860	24.90	419,814	16,860	24.90	419,814	16,860	24.90	419,814	28.60	482,196
Bristol Township	1,068	22.30	23,816	1,068	22.30	23,816	1,068	22.30	23,816	27.50	29,370
Chalfont	2,662	29.80	79,328	2,662	29.80	79,328	2,662	29.80	79,328	31.10	82,788
Concord Park	48	16.90	811	48	16.90	811	48	16.90	811	24.60	1,181
Kratzerville and Chalfont	216	29.80	6,437	216	29.80	6,437	216	29.80	6,437	32.38	6,994
Media Division => 6"	9,408	34.00	319,872	9,408	34.00	319,872	9,408	34.00	319,872	34.00	319,872
Mifflin Township	348	19.50	6,786	348	19.50	6,786	348	19.50	6,786	25.90	9,013
Mount Jewett	492	12.20	6,002	492	12.20	6,002	492	12.20	6,002	22.30	10,972
Phoenixville	504	28.57	14,399	504	28.57	14,399	504	28.57	14,399	32.38	16,320
Shenandoah	1,721	4.75	8,170	1,721	4.75	8,170	1,721	4.75	8,170	20.23	34,820
Total Public Fire Revenue	256,562		$ 7,263,248	256,562		$ 7,263,248	256,562		$ 7,263,248		$ 8,221,861

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	35.96	41.25	5.29	14.70%
2,000	49.95	58.60	8.65	17.32%
3,000	66.50	79.14	12.63	19.00%
3,870	80.91	97.01	16.10	19.90%
4,000	83.06	99.68	16.62	20.00%
5,000	99.62	120.22	20.60	20.68%
6,000	116.18	140.76	24.58	21.16%
7,000	132.73	161.30	28.56	21.52%
8,000	149.29	181.84	32.55	21.80%
9,000	165.85	202.38	36.53	22.03%
10,000	182.41	222.92	40.51	22.21%
11,000	198.96	243.46	44.50	22.36%
12,000	215.52	264.00	48.48	22.49%
13,000	232.08	284.54	52.46	22.60%
14,000	248.63	305.08	56.44	22.70%
15,000	265.19	325.62	60.43	22.79%
16,000	281.75	346.16	64.41	22.86%
17,000	298.31	366.70	68.39	22.93%
18,000	314.86	387.24	72.37	22.99%
19,000	331.42	407.78	76.36	23.04%
20,000	347.98	428.32	80.34	23.09%
25,000	430.76	531.02	100.25	23.27%
30,000	513.55	633.72	120.17	23.40%
35,000	596.34	736.42	140.08	23.49%
40,000	679.12	839.12	159.99	23.56%
45,000	761.91	941.82	179.91	23.61%
50,000	844.70	1,044.52	199.82	23.66%
60,000	1,010.27	1,249.92	239.65	23.72%
70,000	1,175.84	1,455.32	279.47	23.77%
80,000	1,341.42	1,660.72	319.30	23.80%
90,000	1,506.99	1,866.12	359.13	23.83%
100,000	1,672.56	2,071.52	398.96	23.85%
110,000	1,838.13	2,276.92	438.78	23.87%
120,000	2,003.71	2,482.32	478.61	23.89%
130,000	2,169.28	2,687.72	518.44	23.90%
140,000	2,334.85	2,893.12	558.26	23.91%
150,000	2,500.43	3,098.52	598.09	23.92%
160,000	2,666.00	3,303.92	637.92	23.93%
170,000	2,831.57	3,509.32	677.75	23.94%
180,000	2,997.15	3,714.72	717.57	23.94%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.28	596.21	97.93	19.65%
40,000	553.02	661.99	108.96	19.70%
45,000	607.77	727.76	119.99	19.74%
50,000	662.51	793.54	131.03	19.78%
60,000	771.99	925.09	153.09	19.83%
70,000	881.48	1,056.64	175.16	19.87%
80,000	990.97	1,188.19	197.22	19.90%
90,000	1,100.45	1,319.74	219.29	19.93%
100,000	1,209.94	1,451.29	241.35	19.95%
110,000	1,319.42	1,582.84	263.41	19.96%
120,000	1,428.91	1,714.39	285.48	19.98%
130,000	1,538.39	1,845.94	307.54	19.99%
140,000	1,647.88	1,977.49	329.61	20.00%
150,000	1,757.36	2,109.04	351.67	20.01%
160,000	1,866.85	2,240.59	373.74	20.02%
170,000	1,976.33	2,372.14	395.80	20.03%
180,000	2,085.82	2,503.69	417.87	20.03%
190,000	2,195.30	2,635.24	439.93	20.04%
200,000	2,304.79	2,766.79	462.00	20.05%
210,000	2,414.28	2,898.34	484.06	20.05%
220,000	2,523.76	3,029.89	506.13	20.05%
230,000	2,633.25	3,161.44	528.19	20.06%
240,000	2,742.73	3,292.99	550.25	20.06%
250,000	2,852.22	3,424.54	572.32	20.07%
260,000	2,961.70	3,556.09	594.38	20.07%
270,000	3,071.19	3,687.64	616.45	20.07%
280,000	3,180.67	3,819.19	638.51	20.07%
290,000	3,290.16	3,950.74	660.58	20.08%
300,000	3,399.64	4,082.29	682.64	20.08%
310,000	3,509.13	4,213.84	704.71	20.08%
320,000	3,618.61	4,345.39	726.77	20.08%
330,000	3,728.10	4,476.94	748.84	20.09%
340,000	3,831.09	4,600.68	769.59	20.09%
350,000	3,931.29	4,721.08	789.79	20.09%
360,000	4,031.50	4,841.48	809.98	20.09%
370,000	4,131.71	4,961.88	830.18	20.09%
380,000	4,231.91	5,082.28	850.37	20.09%
390,000	4,332.12	5,202.68	870.57	20.10%
400,000	4,432.32	5,323.08	890.76	20.10%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
16,000	251.37	299.52	48.16	19.16%
17,000	264.56	315.38	50.82	19.21%
18,000	277.76	331.24	53.48	19.25%
19,000	290.96	347.09	56.14	19.29%
20,000	304.15	362.95	58.80	19.33%
100,000	1,209.94	1,451.29	241.35	19.95%
200,000	2,304.79	2,766.79	462.00	20.05%
300,000	3,399.64	4,082.29	682.64	20.08%
400,000	4,432.32	5,323.08	890.76	20.10%
500,000	5,434.37	6,527.08	1,092.71	20.11%
600,000	6,436.43	7,731.08	1,294.65	20.11%
700,000	7,438.48	8,935.08	1,496.60	20.12%
1,000,000	10,444.64	12,547.08	2,102.44	20.13%
1,980,000	20,264.76	24,346.28	4,081.52	20.14%
1,990,000	20,364.97	24,466.68	4,101.72	20.14%
2,000,000	20,465.17	24,587.08	4,121.91	20.14%
3,000,000	30,485.70	36,627.08	6,141.38	20.15%
4,000,000	40,329.69	48,667.08	8,337.39	20.67%
5,000,000	50,085.54	60,707.08	10,621.55	21.21%
6,000,000	59,841.38	72,747.08	12,905.70	21.57%
7,000,000	69,597.23	84,787.08	15,189.85	21.83%
8,000,000	79,353.08	96,827.08	17,474.01	22.02%
9,000,000	89,108.92	108,867.08	19,758.16	22.17%
10,000,000	98,864.77	120,907.08	22,042.31	22.30%
11,000,000	106,669.23	130,589.08	23,919.85	22.42%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
PUBLIC - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
16,000	251.37	299.52	48.16	19.16%
17,000	264.56	315.38	50.82	19.21%
18,000	277.76	331.24	53.48	19.25%
19,000	290.96	347.09	56.14	19.29%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.18	596.82	98.63	19.80%
40,000	552.64	664.37	111.74	20.22%
45,000	607.09	731.93	124.84	20.56%
50,000	661.54	799.48	137.94	20.85%
60,000	770.45	934.59	164.14	21.30%
70,000	879.36	1,069.70	190.35	21.65%
80,000	988.26	1,204.81	216.55	21.91%
90,000	1,097.17	1,339.92	242.75	22.13%
100,000	1,206.08	1,475.03	268.96	22.30%
110,000	1,314.98	1,610.14	295.16	22.45%
120,000	1,423.89	1,745.25	321.36	22.57%
130,000	1,532.80	1,880.36	347.56	22.68%
140,000	1,641.70	2,015.47	373.77	22.77%
150,000	1,750.61	2,150.58	399.97	22.85%
160,000	1,859.52	2,285.69	426.17	22.92%
170,000	1,968.42	2,420.80	452.38	22.98%
180,000	2,077.33	2,555.91	478.58	23.04%
190,000	2,186.24	2,691.02	504.78	23.09%
200,000	2,295.14	2,826.13	530.99	23.14%
210,000	2,404.05	2,961.24	557.19	23.18%
220,000	2,512.96	3,096.35	583.39	23.22%
230,000	2,621.86	3,231.46	609.60	23.25%
240,000	2,730.77	3,366.57	635.80	23.28%
250,000	2,839.68	3,501.68	662.00	23.31%
260,000	2,948.58	3,636.79	688.21	23.34%
270,000	3,057.49	3,771.90	714.41	23.37%
280,000	3,166.40	3,907.01	740.61	23.39%
290,000	3,275.30	4,042.12	766.82	23.41%
300,000	3,384.21	4,177.23	793.02	23.43%
310,000	3,493.12	4,312.34	819.22	23.45%
320,000	3,602.02	4,447.45	845.43	23.47%
330,000	3,710.93	4,582.56	871.63	23.49%
340,000	3,813.37	4,709.65	896.28	23.50%
350,000	3,913.04	4,833.30	920.26	23.52%
360,000	4,012.71	4,956.95	944.24	23.53%
370,000	4,112.38	5,080.60	968.22	23.54%
380,000	4,212.05	5,204.25	992.20	23.56%
390,000	4,311.72	5,327.90	1,016.18	23.57%
400,000	4,411.39	5,451.55	1,040.16	23.58%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - BEECH MOUNTAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	28.58	34.98	6.41	22.42%
2,000	35.18	46.07	10.89	30.96%
3,000	41.78	57.15	15.38	36.81%
3,870	47.52	66.80	19.28	40.57%
4,000	48.37	68.24	19.86	41.06%
5,000	54.97	79.32	24.35	44.29%
6,000	61.57	90.40	28.83	46.83%
7,000	68.17	101.49	33.32	48.87%
8,000	74.77	112.57	37.80	50.56%
9,000	81.37	123.66	42.29	51.97%
10,000	87.97	134.74	46.77	53.17%
11,000	94.57	145.82	51.26	54.20%
12,000	101.17	156.91	55.74	55.10%
13,000	107.76	167.99	60.23	55.89%
14,000	114.36	179.08	64.71	56.59%
15,000	120.96	190.16	69.20	57.21%
16,000	127.56	201.24	73.68	57.76%
17,000	134.16	212.33	78.17	58.26%
18,000	140.76	223.41	82.65	58.72%
19,000	147.36	234.50	87.14	59.13%
20,000	153.96	245.58	91.62	59.51%
25,000	186.95	301.00	114.05	61.00%
30,000	219.95	356.42	136.47	62.05%
35,000	252.94	411.84	158.90	62.82%
40,000	285.94	467.26	181.32	63.41%
45,000	318.93	522.68	203.75	63.89%
50,000	351.92	578.10	226.18	64.27%
60,000	417.91	688.94	271.03	64.85%
70,000	483.90	799.78	315.88	65.28%
80,000	549.89	910.62	360.73	65.60%
90,000	615.88	1,021.46	405.58	65.85%
100,000	681.87	1,132.30	450.43	66.06%
110,000	747.86	1,243.14	495.28	66.23%
120,000	813.85	1,353.98	540.13	66.37%
130,000	879.84	1,464.82	584.98	66.49%
140,000	945.83	1,575.66	629.83	66.59%
150,000	1,011.82	1,686.50	674.68	66.68%
160,000	1,077.80	1,797.34	719.54	66.76%
170,000	1,143.79	1,908.18	764.39	66.83%
180,000	1,209.78	2,019.02	809.24	66.89%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - BRISTOL TOWNSHIP DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	31.17	39.34	8.17	26.21%
2,000	40.36	54.77	14.42	35.72%
3,000	49.55	70.21	20.66	41.70%
3,870	57.54	83.64	26.10	45.36%
4,000	58.73	85.64	26.91	45.82%
5,000	67.92	101.08	33.16	48.81%
6,000	77.11	116.52	39.40	51.10%
7,000	86.30	131.95	45.65	52.90%
8,000	95.49	147.39	51.90	54.35%
9,000	104.68	162.82	58.14	55.55%
10,000	113.87	178.26	64.39	56.55%
11,000	123.06	193.70	70.64	57.40%
12,000	132.25	209.13	76.89	58.14%
13,000	141.44	224.57	83.13	58.78%
14,000	150.62	240.00	89.38	59.34%
15,000	159.81	255.44	95.63	59.84%
16,000	169.00	270.88	101.87	60.28%
17,000	178.19	286.31	108.12	60.68%
18,000	187.38	301.75	114.37	61.04%
19,000	196.57	317.18	120.62	61.36%
20,000	205.76	332.62	126.86	61.66%
25,000	251.70	409.80	158.10	62.81%
30,000	297.65	486.98	189.33	63.61%
35,000	343.59	564.16	220.57	64.19%
40,000	389.54	641.34	251.80	64.64%
45,000	435.48	718.52	283.04	64.99%
50,000	481.43	795.70	314.27	65.28%
60,000	573.32	950.06	376.74	65.71%
70,000	665.21	1,104.42	439.21	66.03%
80,000	757.10	1,258.78	501.68	66.26%
90,000	848.99	1,413.14	564.15	66.45%
100,000	940.88	1,567.50	626.62	66.60%
110,000	1,032.77	1,721.86	689.09	66.72%
120,000	1,124.65	1,876.22	751.57	66.83%
130,000	1,216.54	2,030.58	814.04	66.91%
140,000	1,308.43	2,184.94	876.51	66.99%
150,000	1,400.32	2,339.30	938.98	67.05%
160,000	1,492.21	2,493.66	1,001.45	67.11%
170,000	1,584.10	2,648.02	1,063.92	67.16%
180,000	1,675.99	2,802.38	1,126.39	67.21%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	35.96	41.25	5.29	14.70%
2,000	49.95	58.60	8.65	17.32%
3,000	66.50	79.14	12.63	19.00%
3,870	80.91	97.01	16.10	19.90%
4,000	83.06	99.68	16.62	20.00%
5,000	99.62	120.22	20.60	20.68%
6,000	116.18	140.76	24.58	21.16%
7,000	132.73	161.30	28.56	21.52%
8,000	149.29	181.84	32.55	21.80%
9,000	165.85	202.38	36.53	22.03%
10,000	182.41	222.92	40.51	22.21%
11,000	198.96	243.46	44.50	22.36%
12,000	215.52	264.00	48.48	22.49%
13,000	232.08	284.54	52.46	22.60%
14,000	248.63	305.08	56.44	22.70%
15,000	265.19	325.62	60.43	22.79%
16,000	281.75	346.16	64.41	22.86%
17,000	298.31	366.70	68.39	22.93%
18,000	314.86	387.24	72.37	22.99%
19,000	331.42	407.78	76.36	23.04%
20,000	347.98	428.32	80.34	23.09%
25,000	430.76	531.02	100.25	23.27%
30,000	513.55	633.72	120.17	23.40%
35,000	596.34	736.42	140.08	23.49%
40,000	679.12	839.12	159.99	23.56%
45,000	761.91	941.82	179.91	23.61%
50,000	844.70	1,044.52	199.82	23.66%
60,000	1,010.27	1,249.92	239.65	23.72%
70,000	1,175.84	1,455.32	279.47	23.77%
80,000	1,341.42	1,660.72	319.30	23.80%
90,000	1,506.99	1,866.12	359.13	23.83%
100,000	1,672.56	2,071.52	398.96	23.85%
110,000	1,838.13	2,276.92	438.78	23.87%
120,000	2,003.71	2,482.32	478.61	23.89%
130,000	2,169.28	2,687.72	518.44	23.90%
140,000	2,334.85	2,893.12	558.26	23.91%
150,000	2,500.43	3,098.52	598.09	23.92%
160,000	2,666.00	3,303.92	637.92	23.93%
170,000	2,831.57	3,509.32	677.75	23.94%
180,000	2,997.15	3,714.72	717.57	23.94%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.28	596.21	97.93	19.65%
40,000	553.02	661.99	108.96	19.70%
45,000	607.77	727.76	119.99	19.74%
50,000	662.51	793.54	131.03	19.78%
60,000	771.99	925.09	153.09	19.83%
70,000	881.48	1,056.64	175.16	19.87%
80,000	990.97	1,188.19	197.22	19.90%
90,000	1,100.45	1,319.74	219.29	19.93%
100,000	1,209.94	1,451.29	241.35	19.95%
110,000	1,319.42	1,582.84	263.41	19.96%
120,000	1,428.91	1,714.39	285.48	19.98%
130,000	1,538.39	1,845.94	307.54	19.99%
140,000	1,647.88	1,977.49	329.61	20.00%
150,000	1,757.36	2,109.04	351.67	20.01%
160,000	1,866.85	2,240.59	373.74	20.02%
170,000	1,976.33	2,372.14	395.80	20.03%
180,000	2,085.82	2,503.69	417.87	20.03%
190,000	2,195.30	2,635.24	439.93	20.04%
200,000	2,304.79	2,766.79	462.00	20.05%
210,000	2,414.28	2,898.34	484.06	20.05%
220,000	2,523.76	3,029.89	506.13	20.05%
230,000	2,633.25	3,161.44	528.19	20.06%
240,000	2,742.73	3,292.99	550.25	20.06%
250,000	2,852.22	3,424.54	572.32	20.07%
260,000	2,961.70	3,556.09	594.38	20.07%
270,000	3,071.19	3,687.64	616.45	20.07%
280,000	3,180.67	3,819.19	638.51	20.07%
290,000	3,290.16	3,950.74	660.58	20.08%
300,000	3,399.64	4,082.29	682.64	20.08%
310,000	3,509.13	4,213.84	704.71	20.08%
320,000	3,618.61	4,345.39	726.77	20.08%
330,000	3,728.10	4,476.94	748.84	20.09%
340,000	3,831.09	4,600.68	769.59	20.09%
350,000	3,931.29	4,721.08	789.79	20.09%
360,000	4,031.50	4,841.48	809.98	20.09%
370,000	4,131.71	4,961.88	830.18	20.09%
380,000	4,231.91	5,082.28	850.37	20.09%
390,000	4,332.12	5,202.68	870.57	20.10%
400,000	4,432.32	5,323.08	890.76	20.10%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
16,000	251.37	299.52	48.16	19.16%
17,000	264.56	315.38	50.82	19.21%
18,000	277.76	331.24	53.48	19.25%
19,000	290.96	347.09	56.14	19.29%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.28	596.21	97.93	19.65%
40,000	553.02	661.99	108.96	19.70%
100,000	1,209.94	1,451.29	241.35	19.95%
200,000	2,304.79	2,766.79	462.00	20.05%
300,000	3,399.64	4,082.29	682.64	20.08%
400,000	4,432.32	5,323.08	890.76	20.10%
500,000	5,434.37	6,527.08	1,092.71	20.11%
700,000	7,438.48	8,935.08	1,496.60	20.12%
1,000,000	10,444.64	12,547.08	2,102.44	20.13%
2,000,000	20,465.17	24,587.08	4,121.91	20.14%
3,000,000	30,485.70	36,627.08	6,141.38	20.15%
4,000,000	40,329.69	48,667.08	8,337.39	20.67%
5,000,000	50,085.54	60,707.08	10,621.55	21.21%
5,970,000	59,548.71	72,385.88	12,837.17	21.56%
5,980,000	59,646.27	72,506.28	12,860.02	21.56%
5,990,000	59,743.82	72,626.68	12,882.86	21.56%
6,000,000	59,841.38	72,747.08	12,905.70	21.57%
7,000,000	69,597.23	84,787.08	15,189.85	21.83%
8,000,000	79,353.08	96,827.08	17,474.01	22.02%
9,000,000	89,108.92	108,867.08	19,758.16	22.17%
10,000,000	98,864.77	120,907.08	22,042.31	22.30%
11,000,000	106,669.23	130,589.08	23,919.85	22.42%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
PUBLIC - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	37.00	41.95	4.95	13.38%
2,000	52.02	60.00	7.98	15.33%
3,000	67.04	78.04	11.00	16.41%
4,000	82.06	96.09	14.03	17.10%
5,000	97.08	114.14	17.06	17.57%
6,000	112.10	132.19	20.09	17.92%
7,000	127.12	150.24	23.11	18.18%
8,000	142.14	168.28	26.14	18.39%
9,000	157.16	186.33	29.17	18.56%
10,000	172.18	204.38	32.20	18.70%
11,000	185.38	220.24	34.86	18.80%
12,000	198.58	236.09	37.52	18.89%
13,000	211.77	251.95	40.18	18.97%
14,000	224.97	267.81	42.84	19.04%
15,000	238.17	283.67	45.50	19.10%
16,000	251.37	299.52	48.16	19.16%
17,000	264.56	315.38	50.82	19.21%
18,000	277.76	331.24	53.48	19.25%
19,000	290.96	347.09	56.14	19.29%
20,000	304.15	362.95	58.80	19.33%
25,000	370.14	442.24	72.10	19.48%
30,000	436.12	521.52	85.40	19.58%
35,000	498.18	596.82	98.63	19.80%
40,000	552.64	664.37	111.74	20.22%
45,000	607.09	731.93	124.84	20.56%
50,000	661.54	799.48	137.94	20.85%
60,000	770.45	934.59	164.14	21.30%
70,000	879.36	1,069.70	190.35	21.65%
80,000	988.26	1,204.81	216.55	21.91%
90,000	1,097.17	1,339.92	242.75	22.13%
100,000	1,206.08	1,475.03	268.96	22.30%
110,000	1,314.98	1,610.14	295.16	22.45%
120,000	1,423.89	1,745.25	321.36	22.57%
130,000	1,532.80	1,880.36	347.56	22.68%
140,000	1,641.70	2,015.47	373.77	22.77%
150,000	1,750.61	2,150.58	399.97	22.85%
160,000	1,859.52	2,285.69	426.17	22.92%
170,000	1,968.42	2,420.80	452.38	22.98%
180,000	2,077.33	2,555.91	478.58	23.04%
190,000	2,186.24	2,691.02	504.78	23.09%
200,000	2,295.14	2,826.13	530.99	23.14%
210,000	2,404.05	2,961.24	557.19	23.18%
220,000	2,512.96	3,096.35	583.39	23.22%
230,000	2,621.86	3,231.46	609.60	23.25%
240,000	2,730.77	3,366.57	635.80	23.28%
250,000	2,839.68	3,501.68	662.00	23.31%
260,000	2,948.58	3,636.79	688.21	23.34%
270,000	3,057.49	3,771.90	714.41	23.37%
280,000	3,166.40	3,907.01	740.61	23.39%
290,000	3,275.30	4,042.12	766.82	23.41%
300,000	3,384.21	4,177.23	793.02	23.43%
310,000	3,493.12	4,312.34	819.22	23.45%
320,000	3,602.02	4,447.45	845.43	23.47%
330,000	3,710.93	4,582.56	871.63	23.49%
340,000	3,813.37	4,709.65	896.28	23.50%
350,000	3,913.04	4,833.30	920.26	23.52%
360,000	4,012.71	4,956.95	944.24	23.53%
370,000	4,112.38	5,080.60	968.22	23.54%
380,000	4,212.05	5,204.25	992.20	23.56%
390,000	4,311.72	5,327.90	1,016.18	23.57%
400,000	4,411.39	5,451.55	1,040.16	23.58%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - CONCORD PARK DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	33.30	41.25	7.95	23.87%
2,000	44.62	58.60	13.97	31.32%
3,000	55.95	75.95	20.00	35.75%
3,870	65.80	91.04	25.24	38.37%
4,000	67.27	93.30	26.03	38.69%
5,000	78.59	110.65	32.05	40.79%
6,000	89.91	127.99	38.08	42.35%
7,000	101.24	145.34	44.11	43.57%
8,000	112.56	162.69	50.13	44.54%
9,000	123.88	180.04	56.16	45.33%
10,000	135.20	197.39	62.19	45.99%
11,000	146.53	214.74	68.21	46.55%
12,000	157.85	232.09	74.24	47.03%
13,000	169.17	249.44	80.27	47.45%
14,000	180.49	266.79	86.29	47.81%
15,000	191.82	284.14	92.32	48.13%
16,000	203.14	301.48	98.35	48.41%
17,000	214.46	318.83	104.37	48.67%
18,000	225.78	336.18	110.40	48.90%
19,000	237.11	353.53	116.42	49.10%
20,000	248.43	370.88	122.45	49.29%
25,000	305.04	457.63	152.58	50.02%
30,000	361.65	544.37	182.72	50.52%
35,000	418.27	631.12	212.85	50.89%
40,000	474.88	717.86	242.98	51.17%
45,000	531.49	804.61	273.11	51.39%
50,000	588.10	891.35	303.25	51.56%
60,000	701.33	1,064.84	363.51	51.83%
70,000	814.56	1,238.33	423.77	52.03%
80,000	927.78	1,411.82	484.04	52.17%
90,000	1,041.01	1,585.31	544.30	52.29%
100,000	1,154.23	1,758.80	604.57	52.38%
110,000	1,267.46	1,932.29	664.83	52.45%
120,000	1,380.68	2,105.78	725.10	52.52%
130,000	1,493.91	2,279.27	785.36	52.57%
140,000	1,607.13	2,452.76	845.63	52.62%
150,000	1,720.36	2,626.25	905.89	52.66%
160,000	1,833.58	2,799.74	966.16	52.69%
170,000	1,946.81	2,973.23	1,026.42	52.72%
180,000	2,060.03	3,146.72	1,086.69	52.75%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2 - TREASURE LAKE DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATI
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 21.98	$ 23.90	$ 1.92	8.74%
1,000	31.84	40.47	8.63	27.09%
2,000	41.70	57.03	15.33	36.76%
3,000	51.57	73.60	22.03	42.73%
3,870	60.15	88.01	27.87	46.33%
4,000	61.43	90.17	28.74	46.78%
5,000	71.29	106.74	35.44	49.71%
6,000	81.16	123.30	42.15	51.93%
7,000	91.02	139.87	48.85	53.67%
8,000	100.88	156.44	55.55	55.07%
9,000	110.75	173.00	62.26	56.22%
10,000	120.61	189.57	68.96	57.18%
11,000	130.47	206.14	75.67	57.99%
12,000	140.33	222.70	82.37	58.70%
13,000	150.20	239.27	89.07	59.30%
14,000	160.06	255.84	95.78	59.84%
15,000	169.92	272.41	102.48	60.31%
16,000	179.79	288.97	109.19	60.73%
17,000	189.65	305.54	115.89	61.11%
18,000	199.51	322.11	122.59	61.45%
19,000	209.38	338.67	129.30	61.75%
20,000	219.24	355.24	136.00	62.03%
25,000	268.55	438.08	169.52	63.12%
30,000	317.87	520.91	203.04	63.88%
35,000	367.18	603.75	236.56	64.43%
40,000	416.50	686.58	270.08	64.85%
45,000	465.81	769.42	303.60	65.18%
50,000	515.13	852.25	337.12	65.44%
60,000	613.76	1,017.92	404.16	65.85%
70,000	712.39	1,183.59	471.20	66.14%
80,000	811.02	1,349.26	538.24	66.37%
90,000	909.65	1,514.93	605.28	66.54%
100,000	1,008.28	1,680.60	672.32	66.68%
110,000	1,106.91	1,846.27	739.36	66.80%
120,000	1,205.54	2,011.94	806.40	66.89%
130,000	1,304.17	2,177.61	873.44	66.97%
140,000	1,402.80	2,343.28	940.48	67.04%
150,000	1,501.43	2,508.95	1,007.52	67.10%
160,000	1,600.06	2,674.62	1,074.56	67.16%
170,000	1,698.69	2,840.29	1,141.60	67.20%
180,000	1,797.32	3,005.96	1,208.64	67.25%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.69	$ 33.90	$ 1.21	3.69%
1,000	45.80	50.21	4.41	9.62%
2,000	58.91	66.51	7.61	12.91%
3,000	72.01	82.82	10.81	15.01%
3,870	83.42	97.01	13.59	16.29%
4,000	85.12	99.13	14.01	16.45%
5,000	101.68	119.67	17.99	17.69%
6,000	118.24	140.21	21.97	18.58%
7,000	134.79	160.75	25.95	19.25%
8,000	151.35	181.29	29.94	19.78%
9,000	167.91	201.83	33.92	20.20%
10,000	184.47	222.37	37.90	20.55%
11,000	201.02	242.91	41.89	20.84%
12,000	217.58	263.45	45.87	21.08%
13,000	234.14	283.99	49.85	21.29%
14,000	250.69	304.53	53.83	21.47%
15,000	267.25	325.07	57.82	21.63%
16,000	283.81	345.61	61.80	21.77%
17,000	300.37	366.15	65.78	21.90%
18,000	316.92	386.69	69.76	22.01%
19,000	333.48	407.23	73.75	22.11%
20,000	350.04	427.77	77.73	22.21%
25,000	432.82	530.47	97.64	22.56%
30,000	515.61	633.17	117.56	22.80%
35,000	598.40	735.87	137.47	22.97%
40,000	681.18	838.57	157.38	23.10%
45,000	763.97	941.27	177.30	23.21%
50,000	846.76	1,043.97	197.21	23.29%
60,000	1,012.33	1,249.37	237.04	23.42%
70,000	1,177.90	1,454.77	276.86	23.50%
80,000	1,343.48	1,660.17	316.69	23.57%
90,000	1,509.05	1,865.57	356.52	23.63%
100,000	1,674.62	2,070.97	396.35	23.67%
110,000	1,840.19	2,276.37	436.17	23.70%
120,000	2,005.77	2,481.77	476.00	23.73%
130,000	2,171.34	2,687.17	515.83	23.76%
140,000	2,336.91	2,892.57	555.65	23.78%
150,000	2,502.49	3,097.97	595.48	23.80%
160,000	2,668.06	3,303.37	635.31	23.81%
170,000	2,833.63	3,508.77	675.14	23.83%
180,000	2,999.20	3,714.17	714.96	23.84%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.69	$ 33.90	$ 1.21	3.69%
1,000	47.72	51.95	4.23	8.87%
2,000	62.74	70.00	7.26	11.57%
3,000	77.76	88.04	10.29	13.23%
4,000	92.78	106.09	13.32	14.35%
5,000	107.80	124.14	16.34	15.16%
6,000	122.82	142.19	19.37	15.77%
7,000	137.84	160.24	22.40	16.25%
8,000	152.86	178.28	25.42	16.63%
9,000	167.88	196.33	28.45	16.95%
10,000	182.90	214.38	31.48	17.21%
11,000	196.10	230.24	34.14	17.41%
12,000	209.29	246.09	36.80	17.58%
13,000	222.49	261.95	39.46	17.74%
14,000	235.69	277.81	42.12	17.87%
15,000	248.88	293.67	44.78	17.99%
20,000	314.87	372.95	58.08	18.45%
25,000	380.85	452.24	71.38	18.74%
30,000	446.84	531.52	84.68	18.95%
35,000	509.00	606.21	97.21	19.10%
40,000	563.74	671.99	108.25	19.20%
45,000	618.48	737.76	119.28	19.29%
50,000	673.23	803.54	130.31	19.36%
60,000	782.71	935.09	152.38	19.47%
70,000	892.20	1,066.64	174.44	19.55%
80,000	1,001.68	1,198.19	196.50	19.62%
90,000	1,111.17	1,329.74	218.57	19.67%
100,000	1,220.65	1,461.29	240.63	19.71%
110,000	1,330.14	1,592.84	262.70	19.75%
120,000	1,439.62	1,724.39	284.76	19.78%
130,000	1,549.11	1,855.94	306.83	19.81%
140,000	1,658.59	1,987.49	328.89	19.83%
150,000	1,768.08	2,119.04	350.96	19.85%
160,000	1,877.56	2,250.59	373.02	19.87%
170,000	1,987.05	2,382.14	395.09	19.88%
180,000	2,096.54	2,513.69	417.15	19.90%
190,000	2,206.02	2,645.24	439.22	19.91%
200,000	2,315.51	2,776.79	461.28	19.92%
210,000	2,424.99	2,908.34	483.35	19.93%
220,000	2,534.48	3,039.89	505.41	19.94%
230,000	2,643.96	3,171.44	527.47	19.95%
240,000	2,753.45	3,302.99	549.54	19.96%
250,000	2,862.93	3,434.54	571.60	19.97%
260,000	2,972.42	3,566.09	593.67	19.97%
270,000	3,081.90	3,697.64	615.73	19.98%
280,000	3,191.39	3,829.19	637.80	19.98%
290,000	3,300.87	3,960.74	659.86	19.99%
300,000	3,410.36	4,092.29	681.93	20.00%
310,000	3,519.85	4,223.84	703.99	20.00%
320,000	3,629.33	4,355.39	726.06	20.01%
330,000	3,738.82	4,486.94	748.12	20.01%
340,000	3,841.81	4,610.68	768.88	20.01%
350,000	3,942.01	4,731.08	789.07	20.02%
360,000	4,042.22	4,851.48	809.27	20.02%
370,000	4,142.42	4,971.88	829.46	20.02%
380,000	4,242.63	5,092.28	849.65	20.03%
390,000	4,342.83	5,212.68	869.85	20.03%
400,000	4,443.04	5,333.08	890.04	20.03%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.69	$ 33.90	$ 1.21	3.69%
1,000	$ 47.72	$ 51.95	$ 4.23	8.87%
2,000	62.74	70.00	7.26	11.57%
3,000	77.76	88.04	10.29	13.23%
4,000	92.78	106.09	13.32	14.35%
5,000	107.80	124.14	16.34	15.16%
6,000	122.82	142.19	19.37	15.77%
7,000	137.84	160.24	22.40	16.25%
8,000	152.86	178.28	25.42	16.63%
9,000	167.88	196.33	28.45	16.95%
10,000	182.90	214.38	31.48	17.21%
20,000	314.87	372.95	58.08	18.45%
30,000	446.84	531.52	84.68	18.95%
40,000	578.80	690.09	111.29	19.23%
50,000	710.77	848.66	137.89	19.40%
60,000	842.74	1,007.23	164.49	19.52%
70,000	974.71	1,165.80	191.09	19.61%
80,000	1,106.67	1,324.37	217.70	19.67%
90,000	1,238.64	1,482.94	244.30	19.72%
100,000	1,370.61	1,641.51	270.90	19.77%
200,000	2,690.28	3,227.21	536.93	19.96%
300,000	4,009.96	4,812.91	802.95	20.02%
400,000	5,329.63	6,398.61	1,068.98	20.06%
500,000	5,600.07	6,723.29	1,123.22	20.06%
600,000	6,694.92	8,038.79	1,343.87	20.07%
700,000	7,789.77	9,354.29	1,564.51	20.08%
800,000	8,884.63	10,669.79	1,785.16	20.09%
900,000	9,979.48	11,985.29	2,005.80	20.10%
1,000,000	11,074.34	13,300.79	2,226.45	20.10%
1,100,000	12,169.19	14,616.29	2,447.10	20.11%
1,200,000	13,264.04	15,931.79	2,667.74	20.11%
1,300,000	14,358.90	17,247.29	2,888.39	20.12%
1,400,000	15,453.75	18,562.79	3,109.04	20.12%
1,500,000	16,548.60	19,878.29	3,329.68	20.12%
1,600,000	17,643.46	21,193.79	3,550.33	20.12%
1,700,000	18,738.31	22,509.29	3,770.97	20.12%
1,800,000	19,833.17	23,824.79	3,991.62	20.13%
1,900,000	20,928.02	25,140.29	4,212.27	20.13%
2,000,000	22,022.87	26,455.79	4,432.91	20.13%
3,000,000	32,971.41	39,610.79	6,639.38	20.14%
4,000,000	43,919.95	52,765.79	8,845.84	20.14%
5,000,000	54,868.48	65,920.79	11,052.30	20.14%
6,000,000	65,817.02	79,075.79	13,258.76	20.14%
7,000,000	76,765.56	92,230.79	15,465.23	20.15%
8,000,000	87,714.10	105,385.79	17,671.69	20.15%
9,000,000	98,662.63	118,540.79	19,878.15	20.15%
10,000,000	109,611.17	131,695.79	22,084.62	20.15%
11,000,000	120,559.71	144,850.79	24,291.08	20.15%
12,000,000	131,508.25	158,005.79	26,497.54	20.15%
13,000,000	142,456.78	171,160.79	28,704.00	20.15%
14,000,000	153,405.32	184,315.79	30,910.47	20.15%
15,000,000	164,353.86	197,470.79	33,116.93	20.15%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3 - MAIN DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
PUBLIC - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.69	$ 33.90	$ 1.21	3.69%
1,000	47.72	51.95	4.23	8.87%
2,000	62.74	70.00	7.26	11.57%
3,000	77.76	88.04	10.29	13.23%
4,000	92.78	106.09	13.32	14.35%
5,000	107.80	124.14	16.34	15.16%
6,000	122.82	142.19	19.37	15.77%
7,000	137.84	160.24	22.40	16.25%
8,000	152.86	178.28	25.42	16.63%
9,000	167.88	196.33	28.45	16.95%
10,000	182.90	214.38	31.48	17.21%
11,000	196.10	230.24	34.14	17.41%
12,000	209.29	246.09	36.80	17.58%
13,000	222.49	261.95	39.46	17.74%
14,000	235.69	277.81	42.12	17.87%
15,000	248.88	293.67	44.78	17.99%
16,000	262.08	309.52	47.44	18.10%
17,000	275.28	325.38	50.10	18.20%
18,000	288.47	341.24	52.76	18.29%
19,000	301.67	357.09	55.42	18.37%
20,000	314.87	372.95	58.08	18.45%
25,000	380.85	452.24	71.38	18.74%
30,000	446.84	531.52	84.68	18.95%
35,000	508.90	606.82	97.92	19.24%
40,000	563.35	674.37	111.02	19.71%
45,000	617.81	741.93	124.12	20.09%
50,000	672.26	809.48	137.22	20.41%
60,000	781.17	944.59	163.43	20.92%
70,000	890.07	1,079.70	189.63	21.30%
80,000	998.98	1,214.81	215.83	21.61%
90,000	1,107.89	1,349.92	242.04	21.85%
100,000	1,216.79	1,485.03	268.24	22.04%
110,000	1,325.70	1,620.14	294.44	22.21%
120,000	1,434.61	1,755.25	320.65	22.35%
130,000	1,543.51	1,890.36	346.85	22.47%
140,000	1,652.42	2,025.47	373.05	22.58%
150,000	1,761.33	2,160.58	399.26	22.67%
160,000	1,870.23	2,295.69	425.46	22.75%
170,000	1,979.14	2,430.80	451.66	22.82%
180,000	2,088.05	2,565.91	477.87	22.89%
190,000	2,196.95	2,701.02	504.07	22.94%
200,000	2,305.86	2,836.13	530.27	23.00%
210,000	2,414.77	2,971.24	556.48	23.04%
220,000	2,523.67	3,106.35	582.68	23.09%
230,000	2,632.58	3,241.46	608.88	23.13%
240,000	2,741.49	3,376.57	635.09	23.17%
250,000	2,850.39	3,511.68	661.29	23.20%
260,000	2,959.30	3,646.79	687.49	23.23%
270,000	3,068.21	3,781.90	713.69	23.26%
280,000	3,177.11	3,917.01	739.90	23.29%
290,000	3,286.02	4,052.12	766.10	23.31%
300,000	3,394.93	4,187.23	792.30	23.34%
310,000	3,503.83	4,322.34	818.51	23.36%
320,000	3,612.74	4,457.45	844.71	23.38%
330,000	3,721.65	4,592.56	870.91	23.40%
340,000	3,824.09	4,719.65	895.56	23.42%
350,000	3,923.76	4,843.30	919.54	23.44%
360,000	4,023.43	4,966.95	943.52	23.45%
370,000	4,123.10	5,090.60	967.50	23.47%
380,000	4,222.77	5,214.25	991.48	23.48%
390,000	4,322.44	5,337.90	1,015.46	23.49%
400,000	4,422.10	5,461.55	1,039.44	23.51%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
BUNKER HILL DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 12.64	$ 20.65	$ 8.01	63.31%
1,000	19.78	32.31	12.52	63.31%
2,000	26.92	43.96	17.04	63.31%
3,000	34.06	55.62	21.56	63.31%
3,870	40.26	65.75	25.49	63.31%
4,000	41.19	67.27	26.08	63.31%
5,000	48.33	78.93	30.60	63.31%
6,000	55.47	90.58	35.11	63.31%
7,000	62.60	102.24	39.63	63.31%
8,000	69.74	113.89	44.15	63.31%
9,000	76.88	125.55	48.67	63.31%
10,000	84.01	137.20	53.19	63.31%
11,000	91.15	148.86	57.70	63.31%
12,000	98.29	160.51	62.22	63.31%
13,000	105.42	172.17	66.74	63.31%
14,000	112.56	183.82	71.26	63.31%
15,000	119.70	195.48	75.78	63.31%
16,000	126.83	207.13	80.30	63.31%
17,000	133.97	218.79	84.81	63.31%
18,000	141.11	230.44	89.33	63.31%
19,000	148.25	242.10	93.85	63.31%
20,000	155.38	253.75	98.37	63.31%
25,000	191.07	312.03	120.96	63.31%
30,000	226.75	370.30	143.55	63.31%
35,000	262.43	428.58	166.14	63.31%
40,000	298.12	486.85	188.73	63.31%
45,000	333.80	545.13	211.32	63.31%
50,000	369.49	603.40	233.91	63.31%
60,000	440.86	719.95	279.09	63.31%
70,000	512.22	836.50	324.28	63.31%
80,000	583.59	953.05	369.46	63.31%
90,000	654.96	1,069.60	414.64	63.31%
100,000	726.33	1,186.15	459.82	63.31%
110,000	797.70	1,302.70	505.00	63.31%
120,000	869.07	1,419.25	550.18	63.31%
130,000	940.44	1,535.80	595.36	63.31%
140,000	1,011.80	1,652.35	640.55	63.31%
150,000	1,083.17	1,768.90	685.73	63.31%
160,000	1,154.54	1,885.45	730.91	63.31%
170,000	1,225.91	2,002.00	776.09	63.31%
180,000	1,297.28	2,118.55	821.27	63.31%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
SUN VALLEY DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 19.29	$ 31.50	$ 12.21	63.31%
1,000	24.65	40.25	15.60	63.31%
2,000	30.00	49.00	19.00	63.31%
3,000	35.36	57.75	22.39	63.31%
3,870	40.02	65.36	25.34	63.31%
4,000	40.72	66.50	25.78	63.31%
5,000	46.08	75.25	29.17	63.31%
6,000	51.44	84.00	32.56	63.31%
7,000	56.79	92.75	35.96	63.31%
8,000	62.15	101.50	39.35	63.31%
9,000	67.51	110.25	42.74	63.31%
10,000	72.87	119.00	46.13	63.31%
11,000	78.23	127.75	49.52	63.31%
12,000	83.58	136.50	52.92	63.31%
13,000	88.94	145.25	56.31	63.31%
14,000	94.30	154.00	59.70	63.31%
15,000	99.66	162.75	63.09	63.31%
16,000	105.02	171.50	66.48	63.31%
17,000	110.37	180.25	69.88	63.31%
18,000	115.73	189.00	73.27	63.31%
19,000	121.09	197.75	76.66	63.31%
20,000	126.45	206.50	80.05	63.31%
25,000	153.24	250.25	97.01	63.31%
30,000	180.03	294.00	113.97	63.31%
35,000	206.82	337.75	130.93	63.31%
40,000	233.61	381.50	147.89	63.31%
45,000	260.40	425.25	164.85	63.31%
50,000	287.19	469.00	181.81	63.31%
60,000	340.77	556.50	215.73	63.31%
70,000	394.35	644.00	249.65	63.31%
80,000	447.93	731.50	283.57	63.31%
90,000	501.51	819.00	317.49	63.31%
100,000	555.09	906.50	351.41	63.31%
110,000	608.67	994.00	385.33	63.31%
120,000	662.25	1,081.50	419.25	63.31%
130,000	715.83	1,169.00	453.17	63.31%
140,000	769.41	1,256.50	487.09	63.31%
150,000	822.99	1,344.00	521.01	63.31%
160,000	876.57	1,431.50	554.93	63.31%
170,000	930.15	1,519.00	588.85	63.31%
180,000	983.73	1,606.50	622.77	63.31%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
PHOENIXVILLE DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 5.25	$ 8.58	$ 3.33	63.40%
1,000	10.01	16.35	6.34	63.36%
2,000	14.77	24.12	9.35	63.34%
3,000	19.52	31.89	12.37	63.33%
3,870	23.66	38.65	14.99	63.33%
4,000	24.28	39.66	15.38	63.33%
5,000	29.04	47.43	18.39	63.32%
6,000	33.80	55.20	21.40	63.32%
7,000	38.56	62.97	24.41	63.32%
8,000	43.31	70.74	27.43	63.32%
9,000	48.07	78.51	30.44	63.32%
10,000	52.83	86.28	33.45	63.32%
11,000	57.59	94.05	36.46	63.32%
12,000	62.35	101.82	39.47	63.32%
13,000	67.10	109.59	42.49	63.31%
14,000	71.86	117.36	45.50	63.31%
15,000	76.62	125.13	48.51	63.31%
16,000	81.38	132.90	51.52	63.31%
17,000	86.14	140.67	54.53	63.31%
18,000	90.89	148.44	57.55	63.31%
19,000	95.65	156.21	60.56	63.31%
20,000	100.41	163.98	63.57	63.31%
25,000	124.20	202.83	78.63	63.31%
30,000	147.99	241.68	93.69	63.31%
35,000	171.78	280.53	108.75	63.31%
40,000	195.57	319.38	123.81	63.31%
45,000	219.36	358.23	138.87	63.31%
50,000	243.15	397.08	153.93	63.31%
60,000	290.73	474.78	184.05	63.31%
70,000	338.30	552.48	214.18	63.31%
80,000	385.88	630.18	244.30	63.31%
90,000	433.46	707.88	274.42	63.31%
100,000	481.04	785.58	304.54	63.31%
110,000	528.62	863.28	334.66	63.31%
120,000	576.20	940.98	364.78	63.31%
130,000	623.78	1,018.68	394.90	63.31%
140,000	671.36	1,096.38	425.02	63.31%
150,000	718.94	1,174.08	455.14	63.31%
160,000	766.52	1,251.78	485.26	63.31%
170,000	814.09	1,329.48	515.39	63.31%
180,000	861.67	1,407.18	545.51	63.31%

* Present rates include 7.16% DSIC.

AQUA PENNSYLVANIA INC.
SHENANDOAH DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 20.49	$ 23.90	$ 3.41	16.64%
1,000	20.49	36.59	16.10	78.56%
2,000	40.98	49.27	8.29	20.24%
3,000	51.94	64.30	12.36	23.79%
3,870	56.14	77.36	21.22	37.80%
4,000	56.77	79.32	22.55	39.71%
5,000	61.60	94.34	32.74	53.14%
6,000	66.43	109.36	42.93	64.62%
7,000	71.26	124.38	53.12	74.54%
8,000	82.22	139.40	57.18	69.55%
9,000	93.18	154.42	61.24	65.72%
10,000	104.14	169.44	65.30	62.71%
11,000	115.10	184.46	69.36	60.26%
12,000	126.06	199.48	73.42	58.25%
13,000	137.02	214.51	77.49	56.55%
14,000	147.98	229.53	81.55	55.11%
15,000	158.94	244.55	85.61	53.86%
16,000	169.90	259.57	89.67	52.78%
17,000	180.86	274.59	93.73	51.82%
18,000	191.82	289.61	97.79	50.98%
19,000	202.78	304.63	101.85	50.23%
20,000	213.74	319.65	105.91	49.55%
25,000	268.54	394.76	126.22	47.00%
30,000	323.34	469.86	146.52	45.32%
35,000	378.14	544.97	166.83	44.12%
40,000	432.94	620.07	187.13	43.22%
45,000	487.74	695.18	207.44	42.53%
50,000	542.54	770.28	227.74	41.98%
60,000	652.14	920.49	268.35	41.15%
70,000	761.74	1,070.70	308.96	40.56%
80,000	871.34	1,220.91	349.57	40.12%
90,000	980.94	1,371.12	390.18	39.78%
100,000	1,090.54	1,521.33	430.79	39.50%
110,000	1,200.14	1,671.54	471.40	39.28%
120,000	1,309.74	1,821.75	512.01	39.09%
130,000	1,419.34	1,971.96	552.62	38.94%
140,000	1,528.94	2,122.17	593.23	38.80%
150,000	1,638.54	2,272.38	633.84	38.68%
160,000	1,748.14	2,422.59	674.45	38.58%
170,000	1,857.74	2,572.80	715.06	38.49%
180,000	1,967.34	2,723.01	755.67	38.41%

AQUA PENNSYLVANIA INC.
SHENANDOAH DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
2 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 110.29	$ 191.10	$ 80.81	73.27%
1,000	110.29	202.83	92.54	83.91%
2,000	110.29	214.56	104.27	94.54%
3,000	114.21	224.87	110.66	96.89%
4,000	118.13	235.18	117.05	99.08%
5,000	122.05	245.48	123.43	101.13%
6,000	125.97	255.79	129.82	103.06%
7,000	129.89	266.10	136.21	104.86%
8,000	133.81	276.40	142.59	106.56%
9,000	137.73	286.71	148.98	108.17%
10,000	141.65	297.02	155.37	109.68%
11,000	145.57	307.33	161.76	111.12%
12,000	149.49	317.63	168.14	112.48%
13,000	153.41	327.94	174.53	113.77%
14,000	157.33	338.25	180.92	114.99%
15,000	161.25	348.55	187.30	116.16%
16,000	165.17	358.86	193.69	117.27%
17,000	169.09	369.17	200.08	118.33%
18,000	173.01	379.47	206.46	119.34%
19,000	176.93	389.78	212.85	120.30%
20,000	180.85	400.09	219.24	121.23%
50,000	298.45	709.30	410.85	137.66%
75,000	396.45	966.97	570.52	143.91%
100,000	494.45	1,224.65	730.20	147.68%
250,000	1,082.45	2,770.70	1,688.25	155.97%
500,000	2,062.45	5,347.45	3,285.00	159.28%
1,000,000	3,007.45	7,780.95	4,773.50	158.72%
2,000,000	4,897.45	12,647.95	7,750.50	158.26%
3,000,000	6,787.45	17,514.95	10,727.50	158.05%
4,000,000	8,677.45	22,381.95	13,704.50	157.93%
5,000,000	10,567.45	27,248.95	16,681.50	157.86%
6,000,000	12,457.45	32,115.95	19,658.50	157.81%
7,000,000	14,347.45	36,982.95	22,635.50	157.77%
8,000,000	16,237.45	41,849.95	25,612.50	157.74%
9,000,000	18,127.45	46,716.95	28,589.50	157.71%
10,000,000	20,017.45	51,583.95	31,566.50	157.69%
11,000,000	21,907.45	56,450.95	34,543.50	157.68%
12,000,000	23,797.45	61,317.95	37,520.50	157.67%
13,000,000	25,687.45	66,184.95	40,497.50	157.65%
14,000,000	27,577.45	71,051.95	43,474.50	157.65%

AQUA PENNSYLVANIA INC.
SHENANDOAH DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
INDUSTRIAL - MONTHLY
4 INCH METERS

ACTUAL CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
1,275,000	$ 4,060.21	$ 6,637.84	$ 2,577.63	63.49%
1,326,000	4,156.60	6,865.04	2,708.44	65.16%
1,469,000	4,426.87	7,502.11	3,075.24	69.47%
1,506,000	4,496.80	7,666.94	3,170.14	70.50%
1,545,000	4,570.51	7,840.69	3,270.18	71.55%
1,570,000	4,617.76	7,952.06	3,334.30	72.21%
1,609,000	4,691.47	8,125.81	3,434.34	73.20%
1,659,000	4,785.97	8,348.56	3,562.59	74.44%
1,665,000	4,797.31	8,375.29	3,577.98	74.58%
1,673,000	4,812.43	8,410.93	3,598.50	74.78%
1,707,000	4,876.69	8,562.40	3,685.71	75.58%
1,771,000	4,997.65	8,847.52	3,849.87	77.03%

AQUA PENNSYLVANIA INC.
BELLE AIRE DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	FPFTY RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 50.00	$ 75.07	$ 25.07	50.15%
1,000	50.00	75.07	25.07	50.15%
2,000	50.00	75.07	25.07	50.15%
3,000	50.00	75.07	25.07	50.15%
3,870	50.00	75.07	25.07	50.15%
4,000	50.00	75.07	25.07	50.15%
5,000	50.00	75.07	25.07	50.15%
6,000	50.00	75.07	25.07	50.15%
7,000	50.00	75.07	25.07	50.15%
8,000	50.00	75.07	25.07	50.15%
9,000	50.00	75.07	25.07	50.15%
10,000	50.00	75.07	25.07	50.15%

Aqua Pennsylvania, Inc.
Wastewater Bill Analysis Summary
12 Months Ending December 2023, 2024, 2025

Avg. Usage
39.19

Declining Usg. Factor
0.995000

Declining Usg. Factor
0.995000

Zone	BD/Usg	Class by RC	Rate Zone -Description	Tariff Sect - Fixed	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total	HISTORIC TEST YEAR Growth Annualized	HISTORIC TEST YEAR Total Annualized	FUTURE TEST YEAR Growth Annualized	FUTURE TEST YEAR Usg Normalization	FUTURE TEST YEAR Total FTY Proforma	FULLY PROJECTED FUTURE TEST YEAR Growth Annualized	FULLY PROJECTED FUTURE TEST YEAR Usg Normalization	FULLY PROJECTED FUTURE TEST YEAR Total FTY Proforma	BD/Usg
BunkerHill	BM	Res	Bunker Hill	W-BFC-BrkH	0.625	69	69	69	69	69	69	69	69	70	70	69	70	831		831			831			831	BM
BunkerHill	Usg	Res	Bunker Hill	W-Usg-Res-BrkH	Sum of BLOCK 1 CONSUMP	2,762	2,406	2,287	2,859	2,239	3,290	3,153	2,839	2,770	2,675	2,486	2,535	32,301		32,301			32,301		(162)	32,139	Usg
BunkerHill	BM	Res	Bunker Hill-CAP	W-BFC-BrkH	0.625	-	-	-	-	-	-	-	-	-	-	1	1	2		2			2			2	BM
BunkerHill	Usg	Res	Bunker Hill-CAP	W-Usg-Res-BrkH	Sum of BLOCK 1 CONSUMP	-	-	-	-	-	-	-	-	-	-	64	73	137		137			137			137	Usg
Phoenixville	BM	Res	Phoenixville	W-BFC-PhvI	0.625	473	442	453	444	434	456	440	439	453	441	439	460	5,373		5,373			5,373			5,373	BM
Phoenixville	BM	Res	Phoenixville	W-BFC-PhvI	1	3	3	3	3	10	3	3	3	3	3	9	4	50		50			50			50	BM
Phoenixville	BM	Res	Phoenixville	W-BFC-PhvI	2	1	1	1	1	1	1	2						8		8			8			8	BM
Phoenixville	Usg	Res	Phoenixville	W-Usg-all-PhvI	Sum of BLOCK 1 CONSUMP	16,797	16,407	13,883	14,382	14,456	17,683	17,654	15,715	16,694	17,102	16,481	18,682	195,927		195,927			195,927			195,927	Usg
Phoenixville	BM	Com	Phoenixville	W-BFC-PhvI	0.625	15	15	62	15	15	59	15	15	62	16	15	59	362		362			362			362	BM
Phoenixville	BM	Com	Phoenixville	W-BFC-PhvI	0.75	3	3	3	3	3	3	3	3	3	3	3	3	36		36			36			36	BM
Phoenixville	BM	Com	Phoenixville	W-BFC-PhvI	1	10	10	38	10	10	36	10	10	38	11	9	37	229		229			229			229	BM
Phoenixville	BM	Com	Phoenixville	W-BFC-PhvI	1.5	4	4	29	4	4	27	4	4	29	4	4	28	145		145			145			145	BM
Phoenixville	BM	Com	Phoenixville	W-BFC-PhvI	2	3	3	6	3	3	6	3	3	7	4	4	7	52		52			52			52	BM
Phoenixville	BM	Com	Phoenixville	W-BFC-PhvI	4	2	2	2	2	2	2	2	2	2	2	2	2	24		24			24			24	BM
Phoenixville	Usg	Com	Phoenixville	W-Usg-all-PhvI	Sum of BLOCK 1 CONSUMP	4,681	4,441	35,070	4,245	4,455	32,191	4,895	5,703	31,282	5,126	4,853	30,294	167,236		167,236			167,236			167,236	Usg
Phoenixville	BM	Ind	Phoenixville	W-BFC-PhvI	0.625	1	1	1	1	1	1	1	1	1	1	1	1	12		12			12			12	BM
Phoenixville	BM	Ind	Phoenixville	W-BFC-PhvI	1	1	1	1	1	1	1	1	1	1	1	1	1	12		12			12			12	BM
Phoenixville	BM	Ind	Phoenixville	W-BFC-PhvI	2	1	1	1	1	1	1	1	1	1	1	1	1	12		12			12			12	BM
Phoenixville	Usg	Ind	Phoenixville	W-Usg-all-PhvI	Sum of BLOCK 1 CONSUMP	171	187	99	122	114	103	101	86	107	182	114	112	1,498		1,498			1,498			1,498	Usg
Sun Valley	BM	Res	Sun Valley	W-BFC-SnVy	0.625	63	61	62	60	62	62	62	61	61	61	62	69	750		750			750			750	BM
Sun Valley	Usg	Res	Sun Valley	W-Usg-Res-SnVal	Sum of BLOCK 1 CONSUMP	2,529	2,418	1,870	1,749	1,774	2,585	1,957	1,662	1,879	1,732	1,893	1,636	23,684		23,684			23,684			23,684	Usg
Zone 1	BM	Res	ZONE1	W-BFC-1	0.625	348,814	353,086	348,471	348,417	348,078	348,049	347,936	347,724	347,705	347,396	346,787	346,150	4,178,615	9,210	4,187,825	19,608		4,207,433	19,608		4,227,041	BM
Zone 1	BM	Res	ZONE1	W-BFC-1	0.75	9,931	9,995	9,910	9,962	9,911	9,873	9,930	9,936	9,931	9,902	9,931	9,882	119,097		119,097			119,097			119,097	BM
Zone 1	BM	Res	ZONE1	W-BFC-1	1	4,998	5,031	4,994	5,053	5,024	5,019	5,024	5,020	5,029	5,015	5,001	5,011	60,220		60,220			60,220			60,220	BM
Zone 1	BM	Res	ZONE1	W-BFC-1	1.5	131	135	133	131	129	128	128	124	133	129	131	127	1,559		1,559			1,559			1,559	BM
Zone 1	BM	Res	ZONE1	W-BFC-1	2	46	50	48	51	48	48	50	49	49	48	47	45	579		579			579			579	BM
Zone 1	BM	Res	ZONE1	W-BFC-1	FR.r	1	(6)	1	2	4	14	17	17	20	12	8	4	93		93			93			93	BM
Zone 1	Usg	Res	ZONE1	W-Usg-Res-12	Sum of BLOCK 1 CONSUMP	6,465,899	6,437,423	6,282,206	6,468,147	6,374,431	6,517,682	6,446,089	6,328,975	6,471,888	6,340,768	6,422,055	6,404,630	76,960,194	184,200	77,144,394	392,160	(384,801)	77,151,753	392,160	(384,801)	77,159,112	Usg
Zone 1	Usg	Res	ZONE1	W-Usg-Res-12	Sum of BLOCK 2 CONSUMP	7,888,604	6,983,998	5,918,498	7,767,719	7,009,847	10,408,827	9,656,545	7,766,653	9,440,939	7,162,941	7,469,013	7,257,556	94,231,140	79,206	94,310,346	168,629	(471,156)	94,007,819	168,629	(471,156)	93,705,292	Usg
Zone 1	Usg	Res	ZONE1	W-Usg-Res-BchMt	Sum of BLOCK 1 CONSUMP	33,393	28,302	28,206	31,879	29,608	32,052	36,666	29,072	32,395	34,929	31,510	33,616	381,628		381,628		(1,908)	379,720		(1,908)	377,812	Usg
Zone 1	Usg	Res	ZONE1	W-Usg-Res-BrsTw	Sum of BLOCK 1 CONSUMP	18,093	15,852	15,762	17,835	16,487	20,011	20,806	18,837	19,686	19,090	17,170	18,475	218,104		218,104		(1,091)	217,013		(1,091)	215,923	Usg
Zone 1	BM	Res	ZONE1 - BEECH MOUNTAIN CAP	W-BFC-1	0.625	-	1	1	1	1	1	2	3	5	5	7	8	35		35			35			35	BM
Zone 1	Usg	Res	ZONE1 - BEECH MOUNTAIN CAP	W-Usg-Res-BchMt	Sum of BLOCK 1 CONSUMP	-	27	21	35	21	41	91	119	159	231	372	478	1,595		1,595			1,595		-	1,595	Usg
Zone 1	BM	Res	ZONE1 - SAND SPRINGS CAP	W-BFC-1	0.625	-	-	-	-	-	-	-	-	-	-	1	-	1		1			1		-	1	BM
Zone 1	Usg	Res	ZONE1 - SAND SPRINGS CAP	W-Usg-Res-12	Sum of BLOCK 1 CONSUMP	-	-	-	-	-	-	-	-	-	-	20	20			20			20		-	20	Usg
Zone 1	Usg	Res	ZONE1 - SAND SPRINGS CAP	W-Usg-Res-12	Sum of BLOCK 2 CONSUMP	-	-	-	-	-	-	-	-	-	-	8	8			8			8		-	8	Usg
Zone 1	BM	Res	ZONE1-CAP	W-BFC-1	0.625	41	85	139	176	392	563	845	1,063	1,263	1,447	1,807	2,277	10,097		10,097			10,097			10,097	BM
Zone 1	BM	Res	ZONE1-CAP	W-BFC-1	0.75	-	-	-	-	2	2	5	5	6	8	8	13	49		49			49			49	BM
Zone 1	BM	Res	ZONE1-CAP	W-BFC-1	1	-	-	-	-	-	-	-	-	-	-	3	3	3		3			3			3	BM
Zone 1	Usg	Res	ZONE1-CAP	W-Usg-Res-12	Sum of BLOCK 1 CONSUMP	717	1,448	2,391	3,160	7,090	10,221	15,704	19,631	23,470	26,548	33,149	41,812	185,341		185,341		-	185,341		-	185,341	Usg
Zone 1	Usg	Res	ZONE1-CAP	W-Usg-Res-12	Sum of BLOCK 2 CONSUMP	1,334	2,119	3,031	6,268	12,788	19,263	32,076	37,017	49,496	45,440	63,631	80,134	352,598		352,598		-	352,598		-	352,598	Usg
Zone 1	BM	Res	ZONE1-CAP	W-BFC-BrsTw	0.625	-	-	-	1	1	1	1	1	1	1	1	2	11		11			11			11	BM
Zone 1	Usg	Res	ZONE1-CAP	W-Usg-Res-BrsTw	Sum of BLOCK 1 CONSUMP	-	-	50	65	45	84	54	39	77	64	58	120	656		656		-	656		-	656	Usg
Zone 1	BM	M-M	ZONE1	W-BFC-MM	AA	1	1	1	1	1	1	1	1	1	1	1	1	12		12			12			12	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	M	47	47	47	47	47	48	47	47	47	47	47	47	564		564			564			564	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	N	10,556	10,552	10,630	10,637	10,643	10,702	10,776	10,920	10,936	10,909	11,078	11,022	129,360		129,360			129,360			129,360	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	O	1,892	1,911	1,898	1,902	1,905	1,905	1,909	1,859	1,959	1,927	1,915	1,914	22,894		22,894			22,894			22,894	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	P	37	37	37	37	37	38	37	37	37	37	37	37	444		444			444			444	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	Q	97	96	97	98	97	97	97	97	97	97	97	97	1,164		1,164			1,164			1,164	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	R	158	157	159	158	158	158	158	158	158	158	158	159	1,896		1,896			1,896			1,896	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	S	7	7	7	7	7	7	7	7	7	7	7	7	84		84			84			84	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	T	51	58	53	52	52	52	52	52	52	52	52	52	630		630			630			630	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	U	134	132	136	134	134	134	134	134	134	134	134	134	1,608		1,608			1,608			1,608	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	V	29	29	29	29	29	29	29	29	29	29	29	29	348		348			348			348	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	XX	1	1	1	1	1	1	1	1	1	1	1	1	12		12			12			12	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	YY	2	2	2	2	2	2	2	2	2	2	2	2	24		24			24			24	BM
Zone 1	BM	M-M	ZONE1	W-BFC-MM	ZZ	1	1	1	1	1	1	1	1	1	1	1	1	12		12			12			12	BM
Zone 1	Usg	M-M	ZONE1	W-Usg-Res-12	Sum of BLOCK 1 CONSUMP	233,404	231,057	229,443	236,393	235,792	241,243	237,262	235,792	243,700	241,460	245,888	244,939	2,858,013		2,858,013		(14,280)	2,841,733		(14,280)	2,827,453	Usg
Zone 1	Usg	M-M	ZONE1	W-Usg-Res-12	Sum of BLOCK 2 CONSUMP	280,260	248,106	221,631	276,419	294,790	491,622	400,818	353,958	427,688	297,754	293,314	276,326	3,862,685		3,862,685		(19,313)	3,843,372		(19,313)	3,824,058	Usg
Zone 1	BM	M-M	ZONE1-CAP	W-BFC-MM	N	-	-	-	-	1	4	5	6	6	7	7	9	45		45			45			45	BM
Zone 1	BM	M-M	ZONE1-CAP	W-BFC-MM	O	-	-	-	-	-	-	-	-	-	-	3	3	6		6			6			6	BM
Zone 1	Usg	M-M	ZONE1-CAP	W-Usg-Res-12	Sum of BLOCK 1 CONSUMP	-	-	-	-	20	80	95	120	117	140	198	211	981		981		-	981		-	981	Usg
Zone 1	Usg	M-M	ZONE1-CAP	W-Usg-Res-12	Sum of BLOCK 2 CONSUMP	-	-	-	-	46	247	166	160	184	253	311	304	1,671		1,671		-	1,671		-	1,671	Usg
Zone 1	BM	Com	ZONE1	W-BFC-1	0.625	10,684	10,936	10,631	10,586	10,625	10,667	10,708	10,772	10,732	10,693	10,731	10,653	128,418	966	129,384	2,040		131,424	2,040		133,464	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	0.75	1,817	1,907	1,847	1,839	1,853	1,822	1,905	1,837	1,860	1,859	1,851	1,763	22,159		22,159			22,159			22,159	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	1	3,193	3,211	3,182	3,173	3,214	3,209	3,230	3,217	3,245	3,161	3,214	3,232	38,480		38,480			38,480			38,480	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	1.5	2,282	2,294	2,271	2,280	2,284	2,275	2,281	2,275	2,293	2,283	2,279	2,291	27,388		27,388			27,388			27,388	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	2	2,788	2,854	2,794	2,809	2,804	2,791	2,828	2,822	2,816	2,824	2,814	2,834	33,778		33,778			33,778			33,778	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	3	630	634	598	639	629	644	622	614	625	635	628	624	7,520		7,520			7,520			7,520	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	4	469	474	470	478	500	465	487	483	481	483	479	478	5,747		5,747			5,747			5,747	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	6	165	160	163	166	161	163	166	164	195	165	162	163	1,993		1,993			1,993			1,993	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	8	42	45	43	43	43	45	44	44	44	44	44	44	527		527			527			527	BM
Zone 1	BM	Com	ZONE1	W-BFC-1	10	6	7	6	6	6	6	6	6	6	6	6	7	73		73			73			73	BM
Zone 1	Usg	Com	ZONE1	W-Usg-C&P-BchMt	Sum of BLOCK 1 CONSUMP	2,483	1,374	1,956	1,365	2,038	1,610	2,249	2,237	2,529	1,525	1,210	724	21,300		21,300			21,300			21,300	Usg
Zone 1	Usg	Com	ZONE1	W-Usg-C&P-BrsTw	Sum of BLOCK 1 CONSUMP	21,174	19,756	20,175	22,853	19,814	22,950	24,346	22,310	26,292	22,668	28,619	22,743	273,700		273,700			273,700			273,700	Usg
Zone 1	Usg	Com	ZONE1	W-Usg-C&P-CC&SS	Sum of BLOCK 1 CONSUMP	1,332	1,074	1,154	1,612	1,508	1,846	2,248	1,676	2,077	2,339	2,012	1,964	20,862		20,862			20,862			20,862	Usg
Zone 1	Usg	Com	ZONE1	W-Usg-Com-123	Sum of BLOCK 1 CONSUMP	1,094,094	1,119,506	1,066,766	1,138,192	1,135,323	1,174,049	1,163,036	1,138,561	1,187,892	1,143,619	1,159,352	1,114,916	13,635,308	17,871	13,653,179	37,740		13,690,919	37,740		13,728,659	Usg
Zone 1	Usg	Com	ZONE1	W-Usg-Com-123	Sum of BLOCK 2 CONSUMP	1,168,707	1,205,503	1,117,220	1,250,479	1,280,949	1,332,867	1,309,347	1,270,636	1,362,670	1,261,772	1,269,060	1,209,040	15,039,159		15,039,159			15,039,159			15,039,159	Usg
Zone 1	Usg	Com	ZONE1	W-Usg-Com-123	Sum of BLOCK 3 CONSUMP	3,450,550	3,547,522	3,123,486	3,770,458	4,109,324	4,139,548	4,162,855	4,001,547	4,510,368	3,838,102	3,818,753	3,591,895	46,064,408		46,064,408			46,064,408			46,064,408	Usg
Zone 1	Usg	Com	ZONE1	W-Usg-Com-123	Sum of BLOCK 4 CONSUMP	1,810,091	1,999,820	1,764,825	1,974,130	1,731,359	2,474,909	2,404,999	2,216,379	2,966,133	2,232,965	1,983,283	1,686,506	25,245,398		25,245,398			25,245,398			25,245,398	Usg
Zone 1	BM	Ind	ZONE1	W-BFC-1	0.625	184	183	180	179	179	179	178	179	180	178	178	177	2,155		2,155			2,155			2,155	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	0.75	45	46	45	45	45	45	45	46	45	47	46	46	545		545			545			545	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	1	163	161	161	163	156	165	167	162	163	157	167	163	1,949		1,949			1,949			1,949	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	1.5	58	58	57	57	57	56	52	52	58	55	54	53	667		667			667			667	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	2	139	137	138	137	137	137	139	137	139	144	140	141	1,664		1,664			1,664			1,664	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	3	31	31	32	30	31	31	31	31	31	31	30	31	371		371			371			371	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	4	46	43	44	45	44	43	43	43	(1)	92	43	43	529		529			529			529	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	6	30	30	31	30	30	34	30	30	30	30	28	30	362		362			362			362	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	8	6	6	6	6	6	6	6	6	6	6	7	6	72		72			72			72	BM
Zone 1	BM	Ind	ZONE1	W-BFC-1	10	5	5	5	5	5	5	5	5	5	5	5	6	61		61			61			61	BM
Zone 1	Usg	Ind	ZONE1	W-Usg-Ind-123	Sum of BLOCK 1 CONSUMP	41,179	41,088	40,303	41,394	39,227	41,329	40,530	40,950	36,843	45,426	41,072	39,758	489,100		489,100			489,100			489,100	Usg
Zone 1	Usg	Ind	ZONE1	W-Usg-Ind-123	Sum of BLOCK 2 CONSUMP	49,087	51,597	49,954	51,014	48,679	51,070	49,912	50,681	44,309	59,957	49,503	46,238	602,002		602,002			602,002			602,002	Usg
Zone 1	Usg	Ind	ZONE1	W-Usg-Ind-123	Sum of BLOCK 3 CONSUMP	211,645	230,705	224,727	227,292	230,922	213,291	229,962	232,803	222,316	249,645	229,126	221,470	2,722,912		2,722,912			2,722,912			2,722,912	Usg
Zone 1	Usg	Ind	ZONE1	W-Usg-Ind-123	Sum of BLOCK 4 CONSUMP	435,445	386,547	423,988	451,550	467,159	492,234	588,588	579,325	615,829	508,308	502,225	461,365	5,912,564		5,912,564			5,912,564			5,912,564	Usg
Zone 1	Usg	Ind	ZONE1	W-Usg-Ind-123	Sum of BLOCK 5 CONSUMP	229,560	285,535	274,558	301,334	282,882	342,492	352,670	415,885	380,434	298,737	288,794	282,850	3,735,731		3,735,731			3,735,731			3,735,731	Usg
Zone 1	Usg	Ind	ZONE1	W-Usg-Ind-123	Sum of BLOCK 6 CONSUMP	413,536	368,690	473,095	395,167	440,270	420,408	482,807	476,846	563,253	465,426	497,818	596,659	5,593,775		5,593,775			5,593,775			5,593,775	Usg
Zone 1	Usg	Ind	ZONE1	W-Usg-Ind-123	Sum of ALLOW CONS	-	-	-	-	-	-	-	-	-	-	-	-	-		-			-			-	Usg
Zone 1	Usg	Ind	ZONE1	W-Usg-Ind-123	Sum of GT CAP CONS	-	-	-	-	-	-	-	-	-	-	-	-	-		-			-			-	Usg
Zone 1	BM	Pub	ZONE1	W-BFC-1	0.625	331	322	320	323	323	323	324	320	337	328	325	325	3,900		3,900			3,900			3,900	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	0.75	92	91	92	91	90	90	90	90	96	91	91	90	1,093		1,093			1,093			1,093	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	1	209	206	187	204	204	204	207	207	212	209	210	210	2,469		2,469			2,469			2,469	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	1.5	97	96	93	97	95	95	96	94	97	96	96	96	1,146		1,146			1,146			1,146	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	2	215	219	215	215	215	216	214	219	217	217	217	216	2,595		2,595			2,595			2,595	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	3	124	123	121	122	117	130	122	121	121	121	121	121	1,463		1,463			1,463			1,463	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	4	86	85	83	84	86	82	83	82	82	82	82	82	999		999			999			999	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	6	15	15	15	15	15	15	16	14	15	15	15	3	168		168			168			168	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	8	7	7	7	7	9	8	6	6	9	7	7	7	87		87			87			87	BM
Zone 1	BM	Pub	ZONE1	W-BFC-1	10	1	1	1	1	1	1	1	1	1	1	1	1	12		12			12			12	BM
Zone 1	Usg	Pub	ZONE1	W-Usg-Pub-123	Sum of BLOCK 1 CONSUMP	50,295	50,041	47,764	53,846	56,217	59,218	55,389	53,948	56,923	54,877	55,522	50,545	644,586		644,586			644,586			644,586	Usg
Zone 1	Usg	Pub	ZONE1	W-Usg-Pub-123	Sum of BLOCK 2 CONSUMP	61,380	62,154	59,519	68,140	81,185	76,624	58,032	55,661	67,763	71,050	70,557	63,198	795,246		795,246			795,246			795,246	Usg
Zone 1	Usg	Pub	ZONE1	W-Usg-Pub-123	Sum of BLOCK 3 CONSUMP	132,263	171,461	147,927	188,479	219,530	268,213	189,323	196,323	246,848	249,383	212,436	135,896	2,358,083		2,358,083			2,358,083			2,358,083	Usg
Zone 1	Usg	Pub	ZONE1	W-Usg-Pub-123	Sum of BLOCK 4 CONSUMP	221,862	198,558	159,464	251,884	178,980	225,116	240,350	209,420	240,883	213,360	365,805	(179,365)	2,326,317		2,326,317			2,326,317			2,326,317	Usg
Zone 1	BM	Oth	ZONE1	W-BFC-1	1	-	-	-	-	-	2	1	1	1	1	1	8	8		8			8			8	BM
Zone 1	BM	Oth	ZONE1	W-BFC-1	4	2	2	2	2	2	2	2	2	2	2	2	24	24		24			24			24	BM
Zone 1	Usg	Oth	ZONE1	W-Usg-Res-all	Sum of BLOCK 1 CONSUMP	10	-	-	-	-	602	288	271	466	296	343	312	2,588		2,588			2,588			2,588	Usg
Zone 1	BM	Blk	ZONE1	W-BFC-08	0.625	-	-	58	106	-	130							294		294			294			294	BM
Zone 1	Usg	Blk	ZONE1	W-Usg-Com-Tank	Sum of BLOCK 1 CONSUMP	584	1,135	2,744	14,886	16,178	20,281	11,138	8,917	2,388	3,956	2,313		84,520		84,520			84,520			84,520	Usg
Zone 2	BM	Res	ZONE2	W-BFC-2	0.625	8,992	8,951	8,995	8,965	9,062	9,047	9,069	9,042	9,085	9,117	9,104	9,061	108,490		108,490			108,490			108,490	BM
Zone 2	BM	Res	ZONE2	W-BFC-2	0.75	12	12	12	12	12	12	12	13	13	13	13	13	149		149			149			149	BM
Zone 2	BM	Res	ZONE2	W-BFC-2	1	43	43	43	43	43	43	43	43	43	43	43	43	516	

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AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Industrial Contract - Mt. Carmel						
TARIFF RATES						
Customer Charge						
1 - Meter	13	-	$ 59.80	$ 777	$ 69.70	$ 906
1 1/2 - Meter	13	-	115.20	1,498	134.20	1,745
6 - Meter	26	-	1,105.00	28,730	$ 1,288.00	33,488
Subtotal	52	-		$ 31,005		$ 36,139
Usage (in 100 Gallons)						
1st block		1,200	1.4017	$ 1,682	1.8048	$ 2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0217	36,781	1.3155	47,358
4th block		360,000	0.9351	336,636	1.2040	433,440
5th block		800,004	0.9104	728,324	1.2040	963,205
6th block		288,231	0.7283	209,919	0.9682	279,065
Subtotal		1,488,231		$ 1,316,785		$ 1,729,668
Total Tariff Revenue	52	1,488,231		$ 1,347,790		$ 1,765,807
CONTRACT RATES						
Customer Charge - Period 1 (Jan. - Jun.)						
1 - Meter	6		$ 59.80	$ 359	$ 69.70	$ 418
1 1/2 - Meter	6		115.20	691	134.20	805
6 - Meter	12		1,105.00	13,260	1,288.00	15,456
Customer Charge - Period 2 (Jul. - Dec.)						
1 - Meter	7		59.80	419	69.70	488
1 1/2 - Meter	7		115.20	806	134.20	939
6 - Meter	14		1,105.00	15,470	1,288.00	18,032
Subtotal	52	-		31,005		36,138
Usage (in 100 Gallons)						
All Usage - Period 1		805,590	0.3200	$ 257,789	0.5050	$ 406,823
All Usage - Period 2		682,641	0.3270	223,224	0.5150	351,560
Subtotal		1,488,231		481,013		758,383
Total Contract	52	1,488,231		$ 512,018		$ 794,521
Industrial Contract - Covanta						
TARIFF RATES						
Customer Charge						
6 - Meter	12	-	$ 1,105.00	$ 13,260	$ 1,288.00	$ 15,456
Subtotal	12	-		13,260		15,456
Usage (in 100 Gallons)						
1st block		1,200	1.4017	$ 1,682	1.8048	$ 2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0217	36,781	1.3155	47,358
4th block		360,000	0.9351	336,636	1.2040	433,440
5th block		800,004	0.9104	728,324	1.2040	963,205
6th block		753,800	0.7283	548,993	0.9682	729,829
Subtotal		1,953,800		$ 1,655,859		$ 2,180,432
Total Tariff Revenue	12	1,953,800		$ 1,669,119		$ 2,195,888
CONTRACT RATES						
Customer Charge						
6 - Meter	12		47,280.00	567,360	50,796.00	609,552
Subtotal	12	-		567,360		609,552
Usage (in 100 Gallons)						
Allowance		1,430,000	-	$ -	-	$ -
Over Allowance		523,800	0.3940	206,377	0.4233	221,725
Subtotal		1,953,800		206,377		221,725
Total Contract	12	1,953,800		$ 773,737		$ 831,277

AQUA PENNSYLVANIA, INC.

CONTRACTS
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FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Industrial Contract - Liberty Power						
TARIFF RATES						
Customer Charge						
6 - Meter	12	-	$ 1,105.00	$ 13,260	$ 1,288.00	$ 15,456
Subtotal	12	-		13,260		15,456
Usage (in 100 Gallons)						
1st block		1,200	1.4017	$ 1,682	1.8048	$ 2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0217	36,781	1.3155	47,358
4th block		360,000	0.9351	336,636	1.2040	433,440
5th block		800,004	0.9104	728,324	1.2040	963,205
6th block		7,712,000	0.7283	5,616,650	0.9682	7,466,758
Subtotal		8,912,000		$ 6,723,516		$ 8,917,361
Total Industrial	12	8,912,000		$ 6,736,776		$ 8,932,817
CONTRACT RATES						
Customer Charge						
6 - Meter (Jan. @ 2022 Rate)	1		$ 100,874.15	$ 100,874	$ 114,763.38	$ 114,763
6 - Meter	11	-	108,708.74	1,195,796	114,763.38	1,262,397
Subtotal	12	-		1,296,670		1,377,160
Usage (in 100 Gallons)						
All Usage (Jan. @ 2022 Rate)		495,900	0.1040	$ 51,574	0.1173	$ 58,180
All Usage		8,416,100	0.1120	942,603	0.1173	987,402
Subtotal		8,912,000		994,177		1,045,582
Total Contract	12	8,912,000		2,290,847		2,422,742
Public Contract - Canaan Federal Prison						
TARIFF RATES						
Customer Charge						
8 - Meter	12	-	$ 1,934.00	$ 23,208	$ 2,254.00	27,048
Subtotal	12	-		23,208		27,048
Usage (in 100 Gallons)						
1st block		1,200	1.4017	1,682	1.8048	2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0163	36,587	1.3511	48,640
4th block		822,494	0.9301	765,002	1.2365	1,017,014
Subtotal		862,490		806,714		1,072,253
Total Contract	12	862,490		$ 829,922		$ 1,099,301
CONTRACT RATES						
Customer Charge						
8 - Meter	12		$ 25,227.82	$ 302,734	$ 29,667.62	$356,011
Subtotal	12	-		302,734		356,011
Usage (in 100 Gallons)						
Allowance		540,000	-	$ -	-	$ -
Over Allowance		322,490	0.1410	45,471	0.1658	53,469
Subtotal		862,490		45,471		53,469
Total Contract	12	862,490		$ 348,205		$ 409,480

AQUA PENNSYLVANIA, INC.

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FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Public Contract - SCI Forest County Prison						
TARIFF RATES						
Customer Charge						
4 - Meter	12	-	$ 536.00	$ 6,378	$ 625.00	7,438
Subtotal	12	-		6,378		7,438
Usage (in 100 Gallons)						
1st block		1,000	1.4017	1,402	1.8048	1,805
2nd block		2,330	1.2315	2,869	1.5857	3,695
3rd block		30,000	1.0163	30,489	1.3511	40,533
4th block		1,025,416	0.9301	953,739	1.2365	1,267,927
Subtotal		1,058,746		988,499		1,313,959
Total Contract	12	1,058,746		$ 994,877		$ 1,321,397
CONTRACT RATES						
Customer Charge						
4 - Meter	12		$ 536.00	$ 6,378	$ 625.00	$ 7,438
Subtotal	12	-		6,378		7,438
1st block		1,190	1.4017	$ 1,668	1.8048	$ 2,148
2nd block		2,773	1.2315	3,415	1.5857	4,397
3rd block		35,700	1.0163	36,282	1.3511	48,234
4th block		718,215	0.9301	668,012	1.2365	888,073
Consumption True Up		300,868	0.9301	279,837	1.2365	372,023
Total Contract		1,058,746		989,214		1,314,875
Total SCI Forest Contract	12	1,058,746		$ 995,592		$ 1,322,313
Public Contract - SCI Waymart						
TARIFF RATES						
Customer Charge						
8 - Meter	12	-	$ 1,934.00	$ 23,208	$ 2,254.00	27,048
Subtotal	12	-		23,208		27,048
1st block		1,200	$ 1.4017	1,682	$ 1.8048	2,166
2nd block		2,796	1.2315	3,443	1.5857	4,434
3rd block		36,000	1.0163	36,587	1.3511	48,640
4th block		558,034	0.9301	519,027	1.2365	690,009
Subtotal Consumption		598,030		560,739		745,248
Total Contract	12	598,030		$ 583,947		$ 772,296
CONTRACT RATES						
Customer Charge						
8 - Meter	12		5,035.78	60,429	5,259.52	63,114
Subtotal	12	-		60,429		63,114
Usage (in 100 Gallons)						
Allowance		566,180	-	$ -	-	$ -
Over Allowance		31,850	0.1810	5,765	0.1890	6,021
Subtotal		598,030		5,765		6,021
Total Contract	12	598,030		66,194		69,135

AQUA PENNSYLVANIA, INC.

CONTRACTS
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FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Consumption, 100 Gallons	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales for Resale Contract - Veolia Water PA							
TARIFF RATES							
Customer Charge							
2 - Meter	12		$ 164.00	$ 1,968	-	$ 191.10	$ 2,293
Subtotal	12	-		1,968	-		2,293
Usage (in 100 Gallons)							
All Usage		10,290	$ 1.4017	14,423	10,290	1.8048	18,571
Subtotal	-	10,290		14,423	10,290		18,571
Total	12	10,290		$ 16,391			$ 20,865
CONTRACT RATE							
Customer Charge							
2 - Meter	12		$ 5,396.00	$ 64,752	-	$ 6,443.36	$ 77,320
Subtotal	12	-		64,752	-		77,320
Usage (in 100 Gallons)							
Allowance		10,290	-	$ -	10,290	-	-
1st block		-	0.4360	-	-	0.5206	-
Subtotal		10,290		-	10,290		-
Total United Water Contract	12	10,290		$ 64,752	10,290		$ 77,320
Sales for Resale Contract - Chemung							
TARIFF RATES							
Customer Charge							
10 - Meter	12		$ 2,858.00	$ 34,296	-	$ 3,330.00	$ 39,960
Subtotal	12	-		34,296	-		39,960
Usage (in 100 Gallons)							
All Usage		12,385	$ 1.4017	17,360	12,385	1.8048	22,352
Subtotal	-	12,385		17,360	12,385		22,352
Total	12	12,385		$ 51,656	$ 12,385		$ 62,312
CONTRACT RATE							
Customer Charge							
10 - Meter	12		$ 646.50	$ 7,758		$ 737.50	$ 8,850
Subtotal	12	-		7,758	-		8,850
Usage (in 100 Gallons)							
All Usage		12,385	0.8140	$ 10,081	12,385	0.9720	12,038
Subtotal	-	12,385		10,081	12,385		12,038
Total Contract	12	12,385		$ 17,839	12,385		$ 20,888
Sales for Resale Contract - New Wilmington							
TARIFF RATES							
Customer Charge							
4 - Meter	24		$ 536.00	$ 12,864	-	$ 625.00	$ 15,000
Subtotal	24	-		12,864	-		15,000
Usage (in 100 Gallons)							
All Usage		567,373	$ 1.4017	795,287	567,373	1.8048	1,023,995
Subtotal	-	567,373		795,287	567,373		1,023,995
Total	24	567,373		$ 808,151	$ 567,373		$ 1,038,995
CONTRACT RATE							
Customer Charge							
4 - Meter	24		$ 536.00	$ 12,864		$ 625.00	$ 15,000
Subtotal	24	-		12,864	-		15,000
Usage (in 100 Gallons)							
All Usage		567,373	1.4017	$ 795,287	567,373	0.7273	412,628
Subtotal	-	567,373		795,287	567,373		412,628
Total Contract	24	567,373		$ 808,151	567,373		$ 427,628

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Consumption, 100 Gallons	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales for Resale Contract - Warwick							
TARIFF RATES							
Customer Charge							
8 - Meter	12		$ 1,934.00	$ 23,208	-	$ 2,254.00	$ 27,048
Subtotal	12	-		23,208	-		27,048
Usage (in 100 Gallons)							
All Usage		2,406,230	$ 1.4017	3,372,813	2,406,230	1.8048	4,342,764
Subtotal	-	2,406,230		3,372,813	2,406,230		4,342,764
Total	12	2,406,230		$ 3,396,021	$ 2,406,230		$ 4,369,812
CONTRACT RATE							
Customer Charge							
8 - Meter	12		46,092.68	553,112	-	49,436.65	593,240
Subtotal	12	-		553,112	-		593,240
Usage (in 100 Gallons)							
Allowance		2,142,200	-	-	2,142,200	-	-
1st block		259,010	0.2230	57,759	259,010	0.2392	61,965
2nd block		5,020	0.2168	1,088	5,020	0.2325	1,167
Subtotal		2,406,230		58,847	2,406,230		63,132
Total Contract	12	2,406,230		$ 611,959	2,406,230		$ 656,372
Sales for Resale Contract - Borough of Sharpsville							
TARIFF RATES							
Customer Charge							
8 - Meter	24		$ 1,934.00	$ 46,416	-	$ 2,254.00	$ 54,096
Subtotal	24	-		46,416	-		54,096
Usage (in 100 Gallons)							
All Usage		1,709,706	$ 1.4017	2,396,495	1,709,706	1.8048	3,085,677
Subtotal	-	1,709,706		2,396,495	1,709,706		3,085,677
Total	24	1,709,706		$ 2,442,911	$ 1,709,706		$ 3,139,773
CONTRACT RATE							
Customer Charge							
8 - Meter - Period 1	22		$ 1,934.00	$ 42,548		$ 2,254.00	$ 49,588
8 - Meter - Period 2	2	-	1,934.00	3,868		2,254.00	4,508
Subtotal	24	-		46,416	-		54,096
Usage (in 100 Gallons)							
All Usage - Period 1		1,551,874	0.2690	$ 417,454	1,551,874	0.2897	449,611
All Usage - Period 2		157,832	0.2830	44,666	157,832	0.2956	46,651
Subtotal		1,709,706		462,120	1,709,706		496,262
Total Sharpsville Contract	24	1,709,706		$ 508,536	1,709,706		$ 550,358
Sales for Resale Contract - Hubbard Township							
TARIFF RATES							
Customer Charge							
6 - Meter	12		$ 1,105.00	$ 13,260	-	$ 1,288.00	$ 15,456
Subtotal	12	-		13,260	-		15,456
Usage (in 100 Gallons)							
All Usage		2,914,800	$ 1.4017	4,085,675	2,914,800	1.8048	5,260,631
Subtotal		2,914,800		4,085,675	2,914,800		5,260,631
Total	12	2,914,800		$ 4,098,935	$ 2,914,800		$ 5,276,087
CONTRACT RATE							
Customer Charge							
6 - Meter	11	-	$ -	$ -	-	$ 1,288.00	$ 14,168
6 - Meter	1	-	-	-	-	1,288.00	1,288
Subtotal	12	-		-	-		15,456
Usage (in 100 Gallons)							
All Usage - Period 1		2,460,350	0.2460	$ 605,246	2,460,350	0.2876	$ 707,661
All Usage - Period 2		454,450	0.2660	120,884	454,450	0.3110	141,339
Subtotal		2,914,800		726,130	2,914,800		848,999
Total Hubbard Contract	12	2,914,800		$ 726,130	2,914,800		$ 864,455

AQUA PENNSYLVANIA, INC.

CONTRACTS
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FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Consumption, 100 Gallons	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales for Resale Contract - Horsham							
TARIFF RATES							
Customer Charge							
6 - Meter	12		$ 1,105.00	$ 13,260		$ 1,288.00	$ 15,456
Subtotal	12	-		13,260	-		15,456
Usage (in 100 Gallons)							
All Usage		1,258,880	$ 1.4017	1,764,572	182,500	1.8048	329,376
Subtotal	-	1,258,880		1,764,572	182,500		329,376
Total	12	1,258,880		$ 1,777,832	182,500		$ 344,832
CONTRACT RATE							
Customer Charge							
6-inch - Period 1	6		$ 13,195.00	$ 79,170		$ 13,801.00	$ 82,806
6-inch - Period 2	6		13,765.00	82,590		14,014.00	84,084
Subtotal	12	-		161,760	-		166,890
Usage (in 100 Gallons)							
Allowance - Period 1		91,000	-	$ -	91,000	-	$ -
All Usage - Period 1		527,700	0.5320	280,736	527,700	0.5570	293,929
Allowance - Period 2		91,500	-	-	91,500	-	-
All Usage - Period 2		548,680	0.5570	305,615	548,680	0.5683	311,788
Subtotal		1,258,880		586,351	1,258,880		605,717
Total Horsham Contract	12	1,258,880		$ 748,111	1,258,880		$ 772,607
Sales for Resale Contract - Schwenksville							
TARIFF RATES							
Customer Charge							
3-inch	12		$ 329.00	$ 3,948	-	$ 383.00	$ 4,596
Subtotal	12	-		3,948	-		4,596
Usage (in 100 Gallons)							
All Usage		330,728	$ 1.4017	463,581	330,728	1.8048	596,898
Subtotal	-	330,728		463,581	330,728		596,898
Total	12	330,728		$ 467,529	330,728		$ 601,494
CONTRACT RATE							
Customer Charge							
3-inch - Period 1	3		10,809.50	$ 32,429	-	11,744.97	$ 35,235
3-inch - Period 2	9		$ 11,472.50	103,253	-	$ 11,982.22	107,840
Subtotal	12	-		135,681	-		143,075
Usage (in 100 Gallons)							
Allowance - Period 1		76,500	0	-	76,500	0	-
All Usage - Period 1		3,063	0	1,259	3,063	0	1,370
Allowance - Period 2		228,391	-	-	228,391	-	-
All Usage - Period 2		22,774	0.4370	9,952	22,774	0.4564	10,394
Subtotal		330,728		11,211	330,728		11,765
Total Schwenksville Contract	12	330,728		$ 146,892	330,728		$ 154,840

AQUA PENNSYLVANIA, INC.

CONTRACTS
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2018

Rate Block, 100 Gallons	Number of Bills	Consumption, 100 Gallons	Present Rate	Present Revenue	Consumption, 100 Gallons	Proposed Rate	Proposed Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales for Resale Contract - Downingtown							
TARIFF RATES							
Customer Charge							
5/8 - Meter	-		$ 20.51	$ -	-	$ 23.90	$ -
Subtotal	-	-		-	-		-
Usage (in 100 Gallons)							
All Usage		1,905	$ 1.4017	2,670	1,905	1.8048	3,438
Subtotal	-	1,905		2,670	1,905		3,438
Total	-	1,905		$ 2,670	1,905		$ 3,438
CONTRACT RATE							
Customer Charge							
5/8 - Meter	-	-	$ 20.51	$ -	-	$ 23.90	$ -
Subtotal	-	-		-	-		-
Usage (in 100 Gallons)							
All Usage		1,905	0.1180	225	1,905	0.1204	229
Subtotal	-	1,905		225	1,905		229
Total Downingtown Contract	0	1,905		$ 225	1,905		$ 229
Sales for Resale Contract - Masury Water Company							
TARIFF RATES							
Customer Charge							
2 - Meter	12		$ 164.00	$ 1,968	-	$ 191.10	$ 2,293
8 - Meter	12		1,934.00	23,208		2,254.00	27,048
12 - Meter	24		3,461.00	83,064		4,033.00	96,792
Subtotal	48	-		108,240	-		126,133
Usage (in 100 Gallons)							
All Usage		1,217,070	$ 1.4017	1,705,967	1,217,070	1.8048	2,196,568
Subtotal	-	1,217,070		1,705,967	1,217,070		2,196,568
Total	48	1,217,070		$ 1,814,207	$ 1,217,070		$ 2,322,701
CONTRACT RATE							
Customer Charge							
2 - Meter	12		$ 164.00	$ 1,968		$ 191.10	$ 2,293
8 - Meter	12		1,934.00	23,208		2,254.00	27,048
12 - Meter	24		3,461.00	83,064		4,033.00	96,792
Subtotal	48	-		108,240	-		126,133
Usage (in 100 Gallons)							
All Usage		1,217,070	0.2500	304,267	1,217,070	0.2648	322,334
		1,217,070		304,267	1,217,070		322,334
Total Contract	48	1,217,070		$ 412,507	1,217,070		$ 448,467
Sales for Resale Contract - Bristol							
TARIFF RATES							
Customer Charge							
3 - Meter	6		$ 329.00	$ 1,974	-	$ 383.00	$ 2,298
Subtotal	6	-		1,974	-		2,298
Usage (in 100 Gallons)							
All Usage		27,021	$ 1.4017	37,875	27,021	1.8048	48,767
Subtotal	-	27,021		37,875	27,021		48,767
Total	6	27,021		$ 39,849	27,021		$ 51,065
CONTRACT RATE							
Customer Charge							
3 - Meter	6	-	$ 20.51	$ 123		$ 23.90	$ 143
Subtotal	6	-		123	-		143
Usage (in 100 Gallons)							
All Usage		27,021	0.6550	17,699	27,021	0.6841	18,485
Subtotal	-	27,021		17,699	27,021		18,485
Total Contract	6	27,021		$ 17,822	27,021		$ 18,629

Mt. Carmel		Block 1	Block 2	Block 3	Block 4	Block 5	Block 6	
January		100	233	3,000	30,000	66,667	-	**Using contract minimum consumption.
February		100	233	3,000	30,000	66,667	-	
March		100	233	3,000	30,000	66,667	-	
April		100	233	3,000	30,000	66,667	-	
May		100	233	3,000	30,000	66,667	-	
June		100	233	3,000	30,000	66,667	-	
July		100	233	3,000	30,000	66,667	-	
August		100	233	3,000	30,000	66,667	-	
September		100	233	3,000	30,000	66,667	-	
October		100	233	3,000	30,000	66,667	-	
November		100	233	3,000	30,000	66,667	-	
December		100	233	3,000	30,000	66,667	-	
	-	1,200	2,796	36,000	360,000	800,004	-	1,200,000

Covanta		Block 1	Block 2	Block 3	Block 4	Block 5	Block 6	
January	150,400	100	233	3000	30000	66667	50,400	
February	157,300	100	233	3000	30000	66667	57,300	
March	147,000	100	233	3000	30000	66667	47,000	
April	164,700	100	233	3000	30000	66667	64,700	
May	117,000	100	233	3000	30000	66667	17,000	
June	113,000	100	233	3000	30000	66667	13,000	
July	186,400	100	233	3000	30000	66667	86,400	
August	172,800	100	233	3000	30000	66667	72,800	
September	220,900	100	233	3000	30000	66667	120,900	
October	154,800	100	233	3000	30000	66667	54,800	
November	206,500	100	233	3000	30000	66667	106,500	
December	163,000	100	233	3000	30000	66667	63,000	
	1,953,800	1,200	2,796	36,000	360,000	800,004	753,800	1,953,800

Liberty Power		Block 1	Block 2	Block 3	Block 4	Block 5	Block 6
January	495,900	100	233	3000	30000	66667	395,900
February	746,900	100	233	3000	30000	66667	646,900
March	629,700	100	233	3000	30000	66667	529,700
April	773,600	100	233	3000	30000	66667	673,600
May	739,500	100	233	3000	30000	66667	639,500
June	521,200	100	233	3000	30000	66667	421,200
July	858,000	100	233	3000	30000	66667	758,000
August	1,025,400	100	233	3000	30000	66667	925,400
September	1,042,600	100	233	3000	30000	66667	942,600
October	866,600	100	233	3000	30000	66667	766,600
November	771,500	100	233	3000	30000	66667	671,500

December	441,100	100	233	3000	30000	66667	341,100	
Subtotal	8,912,000	1,200	2,796	36,000	360,000	800,004	7,712,000	8,912,000

Canaan Federal Prison		Block 1	Block 2	Block 3	Block 4			
January	77,040	100	233	3000	73707			
February	68,900	100	233	3000	65567			
March	65,070	100	233	3000	61737			
April	77,070	100	233	3000	73737			
May	66,990	100	233	3000	63657			
June	73,450	100	233	3000	70117			
July	75,980	100	233	3000	72647			
August	69,470	100	233	3000	66137			
September	77,020	100	233	3000	73687			
October	71,300	100	233	3000	67967			
November	68,730	100	233	3000	65397			
December	71,470	100	233	3000	68137			
Subtotal	862,490	1,200	2,796	36,000	822,494			862,490

SCI Forest County Prison		Block 1	Block 2	Block 3	Block 4			
January	114,830	100	233	3000	111497			
February	63,608	100	233	3000	60275			
March	58,170	100	233	3000	54837			
April	-	0	0	0	0			
May	120,701	100	233	3000	117368			
June	72,273	100	233	3000	68940			
July	70,210	100	233	3000	66877			
August	64,801	100	233	3000	61468			
September	64,647	100	233	3000	61314			
October	68,404	100	233	3000	65071			
November	60,234	100	233	3000	56901			
December	-	0	0	0	0			
Subtotal	757,878	1,000	2,330	30,000	724,548			757,878

SCI Waymart		Block 1	Block 2	Block 3	Block 4			
January	42,730	100	233	3000	39397			
February	41,060	100	233	3000	37727			
March	43,590	100	233	3000	40257			
April	52,200	100	233	3000	48867			
May	44,200	100	233	3000	40867			
June	55,210	100	233	3000	51877			
July	60,200	100	233	3000	56867			
August	52,040	100	233	3000	48707			
September	56,130	100	233	3000	52797			

October	49,690	100	233	3000	46357		
November	48,580	100	233	3000	45247		
December	52,400	100	233	3000	49067		
Subtotal	598,030	1,200	2,796	36,000	558,034		598,030

EXHIBIT NO. GRH-2-R

Increase -0.01154

Aqua Pennsylvania, Inc.
Current and Proposed Rates

		RZ-1 - Meter Size/Per EDU			RZ-1A		
		Media Division, Penn Township, Bridlewood and Eagle Rock Divisions			Treasure Lake, Village at Valley Forge and Bunker Hill Divisions		
		Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change
Residential							
EDU Charge		$ 48.20	$ 47.64	-1.2%	$ 48.20	$ 47.64	-1.2%
Meter Size Charges (Not all Rate Zones Apply)							
5/8	1	$ 48.20	$ 47.64	-1.2%	$ 48.20	47.64	-1.2%
3/4	1.5	72.30	71.46	-1.2%	48.20	47.64	-1.2%
1	2.5	120.50	119.10	-1.2%	48.20	47.64	-1.2%
1-1/2	5	241.00	238.20	-1.2%	96.40	95.28	-1.2%
2	8	385.60	381.12	-1.2%	154.24	152.45	-1.2%
3	15	723.00	714.60	-1.2%	289.20	285.84	-1.2%
4	25	1,205.00	1,191.00	-1.2%	482.00	476.40	-1.2%
6	50	2,410.00	2,382.00	-1.2%	777.42	768.39	-1.2%
8	80	3,856.00	3,811.20	-1.2%			
10	115	5,543.00	5,478.60	-1.2%			
Non-Residential							
		Meter Size/Per EDU Charges			**Meter Size Charges**		
5/8 or EDU Charge	1	$ 47.35	$ 47.64	0.6%	47.35	47.64	0.6%
3/4	1.5	71.03	71.46	0.6%	47.35	47.64	0.6%
1	2.5	118.38	119.10	0.6%	47.35	47.64	0.6%
1-1/2	5	236.75	238.20	0.6%	94.70	95.28	0.6%
2	8	378.80	381.12	0.6%	151.52	152.45	0.6%
3	15	710.25	714.60	0.6%	284.10	285.84	0.6%
4	25	1,183.75	1,191.00	0.6%	473.50	476.40	0.6%
6	50	2,367.50	2,382.00	0.6%	763.71	768.39	0.6%
8	80	3,788.00	3,811.20	0.6%			
10	115	5,445.25	5,478.60	0.6%			
Flat Rate Customer Charges							
Unmetered per EDU - Residential		95.47	92.85	-2.7%	95.47	92.85	-2.7%
Unmetered per EDU - NonResidential		93.78	92.04	-1.9%	93.78	92.04	-1.9%
Consumption Charges:							
Residential		1.1817	1.1681	-1.2%	1.1817	1.1681	-1.2%
Non-Residential		1.1608	1.1474	-1.2%	1.1608	1.1474	-1.2%
Block Size (100 gallons)							
	First						
	Over						
SPECIAL CHARGES							
Customer Charges:		**Bridlewood Apartment Complex**					
		20,350.26	19,973.63	-1.9%			
			217 EDU's				
		Children's World Daycare					
		656.46	644.31	-1.9%			
			7 EDU's				

Aqua Pennsylvania, Inc.
Current and Proposed Rates

No Change

RZ-2

Emlenton, Rivercrest, and White Haven (Kidder) Divisions

	Current Rates	Proposed Rates	Change
Residential			
EDU Charge	$ 55.93	$ 55.93	0.0%
Meter Size Charges (Not all Rate Zo			
5/8	$ 55.93	$ 55.93	0.0%
3/4	83.90	83.90	0.0%
1	139.83	139.83	0.0%
1-1/2	279.65	279.65	0.0%
2	447.44	447.44	0.0%
3	838.95	838.95	0.0%
4	1,398.25	1,398.25	0.0%
6	2,796.50	2,796.50	0.0%
8	4,474.40	4,474.40	0.0%
10	6,431.95	6,431.95	0.0%
Non-Residential			
	Meter Size Charges		
5/8 or EDU Charge	54.95	$ 54.95	0.0%
3/4	82.42	$ 82.42	0.0%
1	137.37	$ 137.37	0.0%
1-1/2	274.73	$ 274.73	0.0%
2	439.57	$ 439.57	0.0%
3	824.20	$ 824.20	0.0%
4	1,373.67	$ 1,373.67	0.0%
6	2,747.34	$ 2,747.34	0.0%
8	4,395.75	$ 4,395.75	0.0%
10	6,318.88	$ 6,318.88	0.0%
Flat Rate Customer Charges			
Unmetered per EDU - Residential	101.80	101.80	0.0%
Unmetered per EDU - NonResidentia	100.00	100.00	0.0%
Consumption Charges:			
Residential	1.2585	1.2585	0.0%
Non-Residential	1.2363	1.2363	0.0%
Block Size (100 gallons)			
First			
Over			
SPECIAL CHARGES			
Customer Charges:			

0.000 0.000 0.000

Aqua Pennsylvania, Inc.
Current and Proposed Rates

	No Change			**No Increase**			**No Increase**		
	RZ-3			RZ-4			RZ-5		
	Beech Mountan Lakes, Deerfield Knoll, Laurel Lakes, Links at Gettysburg, Stoney Creek, Thornhurst, and Willistown Woods Divisions			Honeycroft Village, Lake Harmony, New Daleville, Peddlers View, Tobyhanna Township, Twin Hills Divisions			Avon Grove School, East Bradford, Little Washington, Greens at Penn Oaks, Sage Hill and Plumsock* Divisions		
	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change
Residential									
EDU Charge	$ 66.37	$ 66.37	0.0%	$ 86.12	$ 86.12	0.0%	$ 98.95	$ 98.95	0.0%
Meter Size Charges (Not all Rate Zo									
5/8	$ 66.37	$ 66.37	0.0%	$ 86.12	$ 86.12	0.0%	$ 98.95	$ 98.95	0.0%
3/4	99.56	99.56	0.0%	129.18	129.18	0.0%	148.43	148.43	0.0%
1	165.93	165.93	0.0%	215.30	215.30	0.0%	247.38	247.38	0.0%
1-1/2	331.85	331.85	0.0%	430.60	430.60	0.0%	494.75	494.75	0.0%
2	530.96	530.96	0.0%	688.96	688.96	0.0%	791.60	791.60	0.0%
3	995.55	995.55	0.0%	1,291.80	1,291.80	0.0%	1,484.25	1,484.25	0.0%
4	1,659.25	1,659.25	0.0%	2,153.00	2,153.00	0.0%	2,473.75	2,473.75	0.0%
6	3,318.50	3,318.50	0.0%	4,306.00	4,306.00	0.0%	4,947.50	4,947.50	0.0%
8	5,309.60	5,309.60	0.0%	6,889.60	6,889.60	0.0%	7,916.00	7,916.00	0.0%
10	7,632.55	7,632.55	0.0%	9,903.80	9,903.80	0.0%	11,379.25	11,379.25	0.0%
Non-Residential									
	Meter Size Charges			**Meter Size Charges**			**Meter Size Charges***		
5/8 or EDU Charge	$ 65.20	$ 65.20	0.0%	84.60	84.60	0.0%	97.20	97.20	0.0%
3/4	97.80	97.80	0.0%	126.90	126.90	0.0%	145.80	145.80	0.0%
1	163.00	163.00	0.0%	211.50	211.50	0.0%	243.00	243.00	0.0%
1-1/2	326.00	326.00	0.0%	423.00	423.00	0.0%	486.00	486.00	0.0%
2	521.60	521.60	0.0%	676.80	676.80	0.0%	777.60	777.60	0.0%
3	978.00	978.00	0.0%	1,269.00	1,269.00	0.0%	1,458.00	1,458.00	0.0%
4	1,630.00	1,630.00	0.0%	2,115.00	2,115.00	0.0%	2,430.00	2,430.00	0.0%
6	3,260.00	3,260.00	0.0%	4,230.00	4,230.00	0.0%	4,860.00	4,860.00	0.0%
8	5,216.00	5,216.00	0.0%	6,768.00	6,768.00	0.0%	7,776.00	7,776.00	0.0%
10	7,498.00	7,498.00	0.0%	9,729.00	9,729.00	0.0%	11,178.00	11,178.00	0.0%
Flat Rate Customer Charges									
Unmetered per EDU - Residential	115.00	115.00	0.0%	133.35	135.20	1.4%	150.30	148.63	-1.1%
Unmetered per EDU - NonResidentia	113.00	113.00	0.0%	131.00	134.33	2.5%	147.64	147.75	0.1%
Consumption Charges:									
Residential	1.2264	1.2264	0.0%	1.2681	1.2681	0.0%	1.2837	1.2837	0.0%
Non-Residential	1.2048	1.2048	0.0%	1.2457	1.2457	0.0%	1.2610	1.2610	0.0%
Block Size (100 gallons)									
First									
Over									
SPECIAL CHARGES	**SPECIAL CHARGES - (Res & Non Res)**								
Customer Charges:	**Stony Creek - Whitehall Estates**						**Avon Grove School - Flat Rate**		
	66.37	66.37	0.0%				$ 10,925.36	$ 10,933.55	0.1%
	65.20	65.20	0.0%						
	SPECIAL CHARGES - (Res & NonRes)						**SPECIAL CHARGES**		
	Stony Creek - Whitehall Estates						**East Brandywine Twp**		
	1.2264	1.2264	0.0%				1.3500	1.3500	0.0%
	1.2048	1.2048	0.0%						

-0.012

Aqua Pennsylvania, Inc.
Current and Proposed Rates SEASONAL

Increase in line with RZ-1
RZ-6

	Masthope Division		
	Current Rates	Proposed Rates	Change
Residential			
EDU Charge	$ 59.55	$ 58.86	-1.2%
Meter Size Charges (Not all Rate Zo			
5/8			
3/4			
1			
1-1/2			
2			
3			
4			
6			
8			
10			
Non-Residential			
	Per EDU		
5/8 or EDU Charge	58.50	57.82	-1.2%
3/4	58.50	57.82	-1.2%
1	58.50	57.82	-1.2%
1-1/2	58.50	57.82	-1.2%
2	58.50	57.82	-1.2%
3	58.50	57.82	-1.2%
4	58.50	57.82	-1.2%
6	58.50	57.82	-1.2%
8	58.50	57.82	-1.2%
10	58.50	57.82	-1.2%
Flat Rate Customer Charges			
Unmetered per EDU - Residential	70.59	69.41	-1.7%
Unmetered per EDU - NonResidentia	67.00	69.41	3.6%
Consumption Charges:			
Residential	0.2759	0.2727	-1.2%
Non-Residential	0.2710	0.2679	-1.2%
Block Size (100 gallons)			
First			
Over			
SPECIAL CHARGES			
Customer Charges:			

Aqua Pennsylvania, Inc.
Current and Proposed Rates

	Move to RZ-1 RZ-7			**Move to RZ-2** RZ-8			**Move to RZ 1** RZ-9			**Move to RZ 1** RZ-10		
	Limerick Division			East Bradford Division			Cheltenham Township Division			East Norriton, Whitpain Division		
	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change
Residential												
EDU Charge	$ 42.13	$ 47.64	13.1%	$ 57.61	$ 55.93	-2.9%	$ 32.42	$ 47.64	46.9%	$ 35.57	$ 47.64	33.9%
Meter Size Charges (Not all Rate Zo												
5/8												
3/4												
1												
1-1/2												
2												
3												
4												
6												
8												
10												
Non-Residential												
	Per EDU			**Per EDU**			**Per EDU**			**Per EDU**		
5/8 or EDU Charge	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
3/4	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
1	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
1-1/2	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
2	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
3	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
4	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
6	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
8	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
10	41.39	47.64	15.1%	40.25	55.93	39.0%	31.85	47.64	49.6%	34.94	47.64	36.3%
Flat Rate Customer Charges												
Unmetered per EDU - Residential	61.08	92.85	52.0%	104.75	101.80	-2.8%		92.85		66.06	92.85	40.5%
Unmetered per EDU - NonResidentia	60.00	92.04	53.4%	102.90	100.00	-2.8%		92.04		64.89	92.04	41.8%
Consumption Charges:												
Residential	0.9101	1.1681	28.3%	1.1737	1.2585	7.2%	0.7350	1.1681	58.9%	0.7726	1.1681	51.2%
Non-Residential	0.8940	1.1474	28.3%	1.1530	1.2363	7.2%	0.7220	1.1474	58.9%	0.7590	1.1474	51.2%
Block Size (100 gallons)												
First												
Over												
SPECIAL CHARGES												
Customer Charges:												

-

RZ 1 Rate Adj

Aqua Pennsylvania, Inc.
Current and Proposed Rates

	Move to RZ 2			**Move to RZ 1**					**Move to RZ 1**			**CONTRACTS & 3rd Party**	
	RZ-11			RZ-12			RZ-13			RZ-14			
	New Garden Division			Lower Makefield Division			East Whiteland Township			North Heidelberg			
	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates	Change	Current Rates	Proposed Rates
Residential														
EDU Charge	$ 45.46	$ 55.93	23.0%	$ 53.49	$ 47.64	-10.9%	**Flat Rate Charge - District A/B**			**Customer Charge - Residential**			**Woodloch Pines**	
				$ 89.74	$ 47.64	-46.9%	$ 33.33	$ 73.90	121.7%	$ 28.00	$ 47.64	70.1%	27,921.14	29,621.54 6.1%
Meter Size Charges (Not all Rate Zo							**Flat Rate Charge - District C**							
							45.17	$ 73.90	63.6%				**Whitehaven - Dennison Twp**	
5/8							**Flat Rate Charge - District D**						87.00	138.15 58.8%
3/4							50.00	73.90	47.8%				**Whitehaven - East Side Borough**	
1							**Flat Rate Charge - District E**						115.00	138.15 20.1%
1-1/2							40.00	73.90	84.8%				28.00	28.00 0.0%
2							**High End User - Usage Rate Only**						**Whitehaven - Penn Lake Borough**	
3							-	37.92					29.00	46.05 58.8%
4													**East Brandywine - Southdown Homes**	
6							**Metered Per EDU - Proposed**						-	- #DIV/0!
8								37.92					**Upper Providence**	
10													145,446.00	157,422.08 8.2%
													151,223.93	157,422.08 4.1%
Non-Residential													**Elwyn**	
	Per EDU - Commercial 1 & Public			**Per EDU - Commercial Apartments**									26,398.50	28,572.17 8.2%
5/8 or EDU Charge	62.52	55.93	-10.5%	53.49	47.64	-10.9%				**Customer Charge - Commercial**			27,447.20	28,572.17 4.1%
3/4	**Per EDU - Commercial 2**			**Per EDU - Com, Ind, Pub**						$ 54.00	47.64	-11.8%	**Foster Township**	
1	62.52	55.93	-10.5%	99.22	47.64	-52.0%							87.00	138.15 58.8%
1-1/2	**Per EDU - Industrial**													
2	311.55	55.93	-82.0%											
3														
4													**Consumption Charges:**	
6													**East Brandywine - Southdown Homes**	
8													1.3500	1.4600 8.1%
10													1.4000	1.4600 4.3%
Flat Rate Customer Charges				**Flat Rate Customer Charges**						**Flat Rate - Unmetered**				
Unmetered per EDU - Residential				89.74	92.85	3.5%				78.00	92.85	19.0%		
Unmetered per EDU - NonResidentia				89.74	92.04	2.6%				78.00	92.04	18.0%		
	Residential			**Res, Com Aptmnts, Pub, Ind Residential**						**Allowance/Next/Over - Res**				
Consumption Charges:	2.3259	1.2585	-45.9%				**High Volume Users - No Fixed Charge**			-	1.1681			
Residential	3.3435	1.2585	-62.4%	0.4370	1.1681	167.3%	0.6200	1.2958	109.0%	1.3060	1.1681	-10.6%		
Non-Residential				0.4600	1.1681	153.9%				0.7920	1.1681	47.5%		
				0.4810	1.1681	142.8%	**Proposed Rates**							
				0.5290	1.1681	120.8%	**Residential**							
Block Size (100 gallons)	**Commercial 1 & Public**			0.5900	1.1681	98.0%	0.9297			**All Usage - Non Residential**				
First	3.4850	1.2363	-64.5%	0.6770	1.1681	72.5%	**Commercial, Industrial, Public**			0.7920	1.1474	44.9%		
Over	4.4868	1.2363	-72.4%				0.9132							
	Commercial 2						**Commercial 2, Industrial 2 - (High Vol)**							
	4.4580	1.2363	-72.3%	**Over Min - Com, Pub, Ind**	Non-Residential		1.2958							
SPECIAL CHARGES	5.0000	1.2363	-75.3%	-	1.1474									
Customer Charges:				2.2930	1.1474	-50.0%								
	Industrial													
	4.4580	1.2363	-72.3%											
	5.0000	1.2363	-75.3%											
	Special Charges													
	Thompson Property Development													
	$ 138.50	138.50	0.0%											
	Volumetric Blocks - (First, Over)			**Volumetric Blocks - (First, Next x4, Over)**						**Volumetric Blocks - (First, Next, Over)**				
	15,000			**For Residential and Commercial Apartments**						**For Residential**				
	15,000			3,400						1,000 Allowance				
				3,300						5,000				
				3,300						6,000				
				3,400										
				3,300										
				16,700										

AQUA PENNSYLVANIA INC.
WASTEWATER WITHOUT ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PROPOSED RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	Pro Forma Revenues, Present Rates	Bill Analysis Revenues, Proposed Rates	Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 39,388,940	$ 44,476,187	$ 5,087,247	12.9%
Commercial	16,323,006	19,387,867	3,064,861	18.8%
Industrial	7,007	9,950	2,943	42.0%
Public Authority	352,419	407,044	54,625	15.5%
Third Party Sales	1,433,235	1,433,235	-	0.0%
Total Sales Related to Wastewater	$ 57,504,607	$ 65,714,283	$ 8,209,676	14.3%
Contract Revenues	355,458	355,458	-	0.0%
Other Operating Revenues	76,200	76,200	-	0.0%
Total Wastewater Revenue	$ 57,936,265	$ 66,145,941	$ 8,209,676	14.2%

AQUA PENNSYLVANIA INC.
WASTEWATER ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PROPOSED RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	Pro Forma Revenues, Present Rates	Bill Analysis Revenues, Proposed Rates	Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 9,759,106	$ 12,793,629	$ 3,034,523	31.1%
Commercial	1,740,691	1,300,545	(440,146)	-25.3%
Industrial	-	-	-	0.0%
Public Authority	55,889	30,057	(25,832)	-46.2%
Third Party Sales	-	-	-	0.0%
Total Sales Related to Wastewater	$ 11,555,686	$ 14,124,231	$ 2,568,545	22.2%
Contract Revenues	-	-	-	0.0%
Other Operating Revenues	58,143	58,143	-	0.0%
Total Wastewater Revenue	$ 11,613,829	$ 14,182,374	$ 2,568,545	22.1%

AQUA PENNSYLVANIA INC.
WASTEWATER ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PROPOSED RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025
AND THE CALCULATION OF THE REVENUE INCREASE UNDER PROPOSED RATES

Customer Classification	Pro Forma Revenues, Present Rates	Bill Analysis Revenues, Proposed Rates	Proposed Increase	Percent Increase
(1)	(2)	(3)	(4)=(3)-(2)	(5)
METERED SALES				
Residential	$ 1,442,838	$ 3,008,331	$ 1,565,493	108.5%
Commercial	1,706,051	3,534,201	1,828,150	107.2%
Industrial	366,251	810,578	444,327	121.3%
Public Authority	2,708	12,865	10,157	375.1%
Third Party Sales	-	-	-	0.0%
Total Sales Related to Wastewater	$ 3,517,848	$ 7,365,975	$ 3,848,127	109.4%
Contract Revenues	-	-	-	0.0%
Other Operating Revenues	7,233	7,233	-	0.0%
Total Wastewater Revenue	$ 3,525,081	$ 7,373,208	$ 3,848,127	109.2%

AQUA PENNSYLVANIA INC.
WASTEWATER WITHOUT ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023(a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)=(8)+(9)
METERED SALES									
Residential	$ 39,381,606	$ 42,845	$ 39,424,451	$ (417,912)	$ 39,006,539	$ (138,644)	$ 38,867,894	$ 521,046	$ 39,388,940
Commercial	16,190,901	(56,554)	16,134,347	(27,177)	16,107,170	-	16,107,170	215,836	16,323,006
Industrial	6,914	0	6,914	-	6,914	-	6,914	93	7,007
Public Authority	346,227	1,532	347,759	-	347,759	-	347,759	4,660	352,419
Third Party/Bulk Sales	1,181,248	(1,674)	1,179,574	218,977	1,398,551	34,684	1,433,235	-	1,433,235
Total Sales Related to Wastewater	$ 57,106,895	$ (13,850)	$ 57,093,045	$ (226,112)	$ 56,866,933	$ (103,960)	$ 56,762,972	$ 741,635	$ 57,504,607
Contract Revenues	335,118	(64)	335,054	20,404	355,458		355,458		355,458
Other Operating Revenues	76,200	-	76,200	-	76,200		76,200		76,200
Total Wastewater Revenue	$ 57,518,213	$ (13,915)	$ 57,504,298	$ (205,708)	$ 57,298,590	$ (103,960)	$ 57,194,630	$ 741,635	$ 57,936,265

(a) Excludes DSIC and Unbilled Revenue.

AQUA PENNSYLVANIA INC.
WASTEWATER ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023(a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)=(8)+(9)
METERED SALES									
Residential	$ 9,774,401	$ (5,634)	$ 9,768,767	$ (9,661)	$ 9,759,106	$ -	$ 9,759,106	$ -	$ 9,759,106
Commercial	1,741,357	(666)	1,740,691	-	1,740,691	-	1,740,691	-	1,740,691
Industrial	-	-	-	-	-	-	-	-	-
Public Authority	55,880	9	55,889	-	55,889	-	55,889	-	55,889
Third Party/Bulk Sales	-	-	-	-	-	-	-	-	-
Total Sales Related to Wastewater	$ 11,571,638	$ (6,291)	$ 11,565,347	$ (9,661)	$ 11,555,686	$ -	$ 11,555,686	$ -	$ 11,555,686
Contract Revenues	-	-	-	-	-		-		-
Other Operating Revenues	58,143	-	58,143	-	58,143		58,143		58,143
Total Wastewater Revenue	$ 11,629,781	$ (6,291)	$ 11,623,490	$ (9,661)	$ 11,613,829	$ -	$ 11,613,829	$ -	$ 11,613,829

(a) Excludes DSIC and Unbilled Revenue.

AQUA PENNSYLVANIA INC.
WASTEWATER ACQUISITIONS
SUMMARY OF REVENUE UNDER PRESENT RATES AND PRO FORMA REVENUES UNDER PRESENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023, 2024 AND 2025

Customer Classification	Revenues, Per Books Present Rates 12/31/2023(a)	Other Revenue Adjustments	12/31/2023 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2024 Bill Analysis Revenues, Present Rates	Other Adjustment to Revenue FTY and FPFTY	12/31/2025 Bill Analysis Revenues, Present Rates	Add Back Annualized DSIC Revenue	Total Pro Forma Revenue Present Rates
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)=(8)+(9)
METERED SALES									
Residential	$ 1,434,607	$ 8,230	$ 1,442,837	$ 1	$ 1,442,838	$ -	$ 1,442,838	$ -	$ 1,442,838
Commercial	1,704,792	267	1,705,059	992	1,706,051	-	1,706,051	-	1,706,051
Industrial	366,217	34	366,251	-	366,251	-	366,251	-	366,251
Public Authority	1,906	83	1,989	719	2,708	-	2,708	-	2,708
Third Party/Bulk Sales	-	-	-	-	-	-	-	-	-
Total Sales Related to Wastewater	$ 3,507,524	$ 8,612	$ 3,516,136	$ 1,712	$ 3,517,848	$ -	$ 3,517,848	$ -	$ 3,517,848
Contract Revenues	-	-	-	-	-		-		-
Other Operating Revenues	7,233	-	7,233	-	7,233		7,233		7,233
Total Wastewater Revenue	$ 3,514,757	$ 8,612	$ 3,523,369	$ 1,712	$ 3,525,081	$ -	$ 3,525,081	$ -	$ 3,525,081

(a) Excludes DSIC and Unbilled Revenue.

AQUA PENNSYLVANIA INC.
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PRESENT AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Rate Zone	Residential	Commercial	Industrial	Public Authority	Contract	Total
Present Rate Application - ProForma as of December 31, 2025						
Zone 1	$ 4,160,675	$ 2,180,872	$ 1,217	$ 188,531		$ 6,531,295
Zone 1A	2,117,150	1,651,218				3,768,368
Zone 2	1,759,757	647,299		3,754		2,410,810
Zone 3	3,974,202	366,322				4,340,524
Zone 4	4,030,485	1,009,158				5,039,643
Zone 5	1,068,313	148,536				1,216,849
Zone 6	1,043,890	10,086				1,053,976
Zone 7	4,948,481	2,644,581		29,944		7,623,006
Zone 8	1,489,486	431,700		9,153		1,930,339
Zone 9	7,216,201	4,664,905	5,697	104,435		11,991,238
Zone 10	3,482,860	1,329,774				4,812,634
Zone 11	3,362,541	1,020,311		11,942		4,394,794
Zone 12	9,759,106	1,740,691		55,889		11,555,686
Zone 13	1,442,838	1,706,051	366,251	2,708		3,517,848
Zone 14	213,855	2,408				216,263
	$ 50,069,838	$ 19,553,912	$ 373,165	$ 406,356	$ -	$ 70,403,271
Contract Sales		355,458				355,458
Third Party Sales						
Southdown Homes					$ 131,207	$ 131,207
Foster Twp					270,221	270,221
Dennison					58,023	58,023
Upper Providence					629,688	629,688
Elwyn					114,289	114,289
Penn Lake					139,532	139,532
East Side					90,275	90,275
Total Third Party Revenues	$ -	$ -	$ -	$ -	$ 1,433,235	$ 1,433,235
DSIC Revenue	521,046	215,836	93	4,660	-	741,635
Other Operating Revenues						141,576
Total @ Present Rate	**$ 50,590,884**	**$ 20,125,206**	**$ 373,258**	**$ 411,016**	**$ 1,433,235**	**$ 73,075,175**

AQUA PENNSYLVANIA INC.
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PRESENT AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025

Rate Zone	Residential	Commercial	Industrial	Public Authority	Bulk User	Total
Proposed Rate Application - Proforma as of December 31, 2025						
Zone 1	$ 4,104,558	$ 2,163,630	$ 1,213	$ 187,816		$ 6,457,217
Zone 1A	2,087,940	1,635,795				3,723,735
Zone 2	1,760,110	647,299		3,754		2,411,163
Zone 3	3,963,725	366,322				4,330,047
Zone 4	4,076,688	1,029,464				5,106,152
Zone 5	1,068,377	148,635				1,217,012
Zone 6	1,031,457	10,007				1,041,464
Zone 7	6,053,395	3,244,010		38,168		9,335,573
Zone 8	1,503,765	468,075		10,121		1,981,961
Zone 9	11,030,182	7,165,257	8,737	162,251		18,366,427
Zone 10	4,967,094	1,987,571				6,954,665
Zone 11	2,520,739	513,776		4,934		3,039,449
Zone 12	12,793,629	1,300,545		30,057		14,124,231
Zone 13	3,008,331	3,534,201	810,578	12,865		7,365,975
Zone 14	308,157	8,026				316,183
	$ 60,278,147	$ 24,222,613	$ 820,528	$ 449,966	$ -	$ 85,771,254
Contract Sales		355,458				355,458
Third Party Sales						
Southdown Homes					$ 131,207	$ 131,207
Foster Twp					270,221	270,221
Dennison					58,023	58,023
Upper Providence					629,688	629,688
Elwyn					114,289	114,289
Penn Lake					139,532	139,532
East Side					90,275	90,275
Total Third Party Revenues	$ -	$ -	$ -	$ -	$ 1,433,235	$ 1,433,235
Other Operating Revenues						141,576
Total @ Proposed Rate	**$ 60,278,147**	**$ 24,578,071**	**$ 820,528**	**$ 449,966**	**$ 1,433,235**	**$ 87,701,523**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Bil Analysis Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	1,449,087	49,227	$ 4,131,011	1,486,231	51,003	$ 4,143,936	1,513,963	52,329	$ 4,160,675	$ 55,755	$ 4,216,430	$ 4,104,558	-2.65%
Commercial	1,182,227	5,272	2,180,872	1,182,227	5,272	2,180,872	1,182,227	5,272	2,180,872	29,222	2,210,094	2,163,630	-2.10%
Industrial	559	12	1,217	559	12	1,217	559	12	1,217	17	1,234	1,213	-1.70%
Public	91,170	373	188,531	91,170	373	188,531	91,170	373	188,531	2,525	191,056	187,816	-1.70%
Total Rate Zone 1	2,723,043	54,883	$ 6,501,631	2,760,187	56,659	$ 6,514,556	2,787,919	57,985	$ 6,531,295	$ 87,519	$ 6,618,814	$ 6,457,217	-2.44%

Rate Zone 1 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	19,919	$ 48.20	$ 960,081	20,160	$ 48.20	$ 971,721	20,872	$48.20	$ 1,006,020	$ 13,481	$ 1,019,501	$ 47.64	$ 994,331	-2.47%
3/4 - Meter	80	72.30	5,813	80	72.30	5,813	80	72.30	5,813	78	5,891	71.46	5,745	-2.48%
1 - Meter	324	120.50	39,054	324	120.50	39,054	324	120.50	39,054	523	39,577	119.10	38,600	-2.47%
1 1/2 - Meter	96	241.00	23,136	96	241.00	23,136	96	241.00	23,136	310	23,446	238.20	22,867	-2.47%
2 - Meter	12	385.60	4,627	12	385.60	4,627	12	385.60	4,627	62	4,689	381.12	4,573	-2.47%
3 - Meter	-	723.00	-	-	723.00	-	-	723.00	-	-	-	714.60	-	0.00%
4 - Meter	-	1,205.00	-	-	1,205.00	-	-	1,205.00	-	-	-	1,191.00	-	0.00%
6 - Meter	-	2,410.00	-	-	2,410.00	-	-	2,410.00	-	-	-	2,382.00	-	0.00%
8 - Meter	-	3,856.00	-	-	3,856.00	-	-	3,856.00	-	-	-	3,811.20	-	0.00%
Subtotal	20,431		$ 1,032,711	20,673		$1,044,351	21,384		$1,078,650	$14,454	$1,093,104		$1,066,116	
Charge by Number oF EDUs														
EDU	28,732	$ 48.20	$ 1,384,863	28,940	$ 48.20	$ 1,394,913	29,555	$48.20	$ 1,424,528	$ 19,089	$ 1,443,617	$ 47.64	$ 1,407,978	-2.47%
N	12	48.20	578	12	48.20	578	12	48.20	578	8	586	47.64	572	-2.39%
O	24	48.20	1,157	24	48.20	1,157	24	48.20	1,157	16	1,173	47.64	1,143	-2.56%
Subtotal	28,768		$ 1,386,598	28,976		$1,396,648	29,591		$ 1,426,263	$ 19,113	$ 1,445,376		1,409,693	
Unmetered Customers	28	$ 95.47	$ 2,664	28	$ 95.47	$ 2,664	28	$ 95.47	$ 2,664	$ 36	$ 2,700	$ 92.85	$ 2,590	-4.07%
Usage (in 100 Gallons)														
All Usage	1,449,087	$ 1.1817	$ 1,712,386	1,458,499	$1.1817	$ 1,723,508	1,486,231	$1.1817	$ 1,756,279	$ 23,534	$ 1,779,813	$1.1681	$ 1,736,066	-2.46%
Low Income:														
Low Income Discount Tier 1			($2,177)			($69,928)			($116,547)	($1,562)	($118,109)		$ (119,843)	1.47%
Low Income Discount Tier 2			(833)			($30,996)			(51,660)	(692)	(52,352)		(53,067)	1.37%
Low Income Discount Tier 3			(337)			($18,996)			(31,659)	(424)	(32,083)		(32,561)	1.49%
RZ 1 Residential Bill Analysis Revenues			**$ 4,131,011**											
Adjustment (1):														
5/8 - Meter	241	$ 48.20	$ 11,640	712	$ 48.20	$ 34,299	712	$ 48.20	$ 34,299	$ 460	$ 34,759	$ 47.64	$ 33,900	-2.47%
EDU	209	48.20	10,050	614	48.20	29,615	614	48.20	29,615	397	30,012	47.64	29,271	-2.47%
All Usage	9,411	$1.1817	11,122	27,732	$1.1817	32,771	27,732	$1.1817	32,771	439	33,210	$1.1681	32,394	-2.46%
RZ 1 Residential Usage	1,458,499			1,486,231			1,513,963							
RZ 1 Residential Annualized/Profroma Revenues			**$ 4,163,823**			**$ 4,143,936**			**$ 4,160,675**	**$ 55,755**	**$ 4,216,430**		**$ 4,104,558**	**-2.65%**

Note (1) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	2,737	$ 47.35	$ 129,611	2,737	$ 47.35	$ 129,611	2,737	$47.35	$ 129,611	$ 1,737	$ 131,348	$ 47.64	$ 130,405	-0.72%
3/4 - Meter	48	71.03	3,424	48	71.03	3,424	48	71.03	3,424	46	3,470	71.46	3,444	-0.75%
1 - Meter	588	118.38	69,655	588	118.38	69,655	588	118.38	69,655	933	70,588	119.10	70,078	-0.72%
1 1/2 - Meter	355	236.75	84,141	355	236.75	84,141	355	236.75	84,141	1,127	85,268	238.20	84,656	-0.72%
2 - Meter	204	378.80	77,275	204	378.80	77,275	204	378.80	77,275	1,035	78,310	381.12	77,748	-0.72%
3 - Meter	108	710.25	76,778	108	710.25	76,778	108	710.25	76,778	1,029	77,807	714.60	77,248	-0.72%
4 - Meter	48	1,183.75	56,820	48	1,183.75	56,820	48	1,183.75	56,820	761	57,581	1,191.00	57,168	-0.72%
6 - Meter	-	2,367.50	-	-	2,367.50	-	-	2,367.50	-	-	-	2,382.00	-	0.00%
8 - Meter	-	3,788.00	-	-	3,788.00	-	-	3,788.00	-	-	-	3,811.20	-	0.00%
Subtotal	4,089		$497,704	4,089		$ 497,704	4,089		$ 497,704	$ 6,668	$ 504,372		$ 500,747	
Charge by Number oF EDUs														
EDU	1,122	$ 47.35	$ 53,131	1,122	$ 47.35	$ 53,131	1,122	$ 47.35	$ 53,131	$ 712	$ 53,843	$ 47.64	$ 53,457	-0.72%
Subtotal	1,122		$53,131	1,122		$ 53,131	1,122		$ 53,131	$ 712	$ 53,843		$ 53,457	-0.72%
Unmetered Customers	60	$ 93.78	$ 5,627	60	$ 93.78	$ 5,627	60	$ 93.78	$ 5,627	$ 75	$ 5,702	$ 92.04	$ 5,523	-3.14%
Unmetered Apartment Complex	12	20,350.26	244,203	12	20,350.26	244,203	12	20,350.26	244,203	3,272	247,475	19,973.63	239,684	-3.15%
Unmetered Daycare	12	656.46	7,878	12	656.46	7,878	12	656.46	7,878	106	7,984	644.31	7,732	-3.16%
Subtotal	84		$ 257,708	84		$ 257,708	84		$ 257,708	$ 3,453	$ 261,161		$ 252,939	
Usage (in 100 Gallons)														
All Usage	1,182,227	$1.1608	$ 1,372,329	1,182,227	$1.1608	$1,372,329	1,182,227	$1.1608	$ 1,372,329	$ 18,389	$ 1,390,718	$1.1474	$ 1,356,487	-2.46%
RZ 1 Commercial Usage	1,182,227			1,182,227			1,182,227							
RZ 1 Commercial Revenues			**$ 2,180,872**			**$ 2,180,872**			**$ 2,180,872**	**$ 29,222**	**$ 2,210,094**		**$ 2,163,630**	**-2.10%**

Rate Zone 1 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	12	$ 47.35	$568	12	$ 47.35	$568	12	$47.35	$ 568	$ 8	$ 576	$ 47.64	$572	-0.69%
3/4 - Meter	-	71.03	0	-	71.03	-	-	71.03	-	-	-	71.46	-	0.00%
1 - Meter	-	118.38	0	-	118.38	-	-	118.38	-	-	-	119.10	-	0.00%
1 1/2 - Meter	-	236.75	0	-	236.75	-	-	236.75	-	-	-	238.20	-	0.00%
2 - Meter	-	378.80	0	-	378.80	-	-	378.80	-	-	-	381.12	-	0.00%
3 - Meter	-	710.25	0	-	710.25	-	-	710.25	-	-	-	714.60	-	0.00%
4 - Meter	-	1,183.75	0	-	1,183.75	-	-	1,183.75	-	-	-	1,191.00	-	0.00%
6 - Meter	-	2,367.50	0	-	2,367.50	-	-	2,367.50	-	-	-	2,382.00	-	0.00%
8 - Meter	-	3,788.00	0	-	3,788.00	-	-	3,788.00	-	-	-	3,811.20	-	0.00%
Subtotal	12		$568	12		$568	12		$568	$8	$576		$572	
Unmetered Customers	-	$ 93.78	$ -	0	$ 93.78	$ -	0	$ 93.78	$ -	$ -	$ -	$ 92.04	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	559	$1.1608	$649	559	$1.1608	$649	559	$1.1608	$ 649	$ 9	$ 658	$1.1474	$641	-2.58%
RZ 1 Industrial Usage	559			559			559							
RZ 1 Industrial Revenues			**$1,217**			**$1,217**			**$1,217**	**$17**	**$1,234**		**$1,213**	**-1.70%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	157	$ 47.35	$ 7,415	157	$ 47.35	$ 7,415	157	$ 47.35	$ 7,415	$ 99	$ 7,514	$ 47.64	$ 7,460	-0.72%
3/4 - Meter	12	71.03	852	12	71.03	852	12	71.03	852	11	863	71.46	858	-0.58%
1 - Meter	96	118.38	11,364	96	118.38	11,364	96	118.38	11,364	152	11,516	119.10	11,434	-0.71%
1 1/2 - Meter	36	236.75	8,523	36	236.75	8,523	36	236.75	8,523	114	8,637	238.20	8,575	-0.72%
2 - Meter	24	378.80	9,091	24	378.80	9,091	24	378.80	9,091	122	9,213	381.12	9,147	-0.72%
3 - Meter	24	710.25	17,046	24	710.25	17,046	24	710.25	17,046	228	17,274	714.60	17,150	-0.72%
4 - Meter	24	1,183.75	28,410	24	1,183.75	28,410	24	1,183.75	28,410	381	28,791	1,191.00	28,584	-0.72%
6 - Meter	-	2,367.50	-	0	2,367.50	-	0	2,367.50	-	-	-	2,382.00	-	0.00%
8 - Meter	-	3,788.00	-	0	3,788.00	-	0	3,788.00	-	-	-	3,811.20	-	0.00%
Subtotal	373		$82,701	373		$82,701	373		$82,701	$1,107	$83,808		$83,208	
Unmetered Customers	-	$ 93.78	$0	0	$ 93.78	$0	0	$ 93.78	$ -	$ -	$ -	$ 92.04	$0	0.00%
Usage (in 100 Gallons)														
All Usage	91,170	$ 1.1608	$105,830	91,170	$ 1.1608	$ 105,830	91,170	$ 1.1608	$ 105,830	$ 1,418	$ 107,248	$ 1.1474	$ 104,608	-2.46%
RZ 1 Public Usage	91,170			91,170			91,170							
RZ 1 Public Revenues			**$188,531**			**$188,531**			**$188,531**	**$2,525**	**$191,056**		**$187,816**	**-1.70%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1A - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	707,077	27,104	$ 2,196,694	743,806	27,350	$ 2,148,824	746,614	27,506	$ 2,117,150	$ 28,371	$ 2,145,521	$ 2,087,940	-2.68%
Commercial	1,239,728	820	1,651,218	1,239,728	820	1,651,218	1,239,728	820	1,651,218	22,126	1,673,344	1,635,795	-2.24%
Total Rate Zone 1A	1,946,805	27,924	$ 3,847,912	1,983,534	28,170	$ 3,800,042	1,986,342	28,326	$ 3,768,368	$ 50,497	$ 3,818,865	$ 3,723,735	-2.49%

Rate Zone 1A - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	25,909	$ 48.20	$ 1,248,823	26,832	$ 48.20	$ 1,293,298	26,988	$ 48.20	$ 1,300,817	$ 17,431	$ 1,318,248	$ 47.64	$ 1,285,704	-2.47%
3/4 - Meter	12	48.20	578	12	48.20	578	12	48.20	578	8	586	47.64	572	-2.39%
1 - Meter	24	48.20	1,157	24	48.20	1,157	24	48.20	1,157	16	1,173	47.64	1,143	-2.56%
1 1/2 - Meter	-	96.40	-	-	96.40	-	-	96.40	-	-	-	95.28	-	0.00%
2 - Meter	-	154.24	-	-	154.24	-	-	154.24	-	-	-	152.45	-	0.00%
3 - Meter	-	289.20	-	-	289.20	-	-	289.20	-	-	-	285.84	-	0.00%
4 - Meter	-	482.00	-	-	482.00	-	-	482.00	-	-	-	476.40	-	0.00%
6 - Meter	-	777.42	-	-	777.42	-	-	777.42	-	-	-	768.39	-	0.00%
8 - Meter	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
Subtotal	25,945		$ 1,250,558	26,868		$1,295,033	27,024		$1,302,552	$17,455	$1,320,007		$1,287,419	-2.47%
Unmetered Customers	1,158	$ 95.47	$ 110,583	326	$ 95.47	$ 31,085	326	$ 95.47	$ 31,085	$ 417	$ 31,502	$ 92.85	$ 30,230	-4.04%
Usage (in 100 Gallons)														
All Usage	707,077	$ 1.1817	$ 835,553	740,998	$1.1817	$ 875,637	743,806	$1.1817	$ 878,956	$ 11,778	$ 890,734	$1.1681	$ 868,840	-2.46%
Low Income:														
Low Income Discount Tier 1						($37,185)			$ (61,975)	$ (830)	$ (62,805)		($63,728)	1.47%
Low Income Discount Tier 2						(16,482)			(27,471)	$ (368)	$ (27,839)		($28,219)	1.37%
Low Income Discount Tier 3						(10,101)			(16,835)	$ (226)	$ (17,061)		($17,314)	1.48%
RZ 1A Residential Bill Analysis Revenues			**2,196,694**											
Adjustment (1):														
Unmetered Rate	(833)	$ 95.47	$ (79,498)											
5/8 - Meter	833	48.20	40,136											
All Usage	32,301	1.1817	38,170											
Adjustment (2):														
5/8 - Meter	90	$48.20	$4,338	156	$48.20	$7,519	156	$48.20	$ 7,519	$ 101	$ 7,620	$47.64	$7,432	-2.47%
All Usage	1,620	$1.1817	1,914	2,808	$1.1817	3,318	2,808	$1.1817	3,318	44	3,362	$1.1681	$3,280	-2.44%
RZ 1A Residential Usage	708,697			743,806			746,614							
RZ 1A Residential Annualized/Proforma Revenues			**$ 2,201,754**			**$ 2,148,824**			**$ 2,117,150**	**$ 28,371**	**$ 2,145,521**		**$ 2,087,940**	**-2.68%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1A - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 1A - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	221	$ 47.35	$ 10,460	221	$ 47.35	$ 10,460	221	$47.35	$ 10,460	$ 140	$ 10,600	$ 47.64	$ 10,524	-0.72%
3/4 - Meter	-	47.35	-	-	47.35	-	-	47.35	-	-	-	47.64	-	0.00%
1 - Meter	36	47.35	1,705	36	47.35	1,705	36	47.35	1,705	23	1,728	47.64	1,715	-0.75%
1 1/2 - Meter	-	94.70	-	-	94.70	-	-	94.70	-	-	-	95.28	-	0.00%
2 - Meter	227	151.52	34,365	227	151.52	34,365	227	151.52	34,365	460	34,825	152.45	34,576	-0.72%
3 - Meter	36	284.10	10,228	36	284.10	10,228	36	284.10	10,228	137	10,365	285.84	10,290	-0.72%
4 - Meter	144	473.50	68,326	144	473.50	68,326	144	473.50	68,326	916	69,242	476.40	68,745	-0.72%
6 - Meter	108	763.71	82,557	108	763.71	82,557	108	763.71	82,557	1,106	83,663	768.39	83,063	-0.72%
8 - Meter	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
Subtotal	772		$207,641	772		$ 207,641	772		$ 207,641	$ 2,782	$ 210,423		$ 208,913	-0.72%
Unmetered Customers	48	$ 93.78	$ 4,501	48	$ 93.78	$ 4,501	48	$ 93.78	$ 4,501	$ 60	$ 4,561	$ 92.04	$ 4,418	-3.14%
Usage (in 100 Gallons)														
All Usage	1,239,728	$1.1608	$ 1,439,076	1,239,728	$1.1608	$1,439,076	1,239,728	$1.1608	$ 1,439,076	$ 19,284	$ 1,458,360	$1.1474	$ 1,422,464	-2.46%
RZ 1A Commercial Usage	1,239,728			1,239,728			1,239,728							
RZ 1A Commercial Revenues			**$ 1,651,218**			**$ 1,651,218**			**$ 1,651,218**	**$ 22,126**	**$ 1,673,344**		**$ 1,635,795**	**-2.24%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 2 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	365,148	20,920	$ 1,981,421	484,771	21,364	$ 1,791,665	489,001	21,646	$ 1,759,757	$ 23,581	$ 1,783,338	$ 1,760,110	-1.30%
Commercial	237,520	4,830	658,750	237,520	4,830	647,299	237,520	4,830	647,299	8,674	655,973	647,299	-1.32%
Public	370	60	3,754	370	60	3,754	370	60	3,754	50	3,804	3,754	-1.31%
Total Rate Zone 2	603,038	25,810	$ 2,643,925	722,661	26,254	$ 2,442,718	726,891	26,536	$ 2,410,810	$ 32,305	$ 2,443,115	$ 2,411,163	-1.31%

Rate Zone 2 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	13,250	$ 55.93	$ 741,056	19,639	$ 55.93	$ 1,098,389	19,921	$55.93	$ 1,114,161	$ 14,930	$ 1,129,091	$ 55.93	$ 1,114,161	-1.32%
Subtotal	13,250		$ 741,056	19,639		$ 1,098,389	19,921		$ 1,114,161	$ 14,930	$ 1,129,091		$ 1,114,161	-1.32%
Unmetered Customers	7,670	$ 101.80	$ 780,826	1,443	$ 101.80	$ 146,925	1,443	$ 101.80	$ 146,925	$ 1,969	$ 148,894	$ 101.80	$ 146,925	-1.32%
Usage (in 100 Gallons)														
All Usage	365,148	$ 1.2585	$ 459,539	480,541	$1.2585	$ 604,761	484,771	$1.2585	$ 610,084	$ 8,175	$ 618,259	$1.2585	$ 610,084	-1.32%
Low Income:														
Low Income Discount Tier 1						($46,139)			$ (76,898)	$ (1,030)	$ (77,928)		$ (76,687)	-1.59%
Low Income Discount Tier 2						(21,425)			(35,708)	(478)	(36,186)		(35,617)	-1.57%
Low Income Discount Tier 3						(11,941)			(19,901)	(267)	(20,168)		(19,852)	-1.57%
RZ 2 Residential Bill Analysis Revenues			**$ 1,981,421**											
Adjustment (1):														
Unmetered Rate	(6,227)	$ 101.80	($633,902)											
EDU	6,227	55.93	348,272											
All Usage	112,963	1.2585	142,164											
Adjustment (2):														
5/8 - Meter	162	$ 55.93	$9,061	282	$55.93	$15,772	282	$55.93	$ 15,772	$ 211	$ 15,983	$ 55.93	$15,772	-1.32%
All Usage	2,430	$ 1.2585	3,058	4,230	$ 1.2585	5,323	4,230	$ 1.2585	5,323	71	5,394	$ 1.2585	$5,323	-1.32%
RZ 2 Residential Usage	480,541			484,771			489,001							
RZ 2 Residential Annualized/Proforma Revenues			**$ 1,850,074**			**$ 1,791,665**			**$ 1,759,757**	**$ 23,581**	**$ 1,783,338**		**$ 1,760,110**	**-1.30%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 2 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 2 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	2,303	$ 54.95	$ 126,572	2,871	$ 54.95	$ 157,783	2,871	$ 54.95	$ 157,783	$ 2,114	$ 159,897	$ 54.95	$ 157,783	-1.32%
Subtotal	2,303		$126,572	2,871		$ 157,783	2,871		$ 157,783	$ 2,114	$ 159,897		$ 157,783	-1.32%
Unmetered Customers	2,527	$ 100.00	$ 252,670	1,959	$ 100.00	$ 195,870	1,959	$ 100.00	$ 195,870	$ 2,625	$ 198,495	$ 100.00	$ 195,870	-1.32%
Usage (in 100 Gallons)														
All Usage	226,084	$1.2363	$ 279,508	237,520	$1.2363	$293,646	237,520	$1.2363	$ 293,646	$ 3,935	$ 297,581	$1.2363	$ 293,646	-1.32%
Adjustment (1):														
Unmetered Rate	(568)													
EDU	568													
All Usage	11,436													
RZ 2 Commercial Usage	237,520			237,520			237,520							
RZ 2 Commercial Revenues			**$ 658,750**			**$ 647,299**			**$ 647,299**	**$ 8,674**	**$ 655,973**		**$ 647,299**	**-1.32%**

Note (1) Adjustment for change of flat rate to metered customers.

Rate Zone 2 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs													
EDU	60	$ 54.95	$ 3,297	60	$ 54.95	$ 3,297	60	$ 54.95	$ 44	$ 3,341	$ 54.95	$ 3,297	-1.32%
Subtotal	60		$3,297	60		$3,297	60		$44	$3,341		$3,297	-1.32%
Unmetered Customers	-	$ 100.00	$0	0	$ 100.00	$0	0	$ 100.00	$ -	$ -	$ 100.00	$0	0.00%
Usage (in 100 Gallons)													
All Usage	370	$ 1.2363	$457	370	$ 1.2363	$ 457	370	$ 1.2363	$ 6	$ 463	$ 1.2363	$ 457	-1.30%
RZ 2 Public Usage	370			370			370						
RZ 2 Public Revenues			**$3,754**			**$3,754**			**$50**	**$3,804**		**$3,754**	**-1.31%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 3 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	754,932	39,646	$ 4,127,521	1,151,745	40,552	$ 3,994,648	1,161,915	41,230	$ 3,974,202	$ 53,255	$ 4,027,457	$ 3,963,725	-1.58%
Commercial	70,360	3,472	382,048	70,360	3,472	366,322	70,360	3,472	366,322	4,909	371,231	366,322	-1.32%
Total Rate Zone 3	825,292	43,118	$ 4,509,569	1,222,105	44,024	$ 4,360,970	1,232,275	44,702	$ 4,340,524	$ 58,164	$ 4,398,688	$ 4,330,047	-1.56%

Rate Zone 3 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU*	27,917	$ 66.37	$ 1,852,871	39,718	$ 66.37	$ 2,636,084	40,396	$66.37	$ 2,681,083	$ 35,927	$ 2,717,010	$ 66.37	$ 2,681,083	-1.32%
Subtotal	27,917		$ 1,852,871	39,718		$ 2,636,084	40,396		$ 2,681,083	$ 35,927	$ 2,717,010		$ 2,681,083	-1.32%
Unmetered Customers	11,729	$ 115.00	$ 1,348,801	156	$ 115.00	$ 17,940	156	$ 115.00	$ 17,940	$ 240	$ 18,180	$ 115.00	$ 17,940	-1.32%
Usage (in 100 Gallons)														
All Usage	754,932	$ 1.2264	$ 925,849	1,141,575	$1.2264	$ 1,400,028	1,151,745	$1.2264	$ 1,412,500	$ 18,928	$ 1,431,428	$1.2264	$ 1,412,500	-1.32%
Low Income:														
Low Income Discount Tier 1						($67,390)			$ (112,316)	$ (1,505)	$ (113,821)		($118,472)	4.09%
Low Income Discount Tier 2						(30,275)			(50,458)	(676)	(51,134)		($53,105)	3.86%
Low Income Discount Tier 3						(19,210)			(32,017)	(429)	(32,446)		($33,691)	3.84%
RZ 3 Residential Bill Analysis Revenues			**$ 4,127,521**											
Adjustment (1):														
Unmetered Rate	(11,573)	115.00000	($1,330,861)											
EDU	11,573	66.37000	768,080											
All Usage	383,223	1.22640	469,985											
Adjustment (2):														
5/8 - Meter	228	$ 66.37	$15,132	678	$ 66.37	$44,999	678	$ 66.37	$ 44,999	$ 603	$ 45,602	$ 66.37	$44,999	-1.32%
All Usage	3,420	$ 1.2264	4,194	10,170	$ 1.2264	12,472	10,170	$ 1.2264	12,472	167	12,639	$ 1.2264	$12,472	-1.32%
RZ 3 Residential Usage	1,141,575			1,151,745			1,161,915							
RZ 3 Residential Annualized/Proforma Revenues			**$ 4,054,051**			**$ 3,994,648**			**$ 3,974,202**	**$ 53,255**	**$ 4,027,457**		**$ 3,963,725**	**-1.58%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 3 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 3 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU*	1,452	$ 65.20	$ 94,670	2,318	$ 65.20	$ 151,127	2,318	$ 65.20	$ 151,127	$ 2,025	$ 153,152	$ 65.20	$ 151,127	-1.32%
Subtotal	1,452		$94,670	2,318		$ 151,127	2,318		$ 151,127	$ 2,025	$ 153,152		$ 151,127	-1.32%
Unmetered Customers	2,020	$ 113.00	$ 228,271	1,154	$ 113.00	$ 130,425	1,154	$ 113.00	$ 130,425	$ 1,748	$ 132,173	$ 113.00	$ 130,425	-1.32%
Usage (in 100 Gallons)														
All Usage	49,060	$1.2048	$ 59,107	70,360	$1.2048	$84,770	70,360	$1.2048	$ 84,770	$ 1,136	$ 85,906	$1.2048	$ 84,770	-1.32%
Adjustment (1):														
Unmetered Rate	(866)													
EDU	866													
All Usage	21,300													
RZ 3 Commercial Usage	70,360			70,360			70,360							
RZ 3 Commercial Revenues			**$ 382,048**			**$ 366,322**			**$ 366,322**	**$ 4,909**	**$ 371,231**		**$ 366,322**	**-1.32%**

Note (1) Adjustment for change of flat rate to metered customers.
*Billing determinants Includes Stony Creek - Whitehall Estates customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 4 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	259,669	31,496	$ 4,209,160	276,469	32,564	$ 4,104,783	293,269	33,236	$ 4,030,485	$ 54,008	$ 4,084,493	$ 4,076,688	-0.19%
Commercial	74,429	7,486	1,009,158	74,429	7,486	1,009,158	74,429	7,486	1,009,158	13,522	1,022,680	1,029,464	0.66%
Total Rate Zone 4	334,098	38,983	$ 5,218,318	350,898	40,051	$ 5,113,941	367,698	40,723	$ 5,039,643	$ 67,530	$ 5,107,173	$ 5,106,152	-0.02%

Rate Zone 4 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	6,513	$ 86.12	$ 560,865	6,909	$ 86.12	$ 594,969	7,581	$86.12	$ 652,841	$ 8,748	$ 661,589	$ 86.12	$ 652,841	-1.32%
Subtotal	6,513		$ 560,865	6,909		$594,969	7,581		$652,841	$8,748	$661,589		652,841	-1.32%
Unmetered Customers	24,984	$ 133.35	$ 3,331,563	24,984	$ 133.35	$ 3,331,563	24,984	$ 133.35	$ 3,331,563	$ 44,643	$ 3,376,206	$ 135.20	$ 3,377,670	0.04%
Usage (in 100 Gallons)														
All Usage	249,769	$ 1.2681	$ 316,732	259,669	$1.2681	$ 329,286	276,469	$1.2681	$ 350,590	$ 4,698	$ 355,288	$1.2681	$ 350,590	-1.32%
Low Income:														
Low Income Discount Tier 1						($128,392)			$ (213,986)	$ (2,867)	$ (216,853)		$ (213,927)	-1.35%
Low Income Discount Tier 2						(58,375)			(97,291)	(1,304)	(98,595)		(97,278)	-1.34%
Low Income Discount Tier 3						(43,445)			(72,408)	(970)	(73,378)		(72,386)	-1.35%
RZ 4 Residential Bill Analysis Revenues			**4,209,160**											
Adjustment (1):														
5/8 - Meter	396	$ 86.12	$34,104	672	$86.12	$57,873	672	$86.12	$ 57,873	$ 775	$ 58,648	$ 86.12	$57,873	-1.32%
All Usage	9,900	$1.2681	12,554	16,800	$1.2681	21,304	16,800	$1.2681	21,304	285	21,589	$1.2681	$21,304	-1.32%
RZ 4 Residential Usage	259,669			276,469			293,269							
RZ 4 Residential Annualized/Proforma Revenues			**$ 4,255,818**			**$ 4,104,783**			**$ 4,030,485**	**$ 54,008**	**$ 4,084,493**		**$ 4,076,688**	**-0.19%**

Note (1) Adjustment to account for the growth (loss) in customers.

Rate Zone 4 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	1,385	$ 84.60	$ 117,196	1,385	$ 84.60	$ 117,196	1,385	$ 84.60	$ 117,196	$ 1,570	$ 118,766	$ 84.60	$ 117,196	-1.00%
Subtotal	1,385		$117,196	1,385		$ 117,196	1,385		$ 117,196	$ 1,570	$ 118,766		$ 117,196	-1.00%
Unmetered Customers	6,101	$ 131.00	$ 799,244	6,101	$ 131.00	$ 799,244	6,101	$ 131.00	$ 799,244	$ 10,710	$ 809,954	$ 134.33	$ 819,552	1.00%
Usage (in 100 Gallons)														
All Usage	74,429	$1.2457	$ 92,718	74,429	$1.2457	$92,718	74,429	$1.2457	$ 92,718	$ 1,242	$ 93,960	$1.2457	$ 92,716	-1.00%
RZ 4 Commercial Usage	74,429			74,429			74,429							
RZ 4 Commercial Revenues			**$ 1,009,158**			**$ 1,009,158**			**$ 1,009,158**	**$ 13,522**	**$ 1,022,680**		**$ 1,029,464**	**1.00%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 5 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	264,432	7,279	$ 1,073,249	284,617	7,297	$ 1,075,731	284,746	7,303	$ 1,068,313	$ 14,316	$ 1,082,629	$ 1,068,377	-1.32%
Commercial	10,587	54	148,536	10,587	54	148,536	10,587	54	148,536	1,991	150,527	148,635	-1.26%
Total Rate Zone 5	275,019	7,333	$ 1,221,785	295,204	7,351	$ 1,224,267	295,333	7,357	$ 1,216,849	$ 16,307	$ 1,233,156	$ 1,217,012	-1.31%

Rate Zone 5 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
5/8 - Meter	456	$ 98.95	$ 45,121	456	$ 98.95	$ 45,121	456	$98.95	$ 45,121	$ 605	$ 45,726	$ 98.95	$ 45,121	-1.32%
3/4 - Meter	-	148.43	-	-	148.43	-	-	148.43	-	-	-	148.43	-	0.00%
1 - Meter	-	247.38	-	-	247.38	-	-	247.38	-	-	-	247.38	-	0.00%
1 1/2 - Meter	-	494.75	-	-	494.75	-	-	494.75	-	-	-	494.75	-	0.00%
2 - Meter	-	791.60	-	-	791.60	-	-	791.60	-	-	-	791.60	-	0.00%
3 - Meter	-	1,484.25	-	-	1,484.25	-	-	1,484.25	-	-	-	1,484.25	-	0.00%
4 - Meter	-	2,473.75	-	-	2,473.75	-	-	2,473.75	-	-	-	2,473.75	-	0.00%
6 - Meter	-	4,947.50	-	-	4,947.50	-	-	4,947.50	-	-	-	4,947.50	-	0.00%
8 - Meter	-	7,916.00	-	-	7,916.00	-	-	7,916.00	-	-	-	7,916.00	-	0.00%
Subtotal	456		$ 45,121	456		$45,121	456		$45,121	$605	$45,726		$45,121	-1.32%
Charge by Number oF EDUs														
EDU	6,559	$ 98.95	$ 648,983	6,823	$ 98.95	$ 675,116	6,829	$98.95	$ 675,710	$ 9,055	$ 684,765	$ 98.95	$ 675,710	-1.32%
Subtotal	6,559		$ 648,983	6,823		$675,116	6,829		$675,710	$9,055	$684,765		675,710	-1.32%
Unmetered Customers	264	$ 150.30	$ 39,694	12	$ 150.30	$ 1,804	12	$ 150.30	$ 1,804	$ 24	$ 1,828	$ 147.75	$ 1,773	-3.01%
Usage (in 100 Gallons)														
All Usage	264,432	$ 1.2837	$ 339,451	284,488	$1.2837	$ 365,198	284,617	$1.2837	$ 365,363	$ 4,896	$ 370,259	$1.2837	$ 365,363	-1.32%
Low Income:														
Low Income Discount Tier 1						($6,967)			$ (11,611)	$ (156)	$ (11,767)		$ (11,551)	-1.83%
Low Income Discount Tier 2						(3,129)			(5,216)	(70)	(5,286)		(5,202)	-1.57%
Low Income Discount Tier 3						(2,171)			(3,619)	(48)	(3,667)		(3,596)	-1.93%
RZ 5 Residential Bill Analysis Revenues			**$ 1,073,249**											
Adjustment (1):														
Unmetered Rate	(252)	150.30000	($37,891)											
EDU	252	98.95000	24,945											
All Usage	19,799	1.28370	25,416											
Adjustment (2):														
EDU	12	$98.95	$1,187	6	$98.95	$594	6	$98.95	$ 594	$ 8	$ 602	$98.95	$594	-1.33%
All Usage	257	$1.2837	331	129	$1.2837	165	129	$1.2837	166	2	168	$1.2837	$166	-1.19%
RZ 5 Residential Usage	284,488			284,617			284,746							
RZ 5 Residential Annualized/Proforma Revenues			**$ 1,087,237**			**$ 1,075,731**			**$ 1,068,313**	**$ 14,316**	**$ 1,082,629**		**$ 1,068,377**	**-1.32%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 5 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 5 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	42	$ 97.20	$ 4,082	42	$ 97.20	$ 4,082	42	$ 97.20	$ 4,082	$ 55	$ 4,137	$ 97.20	$ 4,082	-1.33%
Subtotal	42		$4,082	42		$ 4,082	42		$ 4,082	$ 55	$ 4,137		$ 4,082	-1.33%
Unmetered - Avon Grove School	12	$ 10,925.36	$ 131,104	12	#########	$ 131,104	12	#########	$ 131,104	$ 1,757	$ 132,861	#########	$ 131,203	-1.25%
Usage (in 100 Gallons)														
All Usage	10,587	$1.2610	$ 13,350	10,587	$1.2610	$13,350	10,587	$1.2610	$ 13,350	$ 179	$ 13,529	$1.2610	$ 13,350	-1.32%
RZ 5 Commercial Usage	10,587			10,587			10,587							
RZ 5 Commercial Revenues			**$ 148,536**			**$ 148,536**			**$ 148,536**	**$ 1,991**	**$ 150,527**		**$ 148,635**	**-1.26%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 6 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	213,133	16,755	$ 1,056,960	216,193	16,959	$ 1,049,958	217,908	17,073	$ 1,043,890	$ 13,988	$ 1,057,878	$ 1,031,457	-2.50%
Commercial	12,642	112	10,086	12,642	112	10,086	12,642	112	10,086	135	10,221	10,007	-2.09%
Total Rate Zone 6	225,775	16,867	$ 1,067,046	228,835	17,071	$ 1,060,044	230,550	17,185	$ 1,053,976	$ 14,123	$ 1,068,099	$ 1,041,464	-2.49%

Rate Zone 6 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	16,719	$ 59.55	$ 995,616	16,809	$ 59.55	$ 1,000,976	16,923	$59.55	$ 1,007,765	$ 13,504	$ 1,021,269	$ 58.86	$ 996,088	-2.47%
Subtotal	16,719		$ 995,616	16,809		$1,000,976	16,923		$ 1,007,765	$ 13,504	$ 1,021,269		996,088	-2.47%
Unmetered Customers	36	$ 70.59	$ 2,541	36	$ 70.59	$ 2,541	36	$ 70.59	$ 2,541	$ 34	$ 2,575	$ 69.41	$ 2,499	-2.95%
Usage (in 100 Gallons)														
All Usage	213,133	$ 0.2759	$ 58,803	214,483	$0.2759	$ 59,176	216,193	$0.2759	$ 59,648	$ 799	$ 60,447	$0.2727	$ 58,959	-2.46%
Low Income:														
Low Income Discount Tier 1						($11,260)			$ (18,767)	$ (251)	$ (19,018)		$ (18,736)	-1.48%
Low Income Discount Tier 2						(5,281)			(8,802)	(118)	(8,920)		(8,786)	-1.50%
Low Income Discount Tier 3						(3,455)			(5,758)	(77)	(5,835)		(5,746)	-1.53%
RZ 6 Residential Bill Analysis Revenues			**$ 1,056,960**											
Adjustment (1):														
5/8 - Meter	90	$ 59.55	$5,360	114	$59.55	$6,789	114	$59.55	$ 6,789	$ 91	$ 6,880	$ 58.86	$6,710	-2.47%
All Usage	1,350	$0.2759	372	1,710	$0.2759	472	1,715	$0.2759	473	6	479	$0.2727	$468	-2.30%
RZ 6 Residential Usage	214,483			216,193			217,908							
RZ 6 Residential Annualized/Proforma Revenues			**$ 1,062,692**			**$ 1,049,958**			**$ 1,043,890**	**$ 13,988**	**$ 1,057,878**		**$ 1,031,457**	**-2.50%**

Note (1) Adjustment to account for the growth (loss) in customers.

Rate Zone 6 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	100	$ 58.50	$ 5,856	100	$ 58.50	$ 5,856	100	$ 58.50	$ 5,856	$ 78	$ 5,934	$ 57.82	$ 5,788	-2.46%
Subtotal	100		$5,856	100		$ 5,856	100		$ 5,856	$ 78	$ 5,934		$ 5,788	-2.46%
Unmetered Customers	12	$ 67.00	$ 804	12	$ 67.00	$ 804	12	$ 67.00	$ 804	$ 11	$ 815	$ 69.41	$ 833	2.21%
Usage (in 100 Gallons)														
All Usage	12,642	$0.2710	$ 3,426	12,642	$0.2710	$3,426	12,642	$0.2710	$ 3,426	$ 46	$ 3,472	$0.2679	$ 3,386	-2.48%
RZ 6 Commercial Usage	12,642			12,642			12,642							
RZ 6 Commercial Revenues			**$ 10,086**			**$ 10,086**			**$ 10,086**	**$ 135**	**$ 10,221**		**$ 10,007**	**-2.09%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 7 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	2,284,019	63,909	$ 4,870,246	2,307,119	65,325	$ 4,917,017	2,330,282	66,249	$ 4,948,481	$ 66,310	$ 5,014,791	$ 6,053,395	20.71%
Commercial	1,613,664	28,863	2,644,581	1,613,664	28,863	2,644,581	1,613,664	28,863	2,644,581	35,438	2,680,019	3,244,010	21.04%
Public	31,271	48	29,944	31,271	48	29,944	31,271	48	29,944	402	30,346	38,168	25.78%
Total Rate Zone 7	3,928,954	92,821	$ 7,544,771	3,952,054	94,237	$ 7,591,542	3,975,217	95,161	$ 7,623,006	$ 102,150	$ 7,725,156	$ 9,335,573	20.85%

Rate Zone 7 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	58,212	$ 42.13	$ 2,452,483	58,704	$ 42.13	$ 2,473,211	59,628	$42.13	$ 2,512,139	$ 33,663	$ 2,545,802	$ 47.64	$ 2,840,691	11.58%
Subtotal	58,212		$ 2,452,483	58,704		$2,473,211	59,628		$ 2,512,139	$ 33,663	$ 2,545,802		2,840,691	11.58%
Unmetered Customers	5,697	$ 61.08	$ 347,987	5,697	$ 61.08	$ 347,987	5,697	$ 61.08	$ 347,987	$ 4,663	$ 352,650	$ 92.85	$ 528,962	50.00%
Usage (in 100 Gallons)														
All Usage	2,274,229	$ 0.9101	$ 2,069,776	2,284,019	$0.9101	$ 2,078,686	2,307,119	$0.9101	$ 2,099,709	$ 28,136	$ 2,127,845	$1.1681	$ 2,694,946	26.65%
Low Income:														
Low Income Discount Tier 1						($24,654)			$ (41,090)	($551)	($41,641)		$ (47,509)	14.09%
Low Income Discount Tier 2						(10,857)			(18,095)	(242)	(18,337)		(20,846)	13.68%
Low Income Discount Tier 3						(7,306)			(12,177)	(163)	(12,340)		(13,925)	12.84%
RZ 7 Residential Bill Analysis Revenues			**$ 4,870,246**											
Adjustment (1):														
5/8 - Meter	492	$ 42.13	$ 20,728	924	$ 42.13	$ 38,928	924	$ 42.13	$ 38,928	$ 522	$ 39,450	$ 47.64	$ 44,019	11.58%
All Usage	12,300	$0.9101	11,194	23,100	$ 0.9101	21,023	23,163	$ 0.9101	21,081	282	21,363	$1.1681	27,057	26.65%
Adjustment (2):														
Deduct Meter Usage	(2,510)	$0.9101	$ (2,284)											
RZ 7 Residential Usage	2,284,019			2,307,119			2,330,282							
RZ 7 Residential Annualized/Proforma Revenues			**$ 4,899,884**			**$ 4,917,017**			**$ 4,948,481**	**$ 66,310**	**$ 5,014,791**		**$ 6,053,395**	**20.71%**

Note (1) Adjustment to account for the growth (loss) in customers.
Note (2) Adjustment to account for Deduct Meter usage.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 7 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 7 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	28,471	$ 41.39	$ 1,178,406	28,471	$ 41.39	$ 1,178,406	28,471	$ 41.39	$ 1,178,406	$ 15,791	$ 1,194,197	$ 47.64	$ 1,356,349	13.58%
Subtotal	28,471		$1,178,406	28,471		$ 1,178,406	28,471		$ 1,178,406	$ 15,791	$ 1,194,197		$ 1,356,349	13.58%
Unmetered Customers	393	$ 60.00	$ 23,560	393	$ 60.00	$ 23,560	393	$ 60.00	$ 23,560	$ 316	$ 23,876	$ 92.04	$ 36,143	51.38%
Usage (in 100 Gallons)														
All Usage	1,613,664	$0.8940	$ 1,442,615	1,613,664	$0.8940	$1,442,615	1,613,664	$0.8940	$ 1,442,615	$ 19,331	$ 1,461,946	$1.1474	$ 1,851,518	26.65%
RZ 7 Commercial Usage	1,613,664			1,613,664			1,613,664							
RZ 7 Commercial Revenues			**$ 2,644,581**			**$ 2,644,581**			**$ 2,644,581**	**$ 35,438**	**$ 2,680,019**		**$ 3,244,010**	**21.04%**

Rate Zone 7 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	48	$ 41.39	$ 1,988	48	$ 41.39	$ 1,988	48	$ 41.39	$ 1,988	$ 27	$ 2,015	$ 47.64	$ 2,288	13.55%
Subtotal	48		$1,988	48		$1,988	48		$ 1,988	$ 27	$ 2,015		$2,288	13.55%
Unmetered Customers	-	$ 60.00	$0	0	$ 60.00	$0	0	$ 60.00	$ -	$ -	$ -	$ 92.04	$0	0.00%
Usage (in 100 Gallons)														
All Usage	31,271	$ 0.8940	$27,956	31,271	$ 0.8940	$ 27,956	31,271	$ 0.8940	$ 27,956	$ 375	$ 28,331	$ 1.1474	$ 35,880	26.65%
RZ 7 Public Usage	31,271			31,271			31,271							
RZ 7 Public Revenues			**$29,944**			**$29,944**			**$29,944**	**$402**	**$30,346**		**$38,168**	**25.78%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 8 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	480,738	15,153	$ 1,448,510	484,698	15,423	$ 1,458,136	488,669	15,621	$ 1,466,025	$ 19,644	$ 1,485,669	$ 1,480,965	-0.32%
Commercial	360,238	406	431,700	360,238	406	431,700	360,238	406	431,700	5,785	437,485	468,075	6.99%
Public	7,101	24	9,153	7,101	24	9,153	7,101	24	9,153	123	9,276	10,121	9.11%
Other - Residential	-	228	23,461	-	228	23,461	-	228	23,461	314	23,775	22,800	-4.10%
Total Rate Zone 8	848,077	15,811	$ 1,912,824	852,037	16,081	$ 1,922,450	856,008	16,279	$ 1,930,339	$ 25,866	$ 1,956,205	$ 1,981,961	1.32%

Rate Zone 8 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	14,877	$ 57.61	$ 857,047	14,949	$ 57.61	$ 861,195	15,147	$57.61	$ 872,601	$ 11,693	$ 884,294	$ 55.93	$ 847,155	-4.20%
Subtotal	14,877		$ 857,047	14,949		$861,195	15,147		$ 872,601	$ 11,693	$ 884,294		847,155	-4.20%
Unmetered Customers	276	$ 104.75	$ 28,911	276	$ 104.75	$ 28,911	276	$ 104.75	$ 28,911	$ 387	$ 29,298	$ 101.80	$ 28,097	-4.10%
Usage (in 100 Gallons)														
All Usage	479,298	$ 1.1737	$ 562,552	480,738	$1.1737	$ 564,242	484,698	$1.1737	$ 568,890	$ 7,623	$ 576,513	$1.2585	$ 609,992	5.81%
Low Income:														
Low Income Discount Tier 1						($6,967)			$ (11,611)	$ (156)	$ (11,767)		$ (11,551)	-1.83%
Low Income Discount Tier 2						(3,129)			(5,216)	(70)	(5,286)		(5,202)	-1.57%
Low Income Discount Tier 3						(2,171)			(3,619)	(48)	(3,667)		(3,596)	-1.93%
RZ 8 Residential Bill Analysis Revenues			**$ 1,448,510**											
Adjustment (1):														
5/8 - Meter	72	$ 57.61	$4,148	198	$57.61	$11,407	198	$57.61	$ 11,407	$ 153	$ 11,560	$ 55.93	$11,074	-4.20%
All Usage	1,440	$1.1737	1,690	3,960	$1.1737	4,648	3,971	$1.1737	4,661	62	4,723	$1.2585	$4,997	5.80%
RZ 8 Residential Usage	480,738			484,698			488,669							
RZ 8 Residential Annualized/Proforma Revenues			**$ 1,454,348**			**$ 1,458,136**			**$ 1,466,025**	**$ 19,644**	**$ 1,485,669**		**$ 1,480,965**	**-0.32%**

Note (1) Adjustment to account for the growth (loss) in customers.

Rate Zone 8 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	406	$ 40.25	$ 16,346	406	$ 40.25	$ 16,346	406	$ 40.25	$ 16,346	$ 219	$ 16,565	$ 55.93	$ 22,713	37.11%
Subtotal	406		$16,346	406		$ 16,346	406		$ 16,346	$ 219	$ 16,565		$ 22,713	37.11%
Unmetered Customers	-	$ 102.90	$ -	0	$ 102.90	$ -	-	$ 102.90	$ -	$ -	$ -	$ 100.00	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	360,238	$1.1530	$ 415,354	360,238	$1.1530	$415,354	360,238	$1.1530	$ 415,354	$ 5,566	$ 420,920	$1.2363	$ 445,362	5.81%
RZ 8 Commercial Usage	360,238			360,238			360,238							
RZ 8 Commercial Revenues			**$ 431,700**			**$ 431,700**			**$ 431,700**	**$ 5,785**	**$ 437,485**		**$ 468,075**	**6.99%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 8 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 8 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	24	$ 40.25	$ 966	24	$ 40.25	$ 966	24	$40.25	$ 966	$ 13	$ 979	$ 55.93	$ 1,342	37.00%
Subtotal	24		$966	24		$966	24		$ 966	$ 13	$ 979		$1,342	37.00%
Unmetered Customers	-	$ 102.90	$ -	-	$ 102.90	$ -	-	$ 102.90	$ -	$ -	$ -	$ 100.00	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	7,101	$1.1530	$8,187	7,101	$1.1530	$8,187	7,101	$1.1530	$ 8,187	$ 110	$ 8,297	$1.2363	$8,779	6.00%
RZ 8 Public Usage	7,101			7,101			7,101							
RZ 8 Public Revenues			**$9,153**			**$9,153**			**$9,153**	**$123**	**$9,276**		**$10,121**	**9.00%**

Rate Zone 8 - Other Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	-	$ 40.25	$ -	-	$ 40.25	$ -	-	$ 40.25	$ -	$ -	$ -	$ 55.93	$ -	0.00%
Subtotal	-		$ -	-		$ -	-		$ -	$ -	$ -		$ -	0.00%
Unmetered Customers	228	$ 102.90	$23,461	228	$ 102.90	$23,461	228	$ 102.90	$ 23,461	$ 314	$ 23,775	$ 100.00	$22,800	-4.00%
Usage (in 100 Gallons)														
All Usage	-	$ 1.1530	$ -	-	$ 1.1530	$ -	-	$ 1.1530	$ -	$ -	$ -	$ 1.2363	$ -	0.00%
RZ 8 Other Usage	-			-			-							
RZ 8 Other Revenues			**$23,461**			**$23,461**			**$23,461**	**$314**	**$23,775**		**$22,800**	**-4.00%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	4,551,020	119,214	$ 7,204,632	4,567,820	120,174	$ 7,210,577	4,584,666	120,846	$ 7,216,201	$ 96,697	$ 7,312,898	$ 11,030,182	50.83%
Commercial	2,781,963	83,401	4,664,905	2,781,963	83,401	4,664,905	2,781,963	83,401	4,664,905	62,510	4,727,415	7,165,257	51.57%
Industrial	3,189	107	5,697	3,189	107	5,697	3,189	107	5,697	76	5,773	8,737	51.34%
Public	89,566	1,249	104,435	89,566	1,249	104,435	89,566	1,249	104,435	1,400	105,835	162,251	53.31%
Total Rate Zone 9	7,425,738	203,971	$ 11,979,669	7,442,538	204,931	$ 11,985,614	7,459,384	205,603	$ 11,991,238	$ 160,683	$ 12,151,921	$ 18,366,427	51.14%

Rate Zone 9 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	119,214	$ 32.42	$ 3,864,924	119,502	$ 32.42	$ 3,874,261	120,174	32.42	$ 3,896,048	$ 52,207	$ 3,948,255	$ 47.64	$ 5,725,099	45.00%
Subtotal	119,214		$ 3,864,924	119,502		$ 3,874,261	120,174		$ 3,896,048	$ 52,207	$ 3,948,255		$ 5,725,099	45.00%
Unmetered Customers	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	4,543,820	$ 0.7350	$ 3,339,708	4,551,020	$0.7350	$ 3,345,000	4,567,820	$0.7350	$ 3,357,348	$ 44,988	$ 3,402,336	$1.1681	$ 5,335,671	56.82%
Low Income:														
Low Income Discount Tier 1						($24,654)			(41,090)	$ (551)	$ (41,641)		(47,509)	14.09%
Low Income Discount Tier 2						(10,857)			(18,095)	(242)	(18,337)		(20,846)	13.68%
Low Income Discount Tier 3						(7,306)			(12,177)	(163)	(12,340)		(13,925)	12.84%
RZ 9 Residential Bill Analysis Revenues			**$ 7,204,632**											
Adjustment (1):														
5/8 - Meter	288	$ 32.42	$9,337	672	$32.42	$21,786	672	$32.42	$ 21,786	$ 292	$ 22,078	$ 47.64	$32,014	45.00%
All Usage	7,200	$ 0.7350	5,292	16,800	$ 0.7350	12,348	16,846	$ 0.7350	12,382	166	12,548	$ 1.1681	$19,678	56.82%
RZ 9 Residential Usage	4,551,020			4,567,820			4,584,666							
RZ 9 Residential Anualized/Proforma Revenues			**$ 7,219,261**			**$ 7,210,577**			**$ 7,216,201**	**$ 96,697**	**$ 7,312,898**		**$ 11,030,182**	**50.83%**

Note (1) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 9 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	83,401	$ 31.85	$ 2,656,328	83,401	$ 31.85	$ 2,656,328	83,401	$ 31.85	$ 2,656,328	$ 35,595	$ 2,691,923	$ 47.64	$ 3,973,233	47.60%
Subtotal	83,401		$ 2,656,328	83,401		$ 2,656,328	83,401		$ 2,656,328	$ 35,595	$ 2,691,923		$ 3,973,233	47.60%
Unmetered Customers	-	$ -	$0	-	$ -	$0	-	$ -	$ -	$ -	$ -	$ -	$0	0.00%
Usage (in 100 Gallons)														
All Usage	2,781,963	$ 0.7220	$ 2,008,577	2,781,963	$ 0.7220	$2,008,577	2,781,963	$ 0.7220	$ 2,008,577	$ 26,915	$ 2,035,492	$ 1.1474	$ 3,192,024	56.82%
RZ 9 Commercial Usage	2,781,963			2,781,963			2,781,963							
RZ 9 Commercial Revenues			**$ 4,664,905**			**$ 4,664,905**			**$ 4,664,905**	**$ 62,510**	**$ 4,727,415**		**$ 7,165,257**	**51.57%**

Rate Zone 9 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	107	$ 31.85	$ 3,395	107	$ 31.85	$ 3,395	107	$31.85	$ 3,395	$ 45	$ 3,440	$ 47.64	$ 5,078	48.00%
Subtotal	107		$ 3,395	107		$ 3,395	107		$ 3,395	$ 45	$ 3,440		$ 5,078	48.00%
Unmetered Customers	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	3,189	$0.7220	$2,302	3,189	$0.7220	$2,302	3,189	$0.7220	$ 2,302	$ 31	$ 2,333	$1.1474	$3,659	57.00%
RZ 9 Industrial Usage	3,189			3,189			3,189							
RZ 9 Industrial Revenues			**$ 5,697**			**$ 5,697**			**$ 5,697**	**$ 76**	**$ 5,773**		**$ 8,737**	**51.00%**

Rate Zone 9 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	1,249	$ 31.85	$ 39,768	1,249	$ 31.85	$ 39,768	1,249	$ 31.85	$ 39,768	$ 533	$ 40,301	$ 47.64	$ 59,483	48.00%
Subtotal	1,249		$ 39,768	1,249		$ 39,768	1,249		$ 39,768	$ 533	$ 40,301		$ 59,483	48.00%
Unmetered Customers	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	89,566	$ 0.7220	$64,667	89,566	$ 0.7220	$ 64,667	89,566	$ 0.7220	$ 64,667	$ 867	$ 65,534	$ 1.1474	$ 102,768	57.00%
RZ 9 Public Usage	89,566			89,566			89,566							
RZ 9 Public Revenues			**$ 104,435**			**$ 104,435**			**$ 104,435**	**$ 1,400**	**$ 105,835**		**$ 162,251**	**53.00%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 10 - EAST NORRITON WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	1,917,666	55,524	$ 3,525,190	1,924,866	56,094	$ 3,511,406	1,932,086	56,382	$ 3,482,860	$ 46,883	$ 3,545,565	$ 4,967,094	40.09%
Commercial	1,540,066	4,324	1,329,774	1,540,066	4,324	1,329,774	1,540,066	4,324	1,329,774	17,819	1,347,593	1,987,571	47.49%
Total Rate Zone 10	3,457,732	59,848	$ 4,854,964	3,464,932	60,418	$ 4,841,180	3,472,152	60,706	$ 4,812,634	$ 64,702	$ 4,893,158	$ 6,954,665	42.13%

Rate Zone 10 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	53,168	$ 35.57	$ 1,891,186	53,450	$ 35.57	$ 1,901,217	53,738	$35.57	$ 1,911,461	$ 25,614	$ 1,937,075	$ 47.64	$ 2,560,078	32.16%
Subtotal	53,168		$ 1,891,186	53,450		$1,901,217	53,738		$ 1,911,461	$ 25,614	$ 1,937,075		2,560,078	32.16%
Unmetered Customers	2,356	$ 66.06	$ 155,611	2,356	$ 66.06	$ 155,611	2,356	$ 66.06	$ 155,611	$ 2,085	$ 157,696	$ 92.85	$ 218,707	38.69%
Usage (in 100 Gallons)														
All Usage	1,913,530	$ 0.7726	$ 1,478,393	1,917,666	$0.7726	$ 1,481,589	1,924,866	$0.7726	$ 1,487,151	$ 19,928	$ 1,507,079	$1.1681	$ 2,248,436	49.19%
Low Income:														
Low Income Discount Tier 1						($24,654)			$ (41,090)	$ (551)	$ (41,641)		$ (47,509)	14.09%
Low Income Discount Tier 2						(10,857)			(18,095)	(242)	(18,337)		(20,846)	13.68%
Low Income Discount Tier 3						(7,306)			(12,177)	(163)	(12,340)		(13,925)	12.84%
RZ 10 Residential Bill Analysis Revenues			**$ 3,525,190**											
Adjustment (1):														
5/8 - Meter	282	$ 35.57	$10,031	288	$35.57	$10,244	288	$35.57		$137	$10,381	$ 47.64	$13,720	32.16%
All Usage	7,050	$0.7726	5,447	7,200	$0.7726	5,563	7,220	$0.7726		75	5,653	$1.1681	$8,433	49.18%
Adjustment (2):														
Deduct Meter Usage	(2,914)	$0.7726	$ (2,251)											
RZ 10 Residential Usage	1,917,666			1,924,866			1,932,086							
RZ 10 Residential Annualized/Proforma Revenues			**$ 3,540,668**			**$ 3,511,406**			**$ 3,482,860**	**$ 46,883**	**$ 3,545,565**		**$ 4,967,094**	**40.09%**

Note (1) Adjustment to account for the growth (loss) in customers.
Note (2) Adjustment to account for Deduct Meter usage.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 10 - EAST NORRITON WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 10 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	3,998	$ 34.94	$ 139,690	3,998	$ 34.94	$ 139,690	3,998	$ 34.94	$ 139,690	$ 1,872	$ 141,562	$ 47.64	$ 190,465	34.55%
Subtotal	3,998		$ 139,690	3,998		$ 139,690	3,998		$ 139,690	$ 1,872	$ 141,562		$ 190,465	34.55%
Unmetered Customers	326	$ 64.89	$ 21,174	326	$ 64.89	$ 21,174	326	$ 64.89	$ 21,174	$ 284	$ 21,458	$ 92.04	$ 30,034	39.97%
Usage (in 100 Gallons)														
All Usage	1,540,066	$ 0.7590	$ 1,168,910	1,540,066	$ 0.7590	$1,168,910	1,540,066	$ 0.7590	$ 1,168,910	$ 15,663	$ 1,184,573	$ 1.1474	$ 1,767,072	49.17%
RZ 10 Commercial Usage	1,540,066			1,540,066			1,540,066							
RZ 10 Commercial Revenues			**$ 1,329,774**			**$ 1,329,774**			**$ 1,329,774**	**$ 17,819**	**$ 1,347,593**		**$ 1,987,571**	**47.49%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 11 - NEW GARDEN DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	907,472	24,659	$ 3,362,541	907,472	24,659	$3,362,541	907,472	24,659	$ 3,362,541	$ 45,057	$ 3,407,598	$ 2,520,739	-26.03%
Commercial	180,929	5,187	1,020,311	180,929	5,187	1,020,311	180,929	5,187	1,020,311	13,672	1,033,983	513,776	-50.31%
Public	2,340	37	11,942	2,340	37	11,942	2,340	37	11,942	160	12,102	4,934	-59.23%
Total Rate Zone 11 - New Garden Division	1,090,741	29,882	$4,394,794	1,090,741	29,882	$4,394,794	1,090,741	29,882	$4,394,794	$58,889	$4,453,683	$3,039,449	-31.75%

Rate Zone 11 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
EDUs	24,659	$ 45.46	$1,121,003	24,659	$ 45.46	$1,121,003	24,659	$45.46	$ 1,121,003	$ 15,021	$ 1,136,024	$ 55.93	$1,379,183	21.40%
Subtotal	24,659		$1,121,003	24,659		$1,121,003	24,659		$ 1,121,003	$ 15,021	$ 1,136,024		$1,379,183	21.40%
Unmetered Customers	-		$ -	-		$ -	-		$ -	$ -	$ -		$ -	0.00%
Usage (in 100 Gallons)														
Block 1	778,398	$ 2.3259	1,810,476	778,398	$ 2.3259	1,810,476	778,398	$ 2.3259	1,810,476	24,260	1,834,736	$ 1.2585	979,614	-46.61%
Block 2	129,074	3.3435	431,560	129,074	3.3435	431,560	129,074	3.3435	431,560	5,783	437,343	1.2585	162,440	-62.86%
Subtotal	907,472		2,242,036	907,472		2,242,036	907,472		2,242,036	30,043	2,272,079		1,142,054	
Low Income:														
Low Income Discount Tier 1			$ (149)			$ (149)			$ (149)	$ (2)	$ (151)		$ (149)	
Low Income Discount Tier 2			(350)			(350)			(350)	(5)	(355)		(350)	
Low Income Discount Tier 3			-			-			-	-	-		-	
RZ 11 Residential Bill Analysis Revenues			**$ 3,362,541**											
RZ 11 Residential Usage	907,472			907,472			907,472							
RZ 11 Residential Annualized/Proforma Revenues			**$3,362,541**			**$3,362,541**			**$3,362,541**	**$45,057**	**$3,407,598**		**$2,520,739**	**-26.03%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 11 - NEW GARDEN DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 11 - Commercial 1&2	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
Commercial 1 - EDUs	4,712	$ 62.52	$ 294,588	4,712	$ 62.52	$ 294,588	4,712	$62.52	$ 294,588	$ 3,947	$ 298,535	55.93	$ 263,537	-11.72%
Subtotal	4,712		$ 294,588	4,712		$ 294,588	4,712		$ 294,588	$ 3,947	$ 298,535		$ 263,537	-11.72%
Unmetered Customers	-	$0.00	$0	-	$0.00	$0	-	$0.00	$ -	$ -	$ -	$0.00	$0	0.00%
Usage (in 100 Gallons)														
Block 1	120,249	$ 3.4850	419,068	120,249	$ 3.4850	419,068	120,249	$ 3.4850	419,068	5,616	424,684	$ 1.2363	148,664	-64.99%
Block 2	33,550	4.4868	150,532	33,550	4.4868	150,532	33,550	4.4868	150,532	2,017	152,549	1.2363	41,478	-72.81%
Subtotal	153,799		569,600	153,799		569,600	153,799		569,600	7,633	577,233		190,142	
Customer Charge														
Commercial 2 - EDUs	475	$ 62.52	$29,684	475	$ 62.52	$29,684	475	$62.52	$ 29,684	$ 398	$ 30,082	$ 55.93	$ 26,556	-11.72%
Subtotal	475		$29,684	475		$29,684	475		$ 29,684	$ 398	$ 30,082		$ 26,556	-11.72%
Unmetered Customers	-	$0.00	$0	-	$0.00	$0	-	$0.00	$ -	$ -	$ -	$0.00	$0	0.00%
Usage (in 100 Gallons)														
Block 1	16,993	$ 4.4580	75,756	16,993	$ 4.4580	75,756	16,993	$ 4.4580	75,756	1,015	76,771	$ 1.2363	21,009	-72.63%
Block 2	10,137	5.0000	50,683	10,137	5.0000	50,683	10,137	5.0000	50,683	679	51,362	1.2363	12,532	-75.60%
Subtotal	27,130		126,439	27,130		126,439	27,130		126,439	1,694	128,133		33,541	
RZ 11 Commercial Usage	180,929			180,929			180,929							
RZ 11 Commercial Revenues			**$1,020,311**			**$1,020,311**			**$1,020,311**	**$13,672**	**$1,033,983**		**$513,776**	**-50.31%**

Rate Zone 11 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Annualized Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Customer Charge														
EDUs	37	$ 62.52	$ 2,282	37	$ 62.52	$ 2,282	37	$ 62.52	$ 2,282	$ 31	$ 2,313	$ 55.93	$ 2,041	-11.76%
Subtotal	37		$ 2,282	37		$ 2,282	37		$ 2,282	$ 31	$ 2,313		$ 2,041	-11.76%
Unmetered Customers	-	$0.00	$0	-	$0.00	$0	-	$0.00	$ -	$ -	$ -	$0.00	$0	0.00%
Usage (in 100 Gallons)														
Block 1	838	$ 3.4850	2,922	838	$ 3.4850	2,922	838	$ 3.4850	2,922	39	2,961	$ 1.2363	1,036	-65.01%
Block 2	1,502	4.4868	6,738	1,502	4.4868	6,738	1,502	4.4868	6,738	90	6,828	1.2363	1,857	-72.80%
Subtotal	2,340		$ 9,660	2,340		$ 9,660	2,340		9,660	129	9,789		$2,893	
RZ 11 Public Usage	2,340			2,340			2,340							
RZ 11 Public Revenues			**$11,942**			**$11,942**			**$11,942**	**$160**	**$12,102**		**$4,934**	**-59.23%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 12 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	5,438,130	133,611	$ 9,768,767	5,438,130	133,611	$ 9,759,106	5,438,130	133,611	$ 9,759,106	$ -	$ 9,759,106	$ 12,793,629	31.09%
Commercial	688,711	10,712	1,740,691	688,711	10,712	1,740,691	688,711	10,712	1,740,691	-	1,740,691	1,300,545	-25.29%
Public	22,674	85	55,889	1,971	85	55,889	1,971	85	55,889	-	55,889	30,057	-46.22%
Total Rate Zone 12	6,149,514	144,408	$ 11,565,347	6,128,811	144,408	$ 11,555,686	6,126,840	144,408	$ 11,555,686	$ -	$ 11,555,686	$ 14,124,231	22.23%

Rate Zone 12 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number of EDUs														
EDU - Rate 1	130,076	$ 53.49	$ 6,958,197	130,076	$ 53.49	$ 6,958,197	130,076	$53.49	$ 6,958,197	$ -	$ 6,958,197	$ 47.64	$ 6,196,819	-10.94%
EDU - Rate 2	1,852	89.74	$ 166,204	1,852	89.74	166,204	1,852	89.74	166,204	-	166,204	47.64	88,232	-46.91%
Subtotal	131,928		$ 7,124,401	131,928		$7,124,401	131,928		$ 7,124,401	$ -	$ 7,124,401		$ 6,285,051	
Unmetered Customers	1,683	$ 89.74	$ 151,071	1,683	$ 89.74	$ 151,071	1,683	$ 89.74	$ 151,071	$ -	$ 151,071	$ 92.85	$ 156,299	3.46%
Usage (in 100 Gallons)														
Minimum Usage	189	$ -	$ -	189	$ -	$ -	189	$ -	$ -	$ -	$ -	$1.1681	$ 221	0.00%
Block 1	3,582,506	0.4370	1,565,555	3,560,398	0.4370	1,555,894	3,560,398	0.4370	1,555,894	-	1,555,894	1.1681	4,158,901	167.30%
Block 2	1,179,257	0.4600	542,458	1,179,257	0.4600	542,458	1,179,257	0.4600	542,458	-	542,458	1.1681	1,377,490	153.93%
Block 3	316,136	0.4810	152,061	316,136	0.4810	152,061	316,136	0.4810	152,061	-	152,061	1.1681	369,278	142.85%
Block 4	131,368	0.5290	69,494	131,368	0.5290	69,494	131,368	0.5290	69,494	-	69,494	1.1681	153,451	120.81%
Block 5	69,568	0.5900	41,045	69,568	0.5900	41,045	69,568	0.5900	41,045	-	41,045	1.1681	81,262	97.98%
Block 6	181,214	0.6770	122,682	181,214	0.6770	122,682	181,214	0.6770	122,682	-	122,682	1.1681	211,676	72.54%
Subtotal	5,460,238		2,493,295	5,438,130		$ 2,483,634	5,438,130		$ 2,483,634	$ -	$ 2,483,634		$ 6,352,279	
Low Income:														
Low Income Discount Tier 1						$ -				$ -	$ -			
Low Income Discount Tier 2						-				-	-			
Low Income Discount Tier 3						-				-	-			
RZ 12 Residential Bill Analysis Revenues			**$ 9,768,767**											
Adjustment (1):														
Deduct Meter Usage	(22,108)	$0.5284	$ (11,682)											
RZ 12 Residential Usage	5,438,130			5,438,130			5,438,130							
RZ 12 Residential Annualized/Proforma Revenues			**$ 9,757,085**			**$ 9,759,106**			**$ 9,759,106**	**$ -**	**$ 9,759,106**		**$ 12,793,629**	**31.09%**

Note (1) Adjustment to account for Deduct Meter usage.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 12 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 12 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU - (Apartments)	8,029	$ 53.49	$ 429,494	8,029	$ 53.49	$ 429,494	8,029	$ 53.49	$ 429,494	$ -	$ 429,494	$ 47.64	$ 382,498	-10.94%
EDU - (Other Commercial)	2,683	$ 99.22	$ 266,205	2,683	$ 99.22	$ 266,205	2,683	$ 99.22	266,205	-	266,205	$ 47.64	$ 127,821	-51.98%
Subtotal	10,712		$695,699	10,712		$ 695,699	10,712		$ 695,699	$ -	$ 695,699		$ 510,319	
Unmetered Customers	0	$ 89.74	$ -	-	$ 89.74	$ -	-	$ 89.74	$ -	$ -	$ -	$ 92.04	$ -	0.00%
Usage (in 100 Gallons) - Com. Apartments														
Minimum Usage	309	$ -	$ -	309	$ -	$ -	309	$ -	$ -	$ -	$ -	$ 1.1474	$ 355	0.00%
Block 1	176,753	0.4370	77,241	176,753	0.4370	77,241	176,753	0.4370	77,241	-	77,241	1.1474	202,806	162.56%
Block 2	23,709	0.4600	10,906	23,709	0.4600	10,906	23,709	0.4600	10,906	-	10,906	1.1474	27,204	149.44%
Block 3	1,622	0.4810	780	1,622	0.4810	780	1,622	0.4810	780	-	780	1.1474	1,861	138.59%
Block 4	260	0.5290	138	260	0.5290	138	260	0.5290	138	-	138	1.1474	298	115.94%
Block 5	231	0.5900	136	231	0.5900	136	231	0.5900	136	-	136	1.1474	265	94.85%
Block 6	1,793	0.6770	1,214	1,793	0.6770	1,214	1,793	0.6770	1,214	-	1,214	1.1474	2,057	69.44%
Subtotal	204,677		$ 90,415	204,677		$ 90,415	204,677		$ 90,415	$ -	$ 90,415		$ 234,846	
Usage (in 100 Gallons) - Commercial 2														
Minimum Usage	67,733	0.00000	$ -	67,733	$ -	$ -	67,733	$ -	$ -	$ -	$ -	1.14740	$ 77,717	0.00%
Block 1	416,300	2.29300	954,577	416,300	2.2930	954,577	416,300	2.2930	954,577	-	954,577	1.14740	$ 477,663	-49.96%
Subtotal	484,034		954,577	484,034		954,577	484,034		$ 954,577	$ -	$ 954,577		$ 555,380	
RZ 12 Commercial Usage	688,711			688,711			688,711							
RZ 12 Commercial Revenues			**$ 1,740,691**			**$ 1,740,691**			**$ 1,740,691**	**$ -**	**$ 1,740,691**		**$ 1,300,545**	**-25.29%**

Rate Zone 12 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	85	$ 99.22	$ 8,417	85	$ 99.22	$ 8,417	85	$ 99.22	$ 8,417	$ -	$ 8,417	$ 47.64	$ 4,041	-51.99%
Subtotal	85		$ 8,417	85		$ 8,417	85		$8,417	$0	$8,417		$ 4,041	-51.99%
Unmetered Customers	-	$ 89.74	$0	0	$ 89.74	$0	0	$ 89.74	$ -	$ -	$ -	$ 92.04	$0	0.00%
Usage (in 100 Gallons)														
Minimum Usage	1,971	$ -	$0	1,971	$ -	$ -	1,971	$ -	$ -	$ -	$ -	$ 1.1474	$ 2,261	0.00%
Block 1	20,703	2.2930	$47,472	20,703	2.2930	47,472	20,703	2.2930	47,472	-	47,472	1.1474	23,755	-49.96%
Subtotal	22,674		$47,472	22,674		$ 47,472	22,674		$ 47,472	$ -	$ 47,472		$ 26,016	
RZ 12 Public Usage	22,674			22,674			22,674							
RZ 12 Public Revenues			**$55,889**			**$55,889**			**$55,889**	**$0**	**$55,889**		**$30,057**	**-46.22%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 13 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	1,383,929	40,195	$ 1,442,837	1,383,929	40,195	$ 1,442,838	1,383,929	40,195	$ 1,442,838	$ -	$ 1,442,838	$ 3,008,331	108.50%
Commercial	758,775	46,888	1,705,059	758,775	46,888	1,706,051	758,775	46,888	1,706,051	-	1,706,051	3,534,201	107.16%
Industrial	64,612	10,124	366,251	64,612	10,124	366,251	64,612	10,124	366,251	-	366,251	810,578	121.32%
Public	-	42	1,989	11,713	57	2,708	11,713	57	2,708	-	2,708	12,865	375.07%
Total Rate Zone 13	2,207,316	97,249	$ 3,516,136	2,207,316	97,264	$ 3,517,848	2,207,316	97,264	$ 3,517,848	$ -	$ 3,517,848	$ 7,365,975	109.39%

Rate Zone 13 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge by EDU														
District A/B	30,022	$ 33.33	$ 1,000,743	4,289	$ 33.33	$ 142,966	4,289	$33.33	$ 142,966	$ -	$ 142,966	$ 73.90	$ 316,955	121.70%
District C	372	45.17	16,802	60	45.17	2,710	60	45.17	2,710	-	2,710	73.90	4,434	63.62%
District D	3,325	50.00	166,240	205	50.00	10,248	205	50.00	10,248	-	10,248	73.90	15,147	47.80%
District E	6,476	40.00	259,052	935	40.00	37,389	935	40.00	37,389	-	37,389	73.90	69,077	84.75%
Subtotal	40,195		$ 1,442,837	5,489		$193,313	5,489		$193,313	$0	$193,313		405,613	109.82%
Metered Charge by EDU -Proforma														
District A/B				25,733	$ 33.33	$ 857,778	25,733	$ 33.33	$ 857,778	$ -	$ 857,778	$ 37.92	$ 975,808	13.76%
District C				312	45.17	14,092	312	45.17	14,092	-	14,092	37.92	11,831	-16.04%
District D				3,120	50.00	155,992	3,120	50.00	155,992	-	155,992	37.92	118,304	-24.16%
District E				5,542	40.00	221,663	5,542	40.00	221,663	-	221,663	37.92	210,136	-5.20%
Subtotal				34,707		$1,249,525	34,707		$1,249,525	$0	$1,249,525		1,316,079	5.33%
Usage (in 100 Gallons) -Proforma														
All Usage				1,383,929	$ -	$ -	1,383,929	$ -	$ -	$ -	$ -	$0.9297	$ 1,286,639	0.00%
Low Income:														
Low Income Discount Tier 1						$ -				$ -	$ -			
Low Income Discount Tier 2						-				-	-			
Low Income Discount Tier 3						-				-	-			
RZ 13 Residential Bill Analysis Revenues			**$ 1,442,837**											
Adjustment (1): Flat Rate to Metered														
District A/B	(25,733)	$ 33.33	$ (857,778)											
District C	(312)	45.17	(14,092)											
District D	(3,120)	50.00	(155,992)											
District E	(5,542)	40.00	(221,663)											
District A/B -Metered	25,733	33.33	857,778											
District C - Metered	312	45.17	14,092											
District D - Metered	3,120	50.00	155,992											
District E -Metered	5,542	40.00	221,663											
All Usage	1,383,929	$ -	-											
RZ 13 Residential Usage	1,383,929													
RZ 13 Residential Annualized/Proforma Revenues			**$ 1,442,837**			**$ 1,442,838**			**$ 1,442,838**	**$ -**	**$ 1,442,838**		**$ 3,008,331**	**108.50%**

Note (1) Adjustment for change of flat rate to metered customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 13 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 13 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge by EDU														
District A/B	43,672	$ 33.33	$ 1,455,723	24,497	$ 33.33	$ 816,579	24,497	$33.33	$ 816,579	$ -	$ 816,579	$ 73.90	$ 1,810,356	121.70%
District C	12	45.17	542	12	45.17	542	12	45.17	542	-	542	73.90	887	63.65%
District D	-	50.00	-	-	50.00	-	-	50.00	-	-	-	73.90	-	0.00%
District E	3,084	40.00	123,360	2,892	40.00	115,680	2,892	40.00	115,680	-	115,680	73.90	213,719	84.75%
Subtotal	46,768		$1,579,625	27,401		$ 932,801	27,401		$932,801	$0	$ 932,801		$ 2,024,962	117.08%
Metered Charge by EDU - Proforma														
District A/B				19,174	$ 33.33	$ 639,144	19,174	$ 33.33	$ 639,144	$ -	$ 639,144	$ 37.92	$ 727,090	13.76%
District E				192	45.17	8,672	192	45.17	8,672	-	8,672	37.92	7,281	-16.04%
Subtotal				19,366		$647,816	19,366		$647,816	$0	$647,816		734,371	13.36%
Usage (in 100 Gallons) - Proforma														
All Usage				556,462	$ -	$ -	556,462	$ -	$ -	$ -	$ -	$0.9132	$ 508,161	0.00%
High Volume Users														
EDU	120	$ -	$ -	120	$ -	$ -	120	$ -	$ -	$ -	$ -	$ 37.92	$ 4,550	0.00%
Subtotal	120		$0	120		$ -	120		$ -	$ -	$ -		$ 4,550	0.00%
Usage (in 100 Gallons)														
All Usage	202,313	$0.6200	$ 125,434	202,313	$0.6200	$125,434	202,313	$0.6200	$ 125,434	$ -	$ 125,434	$1.2958	$ 262,157	109.00%
RZ 13 Commercial Bill Analysis Revenues			**$ 1,705,059**											
Adjustment (1): Flat Rate to Metered														
District A/B	(19,174)	$ 33.33	$ (639,144)											
District E	(192)	40.00	(7,680)											
District A/B -Metered	19,174	33.33	639,144											
District E -Metered	192	45.17	8,672											
All Usage	556,462	$0.0000	-											
RZ 13 Commercial Usage	758,775			758,775			758,775							
RZ 13 Commercial Revenues			**$ 1,706,051**			**$ 1,706,051**			**$ 1,706,051**	**$ -**	**$ 1,706,051**		**$ 3,534,201**	**107.16%**

Note (1) Adjustment for change of flat rate to metered customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 13 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Rate Zone 13 - Industrial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge by EDU														
District A/B	10,088	$ 33.33	$336,267	9,742	$ 33.33	$324,750	9,742	$33.33	$ 324,750	$ -	$ 324,750	$ 73.90	$719,971	121.70%
Subtotal	10,088		$336,267	9,742		$324,750	9,742		$ 324,750	$ -	$ 324,750		$719,971	121.70%
Metered Charge by EDU - Proforma														
District A/B				346	$ 33.33	$ 11,517	346	$ 33.33	$ 11,517	$ -	$ 11,517	$ 37.92	$ 13,101	13.75%
Subtotal				346		$11,517	346		$11,517	$0	$11,517		13,101	13.75%
Usage (in 100 Gallons) - Proforma														
All Usage				16,251	$ -	$ -	16,251	$ -	$ -	$ -	$ -	$ 0.9132	$ 14,840	0.00%
High Volume Users														
EDU	36	$ -	$ -	36	$ -	$ -	36	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Subtotal	36		$0	36		$ -	36		$ -	$ -	$ -		$ -	0.00%
Usage (in 100 Gallons)														
All Usage	48,361	$0.6200	$29,984	48,361	$0.6200	$29,984	48,361	$0.6200	$ 29,984	$ -	$ 29,984	$1.2958	$62,666	109.00%
RZ 13 Industrial Bill Analysis Revenues			**$ 366,251**											
Adjustment (1): Flat Rate to Metered														
District A/B	(346)	$ 33.33	$ (11,517)											
District A/B -Metered	346	33.33	11,517											
All Usage	16,251	$0.0000	-											
RZ 13 Industrial Usage	64,612			64,612			64,612							
RZ 13 Industrial Revenues			**$366,251**			**$366,251**			**$366,251**	**$ -**	**$366,251**		**$810,578**	**121.32%**

Note (1) Adjustment for change of flat rate to metered customers.

Rate Zone 13 - Public	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Unmetered Charge by EDU														
District A/B	42	$ 47.35	$ 1,989	0	$ 47.35	$ -	0	$ 47.35	$ -	$ -	$ -	$ 47.64	$ -	0.00%
Subtotal	42		$ 1,989	0		$ -	0		$ -	$ -	$ -		$ -	0.00%
Metered Charge by EDU - Proforma														
District A/B				57	$ 47.35	$ 2,708	57	$47.35	$ 2,708	$ -	$ 2,708	$ 37.92	$ 2,169	-19.90%
Subtotal				57		$ 2,708	57		$ 2,708	$ -	$ 2,708		$ 2,169	-19.90%
Usage (in 100 Gallons) -Proforma														
All Usage				11,713	$ -	$ -	11,713	$ -	$ -	$ -	$ -	$ 0.9132	$ 10,696	0.00%
RZ 13 Public Bill Analysis Revenues			**$ 1,989**											
Adjustment (1): Flat Rate to Metered														
District A/B	(42)	$ 47.35	$ (1,989)											
District A/B -Metered	57	47.35	2,708											
All Usage	11,713	-	-											
RZ 13 Public Usage	11,713			11,713			11,713							
RZ 13 Public Revenues			**$ 2,708**			**$ 2,708**			**$ 2,708**	**$ -**	**$ 2,708**		**$ 12,865**	**375.07%**

Note (1) Adjustment for change of flat rate to metered customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 14 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Residential	130,704	3,252	$ 213,855	130,704	3,252	$ 213,855	130,704	3,252	$ 213,855	$ 2,867	$ 216,722	$ 308,157	42.00%
Commercial	6,496	12	2,408	6,496	12	2,408	6,496	12	2,408	33	2,441	8,026	229.00%
Total Rate Zone 14	137,200	3,264	$ 216,263	137,200	3,264	$ 216,263	137,200	3,264	$ 216,263	$ 2,900	$ 219,163	$ 316,183	44.00%

Rate Zone 14 - Residential	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	3,240	$ 28.00	$ 90,728	3,240	$ 28.00	$ 90,728	3,240	$28.00	$ 90,728	$ 1,216	$ 91,944	$ 47.64	$ 154,368	68.00%
Subtotal	3,240		$ 90,728	3,240		$ 90,728	3,240		$ 90,728	$ 1,216	$ 91,944		$ 154,368	68.00%
Unmetered Customers	12	$ 78.00	$ 936	12	$ 78.00	$ 936	12	$ 78.00	$ 936	$ 13	$ 949	$ 92.85	$ 1,114	17.00%
Usage (in 100 Gallons)														
Allowance	31,852	$ -	$ -	31,852	$ -	$ -	31,852	$ -	$ -	$ -	$ -	$ 1.1681	$ 37,206	0.00%
Block 1	85,408	1.3060	111,543	85,408	1.3060	111,543	85,408	1.3060	111,543	1,495	113,038	1.1681	99,765	-12.00%
Block 2	13,444	0.7920	10,648	13,444	0.7920	10,648	13,444	0.7920	10,648	143	10,791	1.1681	15,704	46.00%
Subtotal	130,704		122,191	130,704		122,191	130,704		122,191	1,638	123,829		152,675	
Low Income:														
Low Income Discount Tier 1						$ -				$ -	$ -			
Low Income Discount Tier 2						-				-	-			
Low Income Discount Tier 3						-				-	-			
RZ 14 Residential Bill Analysis Revenues			**$ 213,855**											
RZ 14 Residential Usage	130,704			130,704			130,704							
RZ 14 Residential Annualized/Prforma Revenues			**$ 213,855**			**$ 213,855**			**$ 213,855**	**$ 2,867**	**$ 216,722**		**$ 308,157**	**42.00%**

Rate Zone 14 - Commercial	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
EDU	12	$ 54.00	$ 648	12	$ 54.00	$ 648	12	$ 54.00	$ 648	$ 9	$ 657	$ 47.64	$ 572	-13.00%
Subtotal	12		$648	12		$ 648	12		$ 648	$ 9	$ 657		$ 572	-13.00%
Unmetered Customers	-	$ 78.00	$ -	-	$ 78.00	$ -	-	$ 78.00	$ -	$ -	$ -	$ 92.04	$ -	0.00%
Usage (in 100 Gallons)														
All Usage	6,496	$ 0.2710	$ 1,760	6,496	$ 0.2710	$1,760	6,496	$ 0.2710	$ 1,760	$ 24	$ 1,784	$ 1.1474	$ 7,454	318.00%
RZ 14 Commercial Usage	6,496			6,496			6,496							
RZ 14 Commercial Revenues			**$ 2,408**			**$ 2,408**			**$ 2,408**	**$ 33**	**$ 2,441**		**$ 8,026**	**229.00%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE Contract - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

Customer Class	12/31/2023 Usage (in 100 Gallons)	12/31/2023 Number of Bills	12/31/2023 Bill Analysis Revenues	12/31/2024 Usage (in 100 Gallons)	12/31/2024 Number of Bills	12/31/2024 Proforma Revenues	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		12/31/2025 Proforma @ Proposed Rate	% Percent Change
Contract	-	12	$ 335,054	-	12	$ 335,054	-	12	$ 355,458	$ -	$ 355,458		$ 355,458	0.00%
Third Party Sales	89,868	6,274	1,179,574	89,868	6,274	1,398,551	89,868	6,274	1,433,235	-	1,433,235		1,433,235	0.00%
Total Rate Zone Contract	89,868	6,286	$ 1,514,628	89,868	6,286	$ 1,733,605	89,868	6,286	$ 1,788,693	$ -	$ 1,788,693		$ 1,788,693	0.00%

Contract Sales	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Charge by Number oF EDUs														
Woodloch Pines	12	$ 27,921.14	$ 335,054	12	$ 27,921.14	$ 335,054	12	$ 29,621.54	$ 355,458	$ -	$ 355,458	$ 29,621.54	$ 355,458	0.00%
Subtotal	12		$ 335,054	12		$ 335,054	12		$ 355,458	$ -	$ 355,458		$ 355,458	0.00%
Contract Revenues			**$ 335,054**			**$ 335,054**			**$ 355,458**	**$ -**	**$ 355,458**		**$ 355,458**	**0.00%**

Third Party Sales	12/31/2023 Billing Determinants	Current Rate	12/31/2023 Bill Analysis Revenue	12/31/2024 Billing Determinants	Current Rate	12/31/2024 Annualized Revenue	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
Flat Rate by Number oF EDUs - Monthly														
Southdown Homes	12	$ -	$ -	12	$ -	$ -	12	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Penn Lake	3,030	29.00	87,870	3,030	46.05	139,532	3,030	46.05	139,532	-	139,532	46.05	139,532	0.00%
Flat Rate by Number oF EDUs - Quarterly														
Foster Twp.	1,956	$ 87.00	$ 170,172	1,956	$ 138.15	$ 270,221	1,956	$ 138.15	$ 270,221	$ -	$ 270,221	$ 138.15	$ 270,221	0.00%
Dennison Twp.	420	87.00	36,540	420	138.15	58,023	420	138.15	58,023	-	58,023	138.15	58,023	0.00%
Upper Providence Twp.	4	145,446.00	581,784	4	151,223.93	604,896	4	157,422.08	629,688	-	629,688	157,422.08	629,688	0.00%
Elwyn Twp.	4	26,398.50	105,594	4	27,447.20	109,789	4	28,572.17	114,289	-	114,289	28,572.17	114,289	0.00%
East Side 1	604	115.00	69,460	604	138.15	83,443	604	138.15	83,443	-	83,443	138.15	83,443	0.00%
East Side 2	244	28.00	6,832	244	28.00	6,832	244	28.00	6,832	-	6,832	28.00	6,832	0.00%
Subtotal	6,274		$ 1,058,252	6,274		$ 1,272,736	6,274		$ 1,302,028	$ -	$ 1,302,028		$ 1,302,028	0.00%
Third Party Usage (in 100 Gallons)														
Southdown Homes	89,868	$ 1.3500	$ 121,322	89,868	$ 1.4000	$125,815	89,868	$ 1.4600	$ 131,207	$ -	$ 131,207	$ 1.4600	$ 131,207	0.00%
Third Party Sales Usage	89,868			89,868			89,868							
Third Party Sales Revenues			**$ 1,179,574**			**$ 1,398,551**			**$ 1,433,235**	**$ -**	**$ 1,433,235**		**$ 1,433,235**	**0.00%**

AQUA PENNSYLVANIA, INC.
CUSTOMER GROWTH REVENUE ADJUSTMENT UNDER PRESENT RATES
FOR THE TEST YEARS ENDING DECEMBER 31, 2023, 2024 AND 2025

		Rate Zone 1 Residential	Rate Zone 1A Residential	Rate Zone 2 Residential	Rate Zone 3 Residential	Rate Zone 4 Residential	Rate Zone 5 Residential	Rate Zone 6 Residential	Rate Zone 7 Residential	Rate Zone 8 Residential	Rate Zone 9 Residential	Rate Zone 10 Residential	Rate Zone 11 Residential
	Historic TY Customer Growth Calculation												
1	Number of Customers as of 3/31/23	4,166	2,287	1,770	3,331	2,569	608	1,409	5,341	1,252	9,589	4,665	1,807
2	Number of Customer as of 3/31/22	4,091	2,272	1,743	3,293	2,503	606	1,394	5,259	1,240	9,541	4,618	1,812
3	Projected Daily Usage in gallons	69	59	49	49	82	71	49	82	66	82	82	82
4	Monthly Volumes per Normalization (Gallons) Line 3 X (365 Days/12 Months)	2,091	1,800	1,500	1,500	2,500	2,146	1,500	2,500	2,000	2,500	2,500	2,500
5	HTY Customer Annualized Growth Bills (Line 2-Line 1) X 12 Divided by 2	450	90	162	228	396	12	90	492	72	288	282	(30)
6	HTY Customer Annualized Growth Volumes (HG) (Line 4 X Line 5 / 100)	9,411	1,620	2,430	3,420	9,900	257	1,350	12,300	1,440	7,200	7,050	(750)
	Future Test Year Customer Growth Calculation												
7	Forecasted Customer Growth	111	13	24	57	56	1	10	77	17	56	24	(4)
8	Annualized Bills (Line 7 X 12)	1,326	156	282	678	672	6	114	924	198	672	288	(48)
9	HTY Customer Annualized Growth Volumes (HG) (Line 4 X Line 8)	27,732	2,808	4,230	10,170	16,800	129	1,710	23,100	3,960	16,800	7,200	(1,200)
10	Average Volumes Per Normalization												
	Fully Projected Future Test Year Customer Growth Calculation												
11	Monthly Volumes per Normalization (Gallons) Line 3 X (366 Days/12 Months)	2,091	1,800	1,500	1,500	2,500	2,151	1,504	2,507	2,005	2,507	2,507	2,507
12	Forecasted Customer Growth	111	13	24	57	56	1	10	77	17	56	24	(4)
13	Annualized Bills (Line 12 X 12)	1,326	156	282	678	672	6	114	924	198	672	288	(48)
14	HTY Customer Annualized Growth Volumes (HG) (Line 11 X Line 12)	27,732	2,808	4,230	10,170	16,800	129	1,715	23,163	3,971	16,846	7,220	(1,203)
15	Average Volumes Per Normalization												
	Total Customer Growth Calculation												
22	Total Bills	3,102	402	726	1,584	1,740	24	318	2,340	468	1,632	858	(126)
23	Priced for All Usage	64,876	7,236	10,890	23,760	43,500	515	4,775	58,563	9,371	40,846	21,470	(3,153)

	Number of Customers	Rate Zone 1 Residential	Rate Zone 1A Residential	Rate Zone 2 Residential	Rate Zone 3 Residential	Rate Zone 4 Residential	Rate Zone 5 Residential	Rate Zone 6 Residential	Rate Zone 7 Residential	Rate Zone 8 Residential	Rate Zone 9 Residential	Rate Zone 10 Residential	Rate Zone 11 Residential
29	**Period Ending 12/31/21**	3,945.0	2,261.0	1,723.0	3,218.0	2,457.0	607.0	1,390.0	5,187.0	1,219.0	9,477.0	4,617.0	1,815.0
30	**Period Ending 12/31/22**	4,091.0	2,272.0	1,743.0	3,293.0	2,503.0	606.0	1,394.0	5,259.0	1,240.0	9,541.0	4,618.0	1,812.0
31	**Historic Test Year Period Ending 12/31/23**	4,166.0	2,287.0	1,770.0	3,331.0	2,569.0	608.0	1,409.0	5,341.0	1,252.0	9,589.0	4,665.0	1,807.0
32	**Increase 2021-2022**	146.0	11.0	20.0	75.0	46.0	(1.0)	4.0	72.0	21.0	64.0	1.0	(3.0)
33	**Increase 2022-2023**	75.0	15.0	27.0	38.0	66.0	2.0	15.0	82.0	12.0	48.0	47.0	(5.0)
34	**Average Growth/(Decline)**	110.5	13.0	23.5	56.5	56.0	0.5	9.5	77.0	16.5	56.0	24.0	(4.0)

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - CHARGED BY METER SIZE
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 48.85	$ 47.64	$ (1.21)	-2.47%
1,000	60.82	59.32	(1.50)	-2.47%
2,000	72.80	71.00	(1.79)	-2.47%
3,000	84.77	82.68	(2.09)	-2.46%
3,870	95.19	92.85	(2.35)	-2.46%
4,000	96.75	94.36	(2.38)	-2.46%
5,000	108.72	106.05	(2.68)	-2.46%
6,000	120.70	117.73	(2.97)	-2.46%
7,000	132.67	129.41	(3.27)	-2.46%
8,000	144.65	141.09	(3.56)	-2.46%
9,000	156.62	152.77	(3.86)	-2.46%
10,000	168.60	164.45	(4.15)	-2.46%
11,000	180.57	176.13	(4.44)	-2.46%
12,000	192.55	187.81	(4.74)	-2.46%
13,000	204.53	199.49	(5.03)	-2.46%
14,000	216.50	211.17	(5.33)	-2.46%
15,000	228.48	222.86	(5.62)	-2.46%
16,000	240.45	234.54	(5.92)	-2.46%
17,000	252.43	246.22	(6.21)	-2.46%
18,000	264.40	257.90	(6.50)	-2.46%
19,000	276.38	269.58	(6.80)	-2.46%
20,000	288.35	281.26	(7.09)	-2.46%
25,000	348.23	339.67	(8.56)	-2.46%
30,000	408.11	398.07	(10.04)	-2.46%
35,000	467.98	456.48	(11.51)	-2.46%
40,000	527.86	514.88	(12.98)	-2.46%
45,000	587.74	573.29	(14.45)	-2.46%
50,000	647.61	631.69	(15.92)	-2.46%
60,000	767.37	748.50	(18.87)	-2.46%
70,000	887.12	865.31	(21.81)	-2.46%
80,000	1,006.87	982.12	(24.75)	-2.46%
90,000	1,126.63	1,098.93	(27.70)	-2.46%
100,000	1,246.38	1,215.74	(30.64)	-2.46%
110,000	1,366.13	1,332.55	(33.58)	-2.46%
120,000	1,485.89	1,449.36	(36.53)	-2.46%
130,000	1,605.64	1,566.17	(39.47)	-2.46%
140,000	1,725.39	1,682.98	(42.41)	-2.46%
150,000	1,845.15	1,799.79	(45.36)	-2.46%
160,000	1,964.90	1,916.60	(48.30)	-2.46%
170,000	2,084.66	2,033.41	(51.25)	-2.46%
180,000	2,204.41	2,150.22	(54.19)	-2.46%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1 - CHARGED BY NUMBER OF EDU
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 48.28	$ 47.64	$ (0.64)	-1.32%
1,000	60.25	59.32	(0.93)	-1.55%
2,000	72.23	71.00	(1.23)	-1.70%
3,000	84.20	82.68	(1.52)	-1.81%
3,870	94.62	92.85	(1.78)	-1.88%
4,000	96.18	94.36	(1.82)	-1.89%
5,000	108.16	106.05	(2.11)	-1.95%
6,000	120.13	117.73	(2.40)	-2.00%
7,000	132.11	129.41	(2.70)	-2.04%
8,000	144.08	141.09	(2.99)	-2.08%
9,000	156.06	152.77	(3.29)	-2.11%
10,000	168.03	164.45	(3.58)	-2.13%
11,000	180.01	176.13	(3.88)	-2.15%
12,000	191.98	187.81	(4.17)	-2.17%
13,000	203.96	199.49	(4.46)	-2.19%
14,000	215.93	211.17	(4.76)	-2.20%
15,000	227.91	222.86	(5.05)	-2.22%
16,000	239.88	234.54	(5.35)	-2.23%
17,000	251.86	246.22	(5.64)	-2.24%
18,000	263.83	257.90	(5.94)	-2.25%
19,000	275.81	269.58	(6.23)	-2.26%
20,000	287.79	281.26	(6.53)	-2.27%
25,000	347.66	339.67	(8.00)	-2.30%
30,000	407.54	398.07	(9.47)	-2.32%
35,000	467.42	456.48	(10.94)	-2.34%
40,000	527.29	514.88	(12.41)	-2.35%
45,000	587.17	573.29	(13.88)	-2.36%
50,000	647.05	631.69	(15.36)	-2.37%
60,000	766.80	748.50	(18.30)	-2.39%
70,000	886.55	865.31	(21.24)	-2.40%
80,000	1,006.31	982.12	(24.19)	-2.40%
90,000	1,126.06	1,098.93	(27.13)	-2.41%
100,000	1,245.81	1,215.74	(30.07)	-2.41%
110,000	1,365.57	1,332.55	(33.02)	-2.42%
120,000	1,485.32	1,449.36	(35.96)	-2.42%
130,000	1,605.07	1,566.17	(38.90)	-2.42%
140,000	1,724.83	1,682.98	(41.85)	-2.43%
150,000	1,844.58	1,799.79	(44.79)	-2.43%
160,000	1,964.33	1,916.60	(47.73)	-2.43%
170,000	2,084.09	2,033.41	(50.68)	-2.43%
180,000	2,203.84	2,150.22	(53.62)	-2.43%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 1A
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	BILLS UNDER PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 48.85	$ 47.64	$ (1.21)	-2.47%
1,000	60.82	59.32	(1.50)	-2.47%
2,000	72.80	71.00	(1.79)	-2.47%
3,000	84.77	82.68	(2.09)	-2.46%
3,870	95.19	92.85	(2.35)	-2.46%
4,000	96.75	94.36	(2.38)	-2.46%
5,000	108.72	106.05	(2.68)	-2.46%
6,000	120.70	117.73	(2.97)	-2.46%
7,000	132.67	129.41	(3.27)	-2.46%
8,000	144.65	141.09	(3.56)	-2.46%
9,000	156.62	152.77	(3.86)	-2.46%
10,000	168.60	164.45	(4.15)	-2.46%
11,000	180.57	176.13	(4.44)	-2.46%
12,000	192.55	187.81	(4.74)	-2.46%
13,000	204.53	199.49	(5.03)	-2.46%
14,000	216.50	211.17	(5.33)	-2.46%
15,000	228.48	222.86	(5.62)	-2.46%
16,000	240.45	234.54	(5.92)	-2.46%
17,000	252.43	246.22	(6.21)	-2.46%
18,000	264.40	257.90	(6.50)	-2.46%
19,000	276.38	269.58	(6.80)	-2.46%
20,000	288.35	281.26	(7.09)	-2.46%
25,000	348.23	339.67	(8.56)	-2.46%
30,000	408.11	398.07	(10.04)	-2.46%
35,000	467.98	456.48	(11.51)	-2.46%
40,000	527.86	514.88	(12.98)	-2.46%
45,000	587.74	573.29	(14.45)	-2.46%
50,000	647.61	631.69	(15.92)	-2.46%
60,000	767.37	748.50	(18.87)	-2.46%
70,000	887.12	865.31	(21.81)	-2.46%
80,000	1,006.87	982.12	(24.75)	-2.46%
90,000	1,126.63	1,098.93	(27.70)	-2.46%
100,000	1,246.38	1,215.74	(30.64)	-2.46%
110,000	1,366.13	1,332.55	(33.58)	-2.46%
120,000	1,485.89	1,449.36	(36.53)	-2.46%
130,000	1,605.64	1,566.17	(39.47)	-2.46%
140,000	1,725.39	1,682.98	(42.41)	-2.46%
150,000	1,845.15	1,799.79	(45.36)	-2.46%
160,000	1,964.90	1,916.60	(48.30)	-2.46%
170,000	2,084.66	2,033.41	(51.25)	-2.46%
180,000	2,204.41	2,150.22	(54.19)	-2.46%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 2
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 56.68	$ 55.93	$ (0.75)	-1.32%
1,000	69.43	68.52	(0.92)	-1.32%
2,000	82.19	81.10	(1.09)	-1.32%
3,000	94.94	93.69	(1.26)	-1.32%
3,870	106.04	104.63	(1.40)	-1.32%
4,000	107.69	106.27	(1.42)	-1.32%
5,000	120.45	118.86	(1.59)	-1.32%
6,000	133.20	131.44	(1.76)	-1.32%
7,000	145.95	144.03	(1.93)	-1.32%
8,000	158.71	156.61	(2.10)	-1.32%
9,000	171.46	169.20	(2.27)	-1.32%
10,000	184.22	181.78	(2.44)	-1.32%
11,000	196.97	194.37	(2.60)	-1.32%
12,000	209.72	206.95	(2.77)	-1.32%
13,000	222.48	219.54	(2.94)	-1.32%
14,000	235.23	232.12	(3.11)	-1.32%
15,000	247.98	244.71	(3.28)	-1.32%
16,000	260.74	257.29	(3.45)	-1.32%
17,000	273.49	269.88	(3.62)	-1.32%
18,000	286.24	282.46	(3.78)	-1.32%
19,000	299.00	295.05	(3.95)	-1.32%
20,000	311.75	307.63	(4.12)	-1.32%
25,000	375.52	370.56	(4.97)	-1.32%
30,000	439.29	433.48	(5.81)	-1.32%
35,000	503.06	496.41	(6.65)	-1.32%
40,000	566.83	559.33	(7.50)	-1.32%
45,000	630.59	622.26	(8.34)	-1.32%
50,000	694.36	685.18	(9.18)	-1.32%
60,000	821.90	811.03	(10.87)	-1.32%
70,000	949.43	936.88	(12.55)	-1.32%
80,000	1,076.97	1,062.73	(14.24)	-1.32%
90,000	1,204.51	1,188.58	(15.93)	-1.32%
100,000	1,332.04	1,314.43	(17.61)	-1.32%
110,000	1,459.58	1,440.28	(19.30)	-1.32%
120,000	1,587.12	1,566.13	(20.99)	-1.32%
130,000	1,714.65	1,691.98	(22.67)	-1.32%
140,000	1,842.19	1,817.83	(24.36)	-1.32%
150,000	1,969.73	1,943.68	(26.05)	-1.32%
160,000	2,097.26	2,069.53	(27.73)	-1.32%
170,000	2,224.80	2,195.38	(29.42)	-1.32%
180,000	2,352.33	2,321.23	(31.10)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 3
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 67.26	$ 66.37	$ (0.89)	-1.32%
1,000	79.69	78.63	(1.05)	-1.32%
2,000	92.12	90.90	(1.22)	-1.32%
3,000	104.54	103.16	(1.38)	-1.32%
3,870	115.36	113.83	(1.53)	-1.32%
4,000	116.97	115.43	(1.55)	-1.32%
5,000	129.40	127.69	(1.71)	-1.32%
6,000	141.83	139.95	(1.88)	-1.32%
7,000	154.26	152.22	(2.04)	-1.32%
8,000	166.69	164.48	(2.20)	-1.32%
9,000	179.11	176.75	(2.37)	-1.32%
10,000	191.54	189.01	(2.53)	-1.32%
11,000	203.97	201.27	(2.70)	-1.32%
12,000	216.40	213.54	(2.86)	-1.32%
13,000	228.83	225.80	(3.03)	-1.32%
14,000	241.26	238.07	(3.19)	-1.32%
15,000	253.68	250.33	(3.35)	-1.32%
16,000	266.11	262.59	(3.52)	-1.32%
17,000	278.54	274.86	(3.68)	-1.32%
18,000	290.97	287.12	(3.85)	-1.32%
19,000	303.40	299.39	(4.01)	-1.32%
20,000	315.83	311.65	(4.18)	-1.32%
25,000	377.97	372.97	(5.00)	-1.32%
30,000	440.11	434.29	(5.82)	-1.32%
35,000	502.25	495.61	(6.64)	-1.32%
40,000	564.39	556.93	(7.46)	-1.32%
45,000	626.53	618.25	(8.28)	-1.32%
50,000	688.68	679.57	(9.11)	-1.32%
60,000	812.96	802.21	(10.75)	-1.32%
70,000	937.24	924.85	(12.39)	-1.32%
80,000	1,061.53	1,047.49	(14.04)	-1.32%
90,000	1,185.81	1,170.13	(15.68)	-1.32%
100,000	1,310.09	1,292.77	(17.32)	-1.32%
110,000	1,434.38	1,415.41	(18.97)	-1.32%
120,000	1,558.66	1,538.05	(20.61)	-1.32%
130,000	1,682.94	1,660.69	(22.25)	-1.32%
140,000	1,807.23	1,783.33	(23.90)	-1.32%
150,000	1,931.51	1,905.97	(25.54)	-1.32%
160,000	2,055.79	2,028.61	(27.18)	-1.32%
170,000	2,180.08	2,151.25	(28.83)	-1.32%
180,000	2,304.36	2,273.89	(30.47)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 4
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 87.27	$ 86.12	$ (1.15)	-1.32%
1,000	100.12	98.80	(1.32)	-1.32%
2,000	112.98	111.48	(1.49)	-1.32%
3,000	125.83	124.16	(1.66)	-1.32%
3,870	137.01	135.20	(1.81)	-1.32%
4,000	138.68	136.84	(1.83)	-1.32%
5,000	151.53	149.53	(2.00)	-1.32%
6,000	164.38	162.21	(2.17)	-1.32%
7,000	177.23	174.89	(2.34)	-1.32%
8,000	190.08	187.57	(2.51)	-1.32%
9,000	202.93	200.25	(2.68)	-1.32%
10,000	215.78	212.93	(2.85)	-1.32%
11,000	228.63	225.61	(3.02)	-1.32%
12,000	241.49	238.29	(3.19)	-1.32%
13,000	254.34	250.97	(3.36)	-1.32%
14,000	267.19	263.65	(3.53)	-1.32%
15,000	280.04	276.34	(3.70)	-1.32%
16,000	292.89	289.02	(3.87)	-1.32%
17,000	305.74	301.70	(4.04)	-1.32%
18,000	318.59	314.38	(4.21)	-1.32%
19,000	331.44	327.06	(4.38)	-1.32%
20,000	344.29	339.74	(4.55)	-1.32%
25,000	408.55	403.15	(5.40)	-1.32%
30,000	472.80	466.55	(6.25)	-1.32%
35,000	537.06	529.96	(7.10)	-1.32%
40,000	601.31	593.36	(7.95)	-1.32%
45,000	665.57	656.77	(8.80)	-1.32%
50,000	729.82	720.17	(9.65)	-1.32%
60,000	858.33	846.98	(11.35)	-1.32%
70,000	986.84	973.79	(13.05)	-1.32%
80,000	1,115.35	1,100.60	(14.75)	-1.32%
90,000	1,243.86	1,227.41	(16.45)	-1.32%
100,000	1,372.37	1,354.22	(18.15)	-1.32%
110,000	1,500.88	1,481.03	(19.85)	-1.32%
120,000	1,629.39	1,607.84	(21.55)	-1.32%
130,000	1,757.89	1,734.65	(23.24)	-1.32%
140,000	1,886.40	1,861.46	(24.94)	-1.32%
150,000	2,014.91	1,988.27	(26.64)	-1.32%
160,000	2,143.42	2,115.08	(28.34)	-1.32%
170,000	2,271.93	2,241.89	(30.04)	-1.32%
180,000	2,400.44	2,368.70	(31.74)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 4 - FLAT RATE TO METERED CUSTOMERS
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS (1)	BILLS UNDER PRESENT RATES (2)	PROPOSED RATES (3)	INCREASE AMOUNT (4)	INCREASE PERCENT (5)
0	$ 135.14	$ 86.12	$ (49.02)	-36.27%
1,000	135.14	98.80	(36.34)	-26.89%
2,000	135.14	111.48	(23.65)	-17.50%
3,000	135.14	124.16	(10.97)	-8.12%
3,870	135.14	135.20	0.06	0.04%
4,000	135.14	136.84	1.71	1.26%
5,000	135.14	149.53	14.39	10.65%
6,000	135.14	162.21	27.07	20.03%
7,000	135.14	174.89	39.75	29.41%
8,000	135.14	187.57	52.43	38.80%
9,000	135.14	200.25	65.11	48.18%
10,000	135.14	212.93	77.79	57.57%
11,000	135.14	225.61	90.47	66.95%
12,000	135.14	238.29	103.16	76.33%
13,000	135.14	250.97	115.84	85.72%
14,000	135.14	263.65	128.52	95.10%
15,000	135.14	276.34	141.20	104.49%
16,000	135.14	289.02	153.88	113.87%
17,000	135.14	301.70	166.56	123.25%
18,000	135.14	314.38	179.24	132.64%
19,000	135.14	327.06	191.92	142.02%
20,000	135.14	339.74	204.60	151.40%
25,000	135.14	403.15	268.01	198.32%
30,000	135.14	466.55	331.41	245.24%
35,000	135.14	529.96	394.82	292.16%
40,000	135.14	593.36	458.22	339.08%
45,000	135.14	656.77	521.63	386.00%
50,000	135.14	720.17	585.03	432.92%
60,000	135.14	846.98	711.84	526.76%
70,000	135.14	973.79	838.65	620.60%
80,000	135.14	1,100.60	965.46	714.43%
90,000	135.14	1,227.41	1,092.27	808.27%
100,000	135.14	1,354.22	1,219.08	902.11%
110,000	135.14	1,481.03	1,345.89	995.95%
120,000	135.14	1,607.84	1,472.70	1089.79%
130,000	135.14	1,734.65	1,599.51	1183.62%
140,000	135.14	1,861.46	1,726.32	1277.46%
150,000	135.14	1,988.27	1,853.13	1371.30%
160,000	135.14	2,115.08	1,979.94	1465.14%
170,000	135.14	2,241.89	2,106.75	1558.98%
180,000	135.14	2,368.70	2,233.56	1652.82%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 5 - CHARGED BY METER SIZE
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 100.28	$ 98.95	$ (1.33)	-1.32%
1,000	113.28	111.79	(1.50)	-1.32%
2,000	126.29	124.62	(1.67)	-1.32%
3,000	139.30	137.46	(1.84)	-1.32%
3,870	150.62	148.63	(1.99)	-1.32%
4,000	152.31	150.30	(2.01)	-1.32%
5,000	165.32	163.14	(2.19)	-1.32%
6,000	178.33	175.97	(2.36)	-1.32%
7,000	191.34	188.81	(2.53)	-1.32%
8,000	204.35	201.65	(2.70)	-1.32%
9,000	217.36	214.48	(2.87)	-1.32%
10,000	230.37	227.32	(3.05)	-1.32%
11,000	243.38	240.16	(3.22)	-1.32%
12,000	256.38	252.99	(3.39)	-1.32%
13,000	269.39	265.83	(3.56)	-1.32%
14,000	282.40	278.67	(3.73)	-1.32%
15,000	295.41	291.51	(3.91)	-1.32%
16,000	308.42	304.34	(4.08)	-1.32%
17,000	321.43	317.18	(4.25)	-1.32%
18,000	334.44	330.02	(4.42)	-1.32%
19,000	347.45	342.85	(4.59)	-1.32%
20,000	360.46	355.69	(4.77)	-1.32%
25,000	425.50	419.88	(5.63)	-1.32%
30,000	490.55	484.06	(6.49)	-1.32%
35,000	555.59	548.25	(7.35)	-1.32%
40,000	620.64	612.43	(8.21)	-1.32%
45,000	685.68	676.62	(9.07)	-1.32%
50,000	750.73	740.80	(9.93)	-1.32%
60,000	880.82	869.17	(11.65)	-1.32%
70,000	1,010.91	997.54	(13.37)	-1.32%
80,000	1,141.00	1,125.91	(15.09)	-1.32%
90,000	1,271.09	1,254.28	(16.81)	-1.32%
100,000	1,401.18	1,382.65	(18.53)	-1.32%
110,000	1,531.27	1,511.02	(20.25)	-1.32%
120,000	1,661.36	1,639.39	(21.97)	-1.32%
130,000	1,791.45	1,767.76	(23.69)	-1.32%
140,000	1,921.54	1,896.13	(25.41)	-1.32%
150,000	2,051.63	2,024.50	(27.13)	-1.32%
160,000	2,181.72	2,152.87	(28.85)	-1.32%
170,000	2,311.81	2,281.24	(30.57)	-1.32%
180,000	2,441.90	2,409.61	(32.29)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 5 - CHARGED BY NUMBER OF EDU
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 100.28	$ 98.95	$ (1.33)	-1.32%
1,000	113.28	111.79	(1.50)	-1.32%
2,000	126.29	124.62	(1.67)	-1.32%
3,000	139.30	137.46	(1.84)	-1.32%
3,870	150.62	148.63	(1.99)	-1.32%
4,000	152.31	150.30	(2.01)	-1.32%
5,000	165.32	163.14	(2.19)	-1.32%
6,000	178.33	175.97	(2.36)	-1.32%
7,000	191.34	188.81	(2.53)	-1.32%
8,000	204.35	201.65	(2.70)	-1.32%
9,000	217.36	214.48	(2.87)	-1.32%
10,000	230.37	227.32	(3.05)	-1.32%
11,000	243.38	240.16	(3.22)	-1.32%
12,000	256.38	252.99	(3.39)	-1.32%
13,000	269.39	265.83	(3.56)	-1.32%
14,000	282.40	278.67	(3.73)	-1.32%
15,000	295.41	291.51	(3.91)	-1.32%
16,000	308.42	304.34	(4.08)	-1.32%
17,000	321.43	317.18	(4.25)	-1.32%
18,000	334.44	330.02	(4.42)	-1.32%
19,000	347.45	342.85	(4.59)	-1.32%
20,000	360.46	355.69	(4.77)	-1.32%
25,000	425.50	419.88	(5.63)	-1.32%
30,000	490.55	484.06	(6.49)	-1.32%
35,000	555.59	548.25	(7.35)	-1.32%
40,000	620.64	612.43	(8.21)	-1.32%
45,000	685.68	676.62	(9.07)	-1.32%
50,000	750.73	740.80	(9.93)	-1.32%
60,000	880.82	869.17	(11.65)	-1.32%
70,000	1,010.91	997.54	(13.37)	-1.32%
80,000	1,141.00	1,125.91	(15.09)	-1.32%
90,000	1,271.09	1,254.28	(16.81)	-1.32%
100,000	1,401.18	1,382.65	(18.53)	-1.32%
110,000	1,531.27	1,511.02	(20.25)	-1.32%
120,000	1,661.36	1,639.39	(21.97)	-1.32%
130,000	1,791.45	1,767.76	(23.69)	-1.32%
140,000	1,921.54	1,896.13	(25.41)	-1.32%
150,000	2,051.63	2,024.50	(27.13)	-1.32%
160,000	2,181.72	2,152.87	(28.85)	-1.32%
170,000	2,311.81	2,281.24	(30.57)	-1.32%
180,000	2,441.90	2,409.61	(32.29)	-1.32%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 5 - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 152.31	$ 98.95	$ (53.36)	-35.04%
1,000	152.31	111.79	(40.53)	-26.61%
2,000	152.31	124.62	(27.69)	-18.18%
3,000	152.31	137.46	(14.85)	-9.75%
3,870	152.31	148.63	(3.68)	-2.42%
4,000	152.31	150.30	(2.02)	-1.32%
5,000	152.31	163.14	10.82	7.10%
6,000	152.31	175.97	23.66	15.53%
7,000	152.31	188.81	36.49	23.96%
8,000	152.31	201.65	49.33	32.39%
9,000	152.31	214.48	62.17	40.82%
10,000	152.31	227.32	75.01	49.24%
11,000	152.31	240.16	87.84	57.67%
12,000	152.31	252.99	100.68	66.10%
13,000	152.31	265.83	113.52	74.53%
14,000	152.31	278.67	126.35	82.96%
15,000	152.31	291.51	139.19	91.38%
16,000	152.31	304.34	152.03	99.81%
17,000	152.31	317.18	164.86	108.24%
18,000	152.31	330.02	177.70	116.67%
19,000	152.31	342.85	190.54	125.10%
20,000	152.31	355.69	203.38	133.52%
25,000	152.31	419.88	267.56	175.66%
30,000	152.31	484.06	331.75	217.80%
35,000	152.31	548.25	395.93	259.94%
40,000	152.31	612.43	460.12	302.08%
45,000	152.31	676.62	524.30	344.22%
50,000	152.31	740.80	588.49	386.36%
60,000	152.31	869.17	716.86	470.64%
70,000	152.31	997.54	845.23	554.92%
80,000	152.31	1,125.91	973.60	639.20%
90,000	152.31	1,254.28	1,101.97	723.48%
100,000	152.31	1,382.65	1,230.34	807.76%
110,000	152.31	1,511.02	1,358.71	892.04%
120,000	152.31	1,639.39	1,487.08	976.32%
130,000	152.31	1,767.76	1,615.45	1060.60%
140,000	152.31	1,896.13	1,743.82	1144.88%
150,000	152.31	2,024.50	1,872.19	1229.16%
160,000	152.31	2,152.87	2,000.56	1313.44%
170,000	152.31	2,281.24	2,128.93	1397.72%
180,000	152.31	2,409.61	2,257.30	1482.00%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 5 - AVON GROVE SCHOOL DISTRICT DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
COMMERCIAL - MONTHLY
6 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
1,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
2,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
3,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
3,870	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
4,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
5,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
6,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
7,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
8,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
9,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
10,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
11,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
12,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
13,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
14,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
15,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
16,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
17,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
18,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
19,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
20,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
25,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
30,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
35,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
40,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
45,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
50,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
60,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
70,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
80,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
90,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
100,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
110,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
120,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
130,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
140,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
150,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
160,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
170,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%
180,000	$ 11,071.76	$ 10,933.55	$ (138.21)	-1.25%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 6
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 60.35	$ 58.86	$ (1.49)	-2.47%
1,000	63.14	61.59	(1.56)	-2.47%
2,000	65.94	64.31	(1.63)	-2.47%
3,000	68.74	67.04	(1.69)	-2.47%
3,870	71.17	69.41	(1.75)	-2.46%
4,000	71.53	69.77	(1.76)	-2.46%
5,000	74.33	72.50	(1.83)	-2.46%
6,000	77.12	75.22	(1.90)	-2.46%
7,000	79.92	77.95	(1.97)	-2.46%
8,000	82.72	80.68	(2.04)	-2.46%
9,000	85.51	83.40	(2.11)	-2.46%
10,000	88.31	86.13	(2.18)	-2.46%
11,000	91.10	88.86	(2.24)	-2.46%
12,000	93.90	91.59	(2.31)	-2.46%
13,000	96.70	94.31	(2.38)	-2.46%
14,000	99.49	97.04	(2.45)	-2.46%
15,000	102.29	99.77	(2.52)	-2.46%
16,000	105.08	102.49	(2.59)	-2.46%
17,000	107.88	105.22	(2.66)	-2.46%
18,000	110.68	107.95	(2.73)	-2.46%
19,000	113.47	110.68	(2.80)	-2.46%
20,000	116.27	113.40	(2.86)	-2.46%
25,000	130.25	127.04	(3.21)	-2.46%
30,000	144.23	140.67	(3.55)	-2.46%
35,000	158.21	154.31	(3.90)	-2.46%
40,000	172.19	167.95	(4.24)	-2.46%
45,000	186.17	181.58	(4.58)	-2.46%
50,000	200.15	195.22	(4.93)	-2.46%
60,000	228.11	222.49	(5.62)	-2.46%
70,000	256.07	249.76	(6.30)	-2.46%
80,000	284.03	277.03	(6.99)	-2.46%
90,000	311.99	304.30	(7.68)	-2.46%
100,000	339.95	331.58	(8.37)	-2.46%
110,000	367.90	358.85	(9.06)	-2.46%
120,000	395.86	386.12	(9.75)	-2.46%
130,000	423.82	413.39	(10.43)	-2.46%
140,000	451.78	440.66	(11.12)	-2.46%
150,000	479.74	467.93	(11.81)	-2.46%
160,000	507.70	495.21	(12.50)	-2.46%
170,000	535.66	522.48	(13.19)	-2.46%
180,000	563.62	549.75	(13.87)	-2.46%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 7
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 42.69	$ 47.64	$ 4.95	11.58%
1,000	51.92	59.32	7.40	14.26%
2,000	61.14	71.00	9.86	16.13%
3,000	70.36	82.68	12.32	17.51%
3,870	78.39	92.85	14.46	18.44%
4,000	79.59	94.36	14.78	18.57%
5,000	88.81	106.05	17.24	19.41%
6,000	98.03	117.73	19.69	20.09%
7,000	107.26	129.41	22.15	20.65%
8,000	116.48	141.09	24.61	21.13%
9,000	125.70	152.77	27.07	21.53%
10,000	134.92	164.45	29.53	21.88%
11,000	144.15	176.13	31.98	22.19%
12,000	153.37	187.81	34.44	22.46%
13,000	162.59	199.49	36.90	22.69%
14,000	171.82	211.17	39.36	22.91%
15,000	181.04	222.86	41.82	23.10%
16,000	190.26	234.54	44.27	23.27%
17,000	199.48	246.22	46.73	23.43%
18,000	208.71	257.90	49.19	23.57%
19,000	217.93	269.58	51.65	23.70%
20,000	227.15	281.26	54.11	23.82%
25,000	273.27	339.67	66.40	24.30%
30,000	319.38	398.07	78.69	24.64%
35,000	365.50	456.48	90.98	24.89%
40,000	411.61	514.88	103.27	25.09%
45,000	457.73	573.29	115.56	25.25%
50,000	503.84	631.69	127.85	25.37%
60,000	596.07	748.50	152.43	25.57%
70,000	688.30	865.31	177.01	25.72%
80,000	780.53	982.12	201.59	25.83%
90,000	872.76	1,098.93	226.17	25.91%
100,000	964.99	1,215.74	250.75	25.98%
110,000	1,057.22	1,332.55	275.33	26.04%
120,000	1,149.45	1,449.36	299.91	26.09%
130,000	1,241.68	1,566.17	324.49	26.13%
140,000	1,333.91	1,682.98	349.07	26.17%
150,000	1,426.14	1,799.79	373.65	26.20%
160,000	1,518.37	1,916.60	398.23	26.23%
170,000	1,610.60	2,033.41	422.81	26.25%
180,000	1,702.83	2,150.22	447.39	26.27%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 8
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES*	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 58.38	$ 55.93	$ (2.45)	-4.20%
1,000	70.28	68.52	(1.76)	-2.51%
2,000	82.17	81.10	(1.07)	-1.30%
3,000	94.06	93.69	(0.38)	-0.40%
3,870	104.41	104.63	0.22	0.21%
4,000	105.96	106.27	0.31	0.29%
5,000	117.85	118.86	1.00	0.85%
6,000	129.75	131.44	1.69	1.30%
7,000	141.64	144.03	2.38	1.68%
8,000	153.54	156.61	3.07	2.00%
9,000	165.43	169.20	3.76	2.28%
10,000	177.32	181.78	4.46	2.51%
11,000	189.22	194.37	5.15	2.72%
12,000	201.11	206.95	5.84	2.90%
13,000	213.01	219.54	6.53	3.06%
14,000	224.90	232.12	7.22	3.21%
15,000	236.80	244.71	7.91	3.34%
16,000	248.69	257.29	8.60	3.46%
17,000	260.58	269.88	9.29	3.57%
18,000	272.48	282.46	9.98	3.66%
19,000	284.37	295.05	10.67	3.75%
20,000	296.27	307.63	11.36	3.84%
25,000	355.74	370.56	14.82	4.16%
30,000	415.21	433.48	18.27	4.40%
35,000	474.68	496.41	21.72	4.58%
40,000	534.15	559.33	25.18	4.71%
45,000	593.62	622.26	28.63	4.82%
50,000	653.10	685.18	32.08	4.91%
60,000	772.04	811.03	38.99	5.05%
70,000	890.98	936.88	45.90	5.15%
80,000	1,009.92	1,062.73	52.81	5.23%
90,000	1,128.87	1,188.58	59.71	5.29%
100,000	1,247.81	1,314.43	66.62	5.34%
110,000	1,366.75	1,440.28	73.53	5.38%
120,000	1,485.70	1,566.13	80.43	5.41%
130,000	1,604.64	1,691.98	87.34	5.44%
140,000	1,723.58	1,817.83	94.25	5.47%
150,000	1,842.52	1,943.68	101.16	5.49%
160,000	1,961.47	2,069.53	108.06	5.51%
170,000	2,080.41	2,195.38	114.97	5.53%
180,000	2,199.35	2,321.23	121.88	5.54%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 9 - CHELTENHAM TOWNSHIP DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 32.85	$ 47.64	$ 14.79	45.00%
1,000	40.30	59.32	19.02	47.19%
2,000	47.75	71.00	23.25	48.69%
3,000	55.20	82.68	27.48	49.79%
3,870	61.68	92.85	31.17	50.53%
4,000	62.65	94.36	31.72	50.62%
5,000	70.10	106.05	35.95	51.28%
6,000	77.55	117.73	40.18	51.82%
7,000	84.99	129.41	44.41	52.25%
8,000	92.44	141.09	48.65	52.62%
9,000	99.89	152.77	52.88	52.94%
10,000	107.34	164.45	57.11	53.21%
11,000	114.79	176.13	61.34	53.44%
12,000	122.24	187.81	65.58	53.65%
13,000	129.68	199.49	69.81	53.83%
14,000	137.13	211.17	74.04	53.99%
15,000	144.58	222.86	78.27	54.14%
16,000	152.03	234.54	82.51	54.27%
17,000	159.48	246.22	86.74	54.39%
18,000	166.93	257.90	90.97	54.50%
19,000	174.38	269.58	95.20	54.60%
20,000	181.82	281.26	99.44	54.69%
25,000	219.07	339.67	120.60	55.05%
30,000	256.31	398.07	141.76	55.31%
35,000	293.55	456.48	162.92	55.50%
40,000	330.79	514.88	184.09	55.65%
45,000	368.04	573.29	205.25	55.77%
50,000	405.28	631.69	226.41	55.87%
60,000	479.76	748.50	268.74	56.01%
70,000	554.25	865.31	311.06	56.12%
80,000	628.73	982.12	353.39	56.21%
90,000	703.22	1,098.93	395.71	56.27%
100,000	777.70	1,215.74	438.04	56.32%
110,000	852.19	1,332.55	480.36	56.37%
120,000	926.67	1,449.36	522.69	56.40%
130,000	1,001.16	1,566.17	565.01	56.44%
140,000	1,075.64	1,682.98	607.34	56.46%
150,000	1,150.13	1,799.79	649.66	56.49%
160,000	1,224.61	1,916.60	691.99	56.51%
170,000	1,299.10	2,033.41	734.31	56.52%
180,000	1,373.58	2,150.22	776.64	56.54%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 10
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 36.05	$ 47.64	$ 11.59	32.16%
1,000	43.88	59.32	15.44	35.20%
2,000	51.71	71.00	19.30	37.32%
3,000	59.54	82.68	23.15	38.88%
3,870	66.35	92.85	26.50	39.94%
4,000	67.36	94.36	27.00	40.08%
5,000	75.19	106.05	30.85	41.03%
6,000	83.02	117.73	34.70	41.80%
7,000	90.85	129.41	38.55	42.44%
8,000	98.68	141.09	42.41	42.97%
9,000	106.51	152.77	46.26	43.43%
10,000	114.34	164.45	50.11	43.82%
11,000	122.17	176.13	53.96	44.17%
12,000	130.00	187.81	57.81	44.47%
13,000	137.83	199.49	61.66	44.74%
14,000	145.66	211.17	65.51	44.98%
15,000	153.49	222.86	69.37	45.19%
16,000	161.32	234.54	73.22	45.39%
17,000	169.15	246.22	77.07	45.56%
18,000	176.98	257.90	80.92	45.72%
19,000	184.81	269.58	84.77	45.87%
20,000	192.64	281.26	88.62	46.01%
25,000	231.78	339.67	107.88	46.54%
30,000	270.93	398.07	127.14	46.93%
35,000	310.08	456.48	146.39	47.21%
40,000	349.23	514.88	165.65	47.43%
45,000	388.38	573.29	184.91	47.61%
50,000	427.52	631.69	204.17	47.76%
60,000	505.82	748.50	242.68	47.98%
70,000	584.11	865.31	281.20	48.14%
80,000	662.41	982.12	319.71	48.26%
90,000	740.70	1,098.93	358.23	48.36%
100,000	819.00	1,215.74	396.74	48.44%
110,000	897.29	1,332.55	435.26	48.51%
120,000	975.59	1,449.36	473.77	48.56%
130,000	1,053.89	1,566.17	512.28	48.61%
140,000	1,132.18	1,682.98	550.80	48.65%
150,000	1,210.48	1,799.79	589.31	48.68%
160,000	1,288.77	1,916.60	627.83	48.72%
170,000	1,367.07	2,033.41	666.34	48.74%
180,000	1,445.36	2,150.22	704.86	48.77%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 11
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 46.07	$ 55.93	$ 9.86	21.40%
1,000	69.64	68.52	(1.12)	-1.62%
2,000	93.21	81.10	(12.11)	-12.99%
3,000	116.78	93.69	(23.10)	-19.78%
3,870	139.04	104.63	(34.41)	-24.75%
4,000	140.35	106.27	(34.08)	-24.28%
5,000	163.92	118.86	(45.07)	-27.49%
6,000	197.81	131.44	(66.37)	-33.55%
7,000	231.69	144.03	(87.66)	-37.84%
8,000	265.57	156.61	(108.96)	-41.03%
9,000	299.45	169.20	(130.26)	-43.50%
10,000	333.34	181.78	(151.56)	-45.47%
11,000	367.22	194.37	(172.86)	-47.07%
12,000	401.10	206.95	(194.15)	-48.40%
13,000	434.99	219.54	(215.45)	-49.53%
14,000	468.87	232.12	(236.75)	-50.49%
15,000	502.75	244.71	(258.05)	-51.33%
16,000	536.64	257.29	(279.35)	-52.06%
17,000	570.52	269.88	(300.64)	-52.70%
18,000	604.40	282.46	(321.94)	-53.27%
19,000	638.28	295.05	(343.24)	-53.78%
20,000	672.17	307.63	(364.54)	-54.23%
25,000	841.58	370.56	(471.03)	-55.97%
30,000	1,011.00	433.48	(577.52)	-57.12%
35,000	1,180.41	496.41	(684.01)	-57.95%
40,000	1,349.83	559.33	(790.50)	-58.56%
45,000	1,519.24	622.26	(896.99)	-59.04%
50,000	1,688.66	685.18	(1,003.48)	-59.42%
60,000	2,027.49	811.03	(1,216.46)	-60.00%
70,000	2,366.32	936.88	(1,429.44)	-60.41%
80,000	2,705.15	1,062.73	(1,642.42)	-60.71%
90,000	3,043.98	1,188.58	(1,855.40)	-60.95%
100,000	3,382.81	1,314.43	(2,068.38)	-61.14%
110,000	3,721.64	1,440.28	(2,281.36)	-61.30%
120,000	4,060.47	1,566.13	(2,494.34)	-61.43%
130,000	4,399.30	1,691.98	(2,707.32)	-61.54%
140,000	4,738.13	1,817.83	(2,920.30)	-61.63%
150,000	5,076.96	1,943.68	(3,133.28)	-61.72%
160,000	5,415.79	2,069.53	(3,346.26)	-61.79%
170,000	5,754.62	2,195.38	(3,559.24)	-61.85%
180,000	6,093.45	2,321.23	(3,772.22)	-61.91%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA INC.
RATE ZONE 12
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - PER DWELLING UNIT - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 53.49	$ 47.64	$ (5.85)	-10.94%
1,000	57.86	59.32	1.46	2.52%
2,000	62.23	71.00	8.77	14.09%
3,000	66.60	82.68	16.08	24.14%
3,870	70.51	92.85	22.33	31.67%
4,000	71.11	94.36	23.25	32.70%
5,000	75.71	106.05	30.33	40.06%
6,000	80.31	117.73	37.41	46.59%
7,000	84.97	129.41	44.43	52.29%
8,000	89.78	141.09	51.30	57.14%
9,000	94.59	152.77	58.17	61.50%
10,000	99.40	164.45	65.05	65.44%
11,000	104.69	176.13	71.44	68.23%
12,000	109.98	187.81	77.83	70.76%
13,000	115.27	199.49	84.22	73.06%
14,000	120.93	211.17	90.24	74.62%
15,000	126.83	222.86	96.02	75.71%
16,000	132.73	234.54	101.81	76.70%
17,000	138.89	246.22	107.33	77.27%
18,000	145.66	257.90	112.24	77.05%
19,000	152.43	269.58	117.15	76.85%
20,000	159.20	281.26	122.06	76.67%
25,000	193.05	339.67	146.61	75.95%
30,000	226.90	398.07	171.17	75.44%
35,000	260.75	456.48	195.72	75.06%
40,000	294.60	514.88	220.28	74.77%
45,000	328.45	573.29	244.83	74.54%
50,000	362.30	631.69	269.39	74.35%
60,000	430.00	748.50	318.50	74.07%
70,000	497.70	865.31	367.61	73.86%
80,000	565.40	982.12	416.72	73.70%
90,000	633.10	1,098.93	465.83	73.58%
100,000	700.80	1,215.74	514.94	73.48%
110,000	768.50	1,332.55	564.05	73.40%
120,000	836.20	1,449.36	613.16	73.33%
130,000	903.90	1,566.17	662.27	73.27%
140,000	971.60	1,682.98	711.38	73.22%
150,000	1,039.30	1,799.79	760.49	73.17%
160,000	1,107.00	1,916.60	809.60	73.13%
170,000	1,174.70	2,033.41	858.71	73.10%
180,000	1,242.40	2,150.22	907.82	73.07%

AQUA PENNSYLVANIA INC.
RATE ZONE 12
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - PER TWO-UNIT DWELLING UNITS - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 89.74	$ 47.64	$ (42.10)	-46.91%
1,000	94.11	59.32	(34.79)	-36.97%
2,000	98.48	71.00	(27.48)	-27.90%
3,000	102.85	82.68	(20.17)	-19.61%
3,870	106.76	92.85	(13.91)	-13.03%
4,000	107.36	94.36	(12.99)	-12.10%
5,000	111.96	106.05	(5.91)	-5.28%
6,000	116.56	117.73	1.17	1.00%
7,000	121.22	129.41	8.19	6.75%
8,000	126.03	141.09	15.06	11.95%
9,000	130.84	152.77	21.93	16.76%
10,000	135.65	164.45	28.80	21.23%
11,000	140.94	176.13	35.19	24.97%
12,000	146.23	187.81	41.58	28.44%
13,000	151.52	199.49	47.97	31.66%
14,000	157.18	211.17	54.00	34.35%
15,000	163.08	222.86	59.78	36.66%
16,000	168.98	234.54	65.56	38.80%
17,000	175.14	246.22	71.08	40.58%
18,000	181.91	257.90	75.99	41.77%
19,000	188.68	269.58	80.90	42.88%
20,000	195.45	281.26	85.81	43.91%
25,000	229.30	339.67	110.37	48.13%
30,000	263.15	398.07	134.92	51.27%
35,000	297.00	456.48	159.48	53.70%
40,000	330.85	514.88	184.03	55.62%
45,000	364.70	573.29	208.59	57.19%
50,000	398.55	631.69	233.14	58.50%
60,000	466.25	748.50	282.25	60.54%
70,000	533.95	865.31	331.36	62.06%
80,000	601.65	982.12	380.47	63.24%
90,000	669.35	1,098.93	429.58	64.18%
100,000	737.05	1,215.74	478.69	64.95%
110,000	804.75	1,332.55	527.80	65.59%
120,000	872.45	1,449.36	576.91	66.13%
130,000	940.15	1,566.17	626.02	66.59%
140,000	1,007.85	1,682.98	675.13	66.99%
150,000	1,075.55	1,799.79	724.24	67.34%
160,000	1,143.25	1,916.60	773.35	67.65%
170,000	1,210.95	2,033.41	822.46	67.92%
180,000	1,278.65	2,150.22	871.57	68.16%

AQUA PENNSYLVANIA INC.
RATE ZONE 13, RATES A/B - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 33.33	$ 37.92	$ 4.59	13.76%
1,000	33.33	47.22	13.88	41.65%
2,000	33.33	56.51	23.18	69.54%
3,000	33.33	65.81	32.48	97.43%
3,870	33.33	73.90	40.57	121.70%
4,000	33.33	75.11	41.77	125.32%
5,000	33.33	84.41	51.07	153.22%
6,000	33.33	93.70	60.37	181.11%
7,000	33.33	103.00	69.67	209.00%
8,000	33.33	112.30	78.96	236.89%
9,000	33.33	121.59	88.26	264.78%
10,000	33.33	130.89	97.56	292.67%
11,000	33.33	140.19	106.85	320.56%
12,000	33.33	149.48	116.15	348.45%
13,000	33.33	158.78	125.45	376.34%
14,000	33.33	168.08	134.74	404.23%
15,000	33.33	177.38	144.04	432.13%
16,000	33.33	186.67	153.34	460.02%
17,000	33.33	195.97	162.64	487.91%
18,000	33.33	205.27	171.93	515.80%
19,000	33.33	214.56	181.23	543.69%
20,000	33.33	223.86	190.53	571.58%
25,000	33.33	270.35	237.01	711.04%
30,000	33.33	316.83	283.50	850.49%
35,000	33.33	363.32	329.98	989.95%
40,000	33.33	409.80	376.47	1129.40%
45,000	33.33	456.29	422.95	1268.86%
50,000	33.33	502.77	469.44	1408.31%
60,000	33.33	595.74	562.41	1687.22%
70,000	33.33	688.71	655.38	1966.13%
80,000	33.33	781.68	748.35	2245.04%
90,000	33.33	874.65	841.32	2523.95%
100,000	33.33	967.62	934.29	2802.86%
110,000	33.33	1,060.59	1,027.26	3081.77%
120,000	33.33	1,153.56	1,120.23	3360.68%
130,000	33.33	1,246.53	1,213.20	3639.59%
140,000	33.33	1,339.50	1,306.17	3918.50%
150,000	33.33	1,432.47	1,399.14	4197.41%
160,000	33.33	1,525.44	1,492.11	4476.32%
170,000	33.33	1,618.41	1,585.08	4755.23%
180,000	33.33	1,711.38	1,678.05	5034.14%

AQUA PENNSYLVANIA INC.
RATE ZONE 13 -R ATE C - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 45.17	$ 37.92	$ (7.25)	-16.04%
1,000	45.17	47.22	2.05	4.54%
2,000	45.17	56.51	11.35	25.12%
3,000	45.17	65.81	20.64	45.71%
3,870	45.17	73.90	28.73	63.61%
4,000	45.17	75.11	29.94	66.29%
5,000	45.17	84.41	39.24	86.87%
6,000	45.17	93.70	48.54	107.46%
7,000	45.17	103.00	57.83	128.04%
8,000	45.17	112.30	67.13	148.63%
9,000	45.17	121.59	76.43	169.21%
10,000	45.17	130.89	85.72	189.79%
11,000	45.17	140.19	95.02	210.38%
12,000	45.17	149.48	104.32	230.96%
13,000	45.17	158.78	113.61	251.54%
14,000	45.17	168.08	122.91	272.13%
15,000	45.17	177.38	132.21	292.71%
16,000	45.17	186.67	141.51	313.30%
17,000	45.17	195.97	150.80	333.88%
18,000	45.17	205.27	160.10	354.46%
19,000	45.17	214.56	169.40	375.05%
20,000	45.17	223.86	178.69	395.63%
25,000	45.17	270.35	225.18	498.55%
30,000	45.17	316.83	271.66	601.47%
35,000	45.17	363.32	318.15	704.39%
40,000	45.17	409.80	364.63	807.31%
45,000	45.17	456.29	411.12	910.23%
50,000	45.17	502.77	457.60	1013.14%
60,000	45.17	595.74	550.57	1218.98%
70,000	45.17	688.71	643.54	1424.82%
80,000	45.17	781.68	736.51	1630.66%
90,000	45.17	874.65	829.48	1836.49%
100,000	45.17	967.62	922.45	2042.33%
110,000	45.17	1,060.59	1,015.42	2248.17%
120,000	45.17	1,153.56	1,108.39	2454.01%
130,000	45.17	1,246.53	1,201.36	2659.85%
140,000	45.17	1,339.50	1,294.33	2865.68%
150,000	45.17	1,432.47	1,387.30	3071.52%
160,000	45.17	1,525.44	1,480.27	3277.36%
170,000	45.17	1,618.41	1,573.24	3483.20%
180,000	45.17	1,711.38	1,666.21	3689.03%

AQUA PENNSYLVANIA INC.
RATE ZONE 13 - RATE D - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 50.00	$ 37.92	$ (12.08)	-24.16%
1,000	50.00	47.22	(2.78)	-5.57%
2,000	50.00	56.51	6.51	13.03%
3,000	50.00	65.81	15.81	31.62%
3,870	50.00	73.90	23.90	47.80%
4,000	50.00	75.11	25.11	50.22%
5,000	50.00	84.41	34.41	68.81%
6,000	50.00	93.70	43.70	87.40%
7,000	50.00	103.00	53.00	106.00%
8,000	50.00	112.30	62.30	124.59%
9,000	50.00	121.59	71.59	143.19%
10,000	50.00	130.89	80.89	161.78%
11,000	50.00	140.19	90.19	180.37%
12,000	50.00	149.48	99.48	198.97%
13,000	50.00	158.78	108.78	217.56%
14,000	50.00	168.08	118.08	236.16%
15,000	50.00	177.38	127.38	254.75%
16,000	50.00	186.67	136.67	273.34%
17,000	50.00	195.97	145.97	291.94%
18,000	50.00	205.27	155.27	310.53%
19,000	50.00	214.56	164.56	329.13%
20,000	50.00	223.86	173.86	347.72%
25,000	50.00	270.35	220.35	440.69%
30,000	50.00	316.83	266.83	533.66%
35,000	50.00	363.32	313.32	626.63%
40,000	50.00	409.80	359.80	719.60%
45,000	50.00	456.29	406.29	812.57%
50,000	50.00	502.77	452.77	905.54%
60,000	50.00	595.74	545.74	1091.48%
70,000	50.00	688.71	638.71	1277.42%
80,000	50.00	781.68	731.68	1463.36%
90,000	50.00	874.65	824.65	1649.30%
100,000	50.00	967.62	917.62	1835.24%
110,000	50.00	1,060.59	1,010.59	2021.18%
120,000	50.00	1,153.56	1,103.56	2207.12%
130,000	50.00	1,246.53	1,196.53	2393.06%
140,000	50.00	1,339.50	1,289.50	2579.00%
150,000	50.00	1,432.47	1,382.47	2764.94%
160,000	50.00	1,525.44	1,475.44	2950.88%
170,000	50.00	1,618.41	1,568.41	3136.82%
180,000	50.00	1,711.38	1,661.38	3322.76%

AQUA PENNSYLVANIA INC.
RATE ZONE 13 - RATE E - FLAT RATE TO METERED
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 40.00	$ 37.92	$ (2.08)	-5.20%
1,000	40.00	47.22	7.22	18.04%
2,000	40.00	56.51	16.51	41.29%
3,000	40.00	65.81	25.81	64.53%
3,870	40.00	73.90	33.90	84.75%
4,000	40.00	75.11	35.11	87.77%
5,000	40.00	84.41	44.41	111.01%
6,000	40.00	93.70	53.70	134.26%
7,000	40.00	103.00	63.00	157.50%
8,000	40.00	112.30	72.30	180.74%
9,000	40.00	121.59	81.59	203.98%
10,000	40.00	130.89	90.89	227.23%
11,000	40.00	140.19	100.19	250.47%
12,000	40.00	149.48	109.48	273.71%
13,000	40.00	158.78	118.78	296.95%
14,000	40.00	168.08	128.08	320.20%
15,000	40.00	177.38	137.38	343.44%
16,000	40.00	186.67	146.67	366.68%
17,000	40.00	195.97	155.97	389.92%
18,000	40.00	205.27	165.27	413.17%
19,000	40.00	214.56	174.56	436.41%
20,000	40.00	223.86	183.86	459.65%
25,000	40.00	270.35	230.35	575.86%
30,000	40.00	316.83	276.83	692.08%
35,000	40.00	363.32	323.32	808.29%
40,000	40.00	409.80	369.80	924.50%
45,000	40.00	456.29	416.29	1040.71%
50,000	40.00	502.77	462.77	1156.93%
60,000	40.00	595.74	555.74	1389.35%
70,000	40.00	688.71	648.71	1621.78%
80,000	40.00	781.68	741.68	1854.20%
90,000	40.00	874.65	834.65	2086.63%
100,000	40.00	967.62	927.62	2319.05%
110,000	40.00	1,060.59	1,020.59	2551.48%
120,000	40.00	1,153.56	1,113.56	2783.90%
130,000	40.00	1,246.53	1,206.53	3016.33%
140,000	40.00	1,339.50	1,299.50	3248.75%
150,000	40.00	1,432.47	1,392.47	3481.18%
160,000	40.00	1,525.44	1,485.44	3713.60%
170,000	40.00	1,618.41	1,578.41	3946.03%
180,000	40.00	1,711.38	1,671.38	4178.45%

AQUA PENNSYLVANIA INC.
RATE ZONE 14
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 28.00	$ 47.64	$ 19.64	70.14%
1,000	28.00	59.32	31.32	111.86%
2,000	41.06	71.00	29.94	72.92%
3,000	54.12	82.68	28.56	52.78%
3,870	65.48	92.85	27.36	41.79%
4,000	67.18	94.36	27.18	40.46%
5,000	80.24	106.05	25.81	32.16%
6,000	93.30	117.73	24.43	26.18%
7,000	101.22	117.73	16.51	16.31%
8,000	109.14	117.73	8.59	7.87%
9,000	117.06	117.73	0.67	0.57%
10,000	124.98	117.73	(7.25)	-5.80%
11,000	132.90	117.73	(15.17)	-11.42%
12,000	140.82	117.73	(23.09)	-16.40%
13,000	148.74	117.73	(31.01)	-20.85%
14,000	156.66	117.73	(38.93)	-24.85%
15,000	164.58	117.73	(46.85)	-28.47%
16,000	172.50	117.73	(54.77)	-31.75%
17,000	180.42	117.73	(62.69)	-34.75%
18,000	188.34	117.73	(70.61)	-37.49%
19,000	196.26	117.73	(78.53)	-40.02%
20,000	204.18	117.73	(86.45)	-42.34%
25,000	243.78	117.73	(126.05)	-51.71%
30,000	283.38	117.73	(165.65)	-58.46%
35,000	322.98	117.73	(205.25)	-63.55%
40,000	362.58	117.73	(244.85)	-67.53%
45,000	402.18	117.73	(284.45)	-70.73%
50,000	441.78	117.73	(324.05)	-73.35%
60,000	520.98	117.73	(403.25)	-77.40%
70,000	600.18	117.73	(482.45)	-80.38%
80,000	679.38	117.73	(561.65)	-82.67%
90,000	758.58	117.73	(640.85)	-84.48%
100,000	837.78	117.73	(720.05)	-85.95%
110,000	916.98	117.73	(799.25)	-87.16%
120,000	996.18	117.73	(878.45)	-88.18%
130,000	1,075.38	117.73	(957.65)	-89.05%
140,000	1,154.58	117.73	(1,036.85)	-89.80%
150,000	1,233.78	117.73	(1,116.05)	-90.46%
160,000	1,312.98	117.73	(1,195.25)	-91.03%
170,000	1,392.18	117.73	(1,274.45)	-91.54%
180,000	1,471.38	117.73	(1,353.65)	-92.00%

Aqua Pennsylvania, Inc.
Wastewater Bill Analysis Summary
12 Months Ending December 2023, 2024, 2025

Code	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total	HTY Annualized Adjustments Annualized Growth	FR to Metered	Annualized HTY	FTY Proforma Adjustments Organic Growth	WINTER CAP	FTY	FPFTY ProForma Adjustments WINTER Organic Growth	CAP	FPFTY	Notes	Code
BM	S-Zone-1	Mth	Res	.No Cap	0.625	1,670	1,670	1,656	1,649	1,656	1,663	1,669	1,655	1,653	1,659	1,665	1,653	19,919	241		20,160	712		20,872	712		21,583		BM
BM	S-Zone-1	Mth	Res	.No Cap	0.75	7	7	6	6	6	6	7	7	7	7	7	7	80			80			80			80		BM
BM	S-Zone-1	Mth	Res	.No Cap	1	27	27	27	27	27	27	27	27	27	27	27	27	324			324			324			324		BM
BM	S-Zone-1	Mth	Res	.No Cap	1.5	8	8	8	8	8	8	8	8	8	8	8	8	96			96			96			96		BM
BM	S-Zone-1	Mth	Res	.No Cap	2	1	1	1	1	1	1	1	1	1	1	1	1	12			12			12			12		BM
BM	S-Zone-1	Mth	Res	.No Cap	EDU	1,421	1,417	1,427	1,428	1,430	1,442	1,439	1,441	1,440	1,445	1,437	1,433	17,199	209		17,407	614		18,022	614		18,636		BM
BM	S-Zone-1	Mth	Res	.No Cap	FR.r	2	2	2	2	2	2	2	2	2	2	3	3	28			28			28			28		BM.FR
BM	S-Zone-1	Mth	Res	.No Cap	O	1	1	1	1	1	1	1	1	1	1	1	1	12			12			12			12		BM
BM	S-Zone-1	Mth	Res	.No Cap	N	2	2	2	2	2	2	2	2	2	2	2	2	24			24			24			24		BM
BM	S-Zone-1	Mth	Res	CAP T1	EDU							1	1	1	1	2	2	8			8			8			8		BM
BM	S-Zone-1	Mth	Res	CAP T2	EDU							1	1	1	1	1	1	6			6			6			6		BM
BM	S-Zone-1	Mth	Res	CAP T3	EDU										1	1	1	3			3			3			3		BM
BM.ResTot	S-Zone-1	Mth	Res Total			3,139	3,135	3,130	3,124	3,132	3,152	3,159	3,146	3,143	3,155	3,157	3,139	37,711											BM.ResTot
BM	S-Zone-1	Mth	Com	.No Cap	0.625	218	222	216	245	227	230	229	230	229	231	229	232	2,737			2,737			2,737			2,737		BM
BM	S-Zone-1	Mth	Com	.No Cap	0.75	4	4	4	4	4	4	4	4	4	4	4	4	48			48			48			48		BM
BM	S-Zone-1	Mth	Com	.No Cap	1	50	48	49	49	49	49	48	50	49	49	49	49	588			588			588			588		BM
BM	S-Zone-1	Mth	Com	.No Cap	1.5	30	30	30	30	30	30	31	29	29	29	29	29	355			355			355			355		BM
BM	S-Zone-1	Mth	Com	.No Cap	2	17	17	17	17	17	17	17	17	17	17	17	17	204			204			204			204		BM
BM	S-Zone-1	Mth	Com	.No Cap	3	9	9	9	10	8	9	9	9	9	9	9	9	108			108			108			108		BM
BM	S-Zone-1	Mth	Com	.No Cap	4	4	4	4	4	4	4	4	4	4	4	4	4	48			48			48			48		BM
BM	S-Zone-1	Mth	Com	.No Cap	EDU	94	89	88	96	95	89	102	96	96	93	94	90	1,122			1,122			1,122			1,122		BM
BM	S-Zone-1	Mth	Com	.No Cap	FR.c	7	7	7	7	7	7	7	7	7	7	7	7	84			84			84			84		BM.FR
BM.ComTot	S-Zone-1	Mth	Com Total			433	430	424	461	441	439	451	446	445	443	442	440	5,296											BM.ComTot
BM	S-Zone-1	Mth	Ind	.No Cap	0.625	1	1	1	1	1	1	1	1	1	1	1	1	12			12			12			12		BM
BM.IndTot	S-Zone-1	Mth	Ind Total			1	1	1	1	1	1	1	1	1	1	1	1	12											BM.IndTot
BM	S-Zone-1	Mth	Pub	.No Cap	0.625	14	13	13	13	13	13	13	13	13	13	13	13	157			157			157			157		BM
BM	S-Zone-1	Mth	Pub	.No Cap	0.75	1	1	1	1	1	1	1	1	1	1	1	1	12			12			12			12		BM
BM	S-Zone-1	Mth	Pub	.No Cap	1	8	8	8	8	8	8	8	8	8	8	8	8	96			96			96			96		BM
BM	S-Zone-1	Mth	Pub	.No Cap	1.5	3	3	3	3	3	3	3	3	3	3	3	3	36			36			36			36		BM
BM	S-Zone-1	Mth	Pub	.No Cap	2	2	2	2	2	2	2	2	2	2	2	2	2	24			24			24			24		BM
BM	S-Zone-1	Mth	Pub	.No Cap	3	2	2	2	2	2	2	2	2	2	2	2	2	24			24			24			24		BM
BM	S-Zone-1	Mth	Pub	.No Cap	4	2	2	2	2	2	2	2	2	2	2	2	2	24			24			24			24		BM
BM.PubTot	S-Zone-1	Mth	Pub Total			32	31	31	31	31	31	31	31	31	31	31	31	373											BM.PubTot
BM	S-Zone-1	Qtr	Res	.No Cap	EDU	(7)	2,844	(7)	(5)	6	2,867	6	(24)	2,913	(7)	(2)	2,924	11,507			11,507			11,507			11,507		BM
BM	S-Zone-1	Qtr	Res	CAP T1	EDU										-	-	6	6			6			6			6		BM
BM	S-Zone-1	Qtr	Res	CAP T3	EDU										-	-	3	3			3			3			3		BM
BM.ResTot	S-Zone-1	Qtr	Res Total			(7)	2,844	(7)	(5)	6	2,867	6	(24)	2,913	(7)	(2)	2,933	11,516											BM.ResTot
	Rate Zone	Class by RC	Values	Block																									
Usg	S-Zone-1	Res	Sum of ALLOW CONS	Allow		38	73	-	-	-	-	-	-	179	-	-	-	290			290			290			290		Usg
Usg	S-Zone-1	Res	Sum of BLOCK 1 CONSUMP	Blk1		88,385	178,439	76,920	86,805	88,789	187,491	98,661	99,472	192,957	87,476	88,707	174,985	1,449,087	9,411		1,458,499	27,732		1,486,231	27,732		1,513,963		Usg
Usg	S-Zone-1	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1	Com	Sum of BLOCK 1 CONSUMP	Blk1		112,201	93,426	79,476	87,807	86,925	104,179	89,085	109,479	110,684	102,361	100,147	106,457	1,182,227			1,182,227			1,182,227			1,182,227		Usg
Usg	S-Zone-1	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1	Ind	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1	Ind	Sum of BLOCK 1 CONSUMP	Blk1		26	39	34	41	44	37	43	52	56	60	65	62	559			559			559			559		Usg
Usg	S-Zone-1	Ind	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1	Pub	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1	Pub	Sum of BLOCK 1 CONSUMP	Blk1		14,231	5,033	3,434	3,790	4,080	6,954	7,893	11,118	11,669	8,712	8,266	5,990	91,170			91,170			91,170			91,170		Usg
Usg	S-Zone-1	Pub	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg.ResTot	Total Sum of Residential					88,424	178,512	76,920	86,805	88,789	187,491	98,661	99,472	193,135	87,476	88,707	174,985	1,449,377											Usg.ResTot
	Avg. Residential					*28.17*	*56.93*	*24.57*	*27.79*	*28.35*	*59.49*	*31.24*	*31.62*	*61.44*	*27.73*	*28.10*	*55.75*	*38.43*											
Usg.ComTot	Total Sum of Commercial					112,201	93,426	79,476	87,807	86,925	104,179	89,085	109,479	110,684	102,361	100,147	106,457	1,182,227											Usg.ComTot
	Avg. Commercial					*259.18*	*217.07*	*187.40*	*190.51*	*196.93*	*237.31*	*197.66*	*245.58*	*248.95*	*231.12*	*226.37*	*241.73*	*223.25*											
Usg.IndTot	Total Sum of Industrial					26	39	34	41	44	37	43	52	56	60	65	62	559.00											Usg.IndTot
	Avg. Industrial					*26.00*	*39.00*	*34.00*	*41.00*	*44.00*	*37.00*	*43.00*	*52.00*	*56.00*	*60.00*	*65.00*	*62.00*	*46.58*											
Usg.PubTot	Total Sum of Public					14,231	5,033	3,434	3,790	4,080	6,954	7,893	11,118	11,669	8,712	8,266	5,990	91,170											Usg.PubTot
	Avg. Public					*450.35*	*162.35*	*110.77*	*122.26*	*131.61*	*224.32*	*254.61*	*358.65*	*376.42*	*281.03*	*266.65*	*193.23*	*245*											

	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total											
BM	S-Zone-1A	Mth	Res	.No Cap	0.625	2,147	2,141	2,133	2,138	2,153	2,159	2,164	2,165	2,171	2,169	2,166	2,157	25,863	90	833	26,786	156		26,942	156		27,098		BM
BM	S-Zone-1A	Mth	Res	.No Cap	0.75	1	1	1	1	1	1	1	1	1	1	1	1	12			12			12			12		BM
BM	S-Zone-1A	Mth	Res	.No Cap	1	2	2	2	2	2	2	2	2	2	2	2	2	24			24			24			24		BM
BM	S-Zone-1A	Mth	Res	.No Cap	FR.r	95	96	100	95	96	96	96	96	97	97	96	97	1,155		(833)	324			324			324		BM.FR
BM	S-Zone-1A	Mth	Res	CAP T1	0.625	-	1	1	1	3	3	3	4	4	4	4	5	33			33			33			33		BM
BM	S-Zone-1A	Mth	Res	CAP T1	FR.r										-	1	1	2			2			2			2		BM.FR
BM	S-Zone-1A	Mth	Res	CAP T2	0.625							1	1	2	2	3	4	13			13			13			13		BM
BM.ResTot	S-Zone-1A	Mth	Res Total			2,245	2,242	2,237	2,237	2,255	2,261	2,267	2,269	2,277	2,275	2,273	2,267	27,104											BM.ResTot
BM	S-Zone-1A	Mth	Com	.No Cap	0.625	20	16	16	16	19	20	20	20	20	23	16	16	221			221			221			221		BM
BM	S-Zone-1A	Mth	Com	.No Cap	1	3	3	3	3	4	4	4	0	3	3	3	3	36			36			36			36		BM
BM	S-Zone-1A	Mth	Com	.No Cap	2	18	19	19	19	19	19	19	19	19	19	19	19	227			227			227			227		BM
BM	S-Zone-1A	Mth	Com	.No Cap	3	3	3	3	3	3	3	3	3	3	3	3	3	36			36			36			36		BM
BM	S-Zone-1A	Mth	Com	.No Cap	4	12	12	12	12	12	11	13	12	12	12	12	12	144			144			144			144		BM
BM	S-Zone-1A	Mth	Com	.No Cap	6	9	8	9	10	9	9	9	9	9	9	9	9	108			108			108			108		BM
BM	S-Zone-1A	Mth	Com	.No Cap	FR.c	4	4	4	4	4	4	4	4	4	4	4	4	48			48			48			48		BM.FR
BM.ComTot	S-Zone-1A	Mth	Com Total			69	65	66	67	69	70	72	67	70	73	66	66	820											BM.ComTot
	Rate Zone	Class by RC	Values	Block																									
Usg	S-Zone-1A	Res	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1A	Res	Sum of BLOCK 1 CONSUMP	Blk1		56,377	52,094	49,215	57,051	54,776	61,210	70,740	63,894	66,118	58,250	55,340	62,012	707,077	1,620	32,301	740,998	2,808		743,806	2808		746,614		Usg
Usg	S-Zone-1A	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1A	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-1A	Com	Sum of BLOCK 1 CONSUMP	Blk1		87,435	79,644	123,851	92,714	113,531	131,107	156,870	141,830	128,208	123,777	108,935	(48,174)	1,239,728			1,239,728			1,239,728			1,239,728		Usg
Usg	S-Zone-1A	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
	Total Sum of Residential					56,377	52,094	49,215	57,051	54,776	61,210	70,740	63,894	66,118	58,250	55,340	62,012	707,077											
	Avg. Residential					*25.11*	*23.24*	*22.00*	*25.50*	*24.29*	*27.07*	*31.21*	*28.16*	*29.04*	*25.60*	*24.35*	*27.36*	*26.09*											
	Total Sum of Commercial					87,435	79,644	123,851	92,714	113,531	131,107	156,870	141,830	128,208	123,777	108,935	(48,174)	1,239,728											
	Avg. Commercial					*1,270.86*	*1,229.07*	*1,876.53*	*1,390.01*	*1,635.89*	*1,872.96*	*2,175.73*	*2,107.43*	*1,821.14*	*1,707.27*	*1,650.53*	*(728.80)*	*1,511.68*											

	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total											
BM	S-Zone-2	Mth	Res	.No Cap	EDU	941	937	926	944	931	1,210	1,194	1,227	1,208	1,216	1,199	1,195	13,129	162	6,227	19,518	282		19,800	282		20,082		BM
BM	S-Zone-2	Mth	Res	.No Cap	FR.r	797	800	801	799	796	519	520	522	523	526	526	526	7,654		(6,227)	1,427			1,427			1,427		BM.FR
BM	S-Zone-2	Mth	Res	CAP T1	EDU				2	2	7	11	12	14	16	18	20	102	0%		102			102			102		BM
BM	S-Zone-2	Mth	Res	CAP T1	FR.r				1	3	-	-	1	1	1	1	1	9			9			9			9		BM.FR
BM	S-Zone-2	Mth	Res	CAP T2	EDU										1	6	5	12			12			12			12		BM
BM	S-Zone-2	Mth	Res	CAP T2	FR.r				-	-	1	1	1	1	1	1	1	7			7			7			7		BM.FR
BM	S-Zone-2	Mth	Res	CAP T3	EDU							1	1	1	1	1	2	7			7			7			7		BM
BM	S-Zone-2	Mth	Res Total			1,738	1,737	1,727	1,746	1,732	1,737	1,727	1,764	1,748	1,761	1,752	1,750	20,920											BM
BM	S-Zone-2	Mth	Com	.No Cap	EDU	122	122	122	125	127	240	241	242	240	240	242	240	2,303		568	2,871			2,871			2,871		BM
BM	S-Zone-2	Mth	Com	.No Cap	FR.c	248	257	257	257	258	179	179	179	180	178	178	178	2,527		(568)	1,959			1,959			1,959		BM.FR
BM	S-Zone-2	Mth	Com Total			370	379	379	382	385	419	420	421	420	418	420	418	4,830											BM
BM	S-Zone-2	Mth	Pub	.No Cap	1.5	1	1	1	1									4			-			-			-		BM
BM	S-Zone-2	Mth	Pub	.No Cap	EDU	5	5	5	5	5	5	5	5	5	5	5	5	60			60			60			60		BM
BM	S-Zone-2	Mth	Pub Total			6	6	6	5	5	5	5	5	5	5	5	5	64											BM
	Rate Zone	Class by RC	Values	Block																									
Usg	S-Zone-2	Res	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-2	Res	Sum of BLOCK 1 CONSUMP	Blk1		27,269	23,789	22,350	25,729	23,875	42,204	35,601	34,040	33,857	30,977	33,012	32,445	365,148	2,430	112,963	480,541	4,230		484,771	4,230		489,001		Usg
Usg	S-Zone-2	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-2	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-2	Com	Sum of BLOCK 1 CONSUMP	Blk1		28,030	12,847	11,487	35,714	(17,205)	23,289	22,006	28,442	3,890	12,443	19,510	45,631	226,084		11,436	237,520			237,520			237,520		Usg
Usg	S-Zone-2	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-2	Pub	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
Usg	S-Zone-2	Pub	Sum of BLOCK 1 CONSUMP	Blk1		5	10	5	15	30	60	40	80	55	35	30	5	370			370			370			370		Usg
Usg	S-Zone-2	Pub	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-			-			-		Usg
	Total Sum of Residential					27,269	23,789	22,350	25,729	23,875	42,204	35,601	34,040	33,857	30,977	33,012	32,445	365,148											
	Avg. Residential					*15.69*	*13.70*	*12.94*	*14.74*	*13.78*	*24.29*	*20.62*	*19.29*	*19.37*	*17.59*	*18.84*	*18.54*	*17.45*											
	Total Sum of Commercial					28,030	12,847	11,487	35,714	(17,205)	23,289	22,006	28,442	3,890	12,443	19,510	45,631	226,084											
	Avg. Commercial					*75.84*	*33.93*	*30.34*	*93.39*	*(44.69)*	*55.53*	*52.36*	*67.57*	*9.27*	*29.80*	*46.42*	*109.19*	*46.81*											
	Total Sum of Public					5	10	5	15	30	60	40	80	55	35	30	5	370											
	Avg. Public					*1.00*	*2.00*	*1.00*	*3.00*	*6.00*	*12.00*	*8.00*	*16.00*	*11.00*	*7.00*	*6.00*	*1.00*	*6.17*											

	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total											
BM	S-Zone-3	Mth	Res	.No Cap	EDU	2,269	2,280	2,269	2,280	2,284	2,285	2,293	2,321	2,299	2,276	2,299	2,277	27,431	228	11,573	39,232	678		39,910	678		40,588		BM
BM	S-Zone-3	Mth	Res	.No Cap	FR.r	971	973	976	974	980	976	980	979	974	978	971	962	11,696		(11,573)	123			123			123		BM.FR
BM	S-Zone-3	Mth	Res	CAP T1	EDU	-	1	1	1	1	2	4	4	4	4	5	8	35			35			35			35		BM
BM	S-Zone-3	Mth	Res	CAP T1	FR.r	-	-	-	1	1	1	2	2	4	4	5	6	26			26			26			26		BM.FR
BM	S-Zone-3	Mth	Res	CAP T2	EDU				-	-	1	1	1	1	2	2	3	11			11			11			11		BM
BM	S-Zone-3	Mth	Res	CAP T3	EDU										1	1	3	5			5			5			5		BM

BM	S-Zone-3	Mth	Res	CAP T3	FR.r								-	1	1	1	2	2	7			7			7				BM.FR
BM	S-Zone-3	Mth	Res Total			3,240	3,254	3,247	3,256	3,266	3,264	3,280	3,308	3,283	3,266	3,285	3,262	39,211											BM
BM	S-Zone-3	Mth	Com	.No Cap	EDU	121	121	121	121	121	121	121	121	121	121	121	121	1,452		866	2,318		2,318			2,318			BM
BM	S-Zone-3	Mth	Com	.No Cap	FR.c	165	165	165	166	169	171	171	171	171	171	170	165	2,020		(866)	1,154		1,154			1,154			BM.FR
BM	S-Zone-3	Mth	Com Total			286	286	286	287	290	292	292	292	292	292	291	286	3,472											BM
BM	S-Zone-3	Qtr	Res	.No Cap	EDU	108	3	-	108	-	-	108	-	-	108	-	-	435			435		435			435			BM
BM	S-Zone-3	Qtr	Res Total			108	3	-	108	-	-	108	-	-	108	-	-	435											BM
	Rate Zone	Class by RC	Values	Block																											
Usg	S-Zone-3	Res	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-			-			Usg
Usg	S-Zone-3	Res	Sum of BLOCK 1 CONSUMP	Blk1		65,026	57,257	50,820	67,439	54,308	67,167	75,777	62,820	66,769	65,197	62,871	59,481	754,932	3,420	383,223	1,141,575	10,170	1,151,745	10,170	1,161,915				Usg
Usg	S-Zone-3	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-3	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-3	Com	Sum of BLOCK 1 CONSUMP	Blk1		3,681	3,629	2,987	3,732	3,829	4,985	5,856	4,261	4,350	5,406	3,264	3,080	49,060		21,300	70,360		70,360		70,360				Usg
Usg	S-Zone-3	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
	Total Sum of Residential					65,026	57,257	50,820	67,439	54,308	67,167	75,777	62,820	66,769	65,197	62,871	59,481	754,932											
	Avg. Residential					*19.42*	*17.58*	*15.65*	*20.05*	*16.63*	*20.58*	*22.37*	*18.99*	*20.34*	*19.32*	*19.14*	*18.24*	*19.04*											
	Total Sum of Commercial					3,681	60,886	53,807	71,171	58,137	72,152	81,633	67,081	71,119	70,603	66,135	62,561	199,209											
	Avg. Commercial					*12.87*	*212.89*	*188.14*	*248.16*	*200.54*	*247.10*	*279.57*	*229.73*	*243.56*	*241.79*	*226.96*	*218.74*	*57.40*											

	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total											
BM	S-Zone-4	Mth	Res	.No Cap	EDU	542	542	545	542	546	543	541	542	543	542	544	541	6,513	396		6,909	672	7,581	672	8,253				BM
BM	S-Zone-4	Mth	Res	.No Cap	FR.r	2,029	2,008	2,028	2,128	2,064	2,031	2,085	2,165	2,129	2,128	2,083	2,074	24,954			24,954		24,954		24,954				BM.FR
BM	S-Zone-4	Mth	Res	CAP T1	FR.r				-	1	1	2	3	3	1	1	3	15			15		15		15				BM.FR
BM	S-Zone-4	Mth	Res	CAP T2	FR.r				-	-	1	1	1	1	2	2	3	11			11		11		11				BM.FR
BM	S-Zone-4	Mth	Res	CAP T3	FR.r										1	1	2	4			4		4		4				BM.FR
BM	S-Zone-4	Mth	Res Total			2,571	2,550	2,573	2,670	2,611	2,576	2,629	2,712	2,675	2,674	2,631	2,623	31,496											BM
BM	S-Zone-4	Mth	Com	.No Cap	EDU	127	117	119	114	112	115	115	114	114	114	113	112	1,385			1,385		1,385		1,385				BM
BM	S-Zone-4	Mth	Com	.No Cap	FR.c	509	509	508	508	508	508	508	508	509	509	509	509	6,101			6,101		6,101		6,101				BM.FR
BM	S-Zone-4	Mth	Com Total			636	626	627	622	620	623	623	622	623	623	622	621	7,485											BM
	Rate Zone	Class by RC	Values	Block																											
Usg	S-Zone-4	Res	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-4	Res	Sum of BLOCK 1 CONSUMP	Blk1		22,794	19,465	18,245	21,849	19,950	23,754	20,055	20,825	21,750	19,652	20,590	20,840	249,769	9,900		259,669	16,800	276,469	16,800	293,269				Usg
Usg	S-Zone-4	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-4	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-4	Com	Sum of BLOCK 1 CONSUMP	Blk1		6,272	7,228	5,486	6,264	6,040	7,098	6,161	6,227	6,780	5,761	5,809	5,303	74,429			74,429		74,429		74,429				Usg
Usg	S-Zone-4	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
	Total Sum of Residential					22,794	19,465	18,245	21,849	19,950	23,754	20,055	20,825	21,750	19,652	20,590	20,840	249,769											
	Avg. Residential					*42.06*	*35.91*	*33.46*	*40.33*	*36.57*	*43.75*	*37.04*	*38.39*	*40.08*	*36.29*	*37.88*	*38.49*	*38.35*											
	Total Sum of Commercial					6,272	7,228	5,486	6,264	6,040	7,098	6,161	6,227	6,780	5,761	5,809	5,303	74,429											
	Avg. Commercial					*49.31*	*61.78*	*46.10*	*55.00*	*53.93*	*61.83*	*53.81*	*54.62*	*59.47*	*50.54*	*51.23*	*47.56*	*53.79*											

	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total											
BM	S-Zone-5	Mth	Res	.No Cap	0.625	38	38	38	38	38	38	38	38	38	38	38	38	456			456		456		456				BM
BM	S-Zone-5	Mth	Res	.No Cap	EDU	547	549	549	547	548	547	546	546	545	546	544	545	6,559	12	252	6,823	6	6,829	6	6,835				BM
BM	S-Zone-5	Mth	Res	.No Cap	FR.r	22	22	22	22	22	22	22	22	22	22	22	22	264		(252)	12		12		12				BM.FR
BM	S-Zone-5	Mth	Res	CAP T1	EDU													-			-		-		-				BM
BM	S-Zone-5	Mth	Res Total			607	609	609	607	608	607	606	606	605	606	604	605	7,279											BM
BM	S-Zone-5	Mth	Com	.No Cap	EDU	4	4	4	4	4	4	4	4	4	4	4	4	42			42		42		42				BM
BM	S-Zone-5	Mth	Com	.No Cap	FR.c	1	1	1	1	1	1	1	1	1	1	1	1	12			12		12		12				BM.FR
BM	S-Zone-5	Mth	Com Total			5	5	5	5	5	5	5	5	5	5	5	5	54											BM
	Rate Zone	Class by RC	Values	Block																											
Usg	S-Zone-5	Res	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-5	Res	Sum of BLOCK 1 CONSUMP	Blk1		21,777	21,709	19,183	22,117	21,395	23,807	22,572	21,313	24,452	21,066	22,026	23,015	264,432	257	19,799	284,488	129	284,617	129	284,746				Usg
Usg	S-Zone-5	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-5	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-5	Com	Sum of BLOCK 1 CONSUMP	Blk1		378	341	837	856	982	1,707	1,080	955	1,050	770	988	643	10,587			10,587		10,587		10,587				Usg
Usg	S-Zone-5	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
	Total Sum of Residential					21,777	21,709	19,183	22,117	21,395	23,807	22,572	21,313	24,452	21,066	22,026	23,015	264,432											
	Avg. Residential					*35.90*	*35.64*	*31.51*	*36.41*	*35.21*	*39.19*	*37.28*	*35.15*	*40.41*	*34.79*	*36.46*	*38.02*	*36.38*											
	Total Sum of Commercial					378	341	837	856	982	1,707	1,080	955	1,050	770	988	643	10,587											
	Avg. Commercial					*108.00*	*97.43*	*239.14*	*244.57*	*280.57*	*487.71*	*308.57*	*272.86*	*300.00*	*220.00*	*282.29*	*183.71*	*252.07*											

	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total											
BM	S-Zone-6	Mth	Res	.No Cap	EDU	1,381	1,380	1,381	1,380	1,384	1,383	1,402	1,423	1,403	1,402	1,403	1,399	16,719	90		16,809	114	16,923	114	17,037				BM
BM	S-Zone-6	Mth	Res	.No Cap	FR.r	3	3	3	3	3	3	3	3	3	3	3	3	36			36		36		36				BM.FR
BM	S-Zone-6	Mth	Res	CAP T1	EDU													-			-		-		-				BM
BM	S-Zone-6	Mth	Res Total			1,384	1,383	1,384	1,383	1,387	1,386	1,405	1,426	1,406	1,405	1,406	1,402	16,755											BM
BM	S-Zone-6	Mth	Com	.No Cap	EDU	8	8	8	8	8	8	8	8	8	10	9	9	100			100		100		100				BM
BM	S-Zone-6	Mth	Com	.No Cap	FR.c	1	1	1	1	1	1	1	1	1	1	1	1	12			12		12		12				BM.FR
BM	S-Zone-6	Mth	Com Total			9	9	9	9	9	9	9	9	9	11	10	10	112											BM
	Rate Zone	Class by RC	Values	Block																											
Usg	S-Zone-6	Res	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-6	Res	Sum of BLOCK 1 CONSUMP	Blk1		22,582	16,433	12,256	14,779	11,639	20,150	28,440	25,844	21,269	12,318	13,380	14,043	213,133	1,350		214,483	1,710	216,193	1,715	217,908				Usg
Usg	S-Zone-6	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-6	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-6	Com	Sum of BLOCK 1 CONSUMP	Blk1		1,464	1,141	771	1,155	1,138	1,889	1,101	1,016	975	1,154	425	413	12,642			12,642		12,642		12,642				Usg
Usg	S-Zone-6	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
	Total Sum of Residential					22,582	16,433	12,256	14,779	11,639	20,150	28,440	25,844	21,269	12,318	13,380	14,043	213,133											
	Avg. Residential					*16.32*	*11.88*	*8.86*	*10.69*	*8.39*	*14.54*	*20.25*	*18.13*	*15.13*	*8.77*	*9.52*	*10.02*	*12.72*											
	Total Sum of Commercial					1,464	1,141	771	1,155	1,138	1,889	1,101	1,016	975	1,154	425	413	12,642											
	Avg. Commercial					*183.00*	*142.63*	*96.38*	*144.38*	*142.25*	*236.13*	*137.63*	*127.00*	*121.88*	*144.26*	*47.22*	*45.89*	*126.29*											

	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total											
BM	S-Zone-8	Mth	Res	.No Cap	EDU	1,213	1,223	1,213	1,212	1,200	1,221	1,212	1,217	1,218	1,219	1,216	1,224	14,586	72		14,658	198	14,856	198	15,054				BM
BM	S-Zone-8	Mth	Res	.No Cap	FR.r	23	23	23	23	23	23	23	23	23	23	23	23	276			276		276		276				BM.FR
BM	S-Zone-8	Mth	Res	CAP T1	EDU	-	-	1	1	1	1	1	2	2	1	2	3	15			15		15		15				BM
BM	S-Zone-8	Mth	Res	CAP T2	EDU													-			-		-		-				BM
BM	S-Zone-8	Mth	Res Total			1,236	1,246	1,237	1,236	1,224	1,245	1,236	1,242	1,241	1,243	1,241	1,250	14,877											BM
BM	S-Zone-8	Mth	Com	.No Cap	EDU	33	33	34	34	34	34	34	33	35	34	34	34	406			406		406		406				BM
BM	S-Zone-8	Mth	Com Total			33	33	34	34	34	34	34	33	35	34	34	34	406											BM
BM	S-Zone-8	Mth	Oth	.No Cap	FR.r	19	19	19	19	19	19	19	19	19	19	19	19	228			228		228		228				BM.FR
BM	S-Zone-8	Mth	Oth Total			19	19	19	19	19	19	19	19	19	19	19	19	228											BM
BM	S-Zone-8	Mth	Pub	.No Cap	EDU	2	2	2	2	2	2	2	2	2	2	2	2	24			24		24		24				BM
BM	S-Zone-8	Mth	Pub Total			2	2	2	2	2	2	2	2	2	2	2	2	24											BM
	Rate Zone	Class by RC	Values	Block																											
Usg	S-Zone-8	Res	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-8	Res	Sum of BLOCK 1 CONSUMP	Blk1		44,593	40,839	35,189	41,325	39,820	43,369	40,635	36,870	40,534	36,597	38,790	40,737	479,298	1,440		480,738	3,960	484,698	3,971	488,669				Usg
Usg	S-Zone-8	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-8	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-8	Com	Sum of BLOCK 1 CONSUMP	Blk1		22,036	36,265	25,877	33,659	30,929	20,441	25,372	21,900	36,717	33,615	42,184	31,243	360,238			360,238		360,238		360,238				Usg
Usg	S-Zone-8	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-8	Oth	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-8	Oth	Sum of BLOCK 1 CONSUMP	Blk1		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-8	Oth	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-8	Pub	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-8	Pub	Sum of BLOCK 1 CONSUMP	Blk1		403	748	582	641	702	750	271	233	639	702	724	706	7,101			7,101		7,101		7,101				Usg
Usg	S-Zone-8	Pub	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
	Total Sum of Residential					44,593	40,839	35,189	41,325	39,820	43,369	40,635	36,870	40,534	36,597	38,790	40,737	479,298											
	Avg. Residential					*36.09*	*32.78*	*28.45*	*33.44*	*32.53*	*34.85*	*32.87*	*29.68*	*32.66*	*29.44*	*31.27*	*32.58*	*32.22*											
	Total Sum of Commercial					22,036	36,265	25,877	33,659	30,929	20,441	25,372	21,900	36,717	33,615	42,184	31,243	360,238											
	Avg. Commercial					*667.76*	*1,098.94*	*761.09*	*989.97*	*909.68*	*601.21*	*746.24*	*663.64*	*1,046.07*	*988.68*	*1,240.71*	*918.91*	*887.07*											
	Total Sum of Public					403	748	582	641	702	750	271	233	639	702	724	706	7,101											
	Avg. Public					*201.50*	*374.00*	*291.00*	*320.50*	*351.00*	*375.00*	*135.50*	*116.50*	*319.50*	*351.00*	*362.00*	*353.00*	*295.86*											

	Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total											
BM	S-Zone-9	Mth	Res	.No Cap	EDU	9,947	9,916	9,956	9,908	9,892	9,924	9,908	9,881	9,938	9,932	9,898	9,882	118,981	288		119,269	672	119,941	672	120,613				BM
BM	S-Zone-9	Mth	Res	CAP T1	EDU		1	2	5	7	11	15	18	22	23	25	32	161			161		161		161				BM
BM	S-Zone-9	Mth	Res	CAP T2	EDU							2	2	4	7	10	12	37			37		37		37				BM
BM	S-Zone-9	Mth	Res	CAP T3	EDU										1	2	3	6			6		6		6				BM
BM	S-Zone-9	Mth	Res Total			9,947	9,918	9,959	9,914	9,900	9,936	9,926	9,905	9,969	9,968	9,940	9,933	119,214											BM
BM	S-Zone-9	Mth	Com	.No Cap	EDU	6,996	6,964	6,994	6,866	6,870	6,900	6,975	6,975	6,985	6,957	6,971	6,949	83,401			83,401		83,401		83,401				BM
BM	S-Zone-9	Mth	Com Total			6,996	6,964	6,994	6,866	6,870	6,900	6,975	6,975	6,985	6,957	6,971	6,949	83,401											BM
BM	S-Zone-9	Mth	Ind	.No Cap	EDU	9	9	9	9	9	9	9	8	8	10	9	9	107			107		107		107				BM
BM	S-Zone-9	Mth	Ind Total			9	9	9	9	9	9	9	8	8	10	9	9	107											BM
BM	S-Zone-9	Mth	Pub	.No Cap	EDU	104	104	104	104	32	177	104	104	104	104	104	104	1,249			1,249		1,249		1,249				BM
BM	S-Zone-9	Mth	Pub Total			104	104	104	104	32	177	104	104	104	104	104	104	1,249											BM
	Rate Zone	Class by RC	Values	Block																											
Usg	S-Zone-9	Res	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-9	Res	Sum of BLOCK 1 CONSUMP	Blk1		398,028	347,023	324,009	396,380	339,257	447,424	411,560	362,997	441,272	340,066	376,349	359,455	4,543,820	7,200		4,551,020	16,800	4,567,820	16,846	4,584,666				Usg
Usg	S-Zone-9	Res	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-9	Com	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-9	Com	Sum of BLOCK 1 CONSUMP	Blk1		233,297	214,328	187,248	243,277	230,079	254,858	243,464	224,145	277,292	216,274	246,572	211,129	2,781,963			2,781,963		2,781,963		2,781,963				Usg
Usg	S-Zone-9	Com	Sum of BLOCK 2 CONSUMP	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg
Usg	S-Zone-9	Ind	Sum of ALLOW CONS	Allow		-	-	-	-	-	-	-	-	-	-	-	-	-			-		-		-				Usg

| | | |

Sum of Bld-Mns				**Two Different Residential and Commercial Rates																		
Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total					
BM	S-Zone-C	0			-												-			-		BM
BM	S-Zone-C	Mth	Res	.No Cap	FR.r	139	139	139	139	139	139	139	139	151	140	140	140	1,683		1,683		1,683		1,683	BM.FR
BM	S-Zone-C	Mth	Res	.No Cap	EDU	10,325	10,212	10,307	10,394	10,278	10,303	10,336	10,378	10,403	10,333	10,296	10,355	123,920		123,920		123,920		123,920	BM
BM	S-Zone-C	Mth	Res	.No Cap	EDU	155	159	151	152	153	158	154	154	155	155	153	155	1,852		1,852		1,852		1,852	BM
BM	S-Zone-C	Mth	Res	CAP T1	EDU												1	1		1		1		1	BM
BM	S-Zone-C	Mth	Res	CAP T2	EDU												1	1		1		1		1	BM
BM	S-Zone-C	Mth	Res Total			**10,619**	**10,510**	**10,597**	**10,685**	**10,570**	**10,600**	**10,629**	**10,671**	**10,709**	**10,628**	**10,589**	**10,652**	**127,457**							BM
BM	S-Zone-C	Mth	Com	.No Cap	EDU	681	669	663	615	663	711	696	643	663	683	604	718	8,009		8,009		8,009		8,009	BM
	S-Zone-C	Mth	Com	.No Cap	EDU	224	218	212	239	228	219	220	218	232	225	227	222	2,683		2,683		2,683			
BM	S-Zone-C	Mth	Com Total			**905**	**887**	**875**	**854**	**891**	**930**	**916**	**861**	**895**	**908**	**831**	**941**	**10,692**							BM
BM	S-Zone-C	Mth	Pub	.No Cap	EDU	8	7	7	7	7	7	5	8	8	7	7	7	85		85		85		85	BM
BM	S-Zone-C	Mth	Pub Total			**8**	**7**	**7**	**7**	**7**	**7**	**5**	**8**	**8**	**7**	**7**	**7**	**85**							BM
BM	S-Zone-C	Qtr	Res	.No Cap	EDU	1,543	-	-	1,530	-	1,533	8	0	1,544	(5)	-	-	6,154		6,154		6,154		6,154	BM
BM	S-Zone-C	Qtr	Res Total			**1,543**	**-**	**-**	**1,530**	**-**	**1,533**	**8**	**0**	**1,544**	**(5)**	**-**	**-**	**6,154**							BM
BM	S-Zone-C	Qtr	Com	.No Cap	EDU	7	-	-	-	-	(7)	20	-	-	-	-	-	20		20		20		20	BM
BM	S-Zone-C	Qtr	Com Total			**7**	**-**	**-**	**-**	**-**	**(7)**	**20**	**-**	**-**	**-**	**-**	**-**	**20**							BM
	Grand Total																								
	Rate Zone	Bill Frqncy	Class by RC	CAP Tier																					
Usg	S-Zone-C	Res	Sum of ALLOW CONS	Allow	Res1	18	9	12	37	2	46	44	-	-	21	-	-	189		189		189		189	Usg
Usg	S-Zone-C	Res	Sum of ACTUAL BLOCK 1 Consu	Blk1	Res1	328,227	280,775	281,009	310,248	285,005	327,836	302,957	288,733	323,160	292,480	282,530	279,546	3,582,506		3,582,506		3,582,506		3,582,506	Usg
Usg	S-Zone-C	Res	Sum of ACTUAL BLOCK 2 Consu	Blk2	Res1	97,561	87,046	84,258	74,453	96,249	108,078	140,438	105,696	108,582	111,608	86,505	78,783	1,179,257		1,179,257		1,179,257		1,179,257	Usg
Usg	S-Zone-C	Res	Sum of ACTUAL BLOCK 3 Consu	Blk3	Res1	17,521	16,214	16,238	11,759	21,471	27,376	57,376	35,288	35,139	38,236	22,661	16,857	316,136		316,136		316,136		316,136	Usg
Usg	S-Zone-C	Res	Sum of ACTUAL BLOCK 4 Consu	Blk4	Res1	4,769	5,053	4,655	3,434	6,509	9,701	28,938	17,071	17,314	18,469	9,307	6,148	131,368		131,368		131,368		131,368	Usg
Usg	S-Zone-C	Res	Sum of ACTUAL BLOCK 5 Consu	Blk5	Res1	2,124	2,053	2,125	1,377	2,659	4,800	16,779	9,868	10,146	10,001	4,658	2,978	69,568		69,568		69,568		69,568	Usg
Usg	S-Zone-C	Res	Sum of ACTUAL BLOCK 6 Consu	Blk6	Res1	7,704	5,410	7,450	2,434	3,330	10,507	43,047	28,217	27,765	29,242	10,681	5,428	181,214		181,214		181,214		181,214	Usg
Usg	S-Zone-C	Com	Sum of ALLOW CONS	Allow	Com1	-	-	-	-	-	-	309	-	-	-	-	-	309		309		309		309	Usg
Usg	S-Zone-C	Com	Sum of ACTUAL BLOCK 1 Consu	Blk1	Com1	15,494	14,216	14,330	12,788	16,164	15,241	15,529	14,187	13,520	15,601	15,042	14,642	176,753		176,753		176,753		176,753	Usg
Usg	S-Zone-C	Com	Sum of ACTUAL BLOCK 2 Consu	Blk2	Com1	1,340	1,346	1,784	1,517	2,345	1,693	2,269	1,468	1,322	3,624	3,069	1,933	23,709		23,709		23,709		23,709	Usg
Usg	S-Zone-C	Com	Sum of ACTUAL BLOCK 3 Consu	Blk3	Com1	-	-	-	-	274	33	640	43	33	566	33	-	1,622		1,622		1,622		1,622	Usg
Usg	S-Zone-C	Com	Sum of ACTUAL BLOCK 4 Consu	Blk4	Com1	-	-	-	-	-	34	68	34	34	68	22	-	260		260		260		260	Usg
Usg	S-Zone-C	Com	Sum of ACTUAL BLOCK 5 Consu	Blk5	Com1	-	-	-	-	-	33	66	33	33	66	-	-	231		231		231		231	Usg
Usg	S-Zone-C	Com	Sum of ACTUAL BLOCK 6 Consu	Blk6	Com1	-	-	-	-	-	197	773	120	85	618	-	-	1,793		1,793		1,793		1,793	Usg
Usg	S-Zone-C	Com	Sum of ALLOW CONS	Allow	Com2	5,584	4,813	5,524	5,539	5,864	5,490	5,853	5,581	5,692	6,033	5,749	6,011	67,733		67,733		67,733		67,733	Usg
Usg	S-Zone-C	Com	Sum of ACTUAL BLOCK 1 Consu	Blk1	Com2	45,199	19,942	41,392	29,003	29,932	26,089	38,243	34,768	42,677	35,023	33,743	40,289	416,300		416,300		416,300		416,300	Usg
Usg	S-Zone-C	Pub	Sum of ALLOW CONS	Allow		116	40	44	44	125	234	195	258	256	223	207	229	1,971		1,971		1,971		1,971	Usg
Usg	S-Zone-C	Pub	Sum of ACTUAL BLOCK 1 Consu	Blk1		126	-	6	6	108	190	1,019	11,877	1,962	3,069	1,453	887	20,703		20,703		20,703		20,703	Usg
Usg	S-Zone-C	Pub	Sum of ACTUAL BLOCK 2 Consu	Blk2		-	-	-	-	-	-	-	-	-	-	-	-	-		-		-		-	Usg
Usg	S-Zone-C	Pub	Sum of ACTUAL BLOCK 3 Consu	Blk3		-	-	-	-	-	-	-	-	-	-	-	-	-		-		-		-	Usg
Usg	S-Zone-C	Pub	Sum of ACTUAL BLOCK 4 Consu	Blk4		-	-	-	-	-	-	-	-	-	-	-	-	-		-		-		-	Usg
Usg	S-Zone-C	Pub	Sum of ACTUAL BLOCK 5 Consu	Blk5		-	-	-	-	-	-	-	-	-	-	-	-	-		-		-		-	Usg
Usg	S-Zone-C	Pub	Sum of ACTUAL BLOCK 6 Consu	Blk6		-	-	-	-	-	-	-	-	-	-	-	-	-		-		-		-	Usg
	Total Sum of Residential					**457,925**	**396,560**	**395,747**	**403,742**	**415,224**	**488,344**	**589,579**	**484,872**	**522,105**	**500,058**	**416,342**	**389,740**	**5,460,238**							
	Avg. Residential					***37.65***	***37.73***	***37.35***	***33.05***	***39.28***	***40.25***	***55.43***	***45.44***	***42.61***	***47.07***	***39.32***	***36.59***	***40.87***							
	Total Sum of Commercial					**67,617**	**40,317**	**63,030**	**48,647**	**54,579**	**48,810**	**63,750**	**56,234**	**63,396**	**61,599**	**57,658**	**62,875**	**688,711**							
	Avg. Commercial					***98.22***	***60.26***	***95.07***	***79.43***	***82.32***	***69.37***	***89.11***	***87.46***	***95.62***	***90.19***	***95.45***	***87.51***	***85.78***							
	Total Sum of Public					**242**	**40**	**50**	**50**	**233**	**424**	**1,214**	**12,135**	**2,218**	**3,292**	**1,660**	**1,116**	**22,674**							
	Avg. Public					***31.29***	***5.71***	***7.14***	***7.14***	***33.29***	***60.57***	***223.44***	***1,582.83***	***277.25***	***470.29***	***237.14***	***159.43***	***267.28***							

Sum of Bld-Mns																							
Rate Zone	Bill Frqncy	Class by RC	CAP Tier	Size Code	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Total							
BM	S-Zone-8	0															-				-		BM
BM	S-Zone-8	Qtr	Res	.No Cap	EDU			6,125			6,282			5,888			6,364	24,659	(30)	24,629		24,629		24,629	BM
BM	S-Zone-8	Qtr	Res	CAP T1	EDU												3	3		3		3		3	BM
BM	S-Zone-8	Qtr	Res	CAP T2	EDU												9	9		9		9		9	BM
BM	S-Zone-8	Qtr	Res Total			**-**	**-**	**6,125**	**-**	**-**	**6,282**	**-**	**-**	**5,888**	**-**	**-**	**6,364**	**24,659**							BM
BM	S-Zone-8	Qtr	Com	.No Cap	EDU			1,390			1,128			941			1,253	4,712		4,712	Com1	4,712		4,712	BM
BM	S-Zone-8	Qtr	Com	.No Cap	EDU			95			147			82			150	475		475	Com2	475		475	BM
BM	S-Zone-8	Qtr	Com Total			**-**	**-**	**1,486**	**-**	**-**	**1,275**	**-**	**-**	**1,023**	**-**	**-**	**1,403**	**5,187**							BM
BM	S-Zone-8	Qtr	Pub	.No Cap	EDU			6			12			6			12	37		37		37		37	BM
BM	S-Zone-8	Qtr	Pub Total			**-**	**-**	**6**	**-**	**-**	**12**	**-**	**-**	**6**	**-**	**-**	**12**	**37**							BM
	Grand Total																								
	Rate Zone	Class by RC	Values																						
Usg	S-Zone-8	Res	Sum of ALLOW CONS					138			-			-			-	138		138		138		138	Usg
Usg	S-Zone-8	Res	Sum of ACTUAL BLOCK 1 Consumpt.					204,150			185,904			191,372			196,972	778,398	(750)	777,648		777,648		777,648	Usg
Usg	S-Zone-8	Res	Sum of ACTUAL BLOCK 2 Consumpt.					33,797			29,219			41,240			24,818	129,074		129,074		129,074		129,074	Usg
Usg	S-Zone-8	Com	Sum of ALLOW CONS	Com1				383			-			-			-	383		383		383		383	Usg
Usg	S-Zone-8	Com	Sum of ACTUAL BLOCK 1 Consu	Com1				28,362			38,045			20,216			33,627	120,249		120,249		120,249		120,249	Usg
Usg	S-Zone-8	Com	Sum of ACTUAL BLOCK 2 Consu	Com1				8,122			9,185			8,763			7,480	33,550		33,550		33,550		33,550	Usg
Usg	S-Zone-8	Com	Sum of ALLOW CONS	Com2				-			-			-			-	-		-		-		-	Usg
Usg	S-Zone-8	Com	Sum of ACTUAL BLOCK 1 Consu	Com2				3,033			5,283			3,663			5,013	16,993		16,993		16,993		16,993	Usg
Usg	S-Zone-8	Com	Sum of ACTUAL BLOCK 2 Consu	Com2				1,687			2,957			2,457			3,037	10,137		10,137		10,137		10,137	Usg
Usg	S-Zone-8	Pub	Sum of ALLOW CONS					-			-			-			-	-		-		-		-	Usg
Usg	S-Zone-8	Pub	Sum of ACTUAL BLOCK 1 Consumpt.					163			272			137			267	838		838		838		838	Usg
Usg	S-Zone-8	Pub	Sum of ACTUAL BLOCK 2 Consumpt.					307			628			263			303	1,502		1,502		1,502		1,502	Usg
	Total Sum of Residential					**-**	**-**	**238,085**	**-**	**-**	**215,123**	**-**	**-**	**232,612**	**-**	**-**	**221,790**	**907,610**							
	Avg. Residential					***#DIV/0!***	***#DIV/0!***	***38.87***	***#DIV/0!***	***#DIV/0!***	***34.25***	***#DIV/0!***	***#DIV/0!***	***39.50***	***#DIV/0!***	***#DIV/0!***	***34.85***	***36.81***							
	Total Sum of Commercial					**-**	**-**	**36,867**	**-**	**-**	**47,229**	**-**	**-**	**28,979**	**-**	**-**	**41,107**	**154,182**							
	Avg. Commercial					***#DIV/0!***	***#DIV/0!***	***26.52***	***#DIV/0!***	***#DIV/0!***	***41.87***	***#DIV/0!***	***#DIV/0!***	***30.81***	***#DIV/0!***	***#DIV/0!***	***32.80***	***32.72***							
	Total Sum of Commercial					**-**	**-**	**4,720**	**-**	**-**	**8,240**	**-**	**-**	**6,120**	**-**	**-**	**8,050**	**27,130**							
	Avg. Commercial					***#DIV/0!***	***#DIV/0!***	***49.44***	***#DIV/0!***	***#DIV/0!***	***56.00***	***#DIV/0!***	***#DIV/0!***	***74.63***	***#DIV/0!***	***#DIV/0!***	***53.60***	***57.14***							
	Total Sum of Public					**-**	**-**	**470**	**-**	**-**	**900**	**-**	**-**	**400**	**-**	**-**	**570**	**2,340**							
	Avg. Public					***#DIV/0!***	***#DIV/0!***	***78.33***	***#DIV/0!***	***#DIV/0!***	***74.38***	***#DIV/0!***	***#DIV/0!***	***66.67***	***#DIV/0!***	***#DIV/0!***	***45.97***	***64.11***							

	Res
BM	551,592
Usg	19,714,564
	35.74

AQUA PENNSYLVANIA INC. - WASTEWATER BASE
SUMMARY OF APPLICATION OF PRO FORMA REVENUE UNDER PRESENT RATES AND PROPOSED RATES
12 MONTHS ENDING DECEMBER 31, 2025

Rate Zone	Residential	Commercial	Industrial	Public Authority	Contract	Total
Present Rate Application - ProForma as of December 31, 2025						
Zone 1	$ 4,160,675	$ 2,180,872	$ 1,217	$ 188,531		$ 6,531,295
Zone 1A	2,117,150	1,651,218				3,768,368
Zone 2	1,759,757	647,299		3,754		2,410,810
Zone 3	3,974,202	366,322				4,340,524
Zone 4	4,030,485	1,009,158				5,039,643
Zone 5	1,068,313	148,536				1,216,849
Zone 6	1,043,890	10,086				1,053,976
Zone 7	4,948,481	2,644,581		29,944		7,623,006
Zone 8	1,489,486	431,700		9,153		1,930,339
Zone 9	7,216,201	4,664,905	5,697	104,435		11,991,238
Zone 10	3,482,860	1,329,774				4,812,634
Zone 11	3,362,541	1,020,311		11,942		4,394,794
Zone 14	213,855	2,408				216,263
	$ 38,867,894	$ 16,107,170	$ 6,914	$ 347,759	$ -	$ 55,329,737
Contract Sales		355,458				355,458
Third Party Sales						
Southdown Homes					$ 131,207	$ 131,207
Foster Twp					270,221	270,221
Dennison					58,023	58,023
Upper Providence					629,688	629,688
Elwyn					114,289	114,289
Penn Lake					139,532	139,532
East Side					90,275	90,275
Total Third Party Revenues	$ -	$ -	$ -	$ -	$ 1,433,235	$ 1,433,235
DSIC Revenue	521,046	215,836	93	4,660	-	741,635
Total @ Present Rate	**$ 39,388,940**	**$ 16,678,464**	**$ 7,007**	**$ 352,419**	**$ 1,433,235**	**$ 57,860,065**

	Residential	Commercial	Industrial	Public Authority	Bulk User	Total
Proposed Rate Application - Proforma as of December 31, 2025						
Zone 1	$ 4,104,558	$ 2,163,630	$ 1,213	$ 187,816		$ 6,457,217
Zone 1A	2,087,940	1,635,795				3,723,735
Zone 2	1,760,110	647,299		3,754		2,411,163
Zone 3	3,963,725	366,322				4,330,047
Zone 4	4,076,688	1,029,464				5,106,152
Zone 5	1,068,377	148,635				1,217,012
Zone 6	1,031,457	10,007				1,041,464
Zone 7	6,053,395	3,244,010		38,168		9,335,573
Zone 8	1,503,765	468,075		10,121		1,981,961
Zone 9	11,030,182	7,165,257	8,737	162,251		18,366,427
Zone 10	4,967,094	1,987,571				6,954,665
Zone 11	2,520,739	513,776		4,934		3,039,449
Zone 14	308,157	8,026				316,183
	$ 44,476,187	$ 19,387,867	$ 9,950	$ 407,044	$ -	$ 64,281,048
Contract Sales		355,458				355,458
Third Party Sales						
Southdown Homes					$ 131,207	$ 131,207
Foster Twp					270,221	270,221
Dennison					58,023	58,023
Upper Providence					629,688	629,688
Elwyn					114,289	114,289
Penn Lake					139,532	139,532
East Side					90,275	90,275
Total Third Party Revenues	$ -	$ -	$ -	$ -	$ 1,433,235	$ 1,433,235
Total @ Proposed Rate	**$ 44,476,187**	**$ 19,743,325**	**$ 9,950**	**$ 407,044**	**$ 1,433,235**	**$ 66,069,741**
Change in Revenues	$ 5,087,247	$ 3,064,861	$ 2,943	$ 54,625	$ -	$ 8,209,676

AQUA PENNSYLVANIA, INC.
WASTEWATER
CONTRACT SALES
APPLICATION OF PRESENT AND PROPOSED RATES TO CONSUMPTION ANALYSIS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2021

Rate Block, 100 Gallons		Number of Bills	Consumption 100 Gallons		Present Rate	Present Revenue	Proposed Rate	Proposed Revenue
(1)		(2)	(3)		(4)	(5)	(6)	(7)
			Woodloch Pines - Monthly					
TARIFF RATES								
Customer Charge								
Zone Three Rates (220 EDU)	(a)	12	-		$ 66.37	$ 175,217	$ 66.37	$ 175,217
All Usage		-	84,584	(b)	1.2048	$ 101,907	$ 1.2048	$ 101,907
Total Tariff Rate		12	84,584			$ 277,124		$ 277,124
CONTRACT RATE								
Flat Rate								
Contract Rate		12	-		$ 27,921.14	$ 335,054	$ 29,621.54	$ 355,458
		12	-			335,054		355,458
TOTAL DIVISION		12	-			$ 335,054		$ 355,458

(a) Tariff rates projected under Zone Three or Woodloch Springs Division Rates
(b) Consumption is provided by the Woodloch Pines, Aqua PA water contract.

EXHIBIT NO. GRH-3-R

Witness: William C. Packer
Renee T. Marquis
Christopher E. Manning
Date: 08/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

SCH USA, LLC

SET I INTERROGATORIES

SCH-I-1 Does Aqua bill any wastewater customer(s) in its service territory based on actual usage obtained from wastewater meters? If so, for each such customer, please identify:

a. The type of customer (residential, commercial, industrial, etc.);

b. The customer's rate zone as established in Aqua's wastewater tariff; and

c. Whether the wastewater meter(s) was/were installed at Aqua's expense, the customer's expense, or a combination thereof.

d. For any customer identified in parts (a)-(c) above, provide their average wastewater usage.

e. For any average usage provided in (d) above, is that average greater or less than an EDU proxy for flow figures for that customer as identified in 25 Pa. Code § 73.17?

RESPONSE

a. through c. The Company has two commercial customers, one in Rate Zone 2 and one in Rate Zone 11 that are billed based on metered wastewater flows. The wastewater meters and associated infrastructure necessary for reading wastewater flows and billing was installed and in operation prior to the acquisition of each of the systems by Aqua PA. These customers were grandfathered in upon acquisition of these systems and Aqua PA adopted the billing structure, in place at the time of acquisition, which included either a meter size or EDU charge in addition to a volumetric charge.

d. through e. The customer in Rate Zone 2 had an average monthly flow of approximately 1,059,700 gallons for the HTY ending December 31, 2023. The

customer in Rate Zone 11 had an average monthly flow of approximately 150,800 gallons for the HTY ending December 31, 2023. The EDU proxy for flow figures for customers as identified in 25 Pa. Code § 73.17 is for design purposes and as noted in the response above, the 2 customers identified are billed using both a base charge and a volumetric charge, not solely an EDU charge, therefore the analysis requested cannot be completed as requested.

Witness: William C. Packer
Renee T. Marquis
Christopher E. Manning
Date: 08/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

SCH USA, LLC

SET I INTERROGATORIES

SCH-I-2 Does Aqua bill any wastewater customer(s) in its service territory based on actual usage obtained from water meters, where water is provided by a well or by an entity other than a utility, municipality, or municipal authority? If so, for each such customer, please identify:

a. The type of customer (residential, commercial, industrial, etc.);
b. The customer's rate zone as established in Aqua's wastewater tariff; and
c. Whether the water meter(s) was/were installed at Aqua's expense, the customer's expense, the water provider's expense, or some combination thereof.

RESPONSE

a. The Company has limited wastewater customers who are billed based on water meter reads where the water is provided by a well. When the Company acquired the systems referenced below, the company adopted the existing rates structure and method in which these customers were billed.

b. and c. Rate Zone 7 (Limerick) – 53 Commercial accounts with customer installed meters.
Rate Zone 11 (New Garden) = 73 Residential accounts with customer installed meters at the time of acquisition, which were updated to read via radio frequency at Aqua's expense.
Rate Zone 11 (New Garden) = 24 Commercial accounts with customer installed meters at the time of acquisition, which were updated to read via radio frequency at Aqua's expense.
Rate Zone 4 – (Blakeslee) 66 Commercial accounts that at the time of acquisition, had meters that were installed by Tobyhanna Township, but have since been replaced by the Company.

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF TODD M. DUERR P.E., L.O.

Topics Addressed:

Response to SCH USA
Public Input Hearing Responses
Management Efficiency

DATE SERVED: September 12, 2024 **Aqua Statement No. 11-R**
DATE ADMITTED: _____

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. Please state your name and business address.

A. My name is Todd Duerr. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc., ("AP") as Vice President of Operations.

Q. Have you previously provided testimony in this proceeding?

A. Yes. I provided Direct Testimony on behalf of AP and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua PA," or the "Company") as Statement No. 11 with the Company's filing to the Pennsylvania Public Utility Commission ("PUC" or the "Commission").

Q. What is the purpose of your Rebuttal Testimony?

A. The purpose of my testimony is to address the Direct Testimonies of (1) Office of Consumer Advocate ("OCA") Witness Jerome D. Mierzwa; and (2) SCH USA LLC's ("SCH USA") Witnesses Carlos Padilla, Ronald Carrier, and Frank Lacey. I will also be providing testimony related to various customer issues raised during this proceeding, particularly those issues raised at the various public input hearings.

Q. Are you including any other exhibits with your Direct Testimony?

A. Yes. Included with my Direct Testimony are Aqua Exhibits TMD-1-R and TMD-2-R.

II. RESPONSE TO SCH USA

Q. SCH USA is disputing the Company's method of wastewater billing for its accounts in Kidder Township. Can you please describe the service the Company provides to SCH and how the accounts are billed?

A. Yes. I will address the operational aspects of SCH USA's Direct Testimony, while Aqua Witnesses Christopher E. Manning and Gregory Herbert (Aqua Statement No. 3-R and 10-R) will address the billing and cost of service aspects of SCH USA's Direct Testimony. I will note that **[BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]** and is the focus of the current complaint filing SCH USA made against Aqua in Docket Nos. C-2022-3036893 and C-2022-3037118.

SCH USA is a commercial wastewater customer of Aqua. SCH USA is served by a wastewater system that the Company acquired from the Township of Kidder (the "Township") in 2012. The Company provides wastewater collection and treatment services to SCH USA. SCH USA owns and operates a sewer collection system on their property that discharges to the Company's wastewater system. SCH USA has four accounts that are billed a flat rate based on assigned Equivalent Dwelling Units ("EDU") as addressed in the Rebuttal Testimonies of Mr. Christopher E. Manning (Aqua Statement No. 3-R) and Mr. Gregory R. Herbert (Aqua Statement No. 10-R). An EDU is generally accepted in the wastewater industry as the equivalent of the flow from one residential dwelling unit which is then used as a basis to bill customers as the unit of measurement for sewer service. The EDU method is used for multiple purposes including but not limited to sewer facilities capacity planning and engineering design, and to establish a normalized approach to charge for sewer services to premises without water metering by a utility

company. The EDU method considers the sewer capacity needed to treat wastewater from the customer / premises served at all times. SCH USA obtains its water from their privately owned wells. The Commission approved the Company's acquisition of the Township's wastewater assets on July 19, 2012, at Docket No. A-2012-2298067. On October 11, 2012, the Company filed its Compliance Tariff which contained the EDUs that would be charged for the properties currently owned by SCH USA. The Company does not know the water usage by SCH USA. In accordance with our Tariff, the Company bills SCH USA based on the EDUs assigned to SCH USA.

Q. What were the billing EDUs assigned to the SCH USA properties at the time of the acquisition?

A. The SCH USA accounts were assigned the following EDUs: (1) the Willowbrook at Lake Harmony would be billed at 128 EDUs; (2) the Galleria and the Water Park would be billed 145 EDUs; and (3) remaining uses (Lodge) would be billed 53 EDUs. There are 4 additional EDUs billed to the laundry which were added after Aqua acquired the system. On October 24, 2012, the PUC issued its Secretarial Letter authorizing the submitted Rate Schedule. Once Aqua acquired the Township assets, the assigned EDUs from the Township's billing system were transferred to Aqua for billing purposes and the assets were placed into Aqua rate base in the Company's 2018 Base Rate Case.[1] The number of EDUs billed to SCH USA were reviewed and included in the revenue requirements as set forth in the respective Commission order in the Aqua 2018 Base Rate Case that was entered on May 9, 2019 and the Aqua 2021 Base Rate Case[2] that was entered on May 16, 2022.

[1] *Pa. PUC, et al. v. Aqua Pennsylvania, Inc., et al.*, Docket Nos. R-2018-3003558, R-2018-3003561, et al.
[2] *Pa. PUC, et al. v. Aqua Pennsylvania, Inc., et al.*, Docket Nos. R-2021-3027385, R-2021-3027386, et al.

Q. Do you agree with SCH USA's position that the EDUs assigned to SCH USA "assumes" 100% full occupancy rate or its assertion that it is being billed for more usage than what the Company is collecting and treating?[3]

A. The Company is billing based on the EDUs agreed to under the Settlement Agreement (SCH USA Exhibit FL-1), as assigned to SCH USA and Aqua, and as approved by the Commission. SCH USA's predecessor and the Township agreed on those values, and the Company has continued using that approach. When possible, a wastewater customer is billed based on a fixed charge plus the actual water usage recorded by a Company-owned meter. Where the Company cannot bill based on water usage measured for a Company-owned meter, which is the case for SCH USA, customers are billed a flat rate based on the number of assigned EDUs, which is a common practice across the wastewater industry.

For flat rate customers, the Company does not have any meter readings to calculate actual usage for a customer's bill and the Commission has approved this flat rate as an appropriate billing method for these customers. The Company plans and constructs its facilities to provide for sewer service 365 days a year, 24 hours a day, whether customers use the service or not. Fixed costs for that readiness are incorporated into the sewer rate design. The fact that a customer is present at a service address only a few days a month, or whether a commercial customer is at 100% occupancy rate, is irrelevant to whether the flat sewer charge is reasonable. Aqua has no control over when its customers are present or whether a multi-use facility is operating at full capacity. Yet, Aqua still is required to have its sewer service available for whenever the customer desires to use it, and to be available to accommodate the full capacity of that customer's operations.

[3] *See* SCH USA St. No. 1, at pp. 3-4.

Q. SCH USA acknowledges that assignment of its EDUs are based on a the Settlement Agreement, but they complain that there are no details on how the EDUs were calculated.[4] Can you comment?

A. Yes. Foremost, while I am not a lawyer, I do not agree that because a calculation was not included in the Settlement Agreement, that makes the Settlement Agreement and the assignment of EDUs any less valid. Although Aqua was not a party to the Settlement Agreement as it was executed between Kidder Township and SCH USA's predecessor, and the Settlement Agreement outlines the basis for the EDU assignment. For example, the Settlement Agreement provides that 128 units at Willowbrook were completed at the time the Settlement Agreement was signed. Willowbrook has been, and is currently, allocated 128 EDUs whereby one completed unit equals one EDU. I would also note that the Settlement Agreement provides the context for the EDU designation. I believe that the use of the EDUs from the Settlement Agreement, which was then adopted as part of the acquisition and included in subsequent Aqua 2018 Base Rate Case and 2021 Base Rate Case, is just and reasonable.

It is also important to remember that at the time the EDUs were assigned/allocated to SCH USA's predecessor, it was based on the type and quantity of uses at the subject service locations – i.e., a combination of hotels, restaurants, recreational facilities, a waterpark and indoor pool. SCH witness Mr. Padilla describes the current Split Rock Resort property which shows there has not been a significant change in the nature the property.[5] Therefore, the assigned EDUs are reasonable and consistent with the Settlement Agreement and Commission approved rates.

[4] *See* SCH USA St. No. 1, at pp. 4-5; SCH USA St. No. 3, at pp. 3-7.
[5] SCH USA St. No. 1, at pp. 2-3.

Q. SCH USA is now requesting to disregard the Settlement Agreement and that Aqua alter its billing to bill SCH USA based on actual water consumption from water meters.[6] Can you please comment?

A. As I mention above, where possible a wastewater customer is billed based on a fixed charge plus actual water usage recorded by a Company owned / approved meter. It is not always possible, as is the case with the wastewater service provided by Aqua to SCH USA, to bill based on the water usage component. It is my understanding that SCH USA provides its own water from wells that are not metered. Aqua does not own the water distribution system serving SCH USA. Moreover, we cannot be confident where facilities may have meters and if there are any if the are maintained or accurate. As stated in the Rebuttal Testimony of Mr. Manning (Aqua Statement No. 3-R), SCH USA has not, to our knowledge, taken any steps to collect or provide data to support their claim that their usage would be less than what the Company currently charges SCH USA under the number of assigned EDUs.

Q. SCH USA witness Mr. Lacey references the Company's discovery response that there are some Aqua customers who have metered well water as a basis for SCH USA's request to be billed based on a meter to be placed on their wells.[7] Can you please respond?

A. Yes. The Company does have a limited number of wastewater customers who are billed based on water meter reads where the water is provided by a private well. These are customers from acquired systems where the Company adopted the existing rate structure

[6] *See, e.g.*, SCH USA St. No. 1, at p. 4. Other SCH USA witnesses repeat the requests for relief outlined by Mr. Padilla.
[7] *See* SCH USA St. No. 3, at pp. 13-15; SCH USA Exhibit FL-3.

and billing method from these systems. SCH USA was not billed in this manner at the time of acquisition. In addition, the customers who are grandfathered in this have individual meters measuring usage to each customer's residence or business. As stated above, Aqua does not own the water distribution system serving SCH USA and we can not be confident that any facilities are metered, nor are we confident the meters, if they exist, are maintained and accurate.

Q. SCH USA is requesting that the Settlement Agreement be ignored and for Aqua to bill SCH USA by measuring actual wastewater discharges to Aqua's system.[8] SCH USA witness Mr. Carrier describes sewer metering technology that could be used for billing purposes.[9] Can you please respond?

A. On page 9 of Mr. Carrier's direct testimony, he notes that there are two common types of metering technologies used in measurement of sewage flow; ultrasonic (doppler) flow meters and electromagnetic flow meters. For awareness, there is a third common method – open channel flow measurement.

The meter technologies noted in Mr. Carrier's direct testimony are used in application of "full pipe, pressurized flow". The SCH USA system is not a "full pipe, pressurized flow" system, it is mainly a gravity system. As such, the following discussion is for informational purposes only because the meter technologies noted by Mr. Carrier cannot be used on the system.

The SCH USA referenced metering technologies can be used on pumped flow where the pipe has a consistent velocity and is full. The technologies do not work on non-pressurized flow. Gravity based pipes are not designed for full flow operation. SCH

[8] *See, e.g.*, SCH USA St. No. 1, at p. 4.
[9] *See* SCH USA St. No. 2, at pp. 7-10.

USA's wastewater flow is a gravity flow system where it connects to Aqua's system. SCH USA may have internal partially pumped flow sections which eventually discharge to the gravity system, although Aqua has no information to confirm whether, or to what extent, there are pumped flow sections in SCH USA's wastewater collection system.

I mentioned a third meter type – "open channel flow measurement". There are several types and applications. These technologies are used for non-pressurized flow measurement in wastewater system (i.e., gravity) subject to many design and operational parameters that must be specifically engineered to ensure appropriate measurement. Typically, these meters are used at higher flow such as at an interconnection between two systems. The SCH USA system does not fit into this category. And, again, I note that SCH USA has not proposed that solution for Aqua's review and consideration.

Q. In the alternative to billing based on metered water or wastewater, SCH USA is again requesting to disregard the Settlement Agreement and that it be assigned "a different proxy that more accurately reflects actual usage and occupancy".[10] Can you please respond?

A. First, I disagree with SCH USA's claim that what the Company is billing SCH USA is inaccurate. The Company is billing them a flat rate based on the EDUs that were agreed to and adopted in the Settlement Agreement which was assigned to SCH USA. SCH USA has not produced any data or information to substantiate their claim of lower flow or usage, aside from claims of variable occupancy which I have addressed above. I have also commented above on the basis of EDUs as a normalized method of billing for non-metered sewer service and requirements for Aqua to ensure its readiness to treat allocated flows

[10] SCH USA St. No. 1, at p. 4; SCH USA St. No. 2, at pp. 7-10; SCH USA St. No. 3, at pp. 11-12.

from the property regardless of occupancy. It is important to remember that at the time the EDUs were assigned/allocated to SCH USA's predecessor it was based on the type of business at the service locations – a combination of hotels, restaurants, recreational facilities, a waterpark and indoor pool. The current operations, as described by SCH USA witness Mr. Padilla indicates there has been no significant change in the nature of the original wastewater usage at the location. Therefore, the assigned EDUs are reasonable and remain consistent with past and current information.

Q. Do you agree with SCH USA witness Mr. Lacey's claim that since Aqua has limited number of customers with metered well water usage and two customers that have bills based on metered wastewater flows that the Company admits to having all the appropriate technologies to accommodate SCH USA's requests to be billed on metered usage?[11]

A. I do not agree that the existence of a limited number of customers having metered well or wastewater service supports the conclusion that SCH USA should be afforded the same treatment. As mentioned above, the limited number of customers with metered well usage do not have the same type of service conditions as SCH USA and metered water well usage for SCH USA would involve a more involved set of circumstances. The two commercial customers who are billed based on metered wastewater flows became customers through an acquisition and the Company implemented their existing billing practice which included all of the infrastructure to bill based on wastewater metered usage. Also as discussed above, the details associated with any metering application are unique to the situation. SCH USA

[11] SCH USA St. No. 3, at pp. 12-14.

has not provided information as to why their property can be metered and ensure accuracy of wastewater usage.

Moreover, as discussed by Mr. Gregory R. Herbert (Aqua Statement No. 10-R) if SCH USA's allocated number of EDUs were reduced, it would impact other customers rates in Rate Zone 4. A pro forma revenue adjustment under present and proposed rates would be required to adjust for the reduction of EDUs charged to SCH USA. The proposed rates would then need to be recalculated, which would result in an increase in proposed rates for all customers in Rate Zone 4 to make up for the reduction in EDUs to Split Rock Resort.

Q. SCH USA witness Mr. Lacey testifies that customers should be able to provide their own meters for well water inflows or wastewater outflows.[12] What is the Company's position on customer supplied meters?

A. SCH USA witness Mr. Lacey testifies that customers supplying their own meters would be a potential solution. The suggestion is silent on the totality of the metering process. Issues that must be addressed include determining which party would own these meters (either water or wastewater meters), the responsibility and cost of the initial installation, which party would maintain the meters, shut-off procedures for delinquency, accuracy of the readings, and performing audits of the meter readings.

As I discussed above, SCH USA owns the internal collection system. How they maintain their system and the impact of extraneous flows from inflow and infiltration ("I&I") is unknown. While SCH USA argues that actual water use should be billed under the premise of low-occupancy and perhaps higher flow than the EDU assignment, it

[12] SCH USA St. No. 3, at pp. 14-15.

negates the impact of I&I that enters its system and which, in turn, is conveyed and treated by Aqua. Furthermore, the wastewater metering technologies of wastewater flows, as discussed above, do not appear to be a solution based on the gravity flow characteristics of SCH USA's system. Again, the EDU method normalizes those variables and creates a reasonable means to design facilities and appropriately bill customers for all elements of wastewater service. Furthermore, any costs the Company would incur to make these recommended changes to measure usage will increase the revenue requirement, not reduce it, and ultimately increase the rates paid by SCH USA and all customers.

Q. SCH USA witnesses Mr. Padilla and Mr. Lacey comment that the Company's proposed revisions to its definition of an EDU is an attempt to solidify its position of charging SCH USA for EDUs based on an outdated Settlement Agreement.[13] Do you agree?

A. I do not agree. In fact, the Company's proposed revisions to its tariff are to clarify its definition and to provide customers with more information, such as the number of EDUs that are assigned to them at the time of acquisition. In addition, the tariff provides a mechanism for customers, who modify their properties in a manner that the customer believes impacts its EDU calculation, to request a change to the customer's billing EDUs. For example, if a commercial establishment with a set number of EDUs changes its business operations from a large hotel to storage facility, then the customer can request the Company review its billing EDU designation.

[13] SCH USA St. No. 1, at p. 5; SCH USA St. No. 3, at pp. 8-12.

Q. SCH USA witnesses Mr. Padilla and Mr. Lacey mention SCH USA's previous request, and its active formal complaint proceeding, regarding their request to challenge the rates they are billed.[14] Can you comment?

A. There is an active PUC formal complaint proceeding, as mentioned above, filed by SCH USA challenging the Commission approved rates the Company is billing SCH USA. The Company's position in that proceeding is that SCH USA's challenge to the Company's rates is to be considered in a base rate case, because it challenges both the existing, Commission-approved rates charged to SCH USA and the proposed rates in this proceeding that will be applicable to SCH USA.

III. PFAS COMMUNICATION

Q. Please address Ms. Hoover's discussion on PFAS communication with customers on page 48 of OCA Statement No. 1.

A. The Company will continue to provide general information about PFAS on its website. However, as contemplated in prior commitments made by Aqua, now that there is a federal regulation (MCL) on PFAS the Company will comply with those federal communication requirements. The Company will not continue to post monthly sampling on its website and will comply with the federal requirements to provide information in its Consumer Confidence Reports.

IV. PUBLIC INPUT HEARINGS RESPONSE

Q. Are you aware of testimony provided by certain customers at the public input hearings held in this matter?

A. Yes.

[14] SCH USA St. No. 1, at p. 1; SCH USA St. No. 3, at pp. 12-13.

Q. How will you be addressing customer public input testimony?

A. We appreciate all the customers who testified at the public input hearings to express their thoughts concerning the Company and its proposed rates. I will address some broader issues where customers raised similar issues, including: unmetered wastewater service; wastewater service billed based on water usage, affordability; water quality concerns from customers on Elderberry Way; and the Company's rate proposal for the New Garden wastewater system. The Company reviewed all the comments made at the public input hearings and endeavored to follow-up with customers to address any specific questions or issues. Aqua Exhibit TMD-1-R to my Rebuttal Testimony addresses several specific customer service issues raised at the public input hearings.

A. Wastewater Service Billing

Q. Can you please describe how the Company bills customers for wastewater service?

A. Yes. The Company appreciates all the customers that testified at the public input hearings expressing a desire to have a metered wastewater rate. The Company understands that the lack of a metered wastewater rate can be frustrating to our customers, and we will continue to educate our customers on why they receive a flat rate and why that flat rate appropriately bills customers for the wastewater service provided.

There are a few different ways a customer is billed for wastewater services depending on the characteristics of the services provided. When possible, a wastewater customer is billed based on a fixed charge plus actual water usage recorded by a water meter. The Company uses Aqua water meter readings for customers who receive water and wastewater service from Aqua. In other cases, the Company receives water readings from another investor-owned utility or government-owned provider. However, it is not always possible to bill based on metered water usage. Where the Company cannot bill

based on metered water usage customers are billed a flat rate, which is a common practice across the wastewater industry.

Q. A number of customers at the Public Input hearings questioned the flat rate billing and also questioned whether basing their wastewater bill on water usage is appropriate. Can you respond?

A. Yes.

Flat Rate customers: The Company did receive testimony from customers about the desire to not have flat wastewater rates. The Company heard these issues from our customers in our Lake Harmony and Tobyhanna systems and in particular, Mr. Day and Mr. Delrosso. Both of these systems are in Rate Zone 4. The Company specifically tried to address the billing for Rate Zone 4 customers in its proposal in this proceeding. The Company desires to maintain the current flat rate for Rate Zone 4 and is proposing that these flat rates increase slightly from $133.35 to 135.20. As it relates to Mr. Day specifically, it appears that he either wants the Commission to: 1) establish a flat wastewater rate for seasonal/second home communities; or 2) require regulated investor owned utilities to put water meters on private wells to calculate wastewater usage – both of which it appears he assumes will provide a lower wastewater rate. For flat rate customers, the Company does not have any reliable meter readings to calculate a customer's bill and the Commission has approved this flat rate as an appropriate billing method for these customers. Mr. Manning will provide more background, context, and rebuttal in regard to this issue. It is my understanding that the Commission has addressed the issues Mr. Day raises in previous complaint proceedings.[15]

[15] Mr. Day filed a Formal Complaint against the Company at Docket No. C-2021-3026213. That complaint was denied by the Commission, with Administrative Law Judge Joel H. Cheskis finding that: (1) Aqua was following the rules

As described earlier in my Rebuttal Testimony, customers pay to have the sewer service available 365 days a year, 24 hours a day, whether they use the service or not. Fixed costs remain that are incorporated into the sewer rate design. The fact that a customer is present at a service address periodically or the number of occupants at the service address varies is not demonstrative to whether the sewer charge is reasonable. Aqua has no control over when its customers are present at the service address. Yet, Aqua still is required to have its sewer service available for whenever the customer desires to use it. We provide service to the premises whether occupied by one person or ten (for example). Initially, while it may seem unfair to customers that are not as familiar with the ratemaking process, a customer is required to pay the fixed monthly sewer charge whether they are present at the service address every day of the month or no days of the month, as Aqua incurs fixed costs so that the service is available to the customer. As I discussed above, the Company must also consider the efforts of managing individual customer situations across its customer portfolio and service territory. While each customer is understandably focused on their individual situation, the Company must consider the resources and process inefficiencies that would result if every customer objected to a flat rate billing method and the ensuing elements of site-specific occupancy to accommodate each customer's situation. The EDU method of normalizing wastewater metering promotes process efficiency that translate into the rates charged.

Additionally, as noted earlier, the Commission has addressed the billing practices for Lake Harmony and Mr. Day's concerns in the *Day Complaint*. In that case, Mr. Day

imposed by its Tariff in billing Mr. Day; and (2) that Mr. Day presented no evidence demonstrating that Aqua's Tariff was unreasonable as applied to him. *Day v. Aqua Pennsylvania Wastewater, Inc.*, Docket No. C-2021-3026213 (Recommended Decision issued Oct. 28, 2021) *adopted without further Commission action* (Order entered Nov. 30, 2021) ("*Day Complaint*").

filed testimony including various arguments that appear similar to his concerns in this base rate case, *i.e.*, a lower wastewater rate. This appears to be based on his specific situation – as he stated that he uses his Lake Harmony property five days a month (see Tr. 889, lines 12-16).

For background purposes, Mr. Day commented in his public input testimony that the Commission rejected a metering pilot program he supported in Aqua's 2022 Base Rate Case. The Commission rejected this idea for a number of reasons, including the cost of such a program. The Commission in the last case rejected a pilot program which encompassed Mr. Day's current request to install water meters, set a specific lower rate for Lake Harmony and lastly allow customers to install their own water meters. Also in the 2021 Base Rate Case, Aqua explained that, similar to many wastewater systems throughout the Commonwealth, Aqua does serve a limited number of areas where wastewater customers are billed on a flat rate. This means that unmetered customers receiving wastewater service from Aqua pay the same amount each month. Unmetered, flat-rate wastewater customers make up the communities of Tobyhanna, Pennsylvania (706 customers) and Lake Harmony, Pennsylvania (1029 customers). These communities were billed on a flat rate prior to Aqua's acquisition of these wastewater systems, and the Company has continued to bill the customers on a flat-rate basis.

The Commission held that in situations, such as this, where metered water information is unavailable, the standard industry practice is to base the flat rate on a system-wide average usage per month plus a customer charge. The Commission considered a number of factors including that the Company does not have the authority to meter a

representative sampling of customer owned private wells.[16] A pilot program or optional meter program would only benefit customers whose perceived wastewater use would be lower than the flat rate charge, and would not benefit the customers who perceive themselves to be larger users. The Commission further noted that there are concerns about the ability to access customers' property to properly install a meter on a well. There may be substantial cost involved; the Company and, ultimately, customers will bear the cost of such installations. Finally, the lack of express authority to enter private property to meter **all** privately owned wells makes this proposal very difficult to adopt as a permanent solution. The Commission further referred to testimony signaling its understanding the customer's desire to limit any rate increase, but explained that "resorting to changing the current methodology on which these customers are billed will not impact that reality. In fact, other customers will likely be billed more."[17] For wastewater only customers that receive water from private wells, the Company would be required to enter, traverse, and locate a customer's water well, to a property the Company does not have a right to enter, install a Company owned meter somewhere on a customer's property where a water well is located, and maintain that property going forward. This is further complicated by the fact that many of these water systems are owned by the community, rather than a single customer.

Moving on to other of Mr. Day's issues, I disagree with Mr. Day's accusations about our tariffed rates or billing practices. Consolidation of the water and wastewater industry has occurred over decades and a separate line item for a system acquisition

[16] *See Pa. PUC, et al., v. Aqua Pennsylvania, Inc. et al.*, Docket No. C-2021-3026213, pp. 273-274 (Opinion and Order entered May 16, 2022) ("*Aqua 2021*").
[17] *Aqua 2021*, p. 274.

assessment is not feasible. Moreover, the Commission has recognized that it is in the interest of customers and the public to consolidate and regionalize water and wastewater systems across the Commonwealth. 52 Pa. Code § 69.721. Mr. Day's concerns run counter to this policy.

Furthermore, Mr. Manning addresses Mr. Day's comments that the Company did not review alternative methods for calculating flat rates. Mr. Manning disagrees with his interpretation and responds to this issue in his Rebuttal Testimony (AP Statement No. 3-R).

Mr. Day also provides information on items including: tax bills and where residents live, data on the alleged mixed use of the community, permits by the township for short term rentals, Air DNA reports, and wastewater treatment plant flow amounts. All of this appears intended to support his contention that his community is a seasonal/second home community. While I understand Mr. Day's desire to prove his community may have a large percentage of second homes, that does not negate or show the Company's proposal is unreasonable for the reasons I set forth above.

In footnote 7 of his Direct Testimony, Mr. Day suggests it is Aqua's burden to somehow audit this community to find out if a customer has installed a water meter. My understanding is that is not our burden to do.

As stated above, I appreciate the issues raised by Mr. Day and the Company specifically tried to address the billing for Rate Zone 4 customers. The Company desires to maintain the current flat rate for Rate Zone 4 and is proposing that these flat rates increase slightly from $133.35 to 135.20.

Wastewater bills based on water usage: A number of customers whose wastewater bills are calculated using water usage questioned whether it is appropriate to use the readings to bill for both services, believing they are paying twice. Customers are not paying twice. First, they are receiving two distinct services. Water service cost, whether from Aqua or other water provider, is based on treating and delivering water to the customer's premises. Wastewater service cost is based on the collection, conveyance, and treatment and disposal of the customer's wastewater. The vast majority of wastewater service is not metered separately from water service. As discussed above, many variables affect the sizing and operations and cost of service for of a wastewater system, not just volume passing through a meter, whether regular or periodic. While wastewater usage may not precisely match water usage, water usage provides a reasonable measure to a customer's wastewater usage and this is a standard billing and rate design practice across the wastewater industry, which has been approved by the Commission as fair and reasonable in numerous Aqua and other water/wastewater utility base rate cases.

B. Affordability

Q. Customers at the public input hearings commented on the requested rate increase. Can you please comment on affordability issues?

A. The Company takes these comments very seriously and understand the impacts on customers. The Company has implemented a customer assistance program ("CAP") which is meant to assist customers that have affordability issues regarding Aqua's service. The details of the CAP program are discussed in more detail in the Direct and Rebuttal Testimonies of Rita F. Black (Aqua Statement No. 13 and 13-R). The Company also followed up with customers where a CAP enrollment could be utilized as stated in Aqua Exhibit TMD-1-R.

C. Elderberry Way Customers

Q. A few customers at the August 5, 2024 Public Input Hearing testified about smell and odor of the water at their residence. Has the Company investigated the concerns raised by these customers?

A. Yes. These customers are located on Elderberry Way in our Cheltenham system. After learning of the concerns at the public input hearing, the Company investigated our system that same week. We did not identify any water quality issues in our system based on physical evaluation of the water and from water quality tests performed in accordance with prescribed methods. Regardless, actions taken included a comprehensive flushing of the area, a field evaluation of valve positions to see if inadvertent dead ends had been created and confirmed all valves were in the correct position, and a technical review of water treatment and distribution features to this area that could correlate to taste and odor issues - none were identified. The Company's Water Quality team also contacted the customers who testified to discuss their concerns. Two of the customers (Mr. Blair and Mr. Shellhorse) said that the issue was isolated to odors from a specific sink drain in their respective bathrooms and had been going on for some time. They said they do not notice the smell anywhere else in the house where water is used. The Company offered some suggestions to the customers to correct their situation and asked that they contact us if the situation persisted. Both customers thanked Aqua for the follow-up on this matter and had no further questions or concerns, nor have they subsequently contacted us. The third customer with a similar complaint to the others was Mr. Ira Bond. He did not return our Water Quality Department's calls, and we do not have any complaints on file from him related to this issue or any other issue.

D. New Garden Wastewater Systems

Q. What did the Company propose for New Garden wastewater customers in this case?

A. The Company proposed a rate decrease for the average residential customer in New Garden. Mr. Packer will address this in his Rebuttal Testimony (Aqua Statement No. 1-R).

Q. Can you describe the condition of the New Garden Wastewater system upon closing of the transaction?

A. Yes. The wastewater collection system and the treatment facilities were in generally poor condition due to lack of maintenance, lack of re-investment, and inadequate daily operational oversight. The following are examples of conditions found that were of great concern for compliance and safety.

The South End treatment facility's treatment lagoons were full, nearly overflowing in December when they should have been nearly empty. Aqua enacted emergency pump and haul operations seven days a week for eight months to prevent lagoon overflows and to restore system operation to normal.

The East End treatment lagoons had significant accumulated sludge causing treatment challenges and Aqua deployed a floating dredge and mobile dewatering operation to remove the sludge, restoring the treatment process to normal conditions. The treatment facility's headworks building and influent screen were in poor condition creating safety risks to operators and allowing debris to enter the treatment plants causing operation and maintenance challenges such as clogged pipes, pumps and valves, and floating materials on the treatment lagoons.

The spray disposal fields had approximately 1/3rd of the spray risers clogged or broken. At the South End treatment facility, Spray zones 3 and 4 were unusable outside of

the summer growing season. New Garden Township determined that the actual permitted effluent spray disposal capacity was not 104,000 GPD but 64,000 GPD with average daily influent flow at approximately 85,000 GPD. The excess water had to be hauled to other facilities for disposal until another solution could be implemented, which they had no plans to do.

Aqua's initial evaluation of lift stations identified deferred maintenance such as deteriorated pipe, failed pumps, lack of alarms, and non-working instrumentation. I&I was significant in the system with sanitary sewer overflows occurring when moderate rainfall occurs. The force main in Route 41 regularly broke causing interruption of service to homes and business, affecting traffic on Route 41, and sewage overflows. The operations logs under New Garden Township ownership showed no testing was occurring to control the treatment process. There was no maintenance of flow meters or controls.

Q. Can you provide descriptions of the capital work that was completed in the New Garden system to address these issues?

A. I can provide a few key project examples.

I mentioned above inadequate spray disposal fields. Aqua optimized the capacity of the remaining fields by installing an automated spray control system that enabled maximum available disposal without any run-off.

I also mentioned the South End treatment facility lagoons were full when we took ownership and the emergency pump and haul operations enacted. Aqua was able to develop a project that allowed pump and haul operations to cease. It involved the refurbishment of a pipeline and pump station upgrades that transferred wastewater from the South End treatment facility to the East End treatment facility where more spray field

capacity existed and access to the Kennett Square Borough wastewater plant where some flow could be sent for treatment.

Further, I mentioned the Route 41 force main pipe that conveys sewage under pressure to Avondale for treatment. It is a long 6-inch pipe that was regularly failing. Aqua replaced a section of this 1968 vintage pipe.

Aqua upgraded the East End treatment facility with baffle curtains installed in the lagoons to eliminate short circuiting and added surface aerators which together provided a higher level of treatment and compliance with permit conditions. Aqua rehabilitated the headworks building and spray control buildings and made many repairs to eliminate safety concerns. Other projects included installation of operator fall protection apparatus, updating the lab with functioning equipment for testing, televising sewer lines to assess condition, rehabilitation of various sewer collection pipes, manhole repair, and relocation of a flow metering vault outside of the Route 41 ROW for operator safety.

E. Specific Customers

Q. Are you aware of the concern raised by customer Daniel Ely at the August 12, 2024 Public Input Hearing?

A. Yes.

Q. Can you explain Mr. Ely's concern?

A. Mr. Ely testified that his property has been damaged because the Company failed to maintain a stormwater culvert on his property and associated with a granted easement related to a sanitary sewer line on his property. He claimed the culvert is improperly designed, gets periodically blocked from debris that washed from upstream, and the blockages have caused a diversion of Hartenstein Creek resulting in damage to his property and the general environment.

Q. Based on your initial investigation, what have you found?

A. I have been in contact with Mr. Ely and Limerick Township to try to better understand this customer's assertions and concerns. We are still in the process of following up to understand why this customer believes this culvert is not his responsibility. Our initial understanding is that as this culvert is on Mr. Ely's private property, Aqua is not responsible to maintain it. As we continue to review the data associated with this, we will follow up formally to let the customer know our research. This appears to be an issue between Limerick Township and Mr. Ely.

Q. Are you aware of the concern raised by Mr. William Moyer at the August 5, 2024 Public Input Hearing?

A. Yes.

Q. Are you aware of Mr. Moyer's standing in this base rate case?

A. Yes. Mr. Moyer is the fire chief for New Hanover Township, portions of which are served by Aqua's Superior water system. Mr. Moyer testified that he was representing the interest of the public and Aqua's customers in his capacity as Fire Chief.

Q. Please describe Mr. Moyer's complaint with Aqua's water service.

A. Mr. Moyer's testimony included the entry of two exhibits. Each is a report from the Insurance Services Office ("ISO"), one dated 2017, one dated 2024. The ISO is an advisory and rating organization for the property/casualty insurance industry to provide statistical and actuarial services, to develop insurance programs, and to assist insurance companies in meeting state regulatory requirements. Relative to this matter, ISO assesses community fire protection capability and assigns a rating which is used by insurance underwriters to develop hazard insurance premiums for policy holders. Mr. Moyer stated that 40% of the

overall rating is related to water supply and that the Township's rating dropped from 18.84 in 2017 to 18.54 in 2024. Mr. Moyer attributes that drop in rating to Aqua's alleged failure to maintain its water system and causing property owner insurance rates to rise. Mr. Moyer acknowledged that he did not challenge the similar ISO rating in 2017 as this was proximal to the change in Ownership between Superior Water Company and Aqua and felt Aqua deserved time to assess and improve over Superior Water Company's performance. Mr. Moyer further expressed concern about the rates being charged to the Township for fire hydrant maintenance fees stating those fees are part of the fire department's budget and the rate increase would put further strain on the budget.

Q. Do you agree with Mr. Moyer that Aqua has not performed to requirements and caused the ISO ratings to decrease between 2017 and 2024?

A. I disagree that Aqua has not performed to required standards. The Company can only participate in the review by ISO of the Township's fire services program at the request of New Hanover Township. The Company was not asked to do so. Had the Company been asked to, we would gladly have provided requested information.

Q. Has the Company proactively reached out to Mr. Moyer?

A. On August 14, 2024, an Aqua representative met with Mr. Moyer and the New Hanover Township Manager (collectively "New Hanover Township"). New Hanover Township acknowledged that Aqua was not asked to participate in the ISO evaluation and therefore had no insight to the activity, nor ability to address any concerns prior to ISO completing its report. Aqua provided New Hanover Township with information to support that its duties as water system owner were fulfilled. For example, all fire hydrants were inspected in 2023, a new water storage tank was installed in 2023 which improved fire flow

sustainment, an interconnection with an adjacent municipal system was made to improve reliability of service for peak day demand and fire flow needs, new sources of water were added to the system, and a water hydraulic model of the system was created to assess further needs of the system. Aqua will complete an inspection of all hydrants in 2024 and annually thereafter supported by work order records. Upon learning of this information, New Hanover Township acknowledged that it should include Aqua in future involvement with ISO and apologized for the representations at the Public Input Hearings.

Q. Are you aware of the concern raised by Ms. Lee Scarborough at the August 5, 2024 Public Input Hearing?

A. Yes

Q. Please explain the nature of Ms. Scarborough's concern.

A. Ms. Scarborough testified that she experiences sewer backups in her home even when her Township owned it. She stated that since Aqua took ownership, two more blockages have occurred and no one has come out to address the problem. She further stated that the sewer lines in the road have roots and cause the backup.

Q. Have you investigated Ms. Scarborough's claim?

A. Yes. At the Public Input Hearing, an Aqua employee spoke with Ms. Scarborough. They agreed to meet at her residence to further understand the issue raised. Aqua sent a crew to Ms. Scarborough's property on Wednesday August 7, 2024. An inspection of Aqua's manhole (MH# LAV-1), which is in front of Ms. Scarborough's house, identified there was minor root intrusion into the manhole. The roots were removed during the visit. Aqua used its closed-circuit television unit to inspect the sewer main in the street. That confirmed there was no evidence of roots and the main is in good condition. Roots in the main are

not a cause of Ms. Scarborough's sewer backup problem. Ms. Scarborough's lateral connects directly into MH# LAV-1. Ms. Scarborough has large trees on her property that appear to have roots growing into the customer owned portion of the lateral which discharges into MH# LAV-1. Ms. Scarborough confirmed this to be true based on her past experiences when she engaged a plumber to investigate her sewer backups. That plumber recommended that Ms. Scarborough put copper sulfate crystals down her line to keep the roots under control, which Ms. Scarborough confirmed she is currently doing. Ms. Scarborough commented that she didn't have a current problem with backups. Aqua recommended that she replaces the sewer lateral to reduce the likelihood of roots intruding into the lateral. Aqua will add MH# LAV-1 as an area to be inspected annually for root intrusion and remove roots if needed. She thanked Aqua for their response.

Q. Are you aware of the concern raised by Ms. Zebley at the August 8, 2024 Public Input Hearing?

A. Yes.

Q. Please explain the nature of Ms. Zebley's concern.

A. Ms. Zebley testified, among other general rate case concerns, that the quality of the water in her home was objectionable. She mentioned white crystals on her faucets and in general smelly water. The Company spoke to Ms. Zebley directly, but she declined to engage with us or take us up on our offer to investigate her issue. Aqua water quality teams and operations teams evaluated the water system serving Ms. Zebley, our Unionville-East Marlborough system. That evaluation found no system wide issues apparent from our review. As of September 12, 2024, we have not received contact from Ms. Zebley.

Q. Are you aware of the concern raised by Mr. Green at the August 12, 2024 Public Input Hearing?

A. Yes.

Q. Please explain the nature Mr. Green's concerns.

A. Mr. Green testified concerning the increase in the rates as well as an issue regarding water in his yard. He believed the water may be due to a leak from Aqua's system and he has water in his basement and his sump pump runs frequently.

Q. Please explain your investigation into Mr. Green's claim.

A. Aqua sent an operational representative to Mr. Green's home on August 14, 2024. The Aqua representative noted that Mr. Green's backyard was wet and checked for water leaks in the area. He did not identify any indication of a leak using standard leak detection methods. In addition, the Aqua representative tested the water in the sump pump basin to see if chlorine could be detected which would indicate the water was originating from a leak, be it an Aqua main, or customer lateral. No chlorine was detected. He communicated this to Mr. Green. As further follow-up, a different Aqua representative went to Mr. Green's property on August 27, 2024. They confirmed the same findings as the original representative.

Q. Do you believe the source of water in Mr. Green's basement is due to failure of an Aqua owned asset?

A. No. Based on the above physical investigation findings and general knowledge from others who live in the area and Aqua's operation of the water and sewer system, it is commonly known that groundwater is high in the vicinity of Mr. Green's property. The presence of the high groundwater is likely the source of the frequent sump pump operation.

V. MANAGEMENT EFFICIENCY

Q. Please further elaborate on the troubled systems that Aqua has been asked to serve as emergency receiver.

A. Since the Company filed the current base rate case, Aqua has been asked to serve as Receiver for both the water and wastewater systems owned by Deer Haven, LLC ("Deer Haven"). The Deer Haven water system serves approximately 43 customers, and the Deer Haven wastewater system serves approximately 62 customers. Both systems abut Lake Wallenpaupack in Pike County, Pennsylvania.

Q. Please describe the troubled nature of the Deer Haven water system.

A. The Deer Haven water system has been on a boil water notice since February 2024. Failures of the water disinfection process are the cause of the boil water notice and the owner has not taken action to correct the situation. Upon becoming Receiver, Aqua assessed the situation and is taking action to correct the same. A pump in the treatment system failed and the existing operator was unable or unwilling to replace it causing insufficient chloring contact time for disinfection. Aqua is taking steps to replace the chlorine contact chamber and associated pumping system. Aqua is also making improvements and adjustments to the system to ensure reliable safe water service. Our water operators jumped into action to address the water quality in this system immediately. I am proud of the extra efforts made to make sure these Commonwealth residents have safe drinking water.

Q. Please describe the troubled nature of the Deer Haven wastewater system.

A. The Deer Haven wastewater system has several significant issues plaguing it. In my experience, this is the worst wastewater treatment plant ("WWTP") that I have ever encountered. Please see Aqua Exhibit TMD-2-R. Upon assuming operations, the

Company determined that the WWTP facility was unsafe to enter and brought in a structural engineer to validate its concern. The structural engineer agreed that the facility was unsafe to enter, and the Company locked access to the building. Moreover, the Company determined that wastewater entering the plant was only receiving primary treatment (settling) and no disinfection or secondary treatment of any kind. The Company then began pumping and hauling wastewater to prevent further discharge of minimally treated wastewater into the lake. The Company immediately contacted the Pennsylvania Department of Environment Protection ("PADEP") to confirm the situation and held meetings to discuss long-term solutions to the untreated wastewater. As of September 12, 2024, Aqua is evaluating several alternatives to the situation. There are also challenges with the collection system that include I&I, unknown asset locations, no maps, unmaintained elements, and disputes over ownership of pump stations. Aqua has invested resources to address each situation. Again, I am very proud of my team members in this area who have gone above and beyond, working extensive hours including weekends, in addition to their normal responsibilities, to make sure Lake Wallenpaupack and the surrounding environment is safe.

Q. Is the Company currently complying with the Commission's Receivership orders?

A. Yes. The Company is taking the necessary steps to protect the public safety and the environment at Lake Wallenpaupack. The Company's operations and management are working above and beyond to address the system deficiencies. They are addressing these severe operational issues in addition to their current assignments, creatively problem solving and meeting with key stakeholders to solve these two problems. I believe this

should be considered and the Commission should support the Company's request for Management Efficiency adders.

VI. CONCLUSION

Q. Does that conclude your Rebuttal Testimony?

A. Yes, it does, but I reserve the right to supplement my Rebuttal Testimony as needed during this proceeding.

EXHIBIT NO. TMD-1-R

Public Input Hearings - Customer Testimony

Exhibit TMD-1-R

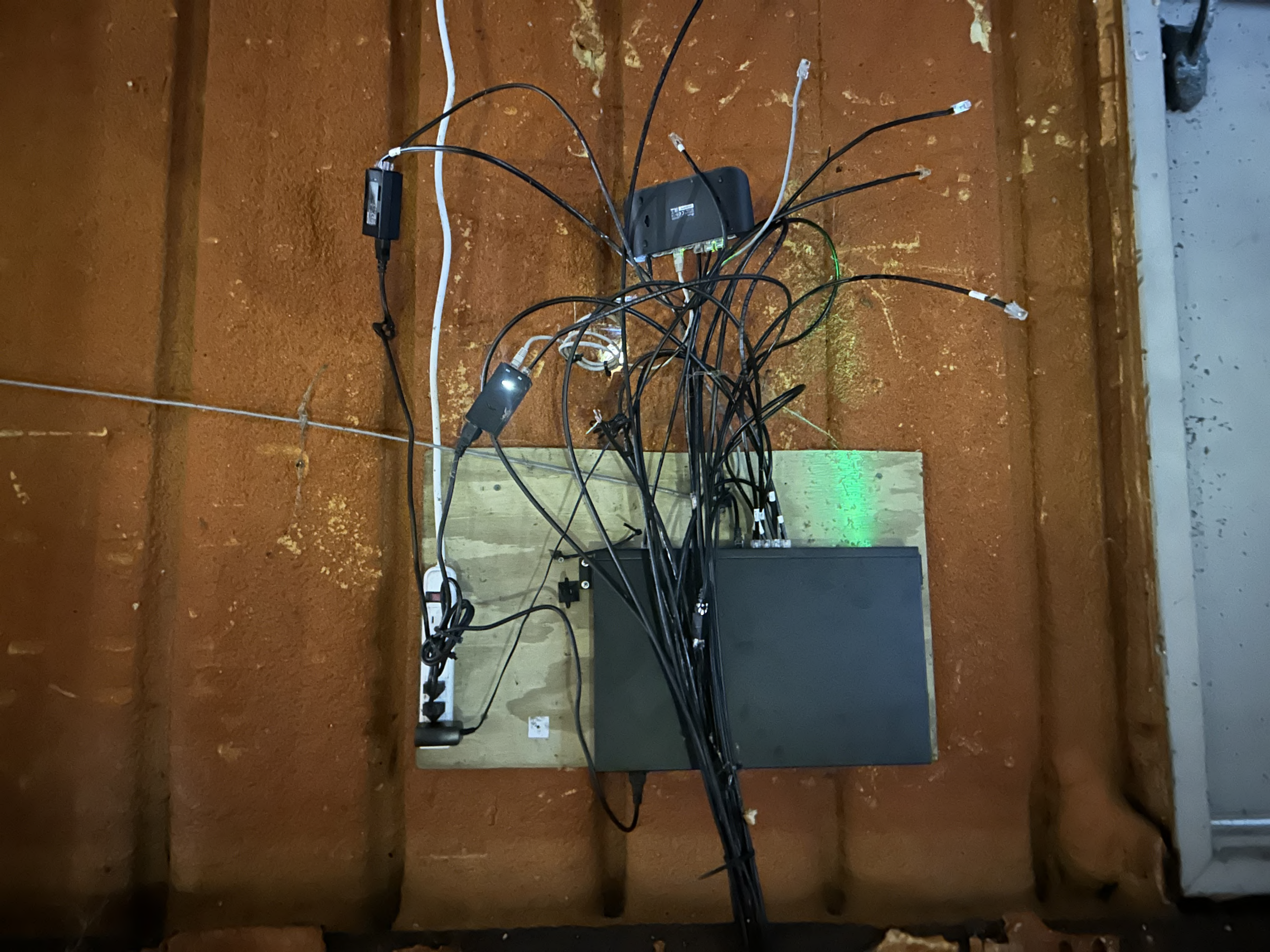
Name	City	Public Input Hearing	Testimony	Company Follow-Up
Chris Blazic	Drums	Hazleton - August 1 - 1 p.m.	Mr. Blazic raised questions regarding the charges that appear on his bill.	Mr. Blazic is a customer in the Company's Beech Mountain system located in Butler Pennsylvania. On August 8, 2024, Aqua PA President Marc Lucca spoke with the customer regarding his billing questions and Mr. Blazic appeared to be satisfied with the discussion.
Mary Bytsura	Drums	Hazleton - August 1 - 6 p.m.	Ms. Bytsura raised questions regarding the charges that appear on her bill	Aqua customer service representative attempted to contact on August 2, 2024 and left Ms. Bystura a voicemail to follow up with any questions.
Camille Byrd	Wyncote	Cheltenham - August 5 - 6 p.m.	Ms. Byrd mentioned having high usage	Aqua customer service repesentative is reviewing Ms. Byrd's account and will contact her to discuss her bill.
Patrick Blair	Cheltenham	Cheltenham - August 5 - 6 p.m.	Mr. Blair testified that to an odor in the water and some resideu in the sink and toilet	See Rebuttal Testimony of Todd Duerr
Adam Shellhorse	Cheltenham	Cheltenham - August 5 - 6 p.m.	Mr. Shellhorse testified to an odor in his water	See Rebuttal Tesitmony of Todd Duerr
Penelope Rigotas	Havertown	Delaware County Community College - August 7 - 6 p.m.	Ms. Rigotas testified concerning her usage and desire to be enrolled in LIHWAP	An Aqua customer service representative spoke with the customer at the end of the Public Input Hearing on August 7th. The represenative and Ms. Rigotas discussed the customer's water usage and explainaned that the LIHWAP is a federal program and is not longer available. The customer is enrolled in the Company's Customer Assistance Program.

Name	City	Public Input Hearing	Testimony	Company Follow-Up
Carrie Bossi	Cochranville	Landenberg - August 8 - 1 p.m.	Ms. Bossi inquired about the Company's Customer Assistance Program during her testimony	On August 9, 2024, an Aqua customer service representative from the Company's CAP program attempted to reach Ms. Bossito discuss the the Company's assistance programs and was unable to reach her. The representative left a voicemail and sent an email to the customer.
Patricia Zebley	Kennett Square	Landenberg-August 8 - 1 p.m.	Ms. Zebley testified about a taste and odor to her water.	See Rebuttal Testimony of Todd Duerr
Larry Tornari	Kennett Square	Landenberg-August 8 - 1 p.m.		On September 6, 2024, an Aqua customer service representative contacted the customer as a follow up to his testimony and the customer was not able to talk and the Company will call him in the next week as requested by the customer. The customer was very appreciative of the follow up call.
Pauline Lewis	Landenberg	Landenberg-August 8 - 1 p.m.	Ms. Lewis testified that she is a senior citizen living on a fixed income	On September 5, 2024 an Aqua cusstomer service representative contacted the customer to discuss the Company's assistance programs but was unable to reach her and left her a voicmail with her contact information.
Erika Spott	King of Prussia/Lake Harmony	Royersford - August 12 - 1 p.m.	Ms. Spott has two accounts with the Company and testified regarding the flat rate charged for her home in Lake Harmony.	Aqua sent a letter to Ms. Spott providing her information related to analysis of the flat rate charge in Lake Harmony.

Name	City	Public Input Hearing	Testimony	Company Follow-Up
Alison Pilotti	Royersford	Royersford - August 12 - 1 p.m.	Ms. Pilotti raised questions regarding her sewer rates that are higher than her water water rates	On August 16, 2024 an Aqua customer service representative spoke to the customer to discuss the Company's charges and assistance programs. The representative emails the customer with a list of agencies that may help her and her neighbors get assistance with their sewer bills.
Lorraine Rambo	Limerick	Royersford - August 12 - 1 p.m.	Ms. Rambo testified regarding the flat rate charged for her wastewater service. She also raised questions regarding a deduct meter.	On August 30, 2024, an Aqua customer service representative spoke with Ms. Rambo to discuss her bill.
Bill Connaway	Linfield	Royersford - August 12 - 1 p.m.	Mr. Connaway testified in reference to a water line break and the warranty service protection he purchased.	Mr. Connaway is a Pennsylvania American water customer and his warranty service protection is through Pennsylvania American Water. On September 5, 2024, n Aqua customer service representative spoke to the customer to discuss his questions and the customer requested that Aqua assist to have an representative from Home Serve attend a meeting of his homeowner's association.
William Kirkpartick	Limerick	Royersford - August 12 - 1 p.m.	Mr. Kirkpatrick testified that he received a high WW bill due to a water leak.	Mr. Kirkpatrick is a Pennsylvania American water customer. Aqua has been working with Mr. Kirkpatrick to assist with his billing issue due to a water leak. On August 30, 2024, an Aqua customer service representative spoke to Mr. Kirkpartrick who has completed the repairs for the water leak and Aqua is working with him to an adjustment to his Aqua bill based on the adjustment to the water usage provided by his water provider.

Name	City	Public Input Hearing	Testimony	Company Follow-Up
Susan Miller	Limerick	Royersford - August 12 - 6 p.m.	Ms. Miller testified regarding her flat rate bill.	On August 30, 2024, An Aqua customer service representative attempted to reach Ms. Miller but was not able to speak to her. The representative left a voicemail with the representative's contact information.
Dan Ely	Limerick	Royersford - August 12 - 6 p.m.	Mr. Ely testified that concerning issues with the sewage system on his land and that he has been working with Aqua on this issue.	See Rebuttal Testimomy of Todd Duerr
Nathaniel Green	Glenside	Telephonic - August 14 - 1 p.m.	Mr. Green testified concerning the increase in the rates as well as an issue regarding water in his yard.	See Rebuttal Testimony of Todd Duerr
Liz Headley	Paoli	Telephonic - August 14 - 1 p.m.	Ms. Headley testified concerning the increase and had questions concerning exhibits filed in the Company's case.	The Company does not have contact information for Ms. Headley and will send her a letter to arrange for a time to speak with her.
Elizabeth Morris	Abington	Telephonic - August 14 - 6 p.m.	Ms. Morris testified about about rates and her concern regarding PFAS.	An Aqua representative attempted to contact Ms. Morris on September 3, 2024 and September 10, 2024 but was unable to speak to her. The Aqua representative left messaged for Ms. Morris, including information about Water Facts.
Louis Delrosso	Lake Harmony	Telephonic - August 14 - 6 p.m.	Mr. Delrosso testified concerning the flat rate charges to the homeowners association. He requests that occupancy should be considered in determining the billing EDUs and/or to be billed using an actual wastewater flow meter	See Rebuttal testimony Todd Duerr

EXHIBIT NO. TMD-2-R



BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF RITA F. BLACK DIRECTOR, COMMUNITY ASSISTANCE PROGRAMS ESSENTIAL UTILITIES

DATE SERVED: September 12, 2024 **Aqua Statement No. 13-R**
DATE ADMITTED:_____

PREPARED REBUTTAL TESTIMONY
OF RITA F. BLACK

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Rita F. Black and my business address is located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212.

Q. By whom are you employed and in what capacity?

A. I am employed by Essential Utilities, Inc. ("Essential") as the Director of Community Assistance Programs. In this role, I lead assistance programs for Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua PA"), and Peoples Natural Gas Company LLC ("Peoples"), as well as the regulated utilities of Essential operating in other states.

Q. Have you previously provided testimony in this proceeding?

A. Yes. My direct testimony is provided in Aqua Statement No. 13.

Q. What is the purpose of your Rebuttal Testimony in this case?

A. I would like to respond to the direct testimony of Mr. Roger Colton, on behalf of the Office of Consumer Advocate ("OCA") and Mr. Harry Geller, on behalf of the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania ("CAUSE-PA"). I will respond to recommendations by both witnesses pertaining to the functioning of Aqua's low income programs, including Customer Assistance Program ("CAP"), Leak Repair, Aqua Aid and conservation kits along with issues related to affordability.

II. LOW INCOME POPULATION

Q. Do any of the parties raise issues related to Aqua PA's low-income customer population?

A. Yes. Both CAUSE-PA witness Mr. Geller and OCA witness Mr. Colton discuss Aqua PA's low-income population. Mr. Geller argues that a different standard should be used by Aqua PA to determine if a customer is low income, argues Aqua PA is undercounting its low-income customers, and makes several recommendations related to a proposed expansion of Aqua PA's definition of a "low-income customer."[1] Both Mr. Geller and Mr. Colton also analyze the Company's low-income customer population and raise concerns regarding the impacts of this rate case on low-income customers.

Q. Do you agree that Aqua PA is undercounting its low-income customers as Mr. Geller suggests or that Aqua PA's definition of a low-income customer should be changed?

A. No. As I explain below, Aqua PA's relatively new CAP program adequately identifies low-income customers.

Q. Please respond to Mr. Geller's recommendation that Aqua PA expand its definition of low income customers and provides several qualifiers.

A. Many of the additional customer collection opportunities that Mr. Geller denotes on page 13 of his testimony are already addressed by Aqua PA.[2] For example, any customer who is currently participating in CAP, Aqua Aid, Aqua's Leak repair or conservation kits have verified income at or below 200% of Federal Poverty Level ("FPL") and are therefore already counted.

[1] CAUSE PA St. No. 1, at pp. 9-13.
[2] CAUSE PA St. No. 1, at p. 13.

With respect to his recommendation that customers participating in the Low Income Household Water Assistance Program ("LIHWAP") be included in the definition, I note that this was a limited time program that is no longer available. Therefore, no customers are currently participating in it and his recommendation is moot.

In addition, Aqua PA took affirmative steps to reach a data sharing agreement with the Pennsylvania Department of Human Services ("PA DHS") to receive income data which allowed Aqua PA to auto-enroll customers into its CAP, ensuring they are already included in Aqua's PA count of low-income customers. Customers self-certifying their income or contacting the Company to discuss payment arrangements prior to termination are already counted as low income, as discussed during these contacts.

Furthermore, the Low Income Home Energy Assistance Program ("LIHEAP") is not available to Aqua PA customers. Therefore, Aqua PA has no way of knowing if a customer received the grant.

Finally, medical certificates are unrelated to income. Therefore, income information is not required to request a medical certificate and the presence of a medical certificate does not serve as a reasonable basis for determining a customer is low income.

Q. Both Mr. Colton and Mr. Geller provide varying analyses of the potential low-income population served by Aqua PA.[3] Why are these analyses important?

A. Both Mr. Colton and Mr. Geller, and Aqua PA, have used various points of widely available public data, such as census data by county or zip code or, in the case of Mr. Geller, the Self Sufficiency Standard, in their analyses of Aqua PA's low-income customer population. In all cases, we are attempting to identify the potentially CAP eligible

[3] OCA St. No. 6, at pp. 9-21; CAUSE-PA St. No. 1, at pp. 9-14.

customer population of Aqua PA so that we can then evaluate whether the Company's CAP is meeting the needs of Aqua PA's CAP eligible population. As a newer program, Aqua PA's CAP enrollment reflects only a portion of the potentially eligible population, regardless of which low income estimation method is used. As Aqua PA's program continues to gain awareness among its customers, we expect to see enrollment as a percentage of the potentially eligible population grow.

Q. Please respond to the statement by Mr. Colton that "Data provided by Aqua shows that the Company's low-income customers have substantially greater payment difficulties than do its residential customers in general."[4]

A. Mr. Colton's statement is based on data provided by Aqua PA during the discovery process regarding collections activities. It is my opinion that low-income customers, generally and regardless of utility, are more likely to experience payment difficulties than the general residential customer base. Due to their limited income, the risk of missed payments naturally increases as households may be negatively impacted by unexpected expenses, such as a car repair, for example. These challenges impact all low-income consumers and are not exclusive to Aqua PA's customers.

Q. Why is it important to point out the payment challenges of low-income customers generally?

A. In his testimony, Mr. Colton compares the residential disconnection rate against the low-income customer disconnection rate and notes "Aqua is much more likely to terminate service to a low income customer account after issuing a notice of nonpayment disconnection."[5] This statement could be interpreted that Aqua PA is pursuing termination

[4] OCA St. No. 6, at p. 32.
[5] OCA St. No. 6, at p. 33.

of low-income households more often than other residential consumers. However, low-income consumers are more likely to experience payment difficulties as I noted earlier. Further, these customers do not have access to substantial assistance as was previously afforded them by the LIHWAP to avoid termination. Aqua PA does not seek out terminations for a particular income class. Rather, termination notices and, ultimately, terminations, are a product of a customer failing to pay their bill(s).

Q. Building upon his testimony regarding the disconnection risk for low-income customers, Mr. Colton points to the establishment of payment arrangements for these consumers as a contributor to the problem. He states "Aqua's use of payment arrangements does not substantively assist low-income customers retire their arrears."[6] Would you like to respond?

A. Yes. Aqua PA offers payment arrangements as required by the Pennsylvania Public Utility Commission ("Commission"), based on verbal income information provided by the consumer at the time the payment arrangement is discussed. As mentioned earlier, due to their low-income status, maintaining a payment arrangement may be difficult or in some cases, unlikely, but these arrangements are offered as an alternative to paying the entire past due account balance. I would further note that, while CAP is offered to customers during these conversations, as referenced in response to CAUSE-PA Set I, Question 38, attached as Aqua Exhibit RFB-1-R, customers often choose the verbal agreement over enrollment in CAP as it is the easiest path to a quick resolution of the current situation. Mr. Geller agrees with my thoughts on this issue and notes on page 29, line 17 of his testimony that his "extensive experience indicates that this observation is correct." While

[6] OCA St. No. 6, at p. 37.

Aqua PA continues to anticipate that customers will gain awareness of the CAP as an alternative to payment arrangements, and will continue to offer enrollment in CAP during payment arrangement conversations as well as promote CAP through outreach activities, enrollment in this program requires effort from interested customers to assert eligibility. This is discussed further in the following section of my testimony.

III. CAP ENROLLMENT AND DESIGN

Q. Is CAP more affordable than a payment arrangement for an income qualified customer?

A. Yes.

Q. Why then would a customer choose to enroll in a payment arrangement rather than enroll in CAP?

A. When Aqua PA proposed its CAP in the 2021 Base Rate Case,[7] it was designed to be easily accessible, with verbal income information obtained to determine eligibility to participate. Aqua PA's prior assistance program, Helping Hand, operated as a verbal attestation program as well. Aqua PA's CAP is not a Percentage of Income Program ("PIP") through which ratepayers subsidize the portion of the bill that is considered unaffordable for the CAP participant. Instead, it is a discount program, reducing the overall monthly cost to a more affordable level, while also limiting the cost to ratepayers. However, in the final order approving the CAP in the Company's 2021 Base Rate Case, the determination was made that not only would Aqua PA be required to obtain income documentation to allow a customer to participate in CAP, but documentation would also be required through recertification to remain in CAP going forward.

[7] *PA PUC v. Aqua Pennsylvania, Inc., et al.,* Docket Nos. R-2021-3027385 and R-2021-3027386, et al.

Providing income documentation to participate in a utility CAP is a major barrier to enrollment. Customers facing an imminent termination or anxious to restore service that was terminated are offered CAP as an alternative, but often opt for the verbal payment arrangement which resolves their problem immediately.

Q. Mr. Colton recommends a "stand-alone written Plain Language notice informing those customers of their right, in the alternative, to enroll in the Company's CAP"[8] be provided to customers with incomes below 150% of Federal Poverty Level ("FPL"). Please respond to this recommendation.

A. I understand Mr. Colton's desire to provide these customers with the alternative of CAP in the hopes of engaging them to apply for CAP rather than continue with a deferred payment arrangement that requires the customer to pay their arrears themselves over time, when Aqua PA's CAP has an arrearage forgiveness benefit in addition to discounted monthly bills. However, I do not believe that mailing a customer another document, in the hopes that they will read the document and respond, is the best way to engage customers. Unfortunately, customers in arrears or struggling to pay utility bills often do not open envelopes with their utility's logo. At Peoples, we implemented a stand-alone Plain Language notice regarding CAP to precede all termination notices for low income customers more than 5 years ago. This notice did not increase CAP enrollment. In a recent CAP enrollment sub-committee meeting of Peoples' Universal Service Advisory Group, a leader from a social service agency stated that she did not see value in the stand-alone notice because customers are unlikely to read anything not directly related to the termination notice, including not opening monthly bills. While this is one person's opinion

[8] OCA St. No. 6, p. 38.

and is anecdotal in nature, it does point to the larger difficulty of engaging low-income households with the information they need to best manage their utility bills.

Q. What do you suggest in the alternative to a stand-alone notice?

A. I believe we should take a close look at the Aqua PA termination notice and identify ways to incorporate information regarding CAP into that particular mailing. As this is the correspondence most likely to be read by the customer facing payment difficulties, it would be the logical place to start to increase awareness of CAP as an alternative to a payment arrangement or termination of service. I also believe it would be advantageous to consider modifications to the call scripting and reference tools used by Customer Service Representatives ("CSR") when engaging customers calling in regard to collections, to ensure that CAP is emphasized as an alternative in lieu of a payment arrangement. I would like to engage the Aqua Assistance Collaborative ("AAC"), whose members include representatives from OCA and CAUSE-PA, as well as members of the Commission's Office of Communications and Bureau of Consumer Services ("BCS"), to work with us on this endeavor.

Q. Mr. Colton also suggests a personal contact procedure prior to termination to engage with the customer regarding CAP.[9] Please respond to this suggestion.

A. Aqua PA already has a personal contact procedure prior to termination to engage customers with respect to CAP. Aqua PA's field team has a stock of CAP doorhangers that they use in personal contact efforts at customer homes prior to termination. And, as noted earlier in my testimony in reference to the response included as Exhibit No. RFB-1-R hereto, CSRs speaking with customer regarding termination are also offering CAP.

[9] OCA St. No. 6, at p. 38.

I would further like to add that Mr. Colton suggests that if a customer expresses desire to apply for CAP, Aqua PA should postpone disconnection for 30 days in order for the customer to complete the application process.[10] Since the initiation of the program, if a customer contacts Aqua PA's administrator, Dollar Energy Fund, to apply for CAP, a hold is placed for 30 days to allow the customer time to complete the application process by submitted required income documentation. Thus, this recommendation is already in practice and is unnecessary.

Q. Do Mr. Geller and Mr. Colton make further recommendations regarding improvements to CAP?

A. Yes. In his testimony regarding suggestions to improve CAP enrollment, Mr. Geller calls for the Commission to require Aqua to submit a Universal Service Plan.[11] Mr. Colton similarly notes the policy regarding universal service programs should be brought forward to Pennsylvania's water and wastewater utilizes as well.[12]

Q. Please respond to these recommendations.

A. As described in detail in Mr. Colton's testimony, the policies governing universal service programs for electric and natural gas companies were initiated through the Electricity Generation Customer Choice and Competition Act and the Natural Gas Choice and Competition Act. This individual base rate proceeding for one water and wastewater entity within the Commonwealth is not the forum under which regulations regarding BCS's oversight of low income water programs should be established. If and when the Commission chooses to engage stakeholders to discuss expanding universal service

[10] OCA St. No. 6, at p. 38.
[11] CAUSE-PA St. No. 1, at p. 31.
[12] OCA St. No. 6, at pp. 19-20.

requirements to water and wastewater providers, Aqua PA will actively participate in this effort.

Q. Mr. Geller makes several other recommendations to increase participation in CAP.[13] Please describe these recommendations.

A. Mr. Geller recommends that Aqua PA screen for eligibility at the time of service establishment. He encourages call scripting to promote CAP as an alternative to payment arrangements. He also recommends engagement with AAC to discuss potential data sharing agreements with other agencies and programs. He further calls for Aqua PA to expand its partnerships with local community based organizations ("CBO"). Mr. Geller also wants Aqua PA to establish quantitative goals regarding targeted direct outreach and for Aqua PA to communicate progress to its AAC.

Q. Please respond to Mr. Geller's comments regarding CBOs and Aqua PA's work with its AAC on the issue of CAP enrollment.

A. I agree with Mr. Geller that engagement with CBOs is an important aspect of any outreach plan for utility programs. We recognize the need to communicate the availability of our programs to the organizations and agencies that work directly with vulnerable populations. These organizations are active in the communities they serve and are trusted partners to our customers. We continue to make outreach efforts to identified CBOs across Aqua PA's service territory to share posters w/tear offs regarding Aqua PA's CAP, encourage the CBOs to join Aqua PA's ACC, and to also share information with them about becoming Dollar Energy Fund intake agencies for Aqua PA CAP enrollment. In fact, this topic was part of our recent AAC discussion with representatives from OCA and the Pennsylvania

[13] CAUSE-PA St. No. 1, at pp. 31-32.

Utility Law Project ("PULP") offering to assist Aqua PA in developing these relationships. We provided a list of the top target counties to these representatives so they can support our efforts in this engagement.

At the start of each ACC meeting, which occur four times per year, we review current statistics on CAP enrollment and other program participation and benefits provided. CAP enrollment has been, and will continue to be, the cornerstone of these AAC discussions for the foreseeable future.

Q. Mr. Colton raises a number of proposed changes to CAP features that were not resolved at the time of the prior case as "Aqua explained that many of these recommendations cannot be efficiently implemented until the Company converts its current CIS to SAP in 2023."[14] Please describe the status of the Company's customer information system or "CIS" as you understand it.

A. At the time of the 2021 Base Rate Case, Aqua PA had planned to convert its CIS to SAP in 2023. As Peoples' CAP currently utilizes SAP, and some of the more involved aspects of CAP had already been programmed into SAP, it made sense to await the planned conversion before modifying the Aqua PA CAP design in more complicated ways. As any conversion of a customer billing system is a complex and expensive endeavor that requires careful planning and significant resources, Aqua PA paused the plan to convert in 2023 in order for the organization to fully adjust to SAP and is currently evaluating its options and next steps.

Q. Beginning with the tiers of discounts offered through Aqua PA's current CAP design, please describe Mr. Colton's and Mr. Geller's recommendation for modification.

[14] *Pa. PUC, et al. v. Aqua Pennsylvania Inc., et al.* Docket Nos R-2021-3027385, *et al*, p. 331 (Rewrite Opinion and Order entered May 16, 2022).

A. Both witnesses recommend a four-tiered design which would break the first tier of 0 to 100% FPL into two: 0 to 50% and 51 to 100% FPL.[15] In addition, Mr. Colton recommends an increase in the block discounts from 2,000 gallons per month to 3,200 gallons per month for water service while maintaining the 2,000 gallon limit for wastewater.[16] Mr. Geller recommends the discount on volumetric charges have no limit, thereby discounting the entire usage portion of the bill according to the discount tier the eligible household falls into.[17]

Q. How do the proposals of these witnesses compare to Aqua PA's current CAP design?

A. I created a table that compares Aqua PA's CAP design to the two proposals which is provided as Aqua Exhibit RFB-2-R. If we begin with water, the table reflects that for the fixed charge, Aqua's current program, as well as the proposals from the two witnesses, reflect a 100% discount for the fixed charge. The proposed modifications surround consumption charges. In the case of CAUSE-PA, Mr. Geller is proposing to apply a discount to all usage in a given billing month, decreasing the percentage of discount as income increases. I will note that under Aqua PA's current CAP, customers with incomes at or below 100% of FPL receive a 100% discount on their first 2,000 gallons in addition to a 100% discount on their fixed charge. As a result, customers who consume 2,000 or less gallons a month do not receive any charges for water service currently while benefiting from the $25 per month arrearage forgiveness benefit if applicable. However, under Mr. Geller's proposal, these customers with incomes below 50% FPL, would be responsible to pay 15% of their usage charges. Those with incomes between 51% and 100% would be

[15] OCA St. No. 6, at pp. 25-27; CAUSE-PA St. No. 1, at p. 27.
[16] OCA St. No. 6, at pp. 25-27.
[17] CAUSE-PA St. No. 1, at p. 25.

responsible to pay 25% of their usage charges. Mr. Colton takes a different approach in which he sets the consumption level to which the discount would apply to 3,200 gallons per month. However, the change he proposes maintains the 100% discount on those 3,200 gallons only for those with incomes at or below 50% FPL. For customers in the 51 to 100% FPL group, the discount provided is 75% of their first 3,200 gallons. Once again, a customer with income within this category using 2,000 or less gallons per month that currently pay zero under Aqua PA's CAP will see an increase in their monthly bill responsibilities.

The wastewater proposals have similar impacts for those consuming 2,000 gallons or less. Under Aqua PA's current CAP and OCA's proposal, customers with incomes between 51 and 100% FPL using 2,000 or less gallons per month are not charged for any consumption. However, under the proposal by Mr. Geller, these same customers would see an increase in their bill as their consumption would only be discounted by 75%. Unlike the water proposals, for wastewater both Mr. Geller and Mr. Colton are suggesting larger discounts to the fixed monthly charge. Generally, they maintain the same level of fixed charge discount for the customers with incomes above 100% FPL, while offering higher discounts for those below 100% FPL.

Q. What is your response to these proposals.

A. I appreciate the concern raised by both witnesses with regards to those with the lowest incomes. When Aqua PA designed its CAP, it recognized that we should not take a one-size-fits-all approach and provide one discount for all participants as other water companies were offering at that time. Aqua PA proposed and received approval for a multi-tiered approach that reflected higher discounts were needed for those with lower incomes. This

design has now been implemented by other water companies in the Commonwealth. As to whether Aqua PA's CAP current discounted tier should be modified as proposed by CAUSE-PA and OCA, I disagree. In particular, I am concerned about the impact of breaking the first tier of participation, for incomes between 0 and 100% FPL into the categories of 0 to 50% FPL and 51 to 100% FPL. All customers with income at or below the federal poverty line are facing financial hardship and aspects of these proposals would increase benefits for those 50% FPL and below by decreasing benefits for some between 51 to 100% FPL. I don't believe this is an equitable solution, given that customers in both income tiers likely face substantial financial difficulties with their household expenses.

Q. Mr. Colton also raises concerns regarding the arrearage forgiveness benefit.[18] Please describe those changes.

A. Mr. Colton would like to see an increase to the current arrearage forgiveness benefit from $25 to a tiered benefit based on income, ranging from $35 to $50 monthly.[19] He also notes that in the prior proceeding, we agreed upon completion of the planned conversion from CIS to SAP that payments made by customers that were not received by the due date would still be acceptable to obtain arrearage forgiveness benefits.[20]

Q. Please respond to his recommended changes to arrearage forgiveness.

A. First, regarding payments received after the due date, I agree that this is an important aspect of the program for us to take a close look at within the current CIS. As conversion plans are currently in a paused state, it would be appropriate for us to work with our information technology ("IT") professionals to determine if there are any options, including the

[18] OCA St. No. 6, at pp. 39-48.
[19] OCA St. No. 6, at p. 40.
[20] OCA St. No. 6, at pp. 41-43.

potential for manual interventions using reports, to apply arrearage forgiveness benefits for customers who pay beyond their due date, thereby missing the automated posting of the arrearage forgiveness benefit.

The more involved change proposed by Mr. Colton is the acceleration of arrearage forgiveness based on income tiers. The current arrearage forgiveness process within Aqua's CIS freezes the balance upon enrollment in CAP, reviews the account for payment satisfaction by the due date, and then posts a $25 credit to the pre-program balance as arrearage forgiveness. It does not consider the current tier of discount benefits the customer is receiving on current charges. Further, I will note that a customer's income may change throughout their participation in the program and it is not uncommon for a customer to move up or down in their discount tier based on updated income information.

Q. Absent an acceleration in arrearage forgiveness benefits as suggested by Mr. Colton, what are your thoughts on addressing his concern?

A. I share Mr. Colton's concern regarding high levels of arrearages for low-income customers enrolling in CAP. In my mind, these situations arise from two main causes. First, water leaks are a principal challenge to affordability, particularly for vulnerable, low income households that are unable to afford a plumber to make often simple repairs to reduce the level of water consumption in the household. Second, we want to see customers enroll in CAP before they have grown very large arrearages. Our team takes a holistic approach when working with customers that have high bills or arrears. We identify if a potential leak is leading to high water volume and if so, we can support the customer through the leak program. We can also reduce the balance with an Aqua Aid grant to provide an immediate reduction. We then enroll the customer into CAP, so that they benefit from not

only the discounted monthly bills, but also arrearage forgiveness for their remaining balance. A two-pronged approach, to identify and mitigate causes of quickly accumulating balances through leak repair and/or Aqua Aid intervention, along with enhancement of CAP engagement through input of the AAC to identify and enroll customers earlier in their life cycle, should reduce the pre-program balances subject to arrearage forgiveness in order to bring those balances closer to an elimination point within three years as recommended by Mr. Colton.

IV. AQUA AID

Q. Mr. Geller raises a concern about Aqua Aid accessibility. He recommends Aqua PA work with its AAC to improve CBO participation in Aqua Aid.[21] Please respond to his testimony on this issue.

A. I believe Mr. Geller's concerns are premature. As noted in my direct testimony, Aqua Aid recently replaced Helping Hand. Under Helping Hand, customers did not have a method by which to request assistance, nor were they typically aware that assistance was available. Under the relaunch of Aqua Aid, a bill insert was mailed to all residential customers to increase awareness and provide an opportunity for customers in need to seek assistance. The response to this effort was strong and we are seeking a marked increase in requests for assistance on a monthly basis. The benefit of using our internal team to evaluate the requests for assistance is the ability to take a holistic approach. Many of the calls and emails we received in response to the Aqua Aid bill insert were from customers who were unaware of CAP or had high bills due to a leak. Our team is able to address all of these

[21] CAUSE-PA St. No. 1, p. 34.

needs through that initial contact. We report on Aqua Aid grant progress at each AAC and will continue to work with this stakeholder group to increase use of these funds.

V. CONSERVATION

Q. Do any of the other parties' raise concerns about low-income customers' ability to conserve water usage as a means of decreasing their bills?

A. Yes. Both OCA witness Mr. Colton and CAUSE-PA witness Mr. Geller raise these concerns.

Q. Please summarize Mr. Colton's concerns.

A. Regarding conservation, Mr. Colton notes "[a]t a cost of $22 per kit ($22,000 total expenditures for 1,000 kits), it would quickly become cost effective for Aqua to distribute its conservation kits to low-income customers at the time they enroll in CAP. A reduction in CAP credits of $2/month per participant would, in a single year, more than repay the Company for its investment in conservation kits distributed to CAP participants."[22]

Q. Please respond to his concerns.

A. Aqua has enrolled roughly 6,000 customers in CAP thus far. While some of these customers may be high consumers of water, many are not. If Aqua PA were to have provided a conservation kit to all customers as they enrolled in CAP, the cost would have exceeded the annual approved budget from the prior base rate proceeding of $100,000 which was established for both the leak repair and conservation kit programs. Today, we have customers enrolled in Aqua PA's CAP with income in Tier 1 and usage less than 2,000 gallons per month, leading to zero balance due on their bill on a monthly basis. It is

[22] OCA St. No. 6, Page 66, Lines 5 through 9.

more appropriate to identify customers for whom a reduction in water usage is needed when providing a conservation kit than to provide them to all CAP enrollees.

Q. Does Mr. Colton make any recommendations regarding the conservation kit?

A. Yes, Mr. Colton recommends an increase to the conservation kit budget to $132,000 and states this budget, "would allow Aqua to deliver conservation kits to all new participants in its CAP while also providing the Company with sufficient kits to be delivered when the energy companies with overlapping service territories deliver their existing LIURP services."[23]

Q. Please respond to this recommendation.

A. In this section his testimony, Mr. Colton raises the idea of using contractors to implement conservation kits into a customer's home. He also refers to a revenue requirement adjustment of $110,000, proposed by OCA witness Ralph Smith (OCA Statement No. 2), to increase conservation kit distribution. Installation of measures is an expensive proposition. As a manager of the Low Income Usage Reduction Program ("LIURP") for Peoples, I understand how costly it is to install even minor measures, such as carbon monoxide detectors, in customer homes. I also recognize that ratepayers are covering the cost of low income programs across all of their utilities. I believe that it would be better for the utility company that is completing the LIURP visit to install low flow showerheads and aerators as part of their routine energy conservation measures. This measure would reduce the electric or gas consumption necessary to heat the water, while also benefiting the participant with lower water bills, whether that customer is served by Aqua PA or another entity.

[23] OCA St. No. 6, Page 67, lines 9 through 13.

Q. Please summarize Mr. Geller's testimony regarding conservation issues.

A. Mr. Geller made recommendations regarding an expansion of the budget for leak repair and conservation kits[24] and specifically noted ways in which Aqua PA could track performance of conservation kits.[25]

Mr. Geller also suggests tracking usage levels at three and six months following receipt of the kits to determine if the customer has implemented the kits and is experiencing a reduction in water usage. He also suggests a direct call to the customer to determine if the customer was able to install the measures on their own. He further recommends following high usage customers who received repair services to ensure their usage reflects that the leak repair was effective. And, similarly to Mr. Colton, Mr. Geller recommends coordination with utility LIURP and Act 129 programs.

Q. Please respond to Mr. Geller's recommendations.

A. As Mr. Geller noted in his opening remarks in this area of his testimony, these programs are relatively new with limited data. Our first goal following approval of these programs in the last base rate proceeding was to stand up the staff and processes necessary to operate these programs. As we move forward, continuous improvement is very important. I believe Mr. Geller's recommendations regarding reviewing accounts following their receipt of a conservation kit and/or leak repair services are sound. To learn more about how our customers are utilizing the kits and benefiting from the services, we need to track usage data. We will engage the AAC on best practices they may be aware of from other water utilities related to tracking and will begin a pilot tracking project to gather data for future use. Regarding coordination with other utility LIURPs and Act 129s, as I noted

[24] CAUSE-PA St. No. 1, p. 35. Proposed annual budget of $400,000.
[25] CAUSE-PA St. No. 1, at pp. 35-36.

earlier in my testimony, I believe the most impactful benefit could be obtained by utilities installing low flow aerators and shower heads as part of their normal energy efficiency measures which would not only reduce the water flowing in the home, but the energy needed to heat the water. Further, this change would benefit not just water customers of Aqua PA, but all consumers of water, regardless of their source.

VI. AFFORDABILITY

Q. Do any of the other parties raise affordability concerns with respect to Aqua PA's proposed base rate increase?

A. Yes. I will address these concerns below.

Q. In Part 8 of his testimony, Mr. Colton discusses the negative impacts to consumers of rate increases, particularly when those increases come through the monthly customer charge. Would you like to respond to his comments on this topic?

A. Yes. All of us who are engaged in work with low-income and limited-income customers understand the challenges these customers make on a monthly basis as priorities compete for their limited income. The proposed increase to the customer charge in this case is $3.39 per month. For most residential consumers, this customer charge increase is manageable and amounts to $0.11 per day for clean, dependable water service that provides for the cooking, cleaning, washing and hygiene that a household needs. Aqua PA is proposing this rate increase in order to continue to make investments in its infrastructure to maintain this dependable service for many years to come. That said, I do recognize that any increase for those in the lowest income categories can be more than the customer can manage. It is for this reason that enrollment in CAP is so important. Under CAP, regardless of the income tier to which the water customer belongs, they receive a 100% discount on their

customer charge. Effectively, I believe continuing to pursue increased CAP enrollment renders Mr. Colton's recommendation on this point unnecessary.

Q. Do Mr. Geller and Mr. Colton make specific recommendations regarding the use of a Percentage of Income Plan or "PIP" to provide improved affordability to its CAP participants?

A. Yes.[26] They recommend this change should be incorporated in any future conversion or system upgrade that would support this CAP design.

Q. Please respond to this recommendation.

A. PIPs have been implemented by Pennsylvania energy utilities for decades. They benefit participants as they place a limit on the amount of the bill the CAP customer is responsible for. PIPs for energy utilities have provided an important safety net for potential rate changes resulting from increases in energy costs. In the natural gas utility industry, for example, gas cost rates change quarterly in response to market changes as gas costs are a pass-through from the utility to the ratepayer. In periods of energy pricing volatility, such as occurred following Hurricane Katrina, energy rates could sharply rise, thereby increasing bills significantly. PIPs provide protection against these changes as participants' monthly payments are based on their income.

However, PIPs are costly to the other ratepayers who must in turn bear the responsibility for the portion of the bill the CAP participant is not asked to pay. In Aqua PA's 2021 Base Rate Case, Aqua PA proposed a universal service rider to track and recover the costs of its universal service programs. The rider would have followed CAP participation and limited recovery to actual costs on an annual basis. That proposal was

[26] *See* OCA St. No. 6, at pp. 30-31; *see also* CAUSE PA St. No. 1, at pp. 25-26.

not approved. Any consideration of evolving Aqua PA's CAP from a discount program to a PIP should consider two factors related to cost recovery: 1) the mechanism by which actual costs will be recovered; and 2) the level of costs that non-participant residential customers can bear. I note that it is other residential non-participants that bear the costs of these programs as recovery for universal service programs have historically been shouldered only by the residential class. When considering affordability, the impact of program design on residential ratepayers that do not benefit directly from the program is an important consideration. The current discount program design is intended to strike a balance between supporting low income households and affordability for residential non-participants as well.

VII. CONCLUSION

Q. Does this conclude your Rebuttal Testimony?

A. Yes. I reserve the right to submit supplemental testimony if additional issues arise during the course of this proceeding. Thank you.

EXHIBIT NO. RFB-1-R

Witness: Heather Doyle-Conley
Date: 7/25/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-38 Please identify all instances where a customer may be screened and/or referred to Aqua's low income programs, and provide any documents which describe the referral process, including any policies, procedures, call scripts, training materials, notices, or other documents.

RESPONSE

Aqua Contact Center agents screen for PA low-income assistance programs during customer inquiries regarding bills, shut-off notices, and service restoration. The new customer Welcome Letter includes information regarding low-income assistance programs. Please see the materials listed below and in the CAUSE-PA-I-38 Attachments zip folder.

- **Assistance Programs** – PA CAP, Aqua Aid, Leak Repair Program
- **Billing Basics** – Slide 36 - Avoid a Shut Off - In Need of Financial Assistance? Get Help
- **Billing Inquiry Checklist** – Update IEV & if income-eligible refer to Assistance Programs (PA CAP, etc.)
- **Collections Inquiry Checklist** – Update IEV & if income-eligible refer to Assistance Programs (PA CAP, etc.)
- **Payment Arrangement Eligibility Chart** – includes PA CAP Referrals
- **Residential Restoration** – PA Reduced Restoration Guidelines

AQUA SM

An Essential Utilities Company

Customer Assistance Programs

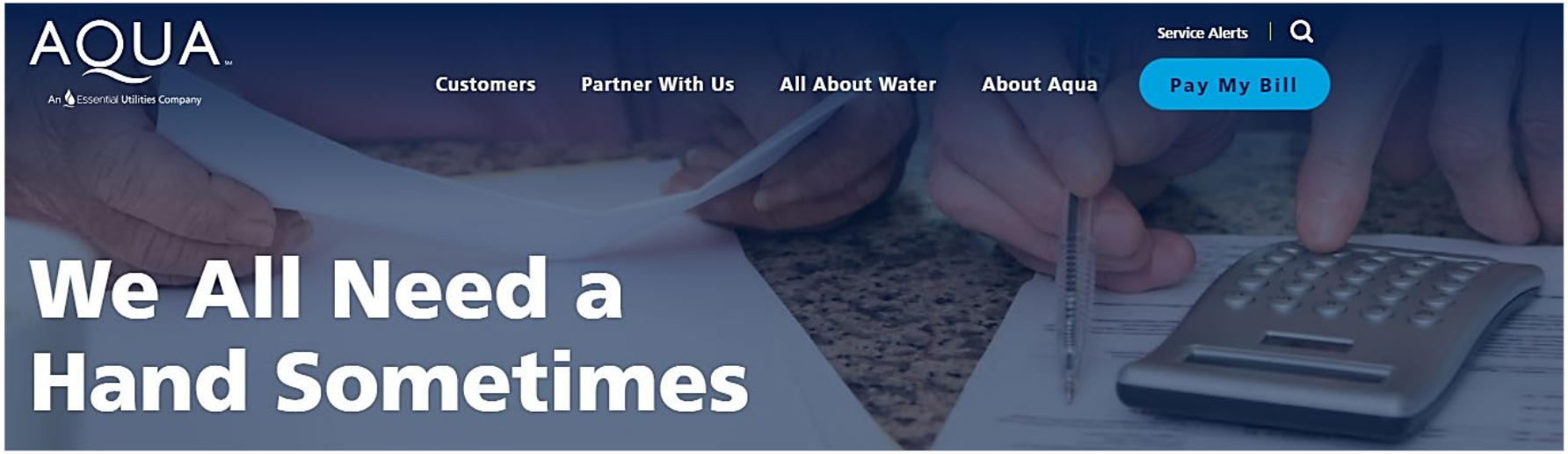
Revised: 5-28-2024

Aqua Website

Customers can visit **www.aquawater.com** to learn about available assistance programs

AQUA℠ An Essential Utilities Company

Select Your State



3. **Scroll down** the page and **select a state**

Note: Assistance Program availability varies by state

Pennsylvania

PA Assistance Programs

- **Customer Assistance Program (CAP)**
  - Provides monthly water &/or wastewater bill **discount** to income-eligible Residential customers

- **Aqua Aid**
  - Helps customers in need maintain uninterrupted service

- **Aqua Leak Repair Program**
  - Helps customers struggling financially with a home water leak

PA CAP Eligibility

- **IEV** up to **Level 2A** or **≤ 200% FPIG**

Income Level: 2A

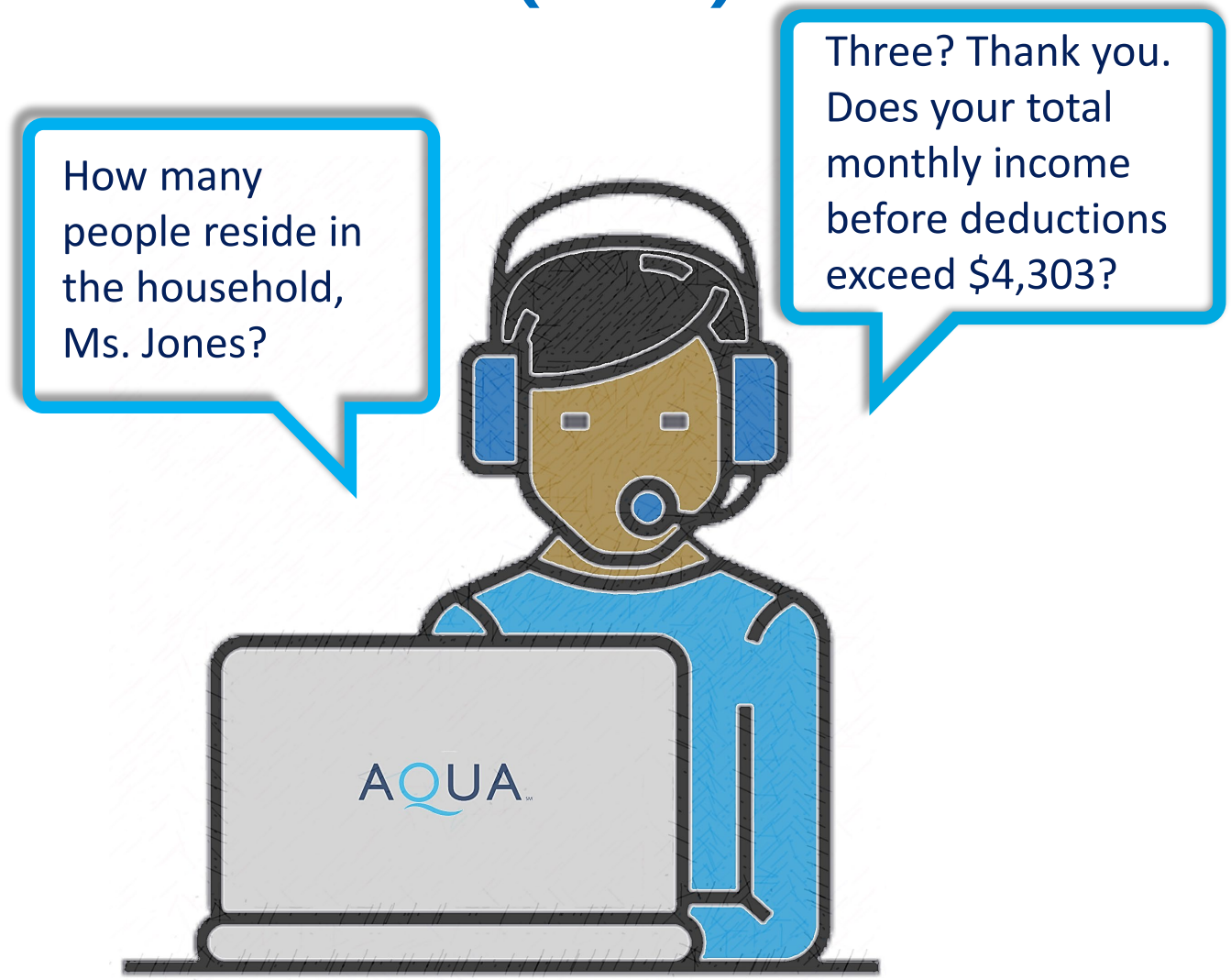
- Discounts are based on Income Level Tiers

CAP Ineligible

- **Landlord Tenant (LLD)** - Shared Premises (service must be in Owner's Name)
- **Venango Water Co. # 1157861 Reno, PA** Company Name: VENANGO WATER COMPANY
- **Twin Lakes Water Co. # 1157368 Shohola, PA** Company Name: TWIN LAKES WATER
  because these systems are **operated under receivership** per PUC Order

2024 Federal Poverty Income Guidelines (FPIG)

Family Size	200%
1	2,510.00
2	3,406.67
3	4,303.33
4	5,200.00
5	6,096.67
6	6,993.33
7	7,890.00
8	8,786.67
9	9,683.33
10	10,580.00



Calculate **gross monthly household income** using the **before tax** amount for **all adult household members**

Dollar Energy Fund (DEF)

- Dollar Energy Fund (DEF) provides AQUA **PA CAP enrollment**
  www.dollarenergy.org/program/aqua-customer-assistance-program

- Eligible Residential customers may
  - **Apply online** via DEF MyApp **www.hardshiptools.org/MyApp**
  - **Call** DEF at **1-888-282-6816**
    Mon - Fri 8 am - 5 pm ET
  - Apply at a **Participating Agency**
  - Bill Insert with **QR Code**

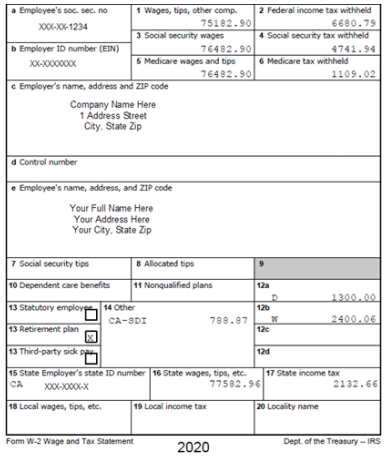
Central Susquehanna Opportunities Inc.
2 East Arch Street
Shamokin, PA 17872
570-644-6575

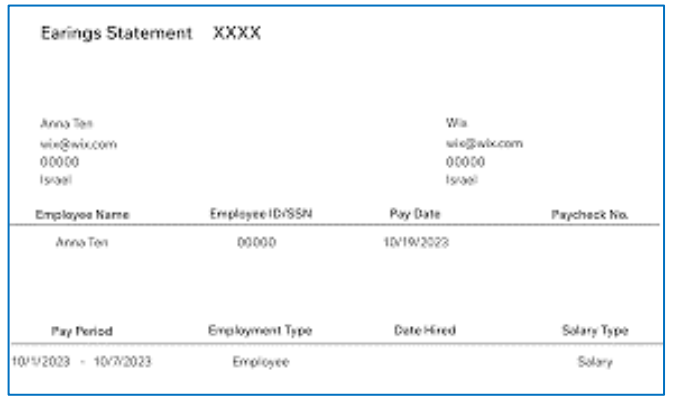
Community Action Development Commission
113 East Main Street
Norristown, PA 19401
610-277-6363

AQUA An Essential Utilities Company

Income Verification

- **Monthly** or **annual** income
  - Pay stubs
  - Benefit statements
  - Tax forms





- **Zero Income Form** - allows 6 months for customer to obtain unemployment, disability, Social Security benefits, etc.)

- Documentation waived if customer got a **LIHWAP** *or* **LIHEAP** grant

PA CAP Benefits

- **CAP Discount Credit** based on Federal Poverty Income Guideline Tier (T1, T2, T3)

CAP Discount Tiers - Residential Water			
FPIG	T1 ≤ 100%	T2 101 - 150%	T3 151 - 200%
Customer Charge	100%	100%	100%
1st 2,000 gal	100%	50%	0%

CAP Discount Tiers - Residential Sewer			
FPIG	T1 ≤ 100%	T2 101 - 150%	T3 151 - 200%
Customer Charge	75%	65%	50%
1st 2,000 gal	100%	50%	0%

Billing Detail

Amount Owed from Last Bill	$ 48.80	
Total Payments Received	42.00	
Remaining Balance	**6.80**	
Customer Charge	20.51	
2,000 gallons @ $0.01305 per gallon	26.10	
Next 1,100 gallons @ $0.015451 per gallon	17.00	
Total Water Charges	63.61	
CAP Discount - Water	20.51	Credit
Distribution System Improvement Charge (Water)	1.10	
State Tax Adjustment Surcharge - Water	0.14	Credit
Amount Due	**$ 50.86**	

PRE-CAP BALANCE

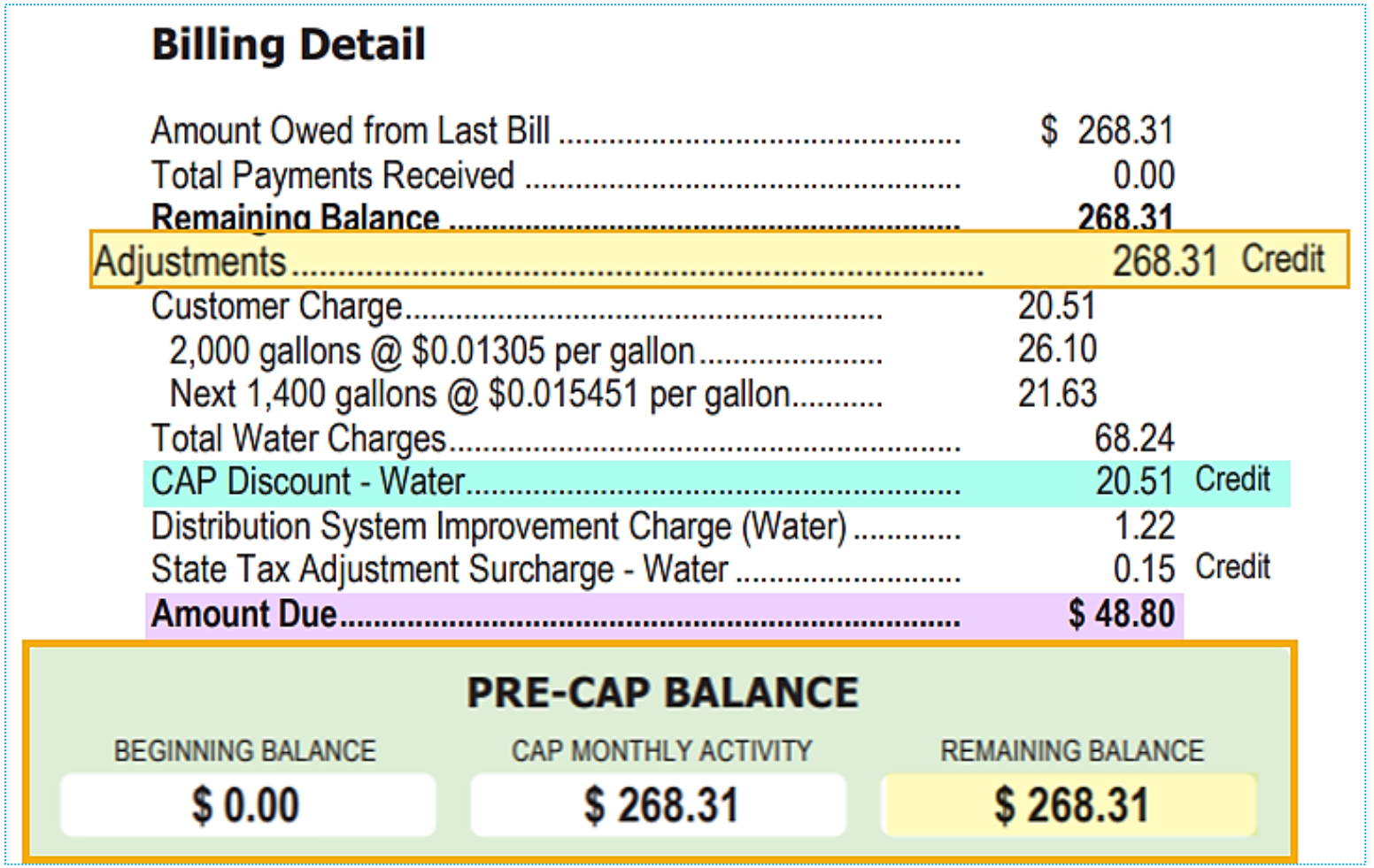
BEGINNING BALANCE	CAP MONTHLY ACTIVITY	REMAINING BALANCE
$ 268.31	$ 0.00	$ 268.31

- **Late Fee Exemption**

AQUA An Essential Utilities Company

PA PRE-CAP BALANCE & Credits

- Balance owed at CAP enrollment is frozen as a **PRE-CAP BALANCE** (Credit Adjustment)
- If customer pays their full discounted CAP bill **by the Due Date**, they receive a **$25 Credit** toward the PRE-CAP BALANCE



Billing Detail

Amount Owed from Last Bill	$ 268.31	
Total Payments Received	0.00	
Remaining Balance	**268.31**	
Adjustments	268.31	Credit
Customer Charge	20.51	
2,000 gallons @ $0.01305 per gallon	26.10	
Next 1,400 gallons @ $0.015451 per gallon	21.63	
Total Water Charges	68.24	
CAP Discount - Water	20.51	Credit
Distribution System Improvement Charge (Water)	1.22	
State Tax Adjustment Surcharge - Water	0.15	Credit
Amount Due	**$ 48.80**	

PRE-CAP BALANCE

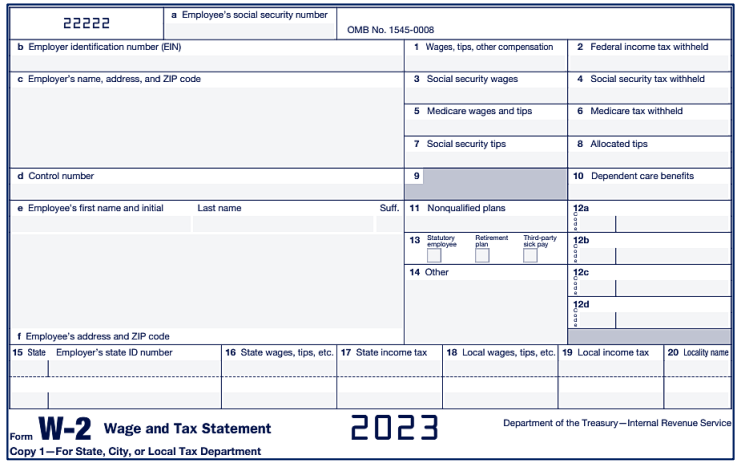
BEGINNING BALANCE	CAP MONTHLY ACTIVITY	REMAINING BALANCE
$ 0.00	$ 268.31	$ 268.31

AQUA An Essential Utilities Company

PA CAP Collections & PARs

- CAP accounts are **subject to Collections**, **including Service Termination**
- CAP customer may be eligible for a **Payment Arrangement (PAR)**
- CAP customer must periodically **recertify Income** with DEF

Income Type	CAP Recertification
$0 Income	6 mos.
Earned Income	2 yrs.
Fixed Income/LIHEAP	3 yrs



DEF removes CAP if **income documentation not provided** *or* when household **income exceeds CAP eligibility limit**

PA Aqua Aid

AQUA
An Essential Utilities Company

Do you need help with your water or wastewater bills?

Learn about Aqua Aid Pennsylvania, *formerly Helping Hand*, a financial assistance program funded by donations from customers like you.

◂ Scan here to learn more and apply

For additional information call
412-208-6818

or reach out via email:
AquaCAP@AquaAmerica.com

AQUA AID

Who is eligible?

Customers with income at or below the following guidelines may be eligible:

HOUSEHOLD SIZE	GROSS MONTHLY INCOME	GROSS ANNUAL INCOME
1	$2,510.00	$30,120.00
2	$3,406.67	$40,880.00
3	$4,303.33	$51,640.00
4	$5,200.00	$62,400.00
5	$6,096.67	$73,160.00
6	$6,993.33	$83,920.00
For each additional person add	$896.67	$10,760.00

PA Aqua Aid Eligibility

- Residential, single-family premises
- Income at or below **200% FPIG**
- **Past Due** (SONP or RCON)
- Customer must enroll in **CAP**
- **$500 Maximum** grant
- **Special Needs** - seniors, disabled, etc., may be up to **250% FPIG**
- **High Bill Due to Leak** & leak was repaired
- **If eligible** call or email:
  - **PA Assistance Team 412-208-0618**
  - AquaCAP@AquaAmerica.com

Family Size	200%
1	2,510.00
2	3,406.67
3	4,303.33
4	5,200.00
5	6,096.67
6	6,993.33
7	7,890.00
8	8,786.67
9	9,683.33
10	10,580.00

Family Size	250%
1	3,137.50
2	4,258.33
3	5,379.17
4	6,500.00
5	7,620.83
6	8,741.67
7	9,862.50
8	10,983.33
9	12,104.17
10	13,225.00

AQUA AID
Bringing neighbors & needs together.

AQUA An Essential Utilities Company

AQUA PA Leak Repair Program

- Residential property owner or renter with signed landlord permission
- Income up to **200% FPIG**
- Water leaks that cause **high bills** or could lead to **loss of service**
- Call **PA Assistance Team** **412-208-6818**
- Email AquaCAP@AquaAmerica.com

PA Aqua Aid Donations

AQUA℠

An Essential Utilities Company

Neighbors helping neighbors

Would you like to support Aqua customers in need of financial assistance? Learn how to make a tax-deductible donation to Aqua Aid Pennsylvania, *formerly Helping Hand*.

Scan here to donate

Making a donation is easy:

- ☑ Provide your Aqua account number, name and address.
- ☑ Select the frequency and amount of your donation.

Customers can mail **PA Aqua Aid Donations** to:

Aqua Pennsylvania
Attn: Aqua Aid
762 West Lancaster Ave
Bryn Mawr, PA 19010

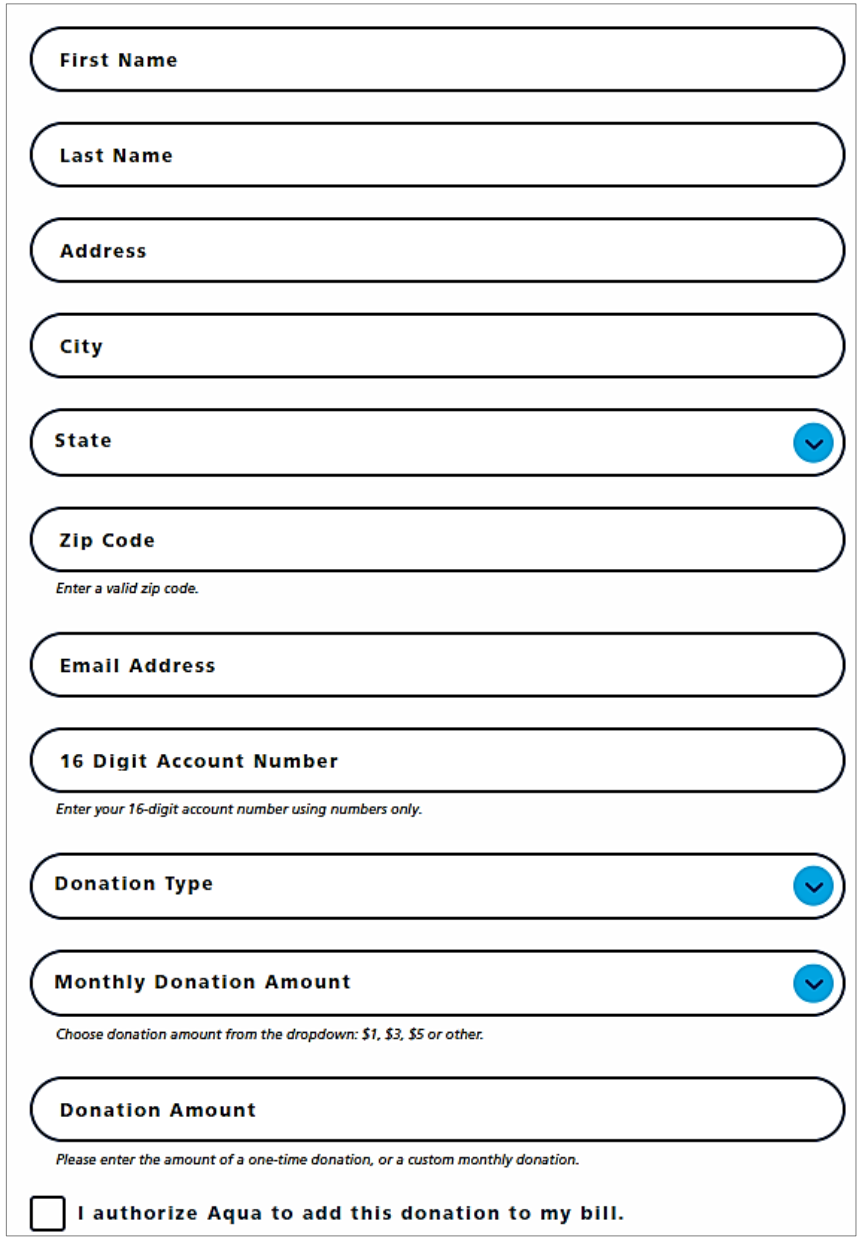
Aqua Aid Donation Form

- Aqua Aid is funded by **tax deductible donations**
- Customers can visit AquaWater.com to donate

Customers > Customer Assistance Programs > Aqua Aid > Aqua Aid Donation Form

- They can make a **one-time donation** or they can **donate monthly** ($1, $3, $5 or other)
- **Monthly Contribution** is added to customer's bill

Customer Charge	20.51	
2,000 gallons @ $0.01305 per gallon	26.10	
Next 1,100 gallons @ $0.015451 per gallon	17.00	
Total Water Charges	63.61	
AQUA AID CONTRIBUTION	2.00	
Distribution System Improvement Charge (Water)	2.28	
State Tax Adjustment Surcharge - Water	0.20	Credit
Amount Due	**$ 67.69**	



AQUA SM | An Essential Utilities Company

AQUA SM

An Essential Utilities Company

Any Questions?

AQUA SM

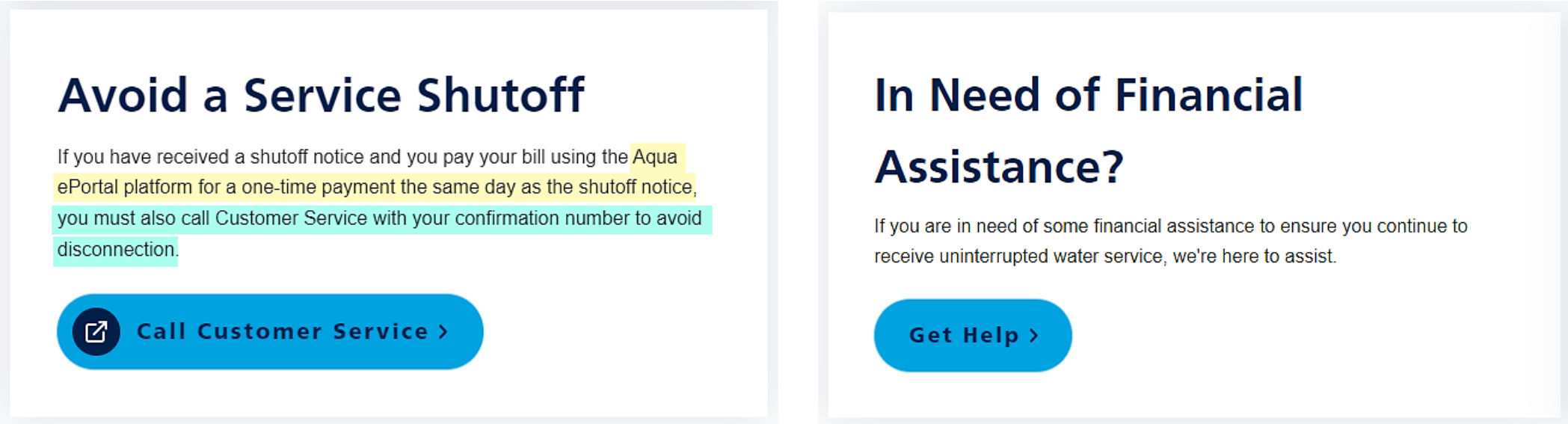
An Essential Utilities Company

ACO Billing Basics

Revised: 5-14-2024

Pay My Bill

Avoid a Service Shutoff & Bill Pay Resources



- **Call Customer Service >** If customer pays by ePortal on the day service will be shut off, they must provide their payment **Confirmation #** to stop SONP

- **Get Help >** Customer can select their state to find assistance resources

Billing Inquiry Checklist

☐ **Say,** "Good morning/afternoon. Thank you for calling Aqua. My name is ____. How may I help you?"
☐ Provide **willingness** to help/assist statement
☐ Verify **Service Address**
☐ Verify customer's First and Last Name & address customer by **name**
☐ Verify **Phone Number**, Type, Text
☐ Verify **Email Address**
☐ Provide accurate **amount due** and **due date**
☐ Provide correct current billing cycle **timeframe** and **usage amount**
☐ Provide accurate **rate** details – rate change, pro-rated bill, etc.
☐ Provide correct **payments received** information (amount & posting date)
☐ Provide accurate bill **payment options** (ePortal, Speedpay, etc.)
☐ Update **IEV** & if income-eligible refer to **Assistance Program(s)** (PA CAP, Aqua Aid, etc.)
☐ *If applicable,* offer **Payment Arrangement** (Make-up bill, etc.) or **Budget Billing** (**IL only**)
☐ *If applicable,* provide correct **HomeServe** information if applicable
☐ *If applicable,* follow **HIC Process**, if applicable (Pamphlet or HiC order + 30-day D Hold, etc.)
☐ Create order if unexplained **Zero Consumption** or **Consecutive Estimated Reads** (CKRD, etc.)
☐ Ask **"Are you satisfied?"** (or other accepted "Are You Satisfied?" question)
☐ Thank customer for calling & brand Company name ("Thank you for calling Aqua.")
☐ Document call details with accurate CUST Notes & correct CCS

Revised: 4-22-2024

Collections Inquiry Checklist

Call Opening
☐ Say, **"Good morning/afternoon. Thank you for calling Aqua. My name is _____. How may I help you?"**
☐ Use willingness statement (**"I would be happy to help you with that."**)
☐ Verify Service Address (including city)
☐ Verify customer's First and Last Name (correct spelling) & address caller by Name
☐ Verify Phone Number, Type, Text
☐ Verify Email Address
☐ Review OneView (Shut Off Notice)
Service On
☐ Provide Past Due Amount needed to stop shut off
☐ Provide Amount Due by Current Bill Due Date
☐ Offer to process a payment & quote processing fee
☐ Update IEV & if income-eligible, refer to assistance programs (PA CAP, etc.)
☐ Determine PAR eligibility
☐ Ask if serious Medical Condition in household
Service Off (SONP or MONP)
☐ Ask if able to pay past due amount + RCF (if applicable) + Security Deposit (if applicable)?
☐ Update IEV – if income-eligible, referred to assistance/PA CAP
☐ Determine PAR eligibility (number of PARS)
☐ Quote accurate Reconnection Amount (PA Reduced Restoration, etc.)
☐ Offer to process payment & quote processing fee
☐ Schedule RCON according to state compliance guidelines
☐ If off MONP, send EWQ to add Deposit & Reconnection Fee (RCF)
Close Call
☐ Ask, **"Are you satisfied?"** (or other accepted "Are You Satisfied?" question)
☐ Thank customer for calling & brand Company name (**"Thank you for calling Aqua."**)
☐ Document call details with accurate CUST Notes & correct CCS
Notes

Revised: 04-22-2024

AQUA Payment Arrangement (PAR) Guidelines - Service ON

If a customer has a **Shut Off Notice**, ask if they can pay the **applicable Past Due amount**: ✦ Past Due PAR ✦ Past Due CAP (**PA**) ✦ Past Due Budget (**IL**) or ✦ Past Due Actual Consumption

- If they **pay the past due** amount (PAR/CAP catch-up) and water is still ON, **cancel the SONP** service order & **reinstate existing PAR** or email AquaCAP@aquaamerica.com to **reinstate CAP**
- If they're **not able to pay**, **update IEV** (all states); then use the chart below to determine **PAR Eligibility**

Note: Low Income (Level 1 or 2A) customers may be eligible for **Assistance Programs** (AQUA Aid, CAP, etc.)

SERVICE ON	IL	IN	NJ	NC	OH	PA	TX	VA
Reinstatement does not count as a PAR Default	Not defaulted on **1 PAR** in **12 mo**. *unless* **FH***	Not defaulted on **2 PARs** in **12 mo**. *unless* **FH***	Not defaulted on **1 PAR** in **12 mo**. *unless* **FH***	Not defaulted on **2 PARs** over **account life** *unless* **FH***	Not defaulted on **2 PARs** over **account life** *unless* **FH***	Since **May 2016**, Not defaulted on **2 PARS** *unless* ***CII or SCIC****	Not defaulted on **1 PAR** in last **12 mo**. *unless* **FH***	Not defaulted on **2 PARS** over last **12 mo**. *unless* **FH***
Residential Standard Terms	**Income / Term / Down** Lev 1 – 10 mo. – 20% Lev 2 – 8 mo. – 20% Lev 3 – 6 mo. – 25% Lev 4 – 4 mo. – 25%	**Income / Term / Down** Lev 1 – 8 mo. – 10% Lev 2 – 6 mo. – 10% Lev 3 – 3 mo. – 25% Lev 4 – 3 mo. – 25%	**Income / Term / Down** Lev 1 – 8 mo. – 25% Lev 2 – 6 mo. – 25% Lev 3 – 3 mo. – 50% Lev 4 – 3 mo. – 50%	**Income / Term / Down** Lev 1 – 8 mo. – 25% Lev 2 – 6 mo. – 25% Lev 3 – 3 mo. – 30% Lev 4 – 3 mo. – 30%	**Income / Term / Down** Lev 1 – 8 mo. – 25% Lev 2 – 6 mo. – 33% Lev 3 – 3 mo. – 50% Lev 4 – 3 mo. – 50% If **Contracted Sewer**, call Sewer Authority for PAR	**Income / Term / Mo. Min.** Lev 1* – 60 mo. – $15 min Lev 2A* – 36 mo. – $15 min Lev 2B – 24 mo. – $20 min Lev 3 – 12 mo. – $40 min Lev 4 – 6 mo. – 50% down * **CAP Eligible** - Refer to DEF at **1-888-282-6816** for application • Cancel **SONP** • Add **10-day "O" hold** on acct	**Income / Term / Down** Lev 1 – 8 mo. – 25% Lev 2 – 6 mo. – 25% Lev 3 – 3 mo. – 50% Lev 4 – 3 mo. – 50%	**Income / Term / Down** Lev 1 – 8 mo. – 25% Lev 2 – 6 mo. – 25% Lev 3 – 3 mo. – 30% Lev 4 – 3 mo. – 30%
Residential Renegotiation - May Grant a New PAR for Financial Hardship	* **Financial Hardship** • Unemployment • Illness • Medical expenses • Recent death of immediate family member	* **Financial Hardship** • Unemployment • Illness • Medical expenses • Recent death of immediate family member	* **Financial Hardship** • Unemployment • Illness • Medical expenses • Recent death of immediate family member	* **Financial Hardship** • Unemployment • Illness • Medical expenses • Recent death of immediate family member	* **Financial Hardship** • Unemployment • Illness • Medical expenses • Recent death of immediate family member	* **Change in Income** (CII) • **IEV 1 or 2A,** decrease ≥ **10**% • **IEV 2B to 4,** decrease ≥ **20%** * **Significant Change in Circumstances** (SCIC) • Onset of chronic/acute illness • Catastrophic damage to home • Loss of customer residence • Increase in dependents	* **Financial Hardship** • Unemployment • Illness • Medical expenses • Recent death of immediate family member	* **Financial Hardship** • Unemployment • Illness • Medical expenses • Recent death of immediate family member
Commercial Standard Terms	Not Available	Not Available	Not Available	**50% down** & **3 mo.**	Not Available	Not Available	**50% down** & **3 mo.**	Not Available
PAR Default	If service is still ON, may reinstate PAR after PAR catch-up is paid	If service is still ON, may reinstate PAR after PAR catch-up is paid	If service is still ON, may reinstate PAR after PAR catch-up is paid	If service is still ON, may reinstate PAR after PAR catch-up is paid	If service is still ON, may reinstate PAR after PAR catch-up is paid	If service is still ON, may reinstate PAR after PAR catch-up is paid	If service is still ON, may reinstate PAR after PAR catch-up is paid	If service is still ON, may reinstate PAR after PAR catch-up is paid

Revised: 7-15-2024

PA Residential Restoration

Per 52 PA Code § 56.191 (c) & 66 C.S. § 1407 (c), if **PA** **Residential** service is **SONP** we must provide RCON options based on the **household's ability to pay**.

Off in Error

If a **PA** customer says service was shut off in error - they **paid their PAR catch-up** but they didn't report the payment - we must:

1. Turn on water the **same day** *even after hours*
2. Waive reconnect fee
3. Reinstate their **PAR**

Past Due Balance

Quote full past due amount + RCF and offer to process payment

- If you **process a payment**, schedule **RCON** service order for next day
- If they **can pay full past due,** *but not during your call*:
  - Advise they can **pay online** @ **aquawater.com** > Pay Bill
  - Advise them to **call back** with Payment Confirmation No. to schedule RCON
- If they **can't afford to pay full past due,** update **IEV** to **check CAP eligibility** (**IEV Level 1 or 2A**)

Determine CAP Eligibility

- May be CAP Eligible if **IEV Level 1 or 2A**

Past Due	CAP Eligible	Restoration Quote	
Less than or equal to **≤ $500***	**Yes**	• **Apply for CAP** and • Offer **Reduced Restoration**	211 Get Connected. Get Help.℠ **If they need help reducing their balance to $500, refer them to 211**
	No	Offer **Reduced Restoration**	
Greater than **> $500**	**Yes**	• **Pay Past Due down to $500** • **Apply for CAP** and • Offer **Reduced Restoration**	
	No	Offer **Reduced Restoration**	

- If **CAP eligible** (IEV & Balance), refer to DEF at **1-888-282-6816** for CAP enrollment screening
- If **approved for CAP**, per Banner **CAP Note**, schedule **RCON** for next day

EXHIBIT NO. RFB-2-R

	Aqua CAP		**CAUSE-PA Proposal**		**OCA Proposal**	
Water						
	Fixed Charge	Consumption (up to 2,000 gallons)	Fixed Charge	All Consumption	Fixed Charge	Consumption (up to 3,200 gallons)
0 to 50%	100%	100%	100%	85%	100%	100%
51 to 100%	100%	100%	100%	75%	100%	75%
101 to 150%	100%	50%	100%	50%	100%	50%
151 to 200%	100%	0%	100%	25%	100%	25%
Wastewater						
	Fixed Charge	Consumption (up to 2,000 gallons)	Fixed Charge	All Consumption	Fixed Charge	Consumption (up to 2,000 gallons)
0 to 50%	75%	100%	85%	85%	100%	100%
51 to 100%	75%	100%	75%	75%	100%	75%
101 to 150%	65%	50%	65%	50%	65%	50%
151 to 200%	50%	0%	50%	25%	50%	0%

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED REBUTTAL TESTIMONY OF HEATHER DOYLE-CONLEY

Topics Addressed:
Customer Service

DATE SERVED: September 12, 2024 **Aqua Statement No. 14-R**
DATE ADMITTED: _____

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. Please state your name and business address.

A. My name is Heather Doyle-Conley. My business address is located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212.

Q. By whom are you employed and in what capacity?

A. I am employed by Essential Utilities, Inc. ("Essential") as the Vice President, Customer Operations. In this role, I lead customer operations for Peoples Natural Gas Company LLC ("Peoples") and Aqua Pennsylvania, Inc. ("AP") and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua" or the "Company").

Q. Please describe your professional experience and your role with the Company.

A. I have been employed by Peoples since February of 1990 and have held various positions of increasing responsibility in Customer Service. Currently, as Vice President of Customer Operation, I lead our Customer Operation teams at Aqua and Peoples across 9 states with Pennsylvania being our largest customer base. In this role I am responsible for a number of departments including Contact Centers, Billing, Credit, Collections and Case Management teams.

Q. Have you testified previously in this proceeding?

A. No.

Q. What is the purpose of your Rebuttal Testimony in this case?

A. I will respond to aspects of the Direct Testimonies submitted by Ms. Barbara Alexander (OCA Statement No. 7) and Mr. Roger Colton (OCA No. Statement 6) on behalf of the Pennsylvania Office of Consumer Advocate ("OCA"). I will respond to the recommendations of OCA witnesses relating to call center and customer service

performance, root cause analysis ("RCA") of customer complaints, compliance with consumer protection regulations, and payment processing options.

II. CALL CENTER PERFORMANCE AND COMPLIANCE

Q. Can you describe some general concerns raised by OCA witness Alexander, as you understand them, regarding the Company's call center performance?

A. Yes. Witness Alexander testifies that the Company's call center performance meets only the minimum requirements, but fails to measure "actual customer experience."

Q. Does OCA witness Alexander acknowledge that the Company has met all call center performance commitments from the Aqua-Peoples Merger Settlement[1]?

A. Yes, on page 11 of her Direct Testimony. OCA St. 7 at 11. However, Ms. Alexander attempts to criticize Aqua's compliance with these commitments, arguing that the "performance is measured in a manner that does not reflect the actual customer experience since it includes all customer calls received by the IVR." OCA St. 7 at 11.

Q. Do you agree that the Company's use of the IVR is inappropriate?

A. No.

Q. Why not?

A. The IVR is one option available to customers to contact the Company regarding questions and to request assistance. The availability of an IVR adds value and provides valuable service to customers. I would argue that a call center metric that does not include an IVR, and only measures how quickly a call is answered by a customer service representative ("CSR"), is not reflective of customer satisfaction because it is not reflective of how

[1] Joint Petition for Approval of Non-Unanimous, Complete Settlement Among Most Parties, Docket Nos. A-2018-3006061, A-2018-3006062, and A-2018-3006063 (June 26, 2019) ("Aqua-Peoples Merger Settlement").

customers desire to interact with the Company. In fact, customers do not express dissatisfaction with the time to speak to a representative. In today's world customers want to engage with companies when convenient for them using alternate channels, such as the IVR and web portal when possible.

Q. Did the Commission agree with Ms. Alexander regarding her desire to exclude IVR performance as it relates to calls answered in the Company's last base rate case?

A. This concern is one that Ms. Alexander initially raised in Aqua's 2021 Base Rate Case[2] proceeding. In that case, Ms. Alexander actually alleged that the Company was not in compliance with the commitments made in the Aqua-Peoples Merger Settlement because it included IVR metrics in its calculation. The Commission rejected this contention. In this case, however, she now admits and agrees with the Company that the Company is in compliance with those commitments which include the IVR metrics. The Company continues to believe it is appropriate to include IVR contacts and report an aggregate percentage of calls answered for its contact center service level. This is a standard calculation in the contact center industry for service level performance. The IVR is an automated way to service customers and provide customer support. Therefore, it is appropriate to include IVR metrics to calculate total service level compliance given that the IVR provides customer support.

Q. Does witness Alexander make any recommendations regarding Aqua's call center performance with respect to this base rate case?

[2] *PA PUC v. Aqua Pennsylvania, Inc., et al.,* Docket Nos. R-2021-3027385 and R-2021-3027386, *et al.*

A. Yes. She recommends that Aqua be required to meet its 2024 call center performance as a condition of any rate increase, and to focus on improving the call answering performance for customers who request to speak to a CSR. OCA St. 7 at 11-12.

Q. Do you agree with these recommendations?

A. Aqua remains committed to achieving on an annual basis the call center performance metrics set forth in the Aqua-Peoples Merger Settlement, recognizing of course that unforeseen circumstances outside of the Company's control can create problems. The call center performance metrics are an annual average of at least 82% of calls answered within in 30 seconds; maintain a busy-out rate of no more than 0.25% and an abandonment call rate no higher than 2.5%. I do not agree, for the reasons stated above, that the Company should alter how it measures performance relating to calls answered, or that rate relief should be contingent on meeting these goals.

Q. Are there any other issues that Ms. Alexander raises that you would like to address?

A. The Company's customer service management and senior management team are located in Pennsylvania. All of the Company's billing, collections, meter testing, and field services is managed in Pennsylvania. As noted by Ms. Alexander, while the Company does not have a call center in Pennsylvania, customers have access to CSRs via phone and can interact with the Company via its web portal. Aqua is committed to quality customer service to its customers in Pennsylvania. This commitment begins with the fact that the Company has its senior customer service management team in Pennsylvania. The Company has spent a great deal of time and effort in ensuring our customers are able to interact with the Company in a manner that they choose, including through IVR and web portal options. CSR are fully trained to assist customers and the physical location of a CSR

does not impact the level of service provided to a customer. The quality of all customer interactions is important to the Company. Given that the majority of CSR interactions are done remotely, what is most important is that customers are heard and their issue(s) are addressed.

III. CUSTOMER SERVICE COMPLIANCE

Q. Both OCA witness Alexander and OCA witness Colton comment on the Company's customer service performance referencing the Pennsylvania Public Utility Commission's ("PUC" or the "Commission") Utility Consumer Activities Report & Evaluation ("UCARE") Report. OCA St. 7 at 12-13; OCA St. 6 at 71-73. Can you respond?

A. The Company did identify a high number of complaints regarding payments arrangements, which is also noted in the OCA testimony regarding the UCARE report. The Company identified, through its initial review of 2023 customer complaints as stated in OCA-XVI-1, that the high number of payment arrangement complaints stemmed from an issue with reinstating payment arrangements after payment was made. The Company implemented a short-term solution, as described below, and is in the process of automating the process.

Q. Does OCA raise other concerns regarding the Company's customer service compliance?

A. Yes. OCA witness Colton asserts that the Company has a history of non-compliance with Commission Regulations, Orders and Secretarial Letters. OCA St. 6 at 72-73. Upon review, Mr. Colton's reference to a "history of non-compliance" is related to the Commission's UCARE report, which includes all utilities throughout the Commonwealth

and all utilities have similar issues. I note this not to diminish the UCARE report, but to put some context to Mr. Colton's statement regarding a "history of non-compliance".

Q. Do you agree with OCA witness Colton's testimony regarding his allegation that the Company has a history of non-compliance with Commission Regulations, Orders and Secretarial Letters?

A. I do not agree that the Company has frequently failed to comply with Commission regulations, Orders and/or Secretarial Letters. Issues do arise and the Company takes appropriate actions when it is believed there is a compliance issue. The Company is notified by the Commission's Bureau of Consumer Services ("BCS") regarding any infractions noted in their review of Informal Complaints and the Customer Care Specialists review the alleged infractions to determine an appropriate response either to coach an individual CSR, review and update an existing process or conduct additional training. If it is determined that a regulation was not followed properly, the Quality Assurance ("QA") team will work with the Company's Training Group to conduct a review of the training materials. Regarding Mr. Colton's concerns regarding the customer assistance program ("CAP") offset (OCA St. 6 at 73), this will be addressed in the Rebuttal Testimony of Mr. William C. Packer (Aqua Statement No. 1-R).

IV. RCA OF CUSTOMER COMPLAINTS

Q. Please explain the Company's process that it utilizes to perform a RCA.

A. When conducting RCA of complaints, the Company has a thorough process to review complaints, review notes on accounts and to listen to calls, if needed, to confirm the complaints are documented correctly and then identify a root cause. After this review, the Company will identify any common root causes and review how it can improve training or

processes or better serve our customers. In addition, the Company has tracked each dispute within its Customer Information System ("CIS") and when it discovers that there is an opportunity for training or process improvement the customer service management team will review with the proper department. I note that the Company met with the OCA and I&E on October 25, 2023, to specifically discuss this topic. The Company shared the current version of the RCA, the current version of the RCA was reviewed at the meeting, and the parties exchanged further information. The Company is providing its updated RCA in an update to discovery.

Q. Does OCA witness Alexander raise any concerns regarding the RCA of customer complaints performed by the Company?

A. Yes. Ms. Alexander is critical of the Company's RCA and claims that it has failed to conduct a RCA of the customer complaints. OCA St. 7 at 14-16.

Q. Do you agree with Ms. Alexander's criticisms?

A. No.

Q. Please explain why not.

A. I disagree with OCA witness Alexander that the Company does not conduct adequate RCA of customers. The Company shared its RCA with the OCA and the Commission's Bureau of Investigation and Enforcement ("I&E") on October 25, 2023. Data was provided through 2022 at this meeting. The Company believes that its version is adequate and the proof of its adequacy is evident in the follow-up that the Company performs as a result of the RCA. For example, through the use of the RCA, the Company has been conducting an analysis of customer complaints and has been focusing on the higher complaint volume. The example provided in discovery response (OCA-XVI-1 Attachment) was a deeper dive

explanation into one of categories of concern due to the increase in payment arrangement complaints. The Company discovered one reason for the higher volume was due to payment arrangements not being reinstated after the customer paid the reconnection amount. A short-term solution was implemented creating a weekly report to reinstate payments arrangements after a payment was made that was equal to or greater than the reinstatement amount. A long-term solution is in progress and will automate the process. This demonstrates that the Company is reviewing the cause of its customer complaints and taking action to evaluate any process improvements needed.

Q. Please respond to Ms. Alexander's accusation that the Company is creating information to respond to the request regarding the RCA based on the date of the PDF file provided in response to OCA-XVI-1.

A. Ms. Alexander states that the document that was provided in response to OCA-XVI-1 was created on July 29, 2024 according to the properties of the PDF document provided. The PDF was created as a conversion from a Microsoft Word document to a PDF and therefore bears the date that it was converted – not the date that the information was developed. The conversion from Microsoft Word to PDF was to serve the response which was served on July 29, 2024.

Q. OCA witness Alexander recommends several improvements to the Company's RCA process that should be made. Do you agree with these recommendations?

A. Yes. First, I want to highlight that Ms. Alexander acknowledges that the Company has an RCA, however, she believes the Company should add additional detail. Currently, the Company is comfortable with the format of its report but there is always room for improvements to be made. Ms. Alexander highlights the following items that she believes

should be added to the Company's RCA: (1) identification of complaint data used; (2) a determination of the scope and scale of similar trends that may not be reflected in the Company's complaint data base; (3) include a discussion of solutions that have not yet been implemented along with metrics for evaluating effectiveness; and (4) expand on the nature of the complaints in the "other category".

The Company has reviewed these specific requests and notes that there is a balance between system capability, manual review of individual complaints, and costs associated with specific detail. After review, the Company can commit to (1) providing more sub-categories under the Company's definitions as shown on its customer complaint analysis, (2) the Company notes that it already includes and identifies the type of complaints in its customer complaint analysis, (3) provide more detail on what constitutes "other category", and (4) the Company agrees to identify solutions in a prudent and incremental fashion and ranking as determined by the Company.

To be clear, although the Company recognizes that improvements can be made to its RCA as discussed above, the Company does not agree that its RCA process is inadequate. As I have described above, the Company does systematically review complaints and issues raised by customers during the dispute process and does act on any needed improvements.

V. COMPLIANCE WITH CONSUMER PROTECTION REGULATIONS

Q. Does OCA raise any concerns with the Company's compliance with consumer protection regulations?

A. Yes, it does. OCA witness Alexander testifies that Aqua has not conducted an audit or investigation of compliance with Pennsylvania-specific consumer protection requirement

at its out-of-state call centers. OCA St. 7 at 16-17. She recommends that the Company be required to perform an annual audit and document its investigation and review of compliance with Chapter 56 regulations and Chapter 14 of the Public Utility Code. OCA St. 7 at 17-18.

Q. Do you agree with the recommendation?

A. No. The Company does conduct routine quality monitoring through its QA team. The QA team focuses on a variety of things, including adherence to the rules and regulations of the Commission. To ensure that Company employees are adhering to Commission regulations, new hires are monitored daily for compliance. Quality monitoring is in addition to the training provided and on-going coaching and supervision by the Company's management team. The QA team proactively conducts routine QA call monitoring and the shares this feedback weekly within the Company to ensure the rules and regulations are followed. Additionally, the Company's processes and online CSR resources—which CSRs are trained upon—are designed using the Pennsylvania regulations.

Q. Were other concerns raised by OCA witness Alexander?

A. Yes. Another concern raised by OCA witness Alexander is her claim that the Company does not track data to confirm it is compliant with the requirement of attempting to make personal contact prior to service termination. OCA St. 7 at 18-19.

Q. Can you please address the Company's compliance with the personal contact requirement?

A. Yes. Aqua has a collections manual that was created in compliance with the recommendation in the 2021 Base Rate Case. Field Services Representatives ("FSR") are trained to recognize and attempt personal contact looking for events that would suspend

termination. All FSRs are trained and required to complete the applicable work orders, which includes reasons for not continuing with termination. In situations where payment, a medical certificate, notification of a protection from abuse order, or eligibility for universal service programs are present, the FSR would not complete the termination work order and the work order would be cancelled. While the Company may not track the results of every personal contact reason, the FSRs follow the manual and any required follow up is completely timely. Most of the returned work order codes are payments, medical certificates and shared premise. This is our confirmation that personal contact is being made.

Q. Do you agree with Ms. Alexander's recommendation to develop and file a compliance document that describes the full range of consumer protections associated with attempting contact with residential customers prior to termination of service and documents as well the actual training and oversight?

A. I do not believe this recommendation is necessary. The Company maintains a collections manual which includes consumer protections. This serves as our compliance tool and check list. The Company informs consumers of their protections on all notices, postings, and during personal contact attempt.

VI. PAYMENT PROCESSING OPTIONS

Q. OCA witness Alexander offers recommendations relating to no fee payment options. OCA St. 7 at 20-21. Can you comment on this recommendation?

Q. Customers are provided many different payment methods. The options include making payments on the Aqua PA customer portal which does not charge a fee. The Company does encourage its customer to enroll in paperless billing and use the customer portal for

payments. Customers can mail their payment, use auto draft and electronic payments, all of which do not include a fee. Speedpay is one payment option available to customers. The payment charge is not an Aqua PA charge. It is clearly identified as a fee charged by Speedpay. Payment services incur fees for processing, in particular for payments made by credit and debit cards, as the issuing financial institutions have a fee for use. For these reasons, the Company does not agree to build into its revenue requirement the fees for payment options. The fees referenced by Ms. Alexander are not the Company's fees. However, the Company does agree with the recommendation to revise its termination notices, bills and IVR script relating to methods of payment.

VII. TERMINATION OF WATER SERVICE FOR NON-PAYMENT OF WASTEWATER SERVICE

Q. On page 25, Witness Alexander Cites PA Water Services Act (53 P.S. 3102.501-3102.507) and makes a recommendation regarding information to provide with a shut off for a customer's non-payment of a non-Company wastewater. Does the Company agree?

A. The Company does not object to including this language proposed by Ms. Alexander in its tariff. However, if such language is adopted it should be modified to remove the second paragraph in the proposed Rule 56A revision as the Company believes it is redundant. In addition, the language would need to be modified to allow for termination of service for non-payment of a municipal or municipal authority service provider or an effective agreement with a non-Company wastewater provider. These changes are shown in underline and strikethrough below:

> **56A.** In addition, service may be terminated for nonpayment of a sewer bill upon proper request of the municipality or municipal authority **("municipal sewer**

provider”) or a non-Company wastewater provider and receipt of a fifty dollar ($50.00) fee per account. The terms and conditions for termination of water for non- payment of sewer are found in Attachment A and conform to the Water Services Act 53 P.S. §3102.201 et seq., **which governs the relationship between Aqua and the municipal sewer Provider, or in a current effective agreement with a non-Company wastewater provider.**

~~**The Company may terminate a customer’s water service due to the customer’s non- payment of charges owed to a municipal sewer provider, provided that: (1) the Company has an effective agreement with the a municipal sewer provider pursuant to the Water Services Act or Act of April 14, 2006, codified at 53 P.S. §§ 3102.501 – 3102.507; and (2) the customer received prior notice from the municipal sewer provider of the past due amounts owed to the municipal sewer provider.**~~

Following the issuance of termination notice by the municipal sewer provider or non-Company wastewater provider, the Company will not terminate the customer’s water service upon notification to the Company by the municipal sewer provider or non-Company wastewater provider that the customer does either of the following: (1) disputes the termination for non-payment; or (2) produces a medical certification. Upon termination, the Company will post the post termination notice at the customer’s premises. The Company’s post termination notice shall provide the following information in conspicuous format and plain language: (1) a statement that Aqua terminated the customer’s water service due to the customer’s non-payment of municipal sewer provider or non-Company wastewater provider charges; (2) a statement that the termination of service is not the result of customer’s non-payment of water charges owed to Aqua; (3) the name and contact number of the municipal sewer provider or non-Company wastewater provider; (4) the contact information for the Company; and (5) a citation to Section 56A of Aqua’s Water Tariff and the weblink for accessing the Company’s tariff webpage.

VIII. CONCLUSION

Q. Does that conclude your Rebuttal Testimony at this time?

A. Yes, it does, but I reserve the right to supplement my Rebuttal Testimony as needed during this proceeding.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION
v.
AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKETS NOS.: R-2024-3047822
R-2024-3047824

REBUTTAL TESTIMONY

WITNESS: PAUL J. HIBBARD

SUBJECT: RATEMAKING PRINCIPLES AND PRECEDENT

DATED: SEPTEMBER 12, 2024

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REBUTTAL TESTIMONY
OF
PAUL J. HIBBARD

I. INTRODUCTION

Q. Would you please state your name, business address, and occupation?

A. My name is Paul Hibbard. I am a Principal at Analysis Group (AG), an economic, finance and strategy consulting firm headquartered in Boston, Massachusetts, where I work on energy and environmental economic and policy consulting. My business address is 111 Huntington Avenue, 14th Floor, Boston, Massachusetts 02199.

Q. Please describe your background and experience.

A. I have been with AG for nearly twenty years: first, from 2003 to April 2007, and most recently, from August 2010 to the present. In between, from April 2007 to June 2010, I served as Chairman of the Massachusetts Department of Public Utilities ("MA DPU") where I participated in deciding rate cases for electric, natural gas, and water utilities. While Chairman, I also served as a member of the Massachusetts Energy Facilities Siting Board, the New England Governors' Conference Power Planning Committee, and the NARUC Electricity Committee and Procurement Work Group. I also served as State Manager for the New England States Committee on Electricity and as Treasurer to the Executive Committee of the 41-state Eastern Interconnect States' Planning Council.

I have previously worked in energy and environmental consulting with Lexecon, Inc. from 2000 to 2003. Prior to working with Lexecon, I worked in state energy and environmental agencies for almost ten years. From 1998 to 2000, I worked for the Massachusetts

Department of Environmental Protection on the development and administration of air quality regulations, State Implementation Plans and emission control programs for the electric industry with a focus on criteria pollutants and carbon dioxide ("CO_2"), as well as various policy issues related to controlling pollutants from electric power generators within the Commonwealth of Massachusetts. From 1991 to 1998, I worked in the Electric Power Division of the DPU on cases related to the setting of company rates, restructuring of the electric industry in Massachusetts, quantification of environmental externalities, integrated resource planning, energy efficiency, utility compliance with state and federal emission control requirements, regional electricity market structure development, and coordination with other states on electricity and gas policy issues through the staff subcommittee of the New England Conference of Public Utility Commissioners.
I hold an M.S. in Energy and Resources from the University of California, Berkeley, and a B.S. in Physics from the University of Massachusetts at Amherst. My curriculum vitae is provided in Appendix A, which follows my rebuttal testimony.

Q. Have you previously testified before the Pennsylvania Public Utility Commission ("PUC," or "Commission")?

A. Yes. In November of 2011, I presented comments to the Commission in an En Banc Hearing related to auctions for retail service in the electric sector on behalf of Direct Energy. In January of 2021, I provided Rebuttal Testimony to the PUC on behalf of PECO Energy Company related to ratemaking principles. In February of 2024, I provided Rebuttal Testimony to the PUC on behalf of Pennsylvania-American Water Company related to ratemaking principles.

II. SUMMARY

Q. What is the purpose of your testimony?

A. In this testimony I respond to certain aspects of the testimony of the Pennsylvania Office of Consumer Advocate ("OCA") witness Christine Maloni Hoover. First, I discuss Ms. Hoover's framing of what she refers to as the "regulatory compact," and the principles and precedent related to the practice of reviewing and setting utility rates. Next, I review Ms. Hoover's discussion of alternative ratemaking in this context. Finally, I review Ms. Hoover's discussion related to the application of the fair market value approach in incorporating the cost of municipal water system acquisitions in the rates of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. ("Aqua" or "Company").

Q. Please provide a summary of your views.

A. There are long-standing principles and precedent applied by the Commission in setting rates. The Commission identifies these in describing the legal framework for its decision in every rate case. They are neither ambiguous nor subject to reinterpretation. In short, the utility is allowed to recover its used and useful and prudently-incurred costs and investments, and earn a fair return on the capital it commits to discharge its public service obligations. The *Hope*[1] and *Bluefield*[2] decisions of the United States Supreme Court established the fundamental obligation in ratemaking to allow a utility the opportunity to recover its costs and earn a fair return on equity (one attendant to the risks experienced by similarly situated companies) and an overall return on investment that allows the utility to

[1] *F.P.C. v. Hope Natural Gas Co.*, 320 U.S. 591 (1944) ("*Hope*").

[2] *Bluefield Water Works & Improvement Co. v. P.S.C. of West Virginia*, 262 U.S. 679 (1923) ("*Bluefield*").

maintain financial integrity and maintain credit. In establishing rates, the Commission exercises its judgement to achieve the correct balance of utility and consumer interests and to determine just and reasonable rates based on a utility's filing and record evidence. The Commission has the latitude to consider policy objectives and has the obligation to adhere to Pennsylvania statutes that address certain specific elements allowed or required in the setting of utility rates.

Ms. Hoover narrowly defines "regulatory compact" and "traditional ratemaking" to create a distorted view of the ratemaking process and confuse the Commission's administration of its jurisdictional obligations by inducing the Commission to disregard application of long-standing and time-tested precedent and principles of ratemaking. The phrase "regulatory compact" is a shorthand simplification used to illustrate elements of the framework for utility regulation. Ms. Hoover's incomplete description of a "regulatory compact" ignores critical aspects of the regulatory structure and purports to grant the Commission broad authority under her construction to disregard application of long-standing and unambiguous ratemaking principles and precedent, and its evidence-based evaluation of specific elements included in the Company's proposal.

The use of "regulatory compact" in this proceeding by Ms. Hoover and the OCA reflects an unnecessary and exclusively consumer-focused viewpoint on Commission responsibilities that starts with the erroneous presumption that the whole ratemaking process in Pennsylvania and/or the Commission's exercise of its jurisdictional responsibilities are structurally biased in favor of regulated utilities. The OCA's application of this viewpoint leads to recommendations that are inconsistent with the appropriate application of ratemaking principles and precedent.

Similarly, Ms. Hoover uses the concept of "traditional ratemaking" to imply that the Company's filing somehow deviates from what is appropriately presented by the utility and considered by the Commission in a rate case, and systematically changes the balance of risk. In fact, the Company has filed a traditional rate case with all of the required elements, including a cost of service study, revenue requirement allocation, proposed weighted average cost of capital, rate design, and additional proposals that include assistance to low-income customers. And the Company's proposals for what Ms. Hoover refers to as "alternative ratemaking" – authorized under Pennsylvania law and by the policy statements of this Commission[3] – include specific measures designed to achieve legislated public policy objectives around infrastructure upgrades and consolidation of municipal services that provide a vital public service to achieve efficiency and reliability.

The Company has also included in the filing its prior acquisitions (including one under review by the Pennsylvania Supreme Court), which reflect the consolidation of municipal services that provide a vital public service to achieve efficiency and reliability. Ms. Hoover discusses the fair market valuation of these acquisitions as "alternative ratemaking." The Company is not requesting alternative ratemaking for these acquisitions, but rather has included systems at the ratemaking rate base as provided for under Pennsylvania law and as approved by the Commission. My testimony will respond to Ms. Hoover's arguments on fair market value as part of her "alternative ratemaking," but to be clear, I do not agree

[3] I am advised that the Company has made no "alternative ratemaking" proposals under the provisions of 66 Pa.C.S. § 1330 (authorizing alternative rates and ratemaking mechanisms) or 52 Pa. Code § 69.3301 (inviting alternative ratemaking proposals by utilities). The Company's rate filing does reflect components authorized by 66 Pa.C.S. § 315 (Fully Projected Future Test Year),66 Pa.C.S. § 1311(c) (allocation of wastewater revenue requirement), 66 Pa.C.S. § 1329 (Fair Market Value valuations), and 66 Pa.C.S. § 1350-1360 (Distribution System Improvement Charge). All references to Sections in my testimony refer to Sections of the Pennsylvania Public Utility Code unless otherwise noted.

that inclusion of an acquisition at the rate base approved by the Commission constitutes alternative ratemaking.

In my view, Ms. Hoover's testimony regarding the "regulatory compact" and "traditional ratemaking" are nothing more than an effort to misconstrue traditional ratemaking principles to try to fashion authority otherwise lacking for the specific changes the OCA proposes to the Company's proposed revenue requirement. Her testimony does not add any probative value to the decisions the Commission must make in this traditional rate case.

Finally, Ms. Hoover claims that by using a fair market value approach with respect to acquisition of municipal water companies rather than the original cost approach, the rate base associated with such acquisitions is inflated, and creates a large revenue deficiency for the customers acquired through these acquisitions.

I disagree with Ms. Hoover's and OCA's position. Aqua's use of fair market value in calculating its rate base for acquisitions is fully supported by existing laws and regulations in Pennsylvania, which were intentionally designed this way by the legislature and regulators to encourage regionalization and acquisitions of smaller, often nonviable, water and wastewater utilities by larger utilities better able to maintain acceptable service quality and meet customer needs. As I understand it, for acquisitions approved by the PUC under Section 1329,[4] the law specifies that the lower of the negotiated purchase price or fair market value of the acquired utility is to be included in the acquiring public utility's rate base. Thus, whether Commission-approved acquisition purchase prices exceed

[4] 66 Pa. C.S. § 1329.

depreciated original cost should have no impact on whether they are included in Aqua's rate base, and any associated wastewater revenue deficiency can be properly allocated to both water and wastewater companies in accordance with Section 1311. Furthermore, the inclusion in rate base of acquisitions pursuant to Section 1329 should not be a basis for reducing the authorized rate of return on common equity in this case.

Q. Are you providing a legal opinion in this proceeding?

A. No, I am not and I am not a lawyer. My discussion of regulatory precedent and practice is focused on regulatory policy based on my experience as a former Commissioner and staff person at the Massachusetts' Department of Public Utilities, and on my work as a consultant in regulatory matters.

III. THE "REGULATORY COMPACT"

Q. Are you familiar with the principles behind the setting of regulated utility rates by public utility commissions?

A. Yes, through my work as both a staff person and as Chairman of the Massachusetts Department of Public Utilities, and in private practice. The principles and precedent underlying public utility commission rate case decisions across the United States are a well-understood framework that guides this Commission's review of record evidence to set utility rates in a way that ensures efficient, safe, and reliable utility service at reasonable cost to consumers.

Q. Please provide a summary of your understanding of these principles.

A. Public utilities are generally obligated through law and regulation to reliably meet the needs of all customers within their service territory. The utilities in turn are allowed to collect the costs of serving customers through commission-approved cost of service rates, including operating expenses and a return of and on prudently-incurred capital investment. Rates are set to allow the utility an opportunity to earn a fair return on the value of the property which it employs for the convenience of the public. Additionally, rates should be designed to allow the recovery of prudently-incurred costs while promoting efficient consumption decisions by consumers, encouraging efficiency in the management and operation of the utility, and allocating costs fairly. The structure of regulated utility rate setting encourages utility managers to make reasonable operational and investment decisions on behalf of their customers, in order to provide reliable service at a reasonable cost and in a manner consistent with the ratemaking and policy directives of the state.[5]

The return on capital is designed to approximate the return being earned at the same time in businesses that face similar risks and uncertainties. This level of return on investment is designed to assure confidence in the financial soundness of the utility and to be sufficient to enable the utility to maintain credit and attract the capital needed to reliably meet customer needs over time.[6]

[5] *See, e.g.*, Dr. Karl McDermott, *Cost of Service Regulation in the Investor-Owned Electric Utility Industry*, Edison Electric Institute, June 2012 ("McDermott"), p. 7.

[6] *See*, e.g., James C. Bonbright, *Principles of Public Utility Rates*, 1961 ("Bonbright"), at 257-258; and McDermott, pp. 5-7.

The foundational principles underlying regulated utility rate setting are not new but have been used and vetted through regulatory and legal decisions since being set in place beginning almost a century ago.[7]

Q. Based on your review, do you have a view as to an appropriate approach for assessing the operational and investment decisions of the utility?

A. Yes. One cannot be cavalier in evaluating the Company's actions and investments. Rate setting involves a necessary but difficult balancing of companies' obligations to shareholders and to ratepayers; it seeks to maintain the financial integrity of regulated utilities while providing appropriate service quality and incentives for efficiency in management, operations, and customer consumption. Rate case reviews need to be based on careful review of record evidence in the context of regulatory and judicial precedent, with an eye toward sustaining a functioning and efficient service provider.[8]

Q. Have you reviewed Ms. Hoover's discussion of what she calls the "regulatory compact?"

A. Yes.

Q. Please summarize how Ms. Hoover represents the "regulatory compact."

[7] The *Bluefield* decision, one of the landmark Supreme Court decisions on ratemaking, was issued by the United States Supreme Court just over 100 years ago, in 1923.

[8] The job of a public utility commission is not to substitute its judgement for that of the utility; utilities are presumed to act in good faith and make efficient operational and prudent investment decisions absent evidence to the contrary. *See, e.g.*, McDermott, pp. 9, 13.

A. Ms. Hoover describes the "regulatory compact" as a quid-pro-quo whereby the utility receives an exclusive franchise in exchange for the obligation to provide service.[9] She claims that the Commission "enforces" the regulatory compact through a system of incentives and deterrents designed to protect consumers against the effects of monopoly power.[10] Ms. Hoover's discussion focuses on obligations of the utility to provide service at reasonable rates subject to state policing powers, with little or no reference to the obligation to allow the utility to recover the legitimate costs of meeting its public service obligation.

Q. In your view, does Ms. Hoover's discussion of the regulatory compact provide any guidance or probative value in this case?

A. No, it does not. There is no explicit compact, contract or agreement between the state and its jurisdictional utilities. The phrase "regulatory compact" has been used in various and differing ways by utility industry participants and practitioners to characterize the nature of public utility regulation and the relationship between a state and its jurisdictional utilities.

Yet, contrary to Ms. Hoover's claims, the metaphor of a "regulatory compact" does not imply an explicit utility-consumer balance that would enable the Commission to disregard reasonable and prudent costs incurred by a utility in favor of protecting customers. The purpose of utility regulation is to provide consumers with reliable utility services at the

[9] *Pennsylvania Office of Consumer Advocate*, Direct Testimony of Christine Maloni Hoover, OCA Statement No. 1, Docket Nos. R-2024-3047822 et al., August 16, 2024, p. 18.

[10] OCA St. No. 1, pp. 19-20.

lowest possible cost by providing a structure whereby a single firm in each franchise territory is able to achieve the greatest possible economies of scale and scope and avoid the duplication of infrastructure.[11] In exchange for the utility putting its capital to the public use, the regulator must grant the utility the opportunity to earn a fair return of and on its used and useful and prudently-incurred capital.[12]

The Commission identifies these long-standing principles in describing the legal framework for its decision in every rate case. They are neither ambiguous nor subject to reinterpretation. *Hope* and *Bluefield* clearly establish the fundamental obligation to allow a utility an opportunity to recover its costs and earn a fair return on equity (one attendant to the risks experienced by similarly situated companies), and an overall return on investment that allows the utility to maintain financial integrity and maintain credit.

Consistent with its obligation, the Commission exercises its judgement to determine just and reasonable rates based on the Company's filing and record evidence, balancing utility and consumer interests with respect to services provided, service quality, and costs, among other considerations.

The presentation of Ms. Hoover's view of what the "regulatory compact" might be in this proceeding only provides a manufactured premise for Ms. Hoover and the OCA to argue for their disallowance recommendations, a premise that erroneously presumes Pennsylvania's ratemaking process is structurally biased in favor of regulated utilities.

[11] Bonbright, pp. 11-13.

[12] McDermott, pp. 5-6.

Q. Ms. Hoover discusses the principles of "just and reasonable" and "zone of reasonableness" as an element of the "regulatory compact."[13] How do "just and reasonable" and "zone of reasonableness" enter into commission rate case deliberations?

A. In practice, rate setting is not formulaic; there are often variabilities and uncertainties in the data and forecasts that underlie utility and intervenor perspectives on forward-looking costs, billing determinants, and company rates. A commission must weigh record evidence against appropriate standards to determine where rates should be set within those ranges of uncertainty. In this context, principles such as "just and reasonable" and "zone of reasonableness" have evolved to guide commission deliberations and have been used in commission and court decisions. Importantly, just and reasonable is bounded; it is not meant to be used by commissions to render decisions that do not allow utilities to recover the costs they incur to provide reliable service.[14]

Q. Ms. Hoover suggests that there may be circumstances where the Commission can set rates that are outside a zone of reasonableness to "…fairly balance the interests of all parties."[15] Do you agree?

[13] OCA St. No. 1, p. 25.

[14] A "zone of reasonableness" is intended to represent both the consumer and investor interest, for example the landmark *Hope* case adopted "just and reasonable rates as a balance of the investor and the consumer interests." This balance was "gradually refined into the concept of a 'zone of reasonableness.'" Further, *Duquesne Light Co. v. Barasch*, 488 U.S. 299 (1989) describes the "lower limit of the zone of reasonableness, that is, where just and reasonable is bounded by a constitutional prohibition against confiscation." Steve Isser, *Just and Reasonable: The Cornerstone of Energy Regulation*, June 30, 2015 ("Isser"), pp. 31, 38.

[15] OCA St. No. 1, p. 25.

A. No. Ms. Hoover would have the Commission believe that they should focus primarily or exclusively on consumer interests when determining whether rates are just and reasonable, and that this provides the Commission an unbounded latitude to set rates outside a zone of reasonableness, even if the outcome does not reflect the true costs for the utility to discharge its public service obligation and attract the capital needed to safely and reliably meet customer demands on a going-forward basis. Yet "just and reasonable" is not a one-sided standard to be interpreted to define a range of rate outcomes acceptable only to the consumer. This one-sided perspective ignores or understates the fundamental balance established between requiring a utility to safely and reliably meet the needs of current and future customers in exchange for the ability to recover the costs of doing so, including a return on prudently-invested capital sufficient to attract investors.[16]

Q. You have observed that utilities should be compensated for providing reliable services. In this case the OCA has recommended a dramatic reduction of over 100 percent in Aqua's proposed revenue requirement increase.[17] Are there potential negative impacts if the Commission were to accept OCA's proposed reductions, from a public policy perspective?

A. Yes. Aqua's proposed revenue requirement increase is driven in large part by necessary investments in water and wastewater system infrastructure which are needed for the Company to continue to provide safe and reliable delivery of *vital* water and wastewater

[16] *See, e.g.*, Filipink's analysis of the Supreme Court cases *Bluefield* and *Hope*: "These decisions said that a return should be reasonably sufficient so that investors had confidence in the financial soundness of the utility and should be adequate to raise necessary financing," including "capital costs of the business." Eric Filipink, *Serving the Public Interest - Traditional vs. Expansive Utility Regulation*, December 30, 2009, pp. 12-13.
[17] OCA St. No. 1, p. 3.

services to customers in their service territory.[18] In fact, no one in this case has challenged these investments as not used and useful for reliable water and wastewater services, and no one has alleged that the Company's investments or management of construction projects has been imprudent.[19] Yet if the Commission accepts OCA's recommendations, the Company would not be able to recover the cost of prudent investments needed to discharge its public service obligation. This would threaten the financial viability of the Company and make it difficult to raise capital to fund water and wastewater service projects.

Aqua serves a critical function, providing safe and reliable water and wastewater services which are unquestionably necessary for the health, safety, and comfort of the Commonwealth's residents. In turn, providing a stable and secure revenue environment for water companies supports local economic activity both through projects funded through utility investments and support of local business activity, and it can help lower the costs incurred by utilities in attracting capital to fund such investments.

If the Commission accepts the dramatic revenue requirement reduction proposed by OCA (and other intervenors), it risks destabilizing the financial conditions for efficient operation of the Company's system, increasing the long-run cost of providing reliable service, depressing local investment in the economy, and increasing the risks of less safe and reliable water and wastewater system operations.

[18] *Aqua Pennsylvania, Inc.*, Prepared Direct Testimony of William C. Packer, Statement 1, Docket Nos. R-2024-3047822 et al., May 23, 2024, p. 3 ("Rates established in that case became effective on May 19, 2022. Since March 31, 2023 (*i.e.*, the end of the fully projected future test year used in the 2021 Base Rate Case), the Company will have invested over $950 million in water and wastewater utility infrastructure through the fully projected test year ("FPFTY") ending December 31, 2025. Investments in replacing old and installing new utility infrastructure account for approximately 60% of the requested need for rate relief in this application.").

[19] OCA St. No. 1, pp. 38-41.

IV. ALTERNATIVE RATEMAKING

Q. Have you reviewed Ms. Hoover's discussions with respect to alternative ratemaking?

A. Yes.

Q. Please summarize Ms. Hoover's position.

A. Ms. Hoover claims that alternative ratemaking provisions are a departure from "traditional ratemaking," and employing these provisions concurrently in this case unreasonably shifts risk from the Company to its customers.[20] The alternative ratemaking provisions include, "(1) the Distribution System Improvement Charge (DSIC); (2) the Fully Projected Future Test Year (FPFTY); (3) the addition of Section 1329 that permits fair market valuation for municipal acquisitions; and (4) the addition of Section 1311(c) that permits the Commission to approve the shift of wastewater revenue deficiencies to water customers if it is in the 'public interest.'"[21] She further alleges that Aqua's proposal to defer certain costs related to PFAS treatment represents an additional departure from the traditional cost-of-service paradigm, and claims that Aqua's decision to request all of these alternative ratemaking mechanisms in combination is "designed to insulate shareholders and Aqua management from the difficult job of efficient management and seeks to place nearly all the risk on Aqua's captive customers."[22]

Q. Do you agree with Ms. Hoover?

[20] OCA St. No. 1, p. 27.

[21] OCA St. No. 1, p. 27.

[22] OCA St. No. 1, p. 37.

A. No, I do not agree with Ms. Hoover's narrow view of what constitutes "traditional ratemaking." In its decision-based review of Aqua's proposed rate change, the Commission is engaged in a traditional ratemaking exercise; that the proposal employs certain specifically authorized cost recovery mechanisms does not change that. Utility inclusion and public utility commission approval of various mechanisms in rate cases to achieve public policy goals and/or meet statutory objectives is nothing new. Nor does it render the Commission unable to consider the impact of individual rate case components on the balance of risk between consumers and the Company.

In this case, Aqua has filed all the elements of a "traditional rate case," such as a cost of service study, revenue requirement allocation, proposed components of the cost of capital, rate design, mechanisms to assist low-income customers, and proposals for other utility offerings.[23] There is nothing new or "non-traditional" about these rate case elements, and they are similar to features that have been required or adopted in rate cases across many states and utilities. In my view, the OCA's treatise on "traditional ratemaking" is an exaggerated construct simply to set the stage for the very real-world and significant reductions it proposes to the Company's revenue requirement, and does not add any probative value to the decisions the Commission must make in this traditional rate case.

Q. Please describe the purpose of the ratemaking mechanisms Ms. Hoover disputes in more detail.

[23] *Aqua Pennsylvania, Inc.*, Prepared Direct Testimony of William C. Packer, Statement 1, Docket Nos. R-2024-3047822 et al., May 23, 2024, pp. 3-7, 32.

A. A Distribution System Improvement Charge ("DSIC") is a surcharge on customers' bills that is revised quarterly and allows recovery of costs to replace aging infrastructure between rate cases.[24] It thus "provides utilities with an additional rate mechanism to recover the capitalized costs related to repair, improvement and replacement [of] utility infrastructure. A DSIC can reduce regulatory lag, improve access to capital at lower rates, and accelerate infrastructure improvement and replacement."[25]

A Fully Projected Future Test Year ("FPFTY") was implemented by the Pennsylvania legislature to "reduce regulatory lag due to the use of rate case inputs that are outdated by the time new base rates become effective and, further, to provide more ratemaking flexibility for the timely recovery of prudently incurred infrastructure costs."[26] The FPFTY mechanism allows forecasted costs to be used that more accurately capture expected conditions during the period for which the rates will be effective and allows investments that will become used and useful after the date the rates become effective to be included in the utility's revenue requirement.[27] Reducing regulatory lag can reduce capital costs and facilitate infrastructure investments, particularly when costs are rising faster than usage.

Section 1329 permits fair market valuation for municipal acquisitions. As discussed in more detail in the next section, this statute was passed to allow larger utilities, with greater resources, to acquire smaller municipal utilities, many of which have heavily depreciated

[24] 66 Pa.C.S. §§ 1353, 1357.

[25] Final Implementation Order, *Implementation of Act 11 of 2012*, Docket No. M-2012-2293611 (August 2, 2012) ("2012 Implementation Order re Act 11"), p. 57.

[26] 2012 Implementation Order re Act 11, p. 4.

[27] 2012 Implementation Order re Act 11, p. 5.

assets and are in need of upgrades to maintain safe and reliable service.[28] Absent this rule, such acquisitions may have created financial hardship for such municipalities and delayed necessary improvements to the systems. This rule also mitigated the risk to the utility of not being able to recover the full cost of these acquisitions—thus encouraging larger utilities to acquire such systems.[29]

Section 1311(c) permits the Commission to approve the shift of wastewater revenue deficiencies to water customers if it is in the "public interest."[30] "The benefits of this provision are that the costs of necessary upgrades to wastewater systems to maintain safe and reliable service, which can be substantial on a stand-alone basis, can be spread among the common customer base of the water and wastewater utilities."[31] This can prevent rate shock for wastewater customers from needed infrastructure upgrades and thus facilitates the implementation of such upgrades.

Deferred accounting treatment may be granted for extraordinary expenditures that "could otherwise never be recovered in rates because, like [] weather-related expenses, it would be normalized out of the test year as abnormal."[32] Allowing deferred accounting treatment thus ensures that utilities are able to access capital at reasonable rates to fund such expenditures and recover their costs in rates from the customers that benefit from the expenditures.

[28] Final Implementation Order, *Implementation of Section 1329 of the Public Utility Code*, Docket No. M-2016-2543193 (October 27, 2016) ("2016 Implementation Order re Section 1329"), p. 2.

[29] 2016 Implementation Order re Section 1329, pp. 2-3.

[30] OCA St. No. 1, pp. 33-34.

[31] 2012 Implementation Order re Act 11, p. 8.

[32] *Popowsky v. Pa. Publ. Util. Comm'n*, 642 A.2d 648, 652 (Pa. Cmwlth 1994).

Q. Do you believe that it is appropriate to allow multiple authorized ratemaking mechanisms?

A. Yes, I do. The four authorized ratemaking mechanisms in use by Aqua each relieve a different constraint in order to encourage infrastructure upgrades necessary to maintain safe and reliable service and to reduce the costs of these upgrades to consumers. The first two mechanisms work by relieving timing constraints on when certain investments and other costs can be included in rates, thus reducing long-term capital costs through the more efficient deployment of proactive capital. Moreover, a FPFTY ensures that rates are not based on outdated information but "are set to reflect the costs of providing the service," a principle of rate-setting Ms. Hoover repeats several times in her testimony.[33] The third mechanism relieves constraints on mutually beneficial acquisitions for both the small municipalities whose systems are being acquired and the buyer utilities; and the fourth ensures that potential rate shock does not further delay critical infrastructure upgrades. Lastly, Aqua's proposal to defer certain costs related to PFAS treatment would ensure Aqua is able to access the capital needed to fund its large investments in PFAS treatment infrastructure at reasonable rates and appropriately aligns customer rates with Aqua's costs. Implementing these mechanisms in combination thus ensures that no one of these constraints can hold up infrastructure investments needed to support safe, reliable service over the long-term.

Moreover, there is no theoretical or practical limit on the number of mechanisms that should be applied to encourage particular behaviors by utilities, particularly when those particular

[33] OCA St. No. 1, pp. 32, 36.

behaviors are consonant with the public interest and/or have been provided for in state law. Indeed, although the Company has not proposed any alternative ratemaking mechanisms pursuant to Section 1330, that section demonstrates that the Pennsylvania legislature did not intend to limit in any way the number of alternative ratemaking mechanisms that could be applied to meet public interest objectives, as it explicitly allowed the Commission to approve "rates based on a combination of more than one" mechanism.[34]

V. THE USE OF FAIR MARKET VALUE

Q. Have you reviewed Ms. Hoover's discussion related to the Company's use of Fair Market Value in incorporating in rates the cost of recent municipal water company acquisitions?

A. Yes.

Q. Please summarize Ms. Hoover's position.

A. Ms. Hoover states that Aqua has completed 7 acquisitions where the ratemaking rate base was calculated using fair market value along with one other that is currently on appeal.[35] She claims that by using a fair market value approach rather than the traditional original cost approach, the rate base associated with these acquisitions is inflated and creates a large revenue deficiency for the customers acquired through these acquisitions.[36] This revenue deficiency occurs because the revenue Aqua proposes to collect from the acquired customers is less than the cost of service based on the fair market value of the acquired

[34] 66 Pa. C.S. §1330(b)(1).

[35] OCA St. No. 1, p. 30.

[36] OCA St. No. 1, p. 31.

assets.[37] Consequently, she claims that the "rates for the acquired customers are disconnected from the actual cost to serve them,"[38] and argues that Aqua's proposed reallocation is not consistent with principles of fairness and efficiency.[39]

Q. Do you agree with Ms. Hoover?

A. No. Aqua's use of fair market value in calculating its rate base for acquisitions is fully supported by existing laws and regulations in Pennsylvania, which were intentionally designed this way by the legislature and regulators to encourage regionalization and acquisitions of smaller, often nonviable, water and wastewater utilities by larger utilities better able to maintain acceptable service quality.

The Pennsylvania legislature passed Section 1329 to encourage the acquisition of municipal water and wastewater systems by larger public utilities and entities, recognizing that such acquisitions "can facilitate necessary infrastructure improvements and ensure the continued provision of safe, reliable service to customers at reasonable rates."[40] Prior to the enactment of Section 1329, the method of valuing utility property as "the original construction cost less accumulated depreciation" could lead to municipalities with heavily depreciated assets being viewed as "less advantageous" acquisitions.[41] In response, the Pennsylvania legislature enacted Section 1329 which allowed for the fair market valuation

[37] OCA St. No. 1, p. 31.

[38] OCA St. No. 1, p. 32.

[39] OCA St. No. 1, p. 37.

[40] 2016 Implementation Order re Section 1329, p. 2.

[41] 2016 Implementation Order re Section 1329, p. 2.

of water and wastewater systems to be acquired.[42] Additionally, this rule mitigated the risk that the acquiring utility may not be able to recover the full cost of such acquisitions.[43]

The Pennsylvania legislature also enacted Section 1311 to permit a utility to propose to allocate a portion of wastewater systems' higher revenue requirements to water customers when such allocation is in the public interest.

Ms. Hoover's contention that the "fair market value rate base exacerbates the revenue deficiencies"[44] is irrelevant, and the associated valuations have nothing to do with "fairness" and "efficiency." The decision to allocate a portion of the wastewater revenue requirement under Section 1311 is simply a rate design question for the Commission to decide.

Q. Should the Company's inclusion of fair market value rate base provide a basis for reducing Aqua's authorized return on common equity in this case?

A. No. If the Commission were to reduce Aqua's authorized return in this case due to its use of the statutorily authorized fair market value procedure, the effect would be to undermine the Legislature's determination that Section 1329 is an appropriate ratemaking tool. It would also discourage future acquisitions under Section 1329, further undermining the purpose of that statute.

Q. Does this conclude your rebuttal testimony?

[42] 2016 Implementation Order re Section 1329, p. 2.

[43] 2016 Implementation Order re Section 1329, p. 3.

[44] OCA St. No. 1, p. 37.

A. Yes.

Appendix A

CV of Paul Hibbard

PAUL J. HIBBARD
Principal

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14th Floor
Boston, MA 02199

Mr. Hibbard is an expert on economics, strategy, regulation, and policy in the electric and natural gas industries. He has a comprehensive background merging business development, technical analysis, resource planning and development modeling, economics, and public policy in the energy and environmental fields. Mr. Hibbard has provided technical and strategic advice to government, industry, business, public interest groups, and trade organizations on energy market structure, electric and natural gas infrastructure planning and siting, utility resource solicitation and procurement, emission allocation and environmental policy, renewable resource program design and administration, transmission pricing, climate change policy, utility ratemaking practices, and the transfer of US federal and state emission control programs to other countries.

Prior to joining Analysis Group, Mr. Hibbard was chairman of the Massachusetts Department of Public Utilities. During his tenure, he carried out a forward-looking ratemaking and policy agenda to advance energy efficiency and renewable resources, coordinate regional efforts in the development of energy resources and associated infrastructure, and promote the administration of fair and efficient transmission pricing models in regional and national contexts. He also has provided testimony on resource planning, competitive electricity markets, and transmission pricing in hearings before committees of the Massachusetts legislature and the US House of Representatives, the Federal Energy Regulatory Commission (FERC), and state and regional planning councils.

EDUCATION

M.S.	Energy and resources, University of California, Berkeley *Thesis: Safety and Environmental Hazards of Nuclear Reactor Designs* *(Ph.D. coursework in nuclear engineering)*
B.S.	Physics, University of Massachusetts Amherst

PROFESSIONAL EXPERIENCE

2010–Present	**Analysis Group, Inc.** *Principal (2015–Present)* *Vice President (2010–2015)*
2007–2010	**Massachusetts Department of Public Utilities** *Chairman* *Member, Energy Facilities Siting Board* *Manager, New England States Committee on Electricity (NESCOE)* *Treasurer, Executive Committee, Eastern Interconnect States' Planning Council*

2007–2010 **Massachusetts Department of Public Utilities** (continued)
Representative, New England Governors' Conference (NEGC)
Power Planning Committee
Member, National Association of Regulatory Utility Commissioners (NARUC)
Electricity Committee, Procurement Work Group

2003–2007 **Analysis Group, Inc.**
Vice President (2005–2007)
Manager (2003–2005)

2000–2003 **Lexecon Inc.**
Senior Consultant (2002–2003)
Consultant (2000–2002)

1998–2000 **Massachusetts Department of Environmental Protection**
Environmental Analyst

1991–1998 **Massachusetts Department of Public Utilities**
Senior Analyst, Electric Power Division

1988–1991 **University of California, Berkeley**
Research Assistant, Safety/Environmental Factors in Nuclear Designs

SELECTED PUBLIC-SECTOR EXPERIENCE (MASSACHUSETTS)

- ***Chairman, Department of Public Utilities***
  - Chaired the state's public utilities commission during a period of aggressive change in state policies affecting the electricity and natural gas industries, including initial implementation of several new state energy laws and initiatives restructuring the setting of utility rates, promoting the expansion of energy efficiency and demand response, facilitating the retail and wholesale market integration of renewable and low-carbon resources, and revising state policy on the siting of major generation and transmission infrastructure.
  - Oversaw the issuance of initial regulations and policy related to revenue decoupling, net metering, long-term contracting for renewables, and power system emergency planning and outage restoration.
  - Led Massachusetts's work with regulators across the Northeast to pursue large-scale renewable resource development through coordinated procurement strategies to develop coordinated positions related to national transmission development proposals and establish a regional presence on transmission-related provisions in federal legislation.
  - As chairman, served as the administrative and policy head of an agency of nearly 150 employees, and was responsible for agency management and growth, budgeting, legislative matters, press inquiries, and policy agenda-setting.
  - Oversaw the completion of all dockets jurisdictional to the department, including rate cases and associated tariff matters, forecast and supply planning for electric and natural gas industries, and state oversight of natural gas pipeline safety and public transit authorities.
  - Responsible for all interaction with the governor's office, legislature, and Executive Office of Energy and Environmental Affairs, as well as representing the state in regional deliberations related to electric and natural gas utility policy, electricity market design and oversight, and regional power system reliability issues.

- ***Member, Energy Facilities Siting Board***
  Sitting member of the state board responsible for reviewing all proposals for major generation and transmission infrastructure projects within the state, as well as state intervention in federal review of natural gas pipeline infrastructure. Review involved technical, environmental, and economic evaluation of jurisdictional power plants, transmission lines, and other energy infrastructure, as well as ruling on proposals for exemption from state and local zoning ordinances.
- ***Manager, NESCOE***
  State representative of the regional group chartered to develop New England regional policy positions on electricity market and transmission planning issues. Responsibilities included consideration of group development issues, input into regional determinations of the Installed Capacity Requirement, consideration of regional approaches to transmission planning and the consideration of non-transmission alternatives, and coordinated development of a regional RFP/RFI for the solicitation of renewable power under long-term contracts for the New England states.
- ***Treasurer, Executive Committee, Eastern Interconnection States' Planning Council***
  Elected treasurer of the steering committee for the state council formed under a US Department of Energy (DOE) grant to coordinate with power system operators on developing long-range plans for a transmission system spanning 41 states in the eastern US. Coordinated New England states' approach to policy issues stemming from council efforts.
- ***Representative, NEGC Power Planning Committee***
  Represented the governor's office in all discussions related to regional energy/environmental issues, including transmission cost allocation, regional energy policy coordination, and development of mechanisms for and approaches to procurement of renewable power through long-term contracts with sources in New England and eastern Canada. Engaged in collaborative discussions with counterparts representing the Eastern Canadian Premiers.

SELECTED CONSULTING EXPERIENCE

Government, Foundations, Commissions, and Cooperatives

- ***For the Natural Resources Defense Council (NRDC)*** – Coauthored a public report on the Clean Electricity Payment Program's (CEPP) positive impact on the US economy if adopted (2021).
- ***For Advanced Energy Economy (AEE)*** – Coauthored a public report on the potential economic impacts of applying stimulus funds to electrification of the US transportation sector using estimated spending levels from President Biden's American Jobs Plan (2021).
- ***For AEE*** – Coauthored a public report on the potential economic impacts of applying stimulus funds to develop advanced energy technologies, products, and services in the US using estimated spending levels from President Biden's American Jobs Plan (2021).
- ***For the Coalition for Green Capital*** – Coauthored a white paper examining the potential of the federally authorized Clean Energy and Sustainability Accelerator that could address economic and climate crises (2021).
- ***For AEE*** – Coauthored a series of public reports on the economic impacts in select states of potential stimulus spending on clean and advanced energy resources (2020).
- ***For a municipal association*** – Drafted a white paper related to the fuel mix and emission characteristics of the portfolio of generating assets and power contracts used by municipal electric light companies in Massachusetts (2020).
- ***For the Wellesley Municipal Light Plant (WMLP)*** – Coauthored two white papers on the greenhouse gas (GHG) impacts of the WMLP power portfolio, and considerations for the WMLP associated with achieving continued reductions in carbon emissions over the ensuing decades (2020).

- ***For the Georgetown Climate Center*** – Conducted a bill impact analysis related to Virginia's proposed implementation of a carbon cap-and-trade program (2018).
- ***For Energy New England*** – Provided strategic assistance on energy market and public policy issues in New England (2017).
- ***For the Environmental Defense Fund*** – Coauthored a white paper related to historical power system emission trends (2015).
- ***For the Massachusetts Attorney General*** – Coauthored a report evaluating electric and natural gas infrastructure in New England from the perspectives of reliability, cost, and GHG emissions (2015).
- ***For AEE*** – Coauthored a report on the status of the electric industry in the State of Ohio, and developed recommendations on state energy policy in consideration of the state's market and technological circumstances at the time.
- ***For the Energy Foundation and industry groups*** – Coauthored multiple white papers on the reliability, cost, and market efficiency impacts of the US Environmental Protection Agency's (EPA's) proposed regulations to control emissions of carbon dioxide from existing electric generating facilities. Presented results in numerous conference, stakeholder, and regulatory settings.
- ***For a foundation*** – Led a study of the economic impacts of a state clean energy policy (2013–2014).
- ***For the Massachusetts Department of Energy Resources –*** Provided testimony on the ratepayer and social benefits of reducing methane leaks from a local natural gas distribution company's system (2013).
- ***For AEE*** – Facilitated a regional symposium for the New England Conference of Public Utility Commissioners and staff related to advanced energy technology development and commercialization, and the legal and regulatory structures needed to facilitate integration of emerging technologies (2013).
- ***For the Regional Greenhouse Gas Initiative (RGGI)*** – Conducted a bill impact analysis related to changes to retail customer electric bills in New England, New York, and RGGI Pennsylvania, New Jersey, and Maryland Interconnection (PJM) states associated with various changes considered by RGGI to program cap level and use of allowance revenues (2012).
- ***For AEE*** – Participated in a project advising AEE with respect to its national program to support public utility commission consideration of policies and regulations related to the development and integration of advanced energy technologies (2012–2013).
- ***For the Merck Family Fund*** – Developed an interactive tool to compare the impacts of energy, economic, environmental, legislative, and regulatory policies and programs across the US (2012).
- ***For AEE*** – Coauthored a report on the perspectives of CEOs at advanced energy companies doing business in California on California's energy policies. Conducted over 30 interviews with energy business leaders to get perspectives and recommendations for policy changes (2012).
- ***For the Barr Foundation*** – Coauthored a report on the benefits and costs associated with reducing natural gas leaks on natural gas distribution systems through implementation of targeted infrastructure replacement ratemaking mechanisms in Massachusetts, Rhode Island, and Ohio. Developed a cost-benefit model to quantify the impacts of such programs (2012–2013).
- ***For the American Clean Skies Foundation*** – Developed a dispatch price and emissions model to forecast power system outcomes in the PJM Interconnection, Midwest Independent System Operator, and Southwest Power Pool regions (2012).
- ***For a national environmental organization*** – Conducted a comprehensive national review of energy efficiency monitoring and verification programs in order to support development of a protocol that

could be used to allow energy efficiency to be used as a compliance tool in national carbon emission control regimes (2012–2013).

- ***For the Merck Family Fund –*** Co-led a project to carry out an analysis of the economic impacts of the Northeast states' use of revenues collected from the auctioning of carbon allowances associated with RGGI (2011).
- ***For AEE –*** Developed background on electric industry structure, regional planning and market structures and operations, and state energy policy organization and initiatives. Assisted with the development of a web-based information platform (2011).
- ***For the American Clean Skies Foundation –*** Authored a paper on the redesign of wholesale electricity market structures to efficiently integrate a higher level of variable resources (2012). Coauthored a white paper examining electric reliability and air emission issues associated with the potential retirement of the Potomac River Generating Station in Alexandria, Virginia (2011).
- ***For the Public Service Commission of Colorado –*** Coauthored a white paper on the design of incentives for the photovoltaic (PV) solar energy market (2011).
- ***For a national environmental organization*** – Conducted an economic analysis of key US cities that were or had been in nonattainment under the National Ambient Air Quality Standards, to explore relationships between air quality control requirements and the local economy (2011).
- ***For a national environmental organization*** – Completed a comprehensive report on the full scope of energy efficiency and demand response programs administered by New York electric utilities and the New York Independent System Operator (NYISO). Assessed the potential for additional innovative programs to improve energy efficiency and demand response in New York City (2010).
- ***For the North Carolina Attorney General –*** Managed a project in support of expert testimony on the economic and financial feasibility of requiring the installation of controls to reduce emissions of sulfur dioxide, nitrogen oxides, and mercury from coal-fired power plants owned by the Tennessee Valley Authority (TVA). The project was in the context of a public nuisance lawsuit brought by the North Carolina Attorney General against TVA (2006).
- ***For the National Commission on Energy Policy –*** Authored white papers on (1) the implications for US energy infrastructure of the damage to Gulf Coast energy facilities from Hurricanes Katrina and Rita (2006); (2) the practical and economic implications of various mechanisms for the allocation of carbon dioxide emission allowances to the electric sector under potential federal carbon control regimes (2005); and (3) national energy infrastructure needs for the electricity, natural gas, and petroleum industries, and for addressing the long-term impacts of energy production and use associated with spent nuclear fuel and carbon dioxide (2004).
- ***For the Massachusetts Health and Educational Facilities Authority (MHEFA) PowerOptions Program*** – Managed several projects providing regulatory, economic, and strategic advice to PowerOptions to assist in their selection and pricing of retail electricity products from competitive electricity suppliers. Over a three-year period, projects included analyses of forward prices and wholesale markets for capacity and reserves; analysis of contract price options, terms, and conditions; and analysis of congestion pricing implications for retail supply (2002–2004).
- ***For the Energy Foundation*** – Coauthored a report (with Dr. Susan Tierney) documenting best practices in energy facility siting regulations in the US, and analyzing in particular the impact of California's energy facility siting process on that state's electricity crisis (2002). Supported a foundation-based program to provide international assistance to China's efforts to privatize and restructure its electric industry, and to develop regulations to control air emissions from power plants in that country (2000–2003).
- ***For the Massachusetts Technology Collaborative (MTC) –*** Managed projects in support of the MTC's renewable and premium power programs, including the (1) creation of a standard financial

pro-forma for wind and landfill gas technologies in New England under various assumptions related to capital and operating costs, financing, discount rates, and the impact of state and federal policies to support renewable development; (2) development of an economic model to determine the financial impact on potential wind and combined heat and power facilities of proposed changes to utility standby service tariffs; and (3) research, strategic, and regulatory support of MTC's efforts to advance distributed generation in Massachusetts to promote renewable resources and improve power reliability for commercial and industrial customers (2000–2002).

ENERGY INDUSTRY STAKEHOLDERS

- ***For PECO Energy*** – Provided testimony on traditional ratemaking principles as applied to PECO's cost of providing gas delivery service (2021).
- ***For the Hingham Municipal Lighting Plant (HMLP)*** – Conducted an internal evaluation of the impact of decarbonization of residential and commercial energy use in the town, and its effect on HMLP's investments and operations (2020).
- ***For a natural gas interstate pipeline company*** – Coauthored a white paper and presention showing options to decarbonize the company's operations. The study included an analysis of its GHG footprint, identification of options and pathways to reduce net GHG emissions from operations to zero over time, and the development of recommendations for senior management (2020).
- ***For Oracle Corporation*** – Conducted an analysis of and report on the GHG emission reduction impacts of various types of energy efficiency programs and measures, with a focus on the comparison of structural and behavioral energy efficiency programs (2020).
- ***For NYISO*** – Conducted a study of the parameters used as the basis to set the NYISO's installed capacity demand curves for the four capability years beginning with the summer 2021 capability period (2020).
- ***For NYISO*** – Conducted an internal study of the potential reliability impacts on the electric grid due to changes in system mix and operations associated with a changing climate, and with state programs to address climate change (2020).
- ***For NYISO*** – Conducted a study of the potential risks to New York power system operations associated with an increased reliance on natural gas for power generation (2020).
- ***For Commonwealth Edison*** – Provided testimony on issues associated with a request for a certificate of public convenience and necessity by NextEra related to the proposed acquisition of the transmission assets of Rochelle Municipal Utilities (2020).
- ***For Repsol Energy North America*** – Provided strategic assistance related to the potential impacts of electric system market rules and public policy on the potential marketability of liquefied natural gas (LNG) in New England (2020).
- ***For Liberty Utilities*** – Provided testimony on the need for and economic and environmental impacts of the proposed Granite Bridge pipeline and LNG project in the State of New Hampshire (2020).
- ***For NYISO*** – Coauthored a white paper for NYISO on the potential impacts of a proposed carbon pricing mechanism in New York on power prices; energy policy; and economic, environmental, and public health impacts in New York (2020).
- ***For NTE Energy*** – Provided testimony before the Connecticut Siting Council on the need for and potential benefits associated with a proposed new natural gas-fired power plant in the State of Connecticut (2020).
- ***AltaGas*** – Provided testimony before the Maryland and District of Columbia public utility commissions on the potential environmental impacts of a proposed merger between AltaGas and Washington Gas (2017–2018).

- ***For Calpine Corporation*** – Coauthored a white paper on the design of a proposed carbon trading mechanism in Massachusetts (2017).
- ***For Vermont Gas*** – Provided testimony on the prudence of Vermont Gas' decisions and investments with respect to the Addison natural gas project (2017).
- ***For the Vermont Electric Power Company (VELCO)*** – Coauthored a white paper on VELCO's capital structure associated with its transmission assets and operations (2016).
- ***For the Merck Family Fund*** – Coauthored a white paper on economic principles associated with the trading of emission allowances associated with RGGI (2016).
- ***For a consortium of solar companies*** – Developed a white paper on the appropriate evaluation and treatment of behind-the-meter solar PV generation from the perspective of net metering policies in Massachusetts (2015).
- ***For a group of owners of electric generating facilities*** – Developed a comprehensive quantitative and qualitative critique of a utility proposal to invest in electricity storage capability in the State of Texas. Drafted a report for circulation to legislative, regulatory, and market interests stating the results of the critique and analysis (2015).
- ***For an energy resource developer*** – Conducted a financial and ratepayer analysis of the benefits of a project to develop a power plant and natural gas pipeline in the State of Maine. Submitted testimony to the Maine Public Utilities Commission describing the results (2014–2015).
- ***For an energy storage company*** – Developed an optimization analysis to evaluate the security, reliability, economic, and environmental benefits and costs of multiple battery storage installations across the Hawaiian Islands in different industry settings (renewable generator, island utility, military base, hotel/resort). Drafted a report presenting the results, considering the state's unique energy price and fuel security context (2014–2015).
- ***For NYISO*** – Developed a model to compare cost, resource, and emission outcomes of alternative designs for a capacity market in the State of New York. Coauthored a report presenting the results of the analysis and a comprehensive review of the benefits and drawbacks of moving from a spot to a forward capacity market (FCM) structure. Presented results to NYISO senior management and several meetings of New York electricity market participants and stakeholders (2014–2015).
- ***For multiple regional transmission organizations (RTOs)*** – Provided strategic support at the board-of-director and senior-management levels for considering the changing structures of retail regulation and wholesale market incentives within their regions (2014–2015).
- ***For Calpine Corporation –*** Provided testimony on the costs and benefits of different proposals for generation capacity in Florida (2014).
- ***For an RTO*** – Conducted an internal analysis of the financial risk associated with the RTO's position in administering the trading of power system transmission rights (2014).
- ***For a regional transmission operator*** – Conducted a top-to-bottom review of the content and design of the RTO's Rate Schedule 1 tariff for the collection of operational costs from market participants. Presented results of the analysis to the RTO's board of directors and senior management (2014).
- ***For a retail electricity supplier*** – Provided analytic and strategic support with respect to the supplier's participation in a state regulatory proceeding related to changing the nature of and rate structure for electric distribution service (2014).
- ***For Ambri Inc. –*** Led a study of the economic feasibility of using battery storage in conjunction with wind and solar for a micro-grid application (2013–2014).
- ***For Calpine Corporation –*** Provided testimony on the costs and benefits of different proposals for generation capacity in Minnesota (2013).

- ***For the New England Independent System Operator (ISO-NE) –*** Assisted on several projects related to addressing the codependence of electric and natural gas systems in New England through a mix of short- and long-term market rule changes and administrative actions. Assistance included review of market structures to improve unit performance, particularly under stressed natural gas system conditions; quantification of the costs of potential natural gas and electric system infrastructure, and contractual responses to market rules and administrative actions (e.g., dual-fuel capability, new pipeline investment, LNG purchasing, and firm natural gas transportation agreements); and assistance with a series of discussions between ISO-NE and regional electricity and natural gas market participants. Also quantified the potential benefits of improved performance associated with reduced system interruptions (2012–2013).
- ***For the ISO-NE*** – Developed an economic supply/demand model of the FCM to estimate the cost impact of integrating a new long-term performance incentive design element into the FCM auctions and pricing structure (2012–2013).
- ***For Calpine Corporation*** – Filed a report with the EPA on the impact of emergency generation demand response programs on the costs and emissions associated with power system dispatch in the PJM electricity market (2012).
- ***For the ISO-NE*** – Organized and helped lead a strategic planning initiative to address unit retirement, fuel mix, operational performance, and wind resource integration issues. Oversaw comprehensive generating unit performance analysis and electric-gas system risk review. Conducted a thorough internal risk assessment and key-challenge solution development. Facilitated meetings and developed organizational and concept documents to explore outcomes and assist in deliberations with states and regional industry stakeholders, and participated in external meetings to gain input and feedback (2010–2012).
- ***For an RTO*** – Conducted a top-to-bottom review of its external market monitoring function and a comprehensive best-practices survey of all internal and external market monitoring functions at US RTOs and independent system operators (ISOs) (2012).
- ***For a wind power development company*** – Conducted a regional review of wind power development projects and an assessment of potentially valuable projects for acquisition based on power system location and siting viability (2012).
- ***For an energy services company –*** Oversaw and conducted an analysis of business, legal, and regulatory conditions related to a legal dispute over the legitimacy of a contract for energy and water management services. Coauthored a report to be used in the development of legal strategy and legal proceedings (2012).
- ***For an international power company*** – Conducted a review of a regional utility's compliance with the FERC requirements for transmission open access, and developed strategies for the filing of complaints of anticompetitive conduct before the FERC (2011–2012).
- ***For an RTO*** – Comprehensively reviewed and suggested changes to the design of regional market structures; oversaw data review and analysis related to key market design features and asset performance (2011).
- ***For Direct Energy*** – Assisted with the development of strategies to increase retail choice in Pennsylvania, including the design of an opt-in descending-clock auction to increase migration from default service to competitive supply. Prepared comments and analysis on utility contract structures. Provided testimony before the Pennsylvania Public Utilities Commission (2011).
- ***For Algonquin Gas*** – Submitted affidavits and testified in bankruptcy court on the impact on power plant value of changes in market rules related to the FCM in New England. Also provided testimony on the impact on power system reliability of the availability of firm transportation contracts for natural gas supplied to power plants in New England (2010).

- ***For an RTO*** – Conducted a best-practices and performance metrics analysis to benchmark the ISO's performance against industry peers with respect to responsiveness to consumers, stakeholders, and policymakers. Drafted a report with comprehensive benchmarking and performance metric recommendations; participated in stakeholder discussions (2010).
- ***For a power generators trade association*** – Developed and facilitated an all-day group discussion concerning key economic, environmental, legal, and policy challenges to the economic viability of existing and new power generation capacity in regional wholesale electricity markets (2010).
- ***For a coalition of electric companies*** – Coauthored the report "Ensuring a Clean, Modern Electric Generating Fleet while Maintaining Electric System Reliability," which reviewed the impact on power plant operations of proposed EPA rules to reduce emissions of sulfur dioxide, nitrogen oxides, mercury, and other hazardous air pollutants. Presented findings to numerous regional and national industry and regulatory groups (2010).
- ***For an industry coalition*** – Conducted a study and coauthored a white paper (with Dr. Susan Tierney) for the New England Energy Alliance on New England energy infrastructure needs and policy issues (e.g., facility siting policies, RGGI/climate change) influencing the future addition of energy infrastructure in the region (2006).
- ***For an interstate pipeline company and offshore LNG developer*** – Authored a report related to recent developments in the supply and demand for natural gas in New England, and surveyed the development, regulatory, and commercial status of proposed LNG projects across the US (2006); coauthored a report (with Susan Tierney) providing an overview of Northeastern natural gas markets and conditions, and an assessment of natural gas supply and demand conditions (2005).
- ***For independent system operators*** – Managed several projects and coauthored reports or analyses for the Northeast region's ISOs/RTOs related to ISO/RTO annual strategic plans; market monitoring and mitigation best practices; and the links between wholesale electricity markets and local distribution company retail prices (2002–2006).
- ***For electric utilities*** – Managed or participated in numerous engagements with wires-only as well as vertically integrated electric utilities within New England and across the country related to rate case strategy and regulatory support; strategic planning; power supply resource planning and procurement (including the role of independent monitor of utility procurements); price and environmental analyses related to the siting of new high-voltage transmission lines; and evaluation of the allocation of SO_2 and NO_x emission allowances under the EPA Clean Air Interstate Rule (CAIR) program (2001–2006).
- ***For a developer of a land-based LNG facility –*** Assisted in the preparation of confidential reports on US natural gas supply/demand conditions, market pricing indices, US LNG facilities' status, Northeast interstate and intrastate pipeline infrastructure conditions and prospects, and LNG supply contract prices, terms, and conditions (2006).
- ***For retail energy providers*** – Managed projects and authored or coauthored confidential reports on the experience with retail competition in the US, a benefit/cost analysis of wholesale electricity competition, and comparative analyses of retail electricity prices for utility and competitive retail suppliers in select states (2004–2006).
- ***For merchant generating companies/coalitions*** – Managed production cost dispatching analyses for strategic planning related to the construction of new generating capacity in New England; assisted in the development of regulatory proposals for new wholesale market organizations and policies in New England (2001–2002).
- ***For a major interstate pipeline owner/operator –*** Modeled the electrical load characteristics of pipeline operations and utility rate structures to quantify the extent to which the company was being overcharged for electricity services. Supported company intervention in public utility commission proceedings and with analytical support in settlement negotiations (2002).

- ***For a renewable power developer association*** – Provided testimony on the potential negative effects – and remedial policy options – related to the impact of locational marginal pricing on the development and operation of renewable generating resources in New England (2001).

OTHER PROFESSIONAL ACTIVITIES

AEE
Advisory Board (2011)

SELECTED REPORTS, TESTIMONY, PUBLICATIONS, AND PRESENTATIONS

Testimony of Paul J. Hibbard before the Rhode Island Public Utilities Commission, Docket No. 22-20-NG on behalf of The Narragansett Electric Company, d/b/a Rhode Island Energy (September 1, 2022)

Answering Testimony of Paul J. Hibbard before FERC, Docket No. ER20-2441-002 on behalf of McKenzie Electric Cooperative, Inc. (July 15, 2022)

Testimony of Paul J. Hibbard before the US District Court, Southern District of Florida, Ft. Lauderdale Division on behalf of Simon Property Group et al., Case No. 0:20-cv-60981-AMC (June 6, 2022)

Methane Reduction Technology Electricity and Abatement Costs: The Cost to Power Zero-Emission Pneumatic Controllers and Pumps in Grid-Connected and Remote Locations, with Scott Ario and Elisa Gan (May 6, 2022)

Affidavit of Paul Hibbard and Charles Wu before FERC, Docket No. ER22-772-000 on behalf of NYISO (January 5, 2022)

Modifications to the BSM Construct in the NYISO Capacity Market: Analysis of Potential Capacity Market Competitiveness and Reliability Outcomes, with Charles Wu (December 2021)

Economic Impact of a Clean Electricity Payment Program, with Pavel Darling and Luke Daniels (September 2021)

"Why Hydrogen?," presentation during the EBC Energy Resources Webinar: Future of Green Hydrogen – Earthshot Effort to Meet the Needs of Climate Change (September 30, 2021)

"Decarbonization and The Power System," presentation during the Northeast Public Power Association RodE&O Conference and Expo, Engineering Track (September 22, 2021)

"Net Zero Carbon: What Is It and What Should It Be?," presentation during the LDC Gas Forum (September 14, 2021)

"Net Zero Carbon: What Is It and What Should It Be?," presentation during the NEPPA Annual Conference, General Session (August 23–24, 2021)

"Motivating Customers to Decarbonize with an Eye Toward Equity," presentation during the 2021 NARUC Summer Policy Summit (July 18, 2021)

Economic Impact of Stimulus Investment in Advanced Energy for America, with Pavel Darling (June 2021)

Economic Impact of Stimulus Investment in Transportation Electrification, with Pavel Darling (June 2021)

"A Step Through the Looking Glass – Outlook for Natural Gas in the Northeast," Webinar for the Northeast Gas Association (NGA) Regional Market Trends Forum, What are the Market Pathways and Their Various Implications (April 29, 2021)

Accelerating Job Growth and an Equitable Low-Carbon Energy Transition: The Role of the Clean Energy Accelerator, with Susan F. Tierney (January 2021)

"Carbon Pricing: This Is the Way," presentation on a plenary panel to the New England Restructuring Roundtable (December 11, 2020)

"Approaches to Meeting Decarbonization Mandates: Important Decisions with Cost, Equity, and Reliability Implications," presentation during the EUCI Decarbonization Summit on state decarbonization opportunities (December 9, 2020)

"Approaches to Meeting Decarbonization Mandates: Important Decisions with Cost, Equity, and Reliability Implications," presentation during the New England Energy Summit on state decarbonization opportunities (November 23, 2020)

Affidavit of Paul J. Hibbard before FERC, Docket No. ER21-502-000 on behalf of NYISO (November 30, 2020)

Economic Impact of Stimulus Investment in Advanced Energy (series of 10 state-specific reports), with Pavel G. Darling (September–October 2020)

Climate Change Impact and Resilience Study – Phase II: An Assessment of Climate Change Impacts on Power System Reliability in New York State, with Charles Wu, Hannah Krovetz, Tyler Farrell, and Jessica Landry (September 2020)

Presented virtually at the Annual NECA Conference on how New England can transition away from fossil fuels, as well as the costs, reliability, and societal implications of moving toward low-carbon alternatives (September 30, 2020)

Independent Consultant Study to Establish New York ICAP Demand Curve Parameters for the 2021/2022 through 2024/2025 Capability Years – Final Report, with Todd Schatzki, Charles Wu, Christopher Llop, Matthew Lind, Kiernan McInerney, and Stephanie Villarreal (September 9, 2020)

Utility energy efficiency program performance from a climate change perspective: A comparison of structural and behavioral programs, with Jonathan Baker, Mona Birjandi-Feriz, and Hannah Krovetz (August 2020)

"Energy Efficiency for Climate, Not Ratepayers," presentation on a plenary panel to the American Council for an Energy-Efficient Economy (ACEEE) Summer Study Session (August 19, 2020)

For the New England Power Generators Association (NEPGA), coauthored a report assessing the potential use of carbon pricing in New England; the analysis applied tested industry models to identify effective and efficient economy-wide pricing of carbon dioxide (CO_2) emissions consistent with New England states' GHG emission reduction targets (June 23, 2020)

Carbon Pricing for New England: Context, Key Factors, and Impacts, with Joseph Cavicchi (June 2020)

"Decarbonization and Wholesale Markets in New England – Looking Ahead: Achieving 80% GHG Reduction by 2050," presentation on a plenary panel to the Association of Energy Engineers Conference, "ISO-NE in 2050: Getting to an advanced energy future in New England," Boston, MA (March 18, 2020)

"Decarbonization and Natural Gas in the Northeast," panel moderator and presenter at the EUCI conference on Natural Gas Decarbonization, Denver, CO (January 22–23, 2020)

Fuel and Energy Security in New York State: An Assessment of Winter Operational Risks for a Power System in Transition, with Charles Wu (November 2019)

Clean Energy in New York State: The Role and Economic Impacts of a Carbon Price in NYISO's Wholesale Electricity Markets, with Susan F. Tierney (October 2019)

"Natural Gas in Power Generation: Role Going Forward," 7th Annual Maine Natural Gas Conference to discuss power generation in the New England region. Falmouth, ME (October 3, 2019)

Direct Testimony of Paul J. Hibbard before the New Hampshire Public Utilities Commission on the need for and economic and environmental impacts of proposed Liberty Utilities Granite Bridge pipeline and LNG project, Docket No. DG 17-152 (June 28, 2019)

Rebuttal Testimony on Reopening of Paul J. Hibbard before the Illinois Commerce Commission on Behalf of Commonwealth Edison, Docket No. 18-0843 (May 31, 2019)

Pre-filed Testimony of Paul J. Hibbard before the Connecticut Siting Council on behalf of NTE Connecticut LLC, Docket No. 470 (January 18, 2019)

Vehicle Fuel-Economy and Air Pollution Standards: A Literature Review of the Rebound Effect, with Susan F. Tierney, Benjamin Dalzell, Grace Howland, Jonathan Baker, Tom Beckford, Sarah Centanni, Asie Makarova, and Scott Ario (June 28, 2018)

"An Expanding Carbon Cap-and-trade Regime? A Decade of Experience with RGGI Charts a Path Forward," with Susan F. Tierney and Pavel G. Darling, *The Electricity Journal* (June 2018)

Testimony of Paul J. Hibbard before the District of Columbia on behalf of AltaGas, Case No. 1142 (May 25, 2018)

The Economic Impacts of the Regional Greenhouse Gas Initiative on Nine Northeast and Mid-Atlantic States, review of RGGI's third three-year compliance period (2015–2017), with Susan F. Tierney, Pavel G. Darling, and Sarah Cullinan (April 2018)

Post-Settlement Testimony of Paul J. Hibbard before the Maryland Public Service Commission on behalf of AltaGas, Case No. 9449 (January 5, 2018)

Rebuttal Testimony of Paul J. Hibbard before the Public Service Commission of the District of Columbia on behalf of AltaGas, Formal Case No. 1142 (October 27, 2017)

Capacity Resource Performance in NYISO Markets: An Assessment of Wholesale Market Options, with Todd Schatski and Sarah Bolthrunis (November 2017)

RGGI and Emissions Allowance Trading: Options for Voluntary Cooperation Among RGGI and Non-RGGI States, with Ellery Berk (July 2017)

"Analytical Issues in Linking," presentation on Virginia and the Regional Greenhouse Gas Initiative, Virginia Commonwealth University, Richmond, VA (July 12, 2017)

Electricity Markets, Reliability and the Evolving U.S. Power System, with Susan Tierney and Katherine Franklin (June 2017)

"Storage and Microgrids – New Applications," panel presentation during the Electricity Advisory Committee's Energy Storage Session (June 8, 2017)

Supplemental Affidavit of Paul J. Hibbard before FERC, Docket No. ER17-386-000 on behalf of NYISO (December 18, 2016)

Affidavit of Paul J. Hibbard before FERC, Docket No. ER17-386-000 on behalf of NYISO (November 18, 2016)

Evaluation of Vermont Transco, LLC Capital Structure, with Craig Aubuchon and Mike Cliff (October 2016)

Rebuttal Testimony of Paul J. Hibbard before the State of Vermont Public Service Board on behalf of Vermont Gas Systems Inc., Docket Nos. 8698 and 8710 (September 26, 2016)

RGGI and CO_2 Emissions Trading Under the Clean Power Plan: Options for Trading Among Generating Units in RGGI and Other States, Susan Tierney and Ellery Berk (July 12, 2016)

Affidavit of Paul J. Hibbard before the FERC, Docket No. ER16-1751-000 on behalf of the NYISO (May 20, 2016)

Declaration of Paul J. Hibbard and Andrea M. Okie in the US Court of Appeals for the District of Columbia Circuit, Case No. 15-1363 (and consolidated cases) on behalf of multiple parties (December 8, 2015)

Power System Reliability in New England: Meeting Electric Resource Needs in an Era of Growing Dependence on Natural Gas, report for the Massachusetts Office of the Attorney General, with Craig Aubuchon (November 2015)

Testimony of Paul J. Hibbard before the Senate Committee on Global Warming and Climate Change, *Power System Reliability in New England: Meeting Electric Resource Needs in an Era of Growing Dependence on Natural Gas* (November 24, 2015)

The Economic Impacts of the Regional Greenhouse Gas Initiative on Nine Northeast and Mid-Altantic States, review of RGGI's Second Three-Year Compliance Period (2012–2014), with Andrea Okie, Susan Tierney, and Pavel Darling (July 14, 2015)

Electric System Reliability and EPA's Clean Power Plan: The Case of MISO, report for the Energy Foundation, with Susan Tierney and Craig Aubuchon (June 8, 2015)

Net Metering in the Commonwealth of Massachusetts: A Framework for Evaluation (May 2015)

NYISO Capacity Market: Evaluation of Options, report for the NYISO, with Todd Schatzki, Craig Aubuchon, and Charles Wu (May 2015)

Ohio's Electricity Future: Assessment of Context and Options, report for Advanced Energy Economy, with Andrea Okie (April 2015)

Electric System Reliability and EPA's Clean Power Plan: The Case of PJM, report for the Energy Foundation, with Susan Tierney and Craig Aubuchon (March 16, 2015)

Electric System Reliability and EPA's Clean Power Plan: Tools and Practices, report for the Energy Foundation, with Susan Tierney and Craig Aubuchon (February 2015)

Tools States Can Utilize for Managing Compliance Costs and the Distribution of Economic Benefits to Consumers Under EPA's Clean Power Plan, Electricity Forum, with Andrea Okie and Susan Tierney (February 2015)

The Economic Potential of Energy Efficiency, report for the Environmental Defense Fund, with Katherine Franklin and Andrea Okie (December 2014)

Assessment of EPA's Clean Power Plan: Evaluation of Energy Efficiency Program Ramp Rates and Savings Levels, report for the Environmental Defense Fund and National Resources Defense Council, with Andrea Okie and Katherine Franklin (December 2014)

"EPA's Proposed Clean Power Plan and States' Planning for Implementation," presentation to the Power-Gen International Annual Conference (December 2014)

"Storage/Renewables Valuation: A Case Study Hitting Multiple Perspectives," presentation to the Caribbean Renewable Energy Forum 2014 (October 2014)

"Electric Industry Transformation: A New World, or a Step Through the Looking Glass?" presentation to the New England Independent System Operator Quarterly Meeting (September 2014)

"Consumers, Markets, and Infrastructure: New England at a Crossroads," presentation to the New England Consumer Liaison Group (September 2014)

"Columbia River Treaty Hydropower: Perspectives on Power Benefits," presentation to the LSI Conference on the Columbia River Treaty (September 2014)

Direct Testimony of Paul J. Hibbard on Behalf of Calpine Construction Finance Company, L.P., before the Florida Public Service Commission, Docket No. 140110-E1 (July 2014)

"States in Control: EPA's Clean Power Plan and State Implementation," presentation at the National Association of Regulatory Utility Commissioners Summer Meetings (July 2014)

"EPA's Clean Power Plan: States' Tools for Reducing Costs and Increasing Benefits to Consumers," with Andrea Okie and Susan Tierney, *The Electricity Journal* (July 2014)

Direct Testimony of Paul J. Hibbard on behalf of Calpine Construction Finance Company, L.P., before the Florida Public Service Commission, Docket No. 140110-E1 (July 14, 2014)

"Project Vigilance: Value of Ambri Batteries at Joint Base Cape Cod," presentation to the Raab Restructuring Roundtable, Boston MA (June 2014)

Further Explanation on Rate Calculations, with Todd Schatzki, memo to the New England Independent System Operator Markets Committee on setting the compensation rate for the ISO Winter Program (May 28, 2014)

"Markets, Infrastructure, and Policy: New England at a Crossroads," presentation to the US/Canada Cross-Border Power Summit (April 2014)

"Siting Infrastructure: Economic and Siting Hurdles," presentation to the US/Canada Cross-Border Power Summit (April 2014)

Economic Impact of the Green Communities Act in the Commonwealth of Massachusetts: Review of the Impacts of the First Six Years," with Susan Tierney and Pavel Darling (March 4, 2014)

Crediting Greenhouse Gas Emission Reductions from Energy Efficiency Investments: Recommended Framework for Proposed Guidance on Quantifying Energy Savings and Emission Reductions in Section 111(d) State Plans Implementing the Carbon Pollution Standards for Existing Power Plants, report for the Environmental Defense Fund, with Andrea Okie (March 2014)

"Climate Policy and the Economy," presentation to the 2014 Joint Institute for Strategic Energy Analysis Annual Meeting, NREL, Golden CO (March 2014)

Testimony of Paul Hibbard and Todd Schatzki on behalf of the New England Independent System Operator before the Federal Energy Regulatory Commission, Docket Nos. ER14-1050-000 and ER14-1050-001 (February 12, 2014)

Project Vigilance: Functional Feasibility Study for the Installation of Ambri Energy Storage Batteries at Joint Base Cape Cod, report for demonstration project under the MassInnovate Program of the Massachusetts Clean Energy Center, with Steve Carpenter, Pavel Darling, Margaret Reilly, and Susan Tierney (February 2014)

Testimony of Paul J. Hibbard before the Maine Public Utilities Commission on behalf of Loring Holdings LLC; testimony described the results of a financial and ratepayer analysis of the benefits of a project to develop a power plant and natural gas pipeline in the State of Maine (2014–2015)

Rebuttal Testimony of Paul Hibbard on behalf of Calpine Corporation before the Minnesota Public Utilities Commission, MPUC Docket No. E-002/CN-12-1240 (October 18, 2013)

Direct Testimony of Paul Hibbard on behalf of Calpine Corporation before the Minnesota Public Utilities Commission, MPUC Docket No. E-002/CN-12-1240 (September 27, 2013)

Assessment of the Impact of ISO-NE's Proposed Forward Capacity Market Performance Incentives, with Todd Schatzki (September 2013)

"Market Monitoring at US RTOs," presentation to the 12th Annual Gas and Power Institute, Houston, TX (August 2013)

Testimony of Paul J. Hibbard before the Massachusetts Department of Public Utilities on behalf of the Massachusetts Department of Energy Resources, DPU 13-07 (May 31, 2013)

Testimony of Paul Hibbard before the House Committee on Energy and Commerce, Subcommittee on Energy and Power, *The Role of Regulators and Grid Operators in Meeting Natural Gas and Electric Coordination Challenges* (March 19, 2013)

Testimony of Paul J. Hibbard, on behalf of the Massachusetts Department of Energy Resources, on the ratepayer and social benefits of reducing methane leaks from a local natural gas distribution company's system (2013)

California's Advanced Energy Economy – Advanced Energy Business Leaders' Perspectives and Recommendations on California's Energy Policies, with Andrea Okie and Susan Tierney, Advanced Energy Economy Institute, (February 2013)

Information from the Literature on the Potential Value of Measures that Improve System Reliability, memo to the New England Independent System Operator (January 24, 2013)

Information on the Range of Costs Associated with Potential Market Responses to Address the Risks Associated with New England's Reliance on Natural Gas, New England Independent System Operator (January 24, 2013)

Summary of Quantifiable Benefits and Costs Related to Select Targeted Infrastructure Replacement Programs, with Craig Aubuchon, report for the Barr Foundation, (January 2013)

"Demand Response in Capacity Markets: Reliability, Dispatch and Emission Outcomes," *The Electricity Journal*, with Andrea Okie and Pavel Darling (November 2012)

"The Electric Generation Landscape – A Marathon of Challenges," presentation to SNL Generation Landscape, Chicago IL (October 2012)

"Economics, EPA, and Old Capacity – Bring Out Your Dead," presentation to LSI Energy in the Northeast, Boston MA (September 2012)

Paul Hibbard, *Reliability and Emission Impacts of Stationary Engine-Backed Demand Response in Regional Power Markets*, report to the EPA on behalf of Calpine Corporation (August 2012)

"Uncertainty in Electricity Infrastructure Development – Key Drivers, International Context," presentation to NCEA Annual Conference, Brainerd, MN (June 2012)

"The Interdependence of Electricity and Natural Gas: Current Factors and Future Prospects," with Todd Schatzki, *The Electricity Journal* (May 2012)

"Economic Impacts of RGGI," presentation to the New Hampshire Environmental Business Council (April 2012)

Testimony of Paul Hibbard before the California Legislature, *The Economic Impacts of RGGI's First Three Years*, California Select Committee on the Environment, the Economy, and Climate Change (March 27, 2012)

Testimony of Paul Hibbard before the New Hampshire Legislature, *RGGI and the Economy – Following the Dollars*," New Hampshire House Committee on Science, Technology, and Energy (February 14, 2012)

Testimony of Paul Hibbard before the Massachusetts Legislature, *RGGI and the Economy – Following the Dollars*," Massachusetts Senate Committee on Global Warming and Climate Change (February 13, 2012)

"Economic Impacts of RGGI: Following the Dollars," presentation tothe California Business Climate Network, with Susan Tierney (February 2012)

"Carbon Control and the Economy: Economic Impacts of RGGI's First Three Years," with Susan Tierney, *The Electricity Journal* (December 2011)

"Public Policy Transmission: Competition and Cooperation," presentation to the Energy Bar Association Renewables Subcommittee, Washington, DC (November 2011)

"Competitive Markets and Wind Power: Challenge and Opportunity," presentation to the Governors' Wind Energy Coalition, Washington, DC (November 2011)

The Economic Impacts of the Regional Greenhouse Gas Initiative on Ten Northeast and Mid-Atlantic States; Review of the Use of RGGI Auction Proceeds from the First Three-Year Compliance Period, with Susan Tierney, Andrea Okie, and Pavel Darling (November 15, 2011)

Testimony before the Pennsylvania Public Utilities Commission on retail opt-in auctions (November 10, 2011)

"Interdependence and Opportunity: The Growing Link Between Electricity and Natural Gas," presentation to the Colorado Oil & Gas Association Energy Epicenter Conference, Denver, CO (August 2011)

Potomac River Generating Station: Update on Reliability and Environmental Considerations, with Pavel Darling and Susan Tierney (July 19, 2011)

"Retirement is Coming: Preparing for New England's Capacity Transition," *Public Utilities Fortnightly* (June 2011)

Generation Fleet Turnover in New England: Modeling Energy Market Impacts, with Todd Schatzki, Pavel Darling, and Bentley Clinton (June 2011)

Solar Development Incentives: Status of Colorado's Solar PV Program, Practices in Other States, and Suggestions for Next Steps, with Susan Tierney and Andrea Okie (June 30, 2011)

"The Balancing Act: Challenges in Traversing the Modernization of New England's Infrastructure," presentation to the NECA Annual Conference, Mystic, CT (May 2011)

"Renewables v. Gas: The Future of New England Infrastructure," presentation to the EBC Energy Seminar, Waltham, MA (April 2011)

"Upcoming Power Sector Environmental Regulations: Framing the Issues About Potential Reliability/ Cost Impacts," presentation to the Raab Restructuring Roundtable, Boston, MA (October 2010)

"Carbon Regulation: Action and Convergence Spanning the Pond," presentation to the Energy Smart Conference, Boston, MA (October 2010)

"Renewables Development – A Tricky Time to be Placing Bets," presentation to the NECA Renewables Committee, Boston, MA (October 2010)

"Energy Infrastructure Challenges in the Current Policy Environment, A Wide Angle Point of View," presentation to NARUC, Providence, RI, September 2010.

Ensuring a Clean, Modern Electric Generating Fleet while Maintaining Electric System Reliability, with Susan F. Tierney, Michael J. Bradley, Christopher Van Atten, Amlan Saha, and Carrie Jenks (August 2010)

"Renewables Development – National Policies, New England Progress," presentation to the National Association of State Energy Officials Annual Meeting, Boston, MA (September 2010)

"Northeast US and Eastern Canada – Competitive Markets and Renewable Resource Development," presentation to the LSI Conference on US/Canada Energy Transactions, Vancouver, BC (August 2010)

"Renewables in the Northeast – Local Opportunities, National Context," presentation to the Council of State Governments, Portland, ME (August 2010)

"Ensuring a Clean, Modern Electric Generating Fleet while Maintaining Electric System Reliability," with Susan Tierney, Michael Bradley, Christopher Van Atten, Amlan Saha, and Carrie Jenks (August 2010)

"Federal Transmission Legislation," comments to Capitol Hill briefing of the Coalition for Fair Transmission Policy, Washington, DC (April 2010)

"Transmission Planning & Cost Allocation Alternatives under Order 890," comments to the Energy Bar Association's 64th Meeting, Washington, DC (April 2010)

"Deregulation and Sustainable Energy," class lecture, Massachusetts Institute of Technology (Jonathan Raab Energy Course), Cambridge, MA (March 2010)

"Transmission for Renewables," presentation to the Raab Restructuring Roundtable, Boston, MA (March 2010)

"US Electric Power Transmission: The Battle of the Jurisdictions," comments to CERAWeek 2010 (March 2010)

"New England Blueprint and the Federal Context," presentation to the New England Independent System Operator Consumer Liaison Group Meeting, Westborough, MA (February 2010)

"Interconnection-Wide Planning and Renewable Energy," comments to the National Wind Coordinating Collaborative, Transmission Update Briefing (December 2009)

"Infrastructure Planning," comments to the Northeast Energy and Commerce Association Power Markets Conference, Westborough, MA (November 2009)

"Transmission for Renewables - Risks and Opportunities for the Northeast," presentation to the Governor's Clean Energy Innovation Forum, New Brunswick, NJ (October 2009)

"Renewable Energy Development – The Role of Markets and Planning," presentation to the Northeast Power Planning Council General Meeting, Cambridge, MA (September 2009)

"Transmission Planning," comments to the Federal Energy Regulatory Commission Technical Conference on Transmission Planning Processes Under Order No. 890, Docket No. AD09-8-000, Philadelphia, PA (September 2009)

"New England Governors' Blueprint – Purpose and Context," presentation to the Raab Restructuring Roundtable, Boston, MA (September 2009)

"Wind, Transmission, and Federal Legislation," comments to the MIT Wind Group, Cambridge, MA (Fall 2009)

"National Transmission Policy," comments to The Energy Daily's Transmission Siting Policy Summit, Washington, DC (September 2009)

Testimony before the Massachusetts Joint Committee on Telecommunications, Utilities and Energy Hearing to Review Implementation of the Green Communities Act, Boston, MA (July 8, 2009)

"Federal Transmission Legislation," comments to the National Association of State Utility Consumer Advocates, Boston, MA (July 2009)

"Renewable Energy Development – The Role of Markets and Planning," presentation to the Governor's Wind Energy Coalition, Washington, DC (July 2009)

"Transmission and Renewables: ISO and Regulator Perspectives" comments to the Raab Restructuring Roundtable, Boston, MA (June 2009)

"Renewable Development in and for New England: Massachusetts' Perspective," presentation to Law Seminars International, Boston, MA (June 2009)

"Roadmap to New Renewable Resources in New England," comments on the New England Governors' Blueprint to the New England Conference of Public Utilities Commissioners Annual Symposium, Newport, RI (May 2009)

"Comments of Chairman Paul Hibbard," presentation to the EBC Energy Seminar: New Transmission – The Key to Renewable Resource Integration in New England, Boston, MA (April 2009)

"Coordinating Wind and Transmission Development – Who Pays?" comments to the 2009 Platts Wind Power Development Conference, Chicago, IL (March 2009)

"Integrating Energy and Environmental Regulations in Massachusetts," presentation to the Northeast Sustainable Energy Association Building Energy Conference, Boston, MA (March 2009)

"One Reason for the GCA: Energy Pricing in Massachusetts," presentation to the South Shore Coalition, Hingham, MA (January 2009)

"Non-Reliability Transmission: State Choice and Control," presentation to the New England Conference of Public Utility Commissioners Transmission Group, Chelmsford, MA (January 2009)

"Regulation and Renewable Energy Policy," panel moderator, Center for Resource Solutions National Renewable Energy Marketing Conference, Denver, CO (October 2008)

"Energy Pricing in Massachusetts (… and What We Should Do About It)," presentation to the Berkshire Gas Large Commercial and Industrial Customer Annual Meeting, Lenox, MA (October 2008)

"Conversation with Chairman Hibbard," presentation to the New England Energy Alliance, Boston, MA (September 2008)

"Creating the Path: Delivering Clean Energy through Transmission Improvements," presentation to the New England Independent System Operator Lights, Power, Action Conference, Boston, MA (September 2008)

"Distributed Resources, the Decoupling Model, and the Green Communities Act," presentation to the Raab Restructuring Roundtable, Boston, MA (September 2008)

"Resource Planning: The Contribution of Efficiency and Renewables in Massachusetts," presentation to the Law Seminars International Renewable Energy in New England Conference, Boston, MA (September 2008)

"Remarks to Economic Studies Working Group," ESWG Committee Meeting, Westborough, MA (July 2008)

"Power Trade: Market Context and Opportunities," presentation to the New England Governors' Council/Eastern Canadian Premiers' Energy Dialogue, Montreal, Canada (May 2008)

"New England Transmission Investment," presentation to the Municipal Electric Association of Massachusetts Annual Business Meeting, North Falmouth, MA (April 2008)

"Bringing Power from the North," presentation to the Raab Restructuring Roundtable, Boston, MA (February 2008)

"Natural Gas: Drivers of Supply, Demand, and Prices," comments to the Guild of Gas Managers (November 2007)

"Generation and Demand Outlook for New England," presentation to NECA Dinner Meeting, Cambridge, MA (September 2007)

"Comments on ISO's Draft Regional System Plan," presentation to the Independent System Operator Planning Advisory Committee, Boston, MA (September 2007)

"Regulatory Pressures, Policy Opinions," presentation to the Environmental Business Council, Boston, MA (July 2007)

"Is New England Ensuring the Adequacy and Cost Effectiveness of the Region's Transmission Grid?" panel moderator, New England Conference of Public Utility Commissioners Annual Symposium, Mystic, CT (June 2007)

"Energy Regulation in Massachusetts – Concerns and Options," presentation to the Raab Restructuring Roundtable, Boston, MA (June 2007)

"View From the Regulatory Bench," comments to the New England Energy Conference and Exposition, Groton, CT (May 2007)

"Energy for New England – The Demand, Supply and Price Context," presentation to Massachusetts Municipal Wholesale Electric Cooperative Annual Meeting, Boylston, MA (May 2007)

"Demand Resources in New England: New Opportunities and Future Directions," presentation to the New England Independent System Operator Annual Demand Resources Summit, Westborough, MA (May 2007)

"Power Supply for the New England Region," presentation to the Boston Bar Association, Boston, MA (March 2007)

"Fuel Supplies and the Need for Fuel Diversity: Forecast for Global Fuel Markets and the Likely Impact on Electric Generation in the Northeast," presentation to the Law Seminars International Seminar on Resource Adequacy and Reliability in the Northeast (October 16, 2006)

"Consumers and Politicians Claim They Want Cheap, Reliable and Clean Energy – Do They Have the Will to Make That Happen?" presentation to the National Association of Energy Service Companies New England Regional Meeting (September 28, 2006)

"The Need for New LNG Infrastructure in Massachusetts and New England: An Update," report prepared for Northeast Gateway Energy Bridge, LLC, and Algonquin Gas Transmission, LLC (August 2006)

"Natural Gas & LNG for New England: What's Needed & How To Get It," presentation to the Foundation for American Communications Meeting on *New England's Energy Needs – Who Pays and Who Suffers?* (May 17, 2006)

Energy Policy Act Section 1813 Comments: Report of the Ute Indian Tribe of the Uintah and Ouray Reservation for Submission to the US Departments of Energy and Interior, with Susan F. Tierney, in cooperation with the Ute Indian Tribe of the Uintah and Ouray Reservation (May 15, 2006)

"US Energy Infrastructure Vulnerability: Lessons From the Gulf Coast Hurricanes," report to the National Commission on Energy Policy (March 2006)

"New England Energy Infrastructure – Adequacy Assessment and Policy Review" prepared for the New England Energy Alliance, with Susan Tierney (November 2005)

"Federal Legislative Developments in Energy," presentation to the Law Seminars International Seminar on Energy in the Northeast (October 2005)

"The Benefits of New LNG Infrastructure in Massachusetts and New England: The Northeast Gateway Project," prepared for Northeast Gateway Energy Bridge, LLC, and Algonquin Gas Transmission, LLC, with Susan Tierney (June 2005)

"Climate Change Policy – New Business and Regulatory Risks," presentation to EnviroExpo & Conference (May 2005)

"Carbon Cap & Trade Allocation Options – Practical Considerations," "Carbon Trading Program Emission Allowances: Practical Considerations for Allocation," and "Allocation of Carbon Allowances to Mitigate Electric Sector Costs," reports to the National Commission on Energy Policy (May 2005)

"U.S. Energy Infrastructure: Demand, Supply and Facility Siting," report to the National Commission on Energy Policy (November 2004)

Comments of Susan F. Tierney and Paul. J. Hibbard on their own behalf before the Federal Energy Regulatory Commission, in the Matters of Solicitation Processes for Public Utilities (Docket No. PL04-6-000) and Acquisition and Disposition of Merchant Generation Assets by Public Utilities (Docket No. PL04-9-000), on the role of independent monitors and independent evaluators in public utility resource solicitations (July 1, 2004)

"Energy and Environmental Policy in the United States: Synergies and Challenges in the Electric Industry," prepared for Le Centre Français sur les Etats-Unis (The French Center on the United States), with Susan Tierney (July 2003)

"Controlling China's Power Plant Emissions after Utility Restructuring: The Role of Output-Based Emission Controls," with Barbara A. Finamore, Nancy Seidman, and Tara Szymanski, *The Sinosphere Journal* (July 2002)

"Siting Power Plants in the New Electric Industry Structure: Lessons from California and Best Practices for Other States," with Susan Tierney, *The Electricity Journal* (June 2002)

"Siting Power Plants: Recent Experience in California and Best Practices in Other States," with Susan Tierney, prepared for The Hewlett Foundation and The Energy Foundation (February 2002)

"Setting and Administering Output-Based Emission Standards for the Power Sector: A Case Study of the Massachusetts Output-Based Emission Control Programs," prepared for the China Sustainable Energy Program, Paul Hibbard, N. Seidman, and B. Finamore (October 2001)

Joint Affidavit before the Federal Energy Regulatory Commission, New England Power Pool and ISO New England, Inc., Docket No. ER01-2329, on behalf of the New England Renewable Power Producers Association, with Janet Besser, (July 3, 2001)

"Output-Based Emission Control Programs – U.S. Experience," prepared for the China Sustainable Energy Program, with N. Seidman, B. Finamore, and David Moskovitz (May 2000)

"P2 and Power Plants: The Massachusetts Allowance Trading Program," *Proceedings of the National Pollution Prevention Roundtable* (March 2000)

"Safety and Environmental Comparisons of Stainless Steel with Alternative Structural Materials for Fusion Reactors," with Ann P. Kinzig, and John P. Holdren, *Fusion Technology* (August 1994)

"Utility Environmental Impacts: Incentives and Opportunities for Policy Coordination in the New England Region," US EPA CX817494-01-0, RCEE Core Group (June 1994)

"Final Report: Code Development Incorporating Environmental, Safety, and Economic Aspects of Fusion Reactors," UC-BFE-027, Fusion Environmental and Safety Group, University of California, Berkeley (1991)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3048722 and R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED SURREBUTTAL TESTIMONY OF CONSTANCE E. HEPPENSTALL

Topics Addressed:

Cost of Service Allocation
Customer Rate Design

DATE SERVED: September 26, 2024 **Aqua Statement No. 5-SR**
DATE ADMITTED: _____

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.
DOCKET R-2024-3047822 AND R-2024-3047824

SURREBUTTAL TESTIMONY OF CONSTANCE E. HEPPENSTALL

Q. Please state your name and address.

A. My name is Constance E. Heppenstall. My business address is 1010 Adams Avenue, Audubon, Pennsylvania.

Q. By whom are you employed?

A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC.

Q. Are you the same Constance E. Heppenstall who submitted direct and rebuttal testimony in this case?

A. Yes. I submitted Aqua Statement No. 5 and Exhibit Nos. 5-A Part I and 5-B, Part I and Aqua Statement No. 5-R and Exhibits Nos. CEH-1-R, CEH-2-R and CEH-3-R.

Q. What is the purpose of your surrebuttal testimony in this proceeding?

A. I will address the rate design issue raised in the rebuttal testimony of Pennsylvania Office of Small Business Advocate ("OSBA") Witness Roger Cathcart and the supplemental direct testimony of Office of Consumer Advocate ("OCA") Witness Christine Maloni Hoover.

Surrebuttal of OSBA Witness Roger Cathcart

Q. Did Mr. Cathcart comment on the OCA Witness Mierzwa's recommendation for the volumetric charge for Bunker Hill, Sun Valley and Phoenixville areas?

A. Yes, Mr. Cathcart agrees with limiting the increases for these areas.

For the Bunker Hill, Sun Valley and Phoenixville areas, he proposes limiting the increases to 35.1%, rather than 60% increase recommended by Mr. Mierzwa and the 75% increase recommended by the Company. OSBA Cathcart Rebuttal, at p. 5.

Q. How do you respond?

A. I disagree. As I stated in my rebuttal testimony, these areas have very low rates as compared to Rate Zone 1. The average residential bill under present rates ranges from $23.66 per month for Phoenixville to $40.26 per month for Bunker Hill. In comparison, the average monthly bill for Rate Zone 1 residential customers is presently $80.91. As these areas have been part of the system through several rate cases (Bunker Hill was acquired in 2015, Sun Valley in 2018 and Phoenixville in 2019), a larger increase is warranted to move their rates closer to Rate Zone 1 rates. If the goal is single tariff pricing, a 35% increase for these customers is insufficient to move toward consolidation. For example, if the Bunker Hill residential monthly bill is increased by 35% in this case, then again in the next rate case, the rate would be only $73.40, well below Rate Zone 1 customer bills under current present rates of $80.91 ($40.26 X 1.35^2 = $73.37).

Q. If proposed rates are reduced for Phoenixville, Bunker Hill and Sun Valley, does that increase the rates for other water customers?

A. Yes, any decrease to these customers' proposed rates would result in a larger increase for other water customers, who already pay much more than the customers in Bunker Hill, Phoenixville and Sun Valley, and even further frustrate the goal of single tariff pricing. The Company recommends that the Commission

reject OSBA's recommendation regarding the rate increase for Bunker Hill, Phoenixville and Sun Valley.

Supplement Direct Testimony of OCA Witness Christine Hoover

Q. What is the purpose of Ms. Hoover's supplemental direct testimony?

A. Ms. Hoover's supplemental direct testimony presents and summarizes testimony by the Company's customers submitted at the public input hearings regarding the Company's proposed rate increase.

Q. Which portion of Ms. Hoover's testimony will you discuss?

A. I would like to focus on Ms. Hoover's discussion of customer complaints regarding flat rate wastewater charges beginning on page 5 of her supplemental direct testimony.

Q. Which of the Company's customers are billed based on a flat rate?

A. The Company only bills a customer based on a flat rate if it does not have the customer's water usage data, based on meter readings. This lack of data could be due to the customer being on private well service or receiving water service from an entity who does not supply the water metering data to the Company.

Q. What is your concern regarding Ms. Hoover's testimony?

A. My concern is that it is evident that many of the customers that Ms. Hoover cites in her testimony regarding complaints about flat rate charges are not actually billed using a flat rate but are billed on water usage for water and/or wastewater service.

Q. Please elaborate.

A. Ms. Hoover cites the testimony of Christine Maddalo (Tr. 103) as an example of a

customer being unhappy with their flat rate charge, but it appears that this customer is a metered customer and pays the Company for both water and wastewater service. Ms. Hoover quotes the following “she does not wash her car or use hose that much to avoid a large bill” (page 6), so evidently her usage is metered as her bill rises when she washes her car. If she were a flat rate customer, her bill would not change with usage. I am not discounting Ms. Maddalo’s concerns, but it appears that her concerns are not regarding a flat rate for her wastewater service. The Company has confirmed that she is actually not a flat rate customer.

Ms. Hoover also cites the testimony of Fran Kingsley (Tr. 155) on page 6. Again, this customer does not appear to be a flat rate customer as she is concerned about the water used outside of her home, so evidently her water usage is metered, and her water usage is used to calculate her wastewater bill. The Company has confirmed that she is not a flat rate customer.

Again, Ms. Hoover cites the testimony of Joseph Casey (Tr. 204) and he complains that that he is charged for sewer service based on water usage, so evidently he is also not a flat rate customer. The same is true for the testimony of Frank Donovan (Tr 404-405) and John Muscari (Tr. 377-379), cited by Ms. Hoover on page 6. These customers complain that their sewer bills are based on their water usage, so they cannot be flat rate customers. The Company has confirmed that these customers are not flat rate customers. Ms. Hoover also cites the testimony of Ron Dungey and, as he can point out the portion of his bill related to water usage, he also must be a metered customer, not a flat rate

customer. A flat rate customer is billed as one amount, so it would not be possible to note the portion of the bill related to water usage. The Company has confirmed that Mr. Dungey is not a flat rate customer.

Ms. Hoover cites the testimony of Kathryn Barto (Tr. 584) and it appears that Ms. Barto is in the New Garden area and is not flat a rate customer. This has been confirmed by the Company. On page 8, Ms. Hoover cites the testimony of Sandy Ponticello (Tr. 743) who is complaining that her sewer bill is based on her water consumption. It is evident that Ms. Ponticello is not a flat rate customer as her water is metered and her sewer bill is based on that water usage. Also on page 8, Ms. Hoover cites the testimony of Raymond Sadowniczak (Tr. 776) who was also at the hearing to complain about metering. Therefore Mr. Sadowniczak cannot be a flat rate customer. The Company has confirmed that both Ms. Ponticello and Mr. Sadowniczak are not flat rate customers.

Q. Please summarize your concern with Ms. Hoover's supplemental direct testimony.

A. I am concerned that she has misrepresented the above customers' concerns. Out of the sixteen witnesses that she cites from the public hearing, based on their testimony, only seven are billed based on a flat rate. My testimony is not meant to discount the customer concerns above, but to point out that Ms. Hoover seems to mischaracterize their concerns to bolster her testimony regarding flat rate billing.

Q. As an aside, many of the customers she cites complain about their

wastewater bill being based on their water consumption. Is this type of billing standard practice?

A. Yes, in my experience, most wastewater bills are based on water consumption when the water consumption data is available, as metering wastewater flow is difficult and not reliable. See the rebuttal testimony of Aqua Pennsylvania Witness Todd M. Duerr for further discussion regarding this issue.

Q. How does a wastewater utility typically bill for wastewater service if water consumption is not available?

A. Again, in my experience of performing cost of service and rate design studies since 2006, the only equitable way to bill these customers is based on a flat rate which is calculated based on the rates for metered customers and using an assumed average usage. It is understood that some customers will use less water than the average, and some will use more water than the average, but without detailed metering data, this method is the only fair alternative.

Q. Did the Company study this issue prior to its rate filing?

A. Yes, per the request of the Commission in the order from the prior case, the Company reviewed the process of setting the level of flat rates. As Company Witness Manning stated in his rebuttal testimony on page 24, the analysis (that was undertook prior to the filing) was provided in response to a data request. This analysis is included as Exhibit CEM-4-R to Mr. Manning's rebuttal testimony and shows the average usage by customer class by rate division for use in calculating the monthly flat rate charge. As I stated before, the method of calculating a flat rate is standardized, and based on metered customers'

customer charge plus the volumetric charge multiplied by the average monthly customer usage. This standardized method is used by other water utilities in the Commonwealth.

Q. Ms. Hoover recommends that "(c)onsidering the public hearing testimony on flat wastewater rate issues that the Company submit a study regarding flat wastewater rates within 30 days of the end of the suspension period" (page 9) with additional meetings including a working group, etc. Please comment.

A. First, identifying that the level and calculation of wastewater flat rates as a large issue in this rate case proceeding is misleading. Of the 173 witnesses who participated in the public hearings, Ms. Hoover only found seven (though she listed sixteen) that mentioned flat rate billing as an issue. In fact, only 4,806 out of 52,809 of the Company's total wastewater customers are flat rate customers (less than 10%) and 2,097 of these flat rate customers are in Rate Zone 4, which received a minimal increase under proposed rates. Second, the content of the study would only reiterate what has already been stated by the Company in this rate case, that the method of determining a flat rate is straightforward (customer charge plus volumetric rate X average usage). I recommend that Ms. Hoover's recommendation be rejected.

Q. Finally, if the proposed flat rates are reduced for these customers, does that increase the rates for other water customers?

A. Yes, any decrease to the proposed flat rates for these customers would result in a larger increase for other wastewater customers.

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED SURREBUTTAL TESTIMONY OF TODD M. DUERR P.E., L.O.

Topics Addressed:

Additional Public Input Hearing Responses

DATE SERVED: September 26, 2024 **Aqua Statement No. 11-SR**
DATE ADMITTED: _____

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. Please state your name and business address.

A. My name is Todd Duerr. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc., ("AP") as Vice President of Operations.

Q. Have you previously provided testimony in this proceeding?

A. Yes. I provided Direct Testimony on behalf of AP and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua," or the "Company") as Statement No. 11 with the Company's filing to the Pennsylvania Public Utility Commission ("PUC" or the "Commission") and Rebuttal Testimony as Statement 11-R.

Q. What is the purpose of your Surrebuttal Testimony?

A. The purpose of my Surrebuttal Testimony is to address the Supplemental Direct Testimony of Office of Consumer Advocate ("OCA") Witness Christine M. Hoover (OCA Statement No. 1 (Supplemental Direct)) related to various customer issues raised during this proceeding, particularly those issues raised at the various public input hearings. In my Rebuttal Testimony, Aqua Statement 11-R and in Aqua Exhibit TMD-1-R to my Rebuttal Testimony, I addressed a number of customer issues raised at the public input hearings. I also broadly addressed issues surrounding billing for a subset of our wastewater customers. I will not repeat that testimony here. However, Witness Hoover referenced some customers that the Company did not individually follow up with. I will address those limited number of customers identified by Ms. Hoover in my Surrebuttal Testimony.

Q. Are you including any other exhibits with your Surrebuttal Testimony?

A. Yes. Included with my Surrebuttal Testimony is Aqua Exhibit TMD-1-SR and TMD-2-SR.

II. PUBLIC INPUT HEARINGS RESPONSE

Q. How will you be addressing the additional customer public input testimony included in Ms. Hoover's Supplemental Direct?

A. We appreciate all the customers who testified at the public input hearings to express their thoughts concerning the Company and its proposed rates. The Company reviewed all the comments made at the public input hearings and endeavored to follow-up with customers to address any specific questions or issues. Aqua Exhibit TMD-1-R to my Rebuttal Testimony addresses several specific customer service issues raised at the public input hearings. Aqua Exhibit TMD-1-SR addresses additional customer concerns raised by Witness Hoover except for a couple of exceptions that are more easily responded to below. For any customer listed by Ms. Hoover addressing an affordability issue, we have reached out to those customers via U.S. mail to provide information on ways to help address affordability concerns. Copies of the letters are available if needed. The details of the customer assistance program ("CAP") are discussed in more detail in the Direct and Rebuttal Testimonies of Rita F. Black (Aqua Statement No. 13 and 13-R). The Company also followed up with customers where a CAP enrollment could be utilized as stated in Exhibit TMD-1-R.

Q. Are you aware of the concern raised by customer Mr. Gage at the telephonic Public Input Hearing?

A. Yes.

Q. Can you explain Mr. Gage's concern?

A. Mr. Gage's concerns are about high pressures in his home. Mr. Gage has participated in Aqua 2021 Base Rate Case[1] and in the AP's midpoint review of its Long-Term Infrastructure Improvement Plan ("LTIIP").[2]

Q. Is this a new concern or something that Mr. Gage has raised in the prior proceedings?

A. First, we appreciate Mr. Gage's participation in this case and in the prior proceedings. Mr. Gage has raised his concerns in prior proceedings and the Company responded to his concerns. One item that Mr. Gage referenced is his several previous complaints concerning damages caused by the water pressure at his home. Richard Gage is a water customer located on Treaty Drive in Chesterbrook who filed a formal complaint in response to the rate application filing and testified twice both at the telephonic public input hearings held on August 14 at 1 p.m. and 6 p.m. In the Aqua *2021 Rate Case*, the Company addressed its history with Mr. Gage—as a part of my rebuttal testimony in that case—and I will restate what occurred. The Company has been in contact with this customer on a number of occasions and, in all interactions, has attempted to resolve Mr. Gage's issues. In 2008, Mr. Gage filed his first complaint as part of that rate case[3] alleging high water pressure concerns. The Company, in good faith, entered into settlement negotiations and arrived at a mutually acceptable resolution of his pressure-related issue and Mr. Gage executed a release confirming that the Company had addressed the same. Twelve years later, Mr. Gage filed a second formal complaint in 2020 and the Company again engaged in good

[1] *Pa. PUC, et al. v. Aqua Pennsylvania, Inc., et al.*, Docket Nos. R-2021-3027385, R-2021-3027386, et al. (*"2021 Rate Case"*).
[2] Periodic Review of Aqua Pennsylvania, Inc.'s Long-Term Infrastructure Improvement Plan, Docket No. M-2022-3031218.
[3] *See Pa. PUC, et al., v. Aqua Pennsylvania, Inc.* 2008 PA PUC LEXIS 50, Docket Nos. R-00072711, *et al*. (Order entered July 31, 2008).

faith settlement discussions with Mr. Gage and resolved his complaint.[4] Mr. Gage signed a letter release in March 2021 confirming that the Company addressed his issue. Mr. Gage filed his third formal complaint in the Company's *2021 Rate Case*, raising the issue that had been previously settled in March 2021. At all times, from 2008 to present, Aqua has responded to Mr. Gage's concerns in a timely, thorough, and professional manner.

Q. Please describe Mr. Gage's involvement in AP's LTIIP midpoint review filing.

A. Mr. Gage filed comments in AP's midpoint review of it LTIIP. Therein, Mr. Gage's comments again addressed pressure issues at his residence and, among other things, requested that AP not be permitted to charge a Distribution System Improvement Charge ("DSIC") and that AP's LTIIP should be denied. Aqua responded to Mr. Gage in Reply Comments in the midpoint review proceeding citing prior Commission orders addressing this issue.

Q. What did the Commission order in the midpoint review proceeding regarding Mr. Gage's comments?

A. The Commission ordered that the Commission's Bureau of Technical Utility Services ("TUS") examine the issue raised by Mr. Gage and to take further actions as necessary.

Q. Did TUS examine the issue?

A. Yes. TUS asked three sets of data requests regarding Aqua's Chesterbrook system, wherein the Company re-iterated the engineering reasons why this area was supplied at pressures above those stated in the Commission's regulations. Furthermore, the Company stated that it would be able to address the issue in Chesterbrook, but it would require substantial capital.

[4] *Richard Gage v. Aqua Pennsylvania, Inc.*, Docket No. C-2020-3021899, Certificate of Satisfaction (Mar. 22, 2021).

Q. What was the ultimate conclusion regarding the Chesterbrook system?

A. The Company stated that to solve this issue for this customer the Company would have to implement approximately $1.23 million in capital expenditures to install PRVs to reduce pressure to the system, but then also complete a main extension tie-in to ensure adequate fire flow protection for this system. The Company will not jeopardize adequate fire flow to sections of the Chesterbrook system to reduce pressure in other parts of the system.

Q. Did the Company provide a timeline for when this would be completed?

A. Yes. The Company indicated that the project would begin in October and that it expected the project would be completed by the end of 2024.

Q. Was Mr. Gage aware of this timeline?

A. Yes. Mr. Gage acknowledged at both the August 14, 2024, 1:00 p.m. and 6:00 p.m. telephonic public input hearings[5] that the Company communicated that it would move forward with the project. The Company provided a letter on April 30, 2024, included in my Surrebuttal Testimony as Aqua Exhibit TMD-2-SR to Mr. Gage and several other members of the Chesterbrook community which indicated that the project would begin in October 2024 and be completed approximately 2-3 months later.

Q. Witness Hoover referenced Ms. Catherine Moran in her Supplemental Direct Testimony. Can you respond to this customer's concern?

A. Yes. Ms. Moran testified at the August 14th telephonic public hearing at 1:00 p.m. She testified to a previous complaint concerning an issue with her curb stop that needed to be located and marked for her to have work done at her property. It did take some time to complete the work order due in part for the need for a PA One Call ticket to be completed.

[5] Mr. Gage testified twice at two different public input hearings.

Ms. Moran did file an Informal Complaint in May 2023 with the Commission's Bureau of Consumer Services ("BCS") regarding this issue and the Company was able to resolve the customer's informal complaint, as the work to the curb box was completed and Ms. Moran indicated that she was satisfied and agreed to verbally close the informal complaint.

III. CONCLUSION

Q. Does that conclude your Surrebuttal Testimony?

A. Yes, it does, but I reserve the right to supplement my Surrebuttal Testimony as needed during this proceeding.

EXHIBIT NO. TMD-1-SR

Public Input Hearings - Customer Testimony

Exhibit TMD-1-SR

Name	City	Public Input Hearing	Testimony	Company Follow-Up
Timothy Burrows	Hazleton	Hazleton - August 1 - 1 p.m.	Mr. Burrows testified about his concerns with the increase and affordability	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs.
Stephanie Shumlas	Drums	Hazleton - August 1 - 1 p.m.	Ms. Shumlas testified about her concerns with the increase and affordability.	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs
Sue Hennigan	Hazleton	Hazelton August 1 - 6 p.m.	Ms. Henningan testified about her concerns with the increase and affordability.	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs
Philip Steinberg	Elkins Park	Cheltenham - August 5 - 6 p.m.	Mr. Steinberg testified about his concerns with the increase and affordability	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs
Jan Novia	Royersford	Royersford - August 12- 6 p.m.	Mr. Novia testified about his concerns with the increase and affordability.	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs
Bernard Mazer	Hazleton	Hazleton - August 1 - 1 p.m.	Mr. Mazer testified about his concerns with the increase and affordability.	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs

Public Input Hearings - Customer Testimony

Exhibit TMD-1-SR

Name	City	Public Input Hearing	Testimony	Company Follow-Up
Ms. Dignazio	Various location	Telephonic - August 14, 6 p.m.	Ms. Dignazio testified about the increases to the monthly bills for herself and family members.	The customer did not provide an address at the Public Input Hearing and the Company could not locate contact information for this customer.
Bobbi Penniman	Elkins Park	Cheltenham - August 5 - 1 p.m.	Ms. Penniman tetified about her concerns with the increase	The customer did not provide an address at the Public Input Hearing and the Company could not locate contact information for this customer.
Donald Campbell		Cheltenham - August 5 - 1 p.m.	Mr. Campbell testified about his concerns with the proposed increase.	The customer did not provide an address at the Public Input Hearing and the Company could not locate contact information for this customer.
Jerome Cammarata	Landenberg	New Garden - August 8 - 1 p.m.	Mr. Cammarata testified about his concerns with the proposed increase.	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs
Branan Cooper	Landenberg	Telephonic - August 14 - 1 p.m.	Mr. Cooper testified about his concerns with the proposed increase.	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs
Elaine Somers		Telephonic - August 14 - 1 p.m	Ms. Sommer testified on behalf of her client who provides assistance to low income customers.	The Company sent Ms. Somers a letter offering to discuss its low income assistance programs.
Timothy Dethloff	Gettysburg	Telephonic - August 14 -1 p.m.	Mr. Dethloff testified about his concerns about the proposed increase.	The Company sent the customer a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs

Public Input Hearings - Customer Testimony

Exhibit TMD-1-SR

Name	City	Public Input Hearing	Testimony	Company Follow-Up
Keith Gabage	East Bradford	New Garden - August 8 - 1 p.m.	Mr. Gabage testified about his concerns about the billing.	See Rebuttal Testimony of William Packer (pg. 26 ln. 22-23 through pg. 27 ln. 1-15)
Robert McMahon	Lansdowne	Delaware County Community Colletge- August 7 - 1 p.m.	Mr. McMahon discussed proposed alternative PFAS funding.	The customer did not provide an address at the Public Input Hearing and the Company could not locate contact information for this customer.
Christine Maddalo	Hazleton	Hazleton - August 1 - 1 p.m.	Ms. Maddalo testified about some concerns with her water and about her concerns with the proposed increase.	On September 17, 2024, an Aqua customer service representative spoke with Ms. Maddalo and the Company will arrange to have a water sample tested and to follow up with her with the results and to answer any additional questions she may had. Ms. Maddalo was very appreciate of the call from Aqua.
Peter Beisser	Media	Delaware County Community College - August 7 - 1 p.m.	Mr. Beisser testified about his concerns with the Company and the proposed increase.	The customer did not provide an address at the Public Input Hearing and the Company could not locate contact information for this customer.
Margo Woodacre	Landenberg	New Garden - August 8 - 1 p.m.	Ms. Woodacre testified about her concerns with the Company	The Company sent the customers a follow up letter offering to discuss any additional questions he may have and providing a link to information on the Company's assistance programs.
Catherine Washko	Landenberg	New Garden - August 8 - 1 p.m.	Ms. Washko testified about her concerns with the Company	On September an Aqua representative spoke with Ms. Washko to address her concerns. Ms. Washko was very appreciate of the call from Aqua and asked for some additional information and the Company will follow up with a letter to her.

Public Input Hearings - Customer Testimony

Exhibit TMD-1-SR

Name	City	Public Input Hearing	Testimony	Company Follow-Up
Kevin Kelley	Linfield	Royersford - August 12 - 1 p.m.	Mr. Kelley testified concerning an odor at the Company's wastewater treatment plant.	The Company has sent a follow up letter to Mr. Kelly with information about the Company's facilities.
Catherine Moran	West Chester	Telephonic - August 14 - 1 p.m.	Ms. Moran testified concerning an issue she had with work needed for her curb stop	See Surrebuttal testimony of Todd Duerr
Richard Gage	Chesterbrook	Telephonic - August 14 - 1 p.m. and 6 p.m.	Mr. Gage testified concerning the water pressure supplied to his home.	See Surrebuttal testimony of Todd Duerr
Fran Kingsley	Hazleton	Hazleton - August 1 - 6 p.m.	Ms. Kingsley testified about the water used outside of her home and that her wastewater bill is based on water usage. Ms. Kingsley is not a flat rate customer.	See Rebuttal testimony of Todd Duerr
Joseph Casey	Glenside	Cheltenham - August 5 - 1 p.m.	Mr. Casey testified that he is charged for sewer service based on water usage. Mr. Casey is not a flat rate customer.	See Rebuttal testimony of Todd Duerr
Johb Muscari	West Chester	Delaware County Community College - August 7 - 1 p.m.	Mr. Muscari testified that he is charged for sewer service based on water usage. Mr. Muscari is not a flat rate customer.	See Rebuttal testimony of Todd Duerr
Frank Donovan	Newtown Square	Delaware County Community College - August 7 - 1 p.m.	Mr. Donovan testified that he is charged for sewer service based on water usage. `Mr. Donovan is not a flat rate wastewater customer.	See Rebuttal testimony of Todd Duerr
Wayne Weismandel	Conchranville	New Garden - August 8 - 1 p.m.	Mr. Weismandel testified about his concerns with the rate increase and his bill for flat rate sewer.	See Rebuttal testimony of William C. Packer (pg. 21 ln. 6-15)
Ron Dungey	Avondale	New Garden -August 8 - 1 p.m.	Mr. Dungey testified that he is charged for sewer service based on water usage.	See Rebuttal testimony of Todd Duerr
Carri Bocci	Cochranville	New Garden - August 8 - 1 p.m.	Ms. Bocci testified about her concerns with the increase and her bill for flat rate sewer	See Rebuttal testimony of William C. Packer (pg. 21 ln. 6-15)

Public Input Hearings - Customer Testimony

Exhibit TMD-1-SR

Name	City	Public Input Hearing	Testimony	Company Follow-Up
Gary Davis	Avondale	New Garden - August 8 - 1 p.m.	Mr. Davis testified about his concerns with being charged for sewer service based on water usage.	See Rebuttal testimony of Todd Duerr
Catheryn Barto	Avondale	New Garden - August 8 - 1 p.m.	Ms. Barto testified that she is charged for sewer service based on water usage.	See Rebuttal testimony of Todd Duerr
Charles Baver	Limerick	Royersford - August 12 - 1 p.m.	Customer testified concerning his flat rate for wastewater	See Rebuttal testimony of Todd Duerr
Sandy Ponticello	Limerick	Royersford - August 12 - 6 p.m.	Ms. Ponticello testified that she is chaged for sewer service based on water usage	See Rebuttal testimony of Todd Duerr
Ray Sadowniczak	Limerick	Royersford - August 12 - 6 p.m.	Mr. Sadowiniczak testified that he is charged for sewer service based on water usage.	See Rebuttal testimony of Todd Duerr
Enrico Guiliante	Landenberg	New Garden - August 8 - 1 p.m.	Mr. Guilanta testified about the line protection services.	See Surrebuttal testimony of Alexis Rodriguez

EXHIBIT NO. TMD-2-SR

Dear neighbors,

Aqua Pennsylvania is pleased to share news about improvements in your area that will help improve our overall service. First, we will soon install 3 pressure-reducing valves surrounding the Chesterbrook community which will help regulate pressures within the immediate area. Second, we will be completing a main (pipeline) extension project to improve reliability. This will ensure service in the event of an unexpected outage and result in adequate pressure for fire protection throughout the system. We anticipate the work will begin in October and will take between 2 and 3 months to complete. We do not expect any major disruptions to the community while the upgrades are being made. If you have any questions or concerns, please contact Aqua Customer Service at 1.877.987.2782.

Sincerely,

Scott Steffy, P.E.
Project Manager, Aqua Pennsylvania

PUBLIC VERSION

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED SURREBUTTAL TESTIMONY OF ALEXIS RODRIGUEZ

Topics Addressed:

Customer Service Line Warranty Program

DATE SERVED: September 26, 2024 **Aqua Statement No. 16-SR**
DATE ADMITTED: _____

I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. What is your name and business address?

A. My name is Alexis Rodriguez and my business address is 762 W. Lancaster Avenue, Bryn Mawr PA 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Essential Utilities, Inc. ("Essential") and my title is Director of Strategy and Corporate Development.

Q. Please describe your education and business experience.

A. I graduated from the University of Florida with a B.S. in electrical engineering in 2005 and received a Master of Business Administration from New York University in 2016. I started my career as an electrical engineer at Siemens from 2005 to 2014. In 2016, I started as an investment banker at Credit Suisse and worked there through 2020. In 2020, I was hired by Essential as a Manager of Strategy and Corporate Development and was promoted to my current role in 2022. My responsibilities include providing analysis and strategic planning for Essential related to various projects including capital planning.

Q. Have you previously provided testimony in this proceeding?

A. I have not. This is my first time providing testimony before the Pennsylvania Public Utility Commission.

Q. What is the purpose of your Surrebuttal Testimony?

A. My testimony is to address Office of Consumer Advocate ("OCA") witness Alexander's supplemental direct testimony on the warranty coverage provided by HomeServe.

II. CUSTOMER SERVICE LINE WARRANTY PROGRAM

Q. Through Supplemental Direct or Rebuttal Testimony, did any Party raise concerns with respect to non-basic services?

A. OCA witness Alexander submitted testimony with respect to the public input hearing testimony of Enrico Guiliante from August 8, 2024, at 1:40 p.m.[1] Mr. Guiliante stated that he and his wife bought insurance coverage at almost a hundred dollars a year. I reached out to HomeServe regarding this customer to determine whether Mr. Guiliante purchased insurance coverage from HomeServe. According to their records, Mr. Guiliante's address is not a current customer of HomeServe.

Q. Please summarize OCA witness Alexander's concerns.

A. OCA witness Alexander states that she wanted to explore the reference to insurance coverage more after hearing Mr. Guiliante's testimony. I understand that Ms. Alexander raised similar concerns and suggested an investigation was needed in Pennsylvania-American Water Company's ("PA American") recent litigated base rate case at Docket Nos. R-2023-3043189, *et al*. The Commission rejected this request.

Q. What is Aqua Pennsylvania, Inc's. ("Aqua PA" or the "Company") relationship with HomeServe?

A. Aqua PA has no contractual relationship with HomeServe USA Corp. ("HomeServe"). HomeServe is an independent company that provides emergency home repair solutions and protection solutions to homeowners.

[1] Tr. pp. 524-536; OCA St. No. 7 Supp., p. 6.

Q. At the outset, does Aqua PA have a line item on its bill for any type of warranty coverage?

A. No, Aqua PA does not. Aqua PA does not bill or collect warranty coverage on its customers' utility bills. My understanding is that PA American includes a line item on their utility bill(s) for the warranty program that they partner with.

Q. Also, does Aqua PA provide HomeServe with Aqua PA's customer names and address?

A. No, Aqua PA does not. HomeServe uses zip codes for the Aqua PA service territory and uses an outside entity to gather names and addresses that may be within the Company's service territory.

Q. Has Aqua PA's relationship, or lack thereof, with HomeServe changed over time?

A. As noted above, Aqua PA has no contractual relationship with HomeServe. The original 2003 contract between HomeServe and Philadelphia Suburban Corporation describing the basic relationship has remained the same in that HomeServe pays a commission for customers that sign up for its services.

Q. Do Aqua PA's customers have the right to reject HomeServe's services?

A. Yes. **[BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]**

Q. Can Aqua PA's customers enter into contracts for similar services with non-HomeServe entities?

A. Yes. In fact, I am aware that other competitors of HomeServe make solicitations within Aqua PA's service territory.

Q. OCA witness Alexander asserts that Aqua PA uses its call center to market HomeServe non-basic services to its customers. Please respond.

A. When a customer contacts the Company's call center for service, at the end of the call a customer service representative may offer to transfer that customer to HomeServe. **[BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]**

Q. Do you agree with OCA witness Alexander that Aqua PA markets HomeServe's non-basic products and services with Aqua's corporate name and logo?

A. HomeServe markets its own product. The materials cited by Ms. Alexander show that the letter HomeServe provided to certain of Aqua PA's customers educates customers on the responsibility for wastewater repairs that run on their property, mentions several times that HomeServe is an independent company, and further clarifies that the program is optional. The information is clear and legible.

Q. OCA witness Alexander asserts that it is unclear whether the revenues from marketing activities for non-basic services are credited to Aqua PA's ratepayers. Please respond.

A. The Company was clear. First, Aqua Resources receives a commission for customers that sign up for the program. That commission is not included in the Company's revenue requirement. **[BEGIN CONFIDENTIAL]** [redacted]

[redacted] **[END CONFIDENTIAL]**

Q. Why are commission revenues associated with HomeServe's services not recorded to Aqua PA?

A. HomeServe is not an affiliate of Aqua PA or any other subsidiary of Essential. HomeServe provides the warranty service to Aqua PA customers with whom it has a service contract. Any payments for commissions related to the contract with HomeServe are paid to Aqua Resources, which is an unregulated subsidiary of Essential.

Q. OCA witness Alexander recommends that the Commission "initiate an investigation of Aqua's contractual relationship with HomeServe to determine the proprietary [sic] of allowing HomeServe to issue marketing materials that are designed to imply that Aqua has mailed these marketing materials, the use of Aqua's logo on HomeServe's marketing materials, the reasonableness of Aqua's expenses and revenue associated with these promotion activities, and the lack of any regulatory review of this contractual arrangement since 2003…"[2] Do you agree with this recommendation?

A. I do not. The services that HomeServe provides are valuable to Aqua PA's customers, especially those with older homes and Ms. Alexander offers no evidence that the program violates any Commission rule or regulation. The materials cited by Ms. Alexander show that the letter HomeServe has provided to certain of Aqua PA's customers mentions several times that HomeServe is an independent company and further, it mentions that the program is optional.

[2] OCA St. No. 7 Supp, p. 5.

Q. Does OCA witness Alexander make any other recommendations?

A. Yes, Ms. Alexander recommends a revision of marketing materials. I note that the OCA made similar recommendations in the recent PA American and Peoples rate case and these types of warranty programs for each utility remain in place. The Company periodically reviews the marketing materials of HomeServe and will continue to review mailings, taking into consideration the concerns raised by OCA witness Alexander.

III. CONCLUSION

Q. Does that conclude your Surrebuttal Testimony at this time?

A. Yes, it does, but I reserve the right to supplement my Surrebuttal Testimony as needed during this proceeding.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED WRITTEN REJOINDER TESTIMONY OF CHRISTOPHER E. MANNING

Topics Addressed:

Payroll Expense and Vacancy Related Expenses
Amortization of Rate Case Expense and COVID 19 Expense Recovery

DATE SERVED: October 3, 2024
DATE ADMITTED: _____

Aqua Statement No. 3-RJ

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. What is your name and business address?

A. My name is Christopher. E. Manning. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc. ("AP") as a Finance and Rate Analyst II.

Q. Have you previously provided testimony in this proceeding?

A. Yes. I provided Direct Testimony on behalf of AP and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua PA," or the "Company") as Statement No. 3 with the Company's filing to the Pennsylvania Public Utility Commission ("PUC" or the "Commission"). I also provided rebuttal testimony, Aqua Statement No. 3-R, on September 12, 2024.

Q. What is the purpose of your written rejoinder testimony?

A. Subsequent to the filing of my prepared rebuttal testimony, surrebuttal testimony was served on behalf of the Pennsylvania Office of the Consumer Advocate ("OCA") by Ralph C. Smith and the Bureau of Investigation and Enforcement ("I&E") by Zachari Walker. Specifically, I will respond to portions of Mr. Smith and Mr. Walker's testimony about payroll expense and expenses impacted by each respective witnesses' vacancy rate calculations. I will also respond to Mr. Walker's testimony about expenses impacted by the cadence at which the Company files base rate cases. Additionally, I will address the surrebuttal testimony of SCH USA, LLC ("SCH USA") witness Frank Lacey.

II. PAYROLL EXPENSE AND VACANCY RELATED ADJUSTMENTS

Q. On page 9 of OCA witness Smith's surrebuttal testimony, does Mr. Smith acknowledge that the Company included a 2% vacancy rate within its payroll expense claim?

A. Yes. Mr. Smith acknowledges that the Company included a 2% vacancy rate within its' payroll expense claim and appropriately revised his proposed payroll expense adjustment to account for the Company's inclusion of a 2% vacancy rate.

Q. As part of OCA witness Smith's surrebuttal testimony, does Mr. Smith adjust his proposed vacancy rate?

A. No, Mr. Smith does not revise his originally proposed vacancy rates of 4.56% for Water Operations and 4.69% percent for Wastewater Operations, which were derived from full time position vacancies and dollars provided in the Company's response to OCA-IX-1 and Exhibit 2 of Aqua PA's initial filing.

Q. Does witness Smith adjust his proposed vacancy rates to adjust out the 15 full-time positions that are not slated to start until 2025, or the beginning of the FPFTY?

A. No, he does not. Mr. Smith does not acknowledge that his vacancy rate calculations include 15 full time positions that do not start until 2025. This is the only fundamental issue that the Company has with Mr. Smith's vacancy rate calculations and full-time labor expense adjustment. These positions should not be considered in a vacancy rate calculation as they do not have any expense included in 2024, or the FTY, and will not be part of the Company's complement until the beginning of 2025. Please refer to Exhibit CEM-2-R provided as part of my rebuttal testimony which provides the vacancy rates excluding these 15 full time positions.

Q. Does Witness Smith adjust his proposed expense adjustment for seasonal employees?

A. Yes, Mr. Smith updated his original proposed expense adjustment for seasonal employees which he handles as an entirely separate adjustment from the full-time labor vacancy rate previously mentioned. Mr. Smith adjusts his original proposed expense decrease of $201,500 down to $161,200 to reflect the Company's updated seasonal positional employees that it had hired in 2024 which was provided in OCA-XXVIII-1.

Q. Is it appropriate to address seasonal employee adjustments separate from full time labor expense adjustments and vacancy rate calculations?

A. Yes, it is. OCA witness Smith's adjustment to address seasonal employees separately from a full-time vacancy rate adjustment is appropriate. While the Company maintains that Mr. Smith's seasonal employee expense adjustment should not be accepted as it does not reflect the Company's historical seasonal hiring practices, it agrees that seasonal employee adjustments should be handled separately from full time labor vacancy calculations and adjustments as seasonal employees are not employed by the Company for the entire year. Including seasonal employees in any vacancy rate calculation is inappropriate and should not be considered.

Q. Does I&E witness Walker update his vacancy rate calculations as part of his surrebuttal testimony?

A. Yes, he does. Mr. Walker updates his vacancy rate calculations from his originally proposed 4.26% to 8.36% to include part-time, seasonal and co-op positions in his vacancy rate calculations which had only originally been subject to full time positions.

Q. Is it appropriate to include part-time, seasonal and co-op positions when calculating a vacancy rate?

A. No, it is not. As noted earlier in my testimony with respect to OCA witness Mr. Smith, these positions, in particular seasonal positions and co-ops, are not employed by the Company for the entire year. Thus, these positions should be a separate adjustment and not included in any vacancy rate calculation. The problem with Mr. Walker's approach is that a vacancy in a part-time position only affects part time wages. I note that only Mr. Walker includes all of these positions in his vacancy rate calculation; neither I nor OCA witness Smith make this error.

Q. What is the proposed expense impact of Mr. Walker's surrebuttal vacancy rate adjustment from his original vacancy rate adjustment provided in his direct testimony?

A. Mr. Walker's proposed expense impact of including part-time, seasonals and co-ops in his vacancy rate calculations per his surrebuttal testimony are an expense decrease for Water Operations of $3,166,048 compared to an expense decrease of $1,613,321 in his direct testimony, an expense decrease for Shenandoah of $29,331 compared to an expense decrease of $14,916 in his direct testimony, an expense decrease for Wastewater Base of $294,595 compared to an expense decrease of $150,117 in his direct testimony, and an expense decrease for Lower Makefield of $13,454 compared to an expense decrease of $6,856 in his direct testimony. This incremental expense reduction totals an additional expense reduction of $1,718,218 from Mr. Walker's original expense reduction claim in his direct testimony.

Q. How much does the Company claim for part time, seasonal and co-op positions in the FPFTY?

A. The Company claims $562,358 in gross labor costs for part time, seasonal and co-op positions in the FPFTY.

Q. Should I&E witness Walker's incremental proposed labor expense reduction of $1,718,218 in his surrebuttal position to account for part time, seasonal and co-op positions be considered?

A. No, it should not. A $1,718,218 expense adjustment to account for costs that the Company claims will only be $562,358 in total should not be considered by the Commission as his adjustment is more than 3 times the Company's claim for these seasonal positions.

Q. On page 11 of I&E witness Walker's surrebuttal testimony, does Mr. Walker acknowledge your rebuttal testimony where the Company attempted to address the fact that Mr. Walker's calculation double counts the Company's 2% vacancy rate claim that the Company built into its original filing?

A. Yes, he does.

Q. Does Mr. Walker update his labor expense adjustment calculations in his surrebuttal testimony to reflect the 2% vacancy rate that the Company has already included within its' filing?

A. No, he does not. Mr. Walker continues to double count the 2% vacancy rate that the Company had already built into its claim.

Q. Is there another error in Mr. Walker's adjustment?

A. Yes. Mr. Walker applies his 8.36% vacancy rate to the expense amounts of the Company's labor claim, but fails to apply it to the Company's gross labor costs which is the appropriate way to handle such an adjustment. A portion of the Company's total labor cost is capitalized and a portion of it is charged to non-operating accounts. Mr. Walker does not

account for the capitalized and non-operating pieces of the Company's labor when making his adjustment. He solely applies his vacancy rate to the Company's expense claim and not its total gross claim.

Q. Should I&E witness Walker's methodology for making a vacancy rate adjustment and expense adjustment be considered?

A. No, it should not. Mr. Walker does not appropriately calculate a vacancy rate which should only include full time positions. Mr. Walker also continues to double count the vacancy rate which the Company had included within its original claim. Furthermore, Mr. Walker does not appropriately calculate what the expense adjustment would be under any of his proposals as he disregards the Company's capital labor rate and non-operating labor rate.

Q. Should the methodology utilized by OCA and the Company be adopted when computing a vacancy rate?

A. Yes. While the Company continues to maintain that OCA witness Smith should exclude the 15 full-time positions that do not start until the FPFTY from his vacancy rate calculation, the Company believes that the methodology employed by OCA witness Smith is appropriate for calculating a vacancy rate and labor expense adjustment for full-time employees. The method used by I&E witness Walker, which is in error for the reasons explained above, should not be used.

Q. Does the vacancy rate impact have "downstream impacts" on other expenses meaning that the vacancy rate has a direct impact on other expenses?

A. Yes, the vacancy rate has a direct impact on other expenses. Expenses such as employee benefits, payroll taxes, 401(k) expenses, group insurance, and intracompany benefits are all impacted by the vacancy rate. For the reasons that Aqua PA continues to disagree with

the vacancy rate adjustments proposed by OCA and I&E, Aqua PA continues to disagree with the adjustments to these expense categories that are derived from the vacancy rate adjustment.

III. AMORTIZATION OF RATE CASE EXPENSE AND COVID 19 EXPENSE RECOVERY

Q. Does I&E witness Walker update his calculation to update the historical cadence at which the Company files base rate cases?

A. Yes, he does. Witness Walker updates his calculation to include the actual dates of the Company's Filing of its 2011, 2018, 2021 and 2024 base rate cases and claims that the Company historically files for rates every 50 months.

Q. Should Mr. Walker's calculation include the time frame between the 2011 and 2018 base rate cases?

A. No, it should not. The length of time between the Company's 2011 and 2018 base rate cases was due to one-time implementation of the tax repair deduction for income tax purposes which was part of the Company's settlement in the 2011 base rate case. This time frame does not accurately represent the cadence at which the Company files base rate cases.

Q. Over what period of time, should the Company be allowed to amortize Rate Case Expense and recover COVID 19 costs?

A. The Company will file its next case in approximately 24 months, subject to that timeline being shortened based upon the outcome of the Company's claim for deferred accounting for PFAS costs. Twenty-four months, or 2 years reflects the appropriate amount of time that the Company should be allowed to recover rate case expense and expenses associated with COVID 19. If a historical cadence is to be used, it would be more appropriate to base

the calculation off of the 36 and 33 months between the Company's 2018 and 2021 cases and 2021 and 2024 cases, respectively.

Q. In Aqua's 2021 rate case, was the issue of rate case frequency litigated?

A. Yes. In that case, the Commission rejected the use of 2011 base rate case time from the rate case frequency. The Commission accepted a 36 month rate case frequency rate. In fact, the Company filed this case 33 months after the 2021 rate case was filed.

IV. SCH USA

Q. Does SCH USA Witness Lacey misconstrue Aqua's Witnesses Manning and Herbert's testimony as inconsistent pertaining to whether the Company is charging SCH USA assuming full occupancy?

A. Yes, he does. Mr. Lacey misconstrues the statement in my rebuttal testimony that notes that the Company is required to handle the maximum amount of flows as having an impact on how the Company bills SCH USA. It does not and should not be understood to play a role in the Company's billing practices. This statement about maximum flows only pertains to the Company's treatment plant being required to handle all of the flows coming from SCH USA. As noted in Company Witness Herbert's rebuttal testimony, the flat rate per EDU rate that SCH USA is currently billed is based off of 4,000 gallons which was the system wide residential average at the time of the Company's 2021 base rate case and the number of EDU's associated with SCH USA are predetermined and have been in place since the Settlement Agreement.

V. CONCLUSION

Q. Does that conclude your written rejoinder testimony at this time?

A. Yes, it does, but I reserve the right to supplement my rejoinder testimony as needed during this proceeding.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3048722 and R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED WRITTEN REJOINDER TESTIMONY OF CONSTANCE E. HEPPENSTALL

Topics Addressed:

Cost of Service Allocation
Customer Rate Design

DATE SERVED: October 3, 2024
DATE ADMITTED: _____

Aqua Statement No. 5-RJ

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.
DOCKET R-2024-3047822 AND R-2024-3047824

WRITTEN REJOINDER TESTIMONY OF CONSTANCE E. HEPPENSTALL

Q. Please state your name and address.

A. My name is Constance E. Heppenstall. My business address is 1010 Adams Avenue, Audubon, Pennsylvania.

Q. By whom are you employed?

A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC.

Q. Are you the same Constance E. Heppenstall who submitted direct, rebuttal and surrebuttal testimony in this case?

A. Yes. I submitted Aqua Statement No. 5 and Exhibit Nos. 5-A Part I and 5-B, Part I, Aqua Statement No. 5-R and Exhibits Nos. CEH-1-R, CEH-2-R and CEH-3-R and Aqua Statement No. 5-SR.

Q. What is the purpose of your rejoinder testimony in this proceeding?

A. I will address the issue of water customer charges raised in the surrebuttal testimony of Pennsylvania Office of Consumer Advocate ("OCA") Witness Jerome Mierzwa and Bureau of Investigation and Enforcement ("I&E") Witness Ethan Cline.

OCA Witness Jerome Mierzwa

Q. In his surrebuttal testimony, Mr. Mierzwa continues to support his assertion that the calculation of the customer charge should only include costs that change with the addition or subtraction of a customer. Please

respond.

A. Mr. Mierzwa's definition of direct costs is similar to the definition of marginal costs, i.e., costs that are not fixed but vary with the addition or subtraction of a customer. Due to his definition of customer costs, Mr. Mierzwa omits costs related to office building and furniture expenses that I included in the Company's customer cost analysis. The cost of these facilities needs to be included in the calculation of the customer charge as they are essential for the Company's billing and collection personnel to perform their jobs. Consequently, these categories of costs are directly related to customer cost functions, though they may not be marginal costs. OCA's assertion to only include these specific costs was not only denied in the most recent Pennsylvania American Water Company Rate Case, Docket No. R-2023-3043189, but was also denied by the Commission in the 2021 Aqua Pennsylvania rate case, Docket No. R-2021-3027385, as these limitations are "unreasonably narrow" (page 269 of Opinion and Order).

<u>OCA Witness Ethan Cline</u>

Q. In his surrebuttal testimony, Mr. Cline revises his wastewater rate design. Please discuss.

A. Yes, in his surrebuttal testimony, Mr. Cline admits that his wastewater rate design was "aggressive." I&E St. No. 3-SR, at p. 9. As a result, he adjusts the usage rates for Rate Zones 9, 10, 12 and 14.

Q. Do you agree with Mr. Cline's adjustments.

A. Mr. Cline's adjustments are a step in the right direction. All four of his adjustments brings the monthly rate for these customers below $100, which is

the Company's goal. However, his rate design consolidates into fewer rate zones and also maintains the increase in the average monthly residential customer bill in Rate Zone 1 and 1a of 22.5% or a monthly bill of $116.58, well above the Company's goal of $100. In addition, he continues to increase the rates for customers whose bill is already over $100 in Rate Zones 2, 3, 7 and 8. See the chart below that highlights in yellow the average monthly bills that changed in Mr. Cline's surrebuttal testimony.

Rate Zone	Present Monthly Bill	Company Proposed Bill		Company Increase	I&E Proposed Bill - Surrebuttal		I&E Surrebuttal Increase	I&E Rebuttal Increase
RZ 1	$ 95.19	RZ 1	$ 92.85	-2.5%	RZ 1	$ 116.58	22.5%	22.5%
RZ 1A	$ 95.19	RZ 1	$ 92.85	-2.5%	RZ 1	$ 116.58	22.5%	22.5%
RZ 2	$ 106.04	No Increase	$ 104.63	-1.3%	Combine with RZ 3	$ 123.66	16.6%	16.6%
RZ 3	$ 115.36	No Increase	$ 113.83	-1.3%	Combine with RZ 2	$ 123.66	7.2%	7.2%
RZ 4	$ 137.01	No Increase	$ 135.20	-1.3%	Combine with RZ 5	$ 147.73	7.8%	7.8%
RZ 5	$ 150.62	No Increase	$ 148.63	-1.3%	Combine with RZ 4	$ 147.73	-1.9%	-1.9%
RZ 6	$ 71.17	RZ 1 increas	$ 69.41	-2.5%	Usage Rates to RZ 1	$ 93.41	31.2%	31.2%
RZ 7	$ 78.39	RZ 1	$ 92.85	18.4%	RZ 1	$ 116.58	48.7%	48.7%
RZ 8	$ 104.41	RZ 2	$ 104.63	0.2%	RZ 1	$ 116.58	11.7%	11.7%
RZ 9	$ 61.68	RZ 1	$ 92.85	50.5%	Combine with RZ 10	$ 91.44	48.2%	79.6%
RZ 10	$ 66.35	RZ 1	$ 92.85	39.9%	Combine with RZ 9	$ 91.44	37.8%	67.0%
RZ 11	$ 137.29	RZ 2	$ 104.63	-23.8%	EDU Charge to RZ 1	$ 138.86	1.1%	1.1%
RZ 12	$ 70.51	RZ 1	$ 92.85	31.7%	Stand alone	$ 98.84	40.2%	51.6%
RZ 13	$ 45.17	EW	$ 73.90	63.6%	No change	$ 45.17	0.0%	0.0%
RZ 14	$ 65.48	RZ 1	$ 92.85	41.8%	Stand alone	$ 96.35	47.1%	63.3%

Q. The four rate zones that he adjusts were acquired under Section 1329. Does Mr. Cline still believe that these rate zones should experience large increases?

A. He indicates that these rate zones typically have lower rates and higher costs and, therefore, these zones should see larger increases in order to achieve rate consolidation. I agree with that sentiment and recommend that in the Company's rate design. However, I disagree that these areas should be considered outliers.

Q. How does OSBA Witness Cathcart respond to Mr. Cline's treatment of rate zones acquired under Section 1329?

A. Mr. Cathcart agrees with the Company that these areas should not experience

rate shock. He states that "(g)radualism should be taken into consideration to avoid rate shock" for these areas. OSBA St. No. 2-S, at p. 5.

Q. Mr. Cline refers to the Company's goal of keeping wastewater rates under $100 per month for most customers as having "no basis or support". I&E St. No. 3-SR, at p. 5. How do you respond.

A. The Company does not need basis or support for an average monthly wastewater bill of $100 except for keeping the interests of its customers in the forefront. For a 3% increase in water rates, the Company can significantly mitigate the monthly wastewater rates for its customers. Mr. Cline states that the 3% increase is "in addition" to the increase already being allocated to the water customers. I&E St. No. 3-SR, at p. 7. To be clear, the overall requested rate increase to water customers is 18.9%, including the Act 11 allocation. The 3% increase due to the Act 11 allocation is not in addition to the requested 18.9% increase.

Q. Mr. Cline supports his rate design that increases rates over $100 per month by citing Pennsylvania-American Water Company's rates approved in its most recent rate case. I&E St. No. 3-SR, at p. 6. Is that relevant to this case?

A. Another company's wastewater rate design is not relevant in this case. Pennsylvania-American Water Company has a different cost structure than Aqua PA.

Q. Does this conclude your written rejoinder testimony?

A. Yes, it does

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED WRITTEN REJOINDER TESTIMONY OF JOHN J. SPANOS

Topics Addressed:

Depreciation

DATE SERVED: October 3, 2024
DATE ADMITTED: _____

Aqua Statement No. 6-RJ

Aqua Statement No. 6-RJ

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RE: AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

WRITTEN REJOINDER TESTIMONY OF JOHN J. SPANOS

Q. Please state your name and address.

A. My name is John J. Spanos. My business address is 207 Senate Avenue, Camp Hill, Pennsylvania 17011.

Q. With what firm are you associated and in what capacity?

A. I am associated with the firm of Gannett Fleming Valuation and Rate Consultants, LLC ("Gannett Fleming") as President.

Q. How long have you been associated with Gannett Fleming?

A. I have been associated with the firm since June 1986.

Q. Have you previously filed testimony in this matter?

A. Yes, I previously submitted Aqua Statements No. 6 and 6-R.

Q. What is the purpose of your rejoinder testimony?

A. The purpose of my rejoinder testimony is to respond to the arguments and positions presented by Mr. Brian Andrews in his surrebuttal testimony concerning the depreciation methodologies, specifically the appropriateness of continuing the longstanding practice of using the Equal Life Group ("ELG") procedure rather than the Average Life Group ("ALG") procedure for Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively, "Aqua" or "Company"). My testimony will address each of Mr. Andrews' key points as it relates to the development of

the most appropriate depreciation rates and expense which is supported by reasoning that considers all the elements of not only the ELG procedure but the process of determining depreciation rates. Many of Mr. Andrews points in his surrebuttal are a component of the topics I discuss in this rejoinder so if a topic was not specifically identified that does not mean I agree with Mr. Andrews.

Q. Does Mr. Andrews dispute that ELG results in more accurate depreciation rates?

A. No, however, he disputes that the accuracy of the ELG procedure can be achieved. Mr. Andrews takes issue with well-researched depreciation textbooks and he claims the opposite of Wolf and Fitch and Robley Winfrey, two well-respected authorities on depreciation. The issues with the accuracy of the ELG procedure which he expresses as a result of the survivor curve selection would exist with the Average Service Life ("ASL"), also known as ALG, Procedure as well. There is no survivor curve that will perfectly match the historical activity and, more importantly, life analysis should not be a replication of the past but an estimation of the future. Mr. Andrews utilizes the analysis for Account 331.02, Mains and Accessories – 6" to 10" to discuss the topic.

Q. Do you agree with Mr. Andrews' position on the life estimate for Account 331.02?

A. No. First, as discussed previously, the process of determining the most appropriate survivor curve is not just a mathematical fit of historical data but a combination of historical data and informed judgment. The survivor curve is an estimation of the future. Therefore, I completely disagree with Mr. Andrews'

opinion that the 65-S2.5 curve is not only a very good match of the historical data, but it is also a very good indicator of the future. This includes the portion of the curve that Mr. Andrews challenges as there are equal portions of the smooth curve that are above the original curve and that are below the original curve. Second, the calculation of depreciation for an account that utilizes the ASL procedure is also affected by the survivor curve so attempting to just say that the survivor curve affects the ELG procedure is misleading.

Q. Does Mr. Andrews' testimony demonstrate that ELG is not accurate?

A. No. Mr. Andrews' position related to the differences between the 65-S2.5 survivor curve and the original curve being a poor match are not supported as shown by his graph. Also, he attempts to say that I did not follow the Wolf and Fitch authoritative text, which is inaccurate. His testimony also does not explain why his survivor curve discussion should illustrate that ELG is not more precise nor do his points explain why ELG should not be used for more accurate depreciation expense. Mr. Andrews further attempts to state that ELG procedure will only be more precise if there is an exact match of the smooth curve to the original curve. That is false. Finally, Mr. Andrews states that the ELG procedure was primarily of academic interest until the 1970s. This is not accurate as the ELG procedure was formerly known as the "unit of summation" method which has been utilized well before the 1970s and was developed prior to the ASL procedure.

Q. Please discuss Mr. Andrews's claims regarding the use of the ALG procedure in other jurisdictions.

A. Mr. Andrews argues that the use of ALG (i.e., the ASL Procedure) in other jurisdictions means that ELG should no longer be approved for Aqua.[1] Historically, most regulatory commissions had used ALG prior to the 1980s due to the complexity of ELG calculations. While many utilities did not move to ELG once computing technology allowed for its adoption, some states, such as Pennsylvania, did. This provides more accurate depreciation rates and is beneficial to customers. As I have explained in my rebuttal testimony, ELG provides a more accurate recovery of costs. This, correctly, means higher depreciation in the earlier years of the life of a property group and lower depreciation in later years. ALG is most correctly thought of as a deferral of the recovery of shorter-lived assets.

Used consistently, both ELG and ALG can result in intergenerational equity, although ALG is more costly to customers. This is because customers pay a return on the deferral resulting from ALG depreciating over *average* life rather than *actual* life. Stated differently, ELG results in a lower rate base than ALG, which results in a lower return on rate base than under ALG. Because the rate base impact is larger than the difference in depreciation expense, ELG results in lower customer rates than ALG. Aqua customers today have benefited from the use of ELG for close to four decades, as rate base is lower than had ALG been used. Customers in other jurisdictions for which ALG has been the longstanding practice do not receive such benefit.

[1] OCA St. No. 4SR, at p. 5.

Q. Has Mr. Andrews accurately described the use of ELG in all jurisdictions as well as my experience in his testimony on page 5?

A. No. First, Indiana has not exclusively gone to ASL (also known as ALG) and disregarded the ELG procedure. There was the Duke Energy Indiana case where the depreciation expense was changed to ASL instead of ELG based on the specific circumstances in that case, and the order explained that future determinations of depreciation procedure would be on a case-by-case basis. It should also be noted that all the utilities in Indiana have generation assets which are experiencing a very different scenario than what occurs for utilities in Pennsylvania. Second, he misrepresents the cases in my Appendix A that utilized ELG among the 46 states. There are other states besides the three that he mentions that are included in the 460 cases that I have submitted testimony. Therefore, stating 47 other states use ALG is inaccurate. Additionally, his statement that 43 other regulatory commissions that have approved the use of ALG where I have testified is also inaccurate based on my Appendix A. Mr. Andrews does not discuss the other components of developing a depreciation rate when claiming that Pennsylvania is an outlier when he attempts to establish commonality.

Q. Mr. Andrews also references that based on your list of cases that only 3 of 46 regulatory commissions have approved the use of the ELG procedure. Is this accurate?

A. No. There are other jurisdictions other than Texas, Colorado and Canada that have approved the ELG procedure as part of the list of cases where I have been

involved. He does not reflect others such as Oregon, Alabama, Indiana, Louisiana and Arkansas which approved ELG within some of the cases that I have submitted testimony in my career.

Q. Please explain how net salvage is deferred in Pennsylvania.

A. Mr. Andrews notes that future net salvage is not included in depreciation rates in Pennsylvania. As a result of a 1962 Superior Court Decision,[2] Pennsylvania is one of the only states in the country that defers the recovery of net salvage until after assets are retired. Industry standard depreciation practices (which Mr. Andrews typically follows) are to estimate future net salvage and include these estimates in depreciation rates. This approach, referred to as the "Traditional Method" for net salvage, results in intergenerational equity because customers pay for net salvage costs over the life of property (*i.e.,* during the time they provide service to customers). Pennsylvania, in contrast, defers recovery until after the assets are retired, meaning that current customers have to pay the costs of assets that no longer provide service. Mr. Andrews argues that this is one of the causes of Aqua's depreciation rates being lower than average. This argument raises a problem not a reason to defer costs further by changing from ELG to ALG.

Q. How does the deferral of the recovery of net salvage impact the Company's depreciation rates?

A. The Company's depreciation rates are too low to equitably recover the full service value of property.[3] Mr. Andrews is surely aware of this since he includes future

[2] *Penn Sheraton Hotel v. Pennsylvania Public Utility Commission*, 202 Pa. Super. 403, 195 A.2d 180 (Pa. Super. Ct. 1962).
[3] Service value is equal to the original cost less net salvage, where net salvage is gross salvage less cost of removal.

net salvage in almost all of his proposed depreciation rates across the country. The use of the ELG procedure does help mitigate these deferrals. Mr. Andrews' proposal to move away from ELG would create further inequity and push a significant share of costs to future customers.

Q. Please discuss other misleading statements in Mr. Andrews surrebuttal testimony that should be clarified.

A. Mr. Andrews discusses the higher than average investment cycle for Aqua in the last few years, but his statistics are very misleading. First, he states that Aqua has assets that are 140 years old and the average age of assets is 13.6 years. His statement that Aqua has assets that are still in service since 1882 is accurate. However, he then goes on to say the average age of the assets is 13.6 years which is not accurate for the assets. The 13.6 years is a close approximation for the dollars, but comparing a dollar weighted age to the overall life of assets in service is not a reasonable comparison. The footage of mains in the ground, for example, is much closer to a 50-60 year old average. Another key element that Mr. Andrews does not consider is much of Aqua's growth has been in acquisitions of other water and wastewater facilities which brings on additional customers so again his focus on capital investment in total is quite misleading**.**

Q. Please address Mr. Andrews' comments related to the low composite rate for Aqua PA as compared to other companies.

A. Mr. Andrews attempts to once again ignore some of the key elements of depreciation expense when he challenges my testimony. A depreciation rate is based on all of the key factors such as procedure, method, life estimates, net

salvage percentages, surviving plant by age and plant to reserve ratio. Therefore, when comparing rates between utilities you have to include all components as that is what the utility is recovering and the basis for how they are viewed in the industry. Mr. Andrews suggests ignoring the manner at which a Pennsylvania company recovers it full service value which includes net salvage is not a component for comparison. His position is just not reasonable and why trying to compare decisions in other jurisdictions should be clearly understood. Additionally, Mr. Andrews challenges the companies that are listed in my rebuttal testimony as not being comparable. However, he reviewed my Appendix A as he stated in his surrebuttal, so he is aware many of the utilities are other Aqua or American Water companies.

Q. Please also elaborate on your disagreement with Mr. Andrews testimony about the 2.17% composite rate.

A. On pages 8 and 9 of his surrebuttal, Mr. Andrews discusses his 2.17% composite rate not being considered too low even though I provided numerous examples that his 2.17% composite rate is lower than other comparable water companies. The composite rate is for all asset classes, however, Mr. Andrews in his surrebuttal gives an example related to the life estimate of mains. The accounts related to mains are the longest-lived asset classes so attempting to use a theoretical analysis of one of the longest lived accounts to justify his position for the entire asset base is once again not reasonable. Additionally, he tries to bring in the net salvage component of full service value recovery and does not properly include the full amount that is included due to the amortization of net salvage that is part

of recovery for all assets.

Q. Please summarize your written rejoinder testimony.

A. My written rejoinder testimony discusses many of the positions that Mr. Andrews has taken in his attempt to change the ELG procedure to the ASL (also known as ALG) procedure. However, many of the factors that he discusses are based on misleading concepts or statements that do not accurately represent the ELG procedure or the circumstances within Pennsylvania for Aqua PA. A change from ELG to ALG would be more costly to customers in the long run, create an unnecessary intergenerational inequity, restrict Aqua from being able to make necessary improvements to the system in order to provide quality service and does not consider all the factors of the development of depreciation rates for Aqua.

Q. Does this complete your prepared written rejoinder testimony?

A. Yes, it does.

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED WRITTEN REJOINDER TESTIMONY OF

PAUL R. MOUL

Topics Addressed:

Cost of Capital

DATE SERVED: October 3, 2024 **Aqua Statement No. 7-RJ**
DATE ADMITTED:_____

REJOINDER TESTIMONY OF PAUL R. MOUL

1. Q. PLEASE STATE YOUR NAME, OCCUPATION AND BUSINESS ADDRESS.

A. My name is Paul R. Moul and I am Managing Consultant at the firm P. Moul & Associates. My business address is 251 Hopkins Road, Haddonfield, NJ 08033-3062.

2. Q. MR. MOUL, HAVE YOU PREVIOUSLY SUBMITTED DIRECT AND REBUTTAL TESTIMONY IN THIS PROCEEDING?

A. Yes. My direct testimony AP Statement No. 7 was submitted with the Company's case-in-chief on May 23, 2024 and my rebuttal testimony AP Statement No. 7R was submitted on September 12, 2024.

3. Q. WHAT IS THE PURPOSE OF YOUR REJOINDER TESTIMONY?

A. Aqua Pennsylvania, Inc. ("AP" or the "Company") has requested that I respond to the surrebuttal testimony presented by Mr. Christopher Keller, a witness appearing on behalf of the Bureau of Investigation and Enforcement ("I&E"), and Mr. Aaron L. Rothschild a witness appearing on behalf of the Office of Consumer Advocate ("OCA"). If I fail to address each and every issue in the surrebuttal testimony of Mr. Keller and Mr. Rothschild, it does not imply agreement with those issues.

4. Q. BASED ON YOUR REVIEW OF THE SURREBUTTAL TESTIMONY OF MR. KELLER AND MR. ROTHSCHILD, DO YOU PROPOSE ANY CHANGE IN YOUR RECOMMENDED RETURN FOR AP IN THIS PROCEEDING?

A. No. There was nothing contained in the surrebuttal testimony of Messrs. Keller and Rothschild that changes my position that AP is entitled to a 10.95% rate of return on common equity. The proposals of Messrs. Keller and Rothschild of 9.37% and 8.70%, respectively, are entirely too low by reference to returns set by the Commission in recent rate cases and DSIC proceedings that I describe in my rebuttal testimony. Mr. Keller's argument that the DSIC rate is merely a benchmark

to identify "overearning" (see page 14 of I&E Statement No. 2-SR) and that it provides an incentive for investment in infrastructure rehabilitation is misplaced (see page 13 of I&E Statement No. 2-SR). The actual collection of revenues from the DSIC can only occur if earnings are below the DSIC rate. And it makes no sense that once DSIC assets enter the rate base that they should be penalized with a lower return which seems to be Mr. Keller's position because his 9.37% equity return is below the 9.65% DSIC rate for water utilities. Furthermore, Mr. Keller is incorrect to believe that the DSIC serves to lower a utility's risk (see page 14 of I&E Statement No. 2-SR). The cost of capital for AP is not affected by the DSIC. I say this because six of the eight companies is my proxy group whose data has been used to develop the cost of equity for AP in this proceeding have at least some form of a DSIC or similar infrastructure rehabilitation mechanisms. Hence, whatever the benefit of a DSIC, or other regulatory mechanisms, that impact is already reflected in the market evidence of the cost of equity for the proxy group.

5. Q. AT PAGES 11-12 OF HIS SURREBUTTAL TESTIMONY (I&E STATEMENT NO. 2-SR), MR. KELLER ATTEMPTS TO EXPLAIN HOW HIS CAPM RESULTS ARE TO BE USED IN THIS PROCEEDING WHEN HIS RECOMMENDATION IS COMPLETELY BASED ON THE DCF MODEL. PLEASE RESPOND.

A. Mr. Keller essentially repeats his position from his direct testimony (I&E Statement No. 2). What he never explains is how the CAPM results should be used, if the DCF results are to be used exclusively to set the equity return in this case. As a result, CAPM results would play no role in this case according to Mr. Keller's position. If the CAPM is to be employed at all in

this case, it must perform some role in setting the return on equity, otherwise it would be ignored entirely according to Mr. Keller.

6. Q. AND, MR. KELLER CLAIMS AT PAGES 12-13 OF I&E STATEMENT NO. 2-SR THAT RECENT INFLATIONARY TRENDS ARE REFLECTED IN THE DCF THROUGH USE OF A SPOT STOCK PRICE AND ANALYSTS' GROWTH FORECASTS. HAS HE SHOWN HOW THIS COULD OCCUR?

A. No. As I explained in my Rebuttal Testimony (see Aqua Statement No. 7-R), Mr. Keller has not shown how this has, or could occur. The fact is that inflationary trends are revealed direct in the yields on Treasury and public utility bonds that are used as direct inputs in the Risk Premium and CAPM methods. The same is not the case for the DCF model.

7. Q. ON PAGE 17 OF I&E STATEMENT NO. 2-SR, MR. KELLER ATTEMPTS TO JUSTIFY THE REASONABLENESS OF HIS DCF ANALYSIS BY COMPARING HIS RESULTS TO THE EMBEDDED COST OF DEBT FOR AP. IS THIS COMPARISON VALID?

A. No. Using the Company's embedded cost of debt as a benchmark is not valid. The correct comparison is with the marginal (i.e., current) cost of debt. The current cost of A-rated public utility debt, i.e. 5.38%, is what investors use to benchmark returns on alternative investments, because the current cost of equity must exceed the current yield on public utility bonds. The embedded cost of debt contains yields on public utility debt issued at a variety of times when interest rates could have been different than today's public utility bond yields. And it is doubtful that current investors know or

care about AP embedded cost of debt. Hence, Mr. Keller's comparison is invalid.

8. Q. AT PAGE 19 OF HIS SURREBUTTAL TESTIMONY (I&E STATEMENT NO. 2-SR), MR. KELLER CLAIMS THAT "FINANCIAL RISK DOES NOT RELATE TO THE CAPITAL STRUCTURE OF A COMPANY." IS THIS CORRECT?

A. This statement is unquestionably incorrect. The recognized measure of a company's financial risk is revealed by the balance sheet of a company. And, Mr. Rothschild apparently agrees with that proposition. Indeed, it is the balance sheet that provides the foundation for calculating the weighted average cost of capital, which is the basis for a public utility's weighted average cost of capital established in rate cases. As stated in The Regulation of Public Utilities[1]:

> …it is widely held that the cost of capital is related to a utility's capital structure. As the proportion of debt increases, "the added *financial risks* for both the debt and equity holders result in higher and higher costs for both debt and equity capital.

9. Q. AT PAGE 25 OF I&E STATEMENT NO. 2-SR, MR. KELLER CLAIMS THAT THE MARKET CAPITALIZATION OF A UTILITY DOES NOT OFFER SUPPORT FOR MY LEVERAGE ADJUSTMENT. PLEASE RESPOND.

A. Mr. Keller cites to Value Line reports where those amounts are related to the market value of equity and excludes debt. However, the Yahoo! Finance (a source used by Mr. Keller) reports show that the "Enterprise Value" of a utility includes both its debt capital as well as the market value of equity. This supports the fact that investors are well aware of the market value of a utility's total capitalization, including both debt and equity.

[1] Charles F. Phillips, Jr., The Regulation of Public Utilities (Public Utilities Reports, Inc. 1993) 233.

10. Q. ON PAGE 28 OF HIS SURREBUTTAL TESTIMONY (I&E STATEMENT NO, 2-SR), MR. KELLER CLAIMS THAT LESS WEIGHT SHOULD BE GIVEN TO MORE DISTANT FORECASTS BECAUSE THEY ARE "LESS RELIABLE AND MORE SPECULATIVE." PLEASE RESPOND.

A. This observation conflicts with his use of five-year projections of earnings growth in his DCF analysis. Given that five-year projections are relied upon by Mr. Keller, and many experts, for DCF purposes, there is no reason to discount any of the projections of Treasury yields when looking for the appropriate risk-free rate of return in the CAPM.

11. Q. AT PAGES 31-35 OF I&E STATEMENT NO. 2-SR, MR. KELLER SEEMS TO IMPLY THAT THE EVIDENCE YOU USED TO SUPPORT THE SIZE ADJUSTMENT IN THE CAPM IS NOT SPECIFIC TO UTILITY STOCKS. IS THIS CORRECT?

A. No. The article by Annie Wong was deficient because it attempted to correlate betas with size. As Fama/French subsequently established as published in the Journal of Finance in 1992, beta is not the correct measure to identify returns associated with the relative size of a company, either utility or non-regulated. Betas measure systematic risk, and the size of a company is an unsystematic risk.

12. Q. WHAT ISSUES WERE CONTAINED IN THE SURREBUTTAL TESTIMONY OF OCA WITNESS ROTHSCHILD THAT REQUIRE A RESPONSE?

A. Mr. Rothschild has addressed a variety of issues, including the following: the discounted cash flow model, market-to-book ratios, analyst's growth projections, betas, and capital structure.

13. Q. MR. ROTHSCHILD ATTEMPTS TO RESPOND (*SEE* PAGES 5-8 OF OCA STATEMENT NO. 3-SR) TO YOUR OBSERVATION CONCERNING THE MANY INCONSISTENCIES IN HIS DIRECT TESTIMONY. HAS HE SUCCESSFULLY DONE SO?

A. For the most part, no. Many of his responses in his surrebuttal testimony attempt to distinguish investor expectations from expert forecasts and the necessary use of historical data due to the limitations of capital market data. But what Mr. Rothschild has failed to explain is how his testimony addresses these factors in any way that is superior to my use of these data. That is to say, expert forecasts are the only hard data that we can use to gain insight into investor expectations, and historical data provides the foundation upon which expectations are formed. As is often repeated, past performance provides no guarantee of future returns. But what it does is to provide a basis for judgments on how the future will diverge from the past given changing fundamentals that impact the capital markets. And that is how I used historical data in my testimony. Moreover, Mr. Rothschild states that markets are influenced by the behavior of millions of people. But he never reveals how many of the millions of people he surveyed to ascertain investor expectations.

14. Q. BEGINNING ON PAGE 10 OF HIS SURREBUTTAL TESTIMONY, MR.

ROTHSCHILD ATTEMPTS TO DIMINISH THE USEFULNESS OF ANALYSTS' PROJECTED GROWTH RATES IN THE DCF. PLEASE RESPOND.

A. Mr. Rothschild sets forth two arguments. He claims at page 13 that analysts' projected growth rates are overly optimistic and that the retention rate must be considered in the DCF. First, in an article published in The Wall Street Journal on April 26, 2010, it was reported that 64% of companies had beaten analysts' forecasts since the start of 1999. More importantly, however, investors rely heavily on analysts' forecasts in determining the price they are willing to pay for a particular stock. Consequently, if the forecasted earnings growth rates were to be discounted, a downward adjustment would also have to be made to the stock prices that reflect those forecasts. This, in turn, would generate higher dividend yields in the DCF analysis. I have specifically noted that Myron Gordon established that analysts' forecasts of earnings growth is the best growth rate measures in the DCF, and retention growth was not the preferred approach. Second, there is no requirement in the DCF model that the growth rate must include a retention rate factor/percentage. Mr. Rothschild's paycheck analogy is way off the mark. The paycheck in his example (see page 14 of OCA Statement 3-SR) is represented by the dividend receipts component that establishes the dividend yield in the DCF equation. This is distinct from the expected growth in future paychecks that an individual might expect. Hopefully, an individual will realize a growing paycheck in the future attributed to (i) inflation, and (ii) recognition of increased productivity. Hence, paycheck growth occurs

mostly from these two factors and has nothing to do with the amount an individual retains in his/her bank account.

15. Q. IN HIS SURREBUTTAL TESTIMONY (*SEE* PAGE 14 OF OCA STATEMENT NO. 3-SR), MR. ROTHSCHILD CLAIMS TO HAVE USED A "HOLISTIC ANALYSIS" WHEN EMPLOYING ANALYSTS' FIVE-YEAR GROWTH RATE FORECASTS. HAS HIS "HOLISTIC ANALYSIS" IMPROVED UPON USE OF ANALYSTS' FORECASTS DIRECTLY?

A. No. My understanding of holism is that the whole is worth more than merely the sum of the parts. Mr. Rothschild used many parts in his analysis, i.e., earnings per share, dividends per share, book value per share, dividend payout ratios, earnings book ratios, market to book ratios, and analysts' forecasts. In his use of these data sets, Mr. Rothschild has missed some key components in pursuit of a truly holistic outcome. We know this because the sum of all the parts used by Mr. Rothschild produces a result that fails the holistic analysis because it is less than the analysts' forecasts used directly.

16. Q. REGARDING THE ISSUE OF MARKET-TO-BOOK RATIOS, MR. ROTHSCHILD CLAIMS ON PAGES 17-19 OF HIS SURREBUTTAL TESTIMONY (OCA STATEMENT NO. 3-SR) THAT WHEN INVESTORS PAY MORE THAN BOOK VALUE, THEY REQUIRE A LOWER RETURN THAN WHAT THEY EXPECT A UTILITY WILL EARN. IS THIS CORRECT?

A. No. Since utility stock prices are today, and have been generally throughout history, considerably higher than book value, Mr. Rothschild's apparent

desire to reduce those prices to book value is unjustified. Of course, no rational investor would take a position in a utility stock with the expectation that the price would decline, thereby losing capital. So while utility stock prices exceed book value, the stock prices of many non-utilities exceed their book values by even larger amounts. Hence, stock prices above book value for utilities provide no basis for reducing market determined returns because they must compete in the capital markets with these other companies. Nevertheless, Mr. Rothschild does exactly that in his analysis.

17. Q. AT PAGES 26-27 OF OCA STATEMENT NO. 3-SR, MR. ROTHSCHILD COMPLAINS ABOUT THE HISTORICAL NATURE OF THE VALUE LINE BETAS. ARE HIS COMPLAINTS VALID?

A. No. What Mr. Rothschild fails to acknowledge is that Value Line adjusts its betas in recognition of the regression bias associated with use of historical data. What Value Line has done is to recognize that the betas of low beta stocks must be adjusted upward, and high beta stocks must be adjusted downward. These adjustments recognize that high and low beta stocks will revert to the mean beta of 1.0 moving from historical performance to expectations. So Value Line has already acknowledged Mr. Rothschild's observation and adjusted for it.

18. Q. IN HIS SURREBUTTAL TESTIMONY (*SEE* PAGES 37-39 OF OCA STATEMENT NO. 3-SR), MR. ROTHSCHILD OPINES THAT THE COMPANY'S PROPOSED CAPITAL STRUCTURE IS UNREASONABLE AND UNFAIRLY PREJUDICES RATEPAYERS. DO YOU AGREE?

A. No. Mr. Rothchild adopts a hypothetical capital structure for AP in place of its actual capital structure. His proposal provides a generic capital structure that would apply to any and all water utilities. But, he is entirely wrong on this matter. Moreover, his approach drives down his equity return on AP's actual equity to 8.42% (6.53% - 1.99% = 4.54% ÷ 53.95%) from 8.70% that he proposes. The Commission's policy on capital structure, which adopts the projected equity ratio if it is the range employed by the barometer group companies, places a limit on the common equity ratio that triggers the imposition of a hypothetical capital structure. As revealed below, the range of common equity ratios is 44.7% to 57.5% for 2023 and 45.0% to 63.0% for 2027-29 based on Value Line forecasts.

	Common Equity Ratio			
Company	2023	2024	2025	2027-29
American States Water Co (AWR)	57.4%	57.0%	56.5%	57.0%
American Water Works Co Inc (AWK)	45.5%	44.0%	42.5%	60.0%
California Water Service Group (CWT)	57.5%	60.5%	61.0%	63.0%
Essential Utilities, Inc. (WTRG)	46.3%	46.0%	45.5%	45.0%
Middlesex Water Co (MSEX)	54.0%	57.0%	58.5%	59.5%
SJW Corp (SJW)	44.7%	47.5%	50.0%	57.0%
Range:				
High	57.5%	60.5%	61.0%	63.0%
Low	44.7%	44.0%	42.5%	45.0%

For a majority of companies, the common equity ratios are trending upward based on the Value Line forecasts. And for the period 2027-2029, the average common equity ratio for the group is 56.92%. Hence, the common equity ratio for AP in this case of 53.95% is clearly reasonable and should be accepted.

19. Q. DOES THIS CONCLUDE YOUR REJOINDER TESTIMONY?

A. Yes.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822 and R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED WRITTEN REJOINDER TESTIMONY OF PANPILAS W. FISCHER

Topics Addressed:

PA NOL Deferred Tax Asset
Income Tax Impacts of Repairs Deduction
Uncertain Tax Positions

DATE SERVED: October 3, 2024
DATE ADMITTED: _____

Aqua Statement No. 8-RJ

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AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.
WRITTEN REJOINDER TESTIMONY OF PANPILAS W. FISCHER

I. INTRODUCTION AND PURPOSE OF TESTIMONY

Q. What is your name and business address?

A. My name is Panpilas W. Fischer, and my business address is 4355 Cobb Parkway, Suite J255, Atlanta, GA 30339.

Q. Did you previously submit testimony in this proceeding on behalf of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. ("Aqua" or the "Company")?

A. Yes, I submitted my direct testimony, Aqua Statement No. 8, on May 23, 2024 and my rebuttal testimony, Aqua Statement No. 8-R, on September 12, 2024.

Q. What is the purpose of your written rejoinder testimony?

A. Subsequent to the filing of my prepared rebuttal testimony, Ralph C. Smith filed surrebutal testimony on behalf of the Pennsylvania Office of the Consumer Advocate ("OCA"). My testimony responds to portions of the surrebuttal testimony submitted by Mr. Smith. Specifically, I will respond to portions of Mr. Smith's testimony about the PA Net Operating Loss ("NOL") deferred tax asset, the repairs deduction and uncertain tax positions.

Q. Are you sponsoring any exhibits associated with your rebuttal testimony?

A. Yes, I am attaching Exhibit PWF-1RJ to support the inventory of property related deferred taxes included in rate base, Exhibit PWF-2RJ to support the level of Aqua's FPFTY repairs deduction and Exhibit PWF-3RJ to support the recalculation of tax expense and deferred income tax in rate base based on OCA's proposed adjustments.

II. PENNSYLVANIA NOL DEFERRED TAX ASSET

Q. On page 27 of Mr. Smith's Surrebuttal Testimony, Mr. Smith states the balance of the PA NOL deferred tax asset in rate base as $32.728 million. Is this correct?

A. No, Mr. Smith missed the correction that was provided in rebuttal testimony, Aqua Statement 8-R at page 2, lines 9-15. The amount that is included in Aqua's rate base is $29,241,593, not $32.728 million. This correction was also reflected in Exhibit PWF-1 attached to Aqua Statement 8-R, which is being including below for ease of reference. This is a difference of $3,485,908:

AQUA PENNSYLVANIA, INC. **Exhibit PWF-1**
AQUA PENNSYLVANIA WASTEWATER, INC.

PA NOL included in Rate Base (due to historical deferral treatment)

	HTY		FTY		FPFTY Corrected	OCA-XV-25a Attachment 1	
Co	12/31/2023 DTA	NOL Utilization 12/31/2024	Balance 12/31/2024	NOL Utilization 12/31/2025	Balance 12/31/2025	Balance 12/31/2025	Difference
5500	32,121,572						
5510	1,559,290						
Subtotal-Water	33,680,863	(3,109,318)	30,571,545	(2,267,005)	28,304,540	31,413,858	(3,109,318)
Wastewater	937,053	-	937,053	-	937,053	1,313,644	(376,590)
Total					**29,241,593**	32,727,501	(3,485,908)

Q. Why is a PA NOL deferred tax asset in rate base unusual in Pennsylvania?

A. Pennsylvania is generally a flow through state for ratemaking purposes, so naturally there would not be many instances where the related deferred tax would be included in rate base so pragmatically there would not normally be a need for testimony to include a PA NOL deferred tax asset in rate base. Normalization treatment of the PA NOL beginning in 2012 was not the preference of the Company, but the size of the past and ongoing tax benefits of the repairs deduction to customers were so significant, generating large NOL's, necessitated extraordinary measures to provide customers these millions of dollars of

benefits. As a result of the normalization treatment of the PA NOL, the Company was able to reduce customer rates and stay out of rate cases for an extended period of time, even though the Company has yet to monetize the $29.214 million of PA tax benefits with the PA Department of Revenue. All other deferred taxes receiving normalization treatment are included in rate base according to the standard of normalization accounting for deferred taxes in ratemaking. This includes state deferred taxes for tank painting and method/life differences that have been included in rate base previously and are included in this case as discussed in Aqua Statement No. 8, page 10, lines 22-23 and page 11, lines 1-3. See Exhibit PWF-1RJ for the inventory of account 282 property related deferred taxes from the PowerTax system included in rate base. The state deferred taxes included in rate base are the four rows highlighted in grey.

Q. Does witness Smith believe there is a regulatory asset associated with the PA NOL deferred tax asset of $29.214 million and why does this matter?

A. Yes, he does. This belief is erroneous. First, the PA NOL deferred tax asset is an "asset" on the balance sheet and it is not proper accounting for the offset to a deferred tax asset to be a regulatory asset, it would have to be a regulatory liability. Second, the balance of the regulatory liability offsetting the PA NOL deferred tax asset is $0. You would not have a "funded" deferred tax asset or liability in rate base in conjunction with a "FAS 109" regulatory asset or liability. The term "FAS 109" is used to preface a regulatory asset or liability because all regulatory assets/liabilities are recorded to the same accounts 182 or 254, but a FAS 109 regulatory asset or liability is grossed-up for taxes and is associated with a non-rate base deferred tax asset or liability. FAS 109 does not alter the normalization rules in any way, rather it provides transparency between the two types of deferred tax

assets and liabilities ("ADIT") that exist and their treatment as rate base vs non rate base ADIT as shown below:

Description	Account	Flow Through	Normalization	PA NOL Def Tax Asset
Cur Income Tax Exp	409	Cost of service	Cost of service	Cost of service
Cur Income Tax Payable	236	N/A	N/A	N/A
Def Income Tax Exp	410/411	N/A	Cost of service	Cost of service
ADIT Funded	190/282/283	N/A	Rate Base	Rate Base
ADIT FAS 109	190/282/283	Non Rate Base	N/A*	N/A*
FAS 109 Reg Asset/Liability	182/254	Non Rate Base	N/A*	N/A*
*Exception is for tax rate changes.				

Under the normalization rules it would not be proper to include a FAS 109 ADIT in rate base, nor would it be proper to exclude a funded ADIT, like the PA NOL, from rate base.

Q. Is it inconsistent to include the PA NOL deferred tax asset in rate base and then discontinue the normalization of the PA NOL in 2025?

A. No, it is not. The PA NOL deferred tax asset of $29.214 million represents the benefits customers already received but the Company has not monetized. Discontinuing the normalization of the PA NOL in 2025 only affects *new* PA NOL and does not impact this historical PA NOL amount. Aqua will monetize the historical PA NOL under normalization accounting as it generates sufficient taxable income in the future and the $29.214 million balance will be reduced as the historical PA NOL is utilized. The extraordinary circumstances that surrounded the normalization of the PA NOL no longer exist given the benefits already passed back to customers and the expected decline of the repairs deduction in the future. While Aqua does not anticipate generating PA NOLs in the future, if future deductions were to create negative PA taxable income once again, and *new* PA NOL is generated, not normalizing the new PA NOL will limit the benefit the customers receive to the amount the Company actually monetizes. The treatment of any new PA NOL

will then follow general Pennsylvania regulatory policy, which is to charge customers a level of tax expense equal to the taxes the utility expects to pay currently beginning in 2025.

Q. Is it inconsistent to include the PA NOL deferred tax asset in rate base when the Company no longer expects to generate NOLs after 2024?

A. No, not at all. As previously stated, the PA NOL deferred tax asset of $29.214 million is generated from historical repairs deductions. When the Company is no longer generating new NOLs, (i.e. the Company has positive taxable income) this does not change the fact that the historical PA NOL balance will decline and with it the amount of the historical deferred tax asset in rate base.

Q. Are Mr. Smith's reasons for excluding the PA NOL deferred tax asset in rate base valid?

A. No, they are not. There will regularly be situations resulting in new property related book vs tax timing difference deferred tax assets or liabilities to be included in rate base which have not been before. Aqua is not seeking retroactive relief for previously not including the PA NOL deferred tax asset in rate base. Aqua is making a prospective correction to adhere to the precepts of normalization accounting and to recognize the fact that customers have in past rate cases received the tax benefits from the repairs deductions that Aqua has not realized. As previously stated, there are other deferred tax liabilities and assets that have been included in rate base absent explicit requirements necessitating such treatment. Inclusion of the PA NOL deferred tax asset in rate base is consistent with Aqua's longstanding ratemaking methodology. Mr. Smith's recommendation should be rejected.

III. REPAIRS DEDUCTION

Q. Do you agree with witness Smith's proposed adjustment to Aqua's repairs deduction?

A. No for reasons explained in Aqua Statement 8-R, pages 11-12, I do not. The repairs deduction cannot be estimated by simply extrapolating a percentage of capital spend based on historical experience to future capital spend. Only replacement type work that does not materially increase capacity passes the first hurdle and then there are additional hurdles under the tax laws to be passed. In the response to OCA-XXVII-18 part1, Attachment 1, the Company provided a breakdown of plant investments by major category and their repairs eligibility in the FPFTY in support of its claimed repairs deduction in this case. Exhibit PWF-2RJ is a copy of that attachment.

Q. Do you agree with witness Smith's calculation of the tax impacts on his proposed adjustment to Aqua's repairs deduction?

A. No I do not. Mr. Smith's calculation only accounts for the current income tax effect of his proposed adjustment. It does not include the impacts to tax depreciation, flow through book depreciation and ADIT in rate base as a result of a different repairs deduction. The tax expense decrease would not be $8,127,142 but $4,523,023, a difference of $3,604,119 because the OCA's proposed repairs deduction changes the amount of book depreciation that is flowed through vs normalized which in turn changes the level of deferred income tax expense. The change in deferred tax expense would create an ADIT increase, which would result in a rate base decrease of $2,031,681. See Exhibit PWF-3RJ attached for the supporting calculations.

Q. Do you agree with witness Smith's recommendation to discontinue the use of the collar mechanism?

A. No, I do not. Without a collar mechanism, when the actual repairs deduction is over the amount included in the FPFTY, customers are harmed because they do not receive the tax benefits and vice versa if the actual repairs deduction is under the amount included in the FPFTY, Aqua is not permitted to recover the additional associated tax expense. Mr. Smith accuses the Company of being one-sided on this issue, but he is the one recommending setting an artificially high level of repairs deduction as well as elimination of the collar mechanism so that the Company cannot recover the additional tax expense it will incur when Mr. Smith's excessive repairs deduction is not experienced. Contrary to Mr. Smith's claim that the collar mechanism was established in a settlement, the propriety of the collar mechanism was presented by Mr. Smith in Aqua's 2021 rate case, and the Commission approved the mechanism.

IV. UNCERTAIN TAX POSITIONS

Q. Is there any application of the FERC's position on UTPs in this case?

A. No. The FERC's position is to exclude deferred tax assets or liabilities for UTPs from rate base and include what the utility has monetized in rate base which is a very different scenario than Aqua's. The FERC generally does not follow flow through tax accounting. Under FERC accounting deferred tax liabilities for cumulative repairs deductions reduce rate base and any repairs related UTP deferred tax assets would not be allowed as a partially offsetting increase to rate base. Compare this to Aqua, where the repairs deductions as well as the UTP on the repairs deductions are treated as flow through, hence there are no related rate base deferred tax assets or liabilities for the cumulative repairs reductions flowed through or the offsetting repairs UTPs. Most importantly Aqua has not monetized all the tax benefits of the repairs deduction, yet still provides customers the benefit of the time

value of money by including UTP reserves as a reduction to rate base, whereas the FERC sets the rate base deduction equal to what has been monetized.

Q. Does the fact that the Company has not been audited since the 2010-2011 tax years have any bearing on the Company's repairs UTP treatment in this case?

A. No. Aqua did not start taking the repairs deduction until the 2012 tax returns, therefore the IRS has not had the opportunity to audit Aqua's repairs deduction yet. This renders Mr. Smith's claim that the reduction to the tax benefit of repairs for UTP is unnecessary because "the repairs deduction has never been reversed under audit" to be a moot point. In fact, there is a greater likelihood Aqua will be audited since it has not been for an extended period of time.

Q. Would it be inequitable if some of Aqua's repairs deduction is disallowed and Aqua records a regulatory asset as claimed by OCA witness Smith?

A. What Mr. Smith describes would be inequitable, but his statement is not a correct interpretation of Aqua's UTP position. See the table below for a summary of the two options to reflect the UTP in ratemaking and their respective outcomes:

	Tax Deduction	Outcome	Regulatory Asset or Liability	Customer Bill Impact
Option 1	Repairs, less UTP	a. Reversed	N/A	0
Option 1	Repairs, less UTP	b. Allowed	Reg Liability	Decrease
Option 2	Repairs - no UTP	a. Reversed	Reg Asset	Increase
Option 2	Repairs - no UTP	b. Allowed	N/A	0

Consistent with what was accepted by the Commission in Aqua's previous rate case, Aqua has reflected Option 1 in this case. If the tax position is audited and disallowed (Option 1a), then there is no additional recovery of tax expense from customers. If the tax position is audited and sustained (i.e. repairs deduction is allowed as claimed-Option 1b), then the Company would set up a regulatory LIABILITY to pass back tax benefits to

customers. This is what Aqua has reflected in this rate case as described in Aqua Statement No. 8, page 16, lines 3-12. Aqua recorded a regulatory liability and is proposing to refund to customers uncertain tax positions that were released, via a credit to deferred income tax expense in this case. OCA Witness Smith wants to change to Option 2 where customer bills would increase if part of the repairs deduction is disallowed.

V. CONCLUSION

Q. Does this conclude your written rejoinder testimony?

A. Yes, it does, but I reserve the right to supplement my written rejoinder testimony as needed during this proceeding.

EXHIBIT NO. PWF-1-RJ

PowerTax Deferred Tax Summary Report **Exhibit PWF-1RJ**

2024 Aqua PA Rate Case
PA-Aqua Pennsylvania Inc.

Jurisdiction: Federal Tax Year: 2025	Book vs Tax Beginning Difference	Book vs Tax Current Difference	Book vs Tax Ending Difference	Liability/(Asset) Beginning APB11 DFIT Balance	Liability/(Asset) Current DFIT	Liability/(Asset) Ending APB11 DFIT Balance
APA Fed COR	$9,051,014.69	($221,434.00)	$8,829,580.69	$1,900,713.07	($46,501.13)	$1,854,211.94
APA Fed M/L	$966,515,450.18	$12,349,391.74	$978,864,841.92	$335,935,461.26	($367,607.42)	$335,567,853.84
APA Fed 481a Tax Repairs Norm	$13,696,932.01	($109,940.03)	$13,586,991.98	$2,876,355.57	($23,087.37)	$2,853,268.20
APA Fed AFUDC Debt	$16,648,306.08	$30,364.08	$16,678,670.16	$3,496,144.29	$6,376.46	$3,502,520.75
APA Fed Audit Adjustment	($4,038,395.13)	$75,717.75	($3,962,677.38)	($848,062.97)	$15,900.74	($832,162.23)
APA Fed CAC - Cash Receipts	($157,340.43)	$2,824.82	($154,515.61)	($33,041.49)	$593.22	($32,448.27)
APA Fed CAC - Repays	$2,602,797.50	($40,805.06)	$2,561,992.44	$546,587.49	($8,569.06)	$538,018.43
APA Fed CIAC - Cash Receipts	($1,264,347.19)	$19,924.14	($1,244,423.05)	($265,512.91)	$4,184.06	($261,328.85)
APA Fed CPI	($41,296,777.56)	$673,432.88	($40,623,344.68)	($8,672,323.45)	$141,420.84	($8,530,902.61)
APA Fed DryWell Maint Audit	($834,974.79)	$12,828.06	($822,146.73)	($175,344.70)	$2,693.89	($172,650.81)
APA Fed PA Basis Adjustment	$15,304,503.00	($320,878.41)	$14,983,624.59	$3,213,945.62	($67,384.45)	$3,146,561.17
APA Fed SEC 179	$566,011.95	($22,403.16)	$543,608.79	$118,862.50	($4,704.68)	$114,157.82
APA Fed Tax Repair LSLR	$11,104,134.08	$11,724,122.84	$22,828,256.92	$2,331,868.16	$2,462,065.79	$4,793,933.95
APA Fed TP-MCL-MB	$138,343,633.27	($2,716,487.95)	$135,627,145.32	$29,052,163.00	($570,462.48)	$28,481,700.52
APA Fed 2019 Conversion Diff	$8,580,314.78	($451,595.51)	$8,128,719.27	$1,801,866.10	($94,835.06)	$1,707,031.04
APA Fed CIAC Taxable-Tax Only	($17,797,556.94)	$844,544.65	($16,953,012.29)	($3,737,486.94)	$177,354.35	($3,560,132.59)
APA Fed Tax CAC/CIAC (TCJA)-Tx Only	($7,118,978.06)	$379,897.63	($6,739,080.43)	($1,494,985.36)	$79,778.53	($1,415,206.83)
APA PA M/L	$3,121,813.28	$271,387.01	$3,393,200.29	$280,650.94	$24,397.68	$305,048.62
APA PA TP-MCL-MB	$138,343,633.27	($2,716,487.95)	$135,627,145.32	$12,437,092.63	($244,212.25)	$12,192,880.38
APA PA Off TP-MCL-MB	$138,343,633.27	($2,716,487.95)	$135,627,145.32	($2,902,449.30)	$56,991.91	($2,845,457.39)
APA PA Off M/L	$3,121,813.28	$271,387.01	$3,393,200.29	($64,531.50)	($5,116.11)	($69,647.61)
APA Fed COR	$375,508.94	($72,436.00)	$303,072.94	$78,856.89	($15,211.56)	$63,645.33
APA Fed M/L	$4,985,718.47	$279,954.28	$5,265,672.75	$1,566,896.55	$22,267.77	$1,589,164.32
APA Fed 481a Tax Repairs Norm	$45,169.32	$3,814.97	$48,984.29	$9,485.55	$801.16	$10,286.71
APA Fed AFUDC Debt	$174,509.42	$2,993.00	$177,502.42	$36,647.02	$628.55	$37,275.57
APA Fed CAC - Cash Receipts	($7,262.00)	$105.83	($7,156.17)	($1,525.02)	$22.23	($1,502.79)
APA Fed CAC - Repays	$25,623.30	($370.18)	$25,253.12	$5,380.90	($77.74)	$5,303.16
APA Fed CIAC - Cash Receipts	($67,713.99)	$978.27	($66,735.72)	($14,219.94)	$205.44	($14,014.50)
APA Fed CPI	($364,005.98)	$524.96	($363,481.02)	($76,441.18)	$110.23	($76,330.95)
APA Fed Tax CAC/CIAC (TCJA)-Tx Only	$1,262.27	($52.60)	$1,209.67	$265.08	($11.04)	$254.04
Total Water						$378,951,330.36
APA Fed COR	$536,624.06	($291,641.00)	$244,983.06	$112,691.05	($61,244.60)	$51,446.45
APA Fed M/L	$61,117,407.13	$10,506,646.81	$71,624,053.94	$13,888,452.52	$2,177,443.70	$16,065,896.22
APA Fed 481a Tax Repairs Norm	$168,222.24	($7,441.11)	$160,781.13	$35,326.67	($1,562.63)	$33,764.04
APA Fed AFUDC Debt	$2,145,092.47	$53,614.41	$2,198,706.88	$450,469.31	$11,259.01	$461,728.32
APA Fed CAC - Cash Receipts	($48,994.21)	$1,550.52	($47,443.69)	($10,288.77)	$325.60	($9,963.17)
APA Fed CPI	($2,272,173.30)	$74,415.26	($2,197,758.04)	($477,499.46)	$15,634.40	($461,865.06)
APA Fed 2019 Conversion Diff	$459,800.10	($24,200.01)	$435,600.09	$96,558.03	($5,082.00)	$91,476.03
APA Fed CIAC Taxable-Tax Only	($1,456,713.92)	$109,885.85	($1,346,828.07)	($305,909.93)	$23,076.04	($282,833.89)
APA Fed Tax CAC/CIAC (TCJA)-Tx Only	($1,508,576.68)	$99,573.21	($1,409,003.47)	($316,801.10)	$20,910.38	($295,890.72)
Total Wastewater						$15,653,758.22

EXHIBIT NO. PWF-2-RJ

Aqua Pennsylvania, Inc.
Response to OCA-XXVII-11

Exhibit PWF-2RJ

FPFTY Tax Repair Estimate by Project Group	est_tax_repair_pct											
work_order_group	100% Eligible	91% - 99% Eligible	81% - 90% Eligible	71% - 80% Eligible	61% - 70% Eligible	51% - 60% Eligible	41% - 50% Eligible	31% - 40% Eligible	21% - 30% Eligible	11% - 20% Eligible	1% - 10% Eligible	Grand Total
110R-Distribution Main Repl-SC	$0	$0	$101,571,868			$0	$0	$0			$0	$101,571,868
117R-Force Main Replace-SC	$38,000		$35,000									$73,000
118R-Gravity Main & Manhole Repl-SC	$3,094,500					$250,000	$3,399,812					$6,744,312
122R-Gravity Main/MH OvFl R/R-SC	$0											$0
124R-Lift Station Repair/Repl-SC	$1,150,000						$0					$1,150,000
125R-Distirubtion Main Breaks-SC	$4,560,000											$4,560,000
127R-Gravity Main Lining-SC							$0					$0
132R-Mandatory Relocations-SC	$100,000											$100,000
136R-Valve Replacements-SC	$1,211,000											$1,211,000
310R-Service Line Replacements-SC	$4,495,000											$4,495,000
315R-Service Repl due to MainRep-SC	$17,860,062											$17,860,062
321R-Sewer Lateral Replacements-SC	$204,900											$204,900
410R-Replace/Relocate Hydrants-SC	$3,982,156	$0										$3,982,156
510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$200,000						$385,024				$50,000	$635,024
511R-R/Rpl Impr Other WA/WW TPB-SC	$0		$9,700	$50,000					$60,000			$119,700
512R-WA/WW Trt Plt/Fac Rep/Repl-SC	$3,487,200	$0	$261,700	$335,900	$0		$1,002,010			$2,000,000		$7,086,810
514R-Boost/Regul/Comp Stn R/R-NS	$705,000						$18,000					$723,000
515R-R/Rpl Impr Other WA/WW TPB-NS	$115,000			$400,000								$515,000
518R-Rep/Repl Pumping Equipment-SC	$763,000		$253,000	$4,000			$617,000					$1,637,000
520R-Rep/Repl Water Treat Equip-NS	$90,000								$10,000			$100,000
522R-Dams-NS	$320,000						$100,000		$4,000,000			$4,420,000
526R-Rep/Repl Pumping Equipment-NS	$0						$105,000					$105,000
530R-Rep/Repl Well/Well Pump-NS	$586,000	$50,000		$0			$125,000		$200,000		$80,000	$1,041,000
545R-Water Tank Coating-NS	$0											$0
599R-Rep/Repl Other TrtPlt/Boost-NS	$30,000											$30,000
705R-Fence Replacements-NS	$98,700		$3,700	$22,500								$124,900
720R-Office Complex Impr/Reno-NS	$362,000		$10,000	$0			$500,000				$10,000	$882,000
740R-Effluent Disposal System-NS	$0											$0
761R-Rep/Repl Power Gen Equip-SC	$400,000						$0					$400,000
799R-Oth Buildings/Grounds Maint-NS											$0	$0
Grand Total	**$43,852,518**	**$50,000**	**$102,144,968**	**$812,400**	**$0**	**$250,000**	**$6,251,846**	**$0**	**$4,270,000**	**$2,000,000**	**$140,000**	**$159,771,732**

EXHIBIT NO. PWF-3-RJ

Aqua PA **Exhibit PWF-3RJ**

Line No		OCA Calculation					OCA Calculation-Corrected					Difference
	Cost of Service:	Water-Fed	Water-State	WW-Fed	WW-State	Total	Water-Fed	Water-State	WW-Fed	WW-State	Total	
1	Repairs per Company	158,600,000	158,600,000	4,460,000	4,460,000		158,600,000	158,600,000	4,460,000	4,460,000		
2	Repairs per OCA	187,469,988	187,469,988	5,346,574	5,346,574		187,469,988	187,469,988	5,346,574	5,346,574		
3	Difference (Line 1-Line 2)	(28,869,988)	(28,869,988)	(886,574)	(886,574)		(28,869,988)	(28,869,988)	(886,574)	(886,574)		
4	Reduction in Tax depreciation as a result of addtl repairs	-	-	-	-		409,400	894,934	6,932	6,932		
5	State Tax Expense-Current	2,306,712	-	70,837	-		2,235,207	-	70,283	-		
6	Adjustments-Total (Lines 3-5)	(26,563,276)	(28,869,988)	(815,737)	(886,574)		(26,225,381)	(27,975,054)	(809,359)	(879,643)		
7	State Tax rate		0.0799		0.0799			0.0799		0.0799		
8	Current State Tax decrease (Line 6*Lline 7)	-	(2,306,712)	-	(70,837)		-	(2,235,207)	-	(70,283)		
9	Fed Tax rate	0.21		0.21			0.21		0.21			
10	Current Fed Tax decrease (Line 6*Line 9)	(5,578,288)	-	(171,305)	-		(5,507,330)	-	(169,965)	-		
11	Normalized Book Depreciation Change*	-	-	-	-		13,947,940	89,280	2,916,616	-		
12	Normalized Tax Depreciation Change	-	-	-	-		(409,400)	-	(6,932)	-		
13	Subtotal (Line 11+Line 12)	-	-				13,538,541	89,280	2,909,685	-		
14	State Tax rate		0.0631		0.0631			0.0631		0.0631		
15	Deferred State Tax increase (Line 13*Line 14)	-	-				-	5,635	-	-		
16	Fed Tax rate	0.21		0.21			0.21		0.21			
17	Deferred Fed Tax increase (Line 13*Line 16)	-	-				2,843,094	-	611,034	-		
18	Total Inc Tax decrease (Line 8+Line 10+ Line 15+Line 17)	(5,578,288)	(2,306,712)	(171,305)	(70,837)	(8,127,142)	(2,664,237)	(2,229,571)	441,068	(70,283)	(4,523,023)	$ 3,604,119
	Rate Base:											
19	ADIT Change	-	-	-	-		(2,843,094)	(5,635)	(611,034)	-		
20	Pro rata normalization adjustment change	-		-			1,149,350		278,732			
21	ADIT increase/Rate base decrease (Line 15+Line 16)	-	-	-	-	-	(1,693,744)	(5,635)	(332,302)	-	(2,031,681)	$ (2,031,681)

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED WRITTEN REJOINDER TESTIMONY OF TODD M. DUERR P.E., L.O.

Topics Addressed:

Wastewater Billing

DATE SERVED: October 3, 2024
DATE ADMITTED: _____

Aqua Statement No. 11-RJ

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I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. Please state your name and business address.

A. My name is Todd Duerr. My business address is 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010.

Q. By whom are you employed and in what capacity?

A. I am employed by Aqua Pennsylvania, Inc., ("AP") as Vice President of Operations.

Q. Have you previously provided testimony in this proceeding?

A. Yes. I provided Direct Testimony on behalf of AP and Aqua Pennsylvania Wastewater, Inc. ("APW") (collectively "Aqua," or the "Company") as Statement No. 11 with the Company's filing to the Pennsylvania Public Utility Commission ("PUC" or the "Commission"), Rebuttal Testimony as Statement 11-R, and Surrebuttal Testimony as Statement 11-SR.

Q. What is the purpose of your written rejoinder testimony?

A. The purpose of my Written Rejoinder Testimony is to address the surrebuttal testimony of SCH USA, LLC ("SCH USA") witness Ronald Carrier (SCH USA St. No. 2-SR). I further note that, while my rejoinder testimony is limited to addressing Mr. Carrier's surrebuttal, Aqua continues to disagree with SCH USA's testimony unless specifically stated otherwise.

Q. Are you including any other exhibits with your written rejoinder testimony?

A. No.

II. RESPONSE TO SCH USA WITNESS CARRIER

Q. Does SCH USA witness Carrier agree with you that ultrasonic and electromagnetic flow meters can be used in pressurized flow pipes?

A. Yes. However, Mr. Carrier disagrees with my rebuttal testimony that these types of meters cannot be used in the case of SCH USA's system.

Q. Why does he disagree?

A. For electromagnetic flow meters, Mr. Carrier states there are several manufacturers that offer electromagnetic flow meters for use in non-pressurized, partially-filled pipes. SCH USA St. No. 2-SR, at p. 2.

Q. Do you agree with this?

A. As I discussed in my rebuttal testimony (Aqua Statement No. 11-R), when I referred to electromagnetic meters, I was referring to the meters that are most typically used in full pipe flow application. However, as I also stated in my rebuttal testimony there are other types of open channel flow measuring devices, which appear to be the meter type that Mr. Carrier is describing when he discusses electromagnetic meters on non-pressurized, partially filled pipes. While there are some manufacturers that provide these types of electromagnetic flow meters, the application of these meters must be specifically engineered for the flow volume. I cannot determine that the existence of such meters will be conclusive of appropriate metering technology use in the case of SCH USA's system. Again, those types of meters are subject to many design and operational parameters that must be specifically engineered to ensure appropriate measurement.

Q. What does SCH USA witness Carrier suggest regarding the use of ultrasonic meters on gravity systems?

A. Mr. Carrier suggests that it could be possible to configure a sewer line that creates a section of the pipe that dips below the lowest part of the sewer line then reconnects to the downstream section of the sewer line (a U-bend), thereby providing a section of the pipe that will remain full to measure flow through. SCH USA St. No. 2-SR, at p. 2.

Q. Do you agree with Mr. Carrier?

A. No. The U-bend in a pipe is not typically used for raw (i.e., untreated) wastewater flow measuring. This is because the U-bend in the pipe will cause solids in the raw wastewater to settle in the bottom of the pipe that will build up and then not allow for accurate reading of flow. Moreover, this will cause the pipe to backup causing other issues within the system. In my experience, the type of U-bend that Mr. Carrier is describing for use in wastewater flow measure is for treated effluent, where solids have already been removed and there is not anything in the treated effluent that could build up in the U-bend.

Q. Mr. Carrier also discusses using water meter readings and the use of customer owned water meters as an alternative to EDU based billing. SCH USA St. No. 2-SR, at p. 2. Please respond.

A. Mr. Carrier notes that it would allow Aqua to verify the installation of any water meters and that testing should occur before installation and periodically to ensure accuracy. SCH USA is not, as far as I am aware, subject to Commission jurisdiction or Chapter 65 regarding meter installation or testing requirements. As such, enforcement of testing requirements would need to be done through a separate agreement specifically for SCH USA. SCH USA would also have to allow access rights to the meter, and if SCH USA does not provide reads or allow Aqua the ability to read the meters, Aqua does not have the ability to terminate SCH USA's water service because Aqua is not the water provider

– SCH USA is. In that instance the only other option would be to dig up and sever or plug each entry point to Aqua's wastewater system from SCH USA's system. Moreover, simply because SCH USA's requested relief may or may not be feasible does not demonstrate the existing service and rates of Aqua are unjust or unreasonable such that they must be revised.

III. CONCLUSION

Q. Does that conclude your written rejoinder testimony?

A. Yes, it does, but I reserve the right to supplement my written rejoinder testimony as needed during this proceeding.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED WRITTEN REJOINDER TESTIMONY OF RITA F. BLACK DIRECTOR, COMMUNITY ASSISTANCE PROGRAMS ESSENTIAL UTILITIES

DATE SERVED: October 3, 2024
DATE ADMITTED:_____

Aqua Statement No. 13-RJ

PREPARED WRITTEN REJOINDER TESTIMONY
OF RITA F. BLACK

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Rita F. Black, and my business address is located at 375 North Shore Drive, Pittsburgh, Pennsylvania 15212.

Q. By whom are you employed and in what capacity?

A. I am employed by Essential Utilities, Inc. ("Essential") as the Director of Community Assistance Programs. In this role, I lead assistance programs for Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua"), and Peoples Natural Gas Company LLC ("Peoples"), as well as the regulated utilities of Essential operating in other states.

Q. Have you previously provided testimony in this proceeding?

A. Yes. My direct testimony is provided in Aqua Statement No. 13 and my rebuttal testimony is provided in Aqua Statement No. 13-R.

Q. What is the purpose of your written rejoinder testimony in this case?

A. I would like to respond to the surrebuttal testimony of Mr. Roger Colton, on behalf of the Office of Consumer Advocate ("OCA") and Mr. Harry Geller, on behalf of the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania ("CAUSE-PA").

II. RESPONSE TO CAUSE-PA WITNESS HARRY GELLER (CAUSE-PA STATEMENT NO. 1-SR)

Q. On pages 4 through 8 of his testimony, Mr. Geller discusses the counting and tracking of low-income households. Would you like to respond?

A. Yes. Aqua's customer information system does not have the ability to classify customers' potential low-income status based on income type alone. Its system relies on a dollar amount assigned to the type of income verbally provided by the customer. Therefore, Aqua is unable to track participation in other federal, state or utility programs as indicators of low-income status, for example. Customers who are participating in any of Aqua's programs are counted as low-income households. Further, I would like to clarify that income information provided during the medical certification process to establish payment arrangements, for example, is recorded in the customer's record. If it is reflective of low-income, the customer's record would indicate that status. Existence of a medical certificate alone, however, is not indicative of low-income status as medical certificates are available to customers regardless of income.

Q. Mr. Geller responded to your rebuttal testimony regarding his proposed modifications to the discount structure and benefit levels offered under Aqua's Customer Assistance Program ("CAP"). Please respond to his surrebuttal testimony on this issue.

A. Mr. Geller reiterated his proposal to expand Aqua's current discount design to four tiers from three. As noted in my rebuttal testimony, Aqua understood a one-size-fits-all approach of providing one discount to all participants as was in place at other utilities at the time was not the best approach to CAP design and therefore proposed its tiered discount design to provide the highest level of discounts to those with the lowest incomes. Aqua's program is still relatively new, and its participation is gaining traction. Once the program was approved in 2022, work began on establishing the program from a functional

standpoint, as well as developing an outreach plan and educating employees. It is important to consider that roughly half of Aqua's current participants are Low Income Household Water Assistance Program ("LIHWAP") recipients. LIHWAP was operated in Pennsylvania as a crisis program, requiring applicants to have arrears sufficient to receiving a termination notice or loss of service. As Aqua CAP participation grows and diversifies to include other low income customers who do not have arrears, we will gain a fuller picture of whether the discounts provided in Aqua's CAP are sufficient to improving affordability. This is an important consideration in the balance between customers who receive these discounts and the customers whose bills are increased to subsidize these discounts.

Q. On pages 14 and 15 of his surrebuttal testimony, Mr. Geller raises concerns about the availability and use of Aqua Aid. Please respond to these concerns.

A. Mr. Geller states, "For example, in 2023, Aqua reported a total of 20 grants processed, despite 4,179 confirmed low-income customers experiencing an involuntary service termination for nonpayment."[1] This statistic is misleading. The low number of grants that Mr. Geller speaks of occurred before the former Helping Hand grant was relaunched as Aqua Aid. With the relaunch, Aqua Aid was promoted widely to all residential customers through a dedicated bill insert in the spring of 2024. Information was also added to the Company's website and customer service agents at both Aqua and Aqua's CAP administrator, Dollar Energy Fund, were trained in Aqua Aid to increase awareness and use of the funds. As a result, grant participation has grown substantially. By comparison, in the month of August alone, 20 grants were issued -- the same amount of grants processed

[1] CAUSE-PA St. No. 1-SR, p. 15, lines 15 through 17.

in 2023 in its entirety. The current model of using Aqua personnel to interact with interested Aqua Aid applicants is beneficial, not only to ensuring that grants are provided expeditiously, but also in providing a holistic approach. We find that many of the customers contacting us to apply for Aqua Aid are actually better served by enrolling in CAP and deferring their arrears for future arrearage forgiveness while receiving monthly discounted bills.

III. RESPONSE TO OCA WITNESS ROGER COLTON (OCA STATEMENT NO. 6SR)

Q. Mr. Colton responded to your rebuttal testimony regarding outreach elements and raised five additional elements that would be required for your proposed alternative to be acceptable.[2] Please describe those elements and respond to them.

A. Mr. Colton first notes that there should be more specificity in my recommendations to incorporate CAP information into termination notices and to work with the Aqua Assistance Collaborative ("AAC") to identify call scripting and call center reference tools. As the AAC meets on a quarterly basis and outreach is a key component of our discussions, I will commit to beginning this work with the AAC at the next scheduled meeting which will occur in November.

Second, Mr. Colton suggest that Aqua "should pursue a study of its low-income customers to inquire why nonpaying customers do not make contact with the utility, when, in response to bill nonpayment, those nonpaying customers receive a request to contact the utility."[3] I think such a study is unnecessary. The "request to contact the utility" in response to nonpayment is typically a collections or termination letter. Customers also

[2] OCA St. No. 6SR, pp. 9-10.
[3] OCA St. No. 6SR, p. 9, lines 26 through 28.

receive phone calls or field posted notices regarding nonpayment of bills. Customers who are unable to pay the amount due often do not respond to these efforts for a number of reasons including their inability to pay the bill, their lack of awareness of assistance programs, unwillingness to work with utility personnel, and often multiple competing financial priorities including rent and other utility bills that may also be in arrears. Rather than conducting a study of the topic described by Mr. Colton, I believe it would be more productive to engage the AAC on the topic of customer engagement to identify methods that these professionals, working with low income populations, may have already found to better connect payment-troubled customers with CAP and other assistance programs.

Mr. Colton also suggests that Aqua should engage an adult education professional to assist in the development of communications. Aqua employs adult education professionals as trainers in its Customer Service organization. I understand Mr. Colton's point that these types of professionals can benefit our outreach communications and will include them in our upcoming AAC discussions on outreach and engagement.

Fourth, Mr. Colton suggests a timeline of twelve months from the final order in this proceeding for Aqua to adopt the work I proposed in my rebuttal testimony. This timeline is reasonable.

Finally, Mr. Colton states that reporting and accountability to the Bureau of Consumer Services ("BCS") should be incorporated through reporting within 18 months or as part of Aqua's next base rate proceeding, whichever comes first. I would like to note that BCS is part of the AAC and participants in all meetings. Further, Aqua already provides a report to BCS on an annual basis through its Consumer Education and Outreach

Plan ("CEOP") which was implemented following the last base rate proceeding. Therefore, I do not believe any further reporting is necessary at this time.

Q. Please respond to Mr. Colton's surrebuttal testimony in response to your rebuttal regarding Aqua filing a Universal Service Plan.[4]

A. I would like to clarify that in my rebuttal testimony I was responding to the suggestion by Mr. Geller that Aqua should be required to file a Universal Service Plan, a point Mr. Geller continues to make in his surrebuttal testimony[5]. In response, Mr. Colton suggests that Aqua "has never articulated the policy basis for its low-income programs. That failure to articulate the basis for its program leaves the Company free to change the policy foundation for its program to fit its needs at a particular point in time. It also leaves the Company free from any accountability regarding whether it is, or is not, fulfilling the reasons why it has adopted the low-income program with which to begin."[6] I disagree with Mr. Colton's characterization that Aqua is attempting to avoid accountability by stating its unwillingness to file a Universal Service Plan, a document whose regulations are not applicable to Aqua. I further dispute his statement that "Ms. Black objects to having the Commission tell Aqua what the policy basis for its low-income CAP should be"[7]. Not only has Aqua been fully transparent in this and prior proceedings regarding its foundation for the programs developed and offered, it files an annual CEOP reiterating its outreach efforts and meets quarterly with stakeholders through AAC including members of OCA, PULP and BCS.

[4] OCA St. No. 6R, p. 10, beginning on line 17.
[5] CAUSE-PA St. No. 1-SR, p. 21, beginning on line 9.
[6] OCA St. No. 6R, p. 10, line 26 through Page 11 line 5.
[7] OCA St. No. 6R, p. 11, lines 6 and 7.

Q. Mr. Colton states, "Ms. Black does not object to increasing the number of conservation kits distributed to low-income customers."[8] Do you agree with this statement?

A. I do not. In my rebuttal testimony, I note that Mr. Colton proposed to send a conservation kit to all new CAP enrollees. I disagree with this proposal as the costs would be more than the annual funding of the leak repair and conservation budget in total. I believe the current process, of prioritizing kits to high users, is a better use of limited resources.

Q. Similar to CAUSE-PA witness Mr. Geller, Mr. Colton responded to your rebuttal testimony regarding modifying the current CAP design. Would you like to respond to his testimony on this topic?

A. Mr. Colton's recommendations are very similar in nature to Mr. Geller's, which I have already addressed earlier in my testimony.

IV. CONCLUSION

Q. Does this conclude your Rejoinder Testimony?

A. Yes. I reserve the right to submit supplemental testimony if additional issues arise during the course of this proceeding. Thank you.

[8] OCA St. No. 6R, p. 16, lines 3 and 4.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION
v.
AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKETS NOS.: R-2024-3047822
R-2024-3047824

WRITTEN REJOINDER

WITNESS: PAUL J. HIBBARD

SUBJECT: RATEMAKING PRINCIPLES AND PRECEDENT

DATED: OCTOBER 3, 2024

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WRITTEN REJOINDER
OF
PAUL J. HIBBARD

I. INTRODUCTION

Q. Would you please state your name, business address, and occupation?

A. My name is Paul Hibbard. I am a Principal at Analysis Group ("AG"), an economic, finance and strategy consulting firm headquartered in Boston, Massachusetts, where I work on energy and environmental economic and policy consulting. My business address is 111 Huntington Avenue, 14th Floor, Boston, Massachusetts 02199.

Q. Have you previously provided testimony in this proceeding before the Pennsylvania Public Utility Commission ("PUC," or "Commission")?

A. Yes. On September 12, 2024, I provided Rebuttal Testimony as Aqua St. No. 15-R to the PUC on behalf of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively, "Aqua" or "Company") related to ratemaking principles. In my Rebuttal Testimony, I set forth my qualifications, which have not changed.

Q. What is the purpose of your written rejoinder?

A. In this written rejoinder, I respond to certain aspects of the Surrebuttal Testimony of the Pennsylvania Office of Consumer Advocate ("OCA") witness Christine Maloni Hoover,[1] including her surrebuttal regarding the "regulatory compact," alternative ratemaking, and the use of the fair market value approach in incorporating the cost of municipal water system acquisitions.

[1] *Pennsylvania Office of Consumer Advocate*, Surrebuttal Testimony of Christine Maloni Hoover, OCA Statement No. 1-SR, Docket Nos. R-2024-3047822 *et al.,* September 26, 2024.

Q. Initially, does anything in Ms. Hoover's Surrebuttal Testimony change the opinions you stated in your rebuttal testimony?

A. No.

II. THE "REGULATORY COMPACT"

Q. Ms. Hoover claims that she does not narrowly define the regulatory compact and traditional ratemaking.[2] Can you explain in more detail why you came to the conclusion that her definitions were overly narrow?

A. Ms. Hoover's application of the phrase regulatory compact in this proceeding focuses on the obligations of the utility to provide service at reasonable rates subject to state policing powers,[3] with little or no reference to the obligation to allow the utility to recover the legitimate costs of meeting its public service obligation. For example, she answers the question of what is regulatory compact as "in return for the public utility company being granted an exclusive franchise to operate in a specific service territory without rival, the public utility company in turn has the duty to provide service to all customers under certain governmental direction and oversight as to rates and service quality, subject to due process constraints."[4] Nowhere in her answer to the question does she mention the obligation to allow the utility to recover its legitimate costs. Additionally, she stated in her Direct Testimony that "[i]n this case, the OCA seeks to present a clear focus on the needs of consumers to safe and reliable drinking water and wastewater at just and

[2] OCA St. No. 1-SR, p. 4.

[3] *See, e.g.*, OCA St. No. 1, pp. 18-19 ("Foundationally, the state's authority to regulate public utilities stems from the state's police powers… the regulatory compact or framework in Pennsylvania, as set forth in the Public Utility Code, permits the Commission to grant a public utility company the legal privilege to exclusively serve in a defined service area, and in turn, the public utility is obligated within that area to provide consumers adequate, efficient, safe, and reasonable utility service and to maintain adequate, efficient, safe, and reasonable utility facilities at rates that are just and reasonable and not unreasonably discriminatory.").

[4] OCA St. No. 1, p. 18.

reasonable rates that they can afford."[5] Notably, these quotes come from pages she cited to dispute my statement that she makes little or no reference to the obligation to allow the utility to recover its legitimate costs.[6]

She further claims that the Company's proposal to use certain ratemaking mechanisms that she refers to as "alternative" "undermine[s] the regulatory compact" because they "shift the risk of uncertainties from the public utility to captive consumers who have no choice but to purchase water and wastewater from Aqua due to its monopoly status."[7] However, in focusing on the risks, she neglects to fairly assess the benefits of using these mechanisms to customers, including improvements to service quality, reliability, and efficiency.

Q. You stated in your Rebuttal Testimony that Ms. Hoover and the OCA make an "erroneous presumption that the whole ratemaking process in Pennsylvania and/or the Commission's exercise of its jurisdictional responsibilities are structurally biased in favor of regulated utilities."[8] Ms. Hoover claims that you are incorrect.[9] Can you explain in more detail why you reached this conclusion?

A. In her Direct Testimony, Ms. Hoover stated repeatedly that the ratemaking process in Pennsylvania fails to adequately account for consumers interests relative to regulated utilities. For example, she specifically stated that: "Consumers' interests are often overlooked in both the nuts and bolts and the big picture of rate setting"[10] and that "the

[5] OCA St. No. 1, p. 26.

[6] OCA St. No. 1-SR, p. 5.

[7] OCA St. No. 1, pp. 11, 27.

[8] Aqua St. No. 15-R, p. 4.

[9] OCA St. No. 1-SR, p. 6.

[10] OCA St. No. 1, p. 25.

focus of the rate case is usually on the investors' needs, missing from the focus is defining the consumers' needs."[11]

Q. In your Rebuttal Testimony, you stated that Ms. Hoover's testimony suggests that the Commission should focus primarily or exclusively on consumer interests and that this provides the Commission with latitude to set rates that are outside a zone of reasonableness.[12] Ms. Hoover claims that this is not a reasonable conclusion or supported by what is in her testimony.[13] Can you explain the basis for your conclusion?

A. In her Direct Testimony, Ms. Hoover specifically emphasized the need to consider consumer interests and stated that in balancing utility and consumer interests, the Commission can set rates outside the zone of reasonableness: "Thus, the fact that consumer interest must be considered in the assessment of whether rates are just and reasonable is a well-founded concept in both the regulatory compact as established in case law and in Pennsylvania statutory authority… Within that zone of reasonableness, the interests of consumers and investors should overlap. There may be circumstances where the rates are outside of a normal range of reasonableness, but the regulators must still fairly balance the interests of all parties."[14]

[11] OCA St. No. 1, pp. 25-26.

[12] Aqua St. No. 15-R, p. 13.

[13] OCA St. No. 1-SR, p. 6.

[14] OCA St. No. 1, p. 25.

Q. Ms. Hoover testified in her Surrebuttal Testimony that: "I did not testify that reasonable and prudent costs should be disregarded."[15] Does that accord with your understanding of the impact the OCA's recommendations would have on Aqua?

A. No. As I understand the OCA's recommendations, if the Commission adopts the OCA's recommended revenue requirement,[16] then Aqua will not be able to recover reasonable and prudently incurred costs necessary to provide service to its customers, jeopardizing its ability to obtain financing at reasonable rates, invest in its systems, and provide high quality service to its customers.

III. ALTERNATIVE RATEMAKING

Q. Ms. Hoover states in her Surrebuttal Testimony that she did not claim there should be a numerical limit on alternative ratemaking measures but only that they should not be viewed in isolation.[17] Does that accord with her previous testimony?

A. Ms. Hoover's Direct Testimony stated that "Aqua could have chosen any of these [alternative ratemaking provisions] or none of them, but the fact that they chose to employ them *all* in coordination with each other… present unreasonable choices by Aqua that seeks to insulate shareholders and Aqua management from the difficult job of efficient management and seeks to place nearly all the risk on Aqua's captive customers."[18] In other words, Ms. Hoover's statement implies that employing multiple ratemaking mechanisms is unreasonable.

[15] OCA St. No. 1-SR, p. 6.

[16] OCA St. No. 1, p. 3.

[17] OCA St. No. 1-SR, p. 8.

[18] OCA St. No. 1, p. 37.

Q. Does Ms. Hoover correctly characterize your discussion of Section 1311(c)[19] when she claims that you stated that the wastewater costs in this matter are "spread among the common customer base of the water and wastewater utilities"?[20]

A. No, Ms. Hoover mischaracterizes my testimony. The quote Ms. Hoover cites to comes directly from a quote from the Commission's 2012 Final Implementation Order regarding Act 11 of 2012 that was simply part of a description of Section 1311(c)'s purpose according to the Commission.[21] I did not claim that Aqua's water and wastewater customers are the same or that the wastewater costs in this case are "spread among the common customer base of the water and wastewater utilities."

Q. In her Surrebuttal Testimony, Ms. Hoover continues to claim that the four "alternative ratemaking mechanisms" cited in her Direct Testimony are "outside of traditional ratemaking because each creates an exception to traditional ratemaking."[22] Do you agree?

A. Ms. Hoover's distinction between traditional and alternative ratemaking continues to be forced and exaggerated to set the stage for the very real-world and significant reductions the OCA proposes to the Company's revenue requirement.[23] Whether a mechanism is labeled traditional or alternative, its effects and justifications are what the Commission must consider. Moreover, the various ratemaking mechanisms the Company proposes

[19] Aqua St. No. 15-R, p. 18.

[20] OCA St. No. 1-SR, p. 9.

[21] Aqua St. No. 15-R, p. 18 citing Final Implementation Order, *Implementation of Act 11 of 2012*, Docket No. M-2012-2293611 (August 2, 2012) ("2012 Implementation Order re Act 11"), p. 8.

[22] OCA St. No. 1-SR, p. 9.

[23] OCA St. No. 1, p. 3.

are designed to manage the risks associated with major forthcoming capital investments and ensure the Company's financial viability and ability to attract capital.

IV. THE USE OF FAIR MARKET VALUE

Q. Ms. Hoover states that you "characterize[] the revenue requirement deficiencies created by the FMV acquisitions as 'irrelevant.'"[24] Please clarify what you found to be irrelevant and why.

A. I stated that "Ms. Hoover's contention that the 'fair market value rate base exacerbates the revenue deficiencies' is irrelevant"[25] because the Commission previously approved the inclusion in rate base of the fair market value of the acquisitions to which she refers.[26] Thus, the use of fair market value for these acquisitions should not be an issue in this case.

Q. Does this conclude your written rejoinder?

A. Yes.

[24] OCA St. No. 1-SR, p. 10.

[25] Aqua St. No. 15-R, p. 22.

[26] OCA St. No. 1, pp. 30-32, 37.

PUBLIC VERSION

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCKET NOS. R-2024-3047822, R-2024-3047824

AQUA PENNSYLVANIA, INC.
AQUA PENNSYLVANIA WASTEWATER, INC.

PREPARED WRITTEN REJOINDER TESTIMONY OF ALEXIS RODRIGUEZ

Topics Addressed:

Customer Service Line Warranty Program

DATE SERVED: October 3, 2024
DATE ADMITTED: _____

Aqua Statement No. 16-RJ

I. INTRODUCTION AND SCOPE OF TESTIMONY

Q. What is your name and business address?

A. My name is Alexis Rodriguez and my business address is 762 W. Lancaster Avenue, Bryn Mawr PA 19010.

Q. Have you previously submitted testimony in this proceeding?

A. Yes. My surrebuttal testimony AP Statement No. 16-SR was submitted on September 12, 2024.

Q. What is the purpose of your Written Rejoinder Testimony?

A. My testimony is to address Office of Consumer Advocate ("OCA") witness Smith's revenue adjustment for HomeServe USA Corp. ("HomeServe") and OCA witness Alexander's testimony on this topic.[1]

II. RESPONSE TO OCA WITNESS SMITH

Q. Please explain OCA witness Smith's adjustment related to HomeServe.

A. In witness Smith's surrebuttal testimony, he added a new $5,061,510 revenue adjustment related to HomeServe revenues received by Aqua Resources, Inc. ("Aqua Resources"), which I disagree with.[2]

Q. Please explain why Mr. Smith's adjustment is not appropriate.

A. First, it is inappropriate for the reasons set forth in my surrebuttal and which is further supported by the Pennsylvania Public Utility Commission ("Commission") in the recent Pennsylvania-American Water base rate case.[3] Aqua PA has no contractual relationship with HomeServe. HomeServe is an independent company that provides emergency home

[1] *See* OCA St. Nos. 2SR and 7SR.
[2] OCA St. No. 2SR, p. 20.
[3] *Pa. PUC, et al. v. Pennsylvania-American Water Company*, Docket Nos. R-2023-3043189, *et al.* (Order entered July 22, 2024).

repair solutions and protection solutions to homeowners. Aqua PA does not bill or collect warranty coverage on its customers' utility bills. Nor does Aqua PA provide customer name or address information to HomeServe.

Q. If the Commission were to reverse its precedent on this matter, is Mr. Smith's revenue adjustment appropriate?

A. No, it is not. The number provided in discovery and as stated in that discovery applies to all of the Aqua subsidiaries where marketing occurs.[4] [**BEGIN CONFIDENTIAL**] [redacted] [**END CONFIDENTIAL**] Again, I disagree with any type of adjustment and change in course of prior Commission practice and precedent on this matter.

III. RESPONSE TO OCA WITNESS ALEXANDER

Q. Does Ms. Alexander discuss HomeServe in her surrebuttal testimony?

A. Yes. However, Ms. Alexander's discussion of HomeServe mainly reiterates her prior recommendations she stated in Supplemental Direct Testimony. The Company continues to disagree with the adjustments and the recommendations of the OCA for the reasons set forth in my Surrebuttal Testimony, and in this written Rejoinder Testimony.

IV. CONCLUSION

Q. Does that conclude your written Rejoinder Testimony at this time?

A. Yes, it does, but I reserve the right to supplement my written Rejoinder Testimony as needed during this proceeding.

[4] *See* OCA Exhibit No. LA-6, pp. 2-4.

Aqua PA Hearing Exhibit No. 1

SCH USA, LLC's Response to Aqua PA to SCH-USA-II-001

Response of SCH USA, LLC
to the Interrogatories and Request for Production of Documents of
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater Inc., Set II –
Docket Nos. R-2024-3047822 and R-2024-3047824, et al.

INTERROGATORIES

Request: Aqua PA to SCH-USA-II-001

Please reference SCH USA Statement No. 2-SR, page 2, lines 9-12.

a) Please provide an example of the referenced "applications" Mr. Carrier is familiar with.
    i. If Mr. Carrier is referencing a specific application(s), please provide copies of the specific application(s).

b) Has Mr. Carrier personally witnessed, developed or operated such an application(s)?

c) Has Mr. Carrier ever designed or constructed the application(s) referenced?

Response:

a) I am not familiar with any specific application of this concept.
b) I have not personally witnessed, developed or operated such an application.
c) I have not designed or constructed such an application.

Response provided by: Ronald Carrier

Date provided: October 4, 2024

VERIFICATION

I, Ronald Carrier, am the founding principal of Big Lake Consulting Group, LLC. I hereby verify that the facts set forth in the attached discovery responses which I am sponsoring are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

October 4, 2024
Dated

Ronald Carrier
Principal
Big Lake Consulting Group, LLC

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	Docket Nos. R-2024-3047822
v.	:	R-2024-3047824
	:	
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania Wastewater, Inc.	:	

DIRECT TESTIMONY

OF

CHRISTINE MALONI HOOVER

On behalf of the

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA STATEMENT 1

Date Served: August 16, 2024

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Introduction

Q. Please state your name and business address.

A. My name is Christine Maloni Hoover. My business address is 555 Walnut Street, 5th Floor, Harrisburg, PA 17101.

Q. By whom are you employed and in what capacity?

A. I am employed by the Office of Consumer Advocate (OCA) currently with the title Of Counsel. When I retired on March 31, 2024, I was the Deputy Consumer Advocate.

Q. What is the purpose of your testimony in this case?

A. I have been asked to provide an overview of this case from the consumers' perspective, including a discussion of how Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (Aqua PA or Company) proposals that, when taken together, result in large bill increases and other harms to its customers. I will also introduce and synthesize the OCA's other witnesses who address the rate requests filed by the Company and provide an overall recommendation.

Q. Have you previously provided testimony before the Pennsylvania Public Utility Commission?

A. Yes. I provided direct (corrected), supplemental, rebuttal, and surrebuttal testimony in Pennsylvania-American Water Company's base rate cases at Docket Nos. R-2023-3043189 (water) and R-2023-3043190 (wastewater). I am also currently serving as a witness for the OCA in Aqua's application to purchase the assets of the Greenville Sanitary Authority at Docket No. A-2023-3041695. Prior to those cases, my appearances before the Commission have been as an attorney on behalf of the Office of Consumer Advocate.

Q. What are your qualifications to provide this testimony in this case?

A. I was employed by the OCA from 1987 through March 2024 in increasingly responsible roles as an attorney, then a senior attorney, and then as the Deputy Consumer Advocate. I also

served as the Interim Acting Consumer Advocate for slightly more than 6 months from June 2021 through mid-December 2021. I have concentrated my legal career on cases and public policy issues that have been before the Public Utility Commission (PUC or Commission). I also have been involved in public policy issues at the state and federal level, concentrating on water and wastewater issues. During my career at OCA, I had increasing responsibilities and had a role in setting the OCA's policy positions on a wide range of utility issues. In addition, during my career at OCA I was responsible for supervising the technical staff and the support staff of the office, and responsible for the operations of the office.

During my career, I developed expertise relating to the regulation of public utilities. I have presented many times relating to regulatory issues and have prepared testimony for the legislature. I have participated as a faculty member in educational programs for the Institute of Public Utilities at Michigan State University and presented before the American Water Works Association (AWWA), the Society of Utility and Regulatory Financial Analysts, the National Conference of Regulatory Attorneys, and the Pennsylvania Bar Institute. My complete curriculum vitae is provided as Appendix A.

Q. Do you have any experience that is particularly relevant to the issues in these cases?

A. Yes, I do. During my career at OCA, I developed specific expertise in the regulation of water and wastewater issues. In addition to my case work on water and wastewater utilities, including appellate work, I was involved in several activities that are not tied to specific legal proceedings. I was the OCA's representative on the Department of Environmental Protection's Technical Assistance Center. I have participated on behalf of the National Association of State Utility Consumer Advocates (NASUCA) in negotiations for rulemakings on Stage 2 Disinfection By Products, Total Coliform Rule, and the National Drinking Water Advisory Committee's Small Systems Implementation Working Group. I was a member and chair of

American Water Works Association (AWWA)'s Public Interest Advisory Forum for many years. I also served as a consumer representative on the Water Research Foundation's Public Council. I was a member of, and past chair of, NASUCA's Water Committee.

Q. Have you prepared Exhibits to accompany your testimony?

A. Yes, I have Exhibits CMH-1 through CMH-4 attached to my testimony.

Q. Do you have any other preliminary matters to address?

A. Yes, there are occasions where I may refer to decisions by regulatory agencies, courts, statutes and regulations. Although I am a licensed attorney, this should not be considered a legal opinion as I am not acting as an OCA attorney in this proceeding. Any reference or citation would be related to supporting my opinion about the public policy that I discuss below.

Summary

Q. Please summarize your conclusions and recommendations.

A. I summarize my conclusions and recommendations of OCA witnesses as follows:

- Consistent with the testimony of OCA's Accounting witness Ralph Smith at OCA Statement 2, based on witness Smith's and other OCA witnesses' recommendations, Aqua shows an overall net revenue excess of $9.0 million on a total company basis. Aqua has not supported its requested $126,675,472 (18.88%) of additional annual revenues;

- Consistent with the testimony of OCA's witness Brian C. Andrews at OCA Statement 4, Aqua's proposed rate increase is overstated in part due to its use of the Equal Life Group (ELG) depreciation procedure which drives up the depreciation expense amount especially in the context of Aqua's accelerated investment period. Aqua's total proposed 2025 depreciation expense of $161.1 million represents 20% of its proposed total revenue requirement;

- Aqua's proposed rate increase is overstated in part due to its high cost of equity in an equity rich capital structure, as addressed by OCA witness Rothschild in OCA Statement 3;

- Aqua's overstated rate of return is applied to a rate base that includes seven fair market value acquisitions (three acquisitions for the first time), including one that has been appealed to the Pennsylvania Supreme Court;

- Aqua already uses at least four different alternative ratemaking provisions of the Public Utility Code, namely the Fully Projected Future Test Year, the shift of wastewater revenue deficiency to water customers, the use of fair market value for municipal acquisitions, and the Distribution System Improvement Charge each which individually and all of which collectively shift risk to its customers and provide higher returns to its investors. 66 Pa. C.S. §§ 315(e), 1311(c), 1329, 1350-1360. The impact of all four of these provisions is to reduce regulatory lag and move the rate setting away from cost of service;

- Aqua is requesting approval of deferral accounting for capital and operating costs related to the treatment of PFOA related to an existing Pennsylvania regulation and a recently promulgated federal regulation that has been challenged in federal court by multiple stakeholders and has compliance deadlines starting in 2027. Aqua's request violates sound ratemaking principles and should be denied;

- For its existing wastewater base operations that already include five fair market value acquisitions, Aqua proposes to shift 60% of the annual wastewater revenue deficiency, or $21.85 million, to its water customers. This represents 20% of the total wastewater cost of service. (Aqua Filing Vol. 2, Schedule Act 11, p. 1);

- Aqua's three acquisitions (one water and two wastewater) with ratemaking rate base valued under Section 1329 that have been added since its last base rate cases, have added a cumulative annual revenue deficiency of $12,787,335 (water acquisition revenue deficiency is $2,267,908; wastewater acquisitions (Lower Makefield and East Whiteland Townships) annual revenue deficiency is $11,321,897), calculated as of the end of the fully projected future test year. (Aqua Filing Vol. 2, Schedule Act 11, p. 1);

- Consistent with the rate base and related adjustments made by OCA witness Smith, Aqua should not be permitted to include the uncertain East Whiteland acquisition in ratemaking rate base in this proceeding and should be required to remove all capital and expense costs, as well as any transaction costs relating to that transaction from this case;

- Consistent with the recommendation of OCA witness Roger Colton, OCA Statement 6, Aqua's bill discount and arrearage forgiveness programs should be modified to better address the needs of its low-income customers;

- Aqua has customers throughout its 32 counties it serves who are struggling to pay utility bills because of the large burden of their **current** utility bills; and those customers are not eligible for its customer assistance programs;

- OCA witness Alexander, OCA Statement 7, discusses the identification and evaluation of compliance with previous commitments/orders on customer service performance, complaint handling and root cause analysis, consumer protection (Ch. 56 and Chapter 14) compliance; updating actual customer service performance and compliance issues: call center; internal training, response to BCS infractions and verified complaints, etc.; and evaluating internal performance objectives and results;

- Aqua should be directed to add additional usage levels for residential customers in its rate case notices for its next case;

- Aqua should be directed to provide information to its customers at the end of this proceeding to inform them of the result of the case and the impact on their bills;

- Aqua should be directed to continue to operate its PFAS website;

- Aqua's third rate case in 5 years (second rate case filed two years after its last rate increase became effective) seeks to increase rates that many customers are struggling to pay;

- The OCA's recommendations reflect the consumers' interests and still ensure that Aqua has sufficient ability to attract capital and the opportunity to earn a fair rate of return. The Commission's adoption of the OCA's recommendations in this case would comport with the regulatory compact.

Overview of this Case

Q. Please provide an overview of Aqua's rate request.

A. Aqua has proposed to increase its annual revenues in February 2025 by $126.7 million (18.88%). The proposed increase would take effect approximately thirty-three months after its most recent rate increase of approximately $69.25 million.

Aqua provided rate case notices to its customers, but these notices very likely significantly underestimate the impact that many consumers will experience because the notices use only what Aqua considered a "typical" residential customer usage level of 3,870 gallons of water per month. Increases for a residential water bill based on 3,870 gallons of water per month, by zone, are reflected below and range from 20.32% to 69%.

Water

Noticed Area	Current*	Proposed*	Percent Increase/(Decrease)	Amount Increase/ (Decrease)
Main Division	$78.21	$97.01	24.04%	$18.80
Eagle Rock	$80.63	$97.01	20.32%	$16.38
Bensalem	$78.21	$97.01	24.04%	$18.80
Chalfont	$78.21	$97.01	24.04%	$18.80
Oakland	$80.63	$97.01	20.32%	$16.38
Masthope	$80.63	$97.01	20.32%	$16.38
CC Gardens	$78.21	$97.01	24.04%	$18.80
Honesdale	$78.21	$97.01	24.04%	$18.80
Sand Springs	$78.21	$97.01	24.04%	$18.80
Mifflin	$78.21	$97.01	24.04%	$18.80
Beech Mountain	$45.93	$66.80	45.44%	$20.87
Treasure Lake	$58.14	$88.01	51.38%	$29.87
Concord Park	$63.60	$91.04	43.14%	$27.44
Bristol Twp	$55.62	$83.63	50.36%	$28.01
Mt. Jewett	$78.21	$97.01	24.04%	$18.80
Bunker Hill	$38.92	$65.75	68.94%	$26.83
Sun Valley	$38.69	$65.36	68.93%	$26.67
Superior	$78.21	$97.01	24.04%	$18.80
Phoenixville	$22.87	$38.65	69.00%	$15.78
Shenandoah	$56.14	$77.36	37.80%	$21.22
Belle Aire Acres	$50.00	$75.07	50.14%	$25.07

*Aqua Notices to Water Customers from Aqua filing Exh. Vol. 1, PDF pp. 14-55; last two columns calculated by OCA.

Increases or decreases for a residential wastewater bill based on 3,870 gallons of water per month, by zone, are reflected below and range from (23.33%) to 84.75%.

Wastewater

Rate Zone	Current*	Proposed*	Percent Increase/(Decrease)	Amount Increase/ (Decrease)
1-WW	$94.62	$92.85	(1.87%)	$(1.77)
1-WW Unmetered	$96.17	$92.85	(3.45%)	$(3.32)
1A-WW	$94.62	$92.85	(1.87%)	$(1.77)
1A-WW Unmetered	$96.17	$92.85	(3.45%)	$(3.32)
2-WW	$105.4	$104.63	(0.73%)	$(0.77)
2-WW Unmetered	$102.54	$101.8	(0.72%)	$(0.74)
3-WW	$114.66	$113.83	(0.72%)	$(0.83)
3-WW Unmetered	$115.87	$115.00	(0.75%)	$(0.87)
4-WW	$136.18	$135.2	(0.72%)	$(0.98)
4-WW Unmetered	$134.32	$135.2	0.66%	$0.88
5-WW	$149.71	$148.63	(0.72%)	$(1.08)
5-WW Unmetered	$152.5	$148.63	(2.54%)	$(3.87)
6-WW	$93.32	$91.58	(1.86%)	$(1.74)
7-WW	$77.92	$92.85	19.16%	$14.93
8-WW	$103.78	$104.63	0.82%	$0.85
9-WW	$61.31	$92.85	51.44%	$31.54
10-WW	$65.95	$92.85	40.79%	$26.9
11-WW	$136.46	$104.63	(23.33%)	$(31.83)
12-WW	$70.51	$92.85	31.68%	$22.34
12-WW Unmetered	$89.74	$92.85	3.47%	$3.11
13-WW A&B	$45.17	$73.90	63.60%	$28.73
13-WW C	$45.17	$73.90	63.60%	$28.73
13-WW D	$50	$73.90	47.80%	$23.9
13-WW E	$40	$73.90	84.75%	$33.9
14-WW	$65.96	$92.69	40.52%	$26.73
14-WW Unmetered	$79.14	$92.53	16.92%	$13.39

*Aqua Notices to Water Customers from Aqua filing Exh. Vol. 1, PDF pp. 56-87; last two columns calculated by OCA

The impact on individual customers varies by their water usage. By presenting data about the anticipated rate impact only using 3,870 gallons per month, Aqua's notice has likely underestimated the impact of the proposed rate increase for many customers.

Q. Of the total $126.7 million, please provide a breakdown of the request as between water and wastewater utilities.

A. Aqua proposes that $112.05 million of the total increase of $126.7 million would be collected from water operations and $14.6 million from wastewater operations (or $10.78 million without East Whiteland Township's revenue requirement). The calculated cost of service for wastewater customers is equal to $36.48 million per year, and thus, Aqua only arrived at their proposed $14.6 million request due to its proposal to shift $21.85 million of the calculated wastewater revenue deficiency to its water customers. Aqua's proposal reflects a shift of approximately 60% of the annual wastewater revenue increase to its water customers and 20% of the total wastewater revenue requirement. Aqua Filing Vol. 2, Sch. Act 11, p. 1; OCA St. 5, Table 3. Aqua currently has more than eight times as many water customers as wastewater customers.[1] Further, there are several Aqua wastewater systems whose customers do not purchase their water from Aqua.

Q. Does this decision by Aqua explain why some wastewater customers will see a proposed decrease in their rates if Aqua's shift is accepted?

A. It would seem so, yes. Instead of accurately reflecting a cost of service based wastewater increase of $36.5 million that are contained in its schedules, Aqua's notices to its wastewater customers reflect what the resulting rates would be if Aqua's proposed shift of approximately 60% of the wastewater deficiency is adopted by the Commission. In my

[1] Aqua Filing Vol. 2, Sch. A-2 of Exhibits 1-A through 1-E. I have excluded East Whiteland Township's 4,024 customers for purposes of this comparison to be consistent with the OCA's position that the East Whiteland revenue requirement should not be included in this case.

view, this presents an inaccurate and unrealistic picture for wastewater customers as it is not very likely that the PUC will shift such a large percentage. This means that Aqua's notices to its customers are likely misleading and that customers who may be expecting a *decrease* in their rates based on what they were told by Aqua, will actually see an *increase* in their rates because of the unlikelihood that the Commission will find that this large of a shift is consistent with the public interest.

Q. Please explain what other elements of Aqua's proposal about which you have concerns?

A. In addition to seeking an inflated rate base based on the East Whiteland Township acquisition that reversed the Commission's approval of the transaction and that is on appeal to the Pennsylvania Supreme Court[2], as outlined below, Aqua seeks a 10.95% return on equity which results in overall rate of return of 7.90% using a capital structure that has a significantly higher equity ratio than other water utility companies in the country and its parent company's consolidated capital structure.

Aqua is proposing deferred accounting treatment for the cost of deferred depreciation on new assets, incremental operation and maintenance (O&M) above the FPFTY levels, and a carrying cost of capital until the deferred costs are included in rates related to the treatment of PFOA. Aqua St. No. 1 at 19-20.

Finally, Aqua has added three fair market value acquisitions to its already large rate base, along with two acquisitions using depreciated original cost (James Black Water Company (Belle Aire) and North Heidelberg Sewer Company). Aqua St. No. 1 at 15. One

[2] *Application of Aqua Pennsylvania Wastewater, Inc. to acquire the wastewater system assets of East Whiteland Township*, Docket No. A-2021-3026132 (Order entered July 29, 2022), rev'd on appeal *Cicero v. Pa. PUC*, 300 A.3d 1106 (Pa. Cmwlth Ct. 2023), appeal docketed at 568 MAL 2023, No. 569 MAL 2023, No. 570 MAL 2023 (June 14, 2024)

of the fair market value acquisitions has a final Commission order that was reversed by Commonwealth Court and was recently granted review by the Pennsylvania Supreme Court.[3] Despite the reversal of the Commission Order, and given the ongoing litigation, Aqua has included the rate base, O&M, and return costs in its requested revenue requirement. Aqua Filing Vol. 2, Schedule Act-11. The East Whiteland revenue requirement is $10,517,801 with a deficiency of $6,992,719. *Id.* In addition, one-third of the cost of service related to this proposed acquisition, or $3,144,592, is proposed to be shifted to water customers pursuant to Aqua's Section 1311(c) shift. *Id*. Aqua has not met its burden of proof regarding the East Whiteland acquisition that is on appeal should be included in rates. It cannot be presumed that the Pennsylvania Supreme Court decision will reverse the Commonwealth Court decision and affirm the Commission's order approving the proposed acquisition. It is the OCA's position that the East Whiteland Township revenue requirement should not be included in this proceeding because Commonwealth Court's decision stands and the Pennsylvania Supreme Court decision will likely not be known before the record closes in this proceeding, as I discuss in more detail below.

Q. What is the OCA's response to the various proposals that you have outlined above?

A. The OCA is opposed to all of them. As I describe below, in addition to me, the OCA has six witnesses addressing each of these proposals along with the Company's claims for rate base, cash working capital, operations and maintenance expense claims, rate of return, cost of service and rate design, bill discount programs, customer service, management performance, and Aqua's water and wastewater operations. Aqua's proposals represent what it and its investors want: limited risk, but with a return on equity that does not reflect

[3] *Id.*

that limited risk. Aqua's proposals shift risk to its customers by requiring the customers to pay rates that ensure that Aqua is awarded high returns on equity despite the lack of support, the large portion of Aqua's rate base that is based on fair market value, and the ratemaking proposals that will reduce its risk.

In addition to the deferred accounting proposal made in this case, there are existing alternative ratemaking provisions built into Aqua's existing and proposed revenue requirements, such as the DSIC, the fully projected future test year ending December 31, 2025, Section 1329, and Section 1311(c). 66 Pa. C.S. §§ 315, 1311(c), 1329, 1350-1360. Aqua's proposed deferral mechanism for PFOA-related cost of capital and expenses would be layered on top of those existing mechanisms.

Setting a revenue requirement that is based on layer upon layer of alternative or special ratemaking that reduces risk to the utility and its investors, without recognition that all these proposals burden ratepayers and undermine the regulatory compact is neither reasonable nor necessary.

Q. Why does the OCA oppose the inclusion of the East Whiteland system in this case?

A. As I stated above, Aqua should not be authorized to recover costs associated with the East Whiteland acquisition because it is too uncertain for inclusion in the FPFTY. The history of the proceeding is as follows: The Commission granted certificate of public convenience (CPC) authority to permit Aqua's acquisition of the East Whiteland system by Final Order July 29, 2022. Following the entry of the Commission's Final Order, but prior to the running of the appeal period, Aqua closed on the transaction. The OCA appealed the Commission's Order, and on appeal, the Commonwealth Court reversed the Commission's Order on July 31, 2023. The Commission and Aqua appealed the Commonwealth Court's

Order to the Pennsylvania Supreme Court. On June 14, 2024, the Pennsylvania Supreme Court decided to hear the appeal. That appeal is currently pending before the Pennsylvania Supreme Court, and as of the time I write this testimony, the case has not been briefed before the Supreme Court. There are multiple possible outcomes of the case on appeal, including that the Supreme Court could affirm the Commonwealth Court. If that outcome were to happen, it would mean that the Commission's Order granting a certificate of public convenience authority is reversed, which means that Aqua does not have certificate authority to acquire/own the East Whiteland system or serve the customers of the system. And while the appellants, the Commission, Aqua, and East Whiteland Township, will argue for the outcome where the Supreme Court will affirm the Commission's Final Order, it cannot be presumed that the Pennsylvania Supreme Court decision will reverse the Commonwealth Court decision and affirm the Commission's order approving the proposed acquisition. I have been informed by counsel that the Pennsylvania Supreme Court's willingness to review a decision of the Commonwealth Court, as indicated through a grant of allocatur, is not considered precedential and the decision of the Commonwealth Court remains binding until explicitly reversed by the Supreme Court. If the courts cannot act as if a decision *may* not be binding until explicitly reversed, I see no reason why the Commission should be able to.

Given all of this uncertainty that foreseeably results from the appeals process, in my opinion, it would have been prudent for Aqua to wait until the appeal period ran before it closed on the transaction. Given the uncertainty associated with the question of whether Aqua's ownership of the East Whiteland is certificated, the East Whiteland revenue requirement should be removed from this case. Additionally, given the lack of prudency

on Aqua's decision to close the transaction prior to the appeal period running to expiration, Aqua's transactions costs should not be recoverable in rates in this proceeding given the uncertainty that still exists.

Q. Are there others opposed to the Company's proposed increases?

A. In addition to the formal parties represented by counsel, there have been approximately 72 formal complainants who filed complaints at the Commission.[4] Also, as of August 2, 2024, the OCA has reviewed approximately 52 informal complaints sent to the Commission. The formal and informal complaints raise general complaints about the rate increase, question the size of the rate increase, affordability of bills, and other issues.

Q. Does the public have an opportunity to comment on the rate proposals?

A. Yes. Eleven public input hearings were held in August 2024.

Q. Are you addressing testimony from the public input hearings?

A. Not at this time. OCA will address the public input testimony in supplemental direct testimony that will be served on September 12, 2024.

Financial Demographic Information for Aqua's Service Territory

Q. What information do you have that will assist the Commission in understanding the impact of the proposed rate increases on Aqua's customers?

A. OCA witness Roger Colton (OCA Statement 6) provides testimony regarding the impacts of Aqua's proposal on low-income customers. This information is critical as the adverse impact of Aqua's proposals on low-income customers cannot be emphasized enough as Mr. Colton explains in his testimony. However, low-income customers are not the only ones struggling and the impact of Aqua's proposals on customers who are not at or below the federal poverty income thresholds but may be struggling to cover their bills, rent, and other

[4] There are some overlaps for customers who filed formal complaints and are water and wastewater customers.

costs should be considered as well. Mr. Colton provides detailed information and analysis of those customers who are in Aqua's service areas across the Commonwealth. Mr. Colton examines the most recent county-level and statewide data provided by United for ALICE[5] through the ALICE (Asset Limited, Income Constrained, Employed) Report for Pennsylvania. Mr. Colton concludes that the lack of sufficient resources to pay household necessities extends well into the "working poor" population. Mr. Colton found that the number of households in Aqua's service territory that would struggle to pay increased Aqua bills associated with this rate case because they have income lower than the ALICE income **is more than two times higher** than the number of households below Poverty. OCA Statement 6. Mr. Colton explained that in the 32 counties served by Aqua there are 673,012 total population with incomes below the ALICE threshold **in addition to** 240,015 population below Poverty. As a percentage of population, those living below the ALICE threshold is 28.7% in the Aqua counties in addition to 10.2% of the population living below Poverty. OCA St. 6.

Q. What does this information show?

A. For many customers, whether an ALICE household or not, the **current** utility bills at a "typical" level far exceed the amount estimated by ALICE for the cost of utilities for a household of four in Pennsylvania and is even higher using the proposed water and wastewater bills, even if Aqua's reduced wastewater rates are adopted. It is likely that many of Aqua's water and wastewater customers are struggling to meet their household bills, including their current water and wastewater bills yet do not qualify for Aqua's bill discount programs that Mr. Colton addresses in his testimony.

[5] An overview of United for Alice is available at https://www.unitedforalice.org/overview.

Q. What is the impact on Aqua customers who also face proposed rate increases from PECO Electric and PECO Gas?

A. Mr. Colton found that the combined rate increases sought by PECO (electric), PECO (gas), and Aqua in 2024 would cause residents seeking rental units in Aqua's counties which overlap with PECO (gas) and PECO (electric) to need an additional income of $2,133 each year simply to pay their utility bill hikes if all of the rate increases are approved as requested. This example of what customers face due to proposed rate increases by multiple utilities is a critical piece of what the Commission should consider in each of these cases.

Q. Why are you raising these concerns in this case?

A. This case represents Aqua's second case in less than three years and third case in less than six years. It has received base rate increases in May 2019, and May 2022. Looking at the rate cases filed since mid-2018, base rates for Aqua customers have increased substantially and more frequently over the last six years and Aqua proposes to increase the rates again in 2025. The two rate increases from 2018 and 2021 are not insignificant as can be seen below.

In the four rate cases prior to 2024, Aqua increased rates in June 2010, June 2012, May 2019, and May 2022. As shown in the chart below, over the longer period, 2010-2022, the revenue requirement increases were substantial. Importantly, the impact on customers' bills often is well more than the percentage increase in revenues.

Aqua Rate Increase History							
Year	Effective date	Docket Number	Increase Requested	Increase Allowed	Revenue Increase		Noticed Usage
					Water	Wastewater	
2009	6/16/2010	R-2009-2132019	$ 43,200,000	$ 23,600,000	6.46%		
2011	6/7/2012	R-2011-2267958	$ 38,600,000	$ 16,700,000	4.10%		none provided
2018	5/9/2019	R-2018-3003558 R-2018-3003561	$ 71,768,833	$ 47,000,000	9.80%	34.60%	4,080
2021	5/16/2022	R-2021-3027385 R-2021-3027386	$ 86,118,612	$ 50,510,192	9.88%	50.55%	4,000

Q. Considering these concerns about the financial demographics of those living in Aqua's service territory and the multiple increases in bills over the last 15 years, what is your concern about Aqua's proposals in these rate cases?

A. Coming after the rate increases in 2021, the concerns about rising utility costs are magnified. In this case, Aqua has claimed a high return on equity, applied to a rate base that has a large portion of fair market-valued plant, and added special ratemaking treatment on top of alternative ratemaking treatment that it already has. I will discuss each of these briefly below while OCA's other witnesses address these requests in detail. It is my opinion that Aqua's requests inappropriately shift risk to ratepayers and deviate from the regulatory compact that governs regulated monopolistic necessities such as water and wastewater service. The Commission must fully consider the interests of the customers who are struggling to pay their current utility bills and household expenses, the low income customers, and all customers of Aqua in reaching its determinations on Aqua's multitude

of requests.[6] This includes in considering whether to grant the overstated rate of return on equity, the overall return, the inclusion of an acquisition where the Commission's Order has been reversed and is on appeal to the Pennsylvania Supreme Court, the special accounting treatment for PFOA, cost of service, rate design, and the proposed Section 1311shift that all impact the bills that the customers pay. Keeping the rates as low as reasonably possible while ensuring that the service is consistent with the obligations under Section 1501 should be the primary objective of the Commission in its job as the regulatory scrutineer of Aqua's claims.

Purpose of this and all Rate Cases

Q. What is your understanding of the purpose of this proceeding?

A. As I understand it, the purpose of this case is to determine the "just and reasonable" rates for Aqua under Chapter 13, and other provisions, of the Public Utility Code. In this section of my testimony, I will address the regulatory compact and related legal and policy concepts. This foundation is necessary because when put into proper context it is evident that Aqua's specific claims and proposals as filed, would produce unjust and unreasonable rates and, when taken together, would result in larger bills than necessary to maintain service obligations and would substantially harm Aqua's customers.

The Regulatory Compact

Q. What is the purpose of this section of your testimony?

A. The purpose of this section of my testimony is to explain the regulatory compact and the economics and legal principles that underlie and support it.

[6] Indeed, consideration of the interests of consumers is a legal requirement. *See* 71 Pa. Stat. Ann. §309-5(2) (When reaching a decision on whether to grant Aqua's rate increase as well as its various rule and tariff changes, the Public Utility Commission must give "due consideration to the interests of consumers.").

Q. What is the regulatory compact?

A. The regulatory compact is a public policy concept that fundamentally recognizes that public utility companies such as Aqua are natural monopolists, and that in return for the public utility company being granted an exclusive franchise to operate in a specific service territory without rival, the public utility company in turn has the duty to provide service to all customers under certain governmental direction and oversight as to rates and service quality, subject to due process constraints. As described in *A Guide to Utility Ratemaking*, former Pennsylvania Commissioners James Cawley and Norman Kennard described the regulatory framework:

> Modern utility regulation grants monopoly status and represents an agreement between the public and the business enterprise model. In exchange for a generally exclusive, monopolistic market position granted to the utility, society receives the assurance that an essential service will be available, adequately produced to meet demand, provided to all who require it, and priced at a reasonable level. The utility assumes the obligation to serve a defined region; to serve all customers within this area; and to charge only the rates permitted by the government.

A Guide to Utility Ratemaking at 1 (2018).

Q. Is the regulatory compact unique to the Commonwealth of Pennsylvania?

A. No. As a public policy concept, the regulatory compact is not unique to the Commonwealth of Pennsylvania. It is the public policy concept that underlies the state regulatory frameworks which exist across the country governing the rights and responsibilities of public utility companies.

Q. Please explain the state's authority to regulate public utilities.

A. Foundationally, the state's authority to regulate public utilities stems from the state's police powers, which is a term that refers to the broad governmental regulatory power to enact

laws to regulate behaviors to protect and improve the health, safety, and general welfare of the state's citizenry.

Q. Can you explain the Pennsylvania statutory framework?

A. The Pennsylvania General Assembly has sought to protect consumers from the effects of natural monopoly power by enacting the Public Utility Code and granting the Commission comprehensive authority to oversee and regulate a public utility's service, rates, certificates of public convenience (service territory, entry into the public utility business, abandonment of utility service), and dealings with affiliated interests.

Q. How does the regulatory compact work in the Pennsylvania statutory framework?

A. As described above, the regulatory compact or framework in Pennsylvania, as set forth in the Public Utility Code, permits the Commission to grant a public utility company the legal privilege to exclusively serve in a defined service area, and in turn, the public utility is obligated within that area to provide consumers adequate, efficient, safe, and reasonable utility service and to maintain adequate, efficient, safe, and reasonable utility facilities at rates that are just and reasonable and not unreasonably discriminatory.

Q. What statutory authority and discretion does the Commission have to enforce the regulatory compact?

A. To enforce a certificated public utility company's statutory responsibility, the General Assembly has given the Commission the statutory authority and discretion to use a combination of incentives and deterrents.

Q. What do you mean by deterrents?

A. A deterrent is a tool that the Commission can use to force a public utility company's compliance with statutory and regulatory obligations. In theory, the effectiveness of any deterrent cannot be measured by the frequency with which it is used by the Commission.

Rather, the severity of the punishment and likelihood, or degree of certainty, of getting caught for non-compliance can have a deterrent effect.

Q. Can you provide examples of deterrents?

A. Yes. For example, the Commission has the authority to reject a rate increase request in whole or in part due to inadequate quality or quantity of service. 66 Pa. C.S. § 526. The Commission is required to consider the "efficiency, effectiveness and quality of service of each utility when determining just and reasonable rates." 66 Pa. C.S. § 523. The Commission has the discretion to provide a downward adjustment to the return on equity in recognition of a public utility's lack of "efficiency, effectiveness and adequacy of service." *Id.* It also has the authority to require a utility to prove that its existing rates are just and reasonable and to fix just and reasonable rates upon its own investigation or upon complaint and order refunds (66 Pa C.S. §§ 1309(a), 315(a), 1312). These examples are merely illustrative, not exhaustive.

Q. What do you mean by incentives?

A. Incentive regulation is a tool that the Commission can use to motivate a public utility company's compliance with its statutory and regulatory obligations. In terms of incentive regulation, the Public Utility Code gives the Commission the power and discretion to, after notice and hearing, approve any of the following:

- Deferred regulatory accounting treatment to recover certain costs;
- use of Future Test Year or Fully Projected Future Test Year for setting rates to reduce regulatory lag between plant investment and recovery; (§ 315(e))
- inclusion in rate base amounts paid in excess of original cost less depreciation in acquisition of troubled water or wastewater systems; (§ 1327)
- use of a rate base value that exceeds original cost less depreciation for ratemaking purposes in acquisitions of municipal water or wastewater systems; (§1329)
- alternative ratemaking; (§ 1330)
- adjustment to the return on equity in recognition of a public utility's "efficiency, effectiveness and adequacy of service." (§ 523).

Traditional Cost-of-Service Ratemaking and the Regulatory Compact in Pennsylvania

Q. Does traditional cost-of-service ratemaking support the regulatory compact in Pennsylvania?

A. Yes. Traditional cost-of-service ratemaking is a longstanding support to the regulatory compact in Pennsylvania. Cost-of-service ratemaking involves a set of well-established methodologies, norms, and standards for analyzing and determining a utility's cost of providing service and setting just and reasonable rates. Foundationally, under cost-of-service ratemaking, a utility's rates are based on costs either experienced or projected in a test year, including the utility's prudent and necessary expenses, used and useful plant investment, reasonable debt financing costs, and no more than a reasonable profit sufficient to keep a private company in the public utility business. A private company that wishes to be in the public utility business and wishes to earn a return on equity should be fully knowledgeable of the governmental interest in the utility's provision and maintenance of adequate, efficient, safe, and reasonable utility service and facilities as are necessary or proper for the accommodation, convenience, and safety of consumers and the public. This means that these companies are subject to significant oversight to restrain the power of their monopoly to ensure that they do not charge rates for services that are excessive. The regulatory power of the Commission is a check on this excess and cost-of-service ratemaking supports the regulatory compact.

Q. Does traditional cost-of-service ratemaking benefit consumers and public utility companies?

A. Yes. Traditional cost-of-service ratemaking should benefit both consumers and public utility companies.

Q. Please explain.

A. As I explained above, there is no competition in the public utility industry since the industry is a natural monopoly. Traditional cost-of-service ratemaking serves as a substitute for the beneficial effects of competition by setting rates on a prospective basis. Because the utility can recover its authorized costs (or authorized revenue requirement) on a prospective basis, the utility is given the opportunity to recover its authorized profit, but such recovery *is not* guaranteed – just as recovery of costs and profits are not guaranteed in a competitive marketplace. To fully recover the authorized costs and return on equity, once rates are set, the utility must go forward and operate efficiently and control its costs and pace of growth, if any. All of this must be done while providing and maintaining adequate, efficient, safe, and reasonable service and facilities.

Q. What is the most beneficial aspect of traditional cost-of-service ratemaking for consumers?

A. The most beneficial aspect of traditional cost-of-service ratemaking is the lack of guaranteed recovery for the utility while the utility remains obligated to provide and maintain adequate, efficient, safe, and reasonable service and facilities. This means that the public utility company faces the risk of under recovery due to normal business risks and management underperformance if it fails to control costs or if it asks for rates to be set based on inaccurate sales projections. Under traditional ratemaking, the utility – not its guaranteed consumer base – bears the risk of recovery until it files for another base rate increase and reflect the increased costs or decreased sales in new prospective rates granted by the Commission after a record is developed by parties to that case.

Q. Why is it beneficial for consumers that the risk of recovery be placed with the public utility company?

A. Placing the risk of recovery of authorized costs (or authorized revenue requirement) on the public utility company creates an incentive for the utility's management to manage its normal business risks and perform its service duties efficiently – just as competition would place similar pressure on performance in a competitive marketplace when firms compete for consumers and sales. The utility also faces normal business risks impacting recovery in between rate cases, such as weather, recessions, changing technologies, and other sources of sales fluctuations. Indeed, the utility management is faced with having to operate efficiently, control costs, and achieve growth at a sustainable pace. While the utility is and should be given the opportunity to earn its authorized return on equity to remain financially stable based on efficient management performance, the lack of guaranteed recovery protects consumers from having to overpay for a utility management's underperformance. As I will discuss below, regulatory lag and risk to the utility's shareholders has been minimized or eliminated in Pennsylvania ratemaking, and Aqua seeks to reduce its risk even more.

Q. Given this background information, what concerns do you have about how Aqua seeks to have rate set in this case?

A. Aqua seeks to move even farther away from this paradigm in several significant ways building on years of the entire utility industry seeking to shift risk from where it belongs – on the utility – to where it does not – on consumers. I want to emphasize that almost all the parties presenting testimony will quote the same seminal cases about rate setting, but it is in the decision-making process by the utility in planning for their rate case and making choices about what to pursue and by the Commission in its regulatory oversight that the consideration of the consumers' interests often falls away.

As a rule, a public utility, with facilities and assets dedicated to public service, is entitled to **no more than** a reasonable opportunity to earn a fair rate of return on its investment. The United States Supreme Court established the standard by which to evaluate what is a fair rate of return in *Bluefield Waterworks & Improvement Co. v. Public Service Commission of West Virginia*, 262 U.S. 679 (1923) (*Bluefield*):

> The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to raise the money necessary for the proper discharge of public duties.

Bluefield at 693.

Twenty-one years later, the United States Supreme Court reviewed the issue of fair rate of return in *Federal Power Commission v. Hope Natural Gas Co.*, 320 U.S. 591 (1944) (*Hope*). In *Hope*, the Court held that a fair rate of return "should be commensurate with returns on investments in other enterprises having corresponding risks" while being sufficient "to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and attract capital." *Hope* at 603. This attraction of capital quote is used frequently to support rate of return requests. The Court also noted, however, that:

> The rate-making process under the Act, i.e., the fixing of 'just and reasonable' rates, involves a **balancing of the investor and consumer interests** and does not insure that the business shall produce revenues.

Id. (emphasis added). The Supreme Court added that **consumers are obliged to rely upon regulatory commissions to protect them from excessive rates and charges.** *See Permian Basin Area Rate Cases*, 390 U.S. 747, 794-95 (1968) (*Permian Basin*) (citing *Atlantic Refining Co. v. Public Serv. Comm'n,* 360 U.S. 378, 388 (1981)).

Protecting consumers from excessive rates and charges is part of the setting of just and reasonable rates. The legal arguments often focus on the investors and utility's

interests. The ability of the utility to attract capital is but one part of the rate setting process, not the only criterion. Consumers' interests are often overlooked in both the nuts and bolts and the big picture of rate setting. If the test of the overall rates is confined to the utility's interests, then it is not a reasonable process. Moreover, in Pennsylvania, the statute that created the OCA also created obligations on the Commission to consider the consumer interests. Specifically, it requires that:

> Section 905-A. Duties of the Commission. -- In dealing with any proposed action which may substantially affect the interest of consumers, including but not limited to a proposed change of rates and the adoption of rules, regulations, guidelines, orders, standards or final policy decisions, the commission shall:
>
> . . .
>
> (2) Consistent with its other statutory responsibilities, take such action with due consideration to the interest of consumers.

71 Pa. Stat. Ann. §309-5.

Thus, the fact that consumer interest must be considered in the assessment of whether rates are just and reasonable is a well-founded concept in both the regulatory compact as established in case law and in Pennsylvania statutory authority. Often, in setting just and reasonable rates, regulators, parties, and the courts refer to a zone of reasonableness. *Permian Basin,* 390 U.S. at 797. Within that zone of reasonableness, the interests of consumers and investors should overlap. There may be circumstances where the rates are outside of a normal range of reasonableness, but the regulators must still fairly balance the interests of all parties.[7] Thus, as outlined above, while the focus of the rate case

[7]For example, *in Market Street Railway Co. v. Railroad Commission*, 324 U.S. 548, 566 (1945) the Court refused to overturn a rate reduction for a failing street railway company noting that *Hope* recognized that "regulation does not assure that the regulated business make a profit.

is usually on the investors' needs, missing from the focus is defining the consumers' needs. While the need to attract capital is important, it is not paramount and in no way is it superior to the needs of consumers.

In this case, the OCA seeks to present a clear focus on the needs of consumers to safe and reliable drinking water and wastewater at just and reasonable rates that they can afford. The OCA's witnesses' testimony contains the customary adjustments to the components of Aqua's rate filings as well as analysis of a reasonable rate of return, rate design, and customer service. The OCA is focused on providing evidence of the consumers' needs too. In plain language, Aqua's rates are already too high for many consumers. The case presented by Aqua in so many ways adds insult to injury because it is driven by multiple layers of excessive and overreaching claims such as, by way of example, the overstated return on equity, and a request by the Company to include in rate base an acquisition that is on appeal. On top of those and other aspirational ratemaking claims, the Company is asking for approval now to defer normal capital and operation and maintenance expenses related to the treatment of PFAS. Aqua also seeks to shift a substantial portion of its wastewater revenue requirement to its water customers, most of whom are not Aqua wastewater customers. None of this is in the public interest and all of it deviates significantly from the regulatory compact as outlined above.

Alternative Ratemaking, and the Regulatory Compact in Pennsylvania

Q. You referenced traditional ratemaking. Is that what is in place in Pennsylvania?

A. Not in the strictest sense. There have been modifications to the Public Utility Code that have introduced alternative ratemaking. I will discuss four major changes that were made to the Public Utility Code, between 2012 and 2016 that established several alternative ratemaking provisions.

Q. What are the four major changes that you are discussing here?

A. The four major changes are: (1) the Distribution System Improvement Charge (DSIC); (2) the Fully Projected Future Test Year (FPFTY); (3) the addition of Section 1329 that permits fair market valuation for municipal acquisitions; and (4) the addition of Section 1311(c) that permits the Commission to approve the shift of wastewater revenue deficiencies to water customers if it is in the "public interest". Each of these individually is a departure from traditional ratemaking and when layered together as Aqua has done, they significantly shift the risk of uncertainties from the public utility to captive consumers who have no choice but to purchase water and wastewater from Aqua due to its monopoly status. As such, they require far more exacting scrutiny from the Commission in a rate case than under principles of traditional ratemaking.

Distribution System Improvement Charge (DSIC)

Q. Briefly explain the DSIC and how it is different from traditional ratemaking.

A. In Act 11 of 2012, the legislature added new DSIC provisions that permitted a DSIC for electric, natural gas, and wastewater utilities and replaced the existing DSIC provisions for water utilities. 66 Pa. C.S. §§ 1350-1360. A DSIC had been in place for water utilities via Commission Orders that were appealed by OCA, followed by an amendment to the Public Utility Code (66 Pa. C.S. § 1307(g)).[8] Traditional ratemaking rate cases used a test year period that provided a snapshot of the components that make up the revenue requirement formula including utility plant in service, depreciation, revenues, operation and maintenance expenses, cost rates of debt and equity, taxes, and there was no provision for the recovery of capital in between rate cases. The DSIC when first implemented for water

[8] Initially, by order entered on August 26, 1996, the Commission approved a Petition filed by Aqua seeking to establish a Distribution System Improvement Charge under Section 1307(a), at Docket No. P-00961036.

utilities and again when expanded for electric, natural gas, and wastewater utilities provided for capital recovery in between rate cases and on a quarterly basis to reduce lag was seen as an exception to the traditional ratemaking. The DSIC permitted capital recovery and return in between rate cases for eligible capital.

Q. Why is it your opinion that the DSIC was an exception to traditional ratemaking?

A. Because when I look at the provisions of the Public Utility Code governing DSIC and LTIIP, at 66 Pa. C.S. §§ 1350-1360, these provisions provide a good illustration of alternative ratemaking that carry out the policy objective of to *enhance the safety, security, reliability, or availability of utility infrastructure*.

The DSIC is an alternative ratemaking mechanism because it transfers the risk of recovery of the utility's capital costs and depreciation expense, subject to a cap, related to the utility's investment in underground mains, lines, and the like. By enabling the utility to recover these costs through a surcharge on customers' bills that is updated quarterly and in between base rate cases, the utility need not wait nor carry these costs until it can reflect these capital costs in new rates granted by the Commission in the next base rate case. Thus, the DSIC accelerates the utility's cost recovery of new plant investment in underground mains and lines and related appurtenances. This may make sense when it is tied to the accelerated replacement of aging infrastructure that otherwise would have taken longer under traditional ratemaking. If properly implemented and overseen by the Commission, a DSIC can provide public benefit because of its nexus to safety, security and reliability. That is, it is not designed to be growth for growth's sake between rate cases.

Fully Projected Future Test Year (FPFTY)

Q. Why do you characterize the FPFTY as a departure from traditional ratemaking?

A. The use of a fully projected future test year was added to the Public Utility Code in Act 11 of 2012 by amending Section 315. 66 Pa. C.S. § 315. Prior to the 2012 amendment, utilities filing a base rate case could use a historic test year or a future test year.[9] The fully projected future test year that is defined as the 12-month period beginning with the first month that the new rates will be placed in effect after the application of the full suspension period under Section 1308(d). 66 Pa. C.S. § 315(e). The rates that go into effect are based on the utility plant that is projected to be in service at the end of the FPFTY, along with projected expenses at the end of the FPFTY. All the revenue requirement components are determined using the end date of the FPFTY. In its Implementation Order, the Commission recognized import of this change, stating, "Under this approach, the risks associated with regulatory lag will be substantially reduced because the new rates will be consistent with the test year used to establish those rates for at least the first year at using the FPFTY."[10] Thus, the ability to use the FPFTY is another break from traditional ratemaking and is alternative ratemaking. It effectively eliminates regulatory lag for all components of the revenue requirement because it permits rates to be set using a point in time that is one year beyond the rate effective date thus reflecting any projected changes in costs or sales.

[9] An historic test year is complete, and all data is known when the utility files its rate case. If a future test year used it is based on estimates for the 12 months following the end of the historic test year. It is partially historic and partially projected when the rate case is filed. 52 Pa. Code § 53.56(a). If the utility uses a future test year, the regulations require quarterly updates during the rate proceeding. 52. Pa. Code § 53.56(b).

[10] *Implementation of Act 11 of 2012,* Docket No. M-2012-2293611, Order at 5 (Aug. 2, 2012) (*Act 11 of 2012 Implementation Order*). *See* Costello, Ken, *Future Test Year: Evidence from State Utility Commissions*, National Regulatory Review Institute, NRRI Report 13-10 (October 2013) at 8, n. 24 (regulatory lag is defined as the time gap between when a utility undergoes a change in cost or sales levels and when the utility can reflect these changes in new rates). , https://pubs.naruc.org/pub/FA86C105-05F5-9766-BC78-29829AC50361, last viewed August 7, 2024.

Section 1329

Q. Why do you characterize the addition of Section 1329 as a departure from traditional ratemaking?

A. In Pennsylvania, rate base has been calculated using original cost less depreciation since the mid-1980s. Section 1329 provides an option for a water and wastewater utility to add, after approval by the Commission under Section 1103, an acquisition of a municipal water or wastewater provider at "fair market value" rather than depreciated original cost. 66 Pa. C.S. § 1329.

Q. What transactions has Aqua completed using Section 1329 as the valuation method?

A. Not including the East Whiteland acquisition that remains contested, Aqua has completed 7 acquisitions[11] where the ratemaking rate base for the acquired assets has been calculated using fair market value. The additional ratemaking rate base, as determined under Section 1329, was approximately $229,181,637. Exhibit CMH-1, Col. J, line 12 minus Col. H, line 12. The ratemaking base was almost double the depreciated original cost of these assets.[12] Exhibit CMH-1, Col. J, line 12/ Col. J, line 10.

The revenues of the acquired customers do not recover the revenue requirement associated with the ratemaking rate base as of the closing date, and inclusive of the first

[11] The 7 acquisitions reflect five where Aqua has closed on the transaction and has already included the acquired ratemaking ratebase in its 2021 rate case (New Garden, Limerick, East Bradford, Cheltenham and East Norriton) plus Lower Makefield and Shenandoah Water which are being included for the first time in this case. I did not include East Whiteland even though Aqua also proposes to include East Whiteland Township acquisition in this proceeding. The Commission order approving that application was reversed by Commonwealth Court and that decision is on appeal to the Pennsylvania Supreme Court. *Application of Aqua Pennsylvania Wastewater, Inc. to acquire the wastewater system assets of East Whiteland Township*, Docket No. A-2021-3026132 (Order entered July 29, 2022), rev'd on appeal *Cicero v. Pa. PUC*, 300 A.3d 1106 (Pa. Cmwlth Ct. 2023), appeal docketed at 568 MAL 2023, No. 569 MAL 2023, No. 570 MAL 2023 (June 14, 2024). If the East Whiteland acquisition is included, that additional ratemaking rate base would be increased by $54,413,365 as of closing, or a total ratemaking rate base of $283,595,002. Exh. CMH-1, Col J, l. 12.

[12] The depreciated original cost of the acquired assets was $158,007,997 as calculated pursuant to Section 1329(d)(5) which does not require the subtraction of contributed capital. That is also a change from traditional rate base calculation. The ratemaking rate base exceeded the depreciated original cost by $124,371,748. Exhibit CMH-1.

year of capital expenditures. Exhibit CMH-2. As a result, in Aqua's 2018 and 2021 rate cases there was a revenue deficiency for the customers acquired under Section 1329 valuation. *Id.* Then, when the cost to serve the acquired customers was calculated using the FPFTY, including Aqua's return and taxes, capital expenditures, and O&M, the acquired customers' revenues did not cover that additional cost of service.

The same is true in this case. In this case, the annual revenue deficiency calculated by Aqua for the Lower Makefield wastewater operations is $3,526,708, and for East Whiteland Wastewater is $6,992,719. Aqua Filing Vol. 2, Sch. Act 11, p. 1. The revenue shortfall for Shenandoah Water is $2,267,907, although that is not being shifted pursuant to Section 1311(c), more than half of it is proposed to be shifted to the existing water customers. *Id.*

It is important to compare the revenue requirement calculated in the rate case to the revenue deficiency calculated as of closing on the three transactions that are proposed to be included in this case for the first time. All three acquisitions (Lower Makefield, East Whiteland, and Shenandoah Water) have even greater annual revenue shortfalls in this first rate case compared to the revenue deficiencies at closing, a deficiency that will likely continue to grow.

Although I point to East Whiteland revenue deficiency as an example of the ratemaking impact of the Section 1329 valuations, as discussed by OCA witness Mr. Smith, the OCA's recommendation is that the costs for this acquisition be removed from the calculated revenue requirements.

Q. What impact does that have in the rate cases?

A. It has several impacts but one of the issues in this case is a revenue requirement shortfall from both the ratemaking rate base and from the increased cost of service for each of the acquisitions as of the end of the FPFTY. The revenue deficiency, if placed on the acquired customers, may mean very large increases. Aqua's proposal is to shift 20% of the wastewater revenue deficiency to water customers pursuant to Section 1311(c), as discussed below and in Mr. Mierzwa's testimony. What Section 1311(c) shift, if any, is in the public interest is one of the issues that must be addressed in each case and Mr. Mierzwa presents OCA's recommendation. However, it is critical to understand that the use of fair market value to set the ratemaking rate base of the qualifying acquisitions under Section 1329 has, in all but one of Aqua's acquisitions, resulted in a large revenue deficiency as of closing. That deficiency grows in the rate cases when the cost of service for each acquired system using the FPFTY is calculated. To the extent that the acquired customers do not see part or all that revenue requirement deficiency in the rates that they are paying, those rates become more disconnected from the actual cost to serve them. The revenue deficiency that exists at closing and grows in the rate cases impacts existing water customers in that they are being asked to bear all or part of the revenue deficiency in their rates, as discussed below and in Mr. Mierzwa's testimony.

The interplay between the fair market valuation when it is multiples of depreciated original cost and Section 1311(c) cost shifting is an example of how it is important to view the layering of the alternative regulatory provisions included in Aqua's rate proceedings.

Section 1311 (c)

Q. Why do you characterize the amendments to Section 1311(c) as a departure from traditional ratemaking?

A. Section 1311(c) was amended in Act 11 of 2012. The amendment exempted certain water and wastewater utilities from the existing requirement to segregate utility property and a definition was added as subsection (e). This exemption permits the combination of water and wastewater revenue requirement while other utilities that provide more than one type of service continue to follow the requirement to segregate the property used to provide two different utility services.

The relevant portions of Section 1311 read as follows:

> § 1311 Valuation of and return on the property of a public utility.
>
> * * *
>
> (c) Segregation of property. When any public utility furnishes more than one of the different types of utility service, the commission shall segregate the property used and useful in furnishing each type of such service, and shall not consider the property of such public utility as a unit in determining the value of the rate base of such public utility for the purpose of fixing base rates. A utility that provides water and wastewater service shall be exempt from this subsection upon petition of a utility to combine water and wastewater revenue requirements. The commission, when setting base rates, after notice and an opportunity to be heard, may allocate a portion of the wastewater revenue requirement to the combined water and wastewater customer base if in the public interest.
>
> * * *
>
> (e) Definition. As used in this section, the term "utility that provides both water and wastewater service" shall include separate companies that individually provide water and wastewater service so long as the companies are wholly owned by a common parent company.

66 Pa. C.S. § 1311 (effective April 16, 2012). The statutory language does not contain any guidelines, nor has the Commission promulgated regulations.[13] The determination of what is in the public interest in Section 1311(c) is within the Commission's discretion. The concept of taking wastewater revenue requirement based on the wastewater cost of service and placing additional revenue requirement onto water customers, who are already paying rates that collect the water cost of service was a break from traditional ratemaking.

There are principles of ratemaking that should be used to guide the Commission's determination of whether and in what amount a shift of wastewater revenue requirement to water customers should occur based on the record in each case.[14] In defining the public interest, the affected public certainly includes Aqua's wastewater customers and its water customers. The public interest also could include policies regarding the acquisition of small, nonviable wastewater systems. For example, when acquiring a small, troubled wastewater system that would need a complete rebuild of its system, it may be that the customers of that system could not bear the costs of the rehabilitation and replacement of the system. In that instance, the costs could be spread among the other wastewater systems as part of rate consolidation of wastewater systems. Or, under Section 1311(c), the utility could ask that a portion of the small wastewater systems higher revenue requirement be allocated to water customers.

Section 1311(c) was enacted four years before Section 1329. In my opinion, it was not meant for large shifts of wastewater revenue requirements onto the utility's water

[13] In the *Act 11 of 2012 Implementation Order* the Commission clarifies two points regarding notice and the definition contained in 1311(e).

[14] The first case that was filed using Section 1311(c) was in 2013. *Pa. PUC v. Pennsylvania-American Water Co.*, Docket No. R-2013-2355276 (Order entered Dec. 19, 2013). Aqua's first case in which it sought permission to use Section 1311(c) was its 2018 base rate case at Docket Nos. R-2018-3003558 R-2018-3003561 (Order May 9, 2019).

customers. As discussed below, the Commission has discretion in what shift it approves. Mr. Mierzwa's recommendation in this case that no more than 10% of the wastewater revenue requirement should be shifted under Section 1311(c) is explained in OCA Statement 5.

Q. Does the Commission have a range of options when looking at requests for Section 1311(c) shifts from wastewater to water?

A. Yes. I see the Commission as having a range of options under 1311(c). The question is whether the options are consistent with established regulatory principles. For example, the Commission could choose to not approve any shift. It also could approve a shift of the entire wastewater revenue requirement. In that instance it is hard to support that as being consistent with established regulatory principles. Although this range of possibilities under Section 1311(c) exists, it has not been addressed in regulations since the enactment of Section 1311(c).

Q. What framework do you recommend that the Commission use to choose what shift, if any, should be approved?

A. Professor James Bonbright provides a useful framework for setting and evaluating utility rates:

- Practicality, including simplicity, understandability, ability to implement, and public acceptability;
- Clarity in its interpretation;
- Effectiveness in yielding the total revenue requirement;
- Revenue stability from year to year;
- Continuity of rates, including the concept of gradualism;
- Fairness in relation to the cost of serving different types of customers;[15]

[15] The "fairness" of a utility rate generally means that the rate bears a reasonable relationship to the utility's cost of serving the customer without exceeding the value of service to the customer. See, e.g., James C. Bonbright, *Principles of Public Utility Rates* (New York, NY, 1961) (hereafter "Bonbright"), pp. 82-92.

- Avoidance of undue discrimination among similarly situated customers; and
- Encouragement of efficient consumption practices.[16]

According to Bonbright, the most important criteria are adequacy of collection of the revenue requirement, fairness to all customer classes, and efficiency to encourage economically efficient consumption and discouragement of waste.[17] He notes that these criteria are primary "not only because of their widespread acceptance but also because most of the more detailed criteria are ancillary" to these three principles.[18] Mr. Mierzwa addresses a framework in OCA Statement 5.

Q. How does this framework apply in this proceeding?

A. The OCA has focused on the principles of efficiency and fairness. Mr. Mierzwa discusses these issues in OCA Statement 5. I would note that the review of Aqua's proposal must include an examination of whether similarly situated customers are being treated similarly. This is significant when most of Aqua's water customers do not receive wastewater service from Aqua. Aqua has more than eight times as many water customers as wastewater customers. Those water customers are paying their own wastewater bills to other entities, or they have on-lot septic systems that they must install and cover maintenance costs. They also have been paying a portion of the wastewater deficiency for Aqua's wastewater customers since May 2019 at the conclusion of Aqua's 2018 rate cases. Proper price signals are sent through rates meaning that rates are set to reflect the cost of providing the service. Mr. Mierzwa addresses these issues in his testimony (OCA Statement 5).

[16] Bonbright, p. 291-92.

[17] Bonbright, p. 292.

[18] *Id.*

Q. What do you conclude regarding Aqua's proposal to shift $21.85 million of wastewater revenue requirement to its water customers?

A. Aqua's proposal fails to meet the fundamental principles of fairness and efficiency in setting rates for water and wastewater customers. The impact of more than $229 million of fair market value rate base exacerbates the revenue deficiencies on wastewater revenue requirement and is one of the causes for a large shift. However, shifting 20% of the wastewater revenue deficiency is not reasonable.

Q. You have reviewed numerous changes to the Public Utility Code through Act 11 of 2012 and Act 12 of 2016. What do you conclude about these changes as applied to Aqua's proposals in this proceeding?

A. Each of the changes represented a change to traditional ratemaking and represent alternative ratemaking provisions that Aqua has used since the passage of these changes including in leading up to this case (DSIC, FPFTY, 1311(c), and 1329 acquisitions) and in this case (discretionary selection of the FPFTY, proposed 1311(c) shift, and seeking to include not yet final acquisitions in rate base). The OCA does not agree with many of Aqua's proposals in this proceeding as set forth above and, in the testimony, provided by the OCA witnesses. However, as explained below, Aqua proposes additional alternative ratemaking treatments that will further reduce its risk, shift unknown rate increases onto its customers, and unreasonably increase the rates and bills for its customers.

It is important to note that Aqua could have chosen any of these or none of them, but the fact that they chose to employ them *all* in coordination with each other and its selection of the FPFTY and 1311(c) shift present unreasonable choices by Aqua that seeks to insulate shareholders and Aqua management from the difficult job of efficient management and seeks to place nearly all the risk on Aqua's captive customers. This should be looked at with a great deal of skepticism by the Commission when reaching a determination about the justness, reasonableness, and lawfulness of Aqua's proposals.

Aqua's Deferred Accounting Request for PFAS Costs

Q. Please explain Aqua's request for deferred accounting for PFAS costs.

A. Aqua is proposing that it receive approval to defer costs related to remediation for per- and poly-fluoroalkyl (PFAS). Aqua St. No. 1 at 19-20. Aqua's justification is that the federal Environmental Protection Agency has promulgated a new rule that sets new standards for PFAS in drinking water. *Id.* OCA witness Smith addresses Aqua's proposal in his testimony. I raise it here to round out the discussion of choices Aqua has made with its proposals in this case. To request special accounting treatment for costs that it has been incurring over multiple rate cases would unreasonably shift risk to ratepayers who would then be responsible for a dollar-for-dollar recovery of those costs at some point in the future. Notably, Aqua has installed treatment since 2017 and in the seven years since at certain facilities. Exh. CMH-3 (Aqua response to OCA 10-28). These are costs that Aqua has incurred over at least the last nine years and will continue to incur going forward. *Id.* Aqua already can project its PFOA costs through the end of the FPFTY and is able to continue to recover its existing cost and capital expended for PFOA remediation. As Mr. Smith discusses, in OCA Statement 2, these costs do not meet the standards for deferral and the proposed deferral treatment should be denied. OCA Statement 2.

Introduction of OCA's Other Witnesses

Q. Who are the OCA's other expert witnesses?

A. I summarize the testimony of each of the OCA's witnesses below:

- In OCA Statement 2, Ralph C. Smith supports the OCA's traditional revenue requirement recommendations, including adjustments to rate base, operation and maintenance expenses, and return. Mr. Smith's proposed revenue requirements incorporate adjustments

from Mr. Andrews, Mr. Colton, and Mr. Rothschild, as described below. OCA St. 2, Exh. LA-2. Mr. Smith also discusses the reasons why Aqua has not met its burden of proving the reasonableness of its FPFTY projections. Mr. Smith removes the East Whiteland Township wastewater revenue requirement because the Commission order approving that acquisition has been reversed on appeal and it is now pending before the Pennsylvania Supreme Court. There is no certainty that Commission's order will be reinstated before the close of the record in this proceeding. Mr. Smith's revenue requirements also reflect Mr. Mierzwa's recommendation regarding the Act 11 shift for wastewater and the shift for Shenandoah Water.

Mr. Smith's Exhibit LA-1 provides a summary of the OCA's revenue requirement recommendations that result in his recommendation that Aqua has a revenue **sufficiency** of $9,401,802,or -1.3% on a total (water and wastewater) company basis.[19] For water base operations, after the Act 11 shift recommended by OCA witness Mierzwa, there would be a revenue **sufficiency** of $25,282,230, or -4.2%. OCA St. 2, Exh. LA-1, l. 15 and 17. After OCA's adjustments (OCA St. 2, Exh. LA-2), Shenandoah Water would see part of its revenue requirement shifted to water base operations and have a revenue **deficiency** of $803,054, or 43.9%. OCA St. 2, Exh. LA-1, l. 18 and 19.

For wastewater operations, as described above, Mr. Smith has removed the East Whiteland Township revenue requirement from the case. Regarding wastewater base operations, after the Act 11 shift recommended by OCA witness Mierzwa, there would be a revenue **deficiency** of $13,335,570, or 23.1%. OCA St. 2, Exh. LA-1, l. 15 and 17. For

[19] To be clear, a revenue sufficiency means that revenues should be reduced, and a revenue deficiency means that revenues should be increased.

Lower Makefield Wastewater, after the Act 11 shift recommended by OCA witness Mierzwa, there would be a revenue **deficiency** of $2,101,804, or 18.1%. OCA St. 2, Exh. LA-1, l. 15 and 17.

- In OCA Statement 3, Aaron L. Rothschild addresses the appropriate capital structure for ratemaking, debt cost, and the return on equity, recommending a return on equity of 8.70%. Mr. Rothschild also recommends an adjustment to Aqua's proposed capital structure due to the substantial deviation from its parent and its proxy group. However, if the Commission accepts the Company's capital structure or the Company's alternative ratemaking proposals, Mr. Rothschild recommends a return on equity of 8.56%. Mr. Rothschild's adjustments reduce Aqua's overstated return on equity and adjust Aqua's capital structure. Mr. Rothschild also addresses the impact of Aqua's fair market value acquisitions on its risk. Mr. Rothschild's return recommendations are incorporated in Mr. Smith's revenue requirement schedules. OCA St. 2, Exhibit LA-1. In addition, Mr. Smith provided the individual revenue requirement impact of each of Mr. Rothschild's recommendations as well. OCA St. 2, Exhibit LA-6.
- In OCA Statement 4, Brian Andrews discusses depreciation rates and their impacts on depreciation expense and rate base in 2025. Mr. Smith incorporates the depreciation adjustments made by Mr. Andrews in his revenue requirement exhibits. OCA St. 2, Exhs. LA-1 and LA-2.
- In OCA Statement 5, Jerome Mierzwa provides recommendations regarding Aqua's proposed rate designs, and recommendations regarding an evaluation that Aqua was required to submit by this rate case, and that Aqua obtain metered water usage data for some of its currently flat-rate wastewater customers. Mr. Mierzwa also addresses the

Company's proposed shift of $21.9 million or 60% of the wastewater revenue requirement increase to water customers pursuant to Section 1311(c) of the Public Utility Code. He recommends that 10 percent of the wastewater revenue deficiency amounts be allocated to Aqua's water base utility revenue requirement under Act 11.

- In OCA Statement 6, Roger Colton addresses the impact of the Company's current rates and their requested increase on low-income customers. He recommends changes in the Company's bill discount and arrearage forgiveness programs, CAP cost offsets, and related matters to help all Aqua customers afford essential utility service. He also addresses the impact of Aqua's rate increase proposals on the customers who do not qualify for the low-income program but may struggle to pay their utility bills. Mr. Colton also recommends an expansion of Aqua's budget for its Low-Income Conservation Program to provide for more conservation kits for low-income customers.
- In OCA Statement 7, Barbara Alexander discusses the identification and evaluation of compliance with previous commitments/orders on customer service performance, complaint handling and root cause analysis, consumer protection (Ch. 56 and Chapter 14) compliance; updating actual customer service performance and compliance issues: call center; internal training, response to BCS infractions and verified complaints, etc.; and evaluating internal performance objectives and results.

Information in Customer Notices

Q. Do you have any other concerns about Aqua's filing?

A. Yes. I am concerned about Aqua's rate case notices to its customers. There are two issues that impact the accuracy of the bill impacts and the notice that I discuss below:

1) The impact of Aqua's proposed revenue deficiency shift (under Section 1311(c)) on the proposed bill impact, and

2) the residential customer usage level used by Aqua

Impact of Section 1311(c)

Q. You mentioned that the notices provided by Aqua reflect its proposal to shift $21.9 million or 20% of the wastewater revenue requirement to water customers. What is your concern?

A. While Mr. Mierzwa discusses the OCA's recommendation about what shift, if any, is in the public interest under Section 1311(c), I will discuss Aqua's rate case notices that reflect the rate impacts **after** its proposed shift.[20]

The notices Aqua provided to its wastewater customers reflect 40% of the calculated cost of service revenue deficiency because Aqua is proposing to shift 60% of the wastewater revenue deficiency to its water customers. It is highly probable that Aqua's proposed shift of 60% of its calculated wastewater cost of service increases will not be granted by the Commission. That means that the wastewater customers from the inception of this case, have not received a notice that accurately reflects the impact on their bills of the revenue deficiency for their service as calculated in Aqua's rate filing. As Mr. Mierzwa discusses in his testimony (OCA Statement 5), the shift results in some wastewater rate zones showing decreases. In reviewing the notices provided in Aqua's filing, there are 7 wastewater zone notices that inform customers that they will see a decrease, and 7 that inform customers that they will see increases. Aqua Filing Vol. 1, pdf pages 56-87.

The total dollars proposed to be shifted is 60% of the total wastewater revenue deficiency(and 20% of the total wastewater costs), the breakdown by revenue deficiency calculation for the three cost of service studies conducted by Aqua is as follows:

[20] I discuss Section 1311(c) in the alternative ratemaking section of my testimony, *supra*.

Cost of service study	Deficiency	Amount Shifted	% of deficiency shifted to water[21]
Wastewater base operations	$25,957,548	$17,747,873	68.4%
Lower Makefield	$3,526,708	$958,164	27%
East Whiteland	$6,992,719	$3,144,592	45%
Total	$36,476,975	$21,850,629	60%

Q. What should Aqua use in the wastewater notices to estimate the impact of its filings on wastewater customers?

A. The notices should use the revenue requirement deficiencies that Aqua calculated for each of its wastewater costs of service. That is, Aqua should have shown what it wants to charge for wastewater service *before* the shift. Aqua provides cost of service studies for three wastewater service areas and two for water. [22] Aqua provides testimony and exhibits from witness Heppenstall to support the data and results of the cost of service studies for the three wastewater divisions and two water divisions. The additional revenues needed to provide service to those customers, as calculated in the cost of service studies, should be used to reflect the proposed rate increases for each rate zone within that division. If that were done in the notices to customers, the wastewater customers would get a realistic picture of what rate increases they would be facing if their rates were set on the cost to serve them. Aqua's notices already state that it is requesting approval of a "combined revenue requirement for the Company's water and wastewater operations." Aqua Filing Vol.1, PDF pp. 14-87. Nowhere in any of the wastewater notices does Aqua disclose that the **proposed rates** shown in the notices are calculated **after** Aqua's proposed shift of 60% of the wastewater revenue requirement deficiency.

[21] Excerpt from Aqua Filing Vol. 2, Sch. Act 11 with percentages calculated by dividing amount shifted by total deficiency.
[22] Wastewater Base, Lower Makefield wastewater, East Whiteland wastewater, Water Base, and Shenandoah Water.

Q. What should have been provided to wastewater customers to provide an accurate level of proposed rates that could result from Aqua's filing?

A. The notice should have based the proposed rates on the calculated cost of service, not on the "post" shift rate levels. Aqua already has language in the notice that the final effect on your bill may be different than Aqua's requests and Aqua includes language that it is requesting a combined revenue requirement for its water and wastewater operations.

Q. What changes would be necessary for the notices to water customers?

A. I recommend the same change as I recommend for the wastewater notices. Aqua should be required to calculate the proposed bill using the water only revenue deficiency, including for Shenandoah Water. For Shenandoah, Aqua calculated a revenue deficiency of $2,267,908, and then proposes to shift $1,465,438 or 64.6% of the deficiency to other water customers. The notice to Shenandoah customers reflects a proposed bill increase of $21.22, from $56.14 to $77.36. Although Aqua already includes the same language on the water notice as the wastewater notices (that the final effect on your bill may be different than Aqua's request) the notice language following the bill impact could be modified to state that Aqua's request for approval of a shift from wastewater to water could increase the final level of rates and the bills for water customers.

Residential Customer Usage Level

Q. Turning to another concern about the rate case notices, what usage level does Aqua use in its rate case notice to customers?

A. In its rate case notice for each water and wastewater rate zone, Aqua uses 3,870 gallons per month water usage for a residential customer to calculate the impact of its proposed rate increases. Aqua Filing, Vol. 1, PDF pp. 14-87. The rate impact is calculated based on a "typical water bill" or "typical wastewater bill" for residential customers of 3,870 gallons

per month. *Id.* Aqua derives the "typical" level of usage by using Rate Zone 1 monthly average for customers with 5/8-inch meters. Aqua response to I&E RS-6.

Q. Why is this a concern?

A. Aqua has residential customers who have usage levels ranging above the "typical" usage level, yet its notice does not show what the bill impact of its proposed rate increase will be. For example, a customer using 5,000 gallons per month (perhaps a small family) would see a different bill impact. A customer using 10,000 gallons per month (perhaps a larger family) would see a different impact. There is no information in the rate case notice that would permit a customer with different usage levels to calculate the impact on their bill.[23]

Q. Can you provide an example of what that would look like?

A. Yes. The chart below is an example of what could be used in the rate case notice to provide the bill impacts for additional residential usage levels. I used Rate Zone 1, water to calculate this example.

Gallons per month	Current Bill	Proposed Bill
3,870	$78.21	$97.01
5,000	$92.96	$120.22
10,000	$170.22	$222.92

This chart should be used for each rate case notice that Aqua sends to its customers.[24]

[23] The notice tells customers who want to find the rates that Aqua asked for to look at the water and wastewater tariffs filed with the PUC or on Aqua's website at Aquawater.com. To access the tariffs on the website, a customer would need to click on Pennsylvania on the Map, then the Discover Aqua Pennsylvania link, then scroll down to Aqua Pennsylvania Documentation and click Tariff drop-down menu to get the current tariff. Scrolling down one more link on the documentation page would get a customer to the base rate case link, that would then, after another link, get to the proposed tariff links.

[24] For any existing flat rate zones, this recommendation would not apply if Aqua proposes to continue the flat rate.

Q. Why did you choose 5,000 and 10,000 gallons per month for additional usage levels?

A. I used those amounts as an estimate that falls at or near the middle of a range of usage for 2 and 4-person households and a range of daily usage of 5-100 gallons per day (gpd). This range is based on information contained in Penn State Extension: Estimating Water Needs.[25] Although this paper is based on designing water systems, using 50 gallons per day per person (gppd) as the minimum and 100 gppd for a 30 day month would equal 3,000-6,000 gallons per month for a 2-person household and 6,000-12,000 gallons per day for a 4-person household. By choosing a level close to the middle of each range, I think it is a reasonable approach to show the impact of the proposed rate increases on customers at different usage levels.

Q. Is your recommendation the same for the wastewater notices?

A. Yes.

Q. Aqua is required to use the Commission's rate case notice form at 52 Pa. Code § 53.45. Does your recommendation conflict with that requirement?

A. No. This recommendation would require information in addition to what the Commission's rate case notice requires. It is relevant information that will help residential customers better understand the impact on their bills. Aqua already provides additional information in its notices (regarding how the rates that customers pay benefit the ratepayer's community, for example) so this would not be any different than its current practice.

[25] https://extension.psu.edu/water-system-planning-estimating-water-needs

Information about the bill impact of the Final Order in the case

Q. What is your recommendation for information to be provided to customers at the end of the case?

A. At the end of the rate proceeding, upon entry of the final order and the filing of the compliance tariffs and schedules, the Commission and Aqua will likely issue press releases that provide the overall revenue increase granted by the Commission and include an overall percentage increase. The press releases will likely include the impact on the "typical" residential, commercial, and industrial customers, like what is found in the rate case notices at the beginning of the case.

My recommendation is that any press release issued by Aqua include the impact on customers' bills at multiple usage levels as I described above. In addition, customer bill impact information should be provided via bill insert at the end of the rate proceeding that shows the final revenue requirement approved by the Commission and includes the impact on customers' bills at multiple usage levels as I described above. This should be implemented at the end of this case.

Q. Why do you recommend this information be provided at the end of the case?

A. The information would provide the customers with the resolution of the rate filing including the Commission's decision on the rate filing and the rate adjustments and the resulting bill impact. It would "close the loop" for the customers.

By providing the bill impact, the additional information would provide not only the final revenue requirement but also the impact of any rate design changes that were adopted by the Commission. Customers will not have to wait until they receive their first bill after the rate case ends to find out what the bill impact is from the rate case. The basic

information that is included in press releases is not sufficient to inform customers of the impact on their bills.

Q. Can you summarize your recommendations regarding notices?

A. Yes. Customer notices should provide relevant information about the impact on their bill if Aqua's cost of service revenue deficiencies are used to set rates. I also recommend that a chart, using three usage levels, be included in the rate case notices for water and wastewater in Aqua's next base rate filing. My final recommendation about notices is that information be sent at the end of the proceeding that shows customers what the final order's impact is on their bills. This notice can include the two other recommendations as well as the information regarding any Section 1311(c) shift, and any other proposals that are adopted in the final order.

Other Issues

Q. Aqua has determined to discontinue its PFAS monitoring website. Aqua St. 11 at 14. Please comment.

A. Aqua voluntarily created the PFAS monitoring website in 2016 to provide real time data related to areas in Southeastern PA near areas with known military base PFAS contamination. Exh. CMH-4 (Aqua response to OCA 10-27). Aqua's claim is that it will report PFAS testing in its Consumer Confidence Report rather than the website and that will "maintain consistency with the EPA and DEP requirements and avoid confusion." *Id.*

Q. Do you agree with Aqua's determination?

A. No. The website[26] is a tool for consumers to be able to see the latest **monthly** PFAS testing information for certain Aqua facilities in southeast Pennsylvania. The website was subject

[26]When accessing WaterFacts.com, you see a message directing you to AquaWater.com. The link takes you to a page titled Aqua PFAS Monitoring Results on the Aqua Water website.

to certain commitments by Aqua in the settlement of Aqua's 2018 base rate proceeding that was approved by the Commission. *Pa. PUC v. Aqua Pennsylvania*, Docket Nos. R-2018-3003558, R-2018-3003561 slip op. at 24 (Order May 9, 2019). I do not think that continuing the specific PFAS Monitoring Results page under AquaWater.com would cause confusion among customers. I also do not see any evidence that maintaining the specific page, along with meeting the CCR requirements, would be inconsistent with EPA and DEP requirements. Aqua's current website includes information about PFAS, what it is doing, and includes a link to find local results.[27] I recommend that Aqua's website and specific PFAS Monitoring Results page be continued at least through its next base rate case. At that time, the continuation can be determined after experience with reporting PFAS reporting in the CCR.

Conclusion

Q. What is your overall recommendation?

A. Aqua's proposals unreasonably increase its customers' rates through a layering of claims including excessive rate of return, overstated rate base, operation and maintenance expenses, and taxes. Aqua's proposed revenue increases should be rejected, and it should be granted an increase of no more than that which was presented by OCA witness Smith, incorporating the depreciation adjustments recommended by OCA witness Andrews.

Aqua's proposal for a 10.95% return on equity should be rejected and Mr. Rothschild's recommended return on equity of 8.70% should be adopted, in combination with his recommendation that a capital structure of 50.53% equity and 49.47% debt be used for ratemaking. In combination, Mr. Rothschild's recommendations will reduce Aqua's

[27] https://www.aquawater.com/about-water/water-quality/pfas.php. Last accessed August 8, 2024.

revenue requirement claim by $91.48 million. OCA St. 2, Exh. LA-6. Aqua's capital structure and return on equity are major drivers of its proposed increase. OCA's adjustments to both should be adopted to reflect the consumers' interests in not paying an excessive return as explained by OCA witness Rothschild.

Aqua's proposal to shift 60% of the wastewater revenue deficiency to water customers should be rejected. Its rate design proposals are not reasonable and unreasonably increase the bills that its customers will have to pay while reducing bills for some wastewater rate zones, as explained by OCA witness Mierzwa.

Aqua's bill discount and arrearage forgiveness programs need to be revised so that eligible low-income customers' needs are adequately addressed. In addition, OCA recommends an expansion of Aqua's low-income conservation efforts, as explained by OCA witness Colton.

Aqua's compliance with previous commitments/orders on customer service performance, complaint handling and root cause analysis, consumer protection (Ch. 56 and Chapter 14) is lacking, in addition to needing to update actual customer service performance and compliance issues: call center; internal training, response to BCS infractions and verified complaints, etc.; and evaluating internal performance objectives and results as addressed by OCA witness Alexander.

The OCA's recommendations reflect an overall result that adequately balances consumers' interests and shareholders' interests and is consistent with the Public Utility Code and legal precedent.

Q. Does this complete your direct testimony?

A. Yes, at this time.

APPENDIX A

Christine Maloni Hoover
Pennsylvania Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1923
717-783-5048

Of Counsel, Pennsylvania Office of Consumer Advocate, Harrisburg PA. May 2024-Present. In my current role I work a part time annuitant on a variety of cases and issues for the Pennsylvania Office of Consumer Advocate (OCA). I am providing testimony in some cases and in other cases, I work as an attorney representing the OCA.

Previous Positions

- Deputy Consumer Advocate, Pennsylvania Office of Consumer Advocate, Harrisburg PA. March 2023-March 2024 (retired). As Deputy Consumer Advocate, I oversaw and coordinated the legal work of the office, including the work of the Senior Assistant Consumer Advocates, to make recommendations to the Consumer Advocate regarding legal and policy matters; represented the office and the Consumer Advocate at hearings, events, meetings, boards, councils; and served as a primary resource to the Consumer Advocate, along with the Director of Operations, regarding office policies, administration, budget, assessments, personnel, and other duties as necessary.

- Interim Acting Consumer Advocate, Pennsylvania Office of Consumer Advocate, Harrisburg PA. June 2021-December 2021. As Interim Acting Consumer Advocate, I represented the interest of consumers as a party to proceedings before the Public Utility Commission, state and federal courts, and agencies working with Senior Assistant Consumer Advocates and OCA staff; provided testimony at the General Assembly.

- Senior Assistant Consumer Advocate, Pennsylvania Office of Consumer Advocate, Harrisburg PA. 1999-May 2021, December 2021-March 2023. Work on all aspects of utility law and regulation, acting as one of the directors of the office's policies and litigation strategies. Responsible for water and wastewater cases. Responsible for coordinating and supervising administrative staff, IT, support staff, consumer outreach, education, and call center staff.

- Assistant Consumer Advocate, Pennsylvania Office of Consumer Advocate, Harrisburg, PA. 1987-1999. Increasing levels of responsibility, including the water coordinator for Pa. OCA's work on water and wastewater cases, including small companies, from 1990-1994. In 1994 became the small utilities project coordinator.

Bar Admission

- Admitted to practice law before the Supreme Court of Pennsylvania, and the United States District Court for the Middle District of Pennsylvania.

Past Professional Activities

- Representative for Pennsylvania OCA, Technical Assistance Center Board, Pennsylvania Department of Environmental Protection, Harrisburg, PA.
- Member, Planning Committee for Pennsylvania Bar Institute's Public Utility Law Conference, Mechanicsburg, PA
- Member, Pennsylvania Public Utility Commission's Small Water Task Force, Harrisburg, PA
- Member, Water Committee, National Association of State Utility Consumer Advocates (NASUCA), Washington, DC
- Presenter or faculty member in educational programs for the Institute for Public Utilities at Michigan State University, the Society of Utility and Regulatory Financial Analysts, the National Conference of Regulatory Attorneys, the Pennsylvania Bar Institute American Water Works Association, National Association of Water Companies, NASUCA, NARUC, PA Department of Environmental Protection conferences and training sessions.
- Faculty member and presenter, NARUC Eastern Rate School and Western Rate School
- Member, Federal Advisory Committee on Total Coliform Rule/Distribution System Advisory, U.S. Environmental Protection Agency, Washington, DC.
- Member, Federal Advisory Committee on Stage 2 Disinfectants and Disinfection By-Products in Drinking Water, U.S. Environmental Protection Agency, Washington, DC.
- Member, on behalf of Pennsylvania OCA, NDWAC Small Systems Implementation Working Group, Washington, DC

Education

- J.D. American University's Washington College of Law, Washington, DC. 1987.
- B.A. in Political Science and Public Policy, University of Pennsylvania, Philadelphia, PA. 1984.

Testimony

- *Pa. P.U.C. v Pennsylvania-American Water Co*., Docket Nos. R-2023-3043189, R-2023-3043190
- *Application of Aqua Pennsylvania, Inc. to acquire Greenville Sewer Authority Pursuant to Sections 1102 and 1329 of the Public Utility Code,* Docket No. A-2023-3041695

EXHIBIT CMH-1

Line #/Col.	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J
1	Buyer	Aqua	Aqua	Aqua	Aqua	Aqua	Aqua	Aqua	Aqua	**Total**
2	Seller	New Garden	Limerick	East Bradford	Cheltenham	East Norriton	Lower Makefield	East Whiteland	Shenandoah	
3	Utility Type	Wastewater	Wastewater	Wastewater	Wastewater	Wastewater	Wastewater	Wastewater	Water	
4	Type of System	Integrated	Integrated	Collection	Collection	Collection	Collection	Collection	Distribution	
5	County	Chester	Montgomery	Chester	Montgomery	Montgomery	Bucks	Chester	Schuylkill	
6	Docket No.	A-2016-2580061	A-2017-2605434	A-2018-3001582	A-2019-3008491	A-2019-3009052	A-2021-3024267	A-2021-3026132	A-2022-3034143	
7	As-Filed Purchase Price	$ 29,500,000	$ 75,100,000	$ 5,000,000	$ 50,250,000	$ 21,000,000	$ 53,000,000	$ 54,930,000	$ 12,000,000	**$ 300,780,000**
8	Number of Customers	2,106	5,434	1,248	10,219	4,966	11,151	3,895	2,899	**$ 41,918**
9	As-Filed Purchase Price per Customer	$ 14,008	$ 13,820	$ 4,006	$ 4,917	$ 4,229	$ 4,753	$ 14,103	$ 4,139	**$ 59,836**
10	Net Book Value*	$ 18,567,728	$ 46,153,867	$ 5,473,948	$ 15,408,458	$ 8,407,007	$ 19,808,274	$ 33,403,972	$ 10,784,743	**$ 158,007,997**
11	Amount Over (Under) Net Book Value	$ 10,932,272	$ 28,946,133	$ (473,948)	$ 34,841,542	$ 12,592,993	$ 33,191,726	$ 21,526,028	$ 1,215,257	**$ 141,556,746**
12	Final Rate Base	$ 29,500,000	$ 64,373,378	$ 5,000,000	$ 44,558,259	$ 20,750,000	$ 53,000,000	$ 54,413,365	$ 12,000,000	**$ 283,595,002**
13	Final Amount Over (Under) Net Book Value	$ 10,932,272	$ 18,219,511	$ (473,948)	$ 29,149,801	$ 12,342,993	$ 33,191,726	$ 21,009,393	$ 1,215,257	**$ 124,371,748**

EXHIBIT CMH-2

REVENUE REQUIREMENT SHORTFALL[1]		
Aqua	New Garden	$ 1,662,142
Aqua	Limerick	$ 7,778,000
Aqua	East Bradford	$0
Aqua	Cheltenham	$ 2,772,000
Aqua	East Norriton	$ 1,155,000
Aqua	Lower Makefield	$ 2,828,000
Aqua	Shenandoah W	$ 865,031
TOTAL ANNUAL REVENUE DEFICIENCY		**$ 17,060,173**
PENDING AND SPECULATIVE CASES[2]		
Aqua	East Whiteland	$ 5,011,000
Aqua	DELCORA	$ 4,553,000
Aqua	Beaver Falls	$ 4,288,000
Aqua	Greenville Sewer	$ 2,230,000
TOTAL PENDING AND SPECULATIVE ANNUAL REVENUE DEFICIENCY		**$ 16,082,000**

[1] Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2016-2580061 (Order Dec. 3, 2020)(New Garden); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2017-2605434 (Order July 12, 2018)(Limerick); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2018-3001582 (Order Sept. 20, 2018)(East Bradford); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2019-3008491 (Order Nov. 5, 2019)(Cheltenham); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2016-2580061 (Order May 21, 2020)(East Norriton); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2021-3024267 (Order Jan. 13, 2022)(Lower Makefield); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2022-3034143 (Order July 13, 2023)(Shenandoah).

[2] Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2021-3026131 (Order July29, 2022) rev'd on appeal *Cicero v. Pa. PUC*, 300 A.3d 1106 (Pa. Cmwlth Ct. 2023), appeal docketed at 568 MAL 2023, No. 569 MAL 2023, No. 570 MAL 2023 (June 14, 2024) (East Whiteland Township); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2019-3015173 (Delcora); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2022-3033138 (Beaver Falls); Application of Aqua Pennsylvania, Inc. under Sections 1102 and 1329 of the Pennsylvania Public Utility Code, Docket No. A-2023-3041695 (Greenville Sewer Authority).

EXHIBIT CMH-3

Witness: Todd M. Duerr
Date: 7/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET X INTERROGATORIES

OCA-X-28 Refer to Aqua Statement 11 at 15:8. Please identify the facilities that have PFAS levels close to or greater than the PADEP maximum contaminant levels (MCLs).

RESPONSE

PA1090001 – EP102 (Edgely) - Currently offline pending completion of PFAS treatment. ETA 2025

PA1090005 – EP102 (Chalfont 11) - Currently offline pending completion of PFAS treatment. ETA 2025

PA1460068 – EP100 (Perkiomen Woods) - PFAS treatment installation to be completed Q3 2024

PA1460028 – EP101 & EP 103 (Hatboro 6/8) - PFAS treatment installation to be completed Q3 2024

Facilities that had PFAS levels close to or greater than the PA PFAS MCL that have completed PFAS treatment installed:

PA1460028 – EP104 (Hatboro 9) – Installed 2017

PA1090005 – EP101 (Chalfont 8) - Installed 2017

PA1460073 – EP111 (Aidenn Lair) - Installed 2019

PA1460073 – EP103 (North Hills) - Installed 2023

PA1460073 – EP136 (Neshaminy WTP) - Aqua has been feeding increased powdered activated carbon to mitigate the impact of PFAS present in the source water to ensure that the finished water is below the PADEP PFAS MCL.

EXHIBIT CMH-4

Witness: Todd M. Duerr
Date: 7/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET X INTERROGATORIES

OCA-X-27 Refer to Aqua Statement 11 at 14:20-21. Please explain why Aqua will discontinue its PFAS monitoring website.

RESPONSE

The current PFAS monitoring website was voluntarily designed and implemented in 2016 to provide data specific to Southeastern PA near areas with known military base PFAS contamination. This was years before PFAS regulations came into effect.

EPA and PADEP have promulgated maximum contaminant levels that requires the data to be reported in Consumer Confidence Reports like all other contaminants. To maintain consistency with the EPA and PADEP requirements and avoid confusion, Aqua PA will report the data as required in the format by EPA and PADEP instead of via a separate mechanism. This provides a consistent statewide PFAS reporting framework and does not require a customer to seek out a website.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Christine Maloni Hoover, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 1, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 16, 2024

Signature: Christine Maloni Hoover
Christine Maloni Hoover

Address: PA Office of Consumer Advocate
555 Walnut St., 5th Floor
Forum Place
Harrisburg, PA 17101

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	Docket Nos. R-2024-3047822
v.	:	R-2024-3047824
	:	
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania Wastewater, Inc.	:	

SUPPLEMENTAL DIRECT TESTIMONY

OF

CHRISTINE MALONI HOOVER

On behalf of the

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

Date Served: September 12, 2024

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Introduction

Q. Please state your name and business address.

A. My name is Christine Maloni Hoover. My business address is 555 Walnut Street, 5th Floor, Harrisburg, PA 17101. I am employed by the Office of Consumer Advocate (OCA) as an annuitant with the title Of Counsel. I appear in this case as a witness on behalf of the OCA.

Q. What is the purpose of your supplemental direct testimony in this case?

A. I am submitting Supplemental Direct Testimony with regard to testimony by Aqua's customers submitted at the public hearings on Aqua's proposed rate increases.

Summary

Q. Please summarize your conclusions and recommendations.

A. The testimony provided at the public input hearings focused on consumers' concerns about: (1) the affordability of Aqua's rates, currently and as proposed; (2) costs of acquisitions borne by the customers; (3) flat rate wastewater charges; and (4) service quality issues. There were approximately 173 consumers and speakers over the course of the eleven public input hearings. The transcripts for the eleven hearings are transcript pages 53-1094. I will summarize aspects of the public input testimony about certain areas of rates and service. However, I am not addressing all testimony or concerns raised at the Public Input Hearings, recognizing that the sworn consumer testimony was transcribed and is part of the evidentiary record.

Customer Testimony

Q. Please describe consumer testimony that requested the Commission to reject Aqua's proposed rate increase.

A. An overwhelming number of consumers and public officials requested that the Commission outright reject or deny Aqua's proposed rate increase. *See*, e.g., Tr. 173, 79-

80, 90-91, 99, 102, 137, 145, 166-67, 188, 195, 201, 214-15, 225, 458, 543-44, 552, 558, 590, 615-16, 781, 795, 846, 863, 898, 966, 1011, 1056, 1075-76. The customers who are on fixed incomes expressed the difficulty they have in making ends meet. For example, Mr. Burrows (Tr. 73) and Stephanie Shumlas (Tr. 90-91) testified that the anticipated $30 per month increase in Aqua's rates do not match the Cost-of-Living-Adjustment (COLA) increases for pensioners. Other customers including Susan Hennigan (Tr. 137) and Philip Steinberg (Tr. 188) addressed the impact of the proposed rate increase on those on fixed incomes. Jan Novia expressed concern about the impact that the rate increase would have on young families (Tr. 795). Others expressed concern about the large increases in their monthly bills, including Bernard Mazer (Tr. 79-80), Teri Dignazio (Tr. 1075-76), and Bobbi Penniman (Tr. 201). Ms. Penniman paid approximately $280 in 2017/18 and now pays $430. The sewer rates are moving from $277 in 2019 to $671 in 2023. She called this rate increase "highway robbery." Tr. 202. Others expressed concerns about the large increases in their bills since their systems were acquired by Aqua, including Donald Campbell (Tr. 214-15), Gerry Cammarata (Tr. 558), Larry Tonari (Tr. 590) and Branan Cooper (Tr. 833-838). Mr. Cooper testified about the increases in his Aqua bill, his efforts to use less water, and that he will pay more to Aqua than for phone, Internet, trash, and soon, his electric bill. Tr. 837. He then expressed what it feels like to be a captive customer with no power of choice, stating, "So I urge you, please say no to this increase. If you lived in our neighborhood, I think you feel the same way. The notion that we can't do anything because you have us by the wallet is true in the case of Aqua, in this case, you have us not only by the wallet, but by the water and the sewer and we can't live without it." Tr. 837.

Eileen Somers provided testimony regarding the lack of affordability for Delaware County's low-income families. Tr. 965-972. Tim Dethloff testified about the large bills even when they do not use any water stating, "we could be out of town for an entire billing cycle, not use a drop of water, and we would still have to pay that $88.39 just for being an Aqua customer." Tr. 863. Cindy Owens (Tr. 853-61) explained that she and neighbors pay $119.46 for water and wastewater customer charges even before the charges for water or wastewater usage. Owen Exh. 4. She also provided a $335.18 bill for a family of five using 7,500 gallons per month, a $195.47 bill for a retired couple using 2,700 gallons per month, and her $167.12 bill for 1,700 gallons per month. Owen Exhs. 1, 2, and 3. Ms. Owens also said that she is facing an increase in electric bill from PECO in addition to the proposed Aqua increases to water and wastewater rates. Tr. 857.

Keith Gabage (Tr. 493) asked for a better breakdown of costs and where they go on bills. Mr. Gabage was particularly concerned that since Aqua has been acquiring different systems, the wastewater customers are "feeling the pinch" of the same, despite the company also adding "about $260 million[s] worth of rate base that the customers were supporting." Mr. Gabage wants to make sure he is not subsidizing the costs of acquisitions nor contributing to the wastewater revenue. He also fears what future bills might look like should Act 11 be repealed.

State Representative Joseph Ciseri testified that Aqua's sewer bills are already higher than the average in the United States, that the seniors cannot afford the current rates and that the company is asking for "another 20 percent." Tr. 615-16. Robert McMahon (Tr. 383) asked that the PUC ensure Aqua is finding alternative ways to handle PFA issues and more through alternative funding, rather than increased rates.

In my opinion, the above summarized consumer testimony from the public input hearings in this case supports the OCA's recommendations in this proceeding, including a substantial reduction to the Company's requested revenue requirement increase, the responsibility that Aqua has to control its costs and claims, and OCA witness Colton's recommendations for meaningful changes to Aqua's customer assistance program (CAP).

Q. Please describe your concern regarding consumer testimony that raised quality of service and customer service issues.

A. A number of customers testified about quality of service and customer service concerns. I highlight some of that testimony here:

Christine Maddalo (Tr. 104-05) testified that she drinks bottled water "Because I don't know how healthy that water is for me. I don't know what's in it. I know they truck water in sometimes. I don't know where it's being trucked from." "[T]here's levels of things in it I don't want to drink, so I buy bottled water."

Chris Blazic (Tr. 157-58) testified that the wastewater increase is crushing the household. When he called to complain, was told by Aqua that there wasn't anyone he could talk to.

Lee Scarborough (Tr. 311) testified that the neighborhood has experienced two sewage blocks since Aqua took over the system.

Peter Beisser (Tr. 392) testified that he reviewed data from the Better Business Bureau (BBB) and found many customer complaints regarding poor water quality, frequent outages, and unresponsive customer service. He stated, "Are we getting our money's worth as it is?"

Penelope Rigatos (Tr. 447) called Aqua for help and did not receive a response.

Patty Zebley (Tr. 535) testified that "[There is] horrible chemical tasting in [] water. It leaves white residue in my sinks and my tub."

Margot Woodacker (Tr. 573) testified that Aqua customer service does not provide answers to consumers. Consumers are also told to call their township for answers. Customer service has also blamed the PUC on customer calls.

Katherine Washko (Tr. 578) testified that customer service unable to explain bills to consumers and stated that there is "no easy way to connect with Aqua."

Bill Conaway (Tr. 670) testified of multiple leaks, with a leak costing a homeowner over $20,000 to fix. He also stated that consumers are unsure what the line insurance actually protects them from/for.

Kevin Kelly (Tr. 688) observed that the sewer treatment plant has a noticeable and bad smell and does not walk past it anymore. I believe he is served in the Limerick Township service area.

Dan Ely (Tr. 791) testified that he had to complain multiple times about water diversion onto his land and specifically into his pond.

Catherine Moran (Tr. 842) testified that she had an urgent health situation last year and it took Aqua's crew "19 days to locate [her] curb stop… it resolved only after contacting the PUC."

Susan Miller (Tr. 766) testified that she had asked Aqua what happens if she cannot afford to pay and was told that they would come out and plug her sewage line so she cannot use it.

Richard Gage (Tr. 878, 1064) testified that he incurred approximately $3,800 in damages due to excessively high water pressures beyond limits that are required in title 52 Chapter 65, 52 Pa Code Section 65.6(d). Pressures in his neighborhood run from 190-200 psi. Has received communications from Aqua that say the Company is going to do multi-million dollar improvements to reduce the pressure in Chesterbrook, but nothing has happened.

The quality of service issues raised by these and other customers at the public input hearings should be addressed by Aqua in the record of this case.[1] The customer service issues raised by consumers should be addressed as well. It is also important to recognize that the customer testimony regarding customer service supports Ms. Alexander's recommendations. OCA St. 7.

Q. Please describe your concern regarding consumer testimony that raised issues related to flat wastewater charges.

A. There were numerous customers who receive flat rate wastewater charges from Aqua who testified at the public input hearings, asserting that their bill should be based on metered

[1] In the Aqua 2021 base rate case order, the Commission, in denying the OCA's exception regarding high pressure areas, stated, "we encourage Aqua to identify and explore ways to target areas that may benefit from system improvements as it investigates and tracks individual pressure complaints." 2021 Aqua Order at 355.

usage. Issues related to the flat rate wastewater charge were raised in Aqua's 2021 rate case. In the Commission's final order, as OCA witness Mierzwa explained in his direct testimony,

> Aqua was ordered to perform a study in its Order in the last proceeding, the Commission adopted the ALJ's recommendation that directed Aqua to prepare and submit its next base rate proceeding a report evaluating whether different methods of calculating a flat rate would be more reasonable for some rate zones rather than applying a system-wide usage average to each rate zone.

OCA St. 5 at 38-39 (footnote omitted) (citing *Pa. PUC v. Aqua, Pennsylvania*, Docket R-2021-3027385 et al., Order at 273.) Customer testimony at the public input hearings again raised many concerns and issues tied to the flat rate for wastewater service as summarized below.

Christine Maddalo (Tr. 103) testified that she has requested meter for wastewater, explains that she does not wash her car or use hose that much to avoid a large bill – "I dread them taking showers."

Fran Kingsley (Tr. 155) testified that she is upset because the water that she used outside of the home (pool, washing cars, lawn) does not go into wastewater system yet she is charged for that usage.

Joseph Casey (Tr. 204) testified that he was away for four weeks and turned off service, but he was charged for sewer based on water usage. He calls it double dipping. He raised concerns about the high "flat rate" charges (or customer charges) that he is charged even with no usage.

John Muscari (Tr. 377-379) testified, "Any resident of East Bradford that has Aqua for both services that uses any water outside their home is paying Aqua for wastewater treatment services. Aqua is getting paid wastewater services they are not providing."

Frank Donovan (Tr. 404-405) testified, "The fact that they basically charge you your sewer based on the amount of water that you consume, certainly it makes - there is a certain factor to that that makes sense, except it doesn't account for things like watering lawns, shrubs, flowerbeds, car washes. People might even own pools. Those are basically all errors that they work to the Company's advantage and against the customer."

Wayne Weismandel (Tr. 509 – 515) offered testimony and evidence to support that Aqua is charging $402 for sewer usage that would be charged $95 elsewhere/nearby. Mr. Weismandel proffered four exhibits to support his position:

1. Exhibit 1 is a Map of Chester County showing the individual municipalities within the County.
2. Exhibit 2 is Resolution 18 Number 823 of London Grove Township, dated December 13, 2023, effective January 15th, 2024. Among other things, this Resolution establishes metered residential sewer rates in a neighboring township.
3. Exhibit 3 is a copy of his most recent Water Bill from the Chester Water Authority showing that he uses 6,000 gallons of water per quarter.
4. Exhibit 4 is a copy of his most recent monthly Wastewater Bill from Aqua Pennsylvania Wastewater, Inc., showing the flat rate charge of $134.20 per month.

Using simple mathematics and these exhibits, Mr. Weismandel explained that he is overpaying Aqua as is, and requested that the PUC condition the proposed wastewater tariff in this case upon the Company's commitment to provide metered wastewater service in his area – Honeycroft Village – before its next rate case is filed.

Ron Dungey (Tr. 516) asked if the consumer impact study was done. He also stated that his wastewater bill is $145, but his usage is just under $7 dollars.

Carrie Bocci (Tr. 539) echoed the testimony of Mr. Weismandel. She also testified that Aqua does not help her understand the billing; and that the website does not have helpful information for sewer-only customers.

Gary Davis (Tr. 594) wants to pay for usage by and through a meter.

Kathryn Barto (Tr. 584) testified that her sewer bill is 3x the water bill.

Erika Spott (Tr. 621) testified that the unmetered flat rate for sewer in Lake Harmony is approximately $134 a month regardless of usage and that it is the highest unmetered residential flat rate in Pennsylvania. She testified:

> Aqua's methodology for Kidder Township's unmetered flat rate is in total disregard and lacking in even in the most rudimentary inquiry into the mixed-use profile of that community. Its methodology for Kidder Township is wholly devoid of any relevant fact-based data or other rational foundation to support the application of a standard system-wide average and I would submit, is contrary to any conceivable public interest.
>
> Aqua has now had several years to undertake the study and report on it, but to the best of my knowledge, that has not happened. But in the meantime, Kidder Township homeowners have continued to pay $134.20 as an unmetered residential flat rate, based on

> assumptions of standard average uses that bear no resemblance to that community.

Lorraine Rambo (Tr. 664) Ms. Rambo previously had a meter and when her system was acquired by Aqua, the meter was not used to calculate her bill. She is upset that she is absorbing additional costs in her sewer bill. She would like a deduct meter again.

Charles Baver (Tr. 685) testified that flat rate for wastewater means that, as a pensioner, he is paying same rate as a family of six across the street

Sandy Ponticello (Tr. 743) testified that she buys water at the store to avoid a double charge for consumption (sewage customer only).

Raymond Sadowniczak (Tr. 776) testified that he had/used a deduct meter that would take account for water out of outside spigots and not put that use on the sewage bill. When Aqua took over, that stopped appearing on his bill. When he called to find out what happened, Aqua said they had never heard of a deduct meter. When he formally complained and asked for a deduct meter, he was told that it would cost $50 to install, and so he had to conduct a cost/benefit analysis.

John Day (Tr. 886-896), an active formal complainant in this case provided written testimony (Day Exh. 1), and analyses, including a white paper, and data (Day Exh. 3-6), as well as Aqua discovery responses regarding the issues that he raised in his testimony (Day Exh. 2). Mr. Day's testimony focused primarily on the flat rate charged to wastewater customers in Lake Harmony. He testified that he presented his analyses and data to establish the inequity of Aqua's flat rate for the high percentage part-time or seasonal customers in Lake Harmony that are charged a flat rate based on the average water usage across Aqua's service territory. Mr. Day pointed out that Aqua had not studied the issue as it was directed to do by the Commission in its final order in Aqua's 2021 base rate case. He stated, "It's most astonishing and disappointing that Aqua's initial response to the 2022 Commission Order consisted of just a single paragraph and an Excel table. I am participating with active party status for the second time in three years. Not because I enjoyed it so much the first time around, hardly, but there's a fundamental unjustness and inequity that must be redressed." Tr. 893.

The consumer testimony provided at the public input hearings clearly establish that the issues of flat rate wastewater bills continue to be a problem for many Aqua customers. *See also* OCA St. 5 at 37-38, 40-41. In direct testimony, OCA witness Mierzwa recommended no increase be permitted until Aqua completes the study that it was directed to perform in the 2021 rate case order. OCA St. 5 at 39. He noted that Aqua's failure to comply with the Commission's Order means, among other things, that the parties in this

case do not have data to review, analyze, and consider in making recommendations in this case. *Id.*

Considering the public input hearing testimony on the flat wastewater rate issues, and that Aqua must be accountable to the Commission's final order in the 2021 rate case, I recommend[2]:

- That Aqua be directed to conduct the study that it was directed to do in the 2021 rate case order within 30 days of the end of the rate suspension period, February 22, 2025.
- I also recommend that the Commission in its final order in this proceeding direct Aqua to provide a copy of the study and related workpapers to the parties in this proceeding and the Commission and make the study available on its website.
- Additionally, I recommend that the Commission provide the parties with 60 days to review the study and to request that the Commission either reopen the record or establish a small working group of the parties to this case to address the study and identify possible solutions for its customers.
- In the event of establishing a working group, the OCA would support a requirement for Aqua to produce the required study at a series of meetings held publicly in locations where unmetered flat rate customers were deprived of the report in this case, including but not limited to Lake Harmony and Honeycroft Village. Aqua shall notify unmetered flat rate wastewater customers, including but not limited to customers residing in Lake Harmony and Honeycroft Village of the availability of

[2] OCA witness Mierzwa recommended that Aqua's rate increase be denied until it complies with the Commission's Order, in its 2021 base rate case, prepares and submits the report it was directed to provide in its prior base rate proceeding evaluating whether different methods of calculating a flat rate would be more reasonable for some rate zones. OCA St. 5 at 7, 39. My recommendations are complementary and in addition to his recommendation.

the study on Aqua's website and the date, time, and location of the working group meetings. At the meetings, Aqua also should be required to present plans to address the concerns identified by unmetered flat rate customers that do not require those customers to wait for another rate case when the information was required to be available here.

- At the conclusion of the working group meetings, Aqua must file with the Commission a report of the working group indicating the date, time, and location of the meetings, discussion topics, and any tariff changes, service and/or facilities modifications, or action items that Aqua agrees to implement. Said report must be served on all customers who partook in the Public Interest Hearings for this case and all parties.
- After said report is filed, the Commission shall issue a secretarial letter seeking comment from any and all affected customers and parties within a 60-day period. Participation in the public comment would not and does not prejudice consumers from filing formal complaints.

Conclusions and Recommendations

Q. Please summarize your conclusions and recommendations.

A. The overwhelming majority of the consumer testimony provided at the public input hearings supports or complements recommendations made by the OCA's witnesses. As discussed above, customers throughout Aqua's service areas are concerned about the affordability of the current rates and Aqua's proposed rates. Some of the customers raised quality of service issues that they experience as either water or wastewater customers. Some of the customers raised concerns about what is shown on their bills and experience with customer service. Many flat rate wastewater customers raised concerns about Aqua's failure to complete the study that was required in Aqua's 2021 base rate case order and the bill impacts that they face on every bill.

Regarding the impact of Aqua's proposed rate increase, OCA's witnesses provide a number of recommendations that address the proposed revenue requirements, the customer assistance program design, the possible shift of wastewater revenue requirement to water customers, rate design issues, customer service, and other issues that are important to customers. I recommend that quality of service and customer service issues raised by customers at the public input hearings be addressed by Aqua in the record of this case. I recommend a specific timeline and process for the study of options for flat rate wastewater customers and subsequent steps that should be put into the order in this proceeding.

Q. Does this complete your supplemental direct testimony?

A. Yes.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Christine Maloni Hoover, hereby state that the facts above set forth in my Supplemental Direct Testimony, OCA Statement I Supp, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 12, 2024

Signature: Christine Maloni Hoover

Christine Maloni Hoover

Address: PA Office of Consumer Advocate
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Harrisburg, PA 17101

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	Docket Nos. R-2024-3047822
v.	:	R-2024-3047824
	:	
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania Wastewater, Inc.	:	

SURREBUTTAL TESTIMONY

OF
CHRISTINE MALONI HOOVER

On behalf of the
PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

Date Served: September 26, 2024

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Introduction

Q. Please state your name and business address.

A. My name is Christine Maloni Hoover. My business address is 555 Walnut Street, 5th Floor, Harrisburg, PA 17101. I am employed by the Office of Consumer Advocate (OCA) as an annuitant with the title Of Counsel. I appear in this case as a witness on behalf of the OCA.

Q. Have you previously submitted testimony in this case?

A. Yes. I prepared Direct Testimony and Supplemental Direct Testimony.

Q. What is the purpose of your surrebuttal testimony in this case?

A. The purpose of my Surrebuttal Testimony is to provide an overview of the OCA's surrebuttal testimony and to respond to certain aspects of the Rebuttal testimony of Aqua witnesses Packer (Aqua St. No. 1-R), Duerr (Aqua St. No. 11-R), and Hibbard (Aqua St. No. 15-R). Other OCA witnesses submitting surrebuttal testimony are Mr. Smith (OCA St. 2SR), Mr. Andrews (OCA St. 3SR), Mr. Rothschild (OCA St. 4SR), Mr. Mierzwa (OCA St. 5SR), Mr. Colton (OCA St. 6SR) and Ms. Alexander (OCA St. 7 SR).

Summary

Q. Please provide an overview of OCA's surrebuttal testimony.

A. The OCA's revenue requirement position has been updated by Mr. Smith as a result of Aqua's rebuttal testimony and the receipt of additional information. OCA St. 2SR, Exhs. LA-4, Sch. A, p. 2. Mr. Smith shows an updated revenue excess of approximately $12.250 million for the total operations. OCA St. 2SR, Exh. LA-4, Sch. A, p. 2. The updated revenue excess for Aqua's water base utility is approximately $31.251 million. *Id.* The updated revenue deficiency for Shenandoah is approximately $1.885 million. *Id.* The updated revenue requirement deficiencies for Aqua's wastewater operations are

$14,780,660 (wastewater base) and $2,335,337 (Lower Makefield), prior to any Section 1311(c) shift. OCA St. 2SR, Exh. LA-4, Sch. A, p. 2.

Aqua's rebuttal position of a proposed $126,675,472 revenue increase (total company) and related proposals will have a substantial adverse impact on its customers. The OCA's surrebuttal addresses Aqua's arguments, but I highlight a few points below.

As I stated in my direct testimony, in addition to the protection that consumers rely on from the Public Utility Commission (PUC or Commission) under the Public Utility Code, in Pennsylvania the OCA's authorizing statute creates obligations on the Commission to consider consumer interests in rate determinations. OCA St. 1 at 25; 71 Pa. Stat. Ann. § 309-5.

The overview of OCA's surrebuttal testimony is:

- Mr. Smith (OCA St. 2SR) addresses Aqua's rebuttal testimony of William Packer, Christopher Manning, and Panpilas Fischer. Mr. Smith updated his revenue requirement calculations due to Aqua's rebuttal testimony and additional information.

- Mr. Andrews (OCA St. 3SR) addresses Aqua's rebuttal of John Spanos regarding depreciation rates and expense and to reiterate his support and recommendation to use the Average Life Group ("ALG") procedure to calculate depreciation rates.

- Mr. Rothschild (OCA St. 4SR) addresses Aqua's rebuttal of Aqua witness Paul Moul regarding cost of capital and rate of return issues as well as the Company's claim for a management adder to its return on equity.

- Mr. Mierzwa (OCA St. 5SR) responds to Aqua's rebuttal testimony of Constance E. Heppenstall and William C. Packer submitted on behalf of Aqua, and the rebuttal testimony of Roger Cathcart submitted on behalf of the Office of Small Business Advocate (OSBA).

- Mr. Colton (OCA St. 6SR) responds to rebuttal testimony of Aqua witnesses Heather Doyle-Conley and Rita Black and I&E witness Zachari Walker.

- Ms. Alexander (OCA St. 7SR) responds to Aqua's rebuttal testimony of Aqua witness Packer regarding her conclusions and recommendations with respect to Aqua's claim for higher profits due to its claim for exemplary management performance and Mr. Packer's response to her recommendation concerning the liability provisions in the Company's tariff. Additionally, Ms. Alexander will address Ms. Doyle-Conley's Rebuttal testimony regarding Aqua's customer service performance and compliance with certain settlement provisions in prior proceedings.

Q. Please provide an overview of your surrebuttal testimony.

In my direct testimony, I concluded that Aqua's proposed revenue requirements and related proposals, including its proposed deferred accounting for PFAS costs, and the resulting layering of alternative ratemaking mechanisms: (1) unreasonably burden consumers; (2) do not adequately address service quality, customer service, and affordability of service for low-income customers, and (3) undermine the regulatory compact. OCA St. 1 at 3-11. The OCA's direct testimony and recommendations addressed all of these issues in detail.

Aqua's rebuttal position has not materially changed from its direct testimony and for the most part repeated generalized statements that do not address the actual facts in this case. My conclusion about Aqua's proposals, and the impact those have on its customers, has not changed. As noted above, the OCA's overall revenue requirement calculations have changed as described by Mr. Smith in OCA Statement 2SR (related to accounting recommendations).

My surrebuttal testimony addresses Aqua rebuttal testimony that disagrees with my conclusions that Aqua's proposals in this case reduce it and its investors' risks at the expense of its customers, while its requested rate of return does not reflect that shift. I also address rebuttal testimony that responds to arguments that I did not make.

Q. If some point raised in Aqua's rebuttal is not specifically addressed in your surrebuttal testimony, should it be presumed that you agree with the Company?

A. No.

Response to Specific Aqua Witnesses

Aqua witness Hibbard, Aqua St. No. 15-R

Regulatory Compact

Q. Do you have a preliminary comment regarding Mr. Hibbard's testimony on the regulatory compact (Aqua St. No. 15-R at 3-14)?

A. Yes. The regulatory compact is a guiding policy and generally accepted by stakeholders in the Pennsylvania regulatory community. Yet Mr. Hibbard makes sweeping statements about my testimony on the regulatory compact, including that I narrowly define the regulatory compact and traditional ratemaking. I disagree with Mr. Hibbard's characterization of my testimony and the OCA's position. His testimony is filled with straw man fallacies that are not tied directly to my testimony. For example, he states that I and the OCA reflect an "unnecessary and exclusively consumer-focused viewpoint on Commission responsibilities". Aqua St. No. 15-R at 4. This statement is incorrect. Throughout my testimony, I refer to regulation's benefits to both consumers and utilities (p. 21-23), the fair rate of return standard in seminal cases (p. 23-26), and that the setting of just and reasonable rates includes consideration of investors and consumers (p. 10-11, 27). I explained that the OCA's focus is on providing evidence of consumers' needs while recognizing the requirements of the utility. OCA St. 1 at 26.

Mr. Hibbard also states that I use traditional ratemaking "to imply that the Company's filing somehow deviates from what is appropriately presented by the utility and considered by the Commission in a rate case, and systematically changes the balance of risk." Aqua St. No. 15-R at 5. My testimony does not imply that the Company's filing

"deviates" from what is appropriately presented. Rather, my testimony recommends denial of what is presented because the proposals shift more risk to consumers, and are otherwise inconsistent with the setting of just and reasonable rates. The facts of the case and the choices made by Aqua in this case are what require the Commission to restrain Aqua's request as monopolistic excesses.

I provide these two examples of Mr. Hibbard's rebuttal because there are many such statements in Mr. Hibbard's testimony that take my testimony (usually not cited by Mr. Hibbard) and refute straw man arguments that he creates.

Q. What is your recommendation on these rate filings?

A. This proceeding clearly presents an opportunity for the Commission to exercise constraint in deciding Aqua's proposals. The OCA's recommendations provide an opportunity for recovery of a reasonable return while protecting customers from unreasonable bill impacts, along with an expansion of the bill discount program and other recommendations that will protect customers from unreasonable rates and service.

Q. At pages 10-11, when Mr. Hibbard begins his discussion of the regulatory compact he states that you have "little or no reference" to the utility's recovery of legitimate costs of meeting its public service obligation (p. 10, lines 6-8). Is he correct?

A. No. I referenced the utility's recovery of legitimate costs numerous times in my testimony. OCA St. 1 at 18, 26, 21-22, 26.

Q. At page 10, lines 9-11, Mr. Hibbard opines that your testimony does not provide any guidance or have probative value in this case. What is your response?

A. This is Mr. Hibbard's opinion, and it is baseless as he has no authority in this proceeding to make such a declaration as he is neither sitting as an Administrative Law Judge nor as a Commissioner. The ALJs and the Commissioners will determine the probative value of all of the testimony in this case, including mine as well as Mr. Hibbard's.

Mr. Hibbard refutes supposed statements that are not in my testimony, essentially creating straw man arguments. For example, he states that there is no utility-consumer balance under the regulatory compact that would enable the Commission to disregard reasonable and prudent costs in favor of protecting customers. (Aqua St. No. 15-R, at 10). This is a truism and irrelevant as I did not testify that reasonable and prudent costs should be disregarded.

Q. Mr. Hibbard accuses you and the OCA of erroneously presuming that the ratemaking process is structurally biased in favor of regulated utilities. Aqua St. No. 15-R at 11, lines 16-19. What is your response?

A. Mr. Hibbard appears to believe that hyperbole is a substitute for fact. I stated that traditional cost of service ratemaking should benefit both consumers and public utilities. OCA St. 1 at 21-22. One of the most beneficial aspects of cost of service ratemaking is the lack of guaranteed recovery for the utility while the utility is obligated to provide adequate, efficient, safe, and reasonable service and facilities. *Id.* As the basis for setting rates moves away from the traditional ratemaking process to alternative mechanisms that guarantee certain cost recovery or otherwise reduces or removes risk for the utility, the impact on consumers becomes greater and the process tilts towards the utility and its investors.

Q. Mr. Hibbard states that you would have the Commission believe that they should focus primarily or exclusively on consumer interests and that the zone of reasonableness that you discuss would be one-sided. (Aqua St. No. 15-R at 13). Is that accurate?

A. No. Once again, as discussed above, Mr. Hibbard reaches conclusions that are not reasonable or supported by what is in my testimony.

Q. Mr. Hibbard claims that OCA's dramatic reduction in Aqua's proposed increases would have potential negative impacts and repeats the Company's statement that the increase is driven in large part by necessary investments. Aqua St. No. 15-R at 13-14. Is that accurate?

A. No. The OCA's recommendations result in reasonable revenue requirements that would permit an opportunity for Aqua to recover its reasonable and prudent expenses and earn a reasonable return on its prudent capital investments that are likely to be used and useful in the FPFTY. The only OCA adjustments to Aqua's proposed rate base, including $360 million of gross water and wastewater plant additions through the end of the FPFTY was to depreciation service lives and tax assets. *See* OCA St. 2SR, LA-4, Sch. A, p. 8, lines 2, 3, and 4. Mr. Hibbard even acknowledges that no party challenged the proposed capital expenditures.[1]

The OCA's proposed adjustments to Aqua's claimed rate base, depreciation, rate of return, expenses, Act 11 allocation, and rate design are consistent with ratemaking principles and precedent. Mr. Hibbard's claims that OCA's recommendations would cause potential negative impacts are unsupported and should be rejected. The OCA's recommendations, using a reasonable cost of capital, with reasonable ratemaking adjustments, and a reasonable 1311(c) shift, reflect a water base revenue excess, and Shenandoah water and wastewater revenue deficiencies

[1] As explained by Mr. Smith, the OCA's recommended revenue requirement reflects the removal of the rate base, and related expenses for the wastewater acquisition where the Commission Order was appealed and is before the Pennsylvania Supreme Court. *See* OCA St. 2SR, Exh. LA-4, Sch. A, p. 2.

Alternative Ratemaking

Q. Mr. Hibbard thinks there should be no limit on the number of mechanisms that should be applied, and that Section 1330[2] demonstrates his position (Aqua St. No. 15-R at 19-20). What is your response?

A. I did not state that there should be a numerical limit. I discussed the multiple alternative ratemaking mechanisms that Aqua already uses to emphasize that these incentive mechanisms cannot be viewed in isolation. Rather, each incentive mechanism has an impact on customers' bills. Some, like deferral accounting, which OCA argues Aqua has not met the standard for it in this instance, ensure that recovery will be granted for prudent expenses, the DSIC ensures return on and of capital costs between rate cases, Section 1311(c) shifts revenue requirement from customers of one utility service to primarily different customers of a different utility service. The cumulative impact of existing mechanisms[3] is layered over a ratemaking rate base set at the end of the FPFTY or one year after rate go into effect.[4] It is telling that Mr. Hibbard fails to acknowledge that the existing mechanisms, and the deferred accounting proposal have an impact to increase customers' rates.

[2] Mr. Hibbard opines that Section 1330 provides support for his position that there is no theoretical or practical limit on the number of mechanisms that can be used to encourage behavior by utilities. Aqua St. No. 15-R at 19-20. Utility proposals of alternative ratemaking mechanisms under Section 1330, 66 Pa. C.S. § 1330, are neither entitled to a presumption of being just and reasonable nor are they automatically approved. The determination of whether a proposed alternative ratemaking mechanism should be approved must be addressed in a rate case, based on the facts as presented by the utility subject to the challenge of others and the scrutiny of the PUC as a regulator whose job it is to restrain a utility's monopolistic tendencies. Likewise, Aqua's proposals, including its proposed deferred accounting mechanism should be subject to the same scrutiny.

[4] At page 19, Mr. Hibbard is explaining his position that the FPFTY ensures that rates are not based on outdated information and points to my statement that the FPFTY is used to reflect the costs of providing service without acknowledging that the point in time that is used, the **end** of the FPFTY, is one full year after the new rates go into effect. That does not just reduce regulatory lag as stated by Mr. Hibbard, but rather removes it altogether, placing the customers at risk on day one of new rates if the capital and expenses projected in the FPFTY are overstated.

Q. Mr. Hibbard discusses Section 1311(c) on page 18 and states that the wastewater costs are "spread among the common customer base of the water and wastewater utilities." Is that accurate?

A. No. The large majority of Aqua water customers are not Aqua wastewater customers. Nor has the Commission required that the wastewater and water customer base be the same. Given these facts, Aqua's proposals to shift 60% of its wastewater revenue requirement to water customers and to recover little, or no increase from existing wastewater customers are not reasonable, as addressed in the testimony of Mr. Mierzwa.

Q. Mr. Hibbard characterizes your position on traditional ratemaking as narrow and that the use of alternative ratemaking renders the ratemaking process non-traditional. (Aqua St. No. 15-R at 16). Do you agree?

A. No. I disagree that I have a "narrow view" of traditional ratemaking or that the use of some alternative ratemaking provisions in the Public Utility Code makes the entire rate regulation system "non-traditional." I described the current ratemaking in Pennsylvania as not traditional ratemaking "in the strictest sense" because of certain existing statutory provisions. OCA St. 1 at 26. Traditional ratemaking for water and wastewater utilities in Pennsylvania has been rate base/rate of return for a very long time. Since the 1980s, that has included the use of depreciated original cost to calculate the rate base. In my direct testimony, I described four alternative ratemaking provisions – DSIC, FPFTY, fair market value of rate base, and Section 1311(c) subsidy – that were added to the Public Utility Code between 2012 and 2016 and are used by Aqua and reflected in its rates. OCA St. 1 at 4, 27-37. Those four statutory provisions are outside of traditional ratemaking because each creates an exception to traditional ratemaking. The DSIC permits a return on and of capital costs between rate cases, which moves that recovery outside of the test year used in a rate case and increases rates between rate cases. It also permits capital cost recovery through a

surcharge. The FPFTY permits a full year projection to be included in rates as of day one and thus permits property that is not (but projected to be) used and useful as of the time rates are set to be reflected in rates. The use of fair market valuation as defined in Section 1329 and in the type of acquisition covered by Section 1329 is an exception to the use of depreciated original cost to set rates. Section 1311(c) permits the shift of wastewater revenue requirement to water customers and is the exception added to a section that prohibits utilities that provide two types of service from combining the revenue requirements.

These statutory provisions created exceptions to traditional ratemaking concepts of test years, valuation, and recovery of separate utility service revenue requirements.

Fair Market Value

Q. Mr. Hibbard opines on fair market valuation under Section 1329. (Aqua St. 15-R at 20-22). What is your response?

A. Once again, Mr. Hibbard creates a straw man argument about Section 1329 valuations. The OCA did not propose any adjustments to the ratemaking rate base that was approved in the seven acquisitions that are already closed and reflected in Aqua's rate base in its filing.[5] Notably, Mr. Hibbard did not provide any evidence to refute the revenue requirement shortfall that is created and that is shifted to water customers under Aqua's proposed Section 1311(c) shift.

At page 22, line 7-8, Mr. Hibbard characterizes the revenue requirement deficiencies created by the FMV acquisitions as "irrelevant". This statement is incorrect. I provided the annual revenue requirement shortfall that existed at closing on the eight FMV

[5] The OCA removed the East Whiteland Township acquisition entirely for the reasons set forth in OCA Statements 1 and 2.

acquisitions that are reflected in Aqua's rate filing and that are pending. OCA St. 1, Exhibit CMH-2. Those revenue deficiencies grow in each rate case due to increased O&M and capital expenditures projected in the rate case. The revenue deficiency for the two FMV acquisitions included in this case,[6] and at the OCA's revenue requirement, is $4.22 million excluding East Whiteland Township.[7] At Aqua's calculated revenue requirement at rebuttal, the shortfall would be $38.74 million, including East Whiteland Township and $31.75 million without East Whiteland Township. I would not characterize that revenue requirement shortfall as irrelevant for the customers who will bear those costs.

Q. Mr. Hibbard also claims that the fair market value rate base should not provide a basis for reducing Aqua's authorized return on equity in this case. Aqua St. No. 15-R at 22. Do you agree?

A. No. Mr. Hibbard claims a reduced return on equity would "undermine" the legislative intent and discourage future acquisitions. Mr. Hibbard does not provide any analysis for his statement. Section 1329 establishes the ratemaking rate base but does not determine any other component of the revenue requirement formula. There is nothing in Section 1329 that would prohibit an equity return at the lower end of the range to reflect the much higher rate base (as compared to depreciated original cost) resulting from the Section 1329 acquisitions. Mr. Rothschild also discusses this issue in his surrebuttal. OCA St. 4SR.

[6] Regarding the one acquisition (East Whiteland Township) that does not meet the criteria set forth by Mr. Smith, the OCA removed the rate base additions and ratemaking claims, and Aqua's proposed Section 1311(c) related shift to water customers. OCA St. 2 and 2SR.

[7] Exhibit CMH-2 shows seven closed FMV acquisitions (excluding East Whiteland Township) and the related revenue requirement shortfall at the time of closing. Six of the seven are wastewater acquisitions. In the current rate filing, only two of the seven FMV acquisitions (excluding East Whiteland Township) can be identified in the revenue requirement calculations, the others have been rolled into wastewater base operations. OCA St. 1, Exh. CMH-2(New Garden, Limerick, East Bradford, Cheltenham, and East Norriton).

Aqua witness Packer, Aqua St. No. 1-R

Deferred Accounting Proposal for PFAS costs (Aqua St. No. 1-R at 3-10)

Q. Mr. Packer responds to your testimony and Mr. Smith's regarding the OCA recommendation that Aqua's proposed deferred accounting for PFAS be rejected. Please address his statements.

A. First, I want to be clear that the OCA has not made any adjustments to the PFAS-related capital and O&M costs in the FPFTY. I understand that these are part of the Company's obligations to provide safe and adequate service. That does not mean that the Company's proposed special accounting treatment is reasonable.

Mr. Packer claims that the Company's request for approval of deferral of capital and O&M related to PFAS meets the standards for deferral. Aqua St. No. 1-R at 5-6. OCA witness Smith addressed the standards for deferral in his direct testimony (OCA St. 2 at 60-63) and will respond in his surrebuttal testimony. I addressed Aqua's request for deferral of these costs to point out that by requesting deferral, Aqua adds another mechanism that will further decrease regulatory lag for recovery of the costs, on top of its use of the FPFTY which means rates established in this case will cover all capital and O&M related to PFAS through December 31, 2025, the end of the FPFTY. Those projected costs are on top of existing rate base and O&M included in rates for these costs.

Mr. Packer acknowledges that the request decreases regulatory lag but claims Aqua would not request it if it was not important to do so. Aqua St. No. 1-R at 6. As I stated above, OCA understands the importance of the PFAS treatment. That does not equate to justifying deferred accounting for the costs related to the treatment. Aqua witness Manning testified that Aqua will file another base rate case in 2026. Aqua St. No. 3-R at 12. That would mean that there will be no lag as the FPFTY in this case (2025) will be the HTY in

the next case filed in 2026. As stated above, Mr. Packer acknowledges that there is reduced regulatory lag. Aqua St. No. 1-R at 6. Based on this, it is not at all clear why Aqua needs deferred accounting treatment for these costs at all given their planned rate case timing.

These costs are not "nonrecurring" costs as Aqua has been expending capital and O&M for PFAS treatment since 2017. OCA St. 1 at 38. In rebuttal, Mr. Packer claims that the different treatment level in the EPA rule, of 4 parts per trillion (ppt), rather than the state standard of 13 ppt is a "different problem". Aqua St. No. 1-R at 7. I disagree. When Aqua began treatment in 2017, there was no state standard of 13 ppt. There may be more sources that may need to be treated to 4 ppt may, but neither the PFAS treatment nor the problem is different. He also states that being proactive [by treating for PFAS since 2017] should not be a "penalty for seeking deferral treatment." Aqua St. No. 1-R at 7. Denying the request for deferral treatment is not a "penalty" because it does **not** prevent recovery of Aqua's PFAS-related costs (past and future). Aqua can and has collected these treatment costs in rates since it has been incurring them.

These costs are not unanticipated. The Pennsylvania Department of Environmental Protection rule took effect on January 14, 2023, or 11 months after it was published[8]. 53 Pa.B. 333; 52 Pa.B. 1245. The EPA rule took effect on April 26, 2024, 3 years after EPA published its final determination to regulate PFAS 86 FR 12272), and 13 months after the proposed rule was published (88 FR 18638).

Mr. Packer claims that the deferred accounting proposal will avoid the need for the Company to file additional rate cases. *Id.* The likelihood that the deferral mechanism for

[8] In its Final Rule, Background and Purpose section, DEP reviews the regulatory history of PFAS including EPA's listing of six PFAS in the Third Unregulated Contaminant Monitoring Rule in 2013, the creation of Pennsylvania's PFAS Action Team in 2018 that issued its Initial Report in December 2019, as well as DEP's PFAS Sampling Plan and Toxicology Services Contract in 2019. 53 Pa.B. 333-34.

PFAS costs would extend the time between Aqua's rate filings is not supported. Aqua's projected PFAS capital costs from 2025 through 2029, are $300 million with an additional estimated O&M of $15 million. Aqua St. No. 1-R at 3. The PFAS capital investment included in the FPFTY is $27,595,069. Aqua response to I&E RE-6. That represents 0.639% of Aqua's total capital expenditures in the FPFTY.[9]

Mr. Packer estimates that the average of $75 million of PFAS-related investments per year for 2026-2029 is approximately $9 million of revenue requirement (pre-tax)/$6.5 million (after tax) which he characterizes as "significant". Aqua St. No. 1-R at 9. The $9 million represents approximately 1.3% of Aqua's proposed total water revenues of $688,303,840[10] in this case. Also, in that same time frame, Aqua projects that it will file rate cases in 2026 and 2028 (Aqua St. No. 3-R at 12) which would permit inclusion and recovery of PFAS-related costs in a timely manner, contrary to Mr. Packer's statements.

Mr. Packer also claims that the PFAS costs are not normal capital investments and that therefor is not an unreasonable shift of risks to customers. Aqua St. 1-R at 6. Water customers' rates already reflect PFAS-related costs and would continue to do so without Aqua's proposed deferral accounting. These are normal capital investments and have been since 2017. It makes the shift to customers associated with the deferred recovery of normal capital investment unreasonable. In my view, there is no reasonable basis to allow Aqua to incur deferred recovery of ongoing costs that it knows how to treat and has been treating since at least 2017 and where it plans to file rate cases on a two year cycle going forward that would permit it to recover all prudently incurred and projected costs in those cases.

[9] $27,595,069/$4,318,244,093=0.00639 x100=0.639%. Pro forma rate base is taken from Aqua St. 1-R, Exh. 1-A, Sch. A-3.
[10] $684,207,690 (Exh. 1-A, Sch. A-1, Col. 10, l. 1) + $4,096,150 (Exh. 1-B, Sch. A-1, Col. 10, l. 1)=$688,303,840.

East Whiteland Township Acquisition (Aqua St. No. 1-R at 19-20)

Q. Mr. Packer disagrees with the recommendation that the East Whiteland acquisition should not be included in this case. Please address his rebuttal testimony.

A. Mr. Packer ignores the uncertainty of the acquisition by focusing on the Commission order that the OCA appealed and stating that if the Pennsylvania Supreme Court decides in the OCA's favor, that can be dealt with at that time. However, as stated in my direct testimony, I am advised by OCA counsel that the Commonwealth Court's reversal of the Commission order stands and remains binding – the Pennsylvania Supreme Court's grant of allocatur has no effect on the binding nature of the Commonwealth Court's decision. I discussed the background of the East Whiteland acquisition in my direct testimony (OCA St. 1 at 11-13) including Aqua's decision to close on the transaction before the appeal period ran in August 2022. By closing on the transaction before the appeal period ran, Aqua assumed the risk of an appellate court reversing the Commission's final order.

There are multiple possible outcomes of the case before the Supreme Court, including an affirmance of the Commonwealth Court which would uphold the reversal of the Commission order. However, none of the possible outcomes will be known while this case is pending. OCA St. 1 at 11-13; OCA St. 2 and 2SR. Given the existing state of things and given the uncertainty about the future, it is reasonable to remove the East Whiteland revenue requirement from the case, including any portion shifted to water customers pursuant to Section 1311(c), and the related transaction costs, and to not allow Aqua to establish new rates for the East Whiteland customers. OCA St. 1 at 11-13.

Regulatory Compact (Aqua St. No. 1-R at 20-21)

Q. Mr. Packer claims that you disagree with the laws passed by the Pennsylvania General Assembly and Commission orders and regulations. Do you agree with his general observation?

A. No. I did not challenge the legality of any section of the Public Utility Code, a Commission Order, or regulations in my testimony, nor does Mr. Packer point to anything specific in my testimony to support his claim. My testimony on the regulatory compact, traditional ratemaking, and the use of statutory mechanisms that created exceptions to traditional ratemaking focuses on the cumulative impact that the use of those mechanisms has on Aqua's consumers (all of those mechanisms raise customers rates in a rate case and in between rate cases) and the benefits that Aqua's shareholders derive from those mechanisms. Mr. Packer then refers to Aqua rebuttal witness Hibbard's testimony which I address above.

Rate Case Notices (Aqua St. No. 1-R at 24-27)

Q. Mr. Packer disagrees with your testimony regarding the notices that Aqua provides. Is he correct?

A. No. Although he acknowledges the importance of communications with Aqua's customers, he thinks that the current practices "strike an appropriate balance". For the reasons I discussed in my direct testimony, the current information that Aqua provides should be modified to add two additional usage levels that would provide meaningful information to its customers. OCA St. 1 at 41-46. I will also respond to his rebuttal testimony regarding other notice issues that I addressed in my direct testimony. OCA St. 1 at 47-48.

Regarding the two additional usage levels of 5,000 and 10,000 gallons that I recommend be included in the notice (not hundreds of pieces of information as Mr. Packer references at page 25), Aqua should not be afraid to accurately disclose the rate impact of

its proposed rate increase at different, realistic usage levels.[11] Aqua currently benefits from the obscurity that is provided by merely showing what a typical customer's bill would be. Aqua could choose to show usage at multiple levels but has made the choice not to do so. I disagree that customers would be confused by two additional usage levels being shown on the notice. Customers are not getting an accurate disclosure when Aqua uses the typical customer usage because their usage is likely different. *See* Tr. 904 ("My bill is actually three times Aqua purported rate that they base their estimates on. I paid $269 for July's bill for a three adult household…."), Tr. 320, 1023-24; 1090-91.

Q. Mr. Packer also states that the customer can visit Aqua's website. (Aqua St. No. 1-R, at 25). Do you agree?

A. I agree that a customer can visit Aqua's website, but as I pointed out in my direct testimony, there is no rate calculation provided there, let alone bill impact calculations at different usage levels. OCA St. 1 at 45, ftnote 23. Rather, the website provides Aqua's current and proposed tariffs that are multiple pages into the website, which the customer would then have to review to find the right rate zone and then calculate their bill at the proposed rate.

Q. Mr. Packer states that you are challenging the Commission's rate case notice regulation. Aqua St. No. 1-R at 25. Is he correct?

A. No. There is no need to change the notice regulation at 52 Pa. Code § 53.45 to have the customer notice show multiple usage levels. As I explained in my direct testimony, Aqua already makes additions to the notice regarding its position that ratepayers receive benefits from the rates that they pay, and it did not seek a change to the PUC's regulations to do so. *See* OCA St. 1 at 46.

[11] The chart using Zone 1 Water on page 45 of my direct testimony shows the impact of Aqua's proposal on different usage levels. The bill impact for a customer at 5,000 gallons is a 29% increase, and for a customer at 10,000 gallons it is a 31% increase compared to a 24% increase for a typical customer at 3,870 gallons.

Q. Mr. Packer disagrees with your testimony regarding information at the end of the base rate case. Aqua St. No. 1-R at 25. Please comment.

A. Mr. Packer's characterization of my recommendations regarding information at the end of the case is not accurate. He says that he disagrees with "new notice requirements including a required press release and separate billing insert." I did not recommend that Aqua be "required" to issue a press release. Rather, I stated that is was likely that Aqua would issue a press release that would likely include the impact of the Commission order on a typical customer. I recommended that the two additional usage levels (5,000 and 10,000) be included in any press release issued by Aqua at the end of the rate case.

Regarding a separate billing insert, Mr. Packer states that customers are provided "ample information" over the nine months of the rate case. As I explained in my direct testimony, that is clearly not the case. OCA St. 1 at 47-48. Customers receive the notice of the filing and then at the end of the case, they receive a bill with higher rates. If they see a press release, it might include the typical customer impact language which will vary by usage and may vary for different rate zones compared to rate zone 1 or it might talk only about the overall increase approved by the Commission compared to what was requested.[12]

Q. In response to your recommendation that Aqua include rates that reflect the revenue deficiencies for the wastewater ratemaking divisions (that it calculates in its rate filing), Mr. Packer claims that Aqua must reflect rate impacts after its proposed Act 11 shift in the notices to its wastewater customers. Aqua St. No. 1-R at 26. Please comment.

A. I addressed my recommendation in my direct testimony emphasizing that the information provided in the notice obfuscates the potential impact on wastewater customers. OCA St.

[12] For example, the Commission's press release provided no specific customer usage levels at the end of Aqua's 2021 base rate case. https://www.puc.pa.gov/press-release/2022/puc-approves-substantially-lower-than-requested-rate-increases-for-aqua-pennsylvania-and-aqua-pennsylvania-wastewater

1 at 42-44. In this case, Aqua proposes to shift $21.8 million or 60% of the wastewater revenue deficiency to water customers. *Id.* Aqua's rate case notices reflect rates (including rate decreases for some wastewater customers) that it is proposing **after** the 1311(c) shift. There is nothing in the notice that explains to wastewater customers that the proposed rates are **after** Aqua's proposed shift and that the rates that are set **may be higher** than what is shown in the notice (and may not be a rate decrease for some wastewater customers).

If Aqua provided the revenue deficiency and percentage increase of the deficiency that it calculates based on its cost of service studies, along with an explanation of what its request for a "combined water and wastewater revenue requirement" means for each of the wastewater divisions, that would provide meaningful information to the wastewater customers.

I made a similar recommendation for the notice to water customers, including Shenandoah. OCA St. 1 at 44. Mr. Packer's rebuttal was that every water acquisition has a sharing of the acquired company's revenue deficiency. Aqua St. No. 1-R at 26. However, this case represents the first Section 1329 water acquisition to be included in Aqua's rates and there is a cost of service study for the acquired system which differentiates it from other water acquisitions.

Management Performance (Aqua St. No. 1-R at 28-32)

Q. Mr. Packer addresses the evidence the Company has provided to support its claim for exemplary management performance. Please comment.

A. Aqua proposes additional basis points on its return on equity based on claimed exemplary management performance if the Commission does not grant its requested 10.95% return on equity. The OCA provided direct testimony opposing that unquantified request and

provides surrebuttal to Mr. Packer's rebuttal testimony.[13] OCA witness Mierzwa addressed Aqua's failure to provide a study of flat wastewater rate alternatives in direct and in surrebuttal to Aqua witness Heppenstall explains that the Company's evaluation did not satisfy the requirements of the Commission's order in the last base rate case. OCA St. 5SR. OCA witness Colton addressed in direct testimony the Company's failure to work with parties and provide data collection and analysis to calculate the Customer Assistance Program (CAP) offsets. *See* OCA St. 6 at 48. OCA witness Alexander (OCA St. 7SR) provides a response to Mr. Packer's rebuttal testimony regarding her direct testimony regarding call center performance metrics. Aqua's claim for additional basis points on its return on equity determined by the Commission, should be denied.

Aqua witness Duerr (Aqua St. No. 11-R)

Q. Mr. Duerr addressed your recommendation that Aqua continue to provide the PFAS monthly testing on its website. Aqua St. No. 11-R at 12. Please comment.

A. Mr. Duerr simply restated Aqua's position that it would provide general information about PFAS on its website, but it would not continue to post monthly sampling on its website because there is now a federal regulation on PFAS. Mr. Duerr appears to interpret that rule as somehow prohibiting Aqua from posting updates to the monthly sampling information that it currently has on its website. I do not agree. As I explained in my direct testimony (OCA St. 1 at 48-49), the Aqua water website contains monthly PFAS testing for certain facilities in Southeastern PA while the consumer confidence reporting under the federal rule would be presented on an annual basis. I do not see anything that prohibits Aqua from continuing to post monthly sampling information. I also do not see why Aqua would now

[13] In OCA Statement 4SR, Mr. Rothschild addresses additional reasons why Aqua has not justified an adder for management performance in response to Aqua witness Moul.

seek to provide less information than it has provided since 2016. Given that the PFAS rule's reporting requirements does not take effect until 2029, my recommendation that Aqua continue to provide the monthly sampling information that is on its website through its next base rate case is reasonable.

Conclusion

Q: Does this conclude your Surrebuttal Testimony?

A. Yes.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Christine M. Hoover, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 1SR, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 26, 2024

Signature: Christine Maloni Hoover
Christine Maloni Hoover

Address: PA Office of Consumer Advocate
555 Walnut St., 5th Floor
Forum Place
Harrisburg, PA 17101

OCA Statement 2

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket Nos. R-2024-3047822
	:	R-2024-3047824
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania Wastewater, Inc.	:	

Direct Testimony of
Ralph C. Smith

On Behalf of the
Pennsylvania Office of Consumer Advocate

OCA Statement 2

Date Served: August 16, 2024

DIRECT TESTIMONY OF RALPH C. SMITH
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ATTACHMENTS:
RCS-1, Background and Qualifications

EXHIBITS:
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LA-2, Adjustment Schedules showing Rate Base and Net Operating Income Adjustments for the Water and Wastewater utility operations

LA-3, Selected Non-Confidential Documents Referenced in the Testimony and Exhibits LA-1 and LA-2

I. INTRODUCTION

Q. Please state your name, position and business address.

A. Ralph C. Smith. I am a Senior Regulatory Consultant at Larkin & Associates, PLLC, 15728 Farmington Road, Livonia, Michigan 48154.

Q. Please describe Larkin & Associates.

A. Larkin & Associates is a Certified Public Accounting and Regulatory Consulting firm. The firm performs independent regulatory consulting primarily for public service/utility commission staffs and consumer interest groups (public counsels, public advocates, consumer counsels, attorneys general, etc.). Larkin & Associates has extensive experience in the utility regulatory field as expert witnesses in over 400 regulatory proceedings including numerous telephone, water and sewer, gas, and electric matters.

Q. Please summarize your educational background.

A. I received a Bachelor of Science degree in Business Administration (Accounting Major) with distinction from the University of Michigan - Dearborn, in April 1979. I passed all parts of the C.P.A. examination in my first sitting in 1979, received my CPA license in 1981, and received a certified financial planning certificate in 1983. I also have a Master of Science in Taxation from Walsh College, 1981, and a law degree (J.D.) cum laude from Wayne State University, 1986. In addition, I have attended a variety of continuing education courses in conjunction with maintaining my accountancy license. I am a licensed Certified Public Accountant and attorney in

the State of Michigan. I am also a Certified Financial Planner™ professional and a Certified Rate of Return Analyst ("CRRA"). Since 1981, I have been a member of the Michigan Association of Certified Public Accountants. I am also a member of the Michigan Bar Association and the Society of Utility and Regulatory Financial Analysts ("SURFA"). I have also been a member of the American Bar Association ("ABA"), and the ABA sections on Public Utility Law and Taxation.

Q. Please summarize your professional experience.

A. Subsequent to graduation from the University of Michigan, and after a short period of installing a computerized accounting system for a Southfield, Michigan realty management firm, I accepted a position as an auditor with the predecessor CPA firm to Larkin & Associates in July 1979. Before becoming involved in utility regulation, where the majority of my time for the past 42 years has been spent, I performed audit, accounting, and tax work for a wide variety of businesses that were clients of the firm.

During my service in the regulatory section of our firm, I have been involved in rate cases and other regulatory matters concerning numerous electric, gas, telephone, water, and sewer utility companies. My present work consists primarily of analyzing rate case and regulatory filings of public utility companies before various regulatory commissions and where appropriate, preparing testimony and schedules relating to the issues for presentation before these regulatory agencies.

I have performed work in the field of utility regulation on behalf of industry, state attorneys general, consumer groups, municipalities, and public service

commission staffs concerning regulatory matters before regulatory agencies in Alabama, Alaska, Arizona, Arkansas, Barbados, California, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, New Jersey, New Mexico, New York, Nevada, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, Washington D.C., West Virginia, and Canada as well as the Federal Energy Regulatory Commission and various state and federal courts of law. My prior testimonies have included evaluations of numerous utility rate case filings and revenue requirement determinations.

Q. Have you prepared an attachment summarizing your educational background and regulatory experience?

A. Yes. Attachment RCS-1 provides details concerning my experience and qualifications.

Q. On whose behalf are you appearing?

A. Larkin & Associates, PLLC, was retained by the Pennsylvania Office of Consumer Advocate ("OCA") to review the rate request of Aqua Pennsylvania, Inc. ("Aqua", "AP", or "Company"). Accordingly, I am appearing on behalf of the OCA.

Q. Have you previously testified before the Pennsylvania Public Utility Commission?

A. Yes. I have testified before the Pennsylvania Public Utility Commission ("PA PUC" or "Commission") previously on a number of occasions.

Q. Who are the OCA's other expert witnesses?

A. In OCA Statement 1, Christine Maloni Hoover presents a summary of OCA's position, an overview of the rate case, introductions of OCA's other witnesses, financial demographic information for Aqua's service territory, the purpose of this and all rate cases, the Regulatory Compact, traditional cost-of-service ratemaking and the Regulatory Compact in Pennsylvania, incentive regulation, alternative ratemaking and the Regulatory Compact in Pennsylvania, Distribution System Improvement Charge ("DSIC"), the fully projected future test year ("FPFTY"), Sections 1329 and 1311(c), and the impact of Section 1311(c), Aqua's deferred accounting PFOA/PFAS claim, OCA's response to Aqua's testimony on Return on Equity, Public Input Hearing testimony, quality of service, information in customer notices, residential customer usage level, and the notice of the impact of the final order in this rate case.

In OCA Statement 3, Aaron Rothschild discusses the cost of equity model results, Aqua's decision to choose an ROE at the lower end of Aqua witness Moul's COE model range, FMV legislation and its impact on Aqua and its ROE, changing capital market conditions, capital structure, Aqua's CAPM result, the DCF method, and Essential Utilities at-the-market issuance of common equity.

In OCA Statement 4, Brian Andrews discusses depreciation rates and their impacts on depreciation expense and rate base in 2025.

In OCA Statement 5, Jerome Mierzwa provides an analysis on whether the proposed increases in Residential customer charges are reasonable; whether the allocation of a portion of the Shenandoah Water and wastewater revenue requirement to water service is reasonable; whether the cost-of-service study prepared by the Company is reasonable, including an evaluation the base extra-capacity maximum day and maximum hour factors and the allocation of source of supply costs; whether the rates charged to negotiated rate customers are reasonable; and whether the proposed revenue increases for each customer class are reasonable.

In OCA Statement 6, Roger Colton discusses affordability of service and low-income customers assistance programs, the inflation factor, customer charge increase, and placing the ROE at the higher end of the range of reasonableness.

In OCA Statement 7, Barbara Alexander discusses the identification and evaluation of compliance with previous commitments/orders on customer service performance, complaint handling and root cause analysis, consumer protection (Ch. 56 and Chapter 14) compliance; updating actual customer service performance and compliance issues: call center; internal training, response to BCS infractions and verified complaints, etc.; and evaluating internal performance objectives and results.

Q. Did you receive inputs from some of those OCA witnesses for your calculations of the revenue requirements for Aqua PA's water and wastewater utilities in the current case?

A. Yes. I received inputs concerning the recommended cost of capital and return on equity from OCA witness Rothschild, OCA St. 3. I received recommended adjustments to depreciation expense and accumulated depreciation from OCA witness Andrews, OCA St. 4. I also received certain recommended adjustments that impacted Aqua PA's net operating income from OCA witness Colton, OCA St. 6.

Q. How will your testimony be organized?

A. I will present an Overall Financial Summary that addresses the revenue increases requested by Aqua for its water utility, and for its wastewater utility. I then address each of the utilities that are the subject of the Company's revenue requirement filings in this proceeding. I present an explanation of the organization and content of my summary schedule and adjustment exhibits, which are attached to my testimony, in Exhibits LA-1 and LA-2, respectively. That discussion is then followed by sections on Rate Base and Net Operating Income adjustments, where I explain each adjustment to FPFTY results that is being recommended for Aqua's water and wastewater utilities.

Q. What base rate revenue increases has Aqua requested in the current case?

A. Aqua has presented five revenue requirement calculations where the Company applies a rate of return to rate base and compares the required operating income with

its adjusted operating income and uses the difference to derive a revenue deficiency or sufficiency. The Company is proposing to increase its base rate revenues by $126.675 million on a total Company basis, or approximately 18.88%. Specifically, Aqua is requesting a base rate revenue increase of approximately $87.931 million for its Water Base Operations; and a base rate revenue increase of approximately $25.958 million for its Wastewater Base Operations. Aqua has also proposed base rate increases of $802,470 for its Shenandoah Water utility, $2.569 million for the Lower Makefield Wastewater utility and $3.848 million for the East Whiteland Wastewater utility, after allocations of portions of the revenue requirements that Aqua calculated for those utilities into the Company's Water base revenue requirement. As shown in the table below, Aqua is requesting that approximately $21.851 million of the Wastewater Operations combined revenue requirement (inclusive of Lower Makefield and East Whiteland) be allocated to its Water Base Operations:

Aqua Pennsylvania, Inc. Revenue Requirement Summary						
	Total Company	Water Base Operations	Water Shenandoah	Wastewater Base Operations	Wastewater Lower Makefield	Wastewater East Whiteland
Present Rate Revenue	$ 670,994,640	$ 596,344,820	$ 1,828,304	$ 57,682,604	$ 11,613,830	$ 3,525,082
Additional Revenue Requirement	$ 126,675,472	$ 87,930,589	$ 2,267,908	$ 25,957,548	$ 3,526,708	$ 6,992,719
Cost of Service Allocation	$ -	$ 1,465,438	$ (1,465,438)			
Act 11 Allocation	$ -	$ 21,850,629	$ -	$ (17,747,873)	$ (958,164)	$ (3,144,592)
Proposed Revenues	$ 797,670,111	$ 707,591,475	$ 2,630,774	$ 65,892,280	$ 14,182,374	$ 7,373,208
Rate Increase/(Decrease) - $	$ 126,675,472	$ 111,246,656	$ 802,470	$ 8,209,676	$ 2,568,544	$ 3,848,126
Rate Increase/(Decrease) - %	18.88%	18.65%	43.89%	14.23%	22.12%	109.16%
Notes and Source						
Exhibit 1-A, Schedule Act 11, page 1 from Aqua's filing						

Q. What is the Company's basis for allocating approximately $21.851 million of the wastewater combined revenue requirement to Water Base Operations?

A. Pursuant to Act 11, the Company is proposing to determine its revenue requirement on a combined water and wastewater basis and to mitigate some of the wastewater utility revenue increases by allocating the $21.851 million of its wastewater cost of service to Water Base Operations as authorized by Section 1311(c) of the Public Utility Code. At page 10 of her Direct Testimony, Ms. Heppenstall states that the amount of Act 11 recovery from Aqua's water utility ratepayers was determined by subtracting the proposed level of wastewater revenue after various increases from the pro forma cost of wastewater service for the twelve months ended December 31, 2025.

Q. What does Subsection (c) of Section 1311 of the Public Utility Code state?

A. Subsection (c) of Section 1311 of the Public Utility Code states as follows:

> Segregation of Property - When any public utility furnishes more than one of the different types of utility service, the Commission shall segregate the property used and useful in furnishing each type of such service, and shall not consider the property of such public utility as a unit in determining the value of the rate base of such public utility for the purpose of fixing base rates. A utility that provides water and wastewater service shall be exempt from this subsection upon petition of a utility to combine water and wastewater revenue requirements. The Commission, when setting base rates, after notice and an opportunity to be heard, may allocate a portion of the wastewater revenue requirement to the combined water and wastewater customer base if in the public interest.

Q. Have you reproduced Aqua's proposed Act 11 allocation?

A. Yes. The calculations of Aqua's revenue requirement presented on my Exhibit LA-1, Schedule A, page 1, reproduce the revenue deficiency for Aqua's water and wastewater utilities that has been requested by Aqua. Aqua's proposed Act 11 reallocation of wastewater revenue deficiency amounts onto Aqua's water utility ratepayers is reproduced on line 9 of my Exhibit LA-1, Schedule A, page 1.

Q. Which OCA witness is addressing the amount from Aqua's Wastewater Base Operations to be allocated to its Water Base Operations?

A. OCA witness Jerome Mierzwa addresses that allocation.

Q. Have you incorporated an allocation of revenue requirement from Aqua's Wastewater Base Operations to its Water Base Operations in your calculation of Aqua's revenue requirement on Exhibit LA-1, Schedule A, page 2?

A. Yes. As shown on Exhibit LA-1, Schedule A, page 2 of 8, line 14, OCA witness Mierzwa's recommendation that 10 percent of the wastewater revenue deficiency amounts be allocated to Aqua's water base utility revenue requirement is reflected. .

Pursuant to that recommendation from Mr. Mierzwa, the adjusted revenue deficiency and excess amounts shown on Exhibit LA-1, Schedule A, page 2, incorporates an allocation of revenue requirement from Aqua's Wastewater Base Operations (inclusive of Base and Lower Makefield) to Aqua's Water Base Operations. Since East Whiteland Wastewater is excluded in the OCA's proposed revenue requirement, there is no revenue to shift. Please see the Direct Testimony of OCA witness Jerome Mierzwa for further discussion of OCA's proposed allocation

of revenue requirement amounts from Aqua's wastewater operations to its Water Base Operations.

Q. Has the Company proposed to allocate some of its calculated revenue requirement increase for the acquired Shenandoah Water utility to Water Base Operations?

A. Yes. As shown on Exhibit LA-1, Schedule A, page 1, line 8, this reproduces the Company's proposal to shift $1,465,438 of the Shenandoah Water utility revenue requirement to Water Base Operations. Aqua has presented this revenue requirement shift as a "cost of service allocation."

Q. Which OCA witness is addressing the allocation of the Shenandoah Water revenue requirement?

A. OCA witness Mierzwa's direct testimony provides the recommendation concerning this.

Q. How has Mr. Mierzwa's recommendation been reflected in the OCA's revenue requirement presentation?

A. Exhibit LA-1, Schedule A, page 2 of 8, lines 13, 18 and 19 reflect Mr. Mierzwa's recommendation to reduce the allocation from the acquired Shenandoah Water utility to Aqua's Water Base Operations proportionally. This results in a transfer of $1,081,839 of revenue requirement from Shenandoah Water into the Water Base revenue requirement, as shown on Schedule A, page 2, line 13. The adjusted

remaining revenue deficiency for Shenandoah Water is $803,054, which is a 43.9 percent increase over revenue at current rates for that utility.

Q. For which Aqua utilities are you addressing Aqua's revenue requirements?

A. I am addressing the revenue requirements requested by Aqua for its Pennsylvania water and wastewater operations.

Q. What is shown in Exhibit LA-1?

A. Exhibit LA-1 shows the OCA's accounting and revenue requirement summary schedules for Aqua's water and wastewater utility operations.

Q. What is shown in Exhibit LA-2?

A. Exhibit LA-2 shows the accounting and revenue requirement adjustment schedules for Aqua's water and wastewater utility operations. Exhibit LA-2 contains rate base and operating income adjustment schedules which present details for each adjustment that is recommended by me or other OCA witnesses.

Q. What is shown in Exhibit LA-3?

A. Exhibit LA-3 presents selected non-confidential documents referenced in my testimony and/or in Exhibits LA-1 and LA-2.

II. OVERALL FINANCIAL SUMMARY

Summary Schedules (Exhibit LA-1)

Q. What does Schedule A in Exhibit LA-1 show?

A. Exhibit LA-1 shows the development of the adjusted revenue requirement for Aqua's water and wastewater utility operations.

Q. What is shown on Exhibit LA-1, Schedule A, page 1?

A. Schedule A, page 1, reproduces in summary form the revenue increase amounts that Aqua is requesting in total (column A), for its water utilities (columns B and C), and for its wastewater utilities (columns D through F). As shown on Schedule A, page 1, column A, line 7, Aqua is requesting total base rate revenue increases of approximately $126.675 million based on a fully projected future test year ("FPFTY") ending December 31, 2025.

Schedule A, page 1, line 1, shows Aqua's proposed rate base in total (column A) and for each Aqua utility operation (columns B through F).

Line 2 shows the 7.90% rate of return that Aqua is requesting.

Line 3 shows the required net operating income amounts for each utility that Aqua is requesting.

Line 4 shows the achieved net operating income for the FPFTY that Aqua has proposed.

Line 5 shows the operating income deficiency for the FPFTY for each utility that Aqua has proposed.

Line 6 shows the gross revenue conversion factors for each utility that Aqua has proposed.

Line 7 shows the gross revenue deficiency amounts for each utility that Aqua has requested.

Q. What is shown on Exhibit LA-1, Schedule A, page 1, lines 8 through 10?

A. Exhibit LA-1, Schedule A, page 1, line 8, shows the cost of service allocation. Line 9 shows the Act 11 wastewater allocation. Line 10 shows the total proposed revenues in total (column A) and for each Aqua utility (columns B through F).

Q. What is shown on Exhibit LA-1, Schedule A, page 1, lines 11 and 12?

A. Exhibit LA-1, Schedule A, page 1, line 11, shows the amount of operating revenue at current rates in total (column A) and for each Aqua utility (columns B through F). Line 12 shows the percentage increase in base rate revenue that Aqua is requesting in total (column A) and for each Aqua utility (columns B through F).

Q. What is show on Exhibit LA-1, Schedule A, page 2?

A. Schedule A, page 2, shows the calculations of the revenue increase or decrease amounts that reflect the recommendations of OCA witnesses. The total revenue excess (combined water and wastewater utility results) is shown on Schedule A, page 2, line 7, in column A. The Aqua water utility revenue excess is shown on Schedule A, page 2, line 7, in column B. The revenue deficiencies for Shenandoah

Water and Aqua's wastewater utilities are shown in columns C through F, on Schedule A, page 2, line 7.

As shown on Exhibit LA-1, Schedule A, page 2, column A, line 7, my recommendations and the recommendations of other OCA witnesses produce an overall net revenue excess of approximately $9.0 million based on a fully projected future test year ("FPFTY") ending December 31, 2025.

Q. What revenue deficiency or excess do you recommend for Aqua's water utilities?

A. The water divisions have a net revenue sufficiency when accounting for both the main division and Shenandoah. The adjusted revenue sufficiency and deficiency results for Aqua's water utilities are shown on Exhibit LA-1, Schedule A, page 2, in columns B through C, on line 7, and are summarized below:

- Water Base Operations (column B): $28.1 million revenue *excess* (sufficiency)
- Shenandoah Water (column C): $1.9 million revenue deficiency

Q. What revenue deficiency or excess do you recommend for Aqua's wastewater utilities?

A. The adjusted revenue deficiency results for Aqua's wastewater utilities are shown on Exhibit LA-1, Schedule A, page 2, in columns D through F, on line 7, and are summarized below:

- Wastewater Base Operations (column D): $14.8 million revenue deficiency
- Lower Makefield Wastewater (column E): $2.3 million revenue deficiency
- East Whiteland Wastewater (column F): $0 revenue deficiency

Q. Is the OCA recommending a revenue increase for East Whiteland Wastewater?

A. No. I have removed East Whiteland from rate base and removed all expenses for East Whiteland. As explained in the Direct Testimony of OCA witness Hoover, although the acquisition of the East Whiteland Wastewater system by Aqua was approved by the Commission, that decision has been appealed. The Commonwealth Court reversed the Commission's decision, and the Supreme Court has granted allocatur to review the Commonwealth Court's decision (and it cannot be presumed that the Pennsylvania Supreme Court decision will reverse the Commonwealth Court decision and affirm the Commission's order approving the proposed acquisition). Thus, it is uncertain whether and when Aqua will ultimately have permission to retain this wastewater utility system. Until the uncertainties associated with the court cases related to this acquisition are resolved, Aqua should not be allowed to include East Whiteland in rate base or include expense costs or increase the rates for the East Whiteland Wastewater system. The remaining revenue requirement after OCA's adjustments for the East Whiteland Wastewater system, has therefore been removed on Exhibit LA-1, Schedule A, page 2.

Q. Do you discuss the criteria for whether an attempted utility system acquisition should be included in the acquiring utility's revenue requirement?

A. Yes. A discussion of criteria that OCA recommends be applied for addressing whether and when an attempted utility system acquisition should be included in the acquiring utility's revenue requirement is addressed in Section IV of my Direct Testimony and the criteria are also discussed in OCA witness Hoover's Direct Testimony.

Q. What is shown on Exhibit LA-1, Schedule A, page 3?

A. Schedule A, page 3, summarizes the differences between Aqua's request (as summarized on Schedule A, page 1) and OCA's adjusted results (as summarized on Schedule A, page 2). Schedule A, page 3, line 1, shows the differences in rate base between Aqua's request and OCA's adjusted results. Line 3 shows differences in required net operating income. Line 4 shows differences in adjusted net operating income. Line 5 shows differences in the amount of net operating income excess or deficiency. Line 7 shows differences in the revenue requirement excess or deficiency.

As shown on Schedule A, page 3, column A, line 7, the results of my recommendations and the recommendations of other OCA witnesses, reflect revenue requirement impacts that are approximately $135.7 million lower than Aqua has requested. In other words, the results of the adjustments recommended by me and other OCA witnesses produce base rate revenues for Aqua that are $135.7 million lower than the revenue increases proposed by Aqua.

Q. Have you presented a reconciliation of Aqua's proposed revenue increase with OCA's adjusted revenue excess or deficiency for each of Aqua's water and wastewater utility operations?

A. Yes. Schedule A, pages 4 through 8, present a reconciliation of the revenue requirement for Aqua's water base utility (page 4), Aqua's Shenandoah water utility (page 5) and for each of Aqua's wastewater utilities (pages 6 through 8), reflecting the approximate revenue requirement impact of the recommendations of OCA witnesses. The approximate revenue requirement impact of each adjustment is shown in column C of Schedule A, pages 4 through 8, for each utility.

Q. What is shown on Schedule A-1 of Exhibit LA-1?

A. Schedule A-1 presents the derivation of my recommended Gross Revenue Conversion Factor ("GRCF") for the Aqua water and wastewater utilities. The GRCF is used to derive the amount of revenue increase or (decrease) that is needed based upon a deficiency or (excess) in the utility's ongoing level net operating income. Any increase or decrease in net income granted in this proceeding will cause Aqua to incur additional taxes and uncollectible expenses. The GRCF "grosses up" the net operating income deficiency (sufficiency) for these items in order to derive a revenue requirement impact.

Q. Did Aqua calculate a GRCF for its water system in this proceeding?

A. Yes. In Exhibit 1-A, Aqua provided its recommended GRCF of 1.390726 for Water Base Operations and related calculations. Aqua's calculation of its GRCF is shown on Exhibit LA-1, Schedule A-1, page 1, in columns A and C.

Q. What GRCF do you recommend for Aqua's water utility?

A. Using the same data shown on Aqua Exhibit 1-A, Schedule A-1, page 1, I calculated my recommended GRCF, which is shown in Exhibit LA-1, Schedule A-1, page 1, Column D. I also recommend a GRCF of 1.390726 for Aqua's water utility. This GRCF incorporates the corporate federal income tax rate of 21 percent, which has applied for periods from January 1, 2018 forward.

Q. Did Aqua calculate a GRCF for its Wastewater Base Operations in this proceeding?

A. Yes. In Exhibit 1-B, Schedule A-3, Aqua provided its recommended GRCF of 1.399365 for Wastewater Base Operations and its related calculations. Aqua's calculation of its GRCF is shown on Exhibit LA-1, Schedule A-1, Columns A and C. In its filing, Aqua also shows the amount of revenue increase it is requesting and the components of that increase on Aqua Exhibit 1-C, Schedule A-1, page 1, in the "Adjustment" column that appears between the "Present Rates 12/31/25 Amount" and the "Proposed Rates Amount" columns.

Q. What GRCF did you recommend for Aqua's wastewater utilities?

A. Using the same data shown on Aqua Exhibits 1-C, 1-D and 1-E, Schedule A-1, page 1, I calculated my recommended GRCF for each Aqua wastewater utility operation, as shown in Exhibit LA-1, Schedule A-1, pages D through F, in column D on each page. I recommend a GRCF of 1.399365 for Aqua's wastewater utility operations. This wastewater utility GRCF incorporates the current corporate federal income tax rate of 21 percent, which has applied for periods from January 1, 2018 forward.

Q. What is shown on Schedule B of Exhibit LA-1?

A. Exhibit LA-1, Schedule B shows my recommended adjusted rate base for each Aqua utility. Page 1 shows the adjusted rate base for Aqua's water utility. Pages 2 through 7 show the adjusted rate base for each Aqua wastewater utility.

Q. What is shown on Schedule B.1 of Exhibit LA-1?

A. Exhibit LA-1, Schedule B.1, page 1, summarizes my recommended rate base adjustments for Water Base Operations. Pages 2 through 5 of Schedule B.1 summarize my recommended rate base adjustments for each Aqua water and wastewater utility. Schedules B-1 through B-2[1] which are contained in Exhibit LA-2, present the supporting calculations for each of my recommended adjustments to rate base.

[1] The contents page of Exhibit LA-2 indicates whether each adjustment pertains to Aqua's water utilities, its wastewater utilities, or both.

Q. What is shown on Schedule C of Exhibit LA-1?

A. Schedule C presents my recommended adjusted net operating income. Page 1 summarizes my recommended net operating income for Water Base Operations. Pages 2 through 5 summarize my recommended adjusted net operating income for each Aqua water and wastewater utility.

Q. What is shown on Schedule C.1 of Exhibit LA-1?

A. Schedule C.1 summarizes my recommended net operating income adjustments for each Aqua utility. Page B summarizes my recommended net operating income adjustments for the Water Base Operations. Pages C through F summarize my recommended net operating income adjustments for each Aqua water and wastewater utility. Schedule C.1 also presents the impact on income tax expense resulting from my recommended adjustments. Schedules C-1 through C-14[2], which are contained in Exhibit LA-2, present supporting calculations for the OCA's adjustments to net operating income that are addressed in my testimony.

Q. What is shown on Exhibit LA-1, Schedule D?

A. Schedule D presents OCA's recommended capital structure and overall rate of return based on the recommendations of OCA witness Aaron Rothschild.

[2] The contents page of Exhibit LA-2 indicates whether each adjustment pertains to Aqua's water utility, its wastewater utilities, or both.

Adjustment Schedules (Exhibit LA-2)

Q. What does Exhibit LA-2 show?

A. Exhibit LA-2 shows the adjustments to rate base and net operating income that I am recommending. The contents page of Exhibit LA-2 indicates whether each rate base and net operating income adjustment pertains to Aqua's water utility, wastewater utility operations, or both.

Q. What is shown on Exhibit LA-2 in Schedules B-1 through B-2?

A. Exhibit LA-2, Schedule B-1 through B-2[3] present the supporting calculations for each of the OCA adjustments to rate base.

Q. What is shown on Exhibit LA-2, Schedules C-1 through C-14?

A. Exhibit LA-2, Schedules C-1 through C-14[4] present supporting calculations for each of the OCA adjustments to net operating income.

III. FULLY PROJECTED FUTURE TEST YEAR

Q. What time period has Aqua used as the basis for determining its revenue requirements in this proceeding?

A. Aqua used the 12 months ending December 31, 2025, as the test period for determining its revenue requirements in this proceeding. This is referred to as the fully projected future test year ("FPFTY" or "rate year") approach. The use of a fully projected future test year is permitted pursuant to Act 11 of 2012 ("Act 11").

[3] There are gaps between these schedules as certain adjustments pertained only to Water Base Operations.
[4] There are gaps between these schedules as certain adjustments pertained only to Water Base Operations.

The December 31, 2025 period used as the FPFTY thus approximately corresponds with the rate effective year for the new utility rates that are being established in this Aqua rate case.

Q. How did Aqua apply Act 11 in its current rate case?

A. Aqua witness William Packer (AP Statement No. 1) states at page 8 of his Direct Testimony that:

> Exhibits 1-A and 1-B and 1-C through 1-E are being submitted in support of Aqua PA's proposed rate increase for water and Wastewater Base Operations, respectively. They present the Company's pro forma revenue, expense and rate base data based on HTY (year ended December 31, 2023), FTY (year ending December 31, 2024), and FPFTY (year ending December 31, 2025). Data for the HTY were obtained from the Company's books and records. For the FTY, revenues are based on the estimated number of customers served as of December 31, 2024. Correspondingly, for the FPFTY, revenues are based on the estimated number of customers served as of December 31, 2025. Operating expenses have been similarly adjusted to reflect FTY and FPFTY-end conditions. Aqua PA's claimed rate base includes its estimated net Utility Plant in Service at December 31, 2024 and December 31, 2025.

Q. Have you used the same FPFTY?

A. Yes. To compute the revenue requirement for Aqua's water and wastewater utilities I used the same FPFTY ending December 31, 2025.

IV. ACQUISITIONS INCLUDED IN AQUA PA'S BASE RATE CASE

Q. Has the Company presented separate revenue requirements for acquisitions in the current base rate case?

A. Yes. The Company presented separate revenue requirements for three acquisitions in the current base rate case. Specifically, as discussed on page 8 of the Direct Testimony of Company witness Packer, the Company is presenting separate revenue requirements in order to comply with the terms and conditions of the Commission's approvals of Aqua's acquisitions of certain water and wastewater systems that are being included for the first time in the current proceeding. Mr. Packer also states that under the terms of the Commission's approvals pursuant to Section 1329, the Company would submit separate cost of service studies for those systems in Aqua's next base rate case.

Q. What are the separate revenue requirements for the three acquisitions in the current base rate case?

A. The three acquisitions for which the Company is presenting separate revenue requirements in this proceeding are:

1. Borough of Shenandoah ("Shenandoah Water") – As discussed on page 27 of the Direct Testimony of Company witness Duerr, Aqua acquired the assets of Shenandoah Water on July 24, 2023. The Shenandoah Water system is comprised of approximately 3,000 customers in the Borough of Shenandoah and surrounding communities. The Company's revenue requirement for Shenandoah Water is presented as Exhibit 1-B.

2. Lower Makefield Township Wastewater ("Lower Makefield") - As discussed on page 23 of his Direct Testimony, Mr. Duerr states that Aqua acquired Lower Makefield on March 4, 2022. The Lower Makefield system is comprised of approximately 11,000 connections and is comprised of 113 miles of collection mains, 14 lift stations and the associated force mains. Mr. Duerr states that all of the Lake Makefield wastewater is conveyed to other adjacent utilities for treatment. The Company's revenue requirement for Lower Makefield is presented as Exhibit 1-D.

3. East Whiteland Township Wastewater ("East Whiteland") - As discussed on page 23 of his Direct Testimony, Mr. Duerr states that Aqua acquired East Whiteland on August 12, 2022. The East Whiteland system is comprised of approximately 3,850 connections (8,200 Equivalent Dwelling Units) and is comprised of 57 miles of collection mains, 12 lift stations and the associated force mains. Similar to Lower Makefield, Mr. Duerr states that all of the East Whiteland wastewater is conveyed to other adjacent utilities for treatment. The Company's revenue requirement for East Whiteland is presented as Exhibit 1-E.

The Company has included separately identified rate base claims for each of those three systems that it indicated have been acquired under § 1329 in its proposed revenue requirements based on its position that the utility plant is used and useful in the FPFTY. The Company has also included certain improvements for the Shenandoah Water system and the Lower Makefield and East Whiteland Wastewater systems in its proposed rate base amounts for those systems.

Q. You stated earlier in your testimony that although the East Whiteland wastewater system has been approved by the Commission, you have removed the revenue requirement for East Whiteland. Please explain.

A. As discussed in Section II of my testimony, although the acquisition of the East Whiteland Wastewater system was approved by the Commission, that decision was appealed by the OCA. The Commonwealth Court reversed the Commission's decision. The Commission and Aqua appealed the Commonwealth Court's Order to the Pennsylvania Supreme Court. The Pennsylvania Supreme Court has decided to hear the appeal, and the appeal is currently pending before the Pennsylvania Supreme Court, and as of the time I write this testimony, the case has not been briefed before the Supreme Court. The outcome of that appeal is currently unknown. Consequently, it is uncertain whether and when Aqua will ultimately acquire this wastewater utility. Until the uncertainties associated with the appeal related to this acquisition are resolved, Aqua should not be allowed to increase the rates for the East Whiteland Wastewater system. I have therefore removed the remaining revenue requirement after OCA's adjustments for the East Whiteland Wastewater system, as shown on Exhibit LA-1, Schedule A, page 2.

Q. In your opinion, what criteria should be used to determine whether an acquisition should be included in the FPFTY in this case?

A. In my opinion, the criteria that should be used to determine whether a proposed acquisition is reasonably likely to occur by the end of the FPFTY and thus can be

included in the FPFTY for ratemaking purposes are the following two criteria **prior to or at the close of the record in the base rate case**:

1. there is a Commission **final** order approving the acquisition (*i.e.*, the appeal period has run, and no appeals filed) in the acquisition proceeding docket; **AND**
2. there is a lack of uncertainty as to whether the utility will close the acquisition for reasons other than Commission approval (*i.e.*, it appears reasonably certain that the utility will close the acquisition because there is no other apparent regulatory, legal, or business risk that would prevent the transaction from closing).

Q. Why do you select these criteria for inclusion of an acquisition in the FPFTY for ratemaking purposes?

A. The PUC is obligated to approve only just and reasonable rates. Aqua PA's aspiration that the East Whiteland system be included is based on its belief that no other party will take legal steps to protect its interests to challenge Aqua's attempted acquisitions of that system. Given that the OCA prevailed on appeal before the Commonwealth Court and the ongoing uncertainty of the disposition of the appeal before the Supreme Court, in my view, that is not a reasonable belief. If customers rates are set that reflect a not yet final and acquired utility system in its revenue requirement that is later not authorized under law and therefore not eligible to be included in the utility's revenue requirement for ratemaking purposes, those rates would be unjust and unreasonable. Ensuring that there is a high degree of certainty

as to the utility acquisitions that are included in the FPFTY will avoid the aggravation and public confusion of the Commission having to later enter an order to adjust the utility's rates to remove the unauthorized transaction from the utility's revenue requirement and to issue refunds to customers for previously amounts collected under unjust and unreasonable rates. The two criteria I offer in my testimony for evaluating the certainty level of a utility acquisition are objective and reasonable and clear. Additionally, Aqua PA controls the timing of its rate filings. It could have waited for more certainty on the East Whiteland acquisition to include it in rates and, of course, the fact that it is not included in rates set in this proceeding does not negate that it can be included in rates in any future filing, if it is more certain.

Q. What if the current information that you have about the status of the proposed East Whiteland transaction changes during the course of this case and before the close of the record in this proceeding?

A. It is possible that the information about the proposed East Whiteland transaction could change and that this proposed transaction could meet the criteria I have outlined above before the close of the record in this proceeding. To the extent the uncertainties about the proposed East Whiteland transaction are sufficiently resolved before the close of the record in this proceeding, *i.e.*, the appeals concerning the Commission's Order become resolved, then I reserve the right to change my recommended revenue requirement to include the proposed East Whiteland transaction as it is more reasonably certain to be final in the FPFTY along with my

recommended adjustments relating to the Company's claimed rate base and net operating income amounts for that system. Thus, out of an abundance of caution, in the event that there is a change in status to the East Whiteland transaction, I present my recommended adjustments to the revenue requirement for East Whiteland Wastewater Operations. To be clear, my current recommendation is that this proposed acquisition should not be included in Aqua's ratemaking rate base or the calculation of revenue requirement, but the adjustments are presented only in the alternative so that if the acquisition of the East Whiteland system becomes more reasonably likely, that the necessary information is available to calculate an adjusted revenue requirement.

Q. Why do you address your recommended adjustments to the revenue requirement for East Whiteland Wastewater?

A. I present my alternative recommendation for the East Whiteland Wastewater revenue requirement because, as noted above, the Company in its direct case presented a separate revenue requirement for this system.

V. RATE BASE

Q. Please summarize your adjustments to Aqua's water utility rate base.

A. As shown in Aqua's Exhibit 1-A, Schedule G-1, the Company proposes a FPFTY rate base of approximately $4.318 billion for its Water Base Operations. As shown on Exhibit LA-1, Schedule B, page 1, I recommend FPFTY rate base of approximately $4.310 billion for Aqua's Water Base Operations, which is about $8.559 million lower than the Company's proposal.

Q. Please summarize your adjustments to Aqua's Shenandoah water utility rate base.

A. As shown in Aqua's Exhibit 1-A, Schedule G-1, the Company proposes a FPFTY rate base of approximately $16.013 million for its Shenandoah Water Operation. As shown on Exhibit LA-1, Schedule B, page 1, I recommend FPFTY rate base of approximately $16.133 million for Aqua's Shenandoah Operations, which is $119,416 higher than the Company's proposal.

Q. Please summarize your adjustments to Aqua's wastewater base utility rate base.

A. As shown in Aqua's Exhibits 1-B, Schedule G-1, the Company proposes a FPFTY rate base of approximately $392.798 million for its Wastewater Base Operations. As shown on Exhibit LA-1, Schedule B, page 3, I recommend a FPFTY rate base of $395.997 million for Aqua's Wastewater Base Operations, which is about $3.198 million higher than the Company's proposal.

Q. Have you also presented calculations of the rate base for each of the other Aqua wastewater utilities that Aqua has included in its requested revenue requirement which were acquired by Aqua pursuant to the provisions of §1329?

A. Yes. On Exhibit LA-1, Schedule B, pages 4 and 5, I present calculations of the adjusted rate base for each of the other wastewater utilities that Aqua has included in its requested revenue requirement which were acquired by Aqua pursuant to the provisions of 66 Pa. C.S. §1329. While I have excluded the East Whiteland system from rate base as can be seen in Exhibit LA-1, Schedule A, page 3, I include East

Whiteland in Schedule B only in the event that it can be included per my criteria as discussed above.

Q. Would you please discuss each of your recommended adjustments to rate base?

A. Yes, each of my recommended adjustments to rate base is discussed below.

<u>Schedule B-1, Accumulated Depreciation – Depreciable Plant and Contributions in Aid of Construction (Water and Wastewater)</u>

Q. Please explain the adjustment on Exhibit LA-2, Schedule B-1.

A. Yes. The amounts shown on Exhibit LA-2, Schedule B-1, are adjustments to the Company's proposed accumulated depreciation reserve amounts, which were calculated by OCA witness Brian Andrews. Mr. Andrews is recommending new depreciation rates that differ from those proposed by Aqua in the Company's depreciation study. As a result of his recommended depreciation rates that utilize the Average Life Group (ALG) procedure, Mr. Andrews recommends reductions in FPFTY depreciation expense (see additional discussion below) and lower amounts of FPFTY accumulated depreciation.

Q. What is the impact of the FPFTY accumulated depreciation amounts that are being recommended by OCA witness Andrews?

A. As summarized on Exhibit LA-2, Schedule B-1, page 1, lower accumulated depreciation balance in the 2025 FPFTY has the flow through effect of increasing the rate base value in 2025 FPFTY. Aqua's proposed accumulated depreciation for Water Base Operations is reduced by $24.075 million which increases rate base

value by the same amount (detail shown on Schedule B-1, page 2), Shenandoah Water is reduced by $119,416 (detail shown on Schedule B-1, page 3), Wastewater Base Operations is reduced by $4.743 million (detail shown on Schedule B-1, page 4), Lower Makefield Wastewater is reduced by $504,211 (detail shown on Schedule B-1, page 5), and East Whiteland Wastewater is reduced by $580,082 (detail shown on Schedule B-1, page 6).

Q. Is there a related adjustment for Contributions in Aid of Construction ("CIAC")?

A. Yes. As a result of his recommended depreciation rates, Mr. Andrews recommended higher amounts of CIAC for the FPFTY; thus, reducing rate base values in the 2025 FPFTY. As summarized on Exhibit LA-2, Schedule B-1, page 1, Aqua's proposed CIAC for Water Base Operations is increased by $1.221 million, which reduces rate base by the same amount (detail shown on Schedule B-1, page 2), Wastewater Base Operations is increased by $231,321, which reduces rate base by the same amount (detail shown on Schedule B-1, page 4), Lower Makefield Wastewater is increased by $404, which reduces rate base by the same amount (detail shown on Schedule B-1, page 5), and East Whiteland Wastewater is increased by $4,612 (detail shown on Schedule B-1, page 6). There is no adjustment to CIAC for Shenandoah Water.

Q. Does it make sense that based on Witness Andrews' recommended change in depreciation rates that both depreciation expense and accumulated depreciation balance reflect this change?

A. Yes. Both annual depreciation expense and accrued or accumulated depreciation should be calculated on a reasonably consistent basis.[5]

Schedule B-2, Pennsylvania Net Operating Loss Deferred Tax Asset (Water and Wastewater)

Q. Please explain the adjustment on Exhibit LA-2, Schedule B-2.

A. Aqua has attempted to increase rate base by $32.728 million for a deferred tax asset related to a Pennsylvania net operating loss carryforward. As far as we can tell, this item was never included in Aqua PA rate base in prior cases. Moreover, there is no PA state income tax normalization requirement that would require this item to be included in utility rate base. Therefore, as shown on Exhibit LA-2, Schedule B-2, this item is being removed from the Company's proposed rate base. This reduces Aqua PA's proposed Water Base rate base by $31.414 million and reduces the Company's proposed Wastewater Base rate base by $1.314 million. The dollar amounts are from the Company's response to OCA-XV-25.

[5] *Pa. Power & Light Co. v. Pa. Pub. Util. Com.*, 311 A.2d 151, 158 (Pa. Cmwlth. 1973) (*Pa. Power*).

Q. Was a similar item added to rate base in Aqua PA's rate base in the Company's last rate case?

A. No. The Company's response to OCA-XV-26 indicates that the PA NOL exited during the Company's last rate case and states that the Company inadvertently did not include it in its proposed rate base in its last base rate case.

Q. Has the Company stated that it will discontinue the normalization of state income tax expense for the PA NOL in 2025?

A Yes. Aqua PA witness Fischer's Direct Testimony at page 12, lines 12-14 states that: "the Company will discontinue the normalization of state income taxes for the PA NOL in 2024 ..."

Q. Does the Company's response to OCA-XV-28 indicate that it recorded equal amounts of a regulatory asset and a credit in the same amount related to its financial accounting for PA NOL amounts?

A. Yes. The Company's response to OCA-XV-28(d) indicates that it recorded equal amounts of a regulatory asset and a credit in the same amount related to its financial accounting for PL NOL amounts as of December 31, 2023.

Q. What is the Company's reason for attempting to include the PA NOL deferred tax asset in rate base in the current case?

A. The Company's response to OCA-XV-28(a) states that the Company normalized the PA NOL and that: "Under the normalization method of accounting, customers

receive the benefit of the NOL creation through the deferred tax expense despite the Company not actually monetizing the benefit of the NOL, hence the reason for inclusion of the NOL DTA in rate base."

Q. Do you agree that this item should be included in rate base?

A. No. The Company has not identified any requirement to normalize any PA state NOL deferred tax asset by included it in rate base. The Company's response to OCA-XV-27 states: "The Company is not aware of any PA state income tax normalization requirement addressing the inclusion of a PA NOL deferred tax asset in rate base." Nor am I aware of any such requirement. Internal Revenue Code normalization requirements apply to federal income taxes, not to PA state income taxes. There is no requirement for this item to be included in rate base and it has not been included in rate base in prior Aqua PA rate cases. Because of such reasons, no rate base addition for this item should be permitted in the current Aqua PA rate case.

<u>Cash Working Capital</u>

Q. Are there concerns about the large increase cash working capital that Aqua PA has requested be included in rate base in the current case?

A. Yes. As summarized in the table below, Aqua PA is proposing in the current rate case to increase its rate base for the cash working capital component by $6.131 million or 389 percent:

Water Base		Aqua Proposed Cash Working Capital			
Line No.	Description	2021 Rate Case Amount	2024 Rate Case Amount	Difference ($)	Difference (%)
		(A)	(B)	(C) = (B) - (A)	(D) = (C) / (A)
1	Cash Working Capital - Expenses	$ 5,976,000	$ 11,017,000	$ 5,041,000	84.35%
2	Cash Working Capital - Taxes	$ 4,315,000	$ 5,846,000	$ 1,531,000	35.48%
3	Cash Working Capital - Interest	$ (8,715,000)	$ (9,156,000)	$ (441,000)	5.06%
4	Total Cash Working Capital Requirement	$ 1,576,000	$ 7,707,000	$ 6,131,000	389.02%
Notes and Source:					
Col. A: Exhibit 1-A, Schedule G-5 from Aqua's 2021 Rate Case, Docket No. R-2021-3027385					
Col. B: Exhibit 1-A, Schedule G-5 from Aqua's Current Rate Case					

There are similar concerns about the large increase in the Company's proposed cash working capital for the wastewater base rate base, as summarized in the following table:

Wastewater Base		Aqua Proposed Cash Working Capital			
Line No.	Description	2021 Rate Case Amount	2024 Rate Case Amount	Difference ($)	Difference (%)
		(A)	(B)	(C) = (B) - (A)	(D) = (C) / (A)
1	Cash Working Capital - Expenses	$ 898,000	$ 1,707,000	$ 809,000	90.09%
2	Cash Working Capital - Taxes	$ 68,000	$ 332,000	$ 264,000	388.24%
3	Cash Working Capital - Interest	$ (412,000)	$ (792,000)	$ (380,000)	92.23%
4	Total Cash Working Capital Requirement	$ 554,000	$ 1,247,000	$ 693,000	125.09%
Notes and Source:					
Col. A: Exhibit 1-B, Schedule G-5 from Aqua's 2021 Rate Case, Docket No. R-2021-3027386					
Col. B: Exhibit 1-C, Schedule G-5 from Aqua's Current Rate Case					

Q. Have you made an adjustment to the Company's proposed cash working capital rate base amounts at this time?

A. Not at this time. As noted above, there are concerns about the very large increases to the rate base amounts being proposed by Aqua for cash working capital in the current case, particularly in comparison with amounts from the last Aqua PA rate case. It is believed that adjustments to reduce the amount of cash working capital to be included in Aqua PA's water and wastewater utility rate base will be needed; however, those have not yet been quantified.

VI. OPERATING INCOME

Q. What does Aqua show for its water base operating income?

A. On Aqua's Exhibit 1-A, page 1, line 22, in the Present Rates "12/31/25 Amount" column, the Company shows utility operating income at current rates of $277.8 million for Water Base Operations. I have summarized Aqua's proposed net operating income for Water Base Operations on Exhibit LA-1, Schedule C, page 1.

Q. What does Aqua show for its wastewater base operating income?

A. As I have summarized on Exhibit LA-1, Schedule C, page 2, in column A, Aqua's proposed utility operating income at current rates for the Wastewater Base Operations is $12.468 million.

Q. Are you recommending any adjustments that impact net operating income for Aqua's water utility?

A. Yes. As shown on Exhibit LA-1, Schedule C, page 1, column B, I am recommending adjustments that increase the Company's net operating income for Water Base Operations by approximately $21.971 million.

Q. Are you recommending any adjustments that impact net operating income for Aqua's wastewater base utility?

A. Yes. As shown on Exhibit LA-1, Schedule C, page 3, column B, I am recommending adjustments that increase the Company's net operating income for Wastewater Base Operations by approximately $2.499 million.

Q. On which Schedules in Exhibit LA-2 do you present the recommended adjustments to net operating income?

A. The recommended adjustments to net operating income for the Company's Water and Wastewater Base Operations are presented below and on Schedules C-1 through C-14 of Exhibit LA-2. Each adjustment to net operating income is also summarized, for each utility, on Exhibit LA-1, Schedule C.1, which has eight pages, one summary page and one page showing the operating income adjustments for each Aqua utility.

Schedule C-1, Depreciation Expense – New Depreciation Rates (Water and Wastewater)

Q. Did OCA calculate an adjustment to the Company's proposed depreciation expense to reflect the new depreciation rates that OCA is recommending?

A. Yes. The amounts shown on Exhibit LA-2, Schedule C-1, are adjustments to the Company's proposed depreciation expense amounts, which were calculated based on the depreciation rates supplied by OCA witness Brian Andrews. Mr. Andrews is recommending new depreciation rates based on the ALG procedure that differ from those proposed by Aqua in the Company's depreciation study.

Q. What is the impact of using the new depreciation rates that are being recommended by OCA witness Andrews?

A. As summarized on Exhibit LA-2, Schedule C-1, page 1, Aqua's proposed depreciation expense for Water Base Operations is reduced by 11.712 million (detail shown on Schedule C-1, page 2), Shenandoah Water is reduced by $51,386 (detail shown on Schedule C-1, page 3), Wastewater Base Operations is reduced by $2.295

million (detail shown on Schedule C-1, page 4), Lower Makefield Wastewater is reduced by $215,062 (detail shown on Schedule C-1, page 5), and East Whiteland Wastewater is reduced by $269,692 (detail shown on Schedule C-1, page 6). I am including East Whiteland only in the event that it is included in rate base based on my criteria outlined in this testimony.

Schedule C-2, General Inflation (Water and Wastewater)

Q. Please explain the adjustment to remove the impact of general inflation that Aqua included in deriving its FPFTY expense.

A. In Aqua's application, on Schedule C-4.1 of Aqua Exhibits 1-A through 1-E, Aqua included two years (i.e., the 12 months ending December 31, 2024 and the 12 months ending December 31, 2025) for general blanket inflation on expenses for which Aqua did not identify specific changes. My adjustment on Exhibit LA-2, Schedule C-2 removes Aqua's adjustment for estimated blanket inflation from FPFTY expenses. As shown on Schedule C-2, FPFTY expenses are reduced by $1.298 million for Water Base Operations, $27,857 for Shenandoah, $377,538 for Wastewater Base Operations, $22,660 for Lower Makefield Wastewater, and $20,649 for East Whiteland Wastewater to remove the impact of blanket general inflation.

Q. Did the Commission remove adjustments for generalized inflation in Aqua's last rate case?

A. Yes. The Commission removed adjustments for generalized inflation in Aqua's last rate case. Specifically, on page 117 of its Opinion and Order dated May 12, 2022 in Docket Nos. R-2021-3027385 and R-2021-3027386, the Commission stated:

> We agree with the ALJ that Aqua has not justified the use of a general price level adjustment to expenses "not specifically adjusted in this case or not subject to inflation." R.D. at 70. We also agree that allowing Aqua to apply a general inflation adjustment to a block of expenses could incentivize less accurate tracking of expenses and a less rigorous approach to controlling costs for those expenses. The application of a General Price Adjustment to 22% of expenses is neither targeted nor specific. We find the ALJ's recommendation to deny Aqua's use of a General Price Adjustment to be reasonable. Therefore, we shall adopt the ALJ's recommendation to remove the Company's entire claimed amount of $864,335 for Water Base Operations and $205,560 for Wastewater Base Operations.

Q. Has the Commission removed utility adjustments for generalized inflation in other cases?

A. Yes. The Commission disallowed blanket generalized inflation adjustments in Pa PUC v. PGW, 2007 Pa. PUC LEXIS 45 (2007), Pa. PUC v. Philadelphia Electric Co., 58 Pa. PUC 7 (1983), and Pa. PUC v. Philadelphia Electric Co., 1990 Pa. PUC LEXIS 155 (1990). In those cases, the Commission found that using a blanket general inflation factor is too speculative in nature. The Commission did allow an inflation adjustment in a recent case (Pa. PUC v. PECO Energy Co. – Gas Division, R-2020-3018929); however, that inflation adjustment used a more targeted approach

and was not a blanket inflation adjustment like the adjustment that Aqua has proposed in this case.

Schedule C-3, Revenue – Bill Discount Credits (Water and Wastewater)

Q. Please explain the adjustment on Exhibit LA-2, Schedule C-3 as it relates to bill discount credits?

A. This adjustment related to bill discount credits is addressed in OCA witness Colton's testimony. As shown on Exhibit LA-2, Schedule C-3, reflecting the impact of Mr. Colton's recommendation related to bill discount credits increases pre-tax operating revenue by $2.456 million for Water Base Operations and by $652,627 for an overall increase of $2.809 million.

Schedule C-4, Uncollectibles Expense – Arrearage Forgiveness (Water and Wastewater)

Q. Please Explain the adjustment on Exhibit LA-2, Schedule C-4 as it relates to arrearage forgiveness .

A. This adjustment to uncollectibles expense for arrearage forgiveness is addressed in OCA witness Colton's testimony. As shown on Exhibit LA-2, Schedule C-4, reflecting the impact of Mr. Colton's recommendations related to arrearage forgiveness for uncollectibles decreases pre-tax operating expense by $812,620 for Water Base Operations and by $89,774 for Wastewater Base Operations for an overall decrease of $902,394.

Schedule C-5, Legal Expenses for Appeals of Commission Orders (Water and Wastewater)

Q. Please explain the adjustment on Exhibit LA-2, Schedule C-5.

A. This adjustment removes legal expense included in the 2025 FPFTY related to appeals of Commission Orders in §1329 acquisition cases. Aqua's response and supplemental response to OCA-IX-19 indicates that Aqua included in the 2025 FPFTY legal expense related to appeals of Commission decisions on §1329 acquisition cases involving Twin Lakes Water, DELCORA sewer and East Whiteland sewer. Aqua's response to OCA-IX-19 lists legal expense incurred by Aqua in 2022 and 2023 related to appeals of Commission decisions on those §1329 acquisition cases. Ratepayers should not be required to pay for Aqua's legal expenses related to appeals of Commission orders in acquisition cases. Aqua's supplemental response to OCA-IX-19 indicates that Aqua based its requested FPFTY expense on a three year average, including those amounts from 2022 and 2023. Consequently, as shown on Exhibit LA-2, Schedule C-2, I am removing one-third of those 2022 and 2023 amounts in order to remove the amount for such legal expense that Aqua proposed to be included in the 2025 FPFTY. This reduces Aqua's proposed expense for the Water Base by $66,685, and reduces expense for the Wastewater Base by $18,206, for a total adjustment of $84,890.

Schedule C-6, Water Conservation Kits (Water)

Q. Please Explain your adjustment on Exhibit LA-2, Schedule C-6 as it relates to water conservation kits.

A. This adjustment for water conservation kits is addressed in OCA witness Colton's testimony. As shown on Exhibit LA-2, Schedule C-6, reflecting the impact of Mr.

Colton's recommendation related to water conservation kits increases pre-tax operating expense by $110,000 for Water Base Operations.

Schedule C-7, Payroll Expense – Seasonal Positions (Water)

Q. Does the Company's proposed FPFTY payroll expense include seasonal positions?

A. Yes. Aqua PA's highly confidential Exhibit 2-For Filing (payroll expense workpapers) lists the work force and related costs that the Company used to develop its proposed 2025 FPFTY expenses. The Company's proposed FPFTY payroll expense include 35 non-union seasonal positions. Of the 35 non-union seasonal positions, 25 such positions were vacant as of May 31, 2024.[6]

Q. Do the 25 vacant seasonal positions for which Aqua included payroll cost represent actual or authorized employees?

A. The 25 vacant seasonal positions represent authorized positions rather than actual employees. Specifically, the response to OCA-IX-1 states that the 25 open seasonal positions will be hired during the summer season and were not hired as of May 31, 2024.

Q. Has OCA requested an update with regard to the status of the 25 vacant non-union seasonal positions?

A. Yes. OCA has requested that the Company state how many of the 25 vacant seasonal positions have been filled as of (1) June 30, 2024, and (2) July 31, 2024.

[6] See the response to OCA-IX-1.

However, the response to OCA-XXIII-3 was not received as of the date of my Direct Testimony.

Q. What do you recommend as it relates to the 25 open seasonal positions included in the Company's proposed FPFTY gross payroll expense?

A. Based on the information received to date, I recommend that the cost for the 25 vacant seasonal positions as of May 31, 2024 be removed from the Company's proposed FPFTY gross payroll expense. Ratepayers should not be required to pay for labor cost for unfilled positions. My recommendation could be modified in my Surrebuttal Testimony based on the updated information that has been requested from the Company in OCA-XXIII-3.

Q. What adjustment are you recommending for payroll expense for the 25 vacant seasonal positions?

A. As shown on Exhibit LA-2, Schedule C-7, my adjustment to remove the estimated cost for the 25 open non-union seasonal positions decreases Aqua's requested payroll expense by $201,500 for Water Base Operations.

`Q. Is there a related adjustment to payroll tax expense?

A. Yes. As discussed below pursuant to Exhibit LA-2, Schedule C-9, there is a related adjustment to payroll tax expense.

Schedule C-8, Payroll Expense – Vacancies (Water and Wastewater)

Q. Did the Company make an adjustment for payroll expense?

A. Yes. As discussed above and on pages 4-7 of the Direct Testimony of Company witness Manning, the Company's filing includes an adjustment for payroll expense, which includes the salaries and wages associated with Aqua's present complement of authorized positions, which includes a number of positions that are not filled. Specifically, for non-union employees, the Company started with actual wage rates as of April 1, 2021 and annualized payroll expense using those rates. In addition, for the FPFTY, the Company reflected an anticipated wage increase for all employees and annualized payroll expense using those rates as well. These adjustments include short-term incentive compensation for eligible employees for filled and not currently filled positions.

For union employees, the Company's payroll expense was annualized based on the pay rates included in the collective bargaining agreements in place for each of Aqua's seven unions.

The non-union and union FPFTY gross payroll amounts were then reduced by the capitalized and non-operating labor reflected in the FPFTY. Finally, on page 7 of his testimony, Mr. Manning stated that the gross payroll amounts reflect a reasonable vacancy adjustment that is in line with the Company's actual experience.

Q. What vacancy rate did the Company use in its calculation of gross payroll for Water Base and Wastewater Base Operations?

A. It is unclear what, if any, vacancy rate the Company used in its calculation of gross payroll for Water Base and Wastewater Base Operations. Specifically, upon

reviewing the Company's electronic version of highly confidential Exhibit 2-For Filing (i.e., Aqua's payroll expense workpapers), there is no explicit vacancy rate referenced on any of the tabs in that Company Excel file. In addition, other than the summing of columns and flowing amounts from one tab to another, all of the data in the Company's payroll workpapers is hard-coded with no formulas showing how the amounts were derived.

Q. Has OCA requested that Aqua identify where its claimed vacancy rate is reflected in its highly confidential payroll workpapers?

A. Yes. OCA has requested that Aqua identify where its claimed vacancy rate is reflected in its highly confidential payroll workpapers and to show how it was applied to the Company's proposed FPFTY payroll expense in data request OCA-XXIII-1. However, the response to OCA-XXIII-1 has not been received as of the date of my Direct Testimony.

Q. Using the available information, have you calculated a vacancy rate?

A. Yes, as discussed below, I have calculated vacancy rates to apply to gross payroll for Water Base Operations and Wastewater Base Operations.

Q. Did Aqua provide an update to the level of vacant positions since the time of its initial filing?

A. Yes. Aqua has provided an update to the level of vacant positions since the time of its initial filing. Specifically, in its response to OCA-IX-1, the Company identified

57 vacant positions as of May 31, 2024. As discussed in the preceding section of my testimony of the 57 vacant positions as of May 31, 2024, 25 such vacant positions relate to seasonal positions that I removed on Schedule C-7. Using the vacant position information provided in the response to OCA-IX-1 as well as the payroll information shown on highly confidential Exhibit 2-For Filing, I calculated a vacancy rate of 4.57 percent for Water Base Operations and a vacancy rate of 4.69 percent for Wastewater Base Operations.

Q. Did you apply the 4.57 percent vacancy rate to the Company's proposed FPFTY gross payroll for non-union seasonal employees related to Water Base Operations?

A. No, I did not apply the 4.57 percent vacancy rate to the Company's proposed FPFTY gross payroll for non-union seasonal employees related to Water Base Operations.

Q. Does your recommended vacancy rate factor in the 25 open seasonal positions discussed in the preceding section of your testimony?

A. No. This vacancy rate for full time positions is exclusive of the 25 unfilled seasonal positions, the cost of which has been separately adjusted for, as discussed in the preceding section of my testimony.

Q. Please explain the adjustment to payroll expense as it relates to the vacancy rate for unfilled full-time positions.

A. I applied the 4.57 percent vacancy rate to the Company's FPFTY gross payroll amounts for Water Base Operations and the 4.69 percent vacancy rate to FPFTY gross payroll for Wastewater Base Operations amounts for union and non-union employees and also reduced such amounts for capitalized and non-operating labor.

As shown on Exhibit LA-2, Schedule C-8, this adjustment decreases payroll expense by $1.760 million for non-union and union employees in the Company's Water Base Operations and by $167,998 for non-union and union employees in the Company's Wastewater Base Operations.

Q. Will you continue to review additional information for Aqua PA's work force as additional responses to OCA discovery concerning this are received from Aqua?

A. Yes. I will continue to review additional information including Aqua's response to OCA-XXIII-1.

`Q. Is there a related adjustment to payroll tax expense?

A. Yes. As discussed below pursuant to Exhibit LA-2, Schedule C-9, there is a related adjustment to payroll tax expense.

Schedule C-9, Payroll Tax Expense (Water and Wastewater)

Q. Please explain the adjustment to Aqua's payroll tax expense?

A. This adjustment to Aqua's payroll tax expense is made in conjunction with the adjustments that I am recommending related to (1) removing 25 vacant non-union seasonal employees, and (2) the vacancy rate used for payroll expense from the FPFTY cost of service. As shown on Exhibit LA-2, Schedule C-9, I have reduced Aqua's payroll tax expense by $150,072 for Water Base Operations and by $12,852 for Wastewater Base Operations for an overall reduction of $162,924.

Schedule C-10, 401k Expense (Water)

Q. Please explain the adjustment to 401K expense.

A. This adjustment is related to applying a vacancy rate for the projected FPFTY 2025 work force as shown on Schedule C-8. Specifically, on Exhibit LA-2, Schedule C-10, I reduced the Company's proposed FPFTY 401K expense for Water Base Operations by applying the 4.57 percent vacancy rate shown on Schedule C-8. I then applied the Company's water capitalization rate percentage to derive the amount of adjustment to 401K expense charged to Water Base operating expenses. As shown on Exhibit LA-2, Schedule C-10, my adjustment reduces FPFTY 401k expense by $136,152 for Water Base Operations. There is no adjustment for this expense for Aqua PA's Wastewater Base Operations.

Schedule C-11, Group Insurance Expense (Water and Wastewater)

Q. Please explain the adjustment to employee group insurance expense for Aqua's Water Base and Wastewater Base Operations?

A. As discussed on page 13 of his Direct Testimony, Company witness Packer states that Aqua PA provides healthcare coverage to all of its full-time employees and that the Company's proposed adjustment to group insurance expense utilizes the coverage level associated with (1) Aqua PA's present complement of authorized positions multiplied by the contract prices, (2) less employee co-pays, (3) a vacancy credit, and (4) an adjustment for the portion of group insurance expense that is capitalized.

Q. What vacancy rate did the Company use in its calculation of group insurance expense for Water Base and Wastewater Base Operations?

A. Similar to Aqua PA's proposed adjustment to FPFTY payroll expense, it is unclear what, if any, vacancy rate the Company used in its calculation of group insurance expense for Water Base and Wastewater Base Operations.

Q. Will you review additional information on Aqua's work force vacancies as such information becomes available?

A. Yes. OCA has requested that Aqua identify where its claimed vacancy rate is reflected in Aqua's highly confidential Exhibit 2-For Filing[7] and to show how it was

[7] These workpapers also include Aqua's calculations for FPFTY group insurance expense.

applied in data request OCA-XXIII-1. I will review Aqua's response to OCA-XXIII-1 when it is received.

Q. What vacancy rate did you apply for Aqua's group insurance expense?

A. As discussed previously, I am recommending a 4.57 percent vacancy adjustment to payroll expense for Water Base Operations. This same vacancy rate should be used in the calculations of the FPFTY employee group insurance for Water Base Operations.

As shown on Exhibit LA-2, Schedule C-11, line 6, this adjustment decreases Aqua's proposed employee group insurance expense for Water Base Operations by $289,226.

Q. Did Aqua propose a similar adjustment to employee group insurance for its Wastewater Base Operations?

A. No. Schedule C-8.1 of Exhibit 1-C Wastewater Base reflects the amount of $2,114,321 million for the FPFTY, which is described by Aqua as "wastewater intracompany benefits."

Q. If Aqua did not propose a similar adjustment to employee group insurance for Wastewater Base Operations, why are you including the discussion of intracompany wastewater benefits in this section of your testimony?

A. I am including the discussion of the intracompany wastewater benefits in this section of my testimony to be consistent with how Aqua presented its proposed adjustment

for this item in its filing. Specifically, the Company's proposed adjustment for the intracompany wastewater benefits in Exhibit 1-C Wastewater Base is presented on Schedule C-8.1, which is the same schedule used by Aqua in its employee group insurance adjustment as shown on Exhibit 1-A for Water Base Operations.

Q. How did the Company calculate the wastewater intracompany benefits amount of $2,114,321?

A. The Company's calculation of the wastewater intracompany benefits is shown in the table below:

Description	Amount	Reference
Expensed Non-Union Payroll Expense	$ 1,720,692	Exhibit 1-C WW Base, Sch. C-4.5
Expensed Union Payroll Expense	$ 1,803,177	Exhibit 1-C WW Base, Sch. C-4.5
Total Expensed Payroll Expense for Wastewater Base Operations	$ 3,523,869	
Intracompany Benefits Rate	60%	Exhibit 1-C WW Base
Wastewater Base Intracompany Benefit	$ 2,114,321	Exhibit 1-C WW Base, Sch. C-8.1

Q. Are you proposing an adjustment to the Company's wastewater intracompany benefits calculation?

A. Yes, I am proposing an adjustment to the Company's wastewater intracompany benefits calculation. Specifically, as discussed above with respect to the adjustment for water and wastewater utility payroll expense presented on Exhibit LA-2, Schedule C-8, I applied a vacancy rate of 4.69 percent to derive the Company's FPFTY payroll expense for Wastewater Base Operations. Using the same method for deriving intercompany benefits expense for the wastewater base operations that Aqua used, as described above, I calculated wastewater intracompany benefits of $2,013,522 as shown in the table below:

Description	Amount	Reference
Expensed Non-Union Payroll Expense	$ 1,638,659	OCA Sch. C-11
Expensed Union Payroll Expense	$ 1,717,211	OCA Sch. C-11
Total Expensed Payroll Expense for Wastewater Base Operations	$ 3,355,871	
Intracompany Benefits Rate	60%	Exhibit 1-C WW Base
Wastewater Base Intracompany Benefit	$ 2,013,522	Exhibit 1-C WW Base, Sch. C-8.1

As shown on Exhibit LA-2, Schedule C-11, line 7, the result of using my recommended FPFTY payroll expense results in decreases the wastewater intracompany benefits expense by $100,799 ($2,114,321 - $2,013,522).

Schedule C-12, Intracompany Benefits (Water)

Q. Please explain the adjustment to Exhibit LA-2, Schedule C-12.

A. This adjustment relates to my recommendation to reduce employee benefits expense by $100,799 for Wastewater Base Operations that was discussed in the preceding section of my testimony pursuant to Schedule C-11. Specifically, as discussed on page 15 of Mr. Packer's Direct Testimony, Company Schedule 8.5 from Exhibit 1-A removes the intracompany benefits from Water Base Operations that relate to each of the Company's wastewater utilities and in turn increases employee benefits expense by the same amounts for each wastewater utility as shown on Schedule C-8.1 on Exhibits 1-B through 1-E. Thus, my recommended FPFTY employee benefits expense for Wastewater Base Operations of $2,013,522 (shown on Schedule C-11) should be the amount of intracompany benefits removed from Water Base Operations rather than the Company's proposed amount of $2,114,321, or a difference of $100,799 (i.e., the inverse of the $100,799 reduction to employee benefits expense for Wastewater Base Operations shown on Schedule C-11).

As shown on Exhibit LA-2, Schedule C-12, my adjustment increases pre-tax operating expense by $100,799 for Water Base Operations.

Schedule C-13, Income Tax Expense - Interest Synchronization (Water and Wastewater)

Q. Please explain the interest synchronization adjustment.

A. The interest synchronization adjustment applies the weighted cost of debt to the adjusted rate base to derive the interest deduction applicable to the calculation of test year income tax expense. After adjustments, my proposed rate base for Aqua's Water Base Operations and Wastewater differs from that of the Company. This results in an adjustment to the amount of synchronized interest included in the income tax calculation for each operation. The calculations of the interest synchronization adjustment for Aqua's Water Base Operations and Wastewater Base Operations are shown on Schedule C-13 of Exhibit LA-2. The interest synchronization adjustment for each Aqua utility operation is presented on a separate page of Schedule C-13.

Schedule C-14, Adjustment to Federal and State Income Tax Expense for Repairs Deductions

Q. Please explain the adjustment on Exhibit LA-2, Schedule C-14.

A. This adjustment reduces federal and state income tax expense for Aqua's Water Base by $8.688 million and for Aqua's Wastewater Base by $152,368 to use the amounts of Repairs Deductions that Aqua claimed in 2023 as the basis for the Repairs Deduction amounts for the 2025 FPFTY.

Q. How has Aqua treated the income tax impacts from Repairs Deductions?

A. Aqua PA has been applying "flow through" treatment for its tax repairs deductions.[8] This has reduced current income taxes.

Q. What amount of Repairs Deductions has Aqua proposed for the 2025 FPFTY?

A. Aqua's responses to OCA-IX-24 indicates that Aqua used an amount of $158.6 million for water utility Repairs Deductions and $4.460 million for wastewater utility Repairs Deductions.[9]

Q. What amounts of Repairs Deductions does Aqua show for 2023?

A. Aqua's responses to OCA-IX-24 shows water utility Repairs Deductions of $192.411 million and wastewater utility Repairs Deductions of $5.018 million for 2023.

Q. Were Aqua's Repairs Deductions in 2021 also notably higher than the amounts proposed by Aqua for the 2025 FPFTY?

A. Yes. Aqua's responses to OCA-IX-24 shows water utility Repairs Deductions of $171.754 million and wastewater utility Repairs Deductions of $5.081 million for 2021. Both of those amounts are also notably higher than the amounts that Aqua has proposed for the 2025 FPFTY.

[8] See, e.g., Aqua Statement 8, Direct Testimony of Ms. Fischer, at pages 13-17.
[9] These amounts are also reflected on Schedule F-2 in Aqua Exhibits 1-A and 1-C.

Q. Has Aqua explained why its proposed amounts for Repairs Deductions for the 2025 FPFTY are so much lower than its actual Repairs Deductions amounts in 2023?

A. No.

Q. Is 2023 the most current full year information available for Aqua's Repairs Deductions?

A. Yes.

Q. Should the 2023 amounts for Aqua's Repairs Deduction be used for the calculation of income tax expense in the current rate case?

A. Yes. The 2023 information is the most current full year information available for Aqua's Repairs Deductions. The larger amounts for 2023 also appear to be consistent with Aqua's growing water and wastewater utility operations and the need to repair and replace utility plant.

Q. Please explain the adjustment in Exhibit LA-2, Schedule C-14.

A. As shown on Exhibit LA-2, Schedule C-14, for the calculation of FPFTY income tax expense, I recommend using the Company's 2023 amounts for Repairs Deductions, per the Company's response to OCA-IX-24. This adjustment reduces FPFTY federal and state income tax expense by $8.688 million for Aqua's Water Base Operations and by $152,368 for Aqua's Wastewater Base Operations, as shown on Exhibit LA-2, Schedule C-14, line 3, columns E and F, respectively.

Q. At page 14, lines 17-18 of her direct testimony, Aqua PA witness Fischer refers to a "FIN 48" adjustment, for uncertain tax positions. Do you agree with the Company's offsetting the benefits of its claimed income tax deductions for repairs, to not reflect repairs deductions related to a reserve for uncertain tax positions, pursuant to FIN 48?

A. No. I recommend that the deduction amounts, such as for repairs, reflect the Company's claimed income tax deduction amounts and that those not be reduced by any reserves for uncertain tax positions.

Q. Have you quantified a specific adjustment for impacts on ADIT and income tax expense relating to eliminating the FIN 48 reserves?

A. At this time I have not made a specific adjustment for removing an attempt by Aqua to reduce the Company's claimed amounts of Repairs Deduction for a "FIN 48" reserve. As explained above, on Schedule C-14, I have used 2023 Repairs Deduction amounts from Aqua's response to OCA-IX-24, which appears to be before Aqua's application of any "FIN 48" reserve for uncertain tax positions. As discussed above, an adjustment has been quantified to reflect a normal going forward level of Repairs Deductions as shown in Exhibit LA-2, Schedule C-14 for the water utility and wastewater utility for the 2025 FPFTY based on Aqua's actual Repairs Deductions for the most recent full year available, which is from 2023.

Q. Why are you concerned that Aqua is attempting to overstate its income tax expense by not fully reflecting the federal income tax deduction for repairs?

A. Aqua's response to OCA-XV-19 lists amounts identified as "UTP" which stands for uncertain tax position, which is another term for "FIN 48" amounts. Thus, Aqua appears to be attempting to not fully reflect the income tax impacts of the uncertain portion of its repairs deductions in its proposed ratemaking income tax calculation in the current case.

To the extent that Aqua has attempted to offset the repairs deduction amount for any "FIN 48" or "UTP" amounts related to Repairs Deductions, as appears to be the case from Aqua's response to OCA-XV-19, that Company attempt to reduce the amount of repairs deductions being used for ratemaking income tax calculations should be rejected. The repairs deduction used in the income tax calculation for 2025 FPFTY income taxes should reflect the amount expected to be deducted for repairs without any offset for uncertain tax positions.

Q. Should the Repairs Deduction amounts that are used to calculate Aqua's income tax expense for ratemaking purposes be reduced by any "FIN 48" amounts for uncertain federal income tax positions?

A. No.

Q. Was Aqua allowed to record deferrals and to have a "collar" amount in a settlement in its last rate case for differences between its actually claimed Repairs Deduction amounts and the amount that was being reflected for Repairs Deductions in the calculation of income tax expense in Aqua's last rate case?

A. Yes. A settlement in Aqua's last base rate case provided for a deferral and a subsequent refund (or collection) for differences between its actually claimed Repairs Deduction amounts and the amount that was being reflected for Repairs Deductions in the calculation of income tax expense in that Aqua rate case. The deferral that was provided for in the settlement in Aqua's last rate case could generate a regulatory liability or asset based on a "collar" range of $4 million per year, i.e., annual repairs deductions within a range of $159.06 million to $163.06 million would not generate any deferral, but repairs deductions outside of that range would.

Q. Do you recommend that a similar "collar" and deferral provision be continued for Aqua in the current rate case?

A. No. Eliminating deferral accounting for annual variances in Aqua's Repairs Deductions would restore the risk of fluctuations in the annual amounts of repairs deductions between rate cases to investors, where it appropriately belongs. Eliminating the deferral also eliminates the need to have a "collar" within which no deferrals would occur.

Q. If a deferral opportunity of some type for fluctuations in Aqua's annual repairs deductions were to be continued, should the amount of the related "collar" be narrowed?

A. Yes. If a deferral were to be used prospectively, rather than continuing a $4 million "collar" or deadband from the prior case, a smaller collar range should be used.

Q. What amount of annual "collar" would you recommend?

A. Again, as stated above, I am recommending that the deferral provision and the related "collar" for Aqua's annual Repairs Deduction be eliminated prospectively. However, if a deferral were to permitted prospectively, I recommend the related deadband for annual repairs deduction fluctuations be no more than $3 million annually, i.e., $1.5 million above or below the amount of Repairs Deductions that are utilized for calculating Aqua PA's income taxes for ratemaking purposes in the current case.

Q. At pages 15-17 of her Direct Testimony, Aqua witness Fischer discusses an amortization of income tax savings that resulted from Aqua claiming Repairs Deductions that were in excess of the amounts that were used for ratemaking purposes in Aqua's last rate case, and which were outside of the $4 million annual "collar" range that was established in that case. Do you have concerns about Aqua's proposed treatment in the current rate case related to those Company-proposed deferral amounts?

A. Yes. There is a concern regarding how Aqua has attempted to apply "FIN 48" amounts to reduce the amount of income tax savings to be refunded to ratepayers

that resulted from the Company having actual repairs deductions that exceeded the top end of the "collar" range.

Q. Are you recommending an adjustment at this time related to the Company's proposal to reduce deferred income tax expense by $4.737 million per year starting in the FPFTY for the impact of the prior year Repairs Deductions that were above the top end of the "collar" as discussed in Company witness Fischer's Direct Testimony at page 16 and shown on Aqua Schedule F-2, line 23?

A. Not at this time. There are concerns about that Aqua-proposed adjustment and an adjustment may be needed; however, at this time I have not made an adjustment to that component of Aqua's proposed income tax expense.

PFAS Treatment Costs – Aqua's Deferred Accounting Request

Q. Please discuss the Company's request relating to PFAS treatment costs.

A. As described in the testimony of Company witness Packer at pages 19-21, Aqua is requesting approval to defer capital costs and expenses that it incurs beyond the 2025 FPFTY levels established in this case in the calendar year 2026 and thereafter. Mr. Packer states that absent deferred accounting treatment authorization, the economic impacts of investments in new assets and incremental O&M expenses incurred would significantly impair the Company's opportunity to earn the Commission authorized rate of return. Current estimates for capital investments to address PFAS treatment are approximately $300 million to be spent between 2024 and 2029, and O&M expenses are estimated to be up to five percent of the capital investment. Mr.

Packer testified that the Company seeks to offset these costs through pursuit of litigation against cost causers and grant funds and low interest loans through PENNVEST but given that there is no assurance of receipt of further funds or litigation proceeds, they do not project amounts in this case for the future. *See* Aqua Statement No. at 19-21.

Q. What is your recommendation concerning the Company's proposed deferred accounting treatment?

A. I recommend that the Company's proposed deferred accounting treatment for PFAS costs be rejected. I recognize that these costs are being, and will be, incurred for an important public health and safety reason. However, other than the magnitude of them, these costs are no different from other water treatment capital costs and O&M expenses. PFAS treatment costs are recurring, not new, and not outside of Aqua's control. Aqua in this case is utilizing a FPFTY that anticipates the Company's forecasted future costs of providing service, including the Company's projections for its PFAS treatment costs. Notably, OCA witness Hoover testifies that Aqua has installed PFAS treatment since 2017 and in the seven years since at certain facilities, and these are costs that Aqua has incurred over at least the last nine years and will continue to incur going forward. *See* OCA St. 1 (citing Aqua response to OCA 10-28).

Q. Do you have further reason to support your recommendation?

A. Yes. Isolating and tracking PFAS capital costs and O&M expenses for eventual recovery runs counter to a fundamental principle of ratemaking – that a utility should be afforded the opportunity to recover its costs of providing service but not guaranteed such recovery. While I recognize that an accounting deferral mechanism does not technically guarantee cost recovery, it is highly likely the Company will seek dollar for dollar rate recovery of these deferred costs in its next base rate case and it is unlikely that these costs will be denied if they are prudently incurred. Most concerning is that where there is certainty of recovery of capital costs or expenses, any incentive to manage, mitigate, or reduce those costs/expenses is diminished. Mr. Packer discussed the Company's efforts to mitigate its PFAS costs through litigation proceeds and PENNVEST funds, but once the certainty of deferred accounting treatment is established, the Company would not be as motivated to continue to aggressively pursue these offsetting funds unless some type of consumer protection mechanism is put into place, and Aqua has not proposed any such protections.

Further, by singling out these expenses for tracking and eventual recovery, Aqua is engaging in a form of single-issue, piecemeal ratemaking. Although a utility's cost of service is made up of dozens of individual cost components, which can and will vary from expected values, single-issue ratemaking ignores the fact that as a single cost component changes in one direction, other components may change in the opposite direction. Single-issue ratemaking denies customers the benefit of these offsetting cost reductions. It shifts the risk of fluctuations in between rates cases of

PFAS treatment capital costs and O&M expenses away from investors where the risk is currently and properly borne and puts that risk onto customers.

For all the above reasons, I recommend that the requested deferred accounting treatment be rejected.

Q. Does this conclude your direct testimony?

A. Yes, it does. However, I reserve the right to incorporate new information that may subsequently become available through outstanding discovery or otherwise.

Attachment RCS-1
QUALIFICATIONS OF RALPH C. SMITH

Accomplishments

Mr. Smith's professional credentials include being a Certified Financial Planner™ professional, a Certified Rate of Return Analyst, a licensed Certified Public Accountant and attorney. He functions as project manager on consulting projects involving utility regulation, regulatory policy and ratemaking and utility management. His involvement in public utility regulation has included project management and in-depth analyses of numerous issues involving telephone, electric, gas, and water and sewer utilities.

Mr. Smith has performed work in the field of utility regulation on behalf of industry, public service commission staffs, state attorney generals, municipalities, and consumer groups concerning regulatory matters before regulatory agencies in Alabama, Alaska, Arizona, Arkansas, Barbados, California, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, New Jersey, New Mexico, New York, Nevada, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, Washington DC, West Virginia, Canada, Federal Energy Regulatory Commission and various state and federal courts of law. He has presented expert testimony in regulatory hearings on behalf of utility commission staffs and intervenors on several occasions.

Project manager in Larkin & Associates' review, on behalf of the Georgia Commission Staff, of the budget and planning activities of Georgia Power Company; supervised 13 professionals; coordinated over 200 interviews with Company budget center managers and executives; organized and edited voluminous audit report; presented testimony before the Commission. Functional areas covered included fossil plant O&M, headquarters and district operations, internal audit, legal, affiliated transactions, and responsibility reporting. All of our findings and recommendations were accepted by the Commission.

Key team member in the firm's management audit of the Anchorage Water and Wastewater Utility on behalf of the Alaska Commission Staff, which assessed the effectiveness of the Utility's operations in several areas; responsible for in-depth investigation and report writing in areas involving information systems, finance and accounting, affiliated relationships and transactions, and use of outside contractors. Testified before the Alaska Commission concerning certain areas of the audit report. AWWU concurred with each of Mr. Smith's 40 plus recommendations for improvement.

Co-consultant in the analysis of the issues surrounding gas transportation performed for the law firm of Cravath, Swaine & Moore in conjunction with the case of Reynolds Metals Co. vs. the Columbia Gas System, Inc.; drafted in-depth report concerning the regulatory treatment at both state and federal levels of issues such as flexible pricing and mandatory gas transportation.

Lead consultant and expert witness in the analysis of the rate increase request of the City of Austin - Electric Utility on behalf of the residential consumers. Among the numerous ratemaking issues addressed were the economies of the Utility's employment of outside services; provided both written and oral testimony outlining recommendations and their bases. Most of Mr. Smith's recommendations were adopted by the City Council and Utility in a settlement.

Key team member performing an analysis of the rate stabilization plan submitted by the Southern Bell Telephone & Telegraph Company to the Florida PSC; performed comprehensive analysis of the Company's projections and budgets which were used as the basis for establishing rates.

Lead consultant in analyzing Southwestern Bell Telephone separations in Missouri; sponsored the complex technical analysis and calculations upon which the firm's testimony in that case was based. He has also assisted in analyzing changes in depreciation methodology for setting telephone rates.

Lead consultant in the review of gas cost recovery reconciliation applications of Michigan Gas Utilities Company, Michigan Consolidated Gas Company, and Consumers Power Company. Drafted recommendations regarding the appropriate rate of interest to be applied to any over or under collections and the proper procedures and allocation methodology to be used to distribute any refunds to customer classes.

Lead consultant in the review of Consumers Power Company's gas cost recovery refund plan. Addressed appropriate interest rate and compounding procedures and proper allocation methodology.

Project manager in the review of the request by Central Maine Power Company for an increase in rates. The major area addressed was the propriety of the Company's ratemaking attrition adjustment in relation to its corporate budgets and projections.

Project manager in an engagement designed to address the impacts of the Tax Reform Act of 1986 on gas distribution utility operations of the Northern States Power Company. Analyzed the reduction in the corporate tax rate, uncollectibles reserve, ACRS, unbilled revenues, customer advances, CIAC, and timing of TRA-related impacts associated with the Company's tax liability.

Project manager and expert witness in the determination of the impacts of the Tax Reform Act of 1986 on the operations of Connecticut Natural Gas Company on behalf of the Connecticut Department of Public Utility Control - Prosecutorial Division, Connecticut Attorney General, and Connecticut Department of Consumer Counsel.

Lead Consultant for The Minnesota Department of Public Service ("DPS") to review the Minnesota Incentive Plan ("Incentive Plan") proposal presented by Northwestern Bell Telephone Company ("NWB") doing business as U S West Communications ("USWC"). Objective was to express an opinion as to whether current rates addressed by the plan were appropriate from a Minnesota intrastate revenue requirements and accounting perspective, and to assist in developing recommended modifications to NWB's proposed Plan.

Performed a variety of analytical and review tasks related to our work effort on this project. Obtained and reviewed data and performed other procedures as necessary (1) to obtain an understanding of the Company's Incentive Plan filing package as it relates to rate base, operating income, revenue requirements, and plan operation, and (2) to formulate an opinion concerning the reasonableness of current rates and of amounts included within the Company's Incentive Plan filing. These procedures included requesting and reviewing extensive discovery, visiting the Company's offices to review data, issuing follow-up information requests in many instances, telephone and on-site discussions with Company representatives, and frequent discussions with counsel and DPS Staff assigned to the project.

Lead Consultant in the regulatory analysis of Jersey Central Power & Light Company for the Department of the Public Advocate, Division of Rate Counsel. Tasks performed included on-site review and audit of Company, identification and analysis of specific issues, preparation of data requests, testimony, and cross examination questions. Testified in Hearings.

Assisted the NARUC Committee on Management Analysis with drafting the Consultant Standards for Management Audits.

Presented training seminars covering public utility accounting, tax reform, ratemaking, affiliated transaction auditing, rate case management, and regulatory policy in Maine, Georgia, Kentucky, and Pennsylvania. Seminars were presented to commission staffs and consumer interest groups.

Previous Positions

With Larkin, Chapski and Co., the predecessor firm to Larkin & Associates, was involved primarily in utility regulatory consulting, and also in tax planning and tax research for businesses and individuals, tax return preparation and review, and independent audit, review and preparation of financial statements.

Installed computerized accounting system for a realty management firm.

Education

Bachelor of Science in Administration in Accounting, with distinction, University of Michigan, Dearborn, 1979.

Master of Science in Taxation, Walsh College, Michigan, 1981. Master's thesis dealt with investment tax credit and property tax on various assets.

Juris Doctor, cum laude, Wayne State University Law School, Detroit, Michigan, 1986. Recipient of American Jurisprudence Award for academic excellence.

Continuing education required to maintain CPA license and CFP® certificate.

Passed all parts of CPA examination in first sitting, 1979. Received CPA certificate in 1981 and Certified Financial Planning certificate in 1983. Admitted to Michigan and Federal bars in 1986.

Michigan Bar Association.

American Bar Association, sections on public utility law and taxation.

Partial list of utility cases participated in:

79-228-EL-FAC	Cincinnati Gas & Electric Company (Ohio PUC)
79-231-EL-FAC	Cleveland Electric Illuminating Company (Ohio PUC)
79-535-EL-AIR	East Ohio Gas Company (Ohio PUC)
80-235-EL-FAC	Ohio Edison Company (Ohio PUC)
80-240-EL-FAC	Cleveland Electric Illuminating Company (Ohio PUC)
U-1933	Tucson Electric Power Company (Arizona Corp. Commission)
U-6794	Michigan Consolidated Gas Co. --16 Refunds (Michigan PSC)
81-0035TP	Southern Bell Telephone Company (Florida PSC)
81-0095TP	General Telephone Company of Florida (Florida PSC)
81-308-EL-EFC	Dayton Power & Light Co.- Fuel Adjustment Clause (Ohio PUC)
810136-EU	Gulf Power Company (Florida PSC)
GR-81-342	Northern States Power Co. -- E-002/Minnesota (Minnesota PUC)
Tr-81-208	Southwestern Bell Telephone Company (Missouri PSC))
U-6949	Detroit Edison Company (Michigan PSC)
8400	East Kentucky Power Cooperative, Inc. (Kentucky PSC)
18328	Alabama Gas Corporation (Alabama PSC)
18416	Alabama Power Company (Alabama PSC)
820100-EU	Florida Power Corporation (Florida PSC)
8624	Kentucky Utilities (Kentucky PSC)
8648	East Kentucky Power Cooperative, Inc. (Kentucky PSC)
U-7236	Detroit Edison - Burlington Northern Refund (Michigan PSC)
U6633-R	Detroit Edison - MRCS Program (Michigan PSC)
U-6797-R	Consumers Power Company -MRCS Program (Michigan PSC)
U-5510-R	Consumers Power Company - Energy conservation Finance Program (Michigan PSC)
82-240E	South Carolina Electric & Gas Company (South Carolina PSC)
7350	Generic Working Capital Hearing (Michigan PSC)
RH-1-83	Westcoast Transmission Co., (National Energy Board of Canada)
820294-TP	Southern Bell Telephone & Telegraph Co. (Florida PSC)
82-165-EL-EFC (Subfile A)	Toledo Edison Company (Ohio PUC)
82-168-EL-EFC	Cleveland Electric Illuminating Company (Ohio PUC)
830012-EU	Tampa Electric Company (Florida PSC)
U-7065	The Detroit Edison Company - Fermi II (Michigan PSC)
8738	Columbia Gas of Kentucky, Inc. (Kentucky PSC)
ER-83-206	Arkansas Power & Light Company (Missouri PSC)
U-4758	The Detroit Edison Company – Refunds (Michigan PSC)
8836	Kentucky American Water Company (Kentucky PSC)
8839	Western Kentucky Gas Company (Kentucky PSC)
83-07-15	Connecticut Light & Power Co. (Connecticut DPU)
81-0485-WS	Palm Coast Utility Corporation (Florida PSC)
U-7650	Consumers Power Co. (Michigan PSC)
83-662	Continental Telephone Company of California, (Nevada PSC)
U-6488-R	Detroit Edison Co., FAC & PIPAC Reconciliation (Michigan PSC)
U-15684	Louisiana Power & Light Company (Louisiana PSC)
7395 & U-7397	Campaign Ballot Proposals (Michigan PSC)
820013-WS	Seacoast Utilities (Florida PSC)
U-7660	Detroit Edison Company (Michigan PSC)
83-1039	CP National Corporation (Nevada PSC)
U-7802	Michigan Gas Utilities Company (Michigan PSC)
83-1226	Sierra Pacific Power Company (Nevada PSC)
830465-EI	Florida Power & Light Company (Florida PSC)
U-7777	Michigan Consolidated Gas Company (Michigan PSC)
U-7779	Consumers Power Company (Michigan PSC)

U-7480-R	Michigan Consolidated Gas Company (Michigan PSC)
U-7488-R	Consumers Power Company – Gas (Michigan PSC)
U-7484-R	Michigan Gas Utilities Company (Michigan PSC)
U-7550-R	Detroit Edison Company (Michigan PSC)
U-7477-R	Indiana & Michigan Electric Company (Michigan PSC)
18978	Continental Telephone Co. of the South Alabama (Alabama PSC)
R-842583	Duquesne Light Company (Pennsylvania PUC)
R-842740	Pennsylvania Power Company (Pennsylvania PUC)
850050-EI	Tampa Electric Company (Florida PSC)
16091	Louisiana Power & Light Company (Louisiana PSC)
19297	Continental Telephone Co. of the South Alabama (Alabama PSC)
76-18788AA &76-18793AA	Detroit Edison - Refund - Appeal of U-4807 (Ingham County, Michigan Circuit Court)
85-53476AA & 85-534785AA	Detroit Edison Refund - Appeal of U-4758 (Ingham County, Michigan Circuit Court)
U-8091/U-8239	Consumers Power Company - Gas Refunds (Michigan PSC)
TR-85-179	United Telephone Company of Missouri (Missouri PSC)
85-212	Central Maine Power Company (Maine PSC)
ER-85646001 & ER-85647001	New England Power Company (FERC)
850782-EI & 850783-EI	Florida Power & Light Company (Florida PSC)
R-860378	Duquesne Light Company (Pennsylvania PUC)
R-850267	Pennsylvania Power Company (Pennsylvania PUC)
851007-WU & 840419-SU	Florida Cities Water Company (Florida PSC)
G-002/GR-86-160	Northern States Power Company (Minnesota PSC)
7195 (Interim)	Gulf States Utilities Company (Texas PUC)
87-01-03	Connecticut Natural Gas Company (Connecticut PUC))
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3673-	Georgia Power Company (Georgia PSC)
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U-8924	Consumers Power Company – Gas (Michigan PSC)
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U-87-47	Anchorage Water and Wastewater Utility (Alaska PUC)
870853	Pennsylvania Gas and Water Company (Pennsylvania PUC)
880069	Southern Bell Telephone Company (Florida PSC)
U-1954-88-102 T E-1032-88-102	Citizens Utilities Rural Company, Inc. & Citizens Utilities Company, Kingman Telephone Division (Arizona CC)
89-0033	Illinois Bell Telephone Company (Illinois CC)
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87-11628	Duquesne Light Company, et al, plaintiffs, against Gulf+Western, Inc. et al, defendants (Court of the Common Pleas of Allegheny County, Pennsylvania Civil Division)
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891345-EI	Gulf Power Company (Florida PSC)
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6531	Hawaiian Electric Company (Hawaii PUCs)
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900329-WS	Southern States Utilities, Inc. (Florida PSC)
90-12-018	Southern California Edison Company (California PUC)
90-E-1185	Long Island Lighting Company (New York DPS)
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92-09-19	Southern New England Telephone Company (Connecticut PUC)
E-1032-92-073	Citizens Utilities Company (Electric Division), (Arizona CC)
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U-93-60	Matanuska Telephone Association, Inc. (Alaska PUC)
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U-93-64	PTI Communications (Alaska PUC)
7700	Hawaiian Electric Company, Inc. (Hawaii PUC)
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94-E-0334	Consolidated Edison Company (New York DPS)
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94-996-EL-AIR	Ohio Power Company (Ohio PUC)
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T-01051B-99-0105	US West Communications, Inc. Rate Case (Arizona CC)
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02-S&TT-390-AUD	S&T Telephone Cooperative Audit/General Rate Investigation (Kansas CC)
01-SFLT-879-AUD	Sunflower Telephone Company Inc., Audit/General Rate Investigation (Kansas CC)
01-BSTT-878-AUD	Bluestem Telephone Company, Inc. Audit/General Rate Investigation (Kansas CC)
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U-01-34	ACS of Anchorage, dba as Alaska Communications Systems (ACS), Rate Case (Alaska Regulatory Commission PAS)
U-01-83	ACS of Fairbanks, dba as Alaska Communications Systems (ACS), Rate Case (Alaska Regulatory Commission PAS)
U-01-87	ACS of the Northland, dba as Alaska Communications Systems (ACS), Rate Case (Alaska Regulatory Commission PAS)
U-01-84	ACS of Fairbanks dba Alaska Communications Systems (ACS), Rate Case (Alaska Regulatory Commission PAS)
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04-0113	Hawaiian Electric Company (Hawaii PUC)
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05-725-EL-UNC	Cincinnati Gas & Electric Company (PUC of Ohio)
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19142-U	Georgia Power Company (Georgia PSC)
03-07-01RE01	Connecticut Light & Power Company (CT DPUC)
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03-07-02	Connecticut Light & Power Company (CT DPUC)
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A-122250F5000	Equitable Resources, Inc. and The Peoples Natural Gas Company, d/b/a Dominion Peoples (Pennsylvania PUC)
E-01345A-05-0816	Arizona Public Service Company (Arizona CC)
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U-06-45	Anchorage Water Utility (Regulatory Commission of Alaska)
03-93-EL-ATA, 06-1068-EL-UNC	Duke Energy Ohio (Ohio PUC)
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G-01551A-07-0504	Southwest Gas Corporation (Arizona CC)
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PUE-2008-00046	Appalachian Power Company (Virginia SCC)
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A-2008-2063737	Babcock & Brown Infrastructure Fund North America, LP. and The Peoples Natural Gas Company, d/b/a Dominion Peoples (Pennsylvania PUC)
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08-1761-G-PC	Hope Gas, Inc., dba Dominion Hope, Dominion Resources, Inc., and Peoples Hope Gas Companies (West Virginia PSC)
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09-0319	Illinois-American Water Company (Illinois CC)
09-414	Delmarva Power & Light Company (Delaware PSC)
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U-09-069, U-09-070	ENSTAR Natural Gas Company (Regulatory Commission of Alaska)
U-04-023, U-04-024	Anchorage Water and Wastewater Utility - Remand (Regulatory Commission of Alaska)
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09-873-EL-FAC	Financial Audits of the FAC of the Columbus Southern Power Company and the Ohio Power Company - Audit I (Ohio PUC)
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09-0602	Central Illinois Light Company D/B/A AmerenCILCO; Central Illinois Public Service Company D/B/A AmerenCIPS; Illinois Power Company D/B/A AmerenIP (Illinois CC)
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10-0699-E-42T	Appalachian Power Company and Wheeling Power Company (West Virginia PSC)
10-0920-W-42T	West Virginia-American Water Company (West Virginia PSC)
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09-1012-EL-FAC	Financial, Management, and Performance Audit of the FAC for Dayton Power and Light – Audit 1 (Ohio PUC)
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G-01551A-10-0458	Southwest Gas Corporation (Arizona CC)
10-KCPE-415-RTS	Kansas City Power & Light Company – Remand (Kansas CC)
PUE-2011-00037	Virginia Appalachian Power Company (Commonwealth of Virginia SCC)
R-2011-2232243	Pennsylvania-American Water (Pennsylvania PUC)
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A.10-12-005	San Diego Gas & Electric Company (California PUC)
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E-01345A-11-0224	Arizona Public Service Company (Arizona CC)
UE-111048 & UE-111049	Puget Sound Energy, Inc. (Washington Utilities and Transportation Commission)
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12-0511 & 12-0512	North Shore Gas Company and The Peoples Gas Light and Coke Company (Illinois CC)
E-01933A-12-0291	Tucson Electric Power Company (Arizona CC)
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43114-IGCC-10	Duke Energy Indiana, Inc. (Indiana Utility Regulatory Commission)
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Docket No. 13-0192	Ameren Illinois Company (Illinois CC)
12-1649-W-42T	West Virginia-American Water Company (West Virginia PSC)
E-04204A-12-0504	UNS Electric, Inc. (Arizona CC)
PUE-2013-00020	Virginia and Electric Power Company (Virginia SCC)
R-2013-2355276	Pennsylvania-American Water Company (Pennsylvania PUC)
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U-13-007	Chugach Electric Association, Inc. (The Regulatory Commission of Alaska)
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13-1892-EL FAC	Financial Audit of the FAC and AER of the Ohio Power Company – Audit I (Ohio PUC)
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U-14-001	Chugach Electric Association, Inc. (The Regulatory Commission of Alaska)
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14-0117-EL-FAC	Financial, Management, and Performance Audit of the FAC and Purchased Power Rider for Dayton Power and Light – Audit 1 (Ohio PUC)
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R-2014-2428743	Pennsylvania Electric Company (Pennsylvania PUC)
R-2014-2428744	Pennsylvania Power Company (Pennsylvania PUC)
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U-14-111	ENSTAR Natural Gas Company (Regulatory Commission of Alaska)
2015-UN-049	Atmos Energy Corporation (Mississippi PSC)
15-0003-G-42T	Mountaineer Gas Company (West Virginia PSC)
PUE-2015-00027	Virginia Electric and Power Company (Commonwealth of Virginia SCC)
2015-0022	Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., Maui Electric Company Limited, and NextEra Energy, Inc. (Hawaii PUC)
15-0676-W-42T	West Virginia-American Water Company (West Virginia PSC)
15-07-38	Iberdrola, S.A. Et Al, and UIL Holdings Corporation merger (Connecticut PURA)
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15-042-EL-FAC	Management/Performance and Financial Audit of the FAC and Purchased Power Rider for Dayton Power and Light (Ohio PUC)
U-15-016	Cook Inlet Natural Gas Storage Alaska, LLC (Regulatory Commission of Alaska)
2015-UN-0080	Mississippi Power Company (Mississippi PSC)
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U-15-089, U-15-091, & U-15-092	Golden Heart Utilities, Inc. and College Utilities Corporation (The Regulatory Commission of Alaska)
16-00001	Kingsport Power Company d/b/a AEP Appalachian Power (Tennessee Regulatory Authority)
PUE-2015-00097	Virginia-American Water Company (Commonwealth of Virginia SCC)
15-1854-EL-RDR	Management/Performance and Financial Audit of the Alternative Energy Recovery Rider of Duke Energy Ohio, Inc. (Ohio PUC)
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R-2016-2537352	Pennsylvania Electric Company (Pennsylvania PUC)
R-2016-2537355	Pennsylvania Power Company (Pennsylvania PUC)
R-2016-2537359	West Penn Power Company (Pennsylvania PUC)
16-0717-G-390P	Hope Gas, Inc., dba Dominion Hope (West Virginia PSC)
15-1256-G-390P (Reopening)/16-0922-G-390P	Mountaineer Gas Company (West Virginia PSC)
16-0550-W-P	West Virginia-American Water Company (West Virginia PSC)
CEPR-AP-2015-0001	Puerto Rico Electric Power Authority (Puerto Rico Energy Commission)
E-01345A-16-0036	Arizona Public Service Company (Arizona CC)
Docket No. 4618	Providence Water Supply Board (Rhode Island PUC)

Docket No. 46238	Joint Report and Application of Oncor Electric Delivery Company LLC and NextEra Energy Inc. (Texas State Office of Administrative Hearings; Texas PUC)
U-16-066	ENSTAR Natural Gas Company (Regulatory Commission of Alaska)
2016-00370	Kentucky Utilities Company (Kentucky PSC)
2016-00371	Louisville Gas and Electric Company (Kentucky PSC)
P-2015-2508942	Metropolitan Edison Company (Pennsylvania PUC)
P-2015-2508936	Pennsylvania Electric Company (Pennsylvania PUC)
P-2015-2508931	Pennsylvania Power Company (Pennsylvania PUC)
P-2015-2508948	West Penn Power Company (Pennsylvania PUC)
E-04204A-15-0142	UNS Electric, Inc. (Arizona CC)
E-01933A-15-0322	Tucson Electric Power Company (Arizona CC)
UE-170033 & UG-170034	Puget Sound Energy, Inc. (Washington UTC)
Case No. U-18239	Consumers Energy Company (Michigan PSC)
Case No. U-18248	DTE Electric Company (Michigan PSC)
Case No. 9449	Merger of AltaGas Ltd. and WGL Holdings (Maryland PSC)
FC No. 1142	Merger of AltaGas Ltd. and WGL Holdings (District of Columbia PSC)
2017-00179	Kentucky Power Company (Kentucky PSC)
Docket No. 29849	Georgia Power Plant Vogtle Units 3 and 4, VCM 17 (Georgia PSC)
2017-AD-112	Mississippi Power Company (Mississippi PSC)
D2017.9.79	Montana-Dakota Utilities Co. (Montana PSC)
SW-01428A-17-0058 et al	Liberty Utilities (Litchfield Park Water & Sewer) Corp. (Arizona CC)
U-18-021 & U-18-033	Chugach Electric Association, Inc. (Regulatory Commission of Alaska)
Docket No. 4800	Suez Water Rhode Island Inc. (Rhode Island PUC)
GO No. 236.1	In the Matter of the Effects on Utilities of the 2017 Tax Cuts and Jobs Act (West Virginia PSC)
20180047-EI	Duke Energy Florida, LLC. (Florida PSC)
20180046-EI	Florida Power & Light Company (Florida PSC)
20180048-EI	Florida Public Utilities Company – Electric (Florida PSC)
20180052-GU	Florida Public Utilities Company – Indiantown (Florida PSC)
20180054-GU	Florida Division of Chesapeake Utilities Corporation (Florida PSC)
20180051-GU	Florida Public Utilities Company – Gas Division (Florida PSC)
20180053-GU	Florida Public Utilities Company - Fort Meade (Florida PSC)
45032 S4	Indiana American Water Company, Inc. Phase 2 (Indiana Utility Regulatory Commission)
D2018.1.6	Montana-Dakota Utilities Co. (Montana PSC)
D2018.4.24	NorthWestern Energy (Montana PSC)
D2018.4.22	Montana-Dakota Utilities Co. (Montana PSC)
18-0573-W-42T & 18-0576-S-42T	West Virginia-American Water Company (West Virginia PSC)
18-0646-E-42T & 18-0645-E-D	Appalachian Power Company and Wheeling Power Company (West Virginia PSC)
18-0049-GA-ALT, 18-0298-GA-AIR, & 18-0299-GA-ALT	Vectren Energy Delivery of Ohio, Inc. (Ohio PUC)
R-2018-3003558, R-2018-3003561	Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (Pennsylvania PUC)
Cause No. 45142	Indiana-American Water Company, Inc. (Indiana Utility Regulatory Commission)
U-18-043	Cook Inlet Natural Gas Storage Alaska, LLC (Regulatory Commission of Alaska)

T-03214-17-0305	Citizens Telecommunications Company of The White Mountains, Inc. d/b/a Frontier Communications of The White Mountains (Arizona CC)
D2018.9.60	Montana-Dakota Utilities Co. (Montana PSC)
Docket No. 4890	Narragansett Bay Commission (Rhode Island PUC)
PUR-2018-00131	Columbia Gas of Virginia (Virginia SCC)
EL18-152-000	Louisiana PSC v. System Energy Resources, Inc. and Entergy Services, Inc. (FERC)
PUR-2018-00175	Virginia-American Water Company (Virginia SCC)
A-2018-3006061, A-2018-3006062 and A-2018-3006063	Aqua America, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC, Peoples Gas Company LLC (Pennsylvania PUC)
D2018.2.12	NorthWestern Energy (Montana PSC)
Docket No. 42310	Georgia Power Company – Integrated Resource Plan (Georgia PSC)
U-18-102	Municipality of Anchorage d/b/a Municipal Light & Power Department (Regulatory Commission of Alaska)
49494	AEP Texas, Inc. (Texas PUC)
Application 18-12-009	Pacific Gas and Electric Company (California PUC)
19-0316-G-42T	Mountaineer Gas Company (West Virginia PSC)
U-19-020	Chugach Electric Association, Inc. and Municipality of Anchorage d/b/a Municipal Light & Power Department (Regulatory Commission of Alaska)
19-0051-EL-RDR	Management/Performance and Financial Audit of the Alternative Energy Recovery Rider of Duke Energy Ohio, Inc. (Ohio PUC)
A-2018-3006061, A-2018-3006062, and A-2018-3006063	Joint Application of Aqua America, Inc., Aqua Pennsylvania, Inc. Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC, and Peoples Gas Company LLC (Pennsylvania PUC)
ER-18-1182-001	System Energy Resources, Inc. (FERC)
E-01933A-19-0028	Tuscon Electric Power Company (Arizona CC)
G-01551A-19-0055	Southwest Gas Corporation (Arizona CC)
2018-UN-205	Entergy Mississippi, LLC (Mississippi PSC)
W-03039A-17-0295, W-03039A-19-0092, and WS-01303A-19-0092	Brooke Water, LLC and EPCOR Water Arizona (Arizona CC)
Docket No. 4975	Block Island Utility District d/b/a Block Island Power Company (Rhode Island PUC)
A-2019-3014248	Pennsylvania-American Water Company and Wastewater System Assets of Kane Borough (Pennsylvania PUC)
Docket No. 4994	Providence Water Supply Board (Rhode Island PUC)
19-0791-GA-ALT	Plant in Service and Capital Spending Prudence Audit of Duke Energy Ohio (Ohio PUC)
U-19-070/U-19-071/ U-19-087/U-19-088	Golden Heart Utilities, Inc. and College Utilities Corporation (Regulatory Commission of Alaska)
Docket No. 42516	Georgia Power Company (Georgia PSC)
20200070-EI	Gulf Power Company (Florida PSC)
20200071-EI	Florida Power & Light Company (Florida PSC)
20200092-EI	Florida Power & Light Company and Gulf Power Company (Florida PSC)
20-GREC-01	Fitchburg Gas and Electric Light Company d/b/a Unitil (Massachusetts DPU)

20-GREC-03	Boston Gas Company and Colonial Gas Company d/b/a National Grid (Massachusetts DPU)
20-GREC-04	Liberty Utilities (New England Natural Gas Company) Corp d/b/a Liberty Utilities (Massachusetts DPU)
PUR-2020-00015	Appalachian Power Company (Virginia SCC)
20-0414-G-390P	Hope Gas, Inc. dba Dominion Energy West Virginia (West Virginia PSC)
Cause No. 45032-S16	Hamilton Southeastern Utilities, Inc. (Indiana URC)
2019.1.101	NorthWestern Energy (Montana PSC)
A-2019-3015173	Aqua Pennsylvania Wastewater Inc. and Wastewater System Assets of the Delaware County Regional Water Quality Control Authority (Pennsylvania PUC)
R-2020-3019369 and R-2020-3019371	Pennsylvania American Water Company (Pennsylvania PUC)
2020.06.076	Montana-Dakota Utilities Co. (Montana PSC)
P-20-005	Cook Inlet Pipeline LLC (Regulatory Commission of Alaska)
2020.05.055	Montana-Dakota Utilities Co. (Montana PSC)
2020.05.066	NorthWestern Energy (Montana PSC)
PUR-2020-00169	Virginia Electric and Power Company (Virginia SCC)
20-0746-G-42T	Hope Gas, Inc., d/b/a Dominion Energy West Virginia (West Virginia PSC)
20-553-EL-RDR	Management/Performance and Financial Audit of the Alternative Energy Rider of the Dayton Power and Light Company (Ohio PUC)
E-01345A-19-0236	Arizona Public Service Company (Arizona CC)
U-20-012	Cook Inlet Natural Gas Storage Alaska, LLC (Regulatory Commission of Alaska)
Docket No. 20-01-31	The Southern New England Telephone Company d/b/a Frontier Communications of Connecticut (SNET) (Connecticut PURA)
P-2020-3021191	Peoples Natural Gas Company LLC (Pennsylvania PUC)
A-2021-3026523, A-2021-3026515, and A-2021-3026522	Joint Application of Veolia Environnement S.A., Veolia North America, Inc., SUEZ S.A., SUEZ Water Pennsylvania Inc. and SUEZ Water Bethel Inc. (Pennsylvania PUC)
A-2021-3026794 and A-2021-3026796	Joint Application of Peoples Natural Gas Company LLC and Peoples Gas Company (Pennsylvania PUC)
A-2021-3026774 and A-2021-3026775	Joint Application of Aqua Pennsylvania Inc., and Aqua Pennsylvania Wastewater Inc. (Pennsylvania PUC)
A-2021-3024267	Aqua Pennsylvania Wastewater Inc. (Pennsylvania PUC)
R-2021-3027385 and R-2021-3027386	Aqua Pennsylvania, Inc, and Aqua Pennsylvania Wastewater, Inc. (Pennsylvania PUC)
21-0595-WW-AIR	Aqua Ohio, Inc. (Ohio PUC)
21-0596-ST-AIR	Aqua Ohio Wastewater, Inc. (Ohio PUC)
21-0369-W-42T	West Virginia-American Water Company (West Virginia PSC)
U-21-058	Cook Inlet Natural Gas Storage Alaska, LLC (Regulatory Commission of Alaska)
E-01345A-21-0056	Fuel and Purchased Power Audit of Arizona Public Service Company (Arizona CC)
SW-20445A-20-0214 et al	Global Water Resources, Inc. (Arizona CC)
PUR-2021-00058	Virginia Electric and Power Company (Virginia SCC)
U-21-070/U-21-071	Golden Heart Utilities, Inc. and College Utilities Corporation (Regulatory Commission of Alaska)

U-22-001	Railbelt Reliability Council for Certification of an Electric Reliability Organization (Regulatory Commission of Alaska)
Docket No. 44160	Georgia Power Company Integrated Resource Plan (Georgia PSC)
22-620-GA-RDR	Plant in Service and Capital Spending Prudence Audit of Vectren Energy Delivery of Ohio, Inc. d/b/a CenterPoint Energy Ohio (Ohio PUC)
PUR-2021-00255	Virginia-American Water Company (Virginia SCC)
RP19-73-003	El Paso Natural Gas Company, LLC (FERC)
22-0304-E-P	Appalachian Power Company and Wheeling Power Company (West Virginia PSC)
R-2022-3031672 and R-2022-3031673	Pennsylvania-American Water Company (Pennsylvania PUC)
22-0294-G-PC	Hope Gas, Inc., dba Dominion Energy West Virginia and Hope Gas Holdings (West Virginia PSC)
G-01551A-21-0368	Southwest Gas Corporation (Arizona CC)
2022.06.064	NorthWestern Energy (Montana PSC)
U-21-088, U-21-089, U-22-006, U-2-007, U-22-008, U-22-009	Sand Point Generating, LLC, North Slope Generating, LLC, TDX Manley Generating, LLC, TDX North Slope Generating, LLC, Sand Point Generating, LLC, TDX ADAK Generating, LLC. (Regulatory Commission of Alaska)
20220067-GU	Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation, Florida Public Utilities Company – Fort Meade, and Florida Public Utilities Company – Indiantown Division (Florida PSC)
PUR-2020-00015	Appalachian Power Company – Remand (Virginia SCC)
U-22-029	Golden Valley Electric Association, Inc. (Regulatory Commission of Alaska)
22-0393-E-ENEC	Appalachian Power Company and Wheeling Power Company (West Virginia PSC)
E-01773A-21-0298	Arizona Electric Power Cooperative, Inc. (Arizona CC)
44280	Georgia Power Company (Georgia PSC)
FTC-01/2021-BL&P-RRA-20211004	Barbados Light & Power Company Limited (Barbados Fair Trading Commission)
U-22-002 and U-22-003	Municipality of Anchorage d/b/a Anchorage Water and Wastewater Utility (Regulatory Commission of Alaska)
A-2019-3015173	Aqua Pennsylvania Wastewater Inc. and Wastewater System Assets of the Delaware County Regional Water Quality Control Authority - Remand (Pennsylvania PUC)
2022.07.078	NorthWestern Energy (Montana PSC)
A.22-05-016	San Diego Gas & Electric Company (California PUC)
2022-UN-86/ 2022-UN-087	Great River Utility Operating Company, LLC (Mississippi PSC)
E-01933A-22-0107	Tucson Electric Power Company (Arizona CC)
A-2022-3035298, A-2022-3035299, A-2022-3035490, A-2022-3035492	Manwalamink Water Company, Manwalamink Sewer Company, NextEra Water Pennsylvania, LLC (Pennsylvania PUC)
PUR-2022-00052	Virginia Natural Gas, Inc. (Virginia SCC)
U-22-078	Alaska Electric Light & Power Company (Regulatory Commission of Alaska)
U-22-081	ENSTAR Natural Gas Company (Regulatory Commission of Alaska)
22-47-WW	Narragansett Bay Commission (Rhode Island PUC)
E-01345A-22-0144	Arizona Public Service Company (Arizona CC)

E-04204A-22-0251	UNS Electric, Inc. (Arizona CC)
PUR-2023-00002	Appalachian Power Company (Virginia SCC)
22-1094-WW-AIR	Aqua Ohio, Inc. (Ohio PUC)
22-1096-ST-AIR	Aqua Ohio Wastewater, Inc. (Ohio PUC)
A-2022-3037047, et al.	Pennsylvania-American Water Company, Butler Area Sewer Authority (Pennsylvania PUC)
PUR-2023-00067 and PUR-2023-00112	Virginia Electric and Power Company d/b/a Dominion Energy Virginia (Virginia SCC)
Docket No. 54634	Southwestern Public Service Company (Texas PUC)
23-0089-EL-RDR	Duke Energy Ohio, Inc. (Ohio PUC)
23-0280-G-42T	Mountaineer Gas Company (West Virginia PSC)
2022-0208	Kauai Island Utility Cooperative (Hawaii PUC)
PUR-2023-00101	Virginia Electric and Power Company d/b/a Dominion Energy Virginia (Virginia SCC)
23-0383-W-42T and 23-0384-S-42T	West Virginia-American Water Company (West Virginia PSC)
23-0460-E-42T	Monongahela Power Company and The Potomac Edison Company (West Virginia PSC)

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Docket Nos. R-2024-3047822 and R-2024-3047824
Exhibit LA-1
Revenue Requirement Summary Schedules
Accompanying the Direct Testimony of Ralph Smith

Number	Description	No. of Pages	Page No.
	Revenue Requirement Summary Schedules - Fully Projected Future Test Year Ending 12/31/25		
A	Calculation of Revenue Deficiency (Sufficiency)	8	2-9
A-1	Gross Revenue Conversion Factor	5	10-14
B	Adjusted Rate Base	5	15-19
B.1	Summary of Rate Base Adjustments	5	20-24
C	Adjusted Net Operating Income	5	25-29
C.1	Summary of Net Operating Income Adjustments	8	30-37
D	Capital Structure and Cost Rates	2	38-39
	Total Pages (including Contents page)	39	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Calculation of Revenue Deficiency (Sufficiency)
Per Aqua

Fully Projected Future Test Year Ending December 31, 2025

Line No.	Description	Reference	Total Company	Water Base	Shenandoah Water	Wastewater Base	Lower Makefield Wastewater	East Whiteland Wastewater
			(A)	(B)	(C)	(D)	(E)	(F)
1	Adjusted rate base	B	$ 4,838,116,230	$ 4,318,247,093	$ 16,013,341	$ 392,798,320	$ 50,447,179	$ 60,610,296
2	Rate of return	D		7.90%	7.90%	7.90%	7.90%	7.90%
3	Net operating income required		$ 382,048,393	$ 340,996,224	$ 1,264,515	$ 31,017,851	$ 3,983,630	$ 4,786,174
4	Adjusted net operating income	C	$ 291,124,451	$ 277,769,817	$ (366,222)	$ 12,468,336	$ 1,463,410	$ (210,890)
5	Net operating income deficiency		$ 90,923,942	$ 63,226,407	$ 1,630,737	$ 18,549,515	$ 2,520,220	$ 4,997,064
6	Gross revenue conversion factor	A-1		1.39073	1.390726	1.399365	1.399365	1.399365
7	Revenue deficiency (Sufficiency)		$ 126,675,472	$ 87,930,589	$ 2,267,908	$ 25,957,548	$ 3,526,708	$ 6,992,719
8	Cost of Service Allocation			$ 1,465,438	$ (1,465,438)			
9	Act 11 - Wastewater Allocation		$ -	$ 21,850,629	$ -	$ (17,747,873)	$ (958,164)	$ (3,144,592)
10	Total Proposed Revenues		$ 126,675,472	$ 111,246,656	$ 802,470	$ 8,209,676	$ 2,568,544	$ 3,848,126
11	Operating Revenue at Current Rates	C	$ 670,994,640	$ 596,344,820	$ 1,828,304	$ 57,682,604	$ 11,613,830	$ 3,525,082
12	Percentage Increase	L10 / L11	18.9%	18.7%	43.9%	14.2%	22.1%	109.2%

Notes and Source
Exhibit 1-A, Schedule Act 11

Fully Projected Future Test Year Ending December 31, 2025

Line No.	Description	Reference	Total Company (A)	Water Base (B)	Shenandoah Water (C)	Wastewater Base (D)	Lower Makefield Wastewater (E)	East Whiteland Wastewater (F)
1	Adjusted rate base	B	$ 4,772,768,127	$ 4,309,687,631	$ 16,132,758	$ 395,996,751	$ 50,950,987	$ -
2	Rate of return	D		6.53%	6.53%	6.53%	6.53%	6.53%
3	Net operating income required		$ 311,815,156	$ 281,561,116	$ 1,053,988	$ 25,871,315	$ 3,328,737	$ -
4	Adjusted net operating income	C	$ 318,392,802	$ 301,751,534	$ (301,342)	$ 15,282,729	$ 1,659,882	$ -
5	Net operating income deficiency		$ (6,577,646)	$ (20,190,418)	$ 1,355,330	$ 10,588,586	$ 1,668,855	$ -
6	Gross revenue conversion factor	A-1		1.390726	1.390726	1.399365	1.399365	1.399365
7	Revenue deficiency (Sufficiency)		$ (9,041,802)	$ (28,079,333)	$ 1,884,893	$ 14,817,300	$ 2,335,337	$ -
8	Cost of Service Allocation			$ -				
9	Act 11 - Wastewater Allocation		$ -	$ -	$ -	$ -	$ -	$ -
10	Total Proposed Revenues - Before Allocations		$ (9,041,802)	$ (28,079,333)	$ 1,884,893	$ 14,817,300	$ 2,335,337	$ -
11	Operating Revenue at Current Rates	C	$ 670,994,640	$ 596,344,820	$ 1,828,304	$ 57,682,604	$ 11,613,830	$ 3,525,082
12	Percentage Increase - Before Allocations	L10 / L11	-1.3%	-4.7%	103.1%	25.7%	20.1%	0.0%
	Notes and Source							
	Exhibit 1-A, Schedule Act 11							
13	Shenandoah to Water Base Allocation			$ 1,081,839	$ (1,081,839)			
14	Act 11 Allocation			$ 1,715,264		$ (1,481,730)	$ (233,534)	$ -
15	Proposed Revenues After Allocations	L10 + L13 + L14	$ (9,041,802)	$ (25,282,230)	$ 803,054	$ 13,335,570	$ 2,101,804	$ -
16	Operating Revenue at Current Rates	C	$ 670,994,640	$ 596,344,820	$ 1,828,304	$ 57,682,604	$ 11,613,830	$ 3,525,082
17	Percentage Increase After Allocations	L15 / L16	-1.3%	-4.2%	43.9%	23.1%	18.1%	0.0%
18	Maximum Increase for Shenandoah Water				43.9%			
19	Revenue Increase	L11 x L18			$ 803,054			

Lines 13, 14 and 18: OCA witness Jerry Mierzwa

Fully Projected Future Test Year Ending December 31, 2025

Line No.	Description	Reference	Total Company (A)	Water Base (B)	Shenandoah Water (C)	Wastewater Base (D)	Lower Makefield Wastewater (E)	East Whiteland Wastewater (F)
1	Adjusted rate base	B	$ (65,348,103)	$ (8,559,462)	$ 119,416	$ 3,198,432	$ 503,807	$ (60,610,296)
2	Rate of return	D						
3	Net operating income required		$ (70,233,237)	$ (59,435,108)	$ (210,527)	$ (5,146,536)	$ (654,893)	$ (4,786,174)
4	Adjusted net operating income	C	$ 27,268,351	$ 23,981,716	$ 64,879	$ 2,814,393	$ 196,473	$ 210,890
5	Net operating income deficiency		$ (97,501,589)	$ (83,416,824)	$ (275,406)	$ (7,960,929)	$ (851,365)	$ (4,997,064)
6	Gross revenue conversion factor	A-1						
7	Revenue deficiency (Sufficiency)		$ (135,717,274)	$ (116,009,921)	$ (383,015)	$ (11,140,248)	$ (1,191,371)	$ (6,992,719)
8	Cost of Service Allocation		$ -	$ (1,465,438)	$ 1,465,438	$ -	$ -	$ -
9	Act 11 - Wastewater Allocation		$ -	$ (21,850,629)	$ -	$ 17,747,873	$ 958,164	$ 3,144,592
10	Total Proposed Revenues		$ (135,717,274)	$ (139,325,988)	$ 1,082,423	$ 6,607,625	$ (233,207)	$ (3,848,126)

Notes and Source

Page 2 minus Page 1 Amounts

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.390726	
1	Rate Base per Aqua's Filing	B			$ 4,318,247,093		-1.896%	$ (81,880,227)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.390726	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 22,854,396		9.09%	$ 2,076,530
3	PA NOL Deferred Tax Asset	B-2	Smith		$ (31,413,858)		9.09%	$ (2,854,234)
4	Total OCA Rate Base Adjustments				$ (8,559,462)			
5	**OCA Adjusted Original Cost Rate Base**	B			$ 4,309,687,631			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
6	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 11,711,703	$ 8,512,991		1.390726	$ (11,839,236)
7	General Inflation	C-2	Smith	$ 1,298,221	$ 943,650		1.390726	$ (1,312,358)
8	Revenue - Bill Discount Credits	C-3	Colton	$ 2,455,932	$ 1,785,165		1.390726	$ (2,482,675)
9	Uncollectibles Expense - Arrearage Forgiveness	C-4	Colton	$ 812,620	$ 590,676		1.390726	$ (821,469)
10	Legal Expenses - Appeals	C-5	Smith	$ 66,685	$ 48,472		1.390726	$ (67,411)
11	Water Conservation Kits	C-6	Colton	$ (110,000)	$ (79,957)		1.390726	$ 111,198
12	Payroll Expense - Seasonal Positions	C-7	Smith	$ 201,500	$ 146,466		1.390726	$ (203,694)
13	Payroll Expense - Vacancies	C-8	Smith	$ 1,760,230	$ 1,279,475		1.390726	$ (1,779,398)
14	Payroll Tax Expense	C-9	Smith	$ 150,072	$ 109,084		1.390726	$ (151,707)
15	401K Expense	C-10	Smith	$ 136,152	$ 98,966		1.390726	$ (137,634)
16	Employee Group Insurance Expense	C-11	Smith	$ 289,226	$ 205,379		1.390726	$ (285,626)
17	Intracompany Benefits	C-12	Smith	$ (100,799)	$ (71,577)		1.390726	$ 99,544
18	Interest Synchronization	C-13	Smith	$ -	$ 1,724,707		1.390726	$ (2,398,594)
19	Adjustment to Federal and State Income Tax Expense for Repairs Deductions	C-14	Smith	$ -	$ 8,688,219		1.390726	$ (12,082,930)
20	Total OCA Adjustments to Operating Income	C.1		$ 18,671,543	$ 23,981,716			
21	Net Operating Income per Company Filing	C			$ 277,769,817			
22	**OCA Adjusted Net Operating Income**	C			$ 301,751,534			
	Gross Revenue Conversion Factor Difference:							
23	Per OCA	A-1					1.390726	
24	Per Company	A-1					1.390726	
25	Difference						0.000000	
26	Company Adjusted NOI Deficiency	A					$ 63,226,407	
27	GRCF Difference							$ -
28	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$(116,009,921)
29	Company Requested Base Rate Revenues	A						$ 87,930,589
30	Reconciled Revenue Requirement							$ (28,079,332)
31	Revenue Requirement Calculated on Schedule A OCA	A						$ (28,079,333)
32	Difference from Above							$ 0

Notes and Source
Pre-tax return computed using Gross Revenue Conversion Factor

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.390726	
1	Rate Base per Aqua's Filing	B			$ 16,013,341		-1.896%	$ (303,636)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.390726	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 119,416		9.09%	$ 10,850
3	Total OCA Rate Base Adjustments				$ 119,416			
4	**OCA Adjusted Original Cost Rate Base**	B			$ 16,132,758			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
5	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 51,386	$ 37,352		1.390726	$ (51,946)
6	General Inflation	C-2	Smith	$ 27,857	$ 20,248		1.390726	$ (28,160)
7	Interest Synchronization	C-13	Smith	$ -	$ 7,279		1.390726	$ (10,123)
8	Total OCA Adjustments to Operating Income	C.1		$ 79,243	$ 64,879			
9	Net Operating Income per Company Filing	C			$ (366,222)			
10	**OCA Adjusted Net Operating Income**	C			$ (301,342)			
	Gross Revenue Conversion Factor Difference:							
11	Per OCA	A-1					1.390726	
12	Per Company	A-1					1.390726	
13	Difference						0.000000	
14	Company Adjusted NOI Deficiency	A					$ 1,630,737	
15	GRCF Difference							$ -
16	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$ (383,015)
17	Company Requested Base Rate Revenues	A						$ 2,267,908
18	Reconciled Revenue Requirement							$ 1,884,893
19	Revenue Requirement Calculated on Schedule A OCA	A						$ 1,884,893
20	Difference from Above							$ (0)

Notes and Source

Pre-tax return computed using Gross Revenue Conversion Factor

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.399365	
1	Rate Base per Aqua's Filing	B			$ 392,798,320		-1.908%	$ (7,494,295)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.399365	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 4,512,075		9.14%	$ 412,510
3	PA NOL Deferred Tax Asset	B-2	Smith		$ (1,313,644)		9.14%	$ (120,098)
							9.14%	$ -
4	Total OCA Rate Base Adjustments				$ 3,198,432			
5	**OCA Adjusted Original Cost Rate Base**	B			$ 395,996,751			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
6	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 2,294,664	$ 1,667,943		1.399365	$ (2,334,061)
7	General Inflation	C-2	Smith	$ 377,538	$ 274,424		1.399365	$ (384,020)
8	Revenue - Bill Discount Credits	C-3	Colton	$ 352,627	$ 256,317		1.399365	$ (358,681)
9	Uncollectibles Expense - Arrearage Forgiveness	C-4	Colton	$ 89,774	$ 65,255		1.399365	$ (91,315)
10	Legal Expenses - Appeals	C-5	Smith	$ 18,206	$ 13,233		1.399365	$ (18,518)
11	Payroll Expense - Vacancies	C-8	Smith	$ 167,998	$ 122,114		1.399365	$ (170,883)
12	Payroll Tax Expense	C-9	Smith	$ 12,852	$ 9,342		1.399365	$ (13,073)
13	Employee Group Insurance Expense	C-11	Smith	$ 100,799	$ 73,269		1.399365	$ (102,530)
14	Interest Synchronization	C-13	Smith	$ -	$ 180,128		1.399365	$ (252,065)
15	Adjustment to Federal and State Income Tax Expense for Repairs Deductions	C-14	Smith	$ -	$ 152,368		1.399365	$ (213,218)
16	Total OCA Adjustments to Operating Income	C.1		$ 3,414,457	$ 2,814,393			
17	Net Operating Income per Company Filing	C			$ 12,468,336			
18	**OCA Adjusted Net Operating Income**	C			$ 15,282,729			
	Gross Revenue Conversion Factor Difference:							
19	Per OCA	A-1					1.399365	
20	Per Company	A-1					1.399365	
21	Difference						0.000000	
22	Company Adjusted NOI Deficiency	A					$ 18,549,515	
23	GRCF Difference							$ -
24	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$ (11,140,247)
25	Company Requested Base Rate Revenues	A						$ 25,957,548
26	Reconciled Revenue Requirement							$ 14,817,301
27	Revenue Requirement Calculated on Schedule A OCA	A						$ 14,817,300
28	Difference from Above							$ 1

Notes and Source
Pre-tax return computed using Gross Revenue Conversion Factor

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.399365	
1	Rate Base per Aqua's Filing	B			$ 50,447,179		-1.908%	$ (962,494)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.399365	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 503,807		9.14%	$ 46,060
3	Total OCA Rate Base Adjustments				$ 503,807			
4	**OCA Adjusted Original Cost Rate Base**	B			$ 50,950,987			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
5	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 215,062	$ 156,324		1.399365	$ (218,754)
6	General Inflation	C-2	Smith	$ 22,660	$ 16,471		1.399365	$ (23,049)
7	Interest Synchronization	C-13	Smith	$ -	$ 23,678		1.399365	$ (33,134)
8	Total OCA Adjustments to Operating Income	C.1		$ 237,722	$ 196,473			
9	Net Operating Income per Company Filing	C			$ 1,463,410			
10	**OCA Adjusted Net Operating Income**	C			$ 1,659,882			
	Gross Revenue Conversion Factor Difference:							
11	Per OCA	A-1					1.399365	
12	Per Company	A-1					1.399365	
13	Difference						0.000000	
14	Company Adjusted NOI Deficiency	A					$ 2,520,220	
15	GRCF Difference							$ -
16	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$ (1,191,371)
17	Company Requested Base Rate Revenues	A						$ 3,526,708
18	Reconciled Revenue Requirement							$ 2,335,337
19	Revenue Requirement Calculated on Schedule A OCA	A						$ 2,335,337
20	Difference from Above							$ 0

Notes and Source

Pre-tax return computed using Gross Revenue Conversion Factor

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.399365	
1	Rate Base per Aqua's Filing	B			$ 60,610,296		-1.908%	$ (1,156,399)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.399365	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 575,470		9.14%	$ 52,612
3	Total OCA Rate Base Adjustments				$ 575,470			
4	**OCA Adjusted Original Cost Rate Base**	B			$ 61,185,767			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
5	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 269,972	$ 196,237		1.399365	$ (274,608)
6	General Inflation	C-2	Smith	$ 20,649	$ 15,009		1.399365	$ (21,003)
7	Interest Synchronization	C-13	Smith	$ -	$ 28,273		1.399365	$ (39,565)
8	Total OCA Adjustments to Operating Income	C.1		$ 290,621	$ 239,520			
9	Net Operating Income per Company Filing	C			$ (210,890)			
10	**OCA Adjusted Net Operating Income**	C			$ 28,630			
	Gross Revenue Conversion Factor Difference:							
11	Per OCA	A-1					1.399365	
12	Per Company	A-1					1.399365	
13	Difference						0.000000	
14	Company Adjusted NOI Deficiency	A					$ 4,997,064	
15	GRCF Difference							$ -
16	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$ (1,438,963)
17	Company Requested Base Rate Revenues	A						$ 6,992,719
18	Reconciled Revenue Requirement							$ 5,553,756
19	Less Remaining East Whiteland Revenue Requirement							$ (5,553,756)
20	Reconciled Revenue Requirement After Removing East Whiteland							$ 0
21	Revenue Requirement Calculated on Schedule A P2 OCA	A						$ -
22	Difference from Above							$ 0

Notes and Source
Pre-tax return computed using Gross Revenue Conversion Factor

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-1
Water Base Operations
Schedule A-1.B
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Company Proposed Amounts (A)	Company Proposed Derived Percentages (B)	Company Proposed as Percentages (C)	Effective Current Income Tax Rate (B1)	OCA Proposed (D)
1	Gross Revenue	$ 87,930,589		100.00000%		100.00000%
2	Uncollectibles	$ 386,944	0.44%	0.440056%		0.44006%
3	Taxable Income Before Assessments	$ 87,543,645		99.55994%		99.55994%
4	General Assessment	$ 560,245	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 86,983,400		98.92280%		98.92280%
6	State Income Taxes	$ 6,949,974	7.99%	7.90393%	7.99%	7.90393%
7	Income Before Federal Income Taxes	$ 80,033,426		91.01887%		91.01887%
8	Federal Income Taxes	$ 16,807,019	21.00%	19.11396%	21.00%	19.11396%
9	Change in Net Operating Income	$ 63,226,407		71.90491%		71.90491%
10	Gross Revenue Conversion Factor	1.390726		1.390726		1.390726

Notes and Source

Col. A: Aqua Filing, Exhibit 1-A, Schedule A-1
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		Aqua	Percent	OCA	Percent
11	Net Income	$ 63,226,407	71.90%	$ (20,190,418)	71.90491%
12	Uncollectibles	$ 386,944	0.44%	$ (123,565)	0.440056%
13	General Assessment	$ 560,245	0.64%	$ (178,906)	0.637145%
14	Current State Income Taxes	$ 6,949,974	7.90%	$ (2,219,371)	7.90393%
15	Current Federal Income Taxes	$ 16,807,019	19.11%	$ (5,367,073)	19.11396%
16	Total Revenue Increase	$ 87,930,589	100.00%	$ (28,079,333)	100.0000%
17	Total Revenue Increase (From Schedule A)			$ (28,079,333)	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-1
Shenandoah Water
Schedule A-1.C
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Company Proposed Amounts (A)	Company Proposed Derived Percentages (B)	Company Proposed as Percentages (C)	Effective Current Income Tax Rate (B1)	Revised OCA Proposed (D)
1	Gross Revenue	$ 2,267,908		100.00000%		100.00000%
2	Uncollectibles	$ 9,980	0.44%	0.440056%		0.440056%
3	Taxable Income Before Assessments	$ 2,257,928		99.55994%		99.55994%
4	General Assessment	$ 14,450	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 2,243,478		98.92280%		98.92280%
6	State Income Taxes	$ 179,254	7.99%	7.90393%	7.99%	7.90393%
7	Income Before Federal Income Taxes	$ 2,064,224		91.01887%		91.01887%
8	Federal Income Taxes	$ 433,487	21.00%	19.11396%	21.00%	19.11396%
9	Change in Net Operating Income	$ 1,630,737		71.90491%		71.90491%
10	Gross Revenue Conversion Factor	1.390726		1.390726		1.390726

Notes and Source

Col. A: Aqua Filing, Exhibit 1-B, Schedule A-1
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		PAWC	Percent	OCA	Percent
11	Net Income	$ 1,630,737	71.90%	$ 1,355,330	71.90491%
12	Uncollectibles	$ 9,980	0.44%	$ 8,295	0.440056%
13	General Assessment	$ 14,450	0.64%	$ 12,009	0.637145%
14	Current State Income Taxes	$ 179,254	7.90%	$ 148,981	7.90393%
15	Current Federal Income Taxes	$ 433,487	19.11%	$ 360,278	19.11396%
16	Total Revenue Increase	$ 2,267,908	100.00%	$ 1,884,893	100.0000%
17	Total Revenue Increase (From Schedule A)			$ 1,884,893	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-1
Wastewater Base Operations
Schedule A-1.D
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Company Proposed Amounts (A)	Company Proposed Derived Percentages (B)	Company Proposed as Percentages (C)	Effective Current Income Tax Rate (B1)	Revised OCA Proposed (D)
1	Gross Revenue	$ 25,957,548		100.00000%		100.00000%
2	Uncollectibles	$ 272,763	1.05%	1.050803%		1.05080%
3	Taxable Income Before Assessments	$ 25,684,785		98.94920%		98.94920%
4	General Assessment	$ 165,387	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 25,519,398		98.31205%		98.31205%
6	State Income Taxes	$ 2,039,000	7.99%	7.85513%	7.99%	7.85513%
7	Income Before Federal Income Taxes	$ 23,480,398		90.45692%		90.45692%
8	Federal Income Taxes	$ 4,930,884	21.00%	18.99595%	21.00%	18.99595%
9	Change in Net Operating Income	$ 18,549,515		71.46097%		71.46097%
10	Gross Revenue Conversion Factor	1.399365		1.399365		1.399365

Notes and Source

Col. A: Aqua Filing, Exhibit 1-C, Schedule 1-A
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		PAWC	Percent	OCA	Percent
11	Net Income	$ 18,549,515	71.46%	$ 10,588,586	71.46097%
12	Uncollectibles	$ 272,763	1.05%	$ 155,701	1.050803%
13	General Assessment	$ 165,387	0.64%	$ 94,408	0.637145%
14	Current State Income Taxes	$ 2,039,000	7.86%	$ 1,163,919	7.85513%
15	Current Federal Income Taxes	$ 4,930,884	19.00%	$ 2,814,687	18.99595%
16	Total Revenue Increase	$ 25,957,548	100.00%	$ 14,817,301	100.0000%
17	Total Revenue Increase (From Schedule A)			$ 14,817,300	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-1
Lower Makefield Wastewater
Schedule A-1.E
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Company Proposed Amounts (A)	Company Proposed Derived Percentages (B)	Company Proposed as Percentages (C)	Effective Current Income Tax Rate (B1)	Revised OCA Proposed (D)
1	Gross Revenue	$ 3,526,708		100.00000%		100.00000%
2	Uncollectibles	$ 37,059	1.05%	1.050803%		1.05080%
3	Taxable Income Before Assessments	$ 3,489,650		98.94920%		98.94920%
4	General Assessment	$ 22,470	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 3,467,179		98.31205%		98.31205%
6	State Income Taxes	$ 277,028	7.99%	7.85513%	7.99%	7.85513%
7	Income Before Federal Income Taxes	$ 3,190,152		90.45692%		90.45692%
8	Federal Income Taxes	$ 669,932	21.00%	18.99595%	21.00%	18.99595%
9	Change in Net Operating Income	$ 2,520,220		71.46097%		71.46097%
10	Gross Revenue Conversion Factor	1.399365		1.399365		1.399365

Notes and Source

Col. A: Aqua Filing, Exhibit 1-D, Schedule A-1
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		PAWC	Percent	OCA	Percent
11	Net Income	$ 2,520,220	71.46%	$ 1,668,855	71.46097%
12	Uncollectibles	$ 37,059	1.05%	$ 24,540	1.050803%
13	General Assessment	$ 22,470	0.64%	$ 14,879	0.637145%
14	Current State Income Taxes	$ 277,028	7.86%	$ 183,444	7.85513%
15	Current Federal Income Taxes	$ 669,932	19.00%	$ 443,620	18.99595%
16	Total Revenue Increase	$ 3,526,708	100.00%	$ 2,335,338	100.0000%
17	Total Revenue Increase (From Schedule A)			$ 2,335,337	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-1
East Whiteland Wastewater
Schedule A-1.F
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Company Proposed Amounts (A)	Company Proposed Derived Percentages (B)	Company Proposed as Percentages (C)	Effective Current Income Tax Rate (B1)	Revised OCA Proposed (D)
1	Gross Revenue	$ 6,992,719		100.00000%		100.00000%
2	Uncollectibles	$ 73,480	1.05%	1.050803%		1.05080%
3	Taxable Income Before Assessments	$ 6,919,239		98.94920%		98.94920%
4	General Assessment	$ 44,554	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 6,874,685		98.31205%		98.31205%
6	State Income Taxes	$ 549,287	7.99%	7.85513%	7.99%	7.85513%
7	Income Before Federal Income Taxes	$ 6,325,398		90.45692%		90.45692%
8	Federal Income Taxes	$ 1,328,334	21.00%	18.99595%	21.00%	18.99595%
9	Change in Net Operating Income	$ 4,997,064		71.46097%		71.46097%
10	Gross Revenue Conversion Factor	1.399365		1.399365		1.399365

Notes and Source

Col. A: Aqua Filing, Exhibit 1-E, Schedule A-1
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		PAWC	Percent	OCA	Percent
11	Net Income	$ 4,997,064	71.46%	$ -	71.46097%
12	Uncollectibles	$ 73,480	1.05%	$ -	1.050803%
13	General Assessment	$ 44,554	0.64%	$ -	0.637145%
14	Current State Income Taxes	$ 549,287	7.86%	$ -	7.85513%
15	Current Federal Income Taxes	$ 1,328,334	19.00%	$ -	18.99595%
16	Total Revenue Increase	$ 6,992,719	100.00%	$ -	100.0000%
17	Total Revenue Increase (From Schedule A)			$ -	

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 6,283,245,854	$ -	$ 6,283,245,854
2	Utility Plant Acquisition Adjustment	$ 2,581,377	$ -	$ 2,581,377
3	Net Utility Plant in Service	$ 6,285,827,230	$ -	$ 6,285,827,230
4	Less: Accumulated Depreciation	$ (1,461,389,326)	$ 24,075,355	$ (1,437,313,970)
5	Net Plant in Service	$ 4,824,437,904	$ 24,075,355	$ 4,848,513,260
	Additions:			
6	Materials and Supplies	$ 17,396,771	$ -	$ 17,396,771
7	Cash Working Capital	$ 7,707,000	$ -	$ 7,707,000
8	Total Additions to Rate Base	$ 25,103,771	$ -	$ 25,103,771
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (201,180,696)	$ (1,220,960)	$ (202,401,656)
10	Deferred Income Taxes	$ (330,113,886)	$ (31,413,858)	$ (361,527,744)
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ (531,294,582)	$ (32,634,817)	$ (563,929,400)
13	Total Rate Base	$ 4,318,247,093	$ (8,559,462)	$ 4,309,687,631

Notes and Source

Col.A: Aqua Filing, Exhibit 1-A, Schedule G-1
Col.B: Schedule B.1.B, page 1
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 17,240,275	$ -	$ 17,240,275
2	Utility Plant Acquisition Adjustment	$ -	$ -	$ -
3	Net Utility Plant in Service	$ 17,240,275	$ -	$ 17,240,275
4	Less: Accumulated Depreciation	$ (1,368,218)	$ 119,416	$ (1,248,802)
5	Net Plant in Service	$ 15,872,057	$ 119,416	$ 15,991,474
	Additions:			
6	Materials and Supplies	$ -	$ -	$ -
7	Cash Working Capital	$ 133,000	$ -	$ 133,000
8	Total Additions to Rate Base	$ 133,000	$ -	$ 133,000
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ -	$ -	$ -
10	Deferred Income Taxes	$ 8,284	$ -	$ 8,284
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ 8,284	$ -	$ 8,284
13	Total Rate Base	$ 16,013,341	$ 119,416	$ 16,132,758

Notes and Source

Col.A: Aqua Filing, Exhibit 1-B, Schedule G-1
Col.B: Schedule B.1.C, page 1
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 637,496,786	$ -	$ 637,496,786
2	Utility Plant Acquisition Adjustment	$ 1,056,529	$ -	$ 1,056,529
3	Net Utility Plant in Service	$ 638,553,315	$ -	$ 638,553,315
4	Less: Accumulated Depreciation	$ (209,545,011)	$ 4,743,396	$ (204,801,614)
5	Net Plant in Service	$ 429,008,304	$ 4,743,396	$ 433,751,701
	Additions:			
6	Materials and Supplies	$ -	$ -	$ -
7	Cash Working Capital	$ 1,247,000	$ -	$ 1,247,000
8	Total Additions to Rate Base	$ 1,247,000	$ -	$ 1,247,000
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (24,703,546)	$ (231,321)	$ (24,934,867)
10	Deferred Income Taxes	$ (12,753,439)	$ (1,313,644)	$ (14,067,082)
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ (37,456,985)	$ (1,544,965)	$ (39,001,949)
13	Total Rate Base	$ 392,798,320	$ 3,198,432	$ 395,996,751

Notes and Source

Col.A: Aqua Filing, Exhibit 1-C, Schedule G-1
Col.B: Schedule B.1.D, page 1
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 56,469,936	$ -	$ 56,469,936
2	Utility Plant Acquisition Adjustment	$ -	$ -	$ -
3	Net Utility Plant in Service	$ 56,469,936	$ -	$ 56,469,936
4	Less: Accumulated Depreciation	$ (5,665,883)	$ 504,211	$ (5,161,672)
5	Net Plant in Service	$ 50,804,053	$ 504,211	$ 51,308,264
	Additions:			
6	Materials and Supplies	$ -	$ -	$ -
7	Cash Working Capital	$ (365,000)	$ -	$ (365,000)
8	Total Additions to Rate Base	$ (365,000)	$ -	$ (365,000)
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (54,019)	$ (404)	$ (54,423)
10	Deferred Income Taxes	$ 62,146	$ -	$ 62,146
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ 8,126	$ (404)	$ 7,723
13	Total Rate Base	$ 50,447,179	$ 503,807	$ 50,950,987

Notes and Source

Col.A: Aqua Filing, Exhibit 1-D, Schedule G-1
Col.B: Schedule B.1.E, page 1
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 66,114,136	$ -	$ 66,114,136
2	Utility Plant Acquisition Adjustment	$ -	$ -	$ -
3	Net Utility Plant in Service	$ 66,114,136	$ -	$ 66,114,136
4	Less: Accumulated Depreciation	$ (4,716,491)	$ 580,082	$ (4,136,409)
5	Net Plant in Service	$ 61,397,645	$ 580,082	$ 61,977,727
	Additions:			
6	Materials and Supplies	$ -	$ -	$ -
7	Cash Working Capital	$ (29,000)	$ -	$ (29,000)
8	Total Additions to Rate Base	$ (29,000)	$ -	$ (29,000)
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (527,238)	$ (4,612)	$ (531,849)
10	Deferred Income Taxes	$ (231,111)	$ -	$ (231,111)
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ (758,349)	$ (4,612)	$ (762,961)
13	Total Rate Base	$ 60,610,296	$ 575,470	$ 61,185,767

Notes and Source

Col.A: Aqua Filing, Exhibit 1-E, Schedule G-1
Col.B: Schedule B.1.F, page 1
Col.C: Col.A + Col.B

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC B-1	PA NOL Deferred Tax Asset B-2
1	Utility Plant in Service	$ -		
2	Utility Plant Acquisition Adjustment	$ -		
3	Net Utility Plant in Service	$ -	$ -	$ -
4	Less: Accumulated Depreciation	$ 24,075,355	$ 24,075,355	
5	Net Plant in Service	$ 24,075,355	$ 24,075,355	$ -
	Additions:			
6	Materials and Supplies	$ -		
7	Cash Working Capital	$ -		
8	Total Additions to Rate Base	$ -	$ -	$ -
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (1,220,960)	$ (1,220,960)	
10	Deferred Income Taxes	$ (31,413,858)		$ (31,413,858)
11	Investment Tax Credit	$ -		
12	Total Rate Base Deductions	$ (32,634,817)	$ (1,220,960)	$ (31,413,858)
13	Total Rate Base	$ (8,559,462)	$ 22,854,396	$ (31,413,858)

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC
			B-1
1	Utility Plant in Service	$ -	
2	Utility Plant Acquisition Adjustment	$ -	
3	Net Utility Plant in Service	$ -	$ -
4	Less: Accumulated Depreciation	$ 119,416	$ 119,416
5	Net Plant in Service	$ 119,416	$ 119,416
	Additions:		
6	Materials and Supplies	$ -	
7	Cash Working Capital	$ -	
8	Total Additions to Rate Base	$ -	$ -
	Deductions:		
9	Contributions in Aid of Construction and Customer Advances for Construction	$ -	$ -
10	Deferred Income Taxes	$ -	
11	Investment Tax Credit	$ -	
12	Total Rate Base Deductions	$ -	$ -
13	Total Rate Base	$ 119,416	$ 119,416

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	PA NOL Deferred Tax Asset
			B-1	B-2
1	Utility Plant in Service	$ -		
2	Utility Plant Acquisition Adjustment	$ -		
3	Net Utility Plant in Service	$ -	$ -	$ -
4	Less: Accumulated Depreciation	$ 4,743,396	$ 4,743,396	
5	Net Plant in Service	$ 4,743,396	$ 4,743,396	$ -
	Additions:			
6	Materials and Supplies	$ -		
7	Cash Working Capital	$ -		
8	Total Additions to Rate Base	$ -	$ -	$ -
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (231,321)	$ (231,321)	
10	Deferred Income Taxes	$ (1,313,644)		$ (1,313,644)
11	Investment Tax Credit	$ -		
12	Total Rate Base Deductions	$ (1,544,965)	$ (231,321)	$ (1,313,644)
13	Total Rate Base	$ 3,198,432	$ 4,512,075	$ (1,313,644)

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC B-1
1	Utility Plant in Service	$ -	
2	Utility Plant Acquisition Adjustment	$ -	
3	Net Utility Plant in Service	$ -	$ -
4	Less: Accumulated Depreciation	$ 504,211	$ 504,211
5	Net Plant in Service	$ 504,211	$ 504,211
	Additions:		
6	Materials and Supplies	$ -	
7	Cash Working Capital	$ -	
8	Total Additions to Rate Base	$ -	$ -
	Deductions:		
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (404)	$ (404)
10	Deferred Income Taxes	$ -	
11	Investment Tax Credit	$ -	
12	Total Rate Base Deductions	$ (404)	$ (404)
13	Total Rate Base	$ 503,807	$ 503,807

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC B-1
1	Utility Plant in Service	$ -	
2	Utility Plant Acquisition Adjustment	$ -	
3	Net Utility Plant in Service	$ -	$ -
4	Less: Accumulated Depreciation	$ 580,082	$ 580,082
5	Net Plant in Service	$ 580,082	$ 580,082
	Additions:		
6	Materials and Supplies	$ -	
7	Cash Working Capital	$ -	
8	Total Additions to Rate Base	$ -	$ -
	Deductions:		
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (4,612)	$ (4,612)
10	Deferred Income Taxes	$ -	
11	Investment Tax Credit	$ -	
12	Total Rate Base Deductions	$ (4,612)	$ (4,612)
13	Total Rate Base	$ 575,470	$ 575,470

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Adjusted Net Operating Income

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-1
Water Base Operations
Schedule C
Docket Nos. R-2024-3047822 and R-2024-3047824

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 596,344,820	$ 2,455,932	$ 598,800,752
	Operating Revenue Deductions			
2	Operating Expenses	$ 145,643,159	$ (4,353,835)	$ 141,289,323
3	Depreciation Expense	$ 142,262,956	$ (11,711,703)	$ 130,551,253
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 2,579,107	$ -	$ 2,579,107
6	OCA & SBA Assessments	$ 1,220,472	$ -	$ 1,220,472
7	Public Utility Realty Tax	$ 4,700,000	$ -	$ 4,700,000
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ 1,162,341	$ -	$ 1,162,341
10	Federal & State Payroll Taxes	$ 3,323,126	$ (150,072)	$ 3,173,053
11	Total Operating Revenue Deductions	$ 300,891,162	$ (16,215,611)	$ 284,675,551
12	**Operating Income Before Income Taxes**	$ 295,453,658	$ 18,671,543	$ 314,125,201
	Income Taxes:			
13	Federal Tax - Current	$ 18,462,040	$ (3,755,787)	$ 14,706,253
14	Pa. CNI Tax - Current	$ 4,319,838	$ (1,554,386)	$ 2,765,452
15	Federal Tax - Deferred	$ (7,249,658)	$ -	$ (7,249,658)
16	Pa. CNI Tax - Deferred	$ 2,253,761	$ -	$ 2,253,761
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ (102,140)	$ -	$ (102,140)
19	**Total Income Taxes**	$ 17,683,841	$ (5,310,174)	$ 12,373,667
20	**NET UTILITY OPERATING INCOME**	**$ 277,769,817**	**$ 23,981,716**	**$ 301,751,534**
21	Rate Base	$ 4,318,247,093	$ (8,559,462)	$ 4,309,687,631
22	Earned Rate of Return	6.43%		7.00%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-A, Schedule A-1
Col.B: Schedule C.1.B
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 1,828,304	$ -	$ 1,828,304
	Operating Revenue Deductions			
2	Operating Expenses	$ 1,777,756	$ (27,857)	$ 1,749,899
3	Depreciation Expense	$ 660,234	$ (51,386)	$ 608,848
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 7,907	$ -	$ 7,907
6	OCA & SBA Assessments	$ 3,742	$ -	$ 3,742
7	Public Utility Realty Tax	$ -	$ -	$ -
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ -	$ -	$ -
10	Federal & State Payroll Taxes	$ -	$ -	$ -
11	Total Operating Revenue Deductions	$ 2,449,638	$ (79,243)	$ 2,370,396
12	**Operating Income Before Income Taxes**	$ (621,334)	$ 79,243	$ (542,091)
	Income Taxes:			
13	Federal Tax - Current	$ (176,714)	$ 10,162	$ (166,553)
14	Pa. CNI Tax - Current	$ (73,074)	$ 4,202	$ (68,872)
15	Federal Tax - Deferred	$ (5,324)	$ -	$ (5,324)
16	Pa. CNI Tax - Deferred	$ -	$ -	$ -
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ -	$ -	$ -
19	**Total Income Taxes**	$ (255,113)	$ 14,364	$ (240,749)
20	**NET UTILITY OPERATING INCOME**	**$ (366,222)**	**$ 64,879**	**$ (301,342)**
21	Rate Base	$ 16,013,341	$ 119,416	$ 16,132,758
22	Earned Rate of Return	-2.29%		-1.87%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-B, Schedule 1-A
Col.B: Schedule C.1.C
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 57,682,604	$ 352,627	$ 58,035,231
	Operating Revenue Deductions			
2	Operating Expenses	$ 29,544,323	$ (754,314)	$ 28,790,008
3	Depreciation Expense	$ 14,132,709	$ (2,294,664)	$ 11,838,045
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 249,469	$ -	$ 249,469
6	OCA & SBA Assessments	$ 118,053	$ -	$ 118,053
7	Public Utility Realty Tax	$ -	$ -	$ -
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ 306,067	$ -	$ 306,067
10	Federal & State Payroll Taxes	$ 343,351	$ (12,852)	$ 330,499
11	Total Operating Revenue Deductions	$ 44,693,971	$ (3,061,830)	$ 41,632,141
12	**Operating Income Before Income Taxes**	$ 12,988,633	$ 3,414,457	$ 16,403,090
	Income Taxes:			
13	Federal Tax - Current	$ (1,098,918)	$ 424,519	$ (674,399)
14	Pa. CNI Tax - Current	$ 138,551	$ 175,545	$ 314,096
15	Federal Tax - Deferred	$ 1,480,664	$ -	$ 1,480,664
16	Pa. CNI Tax - Deferred	$ -	$ -	$ -
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ -	$ -	$ -
19	**Total Income Taxes**	$ 520,297	$ 600,064	$ 1,120,361
20	**NET UTILITY OPERATING INCOME**	**$ 12,468,336**	**$ 2,814,393**	**$ 15,282,729**
21	Rate Base	$ 392,798,320	$ 3,198,432	$ 395,996,751
22	Earned Rate of Return	3.17%		3.86%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-C, Schedule 1-A
Col.B: Schedule C.1.D
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 11,613,830	$ -	$ 11,613,830
	Operating Revenue Deductions			
2	Operating Expenses	$ 7,682,321	$ (22,660)	$ 7,659,662
3	Depreciation Expense	$ 2,190,539	$ (215,062)	$ 1,975,477
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 50,228	$ -	$ 50,228
6	OCA & SBA Assessments	$ 23,769	$ -	$ 23,769
7	Public Utility Realty Tax	$ -	$ -	$ -
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ -	$ -	$ -
10	Federal & State Payroll Taxes	$ 16,873	$ -	$ 16,873
11	Total Operating Revenue Deductions	$ 9,963,730	$ (237,722)	$ 9,726,008
12	**Operating Income Before Income Taxes**	$ 1,650,100	$ 237,722	$ 1,887,822
	Income Taxes:			
13	Federal Tax - Current	$ 155,925	$ 29,182	$ 185,107
14	Pa. CNI Tax - Current	$ 64,478	$ 12,067	$ 76,545
15	Federal Tax - Deferred	$ (33,713)	$ -	$ (33,713)
16	Pa. CNI Tax - Deferred	$ -	$ -	$ -
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ -	$ -	$ -
19	**Total Income Taxes**	$ 186,690	$ 41,249	$ 227,939
20	**NET UTILITY OPERATING INCOME**	**$ 1,463,410**	**$ 196,473**	**$ 1,659,882**
21	Rate Base	$ 50,447,179	$ 503,807	$ 50,950,987
22	Earned Rate of Return	2.90%		3.26%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-D, Schedule 1-A
Col.B: Schedule C.1.E
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 3,525,082	$ -	$ 3,525,082
	Operating Revenue Deductions			
2	Operating Expenses	$ 2,388,320	$ (20,649)	$ 2,367,671
3	Depreciation Expense	$ 1,890,163	$ (269,972)	$ 1,620,191
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 15,245	$ -	$ 15,245
6	OCA & SBA Assessments	$ 7,214	$ -	$ 7,214
7	Public Utility Realty Tax	$ -	$ -	$ -
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ -	$ -	$ -
10	Federal & State Payroll Taxes	$ 14,661	$ -	$ 14,661
11	Total Operating Revenue Deductions	$ 4,315,604	$ (290,621)	$ 4,024,982
12	**Operating Income Before Income Taxes**	$ (790,522)	$ 290,621	$ (499,901)
	Income Taxes:			
13	Federal Tax - Current	$ (490,981)	$ 36,152	$ (454,829)
14	Pa. CNI Tax - Current	$ (203,028)	$ 14,949	$ (188,079)
15	Federal Tax - Deferred	$ 114,377	$ -	$ 114,377
16	Pa. CNI Tax - Deferred	$ -	$ -	$ -
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ -	$ -	$ -
19	**Total Income Taxes**	$ (579,632)	$ 51,101	$ (528,530)
20	**NET UTILITY OPERATING INCOME**	**$ (210,890)**	**$ 239,520**	**$ 28,630**
21	Rate Base	$ 60,610,296	$ 575,470	$ 61,185,767
22	Earned Rate of Return	-0.35%		0.05%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-E, Schedule 1-A
Col.B: Schedule C.1.F
Col.C: Col.A + Col.B

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates	General Inflation	Revenue - Bill Discount Credits	Uncollectibles Expense - Arrearage Forgiveness	Legal Expenses - Appeals	Water Conservation Kits
			C-1	C-2	C-3	C-4	C-5	C-6
1	Operating Revenues	$ 2,455,932			$ 2,455,932			
	Operating Revenue Deductions							
2	Operating Expenses	$ (4,353,835)		$ (1,298,221)		$ (812,620)	$ (66,685)	$ 110,000
3	Depreciation Expense	$ (11,711,703)	$ (11,711,703)					
4	Amortizations	$ -						
	Taxes Other Than Income:							
5	PUC Assessments	$ -						
6	OCA & SBA Assessments	$ -						
7	Public Utility Realty Tax	$ -						
8	State Capital Stock Tax	$ -						
9	Local Property Taxes & Misc	$ -						
10	Federal & State Payroll Taxes	$ (150,072)						
11	PRE-TAX OPERATING EXPENSES	$ (16,215,611)	$ (11,711,703)	$ (1,298,221)	$ -	$ (812,620)	$ (66,685)	$ 110,000
12	PRE-TAX OPERATING INCOME	$ 18,671,543	$ 11,711,703	$ 1,298,221	$ 2,455,932	$ 812,620	$ 66,685	$ (110,000)
13	Federal Tax - Current	$ (3,755,787)	$ 2,262,947	$ 250,844	$ 474,538	$ 157,015	$ 12,885	$ (21,254)
14	Pa. CNI Tax - Current	$ (1,554,386)	$ 935,765	$ 103,728	$ 196,229	$ 64,928	$ 5,328	$ (8,789)
15	Federal & State Income Taxes	$ (5,310,174)	$ 3,198,712	$ 354,571	$ 670,767	$ 221,944	$ 18,213	$ (30,043)
16	Federal Tax - Deferred	$ -						
17	Pa. CNI Tax - Deferred	$ -						
18	ITC - Current	$ -						
19	ITC - Amortized	$ -						
20	TOTAL OPERATING EXPENSES	$ (21,525,784)	$ (8,512,991)	$ (943,650)	$ 670,767	$ (590,676)	$ (48,472)	$ 79,957
21	OPERATING INCOME	$ 23,981,716	$ 8,512,991	$ 943,650	$ 1,785,165	$ 590,676	$ 48,472	$ (79,957)

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-A, Schedule A-5

Line No.	Description	Payroll Expense - Seasonal Positions	Payroll Expense - Vacancies	Payroll Tax Expense	401K Expense	Employee Group Insurance Expense	Intracompany Benefits
		C-7	C-8	C-9	C-10	C-11	C-12
1	Operating Revenues						
	Operating Revenue Deductions						
2	Operating Expenses	$ (201,500)	$ (1,760,230)		$ (136,152)	$ (289,226)	$ 100,799
3	Depreciation Expense						
4	Amortizations						
	Taxes Other Than Income:						
5	PUC Assessments						
6	OCA & SBA Assessments						
7	Public Utility Realty Tax						
8	State Capital Stock Tax						
9	Local Property Taxes & Misc						
10	Federal & State Payroll Taxes			$ (150,072)			
11	PRE-TAX OPERATING EXPENSES	$ (201,500)	$ (1,760,230)	$ (150,072)	$ (136,152)	$ (289,226)	$ 100,799
12	PRE-TAX OPERATING INCOME	$ 201,500	$ 1,760,230	$ 150,072	$ 136,152	$ 289,226	$ (100,799)
13	Federal Tax - Current	$ 38,934	$ 340,113	$ 28,997	$ 26,307	$ 60,738	$ (21,168)
14	Pa. CNI Tax - Current	$ 16,100	$ 140,642	$ 11,991	$ 10,879	$ 23,109	$ (8,054)
15	Federal & State Income Taxes	$ 55,034	$ 480,756	$ 40,988	$ 37,186	$ 83,847	$ (29,222)
16	Federal Tax - Deferred						
17	Pa. CNI Tax - Deferred						
18	ITC - Current						
19	ITC - Amortized						
20	TOTAL OPERATING EXPENSES	$ (146,466)	$ (1,279,475)	$ (109,084)	$ (98,966)	$ (205,379)	$ 71,577
21	OPERATING INCOME	$ 146,466	$ 1,279,475	$ 109,084	$ 98,966	$ 205,379	$ (71,577)

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-A, Schedule A-5

Line No.	Description	Interest Synchronization C-13	Adjustment to Federal and State Income Tax Expense for Repairs Deductions C-14
1	Operating Revenues		
	Operating Revenue Deductions		
2	Operating Expenses		
3	Depreciation Expense		
4	Amortizations		
	Taxes Other Than Income:		
5	PUC Assessments		
6	OCA & SBA Assessments		
7	Public Utility Realty Tax		
8	State Capital Stock Tax		
9	Local Property Taxes & Misc		
10	Federal & State Payroll Taxes		
11	PRE-TAX OPERATING EXPENSES	$ -	$ -
12	PRE-TAX OPERATING INCOME	$ -	$ -
13	Federal Tax - Current	$ (1,220,154)	$ (6,146,530)
14	Pa. CNI Tax - Current	$ (504,553)	$ (2,541,689)
15	Federal & State Income Taxes	$ (1,724,707)	$ (8,688,219)
16	Federal Tax - Deferred		
17	Pa. CNI Tax - Deferred		
18	ITC - Current		
19	ITC - Amortized		
20	TOTAL OPERATING EXPENSES	$ (1,724,707)	$ (8,688,219)
21	OPERATING INCOME	$ 1,724,707	$ 8,688,219

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-A, Schedule A-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Net Operating Income Adjustments

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-1
Schedule C.1.C
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates	General Inflation	Interest Synchronization
			C-1	C-2	C-13
1	Operating Revenues	$ -			
	Operating Revenue Deductions				
2	Operating Expenses	$ (27,857)		$ (27,857)	
3	Depreciation Expense	$ (51,386)	$ (51,386)		
4	Amortizations	$ -			
	Taxes Other Than Income:				
5	PUC Assessments	$ -			
6	OCA & SBA Assessments	$ -			
7	Public Utility Realty Tax	$ -			
8	State Capital Stock Tax	$ -			
9	Local Property Taxes & Misc	$ -			
10	Federal & State Payroll Taxes	$ -			
11	PRE-TAX OPERATING EXPENSES	$ (79,243)	$ (51,386)	$ (27,857)	$ -
12	PRE-TAX OPERATING INCOME	$ 79,243	$ 51,386	$ 27,857	$ -
13	Federal Tax - Current	$ 10,162	$ 9,929	$ 5,382	$ (5,150)
14	Pa. CNI Tax - Current	$ 4,202	$ 4,106	$ 2,226	$ (2,129)
15	Federal & State Income Taxes	$ 14,364	$ 14,035	$ 7,608	$ (7,279)
16	Federal Tax - Deferred	$ -			
17	Pa. CNI Tax - Deferred	$ -			
18	ITC - Current	$ -			
19	ITC - Amortized	$ -			
20	TOTAL OPERATING EXPENSES	$ (64,879)	$ (37,352)	$ (20,248)	$ (7,279)
21	OPERATING INCOME	$ 64,879	$ 37,352	$ 20,248	$ 7,279

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-B, Schedule A-5

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates	General Inflation	Revenue - Bill Discount Credits	Uncollectibles Expense - Arrearage Forgiveness	Legal Expenses - Appeals	Payroll Expense - Vacancies
			C-1	C-2	C-3	C-4	C-5	C-8
1	Operating Revenues	$ 352,627			$ 352,627			
	Operating Revenue Deductions							
2	Operating Expenses	$ (754,314)		$ (377,538)		$ (89,774)	$ (18,206)	$ (167,998)
3	Depreciation Expense	$ (2,294,664)	$ (2,294,664)					
4	Amortizations	$ -						
	Taxes Other Than Income:							
5	PUC Assessments	$ -						
6	OCA & SBA Assessments	$ -						
7	Public Utility Realty Tax	$ -						
8	State Capital Stock Tax	$ -						
9	Local Property Taxes & Misc	$ -						
10	Federal & State Payroll Taxes	$ (12,852)						
11	PRE-TAX OPERATING EXPENSES	$ (3,061,830)	$ (2,294,664)	$ (377,538)	$ -	$ (89,774)	$ (18,206)	$ (167,998)
12	PRE-TAX OPERATING INCOME	$ 3,414,457	$ 2,294,664	$ 377,538	$ 352,627	$ 89,774	$ 18,206	$ 167,998
13	Federal Tax - Current	$ 424,519	$ 443,377	$ 72,948	$ 68,135	$ 17,346	$ 3,518	$ 32,461
14	Pa. CNI Tax - Current	$ 175,545	$ 183,344	$ 30,165	$ 28,175	$ 7,173	$ 1,455	$ 13,423
15	Federal & State Income Taxes	$ 600,064	$ 626,721	$ 103,113	$ 96,310	$ 24,519	$ 4,972	$ 45,884
16	Federal Tax - Deferred	$ -						
17	Pa. CNI Tax - Deferred	$ -						
18	ITC - Current	$ -						
19	ITC - Amortized	$ -						
20	TOTAL OPERATING EXPENSES	$ (2,461,766)	$ (1,667,943)	$ (274,424)	$ 96,310	$ (65,255)	$ (13,233)	$ (122,114)
21	OPERATING INCOME	$ 2,814,393	$ 1,667,943	$ 274,424	$ 256,317	$ 65,255	$ 13,233	$ 122,114

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-C, Schedule A-5

Line No.	Description	Payroll Tax Expense C-9	Employee Group Insurance Expense C-11	Interest Synchronization C-13	Adjustment to Federal and State Income Tax Expense for Repairs Deductions C-14
1	Operating Revenues				
	Operating Revenue Deductions				
2	Operating Expenses		$ (100,799)		
3	Depreciation Expense				
4	Amortizations				
	Taxes Other Than Income:				
5	PUC Assessments				
6	OCA & SBA Assessments				
7	Public Utility Realty Tax				
8	State Capital Stock Tax				
9	Local Property Taxes & Misc				
10	Federal & State Payroll Taxes	$ (12,852)			
11	PRE-TAX OPERATING EXPENSES	$ (12,852)	$ (100,799)	$ -	$ -
12	PRE-TAX OPERATING INCOME	$ 12,852	$ 100,799	$ -	$ -
13	Federal Tax - Current	$ 2,483	$ 19,476	$ (127,433)	$ (107,793)
14	Pa. CNI Tax - Current	$ 1,027	$ 8,054	$ (52,696)	$ (44,574)
15	Federal & State Income Taxes	$ 3,510	$ 27,530	$ (180,128)	$ (152,368)
16	Federal Tax - Deferred				
17	Pa. CNI Tax - Deferred				
18	ITC - Current				
19	ITC - Amortized				
20	TOTAL OPERATING EXPENSES	$ (9,342)	$ (73,269)	$ (180,128)	$ (152,368)
21	OPERATING INCOME	$ 9,342	$ 73,269	$ 180,128	$ 152,368

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-C, Schedule A-5

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates	General Inflation	Interest Synchronization
			C-1	C-2	C-13
1	Operating Revenues	$ -			
	Operating Revenue Deductions				
2	Operating Expenses	$ (22,660)		$ (22,660)	
3	Depreciation Expense	$ (215,062)	$ (215,062)		
4	Amortizations	$ -			
	Taxes Other Than Income:				
5	PUC Assessments	$ -			
6	OCA & SBA Assessments	$ -			
7	Public Utility Realty Tax	$ -			
8	State Capital Stock Tax	$ -			
9	Local Property Taxes & Misc	$ -			
10	Federal & State Payroll Taxes	$ -			
11	PRE-TAX OPERATING EXPENSES	$ (237,722)	$ (215,062)	$ (22,660)	$ -
12	PRE-TAX OPERATING INCOME	$ 237,722	$ 215,062	$ 22,660	$ -
13	Federal Tax - Current	$ 29,182	$ 41,554	$ 4,378	$ (16,751)
14	Pa. CNI Tax - Current	$ 12,067	$ 17,183	$ 1,811	$ (6,927)
15	Federal & State Income Taxes	$ 41,249	$ 58,738	$ 6,189	$ (23,678)
16	Federal Tax - Deferred	$ -			
17	Pa. CNI Tax - Deferred	$ -			
18	ITC - Current	$ -			
19	ITC - Amortized	$ -			
20	TOTAL OPERATING EXPENSES	$ (196,473)	$ (156,324)	$ (16,471)	$ (23,678)
21	OPERATING INCOME	$ 196,473	$ 156,324	$ 16,471	$ 23,678

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-D, Schedule A-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Net Operating Income Adjustments

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-1
East Whiteland Wastewater
Schedule C.1.F
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates C-1	General Inflation C-2	Interest Synchronization C-13
1	Operating Revenues	$ -			
	Operating Revenue Deductions				
2	Operating Expenses	$ (20,649)		$ (20,649)	
3	Depreciation Expense	$ (269,972)	$ (269,972)		
4	Amortizations	$ -			
	Taxes Other Than Income:				
5	PUC Assessments	$ -			
6	OCA & SBA Assessments	$ -			
7	Public Utility Realty Tax	$ -			
8	State Capital Stock Tax	$ -			
9	Local Property Taxes & Misc	$ -			
10	Federal & State Payroll Taxes	$ -			
11	PRE-TAX OPERATING EXPENSES	$ (290,621)	$ (269,972)	$ (20,649)	$ -
12	PRE-TAX OPERATING INCOME	$ 290,621	$ 269,972	$ 20,649	$ -
13	Federal Tax - Current	$ 36,152	$ 52,164	$ 3,990	$ (20,002)
14	Pa. CNI Tax - Current	$ 14,949	$ 21,571	$ 1,650	$ (8,271)
15	Federal & State Income Taxes	$ 51,101	$ 73,735	$ 5,640	$ (28,273)
16	Federal Tax - Deferred	$ -			
17	Pa. CNI Tax - Deferred	$ -			
18	ITC - Current	$ -			
19	ITC - Amortized	$ -			
20	TOTAL OPERATING EXPENSES	$ (239,520)	$ (196,237)	$ (15,009)	$ (28,273)
21	OPERATING INCOME	$ 239,520	$ 196,237	$ 15,009	$ 28,273

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-E, Schedule A-5

Line No.	Description	Percent	Cost Rate	Weighted Cost
		(A)	(B)	(C)
	Per Company			
1	Long Term Debt	46.05%	4.32%	1.99%
2	Common Equity	53.95%	10.95%	5.91%
3	Total Capital Structure	100.00%		7.90%
	Per OCA			
4	Long-Term Debt	49.47%	4.32%	2.14%
5	Common Equity	50.53%	**8.70%**	4.40%
6	Total Capital Structure	100.00%		6.53%
7	Difference			-1.363%
8	Weighted Cost of Debt			2.14%

Notes and Source:
Lines 1-3: Aqua Exhibit 1-A, Schedule E-1
Lines 4-6: Per the recommendation of OCA witness Aaron Rothschild

Line No.	Description	Percent	Cost Rate	Weighted Cost
		(A)	(B)	(C)
	Per Company			
1	Long Term Debt	46.05%	4.32%	1.99%
2	Common Equity	53.95%	10.95%	5.91%
3	Total Capital Structure	100.00%		7.90%
	Per OCA			
4	Long-Term Debt	49.47%	4.32%	2.14%
5	Common Equity	50.53%	**8.70%**	4.40%
6	Total Capital Structure	100.00%		6.53%
7	Difference			-1.363%
8	Weighted Cost of Debt			2.14%

Notes and Source:
Lines 1-3: Aqua Exhibit 1-C, Schedule E-1
Lines 4-6: Per the recommendation of OCA witness Aaron Rothschild

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Docket Nos. R-2024-3047822 and R-2024-3047824
Exhibit LA-2
Adjustment Schedules
Accompanying the Direct Testimony of Ralph Smith

Number	Description	Confidential	Primary Witness	No. of Pages	Page No.
	Revenue Requirement Adjustment Schedules - Fully Projected Future Test Year Ending 12/31/2025				
	Rate Base Adjustments				
B-1	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	No	Andrews	7	2-8
B-2	PA NOL Deferred Tax Asset	No	Smith	1	9
	Net Operating Income Adjustments				
C-1	Depreciation Expense - New Depreciation Rates	No	Andrews	7	10-16
C-2	General Inflation	No	Smith	1	17
C-3	Revenue - Bill Discount Credits	No	Colton	1	18
C-4	Uncollectibles Expense - Arrearage Forgiveness	No	Colton	1	19
C-5	Legal Expenses - Appeals	No	Smith	1	20
C-6	Water Conservation Kits	No	Colton	1	21
C-7	Payroll Expense - Seasonal Positions	No	Smith	1	22
C-8	Payroll Expense - Vacancies	No	Smith	1	23
C-9	Payroll Tax Expense	No	Smith	1	24
C-10	401K Expense	No	Smith	1	25
C-11	Employee Group Insurance Expense	No	Smith	1	26
C-12	Intracompany Benefits	No	Smith	1	27
C-13	Interest Synchronization	No	Smith	6	28-33
C-14	Adjustment to Federal and State Income Tax Expense for Repairs Deductions	No	Smith	1	34
	Total Pages (including Contents page)			34	

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C)
	Accumulated Depreciation			
1	Adjustment to Accumulated Depreciation - Water Base	$ (1,461,389,326)	$ (1,212,334,885)	$ 24,075,355
2	Adjustment to Accumulated Depreciation - Shenandoah Water	$ (1,368,218)	$ (1,248,802)	$ 119,416
3	Adjustment to Accumulated Depreciation - Wastewater Base	$ (209,545,011)	$ (204,801,614)	$ 4,743,396
4	Adjustment to Accumulated Depreciation - Lower Makefield Wastewater	$ (5,665,883)	$ (5,161,672)	$ 504,211
5	Adjustment to Accumulated Depreciation - East Whiteland Wastewater	$ (4,716,491)	$ (4,136,409)	$ 580,082
6	Total Adjustment to Accumulated Depreciation	$ (1,682,684,929)	$ (1,427,683,382)	$ 30,022,461
	Customers' Advances and Contributions in Aid of Construction			
7	Adjustment to CA and CIAC - Water Base	$ (68,597,435)	$ (67,376,475)	$ (1,220,960)
8	Adjustment to CA and CIAC - Shenandoah Water	$ -	$ -	$ -
9	Adjustment to CA and CIAC - Wastewater Base	$ (10,324,249)	$ (10,092,928)	$ (231,321)
10	Adjustment to CA and CIAC - Lower Makefield Wastewater	$ (2,299)	$ (1,895)	$ (404)
11	Adjustment to CA and CIAC - East Whiteland Wastewater	$ (25,738)	$ (21,126)	$ (4,612)
12	Total Adjustment to Customer Advances and Contributions in Aid on Construction	$ (78,949,721)	$ (77,492,424)	$ (1,457,296)

Notes and Source:

Col. A, Line 1: Exhibit 1-A, Schedule G-1 from the Company's filing
Col. A, Line 2: Exhibit 1-B, Schedule G-1 from the Company's filing
Col. A, Line 3: Exhibit 1-C, Schedule G-1 from the Company's filing
Col. A, Line 4: Exhibit 1-D, Schedule G-1 from the Company's filing
Col. A, Line 5: Exhibit 1-E, Schedule G-1 from the Company's filing
Col. A, Lines 7-12: Table 1 - Aqua Book Reserve as of 12/31/2025 from 2025 Depreciation Study
Col. B, Lines 1 and 7: See page 2
Col. B, Lines 2 and 8: See page 3
Col. B, Lines 3 and 9: See page 4
Col. B, Lines 4 and 10: See page 5
Col. B, Lines 5 and 11: See page 6

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC

Exhibit LA-2
Water Base
Schedule B-1

Fully Projected Future Test Year Ending December 31, 2025

Docket Nos. R-2024-3047822 and R-2024-3047824

Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
	304.2	POWER AND PUMPING STRUCTURES			
1		MAJOR TREATMENT PLANTS	$ (7,782,433)	$ (7,663,454)	$ 118,979
2		OTHER STRUCTURES	$ (15,642,724)	$ (15,403,576)	$ 239,149
3		TOTAL ACCOUNT 304.2	$ (23,425,157)	$ (23,067,030)	$ 358,128
	304.3	PURIFICATION BUILDINGS			
4		MAJOR TREATMENT PLANTS	$ (73,559,984)	$ (72,272,351)	$ 1,287,633
5		OTHER STRUCTURES	$ (13,716,820)	$ (13,476,713)	$ 240,107
6		TOTAL ACCOUNT 304.3	$ (87,276,804)	$ (85,749,064)	$ 1,527,740
	304.61	OFFICE BUILDINGS			
7		OFFICES	$ (29,518,059)	$ (29,385,232)	$ 132,828
8		OTHER STRUCTURES	$ (906,323)	$ (902,245)	$ 4,078
9		TOTAL ACCOUNT 304.61	$ (30,424,382)	$ (30,287,476)	$ 136,906
10	304.62	STORES, SHOP AND GARAGE BUILDINGS	$ (5,743,800)	$ (5,738,094)	$ 5,706
11	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	$ (20,383,461)	$ (19,980,410)	$ 403,051
12	305	COLLECTING AND IMPOUNDING RESERVOIRS	$ (15,642,053)	$ (15,589,829)	$ 52,224
13	306	LAKE, RIVER AND OTHER INTAKES	$ (10,880,666)	$ (10,863,591)	$ 17,075
14	307	WELLS AND SPRINGS	$ (21,446,598)	$ (20,830,597)	$ 616,001
15	310.4	OTHER POWER PRODUCTION EQUIPMENT	$ (17,964,554)	$ (17,817,420)	$ 147,134
16	311	ELECTRIC PUMPING EQUIPMENT	$ (54,560,505)	$ (53,842,504)	$ 718,001
	320	PURIFICATION SYSTEM			
17		STRUCTURES	$ (50,293,118)	$ (49,988,087)	$ 305,031
18		WELLS AND BOOSTERS	$ (4,981,497)	$ (4,951,284)	$ 30,213
19		SUBTOTAL	$ (55,274,615)	$ (54,939,371)	$ 335,244
20		EQUIPMENT	$ (47,890,410)	$ (46,243,968)	$ 1,646,442
21		COMPUTERS	$ (6,743,446)	$ (6,731,690)	$ 11,756
22		PAINTING	$ (261,753)	$ (324,873)	$ (63,120)
23		FILTER MEDIA	$ (3,943,068)	$ (4,188,162)	$ (245,094)
24		FILTER MEDIA - PFAS	$ (61,479)	$ (61,479)	$ -
25		TOTAL ACCOUNT 320	$ (114,174,771)	$ 112,489,543	$ 1,685,228
	330	DISTRIBUTION RESERVOIRS AND STANDPIPES			
26		TANKS	$ (29,941,452)	$ (29,281,004)	$ 660,448
27		TANK PAINTING	$ (65,562,497)	$ (65,562,497)	$ -
28		TOTAL ACCOUNT 330	$ (95,503,949)	$ (94,843,501)	$ 660,448
	331	MAINS AND ACCESSORIES			
29		CAST IRON - 4 INCH AND UNDER	$ (10,387,078)	$ (9,672,617)	$ 714,461
30		CAST IRON - 6, 8 AND 10 INCH	$ (371,407,682)	$ (361,790,110)	$ 9,617,571
31		CAST IRON - 12 INCH AND OVER	$ (93,143,261)	$ (91,682,173)	$ 1,461,088
32		STEEL	$ (2,040,889)	$ (2,017,578)	$ 23,311
33		LOCK JOINT	$ (2,562,026)	$ (2,541,497)	$ 20,530
34		VALVES	$ (12,568,980)	$ (12,239,013)	$ 329,967
35		SPECIAL CONSTRUCTION	$ (8,640,370)	$ (8,553,016)	$ 87,354
36		CEMENT WROUGHT IRON	$ (29,336)	$ (28,570)	$ 766
37		COPPER	$ (276,872)	$ (246,132)	$ 30,740
38		ASBESTOS CEMENT	$ (1,689,170)	$ (1,681,398)	$ 7,773
39		PLASTIC	$ (9,528,863)	$ (9,089,976)	$ 438,887
40		MAIN CLEANING AND LINING	$ (39,140,172)	$ (38,579,035)	$ 561,137
41		TOTAL ACCOUNT 331	$ (551,414,699)	$ (538,121,114)	$ 13,293,585
42	333	SERVICES	$ (142,781,016)	$ (141,559,215)	$ 1,221,801
	334	METERS			
43		REMOTE	$ (95,901,219)	$ (94,314,991)	$ 1,586,228
44		ERTS	$ (45,785,312)	$ (45,271,136)	$ 514,177
45		TOTAL ACCOUNT 334	$ (141,686,531)	$ (139,586,127)	$ 2,100,404
46	335	FIRE HYDRANTS	$ (30,455,243)	$ (30,163,151)	$ 292,091
47	336	BACKFLOW PREVENTION DEVICES	$ (108,157)	$ (104,008)	$ 4,149
48	339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	$ (5,815)	$ (5,249)	$ 566
	340	OFFICE FURNITURE AND EQUIPMENT			
49		FURNITURE	$ (4,349,470)	$ (4,349,470)	$ (0)
50		MECHANICAL EQUIPMENT	$ (586,124)	$ (586,124)	$ 0
51		COMPUTER HARDWARE	$ (70,590)	$ (70,590)	$ 0
52		COMPUTER SOFTWARE - 10-YEAR	$ (12,029,735)	$ (12,029,735)	$ -
53		COMPUTER SOFTWARE - 15-YEAR	$ (24,386,133)	$ (24,386,133)	$ (0)
54		TOTAL ACCOUNT 340	$ (41,422,052)	$ (41,422,053)	$ (0)
	341	TRANSPORTATION EQUIPMENT			
55		VEHICLES	$ (20,517,091)	$ (19,786,931)	$ 730,160
56		OTHER	$ (965,340)	$ (965,340)	$ -
57		TOTAL ACCOUNT 341	$ (21,482,432)	$ (20,752,272)	$ 730,160

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC

Exhibit LA-2
Water Base
Schedule B-1

Fully Projected Future Test Year Ending December 31, 2025

Docket Nos. R-2024-3047822 and R-2024-3047824
Page 3 of 7

Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
58	342	STORES EQUIPMENT	$ (1,712,908)	$ (1,712,908)	$ -
59	343.1	SHOP EQUIPMENT	$ (1,215,019)	$ (1,215,019)	$ -
60	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	$ (9,797,036)	$ (9,797,036)	$ -
	344	LABORATORY EQUIPMENT			
27		CONVENTIONAL	$ (890,555)	$ (884,468)	$ 6,087
28		ELECTRONIC	$ (3,268,057)	$ (3,172,013)	$ 96,044
29		TOTAL ACCOUNT 344	$ (4,158,612)	$ (4,056,481)	$ 102,131
30	345	POWER OPERATED EQUIPMENT	$ (14,133)	$ (11,308)	$ 2,825
31	346	COMMUNICATION EQUIPMENT			
32		EQUIPMENT	$ (3,763,099)	$ (3,763,099)	$ (0)
33		SCADA	$ (12,184,516)	$ (12,184,516)	$ -
		TOTAL ACCOUNT 346	$ (15,947,615)	$ (15,947,615)	$ (0)
34					
35	347	MISCELLANEOUS EQUIPMENT	$ (1,738,459)	$ (1,738,459)	$ -
36	348	OTHER TANGIBLE PLANT	$ (22,896)	$ (22,896)	$ -
37		**TOTAL ACCUMULATED DEPRECIATION**	$ (1,461,389,326)	$ (1,212,334,885)	$ 24,075,355
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
		DEPRECIABLE PLANT			
38	304.2	POWER AND PUMPING STRUCTURES	$ (330,269)	$ (329,327)	$ (942)
39	304.3	PURIFICATION BUILDINGS	$ (248,947)	$ (167,958)	$ (80,989)
40	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	$ (41,574)	$ (39,908)	$ (1,667)
41	307	WELLS AND SPRINGS	$ (1,154,194)	$ (1,136,621)	$ (17,573)
42	310.4	OTHER POWER PRODUCTION EQUIPMENT	$ (819,829)	$ (807,829)	$ (12,000)
43	311	ELECTRIC PUMPING EQUIPMENT	$ (1,211,657)	$ (1,199,263)	$ (12,394)
44	320	PURIFICATION SYSTEM - EQUIPMENT	$ (537,004)	$ (420,341)	$ (116,663)
45	330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	$ (1,467,356)	$ (1,451,873)	$ (15,482)
	331	MAINS AND ACCESSORIES			
46		CAST IRON - 4 INCH AND UNDER	$ (144,325)	$ (129,292)	$ (15,033)
47		CAST IRON - 6, 8 AND 10 INCH	$ (46,392,241)	$ (45,673,934)	$ (718,308)
48		CAST IRON - 12 INCH AND OVER	$ (2,495,558)	$ (2,457,442)	$ (38,116)
49		STEEL	$ (917)	$ (781)	$ (136)
50		VALVES	$ (665,442)	$ (638,490)	$ (26,953)
51		ASBESTOS CEMENT	$ (3,049,502)	$ (3,031,243)	$ (18,259)
52		PLASTIC	$ (1,892,461)	$ (1,824,368)	$ (68,094)
53		TOTAL ACCOUNT 331	$ (54,640,448)	$ (53,755,549)	$ (884,898)
54	333	SERVICES	$ (3,979,216)	$ (3,934,759)	$ (44,457)
55	334	METERS	$ (75,740)	$ (75,740)	$ -
56	335	FIRE HYDRANTS	$ (4,089,456)	$ (4,055,560)	$ (33,896)
57	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	$ (84)	$ (84)	$ -
58	344.2	LABORATORY EQUIPMENT - ELECTRONIC	$ (1,662)	$ (1,662)	$ -
59		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**	$ (68,597,435)	$ (67,376,475)	$ (1,220,960)

Notes and Source:
Col. A: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve and CIAC sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Shenandoah Water
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
1	304.3	PURIFICATION BUILDINGS	$ (450,169)	$ (440,387)	$ 9,783
2	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	$ (5,187)	$ (4,222)	$ 965
3	310.4	OTHER POWER PRODUCTION EQUIPMENT	$ (4,380)	$ (2,895)	$ 1,485
4	311	ELECTRIC PUMPING EQUIPMENT	$ (153,664)	$ (138,966)	$ 14,697
5	320	PURIFICATION SYSTEM - EQUIPMENT	$ (3,785)	$ (2,624)	$ 1,161
6	330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	$ (565,493)	$ (509,076)	$ 56,416
7	331	MAINS AND ACCESSORIES			
8		CAST IRON - 4 INCH AND UNDER	$ (10,722)	$ (9,735)	$ 987
9		CAST IRON - 6, 8 AND 10 INCH	$ (37,079)	$ (26,319)	$ 10,760
10		CAST IRON - 12 INCH AND OVER	$ (12,241)	$ (10,157)	$ 2,084
11		VALVES	$ (1,088)	$ (851)	$ 236
10		TOTAL ACCOUNT 331	$ (61,129)	$ (47,062)	$ 14,067
11	333	SERVICES	$ (925)	$ (604)	$ 321
12	334	METERS - REMOTE	$ (66,540)	$ (52,912)	$ 13,628
13	335.00	FIRE HYDRANTS	$ (1,187)	$ (986)	$ 201
14	339.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	$ (978)	$ (883)	$ 95
15	340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	$ (824)	$ (824)	$ -
16	341	TRANSPORTATION EQUIPMENT - VEHICLES	$ (28,902)	$ (22,306)	$ 6,596
17	343.1	SHOP EQUIPMENT	$ (3,404)	$ (3,404)	$ -
18	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	$ (9,548)	$ (9,548)	$ -
19	346	COMMUNICATION EQUIPMENT	$ (12,104)	$ (12,104)	$ -
20		**TOTAL ACCUMULATED DEPRECIATION**	$ (1,368,218)	$ (1,248,802)	$ 119,416

Notes and Source:
Col. A: Aqua PA Shenandoah Water 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Wastewater Base
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
	354	STRUCTURES AND IMPROVEMENTS			
1		COLLECTION	$ (7,139,164)	$ (6,671,667)	$ 467,498
2		PUMPING	$ (10,677,681)	$ (10,505,295)	$ 172,385
3		TREATMENT AND DISPOSAL	$ (33,857,282)	$ (33,118,682)	$ 738,600
		RECLAIMED WATER TREATMENT	$ (902,638)	$ (889,351)	$ 13,286
		GENERAL	$ (1,311,700)	$ (1,305,583)	$ 6,117
4		TOTAL ACCOUNT 354	$ (53,888,465)	$ (52,490,578)	$ 1,397,887
5					
6	355	POWER GENERATING EQUIPMENT			
		COLLECTION	$ (64,043)	$ (61,736)	$ 2,307
		PUMPING	$ (1,527,530)	$ (1,514,692)	$ 12,838
7		TREATMENT AND DISPOSAL	$ (2,148,821)	$ (2,099,871)	$ 48,949
8		TOTAL ACCOUNT 355	$ (3,740,394)	$ (3,676,300)	$ 64,095
9					
	360	COLLECTION MAINS - FORCE	$ (30,198,445)	$ (29,862,528)	$ 335,917
10	361.00	COLLECTION MAINS - GRAVITY	$ (54,966,543)	$ (53,869,103)	$ 1,097,440
11	362.00	SPECIAL COLLECTING STRUCTURES	$ (6,504)	$ (6,440)	$ 64
12	363	SERVICES	$ (14,787,682)	$ (14,725,323)	$ 62,359
13	364	METERS	$ (545,280)	$ (531,469)	$ 13,811
14	370.3	RECEIVING WELLS	$ (1,848,218)	$ (1,824,403)	$ 23,815
15					
16	371	PUMPING EQUIPMENT			
		PUMPING	$ (16,285,511)	$ (15,768,877)	$ 516,634
		RECLAIMED WATER TREATMENT	$ (122,493)	$ (120,519)	$ 1,974
17		TOTAL ACCOUNT 371	$ (16,408,004)	$ (15,889,397)	$ 518,607
18					
19	380	TREATMENT AND DISPOSAL EQUIPMENT	$ (26,340,260)	$ (25,144,317)	$ 1,195,943
20	381	PLANT SEWERS			
21		TREATMENT AND DISPOSAL	$ (49,508)	$ (48,272)	$ 1,236
22		RECLAIMED WATER TREATMENT	$ (2,341)	$ (2,283)	$ 59
23		TOTAL ACCOUNT 381	$ (51,850)	$ (50,555)	$ 1,295
24					
25	382	OUTFALL LINES	$ (201,273)	$ (198,468)	$ 2,805
	389	OTHER PLANT AND MISCELLANEOUS EQUIPMENT			
26		COLLECTION	$ (521,730)	$ (512,470)	$ 9,260
27		PUMPING	$ (47,884)	$ (46,880)	$ 1,004
28		TREATMENT AND DISPOSAL	$ (9,125)	$ (9,039)	$ 86
		TOTAL ACCOUNT 389	$ (578,739)	$ (568,389)	$ 10,349
29	390	OFFICE FURNITURE AND EQUIPMENT			
30		FURNITURE	$ (16,395)	$ (16,395)	$ (0)
31		OFFICE EQUIPMENT	$ (84,897)	$ (84,897)	$ -
32		COMPUTER HARDWARE	$ (150,108)	$ (150,108)	$ -
33		COMPUTER SOFTWARE - 10 YEARS	$ (275,973)	$ (275,973)	$ (0)
34		COMPUTER SOFTWARE - 15 YEARS	$ (277,901)	$ (277,901)	$ -
35		TOTAL ACCOUNT 390	$ (805,273)	$ (805,273)	$ (0)
36					
37	391	TRANSPORTATION EQUIPMENT	$ (1,566,866)	$ (1,549,629)	$ 17,236
38	392	STORES EQUIPMENT	$ (3,539)	$ (3,539)	$ -
39	393	TOOLS, SHOP AND GARAGE EQUIPMENT	$ (220,279)	$ (220,279)	$ -
40	394	LABORATORY EQUIPMENT	$ (413,352)	$ (413,352)	$ -
41	395	POWER OPERATED EQUIPMENT	$ (196,714)	$ (194,940)	$ 1,773
42		COMMUNICATION EQUIPMENT			
	396	GENERAL	$ (651,279)	$ (651,279)	$ -
	396.7	SCADA	$ (2,097,397)	$ (2,097,397)	$ -
43		TOTAL ACCOUNT 396	$ (2,748,676)	$ (2,748,676)	$ -
44					
45	397	MISCELLANEOUS EQUIPMENT	$ (28,656)	$ (28,655)	$ 0
46		**TOTAL ACCUMULATED DEPRECIATION**	$ (209,545,011)	$ (204,801,614)	$ 4,743,396
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
		DEPRECIABLE PLANT			
47	354	STRUCTURES AND IMPROVEMENTS			
48		COLLECTION	$ (675,298)	$ (658,154)	$ (17,144)
49		PUMPING	$ (340,023)	$ (326,601)	$ (13,422)
50		TREATMENT AND DISPOSAL	$ (3,114,607)	$ (3,051,100)	$ (63,507)
51		GENERAL	$ (11,077)	$ (11,030)	$ (47)
52		TOTAL ACCOUNT 354	$ (4,141,005)	$ (4,046,885)	$ (94,120)
53	360	COLLECTION MAINS - FORCE	$ (2,525,234)	$ (2,479,709)	$ (45,525)
54	361	COLLECTION MAINS - GRAVITY	$ (1,584,155)	$ (1,523,506)	$ (60,648)
55	363	SERVICES	$ (728,904)	$ (723,771)	$ (5,134)
56	371.3	PUMPING EQUIPMENT - PUMPING	$ (264,411)	$ (250,793)	$ (13,618)
57	380	TREATMENT AND DISPOSAL EQUIPMENT	$ (1,062,127)	$ (1,050,156)	$ (11,971)
58	381.4	PLANT SEWERS - TREATMENT AND DISPOSAL	$ (1,429)	$ (1,426)	$ (3)
59	382	OUTFALL LINES	$ (1,454)	$ (1,452)	$ (2)
60	389.2	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	$ (9,903)	$ (9,722)	$ (181)
61	396.7	COMMUNICATION EQUIPMENT - SCADA	$ (5,626)	$ (5,507)	$ (119)
62		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**	$ (10,324,249)	$ (10,092,928)	$ (231,321)

Notes and Source:
Col. A: Aqua PA Wastewater Base 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve and CIAC sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC
Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Lower Makefield Wastewater
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
	354	STRUCTURES AND IMPROVEMENTS			
1		COLLECTION	$ (1,373)	$ (1,106)	$ 267
2		PUMPING	$ (479,766)	$ (433,371)	$ 46,395
3		TREATMENT AND DISPOSAL	$ (1,075,638)	$ (996,819)	$ 78,819
4		RECLAIMED WATER TREATMENT	$ (9)	$ (7)	$ 2
5		GENERAL	$ (109)	$ (94)	$ 15
6		TOTAL ACCOUNT 354	$ (1,556,894)	$ (1,431,396)	$ 125,498
	355	POWER GENERATING EQUIPMENT			
7		COLLECTION	$ (2,038)	$ (1,751)	$ 286
8		PUMPING	$ (87,049)	$ (81,765)	$ 5,284
9		TREATMENT AND DISPOSAL	$ (1,785)	$ (1,604)	$ 180
10		TOTAL ACCOUNT 355	$ (90,871)	$ (85,121)	$ 5,750
11	360	COLLECTION MAINS - FORCE	$ (143,793)	$ (131,851)	$ 11,943
12	361.00	COLLECTION MAINS - GRAVITY	$ (3,267,975)	$ (2,964,600)	$ 303,375
13	363.00	SERVICES	$ (265,530)	$ (251,223)	$ 14,307
14	364	METERS	$ (56,499)	$ (50,078)	$ 6,422
	371	PUMPING EQUIPMENT			
15		PUMPING	$ (229,385)	$ (192,470)	$ 36,915
16		RECLAIMED WATER TREATMENT	$ (8)	$ (7)	$ 1
17		TOTAL ACCOUNT 371	$ (229,393)	$ (192,477)	$ 36,917
18	393	TOOLS, SHOP AND GARAGE EQUIPMENT	$ (8,661)	$ (8,661)	$ -
19	395	POWER OPERATED EQUIPMENT	$ -	$ -	$ -
		COMMUNICATION EQUIPMENT			
20	396	GENERAL	$ (19,035)	$ (19,035)	$ -
21	396.7	SCADA	$ (27,231)	$ (27,231)	$ -
22		TOTAL ACCOUNT 396	$ (46,265)	$ (46,265)	$ -
23		**TOTAL ACCUMULATED DEPRECIATION**	$ (5,665,883)	$ (5,161,672)	$ 504,211
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
		DEPRECIABLE PLANT			
24	361	COLLECTION MAINS - GRAVITY	$ (1,686)	$ (1,322)	$ (364)
25	363	SERVICES	$ (612)	$ (573)	$ (40)
26		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**	$ (2,299)	$ (1,895)	$ (404)

Notes and Source:
Col. A: Aqua PA Lower Makefield Wastewater 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve and CIAC sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC
Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
East Whiteland Wastewater
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 7 of 7

Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
	354	STRUCTURES AND IMPROVEMENTS			
1		COLLECTION	$ (1,861)	$ (1,547)	$ 314
2		PUMPING	$ (615,347)	$ (524,666)	$ 90,681
3		TREATMENT AND DISPOSAL	$ (920,940)	$ (750,604)	$ 170,336
4		TOTAL ACCOUNT 354	$ (1,538,147)	$ (1,276,817)	$ 261,330
	355	POWER GENERATING EQUIPMENT			
5		COLLECTION	$ (478)	$ (412)	$ 66
6		PUMPING	$ (10,682)	$ (9,620)	$ 1,062
7		TREATMENT AND DISPOSAL	$ (363)	$ (297)	$ 67
8		TOTAL ACCOUNT 355	$ (11,523)	$ (10,328)	$ 1,195
9	360	COLLECTION MAINS - FORCE	$ (291,385)	$ (267,387)	$ 23,998
10	361	COLLECTION MAINS - GRAVITY	$ (2,350,557)	$ (2,084,728)	$ 265,829
11	363	SERVICES	$ (447,402)	$ (423,987)	$ 23,415
12	364.00	METERS	$ (31,719)	$ (29,835)	$ 1,883
	371	PUMPING EQUIPMENT			
13		PUMPING	$ (15,027)	$ (12,595)	$ 2,432
14		TOTAL ACCOUNT 371	$ (15,027)	$ (12,595)	$ 2,432
15	380	TREATMENT AND DISPOSAL EQUIPMENT	$ -	$ -	$ -
16	397	MISCELLANEOUS EQUIPMENT	$ (30,731)	$ (30,731)	$ (0)
17		**TOTAL ACCUMULATED DEPRECIATION**	$ (4,716,491)	$ (4,136,409)	$ 580,082
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
		DEPRECIABLE PLANT			
18	361	COLLECTION MAINS - GRAVITY	$ (22,779)	$ (18,326)	$ 4,453
19	363	SERVICES	$ (2,959)	$ (2,801)	$ 158
20		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**	$ (25,738)	$ (21,126)	$ 4,612

Notes and Source:
Col. A: Aqua PA East Whiteland Wastewater 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve and CIAC sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
PA NOL Deferred Tax Asset

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Schedule B-2
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C)
1	PA NOL Deferred Tax Asset - Water Base Operations	$ 31,413,858	$ -	$ (31,413,858)
2	PA NOL Deferred Tax Asset - Wastewater Base Operations	$ 1,313,644	$ -	$ (1,313,644)
3	Total Adjustment to Remove the PA NOL Deferred Tax Asset	$ 32,727,501	$ -	$ (32,727,501)

Notes and Source:
Col. A: Company response to OCA-XV-25

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C)
1	Adjustment to Depreciation Expense - Water	$ 142,262,956	$ 130,551,253	$ (11,711,703)
2	Adjustment to Depreciation Expense - Shenandoah Water	$ 660,234	$ 608,848	$ (51,386)
3	Adjustment to Depreciation Expense - Wastewater	$ 14,132,709	$ 11,838,045	$ (2,294,664)
4	Adjustment to Depreciation Expense - Lower Makefield Wastewater	$ 2,190,539	$ 1,975,477	$ (215,062)
5	Adjustment to Depreciation Expense - East Whiteland Wastewater	$ 1,890,163	$ 1,620,191	$ (269,972)
6	Total Adjustment to Depreciation Expense	$ 161,136,601	$ 146,593,814	$ (14,542,787)

Notes and Source:

Col. A, Line 1: Exhibit 1-A, Schedule D-1 from the Company's filing
Col. A, Line 2: Exhibit 1-B, Schedule D-1 from the Company's filing
Col. A, Line 3: Exhibit 1-C, Schedule D-1 from the Company's filing
Col. A, Line 4: Exhibit 1-D, Schedule D-1 from the Company's filing
Col. A, Line 5: Exhibit 1-E, Schedule D-1 from the Company's filing
Col. B, Line 1: See page 2
Col. B, Line 2: See page 3
Col. B, Line 3: See page 4
Col. B, Line 4: See page 5
Col. B, Line 5: See page 6

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Depreciation Expense - New Depreciation Rates
Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Water Base
Schedule C-1
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 2 of 7

Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
		INTANGIBLE PLANT							
1	301	ORGANIZATION	NONDEPR.	7,076,059.95					
2	302	FRANCHISES AND CONSENTS	NONDEPR.	2,944,957.32					
3	303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.	4,382,344.75					
		TOTAL INTANGIBLE PLANT		**14,403,362.02**					
		NONDEPRECIABLE PLANT							
4	303.11	WATER RIGHTS	NONDEPR.	1,703,879.22					
5	303.12	RESERVOIR LAND	NONDEPR.	2,826,590.02					
6	303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.	6,878,759.36					
7	303.2	POWER AND PUMPING LAND	NONDEPR.	1,577,342.01					
8	303.3	PURIFICATION LAND	NONDEPR.	1,408,637.63					
9	303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	1,431,041.39					
10	303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	1,323,147.51					
11	303.61	OFFICE LAND	NONDEPR.	3,128,180.15					
12	303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.	1,002,954.67					
13	303.63	MISCELLANEOUS LAND	NONDEPR.	1,066,770.08					
		TOTAL NONDEPRECIABLE PLANT		**22,347,302.04**					
		DEPRECIABLE PLANT							
	304.2	POWER AND PUMPING STRUCTURES							
14		MAJOR TREATMENT PLANTS	85-S0.5	23,625,022.72	656,405	2.78%	2.68%	633,151	(23,254)
15		OTHER STRUCTURES	50-R3	57,146,972.71	1,241,434	2.17%	1.90%	1,085,792	(155,642)
16		TOTAL ACCOUNT 304.2		80,771,995.43	1,897,839			1,718,943	(178,896)
	304.3	PURIFICATION BUILDINGS							
17		MAJOR TREATMENT PLANTS	95-S0.5	203,155,039.53	5,218,998	2.57%	2.50%	5,078,876	(140,122)
18		OTHER STRUCTURES	50-S0	78,319,125.72	2,167,685	2.77%	1.87%	1,464,568	(703,117)
19		TOTAL ACCOUNT 304.3		281,474,165.25	7,386,683			6,543,444	(843,239)
	304.61	OFFICE BUILDINGS							
20		OFFICES	55-R3	76,985,229.49	2,259,376	2.93%	2.89%	2,224,873	(34,503)
21		OTHER STRUCTURES	50-R3	6,900,178.58	152,529	2.21%	1.90%	131,103	(21,426)
22		TOTAL ACCOUNT 304.61		83,885,408.07	2,411,905			2,355,977	(55,928)
23	304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	8,151,790.12	147,672	1.81%	1.77%	144,287	(3,385)
24	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	53,811,422.38	2,173,305	4.04%	3.63%	1,953,355	(219,950)
25	305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	47,725,712.85	921,084	1.93%	1.82%	868,608	(52,476)
26	306	LAKE, RIVER AND OTHER INTAKES	80-R3	24,866,568.97	738,266	2.97%	2.94%	731,077	(7,189)
27	307	WELLS AND SPRINGS	50-R2.5	81,386,762.20	1,865,670	2.29%	1.92%	1,562,626	(303,044)
28	310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	39,853,182.79	1,902,397	4.77%	4.64%	1,849,188	(53,209)
29	311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	115,220,987.87	3,120,708	2.71%	2.43%	2,799,870	(320,838)
	320	PURIFICATION SYSTEM							
30		STRUCTURES	80-S0	98,973,591.77	2,446,604	2.47%	2.40%	2,375,366	(71,238)
31		WELLS AND BOOSTERS	50-R3	16,766,011.42	359,929	2.15%	1.88%	315,201	(44,728)
32		SUBTOTAL		115,739,603.19	2,806,533			2,690,567	(115,966)
33		EQUIPMENT	52-R2.5	244,330,145.84	5,506,004	2.25%	1.84%	4,495,675	(1,010,329)
34		COMPUTERS	10-SQ	7,360,610.22	66,337	0.90%	0.92%	67,718	1,381
35		PAINTING	10-SQ	296,911.27	8,263	2.78%	0.00%	0	(8,263)
36		FILTER MEDIA	10-S3	5,955,248.05	290,626	4.88%	3.85%	229,277	(61,349)
37		FILTER MEDIA - PFAS	10-S3	1,000,000.00	106,529	10.65%	9.88%	98,800	(7,729)
38		TOTAL ACCOUNT 320		374,682,518.57	8,784,292			7,582,037	(1,202,255)
	330	DISTRIBUTION RESERVOIRS AND STANDPIPES							
39		TANKS	70-S1	98,417,090.11	1,612,302	1.64%	1.31%	1,289,264	(323,038)
40		TANK PAINTING	10-SQ	82,098,657.34	4,270,162	5.20%	5.20%	4,269,130	(1,032)
41		TOTAL ACCOUNT 330		180,515,747.45	5,882,464			5,558,394	(324,070)
	331	MAINS AND ACCESSORIES							
42		CAST IRON - 4 INCH AND UNDER	50-L1.5	50,914,639.58	1,377,245	2.71%	2.02%	1,028,476	(348,769)
43		CAST IRON - 6, 8 AND 10 INCH	65-S2.5	2,446,532,176.52	44,475,431	1.82%	1.62%	39,633,821	(4,841,610)
44		CAST IRON - 12 INCH AND OVER	95-S3	806,938,943.87	9,691,765	1.20%	1.11%	8,957,022	(734,743)
45		STEEL	75-R3	5,495,288.91	105,640	1.92%	1.73%	95,068	(10,572)
46		LOCK JOINT	75-R5	13,909,671.40	266,040	1.91%	1.85%	257,329	(8,711)
47		VALVES	90-R3	91,774,861.27	1,210,042	1.32%	1.15%	1,055,411	(154,631)
48		SPECIAL CONSTRUCTION	58-R4	26,470,940.91	586,182	2.21%	2.05%	542,654	(43,528)
49		CEMENT WROUGHT IRON	90-R3	218,829.49	3,198	1.46%	1.28%	2,801	(397)
50		COPPER	50-S0.5	1,933,353.51	52,590	2.72%	2.01%	38,860	(13,730)
51		ASBESTOS CEMENT	50-S5	3,283,203.35	74,115	2.26%	2.20%	72,230	(1,885)
52		PLASTIC	45-R2.5	47,013,884.78	1,325,230	2.82%	2.37%	1,114,229	(211,001)
53		MAIN CLEANING AND LINING	50-L4	124,697,136.96	3,163,172	2.54%	2.32%	2,892,974	(270,198)
54		TOTAL ACCOUNT 331		3,619,182,930.55	62,330,650			55,690,876	(6,639,774)
55	333	SERVICES	70-R4	648,002,000.30	9,610,950	1.48%	1.38%	8,942,428	(668,522)
	334	METERS							
56		REMOTE	22-R2.5	160,572,977.07	4,877,256	3.04%	2.58%	4,142,783	(734,473)
57		ERTS	18-S2	64,707,281.07	1,918,938	2.97%	2.63%	1,701,801	(217,137)
58		TOTAL ACCOUNT 334		225,280,258.14	6,796,194			5,844,584	(951,610)
59	335	FIRE HYDRANTS	60-R4	125,626,999.61	2,222,470	1.77%	1.65%	2,072,845	(149,625)
60	336	BACKFLOW PREVENTION DEVICES	35-R2.5	386,014.90	12,401	3.21%	2.74%	10,577	(1,824)
61	339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3	65,814.77	3,741	5.68%	4.97%	3,271	(470)
	340	OFFICE FURNITURE AND EQUIPMENT							
62		FURNITURE	20-SQ	9,323,803.30	510,294	**	5.47%	510,012	(282)
63		MECHANICAL EQUIPMENT	10-SQ	1,000,191.53	117,797	**	11.78%	117,823	26
64		COMPUTER HARDWARE	5-SQ	11,321,979.64	4,565,505	**	40.32%	4,565,022	(483)
65		COMPUTER SOFTWARE - 10-YEAR	10-SQ	40,944,634.41	6,978,214	**	17.04%	6,976,966	(1,248)
66		COMPUTER SOFTWARE - 15-YEAR	15-SQ	81,171,088.85	5,406,567	**	6.66%	5,405,995	(572)
67		TOTAL ACCOUNT 340		143,761,697.73	17,578,377			17,575,817	(2,560)
	341	TRANSPORTATION EQUIPMENT							
68		VEHICLES	9-L2.5	30,506,717.87	2,211,533	7.25%	6.49%	1,979,886	(231,647)
69		OTHER	20-SQ	2,997,334.99	204,186	**	6.81%	204,186	0
70		TOTAL ACCOUNT 341		33,504,052.86	2,415,719			2,184,072	(231,647)
71	342	STORES EQUIPMENT	20-SQ	3,499,982.19	173,708	**	4.96%	173,599	(109)
72	343.1	SHOP EQUIPMENT	25-SQ	3,793,864.35	150,225	**	3.96%	150,237	12
73	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	18,575,825.94	939,743	**	5.06%	939,937	194
	344	LABORATORY EQUIPMENT							
40		CONVENTIONAL	38-R3	1,303,708.29	23,809	1.83%	1.62%	21,120	(2,689)
41		ELECTRONIC	25-R2.5	7,757,817.62	288,639	3.72%	3.14%	243,595	(45,044)
42		TOTAL ACCOUNT 344		9,061,525.91	312,448			264,716	(47,732)

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Depreciation Expense - New Depreciation Rates

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Water Base
Schedule C-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
43	345	POWER OPERATED EQUIPMENT	20-R2	131,411.12	8,318	6.33%	4.90%	6,439	(1,879)
44	346	COMMUNICATION EQUIPMENT							
45		EQUIPMENT	15-SQ	10,051,956.76	644,951	**	6.42%	645,336	385
46		SCADA	10-SQ	30,382,736.63	3,632,921	**	11.96%	3,633,775	854
47		TOTAL ACCOUNT 346		40,434,693.39	4,277,872			4,279,111	1,239
48	347	MISCELLANEOUS EQUIPMENT	25-SQ	2,782,358.38	116,534	**	4.19%	116,581	47
49	348	OTHER TANGIBLE PLANT	25-SQ	59,497.10	2,456	**	4.13%	2,457	1
50		**TOTAL DEPRECIABLE PLANT**		**6,246,495,189.19**	**144,184,091**			**131,925,351**	**(12,258,740)**
51		**TOTAL WATER PLANT IN SERVICE**		**6,283,245,853.25**	**144,184,091**			**131,925,351**	**(12,258,740)**
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
		DEPRECIABLE PLANT							
52	304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	4,402	1.08%	0.98%	4,011	(391)
53	304.3	PURIFICATION BUILDINGS	50-S0	3,388,656.78	102,903	3.04%	2.01%	68,112	(34,791)
54	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	175,454.91	4,597	2.62%	2.17%	3,807	(790)
55	307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	52,989	1.93%	1.65%	45,306	(7,683)
56	310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	28,736	1.92%	1.57%	23,550	(5,186)
57	311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	46,079	2.53%	2.25%	41,007	(5,072)
58	320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	9,721,907.47	233,127	2.40%	1.94%	188,605	(44,522)
59	330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	37,131	1.27%	1.02%	29,796	(7,335)
	331	MAINS AND ACCESSORIES							
60		CAST IRON - 4 INCH AND UNDER	50-L1.5	977,986.06	26,126	2.67%	1.96%	19,169	(6,957)
61		CAST IRON - 6, 8 AND 10 INCH	65-S2.5	168,109,463.19	3,035,643	1.81%	1.61%	2,706,562	(329,081)
62		CAST IRON - 12 INCH AND OVER	95-S3	21,556,748.58	249,449	1.16%	1.07%	230,657	(18,792)
63		STEEL	75-R3	33,299.45	518	1.56%	1.33%	443	(75)
64		VALVES	90-R3	7,532,577.64	96,536	1.28%	1.11%	83,612	(12,924)
65		ASBESTOS CEMENT	50-S5	3,814,630.11	139,651	3.66%	3.54%	135,038	(4,613)
66		PLASTIC	45-R2.5	7,271,034.08	191,663	2.64%	2.22%	161,417	(30,246)
67		TOTAL ACCOUNT 331		209,295,739.11	3,739,586			3,336,897	(402,689)
68	333	SERVICES	70-R4	22,228,245.36	326,537	1.47%	1.37%	304,527	(22,010)
69	334	METERS	22-R2.5	75,740.42	0	-	0.00%	0	0
70	335	FIRE HYDRANTS	60-R4	15,406,832.51	256,915	1.67%	1.56%	240,347	(16,568)
71	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	0	-	0.00%	0	0
72	344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	0	-	0.00%	0	0
73		**TOTAL DEPRECIABLE PLANT**		**269,693,142.62**	**4,833,002**			**4,285,965**	**(547,037)**
74		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**		**269,693,142.62**	**4,833,002**			**4,285,965**	**(547,037)**
75		**AMORTIZATION OF NET SALVAGE**			2,911,867			2,911,867	0
76		**TOTAL WATER PLANT**		**6,013,552,710.63**	**142,262,956**			**130,551,253**	**(11,711,703)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
		INTANGIBLE PLANT							
1	301	ORGANIZATION	NONDEPR.	517,932.18					
		NONDEPRECIABLE PLANT							
2	303.2	POWER AND PUMPING LAND	NONDEPR.	17.00					
3	303.3	PURIFICATION LAND	NONDEPR.	22,000.00					
4	303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	22,663.00					
		TOTAL NONDEPRECIABLE PLANT		**44,680.00**					
		DEPRECIABLE PLANT							
5	304.3	PURIFICATION BUILDINGS	95-S0.5	5,599,858.27	247,004	4.41%	4.32%	241,914	(5,090)
6	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	269,990.13	13,342	4.94%	4.77%	12,879	(463)
7	310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	205,788.00	12,383	6.02%	4.73%	9,734	(2,649)
8	311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	760,083.28	65,344	8.60%	7.99%	60,731	(4,613)
9	320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	107,655.83	2,630	2.44%	1.94%	2,089	(541)
10	330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	5,477,322.40	175,572	3.21%	2.74%	150,079	(25,493)
	331	MAINS AND ACCESSORIES							
11		CAST IRON - 4 INCH AND UNDER	50-L1.5	84,930.48	4,982	5.87%	5.20%	4,416	(566)
12		CAST IRON - 6, 8 AND 10 INCH	65-S2.5	1,590,756.21	31,210	1.96%	1.79%	28,475	(2,735)
13		CAST IRON - 12 INCH AND OVER	95-S3	755,301.55	11,393	1.51%	1.39%	10,499	(894)
14		VALVES	90-R3	71,198.87	930	1.31%	1.12%	797	(133)
15		TOTAL ACCOUNT 331		2,502,187.11	48,515			44,187	(4,328)
16	333	SERVICES	70-R4	356,312.53	5,487	1.54%	1.45%	5,167	(320)
17	334	METERS - REMOTE	22-R2.5	551,732.65	30,567	5.54%	4.69%	25,876	(4,691)
18	335	FIRE HYDRANTS	60-R4	375,814.26	7,150	1.90%	1.79%	6,727	(423)
19	339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3	11,070.00	629	5.68%	4.97%	550	(79)
20	340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	10-SQ	5,028.21	511	10.16%	10.17%	511	0
21	341	TRANSPORTATION EQUIPMENT - VEHICLES	9-L2.5	133,253.91	19,542	14.67%	12.64%	16,843	(2,699)
22	343.1	SHOP EQUIPMENT	25-SQ	52,581.30	2,457	4.67%	4.67%	2,456	(1)
23	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	116,400.57	8,609	7.40%	7.40%	8,614	5
24	346	COMMUNICATION EQUIPMENT	15-SQ	152,584.80	14,266	9.35%	9.35%	14,267	1
25		**TOTAL DEPRECIABLE PLANT**		**16,677,663.25**	**654,008**			**602,622**	**(51,386)**
26		**AMORTIZATION OF NET SALVAGE**			6,226			6,226	0
27		**TOTAL WATER PLANT IN SERVICE**		**17,240,275.43**	**660,234**			**608,848**	**(51,386)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Depreciation Expense - New Depreciation Rates

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Wastewater Base
Schedule C-1
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Line No.	Account No.	Account Description	Per Company Survivor Curve (A)	Per Company Original Cost As of December 31, 2025 (B)	Per Company Calculated Annual Accrual Amount (C)	Per Company Calculated Annual Accrual Percent (D)	Per OCA Depreciation Rate (E)	Per OCA Accrual Amount (F)	Difference (G) = (F) - (C)
		INTANGIBLE PLANT							
1	351.00	ORGANIZATION	NONDEPR.	4,400,256.26					
2		**TOTAL INTANGIBLE PLANT**		**4,400,256.26**					
		NONDEPRECIABLE PLANT							
3	353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	52,284.04					
4	353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	2,121,792.38					
5	353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	7,571,636.17					
6		**TOTAL NONDEPRECIABLE PLANT**		**9,745,712.59**					
		DEPRECIABLE PLANT							
	354.00	STRUCTURES AND IMPROVEMENTS							
7		COLLECTION	40-S1.5	45,274,361.31	1,356,826	3.00%	2.49%	1,127,332	(229,494)
8		PUMPING	55-R2	23,052,287.68	423,745	1.84%	1.51%	348,090	(75,655)
9		TREATMENT AND DISPOSAL	45-S1	77,421,983.13	1,834,055	2.37%	1.94%	1,501,986	(332,069)
10		RECLAIMED WATER TREATMENT	60-R2.5	2,226,160.94	40,518	1.82%	1.56%	34,728	(5,790)
11		GENERAL	50-R3	1,855,894.55	27,593	1.49%	1.35%	25,055	(2,538)
12		TOTAL ACCOUNT 354		149,830,687.61	3,682,737			3,037,190	(645,547)
	355.00	POWER GENERATING EQUIPMENT							
13		COLLECTION	30-R3	296,251.82	11,033	3.72%	3.28%	9,717	(1,316)
14		PUMPING	30-R3	2,215,978.37	54,070	2.44%	2.21%	48,973	(5,097)
15		TREATMENT AND DISPOSAL	30-R3	6,416,912.90	213,259	3.32%	2.90%	186,090	(27,169)
16		TOTAL ACCOUNT 355		8,929,143.09	278,362			244,781	(33,581)
17	360.00	COLLECTION MAINS - FORCE	70-R3	86,683,236.48	1,406,319	1.62%	1.44%	1,248,239	(158,080)
18	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	177,453,811.94	3,242,874	1.83%	1.52%	2,697,298	(545,576)
19	362.00	SPECIAL COLLECTING STRUCTURES	45-R3	11,400.44	302	2.65%	2.42%	276	(26)
20	363.00	SERVICES	70-R4	30,347,531.13	378,927	1.25%	1.16%	352,031	(26,896)
21	364.00	METERS	30-L2.5	1,186,479.96	38,111	3.21%	2.70%	32,035	(6,076)
22	370.30	RECEIVING WELLS	40-S2.5	3,175,305.11	96,276	3.03%	2.71%	86,051	(10,225)
	371.00	PUMPING EQUIPMENT							
23		PUMPING	30-L1.5	37,906,769.95	1,258,628	3.32%	2.52%	955,251	(303,377)
24		RECLAIMED WATER TREATMENT	30-L1.5	216,048.53	6,442	2.98%	2.38%	5,142	(1,300)
25		TOTAL ACCOUNT 371		38,122,818.48	1,265,070			960,393	(304,677)
26	380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	113,197,260.60	3,281,875	2.90%	2.32%	2,626,176	(655,699)
	381.00	PLANT SEWERS							
27		TREATMENT AND DISPOSAL	40-R2	122,375.79	3,385	2.77%	2.32%	2,839	(546)
28		RECLAIMED WATER TREATMENT	40-R2	6,264.17	180	2.87%	2.46%	154	(26)
29		TOTAL ACCOUNT 381		128,639.96	3,565			2,993	(572)
30	382.00	OUTFALL LINES	40-R2.5	375,199.36	10,531	2.81%	2.47%	9,267	(1,264)
	389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							
31		COLLECTION	20-L3	661,408.27	24,913	3.77%	3.40%	22,488	(2,425)
32		PUMPING	20-L3	67,370.96	2,884	4.28%	3.78%	2,547	(337)
33		TREATMENT AND DISPOSAL	25-S2.5	12,074.50	337	2.79%	2.52%	304	(33)
34		TOTAL ACCOUNT 389		740,853.73	28,134			25,339	(2,795)
	390.00	OFFICE FURNITURE AND EQUIPMENT							
35		FURNITURE	20-SQ	40,671.88	1,587	*	3.90%	1,586	(1)
36		OFFICE EQUIPMENT	10-SQ	129,729.49	30,265	*	23.33%	30,266	1
37		COMPUTER HARDWARE	5-SQ	525,027.73	107,217	*	20.42%	107,211	(6)
38		COMPUTER SOFTWARE - 10 YEARS	10-SQ	801,536.58	70,283	*	8.77%	70,295	12
39		COMPUTER SOFTWARE - 15 YEARS	15-SQ	830,553.89	47,922	*	5.77%	47,923	1
40		TOTAL ACCOUNT 390		2,327,519.57	257,274			257,280	6
	391.00	TRANSPORTATION EQUIPMENT	13-S1.5	2,156,574.12	72,192	3.35%	2.86%	61,678	(10,514)
41	392.00	STORES EQUIPMENT	20-SQ	5,075.00	439	*	8.65%	439	(0)
42	393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	950,830.46	53,989	*	5.68%	54,007	18
43	394.00	LABORATORY EQUIPMENT	25-SQ	1,053,254.11	40,113	*	3.81%	40,129	16
44	395.00	POWER OPERATED EQUIPMENT	20-L4	224,475.89	6,779	3.02%	2.88%	6,465	(314)
		COMMUNICATION EQUIPMENT							
45	396.00	GENERAL	15-SQ	1,931,283.56	133,735	*	6.92%	133,645	(90)
46	396.70	SCADA	10-SQ	4,461,271.50	469,425	*	10.52%	469,326	(99)
47		TOTAL ACCOUNT 396		6,392,555.06	603,160			602,971	(189)
48	397.00	MISCELLANEOUS EQUIPMENT	25-SQ	43,665.44	1,164	*	2.67%	1,166	2
49		**TOTAL DEPRECIABLE PLANT**		**623,336,317.54**	**14,748,193**			**12,346,204**	**(2,401,989)**
50		**TOTAL WASTEWATER PLANT IN SERVICE**		**637,482,286.39**	**14,748,193**			**12,346,204**	**(2,401,989)**
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
		DEPRECIABLE PLANT							
	354.00	STRUCTURES AND IMPROVEMENTS							
51		COLLECTION	40-S1.5	1,767,436.23	46,382	2.62%	2.18%	38,530	(7,852)
52		PUMPING	55-R2	1,398,102.45	29,074	2.08%	1.65%	23,069	(6,005)
53		TREATMENT AND DISPOSAL	45-S1	6,615,296.50	171,326	2.59%	2.18%	144,213	(27,113)
54		GENERAL	50-R3	14,636.81	275	1.88%	1.75%	256	(19)
55		TOTAL ACCOUNT 354		9,795,471.99	247,057			206,068	(40,989)
56	360.00	COLLECTION MAINS - FORCE	70-R3	10,839,254.59	174,327	1.61%	1.41%	152,833	(21,494)
57	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	9,378,594.15	177,422	1.89%	1.56%	146,306	(31,116)
58	363.00	SERVICES	70-R4	2,701,859.06	36,619	1.36%	1.26%	34,043	(2,576)
59	371.30	PUMPING EQUIPMENT - PUMPING	30-L1.5	667,549.13	24,056	3.60%	2.72%	18,157	(5,899)
60	380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	1,617,779.51	29,559	1.83%	1.51%	24,428	(5,131)
61	381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R2	1,536.55	18	1.17%	1.16%	18	(0)
62	382.00	OUTFALL LINES	40-R2.5	1,536.55	17	1.11%	1.04%	16	(1)
63	389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	500	3.84%	3.36%	438	(62)
64	396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	1,135	10.15%	9.62%	1,076	(59)
65		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**		**35,027,794.74**	**690,710**			**583,385**	**(107,325)**
66		**AMORTIZATION OF NET SALVAGE**			**75,226**			**75,226**	**0**
67		**TOTAL WASTEWATER PLANT**		**602,454,491.65**	**14,132,709**			**11,838,045**	**(2,294,664)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
		INTANGIBLE PLANT							
1	351.00	ORGANIZATION	NONDEPR.	665,281.75					
2		**TOTAL INTANGIBLE PLANT**		665,281.75					
		NONDEPRECIABLE PLANT							
3	353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	628.19					
4		**TOTAL NONDEPRECIABLE PLANT**		628.19					
		DEPRECIABLE PLANT							
	354.00	STRUCTURES AND IMPROVEMENTS							
5		COLLECTION	40-S1.5	29,622.54	902	3.04%	2.53%	749	(153)
6		PUMPING	55-R2	4,218,136.91	179,965	4.27%	3.80%	160,289	(19,676)
7		TREATMENT AND DISPOSAL	45-S1	5,514,390.74	400,229	7.26%	6.77%	373,324	(26,905)
8		RECLAIMED WATER TREATMENT	60-R2.5	256.35	5	1.95%	1.66%	4	(1)
9		GENERAL	50-R3	2,344.55	55	2.35%	2.06%	48	(7)
10		TOTAL ACCOUNT 354		9,764,751.09	581,156			534,415	(46,741)
	355.00	POWER GENERATING EQUIPMENT							
11		COLLECTION	30-R3	26,011.89	1,002	3.85%	3.38%	879	(123)
12		PUMPING	30-R3	230,826.32	26,265	11.38%	11.25%	25,968	(297)
13		TREATMENT AND DISPOSAL	30-R3	31,089.64	1,191	3.83%	3.32%	1,032	(159)
14		TOTAL ACCOUNT 355		287,927.85	28,458			27,879	(579)
15	360.00	COLLECTION MAINS - FORCE	70-R3	1,926,263.62	53,808	2.79%	2.51%	48,349	(5,459)
16	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	37,942,702.72	1,235,099	3.26%	2.89%	1,096,544	(138,555)
17	363.00	SERVICES	70-R4	3,251,486.65	97,273	2.99%	2.79%	90,716	(6,557)
18	364.00	METERS	30-L2.5	247,790.24	20,367	8.22%	7.41%	18,361	(2,006)
									0
	371.00	PUMPING EQUIPMENT							0
19		PUMPING	30-L1.5	1,494,965.11	101,172	6.77%	5.75%	85,960	(15,212)
20		RECLAIMED WATER TREATMENT	30-L1.5	111.80	5	4.47%	3.29%	4	(1)
21		TOTAL ACCOUNT 371		1,495,076.91	101,177			85,964	(15,213)
22	393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	83,045.15	4,345	*	5.23%	4,343	(2)
23	395.00	POWER OPERATED EQUIPMENT	20-L4	33,507.55	1,824	*	5.13%	1,719	(105)
									0
		COMMUNICATION EQUIPMENT							0
24	396.00	GENERAL	15-SQ	286,525.97	19,281	*	6.73%	19,283	2
25	396.70	SCADA	10-SQ	484,948.33	48,465	*	9.99%	48,446	(19)
26		TOTAL ACCOUNT 396		771,474.30	67,746			67,730	(16)
27		**TOTAL DEPRECIABLE PLANT**		**55,804,026.08**	**2,191,253**			**1,976,022**	**(215,231)**
28		**TOTAL WASTEWATER PLANT IN SERVICE**		**56,469,936.02**	**2,191,253**			**1,976,022**	**(215,231)**
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
		DEPRECIABLE PLANT							
29	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	38,308.00	740	1.93%	1.54%	590	(150)
30	363.00	SERVICES	70-R4	18,010.00	277	1.54%	1.43%	258	(19)
31		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**		**56,318.00**	**1,017**			**847**	**(170)**
32		**AMORTIZATION OF NET SALVAGE**			**303**			**303**	**0**
33		**TOTAL WASTEWATER PLANT**		**56,413,618.02**	**2,190,539**			**1,975,477**	**(215,062)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
		INTANGIBLE PLANT							
1	351.00	ORGANIZATION	NONDEPR.	$ 479,509					
2		**TOTAL INTANGIBLE PLANT**		$ 479,509					
		NONDEPRECIABLE PLANT							
3	353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	$ 668					
4	353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	$ 13					
5		**TOTAL NONDEPRECIABLE PLANT**		$ 681					
		DEPRECIABLE PLANT							
	354.00	STRUCTURES AND IMPROVEMENTS							
6		COLLECTION	40-S1.5	$ 30,183	$ 919	3.04%	2.53%	764	(155)
7		PUMPING	55-R2	$ 8,474,816	$ 243,330	2.87%	2.39%	202,548	(40,782)
8		TREATMENT AND DISPOSAL	45-S1	$ 11,280,516	$ 388,014	3.44%	2.74%	309,086	(78,928)
9		TOTAL ACCOUNT 354		$ 19,785,515	$ 632,263			512,398	(119,865)
	355.00	POWER GENERATING EQUIPMENT							
10		COLLECTION	30-R3	$ 6,041	$ 233	3.86%	3.38%	204	(29)
11		PUMPING	30-R3	$ 85,050	$ 4,434	5.21%	4.69%	3,989	(445)
12		TREATMENT AND DISPOSAL	30-R3	$ 6,706	$ 261	3.89%	3.40%	228	(33)
		TOTAL ACCOUNT 355		$ 97,798	$ 4,928			4,421	(507)
13	360.00	COLLECTION MAINS - FORCE	70-R3	$ 3,934,143	$ 105,467	2.68%	2.40%	94,419	(11,048)
14	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	$ 33,571,050	$ 943,608	2.81%	2.43%	815,777	(127,831)
15	363.00	SERVICES	70-R4	$ 7,317,196	$ 167,272	2.29%	2.13%	155,856	(11,416)
16	364.00	METERS	30-L2.5	$ 92,320	$ 10,539	11.42%	11.11%	10,257	(282)
	371.00	PUMPING EQUIPMENT							
17		PUMPING	30-L1.5	$ 82,720	$ 5,622	6.80%	5.64%	4,665	(957)
18		TOTAL ACCOUNT 371		$ 82,720	$ 5,622			4,665	(957)
19	380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	$ 3	$ -	0.00%	2.67%	0	0
20	397.00	MISCELLANEOUS EQUIPMENT	25-SQ	$ 753,201	$ 30,743	*	4.08%	30,731	(12)
21		**TOTAL DEPRECIABLE PLANT**		**$ 65,633,946**	**$ 1,900,442**			**1,628,524**	**(271,918)**
22		**TOTAL WASTEWATER PLANT IN SERVICE**		**$ 66,114,136**	**$ 1,900,442**			**1,628,524**	**(271,918)**
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
		DEPRECIABLE PLANT							
23	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	$ 473,771	$ 9,115	1.92%	1.53%	7,249	(1,866)
24	363.00	SERVICES	70-R4	$ 79,205	$ 1,212	1.53%	1.43%	1,133	(79)
25		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**		**$ 552,976**	**$ 10,327**			**8,381**	**(1,946)**
26		**AMORTIZATION OF NET SALVAGE**			**$ 48**			**48**	**0**
27		**TOTAL WASTEWATER PLANT**		**$ 65,561,160**	**$ 1,890,163**			**1,620,191**	**(269,972)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Line No.	Description	Per Company 12/31/2024 (A)	Per Company 12/31/2025 (B)	Total (C) = (A) + (B)	Per OCA (D)	OCA Adjustment (E) = (D) - (C)
	Water					
1	Total Operating Expenses Subject to Effects of Inflation	$ 27,156,820	$ 27,811,653			
2	Inflation Factor	2.425%	2.300%			
3	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 658,553	$ 639,668	$ 1,298,221	$ -	$ (1,298,221)
	Shenandoah Water					
4	Total Operating Expenses Subject to Effects of Inflation	$ 582,678	$ 596,808			
5	Inflation Factor	2.425%	2.300%			
6	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 14,130	$ 13,727	$ 27,857	$ -	$ (27,857)
	Wastewater					
7	Total Operating Expenses Subject to Effects of Inflation	$ 7,835,118	$ 8,153,740			
8	Inflation Factor	2.425%	2.300%			
9	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 190,002	$ 187,536	$ 377,538	$ -	$ (377,538)
	Lower Makefield Wastewater					
10	Total Operating Expenses Subject to Effects of Inflation	$ 473,978	$ 485,472			
11	Inflation Factor	2.425%	2.300%			
12	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 11,494	$ 11,166	$ 22,660	$ -	$ (22,660)
	East Whiteland Wastewater					
13	Total Operating Expenses Subject to Effects of Inflation	$ 448,259	$ 425,157			
14	Inflation Factor	2.425%	2.300%			
15	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 10,870	$ 9,779	$ 20,649	$ -	$ (20,649)
16	Total Adjustment to Remove General Inflation					$ (1,746,924)

Notes and Source:

Cols. A and B, Lines 1-3: Exhibit 1-A, Schedule 4.1 from the Company's filing
Cols. A and B, Lines 4-6: Exhibit 1-B, Schedule 4.1 from the Company's filing
Cols. A and B, Lines 7-9: Exhibit 1-C, Schedule 4.1 from the Company's filing
Cols. A and B, Lines 10-12: Exhibit 1-D, Schedule 4.1 from the Company's filing
Cols. A and B, Lines 13-15: Exhibit 1-E, Schedule 4.1 from the Company's filing

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Revenue - Bill Discount Credits

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Schedule C-3
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Water Base (A)	Wastewater Base (B)	Total (C)
1	Adjustment to Revenue for Bill Discount Credits	$ 2,455,932	$ 352,627	$ 2,808,559

Notes and Source:
Cols A-B: Amounts sponsored by OCA witness Roger Colton

Line No.	Description	Water Base (A)	Wastewater Base (B)	Total (C)
1	Arrearage Foregiveness Per Aqua PA	$ 2,063,988	$ 228,018	$ 2,292,006
2	Arrearage Foregiveness Per OCA	$ 1,251,368	$ 138,244	$ 1,389,612
3	OCA Adjustment to Arrearage Forgiveness	$ (812,620)	$ (89,774)	$ (902,394)

Notes and Source:

Line 1: Amounts from Schedule C-4.2 from Aqua PA's filing

Line 2: OCA recommended arrearage forgiveness amounts sponsored by OCA witness Roger Colton

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Legal Expenses - Appeals

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Schedule C-5
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C) = (B) - (A)
	Water			
1	Legal Expense - 3 Year Average	$ 745,787	$ 745,787	
2	Legal Matter - Twin Lakes Water - 529 Proceeding Appeal - 2022 Legal Expenses		$ (118,278)	
3	Legal Matter - Twin Lakes Water - 529 Proceeding Appeal - 2023 Legal Expenses		$ (81,776)	
4	Total Legal Matter -Water Legal Expenses		$ (200,054)	
5	3 Years		3	
6	Total Legal Matter -Water Legal Expenses - 3 Year Average		$ (66,685)	
7	Total Legal Expense - Water Base	$ 745,787	$ 679,102	$ (66,685)
	Wastewater			
8	Legal Expense - 3 Year Average	$ 58,328	$ 58,328	
9	Legal Matter - DELCORA Sewer - 1329 Appeal - 2022 Legal Expenses		$ (17,418)	
10	Legal Matter - East Whiteland Sewer - 1329 Appeal - 2022 Legal Expenses		$ (9,469)	
11	Legal Matter - East Whiteland Sewer - 1329 Appeal - 2023 Legal Expenses		$ (27,730)	
12	Total Legal Matter - Wastewater Legal Expenses		$ (54,617)	
13	3 Years		3	
14	Total Legal Matter - Wastewater Legal Expenses - 3 Year Average		$ (18,206)	
15	Total Legal Expense - Wastewater Base	$ 58,328	$ 40,122	$ (18,206)
16	Total Adjustment to Legal Expense			$ (84,890)

Notes and Source:
Line 1: Exhibit 1-A, Schedule C-9.1 from the Company's filing
Line 8: Exhibit 1-C, Schedule C-9.1 from the Company's filing
Lines 2-3 and 9-11: Company response to OCA-IX-19

Line No.	Description	Water Base Amount (A)
1	Adjustment to O&M Expense Related to Water Conservation Kits	110,000

Notes and Source:
Col. A: Adjustment amount sponsored by OCA witness Roger Colton

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc. — Exhibit LA-2
Payroll Expense - Seasonal Positions — Schedule C-7
Docket Nos. R-2024-3047822 and R-2024-3047824
Fully Projected Future Test Year Ending December 31, 2025 — Page 1 of 1

Line No.	Position Title	Water Base Amount
		(A)
1	Vacant Seasonal Positions	$ (201,500)

Notes and Source:
The 25 seasonal positions were identifed as being vacant in Aqua PA's response to OCA-IX-1

Line No.	Description	Water Base Per Company (A)	Water Base Per OCA (B)	Water Base OCA Adjustment (C)	Wastewater Base Per Company (D)	Wastewater Base Per OCA (E)	Wastewater Base OCA Adjustment (F)
1	Gross Payroll	$ 56,421,627	$ 53,845,554	$ (2,576,073)	$ 5,247,757	$ 5,001,894	$ (245,863)
2	Less: Capitalized Payroll	$ (17,868,729)	$ (17,052,887)	$ 815,842	$ (1,661,965)	$ (1,584,100)	$ 77,865
3	Less: Non-Operating Payroll	$ (665,775)	$ (665,775)	$ -	$ (61,924)	$ (61,924)	$ -
4	Expensed Non-Union and Union Payroll Expense	$ 37,887,123	$ 36,126,892	$ (1,760,230)	$ 3,523,869	$ 3,355,871	$ (167,998)

Notes and Source:
Cols. A&D: Amounts from Schedule C-4.5 on Company Exhibits 1-A and 1-C
Cols. B&E: Amounts calculated using the data from Highly Confidential Exhibit 2-For Filing and the response to OCA-IX-1

		Total Gross Payroll Water Base	Reference	Total Gross Payroll Wastewater Base	Reference
5	Gross Payroll Per Company	$ 56,421,627	Sch. C-4.5	$ 5,247,757	Sch. C-4.5
6	Vacancy Rate	4.57%	OCA Workpaper	4.69%	OCA Workpaper
7	OCA Adjustment to Gross Payroll	$ (2,576,073)	L5 x L6	$ (245,863)	L5 x L6
8	Gross Payroll Per OCA	$ 53,845,554	L5 + L7	$ 5,001,894	L5 + L7

Line No.	Description	Water Base (A)	Wastewater Base (B)	Total (C)	Reference
	Social Security Taxes				
1	Adjustment to Remove Seasonal Positions	$ (201,500)	$ -	$ (201,500)	A
2	Adjustment to Payroll Expense for Vacant Positions	$ (1,760,230)	$ (167,998)	$ (1,928,229)	B
3	Total Adjustment to Payroll Expense	$ (1,961,730)	$ (167,998)	$ (2,129,729)	
4	Social Security Tax Rate	6.20%	6.20%		
5	Adjustment to Social Security Taxes	$ (121,627)	$ (10,416)	$ (132,043)	
	Medicare Taxes				
6	Adjustment to Remove Seasonal Positions	$ (201,500)	$ -	$ (201,500)	A
7	Adjustment to Payroll Expense for Vacant Positions	$ (1,760,230)	$ (167,998)	$ (1,928,229)	B
8	Total Adjustment to Payroll Expense	$ (1,961,730)	$ (167,998)	$ (2,129,729)	
9	Medicare Tax Rate	1.45%	1.45%		
10	Adjustment to Medicare Taxes	$ (28,445)	$ (2,436)	$ (30,881)	
11	Total Adjustment to Payroll Tax Expense	$ (150,072)	$ (12,852)	$ (162,924)	L5 + L10

Notes and Source:
A: See Schedule C-7
B: See Schedule C-8

Line No.	Description	Water Base Per Company (A)	Water Base Per OCA (B)	Water Base OCA Adjustment (C)
1	Annualized 401k - Company Match	$ 4,364,143	$ 4,164,887	$ (199,256)
2	Capitalization Rate	31.67%	31.67%	
3	Less: Capitalized Payroll	$ (1,382,124)	$ (1,319,020)	$ 63,104
4	Expensed Annualized 401k - Company Match	$ 2,982,019	$ 2,845,867	$ (136,152)

Notes and Source:

Col. A: Amounts from Schedule C-8.4 on Company Exhibit 1-A

Col. B: Amounts calculated using the gross payroll vacancy rate shown on Schedule C-8 and calculated below:

		Water Base	Reference
5	Annualized 401k - Company Match	$ 4,364,143	Line 1
6	Payroll Vacancy Rate	4.57%	OCA Workpaper
7	OCA Adjustment Annualized 401k Expense	$ (199,256)	L5 x L6
8	Annualized 401k - Company Match Per OCA	$ 4,164,887	L5 + L7

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Employee Group Insurance Expense

Exhibit LA-2
Schedule C-11
Docket Nos. R-2024-3047822 and R-2024-3047824
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Fully Projected Future Test Year Ending December 31, 2025

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C)
	Water Base Operations			
1	Medical/Prescription/Vision/Dental	$ 8,808,008	$ 8,405,856	$ (402,152)
2	Life/ADD/LTD	$ 462,726	$ 441,599	$ (21,127)
3	Total Employee Group Insurance Expense	$ 9,270,734	$ 8,847,455	$ (423,279)
4	Capitalization Rate	31.67%	31.67%	
5	Less: Capitalized Payroll	$ (2,936,041)	$ (2,801,989)	$ 134,052
6	Expensed Annualized 401k - Company Match	$ 6,334,692	$ 6,045,466	$ (289,226)
	Wastewater Base Operations			
7	Wastewater Intracompany Benefits Charged to O&M	$ 2,114,321	$ 2,013,522	$ (100,799)

Notes and Source:

Col. A: Amounts from Schedule C-8.1 on Company Exhibit 1-A
Col. D: Amount from Schedule C-8.1 on Company Exhibit 1-C
Col. B: Amounts calculated using the gross payroll vacancy rate shown on Schedule C-8 and calculated below:

Water Base Operations

	Description	Amount	Payroll Vacancy Rate	OCA Adjustment	OCA Adjusted
8	Medical/Prescription/Vision/Dental Per Company	$ 8,808,008	4.57%	$ (402,152)	$ 8,405,856
9	Life/ADD/LTD Per Company	$ 462,726	4.57%	$ (21,127)	$ 441,599
10	Total Employee Group Insurance Expense Per Company	$ 9,270,734		$ (423,279)	$ 8,847,455

Wastewater Base Operations

Col. B, line 7 calculated below:

	Description	Per Company*	Per OCA	Reference
11	Expensed Non-Union Payroll Expense	$ 1,720,692	$ 1,638,659	OCA Sch. C-8 Workpaper
12	Expensed Union Payroll Expense	$ 1,803,177	$ 1,717,211	OCA Sch. C-8 Workpaper
13	Total Payroll Expense	$ 3,523,869	$ 3,355,871	
14	Intercompany Benefits Rate	60%	60%	Exh. 1-C Wastewater Base from Aqua's filing
15	Wastewater Intracompany Benefits Charged to O&M	$ 2,114,321	$ 2,013,522	

* Company amounts from Schedule C-4.5 from Aqua's water and wastewater base filings

Line No.	Description	Water Base Per Company (A)	Water Base Per OCA (B)	Water Base OCA Adjustment (C)
1	Shenandoah Water	$ (210,511)	$ (210,511)	$ -
2	Wastewater Base	$ (2,114,321)	$ (2,013,522)	$ 100,799
3	Lower Makefield Wastewater	$ (96,559)	$ (96,559)	$ -
4	East Whiteland Wastewater	$ (101,900)	$ (101,900)	$ -
5	Total Intracompany Benefits	$ (2,523,291)	$ (2,422,493)	$ 100,799

Notes and Source:
Col. A: Amounts from Schedule C-8.5 on Company Exhibit 1-A
Col. B, Line 2: Amount from Schedule C-11, column E, line 1

Line No.	Description	Water Operations	Shenandoah Water	Wastewater Operations	Lower Makefield Wastewater	East Whiteland Wastewater
		(A)	(B)	(C)	(D)	(E)
1	Increase (Decrease) to State Income Tax Expense	$ (504,553)	$ (2,129)	$ (52,696)	$ (6,927)	$ (8,271)
2	Increase (Decrease) to Federal Income Tax Expense	$ (1,220,154)	$ (5,150)	$ (127,433)	$ (16,751)	$ (20,002)
3	Increase (Decrease) to Income Tax Expense	$ (1,724,707)	$ (7,279)	$ (180,128)	$ (23,678)	$ (28,273)

Notes and Source:
See pages 2 through 6 of this schedule

Line No.	Description	Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$ 4,309,687,631	Schedule B , page 1
2	Weighted Cost of Debt, per OCA	2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$ 92,227,315	L1 x L2
4	Interest Deduction per Company	$ 85,912,507	Note A
5	Decrease in Deductible Interest	$ 6,314,808	L3 - L4
6	State Income Tax Rate	7.99%	
7	Increase to State Income Tax	$ (504,553)	L5 x L6
8	Federal Taxable Income	$ 5,810,255	L5 + L7
9	Federal Income Tax Rate	21.00%	
10	Increase to Federal Income Tax Expense	$ (1,220,154)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$ (1,724,707)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-A, Schedule E-1

Note B: Per OCA Schedule D, page 1:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Debt	2.14%

Line No.	Description	Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$ 16,132,758	Schedule B , page 2
2	Weighted Cost of Debt, per OCA	2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$ 345,241	L1 x L2
4	Interest Deduction per Company	$ 318,589	Note A
5	Decrease in Deductible Interest	$ 26,652	L3 - L4
6	State Income Tax Rate	7.99%	
7	Increase to State Income Tax	$ (2,129)	L5 x L6
8	Federal Taxable Income	$ 24,523	L5 + L7
9	Federal Income Tax Rate	21.00%	
10	Increase to Federal Income Tax Expense	$ (5,150)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$ (7,279)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-B, Schedule E-1

Note B: Per OCA Schedule D, page 1:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Long-Term Debt	2.14%

Line No.	Description		Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$	395,996,751	Schedule B , page 3
2	Weighted Cost of Debt, per OCA		2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$	8,474,330	L1 x L2
4	Interest Deduction per Company	$	7,814,812	Note A
5	Decrease in Deductible Interest	$	659,518	L3 - L4
6	State Income Tax Rate		7.99%	
7	Increase to State Income Tax	$	(52,696)	L5 x L6
8	Federal Taxable Income	$	606,823	L5 + L7
9	Federal Income Tax Rate		21.00%	
10	Increase to Federal Income Tax Expense	$	(127,433)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$	(180,128)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-C, Schedule E-1

Note B: Per OCA Schedule D, page 2:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Long-Term Debt	2.14%

Line No.	Description	Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$ 50,950,987	Schedule B , page 4
2	Weighted Cost of Debt, per OCA	2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$ 1,090,351	L1 x L2
4	Interest Deduction per Company	$ 1,003,658	Note A
5	Decrease in Deductible Interest	$ 86,693	L3 - L4
6	State Income Tax Rate	7.99%	
7	Increase to State Income Tax	$ (6,927)	L5 x L6
8	Federal Taxable Income	$ 79,766	L5 + L7
9	Federal Income Tax Rate	21.00%	
10	Increase to Federal Income Tax Expense	$ (16,751)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$ (23,678)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-D, Schedule E-1

Note B: Per OCA Schedule D, page 2:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Long-Term Debt	2.14%

Line No.	Description	Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$ 61,185,767	Schedule B , page 5
2	Weighted Cost of Debt, per OCA	2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$ 1,309,375	L1 x L2
4	Interest Deduction per Company	$ 1,205,856	Note A
5	Decrease in Deductible Interest	$ 103,519	L3 - L4
6	State Income Tax Rate	7.99%	
7	Increase to State Income Tax	$ (8,271)	L5 x L6
8	Federal Taxable Income	$ 95,248	L5 + L7
9	Federal Income Tax Rate	21.00%	
10	Increase to Federal Income Tax Expense	$ (20,002)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$ (28,273)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-E, Schedule E-1

Note B: Per OCA Schedule D, page 2:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Long-Term Debt	2.14%

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Adjustment to Federal and State Income Tax Expense for Repairs Deductions

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-2
Schedule C-14
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Per Company - 2025 Water (A)	Per Company - 2025 Wastewater (B)	Per OCA - 2025 Water (C)	Per OCA - 2025 Wastewater (D)	OCA Adjustment Water (E) = (C) - (A)	OCA Adjustment Wastewater (F) = (D) - (B)	Reference
1	Tax Repairs - Deductions	$ 158,600,000	$ 4,460,000	$ 190,410,879	$ 5,017,876	$ 31,810,879	$ 557,876	
2	State Income Tax Rate	7.99%	7.99%	7.99%	7.99%	7.99%	7.99%	A
3	State Income Tax Expense	$ (12,672,140)	$ (356,354)	$ (15,213,829)	$ (400,928)	$ (2,541,689)	$ (44,574)	L1 x L2
4	Federal Taxable Income	$ 145,927,860	$ 4,103,646	$ 175,197,050	$ 4,616,948	$ 29,269,190	$ 513,302	L1 + L3
5	Federal Income Tax Rate	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
6	Federal Income Tax Expense	$ (30,644,851)	$ (861,766)	$ (36,791,380)	$ (969,559)	$ (6,146,530)	$ (107,793)	L4 x L5
7	Total Adjustment to Income Tax Expense					$ (8,688,219)	$ (152,368)	

Notes and Source:
Cols. A-D, Line 1: Amounts from the response to OCA-IX-24 (Columns A and B amounts also shown on Schedule F-2 from Aqua Exhibits 1-A and 1-C)
A: State income tax rate for the FPFTY from the "Parameters" tab on Aqua Exhibits 1-A and 1-C

Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.
Docket Nos. R-2024-3047822 (Water) and R-2024-3047824 (Wastewater)
Exhibit LA-3
Copies of Non-Confidential Material Referenced in the
Direct Testimony of
Ralph C. Smith

Document	Subject	Confidential	No. of Pages	Page No.
OCA-IX-1	The employee positions used in the Company's labor calculations are a combination of authorized positions; Explanation of all labor-related costs in Aqua's filing that are for positions that have not been filled as of May 31, 2024 but the Company projects would be filled during the FTY and FPFTY.	No	2	2 - 3
OCA-IX-19 Revised	Amount of legal and consulting expense that the Company recorded in 2022 and 2023, and projected for FTY 2024 and FPFTY 2025 for the appeal of Commission decisions.	No	2	4 - 5
OCA-IX-24	Impact on Aqua's federal income tax expense and ADIT as of each of the following datdes of federal income tax repairs deductions, including supporting calculations: 12/31/20 actual; 12/31/20 as reconciled to the as-filed 2020 federal income tax return; 12/31/21 actual; 12/31/21 as reconciled to the as-filed 2021 federal income tax return; 12/31/22 actual; 12/31/22 as reconciled to the as-filed 2022 federal income tax return; 12/31/23 actual; 12/31/23 as reconciled to the as-filed 2023 federal income tax return fiing extension request; 12/31/2024 estimated; and 12/31/2025 estimated.	No	2	6 - 7
OCA-X-27	Explanation of why Aqua will discontinue its PFAS monitoring website.	No	1	8
OCA-XV-19	Identification, quantification, and explantation for each impact of the tax repairs "collar" mechanism, by year, from Aqua PA's last rate case through each of the following dates: 12/31/2021; 12/31/2022; 12/31/2023; and 6/30/2024.	No	2	9 - 10
OCA-XV-25	Amount of PA NOL the Company proposed to inlclude in rate base for each of the following periods: HTY, FTY, and FPFTY.	No	2	11 - 12
OCA-XV-26	Explanation and amount of PA NOL that was included by the Company in its proposed rate base in its last rate case.	No	1	13
OCA-XV-27	Explanation of why there are not any PA state income tax normalization requirements of which the Company or Aqua witness Fischer are aware that address whether a PA NOL amount is required to be included in a utility's rate base.	No	1	14
OCA-XV-28	Identification of all authority that was relied upon by Aqua for normalizing the PA NOL for years prior to 2025; Indentification of all authority that was relied upon by Aqua for recording a regulatory asset for the deficient state income taxes for the PA NOL for each year prior to 2025; Identification of all amounts that Aqua recorded (1) as deferred income tax expense, (2) as accumulated state income taxes, and (3) as regulatory assets (or liabilities) for deficient PA state income taxes; Identification of all amounts that Aqua recorded (1) as deferred income tax expense, (2) as accumulated state income taxes, and (3) as regulatory assets (or liabilities) for deficient PA state income taxes specifically related to the Company's claimed PA NOL amounts.	No	2	15 - 16
	Total Pages Including this Page		16	

Witness: Christopher E. Manning
Date: 07/17/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET IX INTERROGATORIES

OCA-IX-1 Indicate if the employee positions used in the Company's labor calculations are authorized or actually filled positions. Identify, quantify and explain all labor-related costs in the Company's filing that are for positions that have not been filled as of May 31, 2024 but for which the Company projects would be filled at various points during the FTY and FPFTY.

RESPONSE

The employee positions used in the Company's labor calculations are a combination of authorized positions and actually filled positions. Please refer to the Company's Highly Confidential Exhibit 2-For Filing attachment filed in response to OCA-1-1 where an individual position listing and payroll information is provided by the Company. The following positions were open as of 05/31:

Open as of 05/31 - Unique Identifiers Exhibit 2			
3	221	237	253
55	222	239	254
66	223	240	255
67	224	241	257
75	225	242	258
134	226	243	259
172	227	244	264
208	228	245	266
214	229	246	454
215	230	248	616
217	231	249	640
218	233	250	649
219	235	251	651
220	236	252	652
			654

The table above provides the Unique Identifier associated with the open positions in the Highly Confidential Exhibit-2 For Filing attachment mentioned earlier in the response.

25 of these open positions are seasonal positions which are hired for the summer season and have not been hired as of 05/31. 17 of these positions are current open positions of the Company that are long standing positions and that are currently actively being hired for. 15 of these positions are newly authorized positions which are being included within the case.

Witness: William C. Packer
Date: 08/01/2024
Revised Date: 08/05/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET IX INTERROGATORIES

OCA-IX-19 How much legal and consulting expense has the Company recorded in 2022 and 2023, and projected for FTY 2024 and the FPFTY 2025 for the appeal of Commission decisions?

a. Identify, quantify and explain the amount and show exactly where Aqua has reflected this in its filing.

RESPONSE

Please see the below table of legal expenses included in this filing by virtue of inclusion in Exhibit 1–A & 1–C, Schedule C 9.1, claim of $745,787 (water) and $58,328 (wastewater).

Legal Expenses - Associated with PUC Order Appeals:

	2022	2023
Legal Matter - Twin Lakes Water - 529 Proceeding Appeal	$ 118,278	$ 81,776
Legal Matter - East Whiteland Sewer - 1329 Appeal	$ 9,469	$ 27,730
Legal Matter - DELCORA Sewer - 1329 Appeal	$ 17,418	

REVISED RESPONSE

Please see on pg. 2 the below the table of legal expenses included in this filing by virtue of inclusion in Exhibit 1–A & 1–C, Schedule C 9.1, claim of $745,787 (water) and $58,328 (wastewater).

Legal Expenses - Associated with PUC Order Appeals:

	2022	2023
Legal Matter - Twin Lakes Water - 529 Proceeding Appeal	$ 118,278	$ 81,776
Legal Matter - East Whiteland Sewer - 1329 Appeal	$ 9,469	$ 27,730
Legal Matter - DELCORA Sewer - 1329 Appeal	$ 17,418	

The above costs were included in the Company's 3-year average legal expense claim from 2021 – 2023. The above costs were $200,054 (Water) and $54,617 (Sewer), which under a 3-year average would result in an impact of $66,685 (Water) and $18,206 (Sewer) for the HTY, FTY, and FPFTY.

Witness: Panpilas W. Fischer
Date: 07/10/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET IX INTERROGATORIES

OCA-IX-24 Show the impact on Aqua's federal income tax expense and ADIT as of each of these dates of federal income tax repairs deductions and include supporting calculations:

a. 12/31/2020 actual
b. 12/31/2020 as reconciled to the as-filed 2020 federal income tax return
c. 12/31/2021 actual recorded
d. 12/31/2021 as reconciled to the as-filed 2021 federal income tax return
e. 12/31/2022 actual
f. 12/31/2022 as reconciled to the as-filed 2022 federal income tax return
g. 12/31/2023 recorded
h. 12/31/2023 as reconciled to the as-filed 2023 federal income tax return filing extension request
i. 12/31/2024 estimated, and
j. 12/31/2025 estimated

RESPONSE

Aqua utilizes flow through tax accounting to record the impact of the book to tax basis difference generated by the repair deduction, therefore there is no "funded" (rate base) federal ADIT as of each of the dates related to the federal income tax repairs deduction. Please see the below table for the impact on Aqua's federal income tax expense and "unfunded" (FAS 109/non-rate base) ADIT for the activity in each of the tax years listed above.

	2020		2021		2022		2023	
	Water	Wastewater	Water	Wastewater	Water	Wastewater	Water	Wastewater
Tax Repairs - Year End	155,010,240	4,854,448	171,753,724	5,080,786	159,117,636	5,382,364	190,410,879	5,017,876
Timing Difference	155,010,240	4,854,448	171,753,724	5,080,786	159,117,636	5,382,364	190,410,879	5,017,876
Tax Rate	21%	21%	21%	21%	21%	21%	21%	21%
ADIT Impact	32,552,150	1,019,434	36,068,282	1,066,965	33,414,703	1,130,297	39,986,284	1,053,754
Tax Repairs - Tax Return	149,558,191	5,571,575	171,048,566	5,785,944	161,437,003	4,012,705		
Timing Difference	149,558,191	5,571,575	171,048,566	5,785,944	161,437,003	4,012,705		
Tax Rate	21%	21%	21%	21%	21%	21%	**Return due October 15, 2024**	
ADIT Impact	31,407,220	1,170,031	35,920,199	1,215,048	33,901,771	842,668		
Return to Provision	(1,144,930)	150,597	(148,083)	148,083	487,067	(287,628)		

	2024		2025	
	Water	Wastewater	Water	Wastewater
Tax Repairs - Year End	158,600,000	4,460,000	158,600,000	4,460,000
Timing Difference	158,600,000	4,460,000	158,600,000	4,460,000
Tax Rate	21%	21%	21%	21%
ADIT Impact	33,306,000	936,600	33,306,000	936,600

Witness: Todd M. Duerr
Date: 7/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET X INTERROGATORIES

OCA-X-27 Refer to Aqua Statement 11 at 14:20-21. Please explain why Aqua will discontinue its PFAS monitoring website.

RESPONSE

The current PFAS monitoring website was voluntarily designed and implemented in 2016 to provide data specific to Southeastern PA near areas with known military base PFAS contamination. This was years before PFAS regulations came into effect.

EPA and PADEP have promulgated maximum contaminant levels that requires the data to be reported in Consumer Confidence Reports like all other contaminants. To maintain consistency with the EPA and PADEP requirements and avoid confusion, Aqua PA will report the data as required in the format by EPA and PADEP instead of via a separate mechanism. This provides a consistent statewide PFAS reporting framework and does not require a customer to seek out a website.

Witness: Panpilas W. Fischer
Date: 7/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XV-19 Identify, quantify, explain and provide the accounting entries for each impact of the tax repairs "collar" mechanism, by year, from Aqua PA's last rate case through each of the following dates:

a) 12/31/2021
b) 12/31/2022
c) 12/31/2023, and
d) 6/30/2024

RESPONSE

a) – d) The following is a typical accounting entry to record the impact of the tax repairs collar mechanism. This example accounting entry reflects the case where the Company's actual tax repairs deduction is higher than what was filed in the base rate case and exceeds the collar and a refund is due to customers, so a regulatory liability is established:

	Dr.	Cr.
Regulatory Liability		XXX
Deferred Tax Expense	XXX	
Regulatory Liability – Gross Up		XXX
Deferred Tax Asset Gross Up	XXX	

In the event that the Company's actual tax repairs deduction is lower than what was filed in the base rate case and is lower than the collar (amounts are recoverable by the Company), then a regulatory asset would be recorded and all the entries shown above would be the opposite sign.

The table below on pg. 2 shows the amount of the actual repairs deduction taken versus the repairs deduction used for ratemaking purposes and the corresponding collar limit, as approved in Aqua's 2021 base rate case. Additionally, the table shows the annual impact to the collar due to any variance between the actual

repairs deduction taken versus the repairs tax deduction used for ratemaking purposes and the corresponding collar limit.

APA - Repairs Collar
For the Years Ended 2021-FTY

	FY2021	FY2022	Projected FY2023	FTY
LOW - Collar Limit	155,864,688	155,060,000	155,060,000	155,060,000
Repairs Deduction used for Rate Making	158,864,688	159,060,000	159,060,000	159,060,000
HIGH - Collar Limit	161,864,688	163,060,000	163,060,000	163,060,000
Actual Repairs Deduction, net of AFUDC	176,088,728	163,972,867	192,817,522	158,600,000
Less: UTP	(3,278,203)	(1,407,393)	(3,353,683)	Incl. Above
Net	172,810,525	162,565,474	189,463,839	158,600,000
Collar Limit	161,864,688	162,565,474	163,060,000	158,600,000
Outside Collar - (Give Back)/Recover	(10,945,837)	-	(26,403,839)	-
Tax Affected CY Collar, before Gross Up - (RL)/RA	**(3,162,482)**	**-**	**(7,420,033)**	**-**
CY Tax GU on Collar	**(1,284,959)**	**-**	**(2,900,203)**	**-**
Total Tax Affected CY Activity on Collar	**(4,447,441)**	**-**	**(10,320,236)**	**-**

	Before Gross Up	Post Gross Up
Collar - Reg. Asset/(Liability) Balance @ 12/31/2020	**1,049,810**	**1,476,362**
2021 Activity	(3,162,482)	(4,447,441)
12/31/2021 Balance	**(2,112,672)**	**(2,971,079)**
2022 Activity	-	-
12/31/2022 Balance	**(2,112,672)**	**(2,971,079)**
2023 Activity	(7,420,033)	(10,320,236)
12/31/2023 Balance	**(9,532,705)**	**(13,291,316)**
Estimated 2024 Activity per FTY	-	-
Projected 12/31/2024 Balance	**(9,532,705)**	**(13,291,316)**

	2021	2022	2023	2024
FED	21.00%	21.00%	21.00%	21.00%
PA	9.99%	9.99%	8.99%	8.49%
FBOS	-2.10%	-2.10%	-1.89%	-1.78%
NET	28.89%	28.89%	28.10%	27.71%
GU	40.63%	40.63%	39.09%	38.33%

Witness: Panpilas W. Fischer
Date: 7/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XV-25 Refer to the testimony of Aqua PA witness Fischer, Aqua Statement No. 8, at page 12, line 10. How much PA NOL has the Company proposed to include in rate base for each of the following periods:

a) HTY
b) FTY
c) FPFTY.

RESPONSE

a) See MFR TX4 and OCA-XV-25a-Attachment 1 which shows the HTY amount of the PA NOL deferred tax asset included in rate base of $33,680,863 (water) and $937,053 (wastewater).

b) See OCA-XV-25a-Attachment 1.

c) See OCA-XV-25a-Attachment 1.

PA NOL included in Rate Base (due to historical deferral treatment)

Co	12/31/2023 DTA	FTY NOL Creation 12/31/2024	NOL Utilization 12/31/2024	Adjustment 12/31/2024	Balance 12/31/2024	FPFTY-Current Rates NOL Creation 12/31/2025	NOL Utilization 12/31/2025	Adjustment	Balance 12/31/2025
5500	32,121,572								
5510	1,559,290								
Subtotal-Water	33,680,863	-	(3,109,318)	-	30,571,545	-	(2,267,005)	-	31,413,858
5550	937,053	84,491	-	-	1,021,544	376,590	-	-	1,313,644
		Non-Rate Base (New NOL)				Non Rate Base (New NOL)			

Witness: Panpilas W. Fischer
Date: 7/24/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XV-26 How much PA NOL was included by the Company in its proposed rate base in its last rate case? Show amounts and explain fully.

RESPONSE

The Company inadvertently did not include any PA NOL deferred tax asset in its proposed rate base in its last rate case. The balances of the PA NOL that existed during the last rate case can be seen in the response to OCA-XV-13 and in MFR TX11 Attach 2. For an explanation of why the PA NOL deferred tax asset should be included in the Company's proposed rate base see the response to OCA-XV-27.

Witness: Panpilas W. Fischer
Date: 7/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XV-27 Are there any PA state income tax normalization requirements of which the Company or witness Fischer are aware that address whether a PA NOL amount is requirement to be included in a utility's rate base?

a) If not, explain fully why not.
b) If so, identify and cite each such provision in PA state income tax law that addresses the ratemaking treatment of a utility state NOL amount for utility rate base purposes.

RESPONSE

The Company is not aware of any PA state income tax normalization requirements addressing the inclusion of a PA NOL deferred tax asset in rate base.

a) As stated in my testimony, Statement 8, page 8, the IRS normalization requirements apply to federal income tax expense and not state income tax expense. The Company is, however, applying the same concepts to items of state income tax expense that have received normalization treatment through the provision of a deferred state income tax expense. The Company in its last rate case provided state income tax benefits to customers through a credit to deferred income taxes and continues to do so in this rate case (see Exhibit 1-A, Schedule F-2, line 19 from this case and line 15 from the last rate case). The state income tax benefits have not actually been monetized (received) by the Company by means of a reduction in the state income taxes it pays due to the PA state NOL, therefore it is appropriate to include the PA state NOL deferred tax asset in rate base.

b) N/A.

Witness: Panpilas W. Fischer
Date: 7/26/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XV-28 Refer to Aqua PA witness Fischer's direct testimony, Aqua Statement No. 8, at page 12, lines 12-14: "the Company will discontinue the normalization of state income tax expense for the PA NOL in 2025 …" and lines 16-17: "As a result of the PA tax rate decrease, the Company also recorded a regulatory asset for the deficient deferred state taxes related to the ADIT asset for the PA NOL."

a) Identify and provide all authority that was relied upon by Aqua PA for normalizing the PA NOL for years prior to 2025.
b) Identify and provide all authority that was relied upon by Aqua PA for recording a regulatory asset for the deficient state income taxes for the PA NOL for each year prior to 2025.
c) Identify and provide all amounts that Aqua PA recorded (1) as deferred income tax expense, (2) as accumulated state income taxes and (3) as regulatory assets (or regulatory liabilities) for deficient PA state income taxes.
d) Identify and provide all amounts that Aqua PA recorded (1) as deferred income tax expense, (2) as accumulated state income taxes and (3) as regulatory assets (or regulatory liabilities) for deficient PA state income taxes specifically related to the Company's claimed PA NOL amounts.

RESPONSE

a) The Company normalized the PA NOL based on the flow through treatment of the tax impact of the repairs 481(a) adjustment and ongoing benefit as discussed in my testimony. Had the PA NOL been treated as flow through, the refund of the 481(a) adjustment and ongoing current benefits being refunded to customers would have been negated/offset due to the limitation of current income tax expense not going below zero. Under the normalization method of accounting, customers receive the benefit of the NOL creation

through the deferred tax expense despite the Company not actually monetizing the benefit of the NOL, hence the reason for inclusion of the NOL DTA in rate base.

b) ASC 740 requires companies to account for changes to state income tax rates or laws during the period in which the law is enacted. FAS 109 also required companies to adjust total deferred income tax balances to the enacted tax rates. Upon so doing, the excess or deficiency is recorded to a regulatory asset or liability for future determination by the regulatory commission, the method and timing of when the amounts are to be recovered from or returned to customers.

c) See response to b). No amounts were recorded to the income statement.

d) As of 12/31/23 the Company has recorded a regulatory asset, net of tax gross-up of $3,043,460 and $106,726 for water and wastewater respectively. These amounts are offset by a credit to deferred tax asset of $3,043,460 and $106,726 for water and wastewater respectively.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Ralph Smith, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 2, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 16, 2024

Signature: Ralph Smith
Ralph Smith

Address: Larkin & Associates, PLLC
15728 Farmington Road
Livonia, MI 48154

Corrected OCA Statement 2SR

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket Nos. R-2024-3047822
	:	R-2024-3047824
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania Wastewater, Inc.	:	

Corrected Surrebuttal Testimony of
Ralph C. Smith

on Behalf of the
Pennsylvania Office of Consumer Advocate

Date Served: September 26, 2024
Corrected Version Served: September 27, 2024

SURREBUTTAL TESTIMONY OF RALPH C. SMITH
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EXHIBITS:

LA-4, Updated Summary Schedules showing Revenue Requirement, Rate Base, Net Operating Income and Adjustments for the Water and Wastewater utility operations

LA-5, Updated Adjustment Schedules showing Rate Base and Net Operating Income Adjustments for the Water and Wastewater utility operations

LA-6, Selected Non-Confidential Documents Referenced in the Testimony and Exhibits LA-4 and LA-5

I. INTRODUCTION

Q. Please state your name, position and business address.

A. Ralph C. Smith. I am a Senior Regulatory Consultant at Larkin & Associates, PLLC, 15728 Farmington Road, Livonia, Michigan 48154.

Q. Have you previously submitted testimony in this proceeding?

A. Yes. My direct testimony concerning the rate request of Aqua Pennsylvania ("Aqua" or "Company") on behalf of the Pennsylvania Office of Consumer Advocate ("OCA") was served on August 16, 2024 and pre-marked as OCA Statement 2. My qualifications were set forth in that statement.

Q. What is the purpose of your surrebuttal testimony?

A. My surrebuttal testimony responds to the rebuttal testimony of Aqua witnesses William Packer, Christopher Manning, and Panpilas Fischer on various issues.

Q. What exhibits are being filed with your surrebuttal testimony?

A. Exhibits LA-4 through LA-7 are being filed with my surrebuttal testimony.

Q. What is shown in Exhibit LA-4?

A. Exhibit LA-4 presents Updated Summary Schedules showing Revenue Requirement, Rate Base, Net Operating Income and Adjustments for the Water and Wastewater utility operations.

Q. What is shown in Exhibit LA-5?

A. Exhibit LA-5 presents Updated Adjustment Schedules showing Rate Base and Net Operating Income Adjustments for the Water and Wastewater utility operations.

Q. What is shown in Exhibit LA-6?

A. Exhibit LA-6 presents selected non-confidential documents referenced in my testimony and/or in Exhibits LA-4 and LA-5.

Q. As a result of Aqua's rebuttal testimony and the receipt of additional information, has your overall Revenue Requirement recommendation changed?

A. Yes, I am presenting an updated summary of the revenue requirement excess for the Aqua PA water base utility and revenue deficiencies for Aqua PA's Shenandoah water utility and wastewater utility operations on Exhibit LA-4, Schedule A, page 2 of 8. As shown there, in column A, line 7, the updated results show an overall net revenue excess of approximately $12.250 million for Aqua PA. The updated revenue excess for Aqua PA's water base utility of approximately $31.251 million is shown in column B, on line 7. The updated revenue deficiency for Aqua PA's Shenandoah Water utility is approximately $1.885 million as shown in column C, line 7. The updated revenue requirement deficiencies for each Aqua PA wastewater utility group are shown on Exhibit LA-4, Schedule A, page 2 of 8, line 7, in columns C through F, respectively.

II. OVERALL FINANCIAL SUMMARY

Updated Summary Schedules (Exhibit LA-4)

Q. What does Schedule A in Exhibit LA-4 show?

A. Exhibit LA-4 shows the development of the adjusted revenue requirement for Aqua's water and wastewater utility operations.

Q. What revenue deficiency or excess do you recommend for Aqua's water utility?

A. As shown on Exhibit LA-4, Schedule A, page 2, line 7, the adjusted revenue sufficiency and deficiency results for Aqua's water utilities are shown on Exhibit LA-4, Schedule A, page 2, in columns B and C, on line 7, and are summarized below:

- Water Base (column B): $31.251 million revenue sufficiency
- Shenandoah Water (column C): $1.885 million revenue deficiency

Q. What revenue deficiency or excess do you recommend for Aqua's wastewater utilities?

A. The adjusted revenue deficiency results for Aqua's wastewater utilities are shown on Exhibit LA-4, Schedule A, page 2, in columns D through F, on line 7, and are summarized below:

- Wastewater Base (column D): $14.781 million revenue deficiency
- Lower Makefield Wastewater (column E): $2.335 million revenue deficiency
- East Whiteland Wastewater (column F): $0 revenue deficiency

Q. What is shown on Exhibit LA-4, Schedule A, page 3?

A. Schedule A, page 3 of 11, summarizes the differences between Aqua's request (as summarized on Schedule A, page 1) and OCA's adjusted results (as summarized on Schedule A, page 2). Schedule A, page 3, line 1, shows the differences in rate base between Aqua's request and OCA's adjusted results. Line 3 shows differences in required net operating income. Line 4 shows differences in adjusted net operating income. Line 5 shows differences in the amount of net operating income excess or deficiency. Line 7 shows differences in the revenue requirement excess or deficiency.

As shown on Exhibit LA-4, Schedule A, page 3, column A, line 7, the results of my recommendations and the recommendations of other OCA witnesses, reflect revenue requirement impacts that are approximately $138.9 million lower than Aqua has requested. In other words, the results of the adjustments recommended by me and other OCA witnesses produce base rate revenues for Aqua that are $138.9 million lower than the revenue increases proposed by Aqua.

Q. Have you presented a reconciliation of Aqua's originally filed proposed revenue increase with OCA's adjusted revenue excess or deficiency for each of Aqua's water and wastewater utility operations?

A. Yes. Exhibit LA-4, Schedule A, pages 4 and 5 present a reconciliation of the revenue requirement for Aqua's water utilities, and for each of Aqua's wastewater utilities (pages 6 through 8), reflecting the approximate revenue requirement impact of the recommendations of OCA witnesses. The approximate revenue requirement impact of each adjustment is shown in column C of Schedule A, pages 4 through 8, for each utility. Additionally, Exhibit LA-4, Schedule A, pages 4 through 8 presents an overall summary showing the approximate revenue requirement impacts of the recommendations of OCA witnesses.

Exhibit LA-4, Schedule A, pages 4 through 8, line 1, shows the impacts of OCA cost of capital recommendations, calculated using the rate base in Aqua's original application, and are shown for each utility in column C. As shown on Schedule A, pages 4 through 8, line 1, in column C, the OCA's cost of capital recommendations reduce Aqua's requested revenue increase by (1) $81.880 million for Aqua's water base utility, (2) $303,636 for Aqua's Shenandoah water utility, (3) $7.494 million for Aqua's wastewater base utility, (4) $962,494 for Aqua's Lower Makefield wastewater utility, and (5) $1.156 million for Aqua's East Whiteland wastewater utility, although the revenue deficiency for East Whiteland is zeroed out as shown on Exhibit LA-4, Schedule A, page 2.

Q. Do Schedules A-1, B, B.1, C, C.1 and D of Exhibit LA-4 present information similar to the corresponding schedules that were filed with your Direct Testimony?

A. Yes.

Updated Adjustment Schedules (Exhibit LA-5)

Q. What does Exhibit LA-5 show?

A. Exhibit LA-5 shows the adjustments to rate base and net operating income that I am recommending as updated and revised. To the extent that adjustments have been revised or added I present explanations in my surrebuttal testimony. A column has been added to the contents page of Exhibit LA-5 indicating which adjustments have been revised or added.

III. AQUA'S ACCEPTANCE OF OCA ADJUSTMENTS

Q. Has Aqua indicated that it has accepted certain OCA adjustments?

A. Yes. As an example, Aqua witness Manning states at page 14 of his rebuttal testimony that the Company is removing the legal expense for appeals, which was recommended in my direct testimony.

IV. REVISED AND ADDED ADJUSTMENTS AND RESPONSE TO AQUA'S REBUTTAL

Q. Have you revised some of the recommended adjustments that were presented with your direct testimony?

A. Yes. In response to Aqua's rebuttal testimony and as a result of additional information that was received after the filing of my direct testimony, certain adjustments were revised or added. I will address each revised and added adjustment below.

Schedule C-7, Payroll Expense – Seasonal Positions (Water and Wastewater)

Q. Did Aqua agree with your adjustment to remove seasonal positions?

A. No. Aqua witness Manning, in his rebuttal testimony at pages 6-7, generally disagreed with my recommended adjustment to remove seasonal positions.

Q. How may filled seasonal positions did Aqua have?

A. Aqua's response to OCA-XXVIII-1 indicates that Aqua had 15 filled seasonal positions.

Q. How many seasonal employees has Aqua proposed be included in the FPFTY?

A. Aqua's response to OCA-XXVIII-4 indicates that Aqua has proposed including payroll expense for 35 non-union seasonal employees in the FPFTY at a cost of $8,060 per position, or a total cost of $282,100.

Q. Have you updated your adjustment for seasonal positions?

A. Yes. As shown on Exhibit LA-5, Schedule C-7, I have updated my recommended adjustment for seasonal positions payroll expense by taking the difference between the 35 positions that Aqua included and the 15 positions that Aqua' response to OCA-XXVIII-1 indicates that Aqua actually had. This reduces FPFTY operating expenses by $161,200.

Q. What does Aqua witness Manning state in his rebuttal testimony concerning that $161,200?

A. At page 7, lines 4-8, of his rebuttal testimony, Mr. Manning states as follows:

> … the $201,500 that Mr. Smith proposed to be removed should be reduced accordingly by $40,300 to reflect the five additional seasonal employees that have been hired, or a total adjustment of $161,200. As mentioned earlier, Mr. Smith does acknowledge that he would continue to review and revise information based on additional information that is provided.

Q. Has Aqua reflected that $161,200 adjustment?

A. No. Aqua's response to OCA-XXVIII-28 states that Aqua did not reflect that $161,200 adjustment.

Q. What amount of revised payroll adjustment for unfilled seasonal positions are you now recommending?

A. As shown on Exhibit LA-5, Schedule C-7, I have updated my recommended adjustment for seasonal positions payroll expense to reflect a revised adjustment amount of $161,200.

Schedule C-8, Payroll Expense – Vacancies (Water and Wastewater)

Q. As you noted above, Aqua witness Manning's rebuttal at pages 5-7 did not agree with your recommended vacancy adjustment for payroll expense. Are you making revisions to that adjustment?

A. Yes. As explained in the Company's response to OCA-XXVIII-5, the Company's proposed payroll amount had reflected a Company-proposed vacancy rate of 2 percent. Calculations showing how the Company derived its proposed 2 percent vacancy rate were provided with that response. Aqua's response to OCA-XXVIII-8 indicates that across all utility operations, Aqua's total vacancy adjustment was $1,108,352. As shown on Exhibit LA-5, Schedule C-8, I have updated my recommended payroll expense vacancy adjustment to take into account that Aqua's proposed payroll expense had incorporated a 2 percent vacancy rate adjustment. I do not agree with Aqua's proposed 2 percent vacancy rate, which was not based on the number of projected but unfilled positions. As shown on Exhibit LA-5, Schedule C-8, I have applied my recommended water utility vacancy rate of 4.56 percent to the same amount of water utility payroll expense to which Aqua applied its proposed 2 percent vacancy rate. Aqua's proposed payroll expense for the water utility base is reduced by $1.272 million.

Similarly, as shown in column E of Schedule C-8, I applied my recommended 4.69 percent wastewater base vacancy rate to the same amount of wastewater utility payroll expense to which Aqua applied its proposed 2 percent vacancy rate. Aqua's proposed payroll expense for the wastewater utility base is reduced by $130,620.

Schedule C-9, Payroll Tax Expense (Water and Wastewater)

Q. Does Aqua agree that there is a relationship between payroll expense and payroll tax expense?

A. Yes, as described in Aqua's response to OCA-XXVIII-12. In that response, the Company stated: "Aqua PA agrees that there is a relationship between payroll expense and payroll tax expense."

Q. Is the payroll tax expense adjustment being revised in your surrebuttal?

A. Yes. As shown on Exhibit LA-5, Schedule C-9, page 1, I have replicated Aqua's calculation of payroll tax expense in column A, and have updated my calculation of payroll tax expense in column B, for Aqua's water utility. The payroll tax expense adjustment is a direct result of other adjustments to payroll expense. The updated adjustment reduces payroll tax expense for Aqua's water utility base by $87,201.

As shown on Schedule C-9, page 2, for the wastewater payroll tax adjustment, I applied the social security and Medicare tax rates to my wastewater payroll expense adjustment, which produces a reduction to wastewater payroll tax expense of $9,992.

Schedule C-10, 401(k) Plan Expense (Water and Wastewater)

Q. Did Aqua agree with your recommended adjustment to 401(k) plan expense?

A. No. Aqua witness Manning did not agree with my recommended adjustment to 401(k) plan expense. Apparently, the disagreement stems from the amount of payroll expense adjustment based on my recommended vacancy rate.

Q. Is there is a relationship between the amounts of payroll expense and the amounts of 401(k) plan expense?

A. Yes. Aqua's response to OCA-XXVIII-13 agrees that there is a relationship between the amount of payroll expense and the amount of 401(k) expense. Adjustments to Aqua's proposed payroll expense will also have a related adjustment to the Company's proposed amount of 401(k) plan expense.

Q. Have you updated the adjustment for 401(k) plan expense?

A. Yes. As shown on Exhibit LA-5, Schedule C-10, I have updated the adjustment to 401(k) plan expense to correspond with my revised adjustment to payroll expense. As shown on Exhibit LA-5, Schedule C-10, the adjustment to 401(k) expense has been revised to $100,097 for water. This adjustment does not impact wastewater.

Schedule C-11, Employee Group Insurance (Water and Wastewater)

Q. Does Aqua address your recommended adjustment for Employee Group Insurance in its rebuttal?

A. Yes. At page 9 of his rebuttal testimony, Aqua witness Manning states that he disagrees with the adjustment for the same reasons he disagreed with my recommended vacancy adjustment.

Q. Is the amount of expense for Employee Group Insurance related to the vacancy rate?

A. Yes. The amount of expense for Employee Group Insurance is related to the proposed vacancy rate. Aqua's response to OCA-XXVIII-14 acknowledges that

there is a relationship between the number of full-time employees Aqua has and the Group Insurance Expense.

Q. Are you revising the recommended amount of expense for Employee Group Insurance based on anything in Aqua's rebuttal testimony?

A. Yes. Attachment 1 to the Company's response to OCA-XXVIII-14 shows that the Company applied a 2 percent vacancy rate to its proposed Employee Group Insurance for the FPFTY included in its filing. I have revised my recommended adjustment to Employee Group Insurance using the unadjusted amounts provided in OCA-XXVIII-14 but applying my recommended vacancy rate. As shown on Exhibit LA-5, Schedule C-11, the adjustment for Employee Group Insurance has been revised to $165,638 for water and $53,552 for wastewater.

Schedule C-12, Intracompany Benefits (Water)

Q. Are you revising the recommended amount of expense for Intracompany Benefits based on your revised adjustment to Group Insurance Expense?

A. Yes. As shown on Exhibit LA-5, Schedule C-12, the adjustment for Intracompany Benefits has been revised to $53,552 for water (i.e., the inverse of the $53,552 reduction to employee benefits expense for Wastewater Base Operations shown on Schedule C-11).

Schedule C-14, Income Tax Expense – Repairs Deduction (Water and Wastewater)

Q. Have you revised the amount of reduction to income tax expense for repairs deductions?

A. Yes. In my direct testimony on Exhibit LA-2, Schedule C-14, I had reflected repairs deductions of $195.428 million based on the amounts that Aqua expects to claim on its 2023 federal income tax return. As shown in Aqua's response to OCA-XXVIII-27, Aqua has updated that amount and now expects the amount of $195.861 million to be the amount of repairs deductions to be claimed on the 2023 federal income tax return which, with extensions, is to be filed by October 15, 2024. Aqua's response to OCA-XXVIII-28 lists the $195.861 million as the expected repairs deductions to be claimed on the 2023 federal income tax return. Aqua's responses show that certain amounts within the $195.861 million are related to AFUDC, which is not income tax deductible. Consequently, I have reduced the amounts of repairs deductions for purposes of computing income taxes by removing the related amounts representing AFUDC. As shown on Exhibit LA-5, Schedule C-14, I have reflected an amount for repairs deductions of $192.818 million after removal of amounts identified for AFUDC in Aqua's response to OCA-XXVIII-28. This produces reductions to income tax expense of $7.885 million for water and $242,142 for wastewater, as shown on Exhibit LA-5, Schedule C-14, line 7.

Q. Aqua has proposed to not reflect some of the repairs deductions that the Company has claimed or expects to claim on federal income tax returns in the calculation of income tax expense, on the basis that Aqua has identified that portion of its annual repairs deductions are uncertain. Do you agree with Aqua's proposal to <u>not</u> reflect uncertain income tax deductions for ratemaking purposes for the calculation of income tax expense in the current Aqua PA rate case?

A. No. Deductions claimed or expected to be claimed by Aqua on filed tax returns should be used to compute income tax expense in the current Aqua PA rate case. The fact that an IRS audit has not yet occurred for some of the deductions that Aqua has claimed or is expected to claim on filed income tax returns should not impact the ratemaking treatment. All tax deductions that are related to Aqua PA's public utility operations that are claimed or are expected to be claimed on income tax returns should be utilized to calculate the allowance for income tax expense in Aqua's rate case.

Q. What amounts of its repair deductions has Aqua identified as being associated with uncertain tax positions?

A. Aqua's response to OCA-XXVIII-28, Attachment 1, identifies $3.354 million for 2023 income tax deductions for repairs that Aqua PA identified as being related to uncertain tax positions ("uncertain tax positions" or "UTP"). This is indicated in the UTP line on Aqua's response to OCA-XXVIII-28, Attachment 1.

Q. What is the basis for Aqua's uncertain tax positions amount?

A. Aqua's response to OCA-XXVIII-30 states that:

> The UTP amount is a reduction to the repairs deduction amount that is used to determine whether the collar threshold is exceeded or not. The UTP amount is based on the subset of work orders taken as a repairs deduction that has the potential of being reversed upon audit.

Q. Is the use of income tax deductions that that are claimed or are expected to be claimed on income tax returns consistent with the guidance that has been provided by the Federal Energy Regulatory Commission ("FERC")?

A. Yes. While Aqua is a water and wastewater utility, not an energy utility, and while Aqua PA is regulated by the PA PUC and not by FERC, the guidance provided by the FERC on the treatment of utility uncertain tax positions is very useful for reasonably addressing this issue for utility regulatory accounting and ratemaking purposes. The repairs deductions that Aqua has claimed or has indicated that it expects to claim for federal income tax purposes clearly relate to the provision of water and wastewater utility service by Aqua in Pennsylvania. Thus, reflecting the amounts of repairs deductions that Aqua expects to claim for federal income tax purposes for 2023, which is the most recent information available, reflects appropriate ratemaking treatment.

Q. When was Aqua's last federal income tax audit?

A. Aqua's response to OCA-XXVIII-32 indicates that the last tax years that were audited were 2010-2011.

Q. Are any tax years current under IRS audit?

A. No. Aqua's response to OCA-XXVIII-32 states that, as of September 16, 2024, there are no notifications of any audits of federal income tax returns in which Aqua participates.

Q. Please discuss having a reserve for potential disallowance of Aqua's uncertain tax positions.

A. Permitting a reserve to be recorded in the event that Aqua's "uncertain" tax deductions for repairs were ultimately to be disallowed by the IRS could be appropriate for ratemaking purposes but only if all of the repairs deduction amounts that are claimed or expected to be claimed are reflected in the calculation of income tax expense for ratemaking purposes. Aqua has no federal income tax audit history of its claimed repairs deductions being disallowed.

Q. If the income taxes are not reduced by the reserve for the uncertain tax position, and the tax position is subsequently audited and disallowed, should the Company be permitted to record a regulatory asset to recover the disallowed tax benefit that had been included in customer rates?

A. Not necessarily. This result would be equitable only if the Company's repairs deductions that are claimed or expected to be claimed on income tax returns are fully reflected in the calculation of income tax expense for ratemaking purposes, as I have recommended. In contrast, Aqua's position concerning the uncertain portion of its claimed repairs tax deductions is inequitable, one-sided and would be unfair to

ratepayers because (1) Aqua does not want to fully reflect the tax benefits associated with the repairs deductions that it has claimed or is expected to claim on its income tax returns, and (2) Aqua then apparently wants to be able to record a regulatory asset if any of those repairs deductions are ultimately disallowed by the IRS.

Aqua's position is inequitable because it would first deny ratepayers the benefit of reduced income tax expense from deductions claimed on its income tax returns. Then, if some portion of Aqua's repairs deductions were to be ultimately disallowed by the IRS, Aqua would propose to record regulatory assets for those income tax disallowances and to charge ratepayers to recoup the income taxes related to the disallowed repair deduction amounts. The Company's position on repairs deductions is thus unbalanced and should be rejected.

Q. In settlements in a prior Aqua PA rate case, an agreement was reached that provided for deferral into regulatory asset or liability accounts of actual amounts for repairs deductions that exceeded a specified amount above or below the amount used for repairs deductions in the rate case settlement. Should that be continued?

A. No. A settlement provision for a collar and for deferring amounts of actual repairs deductions above and below the collar was an approach used to resolve some previous Aqua PA rate cases and was not intended to become a new regulatory feature that would continue in perpetuity for Aqua.

Q. How would the discontinuation of a "collar" amount for repairs deductions prospectively affect the risk of fluctuations in Aqua's repairs deduction amounts that are claimed on the federal income tax returns in which the Company participates?

A. Aqua's response to OCA-XXVII-19 states that:

> Without prospective continuation of the collar mechanism, fluctuations in the tax repairs deductions between rate cases would result in risk/responsibility being borne by the Company if the level of tax repairs is lower and risk being borne by customers if the level of tax repairs comes in higher.

Q. If a "collar" amount were to be utilized prospectively, do you have an opinion as to what a reasonable collar amount would be appropriate?

A. In my opinion, if any "collar" amount around the repairs deduction amount that is used to compute income tax expense in the current Aqua PA rate case were to be used going-forward, the "collar" should be no wider than $4 million per year. The $4 million reflects Aqua's current estimates of the amount of its annual repairs deductions that Aqua has identified as being uncertain. Allowing a collar amount larger than $4 million could allow Aqua to unfairly manipulate its earnings between rate cases, particularly if an inadequate level of repairs deductions is used for the calculation of income tax expense in the current rate case.

Schedule C-15, Other Revenue

Q. Do Aqua and its affiliates receive revenue with respect to marketing activities for non-basic services to Aqua's Pennsylvania customers?

A. Yes. Aqua's response to OCA-XXIV-5 indicates that revenue with respect to marketing activities for non-basic services to Aqua's Pennsylvania customers of $5,061,510 were recorded by Aqua Resources, Inc. Aqua's response to OCA-XXV-1 states that those revenues were recorded by Aqua Resources. It states that: "All revenue from HomeServe are recorded into Aqua Resource" into account number 6104090, Nonutil. Inc. – Home Services."

Q. How much of that revenue was reflected in Aqua's proposed ratemaking?

A. Aqua's response to OCA-XXV-1 indicates that none of the $5,061,510 of revenue for non-basic services to Aqua's Pennsylvania customers was reflected for either the water or wastewater utility.

Q. Do those revenues relate to the use of Aqua PA's utility customer information?

A. Yes. As discussed in OCA witness Alexander's supplemental direct and surrebuttal testimony, the revenues for non-basic services received from HomeServe relate to the use of Aqua PA utility name and logo to market HomeServe's unregulated products to Aqua's customers. Only minimal amounts of "regulatory offset fees" which were $2,618 in 2023 and $5,205 in 2024 to date, are used by Aqua to offset utility expenses, as explained in Aqua's responses to OCA-XXV-1(f) and Aqua's response to OCA-XXIV-6.

Q. How were similar revenues utilized in the recent PAWC rate case?

A. My Direct Testimony in the recent PAWC rate case at page 79 and PAWC's public responses to OCA-26-005, OCA-26-015 and OCA-26-016 in that case[1] indicate that PAWC included $659,624 of miscellaneous revenue from American Water Resources/Oncourse Home Solutions) in account 471 in PAWC's FTY and FPFTY. As stated in its response to OCA-26-016 in that case, PAWC records those revenue amounts "above the line" for ratemaking purposes and that the net amounts "offset PAWC's operating expenses [that are] recovered through rates."

Q. Should the Aqua amounts similarly be imputed and reflected as Other Revenue and be used in the current Aqua PA rate case to offset Aqua's operating expenses that are being recovered through rates?

A. Yes. As shown on Exhibit LA-5, Schedule C-15, I have reflected the $5,061,510 of revenue for non-basic services to Aqua's Pennsylvania customers that was identified in Aqua PA's responses to OCA-XXV-1 and OCA-XXIV-5 as Other Revenue for Aqua PA's water utility. As such, this amount is being imputed to above the line revenue and being used to offset the cost of providing service to Aqua's utility customers. This adjustment treats these revenues similarly for Aqua to how the similar revenues were treated for ratemaking purposes in the recent PAWC rate case.

[1] Public copies of those responses are included in Attachment LA-5 to my surrebuttal testimony. Those responses are in the public record of the PAWC rate case Docket Nos. R-2023-3043189 and R-2023-3043190 in my Direct Testimony in that case as Exhibit LA-3, pages 68 and 69 of 76 and Exbibit LA-4 page 11 of 11 (redacted version).

V. ADDITIONAL RESPONSE TO AQUA'S REBUTTAL ON VARIOUS ISSUES, INCLUDING ADJUSTMENTS THAT ARE NOT BEING REVISED

Q. What do you address in this section of your surrebuttal testimony?

A. In this section of my testimony, I respond to Aqua's rebuttal testimony on selected issues that have not already been addressed above in the discussion of revised and added adjustments.

East Whiteland Wastewater Utility System Proposed to Be Acquired by Aqua

Q. The rebuttal testimony of William Packer, Aqua Statement 1-R, at page 20, lines 14-16, continues to advocate for inclusion in Aqua PA's proposed revenue requirement the East Whiteland wastewater utility system notwithstanding the Commonwealth Court's decision and the pending appeal before the Pennsylvania Supreme Court. Should the East Whiteland utility be included in Aqua's revenue requirement in the current case?

A. No. For the reasons described in my Direct Testimony and the Direct and Surrebuttal Testimony of OCA witness Hoover, the East Whiteland utility should not be included in Aqua's revenue requirement. Whether the Commonwealth Court will be reversed is too uncertain to predict, which means the system should be excluded from the FPFTY revenue requirement. Aqua effectively is asking the Commission to infer that the Pennsylvania Supreme Court will reverse the Commonwealth Court's decision simply because it granted Aqua's petition for allowance of appeal. However, I am advised by OCA counsel that such an inference is not certain. Accordingly, given the existing Commonwealth Court decision and the high degree of uncertainty related to the pending appeal, East Whiteland should be excluded from the revenue requirement for the FPFTY.

Q. Has Aqua conceded that there is no time limit under which the Pennsylvania Supreme Court must issue a decision in that case?

A. Yes. Aqua's response to OCA-XXVII-21 concedes that "there is not a time limit for the Pennsylvania Supreme Court to issue a decision."

Q. What remedy does Aqua propose if the East Whiteland wastewater utility acquisition does not occur as projected by Aqua?

A. Aqua's response to OCA-XXVII-21 indicates that Aqua's proposed remedy would be to credit customer bills should it be required to do so as a result of the pending court proceeding. Aqua's response to OCA-XXVII-21(c), for example, states that: "The Company would apply a surcredit to Aqua water customers' bills."

Q. Would applying a surcredit to Aqua water customers' bills be preferable to simply not including the East Whiteland wastewater utility in Aqua's revenue requirement until the uncertainties regarding that proposed acquisition are resolved?

A. No. Simply excluding the East Whiteland wastewater utility in Aqua's revenue requirement until the uncertainties regarding that proposed acquisition are resolved is preferrable to having subsequent bill credits to Aqua's water utility ratepayers. Not including the East Whiteland wastewater utility in Aqua's revenue requirement in the current case until the uncertainties are resolved is consistent with the OCA recommendations in PAWC relating to other uncertain acquisitions.

Q. Has the OCA changed its recommendation that the East Whiteland wastewater utility should be excluded from Aqua's revenue requirement in the current case until the uncertainties surrounding the system are resolved?

A No. Significant uncertainties continue to exist with respect to Aqua's proposed acquisition of the East Whiteland wastewater utility. Those uncertainties include the pending Pennsylvania Supreme Court case. Aqua's response to OCA XXVII-21 concedes that "there is not a time limit for the Pennsylvania Supreme Court to issue a decision." Consequently, it would be premature to include a rate increase for the East Whiteland wastewater utility in the current Aqua PA base case, and it would be premature to include a subsidization of Aqua's proposed East Whiteland wastewater utility revenue increase by Aqua's water utility customers in the current rate case.

Special Deferred Accounting for Prospective PFAS Capital Expenditures and Other Costs

Q. Aqua witness Packer's Rebuttal Testimony at pages 3-10 addresses the Company's request for deferred accounting for cost incurred by the Company for PFAS related capital spending and other PFAS related costs. Has the OCA position opposing deferred accounting for Aqua's prospective PFAS costs changed as a result of Aqua's rebuttal?

A. No. OCA continues to oppose authorization of special deferred accounting for Aqua's prospective PFAS costs, as explained in my testimony and the testimony of OCA witness Hoover.

Q. At page 5 of his rebuttal testimony, Aqua witness Packer claims that it is "extraordinary" that a utility has to incur costs to comply with Environmental Protection Agency ("EPA") requirements. Do you agree?

A. No. It is common across the utility industry for utilities to have to incur costs to comply with EPA requirements. As examples, electric utilities for years have had to comply with EPA requirements concerning emissions, coal combustion residuals, and water quality standards. Moreover, much of the cost related to complying with EPA requirements involves capital expenditures that are recorded as utility plant when placed into service.

Q. Is the EPA rule that relates to the PFAS requirements being challenged?

A. Yes, as noted in OCA witness Hoover's direct testimony, the EPA rule that relates to the PFAS requirements is being challenged in federal court.

Q. Could approval of deferred accounting lessen incentives on the Company to control the amount of PFAS spending?

A. Yes. While Aqua witness Packer states at page 3, line 20, of his rebuttal testimony that the Company is not seeking guaranteed recovery, the purpose of the deferred accounting would be for the Company to seek recovery of the deferred costs in its next rate case. Knowing that the costs being incurred would not affect the Company's earnings in the years during which the expenditures are being made due to the deferral accounting treatment could lessen the incentives that would otherwise

exist on Company management to control costs and to see the most cost-effective means of compliance.

Q. At page 5 of his rebuttal testimony, Aqua witness Packer claims that its PFAS expenditures would be "nonrecurring." Do you agree?

A. No. Mr. Packard concedes at page 5, lines 18-19 of his rebuttal that the operational expense for operating the new equipment would be ongoing, *i.e.*, recurring. Moreover, the annual depreciation expense on the utility plant in service that is installed to meet PFAS requirements would also be recurring through the useful life of that equipment.

Q. To the extent that Aqua PA has capital expenditures related to PFAS compliance, is special deferred accounting needed?

A. No. To the extent that Aqua PA has capital expenditures related to PFAS compliance, such costs would be recorded on the Company's balance sheet as utility plant in service, and, if prudently incurred, would become part of Aqua PA's rate base in subsequent rate cases. For such capital expenditures, the normal utility plant accounting would already result in those amounts being recorded as assets on Aqua PA's books. Thus, there is no need for special deferred accounting for the PFAS related capital expenditures that would be recorded by the Company as utility plant in service.

Q. At page 5 of his rebuttal testimony, Aqua witness Packer claims that its PFAS expenditures would be "substantial" and refers to the Company's estimate of $300 million of projected capital expenditures between 2025 and 2029. Can you put that in context in terms of Aqua PA's total rate base?

A. As shown on Exhibit LA-4, Schedule A, page 1 in the current rate case, Aqua has proposed a total rate base of approximately $4.838 billion. As shown on Exhibit LA-4, Schedule A, page 2, the OCA's comparable adjusted rate base is approximately $4.773 billion. Capital expenditures of $300 million that are expected by Aqua for PFAS compliance would be approximately 6.2 percent increase to Aqua's proposed rate base in the current case, or approximately 6.3 percent increase to OCA's adjusted rate base. As a means of comparison, in Aqua's 2021 rate case,[2] with reference to my Exhibit LA-1, Schedule A, page 1, in that case, Aqua's proposed rate base was approximately $4.183 billion. The change in Aqua's proposal total rate base from its 2021 rate case to its current rate case is approximately $655 million, which equates to an Aqua requested rate base increase from the 2021 rate case to the current rate case of approximately 16 percent. Consequently, in comparison with the change in Aqua's requested total rate base form its 2021 rate case to the current rate case, *i.e.*, an increase of approximately $655 million, total Aqua projected capital expenditures for PFAS compliance of $300 million, does not appear to represent an extraordinary change in the Company's rate base from one rate case to another rate case.

[2] Docket Nos. R-2021-3027385 and R-2021-3027386.

Q. At page 6 of his rebuttal testimony, Aqua witness Packer discusses regulatory lag and the need to file additional rate cases if its PFAS capital plan and the Company's associated deferred accounting request is not approved. Please respond.

A. The timing of filing of base rate cases is subject to the judgment and discretion of Aqua PA and parent company management. Importantly, Mr. Packer does not commit to any rate case stay-out or moratorium period if its request for deferred accounting were to be adopted. Moreover, as noted above, the Company's PFAS capital expenditure estimate would not represent an unusual change in total rate base between Aqua PA rate cases, as indicated by the comparison of the Company's proposed rate base amounts from its 2021 rate case to the current rate case. Finally, Mr. Packer's testimony about lag is contradicted by Aqua witness Manning who testified that Aqua will file another base rate case in early 2026. Aqua St. No. 3-R at 13. That would mean that there will be no lag as the FPFTY in this case will be the HTY in the next case. Based on this, it is not clear why Aqua needs deferred accounting treatment for these costs at all given its planned rate case timing.

<u>B-2, Pennsylvania Net Operating Loss Deferred Tax Asset (Water and Wastewater)</u>

Q. As a result of Aqua's rebuttal testimony, are you revising the adjustment on Exhibit LA-2, Schedule B-2?

A. No. Aqua has attempted to increase rate base by $32.728 million for a deferred tax asset related to a Pennsylvania net operating loss ("NOL") carryforward. As confirmed by Aqua's responses to OCA discovery, this item was never included in

Aqua PA rate base in prior cases. Moreover, there is no PA state income tax normalization requirement that would require this item to be included in utility rate base. Therefore, as shown on Exhibit LA-5, Schedule B-2, (and as was shown on Exhibit LA-2, Schedule B-2 filed with my Direct Testimony) this item is being removed from the Company's proposed rate base. This reduces Aqua PA's proposed Water Base rate base by $31.414 million and reduces the Company's proposed Wastewater Base rate base by $1.314 million. The dollar amounts are from the Company's response to OCA-XV-25.

Q. Was a similar item added to rate base in Aqua PA's rate base in the Company's last rate case?

A. No. The Company's response to OCA-XV-26 indicates that the PA NOL existed during the Company's last rate case and states that the Company inadvertently did not include it in its proposed rate base in its last base rate case. Additionally, the Company's response to OCA-XXVIII-19 states that: "There is no prior Commission Order addressing the PA NOL." Aqua's response to OCA-XXVIII-28 concedes that PA NOL inclusion in rate base is generally a non-existing issue in Pennsylvania rate cases. Moreover, Aqua PA's witness Fischer has not presented testimony for Aqua PA or any of its affiliates for a PA NOL inclusion in rate base in any cases prior to the current Aqua PA rate case.

Q. Has Aqua provided an explanation of its understanding of normalization and flow through accounting for income tax items?

A. Yes. Aqua's response to OCA-XXVIII-18, which is attached to my surrebuttal testimony in Exhibit LA-6, contains Aqua's explanation.

Q. Did Aqua include a PA NOL in rate base in its 2018 or 2021 base rate cases?

A. No. Aqua's response to OCA-XXVIII-18 indicates that Aqua omitted rate base inclusion of the PA NOL deferred tax asset in its 2018 and 2021 base rate cases. Aqua has not identified any prior rate cases in which the Company included a PA NOL deferred tax asset in rate base, and has stated in its response to OCA-XXVIII-19 that there are no Commission Orders addressing the PA NOL.

Q. Aqua witness Fischer's rebuttal testimony, Aqua Statement 8-R, at page 5 refers to FAS 109. What is FAS 109 and how does it apply for ratemaking?

A. Aqua's response to OCA-XXVIII-20 provides Aqua's explanation of FAS 109, which is a financial accounting provision. Aqua's response to OCA-XXVIII-20 also states that: "Amounts included in rate base are determined by whether or not the normalization method of accounting was used, not FAS 109 accounting." Thus, Ms. Fischer's discussion of FAS 109 in her rebuttal testimony appears to be a distraction since Aqua has stated that the amounts included in rate base are not determined by FAS 109 accounting.

Q. Without the normalization method of accounting for PA state income taxes, would there be a deferred tax asset for a PA NOL?

A. No. Aqua's response to OCA-XXVIII-19 indicates that, without the use of normalization accounting for the PA NOL, there would be no funded deferred tax asset to include in rate base.

Q. Does Aqua apply flow-through accounting for PA state income taxes?

A. Yes. Aqua's response to OCA-XXVIII-18(c) indicates that Aqua uses the flow-through method of accounting for PA state income tax book-tax differences.

Q. Does Aqua expect a PA NOL will continue after January 1, 2025?

A. No. Aqua's response to OCA-XXVIII-23 indicates that after January 1, 2025, the Company will have sufficient state taxable income so it will no longer generate PA state NOLs.

Q. Has the Company stated that it will discontinue the normalization of state income tax expense for the PA NOL in 2025?

A Yes. Aqua PA witness Fischer's Direct Testimony at page 12, lines 12-14 states that: "the Company will discontinue the normalization of state income taxes for the PA NOL in 2024 ..." Rate base inclusion of a deferred tax asset for a PA NOL in the 2025 FPFTY being used to set Aqua PA's revenue requirement in the current case would be inconsistent with the Company discontinuance of the normalization of state income taxes for the PA NOL in 2024, and with the Company's response to

OCA-XXVIII-23, which indicates that after January 1, 2025, the Company will no longer generate PA state income tax NOLs.

Q. Should Aqua's rate base in the current rate case be increased for inclusion of a PA NOL deferred tax asset?

A. No. Aqua's proposal to increase rate base in the current rate case for inclusion of a PA NOL deferred tax asset should be rejected. A deferred tax asset for a PA NOL has never been included in rate base in any prior Aqua PA rate cases. Moreover, Aqua uses flow-through accounting for PA state income tax book-tax differences, and there is no reasonable basis for applying a normalization method only to the PA NOL item. Aqua has conceded that without normalization accounting, there would be no deferred tax asset for its PA NOL. Finally, Aqua has stated in its response to OCA-XXXVIII-23 that it does not expect that it would continue to have a PA NOL after January 1, 2025. For all of the above reasons and the reasons discussed in my Direct Testimony, Aqua's proposal to increase rate base in the current rate case for inclusion of a PA NOL deferred tax asset should be rejected.

Q. Does the Company's response to OCA-XV-28 indicate that it recorded equal amounts of a regulatory asset and a credit in the same amount related to its financial accounting for PA NOL amounts?

A. Yes. The Company's response to OCA-XV-28(d) indicates that it recorded equal amounts of a regulatory asset and a credit in the same amount related to its financial accounting for PL NOL amounts as of December 31, 2023.

Q. What is the Company's reason for attempting to include the PA NOL deferred tax asset in rate base in the current case?

A. The Company's response to OCA-XV-28(a) states that the Company normalized the PA NOL and that: "Under the normalization method of accounting, customers receive the benefit of the NOL creation through the deferred tax expense despite the Company not actually monetizing the benefit of the NOL, hence the reason for inclusion of the NOL DTA in rate base."

Q. Do you agree that deferred tax asset for a PA NOL should be included in Aqua's rate base in the current case?

A. No. The Company has not identified any requirement to normalize any PA state NOL deferred tax asset by included it in rate base. The Company's response to OCA-XV-27 states: "The Company is not aware of any PA state income tax normalization requirement addressing the inclusion of a PA NOL deferred tax asset in rate base." Nor am I aware of any such requirement. Internal Revenue Code normalization requirements apply to federal income taxes, not to PA state income taxes. There is no requirement for this item to be included in rate base and it has not been included in rate base in prior Aqua PA rate cases. Because of such reasons, no rate base addition for this item should be permitted in the current Aqua PA rate case.

Schedule C-13, Income Tax Expense - Interest Synchronization (Water and Wastewater)

Q. The rebuttal testimony of William Packer, Aqua Statement 1-R, at page 15, line 14, through page 16, line 11, address the interest synchronization deduction for income tax expense. Aqua witness Fischer's rebuttal testimony at pages 15-16 also addresses the interest synchronization adjustment. Has Aqua acknowledged that the interest synchronization is standard ratemaking adjustment in Pennsylvania?

A. Yes. Aqua's response to OCA-XXVII-20 states that the "interest synchronization is a standard ratemaking procedure in Pennsylvania. Moreover, the response states that: "Aqua PA is not contesting the calculation but is contesting the weighted cost of debt and the rate base amount used by OCA in the calculation." That response also indicates that Aqua PA agrees that interest synchronization will be based on what is ultimately approved by the Commission for the weighted cost of debt and rate base.

Q. Have you revised the interest synchronization adjustment?

A. No. The interest synchronization is a standard adjustment made in utility rate cases. The weighted cost of debt is multiplied by the utility's adjusted rate base to "synchronize" or match the amount of interest deduction for ratemaking purposes to the cost of debt and rate base that is being used to establish the utility's revenue requirement. The amount of synchronized interest deduction, because it is calculated to properly match the rate base and cost of debt components being used in the utility's rate case, will typically be different than actual amounts of interest

deductions claimed on the utility's filed tax returns. The interest synchronization adjustment is thus a widely accepted method of reflecting proper matching between the ratemaking elements that produce it. The fact that the OCA's recommended rate base and cost of debt differ from Aqua's proposed amounts is not a valid reason for failing to properly match the components of the revenue requirement determination process or to reject the OCA's interest synchronization adjustment.

Schedule C-2, General Inflation Adjustment (Water and Wastewater)

Q. Aqua witness Manning's rebuttal at pages 10-12 claims that the Company's proposed General Price Level Adjustment should be allowed to adjust expense categories not otherwise adjusted. Do you agree?

A. No. Aqua PA's General Price Level Adjustment attempts to apply a general inflation rate to operating expenses for which Aqua could not identify specific adjustments. It is therefore a general inflation adjustment and I continue to recommend that it be disallowed. Cases cited in my direct testimony support the disallowance of utility blanket inflation adjustments.

Q. Was a similar utility-proposed General Price Level Adjustment recently rejected by the Commission?

A. Yes. The Commission's Decision earlier this year in the Pennsylvania American Water Company rate case, Docket Nos. R-2023-3043189 (Water) and R-2023-3043190 (Wastewater) rejected a similar general inflation adjustment.

Q. Has Aqua demonstrated that the accounts to which it has proposed to apply its General Price Level Adjustment have historically increased at the rate of the GDP Price Index?

A No. Mr. Manning presents a chart on page 12 of his rebuttal testimony showing annual changes in the cost for various expenses; however, the historic changes in the amounts of those expenses do not appear to be close to the annual changes in the Consumer Price Index. Aqua has failed to demonstrate that the accounts to which it has proposed to apply its General Price Level Adjustment have historically increased at the rate of the Consumer Price Index. Rather, Aqua has attempted to apply a general inflation rate to a blanket group of operating expense accounts to which it could not otherwise identify specific adjustments.

Q. Please summarize your recommendation for Aqua's generalized inflation adjustment.

A. I continue to recommend that Aqua's proposed generalized inflation adjustment be rejected for the reasons presented in my direct testimony and above.

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does. However, I reserve the right to incorporate new information that may subsequently become available through outstanding discovery or otherwise.

Exhibit LA-4

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Docket Nos. R-2024-3047822 and R-2024-3047824
Exhibit LA-4
Revenue Requirement Summary Schedules
Accompanying the Surrebuttal Testimony of Ralph Smith

Number	Description	Revised	No. of Pages	Page No.
	Revenue Requirement Summary Schedules - Fully Projected Future Test Year Ending 12/31/25			
A	Calculation of Revenue Deficiency (Sufficiency)	Yes	8	2-9
A-1	Gross Revenue Conversion Factor	Yes	5	10-14
B	Adjusted Rate Base	No	5	15-19
B.1	Summary of Rate Base Adjustments	No	5	20-24
C	Adjusted Net Operating Income	Yes	5	25-29
C.1	Summary of Net Operating Income Adjustments	Yes	8	30-37
D	Capital Structure and Cost Rates	No	2	38-39
	Total Pages (including Contents page)		39	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Calculation of Revenue Deficiency (Sufficiency)
Per Aqua

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Schedule A
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 8
Revised

Line No.	Description	Reference	Total Company	Water Base	Shenandoah Water	Wastewater Base	Lower Makefield Wastewater	East Whiteland Wastewater
			(A)	(B)	(C)	(D)	(E)	(F)
1	Adjusted rate base	B	$ 4,838,116,230	$ 4,318,247,093	$ 16,013,341	$ 392,798,320	$ 50,447,179	$ 60,610,296
2	Rate of return	D		7.90%	7.90%	7.90%	7.90%	7.90%
3	Net operating income required		$ 382,048,393	$ 340,996,224	$ 1,264,515	$ 31,017,851	$ 3,983,630	$ 4,786,174
4	Adjusted net operating income	C	$ 291,124,451	$ 277,769,817	$ (366,222)	$ 12,468,336	$ 1,463,410	$ (210,890)
5	Net operating income deficiency		$ 90,923,942	$ 63,226,407	$ 1,630,737	$ 18,549,515	$ 2,520,220	$ 4,997,064
6	Gross revenue conversion factor	A-1		1.39073	1.390726	1.399365	1.399365	1.399365
7	Revenue deficiency (Sufficiency)		$ 126,675,472	$ 87,930,589	$ 2,267,908	$ 25,957,548	$ 3,526,708	$ 6,992,719
8	Cost of Service Allocation			$ 1,465,438	$ (1,465,438)			
9	Act 11 - Wastewater Allocation		$ -	$ 21,850,629	$ -	$ (17,747,873)	$ (958,164)	$ (3,144,592)
10	Total Proposed Revenues		$ 126,675,472	$ 111,246,656	$ 802,470	$ 8,209,676	$ 2,568,544	$ 3,848,126
11	Operating Revenue at Current Rates	C	$ 670,994,640	$ 596,344,820	$ 1,828,304	$ 57,682,604	$ 11,613,830	$ 3,525,082
12	Percentage Increase	L10 / L11	18.9%	18.7%	43.9%	14.2%	22.1%	109.2%

Notes and Source
Exhibit 1-A, Schedule Act 11

Line No.	Description	Reference	Total Company (A)	Water Base (B)	Shenandoah Water (C)	Wastewater Base (D)	Lower Makefield Wastewater (E)	East Whiteland Wastewater (F)
1	Adjusted rate base	B	$ 4,772,768,127	$ 4,309,687,631	$ 16,132,758	$ 395,996,751	$ 50,950,987	$ -
2	Rate of return	D		6.53%	6.53%	6.53%	6.53%	6.53%
3	Net operating income required		$ 311,815,156	$ 281,561,116	$ 1,053,988	$ 25,871,315	$ 3,328,737	$ -
4	Adjusted net operating income	C	$ 320,699,728	$ 304,032,275	$ (301,342)	$ 15,308,913	$ 1,659,882	$ -
5	Net operating income deficiency		$ (8,884,572)	$ (22,471,159)	$ 1,355,330	$ 10,562,402	$ 1,668,855	$ -
6	Gross revenue conversion factor	A-1		1.390726	1.390726	1.399365	1.399365	1.399365
7	Revenue deficiency (Sufficiency)		$ (12,250,328)	$ (31,251,219)	$ 1,884,893	$ 14,780,660	$ 2,335,337	$ -
8	Cost of Service Allocation			$ -				
9	Act 11 - Wastewater Allocation		$ -	$ -	$ -	$ -	$ -	$ -
10	Total Proposed Revenues - Before Allocations		$ (12,250,328)	$ (31,251,219)	$ 1,884,893	$ 14,780,660	$ 2,335,337	$ -
11	Operating Revenue at Current Rates	C	$ 670,994,640	$ 596,344,820	$ 1,828,304	$ 57,682,604	$ 11,613,830	$ 3,525,082
12	Percentage Increase - Before Allocations	L10 / L11	-1.8%	-5.2%	103.1%	25.6%	20.1%	0.0%
	Notes and Source							
	Exhibit 1-A, Schedule Act 11							
13	Shenandoah to Water Base Allocation			$ 1,081,839	$ (1,081,839)			
14	Act 11 Allocation			$ 1,711,600		$ (1,478,066)	$ (233,534)	$ -
15	Proposed Revenues After Allocations	L10 + L13 + L14	$ (12,250,328)	$ (28,457,780)	$ 803,054	$ 13,302,594	$ 2,101,804	$ -
16	Operating Revenue at Current Rates	C	$ 670,994,640	$ 596,344,820	$ 1,828,304	$ 57,682,604	$ 11,613,830	$ 3,525,082
17	Percentage Increase After Allocations	L15 / L16	-1.8%	-4.8%	43.9%	23.1%	18.1%	0.0%
18	Maximum Increase for Shenandoah Water				43.9%			
19	Revenue Increase	L11 x L18			$ 803,054			

Lines 13, 14 and 18: OCA witness Jerry Mierzwa

Line No.	Description	Reference	Total Company (A)	Water Base (B)	Shenandoah Water (C)	Wastewater Base (D)	Lower Makefield Wastewater (E)	East Whiteland Wastewater (F)
1	Adjusted rate base	B	$ (65,348,103)	$ (8,559,462)	$ 119,416	$ 3,198,432	$ 503,807	$ (60,610,296)
2	Rate of return	D						
3	Net operating income required		$ (70,233,237)	$ (59,435,108)	$ (210,527)	$ (5,146,536)	$ (654,893)	$ (4,786,174)
4	Adjusted net operating income	C	$ 29,575,277	$ 26,262,458	$ 64,879	$ 2,840,577	$ 196,473	$ 210,890
5	Net operating income deficiency		$ (99,808,514)	$ (85,697,566)	$ (275,406)	$ (7,987,112)	$ (851,365)	$ (4,997,064)
6	Gross revenue conversion factor	A-1						
7	Revenue deficiency (Sufficiency)		$ (138,925,800)	$ (119,181,807)	$ (383,015)	$ (11,176,888)	$ (1,191,371)	$ (6,992,719)
8	Cost of Service Allocation		$ -	$ (1,465,438)	$ 1,465,438	$ -	$ -	$ -
9	Act 11 - Wastewater Allocation		$ -	$ (21,850,629)	$ -	$ 17,747,873	$ 958,164	$ 3,144,592
10	Total Proposed Revenues		$ (138,925,800)	$ (142,497,874)	$ 1,082,423	$ 6,570,984	$ (233,207)	$ (3,848,126)

Notes and Source
Page 2 minus Page 1 Amounts

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.390726	
1	Rate Base per Aqua's Filing	B			$ 4,318,247,093		-1.896%	$ (81,880,227)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.390726	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 22,854,396		9.09%	$ 2,076,530
3	PA NOL Deferred Tax Asset	B-2	Smith		$ (31,413,858)		9.09%	$ (2,854,234)
4	Total OCA Rate Base Adjustments				$ (8,559,462)			
5	**OCA Adjusted Original Cost Rate Base**	B			$ 4,309,687,631			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
6	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 11,711,703	$ 8,512,991		1.390726	$ (11,839,236)
7	General Inflation	C-2	Smith	$ 1,298,221	$ 943,650		1.390726	$ (1,312,358)
8	Revenue - Bill Discount Credits	C-3	Colton	$ 2,455,932	$ 1,785,165		1.390726	$ (2,482,675)
9	Uncollectibles Expense - Arrearage Forgiveness	C-4	Colton	$ 812,620	$ 590,676		1.390726	$ (821,469)
10	Legal Expenses - Appeals	C-5	Smith	$ 66,685	$ 48,472		1.390726	$ (67,411)
11	Water Conservation Kits	C-6	Colton	$ (110,000)	$ (79,957)		1.390726	$ 111,198
12	Payroll Expense - Seasonal Positions	C-7	Smith	$ 161,200	$ 117,173		1.390726	$ (162,955)
13	Payroll Expense - Vacancies	C-8	Smith	$ 1,271,746	$ 924,405		1.390726	$ (1,285,594)
14	Payroll Tax Expense	C-9	Smith	$ 87,201	$ 63,384		1.390726	$ (88,150)
15	401K Expense	C-10	Smith	$ 100,097	$ 72,758		1.390726	$ (101,187)
16	Employee Group Insurance Expense	C-11	Smith	$ 165,638	$ 117,620		1.390726	$ (163,577)
17	Intracompany Benefits	C-12	Smith	$ (53,552)	$ (38,027)		1.390726	$ 52,885
18	Interest Synchronization	C-13	Smith	$ -	$ 1,724,707		1.390726	$ (2,398,594)
19	Adjustment to Federal and State Income Tax Expense for Repairs Deductions	C-14	Smith	$ -	$ 7,885,262		1.390726	$ (10,966,237)
20	Other Revenue	C-15	Smith	$ 5,061,510	$ 3,594,178		1.390726	$ (4,998,516)
21	Total OCA Adjustments to Operating Income	C.1		$ 23,029,000	$ 26,262,458			
22	Net Operating Income per Company Filing	C			$ 277,769,817			
23	**OCA Adjusted Net Operating Income**	C			$ 304,032,275			
	Gross Revenue Conversion Factor Difference:							
24	Per OCA	A-1					1.390726	
25	Per Company	A-1					1.390726	
26	Difference						0.000000	
27	Company Adjusted NOI Deficiency	A					$ 63,226,407	
28	GRCF Difference							$ -
29	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$ (119,181,807)
30	Company Requested Base Rate Revenues	A						$ 87,930,589
31	Reconciled Revenue Requirement							$ (31,251,218)
32	Revenue Requirement Calculated on Schedule A OCA	A						$ (31,251,219)
33	Difference from Above							$ 0

Notes and Source
Pre-tax return computed using Gross Revenue Conversion Factor

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.390726	
1	Rate Base per Aqua's Filing	B			$ 16,013,341		-1.896%	$ (303,636)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.390726	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 119,416		9.09%	$ 10,850
3	Total OCA Rate Base Adjustments				$ 119,416			
4	**OCA Adjusted Original Cost Rate Base**	B			$ 16,132,758			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
5	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 51,386	$ 37,352		1.390726	$ (51,946)
6	General Inflation	C-2	Smith	$ 27,857	$ 20,248		1.390726	$ (28,160)
7	Interest Synchronization	C-13	Smith	$ -	$ 7,279		1.390726	$ (10,123)
8	Total OCA Adjustments to Operating Income	C.1		$ 79,243	$ 64,879			
9	Net Operating Income per Company Filing	C			$ (366,222)			
10	**OCA Adjusted Net Operating Income**	C			$ (301,342)			
	Gross Revenue Conversion Factor Difference:							
11	Per OCA	A-1					1.390726	
12	Per Company	A-1					1.390726	
13	Difference						0.000000	
14	Company Adjusted NOI Deficiency	A					$ 1,630,737	
15	GRCF Difference							$ -
16	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$ (383,015)
17	Company Requested Base Rate Revenues	A						$ 2,267,908
18	Reconciled Revenue Requirement							$ 1,884,893
19	Revenue Requirement Calculated on Schedule A OCA	A						$ 1,884,893
20	Difference from Above							$ (0)

Notes and Source

Pre-tax return computed using Gross Revenue Conversion Factor

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)	OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference		-1.3634%	
	Rate Base	A-1		GRCF		x 1.399365	
1	Rate Base per Aqua's Filing	B			$ 392,798,320	-1.908%	$ (7,494,295)
		D		Rate of Return		6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x 1.399365	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 4,512,075	9.14%	$ 412,510
3	PA NOL Deferred Tax Asset	B-2	Smith		$ (1,313,644)	9.14%	$ (120,098)
						9.14%	$ -
4	Total OCA Rate Base Adjustments				$ 3,198,432		
5	**OCA Adjusted Original Cost Rate Base**	B			$ 395,996,751		
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1	OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI						
6	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 2,294,664	$ 1,667,943	1.399365	$ (2,334,061)
7	General Inflation	C-2	Smith	$ 377,538	$ 274,424	1.399365	$ (384,020)
8	Revenue - Bill Discount Credits	C-3	Colton	$ 352,627	$ 256,317	1.399365	$ (358,681)
9	Uncollectibles Expense - Arrearage Forgiveness	C-4	Colton	$ 89,774	$ 65,255	1.399365	$ (91,315)
10	Legal Expenses - Appeals	C-5	Smith	$ 18,206	$ 13,233	1.399365	$ (18,518)
11	Payroll Expense - Vacancies	C-8	Smith	$ 130,620	$ 94,945	1.399365	$ (132,863)
12	Payroll Tax Expense	C-9	Smith	$ 9,992	$ 7,263	1.399365	$ (10,164)
13	Employee Group Insurance Expense	C-11	Smith	$ 53,552	$ 38,926	1.399365	$ (54,471)
14	Interest Synchronization	C-13	Smith	$ -	$ 180,128	1.399365	$ (252,065)
15	Adjustment to Federal and State Income Tax Expense for Repairs Deductions	C-14	Smith	$ -	$ 242,142	1.399365	$ (338,845)
16	Total OCA Adjustments to Operating Income	C.1		$ 3,326,972	$ 2,840,577		
17	Net Operating Income per Company Filing	C			$ 12,468,336		
18	**OCA Adjusted Net Operating Income**	C			$ 15,308,913		
	Gross Revenue Conversion Factor Difference:						
19	Per OCA	A-1				1.399365	
20	Per Company	A-1				1.399365	
21	Difference					0.000000	
22	Company Adjusted NOI Deficiency	A				$ 18,549,515	
23	GRCF Difference						$ -
24	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE						$ (11,176,886)
25	Company Requested Base Rate Revenues	A					$ 25,957,548
26	Reconciled Revenue Requirement						$ 14,780,662
27	Revenue Requirement Calculated on Schedule A OCA	A					$ 14,780,660
28	Difference from Above						$ 2

Notes and Source
Pre-tax return computed using Gross Revenue Conversion Factor

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Revenue Requirement Reconciliation

Fully Projected Future Test Year Ending December 31, 2025
Lower Makefield Wastewater

Exhibit LA-4
Schedule A
Docket Nos. R-2024-3047822 and R-2024-3047824
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Revised

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.399365	
1	Rate Base per Aqua's Filing	B			$ 50,447,179		-1.908%	$ (962,494)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.399365	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 503,807		9.14%	$ 46,060
3	Total OCA Rate Base Adjustments				$ 503,807			
4	**OCA Adjusted Original Cost Rate Base**	B			$ 50,950,987			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
5	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 215,062	$ 156,324		1.399365	$ (218,754)
6	General Inflation	C-2	Smith	$ 22,660	$ 16,471		1.399365	$ (23,049)
7	Interest Synchronization	C-13	Smith	$ -	$ 23,678		1.399365	$ (33,134)
8	Total OCA Adjustments to Operating Income	C.1		$ 237,722	$ 196,473			
9	Net Operating Income per Company Filing	C			$ 1,463,410			
10	**OCA Adjusted Net Operating Income**	C			$ 1,659,882			
	Gross Revenue Conversion Factor Difference:							
11	Per OCA	A-1					1.399365	
12	Per Company	A-1					1.399365	
13	Difference						0.000000	
14	Company Adjusted NOI Deficiency	A					$ 2,520,220	
15	GRCF Difference							$ -
16	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$ (1,191,371)
17	Company Requested Base Rate Revenues	A						$ 3,526,708
18	Reconciled Revenue Requirement							$ 2,335,337
19	Revenue Requirement Calculated on Schedule A OCA	A						$ 2,335,337
20	Difference from Above							$ 0

Notes and Source

Pre-tax return computed using Gross Revenue Conversion Factor

Line No.	Description	Schedule Reference	Primary OCA Witness	Component	OCA Adjustments (A)		OCA Multiplier (B)	OCA Revenue Requirement Amount (C)
		D	Rothchilds	ROR Difference			-1.3634%	
	Rate Base	A-1		GRCF		x	1.399365	
1	Rate Base per Aqua's Filing	B			$ 60,610,296		-1.908%	$ (1,156,399)
		D		Rate of Return			6.533%	
	Effect of OCA Adjustments to Rate Base	A-1		GRCF		x	1.399365	
2	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	B-1	Andrews		$ 575,470		9.14%	$ 52,612
3	Total OCA Rate Base Adjustments				$ 575,470			
4	**OCA Adjusted Original Cost Rate Base**	B			$ 61,185,767			
	Net Operating Income			Pre-Tax Operating Income Amount	Net Operating Income Amount Sch C.1		OCA GRCF Sch. A-1	
	Effect of OCA Adjustments on NOI							
5	Depreciation Expense - New Depreciation Rates	C-1	Andrews	$ 269,972	$ 196,237		1.399365	$ (274,608)
6	General Inflation	C-2	Smith	$ 20,649	$ 15,009		1.399365	$ (21,003)
7	Interest Synchronization	C-13	Smith	$ -	$ 28,273		1.399365	$ (39,565)
8	Total OCA Adjustments to Operating Income	C.1		$ 290,621	$ 239,520			
9	Net Operating Income per Company Filing	C			$ (210,890)			
10	**OCA Adjusted Net Operating Income**	C			$ 28,630			
	Gross Revenue Conversion Factor Difference:							
11	Per OCA	A-1					1.399365	
12	Per Company	A-1					1.399365	
13	Difference						0.000000	
14	Company Adjusted NOI Deficiency	A					$ 4,997,064	
15	GRCF Difference							$ -
16	OCA REVENUE REQUIREMENT ADJUSTMENTS ABOVE							$ (1,438,963)
17	Company Requested Base Rate Revenues	A						$ 6,992,719
18	Reconciled Revenue Requirement							$ 5,553,756
19	Less Remaining East Whiteland Revenue Requirement							$ (5,553,756)
20	Reconciled Revenue Requirement After Removing East Whiteland							$ 0
21	Revenue Requirement Calculated on Schedule A P2 OCA	A						$ -
22	Difference from Above							$ 0

Notes and Source

Pre-tax return computed using Gross Revenue Conversion Factor

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Water Base Operations
Schedule A-1.B
Docket Nos. R-2024-3047822 and R-2024-3047824
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Revised

Line No.	Description	Company Proposed Amounts	Company Proposed Derived Percentages	Company Proposed as Percentages	Effective Current Income Tax Rate	OCA Proposed
		(A)	(B)	(C)	(B1)	(D)
1	Gross Revenue	$ 87,930,589		100.00000%		100.00000%
2	Uncollectibles	$ 386,944	0.44%	0.440056%		0.44006%
3	Taxable Income Before Assessments	$ 87,543,645		99.55994%		99.55994%
4	General Assessment	$ 560,245	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 86,983,400		98.92280%		98.92280%
6	State Income Taxes	$ 6,949,974	7.99%	7.90393%	7.99%	7.90393%
7	Income Before Federal Income Taxes	$ 80,033,426		91.01887%		91.01887%
8	Federal Income Taxes	$ 16,807,019	21.00%	19.11396%	21.00%	19.11396%
9	Change in Net Operating Income	$ 63,226,407		71.90491%		71.90491%
10	Gross Revenue Conversion Factor	1.390726		1.390726		1.390726

Notes and Source

Col. A: Aqua Filing, Exhibit 1-A, Schedule A-1
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		Aqua	Percent	OCA	Percent
11	Net Income	$ 63,226,407	71.90%	$ (22,471,159)	71.90491%
12	Uncollectibles	$ 386,944	0.44%	$ (137,523)	0.440056%
13	General Assessment	$ 560,245	0.64%	$ (199,116)	0.637145%
14	Current State Income Taxes	$ 6,949,974	7.90%	$ (2,470,075)	7.90393%
15	Current Federal Income Taxes	$ 16,807,019	19.11%	$ (5,973,346)	19.11396%
16	Total Revenue Increase	$ 87,930,589	100.00%	$ (31,251,219)	100.0000%
17	Total Revenue Increase (From Schedule A)			$ (31,251,219)	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Shenandoah Water
Schedule A-1.C
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	Company Proposed Amounts (A)	Company Proposed Derived Percentages (B)	Company Proposed as Percentages (C)	Effective Current Income Tax Rate (B1)	Revised OCA Proposed (D)
1	Gross Revenue	$ 2,267,908		100.00000%		100.00000%
2	Uncollectibles	$ 9,980	0.44%	0.440056%		0.440056%
3	Taxable Income Before Assessments	$ 2,257,928		99.55994%		99.55994%
4	General Assessment	$ 14,450	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 2,243,478		98.92280%		98.92280%
6	State Income Taxes	$ 179,254	7.99%	7.90393%	7.99%	7.90393%
7	Income Before Federal Income Taxes	$ 2,064,224		91.01887%		91.01887%
8	Federal Income Taxes	$ 433,487	21.00%	19.11396%	21.00%	19.11396%
9	Change in Net Operating Income	$ 1,630,737		71.90491%		71.90491%
10	Gross Revenue Conversion Factor	1.390726		1.390726		1.390726

Notes and Source

Col. A: Aqua Filing, Exhibit 1-B, Schedule A-1
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		PAWC	Percent	OCA	Percent
11	Net Income	$ 1,630,737	71.90%	$ 1,355,330	71.90491%
12	Uncollectibles	$ 9,980	0.44%	$ 8,295	0.440056%
13	General Assessment	$ 14,450	0.64%	$ 12,009	0.637145%
14	Current State Income Taxes	$ 179,254	7.90%	$ 148,981	7.90393%
15	Current Federal Income Taxes	$ 433,487	19.11%	$ 360,278	19.11396%
16	Total Revenue Increase	$ 2,267,908	100.00%	$ 1,884,893	100.0000%
17	Total Revenue Increase (From Schedule A)			$ 1,884,893	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Wastewater Base Operations
Schedule A-1.D
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	Company Proposed Amounts	Company Proposed Derived Percentages	Company Proposed as Percentages	Effective Current Income Tax Rate	Revised OCA Proposed
		(A)	(B)	(C)	(B1)	(D)
1	Gross Revenue	$ 25,957,548		100.00000%		100.00000%
2	Uncollectibles	$ 272,763	1.05%	1.050803%		1.05080%
3	Taxable Income Before Assessments	$ 25,684,785		98.94920%		98.94920%
4	General Assessment	$ 165,387	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 25,519,398		98.31205%		98.31205%
6	State Income Taxes	$ 2,039,000	7.99%	7.85513%	7.99%	7.85513%
7	Income Before Federal Income Taxes	$ 23,480,398		90.45692%		90.45692%
8	Federal Income Taxes	$ 4,930,884	21.00%	18.99595%	21.00%	18.99595%
9	Change in Net Operating Income	$ 18,549,515		71.46097%		71.46097%
10	Gross Revenue Conversion Factor	1.399365		1.399365		1.399365

Notes and Source

Col. A: Aqua Filing, Exhibit 1-C, Schedule 1-A
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		PAWC	Percent	OCA	Percent
11	Net Income	$ 18,549,515	71.46%	$ 10,562,402	71.46097%
12	Uncollectibles	$ 272,763	1.05%	$ 155,316	1.050803%
13	General Assessment	$ 165,387	0.64%	$ 94,174	0.637145%
14	Current State Income Taxes	$ 2,039,000	7.86%	$ 1,161,041	7.85513%
15	Current Federal Income Taxes	$ 4,930,884	19.00%	$ 2,807,727	18.99595%
16	Total Revenue Increase	$ 25,957,548	100.00%	$ 14,780,660	100.0000%
17	Total Revenue Increase (From Schedule A)			$ 14,780,660	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Lower Makefield Wastewater
Schedule A-1.E
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	Company Proposed Amounts (A)	Company Proposed Derived Percentages (B)	Company Proposed as Percentages (C)	Effective Current Income Tax Rate (B1)	Revised OCA Proposed (D)
1	Gross Revenue	$ 3,526,708		100.00000%		100.00000%
2	Uncollectibles	$ 37,059	1.05%	1.050803%		1.05080%
3	Taxable Income Before Assessments	$ 3,489,650		98.94920%		98.94920%
4	General Assessment	$ 22,470	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 3,467,179		98.31205%		98.31205%
6	State Income Taxes	$ 277,028	7.99%	7.85513%	7.99%	7.85513%
7	Income Before Federal Income Taxes	$ 3,190,152		90.45692%		90.45692%
8	Federal Income Taxes	$ 669,932	21.00%	18.99595%	21.00%	18.99595%
9	Change in Net Operating Income	$ 2,520,220		71.46097%		71.46097%
10	Gross Revenue Conversion Factor	1.399365		1.399365		1.399365

Notes and Source

Col. A: Aqua Filing, Exhibit 1-D, Schedule A-1
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		PAWC	Percent	OCA	Percent
11	Net Income	$ 2,520,220	71.46%	$ 1,668,855	71.46097%
12	Uncollectibles	$ 37,059	1.05%	$ 24,540	1.050803%
13	General Assessment	$ 22,470	0.64%	$ 14,879	0.637145%
14	Current State Income Taxes	$ 277,028	7.86%	$ 183,444	7.85513%
15	Current Federal Income Taxes	$ 669,932	19.00%	$ 443,620	18.99595%
16	Total Revenue Increase	$ 3,526,708	100.00%	$ 2,335,338	100.0000%
17	Total Revenue Increase (From Schedule A)			$ 2,335,337	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Gross Revenue Conversion Factor

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
East Whiteland Wastewater
Schedule A-1.F
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	Company Proposed Amounts (A)	Company Proposed Derived Percentages (B)	Company Proposed as Percentages (C)	Effective Current Income Tax Rate (B1)	Revised OCA Proposed (D)
1	Gross Revenue	$ 6,992,719		100.00000%		100.00000%
2	Uncollectibles	$ 73,480	1.05%	1.050803%		1.05080%
3	Taxable Income Before Assessments	$ 6,919,239		98.94920%		98.94920%
4	General Assessment	$ 44,554	0.64%	0.63714%		0.63714%
5	Taxable Income	$ 6,874,685		98.31205%		98.31205%
6	State Income Taxes	$ 549,287	7.99%	7.85513%	7.99%	7.85513%
7	Income Before Federal Income Taxes	$ 6,325,398		90.45692%		90.45692%
8	Federal Income Taxes	$ 1,328,334	21.00%	18.99595%	21.00%	18.99595%
9	Change in Net Operating Income	$ 4,997,064		71.46097%		71.46097%
10	Gross Revenue Conversion Factor	1.399365		1.399365		1.399365

Notes and Source

Col. A: Aqua Filing, Exhibit 1-E, Schedule A-1
Col. B: Derived from Column A

Components of Revenue Requirement Increase

		PAWC	Percent	OCA	Percent
11	Net Income	$ 4,997,064	71.46%	$ -	71.46097%
12	Uncollectibles	$ 73,480	1.05%	$ -	1.050803%
13	General Assessment	$ 44,554	0.64%	$ -	0.637145%
14	Current State Income Taxes	$ 549,287	7.86%	$ -	7.85513%
15	Current Federal Income Taxes	$ 1,328,334	19.00%	$ -	18.99595%
16	Total Revenue Increase	$ 6,992,719	100.00%	$ -	100.0000%
17	Total Revenue Increase (From Schedule A)			$ -	

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Adjusted Rate Base

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Water Base
Schedule B
Docket Nos. R-2024-3047822 and R-2024-3047824

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 6,283,245,854	$ -	$ 6,283,245,854
2	Utility Plant Acquisition Adjustment	$ 2,581,377	$ -	$ 2,581,377
3	Net Utility Plant in Service	$ 6,285,827,230	$ -	$ 6,285,827,230
4	Less: Accumulated Depreciation	$ (1,461,389,326)	$ 24,075,355	$ (1,437,313,970)
5	Net Plant in Service	$ 4,824,437,904	$ 24,075,355	$ 4,848,513,260
	Additions:			
6	Materials and Supplies	$ 17,396,771	$ -	$ 17,396,771
7	Cash Working Capital	$ 7,707,000	$ -	$ 7,707,000
8	Total Additions to Rate Base	$ 25,103,771	$ -	$ 25,103,771
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (201,180,696)	$ (1,220,960)	$ (202,401,656)
10	Deferred Income Taxes	$ (330,113,886)	$ (31,413,858)	$ (361,527,744)
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ (531,294,582)	$ (32,634,817)	$ (563,929,400)
13	Total Rate Base	$ 4,318,247,093	$ (8,559,462)	$ 4,309,687,631

Notes and Source
Col.A: Aqua Filing, Exhibit 1-A, Schedule G-1
Col.B: Schedule B.1.B, page 1
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 17,240,275	$ -	$ 17,240,275
2	Utility Plant Acquisition Adjustment	$ -	$ -	$ -
3	Net Utility Plant in Service	$ 17,240,275	$ -	$ 17,240,275
4	Less: Accumulated Depreciation	$ (1,368,218)	$ 119,416	$ (1,248,802)
5	Net Plant in Service	$ 15,872,057	$ 119,416	$ 15,991,474
	Additions:			
6	Materials and Supplies	$ -	$ -	$ -
7	Cash Working Capital	$ 133,000	$ -	$ 133,000
8	Total Additions to Rate Base	$ 133,000	$ -	$ 133,000
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ -	$ -	$ -
10	Deferred Income Taxes	$ 8,284	$ -	$ 8,284
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ 8,284	$ -	$ 8,284
13	Total Rate Base	$ 16,013,341	$ 119,416	$ 16,132,758

Notes and Source

Col.A: Aqua Filing, Exhibit 1-B, Schedule G-1
Col.B: Schedule B.1.C, page 1
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 637,496,786	$ -	$ 637,496,786
2	Utility Plant Acquisition Adjustment	$ 1,056,529	$ -	$ 1,056,529
3	Net Utility Plant in Service	$ 638,553,315	$ -	$ 638,553,315
4	Less: Accumulated Depreciation	$ (209,545,011)	$ 4,743,396	$ (204,801,614)
5	Net Plant in Service	$ 429,008,304	$ 4,743,396	$ 433,751,701
	Additions:			
6	Materials and Supplies	$ -	$ -	$ -
7	Cash Working Capital	$ 1,247,000	$ -	$ 1,247,000
8	Total Additions to Rate Base	$ 1,247,000	$ -	$ 1,247,000
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (24,703,546)	$ (231,321)	$ (24,934,867)
10	Deferred Income Taxes	$ (12,753,439)	$ (1,313,644)	$ (14,067,082)
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ (37,456,985)	$ (1,544,965)	$ (39,001,949)
13	Total Rate Base	$ 392,798,320	$ 3,198,432	$ 395,996,751

Notes and Source

Col.A: Aqua Filing, Exhibit 1-C, Schedule G-1
Col.B: Schedule B.1.D, page 1
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 56,469,936	$ -	$ 56,469,936
2	Utility Plant Acquisition Adjustment	$ -	$ -	$ -
3	Net Utility Plant in Service	$ 56,469,936	$ -	$ 56,469,936
4	Less: Accumulated Depreciation	$ (5,665,883)	$ 504,211	$ (5,161,672)
5	Net Plant in Service	$ 50,804,053	$ 504,211	$ 51,308,264
	Additions:			
6	Materials and Supplies	$ -	$ -	$ -
7	Cash Working Capital	$ (365,000)	$ -	$ (365,000)
8	Total Additions to Rate Base	$ (365,000)	$ -	$ (365,000)
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (54,019)	$ (404)	$ (54,423)
10	Deferred Income Taxes	$ 62,146	$ -	$ 62,146
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ 8,126	$ (404)	$ 7,723
13	Total Rate Base	$ 50,447,179	$ 503,807	$ 50,950,987

Notes and Source

Col.A: Aqua Filing, Exhibit 1-D, Schedule G-1
Col.B: Schedule B.1.E, page 1
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Utility Plant in Service	$ 66,114,136	$ -	$ 66,114,136
2	Utility Plant Acquisition Adjustment	$ -	$ -	$ -
3	Net Utility Plant in Service	$ 66,114,136	$ -	$ 66,114,136
4	Less: Accumulated Depreciation	$ (4,716,491)	$ 580,082	$ (4,136,409)
5	Net Plant in Service	$ 61,397,645	$ 580,082	$ 61,977,727
	Additions:			
6	Materials and Supplies	$ -	$ -	$ -
7	Cash Working Capital	$ (29,000)	$ -	$ (29,000)
8	Total Additions to Rate Base	$ (29,000)	$ -	$ (29,000)
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (527,238)	$ (4,612)	$ (531,849)
10	Deferred Income Taxes	$ (231,111)	$ -	$ (231,111)
11	Investment Tax Credit	$ -	$ -	$ -
12	Total Rate Base Deductions	$ (758,349)	$ (4,612)	$ (762,961)
13	Total Rate Base	$ 60,610,296	$ 575,470	$ 61,185,767

Notes and Source

Col.A: Aqua Filing, Exhibit 1-E, Schedule G-1
Col.B: Schedule B.1.F, page 1
Col.C: Col.A + Col.B

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC B-1	PA NOL Deferred Tax Asset B-2
1	Utility Plant in Service	$ -		
2	Utility Plant Acquisition Adjustment	$ -		
3	Net Utility Plant in Service	$ -	$ -	$ -
4	Less: Accumulated Depreciation	$ 24,075,355	$ 24,075,355	
5	Net Plant in Service	$ 24,075,355	$ 24,075,355	$ -
	Additions:			
6	Materials and Supplies	$ -		
7	Cash Working Capital	$ -		
8	Total Additions to Rate Base	$ -	$ -	$ -
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (1,220,960)	$ (1,220,960)	
10	Deferred Income Taxes	$ (31,413,858)		$ (31,413,858)
11	Investment Tax Credit	$ -		
12	Total Rate Base Deductions	$ (32,634,817)	$ (1,220,960)	$ (31,413,858)
13	Total Rate Base	$ (8,559,462)	$ 22,854,396	$ (31,413,858)

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Adjustments to Rate Base

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Shenandoah Water
Schedule B.1.C
Docket Nos. R-2024-3047822 and R-2024-3047824

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC B-1
1	Utility Plant in Service	$ -	
2	Utility Plant Acquisition Adjustment	$ -	
3	Net Utility Plant in Service	$ -	$ -
4	Less: Accumulated Depreciation	$ 119,416	$ 119,416
5	Net Plant in Service	$ 119,416	$ 119,416
	Additions:		
6	Materials and Supplies	$ -	
7	Cash Working Capital	$ -	
8	Total Additions to Rate Base	$ -	$ -
	Deductions:		
9	Contributions in Aid of Construction and Customer Advances for Construction	$ -	$ -
10	Deferred Income Taxes	$ -	
11	Investment Tax Credit	$ -	
12	Total Rate Base Deductions	$ -	$ -
13	Total Rate Base	$ 119,416	$ 119,416

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	PA NOL Deferred Tax Asset
			B-1	B-2
1	Utility Plant in Service	$ -		
2	Utility Plant Acquisition Adjustment	$ -		
3	Net Utility Plant in Service	$ -	$ -	$ -
4	Less: Accumulated Depreciation	$ 4,743,396	$ 4,743,396	
5	Net Plant in Service	$ 4,743,396	$ 4,743,396	$ -
	Additions:			
6	Materials and Supplies	$ -		
7	Cash Working Capital	$ -		
8	Total Additions to Rate Base	$ -	$ -	$ -
	Deductions:			
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (231,321)	$ (231,321)	
10	Deferred Income Taxes	$ (1,313,644)		$ (1,313,644)
11	Investment Tax Credit	$ -		
12	Total Rate Base Deductions	$ (1,544,965)	$ (231,321)	$ (1,313,644)
13	Total Rate Base	$ 3,198,432	$ 4,512,075	$ (1,313,644)

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Adjustments to Rate Base

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Lower Makefield Wastewater
Schedule B.1.E
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC B-1
1	Utility Plant in Service	$ -	
2	Utility Plant Acquisition Adjustment	$ -	
3	Net Utility Plant in Service	$ -	$ -
4	Less: Accumulated Depreciation	$ 504,211	$ 504,211
5	Net Plant in Service	$ 504,211	$ 504,211
	Additions:		
6	Materials and Supplies	$ -	
7	Cash Working Capital	$ -	
8	Total Additions to Rate Base	$ -	$ -
	Deductions:		
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (404)	$ (404)
10	Deferred Income Taxes	$ -	
11	Investment Tax Credit	$ -	
12	Total Rate Base Deductions	$ (404)	$ (404)
13	Total Rate Base	$ 503,807	$ 503,807

Line No.	Description	OCA Adjustments	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC B-1
1	Utility Plant in Service	$ -	
2	Utility Plant Acquisition Adjustment	$ -	
3	Net Utility Plant in Service	$ -	$ -
4	Less: Accumulated Depreciation	$ 580,082	$ 580,082
5	Net Plant in Service	$ 580,082	$ 580,082
	Additions:		
6	Materials and Supplies	$ -	
7	Cash Working Capital	$ -	
8	Total Additions to Rate Base	$ -	$ -
	Deductions:		
9	Contributions in Aid of Construction and Customer Advances for Construction	$ (4,612)	$ (4,612)
10	Deferred Income Taxes	$ -	
11	Investment Tax Credit	$ -	
12	Total Rate Base Deductions	$ (4,612)	$ (4,612)
13	Total Rate Base	$ 575,470	$ 575,470

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Adjusted Net Operating Income

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Water Base Operations
Schedule C
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 5
Revised

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 596,344,820	$ 2,455,932	$ 598,800,752
2	Other Revenues	$ -	$ 5,061,510	$ 5,061,510
3	Total Revenues	$ 596,344,820	$ 7,517,442	$ 603,862,262
	Operating Revenue Deductions			
4	Operating Expenses	$ 145,643,159	$ (3,712,654)	$ 141,930,505
5	Depreciation Expense	$ 142,262,956	$ (11,711,703)	$ 130,551,253
6	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
7	PUC Assessments	$ 2,579,107	$ -	$ 2,579,107
8	OCA & SBA Assessments	$ 1,220,472	$ -	$ 1,220,472
9	Public Utility Realty Tax	$ 4,700,000	$ -	$ 4,700,000
10	State Capital Stock Tax	$ -	$ -	$ -
11	Local Property Taxes & Misc	$ 1,162,341	$ -	$ 1,162,341
12	Federal & State Payroll Taxes	$ 3,323,126	$ (87,201)	$ 3,235,925
13	Total Operating Revenue Deductions	$ 300,891,162	$ (15,511,558)	$ 285,379,604
14	**Operating Income Before Income Taxes**	$ 295,453,658	$ 23,029,000	$ 318,482,658
	Income Taxes:			
15	Federal Tax - Current	$ 18,462,040	$ (2,262,133)	$ 16,199,907
16	Pa. CNI Tax - Current	$ 4,319,838	$ (971,325)	$ 3,348,513
17	Federal Tax - Deferred	$ (7,249,658)	$ -	$ (7,249,658)
18	Pa. CNI Tax - Deferred	$ 2,253,761	$ -	$ 2,253,761
19	ITC - Current	$ -	$ -	$ -
20	ITC - Amortized	$ (102,140)	$ -	$ (102,140)
21	**Total Income Taxes**	$ 17,683,841	$ (3,233,458)	$ 14,450,383
22	**NET UTILITY OPERATING INCOME**	**$ 277,769,817**	**$ 26,262,458**	**$ 304,032,275**
23	Rate Base	$ 4,318,247,093	$ (8,559,462)	$ 4,309,687,631
24	Earned Rate of Return	6.43%		7.05%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-A, Schedule A-1
Col.B: Schedule C.1.B
Col.C: Col.A + Col.B

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Adjusted Net Operating Income

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Shenandoah Water
Schedule C
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 2 of 5
Revised

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 1,828,304	$ -	$ 1,828,304
	Operating Revenue Deductions			
2	Operating Expenses	$ 1,777,756	$ (27,857)	$ 1,749,899
3	Depreciation Expense	$ 660,234	$ (51,386)	$ 608,848
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 7,907	$ -	$ 7,907
6	OCA & SBA Assessments	$ 3,742	$ -	$ 3,742
7	Public Utility Realty Tax	$ -	$ -	$ -
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ -	$ -	$ -
10	Federal & State Payroll Taxes	$ -	$ -	$ -
11	Total Operating Revenue Deductions	$ 2,449,638	$ (79,243)	$ 2,370,396
12	**Operating Income Before Income Taxes**	$ (621,334)	$ 79,243	$ (542,091)
	Income Taxes:			
13	Federal Tax - Current	$ (176,714)	$ 10,162	$ (166,553)
14	Pa. CNI Tax - Current	$ (73,074)	$ 4,202	$ (68,872)
15	Federal Tax - Deferred	$ (5,324)	$ -	$ (5,324)
16	Pa. CNI Tax - Deferred	$ -	$ -	$ -
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ -	$ -	$ -
19	**Total Income Taxes**	$ (255,113)	$ 14,364	$ (240,749)
20	**NET UTILITY OPERATING INCOME**	**$ (366,222)**	**$ 64,879**	**$ (301,342)**
21	Rate Base	$ 16,013,341	$ 119,416	$ 16,132,758
22	Earned Rate of Return	-2.29%		-1.87%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-B, Schedule 1-A
Col.B: Schedule C.1.C
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 57,682,604	$ 352,627	$ 58,035,231
	Operating Revenue Deductions			
2	Operating Expenses	$ 29,544,323	$ (669,689)	$ 28,874,634
3	Depreciation Expense	$ 14,132,709	$ (2,294,664)	$ 11,838,045
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 249,469	$ -	$ 249,469
6	OCA & SBA Assessments	$ 118,053	$ -	$ 118,053
7	Public Utility Realty Tax	$ -	$ -	$ -
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ 306,067	$ -	$ 306,067
10	Federal & State Payroll Taxes	$ 343,351	$ (9,992)	$ 333,358
11	Total Operating Revenue Deductions	$ 44,693,971	$ (2,974,345)	$ 41,719,626
12	**Operating Income Before Income Taxes**	$ 12,988,633	$ 3,326,972	$ 16,315,605
	Income Taxes:			
13	Federal Tax - Current	$ (1,098,918)	$ 344,103	$ (754,815)
14	Pa. CNI Tax - Current	$ 138,551	$ 142,292	$ 280,843
15	Federal Tax - Deferred	$ 1,480,664	$ -	$ 1,480,664
16	Pa. CNI Tax - Deferred	$ -	$ -	$ -
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ -	$ -	$ -
19	**Total Income Taxes**	$ 520,297	$ 486,396	$ 1,006,693
20	**NET UTILITY OPERATING INCOME**	**$ 12,468,336**	**$ 2,840,577**	**$ 15,308,913**
21	Rate Base	$ 392,798,320	$ 3,198,432	$ 395,996,751
22	Earned Rate of Return	3.17%		3.87%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-C, Schedule 1-A
Col.B: Schedule C.1.D
Col.C: Col.A + Col.B

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Adjusted Net Operating Income

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Lower Makefield Wastewater
Schedule C
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 4 of 5
Revised

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 11,613,830	$ -	$ 11,613,830
	Operating Revenue Deductions			
2	Operating Expenses	$ 7,682,321	$ (22,660)	$ 7,659,662
3	Depreciation Expense	$ 2,190,539	$ (215,062)	$ 1,975,477
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 50,228	$ -	$ 50,228
6	OCA & SBA Assessments	$ 23,769	$ -	$ 23,769
7	Public Utility Realty Tax	$ -	$ -	$ -
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ -	$ -	$ -
10	Federal & State Payroll Taxes	$ 16,873	$ -	$ 16,873
11	Total Operating Revenue Deductions	$ 9,963,730	$ (237,722)	$ 9,726,008
12	**Operating Income Before Income Taxes**	$ 1,650,100	$ 237,722	$ 1,887,822
	Income Taxes:			
13	Federal Tax - Current	$ 155,925	$ 29,182	$ 185,107
14	Pa. CNI Tax - Current	$ 64,478	$ 12,067	$ 76,545
15	Federal Tax - Deferred	$ (33,713)	$ -	$ (33,713)
16	Pa. CNI Tax - Deferred	$ -	$ -	$ -
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ -	$ -	$ -
19	**Total Income Taxes**	$ 186,690	$ 41,249	$ 227,939
20	**NET UTILITY OPERATING INCOME**	**$ 1,463,410**	**$ 196,473**	**$ 1,659,882**
21	Rate Base	$ 50,447,179	$ 503,807	$ 50,950,987
22	Earned Rate of Return	2.90%		3.26%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-D, Schedule 1-A
Col.B: Schedule C.1.E
Col.C: Col.A + Col.B

Line No.	Description	Per Company (A)	OCA Adjustments (B)	Per OCA (C)
1	Operating Revenues	$ 3,525,082	$ -	$ 3,525,082
	Operating Revenue Deductions			
2	Operating Expenses	$ 2,388,320	$ (20,649)	$ 2,367,671
3	Depreciation Expense	$ 1,890,163	$ (269,972)	$ 1,620,191
4	Amortizations	$ -	$ -	$ -
	Taxes Other Than Income:			
5	PUC Assessments	$ 15,245	$ -	$ 15,245
6	OCA & SBA Assessments	$ 7,214	$ -	$ 7,214
7	Public Utility Realty Tax	$ -	$ -	$ -
8	State Capital Stock Tax	$ -	$ -	$ -
9	Local Property Taxes & Misc	$ -	$ -	$ -
10	Federal & State Payroll Taxes	$ 14,661	$ -	$ 14,661
11	Total Operating Revenue Deductions	$ 4,315,604	$ (290,621)	$ 4,024,982
12	**Operating Income Before Income Taxes**	$ (790,522)	$ 290,621	$ (499,901)
	Income Taxes:			
13	Federal Tax - Current	$ (490,981)	$ 36,152	$ (454,829)
14	Pa. CNI Tax - Current	$ (203,028)	$ 14,949	$ (188,079)
15	Federal Tax - Deferred	$ 114,377	$ -	$ 114,377
16	Pa. CNI Tax - Deferred	$ -	$ -	$ -
17	ITC - Current	$ -	$ -	$ -
18	ITC - Amortized	$ -	$ -	$ -
19	**Total Income Taxes**	$ (579,632)	$ 51,101	$ (528,530)
20	**NET UTILITY OPERATING INCOME**	**$ (210,890)**	**$ 239,520**	**$ 28,630**
21	Rate Base	$ 60,610,296	$ 575,470	$ 61,185,767
22	Earned Rate of Return	-0.35%		0.05%

Notes and Source

Col.A: Aqua Filing, Exhibit 1-E, Schedule 1-A
Col.B: Schedule C.1.F
Col.C: Col.A + Col.B

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates C-1	General Inflation C-2	Revenue - Bill Discount Credits C-3	Uncollectibles Expense - Arrearage Forgiveness C-4	Legal Expenses - Appeals C-5	Water Conservation Kits C-6
1	Operating Revenues	$ 2,455,932			$ 2,455,932			
2	Other Revenues	$ 5,061,510						
3	Total Revenues	$ 7,517,442	$ -	$ -	$ 2,455,932	$ -	$ -	$ -
	Operating Revenue Deductions							
4	Operating Expenses	$ (3,712,654)		$ (1,298,221)		$ (812,620)	$ (66,685)	$ 110,000
5	Depreciation Expense	$ (11,711,703)	$ (11,711,703)					
6	Amortizations	$ -						
	Taxes Other Than Income:							
7	PUC Assessments	$ -						
8	OCA & SBA Assessments	$ -						
9	Public Utility Realty Tax	$ -						
10	State Capital Stock Tax	$ -						
11	Local Property Taxes & Misc	$ -						
12	Federal & State Payroll Taxes	$ (87,201)						
13	PRE-TAX OPERATING EXPENSES	$ (15,511,558)	$ (11,711,703)	$ (1,298,221)	$ -	$ (812,620)	$ (66,685)	$ 110,000
14	PRE-TAX OPERATING INCOME	$ 23,029,000	$ 11,711,703	$ 1,298,221	$ 2,455,932	$ 812,620	$ 66,685	$ (110,000)
15	Federal Tax - Current	$ (2,262,133)	$ 2,262,947	$ 250,844	$ 474,538	$ 157,015	$ 12,885	$ (21,254)
16	Pa. CNI Tax - Current	$ (971,325)	$ 935,765	$ 103,728	$ 196,229	$ 64,928	$ 5,328	$ (8,789)
17	Federal & State Income Taxes	$ (3,233,458)	$ 3,198,712	$ 354,571	$ 670,767	$ 221,944	$ 18,213	$ (30,043)
18	Federal Tax - Deferred	$ -						
19	Pa. CNI Tax - Deferred	$ -						
20	ITC - Current	$ -						
21	ITC - Amortized	$ -						
22	TOTAL OPERATING EXPENSES	$ (18,745,016)	$ (8,512,991)	$ (943,650)	$ 670,767	$ (590,676)	$ (48,472)	$ 79,957
23	OPERATING INCOME	$ 26,262,458	$ 8,512,991	$ 943,650	$ 1,785,165	$ 590,676	$ 48,472	$ (79,957)

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-A, Schedule A-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Net Operating Income Adjustments

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Water Operations
Schedule C.1.B
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 2 of 3
Revised

Line No.	Description	Payroll Expense - Seasonal Positions	Payroll Expense - Vacancies	Payroll Tax Expense	401K Expense	Employee Group Insurance Expense	Intracompany Benefits
		C-7 Revised	C-8 Revised	C-9 Revised	C-10 Revised	C-11 Revised	C-12 Revised
1	Operating Revenues						
2	Other Revenues						
3	Total Revenues	$ -	$ -	$ -	$ -	$ -	$ -
	Operating Revenue Deductions						
4	Operating Expenses	$ (161,200)	$ (1,271,746)		$ (100,097)	$ (165,638)	$ 53,552
5	Depreciation Expense						
6	Amortizations						
	Taxes Other Than Income:						
7	PUC Assessments						
8	OCA & SBA Assessments						
9	Public Utility Realty Tax						
10	State Capital Stock Tax						
11	Local Property Taxes & Misc						
12	Federal & State Payroll Taxes			$ (87,201)			
13	PRE-TAX OPERATING EXPENSES	$ (161,200)	$ (1,271,746)	$ (87,201)	$ (100,097)	$ (165,638)	$ 53,552
14	PRE-TAX OPERATING INCOME	$ 161,200	$ 1,271,746	$ 87,201	$ 100,097	$ 165,638	$ (53,552)
15	Federal Tax - Current	$ 31,147	$ 245,728	$ 16,849	$ 19,341	$ 34,784	$ (11,246)
16	Pa. CNI Tax - Current	$ 12,880	$ 101,612	$ 6,967	$ 7,998	$ 13,234	$ (4,279)
17	Federal & State Income Taxes	$ 44,027	$ 347,340	$ 23,816	$ 27,338	$ 48,018	$ (15,525)
18	Federal Tax - Deferred						
19	Pa. CNI Tax - Deferred						
20	ITC - Current						
21	ITC - Amortized						
22	TOTAL OPERATING EXPENSES	$ (117,173)	$ (924,405)	$ (63,384)	$ (72,758)	$ (117,620)	$ 38,027
23	OPERATING INCOME	$ 117,173	$ 924,405	$ 63,384	$ 72,758	$ 117,620	$ (38,027)

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-A, Schedule A-5

Line No.	Description	Interest Synchronization C-13	Adjustment to Federal and State Income Tax Expense for Repairs Deductions C-14 Revised	Other Revenue C-15 Added
1	Operating Revenues			
2	Other Revenues			$ 5,061,510
3	Total Revenues	$ -	$ -	$ 5,061,510
	Operating Revenue Deductions			
4	Operating Expenses			
5	Depreciation Expense			
6	Amortizations			
	Taxes Other Than Income:			
7	PUC Assessments			
8	OCA & SBA Assessments			
9	Public Utility Realty Tax			
10	State Capital Stock Tax			
11	Local Property Taxes & Misc			
12	Federal & State Payroll Taxes			
13	PRE-TAX OPERATING EXPENSES	$ -	$ -	$ -
14	PRE-TAX OPERATING INCOME	$ -	$ -	$ 5,061,510
15	Federal Tax - Current	$ (1,220,154)	$ (5,578,474)	$ 1,062,917
16	Pa. CNI Tax - Current	$ (504,553)	$ (2,306,789)	$ 404,415
17	Federal & State Income Taxes	$ (1,724,707)	$ (7,885,262)	$ 1,467,332
18	Federal Tax - Deferred			
19	Pa. CNI Tax - Deferred			
20	ITC - Current			
21	ITC - Amortized			
22	TOTAL OPERATING EXPENSES	$ (1,724,707)	$ (7,885,262)	$ 1,467,332
23	OPERATING INCOME	$ 1,724,707	$ 7,885,262	$ 3,594,178

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-A, Schedule A-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Net Operating Income Adjustments

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Schedule C.1.C
Docket Nos. R-2024-3047822 and R-2024-3047824
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Revised

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates C-1	General Inflation C-2	Interest Synchronization C-13
1	Operating Revenues	$ -			
	Operating Revenue Deductions				
2	Operating Expenses	$ (27,857)		$ (27,857)	
3	Depreciation Expense	$ (51,386)	$ (51,386)		
4	Amortizations	$ -			
	Taxes Other Than Income:				
5	PUC Assessments	$ -			
6	OCA & SBA Assessments	$ -			
7	Public Utility Realty Tax	$ -			
8	State Capital Stock Tax	$ -			
9	Local Property Taxes & Misc	$ -			
10	Federal & State Payroll Taxes	$ -			
11	PRE-TAX OPERATING EXPENSES	$ (79,243)	$ (51,386)	$ (27,857)	$ -
12	PRE-TAX OPERATING INCOME	$ 79,243	$ 51,386	$ 27,857	$ -
13	Federal Tax - Current	$ 10,162	$ 9,929	$ 5,382	$ (5,150)
14	Pa. CNI Tax - Current	$ 4,202	$ 4,106	$ 2,226	$ (2,129)
15	Federal & State Income Taxes	$ 14,364	$ 14,035	$ 7,608	$ (7,279)
16	Federal Tax - Deferred	$ -			
17	Pa. CNI Tax - Deferred	$ -			
18	ITC - Current	$ -			
19	ITC - Amortized	$ -			
20	TOTAL OPERATING EXPENSES	$ (64,879)	$ (37,352)	$ (20,248)	$ (7,279)
21	OPERATING INCOME	$ 64,879	$ 37,352	$ 20,248	$ 7,279

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-B, Schedule A-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Net Operating Income Adjustments

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Wastewater Base
Schedule C.1.D
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 2
Revised

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates	General Inflation	Revenue - Bill Discount Credits	Uncollectibles Expense - Arrearage Forgiveness	Legal Expenses - Appeals	Payroll Expense - Vacancies
			C-1	C-2	C-3	C-4	C-5	C-8 Revised
1	Operating Revenues	$ 352,627			$ 352,627			
	Operating Revenue Deductions							
2	Operating Expenses	$ (669,689)		$ (377,538)		$ (89,774)	$ (18,206)	$ (130,620)
3	Depreciation Expense	$ (2,294,664)	$ (2,294,664)					
4	Amortizations	$ -						
	Taxes Other Than Income:							
5	PUC Assessments	$ -						
6	OCA & SBA Assessments	$ -						
7	Public Utility Realty Tax	$ -						
8	State Capital Stock Tax	$ -						
9	Local Property Taxes & Misc	$ -						
10	Federal & State Payroll Taxes	$ (9,992)						
11	PRE-TAX OPERATING EXPENSES	$ (2,974,345)	$ (2,294,664)	$ (377,538)	$ -	$ (89,774)	$ (18,206)	$ (130,620)
12	PRE-TAX OPERATING INCOME	$ 3,326,972	$ 2,294,664	$ 377,538	$ 352,627	$ 89,774	$ 18,206	$ 130,620
13	Federal Tax - Current	$ 344,103	$ 443,377	$ 72,948	$ 68,135	$ 17,346	$ 3,518	$ 25,239
14	Pa. CNI Tax - Current	$ 142,292	$ 183,344	$ 30,165	$ 28,175	$ 7,173	$ 1,455	$ 10,437
15	Federal & State Income Taxes	$ 486,396	$ 626,721	$ 103,113	$ 96,310	$ 24,519	$ 4,972	$ 35,675
16	Federal Tax - Deferred	$ -						
17	Pa. CNI Tax - Deferred	$ -						
18	ITC - Current	$ -						
19	ITC - Amortized	$ -						
20	TOTAL OPERATING EXPENSES	$ (2,487,950)	$ (1,667,943)	$ (274,424)	$ 96,310	$ (65,255)	$ (13,233)	$ (94,945)
21	OPERATING INCOME	$ 2,840,577	$ 1,667,943	$ 274,424	$ 256,317	$ 65,255	$ 13,233	$ 94,945

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-C, Schedule A-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Net Operating Income Adjustments

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Wastewater Base
Schedule C.1.D
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 2 of 2
Revised

Line No.	Description	Payroll Tax Expense C-9 Revised	Employee Group Insurance Expense C-11 Revised	Interest Synchronization C-13	Adjustment to Federal and State Income Tax Expense for Repairs Deductions C-14 Revised
1	Operating Revenues				
	Operating Revenue Deductions				
2	Operating Expenses		$ (53,552)		
3	Depreciation Expense				
4	Amortizations				
	Taxes Other Than Income:				
5	PUC Assessments				
6	OCA & SBA Assessments				
7	Public Utility Realty Tax				
8	State Capital Stock Tax				
9	Local Property Taxes & Misc				
10	Federal & State Payroll Taxes	$ (9,992)			
11	PRE-TAX OPERATING EXPENSES	$ (9,992)	$ (53,552)	$ -	$ -
12	PRE-TAX OPERATING INCOME	$ 9,992	$ 53,552	$ -	$ -
13	Federal Tax - Current	$ 1,931	$ 10,347	$ (127,433)	$ (171,305)
14	Pa. CNI Tax - Current	$ 798	$ 4,279	$ (52,696)	$ (70,837)
15	Federal & State Income Taxes	$ 2,729	$ 14,626	$ (180,128)	$ (242,142)
16	Federal Tax - Deferred				
17	Pa. CNI Tax - Deferred				
18	ITC - Current				
19	ITC - Amortized				
20	TOTAL OPERATING EXPENSES	$ (7,263)	$ (38,926)	$ (180,128)	$ (242,142)
21	OPERATING INCOME	$ 7,263	$ 38,926	$ 180,128	$ 242,142

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-C, Schedule A-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Net Operating Income Adjustments

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
Lower Makefield Wastewater
Schedule C.1.E
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates C-1	General Inflation C-2	Interest Synchronization C-13
1	Operating Revenues	$ -			
	Operating Revenue Deductions				
2	Operating Expenses	$ (22,660)		$ (22,660)	
3	Depreciation Expense	$ (215,062)	$ (215,062)		
4	Amortizations	$ -			
	Taxes Other Than Income:				
5	PUC Assessments	$ -			
6	OCA & SBA Assessments	$ -			
7	Public Utility Realty Tax	$ -			
8	State Capital Stock Tax	$ -			
9	Local Property Taxes & Misc	$ -			
10	Federal & State Payroll Taxes	$ -			
11	PRE-TAX OPERATING EXPENSES	$ (237,722)	$ (215,062)	$ (22,660)	$ -
12	PRE-TAX OPERATING INCOME	$ 237,722	$ 215,062	$ 22,660	$ -
13	Federal Tax - Current	$ 29,182	$ 41,554	$ 4,378	$ (16,751)
14	Pa. CNI Tax - Current	$ 12,067	$ 17,183	$ 1,811	$ (6,927)
15	Federal & State Income Taxes	$ 41,249	$ 58,738	$ 6,189	$ (23,678)
16	Federal Tax - Deferred	$ -			
17	Pa. CNI Tax - Deferred	$ -			
18	ITC - Current	$ -			
19	ITC - Amortized	$ -			
20	TOTAL OPERATING EXPENSES	$ (196,473)	$ (156,324)	$ (16,471)	$ (23,678)
21	OPERATING INCOME	$ 196,473	$ 156,324	$ 16,471	$ 23,678

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-D, Schedule A-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Summary of Net Operating Income Adjustments

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-4
East Whiteland Wastewater
Schedule C.1.F
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	OCA Adjustments	Depreciation Expense - New Depreciation Rates C-1	General Inflation C-2	Interest Synchronization C-13
1	Operating Revenues	$ -			
	Operating Revenue Deductions				
2	Operating Expenses	$ (20,649)		$ (20,649)	
3	Depreciation Expense	$ (269,972)	$ (269,972)		
4	Amortizations	$ -			
	Taxes Other Than Income:				
5	PUC Assessments	$ -			
6	OCA & SBA Assessments	$ -			
7	Public Utility Realty Tax	$ -			
8	State Capital Stock Tax	$ -			
9	Local Property Taxes & Misc	$ -			
10	Federal & State Payroll Taxes	$ -			
11	PRE-TAX OPERATING EXPENSES	$ (290,621)	$ (269,972)	$ (20,649)	$ -
12	PRE-TAX OPERATING INCOME	$ 290,621	$ 269,972	$ 20,649	$ -
13	Federal Tax - Current	$ 36,152	$ 52,164	$ 3,990	$ (20,002)
14	Pa. CNI Tax - Current	$ 14,949	$ 21,571	$ 1,650	$ (8,271)
15	Federal & State Income Taxes	$ 51,101	$ 73,735	$ 5,640	$ (28,273)
16	Federal Tax - Deferred	$ -			
17	Pa. CNI Tax - Deferred	$ -			
18	ITC - Current	$ -			
19	ITC - Amortized	$ -			
20	TOTAL OPERATING EXPENSES	$ (239,520)	$ (196,237)	$ (15,009)	$ (28,273)
21	OPERATING INCOME	$ 239,520	$ 196,237	$ 15,009	$ 28,273

Notes and Source

Line 14: State Income Tax Rate*	7.99%
Line 15: Federal Income Tax Rate*	21.00%

* Income tax rates per Aqua Exhibit 1-E, Schedule A-5

Line No.	Description	Percent	Cost Rate	Weighted Cost
		(A)	(B)	(C)
	Per Company			
1	Long Term Debt	46.05%	4.32%	1.99%
2	Common Equity	53.95%	10.95%	5.91%
3	Total Capital Structure	100.00%		7.90%
	Per OCA			
4	Long-Term Debt	49.47%	4.32%	2.14%
5	Common Equity	50.53%	**8.70%**	4.40%
6	Total Capital Structure	100.00%		6.53%
7	Difference			-1.363%
8	Weighted Cost of Debt			2.14%

Notes and Source:
Lines 1-3: Aqua Exhibit 1-A, Schedule E-1
Lines 4-6: Per the recommendation of OCA witness Aaron Rothschild

Line No.	Description	Percent	Cost Rate	Weighted Cost
		(A)	(B)	(C)
	Per Company			
1	Long Term Debt	46.05%	4.32%	1.99%
2	Common Equity	53.95%	10.95%	5.91%
3	Total Capital Structure	100.00%		7.90%
	Per OCA			
4	Long-Term Debt	49.47%	4.32%	2.14%
5	Common Equity	50.53%	**8.70%**	4.40%
6	Total Capital Structure	100.00%		6.53%
7	Difference			-1.363%
8	Weighted Cost of Debt			2.14%

Notes and Source:
Lines 1-3: Aqua Exhibit 1-C, Schedule E-1
Lines 4-6: Per the recommendation of OCA witness Aaron Rothschild

Exhibit LA-5

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Docket Nos. R-2024-3047822 and R-2024-3047824
Exhibit LA-5
Adjustment Schedules
Accompanying the Surrebuttal Testimony of Ralph Smith

Number	Description	Confidential	Added or Revised	Primary Witness	No. of Pages	Page No.
	Revenue Requirement Adjustment Schedules - Fully Projected Future Test Year Ending 12/31/2025					
	Rate Base Adjustments					
B-1	Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC	No		Andrews	7	2-8
B-2	PA NOL Deferred Tax Asset	No		Smith	1	9
	Net Operating Income Adjustments					
C-1	Depreciation Expense - New Depreciation Rates	No		Andrews	7	10-16
C-2	General Inflation	No		Smith	1	17
C-3	Revenue - Bill Discount Credits	No		Colton	1	18
C-4	Uncollectibles Expense - Arrearage Forgiveness	No		Colton	1	19
C-5	Legal Expenses - Appeals	No		Smith	1	20
C-6	Water Conservation Kits	No		Colton	1	21
C-7	Payroll Expense - Seasonal Positions	No	Revised	Smith	1	22
C-8	Payroll Expense - Vacancies	No	Revised	Smith	1	23
C-9	Payroll Tax Expense	No	Revised	Smith	2	24-25
C-10	401K Expense	No	Revised	Smith	1	26
C-11	Employee Group Insurance Expense	No	Revised	Smith	1	27
C-12	Intracompany Benefits	No	Revised	Smith	1	28
C-13	Interest Synchronization	No		Smith	6	29-34
C-14	Adjustment to Federal and State Income Tax Expense for Repairs Deductions	No	Revised	Smith	1	35
C-15	Other Revenue	No	Added	Smith	1	36
	Total Pages (including Contents page)				36	

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C)
	Accumulated Depreciation			
1	Adjustment to Accumulated Depreciation - Water Base	$ (1,461,389,326)	$ (1,212,334,885)	$ 24,075,355
2	Adjustment to Accumulated Depreciation - Shenandoah Water	$ (1,368,218)	$ (1,248,802)	$ 119,416
3	Adjustment to Accumulated Depreciation - Wastewater Base	$ (209,545,011)	$ (204,801,614)	$ 4,743,396
4	Adjustment to Accumulated Depreciation - Lower Makefield Wastewater	$ (5,665,883)	$ (5,161,672)	$ 504,211
5	Adjustment to Accumulated Depreciation - East Whiteland Wastewater	$ (4,716,491)	$ (4,136,409)	$ 580,082
6	Total Adjustment to Accumulated Depreciation	$ (1,682,684,929)	$ (1,427,683,382)	$ 30,022,461
	Customers' Advances and Contributions in Aid of Construction			
7	Adjustment to CA and CIAC - Water Base	$ (68,597,435)	$ (67,376,475)	$ (1,220,960)
8	Adjustment to CA and CIAC - Shenandoah Water	$ -	$ -	$ -
9	Adjustment to CA and CIAC - Wastewater Base	$ (10,324,249)	$ (10,092,928)	$ (231,321)
10	Adjustment to CA and CIAC - Lower Makefield Wastewater	$ (2,299)	$ (1,895)	$ (404)
11	Adjustment to CA and CIAC - East Whiteland Wastewater	$ (25,738)	$ (21,126)	$ (4,612)
12	Total Adjustment to Customer Advances and Contributions in Aid on Construction	$ (78,949,721)	$ (77,492,424)	$ (1,457,296)

Notes and Source:

Col. A, Line 1: Exhibit 1-A, Schedule G-1 from the Company's filing
Col. A, Line 2: Exhibit 1-B, Schedule G-1 from the Company's filing
Col. A, Line 3: Exhibit 1-C, Schedule G-1 from the Company's filing
Col. A, Line 4: Exhibit 1-D, Schedule G-1 from the Company's filing
Col. A, Line 5: Exhibit 1-E, Schedule G-1 from the Company's filing
Col. A, Lines 7-12: Table 1 - Aqua Book Reserve as of 12/31/2025 from 2025 Depreciation Study
Col. B, Lines 1 and 7: See page 2
Col. B, Lines 2 and 8: See page 3
Col. B, Lines 3 and 9: See page 4
Col. B, Lines 4 and 10: See page 5
Col. B, Lines 5 and 11: See page 6

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC

Exhibit LA-5
Water Base
Schedule B-1

Fully Projected Future Test Year Ending December 31, 2025

Docket Nos. R-2024-3047822 and R-2024-3047824
Page 2 of 7

Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
	304.2	POWER AND PUMPING STRUCTURES			
1		MAJOR TREATMENT PLANTS	$ (7,782,433)	$ (7,663,454)	$ 118,979
2		OTHER STRUCTURES	$ (15,642,724)	$ (15,403,576)	$ 239,149
3		TOTAL ACCOUNT 304.2	$ (23,425,157)	$ (23,067,030)	$ 358,128
	304.3	PURIFICATION BUILDINGS			
4		MAJOR TREATMENT PLANTS	$ (73,559,984)	$ (72,272,351)	$ 1,287,633
5		OTHER STRUCTURES	$ (13,716,820)	$ (13,476,713)	$ 240,107
6		TOTAL ACCOUNT 304.3	$ (87,276,804)	$ (85,749,064)	$ 1,527,740
	304.61	OFFICE BUILDINGS			
7		OFFICES	$ (29,518,059)	$ (29,385,232)	$ 132,828
8		OTHER STRUCTURES	$ (906,323)	$ (902,245)	$ 4,078
9		TOTAL ACCOUNT 304.61	$ (30,424,382)	$ (30,287,476)	$ 136,906
10	304.62	STORES, SHOP AND GARAGE BUILDINGS	$ (5,743,800)	$ (5,738,094)	$ 5,706
11	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	$ (20,383,461)	$ (19,980,410)	$ 403,051
12	305	COLLECTING AND IMPOUNDING RESERVOIRS	$ (15,642,053)	$ (15,589,829)	$ 52,224
13	306	LAKE, RIVER AND OTHER INTAKES	$ (10,880,666)	$ (10,863,591)	$ 17,075
14	307	WELLS AND SPRINGS	$ (21,446,598)	$ (20,830,597)	$ 616,001
15	310.4	OTHER POWER PRODUCTION EQUIPMENT	$ (17,964,554)	$ (17,817,420)	$ 147,134
16	311	ELECTRIC PUMPING EQUIPMENT	$ (54,560,505)	$ (53,842,504)	$ 718,001
	320	PURIFICATION SYSTEM			
17		STRUCTURES	$ (50,293,118)	$ (49,988,087)	$ 305,031
18		WELLS AND BOOSTERS	$ (4,981,497)	$ (4,951,284)	$ 30,213
19		SUBTOTAL	$ (55,274,615)	$ (54,939,371)	$ 335,244
20		EQUIPMENT	$ (47,890,410)	$ (46,243,968)	$ 1,646,442
21		COMPUTERS	$ (6,743,446)	$ (6,731,690)	$ 11,756
22		PAINTING	$ (261,753)	$ (324,873)	$ (63,120)
23		FILTER MEDIA	$ (3,943,068)	$ (4,188,162)	$ (245,094)
24		FILTER MEDIA - PFAS	$ (61,479)	$ (61,479)	$ -
25		TOTAL ACCOUNT 320	$ (114,174,771)	$ 112,489,543	$ 1,685,228
	330	DISTRIBUTION RESERVOIRS AND STANDPIPES			
26		TANKS	$ (29,941,452)	$ (29,281,004)	$ 660,448
27		TANK PAINTING	$ (65,562,497)	$ (65,562,497)	$ -
28		TOTAL ACCOUNT 330	$ (95,503,949)	$ (94,843,501)	$ 660,448
	331	MAINS AND ACCESSORIES			
29		CAST IRON - 4 INCH AND UNDER	$ (10,387,078)	$ (9,672,617)	$ 714,461
30		CAST IRON - 6, 8 AND 10 INCH	$ (371,407,682)	$ (361,790,110)	$ 9,617,571
31		CAST IRON - 12 INCH AND OVER	$ (93,143,261)	$ (91,682,173)	$ 1,461,088
32		STEEL	$ (2,040,889)	$ (2,017,578)	$ 23,311
33		LOCK JOINT	$ (2,562,026)	$ (2,541,497)	$ 20,530
34		VALVES	$ (12,568,980)	$ (12,239,013)	$ 329,967
35		SPECIAL CONSTRUCTION	$ (8,640,370)	$ (8,553,016)	$ 87,354
36		CEMENT WROUGHT IRON	$ (29,336)	$ (28,570)	$ 766
37		COPPER	$ (276,872)	$ (246,132)	$ 30,740
38		ASBESTOS CEMENT	$ (1,689,170)	$ (1,681,398)	$ 7,773
39		PLASTIC	$ (9,528,863)	$ (9,089,976)	$ 438,887
40		MAIN CLEANING AND LINING	$ (39,140,172)	$ (38,579,035)	$ 561,137
41		TOTAL ACCOUNT 331	$ (551,414,699)	$ (538,121,114)	$ 13,293,585
42	333	SERVICES	$ (142,781,016)	$ (141,559,215)	$ 1,221,801
	334	METERS			
43		REMOTE	$ (95,901,219)	$ (94,314,991)	$ 1,586,228
44		ERTS	$ (45,785,312)	$ (45,271,136)	$ 514,177
45		TOTAL ACCOUNT 334	$ (141,686,531)	$ (139,586,127)	$ 2,100,404
46	335	FIRE HYDRANTS	$ (30,455,243)	$ (30,163,151)	$ 292,091
47	336	BACKFLOW PREVENTION DEVICES	$ (108,157)	$ (104,008)	$ 4,149
48	339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	$ (5,815)	$ (5,249)	$ 566
	340	OFFICE FURNITURE AND EQUIPMENT			
49		FURNITURE	$ (4,349,470)	$ (4,349,470)	$ (0)
50		MECHANICAL EQUIPMENT	$ (586,124)	$ (586,124)	$ 0
51		COMPUTER HARDWARE	$ (70,590)	$ (70,590)	$ 0
52		COMPUTER SOFTWARE - 10-YEAR	$ (12,029,735)	$ (12,029,735)	$ -
53		COMPUTER SOFTWARE - 15-YEAR	$ (24,386,133)	$ (24,386,133)	$ (0)
54		TOTAL ACCOUNT 340	$ (41,422,052)	$ (41,422,053)	$ (0)
	341	TRANSPORTATION EQUIPMENT			
55		VEHICLES	$ (20,517,091)	$ (19,786,931)	$ 730,160
56		OTHER	$ (965,340)	$ (965,340)	$ -
57		TOTAL ACCOUNT 341	$ (21,482,432)	$ (20,752,272)	$ 730,160

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC
Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Water Base
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
58	342	STORES EQUIPMENT	$ (1,712,908)	$ (1,712,908)	$ -
59	343.1	SHOP EQUIPMENT	$ (1,215,019)	$ (1,215,019)	$ -
60	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	$ (9,797,036)	$ (9,797,036)	$ -
	344	LABORATORY EQUIPMENT			
27		CONVENTIONAL	$ (890,555)	$ (884,468)	$ 6,087
28		ELECTRONIC	$ (3,268,057)	$ (3,172,013)	$ 96,044
29		TOTAL ACCOUNT 344	$ (4,158,612)	$ (4,056,481)	$ 102,131
30	345	POWER OPERATED EQUIPMENT	$ (14,133)	$ (11,308)	$ 2,825
31	346	COMMUNICATION EQUIPMENT			
32		EQUIPMENT	$ (3,763,099)	$ (3,763,099)	$ (0)
33		SCADA	$ (12,184,516)	$ (12,184,516)	$ -
		TOTAL ACCOUNT 346	$ (15,947,615)	$ (15,947,615)	$ (0)
34					
35	347	MISCELLANEOUS EQUIPMENT	$ (1,738,459)	$ (1,738,459)	$ -
36	348	OTHER TANGIBLE PLANT	$ (22,896)	$ (22,896)	$ -
37		**TOTAL ACCUMULATED DEPRECIATION**	$ (1,461,389,326)	$ (1,212,334,885)	$ 24,075,355
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
		DEPRECIABLE PLANT			
38	304.2	POWER AND PUMPING STRUCTURES	$ (330,269)	$ (329,327)	$ (942)
39	304.3	PURIFICATION BUILDINGS	$ (248,947)	$ (167,958)	$ (80,989)
40	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	$ (41,574)	$ (39,908)	$ (1,667)
41	307	WELLS AND SPRINGS	$ (1,154,194)	$ (1,136,621)	$ (17,573)
42	310.4	OTHER POWER PRODUCTION EQUIPMENT	$ (819,829)	$ (807,829)	$ (12,000)
43	311	ELECTRIC PUMPING EQUIPMENT	$ (1,211,657)	$ (1,199,263)	$ (12,394)
44	320	PURIFICATION SYSTEM - EQUIPMENT	$ (537,004)	$ (420,341)	$ (116,663)
45	330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	$ (1,467,356)	$ (1,451,873)	$ (15,482)
	331	MAINS AND ACCESSORIES			
46		CAST IRON - 4 INCH AND UNDER	$ (144,325)	$ (129,292)	$ (15,033)
47		CAST IRON - 6, 8 AND 10 INCH	$ (46,392,241)	$ (45,673,934)	$ (718,308)
48		CAST IRON - 12 INCH AND OVER	$ (2,495,558)	$ (2,457,442)	$ (38,116)
49		STEEL	$ (917)	$ (781)	$ (136)
50		VALVES	$ (665,442)	$ (638,490)	$ (26,953)
51		ASBESTOS CEMENT	$ (3,049,502)	$ (3,031,243)	$ (18,259)
52		PLASTIC	$ (1,892,461)	$ (1,824,368)	$ (68,094)
53		TOTAL ACCOUNT 331	$ (54,640,448)	$ (53,755,549)	$ (884,898)
54	333	SERVICES	$ (3,979,216)	$ (3,934,759)	$ (44,457)
55	334	METERS	$ (75,740)	$ (75,740)	$ -
56	335	FIRE HYDRANTS	$ (4,089,456)	$ (4,055,560)	$ (33,896)
57	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	$ (84)	$ (84)	$ -
58	344.2	LABORATORY EQUIPMENT - ELECTRONIC	$ (1,662)	$ (1,662)	$ -
59		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**	$ (68,597,435)	$ (67,376,475)	$ (1,220,960)

Notes and Source:
Col. A: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve and CIAC sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Shenandoah Water
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
1	304.3	PURIFICATION BUILDINGS	$ (450,169)	$ (440,387)	$ 9,783
2	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	$ (5,187)	$ (4,222)	$ 965
3	310.4	OTHER POWER PRODUCTION EQUIPMENT	$ (4,380)	$ (2,895)	$ 1,485
4	311	ELECTRIC PUMPING EQUIPMENT	$ (153,664)	$ (138,966)	$ 14,697
5	320	PURIFICATION SYSTEM - EQUIPMENT	$ (3,785)	$ (2,624)	$ 1,161
6	330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	$ (565,493)	$ (509,076)	$ 56,416
7	331	MAINS AND ACCESSORIES			
8		CAST IRON - 4 INCH AND UNDER	$ (10,722)	$ (9,735)	$ 987
9		CAST IRON - 6, 8 AND 10 INCH	$ (37,079)	$ (26,319)	$ 10,760
10		CAST IRON - 12 INCH AND OVER	$ (12,241)	$ (10,157)	$ 2,084
11		VALVES	$ (1,088)	$ (851)	$ 236
10		TOTAL ACCOUNT 331	$ (61,129)	$ (47,062)	$ 14,067
11	333	SERVICES	$ (925)	$ (604)	$ 321
12	334	METERS - REMOTE	$ (66,540)	$ (52,912)	$ 13,628
13	335.00	FIRE HYDRANTS	$ (1,187)	$ (986)	$ 201
14	339.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	$ (978)	$ (883)	$ 95
15	340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	$ (824)	$ (824)	$ -
16	341	TRANSPORTATION EQUIPMENT - VEHICLES	$ (28,902)	$ (22,306)	$ 6,596
17	343.1	SHOP EQUIPMENT	$ (3,404)	$ (3,404)	$ -
18	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	$ (9,548)	$ (9,548)	$ -
19	346	COMMUNICATION EQUIPMENT	$ (12,104)	$ (12,104)	$ -
20		**TOTAL ACCUMULATED DEPRECIATION**	$ (1,368,218)	$ (1,248,802)	$ 119,416

Notes and Source:
Col. A: Aqua PA Shenandoah Water 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Wastewater Base
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
	354	STRUCTURES AND IMPROVEMENTS			
1		COLLECTION	$ (7,139,164)	$ (6,671,667)	$ 467,498
2		PUMPING	$ (10,677,681)	$ (10,505,295)	$ 172,385
3		TREATMENT AND DISPOSAL	$ (33,857,282)	$ (33,118,682)	$ 738,600
		RECLAIMED WATER TREATMENT	$ (902,638)	$ (889,351)	$ 13,286
		GENERAL	$ (1,311,700)	$ (1,305,583)	$ 6,117
4		TOTAL ACCOUNT 354	$ (53,888,465)	$ (52,490,578)	$ 1,397,887
5					
6	355	POWER GENERATING EQUIPMENT			
		COLLECTION	$ (64,043)	$ (61,736)	$ 2,307
		PUMPING	$ (1,527,530)	$ (1,514,692)	$ 12,838
7		TREATMENT AND DISPOSAL	$ (2,148,821)	$ (2,099,871)	$ 48,949
8		TOTAL ACCOUNT 355	$ (3,740,394)	$ (3,676,300)	$ 64,095
9					
	360	COLLECTION MAINS - FORCE	$ (30,198,445)	$ (29,862,528)	$ 335,917
10	361.00	COLLECTION MAINS - GRAVITY	$ (54,966,543)	$ (53,869,103)	$ 1,097,440
11	362.00	SPECIAL COLLECTING STRUCTURES	$ (6,504)	$ (6,440)	$ 64
12	363	SERVICES	$ (14,787,682)	$ (14,725,323)	$ 62,359
13	364	METERS	$ (545,280)	$ (531,469)	$ 13,811
14	370.3	RECEIVING WELLS	$ (1,848,218)	$ (1,824,403)	$ 23,815
15					
16	371	PUMPING EQUIPMENT			
		PUMPING	$ (16,285,511)	$ (15,768,877)	$ 516,634
		RECLAIMED WATER TREATMENT	$ (122,493)	$ (120,519)	$ 1,974
17		TOTAL ACCOUNT 371	$ (16,408,004)	$ (15,889,397)	$ 518,607
18					
19	380	TREATMENT AND DISPOSAL EQUIPMENT	$ (26,340,260)	$ (25,144,317)	$ 1,195,943
20	381	PLANT SEWERS			
21		TREATMENT AND DISPOSAL	$ (49,508)	$ (48,272)	$ 1,236
22		RECLAIMED WATER TREATMENT	$ (2,341)	$ (2,283)	$ 59
23		TOTAL ACCOUNT 381	$ (51,850)	$ (50,555)	$ 1,295
24					
25	382	OUTFALL LINES	$ (201,273)	$ (198,468)	$ 2,805
	389	OTHER PLANT AND MISCELLANEOUS EQUIPMENT			
26		COLLECTION	$ (521,730)	$ (512,470)	$ 9,260
27		PUMPING	$ (47,884)	$ (46,880)	$ 1,004
28		TREATMENT AND DISPOSAL	$ (9,125)	$ (9,039)	$ 86
		TOTAL ACCOUNT 389	$ (578,739)	$ (568,389)	$ 10,349
29	390	OFFICE FURNITURE AND EQUIPMENT			
30		FURNITURE	$ (16,395)	$ (16,395)	$ (0)
31		OFFICE EQUIPMENT	$ (84,897)	$ (84,897)	$ -
32		COMPUTER HARDWARE	$ (150,108)	$ (150,108)	$ -
33		COMPUTER SOFTWARE - 10 YEARS	$ (275,973)	$ (275,973)	$ (0)
34		COMPUTER SOFTWARE - 15 YEARS	$ (277,901)	$ (277,901)	$ -
35		TOTAL ACCOUNT 390	$ (805,273)	$ (805,273)	$ (0)
36					
37	391	TRANSPORTATION EQUIPMENT	$ (1,566,866)	$ (1,549,629)	$ 17,236
38	392	STORES EQUIPMENT	$ (3,539)	$ (3,539)	$ -
39	393	TOOLS, SHOP AND GARAGE EQUIPMENT	$ (220,279)	$ (220,279)	$ -
40	394	LABORATORY EQUIPMENT	$ (413,352)	$ (413,352)	$ -
41	395	POWER OPERATED EQUIPMENT	$ (196,714)	$ (194,940)	$ 1,773
42		COMMUNICATION EQUIPMENT			
	396	GENERAL	$ (651,279)	$ (651,279)	$ -
	396.7	SCADA	$ (2,097,397)	$ (2,097,397)	$ -
43		TOTAL ACCOUNT 396	$ (2,748,676)	$ (2,748,676)	$ -
44					
45	397	MISCELLANEOUS EQUIPMENT	$ (28,656)	$ (28,655)	$ 0
46		**TOTAL ACCUMULATED DEPRECIATION**	$ (209,545,011)	$ (204,801,614)	$ 4,743,396
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
		DEPRECIABLE PLANT			
47	354	STRUCTURES AND IMPROVEMENTS			
48		COLLECTION	$ (675,298)	$ (658,154)	$ (17,144)
49		PUMPING	$ (340,023)	$ (326,601)	$ (13,422)
50		TREATMENT AND DISPOSAL	$ (3,114,607)	$ (3,051,100)	$ (63,507)
51		GENERAL	$ (11,077)	$ (11,030)	$ (47)
52		TOTAL ACCOUNT 354	$ (4,141,005)	$ (4,046,885)	$ (94,120)
53	360	COLLECTION MAINS - FORCE	$ (2,525,234)	$ (2,479,709)	$ (45,525)
54	361	COLLECTION MAINS - GRAVITY	$ (1,584,155)	$ (1,523,506)	$ (60,648)
55	363	SERVICES	$ (728,904)	$ (723,771)	$ (5,134)
56	371.3	PUMPING EQUIPMENT - PUMPING	$ (264,411)	$ (250,793)	$ (13,618)
57	380	TREATMENT AND DISPOSAL EQUIPMENT	$ (1,062,127)	$ (1,050,156)	$ (11,971)
58	381.4	PLANT SEWERS - TREATMENT AND DISPOSAL	$ (1,429)	$ (1,426)	$ (3)
59	382	OUTFALL LINES	$ (1,454)	$ (1,452)	$ (2)
60	389.2	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	$ (9,903)	$ (9,722)	$ (181)
61	396.7	COMMUNICATION EQUIPMENT - SCADA	$ (5,626)	$ (5,507)	$ (119)
62		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**	$ (10,324,249)	$ (10,092,928)	$ (231,321)

Notes and Source:
Col. A: Aqua PA Wastewater Base 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve and CIAC sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC
Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Lower Makefield Wastewater
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
	354	STRUCTURES AND IMPROVEMENTS			
1		COLLECTION	$ (1,373)	$ (1,106)	$ 267
2		PUMPING	$ (479,766)	$ (433,371)	$ 46,395
3		TREATMENT AND DISPOSAL	$ (1,075,638)	$ (996,819)	$ 78,819
4		RECLAIMED WATER TREATMENT	$ (9)	$ (7)	$ 2
5		GENERAL	$ (109)	$ (94)	$ 15
6		TOTAL ACCOUNT 354	$ (1,556,894)	$ (1,431,396)	$ 125,498
	355	POWER GENERATING EQUIPMENT			
7		COLLECTION	$ (2,038)	$ (1,751)	$ 286
8		PUMPING	$ (87,049)	$ (81,765)	$ 5,284
9		TREATMENT AND DISPOSAL	$ (1,785)	$ (1,604)	$ 180
10		TOTAL ACCOUNT 355	$ (90,871)	$ (85,121)	$ 5,750
11	360	COLLECTION MAINS - FORCE	$ (143,793)	$ (131,851)	$ 11,943
12	361.00	COLLECTION MAINS - GRAVITY	$ (3,267,975)	$ (2,964,600)	$ 303,375
13	363.00	SERVICES	$ (265,530)	$ (251,223)	$ 14,307
14	364	METERS	$ (56,499)	$ (50,078)	$ 6,422
	371	PUMPING EQUIPMENT			
15		PUMPING	$ (229,385)	$ (192,470)	$ 36,915
16		RECLAIMED WATER TREATMENT	$ (8)	$ (7)	$ 1
17		TOTAL ACCOUNT 371	$ (229,393)	$ (192,477)	$ 36,917
18	393	TOOLS, SHOP AND GARAGE EQUIPMENT	$ (8,661)	$ (8,661)	$ -
19	395	POWER OPERATED EQUIPMENT	$ -	$ -	$ -
		COMMUNICATION EQUIPMENT			
20	396	GENERAL	$ (19,035)	$ (19,035)	$ -
21	396.7	SCADA	$ (27,231)	$ (27,231)	$ -
22		TOTAL ACCOUNT 396	$ (46,265)	$ (46,265)	$ -
23		**TOTAL ACCUMULATED DEPRECIATION**	$ (5,665,883)	$ (5,161,672)	$ 504,211
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
		DEPRECIABLE PLANT			
24	361	COLLECTION MAINS - GRAVITY	$ (1,686)	$ (1,322)	$ (364)
25	363	SERVICES	$ (612)	$ (573)	$ (40)
26		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**	$ (2,299)	$ (1,895)	$ (404)

Notes and Source:
Col. A: Aqua PA Lower Makefield Wastewater 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve and CIAC sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Accumulated Depreciation - Depreciable Plant and Customer Advances and CIAC

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
East Whiteland Wastewater
Schedule B-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Book Reserve as of 12/31/2025 (A)	Per OCA Book Reserve as of 12/31/2025 (B)	OCA Adjustment (C)
		DEPRECIABLE PLANT			
	354	STRUCTURES AND IMPROVEMENTS			
1		COLLECTION	$ (1,861)	$ (1,547)	$ 314
2		PUMPING	$ (615,347)	$ (524,666)	$ 90,681
3		TREATMENT AND DISPOSAL	$ (920,940)	$ (750,604)	$ 170,336
4		TOTAL ACCOUNT 354	$ (1,538,147)	$ (1,276,817)	$ 261,330
	355	POWER GENERATING EQUIPMENT			
5		COLLECTION	$ (478)	$ (412)	$ 66
6		PUMPING	$ (10,682)	$ (9,620)	$ 1,062
7		TREATMENT AND DISPOSAL	$ (363)	$ (297)	$ 67
8		TOTAL ACCOUNT 355	$ (11,523)	$ (10,328)	$ 1,195
9	360	COLLECTION MAINS - FORCE	$ (291,385)	$ (267,387)	$ 23,998
10	361	COLLECTION MAINS - GRAVITY	$ (2,350,557)	$ (2,084,728)	$ 265,829
11	363	SERVICES	$ (447,402)	$ (423,987)	$ 23,415
12	364.00	METERS	$ (31,719)	$ (29,835)	$ 1,883
	371	PUMPING EQUIPMENT			
13		PUMPING	$ (15,027)	$ (12,595)	$ 2,432
14		TOTAL ACCOUNT 371	$ (15,027)	$ (12,595)	$ 2,432
15	380	TREATMENT AND DISPOSAL EQUIPMENT	$ -	$ -	$ -
16	397	MISCELLANEOUS EQUIPMENT	$ (30,731)	$ (30,731)	$ (0)
17		**TOTAL ACCUMULATED DEPRECIATION**	$ (4,716,491)	$ (4,136,409)	$ 580,082
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			
		DEPRECIABLE PLANT			
18	361	COLLECTION MAINS - GRAVITY	$ (22,779)	$ (18,326)	$ 4,453
19	363	SERVICES	$ (2,959)	$ (2,801)	$ 158
20		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**	$ (25,738)	$ (21,126)	$ 4,612

Notes and Source:
Col. A: Aqua PA East Whiteland Wastewater 2025 Depreciation Study, Table 1
Col. B: Recommended accumulated depreciation reserve and CIAC sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
PA NOL Deferred Tax Asset

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule B-2
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C)
1	PA NOL Deferred Tax Asset - Water Base Operations	$ 31,413,858	$ -	$ (31,413,858)
2	PA NOL Deferred Tax Asset - Wastewater Base Operations	$ 1,313,644	$ -	$ (1,313,644)
3	Total Adjustment to Remove the PA NOL Deferred Tax Asset	$ 32,727,501	$ -	$ (32,727,501)

Notes and Source:
Col. A: Company response to OCA-XV-25

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C)
1	Adjustment to Depreciation Expense - Water	$ 142,262,956	$ 130,551,253	$ (11,711,703)
2	Adjustment to Depreciation Expense - Shenandoah Water	$ 660,234	$ 608,848	$ (51,386)
3	Adjustment to Depreciation Expense - Wastewater	$ 14,132,709	$ 11,838,045	$ (2,294,664)
4	Adjustment to Depreciation Expense - Lower Makefield Wastewater	$ 2,190,539	$ 1,975,477	$ (215,062)
5	Adjustment to Depreciation Expense - East Whiteland Wastewater	$ 1,890,163	$ 1,620,191	$ (269,972)
6	Total Adjustment to Depreciation Expense	$ 161,136,601	$ 146,593,814	$ (14,542,787)

Notes and Source:

Col. A, Line 1: Exhibit 1-A, Schedule D-1 from the Company's filing
Col. A, Line 2: Exhibit 1-B, Schedule D-1 from the Company's filing
Col. A, Line 3: Exhibit 1-C, Schedule D-1 from the Company's filing
Col. A, Line 4: Exhibit 1-D, Schedule D-1 from the Company's filing
Col. A, Line 5: Exhibit 1-E, Schedule D-1 from the Company's filing
Col. B, Line 1: See page 2
Col. B, Line 2: See page 3
Col. B, Line 3: See page 4
Col. B, Line 4: See page 5
Col. B, Line 5: See page 6

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Depreciation Expense - New Depreciation Rates

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Water Base
Schedule C-1
Docket Nos. R-2024-3047822 and R-2024-3047824
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Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
		INTANGIBLE PLANT							
1	301	ORGANIZATION	NONDEPR.	7,076,059.95					
2	302	FRANCHISES AND CONSENTS	NONDEPR.	2,944,957.32					
3	303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.	4,382,344.75					
		TOTAL INTANGIBLE PLANT		**14,403,362.02**					
		NONDEPRECIABLE PLANT							
4	303.11	WATER RIGHTS	NONDEPR.	1,703,879.22					
5	303.12	RESERVOIR LAND	NONDEPR.	2,826,590.02					
6	303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.	6,878,759.36					
7	303.2	POWER AND PUMPING LAND	NONDEPR.	1,577,342.01					
8	303.3	PURIFICATION LAND	NONDEPR.	1,408,637.63					
9	303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	1,431,041.39					
10	303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	1,323,147.51					
11	303.61	OFFICE LAND	NONDEPR.	3,128,180.15					
12	303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.	1,002,954.67					
13	303.63	MISCELLANEOUS LAND	NONDEPR.	1,066,770.08					
		TOTAL NONDEPRECIABLE PLANT		**22,347,302.04**					
		DEPRECIABLE PLANT							
	304.2	POWER AND PUMPING STRUCTURES							
14		MAJOR TREATMENT PLANTS	85-S0.5	23,625,022.72	656,405	2.78%	2.68%	633,151	(23,254)
15		OTHER STRUCTURES	50-R3	57,146,972.71	1,241,434	2.17%	1.90%	1,085,792	(155,642)
16		TOTAL ACCOUNT 304.2		80,771,995.43	1,897,839			1,718,943	(178,896)
	304.3	PURIFICATION BUILDINGS							
17		MAJOR TREATMENT PLANTS	95-S0.5	203,155,039.53	5,218,998	2.57%	2.50%	5,078,876	(140,122)
18		OTHER STRUCTURES	50-S0	78,319,125.72	2,167,685	2.77%	1.87%	1,464,568	(703,117)
19		TOTAL ACCOUNT 304.3		281,474,165.25	7,386,683			6,543,444	(843,239)
	304.61	OFFICE BUILDINGS							
20		OFFICES	55-R3	76,985,229.49	2,259,376	2.93%	2.89%	2,224,873	(34,503)
21		OTHER STRUCTURES	50-R3	6,900,178.58	152,529	2.21%	1.90%	131,103	(21,426)
22		TOTAL ACCOUNT 304.61		83,885,408.07	2,411,905			2,355,977	(55,928)
23	304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	8,151,790.12	147,672	1.81%	1.77%	144,287	(3,385)
24	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	53,811,422.38	2,173,305	4.04%	3.63%	1,953,355	(219,950)
25	305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	47,725,712.85	921,084	1.93%	1.82%	868,608	(52,476)
26	306	LAKE, RIVER AND OTHER INTAKES	80-R3	24,866,568.97	738,266	2.97%	2.94%	731,077	(7,189)
27	307	WELLS AND SPRINGS	50-R2.5	81,386,762.20	1,865,670	2.29%	1.92%	1,562,626	(303,044)
28	310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	39,853,182.79	1,902,397	4.77%	4.64%	1,849,188	(53,209)
29	311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	115,220,987.87	3,120,708	2.71%	2.43%	2,799,870	(320,838)
	320	PURIFICATION SYSTEM							
30		STRUCTURES	80-S0	98,973,591.77	2,446,604	2.47%	2.40%	2,375,366	(71,238)
31		WELLS AND BOOSTERS	50-R3	16,766,011.42	359,929	2.15%	1.88%	315,201	(44,728)
32		SUBTOTAL		115,739,603.19	2,806,533			2,690,567	(115,966)
33		EQUIPMENT	52-R2.5	244,330,145.84	5,506,004	2.25%	1.84%	4,495,675	(1,010,329)
34		COMPUTERS	10-SQ	7,360,610.22	66,337	0.90%	0.92%	67,718	1,381
35		PAINTING	10-SQ	296,911.27	8,263	2.78%	0.00%	0	(8,263)
36		FILTER MEDIA	10-S3	5,955,248.05	290,626	4.88%	3.85%	229,277	(61,349)
37		FILTER MEDIA - PFAS	10-S3	1,000,000.00	106,529	10.65%	9.88%	98,800	(7,729)
38		TOTAL ACCOUNT 320		374,682,518.57	8,784,292			7,582,037	(1,202,255)
	330	DISTRIBUTION RESERVOIRS AND STANDPIPES							
39		TANKS	70-S1	98,417,090.11	1,612,302	1.64%	1.31%	1,289,264	(323,038)
40		TANK PAINTING	10-SQ	82,098,657.34	4,270,162	5.20%	5.20%	4,269,130	(1,032)
41		TOTAL ACCOUNT 330		180,515,747.45	5,882,464			5,558,394	(324,070)
	331	MAINS AND ACCESSORIES							
42		CAST IRON - 4 INCH AND UNDER	50-L1.5	50,914,639.58	1,377,245	2.71%	2.02%	1,028,476	(348,769)
43		CAST IRON - 6, 8 AND 10 INCH	65-S2.5	2,446,532,176.52	44,475,431	1.82%	1.62%	39,633,821	(4,841,610)
44		CAST IRON - 12 INCH AND OVER	95-S3	806,938,943.87	9,691,765	1.20%	1.11%	8,957,022	(734,743)
45		STEEL	75-R3	5,495,288.91	105,640	1.92%	1.73%	95,068	(10,572)
46		LOCK JOINT	75-R5	13,909,671.40	266,040	1.91%	1.85%	257,329	(8,711)
47		VALVES	90-R3	91,774,861.27	1,210,042	1.32%	1.15%	1,055,411	(154,631)
48		SPECIAL CONSTRUCTION	58-R4	26,470,940.91	586,182	2.21%	2.05%	542,654	(43,528)
49		CEMENT WROUGHT IRON	90-R3	218,829.49	3,198	1.46%	1.28%	2,801	(397)
50		COPPER	50-S0.5	1,933,353.51	52,590	2.72%	2.01%	38,860	(13,730)
51		ASBESTOS CEMENT	50-S5	3,283,203.35	74,115	2.26%	2.20%	72,230	(1,885)
52		PLASTIC	45-R2.5	47,013,884.78	1,325,230	2.82%	2.37%	1,114,229	(211,001)
53		MAIN CLEANING AND LINING	50-L4	124,697,136.96	3,163,172	2.54%	2.32%	2,892,974	(270,198)
54		TOTAL ACCOUNT 331		3,619,182,930.55	62,330,650			55,690,876	(6,639,774)
55	333	SERVICES	70-R4	648,002,000.30	9,610,950	1.48%	1.38%	8,942,428	(668,522)
	334	METERS							
56		REMOTE	22-R2.5	160,572,977.07	4,877,256	3.04%	2.58%	4,142,783	(734,473)
57		ERTS	18-S2	64,707,281.07	1,918,938	2.97%	2.63%	1,701,801	(217,137)
58		TOTAL ACCOUNT 334		225,280,258.14	6,796,194			5,844,584	(951,610)
59	335	FIRE HYDRANTS	60-R4	125,626,999.61	2,222,470	1.77%	1.65%	2,072,845	(149,625)
60	336	BACKFLOW PREVENTION DEVICES	35-R2.5	386,014.90	12,401	3.21%	2.74%	10,577	(1,824)
61	339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3	65,814.77	3,741	5.68%	4.97%	3,271	(470)
	340	OFFICE FURNITURE AND EQUIPMENT							
62		FURNITURE	20-SQ	9,323,803.30	510,294	**	5.47%	510,012	(282)
63		MECHANICAL EQUIPMENT	10-SQ	1,000,191.53	117,797	**	11.78%	117,823	26
64		COMPUTER HARDWARE	5-SQ	11,321,979.64	4,565,505	**	40.32%	4,565,022	(483)
65		COMPUTER SOFTWARE - 10-YEAR	10-SQ	40,944,634.41	6,978,214	**	17.04%	6,976,966	(1,248)
66		COMPUTER SOFTWARE - 15-YEAR	15-SQ	81,171,088.85	5,406,567	**	6.66%	5,405,995	(572)
67		TOTAL ACCOUNT 340		143,761,697.73	17,578,377			17,575,817	(2,560)
	341	TRANSPORTATION EQUIPMENT							
68		VEHICLES	9-L2.5	30,506,717.87	2,211,533	7.25%	6.49%	1,979,886	(231,647)
69		OTHER	20-SQ	2,997,334.99	204,186	**	6.81%	204,186	0
70		TOTAL ACCOUNT 341		33,504,052.86	2,415,719			2,184,072	(231,647)
71	342	STORES EQUIPMENT	20-SQ	3,499,982.19	173,708	**	4.96%	173,599	(109)
72	343.1	SHOP EQUIPMENT	25-SQ	3,793,864.35	150,225	**	3.96%	150,237	12
73	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	18,575,825.94	939,743	**	5.06%	939,937	194
	344	LABORATORY EQUIPMENT							
40		CONVENTIONAL	38-R3	1,303,708.29	23,809	1.83%	1.62%	21,120	(2,689)
41		ELECTRONIC	25-R2.5	7,757,817.62	288,639	3.72%	3.14%	243,595	(45,044)
42		TOTAL ACCOUNT 344		9,061,525.91	312,448			264,716	(47,732)

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Depreciation Expense - New Depreciation Rates

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Water Base
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Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
43	345	POWER OPERATED EQUIPMENT	20-R2	131,411.12	8,318	6.33%	4.90%	6,439	(1,879)
44	346	COMMUNICATION EQUIPMENT							
45		EQUIPMENT	15-SQ	10,051,956.76	644,951	**	6.42%	645,336	385
46		SCADA	10-SQ	30,382,736.63	3,632,921	**	11.96%	3,633,775	854
47		TOTAL ACCOUNT 346		40,434,693.39	4,277,872			4,279,111	1,239
48	347	MISCELLANEOUS EQUIPMENT	25-SQ	2,782,358.38	116,534	**	4.19%	116,581	47
49	348	OTHER TANGIBLE PLANT	25-SQ	59,497.10	2,456	**	4.13%	2,457	1
50		**TOTAL DEPRECIABLE PLANT**		**6,246,495,189.19**	**144,184,091**			**131,925,351**	**(12,258,740)**
51		**TOTAL WATER PLANT IN SERVICE**		**6,283,245,853.25**	**144,184,091**			**131,925,351**	**(12,258,740)**
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
		DEPRECIABLE PLANT							
52	304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	4,402	1.08%	0.98%	4,011	(391)
53	304.3	PURIFICATION BUILDINGS	50-S0	3,388,656.78	102,903	3.04%	2.01%	68,112	(34,791)
54	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	175,454.91	4,597	2.62%	2.17%	3,807	(790)
55	307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	52,989	1.93%	1.65%	45,306	(7,683)
56	310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	28,736	1.92%	1.57%	23,550	(5,186)
57	311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	46,079	2.53%	2.25%	41,007	(5,072)
58	320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	9,721,907.47	233,127	2.40%	1.94%	188,605	(44,522)
59	330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	37,131	1.27%	1.02%	29,796	(7,335)
	331	MAINS AND ACCESSORIES							
60		CAST IRON - 4 INCH AND UNDER	50-L1.5	977,986.06	26,126	2.67%	1.96%	19,169	(6,957)
61		CAST IRON - 6, 8 AND 10 INCH	65-S2.5	168,109,463.19	3,035,643	1.81%	1.61%	2,706,562	(329,081)
62		CAST IRON - 12 INCH AND OVER	95-S3	21,556,748.58	249,449	1.16%	1.07%	230,657	(18,792)
63		STEEL	75-R3	33,299.45	518	1.56%	1.33%	443	(75)
64		VALVES	90-R3	7,532,577.64	96,536	1.28%	1.11%	83,612	(12,924)
65		ASBESTOS CEMENT	50-S5	3,814,630.11	139,651	3.66%	3.54%	135,038	(4,613)
66		PLASTIC	45-R2.5	7,271,034.08	191,663	2.64%	2.22%	161,417	(30,246)
67		TOTAL ACCOUNT 331		209,295,739.11	3,739,586			3,336,897	(402,689)
68	333	SERVICES	70-R4	22,228,245.36	326,537	1.47%	1.37%	304,527	(22,010)
69	334	METERS	22-R2.5	75,740.42	0	-	0.00%	0	0
70	335	FIRE HYDRANTS	60-R4	15,406,832.51	256,915	1.67%	1.56%	240,347	(16,568)
71	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	0	-	0.00%	0	0
72	344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	0	-	0.00%	0	0
73		**TOTAL DEPRECIABLE PLANT**		**269,693,142.62**	**4,833,002**			**4,285,965**	**(547,037)**
74		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**		**269,693,142.62**	**4,833,002**			**4,285,965**	**(547,037)**
75		**AMORTIZATION OF NET SALVAGE**			2,911,867			2,911,867	0
76		**TOTAL WATER PLANT**		**6,013,552,710.63**	**142,262,956**			**130,551,253**	**(11,711,703)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
		INTANGIBLE PLANT							
1	301	ORGANIZATION	NONDEPR.	517,932.18					
		NONDEPRECIABLE PLANT							
2	303.2	POWER AND PUMPING LAND	NONDEPR.	17.00					
3	303.3	PURIFICATION LAND	NONDEPR.	22,000.00					
4	303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	22,663.00					
		TOTAL NONDEPRECIABLE PLANT		**44,680.00**					
		DEPRECIABLE PLANT							
5	304.3	PURIFICATION BUILDINGS	95-S0.5	5,599,858.27	247,004	4.41%	4.32%	241,914	(5,090)
6	304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	269,990.13	13,342	4.94%	4.77%	12,879	(463)
7	310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	205,788.00	12,383	6.02%	4.73%	9,734	(2,649)
8	311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	760,083.28	65,344	8.60%	7.99%	60,731	(4,613)
9	320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	107,655.83	2,630	2.44%	1.94%	2,089	(541)
10	330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	5,477,322.40	175,572	3.21%	2.74%	150,079	(25,493)
	331	MAINS AND ACCESSORIES							
11		CAST IRON - 4 INCH AND UNDER	50-L1.5	84,930.48	4,982	5.87%	5.20%	4,416	(566)
12		CAST IRON - 6, 8 AND 10 INCH	65-S2.5	1,590,756.21	31,210	1.96%	1.79%	28,475	(2,735)
13		CAST IRON - 12 INCH AND OVER	95-S3	755,301.55	11,393	1.51%	1.39%	10,499	(894)
14		VALVES	90-R3	71,198.87	930	1.31%	1.12%	797	(133)
15		TOTAL ACCOUNT 331		2,502,187.11	48,515			44,187	(4,328)
16	333	SERVICES	70-R4	356,312.53	5,487	1.54%	1.45%	5,167	(320)
17	334	METERS - REMOTE	22-R2.5	551,732.65	30,567	5.54%	4.69%	25,876	(4,691)
18	335	FIRE HYDRANTS	60-R4	375,814.26	7,150	1.90%	1.79%	6,727	(423)
19	339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3	11,070.00	629	5.68%	4.97%	550	(79)
20	340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	10-SQ	5,028.21	511	10.16%	10.17%	511	0
21	341	TRANSPORTATION EQUIPMENT - VEHICLES	9-L2.5	133,253.91	19,542	14.67%	12.64%	16,843	(2,699)
22	343.1	SHOP EQUIPMENT	25-SQ	52,581.30	2,457	4.67%	4.67%	2,456	(1)
23	343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	116,400.57	8,609	7.40%	7.40%	8,614	5
24	346	COMMUNICATION EQUIPMENT	15-SQ	152,584.80	14,266	9.35%	9.35%	14,267	1
25		**TOTAL DEPRECIABLE PLANT**		**16,677,663.25**	**654,008**			**602,622**	**(51,386)**
26		**AMORTIZATION OF NET SALVAGE**			6,226			6,226	0
27		**TOTAL WATER PLANT IN SERVICE**		**17,240,275.43**	**660,234**			**608,848**	**(51,386)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Depreciation Expense - New Depreciation Rates

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Wastewater Base
Schedule C-1
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Line No.	Account No.	Account Description	Per Company Survivor Curve (A)	Per Company Original Cost As of December 31, 2025 (B)	Per Company Calculated Annual Accrual Amount (C)	Per Company Calculated Annual Accrual Percent (D)	Per OCA Depreciation Rate (E)	Per OCA Accrual Amount (F)	Difference (G) = (F) - (C)
		INTANGIBLE PLANT							
1	351.00	ORGANIZATION	NONDEPR.	4,400,256.26					
2		**TOTAL INTANGIBLE PLANT**		**4,400,256.26**					
		NONDEPRECIABLE PLANT							
3	353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	52,284.04					
4	353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	2,121,792.38					
5	353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	7,571,636.17					
6		**TOTAL NONDEPRECIABLE PLANT**		**9,745,712.59**					
		DEPRECIABLE PLANT							
	354.00	STRUCTURES AND IMPROVEMENTS							
7		COLLECTION	40-S1.5	45,274,361.31	1,356,826	3.00%	2.49%	1,127,332	(229,494)
8		PUMPING	55-R2	23,052,287.68	423,745	1.84%	1.51%	348,090	(75,655)
9		TREATMENT AND DISPOSAL	45-S1	77,421,983.13	1,834,055	2.37%	1.94%	1,501,986	(332,069)
10		RECLAIMED WATER TREATMENT	60-R2.5	2,226,160.94	40,518	1.82%	1.56%	34,728	(5,790)
11		GENERAL	50-R3	1,855,894.55	27,593	1.49%	1.35%	25,055	(2,538)
12		TOTAL ACCOUNT 354		149,830,687.61	3,682,737			3,037,190	(645,547)
	355.00	POWER GENERATING EQUIPMENT							
13		COLLECTION	30-R3	296,251.82	11,033	3.72%	3.28%	9,717	(1,316)
14		PUMPING	30-R3	2,215,978.37	54,070	2.44%	2.21%	48,973	(5,097)
15		TREATMENT AND DISPOSAL	30-R3	6,416,912.90	213,259	3.32%	2.90%	186,090	(27,169)
16		TOTAL ACCOUNT 355		8,929,143.09	278,362			244,781	(33,581)
17	360.00	COLLECTION MAINS - FORCE	70-R3	86,683,236.48	1,406,319	1.62%	1.44%	1,248,239	(158,080)
18	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	177,453,811.94	3,242,874	1.83%	1.52%	2,697,298	(545,576)
19	362.00	SPECIAL COLLECTING STRUCTURES	45-R3	11,400.44	302	2.65%	2.42%	276	(26)
20	363.00	SERVICES	70-R4	30,347,531.13	378,927	1.25%	1.16%	352,031	(26,896)
21	364.00	METERS	30-L2.5	1,186,479.96	38,111	3.21%	2.70%	32,035	(6,076)
22	370.30	RECEIVING WELLS	40-S2.5	3,175,305.11	96,276	3.03%	2.71%	86,051	(10,225)
	371.00	PUMPING EQUIPMENT							
23		PUMPING	30-L1.5	37,906,769.95	1,258,628	3.32%	2.52%	955,251	(303,377)
24		RECLAIMED WATER TREATMENT	30-L1.5	216,048.53	6,442	2.98%	2.38%	5,142	(1,300)
25		TOTAL ACCOUNT 371		38,122,818.48	1,265,070			960,393	(304,677)
26	380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	113,197,260.60	3,281,875	2.90%	2.32%	2,626,176	(655,699)
	381.00	PLANT SEWERS							
27		TREATMENT AND DISPOSAL	40-R2	122,375.79	3,385	2.77%	2.32%	2,839	(546)
28		RECLAIMED WATER TREATMENT	40-R2	6,264.17	180	2.87%	2.46%	154	(26)
29		TOTAL ACCOUNT 381		128,639.96	3,565			2,993	(572)
30	382.00	OUTFALL LINES	40-R2.5	375,199.36	10,531	2.81%	2.47%	9,267	(1,264)
	389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT							
31		COLLECTION	20-L3	661,408.27	24,913	3.77%	3.40%	22,488	(2,425)
32		PUMPING	20-L3	67,370.96	2,884	4.28%	3.78%	2,547	(337)
33		TREATMENT AND DISPOSAL	25-S2.5	12,074.50	337	2.79%	2.52%	304	(33)
34		TOTAL ACCOUNT 389		740,853.73	28,134			25,339	(2,795)
	390.00	OFFICE FURNITURE AND EQUIPMENT							
35		FURNITURE	20-SQ	40,671.88	1,587	*	3.90%	1,586	(1)
36		OFFICE EQUIPMENT	10-SQ	129,729.49	30,265	*	23.33%	30,266	1
37		COMPUTER HARDWARE	5-SQ	525,027.73	107,217	*	20.42%	107,211	(6)
38		COMPUTER SOFTWARE - 10 YEARS	10-SQ	801,536.58	70,283	*	8.77%	70,295	12
39		COMPUTER SOFTWARE - 15 YEARS	15-SQ	830,553.89	47,922	*	5.77%	47,923	1
40		TOTAL ACCOUNT 390		2,327,519.57	257,274			257,280	6
	391.00	TRANSPORTATION EQUIPMENT	13-S1.5	2,156,574.12	72,192	3.35%	2.86%	61,678	(10,514)
41	392.00	STORES EQUIPMENT	20-SQ	5,075.00	439	*	8.65%	439	(0)
42	393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	950,830.46	53,989	*	5.68%	54,007	18
43	394.00	LABORATORY EQUIPMENT	25-SQ	1,053,254.11	40,113	*	3.81%	40,129	16
44	395.00	POWER OPERATED EQUIPMENT	20-L4	224,475.89	6,779	3.02%	2.88%	6,465	(314)
		COMMUNICATION EQUIPMENT							
45	396.00	GENERAL	15-SQ	1,931,283.56	133,735	*	6.92%	133,645	(90)
46	396.70	SCADA	10-SQ	4,461,271.50	469,425	*	10.52%	469,326	(99)
47		TOTAL ACCOUNT 396		6,392,555.06	603,160			602,971	(189)
48	397.00	MISCELLANEOUS EQUIPMENT	25-SQ	43,665.44	1,164	*	2.67%	1,166	2
49		**TOTAL DEPRECIABLE PLANT**		**623,336,317.54**	**14,748,193**			**12,346,204**	**(2,401,989)**
50		**TOTAL WASTEWATER PLANT IN SERVICE**		**637,482,286.39**	**14,748,193**			**12,346,204**	**(2,401,989)**
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
		DEPRECIABLE PLANT							
	354.00	STRUCTURES AND IMPROVEMENTS							
51		COLLECTION	40-S1.5	1,767,436.23	46,382	2.62%	2.18%	38,530	(7,852)
52		PUMPING	55-R2	1,398,102.45	29,074	2.08%	1.65%	23,069	(6,005)
53		TREATMENT AND DISPOSAL	45-S1	6,615,296.50	171,326	2.59%	2.18%	144,213	(27,113)
54		GENERAL	50-R3	14,636.81	275	1.88%	1.75%	256	(19)
55		TOTAL ACCOUNT 354		9,795,471.99	247,057			206,068	(40,989)
56	360.00	COLLECTION MAINS - FORCE	70-R3	10,839,254.59	174,327	1.61%	1.41%	152,833	(21,494)
57	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	9,378,594.15	177,422	1.89%	1.56%	146,306	(31,116)
58	363.00	SERVICES	70-R4	2,701,859.06	36,619	1.36%	1.26%	34,043	(2,576)
59	371.30	PUMPING EQUIPMENT - PUMPING	30-L1.5	667,549.13	24,056	3.60%	2.72%	18,157	(5,899)
60	380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	1,617,779.51	29,559	1.83%	1.51%	24,428	(5,131)
61	381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R2	1,536.55	18	1.17%	1.16%	18	(0)
62	382.00	OUTFALL LINES	40-R2.5	1,536.55	17	1.11%	1.04%	16	(1)
63	389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	500	3.84%	3.36%	438	(62)
64	396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	1,135	10.15%	9.62%	1,076	(59)
65		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**		**35,027,794.74**	**690,710**			**583,385**	**(107,325)**
66		**AMORTIZATION OF NET SALVAGE**			**75,226**			**75,226**	**0**
67		**TOTAL WASTEWATER PLANT**		**602,454,491.65**	**14,132,709**			**11,838,045**	**(2,294,664)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Line No.	Account No.	Account Description	Per Company Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
		INTANGIBLE PLANT							
1	351.00	ORGANIZATION	NONDEPR.	665,281.75					
2		**TOTAL INTANGIBLE PLANT**		665,281.75					
		NONDEPRECIABLE PLANT							
3	353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	628.19					
4		**TOTAL NONDEPRECIABLE PLANT**		628.19					
		DEPRECIABLE PLANT							
	354.00	STRUCTURES AND IMPROVEMENTS							
5		COLLECTION	40-S1.5	29,622.54	902	3.04%	2.53%	749	(153)
6		PUMPING	55-R2	4,218,136.91	179,965	4.27%	3.80%	160,289	(19,676)
7		TREATMENT AND DISPOSAL	45-S1	5,514,390.74	400,229	7.26%	6.77%	373,324	(26,905)
8		RECLAIMED WATER TREATMENT	60-R2.5	256.35	5	1.95%	1.66%	4	(1)
9		GENERAL	50-R3	2,344.55	55	2.35%	2.06%	48	(7)
10		TOTAL ACCOUNT 354		9,764,751.09	581,156			534,415	(46,741)
	355.00	POWER GENERATING EQUIPMENT							
11		COLLECTION	30-R3	26,011.89	1,002	3.85%	3.38%	879	(123)
12		PUMPING	30-R3	230,826.32	26,265	11.38%	11.25%	25,968	(297)
13		TREATMENT AND DISPOSAL	30-R3	31,089.64	1,191	3.83%	3.32%	1,032	(159)
14		TOTAL ACCOUNT 355		287,927.85	28,458			27,879	(579)
15	360.00	COLLECTION MAINS - FORCE	70-R3	1,926,263.62	53,808	2.79%	2.51%	48,349	(5,459)
16	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	37,942,702.72	1,235,099	3.26%	2.89%	1,096,544	(138,555)
17	363.00	SERVICES	70-R4	3,251,486.65	97,273	2.99%	2.79%	90,716	(6,557)
18	364.00	METERS	30-L2.5	247,790.24	20,367	8.22%	7.41%	18,361	(2,006)
									0
	371.00	PUMPING EQUIPMENT							0
19		PUMPING	30-L1.5	1,494,965.11	101,172	6.77%	5.75%	85,960	(15,212)
20		RECLAIMED WATER TREATMENT	30-L1.5	111.80	5	4.47%	3.29%	4	(1)
21		TOTAL ACCOUNT 371		1,495,076.91	101,177			85,964	(15,213)
22	393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	83,045.15	4,345	*	5.23%	4,343	(2)
23	395.00	POWER OPERATED EQUIPMENT	20-L4	33,507.55	1,824	*	5.13%	1,719	(105)
									0
		COMMUNICATION EQUIPMENT							0
24	396.00	GENERAL	15-SQ	286,525.97	19,281	*	6.73%	19,283	2
25	396.70	SCADA	10-SQ	484,948.33	48,465	*	9.99%	48,446	(19)
26		TOTAL ACCOUNT 396		771,474.30	67,746			67,730	(16)
27		**TOTAL DEPRECIABLE PLANT**		**55,804,026.08**	**2,191,253**			**1,976,022**	**(215,231)**
28		**TOTAL WASTEWATER PLANT IN SERVICE**		**56,469,936.02**	**2,191,253**			**1,976,022**	**(215,231)**
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
		DEPRECIABLE PLANT							
29	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	38,308.00	740	1.93%	1.54%	590	(150)
30	363.00	SERVICES	70-R4	18,010.00	277	1.54%	1.43%	258	(19)
31		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**		**56,318.00**	**1,017**			**847**	**(170)**
32		**AMORTIZATION OF NET SALVAGE**			**303**			**303**	**0**
33		**TOTAL WASTEWATER PLANT**		**56,413,618.02**	**2,190,539**			**1,975,477**	**(215,062)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Line No.	Account No.	Account Description	Survivor Curve	Per Company Original Cost As of December 31, 2025	Per Company Calculated Annual Accrual Amount	Per Company Calculated Annual Accrual Percent	Per OCA Depreciation Rate	Per OCA Accrual Amount	Difference
			(A)	(B)	(C)	(D)	(E)	(F)	(G) = (F) - (C)
		INTANGIBLE PLANT							
1	351.00	ORGANIZATION	NONDEPR.	$ 479,509					
2		**TOTAL INTANGIBLE PLANT**		$ 479,509					
		NONDEPRECIABLE PLANT							
3	353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	$ 668					
4	353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	$ 13					
5		**TOTAL NONDEPRECIABLE PLANT**		$ 681					
		DEPRECIABLE PLANT							
	354.00	STRUCTURES AND IMPROVEMENTS							
6		COLLECTION	40-S1.5	$ 30,183	$ 919	3.04%	2.53%	764	(155)
7		PUMPING	55-R2	$ 8,474,816	$ 243,330	2.87%	2.39%	202,548	(40,782)
8		TREATMENT AND DISPOSAL	45-S1	$ 11,280,516	$ 388,014	3.44%	2.74%	309,086	(78,928)
9		TOTAL ACCOUNT 354		$ 19,785,515	$ 632,263			512,398	(119,865)
	355.00	POWER GENERATING EQUIPMENT							
10		COLLECTION	30-R3	$ 6,041	$ 233	3.86%	3.38%	204	(29)
11		PUMPING	30-R3	$ 85,050	$ 4,434	5.21%	4.69%	3,989	(445)
12		TREATMENT AND DISPOSAL	30-R3	$ 6,706	$ 261	3.89%	3.40%	228	(33)
		TOTAL ACCOUNT 355		$ 97,798	$ 4,928			4,421	(507)
13	360.00	COLLECTION MAINS - FORCE	70-R3	$ 3,934,143	$ 105,467	2.68%	2.40%	94,419	(11,048)
14	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	$ 33,571,050	$ 943,608	2.81%	2.43%	815,777	(127,831)
15	363.00	SERVICES	70-R4	$ 7,317,196	$ 167,272	2.29%	2.13%	155,856	(11,416)
16	364.00	METERS	30-L2.5	$ 92,320	$ 10,539	11.42%	11.11%	10,257	(282)
	371.00	PUMPING EQUIPMENT							
17		PUMPING	30-L1.5	$ 82,720	$ 5,622	6.80%	5.64%	4,665	(957)
18		TOTAL ACCOUNT 371		$ 82,720	$ 5,622			4,665	(957)
19	380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	$ 3	$ -	0.00%	2.67%	0	0
20	397.00	MISCELLANEOUS EQUIPMENT	25-SQ	$ 753,201	$ 30,743	*	4.08%	30,731	(12)
21		**TOTAL DEPRECIABLE PLANT**		**$ 65,633,946**	**$ 1,900,442**			**1,628,524**	**(271,918)**
22		**TOTAL WASTEWATER PLANT IN SERVICE**		**$ 66,114,136**	**$ 1,900,442**			**1,628,524**	**(271,918)**
		CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
		DEPRECIABLE PLANT							
23	361.00	COLLECTION MAINS - GRAVITY	65-R2.5	$ 473,771	$ 9,115	1.92%	1.53%	7,249	(1,866)
24	363.00	SERVICES	70-R4	$ 79,205	$ 1,212	1.53%	1.43%	1,133	(79)
25		**TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION**		**$ 552,976**	**$ 10,327**			**8,381**	**(1,946)**
26		**AMORTIZATION OF NET SALVAGE**			**$ 48**			**48**	**0**
27		**TOTAL WASTEWATER PLANT**		**$ 65,561,160**	**$ 1,890,163**			**1,620,191**	**(269,972)**

Notes and Source:
Cols. A-D: Aqua PA Water Base 2025 Depreciation Study, Table 1
Col. E: Recommended depreciation rates sponsored by OCA witness Brian Andrews

Line No.	Description	Per Company 12/31/2024 (A)	Per Company 12/31/2025 (B)	Total (C) = (A) + (B)	Per OCA (D)	OCA Adjustment (E) = (D) - (C)
	Water					
1	Total Operating Expenses Subject to Effects of Inflation	$ 27,156,820	$ 27,811,653			
2	Inflation Factor	2.425%	2.300%			
3	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 658,553	$ 639,668	$ 1,298,221	$ -	$ (1,298,221)
	Shenandoah Water					
4	Total Operating Expenses Subject to Effects of Inflation	$ 582,678	$ 596,808			
5	Inflation Factor	2.425%	2.300%			
6	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 14,130	$ 13,727	$ 27,857	$ -	$ (27,857)
	Wastewater					
7	Total Operating Expenses Subject to Effects of Inflation	$ 7,835,118	$ 8,153,740			
8	Inflation Factor	2.425%	2.300%			
9	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 190,002	$ 187,536	$ 377,538	$ -	$ (377,538)
	Lower Makefield Wastewater					
10	Total Operating Expenses Subject to Effects of Inflation	$ 473,978	$ 485,472			
11	Inflation Factor	2.425%	2.300%			
12	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 11,494	$ 11,166	$ 22,660	$ -	$ (22,660)
	East Whiteland Wastewater					
13	Total Operating Expenses Subject to Effects of Inflation	$ 448,259	$ 425,157			
14	Inflation Factor	2.425%	2.300%			
15	Estimated Effect of Inflation at Annual Rate Pro Forma Adjustment	$ 10,870	$ 9,779	$ 20,649	$ -	$ (20,649)
16	Total Adjustment to Remove General Inflation					$ (1,746,924)

Notes and Source:

Cols. A and B, Lines 1-3: Exhibit 1-A, Schedule 4.1 from the Company's filing
Cols. A and B, Lines 4-6: Exhibit 1-B, Schedule 4.1 from the Company's filing
Cols. A and B, Lines 7-9: Exhibit 1-C, Schedule 4.1 from the Company's filing
Cols. A and B, Lines 10-12: Exhibit 1-D, Schedule 4.1 from the Company's filing
Cols. A and B, Lines 13-15: Exhibit 1-E, Schedule 4.1 from the Company's filing

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Revenue - Bill Discount Credits

Fully Projected Future Test Year Ending December 31, 2025

Line No.	Description	Water Base (A)	Wastewater Base (B)	Total (C)
1	Adjustment to Revenue for Bill Discount Credits	$ 2,455,932	$ 352,627	$ 2,808,559

Notes and Source:
Cols A-B: Amounts sponsored by OCA witness Roger Colton

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Uncollectibles Expense - Arrearage Forgiveness

Exhibit LA-5
Schedule C-4
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Fully Projected Future Test Year Ending December 31, 2025

Line No.	Description	Water Base (A)	Wastewater Base (B)	Total (C)
1	Arrearage Foregiveness Per Aqua PA	$ 2,063,988	$ 228,018	$ 2,292,006
2	Arrearage Foregiveness Per OCA	$ 1,251,368	$ 138,244	$ 1,389,612
3	OCA Adjustment to Arrearage Forgiveness	$ (812,620)	$ (89,774)	$ (902,394)

Notes and Source:
Line 1: Amounts from Schedule C-4.2 from Aqua PA's filing
Line 2: OCA recommended arrearage forgiveness amounts sponsored by OCA witness Roger Colton

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Legal Expenses - Appeals

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-5
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C) = (B) - (A)
	Water			
1	Legal Expense - 3 Year Average	$ 745,787	$ 745,787	
2	Legal Matter - Twin Lakes Water - 529 Proceeding Appeal - 2022 Legal Expenses		$ (118,278)	
3	Legal Matter - Twin Lakes Water - 529 Proceeding Appeal - 2023 Legal Expenses		$ (81,776)	
4	Total Legal Matter -Water Legal Expenses		$ (200,054)	
5	3 Years		3	
6	Total Legal Matter -Water Legal Expenses - 3 Year Average		$ (66,685)	
7	Total Legal Expense - Water Base	$ 745,787	$ 679,102	$ (66,685)
	Wastewater			
8	Legal Expense - 3 Year Average	$ 58,328	$ 58,328	
9	Legal Matter - DELCORA Sewer - 1329 Appeal - 2022 Legal Expenses		$ (17,418)	
10	Legal Matter - East Whiteland Sewer - 1329 Appeal - 2022 Legal Expenses		$ (9,469)	
11	Legal Matter - East Whiteland Sewer - 1329 Appeal - 2023 Legal Expenses		$ (27,730)	
12	Total Legal Matter - Wastewater Legal Expenses		$ (54,617)	
13	3 Years		3	
14	Total Legal Matter - Wastewater Legal Expenses - 3 Year Average		$ (18,206)	
15	Total Legal Expense - Wastewater Base	$ 58,328	$ 40,122	$ (18,206)
16	Total Adjustment to Legal Expense			$ (84,890)

Notes and Source:
Line 1: Exhibit 1-A, Schedule C-9.1 from the Company's filing
Line 8: Exhibit 1-C, Schedule C-9.1 from the Company's filing
Lines 2-3 and 9-11: Company response to OCA-IX-19

Line No.	Description	Water Base Amount (A)
1	Adjustment to O&M Expense Related to Water Conservation Kits	110,000

Notes and Source:
Col. A: Adjustment amount sponsored by OCA witness Roger Colton

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Payroll Expense - Seasonal Positions

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-7
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Position Title	Per Company Amount (A)	Per OCA Amount (B)	OCA Adjustment (C)
1	Gross Payroll Expense for Seasonal Positions	$ 8,060	$ 8,060	
2	Number of Seasonal Positions	35	15	
3	Revised OCA Adjustment to Payroll Expense for Seasonal Positions	$ 282,100	$ 120,900	$ (161,200)

Notes and Source:
Col. A: Gross Payroll amount and number of seasonal positions included in FTY and FPFTY per the response to OCA-XXVIII-4
Col. B: Number of actually filled seasonal positions as of 8/31/2024 per the response to OCA-XXVIII-1

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Payroll Expense - Vacancies

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-8
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	Water Base Per Company (A)	Water Base Per OCA (B)	Water Base OCA Adjustment (C)	Wastewater Base Per Company (D)	Wastewater Base Per OCA (E)	Wastewater Base OCA Adjustment (F)
1	Vacancy Adjustment to Payroll Expense	$ (992,588)	$ (2,264,334)	$ (1,271,746)	$ (97,292)	$ (227,913)	$ (130,620)

Notes and Source:
Cols. A&D: Amounts from Exhibit CEM-1-R, which was filed in conjunction with the rebuttal testimony of Company witness Manning and calculated below
Cols. B&E: Amounts calculated using the data from Highly Confidential Exhibit 2-For Filing and the response to OCA-IX-1

Per Company Gross Payroll Expense from Exhibit CEM-1-R calculated below:

	Description	Water Base	Reference	Wastewater Base	Reference
	Non-Union				
2	Non-Union Regular	$ 21,585,299		$ 2,613,469	
3	Less: Non-Union Overtime	$ (496,757)		$ (58,398)	
4	Less: Seasonals/Co-Ops/Part Time Employees (Non-Union)	$ (557,727)		$ (4,631)	
5	Vacancy Eligible Amounts	$ 20,530,815	L2 + L3+ L4	$ 2,550,441	L2 + L3+ L4
6	Vacancy Rate Per Company	2.00%		2.00%	
7	Vacancy Credit Per Company	$ (410,616)	L5 x L6	$ (51,009)	L5 x L6
8	Gross Payroll Expense for Non-Union Employees	$ 20,120,198	L5 + L7	$ 2,499,432	L5 + L7
9	Add: Non-Union Overtime	$ 496,757		$ 58,398	
10	Add: Seasonals/Co-Ops/Part Time Employees (Non-Union)	$ 557,727		$ 4,631	
11	Adjusted Non-Union Gross Payroll After Vacancy Credit	$ 21,174,682	L8 + L9+ L10	$ 2,562,460	L8 + L9+ L10
	Union				
12	Union Regular	$ 35,828,917		$ 2,731,580	
13	Less: Union Overtime	$ (6,730,319)		$ (417,402)	
14	Vacancy Eligible Amounts	$ 29,098,597	L12 + L13	$ 2,314,178	L12 + L13
15	Vacancy Rate Per Company	2.00%		2.00%	
16	Vacancy Credit Per Company	$ (581,972)	L14 x L15	$ (46,284)	L14 x L15
17	Gross Payroll Expense for Union Employees	$ 28,516,625	L14 + L16	$ 2,267,895	L14 + L16
18	Add: Union Overtime	$ 6,730,319		$ 417,402	
19	Adjusted Union Gross Payroll After Vacancy Credit	$ 35,246,945	L17 + L18	$ 2,685,297	L17 + L18
20	Total Gross Payroll Expense After Vacancy Credit (line 1, Cols. A&D)	$ 56,421,627	L11 + L19	$ 5,247,757	L11 + L19
	Per Company Summary				
21	Total Vacancy Eligible Amounts Per Company	$ 49,629,412	L5 + L14	$ 4,864,619	L5 + L14
22	Vacancy Rate	2.00%		2.00%	
23	Total Vacancy Credit - Per Company	$ (992,588)	L21 x L22	$ (97,292)	L21 x L22

Per OCA

		Water Base	Reference	Wastewater Base	Reference
24	Total Vacancy Eligible Amounts Per Company	$ 49,629,412	L5 + L14	$ 4,864,619	L5 + L14
25	Vacancy Rate Per OCA	4.56%	OCA Workpaper	4.69%	OCA Workpaper
26	Total Vacancy Credit - Per OCA	$ (2,264,334)	L24 x L25	$ (227,913)	L24 x L25

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Payroll Tax Expense

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-9
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 2
Revised

Line No.	Description	Water Base Per Company (A)	Water Base Per OCA (B)	OCA Adjustment (C)
	Total Payroll Taxes Before Adjustments			
1	FICA OASDI	$ 3,871,432	$ 3,871,432	
2	FICA Medicare	$ 924,996	$ 924,996	
3	FICA Total	$ 4,796,428	$ 4,796,428	
4	FUTA	$ 27,384	$ 27,384	
5	SUTA	$ 137,720	$ 137,720	
6	Annualized Payroll Taxes	$ 4,961,532	$ 4,961,532	
	Payroll Taxes Related to Seasonals / Part-Time and Co-Op			
7	FICA OASDI	$ 34,866	$ 7,496	
8	FICA Medicare	$ 8,154	$ 1,753	
9	FICA Total	$ 43,020	$ 9,249	
10	FUTA	$ 1,764	$ 630	
11	SUTA	$ 7,565	$ 2,580	
12	Annualized Payroll Taxes	$ 52,349	$ 12,458	
	Payroll Taxes Eligible for Vacancy Adjustment (Total Less Seasonal / Part-time and Co-Op)			
13	FICA OASDI	$ 3,836,566	$ 3,863,936	
14	FICA Medicare	$ 916,841	$ 923,243	
15	FICA Total	$ 4,753,407	$ 4,787,179	
16	FUTA	$ 25,620	$ 26,754	
17	SUTA	$ 130,156	$ 135,141	
18	Annualized Payroll Taxes	$ 4,909,183	$ 4,949,073	
	Vacancy Rate Adjustment			
19	Vacancy Rate	2.00%	4.56%	
20	FICA OASDI	$ (76,731)	$ (176,291)	
21	FICA Medicare	$ (18,337)	$ (42,123)	
22	FICA Total	$ (95,068)	$ (218,414)	
23	FUTA	$ (512)	$ (1,221)	
24	SUTA	$ (2,603)	$ (6,166)	
25	Annualized Vacancy Adjustment	$ (98,184)	$ (225,801)	
	Payroll Taxes Claim after Vacancy Adjustment			
26	FICA OASDI	$ 3,794,701	$ 3,695,140	
27	FICA Medicare	$ 906,659	$ 882,873	
28	FICA Total	$ 4,701,359	$ 4,578,013	
29	FUTA	$ 26,872	$ 26,163	
30	SUTA	$ 135,117	$ 131,554	
31	Annualized Payroll Taxes	$ 4,863,348	$ 4,735,731	
32	Capitalization Rate	31.67%	31.67%	
33	Capitalized Portion Not Charged	$ (1,540,222)	$ (1,499,806)	
34	Total Payroll Tax Expense	$ 3,323,126	$ 3,235,925	$ (87,201)

Notes and Source
Col. A: Amounts from the response to OCA-XXVIII-12
Col. B: Amounts reflect 15 seasonal positions and OCA's recommended vacancy rate

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Payroll Tax Expense

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-9
Docket Nos. R-2024-3047822 and R-2024-3047824
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Revised

Line No.	Description	Wastewater Base (A)	Reference
	Social Security Taxes		
1	Adjustment to Payroll Expense for Vacant Positions	$ (130,620)	A
2	Social Security Tax Rate	6.20%	
3	Adjustment to Social Security Taxes	$ (8,098)	
	Medicare Taxes		
4	Adjustment to Payroll Expense for Vacant Positions	$ (130,620)	A
5	Medicare Tax Rate	1.45%	
6	Adjustment to Medicare Taxes	$ (1,894)	
7	Total Adjustment to Payroll Tax Expense	$ (9,992)	L3 + L6

Notes and Source:
A: See Schedule C-8

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
401K Expense

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-10
Docket Nos. R-2024-3047822 and R-2024-3047824
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Revised

Line No.	Description	Per OCA (A)	Reference
1	OCA Payroll Expense Adjustment	$ (1,271,746)	A
2	Ratio of 401(k) Expense to Payroll Expense	7.87%	B
3	OCA Adjustment to 401(k) Expense	$ (100,097)	

Notes and Source:
A: See Schedule C-8
B: Ratio of 401(k) Expense to Payroll Expense calculated below:

		Expensed Amounts	Total Amounts	Reference
4	Annualized 401k Expense	$ 2,982,019	$ 4,364,143	Sch. C-8.4
	Aqua Payroll Expense			
5	Non-Union	$ 14,218,799	$ 21,174,682	Sch. C-4.5
6	Union	$ 23,668,323	$ 35,246,945	Sch. C-4.5
7	Total Payroll Expense	$ 37,887,123	$ 56,421,627	
8	Ratio of 401(k) Expense to Payroll Expense	7.87%	7.73%	L4 / L7

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Employee Group Insurance Expense

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-11
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	Per Company (A)	Per OCA (B)	OCA Adjustment (C)
	Water Base Operations			
1	Medical/Prescription/Vision/Dental	$ 8,808,008	$ 8,577,698	$ (230,310)
2	Life/ADD/LTD	$ 462,726	$ 450,627	$ (12,099)
3	Total Employee Group Insurance Expense	$ 9,270,734	$ 9,028,325	$ (242,409)
4	Capitalization Rate	31.67%	31.67%	
5	Less: Capitalized Payroll	$ (2,936,041)	$ (2,859,270)	$ 76,771
6	Expensed Annualized 401k - Company Match	$ 6,334,692	$ 6,169,054	$ (165,638)
	Wastewater Base Operations			
7	Wastewater Intracompany Benefits Charged to O&M	$ 2,114,321	$ 2,060,770	$ (53,552)

Notes and Source:

Col. A: Per Company amounts from the response to OCA-XXVIII-14 and Schedule C-8.1 on Company Exhibit 1-A and calculated below:

	Description	FPFTY Amount	Payroll Vacancy Rate	Company Adjustment	Company Adjusted
8	Medical/Prescription/Vision/Dental	$ 8,987,763	2.00%	$ (179,755)	$ 8,808,008
9	Life/ADD/LTD	$ 472,170	2.00%	$ (9,443)	$ 462,726
10	Total	$ 9,459,932		$ (189,199)	$ 9,270,734

Col. B: Amounts from using information from OCA-XXVIII-14 and OCA's payroll vacancy rate shown on Schedule C-8 and calculated below:

	Water Base Operations Description	Amount	Payroll Vacancy Rate	OCA Adjustment	OCA Adjusted
11	Medical/Prescription/Vision/Dental Per Company	$ 8,987,763	4.56%	$ (410,065)	$ 8,577,698
12	Life/ADD/LTD Per Company	$ 472,170	4.56%	$ (21,543)	$ 450,627
13	Total Employee Group Insurance Expense Per Company	$ 9,459,932		$ (431,608)	$ 9,028,325

Wastewater Base Operations

Col. B, line 7 calculated below:

	Description	Per Company*	Per OCA	Reference
14	Expensed Non-Union Payroll Expense	$ 1,720,692	$ 1,673,898	OCA Sch. C-8 Workpaper
15	Expensed Union Payroll Expense	$ 1,803,177	$ 1,760,718	OCA Sch. C-8 Workpaper
16	Total Payroll Expense	$ 3,523,869	$ 3,434,616	
17	Intercompany Benefits Rate	60%	60%	Exh. 1-C Wastewater Base from Aqua's filing
18	Wastewater Intracompany Benefits Charged to O&M	$ 2,114,321	$ 2,060,770	

* Company amounts from Schedule C-4.5 from Aqua's water and wastewater base filings

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Intracompany Benefits

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-12
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	Water Base Per Company (A)	Water Base Per OCA (B)	Water Base OCA Adjustment (C)
1	Shenandoah Water	$ (210,511)	$ (210,511)	$ -
2	Wastewater Base	$ (2,114,321)	$ (2,060,770)	$ 53,552
3	Lower Makefield Wastewater	$ (96,559)	$ (96,559)	$ -
4	East Whiteland Wastewater	$ (101,900)	$ (101,900)	$ -
5	Total Intracompany Benefits	$ (2,523,291)	$ (2,469,740)	$ 53,552

Notes and Source:
Col. A: Amounts from Schedule C-8.5 on Company Exhibit 1-A
Col. B, Line 2: Amount from Schedule C-11, column B, line 7

Line No.	Description	Water Operations	Shenandoah Water	Wastewater Operations	Lower Makefield Wastewater	East Whiteland Wastewater
		(A)	(B)	(C)	(D)	(E)
1	Increase (Decrease) to State Income Tax Expense	$ (504,553)	$ (2,129)	$ (52,696)	$ (6,927)	$ (8,271)
2	Increase (Decrease) to Federal Income Tax Expense	$ (1,220,154)	$ (5,150)	$ (127,433)	$ (16,751)	$ (20,002)
3	Increase (Decrease) to Income Tax Expense	$ (1,724,707)	$ (7,279)	$ (180,128)	$ (23,678)	$ (28,273)

Notes and Source:
See pages 2 through 6 of this schedule

Line No.	Description	Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$ 4,309,687,631	Schedule B , page 1
2	Weighted Cost of Debt, per OCA	2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$ 92,227,315	L1 x L2
4	Interest Deduction per Company	$ 85,912,507	Note A
5	Decrease in Deductible Interest	$ 6,314,808	L3 - L4
6	State Income Tax Rate	7.99%	
7	Increase to State Income Tax	$ (504,553)	L5 x L6
8	Federal Taxable Income	$ 5,810,255	L5 + L7
9	Federal Income Tax Rate	21.00%	
10	Increase to Federal Income Tax Expense	$ (1,220,154)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$ (1,724,707)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-A, Schedule E-1

Note B: Per OCA Schedule D, page 1:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Debt	2.14%

Line No.	Description	Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$ 16,132,758	Schedule B , page 2
2	Weighted Cost of Debt, per OCA	2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$ 345,241	L1 x L2
4	Interest Deduction per Company	$ 318,589	Note A
5	Decrease in Deductible Interest	$ 26,652	L3 - L4
6	State Income Tax Rate	7.99%	
7	Increase to State Income Tax	$ (2,129)	L5 x L6
8	Federal Taxable Income	$ 24,523	L5 + L7
9	Federal Income Tax Rate	21.00%	
10	Increase to Federal Income Tax Expense	$ (5,150)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$ (7,279)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-B, Schedule E-1

Note B: Per OCA Schedule D, page 1:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Long-Term Debt	2.14%

Line No.	Description		Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$	395,996,751	Schedule B , page 3
2	Weighted Cost of Debt, per OCA		2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$	8,474,330	L1 x L2
4	Interest Deduction per Company	$	7,814,812	Note A
5	Decrease in Deductible Interest	$	659,518	L3 - L4
6	State Income Tax Rate		7.99%	
7	Increase to State Income Tax	$	(52,696)	L5 x L6
8	Federal Taxable Income	$	606,823	L5 + L7
9	Federal Income Tax Rate		21.00%	
10	Increase to Federal Income Tax Expense	$	(127,433)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$	(180,128)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-C, Schedule E-1

Note B: Per OCA Schedule D, page 2:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Long-Term Debt	2.14%

Line No.	Description	Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$ 50,950,987	Schedule B , page 4
2	Weighted Cost of Debt, per OCA	2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$ 1,090,351	L1 x L2
4	Interest Deduction per Company	$ 1,003,658	Note A
5	Decrease in Deductible Interest	$ 86,693	L3 - L4
6	State Income Tax Rate	7.99%	
7	Increase to State Income Tax	$ (6,927)	L5 x L6
8	Federal Taxable Income	$ 79,766	L5 + L7
9	Federal Income Tax Rate	21.00%	
10	Increase to Federal Income Tax Expense	$ (16,751)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$ (23,678)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-D, Schedule E-1

Note B: Per OCA Schedule D, page 2:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Long-Term Debt	2.14%

Line No.	Description	Amount (A)	Reference
1	Adjusted Rate Base, per OCA	$ 61,185,767	Schedule B , page 5
2	Weighted Cost of Debt, per OCA	2.14%	Note B
3	Going-Level Interest Deduction for Tax Purposes	$ 1,309,375	L1 x L2
4	Interest Deduction per Company	$ 1,205,856	Note A
5	Decrease in Deductible Interest	$ 103,519	L3 - L4
6	State Income Tax Rate	7.99%	
7	Increase to State Income Tax	$ (8,271)	L5 x L6
8	Federal Taxable Income	$ 95,248	L5 + L7
9	Federal Income Tax Rate	21.00%	
10	Increase to Federal Income Tax Expense	$ (20,002)	L8 x L9
11	Overall Increase (Decrease) to Income Tax Expense	$ (28,273)	L7 + L10

Notes and Source:

Note A: Company filing Exhibit 1-E, Schedule E-1

Note B: Per OCA Schedule D, page 2:

Long-Term Debt Percent	49.47%
Long-Term Debt Cost Rate	4.32%
Weighted Cost of Long-Term Debt	2.14%

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Adjustment to Federal and State Income Tax Expense for Repairs Deductions

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-14
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Revised

Line No.	Description	Per Company - 2025 Water	Per Company - 2025 Wastewater	Per OCA - 2025 Water	Per OCA - 2025 Wastewater	OCA Adjustment Water	OCA Adjustment Wastewater	Reference
		(A)	(B)	(C)	(D)	(E) = (C) - (A)	(F) = (D) - (B)	
1	Tax Repairs - Deductions	$ 158,600,000	$ 4,460,000	$ 187,470,948	$ 5,346,574	$ 28,870,948	$ 886,574	
2	State Income Tax Rate	7.99%	7.99%	7.99%	7.99%	7.99%	7.99%	A
3	State Income Tax Expense	$ (12,672,140)	$ (356,354)	$ (14,978,929)	$ (427,191)	$ (2,306,789)	$ (70,837)	L1 x L2
4	Federal Taxable Income	$ 145,927,860	$ 4,103,646	$ 172,492,020	$ 4,919,383	$ 26,564,160	$ 815,737	L1 + L3
5	Federal Income Tax Rate	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
6	Federal Income Tax Expense	$ (30,644,851)	$ (861,766)	$ (36,223,324)	$ (1,033,070)	$ (5,578,474)	$ (171,305)	L4 x L5
7	Total Adjustment to Income Tax Expense					$ (7,885,262)	$ (242,142)	

Notes and Source:

Cols. A and B, Line 1: Amounts from the response to OCA-IX-24 (Columns A and B amounts also shown on Schedule F-2 from Aqua Exhibits 1-A and 1-C)
A: State income tax rate for the FPFTY from the "Parameters" tab on Aqua Exhibits 1-A and 1-C

OCA revised amounts per Aqua's response to OCA-XXVIII-28, Attachment 1:

	Description	Water	Wastewater	Total
8	2023 Repairs Deductions	$ 190,445,271	$ 5,415,560	$ 195,860,831
9	AFUDC Removal	$ (2,974,323)	$ (68,986)	$ (3,043,309)
10	Repairs Deductions reported on tax return - To line 1, columns C and D	$ 187,470,948	$ 5,346,574	$ 192,817,522

Aqua Pennsylvania, Inc. & Aqua Pennsylvania Wastewater, Inc.
Other Revenue

Fully Projected Future Test Year Ending December 31, 2025

Exhibit LA-5
Schedule C-15
Docket Nos. R-2024-3047822 and R-2024-3047824
Page 1 of 1
Added

Line No.	Description	Amount (A)	Reference
1	Other Revenue for Marketing Activities for Non-Basic Services	$ 5,061,510	A

Notes and Source

A: Amount from the response to OCA-XXIV-5

Exhibit LA-6

Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.
Docket Nos. R-2024-3047822 (Water) and R-2024-3047824 (Wastewater)
Exhibit LA-6
Copies of Non-Confidential Material Referenced in the
Surrebuttal Testimony of
Ralph C. Smith

Document	Subject	Confidential	No. of Pages	Page No.
OCA-XXIV-5	Revenues of $5,061,510 were booked to Aqua Resources, Inc. for marketing activities for non-basic service provided to Aqua's Pennsylvania customers.	No	1	2
OCA-XXV-1	Details on how Aqua Resources recorded the $5,061,510 for non-basic services to Aqua's Pennsylvania customers.	No	2	3 - 4
OCA-XXVII-16	Aqua PA did not include a PA NOL ADIT in rate base in its 2018 base rate case.	No	1	5
OCA-XXVII-19	Risks to Aqua PA if the repairs deduction collar provision is discontinued.	No	1	6
OCA-XXVII-20	Aqua concedes that interest synchronization is a standard ratemaking procedure in Pennsylvania. Clarification about which aspects of interest synchronization Aqua PA is contesting.	No	1	7
OCA-XXVII-21	There is not a time limit for the Pennsylvania Supreme Court to issue a decision on Aqua PA's attempted acquisition of the East Whiteland utility system. Aqua proposes to credit customer bills if needed.	No	1	8
OCA-XXVIII-1	Filled seasonal positions.	No	1	9
OCA-XXVIII-4	35 seasonal positions included by Aqua in the FPFTY at $8,060 gross regular payroll per position.	No	2	10 - 11
OCA-XXVIII-5	Basis for Company's calculated vacancy rate of 2%.	No	2	12 - 13
OCA-XXVIII-6	Explanation of Aqua's Non-Operating Payroll.	No	1	14
OCA-XXVIII-8	Aqua vacancy credit of $1,108,352.	No	1	15
OCA-XXVIII-11	Aqua has not reflected the $161,200 adjustment shown on Aqua statement 3-R, Manning Rebuttal Testimony, page 7, lines 4-8.	No	1	16
OCA-XXVIII-12	Relationship between payroll expense and payroll tax expense.	No	3	17 - 19
OCA-XXVIII-13	Relationship between 401(k) expense and payroll expense.	No	2	20 - 21
OCA-XXVIII-14	Group insurance for vacant positions.	No	3	22 - 24
OCA-XXVIII-17	PA NOL inclusion in rate base is generally a non-existent issue in Pennsylvania rate cases. Aqua witness Fischer has not presented testimony for Aqua PA or any of its affiliates advocating for a PA NOL inclusion in rate base prior to this case.	No	1	25
OCA-XXVIII-18	Explanations of normalization and flow-through methods. Aqua is using flow-through for PA state income taxes. Aqua omitted rate base inclusion of the PA NOL deferred tax asset in its 2018 and 2021 base rate cases.	No	2	26 - 27
OCA-XXVIII-19	Aqua states: "There is no prior Commission Order addressing the PA NOL." Without the use of normalization accounting for the PA NOL, there would be no funded tax asset to include in rate base.	No	1	28
OCA-XXVIII-20	FAS 109 accounting. Aqua states that: "Amounts included in rate base are determined by whether or not the normalization method of accounting was used, not FAS 109 accounting."	No	2	29 - 30
OCA-XXVIII-23	Aqua anticipates that after January 1, 2025 it will have sufficient state taxable income so it will no longer generate PA state NOLs.	No	2	31 - 32
OCA-XXVIII-27	Aqua has not updated the $195.428 million federal income tax repairs deduction expected to be claimed on its 2023 federal income tax return, which with extensions is due to be filed October 15, 2024.	No	1	33
OCA-XXVIII-28	Repairs deductions, reported on tax return, actual 2020, 2021, and 2022, and estimated for 2023.	No	3	34 - 36
OCA-XXVIII-30	Explanation of UTP (uncertain tax position) and impact on Aqua proposed collar. "The UTP amount is based on the subset of work orders taken as a repairs deduction that has the potential of being reversed upon audit."	No	1	37
OCA-XXVIII-32	Federal income tax amounts. The last tax years that were audited were 2021-2011. As of September 16, 2024, there are no notifications of any amounts of federal income tax returns in which Aqua PA participates.	No	1	38
	PAWC non-confidential responses to OCA 26-015, OCA 26-005, and OCA 26-016 in Docket Nos. R-2023-3043189 (water) and R-2023-30431901 (wastewater) describing how PAWC records revenue from Oncourse Home Solutions/American Water Resources "above the line" in account 471 in the FPFTY and for ratemaking purposes all of those revenues offset PAWC's operating expenses that are recovered through rates.	No	3	39 - 41
	Total Pages Including this Page		41	

Witness: William C. Packer
Date: 09/06/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXIV INTERROGATORIES

OCA-XXIV-5 Identify the revenues received by Aqua or its affiliates with respect to marketing activities for non-basic services to its Pennsylvania customers.

RESPONSE

Revenues are booked to Aqua Resources, Inc. in the amount of $5,061,510. Please also see the response to OCA-XXIV-1.

Witness: William C. Packer
Date: 09/19/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXV INTERROGATORIES

OCA-XXV-1 Refer to the responses to OCA XXIV-5 and XXIV-6, and provide the following information:

a. Identify how much of the $5,061,510 was recorded in each account.
b. Identify how much of the $5,061,510 is for Aqua's water utility.
c. Identify how much of the $5,061,510 is for Aqua's wastewater utility.
d. Were any of the $5,061,510 in revenues booked from utility systems acquired by Aqua in 2023 or 2024? If so, identify how much of that revenue relates to each utility system that was or is being acquired by Aqua in 2023 or 2024?
e. Identify and provide the Aqua Resources accounting records for 2023 and to-date in 2024 showing in detail how the revenues paid by HomeServe are recorded.
f. Are the "regulatory offset fees paid by HomeServe" mentioned in the response to OCA XXIV-6 the exact same thing as the $5,061,510 amount that was identified in the response to OCA XXIV-5? If not, identify the amount of the "regulatory offset fees paid by HomeServe" mentioned in the response to OCA XXIV-6 and explain fully and in detail how those are credited to Aqua's utility customers.
g. For the 2023 HTY, 2024 FTY and 2025 FPFTY, identify all amounts related to the "regulatory offset fees paid by HomeServe" that were reflected by Aqua as offsets to the customer service charges assigned to each Aqua PA utility by the call center.
h. For the 2023 HTY, 2024 FTY and 2025 FPFTY, identify all amounts were reflected by Aqua as customer service charges assigned to each Aqua PA utility by the call center.
i. Please provide comparable information on the revenues in each year 2020, 2021 and 2022 that are comparable to the $5,061,510 amount noted in the response to OCA-XXIV-5.

RESPONSE

a. The amount of $5,061,510 was recorded into Aqua Resources. All revenues from HomeServe are recorded into Aqua Resources. On Aqua Resources, our GL account number is 6104090 and it is called Nonutil Inc. – Home Services.
b. None.
c. None.
d. No.
e. The revenues paid by HomeServe are recorded to GL account number is 6104090 and it is called Nonutil Inc. – Home Services as non-utility revenue and booked into the unregulated affiliate Aqua Resources.
f. No, the regulatory offset fees paid by HomeServe are part of the $5,061,510 amount. The 2023 offset fee total is $2,618.00; the YTD June 2024 total is $5,205. The Company receives $0.40 per call from HomeServe which offsets the Service Company charges which are allocated to the Aqua states.
g. None. No amounts are reflected by Aqua PA water or wastewater utilities as offsets because no costs for services are being charged to Aqua PA initially. No charges associated with HomeServe are billed to Aqua PA or any regulated utility.
h. The total ACO costs billed to Aqua PA for 2023 are $6,058,548.20. The projected ACO costs for 2024 and 2025 are $6,228,779.95 and $6,404,544.24, respectively. None of these charges include any amounts related to HomeServe. As noted above, the ACO time is offset by the $0.40 per call received by HomeServe, which is moved from ACO to Aqua Resources.
i. The revenues are as follows: 2020 - $2,659,932; 2021 - $3,799,757; 2022 - $4,831,632.

Witness: William C. Packer
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
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DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVII INTERROGATORIES

OCA-XXVII-16 Refer to the rebuttal testimony of William Packer, Aqua Statement 1-R, at page 11, lines 19-21.

a. Please confirm that Aqua PA did NOT include a PA NOL amount in its proposed rate base in the rate case that Aqua PA filed in August of 2018.
b. If part a is not confirmed by the Company, identify and provide all specific documentation from the rate case that Aqua PA filed in August of 2018 showing exactly how much PA NOL Aqua proposed to include in rate base in that rate case.
c. Please confirm that in no rate cases prior to the current Aqua PA rate case did Aqua PA propose to include in rate base a PA NOL amount.
d. If part c is not confirmed by the Company, identify and provide all specific documentation from each rate case in which Aqua PA previously included a PA NOL amount in rate base.
e. Please confirm that there are no PA state income tax normalization requirements that require a specific rate base treatment for any PA state income tax NOL carryforward amounts.
f. If part d is not confirmed by the Company, identify, cite and provide all specific PA state income tax requirements that the Company believes require a specific rate base treatment for PA state income tax NOL carryforward related amounts.

RESPONSE

a. Aqua PA did not include a PA NOL ADIT in rate base in the 2018 base rate case.
b. See response to part a.
c. Aqua PA did not record any PA NOLs until 2012. The only rate cases prior to the current case that could have included the PA NOL ADIT in rate base were the 2018 and 2021 base rate cases. The PA ADIT NOL was not included in rate base in either case.
d. See response to part c.
e. See the response to OCA-XV-26 and 27.
f. See the response to part e.

Witness: William C. Packer
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
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DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVII INTERROGATORIES

OCA-XXVII-19 Refer to the rebuttal testimony of William Packer, Aqua Statement 1-R, at page 13, line 9, through page 14, line 8.

a. Please confirm that Mr. Packer's hypothetical is based on deferred accounting treatment being allowed prospectively for variations in tax repairs deductions.
b. Please confirm that without prospective continuation of deferred accounting treatment being allowed prospectively for variations in tax repairs deductions, the risk and responsibility for fluctuations in repairs deductions between rate cases would be on the Company, not on ratepayers.
c. If parts a and b cannot be confirmed, explain in detail.

RESPONSE

a. Aqua Statement No. 1-R, page 13, line 9 through page 14, line 8 discusses the risk of setting an arbitrarily high level of tax repairs deduction and includes the impact of deferred accounting treatment (the "collar mechanism"). The risk scenarios discussed are based on both the level of tax repairs deduction itself as well as the collar mechanism being in place.

b. Without prospective continuation of the collar mechanism, fluctuations in the tax repairs deductions between rate cases would result in risk/responsibility being borne by the Company if the level of tax repairs is lower and risk being borne by customers if the level of tax repairs comes in higher.

c. See response to part a and b.

Witness: William C. Packer
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVII INTERROGATORIES

OCA-XXVII-20 Refer to the rebuttal testimony of William Packer, Aqua Statement 1-R, at page 15, line 14, through page 16, line 11.

a. Please confirm that interest synchronization is a standard ratemaking procedure in Pennsylvania that calculated a pro forma interest expense deduction for income tax expense purposes by multiplying the rate base times the weighted cost of debt.
b. Please confirm that Aqua PA is not contesting the methodology used by the OCA for calculating the interest synchronization adjustment.
c. If parts a and b cannot be confirmed, explain fully.
d. Does Aqua PA agree that the interest synchronization should use the Commission's approved weighted cost of debt multiplied by the Commission's approved rate base?
e. If the response to part d is "no" explain fully.

RESPONSE

a. Yes, interest synchronization is a standard ratemaking procedure in Pennsylvania.
b. Aqua PA is not contesting the calculation but is contesting the weighted cost of debt and the rate base amount used by OCA in the calculation.
c. See the response to part a and b.
d. Yes, Aqua PA agrees that interest synchronization will be based on what is ultimately approved by the Commission for the weighted cost of debt and rate base.
e. See the response to part d.

Witness: William C. Packer
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVII INTERROGATORIES

OCA-XXVII-21 Refer to the rebuttal testimony of William Packer, Aqua Statement 1-R, at page 20, lines 14-16 concerning the pending Supreme Court proceeding involving Aqua PA's attempted acquisition of the East Whiteland utility system.

a. What is Mr. Packer's and Aqua's understanding of when a decision from the Pennsylvania Supreme Court is expected?
b. If Aqua PA were ultimately to not be permitted to acquire the East Whiteland utility system, how would the rate increase for the East Whiteland utility that Aqua seeks in the current rate case be unwound? Explain fully.
c. If Aqua PA were ultimately to not be permitted to acquire the East Whiteland utility system, how would the rate increase by Aqua's base water utility ratepayers that Aqua seeks under Act 11 in the current rate case to subsidize the rate increase that Aqua seeks for the East Whiteland utility be unwound? Explain fully.

RESPONSE

a. The Company understands that there is not a time limit for the Pennsylvania Supreme Court to issue a decision.

b. The Company can credit customer bills should it be required to do so as a result of the pending court proceeding.

c. The Company would apply a surcredit to Aqua water customers' bills.

Witness: Christopher E. Manning
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-1 How many actual filled seasonal positions did Aqua PA have as of August 31, 2024 and what were the seasonal pay amounts for each such position?

RESPONSE

As of August 31, 2024, the Company had 15 actually filled seasonal positions in the FTY. Up through August 31, 2024, the Company had incurred costs of $84,075 associated with these positions. Some of these positions are still filled and costs are still being incurred by the Company as of the filing of this response.

Witness: Christopher E. Manning
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-4 Refer to Exhibit CEM-1-R filed with the rebuttal testimony of Christopher Manning, Aqua Statement 3-R.

a. Is the payroll cost of seasonal positions included or shown on Exhibit CEM-1-R? If "yes" in what amounts and on what lines? Show the amount of seasonal payroll included on each line of Exhibit CEM-1-R and explain how many seasonal positions are reflected in each line of Exhibit CEM-1-R that includes payroll for seasonal positions.
b. Show in detail how each of the "Vacancy Eligible Amounts" on each Exhibit CEM-1-R were derived.
c. Show in detail how the "vacancy credit" factor proposed by Aqua PA to calculate each of the Non-Union and Union "Vacancy Credit" amounts were calculated.
d. For each "vacancy credit" that was used by Aqua PA to compute amounts on Exhibit CEM-1-R, show in detail (1) the total number of Non-Union positions, (2) the total number of Union positions, (3) the number of unfilled or vacant Non-Union positions and (4) the number of unfilled or vacant Union positions.
e. Why on Exhibit CEM-1-R is Aqua PA calculating a separate "Vacancy Credit" amount for Non-Union and Union positions?
f. As of August 31, 2024, what is the full time filled work force Non-Union positions in total and by utility system?
g. As of August 31, 2024, what is the full time filled work force Union positions in total and by utility system?

RESPONSE

a. Yes. The payroll cost of seasonal positions is included in Exhibit CEM-1-R. There are 35 seasonal positions included within both the FTY and FPFTY. The dollars associated with these seasonal positions are included within the Seasonal/Co-Ops/Part Time Employees (Non Union) lines within the attachment. Each seasonal position in the FTY and FPFTY accounts for $8,060 in gross

regular payroll cost. This amounts to $282,100 in total for all seasonal positions in both the FTY and FPFTY.

b. The Gross Dollars and Exclusions derive from Highly Confidential Exhibit 2 provided in response to OCA-I-1. The calculations to arrive at the Vacancy Eligible amounts in CEM-1-R are included in CEM-1-R.
c. Please refer to the Company's response to part B as well as the Company's response to OCA-XXVIII-5.
d. Please refer to the Company's response to part B as well as the Highly Confidential Exhibit 2 attachment provided in response to OCA-I-1 where a breakdown of the positions by rate division is provided. The Company's vacancy credit of 2% is applied uniformly across all systems to the Company's eligible gross labor amounts. It is not possible to attribute a number of positions to the Company's vacancy credit as the Company is unable to specifically pinpoint which positions will be vacant in the FTY and FPFTY.
e. The Company calculates a separate Vacancy Credit amount for Non-Union and Union positions for presentation purposes only. See Schedules C-4.5 of Exhibits 1-A through 1-E for the break out of payroll by Non-Union and Union. The Vacancy Credit percentage utilized to calculate the vacancy credits is the same for both Non-Union and Union positions.
f. The Company does not specifically track the number of Non-Union positions by Utility System, but rather at a statewide level. As of August 31, 2024 there are 199 full time Non-Union Employees employed by the Company.
g. The Company does not specifically track the number of full time Union positions by Utility System, but rather at a statewide level. As of August 31, 2024 there are 377 full time Union Employees employed by the Company.

Witness: Christopher E. Manning
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-5 Refer to Exhibit CEM-1-R filed with the rebuttal testimony of Christopher Manning, Aqua Statement 3-R. Show in detail how each of the following items was calculated and provide supporting calculations in Excel:

a. Vacancy Rate of 2%
b. Non Op rate of 1.18%
c. Capital Labor Rate of 31.67%

RESPONSE

a-c. The Company's Capital Labor Rate (CAP Rate) and Non Op Rate are derived by the Company performing a position by position analysis when it constructs its operating budget. The Company evaluates each position, the nature of the position and the amount of capital work that is expected to be performed by each position with each operational manager throughout Aqua. This evaluation for the FTY and FPFTY resulted in CAP Rates of 31.67% and Non Op Rates of 1.18%. Please refer to OCA-XXVIII-5 Attachment 1 for the calculations of these rates.

As for the Vacancy Rate of 2%, the Company continually evaluates the Vacancy rate that the Company is experiencing. As of April 2024, the last month before the Company filed its Case, the Company's Gross Dollars incurred for Regular Labor April YTD were $16,099,550. The Budgeted amount for April YTD was $16,443,720. This amounts to a 2.09% Vacancy Rate through April which is representative of the actual vacancy rate that the Company is experiencing.

OCA XXVIII-5 Attachment 1

		FPFTY Water Base	FPFTY Shenandoah	FPFTY WW Base	FPFTY LM	FPFTY EW		Non OP Rate
Non Operating Labor	Non OP	$ 652,540.03	$ 6,035.63	$ 60,626.24	$ 2,770.02	$ 2,925.84	$ 724,897.76	1.18%
	Total Labor	$ 55,300,002.43	$ 511,493.86	$ 5,137,816.64	$ 234,747.74	$ 247,952.53	$ 61,432,013.19	

		FPFTY Water Base	FPFTY Shenandoah	FPFTY WW Base	FPFTY LM	FPFTY EW		CAP Rate
Capital Labor	CAP Rate	$ 17,513,510.77	$ 161,990.10	$ 1,627,146.53	$ 74,344.61	$ 78,526.57	$ 19,455,518.58	31.67%
	Total Labor	$ 55,300,002.43	$ 511,493.86	$ 5,137,816.64	$ 234,747.74	$ 247,952.53	$ 61,432,013.19	

Vacancy Rate	$ 16,099,550.00	2%	
	$ 16,443,720.00		

Witness: Christopher E. Manning
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-6 Refer to Exhibit CEM-1-R filed with the rebuttal testimony of Christopher Manning, Aqua Statement 3-R. Explain fully and in detail what the "Non Op" rate represents.

RESPONSE

The "Non Op", or Non-Operating, rate represents the percentage of labor that the Company performs that is not recoverable through rates from customers due to the nature of the work that falls under this category. Examples of work performed under this category consist of work on developer projects and work on business development opportunities. As a result, non-operating payroll expenses are separated to ensure that these expenses are not recovered from the Company's customers.

Witness: Christopher E. Manning
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-8 Refer to Exhibit CEM-1-R filed with the rebuttal testimony of Christopher Manning, Aqua Statement 3-R.

a. Is there any difference between (1) what Aqua had proposed in its original application in the current rate case and (2) any of the payroll amounts shown on the FPFTY page of Exhibit CEM-1-R? If so, identify, quantify and explain each such difference.
b. Is Aqua now proposing a total "FPFTY Vacancy Credit" of $1,108,352 as show on the FPFTY page, line titled "FPFTY Vacancy Credit" of Exhibit CEM-1-R?
c. If the response to part b is "no," identify the amounts of "FPFTY Vacancy Credit" that Aqua is proposing in its rebuttal filing, and show in detail how those amounts are calculated.

RESPONSE

A. There is no difference between what Aqua had proposed in its original application in the current rate case and any of the payroll amounts shown on the FPFTY page of Exhibit CEM-1-R.
B. Yes. The Vacancy Credit of $1,108,352 is what the Company had included with its original filing as the Vacancy Claim amount. Supporting calculations were included with the excel file CEM-1-R provided with the Company's rebuttal testimony.
C. See part B.

Witness: Christopher E. Manning
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-11 Refer to Refer to the rebuttal testimony of Christopher Manning, Aqua Statement 3-R, at page 7, line 4-8.

a. Does Aqua PA agree that the $161,200 adjustment identified on line 6 should be made?
b. If the response to part a is "no" explain fully/.
c. Has Aqua PA reflected the $161,200 adjustment (1) on Exhibit CEM-1-R filed with the rebuttal testimony of Christopher Manning or (2) anywhere else in its rebuttal filing? If not, explain fully why not. If so, identify exactly and specifically where that adjustment is reflected on Exhibit CEM-1-R and elsewhere in Aqua PA's rebuttal filing.

RESPONSE

A. The Company does not agree that the $161,200 adjustment identified on line 6 should be made.

B. The Company does not believe that the $161,200 adjustment is appropriate as it does not reflect the Company's historical seasonal hiring practices. The $161,200 adjustment is being requested to reflect the Company's FTY, or 2024, actual hiring of seasonal employees which consisted of 15 seasonal employees. The Company actively strives to fill each seasonal position every year. In 2022 and 2023, the Company hired 21 and 23 seasonal employees respectively. While the actual hirings may vary from year, an adjustment made to reflect a year which the Company considers an anomaly rather than the normal course of operations should not be made.

C. The Company has not reflected the $161,200 adjustment on Exhibit CEM-1-R filed with the rebuttal testimony of Witness Manning. Please refer to part B for the Company's reasoning as to why the adjustment was not made.

Witness: Christopher E. Manning
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

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OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-12 Refer to Exhibit CEM-1-R filed with the rebuttal testimony of Christopher Manning, Aqua Statement 3-R. Also refer to the rebuttal testimony of Mr. Manning at page 8, lines 4-10 concerning payroll tax expense.

a. Identify, quantify and explain the amount of Aqua PA's payroll tax expense relating to each dollar amount on each line item of that Exhibit.
b. Does Aqua PA agree that there is a relationship between (1) payroll tax expense and (2) payroll expense? If not, explain fully why not. If so, identify, quantify and explain the relationship between Aqua PA's proposed FPFTY payroll expense and Aqua PA's proposed FPFTY payroll tax expense.
c. How much payroll tax expense has Aqua PA reflected for the FPFTY (1) in Aqua PA's rebuttal filing and (2) in Aqua PA's originally filing? Show the amounts by utility (e.g., Water Base, WW Base, etc.) and in total. Include calculations showing how those payroll tax amounts were calculated.
d. How much payroll tax expense has Aqua PA reflected for the HTY (1) in Aqua PA's rebuttal filing and (2) in Aqua PA's originally filing? Show the amounts by utility (e.g., Water Base, WW Base, etc.) and in total. Include calculations showing how those payroll tax amounts were calculated.
e. How much payroll tax expense has Aqua PA reflected for the FTY (1) in Aqua PA's rebuttal filing and (2) in Aqua PA's originally filing? Show the amounts by utility (e.g., Water Base, WW Base, etc.) and in total. Include calculations showing how those payroll tax amounts were calculated.

RESPONSE

a. There are no payroll tax expense claims contained within Exhibit CEM-1-R. The Company's payroll expense claim can be found on Schedule D-2.5 of Exhibit 1-A.

b. Aqua PA agrees that there is a relationship between payroll expense and payroll tax expense. Please refer to the Company's Highly Confidential Exhibit 2 Attachment provided in response to OCA-I-1 where the Company's payroll tax expense for each

individual position is provided by the categories listed on Schedule D-2.5 of Exhibit 1-A.

c-e. Please refer to the Company's Schedule D-2.5 of Exhibit 1-A for the Company's payroll tax expense claim in the HTY, FTY, and FPFTY. These amounts are the same in the Company's original filing and rebuttal filing. The payroll tax expense claim is derived by taking the information provided in the Company's Highly Confidential Exhibit 2 Attachment provided in response to OCA-I-1 and applying the Company's vacancy rate and capitalization rate to arrive at the expense claim for the FTY and FPFTY.

Payroll Taxes

Total Payroll Taxes Before Adjustments

	FTY	FPFTY
FICA OASDI	$ 3,695,048	$ 3,871,432
FICA Medicare	$ 881,903	$ 924,996
FICA Total	$ 4,576,951	$ 4,796,428
FUTA	$ 26,838	$ 27,384
SUTA	$ 134,946	$ 137,720
Annualized Payroll Taxes	$ 4,738,736	$ 4,961,532

Payroll Taxes Related to Seasonals / Part-Time and Co-Op

	FTY	FPFTY
FICA OASDI	$ 34,397	$ 34,866
FICA Medicare	$ 8,044	$ 8,154
FICA Total	$ 42,441	$ 43,020
FUTA	$ 1,764	$ 1,764
SUTA	$ 7,565	$ 7,565
Annualized Payroll Taxes	$ 51,770	$ 52,349

Payroll Taxes Eligible for Vacancy Adjustment (Total Less Seasonal / Part-time and Co-Op)

	FTY	FPFTY
FICA OASDI	$ 3,660,651	$ 3,836,566
FICA Medicare	$ 873,858	$ 916,841
FICA Total	$ 4,534,510	$ 4,753,407
FUTA	$ 25,074	$ 25,620
SUTA	$ 127,382	$ 130,156
Annualized Payroll Taxes	$ 4,686,966	$ 4,909,183

2% Vacancy Rate Adjustment

	FTY	FPFTY
FICA OASDI	$ (73,213)	$ (76,731)
FICA Medicare	$ (17,477)	$ (18,337)
FICA Total	$ (90,690)	$ (95,068)
FUTA	$ (501)	$ (512)
SUTA	$ (2,548)	$ (2,603)
Annualized Vacancy Adjustment	$ (93,739)	$ (98,184)

Payroll Taxes Claim after Vacancy Adjustment

	FTY	FPFTY
FICA OASDI	$ 3,621,835.34	$ 3,794,700.59
FICA Medicare	$ 864,426	$ 906,659
FICA Total	$ 4,486,261	$ 4,701,359
FUTA	$ 26,337	$ 26,872
SUTA	$ 132,399	$ 135,117
Annualized Payroll Taxes	$ 4,644,996	$ 4,863,348
31.67% Capitalized Portion Not Charged	$ (1,471,070)	$ (1,540,222)
Total Payroll Tax Claim	**$ 3,173,926**	**$ 3,323,126**

Witness: Christopher E. Manning
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-13 Refer to Exhibit CEM-1-R filed with the rebuttal testimony of Christopher Manning, Aqua Statement 3-R. Also refer to the rebuttal testimony of Mr. Manning at page 8, lines 11-18 concerning 401(k) expense.

a. Identify, quantify and explain the amount of Aqua PA's 401(k) expense relating to each dollar amount on each line item of that Exhibit.
b. Does Aqua PA agree that there is a relationship between (1) 401(k) expense and (2) payroll expense? If not, explain fully why not. If so, identify, quantify and explain the relationship between Aqua PA's proposed FPFTY payroll expense and Aqua PA's proposed FPFTY 401(k) expense.
c. How much 401(k) expense has Aqua PA reflected for the FPFTY (1) in Aqua PA's rebuttal filing and (2) in Aqua PA's originally filing? Show the amounts by utility (e.g., Water Base, WW Base, etc.) and in total. Include calculations showing how those 401(k) amounts were calculated.
d. How much 401(k) expense has Aqua PA reflected for the HTY (1) in Aqua PA's rebuttal filing and (2) in Aqua PA's originally filing? Show the amounts by utility (e.g., Water Base, WW Base, etc.) and in total. Include calculations showing how those 401(k) amounts were calculated.
e. How much 401(k) expense has Aqua PA reflected for the FTY (1) in Aqua PA's rebuttal filing and (2) in Aqua PA's originally filing? Show the amounts by utility (e.g., Water Base, WW Base, etc.) and in total. Include calculations showing how those 401(k) amounts were calculated.

RESPONSE

a. There are no 401K Expense amounts found within Exhibit CEM-1-R. Please refer to the Company's Schedule C-8.4 of Exhibit 1-A for a breakdown of the Company's 401K expense. A breakout of the Company's 401k claim by individual position can

be found within the Company's Highly Confidential Exhibit 2 Attachment provided in response to OCA-I-1.

b. Aqua PA agrees that there is a relationship between payroll expense and 401k expense. Please refer to the Company's Highly Confidential Exhibit 2 Attachment provided in response to OCA-I-1 where the Company's 401K match percentage for each individual position is provided along each individual's pre tax deferral percentage. All pertinent Company Annualized 401k Company Match amounts for the FPFTY can be found within the aforementioned attachment along with Schedule C-8.4 of Exhibit 1-A.

c-e. Please refer to the Company's Schedule C-8.4 of Exhibit 1-A for the 401K expense included within the Company's claim at the time of filing as well as rebuttal for the HTY, FTY and FPFTY. Please refer to the Company's Highly Confidential Exhibit 2 Attachment provided in response to OCA-I-1 where the Company's Annualized 401k Company Match amounts can be found by position for the FTY and FPFTY. The calculations can be found within the Exhibit 1-A Water Base attachment provided in response to OCA-I-1.

Witness: Christopher E. Manning
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-14 Refer to the rebuttal testimony of Mr. Manning at page 8, line 19 through page 9, line 5 concerning group insurance expense.

a. Does Aqua PA agree that there is no group insurance expense for vacant positions?
b. Identity the amount of group insurance expense for vacant positions that Aqua reflected for the FPFTY in (1) Aqua's original application and (2) in Aqua's rebuttal filing.
c. In its rebuttal filing, for how many full-time positions did Aqua calculate group insurance expense?
d. Are any employees in the "Seasonal/Co-Ops/Part Time Employees (Non-Union)" line item on Exhibit CEM-1-$ eligible for Aqua provided group insurance? If not, explain fully why not. If so, identify the number of "Seasonal/Co-Ops/Part Time Employees (Non-Union)" in the HTY, FTY and FPFTY which were eligible and which received Aqua paid group insurance expense.
e. Identify the number of "Seasonal/Co-Ops/Part Time Employees (Non-Union)" in the HTY, FTY and FPFTY for which Aqua reflected group insurance expense.
f. In its rebuttal filing, did Aqua apply its proposed Vacancy rate to any amounts of group insurance expense? If not, explain fully why not. If so, show in detail how Aqua applied its proposed Vacancy rate to group insurance expense in its rebuttal filing for the FTY and FPFTY.
g. In its rebuttal filing, has Aqua included in its requested operating expenses any group insurance expense related to any full time positions that are currently vacant? If so, please identify, quantify and explain the amounts. Show the amounts in total and by utility system (e.g., Water Base, WW base, etc.)

RESPONSE

a. The Company does not agree that there is no group insurance expense for vacant positions.

b. Please see OCA-XXVIII-14 Attachment 1 where the amount of group insurance costs associated with the Company's Vacancy Rate Adjustment are shown.

c. The number of full time positions that the Company calculated group insurance expense for is included within the Company's Highly Confidential Exhibit 2 attachment provided in response to OCA-I-1.

d. There are no Seasonal/Co-Ops/Part Time Employees that are eligible for Aqua provided group insurance as group insurance is provided only to full time employees. Please see the Company's Highly Confidential Exhibit 2 attachment provided in response to OCA-I-1.

e. There are no Seasonal/Co-Ops/Part Time Employees in the HTY, FTY and FPFTY for which the Company reflected group insurance expense.

f. Yes, it did. These amounts are the same in the Company's Original and Rebuttal filings. Please see OCA-XXVIII-14 Attachment 1 where the amount of group insurance costs associated with the Company's Vacancy Rate Adjustment are shown.

g. The Company's claim for requested group insurance expenses can be found by position in the Company's Highly Confidential Exhibit 2 attachment provided in response to OCA-I-1. The Company's Medical, Dental, Vision, ADD, Life and Health Advocate costs for the FTY and FPFTY are listed out by individual and in total in the aforementioned attachment. The Company applied its vacancy rate to the gross amounts to reflect the impacts of vacancies on its group insurance costs. This vacancy rate is a percentage and not specifically attributable to a certain number of positions. Please see OCA-XXVIII-14 Attachment 1.

Employee Benefits

		FTY		FPFTY
Medical/Prescription/Vision/Dental	$	8,315,384	$	8,987,763
Life/ADD/LTD	$	437,443	$	472,170
	$	8,752,827	$	9,459,932

2% Vacancy
31.67% Capitalization Rate

Vacancy Adjustment:

		FTY		FPFTY
Medical/Prescription/Vision/Dental	$	(166,308)	$	(179,755)
Life/ADD/LTD	$	(8,749)	$	(9,443)
	$	(175,057)	$	(189,199)

		FTY		**FPFTY**
Medical/Prescription/Vision	**$**	**8,149,076**	**$**	**8,808,008**
Life/ADD/LTD	**$**	**428,694**	**$**	**462,726**
	$	**8,577,770**	**$**	**9,270,734**

Capitalized Portion

		FTY		**FPFTY**
Medical/Prescription/Vision	**$**	**(2,580,812)**	**$**	**(2,789,496)**
Life/ADD/LTD	**$**	**(135,768)**	**$**	**(146,545)**
	$	**(2,716,580)**	**$**	**(2,936,041)**

Claimed Operating Portion

Medical/Prescription/Vision	**$**	**5,568,264**	**$**	**6,018,512**
Life/ADD/LTD	**$**	**292,927**	**$**	**316,181**
	$	**5,861,190**	**$**	**6,334,692**

Witness: Panpilas Fischer
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-17 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at pages 2-9.

a. Identify and provide a copy of each prior Aqua PA rate case in which Aqua witness Fischer has presented testimony advocating for a PA NOL amount to be included in utility rate base.
b. Identify and provide a copy of each prior Aqua PA affiliated utility rate case in which Aqua witness Fischer has presented testimony advocating for a PA NOL amount to be included in utility rate base.
c. Has Aqua PA been audited by the State of Pennsylvania concerning state income taxes in any tax year in which a net operating loss or a net operating loss carry forward was shown for Aqua PA?
d. If the answer to part c is "yes" identify and explain the results of each Pennsylvania state income tax audit, and provide the related documents.

RESPONSE

a. N/A. Witness Fischer has not presented testimony for Aqua PA or any of its affiliates advocating for a PA NOL inclusion in rate base prior to this rate case. Aqua PA's NOL situation is unique in that it was necessitated to reduce Aqua PA's customer rates by the tax benefit of the repairs deduction through the normalization of the PA NOL. Generally, the tax impact of the PA NOL is flowed through and inclusion of the related deferred tax asset in rate base is a non-existent issue in Pennsylvania rate cases.

b. See response to a.

c. Aqua PA has not been audited by the state of Pennsylvania since having a state net operating loss ("NOL") or state NOL carryforward.

d. N/A.

Witness: Panpilas Fischer
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-18 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at page 3, lines 7-8 where the witness refers to the "normalization method of accounting."

a. Explain what is meant by the "normalization method of accounting."
b. Explain the "flow through" method of accounting.
c. Is Aqua using the "flow through" method of accounting for PA state income tax book-tax differences?
d. Is Aqua using the "flow through" method of accounting for federal income tax repairs deductions?
e. If the response to either part c or d is "no" explain fully and provide the related documentation.
f. In each of Aqua PA's previous rate cases, were there any differences between (1) the "normalization method of accounting" and (2) amounts that were included in rate base? If so, explain the differences.

RESPONSE

a. A normalization method of accounting for ratemaking purposes spreads the income tax impacts (benefit or detriment) over the entire period of the book versus tax timing difference so that customers receive or are charged the same amount of income tax based on the amount per the regulated books of the utility regardless of when the income tax is actually paid or reduced.

b. A flow through method of accounting for ratemaking purposes is where the income tax reflected in customers rates related to a book versus tax timing difference is based on the income tax expense or benefit when incurred by the utility. No deferred income tax expense is recorded. See the response to OCA-XV-18 for additional explanation of the flow through method of accounting.

c. Yes. Aqua is using the flow through method of accounting for PA state income taxes for property related book versus tax timing differences with the exception of the differences described in Aqua Statement 8, page 8, lines 18-21.

d. Yes.

e. N/A.

f. To the best of Aqua's knowledge, the omission of the Deferred Tax Asset for the Federal and PA State NOL's from rate base had differences in normalization accounting treatment versus amounts included in rate base as explained in Aqua Statement 8-R, pages 2-6. These two items would have only been differences in the 2018 and 2021 base rate cases.

Witness: Panpilas Fischer
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-19 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at page 4.

a. Identify, cite and provide specific pages from each prior Commission Order upon which Aqua PA is relying for its proposed use of normalization accounting for the PA NOL.
b. Without the use of normalization accounting for the PA NOL, would Aqua PA have any alleged rate base amount in the current rate case?
c. If the answer to part b is "yes" explain fully and in detail how a rate base amount for a PA NOL would occur without normalization accounting.

RESPONSE

a. There is no prior Commission Order addressing the PA NOL. The Commission Order approved the flow through of the income tax benefits for tax repairs to customers and the normalization accounting for the PA NOL is a result. See the testimony of Company witness Packer, Aqua State 1-R at page 11 where the impetus and basis for the treatment of the PA NOL is summarized. Also see Aqua Statement 8-R, pages 4-5.

b. No. Without the use of normalization accounting for the PA NOL, there would be no funded deferred tax asset to include in rate base.

c. N/A.

Witness: Panpilas Fischer
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-20 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at page 5, line 2.

a. Explain what "FAS 109" is.
b. Has Aqua PA included amounts in its rate base pursuant to FAS 109 accounting in any prior Aqua PA rate case?
c. If the answer to part b is "yes" identify and provide specific citations to each previous Aqua PA rate case in which such rate base amounts were included.
d. Is Aqua PA relying upon any Commission approval from prior Aqua PA rate cases for using FAS 109 accounting for rate base amounts? If so, please explain fully and identify the prior Commission approvals of FAS 109 based rate base amounts upon which Aqua PA is relying.
e. Identify, cite and provide specific pages from each prior Commission Order upon which Aqua PA is relying for its proposed use of FAS 109-based accounting for the PA NOL for ratemaking purposes in the current case.

RESPONSE

a. FAS 109 is short for Statement of Financial Accounting Standards No. 109. This Statement establishes GAAP financial accounting and reporting standards for the effects of income taxes that result from an enterprise's activities during the current and preceding years. It requires an asset and liability approach for financial accounting and reporting for income taxes.

b. FAS 109 accounting is required for both public regulated and non-regulated entities. It is not synonymous with the normalization method of accounting for ratemaking. The reference to FAS 109 in Aqua Statement 8-R, page 5, line 2 is to distinguish a FAS 109 regulatory liability or asset from other utility regulatory assets and liabilities.

c. N/A. Amounts included in rate base are determined by whether or not the normalization method of accounting was used, not FAS 109 accounting. The normalization accounting rules precede the issuance of FAS 109.

d. No. See the response to b. FAS 109 accounting is a GAAP requirement. Rate base inclusion of ADIT is based upon the IRS consistency rules for the use of a normalization method of accounting as discussed in Aqua Statement 8-R, pages 6-7.

e. See the response to OCA-XXVIII-19a.

Witness: Panpilas Fischer
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-23 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at page 7, lines 21-23.

a. Why is the Company discontinuing the normalization in 2025?
b. Does the 2025 discontinuation commence on January 1, 2025?
c. Does the 2025 discontinuation essentially cover the entire 2025 calendar year, i.e., the FPFTY selected by Aqua PA for the current rate case?
d. When did the Company commence the normalization accounting for the PA NOL?
e. Show the amounts recorded, or projected to be recorded, in each year starting with the Company's inception of the normalization accounting for the PA NOL and continuing through the 2025 FPFTY.
f. Has the Company previously received Commission authorization for its proposed ratemaking treatment related to the normalization accounting for the PA NOL? If "yes" identify and provide the specific Commission authorization upon which the Company is relying.

RESPONSE

a. After 1/1/2025 the Company anticipates that it will have sufficient state taxable income so that it will no longer generate PA state NOLs. If a PA state NOL is generated after 1/1/2025, Aqua PA will no longer pass the ongoing state income tax benefits of property related deductions that it has not monetized (i.e. current state income tax expense will not go below zero) to mitigate risk that could result from the inability to monetize the PA state NOL due to the 40% annual utilization limitation and the 10 year carryforward limitation under current PA state income tax laws.

b. The financial statement recognition for the normalization of the PA NOL would be in effect for calendar year 2025, however should Aqua PA reflect an actual state taxable loss in the next rate case, any impact in rates would not be in effect until the effective date of rates of the next base rate case.

c. See response to b.

d. The normalization accounting treatment of the PA NOL began in 2012.

e. For the balances of the HTY, FTY and FPFTY see Aqua Statement 8-R, Exhibit 1. For the estimated total balance of the PA NOL deferred tax asset at the end of 2012 to 2022, see below. The balances shown are at the statutory state and federal (for the federal benefit of state) income tax rates that would have been in effect at the end of each year:

	Balance of PA NOL DTA net of FBOS
2012	25,947,981
2013	26,059,755
2014	26,112,713
2015	26,112,713
2016	26,271,949
2017	28,057,764
2018	28,277,687
2019	30,610,921
2020	30,716,004
2021	31,279,560
2022	31,994,447

f. See Aqua Statement 1-R, page 11 which discusses how Commission approval of the ratemaking treatment of income tax benefits of the tax repairs deduction resulting in negative deferred state tax expense via the PA State NOL was memorialized.

Witness: Panpilas Fischer
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-27 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at page 10, line 17.

a. Has Aqua PA updated the $195.428 million amount of expected federal income tax repairs deductions expected to be claimed on the 2023 federal corporate income tax return?
b. If the response to part a is "yes" identify the most updated amount of federal income tax repairs deductions expected to be claimed on the 2023 federal corporate income tax return and, if different, please also provide the actual amount of federal income tax repairs deductions claimed by or for Aqua PA on the 2023 federal corporate income tax return in which Aqua PA participates, which, with extensions, should be getting filed by or on September 16, 2024.

RESPONSE

a. Please see the response to OCA-XXVIII-26d. The tax repairs deduction is a complex calculation which requires analysis of thousands of projects at a work order level and is still in the process of being analyzed. Aqua PA has until October 15, 2024 to file its 2023 federal income tax return.

b. N/A.

Witness: Panpilas Fischer
Date: 09/23/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-28 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at page 12, table between lines 1 and 2.

a. Referring to the "Estimate 2023" column, are the actual amounts of federal income tax repairs deductions available for tax year 2023?
b. Please provide actual information for 2023 corresponding to each line item in the "Estimate 2023" column.
c. Show in detail how each amount on the "Gross Deductions" line were calculated and provided the supporting calculations.
d. Why are the amounts for 2021, 2022 and 2023 reduced for AFUDC?
e. Show in detail how each of the amounts on the "less AFUDC" line were calculated.
f. Show in detail how each amount on the "Less UTP" line was calculated and provided the supporting calculations.
g. Did Aqua PA include any amounts for UTP (uncertain tax positions) in its proposed HTY, FTY or FPFTY rate base. If yes, how much rate base in the HTY, FTY and FPFTY did Aqua PA include for uncertain tax positions?

RESPONSE

a. Please see the responses to OCA-XXVIII-26c-d and OCA-XXVIII-27a.

b. See the response to a. Actuals are not available yet.

c. See OCA-XXVIII-28c Attachment 1.

d. The starting point for the tax repairs deduction calculation is book basis of capitalized plant, which includes AFUDC. Any AFUDC calculated on projects qualifying for a tax repairs deduction is removed and offsets the gross tax repairs deduction.

e. See OCA-XXVIII-28c Attachment 1.

f. See OCA-XXVIII-28c Attachment 1.

g. Yes. Included as a reduction to rate base is a regulatory liability for released FIN 48 reserves in the amount of $4,873,528 for the HTY and FTY and $2,436,764 for the FPFTY as described in Aqua Statement 8, page 14, lines 10-12 and page 16, lines 10-12.

	Actual 2020	Actual 2021	Actual 2022	Estimate 2023
Network	110,767,948	120,965,431	111,938,174	148,542,227
Non-Network	7,330,283	14,729,106	9,085,934	7,634,753
Capitalized Main Breaks	4,161,811	4,054,093	5,771,344	4,321,111
Tank Painting	2,008,820	1,766,235	4,018,911	2,046,893
Services	21,056,957	25,137,121	22,857,869	21,436,152
Hydrants	4,347,302	4,715,624	4,110,569	5,645,012
Valves	781,980	1,398,583	1,298,052	819,123
Subtotal - Water	150,455,103	172,766,193	159,080,854	190,445,271
Sewer	5,705,893	4,971,836	6,941,430	5,415,560
Grand Total - All Pennsylvania	156,160,996	177,738,029	166,022,284	195,860,831
AFUDC Removal Water	(910,996)	(1,610,673)	(1,882,625)	(2,974,323)
AFUDC Removal Sewer	(120,233)	(38,628)	(166,792)	(68,986)
Total AFUDC Removal	(1,031,229)	(1,649,301)	(2,049,417)	(3,043,309)
Repairs Deduction reported on tax return	155,129,767	176,088,728	163,972,867	192,817,522
UTP	(2,898,633)	(3,278,203)	(1,407,393)	(3,353,683)
Net Repairs	152,231,135	172,810,525	162,565,474	189,463,839

FIN 48 Calculation:				
Total Main Projects Reviewed	134,131,451	144,029,892	122,115,220	184,864,634
Eligible Mains Taken as a Deduction (Minus Upsizing or 10%+)	110,767,948	120,965,431	111,938,174	148,542,227
Overall Mains Eligibility Rate	82.58%	83.99%	91.67%	80.35%
Overall Mains Ineligibility Rate	17.42%	16.01%	8.33%	19.65%
310 - Services (One-Time/One-Off Service Line Renewals)	4,415,711	4,665,831	4,262,155	4,490,936
315 - Services Associated with Main Replacement Projects	16,641,246	20,471,290	16,887,423	17,068,732
Services	21,056,957	25,137,121	21,149,578	21,559,668
Overall Mains Ineligibility Rate x Services Associated with MR	(2,898,633)	(3,278,203)	(1,407,393)	(3,353,683)

Witness: Panpilas Fischer
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-30 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at page 12.

a. Is there any relationship between the amount of (1) the annual "collar mechanism" proposed by Aqua PA and (2) the amounts of uncertain tax positions (i.e., the "UTP") items?
b. If not explain fully why not.
c. If so, what is the relationship?

RESPONSE

a. The UTP amount is a reduction to the repairs deduction amount that is used to determine whether the collar threshold is exceeded or not. The UTP amount is based on the subset of work orders taken as a repairs deduction that has the potential of being reversed upon audit.

b. N/A.

c. See response to a.

Witness: Panpilas Fischer
Date: 09/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXVIII INTERROGATORIES

OCA-XXVIII-32 Refer to the rebuttal testimony of Panpilas Fischer, Aqua Statement 8-R at page 13, line 9 through page 15, line 14.

a. Since Aqua PA began claiming federal income tax repairs deductions, have any of the amounts that were identified as "uncertain tax positions" by the Company been disallowed by the IRS?
b. If the answer to part a is "yes" identify for each tax year the specific amounts that the Company had identified as "uncertain tax positions" that have been disallowed by the IRS?
c. As of September 16, 2024, which federal income tax returns in which Aqua PA participates are still subject to being audited by the IRS?
d. As of September 16, 2024, has any audit notification been provided concerning any of the federal income tax returns in which Aqua PA participates been provided by the IRS? If so, for which specific federal income tax returns (i.e., for which tax years) have IRS audit notices been issued?

RESPONSE

a. The last tax years that were audited were 2010-2011 which are prior to the UTP tax years.

b. N/A.

c. With respect to the tax repairs deductions identified as UTP, all tax years back to 2012 when the 481(a) deduction was first claimed are considered open years. See Aqua Statement 8-R, pages 13-14 for an explanation of how an audit adjustment would impact historical tax years.

d. No.

Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Office of Consumer Advocate Set 26

OCA 26-015

Responsible Witness: Deb Degillio, VP, Customer Service

Question:

Accounting Information Related to Oncourse Home Solutions and American Water Resources

Refer to the responses to OCA 20-016, OCA 20-018, OCA 20-010 and OCA 20-023.

For the HTY and separately for calendar 2022 and calendar 2023, what amounts of (1) revenue and (2) expenses did PAWC record related to warranty services?

Response:

PAWC records revenue related to the Utility Fee as described in OCA 26-004. The amounts recorded for this revenue for the HTY, calendar year 2022, and calendar year 2023 amounted to $659,624, $663,147 and $659,197, respectively. Except for this Utility Fee revenue, PAWC records no other revenue or expenses related to Oncourse Home Solutions' warranty services.

Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Office of Consumer Advocate Set 26

OCA 26-005

Responsible Witness: Deb Degillio, VP, Customer Service

Question:

Accounting Information Related to Oncourse Home Solutions and American Water Resources

Refer to the responses to OCA 20-016, OCA 20-018, OCA 20-010 and OCA 20-023.

Identify by amount and account all amounts budgeted/forecasted by PAWC's books by related to Oncourse Home Solutions for the FTY and the FPFTY.

Response:

PAWC included $659,624 of revenue from Oncourse Home Solutions/American Water Resources in Account 471 for the FTY and the FPFTY.

CONFIDENTIAL
Pennsylvania-American Water Company
Docket Nos. R-2023-3043189 (Water)
R-2023-3043190 (Wastewater)
Office of Consumer Advocate Set 26

OCA 26-016

Responsible Witness: Deb Degillio, VP, Customer Service

Question:

Accounting Information Related to Oncourse Home Solutions and American Water Resources

Refer to the responses to OCA 20-016, OCA 20-018, OCA 20-010 and OCA 20-023.

For the FTY and the FPFTY what amounts has PAWC budgeted/forecasted for (1) revenue and (2) expenses related to warranty service?

a. Show amounts that PAWC budgeted/forecasted in each account in each period.

Response:

BEGIN CONFIDENTIAL RESPONSE

END CONFIDENTIAL RESPONSE

All revenues associated with AWR's payments for the Company's services provided under the Utility Agreement are recorded "above the line" for ratemaking purposes and offset PAWC's operating expenses recovered through rates. The Company included $659,624 in Account 471 – Miscellaneous Service Revenue for the FTY and the FPFTY that reduced the Company's revenue requirement in this case.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Ralph Smith, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 2SR, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 26, 2024

Signature: _____
Ralph Smith

Address: Larkin & Associates, PLLC
15728 Farmington Road
Livonia, MI 48154

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	
	:	Docket No. R- 2024-3047822 (Water)
Aqua Pennsylvania, Inc.	:	Docket No. R-2024-3047824 (Wastewater)
Aqua Pennsylvania. Wastewater, Inc.	:	
	:	

DIRECT TESTIMONY
OF
AARON L. ROTHSCHILD

COST OF CAPITAL

ON BEHALF OF THE
PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA STATEMENT 3

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I. STATEMENT OF QUALIFICATIONS

Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

A. My name is Aaron L. Rothschild. My title is President, and my business address is 15 Lake Road, Ridgefield, CT.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am President of Rothschild Financial Consulting ("RFC").

Q. PLEASE STATE YOUR EDUCATIONAL ACHIEVEMENTS AND PROFESSIONAL DESIGNATIONS.

A. I have a B.A. degree in mathematics from Clark University (1994) and an M.B.A. from Vanderbilt University (1996).

Q. PLEASE DESCRIBE YOUR BUSINESS EXPERIENCE.

A. I performed financial analysis in the telecom industry in the United States and Asia Pacific from 1996 to 2001, investment banking consulting in New York, complex systems science research regarding the power sector at an independent research institute, and I have prepared rate of return testimonies since 2002. See Appendix F for my resume.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION, OR OTHER STATE COMMISSIONS? IF SO, WHICH COMMISSIONS?

A. Yes. I have testified before the Pennsylvania Public Utility Commission. My expert witness experience also includes testifying in over 75 cost of capital proceedings before

the following state commissions: California; Colorado; Connecticut; Delaware; District of Columbia; Florida; New Hampshire; New Jersey; Maryland; North Dakota; Pennsylvania; South Carolina; Tennessee; and Vermont. See Appendix G for the list of dockets for each of my testimonies.

Q. ON WHOSE BEHALF ARE YOU PROVIDING THIS TESTIMONY?

A. I am testifying on behalf of the Pennsylvania Office of Consumer Advocate ("OCA").

II. PURPOSE

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to address the cost of capital for Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua" or the "Company") which includes the following three components:

1. Cost of Equity ("COE")
2. Cost of Debt
3. Capital Structure

Based on my analysis of these cost of capital components, I recommend an allowed rate of return for ratemaking purposes, including an appropriate authorized return on equity ("ROE"), authorized cost of debt, and authorized capital structure.

Q. PLEASE DEFINE THE COE, COST OF DEBT, AND CAPITAL STRUCTURE.

A.

1. **COE:** The United States Supreme Court established the following legal standards regarding a fair rate of return: (1) "The return to the equity owner should be commensurate with returns on investments in other enterprises having corresponding risks"[1] and (2) "[S]ufficient to . . . support its credit and . . . raise the money necessary for the proper discharge of its public duties."[2] My COE calculations provide my opinion of the return investors require to provide equity capital to Aqua based on current capital markets. Based on that calculation, I conclude that a market-based return in this proceeding would be 8.03%. However, I recommend an ROE of 8.70% with a range of 8.03% to 9.38%, as discussed below, based on the OCA's position that 8.70% would be sufficient to allow Aqua to raise the capital it needs to provide safe and reliable service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates.
2. **Cost of Debt:** My cost of debt recommendation is based on the actual cost of det paid by the utility to its sources of credit. For example, if a utility has issued a bond with a 3% interest rate three years ago, its authorized cost of debt should be 3%, even if interest rates are currently higher or lower than 3%.
3. **Capital Structure:** Capital structure is the percentage of equity and debt that makes up the finances of a utility. For example, if a utility raises $1 million of equity capital and $1 million of debt capital, we say it has a capital structure containing 50% equity and 50% debt. The utility has the burden of proof to demonstrate that its requested

capital structure for regulatory purposes produces the lowest, reasonable overall cost of capital. My capital structure recommendation is based on my review of Aqua's justification for its requested regulatory capital structure, the capital structure ratios of other water utility companies, and the capital structure of Aqua's ultimate parent, Essential Utilities, Inc.. As discussed below, the reported capital structure of a regulated subsidiary is often not representative of how the regulated utility was financed. For example, the parent of a regulated utility can report funds raised through debt financing at the holding company level as equity financing on the books of its regulated utility subsidiary. Therefore, it is important to make sure Aqua's authorized capital structure would not overcharge consumers by including a higher common equity ratio than is appropriate or reasonable.[3]

Q. WHAT IS THE DIFFERENCE BETWEEN AQUA'S COST OF EQUITY AND ITS AUTHORIZED RETURN ON EQUITY?

A. The COE is the market-based return investors expect to earn on the market value of any given stock. In other words, the COE is the return investors expect to earn on the market price of equity. As it applies to this proceeding, it is the return investors require to provide equity capital to Aqua. The appropriate authorized ROE is based on the Commission's determination of the COE at the time of the proceeding, after reviewing the evidentiary record, which incorporates investor expectations and balances the needs of ratepayers. Once the Commission issues an authorized ROE, the market-based cost of equity will

[3] A higher common equity ratio, all else equal, results in higher rates for consumers because equity is more expensive than debt.

continue to fluctuate as capital markets inevitably continue to change. The authorized ROE is based on a snapshot of the COE, which is constantly changing.

Q. PLEASE DEFINE THE APPROPRIATE RATE OF RETURN.

A. The appropriate Rate of Return (ROR) is based upon the weighted overall cost of capital (WACC) of the current costs of debt and equity at the time of this proceeding. The weighted cost rate is calculated by multiplying the capital structure ratios of the sources of capital (debt, preferred equity, and common equity) times their respective cost rates.

WACC = Cost of Debt X Debt Ratio + COE X Common Equity Ratio + Cost of Preferred Equity X Preferred Equity Ratio.

Q. CALCULATING THE COST OF EQUITY IS A HIGHLY TECHNICAL TOPIC. HOW CAN A DECISION MAKER WHO IS NOT SPECIALIZED IN FINANCE BEST USE THE CONTENT OF THIS TESTIMONY?

A. My testimony includes a thorough technical analysis, including the use of specialized mathematical models. Models are required to determine the cost of equity like a map is required to plan a road trip. Maps and models are useful because they simplify the complexity and vastness of reality into a form that is understandable and useful. A map of Pennsylvania that left out no details would be the same size as the state and thus unusable. A model that included every detail of financial markets (e.g., the trading activity of every single stock investor on earth) would be unusable as well. It is critical to remember that models are simplifications of reality and there are arguably as many "models" as there are investors. My ROE recommendation is based on the best tools I am aware of to calculate Aqua's COE; however, I urge the Commission to test the reasonableness of my model results by comparing them to model results from sources that have nothing to do with this

proceeding. For example, I recommend that the Commission consider the long-term equity return expectations of pension funds and leading financial institutions like the ones shown in Table 4 on page 19. Reviewing the return expectations for investments outside of the utility spectrum demonstrates that my recommendation will more than adequately meet investor demands in a manner that does not artificially inflate the rates for Aqua customers' water and wastewater service.

Q. HAVE YOU REVIEWED AQUA'S RATE CASE FILING AND DIRECT TESTIMONY?

A. Yes.

III. INTRODUCTION AND SUMMARY OF CONCLUSIONS

Q. HOW IS YOUR TESTIMONY ORGANIZED?

A. First, I will provide a summary of my recommendations, an overview of cost of equity concepts, and explanation of how current capital markets relate to my cost of equity calculations. Second, I will provide a more detailed discussion of current capital markets and how key parameters are impacting equity costs. Third, I will provide my capital structure and cost of debt recommendation. Fourth, I will provide an explanation of the various models I use in my cost of equity calculations. Lastly, I will provide an evaluation of Aqua's rate of return testimony.

Q. PLEASE PROVIDE A SUMMARY OF YOUR RECOMMENDATIONS.

A. I recommend the following cost of capital for Aqua's combined operations, both water and wastewater:

- An overall cost of capital of 6.53% (6.19% - 6.88%).
- An ROE of 8.70%, which is the midpoint of the range between the high end of my market-based cost of equity recommendation of 8.03% based on my COE Model results and the unlevered DCF results of Aqua's witness Moul of 9.38%. 8.03% is my market-based recommended ROE and it represents the top end of my COE Model results (7.27% - 8.03%). Additionally, I recommend that the Commission set the ROE no higher than 9.38%, which represents the top end of Aqua witness Moul's DCF Model results excluding his leverage adjustment. The OCA's litigation position in this case is to establish an ROE at 8.70% which is the midpoint between the high end of my market-based calculations and the Company's unleveraged DCF calculation of 9.38%, based on the OCA's position that 8.70% would be sufficient to allow Aqua to raise the capital it needs to provide safe and reliable service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates.
- A capital structure containing 50.53% common equity and 49.47% long-term debt, which is an imputed capital structure for setting just and reasonable rates. The Commission should reject Aqua's requested capital structures because they are not appropriate for setting reasonable rates in this proceeding since it has a significantly higher common equity ratios (53.95%) than the average common equity ratio used by other water utility companies in the country (50.7%)[4] and the consolidated capital structure

[4] Exhibit ALR-5, page 5.

being used by its parent Aqua's parent Essential Utilities, Inc. (about 47.5%).

- If the Commission decides to use Aqua's requested capital structure of 53.95% common equity and 46.05% debt instead of my recommended capital structure, I recommend a reduced authorized ROE of 8.56% (7.89% - 9.24%) to account for the lower financial risk of a capital structure with more equity.
- A debt cost rate of 4.32%.
- Rejection of the Company's request for a management performance adder.
- When determining an appropriate ROE, the Commission should consider (1) how fair market value acquisitions in Pennsylvania provide benefits to investors; and (2) how rate unaffordability harms consumers and investors, alike.

A summary of my cost of capital recommendations for Aqua's water and wastewater combined operations is presented in Table 1 below.

TABLE 1: ALR RECOMMENDED RANGE MIDPOINT - AQUA PENNSYLVANIA, INC.
Docket No. R-2024-3047822

	Capital Structure Ratios	Cost Rate	Weighted Cost Rate
Long-Term Debt	49.47%	4.32%	2.14%
Short-Term Debt	0.00%	0.00%	0.00%
Preferred Equity	0.00%	0.00%	0.00%
Common Equity	50.53%	8.70%	4.40%
Rate of Return			6.53%

Exhibit ALR-1

If the Commission decides to use Aqua's requested capital structure instead of my recommended capital structure, it would be appropriate to reduce Aqua's authorized ROE

because it has lower financial risk. A higher common equity ratio means less debt, a lower chance of financial stress (financial risk), and therefore a lower cost of equity. On the other hand, a lower common equity ratio means more debt, a higher chance of financial stress (financial risk), and therefore a higher cost of equity. Based on a regression analysis of dozens of utility companies, I found a 0.04% reduction in the cost of equity for every 1% increase in the common equity ratio. Applying the results of this regression analysis, I determined that Aqua's authorized ROE should be reduced from 8.70% (8.03% - 9.38%) to 8.56% (7.89% - 9.24%) if their requested regulatory capital structure is used to set rates.

Q. IF THE COMMISSION DECIDES TO USE MR. MOUL'S TESTIMONY TO DETERMINE AQUA'S ROE, WHAT WOULD YOU RECOMMEND?

A. As discussed throughout my testimony, I determined that Aqua's market-based cost of equity is between 7.27% and 8.03% based on my cost of equity Model results. However, I recommend that the Commission set Aqua's return on equity at 8.70%, or the midpoint of my market-based cost of equity recommendation and the unlevered, DCF results of Aqua's rate of return witness, Mr. Moul, based on the OCA's position that it would be sufficient to allow Aqua to raise the capital it needs to provide safe and reliable service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates. However, if the Commission decides to allow Aqua an ROE that is higher than I recommend, it should be no higher than 9.38% for the following reasons:

1. It is equal to the preferred COE model result (DCF) of Mr. Moul.

2. It excludes Mr. Moul's leverage adjustment, which the Commission has rejected in the past.[5]

3. Capital market conditions have changed such that there no longer any reason for the Commission to deviate from its stated preference to rely on the DCF model. In Aqua's last rate case, the Commission stated that "where evidence based on other methods suggests that the DCF-only results may understate the utility's ROE, we will consider those other methods, to some degree, in determining the appropriate range of reasonableness for our equity return determination."[6] At the time of that decision, capital markets were very different than today. Aqua claimed that "higher inflation expectations point to higher interest rates, which will contribute to higher capital costs prospectively, given that higher inflation results in greater risk of recovery of operating costs and greater volatility of earnings."[7] At the time of the Opinion and Order in Aqua's last rate case (May, 2022) Inflation rates were over 8% in the United States, while as of June 30, 2024, the inflation rate is about 3% and as discussed more below, investors expect the Fed to start cutting interest rates soon because inflation has been declining. There is no reason I am aware for the Commission to deviate from its stated preference for the DCF model at this time.

In my opinion an authorized ROE above 9.38% is too high because it is above the market-based cost of equity. However, if my recommendation is not adopted, as an alternative, I recommend that a 9.38% ROE be established as an upper limit, as the

[5] In Aqua's last rate case the Commission found that "awarding the Company a leverage adjustment would run contrary to the public interest." Source: Docket No. R-2021-3027385, Opinion and Order.
[6] Docket No. R-2021-3027385, Opinion and Order.
[7] Docket No. R-2021-3027385, Opinion and Order.

Commission moves towards getting authorized ROEs more in line with the market-based cost of equity over time.

Q. ARE YOU RECOMMENDING A SPECIFIC ROE OF 8.70% OR AN ROE RANGE OF 8.03% TO 9.38%?

A. I recommend both a range of appropriate ROEs and a specific point within that range that I consider to be the most appropriate. It is not possible to measure Aqua's COE with the precision of measuring temperature with a thermometer. However, the low end of my recommended ROE range of 8.03% to 9.38% is equal to the high end of the results of my cost of equity models. Thus, I recommend a specific ROE of 8.70% based on the OCA's position that it would be sufficient to allow Aqua to raise the capital it needs to provide safe and reliable service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates.

Q. PLEASE SUMMARIZE HOW YOU DETERMINED YOUR 8.70% COST OF EQUITY RECOMMENDATION FOR AQUA.

A. To arrive at my recommendations, I applied the Constant Growth form of the Discounted Cash Flow ("DCF") Model[8] to a proxy group of 6 publicly traded water utility companies ("RFC Water Proxy Group")[9] using data available through June 30, 2024, the most recently available month-end data at the time of my analysis. I also used a Capital Asset Pricing

[8] The constant growth DCF model is a variant, or version, of the single-stage DCF model that uses a consistent, never-changing growth rate component in perpetuity.

[9] The RFC Water Proxy Group consists of the following six entities: American States Water, American Water Works, California Water Service Group, Essential Utilities, Inc., Middlesex Water Company, and SJW Corporation. As I explain later in my testimony, Aqua's witness Moul included eight companies in his proxy group, including all six in the RFC Water Proxy Group; however, I excluded the other two companies Mr. Moul included because Value Line does not provide a full company report for these companies and therefore I do not have enough data to complete my sustainable growth DCF method.

Model ("CAPM") to ensure the Commission is able to consider how inflation and interest rates are impacting Aqua's cost of equity. I use a proxy group to calculate Aqua's cost of equity because Aqua does not have publicly traded stock data needed for COE models.[10] Additionally, using a proxy group provides more reliable results because it is less likely to be skewed by specific circumstances or anomalies faced by any individual company.

As shown in Table 2 on page 15, Cost of Equity Model Results, the results of my cost of equity models, including six variations of the DCF and eight variations of the CAPM, range between 7.06% and 8.09%, with a lower 85th percentile of 7.27% and an upper 85th percentile of 8.03%, which I use to determine the market-based cost of equity range. The OCA's litigation position in this case is to establish an ROE at 8.70% which is the midpoint between the high end of my market-based calculations and the Company's unleveraged DCF calculation of 9.38%, based on the OCA's position that 8.70% would be sufficient to allow Aqua to raise the capital it needs to provide safe and reliable service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates.

While I performed CAPM analyses, these analyses were to create a check on the reasonableness of my DCF results. The purpose of the check is to ensure that the impact of interest rates and inflation on the ROE was considered – the Commission's preferred method of performing this check is a CAPM analysis – and, based on the results of my CAPM analyses which are similar to those of the DCF, I have determined that the CAPM does not necessarily need to be incorporated into the Commission's determination of a

[10] Aqua's parent Essential Utilities has publicly traded stocks, but Essential Utilities owns many utility companies in different states. Therefore, Essential Utilities' stock is not the same as Aqua.

market-based ROE in this proceeding. A properly implemented DCF alone is sufficient to produce a reasonable, sufficient, and market-based ROE determination for Aqua.

TABLE 2: COST OF EQUITY MODEL RESULTS		
DCF	**Low**	**High**
Constant Growth - Sustainable Growth	7.76%	7.99%
Constant Growth - Option-Implied Growth	7.59%	7.83%
Non-Constant Growth	7.89%	8.09%
CAPM		
Spot (Jun. 30, 2024)		
Risk Free Rate - 3-Month T Bill	7.28%	7.86%
Risk Free Rate - 30-Yr T Bond	7.06%	7.89%
3-Mo. Weighted Average (Apr. to Jun. 2024)		
Risk Free Rate - 3-Month T Bill	7.43%	8.01%
Risk Free Rate - 30-Yr T Bond	7.26%	8.03%
Outer Percentile Range	**7.27%**	**8.03%**
Midpoint of Range	**7.65%**	

Exhibit ALR-2

Q. ARE YOUR COE MODELS BASED ON ESTABLISHED METHODOLOGIES?

A. Yes. My constant growth DCF model is used by major financial institutions. J.P. Morgan Chase uses the sustainable growth form of the DCF method, as I do, in its 2019 Long-Term Capital Market Assumptions publication.[11] *Principles of Corporate Finance*, a leading financial textbook used in business schools and investment banks around the world, recommends using the very same method I use to calculate the cost of equity for regulated energy utility companies.[12] As discussed in Section F. Capital Asset Pricing Model on

[11] 23rd Annual Edition, Long-Term Capital Market Assumptions - Time-tested projections to build stronger portfolios, pp. 62-63.
[12] Brealey, Myers, and Allen (2017), Principles of Corporate Finance, 12th Edition, McGraw-Hill Irwin, New York, page 86-87.

page 62, my CAPM is based on methodologies used by Value Line, the Chicago Board of Options Exchange (CBOE), and published in peer-reviewed academic journals (e.g., The Review of Financial Studies). My CAPM method has also been recognized by state utility commissions. On April 9, 2020, the Public Service Commission of South Carolina stated the following:

> Amongst the three witnesses, Consumer Affairs Rothschild's approach was unique in that he included the use of both historical and forward-looking, market-based data in his analysis. Based on the testimony and facts presented, the Commission therefore adopts the recommended ROE of 7.46% proposed by witness Rothschild.[13]

In California's 2017 Water Cost of Capital proceedings, a company witness acknowledged the validity of RFC's method. California Administrative Law Judge Bemesderfer stated the following:

> [O]n cross-examination Vilbert [California Water Service Company witness] admitted that Rothschild's use of the method [b x r method] was "reasonable" and that Rothschild had "implemented the methodology correctly" in arriving at his Water Proxy Group ROE of 8.25%.[14]

In a 2024 decision, California Commissioner John Reynolds found merit in my analysis and used my cost of equity methodology, including the CAPM and DCF methods I use in this proceeding, to determine the authorized ROEs for California's ten Independent Small Telephone Companies (ILECs).[15]

[13] Order Ruling on Application for Adjustment in Rates, Docket No. 2019-290-WS, Order No. 2020-306, April 9, 2020, page 43.
[14] Proposed Decision of ALJ Bemesderfer, p.19, Public Utility Commission of California, Application No. 17-04-001 (February 6, 2018).
[15] Alternative Proposed Decision of, p.19, California Public Utility Commissioner John Reynolds of California, Application No. 22-09-003 (August 5, 2024).

Q. HOW DO YOUR RECOMMENDATIONS COMPARE TO THE RECOMMENDATIONS OF AQUA'S WITNESS, MR. MOUL?

A. As shown in Table 3 below, my 8.70% cost of equity and capital structure recommendations result in a 6.53% overall rate of return. Mr. Moul's 10.95% cost of equity and capital structure recommendations result in an overall rate of return of 7.90%.

TABLE 3: RECOMMENDATION COMPARISON - ROTHSCHILD AND MOUL

	Cost of Equity	Cost of Debt	Common Equity %	Debt %	Rate of Return
Rothschild [1]	8.70%	4.32%	50.53%	49.47%	6.53%
Moul [2]	10.95%	4.32%	53.95%	46.05%	7.90%

[1] Exhibit ALR-1
[2] Mr. Moul's Direct Testimony, AP Exhibit 4-A, page 1 of 29.

Mr. Moul and I recommend a different cost of equity for Aqua because we have fundamentally different analytical approaches. I focus on using market data (e.g., stock prices, bond yields, stock option prices) to measure investors' expectations as much as possible. On the other hand, Mr. Moul relies almost exclusively on non-market data, including accounting returns, i.e., return on book equity, even when market data is available. He increases his DCF result from 9.38% to 10.58% by implementing his so-called leverage adjustment.[16] As discussed below, this adjustment is inappropriate and should be rejected. The Commission has denied Mr. Moul's leverage adjustment in past cases.[17]

I do not agree with Mr. Moul on the appropriate cost of equity for Aqua for many reasons. The reasons I have come to different conclusions include: (1) Mr. Moul's use of non-market data such as interest rate forecasts; (2) the growth rates applied in his Constant

[16] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 23, lines 20-22.
[17] Docket No. R-2017-2640058, Opinion and Order, Page 93

Growth DCF model; (3) the implementation of his CAPM; (4) the inclusion of a non-market-based Expected Earnings Analysis; (5) adding a leverage adjustment to his DCF and CAPM results; and (6) adding a size premium adjustment ("mid-cap adjustment") to his CAPM result.

I recommend a different ROE[18] for Aqua than its witness Mr. Moul for many reasons.

Q. PLEASE PROVIDE A SUMMARY OF HOW YOUR COST OF EQUITY RECOMMENDATION COMPARES TO THE RETURN EXPECTATIONS OF MAJOR FINANCIAL INSTITUTIONS.

A. As shown in Table 4 on page 19, major financial institutions are informing their clients to expect returns on the overall market (S&P 500) of 6.2% to 8.5%. As stated above, Aqua's authorized ROE should be based investors' expectations as indicated by capital market data, not the opinions of small groups of people including those of major financial institutions. However, I chose to include the equity return expectations of major financial institutions to encourage the Commission to consider why Mr. Moul's 10.95% ROE is significantly higher than the financial mainstream. If there is a good reason for Aqua's COE to be hundreds of basis points higher than the equity return expectations of major financial institutions, I have not seen it.

[18] My ROE recommendation is based on Aqua' current market-based COE. As stated previously, the authorized ROE is based on a snapshot of the COE which is constantly changing. In the context of this case my recommended COE and ROE are synonymous.

TABLE 4: U.S. EQUITY RETURN EXPECTATIONS AMONG MAJOR FINANCIAL INSTITUTIONS	
Duff & Phelps / Kroll (June 2024) [1]	**8.5%**
Horizon Actuarial Services, LLC Survey - 20 Year Horizon (August 2023) [2]	
U.S. Equity - Large Cap (5.6-10.2%, 50% Percentile - 7.3%)	**7.3%**
U.S. Equity - Small / Mid Cap (5.1-10.9%, 50% Percentile - 7.6%)	**7.6%**
J.P. Morgan Asset Management - Equity Long-Term Returns (2023) [3]	**7.9%**
Charles Schwab - 10-year U.S. Large Cap Returns (January 2024) [4]	**6.2%**

Sources:

[1] Kroll Recommended U.S. ERP and Corresponding RFR to be Used in Computing Cost of Capital: January 2008 - Present, https://www.kroll.com/en/insights/publications/cost-of-capital/recommended-us-equity-risk-premium-and-corresponding-risk-free-rates
Note: Duff & Phelps acquired Kroll in 2021 and rebranded itself as Kroll.

[2] Horizon Actuarial Services, LLC, Survey of Capital Market Assumptions Survey, August 2023, page 18.
Survey participants Include: Bank of New York Mellon, BlackRock, Goldman Sachs Asset Management, J.P. Morgan Asset Management, Merrill, Morgan Stanley Wealth Management, Royal Bank of Canada, UBS.

[3] J.P. Morgan Asset Management - 2024 Long-Term Capital Market Assumptions, 2023, page 12.

[4] Schwab's 2024 Long-Term Capital Market Expectations, January 2, 2024.
https://www.schwab.com/learn/story/schwabs-long-term-capital-market-expectations

The returns on equity shown in Table 4 are anticipated equity returns across the broader stock market, including sectors such as US Large Cap and companies like Tesla and Amazon. These expectations would be expected to be higher than those for utility stocks because most companies that make up the S&P 500 operate in highly competitive markets. Regulated utility companies like Aqua do not operate in a highly competitive market. Therefore, it is surprising that Mr. Moul recommends an ROE (10.95%) that is significantly higher than financial professionals expect to earn on investments in companies that are operating in highly competitive markets.

Even my ROE recommendation of 8.70% (8.03% to 9.38%) for Aqua is above the upper part of the range of these expectations, which should give the Commission more confidence that if they adopt my recommendation, Aqua will be able to raise the capital it needs to provide safe and reliable service.

Q. PLEASE COMPARE AQUA'S REVENUE REQUIREMENT IF YOUR RECOMMENDATIONS ARE ADOPTED INSTEAD OF MR. MOUL'S.

A. If my 8.70% ROE recommendation and capital structure recommendation are used to set rates for Aqua and are applied to Aqua's proposed rate base amounts, the rate of return portion of the overall annual revenue requirement will be about $440 million. On the other hand, if Mr. Moul's 10.95% cost of equity recommendation and capital structure recommendation are used to set rates, the rate of return portion of the overall annual revenue requirement will be about $532 million.

If Mr. Moul's rate of return recommendations are adopted instead of my 8.70% ROE recommendation, consumers will pay approximately $92 million more per year.

Q. PLEASE EXPLAIN MORE REGARDING THE IMPORTANCE OF DETERMINING THE MARKET-BASED COE AS ACCURATELY AS POSSIBLE.

A. As discussed above, Aqua's authorized ROE should be in line with its market-based COE. In other words, the cost of equity is the return investors expect to earn when they purchase the equity (or stock) of a company. This makes sense because investor-owned utility companies (IOUs) raise money from investors.

Q. DO ACCOUNTING FIGURES AND AUTHORIZED ROES IN OTHER PROCEEDINGS REVEAL THE MARKET-BASED COE?

A. No. It would be insufficient and inaccurate to determine the cost of equity based on accounting information (e.g., revenue, net income, equity book value, or return on book equity) alone, as doing so neglects to account for the information that is revealed through investor's actions in the market. The return investors expect can come in the form of capital gains (stock price appreciation) or dividend payments. As investors buy and sell stock in

the market, they convey information about their return expectations and therefore the underlying cost of equity (companies with different risk profiles will have different costs of equity). This is why an accurate COE can only be established by incorporating capital market prices (e.g., stocks, stock options).

Authorized ROEs in other proceedings are applied to rate base, which is nearly identical to book value. Therefore, as explained further below, authorized ROEs in other proceedings do not reflect the market-based COE alone. In fact, the ratio of market prices to book value (market-to-book ratio) indicates that the COE for water utility companies is significantly lower than authorized ROEs.

Aqua's authorized ROE in this proceeding should not be based on accounting information alone or authorized ROEs of water utility companies in other proceedings without considering the stock price of those utilities.

Q. DO ANY ROE WITNESSES USE A DIFFERENT DEFINITION FOR THE COST OF EQUITY?

A. All ROE witnesses I have encountered over my more than 20 years in the industry, including Mr. Moul, define the cost of equity as market-based somewhere in their testimony. Mr. Moul correctly states that he uses "market models."[19] However, Mr. Moul's approach significantly relies on non-market based models. For example, his Comparable Earnings approach relies on accounting returns instead of market returns.[20] Calculating the cost of equity should be an interpretive approach (e.g., using market data to measure investors' expectations as Mr. Moul did in some parts of his testimony) rather than a

[19] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 7, lines 1-2.
[20] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 47, lines 1-23.

speculative one (e.g., using interest rate forecasts instead of investors' expectations as revealed in the market yield).

Q. IS YOUR ROE RECOMMENDATION BASED ON YOUR OPINION OF FUTURE STOCK PRICE RETURNS?

A. No. I do not pretend to be able to predict the future. Capital markets are unpredictable and, as explained above, it is investors' expectations that matter since they are the ones providing the capital. Therefore, I provide an expert interpretation of investors' return expectations as indicated by the current market prices of stocks, bonds, and stock options, without attempting to predict future prices.

I do use Value Line and Zacks analyst forecasts to estimate the market-based cost of equity in my Discounted Cash Flow (DCF) analyses. However, I do not use them mechanically and I go to great lengths to distill the sustainable growth component to ensure it is in line with investors' long-term expectations, including using a DCF model that is based only on market data (stock option prices). My Capital Asset Pricing Model (CAPM) is based on a direct measurement of investors' expectations as indicated by market prices instead of analyst forecasts, which have proven to be unrealistic. On May 16, 2022, McKinsey stated that "analysts' near-term forecasts are often overly optimistic and don't always correctly reflect operating performance."[21]

[21] David Kohn, Vartika Gupta, Tim Koller, Werner Rehm, *Do consensus estimates accurately reflect operating performance?*, May 16, 2022.

Q. YOU STATED ABOVE THAT ROES AUTHORIZED IN OTHER PROCEEDINGS SHOULD NOT BE USED TO SET THE AUTHORIZED ROE IN THIS PROCEEDING. CAN YOU ELABORATE ON WHY PREVIOUS PROCEEDINGS' ROES ARE NOT AN APPROPRIATE GAUGE FOR AQUA'S COE?

A. As discussed in Appendix A, when the market to book ratio of a water utility company is significantly above one, as they are now,[22] it indicates that the utility's COE is lower than its authorized ROE.[23]

In his 1970 book *The Economics of Regulation: Principles and Institutions*, regulatory economist Alfred Kahn explained why the cost of equity is lower than authorized returns when market to book ratios are significantly above one:[24]

> [T]he sharp appreciation in the prices of public utility stocks, to one and half and then two times their book value during this period, reflected ... a growing recognition that the companies in question were in fact being permitted to earn considerably more than their cost of capital. ... The source of the discrepancy between market and book value has been that commissions have been allowing r's [returns on equity] in excess of k [market cost of equity]; if instead they had set r equal to k, or proceeded at some point to do so ... the discrepancy between market and book value ... would have disappeared, or would never have arisen.

A utility company's COE should not be based on authorized ROEs, which are accounting returns. The COE is set based on what investors in the market expect for a given risk profile. In the case of a utility stock, an increasing market value results in a lower return on market for the same expected return on book, all else equal.

[22] See Exhibit ALR-3, page 1. The market to book ratios of the companies in my proxy group averaged 2.59 over the year ending June 30, 2024.
[23] An authorized ROE is applied to rate base, which is nearly identical to the return on the book value of equity; therefore, authorized ROEs are nearly identical to return on book equity.
[24] Alfred Kahn, *The Economics of Regulation: Principles and Institutions*, Mass. Inst. Tech. at 48 (fn. 69), 50 (1970).

IV. COST OF EQUITY IN TODAY'S FINANCIAL MARKETS

Q. WHY DO YOU CONSIDER CAPITAL MARKETS IN GENERAL?

A. My COE models are designed to reflect capital market conditions. However, it is important to "cross-check" the model results because capital markets are complicated. I consider capital market data in general like a ship captain might use visual landmarks, by comparing them with electronic navigation aids like GPS, and cross-referencing with nautical charts to confirm their position. This process of cross-checking helps to identify and correct any discrepancies or errors in any single source.

Q. PLEASE SUMMARIZE YOUR CONCLUSIONS REGARDING CURRENT CAPITAL MARKET CONDITIONS.

A. The capital market data I discuss below indicate that an authorized ROE of 8.70% for a regulated utility like Aqua is sufficient for Aqua to be able to raise capital from investors.

As discussed in detail below, interest rates have increased in recent years and remain at levels not seen since the end of 2007. Capital market data indicates that the cost of equity for water utility companies remains below that of the overall market. While the cost of equity for water utility companies has likely increased relative to the overall market in recent years, it has likely declined on an absolute basis since the end of 2022. Aqua's consumers should benefit from the downward pressure on the cost of equity in the current strong stock market.

There are many cross currents in today's capital markets. However, I would like to emphasize that since the end of 2022 there has been a downward trend in the cost of equity of both the overall market and water utility stocks, specifically. My conclusion that a 8.70% ROE is sufficient for Aqua to be able to raise capital is based primarily on the

interplay between the following four capital market factors: A) inflation and interest rates, B) the relative risk/cost of equity for water utility companies (including Aqua), C) the cost of equity for the overall market, and D) investors' volatility expectations. I will discuss each of these components in detail below. First, however, I will provide a brief summary of the individual issues.

Q. PLEASE SUMMARIZE WHY THESE FOUR CAPITAL MARKET FACTORS SUPPORT YOUR 8.70% ROE RECOMMENDATION FOR AQUA.

A. I elaborate on each of the points in the following sections. However, the following summary of each of these market factors or developments shows how they impact the COE:

A. Inflation and Interest Rates. It is reasonable to ask how interest rates are impacting the cost of equity. All else equal, higher interest rates mean a higher cost of equity. However, as discussed below, all else is not equal and we must look beyond inflation and interest rates. The Federal Reserve (the Fed) has increased short-term interest rates (the Federal Funds Rate) from near 0% to a range of 5.25% - 5.50% as of June 30, 2024, to fight inflation.[25] Long-term interest rates have increased as well. However, inflation has been easing and the Fed Chair Jerome Power stated on July 2024 that a reduction in the Federal Funds Rate is possible in September 2024.[26] As shown on Chart 2 on page 31, investors expect the Federal Reserve to start lowering the Federal Funds Rate next year. Long-term interest rates have decreased since April 30, 2023, as well, with the yield on the 30-year U.S. Treasury bond decreasing from about 4.8% to about 4.5% between April 30 and the end of

[25] Federal Reserve Bank of New York. https://www.newyorkfed.org/markets/reference-rates/effr.
[26] https://www.wsj.com/economy/central-banking/federal-reservice-interest-rate-decision-b5c39738

June. Chart 2 shows that as of April 30, 2024, investors expected the Fed to reduce the Federal Funds Rate to about 4.25% by September 2026. As of June 28, 2024, they expected the Fed to reduce this rate to a little under 4.0. As shown on Chart 3 and Chart 5 starting on page 33, investors expect inflation to decrease sharply over the next few years and long-term interest rates to remain near current levels in coming decades.[27] These recent changes in inflation and interest rate expectations is likely putting more downward pressure on Aqua's cost of equity, as water utility stocks have started to significantly outperform the overall market in the middle of July 2024.

B. Relative risk/cost of equity of water utility stocks. As shown in Chart 13 on page 47, despite relatively high volatility expectations for the companies in the RFC Water Proxy Group, investors' expectations regarding the chance of a large drop in utility stock prices, or investors' perceived downside risk, remain significantly below those for the overall market, which indicates that the relative cost of equity for water utility companies remains below the overall market.[28] However, the volatility expectations for the companies in the RFC Water Proxy Group have not declined with the overall market over the past year and remain significantly higher than for the overall market.[29]

[27] Using the yield curve to measure investors' interest rate expectations is a common technique in finance. However, it is only an approximation because other factors can impact the current shape of the yield curve. For example, investors often require an extra yield to purchase bonds with longer-maturity dates. This is known as a term-premium. It is possible that the current term-premium is impacting my calculations and investors expect the yield on the 10-year U.S. Treasury bond to remain flat in the near term or even decrease.

[28] Option-implied skewness represents investors' expectations regarding the asymmetry of the probability distribution for stock price movements. Option-implied skewness is further discussed in Section IV. D. Investor-Perceived Downside Risk (Option-Implied Skewness).

[29] As discussed more below, volatility, uncertainty and risk are synonymous. Higher volatility expectations means higher uncertainty regarding future stock prices, higher risk and generally, all else equal, a higher cost of equity.

Additionally, the beta coefficients[30] of water utility stocks remain somewhat elevated, also indicating that the cost of equity for water utility stocks has become closer when compared to the overall market.

C. Cost of equity for the overall market. Global stock markets have been increasing in recent years, with the S&P 500 rising over 40% since the end of 2022.[31] An Economist article published in July reported that "[a]ll around the world, stock markets have been rising at a breakneck pace" and "[v]aluations, or the multiples by which underlying earnings are scaled up to generate share prices, have risen from expensive to alarming."[32] Stock prices have increased at a faster clip than earnings, leading to higher price-to-earnings ratios (See Chart 7 on page 37). In other words, investors have been willing to pay a higher premium for earnings. This rise in price-to-earnings ratios (among other market data) indicates that the cost of equity for the overall market (e.g. S&P 500) has been declining over the last two years and is at historical lows.

D. Stock price volatility. As shown on Chart 11 on page 44, investors' volatility expectations for the overall market decreased considerably between October 2022 and December 2023, nearing historical lows in June 2023. Despite a spike in late September and early October 2023, market volatility expectations remain significantly lower than the highs of October 2022. Like

[30] As discussed in Section F. Capital Asset Pricing Model on page 62, a beta coefficient measures the type of risk that most impacts a firm's cost of equity, i.e., systematic risk. As also equal, the higher the beta the higher the cost of equity.

[31] S&P 500 was 3,839.5 on the last trading day of 2022 and $5,460.48 on the last trading day of June, 2024. (5,460.48-3,839)/3839.5 = 42.2%. Source: Yahoo Finance.

[32] "Stocks are on an astonishing run. Yet threats lurk", *The Economist* (published July 16, 2024), https://www.economist.com/finance-and-economics/2024/07/16/stocks-are-on-an-astonishing-run-yet-threats-lurk

high price-to-earnings ratios, the relatively low market volatility expectations of investors indicate a lower cost of equity. However, as discussed above, the volatility expectations for the companies in the RFC Water Proxy Group have not declined with the overall market over the past year and remain significantly higher than for the overall market.

A. Inflation and Interest Rates

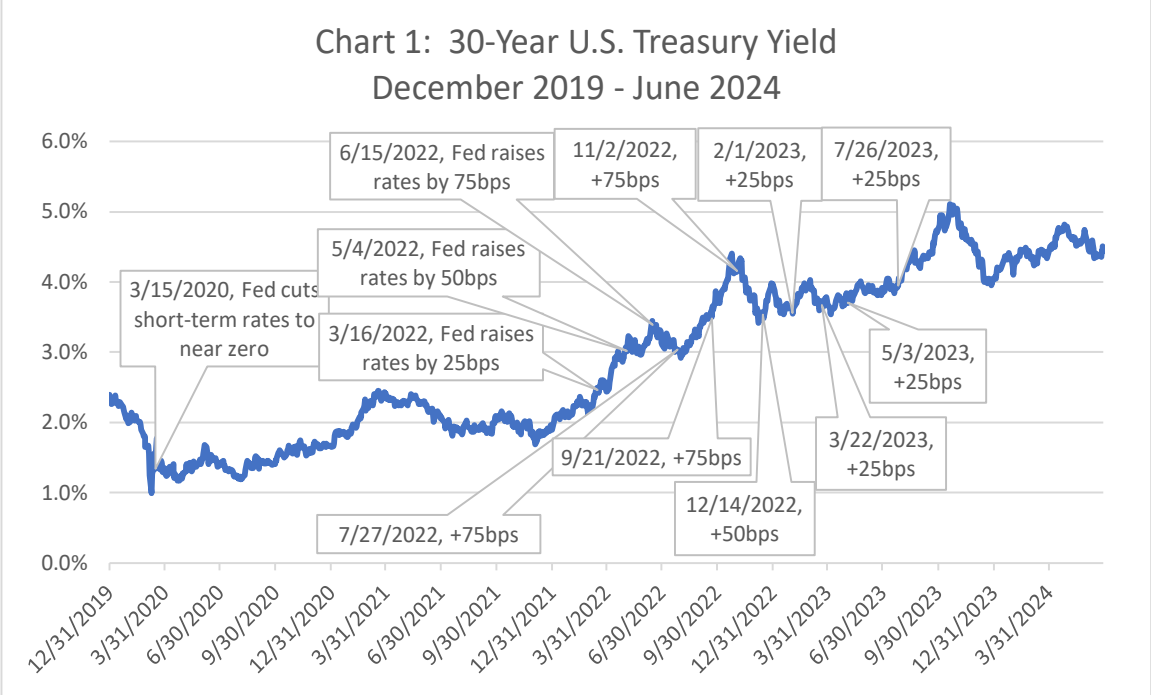
Q. PLEASE DISCUSS THE CURRENT INFLATION AND INTEREST RATE ENVIRONMENT AND WHAT IT INDICATES REGARDING THE COST OF EQUITY.

A. Starting in March 2022, the Fed has increased the benchmark federal-funds rate by a cumulative 5 percentage points (i.e., 500 basis points) to a 22-year high. As of June 30, 2024, the benchmark rate is 5.25% to 5.50%. After the Federal Reserve's last meeting in March 2024, Fed Chairman Jerome Powell stated that "Inflation has eased substantially while the labor market has remained strong, and that is very good news."[33] More good news has come in since that statement made by Chairman Powell. As discussed above, he stated that a rate cut could be on the table in the next Fed meeting. As shown in Chart 2 on page 31, market data as of June 30, 2024 shows that investors expect the Fed to cut the Federal Funds rate over the next couple years. Since Chairman Powell made these comments, market data indicates that investors have revised their expectations regarding the Federal Funds rate's downward trajectory.

[33] https://www.wsj.com/articles/transcript-fed-chief-powells-postmeeting-press-conference-29ce7b9f

Q. PLEASE EXPLAIN THE IMPORTANCE OF, AND THE RELATIONSHIP BETWEEN, THE FEDERAL FUNDS RATE AND THE COST OF EQUITY.

A. The Federal Funds rate is important because it can impact the cost of long-term borrowing and the cost of equity. As shown in Chart 1 below, the yield on the 30-year U.S. Treasury bond has increased along with the Federal Funds rate, increasing from 2% at the start of 2022 to 4.51% as of June 30, 2024. The cost of equity has increased along with the Federal Funds Rate and the yield on Treasury Bonds, but not one for one. As discussed above, the market-based COE for water utility stocks is below authorized ROEs because the market-to-book ratios of these stocks is above one.



Q. WHAT IMPACT CAN HIGHER INFLATION HAVE ON THE COST OF EQUITY?

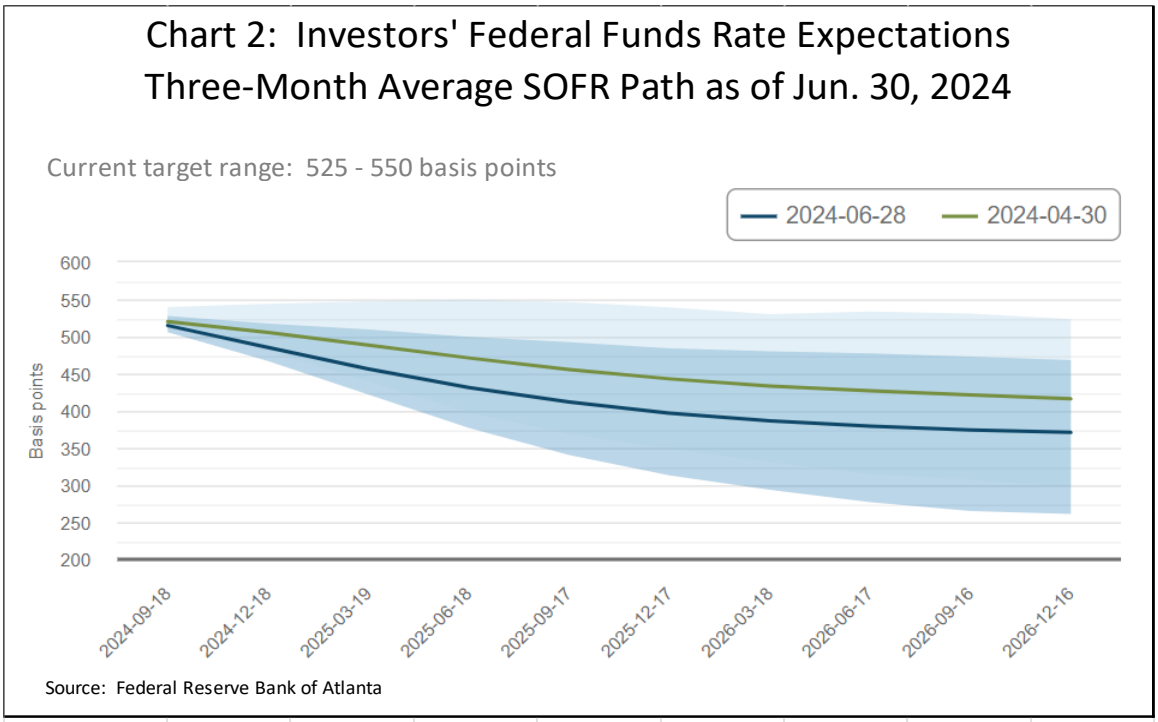
A. Higher inflation can impact the cost of equity because it can impact interest rates. Higher interest rates, all else equal, generally indicate a higher cost of equity for water utility

companies because fixed income investments become relatively more attractive when they start paying a higher rate (e.g., a bond with an interest rate of 3% is more attractive to investors, all else equal, than when they are paying a 2% rate). However, as discussed above, the cost of equity for utility companies has likely been decreasing because the cost of equity for the overall market has been declining. Additionally, the Commission can be confident that the 8.70% ROE recommendation is sufficient because it is higher than my calculations that reflect interest rate changes. My calculations reflect interest rate changes because they are based on market data, including the changing market yields on government bonds.

Q. WHAT DOES MARKET DATA INDICATE REGARDING INVESTORS' CURRENT INFLATION AND INTEREST RATE EXPECTATIONS?

A. As shown in Chart 2 on page 31, the Federal Reserve Bank of Atlanta estimated that as of June 28, 2024, investors expect the three-month average Federal Funds rate[34] will most likely decrease from its current range of 5.25%-5.50% to an expected value of under 4.0% in 2026. The same chart shows that about two months prior (April 30, 2024), investors expected the Federal Funds rate would decrease to be about 4.25% in 2026.

[34] The Federal Funds rate guides overnight lending among U.S. banks, but this short-term rate impacts the interest rates on debt with longer maturities.



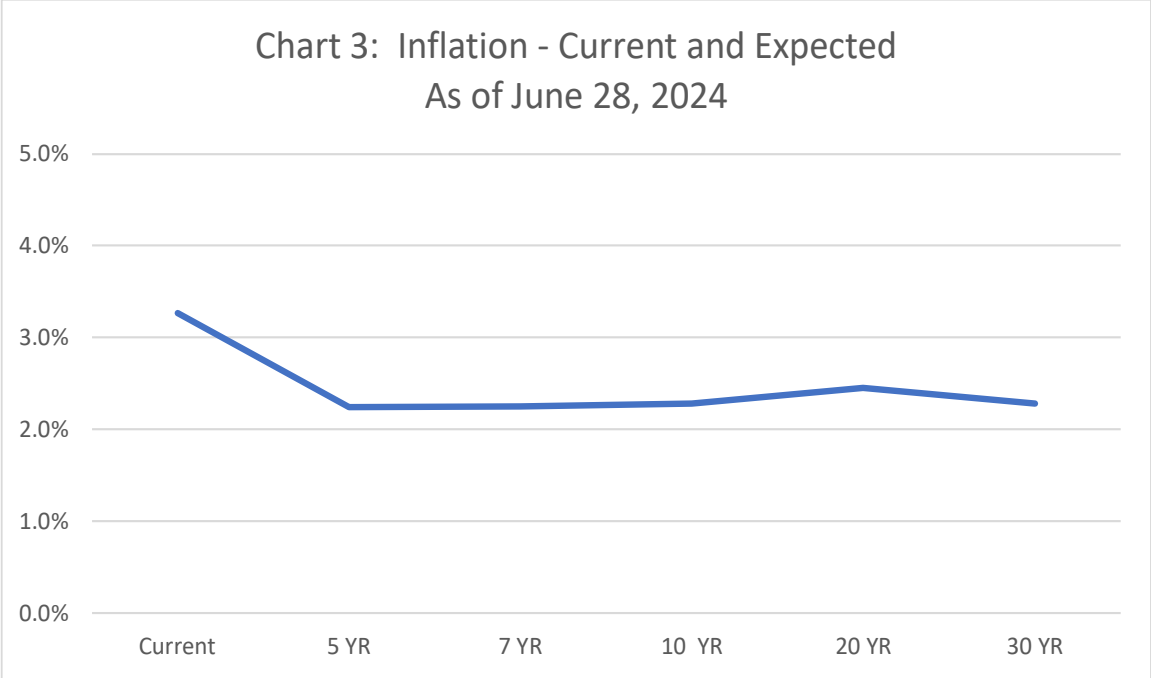
I use the Federal Reserve Bank of Atlanta's market-implied probabilities because it is based on investors' expectations as indicated by option prices, future prices, and swap spreads. As discussed considerably above, market-based expectations like those provided by the Federal Reserve Bank are more appropriate to consider when calculating the cost of equity than economist/analyst projections for many reasons, primarily because market data like that used by the Federal Reserve Bank provides a direct observation of investor expectations.

Q. YOU STATED THAT THE FEDERAL RESERVE BANK OF ATLANTA USES MARKET DATA TO CALCULATE INVESTORS' EXPECTATIONS REGARDING THE FEDERAL FUNDS RATE. IS THERE A WAY TO MEASURE INVESTORS' INFLATION AND LONG-TERM INTEREST RATE EXPECTATIONS AS WELL?

A. Yes. Regarding inflation, it is possible to measure investors' expectations directly simply by subtracting the interest rate of nominal Treasuries and TIPS (Treasury Inflation - Protected Securities) of comparable maturities. This difference is referred to as the "breakeven inflation rate" because it represents what inflation would have to be for an investor to "break even" or make the same return on both nominal Treasuries and TIPS.[35]

As indicated by the difference between nominal-treasuries and TIPS, Investors expect the Fed's actions will reduce the inflation rate substantially in the coming years. As shown on Chart 3 on page 33, the relative market price of inflation-protected bonds as compared to regular Treasury bonds as of June 30, 2024, indicates that investors expected the inflation rate to decline from the current 3.27% to only 2.24% over the next 5 years and to about 2.28% over the 30-year horizon.

[35] For example, if the yield on a nominal 10-year Treasury is 2.5% and TIPS of the same duration are 1.5%, an investor would make the same real return on both bonds if the inflation rate is 1% over the next 10 years. (Nominal yield – real yield = breakeven inflation rate) In this case, investors' breakeven inflation rate is 1% (2.5% - 1.5% = 1%). It makes sense that investors' inflation expectation is equal to the breakeven inflation rate because if investors, on average, believed that inflation was going to be 10%, in the example above, they would buy TIPS and expect to make exceptional profits. The investor who purchases TIPS would earn 1.5% + 10% inflation = 11.5%. The investor who purchased the nominal Treasury would lose 7.5% (2.5% yield — 10% inflation rate). With such large relative returns to be made buying TIPS in this hypothetical example, investors would bid up the price of TIPS and drive down the yield until investors expect the same real return on nominal Treasuries and TIPS. And in this way, the relationship between the market yields on TIPS vs. nominal Treasury bonds is a self-balancing safe measurement of investors' expectation of inflation.



Regarding interest rates, it is possible to use the yield curve to calculate investors' expectations regarding future interest rates. An upward sloping yield curve indicates investors expect higher interest rates and a downward sloping yield curve indicates investors expect lower interest rates in the future. As shown in Chart 4 on page 34, the yield curve went from being significantly upward sloping on March 31, 2021, to mostly downward sloping as of June 30, 2024.

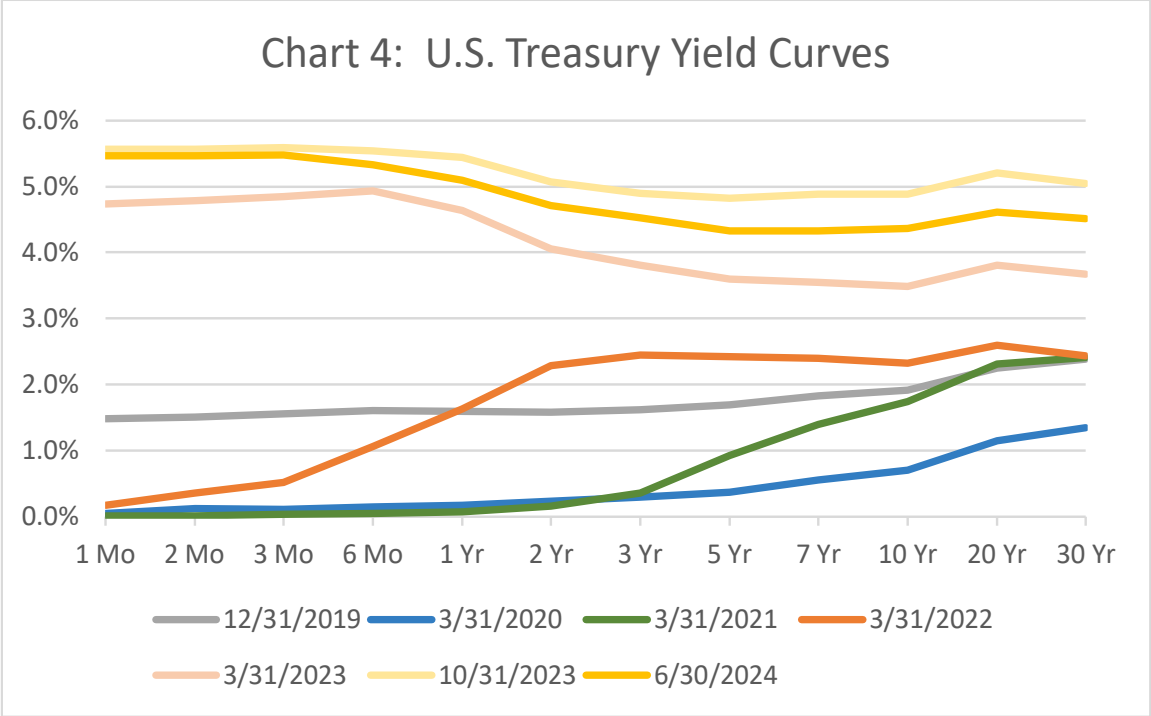


Chart 5 on page 35 shows that as of June 30, 2024, investors expected long-term interest rates (on 10-year U.S. Treasury Bond) to decline slightly over the next 20 years, increasing from 4.36% as of June 30, 2024, to 4.86% over the next ten years and then falling to 4.31% over the 20-year time frame. Investors' long-term interest rate expectations are somewhat consistent with the current flat to somewhat declining yield curve. As discussed above, using the yield curve to measure investors' interest rate expectations is a common technique in finance. However, it is only an approximation because other factors can impact the current shape of the yield curve, including a term premium.[36]

[36] Compensation demanded by investors for bearing the risk that interest rates may change over the life of the bond. If the interest rate on long-term bonds increases, investors could lose a significant amount of money.

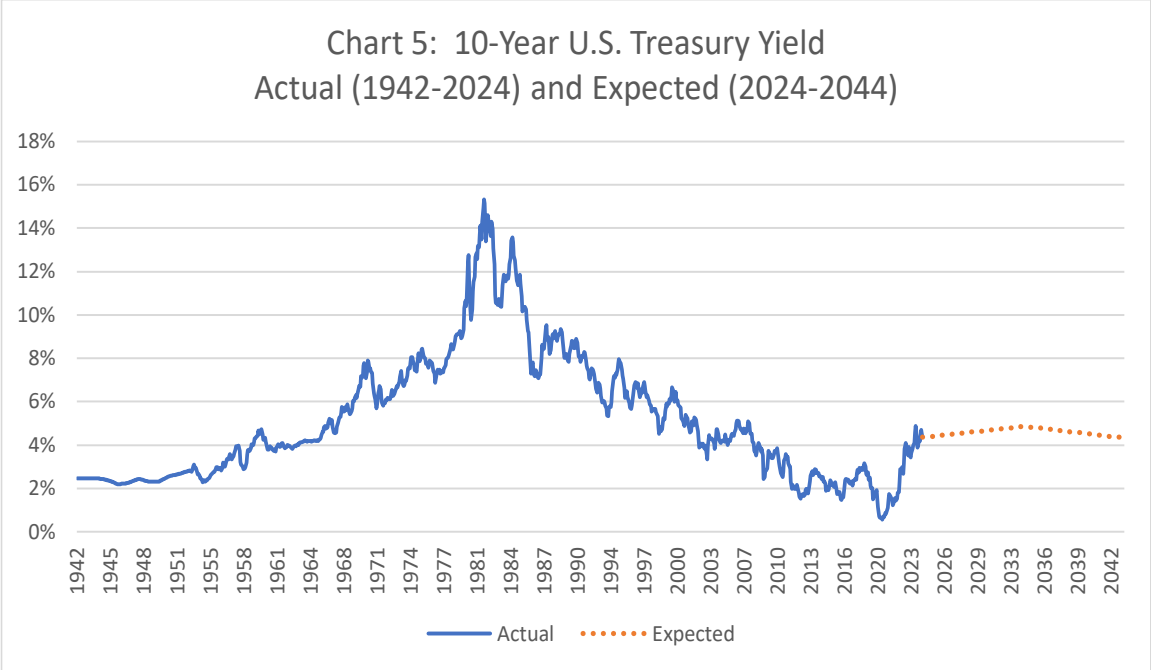


Chart 5 above also shows that although long-term interest rates have increased since reaching historical lows in 2020 and 2021, they remain far below interest rates from the 1970s and 1980s when the yield on the 10-year U.S. Treasury bond climbed over 14%.

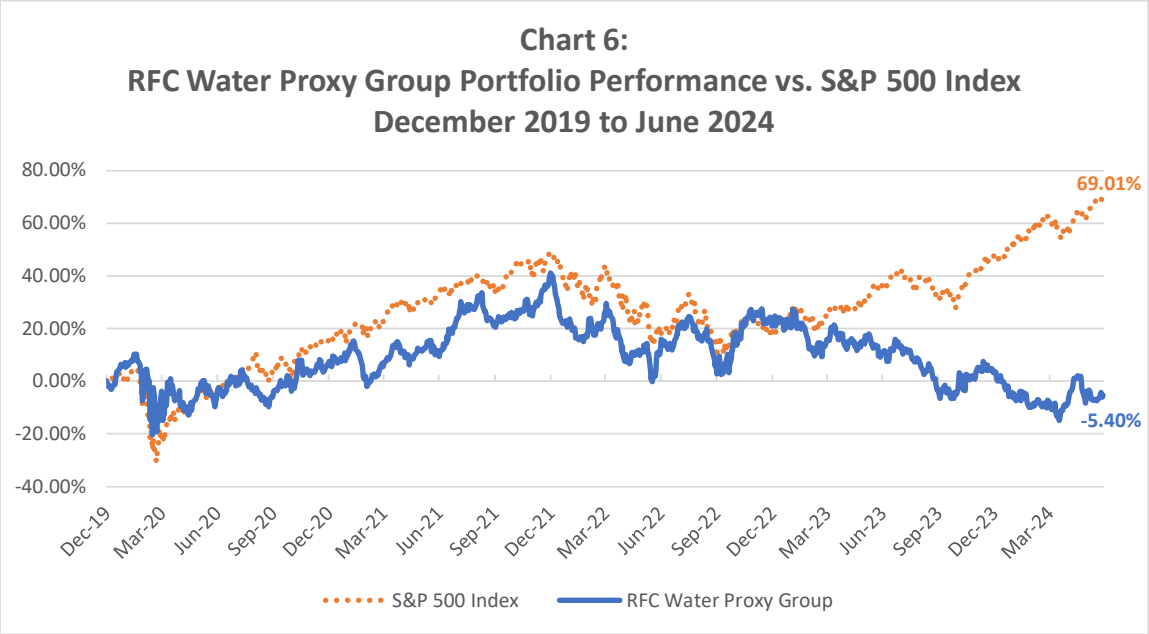
B. The cost of equity for the overall market

Q. WHAT, IF ANYTHING, DOES STOCK MARKET DATA INDICATE WITH REGARD TO THE COST OF EQUITY?

A. As discussed above, increasing stock prices have in recent years led to higher price-to-earnings ratios. All else equal, higher price-to-earnings ratios indicate that the cost of equity may be decreasing.[37] As show in Chart 6 on page 36, stock prices for the S&P 500 have increased significantly recent years, up 69.01% between December 31, 2019 and June

[37] When investors pay a higher price today for the same earnings, the immediate yield or return on investment (ROI) is lower. Using our real estate investment analogy, if you spend more on an apartment, the rental income is a smaller return relative to your investment.

28, 2024. On the other hand, the water utility stocks in the RFC Proxy Group were down 5.40% over the same time period.



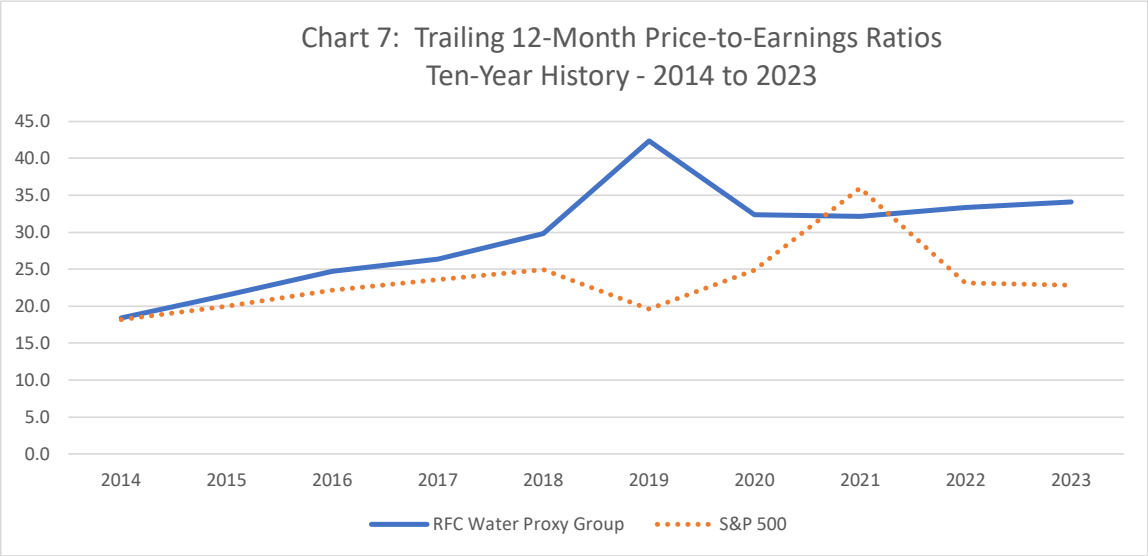
Regarding the underperformance of water utility stocks over the past one, three- and five-year periods, Value Line reported that "the stocks [of water utilities] had just become too expensive and began trading at price-to-earnings ratios that weren't appropriate for the industry's estimated earnings growth."[38]

Value line referred to price-to-earnings ratios because stock prices on their own cannot tell us how the cost of equity has changed. As discussed above, all else equal, price-to-earnings ratio and the cost of equity are inversely related – a higher price-to-earnings ratio indicates a lower cost of equity and a lower price-to-earnings ratio indicates a higher cost of equity.

As shown in Chart 7 on page 37, the price-to-earnings ratio of the S&P 500 has increased from about 18.1 in 2014 to 22.82 in 2023. Over the same time period the price-

[38] Value Line Water Utility Industry Report, July 5, 2024.

to-earnings ratio of the Proxy Group increased from 18.4 to 34.1. The ten-year (2014-2023) average of the S&P's price-to-earnings ratio is about 23.53. As investors are willing to pay more (higher price-to-earnings ratio) for the same earnings, this indicates that the cost of equity is decreasing. The price-to-earnings ratio indicates that equity costs for the overall market have been declining in recent years. Chart 7 also shows that the price-to-earnings ratio for water utility stocks has increased even more than for the S&P 500, which indicates that the cost of equiy for water utility stocks may have declined relative to the overall market over this time period.



Q. DOES ADDITIONAL EVIDENCE INDICATE THAT THE COST OF EQUITY IS RELATIVELY LOW BY HISTORICAL STANDARDS?

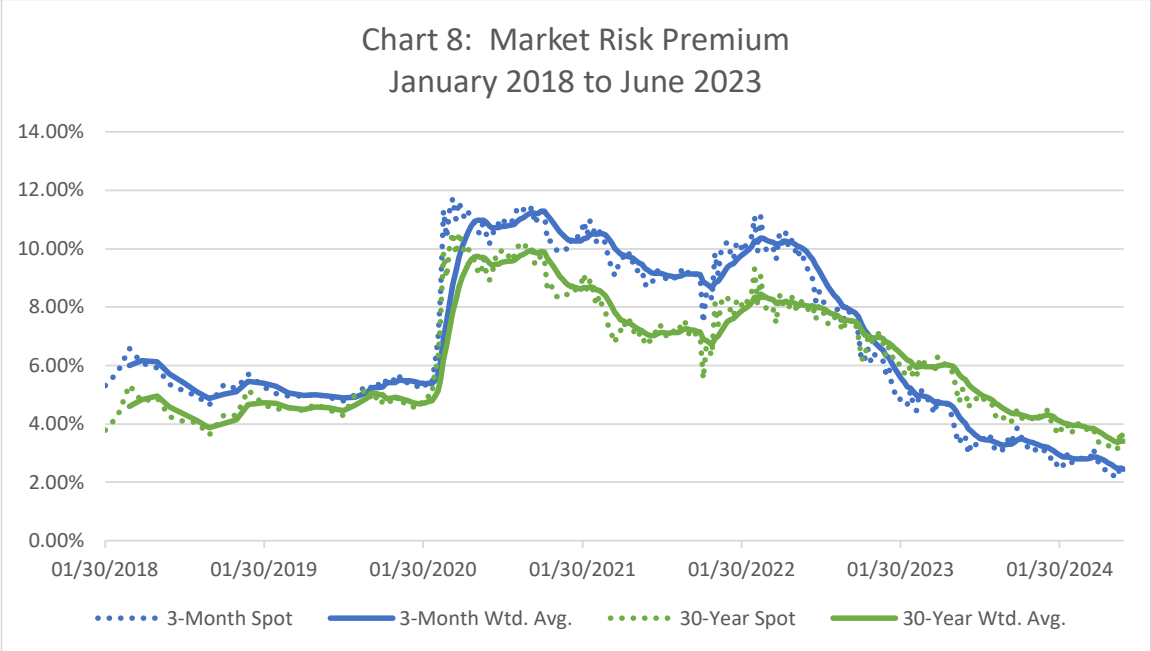
A. Yes. I discussed that increasing stock price and price-to-earning ratios show that the cost of equity for the overall market and for water utility stocks indicates that the cost of equity has been trending down and is likely low by historical standards. Another common way to think about the cost of equity is the following:

COE = risk free interest rate + market risk premium

As the equation above indicates, investors require a premium (i.e., higher return on investment) to invest in equity over debt. This makes sense because investors face more risk when they buy equity than when they buy debt. Debt holders are paid first. We often refer to this premium as the equity risk premium or market risk premium ("MRP"). Leading scholars on the topic have determined that investors generally demand an MRP of 4.0% on average. However, MRP for utilities is not always 4%; it can be higher or lower depending on current market conditions.

Q. HOW HAS THE MRP CHANGED OVER TIME?

A. As shown on Chart 8 on page 39, the market risk premium mostly declined since peaking in 2020 and as the COVID-19 pandemic spread around the world in 2020. The market risk premium over the 3-month U.S. Treasury bill exceeded 10% for portions of February 2022 and declined to just over 3% by November 2023. The market risk premium over the 30-year U.S. Treasury bond was about 8% in February 2022, declining to just over 4% by January 2023 and is 3.29% as of June 30, 2024. These calculations are discussed in more detail in the portion of my testimony regarding my CAPM analysis.



C. Volatility Expectations

Q. PLEASE DISCUSS CURRENT STOCK PRICE VOLATILITY EXPECTATIONS AND WHAT THEY INDICATE REGARDING THE COST OF EQUITY.

A. Volatility, uncertainty, and risk are synonymous. There are two primary types of volatility: "realized volatility" and "implied volatility." The former is based on historical returns, which may or may not represent future volatility. On the other hand, implied volatility is calculated from options data, which indicates investors' future expectations for volatility. As discussed below, the "term structure" of volatility indicates investors' volatility expectations over different forward-looking time periods (i.e., 1 month, 1 year, etc.).

Q. WHAT IS A STOCK OPTION, AND HOW DOES IT IMPLY VOLATILITY?

A. A stock option is the right to buy or sell a stock at a specific price for a specified amount of time. A call option is the right to buy a stock at a specified exercise or strike price on or before a maturity date. A put option is the right to sell a stock at a specified exercise or strike price on or before a maturity date. For example, a call option to purchase 100 shares

of Apple Computer stock for $230 on January 17, 2020, allows the owner the option (not the obligation) to buy Apple stock for $230 on that date. At the end of July 2019, Apple stock was trading at about $215 per share. Why would anyone pay for the right to buy a stock higher than the current price? Investors who purchased those call options thought there was a chance Apple stock would be trading higher than $230 on January 17, 2020, and those options gave those investors the right to buy Apple stock for $230 and profit by selling it at the market price on that date, if it was higher. The price of Apple's stock was $317.98 at the close of trading on January 17, 2020. Therefore, the investor who purchased this call option for $635 on July 31, 2019, earned a profit of $8,163[39] at expiry on January 17, 2020. On the other hand, the investor who purchased an Apple put option with the same expiration date and strike price on July 31, 2019, would have lost the price of the option ($2,248) and gained nothing on the expiration date because the right to sell Apple stock for $230 when the price is over $300 is worthless.

Options can be used to assess future expectations for volatility because they track the type of variation in market price that investors bet will occur within the time frame during which an option can be exercised based on what type of option is purchased and what the difference is between the market price of stock and the option price, or the price that the option bets the stock will reach. As the distance between the market price and option price grows, more volatility is implied in the value of the stock over time. I used this option data to create an "implied volatility" value.

[39] $8,163 profit from exercising call option ($31,798 from selling at $317.98 market price - $23,000 cost to purchase at $230) - $635 ($6.35 X 100) option purchase price. Note: Each call option is the right to purchase 100 shares.

Q. PLEASE EXPLAIN THE TERM "STRUCTURE OF VOLATILITY."

A. Investors can expect volatility to increase or decrease over time. In general (i.e., in "normal" financial markets), investors expect higher volatility for longer time horizons. For example, investors generally expect that the chance stock prices will increase or decrease by 10% in 1 year to be greater than the chance of a 10% (annualized) move over the next 30 days. This makes sense because there is more uncertainty regarding economic and stock market changes the further in the future you look out.

However, during the height of a crisis, when volatility generally tends to rise in the short-term, investors often expect volatility to decrease in coming months or years. In other words, investors expect the current capital market hurricane to pass and the winds to die down. During the peak of implied volatility in mid-March 2020, shortly after the World Health Organization declared COVID-19 a pandemic, the data indicated that investors expected stock price volatility to decrease over time. This implies that investors expected the riskiness of equity investments to decrease over time. As shown in Chart 9 on page 42, before the COVID-19 outbreak, investors expected volatility to increase from less than 15% annually at the 1-month time frame to about 20% annually at the 24-month time frame. Investors' volatility expectations peaked in March 2020. At that time, investors expected stock price volatility would decrease from over 70% at the 1-month time frame to about 38% at the 24-month time frame. Chart 9 also shows that investors' volatility expectations were higher for all time frames when Russia invaded Ukraine as compared to 2021, but as of June 30, 2024, volatility expectations have dropped back to 2019 levels over the 11-month time-frame and are only slightly higher than the 2019 levels over 24 months.

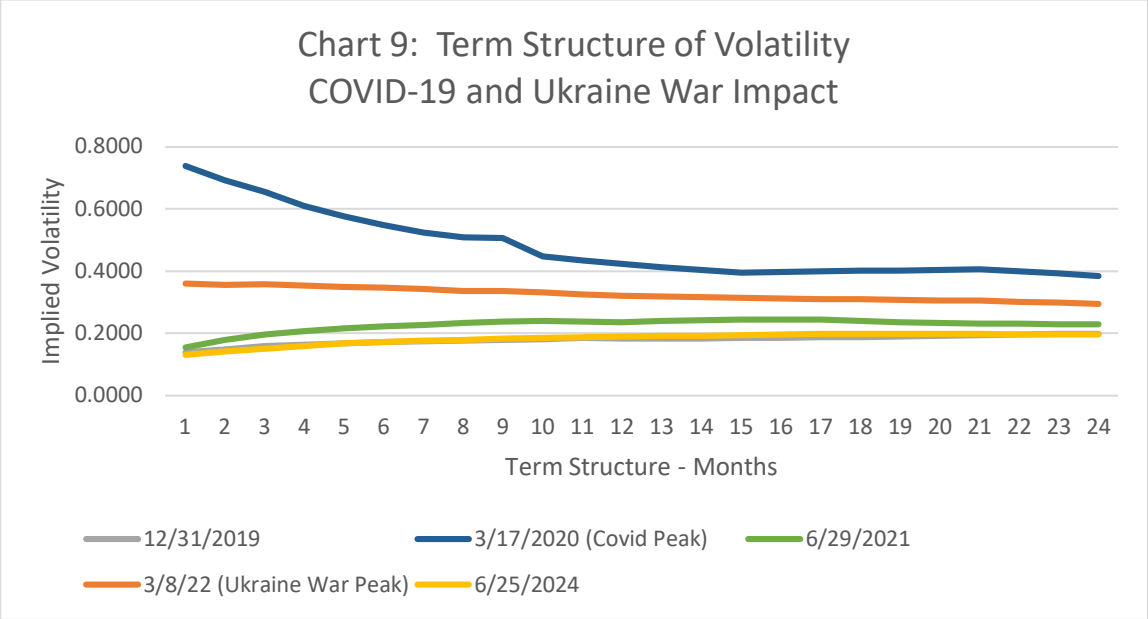
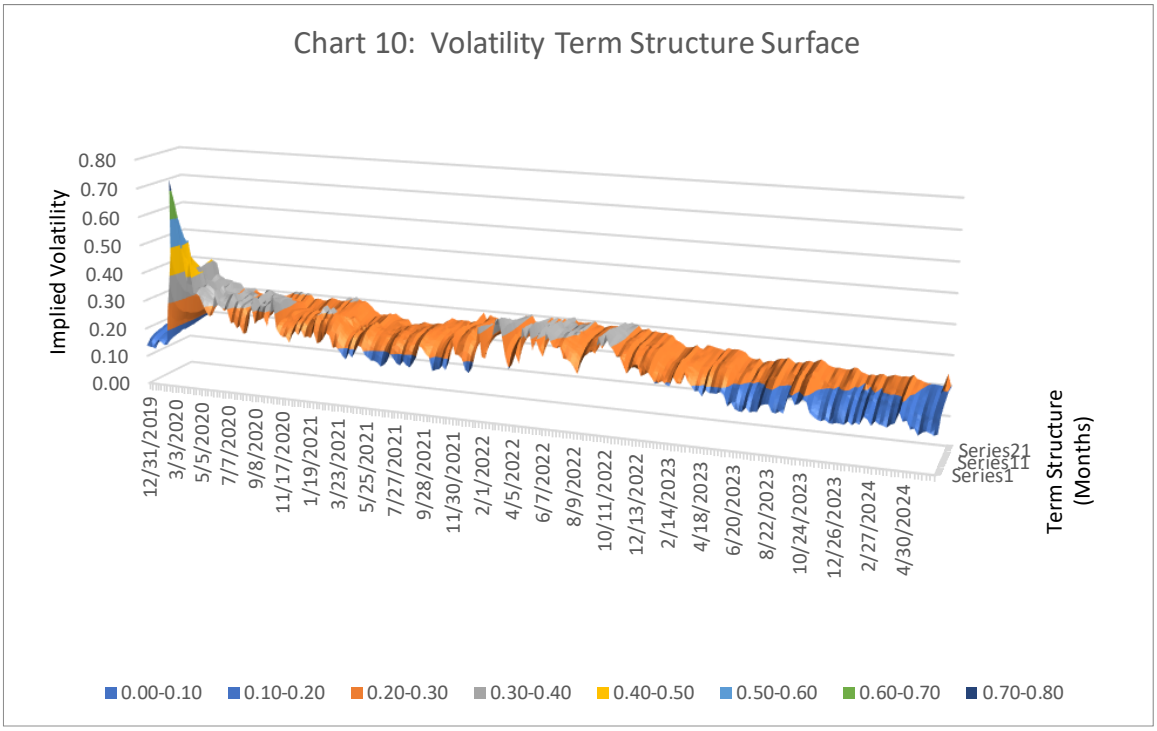


Chart 10 on page 43 provides a 3-dimensional surface[40] to show how the term structure of volatility has evolved since before the COVID-19 outbreak and how it has changed during and since the outbreak. As seen above in Chart 9 above, which shows five cross-sections of this data, during periods of low implied volatility – such as before the COVID-19 outbreak and at present – the slope of volatility expectations over time gently curves upwards, indicating lesser expectations of volatility in the short-term and greater in the long term. In Chart 10, this is represented by the surface of the line curving up and away during times of low volatility, while appearing to move downwards along the z-axis during the period of high volatility in March-April 2020 during the initial outbreak of the pandemic. Implied volatility can be seen to peak for both 1-month and 24-month time frames in mid-March 2020, with less dramatic spikes in February through October of 2022. As of the end of June 2024, the term structure of volatility has reached historic lows and is

[40] The X axis shows the implied volatility. The Y axis shows the data. The Z axis shows market expectation of future implied volatility of different time frames. Series1 = 1 month, Series11 = 11 months, and Series24 = 24 months.

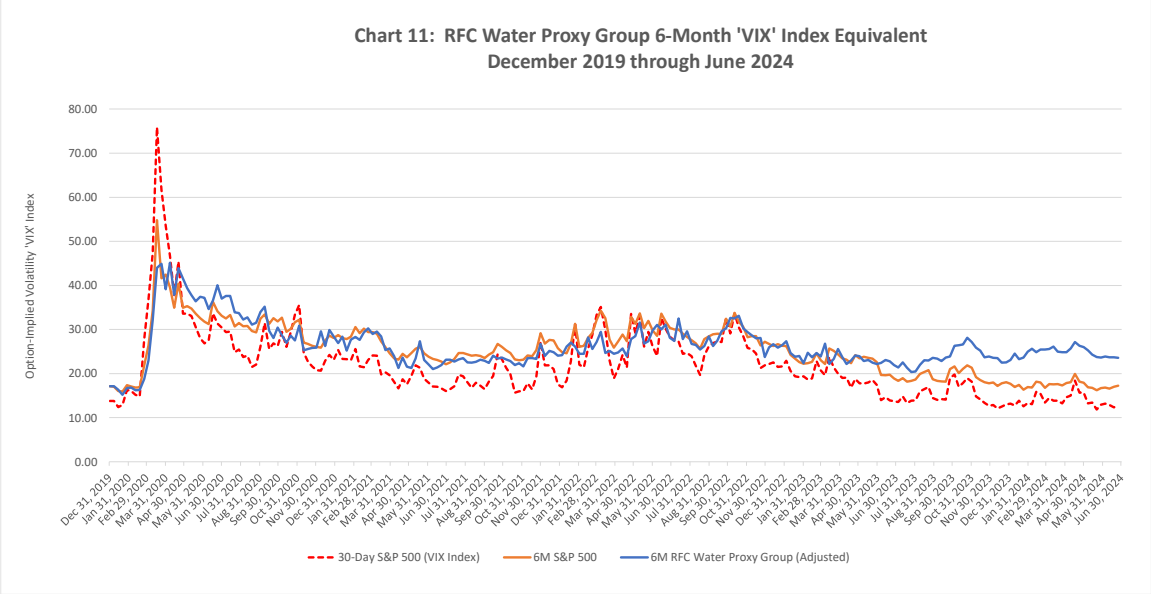
now slightly increasing over the 24-month time frame, as would be traditionally expected during times of relative stability.



Q. HOW HAVE VOLATILITY EXPECTATIONS FOR WATER UTILITY COMPANIES COMPARED TO VOLATILITY EXPECTATIONS FOR THE S&P 500?

A. Chart 11 on page 44 shows investors' stock price volatility expectations for the overall market (S&P 500) increased significantly as COVID-19 infections spread to the U.S. and continued to grow exponentially around the world. The solid orange line shows volatility expectations over the next 6 months, while the dashed red line shows volatility expectations over the next 30 days. On December 31, 2019, investors expected an annualized change of 13.78% over the next 30 days. In mid-March 2020, investors' volatility expectations peaked at over 80%. As of the end of June 25, 2024, investors expected an annualized change of 12.84%, even below pre-Covid levels.

The solid blue line in Chart 11 shows that investors' adjusted[41] 6-month volatility expectations for my RFC Water Proxy Group, as indicated by their stock option prices, increased along with the market in mid-March 2020, but to a significantly lesser degree. Investors' 6-month adjusted volatility expectations for water utility companies were for the most part higher than for the S&P 500 from May through August 2020, remained very comparable through March 2020, and have increased above the expectations for the market since then through the end of June 2024.



As discussed above, changes in implied volatility do not paint the full cost of equity picture. We must consider implied covariance, or how much investors expect the volatility of returns for water utility companies to correlate with the overall market (e.g., S&P 500 Index).

[41] The implied volatility for individual stocks and small groups of stocks is almost always higher than the overall market because of the effects of diversification, even when the underlying stocks in the smaller portfolio are less risky, as is the case with water utility companies. As a result, Chart 11 adjusts the 6-month expected volatility for the RFC Water Proxy Group by the difference with the 6-month expected volatility for the S&P 500 Index on December 31, 2019 to facilitate the comparison throughout the chart.

D. Investor-Perceived Downside Risk (Option-Implied Skewness)

Q. YOU EXPLAINED EARLIER THAT WATER UTILITY STOCKS HAVE UNDERPERFORMRED THE OVERALL MARKET RECENTLY. WHAT DOES STOCK OPTION DATA SHOW REGARDING INVESTORS' CONCERN THAT WATER UTILITY STOCKS WILL HAVE A LARGE DROP COMPARED TO THAT OF THE OVERALL MARKET?

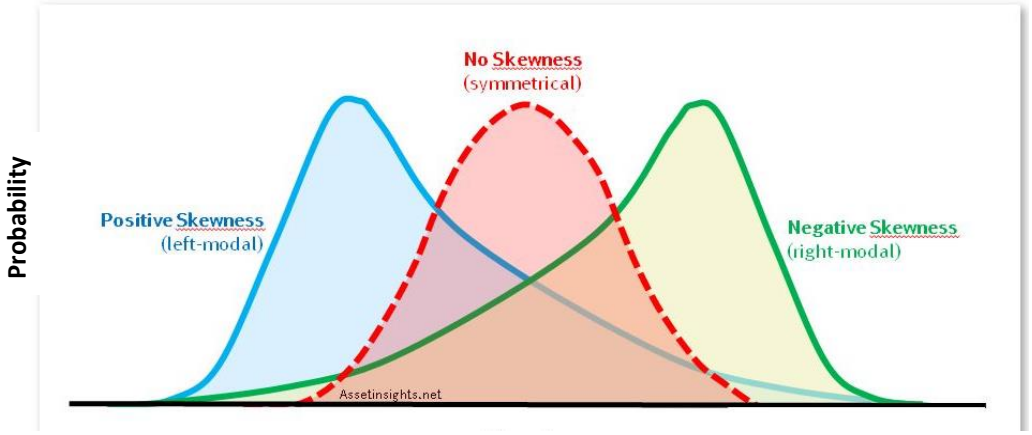
A. Stock option prices provide considerable information regarding investors' expectations. The most well-known measure of investors' expectations as measured by stock option prices is the VIX Index (or Volatility Index). The VIX Index is a measure of investors' volatility expectations and is referred to as the "fear index" because, all else equal, higher volatility expectations indicate higher uncertainty, risk, and scared investors.[42] However, volatility expectations are only one piece of a multi-dimensional puzzle that reveals the market-based cost of equity. After volatility expectations, the next dimension to explore (referred to as the "third moment" in statistics) is skewness. Option-Implied skewness reflects investors' expectations regarding the asymmetry of the probability distribution.

Option-implied probability distributions are almost always negatively skewed for stock market indices (e.g., S&P 500) and individual stocks, which means that investors almost always think there is a greater chance of a large decrease in stock prices than large increases. The Chicago Board of Options Exchange ("CBOE") also publishes an index based on option-implied skewness referred to as the SKEW Index.

[42] Some investors like high volatility because it provides the opportunity to earn a lot of money quickly if the market moves in their favor. For example, an investor that shorts Microsoft, will make a lot of money if the stock drops by a large amount. However, investors who buy utility stocks generally prefer low volatility and low risk.

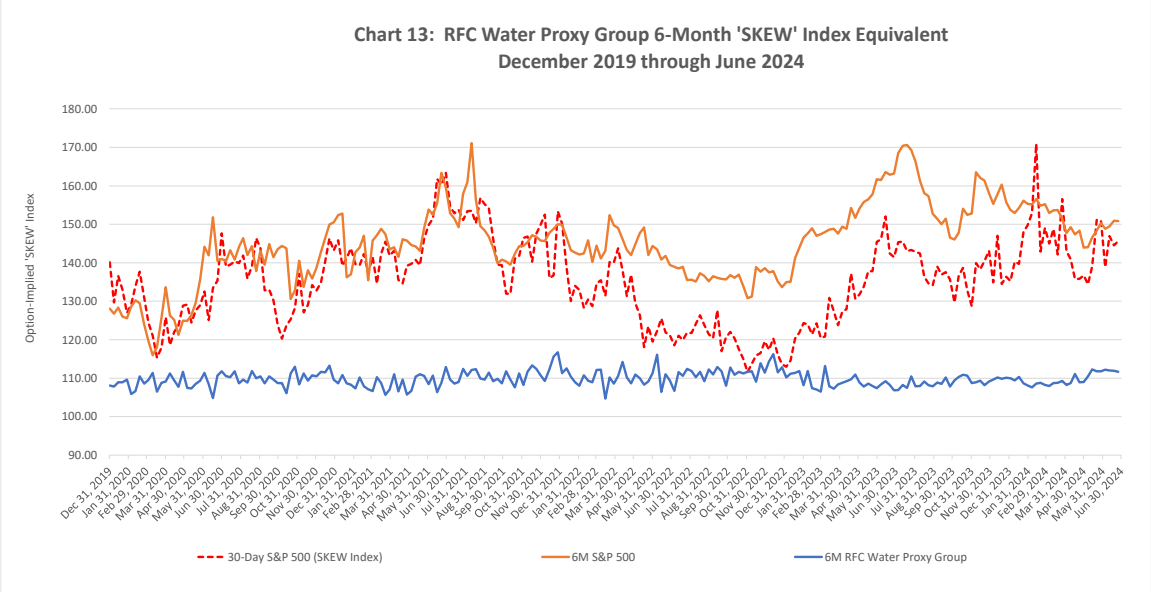
As shown in Chart 12 below, the probability distribution that is negatively skewed has a tail that is longer on the left. A probability distribution with positive skewness has a longer tail on the right. The right and left tails of a probability distribution with no skewness are symmetrical. If the option-implied skewness looked like the red probability distribution in Chart 12 below, it would mean that investors believed there was an equal chance that stock prices would move up or down by a certain amount.

Chart 12: Probability Distributions with and without Skewness



Q. WHAT DOES THE SKEW INDEX REVEAL REGARDING THE IMPACT OF THE COVID PANDEMIC AND THE WAR IN UKRAINE ON AQUA'S COST OF EQUITY?

A. As shown in Chart 13 on page 47, comparing the SKEW Index to an equivalent metric based on water utility company stock options indicates that, as 2023 came to a close, investors expected the chance of water utility stocks suffering from a large drop in investment to be much lower than the chance that the overall market will experience a large drop. This indicates the cost of equity for water utility companies has likely remained lower relative to the overall market as interest rates have increased.

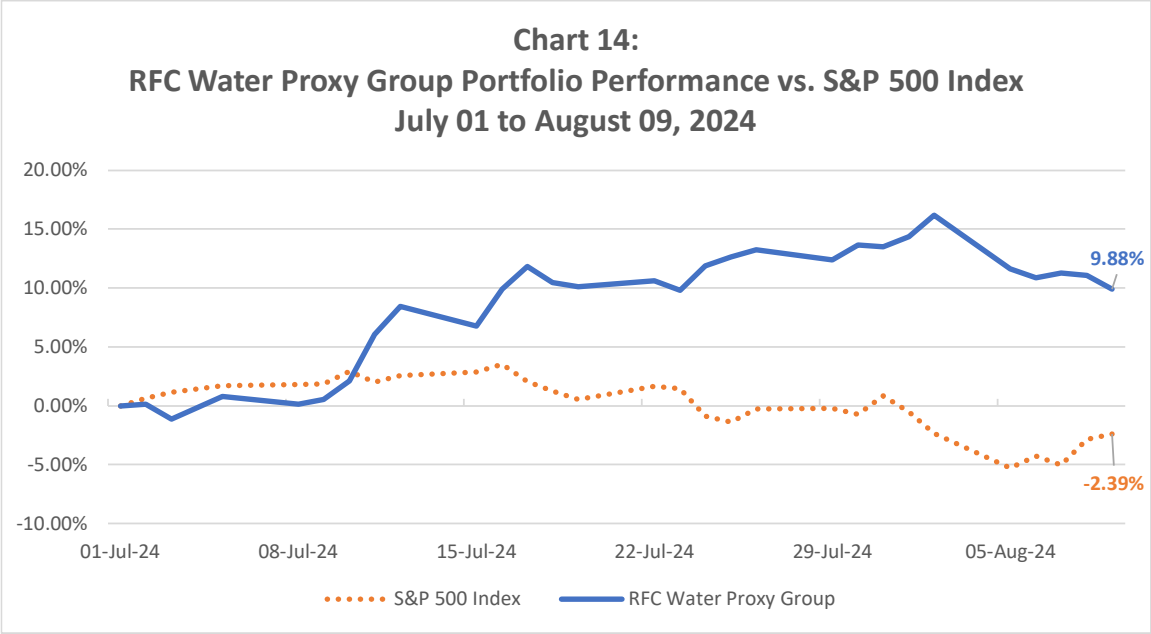


E. Recent Capital Market Developments

Q. YOUR DISCUSSION OF CAPITAL MARKETS FOCUSES ON MARKET DYNAMICS THROUGH JUNE 30, 2024. DO ANY OF THE MORE RECENT MARKET DEVELOPMENTS, INCLUDING IN PARTICULAR THE STOCK MARKET TURMOIL DURING THE FIRST WEEKS OF AUGUST 2024, CHANGE YOUR VIEW OF THE EFFECT OF CAPITAL MARKETS ON THE COST OF EQUITY OF WATER UTILITIES?

A. While it can be argued that the recent drop in equity prices translates into an increasing cost of equity for the overall market, it is important to keep in mind that trends for the overall market do not automatically apply to specific industries or sectors, and particularly not utilities, which are often considered safe havens during times of market turmoil. As can be seen in Chart 14 on page 48, in the weeks since the last date of the market data used in my cost of equity calculations, water utilities have outperformed the overall stock market

considerably, showing that if anything, the cost of equity of water utilities has decreased further since the date of my COE estimate.



Furthermore, even though I have not completed a comprehensive analysis of the options market data since June 30, 2024, preliminary numbers indicate that option-implied betas for water utilities have declined in recent weeks, further indicating that the cost of equity of water utilities has come down since then.

V. COST OF EQUITY CALCULATION

A. Overview

Q. PLEASE PROVIDE AN OVERVIEW OF YOUR PERSPECTIVE REGARDING HOW CAPITAL MARKETS RELATE TO THE COE AND THE OVERALL COST OF CAPITAL.

A. The cost of capital is the return investors require to provide capital to Aqua based on current capital markets. To measure the cost of equity accurately, it is critical to use current market

data because it increases the chance that the authorized ROE will match Aqua's market-based COE when it needs to raise equity capital. My analysis is built upon a measure of investor's forward-looking expectations using current market data.

As discussed above, my COE calculations are based on my opinion of the return investors require to provide equity capital to Aqua based on current capital markets.

Because the cost of equity is not a published figure like a bond yield, some interpretation is required to determine the appropriate market price. My cost of equity recommendation is based on my computation of what the market indicates investors require (return on investment) to provide capital to companies with comparable risk to Aqua.

As explained below, I use current market prices (e.g., stocks, bonds, options), which measure investors' expectations directly, instead of relying solely on historical data and analyst forecasts. A COE based on current market prices (market-based) is superior to a COE based on historical data (non-market-based) for two reasons:

1. **The COE that Aqua has to pay investors is based on capital markets.** Inflation and interest rate developments are not a secret and therefore market-based COE models will reflect investors' changing expectations.
2. **Capital markets are unpredictable.** Regarding capital markets' unpredictability, investment guru Warren Buffet gave the following advice to investors: "[t]hey should not listen to a lot of the jabbering about what the market is going to do tomorrow, or next week or next month because nobody knows."[43]

[43] PBS News Hour, June 26, 2017, Part 1 – America should stand for more than just wealth, says Warren Buffett available at www.pbs.org/newshour/show/pbs-newshour-full-episode-june-26-2017.

Current capital markets are our best source of investors' expectations regarding future capital markets. Current market prices of stocks and bonds reflect investors' forecasts for long-term interest rates and capital markets in general.

Q. HOW DID YOU ARRIVE AT YOUR COE RECOMMENDATION?

A. To arrive at my recommendation, I applied the DCF, including a Constant Growth and a Non-Constant Growth method, and a CAPM analysis to a group of similar companies ("RFC Water Proxy Group") using data available through June 30, 2024, as discussed below. In all of my models, I use both historical averages and the most recently available spot data for the inputs wherever it is possible and applicable.

Q. CONSIDERING THAT STOCK AND OPTION PRICES AND BOND YIELDS CHANGE DAILY, WOULD IT NOT BE BETTER TO USE HISTORICAL AVERAGES EXCLUSIVELY FOR THE INPUTS IN YOUR MODELS?

A. Not necessarily. Most people would agree that the use of spot market data, the value of a particular input on a particular day, can lead to COE results that can vary over short periods of time. It may therefore be tempting to find a more stable value based on historical averages that are not overly influenced by short-term fluctuations in capital markets. When doing a forward-looking analysis, however, it is equally important to look at the most recent market data as an indication of trends and where a given value is more likely to be in the future. This is a broad and generally accepted principle, as made clear in the following example.

If Company A's stock price were to go up linearly over the course of one year from $50 to $100, its average stock price over that year would be $75. If Company B's stock price declined linearly from $100 to $50 over the same year, it would have the same exact

average stock price of $75. But most people would agree that predicting both stock prices at $75 over the near future would be overly simplistic and leave readily accessible data unused. Without relying on any additional data, at the very least, it would stand to reason that, in the near future, Company A's stock price is more likely to be between $75 and $100 than Company B's stock price, and that Company B's stock price is more likely to be between $50 and $75 than Company A's stock price. These observations cannot be made by looking at the yearly averages alone and must take the most recent data into special consideration.

This does not eliminate concerns regarding the effect of daily fluctuations in market data, especially during periods of volatility. As a result, it is important to consider both averages and recent spot values when using market data for forward-looking analyses. That is precisely my approach when using market data that are expected to continue to fluctuate, such as stock prices, dividend yields, betas, and market risk premia.

Q. CAN A DIFFERENCE OF ONE DAY IN THE SELECTION OF SPOT DATA HAVE A SIGNIFICANT POSITIVE OR NEGATIVE EFFECT ON ROE RESULTS? IF SO, HOW DO YOU GO ABOUT CHOOSING WHICH DAY TO USE FOR MARKET-BASED SPOT DATA?

A. Yes. Daily fluctuations in stock prices, resulting dividend yields, betas, etc., all have an impact on resulting ROE calculations, especially when using recent spot values for market data. Such is the nature of market data, which change from day to day. This is rightfully noted as a potential risk of using spot data, but, given the stated benefits of using recent spot data for forward-looking analyses, there are ways to address such potential pitfalls.

For this reason, it is very important to establish consistent methodologies that eliminate the possibility of personal bias, especially when using spot market data. I consistently use the last trading day of the last full calendar month before my schedule preparations for all market-based spot data and as the last day for all historical market-data averages.

It is important to keep in mind that even averages fluctuate over time, and all responsible data analysts must find a consistent and reproducible way to "freeze time" to work with such fluctuations while eliminating bias.

It is also important to point out that I use recent spot market data to establish one benchmark for market-based inputs, which are balanced by the use of historical averages, as stated previously.

B. Proxy Group Selection

Q. WHAT PROXY GROUPS DID YOU USE TO CALCULATE AQUA'S COE?

A. My comparable proxy group, shown on Table 5 on page 53 and referred to as the RFC Water Proxy Group, consists of the following 6 publicly traded water utility companies covered by Value Line:

TABLE 5: RFC WATER PROXY GROUP COMPOSITION

	Company Name	Ticker
1	AMER. STATES WATER	AWR
2	AMERICAN WATER	AWK
3	ESSENTIAL UTIL.	WTRG
4	CALIFORNIA WATER	CWT
5	MIDDLESEX WATER	MSEX
6	SJW GROUP	SJW

My proxy group includes six of the eight companies that are in Mr. Moul's Water Group. I chose to exclude the following two companies from Mr. Moul's proxy group because Value Line does not provide the financial data required to implement my sustainable growth DCF model: (1) Artesian Resources, Corp. and (2) York Water Company. I only include companies in my proxy group that have a Value Line company report. I use this criteria, which is common practice among rate of return witnesses, because Value Line provides all of the financial projections that can be used in a sustainable growth method, including future expected return on book equity.

C. Discounted Cash Flow

Q. PLEASE SUMMARIZE THE RESULTS OF YOUR DCF MODELS.

A. I used both the constant growth form of the DCF method, which determines growth based on the sustainable retention growth procedure, and a non-constant growth DCF method. The results of my constant growth DCF model range between 7.76% and 7.99% when using a sustainable growth rate and between 7.59% and 7.83% when using an option-

implied growth rate.[44] The results of my non-constant growth DCF method indicate a COE of between 7.89% and 8.09% for the RFC Water Proxy Group.[45]

Q. WHAT IS THE DISCOUNTED CASH FLOW METHOD?

A. The DCF method is an approach to determine the COE. The method recognizes that investors purchase common stock to receive future cash payments. These payments come from: (a) current and future dividends, and (b) proceeds from selling stock. A rational investor will buy stock to receive dividends and ultimately to sell the stock to another investor at a gain. The price the new owner is willing to pay for stock is related to that buyer's expectation of future flow of dividends and the future expected selling price. The value of the stock is the discounted value of all future dividends until the stock is sold plus the value of proceeds from the sale of the stock.

D. Constant Growth Form of the DCF Model

Q. YOU STATE YOU USED THE CONSTANT GROWTH FORM OF THE DCF MODEL. WHAT IS THE CONSTANT GROWTH FORM OF THE DCF MODEL?

A. The constant growth form of the DCF model is a form of the DCF method that can be used in determining the COE when investors can reasonably expect that the growth of retained earnings and dividends will be constant.

Retained earnings are funds that a company keeps in its treasury, so that they are available for future needs, such as capital expenditures, debt payments, and new investments. These retained earnings show investors whether the company is growing,

[44] Exhibit ALR-3, page 1.
[45] Exhibit ALR-3, page 3 and Exhibit ALR-3, page 4.

which, in turn, is a measure of the future indicator of dividends and the value of a company's stock.

Q. DESCRIBE HOW THE CONSTANT GROWTH MODEL WORKS.

A. The constant growth model is described by this equation k= D/P + g, where: [46]

k= cost of equity (COE);
D=Dividend; and
P=Market price of stock at time of the analysis

and where:

g=the growth rate, where g= br + sv;
b=the earnings retention rate;
r=return on common equity investment (referred to below as "book equity");
v=the fraction of funds raised by the sale of stock that increases the book value of the existing shareholders' common equity; and
s=the rate of continuous new stock financing

The constant growth model is therefore correctly recognized to be:

k=D/P + (br +sv)

The COE demanded by investors is the sum of two factors. The first factor is the dividend yield. The second factor is growth (dividends and stock price). The logical relationship among these factors is as follows: the dividend yield is calculated based on current dividend payments while growth indicates what dividends and stock price will be in the future.

Q. WHAT OTHER FACTORS IMPACT HOW ONE USES THE CONSTANT GROWTH FORM OF THE DCF MODEL?

A. Sufficient care must be taken to be sure that the growth rate "g" is representative of the constant sustainable growth. To obtain an accurate constant growth DCF result, the

[46] M. GORDON, *Cost of Capital to a Public Utility*, p. 32-33 (MSU Public Utility Studies 1974).

mathematical relationship between earnings, dividends, book value and stock price must be respected.

The basic difference between the use of an analysts' earnings per share growth rate in the constant growth DCF formula and using the "br" (b (the earnings retention rate) X r (rate of return on common equity investment)) approach is that the "br" form, if properly applied, eliminates the mathematical error caused by an inconsistency between the expectations for earnings per share growth and dividends per share growth. Because it eliminates that error, the results of a properly applied "br" approach will be superior to the answer obtained from other approaches to the constant growth form of the DCF model. This is not to say that even a properly applied "br" approach will be perfect. The self-correcting nature of a properly applied "br" to forecasted differences in earnings per share and dividends per share growth rates helps to mitigate the resultant error but should not be viewed as the perfect way to quantify the impact of expected non-constant growth rates.

Q. HOW HAVE YOU IMPLEMENTED THE CONSTANT GROWTH FORM OF THE DCF MODEL IN THIS CASE?

A. I have applied the constant growth form of the DCF model by staying true to the mathematically derived "k=D/P + (br + sv)" form of the DCF model. I have also taken care to fully allocate all future expected earnings to either future cash flow in the form of dividends ("D") or to retained earnings (the retention rate, "b"). This extra accuracy is obtained only when the retention rate "b" is derived from the values used for "D" and "r," rather than independently.

Q. PLEASE EXPLAIN HOW YOU OBTAINED THE VALUES YOU USED IN THE CONSTANT GROWTH FORM OF THE DCF METHOD.

A. The DCF model generally calls for the use of the dividend expected over the next year. A reasonable way to estimate next year's dividend rate is to increase the quarterly dividend rate by half of the current actual quarterly dividend rate. This is a good approximation of the rate that would be obtained if the full prior year's dividend were escalated by the entire growth rate.[47]

I obtained the stock price—"P"—used in my DCF analysis from the closing prices of the stocks on June 30, 2024. I also obtained an average stock price for the 12 months ending June 30, 2024 by averaging the high and low stock prices for the year.

I based the value of the future expected return on equity— "r" —on the average return on book equity expected by Value Line, adjusted in consideration of recent returns. I also made a computation that was based on a review of both the earned return on equity consistent with analysts' consensus earnings growth rate expectations and on the actual earned returns on equity. For a stable industry such as utility companies, investors will typically look at actual earned returns on equity as one meaningful input into what can be expected for future earned returns on book equity. See Exhibit ALR-3, page 1.

[47] For example, assume a company paid a dividend of $0.50 in the first quarter a year ago, and has a dividend growth rate of 4 % per year. This dividend growth rate equals (1.04)^4-1=0.00985 % per quarter. Thus, the dividend is $0.5049 in the second quarter, $0.5099 in the third quarter, and $0.5149 in the fourth quarter. If that 4 % per annum growth continues into the following year, then the dividend would be $0.5199 in the 1st quarter, $0.5251 in the 2nd quarter, $0.5303 in the 3rd quarter, and $0.5355 in the 4th quarter. Thus, the total dividends for the following year equal $2.111 (0.5199 + 0.5251 + 0.5303 + 0.5355). I computed the dividend yield by taking the current quarter (the $0.5149 in the 4th quarter in this example) and multiplying it by 4 to get an annual rate of $2.06. I then escalated this $2.06 by half the 4 % growth rate, which means it is increased by 2 %. $2.06 x 1.02= $2.101, which is within one cent of the $2.111 obtained in the example.

This return on book equity expectation used in the DCF method to compute growth must *not* be confused with the COE. Since the stock prices for the comparative companies are substantially higher than their book value, the return investors expect to receive on their market price investment is considerably less than the anticipated return on book value. If the market price is low relative to book value, the COE will be higher than the future expected return on book equity, and if the market price is high, then the return on book equity will be less than the COE.

In addition to growing through the retention of earnings, utility companies also grow by selling new common stock. Selling new common stock increases a company's growth. I quantified this growth caused by the sale of new common stock by multiplying the amount that the actual market-to-book ratio exceeds 1.0, by the compound annual growth rate of stock that Value Line forecasts. The results of that computation are shown on line 4 of Exhibit ALR-3, page 1.

Pure financial theory prefers concentrating on the results from the most current price because investors cannot purchase stock at historical prices. There is a legitimate concern, however, about the potential distortion of using just a single price. I present DCF results based on the most recent stock pricing data (June 30, 2024) as well as the average of the high and low stock price over the past 12 months to obtain a range of reasonable values. As shown in Exhibit ALR-3, page 1, the DCF result based on the average of the high and low stock price for the year ending June 30, 2024 is 7.76%. The DCF result based on the stock price as of June 30, 2024 is 7.99%. Exhibit ALR-3, page 1, shows more of the specifics of how I implemented the constant growth form of the DCF model for the RFC Water Proxy Group.

Q. PLEASE EXPLAIN HOW YOU DETERMINED WHAT VALUE TO USE FOR "r" WHEN COMPUTING GROWTH IN YOUR CONSTANT GROWTH FORM OF THE DCF MODEL.

A. The inputs I considered are shown in Footnote [C] of Exhibit ALR-3, page 1. The value of "r" that is appropriate to use in the DCF formula is the value anticipated by investors to be maintained on average in the future. This Exhibit shows that the average future return on equity forecasted by Value Line for the RFC Water Proxy Group between 2024 and 2027-29 is 10.33%. The same footnote also shows that the future expected return on equity derived from the Zacks consensus forecast is 10.70%, and that the actual returns on equity earned by the RFC Water Proxy Group on average were 10.13% in 2021, 11.16% in 2022, and 9.40% in 2023. Based on the combination of the forecasted return on equity derived from the Zacks consensus, the recent historical actual earned returns, and Value Line's forecast, I made the DCF growth computation using a 10.40%[48] value of "r".

Q. WHAT COE IS INDICATED BY THE CONSTANT GROWTH FORM OF THE DCF METHOD THAT YOU RELY ON FOR YOUR RECOMMENDATION?

A. The result of my DCF analysis using the Constant Growth form of the DCF indicates a COE range of between 7.76% and 7.99% for the RFC Water Proxy Group.[49] Since these DCF findings use analysts' forecasts to derive sustainable growth (in part) and on analysts' forecasts of dividend growth and book value growth in the non-constant form of the DCF method, the results should be considered as conservatively high. This is because, as

[48] I used 10.40% in consideration of historical returns, Zacks's projections, and Value Line projected returns for the RFC Water Proxy Group.
[49] Exhibit ALR-3, page 1.

previously mentioned above, analysts' forecasts of such growth have been notoriously overstated.

My results are not as influenced by overly-optimistic analysts' forecasts as would have been the case had I merely used analysts' five-year earnings growth rate forecasts as a proxy for long-term growth. This is because the DCF methods I use compute sustainable growth rates, rather than growth rates that can exaggerate the growth rate due to assuming that a relatively short-term forecast (5 years) will remain indefinitely.

E. Non-Constant Growth Form of the DCF Model

Q. PLEASE EXPLAIN HOW YOU IMPLEMENTED THE NON-CONSTANT GROWTH FORM OF THE DCF MODEL.

A. The non-constant growth form of the DCF model determines the return on investment expected by investors based on an estimate of each separate annual cash flow the investor expects to receive. For the purpose of this computation, I have incorporated Value Line's detailed annual forecasts to arrive at the specific non-constant growth expectations that an investor who trusts Value Line would expect. This implementation is shown on Exhibit ALR-3, page 3 and Exhibit ALR-3, page 4. In the first stage, cash flow entry is the cash outflow an investor would experience when buying a share of stock at the market price. The subsequent years of cash flow are equal to the dividends per share that Value Line forecasts. For the intermediate years of the forecast period in which Value Line does not provide a specific dividend, the annual dividends were obtained by estimating that dividend growth would persist at a compound annual rate. The cash flow at the conclusion of the forecast period includes both the final year's dividend as projected by Value Line and the

proceeds from selling the stock. The stock price used to determine the proceeds from selling the stock was obtained by estimating that the stock price would grow at the same rate at which Value Line forecasts book value to grow.

Q. WHY DID YOU USE BOOK VALUE GROWTH TO PROVIDE THE ESTIMATE OF THE FUTURE STOCK PRICE?

A. For any given earned return on book equity, earnings are directly proportional to the book value. Furthermore, book value growth is the net result after the company produces earnings, pays a dividend and also, perhaps, either sells new common stock at market price or repurchases its own common stock at market price.

Once these cash flows are entered into an Excel spreadsheet, the compound annual return an investor would achieve as a result of making this investment was obtained by using the Internal Rate of Return (IRR) function built into the spreadsheet. As shown on Exhibit ALR-3, page 3 and Exhibit ALR-3, page 4, this multi-stage DCF model produced an average indicated COE of 8.09% based on the year-end stock price, and 7.89% based on average prices for the year ending June 30, 2024 for the RFC Water Proxy Group.

Q. WHAT COST OF EQUITY DOES YOUR NON-CONSTANT GROWTH DCF METHOD INDICATE?

A. My non-constant growth DCF method indicates a cost of equity of between 7.89% and 8.09%.[50]

[50] Exhibit ALR-3, page 3 and Exhibit ALR-3, page 4.

F. Capital Asset Pricing Model

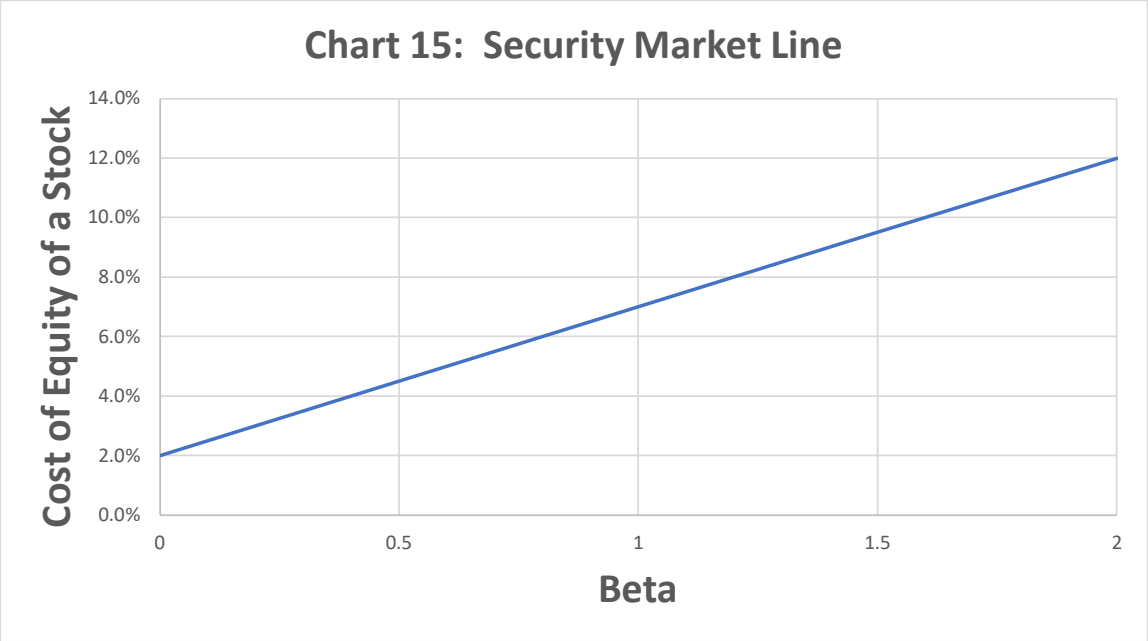
Q. PLEASE DESCRIBE THE CAPM.

A. CAPM stands for "Capital Asset Pricing Model." The CAPM relates return to risk; specifically, it relates the expected return on an investment in a security to the risk of investing in that security. The riskier the investment, the greater the expected return (i.e., the cost of equity) investors require to make that investment.

Investors in a firm's equity face two types of risks: (1) firm-specific risk and (2) market risk (financial analysts refer to this market risk as systematic risk). Firm-specific risk refers to risks unique to the firm, such as management performance and losing market share to a new competitor. Investors can reduce firm-specific risk by purchasing stocks as part of a diverse portfolio of companies if they construct the portfolio to cause the firm-specific risk of individual companies to balance out. Market-related risk refers to potential impacts from the overall market, such as a recession or interest rate changes. This risk cannot be removed by diversification, so the investor must bear it no matter what. Because the investor has no option but to bear market risk, the investor's cost of equity will reflect that risk.

The price of a stock with a beta of 1 tends to move with the market. If the market increases by 1%, the stock is also expected to increase by about 1%, and vice versa. The price of a stock with a beta greater than 1 tends to be more volatile than the market. For example, a stock with a beta of 1.5 will on average be 50% more volatile than the market. If the market rises by 1%, the price of a stock with a beta of 1.5 is expected to rise by 1.5%, and if the market falls by 1%, the stock price is expected to decrease by 1.5%. The price of a stock with a beta less than 1 tends to be less volatile than the market.

The CAPM predicts that for a given equity security, the cost of equity has a positive linear relationship to how sensitive the stock's returns are to movements in the overall market (e.g., S&P 500). A security's market sensitivity is measured by its beta.[51] As shown in Chart 15 below, the higher the beta of a stock, the higher the company's cost of equity—the return required by the investor to invest in the stock.



Here is the standard CAPM formula:

$$K = Rf + \beta i * (Rm - Rf)$$

Where:

K is the cost of equity;
Rf is the risk-free interest rate;
Rm is the expected return on the overall market (e.g., S&P 500);
[Rm – Rf] is the premium investors expect to earn above the risk-free rate for investing in the overall market ("equity risk premium" or "market risk premium"); and
βi (Beta) is a measure of non-diversifiable, or systematic, risk.

[51] The covariation of the return on an individual security with the return on the market portfolio.

Q. PLEASE EXPLAIN HOW YOU IMPLEMENTED THE CAPM.

A. First, I determined appropriate values or ranges for each of the three model inputs: (a) Risk-Free Rate, (b) Beta, and (c) Equity Risk Premium. Second, I used the equation above to calculate the cost of equity implied by the model. Below I will explain how I calculated the three model inputs and summarize the CAPM cost of equity numbers resulting from those inputs. Table 6 and Table 7 on page 79 show the results of my CAPM.

Risk-Free Rate

Q. WHAT RISK-FREE RATE DID YOU USE IN YOUR CAPM?

A. It is generally preferable to use the market yield on short-term U.S. Treasury yields as the risk-free rate because these bonds have a beta close to zero. *Principles of Corporate Finance* states: "The CAPM… calls for a short-term interest rate."[52] However, I chose to use a risk-free rate based on both long- and short-term Treasury yields because it is reasonable to consider a risk-free rate that would apply to both long- and short-term investors. My short-term risk-free rate is based on the yield of 3-month U.S. Treasury bills and my long-term risk-free rate is based on the yield of 30-year U.S. Treasury bonds. In line with my Spot and Weighted Average CAPM approaches, I use both spot values as of June 30, 2024 and weighted averages over the 3 months ending on that date for these two yields.

As outlined in Exhibit ALR-4, page 2, my spot and weighted average short-term risk-free rates are 5.48% and 5.47%, respectively. My spot and weighted average long-term risk-free rates are 4.51% and 4.63%, respectively.

[52] BREALEY, MYERS, AND ALLEN, *Principles of Corporate Finance*, p. 228, (McGraw-Hill Irwin, New York, 12th ed. 2017).

U.S. government bonds are reasonable to use as a risk-free rate because they have a negligible risk of default. The value of short-term U.S. Treasury bills has a relatively low exposure to swings in the overall market. The value of long-term U.S. Treasury bonds is relatively more exposed to the market and therefore must be used with caution.

Q. WHAT IS YOUR RESPONSE TO ANALYSTS WHO CLAIM THAT THE CAPM SHOULD BE IMPLEMENTED WITH A RISK-FREE RATE BASED ON A LONG-TERM INTEREST RATE (E.G., YIELD ON 30-YEAR TREASURY BOND) AND/OR BASED ON INTEREST RATE FORECASTS INSTEAD OF MARKET YIELDS.

A. As discussed in Appendix D, a CAPM analysis that uses a risk-free rate based only on long-term interest rates may overstate the COE because these bonds do not have a zero beta. It is not appropriate to use a risk-free rate based on interest rate forecasts because it often does not represent investors' expectations.

Q. CURRENTLY YOUR RISK-FREE RATE BASED ON SHORT-TERM INTEREST RATES IS HIGHER THAN YOUR RISK-FREE RATE BASED ON LONG-TERM INTEREST RATES. HOW DOES THIS IMPACT YOUR CAPM RESULTS?

A. It is rare for short-term interest rates to be higher than long-term interest rates because, as stated above, they are less risky than long-term bonds. At first, it seems nonsensical for an investor to accept an interest rate that is over 1% less (4.51% vs. 5.48% as of June 30, 2024). However, as shown in Chart 2 on page 31, the Federal Reserve Bank of Atlanta estimated that as of February 29, 2024, investors expect short-term interest rates to decrease in 2024 and 2025. This means that it is rational for investors to lock in a 4.51% interest rate on long-term bonds now if they expect short-term interest rates to decline below 4.51%

in the near future. It is like a homeowner deciding to lock in a 30-year mortgage at a higher rate (e.g., 5%) than to take an adjustable-rate mortgage rate with a lower interest rate (e.g., 4%) because if short-term rates increase above 5% in the future, they could end up paying more over the life of the mortgage.

As this relates to CAPM results, this is one of the rare circumstances when a short-term risk-free rate likely overstates the COE because investors expect the relatively higher short-term interest rate to be temporary. Another way to put it is the following: investors expect that the interest income from short-term treasuries (3-months) will be lower than the interest income from long-term treasuries (30-years) over the long-term.

Beta

Q. WHAT BETA DID YOU USE IN YOUR CAPM?

A. Since the cost of equity should be based on investor expectations, I chose to use two betas. My "forward beta" is based on forward-looking investor expectations of non-diversifiable risk. My "historical blended" is based on historical return data over 6-month, 2-year, and 5-year periods.

Most published betas are based exclusively on historical return data. For example, Value Line publishes a 5-year historical beta for each of the companies it covers. However, it is also possible to calculate betas based on investors' expectations of the probability distribution of future returns. This probability distribution of future returns expected by investors can be calculated based on the market prices of stock options.

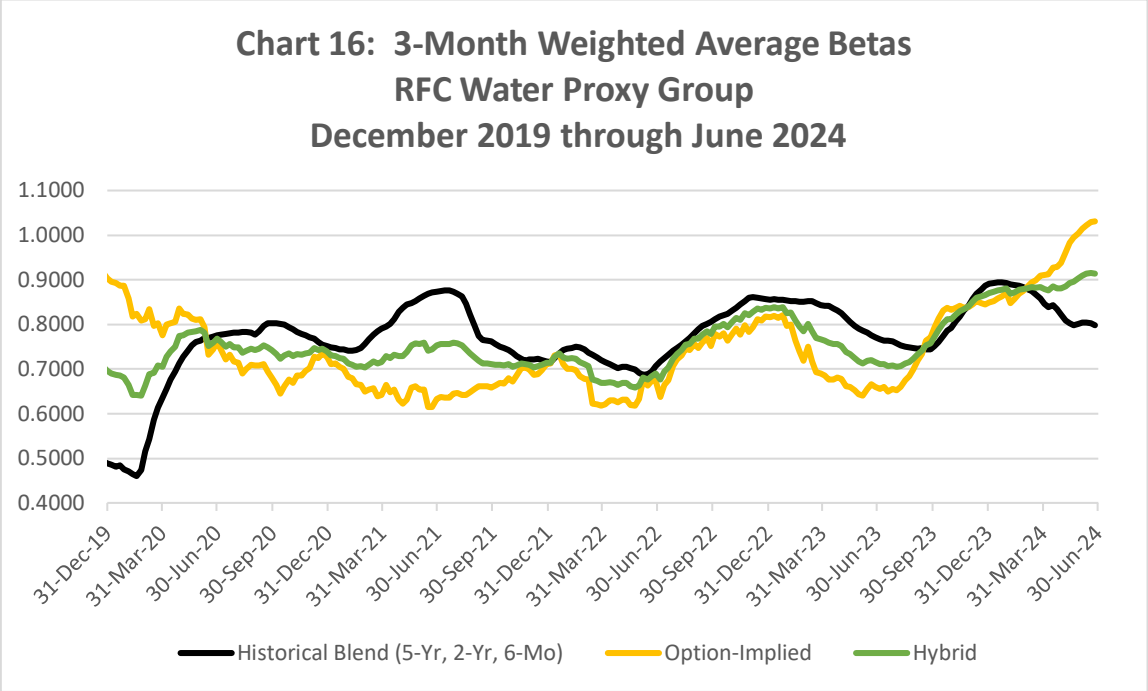
Q. WHY DID YOU USE OPTIONS DATA WHEN CALCULATING YOUR BETAS?

A. The market prices of put options and call options provide information regarding the probability distribution of future stock prices expected by investors. Using established techniques, I am able to use price data for stock options of my RFC Water Proxy Group companies and the S&P 500 Index to determine investors' return expectations, including the relationship (covariance) between the return expectations for individual RFC Water Proxy Group companies and those for the overall market (S&P 500). This covariance between the expected returns for my RFC Water Proxy Group and for the S&P 500 indicates what investors expect betas will be in the future. I refer to betas based on option price calculations as "option-implied betas."

Q. PLEASE EXPLAIN HOW YOU CALCULATED THE BETAS USED IN YOUR CAPM.

A. Traditionally, the betas used in CAPM calculations are calculated from historical returns. This approach has strengths and weaknesses. An alternative way to calculate betas is to incorporate investors' return expectations by calculating option-implied betas as explained in the previous paragraph. As discussed below, I have chosen to use both historical and option-implied betas in my CAPM analysis. I chose to use option-implied betas in my CAPM analysis because, among other reasons, studies have found that betas calculated based on investor expectations (option-implied) provide information regarding future perceived risks and expectations.[53]

[53] Bo-Young Chang & Peter Christoffersen & Kris Jacobs & Gregory Vainberg. Option-Implied Measures of Equity Risk, *Review of Finance*, Vol. 16, Issue 2, pp. 385-428 (April 2012) available at https://academic.oup.com/rof/article/16/2/385/1584560.



As shown in Chart 16 above, stock option prices indicate that investors likely expect higher historical betas for the RFC Water Proxy Group in the future.

Exhibit ALR-4, page 3 contains the last three months of data used in creating Chart 16 above, which is what I use in my CAPM analysis. Specifically, I use the following two betas in my CAPM analysis:

1. **Historical Blend:** 50% (6 months) + 30% (2 years) + 20% (5 years).
2. **Forward Beta:** 100% Option-Implied Beta (6 months).

Q. WHY DO YOU USE PERIODS OF 6 MONTHS, 2 YEARS, AND 5 YEARS FOR YOUR HISTORICAL BETA CALCULATIONS, AS OPPOSED TO RELYING EXCLUSIVELY ON THE 5-YEAR PERIOD USED BY VALUE LINE?

A. Using shorter periods for the return regression analysis portion of the historical beta calculation allows me to see if the correlation between the returns of each of the companies in my RFC Water Proxy Group and those of the S&P 500 Index has changed in the last 2

years or 6 months. Using a 5-year period exclusively tends to make recent changes in the correlation more difficult to identify because of the weight of 5 years of data.

Q. WOULD YOU AGREE THAT CHANGES IN MARKET DYNAMICS WILL HAVE A LARGER EFFECT ON 6-MONTH HISTORICAL BETAS THAN THEY WILL ON 2-YEAR OR 5-YEAR HISTORICAL BETAS?

A. Yes. As with other historical metrics based on a given time period, say, average stock prices, the longer the time horizon under consideration, the more data points are considered, and the smaller the effect of any one given change in the data set.

Q. IS THIS LARGER EFFECT ON 6-MONTH HISTORICAL BETAS FROM CHANGES IN MARKET DYNAMICS A GOOD OR A BAD THING?

A. The answer depends on what the beta will be used for. I would argue that in any attempt to forecast the beta coefficient of a company for any forward-looking analysis such as the cost of capital calculations in this proceeding, more recent historical data should be given more relevance than data from 5 or 10 years ago. The weight of 10 years of data can make a beta coefficient react extremely slowly to market developments. Even pronounced permanent market changes can take more than 6 months to have a detectable effect on a 10-year beta.

As with using spot values and averages of historical market data, I believe the right answer is not to use *either* 6-month historical betas or historical betas with longer horizons, but to consider *both*. For this reason, I have created my historical blended betas, which take into consideration 6-month, 2-year, and 5-year historical betas.

Q. DO YOU THINK IT IS A GOOD IDEA TO RELY ON 6-MONTH HISTORICAL BETAS DESPITE MARKET DEVELOPMENTS IN THE PAST YEAR THAT SOME WOULD CALL "MARKET DISLOCATIONS?"

A. Financial markets are constantly in flux due to the influence of countless factors. So-called "market dislocations," are just some of the numerous factors that are constantly affecting markets. To attempt to separate any one specific factor from "real" underlying market dynamics would be an exercise in futility.

Furthermore, predicting the duration and impact of any single influencing factor on financial markets is extremely challenging, if not impossible. In 2008, when interest rates plummeted to unprecedented lows, numerous analysts deemed this a temporary anomaly. Contrary to these expectations, rates not only persisted at these low levels for more than ten years, but dropped even further in response to the unforeseen COVID-19 pandemic, which significantly affected the global economy and financial markets.

So, in response, yes, I think it is a good idea to use 6-month historical betas to measure recent and current market dynamics regardless of recent developments. I use them as part of my historical blended betas in conjunction with longer-term historical betas and forward-looking, option-implied betas to achieve the most reasonable result.

Q. GIVEN THE SHORTER PERIOD COVERED BY 6-MONTH HISTORICAL BETAS, CAN THEY STILL BE CONSIDERED STATISTICALLY SIGNIFICANT? HOW MANY DATA POINT PAIRS ARE USED IN THE CALCULATION OF YOUR 6-MONTH HISTORICAL BETA COEFFICIENTS?

A. A 6-month historical beta based on weekly returns calculated weekly is calculated using 26 closing price points for a company and for its corresponding market index, in this case

the S&P 500 Index. This translates into 25 pairs of return data that are then used in the regression analysis. This is most certainly enough data to achieve statistical significance as addressed further below.

Furthermore, as stated above, the recent improvement in my calculation of historical betas of using weekly returns on every day of the week as opposed to using only one day of the week, as Value Line does, has the added benefit of providing significantly more data pairs to be used in the regression analysis utilized to calculate beta. For 6-month historical betas, instead of relying on 25 return pairs, the regression is performed on 117 return pairs, increasing the analysis's effectiveness.

Q. PLEASE EXPLAIN HOW YOU CALCULATED OPTION-IMPLIED BETAS.

A. Calculating option-implied betas of a company requires (1) obtaining stock option data for that company and a market index, (2) filtering the stock option data, (3) calculating the option-implied volatility for the company and for the index, (4) calculating the option-implied skewness for the company and for the index, and (5) calculating option-implied betas for the company based on implied volatility and skewness for the company and for the index. There are various ways one could choose to perform the steps above, but I chose to filter stock option data and calculate option-implied volatility[54] and skewness[55] following the same methodology used by the Chicago Board of Options Exchange (CBOE)

[54] CBOE Volatility Index White Paper (2018) available at https://cdn.cboe.com/resources/indices/srvix-white-paper.pdf. Please note that the cover page says, "proprietary information." However, this document has been in the public domain for over 3 years.
[55] The CBOE SKEW Index (2010) available at: https://cdn.cboe.com/resources/indices/documents/SKEWwhitepaperjan2011.pdf. Please note that the cover page says, "proprietary information." However, this document has been in the public domain for over 3 years.

in the calculation of their widely-used VIX (or Volatility Index) and SKEW Index, respectively.

I start my process with publicly available trading information for all the options for a given security (company or index) for a complete trading day. I then filter the option data as described by the CBOE using the following guidelines:

1. Use the mid-quote or mark (average of bid and ask) as the option price.
2. Use only out-of-the-money call and put options.
    - Determine the "moneyness" threshold where absolute difference between call and put prices is smallest (using CBOE "Forward Index Price" formula).
    - Include "at-the-money" call and put options and use average of call and put prices as price for "blended" option.
3. Exclude all zero bids.
4. Exclude remaining (more out-of-the-money) options when two sequential zero bids are found.

I then apply the series of formulas clearly described in both of the CBOE's white papers to the remaining options to calculate Option-Implied Volatility and Option-Implied Skewness. In the words of the CBOE, each of its two indices is "an amalgam of the information reflected in the prices of all of the selected options." To be clear, Implied Volatility is not exactly the same as the VIX Index, and Implied Skewness is not exactly the same as the SKEW Index, but both indices are directly based on their corresponding statistical value.

After calculating the daily option-implied values as discussed above, I calculate the weekly average of these daily values.[56] This approach results in stable weekly data points due to the weekly averaging. Even the most recent "spot" option-implied beta value represents an average of a full week of option-implied beta values.

Option-Implied Volatility reflects investors' expectations regarding future stock price movements. Option-Implied Skewness reflects investors' expectations regarding how implied volatility changes for strike prices that are closer and further to the current value of the underlying stock price.

The CBOE calculates Times to Expiration by the minute—as do I. The Time to Expiration of traded options cannot be changed and varies from day to day. For the sake of consistency, the CBOE calculates the VIX and SKEW indices on a "30-day" basis by interpolating for two sets of options with Times to Expiration closest to the 30-day mark. I prefer to focus on as long of a time horizon as possible for forecasting purposes. Option Times to Expiration vary significantly for various stocks but can consistently be found to go out to 6 months (180 days) for utility companies. Therefore, for the sake of consistency, I have chosen to calculate 6-month volatility and skewness where possible. Occasionally, Times to Expiration for a given stock do not go out to 180 days. If the greatest Time to Expiration available is 171 days (95%) or greater, I use the volatility and skewness for that group of options as a proxy for the 180-day volatility and skewness, respectively.

Finally, once I have calculated the option-implied volatility and skewness for each company and index using the methodology described above, I calculate option-implied

[56] I interpolate option-implied beta values for a given company in the rare instances where all daily values for a given company are not available for a given week. This has the effect of maintaining a constant representation of all companies in the proxy group across all periods, thus further improving the stability of proxy group option-implied betas over time.

betas using the following formula developed by Christoffersen, Chang, Jacobs and Vainberg (2011):[57]

$$\beta_i = \left(\frac{SKEW_i}{SKEW_m}\right)^{1/3} \left(\frac{VAR_i}{VAR_m}\right)^{1/2}$$

Where:

β_i: $option-implied\ beta\ of\ security\ (e.g. stock, fund)$;
$SKEW_i$: $skewness\ of\ security$;
$SKEW_m$: $skewness\ of\ overall\ market\ (S\&P\ 500)$;
VAR_i: $variance\ of\ company$;
VAR_m: $variance\ of\ overall\ market\ (S\&P\ 500)$.

Q. YOU CALCULATE YOUR OPTION-IMPLIED BETAS BASED ON A 6-MONTH HORIZON. WOULD IT NOT BE BETTER TO USE A LONGER FORECASTING HORIZON?

A. The methodology I use to calculate my option-implied betas "allows for the computation of a complete term structure of beta for each company so long as the options data are available,"[58] so there is nothing inherent in the methodology that limits it to a certain time horizon.

For many applications, including cost of capital, one could argue that the longer the time horizon for the option-implied betas, the better. However, the limitation on the forecasting horizon is always set by the longest expiration period of the options currently traded in the market. Some companies trade options with expiration periods up to 2 or 3 years into the future. As evidenced by the exhaustive option data in my working papers,

[57] Bo-Young Chang & Peter Christoffersen & Kris Jacobs & Gregory Vainberg, Option-Implied Measures of Equity Risk, *Review of Finance* Volume 16, Issue 2, pp. 385-428 (April 2012) available at https://academic.oup.com/rof/article/16/2/385/1584560.
[58] Peter Christoffersen, Kris Jacobs, and Gregory Vainberg, *Forward-Looking Betas*, p. 24 (April 25, 2008) available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=891467.

the maximum expiration period for the options of the companies in my RFC Water Proxy Group is approximately 8 months. None of the 6 companies ever trade options with expiration periods of more than 8 months. New options are issued roughly every 3 months for all of these companies, so the maximum expiration period on any given trading day is somewhere between 5 and 8 months. For consistency across companies in my proxy group and across dates within the 3-month period on which my analysis is focused (April through June 2024), I chose to use 6 months for the time horizon of my option-implied betas. If the maximum expiration period for the options of a given company on a given day is less than 6 months, I use the maximum expiration period as an approximation for the target 6-month horizon.

Simply because some may argue that it may be preferable to use longer time horizons in place of or in addition to a 6-month horizon, it does not mean that a 6-month option-implied beta is of no relevance or cannot be used. That would be tantamount to saying you cannot use a 1-year Value Line Earnings Per Share estimate, or that the minimum relevant forecast is 2 or 3 years. In fact, for purposes of option-implied betas, it would be difficult to say if a time horizon of 1 year, for instance, is necessarily always better than a time horizon of 6 months. An option-implied, forward-looking beta, even with a time horizon of less than 6 months, is still a useful tool in interpreting the current expectations of investors at any given time.

A final strong argument in support of using 6-month option-implied betas in a cost of capital calculation looking years into the future is that, as expanded upon starting on page 127, the authors of the paper on which I based my option-implied betas concluded that their predictive powers are not limited to 6 months into the future. In fact, they

conclude that 6-month option-implied betas have stronger predictive power than 6-month, 1-year, or 5-year historical betas when attempting to forecast betas 1 or 2 years into the future.

Market Risk Premium

Q. PLEASE EXPLAIN HOW YOU CALCULATED THE EQUITY RISK PREMIUM USED IN YOUR CAPM.

A. Traditionally, the risk premium used in CAPM calculations is derived from historical returns and/or equity analyst projections. The former approach is historically accurate but does not take into account investors' expectations for future market risks and returns. The latter approach is based on analyst projections, which are not appropriate since they do not reflect current investor expectations. A superior, market-based way to calculate the equity risk premium is to use option-implied return expectations, which is the approach I have used.

My equity risk premium is the expected return on the S&P 500 minus the risk-free rate. I calculate an expected return on the S&P 500 by using stock options traded on this index. To begin with, I use exactly the same methodology used by the Chicago Board of Options Exchange to filter stock option data and calculate option-implied volatility and skewness,[59] as described in detail in the Beta section on page 71. The volatility and skewness calculated in this way describe a probability function representing the possible trajectories for the S&P 500 implied by the options market. The resulting skewed probability function can be closely approximated by a log-normal function using

[59] As used in the calculation of their widely-used VIX (or Volatility Index) and SKEW Index, respectively.

established statistical formulas, which then make it straightforward to calculate the expected growth for the S&P 500 for any given cumulative probability. A cumulative probability of 50% represents the median of the probability distribution, or the option-implied market consensus, which is how I arrive at my calculation of expected market growth.

Once the option-implied growth rate of the S&P 500 has been estimated as described above, I add the dividend yield and subtract the risk-free rate to arrive at the market risk premium, as laid out in Exhibit ALR-4, page 4 and Exhibit ALR-4, page 6. In line with my Spot and Weighted Average CAPM approaches, I use both spot values as of June 30, 2024 and weighted averages over the 3 months ending on that date for option-implied growth, dividend yields, and short- and long-term risk-free rates in these calculations to arrive at a total of 4 estimated values for the market risk premium. The market risk premia I use in my Weighted Average CAPM analysis with short- and long-term risk-free rates are 2.46% and 3.30%, respectively. The market risk premia I use in my Spot CAPM analysis with short- and long-term risk-free rates are 2.32% and 3.29%, respectively.[60]

Q. DID YOU TAKE INTO CONSIDERATION THE DIFFERENCE IN VOLATILITIES ACROSS EXPIRATION PERIODS IN THE OPTIONS TRADED ON THE S&P 500?

A. Yes. The volatility implied by the options market changes over time as investors' perception of risk changes. For example, during a crisis, implied volatility generally

[60] Both market risk premia happen to be the same because short- and long-term risk free rates happen to be the same as of June 30, 2024.

increases as investors expect that stock market prices have a greater chance of large swings compared to times when there is no crisis. As discussed earlier, investors also often have different volatility expectations over different time periods. For example, on any given day, investors might expect volatility to be relatively high over the next 30 days and to decrease over the next year or longer. The same holds true for skewness, even though it is less intuitive to understand changes in skewness than in volatility. Because of these changes across option expiration periods, I take a weighted average of the entire term structure of the option-implied volatility and skewness, which for the S&P 500 typically goes out to 54 to 61 months[61], interpolating where necessary, and giving the most weight to the option expiration period of 12 months.

CAPM Results

Q. PLEASE SUMMARIZE THE RESULTS OF YOUR CAPM.

A. Table 6 and Table 7 on page 79 show the results of my Weighted Average CAPM and Spot CAPM Analyses, respectively.

[61] Prior to November 2021, the longest expiration period for stock options traded on the S&P 500 was 36 months.

Weighted Average CAPM

TABLE 6: CAPITAL ASSET PRICING MODEL (CAPM) - INDICATED COST OF EQUITY
WEIGHTED - All Inputs Weighted From April to June 2024

	3-Month Treasury Bill		30-Year Treasury Bond	
	Historical Blended Beta	Forward Beta	Historical Blended Beta	Forward Beta
Risk-Free Rate	5.47%	5.47%	4.63%	4.63%
Beta	0.80	1.03	0.80	1.03
Risk Premium	2.46%	2.46%	3.30%	3.30%
CAPM	7.43%	8.01%	7.26%	8.03%

Source: Exhibit ALR-4, page 1

Spot CAPM

TABLE 7: CAPITAL ASSET PRICING MODEL (CAPM) - INDICATED COST OF EQUITY (SPOT)
SPOT - All Inputs Based on Last Available Data as of June 30, 2024

	3-Month Treasury Bill		30-Year Treasury Bond	
	Historical Blended Beta	Forward Beta	Historical Blended Beta	Forward Beta
Risk-Free Rate	5.48%	5.48%	4.51%	4.51%
Beta	0.78	1.03	0.78	1.03
Risk Premium	2.32%	2.32%	3.29%	3.29%
CAPM	7.28%	7.86%	7.06%	7.89%

Source: Exhibit ALR-4, page 5

Please see Appendix E for a chart showing how the results of my CAPM analysis applied to the RFC Water Proxy Group have changed over time since the onset of the Covid pandemic.

VI. CAPITAL STRUCTURE AND COST OF DEBT

Q. IS AQUA'S REQUESTED CAPITAL STRUCTURE OF 53.95% COMMON EQUITY AND 46.05% DEBT APPROPRIATE?

A. No. Aqua's requested capital structures are not appropriate for setting rates in this proceeding since it has a significantly higher common equity ratios (53.95%) than the average common equity ratio used by other water utility companies in the country (50.7%)[62] and the consolidated capital structure being used by its parent Aqua's parent Essential Utilities, Inc. (about 47.5%).[63]

Q. WHAT CAPITAL STRUCTURE DO YOU RECOMMEND BE USED FOR AQUA'S OVERALL COST OF CAPITAL?

A. I recommend using a capital structure consisting of 50.53% equity and 49.47% debt, based on the average common equity ratios of the companies in my proxy group. A common equity ratio of 50.53% is on the high side of reasonableness because it is above the mean 50.7% and median (41.3%) common equity ratio of the 6 gas distribution companies in the RFC Water Proxy Group. I believe, absent evidence from Aqua in support of the need for a different capital structure, using the capital structure that more closely aligns with that of the proxy group is consistent the Commission's duty to set just and reasonable rates that consider both the utility and its investor's needs as well as the needs of ratepayers. I emphasize that I recommend this capital structure is for ratemaking purposes only through the end of the fully projected future test year. I am not advocating that the Commission deprive Aqua of the ability to determine its own capital structure, only that, for ratemaking

[62] Exhibit ALR-5, page 5.
[63] Essential Utilities Value Line Report, January 5, 2024.

purposes, the Commission should utilize a more reasonable capital structure which closely mirrors the proxy group members that form the basis of my COE recommendation.

Additionally, Aqua's parent (Essential Utilities, Inc.) has common equity ratio of about 48.50%.[64] There is no reason I am aware of for Aqua to have a significantly higher common equity ratio than Essential Utilities, Inc., which includes non-utility operations.[65] Authorizing a regulatory capital structure for Aqua with a common equity ratio higher than other comparable utility companies without justification will result in unreasonably high rates. As shown in Table 3 on page 17, my recommendations, including my capital structure recommendation, result in an overall rate of return of 6.19%. Mr. Moul's recommendations result in an overall rate of return of 7.90%.

It can't be overlooked that the authorized capital structure can have a large impact on the utility company's revenue requirement. If my cost of equity recommendation is applied to Mr. Moul's recommended capital structure it will require a revenue requirement of approximately $7 million more.

If Mr. Moul's capital structure recommendations are adopted it is important to make an adjustment the overall ROR to account for the financial risk difference between her capital structure recommendation and that of the companies in the RFC Water Proxy Group which have a significantly lower average common equity ratio (50.7%) than the common equity ratios recommend by Mr. Moul. A higher common equity ratio means less debt, a lower chance of financial stress (financial risk), and therefore a lower COE. On the other

[64] Essential Utilities, Inc., Value Line Company Report, October 6, 2023.

[65] Aqua Resources is a non-utility subsidiary of Essential Utilities, Inc., providing operations and maintenance contracts, and system maintenance. You would expect a company with un-regulated operations to have a higher common equity ratio (lower percentage of debt) than a regulated subsidiary like Aqua because they are riskier. Riskier companies have less predictable earnings so they must keep their interest payments low so they can make sure they can cover their interest payments.

hand, a lower common equity ratio means more debt, a higher chance of financial stress (financial risk), and therefore a higher COE. Based on a regression analysis of dozens of utility companies, I found a 0.04% reduction in the cost of equity results for every 1% increase in the common equity ratio. Therefore, if the Commission authorizes a capital structure with a higher common equity ratio for a specific applicant, then the authorized ROE for that applicant should be reduced by 0.04% for every 1% its authorized common equity ratio exceeds that of the proxy group.[66]

Q. WHAT COST OF DEBT DO YOU RECOMMEND?

A. I recommend adopting Aqua's requested cost of debt of 4.32%.

VII. EVALUATION OF AQUA'S RATE OF RETURN TESTIMONY

Q. PLEASE SUMMARIZE THE TESTIMONY OF MR. MOUL.

A. Mr. Moul concluded that a reasonable ROE for Aqua is 10.95%, which excludes an unspecified incremental increase for the Company's management performance.[67] He claims that his ROE recommendation should be "considered in the context of AP's risk characteristics, as well as the general condition of the capital markets."[68] Mr. Moul arrived at his recommendation based upon his own versions of the Discounted Cash Flow ("DCF") model, Risk Premium analysis, Capital Asset Pricing Model ("CAPM") and the Comparable Earnings approach. Mr. Moul testified that, "At any point in time, a single method can provide an incomplete measure of the cost of equity depending upon

[66] Earlier in testimony I provide the specific adjustments required if Mr. Moul's capital structure recommendation is used to set rates.
[67] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 7, lines 9-24.
[68] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 48, lines 4-7.

extraneous factors which may influence market sentiment."[69] Mr. Moul adds a leverage adjustment to his DCF result and the size adjustment to his CAPM method.[70] Mr. Moul applied his four cost of equity methods to his "Water Group" of 8 water utility companies. The results of Mr. Moul's four cost of equity methods are shown on Table 8 below.

TABLE 8: MR. MOUL'S COST OF EQUITY RESULTS - CORE SAMPLE

METHOD	Model Results
Discounted Cash Flow (DCF)	10.58%
Risk Premium (RP)	11.50%
Capital Asset Pricing Model (CAPM)	13.80%
Comparable Earnings (CE)	12.90%

[1] Mr. Moul's Direct Testimony, AP Exhibit 4-A, Page 2 of 29.

Q. WHAT IS YOUR OVERALL REACTION TO MR. MOUL'S TESTIMONY?

A. Mr. Moul's DCF result is 9.38% before adding 1.20% for a "leverage adjustment."[71] Mr. Moul's DCF result is unreasonably above the market-based cost of equity before including his inappropriate adjustments. Below I will explain why Mr. Moul's adjustments are inappropriate and the flaws in Mr. Moul's DCF method.

A. DCF Method

Q. DOES MR. MOUL CONSIDER THE DCF METHOD HIS PRIMARY METHOD FOR DETERMINING THE COST OF EQUITY?

A. No. he claims that the DCF method has limitations.[72]

[69] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 6, lines 11-13.
[70] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, Schedule 1 [2 of 2].
[71] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, Schedule 1 [2 of 2].
[72] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 23, line 23, page 24, lines 1-9.

Q. WHAT FORMULA DOES MR. MOUL USE IN HIS DCF ANALYSIS?

A. Dividend Yield (D/P) + Growth Rate (g) + leverage Adjustment (lev).[73]

Q. DOES MR. MOUL PROPERLY APPLY THE SIMPLIFIED OR CONSTANT DCF METHOD?

A. No. Mr. Moul adds a growth component to a dividend yield even though his growth analysis gives earnings per share growth forecasts by analysts the greatest emphasis.[74] It is only a DCF method if the dividend yield is computed properly, and the growth rate used is derived from a careful study of what future sustainable growth in cash flow is anticipated by investors.

Q. HOW DID MR. MOUL CALCULATE HIS GROWTH RATE FOR HIS DCF METHOD?

A. On page 30, lines 16-17 of Mr. Moul's testimony he says "…IBES/First Call, Zacks, and Value Line provide the best indication of investor expectations."[75] Mr. Moul states, "DCF growth rates should not be established by a mathematical formulation" and he believes that a growth rate of 6.75% is a "reasonable estimate of investor-expected growth of the Water Group."[76] Below are the five-year projected earnings per share rates by the four investment research firms he chose:

IBES/First Call: 5.88%

Zacks: 6.80%

Value Line: 6.58%

[73] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, Schedule 1 [2 of 2].
[74] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 25, lines 1-7, n.6.
[75] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 30, lines 15-17.
[76] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 30, lines 20-24.

Mr. Moul's 6.75% growth rate is higher than the average of I/B/ES and Value Line's growth forecasts. The average of Value Line's earnings forecasts for the 8 companies in Mr. Moul's Water Group is 6.58%, but this includes a 10% growth rate for California Water Serv. Grp. If investors consider California Water Serv. Grp's growth rates to be an outlier and not representative of Water Group's growth prospects, Mr. Moul's DCF result of 9.38%[77] significantly overstates Aqua's cost of equity. I am not aware of any reason why California Water Serv. Grp's growth rate is substantially higher than other water utility companies. Regardless of the reason why, it is concerning that Mr. Moul's results are impacted so much by one data point.

Q. IS MR. MOUL'S METHODOLOGY TO DETERMINE THE GROWTH RATE TO USE IN HIS DCF MODEL APPROPRIATE?

A. No. Mr. Moul mentions the "b x r" method on pages 25-26 of his direct testimony but he does not use it. As stated above, Mr. Moul uses analyst five-year earnings per share growth without attempting to reconcile the retention rate used for computing growth with the retention rate he used to compute the dividend yield. This is analogous to failing to reconcile the money you are taking out of your checking account with your future balance, i.e., the basic balancing of a checkbook.

[77] Excluding 1.20% leverage adjustment.

Q. CAN YOU PLEASE SUMMARIZE WHY A FUTURE-ORIENTED "B X R" METHOD IS SUPERIOR TO A FIVE-YEAR EARNINGS PER SHARE GROWTH RATE FORECAST IN PROVIDING A LONG-TERM SUSTAINABLE GROWTH RATE?

A. Yes. Please see Appendix B.

Q. BESIDES GROWTH RATE, ARE THERE ANY OTHER DCF ANALYSIS INPUTS THAT MR. MOUL HAS ESTIMATED INCORRECTLY?

A. Yes. Mr. Moul made an unjustifiable "leverage adjustment."

Q. PLEASE DESCRIBE THE LEVERAGE ADJUSTMENT PROPOSED BY MR. MOUL IN THIS PROCEEDING.

A. Mr. Moul has proposed a leverage adjustment addition to his DCF derived cost of equity, stating "In order to make the DCF results relevant to the capitalization measured at book value (as is done for rate setting purposes), the market-derived cost rate must be adjusted to account for the difference in financial risk."[78] He then goes on to say: "Because the ratemaking process uses ratios calculated from a firm's book value capitalization, further analysis is required to synchronize the financial risk of the book capitalization with the required return on the book value of the firm's equity."[79] Because of this alleged higher financial risk, Mr. Moul recommends adding 1.20%[80] to the DCF derived cost of equity.

Q. JUST BECAUSE THE MARKET VALUE CAPITAL STRUCTURE CONTAINS A HIGHER PERCENTAGE OF COMMON EQUITY THAN BOOK VALUE

[78] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 31, lines 22-24.
[79] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 32, lines 10-13.
[80] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 34, lines 24-26, page 35, lines 1-7.

CAPITAL STRUCTURE, DOES THIS MEAN THE MARKET VALUE CAPITAL STRUCTURE HAS LOWER FINANCIAL RISK THAN THE BOOK VALUE CAPITAL STRUCTURE?

A. No. Market value capital structure and book value capital structure are two completely different ways of measuring the same thing. Concluding that a market value capital structure is lower in risk because it contains more equity than the book value-based capital structure for the same company is as inconsistent and illogical as claiming that a person who weighs 150 pounds could lose weight simply by stepping on a scale that measures weight in kilos instead of pounds. Financial risk is determined by a company's ability to meet its cash flow obligations. The most common and perhaps most important single measure of financial risk is the pretax interest coverage ratio. The interest coverage ratio is computed by dividing the sum of interest expense and pre-tax income by interest expense. This number is useful because it gives bondholders a sense of how far earnings would have to decline before a company would not be able to meet its interest payments. For example, if a company has an interest coverage ratio of 3.0, this means that at its current earnings rate, or its earnings available for both payment of interest and pre-tax earnings, is three times as much as is needed to make its interest payments.

Q. DOES A DECLINE IN MARKET PRICE LOWER THE COVERAGE RATIO?

A. Lowering the market value does not directly cause a change in the coverage ratio computation because market value is indicative of investor expectations as to the value of a company's securities can be freely traded, it is not a direct barometer for the actual cash flow the company has in order to cover its expenses or retain for future investment or distribution. This coverage ratio is measured by dividing cash flow by interest expenses

and is not directly impacted by the market value of a company's equity.. Market value and book value should be addressed separately and not conflated, as Mr. Moul does when recommending a leverage adjustment to market value cost of equity based on book value financial risk. Therefore, changing from a market value orientation to a book value orientation does no more to change a company's financial risk than the weight of a person was influenced by switching to a scale calibrated in kilos instead of pounds.

Q. DO INVESTORS UNDERSTAND THAT, AS PART OF THE REGULATORY PROCESS, ALLOWED RETURNS ARE APPLIED TO BOOK VALUE?

A. Yes, they do. This is a process that has been going on for decades and it is hard to argue that investors are not aware of this. By recommending this leverage adjustment, Mr. Moul is implying that investors forget this after each rate case. Evaluating the cost of equity based on a comparative group is like taking a snapshot of their expectations. After this snapshot is taken, it is then applied to the individual company, so even if the allowed return affected the expectation of the investors in the comparative group, it would be after the snapshot was taken.

Q. DOES MR. MOUL'S LEVERAGE ADJUSTMENT GO AGAINST ORIGNAL COST RATEMAKING?

A. Yes. Mr. Moul claims, "The need for the leverage adjustment arises when the results of the DCF model (k) are to be applied to a capital structure that is different from the capital structure indicated by the market price (P)."[81] In other words, Mr. Moul is saying that as a consequence of original cost ratemaking, an upward adjustment is needed. When a

[81] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 32, lines 2-4.

company has a market to book value above 1, and is thus over earning, applying the correct rate of return to the book value could have downward pressure on the stock price. No matter what logic is applied to the reason for adding a value to the rate of return, the leverage adjustment distorts the natural market dynamic between a regulated utility's stock price and its allowed rate of return. This is why, as I have been informed by counsel, Mr. Moul's leverage adjustment, which he makes as a course of business in his testimonies in Pennsylvania, has been consistently rejected by the Commission, because it speaks to investor expectations that do not exist and are not supported by any market-based rationale.

B. Risk Premium Method

Q. PLEASE SUMMARIZE MR. MOUL'S RISK PREMIUM ANALYSIS.

A. Mr. Moul explains that, "With the Risk Premium approach, the cost of equity capital is determined by corporate bond yields plus a premium to account for the fact that common equity is exposed to greater investment risk than debt capital."[82] In this approach, he computes a 11.50% cost of equity by summing a prospective yield for long-term public utility debt (5.00%) and his estimate of an equity risk premium (6.50%).[83] His prospective yield for long-term public utility debt of 5.00% is based on adding a 1.25% spread to Blue Chip Financials projected yields on U.S. Treasury bonds. He claims that "1.25% represents a reasonable, albeit conservative, spread for the yield on A-rated public utility bonds over Treasury bonds."[84] Mr. Moul calculates the equity risk premium (6.50%) of this approach by measuring large company stock returns over long-term corporate bonds based between

[82] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 36, lines 13-15.
[83] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 36, lines 15-22, page 39, lines 16-19.
[84] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 37, lines 8-10.

1926-2022 and presents the results in the following three categories based on the relative level of interest rates.

- Low Interest Rate: 7.13%
- Average Across All Interest Rates: 5.96%
- High Interest Rates: 4.76%[85]

From these data, he has "utilized" a 6.50% equity risk premium, which is between the premiums during low interest rates (7.13%) and an average of the premiums during the entire historical period (5.96%).[86]

Q. DOES MR. MOUL'S RISK PREMIUM METHOD PRODUCE A REASONABLE RESULT?

A. No. Mr. Moul's equity risk premium method result of 11.50% is excessive primarily because the equity risk premium component of 6.50%[87] is unreasonably high. A 6.50% equity risk premium is out of line with market data, academic studies and the results of his own sources.

Mr. Moul uses historical data from Kroll's 2023 SBBI Yearbook to support his claim that "the equity risk premium increases as interest rates decline, and it declines as interest rates increase."[88] He claims that this historical data supports his 6.50% equity risk premium component.[89] However, his analysis based on historical data is flawed because he failed to consider if investors expect future returns to be different than past returns. This oversight is ironic because he claims the DCF model is flawed because it assumes a

[85] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 39, line 9.
[86] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 39, lines 17-19.
[87] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 39, line 17.
[88] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 39, lines 6-7.
[89] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 39, lines 10-19.

constant P-E ratio "that does not conform with actual stock market performance."[90] His own source, the Kroll SBBI Yearbook, considered if investors might consider future equity returns to be different than the past. The authors of this book looked beyond historical data and concluded that "the current [price-to-earnings] ratio is the market's best guess for the future of corporate earnings."[91] Based on this current market data, the Kroll 2023 SBBI Yearbook calculated "a…geometric supply-side equity risk premium of 4.39%."[92] In September 2023, Kroll found an equity risk premium of 5.5%, which is 1% lower than his estimate. It should be further noted that Kroll's 4.39% and 5.50% equity risk premium calculations are in comparison to U.S. Treasury bonds, not the corporate bond yields used in Mr. Moul's analysis. Since corporate bond yields are higher than U.S. Treasury bonds, Mr. Moul's equity risk premium would be expected to be lower than those calculated by Kroll. Instead, his 6.50% is significantly higher. Therefore, the results of his own source indicate that his 11.50% COE result is excessive.

Consistent with Kroll's supply-side equity risk premium analysis I found an equity risk premium to be considerably lower than claimed by Mr. Moul. As shown in Table 6 and Table 7 on page 79, I found an equity risk premium of between 2.32% and 3.30%, which provides additional evidence that his 11.50% COE result is excessive.

[90] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 24, lines 6-7.
[91] Kroll 2023 SBBI Yearbook, Page 199.
[92] Kroll 2023 SBBI Yearbook, Page 197-199.

C. CAPM Method

Q. PLEASE SUMMARIZE MR. MOUL'S CAPM METHOD.

A. Mr. Moul explains that, "To compute the cost of equity with the CAPM, three components are necessary: a risk-free rate of return ("Rf"), the beta measure of systematic risk ("β"), and the market risk premium ("Rm-Rf") derived from the total return on the market of equities reduced by the risk-free rate of return."[93] He uses a risk free rate of 3.75% based on interest rate forecasts and recent trends in long term Treasury yields, including the possibility of some moderation in rates in the future.[94] His market premium portion of his CAPM analysis (8.21%) is based on the average of forecasted and historical returns on the S&P 500.[95] He adds a "mid-cap adjustment" of 1.02% to account for the relatively small size of Aqua relative to the companies in the Water Group.[96]

Q. DO YOU AGREE WITH THE RESULTS OF MR. MOUL'S CAPM ANALYSIS?

A. No, I do not agree with results of Mr. Moul's CAPM analysis because I believe that they significantly and inaccurately overstate the Company's cost of equity.

The arithmetic average return that Mr. Moul uses overstates the historical risk premium by over 200 basis points. The 2023 SBBI Yearbook shows that investors actually earned a compounded annual return of 10.1%[97] between 1926 and 2022. The arithmetic mean return of 12.21%[98] is possibly valuable to stockbrokers and fund managers attempting to predict future bonuses, but not for calculating the cost of equity. A Dow

[93] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 40, lines 11-15.
[94] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 43, lines 2-4.
[95] Mr. Moul's Direct Testimony, Aqua St. No. 7, AP Exhibit 4-A, page 43, lines 6-19.
[96] Mr. Moul's Direct Testimony, Peoples Statement No. 13, Page 46, lines 18-23 and Page 47, lines 1-11.
[97] Kroll 2023 SBBI Yearbook, page 2-23.
[98] Mr. Moul's Direct Testimony, Peoples Statement No. 13, Exhibit PRM-1, Page 25 of 29.

Jones Newswire article stated, "Some financial advisers rely too heavily on a formula known as the arithmetic average, which can be misleading when investing for the long term. Financial advisors who use this formula may be overstating your potential profit and leading you to take risks you might otherwise avoid…"[99] Mr. Moul's prospective risk premium calculation is based on a DCF analysis that is not based on sustainable growth. His DCF analysis for the S&P 500 has an unreasonably high growth component of 9.73%.[100]

Q. IS MR. MOUL'S ADDER FOR A SMALL SIZE EFFECT AN APPROPRIATE PART OF A CAPM ANALYSIS?

A. No. Mr. Moul's premium adder for the relatively small size of Aqua is unjustifiable. A proper analysis of the data from Ibbotson SBBI/Morningstar shows that size is a diversifiable risk and therefore does not impact the cost of equity. Professor Aswath Damodaran said the following regarding the supposed "small cap premium": "Even if you believe that small cap companies are more exposed to market risk than large cap ones, this is an extremely sloppy and lazy way of dealing with that risk, since risk ultimately has to come from something fundamental (and size is not a fundamental factor)."[101]

[99] Kaja Whitehouse, To Financial Advisors and Fuzzy Math, Dow Jones Newswires October 8, 2003.
[100] Mr. Moul's Direct Testimony, Peoples Statement No. 13, Schedule 13, page 2 of 3.
[101] Aswath Damodaran, Equity Risk Premiums (ERP): Determinates, Estimation and Implications – The 2014 Edition (paper updated, March 2015) page 42.

Q. DO THE RESULTS OF RECENT STUDIES PROVIDE ADDITIONAL EVIDENCE THAT SMALLER FIRMS DO NOT HAVE A HIGHER COST OF EQUITY THAN LARGE FIRMS?

A. Yes. A 2018 study conducted by scholars at AQR Capital Management and Yale University found that "the size effect diminished shortly after its discovery and publication."[102] The authors of this research found that data errors plagued the early studies regarding the relationship between firm size and return. They found that the data in the earlier studies did not include delisted companies and since smaller firms are delisted more often than larger stocks, the biased data (referred as a "delisting bias") made the returns of smaller stocks look higher than reality.[103]

Mr. Moul's CAPM is inflated because he takes steps to increase his results for a so-called small firm effect that has been put into serious question by recent research. I have been informed by counsel that a "small size adjustment" has almost never been permitted by the Pennsylvania PUC, even in cases where the public utility is substantially smaller than Aqua, one of the largest water and wastewater public utilities in Pennsylvania. It is also important to note that Mr. Moul routinely makes a size adjustment recommendation in his Pennsylvania testimonies as a seeming course of business adjustment, and his consistent use of the adjustment raises questions about objectivity all on its own. Therefore, his CAPM overstates Aqua's cost of equity because the risk premium potion of this method is impacted by these exaggerated returns.

[102] Ron Alquist, Ronen Israel, and Tobias Moskowitz, Fact, Fiction, and the Size Effect, *The Journal of Portfolio Management*, Fall 2018, page 3.
[103] Ron Alquist, Ronen Israel, and Tobias Moskowitz, Fact, Fiction, and the Size Effect, *The Journal of Portfolio Management*, Fall 2018, page 5.

D. Comparable Earnings Method

Q. PLEASE EXPLAIN THE COMPARABLE EARNINGS METHOD PRESENTED BY MR. MOUL.

A. Mr. Moul selected a group of non-regulated companies that he believes to be of comparable risk to the Electric Group. After selecting the companies, he presents the historic and Value Line expected return on book equity. See Schedule 14 [2 of 3], of Mr. Moul's direct testimony. The final column of numbers on this table is the "Projected 2027-29." However, what he labels as the projected 2027-29 return is actually the return on book equity that Value Line forecasts, not the return that Value Line projects investors will receive on their investment as a result of purchasing the common stock at current prices. According to Mr. Moul's Schedule 14, the total return expected by Value Line on the book equity of these industrial companies is between a 7.50% and a high of 85.5%, for an average of 19.0% (13.1% excluding companies with values > 20%).

Q. IS THIS METHOD VALID?

A. No. Mr. Moul has attempted to determine the cost of equity that would be demanded by investors on the market price of a company comparable to Aqua by comparing it to the historic and projected returns on book equity of a selection of industrial companies. Leaving aside the problems with actually being able to select companies that are comparable, the overriding problem with Mr. Moul's comparable earnings analysis is that it did not address the cost of equity at all. It simply considered the returns on book equity that were achieved and are expected to be achieved by Value Line in the next 3 to 5 years. The earned return on book equity is an entirely different concept from the cost of equity.

Q. SHOULD THE COMMISSION INCREASE AQUA'S AUTHORIZED ROE TO ACCOUNT FOR MANAGEMENT PERFORMANCE?

A. As explained above, the appropriate authorized ROE is based on the Commission's determination of the COE at the time of the proceeding. The COE is the market-based return investors expect to earn on the market value of any given stock. If the Commission decides to authorize Aqua an ROE that is higher than Aqua's market-based COE for its claimed superior management performance, I strongly encourage the Commission use my ROE recommendation of 8.70% (8.03% - 9.38%) without any adjustment for management performance. Mr. Moul's 10.95% ROE recommendation, without any claimed adjustment to account for management performance, is significantly above Aqua's market-based COE and should not be the starting point for any increase to Aqua's ROE to recognize management performance. I also note that OCA witnesses Hoover, Alexander and Colton have each provided rationale for rejecting Aqua's request for a management performance adder, and I will defer to those witnesses individually to explain their positions, for my purposes. It is important to recognize that my analysis here demonstrates that Aqua's requested ROE should be rejected because it is higher than its market-based COE.

Q. PLEASE SUMMARIZE YOUR ANALYSIS OF MR. MOUL'S TESTIMONY.

A. Mr. Moul recommends that the Company be allowed a return on equity of 10.95%. Mr. Moul's DCF result of 10.58% is above the market-based COE because (1) it has an unsustainable growth rate component (6.75%) and (2) he adds a leverage adjustment that misrepresents the basics of evaluating a company's cost of equity. Without his leverage adjustment, his DCF result is 9.38%, which I believe should be viewed as a ceiling for Aqua's authorized ROE in this case. Mr. Moul's Risk Premium method was developed

based upon an improper mathematical approach to quantifying historic actual returns. Mr. Moul's CAPM approach relies on an excessive market risk premium, an improper inflation of the "beta" because of a high market-to-book ratio, and an invalid "mid-cap adjustment." The incorrect claim that investors demand a higher cost of equity to invest in a small company (referred to as "size premium") is manufactured by an incorrect use of data. Mr. Moul's Comparable Earnings method is not really an equity costing method at all, as no consideration was given to investor's reactions to the earned returns on book equity.

VIII. FAIR MARKET VALUE LEGISTLATION – COST OF EQUITY IMPACT

Q. PLEASE DISCUSS HOW PENNSYLVANIA'S FAIR MARKET VALUE LEGISLATION RELATES TO YOUR COST OF EQUITY RECOMMENDATION.

A. My understanding is that Pennsylvania law permits utilities operating in the state to acquire public water and wastewater systems based on the "fair market value" of the system, even if the acquisition will result in higher costs for consumers, which provides a guaranteed addition to rate base if the acquisition is approved. However, until now Investor-owned water companies, including Aqua, have been profiting from the state's Fair Market Value legislation which allows regulated utility companies to purchase public water systems above original cost. Value Line stated the following regarding the benefits of acquiring smaller systems in their April 2024 report:

> Consolidation in the water business will be a positive for the company. There are thousands of small, inefficient municipal water districts in the United States. Essential merged seven systems into its rate base last year.

> The company is able to achieve substantial savings and increase margins when it integrates these new assets into its operations.[104]

Essential Utilities told investors that Fair Market Value legislation is a "competitive advantage"[105] and its strategy of investing in troubled water and wastewater systems as a growth opportunity.[106] If Fair Market Value legislation is a competitive advantage, as Aqua told its investors, it is possible that my ROE recommendation overstates Aqua's cost of equity because my cost of equity model results are based on financial data from a proxy group of regulated water utility companies that, on average, are not benefiting as much as Aqua from such legislation.

Q. HAVE YOU SEEN EVIDENCE REGARDING HOW FAIR MARKET VALUE LEGISLATION IMPACTS THE COST OF EQUITY OF UTILITY COMPANIES IN PENNSYLVANIA?

A. Yes. I have reviewed evidence that consumers have been The Commission's Order from the Aqua-Limerick Section 1329 proceeding claims that "Section 1329 helps mitigate the risk that a utility will not be able to fully recover its investment when water or wastewater assets are acquired from a municipality or authority."[107] Section 1329 leads some municipalities to sell their systems because it allows utilities to put the "fair market value" into rate base, which is always higher than the depreciated original cost of the system, oftentimes by multiples of two or more. This law provides a significant growth opportunity

[104] Value Line, American Water Works Company, Inc. company report, April 5, 2024.
[105] Essential Utilities' Investor Presentation, August 2024. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.essential.co/static-files/39f07290-b86b-4a5f-8351-2476c649105d
[106] Essential Utilities' 2023 Annual Report, Page 1.
[107] Opinion and Order on Application of Aqua Pennsylvania Wastewater, Inc. Pursuant to Section 1102 and 1239 of the Public Utility Code for Approval of its Acquisition of the Wastewater System Assets of Limerick Township, A-2017-2605434, November 8, 2017, page 4.

for investor-owned utilities who can acquire large numbers of captive customers at a time through high-cost acquisitions passed on to those ratepayers through the guaranteed addition to rate base.

As discussed below, the passage of Section 1329 in 2016 likely reduced the cost of equity for water and wastewater companies with operations in Pennsylvania, at least for those who acquire municipal systems, which includes Aqua.

Q. PLEASE EXPLAIN WHY THE PASSAGE OF 1329 REDUCES AQUA'S COST OF EQUITY.

A. As stated earlier, volatility, uncertainty, and risk are synonymous. Less uncertainty equates to lower risk and therefore, potentially, a lower cost of equity. The passage of Section 1329 significantly reduces the risk that an investor-owned utility will be able to put the purchase price of a municipal water/wastewater system into rate base. Credit rating agencies recognize that fair market value legislation reduces investment risk. Ryan Wobbrock, a senior analyst at Moody's, stated the following regarding the impact of fair market value legislation on investor-owned utility companies:

> What is most important from a credit perspective is clarity surrounding the recoverability of the investment, and this legislation definitely helps provide that.[108]

Aqua's proposed Regionalization and Consolidation Surcharge would reduce further the risk of purchasing municipal systems by allowing them to earn a return on the purchase price before the next rate case.

[108] Investor-Owned utilities benefit as fair value legislation incentivizes system sales, Global Water Intelligence, December 2016.

Utility executives understand that fair market value legislation will make it easier for them to grow through acquisition. For example, in a recent preliminary Prospectus Supplement offered by Essential Utilities, Inc., Aqua's parent company lauded the growth in the company's customer base through acquisitions of water and wastewater utilities being the primary driver.[109] These prospectus statements accompanied an offering of senior debt securities for Essential Utilities, meaning that the company's statements regarding its growth-by-acquisition strategy were made in the context of seeking investments.

IX. AFFORDABILITY AND THE IMPACT OF INFLATION

Q. DO ANY WITNESSES ADDRESS THE ISSUES OF AFFORDABILITY AND THE IMPACT OF INFLATION ON RATEPAYERS?

A. Yes. OCA witness Colton specifically addresses in his Direct Testimony that Aqua's rates for both water and wastewater customers have grown increasingly unaffordable for its customers since Aqua's last rate increase in 2022. Mr. Colton also addresses that, while inflation may have had an impact on utility companies' expenses, the impact on ratepayers – especially low-income ratepayers – was significant and should be considered as well.

[109] Essential Utilities, Inc., Form 8-K Exhibit 99.1 at pages S-1 and S-2, filed with the Securities and Exchange Commission Aug. 5, 2024, https://www.sec.gov/Archives/edgar/data/78128/000155278124000417/e24330_ex99-1.htm.

Q. IS IT APPROPRIATE TO CONSIDER THE IMPACT OF AFFORDABILITY WHEN DETERMINING THE COE FOR A UTILITY IN A RATE PROCEEDING?

A. Yes. The impact of customers' ability to afford their utility bills, especially during times with high levels of inflation, is a concern that is raised by analysts and utility holding companies when determining the risks that a utility faces. Even though inflation has decreased recently and is expected to decline further in coming months, high inflation in recent years remains a significant impact on affordability for many consumers.

Q. WHAT SPECIFIC RISKS DOES AFFORDABILITY POSE TO A UTILITY'S COE?

A. There are two major risks that affordability poses. When a utility begins to charge unaffordable rates, that utility may be less likely to be able to meet its revenue targets as the number of unpaid and/or partial bills increases. Furthermore, there are environmental, social, and governance factors that are considered by investors and ratings agencies which can impact the utility's perceived value if its requested revenue requirements grow increasingly aggressive and pose outsized impacts on investors.

Q. CAN YOU PROVIDE SOME EXAMPLES AS TO CONSIDERATIONS OF AFFORDABILITY BY ANALYSTS OR UTILITIES?

A. Yes. Moody's Investor Service, in its rating methodology for regulated water utilities, stated "We also consider whether the tariffs [of regulated water utilities] are affordable. Affordability can be measured, for example, through the level of unpaid bills. A water utility would normally score lower on [its Business Profile – Cost and Investment Recovery subfactor] than the theoretical tariff formula may imply if the level of unpaid bills is high

or is increasingly material."[110] This concern is especially prevalent for utilities, like Aqua, that grow its revenue requirement through infrastructure investments and acquiring systems (i.e., growing its rate base). Failing to meet the cash required to meet infrastructure investments due to unaffordable rates can create a negative perception or rating of regulated utilities which indicates that investment in that utility is riskier.

Essential also informed its shareholders that "customers' inability to pay or delays in paying their utility bills. . .may lead to higher bad debt expense, increased financing costs, and reduced cash flow" as a result of "general economic conditions" when disclosing the risks that the company faces.[111] This shows that Aqua's parent company recognizes the risk that customers' ability to afford their monthly bills may have on its ability to satisfy its cash flow. Thus, unaffordable bills not only jeopardize customers' access to utility service, but they produce an investment risk that Mr. Moul fails to recognize in any of the upward adjustments he recommends in this case.

Q. HOW SHOULD THE COMMISSION CONSIDER THIS INFORMATION WHEN DETERMINING THE APPROPRIATE COE FOR AQUA?

A. As I stated above, the pretax interest coverage ratio is perhaps the most important single measure of financial risk. If customers cannot afford their bills, Aqua's risk increases because its ability to cover its interest expense and earn its authorized revenue requirement decrease. While I am not recommending that the Commission make a specific adjustment to my calculated COE in order to account for customers' ability to afford their bills, I would

[110] Moody's Investor Service, Rating Methodology: Regulated Water Utilities, published Aug. 18, 2023, https://ratings.moodys.com/api/rmc-documents/406788.
[111] Form 10-K, Essential Utilities, Inc., filed Feb. 29, 2024 at page 25, https://www.sec.gov/Archives/edgar/data/78128/000156276224000047/wtrg-20231231x10k.htm.

recommend that the Commission use data presented by Mr. Colton and others to determine what COE to select from the range of reasonable costs of equity calculated in this proceeding.

Q. IF THE COMMISSION WERE TO AUTHORIZE AN ROE ABOVE YOUR RECOMMENDED ROE OF 8.70%, HOW SHOULD THE COMMISSION ADDRESS AFFORDABILITY?

A. Mr. Moul and I both recommend a range of reasonable returns on equity, though they differ substantially. I anticipate that other parties to this proceeding which offer testimony pertaining to COE will also offer a range of reasonable returns on equity, and that the Commission, in making its final determination in this proceeding, will also establish a range of reasonable returns on equity before selecting a specific ROE to use in calculating the ultimate ROR that Aqua will be permitted to use for ratemaking purposes. My recommendation, specifically, is that, when the Commission selects that specific ROE from its range of reasonable ROEs, instead of defaulting to use of a midpoint or average value, it should select an ROE on the lower end of the range of reasonableness to incorporate the concerns raised by Mr. Colton, other parties, and Aqua's customers about the affordability of Aqua's bills. Selecting a lower ROE within the range of reasonableness would mitigate the risks seen by Aqua investors about Aqua's ability to earn its authorized revenue requirement and reduce the water and wastewater bill burden on Aqua's customers, providing a more accurate COE. Additionally, it would recognize the clear reality, which Essential utilities recognizes, of the favorable impact that fair market value legislation has produced for investors.

X. CONCLUSION

Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS IN THIS CASE.

A. Based on the evidence presented in my testimony, I conclude that a an authorized ROE of 8.70% would be more than sufficient for Aqua to raise equity capital. 8.70% is the average of the high end of my market-based COE analysis (8.03%) and the 9.38% unlevered DCF result of Aqua witness Moul. As discussed throughout my testimony, I determined that Aqua's market-based cost of equity is between 7.27% to 8.03%. I would generally recommend an ROE no higher than 8.03%. However, I recommend an ROE of 8.70% based on the OCA's position that it would be sufficient to allow Aqua to raise the capital it needs to provide safe and reliable service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates.

Based on my recommended common equity ratio of 50.53%, that results in an overall cost of capital of between 6.19% and 6.88% (recommended at 6.53%).

If the Commission decides to use Aqua's requested capital structure of 53.95% common equity and 46.05% debt instead of my recommended capital structure, I recommend a reduced authorized ROE of 8.56% (7.89% - 9.24%) to account for the lower financial risk of a capital structure with more equity. Consistent with the testimony of other OCA witnesses, the Company has not demonstrated that it is entitled to a management performance adder. The Commission's selection of an appropriate ROE should also take into consideration the influence of Act 12 and the affordability of customers' rates on Aqua's COE, which warrant an authorized ROE which is on the lower end of the range of reasonable returns on equity.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.

APPENDIX A. MARKET TO BOOK RATIOS AND THE MARKET-BASED COE

Q. PLEASE EXPLAIN WHY A MARKET TO BOOK RATIO OF SIGNIFICANTLY ABOVE ONE INDICATES THAT THE COST OF EQUITY FOR WATER UTILITY COMPANIES IS LOWER THAN THE EXPECTED RETURN ON BOOK EQUITY?

A. Calculating the cost of equity (investors' equity return expectations) is more complicated than calculating the return on a rental property, but the same concept applies regarding the relationship between market returns and book returns. If an investor purchases an apartment for $100,000 and expects to receive $500 per month ($500 X 12 = $6,000 per year) in rent, he or she will expect an annual return of 6% ($6,000/$100,000) on their investment. When the investor purchases the apartment, he would record the book value as $100,000 and the market value as $100,000 unless he determined that the purchase price was higher or lower than the market value. If the value of the apartment increases to $350,000, for example, the market to book ratio would increase to approximately 3.5, and therefore, his return on book value would remain at about 6% while his return on the market value of the apartment would decrease to about 1.7%.

In this rental property example, an increasing market value results in a lower expected return on market (1.7%) compared to expected return on book (6%) if the rent price remains constant. Rent prices do not increase to maintain an expected 6% return on book value; they are set by what the rental market reasonably can bear. The same is true of utility stocks. You do not establish an ROE based on a constant return on book (accounting) returns, it is set based on what investors in the market expect that market to return to. In the case of a utility stock, an increasing market value results in a lower return

on market value for the same expected return on book value. As this rental property example demonstrates, there is nothing inconsistent about investors expecting a lower return on the market price of an investment than on the book value of an investment. In fact, with market to book ratios of water utility companies significantly above one, it would be surprising if investors expected a return on market equal, or anywhere close, to return on book value.

APPENDIX B. FUTURE-ORIENTED "B X R" METHOD

Q. ARE YOU AWARE OF CLAIMS ALLEGING THAT THE "BR" APPROACH TO THE CONSTANT GROWTH DCF MODEL IS FLAWED BECAUSE IT RELIES ON THE VALUE OF THE FUTURE EXPECTED RETURN ON BOOK EQUITY "R" TO ESTIMATE WHAT THE EARNED RETURN ON EQUITY SHOULD BE?

A. Yes. One common criticism is that it is not reasonable for the DCF to indicate a COE (market return) that is different (lower or higher) than the expected return on book equity (accounting). There are multiple reasons why this concern is unfounded:

1. The constant growth form of the equation using "br" is:

   $$k = D/P + (br + sv)$$

   In this equation, "k" is the variable for the COE, and "r" is the future expected return on equity. The COE, "k," is not the same variable as the future expected earned return on equity, "r." In fact, there often is a large difference between the two.

2. The correct value to use for "r" is the return on book equity expected by investors as of the time the stock price and dividend data are used to quantify the D/P term in the equation. Therefore, even if future events occur that may change what investors expect for "r," the computation of the COE "k" remains correct as of the time the computation was made.

3. The ability of a commission's ROE decision to influence future cash flow expectations is not unique to the retention growth DCF approach. The five-year analysts' earnings per share growth rate is a computation that is directly influenced by what earnings per share will be in 5 years. Allowed ROEs

impact earnings – higher allowed returns lead to higher earnings growth because the higher allowed returns the more earnings are available for reinvestment.

Q. CAN CHANGES IN THE ACTUAL EARNED RETURNS IMPACT GROWTH ABOVE AND BEYOND WHATEVER GROWTH RESULTS FROM EARNINGS RETENTION?

A. Yes, but large short-term changes in earnings per share caused by a perceived change in the future expected earned returns are unsustainable. The new perceived earned return on book equity should be part of the computation, but the one-time growth spurt to get there is no more indicative of the sustainable growth required in the constant growth DCF formula than the temporary negative growth that occurs when a company has a bad year.

Q. CAN YOU PLEASE SUMMARIZE WHY A FUTURE-ORIENTED "B X R" METHOD IS SUPERIOR TO A FIVE-YEAR EARNINGS PER SHARE GROWTH RATE FORECAST IN PROVIDING A LONG-TERM SUSTAINABLE GROWTH RATE?

A. The primary cause of sustainable earnings growth is the retention of earnings. A company is able to create higher future earnings by retaining a portion of the prior year's earnings in the business and purchasing new business assets with those retained earnings. There are many factors that can cause short-term swings in earnings growth rates, but the long-term sustainable growth is caused by retaining earnings and reinvesting those earnings. Factors that cause short-term swings include anything that causes a company to earn a return on book equity at a rate different from the long-term sustainable rate. Assume, for example, that a particular utility company is regulated so that it is provided with a reasonable

opportunity to earn 9% on its equity. Should the company experience an event such as the loss of several key customers, or unfavorable weather conditions, which cause it to earn only 6% on equity in a given year, the drop from a 9% earned return on equity to a 6% earned return on equity would be concurrent with a very large drop in earnings per share. In fact, if a company did not issue any new shares of stock during the year, a drop from a 9% earned return on book equity to a 6% earned return on book equity would result in a 33.3% decline in earnings per share over the period.[112] However, such a drop in earnings would not be an indication of what is a long-term sustainable earnings per share growth rate. If the drop were caused by weather conditions, the drop in earnings would be immediately offset once normal weather conditions return. If the drop were from the loss of some key customers, the company would replace the lost earnings by filing for a rate increase to bring revenues up to the level required for the company to be given a reasonable opportunity to recover its cost of equity.

For the reasons above, changes in earnings per share growth rates that are caused by non-recurring changes in the earned return on book equity are inconsistent with long-term sustainable growth, but changes in earnings per share because of the reinvestment of additional assets is a cause of sustainable earnings growth. The "b x r" term in the DCF equation computes sustainable growth because it measures only the growth which a company can expect to achieve when its earned return on book equity "r" remains in equilibrium. If analysts have sufficient data to be able to forecast varying values of "r" in future years, then a complex, or multi-stage DCF method must be used to accurately

[112] By definition, earned return on equity is earnings divided by book value. Therefore, whatever level of earnings is required to produce earnings of 6% of book would have to be 33.3% lower than the level of earnings required to produce a return on book equity of 9%.

quantify the effect. Averaging growth rates over sub-periods, such as averaging growth over the first five years with a growth rate expected over the subsequent period, will not provide an appropriate representation of the cash flows expected by investors in the future and, therefore, will not provide an acceptable method of quantifying the cost of equity using the DCF method. The choices are either a constant growth DCF, in which one growth rate derived using "b x r" should be used, or a complex DCF method in which the cash flow anticipated in each future year is separately estimated. Mr. Moul has done neither. Instead, he mechanically adds analysts' five-year earnings per share growth rate to the dividend yield.

Q. WHY ARE ANALYSTS' FIVE-YEAR CONSENSUS GROWTH RATES NOT INDICATIVE OF LONG-TERM SUSTAINABLE GROWTH RATES?

A. Analysts' five-year earnings per share growth rates are earnings per share growth rates that measure earnings growth from the most currently completed fiscal year to projected earnings five years into the future. These growth rates are not indicative of future sustainable growth rates in part because the sources of cash flow to an investor are dividends and stock price appreciation. While both stock price and dividends are impacted in the long run by the level of earnings a company is capable of achieving, earnings growth over a period as short as five years is rarely in synchronization with the cash flow growth from increases in dividends and stock prices. For example, if a company experiences a year in which investors perceive that earnings temporarily dipped below normal trend levels, stock prices generally do not decline at the same percentage that earnings decline, and dividends are usually not cut just because of a temporary decline in a company's earnings. Unless both the stock price and dividends mirror every down swing in earnings,

they cannot be expected to recover at the same growth rate that earnings recover. Therefore, growth rates such as five-year projected growth in earnings per share are not indicative of long-term sustainable growth rates in cash flow. As a result, they are not applicable for direct use in the simplified DCF method.

Q. IS THE USE OF FIVE-YEAR EARNINGS PER SHARE GROWTH RATES IN THE DCF MODEL ALSO IMPROPER?

A. Yes. A raw, unadjusted, five-year earnings per share growth rate is usually a poor proxy for either short-term or long-term cash flow growth that an investor expects to receive. When implementing the DCF method, the time value of money is considered by equating the current stock price of a company to the present value of the future cash flows that an investor expects to receive over the entire time that he or he owns the stock. The discount rate required to make the future cash flow stream, on a net present value basis, equal to the current stock price is the cost of equity. The only two sources of cash flow to an investor are dividends and the net proceeds from the sale of stock at whatever time in the future the investor finally sells. Therefore, the DCF method is discounting future cash flows that investors expect to receive from dividends and from the eventual sale of the stock. Five-year earnings growth rate forecasts are especially poor indicators of cash flow growth, even over the five years being measured by the five-year earnings per share growth rate number.

Q. WHY IS A FIVE-YEAR EARNINGS PER SHARE GROWTH RATE A POOR INDICATOR OF THE FIVE-YEAR CASH DIVIDEND GROWTH EXPECTATIONS?

A. The board of directors of a company changes dividend rates based upon long-term earnings expectations combined with the capital needs of a company. Most companies do not

decrease dividends simply because a company has a year in which earnings were below sustainable trends, and similarly they do not increase dividends simply because earnings for one year happened to be above long-term sustainable trends. Therefore, over any given five-year period, earnings growth is frequently very different from dividend growth. In order for earnings growth to equal dividend growth, at a minimum, earnings per share in the first year of the five-year earnings growth rate period would have to be exactly on the long-term earnings trend line expected by investors. Since earnings in most years are above or below the trend line, the earnings per share growth rate over most five-year periods is different from what is expected for dividend growth.

Q. WHY IS THE FIVE-YEAR EARNINGS PER SHARE GROWTH RATE A POOR INDICATION OF FUTURE STOCK PRICE GROWTH?

A. If a company happens to experience a year in which earnings decline below what investors believe is consistent with the long-term trend, then the stock price does not drop anywhere near as much as earnings drop. Similarly, if a company happens to experience a year in which earnings are higher than the investor-perceived long-term sustainable trend, the stock price will not increase as much as the earnings. In other words, the P/E ratio of a company will increase after a year in which investors believe earnings are below sustainable levels, and the P/E ratio will decline in a year in which investors believe earnings are higher than expected. Since stock price is one of the important cash flow sources to an investor, a five-year earnings growth rate is a poor indicator of cash flow, both because it is a poor indicator of stock price growth over the five years being examined, and because it is equally a poor predictor of dividend growth over the period.

Q. ARE YOU SAYING THAT ANALYSTS' CONSENSUS EARNINGS PER SHARE GROWTH RATES ARE USELESS AS AN AID TO PROJECTING THE FUTURE?

A. No. Analysts' EPS growth rates are, however, very dangerous if used in a simplified DCF without proper interpretation. While they are not useful if used in their "raw" form, they can be very useful in computing estimates of what earned return on equity investors expect will be sustained in the future, and as such, are useful in developing long-term sustainable growth rates. This is exactly what I do in the application of my Constant Growth DCF Analysis.

APPENDIX C. NON-CONSTANT GROWTH FORM OF THE DCF MODEL

Q. YOUR NON-CONSTANT GROWTH DCF MODEL USES ANNUAL EXPECTED CASH FLOWS. SINCE DIVIDENDS ARE PAID QUARTERLY RATHER THAN ANNUALLY, HOW DOES THIS SIMPLIFICATION IMPACT YOUR RESULTS?

A. I used the annual model because it is easier for observers to visualize what is happening. Modeling cash flows to be annual rather than when they are actually expected to occur causes a small overstatement of the COE.

Q. WHY IS IT A SMALL OVERSTATEMENT OF THE COE IF YOU HAVE MODELED DIVIDENDS TO BE RECEIVED SOME MONTHS AFTER INVESTORS ACTUALLY EXPECT TO RECEIVE THEM?

A. The process of changing from an annual model to a quarterly model would require two changes, not just one. A quarterly model would show dividends being paid sooner and would also show earnings being available sooner. A company that receives its earnings sooner, rather than at the end of the year, has the opportunity to compound them. Since revenues, and therefore earnings, are essentially received every day, a company that is supposed to earn an annual rate of 9.00% on equity would have to earn only 8.62% if the return were compounded daily.[113] This reduction from 9.00% to 8.62% would then be partially offset by the impact of the quarterly dividend payment to bring the result of switching from the simplifying annual model closer to, but still a bit below 9.00%.

[113] $(1+.0862/365)^{365}=1.09 = 9.00\%$.

Q. BY USING CASH FLOW EXPECTATIONS AS THE VALUATION PARAMETER, DOES THE NON-CONSTANT DCF MODEL STILL RELY ON EARNINGS?

A. Yes. It relies on an expectation of future cash flows. Future cash flows come from dividends during the time the stock is owned and capital gains from the sale of the stock once it is sold. Since earnings impact both dividends and stock price, the non-constant DCF model still relies on earnings.

Every dollar of earnings is used for the benefit of stockholders, either in the form of a dividend payment, or earnings reinvested for future growth in earnings and/or dividends. Earnings paid out as a dividend have a different value to investors than earnings retained in the business. Recognizing this difference and properly considering it in the quantification process is a major strength of the DCF model and is why the non-constant DCF model as I have set forth is an improvement over either the price-to-earnings ratio (P/E ratio) or dividend/price (D/P) methods. Comparing the P/E ratios and the dividend yield (D/P) are helpful as a rule of thumb, but they must be used with caution because, among other reasons, two companies with the same dividend yield can have a different COE if they have different retention rates. A DCF model is more reliable than these rules of thumb because it can account for different retention rates, among other factors.

Q. WHY IS THERE A DIFFERENCE TO INVESTORS IN THE VALUE OF EARNINGS PAID OUT AS A DIVIDEND COMPARED TO THE VALUE OF EARNINGS RETAINED IN THE BUSINESS?

A. The return on earnings retained in the business depends upon the opportunities available to that company. If a regulated utility reinvests earnings in needed "used and useful" utility assets, then those reinvested earnings have the potential to earn at whatever return is

consistent with ratemaking procedures allowed and the skill of management in prudently operating the system.

When an investor receives a dividend, he can either reinvest it in the same or another company or use it for other things, such as paying down debt or paying living expenses. Although an investor could theoretically use the proceeds from any dividend payments to simply buy more stock in the same company, when an investor increases his investment in a company by purchasing more stock, the transaction occurs at market price. However, when the same investor sees his investment in a company increase because earnings are retained rather than paid as a dividend, the reinvestment occurs at book value. Stated within the context of the DCF terminology: earnings retained in the business earn at the future expected return on book equity "r," and dividends used to purchase new stock earn at the rate "k." When the market price exceeds book value (that is, the market-to-book ratio exceeds 1.0), retained earnings are worth more than earnings paid out as a dividend because "r" will be higher than "k." Conversely, when the market price is below book value, "k" will be higher than "r," meaning that earnings paid out as a dividend earn a higher rate than retained earnings.

Q. IF RETAINED EARNINGS WERE MORE VALUABLE WHEN THE MARKET-TO-BOOK RATIO IS ABOVE 1.0, WHY WOULD A COMPANY WITH A MARKET-TO-BOOK RATIO ABOVE 1.0 PAY A DIVIDEND RATHER THAN RETAIN ALL OF THE EARNINGS?

A. Retained earnings are more valuable than dividends only if there are sufficient opportunities to profitably reinvest those earnings. Regulated utility companies are allowed to earn the cost of capital only on assets that are used and useful in providing utility

service. Investing in assets that are not needed may not produce any return at all. For unregulated companies, opportunities to reinvest funds are limited by the demands of the business. For example, how many new computer chips can Intel profitably develop at the same time?

Q. UNDER THE NON-CONSTANT DCF MODEL, IS IT NECESSARY FOR EARNINGS AND DIVIDENDS TO GROW AT A CONSTANT RATE FOR THE MODEL TO BE ABLE TO ACCURATELY DETERMINE THE COST OF EQUITY?

A. No. Because the non-constant form of the DCF model separately discounts each and every future expected cash flow, it does *not* rely on any assumptions of constant growth. The dividend yield can be different from period to period, and growth can bounce around in any imaginable pattern without harming the accuracy of the answer obtained from quantifying those expectations. When the non-constant DCF model is correctly used, the answer obtained is as accurate as the estimates of future cash flow.

APPENDIX D. CAPITAL ASSET PRICING MODEL

Risk Free Rate

Q. WHAT IS YOUR RESPONSE TO ANALYSTS WHO CLAIM THAT THE CAPM MUST BE IMPLEMENTED WITH A LONG-TERM INTEREST RATE (E.G., YIELD ON 30-YEAR TREASURY BOND) AS AN ESTIMATE OF THE RISK-FREE RATE COMPONENT OF THE CAPM?

A. When looking for a security to calculate an estimate of the risk-free rate, it could be argued that it is appropriate to find one with a term or maturity that best matches the life of the asset being financed. In that sense, the 30-year Treasury bond yield can be argued to be ideal for this specific application. However, it is equally important to find a security that has a beta coefficient with the overall market as close to zero as possible, because by the very definition of the risk-free rate in the CAPM model, its movements should have no correlation to the movements of the market. And this is where the problem with the 30-year Treasury bond yield arises, as it has an established non-zero beta. The 3-month Treasury bill yield has a considerably lower beta, and therefore is superior in that respect to the 30-year Treasury bond yield. Neither one is a perfect fit on both fronts, which is why I have chosen to consider both as proxies for the risk-free rate to establish a range for my CAPM results.

Q. HOW DO YOU RESPOND TO ANALYSTS WHO CLAIM THAT THE RISK-FREE RATE SHOULD BE BASED ON INTEREST RATE FORECASTS FROM FIRMS SUCH AS BLUE CHIP FINANCIAL?

A. It is important to recognize that current long-term Treasury bond yields represent a direct observation of investor expectations and there is no need to use “expert” forecasts such as

Blue Chip to determine the appropriate risk-free rate to use in a CAPM analysis or any other cost of equity calculations.

Many economists and forecasters will continue to be quoted in the press prognosticating on possible developments that are truly unpredictable. The Nobel Laureate Economist Daniel Kahneman stated the following regarding forecasting:

> It is wise to take admissions of uncertainty seriously, but declarations of high confidence mainly tell you that an individual has constructed a coherent story in his mind, not necessarily that the story is true.[114]

Historical Beta

Q. PLEASE EXPLAIN HOW YOU CALCULATE HISTORICAL BETAS.

A. I calculate historical betas following the methodology used by Value Line, with some modifications. Specifically, Value Line adheres to the following guidelines:

1. Returns for each security are regressed against returns for the overall market in the following form:

$$\ln (p^{I}_{t} / p^{I}_{t-1}) = a_{I} + B_{I} * \ln (p^{m}_{t} / p^{m}_{t-1})$$

Where:

- p^{I}_{t} is the price of the security I at time t
- p^{I}_{t-1} is the price of the security I one week before time t
- p^{m}_{t} and p^{m}_{t-1} are the corresponding values of the market index
- B_I is the regression estimate of Beta for the security against the market index

2. The natural log of the price ratio is used as an approximation of each return and no adjustment is made for dividends paid during the week.

[114] DANIEL KAHNEMAN, *Thinking Fast and Slow*, p. 212 (New York: Farrar, Straus, and Giroux, 2011).

3. Weekly returns are calculated on one day of the week, with a stated preference for Tuesdays to minimize the effect of holidays as much as possible.
4. Betas calculated using the regression method above are adjusted as per Blume (1971)[115] using the following formula:

$$\text{Adjusted } B_I = 0.35 + 0.67 * \text{Calculated } B_I$$

There are four differences between my historical beta calculations and Value Line's calculations:

1. The first significant difference is that whereas Value Line uses the New York Stock Exchange Composite Index as the market index, I use the S&P 500 Index.
2. Another important difference is that whereas Value Line calculates weekly returns on one day of the week, with a stated preference for Tuesdays, I calculate weekly returns on all days of the week.
3. Value Line only calculates betas every 3 months in their quarterly company reports, whereas I use the same consistent methodology to calculate betas every week during the most recent 3 complete months (April through June 2024).
4. Value Line always uses a 5-year period for the return regression,[116] whereas I calculate historical betas for periods of 6 months, 2 years, and 5 years, as shown in Chart 16 on page 68.

[115] M. Blume, On the Assessment of Risk, *The Journal of Finance*, Vol. XXVI (March 1971) available at www.stat.ucla.edu/~nchristo/Fiatlux/blume2.pdf.
[116] They offer betas calculated over different time periods on their website, including 3 years and 10 years.

In the following pages, I explain my rationale for making the four modifications above to Value Line's beta calculation methodology.

Q. WHY DO YOU CALCULATE YOUR HISTORICAL BETAS VS. THE S&P 500 INDEX INSTEAD OF THE NEW YORK STOCK EXCHANGE (NYSE) COMPOSITE INDEX, AS VALUE LINE DOES?

A. A critical factor in the calculation of a beta coefficient is the choice of index to represent the overall market. Using exactly the same beta calculation methodology with a different market index will result in different values of beta for a given company or portfolio – sometimes drastically different values. It is easy to jump to the conclusion that this points to a flaw in CAPM theory, as different values of beta would result in a different implied cost of equity. However, another key component of the CAPM, the market risk premium, also depends on the choice of the market index, which in theory would have an offsetting effect on the cost of equity calculation. This points to the most important aspect of selecting a market index for a CAPM analysis, which is to be consistent and use the same index for the calculation of beta as for the calculation of the market risk premium. This is a fundamental concept of the CAPM and using betas based on one index with a market risk premium based on a different index yields invalid results.

As stated above, Value Line calculates its published betas based on the NYSE Composite Index. Most methodologies used to calculate the market risk premium, including those I rely on, are based on the S&P 500 Index, so using them in the CAPM together with Value Line betas exactly as published would yield invalid results.

For this reason, I calculate my historical betas versus the S&P 500 Index, making my CAPM approach entirely consistent.

As an aside related to my option-implied betas, using the S&P 500 Index consistently throughout my CAPM has the added benefit that this index has a much larger number of options traded, which makes the calculation of option-implied betas more reliable.

Q. WHY DO YOU CALCULATE YOUR HISTORICAL BETAS USING WEEKLY RETURNS ON EVERY DAY OF THE WEEK AS OPPOSED TO USING ONLY ONE DAY OF THE WEEK, AS VALUE LINE DOES?

A. Using one day of the week to calculate weekly returns for use in the regression analysis used to calculate historical betas has the unintended effect of generating different values of betas depending on the day of the week that is used. To clarify, if one were to use Value Line's precise methodology for calculating a 5-year historical beta for a given company using weekly returns calculated on Tuesdays, the resulting beta value would be different than the resulting value if one were to use the same exact methodology, but using weekly returns calculated on Wednesdays, or any other day of the week. Even though 5-year historical betas should in theory be quite stable and should not change very much from one day to the next, calculating returns on only one day of the week results in differences that can be significant and make no sense conceptually.

I only became aware of this side-effect recently, but it is easy to understand why it happens. Even though there is some correlation due to some overlap, the set of weekly returns calculated on Mondays is a completely different set of numbers than the set of weekly returns calculated on Tuesdays. As a result, there are five 5-year betas that can result from Value Line's methodology, and even though the Monday beta for a given

company will change slowly from week to week, the change between the Monday beta and the Tuesday beta, calculated just one trading day apart, can be quite significant.

Since I became aware of this undesirable effect, I began calculating my historical betas based on an all-encompassing set of weekly returns calculated on every trading day in the beta calculation period. This methodology has the effect of averaging out the five possible betas that could result from using only one day of the week for the return calculations,[117] as Value Line does. In this way, a 5-year beta calculated on any two consecutive trading days would only change minimally, as it should.

Using a daily calculation of weekly returns could be criticized for the resulting overlap in a weekly return from Monday to Monday with that from Tuesday to Tuesday. However, given that the overlap is consistent and equal for the net effect of every trading day, no trading day is given undue weight in the regression. Even though the effect of each trading day appears 5 times in the weekly return data, there are also 5 times the total number of weekly returns in the overall set used in the regression, so any individual trading day has the same relative weight than in Value Line's methodology. The fact that the resulting beta value of this aggregate approach turns out to be a sort of average of the five possible values that would result from Value Line's methodology on different days of the week is the final confirmation that this is the superior approach for calculating a historical beta based on weekly returns.

Using a daily calculation of weekly returns has the added marginal benefit of providing more data pairs to be used in historical beta calculations for shorter periods, such

[117] The resulting beta is not a direct arithmetic or geometric average of the other five betas, but rather a regression based on the union of all five possible sets of weekly returns.

as for 6-month historical betas, where instead of 25 return pairs, the regression is performed on 117 return pairs.

Q. ARE THERE ADDITIONAL BENEFITS TO DOING YOUR OWN HISTORICAL BETA CALCULATIONS?

A. Doing my own historical beta calculations using Value Line's established methodology allows me to see how beta values change from week to week and to use the most up-to-date beta calculations instead of relying on stale beta values that can be more than 3 months old.

Q. HOW MANY DATA POINT PAIRS ARE NECESSARY TO ESTABLISH A STATISTICALLY SIGNIFICANT CORRELATION BETWEEN TWO VARIABLES IN A REGRESSION ANALYSIS, SUCH AS THE ONE USED TO ESTABLISH BETA COEFFICIENTS?

A. Establishing a minimum number is somewhat subjective, though various authorities on statistics argue the number is between 3 and 8 data pairs. While one can broadly correctly generalize that the more data point pairs one uses, the more certain one can be about the significance of the results of any correlation analysis, this is very different from stating that one cannot achieve statistical significance with a relatively low number of data pairs. In fact, it is important to realize that one can achieve statistical significance with less than 10 data pairs, and that even hundreds of data pairs do not guarantee statistical significance. For precisely this reason, statisticians have developed a tool that helps determine statistical significance based on the number of data pairs in a regression analysis.

A "table of critical values" of Pearson's correlation, which can be readily found online[118] or in most statistics books, tells a statistician that for 25 data point pairs (implying N-2=23 "degrees of freedom"), a correlation, or beta, coefficient of 0.505 or higher will occur *by chance* with a probability of only 0.01.[119] As explained in more detail in the text regarding how to use the table of critical values,[120] any beta coefficient above this level, and certainly above the 0.753 3-month average for the recent 6-month betas for my RFC Water Proxy Group, by definition are considered statistically significant. The threshold for statistical significance for 117 data point pairs (implying 115 "degrees of freedom"), is so low that it is not even included in the table of critical values. The maximum "degrees of freedom" listed is 100, with an already very low threshold of 0.254.

Historical Blended Beta

Q. HOW DID YOU DECIDE ON THE RELATIVE WEIGHTS YOU ALLOCATE TO EACH COMPONENT OF YOUR HISTORICAL BLENDED BETAS? IS THERE ANY ACADEMIC SUPPORT FOR YOUR APPROACH?

A. I am not aware of any academic study specifically focused on the optimal relative weight of historical betas to predict future betas. However, the authors of the paper I relied upon for guidance on the calculation of my option-implied betas did attempt to quantify the predictive power of 6-month option-implied ("forward-looking") betas as well as that of 6-month ("180-day"), 1-year, and 5-year historical betas by back-testing historical predictions with actual *ex-post* results, or "realized" betas, for the 30 companies in the Dow

[118] University of Connecticut, *r Critical Value Table*, available at: https://researchbasics.education.uconn.edu/r_critical_value_table/#
[119] In fact, many researchers use a more lenient "alpha level" of 0.05 for determinations of statistical significance.
[120] University of Connecticut, *Statistical Significance: Is there a relationship (difference) or isn't there a relationship (difference)?* available at https://researchbasics.education.uconn.edu/statistical_significance

Jones Index. In addition to using each of the betas above independently, they also measured the predictive power of a "mixed" beta consisting of a simple average of the six-month option-implied beta and the 6-month historical beta.

Their conclusions for predicting 6-month future betas are as follows:

> The forward-looking beta outperforms the other methods ten times, and the same is true for the 180-day historical beta. The mixed beta is the best performer in seven cases, and the 1-year historical beta in three cases. The 5-year historical beta is always outperformed by at least one other method, and it often ranks last. The 180-day historical beta clearly dominates the two other historical methods.[121]

Their conclusions for predicting 1-year and 2-year future betas are as follows:

> Somewhat unexpectedly, the performance of the forward-looking beta compared to that of the 180-day historical beta is much better [for the one-year prediction] than [for the six-month prediction], and this conclusion carries over to [the two-year prediction]. The mixed beta also perform [sic] well. It is perhaps not surprising that the performance of the 180-day historical beta [for the one- and two-year predictions] is poorer than [for the six-month prediction], because the horizons used in the construction of realized betas are no longer equal to 180 days. What is harder to explain is why the correlation between realized beta and forward-looking beta is in many cases higher [for the one- and two-year predictions] than [for the six-month prediction]. Finally, it is also interesting that the 1-year and 5-year historical betas do not perform well [for the one-and two-year predictions]. In summary, [for the one-year prediction] either the forward-looking beta or the mixed beta is the best performer in nineteen out of thirty cases. [For the two-year prediction], this the case twenty-two times out of thirty.[122]

Their conclusions strongly support the use of 6-month historical betas, 6-month option-implied betas, and/or an average of the two as predictors of future betas 6 months, 1 year, or 2 years into the future. Therefore, considering a historical blended beta in conjunction with option-implied betas to calculate the cost of equity is consistent with

[121] Peter Christoffersen, Kris Jacobs, and Gregory Vainberg, *Forward-Looking Betas*, p. 16 (April 25, 2008) available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=891467.
[122] Id. at 17.

research findings that coming historical and option-implied betas is the best predictor of future betas.

I decided on the composition of my historical blended betas primarily based on the conclusions of the authors above. Though the predictive power of longer-term historical betas seems to be quite reduced, it is not zero, so in an effort to preserve the effect of longer-term market trends in my historical blended betas, I chose to incorporate 5-year historical betas.

Market Risk Premium

Q. WHICH CUMULATIVE PROBABILITY DID YOU USE TO ESTIMATE THE OPTION-IMPLIED GROWTH OF THE S&P 500 IN THE CALCULATION OF YOUR MARKET RISK PREMIUM AND WHY?

A. I used a cumulative probability of 50.0% in the calculation of my option-implied growth for the S&P 500, which results in a value of 6.45% as of June 30, 2024 and a value of 6.56% for the weighted average of the 3 months ending on that date. As stated above, a cumulative probability of 50% represents the median of the probability distribution, or in this case the option-implied market consensus, which is why I have chosen to use this level.

As a matter of fact, using the same probability distribution derived from the options market described above, one can also calculate the cumulative probability implied by a given cost of capital. For instance, using the same risk-free rates and betas for the RFC Water Proxy Group in my CAPM analysis, Mr. Moul's recommended ROE of 10.95% implies an average market risk premium of 6.6%, an average overall market return of 11.6%, average growth for the S&P 500 of 10.2%, and a cumulative probability of 63.2%. In other words, to achieve the required market growth of 10.2%, reality would have to

exceed 63.2% of the scenarios investors currently see as plausible for the market in aggregate, considerably more than the median market consensus at 50%. To put this into perspective, it is important to note that values on the tails of the probability function get increasingly separated, requiring an ever-increasing growth rate for every additional percentage in the cumulative probability, and making it impossible to ever arrive at 100%.

Using exactly the same methodology using the betas of the RFC Water Proxy Group, my recommended 8.70% ROE implies an average market risk premium of 4.1%, an average overall market return of 9.1%, average growth for the S&P 500 of 7.8%, and a cumulative probability of 53.9%.

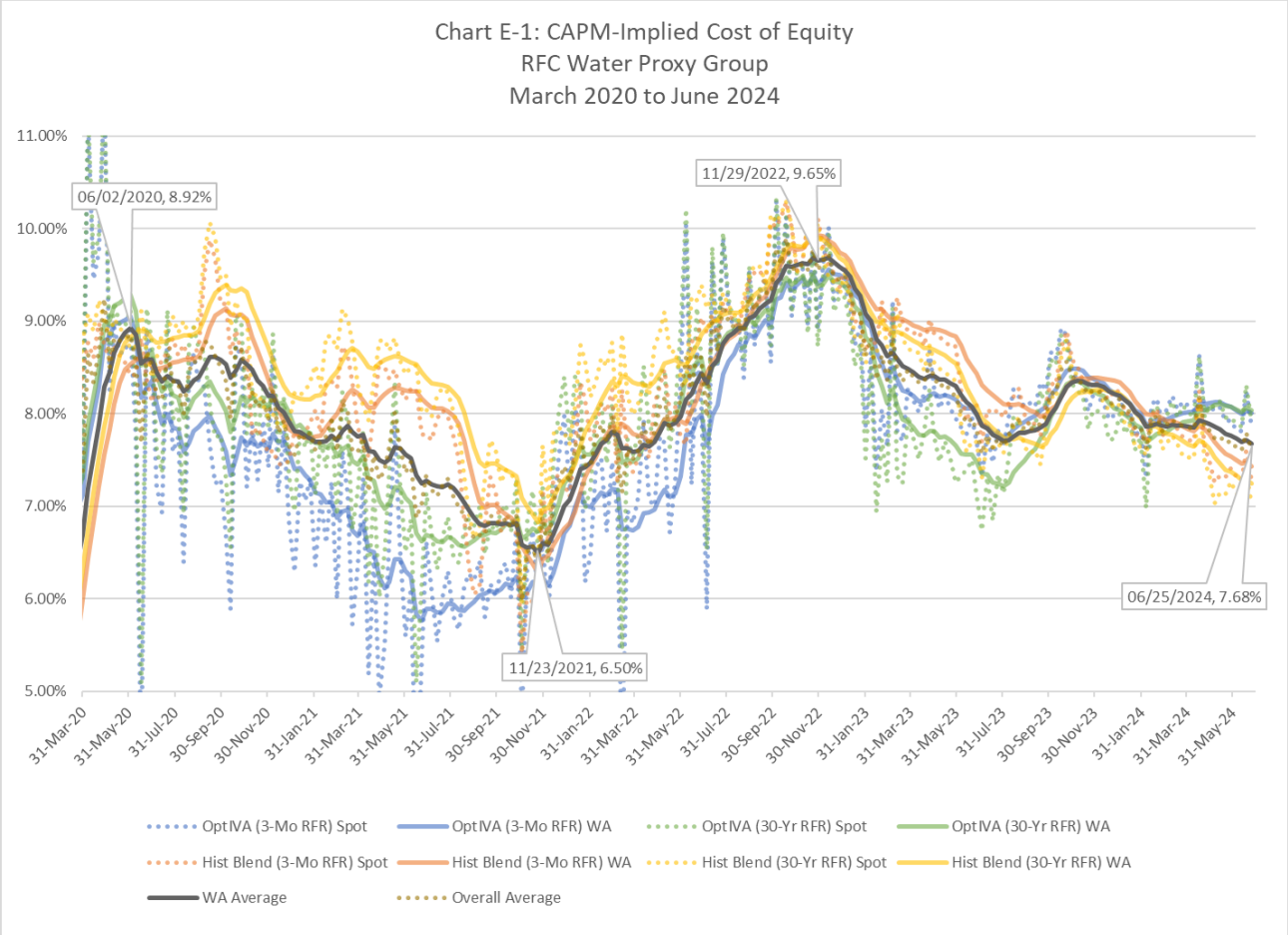
Q. ARE THE CUMULATIVE PROBABILITIES YOU REFER TO IN THIS CASE DIRECTLY COMPARABLE TO THE CUMULATIVE PROBABILITIES YOU HAVE USED OR REFERRED TO IN PRIOR TESTIMONIES YOU HAVE FILED?

A. In late 2020, after significant efforts related to the complexities in processing extremely large volumes of option data, I was finally able to use option-implied volatility and option-implied skewness to come up with a log-normal function that approximates the probability distribution of the possible trajectories for the S&P 500 implied by the options market as of any given day, as explained above. All of the testimonies I have filed since then, starting in 2021, have used this complete and superior approach along with a cumulative probability of 50%, representing the median of the probability distribution, or the option-implied market consensus, to estimate expected market growth. Any references to cumulative probability in these testimonies are directly comparable.

Prior to incorporating skewness into the approximation, I used a normal function to estimate the same probability distribution referred to above. Using a normal distribution

as an approximation is a simplification used commonly in economics, including in the Black-Scholes formula for a single option. However, unlike a skewed log-normal function, a normal function has the same median and mean, meaning that when applied in this case, the option-implied market consensus of this simplified approximation implies market growth of 0%. As a result, before using log-normal functions, I had to resort to finding an adequate level of cumulative probability above 50% to estimate market growth, which is admittedly somewhat subjective. To be conservative, I often used a cumulative probability of 68.3%, which is the probability found within one standard deviation of the mean of a normal distribution, which I understood would lead to a conservatively high estimate for market growth. It is important to point out that the cumulative probabilities of the simplified normal function approximation I used in cases before 2021 cannot be directly compared to the cumulative probabilities of the superior log-normal function approximation, which takes skewness into account. The considerably improved approximation based on a log-normal function eliminates all subjectivity in arriving at the implied market consensus and allows a much better measure of implied cumulative probabilities of deviations from that market consensus.

APPENDIX E. CAPM-IMPLIED COST OF EQUITY FOR RFC WATER PROXY GROUP OVER TIME SINCE ONSET OF COVID PANDEMIC



Notes regarding the content of this chart:

- *The information in this chart is the property of Rothschild Financial Consulting ("RFC") and may not be used for any purpose without the express written consent of RFC. Even when the underlying data are publicly available from another source, the results of analyses performed by RFC and the way of presenting the data are and remain the property of RFC.*

- *The data presented herein may not agree 100% with past recommendations by RFC for numerous reasons, including differences in the underlying proxy group and the fact that this chart represents only results based on the CAPM, whereas RFC usually bases recommendations on the CAPM and other models, such as various forms of the DCF.*

APPENDIX F. RESUME OF AARON L. ROTHSCHILD

SUMMARY

Financial professional providing U.S. public utility commissions financial tools and expert testimony to assist in rate setting for regulated utility companies (e.g., regulated electric distribution providers, natural gas pipelines). Relevant experience includes developing and applying methodologies that directly measure investors' equity return expectations based on stock option prices, applied mathematics research for utility industry as an affiliate of the New England Complex Systems Institute, and serving as Head of Business Analysis for a major U.S. telecom firm in Asia Pacific.

EXPERIENCE

Rothschild Financial Consulting, Ridgefield, CT **November 2001- present**
Independent consulting firm specializing in utility sector
President

- Provide financial expert testimony (e.g., rate of return and M&A) to regulators, policy makers, foundations, and consumer groups in utility rate case proceedings, including representing the California Public Advocates Office and the Wild Tree Foundation in the ongoing California water and energy cost of capital proceedings
- Developed cost of equity models that have been adopted by the Public Service Commission of South Carolina in 2020 (decision upheld by the South Carolina Supreme Court in September 2021) and the Connecticut Public Utilities Regulatory Authority in September 2021
- Developing market-based cost of equity methodology in ongoing regulated natural gas pipeline case before the Federal Energy Regulatory Commission (FERC), including proposing replacing equity analyst earnings per-share forecasts (IBES, Value Line) with options-implied growth expectations to determine authorized return on equity (ROE)
- Present at utility regulation conferences (NARUC/NASUCA and MARC) regarding rate of return, power purchase agreements, complex systems science, and subsidy auctions

360 Networks, Hong Kong **January 2001 - October 2001**
Pioneer of the fiber optic telecommunications industry
Senior Manager

- Business development and investment evaluation
- Negotiated landing rights and formed local partnerships in Korea, Japan, Singapore, and Hong Kong for $1 billion undersea cable project
- Structured fiber optic bandwidth swapping agreement with Enron and Global Crossing
- Established relationships with Hong Kong based Investment Bankers to communicate Asia Pacific objectives and accomplishments to Wall Street

Dantis, Chicago, IL **July 2000- December 2000**
Start-up managed data-hosting services provider
Director

- Built capital raise valuation models and negotiated with potential investors
- Team raised $100M from venture capital firm through valuation negotiations and internal strategic analysis

MFS, MCI-WorldCom, Chicago, Hong Kong, Tokyo September 1996- July 2000
American Telecommunications Company
Head of Business Analysis for Japan operations

- Managed staff of 5 business development analysts
- Raised $80M internally for Japanese national fiber network expansion plan by conducting an investment evaluation and presenting findings to CEO of international operations in London, UK
- Built financial model for local fiber optic investment evaluation that was used by business development offices in Oak Brook, IL and Sydney, Australia

EDUCATION

Vanderbilt University, Nashville, TN 1994-1996
MBA, Finance

- Completed business plan for Nextlink Communications in support of their national fiber optic network expansion, including identifying opportunities from passage of Telecom Act of 1996
- Developed analytical framework to evaluate predictability of rare events
- Provided financial and accounting analysis to Chicago's consumer advocate, the Citizens Utility Board (CUB) as a summer intern

Clark University, Worchester, MA 1990 - 1994
BA, Mathematics

APPENDIX G. TESTIFYING EXPERIENCE OF AARON L. ROTHSCHILD

Filed Rate of Return Testimonies:

California

- Pacific Gas and Electric, Application 22-04-008 et al, Rate of Return/Cost of Capital Mechanism, January 2024
- Liberty Utilities, Application A.23-05-004, Rate of Return, August 2023
- San Gabriel Water Company, Application 23-05-001, Rate of Return, August 2023
- Suburban Water Company, Application 23-05-003, Rate of Return, August 2023
- Great Oaks Water Company, Application 23-05-002, Rate of Return, August 2023
- Incumbent Local Exchange Carriers (ILECs), Application 22-09-003, Rate of Return, May 2023
- Pacific Gas and Electric Company, Application 22-04-008, Rate of Return, August 2022
- Southern California Edison, Application 22-04-009, Rate of Return, August 2022
- San Diego Gas & Electric Company, Application 22-04-012, Rate of Return, August 2022
- California American Water Company, Application 21-05-001, Rate of Return, January 2022
- California Water Service Company, Application 21-05-002, Rate of Return, January 2022
- Golden State Water Company, Application 21-05-003, Rate of Return, January 2022
- San Jose Water Company, Application 21-05-004, Rate of Return, January 2022
- Southern California Edison, Application 21-08-013, Rate of Return/Cost of Capital Mechanism, January 2022
- San Diego Gas & Electric Company, Application 21-08-014, Rate of Return/Cost of Capital Mechanism, January 2022
- Pacific Gas and Electric Company, Application 21-08-015, Rate of Return/Cost of Capital Mechanism, January 2022
- Pacific Gas and Electric Company, Application 21-01-004, Securitization, February 2021
- Pacific Gas and Electric Company, Application 20-04-023, Securitization, October 2020
- Southern California Edison, Application 20-07-008, Securitization, September 2020
- San Diego Gas & Electric Company, Application 19-04-017, Rate of Return, August 2019
- Southern California Gas Company, Application 19-04-016, Rate of Return, August 2019
- Pacific Gas and Electric Company, Application 19-04-015, Rate of Return, August 2019
- Southern California Edison, Application 19-04-014, Rate of Return, August 2019
- Liberty Utilities, Application A.18-05-006, Rate of Return, August 2018
- San Gabriel Water Company, Application 18-05-005, Rate of Return, August 2018
- Suburban Water Company, Application 18-05-004, Rate of Return, August 2018
- Great Oaks Water Company, Application 18-05-001, Rate of Return, August 2018
- California Water Service Company, Application 17-04-006, Rate of Return, August 2017
- California American Water Company, Application 17-04-003, Rate of Return, August 2017
- Golden State Water Company, Application 17-04-002, Rate of Return, August 2017
- San Jose Water Company, Application 17-04-001, Rate of Return, August 2017

Colorado
- Public Service Company of Colorado, Docket No. 11AL-947E, Rate of Return, March 2012

Connecticut
- Connecticut Natural Gas Corporation Docket No. 23-11-02, February 2024
- The Southern Connecticut Gas Company, Docket No. 23-11-02, February 2024
- Connecticut Water Company, Docket No. 23-08-32, Rate of Return, December 2023
- United Illuminating Company, Docket No. 22-08-08, Rate of Return, December 2022
- Aquarion Water Company of Connecticut, Docket No. 22-07-01, Rate of Return, October 2022
- Eversource and United Illuminating, Docket No. 17-12-03RE11, Rate of Return / Interim Rate Reduction, April 2021
- United Water Connecticut, Docket No. 07-05-44, Rate of Return, November 2008
- Valley Water Systems, Docket No. 06-10-07, Rate of Return, May 2007

Delaware
- Tidewater Utilities, Inc., PSC Docket No. 11-397, Rate of Return, April 2012

District of Columbia
- Washington Gas Light Company, Formal Case No. 1169, Rate of Return, May 2023

Florida
- Florida Power & Light (FPL), Docket No. 070001-EI, October 2007
- Florida Power Corp., Docket No. 060001 Fuel Clause, September 2007

New Hampshire
- Liberty Utilities (EnergyNorth Natural Gas) Corp., Docket No. DG-23-23-067, Rate of Return, February 2024
- Liberty Utilities (Granite State Electric) Corp., Docket No. DE-23-05-039, Rate of Return, December 2023

New Jersey
- Aqua New Jersey, Inc., BPU Docket No. WR11120859, Rate of Return, April 2012

Maryland
- Delmarva Power & Light, Case No. 9317, Rate of Return, June 2013
- Columbia Gas of Maryland, Case No. 9316, Rate of Return, May 2013
- Potomac Electric Power Company, Case No. 9286, Rate of Return, March 2012
- Delmarva Power & Light, Case No. 9285, Rate of Return, March 2012

North Dakota
- Montana-Dakota Utilities Co., Case No. PU-20-379, Rate of Return, January 2021
- Otter Tail Power Company, Case No. PU-17-398, Rate of Return, May 2018
- Montana-Dakota Utilities Co., Case No. PU-15-90, Rate of Return, August 2015
- Northern States Power, Case No. PU-400-04-578, Rate of Return, March 2005

Pennsylvania

- Peoples Natural Gas Company LLC, Docket No. R-2023-304459, Rate of Return, March 2024
- UGI Utilities, Inc. – Electric Division, Docket No. R-2022-3037368, Rate of Return, April 2023
- Pennsylvania American Water Company, Docket No. R-2022-3031672 and R-2022-3031673, Rate of Return, July 2022
- UGI Utilities, Inc. – Electric Division, Docket No. R-2021-3023618, Rate of Return, May 2021
- Pennsylvania American Water Company, Docket No. P-2021-3022426, Rate of Return, February 2021
- Audubon Water Company, Docket No. R-2020-3020919, Rate of Return, November 2020
- Pennsylvania American Water Company, Docket No. R-2020-3019369 and R-2020-3019371, Rate of Return, September 2020
- Twin Lakes Utilities, Inc., Docket No. R-2019-3010958, Rate of Return, October 2019
- City of Lancaster Sewer Fund, Docket No. R-2019-3010955, Rate of Return, October 2019
- Community Utilities of Pennsylvania Inc. Wastewater Division, Docket No. R-2019-3008948, Rate of Return, July 2019
- Community Utilities of Pennsylvania Inc. Water Division, Docket No. R-2019-3008947, Rate of Return, July 2019
- Newtown Artesian Water Company, Docket No. R-20019-3006904, Rate of Return, May 2019
- Hidden Valley Utility Services, L.P. – Wastewater Division, Docket No. R-2018-3001307, Rate of Return, September 2018
- Hidden Valley Utility Services, L.P. – Water Division, Docket No. R-2018-3001306, Rate of Return, September 2018
- The York Water Company, Docket No. R-2018-3000019, Rate of Return, August 2018
- SUEZ PA Pennsylvania, Inc., Docket No. R-2018-000834, Rate of Return, July 2018
- UGI Utilities, Inc. – Electric Division, Docket No. R-2017-2640058, Rate of Return, April 2018
- Wellsboro Electric Company, Docket No. R-2016-2531551, Rate of Return, December 2016
- Citizens' Electric Company of Lewisburg, PA, Docket No. R-2016-2531550, Rate of Return, December 2016
- Columbia Gas of Pennsylvania, Inc., Docket No. R-2016-2529660, Rate of Return, June 2016
- Columbia Gas of Pennsylvania, Inc., Docket No. R-2015-2468056, Rate of Return, June 2015
- Pike County Light & Power Company, Docket No. R-2013-2397353 (gas), Rate of Return, April 2014
- Pike County Light & Power Company, Docket No. R-2013-2397237 (electric), Rate of Return, April 2014
- Columbia Water Company, Docket No. R-2013-2360798, Rate of Return, August 2013
- Peoples TWP LLC, Docket No. R-2013-2355886, Rate of Return, July 2013
- City of Dubois – Bureau of Water, Docket No. R-2013-2350509, Rate of Return, July 2013
- City of Lancaster – Sewer Fund, Docket No. R-2012-2310366, Rate of Return, December 2012
- Wellsboro Electric Company, Docket No. R-2010-2172665, Rate of Return, September 2010
- Citizens' Electric Company of Lewisburg, PA, Docket No. R-2010-2172662, Rate of Return, September 2010
- T.W. Phillips Gas and Oil Company, Docket No. R-2010-2167797, Rate of Return, August 2010
- York Water Company, Docket No. R-2010-2157140, Rate of Return, August 2010

- Joint Application of The Peoples Natural Gas Company, Dominion Resources, Inc. and Peoples Hope Gas Company LLC, Docket No. A-2008-2063737, Financial Analysis, December 2008
- York Water Company, Docket No. R-2008-2023067, Rate of Return, August 2008

South Carolina

- Dominion Energy South Carolina, Inc., Docket No. 2024-34-E, Rate of Return, June 2024
- Duke Energy Carolinas, LLC., Docket No. 2023-388-E, Rate of Return, April 2024
- Duke Energy Progress, LLC., Docket No. 2023-89-E, Securitization, September 2023
- Dominion Energy South Carolina, Inc., Docket No. 2023-170-G, Rate of Return, July 2023
- Duke Energy Progress, LLC., Docket No. 2022-254-E, Rate of Return, December 2022
- Daufuskie Island Utility Company, Inc., Docket No. 22-142-WS, Rate of Return, September 2022
- Piedmont Natural Gas Company, Inc., Docket No. 22-89-G, Rate of Return, July 2022
- Kiawah Island Utility, Inc., Docket No. 2021-324-WS, Rate of Return, February 2022
- Palmetto Wastewater Reclamation, Inc., Docket No. 2021-153-S, Rate of Return, September 2021
- Dominion Energy South Carolina, Inc., Docket No. 2020-125-E, Rate of Return, November 2020
- Palmetto Utilities, Inc., Docket No. 2019-281-S, Rate of Return, May 2020
- Palmetto Utilities, Inc., Docket No. 2019-281-S, Accounting, May 2020
- Blue Granite Water Company, Docket No. 2019-290-WS, Rate of Return, January 2020

Tennessee

- Kingsport Power Company D/B/A AEP Appalachian Power, Docket No. 21-00107, Rate of Return, March 2022

Vermont

- Central Vermont Public Service Corp., Docket No. 7321, Rate of Return, September 2007

Wisconsin

- American Transmission Company, LLC, ITC, Midwest, LLC, Case No. 19-CV-3418, financial and regulatory analysis regarding requested temporary injunction to halt the construction in Wisconsin of the proposed Cardinal-Hickory Creek transmission line, October 2021

OVERALL COST OF CAPITAL
Aqua Pennsylvania, Inc.

	Ratios		Cost Rate		Weighted Cost Rate
					[D]
Long-Term Debt	49.47%	[A]	4.32%	[B]	2.14%
Short-Term Debt	0.00%	[B]	0.00%	[B]	0.00%
Preferred Equity	0.00%	[B]	0.00%	[B]	0.00%
Common Equity	50.53%	[A]	8.70%	[C]	4.40%
	100.00%				**6.53%**

RECOMMENDED RANGES	Low		High
Proxy Group Cost of Equity Range	7.27%		8.03%
Proxy Group Cost of Equity		7.65%	
Based on RFC Capital Structure Recommendation			
Capital Structure Risk Adjustment [E]		0.00%	
Adjusted Recommended Cost of Equity Range	**8.03%**		**9.38%**
Company Specific Cost of Equity Recommendation		**8.70%**	
Cost of Capital Range	6.19%		6.88%
Based on Mr. Moul's Capital Structure Recommendation			
Capital Structure Risk Adjustment [F]		-0.14%	
Adjusted Recommended Cost of Equity Range	**7.89%**		**9.24%**
Company Specific Cost of Equity Recommendation		**8.56%**	
Cost of Capital Range	6.25%		6.98%
Comprehensive Cost of Capital Range			
Cost of Debt Range	4.32%		3.64%
Common Equity Ratio Range	50.53%		49.12%
Comprehensive Cost of Capital Range	6.19%		6.46%

Sources:
[A] Recommendation based on Proxy Group capital structures
[B] Mr. Moul's Direct Testimony, AP Exhibit 4-A, page 1 of 29.
[C] Company Specific Cost of Equity Recommendation based on RFC Capital Structure Recommendation
[D] Ratios times Cost Rate
[E] Not applicable because of recommended Capital Structure within Proxy Group range.
[F] Based on estimate of 0.04% change in Cost of Equity for each 1% difference in Common Equity Ratio compared to the Proxy Group (Exhibit ALR-1 vs. Exhibit ALR-5, page 4).

COST OF EQUITY SUMMARY

RFC Water Proxy Group (6 Companies)

		Low		High
DCF				
Constant Growth - Sustainable Growth	[A]	7.76%		7.99%
Constant Growth - Option-Implied Growth	[B]	7.59%		7.83%
Non-Constant Growth	[C]	7.89%		8.09%
CAPM				
3-Mo. Weighted Average (Apr. to Jun. 2024)				
3-Month Treasury Bill Risk-Free Rate	[D]	7.43%		8.01%
30-Year Treasury Bond Risk-Free Rate	[D]	7.26%		8.03%
Spot (Jun. 30, 2024)				
3-Month Treasury Bill Risk-Free Rate	[E]	7.28%		7.86%
30-Year Treasury Bond Risk-Free Rate	[E]	7.06%		7.89%
Full Range		**7.06%**		**8.09%**
Outer Percentile Range		**7.27%**		**8.03%**
Proxy Group Cost of Equity			**7.65%**	

Sources:
[A] Exhibit ALR-3, page 1
[B] Exhibit ALR-3, page 2
[C] Exhibit ALR-3, page 3 and Exhibit ALR-3, page 4
[D] Exhibit ALR-4, page 1
[E] Exhibit ALR-4, page 5

CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
RFC Water Proxy Group (6 Companies)

			Based on Average Market Price For Year Ending 6/30/2024	Based On Market Price As Of 6/30/2024
1	Dividend Yield On Market Price	[A]	2.41%	2.60%
2	Retention Rate:			
	a) Market-to-Book Ratio	[A]	2.59	2.31
	b) Dividend Yield on Book	[B]	6.24%	6.02%
	c) Expected Return on Equity	[C]	10.40%	10.40%
	d) Retention Rate	[D]	40.01%	42.12%
3	Reinvestment Growth	[E]	4.16%	4.38%
4	New Financing Growth	[F]	1.13%	0.94%
5	Total Estimate of Investor Anticipated Growth	[G]	5.29%	5.32%
6	Increment to Dividend Yield for Growth to Next Year	[H]	0.06%	0.07%
7	**Indicated Cost of Equity**	**[I]**	**7.76%**	**7.99%**

Sources:

[A] Exhibit ALR-5, page 1

[B] Line 1 x Line 2a

[C] Some of the considerations for determining Future Expected Return on Equity:

	Median	Mean	From
Value Line Expectation	**10.25%**	**10.33%**	Exhibit ALR-5, page 2
Return on Equity to Achieve Zacks Growth	10.49%	10.70%	Exhibit ALR-5, page 3
Average Historical Growth	10.35%	10.23%	
Earned Return on Equity in 2023	9.80%	9.40%	Exhibit ALR-5, page 2
Earned Return on Equity in 2022	9.95%	11.16%	Exhibit ALR-5, page 2
Earned Return on Equity in 2021	11.31%	10.13%	Exhibit ALR-5, page 2

[D] 1 - Line 2b / Line 2c

[E] Line 2c x Line 2d

[F] S x V = (Ext. Fin Rate) x (Line 2a - 1) Ext. Fin. Rate = 0.71% From Exhibit ALR-3, page 5

S = rate of continuous new stock financing

V = fraction of funds raised by sale of stock that increases the book value of existing shareholders' common equity

[G] Line 3 + Line 4

[H] Line 1 x one-half of Line 5

[I] Line 1 + Line 5 + Line 6

CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
RFC Water Proxy Group (6 Companies)

			Based On Weighted Averages As Of 6/30/2024	Based On Spot Market Values As Of 6/30/2024
1	Dividend Yield On Market Price	[A]	2.41%	2.60%
2	Total Estimate of Investor Anticipated Growth	[B]	5.12%	5.16%
3	Increment to Dividend Yield for Growth to Next Year	[C]	0.06%	0.07%
4	**Indicated Cost of Equity**	**[D]**	**7.59%**	**7.83%**

Sources:
[A] Exhibit ALR-5, page 1
[B] 6-Month Option-Implied Growth
[C] Line 1 x one-half of Line 2
[D] Line 1 + Line 2 + Line 3

NON-CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
(BASED ON VALUE LINE FORECASTS AND CLOSING STOCK PRICE)
RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]
		Forecasted Dividends per Share					Growth	Book Value		Closing Stock Price		Cash Flow From Buying and Selling Stock (At Closing Price)					
		2024	2025	2026	2027	2028	2025-28	6/30/24	6/30/28	6/30/2024	6/30/2028	2024	2025	2026	2027	2028	IRR / DCF
		[A]	[A]	[B]	[B]	[A]	[B]	[C]	[C]	[D]	[E]	[F]	[F]	[F]	[F]	[F]	[G]
AMER. STATES WATER	AWR	$1.66	$1.80	$2.01	$2.24	$2.50	11.57%	$20.10	$30.40	$72.57	$109.77	($71.74)	$1.80	$2.01	$2.24	$111.02	13.43%
AMERICAN WATER	AWK	$2.78	$2.99	$3.32	$3.69	$4.10	11.10%	$46.31	$57.75	$129.16	$161.10	($127.77)	$2.99	$3.32	$3.69	$163.15	8.15%
ESSENTIAL UTIL.	WTRG	$1.19	$1.27	$1.41	$1.57	$1.75	11.28%	$20.98	$26.50	$37.33	$47.16	($36.74)	$1.27	$1.41	$1.57	$48.04	9.67%
CALIFORNIA WATER	CWT	$1.04	$1.12	$1.21	$1.30	$1.40	7.72%	$24.21	$30.26	$48.49	$60.61	($47.97)	$1.12	$1.21	$1.30	$61.31	8.12%
MIDDLESEX WATER	MSEX	$1.26	$1.32	$1.41	$1.50	$1.60	6.62%	$23.20	$23.16	$52.26	$52.17	($51.63)	$1.32	$1.41	$1.50	$52.97	2.70%
SJW GROUP	SJW	$1.52	$1.60	$1.68	$1.76	$1.85	4.96%	$37.29	$42.74	$54.22	$62.14	($53.46)	$1.60	$1.68	$1.76	$63.07	6.50%
Maximum		$2.78	$2.99	$3.32	$3.69	$4.10	11.57%	$46.31	$57.75	$129.16	$161.10	($36.74)	$2.99	$3.32	$3.69	$163.15	13.43%
Minimum		$1.04	$1.12	$1.21	$1.30	$1.40	4.96%	$20.10	$23.16	$37.33	$47.16	($127.77)	$1.12	$1.21	$1.30	$48.04	2.70%
Median		$1.39	$1.46	$1.55	$1.67	$1.80	9.41%	$23.70	$30.33	$53.24	$61.38	($52.55)	$1.46	$1.55	$1.67	$62.19	8.13%
Average		$1.58	$1.68	$1.84	$2.01	$2.20	8.88%	$28.68	$35.14	$65.67	$82.16	($64.88)	$1.68	$1.84	$2.01	$83.26	**8.09%**

Sources:
[A] Value Line: Most current data available at time of schedule preparation. 2028 data is VL forecast for 2027-29.
[B] Straight line interpolation based on Value Line data, assuming constant dividend growth for 2025-28.
[C] Straight line interpolation based on Value Line data, assuming constant book value growth for 2025-28.
[D] EOD Data: Market Data as of June 30, 2024.
[E] Stock Price projected assuming constant Market to Book Ratio (Exhibit ALR-5, page 1) and using VL projected Book Value.
[F] Cash Flow from purchasing stock on July 1, 2024, receiving dividends through 2028, and selling on June 30, 2028.
Negative number in 2024 reflects cash outflow required to purchase stock.
Cash flow sources are 1) dividends and 2) proceeds of stock sale.
2 of 4 dividends assumed received in 2024 and 2 of 4 in 2028 based on purchase and sale date.
[G] Total return on equity to investor who purchased, held, and sold stock as described above,
assuming Value Line projections of Dividends and Book Value are correct and
assuming Stock Price grows at same rate as Book Value.
DCF result is an Internal Rate of Return computation made using the "IRR" function built into Microsoft Excel
based on projected cash flows from 2024 to 2028.

NON-CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
(BASED ON VALUE LINE FORECASTS AND LTM AVERAGE STOCK PRICE)
RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]
		Forecasted Dividends per Share					Growth	LTM Avg. Book Value		LTM Avg. Stock Price		Cash Flow From Buying and Selling Stock (At LTM Average Price)					
		2024	2025	2026	2027	2028	2025-28	2024	2028	6/30/24	6/30/28	2024	2025	2026	2027	2028	IRR / DCF
		[A]	[A]	[B]	[B]	[A]	[B]	[C]	[C]	[D]	[E]	[F]	[F]	[F]	[F]	[F]	[G]
AMER. STATES WATER	AWR	$1.66	$1.80	$2.01	$2.24	$2.50	11.57%	$19.49	$29.48	$77.98	$117.95	($77.15)	$1.80	$2.01	$2.24	$119.20	13.26%
AMERICAN WATER	AWK	$2.78	$2.99	$3.32	$3.69	$4.10	11.10%	$43.77	$54.60	$132.28	$164.99	($130.89)	$2.99	$3.32	$3.69	$167.04	8.09%
ESSENTIAL UTIL.	WTRG	$1.19	$1.27	$1.41	$1.57	$1.75	11.28%	$20.71	$26.17	$37.67	$47.58	($37.07)	$1.27	$1.41	$1.57	$48.46	9.63%
CALIFORNIA WATER	CWT	$1.04	$1.12	$1.21	$1.30	$1.40	7.72%	$23.51	$29.39	$49.18	$61.47	($48.66)	$1.12	$1.21	$1.30	$62.17	8.08%
MIDDLESEX WATER	MSEX	$1.26	$1.32	$1.41	$1.50	$1.60	6.62%	$22.51	$22.47	$64.89	$64.78	($64.26)	$1.32	$1.41	$1.50	$65.58	2.16%
SJW GROUP	SJW	$1.52	$1.60	$1.68	$1.76	$1.85	4.96%	$36.23	$41.53	$62.16	$71.24	($61.40)	$1.60	$1.68	$1.76	$72.16	6.11%
Maximum		$2.78	$2.99	$3.32	$3.69	$4.10	11.57%	$43.77	$54.60	$132.28	$164.99	($37.07)	$2.99	$3.32	$3.69	$167.04	13.26%
Minimum		$1.04	$1.12	$1.21	$1.30	$1.40	4.96%	$19.49	$22.47	$37.67	$47.58	($130.89)	$1.12	$1.21	$1.30	$48.46	2.16%
Median		$1.39	$1.46	$1.55	$1.67	$1.80	9.41%	$23.01	$29.43	$63.52	$68.01	($62.83)	$1.46	$1.55	$1.67	$68.87	8.09%
Average		$1.58	$1.68	$1.84	$2.01	$2.20	8.88%	$27.70	$33.94	$70.69	$88.00	($69.90)	$1.68	$1.84	$2.01	$89.10	**7.89%**

Sources:
[A] Value Line: Most current data available at time of schedule preparation. 2028 data is VL forecast for 2027-29.
[B] Straight line interpolation based on Value Line data, assuming constant dividend growth for 2025-28.
[C] Straight line interpolation based on Value Line data, assuming constant book value growth for 2025-28.
[D] EOD Data: Market Data as of June 30, 2024.
[E] Stock Price projected assuming constant Market to Book Ratio (Exhibit ALR-5, page 1) and using VL projected Book Value.
[F] Cash Flow from purchasing stock on July 1, 2024, receiving dividends through 2028, and selling on June 30, 2028.
Negative number in 2024 reflects cash outflow required to purchase stock.
Cash flow sources are 1) dividends and 2) proceeds of stock sale.
2 of 4 dividends assumed received in 2024 and 2 of 4 in 2028 based on purchase and sale date.
[G] Total return on equity to investor who purchased, held, and sold stock as described above,
assuming Value Line projections of Dividends and Book Value are correct and
assuming Stock Price grows at same rate as Book Value.
DCF result is an Internal Rate of Return computation made using the "IRR" function built into Microsoft Excel
based on projected cash flows from 2024 to 2028.

COMMON SHARES OUTSTANDING AND EXTERNAL FINANCING RATE
RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Common Stock Outstanding (Millions of Shares)								Annual Growth Rate		
		2019	2020	2021	2022	2023	2024	2025	2028	2019-23	2023-28	2019-28
		[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[B]	[B]	[B]
AMER. STATES WATER	AWR	36.8	36.9	36.9	36.9	37.0	37.0	37.1	37.5	0.14%	0.29%	0.22%
AMERICAN WATER	AWK	180.7	180.8	181.3	181.6	181.9	194.7	195.5	202.0	0.16%	2.12%	1.25%
ESSENTIAL UTIL.	WTRG	178.1	220.8	245.4	252.9	263.7	273.3	276.0	288.0	10.31%	1.78%	5.49%
CALIFORNIA WATER	CWT	48.1	48.5	50.3	53.7	55.6	57.7	55.0	50.0	3.71%	-2.10%	0.44%
MIDDLESEX WATER	MSEX	16.4	17.4	17.5	17.5	17.6	17.8	17.9	18.0	1.84%	0.40%	1.04%
SJW GROUP	SJW	28.4	28.5	28.6	30.2	30.8	32.0	31.0	30.0	2.05%	-0.52%	0.61%
Maximum		180.7	220.8	245.4	252.9	263.7	273.3	276.0	288.0	10.31%	2.12%	5.49%
Minimum		16.4	17.4	17.5	17.5	17.6	17.8	17.9	18.0	0.14%	-2.10%	0.22%
Median		42.4	42.7	43.6	45.3	46.3	47.4	46.1	43.8	1.94%	0.35%	0.83%
Average		81.4	88.8	93.3	95.5	97.8	102.1	102.1	104.3	3.03%	0.33%	1.51%
								Sustainable Growth	**[C]**			**0.71%**

Sources:
[A] Value Line: Most current data available at time of schedule preparation.
[B] Annualized Growth Rate calculation.
[C] Estimated Sustainable Growth in Common Stock based on analysis of historical and projected growth rates.

CAPITAL ASSET PRICING MODEL (CAPM) - INDICATED COST OF EQUITY

WEIGHTED - All Inputs Weighted From April to June 2024

RFC Water Proxy Group

	3-Month Treasury Bill		30-Year Treasury Bond	
	Historical Blended Beta	Forward Beta	Historical Blended Beta	Forward Beta
Risk-Free Rate	5.47%	5.47%	4.63%	4.63%
Beta	0.80	1.03	0.80	1.03
Risk Premium	2.46%	2.46%	3.30%	3.30%
CAPM (Weighted)	7.43%	8.01%	7.26%	8.03%

CAPITAL ASSET PRICING MODEL (CAPM) - RISK-FREE RATE

Spot (Jun. 30, 2024)	
3-Month Treasury Bill	5.48%
30-Year Treasury Bond	4.51%
3-Mo. Weighted Average (Apr. to Jun. 2024)	
3-Month Treasury Bill	5.47%
30-Year Treasury Bond	4.63%

Source: www.treasury.gov

CAPITAL ASSET PRICING MODEL (CAPM) - BETAS

(BASED ON HISTORICAL AND OPTION-IMPLIED RETURNS)
RFC Water Proxy Group

Betas	03/26/2024	04/02/2024	04/09/2024	04/16/2024	04/23/2024	04/30/2024	05/07/2024	05/14/2024	05/21/2024	05/28/2024	06/04/2024	06/11/2024	06/18/2024	06/25/2024	Average	Time Avg.
Forward (6 months)	0.95	0.92	0.92	1.00	0.93	0.99	1.06	1.08	1.05	1.05	1.06	1.05	1.05	1.03	1.009	1.031
Historical (6 months)	0.80	0.76	0.77	0.93	0.76	0.69	0.63	0.71	0.72	0.79	0.81	0.79	0.76	0.72	0.759	0.753
Historical (2 yrs)	0.85	0.85	0.85	0.85	0.84	0.87	0.87	0.89	0.90	0.91	0.88	0.86	0.85	0.86	0.865	0.868
Historical (5 yrs)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.81	0.81	0.81	0.81	0.81	0.81	0.81	0.802	0.805
Weighting																
Forward (6 months)	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%		
Historical (6 months)	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%		
Historical (2 yrs)	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%		
Historical (5 yrs)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%		
Historical Blended Beta	**0.81**	**0.79**	**0.80**	**0.88**	**0.79**	**0.77**	**0.74**	**0.78**	**0.79**	**0.83**	**0.83**	**0.81**	**0.80**	**0.78**	0.800	0.798
Slope	15%															
Points	0.00	1.00	1.15	1.32	1.52	1.75	2.01	2.31	2.66	3.06	3.52	4.05	4.65	5.35		
Time Weight	0.0%	2.9%	3.3%	3.8%	4.4%	5.1%	5.9%	6.7%	7.7%	8.9%	10.2%	11.8%	13.5%	15.6%		

CAPM Betas	Spot (Jun 25, 2024)	Weighted (Apr - Jun 2024)
Forward	1.03	1.03
Historical Blended	0.78	0.80

Note: Historical betas are calculated on Tuesdays, following Value Line's methodology. Forward (option-implied) betas are also calculated on Tuesdays for the sake of compatibility.

CAPITAL ASSET PRICING MODEL (CAPM) - MARKET RISK PREMIUM

WEIGHTED - All Inputs Weighted From April to June 2024

Cumulative Probability	50.00%	
S&P 500 Option-Implied Growth Rate	6.56%	
S&P 500 Dividend Yield	1.37%	
S&P 500 Market Return	7.93%	
	3-Month Treasury Bill	**30-Year Treasury Bond**
Risk-Free Rate	5.47%	4.63%
Option-Implied Market Risk Premium (Weighted)	2.46%	3.30%

CAPITAL ASSET PRICING MODEL (CAPM) - INDICATED COST OF EQUITY

SPOT - All Inputs Based on Last Available Data as of June 30, 2024

RFC Water Proxy Group

	3-Month Treasury Bill		30-Year Treasury Bond	
	Historical Blended Beta	Forward Beta	Historical Blended Beta	Forward Beta
Risk-Free Rate	5.48%	5.48%	4.51%	4.51%
Beta	0.78	1.03	0.78	1.03
Risk Premium	2.32%	2.32%	3.29%	3.29%
CAPM (Spot)	7.28%	7.86%	7.06%	7.89%

CAPITAL ASSET PRICING MODEL (CAPM) - MARKET RISK PREMIUM

SPOT - All Inputs Based on Last Available Data as of June 30, 2024

Cumulative Probability	50.00%	
S&P 500 Option-Implied Growth Rate	6.45%	
S&P 500 Dividend Yield	1.35%	
S&P 500 Market Return	7.80%	
	3-Month Treasury Bill	**30-Year Treasury Bond**
Risk-Free Rate	5.48%	4.51%
Option-Implied Market Risk Premium (Spot)	2.32%	3.29%

MARKET TO BOOK RATIO AND DIVIDEND YIELD

RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]
		Book Value per Share															
		Actual				**Estimated**			**Market Price**			**Mkt. to Book Ratio**		**Dividend Rate**		**Dividend Yield**	
		12/31/20	**12/31/21**	**12/31/22**	**12/31/23**	**6/30/23**	**6/30/24**	**12/31/24**	**6/30/24**	**LTM High**	**LTM Low**	**6/30/24**	**LTM Avg.**	**MRQ**	**Annual**	**6/30/24**	**LTM Avg.**
		[A]	[A]	[A]	[A]	[B]	[B]	[A]	[C]	[C]	[C]	[D]	[D]	[A]	[E]	[F]	[F]
AMER. STATES WATER	AWR	$16.33	$17.39	$18.57	$19.20	$18.89	$20.10	$20.99	$72.57	$89.93	$66.03	3.61	4.00	$0.430	$1.720	2.37%	2.21%
AMERICAN WATER	AWK	$33.83	$35.58	$40.18	$42.30	$41.24	$46.31	$50.31	$129.16	$151.22	$113.34	2.79	3.02	$0.708	$2.830	2.19%	2.14%
ESSENTIAL UTIL.	WTRG	$17.58	$19.09	$20.50	$20.39	$20.45	$20.98	$21.57	$37.33	$43.26	$32.07	1.78	1.82	$0.307	$1.228	3.29%	3.26%
CALIFORNIA WATER	CWT	$16.07	$18.30	$21.92	$23.70	$22.81	$24.21	$24.72	$48.49	$54.85	$43.50	2.00	2.09	$0.280	$1.120	2.31%	2.28%
MIDDLESEX WATER	MSEX	$18.57	$19.81	$20.99	$22.65	$21.82	$23.20	$23.74	$52.26	$84.35	$45.42	2.25	2.88	$0.325	$1.300	2.49%	2.00%
SJW GROUP	SJW	$31.27	$32.12	$34.28	$36.06	$35.17	$37.29	$38.52	$54.22	$73.14	$51.17	1.45	1.72	$0.400	$1.600	2.95%	2.57%
Maximum		$33.83	$35.58	$40.18	$42.30	$41.24	$46.31	$50.31	$129.16	$151.22	$113.34	3.61	4.00	$0.708	$2.830	3.29%	3.26%
Minimum		$16.07	$17.39	$18.57	$19.20	$18.89	$20.10	$20.99	$37.33	$43.26	$32.07	1.45	1.72	$0.280	$1.120	2.19%	2.00%
Median		$18.08	$19.45	$21.46	$23.18	$22.32	$23.70	$24.23	$53.24	$78.75	$48.30	2.13	2.49	$0.363	$1.450	2.43%	2.24%
Average		$22.28	$23.72	$26.07	$27.38	$26.73	$28.68	$29.98	$65.67	$82.79	$58.59	2.31	2.59	$0.408	$1.633	2.60%	2.41%

Sources:

[A] Value Line: Most current data available at time of schedule preparation.

[B] Straight-line interpolation of Actual and Estimated VL year-end values.

[C] EOD Data: Market Data as of June 30, 2024.

[D] Market Price divided by Book Value per Share.

[E] Most Recent Quarterly Dividend multiplied by 4.

[F] Dividend Rate divided by Market Price.

EARNINGS PER SHARE AND RETURN ON EQUITY
RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
		Earnings per Share				**Return on Equity**			
		2020	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**	**VL Future Exp.**
		[A]	[A]	[A]	[A]	[B]	[B]	[B]	[A]
AMER. STATES WATER	AWR	$2.28	$2.33	$2.55	$2.11	13.82%	14.18%	11.17%	12.00%
AMERICAN WATER	AWK	$3.43	$3.91	$6.95	$4.51	11.27%	18.35%	10.94%	11.00%
ESSENTIAL UTIL.	WTRG	$1.04	$1.12	$1.67	$1.77	6.11%	8.44%	8.66%	9.50%
CALIFORNIA WATER	CWT	$1.31	$1.97	$1.96	$1.77	11.46%	9.75%	7.76%	9.00%
MIDDLESEX WATER	MSEX	$2.01	$2.18	$2.07	$2.39	11.36%	10.15%	10.95%	12.50%
SJW GROUP	SJW	$0.82	$2.14	$2.03	$2.43	6.75%	6.11%	6.91%	8.00%
Maximum		$3.43	$3.91	$6.95	$4.51	13.82%	18.35%	11.17%	12.50%
Minimum		$0.82	$1.12	$1.67	$1.77	6.11%	6.11%	6.91%	8.00%
Median		$1.66	$2.16	$2.05	$2.25	11.31%	9.95%	9.80%	10.25%
Average		$1.82	$2.28	$2.87	$2.50	10.13%	11.16%	9.40%	10.33%

Sources:
[A] Value Line: Most current data available at time of schedule preparation.
[B] Earnings per Share divded by average Book Value. Book Values shown on Exhibit ALR-5, page 1.

RETURN ON EQUITY IMPLIED BY ZACKS GROWTH RATES

RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
				Annual	Analyst	Analyst-Implied		Analyst-Implied		Implied	Analyst-
		Book Value	EPS	Dividend	5 Year	Book Value before SV		Book Value Incl. SV		EPS	Implied
		12/31/23	2023	Rate	Growth Rate	12/31/2027	12/31/2028	12/31/2027	12/31/2028	2028	ROE
		[A]	[A]	[A]	[B]	[C]	[C]	[C]	[C]	[C]	[C]
AMER. STATES WATER	AWR	$19.20	$2.11	$1.720	6.30%	$21.02	$21.55	$22.10	$22.95	$2.86	12.71%
AMERICAN WATER	AWK	$42.30	$4.51	$2.830	8.00%	$50.48	$52.94	$55.86	$60.10	$6.63	11.43%
ESSENTIAL UTIL.	WTRG	$20.39	$1.77	$1.228	5.80%	$22.89	$23.61	$25.11	$26.51	$2.35	9.09%
CALIFORNIA WATER	CWT	$23.70	$1.77	$1.120	NA	NA	NA	NA	NA	NA	NA
MIDDLESEX WATER	MSEX	$22.65	$2.39	$1.300	NA	NA	NA	NA	NA	NA	NA
SJW GROUP	SJW	$36.06	$2.43	$1.600	7.50%	$40.05	$41.24	$36.42	$36.62	$3.49	9.55%
Maximum		$42.30	$4.51	$2.830	8.00%	$50.48	$52.94	$55.86	$60.10	$6.63	12.71%
Minimum		$19.20	$1.77	$1.120	5.80%	$21.02	$21.55	$22.10	$22.95	$2.35	9.09%
Median		$23.18	$2.25	$1.450	6.90%	$31.47	$32.42	$30.77	$31.56	$3.18	10.49%
Average		$27.38	$2.50	$1.633	6.90%	$33.61	$34.84	$34.87	$36.54	$3.83	10.70%

Sources:

[A] Value Line: Most current data available at time of schedule preparation.

[B] Zacks: Data as of July 12, 2024.

[C] Analyst-Implied Book Value and Return on Equity is obtained by escalating both Dividends and Earnings per Share by the stated Analyst Growth Rate and adding Earnings and subtracting Dividends for each projected year.

"SV" = S X V, where S = rate of continuous new stock financing and V = rate of return on common equity investment.

CAPITAL STRUCTURE WITH SHORT TERM DEBT
RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]
		% Common Equity					($ millions)						Percentage			
		2019	2020	2021	2022	2023	Total Debt	LT Debt	ST Debt	Pfd Stock	Equity	Total Capital	LT Debt	ST Debt	Pfd Stock	Equity Ratio
		[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[B]	[B]	[B]	[B]
AMER. STATES WATER	AWR	59.5%	55.6%	52.8%	53.9%	60.1%	$ 909.5	$ 867.1	$ 42.4	$ -	$ 1,306.1	$ 2,215.6	39.1%	1.9%	0.0%	58.9%
AMERICAN WATER	AWK	43.6%	41.4%	40.9%	41.4%	41.3%	$ 12,369.0	$ 11,715.0	$ 654.0	$ 2.0	$ 8,243.8	$ 20,614.8	56.8%	3.2%	0.0%	40.0%
ESSENTIAL UTIL.	WTRG	45.6%	56.9%	46.0%	47.3%	45.8%	$ 7,053.6	$ 6,826.1	$ 227.5	$ -	$ 5,768.2	$ 12,821.8	53.2%	1.8%	0.0%	45.0%
CALIFORNIA WATER	CWT	50.7%	49.8%	54.1%	52.7%	55.6%	$ 1,233.5	$ 1,052.8	$ 180.7	$ -	$ 1,318.4	$ 2,551.9	41.3%	7.1%	0.0%	51.7%
MIDDLESEX WATER	MSEX	61.6%	58.2%	55.7%	54.4%	57.7%	$ 365.9	$ 358.2	$ 7.7	$ 2.4	$ 491.9	$ 860.2	41.6%	0.9%	0.3%	57.2%
SJW GROUP	SJW	67.3%	40.9%	41.6%	40.9%	42.7%	$ 1,575.7	$ 1,526.7	$ 49.0	$ -	$ 1,137.7	$ 2,713.4	56.3%	1.8%	0.0%	41.9%
Maximum		67.3%	58.2%	55.7%	54.4%	60.1%	$ 12,369.0	$ 11,715.0	$ 654.0	$ 2.4	$ 8,243.8	$ 20,614.8	56.8%	7.1%	0.3%	58.9%
Minimum		43.6%	40.9%	40.9%	40.9%	41.3%	$ 365.9	$ 358.2	$ 7.7	$ -	$ 491.9	$ 860.2	39.1%	0.9%	0.0%	40.0%
Median		55.1%	52.7%	49.4%	50.0%	50.7%	$ 1,404.6	$ 1,289.8	$ 114.9	$ -	$ 1,312.2	$ 2,632.6	47.4%	1.9%	0.0%	48.3%
Average		54.7%	50.5%	48.5%	48.4%	50.5%	$ 3,917.9	$ 3,724.3	$ 193.6	$ 0.7	$ 3,044.3	$ 6,962.9	48.1%	2.8%	0.0%	**49.1%**

Sources:

[A] Value Line: Most current data available at time of schedule preparation.

[B] Percentage calculated on Total Capital including Short Term Debt.

CAPITAL STRUCTURE WITHOUT SHORT TERM DEBT
RFC Water Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]
		% Common Equity					($ millions)						Percentage			
		2019	2020	2021	2022	2023	Total Debt	LT Debt	ST Debt	Pfd Stock	Equity	Total Capital	LT Debt	ST Debt	Pfd Stock	Equity Ratio
		[A]	[A]	[A]	[A]	[A]	[A]	[A]	[B]	[A]	[A]	[A]	[B]	[B]	[B]	[B]
AMER. STATES WATER	AWR	59.5%	55.6%	52.8%	53.9%	60.1%	$ 909.5	$ 867.1		$ -	$ 1,306.1	$ 2,173.2	39.9%	0.0%	0.0%	60.1%
AMERICAN WATER	AWK	43.6%	41.4%	40.9%	41.4%	41.3%	$ 12,369.0	$ 11,715.0		$ 2.0	$ 8,243.8	$ 19,960.8	58.7%	0.0%	0.0%	41.3%
ESSENTIAL UTIL.	WTRG	45.6%	56.9%	46.0%	47.3%	45.8%	$ 7,053.6	$ 6,826.1		$ -	$ 5,768.2	$ 12,594.3	54.2%	0.0%	0.0%	45.8%
CALIFORNIA WATER	CWT	50.7%	49.8%	54.1%	52.7%	55.6%	$ 1,233.5	$ 1,052.8		$ -	$ 1,318.4	$ 2,371.2	44.4%	0.0%	0.0%	55.6%
MIDDLESEX WATER	MSEX	61.6%	58.2%	55.7%	54.4%	57.7%	$ 365.9	$ 358.2		$ 2.4	$ 491.9	$ 852.5	42.0%	0.0%	0.3%	57.7%
SJW GROUP	SJW	67.3%	40.9%	41.6%	40.9%	42.7%	$ 1,575.7	$ 1,526.7		$ -	$ 1,137.7	$ 2,664.4	57.3%	0.0%	0.0%	42.7%
Maximum		67.3%	58.2%	55.7%	54.4%	60.1%	$ 12,369.0	$ 11,715.0		$ 2.4	$ 8,243.8	$ 19,960.8	58.7%	0.0%	0.3%	60.1%
Minimum		43.6%	40.9%	40.9%	40.9%	41.3%	$ 365.9	$ 358.2		$ -	$ 491.9	$ 852.5	39.9%	0.0%	0.0%	41.3%
Median		55.1%	52.7%	49.4%	50.0%	50.7%	$ 1,404.6	$ 1,289.8		$ -	$ 1,312.2	$ 2,517.8	49.3%	0.0%	0.0%	50.7%
Average		54.7%	50.5%	48.5%	48.4%	50.5%	$ 3,917.9	$ 3,724.3		$ 0.7	$ 3,044.3	$ 6,769.4	49.4%	0.0%	0.0%	**50.5%**

Sources:

[A] Value Line: Most current data available at time of schedule preparation.

[B] Percentage calculated on Total Capital excluding Short Term Debt.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Aaron Rothschild, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 3, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 16, 2024

Signature: Aaron Rothschild
Aaron Rothschild

Address: Rothschild Financial Consulting
15 Lake Road,
Ridgefield, CT

OCA STATEMENT 3R

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R- 2024-3047822 (Water)
	:	Docket No. R- 2024-3047824 (Wastewater)
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania. Wastewater, Inc.		

REBUTTAL TESTIMONY
OF
AARON L. ROTHSCHILD

ON BEHALF OF THE
PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

September 12, 2024

Q. ARE YOU THE SAME AARON L. ROTHSCHILD WHO SUBMITTED DIRECT TESTIMONY IN THIS PROCEEDING ON AUGUST 16, 2024?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. My rebuttal testimony addresses the direct testimony of the Jason Hails, who submitted testimony on behalf of the Pennsylvania Office of Small Business Advocate ("OSBA")[1] and Christopher Keller who submitted testimony on behalf of the Commission's Bureau of Investigation and Enforcement.[2]

I. RESPONSE TO OSBA WITNESS HAILS

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS IN MR. HAILS' DIRECT TESTIMONY THAT YOU ARE ADDRESSING IN YOUR REBUTTAL TESTIMONY.

A. In his direct testimony, Mr. Hails recommended an authorized return on equity ("ROE") of 10.37% and a capital structure of 53.95% common equity and 46.05% long-term debt.[3] Mr. Hails' 10.37% ROE recommendation is not based on his own cost of equity analysis.[4] Instead, he relied on Mr. Moul's cost of equity model results (Mr. Moul recommended a 10.95% ROE) and made two downward adjustments. First, he stated that, with such a large,

[1] OSBA Statement No. 1 (Revised)
[2] I&E Statement No. 2.
[3] OSBA Statement No. 1 (Revised), p 6
[4] On page 4, lines 52-53 of Mr. Halls direct testimony he recommends that Aqua's ROE should be "no more than 10.58%." If Aqua's authorized ROE is set at 10.58%, it would put an even greater unnecessary burden on consumers because it is significantly higher than Aqua's market-based cost of equity and Mr. Moul's own DCF result of 9.38%.

requested rate increase, Aqua's authorized ROE should be no more than 10.58%, or the low end of the range of Mr. Moul's cost of equity model results.[5] Second, he recommended that Aqua's authorized ROE be further reduced by "at a minimum an implied management performance adjustment rate that was added by Mr. Moul." This second adjustment resulted in his recommended ROE of 10.37%.

I oppose the recommendations made by Mr. Hails in his direct testimony discussed above, and I will explain why in this rebuttal testimony. However, in response to the OCA's discovery requests, Mr. Hails explained that he does not support aspects of Mr. Moul's DCF method, including Mr. Moul's leverage adjustment.[6] Adjusting Mr. Moul's DCF method to account for Mr. Hails' positions results in an 8.51% cost of equity[7] which is lower than my 8.70% ROE recommendation and within my recommended ROE range of 8.03% to 9.38%.

Q. PLEASE EXPLAIN WHY YOU OPPOSE MR. HAILS' 10.37% ROE RECOMMENDATION.

A. After reviewing Mr. Hails' direct testimony, I continue to support an 8.70% ROE (8.03% to 9.38%) and a capital structure containing 50.53% common equity and 49.47% long-term debt. As explained in my direct testimony, an 8.70% ROE would be more than enough for Aqua to raise equity capital because it is higher than my calculated cost of equity of between 7.27% and 8.03%. I cannot support Mr. Hails' recommended ROE that is

[5] Mr. Hails' Direct Testimony (Revised), Page 4, lines 46-53.
[6] Mr. Hails response to OCA-I-2-c.
[7] In response to OCA I-3, Mr. Hails recommended that the growth rate be set at the low end of the range at 5.88% or certainly no higher than the midpoint of the range, equating to a growth rate of 6.34%. Adding the dividend yield component of Mr. Moul's DCF method (2.63%) to Mr. Hails' recommended growth rate (5.88%) results in an 8.51% DCF result.

considerably higher than Mr. Moul's own DCF result of 9.38% (before adding a leverage adjustment that has been rejected by this Commission). My key conclusions regarding Mr. Hails' direct testimony are as follows:

1. **Aqua's ROE should be no higher than Mr. Moul's DCF result of 9.38%.** As I explain in my direct testimony, if the Commission decides to allow Aqua an ROE that is higher than I recommend (8.70%), it should be no higher than 9.38% for the following two reasons: (1) it is equal to the preferred COE model result (DCF) of Mr. Moul,[8] and (2) it excludes Mr. Moul's leverage adjustment, which the Commission has rejected in the past. I&E witness Keller's recommended an ROE of 9.37% which supports a 9.38% ROE.[9]
2. **Lack of cost of equity analysis.** I disagree with Mr. Hails' decision to not conduct his own cost of equity analysis in preparation of his direct testimony. Mr. Hails offered no sound reasoning to assume that Mr. Moul's cost of equity models provide reliable results. As discussed in my direct testimony, Mr. Moul's cost of equity models have numerous flaws and produce results that are significantly higher than Aqua's market-based cost of equity. As discussed above, applying Mr. Hails' recommendations to Mr. Moul's DCF method, as explained in his answers to OCA interrogatories, results in an 8.51% cost of equity.
3. **Capital Structure.** Mr. Hails' recommended capital structure, which is equal to Aqua's request, contains an unjustified amount of equity and would therefore result in

[8] Capital market conditions have changed such that there no longer any reason for the Commission to deviate from its stated preference to rely on the DCF model, as it did in Aqua's last rate case.
[9] As explained in my direct testimony, my COE analysis demonstrates that Aqua's COE is between 7.27% and 8.03%. I recommended an 8.70% ROE (8.03% to 9.38%) based on the OCA's position that it would be sufficient to allow Aqua to raise the capital it needs to provide safe and reliable service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates.

excessive rates. As discussed in my direct testimony, Aqua's requested capital structure is not appropriate for setting rates in this proceeding since it has a significantly higher common equity ratios (53.95%) than the average common equity ratio used by other water utility companies in the country (50.7%)[10] and the consolidated capital structure being used by Aqua's parent Essential Utilities, Inc. (about 47.5%).[11]

Q. CAN YOU PROVIDE SOME ADDITIONAL EVIDENCE THAT MR. HAILS' 10.37% ROE RECOMMENDATION IS EXCESSIVE?

A. Yes. In my direct testimony, I showed that the equity return expectations of major financial institutions are between 6.2% to 7.9% for the overall stock market,[12, 13] which includes most *unregulated* companies that operate in highly competitive markets as opposed to Aqua which operates in a rate regulated environment where returns are set by regulators and collected from a captive customer base. I encourage the Commission to consider why Mr. Hails' 10.37% ROE is significantly higher than the expectations of investors in the financial mainstream in highly competitive markets. If there is a good reason for Aqua's cost of equity to be over a hundred basis points higher than the equity return expectations of major financial institutions, I have not seen it and Mr. Hails has not explained it.

As stated in my direct testimony, investors expect to be compensated for the risk of their investment, with riskier investments requiring greater expected returns and higher

[10] Exhibit ALR-5, page 5.
[11] Essential Utilities Value Line Report, January 5, 2024.
[12] OCA Statement 3, p. 14, Table 4.
[13] Duff & Phelps / Kroll, as mentioned in Table 4, is not mentioned here as they are a financial risk and advisory firm, not a major financial institution like J.P. Morgan Asset Management or Charles Schwab.

costs of equity.[14] However, Aqua is a regulated monopoly with relatively low investment risks, and therefore it is implausible that its cost of equity is so much higher than the equity return expectations of major financial institutional for companies that face significantly more investment risk than Aqua.

Q. YOU STATED ABOVE THAT APPLYING MR. HAILS' RECOMMENDATIONS PROVIDED IN RESPONSE TO OCA'S DISCOVERY REQUEST RESULTS IN A DCF INDICATED COST OF EQUITY OF 8.51%. PLEASE EXPLAIN MORE ABOUT MR. HAILS' RECOMMENDATIONS.

A. Mr. Hails explained that he did not perform a cost of equity analysis of his own. However, he reviewed various inputs within Mr. Moul's cost of equity analysis and proposed various changes. First, he does not support Mr. Moul's leverage adjustment, which he notes is consistent with the findings from Opinion and Order from Docket No. R-2021-3027385 which stated the following:

> We likewise find no merit in Aqua's arguments in which it seeks to support a leverage adjustment that is more than 100 basis points higher than that requested by either PPL or UGI Electric. Rather, we find, as we did in those base rate proceedings, that awarding the Company a leverage adjustment would run contrary to the public interest.

As discussed above, removing the leverage adjustment from Mr. Moul's DCF method results in a 9.38% cost of equity.

Second, in response to OCA-I-3, Mr. Hails questions the reasonableness of the 6.75% growth rate component in Mr. Moul's DCF, stating "the pace and regionality of continued infrastructure spending is speculative and there are numerous other factors that may constrain growth…" Applying Mr. Hails' recommended growth rate of 5.88% results

[14] OCA Statement 3, p. 62.

in a DCF-based cost of equity of 8.51%, which is lower than my recommended ROE of 8.70%.

II. RESPONSE TO I&E WITNESS KELLER

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS IN MR. KELLER'S DIRECT TESTIMONY THAT YOU ARE ADDRESSING IN YOUR REBUTTAL TESTIMONY.

A. In his direct testimony, Mr. Keller recommended an authorized return on equity ("ROE") of 9.37% and a capital structure of 53.95% common equity and 46.05% long-term debt.[15] I oppose each of those recommendations, and I will explain why below.

Q. DOES THE ANALYSIS PROVIDED IN YOUR DIRECT TESTIMONY DEMONSTRATE THAT AQUA'S AUTHORIZED ROE SHOULD BE LOWER THAN 9.37% AND ITS AUTHORIZED CAPITAL STRUCTURE SHOULD HAVE A LOWER COMMON EQUTIY RATIO THAN 53.95%?

A. Yes. Regarding Aqua's authorized ROE, I determined that Aqua's cost of equity is between 7.27% and 8.03% based on my cost of equity Model results. However, I recommend that the Commission set Aqua's return on equity at 8.70%, or the midpoint of my market-based cost of equity recommendation (8.03%) and the unlevered, DCF results (9.38%) of Aqua's rate of return witness, Mr. Moul, based on the OCA's position that it would be sufficient to allow Aqua to raise the capital it needs to provide safe and reliable

[15] I&E Statement No. 2, p. 6.

service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates.[16]

Regarding capital structure, I recommended using a capital structure consisting of 50.53% equity and 49.47% debt, based on the average common equity ratios of the companies in my proxy group.[17] A common equity ratio of 50.53% is on the high side of reasonableness because it is above the mean (50.7%) and median (41.3%) common equity ratio of the 6 water distribution companies in the RFC Water Proxy Group. I believe, absent evidence from Aqua in support of the need for a different capital structure, using the capital structure that more closely aligns with that of the proxy group is consistent the Commission's duty to set just and reasonable rates that consider both the utility and its investor's needs as well as the needs of ratepayers.

Q. WHAT IS YOUR OVERARCHING CRITICISM OF MR. KELLER'S ROE RECOMMENDATION OF 9.37%?

A. Mr. Keller's recommended 9.37% ROE for Aqua is higher than warranted given the data and proxy group applicable to this case. I provided significant evidence in my direct testimony (OCA Statement 3) that Aqua's cost of equity is significantly lower than 9.37%.[18] As indicated above, my cost of equity model results show that Aqua's cost of equity is between 7.27% to 8.03%. As discussed above, I recommended an ROE of 8.70%, which is above the high end of my cost of equity model results. Although Mr. Keller's 9.37% ROE recommendation is certainly far more reasonable than Mr. Moul's 10.95% ROE recommendation, it is still too high and would lead to unnecessarily high rates.

[16] OCA Statement 3, p.104.
[17] OCA Statement 3, p.80.
[18] OCA Statement 3, pp. 48-79.

Mr. Keller's recommendation is based exclusively on his Discounted Cash Flow ("DCF") result of 9.37%. He provides a Capital Asset Pricing Model ("CAPM") analysis for comparative purposes, but not as a check on his DCF results.[19] Below I explain why Mr. Keller's DCF is flawed and produces unreasonably high cost of equity results.

Q. DID MR. KELLER'S DCF MODEL PRODUCE A RELIABLE COST OF EQUITY ESTIMATE FOR AQUA?

A. No. Mr. Keller's DCF result of 9.37% is excessive because his growth rate of 6.61%[20] is unreasonably high. His growth rate component is excessive because it is based on analysts' five-year earnings per share growth rate forecasts for the companies in his proxy group without accounting for how much of these earnings investors expect will be retained in the business and how much they will pay out as dividends. As explained in my direct testimony, these analyst growth rate forecasts are not indicative of future sustainable growth rates in part because the sources of cash flow to an investor are dividends and stock price appreciation.[21] While both stock price and dividends are impacted in the long run by the level of earnings a company is capable of achieving, earnings growth over a period as short as five years is rarely in synchronization with the cash flow growth from increases in dividends and stock prices.

[19] I&E Statement No. 2, p. 25.
[20] I&E Statement No. 2, p. 30.
[21] OCA Statement 3 at 59-60, 85.

Q. CAN YOU PROVIDE AN EXAMPLE THAT EXPLAINS WHY USING ONLY ANALYST EARNINGS PER SHARE GROWTH RATES CAN PRODUCE AN EXCESSIVE DCF RESULT?

A. Yes. Mechanically using analyst earnings per share growth rates as a growth rate in a DCF model is like calculating how much money someone will have in the bank at retirement by counting only income and ignoring expenses. The estimate will not be accurate unless you also account for how much money is taken out along the way. A DCF model that does not account for the percentage of earnings that will be paid out to investors as a dividend is not a reliable way to calculate the cost of equity. In this case, Mr. Keller's 9.37% DCF result should not be the basis for Aqua's authorized ROE because it is higher than Aqua's cost of equity. Should Mr. Keller's ROE recommendation be adopted it would result in Aqua's consumers paying inappropriate (i.e., beyond what is necessary for Aqua to raise equity capital on reasonable terms) and unreasonable profits to investors that would be unnecessarily and unfairly burdensome to those consumers by making essential utility service more expensive and less accessible. Regulated monopolies like Aqua "have no constitutional right to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures." Rather "[t]he return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties."[22] The analysis presented in my direct testimony demonstrates that a 9.37% return is in line with anticipated returns on investments in highly profitable unregulated companies.

[22] *Bluefield Water Works & Improvement Co. v. Pub. Serv. Comm'n of the State of W. Va.* 262 U.S. 679, 692-693 (1923).

Q. DO MAJOR FINANCIAL INSTITUTIONS IMPLEMENT A DCF MODEL WITH A GROWTH RATE BASED ON ANALYSTS' PROJECTED GROWTH RATE IN EARINGS PER SHARE, AS MR. KELLER HAS DONE?

A. As far as I am aware, major financial institutions understand that it is not appropriate to mechanically add analyst earnings per share (EPS) growth rates to a dividend yield to calculate the cost of equity. J.P. Morgan Chase uses the sustainable growth form of the DCF method, as I do, in its 2019 Long-Term Capital Market Assumptions publication.[23]

Q. YOUR SUSTAINABLE GROWTH DCF MODEL PRODUCED A COST OF EQUITY RESULT OF BETWEEN 7.76% AND 7.99%. WHY IS THIS RANGE OF RESULTS A BETTER MEASURE OF AQUA'S MARKET-BASED COST OF EQUITY THAN THE DCF METHOD USED BY MR. KELLER?

A. As discussed in my direct testimony, my results[24] are not as influenced by overly optimistic analysts' forecasts as would have been the case had I merely used analysts' five-year earnings growth rate forecasts, as Mr. Keller did,[25] as a proxy for long-term growth. This is because the DCF methods I use compute sustainable growth rates, rather than growth rates that can exaggerate the growth rate due to assuming that a relatively short-term forecast (5 years) will remain indefinitely.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes.

[23] OCA Statement 3, p. 15, lines 5-7.
[24] OCA Statement 3, exhibit ALR-3, p. 1.
[25] Mr. Keller's Direct Testimony I&E Statement 2, p. 27, lines 6-9.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Aaron Rothschild, hereby state that the facts above set forth in my Rebuttal Testimony, OCA Statement 3R, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 12, 2024

Signature: Aaron Rothschild
Aaron Rothschild

Address: Rothschild Financial Consulting
15 Lake Road,
Ridgefield, CT

OCA Statement 3SR

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	
	:	Docket No. R- 2024-3047822 (Water)
	:	Docket No. R-2024-3047824 (Wastewater)
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania. Wastewater, Inc.	:	
	:	

DIRECT TESTIMONY
OF
AARON L. ROTHSCHILD

COST OF CAPITAL

ON BEHALF OF THE
PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA STATEMENT 3

Date Served: September 26, 2024

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I. INTRODUCTION AND SUMMARY OF MR. MOUL'S COMMENTS

Q. ARE YOU THE SAME AARON ROTHSCHILD WHO SUBMITTED DIRECT TESTIMONY IN THIS PROCEEDING ON AUGUST 16, 2024, AND REBUTTAL TESTIMONY ON SEPTEMBER 12, 2024?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. The purpose of my Surrebuttal Testimony is to respond to the following issues addressed in Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively "Aqua" or the "company") witness Mr. Paul Moul's Rebuttal Testimony, specifically, his inaccurate assertions that:

- I make inconsistent statements regarding the use of analyst forecasts, historical data, and forward-looking market data;
- Application and reasonableness of my Constant Growth DCF Model;
- My application of the CAPM is defective;
- My conclusions regarding Mr. Moul's leverage adjustment are erroneous;
- I have not shown that Aqua is not entitled to some form of management performance recognition by the Commission; and
- The appropriate capital structure for Aqua should be more equity-rich.

As addressed below, Mr. Moul's criticisms are invalid and should be rejected. If I do not address an issue raised in the company's rebuttal, it does not mean I agree with the testimony.

I will also be addressing the response of Aqua witness Packer in his rebuttal testimony to issues regarding how full market valuation and affordability impact Aqua's cost of equity.[1]

[1] Mr. Packer's rebuttal testimony at page 22.

Q. ON PAGE 4, LINES 12-24 OF HIS REBUTTAL TESTIMONY MR. MOUL CLAIMS THAT YOUR 8.70% ROE RECOMMENDATION, WHICH IS ABOVE THE MIDPOINT OF YOUR COST OF EQUITY MODEL RESULTS (7.65%), SEEMS TO INDICATE THAT YOUR ANALYSIS IS "WOEFULLY INADEQUATE" AND "CANNOT BE RELIED UPON IN ANY MEANINGFUL WAY." PLEASE RESPOND.

A. I strongly disagree. In my direct testimony I provide a thorough technical analysis that demonstrates that Aqua's cost of equity is between 7.27% and 8.03% based on the cost of equity models I employed. In other words, an authorized ROE of between 7.27% and 8.03% would allow Aqua to raise the capital it needs to provide safe and reliable service on reasonable terms.

It is the OCA's position that a range of reasonable costs of equity for Aqua exist between the results of my cost of equity models and the unlevered DCF results of Mr. Moul which are sufficient to provide Aqua with the capital it needs to provide safe and reliable service and ensure that rates are more affordable/less unaffordable than if Mr. Moul's 10.95% ROE recommendation is used to set rates. The ultimate recommendation of 8.70% is the midpoint of that range, which fully utilizes the results of my cost of equity analysis to not only demonstrate that Mr. Moul's recommendation of 10.95% is excessive, but also to establish the OCA's range of reasonable cost of equity results for Aqua.

As discussed on page 18 of my direct testimony, major financial institutions are informing their clients to expect returns on the overall market (S&P 500) of 6.2% to 8.5%. These return expectations include companies that are far riskier than regulated utility

companies like Aqua (e.g., Tesla, Amazon), and, therefore, these expectations of 6.2% to 8.5% would be expected to be higher than Aqua's cost of equity.

Q. ON PAGE 17 OF HIS REBUTTAL TESTIMONY, MR. MOUL CLAIMS THAT YOU MAKE INCONSISTENT CLAIMS REGARDING THE USE OF ANALYST FORECASTS, HISTORICAL DATA, AND FORWARD-LOOKING MARKET DATA. PLEASE RESPOND.

A. Below I respond to the following 6 claims made my Mr. Moul:

1. On page 17, lines 1-3 of Mr. Moul's rebuttal testimony, he claims that my recommendation that the return on equity (ROE) should be "market-based" and "forward-looking" contradicts my criticisms of using forecasts.

My response: Mr. Moul misconstrues my testimony. The main point I make throughout my direct testimony, is that there is a difference between expert forecasts (e.g., analyst 5-year EPS growth rate forecasts) and investors' expectations (e.g., option-implied growth). Expert forecasts are based on the opinions of a relatively small group of people and publications. On the other hand, investor expectations are based on the market behavior of millions of people around the world. When faced with the choice between these two, investors' expectations should be given priority over expert forecasts because they are based on more extensive data and, after all, investors are the ones providing the capital to utility companies.

2. On page 17, lines 4-12 of Mr. Moul's rebuttal testimony, he states that I use historical data despite simultaneously claiming that I use primarily forward-looking market data.

My response: I do use historical data, as does every rate of return witness that I know of; however, it is preferable to measure a utility's cost of equity (COE) by measuring investors' expectations directly using current capital market data (e.g., stock prices, stock option prices). My COE calculations also incorporated historical data, which is something that all rate of return witnesses/financial modelers have to do to some degree, including me, because of the inevitable limitations of capital market data.

3. On page 17, lines 13-17 of Mr. Moul's rebuttal testimony, he implies that my stated preference for forward-looking data contradicts my conclusion that using analyst's forecasts would be speculative. Additionally, he implies that I am contradicting myself by claiming that my market-based method is forward-looking on the one hand, and on the other hand I believe capital markets are unpredictable.

My response: As discussed in response to claim 1 above, my forward-looking market-based COE is based on investors' expectations. Measuring investor expectations directly using capital market data, such as stock options, is different from using analyst forecasts. To what degree investors are influenced by analyst forecasts is difficult to determine and likely continually changes. After all, not all analyst forecasts are the same. I would also note that Mr. Moul did not present

evidence regarding to what extent investors do, in fact, rely exclusively on analyst forecasts, as he claims. Leaving aside the appropriateness of using analyst forecasts in cost of equity calculations, calculating the cost of equity should be an interpretive approach (e.g., using market data to measure investors' expectations as Mr. Moul did in some parts of his testimony) rather than a speculative one (e.g., trying to predict what the market will do in the future better than other investors to make a profit as a trader would do). Also, investors have forward-looking expectations that we can investigate despite the unpredictable nature of capital markets. There is nothing inconsistent or contradictory in my statements.

4. On page 17, lines 18-19 of Mr. Moul's rebuttal testimony, he claims that I contradict myself by relying on historical data in my DCF model, yet I criticize his use of historical data.

My response: Please see my response to Mr. Moul's claim 2 above.

5. On page 17, lines 20-23 of Mr. Moul's rebuttal testimony, he claims that I contradict myself by criticizing his use of non-market data when I use non-market data (*i.e.*, book value data in my analysis and historical data for my CAPM risk-free rate).

My response: First, regarding the risk-free rate components of my CAPM, Mr. Moul's claim that I use historical data is misleading. As explained on page 64, lines 19-21 of my direct testimony, I use both the spot market yields of U.S. treasury

bond/bills as of June 30, 2024, and a weighted average over the 3-month ending on that date. The spot data that I use, by any standard, is not historical. I also use 3 month "historical" averages because the value of a particular input on a specific day can lead to COE results that can vary over short periods of time. Therefore, using data over a recent period, such as 3 months, is a process of smoothing capital market data, which is often turbulent. I also use historical book value returns in my DCF analysis for "smoothing" purposes to make sure current future expected returns on book equity are sustainable.

6. On page 17, lines 24-25 and page 18, lines 1-2 of Mr. Moul's rebuttal testimony, he claims that I use analyst forecasts despite criticizing him for using them.

My response: Please see my response to claim 1 above.

II. APPLICATION OF CONSTANT GROWTH DCF

Q. PLEASE SUMMARIZE MR. MOUL'S CRITICISM OF YOUR APPLICATION OF THE DCF METHOD.

A. Mr. Moul makes the following criticisms of my constant growth DCF method:

1. My constant growth DCF model produces unreliable results;
2. Growth rate component should be based on analyst Earnings Per Share (EPS) growth rates;
3. My approach is inferior to his because it relies on non-market-based data.

Q. MR. MOUL CLAIMS THE RESULTS OF YOUR CONSTANT GROWTH DCF MODEL ARE NOT REASONABLE. DO YOU AGREE?

A. No. Mr. Moul claims that the results of my Constant Growth DCF Model are not reasonable because, among reasons, they are not higher than the cost of debt by a reasonable margin.[2] He does not explain how much higher the cost of equity should be than the cost of debt or what metrics his criticism is based on. The cost of equity expectations of major financial institutions indicate that the margin between my 8.70% cost of equity recommendation and the cost of debt is reasonable.

My 8.70% cost of equity recommendation is 413 basis points[3] higher than the market yield on the 30-year U.S. Treasury bond. The margin between my 8.70% recommendation and the cost of debt (e.g., market yield on U.S. Treasury bonds) is considerably higher than the cost of equity recommendations of major financial institutions and published research, including publications relied on extensively by Mr. Moul. He uses data from the SBBI Yearbook (owned by Kroll) to determine the appropriate equity risk premium for public utilities starting on page 41 of his direct testimony. As shown on page 19, Table 4 of my direct testimony, Kroll determined the cost of equity for the overall market is 8.5%, which is 399 basis points higher than the market yield on the 30-year U.S. Treasury bond. However, as explained on page 19 of my direct testimony, Kroll's 8.5% cost of equity is for the overall stock market (e.g., US Large Cap, S&P 500),[4] which should be higher than the return expectations for buying utility stocks because regulated monopoly

[2] Mr. Moul's rebuttal testimony, page 2, line 15-19.
[3] 8.70% - 4.51% (yield on 30-year U.S. Treasury bond as of February 29, 2024).
[4] The S&P 500 is a stock market index that includes 500 of the largest U.S. companies, including 11 sectors to show the health of the U.S. stock market and broader economy. The Dow Jones Industrial Average, 30 of the largest U.S. companies, is another commonly used measure of equity markets in general.

utilities are lower risk than most, if not all, unregulated companies in the S&P 500, like Tesla and Amazon. The Value Line betas used by Mr. Moul in his CAPM analysis, prior to any leverage adjustment, support this conclusion as well, considering that the average Value Line beta for the proxy group used by Mr. Moul is 0.82, which indicates that his proxy group is, on average, less risky than the overall market.[5]

Q. STARTING ON PAGE 18, LINES 21-22 OF HIS REBUTTAL TESTIMONY, MR. MOUL CLAIMS THAT IT IS MORE APPROPRIATE TO USE EPS GROWTH RATES AS THE GROWTH COMPONENT OF A DCF MODEL THAN RETENTION GROWTH RATES. HOW DO YOU RESPOND?

A. I disagree. It does not make mathematical sense to use analyst five-year EPS growth rate forecasts without attempting to investigate what percentage of earnings companies are likely to pay out as dividends and what percentage they are likely to retain in the business (i.e., the retention rate). This is analogous to failing to reconcile the money you are taking out of your checking account with your future balance, i.e., the basic balancing of a checkbook. In neither Mr. Moul's direct nor rebuttal statements did he provide that his analysis included balancing EPS growth rates with paid-out dividends or retained earnings.

J.P. Morgan explained that its equity assumptions methodology considers five return drivers (including earnings growth and dividends). Pertinently, J.P. Morgan explained that its equity return assumptions methodology:

> ties together complex interrelationships among these factors to ensure that retained earnings and gross dilution imply a future book value that is consistent with projected return on equity and future earnings. This framework – analogous to Robert Higgins' sustainable growth rate (SGR) concept – ensures that higher shareholder payouts, for instance, would come at the expense of slower earnings growth, all else the same. Our

[5] Mr. Moul's direct testimony, page 40, line 20.

methodology uses trailing, not forward, earnings, which tend to be more stable.[6]

Thus, exclusive reliance on analysts' 5-year EPS growth rates, as Mr. Moul has done, without considering multiple factors that ensure sustainable growth, is inappropriate. As reflected in my Exhibit ALR-3, page 1, consistent with the multi-factor approach relied upon by J.P. Morgan in its 2019 Long-Term Capital Market report, I have also used a sustainable growth rate method to compute my DCF results.

Q. ON PAGE 20, LINES 12-15 AND PAGE 21, LINES 1-9 OF HIS REBUTTAL TESITMONY, MR. MOUL CLAIMS THAT YOU SHOULD HAVE DIRECTLY USED THE EARNINGS PER SHARE GROWTH RATE FORECAST OF 6.90% BY ZACKS IN YOUR DCF APPROACH. PLEASE RESPOND.

A. I strongly disagree. As discussed above, it is not appropriate to mechanically use analyst EPS growth rate forecasts in a constant growth DCF model because it does not ensure that the mathematical relationship between earnings, dividends, book value and stock price are respected. If a utility company is experiencing a short-term period of high earnings growth because they are recovering from a period of low earnings, for example, using analyst 5-year EPS growth rate forecasts in a DCF model will overstate the COE because these growth rates are not sustainable. In other words, the company's relatively high short-term growth rate will not continue indefinitely. Investors know that short-term growth rates that result from a recovery will eventually slow.

[6] J.P. Morgan contributes to the Blue Chip Economic Forecasts relied on by Mr. Moul in his rebuttal and direct testimonies.

Q. ON PAGE 20, LINES 2-4 OF HIS REBUTTAL TESTIMONY, MR. MOUL CLAIMS THAT THE COMMISSION HAS NOT PREVIOUSLY ADOPTED A RETENTION GROWTH APPROACH IN THE DCF ANALYSIS. PLEASE RESPOND.

A. If Mr. Moul is correct that the Commission has never adopted a retention growth approach, I urge the Commission to consider the evidence that I present in my direct testimony that shows that my DCF approach is a more reasonable approach than mechanically using analyst EPS growth rates as a proxy for growth, as Mr. Moul has done. Simply claiming that an approach has not previously been adopted is an insufficient basis of dispute, because under that rationale, the Commission would be constrained in establishing just and reasonable rates and only stagnant decisions would be possible. Importantly, Mr. Moul provided little discussion of the efficacy of my retention growth approach and, instead, chose to merely disagree with it, in lieu of providing data to support how the retention growth approach may not be appropriate for the Commission to consider.

Q. ON PAGE 21, LINES 6-9 OF HIS REBUTTAL TESTIMONY, MR. MOUL STATES THAT ANALYSTS' PROJECTIONS OF FUTURE GROWTH ARE THE ONLY VALID MEASURE OF GROWTH FOR DCF PURPOSES.

A. I disagree. As discussed above there are numerous mathematical issues with relying solely on analysts' projections of future growth as the growth component of a DCF model. It is unlikely that investors consider the basic mathematical relationship between dividends, retaining earnings and capital available to a company to grow future earnings. Additionally, as discussed above, J.P. Morgan understands that relying only on analysts' projections is not reasonable as they have considered retention rates as I have done. Regarding this Commission's past decisions on the DCF growth rate, my job is to provide

an independent cost of capital analysis that it can use to determine the appropriate ROE and capital structure for Aqua. It is not appropriate to confine my independent analysis to only that which Mr. Moul claims has previously been adopted, especially when Mr. Moul provides little support for his assertion which demonstrates that the models I used to support my recommendation are, in some way, unable to provide an accurate estimate of Aqua's cost of equity.

Q. ARE THERE ADDITIONAL REASONS WHY IT IS NOT APPROPRIATE TO USE ANALYST 5-YEAR EPS GROWTH RATE FORECASTS AS THE GROWTH COMPONENT IN A DCF MODEL?

A. Yes. A study conducted by McKinsey & Company in 2010 found that "analysts have been persistently over optimistic for the past 25 years with estimates ranging from 10 to 12 percent a year, compared with actual earnings growth."[7]

On average, analysts' forecasts have been almost 100 percent too high.[8] Additionally, the further a projection predicts into the future, the likelihood of the projection being correct decreases. Capital markets, on the other hand, are notably less giddy in their predictions. Except during the market bubble of 1999-2001, actual price-to-earnings ratios have been 25 percent lower than implied P/E ratios based on analyst forecasts.

To my knowledge, financial publications do not recommend using EPS growth rates to calculate the cost of equity in a DCF model. McKinsey & Company continues to advise its clients to be cautious about the reliability of analysts' forecasts. On May 16,

[7] Marc H. Goedhart, Rishi Raj and Abhishek Saxena, *Equity Analysts: Still too bullish*, Spring 2010.
[8] Ibid.

2022, McKinsey stated that "analysts' near-term forecasts are often overly optimistic and don't always correctly reflect operating performance."[9]

Even if equity analysts' forecasts were not upwardly biased, as discussed in my Direct Testimony, adding earnings per share growth forecasts to a dividend yield without considering the retention rate produces a flawed result. Using an earnings per share growth forecast as the growth component in a DCF model is like measuring how much money you will have in your bank account by simply adding up your paychecks. If you do not consider what percentage of your paycheck you will retain in your account and what percentage you will spend, your calculations will not be accurate. Mr. Moul presented little to no analysis to rebut this argument.

Q. ARE YOU SAYING THAT ANALYSTS' CONSENSUS EARNINGS PER SHARE GROWTH RATES ARE USELESS AS AN AID TO PROJECTING THE FUTURE?

A. No. Analysts' EPS growth rates are, however, very dangerous if used in a simplified DCF which does not consider factors such as dividend per-share growth and book value per share growth as it could result in unsustainable growth rates. For example, if a company has a slow earnings year followed by a strong recovery, this potentially high earnings growth rate is unlikely to be maintained in the long-term, and therefore results in an unrealistic and/or unsustainable projection. Analysts' five-year earnings-per-share growth rates forecasts are not useful if used without considering other sensitivities. However, if used as part of a holistic analysis that considers other factors, the analysts' five-year earnings-per-share growth rates forecasts can be useful in computing estimates of what

[9] David Kohn, Vartika Gupta, Tim Koller, Werner Rehm, *Do consensus estimates accurately reflect operating performance?*, May 16, 2022.

earned return on equity investors expect will be sustained in the future, and as such, are useful in developing long-term sustainable growth rates.

Q. MR. MOUL STATES ON PAGE 20, LINES 5-8 OF HIS REBUTTAL TESTIMONY THAT YOU DO NOT AND CANNOT EXPLAIN WHY AN INVESTOR EXPECTED RETURN OF 10.40% SHOULD BE REDUCED TO 7.76% OR 7.99% IN THIS CASE, PARTICULARLY SINCE RATES ARE SET ON BOOK VALUE (NET ORIGINAL COST). PLEASE RESPOND.

A. Mr. Moul is conflating accounting returns and market-based returns. The 10.40% Mr. Moul is referring to is the future expected return on book equity published by Value Line and implied by Zack's forecasts. In other words, this 10.40% is an accounting figure (based on expected return on the book value of equity), not investors' expected returns (based on expected return on the market value of equity). I provided an explanation of the difference between expected return on book equity (accounting returns) and expected return on the market price of a stock on page 106, and page 107 of my direct testimony. If Pennsylvania consumers' rates are set based on expected accounting returns instead of market returns, they will be significantly overcharged. An authorized ROE should be commensurate with the returns the investors expect to earn when investing in other enterprises having corresponding risks. This investment is made at the market price of a utility's stock, not the accounting value.[10] The average market price of the water utility stocks in my proxy group is between 2.31- and 3.59-times book value. If investors are willing to pay considerably higher than two times the book value for an expected 10.40% return on book

[10] For example, if you were to log in to your brokerage account you would not be able to purchase American States Water's stock for $19.45 (it's current book value according to Value Line). Instead, you would have to pay $87.76 (the closing price of its on August 1, 2022, according to Yahoo Finance).

value for water utilities, they are expecting to earn a return significantly less than 10.40% on market value. Therefore, it makes sense that my Constant Growth DCF indicates a cost of equity of between 7.76% and 7.99%.[11]

If Mr. Moul were correct that we should use investors' expected *accounting* returns to determine Aqua' authorized ROE, there would be no purpose in producing rate of return testimonies and conducting hearings. Using Mr. Moul's logic, setting Aqua' authorized ROE would be a mechanical exercise of looking up published accounting returns. In other words, stock prices, interest rates, and other capital market data would be irrelevant.

Q. MR. MOUL STATES ON PAGE 19, LINES 21-23 OF HIS REBUTTAL TESTIMONY THAT RETENTION GROWTH SHOULD NOT BE CONSIDERED WHEN SELECTING A DCF GROWTH RATE. PLEASE RESPOND.

A. I disagree. As discussed earlier in this testimony, it does not make mathematical sense to use analyst five-year EPS growth rate forecasts without attempting to investigate what percentage of earnings companies are likely to pay out as dividends and what percentage they are likely to retain in the business (i.e., the retention rate). Mr. Moul's use of analysts' 5-year EPS growth rate as a proxy for growth is like a money manager telling you that you will have enough money to retire in 20 years by only estimating your income for the next 5 years. In order to determine if you will have enough money to retire in 30 years you must consider how much money you are saving (retaining) and how much money you are spending (paying out as dividends). Also, you must consider if your current income is sustainable over the next 30 years, not just the next 5 years, as Mr. Moul has done in his DCF method. The growth rate component of my sustainable growth DCF method

[11] Mr. Rothschild's direct testimony, Exhibit ALR-3, page 1.

appropriately accounts for the retention rate, which makes mathematical/logical sense because it recognizes the mathematical interrelationship between book value, dividends, and earnings. However, the validity of my DCF method does not hinge on investors and or utility executives being logical about calculating growth rates. For example, if investors expected utility executives to persistently waste retained earnings on unprofitable projects, we would see a discrepancy between the results of DCF model and the results of other COE models that are not being distorted by the effects of wasted retained earnings. The results of my sustainable growth DCF model are between 8.06% and 8.09%, which is within the range of my CAPMs', a method that is not impacted by my DCF growth rate, results of between 7.50% and 8.22%.[12]

Q. PLEASE EXPLAIN WHY A MARKET TO BOOK RATIO OF BETWEEN 2.31 AND 2.59 INDICATES THAT THE COST OF EQUITY FOR WATER UTILITY COMPANIES IS LOWER THAN THE EXPECTED RETURN ON BOOK EQUITY.

A. Calculating the cost of equity (investors' equity return expectations) is more complicated than calculating the return on a rental property, but the same concept applies regarding the relationship between market returns and book returns. If an investor purchases an apartment for $100,000 and expects to receive $500 per month ($500 X 12 = $6,000 per year) in rent, he or she will expect an annual return of 6% ($6,000/$100,000) on their investment. When the investor purchases the apartment, he would record the book value as $100,000 and the market value as $100,000 unless he determined that the purchase price was higher or lower than the market value. If the value of the apartment increases to $250,000, for example, the market to book ratio would increase to 2.5, and therefore, his

[12] Exhibit ALR-2.

return on book value would remain at about 6% while his return on the market value of the apartment would decrease to about 2.4%.

In this rental property example, an increasing market value results in a lower expected return on market (2.0%) compared to expected return on book (6%) if the rent price remains constant. Rent prices do not increase to maintain an expected 6% return on book value; they are set by what the rental market reasonably can bear. The same is true of utility stocks. You do not establish an ROE based on a constant return on book (accounting) returns, it is set based on what investors in the market expect that market to return. In the case of a utility stock, an increasing market value results in a lower return on market for the same expected return on book. As this rental property example demonstrates, there is nothing inconsistent about investors expecting a lower return on the market price of an investment than on the book value of an investment. In fact, with market to book ratios of water utility companies significantly above one it would be surprising if investors expected a return on market equal, or anywhere close, to return on book.

Q. ON PAGE 21, LINES 10-24 AND PAGE 22, LINES 1-8 OF HIS REBUTTAL TESTIMONY, MR. MOUL CLAIMS THAT YOU ARE MISTAKEN THAT MARKET-TO-BOOK RATIOS ABOVE 1 INDICATES THAT THE COE FOR WATER UTILITY COMPANIES IS LOWER THAN THE EXPECTED RETURN ON BOOK EQUITY. PLEASE RESPOND.

A. I strongly disagree. Mr. Moul tries to demonstrate that my position on the relationship between market-to-book ratios, authorized ROEs, and the market-based COE is false by pointing to historical data. He claims that if investors expected to receive a lower market return than book return then utility stock prices would have reverted to their book value

over time. I would agree with Mr. Moul that the market-to-book ratios of water utility stocks have not reverted to their book value. However, the fact that market-to-book ratios for utility companies have remained above 1 persistently for many decades indicates that authorized ROEs for water utility companies have been higher than their market-based COE and therefore, consumers have been overpaying for a long time. The average market to book ratios of the 5 companies in the RFC Water Proxy group is about is about 2.5.[13] Please see Appendix A of my direct testimony regarding why market-to-book ratios for water utility companies indicates that their COE is lower than their authorized ROEs.

Q. MR. MOUL CLAIMS ON PAGE 12, LINES 1-7 OF HIS REBUTTAL TESTIMONY THAT THE CAPM AND RISK PREMIUM (RP) METHODS ARE MORE RESPONSIVE TO INFLATION THAN THE DCF MODEL. PLEASE RESPOND.

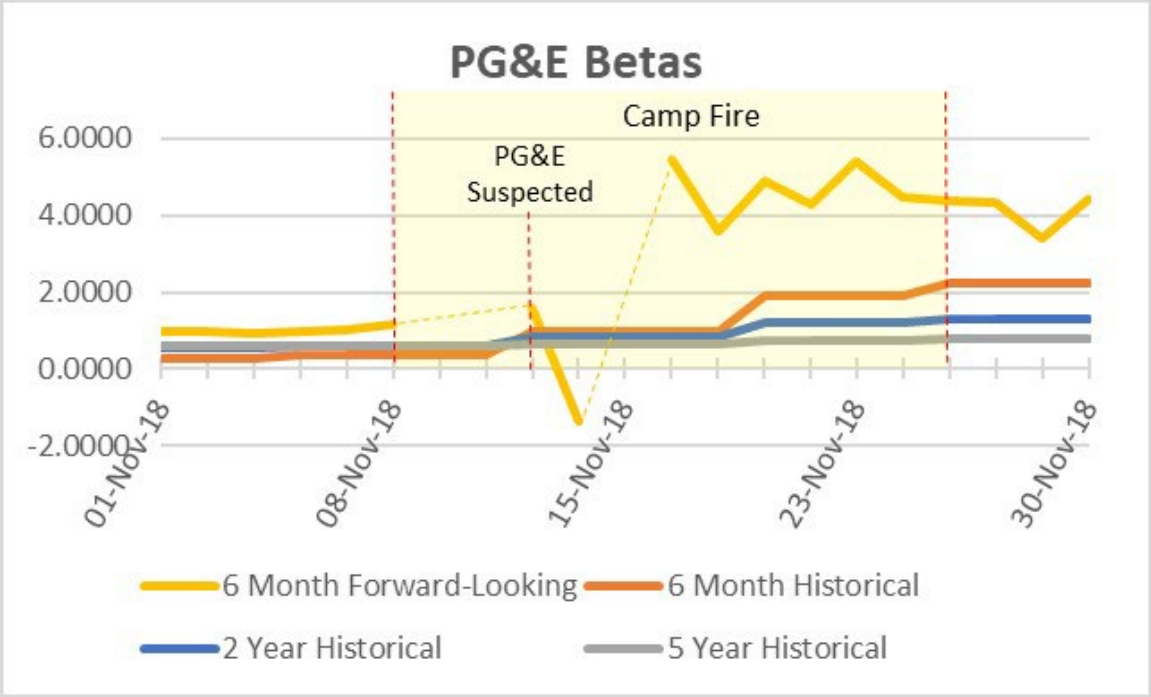
A. I believe that all three of these cost of equity models (DCF, CAPM, RP) can take time to react to changes in bond yields and capital markets in general if the analyst uses only historical data and/or analyst forecasts. Analyst forecasts, even if they reflect investors' expectations, can take time to change if for no other reason than many publications do not publish their projections every day. For example, Value Line publishes their company reports every 3 months. A COE model that uses only historical data can take time to adjust because it takes time for changes in bond yields to impact model inputs, such as 5-year historical betas used in the CAPM, because the influence of the most recent capital market data on these betas will be overwhelmed by the influence of the hundreds of thousands of capital market data points that stretch back many years. In summary, I do not believe that

[13] Exhibit ALR-3, page 1. The market to book ratio for the year ending 6/30/2024 and as of 6/30/2024 is 2.59 and 2.31 respectively.

the DCF model is any more or less able to reflect changes in capital market conditions compared to the CAPM and Risk Premium analyses. It depends on the way the model is implemented. I use stock option prices in my CAPM and DCF methodologies, so they are better able to measure changes in the cost of equity. Although I do not use a risk premium method myself, I would also say that there are appropriate ways to implement such a methodology and inappropriate ways.

Q. CAN YOU GIVE AN EXAMPLE THAT DEMONSTRATES YOUR COE METHODS THAT USE STOCK OPTION PRICES CAN MEASURE WHEN INVESTORS'S EXPECTATIONS CHANGE?

A. Yes. As shown in the chart below, shortly after investors started to understand that PG&E was exposed to potential wildfire liabilities as a result of the 2018 forecast fire referred to as the Camp Fire, option-implied betas immediately reflected investors' changing expectations and PG&E's higher cost of equity. After initially falling negative for a day during the initial market turmoil caused by the fire, option-implied betas jumped up from near 1.0 to mostly over 4.0. On the other hand, 5-year historical betas hardly reacted.



This chart shows that my COE models are able to measure when the cost of equity changes, whether it is because of changing bond yields or potential wildfire liabilities. On the other hand, Mr. Moul's CAPM, which is based on 5-year historical betas can take months or even years to adjust to capital market changes.

Q. ON PAGE 5 OF HIS REBUTTAL TESTIMONY MR. MOUL CLAIMS THAT THE COMMISSION SHOULD CONSIDER THE HIGH LEVEL OF CAPITAL COSTS WHEN DECIDING THE RETURN ON EQUITY IN THIS CASE. PLEASE RESPOND.

A. I agree that the Commission should consider the level of capital borrowing costs in this proceeding. However, it is important to recognize that a 1% increase in interest rates/cost of debt does not necessarily mean that the cost of equity will also increase by 1%. In fact, capital market data shows that the cost of equity for most water utility companies declined in 2023 as interest rates increased. As shown on page 131 of my direct testimony, the

CAPM indicated cost of equity for water utility companies peaked at 9.65% in November 2022 and has fallen to under 8% as of June 2024. Over that period, the yield on the 30-year U.S. Treasury bond has increased from about 4.25% to 4.5%[14] which demonstrates that the cost of equity and interest rates do not always move in the same direction, as Mr. Moul implies.

III. CAPM ANALYSIS

Q. PLEASE SUMMARIZE MR. MOUL'S CRITICISMS OF YOUR CAPM METHODOLOGY.

A. Regarding my CAPM results (7.06% - 8.03%), Mr. Moul states "[by] any reasonable standard, such low returns are simply not credible."[15] The only evidence he provides for this conclusion is by referring to the results of his and Mr. Keller's CAPM, of 10.48% and 11.05% respectively.[16]

Mr. Moul spends considerable time claiming that my CAPM is not reliable because it is "unconventional."[17] He criticizes many of the specific components of my CAPM, including using stock options to calculate forward betas.

[14] See Chart 1 on page 24 of my direct testimony. This chart shows that the yield on the 30-year U.S. Treasury Bond was about 4.25% in November 2022 and about 4.5% by June 2024. As of mid-September 2024, the yield on the 30-year U.S. Treasury bond has fallen to about 4%, but Aqua's cost of equity may or may not have fallen by as much as 50 basis points since I calculated Aqua's cost of equity for my direct testimony.
[15] Mr. Moul's rebuttal testimony, page 34, line 14-15.
[16] Mr. Moul's Rebuttal Testimony, Page 35, lines 13-16.
[17] Mr. Moul's Rebuttal Testimony, Page 35, lines 4-16.

Q. WHAT IS YOUR GENERAL RESPONSE TO MR. MOUL'S CRTICISMS OF YOUR CAPM METHODOLOGY?

A. Throughout his testimony, Mr. Moul changes his criteria for determining the appropriate ROE for Aqua, continues to use COE models that have been proven to be flawed, and criticizes my approach in ways that are illogical and inconsistent with the facts. As stated on page 16, lines 4-10 of my direct testimony, on April 9, 2020, the South Carolina Public Service Commission stated the following regarding my CAPM methodology:

> Amongst the three witnesses, Consumer Affairs Rothschild's approach was unique in that he included the use of both historical and forward-looking, market-based data in his analysis. Based on the testimony and facts presented, the Commission therefore adopts the recommended ROE of 7.46% proposed by witness Rothschild.

In a 2024 decision, California Commissioner John Reynolds found merit in my analysis and used my cost of equity methodology, including the CAPM and DCF methods I use in this proceeding, to determine the authorized ROEs for California's ten Independent Small Telephone Companies (ILECs).[18] Mr. Moul ignores these decisions in an attempt to discredit my CAPM models instead of providing analysis which would suggest that they are somehow inadequate or inaccurate.

Mr. Moul claims that my CAPM should not be relied upon because it is "unconventional" among other reasons.[19] According to Mr. Moul, the Commission should only rely on common models that he claims are used by Rate of Return witnesses and investors, despite their obvious flaws (e.g., Value Line's 5-year historical betas that vary based on arbitrary data choice). On the other hand, I have been testing models for years

[18] Alternative Proposed Decision of, p.19, California Public Utility Commissioner John Reynolds of California, Application No. 22-09-003 (August 5, 2024).
[19] Mr. Moul's Rebuttal Testimony, Page 35, lines 22-25

and continually eliminate the ones that prove to be flawed. My work to continually improve the accuracy of COE models led to the development of my CAPM methodology, which includes measuring investors' expectations directly using stock option prices. My improved methods have been empirically tested using capital market data, applied for many years, and as stated above, have been adopted in previous cases. Continuous improvement of COE models is required to ensure that regulated utility companies have access to the capital they need while also protecting consumers.

Mr. Moul's criticisms of my CAPM are based on his disagreement with the manner in which I have applied the CAPM model to better conform to contemporary scholarship and changing investor expectations. This is at the expense of not adjusting to changing capital market conditions, including the massive, expanded use of stock options by investors[20] and the continuing results of research focusing on improving statistical techniques to best measure complex systems with power law distributions, including stock markets.

The Federal Energy Regulatory Commission (FERC) has recognized that it is important to evaluate and revise COE models. FERC concluded that it may not be appropriate to use Value Line betas in a CAPM analysis because the beta component should be based on the same exchange as the risk premium component of the model. Value Line is based on the New York Stock exchange.[21] According to FERC's application of the CAPM, Mr. Moul's model is not appropriate because it is not based on the S&P 500.

[20] https://www.investors.com/research/options/options-trading-today-after-50-years-of-growth/
[21] 174 FERC ¶ 63,024 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION, Docket Nos EL17-41-001 at 196

Q. ON PAGE 35, LINES 4-5, OF HIS REBUTTAL TESTIMONY MR. MOUL SAYS THAT HE DOES NOT KNOW OF ANY OTHER WITNESS IN PUBLIC UTILITY RATE CASES THAT USES 'HISTORICAL BLENDED' BETAS AND YOU HAVE NOT SHOWN, NOR COULD SHOW, THAT INVESTORS USE YOUR BETAS. PLEASE RESPOND.

A. As discussed below, it is not possible to determine what models investors use. It is also not possible to determine what data they use. If it were, perhaps Mr. Moul would have provided some evidence to support his claims regarding the models or data relied upon by investors; however, he did not. Therefore, I must evaluate and decide on the appropriate models and data to use based on their merits. Starting on page 66 of my direct testimony I explain why I use a historical blended beta in my CAPM analysis that includes periods of 6 months, 2 years, and 5 years, as opposed to relying exclusively on the 5-year period used by Value Line. Using shorter periods for the return regression analysis portion of the historical beta calculation allows me to see if the correlation between the returns of each of the companies in my RFC Water Proxy Group and those of the S&P 500 Index has changed in the last 2 years or 6 months. Using a 5-year period exclusively tends to make recent changes in the correlation more difficult to identify because of the weight of 5 years of data in comparison to the weight of 2 years' or six months' worth.

Financial markets are constantly in flux due to the influence of countless factors. So-called "market dislocations," are just some of the numerous factors that are constantly affecting markets. To attempt to separate any one specific factor from "real" underlying market dynamics would be an exercise in futility.

Furthermore, predicting the duration and impact of any single influencing factor on financial markets is extremely challenging, if not impossible. In 2008, when interest rates

plummeted to unprecedented lows, numerous analysts deemed this a temporary anomaly. Contrary to these expectations, rates not only persisted at these low levels for more than ten years but dropped even further in response to the unforeseen COVID-19 pandemic, which significantly affected the global economy and financial markets.

The use of historical blended betas, including 6-month historical betas, is logical because historical blended betas can better measure recent and current market dynamics than just using the 5-year historical betas used exclusively by Mr. Moul. Yet, Mr. Moul provided little evidence to support why the betas he used are more accurate and little analysis to demonstrate why using a historical blended beta would produce an anomalous result. I believe my historical blended betas in conjunction with forward-looking, option-implied betas are logical and appropriate.

Q. ON PAGE 34, LINES 17-21, MR. MOUL CLAIMS THAT YOU USE DATA THAT IS NOT AVAILABLE TO INVESTORS. PLEASE RESPOND.

A. This is simply false. The data I have used is available to any investor that has access to the internet. This means the data I use is more widely available than the data Mr. Moul has used. The betas used by Mr. Moul (Value Line's published 5-year historical betas)[22] are based on the past and therefore it is unlikely they measure current investors' expectations regarding utility betas in particular, and risk and return in general. It is inappropriate to use backward looking measures when data regarding current investor expectations is

[22] Notably, Mr. Moul also applies a leverage adjustment to his betas using the Hamada formula which artificially inflates the Value Line betas Mr. Moul initially considered. Aqua St. 7 at 41. In other words, the betas relied upon by Mr. Moul in his CAPM analysis are not directly from Value Line and Mr. Moul has not shown that investors use his modified betas instead of Value Line's published betas. It is unclear why Mr. Moul believes the option-implied and historical blend betas I used in my CAPM analysis are not credible while the betas he relies upon are deficient under his own criteria.

available. The purpose of this proceeding is to determine the current, market-based cost of equity. Relying exclusively on historical betas, as Mr. Moul has done, is inconsistent with the purpose of this proceeding because, among other reasons, research discussed below shows that CAPM results based on historical betas are not consistent with CAPM theory. In other words, Mr. Moul is criticizing me for not implementing the CAPM in a way that has been falsified.

Q. MR. MOUL CLAIMS THAT IT IS UNUSUAL FOR A RATE OF RETURN WITNESS TO CONSIDER THE YIELD ON THE 3-MONTH TREASURY BILL AS A PROXY FOR THE RISK FREE RATE COMPONENT OF A CAPM ANALYSIS IN RATE CASES. PLEASE RESPOND.

A. I would agree that most rate of return witnesses use the yields on long-term bonds (e.g., 30-year U.S. Treasuries) as a proxy for the risk-free rate, as I do. However, just because this is the practice used by most rate of return witnesses does not mean it is appropriate. Decisions made by rate of return witnesses should be based on the merits of the analytical approach used and should consider recent developments within the field. The problem with using the yield on long-term U.S. Treasury bonds as a proxy for a risk-free rate is that they are not risk free due to opportunity cost. On the other hand, short-term U.S. Treasury bonds are basically risk free. For example, the yield on 3-month U.S. Treasury bills increased from 0.08% to 4.53% between January 3, 2022, and January 3, 2023. The owner of a 3-month U.S. Treasury bill with a $1 million face value would have lost only $11,000 if this change in yield happened on a single day. In comparison, the value for a zero coupon 30-year U.S. Treasury bond would have fallen by over $700,000. Clearly 30-year U.S. Treasury bonds are not risk free and 3-month U.S. Treasury bills are nearly risk free.

Silicon Valley Bank's collapse in 2023 was possible because of billions of dollars of losses associated with their holding of "risk free" long-term U.S. Treasury bonds that lost their value as interest rates increased.

Q. PLEASE RESPOND TO MR. MOUL'S CLAIM THAT YOUR METHOD IS UNUSUAL AND NON-STANDARD.

A. As explained in my direct testimony, my CAPM is based on methodologies used by Value Line, the Chicago Board of Options Exchange (CBOE), and published in peer-reviewed academic journals (e.g., The Review of Financial Studies). Additionally, it is far from unusual to use stock options to measure investor expectations. For example, the Federal Reserve Bank of Minneapolis uses stock options to measure implied probability distributions on the S&P 500. The Federal Reserve Bank of Atlanta uses options and futures contracts to measure investors' expectations regarding the federal funds rate.

There are thousands of papers published every year regarding the use of stock options. Google scholar reports over 12,000 papers were published in 2023 alone which related to the following search term: "using stock options to measure investors' expectations regarding stock returns."[23] Additionally, Microsoft recently released an analytical tool called Projection that shows the expected change in equity prices based on stock option prices. Regarding Projection, Microsoft states the following:

> Projection democratizes advanced methods for visualizing the sentiment of options market participants that were formerly restricted to academics and institutional investors and makes them free for anyone to use. This type of tool is commonly used by professionals to:
>
> - Assess the market implied risk involved in owning an asset

[23] https://scholar.google.com/scholar?hl=en&as_sdt=0%2C7&as_ylo=2023&q=using+stock+options+to+measure+investors%27+expectations+regarding+stock+returns&btnG=

- Estimate the market implied range of possible outcomes for an asset's future performance.

- Compare against other sources of market opinion, such as Wall Street analysts' ratings.[24]

Q. PLEASE RESPOND TO MR. MOUL'S CLAIM ON PAGE 34, LINES 13-15 OF HIS REBUTTAL TESTIMONY THAT YOUR CAPM RESULTS ARE NOT CREDIBLE BY ANY REASONBLE STANDARD.

A. My CAPM results (7.06% - 8.03%) are in the middle to upper part of the range of the expectations published by major banks and brokerage houses (6.20% to 8.5%). These equity return expectations are for the overall stock market (e.g., US Large Cap, S&P 500), which should be higher than the return expectations for buying utility stocks because regulated monopoly utilities are lower risk than most, if not all, unregulated companies in the S&P 500, like Tesla and Amazon. Mr. Moul's conclusion is merely results-based analysis and is unsupported by any data in this proceeding.

Q. ON PAGE 34 LINE 15-16 OF HIS REBUTTAL TESTIMONY, MR. MOUL CLAIMS THAT ALL OF YOUR CAPM RESULTS ARE BELOW YOUR DCF RETURN. PLEASE RESPOND.

A. This is false. As show on Table 2, page 11, of my direct testimony, two of my CAPM results are above my sustainable growth DCF results.

[24] https://www.msn.com/en-us/money/chart?id=a1nwgh&timeFrame=Max&chartType=line&projection=true

Q. ON PAGE 34 AND 35 OF HIS REBUTTAL TESTIMONY, MR. MOUL CLAIMS THAT YOU SHOULD HAVE USED BETAS THAT ARE WIDELY USED BY INVESTORS INSTEAD OF CALCULATING YOUR OWN "PHANTOM" BETAS. PLEASE RESPOND.

A. Implementing a COE model, including the CAPM, does not require an analyst to know what model(s) or beta coefficients investors use. Some investors buy stocks because of a friend's recommendation, a comment made on cable news or a late-night tweet. The number of models used by investors is unknowable and arguably as numerous as individual investors and constantly changing over time. Mr. Moul's claim that a CAPM methodology should be implemented mechanically with Value Line's published 5-year historical betas because "it is well known" that investors use Value Line betas ignores the complexity of how billions of human beings make decisions. There is a distinction that Mr. Moul ignores between Value Line's approach to calculate betas and Value Line's published betas. Simply because a beta is published by Value Line does not mean that investors use, or are even aware of, the ever-changing Value Line beta. Additionally, Value Line publishes many different betas for the same company, not just the 5-year historical betas used by Mr. Moul. Regardless of what models investors use, or how they make their investment decisions, their return expectations, and the appropriate cost of equity for Aqua, are represented in the prices investors are willing to pay for stocks, bonds, and options. Further, the data which I use to formulate my historical blended and option-implied betas is available to investors, who could – and often do – similarly use that data to weigh how risky a particular investment is in comparison to the overall market. Mr. Moul does not show that investors cannot or do not use the data underlying the betas I employed in my

CAPM analyses, nor does he draw a line in the sand to show at what point market data no longer becomes credible in a proceeding such as this. Instead, he merely points to the results and deems it not credible with little underlying explanation or analysis. As such, Mr. Moul's criticisms are without merit.

Q. PLEASE RESPOND TO MR. MOUL'S CLAIM THAT IT IS "WELL KNOWN" THAT INVESTORS RELY ON VALUE LINE DATA AND I SHOULD HAVE USED VALUE LINE BETAS IN MY CAPM.

A. Mr. Moul provides no source of his assertion that it is well known that investors rely on Value Line data to measure the cost of equity. In my experience, this is not the case and I am highly skeptical of the assertion that the average investor uses Value Line betas to determine the cost of equity or determine what stock to purchase. Notably, Value Line's publications are only accessible through a subscription and, therefore, are inherently limited in the number of investors that can be said to rely on them.

Q. ARE YOU AWARE OF RESEARCH THAT PUTS INTO QUESTION THE USEFULNESS OF VALUE LINE'S PROJECTIONS?

A. Yes. A research report published by the Journal of Banking & Finance found that "Value Line's long-term stock return projects are extremely overoptimistic and have no predictive power…"[25] The results of this report provide additional evidence that investors are unlikely to blindly rely on Value Line's data as Mr. Moul suggests.

[25] Andrew C. Szakmary, C. Mitchell Conover & Carol Lancaster. An examination of Value Line's long-term projections. Journal of Banking & Finance, August 2007.

IV. LEVERAGE ADJUSTMENT

A. DO YOU HAVE ANY ADDITIONAL COMMENTS REGARDING MR. MOUL'S LEVERAGE ADJUSTMENT?

A. No. As stated on pages 88 and 89 of my Direct Testimony, Mr. Moul's leverage adjustment goes against original cost rate making and should be rejected. Further, the Commission has denied Mr. Moul's leverage adjustment in past cases, including Aqua's most recent rate case.[26] I think it is also important to acknowledge that Mr. Moul has, seemingly as a course of business, consistently recommended leverage adjustments for every Pennsylvania public utility company for which he has served as an expert witness since 2018. I am including Mr. Moul's responses to OCA's discovery as Exhibit ALR-1-SR, and they demonstrate that in the 21 cases that Mr. Moul has identified, he has recommended a leverage adjustment in every single one of them.

Q. STARTING ON PAGE 26 OF MR. MOUL'S REBUTTAL TESTIMONY HE CONTINUES TO DEFEND HIS LEVERAGE ADJUSTMENT BY CLAIMING THAT FOR DCF RESULTS TO BE RELEVANT IN THE RATE-SETTING CONTEXT, THE MARKET-DERIVED COST RATE CANNOT BE USED WITHOUT MODIFICATION. PLEASE RESPOND.

A. As stated in my direct testimony, I do not agree with Mr. Moul's use of a leverage adjustment. Mr. Moul explains that the "the leverage adjustment is necessary to make the market-derived DCF results applicable in the rate-setting [context]."[27] Investors understand that authorized ROEs are applied to book value and almost certainly take this

[26] Docket No. R-2021-3027385, Opinion and Order, Page 166.
[27] Mr. Moul's Rebuttal Testimony, Page 34, lines 2-4.

into account when making investment decisions. Additionally, as explained in Appendix A of my direct testimony, market-to-book ratio ratios above one indicate that the cost of equity for water utility companies is lower than the expected return on book equity. The way Mr. Moul's leverage adjustment works, the higher the market-to-book ratio is, the greater the adjustment. Therefore, the more authorized ROEs become out of line with actual market-based costs of equity, the higher the leverage adjustment. In does not make sense to charge consumers more because they are already overpaying.

V. SMALL SIZE EFFECT

Q. ON PAGE 36, LINES 9-10 OF HIS REBUTTAL TESTIOMNY, MR. MOUL STATES THAT THE SBBI/MORNINGSTAR YEARBOOK CLEARLY DEMONSTRATES THAT THE SIMPLE CAPM DOES NOT REFLECT THE RETURN THAT IS ASSOCIATED WITH SMALL SIZE. PLEASE RESPOND.

A. As discussed in my direct testimony, Mr. Moul's premium adder for the relatively small size of Aqua is unjustifiable. First, with a requested rate base of over $ 4 billion[28], Aqua is not a small company by any standard. Nevertheless, a proper analysis of the data from Ibbotson SBBI/Morningstar shows that size is a diversifiable risk and therefore does not impact the cost of equity. Professor Aswath Damodaran said the following regarding the supposed "small cap premium": "Even if you believe that small cap companies are more exposed to market risk than large cap ones, this is an extremely sloppy and lazy way of

[28] Mr. William C. Packer's Direct Testimony, Schedule A-3, Mr. William C. Packer's Direct Testimony, Schedule E-1

dealing with that risk, since risk ultimately has to come from something fundamental (and size is not a fundamental factor)."[29]

Additionally, a 2018 study conducted by scholars at AQR Capital Management and Yale University found that "the size effect diminished shortly after its discovery and publication."[30] The authors of this research found that data errors plagued the early studies regarding the relationship between firm size and return. They found that the data in the earlier studies did not include delisted companies and since smaller firms are delisted more often than larger stocks, the biased data (referred as a "delisting bias") made the returns of smaller stocks look higher than reality.[31]

Mr. Moul's CAPM is inflated because he takes additional steps to increase his results for a so-called small firm effect that has been put into serious question by recent research. Therefore, his CAPM overstates Aqua' cost of equity because the risk premium potion of this method is impacted by these exaggerated returns.

VI. RISK PREMIUM METHOD

Q. ON PAGE 37, LINES 25-26 AND PAGE 38, LINES 1-6 OF HIS REBUTTAL TESTIMONY, MR. MOUL CLAIMS THAT YOUR RISK PREMIUM, BASED ON THE KROLL SUPPLY-SIDE RISK PREMIUM (4.39%), IS LOWER THAN THE RISK PREMIUM PORITON OF HIS MARKET RISK PREMIUM APPROACH

[29] Aswath Damodaran, Equity Risk Premiums (ERP): Determinates, Estimation and Implications – The 2014 Edition (paper updated, March 2015) page 42.
[30] Ron Alquist, Ronen Israel, and Tobias Moskowitz, Fact, Fiction, and the Size Effect, *The Journal of Portfolio Management*, Fall 2018, page 3.
[31] Ron Alquist, Ronen Israel, and Tobias Moskowitz, Fact, Fiction, and the Size Effect, *The Journal of Portfolio Management*, Fall 2018, page 5.

(6.5%) AND IS UNSUPPORTED BECAUSE IT IS NOT BASED ON ACTUAL MEASURABLE RETURNS. PLEASE RESPOND.

A. First, I do not use the Kroll supply-side equity risk premium analysis in any of my COE models as claimed by Mr. Moul. Nevertheless, I continue to believe that Kroll's equity risk premium analyses, including a resent finding that the equity risk premium is 5.5% shows that Mr. Moul's 6.5% equity risk premium portion of his Market Risk Premium Method is excessive. It should be further noted that Kroll's 4.39% and 5.50% equity risk premium calculations are in comparison to U.S. Treasury bonds, not the corporate bond yields used in Mr. Moul's analysis. Since corporate bond yields are higher than U.S. Treasury bonds, Mr. Moul's equity risk premium would be expected to be lower than those calculated by Kroll. Instead, his 6.50% is significantly higher. Therefore, the results of his own source indicate that his 11.50% COE result is excessive.

Finally, his claim that Kroll's equity risk premium analysis does not rely on "actual measurable returns" revealed by historical data is incorrect. Kroll's supply-side equity risk premium analysis is based on capital market data between 1926 and 2022.[32]

[32] Kroll 2023 SBBI Yearbook, Page 198.

VII. COMPARABALE EARNINGS APPROACH

Q. ON PAGES 38-39 OF HIS REBUTTAL TESTIMONY, MR. MOUL CONTINUES TO DEFEND HIS COMPARABLE EARINGS APPROACH BY CLAIMING THAT IT SATISFIES THE COMPARABILITY STANDARD ESTABLISHED IN THE HOPE CASE. DO YOU AGREE WITH MR. MOUL?

A. No. Mr. Moul's comparable earnings approach does not satisfy the comparability standard established in Hope Nat. Gas Co., 320 U.S. 591, 603 (1944) as he claims, because investors are not able to earn the return on book equity figures used in this method. As discussed on page 5 of my direct testimony, the legal standards set by the United State Supreme Court require that "The return to the equity owner should be commensurate with returns on investments in other enterprises having corresponding risks."[33] Investors are not able to earn the return on book equity unless the market-to-book ratios of these companies are the same. Mr. Moul has not demonstrated that the market-to-book rations of the companies that he uses in his analysis are anywhere near 1. Therefore, I continue to support my recommendation that the results of Mr. Moul's Comparable Earnings Approach should be disregarded.

VIII. MANAGEMENT PERFORMANCE RECOGNITION

Q. DID MR. MOUL PROVIDE ANY ADDITIONAL EVIDENCE IN HIS REBUTTAL TESTIMONY THAT LEADS YOU TO CHANGE YOUR RECOMMENDATION

[33] Fed. Power Comm'n v. Hope Nat. Gas Co., 320 U.S. 591, 603 (1944).

THAT AQUA' ROE SHOULD NOT RECEIVE AN ADDER FOR MANAGEMENT PERFORMANCE?

A. No. As stated on page 96 of my direct testimony, if the Commission decides to authorize Aqua an ROE that is higher than Aqua' market-based COE for its claimed superior management performance, I strongly encourage the Commission use my ROE recommendation of 8.70% (8.03% - 9.38%) without any adjustment for management performance. In addition to the reasons that I identified in my direct testimony, and which other OCA witnesses have indicated in their testimonies, it is also important to note that Mr. Moul consistently recommends adjustments for management performance seemingly as a course of business, noting that since 2018, he recommended management performance adders for 18 of the 21 Pennsylvania public utility cases in which he provided expert testimony. Exhibit ALR-1-SR. Thus, Mr. Moul's recommendation should be considered in the context of how frequently he recommends it.

IX. CAPITAL STRUCTURE

Q. ON PAGE 3, LINES 15-17 OF HIS REBUTTAL TESIMONY, MR. MOUL CLAIMS THAT YOUR RECOMMENDED CAPITAL STRUCTURE IS FACTUALLY WRONG AND CONTRARY TO LONG-STANDING COMMISSION PRACTICE AND PRECEDENT. PLEASE RESPOND.

A. I disagree with Mr. Moul that my capital structure recommendation is contrary to Commission practice and precedent. On page 7, lines 2-3 of his rebuttal testimony, Mr. Moul explains that "The Company's actual capital structure ratios are entirely reasonable and acceptable." I don't disagree that the Commission should authorize a reasonable

capital structure, but the problem in this case is that Aqua's capital structure, as proposed by Mr. Moul, is unreasonable and unfairly prejudices ratepayers. In fact, in her Statement issued regarding the recent Commission Order in the Peoples' Natural Gas rate case, a case in which I provided testimony on behalf of the OCA, Vice Chair Kimberly Barrow agreed with my recommendation that Peoples should receive a capital structure of 50% debt and 50% equity.[34] Vice Chair Barrow stated not only did my proposal comport with Commission precedent, but also that the Commission views capital structures to be more reasonable as they approach 50% debt and 50% equity.

Further, as shown on Exhibit ALR-5 and page 5 of my direct testimony, the average common equity ratio used by the 6 companies in my proxy group is 50.53%, significantly less than the 53.95% common equity ratio recommended by Mr. Moul. Mr. Moul's recommended capital structure is not reasonable because it is fundamentally inconsistent with the capital structure ratios used by water utility companies to raise capital. Therefore, I continue to recommend that Aqua' regulatory capital structure should have a common equity ratio of 50.53%.

Q. ON PAGE 3, LINE 16 OF HIS REBUTTAL TESTIMONY, MR. MOUL DESCRIBES HIS RECOMMENDED CAPITAL STRUCTURE AS AQUA'S PROJECTED ACTUAL CAPITAL STRUCTURE FOR THE FPFTY. IS MR. MOUL REFERRING TO A HYPOTHETICAL CAPITAL STRUCTURE HERE?

A. Yes. A regulated utility's use of a fully projected future test year to set its capital structure inherently means that the capital structure used by the utility is projected, or hypothetically what the capital structure will be after one year of effective rates. I see no reason based on

[34] R-2023-3044549, Statement of Vice Chair Kimberly Barrow at page 2.

the analysis presented by Mr. Moul why Aqua's projected actual capital structure is materially different from the hypothetical capital structure that I proposed for ratemaking purposes with respect to the hypothetical nature of both recommendations. Both my recommendation and that of Mr. Moul would be employed for the purposes of ratemaking, not to dictate how Aqua must set its actual capital structure. As set forth above and in my direct testimony, a hypothetical capital structure which is more in line with the average capital structure of the proxy group is more reasonable than the hypothetical capital structure proposed by Mr. Moul.

X. RESPONSE TO MR. PACKER'S REBUTTAL

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS YOU MADE REGARDING AQUA'S FULL MARKET VALUE ("FMV") ACQUISITIONS AND THEIR IMPACT ON AQUA'S COST OF EQUITY.

A. The Commission should consider how FMV acquisitions impact Aqua's cost of equity and specifically find that Aqua's growth by acquisition strategy using the tools of FMV result in lower overall risk for investment in Aqua and, therefore, Aqua should be awarded a cost of equity towards the lower end of what the Commission considers to be a reasonable range. This discussion is set forth fully on pages 97-100 of my direct testimony.

Q. WHAT DID MR. PACKER SAY IN RESPONSE TO YOUR RECOMMENDATION?

A. Mr. Packer, on page 22 of his rebuttal testimony, states that FMV acquisitions allow Aqua a guaranteed rate base of what it actually pays to acquire a system under the FMV system.

He concludes that there is no reason that Aqua should get a lowered return on its actual investment.

Q. DO YOU AGREE WITH MR. PACKER'S STATEMENT?

A. No. Mr. Packer's testimony overlooks the fact that, under a FMV system, there is less risk associated with a guaranteed addition to rate base of the lower of the purchase or FMV. As I stated in my direct testimony, this guarantee provides substantial benefits to Aqua and its investors by reducing the risk associated with investing in a new acquisition. Aqua's parent company, Essential Utilities, even describes the FMV enabling statute as a "competitive advantage." I have been informed by counsel that, prior to the passage of the FMV enabling statute, Aqua would not have been guaranteed its investment in acquiring a water or wastewater system and would have faced greater risks associated with recovering its return on those systems. Because reduced risk corresponds with a lower cost of equity, Aqua's cost of equity authorized in this proceeding should take into consideration the lower risk associated with acquisitions under a FMV system. Mr. Packer nor Mr. Moul provide analysis which would go against this fundamental tenet of determining an appropriate cost of equity.

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS YOU MADE REGARDING HOW THE AFFORDABILITY OF AQUA'S RATES IMPACTS AQUA'S COST OF EQUITY.

A. The Commission should consider the impact of affordability of rates when establishing Aqua's cost of equity in this proceeding. Major financial institutions, such as credit rating agencies, and Essential Utilities provide that when customer rates become unaffordable, a regulated utility's ability to earn its revenue requirement diminishes, placing the utility and

its investors at greater risk. Specifically, I recommend that the Commission should determine Aqua's cost of equity to be towards the lower end of the range of reasonableness to mitigate this risk to Aqua and its investors as well as to reduce the risk to consumers of Aqua's rates being set at an unaffordable level due to a higher authorized return on equity. This discussion is set forth fully on pages 101-103 of my direct testimony.

Q. WHAT DID MR. PACKER SAY IN RESPONSE TO YOUR RECOMMENDATION?

A. Mr. Packer, on pages 22 and 23 of his rebuttal testimony, disagrees with my recommendation. He states that Aqua is entitled to a fair and reasonable rate of return and that Aqua's requested rate increase does so at a level which balances affordability and rate gradualism concerns. Mr. Packer also relies on Aqua's low-income customer assistance program to support the idea that Aqua's rates will be set at an affordable level.

Q. DO YOU AGREE WITH MR. PACKER'S STATEMENT?

A. No. While I agree that Aqua is entitled to a fair and reasonable rate of return and the purpose of my role in this proceeding is to ensure that Aqua's authorized return on equity is actually set within a reasonable range. However, I disagree that Mr. Moul's recommendations would result in a fair and reasonable rate of return because his recommendations are higher than a market-based cost of equity would indicate is reasonable. My recommendation is that when the Commission sets Aqua's ultimate authorized rate of return, within the zone of reasonableness, that affordability be taken into consideration by setting the rate of return within the lower end of the zone of reasonableness, not below the zone of reasonableness as Mr. Packer seems to think. My

recommended cost of equity, if accepted by the Commission, would ensure that Aqua has the capital sufficient to provide safe and reliable service to all of its customers.

Q. DO YOU TAKE A POSITION ON WHETHER AQUA'S CUSTOMER ASSISTANCE PROGRAM IS ABLE TO MITIGATE RATE IMPACT TO AQUA'S LOW-INCOME CUSTOMERS?

A. No. I am not an expert on low-income customer assistance program issues. However, my colleague, OCA witness Roger Colton, fully discusses that Aqua's customer assistance program is not sufficient to mitigate the entirety of Aqua's rate impact on low-income customers, especially those who are not enrolled in Aqua's customer assistance program.

XI. CONCLUSION

Q. PLEASE SUMMARIZE YOUR REACTION TO MR. MOUL'S REBUTTAL TESTIMONY.

A. Mr. Moul's criticisms of my Direct Testimony should be rejected. Mr. Moul consistently employed results-based analysis to attack the credibility of my recommendations. Mr. Moul did not supplement his discussion by providing facts, analysis, or data which showed that my recommendations are not credible, other than the fact that they are lower than his. In my view, an argument which is not supported by evidence should not be accepted. If adopted, my cost recommendations would allow Aqua to raise the capital it needs to provide safe and reliable service because my recommendations are consistent with investors' return expectations.

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes.

OCA 1-17
Attachment 1
Page 1 of 1

Paul R. Moul List of Testimonies Submitted in Pennsylvania Since 2018

Case name	Docket number	Date	Return on Equity Recommended	Methods Used	Leverage Adjustment	Size Adjustment	Management Performance	Management Performance Adj. Amount
PECO Energy Company - Electric Division	R-2024-3046931	March 28, 2024	10.95%	DCF, RP, CAPM, CE	Y	N	Y	0.15%
PECO Energy Company - Gas Division	R-2024-3046932	March 28, 2024	11.15%	DCF, RP, CAPM, CE	Y	N	Y	0.15%
Duquesne Light Company	R-2024-3046523	March 20, 2024	11.50%	DCF, RP, CAPM, CE	Y	Y	Y	not defined
Columbia Gas of Pennsylvania, Inc.	R-2024-3046519	March 15, 2024	11.75%	DCF, RP, CAPM, CE	Y	Y	Y	0.25%
Peoples Natural Gas Company LLC	R-2023-3044549	December 29, 2023	11.75%	DCF, RP, CAPM, CE	Y	Y	Y	0.25%
UGI Utilities, Inc. – Electric Division	R-2022-3037368	January 27, 2023	11.30%	DCF, RP, CAPM, CE	Y	Y	Y	0.20%
National Fuel Gas Distribution Corporation	R-2022-3035730	October 28, 2022	11.20%	DCF, RP, CAPM, CE	Y	Y	Y	0.25%
York Water	R-2022-3031340	May 30, 2022	11.25%	DCF, RP, CAPM, CE	Y	Y	Y	0.25%
PECO Energy Company - Gas Division	R-2022-3031113	March 30, 2022	10.95%	DCF, RP, CAPM, CE	Y	Y	Y	0.10%
Columbia Gas of Pennsylvania, Inc.	R-2022-3031211	March 18, 2022	11.20%	DCF, RP, CAPM, CE	Y	Y	Y	0.25%
UGI Utilities, Inc. – Gas Division	R-2021-3030218	January 28, 2022	11.20%	DCF, RP, CAPM, CE	Y	Y	Y	0.20%
Aqua Pennsylvania, Inc.	R-2021-3027385	August 20, 2021	10.75%	DCF, RP, CAPM, CE	Y	Y	Y	not defined
Duquesne Light Company	R-2021-3024750	April 16, 2021	10.95%	DCF, RP, CAPM, CE	Y	Y	Y	not defined
PECO Energy Company - Electric Division	R-2021-3024601	March 31, 2021	10.95%	DCF, RP, CAPM, CE	Y	Y	Y	0.25%
Columbia Gas of Pennsylvania, Inc.	R-2021-3024296	March 20, 2021	10.95%	DCF, RP, CAPM, CE	Y	Y	N	0.00%
UGI Utilities, Inc. – Electric Division	R-2021-3023618	February 8, 2021	10.75%	DCF, RP, CAPM, CE	Y	Y	N	0.00%
PECO Energy Company - Gas Division	R-2020-3018929	September 30, 2020	10.95%	DCF, RP, CAPM, CE	Y	N	Y	0.25%
UGI Utilities, Inc. – Gas Division	R-2019-3015162	January 28, 2020	10.95%	DCF, RP, CAPM, CE	Y	Y	Y	0.20%
UGI Utilities, Inc. – Gas Division	R-2018-3006814	January 28, 2019	11.25%	DCF, RP, CAPM, CE	Y	Y	Y	0.25%
Peoples Natural Gas Company LLC	R-2018-3006818	January 28, 2019	11.25%	DCF, RP, CAPM, CE	Y	Y	Y	0.25%
Aqua Pennsylvania, Inc.	R-2018-3003558, et al.	August 17, 2018	10.75%	DCF, RP, CAPM, CE	Y	Y	Y	not defined
York Water	R-2018-3000019	May 30, 2018	11.00%	DCF, RP, CAPM, CE	Y	Y	Y	0.12%
PECO Energy Company - Electric Division	R-2018-3000164	March 29, 2018	10.95%	DCF, RP, CAPM, CE	Y	N	Y	0.25%
Duquesne Light Company	R-2018-3000019	March 28, 2018	10.95%	DCF, RP, CAPM, CE	Y	Y	Y	not defined
Columbia Gas of Pennsylvania, Inc.	R-2018-2647577	March 16, 2018	10.95%	DCF, RP, CAPM, CE	Y	Y	N	0.00%
UGI Utilities, Inc. – Electric Division	R-2017-2640058	January 26, 2018	10.95%	DCF, RP, CAPM, CE	Y	Y	Y	0.20%

Key:
DCF = Discounted Cash Flow
RP = Risk Premium
CAPM = Capital Asset Pricing Model
CE = Comparable Earnings
Y = Yes
N = No

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Aaron Rothschild, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 3SR, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 26, 2024 Signature: Aaron Rothschild

Aaron Rothschild

Address: Rothschild Financial Consulting
15 Lake Road,
Ridgefield, CT

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	)	
v.	)	**R-2024-3047822**
	)	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	)	

Direct Testimony & Exhibits of

Brian C. Andrews

OCA Statement 4

On behalf of

Pennsylvania Office of Consumer Advocate

Date Served: August 16, 2024

BRUBAKER & ASSOCIATES, INC.

Project 11696

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	)	
v.	)	**R-2024-3047822**
	)	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	)	

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EXHIBIT BCA-1 THROUGH EXHIBIT BCA-18

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	)	
v.	)	**R-2024-3047822**
	)	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	)	

Direct Testimony of Brian C. Andrews

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A Brian C. Andrews. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017.

Q WHAT IS YOUR OCCUPATION?

A I am a consultant in the field of public utility regulation and a Principal with the firm of Brubaker & Associates, Inc. ("BAI"), energy, economic and regulatory consultants.

Q PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A This information is included in Appendix A to my testimony.

Q ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?

A I am appearing on behalf of the Pennsylvania Office of Consumer Advocate ("OCA").

Q HAVE YOU TESTIFIED BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION IN PRIOR PROCEEDINGS?

A Yes, I have previously testified before the Pennsylvania Public Utility Commission ("PUC" or "Commission") in the recent Columbia Gas of Pennsylvania rate case (R-2024-3046519, C-2024-3047905, C-2024-3047675, C-2024-3048339). Additionally, I have testified on this issue at the subject of this testimony in over 40 proceedings before the public utility commissions in Arizona, Arkansas, California, Colorado, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Missouri, Montana, New Mexico, Nevada, Oklahoma, South Carolina, and Washington, DC.

Q PLEASE GIVE A BRIEF OVERVIEW OF YOUR TESTIMONY.

A My testimony addresses Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.'s (collectively "Aqua PA" or "Company") proposed depreciation rates. I show that Aqua PA has greatly overstated its proposed depreciation rates and recommend adjusting the proposed depreciation rates and test year depreciation expense downward by more than $14 million combined in all five of Aqua PA's service areas' revenue requirements. The reduction is the result of using the Average Life Group ("ALG") (also known as the Broad Group) procedure rather than the Equal Life Group ("ELG") procedure.

My silence in regard to any issue should not be construed as an endorsement of or acquiescence to Aqua PA's position.

SUMMARY OF RECOMMENDATIONS

Q PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.

A My conclusions and recommendations are as follows:

1. Aqua PA has filed a depreciation study based on plant balances for its Fully Projected Future Test Year ("FPFTY") as of December 31, 2025 using the ELG procedure. These depreciation rates would result in excessive and burdensome depreciation expense for Aqua PA's customers.

2. Aqua PA's total proposed 2025 depreciation expense of $161.1 million represents 20% of its proposed total revenue requirement.

3. Aqua PA is in an accelerated investment period that will substantially drive an increase to rate base and revenue requirement.

4. The use of the ALG procedure can be used to mitigate the rate increases associated with Aqua PA's accelerated investment to upgrade its infrastructure. The ALG equitably spreads the annual depreciation expense on rate base investment over the generations of customers that receive service from the investments. Conversely, the ELG method assigns more depreciation expense to customers that take service early in the asset's service life and reduces the expense to customers toward the end of the asset's service life.

5. The PUC should order Aqua PA to use depreciation rates that are based on the ALG procedure.

6. The proposed test year depreciation expense would be reduced by $14.1 million if the ALG depreciation rates are utilized.

7. The PUC should approve the depreciation rates that are presented in Exhibit BCA-3, Exhibit BCA-6, Exhibit BCA-9, Exhibit BCA-12, and Exhibit BCA-15 for Aqua PA's Water Base Operations, Shenandoah Operations, Wastewater Base Operations, Lower Makefield Operations, and East Whiteland Operations, respectively.

DEPRECIATION OVERVIEW

Q PLEASE PROVIDE A GENERAL OVERVIEW OF DEPRECIATION.

A Depreciation expense and accumulated depreciation are both accounting entries on a utility's books that refer to the gradual reduction of an asset's value over time. The

main difference between the two is where they are reported on financial statements and how they are recognized and used for purposes of setting a utility's overall revenue requirement for ratemaking purposes:

- Depreciation expense is reported in a utility's income statement and shows the use of the assets to provide utility service over an annual period and is included in the calculation of the utility's overall revenue requirement.

- Accumulated depreciation is the total depreciation expense recorded to date, less recorded retirements and cost of removal, plus recorded gross salvage. Accumulated depreciation is reported on a utility's balance sheet as a contra asset, meaning it is paired with the fixed asset account for allowed utility plant-in-service (*i.e.*, rate base) and functions to reduce the value of allowed utility plant-in-service to determine the net book value of plant-in-service. The net book value of rate base is multiplied by the utility's authorized rate of return and the product is included in the calculation of the utility's overall revenue requirement.

Generally speaking, depreciation expense accounting provides for the recovery of the original cost of the utility's assets that are currently providing service – this capital recovery generally occurs over the remaining service life of the investment or assets.

BOOK DEPRECIATION CONCEPTS

Q PLEASE EXPLAIN THE PURPOSE OF BOOK DEPRECIATION ACCOUNTING.

A Book depreciation is the recognition in a utility's income statement of the consumption or use of assets to provide utility service. Book depreciation is recorded as an expense and is included in the ratemaking formula to calculate the utility's overall revenue requirement.

The basic underlying principle of utility depreciation accounting is intergenerational equity, where the customers/ratepayers who benefit from the service of assets pay all the costs for those assets during the benefit period, which is over the

life of those assets.[1] This concept of intergenerational equity can be achieved through depreciation by allocating costs to customers in a systematic and rational manner that is consistent with the period of time in which customers receive the service value.[2]

Book depreciation provides for the recovery of the original cost of the utility's assets that are currently providing service. Book depreciation expense is not intended to provide for replacement of the current assets, but provides for capital recovery or return of current investment. Generally, this capital recovery occurs over the average service life of the investment or assets. As a result, it is critical that appropriate average service lives be used to develop the depreciation rates so no generation of ratepayers is disadvantaged.

In addition to capital recovery, depreciation rates also contain a provision for net salvage. Net salvage is simply the scrap or reuse value less the removal cost of the asset being depreciated. Accordingly, a utility will also recover the net salvage costs over the useful life of the asset. However, in Pennsylvania, net salvage is not included in the calculation of depreciation rates.

Q PLEASE FURTHER EXPLAIN NET SALVAGE.

A Net salvage is simply the value received from the sale or reuse of retired property (salvage value), less the cost of retiring such property (cost of removal). Net salvage can be either positive or negative. If the salvage value exceeds the cost of removal, the net salvage is positive. If the cost of removal is greater than the salvage value received

[1]Edison Electric Institute, Introduction to Depreciation for Public Utilities and Other Industries, April 2013, page viii.

[2]*Id.* at 22.

as a result of retirement, the resulting net salvage is negative. For most utilities, negative net salvage is a significant component of its depreciation rates and expense.

Q ARE THERE ANY DEFINITIONS OF DEPRECIATION ACCOUNTING THAT ARE UTILIZED FOR RATEMAKING PURPOSES?

A Yes. One of the most quoted definitions of depreciation accounting is the one contained in the Code of Federal Regulations ("CFR"):

> "Depreciation, as applied to depreciable gas plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of gas plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities, and, in the case of natural gas companies, the exhaustion of natural resources."

18 CFR, Chapter I, Subchapter F, Part 201(12)(B).

Effectively, depreciation accounting provides for the recovery of the original cost of an asset over its useful life.

Q HOW DO DEPRECIATION RATES AFFECT A UTILITY'S REVENUE REQUIREMENT?

A Depreciation expense is typically one of the largest single line items in a utility's overall revenue requirement that is ultimately recovered through tariff rates. When a utility updates its depreciation rates, it is effectively updating the amount of capital that is returned to it each year for investments that have been made to provide utility service. The depreciation rates are calculated in a depreciation study. The resulting depreciation

rates are then applied to test year plant balances to determine the depreciation expense component of the utility revenue requirement.

Q HOW ARE DEPRECIATION RATES DETERMINED?

A Depreciation rates are determined in a depreciation study using a depreciation system. There are three components, each with a number of variations, used to determine a depreciation system, which is then used to estimate depreciation rates. The three basic components are: (1) methods, (2) procedures, and (3) techniques. The choice of a depreciation system can significantly affect the resulting depreciation rates, thus, the revenue requirement.

Q PLEASE FURTHER DESCRIBE THE METHODS THAT ARE USED IN A DEPRECIATION SYSTEM.

A There generally are three types of methods of spreading depreciation expense over the life of property. These are the Straight-Line Method, accelerated methods, and deferred methods. The Straight-Line Method is the method most widely used by utility companies for accounting and ratemaking purposes as it is easy to apply and does not create intergenerational inequities because it spreads an equal portion of the plant cost across each accounting period. Accelerated methods result in higher depreciation rates earlier in an asset's life, and lower depreciation rates later. Deferred methods have increasing rates over an asset's life.

Q PLEASE DESCRIBE THE GROUPING PROCEDURES THAT ARE USED IN A DEPRECIATION SYSTEM.

A There are four main grouping procedures used in a depreciation system. These four procedures are the Individual procedure, the Broad Group (more commonly known as the ALG), the Vintage Group, and the ELG.

In the ALG procedure, all units within a particular account or category are assumed to be part of a single group that exhibits the same life and retirement characteristics. This is the most commonly utilized procedure nationwide.

The Vintage Group and the ELG procedure assume that sub-groups within a particular account or category may exhibit unique life characteristics. As an example of the Vintage Group procedure, it may assume that all services installed in 1985 have a 50-year life, while all services installed in year 1995 have a 45-year life. The ELG procedure may assume that all services that will attain a life of 50 years should have one depreciation rate while services that only attain life spans of 45 years would have a different depreciation rate. The overall group depreciation rate for the account would be a composite of the ELG and vintage depreciation rates.

Q PLEASE FURTHER DESCRIBE THE TECHNIQUES THAT ARE USED IN A DEPRECIATION SYSTEM.

A There are two techniques used to calculate depreciation rates: Whole Life and Remaining Life. The Whole Life Technique spreads the original cost plus net salvage of the account over the average life of the account. This technique requires that separate

amortizations be made to correct for over- and under-accumulations due to changes in an account's average service life.

The Remaining Life Technique spreads the unrecovered cost plus net salvage over the remaining life of the account. The Remaining Life Technique is the most common technique used and it has a self-correcting nature that spreads any over- or under-accumulations over the remaining life.

Q IN YOUR EXPERIENCE, WHAT DEPRECIATION SYSTEM IS MOST COMMONLY UTILIZED TO DETERMINE UTILITY DEPRECIATION RATES FOR RATEMAKING PURPOSES?

A The most common depreciation system is one that consists of the Straight-Line Method, the ALG procedure, and the Remaining Life Technique.

Q WHAT ARE SURVIVOR CURVES AND HOW ARE THEY USED IN DEVELOPING DEPRECIATION RATES?

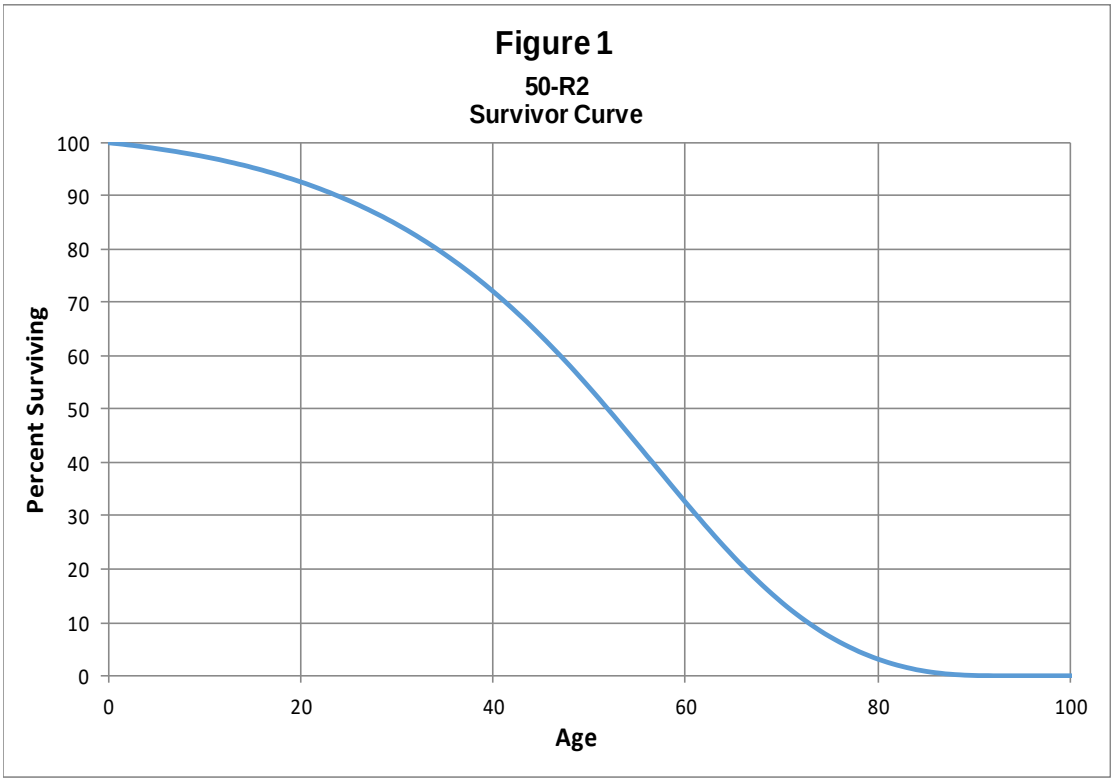
A The selection of the survivor curve is one of the most important decisions in conducting a depreciation study. A survivor curve is a graphical representation of the amount of property existing at each age interval throughout the life of a group of property. From the survivor curve, parameters required to calculate depreciation rates can be determined, such as the average service life of the group of property and the composite remaining life. For assets with an assumed lifespan or retirement date, the survivor curve is used to estimate the interim retirements that will occur between the study date and the estimated year of final retirement. These parameters directly affect the

depreciation rate calculations; therefore, informed judgment should be used in their selection.

In this proceeding, as well as the majority of utility regulatory rate case proceedings throughout the U.S. and Canada, the Iowa Curves are the general survivor curves utilized to describe the mortality characteristics of a group of property. There are four types of Iowa Curves: right-moded, left-moded, symmetrical-moded, and origin-moded. Each type describes where the greatest frequency of retirements occur relative to the average service life.

A survivor curve consists of an average service life and Iowa Curve type combination. For example, when describing property with a 50-year average service life that has mortality characteristics of the R2 Iowa Curve, the survivor curve would simply be notated as "50-R2." I present the 50-R2 survivor curve in Figure 1 below.

Figure 1



AQUA PA'S DEPRECIATION STUDY

Q HAS AQUA PA PROPOSED NEW DEPRECIATION RATES IN THIS PROCEEDING?

A Yes. Aqua PA retained Mr. John Spanos, of Gannett Fleming, to conduct a depreciation study on Aqua PA's property as of December 31, 2023 for each of the five water and wastewater service areas' revenue requirements. The 2023 Depreciation Study for each service areas' revenue requirement has been filed as Exhibit Nos. 6-A, Part 1 through 6-E, Part 1. The depreciation rates for the FPFTY, based on 2025 plant balances, are filed as Exhibit Nos. 6-A, Part 3 through 6-E, Part 3.

Q WHAT DEPRECIATION SYSTEM DOES AQUA PA UTILIZE IN THE CALCULATION OF ITS PROPOSED DEPRECIATION RATES?

A Aqua PA used a depreciation system consisting of the Straight-Line Method, the ELG procedure, and the Remaining Life Technique[3] to calculate its proposed depreciation rates.

Q HOW DOES AQUA PA'S PROPOSED DEPRECIATION RATES IMPACT THE REVENUE REQUIREMENT IN THIS PROCEEDING?

A Aqua PA's proposed depreciation rates significantly impact the revenue requirement in this proceeding. As is shown on Aqua PA's Exhibit Nos. 1-A through 1-E, Schedules A-1, Aqua PA's total depreciation expense is $161.1 million for the 2025 projected test year, representing 20% of Aqua PA's proposed revenue

[3]Aqua PA Statement No. 6 at page 4, line 15 through page 5, line 5.

requirement. For the Water Base, Aqua PA shows that the 2023 depreciation and amortization expense was $122.2 million and increases to $142.3 million in 2025, meaning a 16.4% increase in depreciation expense over a two-year period. For Wastewater Base, the 2023 depreciation expense was $12.7 million, increasing to $14.1 million, an increase of 11.8%. As I will discuss later, Aqua PA's use of the ELG procedure is exacerbating this increase. I summarize the increase by functional group in Table 1 and Table 2 for the Water Base Operations and Wastewater Base Operations, respectively. As this is the first filing for Shenandoah, East Whiteland, and Lower Makefield, no comparison has been created for those service areas' revenue requirements.

TABLE 1

Aqua PA Annual Depreciation Expense - Water Base Operations
($ Millions)

Group	Current 3/31/2023	Proposed 12/31/2025	Delta Amount	Delta Percent
Water Plant in Service	$ 122.41	$ 144.18	$ 21.78	17.8%
Customers' Advances and CIAC	$ (3.43)	$ (4.83)	$ (1.40)	40.9%
Amortization of Net Salvage	$ 3.19	$ 2.91	$ (0.28)	-8.7%
Total Water Plant	**$ 122.17**	**$ 142.26**	**$ 20.10**	**16.4%**

Sources: Filing Requirement FR VI.5, pages 10 -13, and Exhibit 6-A, Part 3

TABLE 2

Aqua PA Annual Depreciation Expense - Wastewater Base Operations
($ Millions)

Group	Current 3/31/2023	Proposed 12/31/2025	Delta Amount	Delta Percent
Wastewater Plant in Service	$ 12.94	$ 14.75	$ 1.81	14.0%
Customers' Advances and CIAC	$ (0.58)	$ (0.69)	$ (0.11)	19.3%
Amortization of Net Salvage	$ 0.28	$ 0.08	$ (0.20)	-72.8%
Total Water Plant	**$ 12.64**	**$ 14.13**	**$ 1.50**	**11.8%**

Sources: Filing Requirement FR VI.5, pages 32 - 40, and Exhibit 6-C, Part 3

Q WHAT IS THE PRIMARY FACTOR DRIVING THE INCREASE TO AQUA PA'S DEPRECIATION EXPENSE?

A Aqua PA is in an accelerated investment cycle. Mr. Packer states, "Since the end of its last base rate case, the Company's average capital expenditure program for water and wastewater operations has been approximately $300 million annually. Indeed, the Company has been investing in new and replacement infrastructure for many years at an accelerated rate to proactively address aging infrastructure and evolving regulatory requirements. The accelerated levels of investment, particularly since the establishment of the Distribution System Improvement Charge ("DSIC"), have enabled significant enhancements to the Company's utility infrastructure."[4] In Table 3 and Table 4, I show the increase in Aqua PA's Water Base and Wastewater Base plant-in-service and depreciation expense from 2021-2025.

[4]Aqua Statement No. 1 at page 3, line 21 through page 4, line 4.

TABLE 3

Aqua PA Annual Plant in Service and Depreciation Expense - Water Base Operations
($ Millions)

Description	Currently Approved 2021	2022	2023	Proposed Parameters 2024	2025	2021 to 2025 Increase	Percent Increase
Total Plant in Service	$ 4,676.00	$ 5,041.76	$ 5,327.11	$ 5,722.93	$ 6,013.47	$ 1,337.47	28.60%
Total Depreciation Expense	$ 103.59	$ 114.34	$ 122.17	$ 138.42	$ 142.26	$ 38.67	37.33%

Sources: Filing Requirement FR VI.5 and Exhibit 6-A, Part 2 & Part 3

TABLE 4

Aqua PA Annual Plant in Service and Depreciation Expense - Wastewater Base Operations
($ Millions)

Description	Currently Approved 2021	2022	2023	Proposed Parameters 2024	2025	2021 to 2025 Increase	Percent Increase
Total Plant in Service	$ 471.39	$ 499.90	$ 535.37	$ 568.54	$ 602.45	$ 131.06	27.80%
Total Depreciation Expense	$ 10.61	$ 11.67	$ 12.64	$ 13.50	$ 14.13	$ 3.52	33.22%

Sources: Filing Requirement FR VI.5 and Exhibit 6-C, Part 2 & Part 3

As can be seen, the Water Base depreciation expense has increased over 37% over a 5-year period, largely coinciding with a 29% increase to plant-in-service. Similarly, Wastewater Base depreciation expense has increased over 33% with a 28% increase to plant-in-service. I would also note that for the 6-10 inch cast iron water mains, which is the largest account, Aqua PA proposes to shorten the life from 80 years to 65 years. This largely explains why the increase in water base depreciation expense is larger than the growth of plant-in-service.

Q DO YOU TAKE ISSUE WITH AQUA PA'S DEPRECIATION STUDIES?

A Yes. Aqua PA's proposed depreciation rates are overstated and burden Aqua PA's customers with unnecessary and excessive depreciation expense and unnecessarily inflate the revenue requirement. In particular, Aqua PA's reliance on the ELG

procedure results in depreciation rates that are front-loaded and forces unnecessary depreciation expense on current customers. This compounds the cost of the infrastructure asset in the early years of the asset's service life by increasing both the return on the asset (because undepreciated net plant cost is highest in the early years) and the annual recovery of the asset or depreciation expense. Like most other regulatory commissions, the ELG procedure should be rejected by the PUC in favor of the ALG procedure.

Q WHY SHOULD THE PUC REJECT AQUA PA'S USE OF ELG DEPRECIATION RATES?

A As I will demonstrate, the ELG procedure results in front-loaded depreciation rates that burden customers with unnecessarily high depreciation expense. The vast majority of utilities in the country calculate depreciation rates using the ALG procedure. As far as I am aware, only some Pennsylvania utilities and a few utilities in Texas and Colorado rely on the ELG procedure presently. Utilities in Indiana recently have made the switch to ALG rates due to the Indiana Utility Regulation Commission's ("IURC") finding that "the use of ELG in a higher than average investment cycle has the effect of unnecessarily increasing the near term depreciation expense as compared to the use of ALG."[5] Accordingly, the PUC should reject Aqua PA's proposed use of the ELG procedure to calculate depreciation rates and instead order the use of the ALG procedure to mitigate the rate impact of substantial rate base increases.

[5] *Petition of Duke Energy Indiana, LLC Pursuant to Ind. Code § 8-1-2-42.7 and § 8-1-2-61,* Indiana Utility Regulatory Commission ("IURC"), June 29, 2020, IURC Final Order in Docket No. 45253 at page 90, file:///C:/Users/ef1/Downloads/45253%20ORDER%20062920.pdf. See Exhibit BCA-18.

ELG VS. ALG DEPRECIATION RATES

Q WHAT DEPRECIATION GROUPING PROCEDURE DOES AQUA PA PROPOSE?

A Aqua PA has used the ELG procedure to calculate its proposed depreciation rates.

Q WHAT IS THE MOST COMMONLY UTILIZED GROUPING PROCEDURE?

A The most commonly utilized depreciation grouping procedure throughout the nation is the ALG procedure. I have addressed in testimony, or reviewed depreciation studies conducted in approximately half of the states in the USA. In all states where I have experience, except for a few utilities in Texas, Colorado, and Pennsylvania, depreciation rates are routinely calculated using the ALG procedure.

Q HOW ARE DEPRECIATION RATES COMPUTED IN THE ELG PROCEDURE?

A When depreciation rates are computed using the ELG procedure, an attempt is made to precisely identify the exact year in which all property will retire and create a depreciation rate that ensures recovery of the property over the computed remaining life. Accordingly, property that will only have a 1-year life (according to a survivor curve) should have 100% depreciation rate; property that will have a 2-year life would have a 50% depreciation rate, property that has a 3-year life would have a 33% depreciation rate and so on. These are the ELGs, each with a unique depreciation rate to ensure recovery over the life of the ELG.

To be more specific, the Aqua PA's Depreciation Study was conducted based on 2025 plant balances (the FPFTY in use in this proceeding). Because Aqua PA is relying on the ELG procedure, it is essentially claiming it knows exactly how much property will retire in 2026, and established a depreciation rate for that property that ensures all unrecovered investment is recovered in 2026. Similarly, it must know exactly how much property will retire in 2027, 2028, 2029, and every single year in the future. Each ELG for each account will have a unique depreciation rate, in an attempt to recover the cost of those groups over the remaining life. The annual accruals for each ELG are summed to determine the total annual accrual for each account. The depreciation rate would then be equal to the sum of annual accruals divided by the total account balance. The selection of the survivor curve has a significant impact on the amount of property assumed to be in each ELG.

Q HOW ARE DEPRECIATION RATES COMPUTED IN THE ALG PROCEDURE?

A With the ALG procedure, all assets in an account are assumed to have an average life equal to that of the proposed survivor curve. While some property will be retired before the average service life, and some will be retired after the average service life, on average, the property will exhibit life characteristics according to the survivor curve. For each vintage of property within an account, the remaining life is determined based on the age of the property and the survivor curve selected for the account. The unrecovered cost for each vintage is spread over the remaining life of that vintage, yielding an annual accrual for each vintage. The vintage annual accruals are summed

for the entire account, and the total of annual accruals is divided by the account balance to determine the depreciation rate.

Q HAVE YOU CREATED AN EXAMPLE THAT COMPARES THE ELG AND THE ALG PROCEDURES?

A Yes. I have created an example that will demonstrate the differences between the ALG and ELG procedures. It will demonstrate how the rates are calculated under each procedure and will show that the ELG is front-loaded and requires annual updates.

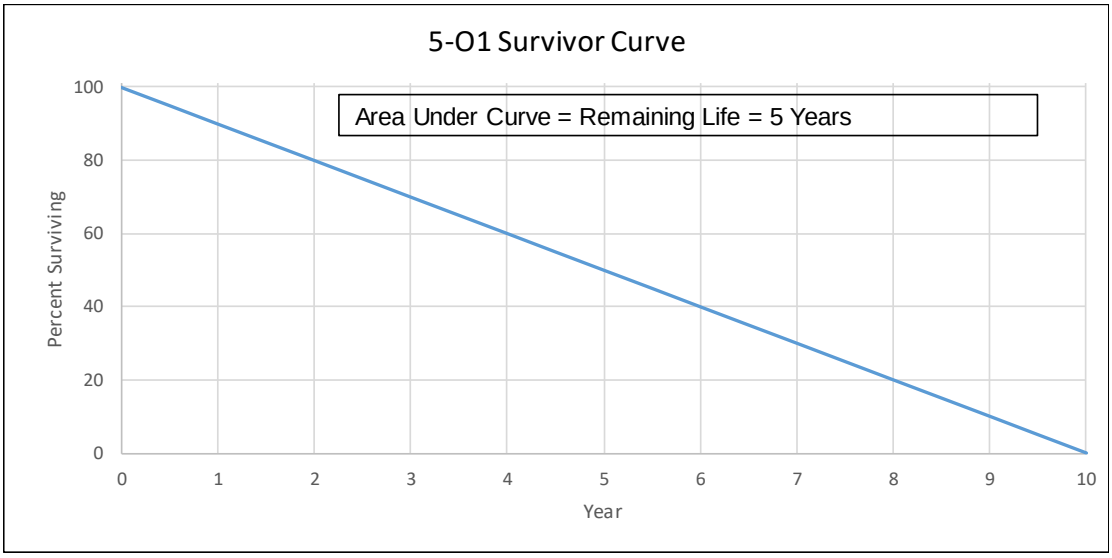
Q WHAT ASSUMPTIONS ARE YOU MAKING IN YOUR EXAMPLE?

A This example assumes that $100,000 of property is placed in-service into an account. It is the first and only property to exist in the account, and it will not be replaced as the initial $100,000 investment retires. The property will retire consistent with the 5-O1 survivor curve and has a 0% net salvage rate. This example will demonstrate how $100,000 will be recovered over the life of the property.

Q PLEASE DESCRIBE THE 5-O1 SURVIVOR CURVE.

A The 5-O1 survivor curve is presented in Figure 2.

FIGURE 2



The 5-O1 survivor curve has a 5-year average service life and assumes that all property is retired by year 10. This survivor curve assumes that 10% retires each year, therefore, in this example, it is assumed that $10,000 retires each year.

Q HOW WOULD THE ALG DEPRECIATION RATE BE CALCULATED FROM THE 5-O1 SURVIVOR CURVE?

A In the ALG procedure, the depreciation rate is calculated by ensuring recovery of the investment less net salvage over the remaining service life of the property. In this example, the net salvage rate is 0%, therefore, 100% of the investment needs to be recovered over the average service life, which in this example is 5 years. 100% divided by 5 years equals 20%. 20% is the depreciation rate that needs to be in place for 10 years to ensure the recovery of the $100,000 investment and $0 for net salvage over the life of the property.

Q HOW WOULD THE ELG DEPRECIATION RATE BE CALCULATED FROM THE 5-O1 SURVIVOR CURVE?

A With the ELG procedure, a different depreciation rate is needed for each year. The 5-O1 survivor curve in this example yields 10 different ELGs. The first group will have a 1-year life, the second group will have a 2-year life, and so on until the last group, which would have a 10-year life. In the first year, the total depreciation rate would allow for recovery of a portion of all 10 of the ELGs. In the second year, the depreciation rate would recover a portion of all of the ELGs except for the 1-year ELG, which according to the survivor curve is retired. The last year's depreciation rate would only provide for the last annual accrual of the 10-year ELG.

Q CAN YOU PROVIDE A COMPARISON OF THE ANNUAL DEPRECIATION EXPENSE IN YOUR EXAMPLE?

A Yes. In Table 5 I provide a comparison of the annual depreciation rates and expense needed to recover the $100,000 investment over its service life, assuming it retires according to the 5-O1 survivor curve and has a 0% net salvage rate.

TABLE 5

Comparison of ALG Procedure and ELG Procedure
Recovery of $100,000 Investment with 0% Net Salvage and 5-O1 Survivor Curve

Year	First of Year Surviving Original Cost	ALG Rate	ALG Expense	ELG Rate	ELG Expense	Delta
1	$ 100,000	20.00%	$ 19,000	34.38%	$ 32,665	$13,665
2	90,000	20.00%	17,000	22.74%	19,332	2,332
3	80,000	20.00%	15,000	18.66%	13,998	(1,002)
4	70,000	20.00%	13,000	16.26%	10,570	(2,430)
5	60,000	20.00%	11,000	14.60%	8,030	(2,970)
6	50,000	20.00%	9,000	13.36%	6,010	(2,990)
7	40,000	20.00%	7,000	12.38%	4,332	(2,668)
8	30,000	20.00%	5,000	11.58%	2,896	(2,104)
9	20,000	20.00%	3,000	10.94%	1,641	(1,359)
10	10,000	20.00%	1,000	10.53%	526	(474)
	Total Recovered Investment:		**$ 100,000**		**$ 100,000**	**$ (0)**

Source: BCA WP-2

Q WHAT DOES YOUR EXAMPLE DEMONSTRATE?

A Table 5 above demonstrates how both the ALG and ELG procedures allow for capital recovery of the $100,000 investment over the same 10-year period. The ALG depreciation rate is 20% and held constant through the 10-year period in which this property provides service. The ELG procedure requires a 34.38% depreciation rate in year 1, a 22.74% depreciation rate in year 2, declining until there is a 10.53% depreciation rate in year 10. This example shows how the ELG depreciation rates must be adjusted every year, otherwise significant intergenerational inequities will exist, and more cost will be recovered than is necessary in the first two years. However, in ratemaking, depreciation expense that is included in customer base rates are only updated when the Commission approves new base rates, which means that the year 1 depreciation expense would essentially be fixed in place and utilized as the test year expense until new depreciation rates are approved in a future rate case. In my example

above, this would effectively "lock in" depreciation expense based on a 34.38% depreciation rate until new rates are established in a future rate case as opposed to the 20% depreciation rate calculated by the ALG method.

Q PLEASE EXPAND ON LAST STATEMENT.

A Utilities typically only update their depreciation expense recovered from customers in the context of a base rate case, which is often not an every year occurrence. When depreciation rates for new assets are proposed using the ELG procedure, the rates put forward for approval would be analogous to the year 1 depreciation rate in this example. Therefore, if the ELG method were approved in a depreciation study, given this example and left in place for 10 years, the effective depreciation rate would be 34.38% every year. To be just to consumers and to produce reasonable rates, ELG depreciation rates should be updated each year and the corresponding depreciation expense adjusted in base rates; however, the ELG depreciation rates are not properly implemented and create intergenerational inequities, significantly overcharging customers in base rates based on the higher depreciation rates in the earlier years. Between rate cases, the depreciation expense component of a utility's revenue requirement remains at the level approved in the rate case, so while Aqua PA may routinely update its depreciation rates for accounting purposes, the depreciation expense for rate purposes provided by customers remains at the level approved in the most recent rate case. Table 6 shows an example of improperly implemented ELG depreciation rates. This table shows that if the year 1 ELG rates were left unchanged for the entire 10-year period, the utility would actually recover $71,922, or 72%, more than it is entitled to recover.

TABLE 6

Comparison of ALG Procedure and Improperly Implemented ELG Procedure
Recovery of $100,000 Investment with 0% Net Salvage and 5-O1 Survivor Curve

Year	First of Year Surviving Original Cost	ALG Rate	ALG Expense	ELG Rate	ELG Expense	Delta
1	$ 100,000	20.00%	$ 19,000	34.38%	$ 32,665	$13,665
2	90,000	20.00%	17,000	34.38%	29,227	12,227
3	80,000	20.00%	15,000	34.38%	25,788	10,788
4	70,000	20.00%	13,000	34.38%	22,350	9,350
5	60,000	20.00%	11,000	34.38%	18,911	7,911
6	50,000	20.00%	9,000	34.38%	15,473	6,473
7	40,000	20.00%	7,000	34.38%	12,035	5,035
8	30,000	20.00%	5,000	34.38%	8,596	3,596
9	20,000	20.00%	3,000	34.38%	5,158	2,158
10	10,000	20.00%	1,000	34.38%	1,719	719
	Total Recovered Investment:		**$ 100,000**		**$ 171,922**	**$71,922**

Source: BCA WP-2

Q WHY IS IT IMPORTANT TO AVOID INTERGENERATIONAL INEQUITIES?

A As I discussed earlier in my testimony, the underlying principal for determining depreciation rates is to achieve intergenerational equity. Given that traditional ratemaking sets rates on a forward-looking basis based on test year expense and remain in effect until a future rate case, the use of a depreciation system that utilizes the ELG procedure in the test year is at odds with this principle. As my example has clearly demonstrated, the ELG procedure is an accelerated form of depreciation, which causes current customers to pay greater depreciation expense than future customers for the same level of utility service.

Q SHOULD DEPRECIATION RATES THAT ARE CALCULATED USING THE ELG PROCEDURE BE UPDATED ANNUALLY?

A Yes. The only way for depreciation expense to "accurately" charge customers under the ELG procedure is for the depreciation expense component of base rates to be

updated annually. Otherwise, the depreciation expense that is left in effect will be the high year 1 depreciation rate, as demonstrated in this example. The depreciation expense is also only accurate if the utility property retires in exactly the manner dictated by the survivor curves used to calculate the ELG rates. This precision does not exist in the traditional rate setting paradigm as it would amount to impermissible single-issue ratemaking, which I understand is disfavored in Pennsylvania.

Q WHAT DEPRECIATION GROUPING PROCEDURES DO THE OTHER AQUA COMPANIES UTILIZE?

A Based on recent depreciation studies filed by Mr. Spanos in six of the other states Aqua serves, Aqua PA is the only Aqua company that utilizes the ELG procedure to calculate depreciation rates. Every other Aqua company uses the ALG procedure. See Exhibit BCA-1 and Table 7.

TABLE 7

Comparison of Aqua Company Depreciation Grouping Procedures

Study Year	Company	Grouping Procedure	Jursidiction	Docket No.
2010	Aqua Texas, Inc.	ALG	TX PUC	TX PUC Docket No. 53428
2015	Aqua Ohio, Inc.	ALG	OH PUC	Case No. 16-0907-WW-AIR
2017	Aqua North Carolina, Inc.	ALG	NC Util Com.	Docket No. W-218, Sub 497
2020	Aqua Virginia, Inc.	ALG	VA SCC	Case No. PUR-2020-00106
2022	Aqua Illinois, Inc.	ALG	IL CC	Docket No. 24-0044
2023 & 2024	Aqua New Jersey, Inc.	ALG	NJ BPU	Docket No. WR24010057

Source: Exhibit BCA-1

Q CAN THE RATE IMPACT OF SUBSTANTIAL INCREASES TO RATE BASE BE MITIGATED WITHOUT UNREASONABLE ADVERSE IMPACT ON THE UTILITY?

A Yes. The rate impact of substantial increases to rate base can be mitigated by depreciating these assets using depreciation rates that are determined using the ALG procedure. The ALG procedure is the most commonly used deprecation procedure in use in the country and is used by the other Aqua companies operating around the country. The ALG procedure will properly allow Aqua PA to recover the full cost of investments over the life of the assets; however, it will be at a more reasonable rate and, therefore, reduces the expense in the interest of consumers and allows for more just and affordable rates.

Q. DOES THE USE OF THE ELG PROCEDURE IMPACT THE REMAINING LIFE OF PROPERTY?

A. Yes. Aqua PA's use of ELG significantly understates the remaining life, and thus, the recovery period for its assets.

Q HOW DOES THE ELG UNDERSTATE THE REMAINING LIFE OF AQUA PA'S ASSETS?

A I will provide a discussion related to Water Base Operations. According to the depreciation study data as of December 31, 2025, the largest single sub-account in the Water Base Operations is Account 331.02 (Cast Iron 6, 8, and 10 inch mains). Account 331.02 is $2.45 billion, or approximately 39%, of Aqua PA's $6.28 billion

water plant-in-service. This sub-account represents 31% of Aqua PA's proposed 2025 water plant depreciation expense. By analyzing the 2025 study data, the average age of investment for Account 331.02 is 12.3 years. According to Aqua PA, Account 331.02 has an average service life of 65 years. One would expect that something with a lifespan of 65 years and an age of 12 years would have a remaining life close to 53 years. The use of the ELG procedure significantly shortens the recovery period for this account. Table 8 below shows the composite remaining life for Account 331.02 under the ELG and ALG procedures.

TABLE 8

Remaining Life of Water Base Account 331.02 with ELG vs. ALG
Depreciation Study as of 12/31/2025

Account	Remaining Life ELG	Remaining Life ALG	Delta
Account 331.02 - 6,8, and 10 Inch Mains	46.7	52.5	5.9

Sources: Exhibit 6-A Part 3 and Exhibit BCA-3

As can be seen, with the ELG procedure, the remaining life of Account 331.02 is 46.7 years. With the more commonly used ALG procedure, the remaining life, or recovery period for the investment is 52.5 years. Aqua PA's use of the ELG procedure recovers its investment almost 6 years faster than under the ALG. Even though Aqua PA supports a 65-year life for these assets, the use of the ELG procedure only gives it an expected life of 59 years.[6] This significantly overstates the depreciation rates,

[6] 12.3 year average age + 46.7 year remaining life = 59 year life expectancy.

and thus, the depreciation expense. This issue exists for all of Aqua PA's depreciable accounts, due to the use of the ELG procedure.

Q HOW DOES THE RATIO OF THE AVERAGE LIFE AND REMAINING LIFE OF THE NEWEST VINTAGES IN OTHER AQUA WATER COMPANIES COMPARE FOR ACCOUNT 331 – MAINS?

A For Aqua PA's Water Base Operations, the remaining life of the newest vintage for Account 331.02 is 90% of the average life. For the other Aqua water companies, which rely on the ALG procedure, the ratio of remaining life to average life for the newest vintage is over 99%. See Table 9 below. The other Aqua companies correctly recover their investment over a period nearly identical to the average life of the assets. With Aqua PA's use of ELG, that recovery period is shorted, thus, inflating the depreciation rates and expense and burdening Aqua PA's customers with front-loaded depreciation expense.

TABLE 9

Comparison of Average Life and Remaining Life of Account 331 - Mains for Aqua Water Companies

Study Year	Company	Account	Newest Vintage	Average Life	Remaining Life	Ratio of Rem Life to Avg Life
2010	Aqua Texas, Inc.	331.00	2010	75	74.5	99.33%
2015	Aqua Ohio, Inc.	331.00	2015	90	89.51	99.46%
2017	Aqua North Carolina, Inc.	331.00	2017	65	64.72	99.57%
2020	Aqua Virginia, Inc.	331.00	2020	60	59.88	99.80%
2022	Aqua Illinois, Inc.	331.00	2022	80	79.51	99.39%
2023 & 2024	Aqua New Jersey, Inc.	331.40	2024	65	64.83	99.74%
2024 & 2025	Aqua Pennsylvania, Inc.	331.02	2025	65	58.32	89.72%

Source: Exhibit BCA-1 and Exhibit 6-A Part 3

Q ARE YOU AWARE OF PUBLIC UTILITY COMMISSIONS THAT HAVE REJECTED THE USE OF THE ELG?

A Yes. I can provide two examples of public utility commissions that have rejected the use of the ELG, due to the excessive depreciation expense that results from its use.

The Kentucky Public Service Commission ("Kentucky PSC") found that the ELG procedure front-loads depreciation expense in earlier years and decreases it in the later years of an asset's depreciation life, creating a mismatch of revenues and expenses. The Kentucky PSC states reasoning for rejecting the ELG is as follows:

> Duke Kentucky proposes, as part of developing its depreciation rates, the continued use of the ELG procedure. The Attorney General recommends the Commission adopt the ALG procedure in developing Duke Kentucky's depreciation rates. The Attorney General contends that the ALG methodology is the predominant method that is used in the electric industry for developing depreciation rates. The Attorney General contends that, under the ELG methodology, the capital recovery periods are accelerated and shortened and, thus, the depreciation rates are greater than if the ALG procedure was used. The Attorney General argues that the ALG procedure is as accurate as the ELG procedure and the ALG procedure smooths the data so that the depreciation rates for the group of assets tend to remain constant. Use of the ALG procedure will result in a decrease in Duke Kentucky's depreciation expense of $6.920 million.
>
> Duke Kentucky requested an increase in depreciation expense of $6.920 million, based on its request to utilize the ELG procedure for computing depreciation rates. As was discussed in the rate base section of this Order, this Commission has found that the ELG procedure does not accurately match revenues and expenses, is front-loaded, and Duke Kentucky is the only Kentucky based utility that utilizes the ELG procedure for computing depreciation rates.
>
> Regulatory accounting requires the proper matching of revenues and expense in order to produce fair, just and reasonable rates. The Commission finds Duke Kentucky's proposed ELG procedure does not meet that criteria and that Duke Kentucky's depreciation expense should be reduced by $6.920 million.

In the Matter of: Electronic Application of Duke Energy Kentucky, Inc., Kentucky PSC, Order at pages 26-27, Case No. 2017-00321.[7]

I have included the relevant pages of the Kentucky PSC Final Order as my Exhibit BCA-17.

More recently, the IURC rejected the use of ELG in Duke Energy Indiana's rate case, stating:

> First, with respect to the question of whether the ELG or ALG method should be used, we find the evidence presented by OUCC witness Mr. Garrett and Industrial Group witness Mr. Andrews persuasive, as both witnesses showed that the **ELG method results in unreasonably high depreciation rates. ALG depreciation rates result in systematical and rational cost recovery with near term customer rate relief and full cost recovery of utility investments**. While we have determined in the past that the ELG methodology was appropriate and acknowledge the weight given to precedent in many prior decisions, we always evaluate each case as it comes before us and do not need to approve the same methodology based on prior decisions, especially in light of a changed landscape. **The use of ELG in a higher than average investment cycle has the effect of unnecessarily increasing the near term depreciation expense as compared to the use of ALG**. A review and comparison of Mr. Andrew's exhibits reflecting only the ALG verses the ELG modifications applied to Mr. Spanos' results indicate that the impact of the methodology change on a percentage basis is markedly more significant for the distribution and transmission components than the production, or generation, component. This evidence is not surprising given the increased investment cycle in these categories as highlighted by the relatively recent statutory support for such investment codified at Indiana Code ch. 8-1-39. A changed and encouraged investment cycle is a material landscape change through which we consider our previous proclamations on methodology. Furthermore, the consideration of service affordability in the near term provides sufficient weight to temper our historical preference for ELG. Again, a recently enacted statute, Indiana Code § 8-1-2-0.5, directing the commission to consider "all practical means and measures" to balance necessary investment with service affordability enhances the regulatory landscape.

[7]https://psc.ky.gov/pscscf/2017%20Cases/2017-00321//20180413_PSC_ORDER.pdf.

IURC Final Order at page 90 (emphasis added).[8]

I have included the relevant pages of the IURC Final Order as my Exhibit BCA-18.

Q WHY IS IT APPROPRIATE FOR THE PUC TO REJECT AQUA PA'S PROPOSED USE OF THE ELG PROCEDURE AND TO REQUIRE THE USE OF THE ALG PROCEDURE AT THIS TIME?

A Just as in the 2020 Duke Electric rate case in which the IURC found that "the use of ELG in a higher-than-average investment cycle has the effect of unnecessarily increasing the near term depreciation expense as compared to the use of ALG,"[9] Aqua PA is in an accelerated investment cycle. As I have demonstrated above, depreciation rates calculated using the ELG procedure result in the front-loading of depreciation rates, and when the resulting depreciation rates are not updated annually, customers pay substantially more depreciation expense than is necessary for the utility to recover its investments.

OCA'S PROPOSED DEPRECIATION RATES

Q HAVE YOU CALCULATED 2025 DEPRECIATION RATES USING THE ALG PROCEDURE FOR AQUA PA?

A Yes. In Exhibits BCA-3, BCA-6, BCA-9, BCA-12, and BCA-15, I present depreciation rates that were calculated using all of Aqua PA's proposed life and net salvage

[8]https://iurc.portal.in.gov/_entity/sharepointdocumentlocation/7b316e6f-1bba-ea11-a812-001dd8018831/bb9c6bba-fd52-45ad-8e64-a444aef13c39?file=45253%20ORDER%20062920.pdf.

[9]*See n.* 8.

parameters but applying the ALG procedure for Aqua PA's Water Base Operations, Shenandoah, Wastewater Base Operations, Lower Makefield, and East Whiteland service areas, respectively. The PUC should approve the depreciation rates contained in these exhibits.

Q IF ALG DEPRECIATION RATES ARE ADOPTED TO DETERMINE DEPRECIATION EXPENSE, WILL THE ACCUMULATED DEPRECIATION BALANCE REFLECT THIS CHANGE?

A Yes. If the Commission adopts my recommendation to switch to the ALG procedure to calculate Aqua PA's depreciation rates and expense going forward, the accumulated depreciation balances will automatically reflect this change on a going forward basis. I am advised by counsel that under Pennsylvania law, both annual depreciation expense and accrued or accumulated depreciation should be calculated on a reasonably consistent basis.[10]

Q WHEN CALCULATING THE DEPRECIATION RATES USING THE ALG PROCEDURE FOR EACH SERVICE AREAS' REVENUE REQUIREMENT, DID YOU ACCOUNT FOR THE CHANGE TO THE ACCUMULATED DEPRECIATION?

A Yes, I did. In Exhibits BCA-2, BCA-5, BCA-8, BCA-11, and BCA-14, I present the bring forward of accumulated depreciation reserves from December 31, 2023 to

[10] *Pa. Power & Light Co. v. Pa. Pub. Util. Com.*, 311 A.2d 151, 158 (Pa. Cmwlth. 1973) (*Pa. Power*).

December 31, 2025 based on the ALG procedure for Aqua PA's Water Base Operations, Shenandoah, Wastewater Base Operations, Lower Makefield, and East Whiteland service areas, respectively. As a result, my recommended annual depreciation expense and accumulate depreciation are calculated on a reasonably consistent basis in each service areas' presented revenue requirement.

Q HOW DO THE ALG DEPRECIATION RATES CHANGE THE DEPRECIATION EXPENSE BASED ON PLANT BALANCES AS OF DECEMBER 31, 2025?

A I present this comparison for the Water Base Operations in Exhibit BCA-4, for Shenandoah in Exhibit BCA-7, for Wastewater Base Operations in Exhibit BCA-10, for Lower Makefield in Exhibit BCA-13, and for East Whiteland in Exhibit BCA-16. The ALG depreciation rates would reduce the depreciation expense, on plant balances as of December 31, 2025, by $14.48 million combined in all five service areas' revenue requirements. I summarize these changes by functional group in Tables 10 - 14.

TABLE 10

Depreciation Expense and Rate Comparison - Water Base Operations
Depreciation Study as of 12/31/2025

	Depreciation Expense ($ Millions)				Depreciation Rate		
			Delta				
Group	**Aqua PA**	**OCA**	**Amount**	**Percent**	**Aqua PA**	**OCA**	**Delta**
Water Plant in Service	$ 144.18	$ 131.98	$ (12.20)	-8.5%	2.29%	2.10%	(0.19%)
Customers' Advances and CIAC	$ (4.83)	$ (4.28)	$ 0.55	-11.4%	1.79%	1.59%	(0.20%)
Amortization of Net Salvage	$ 2.91	$ 2.91	$ -	0.0%	0.00%	0.00%	0.00%
Total Water Plant	**$ 142.26**	**$ 130.62**	**$ (11.65)**	**-8.2%**	**2.37%**	**2.17%**	**(0.20%)**

Source: Exhibit BCA-4

TABLE 11

Depreciation Expense and Rate Comparison - Shenandoah Water
Depreciation Study as of 12/31/2025

	Depreciation Expense ($ Millions)				Depreciation Rate		
			Delta				
Group	Aqua PA	OCA	Amount	Percent	Aqua PA	OCA	Delta
Water Plant in Service	$ 0.65	$ 0.60	$ (0.05)	-7.8%	3.92%	3.61%	(0.31%)
Customers' Advances and CIAC	$ -	$ -	$ -	N/A	0.00%	0.00%	0.00%
Amortization of Net Salvage	$ 0.01	$ 0.01	$ -	0.0%	0.00%	0.00%	0.00%
Total Water Plant	**$ 0.66**	**$ 0.61**	**$ (0.05)**	**-7.7%**	**3.79%**	**3.53%**	**(0.26%)**

Source: Exhibit BCA-7

TABLE 12

Depreciation Expense and Rate Comparison - Wastewater Base Operations
Depreciation Study as of 12/31/2025

	Depreciation Expense ($ Millions)				Depreciation Rate		
			Delta				
Group	Aqua PA	OCA	Amount	Percent	Aqua PA	OCA	Delta
Wastewater Plant in Service	$ 14.75	$ 12.35	$ (2.40)	-16.3%	2.31%	1.94%	(0.37%)
Customers' Advances and CIAC	$ (0.69)	$ (0.58)	$ 0.11	-15.6%	1.97%	1.66%	(0.31%)
Amortization of Net Salvage	$ 0.08	$ 0.08	$ -	0.0%	0.00%	0.00%	0.00%
Total Wastewater Plant	**$ 14.13**	**$ 11.84**	**$ (2.29)**	**-16.2%**	**2.35%**	**1.97%**	**(0.38%)**

Source: Exhibit BCA-10

TABLE 13

Depreciation Expense and Rate Comparison - Lower Makefield
Depreciation Study as of 12/31/2025

	Depreciation Expense ($ Millions)				Depreciation Rate		
			Delta				
Group	Aqua PA	OCA	Amount	Percent	Aqua PA	OCA	Delta
Wastewater Plant in Service	$ 2.19	$ 1.98	$ (0.22)	-9.8%	3.88%	3.50%	(0.38%)
Customers' Advances and CIAC	$ (0.00)	$ (0.00)	$ 0.00	-16.5%	1.81%	1.51%	(0.30%)
Amortization of Net Salvage	$ 0.00	$ 0.00	$ -	0.0%	0.00%	0.00%	0.00%
Total Wastewater Plant	**$ 2.19**	**$ 1.98**	**$ (0.22)**	**-9.8%**	**3.88%**	**3.50%**	**(0.38%)**

Source: Exhibit BCA-13

TABLE 14

Depreciation Expense and Rate Comparison - East Whiteland
Depreciation Study as of 12/31/2025

Group	Depreciation Expense ($ Millions)				Depreciation Rate		
	Aqua PA	OCA	Delta Amount	Delta Percent	Aqua PA	OCA	Delta
Wastewater Plant in Service	$ 1.90	$ 1.63	$ (0.27)	-14.3%	2.87%	2.46%	(0.41%)
Customers' Advances and CIAC	$ (0.01)	$ (0.01)	$ 0.00	-18.6%	1.87%	1.52%	(0.35%)
Amortization of Net Salvage	$ 0.00	$ 0.00	$ -	0.0%	0.00%	0.00%	0.00%
Total Wastewater Plant	**$ 1.89**	**$ 1.62**	**$ (0.27)**	**-14.3%**	**2.88%**	**2.47%**	**(0.41%)**

Source: Exhibit BCA-16

Q HOW DO YOUR PROPOSED DEPRECIATION RATES FOR EAST WHITELAND FIT INTO THE OCA'S POSITION THAT THE EAST WHITELAND ACQUISITION BE EXCLUDED FROM RECOVERY IN THIS CASE?

A It is the OCA's position that the East Whiteland acquisition be excluded from recovery in this proceeding. Due to this position, the depreciation rates that I present for East Whiteland are illustrative; however, if the Commission elects to reject the OCA's position, the depreciation rates that I have calculated can and should be used for the East Whiteland service territory

Q DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A Yes, it does.

QUALIFICATIONS OF BRIAN C. ANDREWS

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A Brian C. Andrews. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017.

Q PLEASE STATE YOUR OCCUPATION.

A I am a consultant in the field of public utility regulation and a Principal with the firm of Brubaker & Associates, Inc. ("BAI"), energy, economic and regulatory consultants.

Q PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EMPLOYMENT EXPERIENCE.

A I received a Bachelor of Science Degree in Electrical Engineering from the Washington University in St. Louis/University of Missouri - St. Louis Joint Engineering Program. I have also received a Master of Science Degree in Applied Economics from Georgia Southern University.

I have attended training seminars on multiple topics including class cost of service, depreciation, power risk analysis, production cost modeling, cost-estimation for transmission projects, transmission line routing, MISO load serving entity fundamentals and more.

I am a member and a former President of the Society of Depreciation Professionals. I have been awarded the designation of Certified Depreciation Professional ("CDP") by the Society of Depreciation Professionals. I am also a certified Engineer Intern in the State of Missouri.

As an Associate at BAI, and as a Senior Consultant, Consultant, Associate Consultant and Assistant Engineer before that, I have been involved with several regulated and competitive electric service issues. These have included book depreciation, fuel and purchased power cost, transmission planning, transmission line routing, resource planning including renewable portfolio standards compliance, electric price forecasting, class cost of service, power procurement, and rate design. This has involved use of power flow, production cost, cost of service, and various other analyses and models to address these issues, utilizing, but not limited to, various programs such as Strategist, RealTime, PSS/E, MatLab, R Studio, ArcGIS, Excel, and the United States Department of Energy/Bonneville Power Administration's Corona and Field Effects ("CAFÉ") Program. In addition, I have received extensive training on the PLEXOS Integrated Energy Model and the EnCompass Power Planning Software. I have provided testimony on many of these issues before the Public Service Commissions in Arizona, Arkansas, California, Colorado, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Montana, New Mexico, Oklahoma, South Carolina, Texas, and Washington DC.

BAI was formed in April 1995. BAI provides consulting services in the economic, technical, accounting, and financial aspects of public utility rates and in the acquisition of utility and energy services through RFPs and negotiations, in both regulated and unregulated markets. Our clients include large industrial and institutional customers, some utilities and, on occasion, state regulatory agencies. We also prepare special studies and reports, forecasts, surveys and siting studies, and present seminars on utility-related issues.

In general, we are engaged in energy and regulatory consulting, economic analysis and contract negotiation. In addition to our main office in St. Louis, the firm also has branch offices in Corpus Christi, Texas; Louisville, Kentucky and Phoenix, Arizona.

504844

PUC DOCKET NO. 53428
SOAH DOCKET NO. 473-23-04521

APPLICATION OF AQUA TEXAS, INC. FOR SYSTEM IMPROVEMENT CHARGES PURSUANT TO 16 TAC § 24.76	**§**	**BEFORE THE PUBLIC UTILITY COMMISSION OF TEXAS**

DIRECT TESTIMONY

OF

JOHN J. SPANOS

ON BEHALF OF

AQUA TEXAS, INC.

DECEMBER 15, 2022

I have over 36 years of depreciation experience, which includes giving expert testimony in over 400 cases before 41 regulatory commissions, including this Commission. These cases have included depreciation studies in the electric, gas, water, wastewater and pipeline industries. In addition to cases where I have submitted testimony, I have also supervised over 800 other depreciation or valuation assignments. Please refer to **JJS-1** for my qualifications statement, which includes further information with respect to my work history, case experience, and leadership in the Society of Depreciation Professionals.

Q. DO YOU HOLD ANY SPECIAL CERTIFICATION AS A DEPRECIATION EXPERT?

A. Yes. The Society of Depreciation Professionals has established national standards for depreciation professionals. The Society administers an examination to become certified in this field. I passed the certification exam in September 1997 and was re-certified in August 2003, February 2008, January 2013 and February 2018.

II. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. My testimony will support and explain the depreciation studies conducted under my direction and supervision for the water and wastewater utility assets of Aqua Texas, Inc., Aqua Development, Inc., Aqua Utilities, Inc., Harper Water Company, Inc., and Kerrville South Water Company, Inc. d/b/a Aqua Texas (collectively, "Aqua Texas"). The study represents all depreciable Aqua Texas water and wastewater plant assets as of December 31, 2010. My testimony will explain how the depreciation rates in the studies are

appropriate for calculating Aqua Texas' accumulated depreciation and current annual depreciation expense.

Q. IS KAS-2 A TRUE AND ACCURATE COPY OF THE WATER PLANT DEPRECIATION STUDY YOU PREPARED FOR USE BY AQUA TEXAS IN ITS MOST RECENT COMPREHENSIVE WATER AND SEWER RATE CASE PROCEEDINGS?

A. Yes.

Q. DOES KAS-2 ACCURATELY PORTRAY THE RESULTS OF YOUR WATER PLANT DEPRECIATION STUDY AS OF DECEMBER 31, 2010?

A. Yes.

Q. IS KAS-3 A TRUE AND ACCURATE COPY OF THE WASTEWATER PLANT DEPRECIATION STUDY YOU PREPARED FOR USE BY AQUA TEXAS IN ITS MOST RECENT COMPREHENSIVE WATER AND SEWER RATE CASE PROCEEDINGS?

A. Yes.

Q. DOES KAS-3 ACCURATELY PORTRAY THE RESULTS OF YOUR WASTEWATER PLANT DEPRECIATION STUDY AS OF DECEMBER 31, 2010?

A. Yes.

Q. WERE KAS-2 AND KAS-3 PREPARED UNDER YOUR DIRECTION AND CONTROL?

A. Yes.

III. OVERVIEW OF DEPRECIATION STUDIES

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS PROCEEDING?

A. The June 16, 2022 supplemental direct testimony filed by Aqua Texas, Inc. witness Kurt Scheibelhut discusses how he calculated current depreciation expense, which also relates to accumulated depreciation, for the system improvement charge ("SIC") application that initiated this docket. Mr. Scheibelhut's testimony is that Aqua Texas used group depreciation rates established in the depreciation studies included with his testimony as **KAS-2** and **KAS-3** for the depreciation expense calculation. In my capacity with Gannett Fleming Valuation and Rate Consultants, LLC, I prepared those deprecation studies for use in Aqua Texas's most recent comprehensive water and sewer rate case proceedings filed with the Texas Commission on Environmental Quality ("TCEQ"). I also previously testified in this case via an affidavit filed with Aqua Texas, Inc.'s Response to Order No. 9 filed on July 26, 2022 and attached here as **JJS-2**. My testimony here reenforces why using group deprecation rates from those studies to calculate current depreciation expense and accumulated depreciation in this proceeding is proper.

Q. WHY DID YOU PREPARE THE DEPRECIATION STUDIES INCLUDED WITH MR. SCHEIBELHUT'S TESTIMONY AS KAS-2 AND KAS-3?

AQUA TEXAS, INC.

Austin, Texas

DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS

RELATED TO UTILITY PLANT

AS OF DECEMBER 31, 2010

GANNETT FLEMING, INC. - VALUATION AND RATE DIVISION

Harrisburg, Pennsylvania

Attachment
KAS-2

BASIS OF STUDY

Depreciation

For most accounts, the annual depreciation was calculated by the straight line method, using the average service life procedure and the remaining life basis. For certain General Plant accounts, the annual depreciation was based on amortization accounting. The calculated remaining lives and annual depreciation accrual rates were based on attained ages of plant in service and the estimated service life and salvage characteristics of each depreciable group.

Survivor Curve Estimates

The procedure for estimating survivor curves, which define service lives and remaining lives, consisted of compiling historical service life data for the plant accounts or other depreciable groups, analyzing the historical data base through the use of accepted techniques, and forecasting the survivor characteristics for each depreciable account or group. These forecasts were based on interpretations of the historical data analyses and the probable future. The combination of the historical data and the estimated future trend yields a complete pattern of life characteristics, i.e., a survivor curve, from which the average service life and remaining service life are derived.

The historical data analyzed for life estimation purposes were compiled through 2010 from the Company's plant accounting records. Such data included plant additions, retirements, transfers and other activity recorded by the Company for each of its plant accounts and subaccounts.

The estimates of net salvage incorporated a review of experienced costs of removal and salvage related to plant retirements, and considerations of trends exhibited by the historical data. Each component of net salvage, i.e., cost of removal and salvage was

stated in dollars and as a percent of retirement for purposes of estimating average future levels of the components, as well as of net salvage.

An understanding of the function of the plant and information with respect to the reasons for past retirements and the expected causes of future retirements was obtained through field trips and discussions with operating and management personnel. The supplemental information obtained in this manner was considered in the interpretation and extrapolation of the statistical analyses.

Calculation of Depreciation

The depreciation accrual rates were calculated using the straight line method, the remaining life basis, and the average service life depreciation procedure. The change to amortization accounting for certain accounts is recommended because of the disproportionate plant accounting effort required when compared to the minimal original cost of the large number of items in these accounts. An explanation of the calculation of annual and accrued amortization is presented on page II-28 of the report.

AQUA TEXAS, INC.

ACCOUNT 331 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2010

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R4						
NET SALVAGE PERCENT.. -15						
2000	1,913,396.41	307,463	382,597	1,817,809	64.52	28,174
2001	3,322,266.91	482,925	600,937	3,219,670	65.52	49,140
2002	5,266,214.01	684,768	852,104	5,204,042	66.52	78,233
2003	2,978,783.84	342,115	425,718	2,999,883	67.51	44,436
2004	2,956,984.26	294,248	366,153	3,034,379	68.51	44,291
2005	1,530,235.27	128,815	160,293	1,599,478	69.51	23,011
2006	7,691,836.49	529,587	659,002	8,186,610	70.51	116,106
2007	1,635,880.30	87,799	109,255	1,772,007	71.50	24,783
2008	1,958,408.29	75,065	93,408	2,158,762	72.50	29,776
2009	583,292.63	13,416	16,695	654,092	73.50	8,899
2010	870,778.29	6,679	8,311	993,084	74.50	13,330
	65,666,383.93	16,677,004	20,752,080	54,764,262		921,731
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					59.4	1.40

AQUA EXHIBIT 8.0

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Aqua Ohio, Inc. to Increase Its Rates and Charges for Its Waterworks Service.	)))	Case No. 16-0907-WW-AIR

DIRECT TESTIMONY
OF
JOHN J. SPANOS
ON BEHALF OF
AQUA OHIO, INC.

___ Management policies, practice and organization

___ Operating income

___ Rate base

___ Allocations

___ Rate of return

___ Rates and tariffs

_X_ Other

Q10. Did you prepare the depreciation study filed by Aqua in this proceeding?

A. Yes. I prepared the depreciation study submitted by Aqua with its filing in this proceeding. My report is entitled: "2015 Depreciation Study - Calculated Annual Depreciation Accruals Related to Water Plant as of December 31, 2015." This report sets forth the results of my depreciation study for Aqua.

Q11. In preparing the depreciation study, did you follow generally accepted practices in the field of depreciation valuation?

A. Yes.

Q12. Are the methods and procedures of this depreciation study consistent with past practices?

A. The methods and procedures of this study are the same as those utilized in the last study for this company as well as others before PUCO. Depreciation rates are determined based on the average service life procedure and the whole life method.

III. OUTLINE OF REPORT

Q13. Please describe the contents of your report.

A. My report is presented in nine parts. Part I, Introduction, presents the scope and basis for the depreciation study. Part II, Estimation of Survivor Curves, includes descriptions of the methodology of estimating survivor curves. Parts III and IV set forth the analysis for determining life and net salvage estimation. Part V, Calculation of Annual and Accrued Depreciation includes the concepts of depreciation and amortization using the whole life. Part VI, Results of Study, presents a description of the results and a summary of the depreciation calculations. Parts VII, VIII and IX include graphs and tables that relate to the service life and net salvage analyses, and the detailed depreciation calculations.

The table on pages VI-4 through VI-8 presents the estimated survivor curve, the net salvage percent, the original cost as of December 31, 2015, the calculated

Schedule JJS-1

AQUA OHIO, INC.

BOARDMAN, OHIO

2015 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2015

Prepared by:

Gannett Fleming

Excellence Delivered As Promised

AQUA OHIO, INC.

ACCOUNT 331 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2015

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 90-R3							
NET SALVAGE PERCENT.. -45							
1978	1,588,726.94	90.00	1.11	25,570.56	54.79	0.3912	901,236
1979	1,218,550.92	90.00	1.11	19,612.58	55.66	0.3816	674,178
1980	803,387.46	90.00	1.11	12,930.52	56.53	0.3719	433,219
1981	260,336.50	90.00	1.11	4,190.12	57.41	0.3621	136,692
1982	224,267.27	90.00	1.11	3,609.58	58.30	0.3522	114,538
1983	1,140,049.42	90.00	1.11	18,349.10	59.19	0.3423	565,896
1984	521,865.34	90.00	1.11	8,399.42	60.08	0.3324	251,559
1985	1,749,072.10	90.00	1.11	28,151.32	60.98	0.3224	817,758
1986	598,205.29	90.00	1.11	9,628.11	61.89	0.3123	270,914
1987	1,504,648.58	90.00	1.11	24,217.32	62.80	0.3022	659,366
1988	1,592,083.00	90.00	1.11	25,624.58	63.71	0.2921	674,342
1989	727,441.50	90.00	1.11	11,708.17	64.62	0.2820	297,451
1990	822,309.36	90.00	1.11	13,235.07	65.54	0.2718	324,056
1991	1,064,402.42	90.00	1.11	17,131.56	66.47	0.2614	403,502
1992	4,236,449.90	90.00	1.11	68,185.66	67.39	0.2512	1,543,207
1993	2,089,206.31	90.00	1.11	33,625.78	68.33	0.2408	729,407
1994	2,061,379.43	90.00	1.11	33,177.90	69.26	0.2304	688,785
1995	2,123,049.83	90.00	1.11	34,170.49	70.20	0.2200	677,253
1996	1,495,841.51	90.00	1.11	24,075.57	71.14	0.2096	454,529
1997	1,366,465.10	90.00	1.11	21,993.26	72.08	0.1991	394,511
1998	1,363,650.42	90.00	1.11	21,947.95	73.03	0.1886	372,838
1999	4,976,373.61	90.00	1.11	80,094.73	73.98	0.1780	1,284,402
2000	5,697,380.10	90.00	1.11	91,699.33	74.94	0.1673	1,382,347
2001	2,432,406.06	90.00	1.11	39,149.58	75.89	0.1568	552,961
2002	4,909,640.82	90.00	1.11	79,020.67	76.85	0.1461	1,040,154
2003	4,407,523.61	90.00	1.11	70,939.09	77.81	0.1354	865,585
2004	3,989,620.84	90.00	1.11	64,212.95	78.78	0.1247	721,210
2005	5,039,920.36	90.00	1.11	81,117.52	79.74	0.1140	833,099
2006	7,028,914.66	90.00	1.11	113,130.38	80.71	0.1032	1,052,011
2007	7,079,105.83	90.00	1.11	113,938.21	81.68	0.0924	948,869
2008	6,295,483.99	90.00	1.11	101,325.81	82.65	0.0817	745,521
2009	3,726,415.49	90.00	1.11	59,976.66	83.63	0.0708	382,446
2010	4,163,109.06	90.00	1.11	67,005.24	84.60	0.0600	362,190
2011	2,328,495.39	90.00	1.11	37,477.13	85.58	0.0491	165,811
2012	1,752,757.73	90.00	1.11	28,210.64	86.56	0.0382	97,136
2013	6,230,986.19	90.00	1.11	100,287.72	87.54	0.0273	246,925
2014	9,896,746.82	90.00	1.11	159,288.14	88.52	0.0164	235,919
2015	9,844,908.10	90.00	1.11	158,453.80	89.51	0.0054	77,657
	138,973,599.21			2,236,780.10			38,702,002

COMPOSITE ANNUAL ACCRUAL RATE, PERCENT .. 1.61

OFFICIAL COPY

Jun 08 2018

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION DOCKET NO. W-218, SUB 497

DEPRECIATION STUDY

DIRECT TESTIMONY OF JOHN J. SPANOS

ON BEHALF OF AQUA NORTH CAROLINA, INC.

JUNE 8, 2018

OFFICIAL COPY

Jun 08 2018

inspections and discussions with management with regard to plans and outlook of assets.

IV. SUMMARY OF CONCLUSIONS

Q. What is the composite depreciation rate resulting from the Studies?

A. The composite rate for water assets is 3.10 percent as shown on page VI-8 of Aqua NC Exhibit JJS-1. The composite rate for wastewater assets is 2.52 percent set forth on page VI-7 of Aqua NC Exhibit JJS-2.

Q. What is your professional opinion with regard to the results of the Studies that you performed?

A. In my opinion, the proposed depreciation rates resulting from the completed Depreciation Studies are reasonable and appropriate given that they incorporate the service life and net salvage parameters currently anticipated for each of the Company's property group investments over their average remaining lives.

V. DEPRECIATION STUDY

Q. Please summarize how you performed your Studies.

A. In the studies that I performed and that are the basis for my testimony, I used the straight line remaining life method of depreciation, with the average service life procedure to develop recommended depreciation

OFFICIAL COPY

Jun 08 2018

2017 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF SEPTEMBER 30, 2017

Prepared by:

Gannett Fleming

Excellence Delivered ***As Promised***

OFFICIAL COPY
Jun 08 2018

AQUA NORTH CAROLINA, INC.

ACCOUNT 331 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF SEPTEMBER 30, 2017

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R1						
NET SALVAGE PERCENT.. -20						
2006	5,996,077.69	902,146	1,267,283	5,928,010	56.85	104,275
2007	10,279,759.21	1,411,945	1,983,419	10,352,292	57.56	179,852
2008	1,886,320.75	234,372	329,232	1,934,353	58.27	33,196
2009	5,519,053.25	613,410	861,683	5,761,181	58.98	97,680
2010	3,138,769.49	307,122	431,427	3,335,096	59.70	55,864
2011	2,840,110.32	240,137	337,331	3,070,801	60.42	50,824
2012	1,094,931.08	78,020	109,598	1,204,319	61.14	19,698
2013	2,804,934.56	162,069	227,665	3,138,256	61.87	50,723
2014	2,458,944.32	108,941	153,034	2,797,699	62.60	44,692
2015	2,480,052.40	76,009	106,773	2,869,290	63.34	45,300
2016	4,332,005.99	74,389	104,498	5,093,909	64.07	79,505
2017	4,469,056.21	23,114	32,469	5,330,398	64.72	82,361
	90,244,587.51	15,666,140	22,006,892	86,286,613		1,539,971

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 56.0 1.71

Exhibit JJS
Aqua Virginia, Inc.
Witness: John J. Spanos
Date Submitted: July 30, 2020

2020074041

BEFORE THE
VIRGINIA STATE CORPORATION COMMISSION

DIRECT TESTIMONY OF JOHN J. SPANOS

ON BEHALF OF AQUA VIRGINIA, INC.

CONCERNING

DEPRECIATION

JULY 30, 2020

20090741

A. The purpose of the depreciation studies was to estimate the annual depreciation accruals related to water and wastewater plant in service for ratemaking purposes and determine appropriate average service lives and net salvage percentages for each plant account.

12. Q. Please explain how you performed your depreciation studies.

A. I used the straight line remaining life method of depreciation, with the average service life procedure for all plant assets except some general plant accounts. The annual depreciation is based on a method of depreciation accounting that seeks to distribute the unrecovered cost of fixed capital assets over the estimated remaining useful life of each unit, or group of assets, in a systematic and rational manner.

For General Plant Accounts 340, 342, 343, 344, 346, 347, and 348 for water assets and Accounts 390, 392, 393, 394, 396 and 397 for wastewater assets; I used the straight line remaining life method of amortization. The annual amortization is based on amortization accounting that distributes the unrecovered cost of fixed capital assets over the remaining amortization period selected for each account and vintage.

13. Q. How did you determine the recommended annual depreciation accrual rates?

A. The determination of annual depreciation accrual rates consists of two phases. In the first phase, service life and net salvage characteristics are estimated for each depreciable group, that is, each plant account or subaccount identified as having similar characteristics. In the second phase,

20074011441

AQUA SM

Aqua Virginia, Inc.

2020 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF MARCH 31, 2020

Prepared by:

Gannett Fleming

Excellence Delivered As Promised

2907401442

AQUA VIRGINIA, INC.
WATER ASSETS

ACCOUNT 331.00 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF MARCH 31, 2020

YEAR	ORIGINAL COST	CALCULATED ACCRUED	ALLOC. BOOK RESERVE	FUTURE BOOK ACCRUALS	REM. LIFE	ANNUAL ACCRUAL
(1)	(2)	(3)	(4)	(5)	(6)	(7)
SURVIVOR CURVE.. IOWA 60-R3						
NET SALVAGE PERCENT.. -15						
2013	402,948.31	50,973	61,806	401,585	53.40	7,520
2014	1,444,697.85	155,889	189,020	1,472,383	54.37	27,081
2015	1,079,002.21	96,166	116,605	1,124,248	55.35	20,312
2016	1,155,849.37	81,521	98,847	1,230,380	56.32	21,846
2017	836,157.12	43,271	52,467	909,114	57.30	15,866
2018	974,879.41	32,142	38,973	1,082,138	58.28	18,568
2019	797,975.30	11,315	13,720	903,952	59.26	15,254
2020	1,055,899.71	2,429	2,945	1,211,340	59.88	20,229
9999	7,412,720.80-	1,826,015-	2,214,098-	6,310,531-		131,274-
	19,426,904.19	4,785,531	5,802,601	16,538,339		344,035
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..					48.1	1.77

Aqua Ex. 8.0

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

AQUA ILLINOIS, INC.	)	
	)	
Proposed General Increase in Water and Sewer Rates for the Consolidated Water Divisions and Consolidated Sewer Divisions.	)	Docket No. 24-_____

Direct Testimony of

JOHN J. SPANOS

President
Gannett Fleming Valuation and Rate Consultants, LLC

Submitted on behalf of
Aqua Illinois, Inc.

January 2, 2024

Q. Are the methods and procedures of this depreciation study consistent with Aqua Illinois' past practices?

A. Yes. The methods and procedures of both depreciation studies are consistent with Aqua Illinois' past practice and those currently utilized by Aqua Illinois.

Q. Please summarize how you performed your Studies.

A. In the studies that I performed and that are the basis for my testimony, I used the straight line remaining life method of depreciation, with the average service life procedure to develop recommended depreciation accrual rates. The total annual depreciation is based on a system of depreciation accounting which aims to distribute the cost of fixed capital assets over the estimated useful life of the unit, or group of assets, in a systematic and rational manner.

For General Plant Accounts 340.5, 340.55, 340.56, 342, 343, 344, 346, and 347 for water assets, and Accounts 390.7, 390.75, 393, 394, 396, 397 and 398 for wastewater assets, I used the straight line method of amortization. The annual amortization is based on amortization accounting which distributes the unrecovered cost of fixed capital assets over the remaining amortization period selected for each account and vintage.

Q. How did you determine the recommended annual depreciation accrual rates?

A. The determination of annual depreciation accrual rates consists of two phases. In the first phase, service life and net salvage characteristics are estimated for each depreciable group, that is, each plant account or subaccount identified as having similar characteristics. In the second phase, the annual depreciation accrual rates are calculated based on the service life and net salvage estimates determined in the first phase.

2022 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2022

Prepared by:

GANNETT FLEMING

Excellence Delivered As Promised

SURVIVOR CURVE.. IOWA 80-SO.5
NET SALVAGE PERCENT.. -15

2020	13,511,085.82	473,901	477,028	15,060,721	77.56	194,182
2021	8,350,243.79	176,499	177,664	9,425,116	78.53	120,019
2022	10,567,519.68	74,374	74,865	12,077,783	79.51	151,903
	280,719,348.34	50,877,955	51,213,697	271,613,554		4,029,497

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 67.4 1.44

BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES

AQUA NEW JERSEY, INC.

BPU DOCKET NO. WR2401____

DIRECT TESTIMONY OF JOHN J. SPANOS

With regard to Depreciation

January 19, 2024

calculations by account. Specifically, the results of the retirement rate analyses prepared as the historical bases for the service life estimates are found beginning on page VII-2; the results of the analyses of historical net salvage data can be found on beginning on page VIII-2; and the depreciation calculations related to surviving original cost as of June 30, 2023 are found beginning on page IX-2.

Q. Please identify the depreciation method that you used.

A. I used the straight line remaining life method of depreciation, utilizing the average service life procedure. This is the same method Aqua used in its most recent base rate proceedings. This method of depreciation aims to distribute the unrecovered cost of fixed capital assets over the estimated remaining useful life of each unit or group of assets in a systematic and rational manner.

For General Plant Accounts 340.50, 340.55, 340.60, 342.50, 343.50, 344.50, 346.50, 347.50 and 348.50, I used the straight line remaining life method of amortization, which is consistent with current practices for Aqua. The annual amortization is based on amortization accounting that distributes the unrecovered cost of fixed capital assets over the remaining amortization period selected for each account and vintage. Amortization accounting for certain accounts is recommended because of the disproportionate plant accounting effort required when compared to the minimal original cost of the large number of items in these accounts. An explanation of the calculation of annual and accrued amortization is presented on pages V-4 and V-5 of Exhibit JJS-2.

Q. What are your recommended annual depreciation accrual rates for Aqua?

A. My recommended annual depreciation accrual rates as of April 30, 2024 for Aqua are set forth on pages i and ii of Exhibit JJS-3. These rates are developed based on the methods and procedures consistent with the calculations presented in Exhibit JJS-2.

EXHIBIT JJS-3

AQUA NEW JERSEY, INC.
WATER PLANT

ACCOUNT 331.40 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF APRIL 30, 2024

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S2.5						
NET SALVAGE PERCENT.. -20						
2007	3,063,756.37	946,260	784,646	2,891,862	48.27	59,910
2008	3,375,905.40	981,619	813,966	3,237,120	49.25	65,728
2009	3,413,205.52	930,699	771,743	3,324,104	50.23	66,178
2010	4,263,278.82	1,085,346	899,978	4,215,957	51.21	82,327
2011	3,112,736.14	735,552	609,926	3,125,357	52.20	59,873
2012	4,844,511.06	1,056,239	875,842	4,937,571	53.19	92,829
2013	14,328,718.33	2,862,190	2,373,351	14,821,111	54.18	273,553
2014	4,574,327.92	829,307	687,668	4,801,526	55.18	87,016
2015	11,499,273.97	1,874,612	1,554,443	12,244,686	56.17	217,993
2016	6,360,288.63	919,392	762,367	6,869,979	57.17	120,168
2017	10,694,481.75	1,348,531	1,118,213	11,715,165	58.17	201,395
2018	4,894,346.60	526,769	436,801	5,436,415	59.17	91,878
2019	13,046,080.98	1,163,345	964,655	14,690,642	60.17	244,152
2020	2,264,193.23	160,088	132,746	2,584,286	61.17	42,248
2021	5,305,842.96	277,220	229,873	6,137,139	62.17	98,715
2022	13,276,137.58	448,468	371,873	15,559,492	63.17	246,311
2023	9,405,752.12	144,134	119,517	11,167,386	64.17	174,028
2024	2,821,186.35	8,870	7,355	3,378,069	64.83	52,107
	189,970,475.20	52,310,194	43,376,031	184,588,539		3,754,127

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 49.2 1.98

AQUA PENNSYLVANIA WASTEWATER, INC.
WATER BASE OPERATIONS

OCA'S BRINGFORWARD TO DECEMBER 31, 2025, OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

			FUTURE TEST YEAR								FULLY PROJECTED FUTURE TEST YEAR							
	ACCOUNT	BOOK RESERVE AS OF DECEMBER 31, 2023	OCA DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ACQUISITIONS AND ADJUSTMENTS	BOOK RESERVE AS OF DECEMBER 31, 2024	OCA DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ACQUISITIONS AND ADJUSTMENTS	BOOK RESERVE AS OF DECEMBER 31, 2025
	(1)	(2) +	(3) +	(4) -	(5) +	(6) -	(7) +	(8) =	(9)	(10) +	(11) -	(12) +	(13) -	(14) -	(15) =	(16)
	DEPRECIABLE PLANT															
304.20	POWER AND PUMPING STRUCTURES	20,107,346	1,570,718	32,620	52,806		12,089		21,645,789	1,646,426	18,631	208,873		34,944		23,067,029
304.30	PURIFICATION BUILDINGS	74,055,929	6,097,764	24,676	155,483		4,691		80,018,195	6,342,870	23,247	615,014		20,234		85,749,064
304.61	OFFICE BUILDINGS	26,245,652	2,117,669		38,137				28,325,184	2,113,145		150,852				30,287,476
304.62	STORES, SHOP AND GARAGE BUILDINGS	5,445,444	146,732						5,592,177	145,917						5,738,094
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	17,062,423	1,556,356	77,836	46,938		93,876		18,555,801	1,664,511	94,294	185,665		148,532		19,980,410
305.00	COLLECTING AND IMPOUNDING RESERVOIRS	14,422,640	640,258	61,767	268,004		53,601		14,803,060	745,452	72,487	22,264		8,906		15,589,829
306.00	LAKE, RIVER AND OTHER INTAKES	9,457,963	675,743		3,259				10,130,448	733,196		53				10,863,591
307.00	WELLS AND SPRINGS	21,957,196	1,358,449	49,202	3,160,642		501,665		19,702,540	1,549,118	137,979	476,265		82,775		20,830,597
310.40	OTHER POWER PRODUCTION EQUIPMENT	14,263,799	1,764,084		17,114				16,010,769	1,818,602		11,950				17,817,421
311.00	ELECTRIC PUMPING EQUIPMENT	48,804,104	2,706,337	154	245,459		227		51,264,909	2,782,189	145	204,536		204		53,842,503
320.10	PURIFICATION SYSTEM - STRUCTURES	50,042,951	2,601,406	6,775	132,298	106	908		52,518,032	2,583,136	517	161,619	162	857		54,939,371
320.20	PURIFICATION SYSTEM - EQUIPMENT	41,802,830	3,549,628	1,783	1,488,357	1,196	10,210		43,856,870	4,207,309	5,820	1,818,213	1,818	9,636		46,243,968
320.30	PURIFICATION SYSTEM - COMPUTERS	6,747,002			8,269				6,738,733	1,037		8,081				6,731,690
320.40	PURIFICATION SYSTEM - PAINTING	257,793							257,793	69,100		2,020				324,873
320.50	PURIFICATION SYSTEM - FILTER MEDIA	3,516,391	203,907		24,806	20	170		3,695,342	523,255		30,304	30	161		4,188,163
320.51	PURIFICATION SYSTEM - FILTER MEDIA - PFAS								0	61,479						61,479
330.01	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	27,362,412	1,231,635	15,374	55,779		2,305		28,551,337	1,257,385	5,665	493,052		40,332		29,281,003
330.02	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANK PAINTING	55,915,970	5,322,397		47,515		1,964		61,188,888	4,823,147	4,826	420,007		34,357		65,562,497
331.01	MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER	7,961,382	947,629	77,987	122,877		34,859		8,829,262	1,000,101	42,371	153,167		45,950		9,672,617
331.02	MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH	294,737,880	37,410,949	1,208,350	4,168,586		1,182,585		328,006,008	39,101,710	1,437,450	5,196,198		1,558,860		361,790,110
331.03	MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER	78,209,791	8,333,427	337,557	1,547,016		438,873		84,894,887	8,760,718	533,456	1,928,375		578,513		91,682,173
331.04	MAINS AND ACCESSORIES - STEEL	1,825,398	96,369	8,634	3,072		871		1,926,457	96,099		3,829		1,149		2,017,578
331.05	MAINS AND ACCESSORIES - LOCK JOINT	2,542,495	214,324	7,365	184,315		52,288		2,527,580	249,035	63,557	229,751		68,925		2,541,497
331.06	MAINS AND ACCESSORIES - VALVES	9,875,170	1,062,518	260,835	4,915		1,394		11,192,213	1,054,765		6,127		1,838		12,239,013
331.07	MAINS AND ACCESSORIES - SPECIAL CONSTRUCTION	7,459,766	547,948						8,007,714	545,301						8,553,016
331.08	MAINS AND ACCESSORIES - CEMENT WROUGHT IRON	23,985	2,669	1,863	922		261		27,335	2,729		1,149		345		28,570
331.10	MAINS AND ACCESSORIES - COPPER	167,077	39,440	561					207,078	39,054						246,132
331.11	MAINS AND ACCESSORIES - ASBESTOS CEMENT	1,149,128	117,156	345,771	1,536		436		1,610,083	73,804		1,915		574		1,681,398
331.13	MAINS AND ACCESSORIES - PLASTIC	7,226,903	1,044,848	3,267	110,589		31,373		8,133,056	1,097,992	38,134	137,851		41,355		9,089,976
331.99	MAINS AND ACCESSORIES - MAIN CLEANING AND LINING	32,768,148	2,905,443						35,673,591	2,905,443						38,579,035
333.00	SERVICES	125,403,691	8,181,190	416,970	388,549		312,090		133,301,212	8,679,663	377,438	456,132		342,966		141,559,215
334.02	METERS - REMOTE	91,238,784	3,330,140	(44,676)	2,693,651	55,564			91,886,160	3,900,678	(52,121)	1,448,700	28,974			94,314,991
334.03	METERS - ERTS	43,673,456	1,391,053	7,072	804,597		160,919		44,106,065	1,623,453	39,256	432,728		64,909		45,271,136
335.00	FIRE HYDRANTS	26,549,396	1,975,239	54,277	218,172		31,870		28,328,871	2,041,018	40,533	217,266		30,004		30,163,151
336.00	BACKFLOW PREVENTION DEVICES	83,086	10,616		157				93,545	10,629		166				104,008
339.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	0	1,978						1,978	3,271						5,249
340.10	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	4,211,318	454,961		46,013				4,620,266	456,973		423,068			(304,700)	4,349,470
340.20	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	655,980	91,457		65,891				681,546	96,044		15,567			(175,900)	586,124
340.30	OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE	4,335,803	3,168,231		8,075,494			2,150,400	1,578,941	2,477,169		5,846,620			1,861,100	70,590
340.40	OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10-YE	17,943,243	4,132,070		6,689,149			(2,150,400)	13,235,764	3,873,252		5,079,280				12,029,735
340.41	OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15-YE	16,032,651	4,573,145						20,605,796	5,160,837					(1,380,500)	24,386,133
341.10	TRANSPORTATION EQUIPMENT - VEHICLES	16,994,178	1,683,058	(29,935)	574,555	6,843			18,079,590	1,953,993	(24,134)	225,060	2,543			19,786,932
341.20	TRANSPORTATION EQUIPMENT - OTHER	796,060	144,776		97,643				843,192	148,156		26,008				965,340
342.00	STORES EQUIPMENT	1,410,536	174,820						1,585,356	174,414		46,862				1,712,908
343.10	SHOP EQUIPMENT	1,015,829	138,523	(1,511)	16,165	13,369			1,150,046	147,874	(3,274)	93,678	14,052			1,215,019
343.20	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	9,028,070	940,209		122,066				9,846,213	921,442		970,619				9,797,036
344.10	LABORATORY EQUIPMENT - CONVENTIONAL	847,483	21,156		2,522				866,117	21,194		2,843				884,468
344.20	LABORATORY EQUIPMENT - ELECTRONIC	3,002,294	202,638		123,572				3,081,360	229,964		139,311				3,172,013
345.00	POWER OPERATED EQUIPMENT	0	4,829						4,829	6,479						11,308
346.01	COMMUNICATION EQUIPMENT - GENERAL	2,924,694	580,466	99	385,653		700		3,118,906	643,227	966					3,763,099
346.02	COMMUNICATION EQUIPMENT - SCADA	10,604,176	2,784,232	2,721	922,372		1,674		12,467,082	2,888,119	2,312	3,166,980		6,017		12,184,516
347.00	MISCELLANEOUS EQUIPMENT	1,545,545	104,372		1,819				1,648,099	109,493		19,133				1,738,459
348.00	OTHER TANGIBLE PLANT	18,920	1,780						20,700	2,197						22,896
	SUBTOTAL	**1,259,730,162**	**118,356,743**	**2,927,394**	**33,116,732**	**77,100**	**2,931,900**	**0**	**1,345,042,767**	**123,563,564**	**2,859,555**	**31,077,152**	**47,579**	**3,122,342**	**0**	**1,437,313,972**
	LESS:															
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS															
304.20	POWER AND PUMPING STRUCTURES	(321,141)	(4,134)						(325,275)	(4,052)						(329,327)
304.30	PURIFICATION BUILDINGS	(31,056)	(68,451)						(99,507)	(68,451)						(167,958)
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	(32,293)	(3,807)						(36,100)	(3,807)						(39,908)
307.00	WELLS AND SPRINGS	(1,045,735)	(45,580)						(1,091,315)	(45,306)						(1,136,621)
310.40	OTHER POWER PRODUCTION EQUIPMENT	(760,129)	(24,000)						(784,129)	(23,700)						(807,829)
311.00	ELECTRIC PUMPING EQUIPMENT	(1,114,516)	(42,829)						(1,157,346)	(41,918)						(1,199,264)
320.20	PURIFICATION SYSTEM - EQUIPMENT	(42,159)	(189,577)						(231,736)	(188,605)						(420,341)
330.01	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	(1,391,697)	(30,088)						(1,421,785)	(30,088)						(1,451,873)
331.01	MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER	(91,732)	(18,391)						(110,123)	(19,169)						(129,292)
331.02	MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH	(40,277,597)	(2,689,775)						(42,967,371)	(2,706,562)						(45,673,934)
331.03	MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER	(2,004,286)	(222,498)						(2,226,784)	(230,657)						(2,457,442)
331.04	MAINS AND ACCESSORIES - STEEL	(58)	(281)						(339)	(443)						(781)
331.06	MAINS AND ACCESSORIES - VALVES	(472,282)	(82,596)						(554,878)	(83,612)						(638,490)
331.11	MAINS AND ACCESSORIES - ASBESTOS CEMENT	(2,705,542)	(172,353)						(2,877,895)	(153,348)						(3,031,243)
331.13	MAINS AND ACCESSORIES - PLASTIC	(1,498,343)	(163,154)						(1,661,497)	(162,871)						(1,824,368)
333.00	SERVICES	(3,325,706)	(304,527)						(3,630,233)	(304,527)						(3,934,760)
334.00	METERS	(79,525)						3,785	(75,740)							(75,740)
335.00	FIRE HYDRANTS	(3,574,868)	(240,347)						(3,815,214)	(240,347)						(4,055,561)
343.20	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	(84)							(84)							(84)
344.20	LABORATORY EQUIPMENT - ELECTRONIC	(1,662)							(1,662)							(1,662)
	SUBTOTAL	**(58,770,410)**	**(4,302,389)**	**0**	**0**	**0**	**0**	**3,785**	**(63,069,014)**	**(4,307,463)**	**0**	**0**	**0**	**0**	**0**	**(67,376,477)**
	TOTAL	**1,200,959,751**	**114,054,354**	**2,927,394**	**33,116,732**	**77,100**	**2,931,900**	**3,785**	**1,281,973,753**	**119,256,102**	**2,859,555**	**31,077,152**	**47,579**	**3,122,342**	**0**	**1,369,937,495**

Sources:

Columns (1), (2), (4) - (8): Exhibit 6-A, Part 2, Table 2
Column (3): OCA 2024 Depreciation Model for Water Base Operations
Column (10): OCA 2025 Depreciation Model for Water Base Operations
Column (11) - (15): Exhibit 6-A, Part 3, Table 2

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE
AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	WATER PLANT								
	INTANGIBLE PLANT								
301	ORGANIZATION	NONDEPR.		7,076,059.95					
302	FRANCHISES AND CONSENTS	NONDEPR.		2,944,957.32					
303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.		4,382,344.75					
	TOTAL INTANGIBLE PLANT			**14,403,362.02**					
	NONDEPRECIABLE PLANT								
303.11	WATER RIGHTS	NONDEPR.		1,703,879.22					
303.12	RESERVOIR LAND	NONDEPR.		2,826,590.02					
303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.		6,878,759.36					
303.2	POWER AND PUMPING LAND	NONDEPR.		1,577,342.01					
303.3	PURIFICATION LAND	NONDEPR.		1,408,637.63					
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		1,431,041.39					
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.		1,323,147.51					
303.61	OFFICE LAND	NONDEPR.		3,128,180.15					
303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.		1,002,954.67					
303.63	MISCELLANEOUS LAND	NONDEPR.		1,066,770.08					
	TOTAL NONDEPRECIABLE PLANT			**22,347,302.04**					
	DEPRECIABLE PLANT								
304.2	POWER AND PUMPING STRUCTURES								
	MAJOR TREATMENT PLANTS	85-S0.5	*	23,625,022.72	7,663,453.88	15,961,569	632,697	2.68	25.2
	OTHER STRUCTURES	50-R3		57,146,972.71	15,403,576	41,743,397	1,085,138	1.90	38.5
	TOTAL ACCOUNT 304.2			80,771,995.43	23,067,030	57,704,966	1,717,835	2.13	
304.3	PURIFICATION BUILDINGS								
	MAJOR TREATMENT PLANTS	95-S0.5	*	203,155,039.53	72,272,351	130,882,689	5,078,177	2.50	25.8
	OTHER STRUCTURES	50-S0		78,319,125.72	13,476,713	64,842,413	1,466,272	1.87	44.2
	TOTAL ACCOUNT 304.3			281,474,165.25	85,749,064	195,725,101	6,544,449	2.33	
304.61	OFFICE BUILDINGS								
	OFFICES	55-R3	*	76,985,229.49	29,385,232	47,599,998	2,223,440	2.89	21.4
	OTHER STRUCTURES	50-R3		6,900,178.58	902,245	5,997,934	131,020	1.90	45.8
	TOTAL ACCOUNT 304.61			83,885,408.07	30,287,476	53,597,932	2,354,461	2.81	
304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	*	8,151,790.12	5,738,094	2,413,696	144,535	1.77	16.7
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	53,811,422.38	19,980,410	33,831,013	1,950,668	3.63	17.3
305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	*	47,725,712.85	15,589,829	32,135,884	869,800	1.82	36.9
306	LAKE, RIVER AND OTHER INTAKES	80-R3	*	24,866,568.97	10,863,591	14,002,978	731,894	2.94	19.1
307	WELLS AND SPRINGS	50-R2.5		81,386,762.20	20,830,597	60,556,165	1,562,530	1.92	38.8

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE
AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	WATER PLANT								
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	39,853,182.79	17,817,420	22,035,762	1,847,750	4.64	11.9
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		115,220,987.87	53,842,504	61,378,484	2,796,972	2.43	21.9
320	PURIFICATION SYSTEM								
	STRUCTURES	80-S0	*	98,973,591.77	49,988,087	48,985,505	2,379,098	2.40	20.6
	WELLS AND BOOSTERS	50-R3		16,766,011.42	4,951,284	11,814,728	315,194	1.88	37.5
	SUBTOTAL			115,739,603.19	54,939,371	60,800,233	2,694,292	2.33	
	EQUIPMENT	52-R2.5		244,330,145.84	46,243,968	198,086,178	4,492,955	1.84	44.1
	COMPUTERS	10-SQ		7,360,610.22	6,731,690	628,920	67,634	0.92	9.3
	PAINTING	10-SQ		296,911.27	324,873	(27,962)	0	-	-
	FILTER MEDIA	10-S3		5,955,248.05	4,188,162	1,767,086	229,047	3.85	7.7
	FILTER MEDIA - PFAS	10-S3		1,000,000.00	61,479	938,521	98,792	9.88	9.5
	TOTAL ACCOUNT 320			374,682,518.57	112,489,543	262,192,976	7,582,719	2.02	
330	DISTRIBUTION RESERVOIRS AND STANDPIPES								
	TANKS	70-S1		98,417,090.11	29,281,004	69,136,086	1,289,262	1.31	53.6
	TANK PAINTING	10-SQ		82,098,657.34	65,562,497	16,536,160	4,270,160	5.20	3.9
	TOTAL ACCOUNT 330			180,515,747.45	94,843,501	85,672,247	5,559,422	3.08	
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5		50,914,639.58	9,672,617	41,242,023	1,026,860	2.02	40.2
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		2,446,532,176.52	361,790,110	2,084,742,066	39,701,651	1.62	52.5
	CAST IRON - 12 INCH AND OVER	95-S3		806,938,943.87	91,682,173	715,256,771	8,922,254	1.11	80.2
	STEEL	75-R3		5,495,288.91	2,017,578	3,477,711	95,139	1.73	36.6
	LOCK JOINT	75-R5		13,909,671.40	2,541,497	11,368,175	257,127	1.85	44.2
	VALVES	90-R3		91,774,861.27	12,239,013	79,535,848	1,058,098	1.15	75.2
	SPECIAL CONSTRUCTION	58-R4		26,470,940.91	8,553,016	17,917,925	543,582	2.05	33.0
	CEMENT WROUGHT IRON	90-R3		218,829.49	28,570	190,260	2,808	1.28	67.8
	COPPER	50-S0.5		1,933,353.51	246,132	1,687,222	38,913	2.01	43.4
	ASBESTOS CEMENT	50-S5		3,283,203.35	1,681,398	1,601,806	72,230	2.20	22.2
	PLASTIC	45-R2.5		47,013,884.78	9,089,976	37,923,909	1,115,250	2.37	34.0
	MAIN CLEANING AND LINING	50-L4		124,697,136.96	38,579,035	86,118,102	2,895,009	2.32	29.7
	TOTAL ACCOUNT 331			3,619,182,930.55	538,121,114	3,081,061,816	55,728,919	1.54	
333	SERVICES	70-R4		648,002,000.30	141,559,215	506,442,785	8,967,370	1.38	56.5
334	METERS								
	REMOTE	22-R2.5		160,572,977.07	94,314,991	66,257,986	4,143,032	2.58	16.0
	ERTS	18-S2		64,707,281.07	45,271,136	19,436,145	1,699,496	2.63	11.4
	TOTAL ACCOUNT 334			225,280,258.14	139,586,127	85,694,131	5,842,528	2.59	
335	FIRE HYDRANTS	60-R4		125,626,999.61	30,163,151	95,463,848	2,073,932	1.65	46.0
336	BACKFLOW PREVENTION DEVICES	35-R2.5		386,014.90	104,008	282,007	10,595	2.74	26.6
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3		65,814.77	5,249	60,566	3,269	4.97	18.5

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

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AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT		COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)		(8)=(5)/(6)
	WATER PLANT								
340	OFFICE FURNITURE AND EQUIPMENT								
	FURNITURE	20-SQ	9,323,803.30	4,349,470	4,974,333	510,294	5.47	**	9.7
	MECHANICAL EQUIPMENT	10-SQ	1,000,191.53	586,124	414,068	117,797	11.78	**	3.5
	COMPUTER HARDWARE	5-SQ	11,321,979.64	70,590	11,251,390	4,565,506	40.32	**	2.5
	COMPUTER SOFTWARE - 10-YEAR	10-SQ	40,944,634.41	12,029,735	28,914,899	6,978,214	17.04	**	4.1
	COMPUTER SOFTWARE - 15-YEAR	15-SQ	81,171,088.85	24,386,133	56,784,956	5,406,567	6.66	**	10.5
	TOTAL ACCOUNT 340		143,761,697.73	41,422,053	102,339,645	17,578,377	12.23		
341	TRANSPORTATION EQUIPMENT								
	VEHICLES	9-L2.5	30,506,717.87	19,786,931	10,719,786	1,979,758	6.49		5.4
	OTHER	20-SQ	2,997,334.99	965,340	2,031,995	204,187	6.81	**	10.0
	TOTAL ACCOUNT 341		33,504,052.86	20,752,272	12,751,781	2,183,946	6.52		
342	STORES EQUIPMENT	20-SQ	3,499,982.19	1,712,908	1,787,074	173,708	4.96	**	10.3
343.1	SHOP EQUIPMENT	25-SQ	3,793,864.35	1,215,019	2,578,845	150,227	3.96	**	17.2
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	18,575,825.94	9,797,036	8,778,790	939,741	5.06	**	9.3
344	LABORATORY EQUIPMENT								
	CONVENTIONAL	38-R3	1,303,708.29	884,468	419,240	21,153	1.62		19.8
	ELECTRONIC	25-R2.5	7,757,817.62	3,172,013	4,585,805	243,509	3.14		18.8
	TOTAL ACCOUNT 344		9,061,525.91	4,056,481	5,005,045	264,662	2.92		
345	POWER OPERATED EQUIPMENT	20-R2	131,411.12	11,308	120,103	6,438	4.90		18.7
346	COMMUNICATION EQUIPMENT								
	EQUIPMENT	15-SQ	10,051,956.76	3,763,099	6,288,858	644,953	6.42	**	9.8
	SCADA	10-SQ	30,382,736.63	12,184,516	18,198,220	3,632,922	11.96	**	5.0
	TOTAL ACCOUNT 346		40,434,693.39	15,947,615	24,487,078	4,277,875	10.58		
347	MISCELLANEOUS EQUIPMENT	25-SQ	2,782,358.38	1,738,459	1,043,899	116,534	4.19	**	9.0
348	OTHER TANGIBLE PLANT	25-SQ	59,497.10	22,896	36,601	2,456	4.13	**	14.9
	TOTAL DEPRECIABLE PLANT		**6,246,495,189.19**	**1,437,313,970**	**4,809,181,219**	**131,983,611**	2.11		
	TOTAL WATER PLANT IN SERVICE		**6,283,245,853.25**	**1,437,313,970**	**4,809,181,219**	**131,983,611**	2.10		
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
	NONDEPRECIABLE PLANT								
302	FRANCHISES AND CONSENTS	NONDEPR.	61,668.00						
303.2	POWER AND PUMPING LAND	NONDEPR.	10,616.04						
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	4,505.75						
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	8,199.00						
	TOTAL NONDEPRECIABLE PLANT		**84,988.79**						

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE
AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
	WATER PLANT							
	DEPRECIABLE PLANT							
304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	329,327	79,976	4,000	0.98	20.0
304.3	PURIFICATION BUILDINGS	50-S0	3,388,656.78	167,958	3,220,699	68,168	2.01	47.2
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	175,454.91	39,908	135,547	3,799	2.17	35.7
307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	1,136,621	1,609,189	45,173	1.65	35.6
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	807,829	692,171	23,551	1.57	29.4
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	1,199,263	623,263	41,011	2.25	15.2
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	9,721,907.47	420,341	9,301,566	188,136	1.94	49.4
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	1,451,873	1,469,307	29,851	1.02	49.2
331	MAINS AND ACCESSORIES							
	CAST IRON - 4 INCH AND UNDER	50-L1.5	977,986.06	129,292	848,694	19,141	1.96	44.3
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5	168,109,463.19	45,673,934	122,435,530	2,700,305	1.61	45.3
	CAST IRON - 12 INCH AND OVER	95-S3	21,556,748.58	2,457,442	19,099,307	230,278	1.07	82.9
	STEEL	75-R3	33,299.45	781	32,518	444	1.33	73.3
	VALVES	90-R3	7,532,577.64	638,490	6,894,088	83,910	1.11	82.2
	ASBESTOS CEMENT	50-S5	3,814,630.11	3,031,243	783,387	134,915	3.54	5.8
	PLASTIC	45-R2.5	7,271,034.08	1,824,368	5,446,666	161,466	2.22	33.7
	TOTAL ACCOUNT 331		209,295,739.11	53,755,549	155,540,190	3,330,459	1.59	
333	SERVICES	70-R4	22,228,245.36	3,934,759	18,293,486	305,631	1.37	59.9
334	METERS	22-R2.5	75,740.42	75,740	1	0	-	13.5
335	FIRE HYDRANTS	60-R4	15,406,832.51	4,055,560	11,351,272	239,914	1.56	47.3
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	84	0	0	-	-
344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	1,662	0	0	-	-
	TOTAL DEPRECIABLE PLANT		**269,693,142.62**	**67,376,475**	**202,316,667**	**4,279,693**	1.59	
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**269,778,131.41**	**67,376,475**	**202,316,667**	**4,279,693**	1.59	
	AMORTIZATION OF NET SALVAGE					2,911,867		
	TOTAL WATER PLANT		**6,013,467,721.84**	**1,369,937,495**	**4,606,864,552**	**130,615,785**	2.17	

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
	(1)	(2)		(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
	WATER PLANT									
	INTANGIBLE PLANT									
301	ORGANIZATION	NONDEPR.		7,076,059.95						
302	FRANCHISES AND CONSENTS	NONDEPR.		2,944,957.32						
303	MISCELLANEOUS INTANGIBLE PLANT	NONDEPR.		4,382,344.75						
	TOTAL INTANGIBLE PLANT			**14,403,362.02**						
	NONDEPRECIABLE PLANT									
303.11	WATER RIGHTS	NONDEPR.		1,703,879.22						
303.12	RESERVOIR LAND	NONDEPR.		2,826,590.02						
303.13	OTHER SOURCE OF SUPPLY LAND	NONDEPR.		6,878,759.36						
303.2	POWER AND PUMPING LAND	NONDEPR.		1,577,342.01						
303.3	PURIFICATION LAND	NONDEPR.		1,408,637.63						
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		1,431,041.39						
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.		1,323,147.51						
303.61	OFFICE LAND	NONDEPR.		3,128,180.15						
303.62	STORES, SHOP AND GARAGE LAND	NONDEPR.		1,002,954.67						
303.63	MISCELLANEOUS LAND	NONDEPR.		1,066,770.08						
	TOTAL NONDEPRECIABLE PLANT			**22,347,302.04**						
	DEPRECIABLE PLANT									
304.2	POWER AND PUMPING STRUCTURES									
	MAJOR TREATMENT PLANTS	85-S0.5	*	23,625,022.72	656,405	2.78	632,697	2.68	(23,708)	(0.10)
	OTHER STRUCTURES	50-R3		57,146,972.71	1,241,434	2.17	1,085,138	1.90	(156,296)	(0.27)
	TOTAL ACCOUNT 304.2			80,771,995.43	1,897,839	2.35	1,717,835	2.13	(180,004)	(0.22)
304.3	PURIFICATION BUILDINGS									
	MAJOR TREATMENT PLANTS	95-S0.5	*	203,155,039.53	5,218,998	2.57	5,078,177	2.50	(140,821)	(0.07)
	OTHER STRUCTURES	50-S0		78,319,125.72	2,167,685	2.77	1,466,272	1.87	(701,413)	(0.90)
	TOTAL ACCOUNT 304.3			281,474,165.25	7,386,683	2.62	6,544,449	2.33	(842,234)	(0.29)
304.61	OFFICE BUILDINGS									
	OFFICES	55-R3	*	76,985,229.49	2,259,376	2.93	2,223,440	2.89	(35,936)	(0.04)
	OTHER STRUCTURES	50-R3		6,900,178.58	152,529	2.21	131,020	1.90	(21,509)	(0.31)
	TOTAL ACCOUNT 304.61			83,885,408.07	2,411,905	2.88	2,354,461	2.81	(57,444)	(0.07)
304.62	STORES, SHOP AND GARAGE BUILDINGS	60-R3	*	8,151,790.12	147,672	1.81	144,535	1.77	(3,137)	(0.04)
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	53,811,422.38	2,173,305	4.04	1,950,668	3.63	(222,637)	(0.41)
305	COLLECTING AND IMPOUNDING RESERVOIRS	120-R2	*	47,725,712.85	921,084	1.93	869,800	1.82	(51,284)	(0.11)
306	LAKE, RIVER AND OTHER INTAKES	80-R3	*	24,866,568.97	738,266	2.97	731,894	2.94	(6,372)	(0.03)

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
	(1)	(2)		(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
307	WELLS AND SPRINGS	50-R2.5		81,386,762.20	1,865,670	2.29	1,562,530	1.92	(303,140)	(0.37)
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	39,853,182.79	1,902,397	4.77	1,847,750	4.64	(54,647)	(0.13)
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		115,220,987.87	3,120,708	2.71	2,796,972	2.43	(323,736)	(0.28)
320	PURIFICATION SYSTEM									
	STRUCTURES	80-S0	*	98,973,591.77	2,446,604	2.47	2,379,098	2.40	(67,506)	(0.07)
	WELLS AND BOOSTERS	50-R3		16,766,011.42	359,929	2.15	315,194	1.88	(44,735)	(0.27)
	SUBTOTAL			115,739,603.19	2,806,533	2.42	2,694,292	2.33	(112,241)	(0.09)
	EQUIPMENT	52-R2.5		244,330,145.84	5,506,004	2.25	4,492,955	1.84	(1,013,049)	(0.41)
	COMPUTERS	10-SQ		7,360,610.22	66,337	0.90	67,634	0.92	1,297	0.02
	PAINTING	10-SQ		296,911.27	8,263	2.78	0	-	(8,263)	(2.78)
	FILTER MEDIA	10-S3		5,955,248.05	290,626	4.88	229,047	3.85	(61,579)	(1.03)
	FILTER MEDIA - PFAS	10-S3		1,000,000.00	106,529	10.65	98,792	9.88	(7,737)	(0.77)
	TOTAL ACCOUNT 320			374,682,518.57	8,784,292	2.34	7,582,719	2.02	(1,201,573)	(0.32)
330	DISTRIBUTION RESERVOIRS AND STANDPIPES									
	TANKS	70-S1		98,417,090.11	1,612,302	1.64	1,289,262	1.31	(323,040)	(0.33)
	TANK PAINTING	10-SQ		82,098,657.34	4,270,162	5.20	4,270,160	5.20	(2)	-
	TOTAL ACCOUNT 330			180,515,747.45	5,882,464	3.26	5,559,422	3.08	(323,042)	(0.18)
331	MAINS AND ACCESSORIES									
	CAST IRON - 4 INCH AND UNDER	50-L1.5		50,914,639.58	1,377,245	2.71	1,026,860	2.02	(350,385)	(0.69)
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		2,446,532,176.52	44,475,431	1.82	39,701,651	1.62	(4,773,780)	(0.20)
	CAST IRON - 12 INCH AND OVER	95-S3		806,938,943.87	9,691,765	1.20	8,922,254	1.11	(769,511)	(0.09)
	STEEL	75-R3		5,495,288.91	105,640	1.92	95,139	1.73	(10,501)	(0.19)
	LOCK JOINT	75-R5		13,909,671.40	266,040	1.91	257,127	1.85	(8,913)	(0.06)
	VALVES	90-R3		91,774,861.27	1,210,042	1.32	1,058,098	1.15	(151,944)	(0.17)
	SPECIAL CONSTRUCTION	58-R4		26,470,940.91	586,182	2.21	543,582	2.05	(42,600)	(0.16)
	CEMENT WROUGHT IRON	90-R3		218,829.49	3,198	1.46	2,808	1.28	(390)	(0.18)
	COPPER	50-S0.5		1,933,353.51	52,590	2.72	38,913	2.01	(13,677)	(0.71)
	ASBESTOS CEMENT	50-S5		3,283,203.35	74,115	2.26	72,230	2.20	(1,885)	(0.06)
	PLASTIC	45-R2.5		47,013,884.78	1,325,230	2.82	1,115,250	2.37	(209,980)	(0.45)
	MAIN CLEANING AND LINING	50-L4		124,697,136.96	3,163,172	2.54	2,895,009	2.32	(268,163)	(0.22)
	TOTAL ACCOUNT 331			3,619,182,930.55	62,330,650	1.72	55,728,919	1.54	(6,601,731)	(0.18)
333	SERVICES	70-R4		648,002,000.30	9,610,950	1.48	8,967,370	1.38	(643,580)	(0.10)
334	METERS									
	REMOTE	22-R2.5		160,572,977.07	4,877,256	3.04	4,143,032	2.58	(734,224)	(0.46)
	ERTS	18-S2		64,707,281.07	1,918,938	2.97	1,699,496	2.63	(219,442)	(0.34)
	TOTAL ACCOUNT 334			225,280,258.14	6,796,194	3.02	5,842,528	2.59	(953,666)	(0.43)

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
	(1)	(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
335	FIRE HYDRANTS	60-R4	125,626,999.61	2,222,470	1.77	2,073,932	1.65	(148,538)	(0.12)
336	BACKFLOW PREVENTION DEVICES	35-R2.5	386,014.90	12,401	3.21	10,595	2.74	(1,806)	(0.47)
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3	65,814.77	3,741	5.68	3,269	4.97	(472)	(0.71)
340	OFFICE FURNITURE AND EQUIPMENT								
	FURNITURE	20-SQ	9,323,803.30	510,294	5.47 **	510,294	5.47 **	0	-
	MECHANICAL EQUIPMENT	10-SQ	1,000,191.53	117,797	11.78 **	117,797	11.78 **	0	-
	COMPUTER HARDWARE	5-SQ	11,321,979.64	4,565,505	40.32 **	4,565,506	40.32 **	1	-
	COMPUTER SOFTWARE - 10-YEAR	10-SQ	40,944,634.41	6,978,214	17.04 **	6,978,214	17.04 **	(0)	-
	COMPUTER SOFTWARE - 15-YEAR	15-SQ	81,171,088.85	5,406,567	6.66 **	5,406,567	6.66 **	(0)	-
	TOTAL ACCOUNT 340		143,761,697.73	17,578,377	12.23	17,578,377	12.23	0	-
341	TRANSPORTATION EQUIPMENT								
	VEHICLES	9-L2.5	30,506,717.87	2,211,533	7.25	1,979,758	6.49	(231,775)	(0.76)
	OTHER	20-SQ	2,997,334.99	204,186	6.81 **	204,187	6.81 **	1	-
	TOTAL ACCOUNT 341		33,504,052.86	2,415,719	7.21	2,183,946	6.52	(231,773)	(0.69)
342	STORES EQUIPMENT	20-SQ	3,499,982.19	173,708	4.96 **	173,708	4.96 **	(0)	-
343.1	SHOP EQUIPMENT	25-SQ	3,793,864.35	150,225	3.96 **	150,227	3.96 **	2	-
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	18,575,825.94	939,743	5.06 **	939,741	5.06 **	(2)	-
344	LABORATORY EQUIPMENT								
	CONVENTIONAL	38-R3	1,303,708.29	23,809	1.83	21,153	1.62	(2,656)	(0.21)
	ELECTRONIC	25-R2.5	7,757,817.62	288,639	3.72	243,509	3.14	(45,130)	(0.58)
	TOTAL ACCOUNT 344		9,061,525.91	312,448	3.45	264,662	2.92	(47,786)	(0.53)
345	POWER OPERATED EQUIPMENT	20-R2	131,411.12	8,318	6.33	6,438	4.90	(1,880)	(1.43)
346	COMMUNICATION EQUIPMENT								
	EQUIPMENT	15-SQ	10,051,956.76	644,951	6.42 **	644,953	6.42 **	2	-
	SCADA	10-SQ	30,382,736.63	3,632,921	11.96 **	3,632,922	11.96 **	1	-
	TOTAL ACCOUNT 346		40,434,693.39	4,277,872	10.58	4,277,875	10.58	3	-
347	MISCELLANEOUS EQUIPMENT	25-SQ	2,782,358.38	116,534	4.19 **	116,534	4.19 **	0	-
348	OTHER TANGIBLE PLANT	25-SQ	59,497.10	2,456	4.13 **	2,456	4.13 **	(0)	-
	TOTAL DEPRECIABLE PLANT		**6,246,495,189.19**	**144,184,091**	**2.31**	**131,983,611**	**2.11**	**(12,200,480)**	**(0.20)**
	TOTAL WATER PLANT IN SERVICE		**6,283,245,853.25**	**144,184,091**	**2.29**	**131,983,611**	**2.10**	**(12,200,480)**	**(0.19)**
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
	NONDEPRECIABLE PLANT								
302	FRANCHISES AND CONSENTS	NONDEPR.	61,668.00						
303.2	POWER AND PUMPING LAND	NONDEPR.	10,616.04						
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.	4,505.75						
303.5	DISTRIBUTION RESERVOIRS AND STANDPIPES LAND	NONDEPR.	8,199.00						
	TOTAL NONDEPRECIABLE PLANT		**84,988.79**						

AQUA PENNSYLVANIA, INC.
WATER BASE OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
	(1)	(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
	DEPRECIABLE PLANT								
304.2	POWER AND PUMPING STRUCTURES	50-R3	409,302.95	4,402	1.08	4,000	0.98	(402)	(0.10)
304.3	PURIFICATION BUILDINGS	50-S0	3,388,656.78	102,903	3.04	68,168	2.01	(34,735)	(1.03)
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	175,454.91	4,597	2.62	3,799	2.17	(798)	(0.45)
307	WELLS AND SPRINGS	50-R2.5	2,745,810.67	52,989	1.93	45,173	1.65	(7,816)	(0.28)
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	1,500,000.00	28,736	1.92	23,551	1.57	(5,185)	(0.35)
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5	1,822,526.01	46,079	2.53	41,011	2.25	(5,068)	(0.28)
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5	9,721,907.47	233,127	2.40	188,136	1.94	(44,991)	(0.46)
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1	2,921,180.43	37,131	1.27	29,851	1.02	(7,280)	(0.25)
331	MAINS AND ACCESSORIES								
	CAST IRON - 4 INCH AND UNDER	50-L1.5	977,986.06	26,126	2.67	19,141	1.96	(6,985)	(0.71)
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5	168,109,463.19	3,035,643	1.81	2,700,305	1.61	(335,338)	(0.20)
	CAST IRON - 12 INCH AND OVER	95-S3	21,556,748.58	249,449	1.16	230,278	1.07	(19,171)	(0.09)
	STEEL	75-R3	33,299.45	518	1.56	444	1.33	(74)	(0.23)
	VALVES	90-R3	7,532,577.64	96,536	1.28	83,910	1.11	(12,626)	(0.17)
	ASBESTOS CEMENT	50-S5	3,814,630.11	139,651	3.66	134,915	3.54	(4,736)	(0.12)
	PLASTIC	45-R2.5	7,271,034.08	191,663	2.64	161,466	2.22	(30,197)	(0.42)
	TOTAL ACCOUNT 331		209,295,739.11	3,739,586	1.79	3,330,459	1.59	(409,127)	(0.20)
333	SERVICES	70-R4	22,228,245.36	326,537	1.47	305,631	1.37	(20,906)	(0.10)
334	METERS	22-R2.5	75,740.42	0	-	0	-	0	-
335	FIRE HYDRANTS	60-R4	15,406,832.51	256,915	1.67	239,914	1.56	(17,001)	(0.11)
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ	84.00	0	-	0	-	0	-
344.2	LABORATORY EQUIPMENT - ELECTRONIC	25-R2.5	1,662.00	0	-	0	-	0	-
	TOTAL DEPRECIABLE PLANT		**269,693,142.62**	**4,833,002**	**1.79**	**4,279,693**	**1.59**	**(553,309)**	**(0.20)**
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**269,778,131.41**	**4,833,002**	**1.79**	**4,279,693**	**1.59**	**(553,309)**	**(0.20)**
	AMORTIZATION OF NET SALVAGE			2,911,867		2,911,867		0	
	TOTAL WATER PLANT		**6,013,467,721.84**	**142,262,956**	**2.37**	**130,615,785**	**2.17**	**(11,647,171)**	**(0.20)**

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

Sources:
[1] Exhibit 6-A Part 3, Table 1
[2] Exhibit BCA-3

AQUA PENNSYLVANIA WASTEWATER, INC.
SHENANDOAH WATER OPERATIONS

OCA'S BRINGFORWARD TO DECEMBER 31, 2025, OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT		BOOK RESERVE AS OF DECEMBER 31, 2023	FUTURE TEST YEAR: OCA DEPRECIATION ACCRUALS	FUTURE TEST YEAR: AMORTIZATION OF NET SALVAGE	FUTURE TEST YEAR: PROJECTED RETIREMENTS	FUTURE TEST YEAR: PROJECTED GROSS SALVAGE	FUTURE TEST YEAR: PROJECTED COST OF REMOVAL	FUTURE TEST YEAR: ACQUISITIONS AND ADJUSTMENTS	BOOK RESERVE AS OF DECEMBER 31, 2024	FULLY PROJECTED FUTURE TEST YEAR: OCA DEPRECIATION ACCRUALS	FULLY PROJECTED FUTURE TEST YEAR: AMORTIZATION OF NET SALVAGE	FULLY PROJECTED FUTURE TEST YEAR: PROJECTED RETIREMENTS	FULLY PROJECTED FUTURE TEST YEAR: PROJECTED GROSS SALVAGE	FULLY PROJECTED FUTURE TEST YEAR: PROJECTED COST OF REMOVAL	FULLY PROJECTED FUTURE TEST YEAR: ACQUISITIONS AND ADJUSTMENTS	BOOK RESERVE AS OF DECEMBER 31, 2025
(1)		(2) +	(3) +	(4) -	(5) +	(6) -	(7) +	(8) =	(9)	(10) +	(11) -	(12) +	(13) -	(14) -	(15) =	(16)
DEPRECIABLE PLANT																
304.30	PURIFICATION BUILDINGS	19,127	216,595		6,136		185		229,401	230,592	37	19,018		626		440,387
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	484	6,113		1,534		3,068		1,995	10,171	614	4,755		3,804		4,222
310.40	OTHER POWER PRODUCTION EQUIPMENT	0	236		153				83	4,871		2,059				2,895
311.00	ELECTRIC PUMPING EQUIPMENT	6,513	68,384		462				74,435	64,531						138,966
320.20	PURIFICATION SYSTEM - EQUIPMENT	6	1,348		5,858			5,040	535	2,089						2,624
330.01	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	35,935	340,142					(19,270)	356,807	152,270						509,076
331.01	MAINS AND ACCESSORIES - CAST IRON - 4 INCH AND UNDER	364	6,175		1,308		371		4,859	4,799	77					9,735
331.02	MAINS AND ACCESSORIES - CAST IRON - 6, 8 AND 10 INCH	1,119	51,865		45,784		12,988		(5,788)	29,429	2,678					26,319
331.03	MAINS AND ACCESSORIES - CAST IRON - 12 INCH AND OVER	1,133	11,349		16,351		4,639	12,160	3,652	10,499	956				(4,950)	10,157
331.06	MAINS AND ACCESSORIES - VALVES	1	502		1,962		557	2,070	54	797						851
333.00	SERVICES	261	1,494	26	1,008		809		(36)	3,662	162	2,486		1,869	1,170	604
334.02	METERS - REMOTE	365	26,538	(88)					26,815	26,097						52,912
335.00	FIRE HYDRANTS	258	8,281	131	7,340		1,072		257	6,140	214	8,264		1,141	3,780	986
339.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	0	333						333	550						883
340.20	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	1	320						321	503						824
341.10	TRANSPORTATION EQUIPMENT - VEHICLES	142	15,657					(10,510)	5,289	17,016						22,306
341.20	TRANSPORTATION EQUIPMENT - OTHER	130			10,640			10,510	0							0
343.10	SHOP EQUIPMENT	56	1,246						1,301	2,103						3,404
343.20	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	186	3,542						3,728	5,820						9,548
346.01	COMMUNICATION EQUIPMENT - GENERAL	239	6,029		3,091				3,176	10,181		1,253				12,104
TOTAL		**66,319**	**766,148**	**69**	**101,628**	**0**	**23,690**	**0**	**707,218**	**582,119**	**4,738**	**37,834**	**0**	**7,439**	**0**	**1,248,802**

Sources:
Columns (1), (2), (4) - (8): Exhibit 6-B, Part 2, Table 2
Column (3): OCA 2024 Depreciation Model for Shenandoah
Column (10): OCA 2025 Depreciation Model for Shenandoah
Column (11) - (15): Exhibit 6-B, Part 3, Table 2

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE
AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT		COMPOSITE REMAINING LIFE
	(1)	(2)		(3)	(4)	(5)	(6)	(7)=(6)/(3)		(8)=(5)/(6)
	INTANGIBLE PLANT									
301	ORGANIZATION	NONDEPR.		517,932.18						
	NONDEPRECIABLE PLANT									
303.2	POWER AND PUMPING LAND	NONDEPR.		17.00						
303.3	PURIFICATION LAND	NONDEPR.		22,000.00						
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		22,663.00						
	TOTAL NONDEPRECIABLE PLANT			**44,680.00**						
	DEPRECIABLE PLANT									
304.3	PURIFICATION BUILDINGS	95-S0.5	*	5,599,858.27	440,387	5,159,472	241,908	4.32		21.3
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	269,990.13	4,222	265,768	12,889	4.77		20.6
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	205,788.00	2,895	202,893	9,725	4.73		20.9
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		760,083.28	138,966	621,117	60,693	7.99		10.2
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5		107,655.83	2,624	105,032	2,086	1.94		50.4
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1		5,477,322.40	509,076	4,968,246	150,217	2.74		33.1
331	MAINS AND ACCESSORIES									
	CAST IRON - 4 INCH AND UNDER	50-L1.5		84,930.48	9,735	75,196	4,418	5.20		17.0
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		1,590,756.21	26,319	1,564,437	28,537	1.79		54.8
	CAST IRON - 12 INCH AND OVER	95-S3		755,301.55	10,157	745,144	10,478	1.39		71.1
	VALVES	90-R3		71,198.87	851	70,347	797	1.12		88.3
	TOTAL ACCOUNT 331			2,502,187.11	47,062	2,455,125	44,231	1.77		
333	SERVICES	70-R4		356,312.53	604	355,709	5,157	1.45		69.0
334	METERS - REMOTE	22-R2.5		551,732.65	52,912	498,820	25,883	4.69		19.3
335	FIRE HYDRANTS	60-R4		375,814.26	986	374,829	6,719	1.79		55.8
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3		11,070.00	883	10,187	550	4.97		18.5
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	10-SQ		5,028.21	824	4,205	511	10.17	**	8.2
341	TRANSPORTATION EQUIPMENT - VEHICLES	9-L2.5		133,253.91	22,306	110,948	16,848	12.64		6.6
343.1	SHOP EQUIPMENT	25-SQ		52,581.30	3,404	49,177	2,458	4.67	**	20.0
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ		116,400.57	9,548	106,853	8,611	7.40	**	12.4
346	COMMUNICATION EQUIPMENT	15-SQ		152,584.80	12,104	140,481	14,266	9.35	**	9.8
	TOTAL DEPRECIABLE PLANT			**16,677,663.25**	**1,248,802**	**15,428,861**	**602,751**	**3.61**		
	AMORTIZATION OF NET SALVAGE						6,226			
	TOTAL WATER PLANT IN SERVICE			**17,240,275.43**	**1,248,802**	**15,428,861**	**608,977**	**3.53**		

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
SHENANDOAH WATER OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE		ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE		OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE		DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
	(1)	(2)		(3)	(4)	(5)=(4)/(3)		(6)	(7)=(6)/(3)		(8) = (6) - (4)	(9) = (7) - (5)
	INTANGIBLE PLANT											
301	ORGANIZATION	NONDEPR.		517,932.18								
	NONDEPRECIABLE PLANT											
303.2	POWER AND PUMPING LAND	NONDEPR.		17.00								
303.3	PURIFICATION LAND	NONDEPR.		22,000.00								
303.4	TRANSMISSION AND DISTRIBUTION - LAND AND LAND RIGHTS	NONDEPR.		22,663.00								
	TOTAL NONDEPRECIABLE PLANT			**44,680.00**								
	DEPRECIABLE PLANT											
304.3	PURIFICATION BUILDINGS	95-S0.5	*	5,599,858.27	247,004	4.41		241,908	4.32		(5,096)	(0.09)
304.63	MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	45-S1.5	*	269,990.13	13,342	4.94		12,889	4.77		(453)	(0.17)
310.4	OTHER POWER PRODUCTION EQUIPMENT	40-R1.5	*	205,788.00	12,383	6.02		9,725	4.73		(2,658)	(1.29)
311	ELECTRIC PUMPING EQUIPMENT	36-S2.5		760,083.28	65,344	8.60		60,693	7.99		(4,651)	(0.61)
320	PURIFICATION SYSTEM - EQUIPMENT	52-R2.5		107,655.83	2,630	2.44		2,086	1.94		(544)	(0.50)
330	DISTRIBUTION RESERVOIRS AND STANDPIPES - TANKS	70-S1		5,477,322.40	175,572	3.21		150,217	2.74		(25,355)	(0.47)
331	MAINS AND ACCESSORIES											
	CAST IRON - 4 INCH AND UNDER	50-L1.5		84,930.48	4,982	5.87		4,418	5.20		(564)	(0.67)
	CAST IRON - 6, 8 AND 10 INCH	65-S2.5		1,590,756.21	31,210	1.96		28,537	1.79		(2,673)	(0.17)
	CAST IRON - 12 INCH AND OVER	95-S3		755,301.55	11,393	1.51		10,478	1.39		(915)	(0.12)
	VALVES	90-R3		71,198.87	930	1.31		797	1.12		(133)	(0.19)
	TOTAL ACCOUNT 331			2,502,187.11	48,515	1.94		44,231	1.77		(4,284)	(0.17)
333	SERVICES	70-R4		356,312.53	5,487	1.54		5,157	1.45		(330)	(0.09)
334	METERS - REMOTE	22-R2.5		551,732.65	30,567	5.54		25,883	4.69		(4,684)	(0.85)
335	FIRE HYDRANTS	60-R4		375,814.26	7,150	1.90		6,719	1.79		(431)	(0.11)
339	OTHER PLANT AND MISCELLANEOUS EQUIPMENT	20-R3		11,070.00	629	5.68		550	4.97		(79)	(0.71)
340	OFFICE FURNITURE AND EQUIPMENT - MECHANICAL EQUIPMENT	10-SQ		5,028.21	511	10.16	**	511	10.17	**	0	0.01
341	TRANSPORTATION EQUIPMENT - VEHICLES	9-L2.5		133,253.91	19,542	14.67		16,848	12.64		(2,694)	(2.03)
343.1	SHOP EQUIPMENT	25-SQ		52,581.30	2,457	4.67	**	2,458	4.67	**	1	-
343.2	TOOLS AND WORK EQUIPMENT - GENERAL EQUIPMENT	20-SQ		116,400.57	8,609	7.40	**	8,611	7.40	**	2	-
346	COMMUNICATION EQUIPMENT	15-SQ		152,584.80	14,266	9.35	**	14,266	9.35	**	0	-
	TOTAL DEPRECIABLE PLANT			**16,677,663.25**	**654,008**	**3.92**		**602,751**	**3.61**		**(51,257)**	**(0.31)**
	AMORTIZATION OF NET SALVAGE				6,226			6,226			0	
	TOTAL WATER PLANT IN SERVICE			**17,240,275.43**	**654,008**	**3.79**		**602,751**	**3.53**		**(51,257)**	**(0.26)**

* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

Sources:
[1] Exhibit 6-B Part 3, Table 1
[2] Exhibit BCA-6

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

OCA'S BRINGFORWARD TO DECEMBER 31, 2025, OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

			FUTURE TEST YEAR								FULLY PROJECTED FUTURE TEST YEAR					
ACCOUNT		BOOK RESERVE AS OF DECEMBER 31, 2023	OCA DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ADJUSTMENTS	BOOK RESERVE AS OF DECEMBER 31, 2024	OCA DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	BOOK RESERVE AS OF DECEMBER 31, 2025
(1)		(2)	+ (3)	+ (4)	- (5)	+ (6)	- (7)	+ (8)	= (9)	+ (10)	+ (11)	- (12)	+ (13)	- (14)	= (15)
DEPRECIABLE PLANT															
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	4,403,669	1,109,299	24,413	4,399		1,465		5,531,517	1,121,458	24,706	4,511		1,502	6,671,667
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	9,798,418	351,239	10,461	6,949		567		10,152,601	349,828	10,574	7,126		582	10,505,295
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	29,876,711	1,534,752	149,870	47,677		7,719		31,505,937	1,519,949	149,603	48,891		7,916	33,118,682
354.50	STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT	780,756	36,239	18,420					835,414	35,517	18,420				889,351
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	1,255,151	25,567		177				1,280,541	25,223		182			1,305,583
355.20	POWER GENERATING EQUIPMENT - COLLECTION	46,104	7,344		88				53,360	8,681		306			61,736
355.30	POWER GENERATING EQUIPMENT - PUMPING	1,422,151	47,174		539				1,468,786	47,785		1,878			1,514,692
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	1,839,210	139,555		9,311				1,969,454	162,847		32,430			2,099,871
360.00	COLLECTION MAINS - FORCE	27,387,781	1,241,665	3,094	15,499		321		28,616,720	1,247,158	1,629	2,919		61	29,862,528
361.00	COLLECTION MAINS - GRAVITY	48,763,704	2,545,651	1,530	66,600		326		51,243,959	2,673,165	65	47,852		234	53,869,103
362.00	SPECIAL COLLECTING STRUCTURES	5,876	284						6,160	280					6,440
363.00	SERVICES	14,038,857	337,932	3,556	2,727		516		14,377,102	348,406	3,228	2,870		544	14,725,323
364.00	METERS	469,509	31,354		682				500,181	31,810		522			531,468
370.30	RECEIVING WELLS	1,645,951	90,179						1,736,129	88,273					1,824,403
371.30	PUMPING EQUIPMENT - PUMPING	14,534,054	727,416	4,744	102,853		4,300		15,159,061	822,386	3,524	207,422		8,672	15,768,877
371.50	PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT	136,607	3,987		8,077				132,517	4,292		16,290			120,520
380.00	TREATMENT AND DISPOSAL EQUIPMENT	21,544,683	2,049,526	32,256	288,029		18,180		23,320,257	2,378,445	35,892	555,232		35,045	25,144,317
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	42,496	2,900						45,396	2,876					48,272
381.50	PLANT SEWERS - RECLAIMED WATER TREATMENT	1,971	157						2,127	155					2,283
382.00	OUTFALL LINES	179,510	9,541						189,051	9,418					198,468
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	459,689	27,647						487,336	25,134					512,470
389.30	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - PUMPING	41,383	2,809						44,192	2,688					46,880
389.40	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - TREATMENT AND DISPOSAL	8,403	322						8,725	314					9,039
390.71	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	13,106	1,707						14,812	1,582					16,395
390.73	OFFICE FURNITURE AND EQUIPMENT - OFFICE EQUIPMENT	74,449	24,077						98,526	100,372		114,001			84,897
390.75	OFFICE FURNITURE AND EQUIPMENT - COMPUTER HARDWARE	245,385	103,361		178,484				170,263	144,481		164,636			150,108
390.76	OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 10 YEARS	293,162	58,510		141,846				209,826	69,358		3,211			275,973
390.77	OFFICE FURNITURE AND EQUIPMENT - COMPUTER SOFTWARE - 15 YEARS	192,083	38,393						230,476	47,425					277,901
391.00	TRANSPORTATION EQUIPMENT	1,455,343	33,162	5,636					1,494,141	49,853	5,636				1,549,630
392.00	STORES EQUIPMENT	2,846	254						3,100	439					3,539
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	126,581	41,075					55	167,710	52,569					220,279
394.00	LABORATORY EQUIPMENT	336,140	38,119					20	374,279	39,074					413,352
395.00	POWER OPERATED EQUIPMENT	178,307	8,934						187,241	7,700					194,940
396.00	COMMUNICATION EQUIPMENT - GENERAL	418,277	115,266		11,871		579		521,094	130,185					651,279
396.70	COMMUNICATION EQUIPMENT - SCADA	1,236,144	399,410	1,200					1,636,754	459,327	1,316				2,097,397
397.00	MISCELLANEOUS EQUIPMENT	28,477	1,638		2,621				27,494	1,162					28,656
SUBTOTAL		**183,282,942**	**11,186,446**	**255,180**	**888,429**	**0**	**33,974**	**75**	**193,802,242**	**12,009,613**	**254,593**	**1,210,278**	**0**	**54,555**	**204,801,614**
LESS:															
CUSTOMERS' ADVANCES AND CONTRIBUTIONS															
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	(580,917)	(38,707)						(619,624)	(38,530)					(658,154)
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	(280,184)	(23,209)						(303,392)	(23,209)					(326,601)
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	(2,756,058)	(148,844)						(2,904,902)	(146,198)					(3,051,100)
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	(10,496)	(271)						(10,767)	(263)					(11,030)
360.20	COLLECTION MAINS - FORCE	(2,172,959)	(153,917)						(2,326,876)	(152,833)					(2,479,709)
361.20	COLLECTION MAINS - GRAVITY	(1,252,080)	(131,382)						(1,383,462)	(140,045)					(1,523,506)
363.20	SERVICES	(655,684)	(34,043)						(689,727)	(34,043)					(723,771)
371.30	PUMPING EQUIPMENT - PUMPING	(214,145)	(18,358)						(232,503)	(18,291)					(250,793)
380.40	TREATMENT AND DISPOSAL EQUIPMENT	(1,000,166)	(25,237)						(1,025,404)	(24,752)					(1,050,156)
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	(1,383)	(22)						(1,406)	(20)					(1,426)
382.40	OUTFALL LINES	(1,412)	(21)						(1,433)	(18)					(1,452)
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	(8,760)	(493)						(9,253)	(469)					(9,722)
390.71	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	(275)			(275)				0						0
393.70	TOOLS, SHOP AND GARAGE EQUIPMENT	(4,504)			(4,449)			55	0						0
394.70	LABORATORY EQUIPMENT	(1,383)			(1,363)			20	0						0
396.70	COMMUNICATION EQUIPMENT - SCADA	(3,356)	(1,076)						(4,431)	(1,076)					(5,507)
SUBTOTAL		**(8,943,762)**	**(575,580)**	**0**	**(6,087)**	**0**	**0**	**75**	**(9,513,180)**	**(579,748)**	**0**	**0**	**0**	**0**	**(10,092,928)**
TOTAL		**174,339,181**	**10,610,867**	**255,180**	**882,342**	**0**	**33,974**	**150**	**184,289,062**	**11,429,865**	**254,593**	**1,210,278**	**0**	**54,555**	**194,708,686**

Sources:
Columns (1), (2), (4) - (8): Exhibit 6-C, Part 2, Table 2
Column (3): OCA 2024 Depreciation Model for Wastewater Base Operations
Column (10): OCA 2025 Depreciation Model for Wastewater Base Operations
Column (11) - (14): Exhibit 6-C, Part 3, Table 2

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
INTANGIBLE PLANT							
351.00 ORGANIZATION	NONDEPR.	4,400,256.26					
TOTAL INTANGIBLE PLANT		4,400,256.26					
NONDEPRECIABLE PLANT							
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	52,284.04					
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	2,121,792.38					
353.40 LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	7,571,636.17					
TOTAL NONDEPRECIABLE PLANT		9,745,712.59					
DEPRECIABLE PLANT							
354.00 STRUCTURES AND IMPROVEMENTS							
COLLECTION	40-S1.5	45,274,361.31	6,671,667	38,602,695	1,129,044	2.49	34.2
PUMPING	55-R2	23,052,287.68	10,505,295	12,546,992	347,164	1.51	36.1
TREATMENT AND DISPOSAL	45-S1	77,421,983.13	33,118,682	44,303,301	1,505,632	1.94	29.4
RECLAIMED WATER TREATMENT	60-R2.5	2,226,160.94	889,351	1,336,810	34,812	1.56	38.4
GENERAL	50-R3	1,855,894.55	1,305,583	550,311	24,992	1.35	22.0
TOTAL ACCOUNT 354		149,830,687.61	52,490,578	97,340,109	3,041,644	2.03	
355.00 POWER GENERATING EQUIPMENT							
COLLECTION	30-R3	296,251.82	61,736	234,516	9,720	3.28	24.1
PUMPING	30-R3	2,215,978.37	1,514,692	701,286	49,050	2.21	14.3
TREATMENT AND DISPOSAL	30-R3	6,416,912.90	2,099,871	4,317,042	186,324	2.90	23.2
TOTAL ACCOUNT 355		8,929,143.09	3,676,300	5,252,844	245,094	2.74	
360.00 COLLECTION MAINS - FORCE	70-R3	86,683,236.48	29,862,528	56,820,709	1,244,916	1.44	45.6
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	177,453,811.94	53,869,103	123,584,709	2,701,663	1.52	45.7
362.00 SPECIAL COLLECTING STRUCTURES	45-R3	11,400.44	6,440	4,960	276	2.42	17.9
363.00 SERVICES	70-R4	30,347,531.13	14,725,323	15,622,208	351,739	1.16	44.4
364.00 METERS	30-L2.5	1,186,479.96	531,469	655,011	32,030	2.70	20.5
370.30 RECEIVING WELLS	40-S2.5	3,175,305.11	1,824,403	1,350,902	86,110	2.71	15.7
371.00 PUMPING EQUIPMENT							
PUMPING	30-L1.5	37,906,769.95	15,768,877	22,137,893	955,691	2.52	23.2
RECLAIMED WATER TREATMENT	30-L1.5	216,048.53	120,519	95,529	5,134	2.38	18.6
TOTAL ACCOUNT 371		38,122,818.48	15,889,397	22,233,422	960,825	2.52	
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S1	113,197,260.60	25,144,317	88,052,943	2,621,213	2.32	33.6
381.00 PLANT SEWERS							
TREATMENT AND DISPOSAL	40-R2	122,375.79	48,272	74,104	2,839	2.32	26.1
RECLAIMED WATER TREATMENT	40-R2	6,264.17	2,283	3,982	154	2.46	25.8
TOTAL ACCOUNT 381		128,639.96	50,555	78,085	2,993	2.33	
382.00 OUTFALL LINES	40-R2.5	375,199.36	198,468	176,731	9,279	2.47	19.0

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT		COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)		(8)=(5)/(6)
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT								
	COLLECTION	20-L3	661,408.27	512,470	148,938	22,465	3.40		6.6
	PUMPING	20-L3	67,370.96	46,880	20,491	2,544	3.78		8.1
	TREATMENT AND DISPOSAL	25-S2.5	12,074.50	9,039	3,035	304	2.52		10.0
	TOTAL ACCOUNT 389		740,853.73	568,389	172,464	25,313	3.42		
390.00	OFFICE FURNITURE AND EQUIPMENT								
	FURNITURE	20-SQ	40,671.88	16,395	24,277	1,587	3.90	*	15.3
	OFFICE EQUIPMENT	10-SQ	129,729.49	84,897	44,833	30,265	23.33	*	1.5
	COMPUTER HARDWARE	5-SQ	525,027.73	150,108	374,920	107,217	20.42	*	3.5
	COMPUTER SOFTWARE - 10 YEARS	10-SQ	801,536.58	275,973	525,564	70,283	8.77	*	7.5
	COMPUTER SOFTWARE - 15 YEARS	15-SQ	830,553.89	277,901	552,653	47,922	5.77	*	11.5
	TOTAL ACCOUNT 390		2,327,519.57	805,273	1,522,246	257,274	11.05		
391.00	TRANSPORTATION EQUIPMENT	13-S1.5	2,156,574.12	1,549,629	606,945	61,592	2.86		9.9
392.00	STORES EQUIPMENT	20-SQ	5,075.00	3,539	1,536	439	8.65	*	3.5
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	950,830.46	220,279	730,551	53,988	5.68	*	13.5
394.00	LABORATORY EQUIPMENT	25-SQ	1,053,254.11	413,352	639,902	40,112	3.81	*	16.0
395.00	POWER OPERATED EQUIPMENT	20-L4	224,475.89	194,940	29,536	6,469	2.88		4.6
	COMMUNICATION EQUIPMENT								
396.00	GENERAL	15-SQ	1,931,283.56	651,279	1,280,005	133,734	6.92	*	9.6
396.70	SCADA	10-SQ	4,461,271.50	2,097,397	2,363,874	469,424	10.52	*	5.0
	TOTAL ACCOUNT 396		6,392,555.06	2,748,676	3,643,879	603,158	9.44		
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	43,665.44	28,655	15,010	1,164	2.67	*	12.9
TOTAL DEPRECIABLE PLANT			**623,336,317.54**	**204,801,614**	**418,534,703**	**12,347,290**	**1.98**		
TOTAL WASTEWATER PLANT IN SERVICE			**637,482,286.39**	**204,801,614**	**418,534,703**	**12,347,290**	**1.94**		
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION									
DEPRECIABLE PLANT									
354.00	STRUCTURES AND IMPROVEMENTS								
	COLLECTION	40-S1.5	1,767,436.23	658,154	1,109,282	38,458	2.18		28.8
	PUMPING	55-R2	1,398,102.45	326,601	1,071,501	23,099	1.65		46.4
	TREATMENT AND DISPOSAL	45-S1	6,615,296.50	3,051,100	3,564,196	143,964	2.18		24.8
	GENERAL	50-R3	14,636.81	11,030	3,606	256	1.75		14.1
	TOTAL ACCOUNT 354		9,795,471.99	4,046,885	5,748,587	205,777	2.10		

AQUA PENNSYLVANIA WASTEWATER, INC.
WASTEWATER BASE OPERATIONS

ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
360.00	COLLECTION MAINS - FORCE	70-R3	10,839,254.59	2,479,709	8,359,545	153,075	1.41	54.6
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	9,378,594.15	1,523,506	7,855,088	146,104	1.56	53.8
363.00	SERVICES	70-R4	2,701,859.06	723,771	1,978,089	34,050	1.26	58.1
371.30	PUMPING EQUIPMENT - PUMPING	30-L1.5	667,549.13	250,793	416,756	18,165	2.72	22.9
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	1,617,779.51	1,050,156	567,624	24,415	1.51	23.2
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R2	1,536.55	1,426	111	18	1.16	6.2
382.00	OUTFALL LINES	40-R2.5	1,536.55	1,452	85	16	1.04	5.3
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	9,722	3,309	438	3.36	7.5
396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	5,507	5,675	1,075	9.62	5.3
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**35,027,794.74**	**10,092,928**	**24,934,867**	**583,134**	**1.66**	
	AMORTIZATION OF NET SALVAGE					**75,226**		
TOTAL WASTEWATER PLANT			**602,454,491.65**	**194,708,687**	**393,599,836**	**11,839,382**	**1.97**	

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

ACCOUNT		SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
(1)		(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
INTANGIBLE PLANT									
351.00	ORGANIZATION		4,400,256.26						
TOTAL INTANGIBLE PLANT			4,400,256.26						
NONDEPRECIABLE PLANT									
353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	52,284.04						
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	2,121,792.38						
353.40	LAND AND LAND RIGHTS - TREATMENT AND DISPOSAL	NONDEPR.	7,571,636.17						
TOTAL NONDEPRECIABLE PLANT			9,745,712.59						
DEPRECIABLE PLANT									
354.00	STRUCTURES AND IMPROVEMENTS								
	COLLECTION	40-S1.5	45,274,361.31	1,356,826.00	3.00	1,129,044.27	2.49	(227,781.73)	(0.51)
	PUMPING	55-R2	23,052,287.68	423,745.00	1.84	347,164.03	1.51	(76,580.97)	(0.33)
	TREATMENT AND DISPOSAL	45-S1	77,421,983.13	1,834,055.00	2.37	1,505,632.13	1.94	(328,422.87)	(0.43)
	RECLAIMED WATER TREATMENT	60-R2.5	2,226,160.94	40,518.00	1.82	34,811.67	1.56	(5,706.33)	(0.26)
	GENERAL	50-R3	1,855,894.55	27,593.00	1.49	24,991.76	1.35	(2,601.24)	(0.14)
	TOTAL ACCOUNT 354		149,830,687.61	3,682,737.00	2.46	3,041,643.85	2.03	(641,093.15)	(0.43)
355.00	POWER GENERATING EQUIPMENT								
	COLLECTION	30-R3	296,251.82	11,033.00	3.72	9,719.84	3.28	(1,313.16)	(0.44)
	PUMPING	30-R3	2,215,978.37	54,070.00	2.44	49,050.06	2.21	(5,019.94)	(0.23)
	TREATMENT AND DISPOSAL	30-R3	6,416,912.90	213,259.00	3.32	186,324.17	2.90	(26,934.83)	(0.42)
	TOTAL ACCOUNT 355		8,929,143.09	278,362.00	3.12	245,094.07	2.74	(33,267.93)	(0.38)
360.00	COLLECTION MAINS - FORCE	70-R3	86,683,236.48	1,406,319.00	1.62	1,244,915.68	1.44	(161,403.32)	(0.18)
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	177,453,811.94	3,242,874.00	1.83	2,701,663.28	1.52	(541,210.72)	(0.31)
362.00	SPECIAL COLLECTING STRUCTURES	45-R3	11,400.44	302.00	2.65	276.41	2.42	(25.59)	(0.23)
363.00	SERVICES	70-R4	30,347,531.13	378,927.00	1.25	351,739.00	1.16	(27,188.00)	(0.09)
364.00	METERS	30-L2.5	1,186,479.96	38,111.00	3.21	32,029.74	2.70	(6,081.26)	(0.51)
370.30	RECEIVING WELLS	40-S2.5	3,175,305.11	96,276.00	3.03	86,109.74	2.71	(10,166.26)	(0.32)
371.00	PUMPING EQUIPMENT								
	PUMPING	30-L1.5	37,906,769.95	1,258,628.00	3.32	955,690.62	2.52	(302,937.38)	(0.80)
	RECLAIMED WATER TREATMENT	30-L1.5	216,048.53	6,442.00	2.98	5,134.17	2.38	(1,307.83)	(0.60)
	TOTAL ACCOUNT 371		38,122,818.48	1,265,070.00	3.32	960,824.79	2.52	(304,245.21)	(0.80)
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	113,197,260.60	3,281,875.00	2.90	2,621,213.29	2.32	(660,661.71)	(0.58)
381.00	PLANT SEWERS								
	TREATMENT AND DISPOSAL	40-R2	122,375.79	3,385.00	2.77	2,838.73	2.32	(546.27)	(0.45)
	RECLAIMED WATER TREATMENT	40-R2	6,264.17	180.00	2.87	154.19	2.46	(25.81)	(0.41)
	TOTAL ACCOUNT 381		128,639.96	3,565.00	2.77	2,992.92	2.33	(572.08)	(0.44)
382.00	OUTFALL LINES	40-R2.5	375,199.36	10,531.00	2.81	9,278.72	2.47	(1,252.28)	(0.34)

AQUA PENNSYLVANIA, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
	(1)	(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
389.00	OTHER PLANT AND MISCELLANEOUS EQUIPMENT								
	COLLECTION	20-L3	661,408.27	24,913.00	3.77	22,464.56	3.40	(2,448.44)	(0.37)
	PUMPING	20-L3	67,370.96	2,884.00	4.28	2,544.26	3.78	(339.74)	(0.50)
	TREATMENT AND DISPOSAL	25-S2.5	12,074.50	337.00	2.79	304.01	2.52	(32.99)	(0.27)
	TOTAL ACCOUNT 389		740,853.73	28,134.00	3.80	25,312.83	3.42	(2,821.17)	(0.38)
390.00	OFFICE FURNITURE AND EQUIPMENT								
	FURNITURE	20-SQ	40,671.88	1,587.00	3.90 *	1,586.98	3.90 *	(0.02)	-
	OFFICE EQUIPMENT	10-SQ	129,729.49	30,265.00	23.33 *	30,265.42	23.33 *	0.42	-
	COMPUTER HARDWARE	5-SQ	525,027.73	107,217.00	20.42 *	107,217.11	20.42 *	0.11	-
	COMPUTER SOFTWARE - 10 YEARS	10-SQ	801,536.58	70,283.00	8.77 *	70,283.01	8.77 *	0.01	-
	COMPUTER SOFTWARE - 15 YEARS	15-SQ	830,553.89	47,922.00	5.77 *	47,921.89	5.77 *	(0.11)	-
	TOTAL ACCOUNT 390		2,327,519.57	257,274.00	11.05	257,274.42	11.05	0.42	-
391.00	TRANSPORTATION EQUIPMENT	13-S1.5	2,156,574.12	72,192.00	3.35	61,591.84	2.86	(10,600.16)	(0.49)
392.00	STORES EQUIPMENT	20-SQ	5,075.00	439.00	8.65 *	438.90	8.65 *	(0.10)	-
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	950,830.46	53,989.00	5.68 *	53,987.75	5.68 *	(1.25)	-
394.00	LABORATORY EQUIPMENT	25-SQ	1,053,254.11	40,113.00	3.81 *	40,111.78	3.81 *	(1.22)	-
395.00	POWER OPERATED EQUIPMENT	20-L4	224,475.89	6,779.00	3.02	6,469.20	2.88	(309.80)	(0.14)
	COMMUNICATION EQUIPMENT								
396.00	GENERAL	15-SQ	1,931,283.56	133,735.00	6.92 *	133,734.02	6.92 *	(0.98)	-
396.70	SCADA	10-SQ	4,461,271.50	469,425.00	10.52 *	469,423.80	10.52 *	(1.20)	-
	TOTAL ACCOUNT 396		6,392,555.06	603,160.00	9.44	603,157.81	9.44	(2.19)	-
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	43,665.44	1,164.00	2.67 *	1,163.71	2.67 *	(0.29)	-
TOTAL DEPRECIABLE PLANT			**623,336,317.54**	**14,748,193.00**	2.37	**12,347,289.75**	1.98	**(2,400,903.25)**	(0.39)
TOTAL WASTEWATER PLANT IN SERVICE			**637,482,286.39**	**14,748,193.00**	2.31	**12,347,289.75**	1.94	**(2,400,903.25)**	(0.37)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION									
DEPRECIABLE PLANT									
354.00	STRUCTURES AND IMPROVEMENTS								
	COLLECTION	40-S1.5	1,767,436.23	46,382.00	2.62	38,457.58	2.18	(7,924.42)	(0.44)
	PUMPING	55-R2	1,398,102.45	29,074.00	2.08	23,099.11	1.65	(5,974.89)	(0.43)
	TREATMENT AND DISPOSAL	45-S1	6,615,296.50	171,326.00	2.59	143,964.43	2.18	(27,361.57)	(0.41)
	GENERAL	50-R3	14,636.81	275.00	1.88	256.24	1.75	(18.76)	(0.13)
	TOTAL ACCOUNT 354		9,795,471.99	247,057.00	2.52	205,777.37	2.10	(41,279.63)	(0.42)

AQUA PENNSYLVANIA, INC.
WASTEWATER BASE OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2024

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
	(1)	(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
360.00	COLLECTION MAINS - FORCE	70-R3	10,839,254.59	174,327.00	1.61	153,074.73	1.41	(21,252.27)	(0.20)
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	9,378,594.15	177,422.00	1.89	146,104.12	1.56	(31,317.88)	(0.33)
363.00	SERVICES	70-R4	2,701,859.06	36,619.00	1.36	34,049.73	1.26	(2,569.27)	(0.10)
371.30	PUMPING EQUIPMENT - PUMPING	30-L1.5	667,549.13	24,056.00	3.60	18,164.98	2.72	(5,891.02)	(0.88)
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	1,617,779.51	29,559.00	1.83	24,415.11	1.51	(5,143.89)	(0.32)
381.40	PLANT SEWERS - TREATMENT AND DISPOSAL	40-R2	1,536.55	18.00	1.17	17.87	1.16	(0.13)	(0.01)
382.00	OUTFALL LINES	40-R2.5	1,536.55	17.00	1.11	15.91	1.04	(1.09)	(0.07)
389.20	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - COLLECTION	20-L3	13,030.75	500.00	3.84	438.44	3.36	(61.56)	(0.48)
396.70	COMMUNICATION EQUIPMENT - SCADA	10-SQ	11,182.46	1,135.00	10.15	1,075.30	9.62	(59.70)	(0.53)
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION			**35,027,794.74**	**690,710.00**	1.97	**583,133.56**	1.66	**(107,576.44)**	(0.31)
	AMORTIZATION OF NET SALVAGE			**75,226**		**75,226**		**0**	
TOTAL WASTEWATER PLANT			**602,454,491.65**	**14,132,709**	2.35	**11,839,382**	1.97	**(2,293,327)**	(0.38)

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

Sources:
[1] Exhibit 6-C Part 3, Table 1
[2] Exhibit BCA-9

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

OCA'S BRINGFORWARD TO DECEMBER 31, 2025, OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

ACCOUNT		BOOK RESERVE AS OF DECEMBER 31, 2023	FUTURE TEST YEAR: OCA DEPRECIATION ACCRUALS	FUTURE TEST YEAR: AMORTIZATION OF NET SALVAGE	FUTURE TEST YEAR: PROJECTED RETIREMENTS	FUTURE TEST YEAR: PROJECTED GROSS SALVAGE	FUTURE TEST YEAR: PROJECTED COST OF REMOVAL	FUTURE TEST YEAR: ADJUSTMENTS	BOOK RESERVE AS OF DECEMBER 31, 2024	FULLY PROJECTED FUTURE TEST YEAR: OCA DEPRECIATION ACCRUALS	FULLY PROJECTED FUTURE TEST YEAR: AMORTIZATION OF NET SALVAGE	FULLY PROJECTED FUTURE TEST YEAR: PROJECTED RETIREMENTS	FULLY PROJECTED FUTURE TEST YEAR: PROJECTED GROSS SALVAGE	FULLY PROJECTED FUTURE TEST YEAR: PROJECTED COST OF REMOVAL	BOOK RESERVE AS OF DECEMBER 31, 2025
(1)		(2) +	(3) +	(4) -	(5) +	(6) -	(7) +	(8) =	(9) +	(10) +	(11) -	(12) +	(13) -	(14) =	(15)
DEPRECIABLE PLANT															
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	8	538		149		50		347	749	10				1,106
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	103,369	166,588		235		19		269,703	163,664	4				433,371
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	188,964	415,402		1,615		261	(3)	602,488	394,279	52				996,819
354.50	STRUCTURES AND IMPROVEMENTS - RECLAIMED WATER TREATMENT	0						3	3	4					7
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	4	48		6				45	48					94
355.20	POWER GENERATING EQUIPMENT - COLLECTION	29	851		7				872	879					1,751
355.30	POWER GENERATING EQUIPMENT - PUMPING	6,531	42,159		46			(1,364)	47,280	34,485					81,765
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	0			795			1,364	569	1,035					1,604
360.00	COLLECTION MAINS - FORCE	33,611	49,312						82,923	48,927					131,851
361.00	COLLECTION MAINS - GRAVITY	744,002	1,114,662		726		4		1,857,935	1,110,411	1	3,728		18	2,964,600
363.00	SERVICES	67,839	92,017						159,857	91,367					251,223
364.00	METERS	8,573	22,161		678				30,056	20,021					50,078
371.30	PUMPING EQUIPMENT - PUMPING	31,900	99,681		27,921		1,167	(2,196)	100,297	91,940	233				192,470
371.50	PUMPING EQUIPMENT - RECLAIMED WATER TREATMENT	0			2,193			2,196	3	4					7
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	166	4,152						4,318	4,343					8,661
395.00	POWER OPERATED EQUIPMENT														0
396.00	COMMUNICATION EQUIPMENT - GENERAL	132	5,917						6,049	12,985					19,035
396.70	COMMUNICATION EQUIPMENT - SCADA	22	1,354						1,375	25,855					27,231
SUBTOTAL		**1,185,150**	**2,014,843**	**0**	**34,373**	**0**	**1,501**	**0**	**3,164,119**	**2,000,999**	**300**	**3,728**	**0**	**18**	**5,161,672**
LESS:															
CUSTOMERS' ADVANCES AND CONTRIBUTIONS															
361.00	COLLECTION MAINS - GRAVITY	(142)	(590)						(732)	(590)					(1,322)
363.00	SERVICES	(58)	(258)						(315)	(258)					(573)
SUBTOTAL		**(200)**	**(847)**	**0**	**0**	**0**	**0**	**0**	**(1,047)**	**(847)**	**0**	**0**	**0**	**0**	**(1,895)**
TOTAL		**1,184,950**	**2,013,996**	**0**	**34,373**	**0**	**1,501**	**0**	**3,163,072**	**2,000,152**	**300**	**3,728**	**0**	**18**	**5,159,777**

Sources:
Columns (1), (2), (4) - (8): Exhibit 6-D, Part 2, Table 2
Column (3): OCA 2024 Depreciation Model for Lower Makefield
Column (10): OCA 2025 Depreciation Model for Lower Makefield
Column (11) - (14): Exhibit 6-D, Part 3, Table 2

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT		COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)		(8)=(5)/(6)
INTANGIBLE PLANT								
351.00 ORGANIZATION	NONDEPR.	665,281.75						
TOTAL INTANGIBLE PLANT		665,281.75						
NONDEPRECIABLE PLANT								
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	628.19						
TOTAL NONDEPRECIABLE PLANT		628.19						
DEPRECIABLE PLANT								
354.00 STRUCTURES AND IMPROVEMENTS								
COLLECTION	40-S1.5	29,622.54	1,106	28,516	749	2.53		38.1
PUMPING	55-R2	4,218,136.91	433,371	3,784,766	160,338	3.80		23.6
TREATMENT AND DISPOSAL	45-S1	5,514,390.74	996,819	4,517,572	373,311	6.77		12.1
RECLAIMED WATER TREATMENT	60-R2.5	256.35	7	250	4	1.66		58.6
GENERAL	50-R3	2,344.55	94	2,251	48	2.06		46.6
TOTAL ACCOUNT 354		9,764,751.09	1,431,396	8,333,355	534,451	5.47		
355.00 POWER GENERATING EQUIPMENT								
COLLECTION	30-R3	26,011.89	1,751	24,261	879	3.38		27.6
PUMPING	30-R3	230,826.32	81,765	149,061	25,964	11.25		5.7
TREATMENT AND DISPOSAL	30-R3	31,089.64	1,604	29,485	1,034	3.32		28.5
TOTAL ACCOUNT 355		287,927.85	85,121	202,807	27,876	9.68		
360.00 COLLECTION MAINS - FORCE	70-R3	1,926,263.62	131,851	1,794,413	48,424	2.51		37.1
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	37,942,702.72	2,964,600	34,978,103	1,096,242	2.89		31.9
363.00 SERVICES	70-R4	3,251,486.65	251,223	3,000,263	90,783	2.79		33.0
364.00 METERS	30-L2.5	247,790.24	50,078	197,713	18,370	7.41		10.8
371.00 PUMPING EQUIPMENT								
PUMPING	30-L1.5	1,494,965.11	192,470	1,302,495	86,022	5.75		15.1
RECLAIMED WATER TREATMENT	30-L1.5	111.80	7	105	4	3.29		28.6
TOTAL ACCOUNT 371		1,495,076.91	192,477	1,302,600	86,026	5.75		
393.00 TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	83,045.15	8,661	74,384	4,345	5.23	*	17.1
395.00 POWER OPERATED EQUIPMENT	20-L4	33,507.55	0	33,508	1,718	5.13	*	19.5
COMMUNICATION EQUIPMENT								
396.00 GENERAL	15-SQ	286,525.97	19,035	267,491	19,281	6.73	*	13.9
396.70 SCADA	10-SQ	484,948.33	27,231	457,717	48,465	9.99	*	9.4
TOTAL ACCOUNT 396		771,474.30	46,265	725,209	67,746	8.78		
TOTAL DEPRECIABLE PLANT		**55,804,026.08**	**5,161,672**	**50,642,354**	**1,975,981**	**3.54**		
TOTAL WASTEWATER PLANT IN SERVICE		**56,469,936.02**	**5,161,672**	**50,642,354**	**1,975,981**	**3.50**		

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	38,308.00	1,322	36,986	590	1.54	62.6
363.00 SERVICES	70-R4	18,010.00	573	17,437	258	1.43	67.5
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**56,318.00**	**1,895**	**54,423**	**849**	**1.51**	
AMORTIZATION OF NET SALVAGE					**303**		
TOTAL WASTEWATER PLANT		**56,413,618.02**	**5,159,777**	**50,587,931**	**1,975,435**	**3.50**	

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

ACCOUNT		SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
(1)		(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
INTANGIBLE PLANT									
351.00	ORGANIZATION		665,281.75						
TOTAL INTANGIBLE PLANT			665,281.75						
NONDEPRECIABLE PLANT									
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	628.19						
TOTAL NONDEPRECIABLE PLANT			628.19						
DEPRECIABLE PLANT									
354.00	STRUCTURES AND IMPROVEMENTS								
	COLLECTION	40-S1.5	29,622.54	902.00	3.04	748.99	2.53	(153.01)	(0.51)
	PUMPING	55-R2	4,218,136.91	179,965.00	4.27	160,338.18	3.80	(19,626.82)	(0.47)
	TREATMENT AND DISPOSAL	45-S1	5,514,390.74	400,229.00	7.26	373,310.94	6.77	(26,918.06)	(0.49)
	RECLAIMED WATER TREATMENT	60-R2.5	256.35	5.00	1.95	4.26	1.66	(0.74)	(0.29)
	GENERAL	50-R3	2,344.55	55.00	2.35	48.29	2.06	(6.71)	(0.29)
	TOTAL ACCOUNT 354		9,764,751.09	581,156.00	5.95	534,450.66	5.47	(46,705.34)	(0.48)
355.00	POWER GENERATING EQUIPMENT								
	COLLECTION	30-R3	26,011.89	1,002.00	3.85	878.55	3.38	(123.45)	(0.47)
	PUMPING	30-R3	230,826.32	26,265.00	11.38	25,963.85	11.25	(301.15)	(0.13)
	TREATMENT AND DISPOSAL	30-R3	31,089.64	1,191.00	3.83	1,033.60	3.32	(157.40)	(0.51)
	TOTAL ACCOUNT 355		287,927.85	28,458.00	9.88	27,876.00	9.68	(582.00)	(0.20)
360.00	COLLECTION MAINS - FORCE	70-R3	1,926,263.62	53,808.00	2.79	48,424.24	2.51	(5,383.76)	(0.28)
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	37,942,702.72	1,235,099.00	3.26	1,096,242.46	2.89	(138,856.54)	(0.37)
363.00	SERVICES	70-R4	3,251,486.65	97,273.00	2.99	90,782.72	2.79	(6,490.28)	(0.20)
364.00	METERS	30-L2.5	247,790.24	20,367.00	8.22	18,369.53	7.41	(1,997.47)	(0.81)
371.00	PUMPING EQUIPMENT								
	PUMPING	30-L1.5	1,494,965.11	101,172.00	6.77	86,022.12	5.75	(15,149.88)	(1.02)
	RECLAIMED WATER TREATMENT	30-L1.5	111.80	5.00	4.47	3.68	3.29	(1.32)	(1.18)
	TOTAL ACCOUNT 371		1,495,076.91	101,177.00	6.77	86,025.80	5.75	(15,151.20)	(1.02)
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	83,045.15	4,345.00	5.23 *	4,345.19	5.23 *	0.19	-
395.00	POWER OPERATED EQUIPMENT	20-L4	33,507.55	1,824.00	5.44 *	1,718.34	5.13 *	(105.66)	(0.31)

AQUA PENNSYLVANIA WASTEWATER, INC.
LOWER MAKEFIELD WASTEWATER OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

	ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
	(1)	(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
	COMMUNICATION EQUIPMENT								
396.00	GENERAL	15-SQ	286,525.97	19,281.00	6.73 *	19,281.17	6.73 *	0.17	-
396.70	SCADA	10-SQ	484,948.33	48,465.00	9.99 *	48,464.97	9.99 *	(0.03)	-
	TOTAL ACCOUNT 396		771,474.30	67,746.00	8.78	67,746.13	8.78	0.13	-
	TOTAL DEPRECIABLE PLANT		**55,804,026.08**	**2,191,253.00**	3.93	**1,975,981.06**	3.54	**(215,271.94)**	(0.39)
	TOTAL WASTEWATER PLANT IN SERVICE		**56,469,936.02**	**2,191,253.00**	3.88	**1,975,981.06**	3.50	**(215,271.94)**	(0.38)
	CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
	DEPRECIABLE PLANT								
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	38,308.00	740	1.93	590	1.54	(149.6)	(0.39)
363.00	SERVICES	70-R4	18,010.00	277	1.54	258	1.43	(18.7)	(0.11)
	TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**56,318.00**	**1,017.00**	1.81	**848.73**	1.51	**(168.27)**	(0.30)
	AMORTIZATION OF NET SALVAGE			**303**		**303**		**0**	
	TOTAL WASTEWATER PLANT		**56,413,618.02**	**2,190,539**	3.88	**1,975,435**	3.50	**(215,104)**	(0.38)

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

Sources:
[1] Exhibit 6-D Part 3, Table 1
[2] Exhibit BCA-12

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

OCA'S BRINGFORWARD TO DECEMBER 31, 2025, OF THE BOOK RESERVE AS OF DECEMBER 31, 2023

			FUTURE TEST YEAR								FULLY PROJECTED FUTURE TEST YEAR					
ACCOUNT		BOOK RESERVE AS OF DECEMBER 31, 2023	OCA DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	ADJUSTMENTS	BOOK RESERVE AS OF DECEMBER 31, 2024	OCA DEPRECIATION ACCRUALS	AMORTIZATION OF NET SALVAGE	PROJECTED RETIREMENTS	PROJECTED GROSS SALVAGE	PROJECTED COST OF REMOVAL	BOOK RESERVE AS OF DECEMBER 31, 2025
(1)		(2)	+ (3)	+ (4)	- (5)	+ (6)	- (7)	+ (8)	= (9)	+ (10)	+ (11)	- (12)	+ (13)	- (14)	= (15)
DEPRECIABLE PLANT															
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	20	764						783	764					1,547
354.30	STRUCTURES AND IMPROVEMENTS - PUMPING	114,485	205,938						320,423	204,243					524,666
354.40	STRUCTURES AND IMPROVEMENTS - TREATMENT AND DISPOSAL	126,792	312,470						439,262	311,342					750,604
355.20	POWER GENERATING EQUIPMENT - COLLECTION	8	201		1				207	204					412
355.30	POWER GENERATING EQUIPMENT - PUMPING	1,522	4,072		6				5,588	4,031					9,620
355.40	POWER GENERATING EQUIPMENT - TREATMENT AND DISPOSAL	4	162		97				69	228					297
360.00	COLLECTION MAINS - FORCE	76,581	95,600						172,181	95,206					267,387
361.00	COLLECTION MAINS - GRAVITY	510,927	803,311		41,141		202		1,272,895	819,822	40	7,990		39	2,084,728
363.00	SERVICES	110,079	157,320						267,399	156,588					423,987
364.00	METERS	4,549	13,488						18,037	11,799					29,835
371.30	PUMPING EQUIPMENT - PUMPING	2,603	5,104		0		0		7,707	4,889					12,595
380.00	TREATMENT AND DISPOSAL EQUIPMENT	0							0						0
397.00	MISCELLANEOUS EQUIPMENT	0	0						0	30,731					30,731
SUBTOTAL		**947,569**	**1,598,429**	**0**	**41,245**	**0**	**202**	**0**	**2,504,551**	**1,639,847**	**40**	**7,990**	**0**	**39**	**4,136,409**
LESS:															
CUSTOMERS' ADVANCES AND CONTRIBUTIONS															
361.00	COLLECTION MAINS - GRAVITY	(3,734)	(7,296)						(11,030)	(7,296)					(18,326)
363.00	SERVICES	(535)	(1,133)						(1,668)	(1,133)					(2,801)
SUBTOTAL		**(4,269)**	**(8,429)**	**0**	**0**	**0**	**0**	**0**	**(12,698)**	**(8,429)**	**0**	**0**	**0**	**0**	**(21,126)**
TOTAL		**943,300**	**1,590,000**	**0**	**41,245**	**0**	**202**	**0**	**2,491,854**	**1,631,418**	**40**	**7,990**	**0**	**39**	**4,115,282**

Sources:
Columns (1), (2), (4) - (8): Exhibit 6-E, Part 2, Table 2
Column (3): OCA 2024 Depreciation Model for East Whiteland
Column (10): OCA 2025 Depreciation Model for East Whiteland
Column (11) - (14): Exhibit 6-E, Part 3, Table 2

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT		COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)		(8)=(5)/(6)
INTANGIBLE PLANT								
351.00 ORGANIZATION	NONDEPR.	479,508.93						
TOTAL INTANGIBLE PLANT		479,508.93						
NONDEPRECIABLE PLANT								
353.20 LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	668.00						
353.30 LAND AND LAND RIGHTS - PUMPING	NONDEPR.	13.00						
TOTAL NONDEPRECIABLE PLANT		681.00						
DEPRECIABLE PLANT								
354.00 STRUCTURES AND IMPROVEMENTS								
COLLECTION	40-S1.5	30,182.67	1,547	28,636	763	2.53		37.5
PUMPING	55-R2	8,474,816.38	524,666	7,950,150	202,935	2.39		39.2
TREATMENT AND DISPOSAL	45-S1	11,280,515.66	750,604	10,529,911	309,374	2.74		34.0
TOTAL ACCOUNT 354		19,785,514.71	1,276,817	18,508,698	513,073	2.59		
355.00 POWER GENERATING EQUIPMENT								
COLLECTION	30-R3	6,041.28	412	5,630	204	3.38		27.6
PUMPING	30-R3	85,050.28	9,620	75,431	3,988	4.69		18.9
TREATMENT AND DISPOSAL	30-R3	6,706.45	297	6,410	228	3.40		28.1
TOTAL ACCOUNT 355		97,798.01	10,328	87,470	4,420	4.52		
360.00 COLLECTION MAINS - FORCE	70-R3	3,934,143.19	267,387	3,666,756	94,541	2.40		38.8
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	33,571,050.47	2,084,728	31,486,323	814,219	2.43		38.7
363.00 SERVICES	70-R4	7,317,195.98	423,987	6,893,209	156,032	2.13		44.2
364.00 METERS	30-L2.5	92,320.39	29,835	62,485	10,257	11.11		6.1
371.00 PUMPING EQUIPMENT								
PUMPING	30-L1.5	82,719.69	12,595	70,124	4,666	5.64		15.0
TOTAL ACCOUNT 371		82,719.69	12,595	70,124	4,666	5.64		
380.00 TREATMENT AND DISPOSAL EQUIPMENT	40-S1	2.90	0	3	0	2.67		37.5
397.00 MISCELLANEOUS EQUIPMENT	25-SQ	753,200.72	30,731	722,470	30,743	4.08	*	23.5
TOTAL DEPRECIABLE PLANT		**65,633,946.06**	**4,136,409**	**61,497,537**	**1,627,950**	**2.48**		
TOTAL WASTEWATER PLANT IN SERVICE		**66,114,135.99**	**4,136,409**	**61,497,537**	**1,627,950**	**2.46**		

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

AVERAGE LIFE GROUP PROCEDURE

ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL PERCENT	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION							
DEPRECIABLE PLANT							
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	473,771.07	18,326	455,445	7,270	1.53	62.6
363.00 SERVICES	70-R4	79,204.70	2,801	76,404	1,132	1.43	67.5
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**552,975.77**	**21,126**	**531,849**	**8,402**	**1.52**	
AMORTIZATION OF NET SALVAGE					**48**		
TOTAL WASTEWATER PLANT		**65,561,160.22**	**4,115,282**	**60,965,688**	**1,619,596**	**2.47**	

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

ACCOUNT		SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL AMOUNT	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL RATE	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL AMOUNT	OCA MODEL[2] CALCULATED ANNUAL ACCRUAL RATE	DELTA CALCULATED ANNUAL ACCRUAL AMOUNT	DELTA CALCULATED ANNUAL ACCRUAL RATE
(1)		(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
INTANGIBLE PLANT									
351.00	ORGANIZATION		479,508.93						
TOTAL INTANGIBLE PLANT			479,508.93						
NONDEPRECIABLE PLANT									
353.20	LAND AND LAND RIGHTS - COLLECTION	NONDEPR.	668.00						
353.30	LAND AND LAND RIGHTS - PUMPING	NONDEPR.	13.00						
TOTAL NONDEPRECIABLE PLANT			681.00						
DEPRECIABLE PLANT									
354.00	STRUCTURES AND IMPROVEMENTS								
	COLLECTION	40-S1.5	30,182.67	919.00	3.04	763.45	2.53	(155.55)	(0.51)
	PUMPING	55-R2	8,474,816.38	243,330.00	2.87	202,935.24	2.39	(40,394.76)	(0.48)
	TREATMENT AND DISPOSAL	45-S1	11,280,515.66	388,014.00	3.44	309,373.96	2.74	(78,640.04)	(0.70)
	TOTAL ACCOUNT 354		19,785,514.71	632,263.00	3.20	513,072.65	2.59	(119,190.35)	(0.61)
355.00	POWER GENERATING EQUIPMENT								
	COLLECTION	30-R3	6,041.28	233.00	3.86	204.09	3.38	(28.91)	(0.48)
	PUMPING	30-R3	85,050.28	4,434.00	5.21	3,988.29	4.69	(445.71)	(0.52)
	TREATMENT AND DISPOSAL	30-R3	6,706.45	261.00	3.89	227.99	3.40	(33.01)	(0.49)
	TOTAL ACCOUNT 355		97,798.01	4,928.00	5.04	4,420.37	4.52	(507.63)	(0.52)
360.00	COLLECTION MAINS - FORCE	70-R3	3,934,143.19	105,467.00	2.68	94,540.73	2.40	(10,926.27)	(0.28)
361.00	COLLECTION MAINS - GRAVITY	65-R2.5	33,571,050.47	943,608.00	2.81	814,218.56	2.43	(129,389.44)	(0.38)
363.00	SERVICES	70-R4	7,317,195.98	167,272.00	2.29	156,031.55	2.13	(11,240.45)	(0.16)
364.00	METERS	30-L2.5	92,320.39	10,539.00	11.42	10,256.89	11.11	(282.11)	(0.31)
371.00	PUMPING EQUIPMENT								
	PUMPING	30-L1.5	82,719.69	5,622.00	6.80	4,665.54	5.64	(956.46)	(1.16)
	TOTAL ACCOUNT 371		82,719.69	5,622.00	6.80	4,665.54	5.64	(956.46)	(1.16)
380.00	TREATMENT AND DISPOSAL EQUIPMENT	40-S1	2.90	0.00	-	0.08	2.67	0.08	2.67
397.00	MISCELLANEOUS EQUIPMENT	25-SQ	753,200.72	30,743.00	4.08 *	30,743.41	4.08 *	0.41	-
TOTAL DEPRECIABLE PLANT			**65,633,946.06**	**1,900,442.00**	2.90	**1,627,949.78**	2.48	**(272,492.22)**	(0.42)
TOTAL WASTEWATER PLANT IN SERVICE			**66,114,135.99**	**1,900,442.00**	2.87	**1,627,949.78**	2.46	**(272,492.22)**	(0.41)

AQUA PENNSYLVANIA WASTEWATER, INC.
EAST WHITELAND WASTEWATER OPERATIONS

COMPARISON OF AQUA PA AND OCA DEPRECIATION MODELS
RELATED TO WASTEWATER PLANT AS OF DECEMBER 31, 2025

ACCOUNT	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2025	AQUA PA MODEL[1] CALCULATED ANNUAL ACCRUAL		OCA MODEL[2] CALCULATED ANNUAL ACCRUAL		DELTA CALCULATED ANNUAL ACCRUAL	
			AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE
(1)	(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(3)	(8) = (6) - (4)	(9) = (7) - (5)
CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION								
DEPRECIABLE PLANT								
361.00 COLLECTION MAINS - GRAVITY	65-R2.5	473,771.07	9,115.00	1.92	7,270.40	1.53	(1,844.60)	(0.39)
363.00 SERVICES	70-R4	79,204.70	1,212.00	1.53	1,131.87	1.43	(80.13)	(0.10)
TOTAL CUSTOMERS' ADVANCES AND CONTRIBUTIONS IN AID OF CONSTRUCTION		**552,975.77**	**10,327.00**	1.87	**8,402.27**	1.52	**(1,924.73)**	(0.35)
AMORTIZATION OF NET SALVAGE			**48**		**48**		**0**	
TOTAL WASTEWATER PLANT		**65,561,160.22**	**1,890,163**	2.88	**1,619,596**	2.47	**(270,567)**	(0.41)

* ACCRUALS CALCULATED FOR EACH ASSET BY THE COMPANY'S PROPERTY RECORD SYSTEM USING THE AMORTIZATION PERIOD SET FORTH IN COLUMN 2.

Sources:

[1] Exhibit 6-E Part 3, Table 1

[2] Exhibit BCA-15

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY KENTUCKY, INC. FOR: 1) AN ADJUSTMENT OF THE ELECTRIC RATES; 2) APPROVAL OF AN ENVIRONMENTAL COMPLIANCE PLAN AND SURCHARGE MECHANISM; 3) APPROVAL OF NEW TARIFFS; 4) APPROVAL OF ACCOUNTING PRACTICES TO ESTABLISH REGULATORY ASSETS AND LIABILITIES; AND 5) ALL OTHER REQUIRED APPROVALS AND RELIEF	)	CASE NO. 2017-00321

ORDER

Duke Energy Kentucky, Inc. ("Duke Kentucky") is a jurisdictional electric utility that generates, transmits, distributes, and sells electricity to approximately 140,600 consumers in Boone, Campbell, Grant, Kenton, and Pendleton counties.[1] Duke Kentucky also is a utility engaged in purchasing, selling, storing, and transporting natural gas to approximately 98,200 customers in Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton counties.[2] Its most recent general rate increase for its electric operations was granted in Case No. 2006-00172.[3]

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[1] Application at 2. *See also*, Direct Testimony of James P. Henning ("Henning Testimony") at 4.

[2] *Id.*

[3] Application at 4. Case No. 2006-00172, *Application of the Union Light, Heat and Power Company D/B/A Duke Energy Kentucky for an Adjustment of Electric Rates* (Ky. PSC Dec. 21, 2006).

extraordinary. In using this forecasted test period, the Commission has given full consideration to appropriate known and measurable changes.

Jurisdictional Rate Base Ratio

Duke Kentucky proposed a test-year-end Kentucky jurisdictional rate base of $700,204,561.[22] The Kentucky jurisdictional electric rate base is divided by Duke Kentucky's test-year-end total company electric rate base to derive the Kentucky jurisdictional electric rate base ratio ("Jurisdictional Ratio") for Duke Kentucky. This Jurisdictional Ratio is then applied to Duke Kentucky's total company electric capitalization to derive its Kentucky jurisdictional electric capitalization. The Jurisdictional Ratio uses the test-year-end rate base before any ratemaking adjustments applicable to either Kentucky jurisdictional operations or other jurisdictional operations. Duke Kentucky used a Jurisdictional Ratio of 100 percent.[23] The Commission has reviewed and agrees with the calculation of Duke Kentucky's test-year electric rate base for purposes of establishing the Jurisdictional Ratio.

Pro Forma Jurisdictional Rate Base

Duke Kentucky calculated a pro forma jurisdictional rate base of $700,204,561,[24] which reflects the types of adjustments made by the Commission in prior rate cases to determine the pro forma rate base. The Attorney General provided testimony and several adjustments to Duke Kentucky's proposed rate base as discussed below. The Commission finds seven adjustments are warranted to Duke Kentucky's rate base. The

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[22] Application, Schedule B-1.

[23] *Id.*, Schedule B-7.

[24] *Id.*, Schedule B.1. Duke Kentucky is not requesting to include recovery of Construction Work in Progress in base rates.

Commission finds that the excess amortization of the Carbon Management Research Group regulatory asset in the test year and the amortization of excess accumulated deferred income tax ("ADIT") should be added to the rate base. The Commission also finds that the East Bend Operations and Maintenance Expense ("East Bend O&M") regulatory asset, the East Bend Ash Pond Asset Retirement Obligation ("East Bend Ash Pond ARO") regulatory asset, the reduction in cash working capital ("CWC"), and the reduction in depreciation expense as discussed herein due to the Commission's decision to deny use of the Equal Life Group ("ELG") procedure and require use of the Average Life Group ("ALG") procedure for computing depreciation rates, net of the related ADIT as found reasonable herein, should be removed from rate base.

The Commission accepts Duke Kentucky's proposed amortization of the protected excess ADIT. The amortization for the protected excess ADIT is based upon the Average Rate Assumption Method ("ARAM"). For the unprotected excess ADIT, the Attorney General initially proposed a 20-year amortization period.[25] Subsequently, the Attorney General proposed a five-year amortization period for the unprotected excess ADIT but did not amend his testimony to reflect the change in the amortization period.[26] The Commission finds that a reasonable amortization period for the excess ADIT for Duke Kentucky's unprotected assets should be 10 years. A 10-year amortization period for the unprotected excess ADIT will balance the impact to Duke Kentucky's cash flow and provide ratepayers the full benefit of the reduction in the federal corporate income tax in a timely manner. As a result of the foregoing adjustments, the Commission finds the total

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[25] *Id.*

[26] March 8, 2018, Video Transcript of Evidence at 3:35:00.

test-year amortization for the total excess ADIT to be $4,471,984, which is an increase of $1,651,639 over the amount proposed by Duke Kentucky. The Commission finds that the amortization of the excess ADIT related to protected and unprotected excess ADIT found reasonable herein should be removed from Duke Kentucky's ADIT, which increases its rate base. Therefore, Duke Kentucky's rate base should be increased by $4,471,984 for this adjustment.

Duke Kentucky deferred $2 million it incurred to fund carbon management research by the Carbon Management Research Group ("CMRG"). In Case No. 2008-00308, Duke Kentucky sought and obtained authorization from the Commission to defer these costs for accounting purposes.[27] The regulatory asset, net of ADIT, is included in the capitalization in this proceeding. In the instant matter, Duke Kentucky sought to recover the amortization of the deferred asset over a five-year period at $400,000 per year. In the Commission's Order in Case No. 2008-00308, it stated that the CMRG regulatory asset will be amortized over a 10-year period or $200,000 per year. Therefore, the Commission finds that the Duke Kentucky's capitalization should be increased by $200,000 to reflect the proper amount of the regulatory asset in the rate base.

The Commission finds that the ADIT arising from its requirement to change Duke Kentucky's procedure for computing depreciation rates from the ELG to the ALG procedure should reduce Duke Kentucky's rate base. As discussed in the testimony of the Attorney General, the ELG procedure front-loads depreciation expense in earlier

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[27] Case No. 2008-00308, *Joint Application of Duke Energy Kentucky, Kentucky Utilities Company and Louisville Gas and Electric Company for an Order Approving Accounting Practices to Establish Regulatory Assets* (Ky. PSC Oct. 30, 2008).

years and decreases it in the later years of an asset's depreciable life, creating a mismatch of revenues and expenses.[28] The Attorney General states that the ALG procedure is the dominant procedure for other electric utilities, including all other electric utilities in Kentucky.[29] Therefore, the Commission finds that the Attorney General's position on this issue is reasonable and that Duke Kentucky should use the ALG procedure for computing depreciation rates, and that its rate base should be reduced by $2,733,299 to reflect the increase in ADIT.

The East Bend O&M regulatory asset was approved by the Commission in Case No. 2014-00201.[30] In addition, in that proceeding, the Commission authorized Duke Kentucky to defer carrying charges on the O&M expense at its cost of debt. The Attorney General disputed the amount of the regulatory asset and made a recommendation of the amount of amortization assuming that the regulatory asset was included in rate base.[31]

The Commission finds that the East Bend O&M regulatory asset should be removed from rate base and Duke Kentucky's request to amortize the East Bend O&M regulatory asset over a 10-year period is reasonable and should be approved. The Commission also finds that carrying charges should be based on the cost of debt approved herein. This adjustment reduces Duke Kentucky's rate base by $36,540,123.

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[28] Direct Testimony of Lane Kollen ("Kollen Testimony") beginning at 31.

[29] *Id.* at 32

[30] Case No. 2014-00201, *Application of Duke Energy Kentucky, Inc. for (1) a Certificate of Public Convenience and Necessity Authorizing the Acquisition of the Dayton Power & Light Company's 31% Interest in the East Bend Generating Station; (2) Approval of Duke Energy Kentucky, Inc.'s Assumption of Certain Liabilities in Connection with the Acquisition; (3) Deferral of Costs Incurred as part of the Acquisition; and (4) All Other Necessary Waivers, Approvals and Relief* (Ky. PSC Dec. 4, 2014).

[31] Kollen Testimony at 31.

The East Bend Ash Pond ARO was approved by the Commission in Case No. 2015-00187.[32] Duke Kentucky proposed that the East Bend Ash Pond ARO amortization be recovered through the Environmental Surcharge Mechanism ("ESM") in its application. In addition, Duke Kentucky requested a 10-year amortization period. The Attorney General proposed that the East Bend Ash Pond ARO be removed from capitalization, as it was erroneous for Duke Kentucky to include it in both its ESM rider rate base and in base rates. The Commission finds the East Bend Ash Pond ARO should not be included in base rates because that amount is proposed to be recovered through Duke Kentucky's ESM. The Commission also finds that a 10-year amortization period is reasonable and should be approved. The parties have agreed upon this issue. This adjustment reduces Duke Kentucky's rate base by $18,509,346.

The CWC allowance included in rate base shown below is based on the adjusted operation and maintenance expenses discussed in this Order, as approved by the Commission. This adjustment reduces Duke Kentucky's rate base by $2,008,320.

Based on the Commission's finding herein where it denied Duke Kentucky's proposal to use ELG procedure rather than the ALG procedure for computing depreciation rates, the Commission finds that Duke Kentucky's accumulated depreciation in its rate base should be increased by $6,919,475.

We have determined Duke Kentucky's pro forma jurisdictional rate base for rate-making purposes for the test year to be as follows:

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[32] Case No. 2015-00187, *Application of Duke Energy Kentucky, Inc. for an Order Approving the Establishment of a Regulatory Asset for the Liabilities Associated with Ash Pond Asset Retirement Obligations* (Ky. PSC Dec. 15, 2015).

Depreciation Expense

Duke Kentucky proposes, as part of developing its depreciation rates, the continued use of the ELG procedure. The Attorney General recommends the Commission adopt the ALG procedure in developing Duke Kentucky's depreciation rates. The Attorney General contends that the ALG methodology is the predominant method that is used in the electric industry for developing depreciation rates. The Attorney General contends that, under the ELG methodology, the capital recovery periods are accelerated and shortened and, thus, the depreciation rates are greater than if the ALG procedure was used.[76] The Attorney General argues that the ALG procedure is as accurate as the ELG procedure and the ALG procedure smooths the data so that the depreciation rates for the group of assets tend to remain constant.[77] Use of the ALG procedure will result in a decrease in Duke Kentucky's depreciation expense of $6.920 million.

Duke Kentucky requested an increase in depreciation expense of $6.920 million, based on its request to utilize the ELG procedure for computing depreciation rates. As was discussed in the rate base section of this Order, this Commission has found that the ELG procedure does not accurately match revenues and expenses, is front-loaded, and Duke Kentucky is the only Kentucky based utility that utilizes the ELG procedure for computing depreciation rates.

Regulatory accounting requires the proper matching of revenues and expense in order to produce fair, just and reasonable rates. The Commission finds Duke Kentucky's

[76] *Id.* at 33.

[77] *Id.* at 35

proposed ELG procedure does not meet that criteria and that Duke Kentucky's depreciation expense should be reduced by $6.920 million.

Terminal Net Salvage – Generation Units

Duke Kentucky included an adjustment of its depreciation expense of $4.506 million to reflect the impact of terminal net salvage value.[78] Duke Kentucky's proposed depreciation rates reflect terminal net salvage, which the company contends is required under the Federal Energy Regulatory Commissions' Uniform System of Accounts.[79] Duke Kentucky further contends that, to avoid intergenerational inequity, these costs should be borne by those ratepayers who receive the benefit from the production assets.[80]

The Attorney General recommends reducing the proposed depreciation rates by removing terminal net salvage from production plant depreciation rates. The Attorney General argues that Duke Kentucky's proposed recovery of future terminal net negative salvage for production plant is unreasonable because those costs are not known with reasonable certainty today.[81] The Attorney General's recommendation is to reduce Duke Kentucky's depreciation expense by $4.506 million.[82]

The Commission finds Dukes Kentucky's recommendation on the treatment of terminal net salvage value in the computing the depreciation rates for generating units is reasonable in order to avoid intergenerational inequity and should be approved.

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[78] *Id*. at 42.

[79] John J. Spanos Rebuttal Testimony ("Spanos Rebuttal Testimony") at 4–5.

[80] Spanos Rebuttal Testimony at 4.

[81] Kollen Testimony at 39.

[82] *Id*. at 42.

ORIGINAL

Commissioner	Yes	No	Not Participating
Huston	√		
Freeman	√		
Krevda	√		
Ober	√		
Ziegner	√		

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF DUKE ENERGY INDIANA, LLC PURSUANT TO IND. CODE §§ 8-1-2-42.7 AND 8-1-2-61, FOR (1) AUTHORITY TO MODIFY ITS RATES AND CHARGES FOR ELECTRIC UTILITY SERVICE THROUGH A STEP-IN OF NEW RATES AND CHARGES USING A FORECASTED TEST PERIOD; (2) APPROVAL OF NEW SCHEDULES OF RATES AND CHARGES, GENERAL RULES AND REGULATIONS, AND RIDERS; (3) APPROVAL OF A FEDERAL MANDATE CERTIFICATE UNDER IND. CODE § 8-1-8.4-1; (4) APPROVAL OF REVISED ELECTRIC DEPRECIATION RATES APPLICABLE TO ITS ELECTRIC PLANT IN SERVICE; (5) APPROVAL OF NECESSARY AND APPROPRIATE ACCOUNTING DEFERRAL RELIEF; AND (6) APPROVAL OF A REVENUE DECOUPLING MECHANISM FOR CERTAIN CUSTOMER CLASSES	)	**CAUSE NO. 45253** **APPROVED: JUN 29 2020**

ORDER OF THE COMMISSION

Presiding Officers:
James F. Huston, Chairman
Sarah E. Freeman, Commissioner
David E. Veleta, Senior Administrative Law Judge

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process. Sierra Club and Joint Intervenors took issue with the retirement dates of Edwardsport IGCC and other coal units, finding that DEI should consider an earlier retirement of these units. In considering Edwardsport first, we find Mr. Gurganus' testimony persuasive. Edwardsport is the newest coal unit on the DEI system and continues to be a valuable asset for the Company's generating system, especially as the Company moves, as many utilities are, to retire older and less efficient coal plants. We also understand the many complexities and issues associated with primarily operating the plant on natural gas pointed out by Mr. Gurganus, not least of which is the requirement for new air permitting, elimination of tax incentives, and losing the optionality and diversity that operation primarily on coal provides. In contrast to the cross answering testimony of Mr. Schlissel, and based on the testimony provided by Mr. Gurganus, we find that Edwardsport has showed steadily increasing gasifier availability and capacity factor in line with expectations, and we note that the Company has invested in improvements at the plant, often at shareholder expense, to achieve these improvements, which Mr. Gurganus expects to continue.

As to the Company's other coal units, Sierra Club and Joint Intervenors criticize the Company's modeling that does not allow these units to retire prior to 2024. However, we find Mr. Pike's testimony on this point persuasive. There are clearly practical constraints and considerations to retiring units that should not be ignored by IRP modeling, such as labor force, community impacts, transmission constraints, and not least of all rate impact to customers. We also agree with Mr. Pike and Wabash Valley witnesses that it is reasonable to swap the retirement dates of Gibson Units 4 and 5, to accommodate the wishes of the joint owners of Gibson 5 and save the expense associated with the planned flue gas work for the units. Overall, we find that this moderate transition approach is reasonable and results in reasonable depreciation rates that, while increased compared to previous depreciation studies, are moderated to that which would accompany a more expedited transition.

Regarding the other Joint Intervenors' criticism of the IRP process, we find that the IRP is at issue in this proceeding only to the extent it helps support the proposed depreciation rates. We find Mr. Park's response to the various IRP issues reasonable and thorough. Further, we agree with Mr. Pike that models only inform us and do not themselves make reasoned recommendations or decisions. Rather, the Company does that through a review of various scenarios, sensitivities, and portfolios.

In sum, we find that DEI's proposed retirement dates, as revised in its rebuttal testimony for the Gibson 4/5 retirement date switch, are reasonable and prudent and will result in fair and reasonable rates for customers who benefit from the Company's rate base.

(C) <u>Depreciation Rates and Expense</u>. Mr. Spanos presented and supported a depreciation study related to DEI's electric plant as of December 31, 2018, as well as a fair value study. He testified that depreciation refers to the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation, against which the Company is not protected by insurance. He stated that among the causes to be given consideration are wear and tear, decay, action of the elements, obsolescence, changes in the art, changes in demand and the requirements of public authorities. He testified that in preparation of his study, he followed generally accepted practices in the field of depreciation and valuation. He

testified that his recommended depreciation rates appropriately reflect the rates at which the costs of DEI's assets are being consumed over their useful lives, and that the rates are an appropriate basis for setting electric rates in this matter and for the Company to use for booking depreciation and amortization expense going forward.

He testified the purpose of the depreciation study was to estimate the annual depreciation accruals related to electric plant in service for ratemaking purposes and determine appropriate average service lives and net salvage percentages for each plant account. He stated that in preparing his study, he used the straight line remaining life method of depreciation, with the equal life group procedure for all plant assets except some general plant accounts. He stated the annual depreciation is based on a method of depreciation accounting that seeks to distribute the unrecovered cost of fixed capital assets over the estimated remaining useful life of each unit, or group of assets, in a systematic and rational manner. He testified that for certain General Plant Accounts, he used the straight line remaining life method of amortization. He explained that the annual amortization is based on amortization accounting that distributes the unrecovered cost of fixed capital assets over the remaining amortization period selected for each account and vintage.

To determine his recommended annual depreciation accrual rates, in the first phase of his study, he estimated the service life and net salvage characteristics for each depreciable group -- each plant account or subaccount identified as having similar characteristics. Then in the second phase of his study, he calculated the composite remaining lives and annual depreciation accrual rates based on the service life and net salvage estimates determined in the first phase.

He explained that in the first phase of the study he compiled historic data through 2018 from records related to DEI's plant; analyzed these data to obtain historic trends of survivor and net salvage characteristics; obtained supplementary information from DEI's management, and operating personnel concerning practices and plans as they relate to plant operations; and interpreted the above data and the estimates used by other electric utilities to form judgments regarding average service life and net salvage characteristics. To analyze the service life data, he used the retirement rate method and applied the retirement rate method to each different group of property in the study. He explained that the retirement rate method produces an original survivor curve for that property group, and that interpretation of the original survivor curves is required in order to use them as valid considerations in estimating service life. He explained that widely used Iowa-type survivor curves were used to perform the interpretations. He further testified that he used the life span technique, which has been used previously for DEI, to estimate the lives of significant facilities for which concurrent retirement of the entire facility is anticipated.

He testified that DEI provided the production facility life span estimates based on informed judgment that incorporates factors for each facility such as the age, use, size, nature of construction, and technology of the facility; management plans and outlook for the facility; the estimates for similar facilities for other utilities; and the results of the Company's 2018 IRP. DEI witness Mr. Keith Pike discusses the life span estimates in detail, as is discussed below. Mr. Spanos also stated that he made a field review of DEI's property during November 2018 to observe representative portions of plant and that he also made field visits during prior studies since 1999. He explained that field reviews are conducted to become familiar with Company operations and

obtain an understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirements.

He next discussed net salvage -- a component of the service value of capital assets that is recovered through depreciation rates. He explained that the service value of an asset is its original cost less its net salvage, and net salvage is the salvage value received for the asset upon retirement less the cost to retire the asset. He stated that when the cost to retire exceeds the salvage value, the result is negative net salvage.

He testified that inasmuch as depreciation expense is the loss in service value of an asset during a defined period, (*e.g*. one year), it must include a ratable portion of both the original cost and the net salvage. That is, he stated, the net salvage related to an asset should be incorporated in the cost of service during the same period as its original cost so that customers receiving service from the asset pay rates that include a portion of both elements of the asset's service value, the original cost and the net salvage value.

He testified that the net salvage percentages estimated in the depreciation study were based on informed judgment that incorporated factors such as the statistical analyses of historical net salvage data; information provided by the Company's operating personnel; general knowledge and experience of industry practices; and trends in the industry in general. He stated that the statistical net salvage analyses incorporate the Company's actual historical data for the period 1989 through 2018 and consider the cost of removal and gross salvage ratios to the associated retirements during the 30-year period. He explained that the net salvage percentages for generating facilities were based on two components: the interim net salvage percentage, and the final net salvage percentage. He stated that the interim net salvage percentage was determined based on the historical indications from the period 1989 to 2018 of the cost of removal and gross salvage amounts as a percentage of the associated plant retired. He stated that the final net salvage, or decommissioning and dismantlement component, was determined based on the retirement activities associated with the assets anticipated to be retired at the concurrent date of final retirement. He testified that the decommissioning or dismantlement component has been included in the net salvage percentage for steam, hydro and other production facilities; the decommissioning and dismantlement component is part of the overall net salvage for each location within the production assets. He stated that based on studies for other utilities and the cost estimates of DEI, it was determined that the decommissioning or dismantlement component for steam, hydro, and other production facilities is best calculated by dividing the decommissioning or dismantlement cost by the surviving plant at final retirement. He explained that these amounts at a location basis are added to the interim net salvage percentage of the assets anticipated to be retired on an interim basis to produce the weighted net salvage percentage for each location.

He testified that the decommissioning or dismantlement cost estimates are based on the decommissioning study of each generating site performed by Burns and McDonnell (discussed below). He explained that these estimates are based on the current cost (year 2018 dollars) to decommission the facilities. He noted, however, that the costs to decommission power plants have tended to increase over time (as have construction costs in general). For this reason, he testified, in order to recover the full decommissioning costs for each site, these costs need to be escalated to the time of retirement.

After Mr. Spanos estimated the service life and net salvage characteristics for each depreciable property group, he then calculated the annual depreciation accrual rates for each depreciable group based on the straight line remaining life method, using remaining lives weighted consistent with the equal life group procedure. He stated that the calculations of annual depreciation accrual rates were developed as of December 31, 2018. He explained that the straight line remaining life method of depreciation allocates the original cost of the property, less accumulated depreciation, less future net salvage, in equal amounts to each year of remaining service life.

He testified that in the equal life group procedure, the property group is subdivided according to service life -- that is, each equal life group includes that portion of the property which experiences the life of that specific group. He stated that the relative size of each equal life group is determined from the property's life dispersion curve. He explained that this procedure eliminates the need to base depreciation on average lives, inasmuch as each group is equivalent to a unit having a single life. The full costs of short-lived units are accrued during their lives, he stated, leaving no deferral of accruals required to be added to the annual costs associated with long-lived units. The calculated depreciation for the property group is the summation of the calculated depreciation based on the service life of each equal life group, according to Mr. Spanos.

Mr. Spanos testified that the equal life group procedure allocates the capital cost of a group property to annual expense in accordance with the consumption of the service value of the group.

He added that the more timely return of plant investment accomplished by fully accruing each item's cost during its service life not only reduces the risk of incomplete capital recovery, but also results in less investment-related cost over the life span of a depreciable group. He explained that under the equal life group procedure, the future book accruals (original cost less book reserve) for each vintage are divided by the composite remaining life for the surviving original cost of that vintage, and the vintage composite remaining life is derived by summing the original cost less the calculated reserve for each equal life group and dividing by the sum of the whole life annual accruals.

Mr. Spanos stated that amortization accounting is used for accounts with a large number of units, but small asset values. In amortization accounting, he explained, units of property are capitalized in the same manner as they are in depreciation accounting; however, depreciation accounting is difficult for these assets because periodic inventories are required to properly reflect plant in service. Consequently, he stated, retirements are recorded when a vintage is fully amortized rather than as the units are removed from service -- that is, there is no dispersion of retirement; all units are retired for depreciation purposes when the age of the vintage reaches the amortization period. He emphasized that amortization accounting is only appropriate for certain Common and General Plant accounts – in this case, for plant accounts which represent approximately one percent of depreciable plant.

Mr. Spanos testified that the development of the book reserve for each location has been established based on a composite rate for a group of locations within an account; thus, the actual book reserve at the location level was determined by applying a composite rate to the plant balance.

He explained that when dealing with group depreciation there are multiple parameters that affect the rate, such as interim survivor curve, probable retirement date and net salvage percent among the key factors. He further explained that in conducting a depreciation study, a more defined manner of determining the individual location rates should be established. He testified that these key factors or parameters establish the theoretical reserve which is utilized to appropriately assign the book reserve at the location and vintage level. He noted that updating retirement dates adjusts the weighting between the locations; therefore, a changed retirement date, survivor curve or net salvage percent for one location affects all the locations in the account.

Mr. Spanos next addressed depreciation rates for DEI's new solar generation assets planned by year-end 2019. He explained that the rates for these assets will be based on interim survivor curves for each account, a negative net salvage percent for some of the accounts, and a 25- year life span for all assets at the location. He stated that an estimated rate for new battery storage assets in Account 363 was also prepared.

Mr. Spanos testified concerning his fair value study. He explained that his study segregated the property by plant account consistent with the depreciation study and Company accounting system. More specifically, he first determined the Reproduction Cost New ("RCN") for the property in service at December 31, 2018, by trending the original cost and then deducting depreciation to arrive at the Reproduction Cost New Less Depreciation ("RCNLD"). He explained that for the property for which he determined the trended original cost, he used cost indexes. He calculated the RCN of the Company's electric plant in service as of December 31, 2018, to be $27,218,507,545; and he calculated the RCNLD of the Company's electric utility plant in service as of December 31, 2018 to be $11,633,493,162, which is 43% of the Reproduction Cost New. Mr. Spanos also provided the same fair value study information using the Company's forecasted electric utility plant in service as of December 31, 2020. He testified that it was calculated using the same methodology as his 2018 study and that the RCN of the Company's electric plant in service as of December 31, 2020, is $28,967,368,703 and the RCNLD is $12,054,723,694.

Company witness Mr. Jeffery Kopp sponsored the decommissioning study prepared by Burns & McDonnell for this proceeding. Mr. Kopp explained why it is necessary to demolish a generating station at the end of useful life, citing reuse of land, public safety, and environmental remediation of potential health hazards. The decommissioning study provided an estimated total cost, in 2018 dollars, of decommissioning and dismantling each Company-owned generation unit at the end of its useful life, as well as the total cost of decommissioning and dismantling the common facilities at these generating plants. The total decommissioning and dismantlement cost as determined by Burns and McDonnell and reflected in the Decommissioning Study, was net of salvage value for scrap materials at each plant. In general, the study assumed that each generating site would be restored to a condition appropriate for industrial use. This means that all sites will have above grade buildings and equipment removed, foundations removed to two feet below grade, be rough graded, and seeded. Sites also will have small diameter underground pipes capped and abandoned in place. Mr. Kopp explained that each of DEI's electric generating plants was evaluated, including steam, hydro and other facilities, including solar and that the Burns & McDonnell team visited all plants for which site-specific decommissioning and dismantlement cost estimates were prepared. Mr. Kopp described the types of costs included in the decommissioning study and how the estimates for the direct costs were developed using a bottoms-

up cost estimating approach. He explained how scrap values were determined and the necessity of including project indirect costs in the estimate, as well as the determination of the indirect costs included. He further explained that contingency costs had been included in the estimate, and that a contingency cost accounts for unspecified but reasonably expected additional costs to be incurred by the Company during the execution of decommissioning and dismantlement activities and contingency. He explained that these costs are in addition to the direct costs associated with the base decommissioning and dismantlement known scope items and that application of contingency is not only appropriate, but also standard industry practice. He further explained that DEI provided estimated remaining M&S inventory balances for inclusion in the Decommissioning Study, with a portion of the inventory given a salvage credit to reflect potential reuse or resale of remaining M&S. The estimated total net decommissioning and dismantlement cost for DEI's generation facilities included in the study is $420,569,400 in 2018 dollars. Mr. Kopp stated that the estimates used in the study were carefully prepared using standard and accepted estimating techniques and the best information available, and are consistent with Burns & McDonnell's industry experience. He stated that assumptions used were reasonable and that the inclusion of remaining M&S balance in the decommissioning and dismantlement costs is also reasonable, as maintaining an adequate inventory of M&S for the operation and maintenance of the generating units up to their end of life represents a prudently incurred cost for providing service to customers.

OUCC witness Garrett testified that he employed a depreciation system using actuarial plant analysis to statistically analyze the Company's depreciable assets and develop reasonable depreciation rates and annual accruals. In contrast to Mr. Spanos' use of the Equal Life Group ("ELG") procedure, Mr. Garrett recommends the calculation of depreciation rates under the Average Life Group ("ALG") procedure. He also proposed adjustments to the Company's proposed terminal net salvage rates. More specifically, Mr. Garrett testified that the OUCC's proposed depreciation adjustments comprise several key issues: (1) calculating rates under the ALG method; (2) removing contingency costs from DEI's decommissioning cost estimates; (3) removing inventory costs from DEI's decommissioning cost estimates; (4) removing escalation factors from DEI's terminal net salvage calculations; and (5) adjusting the Company's proposed service lives for several of its transmission and distribution accounts. During cross-examination, Mr. Garrett testified that he did not make a field visit prior to completing his depreciation recommendations.

Mr. Garrett testified that depreciation rates calculated under the ELG procedure for a particular vintage group of property will be higher in earlier years relative to later years, citing to [Wolf] and the National Association of Regulatory Utility Commissions ("NARUC") as support for his testimony. In contrast, he stated, depreciation rates calculated under the ALG procedure for a particular vintage group of property will be the same each year. Further, he testified that in order for depreciation rates calculated under the ELG procedure to be accurately applied, a utility's depreciation rates would need to be adjusted each year to reflect the decreasing depreciation rates for applicable account. He stated that under the ELG procedure, as proposed by DEI, the Company's depreciation rates would simply be applied each year until the next depreciation study is filed, regardless of the fact that depreciation rates should decrease annually during that time under the ELG procedure. He testified that this arrangement does not result in a systematic and rational cost recovery mechanism, and, by proposing depreciation rates under this scheme, DEI

has failed to meet its burden to make a convincing showing that its proposed depreciation rates are not excessive.

He stated that, in theory, the ELG could be part of a systematic and rational cost recovery system. In practice, however, it would be difficult to come to the same conclusion, because in order for the ELG procedure to be properly applied, a utility would need to revise depreciation each year. However, he stated, given the logistical realities involved with prosecuting rate cases, this would be impractical and inefficient.

He further testified that when a utility has made substantial, recent capital investments, depreciation expense calculated under the ELG method will always be higher than the expense calculated under the ALG method; the larger the amount of the investments, the larger the discrepancy will be between the two procedures. He attributed utilities' use of the ELG method to a desire by utility finance managers to increase cash flow and a desire by utility investors to reduce risk through accelerated capital recovery. He emphasized that the rules and standards governing capital recovery through depreciation require that public utilities recover their capital investments in a systematic and rational manner, accomplished by estimating service life through actuarial analysis and other objective techniques.

He noted that in the pending I&M rate case, the utility proposed depreciation rates using the ALG procedure; no party opposed the utility's use of the ALG procedure and no party proposed using the ELG procedure. He stated that, in his experience, the ALG procedure is the most commonly used procedure by analysts in depreciation proceedings. Thus, he concluded, the majority of depreciation rates approved by regulators around the country are calculated under the ALG procedure.

Mr. Garrett testified that if the IURC accepted all of DEI's substantive depreciation positions, but simply adopted the ALG procedure, it would result in depreciation rates that are much more fair and reasonable than those proposed by the Company. He further testified that it could be reasonable to use the ELG procedure if DEI was also proposing to have its depreciation rates adjusted every year in order to reflect a mathematically proper application of the ELG procedure, but that was not a part of the Company's filing. Instead, he claimed, to the extent the Company's ELG-derived rates are adopted, the Company will receive arbitrarily higher cash flows for its investors each subsequent year after this proceeding until its next depreciation study is filed. Under these circumstances, he concluded, the Company has not made a convincing showing that its proposed rates are not excessive.

Mr. Garrett next addressed the issue of contingency costs. He testified that the Company's terminal net salvage costs are estimated through demolition studies for most of its generating units. He stated that the demolition studies include contingency costs that purportedly reflect uncertainties in future demolition estimates. However, he claimed that contingency costs are unknown by definition, and therefore are not known and measurable. He stated that charging current ratepayers for speculative costs that may not even occur up to decades in the future is inherently problematic from a ratemaking perspective. Mr. Garrett stated that Duke identified no legal obligation in its testimony that requires it to demolish its power plants consistent with the activities described in the decommissioning cost estimates. He opined that in the absence of such

a legal requirement being imposed in the foreseeable future, actually incurring these costs is speculative. He also suggested that if and when Duke actually demolishes the power plants and requires more funding to do so, it can request additional funds from ratepayers when actual costs are known.

With regard to the issue of inventory costs, Mr. Garrett noted that DEI included $185 million of inventory costs as part of its decommissioning cost estimates. However, he stated, inventory costs are not typically included as part of decommissioning cost estimates, and he testified that he could not recall ever seeing such costs proposed in a decommissioning study, including those filed by Burns & McDonnell in prior cases. He noted that decommissioning studies estimate the terminal salvage and cost of removal of generating facilities, and he testified that DEI has not shown how the inclusion of inventory relates to that process. Furthermore, he stated that Burns & McDonnell has not conducted an analysis supporting the level of inventory included in the decommissioning costs.

Mr. Garrett next addressed the Company's use of escalation factors to escalate its demolition cost estimates from present-day dollars to the future retirement date of each generating unit by applying an annual cost inflation factor. According to Mr. Garrett, the problem with this approach is that current ratepayers are forced to pay for a future-value cost with present-day dollars. He claims that this "scheme" violates basic time-value-of-money principles. He testified that if future, escalated costs are allowed, they should then be discounted back to present-day dollars by the Company's weighted average cost of capital, noting that a similar approach is used to account for asset retirement obligations. He concluded, however, that it would be more straight-forward and reasonable to simply disallow the escalation factors and base the Company's decommissioning costs on present value.

Brian Andrews testified on behalf of the Industrial Group with respect to depreciation issues. His stated that DEI's proposed depreciation expense increase is excessive and unduly burdens customers.

He testified that DEI's continued reliance on the ELG procedure for calculating depreciation rates is burdensome to customers. He claimed that ELG depreciation rates are front-loaded and must be updated annually for proper implementation. He further claimed that DEI is the only Duke electric company that utilizes the ELG procedure to calculate depreciation rates, and it has the highest depreciation rate of any of the Duke electric companies. He stated that all other Duke electric companies use the ALG procedure, the most commonly utilized procedure for calculating depreciation rates.

He argued that, by rejecting ELG in favor of ALG, the Commission has an excellent opportunity to achieve the following: (1) allow Duke to retire its coal plants early according to its preferred portfolio, helping achieve significant carbon reductions in Indiana, (2) significantly reduce the rate increase while allowing those early retirements and the resources that will eventually replace them, and (3) utilize the depreciation procedure that is most commonly used in the country.

Mr. Andrews also argued that DEI is attempting to recover through depreciation rates an excessive amount of costs for the demolition of its production plants. He noted that in the decommissioning cost estimates, Duke has included net inventory costs, which is the level of inventory that existed at the plants as of June 2018. He took the position that, as Duke knows the precise retirement dates of these facilities, Duke should effectively manage this inventory and strive to eliminate these balances over the remaining life of the plants. He argued that these costs should be removed from the decommissioning costs estimates that are included in the net salvage rate and depreciation rate calculations.

He also noted that, in the decommissioning cost estimates, Duke has included contingency costs. He characterized these costs as simply a 20% adder to the demolition costs and unnecessary depreciation expense. He recommended that these contingency costs be removed from the decommissioning costs estimates that are included in the net salvage rate and depreciation rate calculations.

Mr. Andrews observed that in the net salvage rate calculations, Duke has included cost escalation. He testified that these costs were determined with an excessive and unsupported 2.5% annual inflation rate and burden current customers with unnecessary depreciation expense. He recommended that these escalation costs should be based on 2.0% inflation before being included in the net salvage rate and depreciation rate calculations.

Mr. Andrews stated that the IURC should reject Duke's ELG depreciation rates and approve the depreciation rates presented in his testimony. He testified that this will reduce the test year depreciation expense by $120 million, or by 83% of Duke's proposed increase, while still allowing coal plant retirements at Duke's proposed time schedule.

Mr. Spanos testified in rebuttal, noting that while each party proposes a fairly significant change in depreciation expense compared to the Company's proposal, the vast majority of the dollar impact of their changes is due to their deviation from Commission precedent. That is, most of their proposed reduction in depreciation expense is based on issues that the Commission has already decided. He stated that the issue with the single largest impact is the Company's use of the Equal Life Group ("ELG") procedure instead of the Average Life Group ("ALG") procedure. He noted that the Commission has clearly stated that "[w]e consider the debate between ELG and ALG to have already been resolved. This Commission has frequently and consistently expressed its preference for the use of the ELG procedure."[5] The Commission has similarly ruled that it is appropriate to include contingency in decommissioning estimates and that decommissioning estimates should be escalated to the date of retirement (for example, see NIPSCO Cause No. 43526). Accordingly, the only issues raised by OUCC and IG that have not been resolved by the Commission relate to the inclusion of inventory costs in decommissioning (which is addressed by DEI rebuttal witnesses Kopp and Mosley), Mr. Andrews' use of a lower escalation rate, and Mr. Garrett's life estimates for a few accounts.

[5] IURC 8/25/2010 Final Order in Cause No. 43526 at 51.

Mr. Spanos stated that the OUCC proposes a reduction in depreciation expense of $107 million, however, $93 million of this amount is due to the use of the ALG procedure, the removal of contingency and the removal of escalation. Similarly, he stated, the Industrial Group proposes a $120 million reduction in depreciation expense, however, $88.7 million of this is due to the use of the ALG procedure. An additional amount is the result of the parties' proposal to remove contingency.

With regard to Mr. Garrett's and Mr. Andrews' argument that ELG depreciation requires annual updates, Mr. Spanos testified the simple examples they provide to support their opinions are not reflective of real-world operations. He stated that this argument is unpersuasive for multiple reasons. First, he noted this Commission has used ELG for many years and has not required companies to update depreciation rates annually. Second, he stated that both Mr. Garrett and Mr. Andrews are incorrect that annual updates would be required. He pointed out that both examples shown to support their opinions are simplistic examples based on only a single vintage of plant. Thus, their examples do not match real-world experience. For most utility plant accounts, he stated, assets are added and retired every year. Due to this continual activity, he testified, ELG depreciation rates do not actually change as much as Mr. Garrett and Mr. Andrews claim. Third, he testified that annual updates are quite common in Pennsylvania. He stated that his firm performs depreciation studies – and annual updates – for most utilities in Pennsylvania. As a result, he has the opportunity to review changes to depreciation rates that occur each year that result from annual updates to depreciation calculations. In actual practice, he testified, ELG depreciation rates are much more stable than Mr. Garrett and Mr. Andrews claim. He stated that in aggregate, the ELG depreciation rates typically do not change dramatically from year to year and would not warrant annual updating as Mr. Garrett and Mr. Andrews assume.[6] Mr. Spanos testified that, in reality, there is little need to update depreciation rates annually when using the ELG procedure. He noted that the Commission has not been concerned enough with this issue to require annual updates in the many decades since the ELG procedure was first adopted. Accordingly, he concluded, Mr. Garrett's and Mr. Andrews' arguments to this effect are not a persuasive reason to abandon its use in Indiana.

Mr. Spanos also testified about the downsides of moving to an ALG methodology. He testified that a switch from ELG to ALG depreciation rates will result in artificially low depreciation rates due to the higher accumulated depreciation currently on the Company's books due to the historical use of ELG depreciation rates. He stated that this in turn will result in a short-term benefit that will be paid for by future customers who will also pay a return on the higher rate

[6] Mr. Spanos noted there are other aspects of depreciation that have the potential to change each year. For example, any additions to life span property result in a change to the depreciation rate (since the new asset will have a shorter life than the existing assets at the life span facility). Remaining life depreciation rates also change each year. He pointed out that Mr. Garrett proposes a change in approach from Commission precedent for terminal net salvage that would require annual updates, proposing to only include decommissioning costs at today's cost levels, which would mean the decommissioning costs would need to change each year due to changes in cost levels that occur from year to year. However, Mr. Spanos stated, for Mr. Garrett's terminal net salvage proposal (as well as other aspects of depreciation that change each year), he appears unconcerned with the potential for annual updates to depreciation rates. This gives less merit to Mr. Garrett's concerns regarding ELG, in Mr. Spanos' view.

base that will result from the proposed ALG depreciation rates. He characterized this approach as inequitable both because it will artificially reduce rates at the expense of future customers and because those customers will have to pay for the costs of generation that replaces the Company's coal-fired generation that will be retired. He concluded that Mr. Andrews' proposal would unfairly shift the costs of power plants that will soon be retired to future customers, who will receive no service from these plants. Additionally, Mr. Spanos noted, the historical use of ELG depreciation rates, as well as the inclusion of contingency and escalation in decommissioning estimates, already provides a benefit to customers as the Company transitions from coal-fired generation. While the retirement of coal-fired generation at earlier ages than previously expected does result in an increase in depreciation expense in this case, he stated that the Company has recovered more depreciation to date due to the historic use of ELG depreciation rates and more adequate levels of decommissioning (due to the inclusion of contingency and escalation) means that accumulated depreciation is higher than had Mr. Andrews' and Mr. Garrett's preferred approaches been adopted. The result, he noted, is that there is less to recover for the plants that will be retired. To put this a different way, he explained, had ALG been used in the past and no contingency or escalation included, the increase in depreciation resulting from earlier coal-fired generation would be higher than it is in the current case.

Mr. Spanos testified that Mr. Garrett is incorrect to argue that "it is preferable for regulators to ensure that assets are not depreciated before the end of their economic useful lives." While the goal is to estimate depreciation as accurately as possible, it is important to remember that depreciation is a forecast of events many years in the future and as a result estimates do not always match the actual experienced lives and net salvage of a Company's assets. Given this reality, Mr. Spanos opined, erring on the higher side for depreciation rates is preferable than the lower side because the likelihood and the risks of adverse effects on both the utility and customers are greater if depreciation is underestimated. He also added that too low of depreciation rates increases rate base, which results in customers paying higher total rates due to the return on rate base.

Mr. Spanos also took issue with Mr. Garrett's and Mr. Andrews' use of the word "accelerated" to describe the ELG methodology. He testified that ELG is a straight line method; ELG recovers costs on a straight line basis over the expected life of each equal life group.

Mr. Spanos reiterated that there are sound reasons to use the ELG procedure. He noted that this Commission has addressed this issue multiple times in the past and ruled in favor of ELG. And he noted that ELG is also discussed and supported in authoritative depreciation texts and academic literature. One such authority – and a very significant one – is Robley Winfrey, who, as a professor at Iowa State University, developed the Iowa survivor curves that are universally used in estimating service lives based on historical retirement data and is generally regarded as the father of utility depreciation practices, referred to the ELG procedure as "the only mathematically correct procedure."[7]

[7] Robley Winfrey, Depreciation of Group Properties, Bulletin 155 (Ames, IA: Iowa State University Press, 1942, reprinted 1969); p. 71.

Additionally, he emphasized that it is also important to understand that the change in depreciation resulting from the OUCC and Industrial Group's proposed change to ALG rates is not simply due to the difference between the two procedures. Rather, a portion of this change results from the fact that accumulated depreciation is higher today due to the historical use of ELG depreciation rates than it would have been had ALG depreciation rates been used. A change to ALG rates today will, therefore, result in a greater benefit to today's customers than to other generations of customers. This occurs both because depreciation rates are lower due to the historical use of ELG depreciation rates and because rate base is lower due to the higher accumulated depreciation resulting from the historical use of ELG depreciation rates. If Mr. Andrews' proposal were adopted, it will be future customers that pay the cost for this benefit given to current customers. Future customers will have to pay higher ALG depreciation rates than current customers as remaining life depreciation rates result in accumulated depreciation that will eventually revert to a lower level from the use of the ALG procedure. Future customers will also have to pay a return on the higher rate base that results from the lower ALG depreciation rates. In summary, he testified, Mr. Andrews' proposal will result in shifting costs from today's customers to future generations of customers.

Mr. Spanos next addressed the three adjustments proposed by the OUCC and Industrial Group to the decommissioning cost estimates used in the depreciation study. The first type of adjustment is related to the escalation of decommissioning costs to the time of retirement. The OUCC proposes to remove the escalation component entirely. The Industrial Group recommends the escalation of decommissioning costs, but uses a 2.0% escalation rate instead of the 2.5% escalation rate proposed by Mr. Spanos. The second proposed adjustment is that both the OUCC and Industrial Group advocate removing contingency from the decommissioning estimates. Mr. Spanos noted that both of these issues have been previously addressed by the Commission, which has ruled in favor of the Company's proposals to include escalation and contingency. The third proposed adjustment is that both parties propose the removal of inventory costs from the Company's terminal net salvage estimates. Mr. Spanos noted that he does not address this issue, which is instead addressed by rebuttal witnesses Mr. Kopp and Mr. Mosley. He also noted that Mr. Kopp also addresses the contingency issue, although Mr. Spanos briefly discussed Commission precedent regarding this issue.

With regard to the issue of including escalation in the calculation of decommissioning costs, Mr. Spanos stated that escalation is necessary in order to recover the full net salvage costs of these facilities over their service lives and has previously been accepted by the Commission. He noted that Mr. Andrews recognizes that escalation should be included in the terminal net salvage estimates, but proposes a lower escalation rate of 2.0%. Mr. Spanos testified that, in order to equitably recover the full costs of the Company's assets, including net salvage, net salvage must be based on future costs because decommissioning is going to occur in the future. He emphasized that net salvage must include the effects of future increases in costs, as recognized on multiple occasions by this Commission.

Mr. Spanos noted that Mr. Garrett makes one main argument in support of his proposal to eliminate escalation from the terminal net salvage estimates. He states that "[i]t is not proper to charge current ratepayers for a future cost that has not been discounted to present value." He supports this assertion by stating that "[t]he 'time value of money' concept is a cornerstone of

finance and valuation." Mr. Spanos testified, his opinion on this concept with regard to depreciation is incorrect. Mr. Spanos reiterated that depreciation is based on the actual cost at the time of installation or retirement. While the "time value of money" may be a cornerstone of finance and valuation, it is not a concept used in depreciation as widely practiced in the industry. Indeed, Mr. Spanos testified, failing to incorporate escalation, as Mr. Garrett proposes, will result in understating future net salvage costs, resulting in intergenerational inequity by forcing future customers to pay too much for the facilities.

Mr. Spanos next noted that, unlike Mr. Garrett, Mr. Andrews includes an escalation component in his terminal net salvage estimates. However, he uses a 2.0% escalation rate instead of the 2.5% escalation rate used by the Company which he says "has no support and is excessive." Mr. Spanos testified that his estimate of 2.5% is reasonable for a long term rate of cost increases for power plant decommissioning. He stated that his estimate is consistent with escalation rates used previously, as well as other sources including long-term averages of Consumer Price Index ("CPI") inflation and long-term inflation forecasts; the latter is compiled by the Federal Reserve in the Livingston Survey. He noted that CPI inflation has typically been lower than long-term construction cost increases and so, if anything, his estimate is conservative.

Mr. Spanos testified that Mr. Andrews only provided an analysis based on comparing the Livingston Survey to actual CPI inflation since 1991. From this analysis, he concludes that the "average forecast error is 0.6 percentage points" for this survey since 1991. Since the current 10-year median forecast is 2.26%, he subtracts 0.6 from 2.26% to get a value a 1.66%. He concludes that 1.66% is a more realistic forecast, although he proposes an escalation rate of 2.0% "to be conservative." Mr. Spanos testified that there are multiple issues with Mr. Andrews' analysis. First, he stated that the Livingston Survey is not the only support for Mr. Spanos' estimate. Second, Mr. Andrews' calculation of the forecast error is entirely the result of two periods of time. The first is from the early 1990s and the second from the late 2000s. The forecast error in the early 1990s resulted because these years followed the high inflation of the 1970s and 1980s. That is, forecasters not unreasonably expected that higher inflation to continue, but it did not. The second period is comprised of years that encompassed the Great Recession. The Great Recession resulted in very low inflation and even deflation, but was an abnormal event. Accordingly, Mr. Spanos testified, the period of time reviewed by Mr. Andrews' likely overstates any forecast error, particularly downside errors. Indeed, the last two decades have experienced low inflation by historical standards. It should be at least as likely that current forecasts would be too low rather than too high. However, he testified, Mr. Andrews only anticipates that forecasters could be estimating too high of inflation.

Mr. Spanos testified that these concepts are illustrated if we look at longer term inflation. He stated that looking at longer term inflation rates shows that there have been many years with higher inflation. As a result, he explained, simply assuming that a 2.0% inflation rate will continue into the future is not necessarily a reasonable assumption. Mr. Spanos provided data going back to 1960 and noted that the inflation that occurred over 10-year periods was greater than 2.5% in many years. Additionally, Mr. Spanos testified that while the CPI provides a good indication of changes in prices in the overall economy, it is not necessarily a good indicator of changes in decommissioning costs. A price index that serves as a better proxy for changes in decommissioning costs is the Handy Whitman construction cost index. Mr. Spanos provided a comparison of the

changes in the Handy Whitman Index for Steam Production Plant to CPI over the past 20 years; the data shows that construction costs have increased faster than CPI over this time period. Further, he stated, the data indicates that for every single long-term period ending in 1960 through 2018, the Handy Whitman index increased at an average rate that was greater than the 2.5% escalation rate he proposed. Thus, he concluded, the Handy Whitman index supports a higher escalation rate than he proposed. In summary, he testified that multiple sources support the 2.5% escalation rate he used, and, if anything, his estimate is conservative. He concluded that Mr. Andrews' estimate is, in his judgment, too low and will not fully recover the costs to retire the Company's power plants over their service lives.

Mr. Spanos next discussed the issue of contingency. He stated that Mr. Garrett and Mr. Andrews also both propose the removal of the contingency component from the decommissioning cost estimates. Mr. Spanos noted that the use of contingency has also been previously addressed by the Commission. For example, he noted the following excerpt from a NIPSCO case, in which the Commission held that the inclusion of contingency was appropriate and also noted that Commission precedent supported the inclusion of contingency:

> Mr. Selecky argued either the post-remediation value of the land in industrial condition should be an offset to the dismantlement costs or the contingency should be eliminated as a trade-off for the value of the land. Mr. Selecky did not identify the dollar value of the land after dismantlement. As a result, there is no evidence in the record to guide us in determining whether this would produce a material difference in the depreciation rates or be a reasonable trade-off for the contingency, assuming for the sake of argument it would even be proper to treat a non- depreciable asset like land as salvage. Further, we find it noteworthy that Mr. Selecky is not a licensed real estate appraiser. As a result, the record is devoid of any evidence to judge whether his proposal to equate the value of the land with the contingency is reasonable. (42356 Order at 53-54.) We also give weight to the fact that the 20% contingency factor used in the BMcD demolition cost studies is conservative compared to the 25% contingency factor we accepted in PSI Energy, Inc., Cause No. 42359, at 70-71. Also, the assumption that the sites will be remediated to industrial condition, rather than greenfield condition, is also conservative. Id. at 70. No evidence was presented that this Commission has ever used the value of land as an offset to an asset's cost of removal. In fact, Mr. Selecky did not identify to us any decision of any regulatory commission accepting his position regarding land and the contingency. Petitioner's JJS-R5; Petitioner's Ex. JJS-R6. Given that Mr. Selecky's recommendation would be such a departure from our past practice and that we have scant evidence to guide us in this exercise, we reject Mr. Selecky's proposal.

Mr. Kopp also provided rebuttal testimony regarding the appropriateness of including contingency in the decommissioning study for this proceeding. Specifically, he noted that the application of contingency is a common and prudent practice in the construction industry, and it is included in order to recognize the probability of increases in cost over the base estimated costs due to unknowns. Mr. Kopp explained that some of these costs cannot be determined until the dismantlement process has begun. Therefore, contingency is applied on top of the base estimated cost in order to formulate a reasonable estimate to dismantle the generating facilities.

Mr. Kopp explained that the 20% contingency amount he included in this decommissioning study is the same percentage as the contingencies he has prepared for decommissioning studies for other electric utilities that have been approved by regulatory agencies in other states.

Contingency is added to account for unknown, but reasonably expected to be incurred costs. These costs are related to weather delays, unknown environmental contamination, discovering equipment or materials not shown on drawings, additional dewatering requirements and changes in the manner the work is performed.

Mr. Kopp responded to Mr. Andrews' contention that DEI has no legal obligation to demolish its retired power plants by expanding on the explanation in his direct testimony of the necessity for demolition of power plants. He explained that although there may be no legal obligation to demolish a power plant, there are legal obligations to comply with environmental regulations. He also explained that the alternative to full demolition is to retire a plant in place. He explained that retiring a plant in place requires carrying costs that are necessary to maintain a safe site and be in compliance with applicable regulations. Mr. Kopp stated in his experience he has found that retiring in place is not a cost-effective long-term scenario when the carrying costs are taken into account.

Mr. Kopp concluded by stating that excluding these reasonably expected to be incurred costs by not including contingency costs will not give the full picture of decommissioning costs. If these costs are not accounted for in planning for future decommissioning, the costs will be passed on from the current ratepayers to future ratepayers.

Company witness, Mr. Mosley, provided rebuttal testimony addressing the inclusion of inventory in the decommissioning study. He explained Duke Energy has experience managing generating stations as they near the end of their useful lives and consistently attempts to deplete remaining inventory and/or transfer it to another generating facility where it can still be used. However, there are risks associated with premature depletion of inventory due to limited availability and long lead time of parts required to sustain reliable operation that must be considered.

In addition, Mr. Mosley stated that there are often limitations on the compatibility of inventoried parts that could be transferred from one station to another. For example, most spare parts that fit Gallagher's coal mills do not fit the mills at Gibson or Cayuga. Most steam turbine and generator parts are model specific and cannot be used at other facilities. Combustion turbine and generator parts have some capability with like-in-kind models, but circa-2000 machine parts would rarely be compatible with future gas-fired generators.

Mr. Mosley also explained that as the existing coal and gas-fired generators are retired, there are increasingly less remaining opportunities to transfer useful inventory. Therefore, reflecting leftover inventory in the cost of decommissioning is a reasonable means of addressing a future where increasing numbers of generating units are retired and replaced.

Mr. Kopp also provided rebuttal testimony regarding the inclusion of obsolete inventory remaining at the end of a generating station's useful life in this decommissioning study. He explained that disposing of remaining inventory is just as much a part of decommissioning a station as disposing of other equipment and plant components. It must be safely sold, moved to other locations, or scrapped. In fact, the warehouse or other portions of the plant where the supplies are held cannot be demolished until the inventory is safely removed.

Mr. Kopp then rebutted Mr. Andrews' contention that if this equipment is not placed in service, then it is not used and useful. Mr. Kopp stated that Andrews' argument ignores that inventory is required to be maintained in order to achieve appropriate reliability of the plants and to facilitate routine maintenance on the facilities. Furthermore, Mr. Kopp stated that it is necessary to purchase this inventory before it is needed, in order to reduce outage time, and even if it is not installed, it has still served a useful purpose in maintaining plant reliability.

Mr. Kopp's testimony also stated that the value of this inventory that cannot be reclaimed through sale or scrap of the inventory is directly related to the retirement of the facility. If the facility were to remain in service, this inventory would retain its value to the plant. However, when the plant is retired, the value of this inventory is reduced to the value it has as salvage or scrap. This reduction in value of the inventory is a cost associated with net salvage rates associated with retirement and demolition of the facility. In response to Mr. Garrett's contention that Mr. Kopp had never proposed including inventory in decommissioning studies before, Mr. Kopp also cited to approval of the inclusion of inventory in a decommissioning study prepared for FPL by the Florida Public Service Commission.

Company witness Ms. Douglas also responded to the recommendations of Mr. Garrett and Mr. Andrews regarding the inclusion of end-of-life generating plant M&S inventory costs as a cost of decommissioning and dismantlement. She explained that unlike other plant, property and equipment used at a generating station, which is depreciated over its useful life and the cost of which is recovered from customers served by and benefitting from the electricity generated at the station during its useful life, under the current ratemaking construct, recovery of the cost of M&S maintained in inventory occurs only once the parts and equipment in inventory are installed in the plant. She explained that when base rates are set, under traditional Indiana ratemaking practice, inventory is included in rate base for return purposes, but is not depreciated over its life like plant. Further, the current construct assumes the M&S inventory can be used up before retirement occurs and whatever amount is left can be reused elsewhere or sold, with no current ratemaking means for recovering the cost of the remaining end-of-life inventory from the customers for whose benefit the inventory held for reliability purposes at the station was maintained. As also discussed in the rebuttal testimony of Company witness Ms. Melissa B. Abernathy, without assurance of regulatory recovery of any remaining inventory costs that have now become obsolete due to the retirement, the Company must write the inventory off as an additional, one-time expense. Ms. Douglas further

explained that the Company's proposal is reasonable because it enables the forecasted costs of the end-of-life M&S inventory to be recovered in a rational and systematic way over the remaining life of the plant from the customers who are being served by the plant and benefitting from the reliability that the inventory brings to the plant. Ms. Douglas opined that this approach is a fair and balanced way to address this issue to prevent large negative financial impacts at a plant's end of life for companies who have purchased and managed their M&S reasonably for the benefit of customers. Ms. Douglas noted that the rebuttal testimony of Company witness Mr. John Sullivan addresses the negative impacts on credit quality and financing costs that may result from write-offs such as this. Ms. Douglas concluded by noting that an alternative to recovery over the life of the plant via decommissioning costs would be the pre-approval by the Commission of the use of a regulatory asset at the end of the plant's life, with the remaining value to be recovered from customers over time in a future rate case.

(1) Commission Discussion and Findings. The depreciation-related issues in this case relate to: (1) the ELG versus ALG methodology; (2) the appropriate calculation of terminal net salvage estimates; and (3) estimated useful lives for certain mass property accounts and coal generating units. We address each of these issues in turn.

First, with respect to the question of whether the ELG or ALG method should be used, we find the evidence presented by OUCC witness Mr. Garrett and Industrial Group witness Mr. Andrews persuasive, as both witnesses showed that the ELG method results in unreasonably high depreciation rates. ALG depreciation rates result in systematical and rational cost recovery with near term customer rate relief and full cost recovery of utility investments. While we have determined in the past that the ELG methodology was appropriate and acknowledge the weight given to precedent in many prior decisions, we always evaluate each case as it comes before us and do not need to approve the same methodology based on prior decisions, especially in light of a changed landscape. The use of ELG in a higher than average investment cycle has the effect of unnecessarily increasing the near term depreciation expense as compared to the use of ALG. A review and comparison of Mr. Andrew's exhibits reflecting only the ALG verses the ELG modifications applied to Mr. Spanos' results indicate that the impact of the methodology change on a percentage basis is markedly more significant for the distribution and transmission components than the production, or generation, component. This evidence is not surprising given the increased investment cycle in these categories as highlighted by the relatively recent statutory support for such investment codified at Indiana Code ch. 8-1-39. A changed and encouraged investment cycle is a material landscape change through which we consider our previous proclamations on methodology. Furthermore, the consideration of service affordability in the near term provides sufficient weight to temper our historical preference for ELG. Again, a recently enacted statute, Indiana Code § 8-1-2-0.5, directing the commission to consider "all practical means and measures" to balance necessary investment with service affordability enhances the regulatory landscape. In response to a Docket Entry question DEI confirmed that it had not identified investments that would not be recovered with the ALG methodology as described. Therefore, we find that the application of ALG serves as a reasonable regulatory mechanism to provide rate impact moderation while not limiting DEI's reasonable recovery of its investment.

With regard to the issues surrounding the calculation of terminal net salvage estimates, we note that no party has proposed depreciation rates without terminal net salvage estimates, and,

accordingly, no party appears to disagree with the concept of including terminal net salvage in depreciation rates. Instead, the differences are related to components of the estimated costs that are included. Based on the evidence presented in this case, we find that Mr. Spanos' 2.5% inflation estimate is more realistic and should be used. Mr. Spanos supported his estimate with CPI data going back to the 1960s, as well as more relevant Handy-Whitman index data, while Mr. Andrews' supported his inflation estimate with arguably selective time periods that are not representative of future conditions.

Next we address the parties' contention that contingency be removed from the decommissioning study. We disagree with the parties that the circumstances here warrant such removal. Commission precedent supports the inclusion of contingency and we find it reasonable and appropriate again here. Similar to our previous holdings, we give weight to the fact that the 20% contingency factor used in the demolition cost studies is conservative compared to the 25% contingency factor we approved in the Company's most recent rate case. Furthermore, the assumption that the sites will be remediated to industrial condition, rather than greenfield condition, is also conservative. We therefore decline to depart from our previous practice.

Regarding the parties' arguments concerning inclusion of the cost to address end-of-life inventory at retired generating plants, these type of inventory costs are not typically included as part of decommissioning cost estimates. Normally any unrecovered amount would be expensed at the time of retirement. In rebuttal, Ms. Douglas suggested an alternative in which the Commission pre-approves a regulatory asset at end of life rather than a write-off. As presented in the Industrial Group's February 6 filing this alternative would materially lower the impact of Duke Energy Indiana's rate request. In addition, the alternative affords DEI an opportunity to undertake any and all reasonable actions to minimize the end-of-life inventories as any station retirement draws nearer. Thus, we approve the use of a regulatory asset at the end of life with the understanding that any recoverable amount will be subject to a review of actions taken in advance of any associated retirement.

Based on and incorporating the findings above, we approve for use by DEI the depreciation rates presented in the revised attachment to the Industrial Group's February 6 filing.

iii. O&M Expenses (Other than Depreciation and Taxes).

(A) Production O&M Expense. Petitioner's witness Mosley testified that DEI's 2020 power production O&M forecast is $407 million, as follows:

Category	O&M ($ in millions)
Edwardsport IGCC	$139
Coal Combustion Products	$12
New Generation Resources	$0
Power Production	$229
Other Miscellaneous Power Production	$27
Total	**$407**

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Brian C. Andrews, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 4, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 16, 2024

Signature:

Brian C. Andrews

Address: Brubaker & Associates, Inc.
16690 Swingley Ridge Road, Suite 140
Chesterfield, MO 63017

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	)	
	)	
v.	)	**R-2024-3047822**
	)	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	)	

Surrebuttal Testimony of

Brian C. Andrews

OCA Statement 4SR

On behalf of

Pennsylvania Office of Consumer Advocate

Date Served: September 26, 2024

BRUBAKER & ASSOCIATES, INC.

Project 11696

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	)	
v.	)	**R-2024-3047822**
	)	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	)	

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	)	
v.	)	**R-2024-3047822**
	)	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	)	

Surrebuttal Testimony of Brian C. Andrews

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A Brian C. Andrews. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017.

Q ARE YOU THE SAME BRIAN C. ANDREWS WHO PREVIOUSLY FILED DIRECT TESTIMONY IN THIS PROCEEDING ON BEHALF OF THE PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE ("OCA")?

A Yes, I am.

Q WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A The purpose of my surrebuttal testimony is to reiterate my support and recommendation to use the Average Life Group ("ALG") procedure to calculate depreciation rates by responding to the rebuttal testimony of Aqua Pennsylvania's ("Aqua PA" or "Company") witness John Spanos.

My silence in regard to any issue should not be construed as an endorsement of or acquiescence to any parties' positions raised in their direct or rebuttal testimonies.

SUMMARY OF RECOMMENDATIONS

Q PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.

A My conclusions and recommendations are as follows:

1. I continue to recommend that the depreciation rates for Aqua PA be calculated using the ALG procedure. It is the most commonly used depreciation procedure in the country and provides Aqua PA with full recovery of its investment, while resulting in more reasonable depreciation rates.

2. The precision associated with the Equal Life Group ("ELG") procedure does not exist in real life, nor did Mr. Spanos select survivor curves that best reflect the life of Aqua PA's assets.

3. Aqua PA is in an elevated investment environment and has drastically increased its plant-in-service over the past 10 years. Aqua PA is approximately 140 years old, yet its water plant-in-service has an average age of just 13.6 years.

4. Mr. Spanos shows estimates that the use of the ALG procedure will result in a lower revenue requirement for Aqua PA through 2035. The ALG procedure would help alleviate the burden of excessive utility bills.

5. The affordability of utility rates is an important factor for credit rating agencies in supporting strong credit standings for utility companies, and the use of ALG depreciation rates will make Aqua PA's rates more affordable for customers.

6. The depreciation rates for Aqua PA calculated with the ALG procedure are not low, as Mr. Spanos claims. In Pennsylvania, net salvage is not included in depreciation expense; this is the primary reason the OCA's proposed depreciation rates are lower than the small sample of gas utility depreciation rates that Mr. Spanos provides in his Exhibit No. JJS-3-R.

7. The Pennsylvania Public Utility Commission ("PUC" or "Commission") should order Aqua PA to use depreciation rates that are based on the ALG procedure.

8. The proposed test year depreciation expense would be reduced by $14.1 million if the ALG depreciation rates are utilized.

9. The PUC should approve the depreciation rates that are presented in Exhibit BCA-3, Exhibit BCA-6, Exhibit BCA-9, Exhibit BCA-12, and Exhibit BCA-15 for

Aqua PA's Water Base Operations, Shenandoah Operations, Wastewater Base Operations, Lower Makefield Operations, and East Whiteland Operations, respectively.

RESPONSE TO THE REBUTTAL TESTIMONY OF JOHN J. SPANOS

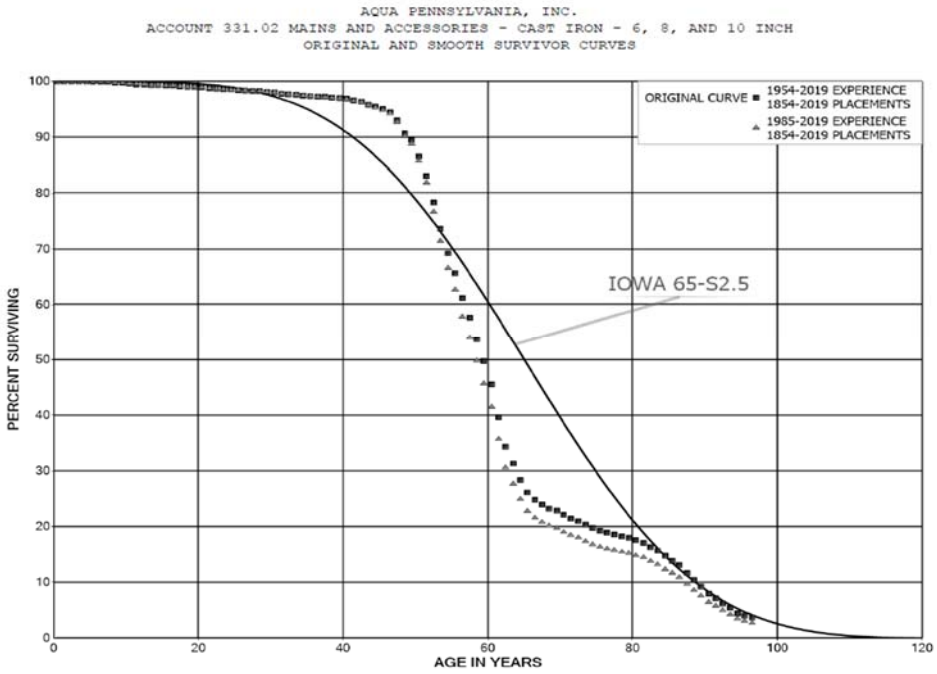
Q MR. SPANOS PROVIDES CITATIONS TO AUTHORITATIVE DEPRECIATION TEXTS BY ROBLEY WINFREY AND WOLF & FITCH, WHICH REFERS TO THE ELG PROCEDURE AS THE ONLY MATHEMATICALLY CORRECT PROCEDURE, AND THAT ELG IS CONSIDERED TO BETTER MATCH THE CONSUMPTION OF CAPITAL WITH SERVICE PROVIDED THAN THE ALG PROCEDURE.[1] PLEASE RESPOND.

A I do not disagree that these statements are made within these authoritative texts. While the ELG method may be more precise mathematically, it is not a precision that exists in reality as it is extremely sensitive to the survivor curve that is used to determine the depreciation rates. The depreciation expense is also only accurate if the utility property retires in exactly the manner dictated by the survivor curves used to calculate the ELG rates. This precision does not exist in real life and certainly does not exist within a regulated ratemaking environment. For example, Mr. Spanos has selected the 65-S2.5 survivor curve for the 6-10 inch cast iron Distribution Mains, Account 331.02. While I do not challenge this proposal, it is clear from the chart that Mr. Spanos includes in his depreciation study that it is not a good fit. In Figure 1, I show Aqua PA's

[1]Aqua Statement No. 6-R at page 4, lines 6-14.

retirement data compared to the 65-S2.5 survivor curve, as portrayed in Aqua PA's Exhibit 6-A, Part 2.

FIGURE 1



Q WHAT IS THE SIGNIFICANCE OF THIS FIGURE?

A Mr. Spanos claims that ELG is more accurate, but this is true if and only if the property retires exactly as dictated by the survivor curve. Figure 1 clearly demonstrates that the 65-S2.5 survivor curve that Aqua PA uses for its largest account is a terrible match of Aqua PA's retirement data. In discussing how an analyst should approach selecting a survivor curve, Wolf & Fitch state in "Depreciation Systems," "Often the middle section of the curve (that section ranging from approximately 80% to 20% surviving) is given more weight than the first and last sections. This middle section is relatively straight

and is the portion of the curve that often best characterizes the survivor curve."[2] Mr. Spanos seems to have clearly ignored the most important section of the survivor curve when he conducted the life analysis for this account. The 65-S2.5 is not a good fit for Aqua PA's data; therefore, the ELG procedure will not produce an accurate depreciation rate. While I am not challenging the service life selection made by Mr. Spanos, the precision that mathematically exists with the ELG procedure can only be achieved if assets retire in the exact manner indicated by the survivor curve. Again, this precision does not exist in reality, which is why the ELG procedure was primarily of academic interest until the 1970s.

Q MR. SPANOS CLAIMS THAT OTHER COMMISSIONS ARE STARTING TO IMPLEMENT THE ELG PROCEDURE. PLEASE RESPOND.

A Mr. Spanos states that the ELG procedure is used in Texas for gas utilities, some jurisdictions in Canada, and for one utility in Colorado.[3] Including Pennsylvania, this is three total states. ALG is by far more commonly used. There are 47 other states that use ALG. As I discussed in my direct testimony, Indiana recently made the switch from ELG to ALG. I have been involved in depreciation cases in 17 other states, plus Washington D.C. These jurisdictions all use the ALG procedure. Mr. Spanos states that he has been in 460 cases before approximately 46 regulatory commissions;[4] based on my inspection of his Appendix A, this leaves 43 regulatory commissions that have approved the use of ALG where Mr. Spanos has testified. The ALG procedure is the

[2]Frank K. Wolf and W. Chester Fitch, *Depreciation Systems* at pages 46-47.
[3]Aqua Statement No. 6-R at page 10, lines 12-19.
[4]Aqua Statement No. 6 at page 2, lines 7-9.

predominant depreciation procedure in use in the United States and should be approved for Aqua PA.

Q MR. SPANOS CLAIMS THAT AQUA PA IS NEITHER IN A "CHANGED LANDSCAPE" NOR IN A "HIGHER THAN AVERAGE INVESTMENT CYCLE"[5]; THEREFORE, THE INDIANA AND KENTUCKY DECISIONS THAT I PROVIDED IN MY DIRECT TESTIMONY THAT SUPPORT THE REJECTION OF ELG AND APPROVAL OF ALG ARE NOT APPLICABLE. PLEASE RESPOND.

A I completely disagree. A changed landscape certainly exists. The affordability of utility rates is of significant concern of regulators, credit agencies, and especially customers themselves. A recent poll by the Commonwealth Foundation found that rising energy costs are a top voter concern, claiming that "Eight in 10 voters say their household energy bills have increased over the past two years, and more than two-thirds (70 percent) say they're concerned about affording their family's energy needs. Rising energy costs (63 percent) top the list as the most prominent environmental issue in Pennsylvania."[6] While this is not an energy case, the same concerns are reasonably projected to any regulated utility where customers' bills are increasing. The high inflationary environment that has existed over the past few years is taking its toll on Pennsylvanians. OCA witness Aaron Rothschild stated in his direct testimony, "The impact of customers' ability to afford their utility bills, especially during times with high

[5]Aqua Statement No. 6-R at page 24, lines 13-23.
[6]https://www.commonwealthfoundation.org/2024/03/19/pa-voters-energy-costs-2024/.

levels of inflation, is a concern that is raised by analysts and utility holding companies when determining the risks that a utility faces. Even though inflation has decreased recently and is expected to decline further in coming months, high inflation in recent years remains a significant impact on affordability for many consumers."[7] The switch to ALG depreciation rates will help alleviate water bill burden for Aqua PA's customers.

Q HAS MR. SPANOS CONFIRMED THAT ALG DEPRECIATION RATES WOULD REDUCE AQUA PA'S REVENUE REQUIREMENT?

A Yes. Mr. Spanos has conducted an analysis, which he provides in Exhibit No. JJS-1-R and is summarized on Figure 3 on page 16 of his rebuttal testimony. This analysis compares the revenue requirements for the period of 2024-2050 for Aqua PA under two scenarios, one that assumes ALG depreciation and the other with ELG. This analysis clearly shows that the ALG procedure results in lower revenue requirements through 2035. Eleven years of lower utility bills will certainly help with affordability. Utility customers do not plan for future utility bills, they pay and plan for bills on a monthly basis not on decennial basis; most people prefer the next bill to be as low as possible. With the affordability of utility bills of significant concern, the Indiana Utility Regulation Commission's ("IURC") decision in the Duke Energy Indiana case is certainly applicable, it states, "the consideration of service affordability in the near term provides sufficient weight to temper our historical preference for ELG."[8]

[7]OCA Statement 3 at page 101, lines 3-7.
[8]See Exhibit BCA-18 at page 18.

Q PLEASE COMMENT ON THE HIGHER THAN AVERAGE INVESTMENT CYCLE.

A I discuss this issue in my direct testimony. As discussed, Aqua PA is in an accelerated investment cycle, coinciding with a 29% increase in plant-in-service over the past five-years. The oldest assets still in-service are from 1882. The Company has been providing water service in Pennsylvania since 1886,[9] approximately 140 years. Contrast this to the average age of utility plant, which is just 13.6 years old. A 140-year-old company with assets with an average age of just 13.6 years old certainly suggests that Aqua PA has been in a higher-than-average investment cycle.

Q MR. SPANOS CLAIMS THAT THE OCA'S PROPOSED DEPRECIATION RATES ARE UNREASONABLY LOW DUE TO THE ALG PROCEDURE. PLEASE RESPOND.

A Mr. Spanos has provided a list of 14 water utilities in his Exhibit No. JJS-3-R, which purports to show an average depreciation rate of 2.62%. From this, he concludes that the composite 2.17% depreciation rate that I have recommended is unreasonably low. I disagree. Mr. Spanos has provided no information demonstrating that these other companies are comparable to Aqua PA, nor are any of the other Aqua PA companies included. Further, Pennsylvania is unique in that net salvage is not included in depreciation expense, but rather recovered through a five-year amortization of actual costs of removal. This drastically reduces depreciation rates. For the other Aqua PA companies, the net salvage rate for mains that Mr. Spanos has proposed range

[9] https://www.aquawater.com/about/states-we-serve/pennsylvania/index.php.

from -15% to -45%. Meaning that for every dollar invested in mains, the utility would recover $1.15 to $1.45 through depreciation expense related to net salvage. In ALG depreciation, all assets are assumed to have the average life of the group. For Aqua PA, the 6-10 inch cast iron mains accounts, which represents 39% of the plant-in-service has a life of 65 years. With the ALG procedure, a 65-year life and 0% net salvage would yield a depreciation rate of 1.54%.[10] If net salvage were to be included at an average level of -20%, then the depreciation rate would be 1.84%. Since Aqua PA does not include net salvage in depreciation, a 2.17% composite depreciation rate, which I recommend, is perfectly reasonable.

Q MR. SPANOS HAS PROVIDED A DIFFERENT LEVEL OF ACCUMULATED DEPRECIATION AS OF DECEMBER 31, 2025, ASSUMING ALG DEPRECIATION RATES WERE IN PLACE. PLEASE DISCUSS.

A I find this criticism of the level of accumulated depreciation that I have used to be frivolous and trivial. Mr. Spanos states that the combined water and waste water book reserve I am using is $356,191 too high, and that the rate base should be increased by $356,191.[11] This needs to be put into context. First, this difference is simply due to rounding differences between the model that I use and the one that Mr. Spanos uses. Second, this difference of $356 thousand is in relation to a $1.4 billion book reserve. This is a 0.02% difference, less than a rounding error. We also need to remember that the difference in book reserve would be recovered over the remaining life of the assets,

[10] 1/65 = 1.54%.
[11] Aqua Statement No. 6-R at pages 22-23.

so for water rate base, Mr. Spanos states my level of book reserve is $356 thousand too high and the impact on depreciation expense will not be the $14.1 million that I presented (*i.e.*, the reduction to depreciation expense would be an amount less than $14.1 million).[12] However, the $356 thousand would be spread over the remaining life of the assets, which according to my study is 36.4 years. The impact on depreciation expense is less than $10,000 annually. On depreciation rates, which are rounded to two decimal points, it would have no impact as it is compared to a $6.3 billion plant-in-service. $10,000 divided by $6.3 billion equals 0.00016%, an inconsequential amount. This would be the impact on depreciation rates, due to book reserves being changed by $356 thousand.

The depreciation rates that I have presented in Exhibits BCA-3, BCA-6, BCA-9, BCA-12, and BCA-15 are accurate, reasonable, and should be approved by the Commission.

Q DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A Yes, it does.

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[12] *Id*. at page 22, lines 13-15.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.	:	

VERIFICATION

I, Brian C. Andrews, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 4SR, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 26, 2024 Signature: _____
Brian C. Andrews

Address: Brubaker & Associates, Inc.
16690 Swingley Ridge Road, Suite 140
Chesterfield, MO 63017

OCA STATEMENT 5

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	**)**	**Docket Nos. R-2024-3047822 (Water)**
	)	**R-2024-3047824 (Wastewater)**
v.	**)**	
	)	
Aqua Pennsylvania, Inc.	**)**	
Aqua Pennsylvania Wastewater, Inc.		

DIRECT TESTIMONY OF

JEROME D. MIERZWA

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA STATEMENT 5

DATE SERVED: AUGUST 16, 2024

EXETER
ASSOCIATES, INC.
10480 Little Patuxent Parkway, Suite 300
Columbia, Maryland 21044

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I. INTRODUCTION

Q. WOULD YOU PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?

A. My name is Jerome D. Mierzwa. I am a Principal and the President of Exeter Associates, Inc. ("Exeter"). My business address is 10480 Little Patuxent Parkway, Suite 300, Columbia, Maryland 21044. Exeter specializes in providing public utility-related consulting services.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A. I graduated from Canisius College in Buffalo, New York, in 1981 with a Bachelor of Science Degree in Marketing.[1] In 1985, I received a Master's Degree in Business Administration with a concentration in finance, also from Canisius College. In July 1986, I joined National Fuel Gas Distribution Corporation ("NFG Distribution") as a Management Trainee in the Research and Statistical Services Department ("RSS"). I was promoted to Supervisor RSS in January 1987. While employed with NFG Distribution, I conducted various financial and statistical analyses related to the Company's market research activity and state regulatory affairs. In April 1987, as part of a corporate reorganization, I was transferred to National Fuel Gas Supply Corporation's ("NFG Supply") rate department where my responsibilities included utility cost of service and rate design analysis, expense and revenue requirement forecasting, and activities related to federal regulation. I was also responsible for preparing NFG Supply's Federal Energy Regulatory Commission ("FERC") Purchase Gas Adjustment ("PGA") filings and developing interstate pipeline and spot market

[1] Effective August 1, 2023, Canisius College became Canisius University.

supply gas price projections. These forecasts were utilized for internal planning purposes as well as in NFG Distribution's Pennsylvania purchased gas cost proceedings under Section 1307(f) of the Public Utility Code.

In April 1990, I accepted a position as a Utility Analyst with Exeter. In December 1992, I was promoted to Senior Regulatory Analyst. Effective April 1, 1996, I became a principal of Exeter. Since joining Exeter, my assignments have included water and wastewater utility class cost of service and rate design analysis, evaluating the gas purchasing practices and policies of natural gas utilities, sales and rate forecasting, performance-based incentive regulation, revenue requirement analysis, the unbundling of utility services and the evaluation of customer choice natural gas transportation programs.

Q. HAVE YOU PREVIOUSLY TESTIFIED IN REGULATORY PROCEEDINGS ON UTILITY RATES?

A. Yes. I have provided testimony on more than 450 occasions in proceedings before FERC, utility regulatory Commissions in Arkansas, Connecticut, Delaware, Georgia, Illinois, Indiana, Louisiana, Maine, Maryland, Massachusetts, Montana, Nevada, New Jersey, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, and Virginia, as well as before the Pennsylvania Public Utility Commission ("Commission").

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. On May 23, 2024, Aqua Pennsylvania, Inc. ("Aqua" or the "Company") on its own behalf and on behalf of its wholly-owned subsidiary Aqua Pennsylvania Wastewater, Inc. filed an application to increase its current rates for water and wastewater service by $126.7 million, or 18.9%. The increase proposed for water service is $112.0 million,

or 18.7%, and the increase proposed for wastewater service is $14.6 million, or 20.1%.[2] Exeter was retained by the Pennsylvania Office of Consumer Advocate ("OCA") to review and analyze the water and wastewater class cost of service ("CCOS") studies and the rate design proposals included in Aqua's application. My testimony addresses the Company's water and wastewater CCOS studies, its revenue allocations, and rate design proposals.

Q. HAVE YOU PREPARED EXHIBITS TO ACCOMPANY YOUR TESTIMONY?

A. Yes, I have. Exhibits JDM-1 and JDM-2 are attached to my testimony.

Q. PLEASE DESCRIBE THE REVENUE REQUIREMENT PRESENTATION BY AQUA IN THIS CASE.

A. As discussed in the direct testimony of OCA witness Ralph Smith (OCA St. 2), Aqua has presented separate revenue increases for what the Company refers to as Water Base Operations and for Shenandoah Water Operations. Shenandoah Water is a recent acquisition by Aqua. Water Base Operations includes all of Aqua's water utility operations except Shenandoah Water.

Aqua presents separate revenue increases for what the Company refers to as Wastewater Base Operations, Lower Makefield Operations, and East Whiteland Operations. Lower Makefield and East Whiteland are recent acquisitions by Aqua. Wastewater Base Operations include all of Aqua's water utility operations except Lower Makefield and East Whiteland. Consistent with the direct testimonies of OCA witnesses Christine M. Hoover (OCA St. 1) and Ralph Smith, and for the reasons they explain, my testimony recommends that the costs and revenues related to East

[2] As discussed later in my testimony, this $14.6 million is after Aqua's proposed $21.9 million shift of wastewater revenue requirement to water customers pursuant to 66 Pa. C.S. § 1311(c).

Whiteland Operations be excluded from this case. Therefore, for purposes of my testimony, I will exclude East Whiteland from all cost of service and rate design considerations.

Q. PLEASE DESCRIBE THE WATER AND WASTEWATER RATES ZONES CURRENTLY SERVED BY AQUA?

A. Aqua currently provides water utility service to in eight different rate zones. Those rate zones are as follows:

- Rate Zone 1 – Main Division
- Rate Zone 2
- Rate Zone 3
- Rate Zone – Bunker Hill
- Rate Zone – Sun Valley Division
- Rate Zone – Phoenixville Division
- Rate Zone – Belle Aire Acres Division
- Rate Zone – Shenandoah Division

The largest of these rate zones by far is Rate Zone 1 – Main Division, with over 97% of the Company's total water revenues at current rates.[3]

Aqua currently provides wastewater service in fifteen different rate zones, Rate Zones 1 through 14, and Rate Zone 1A. The largest of these rate zones are Rate Zones 9 and 12, each representing approximately 17% of current revenue.

Q. HOW MANY CCOS STUDIES DID AQUA FILE IN ITS APPLICATION?

A. Aqua has presented separate CCOS studies for Water Base Operations (Aqua Exhibit No. 5-A, Part I), and for Shenandoah Water Operations (Aqua Exhibit No. 5-A, Part II). Aqua presents separate wastewater CCOS studies for Wastewater Base Operations (Aqua Exhibit No. 5-B, Part I), Lower Makefield Operations (Aqua Exhibit No. 5-B,

[3] Exhibit No. 5-A, Part II, Schedule 4, page 1.

Part II), and East Whiteland Operations (Aqua Exhibit No. 5-B, Part III). Currently, Lower Makefield is Rate Zone 12, and East Whiteland is Rate Zone 13. The Company's CCOS studies are sponsored by Constance E. Heppenstall of Gannett Fleming Valuation and Rate Consultants, LLC.

Q. IS AQUA PROPOSING TO RECOVER ANY PORTION OF ITS WASTEWATER REVENUE REQUIREMENT FROM WATER CUSTOMERS IN THIS PROCEEDING?

A. Yes. Aqua is proposing to recover $21.9 million, or 20.0%, of its total proposed wastewater revenue requirement through the rates for water service, subject to Commission approval under Section 1311(c) of the Public Utility Code, which was amended to provide for the recovery of a portion of a wastewater utility's revenue requirement from the utility's water customers by Act 11 of 2012. (Aqua Vol. 2, Exh. 1-A et al., Sch. Act 11, p. 1). The $21.9 million represents 60% of its total revenue requirement increase for wastewater that Aqua claims is necessary in this case.

Q. PLEASE SUMMARIZE YOUR FINDINGS AND RECOMMENDATIONS.

A. A summary of my findings and recommendations are as follows, and consistent with the OCA's position discussed above, are based on excluding the East Whiteland acquisition from this proceeding:

- The water and wastewater CCOS studies presented by Aqua reasonably reflect class cost responsibility at the revenue requirements reflected in the Company's initial application;

- If the Commission determines in this proceeding that it is appropriate to assign a portion of the wastewater revenue requirement to water customers pursuant to Act 11 and Section 1311 (c) of the Public Utility Code, I recommend several modifications and adjustments to Aqua's proposal:

- Consistent with the OCA's recommendation that the costs and revenues related to East Whiteland Operations – totaling approximately $7 million -- should be excluded from this case, of this amount, the East Whiteland Act 11 shift of $3.14 million of the $7 million should be eliminated;

- Any decrease in the wastewater revenue requirement required by the Commission in this proceeding from the revenue requirement requested by Aqua should first be applied to reducing the Act 11 shift, and;

- Wastewater customers in Rate Zones 1 and 1A should be assigned a rate increase rather than a rate decrease as proposed by Aqua, and the additional revenues generated by the Rate Zone 1 and 1A rate increases should be utilized to reduce the Act 11 shift.

- At a reduced revenue requirement authorized by the Commission, the Act 11 shift should be no higher than 10% of the wastewater cost of service, which would be a 50% decrease from that approved by the Commission in the Company's last base rate proceeding. This decrease should be assigned to Aqua's water customer classes by proportionately reducing the Act 11 assignment initially proposed by Aqua for each customer class.

- I have accepted the proposed Shenandoah Contribution (as described further below) to provide for gradualism. I recommend that Aqua's proposed revenue allocation assignments be proportionately adjusted to reflect the Shenandoah Contribution authorized by the Commission in this proceeding.

- The water service rate increases proposed by Aqua for Rate Zones Bunker Hill, Sun Valley, and Phoenixville should be mitigated to provide for gradualism;

- The existing Rate Zone 1, 2, and 3 monthly water customer charges for Residential customers with a 5/8-inch meter should be maintained. The current Rate Zone 1 monthly customer charge for a Residential customer with

a 5/8-inch meter should be adopted for Rate Zones Bunker Hill and Sun Valley;

- The Rate Zone 1 and 2 monthly wastewater customer charges proposed by Aqua for Residential customers with a 5/8-inch meter, or one Equivalent Dwelling Unit ("EDU") should be adopted;

- Aqua should be required to comply with the Commission's directive in its last base rate proceeding in Docket No. R-2021-3027386 which required Aqua to prepare and submit in its next base rate proceeding a report evaluating whether different methods of calculating flat rate charges would be more reasonable than its current method. A rate increase in this proceeding should be denied until Aqua complies with this directive; and

- The majority of Aqua's wastewater customers are assessed volumetric usage charges based on water usage. Certain wastewater customers served by Aqua which are provided water service by the Chester Water Authority ("CWA") are currently billed flat rates for wastewater service.[4] Aqua should immediately pursue obtaining water usage data for its wastewater customers that are currently provided water service by the CWA in Thompson Tract, the Bancroft Subdivision, and Honeycroft Village, and report to the Commission in this proceeding the results of its efforts and the costs it would occur to obtain water meter read data from CWA. The Commission should then determine whether Aqua should obtain this meter read data to convert these flat rate customers to water usage based billing.

Q. HOW IS THE REMAINDER OF YOUR TESTIMONY ORGANIZED?

A. The remainder of my testimony is divided into seven additional sections. The second section of my testimony describes and evaluates the Company's water CCOS studies. The third section describes and evaluates the Company's wastewater CCOS studies. The fourth section addresses Aqua's proposal to recover a portion of the costs associated with providing wastewater service through the rates for water utility service pursuant to Section 1311(c) of the Public Utility Code. The next section presents my

[4] Response to data request OCA-XIII-14.

recommended distribution of the revenue increase authorized by the Commission for water service in this proceeding and rate design for water service. The sixth section of my testimony addresses wastewater service rate design. The final section of my testimony addresses the metering of currently unmetered wastewater customers.

II. WATER CLASS COST OF SERVICE STUDIES

Q. WHAT IS THE OBJECTIVE OF A CCOS STUDY?

A. A CCOS study is conducted to assist a utility or Commission in determining the level of costs properly recoverable from each of the various classes of customers to which the utility provides service. Allocation of recoverable costs to each class of service is generally based on cost causation principles.

Q. HOW MANY WATER CCOS STUDIES DID AQUA PRESENT IN ITS APPLICATION?

A. As indicated previously in this testimony, Aqua presented two water CCOS studies in its application. Aqua has presented separate water CCOS studies for Water Base Operations and Shenandoah Waer Operations.

Q. WHAT ARE THE PRIMARY CCOS STUDY METHODOLOGIES UTILIZED FOR WATER UTILITIES?

A. The two most commonly used and widely recognized methods of allocating costs to customer classes for water utilities are the base-extra capacity method and the commodity-demand method. Both methods are set forth in the American Water Works Association's ("AWWA") Manual, M1, *Principles of Water Rates, Fees, and Charges* ("AWWA M1 Manual").

Q. WHAT METHODOLOGY HAS THE COMPANY UTILIZED FOR ITS WATER CCOS STUDIES?

A. Aqua has utilized the base-extra capacity method in preparing its water CCOS studies. (Aqua St. 5 at 4). Under the base-extra capacity method, investment and costs are first classified into four primary functional cost categories: base or average capacity, extra capacity, customer, and fire protection. Once investment and costs are classified to these functional categories, they are allocated to the various customer classes.

Q. PLEASE DESCRIBE IN GREATER DETAIL THE FOUR PRIMARY FUNCTIONAL COST CATEGORIES AND HOW THEY ARE ALLOCATED TO THE VARIOUS CUSTOMER CLASSES UNDER THE BASE-EXTRA CAPACITY METHOD.

A. **Base Costs** are costs that tend to vary with the quantity of water used, plus costs associated with supplying, treating, pumping, and distributing water to customers under average load conditions. Base costs were allocated to customer classes on the basis of average daily usage in Aqua's CCOS studies.

Extra Capacity Costs are costs associated with meeting usage requirements in excess of average usage. This includes operating and capital costs for additional plant and system capacity beyond that required for average usage. Extra capacity costs in the Company's studies have been subdivided into costs necessary to meet maximum day extra demand and maximum hour extra demand. These extra capacity costs were allocated to customer classes on the basis of each class's maximum day and maximum hour usage in excess of average usage.

Customer Costs are costs associated with serving customers regardless of their usage or demand characteristics. Customer costs include the operating costs related to meters and services, meter reading costs, and billing and collection costs. Customer

costs were allocated on the basis of capital cost of meters and services and the number of customer bills.

Fire Protection Costs are costs associated with providing the facilities to meet the potential peak demand of fire protection service. In the Company's studies, fire protection costs have been subdivided into the costs associated with meeting Public Fire Protection and Private Fire Protection demands. The extra capacity costs assigned to fire protection were allocated to Public and Private Fire Protection on the basis of the total relative demands of hydrants and fire service lines. In accordance with Section 1328 of the Public Utility Code, public fire costs exceeding 25% of the public fire cost of service were reallocated to other customer classes.

Q. PLEASE IDENTIFY THE CUSTOMER CLASSES THAT THE COMPANY HAS INCLUDED IN ITS WATER CCOS STUDIES.

A. The Company has separately identified the cost of serving seven customer classes in its Water Base Operations CCOS study: Residential; Commercial; Industrial; Public, Other Water Utilities, Private Fire Protection; and Public Fire Protection. The same customer classes are included in the Shenandoah Water Operations CCOS study with the exception of the Other Water Utilities customer class.

Q. ARE YOU PROPOSING ANY CHANGES TO THE COMPANY'S WATER CCOS STUDIES?

A. No. I generally find the results of the Company's water CCOS studies to reasonably reflect class cost responsibility at the revenue requirement reflected in the Company's initial application.

Q. PLEASE SUMMARIZE THE RESULTS OF THE COMPANY'S WATER CCOS STUDIES AND PROVIDE A COMPARISON OF THE REVENUES AQUA IS PROPOSING TO RECOVER FROM EACH CUSTOMER CLASS.

A. Table 1 summarizes the results of the Company's water CCOS studies and presents a comparison of the revenues Aqua is proposing to recover from each customer class. As previously indicated, Aqua is proposing to recover $21.9 million of the wastewater revenue requirement from water customers. This proposal is reflected in Table 1 below. Aqua is also proposing to recover $1.5 million of the revenue requirement of Shenandoah Water Operations from Water Base Operation customers. This proposal is also reflected in Table 1 as the "Shenandoah Contribution." I would note that contract sales and other revenues are not reflected in Table 1 since they were not included in Aqua's water CCOS studies. Aqua's proposed distribution of its requested revenue increase in discussed in greater detail in Section V of my testimony.

Table 1. Comparison of Company Water Cost of Service Study Results and Proposed Revenues

WATER BASE OPERATIONS

Customer Class	Direct Cost of Service	Act 11 Revenues	Shenandoah Contribution	Total Costs	Proposed Revenues	Variation	Percent Increase
Residential	$449,755,095	$13,116,320	$749,673	$463,621,088	$462,791,353	$(829,735)	19.9%
Commercial	161,916,231	8,245,608	267,782	170,429,621	169,163,248	(1,266,373)	18.2%
Industrial	25,338,810	340,775	319,052	25,998,637	24,431,574	(1,567,063)	20.6%
Public Authority	9,930,693	147,926	128,879	10,207,498	11,148,842	941,344	19.2%
Other Water Utilities	5,692	0	0	5,692	19,862	14,170	11.3%
Private Fire Protection	17,617,148	0	155	17,617,303	20,322,361	2,705,058	6.3%
Public Fire Protection	8,187,042	0	0	8,187,042	8,187,042	0	12.8%
Total	$672,750,711	$21,850,629	$1,465,541	$696,066,881	$696,064,282	$(2,599)	18.9%

SHENANDOAH WATER OPERATIONS

Customer Class	Direct Cost of Service	Act 11 Revenues	Shenandoah Contribution	Total Costs	Proposed Revenues	Variation	
Residential	$2,819,285	$0	$(749,673)	$2,069,612	$2,069,612	$0	42.7%
Commercial	571,472	0	(267,782)	303,691	303,691	0	38.3%
Industrial	421,234	0	(319,052)	102,182	102,182	0	59.9%
Public Authority	219,869	0	(128,879)	90,991	90,991	0	59.7%
Private Fire Protection	23,251	0	(155)	23,096	23,096	0	0.0%
Public Fire Protection	34,717	0	-	34,717	34,820	103	326.2%
Total	$4,089,828	$0	$(1,465,541)	$2,624,288	$2,624,391	$103	44.0%

Q. HOW SHOULD THE RESULTS OF AQUA'S WATER CCOS STUDIES BE ADJUSTED TO REFLECT A LOWER THAN REQUESTED WATER REVENUE REQUIREMENT INCREASE AUTHORIZED BY THE COMMISSION IN THIS PROCEEDING?

A. I recommend that the direct cost of service, which would exclude the Act 11 shift and Shenandoah Contribution, indicated by Aqua's water CCOS studies for each customer class be proportionately scaled-back to reflect the actual water revenue increase authorized by the Commission in this proceeding.

III. WASTEWATER COST OF SERVICE STUDIES

Q. HOW MANY WASTEWATER CCOS STUDIES DID AQUA PRESENT IN ITS APPLICATION?

A. As previously discussed, Aqua presented three wastewater CCOS studies in its application. Aqua has presented separate wastewater CCOS studies for Wastewater Base Operations. Lower Makefield Operations, and East Whiteland Operations.

Q. WHAT METHODOLOGY DID THE COMPANY UTILIZE IN PREPARING ITS THREE WASTEWATER CCOS STUDIES?

A. Ms. Heppenstall used the functional cost allocation methodology described in *Financing and Charges for Wastewater Systems; Manual of Practice No. 27* published by the Water Environment Federation ("WEF Manual of Practice No. 27"). This method allocates the cost of providing wastewater service to customer classifications in proportion to each classification's use of the service provider's facilities and services. Costs are assigned to cost components using predominant operational purposes as cost-causative factors. The functional cost allocation method is generally accepted as a sound method for allocating the cost of wastewater service.

Q. PLEASE IDENTIFY THE CUSTOMER CLASSES INCLUDED IN AQUA'S WASTEWATER CCOS STUDIES.

A. Each wastewater CCOS study presented by Aqua includes two customer classes: Residential and Non-Residential.

Q. ARE YOU PROPOSING ANY CHANGES TO THE COMPANY'S WASTEWATER CCOS STUDIES?

A. No. I generally find the results of the Company's wastewater CCOS studies to reasonably reflect class cost responsibility at the revenue requirement reflected in the Company's initial application. I would note that as previously explained, it is the

OCA's position that East Whiteland should be removed from Aqua's revenue requirement claim in this proceeding. Therefore, the wastewater CCOS study for East Whiteland should not be considered in this proceeding. To determine the direct cost of service for each customer class included in the Company's wastewater CCOS studies based on the revenue requirement authorized by the Commission in this proceeding, the cost of service for each customer class should be proportionately reduced to reflect the Commission's authorized revenue requirement.

Q. PLEASE SUMMARIZE THE RESULTS OF THE COMPANY'S WASTEWATER CCOS STUDIES AND PROVIDE A COMPARISON OF THE REVENUES AQUA IS PROPOSING TO RECOVER FROM EACH CUSTOMER CLASS.

A. Table 2 summarizes the results of the Company's wastewater CCOS studies and presents a comparison of the revenue Aqua is proposing to recover from each customer class. Although it is the OCA's position that East Whiteland should be excluded from Aqua's revenue requirement claim in this proceeding, I have included East Whiteland in Table 2 for informational and comparison purposes only and to provide a summary with totals that match the Company's initial application.

Table 2. Comparison of Company Wastewater Cost of Service Study Results and Proposed Revenues

WATER BASE OPERATIONS						
Customer Class	**Direct Cost of Service**	**Act 11 Revenues**	**Total Costs**	**Proposed Revenues**	**Variation**	**Percent Increase**
Residential	$55,467,974	$(10,991,786)	$44,476,188	$44,476,187	$0	12.9%
Non-Residential	26,560,948	(6,756,087)	19,804,861	19,804,861	0	18.7%
Subtotal	$82,028,922	$(17,747,873)	$64,281,049	$64,281,048	$0	14.6%
LOWER MAKEFIELD OPERATIONS						
Customer Class	**Direct Cost of Service**	**Act 11 Revenues**	**Total Costs**	**Proposed Revenues**	**Variation**	**Percent Increase**
Residential	$13,587,321	$(793,692)	$12,793,629	$12,793,629	$0	31.1%
Non-Residential	1,495,074	(164,472)	1,330,602	1,330,602	0	-25.9%
Subtotal	$15,082,395	$(958,164)	$14,124,230	$14,124,230	$0	22.2%
EAST WHITELAND OPERATIONS						
Customer Class	**Direct Cost of Service**	**Act 11 Revenues**	**Total Costs**	**Proposed Revenues**	**Variation**	
Residential	$4,339,173	$(1,330,842)	$3,008,331	$3,008,331	$0	108.5%
Non-Residential	6,171,394	(1,813,750)	4,357,644	4,357,644	0	110.0%
Subtotal	$10,510,567	$(3,144,592)	$7,365,974	$7,365,974	$0	109.4%
Total	$107,621,884	$(21,850,629)	$85,771,253	$85,771,252	$0	20.6%

Q. HOW SHOULD THE RESULTS OF AQUA'S WASTEWATER CCOS STUDIES BE ADJUSTED TO REFLECT A LOWER THAN REQUESTED WASTEWATER REVENUE REQUIREMENT INCREASE AUTHORIZED BY THE COMMISSION IN THIS PROCEEDING?

A. I recommend that the direct cost of service, which would exclude the Act 11 shift, indicated by Aqua's wastewater CCOS studies for each customer class be proportionately scaled-back to reflect the actual wastewater revenue increase authorized by the Commission in this proceeding.

IV. ASSIGNMENT OF THE WASTEWATER COST OF SERVICE TO WATER CUSTOMERS

Q. PLEASE DESCRIBE AQUA'S PROPOSAL IN THIS PROCEEDING WITH RESPECT TO THE RECOVERY OF ITS WASTEWATER REVENUE REQUIREMENT FROM WATER CUSTOMERS.

A. Aqua is proposing to recover a portion of its wastewater revenue requirement from water customers pursuant to Section 1311(c) of the Public Utility Code. Aqua is proposing to increase wastewater rates – after its shift – by 20.1%, or $14.6 million. Exclusive of East Whiteland, the increase is 15.6%, or $10.8 million. The total unrecovered wastewater revenue requirement proposed to be allocated to water service is $21.9 million, and exclusive of East Whiteland, the allocation to water service is $18.7 million. Absent an allocation of any portion of the wastewater revenue requirement to Aqua's water service, on average, rates to wastewater customers would need to increase by 50.1%. Exclusive of East Whiteland, on average, rates to wastewater customers would need to be increased by 42.5%.

Q. WHAT DOES SECTION 1311(c) PROVIDE?

A. Section 1311 reads as follows:

> § 1311 Valuation of and return on the property of a public utility.
>
> * * *
>
> (c) Segregation of property. When any public utility furnishes more than one of the different types of utility service, the Commission shall segregate the property used and useful in furnishing each type of such service, and shall not consider the property of such public utility as a unit in determining the value of the rate base of such public utility for the purpose of fixing base rates. A utility that provides water and wastewater service shall be exempt from this subsection upon petition of a utility to combine water

> and wastewater revenue requirements. The Commission, when setting base rates, after notice and an opportunity to be heard, may allocate a portion of the wastewater revenue requirement to the combined water and wastewater customer base **if in the public interest**.
>
> * * *
>
> (e) Definition. As used in this section, the term "utility that provides both water and wastewater service" shall include separate Companies that individually provide water and wastewater service so long as the Companies are wholly owned by a common parent company.

66 Pa. C.S. § 1311 (effective April 16, 2012) (emphasis added).

Q. SPECIFICALLY, HOW MUCH OF THE WASTEWATER REVENUE REQUIREMENT OF EACH OF THE COMPANY'S SERVICE AREAS DOES AQUA PROPOSE TO ASSIGN TO WATER CUSTOMERS?

A. As shown in Table 3, 20.0% of the total wastewater cost of service is being assigned to water customers. Exclusive of East Whiteland, 18.9% of the wastewater cost of service is being assigned to water customers.

Table 3. Aqua Wastewater and Stormwater Cost of Service and Allocation to Water Service

Service Operations	Cost of Service	Act 11 Allocation	Net Revenue Requirement
Wastewater Base	$83,640,154	$17,747,873	$65,892,281
Lower Makefield	15,140,538	958,164	14,182,374
East Whiteland	10,517,800	3,144,592	7,373,208
Total	**$109,298,492**	**$21,850,629**	**$87,447,863**
Percent	**100.0%**	**20.0%**	**80.0%**
Total less East Whiteland	**$98,780,692**	**$18,706,037**	**$80,074,655**
Percent	**100%**	**18.9%**	**81.1%**

Q. HOW HAS AQUA ALLOCATED THE WASTEWATER COSTS ASSIGNED TO WATER CUSTOMERS TO EACH OF THE CUSTOMER CLASSES INCLUDED IN THE COMPANY'S WATER CCOS STUDIES?

A. Aqua has assigned 100% of the wastewater costs assigned to water customers to Water Base Operations. No wastewater costs have been assigned to Shenandoah Water Operations.[5] Within Water Base Operations wastewater costs have been assigned to the Residential, Commercial, Industrial, and Public customer classes.[6] None of the costs have been assigned to Other Water Utilities or the Private or Public Fire Protection classes. For Public Fire Protection, this is consistent with the requirement of Section 1328 of the Public Utility Code which limits Public Fire Protection charges to 25% of the indicated cost of service.

Q. BASED ON YOUR EXPERIENCE AS EXPERT WITNESS ON RATE DESIGN AND COST ALLOCATION, DO YOU HAVE ANY RECOMMENDATIONS TO THE COMMISSION FOR HOW TO DETERMINE WHETHER SUCH AN ALLOCATION IS IN THE PUBLIC INTEREST?

A. Yes. At the outset, I recognize that defining the "public interest" can be difficult. There can be more than one aspect of "the public" that is interested in, and affected by, any public policy issue including recent rate increases approved by the Commission for Aqua and allocated to wastewater customers. Furthermore, there are at least two distinct elements of the affected public: the utility's wastewater customers and the utility's water customers that must be considered. So, the "public interest" should remain a flexible concept but could include a consideration of policies that promote the

[5] Exhibit No. 5-A, Part I, Schedule A-S, page 1.
[6] Exhibit No. 5-A, Part I, Schedule A, page 1.

cost-effective provision of safe and reliable water and wastewater service throughout the Commonwealth as well as questions about rate shock and affordability.

Q. IS THERE A RANGE OF OPTIONS THAT THE COMMISSION COULD CHOOSE TO IMPLEMENT SECTION 1311(c)?

A. Yes, the Commission can choose from a wide variety of options that would be consistent with the language in Section 1311(c), but that might not be consistent with well-established regulatory principles. At one extreme, the Commission could do nothing. As I understand it, Section 1311(c) is discretionary, not mandatory. So the Commission could choose to allocate none of the wastewater revenue requirement to water customers. Such a decision would be lawful, but would not accomplish an important purpose of Act 11, which is to provide some relief to wastewater customers in relatively small or overburdened service areas.

At the other extreme, the Commission could allocate the wastewater revenue requirement to water customers as proposed by Aqua. This subsidy would benefit Aqua's wastewater customers, but it would come at the expense of Aqua's water customers who would be required to pay not only for their own wastewater service but that of others because of the Act 11 shift.

Q. DID AQUA PROPOSE TO RECOVER A PORTION OF ITS WASTEWATER REVENUE REQUIREMENTS FROM WATER CUSTOMERS IN ITS LAST BASE RATE PROCEEDING, AND DID THE COMMISSION APPROVE AQUA'S PROPOSAL?

A. In Aqua's most recent base prior rate case at Docket No. R-2021-3027385, the Company proposed to recover approximately 30% of its wastewater revenue requirement from water customers.[7] In its Order in that proceeding, the Commission

[7] Order entered May 16, 2022, at 225-226.

found Aqua's proposal to assign 30% of its wastewater revenue requirement to water customers not to be in the public interest.[8] In that proceeding, the Commission adopted a proposal presented by the Bureau of Investigation and Enforcement ("I&E") that assigned approximately 20% of the proposed wastewater revenue requirement to water customers.

Q. BEFORE ASSESSING WHETHER AQUA'S PROPOSAL TO ALLOCATE A PORTION OF THE WASTWATER REVENUE REQUIREMENT TO WATER CUSTOMERS IS REASONABLE, ARE THERE ASPECTS OF THE COMPANY'S WASTEWATER RATE DESIGN PROPOSAL THAT IT WOULD BE HELPFUL TO REVIEW?

A. Yes. As previously indicated, Aqua currently has 15 wastewater rate zones – Rate Zone 1 through Rate Zone 14, and Rate Zone 1A. In this proceeding, Aqua is proposing to continue its historic practice of consolidating rate zones and moving towards single tariff pricing. Aqua is proposing to consolidate its current 15 rate zones into 7 rate zones. More specifically, Aqua is proposing to consolidate Rate Zones 1A, 7, 9, 10, 12, and 14 with Rate Zone 1. The Company is proposing to consolidate Rate Zones 8 and 11 with Rate Zone 2. Rate Zone 3, 4, 5, 6 and 13 would continue to be standalone rate zones.

Q. IS AQUA'S PROPOSAL TO ALLOCATE A PORTION OF THE WASTEWATER REVENUE REQUIREMENT TO WATER CUSTOMERS REASONABLE, AND IS THE PROPOSED AMOUNT ALLOCATED TO THE WATER CUSTOMER CLASSES REASONABLE?

A. I believe that over time, the percentage of Aqua's wastewater revenue requirement assigned to water customers should decline. This will advance the adoption of cost-

[8] Id., at 227.

based rates for wastewater service. In Aqua's last base rate proceeding the Commission approved recovery of approximately 20% of the wastewater cost of service from water customers. As shown in Table 3, Aqua is proposing to recover 20% of the wastewater cost of service from water customer in this proceeding. Excluding the Lower Makefield and East Whiteland acquisitions, approximately 19% of the wastewater cost of service would be recovered from water customers.

Q. IN YOUR OPINION, WHAT MODIFICATIONS AND ADJUSTMENTS DO YOU BELIEVE ARE APPROPRIATE TO AQUA'S PROPOSED ALLOCATION OF THE WASTEWATER COST OF SERVICE TO WATER CUSTOMERS?

A. First, as previously explained, it is the OCA position that the costs and revenues related to East Whiteland Operations should be excluded from this case. Therefore, the East Whiteland Act 11 shift of $3.14 million to water customers should be eliminated.

Second, Aqua is requesting a total revenue requirement increase of $29.5 million for Wastewater Base Operations and Lower Makefield Operations. (Aqua Vol. 2, Exh. 1-A et al., Sch. Act 11, p. 1) The actual revenue increase authorized by the Commission in this proceeding for Wastewater Base Operations and Lower Makefield Operations will certainly be less than the increase requested by Aqua. At the OCA's calculated revenue requirement, the increase authorized for Wastewater Base Operations and Lower Makefield Operations would be (pre-Act 11 shift) $17,152,637, or $12,331,619, or 41.8%, less than the increase requested by Aqua. Any decrease in the wastewater revenue requirement authorized by the Commission in this proceeding from that requested by Aqua should first be applied to reducing the Act 11 shift. For example, if Aqua is authorized a wastewater revenue requirement which is 75% of its request increase, the Act 11 shift would be reduced by $7.4 million.

Finally, as previously discussed, Aqua is proposing to consolidate Rate Zones 1A, 7, 9, 10, 12, and 14 with Rate Zone 1. Under Aqua's proposal, Rate Zones 7, 9, 10, 12, and 14 would receive moderate rate increases, but Rate Zones 1 and 1A would actually receive, albeit very small, rate decreases. I don't believe it's reasonable to assign no increase to Rate Zone 1 and 1A, and then to assign a portion of the costs associated with serving Rate Zone 1 and 1A wastewater customers to water customers. I recommend that customers in Rate Zones 1 and 1A be assigned an increase of 20% which is comparable to the overall increase Aqua has proposed for water customers. As shown on Exhibit No. 5-B, Part II, Schedule 4-WW, page 1, present rate revenues for Rate Zones 1 and 1A are $10.3 million. A 20% increase for these rate zones would generate $2.1 million which would then reduce the Act 11 shift. With respect to Rate Zones 7, 9, 10, 12, and 14, which Aqua has proposed to consolidate with Rate Zone 1 in this proceeding, I am recommending no changes to the rates proposed by Aqua, and consolidation with Rate Zone 1 could potentially occur in the next or a future base rate proceeding.

In summary, under my recommended modifications and adjustments, assuming Aqua is granted 75% of its wastewater revenue requirement increase, the Act 11 shift would be reduced from $21.8 million to $9.4 million, or by $12.4 million. At the reduced revenue requirement authorized by the Commission, the Act 11 shift would reflect 10% of the wastewater cost of service, a 50% decrease from that approved by the Commission in the Company's last base rate proceeding. This decrease should be assigned to Aqua's water customer classes by proportionately reducing the Act 11 assignment initially proposed by Aqua for each customer class.

V. WATER SERVICE REVENUE DISTRIBUTION AND RATE DESIGN

Q. WHAT ARE SOME OF THE PRINCIPLES OF A SOUND REVENUE ALLOCATION?

A. A sound revenue allocation should:

- Utilize class cost-of-service study results as a guide;
- Provide stability and predictability of the rates themselves, with a minimum of unexpected changes that are seriously adverse to ratepayers or the utility (gradualism);
- Yield the total revenue requirement;
- Provide for simplicity, certainty, convenience of payment, understandability, public acceptability, and feasibility of application; and
- Reflect fairness in the apportionment of the total cost of service among the various customer classes.[9]

Q. PLEASE DESCRIBE AQUA'S PROPOSAL IN THIS PROCEEDING WITH RESPECT TO WATER RATE CONSOLIDATION AND MOVEMENT TO SINGLE TARIFF PRICING.

A. As previously explained, Aqua currently provides water service to eight different rate zones, and Aqua is proposing to reduce the number of rate zones to seven. Of the eight rate zones currently served by Aqua, Rate Zone 3 has a significant number of seasonal customers and Aqua is proposing to maintain Rate Zone 3 as a standalone rate zone and not move toward single tariff pricing for this rate zone.[10] Aqua is proposing to consolidate Rate Zone 2 with Rate Zone 1 - Main Division.[11] Aqua is proposing to consolidate the monthly customer charges for the Shenandoah and Belle Aire rate zones with Rate Zone 1, and move the volumetric charges for these rates zones toward the

[9] *Principles of Public Utility Rates*, Second Edition, James C. Bonbright; Albert L. Danielsen; David R. Kamerschen; Public Utility Reports, Inc., 1988, pages 383-384.
[10] Direct Testimony of Constance E. Heppenstall, Statement No. 5, page 13, lines 6-7.
[11] Id., page 12, line 17.

Rate Zone 1 charges.[12] The rates for the Bunker Hill and Phoenixville Rate Zones were increased to move toward Rate Zone 1, subject to a capped increase of 75%. Aqua has proposed to maintain the Sun Valley Rate zone as a standalone rate zone.[13]

Q. PREVIOUSLY, IN TABLE 1, YOU SUMMARIZED THE RESULTS OF THE COMPANY'S WATER CCOS STUDIES AND THE TOTAL WATER REVENUE INCREASES PROPOSED BY AQUA FOR EACH CUSTOMER CLASS. PLEASE SUMMARIZE THE INCREASES PROPOSED BY AQUA FOR EACH CUSTOMER CLASS IN EACH WATER RATE ZONE.

A. Table 5 presents a summary of the rate increases proposed by Aqua for water service by rate zone and customer class.

[12] Id., page 11, lines 22-23, page 12, line 17.
[13] Id., page 12, lines 20-22.

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Table 5. Summary of Company Proposed Water Rate Increases by Rate Zone and Customer Class

RATE ZONE	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PUBLIC	RESALE	TOTAL
Proposed Revenues						
1	$448,108,176	$167,707,757	$24,372,375	$11,084,308	$19,862	**$651,292,478**
2	10,286,400	990,706	47,101	64,534		**$11,388,741**
3	4,086,696	314,510	9,845			**$4,411,051**
Bunker Hill	54,998					**$54,998**
Sun Valley	44,324					**$44,324**
Phoenixville	196,647	150,275	2,253			**$349,175**
Shenandoah	2,069,612	303,691	102,182	90,991		**$2,566,476**
Belle Aire	14,112					**$14,112**
TOTAL	**$464,860,965**	**$169,466,939**	**$24,533,756**	**$11,239,833**	**$19,862**	**$670,121,355**
Present Revenues						
1	$348,955,643	$132,477,119	$18,860,768	$8,672,198	$16,656	**$508,982,384**
2	7,769,275	717,386	37,399	52,616		**$8,576,676**
3	3,381,772	251,718	7,696			**$3,641,186**
Bunker Hill	31,427					**$31,427**
Sun Valley	25,331					**$25,331**
Phoenixville	111,835	85,868	1,287			**$198,990**
Shenandoah	1,450,143	219,644	63,892	56,977		**$1,790,656**
Belle Aire	9,399					**$9,399**
TOTAL	**$361,734,825**	**$133,751,735**	**$18,971,042**	**$8,781,791**	**$16,656**	**$523,256,049**
Proposed Increase						
1	$99,152,533	$35,230,638	$5,511,607	$2,412,110	$3,206	**$142,306,888**
2	2,517,125	273,320	9,702	11,918		**$2,812,065**
3	704,924	62,792	2,149			**$769,865**
Bunker Hill	23,571					**$23,571**
Sun Valley	18,993					**$18,993**
Phoenixville	84,812	64,407	966			**$150,185**
Shenandoah	619,469	84,047	38,290	34,014		**$775,820**
Belle Aire	4,713					**$4,713**
TOTAL	**$103,126,140**	**$35,715,204**	**$5,562,714**	**$2,458,042**	**$3,206**	**$146,862,100**
Percentage Increase						
1	28.4%	26.6%	29.2%	27.8%	19.2%	**28.0%**
2	32.4%	38.1%	25.9%	22.7%		**32.8%**
3	20.8%	24.9%	27.9%			**21.1%**
Bunker Hill	75.0%					**75.0%**
Sun Valley	75.0%					**75.0%**
Phoenixville	75.8%	75.0%	75.1%			**75.5%**
Shenandoah	42.7%	38.3%	59.9%	59.7%		**43.3%**
Belle Aire	50.1%					**50.1%**
TOTAL	**28.5%**	**26.7%**	**29.3%**	**28.0%**	**19.2%**	**28.1%**

Q. OVERALL, ARE THE WATER SERVICE REVENUE ALLOCATIONS PROPOSED BY AQUA FOR EACH CUSTOMER CLASS REASONABLE?

A. Yes. As shown on Table 1, overall, Aqua's proposed revenue allocations for each customer class result in the recovery of revenues from each customer class that closely match the cost-of-service indicated by the Company's water CCOS studies, the Act 11 allocation, and Shenandoah Contribution.

Q. ARE THE REVENUE ALLOCATIONS PROPOSED BY AQUA FOR THE CUSTOMER CLASSES IN EACH WATER RATE ZONE SHOWN IN TABLE 5 REASONABLE?

A. The revenue allocations for Rate Zones 1, 2, 3, Shenandoah, and Belle Aire are generally reasonable, but some adjustment is warranted. Specifically, I believe the proposed 75% revenue increases for Rate Zones Bunker Hill, Sun Valley, and Phoenixville require mitigation to provide for gradualism. While there is not a hard and fast rule with respect to applying the concept of gradualism in developing a revenue distribution, typically an increase of 1.5 to 2.0 times the system average increase is considered consistent with the concept of gradualism. As shown on Table 5, the system average increase proposed by Aqua is 28.1%, or approximately 30%. Therefore, to provide for gradualism, I believe it would be appropriate to limit the increase to Rate Zones Bunker Hill, Sun Valley, and Phoenixville to 2.0 times the system average increase, or 60% based on Aqua's revenue requirement claim, and assign the revenue deficiency to consolidated Rate Zone 1. As shown on Table 5, the Bunker Hill, Sun Valley, and Phoenixville Rate Zones are relatively small, representing approximately 0.06% of present revenue, and providing mitigation to these rate zones will not have a material impact on consolidated Rate Zone 1.

Q. HOW SHOULD THE REVENUE ALLOCATIONS PROPOSED BY AQUA FOR THE CUSTOMER CLASSES IN EACH WATER RATE ZONE SHOWN IN TABLE 5 BE ADJUSTED TO REFLECT A LOWER THAN REQUESTED WATER REVENUE REQUIREMENT INCREASE IF RECOMMENDED BY THE COMMISSION IN THIS PROCEEDING?

A. The revenue allocations presented in Table 5 reflect an assignment of the direct cost of service, the Act 11 shift, and the Shenandoah Contribution for each customer class in each rate zone. With respect to the direct cost of service, the revenue assignments in Table 5 should first be adjusted to reflect the gradualism adjustment for the Bunker Hill, Sun Valley, and Phoenixville Rate Zones just discussed, and the resulting assignments should be proportionally adjusted to reflect the direct cost of service approved by the Commission in this proceeding. With respect to the Act 11 shift and Shenandoah Contribution, I recommend that Aqua's proposed assignments be proportionately adjusted to reflect the Act 11 shift and Shenandoah Contribution authorized by the Commission in this proceeding.

Q. PLEASE IDENTIFY THE MONTHLY RESIDENTIAL CUSTOMER CHARGES PROPOSED BY AQUA IN THIS PROCEEDING.

A. The vast majority of Aqua's Residential water customers are served by a 5/8-inch meter. As previously explained, Aqua is proposing to consolidate Rate Zone 2 with Rate Zone 1, and maintain Rate Zone 3 as a standalone rate zone. Aqua is proposing to consolidate the monthly customer charges for the Shenandoah and Belle Aire Rate zones with Rate Zone 1. For the Bunker Hill and Phoenixville Rate zones, monthly customer charges were increased to move toward Rate Zone 1. A summary of Aqua's

present and proposed 5/8-inch meter Residential monthly customer charges are presented in Table 6.

Table 6. Comparison of Company Present and Proposed Monthly Customer Charges for a 5/8-inch Meter

Rate Zone	Present	Proposed	Increase
1	$20.51	$23.90	$3.39
2	$20.51	$23.90	$3.39
3	$30.51	$33.90	$3.39
Bunker Hill	$11.80	$20.65	$8.85
Sun Valley	$18.00	$31.50	$13.50
Phoenixville	$4.90	$8.58	$3.68
Shenandoah	$20.49	$23.90	$3.41
Belle Aire	$50.00	$23.90	($26.10)

Q. ARE AQUA'S PROPOSED MONTHLY 5/8-INCH METER CUSTOMER CHARGES REASONABLE?

A. With the exception of the proposed Phoenixville monthly 5/8-inch meter customer charge, Aqua's proposed 5/8-inch meter monthly customer charges are not reasonable. Only those costs that vary directly with the addition or subtraction of a customer should be included in the calculation of a customer charge.

Q. DOES AQUA PRESENT A CUSTOMER COST ANALYSIS BASED ON DIRECT COSTS?

A. Not directly. On page 12 of her direct testimony, Aqua witness Ms. Heppenstall only states that she increased the (Rate Zone 1) Main Division 5/8-inch meter customer charge to $23.90, with no explanation as to how she arrived at this recommendation. Furthermore, her water cost of service study provided in Exhibit 5-A, Part I does not provide any indication of "customer" costs or support for any change in Residential

customer charges. However, in examining her water cost of service study Excel spreadsheet, there is a tab that indicates a "direct customer cost" for a 5/8-inch meter of $23.98 per month. I present Ms. Heppenstall's direct customer cost analyses in Exhibit JDM-1.

Q. DOES THIS ANALYSIS JUSTIFY INCREASING THE MONTHLY CUSTOMER CHARGE FOR A 5/8-INCH METER TO $23.90?

A. No. Aqua's direct customer cost analysis includes costs that are not direct customer costs and do not change with the addition or subtraction of a customer. For example, Aqua's direct customer cost analysis includes office building and furniture expenses. In addition, the calculated direct cost of $23.98 is based on the Company's requested revenue requirement increase. Under the revenue increase authorized by the Commission in this proceeding, a cost-based charge would certainly be further reduced. For example, adjusting Aqua's overall requested pre-tax rate of return to reflect the OCA's recommended pre-tax return of 7.28% would further reduce the calculated customer charge. A calculation adjusting the Company's calculated direct customer charge to remove the improperly included office building and furniture costs and to reflect the OCA's recommended rate of return is presented on Exhibit JDM-2. As shown there, these adjustments reduce the calculated charge to $19.26. Other Commission-approved adjustments to Aqua's revenue requirement claim are likely to further reduce the calculated direct customer charge. Therefore, I recommend that the existing Rate Zone 1 and Rate Zone 2 monthly charge for Residential customers with a 5/8-inch meter of $20.81 be maintained for Rate Zones 1 and 2 and adopted for Rate Zone Shenandoah and Belle Aire. For Rate Zone 3, I recommend that the current 5/8-inch customer charge also be maintained, and that the current Rate Zone 1 5/8-inch

meter customer charge of $20.51 be adopted for Rate Zones Bunker Hill and Sun Valley. For the Phoenixville Rate Zone, the $8.58 monthly charge proposed by Aqua appears reasonable.

Q. HOW SHOULD THE RATES FOR EACH CUSTOMER CLASS AND RATE ZONE BE DETERMINED TO REFLECT YOUR CUSTOMER CHARGE RECOMMENDATIONS, THE DIRECT COST OF SERVICE, THE ACT 11 SHIFT, AND THE SHENANDOAH CONTRIBUTION?

A. The total cost of service for each customer class in each rate zone should be determined based on the results of the Company's CCOS study, the Company's Act 11 allocations, and the Company's proposed Shenandoah Contribution allocations. Each of these cost of service components must be proportionately adjusted to reflect the Commission's revenue requirement determinations in this proceeding using the same approach used by the Company to determine the total cost of service for each customer class in each rate zone based on the Company's proposed direct cost of service, Act 11, and Shenandoah Contribution revenue requirements. Rates for each customer class in each rate zone should then be designed to recover the total cost of service for each customer class in each rate zone utilizing my recommended monthly customer charges, with the volumetric usage charges for the Bunker Hill, Sun Valley, and Phoenixville Rate Zones adjusted to limit the increase for these rate zones to 2.0 times the system average increase.

VI. WASTEWATER SERVICE REVENUE DISTRIBUTION AND RATE DESIGN

Q. PREVIOUSLY IN TABLE 2 YOU SUMMARIZED THE RESULTS OF THE COMPANY'S WASTEWATER CCOS STUDIES AND THE TOTAL WASTEWATER REVENUE INCREASES PROPOSED BY AQUA FOR EACH CUSTOMER CLASS. PLEASE SUMMARIZE THE INCREASES PROPOSED BY AQUA FOR EACH CUSTOMER CLASS IN EACH WASTEWATER RATE ZONE.

A. Table 7 presents a summary of the rate increases proposed by Aqua for wastewater service by rate zone and customer class.

Table 7. Summary of Company Proposed Wastewater Rate Increases by Rate Zone and Customer Class

RATE ZONE	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PUBLIC	TOTAL
Proposed Revenues					
1	$4,104,558	$2,163,630	$1,213	$187,816	**$6,457,217**
1A	2,087,940	1,635,795			**3,723,735**
2	1,760,110	647,299		3,754	**2,411,163**
3	3,963,725	366,322			**4,330,047**
4	4,076,688	1,029,464			**5,106,152**
5	1,068,377	148,635			**1,217,012**
6	1,031,457	10,007			**1,041,464**
7	6,053,395	3,244,010		38,168	**9,335,573**
8	1,503,765	468,075		10,121	**1,981,961**
9	11,030,182	7,165,257	8,737	162,251	**18,366,427**
10	4,967,094	1,987,571			**6,954,665**
11	2,520,739	513,776		4,934	**3,039,449**
12	12,793,629	1,300,545		30,057	**14,124,231**
13	3,008,331	3,534,201	810,578	12,865	**7,365,975**
14	308,157	8,026			**316,183**
TOTAL	**$60,278,147**	**$24,222,613**	**$820,528**	**$449,966**	**$85,771,254**
Present Revenues					
1	$4,160,675	$2,180,872	$1,217	$188,531	**$6,531,295**
1A	2,117,150	1,651,218			**3,768,368**
2	1,759,757	647,299		3,754	**2,410,810**
3	3,974,202	366,322			**4,340,524**
4	4,030,485	1,009,158			**5,039,643**
5	1,068,313	148,536			**1,216,849**
6	1,043,890	10,086			**1,053,976**
7	4,948,481	2,644,581		29,944	**7,623,006**
8	1,489,486	431,700		9,153	**1,930,339**
9	7,216,201	4,664,905	5,697	104,435	**11,991,238**
10	3,482,860	1,329,774			**4,812,634**
11	3,362,541	1,020,311		11,942	**4,394,794**
12	9,759,106	1,740,691		55,889	**11,555,686**
13	1,442,838	1,706,051	366,251	2,708	**3,517,848**
14	213,855	2,408			**216,263**
TOTAL	**$50,069,840**	**$19,553,912**	**$373,165**	**$406,356**	**$70,403,273**
Proposed Increase					
1	($56,117)	($17,242)	($4)	($715)	**($74,078)**
1A	(29,210)	(15,423)			**(44,633)**
2	353	0			**353**
3	(10,477)	0			**(10,477)**
4	46,203	20,306			**66,509**
5	64	99			**163**
6	(12,433)	(79)			**(12,512)**
7	1,104,914	599,429		8,224	**1,712,567**
8	14,279	36,375		968	**51,622**
9	3,813,981	2,500,352	3,040	57,816	**6,375,189**
10	1,484,234	657,797			**2,142,031**
11	(841,802)	(506,535)		(7,008)	**(1,355,345)**
12	3,034,523	(440,146)		(25,832)	**2,568,545**
13	1,565,493	1,828,150	444,327	10,157	**3,848,127**
14	94,302	5,618			**99,920**
TOTAL	**$10,208,307**	**$4,668,701**	**$447,363**	**$43,610**	**$15,367,981**

Percentage Increase					
1	-1.3%	-0.8%	-0.3%	-0.4%	**-1.1%**
1A	-1.4%	-0.9%			**-1.2%**
2	0.0%				**0.0%**
3	-0.3%				**-0.2%**
4	1.1%	2.0%			**1.3%**
5	0.0%	0.1%			**0.0%**
6	-1.2%	-0.8%			**-1.2%**
7	22.3%	22.7%		27.5%	**22.5%**
8	1.0%	8.4%		10.6%	**2.7%**
9	52.9%	53.6%	53.4%	55.4%	**53.2%**
10	42.6%	49.5%			**44.5%**
11	-25.0%	-49.6%		-58.7%	**-30.8%**
12	31.1%	-25.3%		-46.2%	**22.2%**
13	108.5%	107.2%	121.3%	375.1%	**109.4%**
14	44.1%	233.3%			**46.2%**
TOTAL	**20.4%**	**23.9%**	**119.9%**	**10.7%**	**21.8%**

Q. ARE THE WASTEWATER SERVICE REVENUE ALLOCATIONS PROPOSED BY AQUA FOR EACH CUSTOMER CLASS IN EACH RATE ZONE REASONABLE?

A. No. First, as previously discussed and shown on Table 3 of my testimony, Aqua's revenue allocations are based on an Act 11 assignment of $21.9 million of the wastewater revenue requirement to water customers. As previously discussed in Section IV of my testimony, the wastewater revenue requirement assignment to water customers should be reduced. In addition, Aqua has unreasonably proposed no increase in rates to wastewater customers in Rate Zones 1 and 1A.

Q. PLEASE IDENTIFY YOUR RECOMMENDED MODIFICATIONS TO AQUA'S PROPOSED WASTEWATER REVENUE ALLOCATIONS BY RATE ZONE AND CUSTOMER CLASS.

A. First, my recommendation rejects Aqua's position that no revenue increases should be assigned to Rate Zones 1 and 1A. As previously explained in Section IV, I recommend that at the revenue requirement proposed by Aqua, that each customer class in Rate Zones 1 and 1A receive a rate increase of 20%, and these increases, which I determined

to be $2.1 million, should be included in Aqua's revenue allocations that I have summarized in Table 7. As also explained in Section IV, I have proposed to reduce the assignment of the wastewater revenue requirement to water customers from $20.9 million to $9.4 million to reflect the elimination of the East Whiteland Act 11 shift to water customers, and to reflect the estimated reduction to the total wastewater revenue requirement that is appropriate as determined by the Commission. Under these proposed modifications, Aqua's proposed revenue allocations reflected in Table 7 would be increased to reflect the additional revenues to be collected from Rate Zone 1 and 1A customers.

It is also my recommendation that any reduction to the wastewater revenue requirement in this proceeding first be utilized to reduce the Act 11 shift to water customers. As discussed in greater detail in Section IV of my testimony, based on my estimate of the $7.4 million reduction to the wastewater revenue requirement, $9.4 million of the wastewater revenue requested would still be assigned to water customers. Therefore, if my estimate of the reduction in the wastewater revenue requirement is too high, the revenue adjustments for Rate Zone 1 and 1A and Lower Makefield would continue to be reflected in Table 7, but the wastewater revenue requirement assigned to water customers would increase to account for the difference between my estimated wastewater revenue requirement adjustment and the actual adjustment determined by the Commission. If my estimate of the reduction in the wastewater revenue requirement is too low, the revenue adjustment for Rate Zone 1 and 1A and Lower Makefield would continue to be reflected in Table 7, but the wastewater revenue requirement assigned to water customers would decrease to account for the difference between my estimated wastewater revenue requirement adjustment and the actual adjustment determined by

the Commission. Of course, the possibility exists that the wastewater revenue requirement determined by the Commission in this proceeding could result in the total elimination of the Act 11 shift under my recommendation. If this occurs, I recommend a proportionate scale-back of the revenue increases reflected on Table 7, inclusive of the adjustments for Rate Zone 1 and 1A and Lower Makefield.

Q. PLEASE IDENTIFY THE GUIDELINES MS. HEPPENSTALL FOLLOWED IN DESIGNING RATES FOR WASTEWATER SERVICE.

A. The guidelines followed by Ms. Heppenstall in designing rates for wastewater service were:

- Move toward additional consolidation of rates across rates zones;
- For metered areas, develop a rate structure that include a customer charge or Equivalent Dwelling Unit ("EDU") charge and a single block usage charge;[14]
- For unmetered areas, develop a flat rate to equal 3,870 gallons priced out at the respective rate zone[15]; and
- Where possible, eliminate usage allowances.[16]

As previously explained, Aqua currently serves 15 rate zones, and is proposing to consolidate those 15 rate zones into 8 rate zones. More specifically, Aqua has proposed to consolidate Rate Zones 1, 1A, 7, 9, 10, and 12. Aqua is proposing to consolidate Rate Zone 8 and 11 with Rate Zone 2. Rate Zone 3, 4, 5, 6, and 13 remain standalone rate zones. No rate increases have been proposed for Rate zones 2, 3, 4, and 5 as those rate zones produce an average charge to customers in those rate zones that is currently higher than the proposed Rate Zone 1 – Main Division rates.

[14] One EDU is a single-family Residential household.
[15] 3,870 gallons is the average monthly usage of a Residential customer.
[16] Direct Testimony of Constance E. Heppenstall, Statement No. 5, page 18, line 20 – page 19, line 3.

Q. PLEASE DESCRIBE AQUA'S WASTEWATER CUSTOMER CHARGE RATE DESIGN PROPOSAL FOR THE RESIDENTIAL CLASS IN THIS PROCEEDING.

A. As a result of recent and prior acquisitions of wastewater systems, Aqua's wastewater rates are comprised of several different rate structures including fixed monthly customer or EDU charges plus usage charges, unmetered flat rates, and structures with minimum usage allowances. Generally speaking, Aqua proposes to begin (or continue) movement to unify customer charges for metered customers.

Q. WHAT ARE THE CURRENT AND PROPOSED FIXED MONTHLY CUSTOMER CHARGES FOR THE TYPICAL RESIDENTIAL CUSTOMER IN RATE ZONES 1 AND 2 WHICH AQUA IS PROPOSING TO CONSOLIDATE WITH OTHER RATE ZONES?

A. The typical fixed monthly customer charge for a Residential customer in Rate Zone 1 served by a 5/8- inch meter is $48.20, and $55.93 for a typical Residential customer in Rate Zone 2.[17] Aqua is proposing to reduce the Rate Zone 1 fixed monthly customer charge for a Residential customer served by a 5/8- inch meter to $47.64, and maintain the current Rate Zone 2 fixed monthly customer charge of $55.93.[18]

Q. WHAT IS YOUR RECOMMENDATION CONCERNING THE PROPOSED RATE ZONE 1 AND 2 FIXED MONTHLY CUSTOMER CHARGES?

A. I recommend that the Rate Zone 1 and 2 fixed monthly customer charges proposed by Aqua be adopted.

[17] Exhibit No. 5-B, Part II, Schedule 5-WW, pages 1 and 6.
[18] Id.

Q. IS IT YOUR RECOMMENDATION THAT ANY CHANGES TO THE COMMISSION APPROVED REVENUE TO BE RECOVERED FROM EACH RATE ZONE AND CUSTOMER CLASS THAT RESULT FROM YOUR CUSTOMER CHARGE RECOMMENDATIONS BE ACCOUNTED FOR THROUGH THE ADJUSTMENT OF USAGE CHARGES?

A. Yes.

Q. IN THIS SECTION OF YOUR TESTIMONY, YOU DISCUSS WASTEWATER RATE DESIGN AND IN SECTION V YOU DISCUSS WATER RATE DESIGN. DO ANY OTHER OCA WITNESSES DISCUSS RATE DESIGN IN THEIR DIRECT TESTIMONY?

A. Yes. OCA witness Roger Colton (OCA Statement 6) addresses Aqua's: (1) low-income water bill discount, and (2) explains how the Company's proposed increases in water customer charges harms low-income customers.

VII. METERING OF CURRENTLY UNMETERED WASTEWATER CUSTOMERS

Q. ARE ALL CUSTOMERS THAT AQUA PROVIDES WASTEWATER SERVICE BILLED MONTHLY USAGE CHARGES, IN ADDITION TO A MONTHLY CUSTOMER CHARGE?

A. No. Generally, wastewater customers are billed wastewater usage charges based on their Aqua water usage. However, not all Aqua wastewater customers are currently also water customers, as Aqua indicates that less than half, or only 47.8%, of its wastewater customers are Aqua water customers.[19] For some wastewater customers that are not currently also water customers, Aqua obtains water usage data from the customer's water service provider and bills customers wastewater usage charges based on this data.

[19] Response to data request I&E-RE-17.

For some current wastewater customers, usage data from the customer's water service provider is not currently provided or available to Aqua. In addition, some wastewater customers obtain their water supplies from privately-owned wells. Water usage by these customers is also not currently available to Aqua and, therefore, cannot be utilized for wastewater billing purposes. Customers for whom water usage data is not available for wastewater billing purposes are assessed a monthly fixed flat rate charge. These flat rate charges are generally based on the monthly charges that would be assessed to an average customer for whom usage data is available.

Q. WERE THE FLAT WASTEWATER RATE CHARGES ASSESSED BY AQUA AN ISSUE IN THE COMPANY'S MOST RECENT PRIOR BASE RATE PROCEEDING, DOCKET NO. R-2021-3027386?

A. Yes. The Commission's Order in Aqua's prior wastewater rate case noted that unmetered, flat-rate wastewater customers receive service in the communities of Tobyhanna, Pennsylvania (730 customer) and Lake Harmony, Pennsylvania (995 customers).[20] Aqua bills the customers in these communities a flat rate charge based on the charges that would be assessed to the average 5/8-inch Residential customer using 4,000 gallons per month. This usage level was based on the average system-wide usage of Aqua's water customers.

In Aqua's last base rate proceeding the OCA noted a disparity in the wastewater rates charged to metered and unmetered water customers in certain rate zones where Aqua served both metered and unmetered customers.[21] In its Order in the last proceeding, the Commission adopted the ALJ's recommendation that directed Aqua to prepare and submit its next base rate proceeding a report evaluating whether different

[20] Docket R-2021-3027385 et al., Order at 272.
[21] *Id*. at 273.

methods of calculating a flat rate would be more reasonable for some rate zones rather than applying a system-wide usage average to each rate zone.[22]

Q. DID THE COMPANY PREPARE AND SUBMIT THE REQUIRED EVALUATION IN THIS PROCEEDING AS DIRECTED BY THE COMMISSION?

A. No.

Q. WHAT DO YOU RECOMMEND?

A. I recommend that Aqua be denied any rate increase in this proceeding until it prepares and submits the report it was directed to provide in its prior base rate proceeding evaluating whether different methods of calculating a flat rate would be more reasonable for some rate zones. Aqua failed to comply and due to its noncompliance, critical information necessary to evaluate Aqua's rates is unavailable for consideration in this case. At the very least, this failure by the Company should reflect negatively on whether the Company should be provided a management performance adder. Combined with the failure of Aqua to comply with other provisions of the Commission's order as noted by OCA witness Alexander, it is difficult to see how a company can be considered exemplary in its management performance if it ignores Commission order.

[22] *Id.*

Q. ARE THERE OTHER CONCERNS OR ISSUES RELATED TO AQUA'S ASSESSING FLAT RATES TO WASTEWATER CUSTOMER FOR WHOM THE COMPANY CURRENTLY DOES NOT HAVE WATER USAGE DATA?

A. Yes. Aqua currently provides wastewater service in a number of areas where the Chester Water Authority ("CWA") is the water service provider. In most areas that Aqua provides wastewater service and CWA is the water service provider, Aqua obtains water meter read data from CWA, and then bills its customers for wastewater service based on those meter reads. However, based on the response to OCA-XIII-14, there are two areas – Thomason Tract and the Bancroft Subdivision – where CWA is the water service provider but there is no agreement in place for Aqua to receive meter reads from CWA for the customers that are provided wastewater service by Aqua. In addition, it is my understanding that CWA provides water service to Honeycroft Village, a 55+ community with approximately 250 customers. The customers in Honeycroft Village are currently assessed Aqua's flat rate for wastewater service. I recommend that Aqua immediately pursue obtaining water usage data for the customers served by CWA in Thompson Tract, the Bancroft Subdivision, and Honeycroft Village, and report the results of its efforts and the costs it would incur to obtain meter read data from CWA in this proceeding. The Commission should then determine whether Aqua should obtain and use this meter read data to convert its flat rate wastewater customers served by CWA to water usage based billing. In Aqua's prior rate proceeding the Commission found that there is no question that volumetric billing is preferable to flat rate billing, as it provides better price signals and promotes conservation, as well as

resulting in a more equitable distribution of the variable costs of wastewater service among rate payers.[23]

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, it does. I reserve the right to update my testimony based on additional information received in the course of discovery. Additionally, I reserve the right to supplement my recommendations in supplemental direct testimony on September 12, 2024 if public input testimony gathered in this case informs my recommendations.

[23] Order at 272.

OCA STATEMENT 5

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	**)**	**Docket Nos. R-2024-3047822 (Water)**
	)	**R-2024-3047824 (Wastewater)**
v.	**)**	
	)	
Aqua Pennsylvania, Inc.	**)**	
Aqua Pennsylvania Wastewater, Inc.		

DIRECT TESTIMONY OF

JEROME D. MIERZWA

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA STATEMENT 5

DATE SERVED: AUGUST 16, 2024

EXETER
ASSOCIATES, INC.
10480 Little Patuxent Parkway, Suite 300
Columbia, Maryland 21044

AQUA PENNSYLVANIA, INC. - BASE WATER

ANALYSIS OF DIRECT CUSTOMER COSTS

Description		Meters	Services	Billing and Collecting	Meter Reading
Operation and Maintenance					
Transmission and Distribution Expenses		$ 5,255,587	$ 1,293,172	$ -	$ -
Customer Accounting				16,075,440	86,590
Transportation Expense		88,055	21,666	260,011	1,451
Worker's Compensation*		14,475	1,781	71,982	402
Advertising Expense		20,222	4,976	59,711	333
Rent - Building		60,985	15,006	180,080	1,005
Rent - Equipment		3,082	758	9,100	51
Subtotal		5,442,406	1,337,359	16,656,324	89,832
Depreciation Expense					
Meters		6,652,575			
Services			9,268,951		
Office Buildings		292,589	71,994	863,969	4,821
Office Furniture and Equipment		2,132,441	524,701	6,296,757	35,133
Transportation Equipment		290,463	71,471	857,691	4,786
Subtotal		9,368,068	9,937,117	8,018,417	44,740
Taxes Other than Income					
Payroll Taxes*		64,820	7,975	322,343	1,799
Assessments		368,042	343,847	357,960	1,976
Subtotal		432,862	351,822	680,303	3,775
Rate Base					
Meters		81,742,264			
Services			468,441,653		
Office Buildings		6,485,381	1,595,771	19,150,294	106,852
Office Furniture and Equipment		9,529,935	2,341,780	28,420,829	156,492
Transportation Equipment		1,102,148	270,805	3,289,094	18,094
Other Rate Base Elements		(6,313,667)	(31,931,780)	(2,256,919)	(12,404)
Subtotal		92,546,061	440,718,229	48,603,298	269,034
Return and Income Taxes @	8.9%	8,236,599	39,223,922	4,325,694	23,944
Other Revenue		(972,877)	(908,921)	(946,227)	(5,222)
Total Direct Customer Costs		22,507,058	49,941,299	28,734,510	157,068

* Based on percentage of Direct Labor Expense to Total Labor Expense as shown below:

Labor Ratio	0.0195	0.0024	0.0970	0.0005

AQUA PENNSYLVANIA, INC.
CALCULATION OF CUSTOMER COST PER MONTH FOR A 5/8-INCH METER
DIRECT CUSTOMER COSTS ONLY

Cost Function	Cost of Service	Total Units		Cost Per 5/8-inch Meter	Cost Per 5/8-inch Meter Monthly Bill
(1)	(2)	(3)		(4)	(5)
Meters	22,507,058	449,879	5/8-inch Equivalents	$ 50.03	$ 4.17
Services	49,941,299	436,354	3/4-inch Equivalents	114.45	9.54
Billing and Collecting	28,734,510	5,098,293	Bills	5.64	5.64
Meter Reading	157,068	5,098,293	Readings	0.03	0.03
Subtotal Customer Costs	$101,339,936				19.38
Unrecovered Public Fire	24,823,338	449,879	5/8-inch Equivalents	55.18	4.60
Total Customer Costs and Public Fire	$126,163,274				$ 23.98

AQUA PENNSYLVANIA, INC. - BASE WATER

ANALYSIS OF DIRECT CUSTOMER COSTS

Description		Meters	Services	Billing and Collecting	Meter Reading
Operation and Maintenance					
Transmission and Distribution Expenses		$ 5,255,587	$ 1,293,172	$ -	$ -
Customer Accounting				16,075,440	86,590
Transportation Expense		88,055	21,666	260,011	1,451
Worker's Compensation*		14,475	1,781	71,982	402
Advertising Expense		20,222	4,976	59,711	333
Rent - Building		60,985	15,006	180,080	1,005
Rent - Equipment		3,082	758	9,100	51
Subtotal		5,442,406	1,337,359	16,656,324	89,832
Depreciation Expense					
Meters		6,652,575			
Services			9,268,951		
Office Buildings		0	0	0	0
Office Furniture and Equipment		0	0	0	0
Transportation Equipment		290,463	71,471	857,691	4,786
Subtotal		6,943,038	9,340,422	857,691	4,786
Taxes Other than Income					
Payroll Taxes*		64,820	7,975	322,343	1,799
Assessments		368,042	343,847	357,960	1,976
Subtotal		432,862	351,822	680,303	3,775
Rate Base					
Meters		81,742,264			
Services			468,441,653		
Office Buildings		-	-	-	-
Office Furniture and Equipment		-	-	-	-
Transportation Equipment		1,102,148	270,805	3,289,094	18,094
Other Rate Base Elements		(6,313,667)	(31,931,780)	(2,256,919)	(12,404)
Subtotal		76,530,745	436,780,678	1,032,175	5,690
Return and Income Taxes @	7.3%	5,571,438	31,797,633	75,142	414
Other Revenue		(972,877)	(908,921)	(946,227)	(5,222)
Total Direct Customer Costs		17,416,867	41,918,315	17,323,233	93,584

* Based on percentage of Direct Labor Expense to Total Labor Expense as shown below:

Labor Ratio	0.0195	0.0024	0.0970	0.0005

AQUA PENNSYLVANIA, INC.
CALCULATION OF CUSTOMER COST PER MONTH FOR A 5/8-INCH METER
DIRECT CUSTOMER COSTS ONLY

Cost Function	Cost of Service	Total Units		Cost Per 5/8-inch Meter	Cost Per 5/8-inch Meter Monthly Bill
(1)	(2)	(3)		(4)	(5)
Meters	17,416,867	449,879	5/8-inch Equivalents	$ 38.71	$ 3.23
Services	41,918,315	436,354	3/4-inch Equivalents	96.06	8.01
Billing and Collecting	17,323,233	5,098,293	Bills	3.40	3.40
Meter Reading	93,584	5,098,293	Readings	0.02	0.02
Subtotal Customer Costs	$76,752,000				14.66
Unrecovered Public Fire	24,823,338	449,879	5/8-inch Equivalents	55.18	4.60
Total Customer Costs and Public Fire	$101,575,338				$ 19.26

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Jerome Mierzwa, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 5, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 16, 2024 Signature: _____
Jerome Mierzwa

Address: Exeter Associates, Inc. 10480
Little Patuxent Parkway, Suite 300
Columbia, MD 21044-3575

OCA STATEMENT 5R

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	**)**	**Docket Nos. R-2024-3047822 (Water)**
	)	**R-2024-3047824 (Wastewater)**
v.	**)**	
	)	
Aqua Pennsylvania, Inc.	**)**	
Aqua Pennsylvania Wastewater, Inc.		

REBUTTAL TESTIMONY OF

JEROME D. MIERZWA

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA STATEMENT 5R

DATE SERVED: SEPTEMBER 12, 2024

EXETER
ASSOCIATES, INC.
10480 Little Patuxent Parkway, Suite 300
Columbia, Maryland 21044

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I. INTRODUCTION

Q. WOULD YOU PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?

A. My name is Jerome D. Mierzwa. I am a Principal and the President of Exeter Associates, Inc. ("Exeter"). My business address is 10480 Little Patuxent Parkway, Suite 300, Columbia, Maryland 21044. Exeter specializes in providing public utility-related consulting services.

Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY IN THIS PROCEEDING?

A. Yes, my direct testimony was submitted as OCA Statement 5 on August 16, 2024.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to respond to the revised direct testimony of Roger Cathcart submitted on behalf of the Office of Small Business Advocate ("OSBA"); the direct testimony of Ethan H. Cline submitted on behalf of the Bureau of Investigation and Enforcement ("I&E"); and the direct testimony of Frank Lacey submitted on behalf of SCH USA, LLC.

II. OFFICE OF SMALL BUSINESS ADVOCATE

Witness: Roger Cathcart

Q. IN YOUR DIRECT TESTIMONY DID YOU FIND THE WATER SERVICE CUSTOMER CLASS REVENUE ALLOCATIONS PROPOSED BY AQUA PENNSYLVANIA, INC. ("AQUA") FOR EACH CUSTOMER TO BE REASONABLE?

A. Yes. Overall, I found that Aqua's proposed revenue allocations for each customer class were consistent with the cost-of-service indicated by the Company's water class cost-

of-service ("CCOS") studies. Although I disagreed with the total amount of Aqua's proposed Act 11 assignment to water service, I found the Company's proposed allocation of the Act 11 assignment to the various customer classes to be reasonable. OCA St. 5, p. 6.

Q. DOES MR. CATHCART AGREE WITH THE COMPANY'S PROPOSED WATER SERVICE CUSTOMER CLASS REVENUE ALLOCATIONS IN THIS PROCEEDING?

A. Yes. Mr. Cathcart is in agreement with the Company's revenue allocation proposal, exclusive of the Act 11 assignment and allocations. OSBA St. No. 2, p. 8.

Q. HAS MR. CATHCART PROPOPSED AN ALTERNATIVE ACT 11 ASSIGNMENT TO WATER SERVICE AND ALLOCATION OF THAT ASSIGNMENT TO AQUA'S VARIOUS WATER CUSTOMER CLASSES?

A. Yes. Mr. Cathcart has proposed reducing the Act 11 assignment from $21.9 million to $19.7 million, or by $2.2 million, and has presented an alternative allocation of that assignment to the various water customer classes. The Act 11 assignments and allocations are presented on Schedule Q-5W of the revised direct testimony of Mr. Cathcart. OSBA St. No. 2, p. 8.

The $2.2 million reduction in the Act 11 assignment to water service proposed by Mr. Cathcart is the net result of a recommended additional $4.6 million increase in the Water Base Operations revenue increase initially proposed by Aqua, and a $2.4 million decrease in the East Whiteland Operations revenue increase initially proposed by Aqua.

Q. HOW DOES THE ACT 11 ASSIGNMENT PROPOSAL PRESENTED BY MR. CATHCART COMPARE TO THE PROPOSAL YOU PRESENTED IN YOUR DIRECT TESTIMONY?

A. In my direct testimony, I presented an Act 11 assignment proposal that would reduce the assignment from the $21.9 million proposed by Aqua to an estimated $9.4 million, or by $12.4 million. OCA St. 5, p.. 22. My proposed Act 11 reduction consists of three components. First, it is the OCA's position that the costs and revenue related to East Whiteland Operations should be excluded from this case and, therefore, I eliminated Aqua's proposed East Whiteland Act 11 shift of $3.1 million to water customers. Second, I recommended that any decrease in the wastewater revenue requirement authorized by the Commission in this proceeding from that requested by Aqua should first be applied to reducing the Act 11 shift. In my direct testimony, I estimated that this could reduce the Act 11 assignment by $7.4 million. Finally, I noted that in this proceeding, Aqua is proposing to consolidate Rate Zones 1A, 7, 9, 10, 12, and 14 with Rate Zone 1, and that Aqua had proposed rate decreases for Rate Zones 1 and 1A. I found it unreasonable to assign no increase to Rate Zone 1 and 1A, and then to assign a portion of the costs associated with serving Rate Zones 1 and 1A wastewater customers to water customers. I recommended that Rate Zone 1 and 1A customers be assigned an increase of 20%. This increase reduced the Act 11 shift by $2.1 million.

Q. DO YOU AGREE WITH THE ACT 11 SHIFT MODIFICATIONS PROPOSED BY MR. CATHCART?

A. Not entirely, as we have several areas of disagreement. Both Mr. Cathcart and I have recommended that any decrease in the wastewater revenue requirement authorized by the Commission in this proceeding from that requested by Aqua should first be applied to reducing the Act 11 shift. Therefore, Mr. Cathcart and I are in agreement with this

adjustment to the amount of the Act 11 shift. However, I would note that my Act 11 recommendation included an estimate of the impact of this recommendation, but the $19.6 million Act 11 shift proposed by Mr. Cathcart did not reflect an estimate of the impact of this recommendation.

The Act 11 shift proposed by Mr. Cathcart included an Act 11 shift for East Whiteland Operations. As previously explained, the costs and revenues related to East Whiteland Operations should be excluded from this case. Therefore, the Act 11 adjustment proposed by Mr. Cathcart for East Whiteland Operations should not be adopted.

Finally, Mr. Cathcart is proposing to increase the overall revenue increase of Wastewater Base Operations from the 14.3% proposed by Aqua to 22.4%. I have proposed an increase of 20% to Rate Zone 1 and 1A Wastewater Base Operations revenues. Mr. Cathcart has not identified how his proposed increase to Wastewater Base Operations revenues would be assigned to the various Wastewater Base Operations rate zones, and his proposed increase could potentially result in significant rate increases for some rate zones which are inconsistent with the concept of gradualism. Therefore, I recommend that my proposal to increase revenues for Rate Zones 1 and 1A by 20% be approved, and the proposal of Mr. Cathcart to increase Wastewater Base Operations revenues by an average of 22% be rejected. In summary, I continue to support the adjustments I proposed to the amount of the Act 11 shift I presented in my direct testimony.

Q. MR. CATHCART HAS PROPOSED AN ALTERNATIVE TO AQUA'S PROPOSED ALLOCATION OF THE ACT 11 SHIFT TO THE VARIOUS WATER CUSTOMER CLASSES. IS THIS ALTERNATIVE REASONABLE?

A. I do not oppose the alternative Act 11 customer class allocation proposal presented by Mr. Cathcart.

III. BUREAU OF INVESTIGATION AND ENFORCEMENT

Witness: Ethan H. Cline

Q. PURSUANT TO ACT 11, AQUA IS PROPOSING TO RECOVER $21.9 MILLION OF THE REVENUE REQUIREMENT OF ITS WASTEWATER OPERATIONS FROM ITS WATER OPERATIONS. DOES MR. CLINE AGEE WITH THIS PROPOSAL?

A. No. Mr. Cline is recommending a reduction in the Act 11 shift of $18.3 million from $21.9 million to $3.5 million. I&E St. No. 3, p. 13. This reduction is summarized on I&E Exhibit No. 3, Schedule 1. Mr. Cline's proposed reduction is largely attributable to increases in the proposed revenues to be collected from certain wastewater rate zones beyond those proposed by Aqua which reduce the wastewater revenue requirement to be collected from water service. Mr. Cline's proposed reduction also includes elimination of the Act 11 shift for East Whiteland wastewater operations.

Q. IS THE REDUCTION IN THE ACT 11 SHIFT PROPOSED BY MR. CLINE REASONABLE?

A. Mr. Cline's proposal to eliminate the Act 11 shift for East Whiteland wastewater operations is consistent with the adjustment to the Act 11 shift I presented in my direct testimony and is reasonable for the reasons presented in my direct testimony. However, several of the rate zone increases proposed by Mr. Cline are inconsistent with the

concept of gradualism and will likely cause rate shock. For example, Mr. Cline has proposed the following wastewater rate zone revenue increases:

Table 1-SR

Summary of I&E Proposed Wastewater Rate Zone Revenue Increases

Rate Zone	Increases
7	52.4%
9	75.1%
10	72.7%
12	41.7%
14	67.0%

Therefore, I recommend that the wastewater revenue increases proposed by Mr. Cline and the resulting decline in the Act 11 shift not be approved in this proceeding, and I continue to support the adjustments to the Act 11 shift presented in my direct testimony.

Q. PLEASE DESCRIBE THE RATE CHANGES THE COMPANY IS PROPOSING FOR SHENANDOAH WATER CUSTOMERS.

A. The Company is proposing to set the customer charges of Shenandoah customers equal to those of Rate Zone 1, eliminate the water allowance, merge the Residential usage rates into two consumption blocks, and create the same four consumption blocks for the Commercial, Industrial, and Public rate classes as shown on Aqua Exhibit 5-B, Part I, Schedule I, pages 10-12.

Q. DOES MR. CLINE AGREE WITH THE COMPANY'S PROPOSED RATE CHANGES FOR SHENANDOAH WATER CUSTOMERS?

A. Mr. Cline agrees with each the Company's rate proposals for Shenandoah water customers with the exception of the Company's proposed usage rates for the

Residential class. Mr. Cline recommends that the usage rates for the Residential class be increased to equal the Residential usage rates for Rate Zone 1.

Q. DO YOU AGREE WITH MR. CLINE'S CHANGE TO THE USAGE RATES FOR SHENANDOAH RESIDENTIAL WATER CUSTOMERS TO BE EQUAL TO THE RATE ZONE 1 RESIDENTIAL USAGE RATES?

A. No. Under Mr. Cline's proposal, the bill for an average Shenandoah Residential customer would increase from $56.14 to $97.01 per month, or by 72.80%. I&E St. No. 3, p. 48. An increase of this magnitude is inconsistent with the concept of gradualism, will likely cause rate shock, and should not be approved.

IV. SCH USA, LLC

Witness: Frank Lacey

Q. HOW IS SCH USA, LLC CURRENTLY BILLED BY AQUA FOR WASTEWATER SERVICE?

A. Most customers served by Aqua are billed for wastewater service based on water consumption. According to Mr. Lacey, Aqua is currently billing SCH USA, LLC for wastewater service on a metric called equivalent dwelling units ("EDUs"). SCH USA St. No. 3, pp. 3-4. SCH USA, LLC and other customers are generally billed based on EDUs when water consumption data for a customer is not available to Aqua. For example, water consumption data for a customer served by a private water well would generally not be available to Aqua for wastewater billing purposes.

Q. HOW DOES AQUA'S TARIFF CURRENTLY DEFINE AN EDU?

A. Aqua's current tariff defines an EDU as follows:

> Equivalent Dwelling Unit or "EDU": The EDU is a measure based upon the estimated average daily wastewater flow for the type of business, as calculated by the Pennsylvania Department of Environmental Protection regulation at 25 Pa. Code § 73.17 divided

by the typical estimated average daily wastewater flow from a current single-family unit. In the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property.

Q. IS AQUA PROPOSING TO MODIFY THE CURRENT DEFINITION OF EDU IN ITS TARIFF?

A. Yes, Aqua is proposing to modify the definition of EDU in its tariff to state as follows:

> Equivalent Dwelling Unit or "EDU": Except for existing customers acquired by the Company through a purchase or acquisition and for billing purposes only, the EDU is a measure assigned by the Company based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP regulation at 25 Pa. Code § 73.17(b) divided by the Company's typical estimated average daily wastewater flow from a current single-family unit. Residential Customers are designated as one (1) EDU; however, in the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property.
>
> For existing customers without a predetermined EDU allocation , the EDU is a measure based upon the estimated average daily wastewater flow for the type of business based on water usage, divided by the typical estimated average daily wastewater flow from a current single-family unit. For other existing customers acquired by the Company through a purchase acquisition, the number of equivalent dwelling units is available at https://www.aquawater.com/about/states-we-serve/pennsylvania/index.php.
>
> Any Customer who modifies their properties in a manner that impacts the EDU calculation, including in areas previously acquired by the Company, will be subject to the EDU definition described above. The Company will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence, satisfactory to the Company in its sole discretion. The Customer shall bear the burden of proof for all such requests.

Q. DOES MR. LACEY EXPRESS ANY SPECIFIC CONCERNS WITH THE NEW DEFINITION OF EDU PROPOSED BY AQUA?

A. Yes. Mr. Lacey opines that within this new definition, Aqua sets itself up as the judge and jury when it comes to evaluating requests for changes to EDU calculations. SCH

USA St. No. 3, p. 10. Mr. Lacey specifically raises this issue with regard to the context of the following portion of Aqua's proposed definition: "Aqua will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence, satisfactory to the Company in its sole discretion." Mr. Lacey finds that it is neither just nor reasonable that Aqua set itself up in this manner.

Q. DO YOU AGREE WITH THE CONCERNS EXPRESSED BY MR. LACEY CONCERNING A CHANGE IN THE NUMBER OF EDU ASSIGNED TO A CUSTOMER?

A. Yes. I am concerned about the use of the phrase "sole discretion" in the language Aqua proposes: "Aqua will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence satisfactory to the Company in its sole discretion." Specifically, by reserving the determination of a customer's EDU change to Aqua's sole discretion, there is no objective criteria that Aqua must adhere to in making a determination, and this could result in arbitrary or inequitable outcomes.

Q. WHAT DO YOU RECOMMEND?

A. I recommend that Aqua be required to identify the specific factors that it will consider when making a decision about EDU changes. Requiring Aqua to do this will ensure that there are clear parameters around its discretion and it will also ensure that customers can clearly identify what factors they will need to satisfy to facilitate an EDU change. Another benefit is that if customers believe they are not treated equitably within the tariff, they can file a complaint with the Commission and the Commission will be able to determine whether Aqua's determination was appropriate under the identified factors.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes. It does at this time.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Jerome Mierzwa, hereby state that the facts above set forth in my Rebuttal Testimony, OCA Statement 5R, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 12, 2024 Signature: _____
Jerome Mierzwa

Address: Exeter Associates, Inc. 10480
Little Patuxent Parkway, Suite 300
Columbia, MD 21044-3575

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Jerome Mierzwa, hereby state that the facts above set forth in my Rebuttal Testimony, OCA Statement 5R, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 12, 2024 Signature: _____
Jerome Mierzwa

Address: Exeter Associates, Inc. 10480
Little Patuxent Parkway, Suite 300
Columbia, MD 21044-3575

OCA STATEMENT 5SR

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	)	**Docket Nos. R-2024-3047822 (Water)**
	)	**R-2024-3047824 (Wastewater)**
v.	)	
	)	
Aqua Pennsylvania, Inc.	)	
Aqua Pennsylvania Wastewater, Inc.		

SURREBUTTAL TESTIMONY OF

JEROME D. MIERZWA

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA STATEMENT 5SR

DATE SERVED: SEPTEMBER 26, 2024

EXETER
ASSOCIATES, INC.
10480 Little Patuxent Parkway, Suite 300
Columbia, Maryland 21044

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III. AQUA Witness: William C. Packer 7

IV. OSBA Witness: Roger Cathcart 8

I. INTRODUCTION

Q. WOULD YOU PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?

A. My name is Jerome D. Mierzwa. I am a Principal and the President of Exeter Associates, Inc. ("Exeter"). My business address is 10480 Little Patuxent Parkway, Suite 300, Columbia, Maryland 21044. Exeter specializes in providing public utility-related consulting services.

Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY IN THIS PROCEEDING?

A. Yes, my direct testimony was submitted as OCA Statement 5 on August 16, 2024, and my surrebuttal testimony was submitted as OCA Statement and 5R on September 12, 2024.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my surrebuttal testimony is to respond to the rebuttal testimony of Constance E. Heppenstall and William C. Packer submitted on behalf of Aqua Pennsylvania, Inc. ("Aqua" or "Company"), and the rebuttal testimony of Roger Cathcart submitted on behalf of the Office of Small Business Advocate ("OSBA").

II. AQUA Witness: Constance E. Heppenstall

Q. WHAT DID YOU RECOMMEND IN YOUR DIRECT TESTIMONY WITH RESPECT TO THE RATE INCREASES FOR THE BUNKER HILL, SUN VALLEY, AND PHOENIXVILLE AREAS?

A. As discussed on page 26 of my direct testimony, I recommended that the rate increases for the Bunker Hill, Sun Valley, and Phoenixville service areas be limited to 60% rather

than the 75% increases recommended by the Company to provide for gradualism. OCA St. 5, p. 29.

Q. DOES MS. HEPPENSTALL AGREE WITH THIS RECOMMENDATION?

A. No. Ms. Heppenstall claims that the present rates of the customers in these service areas are very low compared to the current rates of Rate Zone 1 customers and, therefore, a larger increase is warranted to move their rates closer to Rate Zone 1 rates. Aqua St. 5-R, p 3.

Q. WHAT IS YOUR RESPONSE TO MS. HEPPENSTALL'S CLAIM THAT A LARGER INCREASE FOR BUNKER HILL, SUN VALLEY, AND PHOENIXVILLE IS WARRANTED?

A. As explained in my direct testimony, a sound revenue allocation should utilize class cost-of service study results as a guide and provide for gradualism. OCA St. 5, p 23. I recognize that in this proceeding that Aqua is proposing to move toward additional consolidation of rates across rate zones (service areas) in this proceeding, and the rates proposed by Aqua in this proceeding generally result in revenue allocations that closely match the results indicated by its water cost-of-service studies. OCA St. 5, p. 35 and 26. However, as just explained, a sound revenue allocation should also provide for gradualism. As explained in my direct testimony, typically an increase of 1.5 to 2.0 times the system average increase is considered consistent with the concept of gradualism. OCA St. 5, p. 26. I have proposed an increase for the Bunker Hill, Sun Valley, and Phoenixville service areas which is 2.0 times the system average increase versus the 2.7 times the system average increase proposed by Aqua in this proceeding. As such my proposed revenue increases for the Bunker Hill, Sun Valley, and Phoenixville service areas is balanced in that it provides for movement toward cost of service rates, and provides for increases which are consistent with the concept of

gradualism and reduce potential rate shock. In addition, as indicated in my direct testimony, the Bunker Hill, Sun Valley, and Phoenixville service areas are relatively small, representing approximately 0.06% of present revenue. OCA St. 5, page 26. Therefore, providing for additional gradualism for these service territories as I have recommended will not have a material impact on the rates of other customers.

Q. IN YOUR DIRECT TESTIMONY, DID YOU AGREE WITH THE COMPANY'S PROPOSED CUSTOMER CHARGES?

A. No. As I explained on page 29 of my direct testimony, I did not agree with the Company's proposed customer charges because the charges proposed by Aqua were based on an analysis that included costs that are not direct customer costs and do not change with the addition or subtraction of a customer to the rate base.

Q. WHAT IS MS. HEPPENSTALL'S RESPONSE TO YOUR RECOMMENDATION?

A. Ms. Heppenstall claims that the Commission's order in the most recent Pennsylvania American Water Company ("PAWC") rate case (Docket No. R-2023-3043189) rejected my proposal regarding water customer charges and, therefore, my recommendation in this proceeding should also be rejected. Aqua St. 5-R, p. 4.

Q. WHAT IS YOUR RESPONSE TO MS. HEPPENSTALL'S RECOMMENDATION THAT YOUR WATER CUSTOMER CHARGE PROPOSAL BE REJECTED IN THIS PROCEEDING?

A. I continue to support my initial recommendation that only those direct costs that change with the addition or subtraction of a customer should be included in a customer charge. The customer charges proposed by Ms. Heppenstall include office building and furniture expenses, which are not direct customer costs and, therefore, the customer charges proposed by Ms. Heppenstall are not reasonable and should not be adopted. I

would note that Ms. Heppenstall provides no academic support for including indirect and overhead costs, such as office building and furniture expenses, in determining customer charges. However, in his well-known treatise Principles of Public Utility Rates, Professor James C. Bonbright states:

> But fully-distributed cost analysts dare not avail themselves of this solution, since they are the prisoners of their own assumption that "the sum of the parts equals the whole." They are therefore under impelling pressure to fudge their cost apportionments by using the category of customers costs as a dumping ground for costs that they cannot plausibly impute to any of their other cost categories. (Second Edition, page 492).

Clearly, Professor Bonbright agrees that costs that are not customer costs should not be included in customer charges.

Q. ON PAGE 5 OF HER REBUTTAL TESTIMONY, MS. HEPPENSTALL NOTES THAT IN YOUR DIRECT TESTIMONY, FOR WASTEWATER RATE DESIGN, YOU RECOMMENDED A 20% INCREASE FOR RATE ZONE 1 AND 1A, AND MAINTAINING THE COMPANY'S RECOMMENDED RATE DESIGN FOR RATE ZONES 7, 9, 10, 12, AND 14. WHAT WAS THE BASIS FOR YOUR WASTEWATER RATE DESIGN RECOMMENDATION?

A. In this proceeding, Aqua is proposing to consolidate wastewater Rate Zones 1A, 7, 9, 10, 12 and 14 with Rate Zone 1, and Rate Zones 7, 9, 10, 11, 12, and 14 would receive moderate rate increases, but Rate Zone 1 and 1A would receive rate decreases. OCA St. 5, p. 22. Under Aqua's proposal, Rate Zones 1 and 1A would be assigned no rate increase, and a portion of the costs associated with serving Rate Zone 1 and 1A wastewater customers would be assigned to water customers. *Id*. I found this unreasonable and, therefore, recommended a rate increase of 20% for Rate Zone 1 and 1A wastewater customers. *Id.*

Q. DOES MS. HEPPENSTALL AGREE WITH YOUR RECOMMENDATION TO INCREASE THE RATES OF RATE ZONE 1 AND 1A WASTEWATER CUSTOMERS?

A. No. Ms. Heppenstall claims that it is the Company's goal to consolidate wastewater rates as quickly as possible. Aqua St. 5-R, p.5. She claims that my recommendation would further delay rate consolidation and just "[k]icks the can down the road" to future rate cases. *Id.*

Q. WHAT IS OUR RESPONSE TO MS. HEPPENSTALL'S DISAGREEMENT WITH YOUR RECOMMENDATION?

A. Under the Company's proposed rate design, Rate Zones 1 and 1A are assigned no rate increase, and a portion of the costs associated with serving Rate Zone 1 and 1A are assigned to water customers. As a result, the Act 11 shift is increased under the Company's proposal and would be decreased under my proposal by $2.1 million. I don't believe it is in the public interest to increase the Act 11 shift, and that it is in the public interest to minimize the Act 11 shift. Minimization of the Act 11 shift results in a better match between the cost of providing water service with the revenues collected from water customers, and a better match between the cost of providing wastewater service with the revenues collected for wastewater customers which I believe is consistent with the public interest. Under the Company's proposed revenue requirement and my recommendation, Rate Zone 1 and 1A wastewater customers and water customers would each receive an increase of approximately 20%.

Q. ON PAGE 38-39 OF YOUR DIRECT TESTIMONY, YOU NOTED THAT IN THE COMPANY'S LAST BASE RATE PROCEEDING, THE COMMISSION'S ORDER DIRECTED AQUA TO PREPARE AND SUBMIT IN IT'S NEXT BASE RATE PROCEEDING A REPORT EVALUATING WHETHER DIFFERENT METHODS OF CALCULATING A FLAT RATE FOR WASTEWATER SERVICE WOULD BE MORE REASONABLE FOR SOME RATE ZONES RATHER THAN APPLYING A SYSTEM-WIDE USAGE AVERAGE TO EACH RATE ZONE, AND THAT THE COMPANY DID NOT PREPARE AND SUBMIT THE REQUIRED EVALUATION IN THIS PROCEEDING. DOES MS. HEPPENSTALL AGREE THAT THE COMPANY DID NOT SUBMIT THE REQUIRED EVALUATION?

A. No. Ms. Heppenstall claims that the required evaluation was provided in response to data request OCA-XIII-16 which she includes as Exhibit CEH-2-R to her rebuttal testimony.

Q. DO YOU FIND THAT EXHIBIT CEH-2-R SATISFIES THE REQUIREMENTS OF THE COMMISSION'S ORDER IN AQUA'S PRIOR CASE?

A. No. Exhibit CEH-2-R is a two page document and analysis which includes no discussion of the details of the analysis prepared by the Company. This two page document does not qualify as a study or report, and presenting the document as a data request does not meet the Commission's directive of presenting a study or report in this proceeding.

III. AQUA Witness: William C. Packer

Q. ON PAGES 17 AND 18 OF HIS REBUTTAL TESTIMONY, MR. PACKER CLAIMS THAT YOU RECOMMENDED THAT THE ACT 11 SHIFT SHOULD BE NO HIGHER THAN 10% OF THE WASTEWATER COST OF SERVICE, AND YOU HAVE PRESENTED NO SUPPORT FOR WHY 10% IS A REASONABLE SHIFT. WHAT IS OUR RESPONSE TO MR. PACKERS CLAIMS?

A. Support for my recommendation is presented on pages 21 and 22 of my direct testimony. As explained on pages 21 and 22, the 10% shift I have recommended is an estimate, and it is based on three adjustments to the Act 11 shift proposed by Aqua. The first adjustment is elimination of the $3.14 million East Whiteland Act 11 shift. This adjustment is supported by OCA Witness Christine Hoover and Ralph Smith. The second adjustment applies any decrease in the wastewater revenue requirement authorized by the Commission in this proceeding from that requested by Aqua to first reducing the Act 11 shift. Based on an estimate wastewater revenue requirement which is 75% of its requested increase, the Act 11 shift would be reduced by $7.4 million. Mr. Packer has not claimed that adjusting the Act 11 shift to reflect the wastewater revenue requirement to be unreasonable. The final adjustment I have proposed to the Act 11 shift relates to the revenue increase I have proposed for wastewater Rate Zones 1 and 1A. I previously discussed the reasonableness of this adjustment earlier in my surrebuttal testimony responding to Ms. Heppenstall.

IV. OSBA Witness: Roger Cathcart

Q. AS INDICATED PREVIOUSLY IN YOUR SURREBUTTAL TESTIMONY, IN YOUR DIRECT TESTIMONY YOU PROPOSED REDUCING THE 75% INCREASES AQUA PROPOSED FOR THE BUNKER HILL, SUN VALLEY, AND PHOENIXVILLE SERVICE AREAS TO 60%. IN HIS DIRECT TESTIMONY, DID MR. CATHCART PROPOSE ANY CHANGES TO THE COMPANY'S PROPOSED INCREASES OF 75% FOR THESE THREE SERVICE AREAS?

A. No. He did not.

Q. HAS MR. CATHCART PROPOSED ANY MODIFICATIONS TO YOUR PROPOSAL TO LIMIT THE INCREASE TO THE BUNKER HILL, SUN VALLEY, AND PHOENIXVILLE SERVICE AREAS TO 60%?

A. Yes. To mitigate rate shock Mr. Cathcart has proposed to limit the increase to these three service areas to 1.25 times the system average increase rather than 2.0 times the system average increase I have proposed. OSBA St. 3, p. 5.

Q. DO YOU AGREE WITH MR. CATHCART'S PROPOSED MODIFICATION?

A. No. As noted previously in my surrebuttal testimony, Ms. Heppenstall disagreed with my proposal to limit the increase to the Bunker Hill, Sun Vally, and Phoenixville service territories to 60% because the current rates for these three service territories are significantly below the rates for Rate Zone 1. Mr. Cathcart's modification will result in a more significant difference in the proposed rates for these three service territories and Rate Zone 1 than I have proposed. I believe my proposal to limit the rate increase for these three service territories to 2.0 times the system increase provides an appropriate

balance between avoiding rate shock while moving the rates for these three service territories toward the rates for Rate Zone 1.

Q. IN YOUR DIRECT TESTIMONY DID YOU FIND THE WATER SERVICE CUSTOMER CLASS REVENUE ALLOCATIONS PROPOSED BY AQUA PENNSYLVANIA, INC. ("AQUA") FOR EACH CUSTOMER TO BE REASONABLE?

A. Yes. Overall, I found that Aqua's proposed revenue allocations for each customer class were consistent with the cost-of-service indicated by the Company's water class cost-of-service ("CCOS") studies. Although I disagreed with the total amount of Aqua's proposed Act 11 assignment to water service, I found the Company's proposed allocation of the Act 11 assignment to the various customer classes to be reasonable. OCA St. 5, p. 6.

Q. DOES MR. CATHCART AGREE WITH THE COMPANY'S PROPOSED WATER SERVICE CUSTOMER CLASS REVENUE ALLOCATIONS IN THIS PROCEEDING?

A. Yes. Mr. Cathcart is in agreement with the Company's revenue allocation proposal, exclusive of the Act 11 assignment and allocations. OSBA St. No. 2, p. 8.

Q. HAS MR. CATHCART PROPOSED AN ALTERNATIVE ACT 11 ASSIGNMENT TO WATER SERVICE AND ALLOCATION OF THAT ASSIGNMENT TO AQUA'S VARIOUS WATER CUSTOMER CLASSES?

A. Yes. Mr. Cathcart has proposed reducing the Act 11 assignment from $21.9 million to $19.7 million, or by $2.2 million, and has presented an alternative allocation of that assignment to the various water customer classes. The Act 11 assignments and allocations are presented on Schedule Q-5W of the revised direct testimony of Mr. Cathcart. OSBA St. No. 2, p. 8.

The $2.2 million reduction in the Act 11 assignment to water service proposed by Mr. Cathcart is the net result of a recommended additional $4.6 million increase in the Water Base Operations revenue increase initially proposed by Aqua, and a $2.4 million decrease in the East Whiteland Operations revenue increase initially proposed by Aqua.

Q. HOW DOES THE ACT 11 ASSIGNMENT PROPOSAL PRESENTED BY MR. CATHCART COMPARE TO THE PROPOSAL YOU PRESENTED IN YOUR DIRECT TESTIMONY?

A. In my direct testimony, I presented an Act 11 assignment proposal that would reduce the assignment from the $21.9 million proposed by Aqua to an estimated $9.4 million, or by $12.4 million. OCA St. 5, p. 22. My proposed Act 11 reduction consists of three components. First, it is the OCA's position that the costs and revenue related to East Whiteland Operations should be excluded from this case and, therefore, I eliminated Aqua's proposed East Whiteland Act 11 shift of $3.1 million to water customers. Second, I recommended that any decrease in the wastewater revenue requirement authorized by the Commission in this proceeding from that requested by Aqua should first be applied to reducing the Act 11 shift. In my direct testimony, I estimated that this could reduce the Act 11 assignment by $7.4 million. Finally, I noted that in this proceeding, Aqua is proposing to consolidate Rate Zones 1A, 7, 9, 10, 12, and 14 with Rate Zone 1, and that Aqua had proposed rate decreases for Rate Zones 1 and 1A. I found it unreasonable to assign no increase to Rate Zone 1 and 1A, and then to assign a portion of the costs associated with serving Rate Zones 1 and 1A wastewater customers to water customers. I recommended that Rate Zone 1 and 1A customers be assigned an increase of 20%. This increase reduced the Act 11 shift by $2.1 million.

Q. DO YOU AGREE WITH THE ACT 11 SHIFT MODIFICATIONS PROPOSED BY MR. CATHCART?

A. Not entirely, as we have several areas of disagreement. Both Mr. Cathcart and I have recommended that any decrease in the wastewater revenue requirement authorized by the Commission in this proceeding from that requested by Aqua should first be applied to reducing the Act 11 shift. Therefore, Mr. Cathcart and I are in agreement with this adjustment to the amount of the Act 11 shift. However, I would note that my Act 11 recommendation included an estimate of the impact of this recommendation, but the $19.6 million Act 11 shift proposed by Mr. Cathcart does not reflect an estimate of the impact of this recommendation.

The Act 11 shift proposed by Mr. Cathcart included an Act 11 shift for East Whiteland Operations. As previously explained, the costs and revenues related to East Whiteland Operations should be excluded from this case. Therefore, the Act 11 adjustment proposed by Mr. Cathcart for East Whiteland Operations should not be adopted.

Finally, Mr. Cathcart is proposing to increase the overall revenue increase of Wastewater Base Operations from the 14.3% proposed by Aqua to 22.4%. I have proposed an increase of 20% to Rate Zone 1 and 1A Wastewater Base Operations revenues. Mr. Cathcart has not identified how his proposed increase to Wastewater Base Operations revenues would be assigned to the various Wastewater Base Operations rate zones, and his proposed increase could potentially result in significant rate increases for some rate zones which may be inconsistent with the concept of gradualism. Therefore, I recommend that my proposal to increase revenues for Rate Zones 1 and 1A by 20% be approved, and the proposal of Mr. Cathcart to increase Wastewater Base Operations revenues by an average of 22% be rejected. In summary,

I continue to support the adjustments I proposed to the amount of the Act 11 shift I presented in my direct testimony.

Q. MR. CATHCART HAS PROPOSED AN ALTERNATIVE TO AQUA'S PROPOSED ALLOCATION OF THE ACT 11 SHIFT TO THE VARIOUS WATER CUSTOMER CLASSES. IS MR. CATHCARD'S PROPOSED ALTERNATIVE ALLOCATION REASONABLE?

A. Yes, and I do not oppose the alternative Act 11 customer class allocation proposal presented by Mr. Cathcart.

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes. It does at this time.

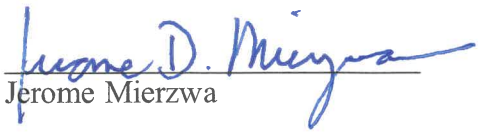
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Jerome Mierzwa, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 5SR, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 26, 2024

Signature: 

Jerome Mierzwa

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	Docket No. R-2024-3047822 (water)
v.	:	
	:	Docket No. R-2024-30347824 (wastewater)
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	

Direct Testimony of Roger Colton

on behalf of

Pennsylvania Office of Consumer Advocate

OCA Statement 6

August 16, 2024

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Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is Roger D. Colton. My business address is 34 Warwick Road, Belmont, MA.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT POSITION?

A. I am owner of the firm of Fisher Sheehan & Colton, Public Finance and General Economics of Belmont, Massachusetts. In that capacity, I provide technical assistance to a variety of federal and state agencies, consumer organizations and public utilities on rate and customer service issues involving water/sewer, natural gas and electric utilities.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

A. I am testifying on behalf of the Office of Consumer Advocate.

Q. PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND.

A. I work primarily on low-income utility issues. This involves regulatory work on rate and customer service issues, as well as research into low-income usage, payment patterns, and affordability programs. At present, I am working on various projects in the states of Massachusetts, Connecticut, Maryland, Pennsylvania, Ohio, Michigan, Wisconsin, Illinois, Missouri, Oregon, and Washington, as well as in the Canadian provinces of Nova Scotia and British Columbia. My clients include state agencies (e.g., Pennsylvania Office of Consumer Advocate, Maryland Office of People's Counsel, Connecticut Office of Consumers Counsel), federal agencies (e.g., the U.S. Department of Health and Human Services), community-based organizations (e.g., Cleveland Legal Aid Society, Legal Action of Chicago, Sierra Club), and private utilities (e.g., Toledo Water, BC Hydro). In addition to state-specific and utility-specific work, I engage in national work throughout the United States. For example, in 2020, I represented a coalition of major national

consumer organizations to comment on the Environmental Protection Agency's proposed framework by which to judge community financial capability. I have recently completed a project with the Natural Resources Defense Council to develop a tool by which to assess the financial impact of differing types of low-income bill assistance. In 2020, I completed a study of water affordability in twelve U.S. cities for the London-based newspaper, The Guardian. I continue to be of counsel to the National Coalition for Legislation on Affordable Water (NCLA-Water). A brief description of my professional background is provided in Exhibit RDC-1.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.

A. After receiving my undergraduate degree in 1975 (Iowa State University), I obtained further training in both law and economics. I received my law degree in 1981 (University of Florida). I received my Master's Degree (Regulatory Economics) from the MacGregor School (Antioch University) in 1993.

Q. HAVE YOU EVER PUBLISHED ON PUBLIC UTILITY REGULATORY ISSUES?

A. Yes. I have authored three books and more than 80 articles in scholarly and trade journals, primarily on low-income utility and housing issues. I have authored more than 200 technical reports for various clients on energy, water, telecommunications and other associated low-income utility issues. A summary of my publications is included in Exhibit RDC-1.

Q. HAVE YOU EVER TESTIFIED BEFORE THIS OR OTHER UTILITY COMMISSIONS?

A. Yes. I have testified before the Pennsylvania Public Utility Commission ("PUC" or "Commission") on numerous occasions regarding utility issues affecting low-income customers and customer service. My testimony has specifically included testimony in various proceedings involving low-income issues relating to Pennsylvania American Water Company (PAWC), Pittsburgh Water and Sewer Authority (Aqua), and Aqua Pennsylvania, Inc. (Aqua PA). In addition to this PUC testimony, I have testified on issues related to customer service and low-income bill affordability for the City of Philadelphia's Public Advocate in each rate case involving the Philadelphia Water Department since 1990. I have also testified in more than 340 judicial and regulatory proceedings in 43 states and various Canadian provinces on a wide range of utility issues. A list of the jurisdictions in which I have testified is listed in Exhibit RDC-1.

Q. PLEASE EXPLAIN THE PURPOSE OF YOUR DIRECT TESTIMONY.

A. The purpose of my Direct Testimony is to review the impact of Aqua PA rates on low-income customers. I will further review the reasonableness of the design and implementation of the low-income bill payment assistance programs offered by Aqua PA. More specifically, I will examine:

- The affordability of Aqua bills, at existing and proposed rates, to low-income and moderate income customers;
- The particular adverse impacts which inflation has had on low-income household;
- Necessary improvements to the Aqua Customer Assistance Program (CAP);

- The need to offer CAP and Arrearage Forgiveness at the time of Aqua's collection activities;
- Necessary improvements to Aqua's Arrearage Forgiveness Program;
- The need for cost offsets to Aqua's claimed cost recovery for its bill discount credits and arrearage forgiveness credits;
- The reasonableness of expanding Aqua's low-income water conservation program; and
- The particular adverse impacts to low-income customers from increasing Aqua's residential customer charge.

Part 1. The Affordability of Aqua PA Rates.

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I examine the affordability of Aqua rates. First, I will track the escalation of Aqua rates over time. I will then compare the impact which the rate increases proposed in this proceeding affect affordability. I finally will assess the impact of Aqua's proposed rates on the working poor, represented by Pennsylvania's ALICE (Asset Limited, Income Constrained, Employed) population.

Q. PLEASE EXPLAIN WHY PAYING PARTICULAR ATTENTION TO THE AFFORDABILITY OF SERVICE IS IMPORTANT IN THIS RATE PROCEEDING.

A. While Pennsylvania statutes do not impose the same universal service obligations on Aqua that they impose on the state's energy utilities, low-income customers are the households who are financially least capable of responding to the harms arising from the

unaffordability of water service. This is important given that water service in today's world is an essential human need. Water is needed not only for drinking, but also for cooking and sewer needs. A 2022 White Paper by the U.S. Water Alliance states that "for every community in our country, the availability of safe drinking water and wastewater services is a precondition for public health and prosperity."[1] Water is vital to maintaining hygiene and health. The lack of water has particularly negative impacts on children, the elderly, women, and persons suffering from an illness or chronic health concern. As one recent study noted:

> Dehydration can create threatening chemical imbalances for elderly people. Women who are menstruating need water to properly cleanse themselves, and mothers who are nursing need water to maintain their milk supply and their health. Some people with chronic illness need clean water in order to run and wash personal medical equipment.[2]

A recent study published in the American Journal of Preventative Medicine concluded that "Water shutoffs pose a real threat to human health because the lack of adequate sanitation can cause diseases to spread and allow people to become sick."[3] A 2010 report for the Water Research Foundation (the research arm of the American Water Works Association, AWWA) concluded that "A final consideration of importance to water utilities is the relationship of payment problems to health issues. . . Potential impacts

[1] Hara, Willette and Simonson (2022). Making Water a Public Good: The Bigger Picture of Water Affordability, at 1, US Water Alliance.

[2] Jones and Moulton (2016). The Invisible Crisis: Water Unaffordability in the United States, at 11, Unitarian Universalist Service Committee, Cambridge: MA; see also, Bipartisan Policy Center (September 2017). Safeguarding Water Affordability, at 7.

[3] Zhang et al (2021). Water Shutoff Moratoria Lowered COVID-19 Infection and Death Across U.S. States, 2021 American Journal of Preventative Medicine.

relate to many of the same public health endpoints targeted by Safe Drinking Water Act standards such as effects on children and the unborn."[4]

The fundamental need for affordable water is recognized by not only laws relating to the protection of children, but also by laws relating to the habitability of homes. In 21 states, a parent's inability to provide running water in the home can be considered "child neglect."[5] The lack of running water and sanitation is generally considered by public health inspectors to make a home uninhabitable.[6]

A. The Increase in Aqua Rates Over Time.

Q. HAVE YOU EXAMINED THE MOVEMENT IN AQUA PRICES OVER TIME RELATIVE TO THE MOVEMENT IN INCOMES FOR A LOW-INCOME HOUSEHOLD?

A. Yes. Using data from Aqua's annual reports to the Pennsylvania PUC, I have tracked the price of Aqua water service from 2015 through 2022. I compare these rate increases to the increase in incomes for households in the First Quintile (Q1) of Income (i.e., the bottom 20% of households based on income) for Pennsylvania as a whole.[7] I set Aqua rates and income levels equal to 100 in 2015. Subsequent changes are seen relative to this

[4] Cromwell, et al. (2010). Best Practices in Customer Payment Assistance Programs, at xxii, Water Research Foundation: Washington D.C. (hereafter "Best Practices").

[5] Id., at 34.

[6] Id., at 32 – 33.

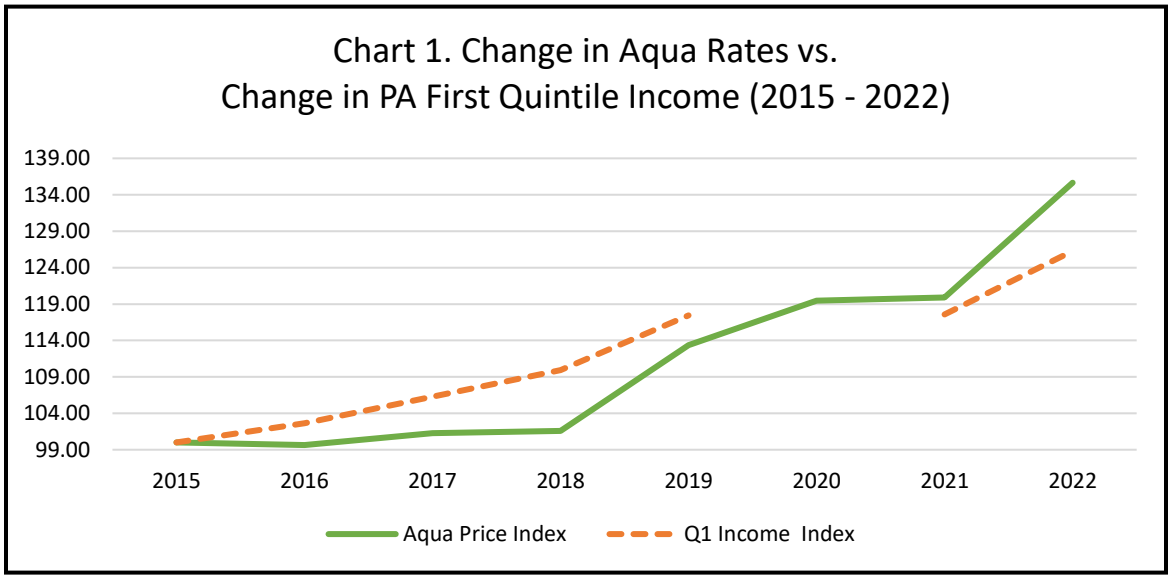
[7] For each geographic area, the Census Bureau rank orders incomes from lowest to highest. It then divides that ranking into five equal parts, each part of which is called a "quintile." The "First Quintile" (sometimes known as the "bottom Quintile" or "lowest Quintile"), therefore, is the one-fifth of households with the lowest incomes.

base. An increase in rates or income means the index will increase to more than 100, while a decrease would see the index go below 100.

The data shows that while Aqua's water rates were relatively constant from 2015 through 2018, beginning in 2019, rates sharply increased. From 2018 to 2019, the Aqua price index increased from 101.57 to 113.38, while by 2020, the index had increased further to 119.45. By 2022, the Aqua price had increased to 135.65, indicating that prices had increased by more than 35% from a 2105 baseline. By 2021 and 2022, the increase in Aqua prices had outstripped increases in the Q1 incomes.[8] In comparison to the 2022 price index of 135.65, the 2022 index for Q1 incomes was only 126.68. The data shows, in other words, that while Aqua prices increased by 36% in this time period, incomes had increased by only 27%.

Beyond this data, Aqua was granted a further rate increase in May 2022 and is now seeking another rate increase in 2024.

[8] The Census Bureau did not report 2020 data because of its inability to collect data in 2020 due to restrictions associated with the novel Coronavirus health pandemic.



The gap in data for 2020 in the Chart above is an effect of COVID-19. The Census Bureau did not report 2020 data because of its inability to collect data in 2020 due to restrictions associated with the health pandemic.

The data shows the increasing unaffordability of Aqua bills to the utility's lowest income households as income is not keeping pace with rates. One aspect of high energy burdens that is of concern is the extent to which the unaffordability of bills affects the payment patterns of populations of concern. The inability to pay bills affects those populations in multiple ways. It forces customers to make choices between paying and not paying competing household necessities. It forces customers to make household sacrifices. In addition, it imposes additional costs on them (e.g., late charges, disconnect / reconnect charges, interest on borrowing to pay utility bills).

B. The Impact of Aqua's Proposed Rate Increase on Low-Income Customers.

Q. HAVE YOU EXAMINED THE AFFORDABILITY OF AQUA BILLS AT EXISTING AND PROPOSED RATES?

A. Yes. I assess the affordability of Aqua rates by calculating a Bill-to-Income ratio for each zip code comprising the utility's service territory.[9] Using the Company's identification of the bill impact of its proposed rate increase, I then determine a Bill-to-Income ratio at selected ranges of Federal Poverty Level given existing rates and again at the Company's proposed rates. Defining an affordable water Bill-to-Income ratio as one not exceeding 2% of income,[10] I examine the affordability of Aqua rates at both existing and proposed rates. The data is set forth in Table 1 below. The data shows that at proposed rates, Aqua bills are substantially less affordable than at existing rates. At the lowest income range, Aqua bills result in a Bill-to-Income ratio more than six times higher than the affordable 2% demarcation of affordability. For households with income between 125% and 150% of FPL, Aqua bills result in bill burdens[11] two times higher than that which is affordable. Even households with incomes between 150% and 200% of Poverty, face unaffordable bill burdens at both existing and proposed rates, with proposed rates yielding bill burdens 50% higher than the affordable 2% of income.

[9] Aqua identified the zip codes comprising its service territory in response to discovery. (OCA-VI-1).

[10] See, Raucher, et al. (2019). Developing a New Framework for Household Affordability and Financial Capability Assessment in the Water Sector, at 3-20 (4.5% reasonable definition for combined water/wastewater). I allocate that 4.5% as 2.0% to water and 2.5% for wastewater. See also, Craley et al. (2019). Pittsburgh Water and Sewer Authority, Household Affordability Analysis, Final Report, at 17 ("By the EPA affordability standard, which looks specifically at this "typical" customer, service is affordable because the burden is less than 4.5%").

[11] Throughout my testimony, a number of terms are used interchangeably. "Bill Burdens" and "Bill-to-Income ratios" should be considered synonymous. They both refer to bills as a percentage of income.

Table 1. Bill-to-Income Ratios: Aqua Water Bills at Existing and Proposed Rates		
Federal Poverty Level	Existing Rates	Proposed Rates
<50% FPL	10.0%	12.9%
50 – 75% FPL	6.4%	8.3%
75 – 100% FPL	4.6%	5.9%
100 – 125% FPL	3.6%	4.6%
125 – 150% FPL	2.9%	3.8%
150 – 200% FPL	2.3%	2.9%

The unaffordable bills I identify affect large numbers of people. In the Aqua zip codes with which I have matched Census data, there are more than 690,000 people with income below 200% of FPL, 21% of the total population in the service territory.[12] Applying that 21% against the 380,291 water customers which Aqua reports (by zip code),[13] Aqua has an estimated 78,161 customers with income below 200% FPL.

C. The Impact of Aqua's Proposed Rate Increase on Moderate Income Customers.

Q. DO YOU HAVE CONCERNS ABOUT THE IMPACT OF THIS AQUA RATE REQUEST OUTSIDE OF THE IMPACT ON LOW-INCOME CUSTOMERS?

A. Yes. The PUC must consider both the impacts of rate changes on low-income customers, but also the impacts of consumer interests generally. To consider the impacts of Aqua's rate case on consumers generally, I use county-wide data provided by United for ALICE[14] through the ALICE (Asset Limited, Income Constrained, Employed) Report for Pennsylvania. The ALICE data discusses the ability of households to afford the basics required for self-sufficiency.

[12] American Community Survey (5-year data). Table C17002 (2022).

[13] OCA-VI-02.

[14] An overview of United for Alice is available at https://unitedforalice.org/overview.

Q. BRIEFLY SUMMARIZE WHAT THE ALICE DATA SHOWS.

A. The ALICE data shows that the unaffordability of Aqua bills is not exclusively a concern of low-income households. The lack of sufficient resources to pay household necessities extends upward, well into the "working poor" population. The number of households in Aqua's service territory that would struggle to pay increased Aqua bills associated with this rate case because they have income lower than the ALICE income is more than two times higher than the number of households below Poverty.

Q. WHAT ALICE DATA HAVE YOU EXAMINED?

A. In the 2024 ALICE report for Pennsylvania, using data from 2023, in Pennsylvania, a family of four would need an annual income of $83,700 to cover essentials needed to live and work, pay rent, and pay utilities.[15] ALICE household survival budgets are calculated by county for a family of four in Pennsylvania, I have reviewed the median household income (MHI) for the 32 counties which Aqua serves in Pennsylvania. I separately considered MHIs for the total population, and MHIs for the Black population.[16] Here is a summary of the data:

- Of the 32 Aqua counties, the MHI-ALL is below the ALICE survival income in only two counties.
- However, the MHI-Black is below the ALICE survival income in 17 counties; and the MHI-Hispanic is below the ALICE survival income in 13 counties.
- The 32 counties served by Aqua have a total population with incomes below the ALICE threshold of 673,012, while having a population below Poverty of only 240,415.
- The percentage of population living below the ALICE threshold (28.7%) in the Aqua counties is nearly three times higher than the percentage of population living below Poverty (10.2%).

[15] The complete ALICE data for Pennsylvania is available at https://unitedforalice.org/state-overview/Pennsylvania

[16] I will refer to the MHI for the total population as "MHI-ALL." I will refer to the MHI for the Black population as "MHI-Black."

Q. DO YOU HAVE OTHER CONCERNS ABOUT THE IMPACTS OF THE AQUA RATE REQUEST ON CONSUMERS GENERALLY?

A. Yes. The adverse impacts to consumers arise not exclusively because of what burdens the Aqua rates are imposing, but also because of the cumulative impacts of the group of utilities serving the same customers. In 2024, it is not merely Aqua that is seeking higher rates. Multiple utilities serving overlapping service territories are also seeking substantial rate hikes. In 2024:

- PECO (gas) has filed a rate case that would increase typical residential bills by $16.15 per month ($193.80 per year).
- PECO (Electric) has filed a rate case that will increase residential bills by $16.67 per month or $200.04 per year.

These requested rate increases are in addition to the Aqua rate case that would increase typical residential water bills from $78.21 to $97.61 per month ($20.50), $246 per year. Additional rate hikes were sought for Aqua's sewer bills.

When layered one on top of the others, the cumulative impacts of the rate cases of multiple utilities impose far more harm than any single one of these rate cases standing alone. The PECO electric and gas rate increases, on top of the Aqua requested rate increase would, for example, would increase *total* utility bills for the customers by $640 per year to customers in overlapping service territories.

Q. HAVE YOU IDENTIFIED THE EXTENT OF THE OVERLAP?

A. Yes. Each utility has provided a list of the zip codes which comprise its respective service territory. By matching those lists, I identified the zip codes that are served by all three utilities. Of the 258 zip codes in which Aqua has matching Census data, 125 are also served by PECO (Gas) and PECO (electric). The zip codes in which all three utilities overlap have nearly 940,000 households, with nearly 102,000 of those households having income less than $25,000.

Q. HAVE YOU BEEN ABLE TO ASSESS WHAT THE IMPACT ON RESIDENTIAL CUSTOMERS WILL BE FROM THIS CUMULATIVE SET OF RATE INCREASES?

A. Yes. Given the combined rate increases sought by PECO (electric), PECO (gas), and Aqua in 2024, in other words, residents seeking rental units in Aqua's counties which overlap with PECO (gas) and PECO (electric) would need an additional income of $2,133 each year simply to pay their utility bill hikes if all of the rate increases are approved as requested.

Q. HOW DID YOU REACH THIS CONCLUSION?

A. The National Low-Income Housing Coalition (NLIHC) publishes an annual reported titled "Out of Reach: The High Cost of Housing" (OOR).[17] I examine the results of the most recent OOR (2024) for four Aqua counties which overlap with PECO (electric) and PECO (gas) (Bucks, Chester, Delaware, Montgomery). I began with the 2 bedroom Fair Market Rent (FMR) in each county, and recalculated that FMR after adding the increased utility bills attributable to the combined rate hikes ($640) as I explained above. I calculated the annual income that would be needed to be able to afford this housing at the median renter wage in each county. In three of these four counties (all but Delaware) would the median renter income in the county would be sufficient to afford the 2 bedroom FMR before any increased utility costs were taken into account (and in Bucks County, the income is less than $600 more). In only two of the four counties would the median renter income in the county be sufficient to afford the 2 bedroom FMR after the increased utility costs.

Throughout the four counties, the average renter would need to work between a low of 81 to a high of 125 additional hours a year at the mean renter wage simply to pay their increased utility costs. The data is set forth in the Table below. As the Table shows, the overlapping utility rate requests facing Aqua's service territory would require the Company's renters to find three or more

[17] https://reports.nlihc.org/oor/pennsylvania

additional weeks of work (120+ hours) at mean renter wage in two of the four counties. In only two of the four counties (Chester, Montgomery) could renters at the mean renter wage pay the higher utility bills with fewer than 100 additional hours of work each year.

Table 2. Impact of Combined Rate Increases Sought in Utility Service Territories Overlapping with Aqua

County	Income Needed for 2 BR FMR + Utility	Income Needed for 2BR FMR w/o Utility	Additional Income Needed	Mean Renter Wage	Additional Annual Hours at Mean Renter Wage Needed to Pay Utility Costs
Bucks	$60,933	$58,800	$2,133	$17.07	125
Chester	$60,933	$58,800	$2,133	$24.70	86
Delaware	$60,933	$58,800	$2,133	$20.13	106
Montgomery	$60,933	$58,800	$2,133	$26.34	81

In addition to the data presented above, workers at minimum wage would, of course, need to work more additional hours than the hours set forth at mean renter wage. As of August 2024, Pennsylvania continues to use the federal minimum wage of $7.25 per hour.

Part 2. Impact of Inflation on Low-Income Customers.

Q. PLEASE DESCRIBE THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I examine the disproportionate adverse impact that inflation has on low-income customers. I examine this impact because Aqua has requested a specific Inflation Factor to be approved for its Future Test Year and Fully Projected Future Test Year.[18] Approving such a request is unreasonable in light of the adverse impacts which inflation is imposing on low-income households in particular.

[18] Aqua St. 3, at 3.

The process of setting reasonable rates does not exclusively consider the interests of the utility and its investors. The courts, for example, have noted that setting a reasonable return on equity must involve a balancing of the interests of investors and ratepayers. In addition, under Pennsylvania law, in setting rates, the Public Utility Commission must give "due consideration to the interests of consumers."[19] To the extent that the impacts of inflation on investor interests are considered, therefore, the impacts of inflation on ratepayer interests must be considered as well.

In summary, as I will explain below, the testimony of Aqua's witness Manning does not present a complete story about the stress which inflation has placed on utility ratepayers, especially low-income customers. Inflation is disproportionately affecting lower-income households. The 10.95% ROE sought by Aqua in this proceeding, which would have the impact of driving up rates, will exacerbate this problem. Given the PUC's obligation to balance the interests of investors and ratepayers in setting a reasonable ROE, the PUC should consider the greater adverse impacts that inflation has imposed on low-income ratepayers when setting rates.

[19] 71 Pa. Stat. Ann. §309-5(2).

Q. DOES INFLATION HAVE A PARTICULARLY ADVERSE IMPACT ON LOWER INCOME HOUSEHOLDS?

A. The impact of inflation is felt most severely by low-income households. Research by the U.S. Department of Labor's Bureau of Labor Statistics,[20] reports that "consumers with different incomes experience inflation quite differently."[21] According to this research, the lowest earning households spend a disproportionately higher share of their household budget on household necessities such as rent, food and medical care.

Table 3. Household budget shares of expenditure items for lowest and highest income quartiles, 2017–2018[22]

Expenditure	Lowest Income Quartile	Highest Income Quartile
Rent (including owner's equivalent rent	34.93%	27.93%
Food at home	9.44%	6.58%
Medical care	8.36%	8.09%
Household utilities	4.36%	2.73%
Motor fuels	3.46%	3.42%
Motor vehicle operation	3.44%	3.40%
Telephone service	2.32%	2.00%

While low-income households pay more of their budgeted income for this basket of essential goods, it is also important to note that the BLS researchers found that, "prices for motor fuel, medical care, fuel and utilities, and shelter rose faster than the overall average. . ." Thus, "[b]ecause the lowest income households dedicate more of their spending on

[20] BLS is the agency that calculates and reports the "rate of inflation" (i.e., the Consumer Price Index [CPI]) each month.

[21] Klick and Stockburger (December 2022). Spotlight on Statistics: Inflation Experiences for Lower and Higher Income Households, U.S. Department of Labor, Bureau of Labor Statistics, available at https://www.bls.gov/spotlight/2022/inflation-experiences-for-lower-and-higher-income-households/home.htm

[22] Klick and Stockburger, supra.

these categories," the BLS researchers found, "their overall inflation rates grew faster than highest income households. [23]

Q. WHAT IMPACT DOES INFLATION HAVE ON HOUSEHOLDS?

A. The Federal Reserve researchers found that the "stress" being placed on households by high inflation is much greater for low-income households as low-income households have less resources and fewer options to mitigate the impact of inflation. They explained:

> Prior research suggests that inflation hits low-income households hardest for several reasons. They spend more of their income on necessities such as food, gas and rent—categories with greater-than-average inflation rates—leaving few ways to reduce spending. When prices rise, middle-income households may react by consuming cheaper goods and buying more generic brands. Low-income households do not have the same flexibility; in many cases, they are already consuming the cheapest products.
>
> Additionally, many low-income households lack the ability of higher-income households to stock up when prices are discounted, buy in bulk and save, delay purchases if there is an opportunity to save in the future or buy more cheaply online. Low-income households are also likely to have smaller cash buffers to tide them over a period of high inflation.
>
> The recent Household Pulse Survey data confirm these tendencies. Households with incomes ranging from $25,000 to $35,000 in 2021 were about 19.3 percentage points more likely to be "very stressed" by inflation than households with incomes in the $75,000 to $100,000 range.[24]

The data is clear and consistent. Lower income families expend a greater share of their income on necessities (which as a whole tend to have higher inflation rates); have smaller financial cushions to mitigate the impact of inflation; and may have less of an ability to

[23]Klick and Stockburger, supra.

[24] Jayashankar and Murphy (January 2023). High inflation disproportionately hurts low-income households, Federal Reserve Bank of Dallas, available at https://www.dallasfed.org/research/economics/2023/0110#:~:text=Low%2Dincome%20households%20most%20stressed,few%20ways%20to%20reduce%20spending%20.

switch to lower-priced alternatives. As Lael Brainard, a member of the Board of Governors of the Federal Reserve System, concluded, "All Americans are confronting higher prices, but the burden is particularly great for households with more limited resources."[25]

Q. WHAT DO YOU CONCLUDE?

A. The testimony of witness Manning presents only part of the story and focuses only on the stress which inflation has placed on utility stakeholders. Just as inflation may have placed stress on the utility, it has also placed stress on utility ratepayers. However, the inflation experienced in recent years has placed far more stress on lower income ratepayers than it has placed on others. Given that inflation is disproportionately affecting lower income households, the Commission must consider the fact that the higher ROE sought by Aqua in this proceeding will only exacerbate the problem by unnecessarily driving up rates. The PUC is obligated to balance the interests of investors and ratepayers in setting a reasonable ROE. In conducting this balance, the PUC should consider the greater adverse impacts that inflation has imposed on low-income ratepayers when setting rates.

Accordingly, I find that the recommendation of OCA witness Ralph Smith regarding the Company's proposed inflation adjustment should be adopted.

[25] Brainard (April 2022). Variations in the inflation experiences of households, available at https://www.federalreserve.gov/newsevents/speech/brainard20220405a.htm

Part 3. Improving the Aqua Customer Assistance Program (CAP).

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY?

A. In this section of my testimony, I consider the basis for offering low-income assistance to Aqua's low-income customers. The policy in Pennsylvania has been long-established for the State's natural gas and electric industries. That policy should also be brought forward to Pennsylvania's water and wastewater utilities such as Aqua as well. Pennsylvania's natural gas and electric distribution utilities operate what are known as "universal service programs." The PUC's Bureau of Consumer Services (BCS) explains "universal service programs" by noting that in the Electricity Generation Customer Choice and competition Act and the Natural Gas Choice and Competition Act:

> the General Assembly wanted to ensure that electric and natural gas service remain universally available to all customers in the state. Consequently, both Acts contain provisions relating to universal electric and gas service, and require the Commission to maintain, at a minimum, the protections, policies and services that assist low-income customers with affording electric and gas service. The Acts also require the Commission to ensure that universal service and energy conservation policies are appropriately funded and available in each electric and natural gas distribution territory.[26]

BCS goes on to explain the objective of universal service programs:

> Universal Service is a collective name applied to the policies, protections and services that help low-income customers maintain electric and natural gas service and includes payment assistance programs, termination of service protections, energy reduction programs and consumer education. The Commission has made the Bureau of Consumer Services (BCS) responsible for monitoring and evaluating public utilities' universal service programs. The goal in monitoring these programs is to ensure they increase the

[26] BCS (December 2022). Universal Service Programs and Collections Performance, 2021, at 1 (internal citations omitted). Available at: https://www.puc.pa.gov/filing-resources/reports/universal-service-programs-and-collections-performance-reports/

effectiveness of EDC and NGDC collections while protecting the public's health and safety.[27]

Clearly, Aqua does not operate pursuant to the same statutory directive as the state's gas and electric distribution utilities do. However, the statutory objectives for the energy industries are equally clearly applicable to water and wastewater utilities such as Aqua. The objective is to help low-income customers maintain service. The further goal is to ensure that the low-income programs "increase the effectiveness of. . .collections while protecting the public's health and safety." In applying these goals, it is important to define a "low-income customer." The PUC defines a "low-income customer" to include any customer with an annual household income at or below 150% of the Federal Poverty Level (FPL).[28]

Q. WHAT IS THE FIRST STEP IN REVIEWING THE DESIGN AND OPERATION OF AQUA'S LOW-INCOME PROGRAMS?

A. The first step in reviewing the design and operation of Aqua's low-income programs involves assessing the extent of Aqua's low-income population and the degree to which Aqua has identified its low-income customers. Aqua estimates that it has 23,123 low-income water customers on its system, with an additional 2,180 low-income customers receiving combined water/sewer service.[29] Given that Aqua reports that it serves 383,376

[27] Id., at 2 (internal citations omitted).

[28] There are some nuances to this definition. For example, "household income" is defined consistent with Chapter 14, which excludes the income of minors in the household. "Annual" income includes either a 12-month income or an income for a shorter period of time annualized to 12-months (e.g., 90-day income annualized to 12-month income).

[29] OCA-VI-02 with attachment and OCA-VI-19 with attachment.

residential water customers, and 50,808 residential wastewater customers,[30] the Company estimates that only 6.0% of its water customers,[31] and 4.3% of its wastewater customers[32] are low-income.

These percentages appear to substantially under-estimate the number of low-income customers on the Company's system. According to the U.S. Census Bureau,[33] 14.0% of the total population living in Aqua's zip codes have income of less than 150% of Federal Poverty Level. The Census Bureau reports that 12.3% of the total population age 18 and older in Aqua's zip codes live with income below 150% of FPL.[34] I apply the percentage of persons with income below 150% FPL, and the percentage of persons age 18 and older with these incomes, to the number of Aqua customers by zip code. Using this method, I estimate that Aqua has between 43,514 and 49,044 water customers with income less than 150% of FPL, substantially more than estimated by the Company.

[30] Id.

[31] 23,123 / 383,376 = 0.060.

[32] 2,180 / 50,808 = 0.043.

[33] American Community Survey (5-year data), Table C17002.

[34] American Community Survey (5-year data), Table B17024.

Q. WHAT IS THE SECOND STEP IN REVIEWING THE DESIGN AND OPERATION OF AQUA'S BILL DISCOUNT PROGRAM?

A. The second step in my review of Aqua's Customer Assistance Program (CAP) involves an examination of the extent to which Aqua succeeds in enrolling its low-income customers in its CAP. It would be inappropriate to examine only the *total* number of low-income customers on the Aqua system. There is a considerable distribution of income-eligible (i.e., at or below 150% FPL) customer on the Aqua system. Of the 244 zip codes comprising the Aqua system:

- 23 have fewer than 5% of their customers (1,676 total) with income at or below 150% FPL;
- 98 have fewer than 10% of their customers (14,066 total) with income at or below 150% FPL;
- 34 have more than 25% of their customers (13,419 total) with income at or below 150% FPL.

Q. HOW WELL DOES AQUA ENROLL LOW-INCOME CUSTOMERS INTO ITS BILL DISCOUNT PROGRAM?

A. Even using Aqua's estimate of its number of low-income customers, the Company enrolls only a fraction of its estimated total. The Company reports that it has enrolled fewer than one-in-four of its estimated numbers of low-income water customers (5,588 of 22,990) in its CAP, and only 22% of its estimated number of low-income combination water/sewer customers (491 of 2,186). Using the more reasonable estimates of low-income customers reveals that Aqua has enrolled between 11% (5,588 of 43,514) and 13% (5,588 of 49,044) of its low-income water customers in its CAP.

Q. PLEASE EXPLAIN THE THIRD STEP OF YOUR REVIEW.

A. In the third step of my review of the Aqua CAP, I examine the impact which the proposed discounts have on the Bill-to-Income Ratio (i.e., bill burden) imposed on low-income customers both before and after applying Aqua's proposed discounts. Aqua proposes to continue the discounts which it currently offers to low-income customers. The Aqua discounts are set forth in the Table below.

Table 4. Aqua PA's Proposed Low-Income Discounts (Water and Wastewater)[35]

Water	Up to 100% FPL	100-150% FPL[36]	151 to 200% FPL
Fixed base facility customer charge	100%	100%	100%
Consumption charge (first 2,000 gallons)	100%	50%	0%
Wastewater	**Up to 100% FPL**	**100-150% FPL[37]**	**151 to 200% FPL**
Fixed base facility customer charge	75%	65%	50%
Consumption charge (first 2,000 gallons)	100%	50%	0%

The discounts proposed by Aqua are unreasonable in that they are not reasonably designed to deliver adequate assistance to customers most in need.

[35] Aqua St. 13, at 3 – 4.

[36] Aqua Statement 13 contains what is assumed to be a typographical error. It lists the second discount as applying to customers with income of 100% to 101% of FPL. It is assumed to mean that the second tier is applicable to customers with income of 100% to 150% of FPL. This is the discount reflected in the Aqua tariffs.

[37] The same assumption is made with respect to what appears to be a typographical error. It lists the second discount as applying to customers with income of 100% to 101% of FPL. It is assumed to mean that the second tier is applicable to customers with income of 100% to 150% of FPL. This is the discount reflected in the Aqua tariffs.

Q. HAVE YOU HAD THE OPPORTUNITY TO ASSESS THE IMPACT OF AQUA'S PROPOSED DISCOUNTS ON THE BILL BURDENS EXPERIENCED BY LOW-INCOME CUSTOMERS?

A. Yes. While Aqua's discounts provide close-to-adequate affordability relief for customers in the third income tier (150% - 200% of FPL), it provides severely inadequate affordability relief in the lower three income tiers. The data in the Table below shows that Aqua's proposed use of a flat discount for the lower income tiers leaves bill burdens remaining at unaffordable levels. Table 5 shows that even after receiving the Aqua discounts, customers with income less than 50% FPL have bill burdens more than 2.5 times higher than the affordable level of 2%. Customers with income between 50% and 75% of FPL have bill burdens more than 1.5 times higher than the affordable level. Customers with income between 75% and 125% of FPL have bill burdens roughly 25% higher than that which is commonly deemed affordable.

Table 5. Bill Burdens by FPL Range with and without Aqua Discounts (Proposed Rates)

Federal Poverty Level	Without Discounts	With Discounts
< 50% FPL	12.9%	5.2%
50 – 75% FPL	8.3%	3.4%
75 – 100% FPL	5.9%	2.4%
100 – 125% FPL	4.6%	2.7%
125 – 150% FPL	3.8%	2.2%
150 – 200% FPL	2.9%	2.2%

Q. WHY DO THE LOWEST INCOME CUSTOMERS CONTINUE TO HAVE UNAFFORDABLE BILL BURDENS EVEN AFTER RECEIVING THE AQUA DISCOUNT?

A. Aqua's lowest income customers continue to receive unaffordable bills because Aqua offers the same flat discount for the entire customer base with income at or below 100% of FPL. The result of this proposed discount is to leave customers with the lowest incomes receiving unaffordable bills. There are a substantial number of these customers. With 4% of all households in the Aqua service territory having income less than 50% of FPL, I estimate that Aqua has 15,347 customers with income that low. Roughly 17,500 customers are estimated to have income between 50% and 100% of FPL, with these income tiers also facing unaffordable bills even after receiving the Aqua bill discounts.

Q. WHAT DO YOU RECOMMEND?

A. I recommend three modifications to the Aqua tiered discount. First, I recommend that the first income tier (0 – 100% FPL) be subdivided into two separate tiers (0 – 50% FPL; 50 – 100% FPL). Through this modification, Aqua can offer a better targeted discount based on the particular income level. The existing tier is simply too broad to allow a single flat discount applicable to all customers in the tier to result in bills that are affordable for customers in that tier. If Aqua were to set discounts in order to make bills affordable at the lower ranges within that tier, Aqua would need to substantially over-pay customers at the upper ranges. If Aqua were to set discounts in order to make bills affordable at the upper ranges within that tier, it would need to substantially under-pay customers at the lower ranges. As it is, Aqua targets neither range very effectively.

Second, I recommend that, having modified the income ranges, the discounts within each range be modified in order to target an affordable burden for each tier. It would not be reasonable to modify the tiers, but to then leave the discounts in each tier unchanged.

Finally, to better reflect actual average consumption, I recommend expanding the usage underlying the first block of discounts from 2,000 gallons per month to 3,200 gallons per month for water service. The existing discount on the first block reaches barely 50% of the consumption charge. Increasing the first block to 3,200 moves the discount toward the principle of offering a discount on the entire bill, while still not discounting higher usage amounts. In the Table below, I show the percentage of median usage covered by: (1) a first block of 2,000 gallons, and (2) a block of 3,200 gallons.

Table 6. Proposed Discounted Blocks as Percent of Median Monthly Usage

	Median Monthly Usage (hundred gallons)	Aqua Discounted First Block Usage	Aqua Discounted Usage as Percent of Median	Modified Discounted First Block Usage	Modified Discounted Usage as Percent of Median
Jan	39.848	2,000	50%	3,200	80%
Feb	36.571	2,000	55%	3,200	88%
Mar	33.709	2,000	59%	3,200	95%
Apr	39.289	2,000	51%	3,200	81%
May	37.114	2,000	54%	3,200	86%
Jun	47.075	2,000	42%	3,200	68%
Jul	43.072	2,000	46%	3,200	74%
Aug	39.201	2,000	51%	3,200	82%
Sep	44.251	2,000	45%	3,200	72%
Oct	37.548	2,000	53%	3,200	85%
Nov	38.634	2,000	52%	3,200	83%
Dec	38.082	2,000	53%	3,200	84%

Combining those three recommendations, the discounts which I propose for water service and for wastewater service are those set forth in the Table below.

Table 7. Proposed Modifications to Aqua Tiered Discounts			
		Water	
Income Ranges	Fixed Charge	First 3,200 Gallons (0 – 100% FPL) / First 2,000 Gallons (100% FPL+)	Exceeding 3,200 Gallons (0 – 100% FPL) / Exceeding 2,000 Gallons (100% FPL+)
0-50% FPL***	100%	100%	0%
50-100% FPL***	100%	75%	0%
100-150% FPL	100%	50%	0%
151-200 % FPL	100%	25%	0%
		Wastewater	
Income Ranges	Fixed Charge	First 2,000 Gallons	Exceeding 2,000 Gallons
0-50% FPL	100%	100%	0%
50-100% FPL	100%	75%	0%
100-150% FPL	65%	50%	0%
151-200 % FPL	50%	0%	0%
***Expanding first discounted block to 3,200 gallons.			

The impact of adopting my three recommendations is to align the proposed Aqua discounts more closely with affordability objectives. The bill burdens at selected ranges of Federal Poverty Level resulting from my recommended discounts are set forth in the Table below.

Table 8. Bill Burdens at Modified Aqua Water and Wastewater Discount		
	Water Burden at Modified Discount	Wastewater Burden at Modified Discount
<50 FPL	2.0%	3.0%
50 – 75% FPL	2.5%	2.4%
75 – 100% FPL	1.8%	1.7%
100 – 125% FPL	2.7%	2.4%
125 – 150% FPL	2.2%	1.9%
150 – 200% FPL	2.0%	2.1%

Making the modifications I recommend above will generate improvements to both water and wastewater burdens. These modifications will better achieve an affordable bill-to-income ratio.

Q.- ARE YOU CONCERNED AT ALL THAT UNDER YOUR PROPOSAL, HOUSEHOLDS WITH INCOME AT OR BELOW 50% OF POVERTY WILL NOT PAY ANYTHING FOR THEIR FIRST 3,200 GALLONS OF WATER AND/OR WASTEWATER?

A. No, I am not concerned about that for several reasons. First, I would note that the same is true for Aqua's proposal for households at or below 100% of poverty for water. My recommendation merely sets a higher threshold of 3,200 gallons for households who simply do not have sufficient income to survive and experience what is known as deep poverty – those at 50% of the FPL or below. My recommendation is simply targeted to be more granular to ensure greater affordability. Second, households using more than 3,200 gallons would have to pay the full cost for every gallon above that amount. Accordingly, my design still maintains payment for usage that is above average.

Q. HAS THE ISSUE OF AQUA'S RATE DESIGN CHOICE OF THE SAME RATES FOR THE CUSTOMER POPULATION WITH INCOME BELOW 100% OF POVERTY BEEN PRESENTED TO THE COMMISSION BEFORE?

A. Yes. In its last base rate case, I also recommended that Aqua divide its bottom tier (0 – 100% of Poverty) into two separate tiers and to offer bigger discounts to the lowest income customers. At that time, the Commission did not accept the proposal. However, the *reason* used by the Commission is critical. In its Final Order in that proceeding, the Commission noted:

> Aqua further submitted that the OCA and CAUSE-PA's other suggestions regarding discount structure and adjusted income tiers, which would require programmatic changes to the existing system, were unreasonable and not feasible at this time, because Aqua will be converting its billing system to SAP in 2023 and development of the system is in the early stages.[38]
>
> The Commission said:
>
> [W]e agree with the ALJ that the structural changes the OCA and CAUSE-PA proposed to the CAP design regarding bill discount and arrearage forgiveness benefits should be more fully considered at a later time, particularly because Aqua explained that many of these recommendations cannot be efficiently implemented until the Company converts its current CIS to SAP in 2023.[39]

Contrary to the last base rate case, I am ***not*** recommending that Aqua convert its rate discount to a percentage of income at this time, although the eventual conversion of the Aqua program to a PIP is the preferable outcome.

My recommendation considers both the Company's testimony in its last rate proceeding and the resulting Commission decision. I understand the Company's prior testimony that the "adjusted income tiers" were not feasible "***because*** Aqua will be converting its billing system to SAP in 2021." (emphasis added). The Commission further found that the recommendations "cannot be efficiently implemented ***until*** the Company converts its current CIS to SAP. . ." (emphasis added). However, the Commission said that the proposed changes to Aqua's bill discount "should be more fully considered at a later time." Now is that "later time." The Company should thus be directed to make the modifications to its bill discount tiers upon the conversion of its CIS to SAP. The decision of Aqua to "pause" its conversion of its current CIS to SAP in 2023 should not

[38] Pennsylvania Public Utility Commission vs. Aqua Pennsylvania, Docket No. R-2021-3027385, Opinion and Order, at 323 (May 16, 2022).

[39] Id., at 331.

result in the Company's lowest income customers being indefinitely denied the help they need. And, more importantly, the decision of the Company to "pause" the conversion of its system should not be used as an excuse to find that the Company's current unreasonable bill discount tiers have become "reasonable" over time due to factors unrelated to the any consideration of reasonableness of the tiers.

As I discuss in detail below, in 2021, the Company committed to incorporating recommended changes to its arrearage forgiveness program upon the conversion of its CIS to SAP. That same commitment should be made in this proceeding regarding changes to the bill discount tiers.

Q. WHAT IS THE FINAL STEP IN ASSESSING THE REASONABLENESS OF AQUA'S CUSTOMER ASSISTANCE PROGRAM?

A. The final step in assessing the reasonableness of Aqua's CAP is to assess the relationship between the high bill burdens experienced by low-income customers and the payment difficulties experienced by those customers. To the extent that low-income customers have demonstrably greater payment difficulties, offering an affordable discount will not only generate benefits to the customers, but will also generate benefits to the utility and its nonparticipating ratepayers. Continuing to render unaffordable bills to low-income customers will have the impact of increasing the costs which Aqua incurs attributable to those unaffordable bills. Those increased costs, in turn, result in increased rates to nonparticipating Aqua customers.

Q. DO YOU FIND ANY RELATIONSHIP BETWEEN LOW-INCOME STATUS ON A GEOGRAPHIC BASIS AND PAYMENT DIFFICULTIES?

A. Yes. Aqua provided data on late payment charges for the zip codes which comprise its service territory. Of all zip codes with 10 or more customers, I examined data for the 25 zip codes with the highest penetration of households with income at or below 100% FPL. These zip codes had an average penetration of households with income below 100% of FPL of 19.9%, compared to the system average penetration of 8.9%. Those low-income zip codes, standing alone, had 12.8% of all Aqua customers. (49,200 of 383,376).[40] These zip codes, however, experienced a far higher rate of late payment charges imposed for past-due balances. In the 12 months ending May 2024 they represented 18.2% of the accounts having late fees imposed and 20.6% of the dollars of late fees imposed.[41] Although OCA requested data, by zip code, on other collection activities, including the numbers of disconnection notices issued and the numbers of nonpayment disconnections, Aqua either could not, or simply did not, provide such information.[42]

Q. DID AQUA PROVIDE DATA THAT ALLOWS INSIGHTS INTO THE PAYMENT DIFFICULTIES OF LOW-INCOME (NON-BILL DISCOUNT PROGRAM) CUSTOMERS RELATIVE TO RESIDENTIAL CUSTOMERS AS A WHOLE?

A. Yes. Data provided by Aqua shows that the Company's low-income customers have substantially greater payment difficulties than do its residential customers in general.[43]

[40] OCA-VI-02 with attachment and OCA-VI-19 with attachment.

[41] OCA-VI-08.

[42] OCA-VI-08(a) and OCA-VI-08(b).

[43] OCA-VI-05.

The Aqua data show, for example, that, for the 41 months ending May 2024 (January 2021 – May 2024), the residential payment-to-bill ratio was 0.90, compared to the low-income payment-to-bill ratio was only 0.65. This means that for each 100 bills which the Company issued to residential customers, it received 90 payments, but for each 100 bills it issued to low-income customers, it only received 65 payments. Moreover, the Aqua data shows that the residential Payment Coverage Ratio (payments, in dollars, as a percentage of bills in dollars) for residential customers was noticeably higher. While the residential Payment Coverage Ratio for the same 4 months was 0.99 (i.e., payments represented 99% of the bills issued), the low-income Payment Coverage Ratio was only 0.93 (93%). It should be remembered, too, that this high Payment Coverage Ratio for low-income customers occurred during a time when the federal government devoted substantial funding to helping low-income customers retire their arrears.

Aside from the outcomes I identify above, the Company performs nonpayment disconnections for low-income accounts at a rate far greater than the rate of nonpayment disconnections for residential customers generally. I compare the sum of nonpayment disconnections for the most recent twelve-month period[44] to the number of current residential and low-income residential customers identified by Aqua. I find that while Aqua has a residential disconnection rate of 2.33 disconnections for each 100 residential customers, it has a low-income disconnection rate of 16.01 for low-income customers. Finally, Aqua is much more likely to terminate service to a low-income customer account after issuing a notice of nonpayment disconnection. While for each 100 disconnection

[44] OCA-VI-05.

notices Aqua issues to residential customers, it actually disconnects service to 5.4 accounts, for each 100 disconnection notices Aqua issues to its low-income customers, it disconnects service to 7.5 low-income accounts.

Q. DID YOU EXAMINE ANY FINAL RELATIONSHIP BETWEEN LOW-INCOME UNAFFORDABILITY AND GREATER PAYMENT DIFFICULTIES FOR THESE LOW-INCOME CUSTOMERS?

A. Yes. I have compared the existence and age of arrears for low-income customers to the existence and age of arrears for residential customers as a whole. My examination is based on data provided by Aqua.[45] I find not only that low-income customers are more deeply in arrears, but that they also have older arrears. Here is a summary:

- According to the Company's data for the 41 months ending May 2024, residential customers have had an average arrears of $281.[46]
- In the most recent twelve months (June 2023- May 2024), the average residential arrears was $273.[47]
- In contrast, the average low-income arrearages during the 41 months ending May 2024 were $707 which is nearly 250% higher than residential arrears overall.[48]
- In the last twelve months (June 2023 – May 2024), the average low-income arrearage was $635.[49]

[45] OCA-VI-11, OCA-VI-12, OCA-VI-13, OCA-VI-14..

[46] OCA-VI-21.

[47] Id.

[48] OCA-VI-22.

[49] Id.

The arrears of low-income customers are not only higher than residential arrears generally, they are also much older. While 10.3% of residential accounts are 180 days or more old, 13.1% of low-income accounts have arrears that old.[50] The difference in the age of arrears, by *dollars* rather than numbers of accounts, is even more pronounced. While 47.0% of residential arrears are 180 days old (or older), 55.4% of low-income arrears are that old.[51]

Q. WHAT DO YOU CONCLUDE?

A. I conclude that the low-income status of Aqua residential customers, and payment difficulties experienced by low-income customers, are frequently closely related in the Aqua service territory. For purposes of my discussion below, the significance of this conclusion is that developing an appropriately designed, targeted, and funded low-income assistance program (including both bill discounts and arrearage forgiveness) (collectively referred to as CAP herein) not only addresses the social problems faced by Aqua's low-income customers, but also addresses the business problems faced by Aqua when it finds that it cannot collect in a complete, regular, and timely fashion the bills which it renders to customers who cannot afford to pay them.

[50] OCA-VI-11, OCA-VI-13.

[51] OCA-VI-12, OCA-VI-14.

Part 4. Promoting CAP and Arrearage Forgiveness Enrollment at the Time of Collection Activities.

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I recommend modifications to Aqua's credit and collection practices to ensure that the Company is offering access to its CAP (including both the bill discount and the arrearage forgiveness) as an alternative to the disconnection of service for nonpayment as well as an alternative to entering into a low-income payment arrangement. Making personal contact to explain the CAP (including both the bill discount and arrearage forgiveness) is not only sound business policy, it would appear to be a practice that is needed to be in compliance with state statute.

Q. WHAT IS THE STATUTORY BASIS FOR YOUR RECOMMENDATION?

A. Pennsylvania statutes provide that:

> No public utility shall, directly or indirectly, by any device whatsoever, or in anywise, demand or receive from any person, corporation, or municipal corporation a greater or less rate for any service rendered or to be rendered by such public utility than that specified in the tariffs of such public utility applicable thereto. The rates specified in such tariffs shall be the lawful rates of such public utility until changed, as provided in this part. *Any public utility, having more than one rate applicable to service rendered to a patron, shall, after notice of service conditions, compute bills under the rate most advantageous to the patron*.[52]

(emphasis added). Aqua should not, in other words, require a customer, known to be a known low-income customer, to pay off arrears through a payment arrangement which arrears would be subject to forgiveness under the Company's CAP. Nor should Aqua disconnect service for nonpayment to a known low-income customer without first offering

[52] 66 Pa. Stat. and Cons. Stat. Ann. § 1303 (West).

enrollment in CAP through which the customer may earn forgiveness of their arrearage balance over time.

Q. WHAT GIVES RISE FOR YOUR CONCERN?

A. Despite the existence of its CAP, Aqua continues to disconnect service for nonpayment to a substantial number of known low-income customers, or those customers from whom Aqua had previously received sufficient information to reasonably establish their low-income status. Moreover, it continues to enter into payment arrangements with known low-income customers even though those payment arrangements are shown to default at a high rate. From January 2021 through May 2024, Aqua disconnected service to 11,097 known low-income customers that were not participating in its CAP.[53] During that same time period, it issued 172,156 shutoff notices to known low-income customers not participating in the CAP.[54] It had a Nonpayment Disconnection Rate of nearly 16.8 nonpayment disconnections for each 100 known low-income customers not participating in the CAP in the most recent twelve month period.

Aqua's use of payment arrangements does not substantively assist low-income customers retire their arrears. According to the Company's data,[55] from January 2021 through May 2024, Aqua entered into 82,728 payment arrangements with known low-income customers not participating in the CAP. During that same time period, 72,593 of those payment arrangements (88.2%) defaulted.[56]

[53] OCA-VI-05.

[54] Id.

[55] OCA-VI-05.

[56] Id.

Q. WHAT DO YOU RECOMMEND?

A. I recommend first that known low-income customers who are negotiating a deferred payment agreement (DPA) with the Company, as well as customers from whom the Company receives information placing them in an income tier of 0% to 150% FPL, should be provided a stand-alone written Plain Language notice informing those customers of their right, in the alternative, to enroll in the Company's CAP (along with an explanation of the advantages of CAP's arrearage forgiveness provisions). Through that opportunity, rather than needing to agree to retire their arrears over an extended period of time, the Confirmed Low-Income customer would be allowed to enroll in CAP and, upon making appropriate payments, receive a forgiveness of their underlying arrearages. This written communication would be provided to known low-income customers. Any agreement to a payment arrangement by a known low-income customer should be accompanied by a written acknowledgement by that customer that the payment arrangement being offered is in lieu of arrearage forgiveness.

In addition, I further recommend that Aqua adopt a procedure under which, prior to the disconnection of a known low-income customer, it will make personal contact with the customer subject to disconnection. In that personal contact, the Company shall offer the known low-income customer the opportunity to apply for the Company's CAP and arrearage forgiveness program. If the customer expresses a desire to make an application for the CAP, Aqua will postpone the disconnection for 30 days to allow the application process to be completed.

Part 5. Modifications to the Aqua Arrearage Forgiveness Program.

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I explain why Aqua should adopt certain modifications to its arrearage forgiveness program. As with the structuring the rate discount tiers, it is now appropriate to consider the reasonableness of modifications to the Aqua arrearage forgiveness program. In its decision regarding the 2021 rate proceeding, the Commission declined to consider recommended modifications to arrearage forgiveness. However, the reason why the Commission declined to consider such changes is important to remember. In its final rate order, the Commission said: "we agree with the ALJ that the structural changes the OCA and CAUSE-PA proposed to the CAP design regarding. . .*arrearage forgiveness benefits should be more fully considered at a later time*, particularly *because* Aqua explained that many of these recommendations cannot be efficiently implemented *until the Company converts its current CIS to SAP in 2023*."[57] This proceeding is now that "later time." While the Company's conversion of its CIS to SAP was to occur last year, the Company now states that "In early 2023, Aqua made the decision to pause on the CIS platform change; this project remains on hold *for the time being*." (emphasis added)[58]

In its 2021 rate proceeding, Aqua agreed that it would make changes to its arrearage forgiveness program upon the conversion of its CIS to SAP. The Company stated in 2021 that "*Upon conversion to SAP, Aqua PA's program will provide arrearage forgiveness*

[57] 2021 Final Order, at 331.

[58] OCA-VII-044.

benefits for each full CAP payment made, regardless of timeliness."[59] That commitment should be extended to this proceeding as well.

Q. PLEASE DESCRIBE AQUA'S CURRENT ARREARAGE FORGIVENESS PROGRAM.

A. Aqua PA currently grants participants in its CAP program monthly bill credits of $25 toward pre-existing arrears for each timely payment made by a program participant.[60] Arrearage forgiveness credits are the same irrespective of which bill discount tier a customer falls into.

Q. WHAT MODIFICATIONS DO YOU PROPOSE TO THE AQUA ARREARAGE FORGIVENESS PROGRAM?

A. I recommend the following modifications to the Aqua PA arrearage forgiveness program.

- First, the current level of bill credits results in an unreasonably long period over which low-income customers would earn sufficient credits to reduce their pre-existing credits to $0. Aqua PA should increase its arrearage forgiveness credits so that program participants will reduce their pre-existing arrears to $0 over a three-year period. The level of arrearage forgiveness credits should be tiered based on the bill discount tier into which the customer falls. I recommend a tiered arrearage forgiveness credit of: (1) Tier 1 (0 – 50% FPL): $50/month; (2) Tier 2 (50 – 100% FPL): $45/month; (3) Tier 3 (100 – 150% FPL): $40/month; and (4) Tier 4 (150 – 200% FPL): $35/month.

[59] Rebuttal Testimony of Rita F. Black, Aqua Statement 10-R, Docket Nos.. R-2021-3027385, R-2021-3027386, at 9 – 10.

[60] Aqua St. 13 at 6.

- Second, Aqua PA proposes to grant arrearage forgiveness credits only to the extent that program participants make "timely" payments on their bills for current service. The Aqua PA arrearage forgiveness program should be modified such that arrearage forgiveness credits will be granted for full payments as those payments are made, even if those payments have not been paid in a timely fashion.

I will explain below why the need for these modifications is even more pressing now that Aqua has had two years of experience with how its program is not working as intended.

Q. PLEASE EXPLAIN YOUR CONCERN ABOUT WHETHER AQUA IS GRANTING ARREARAGE FORGIVENESS FOR FULL PAYMENTS, INCLUDING RETROACTIVE FORGIVENESS FOR PAYMENTS THAT ARE COMPLETED EVEN IF LATE.

A. In Aqua's last base rate case, the recommendation to have Aqua provide arrearage forgiveness at the completion of a full payment, even if that payment was not "timely," was made by both me and CAUSE-PA witness Harry Geller. In her rebuttal testimony, Aqua Witness Black responded by stating:

> CAUSE-PA witness Geller and OCA witness Colton recommend that arrearage forgiveness benefits should be granted when a full CAP payment is made, regardless of timeliness. *I agree that providing this benefit when a full payment is made is more beneficial to the customer, particularly in the cases of customers that may miss their due date on a regular basis due to the timing of their income or irregular income.* The difficulty Aqua PA currently faces is related to its current customer information system. The current system is programmed to provide the $25 benefit when a timely payment is made. Aqua PA will convert to the Peoples Companies' SAP system in the near future. At that time, Aqua PA will benefit from the programming developed to support the Peoples Companies' CAP which provides an arrearage forgiveness benefit for each full CAP payment made. *Upon conversion to*

SAP, Aqua PA's program will provide arrearage forgiveness benefits for each full CAP payment made, regardless of timeliness.[61]

Q. GIVEN THAT COMMITMENT, WHY DO YOU AGAIN RAISE THE ISSUE OF ARREARAGE FORGIVENESS BEING GRANTED UPON RECEIPT OF A FULL PAYMENT, "REGARDLESS OF TIMELINESS"?

A. The commitment that was made in Ms. Black's rebuttal testimony in the 2021 rate proceeding does not appear to have been fulfilled yet. In her explanation of Aqua's arrearage forgiveness program in *this* proceeding, Ms. Black explained the arrearage forgiveness program as follows: "At the time of enrollment, any balance owed to Aqua PA is frozen as a pre-CAP balance, eligible for Arrearage Forgiveness. Each month, when the CAP participants pay their discounted monthly bill *on time*, a $25 Arrearage Forgiveness credit towards the pre-CAP balance is applied to the account, until the pre-CAP balance has been fully exhausted."[62] The reason for this failure appears to be that the conversion of the Aqua CIS system to SAP has been put "on hold." The Company states that "In early 2023, Aqua made the decision to pause on the CIS platform change; this project remains on hold *for the time being*." (emphasis added)[63]

Consistent with her prior commitment to the Commission (and to parties proposing a change to arrearage forgiveness), Aqua should reaffirm its commitment in this proceeding to fulfill its intention, previously expressed, with respect to the design and operation of its arrearage forgiveness program. As soon as its information system is updated from its

[61] Rebuttal Testimony of Rita F. Black, Aqua Statement 10-R, Docket Nos.. R-2021-3027385, R-2021-3027386, at 9 – 10.

[62] Aqua St. 13, at 4.

[63] OCA-VII-044.

CIS, arrearage forgiveness should be granted based on full payments irrespective of whether "regardless of timeliness."

Q. PLEASE EXPLAIN THE BASIS FOR RECOMMENDING AN INCREASE IN THE MONTHLY CREDIT PROVIDED AS PART OF THE AQUA ARREARAGE FORGIVENESS PROGRAM.

A. Aqua PA's arrearage forgiveness program, to which the Company proposes no changes, provides for a bill credit toward pre-existing arrears (i.e., arrears at the time of program enrollment) of $25 per month for each timely payment made by a program participant.[64] This level of bill credit results in an unreasonably long period over which a low-income customer would reduce their level of pre-existing arrears to a $0 balance.

Q. PLEASE EXPLAIN THE BASIS FOR YOUR RECOMMENDATION.

A. Since July 2023, Aqua has enrolled 5,708 new participants in its CAP.[65] Of those, 5,340 (93.6%) have entered the CAP with a pre-program arrearage balance. As Table 9 shows, the average pre-program arrearage over all three CAP tiers was $680. As the Table further documents, however, the average pre-program arrearage balance differs by income tier. The average for Tier 1 (0 – 100% FPL) for the 12-month period (July 2023 – June 2024) was $728.48, while the average for Tier 2 (100 – 150% FPL) was $601.80. Tier 3 had an even smaller arrearage balance (although still substantial) of $557.34. The percentage of new CAP enrollees with a pre-program arrearage balance declined as incomes increased, although for all three tiers, the proportion of new enrollees with balances exceeded 90%.

[64] Aqua St. No. 13 at 4.

[65] OCA-VII-10(a).

The data shows that it generally takes an unreasonable period of time for CAP enrollees to be able to retire their pre-program arrears given a $25 monthly bill credit. While, *on average*, a $25 bill credit allows CAP participants to retire their pre-program arrearages in 27 months, that "average" is misleading. It would not be appropriate to use an average in the first place. If Customer A requires 20 months to retire their pre-program arrearage, and Customer B requires 46 months, the lower number of months for Customer A does not translate over to reducing the time required by Customer B. In this instance, the "average" of 33 months is representative of no-one.

Table 9. CAP Enrollment, Pre-Program Arrearages (sum, average)
(July 2023 – June 2024) (OCA-VII-10)

	T I E R 1					
Month	**w/Pre-Cap**	**pre-CAP Amount**	**Avg pre-CAP**	**w/o Pre-CAP**	**Total Count**	
2023_07	201	$219,602.72	$1,092.55	6	207	
2023_08	185	$156,128.90	$843.94	20	205	
2023_09	156	$129,571.43	$830.59	10	166	
2023_10	228	$207,150.38	$908.55	8	236	
2023_11	221	$140,520.46	$635.84	8	229	
2023_12	576	$346,855.14	$602.18	39	615	
2024_01	498	$275,949.10	$554.11	23	521	
2024_02	861	$542,455.30	$630.03	34	895	
2024_03	193	$127,500.95	$660.63	30	223	
2024_04	117	$126,376.68	$1,080.14	19	136	
2024_05	145	$165,925.01	$1,144.31	7	152	
2024_06	108	$103,639.11	$959.62	9	117	
Sub-total	3489	$2,541,675.18	$728.48	213	3702	94.2%
	T I E R 2					
2023_07	22	$30,550.79	$1,388.67	3	25	
2023_08	21	$27,463.45	$1,307.78	0	21	
2023_09	47	$34,433.37	$732.62	2	49	
2023_10	87	$82,230.05	$945.17	6	93	
2023_11	76	$30,353.33	$399.39	5	81	
2023_12	227	$117,953.53	$519.62	17	244	
2024_01	222	$109,505.40	$493.27	9	231	
2024_02	368	$192,491.79	$523.08	26	394	
2024_03	100	$44,856.16	$448.56	14	114	
2024_04	31	$19,239.57	$620.63	6	37	
2024_05	32	$34,006.44	$1,062.70	1	33	
2024_06	26	$34,579.30	$1,329.97	3	29	
Sub-total	1259	$757,663.18	$601.80	92	1351	93.2%
	T I E R 3					
2023_07	14	$15,048.36	$1,074.88	1	15	
2023_08	5	$5,350.79	$1,070.16	1	6	
2023_09	12	$10,563.30	$880.28	1	13	
2023_10	27	$16,778.82	$621.44	2	29	
2023_11	35	$21,530.80	$615.17	5	40	
2023_12	121	$49,297.45	$407.42	12	133	
2024_01	108	$47,933.97	$443.83	9	117	
2024_02	163	$94,150.03	$577.61	14	177	
2024_03	56	$15,747.62	$281.21	11	67	
2024_04	13	$12,119.48	$932.27	1	14	
2024_05	21	$20,676.03	$984.57	3	24	
2024_06	17	$20,751.12	$1,220.65	3	20	
Sub-total	592	$329,947.77	$557.34	63	655	90.4%
Total	5340	$3,629,286.13	$679.64	368	5708	93.6%

Moreover, as Table 10 demonstrates, in most months of enrollment, the pre-program arrearage balance for new enrollees in that month requires more than the "average." For both Tier 1 and tier 2 customers, the months required to retire their pre-program balances given a $25 monthly credit is greater than the average in eight of the 12 months examined. For Tier 3 customers, the months required to retire their pre-program balances given a $25 monthly credit is greater than the average in 10 of the 12 months examined.

Table 10. Number of Months to Retire Pre-Program Arrears by Income Tier and Month of Enrollment

Month of Enrollment	Tier 1	Tier 2	Tier 3
2023_07	44	56	43
2023_08	34	52	43
2023_09	33	29	35
2023_10	36	38	25
2023_11	25	16	25
2023_12	24	21	16
2024_01	22	20	18
2024_02	25	21	23
2024_03	26	18	11
2024_04	43	25	37
2024_05	46	43	39
2024_06	38	53	49
Sub-total	29	24	22

Finally, the months required to retire a pre-program balance at a $25 credit set forth in Table 10 assumes that CAP participants make their "timely" payment in *every* month. In contrast, the Table below demonstrates that simply does not occur. In the most recent 12 months for which data is available (July 2023 through June 2024), only 36.1% of CAP bills were paid on a full and timely basis. This means that the time required to earn complete arrearage forgiveness is even higher than identified above.

Table 11. CAP Bill Counts by Month Compared to Full and On-Time Payments by Month (OCA-VII-10)

Month	T1 Bill Count	T2 Bill Count	T3 Bill Count	Total Bill Count	Full & On-time Payments	Pct Full and On-Time Payments
2023_07	658	121	38	817	492	60.2%
2023_08	833	142	48	1023	378	37.0%
2023_09	1002	162	53	1217	541	44.5%
2023_10	1114	212	73	1399	529	37.8%
2023_11	1283	350	116	1749	651	37.2%
2023_12	1579	465	182	2226	854	38.4%
2024_01	2102	675	278	3055	1,199	39.2%
2024_02	2629	945	412	3986	1,836	46.1%
2024_03	3386	1261	551	5198	1,837	35.3%
2024_04	3474	1320	583	5377	2,914	54.2%
2024_05	3579	1345	592	5516	956	17.3%
2024_06	3545	1284	574	5403	1,165	21.6%
Sum	25,184	8,282	3,500	36,966	13,352	36.1%

High arrearages are common amongst new enrollees in the arrearage-forgiveness program. According to data provided by Aqua, since January 2023, more than 30% of new enrollees in the CAP have entered the program with pre-program arrearage balances of more than $600.

Q. WHAT DO YOU RECOMMEND?

A. The ideal solution would be for Aqua to adopt the same arrearage forgiveness provisions that its affiliated utility, Peoples Gas has adopted. Through that approach, arrears would be forgiven on a pro-rate basis for each complete payment that has been made over a 24-month period. In its 2021 rate case proceeding, however, Aqua testified that converting

its information technology program to provide for a pro rata forgiveness would not be a cost-effective action to take given the Company's plan to convert its CIS to SAP in 2023. As I noted above, however, in this proceeding, Aqua has reported that the conversion of its CIS to SAP in 2023 was postponed. Given that postponement, the solution I recommend is for Aqua to expand its monthly arrearage forgiveness credits and to convert those credits to a tiered program reflecting the four tiers in the tiered discount I recommend above. I recommend that arrears be forgiven through the following credits: (1) Tier 1 (0 – 50% FPL): $50/month; (2) Tier 2 (50 – 100% FPL): $45/month; (3) Tier 3 (100 – 150% FPL): $40/month; and (4) Tier 4 (150 – 200% FPL): $35/month. This increase in the credit will allow AFP participants to retire their arrears over a reasonable time, while still controlling costs to non-participants.

Part 6. Cost Offsets to Aqua's Bill Discounts and Arrearage Forgiveness.

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I recommend that the Commission adopt reasonable offsets to the recovery of Aqua's costs for its bill discount credits and arrearage forgiveness credits both to reflect the cost savings generated by the programs and to ensure that the Company is not double-recovering its costs.

Q. PLEASE EXPLAIN WHY AN OFFSET FOR CAP COST RECOVERY IS APPROPRIATE AND HAS BEEN IMPLEMENTED BY OTHER UTILITIES WHICH OFFER CAP?

A. By asking for rate recovery of the credit which Aqua provides to CAP program participants through its bill discount and arrearage forgiveness CAP program

components, Aqua is treating those bill credits as if they were *new* costs. In fact, that is precisely what Aqua is doing when it Aqua includes a specific adjustment to increase its rates to reflect the bill discount credits and arrearage forgiveness credits for both water and wastewater service.[66] For example, Aqua includes its arrearage forgiveness credits as an addition to its uncollectibles. However, it does not adjust either the arrearage forgiveness credits, or the underlying uncollectibles, for the dollars that appear in *both* places.[67] Instead, the underlying uncollectibles are "based on three years of history."[68]

In fact, however, the bill discount and arrearage forgiveness credits are not, or at least not entirely, new costs. When Aqua provides credits for its low-income bill discounts and arrearage forgiveness, it is simply *moving* costs from its historic cost of service to a new categorization of those costs. While the categorization is new, the costs are not. Accordingly, when Aqua includes a claim for cost recover for those credits, unless the Company removes those credits from the other elements of its cost of service, it is collecting at least some of those costs twice.

Q. IS THIS A DIFFERENT QUESTION FROM WHETHER THE BAD DEBT EXPENSE DECREASES DUE TO BETTER PAYMENT PATTERNS ATTRIBUTABLE TO THE MORE AFFORDABLE LOW-INCOME RATES?

A. Yes. The question of whether there is a double recovery of costs is an entirely separate question from whether there is a cost reduction due to the more affordable bills being issued to low-income customers. The available research shows that improving the

[66] OCA-VII-20.

[67] Aqua Exh. 1-A, Schedule C-4.2; Exh. 1-C, Schedule C-4.2.

[68] Aqua Exh. 1-A, Schedule C-4.2.i; Exh. 1-C, Schedule C-4.2.i.

affordability of bills to low-income customers will improve their payment patterns. Even Company witness Black agrees this will occur.[69] While acknowledging that these cost reductions occur, Aqua did not previously attempt to quantify or dollarize them. It is that cost reduction, however, which Aqua sets forth in its response to OCA discovery.[70] OCA would have been both able and willing to explain to Aqua the difference had Aqua engaged in the consultation which the PUC had directed that it undertake (but which it did not).

A. The Backdrop of OCA's Proposed Offset for CAP Cost Recovery.

Q. CAN YOU PROVIDE SOME CONTEXT FOR THE OFFSETS WHICH YOU PROPOSE?

A. Yes. In Aqua's last rate case, I recommended that the Commission adopt an offset to prevent the double recovery of costs. The Commission disallowed that offset. However, the Commission's decision in not approving my proposed adjustment is critical to remember in this proceeding. The Commission said:

> In our opinion, the OCA's proposed 28% offset is arbitrary; and it would not be prudent to adopt it as a realistic offset to reflect actual collections savings. Nevertheless, we agree with the OCA that there is a potential that the Company's CAP may result in a double recovery of low-income rates. Inasmuch as the Company acknowledged that any offset should be based on actual collections experienced gained after the implementation of the CAP to ensure it is an accurate representation of actual collections savings, we shall deny the OCA's Exception concerning its recommended offset and, instead, direct Aqua to take the necessary actions within its Company to monitor and maintain the necessary information that could be used in its next base rate proceeding to determine whether a double-recovery is occurring, and if so, to determine an appropriate offset that should be applied to prevent any double recovery. The Company is further directed to consult with the

[69] OCA-VII-16 (attached as OCA Exh. RDC-4).

[70] OCA-XII-1.

> OCA and I&E to determine the necessary data needed to accomplish this directive.
>
> Accordingly, consistent with the discussion above, we shall reverse the ALJ's recommendation and adopt the OCA's Exception No. 16, in part, by rejecting the Company's proposed reconcilable USR and requiring that the Company continue to recover its low-income program costs through base rates. However, the OCA's Exception No. 16, with regard to its requests that the Company be directed to collect only the net costs of its low-income program in this proceeding is denied because an appropriate offset has not been determined in this proceeding and needs further review.
>
> Therefore, consistent with the above discussion, the Company is directed to begin monitoring and reviewing the appropriate billing data for purposes of determining, in its next base rate proceeding, if, and to what extent, any offset to its low-income program cost recovery is necessary to avoid any double recovery the Company may receive through actual collections after the implementation of its CAP. The Company is further directed to consult with the OCA and I&E to determine the necessary data needed to accomplish this directive.[71]

Q. AFTER BEING "DIRECTED" TO DO SO, DID AQUA BEGIN "MONITORING AND REVIEWING THE APPROPRIATE BILLING DATA FOR PURPOSES OF DETERMINING, IN ITS NEXT BASE RATE PROCEEDING, IF, AND TO WHAT EXTENT, ANY OFFSET TO ITS LOW-INCOME PROGRAM COST RECOVERY IS NECESSARY TO AVOID ANY DOUBLE RECOVERY"?

A. No, and neither was an offset recommended when Aqua filed its rate request.[72]

[71] Pennsylvania PUC v. Aqua Pennsylvania, Opinion and Order, Docket R-2021-3027385, Opinion and Order, at 319 – 320 (May 12, 2022).

[72] OCA-XII-1.

Q. AFTER BEING DIRECTED TO DO SO, DID AQUA IDENTIFY THE "NECESSARY ACTIONS" IT NEEDED TO TAKE TO BEGIN MONITORING AND REVIEWING THE APPROPRIATE BILLING DATA"?

A. No.[73]

Q. AFTER BEING DIRECTED TO DO SO, DID AQUA CONSULT WITH THE OCA TO "DETERMINE THE NECESSARY DATA NEED TO ACCOMPLISH [THE COMMISSION'S] DIRECTIVE?

A. No.[74]

Q. AFTER BEING DIRECTED TO DO SO, DID AQUA SHARE ANY DATA THAT IT PROPOSED TO "MONITOR AND COLLECT" IN COMPLIANCE WITH THE PUC DIRECTIVE TO "CONSULT WITH THE OCA. . .TO DETERMINE THE NECESSARY DATA NEEDED TO ACCOMPLISH THIS DIRECTIVE"?

A. No. [75]

Q. AFTER BEING DIRECTED TO DO SO, DID AQUA "MONITOR AND MAINTAIN THE NECESSARY INFORMATION THAT COULD BE USED TO DETERMINE WHETHER A DOUBLE-RECOVERY IS OCCURRING"?

A. No.[76]

[73] OCA-XII-1

[74] OCA-XII-2

[75] OCA-XII-2.

[76] OCA-XII-3.

Q. AFTER BEING DIRECTED TO DO SO, DID AQUA IDENTIFY TO OCA ANY OF THE "APPROPRIATE BILLING DATA" THAT IT DEEMED TO BE THE "NECESSARY DATA" TO ACCOMPLISH THE PUC DIRECTIVES?

A. No.[77]

Q. BEFORE FILING THE PRESENT RATE CASE, DID AQUA DEVELOP ANY ANALYSIS OF "AN APPROPRIATE OFFSET THAT SHOULD BE APPLIED TO PREVENT ANY DOUBLE RECOVERY"?

A. No. [78]

Q. SINCE THE TIME THE COMMISSION "DIRECTED" AQUA TO "BEGIN MONITORING AND REVIEWING THE APPROPRIATE BILLING DATA FOR PURPOSES OF DETERMINING. . .IF, AND TO WHAT EXTENT, ANY OFFSET TO ITS LOW-INCOME PROGRAM IS NECESSARY TO AVOID ANY DOUBLE RECOVERY," HAS AQUA ENGAGED IN SUCH MONITORING AND REVIEW OF ITS BILL DISCOUNT AND/OR ARREARAGE FORGIVENESS PARTICIPANTS?

A. No. When asked for "copies of all internal data reports routinely periodically (e.g., weekly, monthly, bi-monthly) generated regarding the operation of the Bill Discount Program since its inception," the Company could provide no reports that involved "monitoring and reviewing the appropriate billing data. . ."[79] Indeed, it provided no reports that monitored *any* billing data, deemed appropriate or not, that were generated

[77] OCA-XII-5.

[78] OCA-XII-6, OCA-XII-7.

[79] OCA-VII-9.

"for purposes of determining if, and to what extent, any offset to its low-income program is necessary to avoid any double recovery."

Q. SINCE THE TIME THE COMMISSION "DIRECTED" AQUA TO "BEGIN MONITORING AND REVIEWING THE APPROPRIATE BILLING DATA FOR PURPOSES OF DETERMINING. . .IF, AND TO WHAT EXTENT, ANY OFFSET TO ITS LOW-INCOME PROGRAM IS NECESSARY TO AVOID ANY DOUBLE RECOVERY," HAS AQUA ENGAGED IN SUCH MONITORING AND REVIEW OF ITS ARREARAGE FORGIVENESS PROGRAM PARTICIPANTS?

A. No. When asked for all monthly tracking reports (or tracking reports for other periods if a period other than a month is used), since January 2021, whether or not filed with the Commission, which track: (a) Payments by participants enrolled in the arrearage forgiveness program; and (b) Arrears incurred by participants in the arrearage forgiveness program subsequent to enrollment in the program, the Company could provide no such reports for arrearage forgiveness participants.[80]

Q. DID AQUA ENGAGE IN ANY MONITORING AND REVIEW OF THE SOURCE OF ITS UNCOLLECTIBLES?

A. No. OCA specifically asked Aqua for any "studies, analyses, memos, workpapers, or written documents of any nature" that "disaggregate the source of *bad debt* to the Company by. . .socio-economic status of the customer (for residential bad debt)," the Company said it had no such documents.[81]

[80] OCA-VII-12.

[81] OCA-VII-6.

Q. DID AQUA ENGAGE IN ANY MONITORING AND REVIEW OF THE SOURCE OF ITS ARREARS?

A. No. OCA specifically asked Aqua for any "studies, analyses, memos, workpapers, or written documents of any nature" that "disaggregate the source of *arrears* to the Company by socio-economic status of the customer (for residential arrears)." The Company said it had no such documents.[82]

Q. DID AQUA ENGAGE IN ANY MONITORING AND REVIEW OF THE RELATIONSHIP BETWEEN PAYMENT TROUBLED AND LOW-INCOME STATUS?

A. No. OCA specifically asked Aqua for any "studies, analyses, memos, workpapers, or written documents of any nature" that "considers, evaluates or discusses the relationship between residential payment-troubles and low-income status." The Company said it had no such documents.[83]

Q. WHAT DO YOU CONCLUDE?

A. Based on its lack of information, I conclude that the Company simply failed to comply with the Commission directive as it failed to produce *any* tracking reports, despite the Commission's directive to begin "monitoring and reviewing" such data.

[82] OCA-VII-7.

[83] OCA-VII-8.

Q. DOES AQUA CLAIM THAT IT HAS COMPLIED WITH THE COMMISSION DIRECTIVE TO "CONSULT WITH THE OCA AND I&E TO DETERMINE THE NECESSARY DATA NEEDED TO ACCOMPLISH THIS DIRECTIVE?

A. It is not clear whether Aqua is really claiming that its actions were intended to comply with the Commission directive to "consult with OCA[84]. . .to determine the necessary data needed to accomplish this directive."[85] Nonetheless, in response to questions about the dates and nature of any consultation with OCA "to determine the necessary data needed to accomplish this directive," Aqua states that it "has taken the necessary steps to implement the program and enroll participants." The Company continues to state that it "has met with the various stakeholders to review and update participants on its progress in implementing its Universal Service Programs through its Aqua Assistance Collaborative." It lists six dates on which the Collaborative met between September 12, 2022 and May 15, 2024.[86] Aqua does not even attempt to explain what relevance that has to whether Aqua complied with the clear and unambiguous "directive" that Aqua was "to consult with the OCA and I&E to determine the necessary data needed to accomplish this directive."

The meetings cited by Aqua in its discussion of the Aqua Assistance Collaborative had nothing to do with consulting with the OCA (or anyone else) about the "necessary data needed to accomplish" the Commission's directive. Attached as Exhibit RDC-2 is the

[84] Exclusion of I&E from my observation should not be construed as a concession that Aqua consulted with I&E as directed by the PUC. My scope of testimony is simply limited to the interactions, or lack of interactions, with OCA.

[85] OCA-XII-2. It could be that Aqua simply seeks to make these statements in mitigation of it failure to comply with the unambiguous PUC "directive" in Aqua's last rate case.

[86] OCA-XII-2.

documentary history of the Aqua Assistance Collaborative meetings cited by the Company.[87] In addition to the discovery response citing these Aqua Assistance Collaborative meetings as the consultation which the Commission directed Aqua to undertake, Exhibit RDC-2 includes Aqua's responses to OCA-XXI-1[88] through OCA-XXI-5. OCA-XXI-1 demonstrates that no minutes were maintained of the meetings cited by the Company. This response does, however, when asked for any "written document provided by any Collaborative member in response to a discussion of the data that needed to be tracked in order to calculate a CAP offset in Aqua's next base rate case," state that "*this topic was not specifically discussed during the AAC meetings*."[89] The Company further concedes that "the corresponding data and spreadsheet referenced in OCA-XII-1 was not presented during the AAC or prior to the end of the HTY."[90] Indeed, rather than being the result of any consultation with OCA (or I&E), the Company admits that "the material was first presented on June 26, 2024 in response to OCA-XII-1."[91]

[87] Exhibit RDC-2 includes the following documents: (1) Aqua response to OCA-XXI-2; (2) Aqua response to OCA-XXI-1 (without attachments); (3) Aqua response to OCA-XXI-2; (4) Aqua response to OCA-XII-3; (5) Aqua response to OCA-XXI-4; and (6) Aqua response to OCA-XII-5.

[88] I do not include the Attachments to OCA-XXI-1 with this Exhibit.

[89] OCA-XXI-1(g) (emphasis added), attached as part of Exhibit RDC-2.

[90] OCA-XXI-3 (attached as part of Exhibit RDC-2). Evidence of the fact that neither the data nor the calculations were presented to the Collaborative is the fact that when Aqua submitted its data in this rate case, it did so only with the data being identified as "confidential." (OCA-XII-1). However, no member of the Collaborative was asked to sign a confidentiality agreement for materials presented at any of the Collaborative meetings cited by the Company. (OCA-XXI-2) (attached as part of Exhibit RDC-2).

[91] OCA-XXI-4 (attached as part of Exhibit RDC-2). Even this data request response is untrue. While this response asserts that the Company presented the information to OCA-XII-1 on "June 26, 2024," in fact, the Company did not provide its narrative response to OCA-XII-1 until *July* 26, 2024, and did not provide the accompanying worksheet until August 1, 2024.

Q. IS THERE ANY OTHER REASON TO BELIEVE THAT THESE AQUA ASSISTANCE COLLABORATIVE MEETINGS WERE NEVER INTENDED TO BE, AND COULD NOT HAVE BEEN, THE CONSULTATION WITH THE OCA THAT THE COMMISSION DIRECTED TO OCCUR?

A. Yes. The meetings of the Collaborative referenced above were under the direction of Company witness Black.[92] However, Ms. Black explicitly disclaims any knowledge of: (1) "working capital and other financial topic" associated with the bill discount or arrearage forgiveness programs; and (2) "collection topics" associated with the low-income programs.[93] Moreover, Ms. Black disclaims the ability to comment on the working capital implications of the low-income program; the impact of the programs on uncollectibles the impact of the programs on Company sales and revenues; and the impact of the program on collection costs.[94]

Q. IS THERE AN ISSUE PRESENTED BY THE COMPANY'S FAILURE TO COMPLY WITH THE COMMISSION DIRECTIVE THAT IS IN ADDITION TO THE OFFSET THAT SHOULD BE APPLIED TO AQUA'S BILL DISCOUNT AND ARREARAGE FORGIVENESS CREDITS?

A. Yes. The Commission and other parties to a rate case have an interest in protecting the Commission's authority. It issued a clear and unambiguous, in mandatory language ("direct Aqua to take", "direct Aqua to take the necessary actions," "the Company is further directed to consult with the OCA"). A utility should not be allowed to act in

[92] See, OCA Exh. RDC-2.

[93] OCA-VII-13 (attached as OCA Exh. RDC-5).

[94] OCA-VII-18 (attached as OCA Exh. RDC-6).

defiance of those orders simply because they may disagree with them. Second, the Commission and all parties have an interest in enforcing the conditions which the Commission places on the approval of increased rates. In its last rate case, the Commission clearly approved Aqua's recovery of universal service costs given certain preconditions. After all, the Commission explicitly stated that "*we agree with the OCA* that there is a potential that the Company's CAP may result in a double recovery of low-income rates." The Commission finally made clear that its failure to order an offset was based on compliance with its directive. The Commission said: "we shall deny the OCA's Exception concerning its recommended offset and, *instead*, direct Aqua to take the necessary actions. . ." (emphasis added).

B. Calculating an Appropriate Offset to Aqua's CAP Cost Recovery Claim.

Q. HAVE YOU CALCULATED A BAD DEBT OFFSET FOR AQUA?

A. Yes. Aqua reports that it calculates its reserves for write-offs based on the age of the unpaid balance. According to Aqua, its reserve is calculated as follows: (1) 0% for current accounts receivable; (2) 3% for unpaid balances 31 – 60 days past due; (3) 8% for unpaid balances 61 – 90 days past due; (4) 15% for unpaid balances 91 – 120 days past due; (5) 40% for accounts 121 – 180 days past due; and (6) 100% for accounts greater than 180 days past due.[95] Since there is no reserve for uncollectibles for "current accounts receivable," I do not further consider dollars in that aging bucket. Aqua then provided an aging report for both known low-income accounts and for participants in the Company's CAP program.[96] For each of these customer populations, I determined the percentage of

[95] OCA-VII-31 (attached as Exh. RDC-7).

[96] OCA-VI-11.

(and thus the sum of) average monthly dollars in arrears in each aging bucket. As is shown in the Table below, the arrears for customers before they enter CAP are much older than they are after entering the program.

Table 12. Percentage of Arrears by Age of Arrears
(Confirmed Low-Income [CLI] vs. CAP) (June 2023 – May 2024) (OCA-VI-11)

	31 – 60 days	61 – 90 days	91 – 120 days	120 – 180 days	180+ days	Total
Pct of CAP total by age	31.8%	21.3%	15.5%	18.1%	13.4%	100.0%
Pct of CLI total by age	13.6%	10.8%	9.1%	13.8%	52.7%	100.0%

After applying the percentage which Aqua, itself, identified as using to determine its reserve for uncollectibles, I determined the amount which would be reserved for uncollectibles at the aging of Confirmed Low-Income arrears and the amount reserved at the aging of CAP arrears. Aqua claims $9,451,309.90 in bill discount credits for water and $1,357,034 in bill discount credits for wastewater.[97] I recommend a reduction in the bill discount cost recovery of $2,455,931.82 for water. The appropriate offset is $352,626.60 for wastewater bill discount credits.

Q. HAVE YOU CALCULATED AN OFFSET FOR THE ARREARAGE FORGIVENESS CREDITS AS WELL?

A. Yes. Aqua claims an arrearage forgiveness adjustment of $2,063,988 for the year ending December 31, 2025 for water.[98] It claims an arrearage forgiveness adjustment of $228,018 for wastewater.[99]As is evident from the Company schedules, it adds the arrearage forgiveness credits to its uncollectibles while making no adjustment to subtract

[97] OCA-VII-20.

[98] Aqua Exhibit 1-A, Schedule C-4.2.

[99] Aqua Exhibit 1-C, Schedule C-4.2.

those uncollectibles that would already be included in rates in its total uncollectibles. For both water and wastewater, Aqua applies its three-year average uncollectibles factor to "sales to general customers excluding forfeited discounts and miscellaneous revenue." Those sales do not exclude sales to Confirmed Low-Income customers or to CAP participants. Using the same aging of arrears I used for the bill discount credits, I find that the appropriate offset for the Company's water arrearage forgiveness credits is $812,620. The appropriate offset for the Company's wastewater arrearage forgiveness credits is $89,774.

Q. HAVE YOU INCLUDED AN INCREASED COST, ALONG WITH THE ACCOMPANYING OFFSET, TO BE INCLUDED IN RATES TO REFLECT THE CHANGES YOU RECOMMEND FOR THE TIERED DISCOUNTS?

A. No. It is important to remember that I have not recommended an *immediate* change in the tiered bill discount for Aqua. I acknowledge in my testimony above that the Company has previously testified, and the Commission has agreed, that the feasibility of moving to divide the bottom tier into two separate tiers is dependent upon the timing of the Company's conversion of its CIS to SAP. Had that conversion occurred in 2023, as Aqua had said it would in the Company's last base rate case, my recommendation in this case would have been to make the change immediately. However, Aqua has said that its conversion has been placed "on hold" for the time-being. My recommendation, therefore, is that Aqua should be directed to make the change in its bill discount tiers at the time of that conversion. This is no different from Aqua's commitment in its 2021 rate case, as I discuss elsewhere, to make changes to its arrearage forgiveness program, which changes depend on the conversion, at the time of the conversion. When the conversion

occurs, it will be time to determine the rate impact of the move to add an additional tier to the bill discount.

Q. HAVE YOU INCLUDED AN INCREMENTAL COST TO THE ARREARAGE FORGIVENESS PROGRAM FOR YOUR RECOMMENDATION TO INCREASE THE MONTHLY ARREARAGE FORGIVENESS CREDITS?

A. No. My reason for not including an additional cost here, however, is a different reason than my reason for not including an additional cost of adding an additional bill discount tier. My recommended modification to the level of arrearage forgiveness credits should not increase the total cost of the arrearage forgiveness program. The total cost of the arrearage forgiveness program is not driven by the rate at which pre-program arrears are forgiven on a monthly basis. The total cost of the arrearage forgiveness program is instead driven by the amount of arrears that program participants bring into the program with which to begin.

As I discuss above, and demonstrate in Table 9, the average pre-program arrears brought into the arrearage forgiveness program is $680. Expanding the monthly discount for the lowest income tier does not increase that $680 to $900 (or to any other dollar figure). Expanding the discount for the lowest tier would simply accelerate the rate at which the pre-program arrears is forgiven. Given Aqua's current credit of $25 per month, a program participant would retire their arrears in 27.2 months ($680 pre-program arrears / $25 credit per month = 27.2 months). Expanding the credit to $50/month would mean the pre-program arrears would instead be retired in 13.6 months. If Aqua were allowed to increase its cost recovery to reflect an expansion of the forgiveness credit to $50/month rather than $25/month, it would over-recover total costs. Increasing the costs to reflect

the months of the expanded credit does not take into account that there are also an increased number of months in which the credit would be $0 (since the total pre-program arrears would have been retired). The program cost should thus not be increased because the program cost is driven by the original pre-program arrears of $680, not by whether the forgiveness credit is $50/month or $25/month. Under the current rate of credits, the program cost would be 27 months times $25/month, or $675. Under my recommendation, the program cost would be (13 months times $50/month) *plus* (14 months times $0/month), or $650 (setting aside the rounding resulting in a partial credit in the final month).

To summarize, increasing the arrearage forgiveness monthly credit does not expand the cost of the program because the cost of the program is driven by the initial pre-program arrears brought into the program by the program participant, *not* by the rate at which those pre-program arrears are forgiven on a monthly basis.

Part 7. Expanding Aqua's Low-Income Water Conservation Program.

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I examine Aqua's low-income water conservation expenditures. I conclude that Aqua devotes an unreasonably small amount of funding to low-income water conservation. Reasonable opportunities exist to allow the Company to expand its conservation investments.

Q. PLEASE EXPLAIN YOUR UNDERSTANDING OF AQUA'S CURRENT CONSERVATION INVESTMENTS IN LOW-INCOME CUSTOMERS.

A. According to the Company, "Aqua's water conservation budget is limited to the purchase, processing and shipping costs of conservation kits which are self-installed by customers. These costs are part of the Leak Repair and Conservation annual funding that was approved at $100,000 in the prior base rate proceeding. Approximately $22,000 is expected to be used annually for conservation kits, based on currently effective pricing."[100] Aqua states that its "conservation work is limited to conservation kits which are self-installed by the customer."[101] The projected $22,000 expenditure is expected to fund 1,000 conservation kits.[102] While Aqua proposes an increase in its budget for its leak repair program,[103] it has not proposed a corresponding increase in the funding of its conservation kits. This failure to increase conservation funding occurs despite the fact that, according to Company witness Black, in just the first three months of 2024, Aqua has experienced a more than doubling of requests for leak repair assistance.[104]

Q. PLEASE EXPLAIN THE ADVANTAGES TO THE COMPANY AND THE CUSTOMER THAT ARISE FROM RECEIPT OF A CONSERVATION KIT.

A. As I explain in detail below, unaffordable bills have a dramatic adverse impact on low-income households. When low-income households cannot afford to pay their bills, they frequently resort to extreme measures. These measures include reducing expenditures on

[100] Aqua St. 13, at 15; see also, OCA-VII-25.

[101] OCA-VII-26, OCA-VII-27, OCA-VII-28, OCA-VII-29..

[102] Aqua St. 13, at 13.

[103] Id.

[104] Id., at 13.

food for their households, reducing expenditures on medical and dental services and medicines, and engaging in extreme usage reduction measures such as not bathing or flushing their toilets.

In addition, however, the unaffordability of bills results in a significant deterioration in low-income bill payment patterns as I have described in detail above. These nonpayment practices not only lead to even further increased bills through charges such as late payment charges (for those not participating in the CAP), but lead to increased bills due to charges associated with the disconnection of service for nonpayment (and subsequent reconnections, if any).

It is clear that increasing usage has a substantive impact on the bills facing low-income customers. According to the Company, the residential bills are present rates given different increments of usage are those set forth in the Table below (Rate Zone 1 – Main Division).

Table 13. Residential Bills at Different Increments of Usage (Present Rates—Rate Zone 1 – Main Division)		
Usage Increment	Consumption (gallons)	Bills at Present Rates
50% median	1,430	$41.98
75% median	2,145	$52.35
Median usage	2,860	$64.19
125% median	3,575	$76.30
150% median	4,290	$87.86

Q. IS THERE AN OPPORTUNITY FOR AQUA TO TIE ITS DISTRIBUTION OF CONSERVATION KITS MORE CLOSELY TO ITS BILL DISCOUNT PROGRAM?

A. Yes. At a cost of $22 per kit ($22,000 total expenditures for 1,000 kits), it would quickly become cost-effective for Aqua to distribute its conservation kits to low-income customers at the time they enroll in the CAP. A reduction of CAP credits of $2/month per participant would, in a single year, more than repay the Company for its investment in conservation kits distributed to CAP participants. This sets aside any other avoided costs generated by the reduced water consumption. As with any conservation investment, of course, the savings should be calculated over the life of the investment. The usage reduction measures in conservation kits would have a life well beyond a single year. Aqua, therefore, could expect to receive a payback of well more than the cost of the kit over the life of the measures.

Q. IS THERE A SECOND DISTRIBUTION NETWORK THAT AQUA SHOULD BE USING FOR ITS CONSERVATION KITS?

A. Yes. Given that the conservation kits involve only self-installed measures provided to the recipient low-income customers, Aqua would benefit, also, from distributing its kits through contractors that are delivering energy efficiency services through the Low-Income Usage Reduction Program (LIURP) operated by natural gas and electricity providers with overlapping service territories.

Q. WHAT DO YOU RECOMMEND?

A. I recommend that Aqua increase the budget for its conservation kits to match its proposed budget for its leak repair program. A budget of $132,000[105] would allow Aqua to deliver conservation kits to all new participants in its CAP while also providing the Company with sufficient kits to be delivered when the energy companies with overlapping service territories deliver their existing LIURP services.

Q. IS THERE A NEED FOR SEPARATE COST RECOVERY FOR THESE ADDITIONAL CONSERVATION KITS?

A. No. The conservation kits are relatively inexpensive ($22/kit). There would be no administrative costs associated with the use of such kits given that the kits simply involve customer-installed measures. Moreover, as I discuss above, one advantage of the delivery of conservation kits is that they will reasonably be expected to reduce the costs of the Company's CAP on a multi-year basis. There should, therefore, be no incremental cost that requires separate cost recovery by the Company. However, to reflect the fact that my recommendation is occurring before Aqua or its customers are realizing the

[105] Aqua St. 13, at 14.

benefit of increased conservation kit distribution, OCA witness Smith recommends inclusion of an expense of $110,000 in Aqua's overall revenue requirement for this proceeding. I maintain that, in the long-term, the Company and ratepayers, alike, will see much more substantial a benefit than the initial expense increase authorized in this proceeding.

Part 8. Adverse Impact of Increased Customer Charge on Low-Income Customers.

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I explain the adverse impacts on low-income customers in particular that will arise from Aqua's proposal to increase its fixed monthly customer charge from $20.51 per month to $23.90 per month (an increase of more than $40 per year). Such an increase in the unavoidable charges included on a low-income customer's bill simply exacerbates the sacrifices that such customers must make when their bills become due and they have insufficient money to pay them.

Q. CAN YOU EXPLAIN WHAT SACRIFICES LOW-INCOME HOUSEHOLDS MAKE WHEN THEY CANNOT AFFORD TO PAY THEIR WATER BILLS?

A. Yes. A report for the University of Michigan's School for Environment and Sustainability identifies the sacrifices people make when they cannot afford to pay for their water service.[106] I have attached the results of this study to this Testimony as Exhibit RDC-3. According to that University of Michigan study, "residents are making trade-offs to pay their bills." The study found that 51% of the residents reported switching between

[106] School for Environment and Sustainability, University of Michigan, "Household Water Security in Metropolitan Detroit: Measuring the Affordability Gap."

paying their energy bills and paying their water bills. Moreover, the study found that 84% of residents reported cutting back on monthly expenses in order to pay their water bills. Examples of those household expense reductions included 68% who reduced transportation expenses, 38% who reported reducing expenditures on medicines, 47% who reported reducing expenditures on medical or dental care, and 60% who reported reducing expenditures on school supplies.

This study of the impact of unaffordable water bills in Detroit closely reflects similar findings that I made in preparing a water affordability plan for the City of Toledo (OH).[107] My study in Toledo found that of those customers whose water bill became overdue before they could find money to pay for it (either "often" or "always"): (1) 33% skipped or reduced payments on needed purchases or repairs, and (2) 29% used other methods to obtain necessary items such as food, shelter, other utilities, etc. I found in Toledo that the fact that the water bill got paid did not detract from the sacrifices that low-income customers were making. Of those customers who reported having their water bill become due before they had money to pay for it ("often" or "always'), but who "found a way to make a payment,": (1) 63% skipped or reduced payments on needed purchases or repairs; and (2) 44% borrowed money from friends, bank, payday loan, or other entity. Of those low-income customers who said having their water bill become due before they had money to pay for it, and did *not* make a payment (either "often" or "always"), 67% reported that they borrowed money from friends, bank, payday loan, or some other entity.

[107] Colton (2021). Water Affordability Plan: City of Toledo (OH), prepared for City of Toledo.

Q. HOW DO THESE HOUSEHOLD ACTIONS RELATE TO AQUA'S PROPOSED INCREASE IN ITS RESIDENTIAL CUSTOMER CHARGE?

A. Taking dramatic actions to reduce home energy consumption is not at all uncommon within the low-income population when those customers do not have sufficient money to pay their home water bills. The households who are forced into engaging in these unsafe and unhealthy activities in their struggle to keep their home water bills affordable are impeded in their efforts by the Company's proposal to increase its fixed monthly customer. Aqua's proposal makes a higher part of the customer's monthly bill unavoidable through reduced consumption. Those low-income customers taking such actions, in other words, will face a smaller bill reduction as a result of their action should the Aqua proposed increase in the fixed monthly customer charge be approved, potentially incentivizing more dangerous usage-reduction measures.

Q. WHAT DO YOU RECOMMEND?

A. I recommend that the residential customer charge found to be reasonable by OCA witness Jerome Mierzwa should be adopted.

Part 9. The Company's Requested Equity Adder for Management Performance.

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I review the Company's actions with respect to its customer service and universal service performance to assess whether it has exhibited sufficiently superior or exemplary management performance to justify the "equity allowance" which was requested by Company witness Packer.[108]

[108] Aqua St. 1, at 26; see also, Direct Testimony of Todd Duerr, Aqua St. 11.

Q. HAVE YOU HAD AN OPPORTUNITY TO REVIEW ANY SPECIFIC ASPECT OF AQUA'S CUSTOMER SERVICE PERFORMANCE?

A. Yes. I first reviewed Aqua's history of complaints and payment arrangement reviews by the Commission. The Company's performance does not justify being rewarded for exemplary performance. In the four quarters ending December 2023, 30% of the complaints filed with the Commission were found to have been "justified." This justified rate is nearly two times higher than Pennsylvania American Water Company (PAWC), which had the next highest rate (19). Similarly, in this same time period, the PUC found that Aqua customers had "justified" reviews of payment arrangements 30% of the time, again nearly two times higher than PAWC's justified rate, which was the next highest (17%).[109] Both of these indicators of 2023 performance represented a deterioration from Aqua's performance in the four quarters ending December 2022, during which period the Company had a justified complaint rate of 20% and a justified payment arrangement review rate of 28%.[110]

A high "justified" complaint rate, or "justified" payment arrangement review does not simply indicate a difference of opinion between the Company and the Commission. The Bureau of Consumer Services BCS) defines a "justified consumer complaint" as a "consumer complaint where, prior to BCS intervention, *the company did not comply with Commission Orders, policies, regulations, reports, Secretarial Letters, tariffs or guidelines* when the consumer brought the complaint to the company's attention."

[109] Pennsylvania PUC, "Quarterly Update to UCARE Report, January – December 2023," at 12, available at https://www.puc.pa.gov/filing-resources/reports/consumer-activities-report-evaluation/

[110] Pennsylvania PUC, "Quarterly Update to UCARE Report, January – December 2022," at 12.

(emphasis added)[111] BCS defines a "justified PAR" (payment arrangement review) as a "Payment Arrangement Request where, *prior to BCS intervention, the company did not comply with Commission regulations, reports, Secretarial Letters, tariffs or guidelines*." (emphasis added)[112] Aqua's high rate of non-compliance in these customer service areas should disqualify Aqua from receiving its requested equity allowance.

Q. DOES AQUA HAVE ANY ADDITIONAL HISTORY OF NON-COMPLIANCE WITH COMMISSION REGULATIONS?

A. Yes. For the four quarters ending December 2023, BCA reported that Aqua had 174 "verified infractions" (167 of Chapter 56 regulations; 7 of Chapter 66 regulations).[113] According to BCS, an "infraction" is "A misapplication or infringement of a Commission regulation, particularly the standards and billing practices for residential utility service."[114] On nearly every other day of the year, in other words, Aqua was found to have violated a Commission regulation regarding the standards and billing practices for residential service. The number of 2023 verified infractions by Aqua PA (174) represented a substantial increase relative to 2022 (141) and an even more substantial increase over 2021 (52). The increase in Aqua non-compliance cannot be attributed to restrictions placed on collection activities and other customer interactions during the COVID health pandemic. Looking at Aqua performance *before* COVID reveals that

[111] 2023 Quarterly Update, at 20.

[112] Id.

[113] 2023 UCARES Report, at 19.

[114] Id.

Aqua had 87 verified infractions in 2019 and only 26 in 2018. Its recent history is a real deterioration in compliance with consumer regulations.

Q. IS THERE OTHER REASON WHY THIS HISTORY OF NON-COMPLIANCE WITH COMMISSION REGULATIONS, COMMISSION ORDERS, SECRETARIAL LETTERS, AND THE LIKE GIVE RISE FOR CONCERN IN THIS PROCEEDING?

A. Yes. Aqua's frequent failure to comply with Commission regulations, orders, Secretarial Letters, and the like (as described by BCS) is consistent with the Company's failure to comply with the Commission's order in Aqua's last rate case regarding the development of an offset for its CAP cost recovery. Despite being explicitly directed to consult with OCA (and I&E), as well as taking other specific actions to develop that offset, the Company failed to do so. While, unto itself, this non-compliance would seem to disqualify Aqua from receiving an "equity allowance" for superior management, the Company's history of non-compliance is even more notable given the data reported by BCS as discussed above.

Q. HAVE YOU EXAMINED ANY OTHER ASPECT OF AQUA'S PERFORMANCE?

A. Yes. I have examined Aqua's performance in undertaking basic management actions to assess the effectiveness of its collection processes. Consider, for example, payment arrangements. From January 2021 through December 2023, Aqua entered into 96,466 payment arrangements with residential customers. During that same time period, however, 89,067 of those payment arrangements (92.3%) defaulted. Similarly, from January 2021 through December 2024, Aqua entered into 71,171 payment arrangements with its low-income customers (excluding CAP participants. During the same time

period, 66,031 of those payment arrangements (92.8%) defaulted.[115] Despite this payment arrangement failure rate of 90% or more, when asked to provide any written assessment of "*why* residential customers do not successfully complete deferred payment plans (sometimes known as payment agreements or other similar terms)," Aqua replied that "The Company does not have any reports, evaluations or studies."[116] The Company seems content simply to continue to enter into payment arrangements which yield defaults in more than nine-out-of-ten cases.

Similarly, the Company has never considered or examined why its notices of an impending nonpayment disconnection are so ineffective. According to Aqua, in 2021, it issued an average of 14,444 notices of nonpayment disconnections to residential customers each month (173,324 total for the year); in 2022, it issued an average of 14,598 notices to residential customers each month (175,172 total for the year), while in 2023, it issued an average of 14,310 notices of residential nonpayment disconnection each month (171,715 total for the year).[117] Nonetheless, during those same years, Aqua had an average of 33,375 residential customers with arrears older than 90 days each month in 2021; an average of 33,924 residential customers with arrears older than 90 days in each month of 2022; and 37,525 residential customers with arrears older than 90 days in each month of 2023.[118] Moreover, during those years, Aqua had an average of 17,111 residential customers older than 120 days in 2021, 16,916 residential customers with

[115] OCA-VI-5.

[116] OCA-VI-33.

[117] OCA-VI-5.

[118] OCA-VI-11.

arrears older than 120 days in 2022, and 18,718 residential customers with arrears older than 120 days in 2023.[119] The continuing high rate of very old arrears –whether one defines "very old" as 90+ days or as 120+ days—is an indication that the Company's threat of shutoff is not effective as a collection strategy. Nonetheless, when the Company was asked to provide any assessment of why customers do not make contact with the utility, when in response to nonpayment, they receive a notice to do so to avoid service disconnection, the Company responded it had no such documents.

In fact, when Aqua was asked for any assessment that it has undertaken to explicitly assess whether either notices or nonpayment disconnections or the actual disconnection of service help to reduce residential bad debt, it conceded that it no such documents.[120] Nor has it ever considered the extent to which, if at all, either notices or nonpayment disconnections or the actual disconnection of service help to reduce residential arrears.[121] The Company simply continues to do what it has historically done with no consideration of why those actions do not generate the desired results. The age of the arrears I identify above demonstrates that these customers are not being disconnected, but are not making payments either.

Q. WHAT DO YOU CONCLUDE?

A. The Company's management actions with respect to the efficacy and effectiveness of its collections strategies demonstrate that Aqua does not merit an equity allowance for superior management.

[119] Id.

[120] OCA-VI-30.

[121] OCA-VI-31.

Q. WHAT DO YOU RECOMMEND?

A. Based on the discussion above, I recommend that the return on equity found to be reasonable by OCA witness Aaron Rothschild should be adopted, including the recommendation that there be no adder for management performance.

Summary of Recommendations.

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS YOU MAKE FOR AQUA PA.

A. Based on the data and discussion presented throughout my Direct Testimony, I make the following findings and recommendations:

- That the first income tier (0 – 100% FPL) be subdivided into two separate tiers (0 – 50% FPL; 50 – 100% FPL).
- That, having modified the income ranges, the discounts within each range be modified in order to target an affordable burden for each tier. It would not be reasonable to modify the tiers, but to then leave the discounts in each tier unchanged.
- That if and to the extent that Aqua cannot adopt multiple tiers pending the conversion of its CIS to SAP, the Company should adopt the same commitment that it provided in its 2021 rate case with respect to incorporating recommended changes to its arrearage forgiveness program upon the conversion of its CIS to SAP. That same commitment (i.e., the modification will be made at the time of the conversion of CIS to SAP) should be made in this proceeding regarding changes to the bill discount tiers.
- That, to better reflect actual average consumption, Aqua should expand the usage underlying the first block of discounts from 2,000 gallons per month to 3,200 gallons per month for water service.
- That known low-income customers who are negotiating a deferred payment agreement (DPA) with the Company, as well as customers from whom the Company receives information placing them in an income tier of 0% to 150% FPL, should be provided a stand-alone written Plain Language notice informing those customers of their right, in the alternative, to enroll in the Company's CAP

(along with an explanation of the advantages of CAP's arrearage forgiveness provisions).

- that Aqua adopt a procedure under which, prior to the disconnection of a known low-income customer, it will make personal contact with the customer subject to disconnection. In that personal contact, the Company shall offer the known low-income customer the opportunity to apply for the Company's CAP and arrearage forgiveness program. If the customer expresses a desire to make an application for the CAP, Aqua will postpone the disconnection for 30 days to allow the application process to be completed.

- That the following modifications to the Aqua PA arrearage forgiveness program be adopted

    - First, that Aqua increase its arrearage forgiveness credits so that program participants will reduce their pre-existing arrears to $0 over a three-year period. The level of arrearage forgiveness credits should be tiered based on the bill discount tier into which the customer falls. I recommend a tiered arrearage forgiveness credit of: (1) Tier 1 (0 – 50% FPL): $50/month; (2) Tier 2 (50 – 100% FPL): $45/month; (3) Tier 3 (100 – 150% FPL): $40/month; and (4) Tier 4 (150 – 200% FPL): $35/month.

    - Second, that arrearage forgiveness credits will be granted for full payments as those payments are made, even if those payments have not been paid in a timely fashion.

- That the Commission adopt reasonable offsets to the recovery of Aqua's costs for its bill discount credits and arrearage forgiveness credits both to reflect the cost savings generated by the programs and to ensure that the Company is not double-recovering its costs. Aqua claims $9,451,309.90 in bill discount credits for water and $1,357,034 in bill discount credits for wastewater. I recommend a reduction in the bill discount cost recovery of $2,455,931.82 for water. The appropriate offset is $352,626.60 for wastewater bill discount credits. The appropriate offset for the Company's water arrearage forgiveness credits is $812,620. The appropriate offset for the Company's wastewater arrearage forgiveness credits is $89,774.

- That Aqua increase the budget for its conservation kits to match its proposed budget of $132,000 for its leak repair program.

- That the recommendation of OCA witness Ralph Smith regarding the Company's proposed inflation adjustment should be adopted.

- That the residential customer charge found to be reasonable by OCA witness Jerome Mierzwa should be adopted.

- That the return on equity found to be reasonable by OCA witness Aaron Rothschild should be adopted, including the recommendation that there be no adder for management performance.

Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?

A. Yes, it does.

Roger Colton
Fisher, Sheehan & Colton
Public Finance and General Economics
Belmont, MA

* *

Education:

J.D. (Order of the Coif, Phi Kappa Phi), University of Florida (1981)

M.A. (Regulatory Economics), McGregor School, Antioch University (1993)

B.A. Iowa State University (1975) (journalism, political science, speech)

Professional Experience:

Fisher, Sheehan and Colton, Public Finance and General Economics: 1985 - present.

As a co-founder of this economics consulting partnership, Colton provides services in a variety of areas, including: regulatory economics, poverty law and economics, public benefits, fair housing, community development, energy efficiency, utility law and economics (energy, telecommunications, water/sewer), government budgeting, and planning and zoning.

Colton has testified in state and federal courts in the United States and Canada, as well as before regulatory and legislative bodies in more than three dozen states. He is particularly noted for creative program design and implementation within tight budget constraints.

Professional Affiliations:

Past Chair:	Belmont Zoning By-law Review Working Committee (climate change)
Past member:	Board of Directors, Massachusetts Rivers Alliance
Columnist:	Belmont Citizen-Herald
Former producer:	Belmont Media Center: BMC Podcast Network
Former host:	Belmont Media Center: Belmont Journal
Member:	Belmont Town Meeting
Vice-chair:	Belmont Light General Manager Screening Committee
Past Chair:	Belmont Goes Solar
Coordinator:	BelmontBudget.org (Belmont's Community Budget Forum)
Coordinator:	Belmont Affordable Shelter Fund (BASF)
Past Chair:	Belmont Solar Initiative Oversight Committee
Past Member:	City of Detroit Blue Ribbon Panel on Water Affordability
Past Chair:	Belmont Energy Committee
Member:	Massachusetts Municipal Energy Group (Mass Municipal Association)

Past Chair:	Housing Work Group, Belmont (MA) Comprehensive Planning Process
Past Chair:	Board of Directors, Belmont Housing Trust, Inc.
Past Chair:	Waverley Square Fire Station Re-use Study Committee (Belmont MA)
Past Member:	Belmont (MA) Energy and Facilities Work Group
Past Member:	Belmont (MA) Uplands Advisory Committee
Past Member:	Advisory Board: Fair Housing Center of Greater Boston.
Past Chair:	Fair Housing Committee, Town of Belmont (MA)
Past Member:	Aggregation Advisory Committee, NYSERDA.
Past Member:	Board of Directors, Vermont Energy Investment Corporation.
Past Member:	Board of Directors, National Fuel Funds Network
Past Member:	Board of Directors, Affordable Comfort, Inc.
Past Member:	National Advisory Committee, U.S. Department of Health and Human Services, Administration for Children and Families, Performance Goals for Low-Income Home Energy Assistance.
Past Member:	Editorial Advisory Board, International Library, *Public Utility Law Anthology*.
Past Member:	ASHRAE Guidelines Committee, GPC-8, *Energy Cost Allocation of Comfort HVAC Systems for Multiple Occupancy Buildings*
Past Member:	National Advisory Committee, U.S. Department of Housing and Urban Development, Calculation of Utility Allowances for Public Housing.
Past Member:	National Advisory Board: Energy Financing Alternatives for Subsidized Housing, New York State Energy Research and Development Authority.

Professional Associations:

National Association of Housing and Redevelopment Officials (NAHRO)
National Society of Newspaper Columnists (NSNC)
Association for Enterprise Opportunity (AEO)
Iowa State Bar Association
Energy Bar Association
Association for Institutional Thought (AFIT)
Association for Evolutionary Economics (AEE)
Society for the Study of Social Problems (SSSO)
Association for Social Economics

Books

Colton, *et al.,* ***Access to Utility Service***, National Consumer Law Center: Boston (4th edition 2008).

Colton, *et al.*, ***Tenants' Rights to Utility Service***, National Consumer Law Center: Boston (1994).

Colton, ***The Regulation of Rural Electric Cooperatives***, National Consumer Law Center: Boston (1992).

Book Chapters

Colton (2018). The equities of efficiency: distributing energy usage reduction dollars, Chapter in Energy Justice: US and International Perspectives (Edited by Raya Salter, Carmen Gonzalez and Elizabeth Ann Kronk Warner), Edward Elgar Publishing (London, England).

Journal Publications

65 publications in industry and academic journals, primarily involving utility regulation and affordable housing. (list available upon request)

Technical Reports

200 technical reports for public-sector and private-sector clients (list available upon request)

Jurisdictions in which Expert Witness Provided

1. Maine
2. New Hampshire
3. Vermont
4. Massachusetts
5. Rhode Island
6. Connecticut
7. New Jersey
8. Maryland
9. Pennsylvania
10. Washington D.C.
11. Virginia
12. North Carolina
13. South Carolina
14. Florida (Federal Court)
15. Alabama
16. Mississippi
17. Tennessee
18. Kentucky
19. Ohio
20. Indiana
21. Michigan
22. Wisconsin
23. Illinois
24. Minnesota
25. Iowa
26. Missouri
27. Arkansas
28. Louisiana
29. Texas (Federal Court)
30. Kansas
31. South Dakota
32. North Dakota
33. Montana
34. Colorado
35. New Mexico
36. Arizona
37. Utah
38. Nevada
39. Idaho
40. California
41. Oregon
42. Washington
43. Hawaii

Canadian Provinces

1. Nova Scotia
2. Ontario
3. Manitoba
4. British Columbia

Witness: William C. Packer
Rita Black
Date: 7/26/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XII INTERROGATORIES

OCA-XII-2 Reference the passage of the Commission's 2021 base rate case Order identified in OCA-12-1. Recognizing that the PUC order "directed [Aqua] to consult with the OCA and I&E to determine the necessary data needed to accomplish this directive," please provide a comprehensive list of the following information:

a. The dates of each consultation with OCA to determine the "necessary data needed to accomplish this directive."
b. The dates of each consultation with I&E to determine the "necessary data needed to accomplish this directive."
c. Each set of data proposed or recommended by OCA as being "necessary data needed to accomplish this directive."
d. Each set of data proposed or recommended by I&E as being "necessary data needed to accomplish this directive."
e. Each proposed set of data recommended by OCA that Aqua began to "monitor and maintain" that "could be used in the next base rate proceeding to determine whether a double recovery is occurring."
f. Each proposed set of data recommended by OCA that Aqua declined or fail to begin to "monitor and maintain" that "could be used in the next base rate proceeding to determine whether a double recovery is occurring."
g. Each proposed set of data recommended by I&E that Aqua began to "monitor and maintain" that "could be used in the next base rate proceeding to determine whether a double recovery is occurring."
h. Each proposed set of data recommended by OCA that Aqua declined or fail to begin to "monitor and maintain" that "could be used in the next base rate proceeding to determine whether a double recovery is occurring."

RESPONSE

Regarding a. through h., please refer to the Company's comprehensive response to OCA-XII-1. Additionally, As noted by Ms. Black since the approval of the Company's CAP program in the Commission's 2021 base rate case Order the Company has taken the necessary steps to implement the programs and enroll participants. The Company has

met with the various stakeholders to review and update participants on its progress in implementing its Universal Service programs through its Aqua Assistance Collaborative. The Aqua Assistance Collaborative met on the following dates:

9/12/22
10/17/22
6/28/23
8/30/23
2/21/24
5/15/24

Witness: William C. Packer
Rita Black
Date: 7/26/2024

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OFFICE OF CONSUMER ADVOCATE

SET XII INTERROGATORIES

OCA-XII-1 Given the PUC's Order to "direct Aqua to take the necessary actions within its Company to monitor and maintain the necessary information that could be used in its next base rate proceeding to determine whether a double-recovery is occurring," please provide the following information:

a. Identify the actions that the Company identified as "necessary" to "monitor and maintain the necessary information that could be used in its next rate proceeding to determine whether a double recovery is occurring."
b. could be used in its next rate proceeding to determine whether a double recovery is occurring."
c. What "necessary information" was "monitor[e]d and maintain[ed] that could be used in its next rate proceeding to determine whether a double recovery is occurring?"
d. Identify each calculation, including all workpapers in an active Excel spreadsheet, using this "necessary information" and used in this rate proceeding to determine whether a double recovery is occurring.
e. What "necessary information" was "monitor[ed] and maintain[ed] to "determine an appropriate offset that should be applied to prevent any double recovery?"

RESPONSE

Regarding parts a. through e., the Company submits the following:

The Company's existing customer information system has the necessary customer tracking data for customers who are CAP eligible, and those who are not. As such and to the extent the CAP program implementation has resulted in Bad Debt Expense impacts, the Company has quantified those in the following Table for the historic test (2023) year in this proceeding, as shown below:

Aqua Pennsylvania, Inc. - Water/Wastewater Operations				
Data to support response to OCA - Set XII - Qs 1 through 7				
Test Year Bad Debt Expe				
Service Type	**Cust Type**	**Adjustment Type**	**Total**	
WATER	**Not CAP Enrolled**	Water Bad Debt Expense - Customer	-$4,476,504	
		Water Bad Debt Recovery - Customer	$427,477	
		Water Arrearage Forgiveness - Customer	-$2,065	
	Not CAP Enrolled Total		**-$4,051,091**	
	CAP Enrolled	Water Bad Debt Expense - Customer	$1,348	
		Water Bad Debt Recovery - Customer	$10,889	
		Water Arrearage Forgiveness - Customer	-$60,911	
	CAP Enrolled Total		**-$48,674**	
WATER Total			**-$4,099,765**	
SEWER	**Not CAP Enrolled**	Sewer Arrearage Forgiveness - Customer	-$26	
		Sewer Bad Debt Expense - Customer	-$273,935	
		Sewer Bad Debt Recovery - Customer	$35,341	
		Water Bad Debt Expense - Customer	-$2,473	
		Water Bad Debt Recovery - Customer	$261	
	Not CAP Enrolled Total		**-$240,832**	
	CAP Enrolled	Sewer Arrearage Forgiveness - Customer	-$3,335	
		Sewer Bad Debt Expense - Customer	-$1,091	
		Sewer Bad Debt Recovery - Customer	$658	
		Water Arrearage Forgiveness - Customer	-$215	
	CAP Enrolled Total		**-$3,982**	
SEWER Total			**-$244,814**	
Grand Total			**-$4,344,579**	
		Test Year CAP Customer Enrolled % of Water Bad Debt Expense/Recovery =>	1.19%	
		Test Year CAP Customer Enrolled $$$ of Water Bad Debt Expense/Recovery =>	-$48,674	*Adjustment to Bad Debt Expense*
		Test Year CAP Customer Enrolled % of Sewer Bad Debt Expense/Recovery =>	1.63%	
		Test Year CAP Customer Enrolled $$$ of Sewer Bad Debt Expense/Recovery =>	-$3,982	*Adjustment to Bad Debt Expense*

The above table (see OCA-XII-1 Attachment A – HIGHLY CONFIDENTIAL) is the summary presentation of all billing adjustments for the write off and collection of bad debts expense in the historic test year. Customers who are part of the CAP program are segregated from the Non-CAP eligible customers. The summary above shows that, out of the 2023 net bad debt expense activity recorded totaling $4,344,579, there was $52,656 in increased bad debt expense incurred for customers who are part of the CAP program.

No adjustment was made to the Company's as filed Bad Debt Expense claims in this proceeding. However, the above analysis would suggest that reducing the Company's claim in the amount of $48,674 for water and $3,982 for wastewater would be appropriate and the Company will concede to doing so as it submits its update to its exhibits in the rebuttal phase.

Witness: William C. Packer
Rita Black
Date: 7/26/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XII INTERROGATORIES

OCA-XII-2 Reference the passage of the Commission's 2021 base rate case Order identified in OCA-12-1. Recognizing that the PUC order "directed [Aqua] to consult with the OCA and I&E to determine the necessary data needed to accomplish this directive," please provide a comprehensive list of the following information:

a. The dates of each consultation with OCA to determine the "necessary data needed to accomplish this directive."
b. The dates of each consultation with I&E to determine the "necessary data needed to accomplish this directive."
c. Each set of data proposed or recommended by OCA as being "necessary data needed to accomplish this directive."
d. Each set of data proposed or recommended by I&E as being "necessary data needed to accomplish this directive."
e. Each proposed set of data recommended by OCA that Aqua began to "monitor and maintain" that "could be used in the next base rate proceeding to determine whether a double recovery is occurring."
f. Each proposed set of data recommended by OCA that Aqua declined or fail to begin to "monitor and maintain" that "could be used in the next base rate proceeding to determine whether a double recovery is occurring."
g. Each proposed set of data recommended by I&E that Aqua began to "monitor and maintain" that "could be used in the next base rate proceeding to determine whether a double recovery is occurring."
h. Each proposed set of data recommended by OCA that Aqua declined or fail to begin to "monitor and maintain" that "could be used in the next base rate proceeding to determine whether a double recovery is occurring."

RESPONSE

Regarding a. through h., please refer to the Company's comprehensive response to OCA-XII-1. Additionally, As noted by Ms. Black since the approval of the Company's CAP program in the Commission's 2021 base rate case Order the Company has taken the necessary steps to implement the programs and enroll participants. The Company has

met with the various stakeholders to review and update participants on its progress in implementing its Universal Service programs through its Aqua Assistance Collaborative. The Aqua Assistance Collaborative met on the following dates:

9/12/22
10/17/22
6/28/23
8/30/23
2/21/24
5/15/24

Witness: William C. Packer
Rita Black
Date: 7/26/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XII INTERROGATORIES

OCA-XII-3 Reference the passage of the Commission's 2021 base rate case Order identified in OCA-12-1. Recognizing that the PUC order did "direct Aqua to take the necessary actions within its Company to monitor and maintain the necessary information that could be used in its next base rate proceeding to determine whether a double-recovery is occurring, and if so, to determine an appropriate offset that should be applied to prevent any double recovery," please provide in active Excel format, with all formula intact:

a. A complete set of the "appropriate billing data for purposes of determining, in its next base rate proceeding, if, and to what extent, any offset to its low-income program cost recovery is necessary to avoid any double recovery the Company may receive through actual collections after the implementation of its CAP." and

b. A complete set, if different, from that provided in response to Question 3(a) above, of the "the necessary information that could be used in its next base rate proceeding to determine whether a double-recovery is occurring, and if so, to determine an appropriate offset that should be applied to prevent any double recovery."

RESPONSE

Please refer to the Company's comprehensive response to OCA-XII-1.

Witness: William C. Packer
Rita Black
Date: 7/26/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XII INTERROGATORIES

OCA-XII-4 Reference the passage of the Commission's 2021 base rate case Order identified in OCA-12-1. Recognizing that the PUC did order to "direct Aqua to take the necessary actions within its Company to monitor and maintain the necessary information" and to "begin monitoring and reviewing the appropriate billing data for purposes of determining, in its next base rate proceeding, if, and to what extent, any offset to its low-income program cost recovery is necessary to avoid any double recovery the Company may receive through actual collections after the implementation of its CAP," please provide the following information:

a. A list of references in the Aqua rate case filing to that "necessary information" and/or "appropriate billing data";

b. A reference to each place in the Aqua rate case filing where Aqua provide a copy of that "necessary information" and/or "appropriate billing data."

RESPONSE

Please refer to the Company's comprehensive response to OCA-XII-1.

Witness: William C. Packer
Rita Black
Date: 7/26/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XII INTERROGATORIES

OCA-XII-5 Reference the passage of the Commission's 2021 base rate case Order identified in OCA-12-1. To the extent it has not otherwise been provided, please provide, in active Excel format with all formula intact, of the complete set of "necessary information" and/or "appropriate billing data" that Aqua monitor[ed] and maintain[ed] that was, prior to the filing of the current rate proceeding, provided to:

a. The Office of Consumer Advocate;
b. I&E;
c. The Bureau of Consumer Services; and
d. Any other stakeholder and/or intervenor in Aqua's 2021 base rate case.

RESPONSE

Please refer to the Company's comprehensive response to OCA-XII-1.

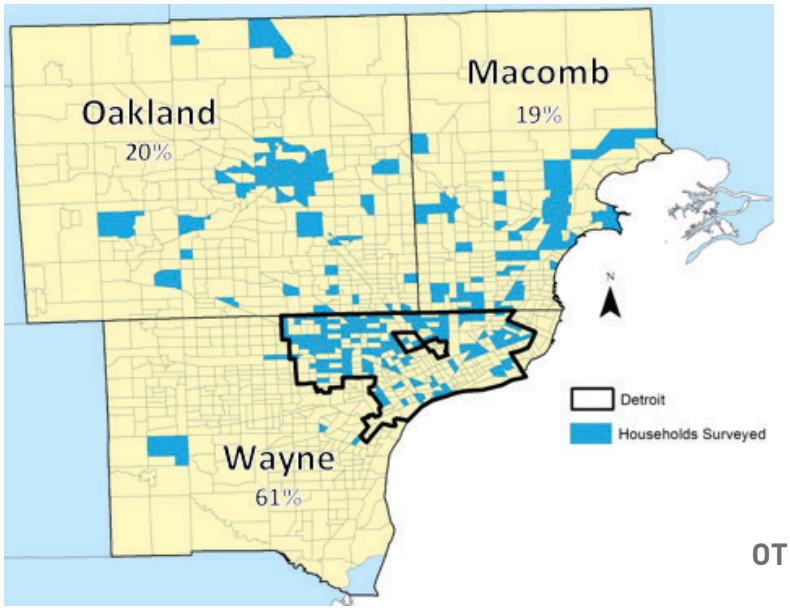
SCHOOL FOR ENVIRONMENT AND SUSTAINABILITY
UNIVERSITY OF MICHIGAN

HOUSEHOLD WATER SECURITY IN METROPOLITAN DETROIT:

MEASURING THE AFFORDABILITY GAP

A research team from The University of Michigan's School for Environment and Sustainability did a study on low-income residents' experiences with water in Wayne, Oakland and Macomb Counties to give a regional picture of water access and affordability.

WHO PARTICIPATED

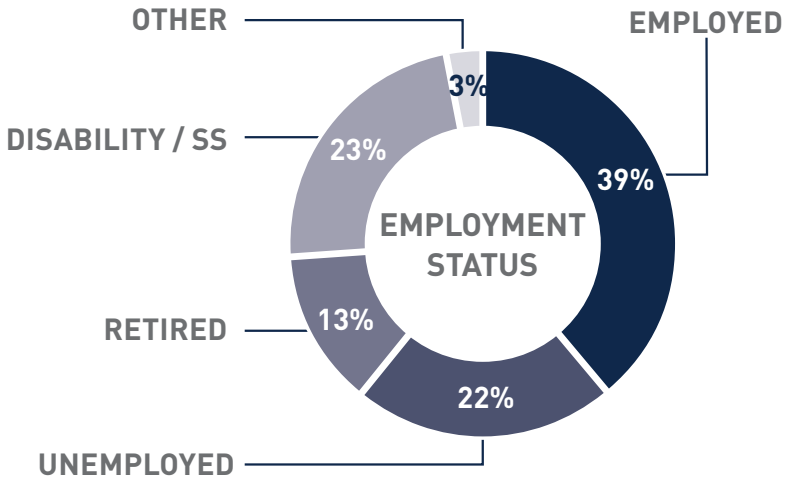


Data Source: Michigan GIS Open Data & U.S. Census Bureau

413 HOUSEHOLDS
2.6 PEOPLE/HOUSEHOLD ON AVG

39%
of households surveyed had children under the age of 18

11%
were home to seniors over the age of 65



$98.61
AVERAGE WATER BILL
Surveyed households are paying on-average 10% of their monthly income for water and sewer service.

74 of the households surveyed have had their water shut-off in the past two years.

For questions and additional information, please visit:
https://urbanenergyjusticelab.com/watersecurity/ or contact: roadmap.watersecure@gmail.com

WHAT WE FOUND

WATER AND WASTEWATER BILLS ARE UNAFFORDABLE ACROSS THE REGION.

10%: Percentage of income on-average that goes to water and sewer service at surveyed households.

4.5%: Percentage of income the U.S. Environmental Protection Agency considers an affordable water bill.

PEOPLE VALUE WATER AND ARE WILLING TO PAY WHAT THEY CAN AFFORD.

$98.61 reported average monthly water and wastewater bill → **$53.53** amount respondents said they could afford to pay = **$45.08 AFFORDABILITY GAP**

between what people are paying and what they can afford each month. It adds up to $540.96 a year.

That extra $45.08/month could pay for any one of the following:

- 22 bus rides
- 1 month of antibiotics
- 4 weeks of diapers
- 1 backpack with a pencil case full of markers, crayons & pencils
- 19 meals for the average low income family

Only 1.4% of residents said they expected free water.

RESIDENTS ARE MAKING TRADE-OFFS TO PAY THEIR BILLS.

51% of residents reported switching between paying their energy and water bill.

84% of residents reported cutting back on monthly expenses to pay their water bill.

Where people cut back on monthly expenses

RENT OR PROPERTY TAX	TRANSPORTATION	MEDICINE	MEDICAL OR DENTAL CARE	FRESH PRODUCE	CLOTHES	SCHOOL SUPPLIES
84%	68%	38%	47%	63%	82%	60%

ASSISTANCE IS HELPING, BUT IS NOT CLOSING THE AFFORDABILITY GAP.

79.1% of residents enrolled in assistance programs are still paying more than 4.5% of their income.

94.3% of residents receiving assistance are still cutting back on monthly expenses.

Residents enrolled in assistance programs reported that they were 13% less likely to struggle to pay their bills at least some of the time.

Witness: Rita F. Black
Date: 6/28/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET VII INTERROGATORIES

OCA-VII-16 Agree or disagree. Available research demonstrates that a low-income utility customer's success in paying his or her utility bills is improved by reducing the utility bills to an affordable percentage of income. If the response is "disagree," please provide a detailed explanation of the basis for the disagreement. Separately provide a detailed list of all available research, known to Aqua witness Ms. Rita F. Black, which shows the contrary: that reducing a low-income utility customer's utility bill to an affordable percentage of income does ***not*** improve that low-income customer's success in paying his or her utility bill.

RESPONSE

Agree.

Witness: Rita F. Black
Date: 6/28/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET VII INTERROGATORIES

OCA-VII-13 Please indicate whether Aqua witness Ms. Rita F. Black agrees or disagrees with each of the following statements. If she disagrees, provide a detailed explanation of the basis for the disagreement:

a. Reducing the dollar level of arrears to a customer will, all else equal, have the effect of reducing the working capital needed by a utility;

b. Reducing the time (in days or months) that an arrearage remains outstanding will, all else equal, have the effect of reducing the capital needed by a utility;

c. Working capital is a cost component that has equity return associated with it.

d. To the extent that working capital has equity return associated with it, it will have a tax component associated with it.

e. A higher dollar level of arrearages poses a greater risk of loss due to uncollectibles than a lower dollar level of arrearages.

f. Reducing the number of customers who are off-system due to a disconnection of service will, all else equal, reduce lost sales to a utility.

g. Reducing the number of customers receiving final bills with an unpaid balance will, all else equal, have the effect of reducing costs to a utility.

RESPONSE

a. As working capital and other financial topics are not within my purview, I am unable to comment on this statement.
b. As working capital and other financial topics are not within my purview, I am unable to comment on this statement.

c. As working capital and other financial topics are not within my purview, I am unable to comment on this statement.
d. As working capital and other financial topics are not within my purview, I am unable to comment on this statement.
e. As collection topics are not within my purview, I am unable to comment on this statement.
f. As collection topics are not within my purview, I am unable to comment on this statement.
g. As collection topics are not within my purview, I am unable to comment on this statement.

Witness: Rita F. Black
Date: 6/28/2024

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET VII INTERROGATORIES

OCA-VII-18 Please indicate whether Aqua witness Ms. Rita F. Black agrees or disagrees with each of the following statements. If Ms. Black disagrees with the statement, provide a detailed explanation of the basis for the disagreement:

a. Low-income customers pay a smaller percentage of their bills than do residential customers as a whole;
b. Low-income customers make less regular payments toward their bills than do residential customers as a whole;
c. Aqua PA issues more disconnect notices for each $1,000 of revenue it collects from its low-income population than it issues to residential customers as a whole;
d. Aqua PA engages in more nonpayment service disconnections for each $1,000 of revenue it collects from its low-income population than it engages in for residential customers as a whole.
e. Aqua PA experiences a higher "roll rate" for its low-income customers than it experiences for its residential customers as a whole.

RESPONSE

a. Disagree. This is a broad generalization, stereotyping low-income customers, and implying that due to their low-income status, they do not pay bills as well as other non-low-income households.
b. Disagree. This is a generalization. In my experience, I have encountered both low-income customers who never miss a utility bill payment, apply for all assistance for which they are eligible, and ensure their bills are paid and, alternatively, customers with significant income that do not make regular bill payments.
c. As collections are not under my purview, I am unable to comment on this statement.
d. As collections are not under my purview, I am unable to comment on this statement.

e. As collections are not under my purview, I am unable to comment on this statement.

Witness: Renee T. Marquis
William C. Packer
Date: 07/09/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET VII INTERROGATORIES

OCA-VII-31 Please provide a copy of any and all internal Company policies regarding the percentage of bill, or dollar amount, that will be reserved for write-offs or uncollectibles based on:

a. The size of arrears in dollars;
b. The age of arrears in months.

RESPONSE

The Company's long standing policy is to reserve the following percentages of accounts receivable:

0% of current accounts receivable
3% of 31-60 days past due
8% of 61-90 days past due
15% of 91-120 days past due
40% of 121-180 days past due
100% of greater than 180 days past due

In addition to this, the Company monitors the reserve to ensure that actual write offs are not in excess of the accounts receivable reserve.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Roger Colton, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 6, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 16, 2024

Signature: _____
Roger Colton

Address: Fisher Sheehan & Colton
34 Warwick Road
Belmont, MA 02478

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	Docket No. R-2024-3047822 (water)
v.	:	
	:	Docket No. R-2024-30347824 (wastewater)
Aqua Pennsylvania and Aqua Pennsylvania Wastewater	:	

Surrebuttal Testimony of Roger Colton

on behalf of

Pennsylvania Office of Consumer Advocate

OCA Statement 6SR

September 26, 2024

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Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is Roger D. Colton. My business address is 34 Warwick Road, Belmont, MA.

Q. ARE YOU THE SAME ROGER COLTON WHO PREVIOUSLY PREPARED DIRECT TESTIMONY ON BEHALF OF THE OFFICE OF CONSUMER ADVOCATE?

A. Yes, I am.

Q. PLEASE EXPLAIN THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY.

A. The purpose of my Surrebuttal Testimony is to respond to the Rebuttal Testimony of Aqua witnesses Heather Doyle-Conley and Rita Black and I&E witness Zachari Walker.

Part 1. Response to Aqua Rebuttal Witness Heather Doyle-Conley.

Q. PLEASE EXPLAIN THE ASPECT OF THE REBUTTAL TESTIMONY OF AQUA WITNESS HEATHER DOYLE-CONLEY TO WHICH YOU WISH TO REPOND.

A. In this section of my testimony, I address Ms. Doyle-Conley's rebuttal testimony regarding customer service. She responds to my testimony regarding the extent to which Aqua has been found by the Commission's Bureau of Consumer Services (BCS) to have "verified infractions" (167 of Chapter 56 regulations; 7 of Chapter 66 regulations).[1] According to BCS, an "infraction" is "A misapplication or infringement of a Commission regulation, particularly the standards and billing practices for residential utility service."[2]

[1] 2023 UCARES Report, at 19.

[2] Id.

Ms. Doyle-Conley does not dispute any of the observations I make in my Direct Testimony. Her response is simply that "all utilities have similar issues."[3] She offers no data to support that conclusory statement. Even if true, however, that testimony does not support Aqua's equity adder. Aqua is seeking an equity adder for *superior* performance. Ms. Doyle-Conley's testimony that Aqua has problems that are no greater than anyone else hardly supports a claim of superior performance.

Moreover, Aqua does not perform at the same level as other water utilities. In 2023, 30% of the Aqua complaints considered by BCS, and 30% of the Payment Arrangement Requests (PAR) considered by the Commission were found to be "justified." The next closest water utility was Pennsylvania American Water Company (PAWC), which had only 19% of its complaints justified and only 17% of its PARs justified. As I noted in my Direct Testimony, BCS defines a "justified consumer complaint" as a "consumer complaint where, prior to BCS intervention, *the company did not comply with Commission Orders, policies, regulations, reports, Secretarial Letters, tariffs or guidelines* when the consumer brought the complaint to the company's attention." (emphasis added) BCS defines a "justified PAR" (payment arrangement review) as a "Payment Arrangement Request where, *prior to BCS intervention, the company did not comply with Commission regulations, reports, Secretarial Letters, tariffs or guidelines*." (emphasis added).

Ms. Doyle-Conley's reference to Aqua's training and "coaching" in response to infractions does not respond to the data. Notwithstanding the training and coaching she

[33] Aqua St. 14-R, at 5 – 6.

cites, she does not deny that Aqua's number of verified infractions in 2023 (174) was two times higher than the number in 2019 (87) and seven times higher than the number in 2018 (26).

Finally, Ms. Doyle-Conley's assertion that she "does not agree that the Company has frequently failed to comply with Commission regulations, Orders and/or Secretarial Letters, does not comport with the data. As I observed in my Direct Testimony, and Ms. Doyle-Conley did not dispute, both of the "justified" rates I cite above are two times higher than the rates of Pennsylvania American Water Company (PAWC), the water company with the next highest rate.

Part 2. Response to Aqua Rebuttal Witness Rita Black.

Q. PLEASE DESCRIBE THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY.

A. In this section of my testimony, I respond to the Rebuttal Testimony of Rita Black regarding certain aspects of the Company's Customer Assistance Program (CAP). Witness Black addresses outreach for CAP, the structure of the Company's Arrearage Forgiveness Program, the structure of the Company's Bill Discount Program (BDP),and the distribution of water conservation kits. The BDP, arrearage forgiveness, and water conservation are all components which comprise the Company's CAP.

Q. WHAT IS THE FIRST ASPECT OF MS. BLACK'S REBUTTAL TESTIMONY TO WHICH YOU WISH TO RESPOND?

A. Aqua witness Black responds to the affordability analysis presented in my Direct Testimony by asserting that "these challenges impact all low-income consumers and are

not exclusive to Aqua PA's customers."[4] She observes that low-income customers "are more likely to experience payment difficulties than the general residential customer base" and that these difficulties are "regardless of utility." The fact that the low-income customers of ***all*** utilities are more likely to experience payment difficulties than the general residential customer base does not detract from the needs of Aqua PA customers in particular. Indeed, Aqua's response to the needs of its lowest income customers differs from the response by other Pennsylvania utilities –water/wastewater, natural gas, and electricity —to the extent that Aqua does ***not*** provide the greater benefits to those with the lowest incomes (and thus with the highest needs).

I disagree with Ms. Black's Rebuttal Testimony on this issue to the extent that she suggests that the "risk of missed payments" is associated only with "unexpected expenses, such as a car repair, for example."[5] As I document in my Direct Testimony, and as Ms. Black's Rebuttal Testimony does not dispute, the unaffordability of Aqua PA bills is both widespread (i.e., what I refer to as the "breadth" of unaffordability) and extensive (i.e., what I refer to as the "depth" of unaffordability). The risk of missed payments by low-income customers is associated with their unaffordable Aqua PA bill burdens (i.e., bills as a percentage of income), not merely with "unexpected expenses."

[4] Aqua St. 13-R, at 4.
[5] Id.

Q. HOW DOES MS. BLACK RESPOND TO THE FACT THAT AQUA PA IS MORE LIKELY TO TERMINATE SERVICE TO A LOW-INCOME CUSTOMER AFTER ISSUING A NOTICE OF NONPAYMENT DISCONNECTION?

A. Ms. Black asserts that the statement that Aqua PA is more likely to terminate service to a low-income customer after issuing a notice of nonpayment disconnection "could be interpreted" as meaning that Aqua PA is pursuing the termination of low-income households more often than other residential customers."[6] She disputes that characterization, arguing that "Aqua PA does not seek out terminations for a particular income class. Rather, termination notices and, ultimately, terminations, are a product of a customer failing to pay their bill(s)."[7]

Ms. Black's testimony presents a red herring that she then disputes. My Direct Testimony did not assert that Aqua PA targets low-income households because they are low-income (i.e., "seek out terminations for a particular income class"). As my testimony established, and Ms. Black does not dispute, the disproportionate rate of terminations for low-income customers can more reasonably be attributed to the fact that when a low-income customer receives a disconnect notice, that customer has inadequate resources to respond by paying their bill and avoiding the disconnection. This observation supports each of the remedies I present in my Direct Testimony: (1) to increase outreach for the Customer Assistance Program (CAP) so that low-income customers can receive Aqua PA's low-income discount and arrearage forgiveness; and (2) to increase the CAP discount for the lowest income customers.

[6] Id., at 4 – 5.
[7] Id., at 5.

Q. PLEASE RESPOND TO MS. BLACK'S REBUTTAL TESTIMONY REGARDING THE IMPACT OF PAYMENT ARRANGEMENTS ON RETIRING LOW-INCOME ARREARS.

A. The rebuttal testimony of witness Black mis-characterizes my testimony regarding the use of payment arrangements as a means for low-income customers to avoid the disconnection of service. She states that I point to payment arrangements "as a contributor to the problem."[8] In fact, I did not assert that payment arrangements "contribute" to the problem of low-income inability-to-pay and the resulting high rate of disconnections. What I stated was that Aqua PA's use of payment arrangements cannot be relied upon as a *solution* to the problem of low-income inability-to-pay.

Even Ms. Black's testimony supports this observation. She acknowledges that low-income customers "often choose the verbal agreement over enrollment in CAP as it is the easiest path to a quick resolution of the current situation" (with "the situation" referring to a pending disconnection). She further acknowledges that while it may be the "easiest path to a quick resolution," that quick and easy path is pursued even though "maintaining a payment arrangement may be difficult or in some cases unlikely. . ."[9]

As can be seen, Ms. Black's Rebuttal Testimony supports the recommendations I make in my Direct Testimony more than they undermine them. Contrary to Ms. Black's suggestion that Aqua PA need do no more, her Rebuttal Testimony, in fact, counsels the contrary. Experience in multiple programs documents that more effective program outreach is associated with making multiple "touches" with the potential participant

[8] Id., at 5.
[9] Id., at 5.

population. Through adoption of the recommendations I advance in my Direct Testimony, Aqua PA increases the number of touches with its customers known to be low-income, and does so in different, yet interdependent, circumstances. The recommendations involve Aqua PA telling its low-income customers: (1) enrollment in CAP is an alternative to having service disconnected for nonpayment; (2) enrollment in CAP is an alternative to entering into an unaffordable deferred payment arrangement; (3) enrollment in CAP is an alternative to entering the winter heating season without heating service; and (4) enrollment in CAP is an alternative to continuing to carry arrears (with the costs and stresses that those arrears impose). The multiple touches through adoption of these recommendations can reasonably be expected to increase CAP enrollment without need to adopt modifications to the Company's underlying universal service program. As I have discussed throughout my testimony, this improved enrollment not only benefits the low-income customers who choose to enroll in CAP but will also benefit the Company and all remaining ratepayers by reducing costs and enhancing revenues.

Ms. Black's testimony supports her assertion that any ***single*** touch may be ineffective ***at that time***. The multiple touches I recommend addresses the very problem that she identifies (*i.e.*, that agreeing to a payment arrangement may be the quickest and easiest response ***at the time***, even though "likely" to be unaffordable and ineffective).

Q. HOW DO YOU RESPOND TO MS. BLACK'S TESTIMONY REGARDING THE PROVISION OF STAND-ALONE NOTICES INFORMING CUSTOMERS OF CAP PRIOR TO THE DISCONNECTION OF SERVICE?

A. Ms. Black's Rebuttal Testimony regarding the provision of stand-alone notices about CAP prior to the disconnection of service suffers from the same short-comings as her discussion of payment arrangements. She argues that she does not "believe that mailing a customer another document, in the hopes that they will read the document and respond, is the best way to engage customers," and argues that "customers in arrears or struggling to pay utility bills often do not open envelopes with the utility logo."[10]

Q. DOES MS. BLACK OFFER AN "ALTERNATIVE" TO A STAND-ALONE NOTICE?

A. Yes. In her Rebuttal Testimony, Ms. Black offers the following as an alternative not merely to my recommendation for a stand-alone notice prior the disconnection of service, but also to my discussion of enrollment in CAP as an alternative to the "quick and easy" agreement to a payment arrangement that is "likely" to be ineffective. She testifies:

> I believe we should take a close look at the Aqua PA termination notice and identify ways to incorporate information regarding CAP into that particular mailing. As this is the correspondence most likely to be read by the customer facing payment difficulties, it would be the logical place to start to increase awareness of CAP as an alternative to a payment arrangement or termination of service. I also believe it would be advantageous to consider modifications to the call scripting and reference tools used by Customer Service Representatives ("CSR") when engaging customers calling in regard to collections, to ensure that CAP is emphasized as an alternative in lieu of a payment arrangement.[11]

[10] Id., at 7.
[11] Id., at 8.

She recommends that Aqua PA "engage" the Company's Aqua Assistance Collaborative in this endeavor.[12] While I appreciate Ms. Black's expressed openness to seeking effective alternative solutions to problems that she and I appear to have jointly identified and acknowledged, a commitment to "take a close look at" modifications to correspondence, to "consider" modifications to call scripting and "reference tools" used by Aqua's CSRs, and to "engage" the Aqua Assistance Collaborative, are insufficient to address those problems. I would find Ms. Black's proposed "alternative" to be reasonable if there were additional elements added to it.

- First, there should be more specificity in the outcomes of Ms. Black's recommended alternative. Aqua PA should commit to incorporating ways to include information regarding CAP in its termination notice. Aqua should commit to incorporating modifications to call scripting and reference tools used by CSRs when engaging customers calling in regard to collections.

- Second, the communications that are adopted pursuant to Step 1 should be data-based. Decision-making should not be based on "one person's opinion" which even Ms. Black acknowledges "is anecdotal in nature."[13] When the Company was asked in this proceeding to "provide a single copy of any report, evaluation, study or other written document of any nature, within the custody or control of the Company, whether or not prepared by or for the Company, dated within the past five years, identifying, evaluating or otherwise discussing why nonpaying residential customers do not make contact with the utility when, in response to bill nonpayment, those nonpaying customers receive a request or notice to contact a utility to avoid the disconnection of service," it responded that "The Company does not have any reports, evaluations or studies."[14] Seeking to improve response rates without first inquiring why customers do not respond seems to be an inefficient, if not ineffective, commitment. Aqua PA should pursue a study of its low-income customers to inquire why nonpaying customers do not make contact with the utility when, in response to bill nonpayment, those nonpaying customers receive a request to contact the utility.

- Third, in addition to "engaging" the Aqua Assistance Collaborative, Aqua should commit to engaging the services of an adult education professional to help craft the

[12] Id.
[13] Id., at 7 – 8.
[14] OCA-VI-32 (attached as Exh. RDC-1SR).

changes in communications. The "Plain Language" aspect of the communications I recommended in my Direct Testimony is critical to the success of this initiative. This need not be an expensive consultant. In my work in Iowa with respect to utility shutoff communications, for example, we worked with the adult education specialists from the U.S. Department of Agriculture's (USDA) Cooperative Extension Services. The Extension Service has at least nine offices in Pennsylvania.

- Fourth, there should be a timeline adopted for the work proposed by Ms. Black. I recommend that the actions proposed be completed within twelve (12) months after a final order in this proceeding. This timeline should allow Aqua adequate time to engage in the data development and consultation that would be part of this process.

- Finally, there should be an element of reporting and accountability included in this process. Aqua should commit to reporting to the BCS the results of the process identified above within 18 months, or as part of the Company's next rate case, whichever comes first.

Q. PLEASE RESPOND TO MS. BLACK'S REBUTTAL TESTIMONY REGARDING THE POLICIES UNDERLYING AQUA'S CAP?

A. Ms. Black argues in her Rebuttal Testimony that an "individual base rate proceeding for one water and wastewater entity within the Commonwealth is not the forum under which regulations regarding BCS's oversight of low income water programs should be established."[15] It is not quite clear what Ms. Black is objecting to here in that neither CAUSE-PA witness Geller nor myself recommended establishing "regulations regarding BCS's oversight of low income water programs" in this proceeding.

Nonetheless, Aqua ***has*** adopted a low income water (and wastewater program) consisting of both a discount rate and an arrearage forgiveness program component. Having established that program, it is reasonable to inquire of Aqua what the Company is seeking to accomplish through those programs. Aqua has never articulated the policy basis for its

[15] Id., at 9.

low-income programs. That failure to articulate the basis for its program leaves the Company free to change the policy foundation for its program to fit its needs at a particular point in time. It also leaves the Company free from any accountability regarding whether it is, or is not, fulfilling the reasons why it has adopted the low-income program with which to begin.

While Ms. Black objects to having the Commission tell Aqua what the policy basis for its low-income CAP should be, she does not object to the specific foundations which I recommend be articulated for the Company's program. I recommend that the policy foundations for Aqua's CAP be articulated to include the following:

1. To help low-income customers maintain service, and
2. To increase the effectiveness of. . .collections while protecting the public's health and safety.

These two objectives would be applicable to the Aqua low-income programs irrespective of what objectives might apply to the low-income programs of any other utility (gas, electric, or water/wastewater) in Pennsylvania. Ms. Black did not object to either of these two objectives, nor did she offer alternative program objectives that the Company has identified for its low-income program. The only unreasonable result from this discussion is for the Company to offer a low-income CAP without knowing, or articulating, what objectives it is seeking to accomplish.

Q. PLEASE RESPOND TO MS. BLACK'S TESTIMONY REGARDING DIVIDING THE LOWEST INCOME TIER INTO TWO TIERS IN ORDER TO PROVIDE THE HIGHEST LEVEL OF ASSISTANCE TO THE LOWEST INCOME CUSTOMERS.

A. Aqua witness Black seriously mis-characterizes the approvals which Aqua PA has received for its existing program. She states that "Aqua PA proposed *and received approval for* a multi-tiered approach that reflected higher discounts that were needed for those with lower income." (emphasis added).[16] That statement is a mis-representation of the "approvals" that were provided. In its last rate case, I recommended that the income tier placing customers at or below 100% of Federal Poverty Level (FPL) into a single tier be split into two tiers: (1) at or below 50% FPL; and (2) from 50% to 100% FPL. As I noted in my Direct Testimony, and not disputed by Ms. Black, in agreeing that the single tier should remain, the Commission stated: "Aqua further submitted that the OCA and CAUSE-PA's other suggestions regarding discount structure and adjusted income tiers, which would require programmatic changes to the existing system, were unreasonable and not feasible *at this time*, because Aqua will be converting its billing system to SAP in 2023 and development of the system is in the early stages." (emphasis added). The Commission found that the recommendations "cannot be efficiently implemented *until* the Company converts its current CIS to SAP. . ." (emphasis added). The Commission finally said that the proposed changes to Aqua's bill discount "should be more fully considered at a later time." As I noted in my Direct Testimony, *now* is that "later time."

[16] Id., at 13.

The Company can hardly be said to have "received approval of" the multi-tiered discount as currently exists.

Q. DOES MS. BLACK OFFER ANY SUBSTANTIVE ARGUMENT IN OPPOSITION TO DIVIDING ITS BOTTOM INCOME TIER INTO TWO INCOME TIERS?

A. Yes. Ms. Black argues that "aspects of these proposals would increase benefits for those 50% FPL and below by decreasing benefits for some between 51 to 100% FPL."[17] She makes this summary assertion without providing any documentation of, or analysis of, how or why "some aspects" of my recommendation would "decrease benefits for some [customers] between 51 to 100% FPL." In fact, that assertion is in error. In my Direct Testimony, I compared the bill burdens that would result from the Company's existing single tier for customers at or below 100% FPL to my two-tiered approach. Ms. Black did not dispute these results. The Table below shows that my analysis found that bill burdens would decrease at each income tier below 100% FPL given the discounts I recommend. Ms. Black's statement to the contrary is inaccurate.

Table 1. Water and Wastewater Burdens given Aqua Discounts and Recommended Modifications to Aqua Discounts (OCA St. 6, at Tables 5 and 8)

	Burdens at Aqua Discounts	Burdens at Modified Aqua Discounts
<50% FPL	5.2%	2.0%
50-75% FPL	3.4%	2.5%
75 – 100% FPL	2.4%	1.8%

[17] Id., at 14.

Q. PLEASE RESPOND TO MS. BLACK'S REBUTTAL TESTIMONY REGARDING ARREARAGE FORGIVENESS?

A. Ms. Black responded to both of the proposals I made with respect to arrearage forgiveness. First, Ms. Black responded to whether arrearage forgiveness should be provided for complete payments that were not received by the due date. As I noted in my Direct Testimony, in its last rate case, Aqua had committed to making this change to its arrearage forgiveness program when the Company converted its information technology. That conversion, which had been expected to be completed in 2023, has since been "paused." Ms. Black states in her Rebuttal Testimony, however, that:

> regarding payments received after the due date, I agree that this is an important aspect of the program for us to take a close look at within the current CIS. As conversion plans are currently in a paused state, it would be appropriate for us to work with our information technology ("IT") professionals to determine if there are any options, including the potential for manual interventions using reports, to apply arrearage forgiveness benefits for customers who pay beyond their due date, thereby missing the automated posting of the arrearage forgiveness benefit.[18]

I accept Ms. Black's commitment to work with her IT professionals to develop options to make this modification happen for the arrearage forgiveness program. The commitment to make the modification was made in Aqua's last rate case, but was simply delayed when the conversion of the Company's IT system was "paused." The Company should now be directed to fulfill its prior commitment given that it is unclear when, if at all, that "pause" in the information technology conversion would end.

Second, Ms. Black argues that "acceleration of arrearage forgiveness based on income tiers" is "a more involved change" to the Company's CAP. She offers a two-part

[18] Id., at 14 – 15.

alternative to the acceleration which I propose. Part 1 would involve an "enhancement of CAP engagement." Part 2 would involve identifying and mitigating "causes of quickly accumulating balances through leak repair and/or Aqua Aid intervention. . ."[19] The "causes of accumulating balances" identified by Ms. Black include "water leaks [which] are a principal challenge to affordability, particularly for vulnerable, low-income households that are unable to afford a plumber to make often simply repairs to reduce the level of water consumption in the household."[20]

While not specifically referencing the communications process she recommended earlier in her Rebuttal Testimony, and which I discussed above, Ms. Black's Rebuttal Testimony that "we want to see customers enroll in CAP before they have grown very large arrears" appears to be consistent with that process. Moreover, while not specifically referencing the Company's leak repair and conservation kit programs to reduce usage, Ms. Black's reference to controlling usage as a way to prevent increases in arrears before they become subject to forgiveness is consistent with that program.

Contingent upon the approval of the communications process I discuss above, and expansion of the distribution of conservation kits as I discuss below, I find Ms. Black's recommendation to be a reasonable accommodation of the concerns which I raised in my Direct Testimony. In the absence of the approval of these proposals regarding CAP communication and the expansion of the distribution of water conservation kits, the recommendations I made in my Direct Testimony, which have not been substantively disputed by Ms. Black, should be adopted.

[19] Id., at 16.
[20] Id., at 15.

Q. DO YOU HAVE ANY RESPONSE TO MS. BLACK'S REBUTTAL TESTIMONY REGARDING THE INCREASED DISTRIBUTION OF CONSERVATION KITS?

A. Yes. Ms. Black does not object to increasing the number of conservation kits distributed to low-income customers. Rather, she objects to "the idea of using contractors to implement conservation kits into a customer's home."[21] She argues that through her work with Peoples, she understands "how costly it is to install even minor measures, such as carbon dioxide detectors, in customer homes."[22]

Ms. Black's objection does not address my recommendation. I never recommended that LIURP contractors be used to ***install*** the measures included in Aqua's water conservation kits. I recommended that rather than simply mailing conservation kits to low-income customers, those kits be ***distributed*** through LIURP contractors (who are in a low-income customer's home in any event). As I noted in my Direct Testimony, the conservation kits "are self-installed by the customer." The fact that the customer receives such a kit through something other than the mail does not change the nature of the kit. The kits remain packages of measures that "are self-installed by the customer."

Elsewhere in her Rebuttal Testimony, Ms. Black relies on the ability of Aqua PA to facilitate usage control as a means by which to prevent low-income households from incurring higher arrears that would ultimately be subject to forgiveness (with the ensuing cost to all ratepayers). Given that Ms. Black's concerns about how "costly it is to install even minor measures" are not applicable to my recommendation, her opposition to the

[21] Id., at 18.
[22] Id.

increased distribution of conservation kits should not be accepted. My recommendation should be adopted.

Q. DO YOU HAVE ANY FINAL RESPONSE TO MS. BLACK'S REBUTTAL TESTIMONY?

A. Ms. Black presents her objection to the conversion of Aqua PA's low-income discount to a Percentage of Income Program (PIP). She asserts that I recommended that "this change should be incorporated in any future conversion or system upgrade that would support this CAP design."[23] Irrespective of whether I believe that Aqua PA, its low-income customers, and all of its other customers, would ultimately benefit from having Aqua PA convert its low-income program to a PIP, that recommendation has not been made in this proceeding. Indeed, my Direct Testimony explicitly states: "Contrary to the last base rate case, I am *not* recommending that Aqua convert its rate discount to a percentage of income at this time, although the eventual conversion of the Aqua program to a PIP is the preferable outcome." (emphasis in original)[24] Ms. Black's discussion of her views on the merits and demerits of a PIP are premature. Her discussion of a PIP should be reserved for a proceeding in which a PIP has been presented for decision. That has not occurred in this proceeding.

[23] Id., at 21.
[24] OCA St. 6, at 30.

Part 3. Response to I&E Rebuttal Witness Zachari Walker.

Q. PLEASE EXPLAIN THE PURPOSE OF THIS SECTION OF YOUR SURREBUTTAL TESTIMONY.

A. In this section of my testimony, I respond to the Rebuttal Testimony of I&E witness Zachari Walker regarding my recommended increase to Aqua's budget for low-income conservation kits. Mr. Walker opposes my recommendation on the following grounds: (1) that I did not provide proof that the Company has been capable of utilizing its current Leak Repair Program budget nor that Aqua's proposed $32,000 increase will not be sufficient to cover the benefits provided by the Leak Repair program; (2) that increasing the budget for this program at Aqua for the purpose of augmenting the programs of other energy companies with overlapping territories unnecessarily increases customer costs at Aqua for the only utility type deemed necessary to sustain life; and (3) since this program funding is not reconciled by a rider, additional funding should not be placed into base rates beyond what Aqua has itself proposed that it can spend. None of these arguments present a reasonable basis for denying my proposal.

Q. PLEASE RESPOND TO MR. WALKER'S COMMENT ABOUT WHETHER AQUA HAS BEEN CAPABLE OF UTILIZING ITS CURRENT LEAK REPAIR PROGRAM BUDGET?

A. Whether Aqua has been "capable of utilizing its current Leak Repair Program budget" has no relationship to whether the Company should expand its distribution of conservation kits. The conservation kits are a different initiative than the Leak Repair Program is. My testimony does not address the Leak Repair Program. It proposes no expansion of the budget for the Leak Repair Program. Mr. Walker's Rebuttal Testimony

is based on his confusion of the distribution of conservation kits and the Aqua Leak Repair Program. The testimony does not serve as a basis to deny my recommendation.

Q. PLEASE RESPOND TO MR. WALKER'S COMMENT ABOUT USING THE AQUA PROGRAM TO "AUGMENT THE PROGRAMS OF OTHER ENERGY COMPANIES."

A. Mr. Walker's characterization of my proposal to distribute Aqua conservation kits through the LIURP programs of the energy utilities which serve the same territory as a recommendation to "augment the programs of other energy companies" is in error. My recommendation is not to "augment" the LIURP programs. My recommendation is to enter into a partnership with those energy utilities such that when those utilities are delivering energy usage reduction services to households known to be low-income, they can also deliver Aqua's conservation kit. As I document in my Direct Testimony, and as Mr. Walker does not acknowledge, entering into such a partnership provides benefits to Aqua in its capacity as the water utility. If the distribution of water conservation kits can be made a part of LIURP services, Aqua would know that it is reaching an additional population of low-income water customers each year. Aqua would benefit from such an additional distribution by not having to independently, and separately, income-qualify households to receive the conservation kits Aqua would further benefit because for every $100 of reduced bill experienced through the installation of such kits, Aqua would avoid the need to provide $50 in bill discounts (assuming the conservation kits low-income recipient falls into the 50% discount range). To assert, as Mr. Walker does, that my recommendation is made to somehow "augment" the delivery of LIURP services is to misunderstand LIURP, to misunderstand the conservation kits, and to misunderstand how

the reduction of water/sewer bills results in a reduction in the amount of low-income discount paid by all other ratepayers.

Q. PLEASE RESPOND TO MR. WALKER'S COMMENT ABOUT DENYING MY RECOMMENDATION BECAUSE AQUA WOULD RECOVER THE COSTS IN BASE RATES.

A. Mr. Walker opposes my recommendation on the basis that the existing cost of the water conservation kits, as proposed by Aqua, would be included in base rates. He does not explain *why* his observation makes any difference in whether my recommendation should be adopted. The expansion of the conservation kit budget that I recommend would also be included in base rates. The only difference between my recommendation and the Company's recommendation is that given the Aqua's proposed limited distribution of conservation kits through the mail, all other ratepayers will experience *higher* rates than would need to exist under that existing mail distribution process.

As I note in my Direct Testimony, Aqua states that its $22,000 budget would fund 1,000 conservation kits.[25] The cost per kit, therefore, is $22 per kit. As I note in my Direct Testimony, therefore, a reduction of bill discount of only $2/month would result in the conservation kit paying itself off in reduced rates in less than one year ($2/month x 12 months = $24 in reduced discount). However, the conservation kit would *also* deliver $24 in benefits in Year 2, and $24 in benefits in Year 3, and $24 in benefits in Year 4, and so forth, *with no further investment*. For Mr. Walker to assert that expanding the distribution of conservation kits would "unnecessarily increase[] customer costs at Aqua"

[25] Aqua St. 13, at 13.

fundamentally misunderstands not merely the immediate flow of cost reductions, but the long-term flow of cost reductions as well. And for each additional conservation kit that is distributed, both the annual and cumulative flow of reductions in bill discounts expands.

Reduced Discounts from a $4/Month Bill Savings (per conservation kit) (50% discount participant)							
Year	Cost per Kit	Cumulative Annual Reduction in Discounts					
		Year 1	Year 2	Year 3	Year 4	Year 5	Cum Total
1	$22	$24	$24	$24	$24	$24	$120
2	$22	---	$24	$24	$24	$24	$96
3	$22	---	---	$24	$24	$24	$72
4	$22	---	---	---	$24	$24	$48
5	$22	---	---	---		$24	$24

Q. DO YOU HAVE ANY FINAL RESPONSE TO MR. WALKER'S OPPOSITION TO EXPANDING THE DISTRIBUTION OF CONSERVATION KITS?

A. Yes. Mr. Walker's opposition to any expansion of the distribution of water conservation kits is contrary to the testimony of Aqua PA witness Black who notes that the reduction in water consumption is a primary way through which Aqua can control any increase in low-income arrears that would ultimately be paid by other ratepayers through the arrearage forgiveness program.[26] Ms. Black's Rebuttal Testimony is evidence of how Mr. Walker's opposition is short-sighted from a cost-control perspective. Rather than increasing costs to ratepayers, an expanded distribution of conservation assistance would help reduce those costs by reducing the costs of arrearage forgiveness.

[26] See, Aqua St. 13-R, at 15 – 16.

Q. DOES THIS COMPLETE YOUR SURREBUTTAL TESTIMONY?

A. Yes, it does.

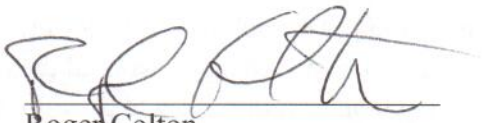
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:		
v.	:	Docket No.:	R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:		R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.			

VERIFICATION

I, Roger Colton, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 6SR, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 26, 2024

Signature: 

Roger Colton

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BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	Docket Nos. R-2024-3047822 (Water) R-2024-3047824 (Wastewater)
v.	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	

DIRECT TESTIMONY

OF

BARBARA R. ALEXANDER

Barbara Alexander Consulting LLC

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA Statement 7

PUBLIC VERSION

Date Served: August 16, 2024

I. INTRODUCTION AND SUMMARY OF RECOMMENDATIONS

Q. PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION.

A. My name is Barbara R. Alexander. I am the sole member/owner of Barbara Alexander Consulting LLC. I am a consultant on consumer protection and customer service issues associated with utility regulation. My address is 44 Beech St, Hallowell, ME 04347. I appear in this case as a witness on behalf of the Office of Consumer Advocate (OCA).

Q. PLEASE DESCRIBE YOUR BACKGROUND AND QUALIFICATIONS.

A. I opened my consulting practice in March 1996, after nearly ten years as the Director of the Consumer Assistance Division of the Maine Public Utilities Commission. While there, I managed the resolution of informal customer complaints for electric, gas, telephone, and water utility service, and testified as an expert witness on consumer protection, customer service, and low-income issues in rate cases and other investigations before the Commission. My current consulting practice is directed to consumer protection, customer service, and low-income issues associated with both regulated utilities and retail competition markets. I have testified on behalf of national and state consumer and public advocate representatives in over 30 states and Canadian jurisdictions. I have published widely on consumer protection, service quality, universal service, and retail competition policies and programs. I have assisted the Pennsylvania OCA in its restructuring activities concerning electricity and natural gas since 1997, numerous rulemaking proceedings relating to customer service, reliability of service, and consumer protection regulations. I have assisted the OCA as an expert witness in numerous merger and sale proceedings involving Pennsylvania electric, natural gas, and water and sewer utilities, including the

application of Aqua America, Inc. to purchase the Peoples Natural Gas distribution companies in Pennsylvania in Docket Nos. A-2018-3006062 and A-2018-3006063 and Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.'s (Aqua) previous base rate case filed in 2021 and resolved in the Commission's Opinion and Order on May 16, 2022 in Docket No. R-2021-3027385.

I am a graduate of the University of Michigan (1968) and the University of Maine School of Law (1976). I do not practice law at this time.

I attach my C.V. as Exhibit BA-1.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I am filing Direct Testimony in response to the Application by Aqua to increase its rates for water and wastewater service for Pennsylvania customers. The Company proposes to increase rates to produce additional overall revenues of $126.7 million per year, an 18.9% increase in overall distribution revenue requirement. Aqua provides water distribution service to approximately 445,000 residential, commercial, and industrial customers in portions of 31 counties across Pennsylvania. Aqua also provides wastewater service to approximately 56,000 residential, commercial, and industrial customers in portions of 17 counties across Pennsylvania. My testimony addresses the consumer protection and service quality performance of Aqua, critical aspects of a public utility's justification for base rate increases. This relationship is particularly important in this case due to the magnitude and percentage of bill increases proposed by Aqua for its residential customers, as well as considering Aqua's compliance with prior Commission Orders and approved settlement commitments. I also examine Aqua's limitation on liability tariff

and its tariff language authorizing termination of water service provided by Aqua for nonpayment of wastewater service by municipal authorities pursuant to the Water Services Act.

Q. PLEASE IDENTIFY THE EXHIBITS ATTACHED TO YOUR TESTIMONY.

A. The following Exhibits are attached to my testimony:

- Exhibit BA-1: Barbara Alexander C.V.
- Exhibit BA-2: 2023 call center performance data from Aqua Response to OCA-III-1 and 2024 data from Aqua Response to OCA-XVI-18 that corrected previously provided data.
- Exhibit BA-3: Aqua Response to OCA-XVI-12 and attachment
- Exhibit BA-4: Aqua Response to OCA-XVI-1 and attachment
- Exhibit BA-5: Summary of Key Attributes of a Root Cause Analysis
- Exhibit BA-6: Aqua Response to OCA-XVI-9.
- Exhibit BA-7: Aqua Response to OCA-XVI-21.
- Exhibit BA-8: Aqua Response to OCA-III-10-B.
- Exhibit BA-9: Aqua Response to OCA-XVI-5 and attachment
- Exhibit BA-10: Proposed Tariff Language Re: Water Services Act

Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.

A. Based on my review of Aqua's prior settlement commitments in the Aqua-Peoples Merger Settlement[1] and prior Commission orders, including the Commission's final rate

[1] A-2018-3006061, A-2018-3006062, A-2018-3006063, available at https://www.puc.pa.gov/pcdocs/1625488.pdf .

order in Aqua's 2021 base rate case,[2] as well as a review of recent service quality and customer service performance, I recommend the following as conditions that should accompany any consideration of a rate increase:

- Aqua should not be awarded additional profits or revenues for "exemplary management performance" due to its failure to properly consider customer service performance in its justification and for other failures associated with prior commitments as identified in my testimony.
- Call Center Performance: I recommend that Aqua be required to meet its 2024 call center performance as a condition of any rate increase in this proceeding. Aqua should not be allowed to deteriorate its performance once rates are increased since the prior Aqua-Peoples Merger Settlement commitment does not extend beyond 2024. Second, I recommend that Aqua focus on improving the call answering performance for customers who enter the queue to speak to a customer service representative in light of the evidence presented in my testimony that those customers experience a significantly lower level of customer services when the IVR calls are eliminated from these calculations. I recommend that Aqua commit or be directed by the Commission to achieve to a reasonable level of improvement on an annual basis as a condition of this rate increase.
- Root Cause Analysis of Customer Complaints: In light of the history of Aqua's inability or refusal to conduct a reasonable root cause analysis as required by the Aqua-Peoples Merger Settlement, I recommend that the Commission take this failure

[2] See Pa. PUC v. Aqua PA, Inc., Docket Nos. R-2021-3027385, R-2021-3027386 (Opinion and Order entered May 16, 2022), pages 364-380, available at https://www.puc.pa.gov/pcdocs/1744354.pdf

into account in denying any request for "exemplary management performance."

- Oversight of Call Center Compliance: I recommend that Aqua be required to conduct an annual audit and document its investigation and review of compliance with Pennsylvania's Chapter 56 and Chapter 14 rights and responsibilities by its call center personnel. It is not appropriate to rely on reviewing individual complaints, counseling agents, without a regular documentation of the oversight review and its findings.
- Compliance with Personal Contact Requirements: In light of my prior documentation of lack of proper training on this same issue in the last base rate case, I recommend that Aqua be required to develop and file a compliance document that properly describes the full range of consumer protections associated with attempting contact with residential customers prior to termination of service and documents as well the actual training and oversight, with reasonable reporting requirements that are reviewed by management. In addition, the Commission should consider this evidence to deny Aqua's request for higher profits due to exemplary management performance.
- Payment Processing Fees: I recommend that Aqua offer no-fee payment options to its customers and include reasonable or necessary payment processing fees in its revenue requirement, like the costs of handling payments via mail. The level of reasonable fees to include in the revenue requirement should reflect a competitive bid process to achieve the lowest cost to ratepayers for processing credit and debit card transactions. Whether or not this recommendation is adopted, Aqua should revise its termination notices, bills, and IVR script to inform the customer of the ways to pay

without fees rather than emphasizing the fee-based pay options as currently done.

- Limitation on Liability Tariff: I recommend that Aqua update its dollar amount of limitation of liability to reflect a more reasonable dollar amount to $6,000 to reflect inflation and Aqua's actual data showing that it had paid out well in excess of $2,000 where it has determined to pay out claims. Aqua should clarify that its "act of God" language does not eliminate liability for claims in which the Company is found to have been negligent or not in compliance with its Section 1501 duties under the Public Utility Code.
- Termination of Water Service for Nonpayment of Wastewater Service provided by a Municipal Authority: I recommend that Aqua adopt changes to its Tariff that authorizes termination of Aqua's water service for nonpayment of wastewater service by a municipal authority that reflect the consumer protections approved by the Commission in it recent order on Pennsylvania American Water Co.'s base rate case.

II. AQUA'S CUSTOMER SERVICE PERFORMANCE DOES NOT SUPPORT ADDITIONAL PROFITS FOR EXEMPLARY MANAGEMENT PERFORMANCE

Q. DID AQUA INCLUDE A DETAILED DISCUSSION OF ITS CUSTOMER SERVICE PERFORMANCE AND CONSUMER PROTECTION POLICIES AS PART OF ITS FILING FOR THIS RATE INCREASE?

A. No. Aqua Witness Packer provides testimony as to why he believes Aqua PA is "entitled" to an authorized return on equity "that recognizes exemplary managerial

performance."[3] As part of Mr. Packer's discussion, he addresses customer service.[4] He states that since Aqua's 2021 base rate case, Aqua PA has implemented mobile application access to customers through an ePortal, which enables customers to view their account, manage it, and access their consumption data, and that gives customers real-time updates on service outages and visibility into service orders. Additionally, he discussed that Aqua PA's external website has been updated with an interactive map-based solution for displaying disruptions to service that involves an external Geographical Information System Disruption Map that allows customers to see activity in their service area by entering an address or by using their smart phone's location.[5] Thus, Mr. Packer's testimony on "customer service" is limited to discussion of Aqua's new customer notification systems for outages.[6] He does not discuss customer call center performance. Aqua Witness Duerr's testimony with regard to "exemplary management performance" focuses strictly on operational system performance, acquisition of smaller water/wastewater systems, and various technology-related investments, but he does not discuss or identify any customer service performance indicators that reflect this "excellence" or that impacts managerial payment incentives.[7] Likewise, Mr. Duerr does not discuss customer call center performance. I note that Aqua Witness Duerr's list of "topics" includes "Management Performance Indicators," but there are no measurable "indicators" identified in this document. I acknowledge that Aqua's filing includes a

[3] Aqua St. No. 1, page 25.
[4] Ibid., page 31, lines 6-17.
[5] Ibid.
[6] Ibid.,
[7] Aqua St. No. 11. I note that Aqua Witness Duerr's list of "topics" includes "Management Performance Indicators," but there are no measurable "indicators" identified in this document.

review of its Universal Service Programs[8] and that OCA Witness Colton will address Aqua's low-income customer assistance programs in his testimony at OCA Statement 6.

Q. WHAT WERE AQUA'S COMMITMENTS IN THE AQUA-PEOPLES MERGER SETTLEMENT AS IT RELATES TO CALL CENTER PERFORMANCE?

A. In paragraph 83 of the Aqua-Peoples Merger Settlement, Aqua committed "to improve Aqua's call center performance to meet or exceed" the performance standards using "the following three metrics in each of the five calendar years (2020-2024)" following the closing of the Aqua-Peoples Merger:

> i. percent of calls answered within 30 seconds of at least 82%,
>
> ii. busy-out rate of no more than 0.25%,
>
> iii. average call abandonment rate that is no higher than 4% for 2020-2021, no higher than 3% for 2022-2023, and no higher than 2.5% for 2024.
>
> Aqua-Peoples Merger Settlement ¶ 83.

Q. HOW DOES AQUA INCLUDE CUSTOMER SERVICE PERFORMANCE IN ITS MANAGEMENT INCENTIVE PAY?

A. The only indicator relating to interactions with customers reflected in its managerial pay incentives is [**BEGIN CONFIDENTIAL]** [redacted]

[8] Aqua St. No. 13.

[redacted] [**END CONFIDENTIAL]**[9] Based on this policy, the actual performance requirements of the Aqua-Peoples Merger Settlement (¶ 83) are not reflected in this management incentive pay scheme since it appears that **[BEGIN CONFIDENTIAL]** [redacted] [redacted] **[END CONFIDENTIAL]** The Aqua-Peoples Merger Settlement (¶ 83) requires annual average performance standards in three areas that can be measured to reflect the performance provided to Pennsylvania customers.[10] Specifically, as indicated above, Aqua agreed to annual average performance in three areas: answer at least 82% of the customer calls within 30 seconds at its call center, maintain a busy-out rate of no more than 0.25%, and meet an abandonment call rate (measured by customers who hang up after entering the queue to speak to a representative) no higher than 4% for 2020-2021, no higher than 3% for 2022-2023, and no higher than 2.5% for 2024.

Q. WHAT IS YOUR RECOMMENDATION IN LIGHT OF THIS EVIDENCE THAT CUSTOMER SERVICE PERFORMANCE WAS IGNORED IN THE COMPANY'S FILING AND NOT OTHERWISE PROPERLY REFLECTED IN MANAGEMENT INCENTIVE PAYMENT POLICIES?

A. Customer call center performance was ignored by the Company in its initial filing and **[BEGIN CONFIDENTIAL]** [redacted] [redacted] **[END CONFIDENTIAL]** This lack of attention in the Company's filing and

[9] Aqua Response to OCA-XVI-25 (CONFIDENTIAL).
[10] Joint Petition for Approval of Non-Unanimous, Complete Settlement Among Most Parties**,** Docket Nos. A-2018-3006061, A-2018-3006062, and A-2018-3006063 (June 26, 2019) (Aqua Peoples Merger)

failure to include "indicators" of customer service provided to Aqua's PA's customers, leads me to conclude that Aqua's rates should not be increased to reflect the Company's alleged "exemplary management performance." In this regard, my testimony supports the recommendations of OCA Witness Aaron Rothchild, OCA Statement 3.

Q. ARE THERE ADDITIONAL REASONS TO DENY THE REQUEST FOR HIGHER PROFITS?

A. Yes. Throughout my testimony I identify several issues that support my recommendation to deny the request for higher profits and rates for Pennsylvania customers.

III. AQUA'S CUSTOMER CALL CENTER PERFORMANCE MEETS ONLY MINIMUM REQUIREMENTS AND FAILS TO MEASURE CUSTOMER EXPERIENCE.

Q. WHY IS AQUA'S CALL CENTER PERFORMANCE CRUCIAL TO PROVIDING ADEQUATE CUSTOMER SERVICE TO PENNSYLVANIA CUSTOMERS?

A. Aqua does not maintain an office in Pennsylvania in which its customers can interact with a customer service representative or conduct routine business to engage in negotiating a payment plan or discuss payment options or service quality concerns.[11] Aqua's two call centers that handle Pennsylvania customer calls are located out of state, in Illinois and North Carolina.[12] As a result, Pennsylvania customers interact with Aqua remotely via the call center or its web portal. Therefore, the quality of these remote interaction options is crucial to evaluating Aqua's customer service performance.

Q. PLEASE DESCRIBE AQUA'S CALL CENTER PERFORMANCE.

[11] Aqua Response to OCA-III-7.
[12] Aqua Response to OCA-III-6.

A. I attach Exhibit BA-2 that presents and 2023 and 2024 monthly and annual average results for each of the performance standards.[13] This Exhibit shows that Aqua has met the call center performance commitments from the Aqua-Peoples Merger Settlement. This performance is measured in a manner that does not reflect the actual customer experience since it includes all customer calls received by the IVR. As measured by the calls in which the customer selects the option to speak with a customer service representative (CSR), the annual average percentage of call answered within 30 seconds for 2023 is 67% and in 2024 to date the average is 67.2%.[14] I attach this data response as Exhibit BA-3. Aqua's measurement of call answering performance relies on including all customers who call the interactive voice response system as the denominator for this calculation. I understand that this calculation methodology is reflected in the call answering performance data included in the BCS reports and that Aqua had successfully argued in the 2021 rate case that its calculation methodology should be relied upon to measure compliance with the Aqua-Peoples Merger Settlement. However, it is important for the Commission to see the dramatic difference between the calculations in terms of actual customer experience. In my opinion, an individual customer who calls the IVR and handles an automated transaction should not be viewed as part of the calculation for those customers who call the IVR and select the option to enter the queue to speak to a customer service representative.

Q. WHAT IS YOUR RECOMMENDATION IN LIGHT OF THIS CONCERN?

A. First, I recommend that Aqua be required to meet its 2024 call center performance as a

[13] As noted on this Exhibit, the 2023 data is from Aqua Response to OCA-III-1 and the 2024 data is from Aqua Response to OCA-XVI-18.
[14] Aqua Response to OCA-XVI-12 and attachment.

condition of any rate increase in this proceeding. Aqua should not be allowed to deteriorate its performance once rates are increased since the prior Aqua-Peoples Merger Settlement commitment does not extend beyond 2024. Second, I recommend that Aqua focus on improving the call answering performance for customers who enter the queue to speak to a customer service representative in light of the evidence presented in my testimony that those customers experience a significantly lower level of customer services when the IVR calls are eliminated from these calculations. I recommend that Aqua commit or be directed by the Commission to achieve to a reasonable level of improvement on an annual basis as a condition of this rate increase.

IV. AQUA'S ANALYSIS OF CUSTOMER COMPLAINT AND COMPLIANCE DATA IS INADEQUATE AND CONTRIBUTES TO ITS LACK OF EXEMPLARY MANAGEMENT PERFORMANCE

Q. PLEASE PRESENT AQUA'S CUSTOMER COMPLAINT COMPLIANCE DATA.

A. The Commission's Bureau of Consumer Services (BCS) publishes a quarterly and annual report on customer complaints made to the BCS, payment arrangement requests (PARs) and Inquiry statistics for major water utilities, including Aqua.[15] The 2023 data indicates that Aqua had a 14% reduction in residential customer complaints compared to 2022, but a 41% increase in PARs. More importantly, BCS found that 30% of the complaints were "justified," and 30% of its PARs were "justified." These are complaints that BCS determined that the company did not comply with the Commission's regulations. In addition, BCS found that Aqua had 174 "infractions," 167 of which were due to Chapter

[15] https://www.puc.pa.gov/media/2754/ucare_2023_q4.pdf

56 potential violations.[16]

Q. PLEASE COMMENT ON THE IMPORTANCE OF A UTILITY TRACKING AND EVALUATING CUSTOMER COMPLAINTS.

A. Every Pennsylvania public utility is required to educate customers about how to register informal and formal complaints, the former resolved by the Commission's Bureau of Consumer Services because of a customer's dissatisfaction with the utility's response and the latter handled as a formal matter by the Commission because of a formal filing by the customer or group of customers. Utilities also receive "disputes" directly from customers and are obligated to investigate and respond to those issues or indications of dissatisfaction. Customer complaints typically form a hierarchy or pyramid from a large volume of disputes to a smaller group of informal complaints to the BCS and a relatively small number of formal complaints filed with the Commission. Tracking and evaluating disputes and informal or formal complaints are key to ensuring ongoing improvements in customer service because that evaluation is likely to spot the "red flag" that indicates a systemic issue or concern that requires management's attention and, in some cases, a change in policy or procedure. In addition, of course, this type of evaluation may also identify violations of the Commission's regulations.

Q. AQUA WAS REQUIRED TO TRACK ITS CUSTOMER COMPLAINTS AND CONDUCT AN ANNUAL ROOT CAUSE ANALYSIS OF ITS COMPLAINTS IN THE AQUA-PEOPLES MERGER SETTLEMENT. PLEASE COMMENT ON AQUA'S

[16] Aqua Response to OCA-III-19 (not marked as confidential) describes the Company's response to BCS "verified infractions." This response indicates that in 2023, 114 infractions findings by the BCS were "accepted and 10 were "contested," with two BCS infractions removed.

COMPLIANCE WITH THIS REQUIREMENT.

A. Aqua submitted its purported compliance with the root cause analysis in its response to OCA-XVI-1. I attach this response as Exhibit BA-4. This three-page document entitled "Aqua Root Cause Analysis 2023," states that Aqua is "currently conducting their internal root cause analysis," and that "based on our initial review we have discovered that majority of 2023 cases resulted from payment arrangements, high bill disputes and billing disputes." Also, "Aqua is still actively reviewing complaints from 2023 to identify more trends in the customer data and opportunities for improvement." This document was created on July 29, 2024, according to the "properties" of this PDF document. Therefore, it is not clear whether Aqua created any "root cause analysis" prior to the onset of this proceeding or the data request issued by the OCA. Rather, the creation date suggests that the document was created in response to the OCA's discovery requests. Aqua does not explain why an analysis of 2023 complaint data has not yet been completed by mid-year 2024. As I documented in the 2021 rate case, Aqua did not produce any "root cause analysis" of its complaint data at the time of that proceeding in 2021.[17]

Q. WHAT IS YOUR OPINION OF THIS ROOT CAUSE ANALYSIS?

A. This document correctly seeks to identify customer complaint trends and identify one or more potential solutions. However, there are significant defects in terms of a proper root cause analysis:

- The document does not identify the complaint data base used to provide the information

[17] Direct Testimony of Barbara R. Alexander, OCA St. No. 6, at 12-13. Docket No. R-2021-3027385. The Commission's Opinion and Order in this proceeding (Order Entered, May 16, 2022), pages 372-376, confirmed that Aqua's compliance with the prior Aqua-Peoples Settlement commitment in this area was not complete.

about complaint trends or why only the "termination notices" and "billing disputes" were identified as a significant complaint areas;

- The document does not reflect any effort to determine the scope and scale of similar trends that are not reflected in the complaint data base. In other words, while the document states that there were 374 complaints about Aqua's termination notices, there is no information on the total number of complaints, how Aqua categorized its complaints, or how this analysis related to BCS findings on infractions and justified complaints. The discussion of "billing complaints" does not identify the number of such complaints.
- The discussed solutions have not yet been implemented and the analysis does not identify the metrics or indicators that will be measured to determine their effectiveness.
- The document does not identify any other complaint categories. It is obviously a preliminary analysis and not a comprehensive one.

I attach a description of a proper root cause analysis as Exhibit BA-5.

Q. IS THERE OTHER EVIDENCE THAT CONFIRMS THAT AQUA DOES NOT ROUTINELY CONDUCT ROUTINE ROOT CAUSE ANALYSES OR TAKE PROACTIVE STEPS TO RESPOND TO COMPLAINT DATA?

A. Yes. Aqua has not completed a trend analysis with respect to disputes.[18] Aqua has not conducted a root cause analysis of "justified" or "verified infractions" since January 2022.[19] Aqua's root cause analysis undertaken in response to the specific requirement of the Aqua-Peoples Merger Settlement is woefully inadequate as I have identified and the

[18] Aqua Response to OCA-XVI-15.
[19] Aqua Response to OCA-XVI-20.

concept of evaluating other complaint and compliance data is not yet an integrated approach by management.

Q. WHAT IS YOUR RECOMMENDATION IN LIGHT OF THIS EVIDENCE?

A. In light of the history of Aqua's inability or refusal to conduct a reasonable root cause analysis as required by the Aqua-Peoples Merger Settlement, I recommend that the Commission take this failure into account in denying any request for "exemplary management performance."

V. AQUA'S COMPLIANCE WITH CERTAIN CONSUMER PROTECTION REGULATIONS AND BEST PRACTICES NEEDS REFORM

Q. DO YOU HAVE ANY CONCERNS WITH RESPECT TO AQUA'S COMPLIANCE WITH CHAPTER 56 AND OTHER BEST PRACTICES IN THE IMPLEMENTATION OF APPLICABLE CONSUMER PROTECTION REGULATIONS?

A. Yes. I will discuss the following issues in this section of my testimony:

- Oversight of the call center compliance with Pennsylvania consumer protection rules and policies.
- Termination of service: obligation to attempt personal contact with a responsible adult immediately prior to termination of service.

Q. HAS AQUA DOCUMENTED HOW IT ENSURES THAT THESE CALL CENTER EMPLOYEES LOCATED IN ILLINOIS AND NORTH CAROLINA AND WHO ALSO SERVE AQUA CUSTOMERS IN MANY STATES COMPLY WITH PENNSYLVANIA'S CHAPTER 56 CONSUMER PROTECTION REQUIREMENTS?

A. No. Aqua has provided the internal training documents that reflect Pennsylvania-specific

consumer protection policies and requirements;[20] however, when asked to provide any audit or investigation of compliance with Pennsylvania specific regulations and policies at its call centers since January 2022, Aqua's response merely described generically that training is done and new agents are supervised and coached and the extensive software-based materials are available to all agents.[21] I attach this response as Exhibit BA-6. No evidence of any compliance audit or investigation was provided. This high-level statement and lack of any documentation as to actual monitoring, internal reports of coaching, or any other indicia of audits or oversight is troubling. Furthermore, this concern is highlighted by the justified complaints and verified infractions described above. This approach relies on external forces to find "problems" or lack of compliance. My concern about the lack of proactive oversight and routine audits or results of any audits or compliance related investigations is particularly important due to the location of these call centers being out-of-state and the multiple states beyond Pennsylvania in which Aqua's call center provides customer service.

Q. WHAT IS YOUR RECOMMENDATION WITH RESPECT TO THE LACK OF EVIDENCE DOCUMENTING REASONABLE OVERSIGHT AND COMPLIANCE AUDITS OF AQUA'S CALL LCENTERS?

A. I recommend that Aqua be required to conduct an annual audit and document its investigation and review of compliance with Pennsylvania's Chapter 56 and Chapter 14 rights and responsibilities by its call center personnel. It is not appropriate to rely on reviewing individual complaints, counseling agents, without a regular documentation of

[20] Aqua Response to OCA-III-4 and III-8 and attachments provided the requested training documents.
[21] Aqua Response to OCA-XVI-9.

the oversight review and its findings.

Q. PLEASE DESCRIBE YOUR CONCERN WITH RESPECT TO AQUA'S OBLIGATION TO ATTEMPT PERSONAL CONTACT IMMEDIATELY PRIOR TO TERMINATION OF SERVICE.

Q. Aqua is obligated to attempt personal contact with a responsible adult immediately prior to termination of service.[22] Aqua's training materials on this topic consist of a one-page description of the obligation to attempt personal contact prior to termination of service. This page correctly states that the intent is to "confirm that they do not have a serious illness or medical condition, have made payment, or have an active PUC complaint."[23] However, this material is not comprehensive. This interaction, should it occur, is explicitly required to ensure that the customer's rights are recognized and responded to in the event of (1) allegation of payment; (2) presence of medical emergency; (3) assertion of rights pursuant to victims of domestic violence or abuse; and (4) availability of universal service programs.

Q. DOES AQUA TRACK ANY DATA CONCERNING ITS OBLIGATION TO ATTEMPT PERSONAL CONTACT PRIOR TO TERMINATION OF SERVICE OR THE RESULTS OF SUCH CONTACTS IF THEY OCCUR?

A. No. Aqua does not track any data concerning its obligation to attempt personal contact prior to termination of service of the results of such contacts if they occur. I attach Aqua's response to OCA-XVI-21 as Exhibit BA-7. When asked to provide information about the obligation to attempt personal contact such as the attempts made, contacts obtained,

[22] Chapter 56. 52 Pa. Code §§ 56.94, 56.334.
[23] Aqua Response to OCA-III-8, Attachment. The document is not paginated bu the title of the page is "termination of service."

reasons for avoiding termination based on the contact, or even when termination is avoided based on the field agent's discretion, the Company stated that none of this level of detail is tracked on termination orders. As a result, the lack of tracking data means that the Company has no idea of the impact or results of termination orders in the field or whether the customer's rights have been properly implemented. Nor has Aqua undertaken any audit or investigation to ensure that its field agents are complying with these personal contact requirements and properly engaging with knowledgeable information on Pennsylvania's customer rights and responsibilities.[24]

Q. WHAT IS YOUR RECOMMENDATION IN LIGHT OF THIS EVIDENCE?

A. In light of my prior documentation of lack of proper training on this same issue in the last base rate case, I recommend that Aqua be required to develop and file a compliance document that properly describes the full range of consumer protections associated with attempting contact with residential customers prior to termination of service and documents as well the actual training and oversight, with reasonable reporting requirements that are reviewed by management. In addition, the Commission should consider this evidence to deny Aqua's request for higher profits due to exemplary management performance.

VI. AQUA'S PAYMENT PROCESSING FEES SHOULD BE ELIMINATED

Q. DOES AQUA PROMOTE PAYMENT METHODS ON ITS WEB PORTAL, BILLS, TERMINATION NOTICES, AND IVR THAT REQUIRE THE CUSTOMER TO PAY A FEE TO A THIRD-PARTY VENDOR FOR CERTAIN PAYMENT METHODS?

A. Yes. Aqua's website and IVR conspicuously promote an option for a customer payment

[24] Aqua Response to OCA-XVI-20.

via credit/debit card or check.[25] In addition, Aqua's termination notices explicitly promote payment by this method with a separate toll-free number printed in bold that connects the customer to "our toll free number" or see payment options on the back of the notice. The back of the notice directs the customer to either mail a check to the Aqua address or call ACI Speedpay with the same toll free number that appears on the front of the notice that was identified as "our toll free number." The Speedpay options enable a customer to pay by credit or debit card and also requires the customer to pay a $1.25 "processing fee."[26] I attach this termination notice as Exhibit BA-8. This fee is charged pursuant to Aqua's contract with Speedpay and is paid directly to Speedpay. Aqua's web portal also offers payment at a variety of retail locations via Western Union for a fee that is not identified on its web portal. The only payment methods that can be done without fee is to pay by check by mail or pay via ACH out of the customer's banking account after signing up on the Aqua web portal.

Q. HOW MANY CUSTOMERS USE THIS PAYMENT METHOD VIA SPEEDPAY AND WHAT AMOUNT OF FEES ARE INCURRED?

A. During the period February through June 2024, 832,913 transactions were processed by Speedpay at a total cost to customers in fees of $91,620.43.[27] I attach this response as Exhibit BA-9. The volume of transactions that incurs these fees is growing. In June 2024, 174,581 transactions incurred the Speedpay fee of $19,203, an amount that is 25,000 less

[25] https://www.aquaamerica.com/customer-service-center/ways-to-pay-your-water-bill.aspx

[26] Aqua Response to OCA-III-10-B is the current versions of Aqua's 10-day termination notice. The first option listed under "to stop the shut off," is "Pay the total amount overdue. To pay by phone, call out toll free number at **866-269-2906** or see the back of the payment stub for all payment options." This is not an Aqua customer service number, but rather connects the customer to Speedpay.

[27] Aqua Response to OCA-XVI-5, attachment. It is not clear based on the response from Aqua how the total cost was determined based on the number of transactions listed and the cost per transaction.

than the 205,816 no-fee bill payments by check received by Aqua in that month.[28]

Q. WHAT IS THE IMPACT OF SUCH FEES ON CUSTOMERS?

A. These fees increase the payment required to maintain essential water and wastewater service. Since Aqua promotes this payment method, Aqua has a responsibility to consider the impact of this policy on those who are forced by their personal circumstances to pay a bill (current or overdue) to avoid further collection actions that may result in termination of service. Eliminating additional payment processing fees is likely to generate a higher volume of customer payments via the web portal or IVR and could also reduce the costs of handling payments and checks via the U.S Mail system which is notoriously slower than in the past. In fact, Pittsburgh Water and Sewer Authority (PWSA) recently agreed to eliminate the imposition of fees on customers if they elect to make payments via their Interactive Voice Response System and payments via their e-billing web portal.[29] In its most recent base rate case, PWSA proposed to stimulate enrollment in its e-billing web portal with a one-time $5 credit on the grounds that such enrollment would result in significant cost reductions associated with mailing bills and manually processing payments.[30] Pennsylvania American Water Company (PAWC) has eliminated its credit card fees for bill payment.[31] In a time of significant impacts on lower and fixed income consumers due to Aqua's significant rate increases in 2022 and as proposed in this rate case, my recommendation could increase Aqua's ability to recover overdue bills as well as ongoing payment of current bills. At the very least, my recommendation would not have

[28] Aqua Response to OCA-XVI-6 provided the monthly data on payment by checks.
[29] Joint Petition for Settlement, Docket Nos. R-2020-3017951et al., Section G (2) (September 30, 2020).
[30] Direct Testimony of Julie Quigley on behalf of PWSA, at 20, Docket Nos. R-2021-3024773 et al. (April 13, 2021).
[31] https://www.amwater.com/paaw/customer-service-billing/Billing-Payment-Info/

the impact of imposing an additional charge on customers to pay for regulated water and wastewater service, a charge that is promoted by and within the control of Aqua as to what to charge or whether to charge a fee at all.

Q. WHAT IS YOUR RECOMMENDATION WITH RESPECT TO THESE PAYMENT PROCESSING FEES?

A. I recommend that Aqua offer no-fee payment options to its customers and include reasonable or necessary payment processing fees in its revenue requirement, like the costs of handling payments via mail. The level of reasonable fees to include in the revenue requirement should reflect a competitive bid process to achieve the lowest cost to ratepayers for processing credit and debit card transactions. Whether or not this recommendation is adopted, Aqua should revise its termination notices, bills, and IVR script to inform the customer of the ways to pay without fees rather than emphasizing the fee-based pay options as currently done.

VII. AQUA SHOULD REVISE ITS TARIFF PROVISION ON LIMITATION OF LIABILTY

Q. PLEASE EXPLAIN AQUA'S TARIFF PROVISIONS TO LIMIT ITS LIABILITY FOR CUSTOMER DAMAGES AND INJURIES.

A. Aqua's Water and Wastewater Tariffs contain the same provision.[32] This provision limits the liability of Aqua to $2,000 "in any legal action brought against the Company for damages in connection with: (1) a service interruption or delay or cessation or lack of adequate, efficient, safe and reasonable service and facilities, and/or (2) a failure of

[32] Rules and Regulations (Sewer), Section E, Service Continuity and Liability (Original Page 40); Rules and Regulations (Water), Responsibility for Service, 5.1 Liability of Company (Original Page 61).

equipment, including, but not limited to, a break of lead in a Main, service line or Meter owned by the Company." Another section eliminates liability for "act of God or does not involve a duty of the Company, including breaks or leaks on facilities that are not owned by the Company…." The Company also disclaims liability due to lack of "actual notice, whether written or oral, that a Company facility….is in need of repair that is not proven to have been in that condition at the time of installation or that is caused by a plumber, developer, or the person or event."

Q. WHAT IS THE HISTORY OF THIS PROVISION?

A. Aqua's tariffs added this provision as a result of the 2021 base rate case, effective May 19, 2022. However, this provision may predate that addition since it was present in the 2000 version of the tariff.[33] The Company cannot determine the information on how the $2,000 limitation of liability was determined.[34] The Company stated: "The Company does not have information on how the $2,000 limitation of liability was determined in approximately the year 2000 for the Water Tariff. The provision was added to the Wastewater Tariff to match the Water Tariff."[35]

Q. WHAT IS YOUR CONCERN?

A. First, the $2,000 limit on liability appears too low in light of the actual damages that might occur to a customer due to the Company's fault or negligence. If $2,000 was deemed reasonable in the year 2000, the Consumer Price Index (CPI) Inflation Calculator[36] shows that $2,000 in January 2000 is equal to $3,722.45 in June 2024.

[33] Aqua Response to OCA-XX-1.
[34] Aqua Response to OCA-XX-2.
[35] Aqua Response to OCA-XX-2.
[36] Available at https://data.bls.gov/cgi-bin/cpicalc.pl.

Moreover, the $2,000 limitation on liability being too low is demonstrated by **[BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]** Second, the "act of God" exemption should not be read to exclude situations in which the Company is negligent or fails to meet its Section 1501 service obligations.

Q. WHAT IS YOUR RECOMMENDATION WITH RESPECT TO THE TARIFF PROVISIONS ON LIMITATION OF LIABILITY?

A. I recommend that Aqua update its dollar amount of limitation of liability to reflect a more reasonable dollar amount to $6,000 to reflect inflation and Aqua's actual data showing that it had paid out well in excess of $2,000 where it has determined to pay out claims. Aqua should clarify that its "act of God" language does not eliminate liability for claims in which the Company is found to have been negligent or not in compliance with its

[redacted]

Section 1501 duties under the Public Utility Code.

VIII. AQUA'S TARIFF AND TERMINATIONS OF SERVICE PERFORMED IN ACCORDANCE WITH THE WATER SERVICES ACT.

Q. PLEASE DESCRIBE WHY AQUA DISCONNECTS ITS WATER CUSTOMERS FOR NONPAYMENT OF "NON-COMPANY" WASTEWATER SERVICE PROVIDERS.

A. I understand there is a Pennsylvania law referred to as the Water Services Act or Act of April 14, 2006, codified at 53 P.S. §§ 3102.501 – 3102.507, that authorizes water public utilities, like Aqua, to enter into long-term agreements with municipalities, municipal authorities, cities, boroughs, or townships (non-utility sewer providers) for shut-off services for sewer services. This law obligates water public utilities, including Aqua, to terminate water service to a customer at the request and direction of non-utility sewer provider until all overdue amounts owed to the non-utility sewer provider are paid. I understand based on advice of OCA counsel that the shut-off services that Aqua provides on behalf of non-utility sewer providers are governed by the provisions of the Water Services Act, and not by Chapter 56 of the Commission's regulations or Chapter 14 of the Public Utility Code.

Q. HAS THE COMMISSION ADDRESSED THESE TYPES OF TERMINATIONS?

A. Yes. In the Commission's final order in the recent 2023 base rate case of Pennsylvania-American Water Company[39], the Commission approved tariff language recommended by the presiding Administrative Law Judge to provide greater clarity to customers about

[39] *See Pa. PUC v. Pennsylvania-American Water Co.*, Docket Nos. R-2023-3043189, R-2023-3043190 (Opinion and Order entered July 22, 2024), *available at* https://www.puc.pa.gov/pcdocs/1838564.pdf.

these types of terminations and increase customer practice.[40] The Commission found that inclusion of the non-company wastewater utility contact information on termination notices to not be onerous and as providing greater clarity to customers.

Q. BASED ON THE COMMISSION'S DECISION ABOVE, DO YOU HAVE A RECOMMENDATION FOR AQUA'S TARIFF IN THIS CASE?

A. Yes. The issues and rationale raised, discussed and ultimately addressed by the Commission in the PAWC 2023 rate case equally apply to Aqua's tariff and its termination of service to water customers for non-payment of sewer services rendered by a non-company sewer provider. Customers should be entitled to the same protections as afforded to them in the PAWC tariff. Accordingly, Exhibit BA-10 contains the relevant pages of Aqua's water tariff and it contains the OCA's proposed revisions to the tariff utilizing language consistent with the language that that the Commission approved in the 2023 PAWC rate case order.

Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

A. Yes.

[40] Ibid. at pages 377-379.

Exhibit BA-1

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- Consumer Protection and Service Quality policies and programs associated with the regulation of competitive energy and telecommunications providers;
- The regulatory policies associated with the regulation of Credit, Collection, Consumer Protection, Low Income, and Service Quality programs and policies for public utilities;
- Customer Education and Rate design and pricing policies applicable to residential customers; and
- Advanced Metering Infrastructure and Grid Modernization costs and benefits, time-based pricing proposals, and performance standards.

Prior Employment

DIRECTOR

1986-96

Consumer Assistance Division

Maine Public Utilities Commission *Augusta, Maine*

One of five division directors appointed by a three-member regulatory commission and part of commission management team. Direct supervision of 10 employees, oversight of public utility consumer complaint function, appearance as an expert witness on customer services, consumer protection, service quality and low income policy issues before the PUC. Chair, NARUC Staff Subcommittee on Consumer Affairs.

SUPERINTENDENT

1979-83

Bureau of Consumer Credit Protection
Department of Professional and Financial Regulation *Augusta, Maine*

Director of an independent regulatory agency charged with the implementation of Maine Consumer Credit Code and Truth in Lending Act. Investigations and audits of financial institutions and retail creditors, enforcement activities, testimony before Maine Legislature and U.S. Congress.

Education

JURIS DOCTOR

1973-76

University of Maine School of Law *Portland, Maine*

Admitted to the Bar of the State of Maine, September 1976. Currently registered as "inactive."

B.A. (WITH DISTINCTION) IN POLITICAL SCIENCE 1964-68
University of Michigan *Ann Arbor, Michigan*

Boards and Commissions

Councilor, Winthrop (ME) City Council 2020-2022

Member, Board of Trustees, University of Maine System May 2022

Publications and Testimony

"How to Construct a Service Quality Index in Performance-Based Ratemaking", The Electricity Journal, April, 1996

"The Consumer Protection Agenda in the Electric Restructuring Debate", William A. Spratley & Associates, May, 1996

Direct Testimony on behalf of the Telecommunications Workers Union, Telecom Public Notice 96-8, Price Cap Regulation and Related Issues, Canadian Radio-Television and Telecommunications Commission, September, 1996. [Analysis of and recommendations concerning the need to regulate service quality in move to price cap regulation]

Direct Testimony on behalf of Public Counsel Section, Office of Attorney General, Docket No. UE-960195, Application by Puget Sound Power and Light Co. And Washington Natural Gas Co. For Approval of Merger), Washington Utilities and

Transportation Commission, September, 1996 [Need for and design of a Service Quality Index for both electric and gas business units as part of a multi-year rate plan]

Consumer Protection Proposals for Retail Electric Competition: Model Legislation and Regulations", Regulatory Assistance Project, Gardiner, ME, October, 1996

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Direct Testimony on behalf of the Maryland Office of People's Counsel, Universal Service Issues, Case No. 8745, before the Maryland Public Service Commission, November 20, 1998.

"Cramming is the Last Straw: A Proposal to Prevent and Discourage the Use of the Local Telephone Bill to Commit Fraud," NRRI Quarterly Bulletin, Fall. 1998.

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Testimony on Proposed Interim Rules (Consumer Protection, Customer Enrollment, Code of Conduct, Supplier Licensing) on behalf of the New Jersey Division of Ratepayer Advocate before the New Jersey BPU, May 1999.

Direct Testimony on behalf of AARP, West Virginia PUC Investigation into Retail Electric Competition (consumer protection, universal service, Code of Conduct), June 15, 1999.

Direct and Surrebuttal Testimony on behalf of the Pennsylvania OCA, Natural Gas Restructuring proceedings (8 natural gas utilities): consumer protection; consumer education; code of conduct, before the Pennsylvania PUC, October 1999-April 2000.

Comments on Draft Rules addressing Slamming and Cramming (Docket No. RMU-99-7) on behalf of the Iowa Office of Consumer Advocate, before the Iowa Utilities Board, October 1999.

Alexander, Barbara, "Door to Door Sales of Competitive Energy Services," LEAP Letter, January-February 2000 [Wm. A. Spratley & Associates, Columbus, OH]

Direct Testimony on behalf of the Maine Office of Public Advocate, Central Maine Power Company Alternative Regulation Plan [Docket 99-666] on service quality issues, before the Maine PUC, May 2000.

Direct Testimony on behalf of AARP, Universal Service Programs and Funding of low-income programs for electric and natural gas service, before the New Jersey Board of Public Utilities, Docket No. EX000200091, July, 2000.

Comments (on behalf of NASUCA and AARP) on Uniform Business Practices Reports, May and September 2000.

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Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania Public Utility Commission v. Pennsylvania American Water Co, Docket R-2020-3019369, et al., (September-October 2020) [Base rate case; analysis of customer service and consumer protection programs and policies]

Direct and Surrebuttal Testimony, on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority, Docket Nos. R-2021-3024773, et al. (July-September 2021) [Base rate case; analysis of customer service and consumer protection programs and policies]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc, Docket Nos. R-2021-3027385 et al. (November-December 2021) [Base rate case; analysis of customer service and consumer protection programs and policies]

Direct, Rebuttal, and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Joint Petition of Metropolitan Edison Co., Pennsylvania Electric Co., Pennsylvania Power Co. and West Penn Power Co. for Approval of their Default Service Programs, Docket Nos. P-2021-3030012 et al. (February, March, and April 2022) [Standard Offer program; retail market policies; Time of Use rate option; low income consumer protections]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania American Water Co., Docket Nos. R-2022-3031672, et al (July and September 2022) [Base rate case: analysis of customer service and consumer protection performance]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, York Water Company base rate increase, Docket Nos. R-2022-3031340, R-2022-3032806 (August and September 2022) [Base rate case: analysis of customer service and consumer protection performance]

Direct, Rebuttal and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Columbia Gas of Pennsylvania Proposal for Green Path Tariff, Docket Nos. R-2022-3032167 and C-2022-3032404 (December 2022 and January and February 2023) [Proposal to offer an optional "green" product to residential customers with Renewable Natural Gas and Carbon Offsets]

Direct, Rebuttal, and Surrebuttal Testimony on behalf of AARP Maine before the Maine Public Utilities Commission, Central Maine Power Company Request for Distribution Rate Increase and Rate Design Changes, Docket No. 2022-00152 (December 2022, March and April 2023) [Rate impacts; multi-year rate plan; rate design]

Direct and Surrebuttal Testimony on behalf of AARP Maine before the Maine Public Utilities Commission, Versant Power Request for Approval of Rate Change, Docket No. 2022-00255 (January and April 2023) [Rate impacts, AMI costs and benefits]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Application of Manwalamink Water and Sewer and NextEra Water Pennsylvania, Docket Nos. A-2022-3035298, et al. (January and March 2023) [consumer protection; service quality; acquisition of small water and sewer utility]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, National Fuel Gas Distribution Corp. Base Rate Case, Docket No. R-2022-3035730 (January and March 2023) [analysis of consumer protection and service quality performance in base rate case]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Philadelphia Gas Works Base Rate Case, Docket No.R-2023-3037933 (May and July 2023) [analysis of consumer protection and service quality performance in base rate case]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, FirstEnergy Pennsylvania Electric Distribution Companies Application for Merger, Docket No. A-2023-3038771 et.al (June and August 2023) [analysis of implication of proposed merger for customer service performance and low income programs]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Pittsburgh Water and Sewer Authority Base Rate Case, Docket No. R-2023-3039920, et al., (August and September 2023) [customer service performance; compliance with statutory and regulatory rules; multi-year rate plan conditions]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Application of Pennsylvania-American Water Co. to Acquire Wastewater Assets of Borough of Brentwood, Docket No. A-2021-3024058 (October and November 2023) [analysis of public benefits of acquisition]

Direct, Supplemental Direct, and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Pennsylvania PUC v. Pennsylvania American Water Co., Docket Nos. R-2023-3043189 and R-2023-3043190 (February and March 2024) [customer service performance, compliance with statutory and regulatory rules; billing for non-basic services; tariffs]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Pennsylvania PUC v. Peoples Natural Gas Company LLC, Docket No. R-2023-3044549 (March and May 2024) [customer service performance, compliance with statutory and regulatory rules; billing for non-basic services; tariffs]

Direct, Rebuttal, and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Petition of PECO Energy for Default Service Program for June 1, 2025 through May 31, 2029, Docket No. P-2024-3046008 (April and May 2024) [Retail Market Enhancement Programs; Standard Offer Program; TOU Rate; Billing Disclosures]

Direct Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Petition of PPL Electric for Default Service Program for June 1, 2025 through May 31, 2029, Docket No.

P-2024-3047290 (June 2024) [Retail Market Enhancement Programs; Standard Offer Program; TOU Rate; Billing Disclosures]

Presentations and Training Programs:

- Presentation on Consumer Protection Policies for Solar Providers, New Mexico Public Regulatory Commission, Santa Fe, NM, January 2017
- Presentation on Residential Rate Design Policies, National Energy Affordability and Energy Conference, Denver, CO., June 2016
- Presentation on "Regulatory-Market Arbitrage: From Rate Base to Market and Back Again," before the Harvard Electricity Policy Group, Washington, D.C., March 2016.
- Presentation on Residential Rate Design and Demand Charges, NASUCA, November 2015.
- Alexander, Barbara, "Residential Demand Charges: A Consumer Perspective," presentation for Harvard Electricity Policy Group, Washington, D.C., June 2015.
- Presentation on "Future Utility Models: A Consumer Perspective," for Kleinman Center for Energy Policy, U. of Pennsylvania, August 2015.
- Presentation, EUCI Workshop on Demand Rates for Residential Customers, Denver, CO [May 2015]
- Presentation, Smart Grid Future, Brookings Institute, Washington, DC [July 2010]
- Participant, Fair Pricing Conference, Rutgers Business School, New Jersey [April 2010]
- Presentation on Smart Metering, National Regulatory Conference, Williamsburg, VA [May 2010]
- Presentation on Smart Metering, Energy Bar Association Annual Meeting, Washington, DC [November 2009]
- Presentation at Workshop on Smart Grid policies, California PUC [July 2009]
- National Energy Affordability and Energy Conference (NEAUC) Annual Conference
- NARUC annual and regional meetings
- NASUCA annual and regional meetings
- National Community Action Foundation's Annual Energy and Community Economic Development Partnerships Conference
- Testimony and Presentations to State Legislatures: Virginia, New Jersey, Texas, Kentucky, Illinois, and Maine
- Training Programs for State Regulatory Commissions: Pennsylvania, Georgia, Kentucky, Illinois, New Jersey
- DOE-NARUC National Electricity Forum
- AIC Conference on Reliability of Electric Service
- Institute of Public Utilities, MSU (Camp NARUC) [Instructor 1996-2006]
- Training Programs on customer service and service quality regulation for international regulators (India and Brazil) on behalf of Regulatory Assistance Project
- Georgia Natural Gas Deregulation Task Force [December 2001]
- Mid Atlantic Assoc. of Regulatory Utility Commissioners [July 2003]
- Illinois Commerce Commission's Post 2006 Initiative [April 2004]
- Delaware Public Service Commission's Workshop on Standard Offer Service [August 2004]

Exhibit BA-2

	Answered within 30 Seconds	Total	Service Level
Jan-20	161,854	192,752	84.0%
Feb-20	143,326	167,085	85.8%
Mar-20	136,037	155,720	87.4%
Apr-20	128,927	148,790	86.7%
May-20	131,047	145,511	90.1%
Jun-20	140,811	152,113	92.6%
Jul-20	140,244	161,758	86.7%
Aug-20	134,160	163,291	82.2%
Sep-20	133,742	165,359	80.9%
Oct-20	146,912	168,574	87.1%
Nov-20	126,896	178,175	71.2%
Dec-20	165,437	208,622	79.3%
2020 Annual	**140,783**	**167,313**	**84.1%**

	Abandoned	Total	Abandon Rate
Jan-20	4,310	90,976	4.7%
Feb-20	2,091	76,843	2.7%
Mar-20	2,274	70,100	3.2%
Apr-20	2,169	61,940	3.5%
May-20	1,426	57,445	2.5%
Jun-20	700	64,551	1.1%
Jul-20	2,088	71,724	2.9%
Aug-20	3,116	72,024	4.3%
Sep-20	3,644	76,903	4.7%
Oct-20	1,912	77,622	2.5%
Nov-20	7,412	78,130	9.5%
Dec-20	9,496	94,166	10.1%
2020 Annual	**3,387**	**74,369**	**4.6%**

	Busy Out Rate
Jan-20	
Feb-20	
Mar-20	
Apr-20	
May-20	
Jun-20	
Jul-20	
Aug-20	
Sep-20	
Oct-20	
Nov-20	
Dec-20	
2020 Annual	**0.02%**

	Answered within 30 Seconds	Total	Service Level
Jan-21	158,115	231,441	68.3%
Feb-21	159,100	201,882	78.8%
Mar-21	153,165	202,200	75.7%
Apr-21	149,170	164,275	90.8%
May-21	128,782	163,236	78.9%
Jun-21	133,494	170,753	78.2%
Jul-21	158,977	182,170	87.3%
Aug-21	158,125	180,639	87.5%
Sep-21	108,856	145,384	74.9%
Oct-21	137,479	174,618	78.7%
Nov-21	148,971	188,299	79.1%
Dec-21	152,135	195,935	77.6%
2021 Annual	**145,531**	**183,403**	**79.4%**

	Abandoned	Total	Abandon Rate
Jan-21	24,699	115,506	21.4%
Feb-21	26,227	105,280	24.9%
Mar-21	18,616	102,998	18.1%
Apr-21	2,616	76,923	3.4%
May-21	8,331	80,419	10.4%
Jun-21	7,984	85,807	9.3%
Jul-21	4,009	87,389	4.6%
Aug-21	4,552	86,095	5.3%
Sep-21	6,562	76,545	8.6%
Oct-21	7,335	82,251	8.9%
Nov-21	11,075	89,409	12.4%
Dec-21	12,375	81,136	15.3%
2021 Annual	**11,198**	**89,147**	**12.6%**

	Busy Out Rate
Jan-21	
Feb-21	
Mar-21	
Apr-21	
May-21	
Jun-21	
Jul-21	
Aug-21	
Sep-21	
Oct-21	
Nov-21	
Dec-21	
2021 Annual	**0.05%**

	Answered within 30 Seconds	Total	Service Level
Jan-22	120,104	158,005	76.0%
Feb-22	134,276	143,937	93.3%
Mar-22	151,202	158,581	95.3%
Apr-22	130,162	146,181	89.0%
May-22	121,714	141,966	85.7%
Jun-22	116,841	153,560	76.1%
Jul-22	117,110	155,189	75.5%
Aug-22	118,081	165,489	71.4%
Sep-22	127,146	157,366	80.8%
Oct-22	126,847	154,017	82.4%
Nov-22	132,689	148,811	89.2%
Dec-22	138,451	161,201	85.9%
2022 Annual	**127,885**	**153,692**	**83.2%**

	Abandoned	Total	Abandon Rate
Jan-22	18,681	176,686	10.6%
Feb-22	830	144,767	0.6%
Mar-22	715	159,296	0.4%
Apr-22	1,747	147,928	1.2%
May-22	2,891	144,857	2.0%
Jun-22	7,629	161,189	4.7%
Jul-22	25,166	180,355	14.0%
Aug-22	17,085	182,574	9.4%
Sep-22	4,523	161,889	2.8%
Oct-22	1,915	155,932	1.2%
Nov-22	1,194	150,005	0.8%
Dec-22	3,251	164,452	2.0%
2022 Annual	**7,136**	**160,828**	**4.4%**

	Busy Out Rate
Jan-22	0.00%
Feb-22	0.00%
Mar-22	0.00%
Apr-22	0.00%
May-22	0.00%
Jun-22	0.00%
Jul-22	0.00%
Aug-22	0.00%
Sep-22	0.00%
Oct-22	0.00%
Nov-22	0.00%
Dec-22	0.00%
2022 Annual	**0.00%**

	Answered within 30 Seconds	Total	Service Level
Jan-23	139,253	175,721	79.2%
Feb-23	126,942	142,998	88.8%
Mar-23	140,200	157,620	88.9%
Apr-23	119,535	139,288	85.8%
May-23	133,413	154,568	86.3%
Jun-23	138,450	160,375	86.3%
Jul-23	120,637	160,625	75.1%
Aug-23	131,241	175,153	74.9%
Sep-23	126,254	160,241	78.8%
Oct-23	141,093	169,859	83.1%
Nov-23	135,944	158,784	85.6%
Dec-23	138,530	150,791	91.9%
2023 Annual	**132,624**	**158,835**	**83.5%**

	Abandoned	Total	Abandon Rate
Jan-23	4,829	180,550	2.7%
Feb-23	1,295	144,293	0.9%
Mar-23	1,544	159,164	1.0%
Apr-23	1,655	140,943	1.2%
May-23	1,717	156,285	1.1%
Jun-23	1,153	161,528	0.7%
Jul-23	5,459	166,084	3.3%
Aug-23	6,072	181,225	3.4%
Sep-23	3,717	163,958	2.3%
Oct-23	3,643	173,502	2.1%
Nov-23	1,747	160,531	1.1%
Dec-23	1,079	151,870	0.7%
2023 Annual	**2,826**	**161,661**	**1.7%**

	Busy Out Rate
Jan-23	0.00%
Feb-23	0.00%
Mar-23	0.00%
Apr-23	0.00%
May-23	0.00%
Jun-23	0.00%
Jul-23	0.00%
Aug-23	0.00%
Sep-23	0.00%
Oct-23	0.00%
Nov-23	0.00%
Dec-23	0.00%
2023 Annual	**0.00%**

	Answered within 30 Seconds	Total	Service Level
Jan-23	139,253	175,721	79.2%
Feb-23	126,942	142,998	88.8%
Mar-23	140,200	157,620	88.9%
Apr-23	119,535	139,288	85.8%
May-23	133,413	154,568	86.3%
Jun-23	138,450	160,375	86.3%
Jul-23	120,637	160,625	75.1%
Aug-23	131,241	175,153	74.9%
Sep-23	126,254	160,241	78.8%
Oct-23	141,093	169,859	83.1%
Nov-23	135,944	158,784	85.6%
Dec-23	138,530	150,791	91.9%
2023 Annual	**132,624**	**158,835**	**83.5%**

	Abandoned	Total	Abandon Rate
Jan-23	4,829	180,550	2.7%
Feb-23	1,295	144,293	0.8%
Mar-23	1,544	159,164	1.0%
Apr-23	1,655	140,943	1.0%
May-23	1,717	156,285	0.9%
Jun-23	1,153	161,528	0.7%
Jul-23	5,459	166,084	3.2%
Aug-23	6,072	181,225	3.2%
Sep-23	3,717	163,958	2.3%
Oct-23	3,643	173,502	2.0%
Nov-23	1,747	160,531	1.0%
Dec-23	1,079	151,870	0.5%
2023 Annual	**2,826**	**161,661**	**1.7%**

	Busy Out Rate
Jan-23	0.00%
Feb-23	0.00%
Mar-23	0.00%
Apr-23	0.00%
May-23	0.00%
Jun-23	0.00%
Jul-23	0.00%
Aug-23	0.00%
Sep-23	0.00%
Oct-23	0.00%
Nov-23	0.00%
Dec-23	0.00%
2023 Annual	**0.00%**

From Aqua Response to OCA-III-1

	Answered within 30 Seconds	Total	Service Level
Jan-24	134,470	168,087	80.0%
Feb-24	129,625	158,104	82.0%
Mar-24	126,969	153,238	82.9%
Apr-24	134,545	157,092	85.6%
May-24	145,851	164,263	88.8%
2024 Annual YTD	**134,292**	**160,157**	**83.9%**

	Abandoned	Total	Abandon Rate
Jan-24	5,421	173,508	3.1%
Feb-24	5,982	164,086	3.6%
Mar-24	2,547	155,785	1.6%
Apr-24	3,808	160,900	2.4%
May-24	1,242	165,505	0.8%
2024 Annual YTD	**3,800**	**163,957**	**2.3%**

	Busy Out Rate
Jan-24	0.00%
Feb-24	0.00%
Mar-24	0.00%
Apr-24	0.00%
May-24	0.00%
2024 Annual YTD	**0.00%**

Corrected 2024 Results from OCA-XVI-18

Exhibit BA-3

	Answered within 30 Sec.	Calls Answered	Service Level		Abandoned	Total Calls	Abandon Rate		Average Speed of Answer	Busy Out Rate
Jan-22	31,358	70,233	44.6%	Jan-22	18,681	88,915	21.0%	Jan-22	0:11:37	0%
Feb-22	59,003	69,645	84.7%	Feb-22	830	70,476	1.2%	Feb-22	0:00:31	0%
Mar-22	69,097	77,449	89.2%	Mar-22	715	78,165	0.9%	Mar-22	0:00:23	0%
Apr-22	55,010	72,011	76.4%	Apr-22	1,747	73,758	2.4%	Apr-22	0:01:00	0%
May-22	49,097	70,317	69.8%	May-22	2,891	73,209	3.9%	May-22	0:01:49	0%
Jun-22	37,702	75,363	50.0%	Jun-22	7,629	82,993	9.2%	Jun-22	0:04:04	0%
Jul-22	29,742	68,592	43.4%	Jul-22	25,166	93,759	26.8%	Jul-22	0:14:03	0%
Aug-22	31,296	78,204	40.0%	Aug-22	17,085	95,283	17.9%	Aug-22	0:09:09	0%
Sep-22	47,821	78,281	61.1%	Sep-22	4,523	82,804	5.5%	Sep-22	0:02:34	0%
Oct-22	48,498	75,952	63.9%	Oct-22	1,915	77,868	2.5%	Oct-22	0:01:15	0%
Nov-22	55,173	72,055	76.6%	Nov-22	1,194	73,258	1.6%	Nov-22	0:00:50	0%
Dec-22	58,068	80,173	72.4%	Dec-22	3,251	83,507	3.9%	Dec-22	0:01:46	0%
2022 Annual	**47,655**	**74,023**	**64.3%**	**2022 Annual**	**7,136**	**81,166**	**8.1%**	**2022 Annual**	**0:04:05**	**0%**
Jan-23	51,777	88,219	58.7%	Jan-23	4,829	88,889	5.4%	Jan-23	0:02:53	0%
Feb-23	55,126	71,183	77.4%	Feb-23	1,295	69,120	1.9%	Feb-23	0:00:48	0%
Mar-23	61,568	78,988	77.9%	Mar-23	1,544	76,916	2.0%	Mar-23	0:00:55	0%
Apr-23	48,518	68,271	71.1%	Apr-23	1,655	69,926	2.4%	Apr-23	0:00:55	0%
May-23	54,643	75,798	72.1%	May-23	1,717	77,515	2.2%	May-23	0:01:00	0%
Jun-23	59,052	80,977	72.9%	Jun-23	1,153	82,130	1.4%	Jun-23	0:00:44	0%
Jul-23	37,879	77,867	48.6%	Jul-23	5,459	83,326	6.6%	Jul-23	0:03:20	0%
Aug-23	44,728	88,640	50.5%	Aug-23	6,072	94,712	6.4%	Aug-23	0:02:58	0%
Sep-23	44,180	78,167	56.5%	Sep-23	3,717	81,884	4.5%	Sep-23	0:02:19	0%
Oct-23	55,336	84,102	65.8%	Oct-23	3,643	87,975	4.1%	Oct-23	0:01:48	0%
Nov-23	52,582	75,422	69.7%	Nov-23	1,747	77,169	2.3%	Nov-23	0:01:05	0%
Dec-23	56,705	68,966	82.2%	Dec-23	1,079	70,045	1.5%	Dec-23	0:00:25	0%
2023 Annual	**51,841**	**78,050**	**67.0%**	**2023 Annual**	**2,826**	**79,967**	**3.4%**	**2023 Annual**	**0:01:36**	**0%**
Jan-24	47,277	80,894	58.4%	Jan-24	5,421	86,315	6.3%	Jan-24	0:02:31	0%
Feb-24	48,283	76,762	62.9%	Feb-24	5,982	82,744	7.2%	Feb-24	0:02:36	0%
Mar-24	48,647	74,916	64.9%	Mar-24	2,547	77,463	3.3%	Mar-24	0:01:45	0%
Apr-24	57,157	79,704	71.7%	Apr-24	3,808	83,512	4.6%	Apr-24	0:01:37	0%
May-24	64,760	83,172	77.9%	May-24	1,242	84,414	1.5%	May-24	0:00:38	0%
2024 Annual YTD	**53,225**	**79,090**	**67.2%**	**2024 Annual YTD**	**3,800**	**82,890**	**4.6%**	**2024 Annual YTD**	**0:01:49**	**0%**

Exhibit BA-4

Witness: Heather Doyle-Conley
Date: 7/29/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XVI-1 Provide the root cause analysis referenced in response to OCA-III-20 for "all Aqua PA customer complaints."

RESPONSE

Please see OCA-XVI-1 – Attachment for the 2023 Aqua Root Cause Analysis.

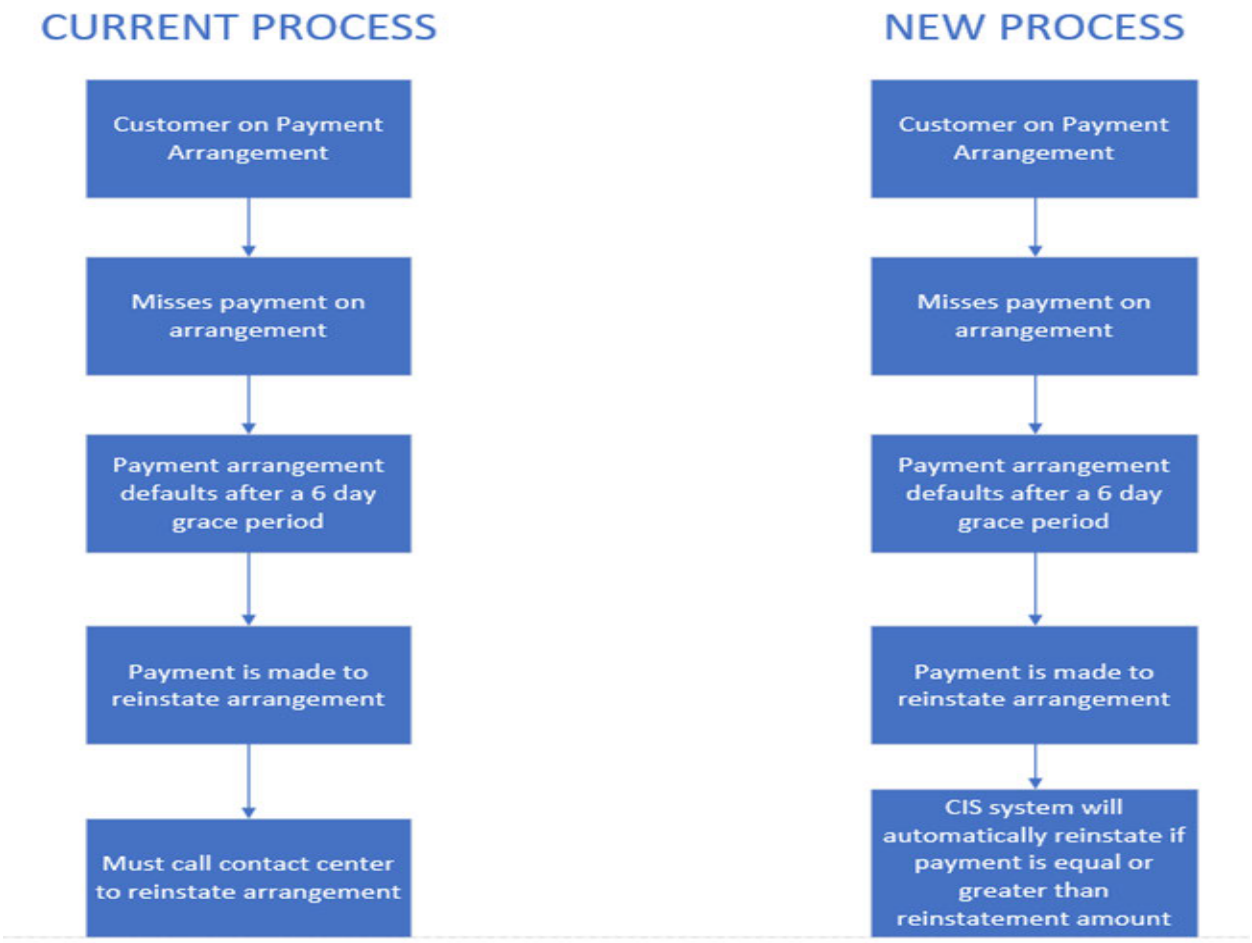
Aqua Root Cause Analysis 2023

Aqua is currently conducting their internal root cause analysis. Based off our initial review we have discovered that majority of the 2023 cases resulted from payment arrangements, high bill disputes and billing disputes.

Termination Notices:

In 2023 one of our higher complaints were in termination notices at 374 complaints. Our root cause analysis determined a high number of customers that we are making payments to satisfy their reinstatement amount, but it still led to them receiving a shut off notice. As a short-term solution to this Aqua has implemented a weekly report to reinstatement any payment arrangement that has received a payment equal to or greater than the reinstatement amount.

A long-term solution Aqua is working on a change to their CIS system that will reinstatement payment arrangements automatically after a payment is received to avoid unnecessary terminations. This change is scheduled to implemented by August 2024.



In our analysis, majority of the termination notice complaints came from low-income residential customers located in the below cities across PA.

City	Termination Notice Count
SHARON	29
UPPER DARBY	28
FARRELL	22
MOUNT CARMEL	19
SHAMOKIN	16
DARBY	14
COAL TOWNSHIP	14
COLLINGDALE	8

Through deeper research, most of the customers contact the PUC after multiple defaults on payment arrangements and are looking for an additional PUC payment arrangement.

Billing Disputes: Majority of Aqua billing disputes are due to a high bill complaint, especially after a cancel and rebill or back billing. In the below analysis broken down by city, our highest number of complaints are due to an area in Gilbertsville that has an unmetered fire service that were never moved in when the water service started, this required those customers to be back billed for this service.

City	Billing Dispute Count
GILBERTSVILLE	18
YARDLEY	7
SHARON	7
WEST CHESTER	7
HERMITAGE	6
COLLINGDALE	6

This has identified opportunity to improve communication to customers when a back billing occurs for a customer. Will continue to work through improvements to drive down theses type of complaints in 2023 and recommendations to approve.

17 of our complaints in 2023 were for sewer only

Aqua is still actively reviewing complaints from 2023 to identify more trends in the customer data and opportunities for improvement.

Exhibit BA-5

A SUMMARY OF A PROPER ROOT CAUSE ANALYSIS

Barbara R. Alexander
Barbara Alexander Consulting LLC

A root cause analysis is a fact-based exercise in which the underlying cause or causes of an undesirable outcome(s) is identified and specific remedial steps are identified and determined to result in systematically correcting or improving the previously identified undesirable result. A list of customer complaints by category is not a root cause analysis.

While there may be differences in approach about what a root cause analysis entails, the following summary by the American Society for Quality (ASQ) provides a helpful overview:

> A root cause is defined as a factor that caused a nonconformance and should be permanently eliminated through process improvement. The root cause is the core issue—the highest-level cause—that sets in motion the entire cause-and-effect reaction that ultimately leads to the problem(s).

A "Root Cause Analysis" is defined as a collective term that describes a wide range of approaches, tools, and techniques used to uncover causes of problems. Some RCA approaches are geared more toward identifying true root causes than others, some are more general problem-solving techniques, and others simply offer support for the core activity of root cause analysis.

There are many methodologies, approaches, and techniques for conducting root cause analysis, including:

1. **Events and causal factor analysis:** Widely used for major, single-event problems, such as a refinery explosion, this process uses evidence gathered quickly and methodically to establish a timeline for the activities leading up to the accident. Once the timeline has been established, the causal and contributing factors can be identified.
2. **Change analysis:** This approach is applicable to situations where a system's performance has shifted significantly. It explores changes made in people, equipment, information, and more that may have contributed to the change in performance.
3. **Barrier analysis:** This technique focuses on what controls are in place in the process to either prevent or detect a problem, and which might have failed.
4. **Management oversight and risk tree analysis:** One aspect of this approach is the use of a tree diagram to look at what occurred and why it might have occurred.
5. **Kepner-Tregoe Problem Solving and Decision Making:** This model provides four distinct phases for resolving problems:
    a) Situation analysis
    b) Problem analysis
    c) Solution analysis

d) Potential problem analysis[43]

According to the publications developed by the American Society for Quality, and other comparable publications[44], a proper analysis of any "root cause" requires the identification of "symptoms," which are not actual causes but signs of existing problems, and first level causes," which are the causes that directly lead to a problem; and "higher level causes," which are links in the chain of cause-and-effect relationships that ultimately create the problem.[45]

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43 See American Society for Quality website for more general information: https://asq.org/quality-resources/root-cause-analysis

44 There is an extensive body of literature used in the medical community to conduct root cause analysis and develop plans to prevent adverse events. See, e.g., https://www.cms.gov/medicare/provider-enrollment-and-certification/qapi/downloads/guidanceforrca.pdf

45 See American Society for Quality website for more general information: https://asq.org/quality-resources/root-cause-analysis

Exhibit BA-6

Witness: Heather Doyle-Conley
Date: 7/26/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XVI-9 Provide any audit or evaluation of compliance with Pennsylvania specific regulatory requirements for the Aqua call centers conducted since January 2022.

RESPONSE The Company has ongoing call center training for staff and all Customer Service Representatives ("CSRs') are trained on the PA regulations. See the Company's response to OCA-XVI-10 for the initial training conducted for CSRs. In addition to initial training, CSR calls are monitored and individual CSRs are reviewed and coached on an ongoing basis. For specific regulations, many compliance related matters are built into the billing system and are contained in the Company's Knowledge Base System.

Exhibit BA-7

Witness: Heather Doyle-Conley
Date: 7/25/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XVI-21 Please provide the following monthly information with respect to attempts by Aqua's field representatives to obtain personal contact with a responsible adult at the premises immediately prior to termination of service for the period January 2022 through the current month:

a. Attempts to achieve personal contact;
b. Personal contact achieved with responsible adult;
c. Personal contact but not with responsible adult;
d. Termination avoided after contact achieved (and reasons if such data is available);
e. Termination implemented after contact achieved;
f. Termination avoided based on discretion of field representative based on conditions encountered at the premises.

RESPONSE

This level of detail is not tracked on termination orders. Field employees are trained to attempt personal contact prior to any termination of service and it is expected to happen on every termination.

Exhibit BA-8

AQUA

[redacted] JR
[redacted] EVANS AVE
PROSPECT PARK, PA 19076-1113

Account Number [redacted]
MAIN DIVISION
1101010

Aqua Pennsylvania, Inc.
762 W. LANCASTER AVENUE
BRYN MAWR, PA 19010-3489

Toll Free: **877.987.2782**
Fax: **866.780.8292**
Aquawater.com

10 Day Shut Off Notice

COLLECTION DEPARTMENT OFFICE HOURS ARE 8:00 AM - 5:00 PM WEEKDAYS

Date of Notice	Shut Off Date	Total Amount Due
June 04, 2024	**June 18, 2024**	**$ 198.87**

Your bill for $ 198.87 is overdue. Because your bill is overdue, we will SHUT OFF service to:
[redacted] **EVANS AVE after 8:00 AM on or after June 18, 2024.**
Aqua may act on this notice for up to 60 days.

To stop the shut off, you must do the following immediately:

1. Pay the total amount overdue. To pay by phone, call our toll free number at **866.269.2906** or see the back of the payment stub for all payment options.
2. Contact Aqua during normal business hours at **877.987.2782** (Select Collections) to let us know that you made a payment, to make a payment arrangement, or to dispute the overdue bill. You can also contact Aqua at our address above.
3. Call **877.987.2782** during normal business hours (Select Collections) if you or someone in your home has a serious illness or a medical condition.

Important Notice: Payments will not be accepted by Aqua representatives visiting the property. To avoid service termination due to unpaid bill(s), you must make payments at an authorized payment location. For the nearest location, please call 877.987.2782 (Select Collections). If we shut off your service, you may have to pay the following charges to have service restored:

Overdue amount:	$ 198.87
Reconnect Fee:	50.00
Total if we shut off your service:	$ 248.87

If your service is shut off for non-payment, after making the required payment you must contact Aqua at 877-987-2782 and schedule to have your service reconnected. Your service will be reconnected in accordance with your state approved utility regulations. In most cases service will not be restored until the next business day after your required payment amount has been confirmed.

- Comunicarse con Aqua al 877.987.2782 (elija "Bobranzas" o "Collectiones" en inglés para hacernos saber que realizó el, pago, o para disputar el balance altrasado. También puede communicarse con Aqua a la dirección que aparece arriba.
- Attencion! Este es en mensaje muy importante. Si usted no lo entiende, favor de llama a 877.987.2782.

If you have questions or need more information, please call us. If you are not satisfied after you talk to us, you may file a complaint with the Pennsylvania Public Utility Commission by calling 1(800) 692-7380 toll free, or by writing to P.O. Box 3265, Harrisburg, PA 17105-3265. The Pennsylvania Public Utility Commission will delay the shut off if you file the complaint before the shut off date.

RETURN THIS PORTION WITH YOUR PAYMENT

AQUA

MAKE CHECK PAYABLE TO:
Aqua PA

Account Number
0000[redacted]-00[redacted]

Aqua Pennsylvania, Inc.
762 W. Lancaster Avenue • Bryn Mawr, PA 19010-3489
URGENT NOTICE - OPEN IMMEDIATELY

Please do not remit payment to the above address

PAST DUE
PAY NOW

TOTAL AMOUNT DUE
$ 198.87

Cyc=10WB 1up=5110844 EC. TERM Seq=433

Amount Enclosed $ ___.__

[redacted] JR
[redacted] EVANS AVE
PROSPECT PARK PA 19076-1113

AQUA PENNSYLVANIA
PO BOX 70279
PHILADELPHIA PA 19176-0279

00006245900732320000000198878

IMPORTANT TO KNOW - BEFORE WE SHUT OFF YOUR UTILITY SERVICE

- **If we shut off your service during the winter months (between Dec. 1 – Mar. 31)** we will restore your service within 24 hours of your meeting all requirements/conditions to have service reconnected. Where street digging is required it may take up 7 to days.
- If you are a victim of domestic violence and have a Protection From Abuse Order or other court order that shows clear evidence of domestic violence, there are special protections available. **Call us immediately at 877.987.2782.** (You will be required to provide us with a copy of the order.)
- You may be eligible for a payment agreement or special assistance programs. Call **877.987.2782 right away** to provide us with household income and occupant information. Documentation of your income may be required, such as pay stubs or tax documents.
- If your landlord pays your utility bill: You have certain legal protections. Please call us at 877.987.2782.
- If you have trouble understanding or speaking English or have a disability please call us at 877.987.2782 for free interpretation.
- If your service is shut off, you may be required to pay more than the amount listed on the front of this notice to have your service turned back on. You may have to pay any additional bills that have become past due.
- All adult occupants of the premise whose name appears on the mortgage, deed, or lease are considered "customers" and are responsible for payment of this bill.
- If service is shut off, ANY adult occupant who has been living at the premise may have to pay all or portions of this bill to have service restored.
- If your service is shut off, you must contact us after your payment has been made to be sure you have met all conditions to have the service turned back on and to arrange access to your premise.
- After all conditions have been met to have the service turned back on, it may take up to 7 days to have your service restored. Please contact us to discuss the details.
- If you need water to heat your property, please contact Aqua immediately at 877.987.2782 (and choose Collections) so we can arrange a service visit to verify that need. The company will act in accordance with the public utility laws with respect to water service shut offs.

MEDICAL EMERGENCY NOTICE

Let us know if someone living in your home is seriously ill or has a medical condition. **WE WILL NOT SHUT OFF YOUR SERVICE provided you:**

A. Provide a medical certification by a licensed physician, nurse practitioner or physician's assistant. Medical certifications must be in writing and signed by your physician, nurse practitioner or physician's assistant by fax, email or mail within three days.

AND

B. Make some equitable arrangements to pay your current bills for service.

Call **Aqua at 877-987-2782** to let us know about your medical emergency.

FAX: 610.520.2168 or toll-free at 866.780.8301

Address: ATTN: Collections Department, Aqua Pennsylvania, Inc, 762 W. Lancaster Avenue, Bryn Mawr, PA 19010

Ways to Pay Your Bill

Save time and cut clutter with paperless billing!

Enroll today in eBilling. You can cut the clutter of a paper bill, and we'll notify you by email when your bill is available to view online. It's simple, secure, and no additional fees.

Visit aquawater.com for more details.

AQUA e-Billing

Mail Payments

You can mail payments to this address:

Aqua
P.O. Box 70279
Philadelphia, PA 19176-0279

(Scan with smartphone)

Speedpay, an ACI Worldwide Company

By Phone: using a credit card (American Express, Visa, Mastercard, or Discover) or by check by calling Speedpay toll free at 866.269.2906.

Online: At https://internet.speedpay.com/aqua. Please note: Speedpay charges a $1.95 processing fee for each transaction.

By Text: Customers now have the option to Pay by Text. Opt in via the Speedpay website to receive bill reminder text messages and the option to pay your bill using your mobile device.
Visit - www.speedpay.com/aqua.

Exhibit BA-9

Witness: Heather Doyle-Conley
Christopher E. Manning
Date: 7/31/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XV INTERROGATORIES

OCA-XVI-5 With regard to the option to pay by credit card or check via the Speedpay option presented on Aqua's customer bills and web portal, please provide the following information for each month from January 2022 through the current month:

a. The number of residential customers that paid Aqua bills or bill amounts via Speedpay.
b. The dollar amount of payments to Speedpay.
c. The dollar amount of fees charged to Aqua's residential customers for using the Speedpay system.
d. The dollar amount of fees paid to Speedpay by Aqua.
e. The revenue requirement associated with the Speedpay contract included in this rate case proceeding and the identification of where such costs and/or revenues appear in this filing.

RESPONSE

a. Please see OCA-XVI-5 – Attachment for the number of residential customers by month that paid Aqua bills or bill amounts via Speedpay.
b. Please see OCA-XVI-5 – Attachment for the dollar amount of payments by month via Speedpay.
c. Aqua PA does not charge fees to customers for using the Speedpay system. Speedpay charges customers a processing fee of $1.95 per payment. However, customers using Aqua ePortal that are registered users making ACH payments are not charged the $1.95 processing fee.
d-e. The Company began using Speedway as our portal payment vendor in February 2024. The fees in the table below encompass the fees charged to the Company in 2024.

	Number of Payments	Aqua Fees to Speedpay
February	72,170	$ 7,938.70
March	188,485	$ 20,733.35
April	193,637	$ 21,300.07
May	204,040	$ 22,444.40
June	174,581	$ 19,203.91
YTD		$ 91,620.43

Speedpay	Count	Dollars
Jan-22	28,698	$ 3,336,820.49
Feb-22	25,513	$ 3,000,489.49
Mar-22	29,546	$ 3,398,049.32
Apr-22	26,177	$2,961,595.89
May-22	25,520	$2,813,542.80
Jun-22	26,672	$3,184,888.89
Jul-22	25,860	$3,361,976.89
Aug-22	29,981	$4,139,722.53
Sep-22	27,359	$3,823,917.30
Oct-22	28,921	$4,003,622.90
Nov-22	27,137	$3,590,712.15
Dec-22	29,508	$3,913,264.40
Jan-23	30,335	$4,082,172.81
Feb-23	27,159	$3,490,629.16
Mar-23	31,110	$3,987,553.99
Apr-23	24,840	$3,151,551.03
May-23	30,206	$3,816,901.08
Jun-23	29,651	$3,959,104.32
Jul-23	28,656	$3,981,952.13
Aug-23	30,514	$4,161,049.61
Sep-23	27,523	$3,733,658.17
Oct-23	30,525	$4,075,212.53
Nov-23	28,555	$3,688,883.73
Dec-23	27,409	$3,536,751.48
Jan-24	31,179	$3,996,685.92
Feb-24	103,894	$10,429,863.32
Mar-24	219,761	$19,855,173.53
Apr-24	228,027	$21,128,664.02
May-24	239,593	$22,091,014.00
Jun-24	205,816	$20,418,379.27
		$ 185,113,803.15

EXHIBIT BA-10

AQUA PENNSYLVANIA, INC.
(hereinafter referred to as the “Company”)

RATES, RULES, AND REGULATIONS

GOVERNING THE DISTRIBUTION AND SALE OF

WATER SERVICE

IN PORTIONS OF

ADAMS, BERKS, BRADFORD, BUCKS, CARBON, CHESTER, CLARION, CLEARFIELD, COLUMBIA, CRAWFORD, CUMBERLAND, DELAWARE, FOREST, JUNIATA, LACKAWANNA, LAWRENCE, LEHIGH, LUZERNE, MERCER, MCKEAN, MONROE, MONTGOMERY, NORTHHAMPTON, NORTHUMBERLAND, PIKE, SCHUYLKILL, SUSQUEHANNA, SNYDER, VENANGO, WARREN, WAYNE, AND WYOMING COUNTIES

IN THE COMMONWEALTH OF PENNSYLVANIA

ISSUED: May 23, 2024

EFFECTIVE: July 22, 2024

By:
Marc Lucca, President
Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, Pennsylvania 19010

NOTICE

THIS TARIFF PROPOSES INCREASES IN RATES AND CHANGES IN RULES AND REGULATIONS OF SERVICE.

TERMINATION OF SERVICE

56. By Company: Service may be terminated for any of the following reasons which shall constitute a violation of the Rules and Regulations of the Company:

a. For the use of water for any other Property or purpose other than that described in the application.

b. For willful waste of water through improper or imperfect pipes, fixtures or otherwise, including failure to promptly repair a leak on the Customer Service Line.

c. For molesting any service pipe, Meter, Meter interface unit, Curb Stop or seal, or any other appliance of the Company.

d. For non-payment of any charge accruing under the Company's tariff or Rules and Regulations.

e. For refusal of reasonable access to Property for purposes of inspecting or for reading, caring for, removing, or installing Meters, including remote and automatic Meters and the associated wiring and connections to the Customer's telephone line.

f. For making, or refusing to sever, any cross-connection between a pipe or fixture carrying water furnished by the Company, and a pipe or fixture carrying water or other substances from any other source.

g. For failing to comply with the inspection, installation, maintenance or testing requirements of the Company under its back-flow prevention and cross-connection control program instituted for the purpose of protecting the public water supply.

h. For vacancy of a Premises.

i. For failure to make payments under the Company's Water System Connection Loan Program, as described in Rule 66.

j. For violation of any other Rules or Regulations of the Company.

k. For violation of Pennsylvania law (Criminal Code 18 PA C.S.A. Section 3926) which prohibits the activation of a public utility service line without a measuring device (water Meter).

l. For any other reasons set forth in the Commission's regulations.

m. In accordance with the terms of any agreement with a non-Company wastewater provider for non-payment of wastewater service when due.

Service termination will be performed in the manner prescribed by the Commission's regulations.

56A. In addition, service may be terminated for nonpayment of a sewer bill upon proper request of the municipality or municipal authority and receipt of a fifty dollar ($50.00) fee per account. The terms and conditions for termination of water for non-payment of sewer are found in Attachment A and conform to the Water Services Act 53 P.S. §3102.201 et seq. **[See attachment for OCA proposed revisions to this paragraph.]**

56B. If you are a victim of domestic violence and have a Protection From Abuse Order or other court order that shows clear evidence of domestic violence, there are special protections available.

56A. In addition, service may be terminated for nonpayment of a sewer bill upon proper request of the municipality or municipal authority **("municipal sewer provider")** and receipt of a fifty dollar ($50.00) fee per account. The terms and conditions for termination of water for non-payment of sewer are found in Attachment A and conform to the Water Services Act 53 P.S. §3102.201 et seq.**, which governs the relationship between Aqua and the municipal sewer provider.**

The Company may terminate a customer's water service due to the customer's non-payment of charges owed to a municipal sewer provider, provided that: (1) the Company has an effective agreement with the a municipal sewer provider pursuant to the Water Services Act or Act of April 14, 2006, codified at 53 P.S. §§ 3102.501 – 3102.507; and (2) the customer received prior notice from the municipal sewer provider of the past due amounts owed to the municipal sewer provider.

Following the issuance of termination notice by the municipal sewer provider, the Company will not terminate the customer's water service upon notification to the Company by the municipal sewer provider that the customer does either of the following: (1) disputes the termination for non-payment; or (2) produces a medical certification.

Upon termination, the Company will post the termination notice at the customer's premises. The Company's termination notice shall provide the following information in conspicuous format and plain language: (1) a statement that Aqua terminated the customer's water service due to the customer's non-payment of municipal sewer provider charges; (2) a statement that the termination of service is not the result of customer's non-payment of water charges owed to Aqua; (3) the name and contact number of the municipal sewer provider; (4) the contact information for the Company; and (5) a citation to Section 56A of Aqua's Water Tariff and the weblink for accessing the Company's tariff webpage.

RULES AND REGULATIONS

TERMINATION OF SERVICE (cont'd)

57. Turn-Off Without Authority: The Customer shall not turn the water on or off at any corporation stop or Curb Stop, or disconnect or remove the Meter, or permit its disconnection or removal, without the consent of the Company.

58. Due to Emergency: As necessity may arise in case of breakdown, emergency, or for any other unavoidable cause, the Company shall have the right to suspend services temporarily, in order to make necessary repairs, connections, etc.; but, the Company will use all reasonable and practical measures to notify the Customer of such discontinuance of service. The Company shall not be liable for any damage or inconvenience suffered by the Customer or any claim against it at any time for interruption in service, or for any causes beyond its control. When a supply of water is to be temporarily cut off, notice will be given, when practicable, to all Customers affected by the shutting off, stating the probable duration of the interruption of service, and also the purpose for which the shut-off is made.

59. Restoration of Service: After termination of service it will not be reconnected until all amounts due to the Company have been paid plus the cost of a fifty dollar ($50.00) turn-on charge prior to service reconnection (with the exception of the Masthope Division) subject to the provisions of Section 1407(c)(2) of the Public Utility Code, 66 Pa.C.S. § 1407(c)(2) (regarding payment to restore service) unless otherwise directed by the Commission.

ATTACHMENT A

WATER SERVICE TERMINATION

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the terms and conditions herein stated, the parties hereto, intending to be legally bound, agree as follows:

1. In order to initiate water service termination to a customer of the Water Company, by reason of that customer's delinquent sewer charges payable to the Authority, an authorized and responsible officer of the Authority shall cause to be delivered to the Water Company a written request for such termination, together with the following information:

    a. The name and address of the sewer service customer; if premises is tenant occupied, the name and address of the landlord and the name and address of the tenant;

    b. The address and lot number of the premises for which water service termination is sought;

    c. A statement that the sewer charges for such premises remain unpaid for a period of at least thirty days from the due date thereof;

    d. A statement setting forth: (i) that the Authority has fulfilled all applicable notice and procedural steps required of it by law, statute, regulations ordinances and other authorities, including, without limitation those mandated by the Water Services Act (53 P.S. §3102.501 et seq) and (ii) that the Authority has not received written or other information the effect of which would be to make water service termination unlawful.

2. Upon receipt of the information specified under Paragraph 1 hereof, the Water Company will promptly initiate water service termination procedures, in accordance with

the procedures outlined in this Agreement, unless it should decline to do so, in which event the Water Company shall notify the Authority of the reasons therefore.

3. The Water Company may decline to initiate water service termination in the following instances:

a. The involved premises is not receiving water service from the Water Company;

b. The Water Company's customer at the involved premises is a different person or entity than the Authority's sewer customer;

c. The water service to be terminated will adversely affect service to other Water Company customers, other premises served by the Water Company or the Water Company's delivery system;

d. The Water Company has received verbal or written notice prohibiting or requiring deferral of water service termination;

e. The nature of the facilities at the involved premises makes service termination impracticable;

f. The Water Company receives advice from its legal counsel that water service should not be terminated under the particular circumstances;

g. The termination of water service under the particular circumstances would be a violation of law or of applicable regulations;

h. Other reasons mutually agreed between the Authority and the Water Company.

In the event that the Water Company so declines to initiate water service termination procedures for any reason, the Water Company shall, upon request from the Authority, supply the Authority with a written statement of the reasons why the Water Company has declined to terminate water service at the particular premises. If the Authority should desire to contest the reasons offered by the Water Company, then such dispute shall be

resolved pursuant to the provisions of the Public Utility Code and/or the regulations of the Commission.

4. Under circumstances where the Authority initiates a request for water service termination procedures, it is understood and agreed that the Authority will comply with all applicable notice and procedural requirements relative to water service termination contained in the Water Services Act, the Utility Services Tenants Rights Act, the Pennsylvania Public Utility Code, the rules and regulations of the Commission, and the Water Company's rules and regulations contained in its tariff on file with the Commission

5. Exclusive of contact between the Water Company and its customer required to effect termination, it is understood that the Authority shall conduct all interaction and negotiations with the involved sewer customer, including without limitation, negotiations for payment of arrearages and all contact regarding pre-termination through post-termination procedures for dispute resolution. In addition, the Authority shall prepare and deliver to the Water Company a copy of the notice to the involved sewer customer, notifying such customer that inquiries as to the arrearage or any dispute relative thereto should be directed to a named representative or department of the Authority at a given telephone number and that no contact should be made to the Water Company. Furthermore, the Authority shall, at the request of the Water Company, cause an authorized representative to be present at the involved premises at the time of water service termination and at any time when the premises must be visited to effectuate required notices or perform service termination procedures. Such representative of the Authority will be the participant exclusively in any discussions with the involved customer. The final decision whether to terminate water service shall be made by the Authority representative in attendance, and the Water Company employee may rely exclusively upon that decision.

6. Concurrent with the delivery of the written request required under Paragraph 1 hereof, the Authority shall pay to the Water Company the fee as set forth in the Water Company's Tariff (see Termination of Service), as amended from time to time, per involved premises, which shall not be refundable unless the Water Company should decline to initiate water service termination. It is understood that the fee described above shall be automatically increased to coincide with the charges for shutting off water service contained in the Company's tariff as on file with and approved by the Commission. Except as otherwise provided herein, said sum shall constitute payment in full to the Water Company for its services hereunder, including conducting service termination and restoration visits to the involved premises and completing water service termination procedures. In addition, the Authority shall pay to the Water Company the fee as set forth in Rule 56 in Aqua's Water Tariff on file with the Commission, as amended from time to time, for each visit beyond the two visits per premises, which are required to effectuate water service termination at a particular premises. Furthermore, in the event that more than one hour is required to perform either the termination or restoration of water service to any involved premises, including travel time and time actually spent at the premises, the Authority shall pay the Water Company's actual costs of such visit, including labor, material, transportation and other fixed charges to the extent that such actual costs exceed the fee as set forth Rule 56 in Aqua's Water Tariff on file with the Commission, unless such additional costs are the result of error or lack of effort on the part of the Water Company or Water Company personnel.

7. As to each premises for which water service is terminated hereunder, the Authority shall pay to the Water Company the estimated loss of water revenues resulting therefrom which shall be calculated in the same manner that the Water Company uses in the ordinary course of business to calculate estimated monthly water bills. The estimated monthly consumption per premises shall be applied to the Water Company's tariff rates in effect

during the estimation period, including all minimum charges and surcharges. The total monthly estimated bill, so calculated, will be divided by 30 to determine the estimated daily rate. Estimated lost revenues shall be equal to the product of the estimated daily rate and the number of days water service was actually terminated at the involved premises. Estimated lost revenues shall be billed by the Water Company to the Authority, periodically, and at approximately the same time as the Water Company would have billed the involved customer if water service had not been terminated. The Authority shall pay each such bill within 30 days of receipt thereof. Upon request the Water Company will provide to the Authority the estimated daily rate of lost revenue for specific premises for which service termination is contemplated. The Authority's liability for the estimated loss of water revenues resulting from such shut off shall terminate when the Authority authorizes the Water Company to restore water service or when water service is actually restored, whichever is earlier.

8. The Authority agrees to hold the Water Company harmless from any liability that the Water Company may incur in performing or attempting to perform water service termination and the procedures therefore in accordance with the terms of this Agreement. The Authority further agrees that it will, at its sole expense, legally defend and prosecute any action arising out of such performance or attempted performance, brought against the Authority, the Water Company or their respective agents or employees as a result of which the Water Company may incur any such liability. The Water Company reserves the right to retain its own counsel and participate independently in such proceedings.

9. If a dispute shall arise between the Authority and the Water Company regarding the cost of the Water Company's services hereunder, the amount of revenues lost, or the interpretation of the provisions of this or any subsequent agreement between the Water Company and the Authority concerning payment for such services and lost revenues, such

dispute shall be submitted by either party to the Commission, pursuant to the Water Services Act (53 P.S. §3102.505(d)).

10. This Agreement shall continue until terminated by either party on not less than 30 days written notice to the other party.

11. The Water Company complies with the Commission's heat-related moratorium that runs from December 1 to April 1. The Authority may request that the Water Company discontinue water service for non-payment of sewer charges for non-heat related accounts between December 1 to April 1.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Barbara Alexander, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 7, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 16, 2024

Signature: Barbara Alexander
Barbara Alexander

Address: Barbara Alexander Consulting LLC
44 Beech St.
Hallowell, ME 04347

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Re: Pennsylvania Public Utility Commission	Docket Nos. R-2024-3047822 (Water) R-2024-3047824 (Wastewater
v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	

SUPPLEMENTAL DIRECT TESTIMONY

OF

BARBARA R. ALEXANDER

Barbara Alexander Consulting LLC

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA Statement 7 Supp

PUBLIC VERSION

September 12, 2024

Q. PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION.

A. My name is Barbara R. Alexander. I am the sole member/owner of Barbara Alexander Consulting LLC. I am a consultant on consumer protection and customer service issues associated with utility regulation. My address is 44 Beech St, Hallowell, ME 04347. I appear in this case as a witness on behalf of the Office of Consumer Advocate (OCA).

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I am submitting Supplemental Direct Testimony with respect to the public testimony of Enrico Guiliante at the hearing held in Landenberg, PA on August 8, 2024, at 1:40 p.m.[1] Mr. Guiliante testified he lives on a fixed income and in testifying in opposition to Aqua's proposed rate increase, he stated:

> In addition to this current bill, my wife and I received a notice from Aqua PA stating, quote, this is a quote, we are writing to provide you with an opportunity to accept protection against the cost of covered repairs as these lines break down. The exterior water service and sewer septic lines on your property are primarily affected by aging and normal wear and tear. If these lines require replacement, it may cost you thousands of dollars. So of course, not knowing if the $35 million in grants and low interest loan capital Aqua PA has acquired or the additional $85 million in pending requested grants helps to cover the cost of the water sewer septic lines in my community that may or may not be repaired and/or replaced. According to the almost $1 billion project they have initiated, we bought the insurance coverage at almost a hundred dollars a year.[2]

Q. AS A RESULT OF THIS TESTIMONY, DID YOU EXPLORE HOW AQUA COMMUNICATES, MARKETS, OR SUPPORTS COMMUNICATIONS FOR NON-BASIC SERVICES?

A. Yes. I had previously sought to determine if Aqua engaged in billing for non-basic services on its Aqua customer bill and the Company stated that it did not bill for such services.[3]

[1] Transcript, pages 524-536.
[2] Ibid, page 526, lines 11-20 and page 527, lines 1-4.
[3] Aqua Response to OCA-XVI-22, 23, and 24.

However, in light of Mr. Guiliante's testimony about receiving marketing materials from Aqua for the sale of non-basic services, I explored this matter further.

Q. DOES AQUA USE ITS CALL CENTER TO MARKET HOMESERVE NON-BASIC SERVICES TO ITS CUSTOMERS?

A. Yes. When a customer calls for new service the Aqua customer service representative promotes HomeServe non-basic services "to help protect them against costly repair bills."[4] An indication of interest results in the transfer of the customer by the Aqua representative to HomeServe.

Q. DOES AQUA MARKET HOMESERVE'S NON-BASIC PRODUCTS AND SERVICES WITH ITS CORPORATE NAME AND LOGO?

A. Yes. Aqua's name and logo is used by HomeServe to market its products and services to Aqua's customers.[5] I attach a sample communication authorized by Aqua pursuant to its contractual arrangement with HomeServe as Exhibit BA-11.[6] This marketing communication reflects both the Aqua and HomeServe logos. It is reasonable for any recipient, similar to Mr. Guiliante's assumption, to assume that this communication was issued by Aqua, his public utility. There are many aspects of this communication that deserve further investigation and raise serious consumer protection concerns. For example:

- The envelope states that the communication is from "Aqua" as the only identification on the envelope for the source of the communication. The envelope states, "Important information enclosed."
- The communication uses the customer's name and states, "Many homeowners are not

[4] Aqua Response to OCA-XXIV-1.
[5] Aqua states that its customer name and addresses are not provided to HomeServe but that it does provide a "general listing of zip codes which covers the Aqua service territory." Aqua Response to OCA-XXIV-4.
[6] Aqua Response to OCA-XXIV-2, Attachment 1.

aware that the repairs to the exterior sewer/septic lines that runs on their property may be the responsibility of the homeowner." And, "Your property at [customer's address] is not covered with optional Exterior Sewer/Septic Line Plus Coverage from HomeServe." The envelope and manner of addressing the customer's name and address suggests that the entire communication has been issued by Aqua.

- However, the "Important Questions and Answers" in fine print states an opinion about whether the customer's homeowner's insurance covers "this" by stating, "Most basic homeowners insurance policies do not cover repair or replacement to normal wear and tear of the exterior sewer/septic line." The clear intent of this communication is to suggest that the customer may not have homeowner's insurance, may not have warranty coverage, and would be left without any recourse unless he/she purchases the HomeServe plan at $6.24/month. These marketing messages raise significant consumer protection concerns that should be further evaluated in light of Aqua's endorsement and approval and suggested support for these non-basic services.
- Aqua's endorsement and imprimatur for these communications does not inform the customer that optional protection or insurance programs might be available from competitors of HomeServe. As a result, it would be natural and intended that the customer assumes that this program is related to Aqua's position as a regulated public utility.
- There is a fine print statement in this marketing communication that HomeServe is an "independent company" and that Aqua "reviewed companies that provide home protection solutions," and that HomeServe was selected in 2003 "to offer Aqua customers option, yet affordable, programs that provide protection against costly and

inconvenient repairs to systems throughout their home and properties."

Q. PLEASE EXPLAIN THE REFERENCE TO "2003" IN THE MARKETING MATERIALS ISSUED BY AQUA AND HOMESERVE.

A. This date refers to a contract that I attach as Exhibit BA-12 Confidential.[7] This contract is an agreement between **BEGIN CONFIDENTIAL** [redacted] **END CONFIDENTIAL.** I presume this entity is a former corporate identity of Aqua Pennsylvania, Inc. or its parent, Essential Utilities. The agreement sets forth the terms for the exchange of **BEGIN CONFIDENTIAL** [redacted] **END CONFIDENTIAL.** Finally, the agreement sets forth the revenues that Home Service will provide for these services. According to Aqua, it is compensated $0.40 is paid by HomeServe to Aqua on each attempted call transfer[9] and "the regulatory offset fees paid by HomeServe are subsequently credited back to Aqua's utility customers and offsets the customer service charges assigned to the utility from the call center.[10] However,

[7] Aqua Response to OCA-XXIV-3, attachment 1, CONFIDENTIAL
[8] Please note that this is the name used by HomeServe at that time.
[9] Aqua Response to OCA-XXIV-1.
[10] Aqua Response to OCA-XXIV-6.

when asked about the revenues concerning marketing activities for non-basic services, Aqua stated that revenues are booked to Aqua Resources, Inc. in the amount of $5,061,510 from HomeServe for the marketing attributes and services provided to HomeServe presumably pursuant to the contract.[11] It is not clear that these significant revenue amounts are credited to Aqua's regulated rates and Pennsylvania ratepayers.

Q. WHAT IS YOUR RECOMMENDATION?

A. As a result of this additional evidence, I recommend that the Commission initiate an investigation of Aqua's contractual relationship with HomeServe to determine the proprietary of allowing HomeServe to issue marketing materials that are designed to imply that Aqua has mailed these marketing materials, the use of Aqua's logo on HomeServe's marketing materials, the reasonableness of Aqua's expenses and revenues associated with these promotional activities, and the lack of any regulatory review of this contractual arrangement since 2003, particularly in light of the corporate reorganization and restructuring that has occurred since that date and the significant growth in the Aqua's customer base since the prior entity's contract and service territory as it existed in 2003. While the current mailer attached as Exhibit BA-11 states that Aqua has reviewed companies that provide these services and selected HomeServe, there is a legitimate concern that no such evaluation or review has occurred for more than 20 years since 2003.

Q. ARE THERE ADDITIONAL RECOMMENDATIONS IN LIGHT OF YOUR REVIEW OF THESE MATERIALS?

A. Yes. Whether or not a formal investigation is initiated, I recommend a significant revision of the marketing materials issued by HomeServe to eliminate any appearance of issuance

[11] Aqua Response to OCA-XXIV-5.

by or approval by Aqua of these products, as well as clarifications to these materials to more accurately explain the customer's options to pay for damage to these facilities on their property, that other competitive providers may also provide such services, and that the customer should conspicuously and specifically be advised to consult with their homeowner's insurance to determine the circumstances under which damages or failures would be covered.

Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

A. Yes.

Exhibit BA-11

Witness: Matt Rhodes
Date: 09/06/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXIV INTERROGATORIES

OCA-XXIV-2 Provide a sample of the marketing materials issued by or authorized by Aqua for each entity seeking non basic services to Pennsylvania Aqua customers that identifies the price charged for each non basic service product and service offered.

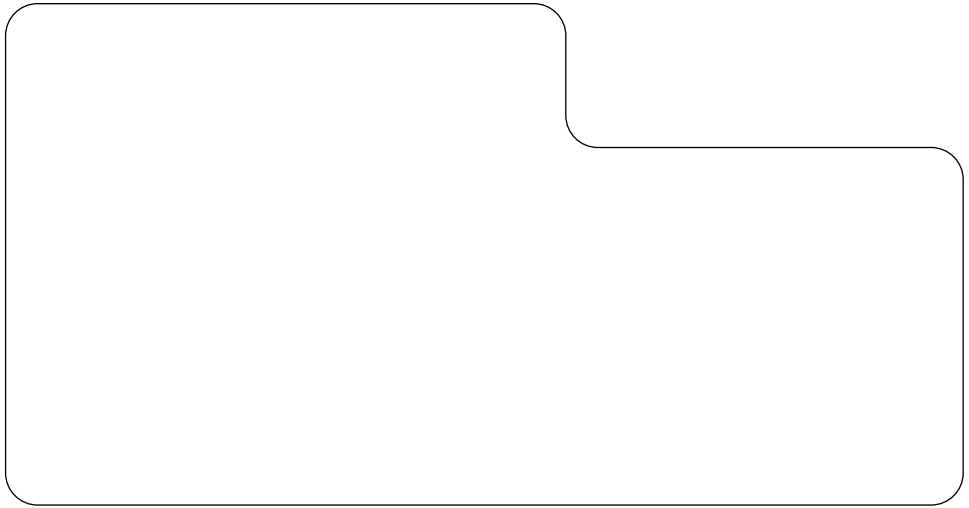
RESPONSE

See attached OCA-XXIV-2 - Attachment 1 for the HomeServe letter which is for exterior sewer line service in PA. Customer information has been redacted. The HomeServe letters for other products including water line service, plumbing, etc. are very similar.

AQUA℠

An Essential Utilities Company

PRSRT STD
U.S. POSTAGE
PAID
MAILED FROM
ZIP CODE 19612
PERMIT NO. 5003



Important Information Enclosed

AQUA An Essential Utilities Company | HomeServe

Response Requested

Peel and affix this label.

[redacted]

Date:	8/5/24
Response Requested:	Within 30 Days

— Information Regarding Your Exterior Sewer/Septic Line —

Dear [redacted],

Many homeowners are not aware that repairs to the exterior sewer/septic line that runs on their property may be the responsibility of the homeowner. Your property at [redacted] is not covered with *optional* Exterior Sewer/Septic Line Plus Coverage from HomeServe.

This sewer/septic line buried underground is subjected to changing soil conditions, ground shifting and corrosion, which may cause a sudden breakdown, leaving you responsible for the cost of repair or replacement. Replacement of this line can be expensive—potentially costing you thousands of dollars in unforeseen expenses.

Aqua has partnered with HomeServe,* an independent company, to offer its eligible customers protection for repairs to their sewer/septic line. This program provides repair coverage for your sewer/septic line with no deductible and a 24-hour hotline available 365 days a year to schedule a repair.

This protection is available for eligible [redacted] Township homeowners.

Benefit Amount:	Up to $10,000 annually with multiple service calls for covered repairs Up to $1,000 per covered repair to restore your landscaping disturbed by a covered repair, including resetting bricks and stones, replacing sod, mulch, shrubs and trees, and repairing asphalt and concrete surfaces 30-day wait period includes a money-back guarantee
Monthly Rate:	~~$12.48~~ $6.24
Property Address:	[redacted]
City:	[redacted]

— Important —

As an Aqua customer, your rate is only $6.24 per month—a savings of 50% off the first year.† Take action to help protect your exterior sewer/septic line. Complete and return the enclosed form—remember to affix your address label—or call HomeServe at 1-888-666-7711 to accept this coverage. For fastest processing, please visit www.AQRepairPlan.com.

Please respond before September 9, 2024.

*HomeServe USA Repair Management Corp. ("HomeServe"), with corporate offices located at 601 Merritt 7, 6th Floor, Norwalk, CT 06851, is an *independent company separate from Essential Utilities and Aqua Pennsylvania* and offers this optional service plan as an authorized representative of the service contract provider, CNA Warranty Services, Inc., 151 N Franklin St., Chicago, IL 60606. Your choice of whether to purchase this service plan will not affect the price, availability or terms of utility service from Aqua. Aqua and HomeServe entered into an agreement to introduce these plans to Aqua's customers. *See eligibility requirements and coverage limitations in this package.*

†Savings compared to renewal price.

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2408_AQ_BP_SSL

CREDIT/DEBIT CARD

By signing below, I authorize HomeServe to charge my first and future payments, plus any applicable taxes, for Exterior Sewer/Septic Line Plus Coverage to my credit/debit card at the frequency and amount specified in the Payment Schedule. HomeServe will only notify me if the applicable tax rate changes, causing the preauthorized amount to differ by more than 10%. *I understand this optional coverage is based on an annual contract and will be automatically renewed annually on the same payment terms I selected at the then-current renewal price, plus any applicable taxes (currently $12.48 per month), unless I cancel.* I can cancel this contract any time at no additional cost, without obligation to make future plan payments, by calling 1-888-666-7711 or visiting www.homeserve.com. *Your Data:* See our homepage at www.homeserve.com. I agree I have read the coverage details in this package and confirm I am the homeowner, meet all other eligibility requirements, and understand the coverage limitations and exclusions.

Payment Schedule:

- ☐ ~~$12.48~~ $6.24 per month
- ☐ ~~$37.44~~ $18.72 per quarter
- ☐ ~~$149.76~~ $74.88 per year

VISA ☐ MasterCard ☐ DISCOVER NETWORK ☐ AMERICAN EXPRESS ☐ Exp. Date: ☐☐/☐☐

Card Number: ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Signature (required)

ANNUAL CHECK OR MONEY ORDER

I have enclosed my signed and dated check or money order for my annual payment of $74.88 for Exterior Sewer/Septic Line Plus Coverage. *I understand this optional coverage is based on an annual contract that will be automatically renewed annually at the then-current renewal price (currently $149.76 per year) unless I cancel or fail to pay.* I can cancel this contract any time at no additional cost by calling 1-888-666-7711 or visiting www.homeserve.com.

Signature (required)

Your Data: See our homepage at www.homeserve.com. I agree I have read the coverage details in this package and confirm I am the homeowner, meet all other eligibility requirements, and understand the coverage limitations and exclusions.

PLEASE MAKE PAYABLE TO HOMESERVE

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GYDWXG3H 2H0BXZAP7JJLFPAA

Important Questions & Answers

What am I responsible for?
As a homeowner, you may be responsible for the exterior sewer/septic line on your property.

Does my homeowners insurance cover this?
Most basic homeowners insurance policies do not cover repair or replacement due to normal wear and tear of the exterior sewer/septic line.

Who is eligible for coverage?
To be eligible, you must own both the residential single structure and the land it is located on. You are not eligible if your home is a recreational vehicle or otherwise intended to be moved; your property is used for commercial purposes; you know of any current problems with your exterior sewer/septic line before enrollment; your entire exterior sewer/septic line is shared with a 3rd party or covered by a homeowners' association or the like; your exterior sewer/septic line previously had roots removed or failed a smoke or dye test, camera inspection or any other proactive test without resolution. In IA, properties with more than 4 dwelling units are not eligible.

What should I know about this coverage?
What's covered: Coverage provides, up to the applicable benefit limit, to repair or replace a sewer line that has experienced an operational failure, for which you have sole responsibility, from the external wall of your home up to your utility's responsibility, or septic line from the external wall of your home up to the point of connection to the septic tank on your property, including branch drains from the point they exit the home to the point they re-enter the home, that is damaged due to normal wear and tear, not accident or negligence. Repair or replacement of non-functioning grinder pumps and backflow prevention devices is also included. Restoration to your pavement, yard or landscaping disturbed as part of a covered repair is included, up to the benefit limit. *Not covered:* Non-conforming drain lines, septic/collection tanks, leaching fields, branch lines, replacement of any artificial grass or plants, restoration to water structures, pastures or wooded areas, and damage from accidents, negligence or otherwise caused by you, others or unusual circumstances. Costs on covered repairs may exceed the benefit limit, in which case you pay the difference between the cost and the benefit limit. Additional exclusions apply. See full Terms and Conditions with complete coverage and exclusion details prior to enrolling by calling 1-888-666-7711 or going to www.AQRepairPlan.com. Disputes resolved by arbitration, without class action or jury trial, unless otherwise stated in your full Terms and Conditions.

When can I make a service call?
Your plan starts the day your enrollment is processed. There is an initial 30-day waiting period before you can make a service call, giving you 11 months of coverage during the first year. Upon renewal/reactivation (if applicable), there is no waiting period.

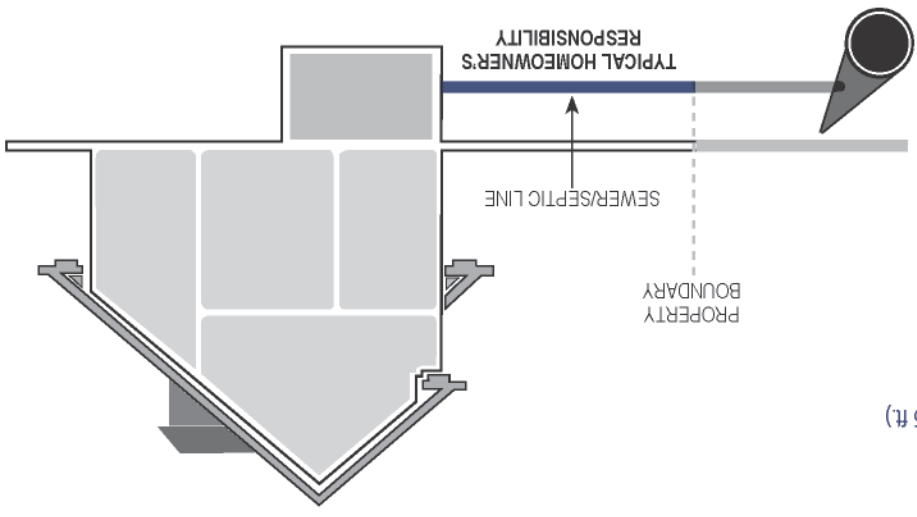
What is the cancellation policy?
Cancel any time by calling HomeServe at 1-888-666-7711 or visiting www.homeserve.com. If you cancel within 30 days of your start date, you will get a full refund (less claims paid, where applicable). Cancellations after the first 30 days will result in a pro-rata refund (less claims paid, where applicable).

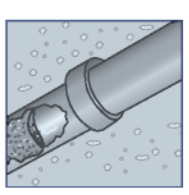
What is the term of my service agreement?
The plan is annual. Unless you cancel, your plan automatically renews annually at the then-current renewal price with your same payment terms.

What is E-Z Pay?
E-Z Pay is a paperless and stress-free way to pay for your coverage. Payments are automatically debited from the bank/checking account of your choice as your payment becomes due, at no additional cost.

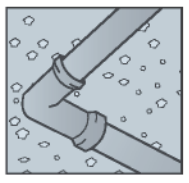
Who is HomeServe?
HomeServe is an independent company, separate from Aqua. If you would prefer not to receive solicitations from HomeServe, please call 1-888-666-7711.

What is Aqua's role in the program?
Aqua reviewed companies that provide home protection solutions. HomeServe was selected by Aqua in 2003 to offer Aqua customers optional, yet affordable, programs that provide protection against costly and inconvenient repairs to systems throughout their homes and properties.





Plan Members: No Charge‡
Unblock sewer/septic line
$268



Plan Members: No Charge‡
Replace sewer/septic line (26-75 ft.)
$5,754

Now it's easy to avoid the frustration and cost of unexpected repairs

‡National average repair costs as of January 2023. No charge for covered repairs up to your annual benefit amount.

The service line beyond the property boundary may be an additional responsibility of the homeowner and is included in this coverage.
Septic/collection tanks and leaching fields are not covered.

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ACCEPTANCE FORM

Reply ID: [redacted]

Please correct name and address information below, if necessary, before submitting.

[redacted]

Please send my current/future agreements and any related documents to the e-mail address below. I can access and retain documents sent to my e-mail. I understand I can request a copy of my contract, update my e-mail address, or change my communication preference anytime by going online or calling HomeServe. By providing my phone number, I consent to receive account-related phone calls and text messages.

For fastest processing scan here.

E-mail: _____ PHONE: _____

E-Z PAY (see back of letter)

Payment Schedule: ☐ ~~$12.48~~ $6.24 per month ☐ ~~$37.44~~ $18.72 per quarter ☐ ~~$149.76~~ $74.88 per year

By signing below, I authorize HomeServe to use account information from the enclosed check to make electronic fund transfers to automatically initiate my first and future debits, plus any applicable taxes, to my bank account at the frequency and amount specified in the Payment Schedule in connection with my payments for Exterior Sewer/Septic Line Plus Coverage. I understand my check will be converted to an electronic debit for my first payment, instead of deposited as a paper check. HomeServe will only notify me if the applicable tax rate changes, causing the preauthorized amount to differ by more than 10%. *I understand this optional coverage is based on an annual contract and will be automatically renewed annually on the same payment terms I selected at the then-current renewal price, plus any applicable taxes (currently $12.48 per month), unless I cancel.* I can cancel this contract any time at no additional cost, without obligation to make future plan payments, by calling 1-888-666-7711 or visiting www.homeserve.com. *Your Data:* See our homepage at www.homeserve.com. I agree I have read the coverage details in this package and confirm I am the homeowner, meet all other eligibility requirements, and understand the coverage limitations and exclusions.

AFFIX LABEL HERE

OR ACCEPT COVERAGE ONLINE AT
www.AQRepairPlan.com

Signature (required)

_____

2421370

Exhibit BA-12-Confidential

Witness: Matt Rhodes
Date: 09/06/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXIV INTERROGATORIES

OCA-XXIV-3 Provide the contracts in effect that require or authorize Aqua to send marketing materials to its customers for non-basic service or that authorize the use of Aqua's name or use of its customer information.

RESPONSE

Aqua does not send written marketing materials. The use of Aqua's name is covered under the attached agreement with HomeServe as OCA-XXIV-3 – Attachment 1 - CONFIDENTIAL.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Barbara Alexander, hereby state that the facts above set forth in my Supplemental Direct Testimony, OCA Statement 7 Supp, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 12, 2024 Signature: _____
Barbara Alexander

Address: Barbara Alexander Consulting LLC
44 Beech St.
Hallowell, ME 04347

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	Docket Nos. R-2024-3047822 (Water) R-2024-3047824 (Wastewater)
v.	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	

SURREBUTTAL TESTIMONY

OF

BARBARA R. ALEXANDER

Barbara Alexander Consulting LLC

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

OCA Statement 7SR

Date Served: September 26, 2024

I. INTRODUCTION AND SUMMARY OF RECOMMENDATIONS

Q. PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION.

A. My name is Barbara R. Alexander. I am the sole member/owner of Barbara Alexander Consulting LLC. I am a consultant on consumer protection and customer service issues associated with utility regulation. My address is 44 Beech St, Hallowell, ME 04347. I appear in this case as a witness on behalf of the Office of Consumer Advocate (OCA).

Q. HAVE YOU PREVIOUSLY TESTIFIED IN THIS PROCEEDING?

A. Yes. I submitted Direct Testimony on behalf of the OCA on August 16, 2024, and Supplemental Direct Testimony on behalf of the OCA on September 12, 2024.

A. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

Q. I am filing Surrebuttal Testimony in response to the Rebuttal Testimony by Aqua witnesses William C. Packer[1] and Heather Doyle-Conley[2] filed on September 12, 2024. Specifically, I will address Mr. Packer's Rebuttal to my conclusions and recommendations with respect to Aqua's claim for higher profits due to its claim for exemplary management performance and his response to my recommendation concerning the liability provisions in the Company's tariff. I will address Ms. Doyle-Conley's Rebuttal to my testimony on Aqua's customer service performance and compliance with certain settlement provisions in prior proceedings.

Q. PLEASE IDENTIFY THE EXHIBITS ATTACHED TO YOUR TESTIMONY.

A. The following additional Exhibit is attached to my testimony:

[1] Aqua Statement No. 1-R.
[2] Aqua Statement No. 14-R.

- Exhibit BA-13: Aqua Response to OCA-XXV-1.

Q. DO YOU HAVE ANY CHANGES TO YOUR RECOMMENDATIONS AS SET FORTH IN YOUR DIRECT TESTIMONY?

A. No. I repeat those recommendations here:

- Aqua should not be awarded additional profits or revenues for "exemplary management performance" due to its failure to properly consider customer service performance in its justification and for other failures associated with prior commitments as identified in my testimony.
- Call Center Performance: I recommend that Aqua be required to meet its 2024 call center performance as a condition of any rate increase in this proceeding. Aqua should not be allowed to deteriorate its performance once rates are increased since the prior Aqua-Peoples Merger Settlement commitment does not extend beyond 2024. Second, I recommend that Aqua focus on improving the call answering performance for customers who enter the queue to speak to a customer service representative in light of the evidence presented in my testimony that those customers experience a significantly lower level of customer services when the IVR calls are eliminated from these calculations. I recommend that Aqua commit or be directed by the Commission to achieve to a reasonable level of improvement on an annual basis as a condition of this rate increase.
- Root Cause Analysis of Customer Complaints: In light of the history of Aqua's inability or refusal to conduct a reasonable root cause analysis as required by the Aqua-Peoples Merger Settlement, I recommend that the Commission take this failure

into account in denying any request for "exemplary management performance."

- Oversight of Call Center Compliance: I recommend that Aqua be required to conduct an annual audit and document its investigation and review of compliance with Pennsylvania's Chapter 56 and Chapter 14 rights and responsibilities by its call center personnel. It is not appropriate to rely on reviewing individual complaints, counseling agents, without a regular documentation of the oversight review and its findings.
- Compliance with Personal Contact Requirements: In light of my prior documentation of lack of proper training on this same issue in the last base rate case, I recommend that Aqua be required to develop and file a compliance document that properly describes the full range of consumer protections associated with attempting contact with residential customers prior to termination of service and documents as well the actual training and oversight, with reasonable reporting requirements that are reviewed by management. In addition, the Commission should consider this evidence to deny Aqua's request for higher profits due to exemplary management performance.
- Payment Processing Fees: I recommend that Aqua offer no-fee payment options to its customers and include reasonable or necessary payment processing fees in its revenue requirement, like the costs of handling payments via mail. The level of reasonable fees to include in the revenue requirement should reflect a competitive bid process to achieve the lowest cost to ratepayers for processing credit and debit card transactions. Whether or not this recommendation is adopted, Aqua should revise its termination notices, bills, and IVR script to inform the customer of the ways to pay

without fees rather than emphasizing the fee-based pay options as currently done.

- Limitation on Liability Tariff: I recommend that Aqua update its dollar amount of limitation of liability to reflect a more reasonable dollar amount to $6,000 to reflect inflation and Aqua's actual data showing that it had paid out well in excess of $2,000 where it has determined to pay out claims. Aqua should clarify that its "act of God" language does not eliminate liability for claims in which the Company is found to have been negligent or not in compliance with its Section 1501 duties under the Public Utility Code.
- Termination of Water Service for Nonpayment of Wastewater Service provided by a Municipal Authority: I recommend that Aqua adopt changes to its Tariff that authorizes termination of Aqua's water service for nonpayment of wastewater service by a municipal authority that reflect the consumer protections approved by the Commission in it recent order on Pennsylvania American Water Co.'s base rate case.

II. THE RELATIONSHIP, REVENUES, AND COMMUNICATIONS TO AQUA PA'S CUSTOMERS FOR HOMESERVE'S NON-BASIC SERVICES REQUIRES FURTHER INVESTIGATION AND IMPUTED REVENUES FOR AQUA PA'S CUSTOMERS.

Q. DO YOU HAVE ANY CHANGES TO YOUR RECOMMENDATIONS RELATING TO THE ISSUE YOU IDENTIFIED IN YOUR SUPPLEMENTAL DIRECT TESTIMONY?

A. Yes. In my Supplemental Direct Testimony, I raised an issue concerning Aqua PA's relationship with the marketing of non-basic services by HomeServe based on the consumer testimony at the public input hearings. Based on that consumer testimony, the

OCA conducted additional discovery in OCA Set XXIV and XXV. The OCA received the responses to OCA Set XXV after I submitted my Supplemental Direct Testimony. Based on my review of the responses, there is additional support for my recommendations set forth in my Supplemental Direct Testimony as stated below:

- I recommend that the Commission initiate an investigation of Aqua's contractual relationship with HomeServe to determine the proprietary of allowing HomeServe to issue marketing materials that are designed to imply that Aqua has mailed these marketing materials, the use of Aqua's logo on HomeServe's marketing materials, the reasonableness of Aqua's expenses and revenues associated with these promotional activities, and the lack of any regulatory review of this contractual arrangement since 2003, particularly in light of the corporate reorganization and restructuring that has occurred since that date and the significant growth in the Aqua's customer base since the prior entity's contract and service territory as it existed in 2003.
- Whether or not a formal investigation is initiated, I recommend a significant revision of the marketing materials issued by HomeServe to eliminate any appearance of issuance by or approval by Aqua of these products, as well as clarifications to these materials to more accurately explain the customer's options to pay for damage to these facilities on their property, that other competitive providers may also provide such services, and that the customer should conspicuously and specifically be advised to consult with their homeowner's insurance to determine the circumstances under which damages or failures would be covered.

- Furthermore, an affiliate of Aqua PA, called Aqua Resources, collected $5.062 million in revenue from HomeServe based on a per customer contract fee times the number of customers that HomeServe has in Aqua PA territory. Thus, despite the fact that HomeServe gets its business via Aqua PA's promotion of it under Aqua PA's contractual obligations to do so, such revenues did not benefit Aqua PA customers as an offset to the costs for the overall revue requirement. This should be corrected, and these revenues should benefit ratepayers. Reflecting the new information provided in response to OCA-XXV-1, based on the significant revenues received by Aqua Resources from HomeServe and the lack of any allocation of that revenue to Aqua PA, I support OCA Witness Ralph Smith's revenue adjustment. I attach Aqua's Response to OCA-XXV-1 as Exhibit BA-13.
- Finally, the lack of any allocation of revenues to Aqua PA in light of the clear intent to link Aqua PA's support and endorsement of HomeServe to market HomeServe's products to Aqua PA's customers also supports my recommendation for a full investigation of this relationship and implementation of my recommended consumer protection reforms.

III. RESPONSE TO MR. PACKER'S REBUTTAL TESTIMONY ON AQUA'S REQUEST FOR ADDITIONAL PROFITS FOR EXEMPLARY MANAGEMENT PERFORMANCE AND THE LIABILITY PROVISIONS OF ITS TARIFF

Q. HOW DID MR. PACKER RESPOND TO YOUR TESTIMONY ABOUT THE LACK OF CUSTOMER SERVICE PERFORMANCE AND CONSUMER PROTECTION POLICIES IN HIS SUPPORT FOR HIGHER PROFITS FOR MANAGEMENT PERFORMANCE?

A. Mr. Packer's testimony did not dispute any of my concerns in that his proposal for higher profits for exemplary management performance does not include any specific measurement of or reliance on customer service performance. I find this defect crucial to whether the Company's rates should be higher than otherwise required. As I documented in my Direct, the Company's internal performance measurements of customer service do not impact management's incentive payments for performance. Mr. Packer does not dispute this conclusion, but only states that the call center performance is "tracked and measured."[3] That is, of course, not the point. In addition, I documented in my Direct that none of the prior commitments concerning customer service were evaluated or relied upon to justify this proposal for higher profits. The fact that any prior proceeding did not explicitly require Aqua to link this performance to its claim for a reward for management performance is not an excuse from my recommendation. It is simply not reasonable for a publicly regulated utility to be granted higher profits without the evidence showing that it has delivered "exemplary" customer service at its call center, in handling and evaluating complaints, avoiding infractions, and taking a proactive approach to monitoring and

[3] Aqua St. No. 1-R, page 31, line 8.

auditing its internal call centers for compliance with Pennsylvania's consumer protection requirements.

Q. MR. PACKER REJECTS YOUR RECOMMENDATIONS CONCERNING ITS LIABILITY PROVISIONS IN ITS TARIFF. DO YOU AGREE?

A. No. Mr. Packer's response to my specific recommendations for this tariff provision on how Aqua handles claims of damages and narrows its liability is based on an unsupported assumption that such language change might result in higher insurance costs.[4] It is within Mr. Packer and Aqua's control to evaluate that potential result and he did not do so. I documented that the Company routinely makes payments in excess of the amount identified in its Tariff and that needs to be updated. Claiming that I could realistically evaluate that impact is clearly not a proper response. Finally, his claim that the "Act of God" exemption does not include situations where the Company was negligent or failed to satisfy Section 1501 of the Public Utility Code[5] should be viewed as support for my recommendation that this assumption should be made explicit without any potential harm to the Company.

[4] Ibid., page 23, lines 13-17.
[5] Ibid., page 23-24.

IV. RESPONSE TO AQUA WITNESS DOYLE-CONLEY ON CUSTOMER SERVICE PERFORMANCE AND COMPLIANCE ISSUES

Q. MS. DOYLE-CONLEY OBJECTS TO YOUR PRESENTATION OF CALL CENTER PERFORMANCE DATA THAT EXEMPTS THE CUSTOMER CALLS MADE AND HANDLED BY THE IVR.[6] PLEASE RESPOND.

A. First, I acknowledge that the Commission's reporting requirements for call center performance allows utilities to include IVR calls in its calculations. As a result, calls answered by and handled by the IVR are included in the measurement of the customer calls that select the option to speak to a live customer service representative. Whether this is reasonable or not is unlikely to be resolved in this proceeding. However, it is entirely appropriate to identify the difference in customer service between a customer whose transaction is handled on the IVR with the customer who enters the queue to speak to a customer service representative.[7] The latter option is required to negotiate a payment plan, respond to a termination notice, seek to reconnect following a termination, and file a dispute. These essential rights and remedies typically require a personal interaction with an authorized employee. I make no claim that the IVR is not important. I do, however, continue to observe and make the important conclusion that the customer who selects the option on the IVR to speak with a customer service representative enters a queue. The measurement of that performance shows a significant deterioration in performance compared to performance that is measured when all the IVR calls are included whether or

[6] Aqua St. No. 14-R, page 3.

[7] As I documented in my Direct Testimony (OCA St. No. 7), as measured by the calls in which the customer selects the option to speak with a customer service representative (CSR), the annual average percentage of call answered within 30 seconds for 2023 is 67% and in 2024 to date the average is 67.2%, far below the 80+% call answering result when the denominator includes all the IVR calls.

not those calls relate to the option to speak with a representative. The actual customer experience in seeking to speak to a customer service representative is a factual matter that I identified and continue to call on Aqua to improve whether it is a formal compliance issue relating to the Merger Settlement.

Q. EVEN USING THE MORE LIBERAL CALCULATION, DOES AQUA AGREE WITH YOUR RECOMMENDATION TO MEET ITS 2024 CUSTOMER CALL CENTER PERFORMANCE AS A CONDITION OF ANY RATE INCREASE?

A. No. Ms. Doyle-Conley states that Aqua is committed to meet its Merger Settlement call center performance standards but does not agree that rate relief should be contingent on meeting these goals.[8] She fails to consider, however, that the prior Merger Settlement provisions for its call center do not extend beyond 2024. As a result, unless there is a continuation of some explicit commitment about call center performance beyond 2024 and in the rate effective year for this proceeding, there is no "commitment" that can be relied upon. Aqua would be free to allow deterioration on service once the new rate increases are approved.

Q. HAS AQUA IDENTIFIED ITS COMMITMENTS TO ITS CALL CENTER PERFORMANCE FOR 2024 AND BEYOND?

A. Yes. When asked to identify any Pennsylvania specific commitments applicable to its call center performance for 2025 and beyond, the Company replied: (1) Service Level 82% within 30 seconds; (2) Percent of Calls abandoned at 2%; and (3) Busy Out Rate of 0%.[9] I continue to urge the Commission to require Agua to meet these service quality

[8] Aqua St. No. 14-R, page 4, lines 5-12.
[9] Aqua Response to OCA-XXVI-2.

performance standards as a condition of any rate increase in this proceeding.

Q. HOW DID MS. DOYLE-CONLEY RESPOND TO THE PRESENTATION OF THE COMPLIANCE DATA IN THE COMMISSION'S UCARE REPORTS?

A. Ms. Doyle-Conley's response is to identify her observation that a high number of complaints related to payment arrangements and that a solution has been implemented manually and "is in the process of automating the process."[10] This response may be appropriate, but the Company provides no evidence that this "fix" has resulted in far fewer complaints generally or relating specifically to payment arrangements in 2024, a trend that only the Company would be able to provide since there is no published data by the Commission for 2024 to date. Aqua has never provided any documentation that it has explored the scope, scale or frequency of payment arrangement infractions as documented in these complaints and taken any action to assist customers who did NOT complain to the PUC. Nor has Aqua documented how this defect in its policies and procedures occurred so as to take steps to prevent it or similar infractions from occurring in the future.

Q. HOW DID THE COMPANY RESPOND TO YOUR DOCUMENTATION OF THE HIGH LEVEL OF VERIFIED COMPLAINTS AND INFRACTIONS?

A. As I documented in my Direct, BCS found that Aqua had 174 "infractions," 167 of which were due to Chapter 56 potential violations.[11] Ms. Doyle-Conley's response to this data is to describe an internal process of investigating individual infractions and focusing on the

[10] Aqua St. No. 14-R, page 5, lines 11-16.

[11] Aqua Response to OCA-III-19 (not marked as confidential) describes the Company's response to BCS "verified infractions." This response indicates that in 2023, 114 infractions findings by the BCS were "accepted and 10 were "contested," with two BCS infractions removed.

individual customer service representative for additional training or coaching.[12] This type of response is inadequate. As I documented in my Direct, Aqua has not completed a trend analysis with respect to disputes.[13] Aqua has not conducted a root cause analysis of "justified" or "verified infractions" since January 2022.[14] This evidence should be taken into account in evaluating Aqua's management performance. Ms. Doyle-Conley did not respond to this evidence.

Q. PLEASE RESPOND TO AQUA'S RESPONSE TO YOUR TESTIMONY WITH RESPECT TO AQUA'S OBLIGATION UNDER THE MERGER SETTLEMENT TO CONDUCT AN ANNUAL ROOT CAUSE ANALYSIS OF ITS COMPLAINTS.

A. Aqua provided a "2020-2022 PUC Analysis" provided to a meeting in October 2023 as support for its compliance with the obligation to conduct a Root Cause Analysis in compliance with its Merger Settlement obligation.[15] This document identifies the number of specific complaints by categories without any analysis of or identification of a "root cause." When asked to provide the "updated" 2023 Root Cause Analysis referenced by Ms. Doyle-Conley in her Rebuttal, the Company provided a document entitled "2020-2023 PUC Analysis"[16] that again identified complaint numbers by category without any analysis or identification of a "root cause." These documents do not comply with the Merger Settlement provision based on my experience and as described in my Direct Testimony in Exhibit BA-5. In fact, Aqua confirms that it was provided with examples of a proper Root

[12] Aqua St. No. 14-R, page 6, lines 6-27.
[13] Aqua Response to OCA-XVI-15.
[14] Aqua Response to OCA-XVI-20.
[15] Aqua Response to OCA-XXVI-3, Attachment 1 (Confidential)
[16] Aqua Response to OCA-XXVI-4, Attachment 1 (Confidential)

Cause Analysis in its October 2023 meeting with the OCA that it has ignored.[17]

Q. WHAT IS YOUR RECOMMENDATION IN LIGHT OF THIS EVIDENCE?

A. My original recommendation has not changed: In light of the history of Aqua's inability or refusal to conduct a reasonable root cause analysis as required by the Aqua-Peoples Merger Settlement, I recommend that the Commission take this failure into account in denying any request for what Aqua describes as "exemplary management performance."

Q. MS. DOYLE-CONLEY REJECTS YOUR RECOMMENDATION THAT AQUA CONDUCT ROUTINE AUDITS AND DOCUMENT COMPLIANCE WITH PENNSYLVANIA'S CONSUMER PROTECTION STATUTES AND REGULATIONS. PLEASE RESPOND.

A. In the Company's Rebuttal, the Company states that it "does routine quality monitoring through its QA teams" and new hires are "trained for compliance." [18] The QA process is described as call monitoring and the "feedback is shared weekly within the Company."[19] This is the same information provided in discovery, which I reviewed to prepare my Direct Testimony. This high-level description does not show compliance with consumer protection statutes and regulations. No showing of any compliance audit or investigation was provided. This high-level statement and lack of any documentation as to actual monitoring, internal reports of coaching, or any other indicia of audits or oversight supports my recommendation. Furthermore, this concern is highlighted by the justified complaints and verified infractions described above. I continue to recommend that Aqua

[17] Aqua Response to OCA-XXVI-3, Attachment 2 (ASQ Pocket Guide to Root Cause Analysis) and Attachment 3 (an excerpt from a description of a Root Cause Analysis Report done by Pittsburgh Water and Sewer Authority).
[18] Aqua St. No. 14-R, page 10, lines 6-14.
[19] Aqua St. No. 14-R, page 10, lines 6-14.

be required to conduct an annual audit for compliance, a recommendation that is particularly important in light of the out of state locations for these call centers and the use of at-home employees.

Q. PLEASE RESPOND TO MS. DOYLE-CONLEY'S REBUTTAL TESTIMONY IN RESPONSE TO YOUR DOCUMENTATION OF THE LACK OF EVIDENCE WITH RESPECT TO AQUA'S OBLIGATION TO ATTEMPT PERSONAL CONTACT IMMEDIATELY PRIOR TO TERMINATION OF SERVICE.

A. Ms. Doyle-Conley states that all Aqua's field personnel comply with its "collections manual."[20] She acknowledges that the results of actual field interactions or attempts at contact are not documented, but then claims that "FSRs follow the manual."[21] Once again, Aqua's response is without support. My documentation of the defects in these training materials was ignored. As a result, the lack of tracking data means that the Company has no idea of the impact or results of termination orders in the field or whether the customer's rights have been properly implemented. Nor has Aqua undertaken any audit or investigation to ensure that its field agents are complying with these personal contact requirements and properly engaging with knowledgeable information on Pennsylvania's customer rights and responsibilities.[22] I continue to recommend that Aqua be required to develop and file a compliance document that properly describes the full range of consumer protections associated with attempting contact with residential customers prior to termination of service and documents as well the actual training and oversight, with

[20] Ibid., page 10, lines 21-22.
[21] Ibid., page 11, lines 6-9.
[22] Aqua Response to OCA-XVI-20.

reasonable reporting requirements that are reviewed by management. In addition, the Commission should consider this evidence to deny Aqua's request for higher profits due to exemplary management performance.

Q. THE COMPANY REJECTS YOUR RECOMMENDATION TO ELIMINATE PAYMENT FEES. PLEASE RESPOND.

A. Ms. Doyle-Conley raises the misleading claim that the Speedpay fees for payment via debit or credit card is "not an Aqua PA charge."[23] That is not correct. This is a payment authorized by Aqua pursuant to its contract with Speedpay, a form of payment that is advertised on Aqua's website, IVR, and termination notices. It is an extra fee charged to Aqua's customers for the payment of an Aqua bill via Speedpay. While Aqua agrees to make changes to its termination notices, bills, and IVR scripts, the actual changes are not identified by Ms. Doyle-Conley. More importantly, her testimony does not explain the fact that all consumers who pay by debit card or credit card do not pay a separate fee at the time of payment. Unlike Speedpay, the costs to process the debit and credit card payment options are included by the seller in the price of their goods and services. It is a growing trend to eliminate such fees and support the wide range of payment options for Aqua's customers as I documented in my Direct. Aqua should do the same.

[23] Aqua St. No. 14-R, page 12, line 3.

Q. PLEASE RESPOND TO MS. DOYLE-CONLEY'S REBUTTAL TESTIMONY THAT APPEARS TO ACCEPT IN PART YOUR RECOMMENDATIONS WITH RESPECT TO AQUA'S TERMINATION OF WATER SERVICE FOR NONPAYMENT OF WASTEWATER SERVICE BY A NON-COMPANY PROVIDER.

A. The Company agrees to provide additional language in its tariff but seeks to modify it by eliminating what it characterizes as "redundant" language.[24] I appreciate the proposal to address this issue in its tariff, but I do not agree with the elimination of the second paragraph. The language in the second paragraph is not redundant. The first paragraph allows Aqua to terminate service for nonpayment of "sewer" service. However, the second paragraph then makes clear that Aqua is going to terminate the customer's "water service" due to the nonpayment of charges to a municipal or non-Company wastewater provider. I continue to recommend that the language previously approved in Pennsylvania American Water Company's most recent rate case.

Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

A. Yes.

[24] Ibid., page 12, lines 16-18.

Exhibit BA-13

Witness: William C. Packer
Date: 09/19/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XXV INTERROGATORIES

OCA-XXV-1 Refer to the responses to OCA XXIV-5 and XXIV-6, and provide the following information:

a. Identify how much of the $5,061,510 was recorded in each account.
b. Identify how much of the $5,061,510 is for Aqua's water utility.
c. Identify how much of the $5,061,510 is for Aqua's wastewater utility.
d. Were any of the $5,061,510 in revenues booked from utility systems acquired by Aqua in 2023 or 2024? If so, identify how much of that revenue relates to each utility system that was or is being acquired by Aqua in 2023 or 2024?
e. Identify and provide the Aqua Resources accounting records for 2023 and to-date in 2024 showing in detail how the revenues paid by HomeServe are recorded.
f. Are the "regulatory offset fees paid by HomeServe" mentioned in the response to OCA XXIV-6 the exact same thing as the $5,061,510 amount that was identified in the response to OCA XXIV-5? If not, identify the amount of the "regulatory offset fees paid by HomeServe" mentioned in the response to OCA XXIV-6 and explain fully and in detail how those are credited to Aqua's utility customers.
g. For the 2023 HTY, 2024 FTY and 2025 FPFTY, identify all amounts related to the "regulatory offset fees paid by HomeServe" that were reflected by Aqua as offsets to the customer service charges assigned to each Aqua PA utility by the call center.
h. For the 2023 HTY, 2024 FTY and 2025 FPFTY, identify all amounts were reflected by Aqua as customer service charges assigned to each Aqua PA utility by the call center.
i. Please provide comparable information on the revenues in each year 2020, 2021 and 2022 that are comparable to the $5,061,510 amount noted in the response to OCA-XXIV-5.

RESPONSE

a. The amount of $5,061,510 was recorded into Aqua Resources. All revenues from HomeServe are recorded into Aqua Resources. On Aqua Resources, our GL account number is 6104090 and it is called Nonutil Inc. – Home Services.
b. None.
c. None.
d. No.
e. The revenues paid by HomeServe are recorded to GL account number is 6104090 and it is called Nonutil Inc. – Home Services as non-utility revenue and booked into the unregulated affiliate Aqua Resources.
f. No, the regulatory offset fees paid by HomeServe are part of the $5,061,510 amount. The 2023 offset fee total is $2,618.00; the YTD June 2024 total is $5,205. The Company receives $0.40 per call from HomeServe which offsets the Service Company charges which are allocated to the Aqua states.
g. None. No amounts are reflected by Aqua PA water or wastewater utilities as offsets because no costs for services are being charged to Aqua PA initially. No charges associated with HomeServe are billed to Aqua PA or any regulated utility.
h. The total ACO costs billed to Aqua PA for 2023 are $6,058,548.20. The projected ACO costs for 2024 and 2025 are $6,228,779.95 and $6,404,544.24, respectively. None of these charges include any amounts related to HomeServe. As noted above, the ACO time is offset by the $0.40 per call received by HomeServe, which is moved from ACO to Aqua Resources.
i. The revenues are as follows: 2020 - $2,659,932; 2021 - $3,799,757; 2022 - $4,831,632.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket No.: R-2024-3047822(Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824(Wastewater)
Aqua Pennsylvania Wastewater, Inc.		

VERIFICATION

I, Barbara Alexander, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 7SR, are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: September 26, 2024 Signature: Barbara Alexander

Barbara Alexander

Address: Barbara Alexander Consulting LLC
44 Beech St.
Hallowell, ME 04347

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
v.	:	Docket Nos. R-2024-3047822 (Water)
Aqua Pennsylvania, Inc. and	:	R-2024-3047824 (Wastewater)
Aqua Pennsylvania Wastewater, Inc.	:	

LIST OF THE EVIDENCE TO BE ADMITTED INTO THE EVIDENTIARY RECORD BY THE OFFICE OF CONSUMER ADVOCATE

The Office of Consumer Advocate (OCA) intends to submit the following evidence into the evidentiary record in this matter at the evidentiary hearings scheduled for October 9-11, and 15, 2024.

OCA Statement 1, Direct Testimony of Christine Maloni Hoover

Appendix A

Exhibits CMH-1 through CMH-4

Verification of Christine Maloni Hoover

OCA Statement 1 Supp, Supplemental Direct Testimony of Christine Maloni Hoover

Verification of Christine Maloni Hoover

OCA Statement 1SR, Surrebuttal Testimony of Christine Maloni Hoover

Verification of Christine Maloni Hoover

OCA Statement 2, Direct Testimony of Ralph C. Smith

Attachment RCS-1

Exhibits LA-1 through LA-3

Verification of Ralph C. Smith

OCA Statement 2SR, Surrebuttal Testimony of Ralph C. Smith[1]

Exhibits LA-4 through LA-6

Verification of Ralph C. Smith

OCA Statement 3, Direct Testimony of Aaron L. Rothschild

Appendix A

Appendix B

Appendix C

Appendix D

Appendix E

Appendix F

Appendix G

Exhibits ALR-1 through ALR-5

Verification of Aaron L. Rothschild

OCA Statement 3R, Rebuttal Testimony of Aaron L. Rothschild

Verification of Aaron L. Rothschild

OCA Statement 3SR, Surrebuttal Testimony of Aaron L. Rothschild

Exhibit ALR-1-SR

Verification of Aaron L. Rothschild

OCA Statement 4, Direct Testimony of Brian C. Andrews

Appendix A

Exhibits BCA-1 through BCA-18

Verification of Brian C. Andrews

OCA Statement 4SR, Surrebuttal Testimony of Brian C. Andrews

Verification of Brian C. Andrews

OCA Statement 5, Direct Testimony of Jerome D. Mierzwa

Exhibits JDM-1 through JDM-2

Verification of Jerome D. Mierzwa

[1] The OCA intends to submit the corrected version of OCA Statement 2SR, which was served on September 27, 2024, and not the version of OCA Statement 2SR which was served on September 26, 2024.

OCA Statement 5R, Rebuttal Testimony of Jerome D. Mierzwa

Verification of Jerome D. Mierzwa

OCA Statement 5SR, Surrebuttal Testimony of Jerome D. Mierzwa

Verification of Jerome D. Mierzwa

OCA Statement 6, Direct Testimony of Roger Colton

Exhibits RDC-1 through RDC-7

Verification of Roger Colton

OCA Statement 6SR, Surrebuttal Testimony of Roger Colton

Verification of Roger Colton

OCA Statement 7, Direct Testimony of Barbara R. Alexander (CONFIDENTIAL and public versions)

Exhibits BA-1 through BA-10 (CONFIDENTIAL and public versions)

Verification of Barbara R. Alexander

OCA Statement 7 Supp, Supplemental Direct Testimony of Barbara R. Alexander (CONFIDENTIAL and public versions)

Exhibits BA-11 through BA-12 (CONFIDENTIAL and public versions)

Verification of Barbara R. Alexander

OCA Statement 7SR, Surrebuttal Testimony of Barbara R. Alexander

Exhibit BA-13

Verification of Barbara R. Alexander

OCA Hearing Exhibit 1

List of the Evidence Offered by the Office of Consumer Advocate

I&E Statement No. 1
Witness: Zachari Walker
NON-PROPRIETARY

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA, INC.

AND

AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 & R-2024-3047824

Direct Testimony

of

Zachari Walker

Bureau of Investigation and Enforcement

Concerning:

OPERATING AND MAINTENANCE EXPENSES

PAYROLL TAXES

CASH WORKING CAPITAL

PFAS TREATMENT COSTS DEFERRAL

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PFAS TREATMENT COSTS DEFERRAL **40**

INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Zachari Walker, and my business address is Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Pennsylvania Public Utility Commission (Commission or PUC) in the Bureau of Investigation & Enforcement (I&E) as a Fixed Utility Financial Analyst.

Q. WHAT IS YOUR EDUCATION AND EMPLOYMENT BACKGROUND?

A. My education and employment background is attached as Appendix A.

Q. PLEASE DESCRIBE THE ROLE OF I&E IN RATE PROCEEDINGS.

A. I&E is responsible for representing the public interest in rate and other proceedings before the Commission. I&E's analysis in the proceeding is based on its responsibility to represent the public interest. This responsibility requires the balancing of the interests of the ratepayers, the regulated utility, and the regulated community as a whole.

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. The purpose of my testimony is to review the base rate filing of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively Aqua or Company), and recommend adjustments to Aqua's proposed operating and maintenance (O&M) expenses, taxes, and cash working capital (CWC) for the fully projected future test year (FPFTY) ending December 31, 2025. Additionally, I will address Aqua's request to defer incremental costs related to per- and poly-fluoroalkyl (PFAS) remediation.

Q. DOES YOUR DIRECT TESTIMONY INCLUDE AN EXHIBIT?

A. Yes. I&E Exhibit No. 1 contains schedules that support my direct testimony.

Q. WHAT ARE THE TEST YEARS USED BY THE COMPANY IN THIS PROCEEDING?

A. Aqua is using the twelve months ended December 31, 2023, as the historic test year (HTY), the twelve months ending December 31, 2024, as the future test year (FTY), and the twelve months ending December 31, 2025, as the FPFTY.[1]

[1] Aqua Statement No. 1, p. 8.

Q. PLEASE SUMMARIZE THE COMPANY'S REQUESTED REVENUE INCREASE.

A. Aqua's base rate case was filed on May 23, 2024, with a total requested increase of $126,675,472 to the claimed present rate revenues of $670,994,640 resulting in an overall revenue requirement of $797,670,111,[2] representing a combined claim for water and wastewater operations. The total requested revenue increase represents respective net revenue increases as follows: (1) Water Base Operations (Water Base) of $111,246,656; (2) the Municipal Authority of the Borough of Shenandoah water system (Shenandoah) of $802,470; (3) Wastewater Base Operations (WW Base) of $8,209,676; (4) Lower Makefield Township wastewater system (Lower Makefield) of $2,568,544; and (5) East Whiteland Township wastewater system (East Whiteland) of $3,848,126. In my testimony, I refer to the Water Base and Shenandoah collectively as Water Operations, and the WW Base and Lower Makefield collectively as WW Operations – noting the East Whiteland system is addressed separately. The overall requested increase for the Water Base includes (1) a revenue allocation of $1,465,438 for Shenandoah based on the cost of service (COS)and (2) an additional revenue increase of $21,850,629 allocated from the wastewater systems per the Act 11 provision.

[2] Aqua Volume No. 2, Schedule Act 11.

Q. PLEASE SUMMARIZE YOUR RECOMMENDED ADJUSTMENTS.

A. The following table summarize my recommended adjustments for each operating system:

Water Base Operations:

	AQUA FPFTY Claim	I&E Recommended Allowance	I&E Adjustment
O&M Expenses:			
Labor Expense	$37,871,393	$36,258,072	($1,613,321)
Employee Benefits	$7,791,885	$7,459,951	($331,934)
Membership Dues	$907,966	$533,620	($374,346)
Rate Case Expense	$1,149,461	$574,731	($574,730)
COVID-19 Related Expenses	$2,511,175	$1,255,588	($1,255,587)
General Price Level Adjustment	$1,298,221	$0	($1,298,221)
Total O&M Adjustments			**($5,448,139)**
Taxes:			
Payroll Taxes	$3,323,126	$3,181,561	($141,565)
Total Tax Adjustments			**($141,565)**
Rate Base Adjustments:			
Cash Working Capital	$7,707,000	$7,414,000	($293,000)
Total Rate Base Adjustments			**($293,000)**

Shenandoah Operations:

	AQUA FPFTY Claim	I&E Recommended Allowance	I&E Adjustment
O&M Expenses:			
Labor Expense	$350,852	$335,906	($14,946)
Employee Benefits	$210,511	$201,543	($8,968)
Rate Case Expense	$7,668	$3,834	($3,834)
General Price Level Adjustment	$27,857	$0	($27,857)
Total O&M Adjustments			**($55,605)**

WW Base Operations:

	AQUA FPFTY Claim	I&E Recommended Allowance	I&E Adjustment
O&M Expenses:			
Labor Expense	$3,523,869	$3,373,752	($150,117)
Employee Benefits	$2,114,321	$2,024,251	($90,070)
Membership Dues	$332	$0	($332)
Rate Case Expense	$107,648	$53,824	($53,824)
COVID-19 Related Expenses	$419,962	$209,981	($209,981)
General Price Level Adjustment	$377,538	$0	($377,538)
Total O&M Adjustments			**($881,862)**

Lower Makefield Operations:

	AQUA FPFTY Claim	I&E Recommended Allowance	I&E Adjustment
O&M Expenses:			
Labor Expense	$160,932	$154,076	($6,856)
Employee Benefits	$96,559	$92,446	($4,113)
Rate Case Expense	$29,760	$14,880	($14,880)
General Price Level Adjustment	$22,660	$0	($22,660)
Total O&M Adjustments			**($48,509)**

SUMMARY OF I&E OVERALL POSITION

Q. IN THE INSTANT PROCEEDING, AQUA HAS INCLUDED A SEPARATE REVENUE REQUIREMENT FOR THE EAST WHITELAND SYSTEM. PLEASE STATE I&E'S POSITION ON THE INCLUSION OF THE EAST WHITELAND WASTEWATER SYSTEM.

A. As described in I&E witness Ethan Cline's testimony, due to the circumstances surrounding the appeal of the Company's acquisition of the East Whiteland system, I&E is recommending removal of any rate base, acquisition costs, expenses, taxes, and any revenue shortfall, including the proposed Act 11 allocation of $3,144,592[3] from consideration in the instant proceeding for ratemaking purposes.

Q. DOES THIS TESTIMONY REPRESENT A COMPLETE ELIMINATION OF ALL EXPENSE CLAIMS RELATED TO THE EAST WHITELAND SYSTEM?

A. No. Due to the nature of expense categorization and reporting, my direct testimony represents a best effort to eliminate expenses related to the East Whiteland system from the rest of the Company's expenses. Lack of response to any topic should not be interpreted as agreement with the inclusion of any items related to Aqua's acquisition or operation of the East Whiteland system for ratemaking purposes.

[3] I&E Statement No. 3, pp. 8-10.

Q. WHAT ARE THE REVENUE REQUIREMENT RECOMMENDATIONS FOR EACH SYSTEM?

A. I&E's recommended revenue requirements are presented separately for each system prior to the COS and Act 11 allocations for Water Base operations, Shenandoah operations, WW Base operations, and Lower Makefield operations as shown below:

Aqua PA, Inc. - Water Base Operations		TABLE I(a)			
R-2024-3047822		INCOME SUMMARY			
	12/31/25	INVESTIGATION & ENFORCEMENT			
	Proforma	[----------			---------]
	Present Rates	Adjustments	Present Rates	Allowances	Proposed
	$	$	$	$	$
Operating Revenue	596,344,820	0	596,344,820	31,401,020	627,745,840
Deductions:					
O&M Expenses	145,643,159	-5,448,139	140,195,020	138,183	140,333,203
Depreciation	142,262,956	0	142,262,956		142,262,956
Taxes, Other	12,985,047	-141,565	12,843,482	200,070	13,043,552
Income Taxes:					
Current State	7,151,016	445,436	7,596,452	2,481,915	10,078,367
Current Federal	18,462,040	1,077,194	19,539,234	6,001,979	25,541,213
Deferred Taxes / NOL	-7,827,075	0	-7,827,075		-7,827,075
ITC	-102,140	0	-102,140		-102,140
Total Deductions	318,575,003	-4,067,074	314,507,929	8,822,147	323,330,076
Income Available	277,769,817	4,067,074	281,836,891	22,578,873	304,415,764
Measure of Value	4,318,247,093	-293,000	4,317,954,093	0	4,317,954,093
Rate of Return	6.43%		6.53%		7.05%

Aqua PA, Inc. - Water Shenandoah		TABLE I(b)			
R-2024-3047822		INCOME SUMMARY			
	12/31/25	INVESTIGATION & ENFORCEMENT			
	Proforma	[----------			----------]
	Present Rates	Adjustments	Present Rates	Allowances	Proposed
	$	$	$	$	$
Operating Revenue	1,828,304	0	1,828,304	2,023,121	3,851,425
Deductions:					
O&M Expenses	1,777,756	-55,607	1,722,149	8,903	1,731,052
Depreciation	660,234	0	660,234		660,234
Taxes, Other	11,649	0	11,649	12,890	24,539
Income Taxes:					
Current State	-73,074	4,437	-68,637	159,906	91,269
Current Federal	-176,714	10,730	-165,984	386,698	220,714
Deferred Taxes	-5,324	0	-5,324		-5,324
ITC	0	0	0		0
Total Deductions	2,194,527	-40,440	2,154,087	568,397	2,722,484
Income Available	-366,223	40,440	-325,783	1,454,724	1,128,941
Measure of Value	16,013,341	0	16,013,341	0	16,013,341
Rate of Return	-2.29%		-2.03%		7.05%

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Aqua PA, Inc. - Wastewater Base Operations		TABLE I(c)			
R-2024-3047824		INCOME SUMMARY			
	12/31/25	INVESTIGATION & ENFORCEMENT			
	Proforma	[----------			----------]
	Present Rates	Adjustments	Present Rates	Allowances	Proposed
	$	$	$	$	$
Operating Revenue	57,682,604	0	57,682,604	20,406,144	78,088,748
Deductions:					
O&M Expenses	29,544,323	-881,862	28,662,461	214,428	28,876,889
Depreciation	14,132,709	0	14,132,709		14,132,709
Taxes, Other	1,016,940	0	1,016,940	130,017	1,146,957
Income Taxes:					
Current State	-413,096	70,311	-342,785	1,602,930	1,260,145
Current Federal	-1,098,918	170,032	-928,886	3,876,341	2,947,455
Deferred Taxes/NOL	2,032,311	0	2,032,311		2,032,311
ITC	0	0	0		0
Total Deductions	45,214,269	-641,519	44,572,750	5,823,716	50,396,466
Income Available	12,468,335	641,519	13,109,854	14,582,428	27,692,282
Measure of Value	392,798,320	0	392,798,320	0	392,798,320
Rate of Return	3.17%		3.34%		7.05%

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Aqua PA, Inc. - Wastewater Lower Makefield		TABLE I(d)			
R-2024-3047824		INCOME	SUMMARY		
	12/31/25	INVESTIGATION & ENFORCEMENT			
	Proforma	[----------			---------]
	Present Rates	Adjustments	Present Rates	Allowances	Proposed
	$	$	$	$	$
Operating Revenue	11,613,830	0	11,613,830	2,879,600	14,493,430
Deductions:					
O&M Expenses	7,682,321	-48,510	7,633,811	30,259	7,664,070
Depreciation	2,190,539	0	2,190,539		2,190,539
Taxes, Other	90,870	0	90,870	18,347	109,217
Income Taxes:					
Current State	64,478	3,858	68,336	226,196	294,532
Current Federal	155,925	9,326	165,251	547,008	712,259
Deferred Taxes	-33,713	0	-33,713		-33,713
ITC	0	0	0		0
Total Deductions	10,150,420	-35,326	10,115,094	821,810	10,936,904
Income Available	1,463,410	35,326	1,498,736	2,057,790	3,556,526
Measure of Value	50,447,179	0	50,447,179	0	50,447,179
Rate of Return	2.90%		2.97%		7.05%

Q. SUMMARIZE I&E'S COMBINED RECOMMENDED REVENUE REQUIREMENT INCLUDING THE I&E RECOMMENDED ACT 11 ALLOCATION.

A. I&E's total recommended revenue requirement for all Aqua revenue requirements combined is $724,179,443**.** This recommended revenue requirement represents an increase of $56,709,885 to the present rates revenues of $667,469,558.[4] This total recommended allowance incorporates my adjustments made in this testimony to O&M expenses, taxes, and cash working capital, and those recommended

[4] *See Table II below.*

adjustments made in the testimony of I&E witnesses Christopher Keller[5] and Ethan Cline.[6]

Q. PLEASE SHOW THE COMPUTATION FOR I&E'S PROPOSED ACT 11 REVENUE ALLOCATION AS SUPPORTED BY I&E WITNESS ETHAN CLINE IN I&E STATEMENT NO. 3.

A. The I&E proposed Act 11 allocation as recommended by I&E witness Ethan Cline[7] is summarized below in Table II:

Aqua Pennsylvania, Inc.
Water & Wastewater Revenue Requirement Summary
R-2024-3047822 and R-2024-3047824

	Total Company	Water Base Operations	Water - Shenandoah	WW Base Operations	WW Lower Makefield
I&E Recommended Present Rate Revenue	$667,469,558	$596,344,820	$1,828,304	$57,682,604	$11,613,830
I&E Recommended Additional Revenue Requirement	56,709,885	31,401,020	2,023,121	20,406,144	2,879,600
I&E Recommended Cost of Service Allocation*	0	1,008,437	(1,008,437)	0	0
I&E Recommended Proposed Revenues prior to Act 1 Allocation	$724,179,443	$628,754,277	$2,842,988	$78,088,748	$14,493,430
I&E Recommended Act 11 Allocation*	0	3,547,092	0	(4,841,041)	1,293,949
I&E Recommended Proposed Revenues After Act 11 Allocation*	$724,179,443	$632,301,369	$2,842,988	$73,247,707	$15,787,379
Rate Increase/(Decrease) - $	$56,709,885	$35,956,549	$1,014,684	$15,565,103	$4,173,549
Rate Increase/(Decrease) - %	8.50%	6.03%	55.50%	26.98%	35.94%

*Per I&E witness Ethan Cline, I&E Statement No. 3.

[5] I&E Statement No. 2.
[6] I&E Statement No. 3.
[7] I&E Statement No. 3.

LABOR EXPENSE

Q. WHAT IS INCLUDED IN THE COMPANY'S CLAIM FOR LABOR EXPENSE?

A. The Company's expense claim includes payroll for non-union full-time, union full-time, regular part-time, seasonal, and co-op employees.[8]

Q. WHAT ARE THE COMPANY'S CLAIMS FOR LABOR EXPENSE?

A. The Company's claims for labor expense are $37,871,393 for Water Base,[9] $350,852 for Shenandoah,[10] $3,523,869 for WW Base,[11] and $160,932 for Lower Makefield.[12]

Q. WHAT IS THE BASIS FOR THE COMPANY'S CLAIMS?

A. The Company started with historical amounts and reflected "known and anticipated changes."[13]

Q. DO YOU AGREE WITH THE COMPANY'S CLAIMS?

A. No.

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8 I&E Exhibit No. 1, Schedule 1, pp. 1-2.
9 Aqua Exhibit 1-A, Schedule C-2, line 1.
10 Aqua Exhibit 1-B, Schedule C-2, line 1.
11 Aqua Exhibit 1-C, Schedule C-2, line 1.
12 Aqua Exhibit 1-D, Schedule C-2, line 1.
13 Aqua Statement No. 3, p. 4.

Q. WHAT DO YOU RECOMMEND FOR LABOR EXPENSE?

A. I recommend the following allowances for labor expense:

Water Base: $36,258,072, or a reduction of $1,613,321 ($37,871,393 - $36,258,072) to the Company's claim.

Shenandoah: $335,906 or a reduction of $14,916 ($350,852 - $335,906) to the Company's claim.

WW Base: $3,373,752, or a reduction of $150,117 ($3,523,869 - $3,373,752) to the Company's claim.

Lower Makefield: $154,076, or a reduction of $6,856 ($160,932 - $154,076) to the Company's claim.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATIONS?

A. My recommendations are based on an employee vacancy adjustment. Normally, companies have a certain level of employee vacancies on a day-to-day operating basis due to retirements, resignations, transfers, layoffs, etc., that are unpredictable. Such vacancies will yield annual savings in the Company's payroll and benefit costs that need to be reflected for ratemaking.

Q. EXPLAIN HOW YOU CALCULATED THE NORMAL EMPLOYEE VACANCY RATE AND THE CORRESPONDING ADJUSTMENTS TO LABOR EXPENSE.

A. My recommended labor expense is based on a calculated vacancy percentage of

4.26%. First, I calculated the annual average of actual regular full-time employees based on the data provided in response to I&E-RE-3 I calculated the annual average of non-union full-time employees for 2021 of 206 [(208 + 206 + 205 + 204) ÷ 4], for 2022 of 197 [(197 + 195 + 203 + 191) ÷ 4], and for the HTY of 196 [(196 + 195 + 195 + 197) ÷ 4]. [14] Next, I calculated the annual average of union full-time employees based on the data provided in response to I&E-RE-35 for 2021 of 354 [(352 + 352 + 350 + 362) ÷ 4], for 2022 of 363 [(364 + 361 + 362 + 363) ÷ 4], and for the HTY of 368 [(356 + 366 + 373 + 376) ÷ 4].[15]

Next, to calculate the total full-time employee count, I combined the non-union full-time and union full-time actual employee counts from above yielding total counts for 2021 of 560 (206 + 354), for 2022 of 560 (197 + 363), and for the HTY of 564 (196 + 368). In order to determine the total full-time budgeted positions, I combined the regular full-time and union full-time budgeted employee counts from the responses to I&E-RE-3, Part B, and I&E-RE-35, Part B totaling 588 (224 + 364) for 2021, 583 (216 + 367) for 2022, and 590 (211 + 379) for the HTY.[16]

Then I calculated the annual vacant positions for full-time employees by subtracting the calculated actual annual average from the budgeted full-time positions. The result is 28 (588 – 560) vacant positions for 2021, 23 (583 – 560)

[14] I&E Exhibit No. 1, Schedule 1, pp. 1-2.
[15] Id.
[16] Id., Schedule 1, p. 2 and Schedule 2, p. 1.

for 2022, and 26 (590 – 564) for the HTY. Using these calculations, I determined the three-year historic average vacant positions of 26 [(28 + 23 + 26) ÷ 3].

Lastly, I calculated the FPFTY vacancy rate of 4.26% by dividing the three-year historic average vacant positions of 26 by the claimed FPFTY budgeted full-time positions of 610 (222[17] + 388)[18] (i.e., 26 ÷ 610 = 4.26%). Subsequently, I multiplied 4.26% by the claims for labor expense for each system to calculate my recommended adjustment.

Q. PLEASE SHOW THE CALCULATIONS FOR YOUR RECOMMENDED ADJUSTMENTS.

A. I multiplied the vacancy rate of 4.26% by the individual labor expense claims produces the following recommended adjustments:

Water Base: $37,871,393 x 0.0426 = $1,613,321

Shenandoah: $350,852 x 0.0426 = $14,946

WW Base: $3,523,869 x 0.0426 = $150,117

Lower Makefield: $160,932 x 0.0426 = $6,856

[17] I&E Exhibit No. 1, Schedule 1, p. 2.
[18] Id., Schedule 2, p. 1.

EMPLOYEE BENEFITS EXPENSE

Q. WHAT IS TYPICALLY INCLUDED IN EMPLOYEE BENEFITS EXPENSE?

A. Employee benefits expense typically includes medical, dental, vision, life insurance, long term disability insurance, and 401K plans. In this instance, the Company states that payroll taxes,[19] healthcare coverage,[20] employee benefits, and other general overheads are included in employee benefits expense for the Shenandoah, WW Base, and the Lower Makefield system claims.[21]

Q. WHAT ARE THE COMPANY'S CLAIMS FOR EMPLOYEE BENEFITS EXPENSE?

A. The Company's claims for employee benefits expense are $7,791,885 for Water Base,[22] $210,511 for Shenandoah,[23] $2,114,321 for WW Base,[24] and $96,559 for Lower Makefield.[25]

Q. WHAT IS THE BASIS FOR THE COMPANY'S CLAIMS?

A. The Company has based its FPFTY claims on its projected employee benefits costs and allocated benefits from Water Base to Shenandoah, WW Base, and

[19] Aqua Exhibits 1-B through 1-D, Schedule D-2.5.
[20] Aqua Statement No. 1, p 13.
[21] Id., pp. 14-15.
[22] Aqua Exhibit 1-A, Schedule C-2, line 2.
[23] Aqua Exhibit 1-B, Schedule C-2, line 2.
[24] Aqua Exhibit 1-C, Schedule C-2, line 2.
[25] Aqua Exhibit 1-D, Schedule C-2, line 2.

Lower Makefield.[26]

Q. DO YOU AGREE WITH THE COMPANY'S CLAIMS?

A. No.

Q. WHAT DO YOU RECOMMEND?

A. I recommend the following amounts for employee benefits expense:

Water: $7,459,951, or a reduction of $331,934 ($7,791,885 - $7,459,951) to the Company's claim.

Shenandoah: $201,543, or a reduction of $8,968 ($210,511 - $201,543) to the Company's claim.

WW Base: $2,024,251, or a reduction of $90,070 ($2,114,321 - $2,024,251) to the Company's claim.

Lower Makefield: $92,446 or a reduction of $4,113 ($96,559 - $92,446) to the Company's claim.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. My recommendation is based on the employee vacancy adjustment as noted in the labor expense section above. Likewise, I applied the vacancy rate of 4.26% to the Company's claims for employee benefits expense for each revenue requirement

[26] Aqua Statement No. 1, p. 15.

except East Whiteland, as explained above, to calculate my adjustment to employee benefits expense.

Q. PLEASE SHOW THE CALCULATIONS FOR YOUR RECOMMENDED ADJUSTMENTS.

A. I multiplied the vacancy rate of 4.26% by the individual employee benefits expense claims which produces the following recommended adjustments:

Water: $7,791,885 x 0.0426 = $331,934

Shenandoah: $210,511 x 0.0426 = $8,968

WW Base: $2,114,321 x 0.0426 = $90,070

Lower Makefield: $96,559 x 0.0426 = $4,113

FEDERAL AND STATE PAYROLL TAX EXPENSE

Q. WHAT IS THE COMPANY'S CLAIM FOR FEDERAL AND STATE PAYROLL TAX EXPENSE?

A. The Company's claim is $3,323,126 for Water Base.[27]

Q. WHAT IS THE BASIS OF THE COMPANY'S CLAIM?

A. The Company's claim is based on the FPFTY labor expense claim and the applicable federal and state payroll tax rates and was reduced by the capitalized

[27] Aqua Exhibit 1-A, Schedules A-1 and D-2.5.

amount.[28] The payroll taxes for Shenandoah, WW Base, and Lower Makefield are allocated from the Water Base expense as a component of the allocated employee benefits expense and are addressed in that section of my direct testimony above.

Q. DO YOU AGREE WITH THE COMPANY'S CLAIM?

A. No. While I am not disputing the Company's calculation method, it is necessary to make an adjustment to the Company's federal and state payroll tax expense claim that corresponds to my vacancy adjustment to labor expense as discussed above.

Q. WHAT IS YOUR RECOMMENDATION FOR FEDERAL AND STATE PAYROLL TAX EXPENSE?

A. I recommend a federal and state payroll tax expense allowance of $3,181,561, or a reduction of $141,565 ($3,323,126 - $3,181,561) to the Company's claim.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. My recommendation is based on the employee vacancy adjustment as noted in the labor expense and employee benefits expense sections above. Likewise, I applied the vacancy rate of 4.26% to the Company's Water claim for federal and state payroll tax of $3,323,126 for a recommended adjustment of $141,565 ($3,323,126 x 0.0426).

[28] Aqua Statement No. 3, p. 13.

MEMBERSHIP DUES

Q. WHAT ARE THE COMPANY'S CLAIMS FOR MEMBERSHIP DUES?

A. Aqua is claiming FPFTY membership dues of $907,966 for Water Operations and $332 for WW Operations.[29]

Q. WHAT IS THE BASIS FOR THE COMPANY'S CLAIMS FOR MEMBERSHIP DUES?

A. As stated in response to I&E-RE-15, Part G, membership dues are found in the Company's response to Minimum Filing Requirement OE24 which shows that the claims include payments to industry organizations and service or social organizations.[30] Additionally in response to I&E-RE-15, Part G, the Company states its FPFTY claims are based on the HTY payment amounts totaling $866,539 for Water Operations and $317 for WW Operations,[31] grossed up to the FPFTY claims using the Company's calculated FTY and FPFTY inflation factors of 2.425% and 2.300% respectively.[32]

Q. HOW DID YOU DETERMINE THE COMPANY'S FPFTY CLAIMS?

A. As stated above, I applied the Company's inflation factors for the FTY and FPFTY to each HTY industry organization as shown on Minimum Filing Requirement

[29] I&E Exhibit No. 1, Schedules 3 and 4.
[30] Id., Schedule 4, p. 2.
[31] Id.
[32] Id., Schedule 3.

OE24, resulting in a total Water Operations FPFTY claim of $907,966 and WW Operations FPFTY claim of $332.[33]

Q. DO YOU AGREE WITH THE COMPANY'S CLAIMS?

A. No.

Q. WHAT IS YOUR RECOMMENDATION FOR MEMBERSHIP DUES?

A. I recommend an allowance of $533,620 for Water Operations, or a decrease of $374,346 ($907,966 - $533,620) to the Water Operations' membership dues claim. For WW Operations, I recommend the entire FPFTY claim of $332 be disallowed for ratemaking purposes.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. My recommendation for Water Operations represents removing the calculated FPFTY payments made by the Water Operations systems to the Chamber of Commerce of $279,411 and the calculated FPFTY claim for Service/Social – Other organizations of $94,936, totaling $374,346 ($279,411 + $94,936).

As stated above, my recommendation for WW Operations represents removing the entire $332 calculated FPFTY claim for Service/Social – Other organizations.[34]

[33] Id.
[34] I&E Exhibit No. 1, Schedule 3.

Q. PLEASE CONTINUE.

A. The Chamber of Commerce payment of $279,411 is not necessary to provide safe and reliable water service.

Additionally, my recommendations to remove the Service/Social – Other organizations' payments for Water Operations and WW Operations is necessary because, as I have been advised by counsel, "No public utility may charge to its customers as a permissible operating expense for ratemaking purposes membership fees, dues or charges to fraternal, social or sports clubs or organizations."[35] Therefore, I recommend that the calculated FPFTY payments of $94,936 for Water Operations and $332 for WW Operations be disallowed for ratemaking purposes as they represent membership dues to social organizations.

Q. WHY DOES YOUR RECOMMENDATION ONLY ALLOCATE THE MEMBERSHIP DUES ADJUSTMENTS TO THE WATER BASE AND WASTEWATER BASE SYSTEMS?

A. Based on the information provided in the Company's responses to Minimum Filing Requirement OE24 and I&E-RE-15,[36] it is unclear how the membership dues are allocated outside of the overall Water Operations and Wastewater Operations. Therefore, the recommended adjustments are applied solely to the larger respective systems.

[35] *66 Pa. Code § 1316.1.*
[36] I&E Exhibit No. 1, Schedule 4, pp. 1-2.

RATE CASE EXPENSE

Q. DESCRIBE THE NATURE AND TYPES OF EXPENDITURES TYPICALLY ALLOWED AS PART OF A REGULATED UTILITY'S OVERALL RATE CASE EXPENSE.

A. The nature and types of individual expenditures that comprise a utility's allowable claim for rate case expense are those directly incurred to compile, present, and defend a utility's request for a base rate increase before the Commission. The actual expenditures and estimated costs typically found in an allowable rate case expense claim include legal fees for outside counsel, fees to outside consultants, and the cost of printing, document assembly, and postage.

Q. HOW HAS THE COMMISSION TRADITIONALLY TREATED RATE CASE EXPENSE FOR RATEMAKING PURPOSES?

A. The Commission has historically stated that it considers prudently incurred rate case expense as an ongoing expense, occurring at irregular intervals, related to the rendering of utility service. Thus, it is necessary to normalize rate case expense for ratemaking purposes. The Commission has also cited the importance of considering the involved utility's history regarding the frequency of rate case filings as an essential element in determining the normalized level of rate case expense for ratemaking purposes.

Q. HOW IS THE FREQUENCY OF RATE CASE FILINGS DETERMINED?

A. The frequency is determined by calculating the average number of months between the filing dates of a utility's recently filed base rate cases.

Q. WHAT IS AQUA'S CLAIM FOR RATE CASE EXPENSE?

A. Aqua is proposing a 24-month normalization of its projected rate case expense for each system. The rate case expense claim for each system is: (1) Water Base $1,149,461; (2) Shenandoah $7,668; (3) WW Base $107,648; (4) Lower Makefield $29,760.[37]

Q. WHAT IS THE BASIS FOR AQUA'S CLAIM?

A. Aqua's rate claimed normalization period is based on the Company's anticipated future filing of its next base rate case. The Company's rate case expense claim is based on normalizing the total rate case expense claim for each system over Aqua's proposed 24-month normalization period.[38] The total rate case expense for each system is: (1) Water Base of $2,298,922; (2) Shenandoah of $15,336; (3) Wastewater Base of 215,295; and (4) Lower Makefield of $59,520.[39]

Q. DO YOU AGREE WITH AQUA'S CLAIM?

A. No.

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[37] Aqua Exhibit Nos. 1-A through 1-D, Schedule C-4.4.
[38] Aqua Statement No. 4, p. 2.
[39] Aqua Exhibit Nos. 1-A through 1-D, Schedule C-4.4.

Q. WHAT IS YOUR RECOMMENDATION FOR RATE CASE EXPENSE?

A. I recommend normalizing the total claims over the average historic filing frequency of 48 months, yielding my recommended FPFTY allowance amounts for rate case expense for each system below:

Water: $574,731, or a reduction of $574,730 ($1,149,461 - $574,731) to the Company's claim.

Shenandoah: $3,834, or a reduction of $3,834 ($7,668 - $3,834) to the Company's claim.

WW Base: $53,824, or a reduction of $53,824 ($107,648 - $53,824) to the Company's claim.

Lower Makefield: $14,880 or a reduction of $14,880 ($29,760 - $14,880) to the Company's claim.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. My recommendation is based on adjusting the normalization period to match the historic average base rate case filing frequency of 48 months as detailed below.

Q. PLEASE EXPLAIN YOUR RECOMMENDED ADJUSTMENT TO THE NORMALIZATION PERIOD.

A. I recommend normalizing the total rate case expense allowance over a period of 48 months, rather than the claimed 24 months, consistent with the Company's historic average base rate case filing frequency. In response to I&E-RE-4, the

Company stated its most recent rate cases were filed on June 8, 2012; May 24, 2019; and May 19, 2022.[40] Including the current rate case, filed on May 23, 2024, the average historic filing frequency is 48 months [(84 months + 36 months + 24 months) ÷ 3]. My recommendation to use the historic filing frequency of 48 months for normalization treatment, rather than the claimed 24-month period, agrees with the Commission's consistent emphasis on the importance of considering the utility's history of rate case filings when determining the interval to account for rate case expenses for ratemaking purposes as demonstrated below.

Q. HAVE OTHER UTILITIES BEEN GRANTED A NORMALIZATION PERIOD BASED ON SPECULATION OF FUTURE RATE CASE FILINGS?

A. Yes. In 2012, the Commission granted PPL Electric Utilities Corporation (PPL) permission to normalize its rate case expense over a 24-month period based on the expected timing of future base rate case filings.[41] That base rate case was filed on March 30, 2012; however, PPL did not file its next rate case until March 31, 2015, which was 36 months after the 2012 rate case filing. I&E's recommended normalization period in the 2012 PPL proceeding was a 32-month interval based on the Company's historic filing frequency.[42] I&E's recommendation in that

[40] I&E Exhibit No. 1, Schedule 5, pp. 1-2.
[41] *PA. PUC v. PPL Electric Utilities Corporation*, Docket No. R-2012-2290597, pp. 47-48 (Order Entered December 28, 2012).
[42] I&E Statement No. 2, pp. 13-14 at Docket No. R-2012-2290597.

instance produced a much more accurate result than the Company's stated future intention to file a rate case.

Q. ARE THERE ANY RECENT COMMISSION DECISIONS THAT SUPPORT YOUR RECOMMENDATION FOR A RATE CASE FILING INTERVAL BASED ON HISTORIC FILING FREQUENCY?

A. Yes. The following six cases resulted in the Commission using each utility's historic average filing frequency.

First, in a base rate case filed by Emporium Water Company, the Commission adopted the I&E's recommended historic filing frequency finding in favor of I&E's recommended five-year normalization based on historic average filing frequency that was rounded down from 64 months.[43]

Second, in a 2016 base rate case filed by the City of DuBois the Commission agreed with I&E's recommendation to use an historic filing frequency finding in favor of I&E's recommended 64-month normalization which matched the actual historic filing frequency.[44]

Third, in Columbia Gas of Pennsylvania, Inc.'s (Columbia) 2020 base rate case filing, the Commission held that the normalization period should align with

[43] *PA PUC v. Emporium Water Company*, Docket No. R-2014-2402324, p. 50 (Order Entered January 28, 2015).
[44] *PA PUC v. City of DuBois - Bureau of Water*, Docket No. R-2016-2554150, pp. 65-66 (Order Entered March 28, 2017); *PA PUC v. City of DuBois - Bureau of Water*, Docket No. R-2016-2554150, p. 13 (Order Entered May 18, 2017).

the frequency of historic filings rather than Columbia's stated intent to file its subsequent rate case.[45]

Fourth, in PECO Energy Company – Gas Division's (PECO Gas) 2020 base rate filing, the Commission granted I&E's recommended five-year normalization period rather than PECO Gas' claimed based on a three-year period because the Commission determined a normalization period based on actual historic filing frequency is more reliable than future speculation.[46]

Fifth, in a base rate case filed by Philadelphia Gas Works' (PGW) in 2023, the Commission agreed with I&E's recommended 53-month normalization period rather than PGW's claim based on a three-year period because the Commission granted a normalization period based on actual historic filing frequency and not based on PGW's future intention to file a rate case.[47]

Finally, in the most recent base rate case filed by the Columbia Water Company in 2023, the Commission held that the normalization period should align with the historic filing frequency rather than that company's intent to file its next rate case, and that the intent to file a base rate case does not justify deviating from the Commission's practice of relying on historic filing frequency.[48]

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45 *PA PUC v. Columbia Gas,* Docket No. R-2020-3018835, Opinion and Order, pp. 78-79 (Order Entered February 19, 2021).

46 *PA PUC v. PECO Energy Company (Gas Division)*, Docket No. R-2020-3018929, Opinion and Order, p. 119 (Order Entered June 22, 2021).

47 *PA PUC v. Philadelphia Gas Works*, Docket No. R-2023-3037933, Opinion and Order, pp. 65-66 (Order Entered November 9, 2023).

48 *PA PUC v. Columbia Water Company*, Docket No. R-2023-3040258, Opinion and Order, p. 34 (Order Entered January 18, 2024).

Q. GIVEN THESE COMMISSION ORDERS AND THE COMPANY'S FILING HISTORY, IS THE CLAIMED 24-MONTH RECOVERY PERIOD REASONABLE?

A. No. The Company has not demonstrated that it will file its next base rate case within 24 months of the instant filing. My recommended 48-month normalization period is in the public interest as it aligns with the Company's historic filing intervals between rate cases while being long enough to protect customers from paying an unreasonable rate case expense amount in rates.

COVID-19 RELATED EXPENSES

Q. WHAT EXPENSES ARE INCLUDED IN AQUA'S COVID-19 RELATED EXPENSE CLAIM?

A. Aqua's total claim consists of deferred costs for an excess uncollectible accounts expense above the historic experienced uncollectible accounts expense levels.[49]

Q. WHAT IS UNCOLLECTIBLE ACCOUNTS EXPENSE?

A. Uncollectible accounts expense consists of specific receivables that are determined to be uncollectible, in whole or in part, either because the debtors do not pay or because the creditor finds it impracticable to enforce payment. Those accounts deemed uncollectible are charged against income as uncollectible accounts expense.

[49] Aqua Statement No. 1, pp. 17-19.

Q. HOW DO UTILITIES RECOGNIZE UNCOLLECTIBLE EXPENSE FOR RATEMAKING PURPOSES?

A. Generally, for ratemaking purposes, utilities compute their uncollectible expense on an annual prospective basis. While the uncollectible expense is a prospective claim, the proper calculation begins with a historic analysis of actual net write-offs to gross revenues to develop a historic write-off ratio. Thus, net write-offs are gross write-offs less recoveries of amounts previously written off. This ratio is applied to projected revenues to determine the proper prospective allowance. Normally, the historic analysis is based on several years of data.

Q. WHAT IS AQUA'S CLAIM FOR COVID-19 RELATED EXPENSES?

A. The Company is claiming COVID-19 related incremental expenses that it ceased recording one quarter prior to the end of the FPFTY in Aqua's 2021 base rate case on December 31, 2022. Aqua is proposing to recover $2,931,137 ($2,511,175[50] + $419,962)[51] in the FPFTY for COVID-19 related expenses for Water Base operations and WW Base operations respectively. This claim represents a proposed recovery, via a two-year amortization period, of its total deferred incremental uncollectible accounts expenses of $5,862,274.[52]

[50] Aqua Exhibit 1-A, Schedule C-4.9.
[51] Aqua Exhibit 1-C, Schedule C-4.9.
[52] Aqua Statement No. 1, p. 19.

Q. WHAT IS THE BASIS FOR AQUA'S CLAIM FOR COVID-19 RELATED EXPENSES?

A. Aqua's proposes amortization for COVID-19 related deferred incremental uncollectible accounts expense followed the Commission's guidance in the May 13, 2020 Secretarial Letter regarding *COVID-19 Cost Tracking and Creation of Regulatory Asset, Docket No. M-2020-3019775* (May 13, 2020 Secretarial Letter), calculating the incremental uncollectible accounts expense based on experienced expense levels going back to 2018.[53]

Q. DO YOU AGREE WITH AQUA'S CLAIM?

A. No.

Q. WHAT ALLOWANCE DO YOU RECOMMEND FOR COVID-19 RELATED EXPENSES?

A. I recommend an allowance of $1,465,569, or a reduction of $1,465,568 ($2,931,137 - $1,465,569) to the Company's claim.

My recommendation represents a recommended allowance for Water Base operations of $1,255,588, or a reduction of $1,255,587 ($2,511,175 - $1,255,588) to the FPFTY expense claim for Aqua's Water Base operations.

[53] Aqua Statement No. 1, pp. 18-19.

Additionally, my recommendation represents a recommended allowance for WW Base operations of $209,981, or a reduction of $209,981 ($419,962 - $209,981) to the FPFTY expense claim for Aqua's WW Base operations.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. My recommendation for COVID-19 related expenses is based on adjusting the amortization period in line with the Company's experienced average historic base rate filing frequency of 48 months, as described above in the Rate Case Expense section above. Aligning the recovery of the total amount of $5,862,274 with Aqua's average historic filing frequency provides a more accurate FPFTY COVID-19 related allowance.

Applying a 48-month amortization period produces an annual allowance of $1,465,569 [($5,862,274 ÷ 48 months) x 12]. To determine the proper allocation for the Water Base and WW Base systems, I used the original percentage for each system's expense to the total COVID-19 related expense claim: Water Base – 85.67% ($2,511,175 ÷ $2,931,137) and WW Base – 14.33% ($419,962 ÷ $2,931,137). Applying this ratio to my recommended adjustment of $1,465,568 yields my recommended FPFTY expense claim reductions of $1,255,587 for Water Base operations, and $209,981 for WW Base operations.

GENERAL PRICE LEVEL ADJUSTMENT

Q. BRIEFLY EXPLAIN THE NATURE OF A GENERAL PRICE LEVEL ADJUSTMENT.

A. A general price level adjustment is an attempt to project an estimated increase in expenses that are inflation-sensitive, for which known and measurable changes are not determined. The effect is the blanket inflation adjustment brings the inflation-sensitive expenses, not otherwise adjusted by known and measurable changes, up to a projected level for ratemaking purposes.

Q. WHAT GENERAL PRICE LEVEL ADJUSTMENT HAS AQUA APPLIED TO UNADJUSTED O&M EXPENSES?

A. The Company is proposing specific expense adjustments for the known and measurable changes in certain categories of FTY and FPFTY expense claims for ratemaking. However, Aqua applied a general price level adjustment to FTY and FPFTY O&M expenses that have not been specifically adjusted otherwise to determine the FTY and FPFTY adjustment levels.[54] The result is the Company's total general price level adjustment claims of $874,179 for the FTY, and $852,097 for the FPFTY, representing the combined claims for the Water Base, Shenandoah, WW Base, and Lower Makefield systems as shown below:[55]

[54] Aqua Statement No. 3, pp. 2-3.
[55] Aqua Exhibits 1-A through 1-D, Schedule C-4.1.

System	FTY Price Level Adjustment	FPFTY Price Level Adjustment	Total Price Level Adjustments
Water Base	$658,553	$639,668	$1,298,221
Shenandoah	$14,130	$13,727	$27,857
WW Base	$190,002	$187,536	$377,538
Lower Makefield	$11,494	$11,166	$22,660
Total	$874,179	$852,097	$1,726,276

Q. WHAT IS THE BASIS FOR AQUA'S CLAIM?

A. Aqua witness Christopher Manning states the anticipated effect of price increases on operating expenses that were not specifically adjusted otherwise was determined by applying the calculated the average gross domestic product chained price index forecast (GDP Forecast) for the four quarters of 2024, of 2.425%, to the HTY unadjusted expenses to determine FTY adjustment. The price level adjustment for the FPFTY was calculated by applying the GDP Forecast for the four quarters of 2025, of 2.300%, to the FTY unadjusted operating expenses – yielding Aqua's general price level adjustment claims.[56]

Q. DO YOU AGREE WITH AQUA'S CLAIMED GENERAL PRICE LEVEL INCREASE ADJUSTMENT TO THE UNADJUSTED O&M EXPENSES?

A. No.

[56] Aqua Statement No. 3, pp. 2-3.

Q. WHAT DO YOU RECOMMEND FOR AQUA'S GENERAL PRICE LEVEL ADJUSTMENT?

A. I recommend a disallowance of the entire general price level adjustment of $1,726,276 ($874,179 + $852,097) claimed in the FTY and FPFTY unadjusted O&M expense claims. My recommendation represents disallowance of the combined total general price level adjustment for Water Base of $1,298,221; Shenandoah of $27,857; WW Base of $377,538; and Lower Makefield of $22,660.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. My recommendation is based on Aqua's failure to support its claim by relying on an unsupported general price level, or blanket inflation, adjustment. Applying a blanket inflation adjustment to the total unadjusted O&M expense claims is unreasonable and unsupported when there are several categories of expenses (that may include sub-categories of expenses) within the main expense category. Additionally, applying blanket inflation factors of 2.425% and 2.300% to the unadjusted HTY and FTY expenses to develop an FPFTY claim for all unadjusted total O&M expenses is unreasonable and inappropriately impacts customers' rates. Each cost element is a separate expense claim, and therefore, each expense item should be evaluated and budgeted based on its individual merit and future known and measurable changes. I calculated my recommended allowance by removing Aqua's general price level adjustments applied to the unadjusted total O&M expense claim.

Q. DO YOU HAVE ANY ADDITIONAL SUPPORT FOR REMOVAL OF THE BLANKET INFLATION ADJUSTMENT?

A. Yes. Recently, the Commission denied a blanket increase in the 2019 Wellsboro Electric Company base rate case, in which Wellsboro applied a 3% blanket inflation adjustment (general price level adjustment) to the FTY expenses to estimate the FPFTY expenses claim, and the Commission stated that,

> [T]he Company did not demonstrate that making this blanket adjustment to each expense claim directly relates to the actual costs expected to be incurred in each expense account in the FPFTY. [57]

Additionally, in Aqua Pennsylvania's 2021 base rate case, the Commission denied a General Price Level Adjustment to expenses, which was neither targeted nor specific. Specifically, in its Order, which adopted the portion of the Administrative Law Judge's Recommended Decision that recommended denial of a general inflation adjustment, the Commission stated,

> …that allowing Aqua to apply a general inflation adjustment to a block of expenses could incentivize less accurate tracking of expenses and a less rigorous approach to controlling costs for those expenses.[58]

Finally, the Commission also denied Philadelphia Gas Works' (PGW) use of a general inflation adjustment, in PGW's 2023 base rate case, to determine FPFTY levels of expenses when separate and specific costs could not be determined, stating,

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[57] *Pa. PUC v. Wellsboro Electric Company*, Docket No. R-2019-3008208, Opinion and Order, p. 40 (Order Entered April 29, 2020).

[58] Pa. PUC v. Aqua Pennsylvania, Inc., Docket No. R-2021-3027385, Opinion and Order, pp. 116-117 (Order Entered May 16, 2022).

> …an inflation adjustment cannot be applied broadly and does not meet the "known and reasonable" standard for increasing each FTY expense claim in the FPFTY.[59]

Considering these Commission Orders, Aqua did not meet its burden of proof in demonstrating that its proposed general price level adjustment to all affected line items of expenses would meet the "known and reasonable" standard for increasing each expense line item in the FTY and FPFTY expense claims.

CASH WORKING CAPITAL

Q. WHAT IS A CASH WORKING CAPITAL (CWC) ALLOWANCE FOR RATEMAKING PURPOSES?

A. CWC includes the amount of funds necessary to operate a utility during the interim period between the rendition of service, including the payment of related expenses, and the receipt of revenue in payment for services rendered by the utility.

Q. HOW HAS THE COMPANY CALCULATED ITS CWC CLAIM?

A. The Company calculated its CWC claim using a lead/lag study. A lead/lag study measures the differences in time between: (1) the time services are rendered until payment of those services is received; and (2) the time between the point when a utility has incurred an expense and the actual payment of the expense. Stated a

[59] Pa. PUC v. Philadelphia Gas Works, Docket No. R-2023-3037933, Opinion and Order, p. 72 (Order Entered November 9, 2023).

different way, the lead/lag study measures how many days exist on average between the midpoint of the service period and the date the payment is made.

Q. DO YOU AGREE WITH THE COMPANY'S USE OF THE LEAD/LAG METHOD?

A. Yes. I agree with the Company's use of the lead/lag method for its CWC calculation.

Q. WHAT IS THE COMPANY'S CWC CLAIM?

A. The Company's FPFTY claim for CWC is $7,707,000.[60] This claim applies only to Water Base Operations.

Q. DO YOU AGREE WITH THE COMPANY'S CLAIM?

A. No.

Q. WHAT IS YOUR RECOMMENDED ALLOWANCE FOR CWC?

A. I recommend an allowance of **[BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]**

[60] Aqua Exhibit 1-A, Schedule G-5.
[61] I&E Exhibit No. 1, Schedule 6, p. 1 - PROPRIETARY.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. My recommendation includes modification of the Company's claim based on my recommended adjustments to O&M expenses and taxes as discussed previously in this testimony for the Water Base system. I do not make recommendations for Shenandoah, WW Base, and Lower Makefield because incorporating my O&M expense and tax adjustments discussed above does not yield a material change to the respective CWC claims.

Q. HOW DO YOUR PROPOSED ADJUSTMENTS, DISCUSSED ABOVE, IMPACT YOUR RECOMMENDATION FOR CWC?

A. All O&M adjustments that are cash-based expense claims are included in determining the Company's Water Base CWC requirement. Therefore, CWC was calculated to reflect these recommended adjustments. To reflect the I&E recommended adjustments, I modified the Company's electronic files, Exhibit 1-A, Schedules A-1 and C-2[62] which flowed through to the CWC files, Exhibit 1-A, Schedules G-5 and G-5.2.[63] Specifically, Schedule G-5 contains the CWC Summary with my recommendation.[64]

[62] Id., pp. 3-4 - PROPRIETARY.
[63] I&E Exhibit No. 1, Schedule 6, pp. 1-2 – PROPRIETARY.
[64] Id. – PROPRIETARY.

Q. SUMMARIZE WHERE EACH OF THE I&E RECOMMENDED O&M EXPENSE ADJUSTMENTS ARE REFLECTED IN THE CWC COMPUTATION.

A. **Schedule A-1:**

In Schedule A-1, I reduced Line 10, Column 10 for Federal and State Payroll Tax by **[BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]** as discussed above. These adjustments flowed through the rest of Schedule A-1 as highlighted[65] and ultimately through the CWC Schedules of G-5 and G-5.2.[66]

Schedule C-2:

In Schedule C-2, I reduced Column 8 for the remaining adjustments as discussed earlier in my testimony and highlighted in my exhibit.[67] The adjustments are as follows: [**BEGIN CONFIDENTIAL]** [redacted] **[END CONFIDENTIAL]** These adjustments flowed through the rest of Schedule C-2 and ultimately into CWC Schedules G-5 and G-5.2.[68]

Q. DOES YOUR RECOMMENDED ALLOWANCE REPRESENT A FINAL RECOMMENDED ALLOWANCE FOR CWC?

A. No. All adjustments to the Company's claims for revenues, expenses, taxes, and

[65] Id., p. 3 - PROPRIETARY.
[66] Id., pp. 1-2 – PROPRIETARY.
[67] Id., p. 3 - PROPRIETARY.
[68] Id., pp. 1-2 - PROPRIETARY.

rate base must be consistently brought together in the Administrative Law Judge's Recommended Decision and again in the Commission's Final Order. This process, which is known as iteration, effectively prevents the determination of a precise calculation until such time as all adjustments have been made to the Company's claim.

PFAS TREATMENT COSTS DEFERRAL

Q. WHAT IS PFAS?

A. PFAS stands for per- and polyfluoroalkyl substances. These substances, which are widely used, long lasting chemicals that may be linked to harmful health effects, have been found in the environment, including the water supply.[69]

Q. PLEASE SUMMARIZE THE COMPANY'S REQUEST REGARDING PFAS TREATMENT COSTS.

A. Aqua is requesting Commission approval to defer costs that will be incurred but are not reflected in the instant filing and are expected to occur during or after the calendar year 2026. The Company's request includes costs associated with deferred depreciation on new assets placed into service, incremental O&M expenses incurred over the FPFTY levels established in this base rate filing, and a

[69] PFAS Explained | US EPA, accessed August 9, 2024.

carrying cost of capital while these deferred amounts are not reflected in base rates charged to customers.[70]

Q. WHAT IS THE BASIS FOR AQUA'S REQUEST TO DEFER PFAS TREATMENT COSTS?

A. Aqua witness William Packer opines the estimates for capital investments related to PFAS treatment are approximately $300,000,000 with an additional $1,500,000 ($300,000,000 x 0.05) in incremental O&M expenses forecasted to be incurred. The incremental PFAS treatment costs are related to the newly adopted EPA regulations related to PFAS treatment which are more stringent than previous standards.[71]

Q. WHAT IS YOUR RECOMMENDATION FOR PFAS TREATMENT COSTS?

A. I recommend the Commission disallow the Company's request for deferral of PFAS-related costs for ratemaking purposes.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. Aqua has been treating for PFAS since its first treatment system was commissioned in 2017,[72] and since then claims for PFAS treatment have been built

[70] Aqua Statement No. 1, pp. 19-20.
[71] Aqua Statement No. 11, pp. 16-17.
[72] Aqua Statement No. 11, p. 17.

into routine rate base and O&M expenses. As has been the case in previous base rate filings, the Company is able to continue to request recovery of reasonably and prudently incurred expenses related to PFAS treatment in future base rate filings that are subject to scrutiny by other parties.

Q. WHAT ARE THE GENERAL REQUIREMENTS THAT NEED TO BE MET FOR REGULATORY ASSET/LIABILITY AND RELATED COST DEFERRAL TREATMENT?

A. Specifically, the Commission has previously ruled that deferred accounting treatment may be granted if the expense is: (1) extraordinary; (2) unanticipated; (3) nonrecurring; and (4) substantial.[73] However, in this instance Aqua has clearly demonstrated that PFAS-related costs are not unanticipated or nonrecurring. These increased costs are fully anticipated and estimated as explained by Mr. Packer and summarized above. Additionally, since the Company has been expending funds every year since 2017, PFAS-related costs are clearly recurring.

Q. WHAT OTHER CONCERNS DO YOU HAVE CONCERNING DEFERRAL OF PFAS-RELATED COSTS?

A. As mentioned above, the Company has been addressing this issue since 2017. Addressing this issue over time might cause decreases in other expenses when the

[73] *Petition of Columbia Gas of Pa., Inc. for Authority to Defer for Accounting and Financial Purposes Certain Start Up Expenses Assoc. with the Redesign and Upgrade of Financial Processes and Info. Systems*, Docket No. P-2012-2319920 (Order Entered December 5, 2012).

overall filtration process to the system is improved, for example, certain chemical costs and usage might decrease. Thus, I believe the most appropriate method for addressing PFAS-related issues is through a normal budgeting and ratemaking process where the impact can be fully evaluated and addressed when it comes to all related increases and decreases to affected rate base and expense items. Thus, it would be best to address this issue in base rate proceedings via routine channels so that all changes are addressed and reviewed simultaneously. Allowing the deferral of these requested costs would improperly constitute single-issue ratemaking, because it would not capture decreases in other costs as mentioned above. Another concern is any potential awards that may be received by the Company where it may be a party in a class action lawsuit. Regardless of whether this deferral request is approved or denied, the Company should be required to share any potential class action awards with ratepayers.

Finally, it is unclear whether any net cost incurred by the Company by year from 2024 through 2029 would have a significant impact on Aqua's net earnings, given that the estimated $300 million incurred over five future years (roughly $60 million per year for rate base items) and $1.5 million over five future years ($300,000 per year for incremental O&M items) does not likely reflect other corresponding savings via expense reductions, government grants, or money received related to class action lawsuits. This is of particular concern given Aqua stated it intends to file another base rate case in two years where these changes could be addressed in a comprehensive manner.

Q. IF THE COMMISSION DECIDES TO ALLOW DEFERRAL TREATMENT FOR PFAS-RELATED COSTS, HOW SHOULD THIS BE HANDLED?

A. Rather than addressing this issue on a case by case basis, I recommend the Commission address the issue on a statewide basis. If the Commission were to determine that deferral treatment for related PFAS costs is appropriate, the update to the maximum PFAS levels will affect the operations of all water utilities throughout Pennsylvania, and, therefore, this issue should be addressed by the Commission on a statewide basis similar to how guidance was issued for changes to the federal income tax rate via the Tax Cuts and Jobs Act of 2017.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.

Zachari Walker

Professional and Educational Background

Experience:

Pennsylvania Public Utility Commission, Harrisburg, Pennsylvania
March 2021 to Present:
Fixed Utility Financial Analyst, Bureau of Investigation and Enforcement

Bridgestone Retail Operations LLC, Nashville, Tennessee
December 2014 to July 2020:
Business Manager
Evaluated and validated accounting entry postings. Monitored, reconciled, and corrected daily transactions and accounts. Ensured accuracy of daily reports of business and researched inaccuracies. Utilized data analysis to determine key performance indicators and corresponding trends.

Education/Professional Development:

Bridging the Gap, Holly Ridge, North Carolina, 2021
Business Analyst Blueprint Training Program, 36 PD hours

Stevenson University, Stevenson, Maryland, 2014
Bachelor of Science, *magna cum laude*, Business Administration
Concentration in Finance

Professional Affiliations:

International Institute of Business Analysis (IIBA), Pickering, Ontario, Canada
Active Member

Utility-Related Trainings & Other Courses/Webinars:

Pennsylvania Public Utility Commission Rate School 2022, January 18-February 8, 2022

Michigan State University Institute of Public Utilities Accounting and Ratemaking Course 2021, September 14-16, 2021

NARUC Staff Subcommittee on Accounting & Finance, Spring 2021 Virtual Conference, April 6-8, 2021

Testimony Submitted:

R-2024-3046523	Duquesne Light Company
R-2024-3045966	Philadelphia Gas Works – 1307(f)
R-2023-3042805	Community Utilities of Pennsylvania, Inc. – Wastewater Division
R-2023-3042804	Community Utilities of Pennsylvania, Inc. – Water Division
R-2023-3037933	Philadelphia Gas Works
R-2023-3035730	National Fuel Gas Distribution Corporation
R-2022-3032369	Citizens' Electric - Lewisburg
R-2022-3032806	The York Water Company – Wastewater Division
R-2022-3031340	The York Water Company – Water Division
R-2021-3030218	UGI Utilities, Inc. – Gas Division
R-2021-3026682	City of Lancaster – Bureau of Water
R-2021-3026116	Borough of Hanover – Hanover Municipal Water Works
R-2021-3025207	Community Utilities of Pennsylvania Inc. – Wastewater Division
R-2021-3025206	Community Utilities of Pennsylvania Inc. – Water Division

Casework Not Requiring Testimony:

R-2023-3041575	Conneaut Lake Park Water Corporation, Inc.
R-2023-3040285	PECO Energy Co. – Gas Operations 1037(f)
R-2022-3032250	PECO Energy Co. – Gas Operations 1307(f)

I&E Statement No. 1-R
Witness: Zachari Walker

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA, INC.

AND

AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 & R-2024-3047824

Rebuttal Testimony

of

Zachari Walker

Bureau of Investigation & Enforcement

Concerning:

LOW-INCOME PROGRAMS

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INTRODUCTION OF WITNESS

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Zachari Walker, and my business address is Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Pennsylvania Public Utility Commission (Commission) in the Bureau of Investigation & Enforcement (I&E) as a Fixed Utility Financial Analyst.

Q. ARE YOU THE SAME ZACHARI WALKER WHO IS RESPONSIBLE FOR THE DIRECT TESTIMONY CONTAINED IN I&E STATEMENT NO. 1 AND THE SCHEDULES IN I&E EXHIBIT NO. 1?

A. Yes.

Q. DOES YOUR REBUTTAL TESTIMONY INCLUDE AN ACCOMPANYING EXHIBIT?

A. No.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to address the following direct testimony

in the Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively Aqua or Company) base rate proceeding: (1) Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) witness Harry S. Geller, Esq.'s recommendations to increase to the Company's Leak Repair and Conservation Program (Leak Repair Program) by $268,000 ($400,000 - $132,000)[1] and that the Commission require Aqua to develop and submit a Universal Service Plan (USP) for Commission approval;[2] and (2) the Office of Consumer Advocate (OCA) witness Roger Colton's recommendation to increase the Company's Leak Repair Program budget, specifically for conservations kits by $110,000 ($132,000 - $22,000).[3]

RESPONSE TO CAUSE-PA WITNESS HARRY S. GELLER, ESQ.

Q. SUMMARIZE CAUSE-PA WITNESS GELLER'S TESTIMONY REGARDING AQUA'S LEAK REPAIR PROGRAM AND PROPOSED UNIVERSAL SERVICE PLAN REQUIREMENT.

A. In direct testimony, Witness Geller opines that the Company's annual $132,000 budget is not adequate to scale up the program across Aqua's service territory[4] and, as such, should increase its Leak Repair Program budget by $268,000 to an annual total of $400,000.[5] Additionally, Witness Geller recommends that the

1 CAUSE-PA Statement No. 1, p. 35.
2 *Id*., p. 31.
3 OCA Statement No. 6, p. 67.
4 CAUSE PA Statement No. 1, p. 34.
5 CAUSE-PA Statement No. 1, p. 35.

Commission require Aqua to submit a comprehensive USP for periodic review and approval.[6]

Leak Repair Program Budget

Q. PROVIDE A SUMMARY OF THE COMPANY'S LEAK REPAIR PROGRAM.

A. The Leak Repair Program was historically included in the Company's Helping Hand program,[7] which was replaced by the Customer Assistance Program (CAP).[8] Under the Company's CAP, the Leak Repair Program provides funding for low-income homeowners facing leak repairs they cannot afford to fix. More specifically, the annual $100,000 Leak Repair Program budget provides funds for conservation kits, in addition to the aforementioned leak repairs.[9] In the instant proceeding, Aqua Witness Rita Black is proposing to increase the Leak Repair Program annual budget by $32,000 ($132,000 - $100,000) to $132,000 based on anticipated increased awareness of the Leak Repair Program.[10]

Q. WHAT IS THE BASIS FOR WITNESS GELLER'S RECOMMENDED INCREASE TO THE LEAK REPAIR PROGRAM BUDGET?

A. Witness Geller asserts the recommended $268,000 ($400,000 - $132,000) increase

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6 *Id*., p. 31.
7 *Joint Petition for Approval of Non-Unanimous, Complete Settlement Among Most Parties*, Docket Nos. A-2018-3006061 et al, p. 138 (Order Entered January 24, 2020).
8 Aqua Statement No. 13, p. 5.
9 *Id*., pp. 12-13.
10 *Id*., p. 14.

to the annual Leak Repair Program budget will help to mitigate the effects of the proposed rate increase for those customers that will be most affected and could provide Aqua flexibility to provide usage reduction services, especially for high usage customers enrolled in the Customer Assistance Program (CAP).[11]

Q. DO YOU HAVE ANY CONCERNS REGARDING WITNESS GELLER'S RECOMMENDATION TO INCREASE THE LEAK REPAIR PROGRAM BUDGET?

A. Yes. Witness Geller has not provided proof that the Company has been capable of utilizing its current Leak Repair Program budget nor that Aqua's proposed $32,000 increase would not be sufficient to cover the costs associated with the Leak Repair Program. Further, as Aqua's program costs are embedded in base rates and not recovered through a reconcilable rider, this recommendation simply represents an additional rate increase to ratepayers with no certainty that funds can or will be spent and no provision to ensure that ratepayers are not contributing to the Company's income in the event that funds cannot be spent. Therefore, I recommend the entire increase proposed by Witness Geller be disallowed.

[11] CAUSE-PA Statement No. 1, p. 35.

USP Requirement

Q. WHAT IS THE BASIS FOR WITNESS GELLER'S RECOMMENDATION THAT THE COMMISSION REQUIRE AQUA TO PROVIDE A COMPREHENSIVE USP?

A. CAUSE-PA Witness Geller acknowledges that water and wastewater utilities are not required to submit periodic plans related to low-income assistance programs by statute. However, Witness Geller argues that the lack of a USP does not allow for a central place for the Commission, consumers, and utility advocates to determine key information about Aqua's low-income assistance programs. Witness Geller claims that this creates confusion and thus makes it harder for customers learn about and potentially participate in these programs.[12]

Q. DO YOU HAVE ANY CONCERNS WITH WITNESS GELLER'S RECOMMENDATION?

A. Yes. Currently, other water/wastewater utilities are not required to file USPs and Aqua should not be treated differently.

Commission regulations requiring utilities to develop universal service plans currently only apply to electric and natural gas utilities.[13] In my opinion, a requirement for water and wastewater utilities to file comprehensive USPs should

[12] CAUSE-PA Statement No. 1, p. 31.
[13] 52 Pa. Code § 69.261.

only follow Commission-issued, statewide guidance rather than directing any individual water/wastewater utility to do so on a piecemeal basis.

Ratepayers should not be required to bear the costs of an official filing, especially when the targeted programs are voluntarily developed, and the potential for a less costly solution exists, such as modifying the current Customer Assistance Programs page on the Company's website[14] to include additional pertinent information. Therefore, I recommend the Commission reject Witness Geller's recommendation requiring Aqua to file a comprehensive USP.

Q. ARE THERE ANY RECENT COMMISSION DECISIONS THAT SUPPORT YOUR ARGUMENT?

A. Yes. Most recently the Commission stated the following related to its decision to reject recommendations that Pennsylvania-American Water Company (PAWC) be directed to develop conservation programs in that base rate case,

> In the absence of a regulation that mandates a [Low-Income Usage Reduction Program] LIURP for water companies, similar to the regulation that exists for electric distribution companies and natural gas distribution companies, we find it inappropriate for the Commission to impose such an obligation on PAWC alone.[15]

Considering the statement above, and without prior Commission-issued statewide guidance, Witness Geller's recommendation is inappropriate. In short, I

[14] Aqua | Customer Assistance Programs (aquawater.com), (https://www.aquawater.com/customers/customer-assistance-programs/index.php) accessed September 4, 2024.

[15] *PA Public Utility Commission et al v. PA American Water Company*, Docket Nos. R-2023-3043189 et al, p. 346 (Order Entered July 22, 2024).

recommend the Commission reject Mr. Geller's recommendation to require Aqua to develop a comprehensive USP.

RESPONSE TO OCA WITNESS ROGER COLTON

Q. SUMMARIZE OCA WITNESS COLTON'S TESTIMONY REGARDING AQUA'S LEAK REPAIR PROGRAM.

A. Witness Colton recommends that Aqua increase its annual funding for conservation kits from $22,000 to $132,000 to match the Company's proposed budget for the entire Leak Repair Program.[16]

Q. WHAT IS THE BASIS FOR WITNESS COLTON'S RECOMMENDATION?

A. By increasing the conservation kit budget portion of the Leak Repair Program by $110,000 ($132,000 - $22,000), OCA Witness Colton suggests Aqua would be able to provide conservation kits to all new CAP participants while still having a sufficient stockpile of kits to distribute to energy companies with overlapping service territories to augment the delivery of their existing LIURP services.[17]

[16] OCA Statement No. 6, p. 67.
[17] *Id.*, pp. 67-68.

Q. DO YOU HAVE CONCERNS REGARDING WITNESS COLTON'S RECOMMENDED INCREASE TO THE LEAK REPAIR PROGRAM?

A. Yes. Witness Colton has not provided proof that the Company has been capable of utilizing its current Leak Repair Program budget nor that Aqua's proposed $32,000 increase will not be sufficient to cover the benefits provided by the Leak Repair program. Furthermore, increasing the budget for this program at Aqua for the purpose of augmenting the programs of other energy companies with overlapping territories unnecessarily increases customer costs at Aqua for the only utility type deemed necessary to sustain life, which is inappropriate. Additionally, as mentioned above, since this program funding is not reconciled by a rider, additional funding should not be placed into base rates beyond what Aqua has itself proposed that it can spend. Therefore, I recommend the entire increase proposed by Witness Colton be disallowed.

Q. DOES YOUR REBUTTAL TESTIMONY REPRESENT A COMPREHENSIVE REVIEW OF ALL USP-RELATED MATTERS?

A. No. My rebuttal testimony addresses the USP-related recommendations of the other parties that would potentially impact residential customer costs as a result. Due to the length, depth, and number of issues addressed in their direct testimony, lack of response to any specific topic or recommendation should not be interpreted as agreement with the other parties' recommendations.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes.

I&E Statement No. 1-SR
Witness: Zachari Walker

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA, INC.

AND

AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 & R-2024-3047824

Surrebuttal Testimony

of

Zachari Walker

Bureau of Investigation and Enforcement

Concerning:

OPERATING AND MAINTENANCE EXPENSES
PAYROLL TAXES
CASH WORKING CAPITAL
PFAS TREATMENT COST DEFERRAL

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INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Zachari Walker, and my business address is Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Pennsylvania Public Utility Commission (Commission) in the Bureau of Investigation & Enforcement (I&E) as a Fixed Utility Financial Analyst.

Q. ARE YOU THE SAME ZACHARI WALKER WHO SUBMITTED I&E STATEMENT NO. 1, I&E EXHIBIT NO. 1, AND I&E STATEMENT NO. 1-R?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. The purpose of my surrebuttal testimony is to respond to the rebuttal testimony of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (collectively Aqua or Company) witnesses William Packer,[1] Christopher Manning,[2] and Harold

[1] Aqua Statement No. 1-R.
[2] Aqua Statement No. 3-R.

Walker.[3] I also present the updated overall I&E recommended revenue requirement based on my updated adjustments and the updated adjustments of the other I&E witnesses.

Q. DOES YOUR SURREBUTTAL TESTIMONY INCLUDE AN EXHIBIT?

A. Yes. I&E Exhibit No. 1-SR contains schedules that support my surrebuttal testimony.

SUMMARY OF COMPANY'S REQUEST

Q. PLEASE SUMMARIZE THE COMPANY'S UPDATED REQUESTED REVENUE INCREASE.

A. In rebuttal testimony, Aqua updated its total requested increase to $126,575,271 to the updated claimed present rate revenues of $671,008,440 resulting in an updated overall revenue requirement of $797,583,710,[4] representing a combined claim for water and wastewater operations. The updated total requested revenue increase represents respective net revenue increases as follows: (1) Water Base Operations (Water Base) of $111,175,193; (2) the Municipal Authority of the Borough of Shenandoah water system (Shenandoah) of $788,630; (3) Wastewater Base Operations (WW Base) of $8,194,777; (4) Lower Makefield Township wastewater system (Lower Makefield) of $2,568,544; and (5) East Whiteland Township

[3] Aqua Statement No. 9-R.
[4] Aqua Exhibit WCP-1-R, Schedule Act 11.

wastewater system (East Whiteland) of $3,848,126.[5] In my surrebuttal testimony, I continue to refer to the Water Base and Shenandoah collectively as Water Operations, the WW Base and Lower Makefield collectively as WW Operations, and the East Whiteland system is addressed separately. The updated overall requested increase includes: (1) a revenue allocation of $1,465,416 for the Water Base from Shenandoah based on a cost of service revenue allocation (COS allocation); and (2) an additional revenue increase of $21,846,907 allocated from the wastewater systems to the Water Base per the Act 11 provision.[6]

Q. PLEASE SUMMARIZE YOUR RECOMMENDED ADJUSTMENTS.

A. The following table summarize my recommended adjustments as updated herein for each operating system:

Water Base Operations:

	Aqua FPFTY Claim	I&E Recommended Allowance	I&E Adjustment
O&M Expenses:			
Labor Expense	$37,871,393	$34,705,345	($3,166,048)
Employee Benefits	$7,791,885	$7,140,486	($651,399)
Membership Dues	$907,966	$533,620	($374,346)
Rate Case Expense	$1,149,461	$551,741	($597,720)
COVID-19 Related Expenses	$2,511,175	$1,205,364	($1,305,811)
General Price Level Adjustment	$1,298,221	$0	($1,298,221)
Total O&M Adjustments			**($7,393,545)**

[5] Aqua Exhibit WCP-1-R, Schedule Act 11.
[6] *Id.*

Taxes:			
Payroll Taxes	$3,323,126	$3,045,313	($277,813)
Total Tax Adjustments			**($277,813)**
Rate Base Adjustments:			
Cash Working Capital	$7,704,000	$7,289,000	($415,000)
Total Rate Base Adjustments			**($415,000)**

Shenandoah Operations:

	Aqua FPFTY Claim	I&E Recommended Allowance	I&E Adjustment
O&M Expenses:			
Labor Expense	$350,852	$321,521	($29,331)
Employee Benefits	$210,511	$192,912	($17,599)
Rate Case Expense	$7,668	$3,681	($3,987)
General Price Level Adjustment	$27,857	$0	($27,857)
Total O&M Adjustments			**($78,774)**

WW Base Operations:

	Aqua FPFTY Claim	I&E Recommended Allowance	I&E Adjustment
O&M Expenses:			
Labor Expense	$3,523,869	$3,229,274	($294,595)
Employee Benefits	$2,114,321	$1,937,564	($176,757)
Membership Dues	$332	$0	($332)
Rate Case Expense	$107,648	$51,671	($55,977)
COVID-19 Related Expenses	$419,962	$201,582	($218,380)
General Price Level Adjustment	$377,538	$0	($377,538)
Total O&M Adjustments			**($1,123,579)**

Lower Makefield Operations:

	Aqua FPFTY Claim	I&E Recommended Allowance	I&E Adjustment
O&M Expenses:			
Labor Expense	$160,932	$147,478	($13,454)
Employee Benefits	$96,559	$88,487	($8,072)
Rate Case Expense	$29,760	$14,285	($15,475)
General Price Level Adjustment	$22,660	$0	($22,660)
Total O&M Adjustments			**($59,661)**

SUMMARY OF I&E OVERALL UPDATED POSITION

Q. IN THE INSTANT PROCEEDING, AQUA HAS INCLUDED A SEPARATE REVENUE REQUIREMENT FOR THE EAST WHITELAND SYSTEM. HAS I&E'S POSITION ON THE INCLUSION OF THE EAST WHITELAND WASTEWATER SYSTEM CHANGED?

A. No. As restated in I&E Witness Ethan Cline's surrebuttal testimony,[7] and described in I&E Witness Ethan Cline's direct testimony, due to the circumstances surrounding the legitimacy of the Company's acquisition of the East Whiteland system for ratemaking purposes, I&E is recommending removal of any rate base, acquisition costs, expenses, taxes, and any revenue shortfall, including the proposed Act 11 allocation of $3,144,592 from consideration in the instant proceeding for ratemaking purposes.[8]

[7] I&E Statement No. 3-SR, p. 3.
[8] I&E Statement No. 3, pp. 8-10.

Q. DOES THIS TESTIMONY REPRESENT A COMPLETE ELIMINATION OF ALL EXPENSE CLAIMS RELATED TO THE EAST WHITELAND SYSTEM?

A. No. Similar to my direct testimony,[9] due to the nature of expense categorization and reporting, my surrebuttal testimony represents a best effort to untie expenses related to the East Whiteland system from the rest of the Company's expenses. A lack of response to any topic should not be interpreted as agreement with the inclusion of any items related to Aqua's acquisition or operation of the East Whiteland system for ratemaking purposes.

Q. PLEASE SHOW THE I&E UPDATED RECOMMENDATION FOR EACH INDIVIDUAL REVENUE REQUIREMENT.

A. I&E's updated recommended revenue requirements are presented separately for each system prior to the COS and Act 11 allocations for Water Base operations, Shenandoah operations, WW Base operations, and Lower Makefield operations as shown below:

[9] I&E Statement No. 1, p. 6.

Aqua PA, Inc. - Water Base Operations		TABLE I(a)			
R-2024-3047822		INCOME SUMMARY			
	12/31/25	INVESTIGATION & ENFORCEMENT			
	Proforma	[----------			----------]
	Present Rates	Adjustments	Present Rates	Allowances	Proposed
	$	$	$	$	$
Operating Revenue	596,344,820	0	596,344,820	29,217,973	625,562,793
Deductions:					
O&M Expenses	145,576,474	-7,393,546	138,182,928	128,577	138,311,505
Depreciation	142,262,956	0	142,262,956		142,262,956
Taxes, Other	12,985,047	-277,813	12,707,234	186,161	12,893,395
Income Taxes:					
Current State	7,156,349	611,954	7,768,303	2,309,368	10,077,671
Current Federal	18,474,937	1,479,881	19,954,818	5,584,712	25,539,530
Deferred Taxes / NOL	-7,827,075	0	-7,827,075		-7,827,075
ITC	-102,140	0	-102,140		-102,140
Total Deductions	318,526,548	-5,579,524	312,947,024	8,208,818	321,155,842
Income Available	277,818,272	5,579,524	283,397,796	21,009,155	304,406,951
Measure of Value	4,318,244,093	-415,000	4,317,829,093	0	4,317,829,093
Rate of Return	6.43%		6.56%		7.05%

Aqua PA, Inc. - Water Shenandoah		TABLE I(b)			
R-2024-3047822		INCOME SUMMARY			
	12/31/25	INVESTIGATION & ENFORCEMENT			
	Proforma	[----------			----------]
	Present Rates	Adjustments	Present Rates	Allowances	Proposed
	$	$	$	$	$
Operating Revenue	1,842,104	0	1,842,104	1,985,841	3,827,945
Deductions:					
O&M Expenses	1,777,756	-78,774	1,698,982	8,739	1,707,721
Depreciation	660,234	0	660,234		660,234
Taxes, Other	11,737	0	11,737	12,653	24,390
Income Taxes:					
Current State	-71,979	6,289	-65,690	156,959	91,269
Current Federal	-174,065	15,206	-158,859	379,573	220,714
Deferred Taxes	-5,324	0	-5,324		-5,324
ITC	0	0	0		0
Total Deductions	2,198,359	-57,279	2,141,080	557,924	2,699,004
Income Available	-356,255	57,279	-298,976	1,427,917	1,128,941
Measure of Value	16,013,341	0	16,013,341	0	16,013,341
Rate of Return	-2.22%		-1.87%		7.05%

Aqua PA, Inc. - Wastewater Base Operations		TABLE I(c)			
R-2024-3047824		INCOME SUMMARY			
	12/31/25	INVESTIGATION & ENFORCEMENT			
	Proforma	[----------			----------]
	Present Rates	Adjustments	Present Rates	Allowances	Proposed
	$	$	$	$	$
Operating Revenue	57,682,604	0	57,682,604	20,141,760	77,824,364
Deductions:					
O&M Expenses	29,526,117	-1,123,579	28,402,538	211,650	28,614,188
Depreciation	14,132,709	0	14,132,709		14,132,709
Taxes, Other	1,016,940	0	1,016,940	128,332	1,145,272
Income Taxes:					
Current State	-411,640	89,624	-322,016	1,582,162	1,260,146
Current Federal	-1,095,396	216,733	-878,663	3,826,119	2,947,456
Deferred Taxes/NOL	2,032,311	0	2,032,311		2,032,311
ITC	0	0	0		0
Total Deductions	45,201,041	-817,222	44,383,819	5,748,263	50,132,082
Income Available	12,481,563	817,222	13,298,785	14,393,497	27,692,282
Measure of Value	392,798,320	0	392,798,320	0	392,798,320
Rate of Return	3.18%		3.39%		7.05%

Aqua PA, Inc. - Wastewater Lower Makefield		TABLE I(d)			
R-2024-3047824		INCOME SUMMARY			
	12/31/25	INVESTIGATION & ENFORCEMENT			
	Proforma	[----------			----------]
	Present Rates	Adjustments	Present Rates	Allowances	Proposed
	$	$	$	$	$
Operating Revenue	11,613,830	0	11,613,830	2,868,255	14,482,085
Deductions:					
O&M Expenses	7,682,321	-59,662	7,622,659	30,140	7,652,799
Depreciation	2,190,539	0	2,190,539		2,190,539
Taxes, Other	90,870	0	90,870	18,275	109,145
Income Taxes:					
Current State	64,478	4,748	69,226	225,305	294,531
Current Federal	155,925	11,481	167,406	544,852	712,258
Deferred Taxes	-33,713	0	-33,713		-33,713
ITC	0	0	0		0
Total Deductions	10,150,420	-43,433	10,106,987	818,572	10,925,559
Income Available	1,463,410	43,433	1,506,843	2,049,683	3,556,526
Measure of Value	50,447,179	0	50,447,179	0	50,447,179
Rate of Return	2.90%		2.99%		7.05%

Q. SUMMARIZE I&E'S UPDATED COMBINED RECOMMENDED REVENUE REQUIREMENT INCLUDING THE I&E RECOMMENDED ACT 11 ALLOCATION.

A. I&E's updated total recommended revenue requirement for all Aqua revenue requirements combined is $721,697,187. This recommended revenue requirement represents an increase of $54,213,829 to the present rates revenues of $667,483,358.[10] This updated total recommended allowance incorporates my adjustments made in this testimony to O&M expenses, taxes, and cash working capital, and those recommended adjustments made in the testimony of I&E witnesses Christopher Keller[11] and Ethan Cline.[12]

Q. PLEASE SHOW THE COMPUTATION FOR I&E'S UPDATED PROPOSED ACT 11 REVENUE ALLOCATION AS SUPPORTED BY I&E WITNESS ETHAN CLINE IN I&E STATEMENT NO. 3-SR.

A. The I&E updated proposed Act 11 allocation as recommended by I&E witness Ethan Cline[13] is summarized below in Table II:

[10] *See Table II below.*
[11] I&E Statement No. 2.
[12] I&E Statement No. 3.
[13] *Id*.

Table II
Aqua Pennsylvania, Inc.
Water & Wastewater Revenue Requirement Summary
R-2024-3047822 and R-2024-3047824

	Total Company	Water Base Operations	Water - Shenandoah	WW Base Operations	WW Lower Makefield
I&E Recommended Present Rate Revenue	$667,483,358	$596,344,820	1,842,104	$57,682,604	11,613,830
I&E Recommended Additional Revenue Requirement	54,213,829	29,217,973	1,985,841	20,141,760	2,868,255
I&E Recommended Cost of Service Allocation*	0	1,008,437	(1,008,437)	0	0
I&E Recommended Proposed Revenues prior to Act 11 Allocation	721,697,187	626,571,230	2,819,508	77,824,364	14,482,085
I&E Recommended Act 11 Allocation*	0	9,502,767	0	(9,502,817)	50
I&E Recommended Proposed Revenues After Act 11 Allocation*	$721,697,187	$636,073,997	$2,819,508	$68,321,547	$14,482,135
Rate Increase/(Decrease) - $	$54,213,829	$38,720,740	$977,404	$10,638,943	$2,868,305
Rate Increase/(Decrease) - %	8.12%	6.49%	53.06%	18.44%	24.70%

*Per I&E witness Ethan Cline, I&E Statement No. 3-SR.

LABOR EXPENSE

Q. SUMMARIZE YOUR RECOMMENDATION FOR LABOR EXPENSE AS PRESENTED IN YOUR DIRECT TESTIMONY.

A. I recommended the following allowances for labor expense:

Water Base: $36,258,072, or a reduction of $1,613,321 ($37,871,393 - $36,258,072) to the Company's claim.

Shenandoah: $335,906 or a reduction of $14,916 ($350,852 - $335,906) to the Company's claim.

WW Base: $3,373,752, or a reduction of $150,117 ($3,523,869 - $3,373,752) to the Company's claim.

Lower Makefield: $154,076, or a reduction of $6,856 ($160,932 - $154,076) to the Company's claim.

My recommended labor expense adjustments were based on applying a vacancy percentage for full-time employees of 4.26% to each of the Company's respective systems' labor expense claims.[14]

Q. DID ANY WITNESS ADDRESS YOUR RECOMMENDATION?

A. Yes. Aqua Witness Christopher Manning disagrees with my recommendation.[15]

Q. SUMMARIZE MR. MANNING'S RESPONSE.

A. Mr. Manning opines my vacancy rate adjustment is inaccurate for three main reasons: (1) my recommended adjustment double counts a vacancy credit built into the Company's expense claim; (2) my calculated vacancy rate only considers the vacancy rate of full-time employees and applies that vacancy rate to the whole labor expense claim for each system; and (3) my vacancy rate calculation does not account for the seven additional union employees resulting from the acquisition of the Shenandoah system in July 2023.[16]

Q. WHAT IS YOUR RESPONSE TO MR. MANNING'S ASSERTIONS?

A. Presumably the Company would have factored in the seven additional union employees when determining the budget for union full-time employees. Second, the intent of calculating the average vacant positions is to flatten the variability of

[14] I&E Statement No. 1, pp. 12-14.
[15] Aqua Statement No. 3-R, p. 4.
[16] Aqua Statement No. 3-R, pp. 4-5.

vacant positions. To these points, Mr. Manning's statement that my recommended vacancy rate adjustment disregards the additional seven union employees as a result of the Shenandoah system acquisition suggests Aqua may not have calculated its budgeted headcount properly as I relied on the data provided by the Company.

Mr. Manning's argument that my calculated vacancy rate should be applied to the Company's labor expense representative to the specific employee groups used to calculate the vacancy rate is compelling. In light of this suggestion, I am updating my recommendation to include the part-time, seasonal, and co-op employee vacancies in my calculation.

Q. WHAT ARE YOUR UPDATED RECOMMENDED ALLOWANCES FOR LABOR EXPENSE?

A. The updated adjustments result in the following updated recommended allowances for labor expense:

Water Base: $34,705,345, or a reduction of $3,166,048 ($37,871,393 - $34,705,345) to the Company's claim.

Shenandoah: $321,521 or a reduction of $29,331 ($350,852 - $321,521) to the Company's claim.

WW Base: $3,229,274, or a reduction of $294,595 ($3,523,869 - $3,229,274) to the Company's claim.

Lower Makefield: $147,478, or a reduction of $13,454 ($160,932 - $147,478) to the Company's claim.

Q. SHOW HOW YOU CALCULATED YOUR UPDATED RECOMMENDATIONS.

A. Using the data provided in the responses to I&E-RE-3[17] and I&E-RE-35,[18] my updated recommended vacancy rate is 8.36%. The calculation for this vacancy rate is as follows:

Average Part-Time Employee Count Calculation					
Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Average
2021	4	4	4	4	4
2022	5	5	4	3	4
HTY	2	4	4	4	4

Average Seasonal Employee Count Calculation					
Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Average
2021	0	17	17	0	9
2022	0	20	21	0	10
HTY	0	20	23	1	11

Average Co-op Employee Count Calculation					
Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Average
2021	2	2	2	2	2
2022	2	2	1	2	2
HTY	1	2	1	2	2

[17] I&E Exhibit No. 1-SR, Schedule 1, pp. 1-2.
[18] *Id.*, Schedule 2, pp. 1-2.

	Total Employee Vacancy Rate Calculation					
		2021	2022	HTY	FTY	FPFTY
1	Average Employee Count[19]	575	576	577		
2	Budgeted Employee Count[20]	627	628	631	630	630
3	Vacant Positions (Line 2 – Line 1)	52	52	54		
4	Average Vacancy (Line 3 ÷ 3)	53				
5	Vacancy Rate (Line 5 ÷ Line 2 FPFTY)	8.36%				

Applying the updated calculated average vacancy rate of 8.36% to the individual labor expense claims produces the following recommended adjustments:

Water Base: $37,871,393 x 0.0836 = $3,166,048

Shenandoah: $350,852 x 0.0836 = $29,331

WW Base: $3,523,869 x 0.0836 = $294,595

Lower Makefield: $160,932 x 0.0836 = $13,454

EMPLOYEE BENEFITS EXPENSE

Q. SUMMARIZE YOUR RECOMMENDATION FOR EMPLOYEE BENEFITS EXPENSE AS PRESENTED IN YOUR DIRECT TESTIMONY.

A. I recommended the following amounts for employee benefits expense:

Water: $7,459,951, or a reduction of $331,934 ($7,791,885 - $7,459,951) to the Company's claim.

[19] Average Employee Count represents the sum of the actual average annual employee count for all employees.
[20] Budgeted Employee Count represents the sum of the annual budgeted employee count for all employees.

Shenandoah: $201,543, or a reduction of $8,968 ($210,511 - $201,543) to the Company's claim.

WW Base: $2,024,251, or a reduction of $90,070 ($2,114,321 - $2,024,251) to the Company's claim.

Lower Makefield: $92,446 or a reduction of $4,113 ($96,559 - $92,446) to the Company's claim.

My recommended employee benefits expense adjustments were based on the employee vacancy rate of 4.26% applied to the Company's respective systems' labor expense claim as noted in the labor expense section above. A detailed explanation of my calculation can be found in my direct testimony.[21]

Q. DID ANY WITNESS ADDRESS YOUR RECOMMENDATION?

A. Yes. Witness Manning disagrees with my recommended adjustment to employee benefits based on his disagreement with my recommended vacancy adjustment for labor expense.[22]

Q. WHAT IS YOUR RESPONSE TO WITNESS MANNING'S ASSERTION?

A. In line with my recommended update to the vacancy rate and subsequent updated labor expense recommendation, I recommend a further reduction to employee

[21] I&E Statement No. 1, pp. 16-17.
[22] Aqua Statement No. 3-R, p. 10.

benefits expense using the recommended vacancy rate described in the labor expense section above.

Q. WHAT IS YOUR UPDATED RECOMMENDATION FOR EMPLOYEE BENEFITS EXPENSE?

A. My updated recommendation for employee benefits expense for each system are as follows:

Water: $7,140,486, or a reduction of $651,399 ($7,791,885 - $7,140,486) to the Company's claim.

Shenandoah: $192,912, or a reduction of $17,599 ($210,511 - $192,912) to the Company's claim.

WW Base: $1,937,564, or a reduction of $176,757 ($2,114,321 - $1,937,564) to the Company's claim.

Lower Makefield: $88,487, or a reduction of $8,072 ($96,559 - $88,487) to the Company's claim.

Q. PLEASE SHOW THE CALCULATIONS FOR YOUR UPDATED RECOMMENDED ADJUSTMENTS.

A. I multiplied the vacancy rate of 8.36% by the individual employee benefits expense claims which produces the following recommended adjustments:

Water: $7,791,885 x 0.0836 = $651,399

Shenandoah: $210,511 x 0.0836 = $17,599

WW Base: $2,114,321 x 0.0836 = $176,757

Lower Makefield: $96,559 x 0.0836 = $8,072

FEDERAL AND STATE PAYROLL TAX EXPENSE

Q. SUMMARIZE YOUR RECOMMENDATION FOR FEDERAL AND STATE PAYROLL TAX EXPENSE AS PRESENTED IN YOUR DIRECT TESTIMONY.

A. I recommended a federal and state payroll tax expense allowance of $3,181,561, or a reduction of $141,565 ($3,323,126 - $3,181,561) to the Company's claim for Water Base. My recommendation in my direct testimony was based on applying the vacancy rate of 4.26%, as described in the labor expense section above, to the Company's Water Base system claim.[23] Because Aqua allocates the Water Base expense to the other systems as a component of the allocated employee benefits expense,[24] my recommendation above accounted for the remaining systems' adjustments.

Q. DID ANY WITNESS ADDRESS YOUR RECOMMENDATION?

A. Yes. Aqua Witness Christopher Manning disagrees with my recommended federal and state payroll tax adjustment based on his disagreement with my recommendation for Aqua's labor expense.[25]

[23] I&E Statement No. 1, p. 18.
[24] Aqua Statement No. 1, p. 15.
[25] Aqua Statement No. 3-R, p. 8.

Q. DO YOU HAVE ANY UPDATES TO YOUR FEDERAL AND STATE PAYROLL TAX EXPENSE RECOMMENDATION?

A. My updated recommended allowance for federal and state payroll tax expense is $3,045,313, or a reduction of $277,813 ($3,323,126 - $3,045,313) to the Company's claim. This updated recommendation is based on my updated recommended vacancy rate, as described in the labor expense section above, applied to the Company's Water claim for federal and state payroll tax of $3,323,126 for a recommended adjustment of $277,813 ($3,323,126 x 0.0836).

As explained in my direct testimony, I have no corresponding adjustments to federal and state payroll tax expense for the other revenue requirements as those adjustments are contained in the benefits allocation.[26]

MEMBERSHIP DUES

Q. SUMMARIZE YOUR RECOMMENDATION FOR MEMBERSHIP DUES AS PRESENTED IN YOUR DIRECT TESTIMONY.

A. I recommended disallowing the entire WW Operations membership dues claim of $332, and I recommended an allowance of $533,620 for Water Operations, or a decrease of $374,346 ($907,966 - $533,620) to the Water Operations' membership dues claim based on the following: (1) removal of the payment made to the Chamber of Commerce for Water Operations; and (2) on advice of counsel, "No

[26] I&E Statement No. 1, pp. 17-18.

public utility may charge to its customers as a permissible operating expense for ratemaking purposes membership fees, dues or charges to fraternal, social or sports clubs or organizations."[27] Because it is unclear how the membership dues are allocated outside of the overall Water Operations and Wastewater Operations, the recommended adjustments were applied solely to the larger respective systems.[28]

Q. DID ANY WITNESS ADDRESS YOUR RECOMMENDATION?

A. Yes. Aqua Witness Christopher Manning opposes my recommendation.[29]

Q. SUMMARIZE MR. MANNING'S RESPONSE.

A. Mr. Manning states that the dues paid to the Chamber of Commerce allow for partnerships in the areas the Company serves and provides the opportunity to interact with business leaders across Pennsylvania to promote a strong business climate, subsequently promoting jobs, increase in state population, and supporting the areas the Company serves. Mr. Manning does not offer support for the inclusion of the dues paid to the Service/Social – Other organizations.[30]

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[27] *66 Pa. Code § 1316.1*.
[28] I&E Statement No. 1, pp. 20-21.
[29] Aqua Statement No. 3-R, pp. 14-15.
[30] *Id*.

Q. WHAT IS YOUR RESPONSE TO MR. MANNING'S REBUTTAL TESTIMONY REGARDING MEMBERSHIP DUES?

A. Since the information was not provided, I have not reviewed the data that supports Mr. Manning's claims that the interactions and partnerships have a notable impact on the communities served by the Company, the job market, or the state population. Regardless, Mr. Manning has not provided relevant information supporting the assertion that the costs incurred from paying membership dues to the Chamber of Commerce are necessary to provide safe and reliable water service.

Additionally, Mr. Manning did not contest my recommendation to remove the payments made to the Service/Social – Other organizations for ratemaking purposes. Therefore, I have no changes to my recommendation to disallow these expenses from the Company's membership dues expense claim for ratemaking purposes.

<u>RATE CASE EXPENSE</u>

Q. SUMMARIZE YOUR RECOMMENDATION FOR RATE CASE EXPENSE AS PRESENTED IN YOUR DIRECT TESTIMONY.

A. I recommended normalizing the total claims over the historic average filing frequency of 48 months, yielding my recommended FPFTY allowance amounts for rate case expense for each system below:

Water: $574,731, or a reduction of $574,730 ($1,149,461 - $574,731) to the Company's claim.

Shenandoah: $3,834, or a reduction of $3,834 ($7,668 - $3,834) to the Company's claim.

WW Base: $53,824, or a reduction of $53,824 ($107,648 - $53,824) to the Company's claim.

Lower Makefield: $14,880 or a reduction of $14,880 ($29,760 - $14,880) to the Company's claim.

My recommendation is based on adjusting the normalization for the total rate case expense allowance over a period of 48 months consistent with the Company's historic average base rate case filing frequency and the Commission's emphasis on the importance of considering the utility's history of rate case filings when determining the interval to account for rate case expenses for ratemaking purposes.[31]

Q. DID ANY WITNESS ADDRESS YOUR RECOMMENDATION?

A. Yes. Aqua Witness Christopher Manning disagrees with my recommendation.[32]

Q. SUMMARIZE MR. MANNING'S RESPONSE.

A. Mr. Manning states that my recommended 48-month normalization period ignores

[31] I&E Statement No. 1, pp. 24-25.
[32] Aqua Statement No. 3-R, p. 13.

the reason for the gap between the rate case filings in 2011 and 2018 which was due to the use of a tax repair deduction for income tax purposes. Additionally, Mr. Manning contends that Company had requested normalization periods of 36 months in the two most recent rate case filings and that the actual period of time between filings, 36 and 33 months respectively, demonstrated the Company's ability to stick to the normalization periods it requested.[33] Lastly, Witness Manning asserts that my recommendation in direct testimony only concerns the normalization period for the expense and does not dispute the Company's total rate case expense claim.[34]

Q. WHAT IS YOUR RESPONSE TO MR. MANNING'S ASSERTIONS?

A. First, Mr. Manning's claim that my recommendation does not dispute the Company's total rate case expense claim is a mischaracterization of my direct testimony. As stated in my direct testimony[35] and in the summary of I&E overall updated position section above, I&E's recommendation to remove the East Whiteland system from consideration in the instant proceeding for ratemaking purposes inherently disputes Aqua's total rate case expense claim. Since my recommendations are separate adjustments to each of the Company's individual systems' rate case expense claims, excluding the East Whiteland system, that flow through to the respective revenue requirement of each system and to I&E's overall

[33] *Id.*
[34] *Id.*, pp. 12-13.
[35] I&E Statement No. 1, pp. 5-6.

recommended base rates revenue increase exclusive of the East Whiteland system, my recommendation intrinsically disputes any allowance for rate case expense for the Company's East Whiteland system.

Next, the Commission rulings on six base rate cases referenced in my direct testimony[36] support my recommendation to use the Company's average historic filing frequency to determine a normalization period, rather than speculation of future intent to file a rate case. The Company's proposed normalization period is not reliable, is unjustified, and has the potential of unfairly burdening ratepayers with over-recovery of rate case expense should the Company not file as intended.

Finally, Mr. Manning's comment about the 36-month and 33-month respective intervals between Aqua's base rate filings caused me to realize that the base rate case filing dates provided by the Company in response to I&E-RE-4[37] are incorrect. The accurate filing dates for the Company's three previous base rate case filings are as follows: November 18, 2011;[38] August 17, 2018;[39] and August 20, 2021.[40] Including the current rate case, which was filed on May 23, 2024, the average historic filing frequency, when using the correct filing dates, is 50 months [(81 months + 36 months + 33 months) ÷ 3].

[36] *Id.*, pp. 26-27.
[37] I&E Exhibit No. 1-SR, Schedule 3, pp. 1-2.
[38] *Id.*, Schedule 4.
[39] *Id.*, Schedule 5.
[40] *Id.*, Schedule 6.

Q. DO YOU HAVE ANY CHANGES TO YOUR RECOMMENDATION FOR RATE CASE EXPENSE?

A. Yes. Given the actual average historic filing frequency is 50 months, rather than the 48 months calculated from the erroneous filing dates provided, I am updating my recommendation to the following FPFTY allowance amounts for rate case expense for each system below:

Water Base: $551,741, or a reduction of $597,720 ($1,149,461 - $551,741) to the Company's claim.

Shenandoah: $3,681, or a reduction of $3,987 ($7,668 - $3,681) to the Company's claim.

WW Base: $51,671, or a reduction of $55,977 ($107,648 - $51,671) to the Company's claim.

Lower Makefield: $14,285 or a reduction of $15,475 ($29,760 - $14,285) to the Company's claim.

The basis for my recommendation has not changed: (1) consistent Commission emphasis on the importance of considering the utility's history of rate case filings when determining the interval to account for rate case expenses for ratemaking purposes as demonstrated in the cases outlined in my direct testimony;[41] (2) demonstrated concerns when the normalization period is based on

[41] I&E Statement No. 1, pp. 26-27.

speculative intent to file future cases;[42] and (3) protecting ratepayers from paying an unreasonable rate case expense amount in rates.

COVID-19 RELATED EXPENSES

Q. SUMMARIZE YOUR RECOMMENDED ALLOWANCE FOR COVID-19 RELATED EXPENSES AS PRESENTED IN DIRECT TESTIMONY.

A. My recommended allowance of $1,465,569, or a reduction of $1,465,568 ($2,931,137 - $1,465,569) to the Company's claim, represented a recommended allowance for Water Base operations of $1,255,588, or a reduction of $1,255,587 ($2,511,175 - $1,255,588) to the FPFTY expense claim for Aqua's Water Base operations and a recommended allowance for WW Base operations of $209,981, or a reduction of $209,981 ($419,962 - $209,981) to the FPFTY expense claim for Aqua's WW Base operations.

My recommendation was based on aligning the recovery of the total amount of $5,862,274 with Aqua's average historic filing frequency and allocated to the Water Base and WW Base systems using the original percentage for each system's expense to the total COVID-19 related expense claim: Water Base – 85.67% and WW Base – 14.33%.[43]

[42] *Id.,* p. 25.
[43] I&E Statement No. 1, pp. 30-31.

Q. DID ANY WITNESS ADDRESS YOUR RECOMMENDATION?

A. Yes. Aqua Witness William Packer disagrees with my recommendation.[44]

Q. SUMMARIZE MR. PACKER'S RESPONSE.

A. Mr. Packer states that my recommendation relies on a simple historical average which is allegedly no longer appropriate going forward as it includes the 81-month interval between the 2011 and 2018 base rate case filings, which was due to a historic tax repair provision. He contends that, at the very least, this long stay out should be excluded from the calculation of the historic average filing frequency calculation. Mr. Packer also states that the Company bears the carrying cost since the deferred amounts are not being requested as a component of rate base.[45]

Q. WHAT IS YOUR RESPONSE TO MR. PACKER'S ASSERTION?

A. By using the Company's average historic filing frequency rather that the Company's two-year amortization period to determine the annual amortization for the COVID-19 related expenses, the recovery of these expenses embedded in rates does not impact ratepayers as drastically. Additionally, if the Company does not file its next base rate case in two years, the Company would continue to recover the entire FPFTY COVID-19 related expense claim embedded in rates and would over-recover COVID-19 related expenses. Counter to that, if my recommendation

[44] Aqua Statement No. 1-R, p. 10.
[45] *Id.*

is adopted and the Company files its next base rate case prior to full recovery of the COVID-19 related expenses, Aqua would continue to amortize the remaining balances until the full amount is recovered. If my recommendation is not adopted, Aqua's ratepayers could be unjustly burdened with overpayment of accrued COVID-19 related expenses, which would totally discount Mr. Packer's argument about no recovery of carrying costs. Thus, I continue to recommend that Aqua's average historic filing frequency be used to determine the amortization period for the COVID-19 related expenses.

Q. DO YOU HAVE ANY CHANGES TO YOUR RECOMMENDATION FOR COVID-19 RELATED EXPENSES?

A. Yes. As described above in the rate case expense section, my calculation for the Company's average historic filing frequency has been corrected to 50 months. Applying a 50-month amortization period for amortization of COVID-19 related expenses produces an annual allowance of $1,406,946 [($5,862,274 ÷ 50 months) x 12]. Again, I used the original percentage for each system's expense to the total COVID-19 related expense claim: Water Base – 85.67% ($2,511,175 ÷ $2,931,137) and WW Base – 14.33% ($419,962 ÷ $2,931,137) to determine the proper allocation to each system. Applying this ratio to my recommended adjustment of $1,406,946 yields my recommended FPFTY expense reductions of $1,305,811 for Water Base operations, and $218,380 for WW Base operations.

The adjustments above represent a recommended allowance of $1,205,364, or a reduction of $1,305,811 ($2,511,175 - $1,205,364) to the FPFTY expense claim for Aqua's Water Base operations.

Additionally, my recommendation represents a recommended allowance for WW Base operations of $201,582, or a reduction of $218,380 ($419,962 - $201,582) to the FPFTY expense claim for Aqua's WW Base operations.

Q. ARE THERE RECENT COMMISSION DECISIONS THAT SUPPORT YOUR RECOMMENDATION FOR AMORTIZING COVID-19 RELATED EXPENSES BASED ON AVERAGE HISTORICAL FILING FREQUENCY?

A. Yes. In the 2023 Philadelphia Gas Works (PGW) base rate case, the Commission adopted I&E's recommendation to amortize PGW's COVID-19 expense over a 53-month period, aligning with PGW's average historical filing frequency.[46]

GENERAL PRICE LEVEL ADJUSTMENT

Q. SUMMARIZE YOUR RECOMMENDATION FOR AQUA'S GENERAL PRICE LEVEL ADJUSTMENT AS PRESENTED IN YOUR DIRECT TESTIMONY.

A. I recommended a disallowance of the entire general price level adjustment of

[46] *PA PUC v. Philadelphia Gas Works*, Docket No. R-2023-3037933, Opinion and Order, p. 68 (Order Entered November 9, 2023).

$1,726,276 ($874,179 + $852,097) claimed in the FTY and FPFTY unadjusted O&M expense claims. My recommendation represented a disallowance of the combined total general price level adjustment for Water Base of $1,298,221; Shenandoah of $27,857; WW Base of $377,538; and Lower Makefield of $22,660 based on Aqua's failure to support its claim by relying on an unsupported general price level, or blanket inflation, adjustment. Applying a blanket inflation adjustment to the FPFTY total unadjusted O&M expense claims is unreasonable and unsupported when there are several categories of expenses (that may include sub-categories of expenses) within the main expense category. Additionally, applying blanket inflation factors of 2.425% and 2.300% respectively across the unadjusted FTY and FPFTY expenses in all cost elements of unadjusted total O&M expenses is unreasonable and inappropriately impacts customers' rates. Each cost element is a separate expense claim, and therefore, each expense item should be evaluated and budgeted based on its individual merit and future known and measurable changes. I calculated my recommended allowance by removing Aqua's FTY and FPFTY general price level adjustment applied to the unadjusted total O&M expense claim.[47] My recommendation was also supported by recent Commission decisions that denied inflation adjustments similar to Aqua's general price level adjustment as described in my direct testimony.[48]

[47] I&E Statement No. 1, pp. 33-34.
[48] *Id.*, pp. 35-36.

Q. DID ANY WITNESS ADDRESS YOUR RECOMMENDATION?

A. Yes. Aqua Witness Christopher Manning disagrees with my recommendation.[49]

Q. SUMMARIZE WITNESS MANNING'S RESPONSE.

A. Mr. Manning maintains that the general price level adjustment does not represent a blanket generalized inflation adjustment. Explaining further, Mr. Manning contends that the Company's adjustment reflects the anticipated effect of inflation only on operating expenses that were not specifically adjusted in this case and that it is appropriate to use such an adjustment given the current economic conditions and the Company's analysis of the historical costs. Additionally, he refers to the Office of Consumer Advocate (OCA) Witness Ralph Smith's direct testimony in which Mr. Smith references the Commission's ruling, in the 2020 PECO – Gas base rate case, in favor of a targeted inflation adjustment.[50] Finally, Mr. Manning proposes my recommendation should be rejected based on a lack of consideration of historical expense increases or current and anticipated economic conditions.[51]

Q. WHAT IS YOUR RESPONSE TO WITNESS MANNING'S ASSERTION?

A. As stated in my direct testimony, applying a blanket inflation adjustment to the FPFTY total unadjusted O&M expense claims is unreasonable and unsupported when there are several categories of expenses (that may include sub-categories of

[49] Aqua Statement No. 3-R, p. 11.
[50] Aqua Statement No. 3-R, p. 11; OCA Statement No. 2, pp. 39-40.
[51] Aqua Statement No. 3-R, pp. 11-12.

expenses) within the main expense category.[52] As noted in Mr. Manning's rebuttal testimony, OCA Witness Smith's direct testimony referring to the 2020 PECO – Gas Division's case and the Commission's ruling in favor of an inflation adjustment was based on a more targeted approach. Mr. Manning has not offered any novel support or more targeted basis for the Company's general price level adjustment. Moreover, using historic cost level increases in certain expense categories as justification for inflating a group of expenses by the Consumer Price Index factor does not support a claim for the broad brush increase to multiple unadjusted expenses. Therefore, the argument to use an inflation factor to determine future expense levels is unsubstantiated; thus, I recommend the Commission disallow the general price level, blanket inflation, adjustment for ratemaking purposes.

Q. DO YOU HAVE ANY CHANGES TO YOUR RECOMMENDATION FOR THE COMPANY'S GENERAL PRICE LEVEL ADJUSTMENT?

A. No. For the reasons stated above, I continue to recommend the entire general price level adjustment for the unadjusted expenses be disallowed in its entirety.

[52] I&E Statement No. 1, p. 34.

CASH WORKING CAPITAL

Q. SUMMARIZE YOUR RECOMMENDATION IN DIRECT TESTIMONY FOR CASH WORKING CAPITAL (CWC).

A. I recommended an allowance of $7,414,000, or a reduction of $293,000 ($7,707,000 - $7,414,000) to the Water Base CWC claim.[53] My recommendation included modification of the Company's claim based on my recommended adjustments to O&M expenses and taxes as discussed previously in my direct testimony for the Water Base system. Additionally, I did not make adjustments for Shenandoah, WW Base, and Lower Makefield because incorporating my O&M expense and tax adjustments did not yield a material change to the respective CWC claims.[54]

Q. DID ANY WITNESS RESPOND TO YOUR RECOMMENDATION?

A. Yes. Aqua Witness Harold Walker disagrees with my recommended CWC adjustments in as much as Aqua's witnesses disagree with my recommended adjustments.[55]

Q. DID THE COMPANY UPDATE ITS CWC CLAIM?

A. Yes. The Company's FPFTY CWC claim has been updated to $7,704,000.[56] This

[53] I&E Statement No. 1, p. 38.
[54] *Id.*, pp. 38-40.
[55] Aqua Statement No. 9-R, p. 3.
[56] Aqua Statement No.1-R, Exhibit 1-A, Schedule G-5.

claim only applies to Water Base operations.

Q. DO YOU AGREE WITH THE COMPANY'S CWC CLAIM?

A. No. However, I have an update to my recommendation for CWC based on the changes described above to my O&M expense recommendations. As stated in my direct testimony, all O&M adjustments that are cash-based expense claims are included in determining the Company's Water Base CWC requirement. To reflect the I&E recommended adjustments for the calculated CWC, I modified the Company's electronic CWC file,[57] Exhibit 1-A, Schedules A-1 and C-2[58] which flowed through to the CWC file, Exhibit 1-A, Schedules G-5 and G-5.2.[59] Specifically, Schedule G-5 contains the CWC summary with my recommendation.[60]

Q. SUMMARIZE WHERE EACH OF THE I&E RECOMMENDED O&M EXPENSE ADJUSMENTS ARE REFLECTED IN THE CWC COMPUTATION.

A. **<u>Schedule A-1</u>:**

In Schedule A-1, I reduced Line 10, Column 10 for Federal and State Payroll Tax by $277,813 as discussed above. These adjustments flowed through the rest of

[57] The Company's electronic file is labeled Confidential; however, the data itself is included in Aqua Witness Packer's non-proprietary rebuttal testimony, Aqua Statement No. 1-R, and attached as Aqua Exhibit WCP-1-R.
[58] I&E Exhibit No. 1-SR, Schedule 7, pp. 3-4 – PROPRIETARY.
[59] *Id.*, pp. 1-2 – PROPRIETARY.
[60] I&E Exhibit No. 1-SR, Schedule 7, p. 1 – PROPRIETARY.

Schedule A-1 as highlighted[61] and ultimately through the CWC Schedules of G-5 and G-5.2.[62]

Schedule C-2:

In Schedule C-2, I reduced Column 8 for the remaining adjustments as discussed earlier in my testimony and highlighted in my exhibit.[63] The adjustments are as follows: Labor - $3,166,048, Employee Benefits - $651,399, and Other - $3,576,098. These adjustments flowed through the rest of Schedule C-2 and ultimately into CWC Schedules G-5 and G-5.2.[64]

Q. BASED ON THE ABOVE TESTIMONY, WHAT IS YOUR UPDATED RECOMMENDED ALLOWANCE FOR CWC?

A. Based on reflecting all of I&E's recommended adjustments as discussed above, my updated recommendation for CWC is an allowance of $7,289,000[65] for Water Base, or a reduction of $415,000 ($7,704,000 - $7,289,000).

Q. DOES YOUR RECOMMENDED ALLOWANCE REPRESENT A FINAL RECOMMENDED ALLOWANCE FOR CWC?

A. No. All adjustments to the Company's claims for revenues, expenses, taxes, and rate base must be consistently brought together in the Administrative Law Judge's

[61] *Id.*, p. 3 - PROPRIETARY.
[62] *Id.*, pp. 1-2 – PROPRIETARY.
[63] *Id.*, p. 3 - PROPRIETARY.
[64] *Id.*, pp. 1-2 - PROPRIETARY.
[65] I&E Exhibit No. 1, Schedule 7, p. 1 - PROPRIETARY.

Recommended Decision and again in the Commission's Final Order. This process, which is known as iteration, effectively prevents the determination of a precise calculation until such time as all adjustments have been made to the Company's claim.

PFAS TREATMENT COST DEFERRAL

Q. SUMMARIZE YOUR RECOMMENDATION FOR PER- AND POLYFLUOROALKYL SUBSTANCE (PFAS) TREATMENT COSTS AS CONTAINED IN YOUR DIRECT TESTIMONY.

A. I recommended the Company should continue to address PFAS-related issues through the normal budgeting and ratemaking process[66] and that the Commission disallow the Company's request for deferral of PFAS-related costs for ratemaking purposes based on the following: (1) Aqua has built PFAS treatment costs into routine rate base and O&M expenses since 2017; (2) Aqua is able to continue to request recovery of reasonably and prudently incurred expenses related to PFAS treatment in future base rate filings as has been the case in previous base rate filings; and (3) the increased PFAS-related costs are fully anticipated, estimated, and recurring which contradicts the Commission's previous ruling regarding deferred accounting treatment as described in my direct testimony. Also, I stated concerns that: (1) other expenses may be decreased due to overall improved

[66] I&E Statement No. 1, p. 43.

filtration; and (2) the potential for awards from a pending class action lawsuit that may not be properly applied to the PFAS-related treatment costs if the Commission was to allow deferral treatment for these costs.[67]

Additionally, I recommended that if the Commission decides to make any determination for deferral treatment for PFAS-related costs that it should be done on a statewide basis for all water utilities similar to how guidance was issued for changes to the federal income tax rate via the Tax Cuts and Jobs Act of 2017.[68]

Q. DID ANY WITNESS ADDRESS YOUR RECOMMENDATION?

A. Yes. Aqua Witness William Packer disagrees with my recommendation.[69]

Q. SUMMARIZE WITNESS PACKER'S RESPONSE.

A. Mr. Packer states the Company's request is the ideal place for a request for such deferred accounting treatment of PFAS treatment costs. Asserting that the Company is on a very tight timeline, he states that the stakes have never been higher for the Company. Furthermore, Mr. Packer states that I am misguided in referencing the Commission's ruling regarding the conditions under which

[67] *Id.,* pp. 42-43.
[68] *Id.*, p. 44.
[69] Aqua Statement No. 1-R, p. 4.

expenses may be granted deferred accounting treatment,[70] that the expenses are: (1) extraordinary; (2) unanticipated; (3) nonrecurring; and (4) substantial.[71]

Witness Packer presents an itemized rebuttal of my explanation for why the expenses did not meet the conditions for deferral treatment, claiming the PFAS-related costs are: (1) extraordinary because the EPA compliance is based on the running annual average of the four quarters prior to the "fast-tracked" deadline of April 26, 2029; (2) unanticipated due to the compliance deadline being closer than the Company anticipated, indicating that Aqua was not aware that the EPA would set such a strict level for PFAS contamination equating to what he describes as a non-detection standard; (3) nonrecurring since the initial outlay of $300 million is not recurring, yet regular expenses will recur for new equipment operations; and (4) substantial in that the EPA compliance standard creates a large capital need for the Company.[72]

Specifically on the argument of Aqua's prior experience with treating PFAS since 2017, he opines the standard change will involve novel treatment methods to now include some surface water treatment plants which make up roughly 90% of the Company's annual water production. By using the historic treatment experience as a basis for rejecting deferral treatment, Witness Packer alleges this

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[70] *Id.*, pp. 4-5.

[71] *Petition of Columbia Gas of Pa., Inc. for Authority to Defer for Accounting and Financial Purposes Certain Start Up Expenses Assoc. with the Redesign and Upgrade of Financial Processes and Info. Systems*, Docket No. P-2012-2319920 (Order Entered December 5, 2012).

[72] Aqua Statement No. 1-R, pp. 5-6.

constitutes a penalty for the Company being proactive in addressing water quality.[73]

As to my concern that the expenses for other categories, such as chemical expenses, will be reduced by the treatment of PFAS, Mr. Packer states that the PFAS-related treatment will not change out other costs, but will simply increase costs.[74]

Addressing the last of my concerns, Mr. Packer states that there is no time for a separate statewide Commission docketed proceeding to determine proper deferral treatment of PFAS costs on a statewide basis and that if the Commission rejects the Company's request for deferral of PFAS treatment costs, Aqua will incur additional rate case expense as it will have to seek relief in rapid succession.[75]

Q. WHAT IS YOUR RESPONSE TO MR. PACKER'S ASSERTIONS?

A. I continue to disagree with his contention that deferral treatment is appropriate for PFAS-related costs. I disagree with Mr. Packer's assertions that these costs are not anticipated or recurring, and the issue of whether the costs are substantial is also subjective. PFAS has been on Aqua's radar for a number of years, and the Company has not delayed in beginning to address this issue.[76]

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[73] *Id.*, p. 7.
[74] *Id.*, p. 8.
[75] *Id.*, pp. 8-9.
[76] Aqua Statement No. 11, p. 17.

I disagree with Mr. Packer's assertion that capital equipment expenditures are one-time events,[77] since unless PFAS-related pollution goes to zero, capital equipment will eventually wear out and need replacing, along with ongoing corresponding maintenance expenses continuing to be incurred. While I accept that overall costs will increase due to addressing any new PFAS rules, Mr. Packer has not effectively responded to my concern that other costs may go down, like chemicals or other related expenses, when new types of filtration devices are installed to address PFAS.

With respect to substantiality, the Company indicated in its filing that approximately $300,000,000 would be necessary for related capital investments to meet the anticipated 2029 deadline and that $15[78] million in incremental operating expenses ($300 million x 0.05) is expected to be incurred.[79] However, keeping this in perspective, that $300 million in capital investments would not all be incurred in a single year, and even if it was, that equates to 6% of the Company's FPFTY rate base claim in this proceeding.[80] If the Company invests that $300 million in capital investments equally between 2025 and 2028 over a four-year period, that equates to 1.5% of rate base per year. Also, one would presume that the Company included its necessary FPFTY PFAS investments in its rate base

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77 Aqua Statement No. 1-R, p. 5.

78 The incremental O&M expenses associated with PFAS treatment were originally miscalculated as $1,500,000 in I&E Statement No. 1, p. 41 lines 7-8.

79 I&E Statement No. 1, p. 41 and Aqua Statement No. 1, pp. 19-21.

80 Water Base, $4,318,244,039 + Water Shenandoah, $16,013,341 + WW Base, $392, 798,320 + WW Lower Makefield, $50,447,179 = $4,777,502,933 which excludes consideration of East Whiteland. Total PFAS capital investments of $300 million divided by $4,778 million in total rate base = 6%.

claim in this proceeding. Since the Company claims additions of ~$322M to plant in the FPFTY, which is only ~$9M greater than its claimed FTY additions of ~$313M,[81] it would seem to indicate that the Company is able to include PFAS capital costs in its plant claims without causing substantial year-over-year anomalies in its capital investment budget, which further supports my position that rate case treatment is adequate to address this ongoing issue. Thus, while the total dollar amount is compelling, one needs to look at the total picture before drawing a conclusion. Aside from that and further supporting my position that separate deferred asset treatment is unnecessary, Aqua insists that it will file its next rate case in two years.

Even if the Commission disagrees with my recommendation to address related costs in base rate proceedings via routine channels, I disagree that the Commission is out of time to address this issue via a statewide determination. Any decision to allow deferral treatment of PFAS-related costs should not be determined in a base rate proceeding for a single utility. Mr. Packer's contention that a docketed proceeding and subsequent Commission Order authorizing affected public utilities to track and defer specific issue-related costs cannot occur with efficiency is not supported by recent history. The May 13, 2020 Secretarial Letter regarding *COVID-19 Cost Tracking and Creation of Regulatory Asset, Docket No. M-2020-3019775* (May 13, 2020 Secretarial Letter), was entered less

[81] Aqua Exhibit 1-A, Schedule G-2, p. 1.

than two months after the March 13, 2020 Emergency Order was ratified.[82] At the very worst interpretation, the May 13, 2020 Secretarial Letter was delivered just shy of four months after the first known case of COVID-19 in the United States.[83] The May 13, 2020 Secretarial Letter set the framework for public utilities to track costs and create a regulatory asset to be assessed for recovery in a future rate case, refuting the Company's contention that the Commission does not have time to act on a state-wide basis to address this issue.

Q. DO YOU HAVE ANY CHANGES TO YOUR RECOMMENDATION FOR THE COMPANY'S PFAS TREATMENT COSTS DEFERRAL?

A. No. First, Aqua should be building these costs into its FPFTY budget, and by Aqua's standards will be filing relatively frequent rate cases where FPFTY budgets can continue to be updated in each base rate proceeding. PFAS related costs are seemingly indefinite and recurring, and, therefore, should be considered routine as we move forward, and should be built into each utility's budget in a rate proceeding. However, if the Commission deems that deferral treatment is necessary, I recommend that be determined outside of this rate case in a separate proceeding that addresses all affected water and wastewater utilities since Aqua is not the only water/wastewater utility affected by the more stringent standard.

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[82] *Public Utility Service Termination Moratorium Proclamation of Disaster Emergency-COVID-19*, Docket No. M-2020-3019244 (Emergency Order Ratified March 26, 2020).

[83] Brief Report: First Case of 2019 Novel Coronavirus in the United States - PMC (nih.gov), accessed September 18, 2024.

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes.

I&E Statement No. 2
Witness: Christopher Keller

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA, INC.
&
AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Direct Testimony

of

Christopher Keller

Bureau of Investigation and Enforcement

Concerning:

Rate of Return

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INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Christopher Keller. My business address is Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Pennsylvania Public Utility Commission (Commission) in the Bureau of Investigation & Enforcement (I&E) as a Fixed Utility Financial Analyst.

Q. SUMMARIZE YOUR EDUCATION AND EMPLOYMENT HISTORY.

A. An outline of my education and employment history is attached as Appendix A.

Q. PLEASE DESCRIBE THE ROLE OF I&E IN RATE PROCEEDINGS.

A. I&E is responsible for protecting the public interest in proceedings before the Commission. I&E's analysis in this proceeding is based on its responsibility to represent the public interest. This responsibility requires balancing the interests of ratepayers, the regulated utility, and the regulated community as a whole.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to review the base rate filing of Aqua

Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc., (referred to collectively as Aqua or Company) and make recommendations regarding the Company's rate of return, including capital structure, cost of long-term debt, the cost of equity, and the overall fair rate of return for the fully projected future test year (FPFTY) ending December 31, 2025.

Q. DOES YOUR TESTIMONY INCLUDE AN EXHIBIT?

A. Yes. I&E Exhibit No. 2 contains schedules that support my direct testimony.

BACKGROUND

Q. WHAT IS THE GENERAL DEFINITION OF RATE OF RETURN IN THE CONTEXT OF A BASE RATE CASE?

A. Rate of return is one of the components of the revenue requirement formula. Rate of return is the amount of revenue an investment generates in the form of net income. It is typically expressed as a percentage of the amount of an asset base at a particular point in time, which in base rate proceedings, is the projected rate base balance at the end of the FPFTY.

Q. WHAT IS THE REVENUE REQUIREMENT FORMULA?

A. The revenue requirement formula used in base rate cases is as follows:

$$RR = E + D + T + (RB \times ROR)$$

Where:

RR = Revenue Requirement

E = Operating Expenses

D = Depreciation Expense

T = Taxes

RB = Rate Base

ROR = Overall Rate of Return

In the above formula, the rate of return is expressed as a percentage. The calculation of that percentage is independent of the determination of the appropriate rate base value for ratemaking purposes. As such, the appropriate total dollar return is dependent upon the proper computation of the rate of return and the proper valuation of the Company's rate base.

Q. WHAT CONSTITUTES A FAIR AND REASONABLE OVERALL RATE OF RETURN?

A. A fair and reasonable overall rate of return is one that will allow the utility an *opportunity* to recover those costs prudently incurred by all classes of capital used to finance the rate base during the prospective period in which its rates will be in effect.

The *Bluefield Water Works & Improvements Co. v. Public Service Comm. of West Virginia,* 262 U.S. 679, 692-93 (1923), and the *FPC v. Hope Natural Gas Co.,* 320 U.S. 591, 603 (1944) cases set forth the principles that are generally accepted by regulators throughout the country as the appropriate criteria for measuring a fair rate of return:

1. A utility is entitled to a return similar to that being earned by other enterprises with corresponding risks and uncertainties, but not as high as those earned by highly profitable or speculative ventures.
2. A utility is entitled to a return level reasonably sufficient to assure financial soundness.
3. A utility is entitled to a return sufficient to maintain and support its credit and raise necessary capital.
4. A fair return can change (increase or decrease) along with economic conditions and capital markets.

Q. EXPLAIN HOW THE OVERALL RATE OF RETURN IS TRADITIONALLY CALCULATED IN BASE RATE PROCEEDINGS.

A. In base rate proceedings, the overall rate of return is traditionally calculated using the weighted average cost of capital method. To calculate the weighted average cost of capital, a company's capital structure must first be determined by comparing the percentage of each capitalization component, which has financed rate base, to total capital. Next, the effective cost rate of each capital structure component must be determined. The historical component of the cost rate of debt can be computed accurately, and any future debt issuances are based on estimates. The cost rate of common equity is not fixed and is more difficult to measure. Because of this difficulty, a proxy group is used as discussed later in this testimony. Next, each capital structure component percentage is multiplied by its

corresponding effective cost rate to determine the weighted capital component cost rate. The I&E table in the *"I&E Position"* section below demonstrates the interaction of each capital structure component and its corresponding effective cost rate. Finally, the sum of the weighted cost rates produces the overall rate of return. This overall rate of return is multiplied by the rate base to determine the return portion of a company's revenue requirement.

COMPANY'S RATE OF RETURN CLAIM

Q. WHO IS THE COMPANY'S RATE OF RETURN WITNESS?

A. Aqua witness Paul R. Moul is the primary witness addressing rate of return.[1] Mr. Moul provided analysis for the claimed capital structures, long-term debt, and cost of common equity for Aqua. Additionally, Aqua witnesses William C. Packer[2] and Todd M. Duerr[3] provide testimony regarding the Company's "Management Performance" claims.

Q. PLEASE SUMMARIZE THE COMPANY'S RATE OF RETURN CLAIM.

A. Mr. Moul recommends the following rate of return for the Company for water and wastewater based on its FPFTY ending December 31, 2025:[4]

[1] Aqua Statement No. 7.
[2] Aqua Statement No. 1.
[3] Aqua Statement No. 11.
[4] Aqua Exhibit 4-A, Schedule 1, p. 1.

Summary of Cost of Capital			
Type of Capital	**Ratio**	**Cost Rate**	**Weighted Cost**
	Aqua Pennsylvania, Inc.		
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	10.95%	5.91%
Total	100.00%		7.90%

I&E POSITION

Q. PLEASE SUMMARIZE YOUR RATE OF RETURN RECOMMENDATION.

A. I recommend the following rate of return for the Company for water and wastewater:[5]

Summary of Cost of Capital			
Type of Capital	**Ratio**	**Cost Rate**	**Weighted Cost**
	Aqua Pennsylvania, Inc.		
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	9.37%	5.06%
Total	100.00%		7.05%

PROXY GROUP

Q. WHAT IS A PROXY GROUP AS USED IN BASE RATE CASES?

A. A proxy group is a set of companies that have similar traits in comparison to the subject utility. This group of companies acts as a benchmark for determining the subject utility's rate of return in a base rate case.

[5] I&E Exhibit No. 2, Schedule 1.

Q. WHAT ARE THE REASONS FOR USING A PROXY GROUP?

A. A proxy group's cost of equity is used as a benchmark to satisfy the long-established guideline of utility regulation that seeks to provide the subject utility with the opportunity to earn a return similar to that of enterprises with corresponding risks and uncertainties.

A proxy group is typically utilized since the use of data exclusively from one company may be less reliable. The lower reliability occurs because the data for one company may be subject to events that can cause short-term anomalies in the marketplace. The rate of return on common equity for a single company could become distorted in these circumstances and would therefore not be representative of similarly situated companies. Therefore, a proxy group has the effect of smoothing out potential anomalies associated with a single company.

Q. DO ANY OF THE CRITERIA YOU USE IN SELECTING YOUR PROXY GROUP REQUIRE THAT THE COMPANIES SELECTED ARE WASTEWATER UTILITIES?

A. No. Few, if any, publicly held 'wastewater only' utilities exist because most water companies have diversified their business to include wastewater operations. Accordingly, this type of criterion would produce an insufficient sample of companies for my proxy group, adversely affecting the calculation of a fair cost of equity for the subject utility. Additionally, as listed as one of my criteria below, Value Line does not specifically cover the wastewater industry. Therefore, as is

common practice for wastewater utility cost of equity analyses, my proxy group consists of regulated water utility companies.

Q. WHAT CRITERIA DID YOU USE IN SELECTING YOUR WATER INDUSTRY PROXY GROUP?

A. The criteria for my proxy group was designed to select companies that are representative of Aqua. I applied the following criteria to Value Line's Water Utility company group:

1. Fifty percent or more of the company's revenues must be generated from the regulated water utility industry.
2. The company's stock must be publicly traded.
3. Investment information for the company must be available from more than one source, which includes Value Line.
4. The company must not be currently involved/targeted in an announced material merger or acquisition.
5. The company must have four consecutive years of historic earnings data.

Q. WHAT CRITERIA DID MR. MOUL USE IN SELECTING HIS WATER PROXY GROUP COMPANIES?

A. Mr. Moul determined his proxy group of eight water companies by using the

following criteria:[6]

1. The company must be listed in the 'Water Utility Industry' section (basic and expanded) of the Value Line Investment Survey; and
2. The company's stock must be publicly traded.

Q. WHAT PROXY GROUP DID YOU USE IN YOUR ANALYSIS?

A. I include the following six companies in my proxy group:[7]

American Water Works	AWK
American States Water Co	AWR
California Water Service Group	CWT
Middlesex Water Co	MSEX
SJW Group	SJW
Essential Utilities	WTRG

Q. WHAT PROXY GROUP DID MR. MOUL USE IN HIS ANALYSIS?

A. Mr. Moul has included the following eight companies in his Water Group:[8]

American Water Works	AWK
American States Water Co	AWR
Artesian Resources Corp.	ARTNA
California Water Service Group	CWT
Middlesex Water Co	MSEX
SJW Group	SJW
Essential Utilities	WTRG
York Water Company	YORW

[6] Aqua Statement No. 7, p. 14, lines 11-13.
[7] I&E Exhibit No. 2, Schedule 2.
[8] Aqua Exhibit 4-A, Schedule 3, p. 2.

Q. DO YOU AGREE WITH MR. MOUL'S WATER PROXY GROUP?

A. Not entirely. While we do have six companies that match, he uses two companies that I do not.

Q. PLEASE LIST THE COMPANIES MR. MOUL HAS INCLUDED THAT YOU DO NOT AND EXPLAIN WHY YOU HAVE EXCLUDED THEM FROM YOU PROXY GROUP.

A. The companies Mr. Moul included in his Water Group that I have excluded from my proxy group are Artesian Resources Corporation and York Water Company. I excluded these companies because no Value Line reports were available for these companies; therefore, I could not measure its growth forecast and projected dividend yield.

CAPITAL STRUCTURE

Q. WHAT IS A CAPITAL STRUCTURE?

A. A capital structure represents how a firm has financed its rate base with different sources of funds. The primary funding sources are long-term debt and common equity. A capital structure may also include preferred stock and/or short-term debt, which is not the case for Aqua.

Q. WHAT IS THE COMPANY'S CLAIMED CAPITAL STRUCTURE?

A. The Company's claimed capital structure is summarized in the table below:[9]

Type of Capital	Ratio
Long-Term Debt	46.05%
Common Equity	53.95%
Total	**100.00%**

Q. WHAT IS THE BASIS FOR THE COMPANY'S CLAIMED CAPITAL STRUCTURE?

A. Mr. Moul stated that because Aqua raises its own debt directly in the capital markets, the actual capital structure for the Company should be used in determining the overall rate of return.[10]

Q. WHAT IS YOUR RECOMMENDATION REGARDING THE COMPANY'S CAPITAL STRUCTURE?

A. I recommend using the Company's claimed capital structure as presented in the table above.

Q. WHAT IS THE BASIS FOR YOUR CAPITAL STRUCTURE RECOMMENDATION?

A. Although I believe a capital structure of 50% long-term debt and 50% common

[9] Aqua Statement No. 7, p. 20, lines 19-21 and Aqua Exhibit 4-A, Schedule 1, p. 1.
[10] Aqua Statement No. 7, p. 19, lines 19-25.

equity is optimal when trying to balance the financial integrity of a utility as well as trying to control costs to ratepayers, in this proceeding, I recommend using the Company's claimed capital structure as it falls within the range of my proxy group's 2023 (most recent available) capital structures. The average capital structure of my proxy group for the past five years consists of long-term debt ratios ranging from 44.06% to 58.08% and equity ratios ranging from 41.92% to 55.63%, with a five-year average of 50.76% for long-term debt and 49.19% for common equity.[11]

It should be noted that the Company's equity ratio is well above the average and near the higher end of the proxy group's equity ratios. It should also be noted that three of the six companies in my proxy group have a capital structure where the equity ratio is less than 50% for the most recent five-year average, and four of the six are below 50% equity in the most recently published year (2023). This equity heavy capital structure must be recognized when considering Aqua's financial risk, as higher equity ratios generally correspond with lower financial risk as acknowledged by Mr. Moul.[12]

[11] I&E Exhibit No. 2, Schedule 2.
[12] Aqua Statement No. 7, p. 16, lines 11-14.

Q. WHAT IS THE COST SAVINGS TO RATEPAYERS IF THE COMPANY WERE TO EMPLOY A 50/50 CAPITAL STRUCTURE COMPARED TO THE COMPANY'S FILED CAPITAL STRUCTURE?

A. The example below shows the cost savings to ratepayers if the Company were to employ a 50% long-term debt and 50% common equity capital structure in its cost of capital while maintaining its claimed return on equity and rate base:

Aqua Pennsylvania, Inc. - Water Operations			
AS FILED CAPITAL STRUCTURE			
Type of Capital	**Ratio**	**Cost Rate**	**Weighted Cost Rate**
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	10.95%	5.91%
Total	100.00%		7.90%
50/50 HYPOTHETICAL CAPITAL STRUCTURE			
Type of Capital	**Ratio**	**Cost Rate**	**Weighted Cost Rate**
Long-Term Debt	50.00%	4.32%	2.16%
Common Equity	50.00%	10.95%	5.48%
Total	100.00%		7.64%
Difference In the Overall Rate of Return (7.90% - 7.64% = 0.26%)			0.26%
Claimed Rate Base*			$4,318,247,093
Impact Prior to Gross Revenue Conversion Factor (.0026 x $4,318,247,093)			**$11,227,442**
Gross Revenue Conversion Factor**			1.39073
Total Impact ($11,227,442 x 1.39073)			**$15,614,340**
*Aqua Exhibit 1-A, Schedule G-1, Line 15. **Aqua Exhibit No. 1-A, Schedule A-5, Line 14.			

Aqua Pennsylvania, Inc. - Wastewater Operations			
AS FILED CAPITAL STRUCTURE			
Type of Capital	**Ratio**	**Cost Rate**	**Weighted Cost Rate**
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	10.95%	5.91%
Total	100.00%		7.90%
50/50 HYPOTHETICAL CAPITAL STRUCTURE			
Type of Capital	**Ratio**	**Cost Rate**	**Weighted Cost Rate**
Long-Term Debt	50.00%	4.32%	2.16%
Common Equity	50.00%	10.95%	5.48%
Total	100.00%		7.64%
Difference In the Overall Rate of Return (7.90% - 7.64% = 0.26%)			0.26%
Claimed Rate Base*			$392,798,320
Impact Prior to Gross Revenue Conversion Factor (.0026 x $392,798,320)			**$1,021,276**
Gross Revenue Conversion Factor**			1.39937
Total Impact ($1,021,276 x 1.39937)			**$1,429,143**
*Aqua Exhibit 1-C, Schedule G-1, Line 15. **Aqua Exhibit No. 1-C, Schedule A-5, Line 14.			

In this example, if the Company were to employ a 50/50 capital structure with no change to the requested return on equity (with which I do not agree and will discuss later in my testimony), the cost savings to ratepayers would be $15,614,340 and $1,429,143 annually for water and wastewater customers, respectively. While I understand achieving and maintaining an exact 50/50 capital structure is not always feasible, this example demonstrates Aqua's financial

security as compared to its peers and illustrates that Mr. Moul's "add-ons" to his cost of equity calculations are unnecessary.

COST OF LONG-TERM DEBT

Q. WHAT IS THE COMPANY'S CLAIMED COST RATE OF LONG-TERM DEBT?

A. The Company's claimed long-term debt cost rate is 4.32% for the FPFTY.[13]

Q. WHAT IS YOUR RECOMMENDATION REGARDING THE COMPANY'S COST RATE OF LONG-TERM DEBT?

A. I recommend using the Company's long-term debt cost rate of 4.32%.

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION TO USE THE COMPANY'S COST RATE OF LONG-TERM DEBT?

A. The Company's claimed cost rate for long-term debt of 4.32% is representative of the industry as it falls within my proxy group's 2023 implied long-term debt cost range of 3.64% to 4.96%, with an average implied long-term debt cost of 4.37%. Additionally, the Mergent Bond Record shows an average yield of 5.68% for the period June 2023 through May 2024 for A-rated public utility bonds.[14] Therefore, I

[13] Aqua Statement No. 7, p. 22, lines 8-9 and Exhibit 4-A, Schedule 6, p. 3.
[14] I&E Exhibit No. 2, Schedule 3.

believe that the Company's claim is representative of the utility industry and recommend it be used in this proceeding.

COST OF COMMON EQUITY

Common Methods

Q. WHAT METHODS ARE COMMONLY PRESENTED BY UTILITIES IN DETERMINING THE COST OF COMMON EQUITY?

A. Four methods commonly presented to estimate the cost of common equity are the Discounted Cash Flow (DCF) Method, the Capital Asset Pricing Model (CAPM), the Risk Premium (RP) Method, and the Comparable Earnings (CE) Method.

Q. WHAT IS THE THEORETICAL BASIS FOR THE DCF METHOD?

A. The DCF method is the "dividend discount model" of financial theory, which maintains that the value (price) of any security or commodity is the discounted present value of all future cash flows. The DCF method assumes that investors value of a financial asset is determined by its earning power, or its ability to generate future cash flows.

Q. WHAT IS THE THEORETICAL BASIS FOR THE CAPM?

A. The CAPM describes the relationship of a stock's investment risk and its market rate of return. It identifies the rate of return investors expect so that it is comparable with returns of other stocks of similar risk. This method hypothesizes

that the investor-required return on a company's stock is equal to the return on a "risk free" asset plus an equity premium reflecting the company's investment risk. In the CAPM, two types of risk are associated with a stock: (1) firm-specific risk (unsystematic risk); and (2) market risk (systematic risk), which is measured by a firm's beta. The CAPM allows for investors to receive a return only for bearing systematic risk. Unsystematic risk is assumed to be diversified away, and therefore, does not earn a return.

Q. WHAT IS THE THEORETICAL BASIS FOR THE RP METHOD?

A. The theoretical basis for the RP method is a simplified version of the CAPM. The RP method's theory is that common stock is riskier than debt, thus, investors require a higher expected return on stocks than bonds. In the RP approach, the cost of equity is made up of the cost of debt and a risk premium. While the CAPM uses the market risk premium, it also directly measures the systematic risk of a company group through the use of beta. The RP method does not measure the specific risk of a company.

Q. WHAT IS THE THEORETICAL BASIS FOR THE CE METHOD?

A. The CE method utilizes the concept of "opportunity cost." This means that investors will likely dedicate their capital to the investment offering the highest return with similar risk to alternative investments. Unlike the DCF, CAPM, and the RP methods, the CE method is not market-based and relies upon historic

accounting data. Similar to the RP method, CE method does not measure the specific risk of a company. The most problematic issue with the CE method is determining what constitutes comparable companies.

Q. WHAT METHOD DO YOU RECOMMEND USING TO DETERMINE AN APPROPRIATE COST OF COMMON EQUITY FOR AQUA?

A. I recommend using the DCF method as the primary method to determine the cost of common equity. I provide the results of my CAPM as a comparison, and not as a check, to the DCF results. The Commission has historically relied primarily upon the DCF results in base rate proceedings, including as recently as 2017, 2018, 2020, and 2021.[15]

Q. PLEASE EXPLAIN WHY YOU CHOSE TO USE THE DCF AS THE PRIMARY METHOD IN YOUR ANALYSIS.

A. I have used the DCF for a variety of reasons. First, the DCF is appealing to investors as it is based upon the concept that the receipt of dividends in addition to the expected appreciation is the total return requirement determined by the

[15] *Pa. PUC v. City of DuBois – Bureau of Water*; Docket No. R-2016-2554150 (Order Entered March 28, 2017). *See generally* Disposition of Cost Rate Models, pp. 96-97; *Pa. PUC v. UGI Utilities, Inc. – Electric Division;* Docket No. R-2017-2640058 (Order Entered October 25, 2018). *See generally* Disposition of Cost of Common Equity, p. 119; *Pa. PUC v. Wellsboro Electric Company;* Docket No. R-2019-3008208 (Order Entered April 29, 2020). *See generally* Disposition of Primary Methodology to Determine ROE, pp. 80-81; *Pa. PUC v. Citizens Electric Company of Lewisburg, PA;* Docket No. R-2019-3008212 (Order Entered April 29, 2020). *See generally* Disposition of Cost of Common Equity, pp. 91-92. *Pa. PUC v. Columbia Gas of Pennsylvania, Inc.;* Docket No. R-2020-3018835 (Order Entered February 19, 2021). *See generally* Disposition of Cost of Common Equity, p. 131. Pa. PUC v. PECO Energy Company – Gas Division; Docket No. R-2020-3018929 (Order Entered June 22, 2021). See generally Disposition of Return of Rate on Common Equity, p. 171.

market.[16] Second, the use of a growth rate and expected dividend yield are also strengths of the DCF, as this recognizes the time value of money and is forward-looking. Third, the use of the utilities' own, or in this case, the proxy group's stock prices and growth rates directly in the calculation also causes the DCF to be industry and company specific. Finally, the current inflationary and economic trends are most certainly reflected in a stock's price, which is used in determining the dividend yield, and considered by independent professional analysts who generate forecasted earnings growth rates. Therefore, the DCF contains the most up-to-date projected information of any model and is the superior method for determining the rate of return for the current economic market because it measures the cost of equity directly.

Q. PLEASE EXPLAIN WHY YOU CHOSE TO USE THE CAPM AS A COMPARISON TO THE DCF IN YOUR ANALYSIS.

A. I have included a CAPM analysis only as a comparison, and not as a basis, for my recommendation because both the CAPM and the DCF include inputs that allow the results to be specific to the utility industry. However, the CAPM is based on the performance of U.S. Treasury bonds and the performance of the market as measured through the S&P 500 and is company-specific only through the use of beta. Beta reflects a stock's volatility relative to the overall market, thereby

[16] David C. Parcell, "The Cost of Capital – A Practitioner's Guide," 2020 Edition, p. 153.

incorporating an industry-specific aspect to the CAPM, but only as a measure of how reactive the industry is compared to the market as a whole. Although changes in the utility industry are more likely to be accurately reflected in the DCF, which uses the companies' actual prices, dividends, and growth rates, I have included the results of my CAPM analysis because changes in the market, whether as a whole or specific to the utility industry, affect the outcome of each method in different ways. Although I have provided the results of the CAPM as a comparison and not as a check, it does have several disadvantages and should not be given comparable weight to the DCF method.

Q. EXPLAIN THE DISADVANTAGES OF THE CAPM.

A. Beta, which is the only company-specific variable in the CAPM model, measures the *historical* volatility of a stock compared to the *historical* overall market return. Reliance on historical values is especially problematic now given the recent impacts of the COVID-19 pandemic and subsequent interest rate environment on economic conditions. Therefore, the DCF method is the superior method for determining the rate of return for the current economic market and measuring the cost of equity directly. The CAPM, and similarly the RP method, are less reliable indicators because they measure the cost of equity indirectly and risk premiums vary depending on the debt and equity being compared.

Q. IS THERE ANY ACADEMIC EVIDENCE THAT QUESTIONS THE CREDIBILITY OF THE CAPM MODEL?

A. Yes. An article, "Market Place; A Study Shakes Confidence in the Volatile-Stock Theory," which appeared in the *New York Times* on February 18, 1992, summarized a CAPM study conducted by professors Eugene F. Fama and Kenneth R. French.[17] Their study examined the importance of beta, CAPM's risk factor, in explaining returns on common stock. In CAPM theory a stock with a higher beta should have a higher expected return. However, they found that the model did not do well in predicting actual returns and suggested the use of more elaborate multi-factor models.

A more recent article, "The Capital Asset Pricing Model: Theory and Evidence," which appeared in the *Journal of Economic Perspectives,* states that "the attraction of the CAPM is that it offers powerful and intuitively pleasing predictions about how to measure risk and the relation between expected return and risk. Unfortunately, the empirical record of the model is poor - poor enough to invalidate the way it is used in applications."[18] As a result, I conclude that the CAPM's relevance to the investment decision making process does not carry over into the regulatory rate setting process.

[17] Berg, Eric N. "Market Place; A Study Shakes Confidence in the Volatile-Stock Theory" *The New York Times*, 18 Feb 1992: *nytimes.com* Web. 23 Mar 2016.

[18] Fama, Eugene F. and French, Kenneth R., "The Capital Asset Pricing Model: Theory and Evidence." *Journal of Economic Perspectives* (2004): Volume 18, Number 3, pp. 25-46.

Q. PLEASE EXPLAIN WHY YOU HAVE CHOSEN TO EXCLUDE THE RP METHOD FROM YOUR ANALYSIS.

A. The RP method is excluded because it is a simplified version of the CAPM and is subject to the same faults listed above. Additionally, unlike the CAPM, the RP method does not recognize company-specific risk through beta.

Q. EXPLAIN WHY YOU HAVE CHOSEN TO EXCLUDE THE CE METHOD IN YOUR ANALYSIS.

A. The CE method is excluded because the choice of which companies are comparable is highly subjective, and it is debatable whether historic accounting values are representative of the future. Moreover, its historical usage in this regulatory forum has been minimal.

Q. ARE THERE ANY RECENT COMMISSION ORDERS THAT DEVIATE FROM THE USE OF THE DCF AS THE PRIMARY METHOD IN DETERMINING A COMPANY'S RETURN ON EQUITY?

A. Yes. The Commission indicated in Aqua's 2021 base rate case order that its method "for determining Aqua's ROE shall utilize both I&E's DCF and CAPM methodologies"[19] and that "I&E's DCF and CAPM produce a range of reasonableness for the ROE…",[20] which deviates from the historical Commission

[19] *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, pp. 154 (Order entered May 16, 2022).

[20] *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, pp. 178 (Order entered May 16, 2022).

practice of primarily relying on the DCF. Additionally, the Commission's Columbia Water Company (Columbia Water) base rate case order relied on the results of I&E's DCF and CAPM analyses for determining Columbia Water's ROE.[21] Finally, in the most recent Pennsylvania-American Water Company (PAWC) case, the Commission agreed with the ALJ's recommended ROE which was based on the average of I&E's DCF and CAPM analyses.

Q. SHOULD THE COMMISSION'S USE OF THE CAPM AS A CEILING FOR A "RANGE OF REASONABLENESS" APPLY IN THIS PROCEEDING?

A. No. In a report issued by Regulatory Research Associates, a group within S&P Global Market Intelligence,[22] Aqua's ROE of 10.00% was stated as being above the national average for water utility base rate cases and above the Distribution System Improvement Charge (DSIC) rate authorized by the Commission of 9.80%[23] for water and wastewater utilities for the year ended December 31, 2021. This DSIC rate for water and wastewater utilities has since decreased by 15 basis points to 9.65% for the year ended March 31, 2023[24] and has remained at 9.65%

[21] *Pa. PUC v. Columbia Water Company,* Docket No. R-2023-3040258, p. 105 (Order entered January 18, 2024).

[22] Regulatory Research Associates, "Commission Authorizes Management Performance Bonus for Aqua Pennsylvania," *S&P Global Market Intelligence*, May 16, 2022.

[23] PA Public Utility Commission, Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended December 31, 2021, p. 27, approved at Public Meeting on June 16, 2022, at Docket No. M-2022-3032405.

[24] PA Public Utility Commission, Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended March 31, 2023, p. 27, approved at Public Meeting on July 13, 2023 at Docket No. M-2023-3041106.

for the years ended June 30, 2023,[25] September 30, 2023,[26] December 31, 2023,[27] and March 31, 2024.[28] The above referenced S&P report, which directly reviews Aqua's ROE of 10.00% on the very date the Commission entered its order in Aqua's rate case demonstrated that the ROE awarded to Aqua was higher than average. Specifically, the S&P report determined that the average ROE for water utility base rate cases that have been completed during the first four months of 2022 was 9.63% and for the twelve months ended April 30, 2022 was 9.53%, each of which were well below the 10.00% ROE authorized by the Commission for Aqua. This demonstrates the unreasonable skewing of results associated with using the CAPM as a ceiling for determining a utility's ROE.

In the Columbia Water order, the Commission noted that I&E's DCF and CAPM produced a range of reasonableness for the ROE from 7.84% to 11.09% and approved an ROE of 9.75% as reasonable and appropriate for that company, which is based upon consideration of a variety of factors such as increasing inflation leading to increases in interest rates and capital costs.[29] I respectfully

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[25] PA Public Utility Commission, Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended June 30, 2023, p. 27, approved at Public Meeting on October 19, 2023 at Docket No. M-2023-3042679.

[26] PA Public Utility Commission, Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended September 30, 2023, p. 27, approved at Public Meeting on January 18, 2024 at Docket No. M-2023-3044811.

[27] PA Public Utility Commission, Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended December 31, 2023, p. 27, approved at Public Meeting on May 9, 2024 at Docket No. M-2024-3048688.

[28] PA Public Utility Commission, Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended March 31, 2024, p. 27, approved at Public Meeting on August 1, 2024 at Docket No. M-2024-3049527.

[29] *Pa. PUC v. Columbia Water Company,* Docket Nos. R-2023-3040258, pp. 108-109 (Order entered January 18, 2024).

disagree with the Commission's basis (current inflation and interest rates) for determining Columbia Water's ROE of 9.75%. I have presented and discussed below the forecasted lower-level inflation rates, and the Federal Reserve's intention to cut interest rates in 2024-2025, which would have the effect of reducing potential inflation and interest rate risks in the capital costs in 2025, when Aqua's new rates will be in effect.

Additionally, in the PAWC case, the Commission stated, "…we do not strictly endorse averaging the DCF and CAPM in other proceedings where it is determined that methodologies other than the DCF are necessary to determine the utility's ROE."[30]

Finally, as I explained above, the CAPM should not be used as a primary method, and it should only be used as a comparison and not as a check of the DCF.

Q. PLEASE COMMENT ON CURRENT INFLATION AND INTEREST RATE CONCERNS.

A. First, I cannot dispute the current economic conditions with respect to increased interest rates and government bond yields, however, it is important to note that all companies, including regulated utilities, are impacted by high interest rates. Per the most recent monthly Blue Chip Financial Forecasts,[31] the 2024-2025 inflation

[30] *Pa. PUC v. Pennsylvania-American Water Company*, Docket Nos. R-2023-3043189 and R-2023-3043190, pp. 194 195 (Order Entered July 22, 2024).

[31] Blue Chip Financial Forecasts, Vol. 43, No. 6, May 31, 2024, p. 2.

rates by two measures are forecasted to be slightly over 2% as shown in the table below:

	Q2 2024	**Q3 2024**	**Q4 2024**	**Q1 2025**	**Q2 2025**	**Q3 2025**
Consumer Price Index	3.5%	2.7%	2.5%	2.4%	2.4%	2.4%
PCE Price Index	2.9%	2.3%	2.2%	2.3%	2.2%	2.2%

It is my understanding that the Federal Reserve intends to cut interest rates toward the end of 2024 through 2025. This coupled with the forecasted lower-inflation rates would have the effect of reducing potential inflation and interest rate risks in capital costs during the FPFTY, when Aqua's rates will be in effect.

It is important to note that unlike unregulated companies, public utilities may file rate cases to address unforeseen or increased expenses and/or revenue shortfalls due to changes in market conditions.

Lastly, as discussed above, I reiterate that the current inflationary and economic trends are most certainly reflected in DCF results because it uses the stock's price and projected dividend rate, which are used in determining the forecasted dividend yield, and the forecasted five-year earnings growth rates of independent professional analysts. Therefore, the DCF with the most up-to-date projected information is the superior forward-looking method for determining the rate of return for the current economic market.

SUMMARY OF THE COMPANY'S RESULTS

Q. WHAT ARE THE RESULTS OF THE COMPANY'S COST OF EQUITY ANALYSES?

A. Mr. Moul used the DCF, CAPM, RP, and CE methods in analyzing the Company's cost of equity. He made several adjustments to his results, which include consideration for size, various claimed risk factors, and leverage.[32] Ultimately, Mr. Moul opined that a cost of equity of 10.95% is warranted due to Aqua's risk characteristics, the general condition of the capital markers, and strong management performance.[33]

I&E RECOMMENDATION

Q. WHAT IS YOUR RECOMMENDED COST OF COMMON EQUITY FOR AQUA?

A. Based upon my analysis, I recommend a cost of common equity of 9.37%.[34]

Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. My recommendation is based on the use of the DCF method. As explained above, I used my CAPM result only to present to the Commission a comparison and not as a check to my DCF results. My DCF analysis uses a spot dividend yield, a 52-week dividend yield, and earnings growth forecasts.

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[32] Aqua Statement No. 7, p. 6, line 9 through p. 8, line 3 and Aqua Exhibit 4-A, Schedule 1, p. 2.
[33] Aqua Statement No. 7, p. 48, lines 1-11.
[34] I&E Exhibit No. 2, Schedule 1.

Discounted Cash Flow

Q. PLEASE EXPLAIN YOUR DCF ANALYSIS.

A. My analysis employs the constant growth DCF model as portrayed in the following formula:

$$K = D_1/P_0 + g$$

Where:

K	=	Cost of equity
D_1	=	Dividend expected during the year
P_0	=	Current price of the stock
g	=	Expected growth rate

When a forecast of D_1 is not available, D_0 (the current dividend) must be adjusted by one half of the expected growth rate to account for changes in the dividend paid in period one. As forecasts for each company in my proxy group were available from Value Line, no dividends were adjusted for the purpose of my analysis.

Q. PLEASE EXPLAIN HOW YOU DEVELOPED THE DIVIDEND YIELDS USED IN YOUR DCF ANALYSIS.

A. A representative dividend yield must be calculated over a time frame that avoids the problems of both short-term anomalies and stale data series. For my DCF analysis, the dividend yield calculation places equal emphasis on the most recent spot and the 52-week average dividend yields. The following table summarizes

my dividend yield computations for the proxy group:[35]

Six-Company Proxy Group	Dividend Yield
Spot	2.88%
52-week Average	2.63%
Average	2.76%

Q. WHAT INFORMATION DID YOU RELY UPON TO DETERMINE YOUR EXPECTED GROWTH RATE?

A. I have used five-year projected growth rate estimates from Value Line, Yahoo! Finance, and Zacks.

Q. WHAT WERE THE RESULTS OF YOUR FORECASTED EARNINGS GROWTH RATES?

A. The expected average growth rates for my proxy group ranged from 2.70% to 10.80% with an overall average of 6.61%.[36]

Q. WHAT IS THE RESULT OF YOUR DCF ANALYSIS BASED ON YOUR RECOMMENDED DIVIDEND YIELD AND GROWTH RATE?

A. The results of my DCF analysis is calculated as follows:[37]

[35] I&E Exhibit No. 2, Schedule 4.
[36] I&E Exhibit No. 2, Schedule 5.
[37] I&E Exhibit No. 2, Schedule 6.

K	=	D_1/P_0	+	g
9.37%	=	2.76%	+	6.61%

Capital Asset Pricing Model

Q. PLEASE EXPLAIN YOUR CAPM ANALYSIS.

A. My analysis employs the traditional CAPM as portrayed in the following formula:

$$K = R_f + \beta(R_m - R_f)$$

Where:

K	=	Cost of equity
R_f	=	Risk-free rate of return
R_m	=	Expected rate of return on the overall stock market
β	=	Beta measures the systematic risk of an asset
$R_m - R_f$	=	Equity Risk Premium (ERP)

Q. WHAT IS BETA AS EMPLOYED IN YOUR CAPM ANALYSIS?

A. Beta is a measure of the systematic risk of a stock in relation to the rest of the stock market. A stock's beta is estimated by calculating the linear regression of a stock's return against the return on the overall stock market. The beta of a stock with a price pattern identical to that of the overall stock market will equal one. A stock with a price movement that is greater than the overall stock market will have a beta that is greater than one and would be described as having more investment risk than the market. Conversely, a stock with a price movement that is less than

the overall stock market will have a beta of less than one and would be described as having less investment risk than the market.

Q. HOW DID YOU DETERMINE BETA FOR YOUR CAPM ANALYSIS?

A. In estimating an equity cost rate for my proxy group of six water companies, I used the average of the betas for the companies as provided in the Value Line Investment Survey. The average beta for my proxy group is 0.83.[38]

Q. WHAT RISK-FREE RATE OF RETURN HAVE YOU USED FOR YOUR FORECASTED CAPM ANALYSIS?

A. I used the risk-free rate of return (R_f) from the projected yield on 10-year Treasury Notes. While the yield on the short-term T-Bill is a more theoretically correct parameter to represent a risk-free rate of return, it can be extremely volatile. The volatility of short-term T-Bills is directly influenced by Federal Reserve policy. At the other extreme, the 30-year Treasury Bond exhibits more stability but is not risk-free. Long-term Treasury Bonds have substantial maturity risk associated with market risk and the risk of unexpected inflation. Long-term treasuries normally offer higher yields to compensate investors for these risks. As a result, I used the yield on the 10-year Treasury Note because it mitigates the shortcomings of the other two alternatives. Additionally, the Commission has historically agreed

[38] I&E Exhibit No. 2, Schedule 7.

with I&E and recognized the 10-year Treasury Note as the superior measure of the risk-free rate of return.[39]

The forecasted yield on the 10-year Treasury Note, as can be seen in Blue Chip Financial Forecasts, is expected to be between 4.00% and 4.40% from the third quarter of 2024 through the third quarter of 2025, and it is forecasted to be 4.10% from 2026-2030. For my forecasted CAPM analysis, I used 4.18%, which is the average of all the yield forecasts I observed.[40]

Q. HOW DID YOU DETERMINE THE RETURN ON THE OVERALL STOCK MARKET IN YOUR FORECASTED CAPM ANALYSIS?

A. To arrive at a representative expected return on the overall stock market, I observed Value Line's 1700 stocks and the S&P 500 market returns. Value Line expects its universe of 1700 stocks to have an average yearly return of 12.77% over the next three to five years based on a forecasted dividend yield of 2.10% and a yearly index appreciation of 50%. The S&P 500 Index has an average return of 12.16% over the past 98 years.[41] I have averaged these two figures which results in an estimated market return of 12.46%.[42]

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[39] *Pa. PUC v. UGI Utilities, Inc. – Electric Division;* Docket No. R-2017-2640058 (Order Entered October 25, 2018). *See generally* Disposition of Capital Asset Pricing Model (CAPM), p. 99; *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, p. 154 (Order entered May 16, 2022); *Pa. PUC v. Columbia Water Company*; Docket No. R-2023-3040258 (Order Entered January 18, 2024). See generally Disposition of Cost of Common Equity, pp. 107-108. *Pa. PUC v. Pennsylvania-American Water Company;* Docket Nos. R-2023-3043189 and R-2023-3043190 (Order Entered July 22, 2024). *See generally* Disposition of Capital Asset Pricing Model (CAPM), pp. 171-172.

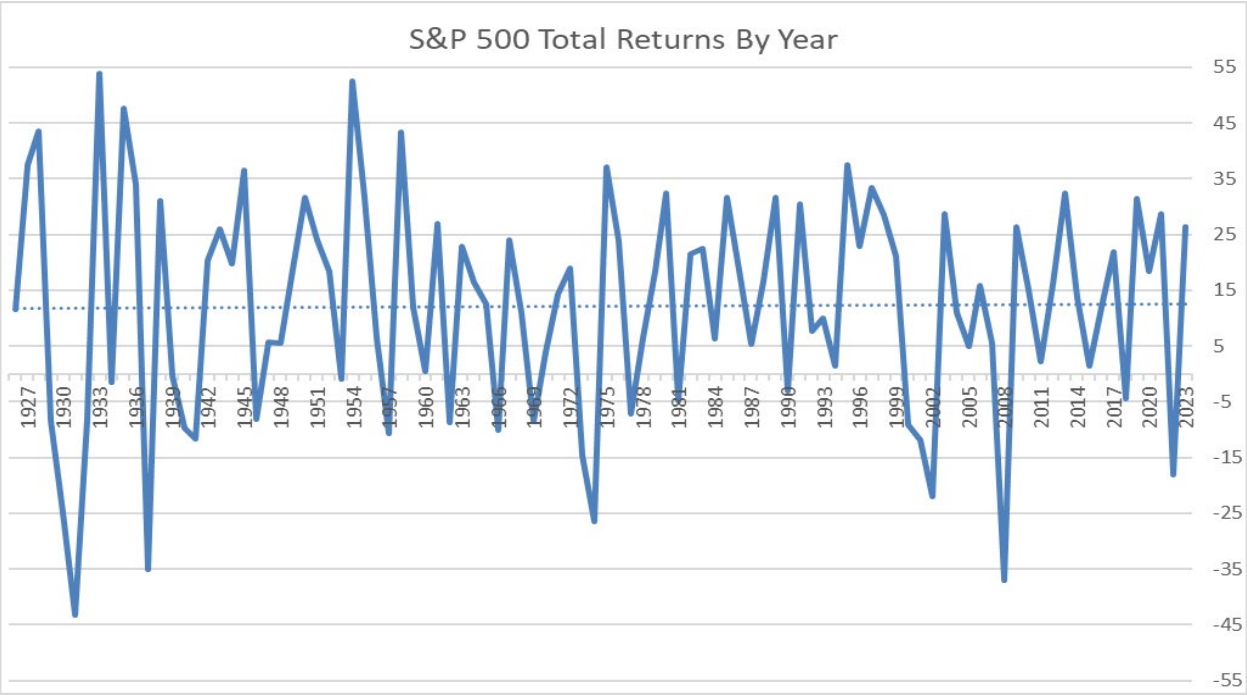
[40] I&E Exhibit No. 2, Schedule 8.

[41] I&E Exhibit No. 2, Schedule 9.

[42] I&E Exhibit No. 2, Schedule 10.

Q. DID I&E RECENTLY CHANGE ITS APPROACH TO ESTIMATE A RETURN ON THE OVERALL STOCK MARKET COMPARED TO PRIOR PROCEEDINGS?

A. Yes. It is important to note that I have recently incorporated the historical returns of the S&P 500 into my estimated overall market return calculation for a few reasons. First, the sources I have historically employed such as Yahoo! Finance and Morningstar no longer offer projected growth rates for the S&P 500 to pair with projected dividend yields as they have in the recent past. Additionally, the trendline for the returns over the past 98 years has been relatively flat and stable as shown below:



Therefore, I believe it is reasonable to utilize this data in my calculation of the expected overall market return. Notably, Mr. Moul similarly employs the historical S&P 500 returns in his analysis.[43]

Q. WHAT IS THE COST OF EQUITY RESULT FROM YOUR CAPM ANALYSIS USING A FORECASTED OVERALL MARKET RETURN?

A. The result of my analysis is as follows:[44]

K	=	R_f	+	$\beta(R_m - R_f)$
11.05%	=	4.18%	+	0.83 (12.46% - 4.18%)

Q. HAVE YOU PROVIDED AN ADDITIONAL CAPM ANALYSIS?

A. Yes. I have provided an additional CAPM analysis using Kroll's (formerly Duff & Phelps) recommended U.S. Equity Risk Premium (ERP). Kroll is a trusted and publicly available source that bases their recommended ERP on current and forecasted economic and financial market conditions.

Q. WHAT IS KROLL'S CURRENT RECOMMENDED ERP?

A. As of June 5, 2024, Kroll recommends an ERP of 5.0%.

[43] Aqua Exhibit 4-A, Schedule 12.
[44] I&E Exhibit No. 2, Schedule 11.

Q. WHAT IS THE COST OF EQUITY RESULT FROM YOUR CAPM ANALYSIS USING KROLL'S RECOMMENDED ERP?

A. The result of my analysis is as follows:[45]

K	=	R_f	+	β(ERP)
8.33%	=	4.18%	+	0.83 (5.0%)

Q. WHAT IS THE RESULT OF YOUR CAPM ANALYSIS BASED ON THE AVERAGE OF USING A FORECASTED OVERALL MARKET RETURN AND USING KROLL'S RECOMMENDED ERP?

A. The average of my CAPM analyses is 9.69% ((11.05% + 8.33%) ÷ 2).[46]

Q. DO YOU HAVE ANY ADDITIONAL COMMENTS REGARDING YOUR CAPM ANALYSIS?

A. Yes. As discussed earlier in my testimony, and as I&E has historically reasoned, my recommended cost of equity is based upon my DCF analysis. My CAPM analyses are only presented to the Commission as a comparison and not for recommendation purposes as the inputs are highly subjective, and other than beta, not company or industry specific.

[45] I&E Exhibit No. 2, Schedule 11.
[46] I&E Exhibit No. 2, Schedule 11.

Q. IS IT NECESSARY OR APPROPRIATE TO APPLY THE CAPM WITH SIMILAR WEIGHT TO THE DCF WHEN DETERMINING A SPECIFIC RETURN ON EQUITY DUE TO RECENT INFLATIONARY TRENDS?

A. No. My use of the DCF as a primary method in determining an appropriate return on equity already sufficiently takes inflationary trends into consideration. As mentioned above, the DCF includes a spot stock price in the dividend yield calculation and analysts who generate forecasted earnings growth almost certainly take inflation into consideration as well, so it contains the most up-to-date projected information of any model. In other words, the inputs of the DCF capture all known economic factors, including inflation.

CRITIQUE OF MR. MOUL'S PROPOSED COST OF EQUITY

Q. DO YOU AGREE WITH MR. MOUL'S CLAIMED COST OF EQUITY?

A. No. I disagree with Mr. Moul's proposed cost of equity analysis for several reasons. First, I disagree with the weights given to the results of Mr. Moul's CAPM, RP, and CE analyses in his claimed cost of equity. Second, I take issue with certain aspects of Mr. Moul's risk analysis of Aqua. Third, I disagree with his application of the DCF including the forecasted growth rate and leverage adjustment he uses. Fourth, I do not agree with his use of the 30-year Treasury Bond in place of the 10-year Treasury Note and use of an inflated beta in his CAPM analysis. Finally, I disagree with Mr. Moul's inclusion of a size adjustment and for the Commission to consider recognition of exemplary management

performance when determining the Company's cost of equity.

Weights Give to the CAPM, RP, and CE Methods

Q. DO YOU AGREE WITH MR. MOUL'S RELIANCE ON THE CAPM AND RP MODELS?

A. No. While I am not opposed to providing the Commission with the results of the CAPM methodology for a point of comparison to the results of the DCF calculation, I am opposed to giving the CAPM and RP considerable weight. For the reasons previously discussed in this testimony, including my reference to recent Commission orders, it is inappropriate to give the CAPM, RP, and CE models similar weight to the DCF as Mr. Moul has done in creating his recommended cost of equity. As discussed above, the CAPM measures the cost of equity indirectly and can be manipulated by the time period chosen. Since the RP is a simplified version of the CAPM, it suffers from these same flaws.

Q. DO YOU AGREE WITH MR. MOUL'S USE OF THE CE METHOD?

A. No. The companies in Mr. Moul's analysis are not utilities, and, therefore, they are too dissimilar to be used in a CE analysis. The companies in Mr. Moul's CE proxy group are comprised of unregulated industries like Chemicals, Retail Stores, Telecom, Food, IT Services, Industrials, Electronics, Machinery, Trucking,

Diversified Business, Banking, etc.[47] These non-utility companies with unrelated or entirely dissimilar business segments are simply not comparable to water utilities in terms of the business risk and financial risk profiles. Regulated water utility companies are monopolies, which are subject to very little competition, if any at all. Due to this minimal competition, utilities in general have very low business risk and can maintain higher financial risk profiles by employing more leverage. Conversely, since the companies in Mr. Moul's CE proxy group operate in an unregulated competitive environment with a higher level of business risk, they must maintain lower financial risk profiles by employing a smaller amount of leverage.

Further, in his CE analysis, Mr. Moul stated, "I used 20% as the point where those returns could be viewed as highly profitable and should be excluded from the Comparable Earnings approach."[48] I do not believe this arbitrary use of 20% is justified, as I am unaware of any water utility company that has been awarded or regularly earns a 20% return.

Risk Analysis

Q. SUMMARIZE MR. MOUL'S CLAIMS REGARDING RISK FACTORS THE COMPANY FACES.

A. Mr. Moul describes the Company's claimed risk factors in two different sub-

[47] Aqua Exhibit 4-A, Schedule 14, pp. 1-2.
[48] Aqua Statement No. 7, p. 47, lines 16-18.

sections. In the first section, labeled "Water Utility Risk Factors," he describes the *qualitative* risk factors. In this section, Mr. Moul discusses the business risks associated with regulatory policies along with capital intensity and Aqua's capital expenditure program.[49] In the second section of his risk analysis, labeled "Fundamental Risk Analysis," he describes the *quantitative* risk factors. In this section, Mr. Moul discusses the Company's credit quality, as well as many different financial metrics including size, market ratios, common equity ratio, return on book equity, operating ratios, interest coverage, quality of earnings, internally generated funds, and betas.[50]

Q. WHAT RISKS DOES AQUA FACE THAT MR. MOUL CLAIMS ARE ASSOCIATED WITH REGULATORY POLICIES?

A. Mr. Moul explains that the Safe Drinking Water Act (SDWA) Amendments of 1996 that re-authorized the SDWA for the second time since its original passage in 1974, institutes policies and procedures governing water quality. The 1996 amendments empower the Environmental Protection Agency (EPA), along with other interested parties, to develop a list of contaminants for possible regulation, which must be updated every five years. From that list, the EPA must select at least five contaminants and determine whether to regulate them. The EPA can

[49] Aqua Statement No. 7, p. 8, line 17 through p. 13, line 12.
[50] Aqua Statement No. 7, p. 13, line 13 through p. 19, line 15.

bypass the process and develop interim regulations for contaminants posing an urgent health threat.[51]

Q. WHAT IS YOUR OBSERVATION REGARDING MR. MOUL'S CLAIMED RISKS RESULTING FROM REGULATORY POLICIES?

A. Aqua faces the same regulatory risk as its peers contained in both my proxy group and Mr. Moul's Water Group. In fact, Mr. Moul even states that "most of these regulations affect the entire water industry in contrast with the disparate impact on water utilities of regulations issued under the Clean Air Act, which may affect only a subset of the individual companies in that industry."[52] Additionally, the legislation Mr. Moul references was passed in 1996, so even though the legislation carries provisions that may change regulatory requirements every five years, by now, analysts and investors following the regulated water utility industry must certainly be well aware of this type of risk.

Q. WHAT ADDITIONAL BUSINESS RISKS DOES MR. MOUL CLAIM AFFECT THE COMPANY?

A. Mr. Moul indicates lead contamination has risen to prominence as a national concern because of the drinking water crisis that garnered news media attention in Flint, Michigan.[53] Mr. Moul references the EPA's regulatory measures to address

[51] Aqua Statement No. 7, p. 8, line 20 through p. 9, line 4.
[52] Aqua Statement No. 7, p. 9, lines 11-14.
[53] Aqua Statement No. 7, p. 9, lines 21-25.

Pre- and Polyfluoroalkyl Substances (PFAS) and the additional capital expenditures needed to comply with the new regulations to treat the Company's drinking water for PFAS.[54] He continues, enumerating additional environmental and regulatory issues such as the integrity of water supply sources, threats from terrorists, changing land use, and permissible levels of discharged contaminants established by state and federal agencies.[55] Further, Mr. Moul claims the high fixed costs of water utilities make earnings vulnerable to variation due to fluctuation with water usage in accordance with the weather, the economy, and conservation efforts.[56]

Q. WHAT IS YOUR RESPONSE TO THE ISSUES CITED BY MR. MOUL IN TERMS OF HOW THEY AFFECT THE COMPANY'S BUSINESS RISK?

A. The issues referenced by Mr. Moul affect the entire water utility industry, therefore, Aqua faces the same exposure to these issues as do all the other companies in our respective proxy groups. Investors voluntarily buy and hold shares of stocks in water utility companies, indicating they are aware of these risks and the returns. The cost of equity I present for Aqua in this proceeding is adequately measured by my proxy group, and therefore, adequately compensates investors for these risks.

[54] Aqua Statement No. 7, p. 10, line 19 through p. 11, line 3.
[55] Aqua Statement No. 7, p. 11, lines 9-13.
[56] Aqua Statement No. 7, p. 12, lines 7-9.

Q. WHAT DOES MR. MOUL CLAIM REGARDING THE COMPANY'S CAPITAL EXPENDITURES?

A. According to Mr. Moul, the Company's net plant investment to revenue is 7.85x, compared with his Water Group, which is 4.27x.[57] Additionally, Mr. Moul outlines Aqua's projected capital expenditure plan for 2024-2028, which is expected to total $1,954,212,797. The anticipated capital expenditures for the FPFTY are $362,690,497.[58]

Q. WHAT IS YOUR RESPONSE TO MR. MOUL'S CLAIM REGARDING RISK CREATED BY THE COMPANY'S PROJECTED CAPITAL EXPENDITURES?

A. High levels of capital expenditures and high capital intensity are typical of the water utility industry, as every water utility faces the same issues of upgrading or replacing its aging infrastructure. Also, while Aqua may have a higher net plant to revenue ratio than the Water Group as Mr. Moul suggests, it must be recognized that capital expenditures which are used to fund plant investment are passed on to ratepayers via base rates such as those claimed in the instant proceeding. So, as costs for replacing infrastructure increase, Aqua, as well as any other company, has the option to file a base rate case at any time to address revenue inadequacy due to increasing costs, infrastructure replacement, or any associated issues. Base rate

[57] Aqua Statement No. 7, p. 12, lines 1-4.
[58] Aqua Statement No. 7, p. 12, lines 18-20.

cases allow a utility to recover its costs and provide it the *opportunity* to earn a reasonable return on capital investments. The Commission also offers risk reducing mechanisms such as the Distribution System Improvement Charge (DSIC) and the FPFTY to help reduce any lag in recovery of infrastructure investment or other unforeseen expenditures. It is worth mentioning that these mechanisms were not designed to eliminate the need for base rate cases, but only to mitigate regulatory lag and support increasing infrastructure replacement needs.

Q. WHAT HAS MR. MOUL CLAIMED REGARDING QUANTITATIVE RISK FACTORS IN THE SECTION LABELED "FUNDAMENTAL RISK ANALYSIS?"

A. Mr. Moul stated that it is necessary to establish a company's relative risk position within its industry through an analysis of quantitative and qualitative factors. Mr. Moul uses various financial metrics to compare Aqua to the S&P Public Utilities Index and his Water Group.[59]

Q. WHAT IS YOUR RESPONSE TO MR. MOUL'S "FUNDAMENTAL RISK ANALYSIS?"

A. One of the points he discusses, size risk, is discussed and disputed elsewhere in my direct testimony, so this section will concentrate on his various other areas

[59] Aqua Statement No. 7, p. 13, line 17 through p. 14, line 3.

regarding this topic. Throughout his "fundamental risk analysis," Mr. Moul makes several statements to indicate that Aqua has no more of a risk than any other company in his Water Group. First, Mr. Moul identifies the Company's long-term bond rating from Standard and Poor's (S&P) to be A, which categorizes Aqua to be investment grade with a strong capacity to meet its financial obligations. By comparison, the average S&P ratings of Mr. Moul's Water Group and the S&P Public Utilities Index are A and BBB+, respectively.[60] These ratings indicate that Aqua has the same credit risk as Mr. Moul's Water Group and a lower credit risk than the S&P Public Utilities Index.

Second, regarding common equity ratios, Mr. Moul stated, "The five-year average common equity ratios, based on permanent capital, were 53.3% for the Company, 51.1% for the Water Group, and 40.5% for the S&P Public Utilities." He concluded that the financial risk of Aqua and the Water Group was similar.[61]

Third, regarding operating ratios, Mr. Moul stated, "The five-year average operating ratios were 50.1% for the Company, 71.1% for the Water Group, and 81.0% for the S&P Public Utilities. As Mr. Moul explains, the operating ratio illustrates the percentage of revenue required to cover operating expenses. The lower the operating ratio is, the higher the operating margin becomes.[62] In this case, Aqua's lower operating ratio implies less risk than the Water Group and the S&P Public Utilities.

[60] Aqua Statement No. 7, p. 15, lines 2-11.
[61] Aqua Statement No. 7, p. 16, lines 14-17.
[62] Aqua Statement No. 7, p. 17, lines 1-3 and Footnote 3.

Fourth, regarding quality of earnings, Mr. Moul opines, "On balance, AP, the Water Group and the S&P Public Utilities all have similar quality of earnings."[63]

Fifth, concerning internally generated funds, he stated, "Historically, the five-year average percentage of IGF to capital expenditures was 75.3% for the Company, 49.4% for the Water Group and 62.3% for the S&P Utilities."[64] Mr. Moul continues by stating, "Historically, the Company's cash flow to construction has been better than the Water Group and the S&P Public Utilities."[65]

In summary, Mr. Moul stated, "The Company's size and financial risk are fairly similar to the Water Group"[66] and "the Water Group provides a reasonable basis for measuring the Company's cost of equity."[67] Through his own analysis and testimony, Mr. Moul proves and acknowledges that Aqua has very similar risk to that of his Water Group, therefore, any additional consideration for the Company's risk profile is unnecessary.

[63] Aqua Statement No. 7, p. 18, lines 4-5.
[64] Aqua Statement No. 7, p. 18, lines 8-10.
[65] Aqua Statement No. 7, p. 18, lines 11-13.
[66] Aqua Statement No. 7, p. 19, line 5.
[67] Aqua Statement No. 7, p. 19, lines 14-15.

Cost of Equity Adjustments

Inflated Growth Rate Used in DCF Analysis

Q. WHAT GROWTH RATE HAS MR. MOUL USED IN HIS DCF ANALYSIS?

A. Mr. Moul used a growth rate of 6.75%.[68]

Q. WHAT IS THE BASIS FOR MR. MOUL'S GROWTH RATE?

A. Mr. Moul stated, "Schedule 9 shows the prospective five-year earnings per share growth rates projected for the Water Group by IBES/First Call (5.88%), Zacks (6.80%), and Value Line (6.58%).[69] The average of the growth rates from Mr. Moul's sources resulted in an average growth rate of 6.42% (5.88% + 6.80% + 6.58%) ÷ 3), yet Mr. Moul used a 6.75% in his DCF analysis. Mr. Moul stated that growth rates should not be established by mathematical formulation and that the reasonableness of his chosen growth rate is supported by the investor-expected growth for the Water Group and the expected continuation of infrastructure spending.[70]

Q. DO YOU AGREE WITH MR. MOUL'S GROWTH RATE ANALYSIS?

A. No. Contrary to Mr. Moul's belief that DCF growth rates *should not* be established by mathematical formulation, I believe that any alternative is subjective and introduces additional and unnecessary bias and should be avoided

[68] Aqua Statement No. 7, p. 30, lines 22-23.
[69] Aqua Statement No. 7, p. 29, lines 23-25.
[70] Aqua Statement No. 7, p. 30, line 19 through p. 31, line 2.

when possible. The use of a higher growth rate than the average of his proxy group ignores the fact that analysts making earnings per share growth forecasts would already be aware of the economic conditions and the state of the water utility industry. The reasons Mr. Moul has given for choosing a 6.75% rate are factors that are already included in the earnings per share growth forecasts; thus, choosing a growth rate higher than the average of his proxy group would account for the same factors twice.

Q. DO YOU HAVE ANY ADDITIONAL COMMENTS REGARDING THE RESULTS OF MR. MOUL'S PROJECTED GROWTH RATES?

A. Yes. While the five-year projected growth rates can be used in analyses, one must be aware that analysts' estimates may be biased. This bias has been observed in literature. An article authored by Professors Ciciretti, Dwyer, and Hasan in 2009 observed strong support of earnings forecast being higher than actual earnings.[71] In spring of 2010, McKinsey on Finance presented an article reporting that after a decade of stricter regulation analysts' forecasts are still overly optimistic.[72]

Analysts' estimates are an attempt to forecast future cash flows and thus expected earnings growth. However, it should be kept in mind that prudent judgment must be exercised as to the sustainability of forecasted growth rates with

[71] Ciciretti, Rocco; Dwyer, Gerald R; and Iftekhan Hasan. "Investment Analysts' Forecasts of Earnings" Federal Reserve Bank of St. Louis *Review*, September/October 2009, 91 (5, part 2) pp. 545-67.

[72] Goedhart, Marc J; Raj, Rishi; and Abhishek Saxena. "Equity analyst: Still too bullish" McKinsey on Finance Number 35 Spring 2010, pp. 14-17.

respect to the base earnings. If the base year earnings are abnormally high, the growth rates from which they are calculated will be biased downward. Similarly, if the base year earnings are abnormally low, the growth rates from which they are calculated will be biased upward. As a result, it is typically necessary to employ a methodology to smooth out the abnormally high or low base year earnings.

In summary, since analysts' projected growth forecasts are most often overly optimistic, there is no need to arbitrarily and non-formulaically increase the estimates over the average growth value as is done by Mr. Moul in his DCF analysis.

Leverage Adjustment Applied to DCF Analysis

Q. HAS MR. MOUL MADE ANY ADDITIONAL ADJUSTMENTS TO THE RESULT OF HIS DCF ANALYSIS?

A. Yes. Mr. Moul proposed a 120-basis point "leverage" adjustment to the results of his DCF analysis to account for applying a market-determined cost of equity to a book value capital structure.[73]

Q. WHAT IS FINANCIAL LEVERAGE?

A. Financial leverage is the use of debt capital to supplement equity capital. A firm with significantly more debt than equity is considered to be highly leveraged.

[73] Aqua Statement No. 7, p. 35, lines 9-12.

Q. WHAT IS A MARKET-TO-BOOK (M/B) RATIO?

A. A market-to-book ratio is used to evaluate a public firm's equity value by comparing the market value and book value of a company's equity. One way of doing this is to divide the current price per share of stock by the book value per share. A M/B ratio of above one (1) is desired.

Q. HAS MR. MOUL PROPOSED TO ADJUST THE RESULT OF HIS DCF ANALYSIS TO RECOGNIZE HOW THE COMPANY IS LEVERAGED?

A. No. Mr. Moul does not propose to change the capital structure of the utility (a leverage adjustment), nor does he propose to apply the market-to-book ratio to the DCF model (a market-to-book adjustment). Instead, Mr. Moul has proposed making an adjustment to account for applying the market value cost rate of equity to the book value of the utility's equity. I am not aware of any term in academic journals, textbooks, or other literature that describes this type of adjustment.

Q. WHAT IS THE BASIS FOR MR. MOUL'S PROPOSED LEVERAGE ADJUSTMENT?

A. Mr. Moul stated that in order to make the DCF results relevant to a book value capital structure, the market-derived cost of equity needs to be adjusted to take into consideration the difference in financial risk.[74] Mr. Moul opined this is

[74] Aqua Statement No. 7, p. 31, lines 21-24.

because market valuations of equity are based on market value capital structures, which in general have more equity, less debt, and, therefore, less risk than book value capital structures.[75]

Q. HOW DOES MR. MOUL CALCULATE THE LEVERAGE ADJUSTMENT USED IN HIS ANALYSIS?

A. Mr. Moul simply stated:

> I know of no means to mathematically solve for the 1.20% leverage adjustment by expressing it in the terms of any particular relationship of market price to book value. The 1.20% adjustment is merely a convenient way to compare the 10.58% return computed using the Modigliani & Miller formulas to the 9.38% return generated by the DCF model based on a market-value capital structure.[76]

Q. DO YOU AGREE WITH MR. MOUL'S "LEVERAGE ADJUSTMENT?"

A. No. Mr. Moul's adjustment is inappropriate for a couple of reasons, including the characterization of financial risk and its inconsistency with Commission precedent.

Q. EXPLAIN HOW RATING AGENCIES ASSESS FINANCIAL RISK.

A. Rating agencies assess financial risk based upon a company's booked debt obligations and the ability of its cash flow to cover the interest payments on those obligations. The agencies use a company's financial statements for their analysis,

[75] Aqua Statement No. 7, p. 31, lines 14-20.
[76] Aqua Statement No. 7, p. 35, lines 1-7.

not the market valued capital structure. Financial statements reflect the financial risk of a company because they represent the performance of the company over a certain period of time. A change in the market value of the stock is not reflected in the financial statements nor is a change in market value capital structure reflected in the book value capital structure unless treasury stock is purchased. It is a company's financial statements that affect the market value of the stock, and therefore, the financial statements and the book value capital structure are relied upon in an analysis such as that done by rating agencies. Additionally, investors are aware of the difference in the return on book value and market value of a stock while making the investment decision.

Q. HAS THE COMMISSION REJECTED THE USE OF A LEVERAGE ADJUSTMENT?

A. Yes. The following eight cases are the most recent instances where the Commission has rejected the use of a "leverage adjustment."

First, in *Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc.*, at Docket No. R-00072711 (Order Entered July 31, 2008), p. 38, the Commission rejected the ALJ's recommendation for a leverage adjustment stating, "[t]he fact that we have granted leverage adjustments in the past does not mean that such adjustments are indicated in all cases."

Second, in *Pennsylvania Public Utility Commission, et al v. City of Lancaster – Bureau of Water*, at Docket No. R-2010-2179103 (Order Entered

July 14, 2011), p. 79, the Commission agreed with the I&E position and stated, "any adjustment to the results of the market based DCF are unnecessary and will harm ratepayers. Consistent with our determination in *Aqua 2008* there is no need to add a leverage adjustment."

Third, in *Pennsylvania Public Utility Commission, et al v. UGI Utilities, Inc. – Electric Division*, at Docket No. R-2017-2640058 (Order Entered October 25, 2018), pp. 93-94, the Commission agreed with the I&E position and stated, "we conclude that an artificial adjustment in this proceeding is unnecessary and contrary to the public interest. Accordingly, we decline to include a leverage adjustment in our calculation of the DCF cost of equity."

Fourth, in *Pennsylvania Public Utility Commission, et. al v. Columbia Gas of Pennsylvania, Inc*., at Docket R-2020-3018835 (Order Entered February 19, 2021), pp. 137-141, the Commission adopted the ALJ's recommendation to use I&E's DCF methodology, which excludes the use of a leverage adjustment.

Fifth, in *Pennsylvania Public Utility Commission, et. al v. PECO Energy Company – Gas Division*, at Docket R-2020-3018929 (Order Entered June 22, 2021, Public Version), pp. 172-173, the Commission adopted the ALJ's recommendation to use I&E's DCF methodology, which excluded PECO's application of a leverage adjustment.

Sixth, in *Pennsylvania Public Utility Commission, et. al v. Aqua Pennsylvania, Inc.*, at Docket R-2021-3027385 (Order Entered June 22, 2021), pp. 154-155, the Commission adopted the ALJ's recommendation to use I&E's DCF

methodology, which excluded Aqua's application of a leverage adjustment.

Seventh, in *Pennsylvania Public Utility Commission, et. al v. Columbia Water Company*, at Docket R-2023-3040258 (Order Entered January 18, 2024), p. 108, the Commission again agreed with I&E's methodologies which did not include a leverage adjustment to the cost of equity.

Finally, in the most recent case, *Pennsylvania Public Utility Commission, et. al v. Pennsylvania-American Water Company*, at Docket Nos. R-2023-3043189 (Water) and R-2023-3043190 (Wastewater) (Order Entered July 22, 2024), p. 172, the Commission again agreed with I&E's methodologies which did not include a leverage adjustment to the cost of equity.

Q. BASED ON THE COMPANY'S FILED RATE BASE AND CLAIMED CAPITAL STRUCTURE, WHAT IS THE VALUE OF AN ADDITIONAL 120 BASIS POINTS FOR THE LEVERAGE ADJUSTMENT TO THE COST OF EQUITY?

A. The example below illustrates the impact of 120 additional basis points to the Company's cost of equity:

Aqua Pennsylvania, Inc. - Water Operations	
Claimed Equity Percentage of Capital Structure	53.95%
Additional Basis Points to the Calculated Cost of Equity	1.20%
Claimed Rate Base*	$4,318,247,093
Impact Prior to Gross Up (0.5395 x 0.0120 x $4,318,247,093)	$27,956,332
Gross Revenue Conversion Factor***	1.39073
Total Impact ($27,956,332 x 1.39073)	**$38,879,710**
*Aqua Exhibit 1-A, Schedule G-1, Line 15 **Aqua Exhibit 1-A, Schedule A-5, Line 14	

Aqua Pennsylvania, Inc. - Wastewater Operations	
Claimed Equity Percentage of Capital Structure	53.95%
Additional Basis Points to the Calculated Cost of Equity	1.20%
Claimed Rate Base*	$392,798,320
Impact Prior to Gross Up (0.5395 x 0.0120 x $392,798,320)	$2,542,976
Gross Revenue Conversion Factor***	1.39937
Total Impact ($2,542,976 x 1.39937)	**$3,558,564**
*Aqua Exhibit 1-C, Schedule G-1, Line 15 **Aqua Exhibit 1-C, Schedule A-5, Line 14	

In this example, an addition of 120 basis points to the cost of equity would burden ratepayers to fund an additional amount of $38,879,710 and $3,558,564 annually

for water and wastewater customers, respectively, to cover the increase of the inflated rate of return along with the associated impact resulting from increases to income taxes, uncollectibles, and assessments.

Q. SUMMARIZE YOUR RECOMMENDATION REGARDING THE LEVERAGE ADJUSTMENT.

A. I recommend that Mr. Moul's proposed 120-basis point leverage adjustment be rejected because true financial risk is a function of the amount of interest expense, and capital structure information provided to investors through Value Line is that of book values, not market values. This demonstrates that investors base their decisions on book value debt and equity ratios for the regulated utilities, and therefore, no adjustment is needed. Mr. Moul's proposed adjustment serves only to manipulate the DCF's market-based methodology and causes substantial harm to ratepayers as illustrated above.

Q. DO YOU HAVE ANY FURTHER COMMENTS REGARDING MR. MOUL'S DCF CALCULATION?

A. Yes. While I am not directly disputing Mr. Moul's adjusted dividend yields, it is important to recognize, as cited above, that the Commission has recently agreed with I&E's DCF methodology which includes the appropriate calculation of dividend yields. Although it is acceptable to adjust historical dividend yields as Mr. Moul has done, it is preferable to use forecasted dividends to calculate the

dividend yields when available, such as the ones offered by Value Line that I have employed.

Q. WHAT WOULD MR. MOUL'S DCF BE WITHOUT ANY ADJUSTMENTS?

A. Without Mr. Moul's use of inflated growth rates and a leverage adjustment, his DCF would consist of his calculated dividend yield of 2.63% and an average growth rate of 6.42% as shown above results in a 9.05% cost of equity which is well below his claimed cost of equity of 10.95% and much closer to my recommended cost of equity of 9.37%.

Risk-Free Rate of Return

Q. HOW HAS MR. MOUL CALCULATED HIS RISK-FREE RATE FOR USE IN HIS CAPM MODEL?

A. Mr. Moul considers Treasury yield estimates published by Blue Chip Financial Forecasts over the next six quarters, from the time of his analysis, as well as long-range, five-year averages. However, he used the 30-year Treasury Bond while I employed the 10-year Treasury Note. Also, where I used a long-range five-year average, future data point accounting for years 2026-2030 predictions, Mr. Moul used two future data points accounting for not only years 2025-2029, but also

included an estimate for years 2030-2034. His analysis results a 3.75% risk-free rate,[77] while I used 4.18% in my CAPM analysis.[78]

Q. WHAT COMMENTS DO YOU HAVE REGARDING MR. MOUL'S CALCULATION OF THE RISK-FREE RATE?

A. Although Mr. Moul and I disagree on the inputs to determine the risk-free rate, I will not dispute his result since it is lower, yet comparable to my own. However, I must reiterate my earlier statements that long-term Treasury Bonds have substantial maturity risk associated with the market risk and the risk of unexpected inflation and normally offer higher yields to compensate investors for these risks. Using the 10-year Treasury Note is more appropriate to balance the short-term volatility risk and the long-term inflation risk.

The Commission has recognized the 10-year Treasury Note as the superior measure for the risk-free rate by stating the following,[79]

> We agree with I&E and the ALJs that using the yield on the 10-year Treasury Note provides a better measure of the risk-free rate of return than using the yield on the 30-year Treasury Bond, as recommended by UGI. In our view, using the 10-year Treasury Note balances the shortcomings of the short-term T-Bill and the 30-year Treasury Bond. Although long-term Treasury Bonds have less risk of being influenced by federal policies, they have substantial maturity risk associated with the market risk. In addition, long-term Treasury Bonds bear the risk of unexpected inflation.

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[77] Aqua Statement No. 7, p. 43, lines 2-4.
[78] I&E Exhibit No. 2, Schedule 8.
[79] *Pa. PUC v. UGI Utilities, Inc. – Electric Division;* Docket No. R-2017-2640058 (Order entered October 25, 2018), p. 99. (Disposition of Capital Asset Pricing Model (CAPM)).

Additionally, the Commission recognized:[80]

> I&E's CAPM model uses forecasted yields on ten-year Treasury bonds, and accordingly, its methodology captures forward looking changes in interest rates.

Additionally, the further out into the future one projects, the less reliable the information becomes. Using the projection for 2030-2034 is an unreliable measure and thus, should not be included in the risk-free rate. The Company's FPFTY ends December 31, 2025, and in my opinion using an estimated risk-free rate that is up to nine years beyond the FPFTY is unreasonable and unnecessary.

Inflated Betas Used in CAPM Analysis

Q. HOW HAS MR. MOUL INFLATED THE BETAS EMPLOYED IN HIS CAPM ANALYSIS?

A. Mr. Moul uses the same logic for inflating the Value Line average betas from 0.82 to 1.10 in the CAPM analysis that he uses to enhance his DCF results, through a financial risk adjustment or "leverage" adjustment.[81]

Q. DO YOU AGREE WITH MR. MOUL'S USE OF LEVERAGED OR ADJUSTED BETAS?

A. No. Such enhancements are unwarranted for beta in the CAPM analysis for the same reasons that the "leverage" adjustment is unwarranted in the DCF results.

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[80] *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, pp. 154 (Order entered May 16, 2022).

[81] Aqua Statement No. 7, p. 40, line 18 through p. 42, line 2.

Additionally, if the *Value Line* betas do not reflect an accurate investment risk as Mr. Moul contends, the question naturally arises as to why *Value Line* does not publish betas that are adjusted for leverage. Until this type of adjustment is demonstrated in academic literature to be valid, such leverage adjusted betas in a CAPM model should be rejected.

Finally, as described in my CAPM analysis above, a stock with a price movement that is greater than the overall stock market will have a beta that is greater than one and would be described as having more investment risk than the market. Due to being regulated and the monopolistic nature of utilities, very rarely do they have a beta greater than one. Therefore, in this case, to apply an adjusted or leveraged beta of 1.10 of the water group in the CAPM analysis to inflate the CAPM results is irrational. Thus, I recommend rejecting Mr. Moul's application of an adjusted beta of 1.10 in the CAPM analysis.

Q. WHAT WOULD MR. MOUL'S CAPM RESULT BE WITHOUT HIS INFLATED BETAS?

A. By applying his non-inflated betas, Mr. Moul's CAPM result would be 11.50%. This is 230 basis points (2.30%) lower than his originally calculated CAPM result of 13.80% and is more comparable to my CAPM result of 9.69%. The calculation is repeated below with Mr. Moul's unadjusted betas of 0.82:

K	=	R_f	+	$\beta(R_m - R_f)$	+	Size
11.50%	=	3.75%	+	0.82 (11.96% - 3.75%)	+	1.02%

Q. BASED ON THE COMPANY'S FILED RATE BASE AND CLAIMED CAPITAL STRUCTURE, WHAT IS THE VALUE OF AN ADDITIONAL 230 BASIS POINTS TO THE COST OF EQUITY BASED ON THE DIFFERENCE IN MR. MOUL'S CAPM RESULTS WITH ADJUSTED BETA OF 1.10 AND UNADJUSTED BETA OF 0.82?

A. The example below illustrates the impact of 230 additional basis points (2.30% = CAPM Results with adjusted beta 13.80% - CAPM Result with unadjusted beta 11.50%) to the Company's cost of equity capital:

Aqua Pennsylvania, Inc. - Water Operations	
Claimed Equity Percentage of Capital Structure	53.95%
Difference in CAPM Results (13.80% - 11.50% = 2.30%)	2.30%
Claimed Rate Base*	$4,318,247,093
Impact Prior to Gross Up (0.5395 x 0.0230 x $4,318,247,093)	$53,582,969
Gross Revenue Conversion Factor**	1.39073
Total Impact ($53,582,969 x 1.39073)	**$74,519,442**
*Aqua Exhibit 1-A, Schedule G-1, Line 15. **Aqua Exhibit No. 1-A, Schedule A-5, Line 14.	

Aqua Pennsylvania, Inc. - Wastewater Operations	
Claimed Equity Percentage of Capital Structure	53.95%
Difference in CAPM Results (13.80% - 11.50% = 2.30%)	2.30%
Claimed Rate Base*	$392,798,320
Impact Prior to Gross Up (0.5395 x 0.0230 x $392,798,320)	$4,874,038
Gross Revenue Conversion Factor**	1.39937
Total Impact ($4,874,038 x 1.39937)	**$6,820,583**
*Aqua Exhibit 1-C, Schedule G-1, Line 15. **Aqua Exhibit No. 1-C, Schedule A-5, Line 14.	

In this example, an addition of 230 basis points to the cost of equity would burden ratepayers to fund an additional amount of $74,519,442 and $6,820,583 annually for water and wastewater customers, respectively, to cover the increase of the inflated rate of return along with the associated impact resulting from increases to income taxes, uncollectibles, and assessments.

Size Adjustment Applied to CAPM Analysis

Q. PLEASE EXPLAIN MR. MOUL'S PROPOSED SIZE ADJUSTMENT.

A. Mr. Moul adds 102 basis points to his CAPM indicated cost of common equity because he believes that as the size of a firm decreases, its risk and required return

increases. Mr. Moul relies upon technical literature including a Fama and French study entitled "The Cross-Section of Expected Stock Returns," an article published in Public Utilities Fortnightly entitled "Equity and the Small-Stock Effect," and the Stocks, Bonds, Bills, and Inflation Yearbook.[82]

Q. DO YOU AGREE WITH MR. MOUL'S SIZE ADJUSTMENT?

A. No. Mr. Moul's proposed size adjustment is unnecessary because the technical literature he cites supporting investment adjustments relating to the size of a company is not specific to the utility industry, and, therefore, has no relevance in this proceeding. Further, Mr. Moul states, "In terms of capitalization, the Company is fairly similar to the average size of the Water Group."[83] With this admission alone, I believe his proposed size adjustment is unnecessary and inappropriate.

Q. IS THERE ACADEMIC EVIDENCE THAT SUPPORTS YOUR CONCLUSION THAT THE SIZE ADJUSTMENT FOR RISK IS NOT APPLICABLE TO UTILITY COMPANIES?

A. Yes. In the article "Utility Stocks and the Size Effect: An Empirical Analysis," Dr. Annie Wong concludes,

> The objective of this study is to examine if the size effect exists in the utility industry. After controlling for equity values, there is some weak evidence that firm size is a missing factor from

[82] Aqua Statement No. 7, p. 43, line 20 through p. 44, line 10 and Aqua Exhibit 4-A, Schedule 1, p. 2.
[83] Aqua Statement No. 7, p. 15, lines 17-18.

> the CAPM for the industrial but not for utility stocks. This implies that although the size phenomenon has been strongly documented for the industriales, the findings suggest that there is no need to adjust for the firm size in utility rate regulation.[84]

presents no evidence to support application of a non-utility study regarding a size adjustment for risk to a utility setting. Absent any credible article to refute Dr. Wong's findings, Mr. Moul's size adjustment to his CAPM results should be rejected.

Additionally, the Commission has recently rejected the application of a size adjustment to the CAPM cost of equity calculation where it agreed that the same literature the Company cites is not specific to the utility industry.[85]

Q. BASED ON THE COMPANY'S CLAIMED RATE BASE AND CAPITAL STRUCTURE, WHAT IS THE VALUE OF AN ADDITIONAL 102 BASIS POINTS FOR MR. MOUL'S SIZE ADJUSTMENT TO THE COST OF EQUITY?

A. The example below illustrates the impact of 102 additional basis points for the size adjustment to the Company's cost of equity:

[84] Dr. Annie Wong, "Utility Stocks and the Size Effect: An Empirical Analysis," *Journal of Midwest Finance Association* 1993, pp. 95-101.

[85] *Pa. PUC v. UGI Utilities, Inc. – Electric Division;* Docket No. R-2017-2640058 (Order Entered October 25, 2018), p. 100 (Disposition of Cost of Common Equity).

Aqua Pennsylvania, Inc. - Water Operations	
Claimed Equity Percentage of Capital Structure	53.95%
Additional Basis Points to the Calculated Cost of Equity	1.02%
Claimed Rate Base*	$4,318,247,093
Impact Prior to Gross Up (0.5395 x 0.0102 x $4,318,247,093)	$23,762,882
Gross Revenue Conversion Factor***	1.39073
Total Impact ($23,762,882 x 1.39073)	**$33,047,753**
*Aqua Exhibit 1-A, Schedule G-1, Line 15 **Aqua Exhibit 1-A, Schedule A-5, Line 14	

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Aqua Pennsylvania, Inc. - Wastewater Operations	
Claimed Equity Percentage of Capital Structure	53.95%
Additional Basis Points to the Calculated Cost of Equity	1.02%
Claimed Rate Base*	$392,798,320
Impact Prior to Gross Up (0.5395 x 0.0102 x $392,798,320)	$2,161,530
Gross Revenue Conversion Factor***	1.39937
Total Impact ($2,161,530 x 1.39937)	**$3,024,780**
*Aqua Exhibit 1-C, Schedule G-1, Line 15 **Aqua Exhibit 1-C, Schedule A-5, Line 14	

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In this example, an addition of 102 basis points for the size adjustment to the cost of equity would force ratepayers to fund an unwarranted additional amount of $33,047,753 and $3,024,780 annually for water and wastewater customers, respectively, to cover the increase of the overstated rate of return along with the associated impact resulting from increases to income taxes, uncollectibles, and assessments.

Q. WHAT WOULD MR. MOUL'S CAPM RESULT BE WITHOUT HIS SIZE ADJUSTMENT AND INFLATED BETAS?

A. Mr. Moul's CAPM result would be 10.48%. This is 332 basis points lower than his originally calculated 13.80% result and is comparable to my CAPM result of 9.69%. The calculation is repeated below without Mr. Moul's unnecessary adjustments:

K	=	R_f	+	$\beta(R_m - R_f)$	+	Size
10.48%	=	3.75%	+	0.82 (11.96% - 3.75%)	+	0%

<u>Management Performance</u>

Q. WHAT IS THE COMPANY'S CLAIM REGARDING MANAGEMENT PERFORMANCE?

A. Mr. Moul does not propose a specific basis point adjustment to be added to the calculated cost of equity in recognition of the Company's strong management performance. Mr. Moul stated that the Company's performance should be

considered when the Commission determines the Company's rate of return. Mr. Moul primarily relied upon the direct testimony of Company witnesses William C. Packer[86] and Todd M. Duerr[87] to support the consideration of additional basis points for Aqua's management performance. Although he declined to quantify what he believes to be an appropriate level of additional basis points, he noted that the Commission granted the Company 25 basis points for superior management performance in its 2021 base rate case.[88]

Q. WHAT INFORMATION DO MR. PACKER AND MR. DUERR PROVIDE TO SUPPORT THE COMPANY'S MANAGEMENT PERFORMANCE CLAIMS?

A. Mr. Packer claims that Aqua's exemplary management performance is demonstrated through among other things, providing excellent water quality, wastewater treatment compliance, system reliability and infrastructure rehabilitation, high level customer service, acquisition of troubled water and wastewater systems, its 'A Helping Hand' low-income customer assistance program, and various awards the Company received since its last filing.[89]

Mr. Duerr claims that Aqua's exemplary management performance is demonstrated through among other things, its cost saving measures, its

[86] Aqua Statement No. 1.
[87] Aqua Statement No. 11.
[88] Aqua Statement No. 7, p. 7, line 4 through p. 8, line 15.
[89] Aqua Statement No. 1, p. 26, line 1 through p. 33, line 19.

replacement of lead service lines, meeting or exceeding Pennsylvania's Department of Environmental Protection's standards for PFAS, and the acquisition of troubled water and wastewater systems.[90]

Q. DO YOU AGREE THAT THE COMPANY'S MANAGEMENT PERFORMANCE SHOULD BE CONSIDERED WHEN DETERMINING THE COMPANY'S RETURN ON EQUITY?

A. No. First, many of the topics presented by the Company fall within the categories of reliability, customer satisfaction, and safety that are required of every public utility company under 66 Pa C.S.A. §1501. Additionally, the Company passes capital expenditures to its ratepayers via base rates, or it can utilize a DSIC for capital expenditure recovery. Further, if the Company is effective at controlling operating and maintenance costs, those savings should flow through to ratepayers and/or investors. These savings would likely be offset by any consideration of additional basis points for management performance as ratepayers would have to fund the additional costs. This defeats the purpose of any cost cutting measures to benefit ratepayers.

[90] Aqua Statement No. 11, p. 8, line. 3 through p. 33, line 10.

Q. DID AQUA RECENTLY RECEIVE ADDITIONAL BASIS POINTS IN RECOGNITION OF MANAGEMENT PERFORMANCE?

A. Yes. The Commission awarded Aqua an addition of 25 basis points for its management performance efforts.[91] However, it is important to recognize that this addition was based specifically on Aqua rescuing troubled water and wastewater systems at the Commission's request. The Commission stated: [92]

> We specifically recognize Aqua's efforts and willingness to quickly provide emergency aid to various water and wastewater systems that needed substantial improvement. Aqua has often provided this emergency aid on short notice and at the request of the Commission or other parties to protect the public from egregious health and safety threats and to protect the Commonwealth's drinking water resources from catastrophic damage.

Q. DOES THE COMMISSION'S PAST ISSUANCE OF ADDITIONAL EQUITY POINTS TO RECOGNIZE MANAGEMENT PERFORMANCE MEAN THAT AQUA SHOULD ALSO RECEIVE AN ADJUSTED RETURN ON EQUITY IN THIS PROCEEDING?

A. No. The issuance of equity points to recognize management performance should be done on a case-by-case basis.

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[91] *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, pp. 168-173 (Order entered May 16, 2022).

[92] *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, p. 169 (Order entered May 16, 2022).

Q. WHAT IS YOUR RECOMMENDATION REGARDING THE CONSIDERATION OF THE COMPANY'S MANAGEMENT PERFORMANCE IN DETERMINING THE COMPANY'S RETURN ON EQUITY?

A. I am aware that under 66 Pa C.S.A. §523 the Commission has authority to *consider* a utility's performance, however, it is not mandatory that the Commission grant additional basis points to the ROE. Ultimately, as alluded to above, true strong management performance is earning a higher return through efficient use of resources and cost cutting measures. The greater net income resulting from cost savings and true efficiency in management and operations is available to be passed on to both ratepayers and shareholders. I do not believe that Aqua, or any utility should be gifted additional basis points for doing what they are required to do to provide adequate, efficient, safe, and reasonable service under 66 Pa C.S.A. §1501. For these reasons, I recommend that any addition of basis points to the cost of equity for management performance be disallowed.

OVERALL RATE OF RETURN RECOMMENDATION

Q. WHAT IS THE COMPANY'S PROPOSED COST OF EQUITY AND OVERALL RATE OF RETURN?

A. The Company recommends a cost of equity of 10.95% and an overall rate of

return of 7.90%.[93]

Q. WHAT IS I&E'S RECOMMENDED COST OF EQUITY AND OVERALL RATE OF RETURN?

A. I&E Exhibit No. 2, Schedule 1, shows the calculation of an appropriate cost of equity to be 9.37% with an overall rate of return for the Company to be 7.05%.

Q. DO YOU HAVE ANY FINAL COMMENTS REGARDING THE COMPANY'S PROPOSED RETURN ON EQUITY?

A. Yes. First, a report issued by Regulatory Research Associates, a group within S&P Global Market Intelligence,[94] illustrates that while the return on equity for water utilities may have trended upward in 2023, Aqua's 10.95% requested return on equity is a significant 131 basis points higher than the average return on equity of 9.64% of nationwide water utility rate cases for 2023.

Second, when asked, Mr. Moul indicated he was unaware if any water utilities throughout the United States were granted a Commission authorized return of 10.95% or higher cost of common equity in the past two years.[95]

Third, as discussed earlier in my testimony, Aqua's requested return on common equity is 130 basis points higher than the Commission's approved DSIC

[93] Aqua Exhibit 4-A, Schedule 1, p. 1.
[94] Regulatory Research Associates, "Water utility national ROE average trends up slightly in 2023," *S&P Global Market Intelligence*, February 20, 2024.
[95] I&E Exhibit No. 2, Schedule 12.

rate of 9.65%[96] for water and wastewater companies. My understanding is that the DSIC rate is designed to encourage its use and to incentivize accelerated pipeline replacement and infrastructure upgrades to bring the existing aging infrastructure closer to meeting safety and reliability requirements in between base rate filings. Additionally, the DSIC rate establishes a benchmark above which a utility company is considered "overearning." To recommend a cost of equity that is above the DSIC rate in this base rate proceeding is inappropriate and not in the public interest.

Finally, I believe it is important to consider the impact of what Aqua's extraordinary return on equity request of 10.95%, paired with its equity heavy capital structure and expanding rate base, would have on rates. As illustrated in the various charts above, any additional basis points beyond the I&E recommended ROE of 9.37% based on a DCF (market-determined) result are unnecessary and will put an enormous burden on ratepayers. The impact to ratepayers of each of the disputed adjustments is summarized as follows:

[96] PA Public Utility Commission, Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities for the Year Ended March 31, 2024, p. 27, approved at Public Meeting on August 1, 2024 at Docket No. M-2024-3049527.

Aqua Pennsylvania, Inc. - Water Operations	
Adjustment	**Total Impact**
Leverage Adjustment to DCF	$38,879,710
CAPM Difference between Adjusted and Unadjusted Beta	$74,519,442
Size Adjustment to CAPM	$33,047,753

Aqua Pennsylvania, Inc. - Wastewater Operations	
Adjustment	**Total Impact**
Leverage Adjustment to DCF	$3,558,564
CAPM Difference between Adjusted and Unadjusted Beta	$6,820,583
Size Adjustment to CAPM	$3,024,780

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.

Professional and Educational Experience
Christopher Keller

Professional Experience

January 2014 to Present
Fixed Utility Financial Analyst
Pennsylvania Public Utility Commission, Harrisburg, Pennsylvania
Bureau of Investigation & Enforcement

September 2008 to January 2014
Insurance Company Financial Analyst
Pennsylvania Insurance Department, Harrisburg, Pennsylvania
Bureau of Licensing & Financial Analysis

Education and Training

FAI Utility Finance and Accounting for Financial Professionals, Boston, MA
May 21-23, 2014

York College of Pennsylvania, York, Pennsylvania
Master of Business Administration, Finance Concentration, 2008
Bachelor of Science, Accounting, 2006

Testimony Submitted

I have testified and/or submitted testimony in the following proceedings:

- Docket No. M-2023-3042180 - Venango Water Company, Sugarcreek Water Company, West Hickory Water Company, Plumer Water Company, Fryburg Water Company, Cooperstown Water Company, and Blaine E. Rhodes Sewer Company (529 Investigation)
- Docket No. R-2024-3048828– UGI Utilities, Inc. – Gas Division (1307(f))
- Docket No. R-2024-3046932 – PECO Energy Company – Gas Division (O&M)
- Docket No. R-2024-3046523 – Duquesne Light Company (ROR)
- Docket No. R-2023-3044549 – Peoples Natural Gas Company LLC (O&M)
- Docket No. R-2023-3040258 – Columbia Water Company (O&M and ROR)
- Docket No. R-2023-3040290 – UGI Utilities, Inc. – Gas Division (1307(f))
- Docket No. R-2022-3037368 – UGI Utilities, Inc. – Electric Division (O&M)
- Docket No. R-2022-3035730 – National Fuel Gas Distribution Corporation (O&M)
- Docket No. R-2022-3031340 – York Water Company – Water (ROR)
- Docket No. R-2022-3032806 – York Water Company – Wastewater (ROR)
- Docket No. R-2022-3032300 – Valley Energy, Inc. (ROR)
- Docket No. R-2022-3031704 – Borough of Ambler – Water Department (ROR)
- Docket No. R-2022-3032242 – UGI Utilities, Inc. – Gas Division (1307(f))
- Docket No. R-2022-3031211 – Columbia Gas of Pennsylvania, Inc. (ROR)

Professional and Educational Experience
Christopher Keller

Testimony Submitted (Continued)

I have testified and/or submitted testimony in the following proceedings:

- Docket No. A-2021-3026132 – Aqua Pennsylvania Wastewater, Inc. – Acquisition of the Wastewater Collection and Conveyance System Assets of East Whiteland Township (1329)
- Docket No. P-2021-3030012 – Metropolitan Edison Company (DSP)
- Docket No. P-2021-3030013 – Pennsylvania Electric Company (DSP)
- Docket No. P-2021-3030014 – Pennsylvania Power Company (DSP)
- Docket No. R-2024-3046932 – PECO Energy Company – Gas Division (ROR)
- Docket No. P-2021-3030021 – West Penn Power Company (DSP)
- Docket No. R-2021-3026116 – Borough of Hanover – Water (ROR)
- Docket No. R-2021-3025206 – Community Utilities of Pennsylvania – Water Division (ROR)
- Docket No. R-2021-3025207 – Community Utilities of Pennsylvania – Wastewater Division (ROR)
- Docket No. R-2021-3025652 – UGI Utilities, Inc. – Gas Division (1307(f))
- Docket No. R-2021-3024750 – Duquesne Light Company (O&M and ROR)
- Docket No. R-2021-3024296 – Columbia Gas of Pennsylvania, Inc. (ROR)
- Docket No. R-2020-3018929 – PECO Energy Company – Gas Division (ROR)
- Docket No. P-2020-3020914 – Twin Lakes Utilities, Inc. (529 Proceeding)
- Docket No. R-2020-3018835 – Columbia Gas of Pennsylvania, Inc. (ROR)
- Docket No. R-2020-3019680 – UGI Utilities, Inc. (1307(f))
- Docket No. P-2020-3019356 – PPL Electric Utilities Corporation (DSP)
- Docket No. R-2019-3015162 – UGI Utilities, Inc. – Gas Division (ROR)
- Docket No. R-2019-3010955 – City of Lancaster – Sewer Fund (O&M)
- Docket No. R-2019-3009647 – UGI Utilities, Inc. – Gas Division (1307(f))
- Docket No. R-2018-3006818 – Peoples Natural Gas Company LLC (O&M)
- Docket No. R-2018-3000124 – Duquesne Light Company (O&M)
- Docket No. R-2018-3001631 – UGI Central Penn Gas, Inc. (1307(f))
- Docket No. R-2018-3001632 – UGI Penn Natural Gas, Inc. (1307(f))
- Docket No. R-2018-3001633 – UGI Utilities, Inc. (1307(f))
- Docket No. R-2018-2645938 – Philadelphia Gas Works (1307(f))
- Docket No. P-2017-2637855 – Metropolitan Edison Company (DSP)
- Docket No. P-2017-2637857 – Pennsylvania Electric Company (DSP)
- Docket No. P-2017-2637858 – Pennsylvania Power Company (DSP)
- Docket No. P-2017-2637866 – West Penn Power Company (DSP)
- Docket No. R-2017-2602627 – UGI Central Penn Gas, Inc. (1307(f))
- Docket No. R-2017-2602638 – UGI Utilities, Inc. (1307(f))
- Docket No. R-2017-2586783 – Philadelphia Gas Works (O&M)
- Docket No. R-2017-2587526 – Philadelphia Gas Works (1307(f))

Professional and Educational Experience
Christopher Keller

Testimony Submitted (Continued)

I have testified and/or submitted testimony in the following proceedings:

- Docket No. I-2016-2526085 – Delaware Sewer Company (529 Proceeding)
- Docket No. R-2016-2531550 – Citizens' Electric Company (O&M)
- Docket No. R-2016-2531551 – Wellsboro Electric Company (O&M)
- Docket No. R-2016-2537349 – Metropolitan Edison Company (CWC and CAP)
- Docket No. R-2016-2537352 – Pennsylvania Electric Company (CWC and CAP)
- Docket No. R-2016-2537355 – Pennsylvania Power Company (CWC and CAP)
- Docket No. R-2016-2537359 – West Penn Power Company (CWC and CAP)
- Docket No. R-2016-2543311 – UGI Central Penn Gas, Inc. (1307(f))
- Docket No. R-2015-2518438 – UGI Utilities, Inc. – Gas Division (CWC and USP)
- Docket No. P-2015-2511333 – Metropolitan Edison Company (DSP)
- Docket No. P-2015-2511351 – Pennsylvania Electric Company (DSP)
- Docket No. P-2015-2511355 – Pennsylvania Power Company (DSP)
- Docket No. P-2015-2511356 – West Penn Power Company (DSP)
- Docket No. R-2015-2468056 – Columbia Gas of Pennsylvania, Inc. (O&M)
- Docket No. P-2014-2404341 – Delaware Sewer Company (529 Investigation)
- Docket No. R-2014-2452705 – Delaware Sewer Company (O&M)
- Docket No. R-2014-2428304 – Borough of Hanover – Water (O&M)
- Docket No. R-2014-2419774 – Wellsboro Electric Company (Customer Choice Support Charge)
- Docket No. R-2014-2420279 – UGI Central Penn Gas, Inc. (1307(f))

Assisted with the Following Cases

- Docket No. R-2017-2631441 – Reynolds Water Company (ROR)
- Docket No. R-2016-2580030 – UGI Penn Natural Gas, Inc. (ROR)
- Docket No. R-2014-2462723 – United Water Pennsylvania (CWC)
- Docket No. R-2014-2428742 – West Penn Power Company (CWC)
- Docket No. R-2014-2428743 – Pennsylvania Electric Company (CWC)
- Docket No. R-2014-2428744 – Pennsylvania Power Company (CWC)
- Docket No. R-2014-2428745 – Metropolitan Edison Company (CWC)
- Docket No. R-2013-2397353 – Pike County Light & Power Company (Gas) (O&M)
- Docket No. R-2013-2397237 – Pike County Light & Power Company (Electric) (O&M)

I&E Exhibit No. 2
Witness: Christopher Keller

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA, INC.
&
AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Exhibit to Accompany

the

Direct Testimony

of

Christopher Keller

Bureau of Investigation and Enforcement

Concerning:

Rate of Return

I&E
Summary of Cost of Capital

Type of Capital	Ratio	Cost Rate	Weighted Cost
	Aqua Pennsylvania, Inc.		
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	9.37%	5.06%
Total	100.00%		7.05%

Proxy Group Capital Structure

	2023		2022		2021		2020		2019		Average
American Water Works											
Long-term Debt	$ 11,791.000	54.62%	$ 10,999.000	58.84%	$ 10,424.000	58.82%	$ 9,414.000	59.33%	$ 8,733.000	58.79%	58.08%
Preferred Stock	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Common Equity	9,797.000	45.38%	7,693.000	41.16%	7,298.000	41.18%	6,454.000	40.67%	6,121.000	41.21%	41.92%
	21,588.000	100.00%	18,692.000	100.00%	17,722.000	100.00%	15,868.000	100.00%	14,854.000	100.00%	100.00%
American States Water Co											
Long-term Debt	873.674	52.96%	476.637	40.18%	595.596	46.47%	584.184	47.66%	492.735	45.03%	46.46%
Preferred Stock	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Common Equity	776.109	47.04%	709.549	59.82%	685.947	53.53%	641.673	52.34%	601.530	54.97%	53.54%
	1,649.783	100.00%	1,186.186	100.00%	1,281.543	100.00%	1,225.857	100.00%	1,094.265	100.00%	100.00%
California Water Service Group											
Long-term Debt	1,065.373	42.75%	1,066.325	44.73%	1,069.395	47.59%	794.968	46.32%	799.682	50.63%	46.40%
Preferred Stock	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Common Equity	1,426.733	57.25%	1,317.590	55.27%	1,177.594	52.41%	921.344	53.68%	779.906	49.37%	53.60%
	2,492.106	100.00%	2,383.915	100.00%	2,246.989	100.00%	1,716.312	100.00%	1,579.588	100.00%	100.00%
Middlesex Water Co											
Long-term Debt	361.216	45.94%	293.986	42.22%	310.887	45.67%	278.286	44.41%	236.509	42.05%	44.06%
Preferred Stock	2.084	0.27%	2.084	0.30%	2.084	0.31%	2.084	0.33%	2.084	0.37%	0.31%
Common Equity	422.991	53.80%	400.328	57.49%	367.726	54.02%	346.208	55.25%	323.792	57.57%	55.63%
	786.291	100.00%	696.398	100.00%	680.697	100.00%	626.578	100.00%	562.385	100.00%	100.00%
SJW Group											
Long-term Debt	1,526.699	55.31%	1,491.965	57.32%	1,492.935	59.07%	1,287.580	58.40%	1,283.597	59.05%	57.83%
Preferred Stock	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Common Equity	1,233.397	44.69%	1,110.868	42.68%	1,034.519	40.93%	917.160	41.60%	889.984	40.95%	42.17%
	2,760.096	100.00%	2,602.833	100.00%	2,527.454	100.00%	2,204.740	100.00%	2,173.581	100.00%	100.00%
Essential Utilties											
Long-term Debt	6,860.510	53.78%	6,408.723	54.38%	5,827.734	52.92%	5,563.386	54.29%	2,954.972	43.23%	51.72%
Preferred Stock	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Common Equity	5,896.183	46.22%	5,377.386	45.62%	5,184.450	47.08%	4,683.877	45.71%	3,880.860	56.77%	48.28%
	12,756.693	100.00%	11,786.109	100.00%	11,012.184	100.00%	10,247.263	100.00%	6,835.832	100.00%	100.00%
Five-Year Average Capital Structure											
Long-term Debt	50.76%		**Maximum**	58.08%	**Minimum**	44.06%					
Preferred Stock	0.05%										
Common Equity	49.19%		**Minimum**	41.92%	**Maximum**	55.63%					
	100.00%										

Source:
Compustat (S&P Global Market Intelligence - Data Management Solutions)
Yearly data updates typically provided late April of each year
(data in millions)

Accessed on June 21, 2024

	2023		
	Interest Charges	**Long-Term Debt**	**Debt Cost**
American Water Works	$ 484.00	$ 11,791.00	4.10%
American States Water Co	42.76	873.67	4.89%
California Water Service Group	52.81	1,065.37	4.96%
Middlesex Water Co	13.14	361.22	3.64%
SJW Group	69.04	1,526.70	4.52%
Essential Utilties	283.36	6,860.51	4.13%
	Range:	**Low**	**3.64%**
		High	**4.96%**
		Average	**4.37%**

Source:
Compustat (S&P Global Market Intelligence - Data Management Solutions)
Yearly data updates typically provided late April of each year
(data in millions)

Accessed on June 21, 2024

Mergent Bond Record
A-Rated Public Utility Bond Yields

Month	Yield
June 2023	5.38%
July 2023	5.41%
August 2023	5.71%
September 2023	5.86%
October 2023	6.34%
November 2023	5.96%
December 2023	5.42%
January 2024	5.48%
February 2024	5.56%
March 2024	5.55%
April 2024	5.79%
May 2024	5.74%
Average	**5.68%**

Source:
Mergent Bond Record
June 2024

Dividend Yields of Six Company Proxy Group

Company	American Water Works	American States Water Co	California Water Service Group	Middlesex Water Co	SJW Group	Essential Utilties
Symbol	*AWK*	*AWR*	*CWT*	*MSEX*	*SJW*	*WTRG*
Div	3.20	1.95	1.20	1.40	1.68	1.35
52-wk low	113.34	66.03	43.50	45.42	51.17	32.07
52-wk high	151.22	89.93	54.85	84.35	73.14	43.26
Spot Price	130.26	70.83	48.09	51.64	52.45	37.01
Spot Div Yield	2.46%	2.75%	2.50%	2.71%	3.20%	3.65%
52-wk Div Yield	2.42%	2.50%	2.44%	2.16%	2.70%	3.58%
Average	**2.44%**	**2.63%**	**2.47%**	**2.43%**	**2.95%**	**3.62%**

	Average
Spot Div Yield	**2.88%**
52-wk Div Yield	**2.63%**
Average	**2.76%**

Source:

Barrons	June 21, 2024
Value Line	April 5, 2024

Five-Year Growth Estimate Forecast for Proxy Group (Actual)

Company	Symbol	Source			
		Yahoo	Zacks	Value Line	Average
American Water Works	AWK	7.50%	8.00%	3.00%	6.17%
American States Water Co	AWR	4.40%	6.30%	6.50%	5.73%
California Water Service Group	CWT	10.80%	NA	10.00%	10.40%
Middlesex Water Co	MSEX	2.70%	NA	6.50%	4.60%
SJW Group	SJW	7.50%	7.50%	6.50%	7.17%
Essential Utilties	WTRG	5.20%	5.80%	7.00%	6.00%
Average		**6.35%**	**6.90%**	**6.58%**	**6.61%**

Sources date:
(From Internet)
June 21, 2024 and April 5, 2024

Expected Market Cost Rate of Equity

Using Data for the Proxy Group of Six Water Companies

5-Year Forecasted Growth Rates

	Time Period	Adjusted Dividend Yield (1)	Growth Rate (2)	Expected Return on Equity (3=1+2)
(1)	**52-Week Average** **Ending:** June 21, 2024	2.63%	6.61%	9.24%
(2)	**Spot Price** **Ending:** June 21, 2024	2.88%	6.61%	9.49%
(3)	**Average:**	**2.76%**	**6.61%**	**9.37%**

Sources: Value Line April 5, 2024
Barrons June 21, 2024

Company	Beta
American Water Works	0.95
American States Water Co	0.70
California Water Service Group	0.75
Middlesex Water Co	0.75
SJW Group	0.85
Essential Utilties	1.00
Average beta for CAPM	**0.83**

Source:
Value Line
April 5, 2024

Risk-Free Rate

Treasury note 10-yr Note	**Yield**
3Q 2024	4.40
4Q 2024	4.30
1Q 2025	4.20
2Q 2025	4.10
3Q 2025	4.00
2026-2030	4.10
Average	**4.18**

Source:
Blue Chip
May 31, 2024

S&P 500 Total Retur

Year	Return
2023	26.29
2022	-18.11
2021	28.71
2020	18.4
2019	31.49
2018	-4.38
2017	21.83
2016	11.96
2015	1.38
2014	13.69
2013	32.39
2012	16
2011	2.11
2010	15.06
2009	26.46
2008	-37
2007	5.49
2006	15.79
2005	4.91
2004	10.88
2003	28.68
2002	-22.1
2001	-11.89
2000	-9.1
1999	21.04
1998	28.58
1997	33.36
1996	22.96
1995	37.58
1994	1.32
1993	10.08
1992	7.62
1991	30.47
1990	-3.1
1989	31.69
1988	16.61
1987	5.25
1986	18.67
1985	31.73
1984	6.27
1983	22.56
1982	21.55
1981	-4.91
1980	32.42
1979	18.44
1978	6.56
1977	-7.18
1976	23.84
1975	37.2
1974	-26.47
1973	-14.66
1972	18.98

1971	14.31
1970	4.01
1969	-8.5
1968	11.06
1967	23.98
1966	-10.06
1965	12.45
1964	16.48
1963	22.8
1962	-8.73
1961	26.89
1960	0.47
1959	11.96
1958	43.36
1957	-10.78
1956	6.56
1955	31.56
1954	52.62
1953	-0.99
1952	18.37
1951	24.02
1950	31.71
1949	18.79
1948	5.5
1947	5.71
1946	-8.07
1945	36.44
1944	19.75
1943	25.9
1942	20.34
1941	-11.59
1940	-9.78
1939	-0.41
1938	31.12
1937	-35.03
1936	33.92
1935	47.67
1934	-1.44
1933	53.99
1932	-8.19
1931	-43.34
1930	-24.9
1929	-8.42
1928	43.61
1927	37.49
1926	11.62
Average	**12.16**

Source:
https://www.slickchart
Accessed on June 21,

Required Rate of Return on Market as a Whole Forecasted

	Dividend Yield	+	Growth Rate	=	Expected Market Return
Value Line Estimate	2.10%		10.67%	(a)	12.77%
S&P 500 Historical Return					12.16%
Average Expected Market Return				=	**12.46%**

(a) ((1+50%)^.25) -1) Value Line forecast for the 3 to 5 year index appreciation is 50%

Sources:

S&P 500 Historical Rate	1926-2023	12.16%
Value Line Dividend Yield	6/21/2024	2.10%
Value Line Appreciation Yield	6/21/2024	50.00%

CAPM with Forecasted Return

Re	Required return on individual equity security
Rf	Risk-free rate
Rm	Required return on the market as a whole
Be	Beta on individual equity security

Re = Rf+Be(Rm-Rf)

Rf =	4.18
Rm =	12.46
Be =	0.83
Re =	**11.05**

Sources:

Value Line	April 5, 2024
Blue Chip	May 31, 2024

CAPM Using Kroll ERP

Re	Required return on individual equity security
Rf	Risk-free rate
ERP	Equity Risk Premium
Be	Beta on individual equity security

Re = Rf+Be(ERP)

Rf =	4.18
ERP =	5.00
Be =	0.83
Re =	**8.33**

Sources:

Value Line	April 5, 2024
Blue Chip	May 31, 2024
Kroll	June 5, 2024

Average CAPM Result	**9.69**

Witness: Paul R. Moul
Date: 06/20/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

BUREAU OF INVESTIGATION AND ENFORCEMENT

DATA REQUEST SET RR

I&E-RR-9-D Reference Aqua Statement No. 7, p. 48, lines 1-4:

A. State whether Mr. Moul is aware of any water utilities throughout the United States that have been granted a Commission authorized 10.95% or higher return on common equity in the past two years.

B. If the answer to Part A above is yes, state which company/companies have been authorized such return on common equity and in what jurisdiction(s).

RESPONSE

A. Mr. Moul has not researched this issue.

B. See the response to (A) above.

I&E Statement No. 2-R
Witness: Christopher Keller

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA, INC.
&
AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Rebuttal Testimony

of

Christopher Keller

Bureau of Investigation & Enforcement

Concerning:

Rate of Return

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INTRODUCTION OF WITNESS

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Christopher Keller. My business address is Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Pennsylvania Public Utility Commission (Commission) in the Bureau of Investigation & Enforcement (I&E) as a Fixed Utility Financial Analyst.

Q. ARE YOU THE SAME CHRISTOPHER KELLER WHO IS RESPONSIBLE FOR THE DIRECT TESTIMONY CONTAINED IN I&E STATEMENT NO. 2 AND THE SCHEDULES IN I&E EXHIBIT NO. 2?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to address statements made by the Office of Small Business Advocate (OSBA) witness Jason Hails[1] concerning his recommended return on equity of 10.37%[2] applied to the revenue requirement

[1] OSBA Statement No. 1 REVISED.
[2] OSBA Statement No. 1 REVISED, p. 6.

calculation for Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (referred to collectively as Aqua or Company).

Q. DOES YOUR REBUTTAL TESTIMONY INCLUDE AN EXHIBIT?

A. No. However, I will make references to my direct testimony.[3]

RETURN ON EQUITY

Q. WHAT IS AQUA'S RETURN ON EQUITY RECOMMENDATION?

A. Aqua witness Paul R. Moul recommended a return on equity of 10.95%.[4]

Q. SUMMARIZE MR. HAILS' RECOMMENDATION IN DIRECT TESTIMONY FOR RETURN ON EQUITY?

A. In direct testimony, Mr. Hails recommends a return on equity of 10.37%. Mr. Hails' recommendation is based on the Company's Discounted Cash Flow (DCF) Method result of 10.58% which he reduces by 21 basis points to remove an implied management performance adjustment based on an average of Mr. Moul's quantified management performance adjustments in prior base rate cases. This results in a recommended cost of equity of 10.37% (10.58% - 0.21%).[5]

[3] I&E Statement No. 2.
[4] Aqua Exhibit 4-A, Schedule 1, p. 1.
[5] OSBA Statement No. 1 REVISED, pp. 3-6.

Q. WHAT ARE THE RETURN ON EQUITY RECOMMENDATIONS MADE BY I&E AND OCA?

A. In direct testimony, I recommended a return on equity of 9.37% which is based on the use of the DCF method where I used my Capital Assets Pricing Method (CAPM) results only to present to the Commission a comparison and not as a check to my DCF results.[6] The Office of Consumer Advocate (OCA) recommended a return on equity of 8.70% based on the average of the high end of their market-based cost of equity recommendation of 8.03% and Aqua's unlevered DCF results of 9.38%. Alternatively, OCA recommended a return on equity of 8.56% if the Commission accepts the Company's claimed capital structure.[7]

Q. DO YOU AGREE WITH MR. HAILS' USE OF MR. MOUL'S DCF RESULTS WITH A REDUCTION TO THOSE RESULTS BASED ON AN IMPLIED MANAGEMENT PERFORMANCE ADJUSTMENT IN THIS BASE RATE PROCEEDING?

A. I agree with Mr. Hails as well as OCA witnesses Roger Colton[8] and Barbara R. Alexander[9] that the Company should not receive additional basis points for management performance. However, I disagree with Mr. Hails' use of Mr. Moul's DCF results in determining Aqua's cost of equity.

6 I&E Statement No. 2, p. 27.
7 OCA Statement No. 3, pp. 9-10.
8 OCA Statement No. 6, pp. 6-19.
9 OCA Statement No. 7, pp. 70-76.

Q. DID MR. HAILS CONDUCT HIS OWN ANALYSIS?

A. No. As discussed above, Mr. Hails simply uses the Company's DCF results, which I disagree with, and reduces these results based on the average of Mr. Moul's quantified management performance adjustments in prior base rate cases.

Q. WHAT IS THE BASIS FOR YOUR DISAGREEMENT WITH MR. HAILS' USE OF MR. MOUL'S DCF RESULTS IN HIS RETURN ON EQUITY RECOMMENDATION?

A. As I stated in my direct testimony, I disagree with Mr. Moul's inflated growth rate in his DCF analysis as he used a growth rate that was above the average of his proxy group.[10] I also disagree with the use of a leverage adjustment in his DCF analysis as it was inappropriate because true financial risk is a function of the amount of interest expense, and capital structure information provided to investors through Value Line is that of book values, not market values. Additionally, the Commission has consistently rejected the use of a leverage adjustment.[11] Finally, if the inflated growth rate and leverage adjustment were removed from Mr. Moul's DCF analysis, the result would be 9.05% which is much closer to my recommended cost of equity of 9.37%.[12]

Q. DO YOU HAVE ANY CHANGES TO YOUR RECOMMENDATION?

A. No. For the reasons stated above and in my direct testimony, I continue to

[10] I&E Statement No. 2, pp. 46-48.
[11] I&E Statement No. 2, pp. 48-55.
[12] I&E Statement No. 2, p. 56.

recommend a return on equity of 9.37%.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes.

I&E Statement No. 2-SR
Witness: Christopher Keller

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA, INC.
&
AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Surrebuttal Testimony

of

Christopher Keller

Bureau of Investigation & Enforcement

Concerning:

Rate of Return

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INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Christopher Keller. My business address is Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Pennsylvania Public Utility Commission (Commission) in the Bureau of Investigation & Enforcement (I&E) as a Fixed Utility Financial Analyst.

Q. ARE YOU THE SAME CHRISTOPHER KELLER WHO IS RESPONSIBLE FOR THE DIRECT TESTIMONY CONTAINED IN I&E STATEMENT NO. 2 AND THE SCHEDULES IN I&E EXHIBIT NO. 2?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. The purpose of my surrebuttal testimony is to respond to the rebuttal testimony of Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc., (referred to collectively as Aqua or Company) witness Paul R. Moul[1] and Office of Consumer

[1] Aqua Statement No. 7-R.

Advocate (OCA) witness Aaron L. Rothschild[2] regarding rate of return topics including the cost of common equity and the overall fair rate of return, which will be applied to the Company's rate base. I will also address the Company's management performance claim discussed by Mr. Moul and Company witness William C. Packer.[3]

Q. DOES YOUR SURREBUTTAL TESTIMONY INCLUDE AN ACCOMPANYING EXHIBIT.

A. Yes. I&E Exhibit No. 2-SR contains schedules that support my surrebuttal testimony. In this surrebuttal testimony, I will also make references to my direct testimony[4] and its accompanying exhibit.[5]

SUMMARY OF MR. ROTHSCHILD'S REBUTTAL TESTIMONY

Q. SUMMARIZE MR. ROTHSCHILD'S RESPONSE IN REBUTTAL TESTIMONY TO YOUR RECOMMENDATIONS MADE IN DIRECT TESTIMONY.

A. Mr. Rothschild takes issue with my overall return on equity recommendation including certain aspects of my Discounted Cash Flow (DCF) analysis.

[2] OCA Statement No. 3R.
[3] Aqua Statement No. 1-R.
[4] I&E Statement No. 2.
[5] I&E Exhibit No. 2.

Additionally, he disagrees with my acceptance and use of the Company's actual capital structure.[6]

Q. WHAT IS MR. ROTHSCHILD'S SPECIFIC CRITICISM REGARDING YOUR DCF ANALYSIS?

A. Mr. Rothschild opines that the result of my DCF analysis is unreasonably high because I rely on five-year earnings per share growth rate forecasts, which are not indicative of future sustainable growth rates.[7]

Q. HOW DO YOU RESPOND TO MR. ROTHSCHILD'S CRITICISMS OF YOUR DCF ANALYSIS?

A. First, it should be noted, in the context of recommending an appropriate return on equity and overall rate of return, I&E's role is to perform an unbiased analysis using current and reputable sources. In determining an appropriate growth rate for my DCF analysis, I relied upon the forecasted earnings estimates from Value Line, Yahoo! Finance, and Zacks.[8] These resources are trusted and used industry wide, including by most Company, advocate, and Commission witnesses who submit rate of return testimony. Mr. Rothschild, Mr. Moul, and I all utilize these sources in our respective DCF analyses.

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6 OCA Statement 3R, p. 7, lines 7-9.
7 OCA Statement 3R, p. 9, lines 7-17.
8 I&E Exhibit No. 2, Schedule 5.

Next, the estimates I use from the sources listed above are five-year growth forecasts which are not short-term, nor are they intended to be viewed as sustainable indefinitely as Mr. Rothschild seems to suggest is my intention.[9] I believe the five-year growth estimates are reasonable as they cover the time period of the Fully Projected Future Test Year (FPFTY) and rate case filing frequency of many utilities. In this proceeding, I&E witness Zachari Walker determined the Company's historical rate case filing frequency to be 48 months[10] or four years (48 months ÷ 12 months = 4 years).

Additionally, the Commission has repeatedly confirmed I&E's DCF methodology for determining a fair return on common equity. Specifically, in the 2020 Columbia Gas rate case, the 2023 Columbia Water rate case, and mostly recently, the 2023 Pennsylvania-American Water Company rate case, the Commission agreed with the ALJ's recommendation to use I&E's cost of equity methodology, which included using five-year growth estimates in the DCF analysis.[11]

Finally, and perhaps most importantly, an article by S&P Capital IQ dated June 5, 2024 illustrates the reasonableness of my 9.37% DCF result. The article reveals that three rate case proceedings concluded in the first quarter of 2024

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9 OCA Statement No. 3R, p. 11, lines 12-17.

10 I&E Statement No. 1, p. 25, lines 2-4.

11 *Pa. PUC v. Columbia Gas of Pennsylvania, Inc.;* Docket No. R-2020-3018835, p. 141 (Order Entered February 19, 2021), *Pa. PUC v. Columbia Water Company,* Docket No. R-2023-3040258, p. 105 (Order entered January 18, 2024), and *Pa. PUC v. Pennsylvania-American Water Company*, Docket Nos. R-2023-3043189 and R-2023-3043190, pp. 194 195 (Order Entered July 22, 2024).

averaged a 9.65% authorized return on equity, which is comparable to the nationwide authorized average of 9.64% for 2023 for water utilities.[12]

Q. SUMMARIZE MR. ROTHSCHILD'S RESPONSE CONCERNING YOUR RECOMMENDED CAPITAL STRUCTURE.

A. Mr. Rothschild disagrees with my acceptance of the Company's capital structure asserts that his capital structure of 50.53% common equity and 49.47% long-term debt should be used as it was the average common equity ratios of his proxy group. Mr. Rothschild opines that his recommended capital structure more closely aligns with the capital structure of his proxy group which he believes is consistent with the Commission's duty to set just and reasonable rates which considers both the utility and its investors as well as the ratepayers.[13]

Q. WHAT IS YOUR RESPONSE TO MR. ROTHSCHILD'S REBUTTAL TESTIMONY REGARDING YOUR RECOMMENDED CAPITAL STRUCTURE?

A. Generally, with few exceptions such as municipalities and smaller investor-owned utilities with largely contributed capital, the actual and FPFTY capital structure of a company and/or the parent company should be reviewed and applied in the cost of equity analysis to truly reflect the utility's financing structure (capitalization

[12] I&E Exhibit No. 2-SR, Schedule 1.
[13] OCA Statement No. 3R, p. 8, lines 3-11.

ratio) that will be used to finance the utility's rate base. Based on this fundamental procedure and comparing the Company's actual capital structure with the proxy group's capital structure range, the Company's claimed capital structure is reasonable in this case. It is difficult to assess the reasonableness of a company's capitalization ratio because there are pros and cons of higher debt or higher equity in the capital structure ratio. For example, a higher debt ratio may result in higher financial risk and borrowing costs which negatively impacts ratepayers. Conversely, an excessively high equity ratio results in ratepayers having to fund an unnecessarily high return.

As stated in my direct testimony, although not always feasible to maintain, I believe a capital structure of 50% common equity and 50% long-term debt is ideal and optimal when trying to balance the financial risks of a company as well as controlling costs to ratepayers.[14] However, applying a 50/50 capital structure may not motivate a company to make the best financing decisions possible. For example, it would be financially beneficial for a utility to have an actual debt ratio greater than 50% and an equity ratio lower than 50% when the company knew it would be brought to 50/50 during a rate case. In this example, the utility would unnecessarily be collecting the more expensive calculated cost of equity on part of its long-term debt portion, and the greater long-term debt percentage could possibly lead to a credit rating downgrade and higher debt costs. Using company specific information that is known, measurable, and reasonable, whenever

[14] I&E Statement No. 2, p. 11, line 16 through p. 15, line 2.

possible, is preferable when the actual results are in the range of the corresponding proxy group, which is precisely the reason we review the capital structure information of a proxy group.

Further, my recognition that a 50/50 capital structure is theoretically optimal is intended to illustrate that Mr. Moul's various other adjustments to his calculated cost of equity are unnecessary. Since the Company is benefiting from a more equity heavy capital structure, I believe any further consideration regarding financial risk or management performance adders is unwarranted.

Finally, other than in the 2023 Columbia Water rate case, I&E has historically been very consistent in adopting a company's claimed/actual capital structure in rate proceedings, especially when it falls within the range of capital structures of the proxy group derived from information provided by S&P Global Market Intelligence – Data Management Solutions. Notably, in this single instance, where I&E strayed from this methodology and in fact recommended a 50/50 capital structure, the Commission rejected the positions of both I&E and OCA, stating:[15]

> On consideration of the record evidence, we are persuaded by Columbia's argument that an actual capital structure should be utilized in setting an overall rate of return in this proceeding….At the outset, we reinforce that an actual capital structure represents the Company's decision, in which it has full discretion, on how to capitalize its rate base. This actual capitalization forms the basis upon which Columbia attracts capital.

[15] *Pa. PUC v. Columbia Water Company,* Docket No. R-2023-3040258, p. 83 (Order entered January 18, 2024).

For comparison, in that proceeding, Columbia's actual claimed equity ratio that led to I&E's 50/50 recommendation was 63.34%, much higher than Aqua's claim of 53.95% in this proceeding. While I do not believe equity ratios can continue to increase indefinitely, as that would be overly and unnecessarily burdensome to ratepayers, I do believe Aqua's claimed capital structure in this proceeding is appropriate.

SUMMARY OF MR. MOUL'S REBUTTAL TESTIMONY

Q. SUMMARIZE MR. MOUL'S RESPONSE TO YOUR RECOMMENDATIONS MADE IN DIRECT TESTIMONY.

A. Mr. Moul acknowledges, but does not oppose my exclusion of two companies from my proxy group that are included in his Water Group. Mr. Moul disputes my recommendations regarding the use of methods other than the DCF, the DCF growth rate, disallowance of his leverage adjustment to the DCF, the Capital Asset Pricing Model (CAPM) risk-free rate, the use of Kroll's (formally Duff & Phelps) recommended U.S. Equity Risk Premium (ERP), rejection of his leverage adjusted betas, disallowance of his size adjustment, my disagreement with his use of the Risk Premium (RP) and Comparable Earnings (CE) methods, and my recommended disallowance of additional basis points for management performance. Finally, Mr. Moul suggests that the Commission-determined Distribution System Improvement Charge (DSIC) rates should serve as a baseline cost of equity in this proceeding.

PROXY GROUP

Q. SUMMARIZE MR. MOUL'S RESPONSE REGARDING YOUR PROXY GROUP.

A. Mr. Moul simply states "I do not oppose these adjustments to the Water Group."[16] Because the remaining six companies in his Water Group are the same as my proxy group, he takes no further issue.

Q. PLEASE REITERATE WHY YOU ELIMINATED ARTESIAN RESOURCES CORPORATION AND YORK WATER COMPANY FROM YOUR PROXY GROUP.

A. As stated in my direct testimony, I have excluded Artesian Resources and York Water Company from my proxy group because it violates my third proxy group criterion which dictates that investment information for the company must be available from more than one source, which includes Value Line.[17] Artesian Resources Corporation and York Water Company do not have a Value Line report, and therefore, do not have the projected dividend per share or projected earnings growth rate information necessary to perform my analysis.

Q. DO YOU HAVE ANY CHANGES TO YOUR PROXY GROUP?

A. No.

[16] Aqua Statement No. 7-R, p. 2, lines 12-14.
[17] I&E Statement No. 2, p. 10, lines 5-12.

DISCOUNTED CASH FLOW

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING YOUR DCF ANALYSIS.

A. Mr. Moul agrees that the results of a DCF analysis should be given weight but disagrees with my approach. Mr. Moul also disagrees with my results based on the outcomes of certain individual companies and my recommendation to reject his leverage adjustment.[18]

Exclusive Use of the DCF

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING YOUR USE OF THE DCF.

A. Mr. Moul explains that the use of more than one method provides a superior foundation for the cost of equity determination and will capture the multiplicity of factors that motivate investors to commit their capital to a particular enterprise.[19]

Q. WERE ANY METHODS OTHER THAN THE DCF EMPLOYED IN YOUR ANALYSIS?

A. Yes. Although my recommendation was based on the results of my DCF analysis, I also employed the CAPM as a comparison. For the reasons discussed in my direct testimony, the DCF method is the most reliable.[20] Although no one method

[18] Aqua Statement No. 7-R, pp. 9-27.
[19] Aqua Statement No. 7-R, pp. 9-16.
[20] I&E Statement No. 2, p. 18, line 5 through p. 19, line 11.

can capture every factor that influences an investor, including the results of methods less reliable than the DCF does not make the end result more reliable or more accurate. As a result, I stand by my method of using the DCF with a CAPM comparison, which is consistent with the methodology historically used by the Commission in base rate proceedings, even as recently as 2017, 2018, 2020, and 2021.[21]

However, as indicated in my direct testimony,[22] the Commission recently deviated from prior Commission practice when it indicated in the 2022 Aqua rate case order that its method "for determining Aqua's ROE shall utilize both I&E's DCF and CAPM methodologies"[23] and that "I&E's DCF and CAPM produce a range of reasonableness for the ROE … ."[24] Similarly, most recently, the Commission's 2023 Columbia Water rate case order[25] and 2023 PAWC rate case order[26] relied on the results of I&E's DCF and CAPM analyses for determining its ROE. In my direct testimony, I fully explain why the CAPM should not be used

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[21] *Pa. PUC v. City of DuBois – Bureau of Water*; Docket No. R-2016-2554150 (Order Entered March 28, 2017). *See generally* Disposition of Cost Rate Models, pp. 96-97; *Pa. PUC v. UGI Utilities, Inc. – Electric Division;* Docket No. R-2017-2640058 (Order Entered October 25, 2018). *See generally* Disposition of Cost of Common Equity, p. 119; *Pa. PUC v. Wellsboro Electric Company;* Docket No. R-2019-3008208 (Order Entered April 29, 2020). *See generally* Disposition of Primary Methodology to Determine ROE, pp. 80-81; *Pa. PUC v. Citizens Electric Company of Lewisburg, PA;* Docket No. R-2019-3008212 (Order Entered April 29, 2020). *See generally* Disposition of Cost of Common Equity, pp. 91-92. *Pa. PUC v. Columbia Gas of Pennsylvania, Inc.;* Docket No. R-2020-3018835 (Order Entered February 19, 2021). *See generally* Disposition of Cost of Common Equity, p. 131. *Pa. PUC v. PECO Energy Company – Gas Division*; Docket No. R-2020-3018929 (Order Entered June 22, 2021). *See generally* Disposition of Return of Rate on Common Equity, p. 171.

[22] I&E Statement No. 2, p. 22, line 14 through p. 23, line 6.

[23] *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, pp. 154 (Order entered May 16, 2022).

[24] *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, pp. 178 (Order entered May 16, 2022).

[25] *Pa. PUC v. Columbia Water Company,* Docket Nos. R-2023-3040258, p. 105 (Order entered January 18, 2024).

[26] *Pa. PUC v. Pennsylvania-American Water Company;* Docket Nos. R-2023-3043189 and R-2023-3043190 (Order Entered July 22, 2024). *See generally* Disposition of Cost of Common Equity, pp. 171-172.

as a primary method and continue to express those concerns in this proceeding as to why it should only be used as a comparison to, not a check of, the DCF.[27] Thus, I disagree with a method that provides the CAPM comparable weight to the DCF method.

Additionally, I believe the differences in our applications of the CAPM illustrate just how subjective the inputs of this cost of equity model can be. The results of the CAPM analyses from Mr. Rothschild, Mr. Moul, and myself vary wildly. For example, Mr. Rothschild presents a CAPM result ranging from 7.06% to 8.03%[28] which is between 577 basis points (13.80% - 8.03%) and 674 basis points (13.80% - 7.06%) lower than Mr. Moul's CAPM result of 13.80%[29] while my CAPM results are between Mr. Rothschild's and Mr. Moul's CAPM results at 9.69%.[30] This extreme variation in results achieved by the CAPM analyses between Mr. Rothschild and Mr. Moul only highlights the unreliability and subjectivity of the CAPM method, further invalidating its use for establishing an appropriate ROE for ratemaking.

Q. DOES THE DCF ADEQUATELY FACTOR IN RECENT INFLATIONARY TRENDS?

A. Yes. As stated in my direct testimony, my DCF calculation includes a spot stock

[27] I&E Statement No. 2, p. 20, line 11 through p. 21, line 18.
[28] OCA Exhibit ALR-2.
[29] Aqua Exhibit 4-A, Schedule 1, p. 2.
[30] I&E Exhibit No. 2, Schedule 11.

price when determining the dividend yield and analysts who generate forecasted earnings growth rates almost certainly take inflation into consideration as well; therefore, it contains the most up-to-date projected information of any model. In other words, the inputs of the DCF capture all known economic factors, including inflation.[31] Thus, Mr. Moul's concerns of inflation[32] are adequately covered by use of the DCF as a primary model for determining an appropriate return on equity.

DSIC Rate

Q. SHOULD THE COMMISSION CONSIDER THE AUTHORIZED DSIC RATE ESTABLISHED IN THE QUARTERLY EARNINGS SUMMARY REPORTS AS AN APPROPRIATE MEASURE TO DETERMINE THE COST OF EQUITY IN THIS PROCEEDING?

A. No. Mr. Moul's comparison between the I&E recommended return on equity in this proceeding and the Commission's DSIC rate is misguided. My understanding is that the DSIC rate is designed to encourage its use and to incentivize accelerated pipeline replacement and infrastructure upgrades to bring aging infrastructure closer to meeting safety and reliability requirements in between base rate filings. To suggest the cost of equity must be at or above the DSIC rate in this base rate proceeding is inappropriate and not in the public interest. Additionally, the DSIC

[31] I&E Statement No. 2, p. 36, lines 1-10.
[32] Aqua Statement No. 7-R, p. 12, lines 1-7.

rate establishes a benchmark above which a utility company is considered "overearning" for use of the DSIC mechanism. As such, the DSIC rate should not serve as a proper measurement of a subject utility's cost of equity in a base rate proceeding since the DSIC rate is routinely higher than any return on equity approved in such base rate proceedings. In fact, 66 Pa. C.S. § 1358(b)(3) states the following:

> The distribution system improvement charge shall be reset at zero if, in any quarter, data filed with the commission in the utility's most recent annual or quarterly earnings report show that the utility will earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the distribution system improvement charge.

Finally, the DSIC mechanism serves to lower a utility's risk because it reduces the lag time in the recovery of a company's capital outlays. DSIC spending requires preapproval of eligible plant via a Long-Term Infrastructure Improvement Plan so there is little question as to the prudence of those expenditures.

Q. HAS THE COMMISSION RECENTLY MADE A STATEMENT CONCERNING THE USE OF THE AUTHORIZED DSIC RATE ESTABLISHED IN THE QUARTERLY EARNINGS SUMMARY REPORTS AS AN APPROPRIATE MEASURE TO DETERMINE THE COST OF EQUITY?

A. Yes. In *Pennsylvania Public Utility Commission v. Peoples Natural Gas*

Company LLC, at Docket No. R-2023-3044549 (Order Entered September 12, 2024), Vice Chairman Kimberly Barrow expressed concern of using the DSIC rate in determining the cost of equity by stating:

> First, I believe that the original litigation position of I&E with regard to return on equity (ROE) was reasonable and supported by record evidence. In contrast to the Company's recommended ROE of 11.75%, I&E proposed a discounted cash flow analysis that resulted in a recommended return on equity of 9.96%. Additionally, I caution all parties to not co-mingle or misuse the quarterly earnings ROE figures for distribution system improvement charge (DSIC) released by the Commission as evidence to support their base rate ROE positions. The quarterly DSIC calculations are for the targeted and discrete purpose of the DSIC investment, not setting an overall return on equity for a company. The DSIC quarterly numbers are a solid proxy utilized to incent DSIC investment; however, they were not designed or meant to substitute the myriad of inputs submitted to the record during a litigated base rate proceeding. Notably, as highlighted by I&E, the DSIC rate establishes a benchmark that is meant to cap or curb utility overearnings. It is not meant to serve as a measurement for the cost of equity in a base rate case proceeding.

Q. ARE THERE ANY POTENTIAL PROBLEMS WITH AWARDING A RETURN ON EQUITY THAT IS EQUAL TO OR HIGHER THAN THE DSIC RATE?

A. Yes. First, if a company achieves the awarded return that is above the DSIC rate, it eliminates the possibility for the utility to utilize the DSIC mechanism until its earnings fall below the DSIC rate. Further, if a company believes it will receive a return higher than the DSIC rate in a litigated base rate proceeding, it will remove the incentive to use the DSIC mechanism between rate filings and may encourage

the more frequent filing of base rate cases. Additionally, it may encourage litigation as opposed to settlement of cases, since companies may improperly believe this is the new norm, which will increase rate case costs to customers.

Therefore, in my opinion, the DSIC rate should generally be an incentive rate that is higher than a return on equity percentage granted in a rate proceeding.

Evaluating the DCF Based on Individual Results

Q. SUMMARIZE MR. MOUL'S RESPONSE IN REBUTTAL TESTIMONY REGARDING THE RESULTS OF YOUR DCF.

A. Mr. Moul explains that when some results are unreasonable on their face, the reliability of, or the witness' application of, that method must be questioned. He points to the results of Middlesex Water Company in my proxy group and claims that it falls into the category of unreasonableness. Mr. Moul attempts to support his theory by arguing that the return on equity for Middlesex Water Company fails to provide a sufficient spread over the current 5.38% yield on A-rated public utility bonds.[33] It should be noted that on September 18, 2024, the Federal Open Market Committee (FOMC) lowered the federal funds rate by 50 basis points.[34]

[33] Aqua Statement No. 7-R, p. 14, line 20 through p. 15, line 6.

[34] https://www.federalreserve.gov/newsevents/pressreleases/monetary20240918a.htm, accessed on September 23, 2024.

Q. WHAT IS YOUR RESPONSE TO MR. MOUL'S ATTEMPT TO DISAGGREGATE YOUR RESULTS?

A. The 9.37% result of my DCF analysis offers a 5.05% margin over the undisputed 4.32% cost of debt (9.37% - 4.32% = 5.05%). My recommended cost of equity is well more than double the Company's claimed cost of debt and provides a 3.99% margin (9.37% - 5.38% = 3.99%) over Mr. Moul's claimed 5.38% yield on A-rated public utility bonds. I certainly believe these measures satisfy Mr. Moul's statement that, "It is a fundamental tenet of finance that the cost of equity must be higher than the cost of debt by a meaningful margin to compensate for the higher risk associated with a common equity investment."[35]

Growth Rate

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING YOUR GROWTH RATES.

A. Mr. Moul argues that my growth rate analysis has a small downward bias as I averaged the results by source rather than by each company in my proxy group which would have increased my average growth rates from 6.61% to 6.68%. Mr. Moul also argues that I did not rely on the most recently published data regarding growth rates for American Water Works and California Water Service to calculate my DCF results, which would have resulted in an average growth rate of 6.78%.[36]

[35] Aqua Statement No. 7-R, p. 15, lines 2-4.
[36] Aqua Statement No. 7-R, p. 15, line 7 through p. 16, line 6.

Q. DO YOU AGREE WITH MR. MOUL'S CONCERNS REGARDING YOUR GROWTH RATES?

A. Partially. Financial information from respected and commonly used sources such as Value Line, Yahoo! Finance, Morningstar, Zacks, etc. is updated regularly (monthly, weekly, daily, hourly, etc. depending on the source). At the time of my analysis, I utilized the most recent financial information accessible to me and I am sure Mr. Moul has done the same. It should be recognized that it is not prudent in the scope of a rate case to continuously change one's position. I would not dispute Mr. Moul's use of updated information, however, I do question if he would have done the same had the more recent data decreased the results of the DCF analysis.

<u>Leverage Adjustment</u>

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING HIS RECOMMENDED LEVERAGE ADJUSTMENT.

A. First, Mr. Moul clarifies that his "leverage adjustment" is not a traditional "market-to-book" ratio adjustment. Next, he states that credit rating agencies do not measure the market-required cost of equity for a company, nor are they concerned with how it is applied in the rate-setting context. Instead, credit rating agencies are only concerned with the interests of lenders and the timely payment of interest and principal by utilities. Mr. Moul then questions six of the eight prior Commission Orders that I reference in my direct testimony. Finally, Mr. Moul

disagrees with my assertion that investors base their decisions on the book value of a company's debt and equity.[37]

Q. HAVE YOU CLAIMED THAT MR. MOUL'S ADJUSTMENT IS A MARKET-TO-BOOK RATIO ADJUSTMENT?

A. No. As I stated in my direct testimony, Mr. Moul does not propose to change the capital structure of the utility (a leverage adjustment), nor does he propose to apply the market-to-book ratio to the DCF model (a market-to-book adjustment).[38]

Q. WHAT IS YOUR RESPONSE TO MR. MOUL'S REBUTTAL TESTIMONY CONCERNING CREDIT RATING AGENCIES?

A. Mr. Moul has supported my argument that his proposed leverage adjustment is not needed by stating that the credit rating agencies are only concerned with the timely payment of interest and principal by utilities.[39] Mr. Moul's stated need for the leverage adjustment is based on his assertion that the difference between the book value capital structure and his market value capital structure causes a financial risk difference.[40]

Financial risk does relate to the capital structure of a company, but it is created by the financing decisions (the use of debt or equity) and the amount of

[37] Aqua Statement No. 7-R, pp. 23-26.
[38] I&E Statement No. 2, p. 49, lines 7-14.
[39] Aqua Statement No. 7-R, p. 24, lines 5-7.
[40] Aqua Statement No. 7-R, p. 25, line 25 through p. 26, line 6.

leverage or debt a company chooses to finance its assets. Financial risk and the book value capital structure of a company are represented in the income statement, part of what is evaluated by rating agencies. Mr. Moul agrees with me that credit rating agencies use a company's financial statements in their analysis to assess financial risk and determine creditworthiness.[41]

Q. SUMMARIZE MR. MOUL'S RESPONSE TO YOUR REFERENCING PRIOR COMMISSION ORDERS.

A. Mr. Moul refers to the discussion in my direct testimony where I point to eight recent cases (Aqua Pennsylvania, Inc.'s 2007 base rate case, City of Lancaster – Bureau of Water's 2010 base rate case, UGI Utilities, Inc. – Electric Division's 2017 base rate case, Columbia Gas' 2020 base rate case, PECO Energy Company – Gas Division's 2020 base rate case, Aqua Pennsylvania, Inc.'s 2021 base rate case, Columbia Water Company's 2023 base rate case, and the 2023 Pennsylvania-American Water base rate case) where the Commission has rejected a "leverage adjustment." Mr. Moul addresses six of the eight recent cases I discussed in my direct testimony. Mr. Moul explains that even though the Commission declined to make a "leverage adjustment" in the 2007 Aqua Pennsylvania case, it does not invalidate its use. Further, Mr. Moul states, "Notably, the Commission did not repudiate the leverage adjustment in the Aqua case, but instead arrived at an 11.00% return on equity for Aqua by including a

[41] Aqua Statement No. 7-R, p. 23, line 26 through p. 24, line 3.

separate return increment for management performance."[42] Then, he claims that the adjustment proposed in the City of Lancaster case was much different than what he is proposing in this proceeding. Additionally, regarding UGI Electric Utilities, Inc. – Electric Division (UGI Electric), Mr. Moul acknowledges the Commission granted a "management performance increment," not a leverage adjustment when arriving at the allowed equity return. As for the Columbia Gas case, Mr. Moul concedes that the Company accepted I&E's return on equity recommendation, which did not include a leverage adjustment or addition of points for management performance. Additionally, in the 2020 PECO Gas case, he argues that the Commission arrived at an equity return on the higher side without a leverage adjustment, therefore no adjustment was warranted. Finally, in the 2021 Aqua case, Mr. Moul acknowledges that the Commission set the cost of equity without a leverage adjustment.[43]

Q. WHAT IS YOUR RESPONSE TO MR. MOUL'S REBUTTAL TESTIMONY REGARDING THE REFERENCED PRIOR COMMISSION ORDERS IN YOUR DIRECT TESTIMONY?

A. In this proceeding, Mr. Moul is recommending a 120-basis point "leverage adjustment." To be clear, the Commission did in fact refuse to accept the leverage adjustment in the 2007 Aqua base rate case by stating "…we reject the ALJ's

[42] Aqua Statement No. 7-R, p. 24, lines 15-18.
[43] Aqua Statement No. 7-R, p. 24, line 20 through p. 25, line 13.

recommendation to allow a 65 basis point leverage adjustment."[44] The management performance points awarded to Aqua in the 2007 base rate case were case-specific and in no way related to the proposed leverage adjustment. Regarding the City of Lancaster case, the Commission did not reject the leverage adjustment based on the manner in which it was calculated, but rather, the Commission stated, "…the ALJ's recommendation is in error as any adjustment to the results of the market based DCF as we have previously adopted are unnecessary and will harm ratepayers."[45] Regarding the UGI Electric case, the Commission concluded that "…an artificial adjustment in this proceeding is unnecessary and contrary to the public interest. Accordingly, we decline to include a leverage adjustment in our calculation of the DCF cost of equity."[46] Regarding the most recent Columbia Gas case, the Commission stated,

> … we have adopted the ALJ's recommendation to use I&E's DCF methodology utilizing I&E's dividend yield of 3.34% and growth rate of 6.52%. As noted above, the ALJ did not specify a recommended cost of equity for Columbia in their Recommended Decision. However, we note that I&E's methodology results in an ROE of 9.86%.[47]

The ALJ's Recommended Decision stated the following:

> The ALJ agrees with BIE's reasoning that Columbia Gas' calculated return on equity was flawed for five reasons: (1) the weights given to the results of the Company's CAPM, RP, and CE analyses; (2) certain aspects of Columbia's discussion of

[44] *Pa. PUC v. Aqua Pennsylvania, Inc.*; Docket No. R-00072711, pp. 38-39 (Order entered July 31, 2008).
[45] *Pa. PUC v. City of Lancaster – Bureau of Water*; Docket No. R-2010-2179103, p. 79 (Order entered July 14, 2011).
[46] *Pa. PUC v. UGI Utilities, Inc. – Electric Division;* Docket No. R-2017-2640058, pp. 93-94 (Order entered October 25, 2018).
[47] *Pa. PUC v. Columbia Gas of Pennsylvania*; Inc. Docket No. R-2020-3018835, p. 141 (Order entered February 19, 2021).

> risk; (3) Columbia Gas' application of the DCF including the forecasted growth rate and leverage adjustment used; (4) Columbia's inclusion of a size adjustment, reliance on the 30-year Treasury Bond for the risk- free rate, and the use of a double-adjusted *beta* in the CAPM analysis; and (5) the Company's request for an additional 20 basis points for "strong management performance" is unjustified.[48]

While the Company accepted I&E's DCF return without regard to the leverage adjustment or management performance in the last base rate case, in the Recommended Decision, the ALJ clearly rejected the Company's proposed leverage adjustment and the Commission agreed with the ALJ's Recommended Decision.

In the PECO Energy – Gas Division case, the Commission stated,

> … we have adopted the ALJ's recommendation to use I&E's DCF methodology and to use I&E's CAPM calculation as a check on the reasonableness of the DCF determined cost of equity. Therefore, we shall adopt the ALJ's recommended 10.24% cost of equity. In our view, this is an appropriate cost of equity for PECO given the record developed in this proceeding.[49]

In the Recommended Decision, the ALJ agreed with I&E's recommended cost of equity which did not include a leverage adjustment.[50]

Finally, regarding the 2021 Aqua base rate case, the Commission did in fact reject the Company's proposed leverage adjustment as follows,

> We find I&E's arguments in opposition to the Company's position to be persuasive. For example, as I&E observed, credit

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[48] *Pa. PUC v. Columbia Gas of Pennsylvania*; Inc. Docket No. R-2020-3018835, Recommended Decision, pp. 184-185.

[49] *Pa. PUC v. PECO Energy Company – Gas Division*. Docket No. R-2020-3018929, p. 171 (Order entered June 22, 2021).

[50] *Pa. PUC v. PECO Energy Company – Gas Division*. Docket No. R-2020-3018929, Recommended Decision, p. 215.

> rating agencies assess financial risk based upon a company's booked debt obligations and the ability of its cash flow to cover the interest payments on those obligations. The agencies use a company's financial statements, and not the company's market capital structure, in conducting their analysis. It is a company's financial statements that affect the market value of the stock, and, therefore, the financial statements and the book value capital structure are relied upon in an analysis such as that done by rating agencies. I&E St. 2 at 40; I&E St. 2-SR at 10. Accordingly, we find that the record in this proceeding supports rejecting the Company's requested leverage adjustment.[51]

Q. WHAT IS YOUR RESPONSE TO MR. MOUL'S ASSERTION THAT INVESTORS DO NOT BASE THEIR DECISIONS ON BOOK VALUE, BUT RATHER THE RETURN THEY EXPECT TO EARN ON THE DOLLARS THEY INVEST?

A. Investors purchase securities such as stocks at market value as opposed to book value. In doing so, they accept the returns and associated risks implied by market prices. However, financial statements, which are based on book values, show the entire true financial position of a company, providing the foundation for investment and financing decisions. For example, financial institutions such as banks lend money based on actual book values and not the current price of a stock. Further, almost all financial ratios used in financial analysis utilize at least one book value variable from either the income statement or the balance sheet.

[51] *Pa. PUC v. Aqua Pennsylvania, Inc*. Docket No. R-2021-3027385, pp. 166-167 (Order entered June 22, 2021).

Mr. Moul's assertion that an investor is concerned with the return earned on dollars invested and "not some accounting value of little relevance to them,"[52] is unsupported. Clearly an investor takes financial risk into consideration when determining a required return. In addition, the market capitalization information included in Value Line's reports and discussed by Mr. Moul is not the same as market value capital structure. Market capitalization refers to the number of shares outstanding multiplied by the current price. A market value capital structure refers to the ratio of market debt to market equity, which is not included in Value Line's reports. Therefore, Mr. Moul's contention that Value Line includes market capitalization data does not offer any support for his leverage adjustment.

Q. HAS MR. MOUL'S RESPONSE IN REBUTTAL TESTIMONY CONCERNING HIS PROPOSED LEVERAGE ADJUSTMENT CAUSED YOU TO CHANGE YOUR RECOMMENDATION?

A. No. For the reasons discussed above, I continue to recommend that Mr. Moul's leverage adjustment be rejected.

[52] Aqua Statement No. 7-R, p. 25, line 25 through p. 26, line 1.

CAPITAL ASSET PRICING MODEL

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING YOUR APPLICATION OF THE CAPM.

A. Mr. Moul opines that my CAPM analysis understates the cost of equity for several reasons, including my use of the yield on 10-year Treasury Notes for my risk-free rate, use of Kroll's Equity Risk Premium (ERP), failure to use leverage adjusted betas, and rejection of his size adjustment.[53] Each of these topics are discussed in more detail below.

Risk-Free Rate

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING YOUR USE OF THE YIELD ON THE 10-YEAR U.S. TREASURY NOTE.

A. Mr. Moul claims that by using the 10-year Treasury Note, I introduced a systematic understatement of CAPM returns. He opines that his use of the yield on a 30-year U.S. Treasury Bond is more appropriate than my use of the yield on a 10-year Treasury Note because 30-year bonds are "more a reflection of investor sentiment of their required returns…" and are also less susceptible to "policy initiatives of monetary officials…". Additionally, he provides a recalculation of my risk-free rate to use in the CAPM formula.[54]

[53] Aqua Statement No. 7-R, p. 29, lines 5-7.
[54] Aqua Statement No. 7-R, p. 29, line 12 through p. 30, line 12.

Q. DO YOU AGREE WITH MR. MOUL THAT USING THE YIELD OF A 30-YEAR U.S. TREASURY BOND IS MORE APPROPRIATE DUE TO A LONGER-TERM BOND BEING LESS SUSCEPTIBLE TO FEDERAL POLICY ACTIONS?

A. No. As stated in my direct testimony, I chose the 10-year Treasury Note which balances the shortcomings of the short-term T-Bill and the 30-year Treasury Bond. Although long-term Treasury Bonds have less risk of being influenced by federal policies, they have substantial maturity risk associated with the market risk. In addition, long-term Treasury Bonds bear the risk of unexpected inflation. As such, my choice of a 10-year Treasury Note is more appropriate.[55] Further, as also pointed out in my direct testimony, the Commission has agreed with I&E and recognized the 10-year Treasury Note as the superior measure of the risk-free rate of return.[56]

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING YOUR RISK-FREE RATE USED IN THE CAPM FORMULA.

A. Mr. Moul opines that I have incorrectly given weight to the yield on the 10-year Treasury Note for the third quarter of 2024 as I do for the entire five-year period

[55] I&E Statement No. 2, p. 31, line 9 through p. 32, line 7.

[56] *Pa. PUC v. UGI Utilities, Inc. – Electric Division;* Docket No. R-2017-2640058 p. 99 (Order entered October 25, 2018). *See generally* Disposition of Capital Asset Pricing Model (CAPM), p. 99; *Pa. PUC v. Aqua Pennsylvania, Inc.,* Docket Nos. R-2021-3027385 & R-2021-3027386, p. 154 (Order entered May 16, 2022); *Pa. PUC v. Columbia Water Company*; Docket No. R-2023-3040258 (Order Entered January 18, 2024). See g*enerally* Disposition of Cost of Common Equity, pp. 107-108. *Pa. PUC v. Pennsylvania-American Water Company;* Docket Nos. R-2023-3043189 and R-2023-3043190 (Order Entered July 22, 2024). *See generally* Disposition of Capital Asset Pricing Model (CAPM), pp. 171-172.

encompassing 2026 to 2030. Then, Mr. Moul incorrectly recalculates the risk-free rate by averaging the 10-year treasury yield forecasts by year from 2025 through 2030 in an attempt to increase my calculated risk-free rate.[57]

Q. DO YOU AGREE WITH MR. MOUL'S ANALYSIS OF YOUR RISK-FREE RATE?

A. No. Mr. Moul's new calculation proposes to give equal weight to each separate year from 2025 to 2030. The flaw with this approach is that the further out into the future one forecasts, the less reliable and more speculative the estimates become; therefore, to give the less reliable estimates equal weight would not be prudent. It is more appropriate to weight the quarters and years as I have done in my direct testimony.[58] My calculation provides a more accurate estimation of the risk-free rate during the FPFTY, as the further out one forecasts, the less reliable the information becomes.

More importantly, what Mr. Moul fails to recognize is that my risk-free rate of 4.18% is higher than the 3.75%[59] risk-free rate he uses in his own CAPM analysis. Therefore, his criticisms of my risk-free rate are pointless and carry no weight.

[57] Aqua Statement No. 7-R, p. 29, line 23 through p. 30, line 5.
[58] I&E Exhibit No. 2, Schedule No. 8.
[59] Aqua Statement No. 7, p. 43, lines 2-3.

Kroll ERP

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING YOUR USE OF THE KROLL ERP IN YOUR CAPM ANALYSIS.

A. Mr. Moul opines that my use of the Kroll ERP in my CAPM analysis is flawed for three reasons. First Mr. Moul asserts that the total market return using the Kroll ERP of 9.18% is not in line with investor expectations. Second, Mr. Moul states that the total market return must be higher than my DCF results as the total market return has a beta of 1.0. Third, Mr. Moul states that Kroll's analysis is qualitative rather than quantitative as it provides no empirical data to support its ERP. Additionally, Mr. Moul notes that the Kroll ERP is applied to a spot yield on 20-year Treasury Bonds although I use 10-year Treasury Notes in my CAPM analysis and that Kroll's ERP are inputs in the CAPM and other models to develop discount rates which he asserts is not relevant in determining a cost of equity.[60]

Q. WHAT IS YOUR RESPONSE TO MR. MOUL'S REBUTTAL TESTIMONY CONCERNING THE KROLL ERP?

A. As discussed in my direct testimony, my recommendation is based on the DCF method as the primary method to determine the cost of common equity. I am providing the results of my CAPM analysis as a comparison, and not as a check, to my DCF results.[61]

[60] Aqua Statement No. 7-R, p. 30, line 13 through p. 32, line 16.
[61] I&E Statement No. 2, p. 18, lines 5-11.

My inclusion of the Kroll ERP in my CAPM analysis is to provide more information to the Commission as they have recently expressed increasing interest in the CAPM model. Kroll is a trusted and publicly available source that bases their recommended ERP on current and forecasted economic and financial conditions.[62] Mr. Moul, himself, uses Kroll (formerly Duff & Phelps) in his analysis for a size adjustment.[63]

Mr. Moul's opposition to my use of Kroll's ERP further demonstrates that the inputs to the CAPM are highly subjective and can lead to wildly different results. This is not the case for the DCF model.

Leveraged Betas

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING THE USE OF LEVERAGE-ADJUSTED BETAS.

A. Mr. Moul simply mentions my "failure to use leverage adjusted betas…"[64] He does not offer an explanation beyond what he argued in his direct testimony.

Q. IS THE USE OF LEVERAGE-ADJUSTED BETAS IN CAPM ANALYSES APPROPRIATE?

A. No. As stated in my direct testimony, Mr. Moul's adjustment only serves to

[62] I&E Statement No. 2, p. 34, lines 10-14.
[63] I&E Exhibit No. 2-SR, Schedule 2.
[64] Aqua Statement No. 7-R, p. 29, lines 5-7.

inflate the result of his CAPM analysis. Value Line is a well-known and trusted source that both investors and the Commission rely upon, therefore, it is not necessary to make any type of adjustment to the Value Line betas. Enhancements such as leverage adjusted betas are unwarranted in CAPM analyses for the same reasons that enhancements are unwarranted for DCF results. Until this type of adjustment is demonstrated in academic literature to be valid, such leverage-adjusted betas in a CAPM should be rejected. Furthermore, the Commission found no basis to add leverage adjusted betas in Aqua's last base rate case which was litigated.[65] Finally, a stock with a price movement that is greater than the overall stock market will have a beta that is greater than one and would be described as having more investment risk than the market. Due to being regulated and the monopolistic nature of utilities, very rarely do they have a beta equal to or greater than one. Therefore, in this case, to apply an adjusted beta of 1.10 to the entire industry or water proxy group is irrational.[66]

Size Adjustment

Q. SUMMARIZE YOUR DIRECT TESTIMONY REGARDING A SIZE ADJUSTMENT.

A. In direct testimony, I stated that Mr. Moul's 102 basis point CAPM size adjustment is unnecessary because none of the technical literature he cited in his

[65] *Pa. PUC v. Aqua Pennsylvania, Inc.;* Docket No. R-2021-3027385 (Order Entered May 16, 2022). *See generally* Disposition of Leverage Adjustment and Management Performance, pp. 166-167.

[66] I&E Statement No. 2, pp. 58-61.

direct testimony supporting investment adjustments related to the size of a company is specific to the utility industry. I also presented an article by Dr. Annie Wong that demonstrated there is no need to make an adjustment for the size of a company in utility rate regulation. Finally, I noted that the Commission has rejected the application of a size adjustment to the CAPM cost of equity calculation where it agreed that the same literature the Company cites is not specific to the utility industry.[67]

Q. SUMMARIZE MR. MOUL'S RESPONSE IN REBUTTAL TESTIMONY REGARDING A SIZE ADJUSTMENT.

A. Mr. Moul states that enormous changes have occurred in the industry since the article "Utility Stocks and the Size Effect: An Empirical Analysis" by Dr. Annie Wong was published. He also references the Fama/French study, "The Cross-Section of Expected Stock Returns," to illustrate that his size adjustment is a separate factor from beta that helps explain systematic risk and returns. Additionally, Mr. Moul opines that external factors, such as loss of larger customers and unexpected changes in expenses, can affect the financial performance of a small company.[68]

[67] I&E Statement No. 2, pp. 61-65.
[68] Aqua Statement No. 7-R, p. 32, line 17 through p. 34, line 3.

Q. DOES THE FAMA/FRENCH STUDY REFUTE DR. WONG'S ARTICLE?

A. No. As stated in my direct testimony, Dr. Wong's article presents evidence that although a size effect may exist for industrial stocks, it does not exist for utility stocks.[69] As the Fama/French study is not specific to utility stocks, it does not adequately demonstrate that a size effect exists in the utility industry. In addition, the size effect that exists for industrial stocks varies to such an extent that it is difficult to predict. The difficulty in predicting the effect of size is demonstrated in the variance from year to year of the measurement of difference between the annual returns on the large and small-capitalization stocks of the NYSE/AMEX/NASDAQ in the Ibbotson *Stocks, Bonds, Bills & Inflation: 2015 Yearbook*. As stated on page 100 of the SBBI Yearbook,

> While the largest stocks actually declined in 2001, the smallest stocks rose more than 30%. A more extreme case occurred in the depression-recovery year of 1933, when the difference between the first and 10th decile returns was far more substantial. The divergence in the performance of small- and large- cap stocks is evident. In 30 of the 89 years since 1926, the difference between the total returns of the largest stocks (decile 1) and the smallest stocks (decile 10) has been greater than 25 percentage points.

Page 109 states,

> In four of the last 10 years, large-capitalization stocks (deciles 1-2 of NYSE/AMEX/NASDAQ) have outperformed small-capitalization stocks (deciles 9-10). This has led some market observers to speculate that there is no size premium. But statistical evidence suggests that periods of underperformance should be expected.

[69] I&E Statement No. 2, pp. 62-63.

Page 112 states,

> Because investors cannot predict when small-cap returns will be higher than large-cap returns, it has been argued that they do not expect higher rates of return for small stocks.

Q. DOES THE TIME WHICH HAS ELAPSED SINCE AN ARTICLE WAS WRITTEN NECESSARILY INVALIDATE ITS RESULTS?

A. No. Although Mr. Moul states that enormous changes have occurred in the industry since the 1960s, he presents no evidence that these "changes" have caused the need for a size adjustment. To the contrary, Dr. Wong's study demonstrated that one does *not* need to be made in the regulated utility industry. As stated in my direct testimony, absent any credible article to refute Dr. Wong's findings, Mr. Moul's size adjustment to his CAPM results should be rejected.[70]

Q. ARE MR. MOUL'S CONCERNS REGARDING THE IMPACT OF LOSING LARGE CUSTOMERS OR UNEXPECTED INCREASES IN EXPENSES VALID?

A. No. Regulated utility companies have the option to file a base rate case to address declining revenues and to recover the increasing costs of doing business in addition to emergency rate relief provisions for large unforeseen impacts. In contrast, non-utility businesses that may be significantly impacted by events of this nature due to small operating size do not have these opportunities.

[70] I&E Statement No. 2, p. 63, lines 6-8.

Additionally, while a smaller utility may pay higher prices for services and materials just due to volume buying power, the actual costs are part of the revenue requirement presented by that company, so to increase the return to account for the potential size disadvantage would only further unfairly burden ratepayers who are already likely paying higher utility bills to recover the higher operating costs.

Q. MR. MOUL HAS RECALCULATED YOUR CAPM RESULTS.[71] DO YOU AGREE WITH HIS RECALCULATION?

A. No. Mr. Moul's recalculation is incorrect for a couple of reasons. He used an inaccurate risk-free rate and an unnecessary size adjustment, as stated in both my direct testimony and above. Because of these factors, a recalculation of my CAPM results is imprudent and any recalculation provided by Mr. Moul of my CAPM results is unreliable and unnecessary.

Q. WHAT IS YOUR RECOMMENDATION REGARDING MR. MOUL'S SIZE ADJUSTMENT?

A. I continue to recommend that his use of the 1.02% size adjustment be disallowed in calculating the CAPM.

[71] Aqua Statement No. 7-R, p. 30, lines 6-12.

Q. DO YOU HAVE ANY ADDITIONAL COMMENTS REGARDING YOUR CAPM ANALYSIS?

A. Yes. My recommended cost of equity is primarily based upon my DCF analysis for the reasons explain above and in my direct testimony. I present a CAPM analysis to the Commission for comparison, not recommendation purposes as the inputs are highly subjective, and other than beta, not company or industry specific.

RISK PREMIUM

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING THE RISK PREMIUM METHOD.

A. Mr. Moul opines that the RP approach should be given serious consideration because it is straight-forward, understandable, and uses a company's own borrowing rate. He claims it provides a direct and complete reflection of a utility's risk and return. Mr. Moul also states that I make an unfounded assertion that the RP method does not measure the current cost of equity as directly as the DCF.[72]

Q. DO YOU AGREE WITH MR. MOUL THAT THE RP METHOD PROVIDES A DIRECT AND COMPLETE REFLECTION OF A UTILITY'S RISK AND RETURN?

A. No. The RP method produces an indirect measure when compared to the DCF

[72] Aqua Statement No. 7-R, pp. 36-37.

method.

Q. PLEASE COMMENT ON THE INDIRECT MEASURE OF THE RP METHOD VERSUS THE MORE DIRECT MEASURE OF THE DCF METHOD.

A. Mr. Moul claims that my statement that the RP method does not measure the current cost of equity as directly as the DCF is without foundation. In my direct testimony, I have clearly illustrated how the two measures are different.[73] The main reason is that the RP method determines the rate of return on common equity indirectly by observing the cost of debt and adding to it an equity risk premium. The DCF measures equity more directly through the stock information (using equity information), whereas the RP method measures equity indirectly using debt information.

<u>COMPARABLE EARNINGS</u>

Q. SUMMARIZE MR. MOUL'S REBUTTAL TESTIMONY REGARDING THE CE METHOD.

A. Mr. Moul claims that using the CE method satisfies the comparability standard established in the *Hope* case.[74] Additionally, he states, "…the financial community has expressed the view that the regulatory process must consider the

[73] I&E Statement No. 2, p. 16, line 4 through p. 26, line 17.
[74] Aqua Statement No. 7-R, p. 38, lines 21-22.

returns that are being achieved in the non-regulated sector to ensure that regulated companies can compete effectively in the capital markets."[75]

Q. DO YOU AGREE THAT COMPANIES USED BY MR. MOUL IN HIS CE METHOD ARE COMPARABLE TO AQUA?

A. No. As stated in my direct testimony, the companies in Mr. Moul's analysis are not utilities, and therefore, are too disparate to use in a CE analysis.[76] For example, the criteria Mr. Moul uses to choose the companies in his CE group results in the selection of companies such as Altria Group Inc. (Tobacco), Kimberly Clark Corp. (Household Products), Motorola Solutions Inc. (Telecommunications), Quest Diagnostics (Medical Services), and Toro Company (Machinery). All these companies operate in industries very different from a utility company and operate under varying degrees of regulation. Also, most, if not all, of the companies Mr. Moul uses in his analysis are not monopolies in the sense that utilities are. This means that they have significantly more competition and would require a higher return for the added risk. Further, the CE method should be excluded because it is entirely subjective as to which companies are comparable and it is debatable whether historic accounting returns are representative of the future.

[75] Aqua Statement No. 7-R, p. 33, lines 22-25.
[76] I&E Statement No. 2, pp. 37-38.

MANAGEMENT PERFORMANCE POINTS

Q. SUMMARIZE MR. MOUL'S AND MR. PACKER'S REBUTTAL TESTIMONY REGARDING MANAGEMENT PERFORMANCE POINTS.

A. Mr. Moul simply mentions that the Company "has performed in an exemplary manner, as explained by AP witness Packer, and that performance should be recognized in this case."[77] He does not offer an explanation beyond what he argued in his direct testimony.

Mr. Packer acknowledges my position that Aqua should not be rewarded for doing what the Company is legally required to do, and that the savings resulting from true management effectiveness are available to be passed on to shareholders. As he did in direct testimony, he lists a variety of Aqua's performance indicators such as optimization of water quality and system reliability, wastewater treatment compliance, system reliability and infrastructure rehabilitation, customer service focus and upgrades, acting to assist the Commission, OCA, and Department of Environmental Protection to address issues of small systems and acting as a receiver, and recognition of excellence of operations including the Partnership of Safe Water. In addition to the Company's 2021 rate case, Mr. Packer also provides the Company's 2008 rate case, PPL Electric's 2012 rate case, and UGI Electric's 2017 rate case as examples of when the Commission granted increases for management performance. Mr. Packer insists that an "increment for exemplary management effectiveness" should be

[77] Aqua Statement No. 7-R, p. 41, lines 5-7.

adopted if the Commission were to consider approving an ROE of less than 10.95%.[78]

Q. WHAT IS YOUR RESPONSE TO THE COMPANY'S REBUTTAL TESTIMONY REGARDING THE CONSIDERATION OF ADDITIONAL BASIS POINTS FOR MANAGEMENT PERFORMANCE?

A. As discussed in my direct testimony, many of the topics presented by the Company fall within the categories of reliability, customer satisfaction, and safety that are required of every public utility company under 66 Pa C.S.A. §1501. Additionally, the Company passes capital expenditures to its ratepayers via base rates, or it can utilize a DSIC for capital expenditure recovery. Further, if the Company is effective at controlling operating and maintenance costs, those savings should flow through to ratepayers and/or investors. These savings would likely be offset by any consideration of additional basis points for management performance as ratepayers would have to fund the additional costs. This defeats the purpose of any cost cutting measures to benefit ratepayers. I maintain that Aqua, or any utility company for that matter, should not reap additional rewards for programs funded by ratepayers or for meeting their obligations under 66 Pa C.S.A. §1501.[79] Finally, I am aware that under 66 Pa C.S.A. §523 the Commission shall consider a utility's performance, however, it is not mandatory

[78] Aqua Statement No. 1-R, p. 28, line 3 through p. 32, line 9.
[79] I&E Statement No. 2, p. 65, line 16 through p. 69, line 15.

that the Commission grant additional points. Therefore, I continue to recommend that any addition of basis points to the cost of equity for management performance be disallowed.

Q. DOES THE COMMISSION'S PAST ACCEPTANCE OF ADDITIONAL EQUITY POINTS TO RECOGNIZE MANAGEMENT PERFORMANCE MEAN THAT AQUA SHOULD ALSO RECEIVE AN ADJUSTED RETURN ON EQUITY?

A. No. Aqua's 2008 rate case was approximately 16 years ago, and obviously should have no bearing on the current proceeding. The 2017 UGI Electric and 2012 PPL Electric rate cases are irrelevant to the determination of whether Aqua should be granted additional basis points to its cost of equity for management performance. Management performance is something that is very specific to each individual utility. Therefore, what the Commission has historically decided in this regard, and the management performance of other utilities (all in a period prior to the pandemic), has no bearing on whether Aqua should receive a higher return on equity to recognize its management performance. Notably however, in the 2017 UGI Electric case, which was decided in a pre-pandemic climate, the Commission awarded the Company a nominal five additional basis points for management effectiveness. Finally, as for the Aqua 2021, as I stated in my direct testimony, the

issuance of equity points to recognize management performance should be done on a case-by-case basis.[80]

Q. HAS YOUR RECOMMENDATION REGARDING THE COMPANY'S REQUEST FOR ADDITIONAL BASIS POINTS REGARDING ITS MANAGEMENT PERFORMANCE CHANGED?

A. No. I continue to recommend that any additional basis points for management performance be rejected.

OVERALL RATE OF RETURN

Q. HAS YOUR OVERALL RATE OF RETURN RECOMMENDATION CHANGED FROM YOUR DIRECT TESTIMONY?

A. No. I continue to support each recommendation made in I&E Statement No. 2.

Q. WHAT IS YOUR OVERALL RATE OF RETURN RECOMMENDATION?

A. I recommend the following rate of return for Aqua:

Type of Capital	Summary of Cost of Capital Ratio	Cost Rate	Weighted Cost
	Aqua Pennsylvania, Inc.		
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	9.37%	5.06%
Total	100.00%		7.05%

[80] I&E Statement No. 2, p. 68, lines 16-21.

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes.

I&E Exhibit No. 2-SR
Witness: Christopher Keller

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA, INC.
&
AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Exhibit to Accompany

the

Surrebuttal Testimony

of

Christopher Keller

Bureau of Investigation and Enforcement

Concerning:

Rate of Return

RRA REGULATORY FOCUS

NJ regulators approve Veolia Water rate increase

Wednesday, June 5, 2024 3:14 PM ET

By Heike Doerr
Market Intelligence

The New Jersey Board of Public Utilities recently voted to authorize a settlement for Veolia Water New Jersey Inc. to increase base water and wastewater rates. New rates become effective Aug. 8.

The Take

➤ The settlement increases the company's rates by $40.0 million, compared to the $63.9 million initially requested in November 2023.

➤ The order is based on a 9.6% return on equity (ROE), which is consistent with what the Board of Public Utilities (BPU) has been authorizing across water, electric and gas utilities in recent decisions. The ROE is identical to that authorized in the previous rate case for Veolia Water New Jersey (VWNJ) and is largely in line with equity returns recently authorized nationwide for water utilities.

➤ Regulatory Research Associates considers the regulatory climate in New Jersey for water utilities to be somewhat more restrictive than average from an investor viewpoint, and recent turnover at the BPU contributes to this assessment. While equity return authorizations have generally been equivalent to the prevailing industry averages when established, the BPU relies on historic test years, making it challenging for the utilities to earn the authorized returns.

RRA evaluates water utility regulation in over 20 state jurisdictions and monitors rate proceedings involving rate change requests of at least $1.0 million for the 12 largest investor-owned and privately held water utilities.

Formerly known as SUEZ Water New Jersey Inc., VWNJ is wholly owned by Veolia Utility Resources LLC. The utility is the second-largest private water utility in New Jersey, serving approximately 262,000 retail water customers in 76 municipalities. The company also serves approximately 6,300 sewer customers in four municipalities.

ROE discussion

The May 22 order approves a $37.1 million (11.6%) water and $2.9 million wastewater (12.33%) rate increase, reflecting a 9.60% return on equity (54.00% capital) and a 7.11% return on an average rate base valued at $1.586 billion for a test year ended March 30, 2024, with adjustments for known and measurable changes through Sept. 30, 2024.

The 9.6% ROE in the approved rate case settlement is the same as VWNJ's previous authorized ROE in the state and is largely in line with equity returns recently authorized nationwide.

The largest investor-owned water utilities regulated by the BPU have all been authorized the same ROE, as have electric and gas utilities in recent cases before the board. Most recently, the BPU authorized Middlesex Water Co. a $15.4 million rate increase in February 2024 with a 9.60% authorized ROE.

During the first quarter, three rate proceedings in Indiana, Maine and West Virginia were completed across the water utility sector, averaging 9.65%, largely in line with the 9.64% average ROE approved for water utilities nationwide in 2023. The 2023 average comprised 10 base rate proceedings, cost-of-capital proceedings for California's four largest investor-owned water utilities, and subsequent increases to those four California utilities' ROEs based on a mechanism tied to fluctuations of a bond index. The base rate proceedings spanned nine states, with cost-of-capital parameters provided in seven proceedings, ranging from 8.70% in Connecticut to 9.8% in North Carolina. The California ROEs authorized in June 2023 ranged from 9.31% to 9.57%, and the water cost-of-capital mechanism increased them by 70 basis points, effective Jan. 1, 2024, bringing the authorized returns in California above the national average.

Rate case history

On Nov. 9, VWNJ requested a $63.9 million (19.57%) increase to base rates, reflecting a 10.3% return on equity (54.00% capital) and a 7.49% return on a $1.611 billion rate base.

This rate case includes the acquisition and subsequent investment in the Borough of Allendale, a transaction VWNJ completed in November 2022 for $18 million. The company has operated the borough's water system since 2013. Recent changes to environmental regulations required the construction of treatment facilities for most of the borough wells. Recognizing that it "had neither the expertise or the resources to implement the required treatment projects," the borough decided to sell the system.

The BPU twice suspended implementation of the company's proposed rates, first until April 9, 2024, and then until Aug. 9, 2024.

On April 5, the company submitted its filing with actual test year data for the 12-month period ending March 31, 2024, with an updated revenue requirement of approximately $65 million.

The parties reached a settlement April 15.

Previous rate proceeding

The company's most recent rate proceeding was completed in May 2021, when it was authorized a $16.4 million (5.5%) rate increase.

In that proceeding, VWNJ filed for a $35.5 million rate increase based on a 10.2% return on equity (54.00% of capital) and a 7.46% return on a year-end rate base valued at $1.257 billion for a test year ended March 31, 2021.

During the company's 2018 rate proceeding, it was authorized to consolidate its smaller subsidiaries into SUEZ Water New Jersey. The consolidated entities included SUEZ Water Toms River, SUEZ Water West Milford, SUEZ Water Princeton Meadows, SUEZ Water Arlington Hills and SUEZ Water Matchaponic Inc.

Water utility regulation somewhat more restrictive than average in New Jersey

RRA considers the regulatory climate in New Jersey as it pertains to water utilities to be somewhat more restrictive than average from an investor viewpoint. Equity return authorizations by the BPU have generally been at or above the prevailing industry averages when established. However, the commission relies on test years that are historical by the time a decision is rendered, exacerbating regulatory lag and rendering it challenging for the utilities to earn the authorized returns.

With the death of then-President Joseph Fiordaliso in September 2023 and the departure of three seasoned commissioners who had been serving beyond the end of their terms in the past year, the BPU's makeup has changed considerably. A new commissioner with water utility experience joined the BPU in January; however, one vacancy on the five-member panel remains. While some of the new commissioners have experience in utility issues, they largely lack experience as regulators, which causes some regulatory uncertainty.

On a more constructive note, the BPU allows infrastructure replacement surcharges for water utilities and recently expanded them to include wastewater utilities. However, the cap on the percentage of revenue that can flow through the charge is lower than in many other states. The BPU now permits interim increases to be implemented during the pendency of a rate case, but no water utility has done so. Legislation enacted in 2015 facilitates the acquisition of municipal water systems in the state. Similar legislation on wastewater systems has not successfully been enacted in recent years.

The BPU has historically taken an extended period of time to rule on large mergers. Recent, smaller acquisition proposals have met with little resistance. The state's consumer advocacy group is vocal and strongly influences regulatory outcomes.

RRA accords New Jersey water utility regulation an Average/3 ranking.

2 NJ water utility rate cases pending

The largest investor-owned water utility in New Jersey, New Jersey-American Water Co. Inc., filed for a $161.7 million rate increase in January, reflecting a 10.75% return on equity (56.30% capital) and a 7.90% return on an average rate base valued at $5.067 billion for a test year ending June 30, 2024. The company proposes that the BPU consider additions in capital expenditures through Dec. 31, 2024, and changes in certain revenues and expenses through March 31, 2025. New Jersey-American Water is a subsidiary of American Water Works Co. Inc.

Also in January, Aqua New Jersey Inc. requested a $8.3 million (8.3%) increase to base rates reflecting an 11.15% return on equity (53.00% capital) and a 7.91% return on rate base valued at $279 million for a test year ended April 30, 2024. The rate request includes $10.4 million of post-test-year plant additions. Aqua New Jersey is a subsidiary of Essential Utilities Inc.

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Witness: Paul R. Moul
Date: 06/20/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

BUREAU OF INVESTIGATION AND ENFORCEMENT

DATA REQUEST SET RR

I&E-RR-11-D Reference AP Exhibit 4-A, Schedule 13. Provide the missing page 3 of 3 pertaining to the size adjustment.

RESPONSE

Please see attached.

Exhibit 7.8: Size-Decile Portfolios of the NYSE/NYSE MKT/NASDAQ Long-Term Returns in Excess of CAPM
1926–2016

Size Grouping	OLS Beta	Arithmetic Mean	Return in Excess of Risk-free Rate (actual)	Return in Excess of Risk-free Rate (as predicted by CAPM)	Size Premium
Mid-Cap (3–5)	1.12	13.82%	8.80%	7.79%	1.02%
Low-Cap (6–8)	1.22	15.26%	10.24%	8.49%	1.75%
Micro-Cap (9–10)	1.35	18.04%	13.02%	9.35%	3.67%
Breakdown of Deciles 1–10					
1-Largest	0.92	11.05%	6.04%	6.38%	-0.35%
2	1.04	12.82%	7.81%	7.19%	0.61%
3	1.11	13.57%	8.55%	7.66%	0.89%
4	1.13	13.80%	8.78%	7.80%	0.98%
5	1.17	14.62%	9.60%	8.09%	1.51%
6	1.17	14.81%	9.79%	8.14%	1.66%
7	1.25	15.41%	10.39%	8.67%	1.72%
8	1.30	16.14%	11.12%	9.04%	2.08%
9	1.34	16.97%	11.96%	9.28%	2.68%
10-Smallest	1.39	20.27%	15.25%	9.66%	5.59%

Betas are estimated from monthly returns in excess of the 30-day U.S. Treasury bill total return, January 1926–December 2016. Historical riskless rate measured by the 91-year arithmetic mean income return component of 20-year government bonds (5.02%). Calculated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is estimated by the arithmetic mean total return of the S&P 500 (11.95%) minus the arithmetic mean income return component of 20-year government bonds (5.02%) from 1926–2016. Source: Morningstar *Direct* and CRSP. Calculated based on data from CRSP US Stock Database and CRSP US Indices Database ©2017 Center for Research. Used with permission. All calculations performed by Duff & Phelps, LLC.

I&E Statement No. 3
Witness: Ethan H. Cline

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA WATER, INC.

AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Direct Testimony

of

Ethan H. Cline

Bureau of Investigation and Enforcement

Concerning:

Rate Base
Reporting Requirements
East Whiteland System Acquisition
Wastewater Rate Design
Water – Shenandoah Rate Design
Scale Back of Rates

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INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Ethan H. Cline. My business address is Pennsylvania Public Utility Commission, 400 North Street, Harrisburg, PA 17120.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Pennsylvania Public Utility Commission in the Bureau of Investigation and Enforcement ("I&E") as a Fixed Utility Valuation Engineer.

Q. WHAT IS YOUR EDUCATIONAL AND EMPLOYMENT EXPERIENCE?

A. An outline of my education and employment experience is attached as Appendix A.

Q. PLEASE DESCRIBE THE ROLE OF I&E IN RATE PROCEEDINGS.

A. I&E is responsible for representing the public interest in rate and other proceedings before the Commission. I&E's analysis in this proceeding is based on its responsibility to represent the public interest. This responsibility requires the balancing of the interests of ratepayers, the utility company, and the regulated community as a whole.

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. The purpose of my testimony is to evaluate Aqua Pennsylvania Water, Inc. and

Aqua Pennsylvania Wastewater, Inc.'s ("Aqua" or "Company") request for a total annual increase in operating revenue of $126,675,472 million in the year ending December 31, 2025. My testimony will address issues related to the rate base, present and proposed revenue, cost allocation, and rate design for the water and wastewater operations.

Q. DOES YOUR TESTIMONY INCLUDE AN EXHIBIT?

A. Yes. I&E Exhibit No. 3 contains schedules relating to my testimony.

Q. PLEASE DESCRIBE THE FILING.

A. On May 23, 2024, Aqua filed a combined water and wastewater base rate case. Using the Fully Projected Future Test Year ("FPFTY") ending December 31, 2025; this net increase of $126,675,472 is comprised of an increase in water revenue of $111,246,656 for water base operations and $802,470 for the Shenandoah Water Division. Additionally, the Company is requesting an increase in wastewater revenue allocated across several wastewater systems as follows: $8,209,676 to Wastewater Base Operations, $2,568,544 to Lower Makefield Wastewater Operations, and $3,848,126 to East Whiteland Wastewater Operations. (Aqua Sch. Act-11, p. 1).

RATE BASE

Q. WHAT IS RATE BASE?

A. Rate base is the depreciated original cost of a utility's investment in plant that is in place to serve customers plus other additions and deductions that the Commission deems necessary in order to keep the utility operating and providing safe and reliable service to its customers.

Q. HOW IS RATE BASE USED IN THE RATEMAKING FORMULA?

A. Rate base is one part of the financial equation used by the Commission to determine the appropriate revenue that a utility is granted in a rate proceeding. The revenue determination allows the utility to meet its expense obligations and gives it the opportunity to earn the rate of return established by the Commission in a rate proceeding. The equation used to determine the proper revenue requirement is:

Revenue Requirement = (Rate Base x Rate of Return) + Operating Expenses + Depreciation Expense + Taxes

Q. HOW DOES THE COMPANY CALCULATE ITS RATE BASE CLAIM?

A. The Company's rate base claim calculation includes depreciated original cost plant in service plus additions of materials and supplies and cash working capital as well as deductions of contributions in aid of construction ("CIAC") and customer advances for construction ("CAC"), deferred income taxes, and Investment Tax

Credit as shown on Schedule G-1 on Aqua Exhibits 1-A through 1-, Schedule G-1.

Q. HOW IS DEPRECIATED ORIGINAL COST PLANT IN SERVICE CALCULATED?

A. The depreciated original cost plant in service is determined by subtracting the book reserve, which is the accumulation of all prior annual depreciation expense, and other items such as salvage value from the original cost of the plant in service that is projected to be used and useful in the public service. The depreciated original cost of the plant in service is determined by taking a "snapshot" look at the depreciated original cost value of used and useful utility plant expected to be in service at the end of the FPFTY.

Q. IS I&E RECOMMENDING ANY ADJUSTMENTS TO THE ADDITIONS AND DEDUCTIONS LISTED ABOVE?

A. No.

FTY AND FPFTY REPORTING

Q. DO YOU HAVE ANY RECOMMENDATIONS REGARDING PLANT ADDITIONS THAT AQUA PROJECTS TO BE IN SERVICE DURING THE FTY ENDING DECEMBER 31, 2024, AND THE FPFTY ENDING DECEMBER 31, 2025?

A. Yes. I recommend that the Company provide I&E and the Office of Consumer

Advocate with an update to Schedule G-2 of Aqua Exhibits 1-A, 1-B, 1-C, 1-D, and 1-E, no later than April 1, 2025, which should include actual capital expenditures, plant additions, and retirements by month for the twelve months ending December 31, 2024, and an additional update for actuals for the year ending December 31, 2025, no later than April 1, 2025.

Q. WHY DO YOU RECOMMEND THAT AQUA PROVIDE THESE UPDATES?

A. I&E continues to believe that there is value in determining how closely Aqua's projected investments in future facilities comport with the actual investments that are made by the end of the FTY and FPFTY. Determining the correlation between the Company's projected and actual results will help inform the Commission and the parties in Aqua's future rate cases as to the validity of the Company's projections.

Using an FPFTY, Aqua is requesting ratepayers pre-pay a return on its projected investment in future facilities that are not in place and providing service at the time the new rates take effect, but also are not subject to any guarantee of being completed and placed into service. While the FPFTY provides for such projections, there should be verification of the projections. Therefore, requiring the Company to provide updates demonstrating that actual investments comport with projections used in setting rates provides the Commission with actual data to gauge the accuracy of Aqua's projected investments in future proceedings.

EAST WHITELAND TOWNSHIP SYSTEM ACQUISITION

Q. WHEN WAS THE EAST WHITELAND TOWNSHIP WASTEWATER SYSTEM ACQUIRED BY AQUA?

A. Aqua acquired the Easte Whiteland Township ("East Whiteland") wastewater system on August 12, 2022 (Aqua St. No. 11, p. 23).

Q. ARE YOU AWARE OF ANY EXISTING LEGAL ISSUES REGARDING AQUA'S ACQUISITION OF THE EAST WHITELAND SYSTEM?

A. Yes. It is my understanding that the Company's acquisition of the East Whiteland system was initially approved by the Commission in an Order entered July 29, 2022[1]. I am advised by counsel that parties have 30 days to appeal Commission Orders to the Pennsylvania Commonwealth Court. Despite this 30-day appeal period, the Company decided to close on the acquisition 14 days after the Commission Order. However, after a series of appeals, as I understand, the East Whiteland acquisition case now sits with the Pennsylvania Supreme Court.[2]

Q. WHAT EFFECT DOES THE APPEAL OF THE EAST WHITELAND ACQUISITION CASE HAVE ON THE PRESENT PROCEEDING?

A. I have been advised by counsel that, until the appeal to the Pennsylvania Supreme Court has been resolved, the question of whether Aqua is legally permitted to

[1] Aqua Acquisition of East Whiteland Docket No. A-2021-3026132, p. 122, Order entered July 29, 2022.
[2] Cicero v. Pa. P.U.C., Docket No. 49 MAP 2024

include this system in its rate base remains unresolved.

Q. DID THE COMMISSION RECENTLY REJECT THE INCLUSION OF WATER OR WASTEWATER ACQUISITIONS FOR SYSTEMS THAT WERE INCLUDED IN A BASE RATE CASE PRIOR TO THE CLOSE OF THE ACQUISITION?

A. Yes. In the Order for the Pennsylvania-American Water Company's ("PAWC") recent water and wastewater base rate increase, the Commission excluded the Butler Area Sewer Authority system from and ruled that "the Commission cannot assume that PAWC correctly knows with any certainty how the Commonwealth Court will rule on this matter. Therefore, accepting such assumptions is not in the public interest."[3] Applying this same logic to the Pa. Supreme Court appeal of the East Whiteland system would similarly require that system to be removed from the present proceeding because it is uncertain how the Pa. Supreme Court will rule on the East Whiteland case.

Q. DOES THE CLOSING OF THE EAST WHITELAND ACQUISITION NEGATE THE SIMILARITY TO THE RULING ON THE BASA ACQUISITION IN THE PAWC CASE?

A. No. As I described above, the East Whiteland Acquisition was approved by the

[3] PAWC Base Rate Case Docket Nos. R-2023-3043189 and R-2023-3043190, pp. 38-39, Order entered July 22, 2024.

Commission on July 29, 2022, and Aqua decided to Close the acquisition on August 12, 2022, a mere 14 days into the 30-day appeal period. Aqua's attempt to circumvent the appeals process does not remove the uncertainty surrounding what the Pa. Supreme Court's decision will be and, therefore, including the East Whiteland acquisition in this base rate case is unjust and unreasonable. The legal considerations surrounding the East Whiteland acquisition will be discussed by the I&E prosecutor in the Main and Reply briefs.

Q. WHAT DO YOU RECOMMEND REGARDING THE EAST WHITELAND ACQUISITION?

A. I recommend that any rate base, acquisition costs, expenses, taxes, and any revenue shortfall, including the proposed Act 11 allocation of $3,144,592 (Aqua Ex. 1-A, Sch. Act 11), be excluded from this case as premature.

WASTEWATER RATE ZONES

Q. HOW MANY DIFFERENT WASTEWATER RATE ZONES DOES AQUA HAVE, AND DO THE RATES VARY BY RATE ZONE?

A. Aqua has 15 different wastewater rate zones and 7 different third-party customers (Aqua Ex. 5-B, Part II, Sch. 2-WW). While a few Rate Zones have the same rates, most rates are different. Since the last case, the Company acquired the Lower Makefield system and the East Whiteland system through separate Section 1329 proceedings as well as the North Heidelberg Sewer Company ("NHSC"). These

three systems became Rate Zones 12, 13, and 14 respectively, and the rates and revenues for Rate Zones 12, 13, and 14 are shown in Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 24-29.

Q. IS AQUA PROPOSING TO CONSOLIDATE ANY WASTEWATER RATE ZONES?

A. Yes. As described on Aqua Statement No. 5, p. 19, the Company is proposing to consolidate Rate Zones 1A, 7, 9, 10, and 12 into Rate Zone 1, consolidate Rate Zones 8 and 11 into Rate Zone 2, and leave Rate Zones 3, 4, 5, 6, and 13 as standalone rate zones with Rate Zones 2, 3, 4, and 5 receiving no increase.

Q. ARE YOU RECOMMENDING ANY CHANGES TO AQUA'S PROPOSED RATE ZONE CONSOLIDATIONS?

A. Yes, my recommended adjustments to Aqua's proposed rate zone consolidations are discussed further below and summarized in the following table.

Present Rate Zone	I&E Proposed Rate Zone
Rate Zone 1	Merge with Rate Zone 1
Rate Zone 7	
Rate Zone 8	
Rate Zone 1A	Move customer charge towards RZ 1
Rate Zone 2	Merge into one Rate Zone
Rate Zone 3	
Rate Zone 4	Merge into one Rate Zone
Rate Zone 5	
Rate Zone 9	Merge into one Rate Zone
Rate Zone 10	
Rate Zone 12	Merge into one Rate Zone
Rate Zone 14	
Rate Zone 6	Move usage Rates toward RZ 1
Rate Zone 11	Set EDU charges equal to RZ 1
Rate Zone 13	No change

Q. WHAT IS ACT 11?

A. On February 14, 2012, Governor Corbett signed into law Act 11 of 2012 (Act 11), which amends Chapters 3, 13 and 33 of the Pennsylvania Public Utility (Code). Act 11 amends Chapters 3 and 13 to allow jurisdictional utilities to make rate case claims based on a fully-projected future test year, to allow wastewater utilities to allocate a portion of their revenue requirement to the combined wastewater and water utility customer base and to allow water and wastewater utilities, electric distribution companies (EDCs), and natural gas distribution companies (NGDCs) or a city natural gas distribution operation to petition for a distribution system improvement charge (DSIC). (Docket No. M-2012-2293611, Final

Implementation Order entered August 2, 2012)

Q. DOES ACT 11 SPECIFY HOW RATES SHOULD BE DETERMINED OR WHAT PORTION OF A COMPANY'S WASTEWATER REVENUE REQUIREMENT SHOULD BE ALLOCATED TO ITS COMBINED WATER AND WASTEWATER CUSTOMERS?

A. No. Act 11 does not specify how the Commission should determine rates or dictate the amount of revenue that should be allocated or shifted, leaving the Commission wide latitude in applying this provision of Act 11. However, it is important to remember that Section 1311(c) states that it must be in the public interest for the utility to allocate a portion of the wastewater revenue requirement to the combined water and wastewater customer base.

Q. IS AQUA PROPOSING TO SHIFT SOME OF THE WASTEWATER REVENUE REQUIREMENT FROM WASTEWATER CUSTOMERS TO WATER CUSTOMERS IN THIS FILING?

A. Yes. In its filing, the Company proposes that its wastewater operations receive a $21,850,629 subsidy from its water operations. This amount consists of $17,747,873 for Wastewater Base Operations, $958,164 for the Lower Makefield system, and $3,144,592 for the East Whiteland system (Aqua Ex. 1-A, Sch. Act 11, p. 1).

Q. WHY IS AQUA PROPOSING TO SHIFT SOME OF THE WASTEWATER REVENUE REQUIREMENT FROM WASTEWATER CUSTOMERS TO WATER CUSTOMERS IN THIS FILING?

A. After increasing and consolidating various wastewater rates, to the level Aqua believes is reasonable, the remaining total proposed wastewater revenue shortfall is $21,850,629; therefore, Aqua has proposed to recover this amount from its water customers.

Q. DO YOU AGREE THAT AQUA'S PROPOSAL TO SHIFT $21,850,629 FROM WASTEWATER CUSTOMERS TO WATER CUSTOMERS IS IN THE PUBLIC INTEREST?

A. No. I do not agree that Aqua's proposal to shift $21,850,629 of the revenue requirement from wastewater customers to water customers is in the public interest. Generally speaking, it is unreasonable to require water customers to subsidize wastewater customers to this degree when only 27,167[4] of the total 442,058[5] water customers, or 6.15%, are also wastewater customers. While I understand Act 11 allows for a shifting of a portion of wastewater revenue requirement to water ratepayers, I believe each type of utility service should recover as much of the cost of providing that service as possible. More specifically, as shown on Aqua Exhibit 5-B, Part II, Schedule 7-WW, pp. 1-24,

[4] See response to OCA-II-22, attached as I&E Exhibit No. 3, Schedule 22.
[5] Aqua Exhibit 1-A, Schedule A-2, column 3, line 15.

Aqua is proposing a rate *decrease* for a large portion of its wastewater customer base. It is not in the public interest for Aqua's water customers to subsidize rate decreases for its wastewater customers. Finally, as I discussed above, it is not in the public interest for Aqua's water customers to be allocated any cost generated from the East Whiteland acquisition unless and until the ruling from the Pa. Supreme Court, if found in Aqua's favor, is final.

RATE STRUCTURE AND REVENUE SUMMARY

Q. DID YOU COMPILE A SUMMARY THAT SHOWS THE REVENUE IMPACT OF BOTH THE COMPANY'S AND I&E'S RATE STRUCTURE RECOMMENDATIONS?

A. Yes. A summary of the Company's and the I&E wastewater revenue recommendations described below are provided on I&E Exhibit No. 3, Schedule 1. As a result of the changes in proposed rates that I discuss below, I am recommending a reduction in the Act 11 subsidy of $18,303,535 from $21,850,629 to $3,547,094.

RATE ZONES SUMMARY

Q. DID THE COMPANY PROVIDE A COST OF SERVICE STUDY (COSS) TO DETERMINE THE COSTS OF PROVIDING SERVICE FOR ITS WASTEWATER BASE OPERATIONS?

A. Yes. The Company provided one COSS for its wastewater base operations, which

includes Rate Zones 1-11 and 14. The Company also provided separate COSS' for the Lower Makefield (Rate Zone 12) and East Whiteland (Rate Zone 13) operations (Aqua Ex. 5-B, Parts I and II).

Q. IN SOME OF THE RATE ZONES, CUSTOMERS ARE BILLED ON AN EQUIVALENT DWELLING UNIT (EDU) BASIS. PLEASE EXPLAIN WHAT AN EDU IS.

A. According to page 26 of the proposed tariff and EDU is defined as:

> Equivalent Dwelling Unit or "EDU"**:** Except for existing Customers acquired by the Company through a purchase or acquisition and for billing purposes only, the EDU is a measure assigned by the Company based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP regulation at 25 Pa. Code § 73.17(b) divided by the Company's typical estimated average daily wastewater flow from a current single-family unit. Residential Customers are designated as one (1) EDU; however, in the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property. (Aqua Pennsylvania, Inc. Tariff Sewer-PA P.U.C. No. 4, Original Page 26).

Q. WHY IS AN EDU USED FOR BILLING?

A. An EDU is used for billing flat rate customers and is based upon expected usage compared to an average residential customer or "dwelling unit." For example, the bill for an apartment building with 8 units would be based on 8 EDUs, or 8 times the charge for an average residential customer. For commercial customers, the nature of the commercial customer's business typically dictates the number of applicable EDUs.

Q. HOW DID AQUA DETERMINE THE FLAT RATE IF THE CUSTOMER HAS NO WATER USAGE DATA AVAILABLE?

A. Based upon the rates proposed by Aqua, the flat rate for a customer with no usage data available is based upon the bill of a customer in that Rate Zone that uses 3,870 gallons of water. This 3,870-gallons per month is the usage of an average residential usage customer. For example, in Rate Zone 1, the proposed bill for a customer that uses 3,870 gallons of water is $92.85 per month, which is the same as the proposed unmetered rate of $92.85 per month. (Aqua Volume 5, Ex. 5-B, Part II, Sch. 5-WW, p. 3, and 7-WW, p. 2). I continue this reasonable methodology in the Rate Zones that have flat rate residential customers where I adjust the Company's proposed rates. However, I am recommending that the nonresidential flat rate customers be calculated using 4,660 gallons per month.

Q. WHY ARE YOU RECOMMENDING THAT NONRESIDENTIAL UNMETERED FLAT RATE BE CALCULATED USING 4,660 GALLONS?

A. Generally, nonresidential customers have more usage per month than residential customers. Therefore, it is not reasonable to calculate the unmetered flat rate for nonresidential customers using the same average usage per month as residential customers.

Q. WHAT IS THE BASIS FOR THE 4,660 GALLONS PER MONTH THAT YOU RECOMMEND BE USED TO CALCULATE THE NONRESIDENTIAL UNMETERED FLAT RATE?

A. In its response to I&E-RS-7, attached as I&E Exhibit No. 3, Schedule 2, the Company provided a schedule showing the average usage for each customer class in each Rate Zone as well as the average usage for nonresidential customers. That schedule shows that the average Rate Zone 1 commercial customer uses 22,700 gallons per month, the average industrial customer uses 4,660 gallons per month, the average public customer uses 24,500 gallons per month, and the average usage for all nonresidential customers is 22,770 gallons per month. I selected the average usage of industrial customers of 4,660 gallons per month to calculate the nonresidential unmetered flat rate because selecting the average usage of any of the other customer groups would have resulted in an unreasonable increase compared to the existing rates, which are calculated based upon the residential average usage of 3,870 gallons per month. Therefore, calculating the nonresidential unmetered flat rate based on 4,660 gallons per month is reasonable because it represents the higher usage level of nonresidential customers compared to residential customers but does not increase rates unreasonably.

RATE ZONE 1

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 1 CURRENTLY PAY?

A. Aqua's present Rate Zone 1 rates and revenues are shown on Aqua Exhibit 5-B, Part II, Sch. 5-WW, pp. 1-3).

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT CUSTOMER CHARGES, FLAT RATES, AND USAGE RATES IN ZONE 1?

A. Yes. Aqua is proposing to decrease its residential customer charges, set its nonresidential customer charges equal to the residential customer charges, and increase its usage rates for all Rate Zone 1 customers (Aqua Ex. 5-B, Part II, Sch. 5-WW, pp. 1-3).

Q. WHAT IS THE CHANGE TO A RESIDENTIAL CUSTOMER IN ZONE 1 UNDER THE COMPANY'S PROPOSED RATES?

A. The bill for an average Residential customer using 3,870 gallons per month in Rate Zone 1 will decrease from $95.19 per month to $92.85 per month, which is a decrease of $2.35 per month or 2.46% (Aqua Ex. 5-B, Part II, Sch. 7-WW, p. 1).

Q. WHAT RATES DO YOU RECOMMEND FOR RATE ZONE 1 CUSTOMERS?

A. My recommended rates for Rate Zone 1 customers are shown on I&E Exhibit No. 3, Schedule 4, column I.

Q. PLEASE SUMMARIZE YOUR RATE PROPOSAL.

A. First, rather than decreasing the monthly customer charge, I am recommending that it be set equal to the current customer charge plus the existing 1.34% DSIC, or $48.85 for 5/8-inch residential customers. In order to be consistent, I am recommending the same treatment for the EDU charges and residential customer charges for the remaining meter sizes and for the nonresidential customer charges be set equal to the residential customer charges. I am recommending an increase to the residential usage rate of $0.6183 per hundred gallons from $1.1817 per hundred gallons to $1.80 per hundred gallons, or 52.3%. I am also recommending an increase to the nonresidential usage rate of $0.4892 per hundred gallons from $1.1608 per hundred gallons to $1.65 per hundred gallons, or 42.1% (I&E Ex. No. 3, Sch. 4, col. I).

Q. WHAT IS A CUSTOMER COST ANALYSIS AND HOW IS IT USED?

A. A customer cost analysis is a part of a COSS that is used to determine the appropriate fixed customer charges for the various classes and meter sizes.

Q. WHY IS IT NECESSARY TO PERFORM A CUSTOMER COST ANALYSIS?

A. A fixed customer charge represents the revenue that the Company is guaranteed to receive each month, regardless of the level of usage. As acknowledged in the seventh edition of the American Water Works Association M1 Manual, there is a tradeoff between revenue stability from a high customer charge, and affordability and conservation from a low customer charge and higher usage rates.[6]

Q. WHY ARE YOU RECOMMENDING TO NOT INCREASE AQUA'S EXISTING RATE ZONE 1 CUSTOMER CHARGES?

A. I am recommending to not increase Aqua's existing Rate Zone 1 customer charges, including the DSIC, because an increase is not supported by the total customer cost of $47.26 shown on Company's customer cost analysis shown on Aqua Exhibit 5-B, Part I, Appendix A, RS1j, p. A-12. While a customer charge decrease is supported by the customer cost analysis, any revenue shortfall from the decreased customer charge would need to be recovered from either the wastewater usage rates or Aqua's water customers through an Act 11 allocation. Allocating that shortfall to the usage rates would reduce the effectiveness of increasing the usage rates in order reduce the Act 11 allocation, which is functionally the same as allocating that revenue to the water customers because too much of an increase to

[6] AWWA Manual of Water Supply Practices M1 Principles of Water Rates, Fees, Charges, Seventh Edition. pp. 154-155.

the usage charge would have a detrimental effect on the average customer bill. As I stated above, it is not reasonable for Aqua's water customers to be allocated the cost of a rate decrease for its wastewater customers. Therefore, the most reasonable solution is to not increase rates above the existing customer charge plus the DSIC.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 1 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 1 using 3,870 per month will increase by $23.73 per month from $92.85 per month to $116.58 per month, or 25.6% (I&E Ex. No. 3, Sch. 3, line 1).

Q. HOW DID YOU DETERMINE THESE RATES?

A. Once I determined that the customer charges would not change, I adjusted the residential and nonresidential usage rates to increase revenue and reduce the Act 11 subsidy while maintaining a reasonable increase to the average bills and maintaining the approximate proportion of the residential and nonresidential class to total cost of service established by the COSS as shown on I&E Exhibit No. 3, Schedule 1, col. B and I.

RATE ZONE 1-A

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 1-A CURRENTLY PAY?

A. The present Rate Zone 1-A rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW-5, pp. 4-5. Under present rates, Rate Zone 1-A usage rates and 5/8-inch customer charges are equal to that of Rate Zone 1, but the larger meter size customer charges are different than Rate Zone 1.

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT CUSTOMER CHARGES AND USAGE RATES IN RATE ZONE 1-A?

A. Yes. The proposed Rate Zone 1-A rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 4-5. The Company is proposing to continue to set the 5/8-inch residential and nonresidential customer charges and usage rate equal to Rate Zone 1. The Company is proposing to decrease the higher residential meter size customer charges at the same 1.2% as the 5/8-inch residential customer and increase the higher nonresidential customer charges at the same 0.6% as the 5/8-inch nonresidential customer charge.

Q. WHAT IS THE AVERAGE CHANGE TO A RESIDENTIAL CUSTOMER IN RATE ZONE 1-A UNDER THE COMPANY'S PROPOSED RATES?

A. The bill for an average Residential customer in Rate Zone 1-A will decrease from $95.19 per month to $92.85 per month, which is a decrease of $2.35 per month or

2.46% (Aqua Ex. 5-B, Part II, Sch. 7-WW, p. 3).

Q. WHAT RATES DO YOU RECOMMEND FOR THE RATE ZONE 1-A CUSTOMERS?

A. I recommend that Rate Zone 1-A residential and nonresidential 5/8-inch customer charges and usage rates be set equal to those I recommended in Rate Zone 1 (I&E Ex. No. 3, Sch. 5, col. I).

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 1-A EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 1-A will increase from $95.19 per month to $116.58 per month, which is an increase of $21.38 per month or 22.5% (I&E Ex. No. 3, Sch. 3, line 5).

RATE ZONE 2

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 2 CURRENTLY PAY?

A. The present Rate Zone 2 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 6-7.

Q. IS THE COMPANY PROPOSING TO INCREASE THE PRESENT CUSTOMER CHARGE FLAT RATES, AND USAGE RATES IN RATE ZONE 2 - MAIN?

A. No. As shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 6-7, the Company is proposing no increase for Rate Zone 2.

Q. WHAT RATES DO YOU RECOMMEND FOR THE RATE ZONE 2 CUSTOMERS?

A. My recommended rates for Rate Zone 2 customers are listed on I&E Exhibit No. 3, Schedule 6, column I. I recommend no change for any residential and nonresidential customer charges, the residential and nonresidential usage rates be set equal to those of Rate Zone 1, and calculate the residential unmetered flat rates based on those charges using the average usage as described above.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 2 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 2 will increase from $106.04 per month to $123.66 per month, which is an increase of $17.62 per month or 16.6% (I&E Ex. No. 3, Sch. 3, line 7).

Q. HOW DID YOU DETERMINE THESE RATES?

A. As discussed above, an increase in customer charges is not supported by the

customer cost analysis. Additionally, setting the usage rates equal to those of Rate Zone 1 results in a reasonable increase for the average customers of Rate Zone 2 that produces additional revenue to reduce the Act 11 subsidy and moves Rate Zone 2 closer to merging with Rate Zone 1 in a future base rate case.

RATE ZONE 3

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 3 CURRENTLY PAY?

A. The present Rate Zone 3 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 8-9.

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT RATES IN RATE ZONE 3?

A. No. As shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 8-9, the Company is proposing no increase for Rate Zone 3.

Q. WHAT RATES DO YOU RECOMMEND FOR THE RATE ZONE 3 CUSTOMERS?

A. I recommend that Rate Zone 3 rates be set equal to Rate Zone 2 rates as shown on I&E Exhibit No. 3, Schedule 7, column I.

Q. PLEASE SUMMARIZE YOUR RATE PROPOSAL.

A. I reduced the Rate Zone 3 customer charges to be equal to Rate Zone 2, then increase the usage rates to be equal to Rate Zone 1.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 3 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 3 will increase from $115.36 per month to $123.66 per month, which is an increase of $8.30 per month or 7.2% (I&E Ex. No. 3. Sch. 3, line 10).

Q. HOW DID YOU DETERMINE THESE RATES?

A. First, I determined that the Rate Zone 3 customer charges were much higher than those of Rate Zone 1 and, therefore, merging Rate Zone 3 with Rate Zone 1 would not be possible in the next several rate cases without a reduction in the Rate Zone 3 rates. Rather than closing that gap with a very large rate reduction in this case, my solution is a slight reduction which sets the Rate Zone 3 customer charges equal to Rate Zone 2. This has the effect of moving rates towards Rate Zone 1 while further consolidating rate zones. Setting the usage rates equal to those of Rate Zone 1 results in a reasonable increase for the average customers of Rate Zone 3 that produces additional revenue to reduce the Act 11 subsidy and moves Rate Zone 3 closer to merging with Rate Zone 1 in a future base rate case.

RATE ZONE 4

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 4 CURRENTLY PAY?

A. The present Rate Zone 4 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, p. 10.

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT RATES IN RATE ZONE 4?

A. No. As shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, p. 10, the Company is proposing no increase for Rate Zone 4.

Q. WHAT RATES DO YOU RECOMMEND FOR RATE ZONE 4 CUSTOMERS?

A. My recommended rates for Zone 4 customers are shown on I&E Exhibit No. 3, Schedule 8, column I. I am recommending a slight decrease for the residential and nonresidential customer charges, that the usage rates be set equal to Rate Zone 1, and the unmetered flat rates be calculated based on my proposed rates based on the average usage as discussed above.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 4 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 4 will increase from

$137.01 per month to $147.73 per month, which is an increase of $10.72 per month or 7.8% (I&E Ex. No. 3, Sch. 3, line 12).

Q. HOW DID YOU DETERMINE THESE RATES?

A. First, I determined that the Rate Zone 4 customer charges were much higher than those of Rate Zone 1 and, therefore, merging Rate Zone 4 with Rate Zone 1 would not be possible in the next several rate cases without a reduction in the Rate Zone 4 rates. Rather than closing that gap with a very large rate reduction in this case, my solution is a slight reduction to the Rate Zone 4 customer charges, which sets the Rate Zone 4 customer charges equal to Rate Zone 5. This has the effect of moving rates towards Rate Zone 1 while further consolidating rate zones. Setting the usage rates equal to those of Rate Zone 1 results in a reasonable increase for the average customers of Rate Zone 4 that produces additional revenue to reduce the Act 11 subsidy and moves Rate Zone 4 closer to merging with Rate Zone 1 in a future base rate case.

RATE ZONE 5

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 5 CURRENTLY PAY?

A. The present Rate Zone 5 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 11-12.

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT RATES IN RATE ZONE 5?

A. No. As shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 11-12, the Company is proposing no increase for Rate Zone 5.

Q. WHAT RATES DO YOU RECOMMEND FOR RATE ZONE 5 CUSTOMERS?

A. My recommended rates for Rate Zone 5 customers are shown on I&E Exhibit No. 3, Schedule 9, column I. I am recommending a slight decrease for the residential and nonresidential customer charges, that the usage rates be set equal to Rate Zone 1, and that the unmetered flat rates be calculated based on my proposed rates based on the average usage as discussed above.

Q. WHAT CHANGE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 5 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 5 will decrease from $150.62 per month to $147.73 per month, which is a decrease of $2.90 per month or a decrease of 1.9% (I&E Ex. No. 3, Sch. 3, line 15).

Q. HOW DID YOU DETERMINE THESE RATES?

A. First, I determined that the Rate Zone 5 customer charges were much higher than those of Rate Zone 1 and, therefore, merging Rate Zone 5 with Rate Zone 1 would

not be possible in the next several rate cases without a reduction in the Rate Zone 5 rates. Rather than closing that gap with a very large rate reduction in this case, my solution is a slight reduction which sets the Rate Zone 5 customer charges equal to Rate Zone 4. This has the effect of moving rates towards Rate Zone 1 while further consolidating rate zones. Setting the usage rates equal to those of Rate Zone 1 results in a slight decrease for the average customers of Rate Zone 5. While this does not advance revenues toward the goal of reducing the Act 11 subsidy, Rate Zone 5 customer charges are so much higher than those of Rate Zone 1 that a conservative decrease is reasonable.

Q. ARE THERE ANY OTHER RATE ZONE 5 RATES YOU WOULD LIKE TO ADDRESS?

A. Yes. As shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, p. 12, Aqua is showing a 1.2% decrease in the Avon Grove School unmetered flat rate. This reduction is because Aqua is proposing no increase to the existing rate despite this customer's bill increasing due to the DSIC.

Q. WHAT DO YOU RECOMMEND REGARDING THE AVON GROVE SCHOOL DISTRICT RATE?

A. I recommend the Avon Grove School District rate be increased to the existing rate plus the DSIC as shown on I&E Exhibit No. 3, Schedule 9, p. 2 so that the rates for this customer actually remain the same rather than a receive a decrease.

RATE ZONE 6

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 6 CURRENTLY PAY?

A. The present Rate Zone 6 rates are shown Aqua Exhibit 5-B, Part II, Schedule 5-WW, p. 13.

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT RATES IN RATE ZONE 6?

A. Yes. As shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, p. 10, the Company is proposing to decrease Rate Zone 6 rates in line with Rate Zone 1.

Q. WHAT RATES DO YOU RECOMMEND FOR RATE ZONE 6 CUSTOMERS?

A. My recommended rates for Rate Zone 6 customers are shown on I&E Exhibit No. 3, Schedule 10, column I. I am recommending that the customer charges and EDU charges not change and that the usage rates be increased towards Rate Zone 1 rates.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 6 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 6 will increase from $71.17 per month to $93.41 per month, which is an increase of $22.24 per month

or 31.13% (I&E Ex. No. 3, Sch. 3, line 22).

Q. HOW DID YOU DETERMINE THESE RATES?

A. First, I determined that the Rate Zone 6 usage rates were much lower than those of Rate Zone 1 and, therefore, merging Rate Zone 6 with Rate Zone 1 would not be possible in this base rate case without an excessively large increase to Rate Zone 6 customers. In order to move Rate Zone 6 towards Rate Zone 1 while mitigating an excessively large increase, I recommend the usage rates be increased to 50% of my proposed Rate Zone 1 usage rates and assign no increase or decrease to the customer charge or EDU charge.

RATE ZONE 7

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 7 CURRENTLY PAY?

A. The present Rate Zone 7 rates are shown Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 14-15.

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT RATES IN RATE ZONE 7?

A. Yes. As shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 14-15, the Company is proposing to merge Rate Zone 7 rates with Rate Zone 1 as shown on I&E Exhibit No. 3, Schedule 11, column I.

Q. DO YOU AGREE WITH THE COMPANY'S PROPOSAL TO MERGE RATE ZONE 7 WITH RATE ZONE 1?

A. Yes. My recommendation is also to merge Rate Zone 7 with my proposed Rate Zone 1 rates.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 7 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 7 will increase from $78.39 per month to $116.58 per month, which is an increase of $38.19 per month or 48.7% (I&E Ex. No. 3, Sch. 3, line 24).

Q. HOW DID YOU DETERMINE THESE RATES?

A. While I acknowledge that my recommendation results in a large increase for Rate Zone 7 customers, I believe the increase is reasonable as the result of the increase is that Rate Zone 7 will be consolidated with Rate Zone 1 while reducing the Act 11 subsidy.

<u>RATE ZONE 8</u>

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 8 CURRENTLY PAY?

A. The present Rate Zone 8 rates are shown Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 16-17.

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT RATES IN RATE ZONE 8?

A. Yes. As shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 16-17, the Company is proposing to merge Rate Zone 8 rates with Rate Zone 2.

Q. WHAT DO YOU RECOMMEND REGARDING RATE ZONE 8?

A. I recommend that Rate Zone 8 rates be merged with Rate Zone 1 as shown on I&E Exhibit No. 3, Schedule 12, column I.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 8 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 8 will increase from $104.41 per month to $116.58 per month, which is an increase of $12.16 per month or 11.6% (I&E Ex. No. 3, Sch. 3, line 27).

Q. HOW DID YOU DETERMINE THESE RATES?

A. The increase required to merge Rate Zone 8 with Rate Zone 1increase is reasonable as the result will consolidate an additional rate zone with Rate Zone 1 while reducing the Act 11 subsidy.

RATE ZONE 9

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 9 CURRENTLY PAY?

A. The present Rate Zone 9 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 18-19.

Q. IS THE COMPANY PROPOSING TO INCREASE THE PRESENT CUSTOMER CHARGE AND USAGE RATES IN RATE ZONE 9?

A. Yes. The Company is proposing to merge Rate Zone 9 with Rate Zone 1 as shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 18-19.

Q. WHAT IS THE AVERAGE INCREASE TO A RESIDENTIAL CUSTOMER IN RATE ZONE 9 UNDER THE COMPANY'S PROPOSED RATES?

A. The bill for an average Residential customer in Rate Zone 9 will increase from $35.36 per month to $47.76 per month, which is an increase of $12.40 per month or 35.1% (Aqua Volume 5, Ex. 5-B, Part II, Sch. 5-WW, p. 19).

Q. WHAT RATES DO YOU RECOMMEND FOR THE RATE ZONE 9 CUSTOMERS?

A. My recommended rates for Rate Zone 9 customers are listed on I&E Exhibit No. 3, Schedule 13 column I. I recommend an increase for the customer charge and EDU rates and that the usage rates be set equal to Rate Zone 1.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 9 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 9 will increase from $61.68 per month to $110.79 per month, which is an increase of $49.11 per month or 79.6% (I&E Ex. No. 3, Sch. 3, line 30).

Q. HOW DID YOU DETERMINE THESE RATES?

A. While I acknowledge that my recommendation results in a large increase for Rate Zone 9 customers, I believe that a large increase is necessary because present Rate Zone 9 rates are so far below Rate Zone 1 rates. This means that the other wastewater rate zones are providing a subsidy to Rate Zone 9 in addition to any Act 11 subsidy being allocated to water customers. Therefore, large increases will be required over the next several base rate cases in order to merge Rate Zone 9 with Rate Zone 1 and eliminate these subsidies.

<u>RATE ZONE 10</u>

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 10 CURRENTLY PAY?

A. The present Rate Zone 10 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 20-21.

Q. IS THE COMPANY PROPOSING TO INCREASE THE PRESENT CUSTOMER CHARGE AND USAGE RATES IN RATE ZONE 10

A. Yes. The Company is proposing to merge Rate Zone 10 with Rate Zone 1 as shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 20-21.

Q. WHAT RATES DO YOU RECOMMEND FOR THE RATE ZONE 10 CUSTOMERS?

A. My recommended rates for Rate Zone 10 customers are listed on I&E Ex. No. 3, Schedule 14, column I. I recommend an increase for the customer charge and EDU rates and that the usage rates be set equal to Rate Zone 1 so that Rate Zone 10 is merged with Rate Zone 9.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 10 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 10 will increase from $66.35 per month to $110.79 per month, which is an increase of $44.44 per month or 67.0% (I&E Ex. No. 3, Sch. 3, line 34).

Q. HOW DID YOU DETERMINE THESE RATES?

A. While I acknowledge that my recommendation results in a large increase for Rate Zone 10 customers, I believe that a large increase is necessary because present Rate Zone 10 rates are so far below Rate Zone 1 rates. This means that the other

wastewater rate zones are providing a subsidy to Rate Zone 10 in addition to any Act 11 subsidy being allocated to water customers. Therefore, large increases will be required over the next several base rate cases in order to merge Rate Zone 10 with Rate Zone 1 and eliminate these subsidies.

RATE ZONE 11

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 11 CURRENTLY PAY?

A. The present Rate Zone 11 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 22-23.

Q. IS THE COMPANY PROPOSING TO CHANGE THE PRESENT CUSTOMER CHARGE AND USAGE RATES IN RATE ZONE 11?

A. Yes. The proposed Rate Zone 11 rates are shown on Aqua Volume 5, Exhibit 5-B, Part II, Schedule 5-WW, pp. 22-23. The Company is proposing to reduce its rates to merge Rate Zone 11 with Rate Zone 2. This would reduce the average residential Rate Zone 11 bill from $137.29 to $104.63, which is a reduction of $32.65, or 23.78% (I&E Ex. No. 3, Sch. 15). It should be noted that the average bills shown on Aqua Exhibit 5-B, Part II, Schedule 7-WW, p. 17 are incorrect due to an error in the calculation of the 3,870 bills in which 1,700 in usage was calculated using the second block usage rate instead of the first block usage rate. The calculation shown above is correct.

Q. WHAT RATES DO YOU RECOMMEND FOR RATE ZONE 11 CUSTOMERS?

A. My recommended rates for Rate Zone 11 customers are listed on I&E Exhibit No. 3, Schedule 16, column I. I recommend that the Rate Zone 11 customer charge and EDU charges be set equal to Rate Zone 1 charges. I also recommend no change to the first block usage rates and that the second block usage rates be set equal to the first block usage rate for each respective customer class.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 11 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 11 will increase from $137.29 per month to $138.86 per month, which is an increase of $1.57 per month or 1.1% (I&E Ex. No. 3, Sch. 3, line 36).

Q. HOW DID YOU DETERMINE THESE RATES?

A. Instead of a rate reduction as proposed by the Company, my recommendation moves the Rate Zone 11 rates towards Rate Zone 1 while providing positive revenue and thus reducing the Act 11 subsidy.

RATE ZONE 12

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 12 CURRENTLY PAY?

A. The present Rate Zone 12 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 24-25.

Q. IS THE COMPANY PROPOSING TO INCREASE THE PRESENT CUSTOMER CHARGE AND USAGE RATES IN RATE ZONE 12?

A. Yes. The Company is proposing to merge Rate Zone 12 with Rate Zone 1 as shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 24-25.

Q. ARE YOU RECOMMENDING RATE ZONE 12 BE MERGED WITH RATE ZONE 1 UNDER YOUR PROPOSED RATES?

A. No. Fully merging Rate Zone 12 with Rate Zone 1 under my proposed rates would cause too large of an increase for Rate Zone 12 customers (I&E Ex. No. 3, Sch. 17, col. I). Instead, I recommend the customer charge and EDU rates be set equal to Rate Zone 1 and that the usage rates be set equal to $1.50 per hundred gallons, which is less than my recommended Rate Zone 1 usage charge.

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 12 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 12 will increase from

$70.51 per month to $106.90 per month, which is an increase of $36.39 per month or 51.6% (I&E Ex. No. 3, Sch. 3, line 39).

Q. HOW DID YOU DETERMINE THESE RATES?

A. While I acknowledge that my recommendation results in a large increase for Rate Zone 12 customers, I believe that a large increase is necessary because present Rate Zone 12 rates are so far below Rate Zone 1 rates. This means that the other wastewater rate zones are providing a subsidy to Rate Zone 12 in addition to any Act 11 subsidy being allocated to water customers. My recommendation moves Rate Zone 12 closer to Rate Zone 1 so that these rate zones can be consolidated in the next base rate case.

RATE ZONE 14

Q. WHAT PRESENT RATES DO CUSTOMERS IN RATE ZONE 14 CURRENTLY PAY?

A. The present Rate Zone 14 rates are shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 29.30.

Q. IS THE COMPANY PROPOSING TO INCREASE THE PRESENT CUSTOMER CHARGE AND USAGE RATES IN RATE ZONE 14?

A. Yes. The Company is proposing to merge Rate Zone 14 with Rate Zone 1 as shown on Aqua Exhibit 5-B, Part II, Schedule 5-WW, pp. 29-30.

Q. ARE YOU RECOMMENDING RATE ZONE 14 BE MERGED WITH RATE ZONE 1 UNDER YOUR PROPOSED RATES?

A. No. Similar to Rate Zone 12, fully merging Rate Zone 14 with Rate Zone 1 under my proposed rates would cause too large of an increase for Rate Zone 14 customers. Instead, I recommend the customer charge and EDU rates be set equal to Rate Zone 1 and that the usage rates be set equal to $1.50 per hundred gallons, which would merge Rate Zone 14 with Rate Zone 12. (I&E Ex. No. 3, Sch.18, col. I).

Q. WHAT INCREASE WILL THE AVERAGE RESIDENTIAL CUSTOMER IN RATE ZONE 14 EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Residential customer in Rate Zone 14 will increase from $65.48 per month to $106.90 per month, which is an increase of $41.42 per month or 63.3% (I&E Ex. No. 3, Sch. 3, line 41).

Q. HOW DID YOU DETERMINE THESE RATES?

A. While I acknowledge that my recommendation results in a large increase for Rate Zone 14 customers, I believe that a large increase is necessary because present Rate Zone 14 rates are so far below Rate Zone 1 rates. This means that the other wastewater rate zones are providing a subsidy to Rate Zone 14 in addition to any Act 11 subsidy being allocated to water customers. My recommendation moves

Rate Zone 14 closer to Rate Zone 1 so that these rate zones can be consolidated in the next base rate case.

Q. WHY IS IT REASONABLE FOR CUSTOMERS IN RATE ZONES 9, 10, 12, AND 14 TO RECEIVE SUCH LARGE RATE INCREASES?

A. There are two reasons that the increases for Rate Zone 9 – Cheltenham, Rate Zone 10 – East Norriton, Whitpain, Rate Zone 12 – Lower Makefield, and Rate Zone 14 – North Heidelberg to receive such large increases. First, as discussed above, larger rate increases are required to move these rate zones towards the rates of Rate Zone 1, so that all of the wastewater rate zones can be consolidated into Rate Zone 1 in future base rate cases. Second, Rate Zones 9, 10, 12, and 14 were acquired under Section 1329, which among other things, provided benefits to the municipalities that sold their systems to Aqua including such things as debt relief, the municipality's financial outlook, and other improvements and investments to municipal properties in addition to Aqua's claimed improved service to their customers. Therefore, since the municipalities and presumably the customers benefited from being acquired by Aqua through Section 1329 it is reasonable to assign a greater than average increase in rates to customers acquired under Section 1329.

FORFEITED DISCOUNTS

Q. HOW MUCH LATE PAYMENT REVENUE DOES THE COMPANY PROJECT IT WILL RECEIVE UNDER PRESENT RATES FOR THE FPFTY?

A. The total claim for forfeited discounts under present rates for the FPFTY ending December 31, 2025, for Wastewater Base Operations, Wastewater East Whiteland, and Wastewater Lower Makefield are shown on Schedule B-1 of Aqua Exhibits 1-C, 1-D. and 1-E, respectively, and are summarized in the table below. I have not included the East Whiteland Operations in the table below because, as discussed above, I am recommending East Whiteland not be included in the present base rate case.

Aqua Operations	Total Billed Revenue Under Present Rates	Forfeited Discounts Under Present Rates	Percent of Total
Wastewater Base	$57,606,382	$95,385	0.1656%
Wastewater Lower Makefield	$11,555,687	$47,145	0.4080%
Total	$69,162,069	$142,530	0.2061%

Q. HOW MUCH LATE PAYMENT REVENUE DOES THE COMPANY PROJECT IT WILL RECEIVE UNDER PROPOSED RATES FOR THE FPFTY?

A. The total claim for forfeited discounts under proposed rates for the FPFTY ending December 31, 2025, for Wastewater Base Operations, Wastewater East Whiteland, and Wastewater Lower Makefield are shown on Schedule B-1 of Aqua Exhibits 1-C, 1-D. and 1-E, respectively, and are summarized in the table below. As noted above, I have not included the East Whiteland Operations in the table below because, as discussed above, I am recommending East Whiteland not be included in the present base rate case.

Aqua Operations	Total Billed Revenue Under Proposed Rates	Forfeited Discounts Under Proposed Rates	Percent of Total
Wastewater Base	$83,563,931	$95,385	0.1141%
Wastewater Lower Makefield	$15,082,395	$47,145	0.3126%
Total	$98,646,326	$142,530	0.1416%

Q. WHAT DO YOU RECOMMEND CONCERNING THE FORFEITED DISCOUNTS IN WASTEWATER BASE OPERATIONS AND WASTEWATER LOWER MAKEFIELD UNDER PROPOSED RATES?

A. I recommended that the forfeited discounts under proposed rates be calculated at

the same percentage of total billed revenue as they are under present rates. The table below shows an example of my recommendation based on the Company's requested increase.

Aqua Operations	Total Billed Revenue Under Proposed Rates	Percent of Total under Present Rates	Adjusted Forfeited Discounts Under Proposed Rates
Wastewater Base	$83,563,931	0.1696%	$141,694
Wastewater Lower Makefield	$15,082,395	0.4080%	$61,536
Total	$98,646,326		$203,230

Q. IF THE TOTAL BILLED REVENUE UNDER THE PROPOSED RATES IS ADJUSTED, SHOULD THE FORFEITED DISCOUNTS UNDER PROPOSED RATES BE ADJUSTED AS WELL?

A. Yes. The forfeited discounts claim under proposed rates should be adjusted respective to the final billed revenue amount ultimately approved by the Commission.

Q. WHY DO YOU RECOMMEND FORFEITED DISCOUNTS BE INCREASED UNDER PROPOSED RATES?

A. I believe it is reasonable to expect that forfeited discounts will increase when a utility's base rates are increased as a result of a base rate proceeding. Since forfeited discounts are generally a percentage of a customer's bill, increasing

wastewater service revenue through a rate increase will cause revenues from forfeited discounts to increase over time.

WATER - SHENANDOAH ADJUSTMENTS

Q. DID THE COMPANY PROVIDE A SUMMARY OF THE PRESENT AND PROPOSED REVENUE FOR THE SHENANDOAH WATER SYSTEM?

A. Yes. The Company provided Aqua Exhibit No. 5-A, Part II, Schedule 1-S showing present and proposed rate revenue for Shenandoah Water.

Q. DID YOU PREPARE A SIMILAR SCHEDULE THAT SHOWS THE PRESENT AND PROPOSED RATE REVENUE YOU RECOMMEND FOR SHENANDOAH WATER?

A. Yes. I&E Exhibit No. 3, Schedule 20 incorporates my recommendations. I recommend the increase to Public Fire be reduced by $26,145 from $26,650 to $505. I also recommend that the allocation between the Main Water Division and Shenandoah Water shown on Aqua Exhibit 1-A, Schedule Act 11 be reduced by $457,103 from 1,465,540 to $1,008,437.

Q. WHY DID YOU REDUCE THE $26,650 INCREASE TO PUBLIC FIRE SERVICE TO $505?

A. As shown on Aqua Exhibit 5-A, Part I, Schedule A-S, the cost incurred to provide service to the Public Fire class is $34,717, and the present rate revenue from

Public Fire Service is $8,170. 66 Pa. Code § 1328(b) limits Public Fire Service revenue to 25% of its cost of service. Therefore, the limit to the Shenandoah Public Fire Service is $8,679 ($34,717 x 0.25). I recommend the 1,721 public fire hydrants, as shown on Aqua, Exhibit No. 5-A, Part II, Schedule 7B, be multiplied by my recommended Shenandoah Public Fire rate of $5.04, which results in the proposed rate revenue of $8,675 ($5.04 x 1,721) (I&E Ex. No. 3, Sch. 20, col. 11).

WATER - SHENANDOAH RATES

Q. WHAT PRESENT RATES DO SHENANDOAH CUSTOMERS CURRENTLY PAY?

A. The present rates for Shenandoah customers are shown on Aqua Exhibit 5-A, Part I, Schedule I, pp. 10-12. It should be noted that Shenandoah customers currently have a water allowance built into their present rates.

Q. IS THE COMPANY PROPOSING TO INCREASE THE PRESENT CUSTOMER CHARGE AND USAGE RATES FOR SHENANDOAH CUSTOMERS?

A. Yes. The Company is proposing to set the customer charges of the Shenandoah customers equal to those of Rate Zone 1, eliminate the water allowance, merge the residential usage rates into two consumption blocks, and create the same four consumption blocks for the commercial, industrial, and public rate classes as shown on Aqua Exhibit 5-B, Part I, Schedule I, pp. 10-12.

Q. DO YOU AGREE WITH THE COMPANY'S RATE PROPOSAL FOR SHENANDOAH'S RATE CLASSES?

A. Partially. I agree with the Company's proposal to set the customer charges for the Shenandoah rate classes equal to those of Rate Zone 1, the Company's proposal to remove the water allowance from its usage rates, and with the Company's rate proposal for the commercial, industrial, and public usage rates. However, I do not agree with the Company's proposed usage rates for the residential class.

Q. WHAT USAGE RATES DO YOU RECOMMEND FOR THE SHENANDOAH RESIDENTIAL CLASS?

A. I recommend the residential usage rates proposed by the Company be increased to be equal to the residential usage rates in Rate Zone 1, or $1.7349 per hundred gallons for the first block and $2.0540 per hundred gallons for the second block.

Q. WHAT INCREASE WILL THE AVERAGE SHENANDOAH RESIDENTIAL CUSTOMER USING A 5/8-INCH METER EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Shenandoah Residential customer using a 5/8-inch meter will increase from $56.14 per month to $97.01 per month, which is an increase of $40.87 per month or 72.80% (I&E Ex. No. 3, Sch. 21).

Q. WHY DO YOU RECOMMEND SHENANDOAH RESIDENTIAL RATES BE SET EQUAL TO RESIDENTIAL RATE ZONE 1 RATES?

A. While I acknowledge that my recommendation results in a large increase for Shenandoah residential customers, I believe that this increase is reasonable for three reasons. First, because it fulfills the goal of setting the residential rates equal to Rate Zone 1, which is the ultimate goal of all of Aqua's rate zones. Second, increasing the proposed rates for the Shenandoah residential class reduces the subsidy being applied from the Shenandoah customers to Aqua's other water customers and mitigates the necessary rate increase for those customers. Finally, my recommendation, while admittedly a large percent increase, remains comparable to the rate increases proposed by Aqua for the other Shenandoah rate classes as shown on Aqua Exhibit 5-A, Part II, pp. 21-22, and is less than the largest percentage increase I have recommended for wastewater customers. As is the case for those wastewater systems acquired under the Section 1329 criteria introduced as part of Act 12, the affirmative public benefits that Aqua claimed for Shenandoah customers in its acquisition of that system justifies a larger increase for these customers.

SCALE BACK OF RATES

Q. DID THE COMPANY PROVIDE ITS SCALE BACK METHODOLOGY?

A. Yes. In its response to OSBA-I-16, attached as I&E Exhibit No. 3, Schedule 19, the Company indicated that, if the Commission grants 90% of its total revenue

requirement request, it would first scale back Act 11 contributions to each of its wastewater divisions, then it would scale back the contribution from water base operations to the Shenandoah water operations while maintaining customer charges at the Rate Zone 1 level. Finally, the Company stated that, after calculating the revised Act 11 contributions, the revised contribution to Shenandoah, and after reviewing the decrease to the revenue requirement, the Company would scale back the rates by customer class to continue to move revenues under proposed rates toward the cost of service by customer class.

Q. DO YOU AGREE WITH THE COMPANY'S STATED SCALE BACK METHODOLOGY?

A. Yes, on the condition that any rates, whether under my recommendations or the Company's proposals, that either receive no increase, are being decreased prior to the scale back, or are below their respective Rate Zone 1 rates should be excluded from any scale back of rates.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.

ETHAN H. CLINE

PROFESSIONAL EXPERIENCE AND EDUCATION

EXPERIENCE:

03/2009 - Present
Bureau of Investigation and Enforcement, Pennsylvania Public Utility Commission - Harrisburg, Pennsylvania

Fixed Utility Valuation Engineer – Assists in the performance of studies and analyses of the engineering-related areas including valuation, depreciation, cost of service, quality and reliability of service as they apply to fixed utilities. Assists in reviewing, comparing and performing analyses in specific areas of valuation engineering and rate structure including valuation concepts, original cost, rate base, fixed capital costs, inventory processing, excess capacity, cost of service, and rate design.

06/2008 – 09/2008
Akens Engineering, Inc. - Shiremanstown, Pennsylvania

Civil Engineer – Responsible, primarily, for assisting engineers and surveyors in the planning and design of residential development projects.

10/2007 – 05/2008
J. Michael Brill and Associates - Mechanicsburg, Pennsylvania

Design Technician – Responsible, primarily, for assisting engineers in the permit application process for commercial development projects.

01/2006 – 10/2007
CABE Associates, Inc. - Dover, Delaware

Civil Engineer – Responsible, primarily, for assisting engineers in performing technical reviews of the sewer and sanitary sewer systems of Sussex County, Delaware residential development projects.

EDUCATION:

Pennsylvania State University, State College, Pennsylvania
Bachelor of Science; Major in Civil Engineering, 2005

- Attended NARUC Rate School, Clearwater, FL
- Attended Society of Depreciation Professionals Annual Conference and Training

TESTIMONY SUBMITTED:

I have testified and/or submitted testimony in the following proceedings:

1. Clean Treatment Sewage Company, Docket No. R-2009-2121928
2. Pennsylvania Utility Company – Water Division, Docket No. R-2009-2103937
3. Pennsylvania Utility Company – Sewer Division, Docket No. R-2009-2103980
4. UGI Central Penn Gas, Inc., 1307(f) proceeding, Docket No. R-2010-2172922
5. PAWC Clarion Wastewater Operations, Docket No. R-2010-2166208
6. PAWC Claysville Wastewater Operations, Docket No. R-2010-2166210
7. Citizens' Electric Company of Lewisburg, Pa, Docket No. R-2010-2172665
8. City of Lancaster – Bureau of Water, Docket No. R-2010-2179103
9. Peoples Natural Gas Company LLC, Docket No. R-2010-2201702
10. UGI Central Penn Gas, Inc., Docket No. R-2010-2214415
11. Pennsylvania-American Water Company, Docket No. R-2011-2232243
12. Pentex Pipeline Company, Docket No. A-2011-2230314
13. Peregrine Keystone Gas Pipeline, LLC, Docket No. A-2010-2200201
14. Philadelphia Gas Works 1307(f), Docket No. R-2012-2286447
15. Peoples Natural Gas Company LLC, Docket No. R-2012-2285985
16. Equitable Gas Company, Docket Nos. R-2012-2312577, G-2012-2312597
17. City of Lancaster – Sewer Fund, Docket No. R-2012-2310366
18. Peoples TWP, LLC 1307(f), Docket No. R-2013-2341604
19. UGI Penn Natural Gas, Inc. 1307(f), Docket No. R-2013-2361763
20. UGI Central Penn Gas, Inc. 1307(f), Docket No. R-2013-2361764
21. Joint Application, Docket Nos. A-2013-2353647, A-2013-2353649, A-2013-2353651
22. City of Dubois – Bureau of Water, Docket No. R-2013-2350509
23. The Columbia Water Company, Docket No. R-2013-2360798
24. Pennsylvania American Water Company, Docket No. R-2013-2355276
25. Generic Investigation Regarding Gas-on-Gas Competition, Docket Nos. P-2011-227868, I-2012-2320323
26. Philadelphia Gas Works 1307(f), Docket No. R-2014-2404355
27. Pike County Light and Power Company (Gas), Docket No. R-2013-2397353
28. Pike County Light and Power Company (Electric), Docket No. R-2013-2397237
29. Peoples Natural Gas Company LLC 1307(f), Docket No. R-2014-2403939
30. UGI Penn Natural Gas, Inc. 1307(f), Docket No. R-2014-2420273
31. UGI Utilities, Inc. – Gas Division 1307(f), Docket No. R-2014-2420276
32. UGI Central Penn Gas, Inc. 1307(f), Docket No. R-2014-2420279
33. Emporium Water Company, Docket No. R-2014-2402324
34. Borough of Hanover – Hanover Municipal Water, Docket No. R-2014-2428304
35. Philadelphia Gas Works 1307(f), Docket No. R-2015-2465656
36. Peoples Natural Gas Company LLC 1307(f), Docket No. R-2015-2465172
37. Peoples Natural Gas Company – Equitable Division 1307(f), Docket No. R-2015-2465181
38. PPL Electric Utilities Corporation, Docket No. R-2015-2469275
39. UGI Penn Natural Gas, Inc. 1307(f), Docket No. R-2015-2480934
40. UGI Central Penn Gas, Inc. 1307(f), Docket No. R-2015-2480937

41. UGI Utilities, Inc. – Gas Division 1307(f), Docket No. R-2015-2480950
42. UGI Utilities, Inc. – Gas Division, Docket No. R-2015-2518438
43. Joint Application of Pennsylvania American Water, et al., Docket No. A-2016-2537209
44. UGI Utilities, Inc. – Gas Division 1307(f), Docket No. R-2016-2543309
45. UGI Central Penn Gas, Inc. 1307(f), Docket No. R-2016-2543311
46. City of Dubois – Company, Docket No. R-2016-2554150
47. UGI Penn Natural Gas, Inc., Docket No. R-2016-2580030
48. UGI Central Penn Gas, Inc. 1307(f), Docket No. R-2017-2602627
49. UGI Penn Natural Gas, Inc. 1307(f), Docket No. R-2017-2602633
50. UGI Utilities, Inc. – Gas Division 1307(f), Docket No. R-2017-2602638
51. Application of Pennsylvania American Water Company Acquisition of the Municipal Authority of the City of McKeesport, Docket No. A-2017-2606103
52. Pennsylvania American Water Company, Docket No. R-2017-2595853
53. Pennsylvania American Water Company Lead Line Petition, Docket No. P-2017-2606100
54. UGI Utilities, Inc. – Electric Division, Docket No. R-2017-2640058
55. Peoples Natural Gas Company, LLC – Peoples and Equitable Division 1307(f), Docket Nos. R-2018-2645278 & R-2018-3000236
56. Peoples Gas Company, LLC 1307(f), Docket No. R-2018-2645296
57. Columbia Gas of Pennsylvania, Inc., Docket No. R-2018-2647577
58. Duquesne Light Company, Docket No. R-2018-3000124
59. Suez Water Pennsylvania, Inc., Docket No. R-2018-3000834
60. Application of Pennsylvania American Water Company Acquisition of the Municipal Authority of the Township of Sadsbury, Docket No. A-2018-3002437
61. The York Water Company, Docket No. R-2018-3000006
62. Application of SUEZ Water Pennsylvania, Inc. Acquisition of the Water and Wastewater Assets of Mahoning Township, Docket Nos. A-2018-3003517 and A-2018-3003519
63. Pittsburgh Water and Sewer Authority, Docket Nos. R-2018-3002645 and R-2018-3002647
64. Joint Application of Aqua America, Inc. et al., Acquisition of Peoples Natural Gas Company LLC, et al., Docket Nos. A-2018-3006061, A-2018-3006062, and A-2018-3006063
65. Implementation of Chapter 32 of the Public Utility Code Regarding Pittsburgh Water and Sewer Authority, Docket Nos. M-2018-2640802 and M-2018-2640803
66. Philadelphia Gas Works 1307(f), Docket No. R-2019-3007636
67. People Natural Gas Company, LLC, Docket No. R-2018-3006818
68. Application of Pennsylvania American Water Company Acquisition of the Steelton Borough Authority, Docket No. A-2019-3006880
69. Application of Aqua America, Inc. et al., Acquisition of the Wastewater System Assets of the Township of Cheltenham, Docket No. A-2019-3006880
70. Philadelphia Gas Works, Docket No. R-2019-3009016
71. Wellsboro Electric Company, Docket No. R-2019-3008208
72. Valley Energy, Inc., Docket No. R-2019-3008209
73. Citizens' Electric Company of Lewisburg, Pa, Docket Non. R-2019-3008212
74. Application of Aqua America, Inc. et al., Acquisition of the Wastewater System Assets of the East Norriton Township, Docket No. A-2019-3009052

75. Peoples Natural Gas Company, LLC 1307(f), Docket No. R-2020-3017850
76. Peoples Gas Company, LLC 1307(f), Docket No. R-2020-3017846
77. Philadelphia Gas Works, Docket No. R-2020-3017206
78. Pittsburgh Water and Sewer Authority, Docket Nos. R-2020-3017951 et al.
79. Columbia Gas of Pennsylvania, Docket No. R-2020-3018835
80. Pennsylvania America Water Company, Docket Nos. R-2020-3019369 and R-2020-3019371
81. PECO Energy Company – Gas Division, Docket No. R-2020-3019829
82. PGW 1307(f), Docket No. R-2021-3023970
83. Peoples Natural Gas Company, LLC 1307(f), Docket No. R-2021-3023965
84. Peoples Gas Company, LLC 1307(f), Docket No. R-2021-3023967
85. UGI Utilities, Inc. – Electric Division, Docket No. R-2021-3023618
86. Columbia Gas of Pennsylvania, Inc., Docket No. R-2021-3024926
87. Duquesne Light Company, Docket No. R-2021-3024750
88. UGI Utilities, Inc. – Gas Division 1307(f), Docket No. R-2021-3025652
89. Pittsburgh Water and Sewer Authority, Docket Nos. R-2021-3024773 et al.
90. Application of Aqua America Wastewater, Inc. et al., Acquisition of the Wastewater System Assets of Lower Makefield Township, Docket No. A-2021-3024267
91. Aqua Pennsylvania Water, Inc. and Aqua Pennsylvania Wastewater, Inc., Docket Nos. R-2021-3027385 and R-2021-3027386
92. Application of Pennsylvania-American Water Company for Acquisition of the Wastewater Collection and Treatment System Assets of the York City Sewer Authority, Docket No. A-2021-3024681
93. City of Lancaster – Bureau of Water, Docket No. R-2021-3026682
94. Application of Aqua America Wastewater, Inc. et al., Acquisition of the Wastewater System Assets of East Whiteland Township, Docket No. A-2021-30246132
95. UGI Utilities, Inc. – Gas Division, Docket No. R-2021-3030218
96. Peoples Natural Gas Company, LLC 1307(f), Docket No. R-2022-3030661
97. Columbia Gas of Pennsylvania, Inc., Docket No. R-2022-3031211
98. UGI Utilities, Inc. – Gas Division 1307(f), Docket No. R-2022-3032242
99. Pennsylvania American Water Company, Docket Nos. R-2022-3031672 and R-2022-3031673
100. The York Water Company, Docket Nos. R-2022-3031340 and R-2022-3032806
101. Columbia Gas of Pennsylvania, Inc., Docket No. R-2022-3032167
102. National Fuel Gas Distribution Corporation, Docket No. R-2022-3035730
103. UGI Utilities, Inc. – Electric Division, Docket No. R-2022-3037368
104. Application of Pennsylvania-American Water Company for Acquisition of the Wastewater Collection and Treatment System Assets of the Butler Area Sewer Authority, Docket No. A-2022-3037047
105. Philadelphia Gas Works, Docket No. R-2023-3037933
106. Pittsburgh Water and Sewer Authority, Docket Nos. R-2023-3039920 et al.
107. Pennsylvania-American Water Company, Docket Nos. R-2023-3043189 and R-2023-3043190
108. Peoples Natural Gas Company, LLC, Docket No. R-2023-3044549
109. Duquesne Light Company, Docket No. R-2024-3046523
110. PECO Energy Company – Gas Division, Docket No. R-2024-3046932

I&E Exhibit No. 3
Witness: Ethan H. Cline

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA WATER, INC.

AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Exhibit to Accompany

the

Direct Testimony

of

Ethan H. Cline

Bureau of Investigation and Enforcement

Concerning:

Rate Base
Reporting Requirements
East Whiteland System Acquisition
Wastewater Rate Design
Water – Shenandoah Rate Design
Scale Back of Rates

Aqua Pennsylvania, Inc
R-2024-3047822 and R-2024-3047824 Schedule "WW-A" PSW Cost of Service Study
Zones 1 through 11 and 14 and Zones 12 through 13 and Grand Total for Aqua Wastewater

	Zone	Cost of Service	Percent	Act 11 *	Percent	Adjusted Cost of Service	Revenue Present Rates	I&E Revenue Proposed Rates	I&E Percent of Total	I&E Increase	Percent Increase	I&E Adjustment	Company Increase	I&E Subsidy
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
	Zones 1-11, 14													
1	Residential	$55,467,974	67.6%	($10,991,786)	61.9%	$44,476,188	$39,388,940	$52,622,968	68.2%	$13,234,028	33.6%	$8,146,781	$5,087,247	($2,845,005)
2	Non Residential	$26,560,948	32.4%	($6,756,087)	38.1%	$19,804,861	$16,682,432	$24,564,911	31.8%	$7,882,479	47.3%	$4,760,050	$3,122,429	($1,996,037)
3	Total Sales	$82,028,922	100.0%	($17,747,873)	100.0%	$64,281,049	$56,071,372	$77,187,879	100.0%	$21,116,507	37.7%	$12,906,831	$8,209,676	($4,841,041)
4	Contract and Third Party	$1,535,032		$0		$1,535,032	$1,535,032	$1,535,032		$0	0.0%	$0	$0	($0)
5	Late Payment	$76,200		$0		$76,200	$76,200	$76,200		$0	0.0%	$0	$0	$0
6	TOTALS - Zone 1-11, 14	$83,640,154		($17,747,873)		$65,892,281	$57,682,604	$78,799,111		$21,116,507	36.6%	$12,906,831	$8,209,676	($4,841,041)
7	Zone 12 (Lower Makefield)	$15,082,395		($958,164)	-6.4%	$14,124,231	$11,555,686	$16,376,343		$4,820,657	41.7%	$2,252,112	$2,568,545	$1,293,949
8	Late Payment						$58,143	$58,143		$0		$0	$0	$0
9	**Zone 13 (East Whiteland)**	**$10,517,800**		**($3,144,592)**	**-29.9%**	**$7,373,208**	**$3,517,848**	**$3,517,848**		**$0**	**0.0%**	**-$3,848,127**	**$3,848,127**	**$0**
10	**Late Payment**						**$7,233**	**$7,233**		**$0**		**$0**	**$0**	**$0**
11	TOTALS - Zone 12-13	$25,600,195		($4,102,756)		$21,497,439	$15,138,910	$19,959,567		$4,820,657	31.8%	-$1,596,015	$6,416,672	$1,293,949
12	WW TOTALS	$109,240,349		($21,850,629)		$87,389,720	$72,821,514	$98,758,678		$25,937,164	35.6%	$11,310,816	$14,626,348	-$3,547,092
13	I&E Proposed Change in Subsidy			($18,303,537)			$141,576	$141,576		$0	0.0%	Late Payment Reveneue		

*I&E is recommending that the East Whiteland system not be included in any Act 11 allocation.

I&E Exhibit No. 3
Schedule 1

Witness: Gregory R. Herbert
Date: 07/25/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

BUREAU OF INVESTIGATION AND ENFORCEMENT

DATA REQUEST SET RS

I&E-RS-7 Reference Aqua Exhibit 5-B, Part II, Schedule 7-WW. For each Rate Zone and Division, provide a schedule that shows the average monthly consumption for the nonresidential customer classes.

RESPONSE

Please see schedule below of the monthly average usages by rate zone for the individual nonresidential classes and combined nonresidential customer classes.

Rate Zone	Class	Month Average Usage (gallons)
Rate Zone 1	Commercial	22,700
Rate Zone 1	Industrial	4,660
Rate Zone 1	Public	24,500
Rate Zone 1A	Commercial	160,570
Rate Zone 2	Commercial	9,820
Rate Zone 2	Public	620
Rate Zone 3	Commercial	13,730
Rate Zone 4	Commercial	5,370
Rate Zone 5	Commercial	25,200
Rate Zone 6	Commercial	12,630
Rate Zone 7	Commercial	5,670
Rate Zone 7	Public	65,100
Rate Zone 8	Commercial	88,700
Rate Zone 8	Public	29,600
Rate Zone 9	Commercial	3,340
Rate Zone 9	Industrial	3,000
Rate Zone 9	Public	7,170
Rate Zone 10	Commercial	38,530
Rate Zone 11	Commercial	3,500
Rate Zone 11	Public	6,400
Rate Zone 12	Commercial	6,430

Rate Zone 12	Public	26,730
Rate Zone	**Class**	**Month Average Usage (gallons)**
Rate Zone 13	Commercial	168,600
Rate Zone 13	Industrial	134,340
Rate Zone 14	Commercial	54,130

Rate Zone	Class	Month Average Usage (gallons)
Rate Zone 1	Nonresidential	22,770
Rate Zone 1A	Nonresidential	160,570
Rate Zone 2	Nonresidential	9,580
Rate Zone 3	Nonresidential	13,730
Rate Zone 4	Nonresidential	5,370
Rate Zone 5	Nonresidential	25,200
Rate Zone 6	Nonresidential	12,630
Rate Zone 7	Nonresidential	5,770
Rate Zone 8	Nonresidential	85,410
Rate Zone 9	Nonresidential	3,390
Rate Zone 10	Nonresidential	38,530
Rate Zone 11	Nonresidential	3,520
Rate Zone 12	Nonresidential	6,590
Rate Zone 13	Nonresidential	160,690
Rate Zone 14	Nonresidential	54,130

Aqua Pennsylvania, Inc
R-2024-3047822 and R-2024-3047824
Present and Proposed BILLS By Class

	Division	Average Usage	Present	Increase	I&E Proposed	Increase
	(A)	(B)	(C)	(D)	(E)	(F)
1	RZ 1 - Residential	3,870	$92.85	$23.73	$116.58	25.6%
2	RZ 1 - Commercial	22,700	$315.02	$107.91	$422.93	34.3%
3	RZ 1 - Industrial	4,660	$102.80	$27.73	$130.53	27.0%
4	RZ 1 - Public	24,500	$336.19	$115.91	$452.10	34.5%
5	RZ 1A -Residential	3,870	$95.19	$21.38	$116.58	22.5%
6	RZ 1A - Commercial	160,570	$1,937.72	$760.54	$2,698.26	39.2%
7	RZ 2 - Residential	3,870	$106.04	$17.62	$123.66	16.6%
8	RZ 2 - Commercial	9,820	$179.71	$34.45	$214.16	19.2%
9	RZ 2 - Public	620	$64.45	$0.60	$65.05	0.9%
10	RZ 3 - Residential	3,870	$115.36	$8.30	$123.66	7.2%
11	RZ 3 - Commercial	13,730	$234.90	$46.60	$281.50	19.8%
12	RZ 4 - Metered - Residential	3,870	$137.01	$10.72	$147.73	7.8%
13	RZ 4 - FR to Metered - Residential	3,870	$135.14	$12.59	$147.73	9.3%
14	RZ 4 - Metered - Commercial	5,370	$155.07	$13.54	$168.61	8.7%
15	RZ 4 - FR to Metered - Commercial	5,370	$133.77	$34.84	$168.61	26.0%
15	RZ 5 - Metered - Residential	3,870	$150.62	-$2.90	$147.73	-1.9%
16	RZ 5 - Metered - Commercial	25,200	$422.31	$73.49	$495.80	17.4%
17	RZ 5 - EDU - Residential	3,870	$150.62	-$2.90	$147.73	-1.9%
18	RZ 5 - EDU - Commercial	25,200	$422.31	$73.49	$495.80	17.4%
19	RZ 5 - FR to Metered - Residential	3,870	$152.31	-$4.59	$147.73	-3.0%
20	RZ 5 - FR to Metered - Commercial	25,200	$152.31	$343.49	$495.80	225.5%
21	RZ 5 - Avon Grove	N/A	$11,071.76	$0.00	$11,071.76	0.0%
22	RZ 6 - Residential	3,870	$71.17	$22.24	$93.41	31.3%
23	RZ 6 - Commercial	12,630	$95.03	$67.66	$162.70	71.2%
24	RZ 7 - Residential	3,870	$78.39	$38.19	$116.58	48.7%
25	RZ 7 - Commercial	5,670	$94.06	$48.34	$142.41	51.4%
26	RZ 7 - Public	65,100	$632.49	$490.51	$1,123.00	77.6%
27	RZ 8 - Residential	3,870	$104.41	$12.16	$116.58	11.6%
28	RZ 8 - Commercial	88,700	$1,094.80	$417.60	$1,512.40	38.1%
29	RZ 8 - Public	29,600	$404.24	$133.01	$537.25	32.9%
30	RZ 9 - Residential	3,870	$61.68	$49.11	$110.79	79.6%
31	RZ 9 - Commercial	3,340	$57.29	$37.81	$95.10	66.0%
32	RZ 9 - Industrial	3,000	$54.80	$35.20	$90.00	64.2%
33	RZ 9 - Public	7,170	$85.32	$67.23	$152.55	78.8%

34	RZ 10 - Residential	3,870	$66.35	$44.44	$110.79	67.0%
35	RZ 10 - Commercial	38,530	$332.41	$290.54	$622.95	87.4%
36	RZ 11 - Residential	3,870	$137.29	$1.57	$138.86	1.1%
37	RZ 11 - Commercial	3,500	$181.95	-$11.12	$170.83	-6.1%
38	RZ 11 - Public	6,400	$280.21	$5.71	$285.92	2.0%
39	RZ 12 - Single (Residential)	3,870	$70.51	$36.39	$106.90	51.6%
40	RZ 12 - Double (Commercial)	6,430	$118.54	$26.76	$145.30	22.6%
41	RZ 12 - Double (Public)	26,730	$241.01	$208.79	$449.80	86.6%
41	RZ 14 - Residential	3,870	$65.48	$41.42	$106.90	63.3%
42	RZ 14 - Commercial	54,130	$474.79	$386.01	$860.80	81.3%

*I&E is recommending RZ 13, East Whiteland, receive no increase.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 1

Customer Class	12/31/2025 Usage (in 100 Gallons) (A)	12/31/2025 Number of Bills (B)	12/31/2025 Pro Forma Revenues (C)	Proforma DSIC Revenues (D)	12/31/2025 Proforma w/ DSIC @ Present Rate (E)	As Filed 12/31/2025 Proforma @ Proposed Rate (G)	% Percent Change (H)	I&E 12/31/2025 Proforma @ Proposed Rate (J)	% Percent Change (K)
Residential	1,513,963	52,329	$ 4,160,675	$ 55,755	$ 4,216,430	$ 4,104,558	-2.65%	$ 5,050,683	19.79%
Commercial	1,182,227	5,272	2,180,872	29,222	2,210,094	2,163,630	-2.10%	2,864,492	29.61%
Industrial	559	12	1,217	17	1,234	1,213	-1.70%	1,508	22.20%
Public	91,170	373	188,531	2,525	191,056	187,816	-1.70%	235,752	23.39%
Total Rate Zone 1	2,787,919	57,985	$ 6,531,295	$ 87,519	$ 6,618,814	$ 6,457,217	-2.44%	$ 8,152,435	23.17%

Rate Zone 1 - Residential	12/31/2025 Billing Determinants (A)	Current Rate (B)	12/31/2025 Pro Forma Revenues (C)	Proforma DSIC Revenues (D)	12/31/2025 Proforma w/ DSIC @ Present Rate (E)	Proposed Rate (F)	12/31/2025 Proforma @ Proposed Rate (G)	% Percent Change (H)	Proposed Rate (I)	12/31/2025 Proforma @ Proposed Rate (J)	% Percent Change (K)
Customer Charge											
5/8 - Meter	20,872	$48.20	$ 1,006,020	$ 13,481	$ 1,019,501	$ 47.64	$ 994,331	-2.47%	$ 48.85	$ 1,019,586	0.01%
3/4 - Meter	80	72.30	5,813	78	5,891	71.46	5,745	-2.48%	$ 73.28	$ 5,891	0.00%
1 - Meter	324	120.50	39,054	523	39,577	119.10	38,600	-2.47%	$ 122.13	$ 39,581	0.01%
1 1/2 - Meter	96	241.00	23,136	310	23,446	238.20	22,867	-2.47%	$ 244.25	$ 23,448	0.01%
2 - Meter	12	385.60	4,627	62	4,689	381.12	4,573	-2.47%	$ 390.80	$ 4,690	0.02%
3 - Meter	-	723.00	-	-	-	714.60	-	0.00%	$ 732.75	$ -	0.00%
4 - Meter	-	1,205.00	-	-	-	1,191.00	-	0.00%	$ 1,221.25	$ -	0.00%
6 - Meter	-	2,410.00	-	-	-	2,382.00	-	0.00%	$ 2,442.50	$ -	0.00%
8 - Meter	-	3,856.00	-	-	-	3,811.20	-	0.00%	$ 3,908.00	$ -	0.00%
Subtotal	21,384		$1,078,650	$14,454	$1,093,104		$1,066,116			$1,093,196	
Charge by Number oF EDUs											
EDU	29,555	$48.20	$ 1,424,528	$ 19,089	$ 1,443,617	$ 47.64	$ 1,407,978	-2.47%	$ 48.85	$ 1,443,738	0.01%
N	12	48.20	578	8	586	47.64	572	-2.39%	48.85	$ 586	0.00%
O	24	48.20	1,157	16	1,173	47.64	1,143	-2.56%	48.85	$ 1,172	-0.09%
Subtotal	29,591		$ 1,426,263	$ 19,113	$ 1,445,376		1,409,693			1,445,496	
Unmetered Customers	28	$ 95.47	$ 2,664	$ 36	$ 2,700	$ 92.85	$ 2,590	-4.07%	$ 116.58	$ 3,252	20.44%
Usage (in 100 Gallons)											
All Usage	1,486,231	$1.1817	$ 1,756,279	$ 23,534	$ 1,779,813	$1.1681	$ 1,736,066	-2.46%	$1.7500	$ 2,600,904	46.13%
Low Income:											
Low Income Discount Tier 1			($116,547)	($1,562)	($118,109)		$ (119,843)	1.47%		$ (119,843)	1.47%
Low Income Discount Tier 2			(51,660)	(692)	(52,352)		(53,067)	1.37%		(53,067)	1.37%
Low Income Discount Tier 3			(31,659)	(424)	(32,083)		(32,561)	1.49%		(32,561)	1.49%
RZ 1 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	712	$ 48.20	$ 34,299	$ 460	$ 34,759	$ 47.64	$ 33,900	-2.47%	$ 48.85	$ 34,761	0.01%
EDU	614	48.20	29,615	397	30,012	47.64	29,271	-2.47%	48.85	$ 30,014	0.01%
All Usage	27,732	$1.1817	32,771	439	33,210	$1.1681	32,394	-2.46%	$1.7500	$ 48,532	46.14%
RZ 1 Residential Usage	1,513,963										
RZ 1 Residential Annualized/Profroma Revenues			**$ 4,160,675**	**$ 55,755**	**$ 4,216,430**		**$ 4,104,558**	**-2.65%**		**$ 5,050,683**	**19.79%**

Note (1) Adjustment to account for the growth (loss) in customers.

I&E Exhibit No. 3
Schedule 4
Page 1 of 3

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 1

Rate Zone 1 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
5/8 - Meter	2,737	$47.35	$ 129,611	$ 1,737	$ 131,348	$ 47.64	$ 130,405	-0.72%	$ 48.85	$ 133,717	1.80%
3/4 - Meter	48	71.03	3,424	46	3,470	71.46	3,444	-0.75%	$ 73.28	$ 3,532	1.79%
1 - Meter	588	118.38	69,655	933	70,588	119.10	70,078	-0.72%	$ 122.13	$ 71,861	1.80%
1 1/2 - Meter	355	236.75	84,141	1,127	85,268	238.20	84,656	-0.72%	$ 244.25	$ 86,806	1.80%
2 - Meter	204	378.80	77,275	1,035	78,310	381.12	77,748	-0.72%	$ 390.80	$ 79,723	1.80%
3 - Meter	108	710.25	76,778	1,029	77,807	714.60	77,248	-0.72%	$ 732.75	$ 79,210	1.80%
4 - Meter	48	1,183.75	56,820	761	57,581	1,191.00	57,168	-0.72%	$ 1,221.25	$ 58,620	1.80%
6 - Meter	-	2,367.50	-	-	-	2,382.00	-	0.00%	$ 2,442.50	$ -	0.00%
8 - Meter	-	3,788.00	-	-	-	3,811.20	-	0.00%	$ 3,908.00	$ -	0.00%
Subtotal	4,089		$ 497,704	$ 6,668	$ 504,372		$ 500,747			$ 513,469	
Charge by Number oF EDUs											
EDU	1,122	$ 47.35	$ 53,131	$ 712	$ 53,843	$ 47.64	$ 53,457	-0.72%	$ 48.85	$ 54,815	1.81%
Subtotal	1,122		$ 53,131	$ 712	$ 53,843		$ 53,457	-0.72%		$ 54,815	1.81%
Unmetered Customers	60	$ 93.78	$ 5,627	$ 75	$ 5,702	$ 92.04	$ 5,523	-3.14%	$ 125.74	$ 7,544	32.30%
Unmetered Apartment Complex	12	20,350.26	244,203	3,272	247,475	19,973.63	239,684	-3.15%	27,285.58	$ 327,427	32.31%
Unmetered Daycare	12	656.46	7,878	106	7,984	644.31	7,732	-3.16%	880.18	$ 10,562	32.29%
Subtotal	84		$ 257,708	$ 3,453	$ 261,161		$ 252,939			$ 345,533	
Usage (in 100 Gallons)											
All Usage	1,182,227	$1.1608	$ 1,372,329	$ 18,389	$ 1,390,718	$1.1474	$ 1,356,487	-2.46%	$1.6500	$ 1,950,675	40.26%
RZ 1 Commercial Usage	1,182,227										
RZ 1 Commercial Revenues			**$ 2,180,872**	**$ 29,222**	**$ 2,210,094**		**$ 2,163,630**	**-2.10%**		**$ 2,864,492**	**29.61%**

Rate Zone 1 - Industrial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
5/8 - Meter	12	$47.35	$ 568	$ 8	$ 576	$ 47.64	$572	-0.69%	$ 48.85	$586	1.74%
3/4 - Meter	-	71.03	-	-	-	71.46	-	0.00%	$ 73.28	$0	0.00%
1 - Meter	-	118.38	-	-	-	119.10	-	0.00%	$ 122.13	$0	0.00%
1 1/2 - Meter	-	236.75	-	-	-	238.20	-	0.00%	$ 244.25	$0	0.00%
2 - Meter	-	378.80	-	-	-	381.12	-	0.00%	$ 390.80	$0	0.00%
3 - Meter	-	710.25	-	-	-	714.60	-	0.00%	$ 732.75	$0	0.00%
4 - Meter	-	1,183.75	-	-	-	1,191.00	-	0.00%	$ 1,221.25	$0	0.00%
6 - Meter	-	2,367.50	-	-	-	2,382.00	-	0.00%	$ 2,442.50	$0	0.00%
8 - Meter	-	3,788.00	-	-	-	3,811.20	-	0.00%	$ 3,908.00	$0	0.00%
Subtotal	12		$568	$8	$576		$572			$586	
Unmetered Customers	0	$ 93.78	$ -	$ -	$ -	$ 92.04	$ -	0.00%	$ 125.74	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	559	$1.1608	$ 649	$ 9	$ 658	$1.1474	$641	-2.58%	$1.6500	$922	40.12%
RZ 1 Industrial Usage	559										
RZ 1 Industrial Revenues			**$1,217**	**$17**	**$1,234**		**$1,213**	**-1.70%**		**$1,508**	**22.20%**

I&E Exhibit No. 3
Schedule 4
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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 1

Rate Zone 1 - Public	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
5/8 - Meter	157	$ 47.35	$ 7,415	$ 99	$ 7,514	$ 47.64	$ 7,460	-0.72%	$ 48.85	$ 7,650	1.81%
3/4 - Meter	12	71.03	852	11	863	71.46	858	-0.58%	$ 73.28	$ 879	1.85%
1 - Meter	96	118.38	11,364	152	11,516	119.10	11,434	-0.71%	$ 122.13	$ 11,724	1.81%
1 1/2 - Meter	36	236.75	8,523	114	8,637	238.20	8,575	-0.72%	$ 244.25	$ 8,793	1.81%
2 - Meter	24	378.80	9,091	122	9,213	381.12	9,147	-0.72%	$ 390.80	$ 9,379	1.80%
3 - Meter	24	710.25	17,046	228	17,274	714.60	17,150	-0.72%	$ 732.75	$ 17,586	1.81%
4 - Meter	24	1,183.75	28,410	381	28,791	1,191.00	28,584	-0.72%	$ 1,221.25	$ 29,310	1.80%
6 - Meter	0	2,367.50	-	-	-	2,382.00	-	0.00%	$ 2,442.50	$ -	0.00%
8 - Meter	0	3,788.00	-	-	-	3,811.20	-	0.00%	$ 3,908.00	$ -	0.00%
Subtotal	373		$82,701	$1,107	$83,808		$83,208			$85,321	
Unmetered Customers	0	$ 93.78	$ -	$ -	$ -	$ 92.04	$0	0.00%	$ 125.74	$0	0.00%
Usage (in 100 Gallons)											
All Usage	91,170	$ 1.1608	$ 105,830	$ 1,418	$ 107,248	$ 1.1474	$ 104,608	-2.46%	$ 1.6500	$ 150,431	40.26%
RZ 1 Public Usage	91,170										
RZ 1 Public Revenues			**$188,531**	**$2,525**	**$191,056**		**$187,816**	**-1.70%**		**$235,752**	**23.39%**

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1A - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 1A

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	746,614	27,506	$ 2,117,150	$ 28,371	$ 2,145,521		$ 2,087,940	-2.68%		$ 2,564,108	19.51%
Commercial	1,239,728	820	1,651,218	22,126	1,673,344		1,635,795	-2.24%		2,482,130	48.33%
Total Rate Zone 1A	1,986,342	28,326	$ 3,768,368	$ 50,497	$ 3,818,865		$ 3,723,735	-2.49%		$ 5,046,238	32.14%

Rate Zone 1A - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
5/8 - Meter	26,988	$ 48.20	$ 1,300,817	$ 17,431	$ 1,318,248	$ 47.64	$ 1,285,704	-2.47%	$ 48.85	$ 1,318,359	0.01%
3/4 - Meter	12	48.20	578	8	586	$ 47.64	$ 572	-2.39%	$ 54.96	$ 659	12.46%
1 - Meter	24	48.20	1,157	16	1,173	$ 47.64	$ 1,143	-2.56%	$ 91.59	$ 2,198	87.38%
1 1/2 - Meter	-	96.40	-	-	-	$ 95.28	$ -	0.00%	$ 183.19	$ -	0.00%
2 - Meter	-	154.24	-	-	-	$ 152.45	$ -	0.00%	$ 293.10	$ -	0.00%
3 - Meter	-	289.20	-	-	-	$ 285.84	$ -	0.00%	$ 549.56	$ -	0.00%
4 - Meter	-	482.00	-	-	-	$ 476.40	$ -	0.00%	$ 915.94	$ -	0.00%
6 - Meter	-	777.42	-	-	-	$ 768.39	$ -	0.00%	$ 1,831.88	$ -	0.00%
8 - Meter	-	-	-	-	-	$ -	$ -	0.00%	$ -	$ -	0.00%
Subtotal	27,024		$1,302,552	$17,455	$1,320,007		$1,287,419	-2.47%		$1,321,216	0.09%
Unmetered Customers	326	$ 95.47	$ 31,085	$ 417	$ 31,502	$ 92.85	$ 30,230	-4.04%	$ 116.58	$ 37,957	20.49%
Usage (in 100 Gallons)											
All Usage	743,806	$1.1817	$ 878,956	$ 11,778	$ 890,734	$1.1681	$ 868,840	-2.46%	$1.7500	$ 1,301,661	46.13%
Low Income:											
Low Income Discount Tier 1			$ (61,975)	$ (830)	$ (62,805)		($63,728)	1.47%		($63,728)	1.47%
Low Income Discount Tier 2			(27,471)	$ (368)	$ (27,839)		($28,219)	1.37%		($28,219)	1.37%
Low Income Discount Tier 3			(16,835)	$ (226)	$ (17,061)		($17,314)	1.48%		($17,314)	1.48%
RZ 1A Residential Bill Analysis Revenues											
Adjustment (1):											
Unmetered Rate											
5/8 - Meter											
All Usage											
Adjustment (2):											
5/8 - Meter	156	$48.20	$ 7,519	$ 101	$ 7,620	$47.64	$7,432	-2.47%	$48.85	$7,621	0.01%
All Usage	2,808	$1.1817	3,318	44	3,362	$1.1681	$3,280	-2.44%	$1.7500	$4,914	46.16%
RZ 1A Residential Usage	746,614										
RZ 1A Residential Annualized/Proforma Revenues			**$ 2,117,150**	**$ 28,371**	**$ 2,145,521**		**$ 2,087,940**	**-2.68%**		**$ 2,564,108**	**19.51%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 1A - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 1A

Rate Zone 1A - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
5/8 - Meter	221	$47.35	$ 10,460	$ 140	$ 10,600	$ 47.64	$ 10,524	-0.72%	$ 48.85	$ 10,791	1.80%
3/4 - Meter	-	47.35	-	-	-	$ 47.64	$ -	0.00%	$ 54.96	$ -	0.00%
1 - Meter	36	47.35	1,705	23	1,728	$ 47.64	$ 1,715	-0.75%	$ 91.59	$ 3,297	90.80%
1 1/2 - Meter	-	94.70	-	-	-	$ 95.28	$ -	0.00%	$ 183.19	$ -	0.00%
2 - Meter	227	151.52	34,365	460	34,825	$ 152.45	$ 34,576	-0.72%	$ 293.10	$ 66,475	90.88%
3 - Meter	36	284.10	10,228	137	10,365	$ 285.84	$ 10,290	-0.72%	$ 549.56	$ 19,784	90.87%
4 - Meter	144	473.50	68,326	916	69,242	$ 476.40	$ 68,745	-0.72%	$ 915.94	$ 132,170	90.88%
6 - Meter	108	763.71	82,557	1,106	83,663	$ 768.39	$ 83,063	-0.72%	$ 1,831.88	$ 198,026	136.69%
8 - Meter	-	-	-	-	-	$ -	$ -	0.00%	$ -	$ -	0.00%
Subtotal	772		$ 207,641	$ 2,782	$ 210,423		$ 208,913	-0.72%		$ 430,543	104.61%
Unmetered Customers	48	$ 93.78	$ 4,501	$ 60	$ 4,561	$ 92.04	$ 4,418	-3.14%	$ 125.74	$ 6,036	32.34%
Usage (in 100 Gallons)											
All Usage	1,239,728	$1.1608	$ 1,439,076	$ 19,284	$ 1,458,360	$1.1474	$ 1,422,464	-2.46%	$1.6500	$ 2,045,551	40.26%
RZ 1A Commercial Usage	1,239,728										
RZ 1A Commercial Revenues			**$ 1,651,218**	**$ 22,126**	**$ 1,673,344**		**$ 1,635,795**	**-2.24%**		**$ 2,482,130**	**48.33%**

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 2 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 2

Customer Class	12/31/2025 Usage (in 100 Gallons) (A)	12/31/2025 Number of Bills (B)	12/31/2025 Pro Forma Revenues (C)	Proforma DSIC Revenues (D)	12/31/2025 Proforma w/ DSIC @ Present Rate (E)		Company 12/31/2025 Proforma @ Proposed Rate (G)	% Percent Change (H)		I&E 12/31/2025 Proforma @ Proposed Rate (J)	% Percent Change (K)
Residential	489,001	21,646	$ 1,759,757	$ 23,581	$ 1,783,338		$ 1,760,110	-1.30%		$ 2,031,997	13.94%
Commercial	237,520	4,830	647,299	8,674	655,973		647,299	-1.32%		809,846	23.46%
Public	370	60	3,754	50	3,804		3,754	-1.31%		3,908	2.73%
Total Rate Zone 2	726,891	26,536	$ 2,410,810	$ 32,305	$ 2,443,115		$ 2,411,163	-1.31%		$ 2,845,751	16.48%

Rate Zone 2 - Residential	12/31/2025 Billing Determinants (A)	Current Rate (B)	12/31/2025 Pro Forma Revenues (C)	Proforma DSIC Revenues (D)	12/31/2025 Proforma w/ DSIC @ Present Rate (E)	Proposed Rate (F)	12/31/2025 Proforma @ Proposed Rate (G)	% Percent Change (H)	Proposed Rate (I)	12/31/2025 Proforma @ Proposed Rate (J)	% Percent Change (K)
Charge by Number oF EDUs											
EDU	19,921	$55.93	$ 1,114,161	$ 14,930	$ 1,129,091	$ 55.93	$ 1,114,161	-1.32%	$ 55.93	$ 1,114,161	-1.32%
Subtotal	19,921		$ 1,114,161	$ 14,930	$ 1,129,091		$ 1,114,161	-1.32%		$ 1,114,161	-1.32%
Unmetered Customers	1,443	$ 101.80	$ 146,925	$ 1,969	$ 148,894	$ 101.80	$ 146,925	-1.32%	$ 123.66	$ 178,467	19.86%
Usage (in 100 Gallons)											
All Usage	484,771	$1.2585	$ 610,084	$ 8,175	$ 618,259	$1.2585	$ 610,084	-1.32%	$1.7500	$ 848,349	37.22%
Low Income:											
Low Income Discount Tier 1			$ (76,898)	$ (1,030)	$ (77,928)		$ (76,687)	-1.59%		$ (76,687)	-1.59%
Low Income Discount Tier 2			(35,708)	(478)	(36,186)		(35,617)	-1.57%		(35,617)	-1.57%
Low Income Discount Tier 3			(19,901)	(267)	(20,168)		(19,852)	-1.57%		(19,852)	-1.57%
RZ 2 Residential Bill Analysis Revenues											
Adjustment (1):											
Unmetered Rate											
EDU											
All Usage											
Adjustment (2):											
5/8 - Meter	282	$55.93	$ 15,772	$ 211	$ 15,983	$ 55.93	$15,772	-1.32%	$ 55.93	$15,772	-1.32%
All Usage	4,230	$ 1.2585	5,323	71	5,394	$ 1.2585	$5,323	-1.32%	$ 1.7500	$7,403	37.25%
RZ 2 Residential Usage	489,001										
RZ 2 Residential Annualized/Proforma Revenues			**$ 1,759,757**	**$ 23,581**	**$ 1,783,338**		**$ 1,760,110**	**-1.30%**		**$ 2,031,997**	**13.94%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 2 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 2

Rate Zone 2 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	2,871	$ 54.95	$ 157,783	$ 2,114	$ 159,897	$ 54.95	$ 157,783	-1.32%	$ 54.95	$ 157,783	-1.32%
Subtotal	2,871		$ 157,783	$ 2,114	$ 159,897		$ 157,783	-1.32%		$ 157,783	-1.32%
Unmetered Customers	1,959	$ 100.00	$ 195,870	$ 2,625	$ 198,495	$ 100.00	$ 195,870	-1.32%	$ 132.82	$ 260,155	31.06%
Usage (in 100 Gallons)											
All Usage	237,520	$1.2363	$ 293,646	$ 3,935	$ 297,581	$1.2363	$ 293,646	-1.32%	$1.6500	$ 391,908	31.70%
Adjustment (1):											
Unmetered Rate											
EDU											
All Usage											
RZ 2 Commercial Usage	237,520										
RZ 2 Commercial Revenues			**$ 647,299**	**$ 8,674**	**$ 655,973**		**$ 647,299**	**-1.32%**		**$ 809,846**	**23.46%**

Note (1) Adjustment for change of flat rate to metered customers.

Rate Zone 2 - Public	12/31/2025 Billing Determinants	Current Rate		Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	60	$ 54.95	$ 3,297	$ 44	$ 3,341	$ 54.95	$ 3,297	-1.32%	$ 54.95	$ 3,297	-1.32%
Subtotal	60		$3,297	$44	$3,341		$3,297	-1.32%		$3,297	-1.32%
Unmetered Customers	0	$ 100.00	$ -	$ -	$ -	$ 100.00	$0	0.00%	$ 132.82	$0	0.00%
Usage (in 100 Gallons)											
All Usage	370	$ 1.2363	$ 457	$ 6	$ 463	$ 1.2363	$ 457	-1.30%	$ 1.6500	$ 611	31.97%
RZ 2 Public Usage	370										
RZ 2 Public Revenues			**$3,754**	**$50**	**$3,804**		**$3,754**	**-1.31%**		**$3,908**	**2.73%**

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 3 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 3

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	1,161,915	41,230	$ 3,974,202	$ 53,255	$ 4,027,457		$ 3,963,725	-1.58%		$ 4,144,642	2.91%
Commercial	70,360	3,472	366,322	4,909	371,231		366,322	-1.32%		396,764	6.88%
Total Rate Zone 3	1,232,275	44,702	$ 4,340,524	$ 58,164	$ 4,398,688		$ 4,330,047	-1.56%		$ 4,541,406	3.24%

Rate Zone 3 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU*	40,396	$66.37	$ 2,681,083	$ 35,927	$ 2,717,010	$ 66.37	$ 2,681,083	-1.32%	$ 55.93	$ 2,259,348	-16.84%
Subtotal	40,396		$ 2,681,083	$ 35,927	$ 2,717,010		$ 2,681,083	-1.32%		$ 2,259,348	-16.84%
Unmetered Customers	156	$ 115.00	$ 17,940	$ 240	$ 18,180	$ 115.00	$ 17,940	-1.32%	$ 123.66	$ 19,290	6.11%
Usage (in 100 Gallons)											
All Usage	1,151,745	$1.2264	$ 1,412,500	$ 18,928	$ 1,431,428	$1.2264	$ 1,412,500	-1.32%	$1.7500	$ 2,015,554	40.81%
Low Income:											
Low Income Discount Tier 1			$ (112,316)	$ (1,505)	$ (113,821)		($118,472)	4.09%		($118,472)	4.09%
Low Income Discount Tier 2			(50,458)	(676)	(51,134)		($53,105)	3.86%		($53,105)	3.86%
Low Income Discount Tier 3			(32,017)	(429)	(32,446)		($33,691)	3.84%		($33,691)	3.84%
RZ 3 Residential Bill Analysis Revenues											
Adjustment (1):											
Unmetered Rate											
EDU											
All Usage											
Adjustment (2):											
5/8 - Meter	678	$ 66.37	$ 44,999	$ 603	$ 45,602	$ 66.37	$44,999	-1.32%	$ 55.93	$37,921	-16.84%
All Usage	10,170	$ 1.2264	12,472	167	12,639	$ 1.2264	$12,472	-1.32%	$ 1.7500	$17,798	40.82%
RZ 3 Residential Usage	1,161,915										
RZ 3 Residential Annualized/Proforma Revenues			**$ 3,974,202**	**$ 53,255**	**$ 4,027,457**		**$ 3,963,725**	**-1.58%**		**$ 4,144,642**	**2.91%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 3 - WASTEWATER DIVISION
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DSIC 1.34%
Zone 3

Rate Zone 3 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU*	2,318	$ 65.20	$ 151,127	$ 2,025	$ 153,152	$ 65.20	$ 151,127	-1.32%	$ 54.95	$ 127,369	-16.83%
Subtotal	2,318		$ 151,127	$ 2,025	$ 153,152		$ 151,127	-1.32%		$ 127,369	-16.83%
Unmetered Customers	1,154	$ 113.00	$ 130,425	$ 1,748	$ 132,173	$ 113.00	$ 130,425	-1.32%	$ 132.82	$ 153,301	15.99%
Usage (in 100 Gallons)											
All Usage	70,360	$1.2048	$ 84,770	$ 1,136	$ 85,906	$1.2048	$ 84,770	-1.32%	$1.6500	$ 116,094	35.14%
Adjustment (1):											
Unmetered Rate											
EDU											
All Usage											
RZ 3 Commercial Usage	70,360										
RZ 3 Commercial Revenues			**$ 366,322**	**$ 4,909**	**$ 371,231**		**$ 366,322**	**-1.32%**		**$ 396,764**	**6.88%**

Note (1) Adjustment for change of flat rate to metered customers.
*Billing determinants Includes Stony Creek - Whitehall Estates customers.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 4 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 4

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	293,269	33,236	$ 4,030,485	$ 54,008	$ 4,084,493		$ 4,076,688	-0.19%		$ 4,480,541	9.70%
Commercial	74,429	7,486	1,009,158	13,522	1,022,680		1,029,464	0.66%		1,190,834	16.44%
Total Rate Zone 4	367,698	40,723	$ 5,039,643	$ 67,530	$ 5,107,173		$ 5,106,152	-0.02%		$ 5,671,375	11.05%

Rate Zone 4 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	7,581	$86.12	$ 652,841	$ 8,748	$ 661,589	$ 86.12	$ 652,841	-1.32%	$ 80.00	$ 606,448	-8.33%
Subtotal	7,581		$652,841	$8,748	$661,589		652,841	-1.32%		606,448	-8.33%
Unmetered Customers	24,984	$ 133.35	$ 3,331,563	$ 44,643	$ 3,376,206	$ 135.20	$ 3,377,670	0.04%	$ 147.73	$ 3,690,702	9.32%
Usage (in 100 Gallons)											
All Usage	276,469	$1.2681	$ 350,590	$ 4,698	$ 355,288	$1.2681	$ 350,590	-1.32%	$1.7500	$ 483,821	36.18%
Low Income:											
Low Income Discount Tier 1			$ (213,986)	$ (2,867)	$ (216,853)		$ (213,927)	-1.35%		$ (213,927)	-1.35%
Low Income Discount Tier 2			(97,291)	(1,304)	(98,595)		(97,278)	-1.34%		(97,278)	-1.34%
Low Income Discount Tier 3			(72,408)	(970)	(73,378)		(72,386)	-1.35%		(72,386)	-1.35%
RZ 4 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	672	$86.12	$ 57,873	$ 775	$ 58,648	$ 86.12	$57,873	-1.32%	$ 80.00	$53,760	-8.33%
All Usage	16,800	$1.2681	21,304	285	21,589	$1.2681	$21,304	-1.32%	$1.7500	$29,400	36.18%
RZ 4 Residential Usage	293,269										
RZ 4 Residential Annualized/Proforma Revenues			**$ 4,030,485**	**$ 54,008**	**$ 4,084,493**		**$ 4,076,688**	**-0.19%**		**$ 4,480,541**	**9.70%**

Note (1) Adjustment to account for the growth (loss) in customers.

Rate Zone 4 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	1,385	$ 84.60	$ 117,196	$ 1,570	$ 118,766	$ 84.60	$ 117,196	-1.00%	$ 80.00	$ 110,824	-7.00%
Subtotal	1,385		$ 117,196	$ 1,570	$ 118,766		$ 117,196	-1.00%		$ 110,824	-7.00%
Unmetered Customers	6,101	$ 131.00	$ 799,244	$ 10,710	$ 809,954	$ 134.33	$ 819,552	1.00%	$ 156.89	$ 957,202	18.00%
Usage (in 100 Gallons)											
All Usage	74,429	$1.2457	$ 92,718	$ 1,242	$ 93,960	$1.2457	$ 92,716	-1.00%	$1.6500	$ 122,808	31.00%
RZ 4 Commercial Usage	74,429										
RZ 4 Commercial Revenues			**$ 1,009,158**	**$ 13,522**	**$ 1,022,680**		**$ 1,029,464**	**1.00%**		**$ 1,190,834**	**16.00%**

I&E Exhibit No. 3
Schedule 8

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 5 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 5

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	284,746	7,303	$ 1,068,313	$ 14,316	$ 1,082,629		$ 1,068,377	-1.32%		$ 1,063,103	-1.80%
Commercial	10,587	54	148,536	1,991	150,527		148,635	-1.26%		153,690	2.10%
Total Rate Zone 5	295,333	7,357	$ 1,216,849	$ 16,307	$ 1,233,156		$ 1,217,012	-1.31%		$ 1,216,793	-1.33%

Rate Zone 5 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
5/8 - Meter	456	$98.95	$ 45,121	$ 605	$ 45,726	$ 98.95	$ 45,121	-1.32%	$ 80.00	$ 36,480	-20.22%
3/4 - Meter	-	148.43	-	-	-	148.43	$ -	0.00%	120.00	$ -	0.00%
1 - Meter	-	247.38	-	-	-	247.38	$ -	0.00%	200.00	$ -	0.00%
1 1/2 - Meter	-	494.75	-	-	-	494.75	$ -	0.00%	400.00	$ -	0.00%
2 - Meter	-	791.60	-	-	-	791.60	$ -	0.00%	640.00	$ -	0.00%
3 - Meter	-	1,484.25	-	-	-	1,484.25	$ -	0.00%	1,200.00	$ -	0.00%
4 - Meter	-	2,473.75	-	-	-	2,473.75	$ -	0.00%	2,000.00	$ -	0.00%
6 - Meter	-	4,947.50	-	-	-	4,947.50	$ -	0.00%	4,000.00	$ -	0.00%
8 - Meter	-	7,916.00	-	-	-	7,916.00	$ -	0.00%	6,400.00	$ -	0.00%
Subtotal	456		$45,121	$605	$45,726		$45,121	-1.32%		$36,480	-20.22%
Charge by Number oF EDUs											
EDU	6,829	$98.95	$ 675,710	$ 9,055	$ 684,765	$ 98.95	$ 675,710	-1.32%	$ 80.00	$ 546,304	-20.22%
Subtotal	6,829		$675,710	$9,055	$684,765		675,710	-1.32%		546,304	-20.22%
Unmetered Customers	12	$ 150.30	$ 1,804	$ 24	$ 1,828	$ 147.75	$ 1,773	-3.01%	$ 156.89	$ 1,883	3.01%
Usage (in 100 Gallons)											
All Usage	284,617	$1.2837	$ 365,363	$ 4,896	$ 370,259	$1.2837	$ 365,363	-1.32%	$1.7500	$ 498,080	34.52%
Low Income:											
Low Income Discount Tier 1			$ (11,611)	$ (156)	$ (11,767)		$ (11,551)	-1.83%		$ (11,551)	-1.83%
Low Income Discount Tier 2			(5,216)	(70)	(5,286)		(5,202)	-1.57%		(5,202)	-1.57%
Low Income Discount Tier 3			(3,619)	(48)	(3,667)		(3,596)	-1.93%		(3,596)	-1.93%
RZ 5 Residential Bill Analysis Revenues											
Adjustment (1):											
Unmetered Rate											
EDU											
All Usage											
Adjustment (2):											
EDU	6	$98.95	$ 594	$ 8	$ 602	$98.95	$594	-1.33%	$80.00	$480	-20.27%
All Usage	129	$1.2837	166	2	168	$1.2837	$166	-1.19%	$1.7500	$226	34.52%
RZ 5 Residential Usage	284,746										
RZ 5 Residential Annualized/Proforma Revenues			**$ 1,068,313**	**$ 14,316**	**$ 1,082,629**		**$ 1,068,377**	**-1.32%**		**$ 1,063,103**	**-1.80%**

Note (1) Adjustment for change of flat rate to metered customers.
Note (2) Adjustment to account for the growth (loss) in customers.

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Schedule 9
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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 5 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 5

Rate Zone 5 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	42	$ 97.20	$ 4,082	$ 55	$ 4,137	$ 97.20	$ 4,082	-1.33%	$ 80.00	$ 3,360	-18.78%
Subtotal	42		$ 4,082	$ 55	$ 4,137		$ 4,082	-1.33%		$ 3,360	-18.78%
Unmetered - Avon Grove School	12	$ 10,925.36	$ 131,104	$ 1,757	$ 132,861	$ 10,933.55	$ 131,203	-1.25%	$ 11,071.76	$ 132,861	0.00%
Usage (in 100 Gallons)											
All Usage	10,587	$1.2610	$ 13,350	$ 179	$ 13,529	$1.2610	$ 13,350	-1.32%	$1.6500	$ 17,469	29.12%
RZ 5 Commercial Usage	10,587										
RZ 5 Commercial Revenues			**$ 148,536**	**$ 1,991**	**$ 150,527**		**$ 148,635**	**-1.26%**		**$ 153,690**	**2.10%**

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Schedule 9
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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 6 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 6

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Company 12/31/2025 Proforma @ Proposed Rate	Company % Percent Change	I&E 12/31/2025 Proforma @ Proposed Rate	I&E % Percent Change
	(A)	(B)	(C)	(D)	(E)	(G)	(H)	(J)	(K)
Residential	217,908	17,073	$ 1,043,890	$ 13,988	$ 1,057,878	$ 1,031,457	-2.50%	$ 1,175,319	11.10%
Commercial	12,642	112	10,086	135	10,221	10,007	-2.09%	17,407	70.31%
Total Rate Zone 6	230,550	17,185	$ 1,053,976	$ 14,123	$ 1,068,099	$ 1,041,464	-2.49%	$ 1,192,726	11.67%

Rate Zone 6 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	16,923	$59.55	$ 1,007,765	$ 13,504	$ 1,021,269	$ 58.86	$ 996,088	-2.47%	$ 59.55	$ 1,007,765	-1.32%
Subtotal	16,923		$ 1,007,765	$ 13,504	$ 1,021,269		996,088	-2.47%		1,007,765	-1.32%
Unmetered Customers	36	$ 70.59	$ 2,541	$ 34	$ 2,575	$ 69.41	$ 2,499	-2.95%	$ 93.41	$ 3,363	30.60%
Usage (in 100 Gallons)											
All Usage	216,193	$0.2759	$ 59,648	$ 799	$ 60,447	$0.2727	$ 58,959	-2.46%	$0.8750	$ 189,169	212.95%
Low Income:											
Low Income Discount Tier 1			$ (18,767)	$ (251)	$ (19,018)		$ (18,736)	-1.48%		$ (18,736)	-1.48%
Low Income Discount Tier 2			(8,802)	(118)	(8,920)		(8,786)	-1.50%		(8,786)	-1.50%
Low Income Discount Tier 3			(5,758)	(77)	(5,835)		(5,746)	-1.53%		(5,746)	-1.53%
RZ 6 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	114	$59.55	$ 6,789	$ 91	$ 6,880	$ 58.86	$ 6,710	-2.47%	$ 59.55	$ 6,789	-1.32%
All Usage	1,715	$0.2759	473	6	479	$0.2727	$ 468	-2.30%	$0.8750	$ 1,500	213.15%
RZ 6 Residential Usage	217,908										
RZ 6 Residential Annualized/Proforma Revenues			**$ 1,043,890**	**$ 13,988**	**$ 1,057,878**		**$ 1,031,457**	**-2.50%**		**$ 1,175,319**	**11.10%**

Note (1) Adjustment to account for the growth (loss) in customers.

Rate Zone 6 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	100	$ 58.50	$ 5,856	$ 78	$ 5,934	$ 57.82	$ 5,788	-2.46%	$ 58.50	$ 5,856	-1.31%
Subtotal	100		$ 5,856	$ 78	$ 5,934		$ 5,788	-2.46%		$ 5,856	-1.31%
Unmetered Customers	12	$ 67.00	$ 804	$ 11	$ 815	$ 69.41	$ 833	2.21%	$ 93.41	$ 1,121	37.55%
Usage (in 100 Gallons)											
All Usage	12,642	$0.2710	$ 3,426	$ 46	$ 3,472	$0.2679	$ 3,386	-2.48%	$0.8250	$ 10,430	200.40%
RZ 6 Commercial Usage	12,642										
RZ 6 Commercial Revenues			**$ 10,086**	**$ 135**	**$ 10,221**		**$ 10,007**	**-2.09%**		**$ 17,407**	**70.31%**

I&E Exhibit No. 3
Schedule 10

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 7 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 7

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	Company % Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	I&E % Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	2,330,282	66,249	$ 4,948,481	$ 66,310	$ 5,014,791		$ 6,053,395	20.71%		$ 7,617,847	51.91%
Commercial	1,613,664	28,863	2,644,581	35,438	2,680,019		3,244,010	21.04%		4,102,718	53.09%
Public	31,271	48	29,944	402	30,346		38,168	25.78%		53,943	77.76%
Total Rate Zone 7	3,975,217	95,161	$ 7,623,006	$ 102,150	$ 7,725,156		$ 9,335,573	20.85%		$ 11,774,508	52.42%

Rate Zone 7 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	59,628	$42.13	$ 2,512,139	$ 33,663	$ 2,545,802	$ 47.64	$ 2,840,691	11.58%	$ 48.85	$ 2,912,841	14.42%
Subtotal	59,628		$ 2,512,139	$ 33,663	$ 2,545,802		2,840,691	11.58%		2,912,841	14.42%
Unmetered Customers	5,697	$ 61.08	$ 347,987	$ 4,663	$ 352,650	$ 92.85	$ 528,962	50.00%	$ 116.58	$ 664,155	88.33%
Usage (in 100 Gallons)											
All Usage	2,307,119	$0.9101	$ 2,099,709	$ 28,136	$ 2,127,845	$1.1681	$ 2,694,946	26.65%	$1.7500	$ 4,037,458	89.74%
Low Income:											
Low Income Discount Tier 1			$ (41,090)	($551)	($41,641)		$ (47,509)	14.09%		$ (47,509)	14.09%
Low Income Discount Tier 2			(18,095)	(242)	(18,337)		(20,846)	13.68%		(20,846)	13.68%
Low Income Discount Tier 3			(12,177)	(163)	(12,340)		(13,925)	12.84%		(13,925)	12.84%
RZ 7 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	924	$ 42.13	$ 38,928	$ 522	$ 39,450	$ 47.64	$ 44,019	11.58%	$ 48.85	$ 45,137	14.42%
All Usage	23,163	$ 0.9101	21,081	282	21,363	$1.1681	$ 27,057	26.65%	$1.7500	$ 40,536	89.75%
Adjustment (2):											
Deduct Meter Usage											
RZ 7 Residential Usage	2,330,282										
RZ 7 Residential Annualized/Proforma Revenues			**$ 4,948,481**	**$ 66,310**	**$ 5,014,791**		**$ 6,053,395**	**20.71%**		**$ 7,617,847**	**51.91%**

Note (1) Adjustment to account for the growth (loss) in customers.
Note (2) Adjustment to account for Deduct Meter usage.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 7 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 7

Rate Zone 7 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	28,471	$ 41.39	$ 1,178,406	$ 15,791	$ 1,194,197	$ 47.64	$ 1,356,349	13.58%	$ 48.85	$ 1,390,799	16.46%
Subtotal	28,471		$ 1,178,406	$ 15,791	$ 1,194,197		$ 1,356,349	13.58%		$ 1,390,799	16.46%
Unmetered Customers	393	$ 60.00	$ 23,560	$ 316	$ 23,876	$ 92.04	$ 36,143	51.38%	$ 125.74	$ 49,374	106.79%
Usage (in 100 Gallons)											
All Usage	1,613,664	$0.8940	$ 1,442,615	$ 19,331	$ 1,461,946	$1.1474	$ 1,851,518	26.65%	$1.6500	$ 2,662,545	82.12%
RZ 7 Commercial Usage	1,613,664										
RZ 7 Commercial Revenues			**$ 2,644,581**	**$ 35,438**	**$ 2,680,019**		**$ 3,244,010**	**21.04%**		**$ 4,102,718**	**53.09%**

Rate Zone 7 - Public	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	48	$ 41.39	$ 1,988	$ 27	$ 2,015	$ 47.64	$ 2,288	13.55%	$ 48.85	$ 2,346	16.43%
Subtotal	48		$ 1,988	$ 27	$ 2,015		$2,288	13.55%		$2,346	16.43%
Unmetered Customers	0	$ 60.00	$ -	$ -	$ -	$ 92.04	$ -	0.00%	$ 125.74	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	31,271	$ 0.8940	$ 27,956	$ 375	$ 28,331	$ 1.1474	$ 35,880	26.65%	$ 1.6500	$ 51,597	82.12%
RZ 7 Public Usage	31,271										
RZ 7 Public Revenues			**$29,944**	**$402**	**$30,346**		**$38,168**	**25.78%**		**$53,943**	**77.76%**

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Schedule 11
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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 8 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 8

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	488,669	15,621	$ 1,466,025	$ 19,644	$ 1,485,669		$ 1,480,965	-0.32%		$ 1,618,537	8.94%
Commercial	360,238	406	431,700	5,785	437,485		468,075	6.99%		614,231	40.40%
Public	7,101	24	9,153	123	9,276		10,121	9.11%		12,889	38.95%
Other - Residential	-	228	23,461	314	23,775		22,800	-4.10%		30,283	27.37%
Total Rate Zone 8	856,008	16,279	$ 1,930,339	$ 25,866	$ 1,956,205		$ 1,981,961	1.32%		$ 2,275,940	16.34%

Rate Zone 8 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	15,147	$57.61	$ 872,601	$ 11,693	$ 884,294	$ 55.93	$ 847,155	-4.20%	$ 48.85	$ 739,916	-16.33%
Subtotal	15,147		$ 872,601	$ 11,693	$ 884,294		847,155	-4.20%		739,916	-16.33%
Unmetered Customers	276	$ 104.75	$ 28,911	$ 387	$ 29,298	$ 101.80	$ 28,097	-4.10%	$ 123.66	$ 34,129	16.49%
Usage (in 100 Gallons)											
All Usage	484,698	$1.1737	$ 568,890	$ 7,623	$ 576,513	$1.2585	$ 609,992	5.81%	$1.7500	$ 848,221	47.13%
Low Income:											
Low Income Discount Tier 1			$ (11,611)	$ (156)	$ (11,767)		$ (11,551)	-1.83%		$ (11,551)	-1.83%
Low Income Discount Tier 2			(5,216)	(70)	(5,286)		(5,202)	-1.57%		(5,202)	-1.57%
Low Income Discount Tier 3			(3,619)	(48)	(3,667)		(3,596)	-1.93%		(3,596)	-1.93%
RZ 8 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	198	$57.61	$ 11,407	$ 153	$ 11,560	$ 55.93	$ 11,074	-4.20%	$ 48.85	$ 9,672	-16.33%
All Usage	3,971	$1.1737	4,661	62	4,723	$1.2585	$ 4,997	5.80%	$1.7500	$ 6,949	47.13%
RZ 8 Residential Usage	488,669										
RZ 8 Residential Annualized/Proforma Revenues			**$ 1,466,025**	**$ 19,644**	**$ 1,485,669**		**$ 1,480,965**	**-0.32%**		**$ 1,618,537**	**8.94%**

Note (1) Adjustment to account for the growth (loss) in customers.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 8 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 8

Rate Zone 8 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	406	$ 40.25	$ 16,346	$ 219	$ 16,565	$ 55.93	$ 22,713	37.11%	$ 48.85	$ 19,838	19.76%
Subtotal	406		$ 16,346	$ 219	$ 16,565		$ 22,713	37.11%		$ 19,838	19.76%
Unmetered Customers	-	$ 102.90	$ -	$ -	$ -	$ 100.00	$ -	0.00%	$ 132.82	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	360,238	$1.1530	$ 415,354	$ 5,566	$ 420,920	$1.2363	$ 445,362	5.81%	$1.6500	$ 594,393	41.21%
RZ 8 Commercial Usage	360,238										
RZ 8 Commercial Revenues			**$ 431,700**	**$ 5,785**	**$ 437,485**		**$ 468,075**	**6.99%**		**$ 614,231**	**40.40%**

Rate Zone 8 - Public	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	24	$40.25	$ 966	$ 13	$ 979	$ 55.93	$ 1,342	37.08%	$ 48.85	$ 1,172	19.71%
Subtotal	24		$ 966	$ 13	$ 979		$1,342	37.08%		$1,172	19.71%
Unmetered Customers	-	$ 102.90	$ -	$ -	$ -	$ 100.00	$ -	0.00%	$ 132.82	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	7,101	$1.1530	$ 8,187	$ 110	$ 8,297	$1.2363	$ 8,779	5.81%	$1.6500	$ 11,717	41.22%
RZ 8 Public Usage	7,101										
RZ 8 Public Revenues			**$9,153**	**$123**	**$9,276**		**$10,121**	**9.11%**		**$12,889**	**38.95%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 8 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 8

Rate Zone 8 - Other Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	-	$ 40.25	$ -	$ -	$ -	$ 55.93	$ -	0.00%	$ 48.85	$ -	0.00%
Subtotal	-		$ -	$ -	$ -		$ -	0.00%		$ -	0.00%
Unmetered Customers	228	$ 102.90	$ 23,461	$ 314	$ 23,775	$ 100.00	$ 22,800	-4.10%	$ 132.82	$ 30,283	27.37%
Usage (in 100 Gallons)											
All Usage	-	$ 1.1530	$ -	$ -	$ -	$ 1.2363	$ -	0.00%	$ 1.6500	$ -	0.00%
RZ 8 Other Usage	-										
RZ 8 Other Revenues			**$23,461**	**$314**	**$23,775**		**$22,800**	**-4.10%**		**$30,283**	**27.37%**

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 9

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	4,584,666	120,846	$ 7,216,201	$ 96,697	$ 7,312,898		$ 11,030,182	50.83%		$ 13,149,732	79.82%
Commercial	2,781,963	83,401	4,664,905	62,510	4,727,415		7,165,257	51.57%		7,925,998	67.66%
Industrial	3,189	107	5,697	76	5,773		8,737	51.34%		9,581	65.96%
Public	89,566	1,249	104,435	1,400	105,835		162,251	53.31%		190,536	80.03%
Total Rate Zone 9	7,459,384	205,603	$ 11,991,238	$ 160,683	$ 12,151,921		$ 18,366,427	51.14%		$ 21,275,847	75.08%

Rate Zone 9 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	120,174	32.42	$ 3,896,048	$ 52,207	$ 3,948,255	$ 47.64	$ 5,725,099	45.00%	$ 45.00	$ 5,407,839	36.97%
Subtotal	120,174		$ 3,896,048	$ 52,207	$ 3,948,255		$ 5,725,099	45.00%		$ 5,407,839	36.97%
Unmetered Customers	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	4,567,820	$0.7350	$ 3,357,348	$ 44,988	$ 3,402,336	$1.1681	$ 5,335,671	56.82%	$1.7000	$ 7,765,295	128.23%
Low Income:											
Low Income Discount Tier 1			(41,090)	$ (551)	$ (41,641)		(47,509)	14.09%		(47,509)	14.09%
Low Income Discount Tier 2			(18,095)	(242)	(18,337)		(20,846)	13.68%		(20,846)	13.68%
Low Income Discount Tier 3			(12,177)	(163)	(12,340)		(13,925)	12.84%		(13,925)	12.84%
RZ 9 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	672	$32.42	$ 21,786	$ 292	$ 22,078	$ 47.64	$ 32,014	45.00%	$ 45.00	$ 30,240	36.97%
All Usage	16,846	$ 0.7350	12,382	166	12,548	$ 1.1681	$ 19,678	56.82%	$ 1.7000	$ 28,638	128.23%
RZ 9 Residential Usage	4,584,666										
RZ 9 Residential Anualized/Proforma Revenues			**$ 7,216,201**	**$ 96,697**	**$ 7,312,898**		**$ 11,030,182**	**50.83%**		**$ 13,149,732**	**2586906323.59%**

Note (1) Adjustment to account for the growth (loss) in customers.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 9

Rate Zone 9 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	83,401	$ 31.85	$ 2,656,328	$ 35,595	$ 2,691,923	$ 47.64	$ 3,973,233	47.60%	$ 45.00	$ 3,753,054	39.42%
Subtotal	83,401		$ 2,656,328	$ 35,595	$ 2,691,923		$ 3,973,233	47.60%		$ 3,753,054	39.42%
Unmetered Customers	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	2,781,963	$ 0.7220	$ 2,008,577	$ 26,915	$ 2,035,492	$ 1.1474	$ 3,192,024	56.82%	$ 1.5000	$ 4,172,944	105.01%
RZ 9 Commercial Usage	2,781,963										
RZ 9 Commercial Revenues			**$ 4,664,905**	**$ 62,510**	**$ 4,727,415**		**$ 7,165,257**	**51.57%**		**$ 7,925,998**	**1536993759.13%**

Rate Zone 9 - Industrial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	107	$31.85	$ 3,395	$ 45	$ 3,440	$ 47.64	$ 5,078	47.62%	$ 45.00	$ 4,797	39.45%
Subtotal	107		$ 3,395	$ 45	$ 3,440		$ 5,078	47.62%		$ 4,797	39.45%
Unmetered Customers	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	3,189	$0.7220	$ 2,302	$ 31	$ 2,333	$1.1474	$ 3,659	56.84%	$1.5000	$ 4,784	105.06%
RZ 9 Industrial Usage	3,189										
RZ 9 Industrial Revenues			**$ 5,697**	**$ 76**	**$ 5,773**		**$ 8,737**	51.34%		**$ 9,581**	65.96%

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APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 9

Rate Zone 9 - Public	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	1,249	$ 31.85	$ 39,768	$ 533	$ 40,301	$ 47.64	$ 59,483	47.60%	$ 45.00	$ 56,187	39.42%
Subtotal	1,249		$ 39,768	$ 533	$ 40,301		$ 59,483	47.60%		$ 56,187	39.42%
Unmetered Customers	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	89,566	$ 0.7220	$ 64,667	$ 867	$ 65,534	$ 1.1474	$ 102,768	56.82%	$ 1.5000	$ 134,349	105.01%
RZ 9 Public Usage	89,566										
RZ 9 Public Revenues			**$ 104,435**	**$ 1,400**	**$ 105,835**		**$ 162,251**	**53.00%**		**$ 190,536**	**80.00%**

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 10 - EAST NORRITON WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 10

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rat	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	1,932,086	56,382	$ 3,482,860	$ 46,883	$ 3,545,565		$ 4,967,094	40.09%		$ 5,894,413	66.25%
Commercial	1,540,066	4,324	1,329,774	17,819	1,347,593		1,987,571	47.49%		2,527,502	87.56%
Total Rate Zone 10	3,472,152	60,706	$ 4,812,634	$ 64,702	$ 4,893,158		$ 6,954,665	42.13%		$ 8,421,915	72.12%

Rate Zone 10 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rat	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	53,738	$35.57	$ 1,911,461	$ 25,614	$ 1,937,075	$ 47.64	$ 2,560,078	32.16%	$ 45.00	$ 2,418,210	24.84%
Subtotal	53,738		$ 1,911,461	$ 25,614	$ 1,937,075		2,560,078	32.16%		2,418,210	24.84%
Unmetered Customers	2,356	$ 66.06	$ 155,611	$ 2,085	$ 157,696	$ 92.85	$ 218,707	38.69%	$ 110.79	$ 260,977	65.49%
Usage (in 100 Gallons)											
All Usage	1,924,866	$0.7726	$ 1,487,151	$ 19,928	$ 1,507,079	$1.1681	$ 2,248,436	49.19%	$1.7000	$ 3,272,272	117.13%
Low Income:											
Low Income Discount Tier 1			$ (41,090)	$ (551)	$ (41,641)		$ (47,509)	14.09%		$ (47,509)	14.09%
Low Income Discount Tier 2			(18,095)	(242)	(18,337)		(20,846)	13.68%		(20,846)	13.68%
Low Income Discount Tier 3			(12,177)	(163)	(12,340)		(13,925)	12.84%		(13,925)	12.84%
RZ 10 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	288	$35.57		$137	$10,381	$ 47.64	$ 13,720	32.16%	$ 45.00	$ 12,960	24.84%
All Usage	7,220	$0.7726		75	5,653	$1.1681	$ 8,433	49.18%	$1.7000	$ 12,274	117.12%
Adjustment (2):											
Deduct Meter Usage											
RZ 10 Residential Usage	1,932,086										
RZ 10 Residential Annualized/Proforma Revenues			**$ 3,482,860**	**$ 46,883**	**$ 3,545,565**		**$ 4,967,094**	**40.09%**		**$ 5,894,413**	**66.25%**

Note (1) Adjustment to account for the growth (loss) in customers.
Note (2) Adjustment to account for Deduct Meter usage.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 10 - EAST NORRITON WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 10

Rate Zone 10 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rat	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	3,998	$ 34.94	$ 139,690	$ 1,872	$ 141,562	$ 47.64	$ 190,465	34.55%	$ 45.00	$ 179,910	27.09%
Subtotal	3,998		$ 139,690	$ 1,872	$ 141,562		$ 190,465	34.55%		$ 179,910	27.09%
Unmetered Customers	326	$ 64.89	$ 21,174	$ 284	$ 21,458	$ 92.04	$ 30,034	39.97%	$ 114.90	$ 37,492	74.72%
Usage (in 100 Gallons)											
All Usage	1,540,066	$ 0.7590	$ 1,168,910	$ 15,663	$ 1,184,573	$ 1.1474	$ 1,767,072	49.17%	$ 1.5000	$ 2,310,100	95.02%
RZ 10 Commercial Usage	1,540,066										
RZ 10 Commercial Revenues			**$ 1,329,774**	**$ 17,819**	**$ 1,347,593**		**$ 1,987,571**	**47.49%**		**$ 2,527,502**	**87.56%**

AQUA PENNSYLVANIA INC.
RATE ZONE 11
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
ALL METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	CO PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT	I&E PROPOSED RATES	INCREASE AMOUNT	INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
0	$ 46.07	$ 55.93	$ 9.86	21.40%	$ 48.85	$ 2.78	6.04%
1,000	69.64	68.52	(1.12)	-1.62%	72.11	2.47	3.55%
2,000	93.21	81.10	(12.11)	-12.99%	95.37	2.16	2.31%
3,000	116.78	93.69	(23.10)	-19.78%	118.63	1.85	1.58%
3,870	**137.29**	**104.63**	**(32.65)**	**-23.78%**	**138.86**	**1.57**	**1.15%**
4,000	140.35	106.27	(34.08)	-24.28%	141.89	1.53	1.09%
5,000	163.92	118.86	(45.07)	-27.49%	165.15	1.22	0.75%
6,000	197.81	131.44	(66.37)	-33.55%	198.58	0.77	0.39%
7,000	231.69	144.03	(87.66)	-37.84%	232.02	0.33	0.14%
8,000	265.57	156.61	(108.96)	-41.03%	265.45	(0.12)	-0.05%
9,000	299.45	169.20	(130.26)	-43.50%	298.89	(0.57)	-0.19%
10,000	333.34	181.78	(151.56)	-45.47%	332.32	(1.02)	-0.31%
11,000	367.22	194.37	(172.86)	-47.07%	365.76	(1.47)	-0.40%
12,000	401.10	206.95	(194.15)	-48.40%	399.19	(1.91)	-0.48%
13,000	434.99	219.54	(215.45)	-49.53%	432.63	(2.36)	-0.54%
14,000	468.87	232.12	(236.75)	-50.49%	466.06	(2.81)	-0.60%
15,000	502.75	244.71	(258.05)	-51.33%	499.50	(3.26)	-0.65%
16,000	536.64	257.29	(279.35)	-52.06%	532.93	(3.71)	-0.69%
17,000	570.52	269.88	(300.64)	-52.70%	566.37	(4.15)	-0.73%
18,000	604.40	282.46	(321.94)	-53.27%	599.80	(4.60)	-0.76%
19,000	638.28	295.05	(343.24)	-53.78%	633.24	(5.05)	-0.79%
20,000	672.17	307.63	(364.54)	-54.23%	666.67	(5.50)	-0.82%
25,000	841.58	370.56	(471.03)	-55.97%	833.85	(7.74)	-0.92%
30,000	1,011.00	433.48	(577.52)	-57.12%	1,001.02	(9.98)	-0.99%
35,000	1,180.41	496.41	(684.01)	-57.95%	1,168.20	(12.22)	-1.04%
40,000	1,349.83	559.33	(790.50)	-58.56%	1,335.37	(14.46)	-1.07%
45,000	1,519.24	622.26	(896.99)	-59.04%	1,502.55	(16.70)	-1.10%
50,000	1,688.66	685.18	(1,003.48)	-59.42%	1,669.72	(18.94)	-1.12%
60,000	2,027.49	811.03	(1,216.46)	-60.00%	2,004.07	(23.42)	-1.16%
70,000	2,366.32	936.88	(1,429.44)	-60.41%	2,338.42	(27.90)	-1.18%
80,000	2,705.15	1,062.73	(1,642.42)	-60.71%	2,672.77	(32.38)	-1.20%
90,000	3,043.98	1,188.58	(1,855.40)	-60.95%	3,007.12	(36.86)	-1.21%
100,000	3,382.81	1,314.43	(2,068.38)	-61.14%	3,341.47	(41.34)	-1.22%
110,000	3,721.64	1,440.28	(2,281.36)	-61.30%	3,675.82	(45.82)	-1.23%
120,000	4,060.47	1,566.13	(2,494.34)	-61.43%	4,010.17	(50.30)	-1.24%
130,000	4,399.30	1,691.98	(2,707.32)	-61.54%	4,344.52	(54.78)	-1.25%
140,000	4,738.13	1,817.83	(2,920.30)	-61.63%	4,678.87	(59.26)	-1.25%
150,000	5,076.96	1,943.68	(3,133.28)	-61.72%	5,013.22	(63.74)	-1.26%
160,000	5,415.79	2,069.53	(3,346.26)	-61.79%	5,347.57	(68.22)	-1.26%
170,000	5,754.62	2,195.38	(3,559.24)	-61.85%	5,681.92	(72.70)	-1.26%
180,000	6,093.45	2,321.23	(3,772.22)	-61.91%	6,016.27	(77.18)	-1.27%

* Present rates include 1.34% DSIC.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
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RATE ZONE 11 - NEW GARDEN DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 11

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	907,472	24,659	$ 3,362,541	$ 45,057	$ 3,407,598		$ 2,520,739	-26.03%		$ 3,446,135	1.13%
Commercial	180,929	5,187	1,020,311	13,672	1,033,983		513,776	-50.31%		949,409	-8.18%
Public	2,340	37	11,942	160	12,102		4,934	-59.23%		11,443	-5.45%
Total Rate Zone 11 - New Garden Division	1,090,741	29,882	$4,394,794	$58,889	$4,453,683		$3,039,449	-31.75%		$4,406,987	-1.05%

Rate Zone 11 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
EDUs	24,659	$45.46	$ 1,121,003	$ 15,021	$ 1,136,024	$ 55.93	1,379,183	21.40%	$ 48.85	1,204,597	6.04%
Subtotal	24,659		$ 1,121,003	$ 15,021	$ 1,136,024		$1,379,183	21.40%		$1,204,597	6.04%
Unmetered Customers	-		$ -	$ -	$ -		-	0.00%		-	0.00%
Usage (in 100 Gallons)											
Block 1	778,398	$ 2.3259	1,810,476	24,260	1,834,736	$ 1.2585	979,614	-46.61%	$ 2.3259	1,810,476	-1.32%
Block 2	129,074	3.3435	431,560	5,783	437,343	1.2585	162,440	-62.86%	3.3435	431,560	-1.32%
Subtotal	907,472		2,242,036	30,043	2,272,079		1,142,054			2,242,036	
Low Income:											
Low Income Discount Tier 1			$ (149)	$ (2)	$ (151)		$ (149)			$ (149)	
Low Income Discount Tier 2			(350)	(5)	(355)		(350)			(350)	
Low Income Discount Tier 3			-	-	-		-			-	
RZ 11 Residential Bill Analysis Revenues											
RZ 11 Residential Usage	907,472										
RZ 11 Residential Annualized/Proforma Revenues			**$3,362,541**	**$45,057**	**$3,407,598**		**$2,520,739**	**-26.03%**		**$3,446,135**	**1.13%**

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RATE ZONE 11 - NEW GARDEN DIVISION
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DSIC 1.34%
Zone 11

Rate Zone 11 - Commercial 1&2	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
Commercial 1 - EDUs	4,712	$62.52	$ 294,588	$ 3,947	$ 298,535	55.93	263,537	-11.72%	48.85	230,176	-22.90%
Subtotal	4,712		$ 294,588	$ 3,947	$ 298,535		$ 263,537	-11.72%		$ 230,176	-22.90%
Unmetered Customers	-	$0.00	$ -	$ -	$ -	$0.00	-	0.00%	$0.00	-	0.00%
Usage (in 100 Gallons)								0.00%			0.00%
Block 1	120,249	$ 3.4850	419,068	5,616	424,684	$ 1.2363	148,664	-64.99%	$ 3.4850	419,068	-1.32%
Block 2	33,550	4.4868	150,532	2,017	152,549	1.2363	41,478	-72.81%	4.4868	150,532	-1.32%
Subtotal	153,799		569,600	7,633	577,233		190,142			569,600	
Customer Charge											
Commercial 2 - EDUs	475	$62.52	$ 29,684	$ 398	$ 30,082	$ 55.93	26,556	-11.72%	$ 48.85	23,194	-22.90%
Subtotal	475		$ 29,684	$ 398	$ 30,082		$ 26,556	-11.72%		$ 23,194	-22.90%
Unmetered Customers	-	$0.00	$ -	$ -	$ -	$0.00	-	0.00%	$0.00	-	0.00%
Usage (in 100 Gallons)											
Block 1	16,993	$ 4.4580	75,756	1,015	76,771	$ 1.2363	21,009	-72.63%	$ 4.4580	75,756	-1.32%
Block 2	10,137	5.0000	50,683	679	51,362	1.2363	12,532	-75.60%	5.0000	50,683	-1.32%
Subtotal	27,130		126,439	1,694	128,133		33,541			126,439	
RZ 11 Commercial Usage	180,929										
RZ 11 Commercial Revenues			**$1,020,311**	**$13,672**	**$1,033,983**		**$513,776**	**-50.31%**		**$949,409**	**-8.18%**

Rate Zone 11 - Public	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Customer Charge											
EDUs	37	$ 62.52	$ 2,282	$ 31	$ 2,313	$ 55.93	2,041	-11.76%	$ 48.85	1,783	-22.91%
Subtotal	37		$ 2,282	$ 31	$ 2,313		$ 2,041	-11.76%		$ 1,783	-22.91%
Unmetered Customers	-	$0.00	$ -	$ -	$ -	$0.00	-	0.00%	$0.00	-	0.00%
Usage (in 100 Gallons)											
Block 1	838	$ 3.4850	2,922	39	2,961	$ 1.2363	1,036	-65.01%	$ 3.4850	2,922	-1.32%
Block 2	1,502	4.4868	6,738	90	6,828	1.2363	1,857	-72.80%	4.4868	6,738	-1.32%
Subtotal	2,340		9,660	129	9,789		$2,893			$9,660	
RZ 11 Public Usage	2,340										
RZ 11 Public Revenues			**$11,942**	**$160**	**$12,102**		**$4,934**	**-59.23%**		**$11,443**	**-5.45%**

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 12 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 0.00%
Zone 12

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	5,438,130	133,611	$ 9,759,106	$ -	$ 9,759,106		$ 12,793,629	31.09%		$ 14,781,838	51.47%
Commercial	688,711	10,712	1,740,691	-	1,740,691		1,300,545	-25.29%		1,556,350	-10.59%
Public	1,971	85	55,889	-	55,889		30,057	-46.22%		38,155	-31.73%
Total Rate Zone 12	6,126,840	144,408	$ 11,555,686	$ -	$ 11,555,686		$ 14,124,231	22.23%		$ 16,376,343	41.72%

Rate Zone 12 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number of EDUs											
EDU - Rate 1	130,076	$53.49	$ 6,958,197	$ -	$ 6,958,197	$ 47.64	6,196,819	-10.94%	$ 48.85	6,354,211	-8.68%
EDU - Rate 2	1,852	89.74	166,204	-	166,204	47.64	88,232	-46.91%	48.85	90,473	-45.57%
Subtotal	131,928		$ 7,124,401	$ -	$ 7,124,401		$ 6,285,051			$ 6,444,684	
Unmetered Customers	1,683	$ 89.74	$ 151,071	$ -	$ 151,071	$ 92.85	156,299	3.46%	$106.90	179,959	19.12%
Usage (in 100 Gallons)											
Minimum Usage	189	$ -	$ -	$ -	$ -	$1.1681	221	0.00%	$1.5000	284	0.00%
Block 1	3,560,398	0.4370	1,555,894	-	1,555,894	1.1681	4,158,901	167.30%	1.5000	5,340,597	243.25%
Block 2	1,179,257	0.4600	542,458	-	542,458	1.1681	1,377,490	153.93%	1.5000	1,768,886	226.09%
Block 3	316,136	0.4810	152,061	-	152,061	1.1681	369,278	142.85%	1.5000	474,204	211.85%
Block 4	131,368	0.5290	69,494	-	69,494	1.1681	153,451	120.81%	1.5000	197,052	183.55%
Block 5	69,568	0.5900	41,045	-	41,045	1.1681	81,262	97.98%	1.5000	104,351	154.24%
Block 6	181,214	0.6770	122,682	-	122,682	1.1681	211,676	72.54%	1.5000	271,821	121.57%
Subtotal	5,438,130		$ 2,483,634	$ -	$ 2,483,634		$ 6,352,279			$ 8,157,195	
Low Income:											
Low Income Discount Tier 1				$ -	$ -						
Low Income Discount Tier 2				-	-						
Low Income Discount Tier 3				-	-						
RZ 12 Residential Bill Analysis Revenues											
Adjustment (1):											
Deduct Meter Usage											
RZ 12 Residential Usage	5,438,130										
RZ 12 Residential Annualized/Proforma Revenues			**$ 9,759,106**	**$ -**	**$ 9,759,106**		**$ 12,793,629**	**31.09%**		**$ 14,781,838**	**51.47%**

Note (1) Adjustment to account for Deduct Meter usage.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 12 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 0.00%
Zone 12

Rate Zone 12 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU - (Apartments)	8,029	$ 53.49	$ 429,494	$ -	$ 429,494	$ 47.64	382,498	-10.94%	$ 48.85	392,213	-8.68%
EDU - (Other Commercial)	2,683	$ 99.22	266,205	-	266,205	$ 47.64	127,821	-51.98%	$ 48.85	131,068	-50.76%
Subtotal	10,712		$ 695,699	$ -	$ 695,699		$ 510,319			$ 523,281	
Unmetered Customers	-	$ 89.74	$ -	$ -	$ -	$ 92.04	-	0.00%	$118.75	-	0.00%
Usage (in 100 Gallons) - Com. Apartments											
Minimum Usage	309	$ -	$ -	$ -	$ -	$ 1.1474	355	0.00%	$1.5000	464	0.00%
Block 1	176,753	0.4370	77,241	-	77,241	1.1474	202,806	162.56%	1.5000	265,130	243.25%
Block 2	23,709	0.4600	10,906	-	10,906	1.1474	27,204	149.44%	1.5000	35,564	226.10%
Block 3	1,622	0.4810	780	-	780	1.1474	1,861	138.59%	1.5000	2,433	211.92%
Block 4	260	0.5290	138	-	138	1.1474	298	115.94%	1.5000	390	182.61%
Block 5	231	0.5900	136	-	136	1.1474	265	94.85%	1.5000	347	155.15%
Block 6	1,793	0.6770	1,214	-	1,214	1.1474	2,057	69.44%	1.5000	2,690	121.58%
Subtotal	204,677		$ 90,415	$ -	$ 90,415		$ 234,846			$ 307,018	
Usage (in 100 Gallons) - Commercial 2											
Minimum Usage	67,733	$ -	$ -	$ -	$ -	1.14740	77,717	0.00%	1.50000	101,600	0.00%
Block 1	416,300	2.2930	954,577	-	954,577	1.14740	477,663	-49.96%	1.50000	624,451	-34.58%
Subtotal	484,034		$ 954,577	$ -	$ 954,577		$ 555,380			$ 726,051	
RZ 12 Commercial Usage	688,711										
RZ 12 Commercial Revenues			**$ 1,740,691**	**$ -**	**$ 1,740,691**		**$ 1,300,545**	**-25.29%**		**$ 1,556,350**	**-10.59%**

Rate Zone 12 - Public	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	12/31/2025 Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	85	$ 99.22	$ 8,417	$ -	$ 8,417	$ 47.64	4,041	-51.99%	$ 48.85	4,144	-50.77%
Subtotal	85		$8,417	$0	$8,417		$ 4,041	-51.99%		$ 4,144	-50.77%
Unmetered Customers	0	$ 89.74	$ -	$ -	$ -	$ 92.04	-	0.00%	$118.75	-	0.00%
Usage (in 100 Gallons)											
Minimum Usage	1,971	$ -	$ -	$ -	$ -	$ 1.1474	2,261	0.00%	$1.5000	2,956	0.00%
Block 1	20,703	2.2930	47,472	-	47,472	1.1474	23,755	-49.96%	1.5000	31,055	-34.58%
Subtotal	22,674		$ 47,472	$ -	$ 47,472		$ 26,016			$ 34,011	
RZ 12 Public Usage	22,674										
RZ 12 Public Revenues			**$55,889**	**$0**	**$55,889**		**$30,057**	**-46.22%**		**$38,155**	**-31.73%**

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APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 14 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 14

Customer Class	12/31/2025 Usage (in 100 Gallons) (A)	12/31/2025 Number of Bills (B)	12/31/2025 Pro Forma Revenues (C)	Proforma DSIC Revenues (D)	12/31/2025 Proforma w/ DSIC @ Present Rate (E)		Company 12/31/2025 Proforma @ Proposed Rate (G)	% Percent Change (H)		I&E 12/31/2025 Proforma @ Proposed Rate (J)	% Percent Change (K)
Residential	130,704	3,252	$ 213,855	$ 2,867	$ 216,722		$ 308,157	42.00%		$ 355,628	64.00%
Commercial	6,496	12	2,408	33	2,441		8,026	229.00%		10,330	323.00%
Total Rate Zone 14	137,200	3,264	$ 216,263	$ 2,900	$ 219,163		$ 316,183	44.00%		$ 365,958	67.00%

Rate Zone 14 - Residential	12/31/2025 Billing Determinants (A)	Current Rate (B)	12/31/2025 Pro Forma Revenues (C)	Proforma DSIC Revenues (D)	12/31/2025 Proforma w/ DSIC @ Present Rate (E)	Proposed Rate (F)	12/31/2025 Proforma @ Proposed Rate (G)	% Percent Change (H)	Proposed Rate (I)	12/31/2025 Proforma @ Proposed Rate (J)	% Percent Change (K)
Charge by Number oF EDUs											
EDU	3,240	$28.00	$ 90,728	$ 1,216	$ 91,944	$ 47.64	$ 154,368	68.00%	$ 48.85	$ 158,289	72.00%
Subtotal	3,240		$ 90,728	$ 1,216	$ 91,944		$ 154,368	68.00%		$ 158,289	72.00%
Unmetered Customers	12	$ 78.00	$ 936	$ 13	$ 949	$ 92.85	$ 1,114	17.00%	$ 106.90	$ 1,283	35.00%
Usage (in 100 Gallons)											
Allowance	31,852	$ -	$ -	$ -	$ -	$ 1.1681	$ 37,206	0.00%	$ 1.5000	$ 47,778	0.00%
Block 1	85,408	1.3060	111,543	1,495	113,038	1.1681	$ 99,765	-12.00%	1.5000	$ 128,112	13.00%
Block 2	13,444	0.7920	10,648	143	10,791	1.1681	$ 15,704	46.00%	1.5000	$ 20,166	87.00%
Subtotal	130,704		122,191	1,638	123,829		152,675			196,056	
Low Income:											
Low Income Discount Tier 1				$ -	$ -						
Low Income Discount Tier 2				-	-						
Low Income Discount Tier 3				-	-						
RZ 14 Residential Bill Analysis Revenues											
RZ 14 Residential Usage	130,704										
RZ 14 Residential Annualized/Prforma Revenues			**$ 213,855**	**$ 2,867**	**$ 216,722**		**$ 308,157**	**42.00%**		**$ 355,628**	**64.00%**

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APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 14 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 14

Rate Zone 14 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	12	$ 54.00	$ 648	$ 9	$ 657	$ 47.64	$ 572	-13.00%	$ 48.85	$ 586	-11.00%
Subtotal	12		$ 648	$ 9	$ 657		$ 572	-13.00%		$ 586	-11.00%
Unmetered Customers	-	$ 78.00	$ -	$ -	$ -	$ 92.04	$ -	0.00%	$ 118.75	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	6,496	$ 0.2710	$ 1,760	$ 24	$ 1,784	$ 1.1474	$ 7,454	318.00%	$ 1.5000	$ 9,744	446.00%
RZ 14 Commercial Usage	6,496										
RZ 14 Commercial Revenues			**$ 2,408**	**$ 33**	**$ 2,441**		**$ 8,026**	**229.00%**		**$ 10,330**	**323.00%**

I&E Exhibit No. 3
Schedule 18
Page 2 of 2

Witness: Constance E. Heppenstall
Date: 06/18/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF SMALL BUSINESS ADVOCATE

SET I INTERROGATORIES

OSBA-I-16 Reference Schedule Act 11, page 1 of 1, of Exhibit 1-A Water Base. Assume that the Commission awards the Company 90% of its total requested revenue requirement in each of its water and wastewater divisions.

a. Given the above hypothetical, please explain how/if the Company would propose to scale back its proposed revenues in each of its *wastewater* divisions.

b. Given the above hypothetical, please explain how/if the Company would propose to scale back its proposed revenues in its Shenandoah water division.

c. Given the Company's response to parts (a) and (b), please explain in detail the Company would propose to scale back its proposed Water Base Operations *class* revenues shown in Schedule A, page 1 of 1, column 9, of Exhibit No. 5-A, Part I.

RESPONSE

a. For Wastewater Base Operations and Lower Makefield, the Company would scale back Act 11 contributions to each of its wastewater divisions. For East Whiteland, the Company would first scale back Act 11 contributions and then scale back rates commensurate with the revenue requirement.

b. For Shenandoah Water Operations, the Company would ideally scale back the contribution from the Water Base Operations but would maintain that the proposed Shenandoah customer charges continue to equal the proposed Zone 1 customer charges as originally proposed.

c. After calculating the revised Act 11 contributions, the revised contribution to Shenandoah, and after reviewing the decrease to the revenue requirement, the Company would scale back the rates by customer class to continue to move revenues under proposed rates toward the cost of service by customer class.

AQUA PENNSYLVANIA, INC. - SHENANDOAH WATER

COMPARISON OF PRO FORMA COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES - WATER
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2025

Customer Classification	Pro Forma Cost of Service - FPFTY				Pro Forma Revenues Under Present Rates		As Filed Pro Forma Revenues Under Proposed Rates - FPFTY		Proposed Increase		I&E Proposed Pro Forma Revenues Under Proposed Rates - FPFTY		Proposed Increase		I&E Allocation
	Amount	Base Water Contribution	Water COS Less Water Contribution	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Increase	Amount	Percent of Total	Amount	Percent Increase	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Residential	$ 2,819,285	(749,673)	$ 2,069,612	78.9%	$ 1,450,143	79.6%	$ 2,069,612	78.9%	$ 619,469	42.7%	$ 2,553,497	97.3%	$ 1,103,354	76.1%	$ (265,788)
Commercial	571,472	(267,781)	303,691	11.6%	219,644	12.1%	303,691	11.6%	84,047	38.3%	303,690	11.6%	$ 84,047	38.3%	$ (267,782)
Industrial	421,234	(319,052)	102,182	3.9%	63,892	3.5%	102,182	3.9%	38,290	59.9%	102,182	3.9%	$ 38,290	59.9%	$ (319,052)
Public	219,869	(128,878)	90,991	3.5%	56,977	3.1%	90,991	3.5%	34,013	59.7%	90,171	3.4%	$ 33,193	58.3%	$ (129,698)
Private Fire Protection	23,251	(155)	23,096	0.9%	23,096	1.3%	23,096	0.9%	-	0.0%	23,096	0.9%	$ -	0.0%	$ (155)
Public Fire Protection	34,717		34,717	1.3%	8,170	0.4%	34,820	1.3%	26,650	326.2%	8,675	0.3%	$ 505	6.2%	$ (26,042)
Total Tariff Sales of Water	4,089,828	(1,465,540)	2,624,288	100.0%	1,821,922	100.0%	2,624,391	100.0%	802,469	44.0%	3,081,311	117.4%	1,259,389	69.1%	$ (1,008,517)
Other Water Revenues	6,383		6,383		6,383		6,383		0	0.0%	6,383		-	0.0%	-
Subtotal Other Revenue	6,383		6,383		6,383		6,383		0		6,383		-		-
Total	$ 4,096,211	$ (1,465,540)	$ 2,630,671	100.0%	$ 1,828,305	100.0%	$ 2,630,774	100.0%	$ 802,469	43.9%	$ 3,087,694	117.4%	$ 1,259,389	68.9%	$ (1,008,517)

I&E Exhibit No. 3
Schedule 20

AQUA PENNSYLVANIA INC.
SHENANDOAH DIVISION
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
RESIDENTIAL - MONTHLY
5/8 INCH METERS

CONSUMPTION GALLONS	BILLS UNDER PRESENT RATES	BILLS UNDER FPFTY RATES	I&E INCREASE AMOUNT	I&E INCREASE PERCENT
(1)	(2)	(3)	(4)	(5)
0	$ 20.49	$ 23.90	$ 3.41	16.64%
1,000	20.49	41.25	20.76	101.31%
2,000	40.98	58.60	17.62	42.99%
3,000	51.94	79.14	27.20	52.36%
3,870	**56.14**	**97.01**	**40.87**	**72.79%**
4,000	56.77	99.68	42.91	75.58%
5,000	61.60	120.22	58.62	95.16%
6,000	66.43	140.76	74.33	111.89%
7,000	71.26	161.30	90.04	126.35%
8,000	82.22	181.84	99.62	121.16%
9,000	93.18	202.38	109.20	117.19%
10,000	104.14	222.92	118.78	114.06%
11,000	115.10	243.46	128.36	111.52%
12,000	126.06	264.00	137.94	109.42%
13,000	137.02	284.54	147.52	107.66%
14,000	147.98	305.08	157.10	106.16%
15,000	158.94	325.62	166.68	104.87%
16,000	169.90	346.16	176.26	103.74%
17,000	180.86	366.70	185.84	102.75%
18,000	191.82	387.24	195.42	101.88%
19,000	202.78	407.78	205.00	101.09%
20,000	213.74	428.32	214.58	100.39%
25,000	268.54	531.02	262.48	97.74%
30,000	323.34	633.72	310.38	95.99%
35,000	378.14	736.42	358.28	94.75%
40,000	432.94	839.12	406.18	93.82%
45,000	487.74	941.82	454.08	93.10%
50,000	542.54	1,044.52	501.98	92.52%
60,000	652.14	1,249.92	597.78	91.66%
70,000	761.74	1,455.32	693.58	91.05%
80,000	871.34	1,660.72	789.38	90.59%
90,000	980.94	1,866.12	885.18	90.24%
100,000	1,090.54	2,071.52	980.98	89.95%
110,000	1,200.14	2,276.92	1,076.78	89.72%
120,000	1,309.74	2,482.32	1,172.58	89.53%
130,000	1,419.34	2,687.72	1,268.38	89.36%
140,000	1,528.94	2,893.12	1,364.18	89.22%
150,000	1,638.54	3,098.52	1,459.98	89.10%
160,000	1,748.14	3,303.92	1,555.78	89.00%
170,000	1,857.74	3,509.32	1,651.58	88.90%
180,000	1,967.34	3,714.72	1,747.38	88.82%

Witness: William C. Packer
Date: 06/28/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET II INTERROGATORIES

OCA-II-22 Please identify the number of customers in each water rate zone that are also provided wastewater service, and the number of customers in each wastewater rate zone that are also provided water service.

RESPONSE
Please see the below tables:

Number of Customers in each Water Rate Zone receiving Wastewater service	
Zone 1	20155
Zone 2	2260
Zone 3	4752
Total	27167

Number of Customers in each Wastewater Rate Zone receiving Water service	
Zone 1	3169
Zone 1A	2317
Zone 2	1726
Zone 3	3084
Zone 4	543
Zone 5	608
Zone 6	1411
Zone 8	1260
Zone 9	10005
Zone 10	4
Zone 13	3040
Total	27167

I&E Statement No. 3-SR
Witness: Ethan H. Cline

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA WATER, INC.

AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Surrebuttal Testimony

of

Ethan H. Cline

Bureau of Investigation and Enforcement

Concerning:

Rate Base
Reporting Requirements
East Whiteland System Acquisition
Wastewater Rate Design
Water – Shenandoah Rate Design
Scale Back of Rates

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INTRODUCTION

Q. ARE YOU THE SAME ETHAN CLINE THAT SUBMITTED DIRECT TESTIMONY IN THIS CASE ON AUGUST 16, 2024?

A. Yes. I submitted I&E Statement No. 3 and I&E Exhibit No. 3 on August 16, 2024.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. The purpose of my surrebuttal testimony is to respond to the rebuttal testimony submitted by witnesses on behalf of Aqua Pennsylvania Water, Inc. and Aqua Pennsylvania Wastewater, Inc. ("Aqua" or "Company"): William C. Packer (Aqua St. No. 1-R), Christopher E. Manning (Aqua St. No. 3-R), and Constance E. Heppenstall (Aqua St. No. 5-R). I will also address the rebuttal testimony submitted on behalf of the Office of Consumer Advocate ("OCA") by witness Jerome D. Mierzwa (OCA St. No. 5R) and Office of Small Business Advocate ("OSBA") by witness Roger Cathcart (OSBA St. No. 3).

Q. DOES YOUR SURREBUTTAL TESTIMONY INCLUDE AN EXHIBIT?

A. Yes. I&E Exhibit No. 3-SR contains schedules relating to my testimony.

RATE BASE

FTY AND FPFTY REPORTING

Q. DID YOU HAVE ANY RECOMMENDATIONS REGARDING PLANT ADDITIONS THAT AQUA PROJECTS TO BE IN SERVICE DURING THE FTY ENDING DECEMBER 31, 2024, AND THE FPFTY ENDING DECEMBER 31, 2025?

A. Yes. I recommended that the Company provide I&E and the OCA with an update to Schedule G-2 of Aqua Exhibits 1-A, 1-B, 1-C, 1-D, and 1-E, no later than April 1, 2025, which should include actual capital expenditures, plant additions, and retirements by month for the twelve months ending December 31, 2024, and an additional update for actuals for the year ending December 31, 2025, no later than April 1, 2025. (I&E St. No 3, pp. 4-5).

Q. DID THE COMPANY AGREE WITH YOUR RECOMMENDATION?

A. Yes. On pages 27-28 of Aqua Statement No. 1-R, the Company agreed with my recommendation and stated that it will provide the requested updates.

EAST WHITELAND TOWNSHIP SYSTEM ACQUISITION

Q. WHAT DID YOU RECOMMEND REGARDING THE EAST WHITELAND ACQUISITION?

A. I recommended that any rate base, acquisition costs, expenses, taxes, and any revenue shortfall, including the proposed Act 11 allocation of $3,144,592, be

excluded from this case as premature. (I&E St. No. 3, p. 8).

Q. DID THE COMPANY RESPOND TO YOUR RECOMMENDATION?

A. Yes. The Company disagreed with my recommendation. Specifically, Aqua witness Packer claimed that the Commission supported the Company's purchase, certificates of public convenience were issued, Aqua closed on the transaction on August 12, 2022, and Aqua is currently operating the East Whiteland system as support for the Company's position that it be permitted to increase the rates of the East Whiteland customers as supported by the cost of service. (Aqua St. No. 1-R, pp. 19-20).

Q. DOES MR. PACKER'S EXPOSITION OF THE TIMELINE FOR THE EAST WHITELAND ACQUISITION CHANGE YOUR RECOMMENDATION?

A. No. As I detailed on pages 7-8 of I&E Statement No. 3, Aqua decided to close on the East Whiteland acquisition just 14 days into the 30-day appeal period. The acquisition went through a series of appeals and now sits with the Pennsylvania Supreme Court. Therefore, despite Aqua taking ownership of the East Whiteland system, this acquisition may yet be overturned and the Company's attempt to circumvent the appeals process does not remove the uncertainty surrounding what the Pa. Supreme Court's decision will be and, therefore, including the East Whiteland acquisition in this base rate case is unjust and unreasonable.

WASTEWATER RATE ZONES

Q. DID YOU RECOMMEND ANY CHANGES TO AQUA'S PROPOSED RATE ZONE CONSOLIDATIONS?

A. Yes, my recommended adjustments to Aqua's proposed rate zone consolidations are discussed on pages 9-42 of I&E Statement No. 3 and summarized in the following table:

Present Rate Zone	I&E Proposed Rate Zone
Rate Zone 1	Merge with Rate Zone 1
Rate Zone 7	
Rate Zone 8	
Rate Zone 1A	Move customer charge towards RZ 1
Rate Zone 2	Merge into one Rate Zone
Rate Zone 3	
Rate Zone 4	Merge into one Rate Zone
Rate Zone 5	
Rate Zone 9	Merge into one Rate Zone
Rate Zone 10	
Rate Zone 12	Merge into one Rate Zone
Rate Zone 14	
Rate Zone 6	Move usage Rates toward RZ 1
Rate Zone 11	Set EDU charges equal to RZ 1
Rate Zone 13	No change

Q. DID ANY PARTIES DISAGREE WITH YOUR WASTEWATER RATE ZONE RECOMMENDATIONS?

A. Yes. Aqua witnesses Heppenstall and Packer, OCA witness Mierzwa, and OSBA witness Cathcart each disagreed with my Rate Zone recommendations.

Q. WHY DID MS. HEPPENSTALL DISAGREE WITH YOUR RATE ZONE RECOMMENDATIONS?

A. Ms. Heppenstall disagreed with my rate recommendations for several reasons. First, she opposed my recommendation because it resulted in monthly bills larger than $100 where the Company's proposal does not. Second, she compared the overall increases to the wastewater customers as a result of each proposal and stated that the Company's Act 11 allocation is equivalent to approximately $2.90 per month. Third, she disagreed with my position that higher increases for Rate Zones 9, 10, 12, and 14 are justified because they were acquired under Section 1329. (Aqua St. No. 5-R, pp. 8-10).

Q. WHAT BASIS DID MS. HEPPENSTALL PROVIDE FOR THE COMPANY'S ATTEMPT TO LIMIT MONTHLY RESIDENTIAL BILLS TO A LEVEL LESS THAN $100 PER MONTH?

A. Ms. Heppenstall provided no basis or support for the Company's goal to limit monthly residential bills to a level less than $100 per month.

Q. DO YOU AGREE WITH THE COMPANY'S $100 MONTHLY BILL LIMIT?

A. No. The proposed $100 monthly bill limit only serves to increase the Act 11 subsidy allocated to water customers as the costs of the wastewater systems are quickly outpacing the $100 per month revenue. Furthermore, as shown on the

summary of wastewater Rate Zone 1 residential increase schedule, attached as I&E Exhibit No. 3-SR, Schedule 1, it is not consistent with the $133.16 monthly bill for a residential wastewater customer using 4,000 gallons per month recently approved by the Commission for Pennsylvania-American Water Company ("PAWC") wastewater customers. Therefore, this proposed $100 monthly bill limit is without merit and should be rejected.

Q. WHAT OVERALL INCREASE TO THE WASTEWATER CUSTOMERS DID MS. HEPPENSTALL CLAIM IS A RESULT OF YOUR RATE DESIGN?

A. Ms. Heppenstall claimed that my rate design creates an overall increase to wastewater customers of 45.22% as compared to the Company proposed increase of 20.09%

Q. IS MS. HEPPENSTALL'S DESCRIPTION OF YOUR POSITION ACCURATE?

A. No. As shown in the exhibit to accompany my direct testimony I&E Exhibit No. 3-SR, Schedule 8, the total wastewater revenue under present rates, including East Whiteland and Lower Makefield is $72,821,516 ($57,682,604 + $11,613,830 + $3,525,082) and I&E's proposed increase is $25,937,164 ($21,116,507 + $4,820,657 + $0). This results in a proposed total increase to wastewater customers of 35.6% and not the 45.22% as described by Ms. Heppenstall.

Q. PLEASE DISCUSS THE ACTUAL IMPACT OF THE ACT 11 SUBSIDY.

A. No. Ms. Heppenstall's representation of the impact of the Act 11 subsidy leaves out the important distinction. This $2.90 per month is *in addition to* the rate increase already being allocated to water customers. I believe it is a reasonable goal to make this addition to water customer bills as small as reasonably possible so that wastewater customers can be assisted while water customers are minimally impacted.

Q. WHY DOES MS. HEPPENSTALL DISAGREE WITH YOUR POSITION THAT HIGHER INCREASES FOR RATE ZONES 9, 10, 12, AND 14 ARE JUSTIFIED?

A. Ms. Heppenstall pointed to several rate zones acquired under Section 1329 that have had their rates increased in prior rate cases and pointed to Rate Zones 9 and 10 that received increases of 68% and 75%, respectively, which were higher than the Rate Zone 1 average residential increase of 48% in Aqua's last base rate case. She further stated that at some point these customers should be treated as any other customer group and not be treated as outliers. (Aqua St No. 5-R, p. 10).

Q. PLEASE RESPOND TO MS. HEPPENSTALL.

A. Generally, though not in every case, systems acquired through the Section 1329 process are being charged rates at the time of acquisition that are far below Aqua's Rate Zone 1 rates and far below the systems cost to serve. Therefore, until the

rates of those rate zones are set equal to Rate Zone 1, those customers are receiving subsidies both from wastewater customers and water customers through Act 11 allocations. Additionally, the only way to move these rate zones towards Rate Zone 1 rates is to allocate increases higher than those of Rate Zone 1. Until these rates are closer to Rate Zone 1, and the subsidy is reduced, these customer groups are outliers and should receive higher rate increases than Rate Zone 1 in order to continue movement towards Rate Zone 1.

Q. WHY DID MR. PACKER DISAGREE WITH YOUR RATE ZONE RECOMMENDATIONS?

A. Mr. Packer disagreed with my rate zone recommendations because the Company is only requesting a 20% shift of wastewater revenue to water customers, which he believes is a reasonable allocation because it is less than what the Company has requested in previous cases. (Aqua St. No. 1-R, p. 18).

Q. PLEASE RESPOND TO MR. PACKER.

A. First, on page 18 of Aqua Statement No. No. 1-R, Mr. Packer stated the Commission approved a 16.83% Act 11 allocation in Aqua's last base rate case and an 11.2% Act 11 allocation in PAWC's last base rate case. This shows that the Company is requesting a higher level of Act 11 allocation than what the Commission has permitted in recent cases. Second, I do not believe that the Act 11 allocation should be determined on the percentage of water or wastewater

revenue. Instead, the allocation amount should be based first on determining the appropriate rates for wastewater customers based on cost of service and ratemaking principles and then allocating any remaining revenue shortfall, which should be kept to a minimum, to water customers.

Q. WHY DID THE OCA AND OSBA DISAGREE WITH YOUR WASTEWATER RATE RECOMMENDATIONS?

A. The OCA and OSBA disagreed with my wastewater rate recommendations for similar reasons. Specifically, the OCA indicated that the increases I proposed for Rate Zone 7, 9, 10, 12, and 14 were too large and could cause rate shock. (OCA St. No. 5R, pp. 5-6). The OSBA raised similar concerns of rate shock for commercial customers in Rate Zones 9, 10, 12, and 14, expressed doubt regarding the benefit Section 1329 customers receive from such acquisitions, and recommended setting a cap equal to 1.25 times the proposed average increase to Rate Zone 1's respective customer classes. (OSBA St. No. 3, pp. 7).

Q. DO YOU WISH TO CHANGE YOUR RATE ZONE RECOMMENDATIONS?

A. Yes. I acknowledge that the rate proposals I made in my direct testimony were aggressive. Therefore, I am recommending a slight adjustment to the usage rates I recommended in direct testimony as shown in I&E Exhibit No. 3-SR, Schedules 2-5 and the updated customer class increases are shown on I&E Exhibit No. 3-SR,

Schedule 6. These schedules are summarized in the table below (the rates shown are per hundred gallons).

	I&E Direct		I&E Surrebuttal	
Rate Zone and Class	Usage Rates	Increase	Usage Rates	Increase
Rate Zone 9 Residential	$1.700	79.6%	$1.200	48.2%
Rate Zone 9 Commercial	$1.500	66.0%	$1.200	48.5%
Rate Zone 9 Industrial	$1.500	64.2%	$1.200	47.8%
Rate Zone 9 Public	$1.500	78.8%	$1.200	53.6%
Rate Zone 10 Residential	$1.700	67.0%	$1.200	37.8%
Rate Zone 10 Commercial	$1.500	87.4%	$1.200	52.6%
Rate Zone 12 Residential	$1.500	51.6%	$1.2918	40.2%
Rate Zone 12 Commercial	$1.500	22.6%	$1.2918	11.3%
Rate Zone 12 Public	$1.500	86.6%	$1.2918	63.5%
Rate Zone 14 Residential	$1.500	63.3%	$1.306	47.1%
Rate Zone 14 Commercial	$1.500	81.3%	$1.200	77.5%

Q. DO YOU BELIEVE YOUR UPDATED RATE RECOMMENDATIONS HAVE MITIGATED THE CONCERNS REGARDING RATE SHOCK?

A. Yes. As discussed above, Aqua witness Heppenstall pointed to the Company's last base rate case in Rate Zones 9 and 10 that received increases of 68% and 75% (Aqua St. No. 5-R, p. 10). Therefore, my updated recommendations are within the range that the Commission deemed acceptable in the last base rate case. While my updated recommendations result in fewer consolidated rate zones, I believe they succeed in moving all rate classes closer to Rate Zone 1 while limiting the revenue shortfall needed to be allocated to the water customers through Act 11.

Q. WHAT IS THE ACT 11 ALLOCATION THAT RESULTS FROM YOUR UPDATED RATE RECOMMENDATIONS?

A. As shown on I&E Exhibit No. 3-SR, Schedule 7, my recommended adjustment to certain rate zones results in an increase of $5,955,675 to the Act 11 allocation from my direct position of $3,547,092 to my updated recommendation of $9,502,767.

Q. ARE THERE ANY OTHER STATEMENTS FROM THE PARTIES YOU WISH TO ADDRESS?

A. Yes. On page 8 of OSBA Statement No. 3, Mr. Cathcart stated "Aqua should provide a multi-year plan to implement rate consolidation to the acquired communities' systems."

Q. PLEASE RESPOND TO THE OSBA'S STATEMENT.

A. Mr. Cathcart's statement regarding a multi-year plan to implement rate consolidation is vague and unsupported. Based on this one sentence, it is not possible to determine whether the OSBA is requesting a plan to be implemented as part of the present base rate case, whether the plan should take place over several base rate cases, or whether the OSBA is requesting Aqua submit a multi-year rate plan as part of its next base rate case. Therefore, based on the lack of detail, support, or any information at all for the OSBA's statement, it should be disregarded.

FORFEITED DISCOUNTS

Q. WHAT DID YOU RECOMMEND CONCERNING THE FORFEITED DISCOUNTS IN WASTEWATER BASE OPERATIONS AND WASTEWATER LOWER MAKEFIELD UNDER PROPOSED RATES?

A. I recommended that the forfeited discounts under proposed rates be calculated at the same percentage of total billed revenue as they are under present rates. I also recommended that the forfeited discounts claim under proposed rates should be adjusted respective to the final billed revenue amount ultimately approved by the Commission. (I&E St. No. 3, pp. 44-45).

Q. DID THE COMPANY RESPOND TO YOUR RECOMMENDATION?

A. Yes. Aqua witness Heppenstall agreed with my recommendations. (Aqua St. No. 5-R, pp. 10-11).

WATER - SHENANDOAH ADJUSTMENTS

Q. WHAT PRESENT AND PROPOSED RATE REVENUE DID YOU RECOMMEND FOR SHENANDOAH WATER?

A. I recommended the increase to Public Fire be reduced by $26,145 from $26,650 to $505. I also recommended that the allocation between the Main Water Division and Shenandoah Water shown on Aqua Exhibit 1-A, Schedule Act 11 be reduced by $457,103 from 1,465,540 to $1,008,437. (I&E St. No. 3, p. 46).

Q. WHAT USAGE RATES DID YOU RECOMMEND FOR THE SHENANDOAH RESIDENTIAL CLASS?

A. I recommended the residential usage rates proposed by the Company be increased to be equal to the residential usage rates in Rate Zone 1, or $1.7349 per hundred gallons for the first block and $2.0540 per hundred gallons for the second block. (I&E St. No. 3, p. 48).

Q. WHAT INCREASE WILL THE AVERAGE SHENANDOAH RESIDENTIAL CUSTOMER USING A 5/8-INCH METER EXPERIENCE UNDER YOUR PROPOSAL?

A. The bill for an average Shenandoah Residential customer using a 5/8-inch meter will increase from $56.14 per month to $97.01 per month, which is an increase of $40.87 per month or 72.79% (I&E Ex. No. 3, Sch. 21).

Q. DID THE COMPANY RESPOND TO YOUR RECOMMENDATION?

A. Yes. Although Ms. Heppenstall stated that she has no argument with my recommendation regarding the Shenandoah Public Fire, she disagreed with my recommendation regarding the Shenandoah residential rate increase for several reasons. Ms. Heppenstall bases her opposition on the Company's cost of service study for the Shenandoah operations which shows that the Company's recommendation slightly reduces the percentage of costs paid by the residential

class while my recommendation slightly increases the percentage of costs paid by the residential class. (OCA St. No. 5-R, pp. 7-8).

Q. DO YOU AGREE THAT THE RESULTS OF THE SHENANDOAH COST OF SERVICE STUDY MEANS YOUR RECOMMENDATION SHOULD BE REJECTED?

A. No. While I did not oppose the Company's cost of service study and acknowledge that my recommendation does slight move away from the cost of service determined by that study, I also recognize that the guidance provided by the Shenandoah cost of service study is limited. Shenandoah's cost of service study does not supersede the main water cost of service study or the goal of consolidating rate classes. As I stated on page 48 of I&E Statement No. 3, my recommendation is to set the residential usage rates equal to the residential usage rates in Rate Zone 1, which functionally merges the Shenandoah residential class with that of Rate Zone 1. I believe this consolidation is sufficient reason to allow a slight deviation for the Shenandoah cost of service study and, as such, I continue to recommend the Shenandoah residential rates be set equal to the water Rate Zone 1 rates.

Q. DID ANY OTHER PARTY OBJECT TO YOUR RECOMMENDATION REGARDING THE SHENANDOAH RATES?

A. Yes. OCA witness Mierzwa objected to my recommendation based on the

concept of gradualism and the possibility of rate shock. (OCA St. No. 5R, p. 7).

Q. DO YOU AGREE WITH THE OCA'S OBJECTION?

A. No. As I stated on page 49 of I&E Statement No. 3, I believe that this increase is reasonable for three reasons. First, because it fulfills the goal of setting the residential rates equal to Rate Zone 1, which is the ultimate goal for all of Aqua's rate zones. Second, increasing the proposed rates for the Shenandoah residential class reduces the subsidy being applied from the Shenandoah customers to Aqua's other water customers and mitigates the necessary rate increase for those customers. Finally, my recommendation, while admittedly a large percent increase, remains comparable to the rate increases proposed by Aqua for the other Shenandoah rate classes as shown on Aqua Exhibit 5-A, Part II, pp. 21-22. It is for these reasons that I continue to recommend the Shenandoah residential rates be set equal to the water Rate Zone 1 rates.

SCALE BACK OF RATES

Q. DID YOU RECOMMEND ANY CONDITIONS BE APPLIED TO THE COMPANY'S STATED SCALE BACK METHODOLOGY?

A. Yes, I recommended the condition that any rates, whether under my recommendations or the Company's proposals, that either receive no increase, are being decreased prior to the scale back, or are below their respective Rate Zone 1 rates should be excluded from any scale back of rates. (I&E St. No. 3, p. 50).

Q. DID THE COMPANY RESPOND TO YOUR RECOMMENDATION?

A. Yes. The Company agreed with my recommendation. (Aqua St. No. 5-R, pp. 13-14).

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes.

I&E Exhibit No. 3-SR
Witness: Ethan H. Cline

PENNSYLVANIA PUBLIC UTILITY COMMISSION

v.

AQUA PENNSYLVANIA WATER, INC.

AQUA PENNSYLVANIA WASTEWATER, INC.

Docket Nos. R-2024-3047822 and R-2024-3047824

Exhibit to Accompany

the

Surrebuttal Testimony

of

Ethan H. Cline

Bureau of Investigation and Enforcement

Concerning:

Rate Base
Reporting Requirements
East Whiteland System Acquisition
Wastewater Rate Design
Water – Shenandoah Rate Design
Scale Back of Rates

PENNSYLVANIA AMERICAN WATER

WASTEWATER RATE ZONE 1

RESIDENTIAL CUSTOMERS

	Prior Rates	Prior Rates - New Cumberland	New Rates Effective 8/7/2024
Service Charge per Month per EDU	$14.30	$14.30	$15.00
Usage Rate per 100 Gallons	$2.8750	$2.4500	$2.9539
Flat Rate (Unmetered) Charges	$106.00		$110.00
Distribution System Improvement Charge[1]	0.99%	0.99%	0.00%
State Tax Adjustment Surcharge[1]	-0.37%	-0.37%	0.00%

Estimated Residential Bill Impact of New Rates

Gallons per Month	Monthly Bill at Prior Rates[2]	Monthly Bill at Prior Rates[2] (New Cumberland)	New Rates[2] Effective 8/7/2024 (all Customers)	Increase per Month	Increase per Month (New Cumberland)
500	$28.86	$26.71	$29.77	$0.91	$3.06
1,000	$43.32	$39.04	$44.54	$1.22	$5.50
1,500	$57.79	$51.37	$59.31	$1.52	$7.94
2,000	$72.25	$63.69	$74.08	$1.83	$10.39
2,500	$86.71	$76.02	$88.85	$2.14	$12.83
3,000	$101.17	$88.34	$103.62	$2.45	$15.28
3,500	$115.64	$100.67	$118.39	$2.75	$17.72
4,000	$130.10	$113.00	$133.16	$3.06	$20.16
4,500	$144.57	$125.32	$147.93	$3.36	$22.61
5,000	$159.03	$137.65	$162.70	$3.67	$25.05
5,500	$173.50	$149.97	$177.46	$3.96	$27.49
6,000	$187.96	$162.30	$192.23	$4.27	$29.93
6,500	$202.43	$174.63	$207.00	$4.57	$32.37
7,000	$216.89	$186.95	$221.77	$4.88	$34.82
7,500	$231.36	$199.28	$236.54	$5.18	$37.26
8,000	$245.81	$211.60	$251.31	$5.50	$39.71
Flat Rate (Unmetered)	$106.66		$110.00	$3.34	

NON-RESIDENTIAL CUSTOMERS (excluding New Cumberland)

	Prior Rates	New Rates Effective 8/7/2024
Service Charge per Month Per EDU	$35.00	$36.70
Usage Rate per 100 Gallons	$2.1030	$2.1986
Flat Rate (Unmetered) Charges	$106.00	$150.00
Distribution System Improvement Charge[1]	0.99%	0.00%
State Tax Adjustment Surcharge[1]	-0.37%	0.00%

NON-RESIDENTIAL CUSTOMERS (New Cumberland)

	Prior Rates	New Rates Effective 8/7/2024
Service Charge per Month Per EDU	$35.00	$36.70
Usage Rate per 100 Gallons	$1.9000	$2.1986
Flat Rate (Unmetered) Charges		$150.00
Distribution System Improvement Charge[1]	0.99%	0.00%
State Tax Adjustment Surcharge[1]	-0.37%	0.00%

[1] The Distribution System Improvement Charge (DSIC) and the State Tax Adjustment Surcharge (STAS) apply to the total bill.
[2] Based on residential customer with a 5/8-inch meter.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 9

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	4,584,666	120,846	$ 7,216,201	$ 96,697	$ 7,312,898		$ 11,030,182	50.83%		$ 10,857,398	48.47%
Commercial	2,781,963	83,401	4,664,905	62,510	4,727,415		7,165,257	51.57%		7,091,409	50.01%
Industrial	3,189	107	5,697	76	5,773		8,737	51.34%		8,624	49.39%
Public	89,566	1,249	104,435	1,400	105,835		162,251	53.31%		163,666	54.64%
Total Rate Zone 9	7,459,384	205,603	$ 11,991,238	$ 160,683	$ 12,151,921		$ 18,366,427	51.14%		$ 18,121,097	49.12%

Rate Zone 9 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	120,174	32.42	$ 3,896,048	$ 52,207	$ 3,948,255	$ 47.64	$ 5,725,099	45.00%	$ 45.00	$ 5,407,839	36.97%
Subtotal	120,174		$ 3,896,048	$ 52,207	$ 3,948,255		$ 5,725,099	45.00%		$ 5,407,839	36.97%
Unmetered Customers	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	4,567,820	$0.7350	$ 3,357,348	$ 44,988	$ 3,402,336	$1.1681	$ 5,335,671	56.82%	$1.2000	$ 5,481,384	61.11%
Low Income:											
Low Income Discount Tier 1			(41,090)	$ (551)	$ (41,641)		(47,509)	14.09%		(47,509)	14.09%
Low Income Discount Tier 2			(18,095)	(242)	(18,337)		(20,846)	13.68%		(20,846)	13.68%
Low Income Discount Tier 3			(12,177)	(163)	(12,340)		(13,925)	12.84%		(13,925)	12.84%
RZ 9 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	672	$32.42	$ 21,786	$ 292	$ 22,078	$ 47.64	$ 32,014	45.00%	$ 45.00	$ 30,240	36.97%
All Usage	16,846	$ 0.7350	12,382	166	12,548	$ 1.1681	$ 19,678	56.82%	$ 1.2000	$ 20,215	61.10%
RZ 9 Residential Usage	4,584,666										
RZ 9 Residential Anualized/Proforma Revenues			**$ 7,216,201**	**$ 96,697**	**$ 7,312,898**		**$ 11,030,182**	**50.83%**		**$ 10,857,398**	**2135942486.35%**

Note (1) Adjustment to account for the growth (loss) in customers.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 9

Rate Zone 9 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	83,401	$ 31.85	$ 2,656,328	$ 35,595	$ 2,691,923	$ 47.64	$ 3,973,233	47.60%	$ 45.00	$ 3,753,054	39.42%
Subtotal	83,401		$ 2,656,328	$ 35,595	$ 2,691,923		$ 3,973,233	47.60%		$ 3,753,054	39.42%
Unmetered Customers	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	2,781,963	$ 0.7220	$ 2,008,577	$ 26,915	$ 2,035,492	$ 1.1474	$ 3,192,024	56.82%	$ 1.2000	$ 3,338,355	64.01%
RZ 9 Commercial Usage	2,781,963										
RZ 9 Commercial Revenues			**$ 4,664,905**	**$ 62,510**	**$ 4,727,415**		**$ 7,165,257**	**51.57%**		**$ 7,091,409**	**1375151910.58%**

Rate Zone 9 - Industrial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	107	$31.85	$ 3,395	$ 45	$ 3,440	$ 47.64	$ 5,078	47.62%	$ 45.00	$ 4,797	39.45%
Subtotal	107		$ 3,395	$ 45	$ 3,440		$ 5,078	47.62%		$ 4,797	39.45%
Unmetered Customers	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	3,189	$0.7220	$ 2,302	$ 31	$ 2,333	$1.1474	$ 3,659	56.84%	$1.2000	$ 3,827	64.04%
RZ 9 Industrial Usage	3,189										
RZ 9 Industrial Revenues			**$ 5,697**	**$ 76**	**$ 5,773**		**$ 8,737**	51.34%		**$ 8,624**	49.39%

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 9 - CHELTENHAM WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 9

Rate Zone 9 - Public	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	1,249	$ 31.85	$ 39,768	$ 533	$ 40,301	$ 47.64	$ 59,483	47.60%	$ 45.00	$ 56,187	39.42%
Subtotal	1,249		$ 39,768	$ 533	$ 40,301		$ 59,483	47.60%		$ 56,187	39.42%
Unmetered Customers	-	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	89,566	$ 0.7220	$ 64,667	$ 867	$ 65,534	$ 1.1474	$ 102,768	56.82%	$ 1.2000	$ 107,479	64.00%
RZ 9 Public Usage	89,566										
RZ 9 Public Revenues			**$ 104,435**	**$ 1,400**	**$ 105,835**		**$ 162,251**	**53.00%**		**$ 163,666**	**55.00%**

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 10 - EAST NORRITON WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 10

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rat	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	1,932,086	56,382	$ 3,482,860	$ 46,883	$ 3,545,565		$ 4,967,094	40.09%		$ 4,882,789	37.72%
Commercial	1,540,066	4,324	1,329,774	17,819	1,347,593		1,987,571	47.49%		2,060,920	52.93%
Total Rate Zone 10	3,472,152	60,706	$ 4,812,634	$ 64,702	$ 4,893,158		$ 6,954,665	42.13%		$ 6,943,709	41.91%

Rate Zone 10 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rat	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	53,738	$35.57	$ 1,911,461	$ 25,614	$ 1,937,075	$ 47.64	$ 2,560,078	32.16%	$ 45.00	$ 2,418,210	24.84%
Subtotal	53,738		$ 1,911,461	$ 25,614	$ 1,937,075		2,560,078	32.16%		2,418,210	24.84%
Unmetered Customers	2,356	$ 66.06	$ 155,611	$ 2,085	$ 157,696	$ 92.85	$ 218,707	38.69%	$ 91.44	$ 215,396	36.59%
Usage (in 100 Gallons)											
All Usage	1,924,866	$0.7726	$ 1,487,151	$ 19,928	$ 1,507,079	$1.1681	$ 2,248,436	49.19%	$1.2000	$ 2,309,839	53.27%
Low Income:											
Low Income Discount Tier 1			$ (41,090)	$ (551)	$ (41,641)		$ (47,509)	14.09%		$ (47,509)	14.09%
Low Income Discount Tier 2			(18,095)	(242)	(18,337)		(20,846)	13.68%		(20,846)	13.68%
Low Income Discount Tier 3			(12,177)	(163)	(12,340)		(13,925)	12.84%		(13,925)	12.84%
RZ 10 Residential Bill Analysis Revenues											
Adjustment (1):											
5/8 - Meter	288	$35.57		$137	$10,381	$ 47.64	$ 13,720	32.16%	$ 45.00	$ 12,960	24.84%
All Usage	7,220	$0.7726		75	5,653	$1.1681	$ 8,433	49.18%	$1.2000	$ 8,664	53.26%
Adjustment (2):											
Deduct Meter Usage											
RZ 10 Residential Usage	1,932,086										
RZ 10 Residential Annualized/Proforma Revenues			**$ 3,482,860**	**$ 46,883**	**$ 3,545,565**		**$ 4,967,094**	**40.09%**		**$ 4,882,789**	**37.72%**

Note (1) Adjustment to account for the growth (loss) in customers.
Note (2) Adjustment to account for Deduct Meter usage.

AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 10 - EAST NORRITON WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 10

Rate Zone 10 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rat	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	3,998	$ 34.94	$ 139,690	$ 1,872	$ 141,562	$ 47.64	$ 190,465	34.55%	$ 45.00	$ 179,910	27.09%
Subtotal	3,998		$ 139,690	$ 1,872	$ 141,562		$ 190,465	34.55%		$ 179,910	27.09%
Unmetered Customers	326	$ 64.89	$ 21,174	$ 284	$ 21,458	$ 92.04	$ 30,034	39.97%	$ 100.92	$ 32,930	53.46%
Usage (in 100 Gallons)											
All Usage	1,540,066	$ 0.7590	$ 1,168,910	$ 15,663	$ 1,184,573	$ 1.1474	$ 1,767,072	49.17%	$ 1.2000	$ 1,848,080	56.01%
RZ 10 Commercial Usage	1,540,066										
RZ 10 Commercial Revenues			**$ 1,329,774**	**$ 17,819**	**$ 1,347,593**		**$ 1,987,571**	**47.49%**		**$ 2,060,920**	**52.93%**

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 12 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 0.00%
Zone 12

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	5,438,130	133,611	$ 9,759,106	$ -	$ 9,759,106		$ 12,793,629	31.09%		$ 13,636,053	39.73%
Commercial	688,711	10,712	1,740,691	-	1,740,691		1,300,545	-25.29%		1,412,958	-18.83%
Public	1,971	85	55,889	-	55,889		30,057	-46.22%		33,434	-40.18%
Total Rate Zone 12	6,126,840	144,408	$ 11,555,686	$ -	$ 11,555,686		$ 14,124,231	22.23%		$ 15,082,445	30.52%

Rate Zone 12 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU - Rate 1	130,076	$53.49	$ 6,958,197	$ -	$ 6,958,197	$ 47.64	6,196,819	-10.94%	$ 48.85	6,354,211	-8.68%
EDU - Rate 2	1,852	89.74	166,204	-	166,204	47.64	88,232	-46.91%	48.85	90,473	-45.57%
Subtotal	131,928		$ 7,124,401	$ -	$ 7,124,401		$ 6,285,051			$ 6,444,684	
Unmetered Customers	1,683	$ 89.74	$ 151,071	$ -	$ 151,071	$ 92.85	156,299	3.46%	$ 98.84	166,395	10.14%
Usage (in 100 Gallons)											
Minimum Usage	189	$ -	$ -	$ -	$ -	$1.1681	221	0.00%	$1.2918	244	0.00%
Block 1	3,560,398	0.4370	1,555,894	-	1,555,894	1.1681	4,158,901	167.30%	1.2918	4,599,322	195.61%
Block 2	1,179,257	0.4600	542,458	-	542,458	1.1681	1,377,490	153.93%	1.2918	1,523,364	180.83%
Block 3	316,136	0.4810	152,061	-	152,061	1.1681	369,278	142.85%	1.2918	408,384	168.57%
Block 4	131,368	0.5290	69,494	-	69,494	1.1681	153,451	120.81%	1.2918	169,701	144.20%
Block 5	69,568	0.5900	41,045	-	41,045	1.1681	81,262	97.98%	1.2918	89,867	118.95%
Block 6	181,214	0.6770	122,682	-	122,682	1.1681	211,676	72.54%	1.2918	234,092	90.81%
Subtotal	5,438,130		$ 2,483,634	$ -	$ 2,483,634		$ 6,352,279			$ 7,024,974	
Low Income:											
Low Income Discount Tier 1				$ -	$ -						
Low Income Discount Tier 2				-	-						
Low Income Discount Tier 3				-	-						
RZ 12 Residential Bill Analysis Revenues											
Adjustment (1):											
Deduct Meter Usage											
RZ 12 Residential Usage	5,438,130										
RZ 12 Residential Annualized/Proforma Revenues			**$ 9,759,106**	**$ -**	**$ 9,759,106**		**$ 12,793,629**	**31.09%**		**$ 13,636,053**	**39.73%**

Note (1) Adjustment to account for Deduct Meter usage.

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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 12 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 0.00%
Zone 12

Rate Zone 12 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU - (Apartments)	8,029	$ 53.49	$ 429,494	$ -	$ 429,494	$ 47.64	382,498	-10.94%	$ 48.85	392,213	-8.68%
EDU - (Other Commercial)	2,683	$ 99.22	266,205	-	266,205	$ 47.64	127,821	-51.98%	$ 48.85	131,068	-50.76%
Subtotal	10,712		$ 695,699	$ -	$ 695,699		$ 510,319			$ 523,281	
Unmetered Customers	-	$ 89.74	$ -	$ -	$ -	$ 92.04	-	0.00%	$109.05	-	0.00%
Usage (in 100 Gallons) - Com. Apartments											
Minimum Usage	309	$ -	$ -	$ -	$ -	$ 1.1474	355	0.00%	$1.2918	399	0.00%
Block 1	176,753	0.4370	77,241	-	77,241	1.1474	202,806	162.56%	1.2918	228,330	195.61%
Block 2	23,709	0.4600	10,906	-	10,906	1.1474	27,204	149.44%	1.2918	30,628	180.84%
Block 3	1,622	0.4810	780	-	780	1.1474	1,861	138.59%	1.2918	2,095	168.59%
Block 4	260	0.5290	138	-	138	1.1474	298	115.94%	1.2918	336	143.48%
Block 5	231	0.5900	136	-	136	1.1474	265	94.85%	1.2918	298	119.12%
Block 6	1,793	0.6770	1,214	-	1,214	1.1474	2,057	69.44%	1.2918	2,316	90.77%
Subtotal	204,677		$ 90,415	$ -	$ 90,415		$ 234,846			$ 264,402	
Usage (in 100 Gallons) - Commercial 2											
Minimum Usage	67,733	$ -	$ -	$ -	$ -	1.14740	77,717	0.00%	1.29180	87,498	0.00%
Block 1	416,300	2.2930	954,577	-	954,577	1.14740	477,663	-49.96%	1.29180	537,777	-43.66%
Subtotal	484,034		$ 954,577	$ -	$ 954,577		$ 555,380			$ 625,275	
RZ 12 Commercial Usage	688,711										
RZ 12 Commercial Revenues			**$ 1,740,691**	**$ -**	**$ 1,740,691**		**$ 1,300,545**	**-25.29%**		**$ 1,412,958**	**-18.83%**

Rate Zone 12 - Public	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	85	$ 99.22	$ 8,417	$ -	$ 8,417	$ 47.64	4,041	-51.99%	$ 48.85	4,144	-50.77%
Subtotal	85		$8,417	$0	$8,417		$ 4,041	-51.99%		$ 4,144	-50.77%
Unmetered Customers	0	$ 89.74	$ -	$ -	$ -	$ 92.04	-	0.00%	$109.05	-	0.00%
Usage (in 100 Gallons)											
Minimum Usage	1,971	$ -	$ -	$ -	$ -	$ 1.1474	2,261	0.00%	$1.2918	2,546	0.00%
Block 1	20,703	2.2930	47,472	-	47,472	1.1474	23,755	-49.96%	1.2918	26,744	-43.66%
Subtotal	22,674		$ 47,472	$ -	$ 47,472		$ 26,016			$ 29,290	
RZ 12 Public Usage	22,674										
RZ 12 Public Revenues			**$55,889**	**$0**	**$55,889**		**$30,057**	**-46.22%**		**$33,434**	**-40.18%**

I&E Exhibit No. 3-SR
Schedule 4
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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 14 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 14

Customer Class	12/31/2025 Usage (in 100 Gallons)	12/31/2025 Number of Bills	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate		Company 12/31/2025 Proforma @ Proposed Rate	% Percent Change		I&E 12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Residential	130,704	3,252	$ 213,855	$ 2,867	$ 216,722		$ 308,157	42.00%		$ 328,757	52.00%
Commercial	6,496	12	2,408	33	2,441		8,026	229.00%		8,381	243.00%
Total Rate Zone 14	137,200	3,264	$ 216,263	$ 2,900	$ 219,163		$ 316,183	44.00%		$ 337,138	54.00%

Rate Zone 14 - Residential	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	3,240	$28.00	$ 90,728	$ 1,216	$ 91,944	$ 47.64	$ 154,368	68.00%	$ 48.85	$ 158,289	72.00%
Subtotal	3,240		$ 90,728	$ 1,216	$ 91,944		$ 154,368	68.00%		$ 158,289	72.00%
Unmetered Customers	12	$ 78.00	$ 936	$ 13	$ 949	$ 92.85	$ 1,114	17.00%	$ 99.39	$ 1,193	26.00%
Usage (in 100 Gallons)											
Allowance	31,852	$ -	$ -	$ -	$ -	$ 1.1681	$ 37,206	0.00%	$ 1.3060	$ 41,599	0.00%
Block 1	85,408	1.3060	111,543	1,495	113,038	1.1681	$ 99,765	-12.00%	1.3060	$ 111,543	-1.00%
Block 2	13,444	0.7920	10,648	143	10,791	1.1681	$ 15,704	46.00%	1.2000	$ 16,133	50.00%
Subtotal	130,704		122,191	1,638	123,829		152,675			169,275	
Low Income:											
Low Income Discount Tier 1				$ -	$ -						
Low Income Discount Tier 2				-	-						
Low Income Discount Tier 3				-	-						
RZ 14 Residential Bill Analysis Revenues											
RZ 14 Residential Usage	130,704										
RZ 14 Residential Annualized/Prforma Revenues			**$ 213,855**	**$ 2,867**	**$ 216,722**		**$ 308,157**	**42.00%**		**$ 328,757**	**52.00%**

I&E Exhibit No. 3-SR
Schedule 5
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AQUA PENNSYLVANIA, INC. - WASTEWATER OPERATIONS
APPLICATION OF PRESENT RATES AND PROPOSED RATES TO BILL ANALYSIS
RATE ZONE 14 - WASTEWATER DIVISION
YEAR ENDING DECEMBER 31, 2023, 2024, AND 2025

DSIC 1.34%
Zone 14

Rate Zone 14 - Commercial	12/31/2025 Billing Determinants	Current Rate	12/31/2025 Pro Forma Revenues	Proforma DSIC Revenues	12/31/2025 Proforma w/ DSIC @ Present Rate	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change	Proposed Rate	12/31/2025 Proforma @ Proposed Rate	% Percent Change
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Charge by Number oF EDUs											
EDU	12	$ 54.00	$ 648	$ 9	$ 657	$ 47.64	$ 572	-13.00%	$ 48.85	$ 586	-11.00%
Subtotal	12		$ 648	$ 9	$ 657		$ 572	-13.00%		$ 586	-11.00%
Unmetered Customers	-	$ 78.00	$ -	$ -	$ -	$ 92.04	$ -	0.00%	$ 104.77	$ -	0.00%
Usage (in 100 Gallons)											
All Usage	6,496	$ 0.2710	$ 1,760	$ 24	$ 1,784	$ 1.1474	$ 7,454	318.00%	$ 1.2000	$ 7,795	337.00%
RZ 14 Commercial Usage	6,496										
RZ 14 Commercial Revenues			**$ 2,408**	**$ 33**	**$ 2,441**		**$ 8,026**	**229.00%**		**$ 8,381**	**243.00%**

I&E Exhibit No. 3-SR
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Aqua Pennsylvania, Inc
R-2024-3047822 and R-2024-3047824
Present and Proposed BILLS By Class - Surrebuttal

	Division	Average Usage	Present	I&E Direct Increase	I&E Direct Proposed	I&E Direct Increase	I&E Surrebuttal (1.25x RZ1) Increase	I&E Surrebuttal (1.25x RZ1) Proposed	I&E Surrebuttal (1.25x RZ1) Increase
	(A)	(B)	(C)	(D)	(E)	(F)	(D)	(E)	(F)
1	RZ 1 - Residential	3,870	$92.85	$23.73	$116.58	25.6%	$23.73	$116.58	25.6%
2	RZ 1 - Commercial	22,700	$315.02	$107.91	$422.93	34.3%	$107.91	$422.93	34.3%
3	RZ 1 - Industrial	4,660	$102.80	$27.73	$130.53	27.0%	$27.73	$130.53	27.0%
4	RZ 1 - Public	24,500	$336.19	$115.91	$452.10	34.5%	$115.91	$452.10	34.5%
5	RZ 1A -Residential	3,870	$95.19	$21.38	$116.58	22.5%	$21.38	$116.58	22.5%
6	RZ 1A - Commercial	160,570	$1,937.72	$760.54	$2,698.26	39.2%	$760.54	$2,698.26	39.2%
7	RZ 2 - Residential	3,870	$106.04	$17.62	$123.66	16.6%	$17.62	$123.66	16.6%
8	RZ 2 - Commercial	9,820	$179.71	$34.45	$214.16	19.2%	$34.45	$214.16	19.2%
9	RZ 2 - Public	620	$64.45	$0.60	$65.05	0.9%	$0.60	$65.05	0.9%
10	RZ 3 - Residential	3,870	$115.36	$8.30	$123.66	7.2%	$8.30	$123.66	7.2%
11	RZ 3 - Commercial	13,730	$234.90	$46.60	$281.50	19.8%	$46.60	$281.50	19.8%
12	RZ 4 - Metered - Residential	3,870	$137.01	$10.72	$147.73	7.8%	$10.72	$147.73	7.8%
13	RZ 4 - FR to Metered - Residential	3,870	$135.14	$12.59	$147.73	9.3%	$12.59	$147.73	9.3%
14	RZ 4 - Metered - Commercial	5,370	$155.07	$13.54	$168.61	8.7%	$13.54	$168.61	8.7%
15	RZ 4 - FR to Metered - Commercial	5,370	$133.77	$34.84	$168.61	26.0%	$34.84	$168.61	26.0%
15	RZ 5 - Metered - Residential	3,870	$150.62	-$2.90	$147.73	-1.9%	-$2.90	$147.73	-1.9%
16	RZ 5 - Metered - Commercial	25,200	$422.31	$73.49	$495.80	17.4%	$73.49	$495.80	17.4%
17	RZ 5 - EDU - Residential	3,870	$150.62	-$2.90	$147.73	-1.9%	-$2.90	$147.73	-1.9%
18	RZ 5 - EDU - Commercial	25,200	$422.31	$73.49	$495.80	17.4%	$73.49	$495.80	17.4%
19	RZ 5 - FR to Metered - Residential	3,870	$152.31	-$4.59	$147.73	-3.0%	-$4.59	$147.73	-3.0%
20	RZ 5 - FR to Metered - Commercial	25,200	$152.31	$343.49	$495.80	225.5%	$343.49	$495.80	225.5%
21	RZ 5 - Avon Grove	N/A	$11,071.76	$0.00	$11,071.76	0.0%	$0.00	$11,071.76	0.0%
22	RZ 6 - Residential	3,870	$71.17	$22.24	$93.41	31.3%	$22.24	$93.41	31.3%
23	RZ 6 - Commercial	12,630	$95.03	$67.66	$162.70	71.2%	$67.66	$162.70	71.2%
24	RZ 7 - Residential	3,870	$78.39	$38.19	$116.58	48.7%	$38.19	$116.58	48.7%
25	RZ 7 - Commercial	5,670	$94.06	$48.34	$142.41	51.4%	$48.34	$142.41	51.4%
26	RZ 7 - Public	65,100	$632.49	$490.51	$1,123.00	77.6%	$490.51	$1,123.00	77.6%
27	RZ 8 - Residential	3,870	$104.41	$12.16	$116.58	11.6%	$12.16	$116.58	11.6%
28	RZ 8 - Commercial	88,700	$1,094.80	$417.60	$1,512.40	38.1%	$417.60	$1,512.40	38.1%
29	RZ 8 - Public	29,600	$404.24	$133.01	$537.25	32.9%	$133.01	$537.25	32.9%
30	RZ 9 - Residential	3,870	$61.68	$49.11	$110.79	79.6%	$29.76	$91.44	48.2%
31	RZ 9 - Commercial	3,340	$57.29	$37.81	$95.10	66.0%	$27.79	$85.08	48.5%
32	RZ 9 - Industrial	3,000	$54.80	$35.20	$90.00	64.2%	$26.20	$81.00	47.8%
33	RZ 9 - Public	7,170	$85.32	$67.23	$152.55	78.8%	$45.72	$131.04	53.6%
34	RZ 10 - Residential	3,870	$66.35	$44.44	$110.79	67.0%	$25.09	$91.44	37.8%
35	RZ 10 - Commercial	38,530	$332.41	$290.54	$622.95	87.4%	$174.95	$507.36	52.6%
36	RZ 11 - Residential	3,870	$137.29	$1.57	$138.86	1.1%	$1.57	$138.86	1.1%
37	RZ 11 - Commercial	3,500	$181.95	-$11.12	$170.83	-6.1%	-$11.12	$170.83	-6.1%
38	RZ 11 - Public	6,400	$280.21	$5.71	$285.92	2.0%	$5.71	$285.92	2.0%
39	RZ 12 - Single (Residential)	3,870	$70.51	$36.39	$106.90	51.6%	$28.33	$98.84	40.2%
40	RZ 12 - Double (Commercial)	6,430	$118.54	$26.76	$145.30	22.6%	$13.38	$131.91	11.3%
41	RZ 12 - Double (Public)	26,730	$241.01	$208.79	$449.80	86.6%	$153.14	$394.15	63.5%
41	RZ 14 - Residential	3,870	$65.48	$41.42	$106.90	63.3%	$30.87	$96.35	47.1%
42	RZ 14 - Commercial	54,130	$474.79	$386.01	$860.80	81.3%	$368.01	$842.80	77.5%

*I&E is recommending RZ 13, East Whiteland, receive no increase.

Aqua Pennsylvania, Inc
R-2024-3047822 and R-2024-3047824 Schedule "WW-A" PSW Cost of Service Study
Zones 1 through 11 and 14 and Zones 12 through 13 and Grand Total for Aqua Wastewater

	Zone	Cost of Service	Percent	Act 11 *	Percent	Adjusted Cost of Service	Revenue Present Rates	I&E Revenue Proposed Rates	I&E Percent of Total	I&E Increase	Percent Increase	I&E Adjustment	Company Increase	I&E Subsidy
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
	Zones 1-11, 14													
1	Residential	$55,467,974	67.6%	($10,991,786)	61.9%	$44,476,188	$39,388,940	$49,292,139	68.0%	$9,903,199	25.1%	$4,815,952	$5,087,247	($6,175,834)
2	Non Residential	$26,560,948	32.4%	($6,756,087)	38.1%	$19,804,861	$16,682,432	$23,233,964	32.0%	$6,551,532	39.3%	$3,429,103	$3,122,429	($3,326,984)
3	Total Sales	$82,028,922	100.0%	($17,747,873)	100.0%	$64,281,049	$56,071,372	$72,526,103	100.0%	$16,454,731	29.3%	$8,245,055	$8,209,676	($9,502,817)
4	Contract and Third Party	$1,535,032		$0		$1,535,032	$1,535,032	$1,535,032		$0	0.0%	$0	$0	($0)
5	Late Payment	$76,200		$0		$76,200	$76,200	$76,200		$0	0.0%	$0	$0	$0
6	TOTALS - Zone 1-11, 14	$83,640,154		($17,747,873)		$65,892,281	$57,682,604	$74,137,335		$16,454,731	28.5%	$8,245,055	$8,209,676	($9,502,817)
7	Zone 12 (Lower Makefield)	$15,082,395		($958,164)	-6.4%	$14,124,231	$11,555,686	$15,082,445		$3,526,759	30.5%	$958,214	$2,568,545	$50
8	Late Payment						$58,143	$58,143		$0		$0	$0	$0
9	**Zone 13 (East Whiteland)**	**$10,517,800**		**($3,144,592)**	**-29.9%**	**$7,373,208**	**$3,517,848**	**$3,517,848**		**$0**	**0.0%**	**-$3,848,127**	**$3,848,127**	**$0**
10	**Late Payment**						**$7,233**	**$7,233**		**$0**		**$0**	**$0**	**$0**
11	TOTALS - Zone 12-13	$25,600,195		($4,102,756)		$21,497,439	$15,138,910	$18,665,669		$3,526,759	23.3%	-$2,889,913	$6,416,672	$50
12	WW TOTALS	$109,240,349		($21,850,629)		$87,389,720	$72,821,514	$92,803,004		$19,981,490	27.4%	$5,355,142	$14,626,348	-$9,502,767
13	I&E Proposed Change in Subsidy			($12,347,862)			$141,576	$141,576		$0	0.0%	Late Payment Reveneue		

*I&E is recommending that the East Whiteland system not be included in any Act 11 allocation.

I&E Exhibit No. 3-SR
Schedule 7

Aqua Pennsylvania, Inc

Summary of Act 11 Allocations

	COMPANY	Total Company	Water Base Operations	Water Shenandoah	Wastewater Base Operations	Wastewater Lower Makefield	Wastewater East Whiteland
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Present Rate Revenue	$670,994,640	$596,344,820	$1,828,304	$57,682,604	$11,613,830	$3,525,082
1							
2	Additional Revenue	$126,675,472	$87,930,589	$2,267,908	$25,957,548	$3,526,708	$6,992,719
3	Cost of Service Allocation	$0	$1,465,438	($1,465,438)	$0	$0	$0
4	Act 11 Allocation	$0	$21,850,629	$0	($17,747,873)	($958,164)	($3,144,592)
5	Total Proposed Revenue	$797,670,112	**$707,591,476**	**$2,630,774**	**$65,892,279**	**$14,182,374**	**$7,373,209**
6	Rate Increase	$126,675,471	$111,246,656	$802,470	$8,209,675	$2,568,544	$3,848,126
7	Percent Incresaae	18.88%	18.65%	43.89%	14.23%	22.12%	109.16%
	I&E						
8	Present Rate Revenue	$670,994,640	$596,344,820	$1,828,304	$57,682,604	$11,613,830	$3,525,082
9	Additional Revenue	$126,675,472	$87,930,589	$2,267,908	$25,957,548	$3,526,708	$6,992,719
10	Cost of Service Allocation	$0	$1,008,517	($1,008,517)	$0	$0	$0
11	Act 11 Allocation	$0	$3,547,092	$0	($4,841,041)	$1,293,949	$0
12	Total Proposed Revenue	**$797,670,112**	**$688,831,018**	**$3,087,695**	**$78,799,111**	**$16,434,487**	**$10,517,801**
13	I&E Rate Increase	$117,414,845	$91,477,681	$0	$21,116,507	$4,820,657	$0
14	Percent Incresase	17.50%	15.34%	0.00%	36.61%	41.51%	0.00%

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	**Docket Nos. R-2024-3047822**
	:	**R-2024-3047824**
v.	:	
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	

ADMITTED
TESTIMONY AND EXHIBITS
OF THE
OFFICE OF SMALL BUSINESS ADVOCATE

The Office of Small Business Advocate ("OSBA") admitted the enclosed testimony and exhibits, as evidence into the evidentiary record, at the Evidentiary Hearing on October 11, 2024, in the above-captioned proceedings:

- REVISED Direct Testimony of Jason Hails, labeled OSBA Statement No. 1 (REVISED), and associated Exhibit QA-1JH and Exhibit QA-2JH, with signed Verification by Jason Hails
- CORRECTED REVISED Direct Testimony of Roger Cathcart, labeled OSBA Statement No. 2 (REVISED)-CORRECTED and associated Exhibit QA-1RC; Exhibit QA-2RC; Exhibit QA-3RC, and Exhibit QA-4, with signed Verification by Roger Cathcart.
- Rebuttal Testimony of Roger Cathcart, labelled OSBA Statement No. 3, with signed Verification by Roger Cathcart
- Surrebuttal Testimony of Jason Hails, labelled OSBA Statement No. 1-S, with signed Verification by Jason Hails

- Surrebuttal Testimony of Roger Cathcart, labelled OSBA Statement No. 2-S, with signed Verification by Roger Cathcart

Date: October 11, 2024

COMMONWEALTH OF PENNSYLVANIA

August 23, 2024

The Honorable Gail Chiodo
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120

The Honorable Alphonso Arnold III
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. / Docket Nos. R-2024-3047822 & R-2024-3047824

Dear Presiding Judges:

Enclosed please find the REVISED Direct Testimony of Jason Hails, labelled OSBA Statement No. 1 (REVISED), and associated Exhibit QA-1JH and Exhibit QA-2JH on behalf of the Office of Small Business Advocate ("OSBA"), in the above-captioned proceedings.

As evidenced by the enclosed Certificate of Service, all known parties will be served, as indicated.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures

cc: PA PUC, Secretary Rosemary Chiavetta (Cover Letter and Certificate of Service Only)
Jason Hails
Roger Cathcart
Parties of Record

OSBA STATEMENT NO. 1 (REVISED)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITIES COMMISSION

Pennsylvania Public Utility Commission	**:**	**Docket Nos.**	**R-2024-3047822**
	:		**R-2024-3047824**
v.	**:**		
	:		
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	**:**		
	:		

REVISED Direct Testimony & Exhibits
of
Jason Hails
of
Quantiv Advisory, LLC

on behalf of

Pennsylvania Office of Small Business Advocate

August 23, 2024

Topics:
Rate of Return

Date Served: August 16, 2024 / August 23, 2024 (REVISED)

Date Submitted for the Record: _____

REVISED DIRECT TESTIMONY OF JASON HAILS

Q. Please state your name and business address.

A. My name is Jason Hails, and my business address is 925 Wappoo Rd., Suite A, Charleston, South Carolina 29407.

Q. By whom are you employed and in what capacity?

A. I am the Co-Founder and a Member of Quantiv Advisory, LLC. Quantiv is a private consulting firm specializing in the provision of financial and operational analysis and regulatory expertise in the Energy and Utility sector.

Q. On whose behalf are you testifying in this hearing?

A. Our testimony is sponsored by the Pennsylvania Office of Small Business Advocate ("OSBA").

Q. Please describe your professional experience and qualifications.

A. My education and employment background is attached as Exhibit QA-2JH.

Q. Have you previously testified before this Commission?

A. I have testified recently before the Commission in Docket No. A-2023-3041695, the proposed Acquisition by Aqua of the wastewater system Assets of the Greenville Sanitary Authority.

Q. What is the subject of your testimony?

A. I am evaluating Aqua's proposed rate of return, specifically the cost rate of equity in the determination of Aqua's revenue requirement.

Q. Please summarize your recommendations.

A. Based on our examination of the Company's filings and discovery answers, we recommend that the Commission:

- Reduce the cost rate of equity in Aqua's rate of return proposal.

Cost Rate of Equity

Q. How is Aqua calculating its proposed rate of return?

A. In Schedule A-4 of Aqua's application[1], Aqua is proposing a 7.90% Rate of Return. This rate of return is based on Mr. Moul's cost of equity determination of 10.95% as follows[2]:

Aqua Proposed Rate of Return Calculation			
Type of Capital	Ratios	Cost Rate	Weighted Cost Rate
Long-Term Debt	46.05%	4.32%	1.99%
Common Equity	53.95%	10.95%	5.91%
	100.00%		7.90%

Q. Do you have any comments on Aqua's proposed rate of return?

[1] Aqua Application, Exhibit 1-A, Schedule A-4, Line 4.
[2] AP Exhibit 4-A, Page 36 of 85, Line 14.

A. Yes. Having reviewed the Application and Mr. Moul's evidence, and given Aqua's proposed overall rate increase of 18.88%, we believe Aqua's proposed rate of return is based on a cost of equity rate that is unreasonably high.

Q. What is your recommendation for the establishment of the cost rate of equity?

A. Mr. Moul proposes a range of indicated cost of equity from 10.58% using a DCF approach to 13.80% using a CAPM approach. Cost rates within that range are shown to be 11.50% and 12.90% for Risk Premium and Comparable Earnings approaches, respectively. While Aqua is proposing to use a 10.95% cost of equity rate, which is at the lower end of the range, it is our position that with such a large one-time increase in overall rates, Aqua's approved cost of equity rate should be no more than the 10.58% or the low end of the range.

Further, we propose that the Commission consider, at a minimum, reducing 10.58% cost rate by Mr. Moul's implied upward adjustment for management performance. While Mr. Moul stated that he has not quantified the increment for management performance[3], we assume the range proposed by Mr. Moul embed an implied increment for management performance. This assumption is supported by Mr. Moul's prior record of case recommendations[4], whereby his management adjustments for the 26 cases (from January 2018 to March 2024) show adjustments in the categories of: a positive percentage; zero percent; or "not defined". It is also noteworthy that Mr. Moul applied a

[3] AP Exhibit 4-A, Page 41 of 85, Lines 16-17.
[4] IR OCA 1-17, Attachment 1.

management performance increment for 23 of the 26 cases, including 18 cases with management performance increments from 0.12% to 0.25%, and 5 cases with increments "not defined". With our review and Mr. Moul's statement, we interpret that Mr. Moul has applied a management performance adjustment "not defined" in this case.

We object to the application of a management performance adjustment, as it is our expectation that management effectiveness in running a large utility is a fundamental expectation of its customers and other stakeholders. Rewarding the company for achievement of a standard expectation for performance does not strike an appropriate balance between customer needs (including public acceptability and rate stability) and Bonbright's fair return standard[5], particularly in light of the large increase in rates proposed by Aqua in this case.

Our recommendation is that the cost of equity rate is further reduced from 10.58% by (at a minimum) an implied management performance adjustment rate that was added by Mr. Moul. In an effort to calculate this reduction, we calculated the average of Mr. Moul's 18 quantified management performance adjustments from his prior cases, which is 0.21% (rounded)[6]. This figure was then subtracted from the 10.58% starting point, resulting in a cost rate of equity of 10.37%. The comprehensive results of our analysis, including the impact on Net Utility Operating Income, is shown below:

[5] Bonbright, James C., Principles of Public Utility Rates, Columbia University Press, New York, NY, page 291.
[6] Cumulative total management performance adjustments of 18 cases = 382 basis points. 382/18 = 21.22 or 0.2122%.

Aqua Rate of Return Calculation - OSBA Analysis					
Aqua Proposed Rate of Return Calculation					
Type of Capital	Ratios	Cost Rate	Weighted Cost Rate	Net Utility Operating Income	Difference from Aqua Proposed
Long-Term Debt	46.05%	4.32%	1.99%		
Common Equity	53.95%	10.95%	5.91%		
	100.00%		7.90%	$ 340,996,224	$ -
Using Moul DCF Cost Rate for Common Equity					
Type of Capital	Ratios	Cost Rate	Weighted Cost Rate		
Long-Term Debt	46.05%	4.32%	1.99%		
Common Equity	53.95%	10.58%	5.71%		
	100.00%		7.70%	$ 332,387,138	$ (8,609,086)
Using Moul DCF Rate minus Implied Management Performance Adjustment (using 21.22 basis points)*					
Type of Capital	Ratios	Cost Rate	Weighted Cost Rate		
Long-Term Debt	46.05%	4.32%	1.99%		
Common Equity	53.95%	10.37%	5.59%		
	100.00%		7.58%	$ 327,443,527	$ (13,552,697)
* Average of Mr. Moul's Quantified Management Performance Adj. Amounts in Prior Cases					

Q. If the recommendation to reduce the cost rate of equity is adopted, resulting in a reduction in the revenue requirement, how should the reduction in revenue requirement be allocated?

A. In the event that revenue requirement is reduced for the cost rate of equity or any other factor, we recommend that the class increases shown in OSBA Schedule Q-4 (W) Column 2 (excluding Public Fire Protection and Contract Sales), be scaled back proportionately based on each class' proportion of the total "OSBA Recommended Increase".

Q. Does this conclude your testimony?

A. Yes.

EXHIBIT QA-1JH

REFERENCED WORKPAPERS

(Aqua BRC - OSBA Statement 1 (Revised) Schedules - Aug 22 2024)

***** Workpapers are in excel format ONLY; therefore, will be served via electronic means ONLY, and will be served on all parties simultaneous to service of this REVISED Direct Testimony*****

EXHIBIT QA-2JH

Resume and Expert Testimony List

of

Jason Hails

QUANTIV ADVISORY, LLC
STRATEGY. OPERATIONS. VALUATION.

Jason Hails, MBA
Co-Founder and Director

Consulting Executive Profile

Quantiv Advisory, LLC

- Jason is a Co-Founder and Director of Quantiv Advisory, LLC, a boutique Consulting firm. established in 2021, providing professional services to support our clients' growth, efficiency and compliance mandates.
- Quantiv is focused primarily on strategy, financial and operational advisory services and business quantification to small, medium and large enterprise and energy/utility companies and market participants.
- With offices in Charleston, SC, Nashville, TN, and the Toronto region, Quantiv serves clients across North America.
- Quantiv utilizes a network of close-knit subcontract professionals to ensure we bring the right people with the right skills to provide quality client service and value for money.
- Quantiv's delivery model is based on collaboration, discipline and objectivity. Quantiv works with its clients to bring business and technical insight to mission-critical initiatives and decision-making.

MNP LLP and Prior

- In May 2021 Jason retired as a 13-year direct-admit Partner with MNP LLP, located first in Calgary, AB and then for 10 years in the Greater Toronto Area. Led MNP's national Energy & Utilities practice.
- Industry executive with 30 years of progressively responsible experience and over 20 years in the Energy, Utilities and Natural Resource sectors.
- MNP LLP, a member of the Praxity global network of Firms, is a Canadian audit, tax and consulting services Firm with over 8,000 Staff and Partners across Canada, generating over $1.5 Billion (Cdn) in gross revenue – a seven-fold increase in revenue since joining the Firm in 2008.
- For the last 22 years with professional service firms, led the development and execution of business unit and practice strategy; business development and sales; and led client engagements primarily in Consulting, Enterprise Risk and Transaction Services.
- In addition to Energy & Utility clients, worked extensively within other sectors, including all levels of Government, Mining, Oil & Gas, Pipelines, Software, Manufacturing, Transportation, Retail, Software/Digital and Not-for-Profit.
- Prior to MNP, worked in a Big-4 environment for 5 years, and previously with several Energy companies, including ENMAX Corporation (Alberta-based integrated utility) and Superior Propane. Early career experience included various sales and operations roles.

Clients

- Government clients have included numerous Departments and Agencies at the Federal, Provincial/State and Municipal levels, and over 40 Energy/Resource/Utility companies in Canada and the US and several dozen companies outside the Energy sector; all ranging in size from small Technology startups to resource companies with $80 billion in Assets.
- In the Energy Sector, worked with electric/gas utilities and oil & gas companies, independent power producers, electricity system operators and energy regulators, providing analysis and advice to leverage growth opportunities, mitigate risk and assess/improve efficiency and effectiveness.
    - Larger Energy and Utility sector clients have included Duke Energy, PG&E, Kinder Morgan, Enbridge Inc., Enbridge Gas, BC Hydro, Hydro One, Hydro Ottawa, ENMAX, EPCOR, Manitoba Hydro, Fortis, SaskPower, Boralex, SNC-Lavalin T&D, Water Security Agency of Saskatchewan, City of Markham Water Department.

Leadership

- Developed and led MNP's Energy & Utilities cross-service-line Niche team of 25 across the country.
- For 3 years led MNP's Eastern Canada Consulting growth efforts with a team of 40 Consultants in 2017. Jason has been an integral part of MNP's leadership team to build these practices from the ground up over the past 12 years, with group revenues in the current range of $60M.
- Success can be attributed to Jason's ability to expertly develop fit-for-purpose strategy and analytics, identify and refine critical paths for execution of strategy, and influence all Stakeholders (Clients, Peers and Staff) to drive towards common, timely and favorable outcomes.
- Credibility has grown in the industry by delivering consistently high-quality client solutions; solidifying his reputation among Board and Senior Executive teams and by maintaining a strong cross-industry community presence through industry associations and events.

Employment History

Quantiv Advisory, LLC – Co-Founder and Director - 2021 to current
Nashville, TN and Charleston, SC

Within a boutique Advisory firm environment with a small team, delivering financial and operational solutions to support our Clients' growth, efficiency and compliance mandates. First year engagements having included developing growth strategies, internal audit, performance improvement and regulatory services in the Energy, Transportation and Technology sectors.

Employment History

MNP LLP – Partner – 2008 to 2021
(Calgary, Alberta to 2011 and Toronto, Ontario from 2011 to 2021)

Jason's leadership of MNP's Energy & Utilities niche is a cross-service line role, selling and delivering engagements across all lines of MNP business. Over the past 12+ years with MNP, Jason's work has been primarily comprised of:

- Enterprise Risk Services (ERS) – Enterprise Risk Management, Internal Audit, Internal Controls.
- Consulting – Financial Advisory, Regulatory, Governance Technology Services, Capital Projects, Procurement and Operations Strategy.
- Transaction Services – Financial and Commercial Due Diligence, Business Development, Valuations.

Jason led or assumed an otherwise significant role in over 300 engagements with MNP. Roles within these engagements included Business Development Lead, Engagement Partner, Quality Assurance Partner or Subject Matter Expert. Given this diverse involvement, representative experience at MNP is highlighted functionally below.

<u>Enterprise Risk Services</u>

- Coordinating joint delivery teams (consisting of Energy Consulting and ERS staff) for risk-related projects in many sectors.
- Development, implementation and evaluation of revenue, financial and system controls (ICFR, ITGCs) for numerous large entities across a variety of sectors.
- Conducted internal audits/reviews of system implementation projects (including SAP CRB, Oracle Cloud).
- Presented audit findings numerous times to Senior Executive, Audit Committee and Board of Directors.
- Conducted Enterprise Risk Management assessments for many companies. Advise on cybersecurity, business resilience, emerging risks and mitigation strategies.

<u>Consulting</u>

- Led numerous engagements to enhance the efficiency and effectiveness client operating environments, across many business disciplines. Undertaken numerous process improvement projects targeting efficiency and effectiveness in areas such as finance function, procurement, and vendor management (procure-to-pay), supply chain, capital project delivery, field services/customer connections, financial operations, billing and customer service (order to cash), etc.
- Participated in numerous Technology Implementations, including Enterprise, Billing and Customer Interface and Analytics. Roles have included Project Lead, Quality Assurance Lead, Internal Auditor and other support functions throughout the implementation lifecycle.

Employment History

- Worked extensively in the regulatory environment and has appeared as an acknowledged expert witness in four jurisdictions. Regulatory expertise includes all manner of cost of service, cost allocation, benchmarking and complex financial analysis/modeling.
- Assessments of operations and shared services costs have included exhaustive research, comparative analysis and benchmarking across sectors and jurisdictions. Analysis has required a strong understanding and normalization of localized market factors and the drivers of industry-specific performance/results.

Transaction Services

- Extensive experience with the evaluation of business expansion or divestiture opportunities.
- Transactions services have included:
    - Financial and commercial due diligence for the acquisition of projects, assets, businesses.
    - Asset valuation and impairment tests.
    - Business planning (feasibility, development economics, financial modeling and discounted cashflow analysis, business case, executive presentation) to justify corporate investments.
- Also worked with numerous early-stage companies, assessing market opportunities, positioning for growth and securing funding.
- Post-merger integration planning and execution.

Leadership

- Completed MNP's multi-year Partner leadership development program.
- In a practice and people leadership role since joining MNP, leading MNP's Energy & Utilities niche, and having until recently led MNP's Consulting team in Ontario/Quebec, including Administrative staff, Consultants and Partners.
- Worked successfully across regions and service lines to build relationships and influence decision making to achieve corporate/Firm goals. Strong advocate for his staff, and able to inspire alignment between the Firm and the individual's professional interests.

Employment History

KPMG – Senior Manager, Advisory Services – 2007 to 2008 – Calgary, Alberta

- Senior Manager primarily within Enterprise Risk group, focused in the Energy sector and specifically Energy & Resources sectors in Western Canada. Role include the coaching and mentoring of staff, and contribution to the development of the go-to-market strategy for KPMG's Operational Advisory group.
- Conducted an ERM assessment for a large Energy company and developed/implemented a risk-based approach to internal controls for a National Railway and for a leading Telco.

- Conducted an audit (Specified Procedures) to review and implement upgrades to a large client's internal control (ICFR) program, including governance and oversight.
- Review and recommendations to improve accountability and transparency with the Alberta Royalty Regime.

PwC – Director, Advisory Services – 2005 to 2007 – Calgary, Alberta

- Worked within PwC's Advisory group in Consulting and Deals, inclusive of risk, consulting and corporate finance.
- Developed, managed and executed internal control compliance and optimization programs for a number of large integrated utilities, including ENMAX, EPCOR (including Capital Power), Fortis BC, Duke Energy, Pacific Gas & Electric. Similar work conducted for an upgrader and a downhole tools manufacturer.
- Conducted detailed financial due diligence for approximately 10 deals in the Energy and other sectors, including upstream oil and gas, oilfield services and technology companies.

- **BearingPoint** – Manager, Advisory Services – 2003 to 2005 – Calgary, AB
- **ENMAX Corporation** – Manager, Business Development – 2001 to 2003 – Calgary, AB
- **Superior Propane** – Financial Analyst, Merger Integration Team – 1999 to 2001 – Calgary, AB
- **Ernst & Young** – Staff Accountant – 1994 – Calgary, AB
- Various Industry Business Development and Operational Roles – 1993, 1995 to 1999 – Calgary

Regulatory Experience

Support

- Currently engaged as a Board Financial Expert Witness in the review of New Brunswick Power's 2025 and 2026 General Rate Application.
- Conducted numerous reviews and filed evidence for various cost of service and regulatory asset matters for ENMAX, EPCOR, Enbridge Gas, Gazifere and very recently Liberty Gas New Brunswick (2023) as an Acknowledged Expert (detailed assessment of Inter-affiliate costs).
- Quality Review Partner for MNP's Macro Environmental Expert Report on behalf of the Manitoba Public Utility Board for the NFAT hearing in 2014 (Keeyask and Conawapa).

Testimony

- Testified before the Nova Scotia Utility and Review Board as a Board Financial Expert for the 2023 General Rate Application proceeding for Eastward Energy (formerly Heritage Gas).
- Testified before the Nova Scotia Utility and Review Board as a Board Financial Expert in the review of the Halifax-Dartmouth Bridge Commission Rate Hearing in 2021.
- Testified before the Regie de l'energie on behalf of Gazifere (Enbridge Inc.) regarding cost allocation (2016).
- I testified before the AUC, with ENMAX regarding Affiliate Transactions, Cost Allocation and Inter-affiliate costs (2014).
- Testified as part of Commission staff with the BCUC on two occasions:

  - One regarding the establishment of a regulatory deferral account to account for hedging long-term debt (2016).
  - One regarding exemptive relief for FortisBC (2015) with information management requirements.
- Also testified as a financial expert representing an intervenor group regarding the Heartland Transmission project (2011), a joint project between EPCOR and AltaLink.

Education and Certification

- B.A. (Hons.) – Economics and Political Science – York University (Toronto) – 1991
- M.B.A. – University of British Columbia – Sauder School of Business (Vancouver) – 1993
- Course - Electric System Operation for the Non-Engineer – Northwest Public Power Association – 2003

Volunteer and Board Involvement

- Treasurer and a Board Member of the Distress Centre in Calgary from 2008 to 2010. The Distress Centre operates 24/7 Crisis Lines, including Counselling, and operates the 211 public service system in Calgary.
- Treasurer and Board Member of the Ontario Sustainable Energy Association from 2013 to 2016.
- Formerly on the Infrastructure Committee, and currently on the Energy Committee of the Toronto Board of Trade up to 2021.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**R-2024-3047824**
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	

VERIFICATION

I, Jason Hails, hereby state that the facts set forth in my REVISED Direct Testimony, labelled OSBA Statement No. 1 (REVISED), and associated Exhibit QA-1JH, and Exhibit QA-2JH, are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: August 21, 2024

Jason Hails

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**C-2024-3049339**
	:	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	**C-2024-3049340**
	:	
	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Gail Chiodo
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120
gchiodo@pa.gov

The Honorable Alphonso Arnold III
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
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Prosecutor
Bureau of Investigation & Enforcement
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DATE: August 23, 2024

/s/ Steven C. Gray
Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney I.D. No. 77538

COMMONWEALTH OF PENNSYLVANIA

September 25, 2024

The Honorable Gail Chiodo
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120

The Honorable Alphonso Arnold III
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. / Docket Nos. R-2024-3047822 & R-2024-3047824

Dear Presiding Judges:

Enclosed please find the **CORRECTED** REVISED Direct Testimony of Roger Cathcart, labelled OSBA Statement No. 2 (REVISED)-CORRECTED, on behalf of the Office of Small Business Advocate ("OSBA"), in the above-referenced proceedings.

As evidenced by the enclosed Certificate of Service, all known parties will be served, as indicated.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures
cc: PA PUC, Secretary Rosemary Chiavetta (Cover Letter and Certificate of Service)
Jason Hails
Roger Cathcart
Parties of Record

OSBA STATEMENT NO. 2 (REVISED)-CORRECTED

BEFORE THE
PENNSYLVANIA PUBLIC UTILITIY COMMISSION

Pennsylvania Public Utility Commission	:	**Docket Nos. R-2024-3047822**
	:	**R-2024-3047824**
v.	:	
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	
	:	

CORRECTED REVISED Direct Testimony
of
Roger Cathcart
of
Quantiv Advisory, LLC

on behalf of

Pennsylvania Office of Small Business Advocate

~~August 23~~September 25, 2024

Topics:
Class Revenue Allocation

Date Served: August 16, 2024 / August 23, 2024 (REVISED) / September 25, 2024 (REVISED)-CORRECTED

Date Submitted for the Record: _____

Q. Please state your name and business address.

A. My name is Roger Cathcart, and my business address is 925 Wappoo Rd., Suite A, Charleston, South Carolina 29407.

Q. By whom are you employed and in what capacity?

A. I am a Senior Regulatory Advisor of Quantiv Advisory, LLC and Principal of Cathcart Advisors, Inc. Quantiv is a private consulting firm specializing in the provision of financial and operational analysis and regulatory expertise in the Energy and Utility sector.

Q. On whose behalf are you testifying in this hearing?

A. Our testimony is being sponsored by the Pennsylvania Office of Small Business Advocate ("OSBA").

Q. Please describe your professional experience and qualifications.

A. My education and employment background is attached as Exhibit QA-4RC.

Q. Have you previously testified before this Commission?

A. Yes, I testified recently before the Commission in Docket No. A-2023-3041695, the proposed Acquisition by Aqua of the wastewater system Assets of the Greenville Sanitary Authority.

Q. What is the subject of your testimony?

A. I am evaluating the propriety of the Company's class revenue allocation proposals for water and wastewater service, and to sponsor changes to such proposals, where appropriate. In doing so, we will also examine the propriety of Aqua's proposed Act 11 revenue requirement.

Q. Please summarize your recommendations.

A. Based on our examination of the Company's filings and discovery answers, we recommend that the Commission:

- Adopt the OSBA's recommended class revenue allocation and associated scale back proposal for water service;
- Adopt the OSBA's recommended adjustments to the Company's proposed wastewater service increases, which increase wastewater revenues in select operating areas;
- Adopt the OSBA's recommended Act 11 revenue requirement of $19.7 million, and its recommended allocation to water service classes.

Class Revenue Allocation

Water Service

Q. Mr. Cathcart, how does Aqua propose to recover its requested increase in water revenues this case?

A. We have attached Schedule Q-1W, which summarizes the Company's proposed class revenue revenues of 18.7% (on Line 11). The proposed increases for each customer class

(on Lines 1-7) range from a low of 6.3% (Private Fire Protection) to 20.6% (Industrial).

Q. How did the Company determine the level of the increase to its contract customers shown on line 9 of Schedule Q-1W?

A. The Company currently serves industrial, public, and reseller consumers through specific contracts with negotiated pricing for water service. Contracts may include annual fee increases for customers over the agreement's term. The Company expects contract customers to receive an average increase of $365,159, or 3.6%, as shown on line 9 of Schedule Q-1W. Aqua has indicated that there are corrections to its contract revenue that will be filed in its rebuttal evidence.[1]

Q. Do the class water increases in column 2 of Schedule Q-1W represent a portion of Aqua's suggested wastewater revenue recovery?

A. Yes. Aqua plans to recover $2~~10.8~~ 9 million in wastewater revenue from water service customers under Act 11 (discussed later in testimony).

Q. What is the Company's proposed revenue, by customer category excluding its proposed allocation of Act 11 revenues?

A. The Company's proposed revenue allocation for water service, excluding Act 11 revenues, is illustrated in Schedule Q-2W. The adjusted system average increase in total water revenues is 15.0% (Line 11), and the individual customer class increases vary

[1] Response to OSBA I-9 (a) and (b), which requested a reconciliation of contract revenue reflected in the Application. Aqua referred to OSBA I-17 Aqua provide Exhibit 5-A Part 2 Water Base and Shandoah.xls schedule RS2 which indicates present contract revenue to be $7,395,339 and proposed revenue at $9,042,462. In response to OSBA-II-9(b) Aqua subsequently corrected the contract revenue amount to $9,841,264.

from a low of 6.3% (Private Fire Protection) to a high of 18.9% (Industrial).

Q. What rate structure guidelines did Aqua rely on to arrive at the proposed revenue allocation for water service shown in Schedule Q-2W?

A. Aqua's representative Ms. Heppenstall, states that the Company's proposed water rate structure should consider the allocated costs of service, the impact of radical changes from the present rate structure, the understandability and ease of application of the rate structure, community and social influences, and the value of service, particularly competitive concerns.[2] However, Ms. Heppenstall also discusses several specific rate design guidelines that were developed through consultation with Company Management:

1) Maintain separate rate divisions for those areas with year-round usage and those areas with seasonal usage;
2) Maintain a low-use block for the residential class at 2,000 gallons per month in each division, and a sixth block for the industrial classification for usage over 10 million gallons per month;
3) Continue movement of those areas with year-round usage toward the Main Division rates;
4) Increase existing Main Division private fire service line rates 14% and private hydrant charges by 0%
5) Increase the existing Public Fire Hydrant rate up to the 25% of cost of service level; and

[2] Statement No. 5 Direct Testimony of Constance E. Heppenstall pg. 11.

6) Move the Shenandoah rate structure to the Main Division rate structure. For those rate divisions with a public fire hydrant rate below $34 per month, propose an increase so that achieving the State-wide rate can be accomplished in two or more rate cases.

Q. Does Ms. Heppenstall indicate that the Company's proposed rate design for water service customers complies with the above guidelines?

A. Yes, she does.

Q. Have you evaluated whether Aqua's proposed class revenue allocation, which excludes Act 11 considerations, effectively moves all rate classes closer to cost in terms of class cost-of-service?

A. Yes, we have examined changes in the levels of water revenue subsidies, by customer class, at present and Company proposed rates.

Q. Why is information about class subsidies relevant here?

A. The Cost Allocation study's findings reveal the extent to which the costs assigned to each rate class are being recouped through the revenues obtained from that class. This is measured in terms of a revenue to cost coverage ratio (RCC).

If a class is not paying the exact amount required for the service, it is either: a) receiving a subsidy (paying less than required, an RCC of less than 1.0); or b) providing a subsidy (paying more than required an RCC of greater than 1.0).

To determine if a class is moving towards a cost of service ratio of 1.0, one must assess

whether the class's current subsidy is increasing or decreasing with the proposed rates. If the current subsidy is increasing, it indicates that the class is heading away from the cost of service, which is not desirable. On the other hand, if the current subsidy is decreasing with proposed rates, the class is approaching the cost of service. The most accurate way to gauge progress towards cost of service is by comparing class subsidies and related RCCs to the current and proposed rates.

Q. Have you calculated the class subsidies and related RCCs associated with Aqua's present and proposed water rates, using the Company's cost-of-service study for its water operations ("WCOSS")?

A. Yes, in Schedule Q-3W.

Q. Please discuss Schedule Q-3W and provide your interpretation of the results.

A. The subsidies set out on Page 1 of Schedule Q-3W are calculated by deducting the cost-of-service-based revenue requirement of each class, excluding the unrecovered cost of wastewater service and Shenandoah subsidy, as measured by the Company's WCOSS, from the total revenue contribution of that class (after accounting for any proposed Act 11 contributions towards wastewater service and Shenandoah subsidy) at the current and proposed rates set by the Company. These calculations provide both a dollar and RCC measure of the discrepancy between the current actual water revenues for a particular class and the revenue levels that would need to be achieved to have equalized class rates of return (RCC of 1.0) based on both the current rates and the rates proposed by the Company.

Page 1 of Schedule Q-3W indicates all classes except Public have moved toward the cost of service under the Company's proposed revenue allocation. The subsidy and RCC calculations are detailed on page 2 of Schedule Q-3W. Aqua's proposal have moved the Public class marginally further away from cost of service.

Q. Are you in agreement with the Company's proposed revenue allocation for water service, exclusive of Act 11 considerations?

A. Yes, since Aqua's revenue allocation proposal has in the main move customer classes closer to their respective cost-based revenue levels. Aqua should consider in a subsequent proceeding an updated Cost Allocation Study, with further movements of the Public (RCC of 1.09), Other Water Utilities (RCC of 3.49) and Private Fire Protection (RCC of 1.154) to cost sufficiency.

Q. Have you prepared a schedule with the OSBA's recommended revenue allocation, including Aqua's proposal to recover $21.9 million in wastewater revenue from water service customers under Act 11?

A. Yes. Schedule Q-4W updates Column 3 to reflect the Company's proposed allocation of $21.9 million in Act 11 revenue responsibility by customer class. The class increases in Columns 4 and 5 can be compared to Aqua's plan, as indicated in Schedule Q-1W. As previously mentioned, if the Commission decides to scale back the requested revenue requirement increase, it should be handled as described in our evidence.

Q. Should the Act 11 revenues assigned to water classes also be subject to scale back at the conclusion of this proceeding?

A. Yes. However, the amount of any such scale back will be dependent upon (i) the level of the Company's awarded wastewater revenue requirement and (ii) the overall level of wastewater rates. Our wastewater related recommendations are discussed in the next section of my testimony.

Wastewater Service

Q. How does Aqua propose to adjust its wastewater service revenues in this proceeding by customer class?

A. Schedule Q-1WW outlines the Company's proposed increases in wastewater revenues by customer class. Aqua plans to increase its existing wastewater income by $14.6 million, or 20.09%.

Q. How do the Company's proposed wastewater increases vary, by wastewater division?

A. Schedule Q-2WW displays Aqua's anticipated wastewater increases per division. The projected increases for each division vary from 14.3% (Base Operations) to 109.4% (East Whiteland Operations).

Q. What portion of Aqua's total claimed wastewater revenue requirement does it propose to recover from its water service customers?

A. Q-3WW indicates that the Company expects to recover $21.851 million in wastewater revenue from water service consumers. The $210.851 million is the shortfall between the Company's claimed wastewater revenue requirement of $109.298 million and planned revenues of $87.448 million. The subsidy represents 20% of wastewater revenue requirement.

Q. How did Aqua calculate that $21.851 million of its claimed wastewater revenue should be recovered from water utility customers?

A. The subsidy is dependent on the level of revenue requested related to each wastewater division relative to its cost to serve that division. In response to OSBA-I-8, Aqua states that it chose to adjust Wastewater Base Operations as a derivative of the proposed increases to Rate Zone 1-12 that were designed achieve consolidation and gradualism. The proposed increase for Lower Makefield was established to consolidate it into Rate Zone 1.

The proposed increase of 109 % to the East Whiteland division toward its cost of service and plans to complete this over two rate cases. Overall Aqua has targeted an overall increase for wastewater operations of 20%. This appears to be a departure from the prior 2023 Base Rate Case where a 40% overall limit to wastewater rate increase was used as a guide in establishing the Act 11[3] adjustments.

Q. Does the OSBA oppose shifting Aqua's wastewater revenue responsibility to water

[3] OSBA-I-7(a) 2023 Aqua Base Rate Case.

customers?

A. We understand tht Act 11 permits the recovery of a portion of the Company's wastewater revenue requirement from water customers in a given rate proceeding, in order to mitigate the rate increases that wastewater service customers might otherwise experience. We further note that Act 11 does not authorize a permanent shift in revenue responsibility from wastewater to water customers. In other words, Act 11 does not supersede the cost-of-service principles established by the Commonwealth Court's decision in Lloyd.[4]

Q. How do the Company's Act 11 revenue credits vary, by operating division?

A. Schedule Q-3WW displays, by operational division, Aqua's suggested Act 11 revenue credits. With individual credits ranging from 6.3% (Lower Makefield) to 29.9% (East Whiteland), such credits average 20.0% of the entire wastewater revenue need (line 4).

Q. Does the OSBA agree with the Company's suggested wastewater increases and related Act 11 revenue credits?

A. No. We oppose Aqua's proposed increases to its Base and East Whiteland divisions. We also consider it is unreasonable to limit the total increase in the Base Division, which includes Rate Zone 1 (or Main Division), to 14.3%. This is less than the 18.7% increase in water rates that is expected for the water system.[5] Due to Aqua's structural under-

[4] The Commonwealth Court has unambiguously decided that cost of service should be the "polestar" criterion for rate-setting. In Lloyd v. Pa. PUC, the Court held that other rate-making concerns could not trump cost of providing service. Lloyd v. Pa. PUC, 904 A.2d 1010, 1020 (Pa. Cmwlth. 2006). – Direct testimony of Brian Kalcic OSBA Statement No. 1 Docket No. R-2021-3027385/R-2021-3027386 pg. 14.

[5] Please refer to Schedule Q-2WW line 1 and Schedule Q-1W line 11 for the respective figures.

recovery of wastewater cost of service, wastewater customers should be expected to receive greater rate increases than water customers until the shortfall is addressed. We propose a $12.8 million (22.4%) increase for the Base Division, which is 20% larger than the Aqua proposed increase in water revenues.[6] With respect to the East Whiteland division, we consider the proposal to increase wastewater rates by 109.4% to be rate shock. Aqua has indicated that it will increase the East Whiteland division rates to achieve rate sufficiency over two rate applications. This appears to reflect an approximate 200% increase. We believe that gradualism should be considered in phasing in rate increases and therefore recommend that the East Whiteland division rate increase be limited to 40% in this application.

Q. What are the OSBA's recommendations for increasing wastewater revenue by division?

A. Schedule Q-4WW displays the OSBA's suggested increases by wastewater division. According to line ~~10~~ 7 of Schedule QBK -4WW, the OSBA's recommended wastewater increase is $16.8 million, or 23.1%.

Q. How do the OSBA's wastewater increases impact the Act 11 revenue credits earned by each operating division?

A. Schedule Q-5WW outlines the Act 11 revenue credit distribution based on the OSBA's proposal. The suggested wastewater increase exceeds Aqua's proposal by $2.259 million, resulting in a reduction in the Company's proposed Act 11 water revenue

[6] Please refer to Schedule Q-4WW~~%w~~ which is discussed in the wastewater section.

requirement. The OSBA's suggested Act 11 revenue shortage is $19.7 million, or 17.9% of the Company's stated wastewater revenue demand (see line 7 of Schedule Q-5WW).

Q. Have you prepared a summary of the OSBA's recommended wastewater increases, by customer class?

A. Yes, in Schedule Q-6WW which reflects recommended wastewater rate increases that range from 15% for Public Authority to 47% for Industrial customers.

Q. Is the OSBA in agreement with the Company's proposed method of allocating its Act 11 revenue requirement to its water service classes?

A. Yes, it is. Act 11 aims to reduce class increases for wastewater customers. Therefore, temporary subsidies for wastewater classes shall be recovered from the utility's respective corresponding water service classes. Aqua has determined the amount of Act 11 recovery by subtracting the proposed level of wastewater revenue after various increases from the pro forma cost of wastewater service for the twelve months ended December 31, 2025, from the revenue requirement for each area. The Act 11 allocation by class is equal to the wastewater cost of service by class less proposed revenues. Aqua's Act 11 allocation approach recovers wastewater subsidies from water users in a revenue-neutral manner and by customer class.

Q. How should the OSBA's recommended Act 11 revenue requirement of $19.651million be allocated to water service classes?

A. The OSBA's recommended allocation is shown in the table below.

	Class	Total WW Cost of Service	OSBA Recommended WW Revenues	OSBA Act 11 Allocation
		(a)	(b)	[c = b-a]
1	Residential	$ 73,394,468	63,200,502	10,193,966
2	Commercial	32,442,467	23,749,021	8,693,447
3	Industrial	1,159,115	548,607	610,508
4	Public Authority	625,833	472,465	153,368
5	Total Sales	$ 107,621,884	$ 87,970,596	19,651,288

Source: Aqua Exhibit No. 5-B, Part I and Schedule Q-6WW

Q. Have you updated the OSBA's recommended water service revenue allocation ~~shown in Schedule BK-4W~~ to reflect the OSBA's recommended Act 11 allocation shown in Table 1?

A. Schedule Q-5W shows the OSBA's proposed revenue distribution for water service, which includes an Act 11 revenue requirement of $198.651 million.

Q. Do you have a recommendation for modifying your recommended Act 11 allocation proposal in the event the Commission awards the Company a wastewater revenue requirement that is less than its requested revenue requirement of $89.4 million in this proceeding?

A. Yes. We recommend that the Commission direct the Company to (i) maintain the OSBA's proposed wastewater class increases and (ii) reduce the Act 11 revenue

allocation shown in column 3 of Schedule Q-5W by proportionally scaling back the class revenue requirements in column 1 of Table 1.

Q. Does this conclude your testimony?

A. Yes.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**R-2024-3047824**
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	

VERIFICATION

I, Roger Cathcart, hereby state that the facts set forth in my **CORRECTED** REVISED Direct Testimony, labelled OSBA Statement No. 2 (REVISED)-CORRECTED, are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: September 25, 2024

Roger Cathcart

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**C-2024-3049339**
	:	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	**C-2024-3049340**
	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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DATE: September 25, 2024

/s/ Steven C. Gray
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Senior Attorney
Assistant Small Business Advocate
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COMMONWEALTH OF PENNSYLVANIA

September 12, 2024

The Honorable Gail Chiodo
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Re: Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. / Docket Nos. R-2024-3047822 & R-2024-3047824

Dear Presiding Judges:

Enclosed please find the Rebuttal Testimony of Roger Cathcart, labelled OSBA Statement No. 3, on behalf of the Office of Small Business Advocate ("OSBA"), in the above-captioned proceedings.

As evidenced by the enclosed Certificate of Service, all known parties will be served, as indicated.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures
cc: PA PUC, Secretary Rosemary Chiavetta (Cover Letter and Certificate of Service Only)
Jason Hails
Roger Cathcart
Parties of Record

OSBA STATEMENT NO. 3

BEFORE THE
PENNSYLVANIA PUBLIC UTILITIES COMMISSION

Pennsylvania Public Utility Commission	**:**	**Docket Nos. R-2024-3047822**
	:	**R-2024-3047824**
v.	**:**	
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	**:**	

Rebuttal Testimony of Roger Cathcart of Quantiv Advisory, LLC

on behalf of

Pennsylvania Office of Small Business Advocate

September 12, 2024

Topics:

Class Revenue Allocation

Date Served: September 12, 2024

Date Submitted for the Record: _____

Introduction

Q. Please state your name and business address.

A. My name is Roger Cathcart, and our business address is 925 Wappoo Rd., Suite A, Charleston, South Carolina 29407.

Q. By whom are you employed and in what capacity?

A. I am a Senior Regulatory Advisor of Quantiv Advisory, LLC and the Owner and Principal of Cathcart Advisors, Inc. Quantiv is a private consulting firm specializing in the provision of financial and operational analysis and regulatory expertise in the Energy and Utility sector.

Q. On whose behalf are you testifying in this hearing?

A. Our testimony is being sponsored by the Pennsylvania Office of Small Business Advocate ("OSBA").

Q. Please describe your professional experience and qualifications.

A. I have been in public practice for 35 years as a Chartered Public Accountant (CPA, CA) and Chartered Business Valuator (CBV). For the last 25 years, I have consulted in the field of public utility rate regulation being engaged as a Senior Advisor to The Public Utilities Board of Manitoba and a Consultant to various other Boards and Commissions as they adjudicate Utility applications and other regulatory matters. Working with an interdisciplinary team, Mr. Cathcart analyses complex financial

filings and identifies issues. In this capacity, I am responsible for the interpretation of accounting standards, preparation of financial analysis, briefings and reports related to the Board's review of franchise applications, rate base, rate of return applications, cost of service applications and rate change applications. I have provided oral testimony before the Nova Scotia Energy and Review Board, and have supported the development of evidence for dozens of cases before various Boards.

Q. Have you previously testified before this Commission?

A. I have testified recently before the Commission in Docket No. A-2023-3041695, the proposed Acquisition by Aqua of the wastewater system Assets of the Greenville Sanitary Authority.

Q. What is the subject of your testimony?

A. I am commenting on aspects of the direct testimony of Jerome D. Mierzwa on behalf of the Pennsylvania Office of Consumer Advocate and Ethan H. Cline on behalf of the Bureau of Investigation and Enforcement related to the rate design proposals put forward in the respective expert evidence.

Direct Testimony of Jerome D. Mierzwa

Q. Mr. Cathcart, do you have any comments on Mr. Mierzwa's rate proposal?

A. Yes, I do. Mr. Mierzwa states that:

"The water service rate increases proposed by Aqua for Rate Zones Bunker Hill, Sun Valley, and Phoenixville should be mitigated to provide for gradualism."[1]

Mr. Mierzwa further states that:

"Specifically, I believe the proposed 75% revenue increases for Rate Zones Bunker Hill, Sun Valley, and Phoenixville require mitigation to provide for gradualism. While there is not a hard and fast rule with respect to applying the concept of gradualism in developing a revenue distribution, typically an increase of 1.5 to 2.0 times the system average increase is considered consistent with the concept of gradualism. As shown on Table 5, the system average increase proposed by Aqua is 28.1%, or approximately 30%. Therefore, to provide for gradualism, I believe it would be appropriate to limit the increase to Rate Zones Bunker Hill, Sun Valley, and Phoenixville to 2.0 times the system average increase, or 60% based on Aqua's revenue requirement claim, and assign the revenue deficiency to consolidated Rate Zone 1."[2]

[1] Direct Testimony of Jerome D. Mierzwa on behalf of the Pennsylvania Office of Consumer Advocate, Page 6, Lines 26-28.
[2] Direct Testimony of Jerome D. Mierzwa on behalf of the Pennsylvania Office of Consumer Advocate, Page 26, Lines 10-21.

The rate increases proposed for Rate Zones Bunker Hill, Sun Valley, and Phoenixville at 75% would represent rate shock. Gradualism should be considered in establishing just and reasonable rates for these communities. However, gradualism goes hand in hand with meeting the goal of avoiding rate shock. Mr. Mierzwa proposes to increase rate in the respective zones by 60%. Based on the overall system average increase of 28.1% this represents increasing the respective zones rates by 2.1 times the system average.

Q. Do you propose any changes to what Mr. Mierzwa proposes related to the Bunker Hill, Sun Vally and Phoenixville rate zones?

A. I agree with Mr. Mierzwa that gradualism should be considered in establishing the rate increases for the respective communities. I also agree that there is no hard and fast rule for applying gradualism, but it should always consider avoiding rate shock while making meaningful movements toward full cost recovery. In light of this consideration, I would adhere to multiples below the lower bound noted (1.5 times system average) and propose that a 1.25 times system average be utilized to mitigate rate shock. It would be more appropriate to increase the rates at between 1.25 the system average increase of 28.1% rather than the 2.1 times proposed by Mr. Mierzwa. That would increase the respective zones by 35.1% rather than the 60% increase proposed by Mr. Mierzwa.

Q. How would you propose the revenue deficiency be addressed?

A. The revenue deficiency should continue to be recovered from consolidated Rate Zone

1 as recommended by Mr. Mierzwa. Given the relatively small percentage of total
2 revenues related to these three zones, the proposed further rate mitigation will not
3 have a material impact on consolidated Rate Zone 1.
4
5 **Q: Do you have any further comments on Mr. Mierzwa's evidence?**
6 A: No, I do not.
7
8 **Direct Testimony of Ethan H. Cline**
9
10 **Q: Mr. Cathcart, do you have any comments on Mr. Cline's rate proposal?**
11 A: Yes, I do. Mr. Cline provides detailed proposals to change wastewater zone rates,
12 with the goal of zone consolidation and moving rates charged to customers to full
13 cost recovery, reducing the subsidy provided by Act 11 from water customers. In his
14 proposal, Mr. Cline recommends large increases to rate zones 9, 10, 12, and 14,
15 which would, in my view, constitute rate shock.
16
17 **Q: Can you explain what you mean by rate shock?**
18 A: Yes, in rate zones 9, 10, 12, and 14, Mr. Cline is recommending rate increases to
19 commercial customers' bills in the respective communities, ranging from 66% in rate
20 zone 9 to 81.3% in rate zone 14.[3] Increases of this magnitude represent rate shock for
21 commercial customers.

[3] Exhibit to Accompany the Direct Testimony of Ethan H. Cline Bureau of Investigation and Enforcement Aqua Pennsylvania, Inc R-2024-3047822 and R-2024-3047824, Present and Proposed BILLS By Class Schedule 3.

Q: Do you have any comments on Mr. Cline's justification for proposing large rate increase in the respective zones?

A: Yes. Mr. Cline provided two reasons justifying the proposed rate increases, the first being a requirement to move rates zone rates toward rates of rate zone 1 rates to consolidate into rate zone 1 in future base rate cases. The second rationale is that for each of the rate zones noted, results of acquisitions under section 1329 provided benefits to the municipalities that sold their systems to Aqua including such things as debt relief, the municipal financial outlook and other improvements and investments to municipal properties; in addition to Aqua's claimed in approved service to their customers.[4]

I agree that the municipalities that sold their systems to Aqua benefited. However, it is not clear whether or how that benefit, on the face of it, applied to the ratepayers of these communities. Any rate increases post Section 1329 acquisition should, over time, attempt to achieve a goal of rate zone consolidation. Gradualism should be taken into consideration to avoid rate shock.

Q: How would you revise Mr. Cline's rate proposal for Zones 9, 10, 12, and 14?

A: I propose moderating the rate increases, setting a cap equal to 1.25 times the proposed average increase to Rate Zone 1's respective customer classes. This would avoid rate

[4] Direct Testimony of Ethan H. Cline on behalf of the Bureau of Investigation and Enforcement, Page 42, Lines 6-19.

shock for the customers. Aqua should provide a multi-year plan to implement rate consolidation to the acquired communities' systems.

Q: How would you propose the shortfall be addressed.

A: The rate proposal changes would lower the rate increase sought from Zones 9, 10, 12, and 14. The relative shortfall would increase the Act 11 subsidy from water customers.

Q: Have you prepared an alternative calculation reflecting your recommended changes?

A: No, the relative changes could be made to Mr. Cline's proposed rate changes.

Q: Do you have any further comments on Mr. Cline's evidence?

A: No I do not.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**R-2024-3047824**
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	

VERIFICATION

I, Roger Cathcart, hereby state that the facts set forth in my Rebuttal Testimony labelled OSBA Statement No. 3, are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: September 12, 2024

Roger Cathcart

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**C-2024-3049339**
	:	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	**C-2024-3049340**
	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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DATE: September 12, 2024

/s/ Steven C. Gray
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COMMONWEALTH OF PENNSYLVANIA

September 26, 2024

The Honorable Gail Chiodo
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120

The Honorable Alphonso Arnold III
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. / Docket Nos. R-2024-3047822 & R-2024-3047824

Dear Presiding Judges:

Enclosed please find the Surrebuttal Testimony of Jason Hails, labelled OSBA Statement No. 1-S, on behalf of the Office of Small Business Advocate ("OSBA"), in the above-referenced proceedings.

As evidenced by the enclosed Certificate of Service, all known parties will be served, as indicated.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures
cc: PA PUC, Secretary Rosemary Chiavetta (Cover Letter and Certificate of Service)
Jason Hails
Roger Cathcart
Parties of Record

OSBA STATEMENT NO. 1-S

BEFORE THE
PENNSYLVANIA PUBLIC UTILITIES COMMISSION

Pennsylvania Public Utility Commission	**:**	**Docket Nos.**	**R-2024-3047822**
	:		**R-2024-3047824**
v.	**:**		
	:		
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	**:**		
	:		

Surrebuttal Testimony of Jason Hails of Quantiv Advisory, LLC

on behalf of

Pennsylvania Office of Small Business Advocate

September 26, 2024

Topics:
Rate of Return

Date Served: September 26, 2024

Date Submitted for the Record: _____

SURREBUTTAL TESTIMONY OF JASON HAILS

Q. Please state your name and business address.

A. My name is Jason Hails, and my business address is 925 Wappoo Rd., Suite A, Charleston, South Carolina 29407.

Q. By whom are you employed and in what capacity?

A. I am the Co-Founder and a Member of Quantiv Advisory, LLC. Quantiv is a private consulting firm specializing in the provision of financial and operational analysis and regulatory expertise in the Energy and Utility sector.

Q. On whose behalf are you testifying in this hearing?

A. Our testimony is sponsored by the Pennsylvania Office of Small Business Advocate ("OSBA").

Q. Are you the same Jason Hails who pre-filed testimony in this proceeding on behalf of the Pennsylvania Office of Small Business Advocate (OSBA)?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. My surrebuttal testimony responds to portions of rebuttal testimony of Mr. Packer and Mr. Moul on behalf of Aqua Pennsylvania, Inc. ("Aqua PA"), and Mr. Keller on behalf of the Bureau of Investigation & Enforcement.

SURREBUTTAL TESTIMONY

Q. Please comment on Mr. Packer's assertion on Page 20 of his rebuttal testimony[1], and Mr. Moul's comments on Page 40 of his rebuttal testimony[2], regarding the computation of an implied management performance adder in Mr. Moul's testimony.

A. Mr. Packer contends that it is inappropriate to infer that Mr. Moul's recommendation includes something not specified[3]. As noted in my prior testimony, Mr. Moul in his prior cases applied a management performance increment for 23 of the 26 cases, including 18 cases with management performance increments from 0.12% to 0.25%, and 5 cases with increments "not defined"[4]. I support a reduction in the cost of equity by the management performance increment for three reasons:

1. In this case, Mr. Moul specifically noted in his direct testimony "I have not quantified the increment to recognize the Company's superior management performance"[5]. Based on Mr. Moul's prior cases, I interpret his statement to mean that the management performance increment in this case falls in the "not defined" category, and I therefore quantified a reasonable and appropriate proxy of a reduction based on his prior case work.
2. Mr. Moul did not deny inclusion of a management performance increment in his rebuttal testimony[6], only stating that there is no justification for making the

[1] Aqua Statement No. 1-R, Mr. Packer's Rebuttal Testimony, Page 31.
[2] Aqua Statement No. 7-R, Mr. Moul's Rebuttal Testimony, Page 40.
[3] Aqua Statement No. 1-R, Mr. Packer's Rebuttal Testimony, Page 31, Lines 17-18.
[4] IR OCA 1-17, Attachment 1.
[5] AP Exhibit 4-A, Page 41 of 85, Lines 16-17.
[6] Aqua Statement No. 7-R, Mr. Moul's Rebuttal Testimony, Page 40.

downward adjustment. If Mr. Moul did not include a specific management performance increment, I expect that he would explicitly state this in his testimony. If Mr. Moul articulated the amount of management performance included in his workup, that would be the amount I recommend be removed.

3. Mr. Moul in his rebuttal testimony suggests a condition for the Commission to include a specific provision for a management performance increment, the condition being that a management performance increment be applied by the Commission if the Commission selects an equity return lower than Mr. Moul's proposed 10.95%[7]. Mr. Moul claiming that a satisfactory result is achieved if his proposed equity return is adopted by the Commission implies that an increment is warranted and embedded in Mr. Moul's overall buildup calculations, particularly given that he implies with his testimony that if his equity return proposal of 10.95% is adopted, a management performance increment is not necessary.

Q. Do you have any clarifying comments regarding Mr. Keller's rebuttal evidence suggesting that you use the Company's DCF results[8].

A. I suggested the use of the low end of Mr. Moul's range for cost of equity as an initial starting point for the Commission to consider, subject to other factors for consideration. I clarified my position relative to some of these other factors, including the proposed leverage adjustment and growth rate embedded within the DCF calculation in my response to Interrogatories of the Office of Consumer Advocate Set 1 to Office of Small

[7] AP Exhibit 4-A, Page 41 of 85, Lines 21-24.
[8] I&E Statement No. 2-R, Mr. Keller's Rebuttal Testimony, Page 4, Lines 1-4.

Business Advocate.

Q. Does this conclude your testimony?

A. Yes.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**R-2024-3047824**
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	

VERIFICATION

I, Jason Hails, hereby state that the facts set forth in my Surrebuttal Testimony, labelled OSBA Statement No. 1-S, are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: September 25, 2024

Jason Hails

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**C-2024-3049339**
	:	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	**C-2024-3049340**
	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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DATE: September 26, 2024

/s/ Steven C. Gray
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Attorney I.D. No. 77538

COMMONWEALTH OF PENNSYLVANIA

September 26, 2024

The Honorable Gail Chiodo
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400 North Street
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Re: Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. / Docket Nos. R-2024-3047822 & R-2024-3047824

Dear Presiding Judges:

Enclosed please find the Surrebuttal Testimony of Roger Cathcart, labelled OSBA Statement No. 2-S, on behalf of the Office of Small Business Advocate ("OSBA"), in the above-referenced proceedings.

As evidenced by the enclosed Certificate of Service, all known parties will be served, as indicated.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures
cc: PA PUC, Secretary Rosemary Chiavetta (Cover Letter and Certificate of Service)
Jason Hails
Roger Cathcart
Parties of Record

OSBA STATEMENT NO. 2-S

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	**:**	**Docket Nos. R-2024-3047822**
	:	**R-2024-3047824**
v.	**:**	
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	**:**	

Surrebuttal Testimony of Roger Cathcart of Quantiv Advisory, LLC

on behalf of

Pennsylvania Office of Small Business Advocate

September 26, 2024

Topics:

Cost of Service Allocation

Date Served: September 26, 2024

Date Submitted for the Record: _____

SURREBUTTAL TESTIMONY OF ROGER CATHCART

Q. Please state your name and business address.

A. My name is Roger Cathcart, and our business address is 925 Wappoo Rd., Suite A, Charleston, South Carolina 29407.

Q. By whom are you employed and in what capacity?

A. I am a Senior Regulatory Advisor of Quantiv Advisory, LLC and Principal of Cathcart Advisors, Inc. Quantiv is a private consulting firm specializing in the provision of financial and operational analysis and regulatory expertise in the Energy and Utility sector.

Q. On whose behalf are you testifying in this hearing?

A. Our testimony is being sponsored by the Pennsylvania Office of Small Business Advocate ("OSBA").

Q. Are you the same Roger Cathcart who pre-filed testimony in this proceeding on behalf of the Pennsylvania Office of Small Business Advocate (OSBA)?

A. Yes.

Q. What is the subject of your testimony?

A. I am commenting on aspects of the rebuttal testimony of Aqua Pennsylvania Wastewater Inc. witness Constance E. Heppenstall on behalf of the Pennsylvania

Office of Consumer Advocate and Ethan H. Cline on behalf of the Bureau of Investigation and Enforcement related to the rate design proposals put forward in the respective expert evidence.

Q. Mr. Cathcart, do you have any comments on Ms. Heppenstall's rebuttal?

A. Yes, I do. Ms. Heppenstall assumes that based on a review of my evidence states:

> *"…it appears, by comparing Schedule Q-1 (W) to Schedule Q-4 (W), Mr. Cathcart's recommended water revenue allocation is the same as the Company's proposed recommendation."*[1]

Q. Did you adopt Aqua's recommended water revenue allocation?

A. Yes. The water revenue allocation was not the primary focus of my direct testimony. I had focused on the wastewater allocation and the Act 11 subsidy. I did note that there were movements towards revenue cost coverage of 1.0 or unity in the case of all but the Public rate class. In my direct evidence, I had indicated that Aqua's revenue allocation proposal in the main moves customer classes closer to the respective cost-based revenue levels. However, Mr. Meirzwa's evidence on behalf of the Pennsylvania Office of Consumer Advocate provided proposed rate changes that merited consideration, subject to concerns raise in my rebuttal related to certain Rate Zones[2]. I had recommended gradualism be considered in hand with rate shock and had proposed revisions to the rate changes proposed. I note that Ms. Heppenstall took

[1] Aqua Statement No. 5-R, Ms. Heppenstall's Rebuttal Testimony, Page 11, Lines 21-23.
[2] Bunker Hill, Sun Valley and Phoenixville.

issue with the proposal of Mr. Meirzwa to limit rate increases to 60% which in my view represents rate shock. I will not repeat my position previously stated other than a movement to Rate Zone 1 should be done within a bound that considers rate shock in setting just and reasonable rates.

Q. Do you have any comments on Ms. Heppenstall's comments on your recommended changes to wastewater rate design?

A: Yes I do. Ms. Heppenstall recommended that given the overall adjustment to wastewater increased the revenue from wastewater customers from 20% to 23.3% and no specific rate direction provided to accomplish it, the recommendations should be ignored.

Q. Do you have any issues with Ms. Heppenstall logical basis for her recommendation?

A. Yes I do. My evidence recommended principle-based adjustments to wastewater revenue. The adjustments proposed addressed rate shock for East Whiteland ratepayers which were being exposed to a 109% rate increase based on Aqua's proposal. I had recommended that rate increase be limited to 40%. In addition I had proposed an increase to Zone 1 wastewater customers to ensure it was in line with the average water revenue increase. The overall increase in these adjustments were to increase wastewater revenue by 3.3% on an overall basis and lower the Act 11 subsidy. It is my view that principle-based adjustments should be made, regardless of the outcome of the revenue requirement. I am confident that Ms. Heppenstall and her

team could adjust proposed rates to accomplish what was recommended. The adjustments should be made to Zone 1 in proportion to what has been proposed by Aqua for the respective Rate Classes. The reduction proposed to East Whiteland RZ should be applied to lower the overall revenue request.

Q. Do you have any further comments on Ms. Heppenstall's wastewater rebuttal.

A. Yes I do. I note that Ethan H. Cline on behalf of the Bureau of Investigation and Enforcement had provide detailed recommendations on rate zone consolidation and moving rates charged to customers to full cost recovery, reducing the subsidy provided by Act 11 from water customers. I had recommended changes to the proposed rate zones 9, 10, 12, and 14 from Mr. Cline's proposal to address rate shock. I note that Ms. Heppenstall also took issue with the larger rate increases proposed for the respective zones and disagreed that rate increases in these areas should be higher because they were all acquired under Section 1329. I agree with Mrs. Heppenstall, the Section 1329 acquisition communities should not be subject to the large increases as proposed by Mr. Cline. I believe that rate increases for these rate zones should, over time, attempt to achieve a goal of rate zone consolidation. Gradualism should be taken into consideration to avoid rate shock. I further note that Mr. Cline had proposed no increase to East Whiteland, nor participation in Act 11 Allocation. Ms. Heppenstall does not appear to address this in her rebuttal. One could assume that this proposal is acceptable to Aqua.

Q: Do you have any further comments on Ms. Heppenstall or Mr. Cline's rebuttal

evidence?

A: No, I do not.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**R-2024-3047824**
	:	
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	

VERIFICATION

I, Roger Cathcart, hereby state that the facts set forth in my Surrebuttal Testimony, labelled OSBA Statement No. 2-S, are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: September 25, 2024

Roger Cathcart

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket Nos. R-2024-3047822**
v.	:	**C-2024-3049339**
	:	**R-2024-3047824**
Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc.	:	**C-2024-3049340**
	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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DATE: September 26, 2024

/s/ Steven C. Gray
Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney I.D. No. 77538

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:		
	:		
v.	:	Docket Nos.	R-2024-3047822
	:		R-2024-3047824
Aqua Pennsylvania, Inc.	:		
Aqua Pennsylvania Wastewater, Inc.	:		

DIRECT TESTIMONY OF HARRY S. GELLER, ESQ.

ON BEHALF OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA ("CAUSE-PA")

August 16, 2024

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CAUSE-PA Appendix B – Cited Discovery Responses

PREPARED DIRECT TESTIMONY OF HARRY S. GELLER

I. INTRODUCTION

Q: Please state your name, occupation, and business address.

A: My name is Harry S. Geller. I am retired from my former position as the Executive Director of the Pennsylvania Utility Law Project (PULP) and am currently a retired attorney with emeritus status. I have maintained an office at 118 Locust St., Harrisburg, PA, 17101, for the purpose of providing consulting services and assistance to low income individuals and the organizations which represent them in utility and energy matters.

Q: Briefly outline your education and professional background.

A: I received my B.A. degree from Harpur College, State University of New York at Binghamton in 1966, and a J.D. degree from Washington College of Law, American University in 1969. Upon graduation from law school, I entered the Volunteers in Service to America (VISTA) program, where I was assigned to the New York University Law School. I took courses in the Law School's Urban Affairs and Poverty Law program and worked with the Community In Action Program on the West Side of Manhattan in New York City from 1969-1971. In 1971, I started as a Staff Attorney for the New York City Legal Aid Society, Criminal Court, and Supreme Court Branches in New York County. In 1974, I moved to Pennsylvania and began working for Legal Services, Incorporated (LSI). LSI was a civil legal aid program serving Adams, Cumberland, Franklin, and Fulton Counties. I worked at LSI from 1974-1987 first as a Staff Attorney, then as Managing Attorney, and ultimately became Executive Director. Through a restructuring with other legal services programs, LSI became part of what is now known as MidPenn Legal Services and Franklin County Legal Services.

In 1988, I was hired to be the Executive Director of the Pennsylvania Utility Law Project (PULP), a statewide legal aid project dedicated to protecting the rights of low income utility customers. At PULP, I represented low income individuals and supported organizations advocating for low income households in utility and energy matters. As Executive Director, I consulted and co-counseled on a wide variety of individual utility consumer cases, and I participated in task forces, work groups and advisory panels, including serving as chair of the Department of Human Services' LIHEAP Advisory Committee and the Pennsylvania Public Utility Commission's Consumer Advisory Committee. I frequently trained communities, legal aid staff, and advocacy groups across Pennsylvania about the various utility and energy matters affecting Pennsylvania's low income population. I retired from PULP on June 30, 2015. Since that time, I have continued to provide consulting services for PULP and its clients, as well as other organizations serving the low income community.

In sum, I have 50 years of experience working on behalf of households in poverty, including the past 30 years focusing specifically on utility and energy issues affecting low income consumers. My resume is attached as Appendix A.

Q: Please describe the focus of your work over the past fifty years, including relevant work experience regarding issues of low income families' ability to afford essential services such as utilities.

A: I have represented low income individuals and organizations serving low income populations in a wide variety of legal matters, including family law, public benefits, unemployment compensation, utility shut-offs, debtor/creditor, and housing-related disputes. Over the past 30 years, my focus has been to ensure that low income households can connect to, afford, and maintain utility and energy services to their home.

In all of these legal matters, I worked almost exclusively on behalf of individuals and households that subsist on incomes at or below 150% of the Federal Poverty Level (FPL). Through this work, I have had a close view of the daily lives of countless of our poorest citizens. I have spent hundreds, if not thousands, of hours assisting clients, combing through their budgets to see whether it is even possible to make ends meet. Over the years, I have consistently seen the near total absence of the ability of low income families to afford the most basic monthly necessities with the incomes they have, even assuming heroic self-control and conscientious budgeting and spending. Almost every month, my clients faced the stark reality of having to choose which bills they can forgo with the least drastic consequences.

In addition to having a deep understanding of the daily monetary struggles facing economically vulnerable families, I have an extensive knowledge of the array of programs designed to allow low income individuals to afford utility service. While at PULP, I was involved in hundreds of proceedings evaluating the effectiveness of programs that are intended to reduce low income households' utility burdens and help them conserve energy and water through efficiency and weatherization – thereby reducing utility costs and improving bill affordability. I have spent thousands of hours identifying the problems in Universal Service programs and making recommendations for changes to these programs to better serve low income consumers. This advocacy ultimately led to the recognition of the need to develop integrated and coordinated programs for low income consumers.

Over my decades of service, I played an instrumental role in the development, oversight, and monitoring of the initial pilot and then the statutorily required low income Universal Service Programs, each of which is structured to provide a different form of complimentary assistance – working in tandem to enable low income customers to afford and maintain basic service. For

example, the Customer Assistance Program (CAP) provides alternatives to traditional collection methods for low income, payment troubled utility customers, allowing participants to receive a more affordable bill and earn forgiveness on arrears in exchange for making in-full payments on their discounted bill. In turn, the Low Income Usage Reduction Program (LIURP) is a targeted weatherization program designed to assist low income households with the highest energy consumption, payment problems, and arrearages to reduce their overall energy consumption. CAP and LIURP work in tandem and are designed to assist low income households in maintaining affordable utility services and safe living environments while reducing utility collection, thereby benefitting other ratepayers and the communities in which they live and work.

Q: Have you testified in any proceeding before the Pennsylvania PUC?

A: Yes. I have presented testimony in many proceedings before the PUC. A complete list is attached to my resume, which is attached as Appendix A.

Q: For whom are you testifying in this proceeding?

A: I am testifying on behalf of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA).

Q: What is the purpose of your testimony?

A: CAUSE-PA intervened in this proceeding to ensure that the rates proposed by Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. (Aqua or the Company), together with all attendant policies, programs, and procedures governing the provision of water and wastewater services, will not adversely affect the ability of Aqua's low income customers to connect to, maintain, and afford water and wastewater services, which is a critical component to a safe and healthy home. My testimony is focused on the impact of Aqua's rate proposals on low income customers.

Q: How is your testimony organized?

A: My testimony is divided into six sections. Following this initial introduction section, Section II discusses Aqua's residential rate increase proposal, Aqua's existing and proposed rate design, and the financial challenges that Aqua's proposed rates will pose to its low income customers and residential customers as a whole. In Section III, I provide an overview of Aqua's low income customers and their households. In Section IV, I analyze Aqua's rate proposals and discuss the impacts on its residential customers already struggling to afford services and provide recommendations to remedy these issues. In Section V, I assess the effectiveness and accessibility of Aqua's low income assistance programs, and provide recommendations related to these programs. Finally, I conclude my direct testimony in Section VI, and provide a summary of recommendations offered throughout my direct testimony.

II. AQUA'S RATE INCREASE PROPOSAL

Q: Please summarize Aqua's requested rate increase as it applies to residential customers.

A: On May 23, 2024, Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc. submitted the rate filings Original Tariff Water – PA P.U.C. No. 4 ("Tariff Water No. 4") and Original Tariff Sewer – PA P.U.C. No. 4 ("Tariff Sewer No. 4"), which propose to increase rates by approximately $127 million, or 18.88%, based on the fully projected future test year ending December 31, 2025. [1] According to the Company, if the entire rate request is approved as filed, the total bill for a residential customer using 3,870 gallons per month would increase from $80.91 to $97.01, an increase of about $16.10 per month, or nearly 20%.[2]

[1] Volume I, Statement of Specific Reasons.
[2] Volume I, Notice of Proposed Water and Wastewater Rate Changes.

Q: As a preliminary matter, do you support the Company's proposal to increase rates?

A: No, I do not support the Company's proposal to significantly increase the cost of basic water and wastewater services, and I recommend substantial revision and mitigation of Aqua's proposal. I do not believe that it is appropriate to raise rates for water and wastewater service without first ensuring that its low income customers are able to access affordable service under just and reasonable terms. As my testimony will demonstrate, Aqua's 2022 rate increase – which is still pending appeal before the Commonwealth Court of Pennsylvania – has already created substantial strain on the ability of its low income customers to reasonably afford water and wastewater services. Access to affordable water and wastewater service is vital to the safety and health of families and communities across Aqua's broad and diverse service territory. As discussed more fully below in section IV, basic life functions are impossible without access to running water. Lack of stable and affordable water/wastewater services to a home creates a significant threat to the health, safety, and wellbeing of customers, their families, and the surrounding community. It is imperative that rates – and attendant policies and procedures – are designed to address the disparities in water and wastewater burdens, and the ability of Aqua's low income families to maintain service.

Regardless of whether Aqua is approved to increase rates through the context of this proceeding, the data I present shows that at current rates Aqua's low income customers are accruing arrears and being subject to involuntary service termination at disproportionate rates. The Commission should require Aqua to take necessary steps to ensure that all households in its service territory are able to access and afford service under just and reasonable terms. Throughout my direct testimony, I provide a number of recommendations for how Aqua can better structure its rates, services, and assistance programs so that its low income customers can reasonably afford to

maintain water and wastewater services to their home. While these recommendations are designed to address rate unaffordability at *existing* rates, they are also vital to mitigate financial harm for Aqua's low income customers if the Commission allows Aqua to increase its rates.

Q: What is the estimated economic impact of Aqua's proposed rate increase on residential water customers?

A: The impact of Aqua's proposed residential water rate increases depends on usage and varies between rate zones. Table 1 below shows the dollar and percentage impact on residential customers using an average of 4,000 gallons of water/month in each of Aqua's rate zones and divisions:

Table 1: Residential Water Bill Impact by Rate Zone at 4,000K[3]

Zone	Currently Monthly	Proposed Monthly	Dollar Increase	% Increase
Rate Zone 1	$82.31	$106.06	$23.75	29%
Rate Zone 2	$82.31	$106.06	$23.75	29%
Rate Zone 3	$79.43	$99.13	$19.70	25%
Bunker Hill Division	$38.44	$67.27	$28.83	75%
Sun Valley Division	$38.00	$66.50	$28.50	75%
Phoenixville Division	$22.66	$39.66	$17.00	75%

As shown by Table 1, the impact of Aqua's proposed rate increases will vary by rate zone. A water customer using 4,000 gallons/month located in Zone 1 or 2 will experience a monthly rate increase of 29% for their water service; those located in Zone 3 will experience an increase of 25%; and those located in the Bunker Hill, Sun Valley and Phoenixville rate divisions will experience an increase of 75%. There are two additional rate zones not reflected in Table 1, Belle

[3] Tariff-Water PA P.U.C. No. 4, Original Pages 12.1, 12.2.

Aire and Shenandoah, both recently acquired systems[4] which Aqua is proposing to move to Rate Zone 1 in this case.[5] Notably, Shenandoah Borough, within Aqua's Shenandoah rate zone has a poverty rate of over 30.6%.[6] As stated in Aqua's Shenandoah Customer Notice, residential rates will increase approximately 38% when consolidated into Aqua's Rate Zone 1.[7]

While I have used 4,000 gallons/month for illustrative purposes in the Table above, the impacts of Aqua's rate proposal will also vary by a customer's usage which, in turn, varies substantially by household size and the condition of the home.[8] These factors drive disproportionate bill impacts for larger families as well as low income households, which are more likely to live in older homes with older plumbing, older fixtures, and less efficient appliances and are less able to afford basic plumbing and leak repair services.[9] I will discuss Aqua's residential customer usage, and the corresponding impact on monthly bills, in detail below.

Q: Please briefly describe Aqua's current rate structure for water and wastewater service for residential customers.

A: The Company currently offers water service in eight different rate zones. [10] The largest of these rate zones is Rate Zone 1, accounting for over 97% of the Company's total water revenue.[11] Accordingly, I will focus the bulk of my analysis on Rate Zone 1. Rate Zone 1 offers service to residential and non-residential customer classes through a monthly fixed charge that varies by

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[4] Aqua St. 1 at 15.
[5] Aqua St. 5 at 11:22-23, 12:17-19.
[6] Shenandoah Borough, Schuylkill County, PA - https://censusreporter.org/profiles/06000US4210770056-shenandoah-borough-schuylkill-county-pa/,
[7] Aqua Volume 1, Customer Notices.
[8] See NRDC, Water Affordability Toolkit: Affordability and Assistance Programs, at 104, available at: https://www.nrdc.org/sites/default/files/water-affordability-toolkit-section-8.pdf; See Patrick Sisson, *America's Aging Housing Stock Takes Toll on Public Health*, Bloomberg, Nov. 27, 2023, https://www.bloomberg.com/news/features/2023-11-27/america-s-aging-housing-stock-takes-toll-on-public-health.
[9] Id.
[10] CAUSE-PA I-1.
[11] Id.

meter size and a volumetric charge that varies by customer class and rate zone.[12] While a great majority of the Company's customers are now being billed under the same set of rates for metered service, the following water rate zones and districts continue to have separate rate schedules: Rate Zone 3, Bunker Hill, Sun Valley, Phoenixville, Shenandoah, and Belle Aire.[13]

Aqua uses an inclining block rate structure for its volumetric charges, meaning there is one rate for usage up to 2,000 gallons, and a rate that is nearly 20% higher for any usage over 2,000 gallons.[14] Aqua is not proposing any changes to its rate structure in its filing. As I discuss in greater detail below, Aqua's inclining block rate structure disadvantages low income households and renters who have less control over their household water usage due to the condition of their homes and are less able to adopt water efficiency upgrades.

For its wastewater rates, Aqua provides service to 14 separate rate zones.[15] Aqua operates Rate Zone 1 as a statewide rate zone for wastewater and that Rate Zone accounts for approximately 85% of Aqua's total wastewater revenue.[16] Aqua's wastewater rate structure consists of a fixed and volumetric charge, although, unlike the water rate structure, the volumetric charge for wastewater does not vary by usage level.[17]

III. LOW INCOME CONSUMERS IN AQUA'S SERVICE TERRITORY

Q: How much income must a household earn each month to be considered low income?

A: The Commission's regulations for gas and electric utilities define a "low income" customer generally as any customer whose income is at or below 150% of the federal poverty level (FPL).[18]

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[12] Tariff - Water PA P.U.C. No. 4, Original Pages 12.1, 12.2.
[13] Id. at 12.2.
[14] Tariff Water - PA P.U.C. No. 3 Original Page 12.2.
[15] CAUSE-PA I-1.
[16] Id.
[17] Tariff Sewer – PA P.U.C. No. 3 Original Page 10.1.1.
[18] See 52 Pa. Code §§ 54.72, 62.2.

Winter termination protections, which apply to heat-related water services, are set at 250% FPL.[19] In my testimony, I will primarily focus on customers up to 200% FPL, as Aqua uses 200% FPL as the income eligibility threshold for its Customer Assistance Program (CAP), and other low income assistance programs.[20]

The FPL is a measure of poverty based exclusively on the size of the household, and does not account for household composition (i.e., whether the household consists of adults or children) or geographic location. The Table below provides a breakdown of the maximum income threshold for various income tiers under the Federal Poverty Guidelines:

Table 2: 2024 Annual Income by FPL and Household Size[21]

Household/ Family Size	50%	100%	150%	200%
1	$7,530	$15,060	$22,590	$30,120
2	$10,220	$20,440	$30,660	$40,880
3	$12,910	$25,820	$38,730	$51,640
4	$15,600	$31,200	$46,800	$62,400
5	$18,290	$36,580	$54,870	$73,160

As the above Table shows, a family of four with household income at or below 200% FPL has a maximum gross annual income of $62,400 ($5,200 per month) – while a family of four with income at or below 50% FPL has a maximum gross annual income of just $15,600 ($1,300 per month).[22] For comparison, a full time (40 hours/week) Pennsylvania worker making minimum wage ($7.25/hour) has a gross annual income of $15,080, assuming no time off. These income

[19] 52 Pa. Code § 56.100.
[20] See Aqua St. 13.
[21] US Dept. of Health & Human Services, HHS Poverty Guidelines for 2024, available at: https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines.
[22] See US Dept. of Health & Human Services, HHS Poverty Guidelines for 2024, available at: https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines.

levels are much less than a household needs to meet their basic expenses in any of the counties in Aqua's expansive service territory.[23]

Because the Commission's definition of "low income customer" is correlated to the national FPL and is employed statewide, it does not capture all customers residing in Aqua's specific service territory whose income is inadequate to afford basic needs. To assess actual levels of economic hardship across a given region, poverty experts often use the Self Sufficiency Standard - a benchmark developed to determine how much income a household needs to afford life's basic necessities (food, rent, clothing, medicine/medical care, childcare, utilities, transportation, and taxes) without assistance.[24] Unlike FPL, the Self Sufficiency Standard accounts for the varied costs of these six basic needs in different geographical areas and household composition.[25] In 2024, the Self Sufficiency Standard for a family of four in Pennsylvania – consisting of 2 adults, 1 school age child, and 1 preschooler – ranges across Aqua's service territory from a low of $71,599 in Clarion County to a high of $110,533 in Bucks County.[26]

Aqua's identified low income customers do not have an income amount that is close to either of these figures. The average annual household income for the Company's currently identified CAP customers is just $18,926,[27] while the average annual income of Aqua's confirmed low income customers is only $20,627.[28]

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[23] Self Sufficiency Standard, http://www.selfsufficiencystandard.org/Pennsylvania.
[24] Id.
[25] See PathWays PA, Overlooked and Undercounted 2019 Brief: Struggling to Make Ends Meet in Pennsylvania, available at: https://selfsufficiencystandard.org/wp-content/uploads/2021/10/PA2019_Demographic.pdf
[26] Average Self Sufficiency Standard of all counties served by Aqua. See Sufficiency Standard – PA, available at: https://selfsufficiencystandard.org/pennsylvania/.
[27] CAUSE-PA I-13.
[28] See CAUSE-PA I-6. Information was requested as annual income and was provided as a monthly income number, $1,718.95.

Q: How many low income customers reside in Aqua's service territory?

A: Aqua only recently started identifying its low income customers, and does not perform routinized income screening, so we cannot identify the exact number of low income customers served by Aqua. However, there are several metrics to approximate Aqua's low income customer base.

Pennsylvania's large public utility companies generally track and classify their low income customer populations in two ways – estimated low income customers (ELI) and confirmed low income customers (CLI). Aqua defines confirmed low income customers as a customer for which the Company has received income information indicating that the customer has an annual income at or below 150% FPL.[29] Aqua gathers that information "on a voluntary and verbal basis."[30] As of June 2024 (the most recent data provided), Aqua indicates that it has 28,918 confirmed low income customers.[31]

Based on the above, it appears that Aqua's internal definition of confirmed low income customers counts only those customers that Aqua has had direct contact with who have personally shared income information with the Company. Using only this direct contact and question/answer method to determine the full number of customers who can be determined as confirmed low income within its service territory is quite restrictive and does not capture the many customers who can be confirmed as low income by alternate methods. This potential undercounting makes it more difficult to analyze Aqua's low income assistance program performance, specifically being able to more specifically assess the apparent severe under-subscription of its CAP.

[29] CAUSE-PA I-3.
[30] CAUSE-PA II-1.
[31] CAUSE-PA I-4, Attachment.

I recommend that Aqua adopt a broader definition of confirmed low income customers, including other information or indicators that reasonably places the customer in a low income designation. Such information should include, at a minimum, collection of customer information through the income and CAP screening process that I recommend later in my discussion about CAP enrollment,[32] as well as:

- Enrollment or participation in a low income assistance or conservation program (CAP, Aqua Aid, or Aqua's leak repair and conservation program).
- Receipt of a federal, state, or local utility assistance, such as LIHWAP or LIHEAP.[33]
- Receipt of other emergency utility assistance.
- Indication by the customer of inability to pay current bill and/or requests for income based payment arrangements.
- Contact immediately prior to termination.
- Other referrals to low income programs.
- Self-certification by the customer.
- Income information received based on request for a medical certificate.

Using its estimated low income customer count, Aqua estimates that 98,285 water customers and 10,858 wastewater customers have income at or below 200% FPL.[34] This is approximately 26% of its total residential customer base.[35] These are a substantial number of low

[32] See infra p. 28-33.
[33] I am advised by Counsel that Aqua has a data sharing agreement in place with DHS to obtain information about LIHWAP recipients. While LIHWAP is not currently funded, it is possible the program could be funded in the future. Moreover, I note that DHS is set to launch a data sharing program for its Low Income Home Energy Assistance Program (LIHEAP). While DHS is not currently contemplating sharing LIHEAP data with water and wastewater utilities, it is a distinct possibility that LIHEAP data sharing may expand to water and wastewater utilities in the future.
[34] CAUSE-PA I-5, Attachment.
[35] CAUSE-PA I-2, Attachment.

income customers in Aqua's service territory who need to be considered in any decision regarding just, reasonable, and affordable rates.

Q: What is the income threshold for Aqua's residential customers to receive assistance?

A: Aqua's Customer Assistance Program (CAP) is currently available to customers at or below 200% FPL. [36] Aqua's hardship grants, Aqua Aid, are available to customers at or below 200% FPL, with up to 250% FPL allowed in extenuating circumstances or for 'special needs' households, including seniors and people with a disability.[37] Aqua also initiated a leak repair and conservation program that uses 200% FPL as its income threshold, but also allows some flexibility in extenuating circumstances.[38]

IV. LOW INCOME RATE AFFORDABILITY ANALYSIS

Q: How is water and wastewater affordability measured?

A: The accepted metric used to determine the affordability of utility service is referred to as the household's utility bill burden - meaning the percentage of household income required to cover the cost of the bill.[39] In the context of water and wastewater affordability, the household utility bill burden is referred to as the household water and wastewater burden. While Pennsylvania has not adopted statewide water and wastewater burden standards, it is generally accepted that the combined cost for water and wastewater service should not exceed between 4-4.5% of household

[36] Aqua St. 13 at 3:15-16.
[37] CAUSE-PA I-9, Attachment.
[38] Aqua St. 13 at 4:18-19.
[39] Roger Colton, The Affordability of Water and Wastewater Service in Twelve U.S. Cities: A Social, Business and Environmental Concern, The Guardian, (May 2020), available at: https://www.theguardian.com/environment/2020/jun/23/full-report-read-in-depth-water-poverty-investigation.

income – 2-2.5% for water, and 2% for wastewater.[40] As I will explain in further detail below, Aqua's current rates exceed these levels of affordability for many customers, especially those at the lowest levels of income. The affordability gap will increase even further if Aqua's proposal to increase water rates is approved. It is therefore critical that Aqua take the necessary steps to address this affordability gap. I will discuss recommended improvements to Aqua's low income programing later in my testimony.

Q: What are the current water and wastewater burdens for Aqua's low income customers?

A: At current rates, Aqua's lowest income customers are subject to excessive and unaffordable water and wastewater burdens. CAUSE-PA Exhibit 1, attached to my testimony, provides a snapshot of the applicable water and wastewater burdens for low income customers at various usage levels, household size, and household income levels, both at present and proposed rates, in Water Rate Zone 1 and Wastewater Rate Zone 1. For example, at *current* rates in Rate Zone 1, a single parent with three children at 50% FPL using 6,000 gallons of water each month has a combined water and wastewater burden of 17%. If Aqua's rate increase proposal is approved, this same household will face a combined water and wastewater burden of 20%.[41] Low income customers devote large portions of their incomes each month to afford basic water/wastewater

[40] See NRDC, Water Affordability Toolkit: Affordability and Assistance Programs, at 73, available at: https://www.nrdc.org/sites/default/files/water-affordability-toolkit-section-8.pdf; Roger Colton, The Affordability of Water and Wastewater Service in Twelve US Cities, The Guardian (May 2020), available at: https://www.theguardian.com/environment/2020/jun/23/full-report-read-in-depth-water-poverty-investigation; NAACP Legal Defense and Educational Fund, Inc., Water/Color: A Study of Race & The Water Affordability Crisis in America's Cities (2019), available at: https://www.naacpldf.org/wp-content/uploads/Water_Report_FULL_5_31_19_FINAL_OPT.pdf; Lauren Patterson et al., Affordability of Household Water Services Across the United States, PLOS (May 10, 2023), https://journals.plos.org/water/article?id=10.1371/journal.pwat.0000123#:~:text=The%20average%20indoor%20per%20capita,labor%20for%20minimum%20wage%20earners;

[41] CAUSE-PA Exhibit 1.

services – leaving insufficient funds to pay for housing, energy, food, medicine, childcare, and other basic needs.

As discussed in more detail below, unaffordable water/wastewater burdens pose significant obstacles for low income families to afford their monthly bills and stay connected to essential and life-sustaining water and wastewater services in their homes – creating a cascade of consequences to the health, safety, and stability of Pennsylvania's economically vulnerable families.

Q: In addition to high water and wastewater burdens, is there other evidence that Aqua's low income customers currently struggle to afford water and wastewater services at existing rates – even before any rate increase is approved?

A: Yes. Aqua's low income customers also carry a disproportionate amount of residential customer debt and are far more likely than general residential customers to have their service involuntarily terminated for nonpayment. These indicators demonstrate that Aqua's low income customers already struggle to afford water/wastewater services under existing rates. If Aqua's proposed rate increase is approved, low income consumers will likely experience even greater rates of payment trouble and involuntary termination, ultimately increasing the risk of consequences to the health and safety of low income customers and the corresponding level of uncollectible expenses recovered from other ratepayers.

First, Aqua's confirmed low income customers have markedly higher rates of involuntary termination for nonpayment compared to residential customers as a whole:

Table 3: Involuntary Terminations for Nonpayment (Confirmed Low Income (CLI) v. Residential Customers) (2020-2024)

	Residential Customers[42]	Residential Terminations[43]	Residential Termination Rate	CLI Customers[44]	CLI Terminations[45]	CLI Termination Rate
2020[46]	**418,661**	**1,345**	**.32%**	**21,840**	**448**	**2.1%**
2021	**409,224**	**7,378**	**1.80%**	**24,154**	**3,566**	**14.8%**
2022	**423,704**	**6,503**	**1.53%**	**26,041**	**3,665**	**14.1%**
2023	**403,149**	**7,666**	**1.90%**	**27,446**	**4,179**	**15.2%**

As shown in Table 4 above, in 2023, the termination rate among confirmed low income customers was *eight times higher* than the termination rate for residential customers as a whole. This significant disparity in termination rates of Aqua's low income customers as compared to those of its general residential customer base, at current rates, highlights the need to modify the present structure of low income support and underscores the vital need to address rate affordability for Aqua's low income customers prior to approving any proposed rate increase.

Aqua's confirmed non-CAP low income customers also carry significantly higher level of arrears compared to residential customers as a whole:

Table 4: Average Arrearage: Residential, Confirmed Low Income, CAP (2021-2024)[47]

	All Res.	CLI (excluding CAP)	CAP
Dec. 2021	$132.52	$222.69	--
Dec. 2022	$103.25	$196.87	$78.17
Dec. 2023	$122.07	$194.39	$88.85
May 2024	$124.52	$159.22	$84.84

[42] CAUSE-PA I-2, Attachment.
[43] CAUSE-PA I-18.
[44] CAUSE-PA I-4, Attachment.
[45] CAUSE-PA I-18.
[46] Data is as of December of the year indicated.
[47] OCA VI-11.

In May 2024 (the last reported month), confirmed low income customers with arrears carried average arrearages of $159.22, and CAP program participants with arrears carried an average arrearage level of $84.84. By comparison, residential customers with arrears (inclusive of low income customers) carried an average arrearage level of $124.52. As of May 2024, confirmed low income customers were carrying nearly 30% higher arrears per household than residential customers as a whole. These disproportionate arrearage levels further underscore the existing hardship that Aqua's confirmed low income customers who have not been able to enroll in CAP face to afford basic water/wastewater services – even before any rate increase is approved. It appears from this data that CAP enrollment is helping to reduce average debt levels – an indication that CAP enrollment leads to an amelioration of the burden of Aqua's rates. However, as I'll discuss below, fewer than 6% of Aqua's estimated eligible households have been enrolled. Finally, although confirmed low income customers account for 24% of residential customers carrying arrears, they account for 61% of the total amount of debt. [48]

It is essential that the underlying unaffordability of Aqua's rates is addressed in a comprehensive manner to prevent the unreasonable accrual of arrears, and to help low income customers to reasonably afford their monthly payments.

Q: Above, you explained that Aqua's low income customers face unaffordable water and wastewater burdens at <u>existing</u> rates. What would the applicable water and wastewater burdens be for low income customers at Aqua's <u>proposed</u> rates?

A: Aqua's proposed rate increases would exacerbate existing levels of unaffordability for Aqua's low income customers. The impact of the proposed increase on low income water rates varies not only between rate zone and across income levels, but also according to customer usage.

[48] CAUSE-PA I-4, Attachment, CAUSE-PA I-22, Attachment.

In addition to showing residential water and wastewater burdens at existing rates, CAUSE-PA Exhibit 1 also provides a snapshot of residential water and wastewater burdens at proposed rates for Rate Zone 1 Water and Rate Zone 1 Wastewater – broken down by income tier and at various usage levels, ranging from 2,000 to 10,000 gallons. As shown by CAUSE-PA Exhibit 1, low income customers will face unaffordable combined water/wastewater burdens at proposed rates. For example, at proposed rates, a family of four at 50% FPL using 6,000 gallons/month would have a combined water/wastewater burden of 20% - *1/5 of their monthly income*.

The varied rate impacts by usage levels detailed in CAUSE-PA Exhibit 1 are particularly important in the context of examining rate impacts for low income households, as low income households are more likely to live in aging housing stock with leaky pipes and fixtures, and are less able to afford repairs and efficiency upgrades to control usage levels.[49] The average water usage of a residential customer, excluding low income customers, ranged from 3,670 gallons in January 2024 to 4,260 gallons in June 2024.[50] For confirmed low income customers, however, water usage ranged from 4,892 gallons in January 2024 to 5,173 gallons in June 2024.[51] The average confirmed low income household's usage was 33% higher in the winter and 21% higher in the summer than a non-low income residential customer's usage. The impact of these disparities is that many of Aqua's low income customers are currently unable to afford existing rates and will be further affected by any approved increase in water rates as a result of this proceeding. Overall, the detailed water and wastewater burden charts in CAUSE-PA Exhibit 1 show the significant water/wastewater burdens that many low income customers bear at existing and proposed rates.

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[49] See US Dep't of Health, Office of Disease Prevention & Health Promotion, Social Determinants of Health: Quality of Housing (2020), available at: https://health.gov/healthypeople/priority-areas/social-determinants-health/literature-summaries/quality-housing.
[50] CAUSE-PA I-19(b), Attachment.
[51] CAUSE-PA I-19(c), Attachment.

Q: How would Aqua's proposed rate increase impact vulnerable households?

A: As I noted above, the substantial rate increase proposed by Aqua is likely to cause increased terminations of economically vulnerable consumers or, in the alternative, will cause economically vulnerable households to go without other critical life necessities such as housing, energy, food, medicine, childcare, and other essential services to afford water and wastewater services to their home.

Water terminations pose a serious threat to public health and human dignity. Without access to running water, families are unable to cook, bathe, clean, or flush the toilet.[52] Access to water service is tied directly to the health and well-being of the household, and the habitability of the home.[53] Water terminations are akin to eviction from a home, as the home may be deemed uninhabitable or even condemned following termination of water service, forcing families to vacate with little to no notice.[54] Termination of service to the home can also jeopardize parental custody of children, trigger eviction and condemnation, result in the loss of housing assistance, and is often cited as a catalyst for homelessness[55] In fact, utility insecurity and bill payment trouble itself is a predictor of first-time homelessness.[56]

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[52] Coty Montag, Water/Color: A Study of Race and the Water Affordability Crisis in America's Cities, NAACP Legal Defense and Educational Fund, Inc, May 2019, at p. 28, (hereinafter "Water/Color Report") available at: https://www.naacpldf.org/wp-content/uploads/Water_Report_FULL_5_31_19_FINAL_OPT.pdf

[53] Id.

[54] Id.

[55] See Joint State Government Commission, General Assembly of the Commonwealth of Pennsylvania, Homelessness in Pennsylvania: Causes, Impacts, and Solutions: A Task Force and Advisory Committee Report (2016), available at: http://jsg.legis.state.pa.us/resources/documents/ftp/documents/HR550%201%20page%20summary%204-6-2016.pdf.

[56] Colin Middleton, Kim Boynton, David Lewis & Andrew M. Oster, The Value of Utility Payment History in Predicting Homelessness, PLOS (Oct. 9, 2023), available at: https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0292305.

Even at Aqua's current rates, low income families must make difficult choices between paying for utility services and other basic necessities – raising rates for these consumers will make their ability to afford and/or obtain and retain such necessities more difficult.

Q: Are low income customers enrolled in Aqua's CAP protected from the financial impact of the proposed rate increase?

A: CAP will reduce (though not eliminate) the financial impact of Aqua's proposed rate increases for CAP participants. Unlike a Percentage of Income Program, which ties rates directly to each participant's household income, Aqua's CAP is designed as a tiered rate discount program which provides an aggregated group of participants a percentage discount on rates. Further, volumetric discounts on water and wastewater rates apply *only* to the first 2,000 gallons of usage.[57] When rates increase, without a corresponding increase in the CAP discount, the resulting CAP charges necessarily increase. The effectiveness of Aqua's CAP at offsetting the impact of an approved rate increase is dependent on approval of robust enhancements to the structure and level of discounts provided under the CAP and the ability of customers to enroll.

As it stands, Aqua's CAP enrollment remains very low – reaching just 5.9% of Aqua's estimated low income customers and 22% of Aqua's confirmed low income customers (those *already known* by the Company to be income eligible for CAP) as of June 2024. [58] Low income customers that are not enrolled in the CAP, over 94% of estimated low income customers, will shoulder the full, unmitigated financial burden of the rate increase – compounding existing high levels of rate unaffordability.

[57] Aqua St. 13 at 3-4.
[58] CAUSE-PA I-4, Attachment; CAUSE-PA I-5, Attachment.

Q: What is your overarching conclusion about the impact of Aqua's proposed rate increase on low income water and wastewater customers?

A: Aqua's current rates are already unaffordable for its low income customers, especially for those at the lowest end of the poverty scale (at or below 50% FPL) and those with higher usage and/or larger family sizes. Increasing rates will push service further out of reach for those many customers who already struggle to make ends meet.

V. AQUA LOW INCOME ASSISTANCE PROGRAMS

Q: Please summarize Aqua's current low income assistance programs.

A: Aqua offers three distinct low income assistance programs: a Customer Assistance Program (CAP), a hardship fund (Aqua Aid), and a leak repair and conservation program.[59]

CAP: Aqua's current CAP program replaced its Helping Hand program following the conclusion of Aqua's 2021 Base Rate Case.[60] CAP provides tiered discounts for customers with incomes up to 200% FPL. The program also includes an arrearage forgiveness component of $25 per month, provided that the CAP participant pays their monthly bill on time.[61] CAP is administered primarily by a third party administrator, Dollar Energy Fund (DEF). There are a limited number of Community Based Organizations (CBOs) and two in-house Aqua employees who may also process applications.[62]

Aqua Aid: Like CAP, a version of Aqua Aid was functioning as Helping Hand until Aqua's last Base Rate Case filing in 2021, where Aqua proposed to relaunch the program as Aqua Aid.[63] The 'new' Aqua Aid program was launched in late 2023.[64] Aqua Aid

[59] Aqua St. 13 at 3-5.
[60] Id. at 5.
[61] Id. at 3-4.
[62] CAUSE-PA I-8, Attachment 1.
[63] Aqua St. 13 at 4-5.
[64] Id. at 7.

provides for grants of up to $500 once per year for those households able to access one, with some flexibility on grant maximum dependent on individual circumstances. The income eligibility for Aqua Aid is also 200% FPL but provides for some flexibility up to 250% FPL for special needs customers; for example, older or disabled customers.[65] Aqua also maintains some flexibility regarding actual grant amounts, depending on circumstances; for example, a significant leak that has since been repaired.[66] Aqua Aid grants are solely administered by Aqua's two in-house CAP team employees.[67]

Leak Repair and Conservation Program: In 2023, Aqua launched a conservation and leak repair program with an income eligibility of 200% FPL and initial budget of $100,000.[68] The leak repair component is designed to assist low income customers who are receiving very high bills due to a leak they cannot afford to repair. It can assist with smaller fixes, like a leaky toilet, or larger leaks like substantial service line leaks.[69] It is unclear from the Company's filing how a customer can access a conservation kit independent of having had a leak repaired. The leak repair and conservation program is administered by Aqua's two in-house CAP team employees.[70]

Q: Is Aqua's CAP producing affordable bills for program participants at current rates?

A: No. Although assisting in reducing the level of arrears, as currently structured, CAP is not providing precise levels of affordability for its participants. The unaffordability of CAP rates is particularly pronounced for higher usage and lower income customers. For example, as shown in CAUSE-PA Exhibit 1, a four person household enrolled in CAP living right at the federal poverty

[65] Id. at 7-8.
[66] CAUSE-PA I-9, Attachment.
[67] CAUSE-PA II-17.
[68] Aqua St. 13 at 13.
[69] Id.
[70] CAUSE-PA I-28.

level (100% FPL), using 6,000 gallons per month, would have a combined water and wastewater burden of 7%. A CAP household living at 50% FPL with that same usage, such as a mother with three children working a full-time minimum wage job, would have a combined water and wastewater burden of 11%. These resulting water burdens are well above the generally accepted affordability standards discussed above.

One significant issue with Aqua's current (and proposed) CAP structure is the lack of segmentation between customers between 0-50% FPL and those between 51-100% FPL. The effect of this structure is that, for any household using more than 2,000 gallons per month, a household at 50% FPL will have twice the water and wastewater burden of a household at 100% FPL. This structure does not sufficiently mitigate costs for those households at the lowest end of the poverty scale.

Regarding both water and wastewater CAP structures, there is no volumetric discount above 2,000 gallons of usage. In other words, the program effectively functions as a flat rate discount. This fixed structure of discount is insufficient, especially for larger households, and contributes to existing disparities in water and wastewater burdens for the lowest income households. Low income households often have disproportionately higher usage as a result of plumbing and fixture leaks from living in older homes, as evidenced by usage levels cited above – yet most often lack the discretionary income to invest in repairs themselves and/or are unable to force their landlord to make such repairs.[71]

Q: Is Aqua proposing any changes to its CAP?

A: No.

[71] Water/Color Report at 28.

Q: Do you have any proposed reforms to improve affordability for CAP participants?

A: Yes. I recommend that Aqua amend its CAP structure and discount levels to improve rate affordability. This is especially critical to help mitigate the impact of any rate increase approved in the context of this proceeding.

Q: What reforms do you recommend making to the structure and discount levels of the CAP, and why?

A: First, I recommend that Aqua extend its volumetric discount to improve affordability for larger families and higher usage. As currently structured, the volumetric discount is only applied to the first 2,000 gallons of usage per month. This CAP structure does not produce equitable and consistently affordable rates for CAP participants, especially considering that low income households have proportionally higher water consumption than other residential customers. As of June 2024, the average water usage level of a residential customer, excluding confirmed low income customers, was 4,260 gallons per month.[72] In comparison, the average usage level of a confirmed low income residential customer was 5,173 gallons per month.[73] This means that confirmed low income customers are using an average of 21.4% more water than non-low income residential customers. Due to this higher average usage, not only are low income customers already seeing higher bills than residential customers who are not low income, the very limited volumetric discounts are not producing consistently affordable rates for CAP participants.

Second, I recommend that Aqua disaggregate its discount levels between 0-50% FPL and 51-100% FPL. As shown in CAUSE-PA Exhibit 1, at Aqua's proposed rates, a family of four enrolled in CAP using 6,000 gallons per month with income at 50% FPL will have a combined

[72] CAUSE-PA I-19(b), Attachment.
[73] CAUSE-PA I-19(c), Attachment.

water and wastewater burden of 11%, whereas that same family at 100% FPL will have a combined water and wastewater burden of 5%. While neither bill is affordable, tiered discounts must be designed to result in acceptable water and wastewater burdens for all low income households and are not adequate if they result in households at 50% FPL carrying more than twice the burden as households at 100% FPL.

In the context of past rate proceedings with regulated water companies, I have recommended that a tiered Percentage of Income Payment (PIP) structure be implemented, as have other experts for CAUSE-PA and OCA.[74] I stand by past analyses which determined that implementing a PIP structure would, in the long term, ensure that those with the lowest levels of FPL and/or with larger families are not paying a disproportionate level of their incomes for critical and life-sustaining water/wastewater services. This is particularly true as rates for basic water and wastewater services are likely to continue to rise in the short term, further increasing the exigency that Aqua's program structure deliver accessible, consistent, and equitable levels of affordability to economically vulnerable households. While I continue to support adoption of a PIP structure as the preferred method of targeting and achieving affordability for low income customers, I recognize there may be current system constraints that complicate adoption of a PIP at this time. Thus, in the context of the present case, I recommend that Aqua adopt shorter-term revisions to the CAP discount levels to improve rate affordability and equity within the program. Nevertheless, I continue to believe that Aqua should ultimately transition to a PIP. Should Aqua undergo any systems upgrades, it should be required to ensure the upgrades will support implementation of a PIP structure in the future.

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[74] Pa. PUC v. PAWC, CAUSE-PA St. 1, Docket No. R-2022-3031672, et al (July 29, 2022). Pa. PUC v. PAWC, OCA St. 5, Docket No. R-2022-3031672, et al (July 29, 2022); Pa PUC v. PWSA, Pittsburgh United St. 1, Docket No. R-2023-3039919, -20, -21 (August 9, 2023).

As an interim solution to help address unaffordability within CAP, I recommend the following CAP structure and discount levels to better ensure the program produces affordable water/wastewater burdens and participants stay connected to services:

Table 5: Recommended CAP Levels and Discounts

	Water		Wastewater	
	Fixed Charge	**Volumetric Charge** (all usage)	**Fixed Charge**	**Volumetric Charge** (all usage)
Tier 1 (0-50% FPL)	100%	85%	85%	85%
Tier 2 (51-100% FPL)	100%	75%	75%	75%
Tier 3 (101-150% FPL)	100%	50%	65%	50%
Tier 4 (151%-200% FPL)	100%	25%	50%	25%

Pursuant to this proposal, customers with income levels between 0-200% FPL would see marked improvements to bill affordability and reductions in water/wastewater burdens, especially those customers living at the lowest end of the income scale. As stated above, the average income of Aqua's confirmed low income customers is just $20,627.40.[75] Under Aqua's proposed rates, a CAP household of four at this average CAP income level, using 6,000 gallons per month, would see a combined water and wastewater burden of over 8%. By comparison, under my recommendation the very same CAP participant (same household size, usage, and income) would have a 3.4% combined water/wastewater burden under the above-described CAP proposal, which is within accepted affordability standards. CAUSE-PA Exhibit 1 provides a full breakdown of relative water and wastewater burdens at current and proposed CAP rates.

At the proposed discount levels I have outlined, low income customers will be able to realize levels of affordability consistent with income level, household size, and usage levels. This will in turn help to improve CAP payment rates, reduce disproportionately higher arrears, and

[75] CAUSE-PA I-6.

prevent disproportionately high rate of payment trouble and involuntary termination. While adoption of my recommended reforms is needed now, to address current rate unaffordability, these reforms will become even more crucial if the Commission were to approve a further increase in water and wastewater rates as a result of this proceeding. I note that my recommendations in this proceeding should not be read as preclusive of the need for longer-term improvements, including transition to a PIP, to ensure that Aqua's CAP provides consistent affordability to its participants.

It is imperative that additional improvements are made so that economically vulnerable households across Aqua's service territory receive a reasonably affordable water and wastewater bill – lessening the disproportionately high burdens low income families face. Utility assistance programs are most successful at achieving programmatic goals (improved affordability and bill payment, as well as reducing uncollectible expenses) when they are designed to deliver consistent and targeted levels of affordability across income and usage levels in tandem with meaningful arrearage management.[76]

Q: Do you have concerns about the number of Aqua customers that are enrolled in Aqua's CAP?

A: Yes. I am concerned that only a very small portion of Aqua customers are currently enrolled in CAP – far fewer than those who Aqua has already identified in its system as income eligible for the program.

[76] See e.g., NRDC, Water Affordability Toolkit: Affordability and Assistance Programs, available at: https://www.nrdc.org/sites/default/files/water-affordability-toolkit-section-8.pdf.

Table 6: CAP Enrollment v. Confirmed & Estimated Low Income Customers

	CLI Customers[77]	ELI Customers[78]	CAP Participants	CLI % Enrollment	ELI % Enrollment
Dec. 2023	27,446	109,143	5059	18%	4.6%
June 2024	28,918	109,143	6457	22%	5.9%

As the above Table shows, CAP enrollment remains extremely low amongst customers who Aqua has already confirmed to be low income. Indeed, roughly 80% of households *known* to be eligible for Aqua's CAP are not enrolled. Tens of thousands of other low income consumers, not identified by the Company, remain unenrolled. Based on Aqua's estimated low income customer count of 109,143,[79] Aqua's CAP has reached only 4-6% of its estimated eligible households since 2023. Improvements are needed to ensure the program is accessible to all eligible households.

Ms. Black states in her testimony that Aqua is currently projecting CAP enrollment to increase to 12% of its estimated low income customer base by the end of 2024, and to 20% by the end of 2025.[80] Ms. Black also notes in her testimony that Aqua saw "challenges in enrolling customers in CAP with the new income documentation requirements."[81] She then goes on to state that "customers with arrears often follow the path of least resistance, meaning when given option between making a verbal payment agreement and completing an application and submitting income documentation to participate in a more beneficial program, they may opt for the verbal agreement."[82] My extensive experience indicates that this observation is correct. Given that the

[77] CAUSE-PA I-4.
[78] CAUSE-PA I-5, Attachment.
[79] Id.
[80] Aqua St. 13 at 11:14-16.
[81] Id. at 10: 9-10.
[82] Id. at 10:10-13.

arrearage and termination levels for CAP participants is far lower than for Aqua's low income non-CAP participants, and further given that Aqua's CAP enrollment rate needs to improve, Aqua should make every effort to make enrolling in CAP a greater priority and as simple as entering a payment arrangement. I will provide several recommendations below.

Aqua's efforts in data sharing with the Pennsylvania Department of Human Services (DHS) to conduct outreach and enroll LIHWAP recipients into CAP was helpful to jumpstart enrollment as the program began.[83] However, LIHWAP has been closed since August 2023[84], and that pool of applicants may soon be exhausted, if it has not been already. It will require significant *additional* outreach – together with streamlined and simplified enrollment processes - to reach acceptable levels of CAP enrollment. Even if Aqua is able to meet the modest enrollment goals it set out to achieve, the vast majority of low income customers in Aqua's service territory will still not be enrolled in CAP. Unless and until Aqua improves CAP access, the vast majority of low income customers in Aqua's service territory will continue to be charged categorically unaffordable bills.

Aqua must take immediate steps to increase outreach to and enrollment of the remaining 94% of its estimated low income population that is not currently enrolled in CAP. It is critical that Aqua address the disparate rates of payment trouble and terminations among low income customers, which will grow more pronounced if its substantial rate increase proposal is approved.

[83] Aqua St. 13 at 10-11.
[84] Press Release, Shapiro Administration Extends Deadline to Apply for LIHWAP to Help Pennsylvanians Pay Utility Bills (Aug. 16, 2023), https://www.media.pa.gov/pages/dhs_details.aspx?newsid=946.

Q: Do you have recommendations to improve CAP enrollment for Aqua's low income customers?

A: Yes. As an overarching matter, I recommend that the Commission require Aqua to develop and submit a comprehensive Universal Service Plan for periodic Commission review and approval. Currently, as a water/wastewater utility, Aqua is not explicitly required by statute to submit periodic plans related to their low income assistance programming for Commission review and approval. This leaves a substantial gap for the Commission, consumers, and utility advocates, who must rely on Aqua's tariffs and the information that can be pieced together from Aqua's website or Commission orders to determine important program rules, polices, and procedures for Aqua's low income assistance programs. Indeed, there is presently no central place for the Commission or consumers to reference basic facts about Aqua's program eligibility, rate discounts, grant amounts, and enrollment process. This engenders consumer confusion and hampers consumers' ability to learn about and ultimately enroll in Aqua's low income assistance programs. I therefore recommend that Aqua be required to file a Universal Service Plan and an accompanying Petition for Commission review and approval within one year of the final Order in this case.

Second, to more accurately identify and better serve its low income customer base, I recommend that Aqua screen all new and moving customers for income eligibility at the time their service is established. For existing customers, Aqua should routinely screen for income on any non-emergency calls, and/or should inquire whether there has been any update to their income information already noted in their account. Upon establishing an online account, and once annually thereafter, customers should be given the opportunity to voluntarily self-disclose any changes to their income information. All customers identified as low income through this process should be identified in the system as a confirmed low income customer and should be referred for enrollment

in Aqua's low income assistance programs. Consumers should be able to opt out of disclosing their income if they so choose but should first be informed that they may be eligible for lower rates or efficiency and conservation measures.

Third, I recommend that Aqua develop call center scripting that encourages income eligible customers to pursue CAP enrollment and/or other available assistance programs before entering an unaffordable payment arrangement. To help reduce barriers to enrollment in CAP, Aqua should implement a warm transfer to DEF to complete the enrollment process and should temporarily suspend collections while the customer's application is reviewed.

Fourth, Aqua should work with its Aqua Assistance Collaborative (AAC), its advisory collaborative, to identify ways to further streamline CAP enrollment, including but not limited to the use of categorical eligibility and pursuit of additional data sharing agreements with local and state agencies and other utilities that operate similar programs.

Fifth, Aqua should expand its partnerships with local, community-based organizations (CBOs) to improve program outreach and assist with program enrollment. CBOs are rooted in the community and administer a range of human services programs designed to improve the health, safety, and financial security of low income Pennsylvanians.

Finally, Aqua should be required to establish quantitative goals related to affirmative customer outreach for the purpose of enrolling low income customers in CAP. This affirmative outreach should include telephone contacts, mailings, and forms of electronic communication (with customer consent). Aqua should also be required to track and report relevant data regarding its progress to its AAC to help refine outreach efforts based on data-driven analysis of outcomes. Aqua should in turn expand membership of its AAC to include a broader array of community voices from all corners of Aqua's expansive service territory.

Improving the identification of low income customers, and better matching them to critical rate assistance, debt management, and usage reduction services at the earliest opportunity, is essential to improving Aqua's ability to provide just and reasonable rates and services to low income households – especially in light of Aqua's request to substantially increase residential rates through this proceeding. It would also help improve the ability of Aqua, the Commission, and stakeholders to assess Aqua's customer service metrics – including its credit, collections, termination, reconnection, complaint, and universal service data – to determine whether and to what extent its rates, policies, and programs are just and reasonable in appropriately serving the needs of its low income customers.

Q: Is Aqua proposing any changes to Aqua Aid in the context of this proceeding?

A: No.

Q: Do you have any concerns related to Aqua Aid?

A: Yes. While the grant levels seem sufficient based on average arrearage levels for confirmed low income and CAP customers, the miniscule number of grants being processed is concerning in light of the disparate confirmed low income termination rates as discussed above. In 2023, Aqua reported a total of 20 grants processed[85] yet 4,179 confirmed low income customers had their service involuntarily terminated for nonpayment.[86] Thus far in 2024, just 46 Aqua Aid grants have been processed,[87] yet 1,457 confirmed low income customers – including many CAP customers – have had their service involuntarily terminated due to nonpayment.[88] This evidence suggests that Aqua Aid is not appropriately accessible to those in need.

[85] CAUSE-PA I-26.
[86] CAUSE-PA I-18.
[87] See CAUSE-PA I-26, response does not specify end date of 2024 reporting.
[88] CAUSE-PA I-18.

Q: Do you have any recommendations related to Aqua Aid?

A: Yes. Consistent with my earlier recommendations regarding CAP, Aqua should routinely screen and refer eligible customers to Aqua Aid and should expand partnerships with local Community Based Organizations to improve program outreach and assist with enrollment. Aqua should work with its AAC to identify potential CBO partners across Aqua's wide ranging service territory.

Q: Please describe Aqua's current water efficiency assistance programming.

A: Aqua's existing programming consists of furnishing conservation kits as well as providing leak repairs at no cost to the customer.[89] The program is run by Aqua's in-house Customer Assistance Program team and their number is provided to customers via information in termination notices and through field personnel.[90] Aqua initiated the program with a budget of $100,000 and proposes to increase that budget to $132,000 in 2025.[91] Further, Aqua is intending to segment its 2025 budget by type of service as follows: $50,000 for service line leak repairs, $82,000 for inside leak repairs, and $22,000 for conservation kits.[92]

Q: Do you have any concerns about Aqua's water efficiency programming?

A: I appreciate that Aqua has voluntarily instituted a leak repair and conservation program and is actively taking feedback from its AAC. I also recognize that this is a relatively new program with limited data, and my recommendations below are intended to help ensure the program's success. Nevertheless, I am concerned the budget is not adequate to appropriately scale up the program across Aqua's broad service territory. I am also concerned that Aqua is not tracking

[89] Aqua St. 13 at 12-13.
[90] Id.
[91] Id. at 14: 10-12.
[92] Id. at 15.

appropriate metrics to assist in evaluating the success of the program and identifying needed reforms or gaps in available services.

Q: Do you have any recommendations about Aqua's water efficiency programming?

A: Yes. First, I recommend that Aqua increase its budget for conservation, line, and leak repair. As I have explained at length, the proposed rate increase will fall hardest on higher usage households – even for those enrolled in CAP. Based on the size of Aqua's service territory, Aqua's proposed annual budget of just $132,000 per year seems inadequate to serve likely need. Reduction of unnecessarily high water usage among low income customers is in the interest of all residential consumers. I recommend Aqua increase available funding for this program to $400,000, split proportionately across the different conservation and line repair services. This increase would provide the Company flexibility to provide usage reduction services. It would also allow Aqua to more effectively target high usage customers enrolled in CAP, which is an important cost-control measure for the program.

Second, I recommend Aqua track specific performance metrics so the success of the program can be monitored and provide valuable data for adjustments in the future. First, I recommend that Aqua track the households receiving conservation kits and track usage levels at three months and six months after receiving the kits. Aqua should also attempt to follow up with customers between 30 and 60 days of receiving the kits to determine whether the customers have installed them, if they need any assistance installing them, and if they have any further questions regarding the kits. Ideally, this call would also function as an additional CAP outreach for those recipients not yet enrolled. Aqua should continue to work with its AAC to determine the precise avenue and wording of these outreaches.

Third, I recommend similar tracking metrics for customers that received both service line leak repairs and inside leak repairs, to review usage one week post-repair to confirm that the repair was successfully completed and that there may not be additional repairs needed. If it appears based on usage that further repairs may be necessary, Aqua should proactively reach out to these customers to coordinate whatever follow up may be necessary. By reviewing usage soon after initial repairs, this may prevent the customer receiving another high and/or unaffordable bill.

Finally, Aqua should be required to coordinate its service delivery with other utilities in its service territories that operate energy efficiency and conservation programs, such as Low Income Usage Reduction Programs (LIURP) and Act 129 programs. Many utility conservation programs already provide a number of measures that increase water efficiency in customers' households, such as low-flow faucets and shower heads.[93] Partnering with other energy efficiency programs will not only allow Aqua to leverage other utility conservation programs, but it will also ensure that customers can obtain comprehensive conservation measures to reduce their overall water and energy usage.

VI. SUMMARY OF RECOMMENDATIONS

Q: Please summarize the recommendations you have made throughout your direct testimony.

A: In my direct testimony, I have made several recommendations to address unaffordability of Aqua's rates for water/wastewater services at both present and proposed rates for low income customers. I recommend that the Commission order the following:

[93] See 52 Pa. Code § 58.14.

Low Income Household Identification

- That Aqua adopt a broader definition of confirmed low income customers, including other information or indicators that reasonably places the customer in a low income designation. Such information should include:
    - Enrollment or participation in a low income assistance or conservation program (CAP, Aqua Aid, or Aqua's leak repair and conservation program).
    - Receipt of a federal, state, or local utility assistance, such as LIHWAP or LIHEAP.
    - Receipt of other emergency utility assistance.
    - Indication by the customer of inability to pay current bill and/or requests for income based payment arrangements.
    - Contact immediately prior to termination.
    - Other referrals to low income programs.
    - Self-certification by the customer.
    - Income information received based on request for a medical certificate.

CAP Structure

- That Aqua disaggregate its discount levels between 0-50% FPL and 51-100% FPL.
- That Aqua extend its volumetric discount to improve affordability for larger families and higher usage.
- That Aqua revise its CAP structure and discount levels to the structure and levels shown in Table 12.

CAP Enrollment and Outreach

- That Aqua develop and submit a comprehensive Universal Service Plan for periodic Commission review and approval.
- That Aqua screen all new and moving customers for income eligibility at the time their service is established. For existing customers, Aqua should routinely screen for income on any non-emergency calls, and/or should inquire whether there has been any update to their income information already noted in their account
- That Aqua develop call center scripting that appropriately encourages customers to pursue CAP enrollment before entering an unaffordable payment arrangement.
    - Aqua should establish a warm transfer process to refer income eligible customers to DEF to complete an application and should temporarily suspend collections and/or termination while the application is processed.
- That Aqua work with its Aqua Assistance Collaborative (AAC) to identify ways to further streamline CAP enrollment, including but not limited to, the use of categorical eligibility and pursuit of additional data sharing agreements with local and state agencies and other utilities that operate similar programs.
- That Aqua expand partnerships with Community Based Organizations (CBOs) to assist with outreach and enrollment.

- That Aqua establish quantitative goals related to affirmative customer outreach for the purpose of enrolling low income customers in CAP.

Aqua Aid

- That Aqua explore the expanded use of Community Based Organizations (CBOs) that are already providing services to customers likely to be eligible for Aqua Aid, along with other of Aqua's low income assistance programs.
- That Aqua work with its AAC to identify potential CBO partners across Aqua's wide ranging service territory.

Leak Repair and Conservation Program

- That Aqua increase its budget for conservation, line, and leak repair to $400,000, with targeted outreach to high usage CAP customers.
- That Aqua track the households receiving conservation kits and track usage levels at three months and six months after receiving the kits. Aqua should also attempt to follow up with customers between 30 and 60 days of receiving the kits.
- That, for those customers who received leak repairs, Aqua review usage one week post-repair to confirm that the repair was successfully completed and that there may not be additional repairs needed.
- That Aqua coordinate its service delivery with other utilities in its service territories that operate energy efficiency and conservation programs, such as Low Income Usage Reduction Programs (LIURP) and Act 129 programs.

Q: Does that conclude your direct testimony?

A: Yes; however, I reserve the right to submit rebuttal and surrebuttal testimony in response to testimony submitted by other parties in this proceeding.

CAUSE-PA Exhibit 1 - a

ZONE 1 - Water - Current Full Tariff, Current CAP, Proposed Full Tariff, AQUA Proposed CAP, and CAUSE-PA Recommended CAP

*income levels represent 50%, 100%, 150%, and 200% FPL, using 2024 federal poverty guidelines.

See HHS Poverty Guidelines for 2024, https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines

	2 Person Household															
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Current CAP	Annual Current CAP	Burden - Current CAP	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly CAP PROPOSED	Annual CAP PROPOSED	Burden - CAP PROPOSED	Monthly -- CAUSE-PA Recommended CAP	Annual -- CAUSE-PA Recommended CAP	Burden - CAUSE-PA Recommended CAP
	2000 Gal.															
50% FPL	$ 10,220	$ 46.61	$ 559.32	5%	$ -	$ -	0%	$ 58.68	$ 704.16	7%	$ -	$ -	0%	$ 5.22	$ 62.64	1%
100% FPL	$ 20,440	$ 46.61	$ 559.32	3%	$ -	$ -	0%	$ 58.68	$ 704.16	3%	$ -	$ -	0%	$ 8.70	$ 104.40	1%
150% FPL	$ 30,660	$ 46.61	$ 559.32	2%	$ 13.05	$ 156.60	1%	$ 58.68	$ 704.16	2%	$ 17.39	$ 208.68	1%	$ 17.39	$ 208.68	1%
200% FPL	$ 40,880	$ 46.61	$ 559.32	1%	$ 26.10	$ 313.20	1%	$ 58.68	$ 704.16	2%	$ 34.78	$ 417.36	1%	$ 26.09	$ 313.08	1%
	4000 Gal															
50% FPL	$ 10,220	$ 77.51	$ 930.12	9%	$ 30.90	$ 370.80	4%	$ 99.76	$ 1,197.12	12%	$ 41.08	$ 492.96	5%	$ 11.38	$ 136.56	1%
100% FPL	$ 20,440	$ 77.51	$ 930.12	5%	$ 30.90	$ 370.80	2%	$ 99.76	$ 1,197.12	6%	$ 41.08	$ 492.96	2%	$ 18.97	$ 227.64	1%
150% FPL	$ 30,660	$ 77.51	$ 930.12	3%	$ 43.95	$ 527.40	2%	$ 99.76	$ 1,197.12	4%	$ 58.47	$ 701.64	2%	$ 37.93	$ 455.16	1%
200% FPL	$ 40,880	$ 77.51	$ 930.12	2%	$ 61.80	$ 741.60	2%	$ 99.76	$ 1,197.12	3%	$ 75.86	$ 910.32	2%	$ 56.90	$ 682.80	2%
	6000 Gal															
50% FPL	$ 10,220	$ 108.41	$ 1,300.92	13%	$ 61.80	$ 741.60	7%	$ 140.84	$ 1,690.08	17%	$ 82.16	$ 985.92	10%	$ 17.54	$ 210.48	2%
100% FPL	$ 20,440	$ 108.41	$ 1,300.92	6%	$ 61.80	$ 741.60	4%	$ 140.84	$ 1,690.08	8%	$ 82.16	$ 985.92	5%	$ 29.24	$ 350.88	2%
150% FPL	$ 30,660	$ 108.41	$ 1,300.92	4%	$ 74.85	$ 898.20	3%	$ 140.84	$ 1,690.08	6%	$ 99.55	$ 1,194.60	4%	$ 58.47	$ 701.64	2%
200% FPL	$ 40,880	$ 108.41	$ 1,300.92	3%	$ 92.71	$ 1,112.52	3%	$ 140.84	$ 1,690.08	4%	$ 116.94	$ 1,403.28	3%	$ 87.71	$ 1,052.52	3%
	8000 Gal															
50% FPL	$ 10,220	$ 139.32	$ 1,671.84	16%	$ 92.71	$ 1,112.52	11%	$ 181.92	$ 2,183.04	21%	$ 123.24	$ 1,478.88	14%	$ 23.70	$ 284.40	3%
100% FPL	$ 20,440	$ 139.32	$ 1,671.84	8%	$ 92.71	$ 1,112.52	5%	$ 181.92	$ 2,183.04	11%	$ 123.24	$ 1,478.88	7%	$ 39.51	$ 474.12	2%
150% FPL	$ 30,660	$ 139.32	$ 1,671.84	5%	$ 105.76	$ 1,269.12	4%	$ 181.92	$ 2,183.04	7%	$ 140.63	$ 1,687.56	6%	$ 79.01	$ 948.12	3%
200% FPL	$ 40,880	$ 139.32	$ 1,671.84	4%	$ 123.61	$ 1,483.32	4%	$ 181.92	$ 2,183.04	5%	$ 158.02	$ 1,896.24	5%	$ 118.50	$ 1,422.00	3%
	10,000 Gal															
50% FPL	$ 10,220	$ 170.22	$ 2,042.64	20%	$ 123.60	$ 1,483.20	15%	$ 223.00	$ 2,676.00	26%	$ 164.32	$ 1,971.84	19%	$ 29.87	$ 358.44	4%
100% FPL	$ 20,440	$ 170.22	$ 2,042.64	10%	$ 123.60	$ 1,483.20	7%	$ 223.00	$ 2,676.00	13%	$ 164.32	$ 1,971.84	10%	$ 49.76	$ 597.12	3%
150% FPL	$ 30,660	$ 170.22	$ 2,042.64	7%	$ 136.66	$ 1,639.92	5%	$ 223.00	$ 2,676.00	9%	$ 181.71	$ 2,180.52	7%	$ 99.55	$ 1,194.60	4%
200% FPL	$ 40,880	$ 170.22	$ 2,042.64	5%	$ 154.51	$ 1,854.12	5%	$ 223.00	$ 2,676.00	7%	$ 199.10	$ 2,389.20	6%	$ 149.33	$ 1,791.96	4%

	3 Person Household															
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Current CAP	Annual Current CAP	Burden - Current CAP	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly CAP PROPOSED	Annual CAP PROPOSED	Burden - CAP PROPOSED	Monthly -- CAUSE-PA Recommended CAP	Annual -- CAUSE-PA Recommended CAP	Burden - CAUSE-PA Recommended CAP
	2000 Gal.															
50% FPL	$ 12,910	$ 46.61	$ 559.32	4%	$ -	$ -	0%	$ 58.68	$ 704.16	5%	$ -	$ -	0%	$ 5.22	$ 62.64	0%
100% FPL	$ 25,820	$ 46.61	$ 559.32	2%	$ -	$ -	0%	$ 58.68	$ 704.16	3%	$ -	$ -	0%	$ 8.70	$ 104.40	0%
150% FPL	$ 38,730	$ 46.61	$ 559.32	1%	$ 13.05	$ 156.60	0%	$ 58.68	$ 704.16	2%	$ 17.39	$ 208.68	1%	$ 17.39	$ 208.68	1%
200% FPL	$ 51,640	$ 46.61	$ 559.32	1%	$ 26.10	$ 313.20	1%	$ 58.68	$ 704.16	1%	$ 34.78	$ 417.36	1%	$ 26.09	$ 313.08	1%
	4000 Gal															
50% FPL	$ 12,910	$ 77.51	$ 930.12	7%	$ 30.90	$ 370.80	3%	$ 99.76	$ 1,197.12	9%	$ 41.08	$ 492.96	4%	$ 11.38	$ 136.56	1%
100% FPL	$ 25,820	$ 77.51	$ 930.12	4%	$ 30.90	$ 370.80	1%	$ 99.76	$ 1,197.12	5%	$ 41.08	$ 492.96	2%	$ 18.97	$ 227.64	1%
150% FPL	$ 38,730	$ 77.51	$ 930.12	2%	$ 43.95	$ 527.40	1%	$ 99.76	$ 1,197.12	3%	$ 58.47	$ 701.64	2%	$ 37.93	$ 455.16	1%
200% FPL	$ 51,640	$ 77.51	$ 608.40	1%	$ 61.80	$ 741.60	1%	$ 99.76	$ 1,197.12	2%	$ 75.86	$ 910.32	2%	$ 56.90	$ 682.80	1%
	6000 Gal															
50% FPL	$ 12,910	$ 108.41	$ 1,300.92	10%	$ 61.80	$ 741.60	6%	$ 140.84	$ 1,690.08	13%	$ 82.16	$ 985.92	8%	$ 17.54	$ 210.48	2%
100% FPL	$ 25,820	$ 108.41	$ 1,300.92	5%	$ 61.80	$ 741.60	3%	$ 140.84	$ 1,690.08	7%	$ 82.16	$ 985.92	4%	$ 29.24	$ 350.88	1%
150% FPL	$ 38,730	$ 108.41	$ 1,300.92	3%	$ 74.85	$ 898.20	2%	$ 140.84	$ 1,690.08	4%	$ 99.55	$ 1,194.60	3%	$ 58.47	$ 701.64	2%
200% FPL	$ 51,640	$ 108.41	$ 1,300.92	3%	$ 92.71	$ 1,112.52	2%	$ 140.84	$ 1,690.08	3%	$ 116.94	$ 1,403.28	3%	$ 87.71	$ 1,052.52	2%
	8000 Gal															

50% FPL	$ 12,910	$ 139.32	$ 1,671.84	13%	$ 92.71	$ 1,112.52	9%	$ 181.92	$ 2,183.04	17%	$ 123.24	$ 1,478.88	11%	$ 23.70	$ 284.40	2%		
100% FPL	$ 25,820	$ 139.32	$ 1,671.84	6%	$ 92.71	$ 1,112.52	4%	$ 181.92	$ 2,183.04	8%	$ 123.24	$ 1,478.88	6%	$ 39.51	$ 474.12	2%		
150% FPL	$ 38,730	$ 139.32	$ 1,671.84	4%	$ 105.76	$ 1,269.12	3%	$ 181.92	$ 2,183.04	6%	$ 140.63	$ 1,687.56	4%	$ 79.01	$ 948.12	2%		
200% FPL	$ 51,640	$ 139.32	$ 1,671.84	3%	$ 123.61	$ 1,483.32	3%	$ 181.92	$ 2,183.04	4%	$ 158.02	$ 1,896.24	4%	$ 118.50	$ 1,422.00	3%		
	10,000 Gal																	
50% FPL	$ 12,910	$ 170.22	$ 2,042.64	16%	$ 123.60	$ 1,483.20	11%	$ 223.00	$ 2,676.00	21%	$ 164.32	$ 1,971.84	15%	$ 29.87	$ 358.44	3%		
100% FPL	$ 25,820	$ 170.22	$ 2,042.64	8%	$ 123.60	$ 1,483.20	6%	$ 223.00	$ 2,676.00	10%	$ 164.32	$ 1,971.84	8%	$ 49.76	$ 597.12	2%		
150% FPL	$ 38,730	$ 170.22	$ 2,042.64	5%	$ 136.66	$ 1,639.92	4%	$ 223.00	$ 2,676.00	7%	$ 181.71	$ 2,180.52	6%	$ 99.55	$ 1,194.60	3%		
200% FPL	$ 51,640	$ 170.22	$ 2,042.64	4%	$ 154.51	$ 1,854.12	4%	$ 223.00	$ 2,676.00	5%	$ 199.10	$ 2,389.20	5%	$ 149.33	$ 1,791.96	3%		

	4 Person Household																
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Current CAP	Annual Current CAP	Burden - Current CAP	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly CAP PROPOSED	Annual CAP PROPOSED	Burden - CAP PROPOSED	Monthly -- CAUSE-PA Recommended CAP		Annual -- CAUSE-PA Recommended CAP	Burden - CAUSE-PA Recommended CAP
	2000 Gal.																
50% FPL	$ 15,600	$ 46.61	$ 559.32	4%	$ -	$ -	0%	$ 58.68	$ 704.16	5%	$ -	$ -	0%	$ 5.22	$ 62.64	0%	
100% FPL	$ 31,200	$ 46.61	$ 559.32	2%	$ -	$ -	0%	$ 58.68	$ 704.16	2%	$ -	$ -	0%	$ 8.70	$ 104.40	0%	
150% FPL	$ 46,800	$ 46.61	$ 559.32	1%	$ 13.05	$ 156.60	0%	$ 58.68	$ 704.16	2%	$ 17.39	$ 208.68	0%	$ 17.39	$ 208.68	0%	
200% FPL	$ 62,400	$ 46.61	$ 559.32	1%	$ 26.10	$ 313.20	1%	$ 58.68	$ 704.16	1%	$ 34.78	$ 417.36	1%	$ 26.09	$ 313.08	1%	
	4000 Gal																
50% FPL	$ 15,600	$ 77.51	$ 930.12	6%	$ 30.90	$ 370.80	2%	$ 99.76	$ 1,197.12	8%	$ 41.08	$ 492.96	3%	$ 11.38	$ 136.56	1%	
100% FPL	$ 31,200	$ 77.51	$ 930.12	3%	$ 30.90	$ 370.80	1%	$ 99.76	$ 1,197.12	4%	$ 41.08	$ 492.96	2%	$ 18.97	$ 227.64	1%	
150% FPL	$ 46,800	$ 77.51	$ 930.12	2%	$ 43.95	$ 527.40	1%	$ 99.76	$ 1,197.12	3%	$ 58.47	$ 701.64	1%	$ 37.93	$ 455.16	1%	
200% FPL	$ 62,400	$ 77.51	$ 608.40	1%	$ 61.80	$ 741.60	1%	$ 99.76	$ 1,197.12	2%	$ 75.86	$ 910.32	1%	$ 56.90	$ 682.80	1%	
	6000 Gal																
50% FPL	$ 15,600	$ 108.41	$ 1,300.92	8%	$ 61.80	$ 741.60	5%	$ 140.84	$ 1,690.08	11%	$ 82.16	$ 985.92	6%	$ 17.54	$ 210.48	1%	
100% FPL	$ 31,200	$ 108.41	$ 1,300.92	4%	$ 61.80	$ 741.60	2%	$ 140.84	$ 1,690.08	5%	$ 82.16	$ 985.92	3%	$ 29.24	$ 350.88	1%	
150% FPL	$ 46,800	$ 108.41	$ 1,300.92	3%	$ 74.85	$ 898.20	2%	$ 140.84	$ 1,690.08	4%	$ 99.55	$ 1,194.60	3%	$ 58.47	$ 701.64	1%	
200% FPL	$ 62,400	$ 108.41	$ 1,300.92	2%	$ 92.71	$ 1,112.52	2%	$ 140.84	$ 1,690.08	3%	$ 116.94	$ 1,403.28	2%	$ 87.71	$ 1,052.52	2%	
	8000 Gal																
50% FPL	$ 15,600	$ 139.32	$ 1,671.84	11%	$ 92.71	$ 1,112.52	7%	$ 181.92	$ 2,183.04	14%	$ 123.24	$ 1,478.88	9%	$ 23.70	$ 284.40	2%	
100% FPL	$ 31,200	$ 139.32	$ 1,671.84	5%	$ 92.71	$ 1,112.52	4%	$ 181.92	$ 2,183.04	7%	$ 123.24	$ 1,478.88	5%	$ 39.51	$ 474.12	2%	
150% FPL	$ 46,800	$ 139.32	$ 1,671.84	4%	$ 105.76	$ 1,269.12	3%	$ 181.92	$ 2,183.04	5%	$ 140.63	$ 1,687.56	4%	$ 79.01	$ 948.12	2%	
200% FPL	$ 62,400	$ 139.32	$ 1,671.84	3%	$ 123.61	$ 1,483.32	2%	$ 181.92	$ 2,183.04	3%	$ 158.02	$ 1,896.24	3%	$ 118.50	$ 1,422.00	2%	
	10,000 Gal																
50% FPL	$ 15,600	$ 170.22	$ 2,042.64	13%	$ 123.60	$ 1,483.20	10%	$ 223.00	$ 2,676.00	17%	$ 164.32	$ 1,971.84	13%	$ 29.87	$ 358.44	2%	
100% FPL	$ 31,200	$ 170.22	$ 2,042.64	7%	$ 123.60	$ 1,483.20	5%	$ 223.00	$ 2,676.00	9%	$ 164.32	$ 1,971.84	6%	$ 49.76	$ 597.12	2%	
150% FPL	$ 46,800	$ 170.22	$ 2,042.64	4%	$ 136.66	$ 1,639.92	4%	$ 223.00	$ 2,676.00	6%	$ 181.71	$ 2,180.52	5%	$ 99.55	$ 1,194.60	3%	
200% FPL	$ 62,400	$ 170.22	$ 2,042.64	3%	$ 154.51	$ 1,854.12	3%	$ 223.00	$ 2,676.00	4%	$ 199.10	$ 2,389.20	4%	$ 149.33	$ 1,791.96	3%	

Current water rates from Tariff - Water PA P.U.C. No. 3 p. 12.1(fixed) and 12.2(volumetric)
Proposed CAP rates from Tariff - Water PA P.U.C. No. 4 12.1 (fixed) and 12.2(volumetric)
CAP rates from Tariff - Water PA P.U.C. No. 4 p. 32

CAUSE-PA Exhibit 1 - b

ZONE 1 - Sewer - Current Full Tariff, Current CAP, Proposed Full Tariff, AQUA Proposed CAP, and CAUSE-PA Recommended CAP

*income levels represent 50%, 100%, 150%, and 200% FPL, using 2024 federal poverty guidelines.

See HHS Poverty Guidelines for 2024, https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines

	2 Person Household															
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Current CAP	Annual Current CAP	Burden - Current CAP	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly CAP PROPOSED	Annual CAP PROPOSED	Burden - CAP PROPOSED	Monthly -- CAUSE-PA Recommended CAP	Annual -- CAUSE-PA Recommended CAP	Burden - CAUSE-PA Recommended CAP
	2000 Gal.															
50% FPL	$ 10,220	$ 71.83	$ 861.96	8%	$ 12.05	$ 144.60	1%	$ 71.00	$ 852.00	8%	$ 11.91	$ 142.92	1%	$ 10.65	$ 127.80	1%
100% FPL	$ 20,440	$ 71.83	$ 861.96	4%	$ 12.05	$ 144.60	1%	$ 71.00	$ 852.00	4%	$ 11.91	$ 142.92	1%	$ 17.75	$ 213.00	1%
150% FPL	$ 30,660	$ 71.83	$ 861.96	3%	$ 39.69	$ 476.28	2%	$ 71.00	$ 852.00	3%	$ 28.35	$ 340.20	1%	$ 28.35	$ 340.20	1%
200% FPL	$ 40,880	$ 71.83	$ 861.96	2%	$ 47.73	$ 572.76	1%	$ 71.00	$ 852.00	2%	$ 47.18	$ 566.16	1%	$ 41.34	$ 496.08	1%
	4000 Gal															
50% FPL	$ 10,220	$ 95.47	$ 1,145.64	11%	$ 35.68	$ 428.16	4%	$ 94.36	$ 1,132.32	11%	$ 35.27	$ 423.24	4%	$ 14.15	$ 169.80	2%
100% FPL	$ 20,440	$ 95.47	$ 1,145.64	6%	$ 35.68	$ 428.16	2%	$ 94.36	$ 1,132.32	6%	$ 35.27	$ 423.24	2%	$ 23.59	$ 283.08	1%
150% FPL	$ 30,660	$ 95.47	$ 1,145.64	4%	$ 52.32	$ 627.84	2%	$ 94.36	$ 1,132.32	4%	$ 51.71	$ 620.52	2%	$ 40.03	$ 480.36	2%
200% FPL	$ 40,880	$ 95.47	$ 1,145.64	3%	$ 71.36	$ 856.32	2%	$ 94.36	$ 1,132.32	3%	$ 70.54	$ 846.48	2%	$ 58.86	$ 706.32	2%
	6000 Gal															
50% FPL	$ 10,220	$ 119.10	$ 1,429.20	14%	$ 59.32	$ 711.84	7%	$ 117.73	$ 1,412.76	14%	$ 58.63	$ 703.56	7%	$ 17.69	$ 212.28	2%
100% FPL	$ 20,440	$ 119.10	$ 1,429.20	7%	$ 59.32	$ 711.84	3%	$ 117.73	$ 1,412.76	7%	$ 58.63	$ 703.56	3%	$ 29.43	$ 353.16	2%
150% FPL	$ 30,660	$ 119.10	$ 1,429.20	5%	$ 75.96	$ 911.52	3%	$ 117.73	$ 1,412.76	5%	$ 75.07	$ 900.84	3%	$ 51.57	$ 618.84	2%
200% FPL	$ 40,880	$ 119.10	$ 1,429.20	3%	$ 95.00	$ 1,140.00	3%	$ 117.73	$ 1,412.76	3%	$ 93.91	$ 1,126.92	3%	$ 76.38	$ 916.56	2%
	8000 Gal															
50% FPL	$ 10,220	$ 142.74	$ 1,712.88	17%	$ 82.95	$ 995.40	10%	$ 141.09	$ 1,693.08	17%	$ 82.01	$ 984.12	10%	$ 21.16	$ 253.92	2%
100% FPL	$ 20,440	$ 142.74	$ 1,712.88	8%	$ 82.95	$ 995.40	5%	$ 141.09	$ 1,693.08	8%	$ 82.01	$ 984.12	5%	$ 35.27	$ 423.24	2%
150% FPL	$ 30,660	$ 142.74	$ 1,712.88	6%	$ 99.59	$ 1,195.08	4%	$ 141.09	$ 1,693.08	6%	$ 98.44	$ 1,181.28	4%	$ 63.39	$ 760.68	2%
200% FPL	$ 40,880	$ 142.74	$ 1,712.88	4%	$ 118.63	$ 1,423.56	3%	$ 141.09	$ 1,693.08	4%	$ 117.27	$ 1,407.24	3%	$ 93.90	$ 1,126.80	3%
	10,000 Gal															
50% FPL	$ 10,220	$ 166.37	$ 1,996.44	20%	$ 106.59	$ 1,279.08	13%	$ 164.44	$ 1,973.28	19%	$ 105.35	$ 1,264.20	12%	$ 24.67	$ 296.04	3%
100% FPL	$ 20,440	$ 166.37	$ 1,996.44	10%	$ 106.59	$ 1,279.08	6%	$ 164.44	$ 1,973.28	10%	$ 105.35	$ 1,264.20	6%	$ 41.11	$ 493.32	2%
150% FPL	$ 30,660	$ 166.37	$ 1,996.44	7%	$ 123.23	$ 1,478.76	5%	$ 164.44	$ 1,973.28	6%	$ 121.80	$ 1,461.60	5%	$ 75.07	$ 900.84	3%
200% FPL	$ 40,880	$ 166.37	$ 1,996.44	5%	$ 142.27	$ 1,707.24	4%	$ 164.44	$ 1,973.28	5%	$ 140.63	$ 1,687.56	4%	$ 111.42	$ 1,337.04	3%

	3 Person Household															
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Current CAP	Annual Current CAP	Burden - Current CAP	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly CAP PROPOSED	Annual CAP PROPOSED	Burden - CAP PROPOSED	Monthly -- CAUSE-PA Recommended CAP	Annual -- CAUSE-PA Recommended CAP	Burden - CAUSE-PA Recommended CAP
	2000 Gal.															
50% FPL	$ 12,910	$ 71.83	$ 861.96	7%	$ 12.05	$ 144.60	1%	$ 71.00	$ 852.00	7%	$ 11.91	$ 142.92	1%	$ 10.65	$ 127.80	1%
100% FPL	$ 25,820	$ 71.83	$ 861.96	3%	$ 12.05	$ 144.60	1%	$ 71.00	$ 852.00	3%	$ 11.91	$ 142.92	1%	$ 17.75	$ 213.00	1%
150% FPL	$ 38,730	$ 71.83	$ 861.96	2%	$ 39.69	$ 476.28	1%	$ 71.00	$ 852.00	2%	$ 28.35	$ 340.20	1%	$ 28.35	$ 340.20	1%
200% FPL	$ 51,640	$ 71.83	$ 861.96	2%	$ 47.73	$ 572.76	1%	$ 71.00	$ 852.00	2%	$ 47.18	$ 566.16	1%	$ 41.34	$ 496.08	1%
	4000 Gal															
50% FPL	$ 12,910	$ 95.47	$ 1,145.64	9%	$ 35.68	$ 428.16	3%	$ 94.36	$ 1,132.32	9%	$ 35.27	$ 423.24	3%	$ 14.15	$ 169.80	1%
100% FPL	$ 25,820	$ 95.47	$ 1,145.64	4%	$ 35.68	$ 428.16	2%	$ 94.36	$ 1,132.32	4%	$ 35.27	$ 423.24	2%	$ 23.59	$ 283.08	1%
150% FPL	$ 38,730	$ 95.47	$ 1,145.64	3%	$ 52.32	$ 627.84	2%	$ 94.36	$ 1,132.32	3%	$ 51.71	$ 620.52	2%	$ 40.03	$ 480.36	1%
200% FPL	$ 51,640	$ 95.47	$ 1,145.64	2%	$ 71.36	$ 856.32	2%	$ 94.36	$ 1,132.32	2%	$ 70.54	$ 846.48	2%	$ 58.86	$ 706.32	1%
	6000 Gal															
50% FPL	$ 12,910	$ 119.10	$ 1,429.20	11%	$ 59.32	$ 711.84	6%	$ 117.73	$ 1,412.76	11%	$ 58.63	$ 703.56	5%	$ 17.69	$ 212.28	2%
100% FPL	$ 25,820	$ 119.10	$ 1,429.20	6%	$ 59.32	$ 711.84	3%	$ 117.73	$ 1,412.76	5%	$ 58.63	$ 703.56	3%	$ 29.43	$ 353.16	1%

150% FPL	$ 38,730	$ 119.10	$ 1,429.20	4%	$ 75.96	$ 911.52	2%	$ 117.73	$ 1,412.76	4%	$ 75.07	$ 900.84	2%	$ 51.57	$ 618.84	2%			
200% FPL	$ 51,640	$ 119.10	$ 1,429.20	3%	$ 95.00	$ 1,140.00	2%	$ 117.73	$ 1,412.76	3%	$ 93.91	$ 1,126.92	2%	$ 76.38	$ 916.56	2%			
	8000 Gal																		
50% FPL	$ 12,910	$ 142.74	$ 1,712.88	13%	$ 82.95	$ 995.40	8%	$ 141.09	$ 1,693.08	13%	$ 82.01	$ 984.12	8%	$ 21.16	$ 253.92	2%			
100% FPL	$ 25,820	$ 142.74	$ 1,712.88	7%	$ 82.95	$ 995.40	4%	$ 141.09	$ 1,693.08	7%	$ 82.01	$ 984.12	4%	$ 35.27	$ 423.24	2%			
150% FPL	$ 38,730	$ 142.74	$ 1,712.88	4%	$ 99.59	$ 1,195.08	3%	$ 141.09	$ 1,693.08	4%	$ 98.44	$ 1,181.28	3%	$ 63.39	$ 760.68	2%			
200% FPL	$ 51,640	$ 142.74	$ 1,712.88	3%	$ 118.63	$ 1,423.56	3%	$ 141.09	$ 1,693.08	3%	$ 117.27	$ 1,407.24	3%	$ 93.90	$ 1,126.80	2%			
	10,000 Gal																		
50% FPL	$ 12,910	$ 166.37	$ 1,996.44	15%	$ 106.59	$ 1,279.08	10%	$ 164.44	$ 1,973.28	15%	$ 105.35	$ 1,264.20	10%	$ 24.67	$ 296.04	2%			
100% FPL	$ 25,820	$ 166.37	$ 1,996.44	8%	$ 106.59	$ 1,279.08	5%	$ 164.44	$ 1,973.28	8%	$ 105.35	$ 1,264.20	5%	$ 41.11	$ 493.32	2%			
150% FPL	$ 38,730	$ 166.37	$ 1,996.44	5%	$ 123.23	$ 1,478.76	4%	$ 164.44	$ 1,973.28	5%	$ 121.80	$ 1,461.60	4%	$ 75.07	$ 900.84	2%			
200% FPL	$ 51,640	$ 166.37	$ 1,996.44	4%	$ 142.27	$ 1,707.24	3%	$ 164.44	$ 1,973.28	4%	$ 140.63	$ 1,687.56	3%	$ 111.42	$ 1,337.04	3%			

	4 Person Household															
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Current CAP	Annual Current CAP	Burden - Current CAP	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly CAP PROPOSED	Annual CAP PROPOSED	Burden - CAP PROPOSED	Monthly -- CAUSE-PA Recommended CAP	Annual -- CAUSE-PA Recommended CAP	Burden - CAUSE-PA Recommended CAP
	2000 Gal.															
50% FPL	$ 15,600	$ 71.83	$ 861.96	6%	$ 12.05	$ 144.60	1%	$ 71.00	$ 852.00	5%	$ 11.91	$ 142.92	1%	$ 10.65	$ 127.80	1%
100% FPL	$ 31,200	$ 71.83	$ 861.96	3%	$ 12.05	$ 144.60	0%	$ 71.00	$ 852.00	3%	$ 11.91	$ 142.92	0%	$ 17.75	$ 213.00	1%
150% FPL	$ 46,800	$ 71.83	$ 861.96	2%	$ 39.69	$ 476.28	1%	$ 71.00	$ 852.00	2%	$ 28.35	$ 340.20	1%	$ 28.35	$ 340.20	1%
200% FPL	$ 62,400	$ 71.83	$ 861.96	1%	$ 47.73	$ 572.76	1%	$ 71.00	$ 852.00	1%	$ 47.18	$ 566.16	1%	$ 41.34	$ 496.08	1%
	4000 Gal															
50% FPL	$ 15,600	$ 95.47	$ 1,145.64	7%	$ 35.68	$ 428.16	3%	$ 94.36	$ 1,132.32	7%	$ 35.27	$ 423.24	3%	$ 14.15	$ 169.80	1%
100% FPL	$ 31,200	$ 95.47	$ 1,145.64	4%	$ 35.68	$ 428.16	1%	$ 94.36	$ 1,132.32	4%	$ 35.27	$ 423.24	1%	$ 23.59	$ 283.08	1%
150% FPL	$ 46,800	$ 95.47	$ 1,145.64	2%	$ 52.32	$ 627.84	1%	$ 94.36	$ 1,132.32	2%	$ 51.71	$ 620.52	1%	$ 40.03	$ 480.36	1%
200% FPL	$ 62,400	$ 95.47	$ 608.40	1%	$ 71.36	$ 856.32	1%	$ 94.36	$ 1,132.32	2%	$ 70.54	$ 846.48	1%	$ 58.86	$ 706.32	1%
	6000 Gal															
50% FPL	$ 15,600	$ 119.10	$ 1,429.20	9%	$ 59.32	$ 711.84	5%	$ 117.73	$ 1,412.76	9%	$ 58.63	$ 703.56	5%	$ 17.69	$ 212.28	1%
100% FPL	$ 31,200	$ 119.10	$ 1,429.20	5%	$ 59.32	$ 711.84	2%	$ 117.73	$ 1,412.76	5%	$ 58.63	$ 703.56	2%	$ 29.43	$ 353.16	1%
150% FPL	$ 46,800	$ 119.10	$ 1,429.20	3%	$ 75.96	$ 911.52	2%	$ 117.73	$ 1,412.76	3%	$ 75.07	$ 900.84	2%	$ 51.57	$ 618.84	1%
200% FPL	$ 62,400	$ 119.10	$ 1,429.20	2%	$ 95.00	$ 1,140.00	2%	$ 117.73	$ 1,412.76	2%	$ 93.91	$ 1,126.92	2%	$ 76.38	$ 916.56	1%
	8000 Gal															
50% FPL	$ 15,600	$ 142.74	$ 1,712.88	11%	$ 82.95	$ 995.40	6%	$ 141.09	$ 1,693.08	11%	$ 82.01	$ 984.12	6%	$ 21.16	$ 253.92	2%
100% FPL	$ 31,200	$ 142.74	$ 1,712.88	5%	$ 82.95	$ 995.40	3%	$ 141.09	$ 1,693.08	5%	$ 82.01	$ 984.12	3%	$ 35.27	$ 423.24	1%
150% FPL	$ 46,800	$ 142.74	$ 1,712.88	4%	$ 99.59	$ 1,195.08	3%	$ 141.09	$ 1,693.08	4%	$ 98.44	$ 1,181.28	3%	$ 63.39	$ 760.68	2%
200% FPL	$ 62,400	$ 142.74	$ 1,712.88	3%	$ 118.63	$ 1,423.56	2%	$ 141.09	$ 1,693.08	3%	$ 117.27	$ 1,407.24	2%	$ 93.90	$ 1,126.80	2%
	10,000 Gal															
50% FPL	$ 15,600	$ 166.37	$ 1,996.44	13%	$ 106.59	$ 1,279.08	8%	$ 164.44	$ 1,973.28	13%	$ 105.35	$ 1,264.20	8%	$ 24.67	$ 296.04	2%
100% FPL	$ 31,200	$ 166.37	$ 1,996.44	6%	$ 106.59	$ 1,279.08	4%	$ 164.44	$ 1,973.28	6%	$ 105.35	$ 1,264.20	4%	$ 41.11	$ 493.32	2%
150% FPL	$ 46,800	$ 166.37	$ 1,996.44	4%	$ 123.23	$ 1,478.76	3%	$ 164.44	$ 1,973.28	4%	$ 121.80	$ 1,461.60	3%	$ 75.07	$ 900.84	2%
200% FPL	$ 62,400	$ 166.37	$ 1,996.44	3%	$ 142.27	$ 1,707.24	3%	$ 164.44	$ 1,973.28	3%	$ 140.63	$ 1,687.56	3%	$ 111.42	$ 1,337.04	2%

Current water rates from Tariff - Sewer PA P.U.C. No. 3 p. 10.1.2
Proposed CAP rates from Tariff - Sewer PA P.U.C. No. 4 p. 10.1.1
CAP rates from Tariff - Water PA P.U.C. No. 4 p. 10.1.1

CAUSE-PA St. 1, Geller

Appendix A

Resume - Harry S. Geller, Esq.

RESUME OF HARRY S. GELLER

EDUCATIONAL BACKGROUND:

Harpur College, State University of New York at Binghamton, B.A. 1966
Washington College of Law, American University, J.D. 1969
New York University Law School, courses in Urban Affairs and Poverty Law, as part of Volunteers in Service to America (VISTA) Program 1969-1971

EMPLOYMENT:

1988 – 2015 Executive Director, Pennsylvania Utility Law Project (PULP), a project of the civil non-profit Pennsylvania Legal Aid Network. PULP is dedicated to providing technical support, information sharing, and representation to low-income individuals and organizations, assisting and advocating for the low income in utility and energy matters. Responsibilities include project oversight, case consultation, co-counseling, and participation on task forces, work groups and advisory panels, community education and training in utility and energy matters affecting the low income.

While at PULP, served in the following capacities:

- Chairman, Low-Income Home Energy Assistance Program (LIHEAP) Advisory Committee to the Secretary, Pennsylvania Department of Human Services
- Member, Pennsylvania Public Utility Commission, Consumer Advisory Council Coordinator, Pennsylvania Legal Services Utility/Energy Work Groups
- Member, Weatherization Policy Advisory Committee to the Department of Community and Economic Development
- Member, PECO Universal Service Advisory Committee and LIURP Subcommittee

1974-1987 Staff Attorney, Managing Attorney and ultimately, Executive Director of Legal Services, Incorporated (LSI), a civil legal services program serving Adams, Cumberland, Franklin and Fulton Counties. Through a restructuring with other legal services programs, LSI became part of what is now known as MidPenn Legal Services and Franklin County Legal Services.

1971-1972 Staff Attorney, New York City Legal Aid Society, Criminal Court and Supreme Court Branches, New York County.

1969-1971 Volunteer in Service to America (VISTA) assigned to the New York University Law School Project on Urban Affairs and Poverty Law.

BAR ADMISSIONS

New York State
Commonwealth of Pennsylvania
United States District Court, Middle District of Pennsylvania

Cases in which Harry S. Geller has participated as a witness before the Pennsylvania Public Utility Commission since July 1, 2015

- Pennsylvania Public Utility Commission v. FirstEnergy Pennsylvania Electric Company, Docket No. R-2024-3047068
- Pennsylvania Public Utility Commission v. Duquesne Light Company, Docket No. R-2024-3046523
- Petition of PPL Electric Utilities Corp. for Approval of DSP for Period of June 1, 2025 through May 31, 2029, Docket No. P-2024-3047290
- Pennsylvania Public Utility Commission v. Peoples Natural Gas Company, LLC, Docket No. R-2023-3044549
- Pennsylvania Public Utility Commission v. PGW, Docket No. R-2023-3037933.
- Pennsylvania Public Utility Commission v. PWSA, Docket Nos. R-2023-3039920; R-2023-3039921; R-2023-3039919
- Pennsylvania Public Utility Commission v. PAWC, Docket Nos. R-2023-3043189; R-2023-3043190
- Pennsylvania Public Utility Commission v. Peoples Natural Gas Co. LLC, Docket No. R-2023-3044549
- Petition of PPL Electric Utilities Corp. for Approval of DSP for Period of June 1, 2025 through May 31, 2029, Docket No. P-2024-3047290
- Pennsylvania Public Utility Commission v. Philadelphia Gas Works, R-2022-3034229, P- 2022-3034264
- Pennsylvania Public Utility Commission v. National Fuel Gas Distribution Corporation, R-2022-3035730
- Pennsylvania Public Utility Commission v. Columbia Gas of Pa., Docket No.
- R-2022-3031211
- Pennsylvania Public Utility Commission v. Pa. American Water Co., Docket Nos.
- R-2022-3031672 & -3031673
- Pennsylvania Public Utility Commission v. UGI Utilities, Inc. – Gas Division, R-2021- 3030218.
- Joint Petition of MetEd, Penelec, Penn Power, and West Penn Power for Approval of their Default Service Programs for the Period Commencing June 1, 2023 through May 31, 2027, Docket Nos. P-2021-3030012, -13, -14, -21
- Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc., Docket Nos. R-2021-3027385, R- 2021-3027386.
- Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority, R-2021-3024773, R-2021-3024774, R-2021-3024779.
- Pennsylvania Public Utility Commission v. Duquesne Light Company, R-2021- 3024750.
- Pennsylvania Public Utility Commission v. PECO Energy – Electric Division, R-2021-3024601.
- Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc., R-2021-3024296.
- Tenant Union Representative Network v. PECO Energy Company, C-2020-3021557
- Pennsylvania Public Utility Commission v. Philadelphia Gas Works, R-2020-3017206.

- Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program for the Period of June 1, 2021 through May 31 , 2025, Docket No. P-2020-3019356.
- Petition of PECO Energy Company for Approval of Its Default Service Program for the Period from June 1, 2021 through May 31, 2025, Docket No. P-2020-3019290.
- Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2021 Through May 31, 2025, Docket No. P-2020-3019522.
- Joint Application of Aqua America, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC and Peoples Gas Company LLC for all of the Authority and Necessary Certificates of Public Convenience to Approve a Change in Control of Peoples Natural Gas Company LLC, and Peoples Gas Company LLC by way of the Purchase of all of LDC Funding LLC's Membership Interests by Aqua America, Inc., Docket Nos. A-2018-3006061, A-2018-3006062, A-2018-3006063.
- Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. et al. Docket Nos. R-2018-3003558 et seq.
- Pennsylvania Public Utility Commission v. Duquesne Light Company, Docket No. R-2018-3000124.
- Pennsylvania Public Utility Commission v. PECO Energy Company- Electric Division, Docket No. R-2018-3000164.
- Joint Petition of MetEd, Penelec, Penn Power, and West Penn Power for Approval of their Default Service Programs for the period commencing June 1, 2019 through May 31, 2023, Docket Nos. P-2017-2637855, P-2017-2637857, P-2017-2637858; P-2017-2637866.
- Pennsylvania Public Utility Commission et al. v. Philadelphia Gas Works, Docket No. R-2017-2586783.
- PECO Energy Company's Pilot Plan for an Advance Payments Program and Petition for Temporary Waiver of Portions of the Commission's Regulations with Respect to that Plan, Docket No. P-2016-2573023.
- Petition of PECO Energy Company for Approval of a Default Service Program for the Period of June 1, 2017 through May 31, 2019, Docket No. P-2016-2534980.
- Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period of June 1, 2017 through May 31, 2021, Docket No. P-2016-2526627.
- Petition of Duquesne Light Company for Approval of a Default Service Program for the Period of June 1, 2017 through May 31, 2021, Docket No. P-2016-2543140.
- Pennsylvania Public Utility Commission et al. v. Columbia Gas of Pennsylvania, Inc., Docket No. R-2016-2529660.
- Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company for Approval of their Default Service Programs for the period commencing June 1, 2017 through May 31, 2019, Docket Nos. P-2015-2511333, P-2015-25113351, P-2015-2511355, P-2015-2511356.
- Petition of PPL Electric Utilities Corporation for Approval of its Energy Efficiency and Conservation Plan, Docket No. M-2015-2515642.

CAUSE-PA St. 1, Geller

Appendix B

Cited Discovery Responses

Witness: William C. Packer
Renee T. Marquis
Date: 7/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-1 How much of Aqua's approximately $126 million total proposed increase is proposed to be allocated to an increase in residential rates? Please disaggregate between water and wastewater divisions.

RESPONSE

Please see CAUSE-PA-I-1 Attachment which shows the change in revenues from present to proposed rates as of December 31, 2025, by customer class, and further broken down by each water and wastewater division.

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-2 From January 2018 to present, how many residential customers does/ did Aqua serve? Please disaggregate this data by service type (i.e. water only, wastewater only, combined), month, and year as of the last day of the month.
Please provide this data in a live Excel spreadsheet.

RESPONSE

Please see Attachment CAUSE-PA I-2.

Month	WATER	WASTEWATER	WATER_SEWER	
2018-01	303,690	1,001	19,894	
2018-02	272,360	902	19,203	
2018-03	293,060	1,635	19,585	
2018-04	279,864	1,046	19,615	
2018-05	295,589	1,094	19,791	
2018-06	283,505	1,738	19,762	
2018-07	289,627	1,125	19,847	
2018-08	298,427	1,661	20,312	
2018-09	275,308	2,632	18,854	
2018-10	311,158	3,124	21,517	
2018-11	285,120	3,192	20,235	
2018-12	288,326	4,232	19,210	
2019-01	314,402	3,541	21,694	
2019-02	283,972	3,677	19,792	
2019-03	298,841	4,488	20,596	
2019-04	302,046	3,882	20,749	
2019-05	308,813	4,010	21,441	
2019-06	304,858	4,823	20,354	
2019-07	308,087	4,173	21,710	
2019-08	305,074	4,239	21,134	
2019-09	292,660	5,102	20,456	
2019-10	321,635	4,325	22,173	
2019-11	285,945	4,450	19,954	
2019-12	313,046	5,286	22,528	
2020-01	328,624	6,241	21,612	
2020-02	348,598	7,449	23,554	
2020-03	361,471	9,574	25,120	
2020-04	355,704	8,222	24,395	
2020-05	354,500	7,568	23,619	
2020-06	356,720	9,529	25,186	
2020-07	356,859	8,356	24,521	
2020-08	356,758	12,655	24,508	
2020-09	357,081	13,323	24,540	
2020-10	353,732	11,450	24,540	
2020-11	334,979	11,150	23,066	
2020-12	379,174	13,400	26,037	418,611
2021-01	359,932	16,950	24,555	
2021-02	337,232	8,405	22,966	
2021-03	378,151	17,585	26,100	
2021-04	358,316	14,493	24,596	
2021-05	352,232	12,713	23,763	
2021-06	366,459	14,615	25,564	
2021-07	359,656	13,696	24,765	
2021-08	359,441	12,987	24,728	
2021-09	359,628	13,626	24,787	
2021-10	355,799	14,686	24,700	
2021-11	351,225	12,886	24,676	
2021-12	370,336	15,417	23,471	409,224

2022-01	358,958	13,054	26,153	
2022-02	346,326	12,936	22,617	
2022-03	371,969	13,886	26,878	
2022-04	359,738	21,098	24,809	
2022-05	359,986	19,002	24,881	
2022-06	354,747	30,218	24,153	
2022-07	368,608	24,346	25,888	
2022-08	362,370	23,871	25,179	
2022-09	362,057	26,045	25,000	
2022-10	362,330	24,541	24,497	
2022-11	350,708	23,794	25,495	
2022-12	371,900	26,639	25,165	423,704
2023-01	379,390	24,973	25,711	
2023-02	354,462	26,674	24,295	
2023-03	374,842	24,178	25,810	
2023-04	355,375	24,710	24,478	
2023-05	372,910	24,144	25,803	
2023-06	364,156	27,441	25,214	
2023-07	363,773	24,329	25,182	
2023-08	367,033	24,277	25,246	
2023-09	366,982	27,059	25,192	
2023-10	366,549	24,910	25,258	
2023-11	362,001	24,332	25,220	
2023-12	351,538	27,140	24,471	403,149
2024-01	388,601	25,008	25,936	
2024-02	368,383	24,456	25,213	
2024-03	368,378	27,253	24,683	
2024-04	371,401	25,099	25,992	
2024-05	371,235	24,607	25,431	
2024-06	366,298	27,447	25,495	419,240

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-3 Please identify all categories or identifiers that Aqua includes when calculating its "confirmed low income customer" count.

RESPONSE

Aqua PA includes all customers who are level 1 or 2A based on the federal poverty guidelines.

Witness: Rita F. Black
Date: 7/18/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-4 For 2019 to present, disaggregated by division, month, and year, how many Aqua customers were/are categorized as a confirmed low income customer? Please provide this data in a live excel spreadsheet.

RESPONSE

Please see attached excel sheet CAUSE-PA-I-4 - Attachment.

DIVISION	JAN_2019	FEB_2019	MAR_2019	APR_2019	MAY_2019	JUN_2019	JUL_2019
WATER	15,179	15,035	15,572	15,929	16,082	16,171	16,435
WASTEWATER	22	20	37	23	25	42	23
WATER_WASTEWATER	653	601	628	637	674	628	711

AUG_2019	SEP_2019	OCT_2019	NOV_2019	DEC_2019	JAN_2020	FEB_2020	MAR_2020	APR_2020
16,756	16,743	17,643	17,179	17,928	18,489	18,498	19,000	18,921
28	45	28	30	39	60	41	90	64
710	703	734	672	806	750	736	834	794

MAY_2020	JUN_2020	JUL_2020	AUG_2020	SEP_2020	OCT_2020	NOV_2020	DEC_2020	JAN_2021	FEB_2021
18,993	19,090	19,273	19,395	19,521	19,582	19,435	20,762	20,634	20,336
46	100	78	80	88	83	86	100	94	98
758	866	828	834	847	849	787	979	912	841

MAR_2021	APR_2021	MAY_2021	JUN_2021	JUL_2021	AUG_2021	SEP_2021	OCT_2021	NOV_2021
21,221	20,975	21,377	22,055	22,019	22,231	22,395	22,542	22,430
109	106	120	130	144	141	156	145	146
1,006	945	921	1,054	1,000	1,031	1,042	1,044	1,041

DEC_2021	JAN_2022	FEB_2022	MAR_2022	APR_2022	MAY_2022	JUN_2022	JUL_2022	AUG_2022	SEP_2022
22,971	22,817	22,675	23,486	23,312	23,349	23,278	23,663	23,748	23,954
162	150	153	165	137	146	179	170	172	188
1,021	1,092	973	1,154	1,068	1,069	1,060	1,098	1,102	1,117

OCT_2022	NOV_2022	DEC_2022	JAN_2023	FEB_2023	MAR_2023	APR_2023	MAY_2023	JUN_2023
24,179	24,100	24,678	25,989	25,134	25,431	25,072	25,706	25,649
180	182	215	197	230	208	215	226	262
1,076	1,184	1,148	1,207	1,129	1,243	1,155	1,259	1,220

JUL_2023	AUG_2023	SEP_2023	OCT_2023	NOV_2023	DEC_2023	JAN_2024	FEB_2024	MAR_2024	APR_2024
25,677	25,865	26,003	26,090	26,054	25,923	27,068	26,755	26,852	27,050
220	229	270	244	253	288	261	271	311	286
1,234	1,252	1,256	1,281	1,283	1,235	1,371	1,318	1,285	1,400

MAY_2024	JUN_2024
27,211	27,178
296	350
1,363	1,390
28,870	

**AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.**

DOCKET NO. R-2024-3047822 & R-2024-3047824

**COALITION FOR AFFORDABLE UTILITY SERVICE AND
ENERGY EFFICIENCY IN PENNSYLVANIA**

DATA REQUEST SET I

CAUSE-PA-I-5 As of the most recent date available, how many estimated low income customers reside in Aqua's service territory, disaggregated by division? Please explain how Aqua arrived at its estimated figures and include citation and/or copies of any and all workpapers used to perform this estimation.

RESPONSE See CAUSE-PA-I-5 - Attachment. Census data by county was utilized to determine the estimated low income population.

	WATER	PARTICIPATION RATE			SEWER	PARTICIPATION RATE			W & S TOTAL	PARTICIPATION RATE		
Aqua PA Residential Customers	388,660		2024	2025	46,971		2024	2025	435,631		2024	2025
Estimate of Eligible Customers:		Existing	12%	20%		Existing	12%	20%		Existing	12%	20%
1.0x FPL	43,388	3,591	5,207	8,678	4,795	37	575	959	48,183	3,628	5,782	9,637
1.0-1.5x I	26,469	1,355	3,176	5,294	2,893	24	347	579	29,363	1,379	3,524	5,873
1.5-2.0x I	28,428	610	3,411	5,686	3,169	17	380	634	31,597	627	3,792	6,319
	98,285	5,556	11,794	19,657	10,858	78	1,303	2,172	109,143	5,634	13,097	21,829
Potential CAP Customers % of Total Resid. Customers	25.3%	1.4%	3.0%	5.1%	23.1%	0.2%	2.8%	4.6%	25.1%	1.3%	3.0%	5.0%

Aqua PA - Water & Wastewater

					Households at or below 200% FPL		Households at or below 150% FPL		Households at or below 100% FPL		Households at or below 50% FPL	
	County	Aqua PA County Customers	Households in County (Census)	% Households Served by Aqua	Households in County (Census)	Estimate of Households Served by Aqua	Households in County (Census)	Estimate of Households Served by Aqua	Households in County (Census)	Estimate of Households Served by Aqua	Households in County (Census)	Estimate of Households Served by Aqua
1	Adams	276	40,006	0.7%	11,034	76	7,343	51	4,324	30	2,296	16
2	Allegheny		545,637	0.0%	165,262	0	121,529	0	79,341	0	41,865	0
3	Armstrong		27,767	0.0%	10,449	0	6,764	0	3,906	0	1,608	0
4	Beaver		71,999	0.0%	22,474	0	15,859	0	9,984	0	4,537	0
5	Bedford		19,571	0.0%	7,507	0	5,341	0	2,852	0	1,032	0
6	Berks	1,738	161,174	1.1%	54,390	587	39,091	422	24,855	268	11,138	120
7	Blair		50,587	0.0%	19,142	0	13,918	0	8,743	0	3,703	0
8	Bradford	4,585	24,361	18.8%	9,487	1,786	6,824	1,284	4,072	766	1,709	322
9	Bucks	27,876	246,834	11.3%	44,888	5,069	30,920	3,492	19,415	2,193	9,727	1,099
10	Butler		79,466	0.0%	20,854	0	14,430	0	8,524	0	4,172	0
11	Cambria		55,541	0.0%	22,183	0	16,318	0	10,717	0	4,599	0
12	Cameron		2,210	0.0%	1,215	0	810	0	408	0	129	0
13	Carbon		26,662	0.0%	9,186	0	6,661	0	3,970	0	2,002	0
14	Centre		58,285	0.0%	21,902	0	17,691	0	13,109	0	8,992	0
15	Chester	63,062	200,622	31.4%	38,120	11,982	26,695	8,391	16,697	5,248	8,883	2,792
16	Clarion		14,808	0.0%	6,085	0	4,578	0	2,756	0	1,345	0
17	Clearfield	2,161	31,741	6.8%	12,628	860	8,864	603	5,431	370	2,073	141
18	Clinton		14,877	0.0%	5,982	0	4,339	0	2,579	0	966	0
19	Columbia	803	25,878	3.1%	10,480	325	7,782	241	5,264	163	2,866	89
20	Crawford	914	33,191	2.8%	14,610	402	10,328	284	5,673	156	2,139	59
21	Cumberland	325	104,053	0.3%	27,368	85	17,997	56	10,944	34	5,555	17
22	Dauphin		117,907	0.0%	39,399	0	28,086	0	17,535	0	9,273	0
23	Delaware	133,137	215,833	61.7%	60,965	37,606	43,953	27,112	27,522	16,977	13,163	8,120
24	Elk		13,485	0.0%	4,641	0	3,234	0	1,791	0	827	0
25	Erie		109,474	0.0%	45,818	0	33,375	0	21,555	0	9,775	0
26	Fayette		54,937	0.0%	21,825	0	16,601	0	11,067	0	4,584	0
27	Forest	364	1,844	19.7%	928	183	700	138	423	83	147	29
28	Franklin		62,576	0.0%	20,856	0	13,976	0	7,641	0	3,620	0
29	Fulton		6,126	0.0%	2,075	0	1,437	0	843	0	324	0
30	Greene		13,957	0.0%	4,986	0	3,411	0	2,228	0	1,043	0
31	Huntingdon		15,771	0.0%	6,133	0	4,091	0	2,304	0	793	0
32	Indiana		32,285	0.0%	12,655	0	9,728	0	5,889	0	2,753	0
33	Jefferson		18,018	0.0%	8,294	0	5,549	0	3,389	0	1,585	0
34	Juniata	50	8,852	0.6%	3,277	19	2,269	13	1,061	6	395	2
35	Lackawanna	1,229	87,896	1.4%	31,505	441	23,192	324	14,431	202	7,346	103
36	Lancaster		208,988	0.0%	61,910	0	40,800	0	24,082	0	11,606	0
37	Lawrence	650	35,933	1.8%	14,129	256	10,399	188	5,935	107	2,575	47
38	Lebanon		55,236	0.0%	19,350	0	12,875	0	7,867	0	3,121	0
39	Lehigh	413	142,160	0.3%	48,720	142	35,093	102	22,269	65	9,266	27
40	Luzerne	5,572	132,608	4.2%	52,995	2,227	39,304	1,651	24,641	1,035	11,762	494
41	Lycoming		45,705	0.0%	17,003	0	12,186	0	7,451	0	3,664	0
42	Mckean	694	15,931	4.4%	7,046	307	4,977	217	2,787	121	1,539	67
43	Mercer	14,914	45,890	32.5%	17,290	5,619	12,250	3,981	7,663	2,490	2,948	958
44	Mifflin		18,612	0.0%	8,614	0	6,718	0	4,182	0	882	0
45	Monroe	1,474	59,113	2.5%	18,872	471	13,494	336	8,240	205	4,125	103
46	Montgomery	101,204	329,680	30.7%	64,147	19,692	45,315	13,911	28,511	8,752	15,564	4,778
47	Montour		7,633	0.0%	2,207	0	1,601	0	823	0	369	0
48	Northampton	74	120,384	0.1%	32,839	20	24,233	15	14,554	9	6,650	4
49	Northumberland	13,366	37,775	35.4%	15,121	5,350	10,427	3,689	6,001	2,123	2,909	1,029
50	Perry		18,066	0.0%	5,238	0	3,601	0	1,826	0	894	0
51	Philadelphia	19	659,129	0.0%	310,863	9	247,877	7	176,537	5	88,659	3
52	Pike	4,800	23,780	20.2%	6,666	1,346	4,743	957	2,929	591	1,365	276
53	Potter		6,595	0.0%	2,819	0	2,069	0	1,117	0	455	0
54	Schuylkill	4,143	56,987	7.3%	22,436	1,631	16,094	1,170	9,569	696	3,751	273
55	Snyder	1,138	14,430	7.9%	5,478	432	3,528	278	1,779	140	598	47
56	Somerset		28,956	0.0%	10,821	0	7,610	0	4,191	0	1,332	0

57	Sullivan		2,462	0.0%		918	0		615	0		440	0		243	0
58	Susquehanna	75	15,641	0.5%		5,744	28		4,013	19		2,340	11		1,112	5
59	Tioga		16,583	0.0%		6,751	0		4,523	0		2,598	0		1,132	0
60	Union		14,172	0.0%		4,916	0		3,391	0		2,205	0		749	0
61	Venango	573	21,323	2.7%		8,861	238		6,362	171		3,729	100		1,450	39
62	Warren	286	16,209	1.8%		6,342	112		4,440	78		2,559	45		1,171	21
63	Washington		87,200	0.0%		25,059	0		17,671	0		11,235	0		5,546	0
64	Wayne	2,102	19,747	10.6%		7,226	769		4,928	525		2,835	302		1,104	118
65	Westmoreland		153,237	0.0%		44,806	0		31,629	0		20,075	0		9,515	0
66	Wyoming	643	10,788	6.0%		3,500	209		2,442	146		1,521	91		638	38
67	York		178,543	0.0%		49,977	0		34,365	0		20,302	0		9,944	0
Total	Total	388,660	5,193,727	7.5%			**98,277** **Less Than 200% Poverty**			**69,855** **Less Than 150% Poverty**			**43,388** **Less Than 100% Poverty**			**21,234** **Less Than 50% Poverty**

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-6 What is the average annual income of Aqua's current identified confirmed low income customers?

RESPONSE

Average income for Aqua PA customers that have provided verbal information is reflected below. Please note that customers reporting zero income are included and therefore have a reducing effect on the calculated average income.

TOTAL_CUSTOMERS	TOTAL_INCOME	AVG_INCOME
24,134	$ 41,485,255	$ 1,718.95

Witness: Rita F. Black
Date: 7/17/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-8 What are the policies and procedures for eligibility and enrollment in Aqua's CAP? Please provide a copy of all written policies and/or procedures, memoranda, training materials, and other written documents, created by Aqua or the agencies and/or organizations contracted to administer Aqua's programs, which describe the policies and procedures for eligibility and enrollment in Aqua's CAP.

RESPONSE Please see CAUSE-PA-I-8 – Attachment 1 – 3 for all documents related to the administration of Aqua's CAP by Dollar Energy Fund, including training and reference materials.

Aqua Pennsylvania

CAP

Mailing Address:

Aqua CAP

P.O. Box 42329

Pittsburgh, PA 15203

Program Fax:
1-412-515-1662

Program Email:
aqua@defdocs.org

Program Telephone Number (Dollar Energy Fund):
1-888-282-6816

Aqua:
1-877-987-2782

Public Utility Commission
1-800-692-7380

Program Overview:

The **Aqua Customer Assistance Program (CAP)** is a discount program designed to provide monthly financial assistance for residential water and/or wastewater customers.

Program guidelines and eligibility requirements are subject to change.

Aqua Pennsylvania is a part of Essential Utilities Company, serves more than 1.4 million residents in 32 counties in Pennsylvania.

Aqua PA has been using an assistance program called Helping Hand was designed to assist low-income customers to manage their water bill. CAP will replace the Helping Hand Program.

Dollar Energy Fund Contact Center will be overseeing a Customer Assistance Program (CAP) for Aqua CAP. Phone lines will be open from 8am-5pm Monday through Friday.

Systems Used for CCSs:

- CRM
- MyApp
- OSCAR

Systems Used for Income Specialists

- CRM
- Docuware
- MyApp
- OSCAR

CAP Details and Eligibility:

CAP provides an overall discount on the customer's bill:

- **0-200% FPIG (tiered program- see charts on next page)**
- Must be a **residential** account
- The **ratepayer must live in the residence** they would like to enroll in CAP
- **Proof of income for anyone over 18 and not in high school**
    - You can use your normal income chart to advise what proof to send in
    - Customer can submit their W-2 from the previous year instead of paystubs
- Assistance with past due balances and termination notices
    - Past due balance assistance is known as arrearage forgiveness
    - If a customer has a termination notice, applies for program, **and is enrolled**, term is stopped.
- Most times, the customer CAN be reinstated/re-enrolled into the program.
    - The original deferment balance will be put back into deferment.
    - Possibility of additional debt accrued while removed from the program also deferred with original debt.
- Previously, Aqua CAP did not help with restoral of services. As of 3/10/2023, if services are terminated, customers should be advised to submit income. If income is verified, and the customers qualifies for this program, restoration of water service can be scheduled. See full service off procedure.
- It is possible to have Aqua for both water and wastewater, just water or just wastewater. Be sure to ask the customer who their provider is for water and wastewater.

After enrollment, customers must do the following to remain on the program:

- Complete a recertification:
    - SS/SSI/SSD/SSP/Pension or those enrolled by Aqua due to receiving LIHWAP will recertify every 3 years

- Zero Income customers will recertify every 6 months
- Other customers will recertify every 2 years

- When it's time to recertify, customers will be notified by a letter within 60 days of the benefit end date and then 30 days, if customer has not completed the re-cert when the first letter was mailed.
- Customers can also be removed if they call in and report household/income changes that put them over 200% FPIG

Current Discount Tiers:

RESIDENTIAL WATER CUSTOMERS			
	At or Below 100% FPIG	101% – 150% FPIG	151% – 200% FPIG
Fixed Base Facility Customer Charge	100% discount	100% discount	100% discount
Consumption Charge (first 2,000 gallons)	100% discount	50% discount	0% discount

RESIDENTIAL WASTEWATER CUSTOMERS			
	At or Below 100% FPIG	101% – 150% FPIG	151% – 200% FPIG
Fixed Base Facility Customer Charge	75% discount	65% discount	50% discount
Consumption Charge (first 2,000 gallons)	100% discount	50% discount	0% discount

CAP Application Process:

The customer can do the CAP application:

- Online through MyApp
- In person with a local agency through OSCAR
- Over the phone with a CSR through OSCAR

ALWAYS check for a MyApp first.

- If the customer does the application online we will be able to "push" the customer's application into OSCAR- this means the MyApp information can be imported into OSCAR.

If you do not find the customer in MyApp, you will work in OSCAR to complete the application over the phone.

Script available with all necessary steps needed for a phone call at the end of the manual.

SERVICE OFF PROCEDURES:

All customers should be asked if their service is currently on or off.

If service is off:

- Obtain verbal income to determine CAP eligibility
- If eligible, advise to provide income documentation
    - Check for MyApp, if none exists create or update OSCAR application (regardless of balance amount)
    - Move OSCAR to Service Off
    - Advise to send Income Documentation
    - Include in your notes:
      Per customer, $__ needed to restore
      Sent referral to Aqua Aid or referred to other services

- Ask customer to state past due balance
- Advise customer to send income documentation. **Once verified**…
    - If balance < $500, we will submit CAP app- service should be restored and balance will be enrolled in CAP.
    - If balance > $500, we may need to refer customer for additional assistance from Aqua Aid before we can enroll* (advise we do not have access to their system but you will send an email on their behalf to Aqua Aid and the Aqua team will reach out to the customer. Send email to AquaCAP@aquaamerica.com-- you also must copy (CC) CSRHelp email on the original email.)
        - Aqua Aid Email Template
            - Subject: Service Off/ RP Name/Account #
            - Body:
                - Applying for CAP, states service off
                - States they owe more than $500, referring for Aqua aid grant
        - Do not refer to Aqua Aid until we have verified the customer's income and have determined they are income eligible.
- If not income eligible, refer to 211 and other social service/community action agencies for assistance.
    - Emergency Rental Assistance Program (ERAP) is still open in some counties and provides assistance for utilities.
- **No** reconnection fee must be paid up front. If applicable, the customer will be billed for it.

***Note:** Helping Hands grant has been renamed Aqua Aid.

Referrals to Aqua CAP for grant assistance:

Service off only w/balance higher than $500 (balances $500 or lower can be restored with CAP; no need for grant) |
On CAP, in threat of Termination

- Ask customer if they use water for main heating (i.e. boiler system/hot water radiators).
- If hot water heat, and customer has submitted verified income, refer to AquaCAP@aquaamerica.com.
- If hot water heat, but customer has not yet submitted income, advise customer to provide documents ASAP in order to be considered for both CAP and a grant to assist with restoration; also refer to 211 for assistance. Please emphasize they **may qualify** or **may be eligible** for further assistance. Once income is verified, our team will review for enrollment and may provide a grant as needed to bring the balance down to restore service. If the balance is near $500, we may waive the $500 requirement and enroll directly into CAP.
- If non-hot water heat, evaluate if special needs exist (i.e. medical situation; elderly; young children); if customer has submitted verified income, refer to AquaCAP@aquaamerica.com
- If non-hot water heat w/special needs, but has not yet submitted income, advise customer to provide documents ASAP in order to be considered for both CAP and a grant to assist with restoration; also refer to 211 for assistance.

Clarifications from Aqua:

- Do NOT send email if customer is eligible for CAP and balance is $500 or lower
- Do NOT send simply because there are young children or elderly in the home. ONLY send if customer is not eligible for other assistance.
- Keep in mind customer is not eligible for LIHEAP for their water (even if it is their main heat source) but remind customer to apply for other heat source for main heat (ie gas, electric etc). Most water heat systems require some form of power source-ie gas or electric.
- Customers are only eligible for grant if water heat is their main heat source. Exceptions may be made for special needs.
- **Do not send email for grant assistance until AFTER income is received and verified**

Note for admin working income verification: If you are not able to verify the income, you would keep the customer in the Service Off code. Outbound call to the customer to let them know the income was not acceptable and what is needed.

Income Changes:

Customer is currently enrolled in the CAP program and it is not time to recertify but they call with an income update. What do you do? You will need to screen the customer and update their income. Any income change will impact their discount.

- Screen for CRM. Update income in CRM and Oscar.
  - Customer now reports zero income
    - Update income in CRM and Oscar- complete zero income form in Oscar.
    - Keep Oscar in Enrolled.
    - Notes must clearly state customer called with income change. Aqua reps will work this code and move to Ready to enroll to change discount.
    - Send email to AquaCAP@aquaamerica.com (CC: CSRHelp) advise of income change so they can adjust tier.
  - Customer reports any other change in income that will impact tier level.
    - Do NOT move Oscar out of Enrolled- Explanation: If you move the customer to waiting for income and they never send new income, this record will move to waiting for income email sent to incomplete application to incomplete app email sent to Not enrolled when the customer is actually still enrolled and now our Oscar record is incorrect. If customer does not send new income, their discount will not be adjusted.
      - **Exception:** If customer reports they are now over income for the program- move Oscar to Dismissal needed. No POI needed. Advise customer they will be removed.
    - Enter clear notes customer called with change in income.
    - Advise customer to send POI
    - When income is received, verify, update Oscar but leave in Enrolled.
    - Send email to AquaCAP@aquaamerica.com (CC: CSRHelp) advise of income change so they can adjust tier.
  - Customer reports change in income that makes them over income for the program
    - Update CRM and Oscar with new income
    - Move Oscar to Dismissal Needed, over income.

CAP Agreement:

As a participant in Aqua's CAP, I agree to:

- **Pay the CAP amount due** by the due date each month.
- **Update my household size and income** when I enroll in CAP, when asked for by CAP or when either my household size or income changes.

I confirm that:

- My service address is my personal residence.
- I must notify Aqua if my household size or income changes within 30 days of the change.
- If I fail to respond when asked to update my household and income information, I will be removed from CAP.
- **If I fall behind or miss a payment,** I understand my account will be subject to collections.

DO YOU AGREE?

CRM Wrap Codes:

Choose CAP – Aqua as program in activity note

Wrap Code	What it Means
Completed Application:	Customer is eligible and you completed the application in Oscar.
Inquiry:	Any CAP call that does not result in completing an Oscar application but does include CAP questions.
Left Message	Outbound call-phone call only. Notes should indicate number called and what message was left.
No Answer	Outbound call-phone call only.
Outbound call	Outbound call- used anytime you make contact with a customer on an outbound call. Phone call only
Customer callback (task)	Task only- Created phone call when customer requests supervisor/clarification callback.

OSCAR Pending Codes and MyApp Pending Codes.

Use your KB for up-to-date information.

Aqua CAP Script/Talking Points

Thank you for calling Dollar Energy Fund, my name is _____. May I have your name please?

Who do you have for your water provider?

Who do you have for your sewage (wastewater) provider?

Is it your name listed on the Aqua account?

If NO***:*** ***Please spell the full first and last name of the account holder.***

Search CRM for the account holder's record.

If YES: Search CRM for record. If none is found, ask for full social (see below).

Can you spell your first and last name please?

For Aqua, you may speak with any person 18 years or older who lives in the home.

Starting a CRM Record: ***It looks like we need to create a record for you here at Dollar Energy Fund. For security purposes and to locate the record in the future, can you please verify the full social security number?***

Search CRM a second time with full social of the account holder. If no record found, create one using the Aqua account holder's name/social

CRM Record Exists: ***For security purposes, can you please verify the last four digits of the social security number? And the date of birth?***

WHAT IS THE PRIMARY PHONE NUMBER YOU WOULD LIKE TO ADD TO YOUR ACCOUNT?

If Cell: WE WILL CONTACT YOU OCCASSIONALLY TO KEEP YOU UP TO DATE WITH OUR PROGRAMS. DO YOU GIVE PERMISSION TO DOLLAR ENERGY FUND TO CONTACT YOU BY TEXT MESSAGE?

WOULD YOU LIKE TO ADD A SECONDARY PHONE NUMBER TO YOUR ACCOUNT TODAY?

WE CAN SEND YOU FOLLOW-UP COMMUNICATION THROUGH EMAIL. WHAT EMAIL ADDRESS CAN I PUT ON FILE FOR YOU?

"I don't have one."

THANK YOU. IF YOU DO SIGN UP FOR AN EMAIL, YOU CAN PUT IT ON FILE WITH US AT A LATER TIME.

"I have one, but I don't check it." "I don't want to receive spam emails." "I could give you my husbands', but I don't want him to receive any spam emails."

I UNDERSTAND BUT WE DO ENCOURAGE YOU TO PROVIDE ONE. WE WILL NOT SHARE YOUR EMAIL AND CURRENTLY ONLY SEND FOLLOW-UP COMMUNICATION REGARDING THE CONVERSATIONS WE HAVE OVER THE PHONE WITH YOU. WHAT IS THE EMAIL ADDRESS WE CAN SEND THOSE TO?

MAY I PLEASE HAVE YOUR MAILING ADDRESS?

IS THE MAILING ADDRESS THE SAME AS THE SERVICE ADDRESS?

May I have the Aqua account number please?

Complete program and utility section under the Details tab in CRM. Aqua records cannot be pulled from CRM into OSCAR without entering this information and saving.

To confirm, this is a residential address, correct?

Thank you. May I place you on a brief hold?

Search MyApp and OSCAR for an Aqua record. The customer may have started the application online or through an agency. Even if found in MyApp and/or OSCAR, continue the conversation below.

Thank you for holding. Because the Aqua CAP program is based on income, I need to ask you a few questions to determine if your household is income eligible. How many people reside in your home?

Go through normal DEF income screening in CRM, adding all household members and income. Children's income is not counted for this program, but it must be entered in CRM. Check minor box if applicable.

Thank you for that information. May I place you on a brief hold while I determine your income eligibility?

<u>If the customer isn't eligible due to over income:</u>

*You will advise and start closing your call. No OSCAR application needed. Advise of 211!

*If they are close to being income eligible, you can ask clarifying questions about the income to determine if they are **actually** income eligible

Based on the income you provided, you are income eligible to apply for the program. The Aqua Customer Assistance Program provides you a discount on the fixed charges of your bill and possibly the usage charges of your bill. You will find out your full eligibility and the amount of your discounts after completion of the application process. I'm now going to ask you a few questions to complete your application…

Complete the OSCAR application.

I am now going to read you the CAP agreement…

***As a participant in Aqua's CAP, I agree to:**

Pay the CAP amount due by the due date each month.
Update my household size and income when I enroll in CAP, when asked for by CAP or when either my household size or income changes.

I confirm that:

My service address is my personal residence.
I must notify Aqua if my household size or income changes within 30 days of the change.
If I fail to respond when asked to update my household and income information, I will be removed from CAP.
If I fall behind or miss a payment, I understand my account will be subject to collections.

DO YOU AGREE?

To complete your enrollment, you will need to send proof of all adult income in the home. Do you have a pen and paper?

You must send in the following…

YOU CAN UPLOAD YOUR INCOME DOCUMENTS THROUGH OUR WEBSITE. DO YOU HAVE ACCESS TO THE INTERNET ON YOUR PHONE OR COMPUTER?

OKAY, GREAT! YOU WILL FIRST WANT TO SAVE YOUR INCOME DOCUMENTATION TO YOUR DEVICE. THEN YOU WILL NAVIGATE TO OUR WEBSITE WWW.DOLLARENERGY.ORG. THE WORD DOLLAR IS SPELLED OUT D-O-L-L-A-R AND ENERGY IS E-N-E-R-G-Y DOT ORG. CAN YOU REPEAT THAT BACK TO ME? ONCE YOU ARE ON THE WEBSITE, YOU WILL SEE A TOOLBAR. IN THE TOP RIGHT CORNER, YOU WILL SELECT MYDOCS. YOU WILL BE PROMPTED TO ENTER YOUR STATE, UTILITY COMPANY, AND YOUR ACCOUNT NUMBER. YOU WILL THEN UPLOAD EACH PIECE OF INCOME DOCUMENTATION YOU SAVED. DO YOU HAVE ANY QUESTIONS ABOUT THAT?

*TO **EMAIL**, YOU WILL NEED TO TAKE A PICTURE OF THE INCOME WITH YOUR PHONE. MAKE SURE YOU GET THE FULL DOCUMENT IN THE PICTURE AND TAKE AN INDIVIDUAL PICTURE FOR EVERY PAGE OF INCOME. PLEASE DO NOT PASSWORD PROTECT THE EMAIL. OUR EMAIL IS AQUA@DEFDOCS.ORG (A-Q-U-A@ D as in Dog, E as in Elephant, F as in Frank, D as in Dog, O as in Oscar, C as in Cat, and S as in sam dot org). CAN YOU PLEASE REPEAT BACK THE EMAIL ADDRESS? PLEASE PUT YOUR NAME, ACCOUNT #, AND UTILITY COMPANY IN THE SUBJECT LINE OF YOUR EMAIL.*

FAX: *BEFORE FAXING PLEASE PUT THE ACCOUNT HOLDER'S NAME, ACCOUNT NUMBER, AND UTILITY COMPANY ON THE TOP OF EACH DOCUMENT. OUR FAX NUMBER IS 1-412-515-1662. CAN YOU PLEASE REPEAT THAT BACK TO ME?*

MAILING ADDRESS: *BEFORE MAILING, PLEASE PUT THE ACCOUNT HOLDER'S NAME, ACCOUNT NUMBER, AND UTILITY COMPANY ON THE TOP OF EACH DOCUMENT. OUR MAILING ADDRESS IS: Aqua CAP, P.O. BOX 42329, PITTSBURGH, PA 15203 CAN YOU PLEASE REPEAT THAT BACK TO ME?*

Please remember you will not be enrolled into CAP until we receive your proof of your income. If you are eligible, you will be enrolled and you will receive a letter in the mail letting you know you have been accepted to the program. You will see your discount reflected on your bill.

Do you have any questions about what we've discussed today?

May I ask, who do you have as your electric and gas supplier?

- If First Energy, Columbia Gas, People's Natural Gas, National Fuel, or sewage with Pennsylvania American Water, offer to transfer for assistance. If you do transfer put in your notes next to provider, "Transferred"
- If Duquesne Light or any other utility, offer the utility or CAP program number for possible assistance
- If customer doesn't know this information, advise they can call back to see if other assistance may be available for their utilities

And are you satisfied with how I handled your call today?

If NO: ***If you are not satisfied, you do have the right to contact the PUC. The phone number is 1-800-692-7380.***

If Yes: **Thank you.*

Thank you for calling Dollar Energy Fund. I hope you have a good rest of your day.

Income Verification: IMPORTANT:

Income tips:

- Do NOT move records out of Enrolled into Income received.
    - Once a record is enrolled we will not move it out of enrolled for new income. If the income level has changed, send an email to Aqua Help that new income was received and verified and they will email Aqua CAP to adjust the tier.
    - Otherwise, only move to Income received when record moves into recertification process to waiting for income.
    - If customer applied via MyApp and we received verified income-DO NOT PUSH if Oscar record has already recently been enrolled by Aqua. Treat like any other income update- update the income in Oscar- include in note- applied via MyApp POI received, updated income. Email Aqua CAP to adjust income if necessary-Move MyApp to CAP app complete.
- If Aqua has notes customer received LIHWAP, no POI is necessary for enrollment.

Admin Procedures:

Before working tasks in either MyApp or OSCAR, review the following reminders:

MyApp

Income Received

Start your timed batch activity

- Program: CAP-Aqua
- Wrap Code: MyApp Admin
- Notes: Working MyApp Income Received

Pending codes you may move MyApp to while working Income Received:

- **Ready for CAP**- if all income was verified and customer's FPIG is 200% or lower, all requirements are met and the application is complete with no errors, move to this code.
- **Ineligible, over income**- all income was received and FPIG is over 200%, move to this code.
- **Ineligible, bad account number**- the account number is not 16 digits and does not start with 00, move to this code.
- **Incomplete application**- income was received but the application has errors (RP listed twice) or is missing information (DOB), move to this code.

Aqua Ready for CAP Entry MyApp

Start your timed batch activity

- Program: CAP-Aqua
- Wrap Code: MyApp Admin
- Notes: Working MyApp Ready for CAP Entry

OSCAR

Always add a task note when working in Oscar.

Income Received

Start your timed batch activity

- Program: CAP-Aqua
- Wrap Code: OSCAR Admin
- Notes: Working OSCAR Income Received

See Pending Codes chart- Aqua team from PNG will be working certain codes.

NOTE: If you are working both MyApp & OSCAR, you do not create two CRM notes. Use the MyApp note and continue documenting the rest of the notes relevant to what you worked.

Working Aqua Income Received MyApp

Click on the "**Income Received**" category in MyApp

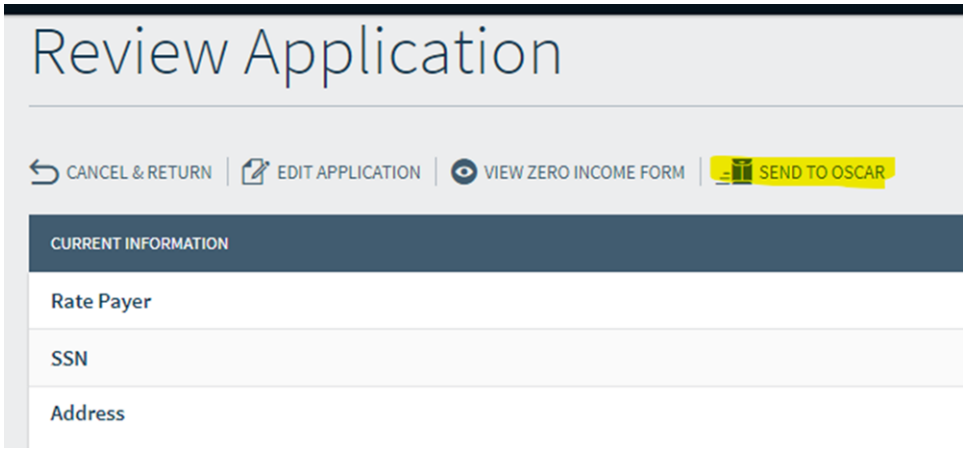
Click on a customer's name to open the MyApp record

Search CRM

- If no record found: Create CRM record based on information from MyApp

Determine Eligibility first:

- **Not eligible for CAP - over income**
  - Add your comment in MyApp: Aqua/Name & Account/all adult income verified DATE/over income for CAP
  - Move to **Ineligible** and select reason code. We do not push ineligible records to OSCAR
  - Add a task note in CRM
    - Program: Cap-Aqua
    - Wrap Code: MyApp Admin
      - Note: Aqua/Name & Account/ all adult income verified DATE /over income for CAP
- **Income eligible for CAP**
  - Review the MyApp application for accuracy
  - Leave comments:
    - Aqua/Name & Account/all adult income verified DATE/Ready to enroll
    - Aqua/Name & Account/ 0 income HH/Ready to enroll
  - Process application through to save
  - Move to **Ready for Oscar Entry** and click Save.
  - Navigate back to Application Review and search for the customer again
  - Push to OSCAR. The MyApp record will automatically move to CAP Application Complete. Do not change this code.



- If no OSCAR record exists or can be updated, the OSCAR record will go into **Income Received**
  - Leave in Income Received- the Aqua team would like to review all records and move those eligible to Ready to enroll.
- If OSCAR already exists that was recently updated or already moved to a code that does not allow the push, the push may not have been successful. Move the MyApp record to **CAP Application Complete**. (This sometimes happen when the OSCAR record was incorrectly worked instead of working MyApp record). Work the record in OSCAR. Make sure it is in Income received for the Aqua team to review.
- Add a task note in CRM
  - Program: Cap-Aqua
  - Wrap Code: MyApp Admin
  - Note options:
    - Aqua/Name & Account/all adult income verified DATE/pushed to Oscar Income Received
    - Aqua/Name & Account/ 0 income HH/Oscar already updated, moved MyApp to CAP app complete, Oscar Income received.

Note when working in two systems (MyApp & OSCAR): Only add one MyApp Admin note, even though you worked within both MyApp and Oscar

****Don't forget to close your timed batch activity when you are done working MyApp Admin****

Working AQUA Ready For Oscar entry

If you are working Income received in MyApp and move a record to Ready for Oscar, work all the way through and do the push. Do not leave in Ready for Oscar entry.

Working Aqua Income Received OSCAR

"Income Received" category in OSCAR

Income Received	Aqua

DO NOT WORK- Aqua will work these and move to Ready to Enroll if appropriate.

NOTE: Aqua will be creating Oscar applications for customers who received a LIWAP grant and moving them to Ready to enroll. No POI is needed if customer received a LIWAP grant (however it MUST be verified by Aqua- we will not enroll based on verbal report from customer stating they received the grant).

SERVICE OFF:

If previous notes state balance is < $500: Move to Income Received

If previous notes state balance is > $500: Keep in Service Off

Witness: Rita F. Black
Date: 7/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-9 What are the applicable policies and procedures for awarding Aqua Aid grants, including policies and procedures related to Aqua Aid grants for its administering agencies? Please provide a copy of any and all written policies and/or procedures, memoranda, guidance documents, training materials, call scripts, emails, or other written documents which describe the policies and procedures related to awarding an Aqua Aid grant, including documents created and/or utilized by Aqua and/or the agencies and/or organizations contracted to administer Aqua's programs.

RESPONSE See CAUSE-PA-I-9 – Attachment for program guidelines. These guidelines were introduced to the Aqua Assistance Collaborative (AAC) in August of 2023 to gain input and suggestions from the group. Customers seeking an Aqua Aid grant may do so verbally through contacting the Aqua CAP team or via email at our dedicated inbox (AquaCAP@aquaamerica.com). All Aqua Aid customers are screened for CAP participation. CAP participants are not required to produce any income documentation to establish income eligibility for an Aqua Aid grant.

Eligibility Guidelines

AQUA AID
Bringing neighbors & needs together.

General Guidelines

- Arrears, termination notice or service off
- Residential
- Single family
- Income at or below 200% FPL
- One grant per account per calendar year
- Customer must enroll in CAP

Additional Flexibilities

- High bill due to leak (leak has been repaired)
- Special needs (seniors, disabled, etc.) can be served up to 250% FPL
- General grant guideline is $500 maximum, but larger grants could be approved depending on circumstance.
- Other circumstances that warrant assistance to customers who do not fit the general guidelines for participation.

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-13 What is the average annual income of Aqua's currently identified CAP enrollees?

RESPONSE The average annual income is $18,926.40.

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-18 From 2019 to present, disaggregated by division, month, and year, how many customers were terminated for nonpayment each month, for the following customer segments:

a. All residential customers;
b. Residential customers, excluding confirmed low income customers and CAP customers;
c. Confirmed low income customers;
d. Confirmed low income customers, excluding CAP customers; and
e. CAP customers.

Please provide this data in a live excel spreadsheet.

RESPONSE

See Attachment CAUSE-PA I-18.

The number of accounts actually being disconnected for nonpayment;

	Residential	Low-Income (NO CAP)	CAP
2019-01	279	130	10
2019-02	255	116	8
2019-03	182	76	2
2019-04	1039	504	27
2019-05	823	414	38
2019-06	755	359	34
2019-07	682	322	27
2019-08	877	429	40
2019-09	910	406	30
2019-10	914	442	34
2019-11	728	350	41
2019-12	201	95	6
2020-01	273	131	11
2020-02	262	134	4
2020-03	98	41	3
2020-06	1	1	0
2020-11	440	71	14
2020-12	271	34	4
2021-01	193	26	10
2021-02	2	1	-
2021-03	135	10	2
2021-04	765	117	11
2021-05	772	418	29
2021-06	880	415	47
2021-07	762	316	42
2021-08	1,133	571	54
2021-09	658	340	43
2021-10	1,035	474	74
2021-11	879	427	52
2021-12	164	80	7
2022-01	233	119	15
2022-02	220	101	13

2022-03	213	95	17
2022-04	837	395	64
2022-05	521	265	54
2022-06	685	392	52
2022-07	656	304	46
2022-08	879	387	81
2022-09	682	332	59
2022-10	766	349	74
2022-11	738	348	64
2022-12	73	34	4
2023-01	330	154	23
2023-02	299	126	12
2023-03	268	114	15
2023-04	674	323	79
2023-05	802	363	77
2023-06	813	381	93
2023-07	686	336	92
2023-08	891	418	103
2023-09	821	377	82
2023-10	935	375	60
2023-11	952	409	95
2023-12	195	64	8
2024-01	365	154	13
2024-02	545	218	20
2024-03	396	153	10
2024-04	1,087	381	34
2024-05	1,242	435	39

Witness: Heather Doyle-Conley
Date: 7/29/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-19 From 2019 to present, please provide the mean and median customer usage, disaggregated by division, month, and year, for each of the following customer segments:

a. All residential customers;
b. Residential customers, excluding confirmed low income customers and CAP customers;
c. Confirmed low income customers;
d. Confirmed low income customers, excluding CAP customers; and
e. CAP customers.

Please provide this data in a live excel spreadsheet.

RESPONSE

Please see CAUSE-PA-I-19 – Attachment.

DIVISION	JAN_2019_AVG_CON	JAN_2019_MEDIAN_CON	FEB_2019_AVG_CONS	FEB_2019_MEDIAN_CON
WATER	3,849	3,400	3,800	3,300
WASTEWATER	3,771	3,600	8,499	6,500
WATER_WASTEWAT	2,938	2,600	3,028	2,600

MAR_2019_AVG_CON	MAR_2019_MEDIAN_CON	APR_2019_AVG_CON	APR_2019_MEDIAN_CON	MAY_2019_AVG_CONS
3,418	3,000	3,555	3,100	3,769
7,061	4,800	3,419	3,200	7,607
2,601	2,200	2,708	2,300	2,796

MAY_2019_MEDIAN_CON	JUN_2019_AVG_CON	JUN_2019_MEDIAN_CON	JUL_2019_AVG_CONS	JUL_2019_MEDIAN_CON
3,300	4,149	3,500	3,971	3,200
5,900	7,345	5,000	3,805	3,300
2,400	3,194	2,700	3,110	2,600

AUG_2019_AVG_CON	AUG_2019_MEDIAN_CON	SEP_2019_AVG_CON	SEP_2019_MEDIAN_CON	OCT_2019_AVG_CON
4,270	3,400	4,205	3,400	3,881
22,033	6,000	7,830	5,200	3,691
3,236	2,600	3,169	2,600	2,885

OCT_2019_MEDIAN_CON	NOV_2019_AVG_CON	NOV_2019_MEDIAN_CON	DEC_2019_AVG_CONS
3,100	3,794	3,300	3,699
3,200	8,430	6,000	7,085
2,400	2,801	2,400	2,812

DEC_2019_MEDIAN_CON	JAN_2020_AVG_CON	JAN_2020_MEDIAN_CON	FEB_2020_AVG_CONS	FEB_2020_MEDIAN_CON
3,300	3,688	3,300	3,618	3,200
4,400	3,505	3,100	4,135	-
2,500	2,604	2,000	2,980	2,600

MAR_2020_AVG_CON	MAR_2020_MEDIAN_CON	APR_2020_AVG_CON	APR_2020_MEDIAN_CON	MAY_2020_AVG_CONS
3,401	3,000	3,954	3,500	4,035
5,956	3,600	3,789	3,500	9,875
2,830	2,500	3,287	2,900	3,339

MAY_2020_MEDIAN_CON	JUN_2020_AVG_CON	JUN_2020_MEDIAN_CON	JUL_2020_AVG_CON	JUL_2020_MEDIAN_CON
3,500	4,453	3,700	4,948	3,900
8,200	7,044	4,800	4,617	3,900
3,000	3,645	3,100	3,985	3,300

AUG_2020_AVG_CON	AUG_2020_MEDIAN_CON	SEP_2020_AVG_CONS	SEP_2020_MEDIAN_CON	OCT_2020_AVG_CONS
4,557	3,600	4,200	3,400	4,084
10,612	6,800	6,347	4,100	4,445
3,700	3,000	3,426	2,800	3,242

OCT_2020_MEDIAN_CON	NOV_2020_AVG_CON	NOV_2020_MEDIAN_CON	DEC_2020_AVG_CONS
3,400	3,809	3,300	3,725
3,600	9,806	6,800	4,916
2,700	3,182	2,700	3,093

DEC_2020_MEDIAN_CON	JAN_2021_AVG_CON	JAN_2021_MEDIAN_CON	FEB_2021_AVG_CONS	FEB_2021_MEDIAN_CON
3,200	4,035	3,500	3,663	3,200
3,500	4,097	3,600	8,489	6,000
2,700	3,519	3,000	3,048	2,600

MAR_2021_AVG_CON	MAR_2021_MEDIAN_CON	APR_2021_AVG_CON	APR_2021_MEDIAN_CON	MAY_2021_AVG_CONS
3,424	3,000	3,881	3,400	3,925
5,647	3,700	3,945	3,300	8,338
2,874	2,500	3,240	2,800	3,221

MAY_2021_MEDIAN_CON	JUN_2021_AVG_CON	JUN_2021_MEDIAN_CON	JUL_2021_AVG_CON	JUL_2021_MEDIAN_CON
3,300	4,191	3,400	4,293	3,400
5,900	6,029	4,000	4,235	3,500
2,700	3,326	2,700	3,598	3,000

AUG_2021_AVG_CON	AUG_2021_MEDIAN_CON	SEP_2021_AVG_CON	SEP_2021_MEDIAN_CON	OCT_2021_AVG_CON
4,218	3,200	4,017	3,200	3,795
8,667	5,300	5,899	4,000	4,970
3,324	2,700	3,205	2,700	2,985

OCT_2021_MEDIAN_CON	NOV_2021_AVG_CON	NOV_2021_MEDIAN_CON	DEC_2021_AVG_CONS
3,100	3,567	3,000	3,626
3,400	9,407	5,700	5,366
2,500	2,855	2,500	3,021

DEC_2021_MEDIAN_CON	JAN_2022_AVG_CON	JAN_2022_MEDIAN_CON	FEB_2022_AVG_CON	FEB_2022_MEDIAN_CON
3,200	3,855	3,400	3,578	3,100
3,600	4,045	3,400	7,865	5,700
2,700	3,219	2,800	2,928	2,500

MAR_2022_AVG_CON	MAR_2022_MEDIAN_CON	APR_2022_AVG_CON	APR_2022_MEDIAN_CON	MAY_2022_AVG_CONS
3,350	2,900	3,690	3,200	3,595
5,120	3,400	3,809	3,200	4,015
2,725	2,300	3,017	2,600	2,887

MAY_2022_MEDIAN_CON	JUN_2022_AVG_CON	JUN_2022_MEDIAN_CON	JUL_2022_AVG_CON	JUL_2022_MEDIAN_CON
3,000	4,013	3,300	4,257	3,300
3,500	4,789	3,700	4,366	3,600
2,500	3,238	2,600	3,595	2,900

AUG_2022_AVG_CON	AUG_2022_MEDIAN_CON	SEP_2022_AVG_CONS	SEP_2022_MEDIAN_CON	OCT_2022_AVG_CONS
4,363	3,200	4,308	3,300	3,746
4,550	3,600	5,715	3,900	5,020
3,366	2,600	3,219	2,600	2,801

OCT_2022_MEDIAN_CON	NOV_2022_AVG_CON	NOV_2022_MEDIAN_CON	DEC_2022_AVG_CONS
3,000	3,558	3,000	3,568
3,600	4,005	3,300	4,514
2,300	2,744	2,300	2,863

DEC_2022_MEDIAN_CON	JAN_2023_AVG_CON	JAN_2023_MEDIAN_CON	FEB_2023_AVG_CONS	FEB_2023_MEDIAN_CON
3,100	3,747	3,200	3,451	3,000
3,400	4,033	3,300	4,773	3,700
2,500	3,010	2,600	2,723	2,300

MAR_2023_AVG_CON	MAR_2023_MEDIAN_CON	APR_2023_AVG_CON	APR_2023_MEDIAN_CON	MAY_2023_AVG_CONS
3,197	2,800	3,704	3,200	3,537
3,692	3,100	3,858	3,000	3,919
2,500	2,200	2,949	2,600	2,673

MAY_2023_MEDIAN_CON	JUN_2023_AVG_CON	JUN_2023_MEDIAN_CON	JUL_2023_AVG_CON	JUL_2023_MEDIAN_CON
3,000	4,505	3,500	4,083	3,200
3,400	4,860	3,500	5,213	3,700
2,300	3,388	2,700	3,186	2,600

AUG_2023_AVG_CON	AUG_2023_MEDIAN_CON	SEP_2023_AVG_CON	SEP_2023_MEDIAN_CON	OCT_2023_AVG_CON
3,719	2,900	4,168	3,300	3,523
4,691	3,500	5,389	3,400	4,387
2,935	2,400	3,249	2,600	2,695

OCT_2023_MEDIAN_CON	NOV_2023_AVG_CON	NOV_2023_MEDIAN_CON	DEC_2023_AVG_CONS
2,900	3,647	3,100	3,579
3,500	3,807	3,200	4,456
2,200	2,819	2,400	2,802

DEC_2023_MEDIAN_CON	JAN_2024_AVG_CON	JAN_2024_MEDIAN_CON	FEB_2024_AVG_CONS	FEB_2024_MEDIAN_CON
3,100	3,670	3,200	3,423	3,000
3,300	3,971	3,400	4,335	3,400
2,500	2,941	2,600	2,760	2,400

MAR_2024_AVG_CON	MAR_2024_MEDIAN_CON	APR_2024_AVG_CON	APR_2024_MEDIAN_CON	MAY_2024_AVG_CON
3,375	2,900	3,248	2,800	3,805
4,594	3,500	3,660	3,000	3,635
2,717	2,300	2,578	2,200	2,938

MAY_2024_MEDIAN_CON	JUN_2024_AVG_CON	JUN_2024_MEDIAN_CONS
3,200	4,260	3,400
3,100	4,821	3,600
2,500	3,149	2,600

DIVISION	JAN_2019_AVG_CON	JAN_2019_MEDIAN_CON	FEB_2019_AVG_CONS	FEB_2019_MEDIAN_CON
WATER	4,691	4,000	4,877	4,000
WASTEWATER	3,652	2,100	8,958	7,000
WATER_WASTEWAT	4,077	3,500	4,337	3,700

MAR_2019_AVG_CON	MAR_2019_MEDIAN_CON	APR_2019_AVG_CON	APR_2019_MEDIAN_CON	MAY_2019_AVG_CONS
4,402	3,600	4,366	3,700	4,577
6,368	4,300	2,941	2,550	8,183
4,818	3,200	3,932	3,300	3,942

MAY_2019_MEDIAN_CON	JUN_2019_AVG_CON	JUN_2019_MEDIAN_CON	JUL_2019_AVG_CON	JUL_2019_MEDIAN_CON
3,900	5,078	4,200	4,697	3,800
6,000	6,226	4,498	3,278	2,950
3,400	4,358	3,900	4,303	3,600

AUG_2019_AVG_CON	AUG_2019_MEDIAN_CON	SEP_2019_AVG_CON	SEP_2019_MEDIAN_CON	OCT_2019_AVG_CON
5,159	4,100	5,068	4,100	4,471
11,368	6,700	7,193	5,000	5,891
4,536	3,750	4,339	3,600	3,854

OCT_2019_MEDIAN_CON	NOV_2019_AVG_CON	NOV_2019_MEDIAN_CON	DEC_2019_AVG_CONS
3,600	4,882	4,000	4,667
3,100	9,621	6,800	6,298
3,400	4,078	3,500	3,976

DEC_2019_MEDIAN_CON	JAN_2020_AVG_CON	JAN_2020_MEDIAN_CON	FEB_2020_AVG_CONS	FEB_2020_MEDIAN_CON
3,900	4,737	3,900	4,599	3,900
3,900	3,504	1,481	10,019	4,400
3,400	3,361	2,700	4,464	3,600

MAR_2020_AVG_CON	MAR_2020_MEDIAN_CON	APR_2020_AVG_CON	APR_2020_MEDIAN_CON	MAY_2020_AVG_CONS
4,282	3,500	4,884	4,200	4,850
6,057	4,000	4,617	4,100	9,327
4,643	3,500	4,777	4,000	4,758

MAY_2020_MEDIAN_CON	JUN_2020_AVG_CON	JUN_2020_MEDIAN_CON	JUL_2020_AVG_CON	JUL_2020_MEDIAN_CON
4,200	5,002	4,200	5,648	4,500
6,700	6,849	4,900	6,079	4,900
4,000	4,953	4,100	5,507	4,400

AUG_2020_AVG_CON	AUG_2020_MEDIAN_CON	SEP_2020_AVG_CON	SEP_2020_MEDIAN_CON	OCT_2020_AVG_CON
5,476	4,200	5,186	4,000	4,954
7,960	5,400	7,013	4,800	4,970
5,220	4,100	4,888	3,900	4,673

OCT_2020_MEDIAN_CON	NOV_2020_AVG_CON	NOV_2020_MEDIAN_CON	DEC_2020_AVG_CONS
3,982	4,980	4,000	4,667
3,900	7,295	5,150	6,818
3,700	4,420	3,800	4,145

DEC_2020_MEDIAN_CON	JAN_2021_AVG_CON	JAN_2021_MEDIAN_CON	FEB_2021_AVG_CONS	FEB_2021_MEDIAN_CON
3,740	5,254	4,200	4,568	3,600
4,300	5,270	4,600	7,692	4,600
3,500	4,983	3,900	4,148	3,500

MAR_2021_AVG_CON	MAR_2021_MEDIAN_CON	APR_2021_AVG_CON	APR_2021_MEDIAN_CON	MAY_2021_AVG_CONS
4,435	3,500	4,972	4,100	4,562
5,923	3,800	5,481	4,300	7,303
4,024	3,400	4,505	3,800	4,412

MAY_2021_MEDIAN_CON	JUN_2021_AVG_CON	JUN_2021_MEDIAN_CON	JUL_2021_AVG_CON	JUL_2021_MEDIAN_CON
3,700	4,819	3,800	5,286	4,100
4,700	6,781	4,600	6,118	4,200
3,600	4,825	3,700	5,068	4,000

AUG_2021_AVG_CON	AUG_2021_MEDIAN_CON	SEP_2021_AVG_CON	SEP_2021_MEDIAN_CON	OCT_2021_AVG_CON
5,006	3,800	5,192	3,900	4,875
6,765	4,600	6,839	4,900	8,666
4,559	3,500	4,543	3,700	4,144

OCT_2021_MEDIAN_CON	NOV_2021_AVG_CON	NOV_2021_MEDIAN_CON	DEC_2021_AVG_CONS
3,700	4,630	3,600	4,694
4,000	7,366	4,200	6,301
3,500	4,017	3,400	4,255

DEC_2021_MEDIAN_CON	JAN_2022_AVG_CON	JAN_2022_MEDIAN_CON	FEB_2022_AVG_CONS	FEB_2022_MEDIAN_CON
3,700	4,942	3,900	4,838	3,700
4,350	5,244	4,300	6,250	4,100
3,500	4,573	3,800	4,262	3,500

MAR_2022_AVG_CON	MAR_2022_MEDIAN_CON	APR_2022_AVG_CON	APR_2022_MEDIAN_CON	MAY_2022_AVG_CON
4,523	3,400	4,929	3,900	4,455
5,488	3,700	5,664	4,200	5,458
3,955	3,300	4,293	3,700	4,000

MAY_2022_MEDIAN_CON	JUN_2022_AVG_CON	JUN_2022_MEDIAN_CON	JUL_2022_AVG_CON	JUL_2022_MEDIAN_CON
3,500	5,066	4,000	5,148	4,000
4,250	6,432	4,500	6,518	4,300
3,500	4,702	3,700	5,088	3,900

AUG_2022_AVG_CON	AUG_2022_MEDIAN_CON	SEP_2022_AVG_CON	SEP_2022_MEDIAN_CON	OCT_2022_AVG_CON
4,962	3,700	5,270	4,000	4,640
6,066	4,300	6,656	4,750	6,012
4,860	3,600	4,936	3,800	4,172

OCT_2022_MEDIAN_CON	NOV_2022_AVG_CON	NOV_2022_MEDIAN_CON	DEC_2022_AVG_CONS
3,600	4,547	3,600	4,769
3,700	5,732	3,700	6,489
3,300	3,939	3,300	4,483

DEC_2022_MEDIAN_CON	JAN_2023_AVG_CON	JAN_2023_MEDIAN_CON	FEB_2023_AVG_CONS	FEB_2023_MEDIAN_CON
3,800	5,037	3,900	4,522	3,600
4,300	8,139	3,900	7,006	4,500
3,600	4,463	3,700	3,918	3,300

MAR_2023_AVG_CON	MAR_2023_MEDIAN_CON	APR_2023_AVG_CON	APR_2023_MEDIAN_CON	MAY_2023_AVG_CON
4,176	3,400	4,810	3,900	4,332
4,654	3,500	9,328	3,700	4,983
3,720	3,100	4,314	3,700	3,883

MAY_2023_MEDIAN_CON	JUN_2023_AVG_CON	JUN_2023_MEDIAN_CON	JUL_2023_AVG_CON	JUL_2023_MEDIAN_CON
3,500	5,035	4,000	5,092	4,000
3,950	6,377	4,500	5,625	4,100
3,300	4,992	3,900	4,704	3,800

AUG_2023_AVG_CON	AUG_2023_MEDIAN_CON	SEP_2023_AVG_CON	SEP_2023_MEDIAN_CON	OCT_2023_AVG_CON
4,684	3,600	5,201	4,000	4,403
26,959	4,200	7,186	4,600	16,808
4,278	3,400	4,779	3,900	3,937

OCT_2023_MEDIAN_CON	NOV_2023_AVG_CON	NOV_2023_MEDIAN_CON	DEC_2023_AVG_CONS
3,500	4,833	3,800	4,724
4,000	5,118	4,100	6,456
3,200	4,498	3,500	4,256

DEC_2023_MEDIAN_CON	JAN_2024_AVG_CON	JAN_2024_MEDIAN_CON	FEB_2024_AVG_CONS	FEB_2024_MEDIAN_CON
3,700	4,892	3,900	4,671	3,600
4,400	5,449	4,300	5,129	4,000
3,500	4,480	3,600	4,289	3,500

MAR_2024_AVG_CON	MAR_2024_MEDIAN_CON	APR_2024_AVG_CON	APR_2024_MEDIAN_CON	MAY_2024_AVG_CON
4,595	3,700	4,395	3,500	4,898
6,262	4,300	4,602	3,800	5,205
4,137	3,500	3,895	3,200	4,248

MAY_2024_MEDIAN_CON	JUN_2024_AVG_CON	JUN_2024_MEDIAN_CONS
3,900	5,173	4,100
4,100	6,163	4,600
3,600	5,080	3,800

Witness: Heather Doyle-Conley
Date: 7/22/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-22 From 2019 to present, disaggregated by division, month, and year, please provide the total dollars in debt and the average arrearage level for each of the following Aqua customer segments:

a. All residential customers;
b. Residential customers, excluding confirmed low income customers and CAP customers;
c. Confirmed low income customers;
d. Confirmed low income customers, excluding CAP customers; and
e. CAP customers.

Please provide this data in a live excel spreadsheet.

RESPONSE

Please see CAUSE-PA-I-22 - Attachment.

	31 to 60		61 to 90		91 to 120	
Month	Dollars	Accounts	Dollars	Accounts	Dollars	Accounts
1901	$ 2,747,992.50	56,765	$ 1,250,580.34	25,630	$ 857,490.84	17,753
1902	$ 2,702,267.04	51,551	$ 1,313,569.11	26,412	$ 815,065.02	15,840
1903	$ 2,745,401.27	50,821	$ 1,225,714.40	24,844	$ 856,616.46	15,864
1904	$ 2,588,670.00	58,251	$ 1,321,202.51	25,013	$ 772,466.09	15,199
1905	$ 2,501,303.78	54,111	$ 1,170,485.66	27,762	$ 865,853.62	15,147
1906	$ 2,484,810.32	50,145	$ 1,146,173.57	26,911	$ 803,498.78	16,838
1907	$ 2,874,074.87	48,465	$ 1,099,668.60	24,296	$ 748,667.78	15,886
1908	$ 2,817,477.66	54,412	$ 1,304,634.74	22,825	$ 680,607.83	14,391
1909	$ 3,179,728.29	48,885	$ 1,263,134.84	26,283	$ 912,973.41	14,670
1910	$ 6,339,256.26	68,572	$ 2,607,514.78	33,391	$ 1,706,041.02	19,110
1911	$ 2,832,034.70	56,359	$ 1,524,560.59	23,441	$ 944,267.31	13,384
1912	$ 3,160,222.32	53,049	$ 1,344,551.11	28,692	$ 1,052,006.32	14,083
2001	$ 2,821,708.09	51,179	$ 1,300,649.03	22,456	$ 859,146.06	15,298
2002	$ 3,015,188.47	50,779	$ 1,285,118.76	24,521	$ 910,635.65	14,100
2003	$ 3,130,035.08	50,624	$ 1,555,114.89	26,980	$ 937,886.81	15,774
2004	$ 2,864,104.60	57,988	$ 1,733,959.33	27,029	$ 1,103,571.52	17,611
2005	$ 2,973,021.76	48,054	$ 1,640,149.06	30,595	$ 1,261,796.67	17,762
2006	$ 2,954,322.32	46,531	$ 1,666,946.80	27,017	$ 1,154,692.84	19,639
2007	$ 3,003,285.46	47,895	$ 1,548,870.20	24,523	$ 1,193,334.31	18,339
2008	$ 3,566,331.72	48,297	$ 1,754,809.42	27,929	$ 1,245,273.62	18,577
2009	$ 3,524,679.57	46,154	$ 1,995,706.06	26,567	$ 1,274,753.39	19,162
2010	$ 3,500,726.36	50,486	$ 2,109,838.49	26,956	$ 1,508,094.82	19,098
2011	$ 3,387,474.46	51,801	$ 2,045,659.69	28,628	$ 1,584,894.53	19,224
2012	$ 3,551,088.39	54,457	$ 1,852,159.41	27,835	$ 1,453,662.33	19,076
2101	$ 3,553,031.18	52,822	$ 1,884,037.76	27,707	$ 1,399,412.15	19,256
2102	$ 3,939,872.19	52,409	$ 2,009,437.76	28,558	$ 1,502,071.91	20,548
2103	$ 2,907,223.07	49,330	$ 1,956,374.92	24,025	$ 1,315,172.44	17,579
2104	$ 2,639,866.07	57,952	$ 1,561,247.34	24,419	$ 1,436,341.72	15,891
2105	$ 3,124,334.03	46,200	$ 1,493,737.76	28,130	$ 1,186,089.92	15,883
2106	$ 2,830,223.77	46,258	$ 1,598,435.04	23,254	$ 1,120,189.41	16,668
2107	$ 2,931,924.48	48,072	$ 1,420,199.42	22,430	$ 1,166,244.07	15,026
2108	$ 2,841,618.50	40,895	$ 1,519,909.73	24,060	$ 1,105,108.83	14,543
2109	$ 2,985,424.63	45,874	$ 1,514,208.46	20,767	$ 1,138,785.15	15,521
2110	$ 3,185,517.68	45,228	$ 1,566,617.35	22,970	$ 1,187,196.53	14,300
2111	$ 3,245,374.18	50,552	$ 1,727,118.70	22,973	$ 1,143,763.20	14,900
2112	$ 3,217,395.29	55,221	$ 1,725,185.47	25,880	$ 1,260,216.15	15,052
2201	$ 2,940,090.77	50,635	$ 1,607,153.48	25,500	$ 1,244,503.98	15,644
2202	$ 3,212,576.06	47,168	$ 1,612,673.05	25,313	$ 1,082,708.54	15,437
2203	$ 2,958,185.30	48,660	$ 1,544,504.64	21,880	$ 1,094,054.73	14,903
2204	$ 2,961,739.54	56,708	$ 1,511,566.50	23,539	$ 1,110,725.88	14,120
2205	$ 3,470,683.57	50,967	$ 1,723,328.47	31,757	$ 1,186,545.11	16,403
2206	$ 3,218,270.95	54,820	$ 1,870,468.18	27,407	$ 1,230,386.70	19,579
2207	$ 3,630,603.17	52,787	$ 1,713,993.99	29,255	$ 1,319,085.91	17,832

2208	$ 3,816,848.25	47,813	$ 1,861,976.45	27,290	$ 1,214,959.07	17,954
2209	$ 3,990,712.04	57,544	$ 1,939,972.06	24,701	$ 1,277,898.55	17,177
2210	$ 4,447,926.89	53,129	$ 2,026,562.43	29,796	$ 1,458,877.97	17,347
2211	$ 4,159,664.93	57,008	$ 2,423,119.23	28,676	$ 1,430,200.71	18,769
2212	$ 5,039,503.70	102,685	$ 2,236,162.47	31,023	$ 1,714,035.87	18,931
2301	$ 3,989,198.96	64,474	$ 2,371,904.96	33,581	$ 1,486,442.68	18,921
2302	$ 4,292,719.93	54,088	$ 2,359,334.36	33,420	$ 1,544,686.74	20,872
2303	$ 3,914,988.81	55,487	$ 2,197,875.38	27,257	$ 1,556,408.21	19,454
2304	$ 3,776,211.39	66,258	$ 2,046,267.41	30,418	$ 1,586,418.45	18,175
2305	$ 3,924,444.98	50,800	$ 1,779,958.94	34,001	$ 1,684,087.17	19,920
2306	$ 3,586,266.52	60,502	$ 2,023,202.96	26,891	$ 1,172,913.16	19,851
2307	$ 4,202,323.29	54,250	$ 1,771,606.89	31,162	$ 1,455,301.89	17,708
2308	$ 3,874,588.02	49,422	$ 1,994,138.55	27,106	$ 1,173,982.23	18,304
2309	$ 3,868,477.43	63,120	$ 2,061,210.98	26,663	$ 1,461,775.22	18,066
2310	$ 4,277,608.97	50,727	$ 1,916,266.54	32,365	$ 1,510,424.40	17,372
2311	$ 3,744,599.27	63,427	$ 2,283,577.15	27,095	$ 1,305,254.68	19,334
2312	$ 4,060,852.87	55,764	$ 1,982,071.76	34,188	$ 1,580,826.89	17,701
2401	$ 3,736,328.18	50,547	$ 2,097,368.46	29,078	$ 1,349,462.71	20,092
2402	$ 3,772,788.43	48,491	$ 2,046,265.68	26,852	$ 1,361,178.81	17,584
2403	$ 3,815,761.77	52,911	$ 2,017,938.20	26,210	$ 1,473,190.44	17,940
2404	$ 3,907,864.60	53,235	$ 2,053,816.06	28,169	$ 1,371,768.14	17,147
2405	$ 3,223,432.97	53,738	$ 1,841,488.53	25,851	$ 1,338,447.72	16,287

121 to 180		over 180			
Dollars	Accounts	Dollars	Accounts	Total Dollars	Total # of Accounts
$ 1,070,783.26	11,158	$ 5,622,103.99	15,230	$ 11,548,950.93	126,536
$ 1,094,726.40	11,696	$ 5,620,689.42	15,065	$ 11,546,316.99	120,564
$ 1,048,089.21	11,162	$ 5,637,802.89	15,093	$ 11,513,624.23	117,784
$ 1,123,239.71	11,002	$ 5,640,324.93	15,049	$ 11,445,903.24	124,514
$ 1,098,964.76	10,867	$ 5,648,723.65	14,969	$ 11,285,331.47	122,856
$ 1,074,456.69	10,905	$ 5,737,063.06	15,151	$ 11,246,002.42	119,950
$ 1,114,709.00	11,329	$ 5,715,759.97	15,008	$ 11,552,880.22	114,984
$ 1,016,804.94	10,834	$ 5,677,168.44	14,806	$ 11,496,693.61	117,268
$ 911,055.76	10,551	$ 5,690,211.80	14,922	$ 11,957,104.10	115,311
$ 1,985,765.69	12,603	$ 11,384,626.95	15,765	$ 24,023,204.70	149,441
$ 1,163,237.68	11,104	$ 5,617,551.99	14,761	$ 12,081,652.27	119,049
$ 1,096,538.69	10,897	$ 5,798,896.81	15,133	$ 12,452,215.25	121,854
$ 1,292,822.43	9,622	$ 5,743,218.60	15,011	$ 12,017,544.21	113,566
$ 1,253,694.20	10,299	$ 5,847,890.51	15,101	$ 12,312,527.59	114,800
$ 1,220,399.66	10,237	$ 6,062,088.60	15,596	$ 12,905,525.04	119,211
$ 1,328,779.89	11,662	$ 6,223,791.73	16,237	$ 13,254,207.07	130,527
$ 1,469,020.58	12,549	$ 6,397,759.03	16,536	$ 13,741,747.10	125,496
$ 1,650,260.37	13,241	$ 6,589,674.35	17,246	$ 14,015,896.68	123,674
$ 1,742,816.02	14,358	$ 6,718,408.48	17,982	$ 14,206,714.47	123,097
$ 1,728,692.80	14,327	$ 7,127,062.76	18,957	$ 15,422,170.32	128,087
$ 1,801,414.85	14,559	$ 7,390,432.83	19,676	$ 15,986,986.70	126,118
$ 1,935,225.87	15,312	$ 7,704,200.47	19,901	$ 16,758,086.01	131,753
$ 2,066,702.36	15,072	$ 8,141,987.09	20,007	$ 17,226,718.13	134,732
$ 2,246,358.37	14,616	$ 8,491,658.44	19,814	$ 17,594,926.94	135,798
$ 2,335,717.34	14,904	$ 8,964,985.07	20,223	$ 18,137,183.50	134,912
$ 2,322,385.12	15,910	$ 9,553,493.71	20,609	$ 19,327,260.69	138,034
$ 2,171,869.43	14,652	$ 9,856,322.27	20,415	$ 18,206,962.13	126,001
$ 2,037,177.76	13,323	$ 10,076,767.18	20,014	$ 17,751,400.07	131,599
$ 2,043,719.64	12,261	$ 9,446,641.30	17,843	$ 17,294,522.65	120,317
$ 1,977,270.28	12,004	$ 9,387,760.52	17,305	$ 16,913,879.02	115,489
$ 1,760,914.33	12,114	$ 9,231,217.86	16,860	$ 16,510,500.16	114,502
$ 1,604,233.50	11,299	$ 9,147,348.05	16,693	$ 16,218,218.61	107,490
$ 1,685,860.29	11,372	$ 7,529,199.68	11,011	$ 14,853,478.21	104,545
$ 1,675,163.51	11,525	$ 7,714,543.70	10,925	$ 15,329,038.77	104,948
$ 1,709,012.53	11,032	$ 7,703,072.03	10,870	$ 15,528,340.64	110,327
$ 1,738,638.83	11,428	$ 7,763,875.41	10,932	$ 15,705,311.15	118,513
$ 1,779,381.83	11,364	$ 8,043,834.97	10,947	$ 15,614,965.03	114,090
$ 1,883,924.21	11,621	$ 7,925,936.82	10,833	$ 15,717,818.68	110,372
$ 1,701,280.71	11,136	$ 7,874,730.42	10,689	$ 15,172,755.80	107,268
$ 1,625,658.36	10,829	$ 7,610,233.68	10,502	$ 14,819,923.96	115,698
$ 1,623,968.77	10,995	$ 7,537,964.51	10,575	$ 15,542,490.43	120,697
$ 1,715,662.88	12,120	$ 7,399,865.48	10,622	$ 15,434,654.19	124,548
$ 1,738,532.71	13,531	$ 7,334,111.52	10,654	$ 15,736,327.30	124,059

$	1,723,720.16	12,491	$	7,223,255.45	10,954	$	15,840,759.38	116,502
$	1,787,736.60	12,718	$	7,082,024.76	10,978	$	16,078,344.01	123,118
$	1,721,571.96	12,640	$	7,174,479.41	11,287	$	16,829,418.66	124,199
$	1,934,023.33	12,969	$	7,239,308.64	11,427	$	17,186,316.84	128,849
$	2,082,011.97	14,172	$	7,340,337.39	11,519	$	18,412,051.40	178,330
$	2,072,805.30	13,282	$	7,412,163.42	11,702	$	17,332,515.32	141,960
$	2,246,230.80	13,958	$	7,444,225.62	11,727	$	17,887,197.45	134,065
$	2,123,487.78	14,766	$	7,624,316.39	11,702	$	17,417,076.57	128,666
$	2,119,981.71	14,184	$	7,494,144.75	11,821	$	17,023,023.71	140,856
$	2,135,860.05	13,207	$	7,557,182.83	12,484	$	17,081,533.97	130,412
$	2,248,606.98	13,717	$	7,425,176.62	11,863	$	16,456,166.24	132,824
$	1,941,127.88	13,961	$	7,397,865.26	11,762	$	16,768,225.21	128,843
$	1,760,331.99	12,770	$	7,386,266.10	11,973	$	16,189,306.89	119,575
$	1,754,071.23	12,951	$	7,022,999.86	11,586	$	16,168,534.72	132,386
$	1,699,742.34	12,649	$	6,906,090.98	11,540	$	16,310,133.23	124,653
$	1,960,507.94	12,708	$	6,811,905.51	11,488	$	16,105,844.55	134,052
$	1,925,043.50	13,818	$	6,666,909.34	11,373	$	16,215,704.36	132,844
$	1,922,290.56	12,793	$	6,773,858.26	11,749	$	15,879,308.17	124,259
$	1,820,933.46	13,298	$	6,507,446.08	11,516	$	15,508,612.46	117,741
$	1,863,156.14	13,165	$	6,734,656.45	11,593	$	15,904,703.00	121,819
$	1,937,800.06	12,801	$	6,731,890.32	11,963	$	16,003,139.18	123,315
$	1,772,769.79	11,572	$	6,621,637.85	11,392	$	14,797,776.86	118,840

	31 to 60		61 to 90		91 to 120	
Month	Arrears	Accounts	Arrears	Accounts	Arrears	Accounts
1901	$ 1,085,158.54	16,441	$ 763,135.14	11,323	$ 621,441.68	9,280
1902	$ 1,076,669.67	16,051	$ 764,567.35	11,643	$ 614,094.84	8,783
1903	$ 1,088,587.57	15,723	$ 742,779.74	11,306	$ 583,917.74	8,645
1904	$ 1,024,989.96	16,388	$ 771,378.48	11,213	$ 576,183.03	8,408
1905	$ 990,592.81	16,181	$ 679,965.81	11,146	$ 615,288.67	8,430
1906	$ 1,031,284.98	15,988	$ 689,674.98	11,464	$ 571,496.71	8,744
1907	$ 1,141,901.76	15,817	$ 678,539.51	10,855	$ 537,754.97	8,458
1908	$ 1,158,369.37	16,385	$ 776,981.50	10,935	$ 514,180.68	8,029
1909	$ 1,286,775.00	16,252	$ 777,599.87	11,194	$ 632,967.84	8,434
1910	$ 1,289,546.89	16,183	$ 842,161.11	10,765	$ 585,042.46	8,139
1911	$ 1,174,339.51	17,613	$ 942,360.79	11,742	$ 711,556.54	8,730
1912	$ 1,300,311.52	17,129	$ 808,422.00	12,489	$ 782,697.68	9,095
2001	$ 1,229,765.55	16,992	$ 844,030.20	11,290	$ 646,737.14	9,338
2002	$ 1,278,328.85	16,651	$ 846,878.36	12,035	$ 708,605.39	9,089
2003	$ 1,291,331.27	17,027	$ 930,821.53	12,643	$ 706,288.46	9,585
2004	$ 1,189,899.47	17,748	$ 990,898.25	13,060	$ 760,973.39	10,054
2005	$ 1,270,710.82	16,386	$ 927,673.06	13,704	$ 805,432.26	10,386
2006	$ 1,258,197.63	16,172	$ 996,909.12	12,862	$ 760,269.45	10,828
2007	$ 1,270,935.13	16,171	$ 922,162.09	11,956	$ 822,796.41	10,492
2008	$ 1,452,326.70	16,078	$ 1,024,133.32	13,083	$ 855,383.94	10,892
2009	$ 1,501,664.13	16,723	$ 1,178,947.83	13,029	$ 872,431.93	11,055
2010	$ 1,504,544.00	17,426	$ 1,255,456.24	13,845	$ 1,029,073.00	11,230
2011	$ 1,472,889.17	17,967	$ 1,245,639.11	14,338	$ 1,094,462.62	11,902
2012	$ 1,536,606.07	18,473	$ 1,219,141.35	14,843	$ 1,095,833.96	12,522
2101	$ 1,241,161.26	14,848	$ 1,133,480.41	12,997	$ 1,029,783.99	11,831
2102	$ 1,372,219.46	14,894	$ 1,091,603.63	13,084	$ 1,033,746.57	11,767
2103	$ 1,163,595.10	14,226	$ 1,223,568.94	12,711	$ 948,242.81	11,384
2104	$ 1,101,515.79	13,595	$ 1,020,134.07	12,066	$ 1,078,767.28	11,028
2105	$ 1,197,679.81	13,599	$ 919,990.95	11,086	$ 892,244.02	10,090
2106	$ 1,097,337.58	13,693	$ 1,022,920.63	11,259	$ 801,574.71	9,531
2107	$ 1,117,397.18	13,432	$ 917,100.97	11,055	$ 893,425.19	9,610
2108	$ 1,136,523.78	12,317	$ 951,717.09	10,919	$ 849,260.54	9,415
2109	$ 1,175,858.02	13,315	$ 959,579.66	10,074	$ 840,057.94	9,398
2110	$ 1,229,645.86	13,367	$ 985,127.56	10,835	$ 897,378.70	9,152
2111	$ 1,209,641.46	13,798	$ 1,029,166.48	10,853	$ 861,646.72	9,248
2112	$ 1,150,507.92	13,904	$ 1,034,308.30	11,294	$ 906,063.85	9,366
2201	$ 1,073,446.13	13,080	$ 968,303.84	11,266	$ 928,383.58	9,474
2202	$ 1,225,243.05	13,710	$ 952,738.16	11,027	$ 810,898.72	9,340
2203	$ 1,171,540.64	13,865	$ 981,461.85	10,637	$ 802,922.65	9,030
2204	$ 1,128,354.65	14,198	$ 934,346.30	10,647	$ 830,875.67	8,767
2205	$ 1,250,545.00	14,031	$ 907,390.69	11,491	$ 817,998.23	9,000
2206	$ 1,159,581.48	14,274	$ 1,018,049.58	11,241	$ 772,733.95	9,419
2207	$ 1,277,280.10	14,146	$ 930,417.65	11,382	$ 861,981.99	9,336

2208	$	1,382,557.21	13,380	$	1,056,175.47	11,287	$	789,569.74	9,401
2209	$	1,460,909.91	15,012	$	1,120,178.90	10,823	$	887,113.48	9,349
2210	$	1,589,165.47	15,009	$	1,134,154.18	11,565	$	1,011,090.90	9,750
2211	$	1,464,479.72	15,476	$	1,329,271.05	12,375	$	968,798.35	9,710
2212	$	1,549,797.32	18,402	$	1,225,363.94	12,929	$	1,131,295.82	10,560
2301	$	1,441,902.08	15,425	$	1,307,069.80	13,774	$	1,035,300.50	10,627
2302	$	1,580,801.23	15,581	$	1,261,939.69	13,036	$	1,078,812.23	11,439
2303	$	1,476,336.94	15,801	$	1,266,583.62	12,394	$	1,040,898.76	10,606
2304	$	1,372,812.83	16,419	$	1,180,433.26	12,718	$	1,089,572.16	10,470
2305	$	1,481,519.04	15,391	$	1,027,235.00	12,512	$	1,078,564.72	10,656
2306	$	1,314,414.11	15,640	$	1,176,517.58	12,207	$	844,429.84	9,996
2307	$	1,493,483.68	15,258	$	1,003,666.14	11,956	$	1,027,702.49	10,093
2308	$	1,491,672.27	14,982	$	1,098,195.66	11,387	$	824,686.25	9,613
2309	$	1,385,343.23	15,590	$	1,182,556.82	11,871	$	945,103.74	9,687
2310	$	1,523,093.12	14,946	$	1,045,197.74	11,828	$	1,015,965.79	9,639
2311	$	1,345,559.43	15,634	$	1,200,590.34	11,862	$	863,475.45	9,520
2312	$	1,415,748.96	14,780	$	1,061,313.58	12,275	$	990,743.40	9,690
2401	$	1,269,773.46	13,832	$	1,127,816.32	11,618	$	873,244.56	9,764
2402	$	1,285,181.56	13,320	$	1,012,699.07	10,778	$	873,518.90	8,890
2403	$	1,284,088.87	13,502	$	1,019,163.86	10,574	$	856,541.40	8,977
2404	$	1,245,245.25	13,345	$	1,005,967.07	10,572	$	845,253.58	8,632
2405	$	1,146,317.98	13,285	$	908,796.13	9,850	$	850,476.84	8,406

121 to 180		over 180			
Arrears	Accounts	Arrears	Accounts	Total Dollars	Total # of Accounts
$ 850,016.97	6,816	$ 2,762,472.95	4,722	$ 6,082,225.28	48,582
$ 875,791.87	6,958	$ 2,765,814.41	4,630	$ 6,096,938.14	48,065
$ 850,571.64	6,821	$ 2,796,846.41	4,667	$ 6,062,703.10	47,162
$ 859,111.84	6,635	$ 2,806,687.94	4,620	$ 6,038,351.25	47,264
$ 837,605.32	6,578	$ 2,834,112.15	4,619	$ 5,957,564.76	46,954
$ 862,502.22	6,662	$ 2,848,708.10	4,729	$ 6,003,666.99	47,587
$ 872,549.74	6,762	$ 2,839,393.70	4,648	$ 6,070,139.68	46,540
$ 797,013.02	6,642	$ 2,851,277.60	4,589	$ 6,097,822.17	46,580
$ 731,126.34	6,512	$ 2,870,142.25	4,644	$ 6,298,611.30	47,036
$ 822,806.73	6,628	$ 2,867,322.42	4,656	$ 6,406,879.61	46,371
$ 892,332.29	6,832	$ 2,809,283.42	4,495	$ 6,529,872.55	49,412
$ 887,130.29	6,870	$ 2,965,382.62	4,841	$ 6,743,944.11	50,424
$ 1,058,851.39	7,094	$ 2,916,071.41	4,719	$ 6,695,455.69	49,433
$ 1,018,192.03	7,354	$ 3,009,986.45	4,791	$ 6,861,991.08	49,920
$ 1,005,081.70	7,372	$ 3,194,740.60	5,163	$ 7,128,263.56	51,790
$ 1,079,649.31	7,859	$ 3,343,093.70	5,530	$ 7,364,514.12	54,251
$ 1,159,256.10	8,233	$ 3,511,589.51	5,697	$ 7,674,661.75	54,406
$ 1,226,788.31	8,553	$ 3,658,421.13	6,015	$ 7,900,585.64	54,430
$ 1,263,385.17	8,990	$ 3,735,131.71	6,322	$ 8,014,410.51	53,931
$ 1,260,573.30	9,123	$ 4,031,873.69	6,880	$ 8,624,290.95	56,056
$ 1,347,145.98	9,415	$ 4,222,301.24	7,294	$ 9,122,491.11	57,516
$ 1,446,192.18	9,880	$ 4,492,134.49	7,518	$ 9,727,399.91	59,899
$ 1,563,968.19	10,181	$ 4,901,462.07	7,938	$ 10,278,421.16	62,326
$ 1,778,479.46	10,666	$ 5,266,362.41	8,299	$ 10,896,423.25	64,803
$ 1,806,328.48	10,438	$ 5,543,659.30	8,190	$ 10,754,413.44	58,304
$ 1,798,741.89	10,737	$ 6,067,371.01	8,610	$ 11,363,682.56	59,092
$ 1,721,037.77	10,378	$ 6,392,259.68	8,647	$ 11,448,704.30	57,346
$ 1,642,661.31	9,961	$ 6,598,702.40	8,465	$ 11,441,780.85	55,115
$ 1,661,082.90	9,259	$ 6,654,075.03	8,006	$ 11,325,072.71	52,040
$ 1,628,447.24	8,947	$ 6,648,310.86	7,701	$ 11,198,591.02	51,131
$ 1,426,021.83	8,600	$ 6,543,024.45	7,434	$ 10,896,969.62	50,131
$ 1,299,837.96	8,337	$ 6,517,014.52	7,231	$ 10,754,353.89	48,219
$ 1,385,672.10	8,327	$ 6,394,567.81	7,025	$ 10,755,735.53	48,139
$ 1,362,482.52	8,167	$ 6,493,748.69	6,934	$ 10,968,383.33	48,455
$ 1,395,477.02	8,061	$ 6,486,453.51	6,861	$ 10,982,385.19	48,821
$ 1,413,834.72	8,149	$ 6,530,978.84	6,844	$ 11,035,693.63	49,557
$ 1,414,792.17	8,267	$ 6,710,968.74	6,890	$ 11,095,894.46	48,977
$ 1,498,981.35	8,263	$ 6,601,641.43	6,737	$ 11,089,502.71	49,077
$ 1,388,592.66	7,964	$ 6,525,598.62	6,612	$ 10,870,116.42	48,108
$ 1,297,293.50	7,618	$ 6,323,715.33	6,386	$ 10,514,585.45	47,616
$ 1,273,821.61	7,470	$ 6,232,545.11	6,294	$ 10,482,300.64	48,286
$ 1,334,156.47	7,630	$ 6,065,680.06	6,122	$ 10,350,201.54	48,686
$ 1,294,669.21	7,946	$ 5,972,541.08	6,070	$ 10,336,890.03	48,880

$	1,265,051.69	7,811	$	5,847,083.11	6,156	$	10,340,437.22	48,035
$	1,341,611.38	7,895	$	5,627,269.58	6,063	$	10,437,083.25	49,142
$	1,294,402.02	8,013	$	5,698,915.31	6,150	$	10,727,727.88	50,487
$	1,466,197.16	8,340	$	5,704,735.63	6,313	$	10,933,481.91	52,214
$	1,573,279.08	8,820	$	5,755,315.72	6,356	$	11,235,051.88	57,067
$	1,559,744.41	8,781	$	5,789,275.57	6,548	$	11,133,292.36	55,155
$	1,692,312.43	9,028	$	5,822,226.78	6,588	$	11,436,092.36	55,672
$	1,634,173.62	9,545	$	5,923,169.38	6,606	$	11,341,162.32	54,952
$	1,641,212.68	9,006	$	5,927,690.08	6,707	$	11,211,721.01	55,320
$	1,639,489.08	8,728	$	5,972,085.74	7,158	$	11,198,893.58	54,445
$	1,662,375.30	8,690	$	5,841,057.49	6,596	$	10,838,794.32	53,129
$	1,468,133.02	8,594	$	5,779,361.92	6,519	$	10,772,347.25	52,420
$	1,357,661.08	8,273	$	5,699,672.91	6,568	$	10,471,888.17	50,823
$	1,358,144.94	8,042	$	5,402,338.32	6,171	$	10,273,487.05	51,361
$	1,244,240.10	7,875	$	5,243,167.83	6,095	$	10,071,664.58	50,383
$	1,422,871.55	7,993	$	5,176,990.81	6,019	$	10,009,487.58	51,028
$	1,406,322.03	8,135	$	4,986,211.53	5,844	$	9,860,339.50	50,724
$	1,346,671.08	7,881	$	5,056,277.07	5,975	$	9,673,782.49	49,070
$	1,274,890.30	7,541	$	4,821,292.80	5,686	$	9,267,582.63	46,215
$	1,308,342.91	7,526	$	4,920,358.32	5,678	$	9,388,495.36	46,257
$	1,301,096.19	7,349	$	4,932,032.46	5,802	$	9,329,594.55	45,700
$	1,253,840.20	7,058	$	4,887,330.22	5,659	$	9,046,761.37	44,258

	31 to 60		61 to 90		91 to 120	
Month	Arrears	Accounts	Arrears	Accounts	Arrears	Accounts
Dec-22	$ 120.16	2	$ 121.51	2	$ 141.12	2
Jan-23	$ 5,341.02	42	$ 3,678.41	37	$ 3,328.03	33
Feb-23	$ 10,402.60	69	$ 9,334.40	69	$ 7,003.79	63
Mar-23	$ 7,814.48	100	$ 13,472.12	94	$ 11,854.74	92
Apr-23	$ 2,647.58	59	$ 1,665.84	31	$ 1,126.34	10
May-23	$ 6,440.95	82	$ 2,154.99	47	$ 1,467.95	23
Jun-23	$ 11,045.87	160	$ 5,745.53	67	$ 1,922.99	42
Jul-23	$ 19,573.92	262	$ 10,118.39	136	$ 5,583.99	62
Aug-23	$ 32,324.22	434	$ 16,316.76	216	$ 8,544.87	124
Sep-23	$ 37,482.16	522	$ 25,374.18	349	$ 14,056.40	192
Oct-23	$ 49,103.63	640	$ 29,845.88	418	$ 25,308.91	306
Nov-23	$ 51,056.44	726	$ 42,955.98	540	$ 27,036.02	362
Dec-23	$ 75,258.84	949	$ 46,051.52	638	$ 39,920.00	501
Jan-24	$ 83,058.31	1,024	$ 62,108.16	782	$ 40,330.99	542
Feb-24	$ 94,327.99	1,178	$ 65,351.05	753	$ 47,287.21	563
Mar-24	$ 113,073.83	1,473	$ 73,446.03	880	$ 57,614.21	621
Apr-24	$ 128,389.36	1,960	$ 83,672.57	1,113	$ 56,918.99	697
May-24	$ 125,335.21	2,103	$ 87,561.74	1,389	$ 74,017.09	910

121 to 180		over 180			
Arrears	Accounts	Arrears	Accounts	Total Dollars	Total # of Accounts
$ 311.33	2	$ 9.37	1	$ 703.49	9
$ 5,585.40	26	$ 8,790.80	15	$ 26,723.66	153
$ 10,785.53	54	$ 17,741.69	35	$ 55,268.01	290
$ 17,540.50	85	$ 33,803.99	51	$ 84,485.83	422
$ 29.56	1	$ 475.68	1	$ 5,945.00	102
$ 909.95	8	$ -	0	$ 10,973.84	160
$ 2,104.18	18	$ 96.34	1	$ 20,914.91	288
$ 2,872.18	41	$ 837.51	6	$ 38,985.99	507
$ 6,165.52	64	$ 1,758.27	18	$ 65,109.64	856
$ 11,063.70	113	$ 2,707.51	35	$ 90,683.95	1,211
$ 18,168.44	174	$ 6,033.17	52	$ 128,460.03	1,590
$ 34,381.47	281	$ 16,771.79	92	$ 172,201.70	2,001
$ 48,488.33	366	$ 22,094.82	155	$ 231,813.51	2,609
$ 55,520.35	440	$ 42,525.94	248	$ 283,543.75	3,036
$ 53,642.00	416	$ 47,235.40	245	$ 307,843.65	3,155
$ 66,206.31	491	$ 63,607.66	277	$ 373,948.04	3,742
$ 77,435.85	513	$ 62,311.72	293	$ 408,728.49	4,576
$ 89,163.86	608	$ 78,087.00	343	$ 454,164.90	5,353

Witness: Rita F. Black
Date: 7/17/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-26 From 2019 to present disaggregated by division, month, and year, please provide the number and dollar amounts of Aqua Aid grants awarded for each of the following Aqua customer segments:

a. All residential customers;
b. Residential customers, excluding confirmed low income customers and CAP customers
c. Confirmed low income customers;
d. Confirmed low income customers, excluding CAP customers; and
e. CAP customers.

Please provide this data in a live excel spreadsheet.

RESPONSE

See table below. Please note that prior to the fall of 2023, tracking for hardship grants did not include customer income data, therefore for all grants processed prior to that time, classification is residential generally as the Company cannot identify confirmed low income status. Upon transition to the Aqua CAP internal team in the fall of 2023, customer income and CAP participation is now available to track grant recipients. The grant total for 2019 was taken from bank statements for the grant funds and therefore did not include the number of recipients.

	Number	Amount	Residential	CLI	CLI excl. CAP	CAP
2019	*unknown	$2,260	*unknown			
2020	64	$12,951.99	64			
2021	202	$55,181.22	202			
2022	5	$4,953.29	5			
2023	20	$13,356.95	20	11	0	11
2024	46	$32,571.31	46	46	0	46

Witness: Rita F. Black
Date: 7/17/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-28 What are the applicable policies and procedures for eligibility and enrollment into Aqua's leak repair program, including policies and procedures related to Aqua's leak repair program for the administering agencies? Please provide a copy of any and all written policies and/or procedures, memoranda, guidance documents, training materials, call scripts, emails, or other written documents which describe the policies and procedures related to accessing the leak repair program.

RESPONSE Aqua's leak repair program is handled in-house by the Aqua CAP team. The income guideline is the same as other Aqua programs – 200% FPL. If a customer is participating in CAP, no income documentation is required. If the customer is not participating in CAP, income documentation is required and CAP enrollment is completed to ensure customer receives the discounted rates for which they are eligible. The program generally serves homeowners and proof of ownership is required. Under special circumstances, the program may serve tenants with signed landlord permission.

Witness: Rita F. Black
Date: 7/31/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET II

CAUSE-PA-II-1 Regarding Aqua's response to CAUSE-PA I-3, what information does Aqua rely on to determine that a customer is "level 1 or 2A based on the federal poverty guidelines." Please explain and provide a copy of any written policies, procedures, SOPs, or other documents which specifically describe how Aqua classifies customer levels based on federal poverty guidelines.

RESPONSE Aqua obtains customer income information on a voluntary and verbal basis. If the income and household composition provided by the customer indicates their income is at or below 150% of Federal Poverty Level, the customer is classified as 'level 1'. If their income indicates 151 to 200% of Federal Poverty Level, the customer's income is classified as 'level 2A'. Both categories are specific to the billing system of Aqua and are determined by the information an agent or employee enters on an account.

Witness: Rita F. Black
Date: 7/31/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET II

CAUSE-PA-II-17 From January 2019 to date, disaggregated by year, please identify the total amount paid to DEF by Aqua for processing Aqua Aid applications.

RESPONSE

DEF does not process Aqua Aid applications.

Witness: Heather Doyle-Conley
Date: 6/28/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET VI INTERROGATORIES

OCA-VI-11 In Excel format, please provide by month for each month for January 2021 to present, the dollars of arrears by aging bucket for residential customers using the following aging bands: 0-30 days; 31-60 days; 61-90 days; 91-180 days; and more than 180 days. If aging bands other than those identified are used by the company, provide those bands that the Company uses.

RESPONSE

Please see Attachment OCA-VI-11.

	31 to 60		61 to 90		91 to 120	
Month	Arrears	Accounts	Arrears	Accounts	Arrears	Accounts
2212	$ 120.16	2	$ 121.51	2	$ 141.12	2
2301	$ 5,341.02	42	$ 3,678.41	37	$ 3,328.03	33
2302	$ 10,402.60	69	$ 9,334.40	69	$ 7,003.79	63
2303	$ 7,814.48	100	$ 13,472.12	94	$ 11,854.74	92
2304	$ 2,647.58	59	$ 1,665.84	31	$ 1,126.34	10
2305	$ 6,440.95	82	$ 2,154.99	47	$ 1,467.95	23
2306	$ 11,045.87	160	$ 5,745.53	67	$ 1,922.99	42
2307	$ 19,573.92	262	$ 10,118.39	136	$ 5,583.99	62
2308	$ 32,324.22	434	$ 16,316.76	216	$ 8,544.87	124
2309	$ 37,482.16	522	$ 25,374.18	349	$ 14,056.40	192
2310	$ 49,103.63	640	$ 29,845.88	418	$ 25,308.91	306
2311	$ 51,056.44	726	$ 42,955.98	540	$ 27,036.02	362
2312	$ 75,258.84	949	$ 46,051.52	638	$ 39,920.00	501
2401	$ 83,058.31	1,024	$ 62,108.16	782	$ 40,330.99	542
2402	$ 94,327.99	1,178	$ 65,351.05	753	$ 47,287.21	563
2403	$ 113,073.83	1,473	$ 73,446.03	880	$ 57,614.21	621
2404	$ 128,389.36	1,960	$ 83,672.57	1,113	$ 56,918.99	697
2405	$ 125,335.21	2,103	$ 87,561.74	1,389	$ 74,017.09	910
	$ 852,796.57	11,785	$ 578,975.06	7,561	$ 423,463.64	5,145

121 to 180		over 180			
Arrears	Accounts	Arrears	Accounts	Total Dollars	Total # of Accounts
$ 311.33	2	$ 9.37	1	$ 703.49	9
$ 5,585.40	26	$ 8,790.80	15	$ 26,723.66	153
$ 10,785.53	54	$ 17,741.69	35	$ 55,268.01	290
$ 17,540.50	85	$ 33,803.99	51	$ 84,485.83	422
$ 29.56	1	$ 475.68	1	$ 5,945.00	102
$ 909.95	8	$ -	0	$ 10,973.84	160
$ 2,104.18	18	$ 96.34	1	$ 20,914.91	288
$ 2,872.18	41	$ 837.51	6	$ 38,985.99	507
$ 6,165.52	64	$ 1,758.27	18	$ 65,109.64	856
$ 11,063.70	113	$ 2,707.51	35	$ 90,683.95	1,211
$ 18,168.44	174	$ 6,033.17	52	$ 128,460.03	1,590
$ 34,381.47	281	$ 16,771.79	92	$ 172,201.70	2,001
$ 48,488.33	366	$ 22,094.82	155	$ 231,813.51	2,609
$ 55,520.35	440	$ 42,525.94	248	$ 283,543.75	3,036
$ 53,642.00	416	$ 47,235.40	245	$ 307,843.65	3,155
$ 66,206.31	491	$ 63,607.66	277	$ 373,948.04	3,742
$ 77,435.85	513	$ 62,311.72	293	$ 408,728.49	4,576
$ 89,163.86	608	$ 78,087.00	343	$ 454,164.90	5,353
$ 500,374.46	3,701	$ 404,888.66	1,868	$ 2,760,498.39	30,060

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:		
	:		
v.	:	Docket Nos.	R-2024-3047822
	:		R-2024-3047824
Aqua Pennsylvania, Inc.	:		
Aqua Pennsylvania Wastewater, Inc.	:		

SURREBUTTAL TESTIMONY OF HARRY S. GELLER, ESQ.

ON BEHALF OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA ("CAUSE-PA")

September 26, 2024

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PREPARED SURREBUTTAL TESTIMONY OF HARRY S. GELLER, ESQ.

I. INTRODUCTION

Q: Please state your name, occupation, and business address.

A: My name is Harry Geller. I am a retired attorney with emeritus status. Before retirement, I served as the long-time Director of the Pennsylvania Utility Law Project. I continue to serve as a consultant to legal aid programs and their clients, and maintain an office at 118 Locust St., Harrisburg, PA 17101.

Q: Did you previously submit testimony in this proceeding?

A: Yes. I submitted direct testimony that is pre-marked as CAUSE-PA Statement 1.

Q: What is the purpose of your surrebuttal testimony?

A: My surrebuttal testimony responds to the rebuttal testimony of Constance E. Heppenstall and Rita F. Black for Aqua Pennsylvania (Aqua or the Company) and Zachari Walker for the Bureau of Investigation and Enforcement (I&E).

My surrebuttal testimony is not intended to address every issue raised or otherwise discussed by other parties' witnesses in rebuttal testimony. The absence of an explicit response to any specific recommendation or position of any witness does not indicate my agreement. Unless required for context in providing a further response to rebuttal testimony, I will not reiterate the extensive arguments and evidence that I provide in my direct testimony. To the extent an argument or recommendation raised by any party is already sufficiently addressed through the record, I do not intend to respond, and stand firmly on the evaluation, analysis, and recommendations contained in my direct testimony. I further note that several witnesses advanced legal arguments in their preserved direct and rebuttal testimony. Unless a factual basis is necessary to inform a particular legal argument, I do not intend to respond to legal theories or argument through the

course of my testimony. Rather, I am informed by Counsel for CAUSE-PA that all legal arguments will be fully addressed, as necessary and appropriate, through briefing.

Q: How is your surrebuttal testimony organized?

A: My surrebuttal testimony is divided into 5 sections as follows:

In Section I, I introduce my surrebuttal testimony. In Section II, I respond to the rebuttal testimony of Aqua's expert witness, Constance E. Heppenstall (Aqua St. 5-R), related to Aqua's inclining block rate structure.

In Section III, I will respond to rebuttal testimony of Aqua's expert witness, Rita F. Black (Aqua 13-R), related to Aqua's universal service programs and related policies and procedures, and the critical need to implement various enhancements and reforms as a condition to any approved rate increase in this proceeding to address deep unaffordability at existing and proposed rates.

In Section IV, I will respond to rebuttal testimony of I&E expert witness Zachari Walker (I&E St. 1-R) related to my recommendations that the Commission require Aqua to increase funding for its Leak Repair and Conservation Program and to file a unified Universal Service Plan necessary for improved oversight and transparency.

Finally, In Section V, I conclude my surrebuttal testimony.

II. RESPONSE TO AQUA WITNESS CONSTANCE E. HEPPENSTALL (AQUA ST. 5-R)

Q: Please briefly summarize Ms. Heppenstall's rebuttal testimony to which you wish to respond.

A: In my direct testimony in this matter, I explain that Aqua uses an inclining block structure for its volumetric charges, meaning there is one rate for usage up to 2,000 gallons, and a rate for

its volumetric charges that is nearly 20% higher for any usage over 2,000 gallons.[1] Aqua's inclining block rate structure has a disparate impact on low income households with larger families – and correspondingly higher usage – and renters who often do not have control over household water usage due to conditions of their home and are less able to make necessary repairs or adopt water efficiency upgrades.[2]

In response, Ms. Heppenstall argues that Aqua's inclining block rates were implemented to encourage conservation and to provide a low "lifeline" rate for Seniors and low water users – including apartment dwellers.[3] Ms. Heppenstall argues that if this rate structure were replaced with a one block rate, the rate for the first 2,000 gallons of usage would be higher for these customers because the one block rate would be a weighted average of the low "lifeline" rate and the higher second block rate.[4]

Q: What is your response to Ms. Heppenstall's rebuttal testimony related to inclining block rates, as you have outlined?

A: To be clear, I did not propose for Aqua to eliminate its inclining block rate structure. My discussion of Aqua's inclining block rate structure was to underscore the need for improved volumetric discounts for all usage levels to more equitably assist low income customers. As currently structured, Aqua's CAP contains no volumetric discount for usage above 2,000 gallons.[5] This discount structure is insufficient, and has a disparate impact on larger households who have correspondingly higher usage levels.[6] Aqua's CAP structure also contributes to the broader disparities in water/ wastewater burdens between low income households and general

[1] CAUSE-PA St. 1 at 9: 5-10.
[2] Id.
[3] Aqua St. 5-R at 13: 1-10.
[4] Id.
[5] CAUSE-PA St. 1 at 24: 12-19.
[6] Id.

residential ratepayers, as low income households are more likely to have less efficient appliances and experience plumbing and fixture leaks from living in older homes – yet most often lack the discretionary income to invest in repairs or upgrades and/or are unable to force their landlords to make such repairs or upgrades.[7]

To address these disparities, and improve the equitable distribution of rate assistance, I continue to recommend that the Commission require Aqua to amend its Customer Assistance Program (CAP) to provide a discount on usage levels exceeding 2,000 gallons/month.[8] Expanding the volumetric discount offered by Aqua's CAP is particularly important because Aqua's confirmed low income customers use, on average, approximately 21.4% more water than non-low income residential customers.[9] I continue to stand by my recommendation that Aqua be required to improve the discounts and structure of its CAP, including expanding the volumetric discounts offered to CAP participants.

III. RESPONSE TO AQUA WITNESS RITA BLACK (AQUA ST. 13-R)

Q: Please briefly summarize Ms. Black's rebuttal testimony in response to your recommendations that the Commission require Aqua to improve its categorization and assessment of low income customers, to which you wish to respond.

A: In my direct testimony, I explain that Aqua is undercounting low income customers, as it only includes customers that Aqua has direct contact with and who have affirmatively shared income information with the Company.[10] I explain that this consistent undercounting results in an underassessment of relative needs across Aqua's service territory, which in turn makes it difficult to ensure assistance programs are appropriately funded and designed to ensure low

[7] CAUSE-PA St. 1 at 24: 12-19.
[8] Id. at 25-27.
[9] Id. at 25.
[10] Id. at 12-13.

income families can access water and wastewater service. I further note that this consistent undercounting prevents identification and remediation of important trends related to low income customers – including whether low income customers can consistently afford and maintain services. In addition, Aqua's undercounting of low income customers hampers efforts to conduct appropriately targeted outreach to low income customers, so that these customers can learn about and access assistance programs and protections necessary to staying connected to services.

I recommend through my direct testimony that Aqua adopt a broader definition and improve tracking of its "confirmed low income customers." Specifically, I proposed that Aqua develop a proactive and routinized income screening process, which identifies and tracks customers who fall within the following categories:[11]

- Enrollment or participation in a low income assistance or conservation program (CAP, Aqua Aid, or Aqua's Leak Repair and Conservation Program).
- Receipt of a federal, state, or local utility assistance, such as LIHWAP or LIHEAP.
- Receipt of other emergency utility assistance.
- Indication by the customer of inability to pay current bill and/or requests for income based payment arrangements.
- Contact immediately prior to termination.
- Other referrals to low income programs.
- Self-certification by the customer.
- Income information received based on request for a medical certificate.

In response, Ms. Black argues that Aqua's CAP is relatively new and that Aqua's current processes and procedures adequately identify low income customers.[12] Ms. Black also argues that Aqua already utilizes several of the categories recommended in my direct testimony to identify low income households.[13] Specifically, Ms. Black notes that any customers who are

[11] Id. at 13.
[12] Aqua St. 13-R at 2: 11-14.
[13] Id. at 2: 15-21.

currently participating in CAP, Aqua Aid, and Aqua's leak repair or conservation kit offerings have verified income at or below 200% of the Federal Poverty Level (FPL) and are therefore counted.[14] Ms. Black also notes that my recommended inclusions are unnecessary because (1) no customers are currently participating in the Low Income Household Water Assistance Program (LIHWAP), making this recommendation is moot; (2) Aqua took affirmative steps to participate in the Low Income Home Energy Assistance Program (LIHEAP) data sharing opportunities with the Pennsylvania Department of Human Services (DHS), but has no other way of knowing whether customers receive a LIHEAP grant; (3) customers who self-certify their incomes or contact Aqua to discuss payment arrangements prior to termination are already counted as low income; and (4) medical certificates are not dependent on income and do not serve as a reasonable basis for determining a customer is low income.[15]

Q: What if your response to Ms. Black's rebuttal testimony related to improving Aqua's identification and classification of low income customers, as you have outlined?

A: I strongly contest that the newness of Aqua's CAP is a reasonable basis or justification to perpetuate policies which undercount low income customers. Indeed, the newness of Aqua's CAP makes it even more essential that Aqua act now to improve its policies for identification and assessment of its low income customer population and, in turn, implement the goals and metrics that I have recommended related to its counting and assessment of low income customers. As discussed, Aqua is significantly undercounting its low income customers, and only counting those customers that Aqua has had direct contact with who have affirmatively disclosed

[14] Id. at 2-3.
[15] Id. at 3: 1-16.

income information. [16] Ms. Black similarly acknowledges that Aqua's CAP only reflects a portion of the potentially eligible population.[17]

Ms. Black dismisses the use of a medical certificate as part of the low income identification process. I respectfully disagree. A medical certificate is actually an important part of the low income identification process as it is both necessary and appropriate to identify a household's income status following submission of a medical certificate. Section 56.114(2) of the Commission's regulations state, in relevant part, that medical certificates may be renewed "if the customer has met the obligations under § 56.116 (relating to duty of customer to pay bills)." Section 56.97(b) additionally requires that a public utility "exercise good faith and fair judgment in attempting to enter a reasonable payment arrangement or otherwise equitably resolve the matter." Aqua has an affirmative duty, pursuant to these provisions, to actively work with a household who has submitted a medical certificate to connect them with available assistance programs or negotiate an equitable payment arrangement. Unless and until Aqua confirms otherwise, customers identified as low income through the medical certification process should be included in Aqua's low income customer count.

I further disagree with Ms. Black and I stand by my recommendation that customers in receipt of federal, state, or local utility assistance (such as LIHWAP and LIHEAP) should be classified as confirmed low income is appropriate. Low income customers may disclose receipt of other forms of utility assistance through conversations with Aqua, or provide other affirmative proof of their receipt of such assistance. These customers should be classified as confirmed low income customers without having to provide duplicative information demonstrating their low income status. I note, too, that I explicitly recognized the current status of LIHWAP in my direct

[16] CAUSE-PA St. 1 at 12: 13-20.
[17] Aqua St. 13-R at 4: 1-6.

testimony, and I disagree with Ms. Black that Aqua should no longer consider participation in LIHWAP as an indicator of low income status. While LIHWAP is currently closed to new applicants, the program is still authorized in federal law and there is substantial ongoing advocacy to secure additional funding at the state and federal level. Aqua's policies should be appropriately flexible to identify low income households as such when they are participating in LIHEAP, LIHWAP, or other assistance programs with income guidelines consistent with Aqua's CAP.

For these reasons, and the reasons set forth in my direct testimony, I stand by my recommendations that Aqua be required to make important improvements to its identification, tracking, assessment, and categorization of confirmed low income customers.

Q: Please briefly summarize Ms. Black's rebuttal testimony related to your recommendation that Aqua be required to develop and submit a Universal Service Plan, to which you wish to respond.

A: In my direct testimony, I recommend that Aqua be required to develop and submit a Universal Service Plan for periodic Commission review and approval, with the first Universal Service Plan and accompanying Petition filed within one year of the final order in this proceeding.[18] OCA expert witness Roger Colton similarly notes that the policies regarding universal service programs should be brought forward to Pennsylvania's water and wastewater utilities.[19]

In response to these recommendations, Ms. Black argues that jurisdictional water and wastewater utilities in Pennsylvania are not currently bound by any explicit statutory or regulatory requirements to submit a Universal Service Plan, and that individual base rate

[18] CAUSE-PA St. 1 at 31.
[19] OCA St. 6 at 19-20.

proceedings are not the proper forum to address these issues.[20] Ms. Black notes that, if and when the Commission chooses to engage stakeholders to discuss expanding universal service requirements for water/wastewater providers, Aqua will actively participate in these efforts.[21]

Q: What is your response to Ms. Black rebuttal testimony to your recommendation that Aqua submit a Universal Service Plan, as you have outlined?

A: As I discuss in my direct testimony, requiring Aqua to develop and submit a Universal Service Plan for periodic Commission review and approval is essential to provide the Commission, stakeholders, and consumers with a central place to reference basic facts about Aqua's program eligibility, rate discounts, grant amounts, and enrollment processes.[22] I acknowledge in my direct testimony that jurisdictional water and wastewater utilities are not currently required by statute or regulation to file a Universal Service Plan. However, I explain that a Universal Service Plan is nevertheless necessary and appropriate to facilitate program oversight, promote transparency, and ensure accessibility. Aqua's universal service programs were approved by the Commission to address an identified need for comprehensive rate assistance to address deep and widespread rate unaffordability. They were established in furtherance of mandates in the Public Utility Code to provide safe and accessible service to all households based on just and reasonable rates – not in furtherance of an explicit statutory mandate for water utilities to establish a suite of universal service programs. The lack of a unified document which contains all Commission approved parameters for Aqua's Commission-approved programs hinders enforcement, obfuscates transparency, and complicates program accessibility. Thus, the Commission should rely on the same authority used to approve Aqua's

[20] Aqua St. 13-R at 9.
[21] Id. at 9-10.
[22] CAUSE-PA St. 1 at 31: 1-15.

universal service programs to also require it to file a unified Universal Service Plan. While I am supportive of efforts to advance statewide policy regarding the coordination and streamlined delivery of universal service programs, the lack of a current statewide obligation or proceeding does not preclude the Commission from directing Aqua to develop and submit a Universal Service Plan.

A Universal Service Plan is specifically designed towards addressing low income customers' ability to learn about and ultimately enroll in assistance critical to addressing the unaffordability of Aqua's rates. Aqua should not be permitted to obtain a rate increase in the context of the present proceeding to be borne by customers least able to afford it, while avoiding its responsibilities to provide robust review and enhancements to low income assistance programs. As discussed in further detail below, requiring Aqua to submit a Plan provides accessibility and transparency to the public, and an important opportunity for the Commission to oversee the policies, procedures, and program requirements which necessarily affect whether Aqua's low income customers are able to enroll in available assistance. Thus, I stand firmly behind my recommendation that the Commission require Aqua to submit a Universal Service Plan for formal Commission review and approval.

Q: Please briefly summarize Ms. Black's rebuttal testimony in response to your recommended improvements to the discounts and structure under Aqua's CAP, to which you wish to respond.

A: In my direct testimony, I explain that Aqua's CAP is not currently producing affordable bills for participants. For example, a family of four at 100% FPL using 6,000 gallons/month would have a combined water/ wastewater burden of 7% - far exceeding accepted levels of

affordability.[23] At the same usage level, a family of four at 50% FPL would have a combined water/wastewater burden of 20% - 1/5th of their monthly household income. These burden levels will increase if Aqua is permitted to increase its base rates, and will have a disproportionate impact on larger families and those with high usage that is beyond their ability to control.[24]

To improve the equitable distribution of assistance to Aqua's low income households, and better offset the impact of Aqua's rate increase, I recommend through direct testimony that Aqua extend the volumetric discount offered under CAP to the entire usage portion of the bill; disaggregate its discount levels between 0-50% FPL and 51-100% FPL;[25] and adjust its CAP discount levels as set forth in Table 5 of my direct testimony.[26] Under my adjusted CAP proposal, Aqua's CAP would more equitably address the affordability needs of struggling low income customers – ensuring rate assistance is more closely calibrated to meet the needs of individual consumers based on relative income level, household size, and usage levels.[27]

In response, Ms. Black notes that, under Aqua's current CAP, customers with income at or below 100% FPL receive a 100% discount on their first 2,000 gallons in addition to a 100% discount on their fixed charge.[28] As a result, customers who consume 2,000 gallons or less per month do not receive any charges for water service.[29] Ms. Black notes that, under my CAP design, customers between 0-50% FPL would be responsible to pay 15% of their usage charges, and customers between 51-100% FPL would be responsible for paying 25% of their usage charges.[30] Similarly, she explains that, under Aqua's current CAP, customers with incomes

[23] CAUSE-PA St. 1 at 23-24.
[24] Id. CAUSE-PA Exhibit 1.
[25] CAUSE-PA St. 1 at 25-26.
[26] Id. at 27, Table 5.
[27] Id. at 27.
[28] Aqua St. 13-R at 12.
[29] Id.
[30] Aqua St. 13-R at 12-13.

between 51-100% FPL using 2,000 gallons or less per month are not charged for any consumption.[31] Ms. Black argues that my proposal to adjust income tiers and discount levels would cause these customers (namely, households at/below 100% FPL using 2,000 gallons or less each month) to experience an increase in their bill.[32] However, she fails to quantify the number of CAP households using 2,000 gallons or less of water each month who would, in theory, experience an increase in CAP rates pursuant to my proposal – nor does she quantify the resulting water and wastewater burden for these households.

Finally, Ms. Black alleges that it is inappropriate to divide the first income tier, which currently includes households with income between 0-100% FPL, to include separate income tiers for 0-50% FPL and 51-100% FPL.[33] Ms. Black argues that all customers with incomes at or below the federal poverty line are facing financial hardship and asserts that my proposal would decrease benefits for some customers between 51-100% FPL, as discussed above.[34] However, as noted, she does not quantify the resulting water and wastewater burden for households she asserts would lose benefits under my proposal.

Q: What is your response to Ms. Black's rebuttal to your recommended improvements to the discount levels and structure of Aqua's CAP, as you have outlined?

A Ms. Black's rebuttal supports maintaining the current level of discounts for a limited segment of customers, consisting of an unknown number, whose water usage is below 2,000 gallons a month. However, under my proposal, the discounts for water and wastewater customers will be altered, depending on the customer's usage level and FPL (which accounts for both relative income and household size). That said, the structure and discount levels which I

[31] Id. at 13.
[32] Id.
[33] Aqua St. 13-R at 14: 1-9.
[34] Id.

recommend in Table 5 of my direct testimony are developed to achieve more equitable levels of affordability for all CAP participants, in a manner that accounts for variations in FPL, family size, and usage level. As illustrated in CAUSE-PA Exhibit 1, the resulting water and wastewater burdens under my proposal, across all income tiers and usage levels, would improve under my proposal.

Ms. Black's concern that my proposal would decrease benefit levels for a subset of CAP customers with 2,000 gallons or less of usage per month are not supported by data, and fails to account for the fact that a greater segment of Aqua's low income customers would obtain more equitable rates while the group identified by Ms. Black would still receive a bill that is well within accepted levels of affordability. As of June 2024, the average water usage level of confirmed low income customers was 5,173 gallons per month.[35] In other words, a substantial majority of Aqua's low income customers have usage levels exceeding 2,000 gallons/month, and over half of Aqua's low income customers have usage levels exceeding 5,173 gallons/month.

Pursuant to my CAP proposal, CAP participants across all income tiers would see marked improvements to bill affordability and reduction in their water and wastewater burdens. These improved discounts would be particularly pronounced for customers between 0-50% FPL, who are at the bottom of the poverty scale and experience the most acute financial hardships affording and staying connected to services. It is unclear based on Ms. Black's analysis how many households may ultimately see a bill increase under my proposal because their usage levels fall under 2,000 gallons/month. As discussed, the average usage levels of Aqua's CAP customers fall well above 2,000 gallons. As of June 2024, Aqua reported that the average usage of CAP water customers was 5,148 gallons/month; the average usage of CAP wastewater customers was 4,747

[35] CAUSE-PA St. 1 at 25: 1-17.

gallons/month; and the average usage of water/wastewater CAP customers was 3,769 gallons/month.[36]

In sum, my proposal would substantially improve resulting affordability for the vast majority of CAP participants – while also ensuring improved equity in the distribution of benefits across income level, household size, and usage level. While there is a potential that some CAP participants with very low usage (below 2,000 gallons) will see a slight reduction in discount level, all low usage households would continue to receive a bill that is consistent with accepted levels of affordability. I therefore stand firmly by my recommendations to improve the structure and discount levels of Aqua's CAP.

Q: Please briefly summarize Ms. Black's rebuttal testimony in response to your recommended improvements to Aqua Aid to which you wish to respond.

A: In my direct testimony, I raise concerns that Aqua has issued only a miniscule number of grants through Aqua Aid in comparison to Aqua's confirmed low income termination rates.[37] To help improve access to and knowledge of Aqua Aid grants, I recommend that the Commission require Aqua to routinely screen and refer eligible customers to Aqua Aid; expand partnerships with local Community Based Organizations (CBOs) to improve program outreach and assistance with enrollment; and work with its Aqua Assistance Collaborative (AAC) to identify potential CBO partners across its service territory.[38]

Ms. Black argues that these recommendations are premature.[39] She notes that Aqua Aid recently replaced Helping Hand and made certain improvements to outreach, including the use of

[36] CAUSE-PA to Aqua I-19, Attachment.
[37] CAUSE-PA St. 1 at 33: 13-20.
[38] Id. at 34: 1-6.
[39] Aqua St. 13-R at 16: 8-21.

a bill insert to increase awareness about Aqua Aid.[40] Ms. Black indicates that, in response to these efforts, Aqua is seeing marked increases to requests for assistance – though she does not qualify this claimed increase, which runs counter to the enrollment data provided by Aqua in response to discovery.[41] Ms. Black also notes that using an internal team to evaluate these requests allows Aqua to address other assistance needs, including if customers are unaware of or not enrolled in CAP.[42]

Q: What is your response to Ms. Black's rebuttal testimony to your recommended improvements to Aqua Aid, as you have outlined?

A: My recommendations related to Aqua Aid are timely and would help to enhance screening and improve CBO coordination to supplement current efforts to improve awareness and uptake of the program. Indeed, these enhancements are especially critical now, as Aqua seeks to substantially increase rates for life-sustaining water and wastewater services. Aqua's hardship fund is not appropriately accessible to its low income customers, with only a small number customers able to access available assistance compared to the need amongst low income customers.[43] For example, in 2023, Aqua reported a total of 20 grants processed, despite 4,179 confirmed low income customers experiencing an involuntary service termination for nonpayment.[44]

While I am encouraged by Aqua's efforts to conduct additional outreach to residential customers, more must be done to improve the accessibility, reach, and effectiveness of Aqua Aid. My recommended improvements to Aqua Aid provide an important routinized mechanism

[40] Id.
[41] Id.
[42] Aqua St. 13-R at 16-17.
[43] CAUSE-PA St. 1 at 33: 13-20.
[44] Id.

through which customers will be regularly screened for need and eligibility for grant assistance. In addition, increasing coordination with CBOs will help to open important opportunities for outreach related to Aqua Aid to supplement Aqua's current efforts, and would improve the ability to provide holistic services to address other critical needs. Thus, I stand by my recommended improvements to Aqua Aid, as discussed in detail in my direct testimony.

Q: Please briefly summarize Ms. Black's rebuttal testimony related to your support of a Percentage of Income Payment (PIP) structure, to which you wish to respond.

A: In my direct testimony, I explain that Aqua's CAP will reduce but not eliminate the financial impact of Aqua's proposed rate increase for CAP participants.[45] Unlike a PIP, which ties rates directly to each participant's household income, Aqua's CAP is designed as a tiered rate discount program which provide designated groups of participants certain delineated discount on rates.[46] Thus, if rates increase without a corresponding increase in CAP discounts, the resulting CAP charges also increase.[47] In recognition of current system constraints for Aqua to transition to a PIP, I recommend that Aqua make improvements to its CAP discount levels and income tiers in the short term, while ensuring over the longer term that planned system upgrades will support implementation of a PIP in the future.[48] OCA expert witness, Roger Colton, similarly argues that Aqua's eventual conversion of its CAP to a PIP is a preferrable outcome.[49]

In her rebuttal testimony, Ms. Black acknowledges that PIPs provide an important safety net for potential rate changes resulting from increases in energy costs.[50] Nevertheless, Ms. Black argues that PIPs are costly to other ratepayers who must bear the responsibility for the portion of

[45] CAUSE-PA St. 1 at 21.
[46] Id.
[47] Id.
[48] CAUSE-PA St. 1 at 26-27.
[49] OCA St. 6 at 30-31.
[50] Aqua St. 13-R at 21: 8-22.

the bill CAP participants are not asked to pay.[51] Ms. Black argues that any consideration of Aqua implementing a PIP must evaluate the mechanism through which actual costs will be recovered, and the level of costs that nonparticipant residential customers bear.[52]

Q: What is your response to Ms. Black's rebuttal to PIPs, as you have outlined?

A: To be clear, although I strongly believe in the preferability of a PIP to Aqua's current CAP model, I have not recommended in the context of this proceeding that Aqua be required to implement a PIP structure, only that it be required to ensure any planned system upgrades allow for future PIP implementation. Ms. Black's arguments focus on allegations that implementation of a PIP structure will be too costly for non-CAP customers. Ms. Black does not allege that the costs of system upgrades necessary to support a PIP structure would be unduly burdensome. Nor does she provide any actual data, information, or cost projections to support her assertion that a PIP is more expensive than the current discount structure.

I do not dispute that the costs and benefits of implementing a PIP should be considered prior to approving a future transition in program design. I note that an analysis of costs to nonparticipant customers must include avoided costs as a result of improved CAP affordability – including avoided uncollectible expenses which occur when CAP participants experience involuntary termination as a result of unaffordable monthly bills. These uncollectible expenses affect all ratepayers and must be accounted for in any assessment of the reasonableness of PIP implementation.

[51] Id.
[52] Aqua St. 13-R at 22: 1-10.

IV. RESPONSE TO I&E WITNESS ZACHARI WALKER (I&E St. 1-R)

Q: Please briefly summarize I&E witness Walker's rebuttal testimony to your recommendations regarding Aqua's Leak Repair and Conservation Program, to which you wish to respond.

A: In my direct testimony, I explain that Aqua's proposed rate increase would fall hardest on high usage low income households.[53] I note that Aqua's proposed annual budget of just $132,000/ year for its Leak Repair and Conservation program was inadequate to service likely need.[54] I therefore recommend in my direct testimony that Aqua increase available funding to $400,000/ year, divided proportionally across different conservation and line repair services.[55] I explain that this increase would help to improve access to usage reduction services, reduce disparities in the impact of Aqua's proposed rate increase on high usage households, allow Aqua needed flexibility to provide comprehensive leak repair and usage reduction services, and more effectively target high usage customers enrolled in CAP to help control CAP costs.[56]

Zachari Walker disagrees with my recommendations to improve funding for the Leak Repair and Conservation Program[57] and argues that I do not provide proof that the Company is capable of utilizing its current leak repair program budget, or that this budget would not be sufficient to cover the costs associated with this program.[58] Witness Walker also argues that, as Aqua's program costs are embedded in base rates, this recommendation would increase ratepayer costs with no certainty that funds can or will be spent, or to ensure that ratepayers are not contributing to Aqua's income if funds remain unspent.[59]

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[53] CAUSE-PA St. 1 at 35.
[54] Id.
[55] Id.
[56] Id.
[57] I&E St. 1 at 4: 6-17.
[58] Id.
[59] Id.

Q: What is your response to Witness Walker's rebuttal testimony regarding your proposed funding increase for Aqua's Leak Repair and Conservation Program?

A: As discussed at length in my direct testimony, Aqua's low income customers currently carry substantial water and wastewater burdens, which will exacerbate if Aqua is permitted to increase its basic rates of service.[60] Aqua's low income customers also carry disproportionate amounts of residential customer debt and have markedly higher rates of involuntary termination for nonpayment compared to residential customers as a whole.[61]

The unaffordability of Aqua's existing and proposed rates is particularly pronounced for low income customers carrying high usages.[62] This disproportionate impact based on usage is particularly important because Aqua's low income customers carry average higher usage levels compared to residential customers as a whole. For example, the average water usage of residential customers, excluding low income customers, ranged from 3,670 gallons in January 2024 and 4,260 gallons in June 2024. By comparison confirmed low income customer water usage ranged from 4,892 gallons in January 2024 and 5,173 gallons in June 2024.[63] If Aqua is permitted to increase rates, it must be required to increase assistance available to mitigate high usage and correspondingly higher monthly bills. This is particularly important since low income households often have high usage as a result of plumbing and fixture leaks because of living in older homes – yet most often lack the discretionary income to invest in repairs themselves and/or are unable to force their landlord to make such repairs.[64]

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[60] CAUSE-PA St. 1 at 15.
[61] Id. at 16-18.
[62] Id. at 18-19.
[63] Id. at 19: 8-14.
[64] See Coty Montag, Water/Color: A Study of Race and the Water Affordability Crisis in America's Cities, NAACP Legal Defense and Educational Fund, Inc, May 2019 ,at p. 28, (hereinafter "Water/Color Report") available at: https://www.naacpldf.org/wp-content/uploads/Water_Report_FULL_5_31_19_FINAL_OPT.pdf; EPA, Assistance that Saves: How WaterSense Partners Incorporate Water Efficiency Into Affordability Programs (2021), available at:

For these reasons, I stand firmly by my recommendation that Aqua be required to increase its budget for its Leak Repair and Conservation Program. Nevertheless, I recognize I&E's witness Walker's concerns, and agree that additional provisions should be made to ensure that program funding is appropriately used to support usage reduction and leak/ line repairs for low income customers. In addition to my recommendations in my direct testimony, I further recommend herein that Aqua be required to consult with its AAC to evaluate and implement additional methods for providing usage reduction and repair services to at-need customers. Similarly, I recommend that Aqua be required to consult with its AAC to develop and implement a plan for coordinating delivery of conservation and repair assistance with other conservation assistance within its service territory – including other utilities' Low Income Usage Reduction Programs (LIURPs).

Q: Please briefly summarize I&E's rebuttal to your recommendation that Aqua be required to develop and submit a Universal Service Plan for the Commission's review and approval, to which you wish to respond.

A: As discussed, I recommend in my direct testimony that the Commission require Aqua to develop and submit a Universal Service Plan for periodic Commission review and approval, with the first Universal Service Plan and accompanying Petition filed within one year of the final order in this proceeding.[65]

Similar to Rita Black, Zachari Walker argues that my recommendation should be rejected because jurisdictional water/ wastewater utilities are not currently required to file Universal

https://www.epa.gov/system/files/documents/2021-07/ws-assistance-that-saves-efficiency-and-affordability.pdf; NRDC, Water Affordability Advocacy Toolkit: Water Efficiency and Plumbing Repair Assistance (2022), available at: https://www.nrdc.org/sites/default/files/water-affordability-toolkit-section-10.pdf.

[65] CAUSE-PA St. No. 1, at p. 31.

Service Plans, and that statewide guidance is needed rather than ordering individual utilities to be required to file Universal Service Plans in a piecemeal fashion.[66]

In support of his contentions, Witness Walker cites to the recent Commission order in the Pennsylvania-American Water Company (PAWC) base rate proceeding, in which the Commission rejected a plan to develop a conservation program and found that " [i]n the absence of a regulation that mandates a [LIURP] for water companies, similar to the regulations that exists for electric distribution companies and natural gas distribution companies, we find it inappropriate for the Commission to impose such obligation of PAWC alone."[67]

Q: What if your response to Walker's rebuttal related to your recommendation that Aqua be required to develop and periodically submit a Universal Service Plans, as you have outlined?

A: As I discussed above, the lack of a current statewide proceeding does not preclude the Commission from directing Aqua to develop and submit a unified Universal Service Plan. Universal Service Plans provide an essential means by which the Commission can evaluate and exercise oversight over utilities' universal service programs. Simply updating Aqua's website to include additional program information does not substitute for a formal review of universal service programs to ensure that they are designed in a manner that is reasonable and in line with statute, regulation, and Commission orders. While low income programs must necessarily be considered in any determination related to the justness and reasonableness of rates, it is essentially that additional avenues are provided so that the Commission has the ability to periodically review, and ultimately compel, important changes to Aqua's universal service

[66] Aqua St. 13-R at 5-6.
[67] Id. at 6: 10-22, citing PA Public Utility Commission et al v. PA American Water Company, Docket Nos. R-2023-3043189 et al, p. 346 (Order Entered July 22, 2024).

programs without having to wait for Aqua to submit a request to increase it rates. Requiring Aqua to submit a Universal Service Plan for periodic Commission review and approval would provide this important forum.

Finally, counsel for CAUSE-PA has advised me that issues related to the applicability of the Commission's Order in the recent PAWC base rate proceeding require certain legal analyses which CAUSE-PA reserves for briefing. That said, I note that Witness Walker's analyses do not take into consideration that previous Commission orders clearly demonstrate that it is well within the Commission's purview to order implementation and improvements to water/ wastewater assistance programs. For example, the Commission approved the creation of important improvements to water/ wastewater utilities' universal service programs in the context of Aqua's prior rate proceedings. Indeed, in the Commission Order in the recent PAWC base rate proceeding relied on by I&E witness Walker, the Commission orders PAWC to make several important changes to its universal service programs, including to the structure and discount levels of its Bill Discount Program (BDP).[68]

For these reasons and the reasons set forth in the direct testimony, I stand firmly by my recommendation that Aqua be required to develop and submit a USP for periodic Commission review and approval.

V. CONCLUSION

Q: Does this conclude your surrebuttal testimony?

A: Yes.

[68] Pa. PUC v. PAWC, Order, Docket Nos. R-2023-3043189 et al, at 328-365 (Order entered July 22, 2024).

CAUSE-PA St. 1-SR, Geller
Appendix A
Cited Discovery Responses

Witness: Heather Doyle-Conley
Date: 7/29/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY IN PENNSYLVANIA

DATA REQUEST SET I

CAUSE-PA-I-19 From 2019 to present, please provide the mean and median customer usage, disaggregated by division, month, and year, for each of the following customer segments:

a. All residential customers;
b. Residential customers, excluding confirmed low income customers and CAP customers;
c. Confirmed low income customers;
d. Confirmed low income customers, excluding CAP customers; and
e. CAP customers.

Please provide this data in a live excel spreadsheet.

RESPONSE

Please see CAUSE-PA-I-19 – Attachment.

DIVISION	JAN_2019_AVG_CON	JAN_2019_MEDIAN_CON	FEB_2019_AVG_CONS	FEB_2019_MEDIAN_CON
WATER	4,525	3,800	4,643	3,900
WASTEWATER	3,425	3,150	6,180	5,450
WATER_WASTEWAT	3,356	2,950	3,534	3,000

MAR_2019_AVG_CON	MAR_2019_MEDIAN_CON	APR_2019_AVG_CON	APR_2019_MEDIAN_CON	MAY_2019_AVG_CONS
4,023	3,450	4,069	3,600	4,312
7,344	7,300	3,240	2,700	5,733
3,111	2,700	3,381	2,900	3,282

MAY_2019_MEDIAN_CON	JUN_2019_AVG_CON	JUN_2019_MEDIAN_CON	JUL_2019_AVG_CON	JUL_2019_MEDIAN_CON
3,800	4,872	4,100	4,537	3,800
4,700	7,320	4,850	2,145	1,900
2,900	3,906	3,200	3,672	3,000

AUG_2019_AVG_CON	AUG_2019_MEDIAN_CON	SEP_2019_AVG_CONS	SEP_2019_MEDIAN_CON	OCT_2019_AVG_CONS
5,018	4,100	4,971	4,000	4,333
5,764	3,000	6,864	2,900	2,660
3,700	3,200	3,782	3,200	3,450

OCT_2019_MEDIAN_CON	NOV_2019_AVG_CON	NOV_2019_MEDIAN_CON	DEC_2019_AVG_CON
3,600	4,829	3,900	4,549
2,200	5,168	4,950	6,492
3,000	3,287	2,900	3,816

DEC_2019_MEDIAN_CON	JAN_2020_AVG_CON	JAN_2020_MEDIAN_CON	FEB_2020_AVG_CONS	FEB_2020_MEDIAN_CON
3,700	4,567	3,800	4,397	3,740
3,700	2,607	1,500	3,803	2,600
3,000	3,255	2,200	3,935	3,100

MAR_2020_AVG_CON	MAR_2020_MEDIAN_CON	APR_2020_AVG_CON	APR_2020_MEDIAN_CON	MAY_2020_AVG_CONS
3,981	3,400	4,627	4,000	4,677
5,612	4,750	4,475	4,750	6,617
3,364	2,900	4,214	3,700	4,443

MAY_2020_MEDIAN_CON	JUN_2020_AVG_CON	JUN_2020_MEDIAN_CON	JUL_2020_AVG_CON	JUL_2020_MEDIAN_CON
4,000	4,896	4,100	5,533	4,400
5,500	7,765	5,400	4,289	2,550
3,600	4,524	3,500	5,045	4,150

AUG_2020_AVG_CON	AUG_2020_MEDIAN_CON	SEP_2020_AVG_CONS	SEP_2020_MEDIAN_CON	OCT_2020_AVG_CONS
5,318	4,100	4,883	3,800	4,694
6,283	3,400	5,151	2,700	5,207
4,497	3,450	4,214	3,450	4,851

OCT_2020_MEDIAN_CON	NOV_2020_AVG_CON	NOV_2020_MEDIAN_CON	DEC_2020_AVG_CON
3,800	4,737	3,900	4,551
4,650	6,369	3,600	4,988
3,100	3,736	3,300	3,707

DEC_2020_MEDIAN_CON	JAN_2021_AVG_CON	JAN_2021_MEDIAN_CON	FEB_2021_AVG_CONS	FEB_2021_MEDIAN_CON
3,700	5,029	4,200	4,374	3,500
2,450	4,306	2,600	5,548	3,850
3,300	4,386	3,300	3,789	3,100

MAR_2021_AVG_CON	MAR_2021_MEDIAN_CON	APR_2021_AVG_CON	APR_2021_MEDIAN_CON	MAY_2021_AVG_CONS
4,407	3,400	4,895	4,100	4,484
4,679	2,500	5,344	2,850	4,822
3,870	3,000	4,405	3,500	3,895

MAY_2021_MEDIAN_CON	JUN_2021_AVG_CON	JUN_2021_MEDIAN_CON	JUL_2021_AVG_CON	JUL_2021_MEDIAN_CON
3,700	4,749	3,800	5,171	4,100
3,350	4,608	3,350	4,922	3,400
3,700	4,568	3,400	4,809	3,600

AUG_2021_AVG_CON	AUG_2021_MEDIAN_CON	SEP_2021_AVG_CONS	SEP_2021_MEDIAN_CON	OCT_2021_AVG_CONS
4,903	3,800	5,113	3,900	4,993
4,592	3,750	6,798	4,250	4,729
3,941	3,100	4,002	3,200	3,649

OCT_2021_MEDIAN_CON	NOV_2021_AVG_CON	NOV_2021_MEDIAN_CON	DEC_2021_AVG_CON
3,700	4,691	3,600	4,728
3,700	5,906	3,900	6,267
3,200	3,408	2,800	3,738

DEC_2021_MEDIAN_CON	JAN_2022_AVG_CON	JAN_2022_MEDIAN_CON	FEB_2022_AVG_CONS	FEB_2022_MEDIAN_CON
3,700	5,000	3,900	4,706	3,600
3,800	6,874	3,950	5,473	3,700
3,000	3,791	3,400	3,806	3,000

MAR_2022_AVG_CON	MAR_2022_MEDIAN_CON	APR_2022_AVG_CON	APR_2022_MEDIAN_CON	MAY_2022_AVG_CONS
4,443	3,400	4,889	3,900	4,380
4,481	2,750	3,914	3,200	4,326
3,372	2,800	3,753	3,250	3,723

MAY_2022_MEDIAN_CON	JUN_2022_AVG_CON	JUN_2022_MEDIAN_CON	JUL_2022_AVG_CON	JUL_2022_MEDIAN_CON
3,600	5,163	4,000	5,443	4,050
3,800	5,834	3,400	5,690	3,100
3,100	4,296	3,300	4,742	3,600

AUG_2022_AVG_CON	AUG_2022_MEDIAN_CON	SEP_2022_AVG_CONS	SEP_2022_MEDIAN_CON	OCT_2022_AVG_CONS
5,036	3,800	5,302	4,100	4,718
4,622	4,000	5,102	3,100	3,838
4,449	3,250	4,733	3,700	3,980

OCT_2022_MEDIAN_CON	NOV_2022_AVG_CON	NOV_2022_MEDIAN_CON	DEC_2022_AVG_CON
3,700	4,542	3,700	4,809
2,900	3,537	2,800	4,093
3,100	3,572	2,800	3,945

DEC_2022_MEDIAN_CON	JAN_2023_AVG_CON	JAN_2023_MEDIAN_CON	FEB_2023_AVG_CONS	FEB_2023_MEDIAN_CON
3,800	5,011	3,900	4,368	3,500
2,900	3,391	2,850	4,666	3,400
3,100	4,390	3,350	3,625	3,000

MAR_2023_AVG_CON	MAR_2023_MEDIAN_CON	APR_2023_AVG_CON	APR_2023_MEDIAN_CON	MAY_2023_AVG_CONS
4,191	3,400	4,931	4,000	4,384
3,614	2,700	3,722	2,800	4,077
3,345	2,800	3,895	3,100	3,685

MAY_2023_MEDIAN_CON	JUN_2023_AVG_CON	JUN_2023_MEDIAN_CON	JUL_2023_AVG_CON	JUL_2023_MEDIAN_CON
3,500	5,095	4,100	5,175	4,000
2,800	4,727	2,900	5,155	3,300
2,900	5,187	3,400	4,276	3,500

AUG_2023_AVG_CON	AUG_2023_MEDIAN_CON	SEP_2023_AVG_CONS	SEP_2023_MEDIAN_CON	OCT_2023_AVG_CONS
4,764	3,700	5,192	4,100	4,413
4,863	3,250	4,911	3,150	4,195
3,508	2,700	4,085	3,500	3,614

OCT_2023_MEDIAN_CON	NOV_2023_AVG_CON	NOV_2023_MEDIAN_CON	DEC_2023_AVG_CON
3,500	4,775	3,800	4,835
3,700	3,945	3,050	4,344
2,900	3,751	2,900	3,900

DEC_2023_MEDIAN_CON	JAN_2024_AVG_CON	JAN_2024_MEDIAN_CON	FEB_2024_AVG_CONS	FEB_2024_MEDIAN_CON
3,700	4,901	3,900	4,583	3,600
3,050	3,719	3,050	3,697	2,950
3,000	4,030	3,000	3,657	2,950

MAR_2024_AVG_CON	MAR_2024_MEDIAN_CON	APR_2024_AVG_CON	APR_2024_MEDIAN_CON	MAY_2024_AVG_CONS
4,627	3,600	4,473	3,600	4,916
4,546	3,400	3,380	3,000	3,682
3,830	2,900	3,221	2,700	3,799

MAY_2024_MEDIAN_CON	JUN_2024_AVG_CON	JUN_2024_MEDIAN_CONS
3,900	5,148	4,100
2,800	4,747	3,250
3,000	3,769	3,300

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	R-2024-3047822 (Water
	:	R-2024-3047824 (Wastewater)
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania Wastewater, Inc.		

REBUTTAL TESTIMONY

OF

RICHARD A. BAUDINO

ON BEHALF OF

AQUA LARGE USERS GROUP

J. KENNEDY AND ASSOCIATES, INC.

SEPTEMBER 12, 2024

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	R-2024-3047822 (Water
	:	R-2024-3047824 (Wastewater)
Aqua Pennsylvania, Inc.	:	
Aqua Pennsylvania Wastewater, Inc.		

REBUTTAL TESTIMONY OF RICHARD A. BAUDINO

Q. Please state your name and business address.

A. My name is Richard A. Baudino. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. What is your occupation and by whom are you employed?

A. I am a consultant to Kennedy and Associates.

Q. Please describe your education and professional experience.

A. I received my Master of Arts degree with a major in Economics and a minor in Statistics from New Mexico State University in 1982. I also received my Bachelor of Arts Degree with majors in Economics and English from New Mexico State in 1979. I began my professional career with the New Mexico Public Service Commission Staff in October 1982 and was employed there as a Utility Economist. During my employment with the Staff, my responsibilities included the analysis of a broad range of issues in the ratemaking field. Areas in which I testified included cost of service, rate of return, rate design, revenue

requirements, analysis of sale/leasebacks of generating plants, utility finance issues, and generating plant phase-ins.

In October 1989, I joined the utility consulting firm of Kennedy and Associates as a Senior Consultant where my duties and responsibilities covered substantially the same areas as those during my tenure with the New Mexico Public Service Commission Staff. I became Manager in July 1992 and was named Director of Consulting in January 1995. Currently, I am a consultant with Kennedy and Associates.

Exhibit ___(RAB-1) summarizes my expert testimony experience.

Q. On whose behalf are you testifying?

A. I am testifying on behalf of the Aqua Large Users Group ("Aqua LUG").

Q. What is the purpose of your Rebuttal Testimony?

A. The purpose of my Rebuttal Testimony is to respond to the Direct Testimony of Mr. Roger Cathcart, witness for the Office of Small Business Advocate ("OSBA"). Specifically, I will respond to Mr. Cathcart's proposed water service class revenue allocation proposals for Aqua Pennsylvania, Inc. ("Aqua" or "Company").

Q. Please summarize your understanding of Mr. Cathcart's water service class revenue allocation proposal.

A. On page 8, lines 144 - 150 of his Direct Testimony, Mr. Cathcart explained that he agreed with Aqua's proposed water service class revenue allocation exclusive of Act 11 considerations. However, Mr. Cathcart further proposed changes in the amounts of Act 11 revenue allocated to water service classes that are based on his recommendations regarding

(1) the overall level of the Company's awarded wastewater revenue requirement and (2) the overall level of wastewater rates.

Beginning on page 11 of his Direct Testimony, Mr. Cathcart explained that he opposed the Company's proposed increases to its Base and East Whiteland divisions. He took issue with:

- The increase to the Base division of 14.3%.
- The increase to the East Whiteland division of 109.4%.

Mr. Cathcart presented his proposed wastewater division increases on his Schedule Q-4WW. His recommendations resulted in a reduction of Act 11 revenues to $19.7 million. His Schedule Q-6WW further presented his recommended wastewater service class increases, which ranged from 15% for Public Authority to 47% for Industrial customers. These wastewater class increases affected the Act 11 amounts that Mr. Cathcart recommended be collected from Aqua's water service classes. These amounts are summarized in the table shown at the top of page 14 of his Direct Testimony.

Q. Do you agree with Mr. Cathcart's proposed water service class revenue allocation proposal?

A. No. Mr. Cathcart's proposed revenue allocation introduced a revenue allocation distortion with respect to the increase that the Commercial water service class receives. This is due to his proposed reallocation of the Act 11 revenues from Aqua's wastewater operations.

Q. Please explain how Mr. Cathcart's proposed reallocation of Act 11 revenues affected his proposed increase to the Commercial water service class.

A. Mr. Cathcart's reallocation of Act 11 revenues inappropriately raised the percentage revenue increase for the Commercial water service class relative to the overall system

increase in water revenues. Rebuttal Table 1 below presents a comparison of the water service class increases presented by the Company and Mr. Cathcart along with each class's relative rate of return at current rates.

Rebuttal Table 1
Comparison of Water Class Revenue Allocations

	Aqua Proposed	OSBA Proposed	Current RROR
Residential	19.9%	19.1%	0.97
Commercial	18.2%	18.5%	1.04
Industrial	20.6%	21.9%	0.86
Public	19.2%	19.2%	1.17
Other Water Utilities	11.3%	11.3%	6.42
Private Fire Prot.	6.3%	6.3%	1.44
Public Fire Prot.	12.8%	12.8%	0.95
Total Sales	18.9%	18.6%	1.00

The relative rate of return ("RROR") shows how close a particular service class is to the overall system rate of return. A RROR less than 1.0 indicates that a service class has an earned rate of return that is below the system average return. Normally, that class should receive a percentage revenue increase greater than the system average increase in order for that class to move closer to the system average rate of return. Conversely, a RROR greater than 1.0 indicates that a service class has an earned rate of return greater than the system average and should receive a percentage increase that is lower than the system average increase. A RROR of 1.0 shows that a service class has an earned return equal to the system average and would then merit a percentage increase that is about equal to the system average increase.

Rebuttal Table 1 presents the water service class RRORs at current rates based on the class cost of service study ("CCOSS") presented by Company witness Constance Heppenstall. The Commercial class RROR at current rates is 1.04, which means that Commercial

customers have a current rate of return that is greater than the system average return and, therefore, should receive an increase less that the system average increase. The Company's proposed increase of 18.2% is considerably lower than the Company's proposed overall system increase of 18.9%, which is consistent with the CCOSS results. However, the OSBA Commercial class increase of 18.5% is about the same as the OSBA's proposed overall increase of 18.6%.

Q. What is the reason that Commercial water service customers receive a higher percentage increase under the OSBA's proposed revenue allocation?

A. The reason is that Mr. Cathcart proposed a much larger increase in the allocation of Act 11 revenues to the Commercial class than Aqua's allocation. This allocation was based on his proposed increases to the wastewater service classes, which then affected the amounts of Act 11 revenues that were assigned to each water service class. Rebuttal Table 2 presents a comparison of the Act 11 revenues allocated to each water service class by the Company and Mr. Cathcart.

Rebuttal Table 2
Proposed Allocations of Act 11 Revenues

	Aqua Proposed	OSBA Proposed
Residential	$ 13,116,320	$ 10,193,966
Commercial	$ 8,245,608	$ 8,706,186
Industrial	$ 340,775	$ 610,508
Public	$ 147,926	$ 140,629
Total	$ 21,850,629	$ 19,651,289

Rebuttal Table 2 shows the substantial shift of Act 11 revenues away from the Residential class and to the Commercial and Industrial classes. In the case of the Commercial class, this shift raised its total percentage increase to approximately the system average increase as I described above.

Q. Explain how the increase in Act 11 Commercial revenues occurred.

A. Mr. Cathcart proposed a lower increase in wastewater revenues for the Commercial class than Aqua proposed. Mr. Cathcart's Schedule Q-6WW shows an increase to the Commercial wastewater class of 20.1%, or $3,979,273. According to Schedule Q-1WW the Company's proposed increase to Commercial wastewater customers was 22.5%, or $4,452,865. Mr. Cathcart's lower proposed wastewater increase also increased the amount of Act 11 revenues assigned to the Commercial water class.

I note that Mr. Cathcart's proposed increase to Commercial wastewater customers, 20.1%, is lower than the overall wastewater increase of 23.1% shown in his Schedule Q-6WW.

Q. Should the Commission accept the OSBA's proposed water service revenue allocation?

A. No. Although Mr. Cathcart followed an approach that is similar to Aqua's in terms of assigning Act 11 revenues to the corresponding water service classes, the resulting increase to Commercial water service customers is inconsistent with the results of the Company's water CCOSS. Given that the Commercial water service class is above the system average return, it should receive an increase below the system average increase. Aqua's increase as proposed by Ms. Heppenstall appropriately recognizes and follows this relationship. Mr. Cathcart's approach does not, as it allocates a greater percentage increase to the Commercial class than is warranted by the Company's CCOSS.

I recommend that the Commission follow Aqua's proposed revenue allocation in this case. If the Commission allows a lower increase than the Company requested, then Aqua's proposed water service class percentage increases should be scaled back proportionately.

Q. Does this conclude your Rebuttal Testimony?

A. Yes.

RESUME OF RICHARD A. BAUDINO

EDUCATION

New Mexico State University, M.A.
Major in Economics
Minor in Statistics

New Mexico State University, B.A.
Economics
English

Thirty-nine years of experience in utility ratemaking and the application of principles of economics to the regulation of electric, gas, and water utilities. Broad based experience in revenue requirement analysis, cost of capital, rate of return, cost and revenue allocation, and rate design.

REGULATORY TESTIMONY

Preparation and presentation of expert testimony in the areas of:

Cost of Capital for Electric, Gas and Water Companies
Electric, Gas, and Water Utility Cost Allocation and Rate Design
Revenue Requirements
Gas and Electric industry restructuring and competition
Fuel cost auditing
Ratemaking Treatment of Generating Plant Sale/Leasebacks

RESUME OF RICHARD A. BAUDINO

EXPERIENCE

1989 to Present: **Kennedy and Associates: Director of Consulting, Consultant** - Responsible for consulting assignments in revenue requirements, rate design, cost of capital, economic analysis of generation alternatives, electric and gas industry restructuring/competition and water utility issues.

1982 to 1989: **New Mexico Public Service Commission Staff: Utility Economist** - Responsible for preparation of analysis and expert testimony in the areas of rate of return, cost allocation, rate design, finance, phase-in of electric generating plants, and sale/leaseback transactions.

CLIENTS SERVED

Regulatory Commissions

Louisiana Public Service Commission
Georgia Public Service Commission
New Mexico Public Service Commission

Other Clients and Client Groups

Ad Hoc Committee for a Competitive Electric Supply System
Air Products and Chemicals, Inc.
Arkansas Electric Energy Consumers
Arkansas Gas Consumers
AK Steel
Armco Steel Company, L.P.
Aqua Large Users Group
Assn. of Business Advocating Tariff Equity
Atmos Cities Steering Committee
Canadian Federation of Independent Businesses
CF&I Steel, L.P.
Cities of Midland, McAllen, and Colorado City
Cities Served by Texas-New Mexico Power Co.
Cities Served by AEP Texas
City of New York
Climax Molybdenum Company
Connecticut Industrial Energy Consumers
Crescent City Power Users Group
Cripple Creek & Victor Gold Mining Co.
Dearborn Industrial Generation, LLC
General Electric Company
Holcim (U.S.) Inc.
IBM Corporation
Industrial Energy Consumers
Kentucky Industrial Utility Consumers
Kentucky Office of the Attorney General
Lexington-Fayette Urban County Government
Large Electric Consumers Organization
Newport Steel
North Carolina Attorney General's Office
Northwest Arkansas Gas Consumers
Maryland Energy Group
Occidental Chemical
Peoples Industrial Intervenors
PSI Industrial Group
Large Power Intervenors (Minnesota)
Tyson Foods
West Virginia Energy Users Group
The Commercial Group
Wisconsin Industrial Energy Group
South Florida Hospital and Health Care Assn.
PP&L Industrial Customer Alliance
Philadelphia Area Industrial Energy Users Gp.
Philadelphia Large Users Group
West Penn Power Intervenors
Duquesne Industrial Intervenors
Met-Ed Industrial Users Gp.
Penelec Industrial Customer Alliance
Penn Power Users Group
Columbia Industrial Intervenors
U.S. Steel & Univ. of Pittsburg Medical Ctr.
Multiple Intervenors
Maine Office of Public Advocate
Missouri Office of Public Counsel
University of Massachusetts - Amherst
WCF Hospital Utility Alliance
West Travis County Public Utility Agency
Steering Committee of Cities Served by Oncor
Steering Committee of Cities Served by CoServ Gas, Ltd.
Utah Office of Consumer Services
Healthcare Council of the National Capital Area
Vermont Department of Public Service
South Carolina Office of Regulatory Staff
Texas Industrial Energy Consumers

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
10/83	1803, 1817	NM	New Mexico Public Service Commission	Southwestern Electric Coop.	Rate design.
11/84	1833	NM	New Mexico Public Service Commission Palo Verde	El Paso Electric Co.	Service contract approval, rate design, performance standards for nuclear generating system
1983	1835	NM	New Mexico Public Service Commission	Public Service Co. of NM	Rate design.
1984	1848	NM	New Mexico Public Service Commission	Sangre de Cristo Water Co.	Rate design.
02/85	1906	NM	New Mexico Public Service Commission	Southwestern Public Service Co.	Rate of return.
09/85	1907	NM	New Mexico Public Service Commission	Jornada Water Co.	Rate of return.
11/85	1957	NM	New Mexico Public Service Commission	Southwestern Public Service Co.	Rate of return.
04/86	2009	NM	New Mexico Public Service Commission	El Paso Electric Co.	Phase-in plan, treatment of sale/leaseback expense.
06/86	2032	NM	New Mexico Public Service Commission	El Paso Electric Co.	Sale/leaseback approval.
09/86	2033	NM	New Mexico Public Service Commission	El Paso Electric Co.	Order to show cause, PVNGS audit.
02/87	2074	NM	New Mexico Public Service Commission	El Paso Electric Co.	Diversification.
05/87	2089	NM	New Mexico Public Service Commission	El Paso Electric Co.	Fuel factor adjustment.
08/87	2092	NM	New Mexico Public Service Commission	El Paso Electric Co.	Rate design.
10/87	2146	NM	New Mexico Public Service Commission	Public Service Co. of New Mexico	Financial effects of restructuring, reorganization.
07/88	2162	NM	New Mexico Public Service Commission	El Paso Electric Co.	Revenue requirements, rate design, rate of return.

Expert Testimony Appearances
of
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As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
01/89	2194	NM	New Mexico Public Service Commission	Plains Electric G&T Cooperative	Economic development.
1/89	2253	NM	New Mexico Public Service Commission	Plains Electric G&T Cooperative	Financing.
08/89	2259	NM	New Mexico Public Service Commission	Homestead Water Co.	Rate of return, rate design.
10/89	2262	NM	New Mexico Public Service Commission	Public Service Co. of New Mexico	Rate of return.
09/89	2269	NM	New Mexico Public Service Commission	Ruidoso Natural Gas Co.	Rate of return, expense from affiliated interest.
12/89	89-208-TF	AR	Arkansas Electric Energy Consumers	Arkansas Power & Light Co.	Rider M-33.
01/90	U-17282	LA	Louisiana Public Service Commission	Gulf States Utilities	Cost of equity.
09/90	90-158	KY	Kentucky Industrial Utility Consumers	Louisville Gas & Electric Co.	Cost of equity.
09/90	90-004-U	AR	Northwest Arkansas Gas Consumers	Arkansas Western Gas Co.	Cost of equity, transportation rate.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission	Gulf States Utilities	Cost of equity.
04/91	91-037-U	AR	Northwest Arkansas Gas Consumers	Arkansas Western Gas Co.	Transportation rates.
12/91	91-410-EL-AIR	OH	Air Products & Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Cost of equity.
05/92	910890-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Cost of equity, rate of return.
09/92	92-032-U	AR	Arkansas Gas Consumers	Arkansas Louisiana Gas Co.	Cost of equity, rate of return, cost-of-service.
09/92	39314	ID	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	Cost of equity, rate of return.

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
09/92	92-009-U	AR	Tyson Foods	General Waterworks	Cost allocation, rate design.
01/93	92-346	KY	Newport Steel Co.	Union Light, Heat & Power Co.	Cost allocation.
01/93	39498	IN	PSI Industrial Group	PSI Energy	Refund allocation.
01/93	U-10105	MI	Association of Businesses Advocating Tariff Equality (ABATE)	Michigan Consolidated Gas Co.	Return on equity.
04/93	92-1464-EL-AIR	OH	Air Products and Chemicals, Inc., Armco Steel Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Return on equity.
09/93	93-189-U	AR	Arkansas Gas Consumers	Arkansas Louisiana Gas Co.	Transportation service terms and conditions.
09/93	93-081-U	AR	Arkansas Gas Consumers	Arkansas Louisiana Gas Co.	Cost-of-service, transportation rates, rate supplements; return on equity; revenue requirements.
12/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Historical reviews; evaluation of economic studies.
03/94	10320	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Trimble County CWIP revenue refund.
4/94	E-015/ GR-94-001	MN	Large Power Intervenors	Minnesota Power Co.	Evaluation of the cost of equity, capital structure, and rate of return.
5/94	R-00942993	PA	PG&W Industrial Intervenors	Pennsylvania Gas & Water Co.	Analysis of recovery of transition costs.
5/94	R-00943001	PA	Columbia Industrial Intervenors	Columbia Gas of Pennsylvania charge proposals.	Evaluation of cost allocation, rate design, rate plan, and carrying
7/94	R-00942986	PA	Armco, Inc., West Penn Power Industrial Intervenors	West Penn Power Co.	Return on equity and rate of return.
7/94	94-0035-E-42T	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Return on equity and rate of return.

Expert Testimony Appearances
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Date	Case	Jurisdict.	Party	Utility	Subject
8/94	8652	MD	Westvaco Corp. Co.	Potomac Edison	Return on equity and rate of return.
9/94	930357-C	AR	West Central Arkansas Gas Consumers	Arkansas Oklahoma Gas Corp.	Evaluation of transportation service.
9/94	U-19904	LA	Louisiana Public Service Commission	Gulf States Utilities	Return on equity.
9/94	8629	MD	Maryland Industrial Group	Baltimore Gas & Electric Co.	Transition costs.
11/94	94-175-U	AR	Arkansas Gas Consumers	Arkla, Inc.	Cost-of-service, rate design, rate of return.
3/95	RP94-343-000	FERC	Arkansas Gas Consumers	NorAm Gas Transmission	Rate of return.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Return on equity.
6/95	U-10755	MI	Association of Businesses Advocating Tariff Equity	Consumers Power Co.	Revenue requirements.
7/95	8697	MD	Maryland Industrial Group	Baltimore Gas & Electric Co.	Cost allocation and rate design.
8/95	95-254-TF U-2811	AR	Tyson Foods, Inc.	Southwest Arkansas Electric Cooperative	Refund allocation.
10/95	ER95-1042 -000	FERC	Louisiana Public Service Commission	Systems Energy Resources, Inc.	Return on Equity.
11/95	I-940032	PA	Industrial Energy Consumers of Pennsylvania	State-wide - all utilities	Investigation into Electric Power Competition.
5/96	96-030-U	AR	Northwest Arkansas Gas Consumers	Arkansas Western Gas Co.	Revenue requirements, rate of return and cost of service.
7/96	8725	MD	Maryland Industrial Group	Baltimore Gas & Electric Co.,Potomac Electric Power Co. and Constellation Energy Corp.	Return on Equity.
7/96	U-21496	LA	Louisiana Public Service Commission	Central Louisiana Electric Co.	Return on equity, rate of return.
9/96	U-22092	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Return on equity.

Expert Testimony Appearances
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As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
1/97	RP96-199-000	FERC	The Industrial Gas Users Conference	Mississippi River Transmission Corp.	Revenue requirements, rate of return and cost of service.
3/97	96-420-U	AR	West Central Arkansas Gas Corp.	Arkansas Oklahoma Gas Corp.	Revenue requirements, rate of return, cost of service and rate design.
7/97	U-11220	MI	Association of Business Advocating Tariff Equity	Michigan Gas Co. and Southeastern Michigan Gas Co.	Transportation Balancing Provisions.
7/97	R-00973944	PA	Pennsylvania American Water Large Users Group	Pennsylvania-American Water Co.	Rate of return, cost of service, revenue requirements.
3/98	8390-U	GA	Georgia Natural Gas Group and the Georgia Textile Manufacturers Assoc.	Atlanta Gas Light	Rate of return, restructuring issues, unbundling, rate design issues.
7/98	R-00984280	PA	PG Energy, Inc. Intervenors	PGE Industrial	Cost allocation.
8/98	U-17735	LA	Louisiana Public Service Commission	Cajun Electric Power Cooperative	Revenue requirements.
10/98	97-596	ME	Maine Office of the Public Advocate	Bangor Hydro-Electric Co.	Return on equity, rate of return.
10/98	U-23327	LA	Louisiana Public Service Commission	SWEPCO, CSW and AEP	Analysis of proposed merger.
12/98	98-577	ME	Maine Office of the Public Advocate	Maine Public Service Co.	Return on equity, rate of return.
12/98	U-23358	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Return on equity, rate of return.
3/99	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co	Return on equity.
3/99	99-082	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Return on equity.
4/99	R-984554	PA	T. W. Phillips Users Group	T. W. Phillips Gas and Oil Co.	Allocation of purchased gas costs.
6/99	R-0099462	PA	Columbia Industrial Intervenors	Columbia Gas of Pennsylvania	Balancing charges.
10/99	U-24182	LA	Louisiana Public Service Commission	Entergy Gulf States,Inc.	Cost of debt.

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As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
10/99	R-00994782	PA	Peoples Industrial Intervenors	Peoples Natural Gas Co.	Restructuring issues.
10/99	R-00994781	PA	Columbia Industrial Intervenors	Columbia Gas of Pennsylvania	Restructuring, balancing charges, rate flexing, alternate fuel.
01/00	R-00994786	PA	UGI Industrial Intervenors	UGI Utilities, Inc.	Universal service costs, balancing, penalty charges, capacity Assignment.
01/00	8829	MD	Maryland Industrial Gr.	Baltimore Gas & Electric Co.	Revenue requirements, cost allocation, rate design.
02/00	R-00994788	PA	Penn Fuel Transportation	PFG Gas, Inc., and	Tariff charges, balancing provisions.
05/00	U-17735	LA	Louisiana Public Service Comm.	Louisiana Electric Cooperative	Rate restructuring.
07/00	2000-080	KY	Kentucky Industrial Utility Consumers	Louisville Gas and Electric Co.	Cost allocation.
07/00	U-21453 U-20925 (SC), U-22092 (SC) (Subdocket E)	LA	Louisiana Public Service Commission	Southwestern Electric Power Co.	Stranded cost analysis.
09/00	R-00005654	PA	Philadelphia Industrial And Commercial Gas Users Group.	Philadelphia Gas Works	Interim relief analysis.
10/00	U-21453 U-20925 (SC), U-22092 (SC) (Subdocket B)	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Restructuring, Business Separation Plan.
11/00	R-00005277 (Rebuttal)	PA	Penn Fuel Transportation Customers	PFG Gas, Inc. and North Penn Gas Co.	Cost allocation issues.
12/00	U-24993	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Return on equity.
03/01	U-22092	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Stranded cost analysis.
04/01	U-21453 U-20925 (SC), U-22092 (SC) (Subdocket B) (Addressing Contested Issues)	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Restructuring issues.

Expert Testimony Appearances
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Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
04/01	R-00006042	PA	Philadelphia Industrial and Commercial Gas Users Group	Philadelphia Gas Works	Revenue requirements, cost allocation and tariff issues.
11/01	U-25687	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Return on equity.
03/02	14311-U	GA	Georgia Public Service Commission	Atlanta Gas Light	Capital structure.
08/02	2002-00145	KY	Kentucky Industrial Utility Customers	Columbia Gas of Kentucky	Revenue requirements.
09/02	M-00021612	PA	Philadelphia Industrial And Commercial Gas Users Group	Philadelphia Gas Works	Transportation rates, terms, and conditions.
01/03	2002-00169	KY	Kentucky Industrial Utility Customers	Kentucky Power	Return on equity.
02/03	02S-594E	CO	Cripple Creek & Victor Gold Mining Company	Aquila Networks – WPC	Return on equity.
04/03	U-26527	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Return on equity.
10/03	CV020495AB	GA	The Landings Assn., Inc.	Utilities Inc. of GA	Revenue requirement & overcharge refund
03/04	2003-00433	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric	Return on equity, Cost allocation & rate design
03/04	2003-00434	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Return on equity
4/04	04S-035E	CO	Cripple Creek & Victor Gold Mining Company, Goodrich Corp., Holcim (U.S.) Inc., and The Trane Co.	Aquila Networks – WPC	Return on equity.
9/04	U-23327, Subdocket B	LA	Louisiana Public Service Commission	Southwestern Electric Power Company	Fuel cost review
10/04	U-23327 Subdocket A	LA	Louisiana Public Service Commission	Southwestern Electric Power Company	Return on Equity
06/05	050045-EI	FL	South Florida Hospital and Health Care Assoc.	Florida Power & Light Co.	Return on equity
08/05	9036	MD	Maryland Industrial Group	Baltimore Gas & Electric Co.	Revenue requirement, cost allocation, rate design, Tariff issues.
01/06	2005-0034	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Return on equity.

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
03/06	05-1278-E-PC-PW-42T	WV	West Virginia Energy Users Group	Appalachian Power Company	Return on equity.
04/06	U-25116 Commission	LA	Louisiana Public Service	Entergy Louisiana, LLC	Transmission Issues
07/06	U-23327 Commission	LA	Louisiana Public Service	Southwestern Electric Power Company	Return on equity, Service quality
08/06	ER-2006-0314	MO	Missouri Office of the Public Counsel	Kansas City Power & Light Co.	Return on equity, Weighted cost of capital
08/06	06S-234EG	CO	CF&I Steel, L.P. & Climax Molybdenum	Public Service Company of Colorado	Return on equity, Weighted cost of capital
01/07	06-0960-E-42T Users Group	WV	West Virginia Energy	Monongahela Power & Potomac Edison	Return on Equity
01/07	43112	AK	AK Steel, Inc.	Vectren South, Inc.	Cost allocation, rate design
05/07	2006-661	ME	Maine Office of the Public Advocate	Bangor Hydro-Electric	Return on equity, weighted cost of capital.
09/07	07-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power	Return on equity, weighted cost of capital
10/07	05-UR-103	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Electric Power Co.	Return on equity
11/07	29797	LA	Louisiana Public Service Commission	Cleco Power :LLC & Southwestern Electric Power	Lignite Pricing, support of settlement
01/08	07-551-EL-AIR	OH	Ohio Energy Group	Ohio Edison, Cleveland Electric, Toledo Edison	Return on equity
03/08	07-0585, 07-0585, 07-0587, 07-0588, 07-0589, 07-0590, (consol.)	IL	The Commercial Group	Ameren	Cost allocation, rate design
04/08	07-0566	IL	The Commercial Group	Commonwealth Edison	Cost allocation, rate design
06/08	R-2008-2011621	PA	Columbia Industrial Intervenors	Columbia Gas of PA	Cost and revenue allocation, Tariff issues

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
07/08	R-2008-2028394	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy	Cost and revenue allocation, Tariff issues
07/08	R-2008-2039634	PA	PPL Gas Large Users Group	PPL Gas	Retainage, LUFG Pct.
08/08	6680-UR-116	WI	Wisconsin Industrial Energy Group	Wisconsin P&L	Cost of Equity
08/08	6690-UR-119	WI	Wisconsin Industrial Energy Group	Wisconsin PS	Cost of Equity
09/08	ER-2008-0318	MO	The Commercial Group	AmerenUE	Cost and revenue allocation
10/08	R-2008-2029325	PA	U.S. Steel & Univ. of Pittsburgh Med. Ctr.	Equitable Gas Co.	Cost and revenue allocation
10/08	08-G-0609	NY	Multiple Intervenors	Niagara Mohawk Power	Cost and Revenue allocation
12/08	27800-U	GA	Georgia Public Service Commission	Georgia Power Company	CWIP/AFUDC issues, Review financial projections
03/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Capital Structure
04/09	E002/GR-08-1065	MN	The Commercial Group	Northern States Power	Cost and revenue allocation and rate design
05/09	08-0532	IL	The Commercial Group	Commonwealth Edison	Cost and revenue allocation
07/09	080677-EI	FL	South Florida Hospital and Health Care Association	Florida Power & Light	Cost of equity, capital structure, Cost of short-term debt
07/09	U-30975	LA	Louisiana Public Service Commission	Cleco LLC, Southwestern Public Service Co.	Lignite mine purchase
10/09	4220-UR-116	WI	Wisconsin Industrial Energy Group	Northern States Power	Class cost of service, rate design
10/09	M-2009-2123945	PA	PP&L Industrial Customer Alliance	PPL Electric Utilities	Smart Meter Plan cost allocation
10/09	M-2009-2123944	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Company	Smart Meter Plan cost allocation
10/09	M-2009-2123951	PA	West Penn Power Industrial Intervenors	West Penn Power	Smart Meter Plan cost allocation
11/09	M-2009-2123948	PA	Duquesne Industrial Intervenors	Duquesne Light Company	Smart Meter Plan cost allocation

Expert Testimony Appearances
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Date	Case	Jurisdict.	Party	Utility	Subject
11/09	M-2009-2123950	PA	Met-Ed Industrial Users Group Penelec Industrial Customer Alliance, Penn Power Users Group	Metropolitan Edison, Pennsylvania Electric Co., Pennsylvania Power Co.	Smart Meter Plan cost allocation
03/10	09-1352-E-42T	WV	West Virginia Energy Users Group	Monongahela Power	Return on equity, rate of return Potomac Edison
03/10	E015/GR-09-1151	MN	Large Power Intervenors	Minnesota Power	Return on equity, rate of return
04/10	2009-00459	KY	Kentucky Industrial Utility Consumers	Kentucky Power	Return on equity
04/10	2009-00548 2009-00549	KY	Kentucky Industrial Utility Consumers	Louisville Gas and Electric, Kentucky Utilities	Return on equity.
05/10	10-0261-E-GI	WV	West Virginia Energy Users Group	Appalachian Power Co./ Wheeling Power Co.	EE/DR Cost Recovery, Allocation, & Rate Design
05/10	R-2009-2149262	PA	Columbia Industrial Intervenors	Columbia Gas of PA	Class cost of service & cost allocation
06/10	2010-00036	KY	Lexington-Fayette Urban County Government	Kentucky American Water Company	Return on equity, rate of return, revenue requirements
06/10	R-2010-2161694	PA	PP&L Industrial Customer Alliance	PPL Electric Utilities	Rate design, cost allocation
07/10	R-2010-2161575	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Return on equity
07/10	R-2010-2161592	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Cost and revenue allocation
07/10	9230	MD	Maryland Energy Group	Baltimore Gas and Electric	Electric and gas cost and revenue allocation; return on equity
09/10	10-70	MA	University of Massachusetts-Amherst	Western Massachusetts Electric Co.	Cost allocation and rate design
10/10	R-2010-2179522	PA	Duquesne Industrial Intervenors	Duquesne Light Company	Cost and revenue allocation, rate design
11/10	P-2010-2158084	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Transmission rate design
11/10	10-0699-E-42T	WV	West Virginia Energy Users Group	Appalachian Power Co. & Wheeling Power Co.	Return on equity, rate of Return
11/10	10-0467	IL	The Commercial Group	Commonwealth Edison	Cost and revenue allocation and rate design

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Date	Case	Jurisdict.	Party	Utility	Subject
04/11	R-2010-2214415	PA	Central Pen Gas Large Users Group	UGI Central Penn Gas, Inc.	Tariff issues, revenue allocation
07/11	R-2011-2239263	PA	Philadelphia Area Energy Users Group	PECO Energy	Retainage rate
08/11	R-2011-2232243	PA	AK Steel	Pennsylvania-American Water Company	Rate Design
08/11	11AL-151G	CO	Climax Molybdenum	PS of Colorado	Cost allocation
09/11	11-G-0280	NY	Multiple Intervenors	Corning Natural Gas Co.	Cost and revenue allocation
10/11	4220-UR-117	WI	Wisconsin Industrial Energy Group	Northern States Power	Cost and revenue allocation, rate design
02/12	11AL-947E	CO	Climax Molybdenum, CF&I Steel	Public Service Company of Colorado	Return on equity, weighted cost of capital
07/12	120015-EI	FL	South Florida Hospitals and Health Care Association	Florida Power and Light Co,	Return on equity, weighted cost of capital
07/12	12-0613-E-PC	WV	West Virginia Energy Users Group	American Electric Power/APCo	Special rate proposal for Century Aluminum
07/12	R-2012-2290597	PA	PP&L Industrial Customer Alliance	PPL Electric Utilities Corp.	Cost allocation
09/12	05-UR-106	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Co.	Class cost of service, cost and revenue allocation, rate design
09/12	2012-00221 2012-00222	KY	Kentucky Industrial Utility Consumers	Louisville Gas and Electric, Kentucky Utilities	Return on equity.
10/12	9299	MD	Maryland Energy Group	Baltimore Gas & Electric	Cost and revenue allocation, rate design Cost of equity, weighted cost of capital
10/12	4220-UR-118	WI	Wisconsin Industrial Energy Group	Northern States Power Company	Class cost of service, cost and revenue allocation, rate design
10/12	473-13-0199	TX	Steering Committee of Cities Served by Oncor	Cross Texas Transmission, LLC	Return on equity, capital structure
01/13	R-2012-2321748 et al.	PA	Columbia Industrial Intervenors	Columbia Gas of Pennsylvania	Cost and revenue allocation
02/13	12AL-1052E	CO	Cripple Creek & Victor Gold Mining, Holcim (US) Inc.	Black Hills/Colorado Electric Utility Company	Cost and revenue allocations
06/13	8009	VT	IBM Corporation	Vermont Gas Systems	Cost and revenue allocation, rate design
07/13	130040-EI	FL	WCF Hospital Utility Alliance	Tampa Electric Co.	Return on equity, rate of return

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
08/13	9326	MD	Maryland Energy Group	Baltimore Gas and Electric	Cost and revenue allocation, rate design, special rider
08/13	P-2012-2325034	PA	PP&L Industrial Customer Alliance	PPL Electric Utilities, Corp.	Distribution System Improvement Charge
09/13	4220-UR-119	WI	Wisconsin Industrial Energy Group	Northern States Power Co.	Class cost of service, cost and revenue allocation, rate design
11/13	13-1325-E-PC	WV	West Virginia Energy Users Group	American Electric Power/APCo	Special rate proposal, Felman Production
06/14	R-2014-2406274	PA	Columbia Industrial Intervenors	Columbia Gas of Pennsylvania	Cost and revenue allocation, rate design
08/14	05-UR-107	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Co.	Cost and revenue allocation, rate design
10/14	ER13-1508 et al.	FERC	Louisiana Public Service Comm.	Entergy Services, Inc.	Return on equity
11/14	14AL-0660E	CO	Climax Molybdenum Co. and CFI Steel, LP	Public Service Co. of Colorado	Return on equity, weighted cost of capital
11/14	R-2014-2428742	PA	AK Steel	West Penn Power Company	Cost and revenue allocation
12/14	42866	TX	West Travis Co. Public Utility Agency	Travis County Municipal Utility District No. 12	Response to complain of monopoly power
3/15	2014-00371 2014-00372	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric, Kentucky Utilities	Return on equity, cost of debt, weighted cost of capital
3/15	2014-00396	KY	Kentucky Industrial Utility Customers	Kentucky Power Co.	Return on equity, weighted cost of capital
6/15	15-0003-G-42T	WV	West Virginia Energy Users Gp.	Mountaineer Gas Co.	Cost and revenue allocation, Infrastructure Replacement Program
9/15	15-0676-W-42T	WV	West Virginia Energy Users Gp.	West Virginia-American Water Company	Appropriate test year, Historical vs. Future
9/15	15-1256-G-390P	WV	West Virginia Energy Users Gp.	Mountaineer Gas Co.	Rate design for Infrastructure Replacement and Expansion Program
10/15	4220-UR-121	WI	Wisconsin Industrial Energy Gp.	Northern States Power Co.	Class cost of service, cost and revenue allocation, rate design
12/15	15-1600-G-390P	WV	West Virginia Energy Users Gp.	Dominion Hope	Rate design and allocation for Pipeline Replacement & Expansion Prog.

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
12/15	45188	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Co.	Ring-fence protections for cost of capital
2/16	9406	MD	Maryland Energy Group	Baltimore Gas & Electric	Cost and revenue allocation, rate design, proposed Rider 5
3/16	39971	GA	GA Public Service Comm. Staff	Southern Company / AGL Resources	Credit quality and service quality issues
04/16	2015-00343	KY	Kentucky Office of the Attorney General	Atmos Energy	Cost of equity, cost of short-term debt, capital structure
05/16	16-G-0058 16-G-0059	NY	City of New York	Brooklyn Union Gas Co., KeySpan Gas East Corp.	Cost and revenue allocation, rate design, service quality issues
06/16	16-0073-E-C	WV	Constellium Rolled Products Ravenswood, LLC	Appalachian Power Co.	Complaint; security deposit
07/16	9418	MD	Healthcare Council of the National Capital Area	Potomac Electric Power Co.	Cost of equity, cost of service, Cost and revenue allocation
07/16	160021-EI	FL	South Florida Hospital and Health Care Association	Florida Power and Light Co.	Return on equity, cost of debt, capital structure
07/16	16-057-01	UT	Utah Office of Consumer Svcs.	Dominion Resources, Questar Gas Co.	Credit quality and service quality issues
08/16	8710	VT	Vermont Dept. of Public Service	Vermont Gas Systems	Return on equity, cost of debt, cost of capital
08/16	R-2016-2537359	PA	AK Steel Corp.	West Penn Power Co.	Cost and revenue allocation
09/16	2016-00162	KY	Kentucky Office of the Attorney General	Columbia Gas of Ky.	Return on equity, cost of short-term debt
09/16	16-0550-W-P	WV	West Va. Energy Users Gp.	West Va. American Water Co.	Infrastructure Replacement Program Surcharge
01/17	46238	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Co.	Ring fencing and other conditions for acquisition, service quality and reliability
02/17	45414	TX	Cities of Midland, McAllen, and Colorado City	Sharyland Utilities, LP and Sharyland Dist. and Transmission Services, LLC	Return on equity
02/17	2016-00370 2016-00371	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric, Kentucky Utilities	Return on equity, cost of debt, weighted cost of capital
03/17	10580	TX	Atmos Cities Steering Committee	Atmos Pipeline Texas	Return on equity, capital structure, weighted cost of capital

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
03/17	R-3867-2013	Quebec, Canada	Canadian Federation of Independent Businesses	Gaz Metro	Marginal Cost of Service Study
05/17	R-2017-2586783	PA	Philadelphia Industrial and Commercial Gas Users Gp.	Philadelphia Gas Works	Cost and revenue allocation, rate design, Interruptible tariffs
08/17	R-2017-2595853	PA	AK Steel	Pennsylvania American Water Co.	Cost and revenue allocation, rate design
8/17	17-3112-INV	VT	Vt. Dept. of Pubic Service	Green Mountain Power	Return on equity, cost of debt, weighted cost of capital
9/17	4220-UR-123	WI	Wisconsin Industrial Energy Group	Northern States Power	Cost and revenue allocation, rate design
10/17	2017-00179	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Return on equity, cost of short-term debt
12/17	2017-00321	KY	Office of the Attorney General	Duke Energy Kentucky, Inc.	Return on equity
1/18	2017-00349	KY	Office of the Attorney General	Atmos Energy	Return on equity, cost of debt, weighted cost of capital
5/18	Fiscal Years 2019-2021 Rates	PA	Philadelphia Large Users Group	Philadelphia Water Department	Cost and revenue allocation
8/18	18-0974-TF	VT	Vt. Dept. of Public Service	Green Mountain Power	Return on equity, cost of debt, weighted cost of capital
8/18	48401	TX	Cities Served by Texas-New Mexico Power Company	Texas-New Mexico Power Co.	Return on equity, capital structure
8/18	18-05-16	CT	Connecticut Industrial Energy Consumers	Connecticut Natural Gas Co.	Cost and revenue allocation
9/18	9484	MD	Maryland Energy Group	Baltimore Gas & Electric	Cost and revenue allocation, rate design
9/18	2017-370-E	SC	South Carolina Office of Regulatory Staff	South Carolina Electric & Gas, Dominion Resources, SCANA	Return on equity, service quality standards, credit quality conditions
10/18	18-1115-G-390P	WV	West Va. Energy Users Group	Mountaineer Gas Company	Customer protections for Infrastructure Replacement and Expansion Program
12/18	R-2018-3003558, R-2018-3003561	PA	Aqua Large Users Group	Aqua Pennsylvania, Inc.	Cost and revenue allocation
02/19	UD-18-07	CCNO	Crescent City Power Users' Gp.	Entergy New Orleans, LLC	Return on equity, Reliability Incentive Mechanism, other proposed riders
03/19	2018-00358	KY	Office of the Attorney General	Kentucky American Water Co.	Return on equity, Qualified Infrastructure Program rider

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
05/19	19-E-0065 19-G-0066	NY	City of New York	Consolidated Edison Co.	Cost and revenue allocation, rate design, tariff issues, fast-charging station incentives
05/2019	19-0513-TF	VT	Vt. Dept. of Public Service	Vermont Gas Systems	Return on equity, capital structure
06/2019	5-TG-100	WI	Wisconsin Industrial Energy Group	WEPCO, Wisconsin Gas, Wisconsin PS	Transportation and balancing issues
07/2019	49494	TX	Cities Served by AEP Texas	AEP Texas, Inc.	Return on equity, capital structure
08/2019	19-G-0309 19-G-0310	NY	City of New York	Brooklyn Union Gas Co.., KeySpan Gas East Corp.	Cost and revenue allocation, rate design, tariff issues and modifications
08/2019	19-0316-G-42T	WV	West Virginia Energy Users Gp.	Mountaineer Gas Company	Cost and revenue allocation
8/2019	5-UR-109	WI	Wisconsin Industrial Energy Gp.	Wisconsin Electric Power Co., Wisconsin Gas, LLC	Cost Allocation, Class cost of service study
8/2019	6690-UR-126	WI	Wisconsin Industrial Energy Gp.	Wisconsin Public Service Corp.	Cost Allocation, Class cost of service study
9/2019	9610	MD	Maryland Energy Group	Baltimore Gas and Electric Co.	Cost and revenue allocation, rate design
12/2019	2019-00271	KY	Office of the Attorney General	Duke Energy Kentucky, Inc.	Return on equity
2/2020	49831	TX	Texas Industrial Energy Consumers	Southwestern Public Service Co.	Return on equity, capital structure, rate of return
2/2020	E-7. Sub 1214	NC	NC Attorney General's Office	Duke Energy Carolinas	Return on equity, capital structure, rate of return, economic conditions
2/2020	E-2. Sub 1219	NC	NC Attorney General's Office	Duke Energy Progress	Return on equity, capital structure, rate of return, economic conditions
5/2020	R-2019- 3015162	PA	Industrial Energy Consumers of Pennsylvania	UGI Utilities, Inc.	Return on equity, cost of debt, revenue allocation, rate design
6/2020	20-G-0101	NY	Multiple Intervenors	Corning Natural Gas Corp.	Cost and revenue allocation
9/2020	R-2020- 2019369	PA	AK Steel	Pennsylvania-American Water Company	Cost and revenue allocation, rate design
9/2020	20-035-04	UT	The Kroger Co.	Rocky Mountain Power	Cost and revenue allocation, rate design
10/2020	2020-00174	KY	Ky. Office of the Attorney General, Ky. Industrial Utility Customers	Kentucky Power Co.	Return on equity
3/2021	2020-00349	KY	Ky. Office of the Attorney General, Ky. Industrial Utility Customers	Kentucky Utilities Co.	Return on equity

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
3/2021	2020-00350	KY	Ky. Office of the Attorney General, Ky. Industrial Utility Customers	Louisville Gas and Electric Co.	Return on equity
3/2021	20-0746-G-42T	WV	West Va. Energy Users Group	Dominion Energy West Va.	Cost and revenue allocation, cost of equity
4/2021	17-12-03RE11	CT	Connecticut Industrial Energy Consumers	PURA Investigation Into Distribution System Planning	Economic development rates
6/2021	U-20940	MI	Dearborn Industrial Generation, LLC	DTE Gas Company	Cost and revenue allocation, rate design
7/2021	21-0043-G-PC	WV	West Va. Energy Users Group	Mountaineer Gas Co., UGI Corporation	Hold harmless conditions for utility acquisition
07/2021	U-35441	LA	Louisiana Public Service Commission	Southwestern Electric Power Company	Return on equity, cost of capital, service quality
08/2021	51802	TX	Texas Industrial Energy Consumers	Southwestern Public Service Company	Return on equity
09/21	2021-00190	KY	Kentucky Office of the Attorney General	Duke Energy Kentucky, Inc.	Return on equity, cost of debt
09/21	2021-00183	KY	Kentucky Office of the Attorney General	Columbia Gas of Kentucky, Inc.	Return on equity, cost of debt, capital structure
09/21	21-0369-W-42T	WV	West Va. Energy Users Group	West Virginia-American Water Company	Revenue stabilization mechanism
09/21	2021-00185	KY	Kentucky Office of the Attorney General	Delta Natural Gas Company, Inc.	Return on equity, cost of debt, capital structure
09/21	2021-00214	KY	Kentucky Office of the Attorney General	Atmos Energy Corporation	Return on equity, common equity ratio
11/21	R-2021-3027385, R-2021-3027386	PA	Aqua Large Users Group	Aqua Pennsylvania, Inc.	Cost and revenue allocation, Rate design
11/21	21-G-0394	NY	Multiple Intervenors	Corning Natural Gas Corp.	Cost and revenue allocation
06/22	21-G-0577	NY	Multiple Intervenors	Liberty Utilities (St. Lawrence Gas) Corp.	Cost of revenue allocation, rate design
07/22	2022-89-G	SC	South Carolina Office of Regulatory Staff	Piedmont Natural Gas Co.	Return on equity, capital structure cost of capital
07/22	R-2022-3031672, R-2022-3031673	PA	Cleveland-Cliffs Steel	Pennsylvania American Water Company	Cost and revenue allocation, rate design

Expert Testimony Appearances
of
Richard A. Baudino
As of September 2024

Date	Case	Jurisdict.	Party	Utility	Subject
10/22	2022-00147	KY	Kentucky Office of the Attorney General and the City of Clinton	Water Service Corporation of Kentucky	Cost of equity
12/22	2022-254-E	SC	South Carolina Office of Regulatory Staff	Duke Energy Progress	Cost of equity
12/22	22-08-08	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Cost and revenue allocation, rate design, economic development rates
03/23	2022-00372	KY	Kentucky Office of the Attorney General	Duke Energy Kentucky, Inc.	Cost of equity, capital structure, weighted cost of capital
08/23	23-0280-G-42-T	WV	West Va. Energy Users Group	Mountaineer Gas Co.	Cost and revenue allocation, Rate design
09/23	6680-UR-124	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Co.	Cost and revenue allocation, rate design
09/23	6690-UR-127	WI	Wisconsin Industrial Energy Group	Wisconsin Public Service Corp.	Revenue allocation, rate design
09/23	5-UR-110	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Co.	Cost and revenue allocation, rate design
09/23	2023-00191	KY	Kentucky Office of the Attorney General	Kentucky-American Water Co.	Return on equity, capital structure, and weighted cost of capital
10/23	2023-00159	KY	Ky. Office of the Attorney General, Kentucky Industrial Utility Customers	Kentucky Power Co.	Return on equity
11/23	23-0460-E-42T	WV	West Virginia Energy Users Group	Monongahela Power Co. and The Potomac Edison Company	Return on equity, cost of capital
02/24	R-2023-3043189 C-2023-3044289 C-2023-3044375	PA	Cleveland-Cliffs Steel	Pennsylvania American Water Co.	Cost and revenue allocation, rate design, revenue decoupling rider
03/24	R-2023-3044549	PA	Peoples Industrial Intervenors	Peoples Natural Gas Company	Cost and revenue allocation, rate design
08/24	2024-00092		Kentucky Office of the Attorney General	Columbia Gas of Kentucky	Return on equity, Cost of capital
09/2024	R-2024-3047822 R-2024-3047824		Aqua Large Users Group	Aqua Pennsylvania, Inc.	Revenue allocation

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	Docket No. R-2024-3047824
v.	:	
	:	
Aqua Pennsylvania Wastewater, Inc.	:	

DIRECT TESTIMONY

OF

CARLOS PADILLA

On Behalf of

SCH USA, LLC

Topics Addressed:

Background on Split Rock Resort
EDU Billing Method for Unmetered Service
Summary of Request for Relief

August 16, 2024

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I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND TITLE.

A. My name is Carlos Padilla and I am Senior Counsel for Thy Collection. Thy Collection owns and operates the Bel Air Collection Resorts & Spas. SCH USA, LLC ("SCH USA") is a part of Bel Air Collection Resorts & Spas.

Please note that I am testifying as a fact witness, not as an attorney. I am not licensed to practice law in the United States.

Q. WHAT ARE YOUR JOB RESPONSIBILITIES?

A. I manage the Company's regulatory risks and permits in Pennsylvania. I also investigate and respond to litigation and potential litigation concerning our properties in Pennsylvania.

Q. HAVE YOU EVER TESTIFIED BEFORE THIS COMMISSION?

A. Yes, I have submitted direct testimony in SCH USA's consolidated formal complaint proceedings against Aqua Wastewater Pennsylvania, Inc. at Docket Nos. C-2022-3036893 and C-2022-3037118, which are currently pending before the Pennsylvania Public Utility Commission ("PUC" or "Commission").

I wish to note that SCH USA's individual billing issues are being addressed in its formal complaint proceedings and not in this base rate case.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to provide background information on SCH USA's Split Rock Resort.

Q. ARE ANY OTHER WITNESSES TESTIFYING ON BEHALF OF SCH USA?

A. Yes. Ronald Carrier of Big Lake Consulting Group, LLC and Frank Lacey of Electric Advisors Consulting, LLC will also be providing testimony. *See* SCH USA St. Nos. 2 and 3, respectively.

II. BACKGROUND

Q. DOES SCH USA OPERATE A BUSINESS IN PENNSYLVANIA?

A. Yes. SCH USA operates a large commercial resort property known as the "Split Rock Resort." The Resort is located in an area called Lake Harmony, which is in Kidder Township, Carbon County, Pennsylvania.

Q. HOW LONG HAS SCH USA OWNED THIS PROPERTY?

A. We purchased the Resort property on October 29, 2020. At that time, we also purchased the wells that provide water for the Resort.

Q. PLEASE DESCRIBE THE SPLIT ROCK RESORT PROPERTY.

A. Split Rock Resort includes the following buildings and amenities.

- **The Lodge:** The Lodge is a luxury resort hotel. It has 50 hotel rooms, a restaurant, and a meeting room.
- **Willowbrook:** Willowbrook is a resort hotel with 256 guest rooms.
- **The Galleria:** The Galleria is also a resort hotel, with 77 hotel rooms and eight VIP rooms. The Galleria is also in close proximity to other on-property features, including: a food court and shops; restaurants; movie theater; racquetball court; waterpark; indoor pool; lobby bar; and a large meeting space.
- **Laundry**: There is also a laundry that serves the above properties.

Q. WHO PROVIDES WATER SERVICE TO SPLIT ROCK RESORT?

A. We provide our own water from wells, under a permit issued by the Delaware River Basin Commission ("DRBC").

Q. WHO PROVIDES WASTEWATER SERVICE TO SPLIT ROCK RESORT?

A. Aqua Pennsylvania Wastewater, Inc. ("Aqua") provides wastewater service to the Resort, which is a commercial wastewater customer. We have four wastewater accounts with Aqua, for the Lodge, Willowbrook, the Galleria, and the Laundry. The Resort is in Aqua's Rate Zone 4.

Q. IN GENERAL, WHAT ARE SCH USA CONCERNS WITH AQUA'S WASTEWATER BILLING AND CURRENT AND PROPOSED TARIFFS?

A. As will be discussed in greater detail below and further addressed by SCH USA witnesses Carrier and Lacey, Aqua's current and proposed wastewater tariff results in unjust and unreasonable rates being charged to SCH USA. Because SCH USA's water usage is not metered, Aqua bills the Resort for wastewater usage on an Equivalent Dwelling Unit ("EDU") basis. Billing SCH USA on a flat, per EDU basis assumes that the Resort is always at 100% full occupancy. However, since purchasing the resort and coming out of the COVID-19 pandemic, the resort's occupancy rates in all of its operations have been significantly lower than 100%.

Q. WHAT DOES THAT MEAN FOR THE RESORT'S OVERALL WASTEWATER USAGE?

A. In my view, if our resort is operating at anything less than 100% occupancy – which is what the EDU based rates are set on – SCH USA is being charged for more wastewater usage than what Aqua is collecting and treating. This makes the required 100% occupancy-at-all-times charge unreasonable, and thus our actual usage is consistently much lower than what is being billed by Aqua. The EDUs charged to SCH USA under

the current and proposed wastewater tariffs have no relationship whatsoever to actual usage at the property, and therefore are unjust and unreasonable.

Q. WHAT RELIEF IS SCH USA SEEKING?

A. SCH USA is simply seeking to pay rates that are just and reasonable and based on the actual wastewater service being provided. This could be accomplished in a number of ways, including: (1) measuring actual water consumption; (2) measuring actual wastewater discharges to Aqua's system; (3) adjusting the EDUs used for billing purposes to better reflect actual usage and occupancy; or (4) assigning a different proxy that more accurately reflects actual usage and occupancy. Aqua should be directed to explicitly provide for such billing options in its tariff in order to allow currently unmetered customers such as SCH USA to be billed for actual usage, rather than using EDUs which are an unfair and inaccurate estimation.

III. EDU BILLING

Q. AS YOU PREVIOUSLY STATED, SCH USA'S CONCERN IS WITH AQUA'S BILLING THAT IS BASED ON EDUS. CAN YOU PLEASE PROVIDE MORE INFORMATION?

A. Yes. Aqua bills SCH USA a flat rates based on EDUs. This methodology assumes that the Resort is at full occupancy, every single day of the year. This approach is unreasonable as applied to SCH USA because our actual wastewater usage is much lower than what is being billed by Aqua, since our occupancy rates are significantly lower than 100%.

Q. HOW WERE THE EDUS FOR SCH USA DETERMINED?

A. The number of EDUs were originally set by a Settlement Agreement between Split Rock's original owner and Kidder Township in 2010. This Settlement Agreement and its use in determining the number of EDUs is further addressed by SCH USA witness Frank

Lacey. SCH USA St. No. 3. As Mr. Lacey further discusses, these EDUs have no relation to actual usage by the Resort, resulting in rates that are unjust and unreasonable.

Q. IS AQUA PROPOSING TO CHANGE THE DEFINITION OF EDU IN ITS WASTEWATER TARIFF?

A. Yes, it appears that Aqua's proposed change to the definition of EDU is an attempt to solidify Aqua's position that the Resort's EDUs are based on a "predetermined EDU allocation" as established in the Settlement Agreement discussed above. As Mr. Lacey discusses further, the Settlement Agreement is not a valid method of determining Split Rock Resort's EDUs – let alone reflecting its actual usage – and this proposed definition change must be rejected.

Q. WHAT DO YOU BELIEVE SHOULD BE DONE TO MEASURE SCH USA'S WASTEWATER USAGE SO THAT BILLS WILL BE BASED ON ACTUAL USAGE?

A. First, Aqua could use wastewater meters to measure SCH USA's actual discharges into its wastewater system and bill SCH USA based on these actual measurements.

As a second option, SCH USA's actual water consumption could be metered and Aqua could use water consumption as a proxy for wastewater usage for billing purposes. In this instance, water meters could be used to determine a more accurate, and more reasonable, quantity of wastewater being discharged to Aqua's system. These metering options are discussed in more detail by SCH USA witnesses Carrier and Lacey.

Aqua should be directed to explicitly provide for such billing options in its tariff in order to allow currently unmetered customers such as SCH USA to be billed for actual usage.

IV. CONCLUSION

Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?

A. Yes.

VERIFICATION

I, Carlos R. Padilla, hereby state that: (1) I am the Senior Counsel for SCH USA, LLC ("SCH USA"); (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

August 16, 2024
Dated

Carlos R. Padilla
Senior Counsel
SCH USA, LLC

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2024-3047824
	:	
Aqua Pennsylvania Wastewater, Inc.	:	

DIRECT TESTIMONY

OF

RONALD CARRIER

On Behalf of

SCH USA, LLC

Topics Addressed:

Definition of EDUs
Wastewater Measurement and Billing

August 16, 2024

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TABLE OF EXHIBITS

Exhibit	Description
Appendix A	Resume of Ronald Carrier
Appendix B	List of Previous Testimony
RC-1	Aqua Discovery Responses

I. INTRODUCTION AND BACKGROUND

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Ronald Carrier. My business address is 2316 Anchor Court, Holt, MI 48842.

Q. WHAT IS YOUR CURRENT POSITION?

A. I am the founding principal of Big Lake Consulting Group, LLC, which is a regulatory strategy consulting company that offers services such as tariff analyses, strategic planning, and regulatory support including the provision of testimony in regulatory proceedings.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

A. I am an independent consultant testifying on behalf of SCH USA, LLC ("SCH USA").

Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. As a consultant, I provide policy- and market-related consulting services to advanced energy management companies, wholesale energy companies and renewable energy project developers. I have worked in the regulated energy industry for approximately 40 years, beginning immediately after earning my undergraduate degree. Early in my career, I was employed by Consumers Energy as an engineer at their Palisades Nuclear Station. At Consumers Energy I also held various managerial roles in Industrial Energy Sales, Natural Gas Rate Administration and Electric Customer Choice Administration. I have also worked for Strategic Energy, a retail electricity and natural gas services company, and Direct Energy, a retail electric and gas supplier that acquired Strategic Energy in 2008. I created Big Lake Consulting Group LLC in 2021. I hold a Bachelor of Science degree in Mechanical Engineering from the University of Michigan and a Master

of Business Administration degree from Central Michigan University. My resume is provided as Appendix A.

Q. HAVE YOU EVER TESTIFIED BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION OR ANY OTHER REGULATORY AGENCY?

A. Yes. I have testified before the Pennsylvania Public Utility Commission ("Commission" or "PA PUC"). I have also testified before other state regulatory agencies, and legislatures. In addition to Pennsylvania, I have provided expert testimony before the utility commission in Michigan. I have presented legislative testimony in Michigan and Illinois. I have also spoken at trade shows, conferences and other industry and corporate events. A detailed listing of my prior testimony is contained in Appendix B.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to explain how Equivalent Dwelling Units ("EDUs") are used by Aqua Pennsylvania Wastewater, Inc. ("Aqua") for billing for wastewater services, and to show that there are more accurate means to measure actual wastewater flow for billing purposes.

II. <u>WASTEWATER MEASUREMENT AND BILLING</u>

Q. WHAT IS AN "EQUIVALENT DWELLING UNIT"?

A. An EDU is an estimated measurement of how much wastewater a customer produces when a means to meter the actual wastewater flow is not available.

Q. HOW ARE EDUS GENERALLY DETERMINED?

A. EDUs are generally calculated by taking the estimated wastewater produced by an unmetered wastewater customer and dividing it by the average wastewater produced by a single-family residence. The resulting value is the EDU value. For example, if a business has an estimated wastewater flow of 800 gallons per day and the average

wastewater flow from a single-family residence is 400 gallons per day, the EDU value for the business would be calculated as: 800 ÷ 400 = 2.0.

Q. DOES AQUA USE EDUS FOR BILLING PURPOSES?

A. Yes, Aqua uses EDUs for billing purposes when wastewater customers do not have metered water service.

Q. HOW DOES AQUA CALCULATE EDUS?

A. According the Aqua's current Tariff Sewer-PA P.U.C. No. 3, Original Page 25, Aqua uses the sewage flows for the type of business as outlined in the Pennsylvania Department of Environmental Protection regulation at 25 Pa. Code § 73.17 and then divides that value by the estimated average daily wastewater flow from a single-family unit.

In Aqua's proposed Tariff Sewer-PA P.U.C. No. 4, Original Page 26, Aqua proposes to revise the definition of EDU to provide as follows:

> Equivalent Dwelling Unit or "EDU": Except for existing Customers acquired by the Company through a purchase or acquisition and for billing purposes only, the EDU is a measure assigned by the Company based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP regulation at 52 Pa. Code § 73.17(b) divided by the Company's typical estimated average daily wastewater flow from a current single-family unit. Residential Customers are designated as one (1) EDU; however, in the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property.
>
> For existing customers without a predetermined EDU allocation, the EDU is a measure based upon the estimated average daily wastewater flow for the type of business based on water usage, divided by the typical estimated average daily wastewater flow from a current single-family unit. For other existing customers acquired by the Company through a purchase or acquisition, the number of equivalent dwelling units is available at https://www.aquawater.com/about/states-we-serve/pennsylvania/index.php.
>
> Any Customer who modifies their properties in a manner that impacts the EDU calculation, including in areas previously acquired by the Company,

will be subject to the EDU definition described above. The Company will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence, satisfactory to the Company in its sole discretion. The Customer shall bear the burden of proof for all such requests.

Q. DOES AQUA CHARGE THE SPLIT ROCK RESORT FOR WASTEWATER SERVICE BASED ON EDUS?

A. Yes, Aqua charges Split Rock Resort for wastewater service based on EDUs.

Q. WHY DOES AQUA BILL SPLIT ROCK BASED ON EDUS RATHER THAN FOR ACTUAL WASTEWATER USAGE?

A. Aqua bills Split Rock based on EDUs rather than actual wastewater usage as Split Rock does not have metered water service for their facilities. Water service is provided by wells located on or near the Split Rock properties.

Q. HOW DID AQUA DETERMINE THE NUMBER OF EDUS TO CHARGE SPLIT ROCK FOR WASTEWATER SERVICE?

A. It appears that Aqua assigned the EDU to three of the four accounts by using EDUs contained in the Release and Settlement Agreement between the Resort's original developer and Kidder Township ("Settlement Agreement"). This Settlement Agreement, executed in 2010, established the EDUs for the various properties that are now owned by SCH USA. There is no description detailing how the EDUs were calculated for the various properties covered by the agreement. There is also no evidence to suggest how Aqua determined the EDUs for the fourth bill.

Q. DO YOU HAVE ANY CONCERNS WITH AQUA'S CURRENT PRACTICE OF CHARGING SPLIT ROCK BASED ON EDUS?

A. Yes, for several reasons. First, an EDU is simply an estimate of wastewater flow based on assumptions that may nor may not hold true for any business, while accurate metering technologies are readily available in the market. Second, Aqua is using EDU values based on an over a decade old Settlement Agreement that doesn't specify how the EDUs

were calculated. Further, through Aqua's proposed changes to the tariff definition of EDU, it appears that the Company is attempting to solidify its position of charging SCH USA for EDUs based on the outdated Settlement Agreement, as will be discussed further by SCH USA witness Lacey.

Q. WHAT OTHER CONCERNS DO YOU HAVE REGARDING AQUA'S PROPOSED CHANGES TO THE DEFINITION OF EDU?

A. The definition of an EDU in the current Aqua tariff is "The EDU is a measure based upon the estimated average daily wastewater flow for the type of business, as calculated by the Pennsylvania Department of Environmental Protection regulation at 25 Pa. Code § 73.17 divided by the typical estimated average daily wastewater flow from a current single-family unit. In the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property."[1] Aqua proposes to add wording to allow the Company to estimate the average daily wastewater flow from a single-family unit.

Q. WHY IS THIS A CONCERN?

A. This is concerning for two reasons. First, as SCH USA witness Lacey mentions in his testimony, 25 Pa. Code § 73.17 does not determine the average daily flow of wastewater from facilities. Rather, the numbers presented are estimates of peak daily flow that should be used for "design criteria" for on-lot sewage systems. The regulation is not an accurate method for determining actual wastewater flows from any particular property. Secondly, under Aqua's proposed definition of EDU and how to calculate the EDUs for customers, all of the estimated wastewater flows for performing the EDU calculations are contained in 25 Pa. Code § 73.17, ***except*** for the estimated average wastewater flow from

[1] Aqua Pennsylvania Wastewater Inc. Tariff Sewer-PA-P.U.C. No. 3, Original Page 25.

a single-family unit. Since 25 Pa. Code § 73.17 contains an estimated average wastewater flow from a single-family unit and identifies it as 400 gallons per day, it isn't appropriate for Aqua to fabricate its own estimate.

Q. DOES THE ESTIMATE OF THE AVERAGE WASTEWATER FLOW FROM A SINGLE-FAMILY RESIDENTAIL UNIT HAVE A SIGNIFICANT IMPACT ON THE EDU CALCULATION?

A. Yes it does. Earlier in my testimony, I used the 400 gallon per day average that is contained in 25 Pa. Code § 73.17 to arrive at the EDU value of 2 for the customer in the example. If the average estimated residential flow is changed, it can have a significant impact on the resulting EDU value. By changing the value from 400 gallons per day to 250, the resulting EDU value would go from 2 to 3.2.

Q. IN GENERAL, IS IT PREFERABLE FOR A UTILITY TO CHARGE FOR UTILITY SERVICE BASED ON ACTUAL USAGE, OR BASED ON A FLAT FEE?

A. It is preferable for a utility to charge for utility service based on actual usage wherever possible. In fact, Aqua itself has recognized that volumetric billing is preferable to flat rate billing.[2] This is especially true for businesses that have variability in their usage. This is the case with SCH USA as their properties have occupancy rates that fluctuate greatly throughout the year and from year to year.

When a utility bases their billing on a flat fee, they are making assumptions on the utilization of their service for that customer and if the customer's usage varies from that estimate, the customer either pays too much if the utilization is less than the utility estimate or pays less than they should if their utilization ends up being more than the

[2] *See* Aqua St. No. 10 at 14; SCH USA Exhibit RC-1, Aqua Response to OCA-II-5.

utility estimate. In either case, there is a winner and a loser that doesn't take place if actual usage is utilized for billing.

Q. WHAT ALTERNATIVE MEANS ARE AVAILABLE TO DETERMINE ACTUAL WASTEWATER USAGE MORE ACCURATELY FOR BILLING PURPOSES?

A. There are metering technologies available that allow for direct measurement of wastewater flow, negating the need for estimating the usage based on EDUs or from water meter readings. Two of the most common types of metering technologies used in measurement of sewage flow are ultrasonic flowmeters and electromagnetic flowmeters. Ultrasonic flowmeters operate using the principle of the Doppler effect. The Doppler effect is defined as the increase (or decrease) in the frequency of sound, light, or other waves as the source and observer move towards each other.[3] The most common example of the Doppler effect is what you hear when a moving train is sounding its horn and the tone you hear drops in frequency as the train passes you. Ultrasonic flowmeters are attached to the outside of the sewer line and do not come into contact with the sewage flow.

An electromagnetic flowmeter functions based on the Faraday's law of electromagnetic induction.[4] It measures the flow of the sewage when the flow moves through the magnetic field induced by the flowmeter. Unlike the ultrasonic flowmeter, the electromagnetic flowmeter typically has a probe that is inserted inside the sewer pipe.

[3] See https://byjus.com/physics/doppler-effect/#:~:text=Doppler%20effect%20in%20physics%20is,or%20away%20from)%20each%20other.
[4] See https://byjus.com/physics/faradays-law/.

Q. YOU MENTIONED WASTEWATER METERS AS AN ALTERNATIVE OPTION. ARE YOU AWARE OF WASTEWATER METERS BEING USED BY OTHER UTILITIES?

A. Yes. A non-exhaustive review of sewer tariffs from around the country has identified several utilities that allow for the use of wastewater meters for billing rather than using estimated usage or billings based on EDUs.

Gaines Charter Township, located in Michigan, has the following provision in their Schedule of Rates and Charges: "For an Industrial or Commercial Customer with a sewage meter (e.g., the Kent County Landfill located in Byron Township), the Sewer Use Fee shall be billed based upon the actual metered flow of Sewage discharged to the Sewer System."[5]

The City of Kalamazoo, Michigan also allows for the direct metering of wastewater flow. Their current city code provides that "Any user of the wastewater system may elect to rearrange his water supply pipes and metering, for the purpose of eliminating from the total water consumption applicable to wastewater charges the water not running to the sanitary sewers, or he may elect to establish metering facilities registering the discharge from his premises to the sanitary sewers. All such arrangements shall be made subject to the approval of the Director, and the expense thereof, including installation, maintenance, and operation, shall be borne by the user."[6]

The City of Mishawaka, Indiana, has a provision in their rates to allow for direct metering of wastewater discharge. The provision says, "The city reserves the right to bill

[5] Charter Township of Gaines, County of Kent, Michigan, AN ORDINANCE TO ADMINISTER, REGULATE AND PROVIDE FOR THE CONNECTION TO AND USE OF THE PUBLIC WATER AND SEWER SYSTEMS; TO REGULATE THE USE OF PRIVATE WELLS AND PRIVATE SEWAGE DISPOSAL; TO PROHIBIT CROSS CONNECTIONS TO THE WATER SYSTEM; TO PROVIDE FOR THE SETTING AND COLLECTION OF RATES AND CHARGES FOR THE USE OF THE WATER AND SEWER SYSTEMS; AND TO PROVIDE PENALTIES FOR ORDINANCE VIOLATIONS, Section 1612.e.

[6] City of Kalamazoo, MI Code §28-72.

residential, commercial and industrial users for their wastewater discharge on the basis of their actual wastewater flow volumes, as opposed to sewage rates based on water usage."[7]

The last example that I will present is from the City of Tacoma, Washington. While the City of Tacoma generally bases the billings for wastewater on the metered water service, they do allow for some exceptions. Research indicates that there are about two dozen commercial or industrial customers that have their rates calculated based on sampling and metering of each business.[8]

Q. HAS THE COMMISSION RECOGNIZED THE POTENTIAL TO USE WASTEWATER METERS TO CALCULATE ACTUAL USAGE FOR BILLING PURPOSES?

A. Yes. The Commission's sample wastewater tariff recognizes that metered rates can be charged based on the metered volume of wastewater discharged at a property into the wastewater system.[9] Mr. Lacey has noted in his testimony that the Commission allows for both water-based and sewage-based metering in Aqua's tariff.

Q. DOES AQUA BILL ANY WASTEWATER CUSTOMERS IN ITS SERVICE TERRITORY BASED ON ACTUAL USAGE OBTAINED FROM WASTEWATER METERS?

A. Yes, Aqua does have customers that are billed based on metered wastewater flows.[10]

Q. CAN WASTEWATER USAGE BE BILLED BASED ON METERED WATER CONSUMPTION?

A. Yes. Even though the common practice of basing sewer charges on metered water consumption is a more accurate means of determining sewage usage than calculating

[7] City of Mishawaka, PART I – CODE OF ORDINANCES, CHAPTER 62, SECTION 62.181, City's right to determine billing method.
[8] See https://www.cityoftacoma.org/government/city_departments/environmentalservices/rates/wastewater_rates.
[9] See https://www.puc.pa.gov/documents/utility-files/346/Sam_Tariff_Wastewtr.pdf at Page No. 8.
[10] SCH USA Exhibit RC-1, Aqua Response to SCH-I-1.

EDUs, it is still just another form of estimating sewer usage. This is because not all the water going through the water meter ends up going into the sewer system. Depending on the facility, some of it can be used for drinking while some of it can be used for cooking or other domestic purposes.

Q. DOES AQUA BILL ANY WASTEWATER CUSTOMER(S) IN ITS SERVICE TERRITORY BASED ON ACTUAL USAGE OBTAINED FROM WATER METERS, WHERE WATER IS PROVIDED BY A WELL OR BY AN ENTITY OTHER THAN A UTILITY, MUNICIPALITY, OR MUNICIPAL AUTHORITY?

A. Yes, Aqua does have some wastewater customers who are billed based on water meter reads from meters connected to customer owned wells.[11]

Q. DO YOU HAVE ANY RECOMMENDATIONS?

A. Yes. As outlined in Mr. Padilla's testimony (SCH USA St. No. 1), the Commission should require Aqua to explicitly provide for billing options in its tariff to allow currently unmetered customers such as SCH USA to be billed for actual usage, including by installing water meters to measure actual water consumption, or installing wastewater meters to measures actual wastewater discharges to the Aqua system.

III. CONCLUSION

Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?

A. Yes.

[11] SCH USA Exhibit RC-1, Aqua Response to SCH-I-2.

Appendix A

Appendix A

Ronald Carrier

Holt, MI • linkedin.com/in/rtcarrier1982 • 517-525-3871 • ronald.carrier@att.net

ENERGY REGULATORY AFFAIRS EXECUTIVE

Top performing, successful and driven professional with extensive experience in wholesale and retail energy markets. Expertise in RTO/ISO stakeholder processes, market design, tariff interpretation and advocacy. Proven track record in identifying risks and opportunities for the business at both the wholesale and retail levels. Core competencies include:

Leadership • Team Building • Strategic Planning • Presentations • Communication • Negotiations

EXPERIENCE

Big Lake Consulting Group, LLC, Holt, MI
President, April 2021 to Present
Provide policy and market related consulting service to wholesale energy companies, advanced energy management companies and renewable energy project developers.

Direct Energy, Houston, TX **June 2008 – April 2021**
Director of Wholesale and FERC Policy, September 2019 – April 2021
Led the team of regulatory affairs professionals responsible for the PJM, New York ISO, MISO, ISO-New England and ERCOT Regional Transmission Organizations and developed Direct Energy's wholesale electric advocacy positions at the Federal Energy Regulatory Commission.

- Coordinated intervention at FERC that resulted in a $5 million reduction in PJM fees assessed to Direct Energy.
- Negotiated a settlement with a utility that resulted in a $3.1 million payment to Direct Energy.
- Provided expert opinion to Wholesale Trading Team that allowed them to develop a capacity purchase strategy to meet unique regulatory requirements in certain MISO states.

Director of Government and Regulatory Affairs, June 2008 – September 2019
Managed advocacy positions of Direct Energy at ISO-New England and MISO as well as providing lobbying support for the Michigan and Illinois markets served by Direct Energy.

- Developed Direct Energy's regulatory strategy in NEPOOL, and MISO markets and advocated for the company's interests in the NEPOOL and MISO stakeholder process.
- Provided regular communication and analysis to Direct Energy's trading desk, generation management group, demand response team, and credit team related to proposed changes to ISO-NE and MISO rules.
- Delivered routine updates on the NEPOOL and MISO markets to Direct Energy's sales team.
- Supported the Michigan regulatory and legislative team by attending lobbying meetings and educating legislators.

Strategic Energy, Pittsburgh, Pa
Director of Wholesale Market Development, September 2006 – June 2008
Directed the wholesale electric policy activities for the Company, managing interactions at New York ISO, PJM, MISO and New England ISO as well as FERC.

- Led Federal Energy Regulatory activities for, intervening in MISO/PJM SECA case, resulting in over $6 million being reimbursed to Strategic Energy.
- Provided support to the trading desk on RTO market rule changes.
- Managed Strategic Energy's legislative and regulatory efforts in Michigan.

OTHER RELEVANT EXPERIENCE

Strategic Energy, Pittsburgh, PA - Manager, Regulatory and Legislative Affairs
Consumers Energy Company, Jackson, MI - Customer Choice Program Manager, Director, Wholesale Power Sales, Director, Competitive Analysis and Planning, Regional Sales Director

OTHER PROFESSIONAL ACTIVITIES

Treasurer and Trustee of Energy Michigan, 5/13 to Present
Joint Nominating Representative of the NEPOOL Supplier Sector, 1/17 – 3/20

EDUCATION

Master of Business Administration - Central Michigan University
Bachelor of Science: Mechanical Engineering - University of Michigan

Appendix B

Previous Testimony of Ronald Carrier

Jurisdiction	Case Number	Case Type	Representing
Michigan Public Service Commission	U-12488	Retail Open Access Tariffs	Consumers Energy
Michigan Public Service Commission	U-13340	Recovery of Retail Open Access Implementation Costs	Consumers Energy
Michigan Public Service Commission	U-14025	Complaint Case Vs. Detroit Edison Regarding Retail Open Access Implementation	Strategic Energy, LLC
Michigan Public Service Commission	U-15245	Consumers Energy Rate Case	Energy Michigan
Pennsylvania Public Utilities Commission	R-00061346	Duquesne Light Company Retail Open Access	Strategic Energy, LLC
Pennsylvania Public Utilities Commission	C-2021-302959	Grays Ferry Cogeneration Partnership and Vicinity Energy Inc. v. Philadelphia Gas Works Complaint	Philadelphia Gas Works

Exhibit RC-1

Witness: William C. Packer
Renee T. Marquis
Christopher E. Manning
Date: 08/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

SCH USA, LLC

SET I INTERROGATORIES

SCH-I-1 Does Aqua bill any wastewater customer(s) in its service territory based on actual usage obtained from wastewater meters? If so, for each such customer, please identify:

a. The type of customer (residential, commercial, industrial, etc.);

b. The customer's rate zone as established in Aqua's wastewater tariff; and

c. Whether the wastewater meter(s) was/were installed at Aqua's expense, the customer's expense, or a combination thereof.

d. For any customer identified in parts (a)-(c) above, provide their average wastewater usage.

e. For any average usage provided in (d) above, is that average greater or less than an EDU proxy for flow figures for that customer as identified in 25 Pa. Code § 73.17?

RESPONSE

a. through c. The Company has two commercial customers, one in Rate Zone 2 and one in Rate Zone 11 that are billed based on metered wastewater flows. The wastewater meters and associated infrastructure necessary for reading wastewater flows and billing was installed and in operation prior to the acquisition of each of the systems by Aqua PA. These customers were grandfathered in upon acquisition of these systems and Aqua PA adopted the billing structure, in place at the time of acquisition, which included either a meter size or EDU charge in addition to a volumetric charge.

d. through e. The customer in Rate Zone 2 had an average monthly flow of approximately 1,059,700 gallons for the HTY ending December 31, 2023. The

customer in Rate Zone 11 had an average monthly flow of approximately 150,800 gallons for the HTY ending December 31, 2023. The EDU proxy for flow figures for customers as identified in 25 Pa. Code § 73.17 is for design purposes and as noted in the response above, the 2 customers identified are billed using both a base charge and a volumetric charge, not solely an EDU charge, therefore the analysis requested cannot be completed as requested.

Witness: William C. Packer
Renee T. Marquis
Christopher E. Manning
Date: 08/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

SCH USA, LLC

SET I INTERROGATORIES

SCH-I-2 Does Aqua bill any wastewater customer(s) in its service territory based on actual usage obtained from water meters, where water is provided by a well or by an entity other than a utility, municipality, or municipal authority? If so, for each such customer, please identify:

a. The type of customer (residential, commercial, industrial, etc.);
b. The customer's rate zone as established in Aqua's wastewater tariff; and
c. Whether the water meter(s) was/were installed at Aqua's expense, the customer's expense, the water provider's expense, or some combination thereof.

RESPONSE

a. The Company has limited wastewater customers who are billed based on water meter reads where the water is provided by a well. When the Company acquired the systems referenced below, the company adopted the existing rates structure and method in which these customers were billed.

b. and c. Rate Zone 7 (Limerick) – 53 Commercial accounts with customer installed meters.
Rate Zone 11 (New Garden) = 73 Residential accounts with customer installed meters at the time of acquisition, which were updated to read via radio frequency at Aqua's expense.
Rate Zone 11 (New Garden) = 24 Commercial accounts with customer installed meters at the time of acquisition, which were updated to read via radio frequency at Aqua's expense.
Rate Zone 4 – (Blakeslee) 66 Commercial accounts that at the time of acquisition, had meters that were installed by Tobyhanna Township, but have since been replaced by the Company.

Witness: Gregory R. Herbert
Date: 06/18/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET II INTERROGATORIES

OCA-II-5 Reference Statement No. 10, page 14, lines 21-23. Please identify all Commission orders and provide a copy of all documents relied upon to support Mr. Herbert's claim that the preference is to charge a metered rate when water reads are available.

RESPONSE

Please refer to page 272 of the Order from Aqua's last base rate case at Dockets No. R-2021-3027385 and R-2021-3027386 where the Commission states that "There is no question that volumetric billing is preferable to flat-rate billing, as it provides better price signals and promotes conservation, as well as resulting in a more equitable distribution of the variable costs of wastewater service among ratepayers".

VERIFICATION

I, Ronald Carrier, hereby state that: (1) I am the founding principal of Big Lake Consulting Group, LLC; (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

August 16, 2024
Dated

Ronald Carrier
Principal
Big Lake Consulting Group, LLC

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2024-3047824
	:	
Aqua Pennsylvania Wastewater, Inc.	:	

DIRECT TESTIMONY

OF

FRANK LACEY

On Behalf of

SCH USA, LLC

Topics Addressed:

Aqua's Wastewater Tariff
Reasonableness of Aqua's Wastewater Billing Method

August 16, 2024

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TABLE OF EXHIBITS

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Appendix A	Resume of Frank P. Lacey
Appendix B	F. Lacey List of Prior Testimony
FL-1	Release and Settlement Agreement, *Vacation Charters LTD., Split Rock Country Club, Inc., Summit Management & Utilities, Inc., v. Kidder Township*, In the Court of Common Pleas of Carbon County, Pennsylvania, Docket No. CV-07-4079.
FL-2	Asset Purchase Agreement Between the Township of Kidder and Little Washington Wastewater Company d/b/a Suburban Wastewater Company, dated March 15, 2012.
FL-3	Aqua Discovery Responses

I. INTRODUCTION AND BACKGROUND

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Frank Lacey. My business address is 3 Traylor Drive, West Chester, PA 19382.

Q. WHAT IS YOUR CURRENT POSITION?

A. I am the founding principal of Electric Advisors Consulting, LLC, which is a regulatory strategy consulting firm and offers services such as tariff analyses, strategic planning, procurement analysis, and regulatory support, including the provision of testimony in regulatory and judicial proceedings.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

A. I am an independent consultant testifying on behalf of SCH USA, LLC ("SCH USA").

Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. As a consultant, I provide policy- and market-related consulting services to advanced energy management companies and end-use customers. I have worked in regulated industries for approximately 31 years, beginning immediately after earning my graduate degree. Early in my career, I was employed as a consultant to industry participants, first by Putnam, Hayes & Bartlett, Inc. and then by Arthur Andersen Business Consulting. I have also worked for Strategic Energy, a retail electricity and natural gas services company, and Direct Energy, a retail electric and gas supplier that acquired Strategic Energy in 2008. I created Electric Advisors Consulting LLC in 2015. I hold a Bachelor of Science degree in Transportation and Logistics from the University of Maryland and a Master of Science in Industrial Administration with concentrations in finance and

environmental management from the Tepper School of Business at Carnegie Mellon University. My resume is provided as Appendix A.

Q. HAVE YOU EVER TESTIFIED BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION OR ANY OTHER REGULATORY AGENCY?

A. Yes. I have testified before the Pennsylvania Public Utility Commission ("Commission" or "PA PUC") on numerous occasions. In addition to Pennsylvania, I have provided expert testimony before the utility commissions in New York, Ohio, Maryland, New Jersey, Massachusetts, Illinois, Delaware, Rhode Island, Virginia, Utah and California. I have also testified numerous times before state legislatures, and twice as a technical conference witness at the Federal Energy Regulatory Commission ("FERC"). I have also filed expert reports in judicial proceedings in the Superior Court of New Jersey in Bergen County, in the Supreme Court of the State of New York in New York County and in the U.S. District Court for the Eastern District of North Carolina. I have presented oral testimony in less formal proceedings before the Commissions in Pennsylvania, Maryland, Delaware and Texas. I have presented legislative testimony in New York, Maryland, Pennsylvania, Delaware, Connecticut, Michigan, California and Texas. I have also spoken at numerous trade shows, conferences and other industry and corporate events as an expert on regulatory issues. A detailed listing of my prior testimony is contained in Appendix B.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to show that Aqua's proposed wastewater tariff, including changes to the definition of Equivalent Dwelling Unit, will result in unjust and unreasonable rates as they apply to currently unmetered wastewater customers, such as SCH USA. I will also show that Aqua, despite requesting increases in rates, is not

offering, nor is it planning to offer, any meaningful customer service level improvements. Aqua's unwillingness to facilitate metering of either well water inflows or wastewater outflows results in the inefficient use of resources including water, wastewater, chemicals used to treat both and energy consumed to transport and treat water and wastewater.

II. REASONABLENESS OF AQUA'S WASTEWATER BILLING METHOD

Q. HAVE YOU REVIEWED AQUA'S CURRENT AND PROPOSED WASTEWATER TARIFFS?

A. Yes, I have.

Q. DO YOU HAVE ANY CONCERNS WITH HOW AQUA BILLS SCH USA FOR WASTEWATER SERVICE AS A CURRENTLY UNMETERED WASTEWATER CUSTOMER?

A. Yes. I have several. Most importantly, Aqua is billing SCH USA on a metric called equivalent dwelling units ("EDU"). Aqua's calculation of EDUs at the property significantly overstates the volume of wastewater that is produced at the property. The number of EDUs that are currently billed to SCH USA and which would be billed to SCH USA under the proposed wastewater tariff have no relationship whatsoever with flows emanating from the properties.

Q. TO YOUR KNOWLEDGE, HOW WERE THE NUMBER OF EDUS ASSOCIATED WITH THE SPLIT ROCK RESORT ORIGINALLY DETERMINED?

A. It is my understanding that the EDUs were determined during a litigation that was initiated in 2007 between a prior owner of Split Rock Resort and the Township of Kidder ("Kidder").[1] During the course of that proceeding, the litigants reached a Settlement

[1] See SCH USA Exhibit FL-3, Aqua Response to SCH Interrogatory SCH-I-9. *"The EDUs that are stipulated in [Aqua's] Compliance tariff were taken from the Settelemt Agreement entered into between the Township of Kidder and Vacation Charters LTD., Split Rock Country Club, Inc., and Summit Management & Utilities, Inc."*

Agreement[2] ("Settlement") on several issues, including the number of EDUs that would be used in calculating Split Rock Resort's wastewater charges. A copy of the Settlement is provided as Exhibit FL-1. This Settlement was agreed to, and the number of EDUs was determined before a proposed expansion of 198 units (384 rooms) at the resort was started. Importantly, the proposed expansion of 192 units (384 rooms), included in the derivation of EDUs included in the settlement, was never actually built. Aqua is currently (and has always been) billing SCH USA for wastewater throughput from those unbuilt rooms that were planned when the Settlement was negotiated.

Q. SHOULD THE SETTLEMENT AGREEMENT HAVE ANY WEIGHT ON THE RATES THAT ARE CURRENTLY CHARGED TO SPLIT ROCK RESORT?

A. No, it should not. The referenced Settlement was adopted by the Kidder Board of Supervisors on November 18, 2010. On March 15, 2012, Little Washington Wastewater Company D/B/A Suburban Wastewater Company ("LWWC") entered into an Asset Purchase Agreement ("APA") with the Township of Kidder to purchase the wastewater system that is currently owned by Aqua. A copy of the APA is provided as Exhibit FL-2. Under this APA, only two paragraphs from that Settlement were transferred from Kidder to LWWC. The APA states: "LWWC shall not assume any rights or obligations of Seller under any contract, agreement, commitment, lease, certificate, permit or other instrument, whether oral, written, express or implied, except with respect to: (i) those agreements, contracts, permits and other instruments listed on Schedule 1.4 attached hereto…."

Schedule 1.4 of the APA states "Seller shall assign to LWWC Seller's right to collect the payments still to be made by the Plaintiff to Kidder Township under

[2] Release and Settlement Agreement, *Vacation Charters LTD., Split Rock Country Club, Inc., Summit Management & Utilities, Inc., v. Kidder Township*, In the Court of Common Pleas of Carbon County, Pennsylvania, Docket No. CV-07-4079.

paragraphs nine and ten of that certain Release and Settlement Agreement entered by and between Vacation Charters LTD as Plaintiff and Kidder Township pursuant to the civil action filed in the Court of Common Pleas of Carbon County, Pennsylvania at Docket No. CV-07-4079…." The payments outlined in paragraphs nine and ten of the Settlement were to resolve disputed charges from the wastewater system between 2002 and 2010. These payments and the related paragraphs in the Settlement have no bearing on the calculation of EDUs or the billing of future wastewater flows. The plain language of this APA shows that only the repayment terms of past due amounts were passed to LWWC when they purchased Kidder's wastewater system. The remaining terms of the Settlement are long expired. The EDU estimations from that Settlement have no weight or value.

Q. DOES THE SETTLEMENT AGREEMENT PROVIDE AN ACCURATE BASIS FOR BILLING SCH USA FOR WASTEWATER SERVICE?

A. No. The Settlement Agreement does not provide an accurate basis for billing. The settlement terms were negotiated in 2010, a time when a proposed expansion at the resort was envisioned but which was never actually built. To my knowledge, neither water consumption nor wastewater elimination at the resort has ever been metered or measured in any manner. The application of Settlement-based EDUs to Split Rock Resort might have been appropriate at some point in time, but this approach provides no relationship to the actual wastewater flow from Split Rock Resort currently. Aqua's continued use of EDUs to calculate SCH USA's wastewater bills is unjust and unreasonable. With technologies for metering readily available, wastewater outflows (or freshwater inflows) should be metered and wastewater should be billed accordingly.

Q. HAVE YOU ATTEMPTED TO ESTIMATE THE WASTEWATER EMANATING FROM THE SPLIT ROCK RESORT?

A. I have researched different methodologies for estimating water consumption and wastewater from hotels and resorts. I was not able to find a single, expert approach to estimating either water consumption or wastewater flow at a hotel or resort. I was able to find a few different methodologies that were used in various studies. The metrics that each of these methodologies had in common was that they relied on the number of rooms and the occupancy rate of the hotel. Aqua's billings to Split Rock Resort do not consider occupancy rates in any manner.

Q. WHY IS OCCUPANCY IMPORTANT?

A. Occupancy is one of the primary drivers of water and wastewater consumption. Occupancy rates drive direct consumption (bathing, toilets, sinks, etc.) and indirect consumption (food prep, laundry, etc.).

Q. DOES AQUA'S EDU-BASED BILLING METHODOLOGY REFLECT OCCUPANCY IN ANY MANNER?

A. No. EDU-based billing results in the same wastewater bill every month, whether occupancy is at zero percent or 100 percent.

Q. DOES AQUA'S BILLING METHOD, WHICH IS BASED ON EDUS, ACCURATELY REFLECT ACTUAL USAGE AT THE SCH USA PROPERTY?

A. No. The EDU-based billing method has no relevance to the actual usage of wastewater services for the property. A review of the Settlement referenced above shows that wastewater usage was never calculated, or even estimated for the purposes of that Settlement. Also, in adopting the Settlement, the parties noted that the Willowbrook facility consisted of 128 units (256 rooms) and that 192 more units (384 rooms) were to be built at Willowbrook. That expansion would have been included in the agreed upon

EDUs in the Settlement. Those additional rooms were never built. Mr. Padilla notes in his testimony that the Willowbrook facility consists of only 256 rooms. Finally, as discussed above, the settlement terms have all expired.

Q. DOES 25 PA. CODE § 73.17, CITED IN AQUA'S TARIFF, HAVE ANY RELEVANCE TO THE CALCULATION OF EDUS AT THE PROPERTY?

A. No. Aqua's current tariff references 25 Pa. Code § 73.17 as a basis for EDU calculations. This section of the Pennsylvania Code is not about actual wastewater flow rates. The metrics outlined in these regulations are planning guidelines and represent the Commonwealth's Department of Environmental Protection's ("DEP") definition of "peak daily flows for the design" of systems. These regulations are not related to billing or actual wastewater flows. 25 Pa. Code § 73.17(c) states that actual water meter or sewer meter flow could be used in the design of sewage system. However, it further states that "If average daily flows are used, the peak daily flow shall be calculated by multiplying the average daily flow by two." In other words, it appears that the DEP regulations require that sewage systems should be designed for two times the size of average daily flow into the system.

The clarification that this regulation was for planning and design purposes was added in 1997. In the rulemaking process then, a "commentator suggested that the section be clarified to make it clear that the flows outlined in § 73.17 are to be used strictly for the <u>design</u> of onlot systems…." The regulator's response to this comment was that the "Board agrees and appropriate clarifying language has been inserted as a lead-in to this section as well as the text of subsection (a)."[3] The planning language in the regulation was very deliberate and it makes no estimation of actual flows or billing

[3] 27 Pa.B. 5890 (emphasis added).

parameters. Aqua readily acknowledges that the regulations cited are design criteria. In Aqua's response to Interrogatory SCH-I-1, Aqua states "The EDU proxy for flow figures for customers as identified in 25 Pa. Code § 73.17 is for design purposes…."[4] Yet, somehow, despite this acknowledgement, they continue to use the regulation as the basis for its billing metrics.

Q. HOW DOES AQUA'S CURRENT TARIFF UTILIZE 25 PA. CODE § 73.17?

A. Aqua's current tariff defines an EDU as "a measure based upon the estimated average daily wastewater flow for the type of business, as calculated by the Pennsylvania Department of Environmental Protection regulation at 25 Pa. Code § 73.17 divided by the typical estimated average daily wastewater flow from a current single-family unit."[5] Despite what the tariff says, 25 Pa. Code § 73.17 does not detail estimated average daily wastewater flow. As noted above, the flow figures in this section of the regulations are two times the magnitude of the average daily flow and they are design and planning requirements, not usage numbers.

Q. IS AQUA PROPOSING ANY CHANGE TO THE DEFINITION OF EDU IN ITS TARIFF?

A. Yes, Aqua is proposing to modify the definition of EDU in its tariff to state as follows:

> Equivalent Dwelling Unit or "EDU": Except for existing Customers acquired by the Company through a purchase or acquisition and for billing purposes only, the EDU is a measure assigned by the Company based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP regulation at 52 Pa. Code § 73.17(b) divided by the Company's typical estimated average daily wastewater flow from a current single-family unit. Residential Customers are designated as one (1) EDU; however, in the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property.

[4] See SCH USA Exhibit FL-3, Aqua Response to Interrogatory SCH-I-1, sections d. through e.
[5] See Aqua Tariff, p. 25 (emphasis added).

> For existing customers without a predetermined EDU allocation, the EDU is a measure based upon the estimated average daily wastewater flow for the type of business based on water usage, divided by the typical estimated average daily wastewater flow from a current single-family unit. For other existing customers acquired by the Company through a purchase or acquisition, the number of equivalent dwelling units is available at https://www.aquawater.com/about/states-we-serve/pennsylvania/index.php.
>
> Any Customer who modifies their properties in a manner that impacts the EDU calculation, including in areas previously acquired by the Company, will be subject to the EDU definition described above. The Company will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence, satisfactory to the Company in its sole discretion. The Customer shall bear the burden of proof for all such requests.

By comparison, the current definition of EDU is much shorter, at just two sentences:

> Equivalent Dwelling Unit or "EDU": The EDU is a measure based upon the estimated average daily wastewater flow for the type of business, as calculated by the Pennsylvania Department of Environmental Protection regulation at 25 Pa. Code § 73.17 divided by the typical estimated average daily wastewater flow from a current single-family unit. In the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property.

Q. DO YOU HAVE CONCERNS WITH AQUA'S PROPOSED CHANGE TO THE DEFINITION OF EDU?

A. Yes, I do. Because SCH USA is a customer acquired through a purchase or acquisition, and Aqua's position is that SCH USA has a "predetermined EDU allocation" under the Settlement Agreement, it appears that Aqua is attempting to modify the EDU definition to provide a basis for continuing to bill SCH USA based on the Settlement Agreement. As I have explained in detail, the EDUs in the Settlement Agreement are not valid and have no relationship to the actual wastewater produced at the property. Continuing to bill SCH USA on this basis is unjust and unreasonable. This proposed tariff change should be rejected.

Additionally, within this new definition, Aqua sets itself up as the judge and jury when it comes to evaluating requests for changes to EDU calculations. The proposed definition states "[Aqua] will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence, satisfactory to the Company in its sole discretion." It is neither just nor reasonable that Aqua set itself up in this manner. However, if the Commission is inclined to allow this, it should require Aqua to define what comprises "substantial" evidence and the criteria by which Aqua will make its determinations "in its sole discretion." For example, Aqua has been presented with evidence showing that 192 units (384 rooms) that were contemplated in the Settlement were never built. Yet, in their sole discretion, Aqua has refused to bill SCH USA based on any other metric than the Settlement EDUs. A change to the size of a hotel of 384 rooms seems to be "substantial" evidence, yet Aqua apparently sees that evidence differently.

Finally, the definition of EDU continues to lean on the planning requirements for wastewater systems in the Pa. Code. The regulation itself states that the design criteria for peak flow should be the average daily flow multiplied by two. For all of these reasons, the revised definition of EDU should be rejected.

Q. IN THE EVENT THAT THE SPLIT ROCK RESORT REACHES FULL OCCUPANCY, WOULD THIS AFFECT THE ABILITY OF AQUA'S WASTEWATER SYSTEM TO HANDLE THE WASTEWATER FLOW FROM THE RESORT?

A. The regulations cited by Aqua were last modified in 1997. The Split Rock Resort was built after those regulations were implemented. Presumably, then, the wastewater system should have been designed to handle two times the expected wastewater flow from the resort. At the time the Settlement was entered into, expected wastewater flow also

included the portions of the resort that were planned for, but not yet built (such as the 192 additional units at Willowbrook, which were never built). For planning purposes, the wastewater system was likely designed to consider at least some occurrence of full occupancy at the Resort, including wastewater from the planned units. Therefore, peak occupancy should not affect the ability of the wastewater system to handle wastewater flow from the resort. More importantly, it is not SCH USA's financial responsibility to plan for growth at the Aqua facilities. The Settlement Agreement presumably encompassed the growth that was envisioned at the time by the entities to the Settlement. We know for certain that the growth envisioned for the resort never materialized and the resort has been charged based on those growth assumptions since the Settlement was entered into. In essence, overbillings to the resort (billings based on hotel rooms never built) have allowed Aqua and its predecessor companies to handle growth without incremental investment or costs to the other ratepayers. The resort has, to some degree, subsidized growth at the facility.

Q. HAVE YOU REVIEWED THE TESTIMONY PROVIDED BY SCH USA WITNESS RONALD CARRIER IN SCH USA ST. NO. 2?

A. I have.

Q. BASED ON YOUR REVIEW OF THE BACKGROUND MATERIALS AND MR. CARRIER'S ANALYSIS, WHAT DO YOU CONCLUDE?

A. Mr. Carrier identified two types of wastewater metering technologies that are available to Aqua. He also noted that in the absence of wastewater metering, water inflow metering could be used as a proxy for wastewater flows. I agree with this assessment and additionally note that Aqua's existing and proposed wastewater tariff allows for water metering and wastewater metering in different zones. Of note, Aqua admitted in its response to Interrogatory SCH-I-1 that it serves customers whose wastewater output is

measured by meters.[6] In response to Interrogatory SCH-I-2, Aqua acknowledged that it provides wastewater services to both residential and commercial customers across its footprint where the customer's usage is determined by meters implemented on water wells.[7]

My conclusion is that Aqua's tariff, as applied to SCH USA and the properties at Split Rock Resort is unjust and unreasonable. SCH USA is being billed for an amount of wastewater that is not in any way related to the amount of wastewater generated at the property, while Aqua is in possession of the technical capabilities to meter either well water inflows or wastewater outflows to determine the appropriate billing to the resort.

Q. HAS SCH USA BROUGHT ITS CONCERNS ABOUT BILLING TO AQUA'S ATTENTION?

A. SCH has raised their concerns privately, has filed a complaint against Aqua at the Commission, and is now intervening in this Rate Proceeding.

Q. HOW HAS AQUA RESPONDED?

A. Aqua has essentially ignored all requests from SCH USA to modify its billing units or billing practices for SCH USA. Privately, it has largely ignored SCH USA's outreach. In the context of the complaint proceeding, which is still on-going, Aqua has argued that the issues are more appropriate for a Rate Proceeding. To date in this proceeding, they have answered interrogatories that indicate to me that they are not interested in pursuing solutions for customers.

[6] See SCH USA Exhibit FL-3, Aqua Response to Interrogatory SCH-I-1. "[Aqua] has two commercial customers … that are billed based on metered wastewater flows."
[7] See SCH USA Exhibit FL-3, Aqua Response to Interrogatory SCH-I-2. "[Aqua] has limited customers who are billed based on water meter reads where the water is provided by a well."

Q. COULD YOU PLEASE EXPLAIN WHAT YOU MEAN BY THAT?

A. Yes. When asked about customers being served by wastewater meters, they admit to serving them, but then caveat the answer by saying "The wastewater meters and associated infrastructure necessary for reading wastewater flows and billing was installed and in operation prior to the acquisition of each of the systems by Aqua PA. These customers were grandfathered in upon acquisition of these systems and Aqua PA adopted the billing structure, in place at the time of the acquisition, which included either a meter size or EDU charge in addition to a volumetric charge."[8] Similarly, when asked about customers metering well water, they responded that they serve those types of customers but hedged that response by saying that Aqua "adopted the existing rates structure and method in which these customers were billed" by acquisition.[9] In these answers, they admit having technologies in-house that can provide adequate billing service to customers who are either billed based on metered wastewater flow or who are on metered well water inflows, but are reluctant to provide that same level of service to other customers.

Q. IN ITS RESPONSE TO INTERROGATORY OCA-XVII-10, AQUA ADDRESSED ITS PLANS FOR OBTAINING METERED WATER USAGE DATA FOR CURRENTLY UNMETERED WASTEWATER CUSTOMERS. HAVE YOU READ THAT RESPONSE?

A. I have. In the response, Aqua states that it "does not have plans at this time to install company-owned water meters on privately-owned water wells for systems that are currently unmetered."[10] I find this answer interesting because in its response to Interrogatory OCA-XI-14, in answering a question about why customers are not

[8] SCH USA Exhibit FL-3, Aqua Response to Interrogatory SCH-I-1.
[9] SCH USA Exhibit FL-3, Aqua Response to Interrogatory SCH-I-2.
[10] SCH USA Exhibit FL-3, Aqua Response to Interrogatory OCA-XVII-10.

switching to metered billing, Aqua's response is "The customers that are not switching to metered billing are either unmetered customers or obtain their water from privately-owned water wells and metered water information is not available for these customers." In this series of responses, Aqua has come full circle. First, it acknowledges that it can and does supply wastewater services based on meter data from private wells. It states it does not have plans install meters on private wells, but then says customers aren't switching to meter-based bills because meter information is not available for the customers.

Q. DO YOU KNOW IF AQUA HAS CONSIDERED PROVIDING METERED SERVICES TO ITS CUSTOMERS?

A. Aqua stated in its response to Interrogatory SCH-I-3 that it "has not conducted any studies, investigation or other assessment on the use or feasibility of wastewater meters" since 2012.[11] Based on that response, and some of the others noted already, I do not believe they are considering providing metered services to customers.

Q. COULD CUSTOMERS PROVIDE THEIR OWN METERS ON EITHER WELL WATER INFLOWS OR WASTEWATER OUTFLOWS?

A. They should be able to.

Q. HAS AQUA ADDRESSED THIS QUESTION?

A. Not directly. However, in its Response to Interrogatory DAY-IV-3, Aqua stated that "Water meter reading technology for meters on private wells will be functionally similar to water meters on a public water system. That said, there are inherent complications with metering private wells as compared to standard residential water supply, for example, approved rate structure, ownership, initial installation responsibility and cost,

[11] SCH USA Exhibit FL-3, Aqua Response to Interrogatory SCH-I-3.

access for repair and replacement, shut-off procedure for delinquency or non-compliance, etc."[12]

Q. ARE THESE CONCERNS OF AQUA'S VALID?

A. Aqua has identified some business and operating issues with respect to metering private wells. Based on my experience in regulated industries, many of these concerns are outdated, boilerplate reasons for resisting change. Aqua already provides wastewater services to customers with private wells that are metered, and bills those customers based on those meters' output. In providing that service, I find it reasonable to assume that they resolved most, if not all, of these problems. If not resolved, the stated issues appear very simple to resolve. For example, I do not see a reason for a different rate structure if flow-based rates already exist, and they do in Aqua's tariff. Ownership would be by the owner of the well (or wastewater producer if wastewater was metered). Installation and costs would fall to the owner. Repair and replacement would be the responsibility of the owner. There is no reason that shut-off procedures would differ for a well-metered customer or an unmetered customer. Additionally, Aqua could, with the consent of the Commission, limit meters to certain technical specifications and communications technologies. Also, inspection criteria could be included in under an owned-meter situation. SCH USA is not opposed to any reasonable requirements around meter usage. They are simply seeking to be charged rates that are just and reasonable – rates that are remotely close to actual wastewater streams produced.

[12] SCH USA Exhibit FL-3, Aqua Response to DAY-IV-3.

Q. WOULD AQUA NEED TO MODIFY ITS BILLING SYSTEM TO ACCOMMODATE MORE CUSTOMERS ON METER-READ WELLS?

A. I would not opine that "no changes are necessary." However, as noted, Aqua already bills wastewater services based on metered data. They clearly are capable of generating meter-based bills to customers. But this question of billing system changes should be irrelevant. We are operating in an age of digital commerce. We are operating in an age where resources should be managed more efficiently and that includes water and wastewater resources. Aqua appears to be living in an age of socialized water and wastewater needs. Meters are a tool that will lead to more efficient consumption. Aqua should be striving to make its water and wastewater systems as efficient as possible. That efficiency requires customer knowledge of consumption. Unmetered water and/or wastewater removes incentives for customer efficiency and that inefficiency wastes not only water, but well water treatment chemicals, wastewater treatment chemicals, energy to move and treat the water and energy to move and treat the wastewater. Inaction on metering is societally inefficient. The Commission should push Aqua to move toward metering and explicitly allowing private ownership of meters for wastewater billing purposes if the utility is unwilling to invest in meters.

Q. DO YOU HAVE ANY RECOMMENDATIONS?

A. Yes. First, Aqua's proposed tariff continues to rely on a Pennsylvania regulation that is comprised of design criteria for wastewater systems to calculate billing units for customers. The tariff could be rejected for that reason alone. Additionally, Aqua's current and proposed tariff and business practices allow for consumption-based billing, yet Aqua is not enabling customers with metering tools. Consumption-based billing can be calculated by measuring either water inflows or wastewater outflows. The

Commission should reject Aqua's proposed change to the definition of EDU, and require Aqua to include any necessary language in its tariff clearly allowing unmetered customers such as SCH USA to be billed for actual usage, including by installing meters, regardless of the owner of the meter, to measure actual water inflows or wastewater outflows. Inclusion of metering provisions, even if at the customer's expense, will lead to more efficient consumption of water, wastewater, chemicals associated with the treatment of both, and energy used to transport and treat water and wastewater.

III. CONCLUSION

Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?

A. Yes.

Appendix A

Frank Lacey

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Summary

Disciplined energy industry executive consultant and leader known for implementing innovative regulatory and business strategies empowering clients to benefit from emerging and complex regulatory policies.

Experience

Board of Directors
Current: Atmospheric G2 (Regulatory chair); HData (advisor).

Prior experience: Advanced Energy Management Alliance (Founding member and chairman); Smart Electric Power Alliance (f/k/a: Solar Electric Power Association) (finance); Association for Demand Response and Smart Grid (finance); Electric Power Supply Association (finance); ERCOT (finance); Retail Energy Supply Association; Kennett Square Golf and Country Club (Long-Range Planning).

Electric Advisors Consulting, LLC 2015- Present
Founder and President

Increased shareholder value of clients by more than $400 million through regulatory channels. Identify policy priorities and advise senior leadership on strategic implications of potential changes in the electricity industry, including renewable integration, nuclear developments, storage and Electric Vehicle charging integration. Advocate for RTO/ISO market reforms to create value for clients. Apply strong analytical skills to relevant consultancy engagements including M&A strategies; government (state and federal) funding initiatives; market entry strategies, ESG implementation; FERC and state regulatory and legislative policy engagement; strategic planning; complex litigation assistance; expert testimony; and complex tariff analysis.

Comverge, Inc./CPower Corporation 2011- 2015
Senior Vice President, Regulatory and Market Strategy

Developed and implemented corporate legislative and regulatory strategy, including new market entry plans for a $150 million company performing demand response services. Identified revenue growth opportunities through regulatory channels adding over $10 million in annual earnings. Developed FERC-accepted credit and risk management policies. Developed M&A opportunities including acquisition of demand response business, integration with Enerwise and ultimate spin-off of CPower.

Direct Energy 2006 - 2011
Director, Products and Complex Transactions (2008-2011)

For a multi-billion dollar retail electric and gas company, managed Complex Transaction team consisting of four direct reports and eight operations and functional leaders. Generated over $50 million in incremental gross margin sold. Delivered quality customer service and internal communications to enable incremental business commitments. Implemented Customer Experience team to receive customer feedback and adjust internal operations, increasing Net Promoter Scores by 22 points.

Director, Government and Regulatory Affairs (2006-2008)

Managed legislative and regulatory strategy and regulatory risk in Mid-Atlantic region of US, participating in multiple rate proceedings and regulatory initiatives, securing approximately $100 million in value from regulatory developments. Positioned firm as leading industry voice on policy matters.

Starlight Energy 2004 - 2005
President

Led the development of business plan and pro formas for venture seeking $20 million in equity financing and other financial relationships. Secured $100 million credit relationship and working capital financing to enable launch of retail Electricity Company. Secured FERC approval for market-based rate authority.

Strategic Energy 2001- 2004
Director, Regulatory Affairs,

For a $2 Billion retail electric and gas services firm, served on the company's Leadership team, managing a regulatory group of 15 people. Created and/or protected more than $400 million in market opportunities through regulatory channels. Created the leading industry voice on policy issues; Led the development of regulatory strategy, advocacy campaigns, the oversight of regulatory risk and the attainment of desired regulatory results, advocating across 15 states and at FERC.

Arthur Andersen Business Consulting 1998 - 2001
Senior Manager

Developed and grew Andersen's transmission restructuring business in the eastern half of US market. Achieved consulting sales in excess of $2 million annually. Projects included complete restructuring and development of new transmission entities such as American Transmission Company and Independent Transmission Company.

Putnam, Hayes and Bartlett, Inc 1995 - 1998
Associate Consultant

Associate consultant in firm's energy and environmental consulting practice with expertise in environmental asset (SO_2, CO_2 and NO_X credits) valuation.

Education

Carnegie Mellon University, Tepper School of Business
MSIA (MBA) with concentrations in finance, entrepreneurship, and environmental management
Self-designed major with supplemental coursework taken in Public Policy and Engineering Schools.

- Entrepreneur of the Year Award, Don Jones Center for Entrepreneurship. Business plan developed for environmental emissions (SO_2, NO_x) trading company.
- Thomas M. Kerr Ethics in Business Award.

University of Maryland
B.S. in Transportation and Logistics

Programs for Life
Certified Leadership Development Trainer

Appendix B

Prepared Direct Testimony of Frank Lacey On Behalf of Strategic Energy, LLC, before the Public Utilities Commission of the State of California in the matter of the *Order Instituting Rulemaking Regarding the Implementation of the Suspension of Direct Access Pursuant to Assembly Bill 1X and Decision 01-09-060*. Docket No. R. 02-01-011. June 6, 2002.

Prepared Rebuttal Testimony of Frank Lacey On Behalf of Strategic Energy, LLC before the Public Utilities Commission of the State of California in the matter of the *Order Instituting Rulemaking Regarding the Implementation of the Suspension of Direct Access Pursuant to Assembly Bill 1X and Decision 01-09-060*. Docket No. R. 02-01-011. June 20, 2002

Cross Examination testimony of On Behalf of Strategic Energy, LLC before the Public Utilities Commission of the State of California in the matter of the *Order Instituting Rulemaking Regarding the Implementation of the Suspension of Direct Access Pursuant to Assembly Bill 1X and Decision 01-09-060*. Docket No. R. 02-01-011. July 2002.

Prepared Testimony of Frank Lacey on the subject of truing up the CERS Fee On Behalf of Strategic Energy, LLC before the Public Utilities Commission Of the State Of California in the matter of the *Order Instituting Rulemaking Regarding the Implementation of the Suspension of Direct Access Pursuant to Assembly Bill 1X and Decision 01-09-060*. Docket No. R. 02-01-011. March 19, 2003

Prepared Direct Testimony of Frank Lacey on behalf of Strategic Energy L.L.C. before the Pennsylvania Public Utility Commission in the matter *Pennsylvania Public Utility Commission, et al. v.Duquesne Light Company*, Docket Nos. R-00038092, R-00038092C0001 and R-00038092C0002. January 2003.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Strategic Energy L.L. C. Before the Pennsylvania Public Utility Commission in the matter *Pennsylvania Public Utility Commission, et al. v. Duquesne Light Company* Docket Nos. R-00038092, R-00038092C0001 and R-00038092C0002. February 2003.

Prepared Supplemental Testimony of Frank Lacey on behalf of Strategic Energy L.L.C. before the Pennsylvania Public Utility Commission in the matter *Pennsylvania Public Utility Commission, et al. v. Duquesne Light Company* Docket Nos. R-00038092, R-00038092C0001, R-00038092C0002. November 2003

Cross Examination testimony of Frank Lacey on behalf of Strategic Energy L.L.C. before the Pennsylvania Public Utility Commission in the matter *Pennsylvania Public Utility Commission, et al. v. Duquesne Light Company* Docket Nos. R-00038092, R-00038092C0001, R-00038092C0002. July 1, 2003.

Prepared Direct Testimony of Frank Lacey submitted on behalf of Strategic Energy L.L.C. and Dominion Retail, Inc. before the Public Utilities Commission of Ohio in the matters of the *Continuation of the Rate Freeze and Extension of the Market Development Period for The Dayton Power and Light Company* Case No. 02-2779-EL-ATA and the *Application of The Dayton Power and Light Company for Certain Accounting Authority Pursuant to Section 4905.13, Ohio Revised Code* Case No. 02-2879-EL-AAM. May 19, 2003.

Prepared Supplemental Testimony of Frank Lacey submitted on behalf of Strategic Energy L.L.C. and Dominion Retail, Inc. before the Public Utilities Commission of Ohio in the matters of the *Continuation of the Rate Freeze and Extension of the Market Development Period for The Dayton Power and Light Company* Case No. 02-2779-EL-ATA and the *Application of The Dayton Power and Light Company for Certain Accounting Authority Pursuant to Section 4905.13, Ohio Revised Code* Case No. 02-2879-EL-AAM. June 12, 2003.

Deposition Testimony of Frank Lacey submitted on behalf of Strategic Energy L.L.C. and Dominion Retail, Inc. before the Public Utilities Commission of Ohio in the matters of the *Continuation of the Rate Freeze and Extension of the Market Development Period for The Dayton Power and Light Company* Case No. 02-2779-EL-ATA and the *Application of The Dayton Power and Light Company for Certain Accounting Authority Pursuant to Section 4905.13, Ohio Revised Code* Case No. 02-2879-EL-AAM. May 2003 and June 2003.

Cross Examination testimony of Frank Lacey on behalf of Strategic Energy L.L.C. and Dominion Retail, Inc. before the Public Utilities Commission of Ohio in the matters of the *Continuation of the Rate Freeze and Extension of the Market Development Period for The Dayton Power and Light Company* Case No. 02-2779-EL-ATA and the *Application of The Dayton Power and Light Company for Certain Accounting Authority Pursuant to Section 4905.13, Ohio Revised Code* Case No. 02-2879-EL-AAM. June 2003**.**

Oral Testimony of Frank Lacey before the Standing Committee on Energy of the New York State Assembly on the issue of Ensuring a Reliable Supply of Electricity to the People of New York, Chairman Paul D Tonko, presiding. March 6, 2003

Prepared Direct Testimony of Frank Lacey on behalf of Strategic Energy, L.L.C. before the Pennsylvania Public Utility Commission in the matter of the *Petition of Duquesne Light Company for Approval of Plan for Post-Transition Period Provider of Last Resort Service.* Docket No. P-00032071. February 2004.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Strategic Energy, L.L.C. before the Pennsylvania Public Utility Commission in the matter of the *Petition of Duquesne Light Company for Approval of Plan for Post-Transition Period Provider of Last Resort Service.* Docket No. P-00032071. February 2004.

Cross Examination testimony of Frank Lacey on behalf of Strategic Energy, L.L.C. before the Pennsylvania Public Utility Commission in the matter of the *Petition of Duquesne Light Company for Approval of Plan for Post-Transition Period Provider of Last Resort Service.* Docket No. P-00032071. April 1, 2004.

Oral Testimony of Frank Lacey at the *POLR Roundtable* before the Pennsylvania Public Utility Commission re: Optimal Future POLR Design models. May 3, 2004.

Prepared Direct Testimony of Frank Lacey on behalf of Strategic Energy, L.L.C. and Mid-American Energy Company before the Public Utilities Commission of Ohio in the matters of *The Application of the Cincinnati Gas & Electric Company to Modify its Non-Residential Generation Rates to Provide for Market-Based Standard Service Offer Pricing and to Establish a Pilot Alternative Competitively-Bid Service Rate Option Subsequent to Market Development Period*, Case No. 03-93-EL-ATA, *The Application of the Cincinnati Gas & Electric Company for Authority to Modify Current Accounting Procedures for Certain Costs Associated with the Midwest ISO*, Case No. 03-2079-EL-AAM, and *The Application of the Cincinnati Gas & Electric Company for Authority to Modify Current Accounting Procedures for Capital investment in its Electric Transmission and Distribution System and to Establish a Capital Investment Reliability Rider to be Effective After the Market Development Period*, Case Nos. 03-2080-EL-AAM and 03-2080-EL-ATA. May 6, 2003.

Deposition of Frank Lacey in the matters of *The Application of the Cincinnati Gas & Electric Company to Modify its Non-Residential Generation Rates to Provide for Market-Based Standard Service Offer Pricing and to Establish a Pilot Alternative Competitively-Bid Service Rate Option Subsequent to Market Development Period*, Case No. 03-93-EL-ATA, *The Application of the Cincinnati Gas & Electric Company for Authority to Modify Current Accounting Procedures for Certain Costs Associated with the Midwest ISO*, Case No. 03-2079-EL-AAM, and *The Application of the Cincinnati Gas & Electric Company for Authority to Modify Current Accounting Procedures for Capital investment in its Electric Transmission and Distribution System and to Establish a Capital Investment Reliability Rider to be Effective After the Market Development Period*, Case Nos. 03-2080-EL-AAM and 03-2080-EL-ATA. May 2003.

Cross Examination Testimony of Frank Lacey on behalf of Strategic Energy, L.L.C. and Mid-American Energy Company before the Public Utilities Commission of Ohio in the matters of *The Application of the Cincinnati Gas & Electric Company to Modify its Non-Residential Generation Rates to Provide for Market-Based Standard Service Offer Pricing and to Establish a Pilot Alternative Competitively-Bid Service Rate Option Subsequent to Market Development Period*, Case No. 03-93-EL-ATA, *The Application of the Cincinnati Gas & Electric Company for Authority to Modify Current Accounting Procedures for Certain Costs Associated with the Midwest ISO*, Case

No. 03-2079-EL-AAM, and *The Application of the Cincinnati Gas & Electric Company for Authority to Modify Current Accounting Procedures for Capital investment in its Electric Transmission and Distribution System and to Establish a Capital Investment Reliability Rider to be Effective After the Market Development Period*, Case Nos. 03-2080-EL-AAM and 03-2080-EL-ATA. May 18, 2003.

Oral Testimony of Frank Lacey before the Michigan Senate Committee on Technology and Energy on the subject of revision to Public Act 141, the Michigan Electricity Choice and Restructuring Act, Chairman Bruce Patterson, Presiding. May 19, 2004.

Oral Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Maryland Senate Finance Committee on Senate Bill 561 on the subject of communications between electric companies and suppliers to enhance the development of competitive electric markets, Chairman Thomas Middleton, Presiding. March 7, 2006.

Oral Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Maryland Senate Finance Committee on Senate Bills 814, 1048, 1051 and 1078 on the subject of retail electricity market design, Chairman Thomas Middleton, Presiding. March 14, 2006.

Oral Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Maryland House of Delegates Economic Matters Committee on House Bills 1334, 1654 and 1712 on the subject of retail electricity market design, Chairman Dereck Davis, Presiding. March 14, 2006.

Oral Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utility Commission in the Matter of *Petition of Direct Energy Services, LLC for Emergency Order*, Docket No. P-00062205, April 11, 2006.

Oral Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utility Commission in the Matter of *Policies to Mitigate Potential Electricity Price Increases*, Docket No. M-00061957, June 22, 2006.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Duquesne Light Company Base Rate Case*, Docket No. R-00061346, July 7, 2006. (Case Settled)

Prepared Rebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Duquesne Light Company Base Rate Case*, Docket No. R-00061346, August 2, 2006. (Case Settled)

Prepared Surrebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Duquesne Light Company Base Rate Case*, Docket No. R-00061346, August 16, 2006. (Case Settled)

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Petition of PPL Electric Utilities Corporation for Approval of Competitive Bridge Plan*, Docket No. P-00062227, November 15, 2006.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Petition of PPL Electric Utilities Corporation for Approval of Competitive Bridge Plan*, Docket No. P-00062227, December 6, 2006.

Prepared Surrebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Petition of PPL Electric Utilities Corporation for Approval of Competitive Bridge Plan*, Docket No. P-00062227, December 15, 2006.

Oral Rejoinder Testimony and Cross-examination of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Petition of PPL Electric Utilities Corporation for Approval of Competitive Bridge Plan*, Docket No. P-00062227, December 15, 2006.

Oral Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania House of Representatives, Consumer Affairs Committee, Honorable Joseph Preston Jr., Chairman, March 15, 2007.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services, LLC and the Retail Energy Supply Association before the Pennsylvania Public Utilities Commission in the Matter of *Petition of Duquesne Light Company for Approval of Default Service Plan for the Period January 1, 2008 through December 31, 2010*, Docket No. P-00072247, March 29, 2007. (case settled)

Prepared Rebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC and the Retail Energy Supply Association before the Pennsylvania Public Utilities Commission in the Matter of *Petition of Duquesne Light Company for Approval of Default Service Plan for the Period January 1, 2008 through December 31, 2010*, Docket No. P-00072247, April 12, 2007. (case settled)

Prepared Surrebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC and the Retail Energy Supply Association before the Pennsylvania Public Utilities Commission in the Matter of *Petition of Duquesne Light Company for Approval of Default Service Plan for the Period January 1, 2008 through December 31, 2010*, Docket No. P-00072247, April 20, 2007. (case settled)

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Petition of Pike County Light & Power Company for Expedited Approval of its Default Service Implementation Plan, Docket No.* P-00072245, March 28, 2007.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Petition of Pike County Light & Power Company for Expedited Approval of its Default Service Implementation Plan, Docket No.* P-00072245, April 11, 2007.

Oral Surrebuttal Testimony and Cross-examination Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania Public Utilities Commission in the Matter of *Petition of Pike County Light & Power Company for Expedited Approval of its Default Service Implementation Plan, Docket No.* P-00072245, April 19, 2007.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services, LLC, before the Maryland Public Service Commission *In the Matter of the Commission's Investigation of Investor-owned Electric Companies' Standard Offer Service for Residential and Small Commercial Customers in Maryland*, Case No. 9117, September 14, 2007.

Prepared Reply Testimony of Frank Lacey on behalf of Direct Energy Services, LLC, before the Maryland Public Service Commission *In the Matter of the Commission's Investigation of Investor-owned Electric Companies' Standard Offer Service for Residential and Small Commercial Customers in Maryland*, Case No. 9117, September 28, 2007.

Oral Testimony of Frank Lacey on behalf of Direct Energy Services, LLC, before the Maryland Public Service Commission *In the Matter of the Commission's Investigation of Investor-owned Electric Companies' Standard Offer Service for Residential and Small Commercial Customers in Maryland*, Case No. 9117, October 2007.

Oral Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Pennsylvania House of Representatives Republican Policy Committee, Honorable Michael Turzai, Chairman, March 17, 2008.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services, LLC and the Retail Energy Supply Association before the Pennsylvania Public Utilities Commission in the Matter of *Petition of West Penn Power Company dba Allegheny Power for Approval of its Retail Electric Default Service Program and Competitive Procurement Plan for Service at the Conclusion of the Restructuring Transition Period, Docket No.* P-00072342, February 12, 2008.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC and the Retail Energy Supply Association before the Pennsylvania Public Utilities Commission in the Matter of *Petition of West Penn Power Company dba Allegheny Power for Approval of its Retail Electric Default Service Program and Competitive Procurement Plan for Service at the Conclusion of the Restructuring Transition Period, Docket No.* P-00072342, March 11, 2008.

Prepared Surrebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC and the Retail Energy Supply Association before the Pennsylvania Public Utilities Commission in the Matter of *Petition of West Penn Power Company dba Allegheny Power for Approval of its Retail Electric Default Service Program and Competitive Procurement Plan for Service at the Conclusion of the Restructuring Transition Period, Docket No.* P-00072342, March 25, 2008.

Oral Cross-examination Testimony of Frank Lacey on behalf of Direct Energy Services, LLC and the Retail Energy Supply Association before the Pennsylvania Public Utilities Commission in the Matter of *Petition of West Penn Power Company dba Allegheny Power for Approval of its Retail Electric Default Service Program and Competitive Procurement Plan for Service at the Conclusion of the Restructuring Transition Period, Docket No.* P-00072342, April 2, 2008.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services, LLC, before the Pennsylvania Public Utility Commission in the matter of the *Joint Application of West Penn Power Company d/b/a Allegheny Power, Trans-Allegheny Interstate Line Company and FirstEnergy Corp. for a Certificate of Public Convenience under Section 1102(a)(3) of the Public Utility Code approving a change of control of West Penn Power Company And Trans-Allegheny Interstate Line Company,* Docket Nos. A-2010-2176520 and A-2010-2176732, August 17, 2010

Prepared Sur-Rebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC, before the Pennsylvania Public Utility Commission in the matter of the *Joint Application of West Penn Power Company d/b/a Allegheny Power, Trans-Allegheny Interstate Line Company and FirstEnergy Corp. for a Certificate of Public Convenience under Section 1102(a)(3) of the Public Utility Code approving a change of control of West Penn Power Company And Trans-Allegheny Interstate Line Company,* Docket Nos. A-2010-2176520 and A-2010-2176732, October 1, 2010.

Oral Cross-examination Testimony of Frank Lacey on behalf of Direct Energy Services, LLC, before the Pennsylvania Public Utility Commission in the matter of the *Joint Application of West Penn Power Company d/b/a Allegheny Power, Trans-Allegheny Interstate Line Company and FirstEnergy Corp. for a Certificate of Public Convenience under Section 1102(a)(3) of the Public Utility Code*

approving a change of control of West Penn Power Company And Trans-Allegheny Interstate Line Company, Docket Nos. A-2010-2176520 and A-2010-2176732, October 5, 2010.

Oral Testimony of Frank Lacey on behalf of Comverge, Inc. at FERC Technical Conference in the Matter of *PJM Interconnection, L.L.C.*, Docket No. ER11-3322-000, July 29, 2011, discussing the topic of appropriate methodologies to estimate load reductions during a demand response curtailment event.

Prepared Direct Testimony of Frank Lacey on behalf of Comverge, Inc., before the Illinois Commerce Commission in the matter of *Commonwealth Edison Company Petition for Statutory Approval of Smart Grid Advanced Metering Infrastructure Deployment Plan Pursuant to Section 16-108.6 of the Public Utilities Act*, Docket No. 12-0298, May 11, 2012.

Oral Cross-examination Testimony of Frank Lacey on behalf of Comverge, Inc., before the Illinois Commerce Commission in the matter of *Commonwealth Edison Company Petition for Statutory Approval of Smart Grid Advanced Metering Infrastructure Deployment Plan Pursuant to Section 16-108.6 of the Public Utilities Act*, Docket No. 12-0298, May 23, 2012.

Prepared Direct Testimony of Frank Lacey On Behalf of Comverge, Inc., before the Illinois Commerce Commission in the matter of *Ameren Illinois Company Petition for Statutory Approval of a Smart Grid Advanced Metering Infrastructure Deployment Plan Pursuant to Section 16-108.6 of the Public Utilities Act*, Docket No. 12-0244 on rehearing, August 24, 2012.

Oral Cross-examination Testimony of Frank Lacey On Behalf of Comverge, Inc., before the Illinois Commerce Commission in the matter of *Ameren Illinois Company Petition for Statutory Approval of a Smart Grid Advanced Metering Infrastructure Deployment Plan Pursuant to Section 16-108.6 of the Public Utilities Act*, Docket No. 12-0244 on rehearing, September 20, 2012.

Prepared Direct Testimony of Frank Lacey on Behalf of Comverge, Inc., before the Illinois Commerce Commission in the matter of *Commonwealth Edison Company's Petition for Approval of Tariffs Implementing ComEd's Proposed Peak Time Rebate Program*, Docket No. 12-0484, October 25, 2012.

Oral Cross-examination Testimony of Frank Lacey on Behalf of Comverge, Inc., before the Illinois Commerce Commission in the matter of *Commonwealth Edison Company's Petition for Approval of Tariffs Implementing ComEd's Proposed Peak Time Rebate Program*, Docket No. 12-0484, December 7, 2012.

Prepared Direct Testimony of Frank Lacey on Behalf of Comverge, Inc., before the Maryland Public Service Commission in the matter of *The Investigation of the Process and Criteria for Use in Development*

of Requests for Proposal by the Maryland Investor-Owned Utilities for New Generation to Alleviate Potential Short-Term Reliability Problems in the State of Maryland, Case No. 9149, January 31, 2013.

Prepared Supplemental Direct Testimony of Frank Lacey on Behalf of Comverge, Inc., before the Maryland Public Service Commission in the matter of *The Investigation of the Process and Criteria for Use in Development of Requests for Proposal by the Maryland Investor-Owned Utilities for New Generation to Alleviate Potential Short-Term Reliability Problems in the State of Maryland*, Case No. 9149, February 25, 2013.

Prepared Direct Testimony of Frank Lacey on Behalf of Comverge, Inc., before the Illinois Interstate Commerce Commission in the matter of *Ameren Illinois Company, d/b/a Ameren Illinois, Peak Time Rebate Program*, Docket No. 13-0105, May 30, 2013.

Oral Testimony of Frank Lacey on behalf of Comverge, Inc. at FERC Technical Conference in the Matter of *PJM Interconnection, L.L.C.*, Docket No. ER13-2108-000, October 11, 2013, discussing the appropriate information requirements for demand response offers made three years prior to a delivery year.

Oral Testimony and Cross Examination of Frank Lacey on behalf of Comverge, Inc, before the Utah Public Service Commission, *In the Matter of Rocky Mountain Power for Approval to Cancel Schedule 194*, Docket No. 13-035-136, September 12, 2013.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy before the Massachusetts Department of Public Utilities in the *Investigation as to the Propriety of Proposed Tariff Change* in response to the Petition of Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid, Docket Number DPU 15-155, March 18, 2016.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Direct Energy before the Massachusetts Department of Public Utilities in the *Investigation as to the Propriety of Proposed Tariff Change* in response to the Petition of Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid, Docket Number DPU 15-155, April 28, 2016.

Oral Cross-examination Testimony of Frank Lacey on behalf of Direct Energy before the Massachusetts Department of Public Utilities in the *Investigation as to the Propriety of Proposed Tariff Change* in response to the Petition of Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid, Docket Number DPU 15-155, May 18, 2016.

Expert Rebuttal Report and Damage Summary of Frank Lacey, Response to the Review Submitted by Nathan Katzenstein, prepared on behalf of Astral Energy in the matter of *Treetop Development, et*

al. v. Astral Energy, et al., Docket #: BER-L-9414-13, Superior Court of New Jersey, Bergen County, December 9, 2016.

Expert Reply (Sur-rebuttal) of Frank Lacey, Reply to the Response Submitted by Nathan Katzenstein, prepared on behalf of Astral Energy in the matter of *Treetop Development, et al. v. Astral Energy, et al.,* Docket #: BER-L-9414-13, Superior Court of New Jersey, Bergen County, April 28, 2017.

Deposition of Frank Lacey on the topic of his Expert Rebuttal Report and Damage Summary prepared on behalf of Astral Energy in the matter of *Treetop Development, et al. v. Astral Energy, et al.*, Docket #: BER-L-9414-13, Superior Court of New Jersey, Bergen County, May 17, 2017.

Oral Testimony and Cross-examination Testimony on behalf of Astral Energy in the matter of *Treetop Development, et al. v. Astral Energy, et al.,* Docket #: BER-L-9414-13, Superior Court of New Jersey, Bergen County, June 5, 2017.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Clearview Energy before the Pennsylvania Public Utilities Commission in *Pennsylvania PUC v. Clearview Electric, Inc.*, Docket No. C-2016-2543592, January 9, 2017.

Prepared Direct Testimony of Frank Lacey on behalf of the Cape Light Compact before the Massachusetts Department of Public Utilities in the *Petition of NSTAR Electric Company and Western Massachusetts Electric Company d/b/a Eversource Energy for Approval of their Grid Modernization Plans*, Docket No. D.P.U. 15-122/123, March 10, 2017.

Oral Cross-examination Testimony of Frank Lacey (as part of the Cape Light Compact Panel of Witnesses) before the Massachusetts Department of Public Utilities in the *Petition of NSTAR Electric Company and Western Massachusetts Electric Company d/b/a Eversource Energy for Approval of their Grid Modernization Plans*, Docket No. D.P.U. 15-122/123, May 31, 2017.

Prepared Direct Testimony of Frank Lacey on behalf of the Retail Energy Supply Association before the Massachusetts Department of Public Utilities in the *Petition of NSTAR Electric Company and Western Massachusetts Electric Company each d/b/a Eversource Energy for Approval of an Increase in Base Distribution Rates for Electric Service Pursuant to G.L. C. 164, § 94 and 220 C.M.R. § 5.00*, Docket No. D.P.U. 17-05, April 28, 2017.

Oral Cross-examination Testimony of Frank Lacey on behalf of the Retail Energy Supply Association before the Massachusetts Department of Public Utilities in the *Petition of NSTAR Electric Company and Western Massachusetts Electric Company each d/b/a Eversource Energy for Approval of an Increase in Base Distribution*

Rates for Electric Service Pursuant to G.L. C. 164, § 94 and 220 C.M.R. § 5.00, Docket No. D.P.U. 17-05, June 27, 2017.

Prepared Direct Testimony of Frank Lacey on behalf of the Retail Energy Supply Association before the New York Public Service Commission in the *Matter of Eligibility Criteria for Energy Service Companies*, Case No. 15-M-0127, in the *Proceeding on the Motion of the Commission to Assess Certain Aspects of the Residential and Small Non-Residential Retail Energy Markets in New York State*, Case No. 12-M-0476, and in the *Matter of Retail Access Business Rules*, Case No. 98-M-1343, September 15, 2017.

Prepared Rebuttal Testimony of Frank Lacey on behalf of the Retail Energy Supply Association before the New York Public Service Commission in the *Matter of Eligibility Criteria for Energy Service Companies*, Case No. 15-M-0127, in the *Proceeding on the Motion of the Commission to Assess Certain Aspects of the Residential and Small Non-Residential Retail Energy Markets in New York State*, Case No. 12-M-0476, and in the *Matter of Retail Access Business Rules*, Case No. 98-M-1343, October 27, 2017.

Oral Cross-examination Testimony of Frank Lacey on behalf of the Retail Energy Supply Association before the New York Public Service Commission in the *Matter of Eligibility Criteria for Energy Service Companies*, Case No. 15-M-0127, in the *Proceeding on the Motion of the Commission to Assess Certain Aspects of the Residential and Small Non-Residential Retail Energy Markets in New York State*, Case No. 12-M-0476, and in the *Matter of Retail Access Business Rules*, Case No. 98-M-1343, November, 2017.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services and its Affiliates before the Virginia State Commerce Commission in the *Application of Virginia Electric and Power Company for Approval of 100% Renewable Energy Tariffs Pursuant to Subsection 56-577 A 5 and 56-234 of the Code of Virginia*, Docket No. PUR-2017-00060, August 23, 2017.

Oral Surrebuttal and Cross-examination Testimony of Frank Lacey on behalf of Direct Energy Services and its Affiliates before the Virginia State Commerce Commission in the *Application of Virginia Electric and Power Company for Approval of 100% Renewable Energy Tariffs Pursuant to Subsection 56-577 A 5 and 56-234 of the Code of Virginia*, Docket No. PUR-2017-00060, December 4, 2017.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy and its affiliates before the Commonwealth of Virginia State Corporate Commission in the *Application of Virginia Electric and Power Company for Approval of 100 Percent Renewable Energy Tariffs for Residential and Non-residential Customers Pursuant to SS 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2017-00157, April 17, 2018

Oral Direct and Cross-examination Testimony of Frank Lacey on behalf of the Retail Energy Supply Association before the Public Service Commission of the State of Delaware, *In the Matter of the Review of Customer Choice in the State of Delaware*, Docket No. 15-1693, April 19, 2018.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy and Direct Energy Solar before the Rhode Island Public Utilities Commission in the matter of *The Narragansett Electric Co. d/b/a National Grid's Proposed Power Sector Transformation (PST) Vision and Implementation Plan*, Docket No. 4780, April 25, 2018, (Case Settled).

Oral Testimony on behalf of the Advanced Energy Management Alliance before the Pennsylvania Public Utilities Commission *En Banc Hearing for Supplier Consolidated Billing*, Docket No. M-2018-2645254, June 14, 2018.

Prepared Supplemental Direct Testimony of Frank Lacey on behalf of Direct Energy and its affiliates before the Commonwealth of Virginia State Corporate Commission in the *Application of Virginia Electric and Power Company for Approval of 100 Percent Renewable Energy Tariffs for Residential and Non-residential Customers Pursuant to SS 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2017-00157, June 19, 2018.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy and its affiliates before the New Jersey Board of Public Utilities, *In the Matter of the Petition of Public Service Electric and Gas Company for Approval of an Increase in Electric and Gas Rates and for Changes in the Tariffs for Electric and Gas Service, B.P.U.N.J. No. 16 Electric and B.P.U.N.J. No. 16 Gas, and for Changes in Depreciation Rates, Pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief*, BPU Docket Nos. ER18010029 and GR18010030, OAL Docket No. PUC 01151-18, August 6, 2018, (Case Settled).

Oral Testimony and Cross Examination of Frank Lacey (as part of Direct Energy Panel) before the Rhode Island Public Utilities Commission in the matter of *The Narragansett Electric Co. d/b/a National Grid's 2018 Standard Offer Service (SOS) Procurement Plan and 2018 Renewable Energy Standard (RES) Procurement Plan*, Docket No. 4692, August 27, 2018.

Oral surrebuttal testimony and cross examination of Frank Lacey on behalf of Direct Energy and its affiliates before the Commonwealth of Virginia State Corporate Commission in the *Application of Virginia Electric and Power Company for Approval of 100 Percent Renewable Energy Tariffs for Residential and Non-residential Customers Pursuant to SS 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2017-00157, September 18, 2018.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy *In the Matter of the Long-Term Forecast Report of Ohio Power Company and Related Matters; In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter Into Renewable Energy Purchase Agreements for Inclusion in the Renewable Generation Rider; In the Matter of the Application of Ohio Power Company to Amend its Tariffs*, Case Nos. 18-501-EL-FOR; 18-1392-EL-RDR and 18-1393-EL-ATA, January 2, 2019.

Oral rebuttal testimony and cross-examination of Frank Lacey on behalf of Direct Energy *In the Matter of the Long-Term Forecast Report of Ohio Power Company and Related Matters; In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter Into Renewable Energy Purchase Agreements for Inclusion in the Renewable Generation Rider; In the Matter of the Application of Ohio Power Company to Amend its Tariffs*, Case Nos. 18-501-EL-FOR; 18-1392-EL-RDR and 18-1393-EL-ATA, January 23, 2019.

Oral Testimony of Frank Lacey On behalf of Direct Energy and its Affiliate Companies in Opposition to Senate Bill 716,
Before the Maryland Senate Finance Committee, Honorable Delores Kelley, Chair, March 5, 2019.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy Services and Direct Energy Business before the Virginia State Corporation Commission in the *Application of Virginia Electric and Power Company for Approval to Establish Rate Schedule, Designated Rate Schedule MBR, Pursuant to §§ 56-234 A of the Code of Virginia,* Case No. PUR-2018-00192, June 13, 2019.

Oral surrebuttal testimony and cross examination of Frank Lacey on behalf of Direct Energy Services and Direct Energy Business before the Virginia State Corporation Commission in the *Application of Virginia Electric and Power Company for Approval to Establish Rate Schedule, Designated Rate Schedule MBR, Pursuant to §§ 56-234 A of the Code of Virginia,* Case No. PUR-2018-00192, July 26, 2019.

Oral direct testimony and cross examination of Frank Lacey on behalf of Direct Energy Business before the Virginia State Corporation Commission on the *Motion of Direct Energy Business for Temporary Injunctive Relief and Request for Expedited Action*, Case No. PUR-2019-00117, August 7, 2019.

Oral direct testimony and cross examination of Frank Lacey on behalf of Direct Energy Business before the Virginia State Corporation Commission in the joint hearing in the *Petition of Virginia Electric and Power Company for a Declaratory Judgement* against Direct Energy and the *Petition of Virginia Electric and Power Company for a Declaratory Judgement* against Calpine Energy Solutions, Case Nos. PUR-2019-00117 and PUR-2019-00118, August 20, 2019.

Prepared Direct Testimony of Frank Lacey on behalf of the Energy Supplier Coalition before the Maryland Public Service Commission in the *Application of Baltimore Gas & Electric Company to Adjust Electric and Gas Base Rates*, Case No. 9610, September 10, 2019.

Prepared Rebuttal Testimony of Frank Lacey on behalf of the Energy Supplier Coalition before the Maryland Public Service Commission in the *Application of Baltimore Gas & Electric Company to Adjust Electric and Gas Base Rates*, Case No. 9610, October 4, 2019.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy before the Virginia State Corporate Commission in *the Application of Virginia Electric and Power Company For Approval of a 100 Percent Renewable Energy Tariff, Designated Rider TRG, Pursuant to 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2019-00094, October 17, 2019.

Prepared Surrebuttal Testimony of Frank Lacey on behalf of the Energy Supplier Coalition before the Maryland Public Service Commission in the *Application of Baltimore Gas & Electric Company to Adjust Electric and Gas Base Rates*, Case No. 9610, October 22, 2019.

Prepared Rejoinder Testimony of Frank Lacey on behalf of the Energy Supplier Coalition before the Maryland Public Service Commission in the *Application of Baltimore Gas & Electric Company to Adjust Electric and Gas Base Rates*, Case No. 9610, November 8, 2019.

Oral testimony and cross-examination of Frank Lacey on behalf of the Energy Supplier Coalition before the Maryland Public Service Commission in the *Application of Baltimore Gas & Electric Company to Adjust Electric and Gas Base Rates*, Case No. 9610, November 14, 2019.

Oral Rebuttal Testimony of Frank Lacey on behalf of Direct Energy before the Virginia State Corporate Commission in *the Application of Virginia Electric and Power Company For Approval of a 100 Percent Renewable Energy Tariff, Designated Rider TRG, Pursuant to 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2019-00094, November 21, 2019.

Affidavit of Frank Lacey in opposition to Plaintiffs' Motion for Class Certification before the Supreme Court of New York, County of New York, IAS Part 17, in *BLT Steak, LLC and BLT Fish LLC v. Liberty Power Corp., LLC, d/b/a Liberty Power New York and Liberty Power Holdings LLC*, Index No 151293/2013 (S Hagler, J.S.C.) Mot. Seq. 11, February 20, 2020.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy before the Virginia State Corporation Commission in *Commonwealth of Virginia, ex rel. State Corporation Commission Ex Parte: Allocating RPS costs to Certain Customers of Virginia Electric and*

Power Company, Case No. PUR-2020-0164 (Rider CE), February 19, 2021.

Prepared Direct Testimony of Frank Lacey on behalf of Direct Energy before the Virginia State Corporation Commission in *Commonwealth of Virginia, ex rel. State Corporation Commission Ex Parte: Allocating RPS costs to Certain Customers of Virginia Electric and Power Company*, Case No. PUR-2020-0164 (Rider NBC), February 19, 2021.

Oral Surrebuttal Testimony and Cross-examination of Frank Lacey on behalf of Direct Energy before the Virginia State Corporation Commission in *Commonwealth of Virginia, ex rel. State Corporation Commission Ex Parte: Allocating RPS costs to Certain Customers of Virginia Electric and Power Company*, Case No. PUR-2020-0164 (Rider NBC), March 29, 2021.

Oral Testimony of Frank Lacey on Behalf of NRG Energy, Inc, in Opposition to RB 6526, before the Connecticut General Assembly Energy and Technology Committee, Honorable Norman Needleman and Honorable David Arconti, Co-Chairmen, March 4, 2021.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Maryland Public Service Commission, *In the Matter of the Complaint filed by Staff of the Public Service Commission against Direct Energy Services, LLC*, Case No. 9614, March 19, 2021.

Prepared Surrebuttal Testimony of Frank Lacey on behalf of Direct Energy Services, LLC before the Maryland Public Service Commission, *In the Matter of the Complaint filed by Staff of the Public Service Commission against Direct Energy Services, LLC, Case No. 9614*, April 9, 2021.

Prepared Testimony in Support of Settlement of Frank Lacey on behalf of Direct Energy Services, LLC before the Maryland Public Service Commission, *In the Matter of the Complaint filed by Staff of the Public Service Commission against Direct Energy Services, LLC, Case No. 9614*, May 5, 2021.

Prepared Direct Testimony of Frank Lacey on behalf of EnergyMark LLC, Vineyard Oil and Gas Company, Mid American Natural Resources LLC, and Total Energy Resources LLC ("Gas Supplier Companies") before the Pennsylvania Public Utility Commission in *EnergyMark LLC, Vineyard Oil and Gas Company, Mid American Natural Resources LLC, and Total Energy Resources LLC v. National Fuel Gas Distribution*, Docket No. C-2020-3019621, March 5, 2021.

Prepared Surrebuttal Testimony of Frank Lacey on behalf of EnergyMark LLC, Vineyard Oil and Gas Company, Mid American Natural Resources LLC, and Total Energy Resources LLC ("Gas Supplier Companies") before the Pennsylvania Public Utility Commission in *EnergyMark LLC, Vineyard Oil and Gas Company, Mid*

American Natural Resources LLC, and Total Energy Resources LLC v. National Fuel Gas Distribution, Docket No. C-2020-3019621, April 16, 2021.

Oral Testimony and Cross-examination of Frank Lacey on behalf of EnergyMark LLC, Vineyard Oil and Gas Company, Mid American Natural Resources LLC, and Total Energy Resources LLC ("Gas Supplier Companies") before the Pennsylvania Public Utility Commission in *EnergyMark LLC, Vineyard Oil and Gas Company, Mid American Natural Resources LLC, and Total Energy Resources LLC v. National Fuel Gas Distribution*, Docket No. C-2020-3019621, April 29, 2021.

Prepared Direct Testimony of Frank Lacey on behalf of IGS Energy Corporation and Direct Energy, LLC before the Public Utilities Commission of Ohio *In the Matter of the Application of Ohio Power Company for an Increase in Electric Distribution Rates, For Tariff Approval and For Approval to Change Accounting Methods*, Case Nos. 20-0585-EL-AIR, 20-0586-EL-ATA and 20-0587-EL-AAM, April 20, 2021.

Oral Testimony and Cross-examination of Frank Lacey on behalf of IGS Energy Corporation and Direct Energy, LLC before the Public Utilities Commission of Ohio *In the Matter of the Application of Ohio Power Company for an Increase in Electric Distribution Rates, For Tariff Approval and For Approval to Change Accounting Methods*, Case Nos. 20-0585-EL-AIR, 20-0586-EL-ATA and 20-0587-EL-AAM, May 18, 2021.

Direct Testimony of Frank Lacey on Behalf of The Retail Energy Supply Association and Interstate Gas Supply, Inc. before the Public Utilities Commission of Ohio *In the Matter of the Application of Duke Energy Ohio, Inc. for an Adjustment to Rider MGP Rates, Case No.* 14-0375-GA-RDR (and 17 other dockets), November 12, 2021.

Deposition of Frank Lacey on Behalf of The Retail Energy Supply Association and Interstate Gas Supply, Inc. before the Public Utilities Commission of Ohio *In the Matter of the Application of Duke Energy Ohio, Inc. for an Adjustment to Rider MGP Rates, Case No.* 14-0375-GA-RDR (and 17 other dockets), November 15, 2021.

Oral Testimony and Cross-examination of Frank Lacey on Behalf of The Retail Energy Supply Association and Interstate Gas Supply, Inc. before the Public Utilities Commission of Ohio *In the Matter of the Application of Duke Energy Ohio, Inc. for an Adjustment to Rider MGP Rates, Case No.* 14-0375-GA-RDR (and 17 other dockets), November 18, 2021.

Prepared Direct Testimony of Frank Lacey on Behalf of Direct Energy (an NRG Company) before the Virginia State Corporation Commission *In the Matter of: Establishing A Proceeding Concerning the Allocation of RPS-Related Costs and the Determination Of*

Certain Proxy Values For Virginia Electric and Power, Docket No. PUR-2021-00156, June 7, 2022.

Prepared Rebuttal Testimony of Frank Lacey on behalf of Philadelphia Gas Works before the Pennsylvania Public Utilities Commission in *Grays Ferry Cogeneration Partnership and Vicinity Energy Philadelphia, Inc v. Philadelphia Gas Works*, Docket No. C-2021-3029259, June 17, 2022.

Prepared Surrebuttal Testimony of Frank Lacey on behalf of Philadelphia Gas Works before the Pennsylvania Public Utilities Commission in *Grays Ferry Cogeneration Partnership and Vicinity Energy Philadelphia, Inc v. Philadelphia Gas Works*, Docket No. C-2021-3029259, July 22, 2022.

Prepared Expert Opinion Report, "An Analysis of the Value of Energy, Capacity and REC Sales from the Ahoskie-South Solar Farm; A Review of Contract and Market-based Outcomes", on behalf of Solar Green Development, LLC in *Solar Green Development, LLC v Kruger Energy (USA) Renewables, LLC*, Civil Action No.: 2:21-cv-00038-M, August 1, 2022.

Oral Testimony and Cross-examination of Frank Lacey on Behalf of Direct Energy (an NRG Company) before the Virginia State Corporation Commission *In the Matter of: Establishing A Proceeding Concerning the Allocation of RPS-Related Costs and the Determination Of Certain Proxy Values For Virginia Electric and Power*, Docket No. PUR-2021-00156, August 9, 2022.

Oral Testimony and Cross-Examination of Frank Lacey on behalf of Philadelphia Gas Works before the Pennsylvania Public Utilities Commission in *Grays Ferry Cogeneration Partnership and Vicinity Energy Philadelphia, Inc v. Philadelphia Gas Works*, Docket No. C-2021-3029259, August 9, 2022.

Prepared Direct Testimony of Frank Lacey on behalf of the Retail Energy Supply Association before the Public Utilities Commission of Ohio *In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of a General Exemption of Certain Natural Gas Commodity Sales Services or Ancillary Services*, Case No. 21-0903-GA-EXM, *In the Matter of the Application of Duke Energy Ohio, Inc., for Tariff Approval*, Case No. 21-0904-GA-ATA, and *In the Matter of the Application of Duke Energy Ohio, Inc., for Approval to Change Accounting Methods*, Case No. 21-0905-GA-AAM, September 7, 2022.

Prepared Expert Reply Report, "An Analysis of The Berkeley Research Group Report; Reply to Identify Flawed Data", on behalf of Solar Green Development, LLC in *Solar Green Development, LLC v Kruger Energy (USA) Renewables, LLC*, Civil Action No.: 2:21-cv-00038-M, September 21, 2022.

Deposition of Frank Lacey, on behalf of Solar Green Development, LLC in *Solar Green Development, LLC v Kruger Energy (USA) Renewables, LLC*, Civil Action No.: 2:21-cv-00038-M, October 7, 2022.

Prepared Direct Testimony of Frank Lacey on Behalf of Direct Energy (an NRG Company) before the Virginia State Corporation Commission in the *Petition of Virginia Electric and Power Company For revision of a rate adjustment clause, designated Rider RPS, under § 56-585.1 A 5 d of the Code of Virginia for the Rate Year commencing September 1, 2023*, Docket No. PUR-2022-00208, March 7, 2023.

Oral Testimony of Frank Lacey on Behalf of Direct Energy (an NRG Company) before the Virginia State Corporation Commission in the *Petition of Virginia Electric and Power Company For revision of a rate adjustment clause, designated Rider RPS, under § 56-585.1 A 5 d of the Code of Virginia for the Rate Year commencing September 1, 2023*, Docket No. PUR-2022-00208, April 18, 2023.

Prepared Direct Testimony of Frank Lacey on Behalf of Direct Energy (an NRG Company) before the Virginia State Corporation Commission In the *Petition of Virginia Electric and Power Company For a financing order authorizing the issuance of Deferred fuel cost bonds pursuant to Va. Code §56-24.6:1*, Docket No. PUR-2023-00112, August 9, 2023.

Oral Testimony of Frank Lacey on Behalf of Direct Energy (an NRG Company) before the Virginia State Corporation Commission In the *Petition of Virginia Electric and Power Company For a financing order authorizing the issuance of Deferred fuel cost bonds pursuant to Va. Code §56-24.6:1*, Docket No. PUR-2023-00112, September 6, 2023.

Oral Testimony of Frank Lacey on behalf of the Retail Energy Supply Association before the Public Utilities Commission of Ohio *In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of a General Exemption of Certain Natural Gas Commodity Sales Services or Ancillary Services*, Case No. 21-0903-GA-EXM, *In the Matter of the Application of Duke Energy Ohio, Inc., for Tariff Approval*, Case No. 21-0904-GA-ATA, and *In the Matter of the Application of Duke Energy Ohio, Inc., for Approval to Change Accounting Methods*, Case No. 21-0905-GA-AAM, September 18, 2023.

Prepared Direct Testimony of Frank Lacey on Behalf of Direct Energy (an NRG Company) before the Virginia State Corporation Commission In the *Application of Virginia Electric and Power Company for a 2023 Biennial Review of the Rates, Terms and Conditions for the Provision of Generation, Distribution and Transmission Services Pursuant to 56-585.1 A of the Code of Virginia*, Docket No. PUR-2023-00101, October 10, 2023.

Prepared Direct Testimony of Frank Lacey on Behalf of SCH USA, LLC before the Pennsylvania Public Utility Commission in *SCH USA, LLC v. Aqua Pennsylvania Wastewater, Inc.* Docket Nos. C-2022-3036993 and C-2022-3037118, April 3, 2024.

Prepared Direct Testimony of Frank Lacey on Behalf of Calpine Energy Solutions, LLC, Constellation NewEnergy, Inc., Direct Energy Business, LLC, Direct Energy Services, LLC and MP2 Energy NE LLC D/B/A Shell Energy Solutions Retail Services ("The CSP Coalition") before the Virginia State Corporation Commission in the *Petitions of Appalachian Power Company and Virginia Electric and Power Company for Determining the Treatment of Renewable Energy Customers' Renewable Energy Certificates for Purposes of Each Utility's RPS Program Compliance*, Case No. PUR-2024-00010, June 5, 2024.

Prepared Direct Testimony of Frank Lacey on Behalf of the Illinois Competitive Energy Association and the Retail Energy Supply Association in the matter of Commonwealth Edison Revenue Neutral Tariff Changes Related to Rate Design before the Illinois Commerce Commission, Docket No. 24-0378, July 24, 2024.

Oral Testimony of Frank Lacey on Behalf of Calpine Energy Solutions, LLC, Constellation NewEnergy, Inc., Direct Energy Business, LLC, Direct Energy Services, LLC and MP2 Energy NE LLC D/B/A Shell Energy Solutions Retail Services ("The CSP Coalition") before the Virginia State Corporation Commission in the *Petitions of Appalachian Power Company and Virginia Electric and Power Company for Determining the Treatment of Renewable Energy Customers' Renewable Energy Certificates for Purposes of Each Utility's RPS Program Compliance*, Case No. PUR-2024-00010, July 31, 2024.

Panel Discussion, *Aggregation and Perspective on Demand Response*, Missouri Public Service Commission Informational Workshop on FERC Order No. 2222, Docket No. EW-2021-0267, June 29, 2021.

Lacey, Frank, *FERC Order No. 745 – Problems and Solutions to the "EPSA" Problem*, Presentation to National Regulatory Conference, Williamsburg, VA, May 21, 2015.

Panel Discussion, *The State of Demand Response in Organized Markets – The uncertainty created by EPSA v. FERC*, Energy Bar Association, Northeast Chapter Annual Meeting, Newark, NJ, June 11, 2015.

Lacey, Frank, *The Supreme Court on Energy in 2016, What it Means to Your Business, Presentation to Solar Power International, Las Vegas, NV, September 14, 2016.*

Lacey, Frank, *Electric Storage Participation in Markets Operated by Regional Transmission Organizations and Independent System Operators,* Presentation to Solar Power International, Las Vegas, NV, September 11, 2017.

Lacey, Frank, *Update: Electric Storage Participation in Markets Operated by Regional Transmission Organizations and Independent System Operators* Solar Power Northeast, February 5, 2018.

Lacey, Frank, *The Extermination of BUGS from the US Electricity Markets*, em – The Magazine for Environmental Managers, published by the Air and Waste Management Association, March 2016.

Lacey, Frank, *Default Service Pricing has been Wrong All Along*, Public Utilities Fortnightly, January 2019.

Lacey, Frank, *Default Service Pricing – the Flaw and the Fix*, The Electricity Journal, Volume 32 (April 2019).

Lacey, Frank and Travis Kavulla, *Financial and Governance Protections for Electric Cooperatives*, R Street Institute, R Street Policy Study No. 181, September 2019.

Lacey, Frank and Rob Gramlich, *Who's the Buyer? Retail Electric Market Structure Reforms in Support of Resource Adequacy and Clean Energy Deployment,* Prepared for the Wind Solar Alliance, March 2020.

Lacey, Frank, Rob Gramlich, Bryan Lee and Zach Zimmerman, with contributions from Michael Goggin and Abigail Sherman, *Serving Customers Best; The Benefits of Competitive Electric Vehicle Charging Stations*, May 2023.

Webinar Participant/Panelist, *The Future of Demand Response*, hosted by Power Markets Today, October 17, 2017.

Webinar Participant/Panelist, *Rethinking Demand Response – The Evolution from Simple to Sophisticated*, Hosted by Smart Electric Power Alliance, December 14, 2017.

Lacey, Frank and Taff Tschamler, *Implementing Principles of Default Service: A Roadmap for Competitive Retail Power Markets*, Paper released at PA POLR Roundtable, May 2004.

Building a for-profit Transmission Operation; Key Business Parameters, Presentation to the EEI Transmission Planning Task Force, Kansas City, MO.

Dozens of industry and client-specific presentations on the topics of industry transformation in the areas of transmission restructuring, retail restructuring, demand response, rate design, cost allocation and the energy industry ramifications of FERC Order 745 and FERC jurisdiction over demand response.

Exhibit FL-1

IN THE COURT OF COMMON PLEAS OF CARBON COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

VACATION CHARTERS LTD., SPLIT ROCK COUNTRY CLUB, INC., SUMMIT MANAGEMENT & UTILITIES, INC.,	:	
Plaintiffs	:	Docket No.: CV-07-4079
vs.	:	
KIDDER TOWNSHIP,	:	
Defendant	:	

RELEASE AND SETTLEMENT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

THIS RELEASE AND SETTLEMENT AGREEMENT is made and entered into by and between **VACATION CHARTERS LTD., SPLIT ROCK COUNTRY CLUB, INC.**, and ***SUMMIT MANAGEMENT & UTILITIES, INC.*** for themselves and for the benefit of their officers, agents, shareholders, subsidiaries, successors and assigns, (hereinafter referred to as "Plaintiffs") and the **TOWNSHIP OF KIDDER,** for itself and for the benefit of its officers, agents, employees, elected officials and insurers (hereinafter referred to collectively as "Defendant").

WHEREAS, the Plaintiffs have presented a claim against Defendants arising from a certain Asset Purchase Agreement and also the circumstances of Defendant providing sanitary sewer service to certain properties of the Plaintiffs which claims are the subject of the above captioned matter in the County of Carbon, Pennsylvania (the "Lawsuit"); and

WHEREAS, the Defendant has filed a counter-claim enumerating and specifying certain claims for monetary damages against the Plaintiffs herein to the same term and number (also included in the definition of the "Lawsuit"); and

WHEREAS, the Plaintiffs and Defendant desire to settle the matter as asserted in the Lawsuit, the parties enter into this Release and Settlement Agreement according to the following terms:

1. Each party hereto shall bear all attorneys fees and costs arising from their actions or the actions of their own counsel in connection with the Lawsuit and with this Release and Settlement Agreement.

2. The parties hereto acknowledge for themselves and their officers, elected officials, shareholders, employees, insurers, assigns and successors, and any related entities, that this Release and Settlement Agreement is a release of all the claims asserted in the Lawsuit. The parties further agree that the promises, conditions and covenants as set out herein are sufficient consideration and that this Release and Settlement Agreement effects a full and final complete compromise of all matters involving disputed issues of law and fact asserted in the Lawsuit. The parties fully assume the risk that the facts or the law may be otherwise than what they believe.

3. Upon execution and adoption of this Release and Settlement Agreement by the parties hereto counsel for the parties each will deliver to opposing counsel an executed Praecipe to Settle, Discontinue and End with prejudice the Lawsuit, including the Complaint and the Counter Claim.

4. The parties represent and warrant that no other person or entity not a party to this Release and Settlement Agreement has had any interest in the claims, demands, obligations or causes

of action asserted in the Lawsuit; that the parties have the sole and exclusive right to enter into and be bound by the terms and provisions of this Release and Settlement Agreement; to make payment of or receive the sums specified in it; and that the parties have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Release and Settlement Agreement.

5. The parties agree and acknowledge that the promises, covenants, conditions and sums specified in this Release and Settlement Agreement are accepted as a full and complete compromise in all matters asserted in the Lawsuit. Payment of the sums by any party as set out in this Release and Settlement Agreement, and the adoption of action by either of the parties as required under the terms and provisions of this Release and Settlement Agreement and the negotiations for this settlement (including all statements, admissions or commissions) by the parties or their attorneys or representatives shall not be considered admissions of fault or wrongdoing by any of the parties.

6. This Release and Settlement Agreement shall be binding upon and inure to the benefit of the officers, shareholders, subsidiaries, agents, employees, elected officials, insurers, executors, administrators, personal representatives, heirs, successors and assigns of each. The parties specifically acknowledge there are no other understandings or agreement verbal or otherwise in relation thereto between the parties to this Release and Settlement Agreement. The parties agree that this Release and Settlement Agreement may not be modified orally but may be modified only by a written agreement.

7. In entering into this Release and Settlement Agreement, the parties hereto have relied upon their respective counsel for legal advice; for the Plaintiffs, Jane Maughan, Esquire and James Nanovic, Esquire; for the Defendant, Anthony R. Sherr, Esquire; Gretchen D. Sterns,

Esquire, and Daniel A. Miscavige, Esquire, who are counsel selected by the parties hereto. The terms of this Release and Settlement Agreement have been completely read and explained to the parties by their counsel; those terms and conditions and the legal effect thereof have been fully understood and voluntarily accepted by them.

8. The parties hereto enter this Release and Settlement Agreement in the Commonwealth of Pennsylvania, the situs being the County of Carbon, and said documents shall be construed and interpreted in accordance with the Law of the Commonwealth of Pennsylvania.

9. Plaintiffs agree to pay the Defendant the sum of Two Hundred and Fifty Thousand Dollars ($250,000.00) which sum is acknowledged to be a compromise amount of the Claim of the Defendant for tapping fees, user fees and for delinquent user fees for sewage treatment at the public sanitary sewer system owned and operated by the Defendant, for all sums due for the period from January 1, 2002 through and including June 30, 2010. The parties acknowledge that this sum shall be considered a municipal debt for services provided by the Defendant Municipality and shall be accorded all such priority and status as a municipal debt.

10. The parties agree that the principal amount of Two Hundred and Fifty Thousand Dollars ($250,000.00) will be paid by the Plaintiffs to the Defendant, without interest, over a ten (10) year period commencing January 2, 2012 and terminating January 2, 2021. Each payment shall be in the amount of Twenty-Five Thousand Dollars ($25,000.00) and shall be due on January 2nd of each year commencing January 2, 2012. Defendant shall provide Plaintiff with a notice, no later than December 20th each year, of the upcoming payment due on the upcoming January 2nd; however, the failure of the Defendant to provide said notice does not relieve Plaintiffs of the obligation to make timely payment as provided herein. Any

payments made later than 10 days after the 2nd day of January in any year in which they are due shall bear interest at the rate of ten (10%) percent per annum. In addition, any such delinquent amounts shall also accrue charges which the Defendant may occur for reasonable attorney fees, court costs and other costs of collection of said monies. The Plaintiffs agree that such additional costs, attorney's fees and collection fees and interest shall have the same status for collection and lien purposes as the principal amount due.

11. The parties agree that none of the Plaintiffs' obligations under the terms of this Release and Settlement Agreement are intended to be affected by a discharge in Bankruptcy. The parties further specifically intend that the Plaintiffs' obligations under the terms of this Release and Settlement Agreement shall be non-dischargeable and not subject to discharge in Bankruptcy due to the nature of the municipal obligation and further that it is substantive and primary consideration for the Plaintiffs' obligations under the terms and conditions of the Release and Settlement Agreement.

12. Effective July 1, 2010, and based on all the currently existing improvements at the premises owned, operated and or occupied by the Plaintiffs, Plaintiffs will be obligated to pay Defendant sewage treatment user fees, which will be billed at a basis of 430 EDUs according to the following schedule of EDU's.

Location	EDU
Lodge	32
Cove Cottage	1
Pavillion	1
Lebanon Cottage	1
Westwood	90
Galleria	115
Forest Inn	3
Mini Golf	1

Location	EDU
Cope Cottage	1
Accounting	4
Time Share Sales	3
Purchasing	1
Resort Maintenance	2
Golf Maintenance	2
East Gate	1
Cart Barn	1
Water Park	30
Willowbrook	128
Club House	13
TOTAL	430

The parties acknowledge that 320 units have been approved for construction at Willowbrook; that 192 units remain to be built and that 128 units presently are completed. The parties acknowledge that both built and unbuilt units have two bedrooms and a construction design that permits Plaintiffs to sell each unit as two separate spaces by a lock out door that cuts the unit into two. Notwithstanding this lock out design, the parties agree that each of the 320 Willowbrook units are one EDU.

13. Defendant shall issue regular quarterly billing in the regular billing cycle as maintained and utilized by the Defendant Township to Vacation Charters Ltd., with billing detailed on five (5) separate bills separated as follows:

a. Westwood Condominium Association, Inc.(90 EDU);

b. Willowbrook at Lake Harmony (128 EDU); 218

c. The Galleria and the Water Park (145 EDU); 363

d. Split Rock Country Club, Inc. (for the Clubhouse and the Cart Barn) (14 EDU);

377

e. All the remaining uses of the Plaintiffs (53 EDU). 430

The parties agree that such billing shall be at the quarterly rate for billing as established from time to time by the Board of Supervisors of the Township Kidder or its successor. Any future EDUs added to the system by the Plaintiffs shall be billed at the then existing quarterly user rate as established by the Defendant or its successor. In the event that Defendant issues a new or revised user fee ordinance in the future, or in the event that any successor to Defendant seeks or establishes a rate change on user fees, Plaintiffs retain their right to challenge any new user fee ordinance, resolution or rate change in accordance with Pennsylvania law relating to the rights of users to challenge revised user fees or rate changes; however, Plaintiffs shall not have the right to challenge the Defendant or its successor's right to charge Plaintiffs a user fee. Plaintiffs acknowledge that in the event they or any of them challenge a new or revised user fee ordinance, they remain obliged to make all payments required under this Release and Settlement Agreement and all then-existing user fees pending the outcome of their challenge.

14. Commencing July 1, 2010 the rate for tapping fees for Plaintiffs' new connections for any additional EDU's shall be Two Thousand Dollars ($2,000.00) per EDU. This rate is agreed to in consideration of the ownership by Plaintiffs at their premises of certain improvements consisting of collection lines, pumping stations, laterals, force mains and transmission lines and the Plaintiffs' permitting the passage of sewerage through said improvements to the Defendant's sewer system. This tapping fee rate is and shall be based on a capacity part calculation only, and does not and shall not include other calculations or parts. The parties agree that the future tapping fees assessed to Plaintiff shall be subject to changes in the tapping fee as adopted from time to time by the Board

of Supervisors or their successors for tapping fees for connection to the Township sanitary sewer system. Any future changes in the tapping fee as calculated by the Engineer of the Defendant Township or its successor shall include a sub-calculation reflecting a capacity only charge for Plaintiff. Plaintiffs retain their right to challenge any future tapping fee rate, rate setting procedure, ordinance or resolution in accordance with Pennsylvania law regarding the rights of individuals and entities to challenge tapping fees. However, Plaintiffs shall not have the right to challenge the Defendant or its successor's right to charge Plaintiffs a tapping fee. Plaintiffs remain responsible for all construction required to construct lateral connections from any new or improved facility to the sewer system. Plaintiffs acknowledge that in the event they or any of them challenge a new or revised tapping fee ordinance, they remain obliged to make all payments required under this Release and Settlement Agreement and all then-existing tapping fees pending the outcome of their challenge.

15. At the 2011 Organizational Meeting of the Board of Supervisors of the Defendant, the Defendant will establish a Sanitary Sewer Committee which shall advise the Board of Supervisors on matters related to the maintenance and operation of the Sewer Plant and Sewer System. The Committee shall consist of a minimum of five (5) or maximum of seven (7) members at the sole discretion of the Board of Supervisors. In the event the Board of Supervisors elects a five (5) member Committee, Vacation Charters Ltd., or its successors shall have the right but not the obligation to name a maximum of two (2) members to the Committee; if a seven (7) member Committee is created by the Board of Supervisors, Vacation Charters Ltd., or its successors shall have the right but not the obligation to name a maximum of three (3) members. The Defendant anticipates an

adoption of an Ordinance substantially in the form that is attached hereto and marked as Exhibit "A".

16. In the event that the Defendant Township has not substantially initiated required statutory or other regulatory procedures necessary to effect the sale, transfer or conveyance of the Sewer Plant and Sewer System currently maintained by the Defendant by June 30, 2014, the Board of Supervisors of the Defendant shall initiate procedures required by statute or regulation to establish a Sewer Authority. The intent of establishment of said Sewer Authority shall be to accept transfer of assets, obligations, operations and maintenance of the Sewer Plant and the Sewer System from the Township to the Authority. The obligation of Defendant herein is subject to existing laws, statutes, regulations as well as any limitations or restrictions as existing or may be imposed by any borrowing entity holding outstanding indebtedness from the Township by reason of the maintenance and operation of the Sewer Plant or the Sewer System.

17. The parties previously entered into an Asset Purchase Agreement with respect to the sale of the Sewer Plant and other improvements to the Defendant, certain provisions of which survived the sale of the Sewer Plant. This Release and Settlement Agreement supersedes all Asset Purchase Agreements entered into by the parties at any time and the parties agree that all such previously executed Asset Purchase Agreements are now null and void.

18. The parties acknowledge that through the Asset Purchase Agreements, the Defendant purchased from the Plaintiffs and owns:

    a. Land, buildings and improvements situate at adjacent to I-80 and Split Rock Golf Course in the Township of Kidder, Carbon County,

Pennsylvania consisting of 6.41 acres more or less, conveyed in the Deed dated April 30, 2002, recorded in the Office of the Recorder of Deeds in and for the County of Carbon, at Book 1019 Page 442.

b. Fixtures, tangible personal property and equipment as existing on the aforesaid site as of April 30, 2002;

c. Certain Inventory listed below, as previously set out in Exhibit B to the Asset Purchase Agreements:

Physical Inventory of Summit Management and Utilities

Tankage	One – bar screen and 12 inch comminutor
	One – 38,500 gallon scum retention / distribution tank
	Two – 75,000 gallon SBR's
	One – 75,000 gallon sludge holding tank
	One – 75,000 gallon decant equalization tank
	One – 600,000 gallon gpd chemical treatment unit
	One – 600,000 gallon gpd ABW sand filter
	One – 22,130 gallon chlorine contact tank
Compressors	Three – Roots 76 U-RAI 20 hp
	Two – Roots 68 U-RAI 20 hp
	Two – Roots 47 U-RAI 15 hp
	Two – Roots 45 U-RAI 7 hp
	Four – Roots 33 U-RAI 5 hp
Emergency Power	One – Kohler 200KW diesel generator
	One – 800 amp automatic switchgear
Chemical Feed Equipment	Two – 400 gallon day tanks
	Two – W-T44-747 Metering pumps
	Two – W-T two cylinder scales for 150 lb cylinders
	Two – WI V75VA5 v-notch cholrinators

	One – Eagle electronic scale for two one ton cylinders
	One – Spanco 2 ton rolling gantry with one ton cylinder lifting bar
Flow Metering	One - EIT model 7960 ultrasonic flow meter with 7 day recording chart

d. Certain right-of-ways for sewer transmission lines as more particularly described in the Deed dated April 30, 2002, recorded in the Office of the Recorder of Deeds in and for the County of Carbon at Book 1019 Page 443, and in the General Grant of Easement dated June 20, 2002, recorded in the Office of the Recorder of Deeds in and for the County of Carbon at Book 1063 Page 327.

e. Certain transmission lines of existing customers, a list of such transmission lines and existing customers being previously identified as Exhibit "D" to the Asset Purchase Agreement, a copy of which is attached hereto as Exhibit B to this Release and Settlement Agreement.

19. Subject to the rights granted Defendant in the Deed of Easement and General Grant of Easement identified above, the Plaintiffs retain ownership of all collection lines, pumps, pumping stations, laterals and transmission lines located at the premises owned by the Plaintiffs not conveyed to Defendants, including but not limited to the small pumping station and force main servicing Split Rock Lodge.

20. As was previously provided in the Asset Purchase Agreements, and according to the terms set out below, in the event the Plaintiffs wish to continue to utilize effluent for

spray irrigation during the months of May through October of any year, Defendant and its successors and or assigns remain obligated to make available to Plaintiffs treated effluent at the sewer plant. Any pumping required will be at the sole expense of Plaintiffs. Any operating expenses related to pumping will be paid by the Plaintiffs; however, Plaintiffs shall obtain and bear the cost related to obtaining any permits required for such use. All sewage effluent shall be treated to standards required by the Pennsylvania DEP permit and will be made available by Defendant for spray irrigation of the golf courses owned by Vacation Charters, Ltd., or Split Rock Country Club, Inc., and their subsidiaries or any other successors or assigns during the period of time identified above. Any and all additional costs attributable to Plaintiffs' request for treated sewage effluent to be made available by Defendant for spray irrigation for the aforesaid golf courses (e.g., legal, engineering, etc.) shall be paid by Plaintiffs and/or the owners of the golf courses. These costs shall not include costs associated with the distribution of sewage effluent not attributable to spray irrigation of the golf courses.

21. Until April 30, 2012, Defendant and its successors and or assigns shall reserve capacity for Plaintiffs, their successors, subsidiaries or assigns, at the sewage treatment facility as follows:

a. 53 EDUs to Summit Management and Utilities, Inc., and its related companies or their subsidiaries or assigns;

b. One EDU per lot for any lots remaining of the 90 lots at Split Rock Golf Course;

c. 192 EDUs for the remaining Willowbrook Condominium development.

Any reserve capacity not utilized by April 30, 2012, shall no longer be made available

without additional charge or maintained without additional charge and the Defendant or said assignee shall have no further obligation to maintain further reserves for the Plaintiffs or its subsidiaries or related companies.

22. Plaintiffs will pay for any new lateral attachment to existing lines or extensions of existing lines that may be necessary to serve any new development.

23. Plaintiffs' entities hereby represent that they have taken appropriate corporate action to endorse, enter into and be bound by the terms, conditions and provisions of this Release and Settlement Agreement and that the undersigned are fully authorized by the Plaintiffs entities to endorse and execute this Release and Settlement Agreement on behalf of all Plaintiffs herein.

24. Defendant, Township of Kidder, has duly adopted and ratified the terms and conditions of this Release and Settlement Agreement at a regular meeting of the Board of Supervisors of the Township of Kidder held on the 18th day of November, 2010 by a Vote of

5 Yes 0 No 0 Abstained 0 Absent.

CAUTION

READ BEFORE SIGNING THIS IS A RELEASE OF YOUR CLAIMS

Vacation Charters, Ltd.

By: Louis N. DelRossi Pres

Attest: Jacqueline Bergs, Sec.

Split Rock Country Club, Inc.

By: [illegible] Pres.

Attest: [illegible], Sec.

Summit Management & Utilities, Inc.

By: [illegible] Pres.

Attest: [illegible], Sec.

Township of Kidder

By: _____

Chairman

Attest:

_____

Secretary

Exhibit "A"

ORDINANCE NO.: _____

AN ORDINANCE ADOPTED BY THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF KIDDER ESTABLISHING A SANITARY SEWER ADVISORY COMMITTEE AND ALL DETAILS RELATED THERETO

Section 1. Establishment

A Sanitary Sewer Advisory Committee is hereby established by the Township of Kidder, Carbon County, Pennsylvania.

Section 2. Purpose

The purpose of the Sanitary Sewer Advisory Committee shall be to advise the Board of Supervisors on matters related to and dealing with the operation and maintenance of the Sewer Plant and Sanitary Sewer System currently maintained by the Board of Supervisors of the Township of Kidder.

Section 3. Membership

A. The Sanitary Sewer Advisory Committee shall be composed of five (5) members of the Township of Kidder who shall be appointed by the Board of Supervisors. It is acknowledged that two (2) members of the Committee may be appointed by Vacation Charters Ltd. or its successors. In the event that the said Vacation Charters Ltd. or its successors do not provide written notification of its nominees within thirty (30) days of adoption of this Ordinance or vacancies of such positions hereunder the Board of Supervisors may fill those positions with appointees of their choosing. The remaining three (3) members shall be appointed by the Board of Supervisors.

B. The Board of Supervisors shall fill all vacancies subject to the preceding paragraph.

Section 4. Terms of Office

A. Members of the Sanitary Sewer Advisory Committee (henceforth Committee) shall serve for a term of four (4) years except the initial appointment shall be so staggered that approximately one-fourth (1/4) of the membership shall expire each year and the terms of their successor shall be four years each.

B. Membership of two (2) members shall expire December 31, 2011; one (1) member shall expire December 31, 2012; one (1) member shall expire December 31, 2013 and one (1) member shall expire on December 31, 2014.

C. Members may resign at any time with written notice to the Board of Supervisors. Members whose terms will expire may request reappointment by written request to the Board of

Supervisors at least one month prior to the expiration of their term.

D. Members may be removed by the Board of Supervisors, with or without the recommendation of a majority of the other members, for malfeasance or neglect in the performance of their duties. Failure to attend either three (3) consecutive regularly scheduled meetings or four (4) regularly scheduled meetings during a twelve-month period shall constitute neglect.

E. The Board of Supervisors, subject to Section 3 (A) of this Ordinance, shall appoint successors for members who resign or are removed to serve for the remainder of the term of the member or members.

Section 5. Compensation

Members of the Committee shall receive no compensation for their services, but they may be reimbursed for expenses actually and necessarily incurred by them in the performance of their duties, provided that the expenses have the prior approval of the Board of Supervisors.

Section 6. Powers of the Committee

The Sanitary Sewer Advisory Committee shall have the following powers:

A. To identify potential problems or difficulties and recommend plans and programs to the Board of Supervisors for the operation and maintenance of the Sewer Plant and Sanitary Sewer

System.

B. To make recommendations to the Board of Supervisors of the Township of Kidder.

C. To perform any other duties assigned to it by the Board of Supervisors but not to exercise any powers or perform any duties which by law are conferred or imposed upon a state agency or the Township entity itself.

Section 7. Organization and Meetings

A. The Chairman of the Committee shall be appointed annually by the Board of Supervisors; the Committee may select its own Vice Chair and Secretary.

B. The Committee shall meet at least quarterly and at other times as directed by the Board of Supervisors. Said meetings shall be advertised and open to the public.

C. The Committee shall keep written records of its meetings and activities and shall make an annual report to the Board of Supervisors which shall be made known and available to the public.

Section 8. Appropriations

The Board of Supervisors may appropriate funds for the expenses incurred by the Committee in accordance with an annual budget. Appropriations may be expended for such administrative, clerical, and printing as may from time to time be required and approved by the Board of Supervisors and shall be within the limits of the annual budget.

Section 9. Effective Date

The effective date of this Ordinance shall be the date of adoption as set out herein.

Duly adopted by the Board of Supervisors of the Township of Kidder, County of Carbon and Commonwealth of Pennsylvania at the reorganization meeting of the Board of Supervisors held the _____ day of January, 2011 by a Vote of:

_____ Yes _____ No _____ Abstained _____ Absent.

Kidder Township

Board of Supervisors

By: _____

Attest:

_____

Secretary

Schedule of Property Owners
Village Greens, Split Rock
Sections F & G

Property Number	Owner-1	Mailing Address	City	State	ZIP
F-003 -01	RICHARD K FINKBINER	P.O. BOX 82	LAKE HARMONY	PA	18624
F-004 -01	MR EDGAR PUTMAN/FAWKES	BOX 7014	NEW HOPE	PA	18938
F-005 -01	MR MARIO BASCIANI	8876 GAPNEWPORT PK	AVONDALE	PA	19311
F-006 -01	M/M THOMAS LEIGHTON	138 RELIANCE DRIVE	WILKES-BARRE	PA	18702
F-009 -01	MR EDGAR PUTMAN/FAWKES	BOX 7014	NEW HOPE	PA	18938
F-010 -01	CARL AND ARLENE GEIGER	C/O PRINCETON CONS. CO.	BRIELLE	NJ	08730
F-011 -01	M/M DONALD BENNER	BOX 697	LAKE HARMONY	PA	18624
F-012 -01	M/M STEVEN J McGARY	331 PATIO VILLAGE TERRACE	FORT LAUDERDALE	FL	33326
F-013 -01	M/M JOHN SCHOELLER	280 BIERY'S BRIDGE ROAD	BETHLEHEM	PA	18017
F-014 -01	M/M STEVEN J McGARY	331 PATIO VILLAGE TERRACE	FORT LAUDERDALE	FL	33326
F-015 -01	CARL GEIGER	P.O. BOX 685	BRIELLE	NJ	08730
F-016 -01	M/M JOHN A CARNOCHAN	P.O. BOX 717	LAKE HARMONY	PA	18624
F-017 -01	KATHLEEN BENYO	6020 6TH STREET	WEATHERLY	PA	18255
F-018 -01	M/M RONALD B. AVRICH	1245 GRENOBLE ROAD	IVYLAND	PA	18974
F-019 -01	M/M WILLIAM M. ANDERSON	3225 PAULINE DR.	CHEVY CHASE	MD.	20815
F-020 -01	MR ROBERT McKEE	1106 ASHRIDGE CT	AMBLER	PA	19002
F-021 -01	M/M WILLIAM KERNS	PO BOX 322	HARVARD	MA	14510
F-022 -01	MICHAEL WIEDER	P.O. BOX 485	REVERE	PA	18953
F-023 -01	MICHAEL WIEDER	PO BOX 485	REVERE	PA	18953
F-024 -01	JOHN D HURLEY SR	1074 BEECH HOLLOW RD	AMBLER	PA	19002
F-025 -01	M/M RICHARD R KITCHIN JR	623 NIBLICK LANE	WALLINGFORD	PA	19086
F-026 -01	MR JOHN W LUTZ	5537 LORETTO AVENUE	PHILADELPHIA	PA	19124
F-027 -01	M/M HERBERT E. KITTNER	104 HALF MOON CIRCLE	LANTANA	FL	33462
F-028 -01	MR JAMES F ZISA	101 MARILYN PLACE	CLIFTON	NJ	70113
F-029 -01	M/M W. DAVID CAREW	P.O. BOX 355	LAKE HARMONY	PA	18624
F-030 -01	JOHN J DUKE	PO BOX 523	LAKE HARMONY	PA	18624
F-031 -01	DAVID A. LONDON	PO BOX 502	LAKE HARMONY	PA	18624
F-032 -01	DAVID A. LONDON	P.O. BOX 502	LAKE HARMONY	PA	18624
F-033 -01	M/M BRIAN ZAVITSKY	188 APPLEGATE DRIVE	WEST CHESTER	PA	19382
F-034 -01	GREGORY & ANN BARD	2520 OCEAN AVENUE	BROOKLYN	NY	11229
F-035 -01	CHARLES S MCALEER	4 LANTERN LANE	WILMINGTON	DE	19810
F-036 -01	M/M JAMES H. DAVIS	P. O. BOX 706	LAKE HARMONY	PA.	18624
F-037 -01	WILLIAM R WALSH	138 FORSYTHIA DRIVE S	LEVITTOWN	PA	19056
F-038 -01	TRACEY A GORYEB	P.O. BOX 715	LAKE HARMONY	PA	18624
F-039 -01	ANTHONY D'AGOSTINO	1155 LANCASTER AVENUE	BERWYN	PA	19312
F-040 -01	MR EDGAR PUTMAN/FAWKES	3472 INDIAN SPRING RD	DOYLESTOWN	PA	18901
F-043 -01	JEFFREY LONG	1 ASA STREET	MONTVILLE	NJ	07045
F-044 -01	MS PATRICIA J WURSTER	82 EMERALD AVENUE	WESTMONT	NJ	08108
F-045 -01	M/M/ THOMAS TUMMINELLO	PO BOX 750	LAKE HARMONY	PA	18624
F-047 -01	WILLIAM R. WALSH	138 FORSYTHIA DRIVE SOUTH	LEVITTOWN	PA	19056
F-048 -01	M/M ANTON J. LEPPLER	P.O. BOX 302	ALBRIGHTSVILLE	PA.	18210
F-049 -01	LAWRENCE C PETERSON	PO BOX 772	LAKE HARMONY	PA	18624
F-050 -01	MATTHEW GOLDBERG	612 VALE DRIVE	MORGANVILLE	NJ	7751
F-051 -01	JOSEPH MAIORANO	11 EAST MACON AVENUE	STATEN ISLAND	NY	10308
F-052 -01	JAMES J BOYLE	PO BOX 14	LAKE HARMONY	PA	18624
F-053 -01	DARREN K. INDYKE	301 EAST 66TH STREET	NEW YORK	NY	10021
F-054 -01	KENNETH ANDERSON	567 BERNITA DRIVE	RIVER VALE	NJ	07675
F-055 -01	VICTOR E PAUL	PO BOX 729	LAKE HARMONY	PA	18624
F-056 -01	JOSEPH G BANYAS	BOX 655	LAKE HARMONY	PA	18624

Exhibit FL-2

ASSETS PURCHASE AGREEMENT

Between

THE TOWNSHIP OF KIDDER

And

LITTLE WASHINGTON WASTEWATER COMPANY
D/B/A
SUBURBAN WASTEWATER COMPANY

March 15th, 2012

THIS ASSETS PURCHASE AGREEMENT, dated as of the 15th day of March 2012, by and between **The Township of Kidder,** a Township of the Second Class organized and existing under the laws of the Commonwealth of Pennsylvania with principal offices at Lake Harmony, Kidder Township, Carbon County, Pennsylvania ("**Seller**"), and **Little Washington Wastewater Company d/b/a Suburban Wastewater Company** ("**LWWC**"), a Pennsylvania corporation with an office at 762 W. Lancaster Avenue, Bryn Mawr, PA 19010, with reference to the following:

RECITALS

A. Seller owns and maintains a wastewater collection and treatment system that provides wastewater service to residential and commercial customers within a portion of Kidder Township, Carbon County, Pennsylvania.

B. LWWC is a wholly owned subsidiary of Aqua Pennsylvania, Inc., and a public wastewater utility that furnishes wastewater service to the public in various portions of Pennsylvania, including Carbon County.

C. Seller desires to sell, and LWWC desires to purchase, certain assets, properties and rights of Seller owned and used in connection with Seller's System Assets (hereinafter referred to as "**Assets**"), all upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the recitals and the covenants, representations, warranties and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. SALE AND PURCHASE OF THE SELLER'S ASSETS

Subject to the terms and conditions hereinafter set forth, LWWC shall purchase from Seller, and Seller shall sell, assign, transfer, grant, convey and deliver to LWWC at Closing (hereinafter defined), all of the Assets. The Assets include all of the assets, properties and rights of Seller (whether tangible or intangible, real, personal or mixed) which are held, used or useful in connection with the existing collection and treatment of wastewater within the Seller's wastewater service area.

The Assets are being sold free and clear of all mortgages, liens, pledges, security interest, charges, taxes, claims, restrictions and encumbrances of any nature whatsoever, including, without limitation, the following debts, which shall be satisfied at Closing out of the sale proceeds: (1) Mauch Chunk Trust Company of Jim Thorpe, Pennsylvania with the estimated satisfaction at time of Closing to be Two Million Sixty-Four Thousand Two Hundred Twenty Dollars and Eight Cents ($2,064,220.08); and (2) Seller's existing indebtedness to Pennvest at the time of Closing, which is estimated to be Seven Million Nine Hundred Twenty-Four Thousand Ninety-One Dollars and Sixty-One Cents ($7,924,091.61).

1.1 Assets Further Defined

The Assets shall, without limitation to the definition stated above, include the specific assets, properties and rights of Seller set forth on Schedule 1.1, and the following:

(a) all the land, buildings, pipes, pipelines, treatment facilities, odor control stations, pumping stations, lift stations, holding tanks, customer grinder pumps (included in the grinder pump is that portion of the customer wastewater lateral between the curb-line or edge-of-road to the street-side of the grinder pump; all of which LWWC may, in its sole discretion, convey to the customer following Closing upon satisfaction of the above-referenced Pennvest indebtedness and release of the Pennvest lien(s); see Attachment 6 for list of subject customer properties), storage tanks, plants, structures, improvements, fixtures, rights-of-way, rights, uses, licenses and easements owned by Seller and relating to the Assets, or in which Seller has an interest, and all hereditaments, tenements and appurtenances belonging, appertaining or relating to the Assets;

(b) all machinery, equipment, tools, furniture, furnishings, leasehold improvements, goods, and other tangible personal property relating to the Assets owned by Seller or in which Seller has an interest;

(c) all supplies and inventories relating to the Assets;

(d) all rights of Seller under any written or oral contract, easement, license, agreement, lease, plan, instrument, registration, permit, certificate, or other authorization or approval of any nature, or other document, commitment, arrangement, undertaking, practice or authorization, relating to the Assets;

(e) all rights and choses in action of Seller arising out of occurrences before or after the Closing relating to the Assets, with the exception of the pending municipal lien against the Estate of Nicholas Pantages;

(f) all information, files, records, data, plans, contracts and recorded knowledge, including customer and supplier lists and property records, related to the foregoing; and

(g) Accounts Receivable existing as of the twenty-first (21st) day after the Closing Date (as defined below) for wastewater service to residents and other customers within Kidder Township, as well as all and any liens.

1.2 Excluded Assets

Notwithstanding the foregoing, the Assets shall not include any of the following:

(a) any and all customer wastewater laterals (with the exception of grinder pumps and that portion of the customer wastewater lateral between the curb-line or edge-of-road to the street-side of the grinder pump; all of which LWWC may in its sole discretion convey to the customer following Closing upon satisfaction of the above-referenced Pennvest

indebtedness and release of the Pennvest lien(s) for the properties identified on Attachment 6) from the curb-line or edge-of-road to and throughout the customer's property;

(b) all piping and fixtures internal to each individual customer's structure (whether residential, commercial, industrial or other types);

(c) cash on hand and any cash or payments received within twenty (20) days of the Closing Date (as defined below); and

(d) any assets listed in Schedule 1.2(d) which is attached hereto and incorporated herein by reference.

1.3 Consideration

a) The total purchase price ("**Purchase Price**") for the Assets shall be Eleven Million Three Hundred Fifty-Seven Thousand and Fifty-One Dollars ($11,357,051.00) to be paid by LWWC to Seller at Closing.

1.4 Contractual Rights and Obligations

LWWC shall not assume any rights or obligations of Seller under any contract, agreement, commitment, lease, certificate, permit or other instrument, whether oral, written, express or implied, except with respect to: (i) those agreements, contracts, permits and other instruments listed on Schedule 1.4 attached hereto, made part hereof and incorporated herein by reference and (ii) grinder pumps and that portion of the customer wastewater lateral between the curb line or edge of road to the street side of the grinder pump any or all of which LWWC may in its sole discretion convey to the customer following Closing and for which, in the event of such conveyance, LWWC agrees to indemnify and hold harmless Seller as provided for in Section 8.1 below.

1.5 Non-Assumption of Liabilities

With the exception of the assumption of contractual duties to be performed after the date of Closing under the surviving contracts listed on Schedule 1.4 attached hereto together with the ongoing obligation to provide wastewater service to the customers of the Seller served by the Assets ("**Assumed Obligations**"), all liabilities and obligations of Seller shall remain the sole responsibility of Seller, including any and all liabilities or obligations under any employee benefit plan, practice or arrangement or pension, retirement or savings plan. Except for the Assumed Obligations, LWWC shall not assume and shall not be liable for any liabilities or obligations of Seller of any nature whatsoever, whether express or implied, fixed or contingent, whatsoever.

2. CLOSING

Subject to the provisions of Sections 4 and 5 below, closing hereunder ("**Closing**") shall take place by mail or at the offices of LWWC located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania or other mutually agreed upon location, commencing at 10:00 A.M. local time, on or before the later to occur of: (i) a date thirty five (35) days after the receipt of final regulatory approvals, including without limitation those described in Section 5.6 below, or (ii) June 30, 2012.

The date of the Closing is referred to herein as the "**Closing Date**". The effective time of the legal transfer hereunder shall be 12:01 a.m. on the day following the Closing Date. If the Closing has not occurred on or before June 28, 2013, either Party shall have the right to terminate this Agreement in accordance with the provisions of this Agreement, provided that such termination shall be without prejudice to the rights of either party which has performed its obligations under this Agreement, if Closing does not occur because of a material breach of this Agreement by the other party.

2.1 Items to be delivered at Closing

At the Closing and subject to the terms and conditions herein contained:

(a) Seller shall deliver to LWWC the Assets, including, without limitation, the following:

(i) instruments and documents of conveyance and transfer, all in form reasonably satisfactory to LWWC and its counsel, as shall be necessary and effective to transfer and assign to, and vest in, LWWC good and marketable title to the Assets and all rights to operate the Assets as such is now being operated, including, but not limited to the following documents: a *Deed* for each fee parcel wherein any treatment, pumping, odor control, storage or other associated facilities are situated; a *Bill of Sale and Assignments* and an *Assignment of Intangibles* and other instruments and documents of conveyance and transfer, all in form reasonably satisfactory to LWWC and its counsel, as shall be necessary and effective to transfer and assign to, and vest in LWWC good and marketable title to the Assets; and an *Assignment and Grant of Easement* for any easement LWWC requires to utilize, maintain, repair and replace any Assets or facilities located outside of any parcels to be conveyed and/or publicly dedicated roadways.

(ii) *Assignment* and copies of, or the originals as appropriate, of all the agreements, contracts, commitments, leases, plans, bids, quotations, proposals, instruments, certificates, permits and other instruments belonging to Seller that are part of or related to the Assets;

(iii) a complete and accurate list of the names and addresses of all customers of Seller, both in paper form and in electronic form on a compact disk (CD) that can be downloaded to a computer, along with a billing history for each customer. LWWC acknowledges that Aqua Pennsylvania, Inc. is Seller's current billing administrator. Seller agrees that Aqua Pennsylvania, Inc. shall provide customer billing information to LWWC as contemplated in this paragraph;

(iv) a certificate, in form and substance satisfactory to LWWC, executed by each third party to any agreement listed on Schedule 1.4 confirming that all representations and warranties of Seller with respect to such contract are true and correct, and that there is no defense, counterclaim or asserted set off by

such party under the agreement, and that Seller and such party are each in compliance with the requirements of the agreement, and to the extent such party's consent is required to an assignment of the contract to LWWC, such consent;

(v) keys to any and all buildings and gates; and

(vi) releases of liens or satisfaction pieces for all mortgages and liens affecting the Assets or other proofs reasonably required by: (A) LWWC to establish clear title to the Assets, or (B) LWWC's title agent to remove such liens and mortgages as exceptions to LWWC's title insurance policy.

and simultaneously with such delivery, all such steps shall be taken as may be required to put LWWC in actual possession and operating control of the Assets.

(b) Seller shall deliver to LWWC, the agreements, opinions, certificates and other documents and instruments referred to in **Section 5** hereof.

(c) LWWC and Seller agree that customer billing information shall be provided to LWWC within seven (7) days immediately prior to Closing. LWWC shall use these billings to begin the billing cycle for its new customers following Closing. LWWC acknowledges that Aqua Pennsylvania, Inc. is Seller's current billing administrator. Seller agrees that Aqua Pennsylvania, Inc. shall provide customer billing information to LWWC as contemplated in this paragraph.

2.2 Transfer Taxes on Real Property

Any transfer taxes imposed on the conveyance or transfer of any real property pursuant to this Agreement shall be paid one-half each by LWWC and Seller. Notwithstanding the foregoing to the contrary, Seller's contribution to the payment of such transfer taxes shall be capped at a maximum of $7,500.00.

2.3 Transfer of Utilities

Seller and LWWC will cooperate to transfer utility service, including telephone, electric and gas service providing such service to any of the Assets as of the Closing Date. In the event service cannot be transferred in the name of LWWC as of the Closing Date, the bills shall be pro-rated as of the Closing Date, and LWWC shall retain from the Purchase Price its estimate of the amount of such bills not yet paid by Seller.

2.4 Remedy

The Parties acknowledge that the Assets are unique and not otherwise available and agree that, in addition to any other available remedy, either party may invoke any equitable remedy to enforce performance hereunder, including, without limitation, the remedy of specific performance.

2.5 Further Assurances

Seller, from time to time after the Closing, at LWWC's request, and without compensation, will execute, acknowledge and deliver to LWWC such other instruments of sale, conveyance, assignment and transfer and will take such other actions and execute and deliver such other documents, certifications and further assurances as LWWC may reasonably require in order to vest in LWWC, and/or to place LWWC fully in possession of, all of the Assets. Each of the parties hereto, without compensation, will cooperate with the other and execute and deliver to the other such other instruments and documents and take such other actions as may be reasonably requested from time to time by any other party hereto as necessary to carry out, evidence and confirm the purposes of this Agreement.

3. CONDUCT OF PARTIES PENDING CLOSING

3.1 Seller agrees that, with respect to the Assets, pending the Closing and except as otherwise agreed to in writing by LWWC:

(a) The business of Seller shall be conducted solely in the ordinary course consistent with past practice.

(b) Seller, at Seller's cost and pursuant to Seller's agreement with Aqua Resources, shall continue to maintain and service the tangible Assets in good working order such that they will be in proper working order at Closing.

(c) Seller will use its best efforts to maintain its relations and goodwill with its suppliers, customers and any others having business relations with it.

(d) Seller shall comply with all laws, ordinances, rules, regulations and orders applicable to it and to the conduct of its business.

(e) Seller will promptly advise LWWC in writing of all events between the date hereof and Closing which could render any representation or warranty under the Agreement, if restated and republished as of Closing, untrue or incorrect in any material respect.

(f) Seller will promptly advise LWWC in writing promptly after Seller receives knowledge of the threat or commencement of any dispute, claim, action, suit, proceeding, arbitration or investigation against or involving the Assets or the sale and transfer thereof to LWWC, or of the occurrence of any event (exclusive of general economic factors affecting business in general) of a nature that is or may be materially adverse to the business, operations, properties, assets, prospects or condition (financial or otherwise) of Seller.

(g) Seller will conduct its business in such a manner that at the Closing the representations and warranties of Seller contained in this Agreement shall be true as though such representations and warranties were made on and as of such date. Furthermore, Seller will use its best efforts to cause all of the conditions to this Agreement to be satisfied on or prior to the Closing Date.

(h) Seller will not take any action which would result in a material breach of any of the representations and warranties of Seller hereunder.

(i) Seller will provide LWWC with such financial and other reports of its business as LWWC may reasonably request.

(j) Seller will give to LWWC, its officers, employees, accountants, counsel and other representatives free and full access to and the right to inspect, during normal business hours, all of the premises, properties, assets, records, contracts and other documents relating to its business and operations, and shall permit them to consult with the officers, employees, accountants, counsel and agents of Seller for the purpose of making such investigation of the business and operations of Seller as LWWC shall desire to make, provided that such investigation shall not unreasonably interfere with the wastewater business or operations of Seller.

(k) Seller shall notify and consult with LWWC prior to the initiation, development or execution of any plans for expansion of or improvements to the Assets.

(l) Seller will cooperate with LWWC sending any customer notices that in LWWC's judgment are necessary or desirable in connection with the transactions contemplated herein.

4. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

All obligations of Seller under this Agreement are subject to the fulfillment or satisfaction, or waiver by LWWC, prior to or at the Closing, of each of the following conditions precedent:

4.1 Closing Certificate; Performance by LWWC

LWWC shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing; and Seller shall have been furnished with a certificate or certificates of LWWC dated the Closing Date, signed by an officer of LWWC, certifying, in such detail as Seller may reasonably request, to the fulfillment of the foregoing conditions and that all representations and warranties made by LWWC in this Agreement are true and correct as of Closing, except such as have been rendered incorrect because of events which occurred after the date hereof, as disclosed in writing by LWWC to Seller within a reasonable time after the event occurred.

4.2 Litigation Affecting Closing

Other than as previously disclosed to LWWC in writing, on the Closing Date, no proceeding shall be pending or threatened before any court or governmental agency in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or in the consummation of the transactions contemplated hereby, and no investigation that might eventuate in any such suit, action or proceeding shall be pending or threatened.

5. CONDITIONS PRECEDENT TO LWWC'S OBLIGATIONS

All obligations of LWWC under this Agreement are subject to the fulfillment or satisfaction, or waiver by Seller, prior to or at the Closing, of each of the following conditions precedent:

5.1 Satisfaction with Operational and Real Estate Title Issues

LWWC shall be satisfied, within forty-five (45) days following the execution of this Agreement, with the results of its due diligence inspections of the overall operational functionality of the Assets that LWWC may elect to perform, including LWWC's satisfactory review of the quality of title to the real property to be conveyed to LWWC from Seller. LWWC shall be satisfied at Closing that there has been no material deterioration therein between the expiration of such forty-five (45) day period and Closing. Additionally, prior to Closing, LWWC shall be satisfied with its review of the real estate and the quality of fee or easement title to be conveyed to LWWC from Seller. Except for the discovery of latent defects, LWWC is otherwise familiar with the current condition of the personal property comprising the wastewater system.

5.2 Closing Certificate; Performance by Seller

Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing; and LWWC shall have been furnished with a *Bring Down Certificate* or *Certificates* of Seller dated the Closing Date, signed by the appropriate officials of Seller, certifying, in such detail as LWWC may reasonably request, to the fulfillment of the conditions precedent in Section 3 and that all representations and warranties are true and correct as of Closing, except as disclosed by Seller pursuant to Section 3.1(e), and the facts as contained in such disclosure(s) shall not result, as determined by LWWC in its reasonable judgment, in a material adverse change in the condition of the Assets or business and operations of Seller relating to the Assets.

5.3 Litigation Affecting Closing

On the Closing Date, no proceeding shall be pending or threatened before any court or governmental agency in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, and no investigation that might eventuate in any such suit, action or proceeding shall be pending or threatened.

5.4 Seller Authorizations

Seller shall have furnished LWWC with certified copies of all proceedings of Seller, including signed and certified copies of: (i) the minutes of meetings whereby the transaction hereby contemplated was duly authorized, and (ii) appropriate resolutions and other document(s) authorizing the transactions hereby contemplated, as LWWC reasonably shall require.

5.5 Opinion of Counsel

Counsel for Seller, both the solicitor and bond counsel (if applicable), shall have delivered to LWWC at Closing an opinion of such counsel, in form and substance consistent with that identified as Schedule 5.5.

5.6 Governmental Approvals

LWWC shall timely submit and subsequently receive all governmental authorizations needed for the transfer of the Assets, including, but not limited to, adoption and approval of an Order from The Pennsylvania Public Utility Commission ("**PUC**") authorizing: (a) the transfer of the Assets as contemplated by this Agreement; (b) LWWC to provide wastewater service to the residents in the Service Area; (c) Seller to abandon such Service Area and LWWC to assume the ownership and operation of the Assets and to provide wastewater service to the public in the Service Area; and (d) a *Certificate of Public Convenience* from the PUC. Such governmental authorizations, orders, authorizations and approvals by the PUC shall be in form and substance satisfactory to LWWC in its sole discretion and shall survive Closing along with the applicability of LWWC's *Rules and Regulations* applying to any and all existing and future customers that would receive service from LWWC through the Assets or any extensions thereof.

5.7 Material Damage

The Assets shall not be, or be threatened to be, materially adversely affected by fire, explosion, earthquake, disaster, accident, cessation or interruption of utility or other services, flood, drought, lack of supply, contamination of water supply, embargo, riot, civil disturbance, uprising, activity of armed forces or act of God or public enemy, or any other event or occurrence.

5.8 Satisfaction of LWWC

All actions, proceedings, resolutions, instruments and documents required to carry out this Agreement or incidental hereto and all other related matters shall have been approved on the Closing Date by LWWC in the exercise of its reasonable judgment.

6. REPRESENTATIONS AND WARRANTIES OF SELLER

6.1 Seller hereby represents and warrants to LWWC as follows:

(a) Organization. The Township of Kidder is duly organized, validly existing, solvent, and in good standing under the laws of the State of Pennsylvania.

(b) Assets Ownership. Seller holds the exclusive right, title and interest to the Assets and facilities comprising the Assets as set out on Schedule 1.1 attached hereto.

(c) Current Operations. Seller has all requisite power and authority and all agreements, contracts, commitments, leases, certificates, licenses, permits, regulatory authorizations and other instruments required to conduct the business of the Assets as it has been and is now being conducted and to own and operate the Assets. Seller's current operator of the Assets is Aqua Resources.

(d) Legal Authority. Seller has the full power and lawful authority to transfer to LWWC the rights, title and interest in and to the Assets.

(e) Due Authorization; Valid and Binding. Seller has the full power and lawful authority

to execute and deliver this Agreement and all related agreements and to consummate and perform the transactions contemplated hereby and has duly and validly authorized the execution of this Agreement and all related documents and agreements by all necessary proceedings. This Agreement and all related agreements constitute the valid and binding obligation of Seller.

(f) No Approvals or Violations.. This Agreement does not require any further approvals of any other party, does not violate any law, ordinance or regulation, does not conflict with any order or decree, and does not conflict with or result in a breach of any contract, lease or permit to which Seller is a party. The proposed transfer does not violate, conflict with or result in the breach of any term, condition or provision of any instrument, contract, lease, agreement, permit, certificate or other document to which Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected.

(g) Party to Decree. With the exception of the *Release and Settlement Agreement* between Seller and Vacation Charters, Ltd., dated November 18, 2010 (copy attached as Schedule 6.1(g)), which will be assigned to Buyer at Closing, Seller is not party to, or subject to the provision of, any judgment, order, writ, injunction or decree of any court or of any governmental official, agency or instrumentality relating to the Assets.

(h) Defeasance. As of the Closing, (if applicable) the Seller's bonds, (hereinafter referred to as the "**Bonds**"), if any, will be defeased, and any and all liens and encumbrances on the Assets will have been removed. The Defeasance will be done in a proper and lawful manner.

(i) List of Assets. Schedule 1.1 contains a true and complete list of the Assets.

(j) Customer Records. The data contained in the customer records provided to LWWC is true and accurate.

(k) Seller shall cooperate with LWWC and shall use reasonable efforts to help LWWC collect or enforce any rights assigned to LWWC under this Agreement. LWWC acknowledges that Aqua Pennsylvania, Inc. is Seller's current billing administrator.

6.2 Except as set forth on Schedule 6.2, Seller hereby represents and warrants to LWWC as follows:

(a) Title of Assets. Seller has good and marketable title to the Assets, free and clear of all liens, encumbrances and security interests.

(b) Undisclosed Liabilities. Other than as disclosed herein, there are no liabilities or obligations of Seller, either accrued, absolute, contingent or otherwise, relating to the Assets. For purposes of this Agreement, the term liabilities shall include, without

limitation, any direct or indirect indebtedness, guaranty, endorsement, claim, loss, damage, deficiency, cost, expense, obligation or responsibility either accrued, absolute, contingent or otherwise.

(c) Condition of Assets. All the tangible property included in the Seller's Assets are in good operating condition and repair, are usable in the regular course of business and conform to all applicable laws, ordinances, codes, rules and regulations relating to their construction, use and operation, and are free from any known material defects except such minor defects as do not substantially interfere with the continued use thereof in the conduct of normal operations. Except for latent defects, LWWC is otherwise aware of the current condition of the wastewater system and the personal property comprising the wastewater system.

(d) No Other Parties. No person other than Seller owns or has any interest in any equipment or other tangible assets or properties currently utilized or necessary to the operations or business of the Seller's Assets.

(e) Adequacy of Rights. All agreements, contracts, commitments, leases, certificates, permits and other instruments related to the Assets to which Seller is a party are valid and enforceable in accordance with their terms, are in good standing, and the parties thereto are in compliance with the provisions thereof. No party is in default in the performance, observance or fulfillment of any material obligation, covenant or condition contained therein, and no event has occurred, which with or without the giving of notice or lapse of time, or both, would constitute a default there under.

(f) Adequacy of Property Rights. All leases, licenses, rights of way, and easements related in any manner to the assets and properties comprising the Seller's Assets and all other instruments, documents and agreements pursuant to which Seller has obtained the right to use any real property in connection with the Assets are in good standing, valid and effective in accordance with their respective terms, and with respect thereto, there is no existing default or event which could constitute a default. Seller possesses all property rights necessary to operate the Assets.

(g) Rights to Facilities. Seller has good and valid rights to occupy and to obtain access to the areas where the discharge lines and other facilities of the Assets are located.

(h) Pending Litigation. There are no pending claims, actions, investigations or legal or administrative proceedings regarding the Assets or Seller's ability to transfer the Assets.

(i) Threatened Litigation. Other than as previously disclosed to LWWC in writing, to the best of Seller's knowledge, there are no threatened claims, actions, investigations or legal or administrative proceedings regarding the Assets or Seller's ability to transfer the Assets, nor does Seller know of any basis for any such claim, action or proceeding.

(j) Contract for Refunds. Seller is not a party to any contract for future payment of refunds under any extension agreement, customer deposit agreement or similar agreement with respect to the Assets.

(k) Contract with Suppliers. Seller is not a party to any contract for the purchase of, or payment for supplies, equipment or for services related to the Assets, except such contracts that shall not survive Closing. LWWC acknowledges that Seller has notified it that Seller currently has contracts with Caterpillar, Waste Management, Inc., and the electrical provider, none of which shall survive Closing to the extent the terms of said Contract permit termination at or prior to Closing. Seller will cooperate in the transfer of utility service in accordance with Section 2.3 above.

(l) No Material Change. Within the past two years, Seller has not: 1) made or suffered any amendment or termination of any material agreement, contract, commitment or lease or any governmental permit or authorization to which it is a party or by which it is bound; or 2) canceled, modified or waived any debts or claims held by it; or 3) waived any rights of substantial value.

(m) No Material Adverse Conditions. There are no conditions or developments existing or, to the knowledge of Seller, threatened which would have a material adverse effect on the Assets.

(n) Compliance with Law. Seller is not in any material violation of any law, ordinance or governmental rule or regulation to which it or its business, operations, assets or properties is subject and has not failed to obtain, or to adhere to the requirements of, any certificate, license, permit or other governmental authorization necessary to the ownership of its assets and properties or to the conduct of its business.

(o) Insurance. Seller has procured and will maintain through the date on which Closing is held its current policies of insurance.

6.3 Except as set forth in Schedule 6.3, Seller hereby represents and warrants to and with LWWC as follows with respect to compliance with environmental laws:

(a) Compliance with Law. To the best of Seller's actual knowledge, Seller has been and is in compliance with: (i) all laws and regulations pertaining to the Assets and (ii) all Environmental Laws (as hereinafter defined). LWWC acknowledges that Aqua Resources is Seller's current Operation's Manager and agrees it is aware of the current status of compliance with the law and environmental conditions except for latent circumstances which may not be evident at the time of this Agreement.

(b) Adequacy of Permits. To the best of Seller's actual knowledge, after diligent inquiry and investigation, Seller has obtained and continues to possess all permits, licenses,

approvals or other authorizations which are required under the Environmental Laws, has filed such timely and complete renewal applications as may be required prior to the Closing Date, and also has complied with all reporting and record keeping requirements under the Environmental Laws.

(c) Environmental Conditions. Except as previously disclosed to LWWC in writing, to the best of Seller's actual knowledge, following diligent inquiry and investigation, there are no past or present events, conditions, circumstances, activities, practices, incidents, actions or plans pertaining or relating to the Assets which may impede or prevent continued compliance with the Environmental Laws or which may give rise to any civil or criminal liability under the Environmental Laws. LWWC acknowledges that Aqua Resources is Seller's current Operation's Manager and agrees it is aware of the current status of compliance with the law and environmental conditions except for latent circumstances which may not be evident at the time of this Agreement.

(d) Compliance with Decrees. Seller has been and is in compliance with all orders, decrees, judgments and notices issued against the Seller under or in connection with the Environmental Laws.

As used in this Agreement, the following terms shall have the following meaning:

The term "**Environmental Laws**" shall include all federal, state and, local environmental laws and regulations, including, without limitation, the Clean Water Act ("**CWA**"), also known as the Federal Water Pollution Control Act ("**FWPCA**"), 33 U.S.C. § 1251 et seq., the Toxic Substances Control Act ("**TSCA**"), 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide and Rodenticide Act ("**FIFRA**"), 7 U.S.C. §§ 136 et. seq., the Safe Drinking Water Act ("**SDWA**"), 42 U.S.C. §§ 300 (f) et seq., the Surface Mining Control and Reclamation Act ("**SMCRA**"), 30 U.S.C. §§ 1201 et seq., the Comprehensive Environmental Response, Compensation and Liability Act ("**CERCLA**"), 42 U.S.C. § 9601 et seq., the Superfund Amendment and Reauthorization Act of 1986 ("**SARA**"), Public Law 99-499, 100 Stat., 1613, the Resource Conservation and Recovery Act ("**RCRA**"), 42 U.S.C. 6901, the Atomic Energy Act ("**AEA**"), Act of August 30, 1954, Ch. 1073,68 Stat. 919 (codified as amended in scattered sections of 5 U.S.C. and 42 U.S.C.). Any reference to a legislative act or regulation shall be deemed to include all amendments thereto and all regulations, orders, decrees, judgments, opinions directives or notices issued thereunder.

The term "**Environmental Condition**" shall mean any condition or circumstance related to the Assets, whether created by Seller or any other party, which (1) required or requires abatement or correction under an Environmental Law, or (2) has given or may give rise to any civil or criminal liability under an Environmental Law, or (3) has created or may create a public or private nuisance, including the presence of asbestos, PCB's, hazardous substances, petroleum products, radioactive waste or radon, on, in or about the Assets.

6.4 Reserved.

6.5 No Misleading Statements

No representation or warranty by Seller in this Agreement or in any document delivered or to be delivered pursuant hereto or in connection herewith, and no statement, document, agreement, information or certificate made or furnished or to be made or furnished to LWWC pursuant hereto or in connection with the negotiation, execution or performance of this Agreement, now and as of the Closing Date, contain any untrue statement of a material fact, or fail to state any fact necessary to make any statement herein or therein not misleading.

6.6 Documents Produced

Seller will deliver at Closing to LWWC true and complete copies of all the agreements, contracts, commitments, leases, certificates, plans, maps, permits and other instruments, documents and undertakings described in this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF LWWC

7.1 LWWC hereby represents and warrants to Seller as follows:

(a) Organization. LWWC is a corporation duly organized and validly existing and in good standing under the laws of the State of Pennsylvania.

(b) Due Authorization; Valid and Binding. LWWC has the full power and lawful authority to execute this Agreement and to consummate and perform the transactions contemplated hereby and has duly and validly authorized the execution of this Agreement by all necessary proceedings. This Agreement constitutes the valid and binding obligations of LWWC.

(c) Financial Wherewithal. LWWC has the financial wherewithal to complete the purchase of the Assets as contemplated hereunder and upon completion of Closing, to operate and manage the Assets at, or exceeding, the level of service provided by the Seller prior to Closing.

(d) If this transaction is approved by the PUC, LWWC will adopt and freeze the Kidder Township sewer base rates until at least January 1, 2014.

(e) LWWC agrees that it will charge no tap fees to any new user of the existing sewer system.

(f) LWWC agrees that the Seller will be relieved from all future capital improvement expenditures for the sanitary sewer system.

8. INDEMNIFICATION

8.1 Indemnification of Seller

From and after the Closing, LWWC will reimburse, indemnify and hold Seller and its officials

and employees harmless from and against any and all liabilities, obligations, damages, losses, actions, audits, deficiencies, claims, fines, costs and expenses, including attorney's fees and costs resulting from, relating to, or arising out of:

(a) the provision of wastewater service by LWWC for the period following Closing;

(b) issues of regulatory compliance and claims by third parties for events that occur following the date of Closing that are not attributable to events that occurred prior to Closing;

(c) the failure of LWWC to perform any of its covenants following Closing;

(d) LWWC's post-closing conveyance, if any, of grinder pumps and that portion of the customer wastewater lateral between the curb line or edge of road to the street side of the grinder pump to the customer; and

(e) the enforcement of this Section 8.

8.2 *Indemnification of LWWC*

From and after the Closing, Seller will reimburse, indemnify and hold LWWC and its affiliates, and their officers, directors and employees, harmless from and against any and all liabilities, obligations, damages, losses, actions, audits, deficiencies, claims, fines, costs and expenses, including attorney's fees and costs resulting from, relating to, or arising out of:

(a) any liabilities or obligations of Seller of any nature whatsoever except for those liabilities and obligations of Seller which LWWC specifically assumes pursuant to this Agreement;

(b) any misrepresentation, breach of warranty or non-fulfillment of any agreement or covenant on the part of Seller under this Agreement, or from any misrepresentation in, or omission from, any Schedule or information furnished to LWWC pursuant to this Agreement or in connection with the negotiation, execution or performance of this Agreement;

(c) the provision of wastewater service by Seller for the period prior to the date of Closing;

(d) issues of regulatory compliance and claims by third parties for events that are attributable to events that occurred prior to Closing, excluding events disclosed to LWWC in writing prior to Closing, ;

(e) Seller's failure to perform any of its covenants following Closing;

(f) Seller's tax liability; and/or

(g) the enforcement of this Section 8.

8.3 General

Each party shall provide the other party with reasonable notice of any claims arising under this Section 8. The indemnification rights of the parties under this Section 8 are independent of and in addition to such rights and remedies as the parties may have at law or in equity or otherwise for any misrepresentation, breach of warranty, or failure to fulfill any agreement or covenant hereunder.

9. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

All representations, warranties and agreements made by the parties in this Agreement or in any agreement, document, statement or certificate furnished hereunder or in connection with the negotiation, execution and performance of this Agreement shall survive the Closing. Notwithstanding any investigation or audit conducted before or after the Closing Date or the decision of any party to complete the Closing, each party shall be entitled to rely upon the representations, warranties and agreements set forth herein and therein.

10. MISCELLANEOUS

10.1 Contents of Agreement; Parties in Interest; etc.

This Agreement sets forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby. It shall not be amended or modified except by written instrument duly executed by each of the parties hereto. Any and all previous agreements and understandings between or among any or all of the parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement.

10.2 Binding Effect

All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the legal representatives, successors and assigns of Seller or LWWC.

10.3 Waiver

Any term or provision of this Agreement may be waived at any time by the party or parties entitled to the benefit thereof by a written instrument executed by such party or parties.

10.4 Notices

Any notice, request, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given only if delivered personally or sent by telegram or by registered or certified mail, postage prepaid, return receipt requested, as follows:

If to LWWC:
Anthony J. Donatoni, President
Little Washington Wastewater Company
762 W. Lancaster Avenue
Bryn Mawr, PA 19010

With a required copy to:
Christopher Luning
762 W. Lancaster Avenue
Bryn Mawr, PA 19010

And a required copy to attorney for LWWC:
Stephen McConnell, Esq.
Reger Rizzo & Darnall LLP
2929 Arch St., 13th Floor
Philadelphia, PA, 19104-2899

If to Seller:
Township of Kidder
c/o John P. Finnerty, Manager
Kidder Township Municipal Bldg.
PO Box 576
Lake Harmony, PA 18624

With Copy To attorney for Seller:
Daniel A. Miscavige, Esquire
67 North Church Street
Hazleton, PA 18201

or to such other address as the addressee may have specified in a written notice duly given to the sender as provided herein. Such notice, request, demand, waiver, consent, approval or other communication will be deemed to have been given as of the date so delivered.

10.5 Law to Govern

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Pennsylvania without giving effect to any conflicts of laws provisions.

10.6 No Benefit to Others

The representations, warranties, covenants and agreements contained in this Agreement are for the sole benefit of the parties hereto, and their legal representatives, successors and assigns, and they shall not be construed as conferring any rights on any other persons.

10.7 Headings, Gender, etc.

All section headings contained in this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

10.8 Exhibits and Schedules

All Exhibits, Attachments and Schedules referred to herein are intended to be and hereby are specifically made a part of this Agreement.

10.9 Cooperation/Further Assurances

Seller from time to time after the Closing, at LWWC's request, and without additional compensation, will execute, acknowledge and deliver to LWWC such other instruments of sale, conveyance, assignment and transfer and will take such other actions and execute and deliver such other documents, certifications and further assurances as LWWC may reasonably require in order to vest in LWWC, and/or to place LWWC fully in possession of, all of the Assets. Each of the parties hereto, without additional compensation, will cooperate with the other and execute and deliver to the other such instruments and documents and take such actions as may be reasonably requested from time to time by any other party hereto as necessary to carry out, evidence and confirm the purposes of this Agreement.

10.10 Severability

Any provision of this Agreement that is invalid or unenforceable in any jurisdiction or under any circumstance shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction or under any circumstance shall not invalidate or render unenforceable such provision in any other jurisdiction or under any other circumstance, unless, in either event, the involved or unenforceable provision causes this Agreement to fail of its essential purpose.

10.11 Counterparts

This Agreement may be executed in any number of counterparts and any signatory hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. This Agreement shall become binding when one or more counterparts taken together shall have been executed and delivered by all signatories. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of tbe other counterparts.

10.12 Risk of Loss

Seller assumes risk of loss in connection with the assets prior to Closing including without limitation, risk of loss from fire and other casualty. In the event of any loss or damage to any of the assets, the purchaser at its option, prior to or at Closing (i) request that the damage asset be replaced or restored to substantially the same condition of the asset as of the date of this agreement; (ii) request an adjustment to the purchase price as can be agreed upon by the parties, or (iii) request the insurance procedures of the Seller and/or other moneys to enable Buyer to make a proper restoration of the asset.

Balance of page intentionally left blank – signatures appear on following page

Signature page – Assets Purchase Agreement

IN WITNESS WHEREOF, intending to be legally bound, the parties hereto have duly executed this Agreement on the date first written.

SELLER: TOWNSHIP OF KIDDER

By: _____
Name: Larry Polahsky, Chairman
Its: Kidder Township Board of Supervisors

LWWC:
Little Washington Wastewater Company
d/b/a Suburban Wastewater Company

By: _____
Anthony J. Donatoni, President

LIST OF SCHEDULES

Schedule 1.1	List of Assets
Schedule 1.2(d)	Excluded Assets
Schedule 1.4	Assumed Obligations of Buyer
Schedule 5.5	Form of Opinion of Seller's Counsel
Schedule 6.1(g)	Release and Settlement Agreement with Vacation Charters, Ltd.
Schedule 6.2	Exceptions to Seller's Representations and Warranties
Schedule 6.3	Exceptions to Seller's Environmental Representations and Warranties

LIST OF ATTACHMENTS

Attachment 1	Treatment Facility Plans
Attachment 2	Map of Lake Harmony Sanitary Sewer System
Attachment 3	Plan of Land, buildings and improvements situate at and adjacent to I-80 and Split Rock Golf Course in the Township of Kidder, Carbon County, Pennsylvania consisting of 6.4 acres more or less
Attachment 4	Treatment Facility Plans
Attachment 5	Map of Lake Harmony Sanitary Sewer System Treatment Facility Plans, including Collection Main and Laterals, as well as other related appurtenances
Attachment 6	List of Customer Properties with Pennvest-funded Grinder Pumps

Schedule 1.1
List of Assets

I. TREATMENT FACILITIES:

1. One (1) Treatment Facility, equipped with (at a minimum) electric power, telephone lines and sewage disposal lines and/or systems, and all other related treatment equipment and processes as identified on the Treatment Facility Plans.

II. COLLECTION SYSTEM:

1. All wastewater collection (gravity and/or force) mains and lines, and related appurtenances, including fittings, holding tanks, odor control stations, pump stations (including electric and other utilities, if applicable), manholes (including electric and other utilities, if applicable), effluent discharge lines (including electric and other utilities, if applicable), and laterals (from mains to the curb line or edge-of-road), all of which are depicted on the maps or plans attached hereto at Attachment 2)
2. Residential accounts representing approximately 983 EDU's and commercial accounts representing approximately 523 EDU's that coincide with the laterals identified in the foregoing paragraph II (1)
3. A total of 784 Grinder Pumps including that portion of the customer wastewater lateral between the curb-line or edge-of-road to the street-side of the grinder pump; all of which LWWC may in its sole discretion convey to the customer following Closing upon satisfaction of the above-referenced Pennvest indebtedness and release of the Pennvest lien(s). The Grinder Pumps are located within customer properties as noted on Attachment 6 and further identified as follows:
   (a) Model 2010 – 772
   (b) Model 2015 – 5
   (c) Spare (2010) – 7

III. REAL ESTATE

1. Fee title to all parcels of land associated with the Treatment Facilities and Collection System, including but not limited to the following:
   a) Land, buildings and improvements situate at and adjacent to I-80 and Split Rock Golf Course in the Township of Kidder, Carbon County, Pennsylvania consisting of 6.4 acres more or less as set forth more fully in Deed Book 1019, Pages 439 - 453.
   b) Deeds to 3 parcels obtained for Odor Control Stations:
      (i) Deed Book 1084, Page 819;
      (ii) Deed Book 1084, Page 824; and
      (iii) Deed Book 1084, Page 830
2. Various easements and/or rights of way as required, including permanent and perpetual access (including, but not limited to, pedestrian, vehicular and utilities) to and for the Treatment Facilities and Collection System, including but not limited to the following:
   a) Easements for any and all components of the Assets located outside of any roads that would be dedicated to any municipal entity.
   b) Assignment of right-of-way through property of Summit Management Utilities, Vacation Charters and Blue Ridge Real Estate from and included in original purchase of Sewer Plant from Summit Management, including rights set forth in Deed Book 1019, page 439 et seq.;

c) Right-of-way 432-1 Vacation Charters;
d) Right-of-way Vacation Charges dated December 5, 1996;
e) Right-of-way Split Rock Country Club Inc.
f) Easement – Vacation Charters;
g) Easement – Lake Harmony Groups;
h) Easement – Lake Harmony Estates Property Owners;
i) Easement – Wells/Finkbiner;
j) Easement – Lipsi;
k) Easement – Milberg/Leibowitz;
l) Easement – Oves;
m) Easement – Blue Ridge Real Estate Company;
n) Assignment of all Grinder Pump Easements from individual property owners to the Township of Kidder; and
o) Right-of-way on existing Township streets.

IV. MISCELLANEOUS:

1. Assignment of any and all manufacturer's warranties for the Assets;
2. Any and all permits associated with the Assets, including Assignment of NPDES required permits;
3. Billing records, including a list of the names and addresses of all wastewater customers at the time of Closing;
4. Maps and/or Plans of the existing Assets in place at the time of Closing;
5. Keys to any and all buildings included as components of the Assets;
6. Release and Settlement Agreement with Vacation Charters, Ltd. also attached at **Schedule 6.1(g)**;
7. Copies, of the originals, of all agreements, contracts, commitments, leases, plans, bids, quotations, proposals, instruments, certificates, and other instruments belonging to Seller that are part of or related to the Assets; and
8. All machinery, equipment and other tangible property, personal property, including tools, supplies, inventories and customer records and contracts, financial records, engineering drawings, vendor contracts, environmental reports and all other records necessary to the continued operation of the Assets;
9. Fixtures, tangible personal property and equipment as existing on the aforesaid site as of the date of this Agreement; and
10. Accounts Receivable existing as of the twenty-first (21st) day after the Closing Date for wastewater service to residents and other customers within Kidder Township, as well as all and any liens.

Schedule 1.2(c)
Excluded Assets

Schedule 1.4
Assumed Rights

1. Seller shall assign to LWWC Seller's right to collect the payments still to be made by the Plaintiff to Kidder Township under paragraphs nine and ten of that certain *Release and Settlement Agreement* entered by and between Vacation Charters LTD as Plaintiff and Kidder Township pursuant to the civil action filed in the Court of Common Pleas of Carbon County, Pennsylvania at Docket No. CV-07-4079, a copy of which *Release and Settlement Agreement* is attached hereto. Seller represents that as of the date of this Agreement said remaining payments total $225,000.00. LWWC has had full opportunity to fully investigate and become familiar with the terms and conditions of this agreement and, as such, agrees to execute the appropriate document or documents at Closing so as to release, indemnify and hold barmless Seller as well as its Board of Supervisors, agents, employees, representatives, personal representatives and assigns from all claims, suits, causes of action and judgments or demands of any kind arising out of the agreements with Summit Management and Vacation Charters. Such documents shall be acceptable to the parties and their respective counsel and include al relevant agreements.

2. Seller shall execute all relevant transfer forms such that any permits associated with the Assets shall transfer to LWWC immediately upon Closing. Such transfer forms will be completed by LWWC and executed by the parties at Closing and subsequently filed by LWWC with the appropriate regulatory agencies.

Schedule 5.5

Proposed Opinion Letter – subject to revision

[LETTERHEAD]

_____, 2012

Little Washington Wastewater Company
762 West Lancaster Avenue
Bryn Mawr, Pennsylvania 19010

Dear Sirs:

I have acted as counsel to the Seller in conjunction with the Assets Purchase Agreement dated as of _____, 2012 (the "**Agreement**") between Kidder Township ("**Seller**") and Little Washington Wastewater Company ("**LWWC**"). The Agreement provides for LWWC to acquire from Seller the Seller's wastewater system assets situated in Kidder Township, Carbon County, Pennsylvania (collectively herein called the "**Assets**").

I have examined the Agreement and the certifications, documents and instruments delivered pursuant thereto. I have also examined original copies, certified copies and file copies of records, agreements, instruments, certificates of public officials and officers and other documents relating to the Assets.

Based upon the foregoing, to the best of my knowledge, I am of the opinion that:

(a) Seller is a township of the second class, duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania.

(b) Seller owns the Assets and the wastewater system assets and is operating the wastewater system currently in the same manner in which it has been operated since Seller acquired the wastewater system assets in 2002.

(c) Neither the execution and delivery of the Agreement by Seller, nor consummation and performance of the transactions contemplated thereby results in a violation of any judgment, order, writ, injunction or decree of any court or of any governmental official, agency or instrumentality which is applicable to Seller.

(d) The execution and delivery of the Agreement and the performance of the transactions contemplated hereby do not violate, conflict with or result in the breach (with or without the giving of notice or lapse of time or both) of any term, condition or provision of any partnership or operating agreement, or any instrument, contract, lease, agreement, permit, certificate or other document to which Seller is a party, or is otherwise bound or affected, or by which any of Assets may be bound or affected.

(e) Seller has full power, authority and legal right to sell, convey, assign, transfer and deliver the Assets to LWWC as provided in the Agreement.

(f) All proceedings required to be taken by the Seller to carry out the Agreement, and to authorize the Seller to sell, convey, assign, transfer and deliver to LWWC the Assets pursuant to the Agreement have been or will be duly and properly taken.

(g) The Agreement has been duly executed and delivered by Seller and is the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms of the Agreement.

(h) The instruments delivered by Seller to transfer the Assets to LWWC have been duly authorized, executed and delivered, are legal, valid and binding in accordance with their terms.

(i) There is no action, suit, or proceeding pending or, to the knowledge of the undersigned, threatened against or affecting Seller before or by any court, administrative agency, or other governmental authority which brings into question the validity of the transactions contemplated by the Agreement.

(j) LWWC is expressly permitted to install, maintain, repair and replace the sanitary sewer lines under, through, and along the public streets, roads and alleys within Kidder Township.

The opinions expressed herein are limited to matters of federal law and the laws of the Commonwealth of Pennsylvania. This opinion is provided to LWWC solely for the purpose of complying with Seller's obligations under the Agreement. This opinion is given for LWWC's use and benefit, and, except as may be otherwise permitted by law, may not be relied upon by any other person without the prior written consent of the undersigned.

Sincerely yours,

[Attorney for Seller]

Schedule 6.1(g)
***Release and Settlement Agreement* with**
Vacation Charters, Ltd., dated November 18, 2010

IN THE COURT OF COMMON PLEAS OF CARBON COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

VACATION CHARTERS LTD., SPLIT ROCK COUNTRY CLUB, INC., SUMMIT MANAGEMENT & UTILITIES, INC.,	:	
Plaintiffs	:	Docket No.: CV-07-4079
vs.	:	
KIDDER TOWNSHIP,	:	
Defendant	:	

RELEASE AND SETTLEMENT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

THIS RELEASE AND SETTLEMENT AGREEMENT is made and entered into by and between **VACATION CHARTERS LTD., SPLIT ROCK COUNTRY CLUB, INC., and *SUMMIT MANAGEMENT & UTILITIES, INC.*** for themselves and for the benefit of their officers, agents, shareholders, subsidiaries, successors and assigns, (hereinafter referred to as "Plaintiffs") and the **TOWNSHIP OF KIDDER,** for itself and for the benefit of its officers, agents, employees, elected officials and insurers (hereinafter referred to collectively as "Defendant").

WHEREAS, the Plaintiffs have presented a claim against Defendants arising from a certain Asset Purchase Agreement and also the circumstances of Defendant providing sanitary sewer service to certain properties of the Plaintiffs which claims are the subject of the above captioned matter in the County of Carbon, Pennsylvania (the "Lawsuit"); and

WHEREAS, the Defendant has filed a counter-claim enumerating and specifying certain claims for monetary damages against the Plaintiffs herein to the same term and number (also included in the definition of the "Lawsuit"); and

WHEREAS, the Plaintiffs and Defendant desire to settle the matter as asserted in the Lawsuit, the parties enter into this Release and Settlement Agreement according to the following terms:

1. Each party hereto shall bear all attorneys fees and costs arising from their actions or the actions of their own counsel in connection with the Lawsuit and with this Release and Settlement Agreement.

2. The parties hereto acknowledge for themselves and their officers, elected officials, shareholders, employees, insurers, assigns and successors, and any related entities, that this Release and Settlement Agreement is a release of all the claims asserted in the Lawsuit. The parties further agree that the promises, conditions and covenants as set out herein are sufficient consideration and that this Release and Settlement Agreement effects a full and final complete compromise of all matters involving disputed issues of law and fact asserted in the Lawsuit. The parties fully assume the risk that the facts or the law may be otherwise than what they believe.

3. Upon execution and adoption of this Release and Settlement Agreement by the parties hereto counsel for the parties each will deliver to opposing counsel an executed Praecipe to Settle, Discontinue and End with prejudice the Lawsuit, including the Complaint and the Counter Claim.

4. The parties represent and warrant that no other person or entity not a party to this Release and Settlement Agreement has had any interest in the claims, demands, obligations or causes

of action asserted in the Lawsuit; that the parties have the sole and exclusive right to enter into and be bound by the terms and provisions of this Release and Settlement Agreement; to make payment of or receive the sums specified in it; and that the parties have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Release and Settlement Agreement.

5. The parties agree and acknowledge that the promises, covenants, conditions and sums specified in this Release and Settlement Agreement are accepted as a full and complete compromise in all matters asserted in the Lawsuit. Payment of the sums by any party as set out in this Release and Settlement Agreement, and the adoption of action by either of the parties as required under the terms and provisions of this Release and Settlement Agreement and the negotiations for this settlement (including all statements, admissions or commissions) by the parties or their attorneys or representatives shall not be considered admissions of fault or wrongdoing by any of the parties.

6. This Release and Settlement Agreement shall be binding upon and inure to the benefit of the officers, shareholders, subsidiaries, agents, employees, elected officials, insurers, executors, administrators, personal representatives, heirs, successors and assigns of each. The parties specifically acknowledge there are no other understandings or agreement verbal or otherwise in relation thereto between the parties to this Release and Settlement Agreement. The parties agree that this Release and Settlement Agreement may not be modified orally but may be modified only by a written agreement.

7. In entering into this Release and Settlement Agreement, the parties hereto have relied upon their respective counsel for legal advice; for the Plaintiffs, Jane Maughan, Esquire and James Nanovic, Esquire; for the Defendant, Anthony R. Sherr, Esquire; Gretchen D. Sterns,

Esquire, and Daniel A. Miscavige, Esquire, who are counsel selected by the parties hereto. The terms of this Release and Settlement Agreement have been completely read and explained to the parties by their counsel; those terms and conditions and the legal effect thereof have been fully understood and voluntarily accepted by them.

8. The parties hereto enter this Release and Settlement Agreement in the Commonwealth of Pennsylvania, the situs being the County of Carbon, and said documents shall be construed and interpreted in accordance with the Law of the Commonwealth of Pennsylvania.

9. Plaintiffs agree to pay the Defendant the sum of Two Hundred and Fifty Thousand Dollars ($250,000.00) which sum is acknowledged to be a compromise amount of the Claim of the Defendant for tapping fees, user fees and for delinquent user fees for sewage treatment at the public sanitary sewer system owned and operated by the Defendant, for all sums due for the period from January 1, 2002 through and including June 30, 2010. The parties acknowledge that this sum shall be considered a municipal debt for services provided by the Defendant Municipality and shall be accorded all such priority and status as a municipal debt.

10. The parties agree that the principal amount of Two Hundred and Fifty Thousand Dollars ($250,000.00) will be paid by the Plaintiffs to the Defendant, without interest, over a ten (10) year period commencing January 2, 2012 and terminating January 2, 2021. Each payment shall be in the amount of Twenty-Five Thousand Dollars ($25,000.00) and shall be due on January 2nd of each year commencing January 2, 2012. Defendant shall provide Plaintiff with a notice, no later than December 20th each year, of the upcoming payment due on the upcoming January 2nd; however, the failure of the Defendant to provide said notice does not relieve Plaintiffs of the obligation to make timely payment as provided herein. Any

payments made later than 10 days after the 2nd day of January in any year in which they are due shall bear interest at the rate of ten (10%) percent per annum. In addition, any such delinquent amounts shall also accrue charges which the Defendant may occur for reasonable attorney fees, court costs and other costs of collection of said monies. The Plaintiffs agree that such additional costs, attorney's fees and collection fees and interest shall have the same status for collection and lien purposes as the principal amount due.

11. The parties agree that none of the Plaintiffs' obligations under the terms of this Release and Settlement Agreement are intended to be affected by a discharge in Bankruptcy. The parties further specifically intend that the Plaintiffs' obligations under the terms of this Release and Settlement Agreement shall be non-dischargeable and not subject to discharge in Bankruptcy due to the nature of the municipal obligation and further that it is substantive and primary consideration for the Plaintiffs' obligations under the terms and conditions of the Release and Settlement Agreement.

12. Effective July 1, 2010, and based on all the currently existing improvements at the premises owned, operated and or occupied by the Plaintiffs, Plaintiffs will be obligated to pay Defendant sewage treatment user fees, which will be billed at a basis of 430 EDUs according to the following schedule of EDU's.

Location	EDU
Lodge	32
Cove Cottage	1
Pavillion	1
Lebanon Cottage	1
Westwood	90
Galleria	115
Forest Inn	3
Mini Golf	1

Location	EDU
Cope Cottage	1
Accounting	4
Time Share Sales	3
Purchasing	1
Resort Maintenance	2
Golf Maintenance	2
East Gate	1
Cart Barn	1
Water Park	30
Willowbrook	128
Club House	13
TOTAL	430

The parties acknowledge that 320 units have been approved for construction at Willowbrook; that 192 units remain to be built and that 128 units presently are completed. The parties acknowledge that both built and unbuilt units have two bedrooms and a construction design that permits Plaintiffs to sell each unit as two separate spaces by a lock out door that cuts the unit into two. Notwithstanding this lock out design, the parties agree that each of the 320 Willowbrook units are one EDU.

13. Defendant shall issue regular quarterly billing in the regular billing cycle as maintained and utilized by the Defendant Township to Vacation Charters Ltd., with billing detailed on five (5) separate bills separated as follows:

a. Westwood Condominium Association, Inc.(90 EDU);

b. Willowbrook at Lake Harmony (128 EDU);

c. The Galleria and the Water Park (145 EDU);

d. Split Rock Country Club, Inc. (for the Clubhouse and the Cart Barn) (14 EDU);

e. All the remaining uses of the Plaintiffs (53 EDU).

The parties agree that such billing shall be at the quarterly rate for billing as established from time to time by the Board of Supervisors of the Township Kidder or its successor. Any future EDUs added to the system by the Plaintiffs shall be billed at the then existing quarterly user rate as established by the Defendant or its successor. In the event that Defendant issues a new or revised user fee ordinance in the future, or in the event that any successor to Defendant seeks or establishes a rate change on user fees, Plaintiffs retain their right to challenge any new user fee ordinance, resolution or rate change in accordance with Pennsylvania law relating to the rights of users to challenge revised user fees or rate changes; however, Plaintiffs shall not have the right to challenge the Defendant or its successor's right to charge Plaintiffs a user fee. Plaintiffs acknowledge that in the event they or any of them challenge a new or revised user fee ordinance, they remain obliged to make all payments required under this Release and Settlement Agreement and all then-existing user fees pending the outcome of their challenge.

14. Commencing July 1, 2010 the rate for tapping fees for Plaintiffs' new connections for any additional EDU's shall be Two Thousand Dollars ($2,000.00) per EDU. This rate is agreed to in consideration of the ownership by Plaintiffs at their premises of certain improvements consisting of collection lines, pumping stations, laterals, force mains and transmission lines and the Plaintiffs' permitting the passage of sewerage through said improvements to the Defendant's sewer system. This tapping fee rate is and shall be based on a capacity part calculation only, and does not and shall not include other calculations or parts. The parties agree that the future tapping fees assessed to Plaintiff shall be subject to changes in the tapping fee as adopted from time to time by the Board

of Supervisors or their successors for tapping fees for connection to the Township sanitary sewer system. Any future changes in the tapping fee as calculated by the Engineer of the Defendant Township or its successor shall include a sub-calculation reflecting a capacity only charge for Plaintiff. Plaintiffs retain their right to challenge any future tapping fee rate, rate setting procedure, ordinance or resolution in accordance with Pennsylvania law regarding the rights of individuals and entities to challenge tapping fees. However, Plaintiffs shall not have the right to challenge the Defendant or its successor's right to charge Plaintiffs a tapping fee. Plaintiffs remain responsible for all construction required to construct lateral connections from any new or improved facility to the sewer system. Plaintiffs acknowledge that in the event they or any of them challenge a new or revised tapping fee ordinance, they remain obliged to make all payments required under this Release and Settlement Agreement and all then-existing tapping fees pending the outcome of their challenge.

15. At the 2011 Organizational Meeting of the Board of Supervisors of the Defendant, the Defendant will establish a Sanitary Sewer Committee which shall advise the Board of Supervisors on matters related to the maintenance and operation of the Sewer Plant and Sewer System. The Committee shall consist of a minimum of five (5) or maximum of seven (7) members at the sole discretion of the Board of Supervisors. In the event the Board of Supervisors elects a five (5) member Committee, Vacation Charters Ltd., or its successors shall have the right but not the obligation to name a maximum of two (2) members to the Committee; if a seven (7) member Committee is created by the Board of Supervisors, Vacation Charters Ltd., or its successors shall have the right but not the obligation to name a maximum of three (3) members. The Defendant anticipates an

adoption of an Ordinance substantially in the form that is attached hereto and marked as Exhibit "A".

16. In the event that the Defendant Township has not substantially initiated required statutory or other regulatory procedures necessary to effect the sale, transfer or conveyance of the Sewer Plant and Sewer System currently maintained by the Defendant by June 30, 2014, the Board of Supervisors of the Defendant shall initiate procedures required by statute or regulation to establish a Sewer Authority. The intent of establishment of said Sewer Authority shall be to accept transfer of assets, obligations, operations and maintenance of the Sewer Plant and the Sewer System from the Township to the Authority. The obligation of Defendant herein is subject to existing laws, statutes, regulations as well as any limitations or restrictions as existing or may be imposed by any borrowing entity holding outstanding indebtedness from the Township by reason of the maintenance and operation of the Sewer Plant or the Sewer System.

17. The parties previously entered into an Asset Purchase Agreement with respect to the sale of the Sewer Plant and other improvements to the Defendant, certain provisions of which survived the sale of the Sewer Plant. This Release and Settlement Agreement supersedes all Asset Purchase Agreements entered into by the parties at any time and the parties agree that all such previously executed Asset Purchase Agreements are now null and void.

18. The parties acknowledge that through the Asset Purchase Agreements, the Defendant purchased from the Plaintiffs and owns:

    a. Land, buildings and improvements situate at adjacent to I-80 and Split Rock Golf Course in the Township of Kidder, Carbon County,

Pennsylvania consisting of 6.41 acres more or less, conveyed in the Deed dated April 30, 2002, recorded in the Office of the Recorder of Deeds in and for the County of Carbon, at Book 1019 Page 442.

b. Fixtures, tangible personal property and equipment as existing on the aforesaid site as of April 30, 2002;

c. Certain Inventory listed below, as previously set out in Exhibit B to the Asset Purchase Agreements:

Physical Inventory of Summit Management and Utilities

Tankage	One – bar screen and 12 inch comminutor
	One – 38,500 gallon scum retention / distribution tank
	Two – 75,000 gallon SBR's
	One – 75,000 gallon sludge holding tank
	One – 75,000 gallon decant equalization tank
	One – 600,000 gallon gpd chemical treatment unit
	One – 600,000 gallon gpd ABW sand filter
	One – 22,130 gallon chlorine contact tank
Compressors	Three – Roots 76 U-RAI 20 hp
	Two – Roots 68 U-RAI 20 hp
	Two – Roots 47 U-RAI 15 hp
	Two – Roots 45 U-RAI 7 hp
	Four – Roots 33 U-RAI 5 hp
Emergency Power	One – Kohler 200KW diesel generator
	One – 800 amp automatic switchgear
Chemical Feed Equipment	Two – 400 gallon day tanks
	Two – W-T44-747 Metering pumps
	Two – W-T two cylinder scales for 150 lb cylinders
	Two – WT V75VA5 v-notch cholrinators

	One – Eagle electronic scale for two one ton cylinders
	One – Spanco 2 ton rolling gantry with one ton cylinder lifting bar
Flow Metering	One - EIT model 7960 ultrasonic flow meter with 7 day recording chart

d. Certain right-of-ways for sewer transmission lines as more particularly described in the Deed dated April 30, 2002, recorded in the Office of the Recorder of Deeds in and for the County of Carbon at Book 1019 Page 443, and in the General Grant of Easement dated June 20, 2002, recorded in the Office of the Recorder of Deeds in and for the County of Carbon at Book 1063 Page 327.

e. Certain transmission lines of existing customers, a list of such transmission lines and existing customers being previously identified as Exhibit "D" to the Asset Purchase Agreement, a copy of which is attached hereto as Exhibit B to this Release and Settlement Agreement.

19. Subject to the rights granted Defendant in the Deed of Easement and General Grant of Easement identified above, the Plaintiffs retain ownership of all collection lines, pumps, pumping stations, laterals and transmission lines located at the premises owned by the Plaintiffs not conveyed to Defendants, including but not limited to the small pumping station and force main servicing Split Rock Lodge.

20. As was previously provided in the Asset Purchase Agreements, and according to the terms set out below, in the event the Plaintiffs wish to continue to utilize effluent for

spray irrigation during the months of May through October of any year, Defendant and its successors and or assigns remain obligated to make available to Plaintiffs treated effluent at the sewer plant. Any pumping required will be at the sole expense of Plaintiffs. Any operating expenses related to pumping will be paid by the Plaintiffs; however, Plaintiffs shall obtain and bear the cost related to obtaining any permits required for such use. All sewage effluent shall be treated to standards required by the Pennsylvania DEP permit and will be made available by Defendant for spray irrigation of the golf courses owned by Vacation Charters, Ltd., or Split Rock Country Club, Inc., and their subsidiaries or any other successors or assigns during the period of time identified above. Any and all additional costs attributable to Plaintiffs' request for treated sewage effluent to be made available by Defendant for spray irrigation for the aforesaid golf courses (e.g., legal, engineering, etc.) shall be paid by Plaintiffs and/or the owners of the golf courses. These costs shall not include costs associated with the distribution of sewage effluent not attributable to spray irrigation of the golf courses.

21. Until April 30, 2012, Defendant and its successors and or assigns shall reserve capacity for Plaintiffs, their successors, subsidiaries or assigns, at the sewage treatment facility as follows:

a. 53 EDUs to Summit Management and Utilities, Inc., and its related companies or their subsidiaries or assigns;

b. One EDU per lot for any lots remaining of the 90 lots at Split Rock Golf Course;

c. 192 EDUs for the remaining Willowbrook Condominium development.

Any reserve capacity not utilized by April 30, 2012, shall no longer be made available

without additional charge or maintained without additional charge and the Defendant or said assignee shall have no further obligation to maintain further reserves for the Plaintiffs or its subsidiaries or related companies.

22. Plaintiffs will pay for any new lateral attachment to existing lines or extensions of existing lines that may be necessary to serve any new development.

23. Plaintiffs' entities hereby represent that they have taken appropriate corporate action to endorse, enter into and be bound by the terms, conditions and provisions of this Release and Settlement Agreement and that the undersigned are fully authorized by the Plaintiffs entities to endorse and execute this Release and Settlement Agreement on behalf of all Plaintiffs herein.

24. Defendant, Township of Kidder, has duly adopted and ratified the terms and conditions of this Release and Settlement Agreement at a regular meeting of the Board of Supervisors of the Township of Kidder held on the 18th day of November, 2010 by a Vote of

5 Yes 0 No 0 Abstained 0 Absent.

CAUTION

READ BEFORE SIGNING THIS IS A RELEASE OF YOUR CLAIMS

Vacation Charters, Ltd.

By: Louis N. DelRossi Pres

Attest: Jacqueline Beigg, Sec.

Split Rock Country Club, Inc.

By: [signature] Pres.

Attest: [signature], Sec.

Summit Management & Utilities, Inc.

By: [signature] Pres.

Attest: [signature], Sec.

Township of Kidder

By: Larry Polansky

Chairman

Attest:

Secretary

Exhibit "A"

ORDINANCE NO.: _____

AN ORDINANCE ADOPTED BY THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF KIDDER ESTABLISHING A SANITARY SEWER ADVISORY COMMITTEE AND ALL DETAILS RELATED THERETO

Section 1. Establishment

A Sanitary Sewer Advisory Committee is hereby established by the Township of Kidder, Carbon County, Pennsylvania.

Section 2. Purpose

The purpose of the Sanitary Sewer Advisory Committee shall be to advise the Board of Supervisors on matters related to and dealing with the operation and maintenance of the Sewer Plant and Sanitary Sewer System currently maintained by the Board of Supervisors of the Township of Kidder.

Section 3. Membership

A. The Sanitary Sewer Advisory Committee shall be composed of five (5) members of the Township of Kidder who shall be appointed by the Board of Supervisors. It is acknowledged that two (2) members of the Committee may be appointed by Vacation Charters Ltd. or its successors. In the event that the said Vacation Charters Ltd. or its successors do not provide written notification of its nominees within thirty (30) days of adoption of this Ordinance or vacancies of such positions hereunder the Board of Supervisors may fill those positions with appointees of their choosing. The remaining three (3) members shall be appointed by the Board of Supervisors.

B. The Board of Supervisors shall fill all vacancies subject to the preceding paragraph.

Section 4. Terms of Office

A. Members of the Sanitary Sewer Advisory Committee (henceforth Committee) shall serve for a term of four (4) years except the initial appointment shall be so staggered that approximately one-fourth (1/4) of the membership shall expire each year and the terms of their successor shall be four years each.

B. Membership of two (2) members shall expire December 31, 2011; one (1) member shall expire December 31, 2012; one (1) member shall expire December 31, 2013 and one (1) member shall expire on December 31, 2014.

C. Members may resign at any time with written notice to the Board of Supervisors. Members whose terms will expire may request reappointment by written request to the Board of

Supervisors at least one month prior to the expiration of their term.

D. Members may be removed by the Board of Supervisors, with or without the recommendation of a majority of the other members, for malfeasance or neglect in the performance of their duties. Failure to attend either three (3) consecutive regularly scheduled meetings or four (4) regularly scheduled meetings during a twelve-month period shall constitute neglect.

E. The Board of Supervisors, subject to Section 3 (A) of this Ordinance, shall appoint successors for members who resign or are removed to serve for the remainder of the term of the member or members.

Section 5. Compensation

Members of the Committee shall receive no compensation for their services, but they may be reimbursed for expenses actually and necessarily incurred by them in the performance of their duties, provided that the expenses have the prior approval of the Board of Supervisors.

Section 6. Powers of the Committee

The Sanitary Sewer Advisory Committee shall have the following powers:

A. To identify potential problems or difficulties and recommend plans and programs to the Board of Supervisors for the operation and maintenance of the Sewer Plant and Sanitary Sewer

System.

B. To make recommendations to the Board of Supervisors of the Township of Kidder.

C. To perform any other duties assigned to it by the Board of Supervisors but not to exercise any powers or perform any duties which by law are conferred or imposed upon a state agency or the Township entity itself.

Section 7. Organization and Meetings

A. The Chairman of the Committee shall be appointed annually by the Board of Supervisors; the Committee may select its own Vice Chair and Secretary.

B. The Committee shall meet at least quarterly and at other times as directed by the Board of Supervisors. Said meetings shall be advertised and open to the public.

C. The Committee shall keep written records of its meetings and activities and shall make an annual report to the Board of Supervisors which shall be made known and available to the public.

Section 8. Appropriations

The Board of Supervisors may appropriate funds for the expenses incurred by the Committee in accordance with an annual budget. Appropriations may be expended for such administrative, clerical, and printing as may from time to time be required and approved by the Board of Supervisors and shall be within the limits of the annual budget.

Section 9. Effective Date

The effective date of this Ordinance shall be the date of adoption as set out herein.

Duly adopted by the Board of Supervisors of the Township of Kidder, County of Carbon and Commonwealth of Pennsylvania at the reorganization meeting of the Board of Supervisors held the _____ day of January, 2011 by a Vote of:

_____ Yes _____ No _____ Abstained _____ Absent.

Kidder Township

Board of Supervisors

By: _____

Attest:

_____

Secretary

Schedule of Property Owners
Village Greens, Split Rock
Sections F & G

Property Number	Owner-1	Mailing Address	City	State	ZIP
F-003 -01	RICHARD K FINKBINER	P.O. BOX 82	LAKE HARMONY	PA	18624
F-004 -01	MR EDGAR PUTMAN/FAWKES	BOX 7014	NEW HOPE	PA	18938
F-005 -01	MR MARIO BASCIANI	8876 GAPNEWPORT PK	AVONDALE	PA	19311
F-006 -01	M/M THOMAS LEIGHTON	138 RELIANCE DRIVE	WILKES-BARRE	PA	18702
F-009 -01	MR EDGAR PUTMAN/FAWKES	BOX 7014	NEW HOPE	PA	18938
F-010 -01	CARL AND ARLENE GEIGER	C/O PRINCETON CONS. CO.	BRIELLE	NJ	08730
F-011 -01	M/M DONALD BENNER	BOX 697	LAKE HARMONY	PA	18624
F-012 -01	M/M STEVEN J McGARY	331 PATIO VILLAGE TERRACE	FORT LAUDERDALE	FL	33326
F-013 -01	M/M JOHN SCHOELLER	280 BIERY'S BRIDGE ROAD	BETHLEHEM	PA	18017
F-014 -01	M/M STEVEN J McGARY	331 PATIO VILLAGE TERRACE	FORT LAUDERDALE	FL	33326
F-015 -01	CARL GEIGER	P.O. BOX 685	BRIELLE	NJ	08730
F-016 -01	M/M JOHN A CARNOCHAN	P.O. BOX 717	LAKE HARMONY	PA	18624
F-017 -01	KATHLEEN BENYO	6020 6TH STREET	WEATHERLY	PA	18255
F-018 -01	M/M RONALD B. AVRICH	1245 GRENOBLE ROAD	IVYLAND	PA	18974
F-019 -01	M/M WILLIAM M. ANDERSON	3225 PAULINE DR.	CHEVY CHASE	MD.	20815
F-020 -01	MR ROBERT McKEE	1106 ASHRIDGE CT	AMBLER	PA	19002
F-021 -01	M/M WILLIAM KERNS	PO BOX 322	HARVARD	MA	14510
F-022 -01	MICHAEL WIEDER	P.O. BOX 485	REVERE	PA	18953
F-023 -01	MICHAEL WIEDER	PO BOX 485	REVERE	PA	18953
F-024 -01	JOHN D HURLEY SR	1074 BEECH HOLLOW RD	AMBLER	PA	19002
F-025 -01	M/M RICHARD R KITCHIN JR	623 NIBLICK LANE	WALLINGFORD	PA	19086
F-026 -01	MR JOHN W LUTZ	5537 LORETTO AVENUE	PHILADELPHIA	PA	19124
F-027 -01	M/M HERBERT E. KITTNER	104 HALF MOON CIRCLE	LANTANA	FL	33462
F-028 -01	MR JAMES F ZISA	101 MARILYN PLACE	CLIFTON	NJ	70113
F-029 -01	M/M W. DAVID CAREW	P.O. BOX 355	LAKE HARMONY	PA	18624
F-030 -01	JOHN J DUKE	PO BOX 523	LAKE HARMONY	PA	18624
F-031 -01	DAVID A. LONDON	PO BOX 502	LAKE HARMONY	PA	18624
F-032 -01	DAVID A. LONDON	P.O. BOX 502	LAKE HARMONY	PA	18624
F-033 -01	M/M BRIAN ZAVITSKY	186 APPLEGATE DRIVE	WEST CHESTER	PA	19382
F-034 -01	GREGORY & ANN BARD	2520 OCEAN AVENUE	BROOKLYN	NY	11229
F-035 -01	CHARLES S MCALEER	4 LANTERN LANE	WILMINGTON	DE	19810
F-036 -01	M/M JAMES H. DAVIS	P. O. BOX 706	LAKE HARMONY	PA.	18624
F-037 -01	WILLIAM R WALSH	138 FORSYTHIA DRIVE S	LEVITTOWN	PA	19056
F-038 -01	TRACEY A GORYEB	P.O. BOX 715	LAKE HARMONY	PA	18624
F-039 -01	ANTHONY D'AGOSTINO	1155 LANCASTER AVENUE	BERWYN	PA	19312
F-040 -01	MR EDGAR PUTMAN/FAWKES	3472 INDIAN SPRING RD	DOYLESTOWN	PA	18901
F-043 -01	JEFFREY LONG	1 ASA STREET	MONTVILLE	NJ	07045
F-044 -01	MS PATRICIA J WURSTER	82 EMERALD AVENUE	WESTMONT	NJ	08108
F-045 -01	M/M/ THOMAS TUMMINELLO	PO BOX 750	LAKE HARMONY	PA	18624
F-047 -01	WILLIAM R. WALSH	138 FORSYTHIA DRIVE SOUTH	LEVITTOWN	PA	19056
F-048 -01	M/M ANTON J. LEPPLER	P.O. BOX 302	ALBRIGHTSVILLE	PA.	18210
F-049 -01	LAWRENCE C PETERSON	PO BOX 772	LAKE HARMONY	PA	18624
F-050 -01	MATTHEW GOLDBERG	612 VALE DRIVE	MORGANVILLE	NJ	7751
F-051 -01	JOSEPH MAIORANO	11 EAST MACON AVENUE	STATEN ISLAND	NY	10308
F-052 -01	JAMES J BOYLE	PO BOX 14	LAKE HARMONY	PA	18624
F-053 -01	DARREN K. INDYKE	301 EAST 66TH STREET	NEW YORK	NY	10021
F-054 -01	KENNETH ANDERSON	567 BERNITA DRIVE	RIVER VALE	NJ	07675
F-055 -01	VICTOR E PAUL	PO BOX 729	LAKE HARMONY	PA	18624
F-056 -01	JOSEPH G BANYAS	BOX 655	LAKE HARMONY	PA	18624

Schedule of Property Owners
Village Greens, Split Rock
Sections F & G

Property Number	Owner-1	Mailing Address	City	State	ZIP
F-057 -01	LEON KOPEC	229 BITTERSWEET DR.	HERSHEY	PA	17033
F-058 -01	PATRICIA NATAFALUSY	PO BOX 775	LAKE HARMONY	PA	18624
F-059 -01	JOHN F. LAGO	P.O. BOX 764	LAKE HARMONY	PA	18624
F-060 -01	KEVIN DRAGAN	155 WASHINGTON ST.	JERSEY CITY	NJ	07302
F-061 -01	M/M DANIEL MCDONALD	497 GOLDEN GATE DRIVE	RICHBORO	PA	18954
F-062 -01	M/M RUDY T. LEE	3 DREW CIRCLE	NEWTOWN SQUARE	PA	19073
F-063 -01	FRANK JACKSON	PO BOX 246	LAKE HARMONY	PA	18624
F-064 -01	ROBERT A. LENGLE	3105 JOCKEY HOLLOW DRIVE	TOMS RIVER	NJ	08755
F-065 -01	MR/MRS BRADLEY GRISSINGER	535 RANKING AVENUE	ERIE	PA	16511
F-066 -01	WILLIAM J FASCHING	1725 33RD STREET, SW	ALLENTOWN	PA	18103
F-067 -01	MR/MRS NALLY	PO BOX 205	LAKE HARMONY	PA	18624
F-068 -01	JOSEPH MCALEER	812 LAUREN LANE	HATFIELD	PA	19440
F-069 -01	M/M CARL GEIGER	P.O. BOX 685	BRIELLE	NJ	87300
F-070 -01	M/M THOMAS L MOSTELLER	1872 RAMPART LANE	LANSDALE	PA	19446
F-071 -01	FRANK F SQUINDO	233 ADELINE AVE	S PLAINFIELD	NJ	07080
F-072 -01	ROMERO DAGOSTINO, TRUSTEE	40 PINESIDE DRIVE	PERKASIE	PA	18944
G-001 -01	BARBARA J. KALINS	PO BOX 700	LAKE HARMONY	PA	18624
G-002 -01	BARBARA J. KALINS	PO BOX 700	LAKE HARMONY	PA	18624
G-006 -01	MICHELLE FAMILY PARTNERS	14 AARON AVENUE	HOWELL	NJ	07731
G-008 -01	M/M LEONARD A. KRAUS	104 GEORGETOWN ROAD	TURNERSVILLE	NJ	08012
G-009 -01	M/M MATTHEW DEMBINSKI	PO BOX 814	POCONO PINES	PA	18350
G-010 -01	M/M BRUCE D. RETTEW	840 NORTH MAPLE STREET	EPHRATA	PA	17522
G-014 -01	M/M RUDY T. LEE	3 DRAW CIRCLE	NEWTOWN SQUARE	PA	19073
G-023 -01	M/M JEFF LUTZ	PO BOX 375	LAKE HARMONY	PA	18624

Note A: Section F lots 1,2,7,8 and 46 are part of golf course.
Nore B: Section F lots 40,41 and 42 have been combined into Lot 40.

SUMMIT MANAGEMENT AND UTILITIES, INC.

P.O. BOX 592
LAKE HARMONY, PA 18624
(717) 722-9111
FAX (717) 722-8608

Sewer Connections For Vacation Charters

3- Duplex Cottages on Lodge Hill Drive (6 units)
4- Moseywood Villas (8 units)
Ski Area building
Forest Inn
The Lodge
Galleria
Golf Maintenance Building
Golf Pro Shop
Maintenance Building
Upholstery Shop
Westwood Sales Building
Westwood Sales Annex
Laundry

Not sure

Check on
Lot E-1
Guest Services
Westwood
Separate from Westwood Sales Bldg
Scott Scidel
Golf Corp
PHMC Report

Schedule 6.2
Exceptions to Sellers Representations and Warranties

Schedule 6.3
Exceptions to Seller's Environmental Representations and Warranties

Attachment 1
Treatment Facility Plans
(SEE Attachment 4)

Attachment 2
Map of Lake Harmony Sanitary Sewer System
(SEE Attachment 5)

Attachment 3

Plan of Land, buildings and improvements situate at and adjacent to I-80 and Split Rock Golf Course in the Township of Kidder, Carbon County, Pennsylvania consisting of 6.4 acres more or less

(SEE Attachment 5)

Attachment 4
Treatment Facility Plans (4 pages)

SOIL EROSION AND SEDIMENTATION CONTROL NOTES

SOILS LEGEND

"AS-BUILTS"

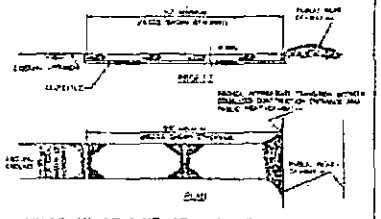
RECORD DRAWING

AS-BUILTS PROVIDED BY:
M.F. RONCA & SONS, INC.
175 MIKRON ROAD
BETHLEHEM, PA. 18020
PHONE: (610) 759-5100
FAX: (610) 746-0974

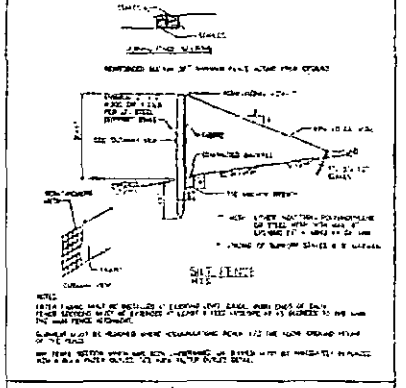
BCM Engineers Inc.

KIDDER TOWNSHIP
CARBON COUNTY, PENNSYLVANIA
SANITARY SEWERS

SOIL EROSION AND SEDIMENTATION CONTROL NOTES



STABILIZED CONSTRUCTION ENTRANCE



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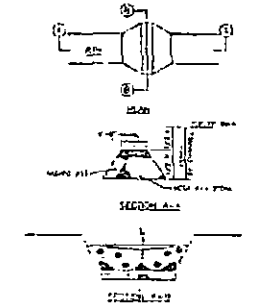
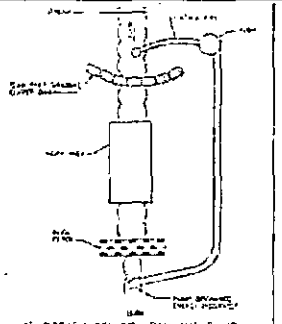
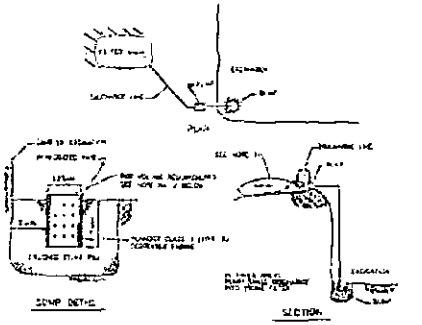


INLET FILTER



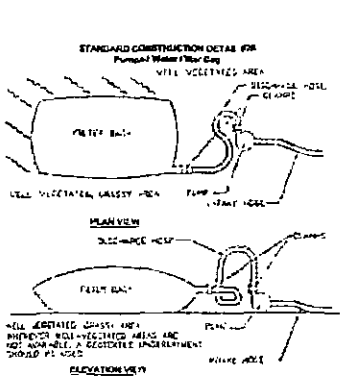
TEMPORARY COFFER DAM AND PUMP SYSTEM FOR CHANNEL BYPASS



PUMP DETAIL

SECTION

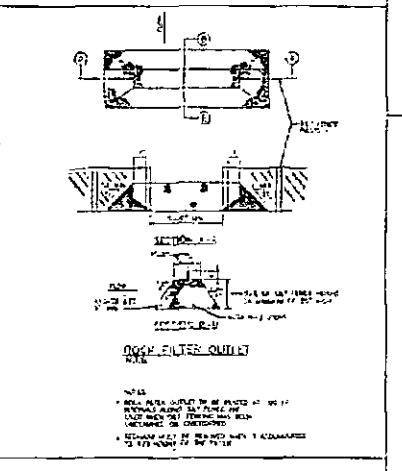
PUMPED WATER DETAIL



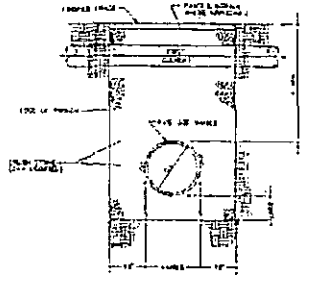
STANDARD CONSTRUCTION DETAIL FOR Pumped Water Filter Bag

PLAN VIEW

ELEVATION VIEW

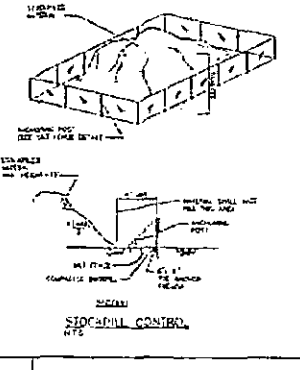


ROCK FILTER OUTLET

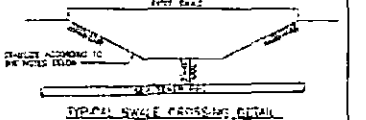


TRENCH BEDDING AND BACKFILL REQUIREMENTS AT CULVERT CROSSINGS

NOTES:



SEDIMENT CONTROL



TYPICAL SWALE CROSSING DETAIL

NOTES:

RECORD DRAWING

"AS-BUILTS"

AS-BUILTS PROVIDED BY:
M.F. RONCA & SONS, INC.
179 MIKRON ROAD
BETHLEHEM, PA. 18020
PHONE: (610) 759-5100
FAX: (610) 746-0974

NO	REVISIONS	BY	CHKD	DATE	ISSUED FOR
				8/4/05	DEC
				11/15/05	AGENCY REVIEW
				12/14/05	AGENCY REVIEW

BCM Engineers Inc.

820 Sentennial Ave Ste Plymouth Meeting Plymouth Meeting, PA 19462

DESIGN DATE	MAR	APPROVED	
DRAWN BY	PJ		
PROJECT ENGR	MAR	APPROVED	
PROJECT MGR	MAR		
CHECKED BY		DATE 2/28/06	

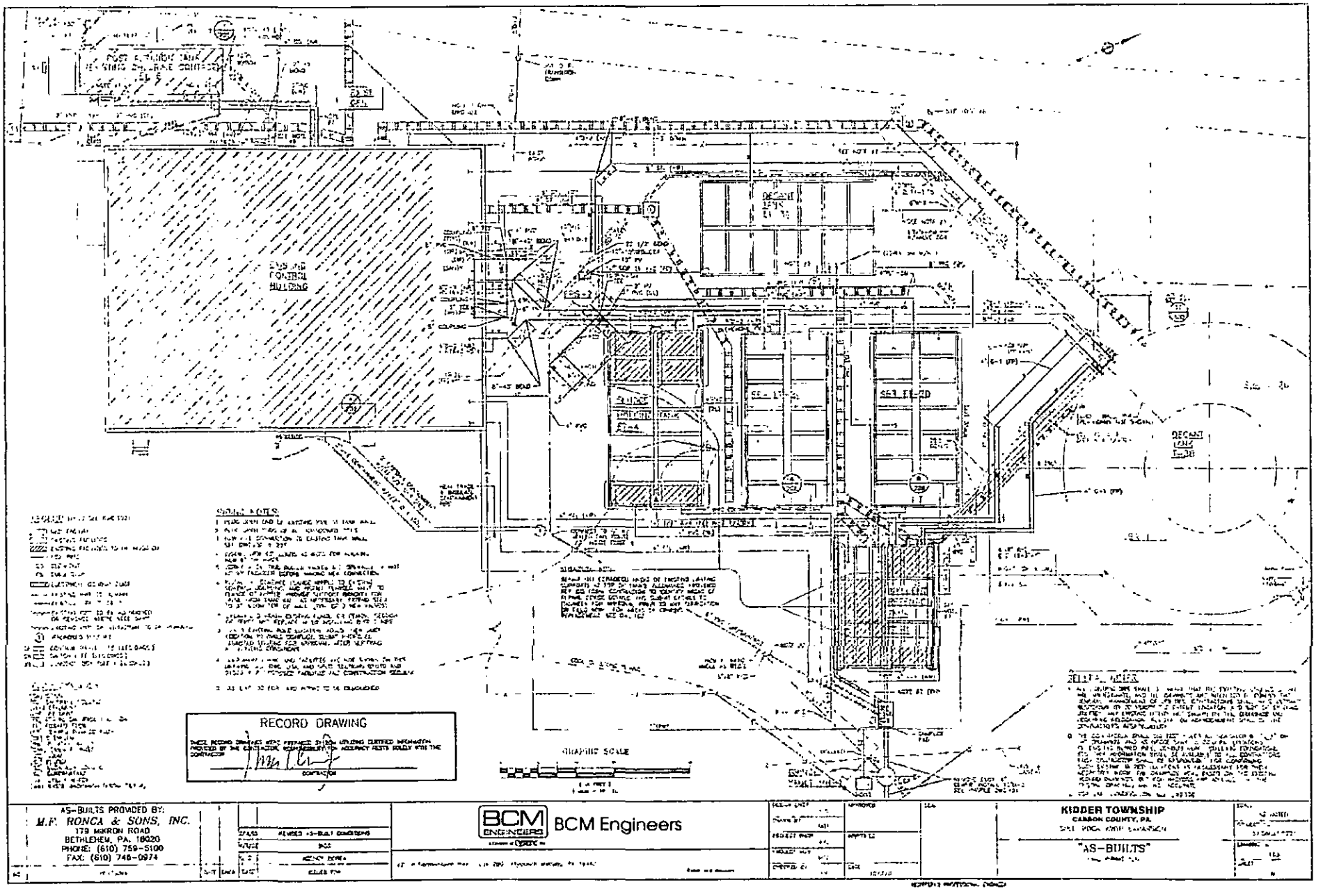
SEAL

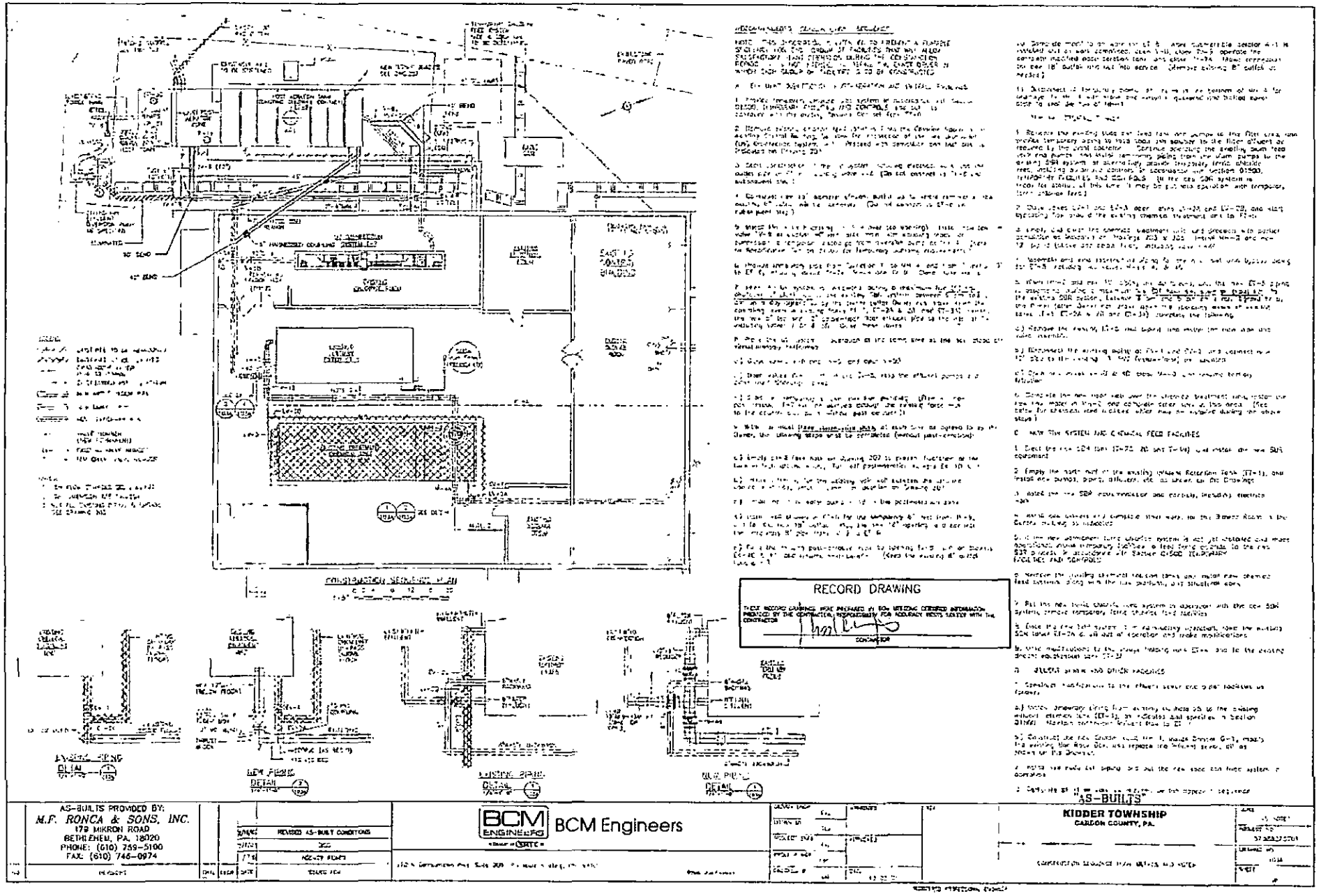
KIDDER TOWNSHIP
CARBON COUNTY, PA
SANITARY SEWERS

SOIL EROSION AND SEDIMENTATION CONTROL DETAILS

SCALE	AS NOTED
PROJECT NO	57.50627.030
DRAWING NO	501
SHEET	

REGISTERED PROFESSIONAL ENGINEER


RECORD DRAWING
GRAPHIC SCALE
AS-BUILTS PROVIDED BY:
M.F. RONCA & SONS, INC.
179 McKRON ROAD
BETHLEHEM, PA. 18020
PHONE: (610) 759-5100
FAX: (610) 746-0974
BCM Engineers
KIDDER TOWNSHIP
CARBON COUNTY, PA.
"AS-BUILTS"



RECORD DRAWING

THESE RECORD DRAWINGS WERE PREPARED BY BCM MEDIUM CERTIFIED INFORMATION PROVIDED BY THE CONTRACTOR(S) RESPONSIBLE FOR ACCURACY RESTS SOLELY WITH THE CONTRACTOR

CONTRACTOR

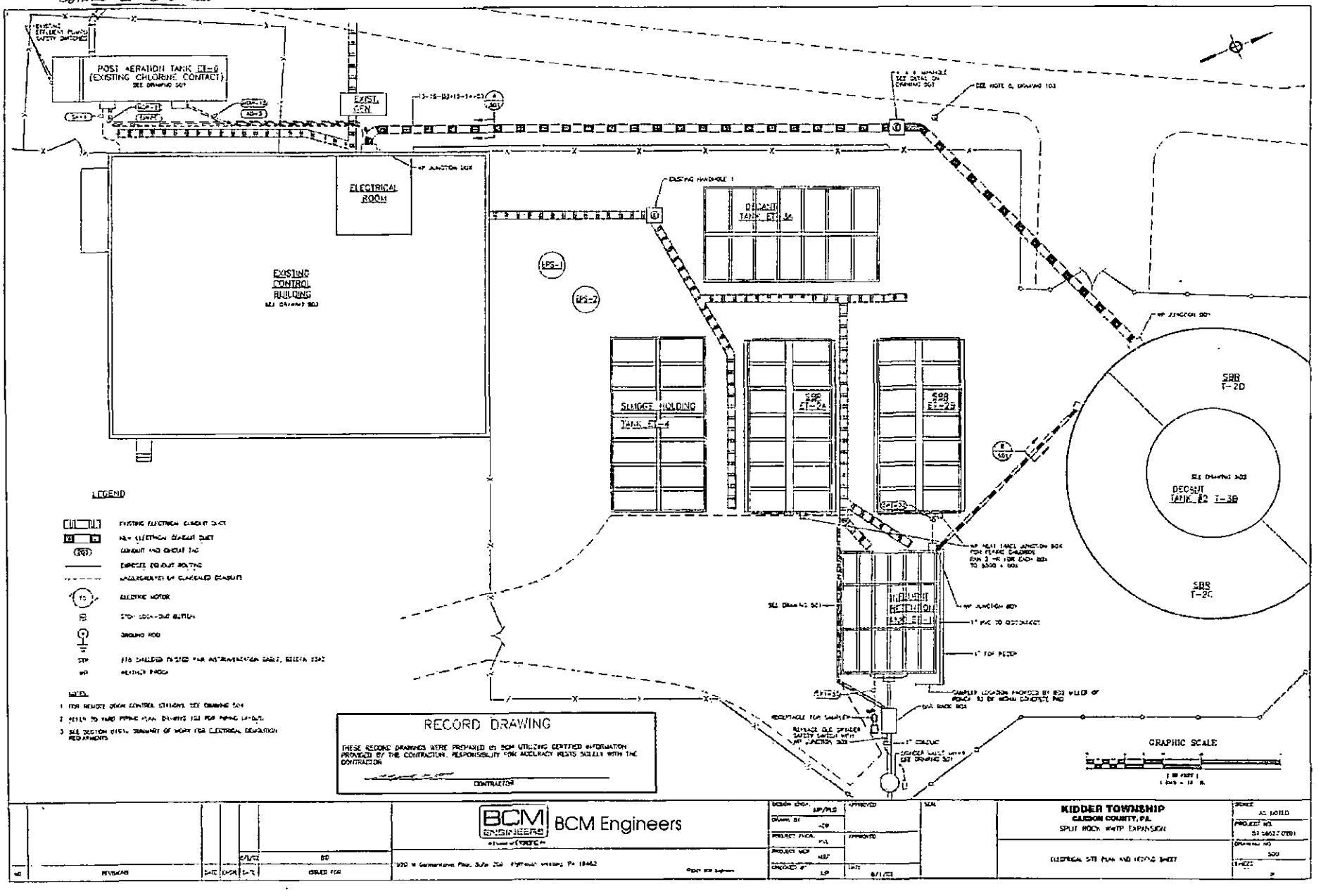
AS-BUILTS

AS-BUILTS PROVIDED BY:
M.F. RONCA & SONS, INC.
179 MIKRON ROAD
BETHLEHEM, PA. 18020
PHONE: (610) 759-5100
FAX: (610) 746-0974

BCM ENGINEERS BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.

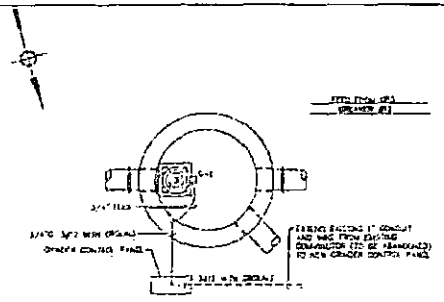
Contract 2 Electrical



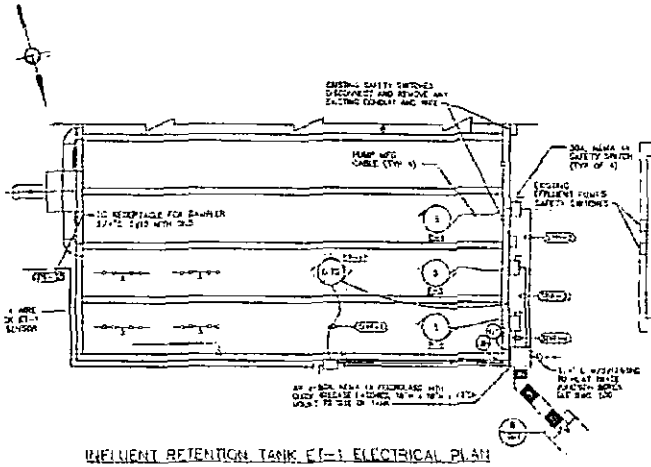
BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SPLIT ROCK WWTP EXPANSION

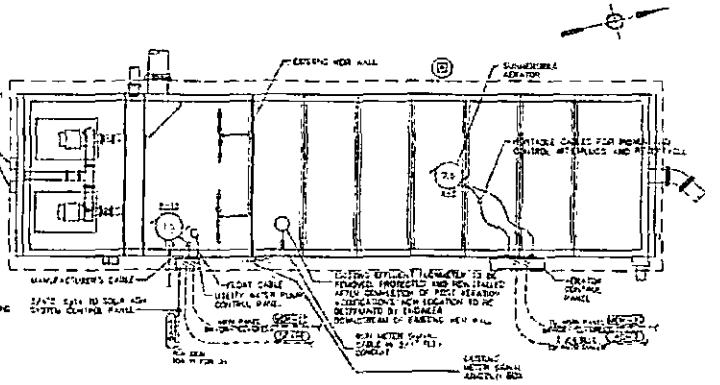
ELECTRICAL SITE PLAN AND LEGEND SHEET



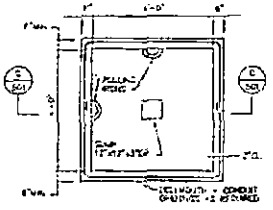
INFLUENT GRINDER VAULT MH-1 – PLAN



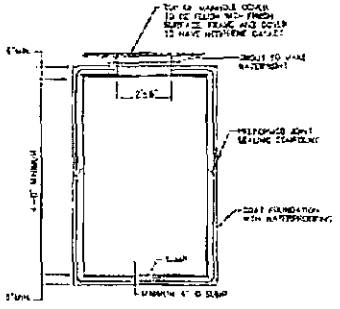
INFLUENT RETENTION TANK ET-1 ELECTRICAL PLAN



POST AERATION TANK ET-6 ELECTRICAL PLAN



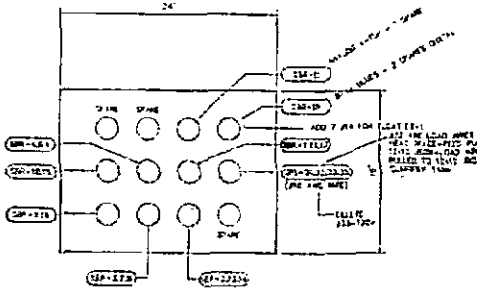
SECTIONAL PLAN



PRECAST HANDHOLE DETAIL

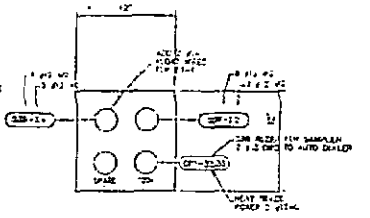
PRECAST HANDHOLE REQUIREMENTS:

1. PRODUCTS
   - A. MANUFACTURER: A.G. MELLER, INC., SANDIGET UTILITY VAULTS, INC., PENN-CAST PRODUCTS OR EQUAL.
   - B. MATERIALS: REINFORCED CONCRETE, 4000 PSI MIN. COMPRESSIVE STRENGTH.
   - C. LOADING: LIVE LOAD TO MEET AASHTO H20 OR H25 PER WHEEL.
   - D. STANDARDS: REINFORCING STEEL: ASTM A615 GRADE 60
   - E. WELDED FABRIC: ASTM A185
   - F. CONCRETE: ASTM C33
   - G. CEMENT: ASTM C150 TYPE I
   - H. CONSTRUCTION: PRECAST SECTIONS OF FLOOR SECTION, INTERMEDIATE SECTIONS IF REQUIRED, AND ROOF SECTION, WITH TONGUE AND GROOVE FIT JOINTS BETWEEN SECTIONS. FACTORY SEAL AT EACH JOINT.
   - I. DUCT ENTRANCES: MOLDED PLASTIC WITH INTEGRAL END BELL AND GASKET FOR DUCT TERMINATION.
   - J. WATERPROOFING: THREE (3) COATS OF APPROVED COMPOUND APPLIED TO ALL EXTERIOR FACES AND FACTORY SEAL AT JOINTS. COMPOUND SHALL BE SPRAY-SEAL 100 OR EQUAL AT LEAST 3 COATS SHALL BE APPLIED GIVING A TOTAL DRY FILM THICKNESS OF A MINIMUM OF 22 MILS.
   - K. MANHOLE COVER AND FRAME: EAST IRON, 30 INCH DIAMETER OPENING FOR HEAVY WEIGHT TRAFFIC, MARKED NON-SKID TOP SURFACE, 6 INCH HIGH FRAME, 4 INCH OPENING, SIZES FOR STANDARD MANHOLE COVER SHALL BE 33.750 AND 8.000 SIZES TO FRAME. FRAME SHALL BE 30.750 AND CENTERED OR CAULKED TO TOP OF MANHOLE.
2. INSTALLATION
   - A. SET BOTTOM SECTION OF MANHOLE ON FLAT BOTTOM EXCAVATION WHICH HAS BEEN LEVELED WITH 6 INCHES OF CRUSHED STONE. SET SUCCEEDING SECTIONS IN PLACE APPLYING APPROVED WATERTIGHT MASTIC IN EVERY BETWEEN SECTIONS. GROUT OUTSIDE OF JOINTS AND ALL SLEEVES THAT ENTER MANHOLE. APPLY TWO (2) COATS OF APPROVED WATERPROOF WASTE SEAL TO ENTIRE INSIDE.
   - B. PROVIDE AT LEAST THREE COURSES OF BRICK BETWEEN ROOF SECTION OF MANHOLE AND FRAME FOR MANHOLE COVER TO ALLOW FOR ADJUSTMENT OF GRADE IF NECESSARY. SET MANHOLE COVER & FRAME ABOVE SURROUNDING GRADE IN MEANS SHOWN IN AASHTO AND SLOPE FULL EXCAVATION 1 FOOT 33 GRADE. BRICK SHALL BE AS SPECIFIED IN SECTION 04400.
   - C. BACKFILL EXCAVATION TAKE CARE TO ACCOMMODATE THE OUTSIDE CONDITIONS OF MANHOLE AND/OR PIPE ENTRY.



DUCTBANK SECTION

3" PVC SCH40, 3" SEPARATION, 3" CONCRETE ENVELOPE. DUCT MINIMUM 24" BELOW FINISHED GRADE



DUCTBANK SECTION

1" PVC SCH40

RECORD DRAWING

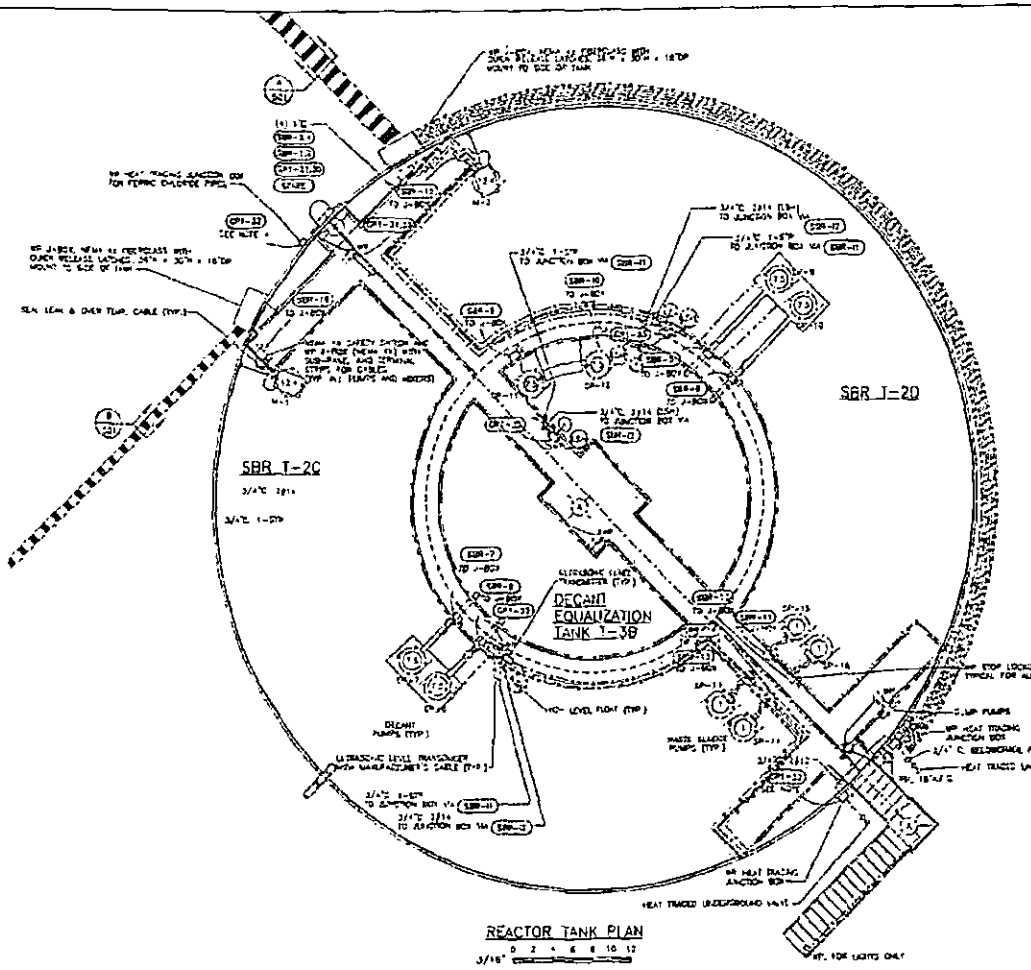
THESE RECORD DRAWINGS WERE PREPARED BY BCM UTILIZING CURRENT INFORMATION PROVIDED BY THE CONTRACTOR. RESPONSIBILITY FOR ACCURACY RESTS SOLELY WITH THE CONTRACTOR.

CONTRACTOR

BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SALT ROCK WWTP EXPANSION

INFLUENT GRINDER VAULT MH-1, INFLUENT RETENTION TANK ET-1 AND POST AERATION TANK ET-6 ELECTRICAL PLANS, SECTIONS AND DETAILS



CONDUIT DISTANCES - ACTUAL

1 — 1	26' 3/4" PVC COATED RGS
2 — 2	23' 3/4" PVC COATED RGS
3 — 3	78' 3/4" PVC COATED RGS
4 — 4	88' 3/4" PVC COATED RGS
5 — 5	118' 3/4" PVC COATED RGS
6 — 6	34' 3/4" PVC COATED RGS + 135' PVC
7 — 7	48' 3/4" PVC COATED RGS + 135' PVC
8 — 8	145' 3/4" PVC COATED RGS + 135' PVC
1 — 9	55' 3/4" PVC COATED RGS + 135' PVC
8 — 9	56' 3/4" PVC COATED RGS + 135' PVC
8 — 5	75' 3/4" PVC COATED RGS + 135' PVC
9 — 9	88' 3/4" PVC COATED RGS + 135' PVC
9 — 10	15' 3/4" PVC COATED RGS

NOTES:

1. ELECTRICAL CONTRACTOR TO COORDINATE WITH SBR MANUFACTURER EXACT LOCATION OF EQUIPMENT ON THE TANKS.
2. CONDUITS FOR T-2C TO BE KEPT SEPARATE FROM CONDUITS FOR T-2D EXCEPT INSTRUMENTATION WIRING CAN BE COMBINED FROM ALL 3 TANKS INTO ONE CONDUIT.
3. LIGHTING FIXTURE 'A' IS 100W HPS, 120V, MOUNTED ON 2" PVC COATED RIGID STEEL CONDUIT, 6" MCH. ALUMINUM MOUNTING HARDWARE, MANUFACTURER (MC-01005-254/SMC) OR EQUAL.
4. RUN ALL HEAT TRACE POWER CIRCUITS THROUGH HEAT TRACE THERMOSTAT LOCATED AT CONTROL BUILDING.

RECORD DRAWING

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CONTRACTOR

NO.	REVISIONS	DATE	APVD
1	ISSUED FOR BID	8/1/02	BD

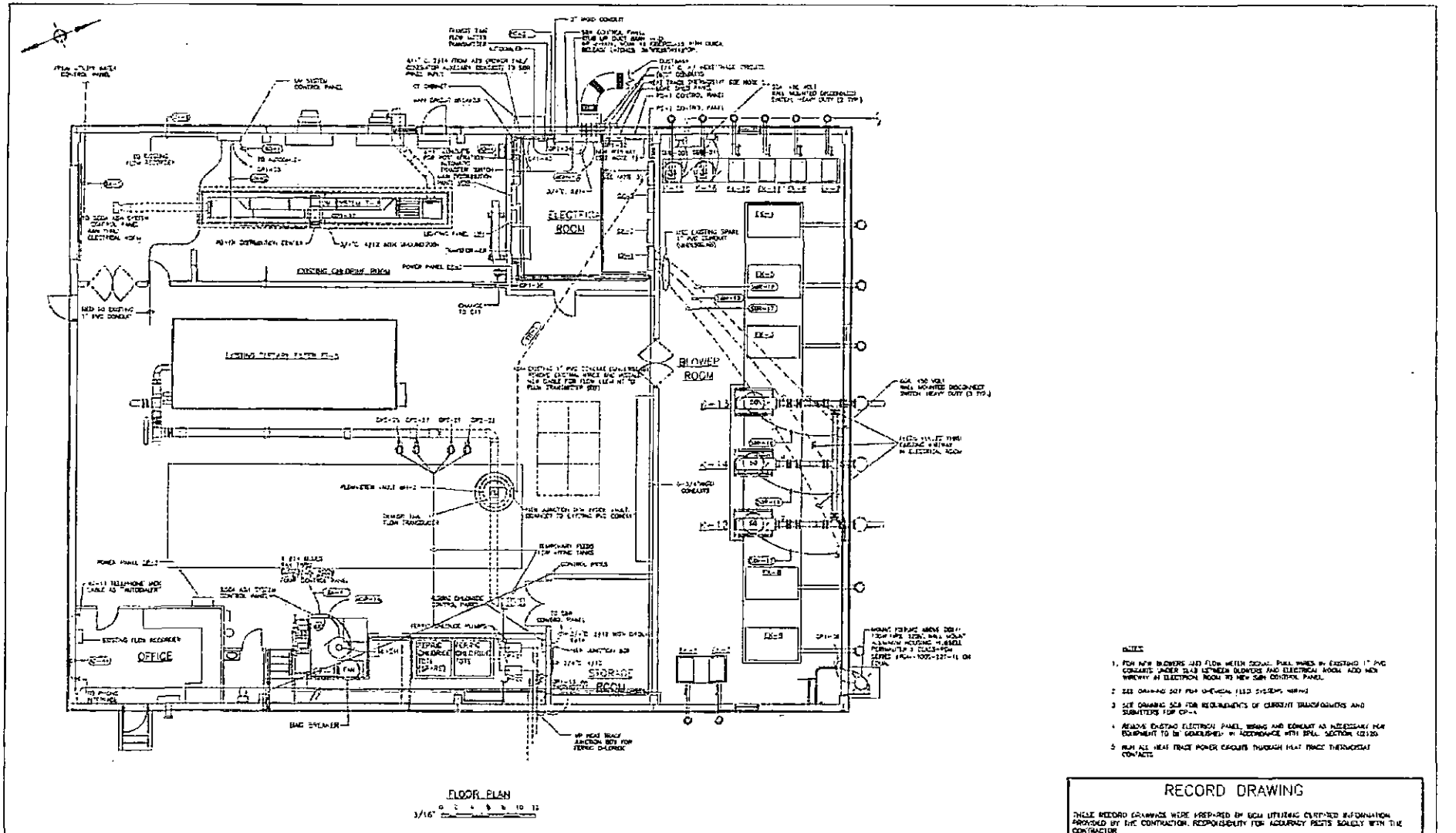
BCM ENGINEERS — BCM Engineers
200 Gordon Drive, Suite 200 Plymouth Meeting, PA 19462

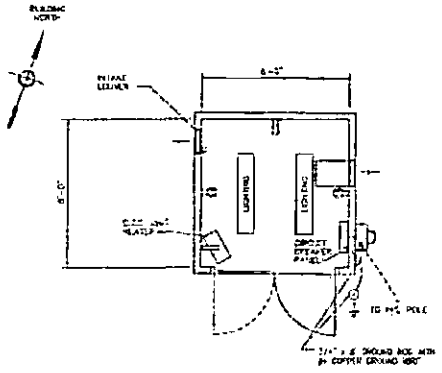
DESIGN CHK.	J.P./T.L.
DRAWN BY	K.D.R.
PROJECT ENGR.	K.V.L.
PROJECT MGR.	M.W.
CHECKED BY	J.J.P.
APPROVED	
APPROVED	
DATE	8/1/02

KIDDER TOWNSHIP
CARBON COUNTY, PENNSYLVANIA
SPS/7 KOCK WWTP EXPANSION

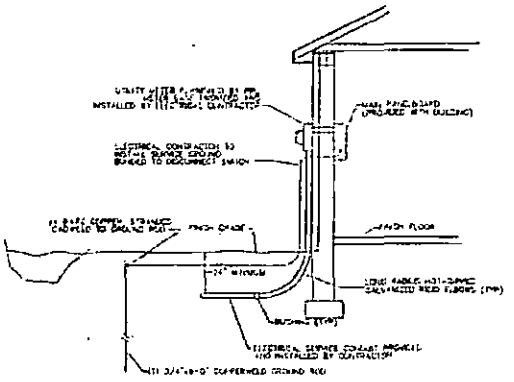
REACTOR TANK T-2C, T-2D AND T-3D
ELECTRICAL PLAN

SCALE	AS NOTED
PROJECT NO.	97.58823.0203
DRAWING NO.	502
SHEET	7

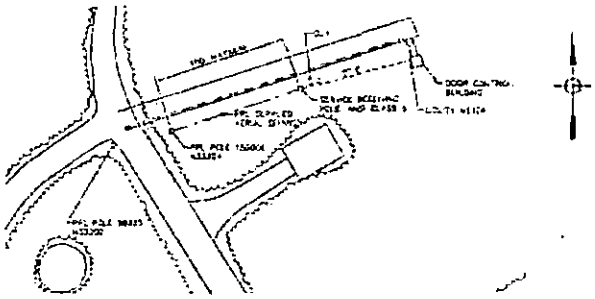

ELECTRICAL ROOM
BLOWER ROOM
OFFICE
STORAGE ROOM
EXISTING CHLORINE ROOM
EXISTING FILTRATION EQUIP. ROOM
EXISTING FLOW RECORDER
EXISTING CONTROL PANEL
EXISTING SPARE 1" PVC CONDUIT (ABANDONED)
EXISTING 1" PVC CONDUIT EXTENDED TO NEW FLOW TRANSDUCER (FIT)
FLOW TRANSDUCER
TELEPHONE JACK CABLE TO AUTODIALER
TELEPHONE JACK
EXISTING FLOW RECORDER
EXISTING CHLORINE CONTROL PANEL
CHLORINE SOLUTION PUMPS
CHLORINE SOLUTION TUBING
EXISTING CHLORINE SOLUTION TUBING
EXISTING CHLORINE SOLUTION TUBING
EXISTING



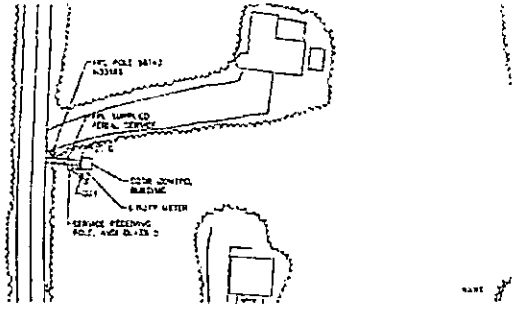
ODOR CONTROL BUILDING PLAN



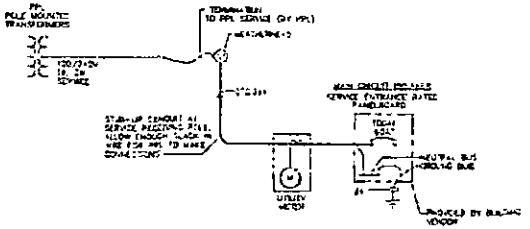
SERVICE AND GROUNDING DETAIL



SITE PLAN – STATION NO.1



SITE PLAN – STATION NO.2



ODOR CONTROL STATION SINGLE LINE DIAGRAM

RECORD DRAWING

THESE RECORD DRAWINGS WERE PREPARED BY BCM UTILIZING CERTIFIED INFORMATION PROVIDED BY THE CONTRACTOR. RESPONSIBILITY FOR ACCURACY RESTS SOLELY WITH THE CONTRACTOR.

CONTRACTOR

ELECTRICAL SERVICE NOTES

1. THE FOLLOWING NOTES PROVIDE GENERAL GUIDANCE ON THE CONTRACTORS SCOPE OF WORK IN THE ELECTRICAL SERVICE ENTRANCE, BUT DOES NOT LIMIT THE CONTRACTOR'S RESPONSIBILITY TO PROVIDE AND INSTALL ALL EQUIPMENT REQUIRED BY THE POWER UTILITY, REFER TO RULES FOR ELECTRICAL METER AND SERVICE INSTALLATIONS, PENNSYLVANIA POWER AND LIGHT CO.

2. CONTACT PPL AND PROVIDE THEM AN APPLICATION FOR 120/240 VOLT SINGLE PHASE SERVICE. PROVIDE PPL WITH SITE PLANS AND SINGLE LINE DIAGRAM. SEE DRAWING E04 FOR SITE PLAN AND LOCATION.

EXCAVATION AND BACKFILLING

1. PROVIDE ALL TRENCHING AND BACKFILLING. THE TRENCH IS TO MAINTAIN A MINIMUM 24" SEPARATION WITH THE WATER LINE. ELECTRIC LINES AND WATER LINE SHALL BE IN SEPARATE TRENCHES.

2. PROVIDE TRANSFORMER PAD AND EXCAVATION AND BACKFILLING.

3. PROVIDE 2" PVC SCHEDULE 40 ELECTRICAL GRADE CONDUIT AND WIRE FROM SERVICE RECEIVING POLE TO METER BASE. BURY CONDUIT A MINIMUM OF 24" BELOW FINISHED GRADE.

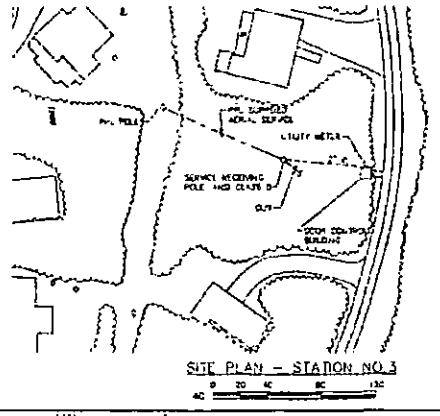
4. PROVIDE AND INSTALL UTILITY APPROVED METER BASE.

5. PROVIDE WEATHERHEAD ON SERVICE RECEIVING POLE AND A GUY ATTACHMENT AS REQUIRED.

POWER COMPANY INTERCONNECTION

1. PROVIDE AND INSTALL SERVICE LATERAL CONDUCTORS FROM TRANSFORMER SECONDARIES TO SERVICE RECEIVING POLE.

2. PROVIDE AND INSTALL METER.



SITE PLAN – STATION NO.3

NO	REVISIONS	DATE	BY	APP'D	ISSUED FOR
			BAR		BDS

BCM ENGINEERS — BCM Engineers

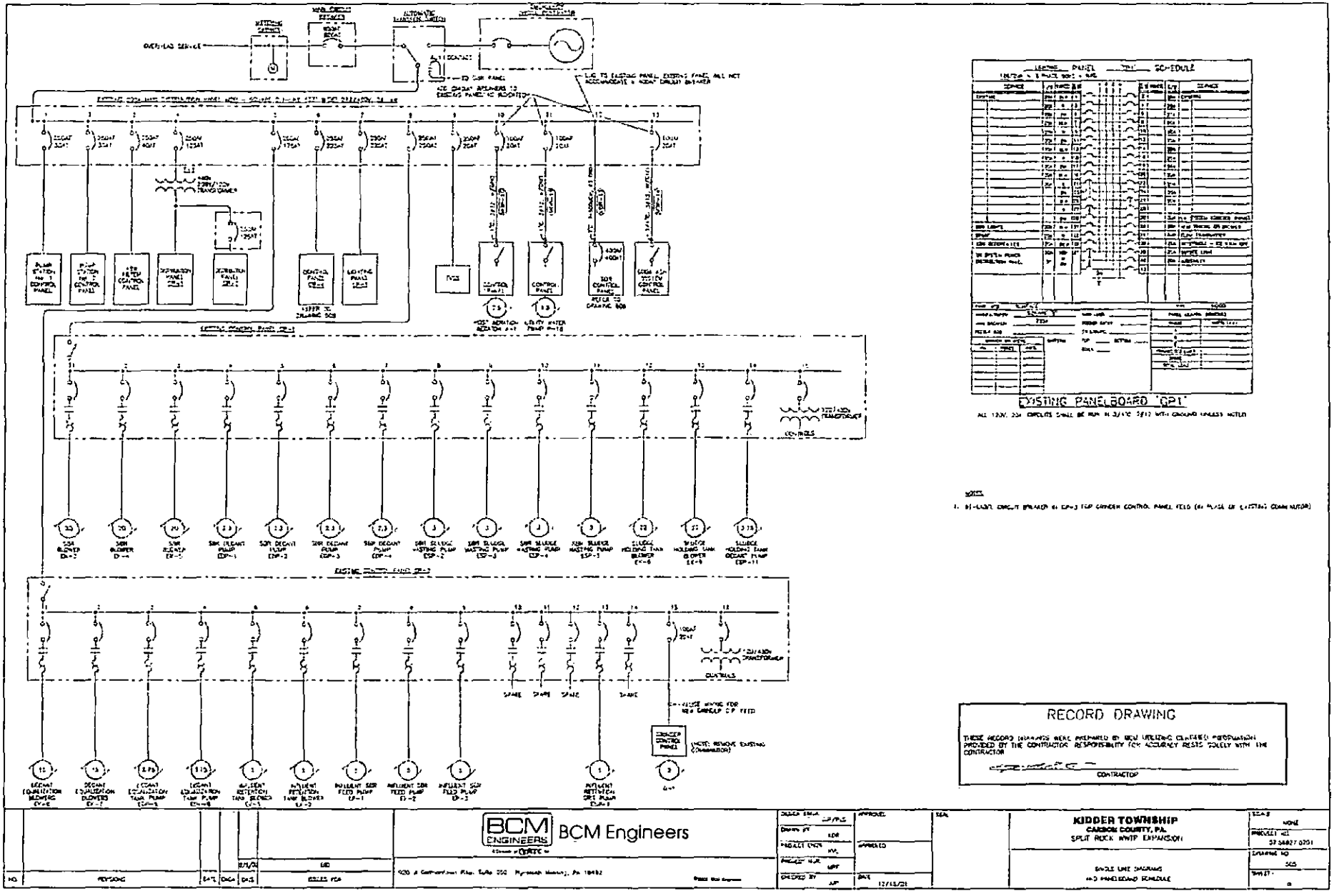
820 Commerce Park Suite 200 Plymouth Meeting, PA 19462

DESIGN BY	JF	APPROVED	
DRAWN BY	KLB		
PROJECT ENGR	KML	APPROVED	
PROJECT MGR	MPP		
CHECKED BY	LM	DATE 8/31/22	

KIDDER TOWNSHIP
CARBON COUNTY, PA.

ODOR CONTROL STATIONS – ELECTRICAL PLANS

SCALE	AS NOTED
PROJECT NO.	17.58877.0201
DRAWING NO.	504
SHEET	of



EXISTING PANELBOARD "DP1"

RECORD DRAWING

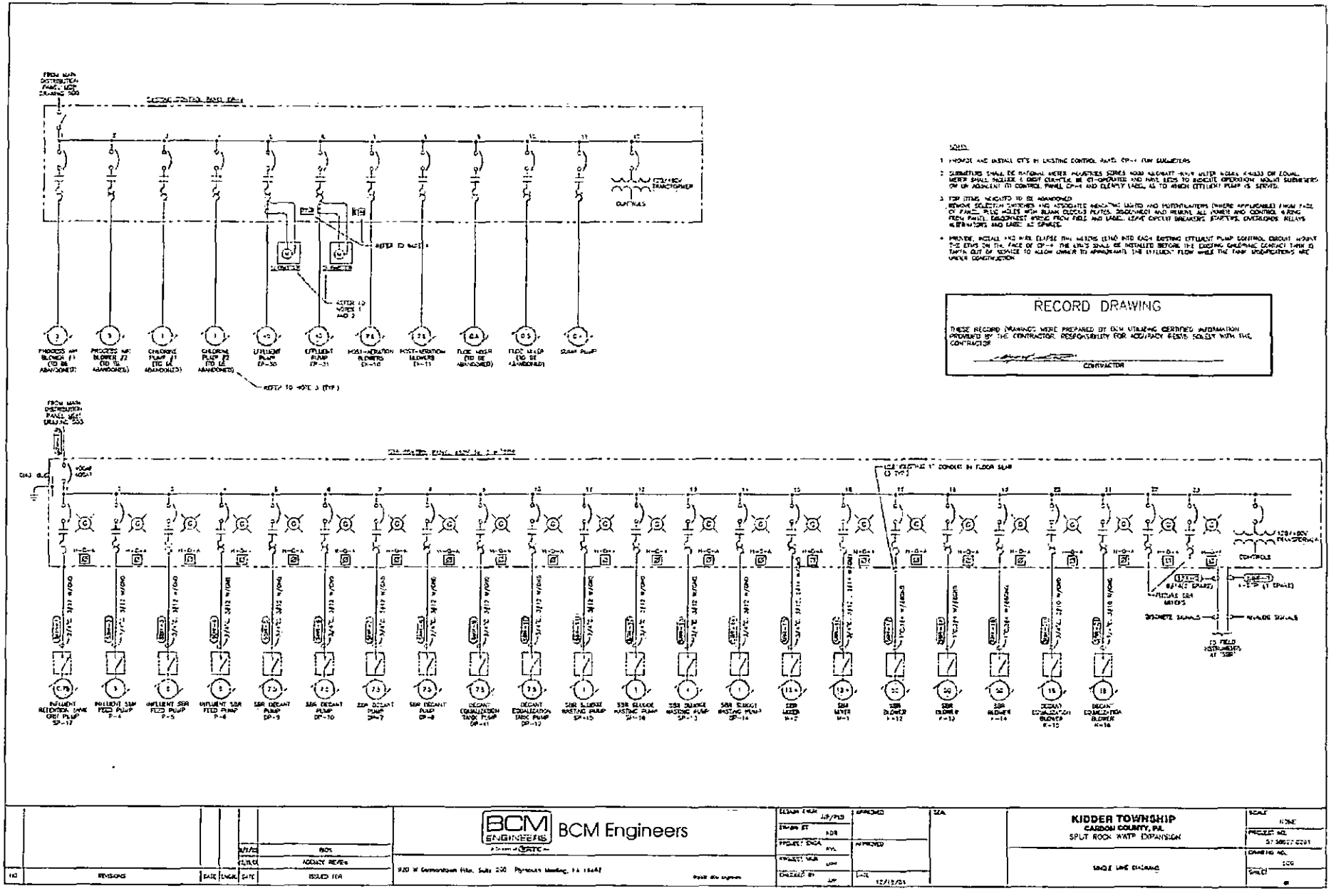
THESE RECORD DRAWINGS WERE PREPARED BY BCM UTILIZING CLAIMED INFORMATION PROVIDED BY THE CONTRACTOR. RESPONSIBILITY FOR ACCURACY RESTS SOLELY WITH THE CONTRACTOR

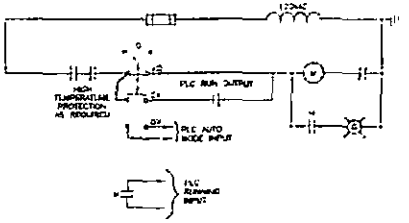
CONTRACTOR

BCM ENGINEERS BCM Engineers

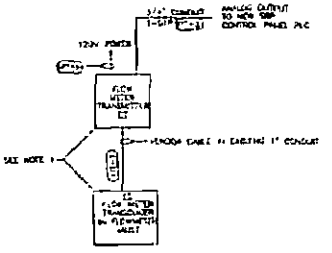
KIDDER TOWNSHIP
CARBON COUNTY, PA.
SPLIT ROCK WWTP EXPANSION

SINGLE LINE DIAGRAM
AND PANELBOARD SCHEDULE

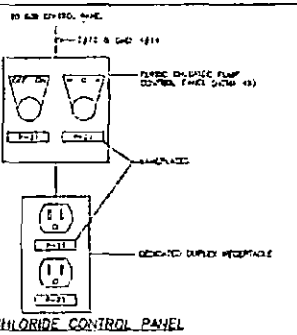

RECORD DRAWING
THESE RECORD DRAWINGS WERE PREPARED BY BCM UTILIZING CERTIFIED INFORMATION PROVIDED BY THE CONTRACTOR. RESPONSIBILITY FOR ACCURACY RESTS SOLELY WITH THE CONTRACTOR
CONTRACTOR
BCM Engineers
KIDDER TOWNSHIP
CARBON COUNTY, PA.
SPLIT ROCK WWTP EXPANSION
SINGLE LINE DIAGRAM



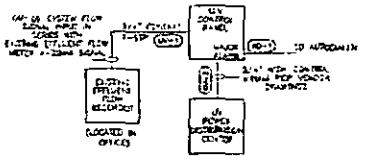
TYPICAL CONTROL DIAGRAM
FOR NEW SBR CONTROL PANEL



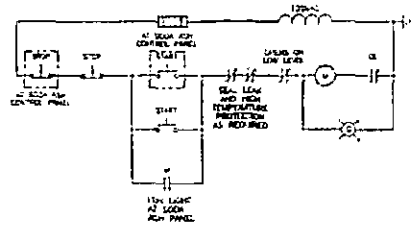
TRANSIT TIME FLOW METER



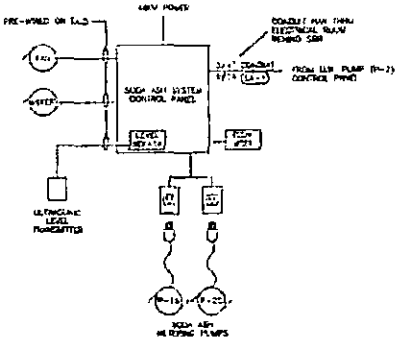
FERRIC CHLORIDE CONTROL PANEL



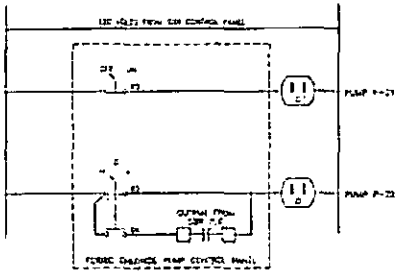
UV SYSTEM INTERCONNECTION DIAGRAM



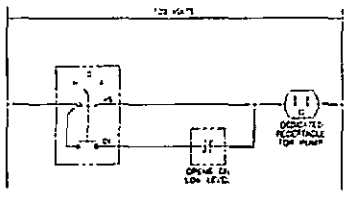
UTILITY WATER PUMP (P-18)



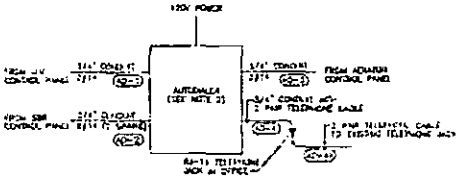
SODA ASH SYSTEM INTERCONNECTION DIAGRAM



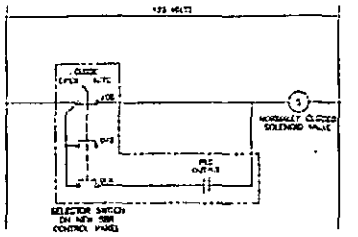
FERRIC CHLORIDE PUMP CONTROL



TYPICAL SODA ASH PUMP



AUTODIALER ALARMS



FERRIC CHLORIDE SOLENOID VALVE

NOTES:

1. [illegible]
2. [illegible]

RECORD DRAWING

THESE RECORD DRAWINGS WERE PREPARED BY BCM UTILIZING CORRECT INFORMATION PROVIDED BY THE CONTRACTOR. RESPONSIBILITY FOR ACCURACY RESTS SOLELY WITH THE CONTRACTOR.

CONTRACTOR

NO	REVISIONS	DATE	DRAWN	DATE	ISSUED FOR
				8/1/02	BID

BCM ENGINEERS BCM Engineers

820 A Sumneytown Pike, Suite 200 Plymouth Meeting, PA 19462

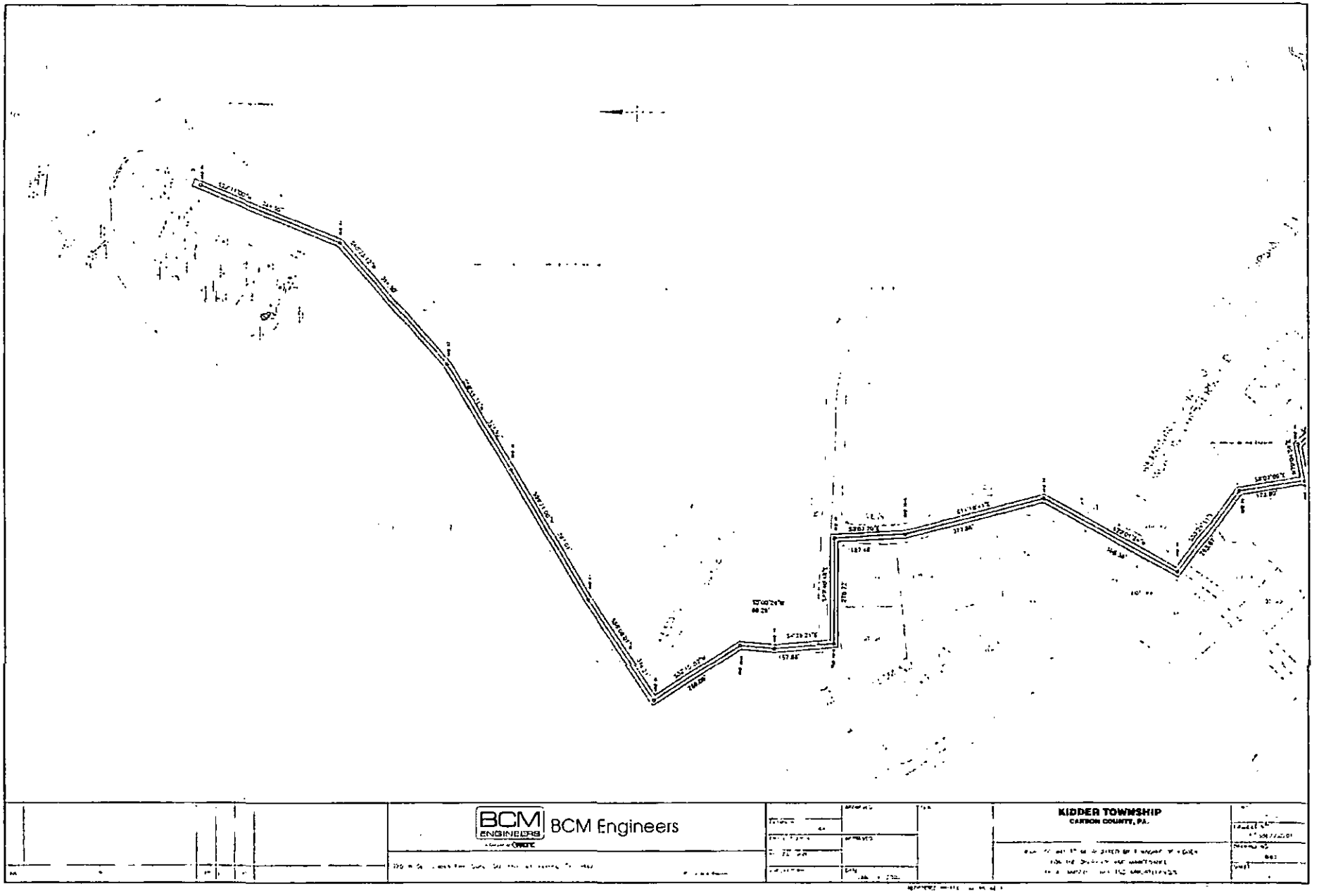
DESIGN DRAWN JJP/MLS APPROVED SEAL
DRAWN BY LDW
PROJECT MGR KVL
PROJECT NO. TLH
CHECKED BY JJP DATE 8/1/02

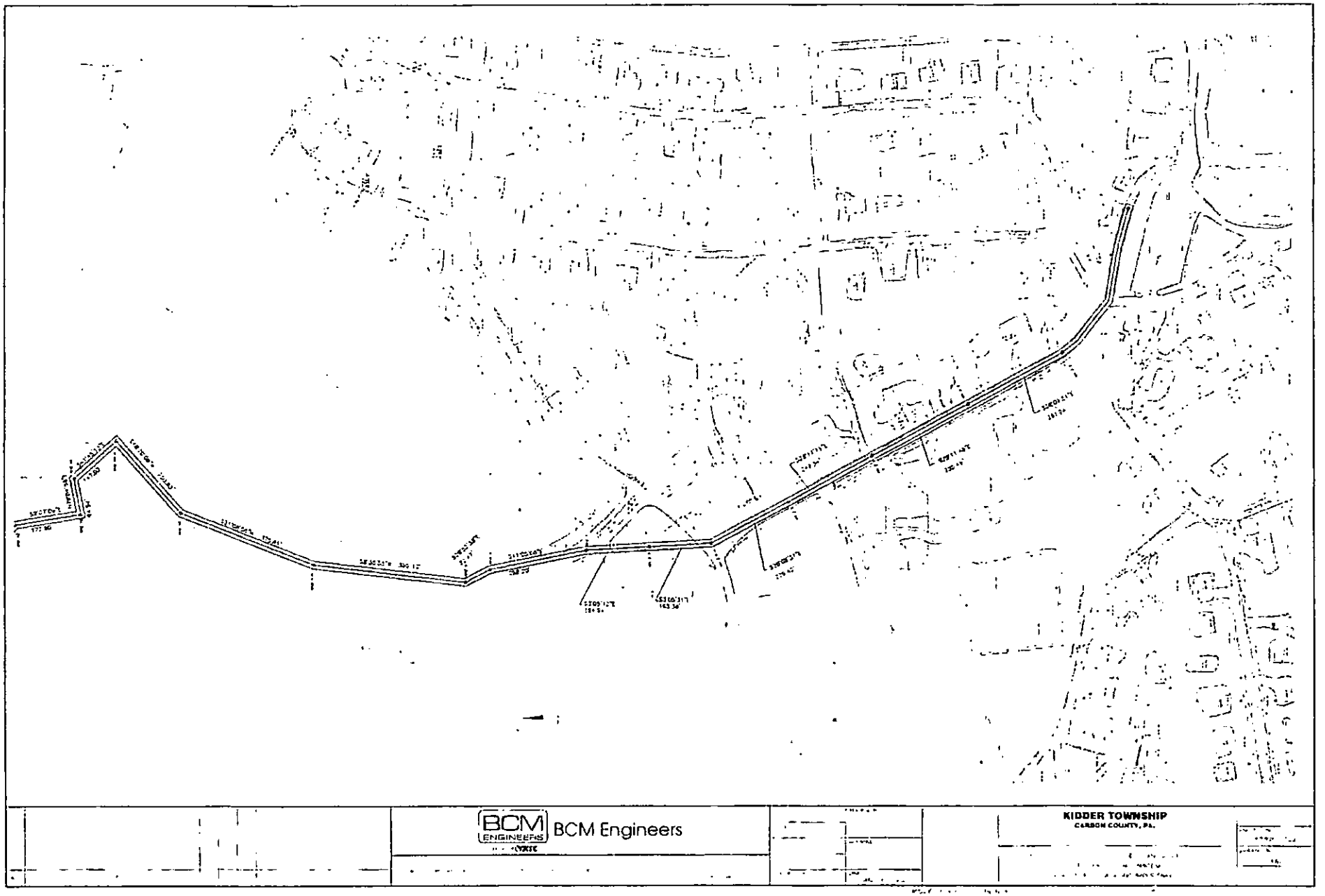
KIDDER TOWNSHIP
CARBON COUNTY, PA.
SPLIT ROCK WWTP EXPANSION

WIRING DIAGRAMS AND DETAILS

SCALE NONE
PROJECT NO. 97-BRK27-C201
DRAWING NO. SC7
SHEET 9

Exhibit FL-2


BCM ENGINEERS
BCM Engineers
KIDDER TOWNSHIP
CARBON COUNTY, PA.


BCM ENGINEERS
BCM Engineers
KIDDER TOWNSHIP
CARBON COUNTY, PA.

Attachment 5

Map of Lake Harmony Sanitary Sewer System Treatment Facility Plans, including Collection Main and Laterals, as well as other related appurtenances (16 pages)

Exhibit FL-2

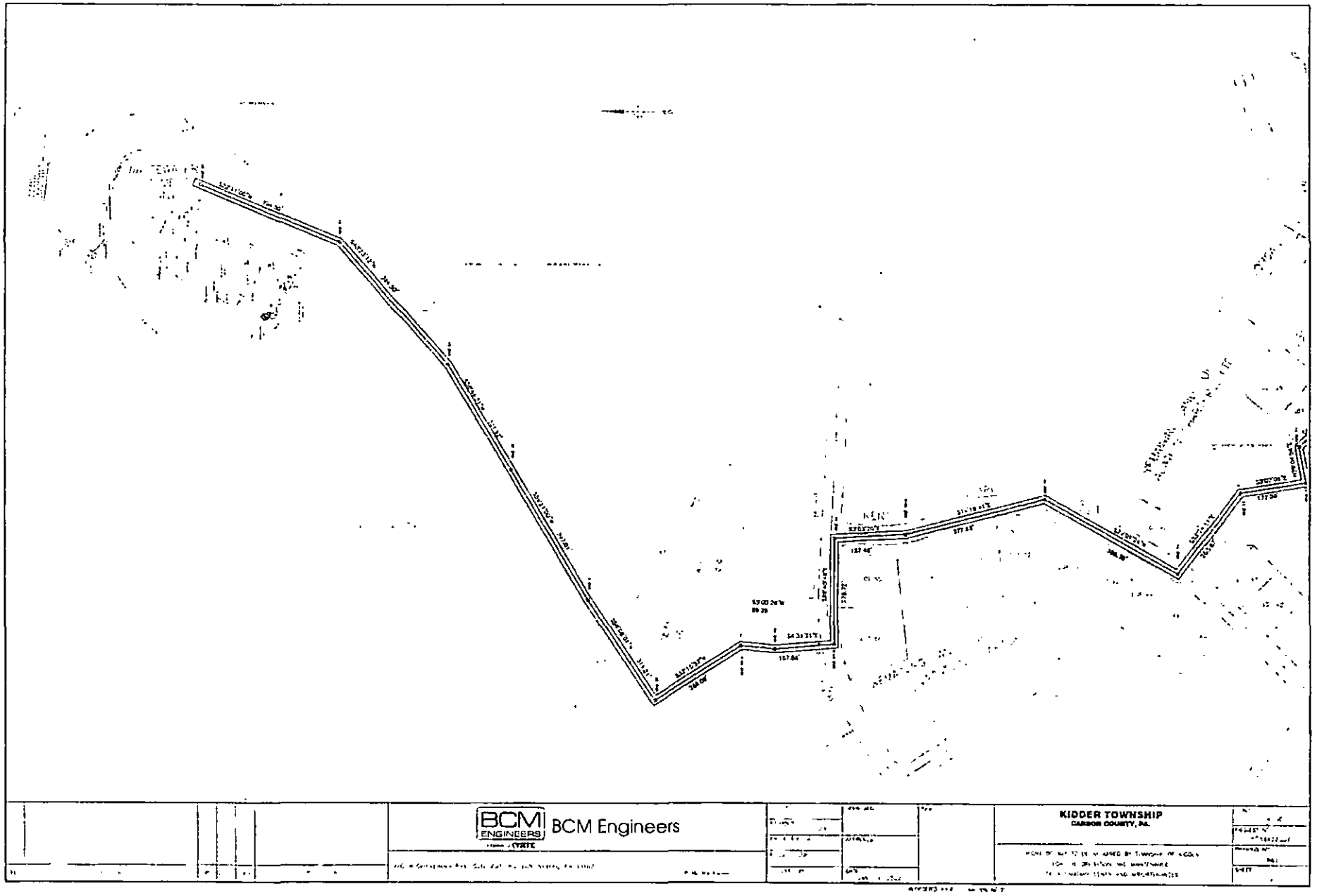

BCM ENGINEERS
BCM Engineers
KIDDER TOWNSHIP
CARBON COUNTY, PA.

Exhibit FL-2

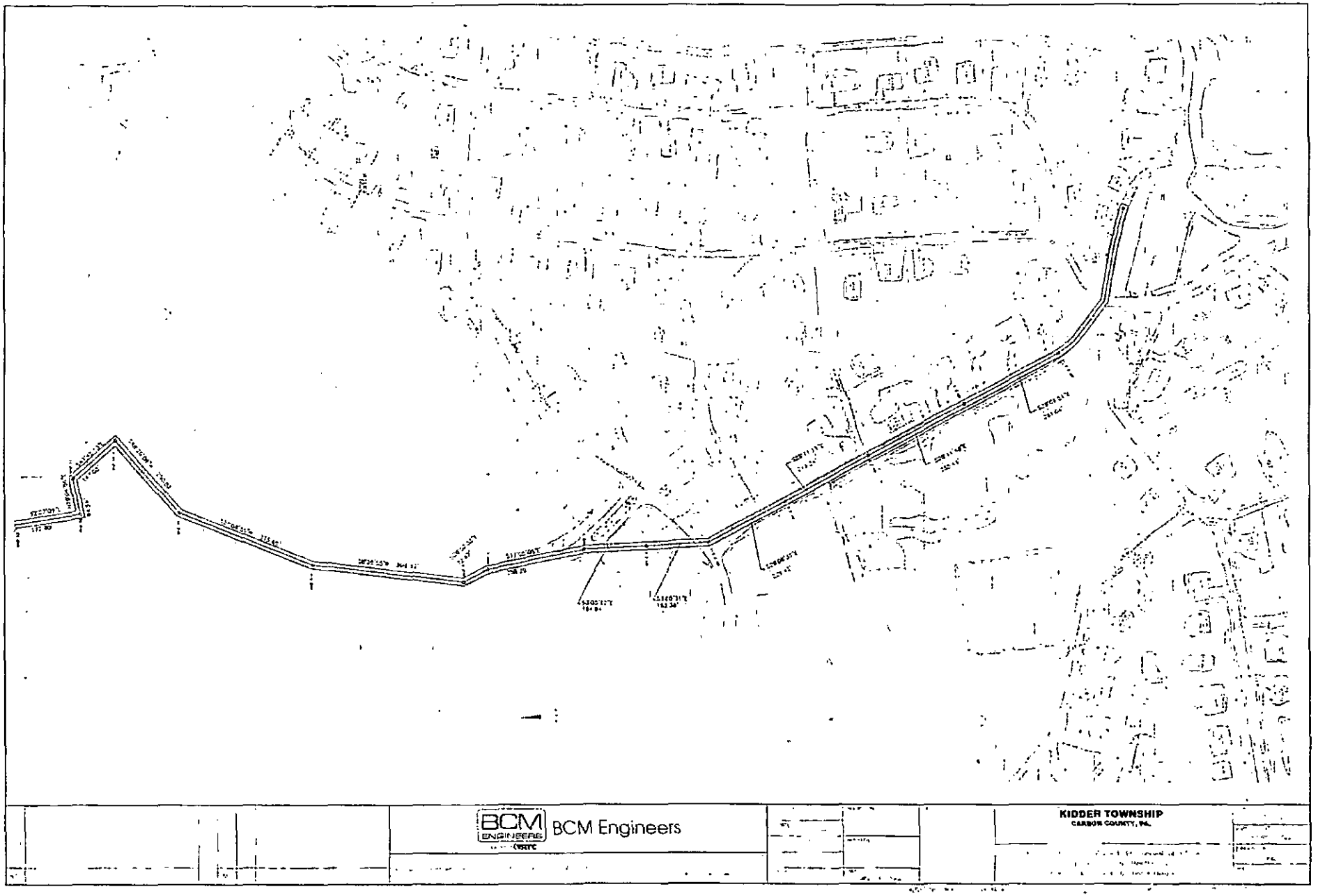

BCM ENGINEERS
BCM Engineers
KIDDER TOWNSHIP
CARBON COUNTY, PA.

Exhibit FL-2

KIDDER TOWNSHIP

CARBON COUNTY, PENNSYLVANIA

SANITARY SEWERS

CONTRACT No. 3

9/28/02
OK (MR)
(2 Kidder copy-dr

GENERAL NOTES:

1. SEWERS IN NON-ROAD AREAS ARE TO BE LOCATED WITH EASEMENTS AS SHOWN ON CONSTRUCTION SHEETS TO BE USED FOR EXACT ANGLES AND DISTANCES.
2. CONFINE ALL WORK TO WITHIN ROAD R/W WHERE SEWERS ARE PLANNED IN WITH LOCATIONS.
3. NOT ALL TREES ARE SHOWN. TREES MAY BE EFFECTED IN THE CONSTRUCTION AREA WHICH ARE NOT SHOWN ON THE DRAWINGS. IT IS THE CONTRACTOR'S RESPONSIBILITY TO REMOVE TREES LOCATED IN THE WAY OF NEW CONSTRUCTION AS DETAILED BY THE SPECIFICATIONS.
4. PHOTOGRAMMETRIC MAP MAPPING FOR THIS PROJECT WAS PREPARED BY THE EARL GEORGE, ALLGEIER, INC. FROM AERIAL PHOTOGRAPHY TAKEN ON APRIL 11, 2001. SURFACE CONTROL AND SUPPLEMENTAL ROAD TOPOGRAPHY WERE PERFORMED BY MICHAEL D. GIOVANELLI ASSOCIATES INC., DETAILING TO DETECTION GAS AND NOW WITH 2001 REVISIONS WERE BASED ON NOVEMBER 1999 AND COMPLETED AND BASED ON MAY 1987.
5. ROAD RIGHTS-OF-WAY AND PROPERTY LINES WERE TAKEN FROM DEEDS, TAX MAPS, SUBDIVISION PLANS AND ACTUAL FIELD SURVEYS PREPARED BY HANOVER ENGINEERING ASSOCIATES INC.
6. THE SANITARY SEWER SYSTEM WAS DESIGN OF FIRST FLOOR SEWAGE LATERAL DRAINS OUT ON THE FRONT OF THE HOUSE AND ON THE LOW SIDE OF THE PROPERTY.
7. GRINDER PUMPS SHALL BE PROVIDED FOR ALL DWELLINGS INCLUDING THE LOW PRESSURE SEWERS SHOWN ON THE DRAWINGS. SEE SPECIFICATIONS FOR GRINDER PUMP LIST.
8. PROVIDE GRINDER PUMPS FOR DWELLINGS LABELED (GP) THAT CONNECT TO NEW GRAVITY SEWER MAIN.
9. DUE TO THE STEEP GRADES OF THE ROADS/SEWER, THE LATERALS SHOULD BE PLACED ON THE DOWN SLOPE SIDE OF THE PROPERTY, OTHERWISE A GRINDER PUMP MAY BE REQUIRED.
10. LOCATION OF EXISTING UTILITIES SHOWN ON THESE PLANS ARE NOT NECESSARILY COMPLETE. THE CONTRACTOR SHALL NOTIFY ALL UTILITY COMPANIES OPERATING WITHIN THE CONSTRUCTION AREA AND VERIFY THE LOCATION, SIZE, TYPE AND ELEVATIONS OF ANY UTILITIES PRIOR TO CONSTRUCTION.
11. ALL GRAVITY LATERALS SHALL BE 6" PVC, SDR 35 AND FORCEMAIN LATERALS SHALL BE 1" PVC, SDR 21.
12. CONTRACTOR SHALL BE AWARE THAT EXISTING SOLID WASTE MAY BE PRESENT IN SOME OF THE ROADS IN THIS PROJECT. THESE WASTE MAPS HAVE NOT IDENTIFIED IN THE PA DEP FILES.
13. SANITARY SEWER SHALL BE CONSTRUCTED WITHIN A 30 FOOT RADIUS OF A PRIVATE/INDUSTRIAL WELL AND 100 FOOT RADIUS OF A PUBLIC WELL.
14. THE FOLLOWING ROADS ARE THE SMALL ROAD THRU OUT CONTRACT 3 AND 4: LEMBERT SUMMIT, LINDEMUTH DRIVE AND EISENHUT, DAMMERICH AND R.O.W.

LEGEND

- 3" — LOW PRESSURE SEWER (SIZE & SIZE)
- NEW GRAVITY SANITARY SEWER (S.S.) AND MANHOLE
- EXIST. SANITARY SEWER AND MANHOLE
- EXTENSION OF FLOW
- S.S.M.H. AIR (SEEPAGE EXAMINATION AIR RELEASE/AIR VACUUM VALVE)
- FLUSHING CONNECTION
- HOUSE SERVED BY SANITARY SEWER (S.S.) MAIN BUILDING GRINDER PUMP
- MH #1 — MANHOLE IDENTIFYING NUMBER
- MH SO(-) — MANHOLE IDENTIFYING NUMBER
- JMH — JUNCTION MANHOLE
- DMH — DROP MANHOLE
- JMH — JUNCTION DROP MANHOLE
- WT — WATERTIGHT MANHOLE COVER
- 310 — ROAD/LOT DRAINAGE NUMBER
- SILT FENCE
- STONE FILTER BERM
- STABILIZED CONSTRUCTION ENTRANCE
- WATER MAIN
- WETLAND AND WATERS - APPROXIMATE LOCATION (NOT FLAGGED)
- WETLAND BOUNDARY - DELINEATED
- EDGE OF PAVING (NO CURB)
- ROAD RIGHT OF WAY LINE
- PERMANENT RIGHT-OF-WAY LINE
- W — W — EXISTING WATER MAIN
- G — G — EXISTING GAS MAIN
- ST — ST — EXISTING STORM DRAIN
- T — T — EXISTING UNDERGROUND TELEPHONE
- ETC — EXISTING UNDERGROUND ELECTRIC TELEPHONE AND/OR CATV
- EXISTING WELL
- APPROXIMATE 100' DELINEATION LINE

DRAWING LIST

CONTRACT No. 3

No.	TITLE
001	GENERAL PLAN
002 - 010A	PLAN & PROFILE
011 - 020	SOIL EROSION AND SEDIMENT CONTROL PLAN
021 - 035	P & P, DETAILS, NOTES AND DETAILS

PA ONE CALL NO. 3810285

UTILITY LIST

CABLE TV COMPANY INC
1053 EAST 19TH STREET
HAZLETON, PA 18201
ATTN: RON BERGER

PENNSYLVANIA ELECTRIC, INC. DBA BLUE RIDGE CATV
20 W RIDGE STREET
LANSFORD, PA 18232
ATTN: LEANN SCHMELZ

VERIZON PENNSYLVANIA, INC.
11TH FLOOR STRAWBERRY SQUARE
HARRISBURG, PA 17101
ATTN: THERESA BEATTY

ASSOCIATED GAS LINE COMPANY
PO BOX 149
EMMAUS, PA 18049-0306
ATTN: WILLIAM R. SCHAFF

[illegible] GAS LINE COMPANY
815 BROOKS AVENUE
ROCHESTER, NY 14618
ATTN: LINDA J. TAMPUS

PPL ELECTRIC UTILITIES CORPORATION
GIS LANDY STREET
BERWICK, PA 18603-2854
ATTN: TRUMOR CORDY

COMMONWEALTH TELEPHONE COMPANY
245 PENNSYLVANIA AVENUE
PO BOX 188
DANVILLE, PA 17821-1821
ATTN: JUNE HESS

SUMMIT BROADCASTING AND UTILITIES, INC.
PO BOX 331
LAKE HARMONY, PA 18624
ATTN: FRANK LITZINGER

U.G.I. UTILITIES, INC.
2121 CITY LINE ROAD
BETHLEHEM, PA 18017
ATTN: DONNA SCHLOTA

WHITE HAVEN MUNICIPAL AUTHORITY
50 EAST BROADWAY DRIVE
WHITE HAVEN, PA 18661
ATTN: DAVID QUINN

BCM ENGINEERS
A Division of ATC

BCM Engineers

920 Germantown Pike, Suite 200
Plymouth Meeting Pa. 19462

THESE RECORD DRAWINGS WERE PREPARED BY BCM ENGINEERS BASED ON INFORMATION PROVIDED BY THE CONTRACTOR. RESPONSIBILITY FOR ACCURACY RESTS SOLELY WITH THE CONTRACTOR.

CONTRACTOR

LAMBE ENTERPRISES, INC.

RECORD DRAWING

PROJECT NO. 57.58627.0201

SET CONTAINS 35 DWGS.

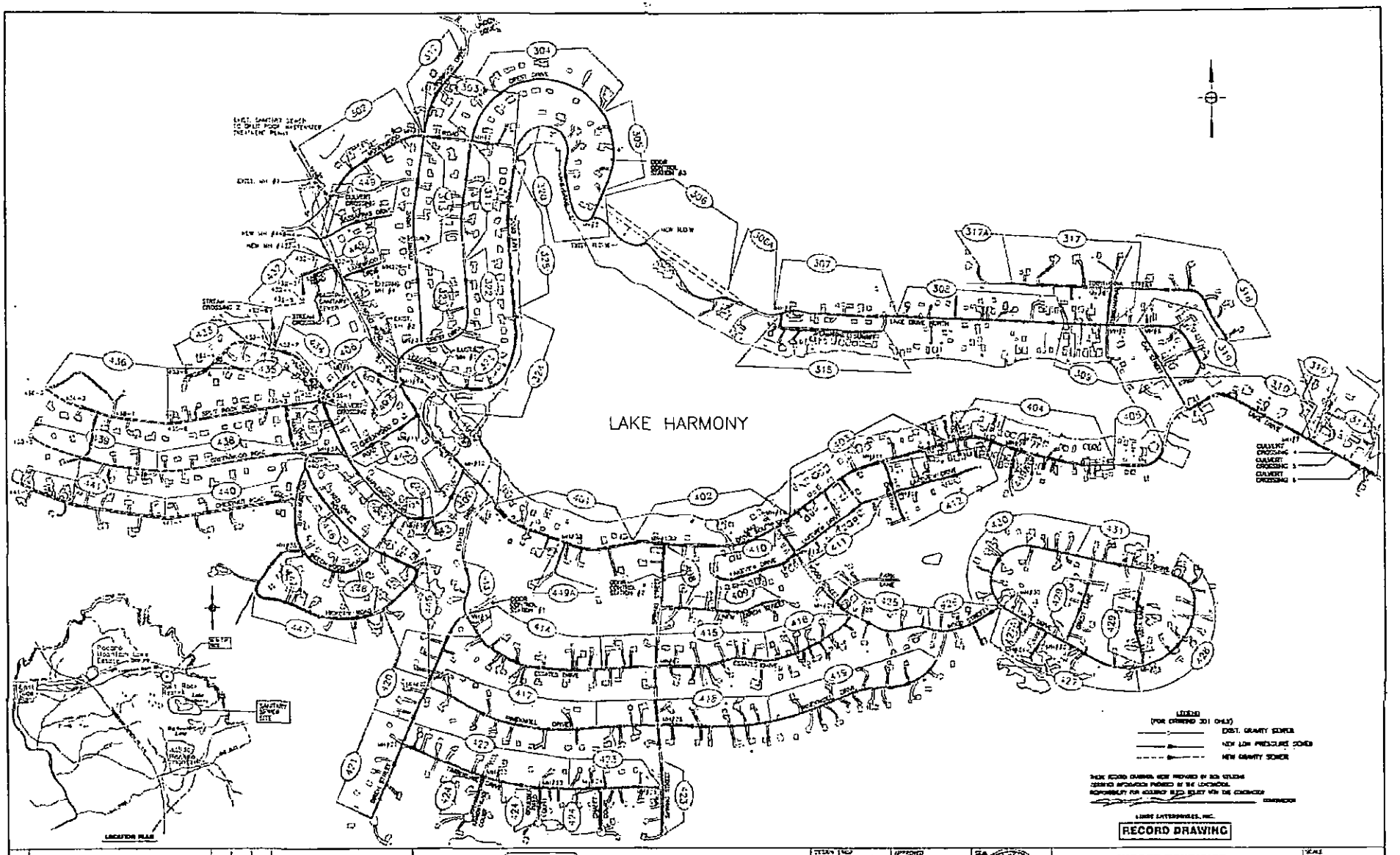
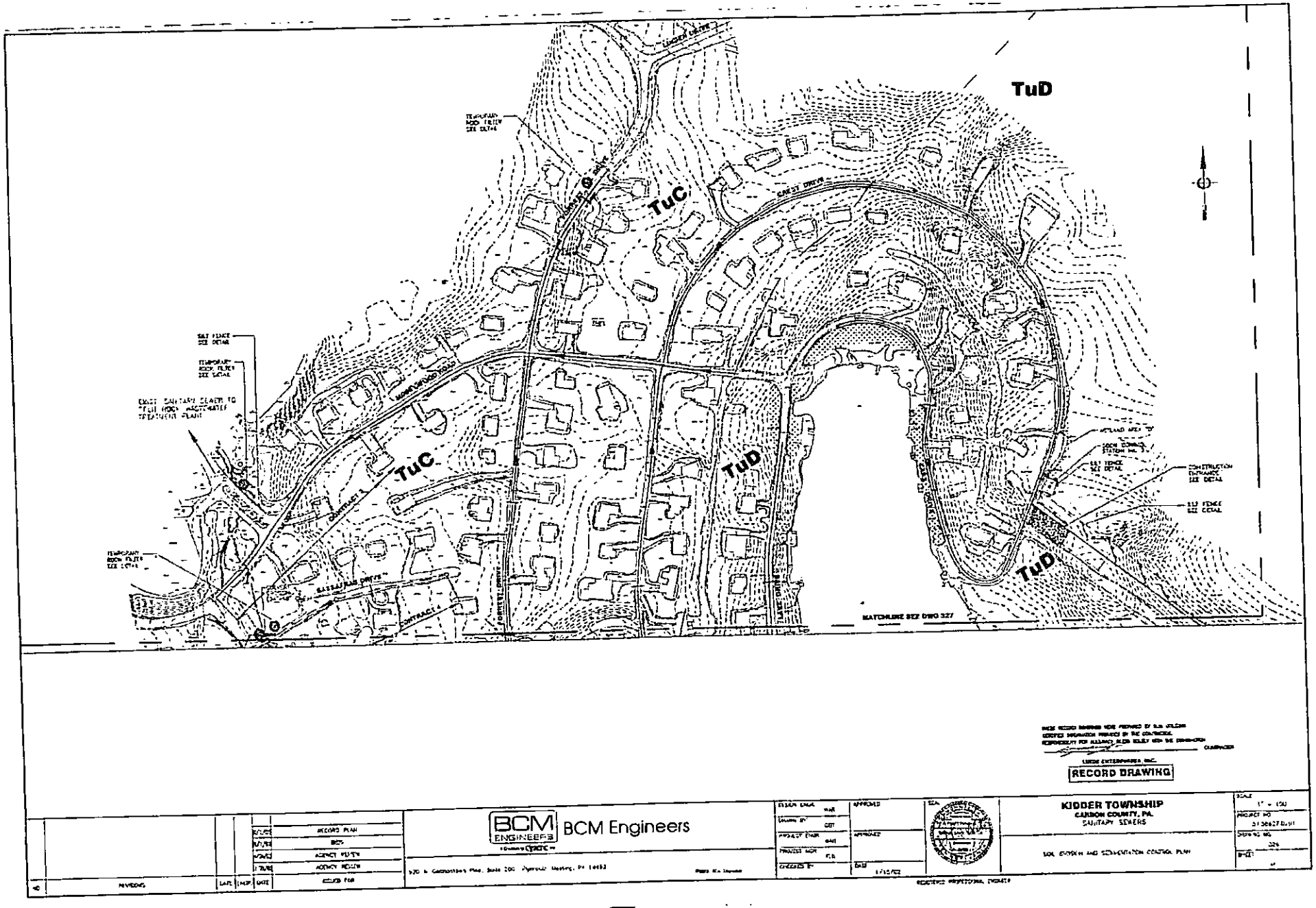
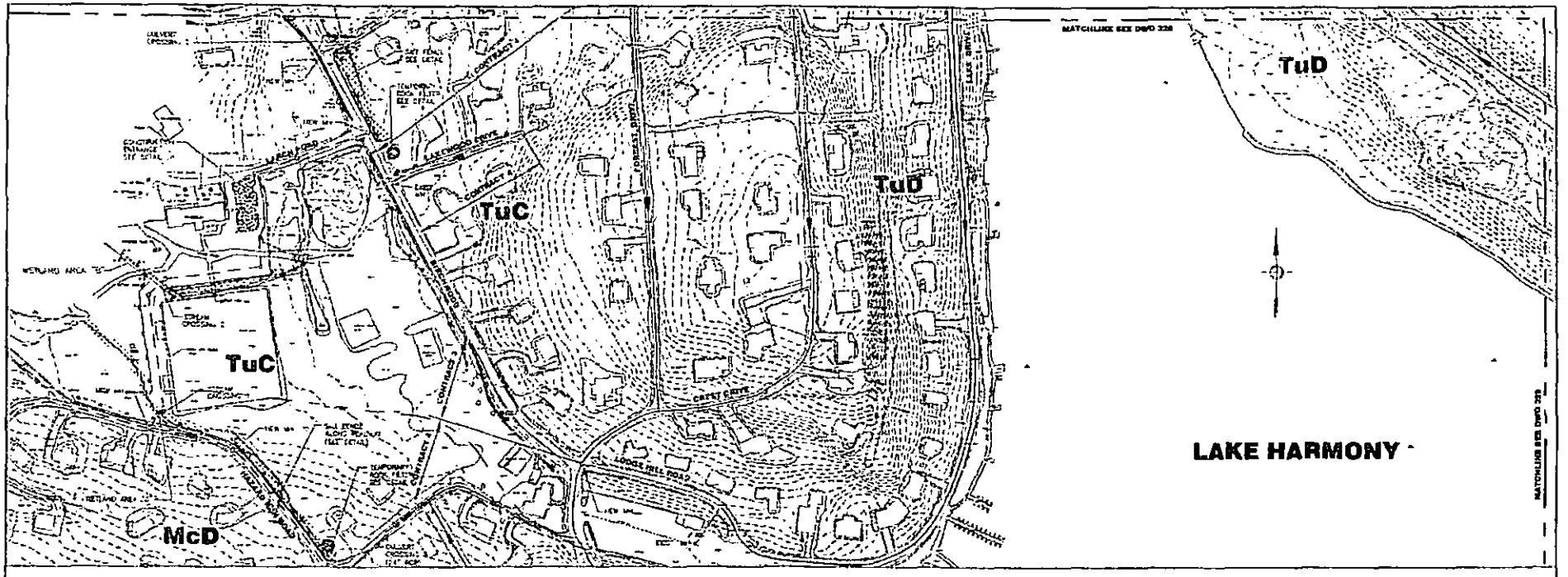

LAKE HARMONY
LOCATION PLAN
RECORD DRAWING
BCM Engineers
KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS
GENERAL PLAN

Exhibit FL-2


TuD
TuC
TuC
TuD
TuD
MATCHLINE SEE DWG 327
RECORD DRAWING
BCM Engineers
KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS
SOIL EROSION AND SEDIMENTATION CONTROL PLAN



RECORD DRAWING

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				6/17/02	BDS
				4/8/02	AGENCY REVIEW
				2/28/02	AGENCY REVIEW
				12/20/01	BDS REVIEW

BCM ENGINEERS BCM Engineers

925 W Germantown Pike, Suite 200 Plymouth Meeting, PA 19462

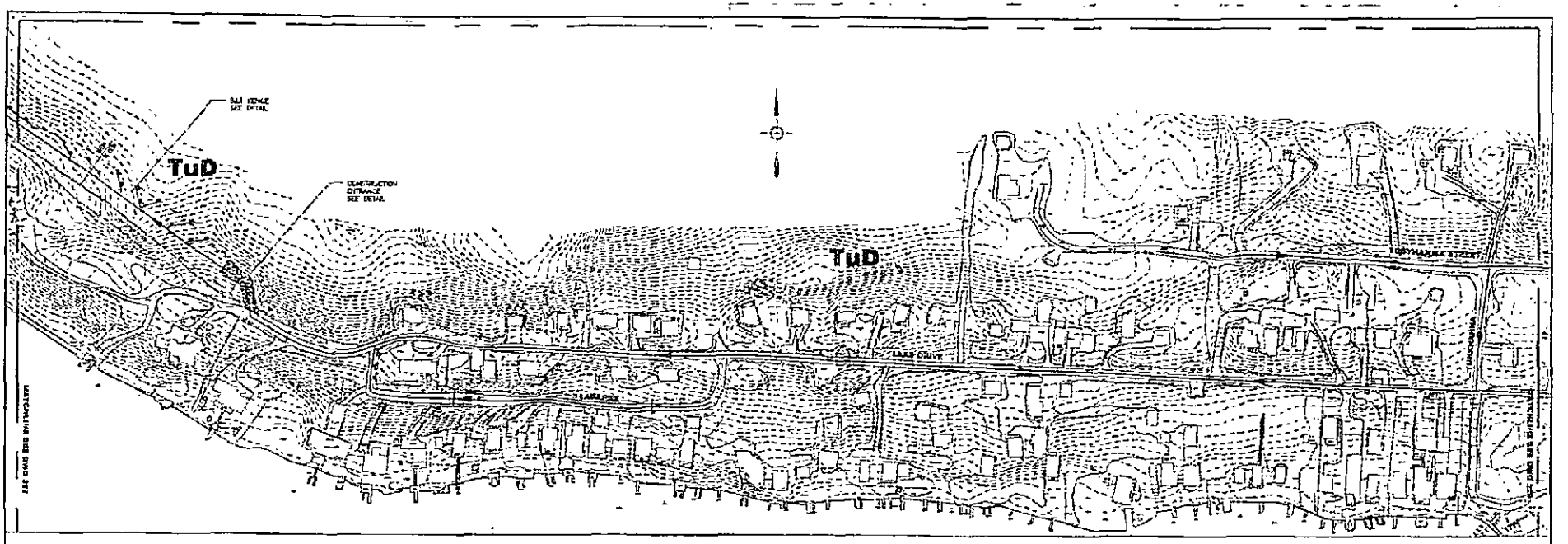
DESIGNED BY: ERR
DRAWN BY: CBT
PROJECT ENGR: ERR
PROJECT MGR: TLR
CHECKED BY:
APPROVED
APPROVED
DATE: 12/19/01

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS

EROSION AND SEDIMENTATION CONTROL PLAN

SCALE: 1" = 100'
PROJECT NO: 97.58422.0501
DRAWING NO: 221
SHEET: 9

REGISTERED PROFESSIONAL ENGINEER



RECORD DRAWING

NO.	REVISIONS	DATE	DRAWN	CHKD	ISSUED FOR
		10/15/12			RECORD PLAN
		9/11/12			BIDS
		11/28/12			AGENCY REVIEW
		8/29/12			AGENCY REVIEW

BCM ENGINEERS BCM Engineers

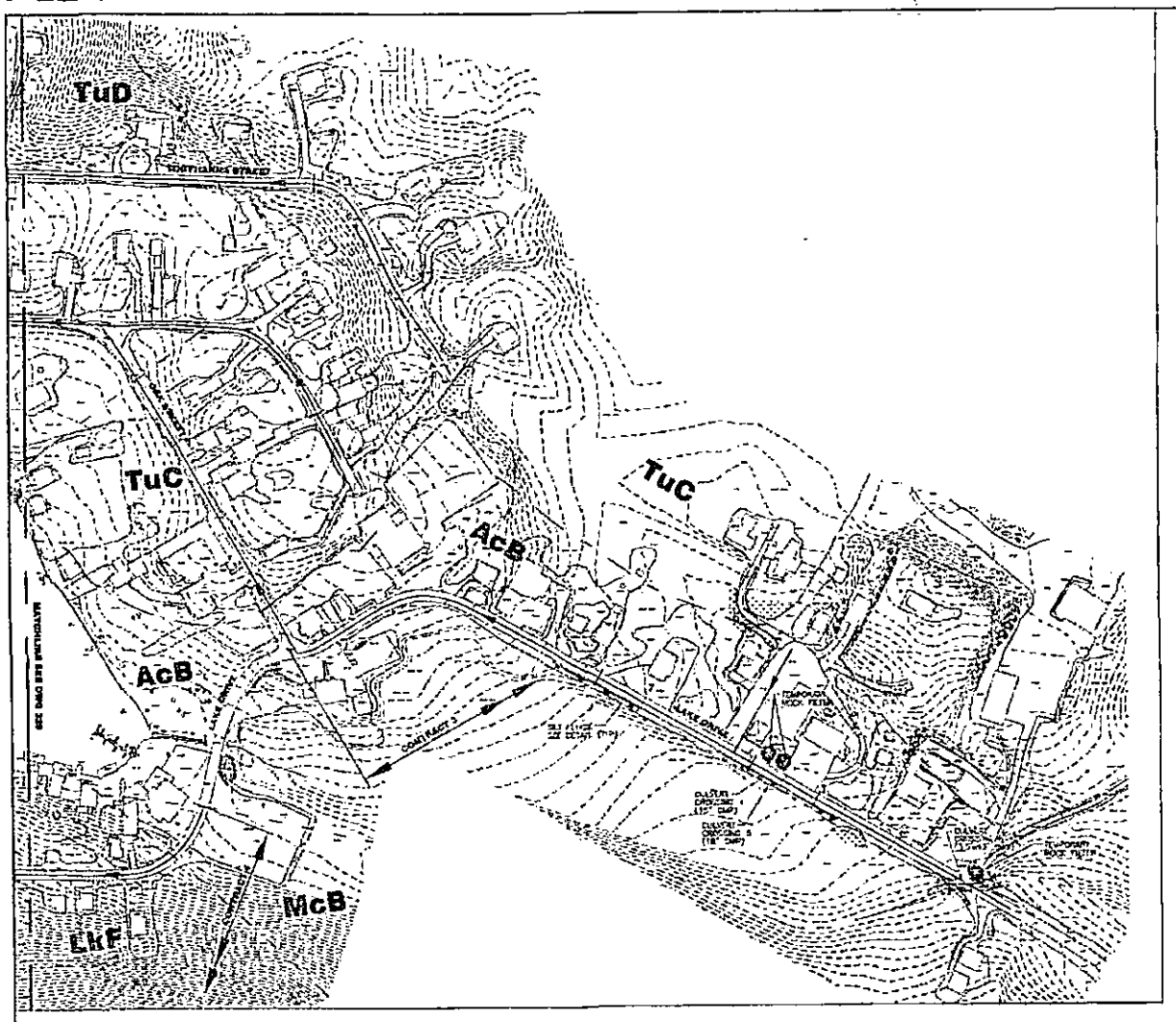
570 W Germantown Pike, Suite 200 Plymouth Meeting PA 19462

DESIGN DRAWN CHKD
PROJECT MGR DBT
PROJECT ENGR
APPROVED
APPROVED
CHECKED BY DATE 9/15/12

KIDDER TOWNSHIP
CARBON COUNTY, PA
SANITARY SEWERS

SOIL EROSION AND SEDIMENTATION CONTROL PLAN

SCALE 1" = 100'
PROJECT NO 47-24627-1201
DRAWING NO 3/6
SHEET



RECORD DRAWING

BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS

SOIL EROSION AND SEDIMENTATION CONTROL PLAN

KIDDER TOWNSHIP

CARBON COUNTY, PENNSYLVANIA

SANITARY SEWERS

CONTRACT No. 4

GENERAL NOTES

1. DETAILS IN SPECIFICATIONS APPLY TO THIS PROJECT AND SHOULD BE USED AS PART OF CONSTRUCTION. REFER TO SPECIFIED ITEMS FOR EXACT WIDTH AND DIMENSIONS.
2. CONTRACTOR SHALL RESTORE ALL WORK TO AT LEAST EQUAL CONDITION AS EXISTED PRIOR TO CONSTRUCTION.
3. NOT ALL TREES AND BRUSH WITHIN RIGHT-OF-WAYS IN THE CONSTRUCTION AREA MAY BE SHOWN ON THE DRAWINGS. IT IS THE CONTRACTOR'S RESPONSIBILITY TO REMOVE TREES LOCATED IN THE RIGHT-OF-WAY IN CONSTRUCTION AS DETAILED IN THE SPECIFICATIONS.
4. MANUFACTURER'S SHOP DRAWINGS FOR ITEMS INDICATED AND PREPARED BY THE CONTRACTOR AS SHOWN UPON THE CONSTRUCTION PLANS OR WHERE SPECIFIED IN THE SPECIFICATIONS, SHALL BE SUBMITTED TO THE ENGINEER FOR REVIEW AND APPROVAL BEFORE ANY MATERIALS ARE PURCHASED OR FABRICATED. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ALL DIMENSIONS, QUANTITIES AND CONSTRUCTION TECHNIQUES. NO WORK SHALL BE DONE WITHOUT APPROVED SHOP DRAWINGS ON HAND.
5. ROAD ROUTE NUMBERS AND PROPERTY LINES ALONG WITH EXISTING STREETS, RAILROADS, SUBDIVISION PLANS AND NEARBY BUILDINGS SHOWN ON THE PLANS WERE OBTAINED BY MANUAL EXPEDITED PHOTOGRAPHY, INC.
6. THE SANITARY SEWER SYSTEM WAS LAYED OUT BY FAST FLOW SERVICE, LOCATED APPROXIMATELY IN THE CENTER OF THE STREET AND ON THE LOW SIDE OF THE DEVELOPMENT.
7. ENGINEER SHALL BE INVOLVED IN ALL DISCUSSIONS CONCERNING THE LOW PRESSURE SEWERS SHOWN ON THE DRAWINGS, AND SPECIFICATIONS FOR GRINDER PUMP UNITS.
8. PROVIDE GRINDER PUMPS FOR DWELLINGS LABELED (GP) THAT CONNECT TO NEW GRAVITY SEWER MAIN.
9. SEE THE SHEET INDEX OF THE PLANS AND SPECIFICATIONS. THE EXISTING HOUSE IS PLACED ON THE DOWN SLOPE SIDE OF THE PROPERTY. OTHERWISE A GRINDER PUMP MAY BE REQUIRED.
10. LOCATION OF ELECTRIC UTILITIES SHOWN ON THESE PLANS ARE NOT NECESSARILY COMPLETE THE CONTRACTOR SHALL NOTIFY ALL UTILITY COMPANIES OPERATING WITHIN THE CONSTRUCTION AREA AND VERIFY THE LOCATION, SIZE, TYPE AND ELEVATION OF ALL UTILITIES PRIOR TO CONSTRUCTION.
11. ALL GRAVITY SEWERS SHALL BE (8" PVC, SDR 35) AND PRESSURE SEWERS SHALL BE (1.5" HDPE, SDR 11).
12. CONTRACTOR SHALL BE AWARE THAT EXISTING WATER MAINS MAY BE PRESENT IN SOME OF THE AREAS IN THIS DEVELOPMENT THAT WATER MAINS WERE NOT IDENTIFIED BY THE PA ONE CALL.
13. SANITARY SEWER SHALL BE CONSTRUCTED A MINIMUM OF A 50 FOOT RADIUS OF A PRIVATE/NON-DOMESTIC WELL AND 100 FOOT RADIUS OF A PUBLIC WELL.

LEGEND

- LOW PRESSURE SEWER LINE & SIZE
- NEW GRAVITY SANITARY SEWER (SSL) AND MANHOLE
- EXIST. SANITARY SEWER AND MANHOLE
- DIRECTION OF FLOW
- GRAVITY SEWER TERMINATION AND NOTATION (MUDJACK VALVE)
- FLUSHING CONNECTION
- HOME SERVICE
- NORMAL SEWAGE SERVICE (SSL) MAIN INTERCEPTING SEWAGE FLOW
- MANHOLE LOCATION NUMBER
- MANHOLE IDENTIFICATION NUMBER
- JUNCTION MANHOLE
- DROP MANHOLE
- JUNCTION CHAIR MANHOLE
- WATERTIGHT MANHOLE COVER
- INDICATES DRAINAGE DIVISION
- SILT FENCE
- STONE FILTER BERM
- STABILIZED CONSTRUCTION ENTRANCE
- WATER MAIN
- WETLANDS AND WATERS - APPROXIMATE LOCATION (NOT PRECISE)
- WETLAND BOUNDARY - APPROXIMATE
- EDGE OF PAVING (NO CURB)
- ROAD RIGHT OF WAY LINE
- PROPOSED PROPERTY LINE
- EXISTING WATER MAIN
- EXISTING GAS MAIN
- EXISTING STORM DRAIN
- EXISTING UNDERGROUND TELEPHONE
- EXISTING UNDERGROUND ELECTRIC, TELEPHONE AND/OR CATV
- EXISTING WELL
- APPROXIMATE SOIL DELINEATION LINE

DRAWING LIST

No.	TITLE
1	GENERAL NOTES
2 - 4	PLAN & PROFILE
5	DETAILS
6 - 16	SOIL EROSION AND SEDIMENT CONTROL PLAN
17	E & S CONTROL NOTES AND DETAILS

AS-BUILTS PROVIDED BY:
M.F. RONCA & SONS, INC.
179 WIKRON ROAD
BETHLEHEM, PA. 18020
PHONE: (610) 759-5100
FAX: (610) 746-0974

BCM ENGINEERS
A Division of VATC
BCM Engineers
920 Germantown Pike, Suite 200
Plymouth Meeting Pa. 19462

RECORD DRAWING
"AS-BUILTS"

PA ONE CALL NO. 3610286

UTILITY LIST

CABLE TV COMPANY, INC.
HAZLETON, PA 18201
ATTN: PAM MENNER

PENNSYLVANIA ELECTRIC, INC. DBA GUIDE ROCK CITY
ATTN: DARIAN SEWARD

VERIZON PENNSYLVANIA INC.
ATTN: THERESA PEARY

KUTZTOWN PIPE LINE COMPANY
ATTN: WILLIAM P. SCHER

NORTH PENN GAS COMPANY
ATTN: THERESE CLARKIN

PPL ELECTRIC UTILITIES CORPORATION
ATTN: LINDA T. THOMAS

COMMONWEALTH TELEPHONE COMPANY
ATTN: MIKE BESS

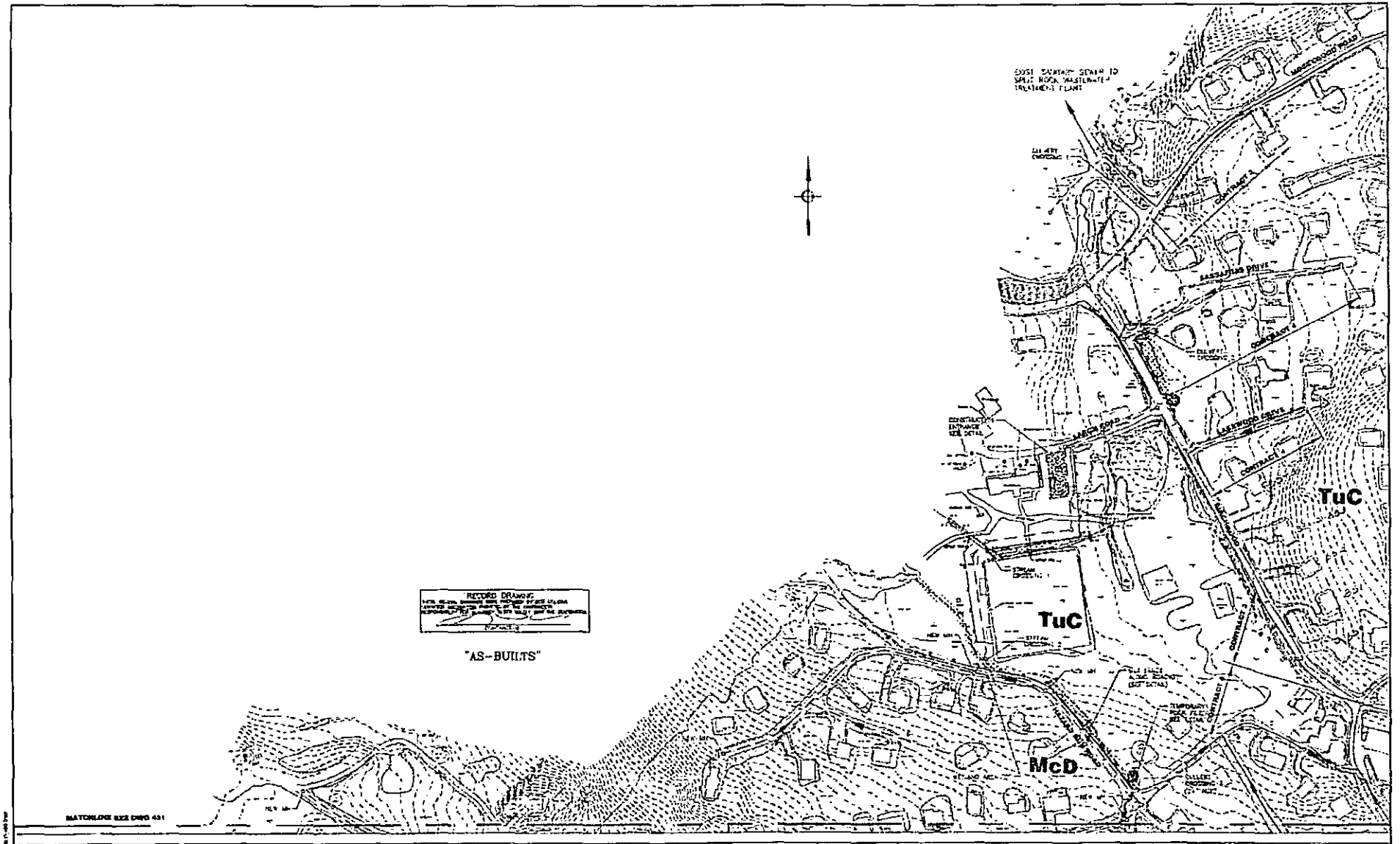
SUBURBAN WASTEWATER AND UTILITIES, INC.
LAKE HARMONY, PA 18624
ATTN: FRANK LEONARD

W.B.I. UTILITIES, INC.
ATTN: DENISE MCKEEVER

WHITE DEER/KIDDER MUNICIPAL AUTHORITY
ATTN: DAVID GUNN

PROJECT NO. 57.58627.0201

SET CONTAINS 64 DWGS.

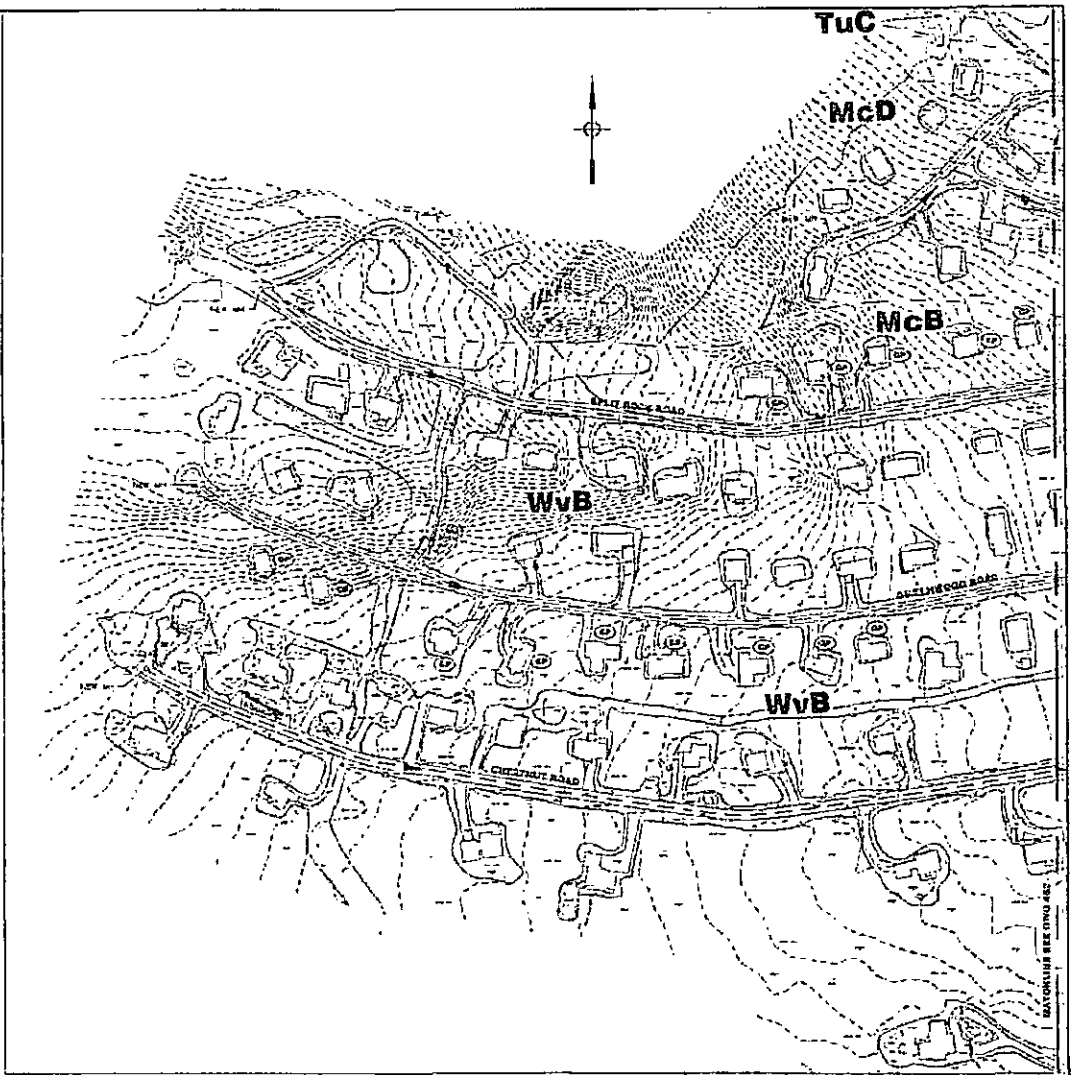


AS-BUILTS PROVIDED BY:
M.F. RONCA & SONS, INC.
179 MIKRON ROAD
BETHLEHEM, PA. 18020
PHONE: (610) 759-5100
FAX: (610) 746-0974

BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS

Exhibit FL-2



RECORD DRAWING
ALL WORK SHOWN HEREON HAS BEEN CONSTRUCTED IN ACCORDANCE WITH THE CONTRACT DOCUMENTS AND ALL DEVIATIONS FROM THE CONTRACT DOCUMENTS ARE NOTED HEREON.
CONTRACTOR

"AS-BUILTS"

AS-BUILTS PROVIDED BY:
M.F. RONCA & SONS, INC.
179 MIKRON ROAD
BETHLEHEM, PA. 18020
PHONE: (610) 759-5100
FAX: (610) 746-0974

NO	REVISIONS	DATE	INIT	DATE	ISSUED FOR
					BID
					AGENCY REVIEW
					AGENCY REVIEW

BCM ENGINEERS BCM Engineers
520 W Germantown Pike, Suite 250 Plymouth Meeting PA 19462

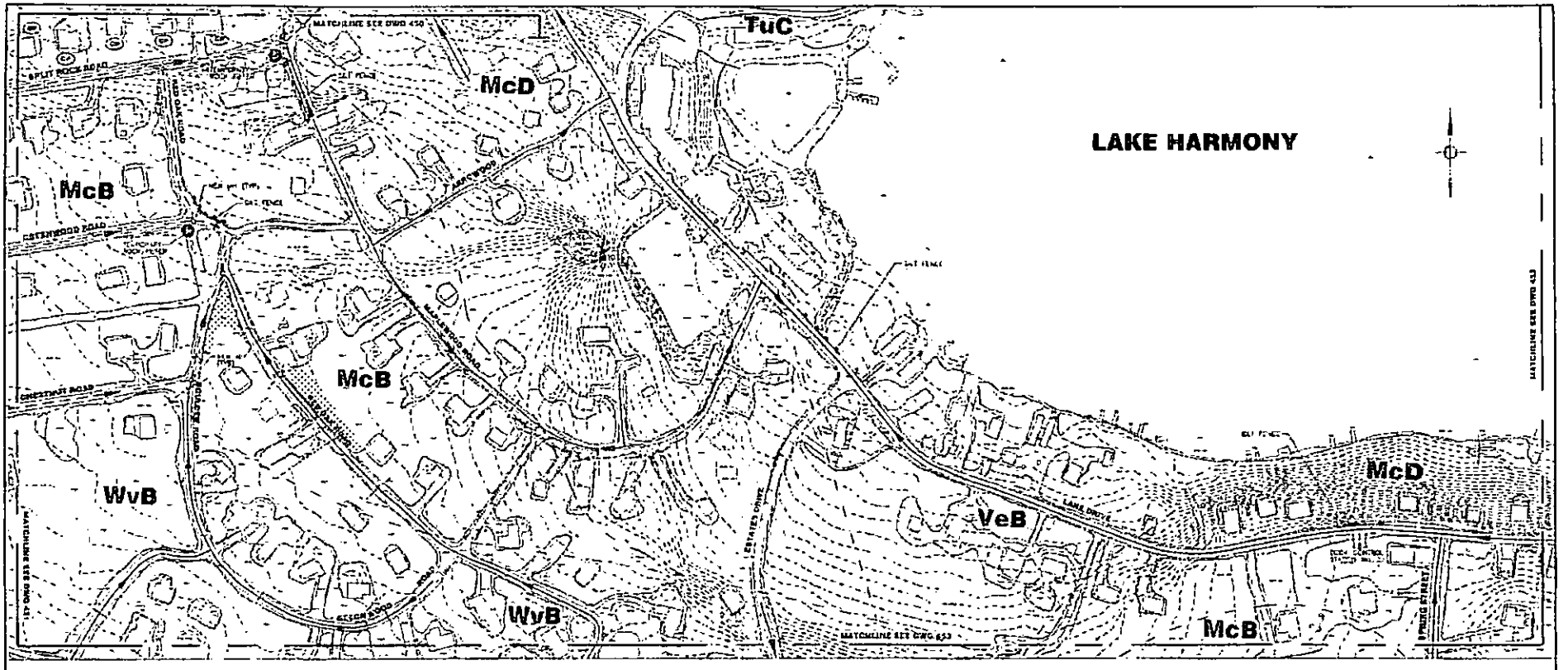
DESIGN CHK	MAR	APPROVED	
DRAWN BY	DBT		
PROJECT MGR	MAR	APPROVED	
PROJECT MGR	DJH		
CHECKED BY	DJ	DATE	8/15/02

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS

SOIL EROSION AND SEDIMENTATION CONTROL PLAN

SCALE	1" = 1000'
PROJECT NO	97.5887.020
DRAWING NO	151
SHEET	12

Exhibit FL-2



RECORD DRAWING

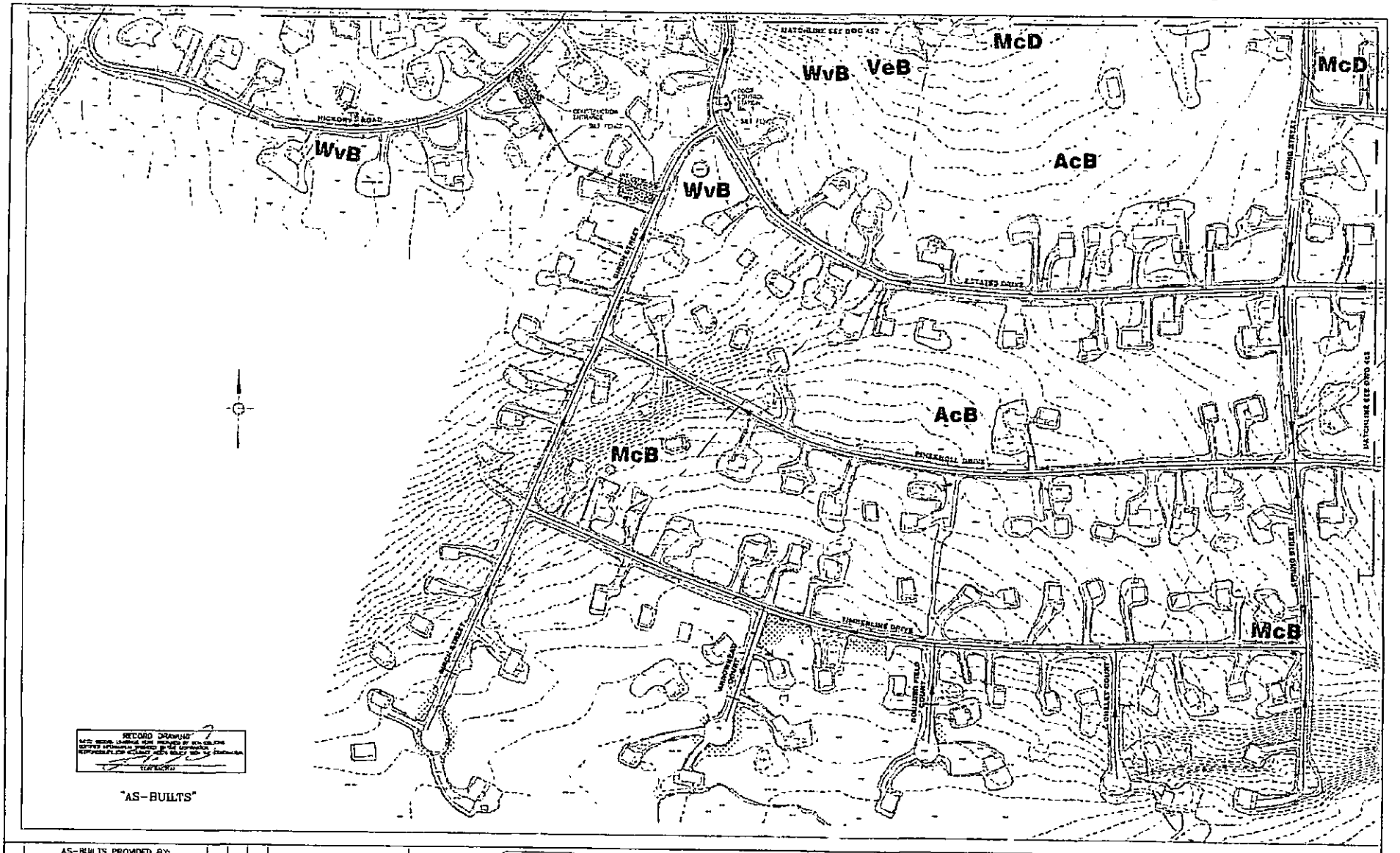
"AS-BUILTS"

AS-BUILTS PROVIDED BY:
M.F. RONCA & SONS, INC.
170 MARION ROAD
BETHLEHEM, PA. 18020
PHONE: (610) 758-5100
FAX: (610) 746-1974

BCM ENGINEERS BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS

SCALE: 1" = 800'



AS-BUILTS PROVIDED BY:
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179 MIKRON ROAD
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KIDDER TOWNSHIP
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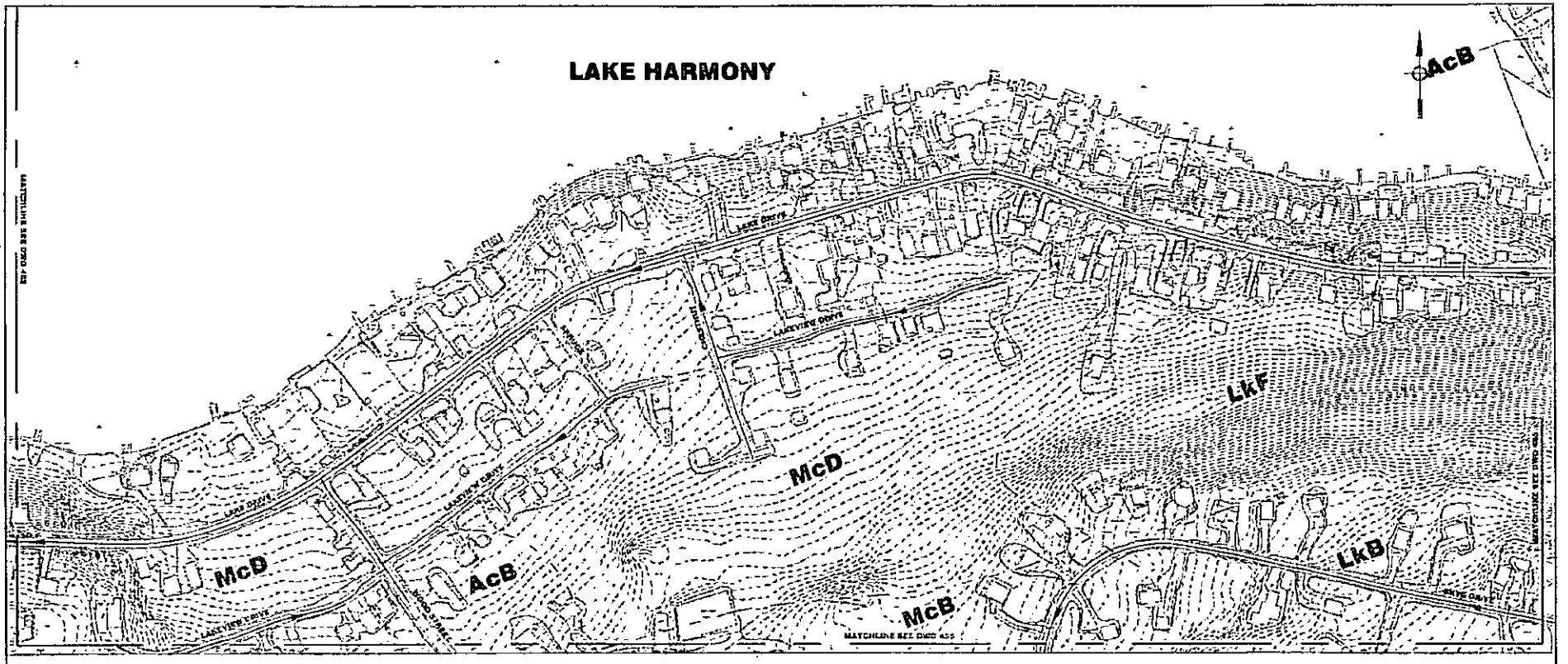

RECORD DRAWING

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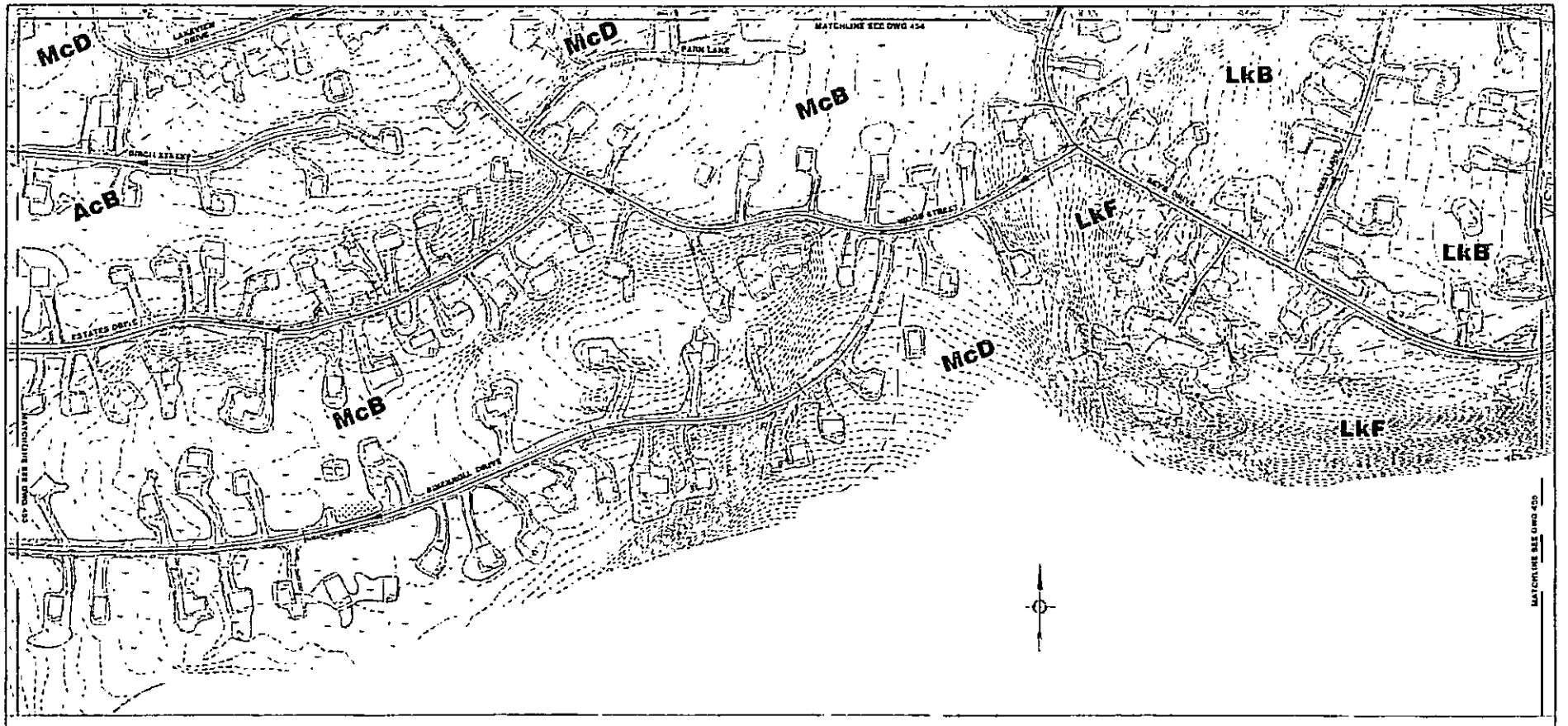
BCM ENGINEERS BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS

SOIL EROSION AND SEDIMENTATION CONTROL PLAN



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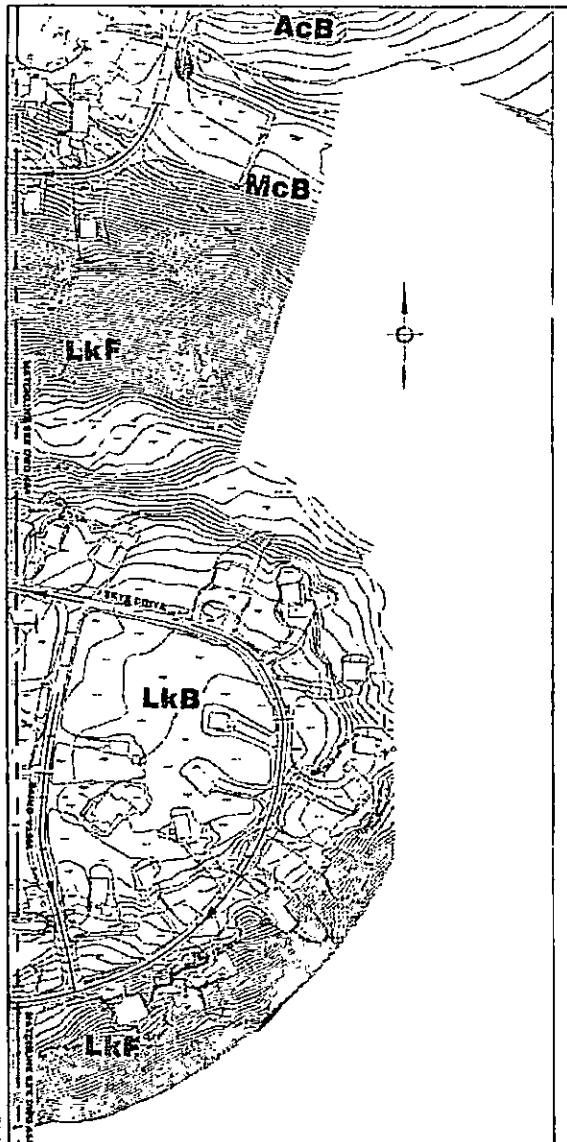
BCM ENGINEERS — BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS

SOIL EROSION AND SEDIMENTATION CONTROL PLAN



RECORD DRAWING

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M.F. RONCA & SONS, INC.
179 MIKRON ROAD
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FAX: (610) 746-0974

BCM ENGINEERS — BCM Engineers

KIDDER TOWNSHIP
CARBON COUNTY, PA.
SANITARY SEWERS

SOIL EROSION AND SEDIMENTATION CONTROL PLAN

Attachment 6

List of Customer Properties wherein Pennvest-funded Grinder Pumps are located at the time of Closing (3/ pages)

NOTE: INCLUDED AS A COMPONENT OF THE GRINDER PUMP IS THAT PORTION OF THE CUSTOMER WASTEWATER LATERAL BETWEEN THE CURB-LINE OR EDGE-OF-ROAD AND THE GRINDER PUMP, ANY OR ALL OF WHICH LWWC MAY IN ITS SOLE DISCRETION CONVEY TO THE CUSTOMERS IDENTIFIED ON THIS ATTACHMENT 6 FOLLOWING CLOSING UPON SATISFACTION OF THE ABOVE-REFERENCED PENNVEST INDEBTEDNESS AND RELEASE OF THE PENNVEST LIEN(S).

CONTRACT 3

	Aqua #	EDU	Easement	Filed	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
1	1497394-1072910	1	X	F	GP-302-1A	18	Moseywood Rd	Thomas	Mitchell	1334 University Dr	Yardley, PA 19067	33A-21-B42.08
2	1497395-1072911	1	X		GP-302-1B	30	Moseywood Rd	Mark & Debra	Cafaro	9 Tamwood Ln	Sewell, NJ 08080	33A-21-B42.02
3	1497396-1072912	1	X		GP-302-2	14	Moseywood Rd	Aaron J	Stein	63 Bailey Dr	Washington Crossing, PA 18977	33A-21-B42.07
4	1497398-1072913	1	X		GP-302-2A	22	Moseywood Rd	Leonard	Scozzari	1891 N. Olden Ave	Trenton NJ 08638	33A-21-B42.09
5	1497400-1072914	1	X		GP-302-3	13	Moseywood Rd	Mark J & Traci D	Hammel	213 Chimney Oak Dr	Joppa, MD 21085	33A-21-B1
6	1497401-1072915	1	X		GP-302-4	11	Moseywood Rd	John C & ML	Zimmerman	15 Reservation Trail	Glenn Riddle, PA 19037	33A-21-B2
7	1497402-1072916	1	X		GP-302-5	30	Forest Dr	Wayne L & Elizabeth	Pesaresi	1624 Warren St	Alpha, NJ 08865	33A-21-B41
8	1497403-1072917	1	X		GP-302-6	9	Moseywood Rd	Ronald J	Szabo	1323 Crestwood Rd	Bethlehem, PA 18018	33A-21-B3
9	1497404-1072918	1	X		GP-303-1	7	Moseywood Rd	Ronald	Celli	15 Weaver Dr	Marlton, NJ 08053	33A-21-B40
10	1497406-1072919	1	X		GP-303-2	2	Moseywood Rd	Thomas & Lucinda	Marturano	1280 Wisteria Dr	Malvern,PA 19355	33A-21-A25
11	1497407-1072920	1	X		GP-303-3	3	Moseywood Rd	Jeanne Marie	Applegate	503 First St	Annapolis, MD 21403	33A-21-A26
12	1497408-1072921	1	X		GP-303-4	1	Moseywood Rd	John L & Rosemary	Pollick	PO Box 101	Lake Harmony, PA 18624	33A-21-A49
13	1497409-1072922	1	X		GP-304-1	5	Moseywood Rd	Marguerite	Green	PO Box 371	Lake Harmony, PA 18624	33A-21-B22
14	1497410-1072923	1	X		GP-304-2	50	Crest Dr	Harry & Jean	Carter	PO Box 329	Lake Harmony, PA 18624	33A-21-B21
15	1497411-1072924	1	X		GP-304-3	51	Crest Dr	Siegfried & Mary Jane	Roethlin	77 Old Orchard Dr	Hawthorne, NJ 07506	33A-21-A27
16	1497413-1072925	1	X		GP-304-4	52	Crest Dr	Sam & William	Wasson	312 Victoria Way	Chalfont PA 18914	33A-21-B20
17	1497415-1072926	1	X		GP-304-5	54	Crest Dr	Sharon L	Moss	22505 E Alder Dr	Aurora CO 80016	33A-21-B19
18	1497416-1072927	1	X		GP-304-6	53	Crest Dr	Fannie Mae		PO Box 650043	Dallas TX 75265	33A-21-A28
19	1497418-1072928	1	X		GP-304-7	55	Crest Dr	Ramon K	Kemp	382 Summerfield Circle	Ambler, PA 19002	33A-21-A29.01
20	1497419-1072929	1	X		GP-304-8	56	Crest Dr	Charlotte Jean	Eggert	PO Box 144	Lake Harmony, PA 18624	33A-21-B18
21	1497420-1072930	1	X		GP-304-9	58	Crest Dr	Rose Marie & Alan	Skolnik	12 Baird Dr	Hillsborough NJ 08844	33A-21-B17
22	1497422-1072931	1	X		GP-304-10	59	Crest Dr	Carolyn & Paul	Kouroupas	15 Layton Ct	Hillsborough NJ 08844	33A-21-A29
23	1497423-1072932	1	X		GP-304-11	60	Crest Dr	Robert M & Barbara	Borst	1058 Tenby Rd	Berwyn, PA 19312	33A-21-B16
24	1497424-1072933	1	X		GP-304-12	61	Crest Dr	George C & Frances L	Doll	384A Sudbury Ln	Monroe NJ 08831	33A-21-A30
25	1497425-1072934	1	X		GP-304-13	62	Crest Dr	Anthony J	Antonelli	103 E Baker Ave	Wildwood, NJ 08260	33A-21-B14,15
26	1497426-1072935	1	X		GP-304-14	65	Crest Dr	Thomas E	Harrison	71 Viewpoint Lane	Levittown PA 19054	33A-21-A31
27	1497427-1072936	1	X		GP-304-15	66	Crest Dr	John	Traub, Trustee	1028 Lavera Ln	Warminster, PA 18974	33A-21-B13
28	1497428-1072937	1	X		GP-304-16	69	Crest Dr	Arthur & Richard	Powell ET AL	234 Mall Blvd, Suite 130	King of Prussia PA 19406	33A-21-A33
29	1497430-1072938	1	X	F	GP-305-1	70	Crest Dr	Lynn A	Rigney	145 Timber Hill Dr	Monroe Twsp, NJ 08831	33A-21-B10,11
30	1497431-1072939	1	X		GP-305-2	73	Crest Dr	Gary F & Rita	Gardella	2 Denmark Ln	Jackson NJ 08527	33A-21-A35
31	1497432-1072940	1	X		GP-305-3	75	Crest Dr	James W & Cassandra	Valentine	629 Shadywood Dr	Perkasie PA 18944	33A-21-A36

CONTRACT 3

	Aqua #	EDU	Easement	Filed	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
32	1497433-1072941	1	X		GP-305-4	77	Crest Dr	Eric & Kellyn	Hodges	1365 Fenimore Ln	Gladwyne PA 19035-1333	33A-21-A37
33	1497434-1072942	1	X		GP-305-5	81	Crest Dr	Donald J	Landau	555 Van Reed Rd	Wyomissing PA 19601	33A-21-A39
34	1497435-1072943	1	X		GP-305-6	83	Crest Dr	Nancy K	Deisroth	PO Box 605	Lake Harmony PA 18624	33A-21-A40
35	1497436-1072944	1	X		GP-306-1	230	N Lake Dr	Mary Dick	Ludgate	PO Box 231	Lake Harmony PA 18624	19A-21-E21
36	1497437-1072945	1	X		GP-306-2	232	N Lake Dr	James A	Wells/Finkbiner	2258 S Chester Springs Rd	Chester Spring PA 19425	19A-21-E20
37	1497438-1072946	1	X		GP-307-1	228	N Lake Dr	Sharon L	Haines	PO Box 389	Lake Harmony, PA 18624	19A-21-E20.01
38	1497439-1072947	1	X		GP-307-2	217	N Lake Dr	William J & Mary	Defalco	5194 Judson Dr	Bensalem, PA 19020	19A-21-E22.18
39	1497440-1072948	2	X		GP-307-3	222	N Lake Dr	Mary C	Becker	40 Perennial Dr	Fairless Hills, PA 19030	19A-21-E22.17
40	1497441-1072949	1	X		GP-307-4	220	N Lake Dr	Janet Lee	Murphy	1325 Quarrey Ln	Lancaster, PA 17603	19A-21-E22.16
41	1497442-1072950	1	X		GP-307-5	215	N Lake Dr	Edward & Kathryn	Seitz	83 Clairmont Ave	Tamaqua PA 18252	19A-21-E19
42	1497443-1072951	2	X		GP-307-6	210	N Lake Dr	Sharon L	Haines	PO Box 389	Lake Harmony PA 18624	19A-21-E22.15
43	1497444-1072952	1	X		GP-307-7	211	N Lake Dr	Stephen H.& Nancy	Ellis	141 4th St	Hicksville PA 11801	19A-21-E18
44	1497446-1072953	1	X		GP-307-8	209	N Lake Dr	Adam J	Atkinson	PO Box 210	Lake Harmony PA 18624	19A-21-E17
45	1497447-1072954	1	X		GP-307-9	207	N Lake Dr	Frank W	Pieri	PO Box 191	Lake Harmony PA 18624	19A-21-E16
46	1497448-1072955	2	X		GP-307-10	206	N Lake Dr	Joseph & Margaret	Reif	134 Kaiser Dr	Downingtown PA 19355	19A-21-E22.14
47	1497451-1072956	1	X	F	GP-307-11	205	N Lake Dr	Valerie	McVey	PO Box 314	Blakeslee PA 18610	19A-21-E15
48	1497452-1072957	1	X		GP-307-12	202	N Lake Dr	Ronald A & Nancy Ann	Wagner	939 Oak Terrace	Southampton, PA 18966	19A-21-E22.13
49	1497453-1072958	1	X		GP-307-13	201	N Lake Dr	Michael V	Hickey	770 N Wales Rd	North Wales, PA 19454	19A-21-E14
50	1497454-1072959	1	X		GP-307-13A		N Lake Dr	Michael V	Hickey	770 N Wales Rd	North Wales, PA 19454	19A-21-E13
51	1497456-1072960	1	X		GP-307-14	197	N Lake Dr	Suzanne Ilene	Schiller	304 Queen St	Philadelphia, PA 19147	19A-21-E12.04
52	1497457-1072961	1	X		GP-307-15	193	N Lake Dr	Mary A	Farnschlader	PO Box 731	Lake Harmony, PA 18624	19A-21-E12
53	1497458-1072962	1	X		GP-308-1	189	N Lake Dr	Brian A	Rafferty	PO Box 236	Lake Harmony, PA 18624	19A-21-E12.01
54	1497459-1072963	1	X		GP-308-2	185	N Lake Dr	Judith M	Pollock	PO Box 535	Lake Harmony, PA 18624	19A-21-E12.02
55	1497460-1072964	1	X		GP-308-3	181	N Lake Dr	Joseph H & Vivian A	George	949 Bankbridge Rd	Sewell, NJ 08080	19A-21-E12.03
56	1497461-1072965	1	X		GP-308-4	182	N Lake Dr	Robert J	Sullivan, Jr	2491 Fieldcrest Ave	Norristown, PA 19403	19A-21-E35.01
57	1497462-1072966	1	X		GP-308-5	180F	N Lake Dr	Robert	Sendel	1241 Echo Dr	Whitehall, PA 18052	19A-21-E36
58	1497464-1072967	1	X		GPO/ GP-308-6	178R	N Lake Dr	Ellyn	McGinnis	PO Box 225	Lake Harmony, PA 18624	19A-21-E38.01
59	1497465-1072968	1	X		GP-308-7	178F	N Lake Dr	Christopher M	Murphy	PO Box 177	Lake Harmony, PA 18624	19A-21-E38
60	1947466-1072969	1	X		GP-308-8	177	N Lake Dr	Hulme W & Paula Marie	Thomas	808 W Broad St	Bethlehem, PA 18018	19A-21-E11
61	1497468-1072970	1	X		GP-308-9	175	N Lake Dr	Hulme W III	Thomas	PO Box 107	Lake Harmony PA 18624	19A-21-E10
62	1497469-1072971	1	X		GP-308-10	176	N Lake Dr	Francis D & Diana	Nolan,Jr	565 Belfry Dr	Center Square, PA 19422	19A-21-E39

CONTRACT 3

	Aqua #	EDU	Easement	Filed	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
63	1497470-1072972	1	X		GP-308-11	174F	N Lake Dr	William J & Agnes M	Puskas, Jr	PO Box 468	Lake Harmony, PA 18624	19A-21-E40
64	1497472-1072973	1	X		GP-308-12	174R	N Lake Dr	Michael Q	Giuliani	109 Kent Dr	North Wales, PA 19454	19A-21-E39.01
65	1497473-1072974	1	X		GP-308-13	172	N Lake Dr	Lila	Frost	10 W Indian Ln	Norristown PA 19403	19A-21-E41
66	1497474-1072975	1	X		GP-308-14	63	N Lake Dr	Martin M & Hope E	Frankel	PO Box 228	Lake Harmony, PA 18624	19A-21-E9
67	1497475-1072976	1	X		GP-308-15	59	N Lake Dr	Martin M & Hope E	Frankel	PO Box 228	Lake Harmony, PA 18624	19A-21-E7,8
68	1497476-1072977	1	X		GP-308-17	57	N Lake Dr	Peter	Ginopolas	PO Box 197	Lake Harmony, PA 18624	19A-21-E6
69	1497477-1072978	1	X		GP-308-18	164	N Lake Dr	Robert	Smith	PO Box 312	Lake Harmony, PA 18624	19A-21-E42
70	1497478-1072979	1	X		GP-308-20	54	N Lake Dr	Edward J & Loretta A	Domin	1165 Stark Rd	Bethlehem, PA 18017	19A-21-E44.01
71	1497479-1072980	1	X		GP-308-21	150	Tobyhanna St.	Daniel	McDonald	1001 Culhane St	Chester PA 19013	19A -21-D59
72	1497473-1072981	1	X		GP-308-22	151	N Lake Dr	John J & Margaret R	Dematte IV	635 Blakeslee Blvd Dr We	Lehighton PA 18235	19A-21-D60
73	1497481-1072982	1	X		GP-308-23	149	N Lake Dr	Rocco	Leonardis ET AL	PO Box 1053	Brigantine NJ 08203	19A-21-D58
74	1497482-1072983	1	X		GP-308-24	147	N Lake Dr	Thomas F	Burns ET AL	1864 Rampart Ln	Lansdale, PA 19446-5051	19A-21-D57
75	1497473-1072984	1	X		GP-308-25	145	N Lake Dr	Robin	Rehrig	PO Box 166	Lake Harmony, PA 18624	19A-21-D56
76	1497484-1072985	1	X		GP-308-26	141	N Lake Dr	David	Baiardi	126 Hall St	Brooklyn NY 11205	19A-21-D55
77	1497485-1072986	1	X		GP-308-27	186	N Lake Dr	Paul B	Wieand ET AL	196 Redhill Rd	Ottsville, PA 18942	19A-21-E34
78	1609951-1072987	1	X		GP-308-28	184	N Lake Dr	ORVO	Properties	923 N 2nd St	Philadelphia, PA 19123	19A-21-E35
79	1497487-1072988	1	X		GP-308-29	164	N Lake Dr	Robert	Smith	PO Box 312	Lake Harmony, PA 18624	19A-21-E42
80	1497489-1072989	1	X		GP-308-30	162	N Lake Dr	Mark B & Beth	Zinman	19 Cameo Dr	Richboro, PA 18954	19A-21-E43
81	1497490-1072990	1	X		GP-308-31	160F	N Lake Dr	Scott & Arlene	Korn	1233 Meadow Rd	Villanova, PA 19085	19A-21-E44
82	1497491-1072991	1	X		GP-308-32	150	N Lake Dr	Thomas & Christina	Haralampoudis	27 Pomeroy Rd	Madison, NJ 07940	19A-21-D61
83	1497492-1072992	1	X		GP-308-33	148	N Lake Dr	Albert J. & Laura A.	Duna	286 Honey Hole Rd	Drums, PA 18222	19A-21-D62
84	1497493-1072993	1	X		GP-308-34	146	N Lake Dr	Gerald G. & Anna Marie	Dunlap	1912 Rickert Rd	Perkasie, PA 18944	19A-21-D63
85	1558070-1072994	1	X	F	GP-309-1	142	N Lake Dr	Barry	Katz	325 Thornbrook Ave	Rosemont PA 19010	19A-21-D65
86	1558074-1072995	1	X	F	GP-309-2	142	N Lake Dr	Barry	Katz	325 Thornbrook Ave	Rosemont PA 19010	19A-21-D65
87	1497496-1072996	1	X		GP-309-3	140	N Lake Dr	Richard A. & Maureen	Kennedy	PO Box 782	Lake Harmony, PA 18624	19A-21-D66
88	1497497-1072997	1	X		GP-309-4	139	N Lake Dr	Richard	Turtzo	PO Box 142	Pen Argyl, PA 18072	19A-21-D54
89	1497498-1072998	1	X		GP-309-5	137	N Lake Dr	Ralph C. & Elizabeth	Lennon	PO Box 29	Lake Harmony, PA 18624	19A-21-D53
90	1497499-1072999	1	X	F	GP-309-6	138	N Lake Dr	Stephen J	Messina	23 Traub Dr	Churchville, PA 18966	19A-21-D67
91	1497500-1073000	1	X		GP-309-7	136	N Lake Dr	Visitacion	Dizon	2307 Mahoning Dr E	Lehighton, PA 18235	19A-21-D68
92	1497501-1073001	1	X		GP-309-8	134	N Lake Dr	Samuel J & Elizabeth M	Milazzo	1605 River Rd	Pittston, PA 18640	19A-21-D69
93	1497502-1073002	1	X		GP-309-9	133	N Lake Dr	Ralph C. & Elizabeth	Lennon	PO Box 29	Lake Harmony, PA 18624	19A-21-D51,52

CONTRACT 3

	Aqua #	EDU	Easement	Filed	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
94	1497503-1073003	1	X		GP-309-10A	132	N Lake Dr	Margretta	Keptner	902 Hertzler Rd	Mechanicsburg, PA 17055	19A-21-D70
95	1497504-1073004	1	X		GP-309-10B	130	N Lake Dr	Louis & Faith E	Kindred	804 Lehigh St	Jim Thorpe, PA 18229	19A-21-D71
96	1497505-1073005	1	X		GP-309-11	124	N Lake Dr	Ryan	Kerr	854 Sergeantsville Rd	Stockton, NJ 08559	19A-21-D72
97	1788234-1073006	1	X		GP-309-12	121	N Lake Dr	Louise	Zimmerman	246 E Ludlow St	Summit Hill PA 18250	19A-21-D47
98	1497507-1073007	1	X		GP-309-13	98	N Lake Dr	Sonia M.	Harmony	PO Box 3	Lake Harmony, PA 18624	19A-21-C1
99	1497508-1073008	1	X		GP-309-14	96	N Lake Dr	David G & Gayle M	Turtzo	118 E Pennsylvania Ave	Pen Argyl, PA 18072	19A-21-C2
100	1497509-1073009	1	X		GP-309-15	101	N Lake Dr	Scott	Inhoffer	PO Box 248	Lake Harmony, PA 18624	19A-21-D29
101	1497510-1073010	1	X		GP-309-16	99	N Lake Dr	Matthew T & Constance	Long	PO Box 11	Lake Harmony, PA 18624	19A-21-D28
102	1497511-1073011	1	X		GP-309-17	97	N Lake Dr	Dorothy & Cheryl Anne	Milligan	7116 Oxford Rd	Baltimore, MD 21212	19A-21-D27
103	1497512-1073012	1	X		GP-309-20	94	N Lake Dr	Danielle Nichole	Way	PO Box 303	Lake Harmony PA 18624	19A-21-C3
104	1497513-1073013	1	X		GP-309-21	92	N Lake Dr	Samuel J & Elizabeth M	Milazzo	1605 River Rd	Pittston, PA 18640	19A-21-C4
105	1497514-1073014	[illegible]	X		GP-310-1A	92	N Lake Dr	Samuel J & Elizabeth M	Milazzo	1605 River Rd	Pittston, PA 18640	19A-21-C4
106					GP-310-1B	92		Samuel J & Elizabeth M	Milazzo	1605 River Rd	Pittston, PA 18640	19A-21-C4
107	1497515-1073015	1	X		GP-310-2	93	N Lake Dr	Samuel J & Elizabeth M	Milazzo	1605 River Rd	Pittston, PA 18640	19A-21-D25
108	1497516-1073016	[illegible]	X		GP-310-3A	90	Lake Harmony Rd Terra Cottage	Loreen R	Daniels	PO Box 760	Pocono Lake, PA 18347	19-21-A2.05
109	1499908-1075071	[illegible]			GP-310-3B							19-21-A2.05
110	1499475-1074662	[illegible]				90		Loreen R	Daniels	PO Box 760	Pocono Lake, PA 18347	19-21-A2.05
111	1497517-1073017	[illegible]	X		GP-310-4A	91	N Lake Dr	Paul & Bette	Davidson	PO Box 565	Lake Harmony, PA 19824	19A-21-D24
112					GP-310-4B	91		Paul & Bette	Davidson	PO Box 565	Lake Harmony, PA 19824	19A-21-D24
113	1497518-1073018	[illegible]	X		GP-310-6A	96	Lake Harmony Rd	Nicholas L	Pantage	PO Box 273	Lake Harmony, PA 18624	19A-21-D22
114					GP-310-6B	96		Nicholas L	Pantage	PO Box 273	Lake Harmony, PA 18624	19A-21-D22
115	1497519-1073019	1	X		GP-310-7	100	Lake Harmony Rd	Otto Robert & Joan E	Schmid	PO Box 552	Lake Harmony, PA 18624	19A-21-D18
116	1497520-1073020	[illegible]	X		GP-310-8	104	Lake Harmony Rd	Lake Harmony Rescue	Ambulance	PO Box 564	Lake Harmony, PA 18624	19A-21-D16/17
117	1497520-1073021	1	X		GP-310-9	108	Lake Harmony Rd	June	Kresge	PO Box 322	Lake Harmony, PA 18624	19A-21-D15
118	1497520-1073022	1	X		GP-310-10	110	Lake Harmony Rd	June	Kresge	PO Box 322	Lake Harmony, PA 18624	19A-21-D14
119	1497523-1073023	[illegible]	X	F	GP-310-11	114	Lake Harmony Rd	Metro Properties		2 Charlton St Apt 14D	New York, NY 10014	19A-21-D12
120	1497524-1073024	[illegible]	X		GP-311-1	122	Lake Harmony Rd	Lake Harmony	Fire Co	PO Box 554	Lake Harmony, PA 18624	19A-21-D9
121	1497525-1073025	[illegible]	X		GP-311-2	126	Lake Harmony Rd	Peddler's	Properties	PO Box 87	Albrightsville, PA 18210	19A-21-D7,8
122	1497527-1073027	[illegible]	X		GP-311-5A	134	Lake Harmony Rd	LNP Properties		132 S Laurel St	Hazelton, PA 18201	19A-21-D4
123					GP-311-5B	134		Louie's Prime				19A-21-D4
124	1497528-1073028	1	X		GP-311-6	135	Lake Harmony Rd	Walter	Hussar	PO Box 161	Jim Thorpe, PA 18229	19-21-A1

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	Aqua #	EDU	Easement	Filed	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
125	1497529-1073029	1	X		GP-311-7		Lake Harmony Rd	Kenneth	Detweiler	PO Box 568	Lake Harmony, PA 18624	19A-21-D77
126	1497530-1073030	1	X		GP-312-1	34	Forest Dr	John F & Irene F	Bubel	53 Rampart East	Media, PA 19063	33A-21-B4
127	1497531-1073031	1	X		GP-312-2	35	Forest Dr	Rhory	Wright	324 Huffman Dr	Exton, PA 19341	33A-21-B8.02
128	1497532-1073032	1	X		GP-312-3	38	Forest Dr	Donald T & Eileen C	Duggan	PO Box 526	Lake Harmony, PA 18624	33A-21-B6
129	1497533-1073033	1	X		GP-312-4	37	Forest Dr	Louis W & Diane	Tilley	92 Beacon Square	Chesterbrook PA 19087	33A-21-B8.03
130	1498353-1073701	1	X		GP-312-5	40	Forest Dr	Marshal	Hyman	3709 Michelle Way	Pikesville MD 21208	33A-21-B7.01
131	1497534-1073034	1	X		GP-312-6	39	Forest Dr	William G	Matthews ET Al.	167 Steeplechase Rd	Devon, PA 19333	33A-21-B8.04
132	1497535-1073035	1	X		GP-312-7	41	Forest Dr	Larry & Michelle	Goldstein	602 Argyle Circle	Wynnewood, PA 19096	33A-21-B8.01
133	1497536-1073036	1	X		GP-313-1	8	Moscywood Rd	Mark F	Peterson	1411 N Fairfax Ave #24	W Hollywood, CA 90046	33A-21-B39
134	1497538-1073037	1	X	F	GP-313-2	27	Forest Dr	Wister W & Kristen C	Yuhas Jr	10 Lissa Ln	Sugarloaf PA 18249	33A-21-B38
135	1497539-1073038	1	X		GP-313-3	28	Forest Dr	Joseph S	Colalillo	199 Sandy Ridge	Stockton, NJ 08559	33A-21-B44.01
136	1497540-1073039	1	X		GP-313-4	25	Forest Dr	Bronne J & Cynthia L	Bruzgo	1595 Allen Way	Bethlehem, PA 18017	33A-21-B37.02
137	1497541-1073040	1	X		GP-313-5	26	Forest Dr	Martin T & Patricia	Sarkees	2461 N Feathering Rd	Media, PA 19063	33A-21-B44
138	1497542-1073041	1	X		GP-313-6	24	Forest Dr	Ronald C	Bauder	2606 Nottingham Rd	Bethlehem, PA 18017	33A-21-B42.01
139	1747729-1073042	1	X		GP-313-7	23	Forest Dr	Michael & Aimee	Lipka	367 Holly Rd	Marlton NJ 08053	33A-21-B37
140	1498359-1073707	1	X	F	GP-313-8	22	Forest Dr	Scott F	Peterson	PO Box 69	Lake Harmony, PA 18624	33A-21-B46.05
141	1497545-1073044	1	X		GP-313-9	21	Forest Dr	William A & Ruth R	Wood	604 Willow Valley Sq	Lancaster, PA 17602	33A-21-B37.01
142	1497546-1073045	1	X		GP-313-10	20	Forest Dr	Erwin M	Simpson IV	PO Box 518	Lake Harmony, PA 18624	33A-21-B46.02
143	1497549-1073046	1	X	F	GP-313-11	19	Forest Dr	Ted E	Wagner	1146 Treeline Dr	Allentown PA 18103	33A-21-B37.03
144	1497550-1073047	1	X		GP-313-12	18	Forest Dr	Joan C	Hadden	824 Milmar Rd	Newtown Square, PA 19073	33A-21-B46.07
145	1497552-1073048	1	X		GP-313-13	15	Forest Dr	James N	Pepperman	11 Wyndham Ln	Chester Springs PA 19425	33A-21-B36
146	1497553-1073049	1	X		GP-313-14	16	Forest Dr	James R	Gillian	5 Walnut Rd	Ocean City, NJ 08226	33A-21-B46.06
147	1497556-1073050	1	X		GP-313-15	14	Forest Dr	C Joseph	Nordon	932 Kings Arms Dr	Downington, PA 19335	33A-21-B46.04
148	1497557-1073051	1	X		GP-313-16	13	Forest Dr	Walter & Gertrude E	D'Alessio, Jr	580 Wigard Ave	Philadelphia PA 19128	33A-21-B35
149	1497558-1073052	1	X		GP-314-1	46	Crest Dr	William F & Beryl G	Rosen III	717 S Warren Ave	Malvern PA 19355	33A-21-B23
150	1497559-1073053	1	X		GP-314-2	44	Crest Dr	Joanne N	Wells	*329 Black Matt Rd*	*Douglassville,PA 19518*	*33A-21-B24*
151	1497560-1073054	1	X		GP-314-3	43	Crest Dr	J Donald	Reiff	PO Box 587	Blakeslee, PA 18610	33A-21-A24.01
152	1497561-1073055	1	X		GP-314-4	41	Crest Dr	David	Gansfuss	303 Sunset Rd	Skillman, NJ 08558	33A-21-A23
153	1497563-1073056	1	X	F	GP-314-5	42	Crest Dr	Thomas M & Denise S	Bruzell	29 Wheatfield Dr	Wilmington DE 19810-4351	33A-21-B25
154	1497564-1073057	1	X		GP-314-6	39	Crest Dr	Fanny	Chodosh	1526 Carol Rd	Meadowbrook, PA 19046	33A-21-A22
155	1497565-1073058	1	X		GP-314-7	40	Crest Dr	John A	Bernsen	510 Nob Hill Dr	. Perkasie, PA 18944	33A-21-B26.01

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156	1497567-1073059	1	X		GP-314-8	38	Crest Dr	Charlotte	Weimer	873 Harleysville Pike	Harleysville PA 19438	33A-21-B26
157	1497569-1073060	1	X		GP-314-9	37	Crest Dr	Peter & Sarah	Bates	9705 Gudel Dr	Ellicon City MD 21042	33A-21-A21
158	1497570-1073061	1	X		GP-314-10	35	Crest Dr	Joy H	Tartar	233 Friendship Dr	Paoli PA 19301	33A-21-A20
159	1497571-1073062	1	X		GP-314-11	36	Crest Dr	James A	Hesek	369 Holly Rd	Marlton, NJ 08053	33A-21-B27.01
160	1497573-1073063	1	X		GP-315-1	26	Labarre	Mark	Tanner	PO Box 376	Lake Harmony PA 18624	19A-21-E22.19
161	1497574-1073064	1	X		GP-315-2	224	Labarre	Paul C & Nancy S	Haupert	34105 Ann's Choice Way	Warminster, PA 18974	19A-21-E22.12
162	1497575-1073065	1	X		GP-315-3	222	Labarre	Charles F & Marie S	Reichert	7 Deer Run Rd	Boyertown PA 19512	19A-21-E22.11
163	1497576-1073066	1	X		GP-315-4	220	Labarre	Kathleen M	Lex/McEvoy	465 Freedom View Ln	Phoenixville, PA 19460	19A-21-E22.10
164	1497577-1073067	1	X		GP-315-5	218	Labarre	Thomas M & Dale R	Bynon, Jr	PO Box 742	Lake Harmony PA 18624	19A-21-E22.09
165	1497578-1073068	1	X		GP-315-6	216	Labarre	Jacqueline	Skrapits	2104 Abington Rd	Bethlehem PA 18018	19A-21-E22.08
166	1497579-1073069	1	X		GP-315-7	214	Labarre	Dan C	Andrews	139 Dellen Ln	Weatherly PA 18255	19A-21-E22.01
167	1497580-1073070	1	X		GP-315-8	212	Labarre	Virginia L	Raphaelson	PO Box 712	Lake Harmony PA 18624	19A-21-E23
168	1497581-1073071	1	X		GP-315-10	210	Labarre	Kurt	Wolfgang	PO Box 282	Lake Harmony PA 18624	19A-21-E24
169	1497583-1073072	1	X		GP-315-11	208	Labarre	Michael A	Porreca	22 Rollong Glen Ct	Mount Laurel NJ 08054	19A-21-E25
170	1497584-1073073	1	X		GP-315-12	206	Labarre	Ron Taylor	& Jean Raum	490 Station Rd	Wawa PA 19063	19A-21-E26
171	1497585-1073074	1	X		GP-315-13	204	Labarre	James R & Katherine E	Taylor	217 Harvard Ave	Swarthmore, PA 19081	19A-21-E27
172	1497586-1073075	1	X		GP-315-14	202	Labarre	Deborah A	Schwartz	PO Box 318	Lake Harmony, PA 18624	19A-21-E28
173	1497587-1073076	1	X		GP-315-15	198	N Lake Dr	Arnold	Bowles	25217 Ann's Choice Way	Warminster, PA 18974	19A-21-E29
174	1497588-1073077	1	X		GP-315-16	196	N Lake Dr	Dean T & Marilee J	Cassidy	43 Roosevelt Dr	Boyertown, PA 19512	19A-21-E30
175	1497589-1073078	1	X		GP-315-17	194	N Lake Dr	Andrew J & Kathleen	Turezyn	600 Brintons Bridge Rd	West Chester, PA 19382	19A-21-E31
176	1497590-1073079	1	X		GP-315-18	192	N Lake Dr	David A & Jill C	Palanzo	515 E Main St	Annville, PA 17003	19A-21-E32
177	1497591-1073080	1	X		GP-315-19	188	N Lake Dr	Curtis A	Ashner, Jr	PO Box 342	Lake Harmony, PA 18624	19A-21-E33
178	1497592-1073081	1	X		GP-316-1	100	Kirk St	Peter B	Vogel, Jr	930 Anderson St	Trainer, PA 19061	19A-21-D10.01
179	1497593-1073082	1	X		GP-316-2	110	Ridge St	Wade Carl	Kresge	PO Box 322	Lake Harmony, PA 18624	19A-21-D75
180	1497594-1073083	1	X		GP-316-3	114	Ridge St	Catherine Irene	Kresge	PO Box 315	Lake Harmony, PA 18624	19A-21-D76
181	1497595-1073084	1	X		GP-316-5	122	Ridge St	Charles J & Charles B	Maurer	2004 1/2 Green St	Allentown, PA 18104	19A-21-D3
182	1497596-1073085	1	X		GP-316-7	126	Kirk St	Robert L	*Washick*	*Box 253 360 Main St*	*Conyngham, PA 18219*	*19A-21-D1*
183	1497597-1073086	1	X		GP-317-1	125	N Lake Dr	Beth A& Lee	Frantz	34 North St	Slatington, PA 18080	19A-21-D49
184	1497599-1073087	1	X	F	GP-317-2	25	Tobyhanna St	Gabor	Nagy	74 Ketch Rd	Morris Township, NJ 07960	19B-21-F3
185	1497600-1073088	1	X		GP-317-3	23	Tobyhanna St	John D & Kathleen A	Conaway	347 Oakdale Pl	Springfield, PA 19064	19B-21-F4
186	1497601-1073089	1	X		GP-317-4	27	Tobyhanna St	Joseph P & Marlene R	Giordano, Jr.	304 Winding Way	Merion Station, PA 19066	19B-21-F2

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187	1497602-1073090	1	X		GP-317-5	29	Tobyhanna St	Louis A & Joyce A	Cerino	361 Logan Dr	Hatfield, PA 19440	19B-21-F1
188	1497604-1073092	1	X		GP-317-7	163	Tobyhanna St	Joseph M & Linda K	Fasching	5921 Chapmans Rd	Orefield, PA 18069	19A-21-E2
189	1497605-1073093	1	X		GP-317-9	131	N Lake Dr	Carol K	Snyder	783 Richmond Dr	Sicklerville, NJ 08081	19A-21-D50
190	1497606-1073094	1	X		GP-317-11	179	Tobyhanna St	Martin J & Susan B	Coughlin	PO Box 524	Lake Harmony, PA 18624	19A-21-E4
191	1497607-1073095	1	X		GP-318-1	21	Tobyhanna St	David	Zinman	19 Cameo Dr	Richboro, PA 18954	19B-21-F5
192	1497609-1073096	1	X		GP-318-2	111	N Lake Dr	David	Washington	8114 Washington Lane	Wyncote PA 19095	19A-21-D41
193	1497610-1073097	1	X		GP-318-3	19	Tobyhanna St	David W	Barndt	501 Edgewater Ave	Westville, NJ 08093	19B-21-F6
194	1497611-1073098	1	X		GP-318-4	107	Harmony Ave	Daniel J & Patricia	Cairns ET AL	PO Box 108	Lake Harmony, PA 18624	19A-21-D38
195	1497612-1073099	1	X		GP-318-5	17	Tobyhanna St	Gregory D	Wilson	51 Horseshoe Dr	Ephrata, PA 17522	19B-21-F7
196	1497613-1073100	1	X		GP-318-6	105	Harmony Ave	Aubrey & Melinda	Sledzinski	400 N 17th St	Camp Hill, PA 17011	19A-21-D37
197	1657369-1073101	1	X		GP-318-7	15	Tobyhanna St	Robert Feusner	Wm Berry	851 W Maple Dr	Southampton PA 18966	19B-21-F8
198	1497615-1073102	1	X		GP-318-8	13	Tobyhanna St	Raymond A & Jean M	LaFrance	PO Box 227	Lake Harmony, PA 18624	19B-21-F9
199	1763523-1073103	1	X		GP-318-9	11	Tobyhanna St	Suet Ling & David Lu	Tsui	1907 Fleming Ave	Willow Grove PA 19090	19B-21-F10
200	1497617-1073104	1	X		GP-319-1	117	N Lake Dr	John T & Catherine A	Corkill	1541 Capouse Ave	Scranton, PA 18509	19A-21-D45
201	1497618-1073105	1	X		GP-319-3	113	N Lake Dr	Louis G & Faith E	Kindred	804 Lehigh St	Jim Thorpe, PA 18229	19A-21-D42
202	1497619-1073106	1	X		GP-319-4	109	Harmony Ave	Candice	Kistler	PO Box 332	Lake Harmony, PA 18624	19A-21-D39
203	1497620-1073107	1	X		GP-319-6	123	Fern St	Andrew J	Demchik	PO Box 353	Lake Harmony, PA 18624	19A-21-D36
204	1770958-1073108	1	X	F	GP-319-7	122	Fern St	Douglas A	Howard	PO Box 550	Lake Harmony PA 18624	19A-21-D30
205	1497623-1073109	1	X		GP-319-9	121	Fern St	Mary M	Petrecca	1286 Hammon Ave	Ephrata, PA 17522	19A-21-D35
206	1497624-1073110	1	X		GP-319-10	119	Fern St	Scott	Sundberg	PO Box 295	Lake Harmony, PA 18624	19A-21-D34
207	1497625-1073111	1	X		GP-319-12	117	Fern St	James H & Deirdre D	Huber	804 E 2nd St	Bloomsburg, PA 17815	19A-21-D33
208	1497626-1073112	1	X		GP-319-13	115	Fern St	Aubrey & Melinda	Sledzinski	400 N 17th St	Camp Hill, PA 17011	19A-21-D32
209	1497627-1073113	1	X		GP-319-14	113	Fern St	Paul	Dorman	12101 Thorton Rd	Philadelphia PA 19154	19A-21-D31
210	1497628-1073114	1	X		GP-320-1	78	Lake Dr	Ronald	Banko	114 Azalea Way	Flourtown PA 19031	33A-21-A41
211	1497629-1073115	1	X		GP-320-2	76	Lake Dr	Orville C	Wetmore	1007 Oricote Ave	Wilmington DE 19807-2260	33A-21-A42
212	1497631-1073116	1	X		GP-320-3	74	Lake Dr	Christopher F	Meuller	30 Green Well Ln	Villanova PA 19085	33A-21-A43
213	1497631-1073116	1	X		GP-320-4	72	Lake Dr	Jonathan	Seaman	2545 Center St	Bethlehem PA 18017	33A-21-A43.01
214	1497633-1073118	1	X		GP-320-5	70	Lake Dr	Irene & William N	Spangler	809 Front St	Dunellen NJ 08812	33A-21-A44
215	1497634-1073119	1	X		GP-320-6	68	Lake Dr	Donald B	Grosser	120 Dan View Dr	Media PA 19063	33A-21-A45
216	1497635-1073120	1	X		GP-320-7	66	Lake Dr	Anne J	Knox, Trustee	376 Mt Alverno Rd	Media PA 19063	33A-21-A46
217	1497637-1073121	1	X		GP-320-8	64	Lake Dr	Vienet & Cynthia	Sullivan	20 Mustang Ct	Holland, PA 18966	33A-21-A47

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218	1497639-1073122	1	X	F	GP-321-2	17	Crest Dr	F Joseph	Finley	835 Chestnut St	Collingdale, PA 19023	33A-21-A10
219	1497640-1073123	1	X		GP-321-3	19	Crest Dr	Ronald & Alice	Faas	46 Watson Ave	West Orange, NJ 07052	33A-21-A11
220	1497641-1073124	1	X		GP-321-4	21	Crest Dr	Stephen C	Lillis	901 Norgate Dr	Ridgewood, NJ 07450	33A-21-A12
221	1497643-1073125	1	X		GP-322-1	23	Crest Dr		Sparango/Phelps	PO Box 694	Ambler PA 19002	33A-21-A13
222	1497644-1073126	1	X		GP-322-2	22	Crest Dr	Otto Robert & Joan E	Schmid	PO Box 552	Lake Harmony, PA 18624	33A-21-B30,31
223	1497645-1073127	1	X		GP-322-4	25	Crest Dr	Todd C	Smith	1 Walden Place	Montclair, NJ 07042	33A-21-A14
224	1497646-1073128	1	X		GP-322-5	27	Crest Dr		Full Circle LLC	1891 N Olden Ave	Trenton, NJ 08638	33A-21-A15
225	1497647-1073129	1	X		GP-322-6	26	Crest Dr	Scott & Angela	Sprouse	PO Box 39	Lake Harmony, PA 18624	33A-21-B29
226	1497648-1073130	1	X		GP-322-7	29	Crest Dr	Glen W	Neebe	265 Frogtown Rd	Kintnersville, PA 18930	33A-21-A16
227	1497649-1073131	1	X		GP-322-8	30	Crest Dr	Noel P & Lorie	Kegerise	1905 Mariette Ave	Lancaster, PA 17603	33A-21-B28
228	1497650-1073132	1	X		GP-322-9	31	Crest Dr	Michael T	Foglietta	156 Charles Dr	Havertown PA 19083	33A-21-A17
229	1497651-1073133	1	X		GP-323-1	12	Crest Dr	Dorothy J	Bruzgo	PO Box 274	Lake Harmony, PA 18624	33A-21-B49
230	1497653-1073134	1	X		GP-323-2	16	Crest Dr	Robert T	Bantivoglio Jr	2 Mountain View Trail	Chadds Ford, PA 19317	33A-21-B32
231	1497654-1073135	1	X		GP-323-3	6	Forest Dr	Robert	Ryan	330 Frog Hollow Rd	Phoenixville PA 19460	33A-21-B48.03
232	1497655-1073136	1	X		GP-323-4	7	Forest Dr	Alice J	Murphy	941 Wooton Rd	Bryn Mawr, PA 19010	33A-21-B33
233	1497656-1073137	1	X		GP-323-5	8	Forest Dr	Michelle S	Powers	2874 Paprika Rd	Doylestown, PA 18901	33A-21-B48.02
234	1497657-1073138	1	X		GP-323-6	9	Forest Dr	Michael & Athena	Meier	PO Box 473	Lake Harmony, PA 18624	33A-21-B33.01
235	1497658-1073139	1	X		GP-323-7	10	Forest Dr	Edward	Bower	59 Twining Ford Rd	Richboro, PA 18954	33A-21-B48.01
236	9-10731401497660-1	1	X		GP-323-8	12	Forest Dr	Lisa & Thomas	Roll	108 Red Mill Rd	Glen Gardner NJ 08826	33A-21-B47
237	1497660-1073141	1	X		GP-323-9	11	Forest Dr	Volko & Mira	Chizhik	227 E 7th St Apt. 5-7	Brooklyn, NY 11218-2624	33A-21-B34
238	VC account	0	X		GP-324-1	1	Lake Dr	Vacation Charters	Pavilion	PO Box 592	Lake Harmony, PA 18624	33A-21-A3
239	1497662-1073143	1	X		GP-324-3	24	Lake Dr	Lara	McKee	4 Hickman Ln	Glen Mills, PA 19342	33A-21-A66
240	1497663-1073144	1	X		GP-324-4	26	Lake Dr	John V & Maria	Piccione	1 Moore Circle	Media, PA 19063	33A-21-A65
241	1497664-1073145	1	X		GP-324-5	28	Lake Dr	Robert M	Cohen	2401 PA Ave Apt 2A5	Philadelphia, PA 19130	33A-21-A64
242	1497665-1073146	1	X		GP-324-6	30	Lake Dr	Avedissian Boland LLC		58 Timberline Dr	Wyomissing PA 19610	33A-21-A63
243	1497666-1073147	1	X		GP-324-7	32	Lake Dr	Rudolph	Litzlbeck	112 Robin Ave	Livingston, NJ 07039	33A-21-A62
244	1497667-1073148	1	X		GP-324-8	34	Lake Dr	Gregory W	Thomas	955 Lenape Rd	West Chester, PA 19382	33A-21-A61
245	1497668-1073149	1	X		GP-324-9	36	Lake Dr	Mark R & Noreen M	Leffler	1077 Eagle Rd	Newtown, PA 18940	33A-21-A60
246	1497670-1073150	1	X		GP-324-10	38	Lake Dr	William R & Kimberly A	Kingsbury	621 Patriot Lane	Phoenixville PA 19460	33A-21-A59
247	1497672-1073151	1	X	F	GP-325-1	40	Lake Dr	John C	Lang	98 Boulder Rd	Upper Black Eddy, PA 18972	33A-21-A58
248	1497674-1073152	1	X	F	GP-325-2	42	Lake Dr	Laurence S & Ann Kane	Seidman	5 Ogden Ave	Swarthmore, PA 19081	33A-21-A57

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	Aqua #	EDU	Easement	Filed	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
249	1497670-1073153	1	X		GP-325-3	44	Lake Dr	William	Meier	26 Larch Circle	Holland, PA 18966	33A-21-A56
250	1497676-1073154	1	X		GP-325-4	46	Lake Dr	George H & Elizabeth A	Kratzert	1406 Center Rd	Lancaster PA 17603	33A-21-A55
251	1497677-1073155	1	X		GP-325-5	48	Lake Dr	Bernd & Erika	Spott	215 Belmont Rd	King of Prussia PA 19406	33A-21-A54
252	1497678-1073156	1	X		GP-325-6	50	Lake Dr	Jane R & Robert J	Resnick/Riley	16 Bromley Ct	Hamden CT 06514	33A-21-A53
253	1497679-1073157	1	X		GP-325-7	52	Lake Dr	Karen Jane	Barni	PO Box 549	Lake Harmony PA 18624	33A-21-A52
254	1497680-1073158	1	X		GP-325-8	54	Lake Dr	Patricia K	Panella	1229 Cedar Rd	Ambler PA 19002	33A-21-A51
255	1497681-1073159	1	X		GP-325-9	56	Lake Dr	Diane & David	Corson	PO Box 276	Lake Harmony PA 18624	33A-21-A50.01
256	1497682-1073160	1	X		GP-325-10	58	Lake Dr	Anthony & Sharon	Markunas	PO Box 92	Northumberland PA 17857	33A-21-A50
		290			243 Residential	&	47 Commercial					

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
1	0	X		VC agreement	GP-400-1	2	Split Rock Rd	Vacation Charters	Lebanon Cottage	PO Box 592	Lake Harmony PA 18624	33A-21-C27
2	1	X		1497684-1073162	GP-400-2	6	Crest Drive	Dennis	Iocono	205 Courtney Dr	Barrington NJ 08007	33A-21-C42
3	1	X		1497682-1073163	GP-400-3	4	Crest Drive	Irwin L	Ross	Box 22	Gladwyne PA 19035	33A-21-C43
4	1	X		1497686-1073164	GP-400-4	1	Greenwood	Ruggiero Real Estate		PO Box 309	Lake Harmony, PA 18624	33A-21-C44
5	1	X		1497688-1073165	GP-400-6	377	S. Lake Drive	Realty Services	Unlimited	1933 State Rte 903	Jim Thorpe PA 18229	19A-21-A24
6	1	X		1497689-1073166	GP-400-7	380	S. Lake Drive	E Mae	Mayer	PO Box 292	Lake Harmony, PA 18624	19A-21-A22
7	1	X	F	1497691-1073167	GP-400-7B	382	S. Lake Drive	Francis D	Barbella	PO Box 48	Lake Harmony PA 18624	19A-21-A23
8	1	X		1497692-1073168	GP-400-8	378	S. Lake Drive	Lorraine	Gigliello	10 W. Indian Ln	Norristown, PA 19403	19A-21-A21
9	2	X		1497693-1073169	GP-400-9	376	S. Lake Drive	Thomas & Barbara	Cassidy	PO Box 475	Lake Harmony, PA 18624	19A-21-A20
10	1	X		1497694-1073170	GP-401-1	372	S. Lake Drive	Paul & Bette	Davidson	PO Box 565	Lake Harmony, PA 18624	19A-21-A19
11	1	X		1515830-1082570	GP-401-2	370	S. Lake Drive	Margretta A	Krum Trust	902 Hertzler Rd	Mechanicsburg PA 17055	19A-21-A18
12	1	X		1497697-1073172	GP-401-3	364	S. Lake Drive	Clair	Stemler ET AL	10 Beverly Rd	Perkasie, PA 18944	19A-21-A17
13	1	X		1497698-1073173	GP-401-4	371	S. Lake Drive	William T	Martino	2301 N Sunset Dr	Mesa, AZ 85215	19A-21-A26
14	1	X		1497699-1073174	GP-401-5	363	S. Lake Drive	Mark J & Terry A	Bond	507 North Hills Ave	Glenside, PA 19038	19A-21-A27
15	1	X		1497701-1073175	GP-401-6	362	S. Lake Drive	GSM Investment		2113 Barren Hill Rd	Conshohocken, PA 19428	19A-21-A16
16	1	X		1497704-1073176	GP-401-7	360	S. Lake Drive	Marjorie R	Cooper	14 E Market St	Bethlehem PA 18018	19A-21-A15
17	1	X		1497705-1073177	GP-401-8	358	S. Lake Drive	Lois	Holman	604 E. Second St	Weatherly, PA 18255	19A-21-A14
18	1	X		1497706-1073178	GP-401-9	357	S. Lake Drive	Jeffrey L & Cheryl	Jones	PO Box 331	Lake Harmony, PA 18624	19A-21-A28
19	1	X		1497707-1073179	GP-401-10	350	S. Lake Drive	John H	McKeever	1112 Walnut Dr	Danielsville, PA 18038-9721	19A-21-A13.01
20	1	X		1497708-1073180	GP-401-10A	350	S. Lake Drive	John H	McKeever	1112 Walnut Dr	Danielsville, PA 18038-9721	19A-21-A13.01
21	1	X		1497709-1073181	GP-401-11	353	S. Lake Drive	Ken & Marguerite	Woodeshick	Korn Krest 3 Clinton Dr	Hanover Twp., PA 18706-5903	19A-21-A29
22	1	X		1497711-1073182	GP-401-12	351	Lake View	Ralston	Calder	435 N Terr	Mt Vernon, NY 10553	19A-21-A63
23	1	X		1497712-1073183	GP-401-13	339	S. Lake Drive	Yong Wook & Sook H	Kim	1803 Easton Ave	Bethlehem, PA 18017	19A-21-A30.02
24	1	X		1497713-1073184	GP-401-14	335	S. Lake Drive	Lawrence J & Marion D	Mauriello	546 Jefferson Rd	Mullica Hill, NJ 08062	19A-21-A30.01

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
25	2	X		1497714-1073185	GP-401-15	330	S. Lake Drive	Constance L	Hoffman	354 Gilberts Hill Rd	Lehighton, PA 18235	19A-21-A12.02
26	1	X		1497715-1073186	GP-401-16	335	Lake View	Scott M	O'Hara	PO Box 186	Lake Harmony, PA 18624	19A-21-A62.02
27	1	X		1497716-1073187	GP-401-17	322	S. Lake Drive	Thomas G & Judith E	Pollock	2786 Mahoning Dr West	Lehighton, PA 18235	19A-21-A11
28	1	X		1497717-1073188	GP-401-18	323	S. Lake Drive	Kimara Lee	Hutton	25 Spring House Rd	Lehighton, PA 18235	19A-21-A32
29	1	X		1497718-1073189	GP-401-19	318	S. Lake Drive	Michael A & Georgianna	Motto	PO Box 193	Lake Harmony PA 18624	19A-21-A10
30	1	X		1497719-1073190	GP-401-25	334	S. Lake Drive	Nancy J	Neast	1460 Kaiser Ave	S. Williamsport PA 17702	19A-21-A12.01
31	1	X		1497721-1073191	GP-402-1	310	S. Lake Drive	Patricia M	Detweiler	PO Box 568	Lake Harmony, PA 18624	19A-21-A9
32	1	X		1497722-1073192	GP-402-2	296	S. Lake Drive	Margenett	Scheifer	3148 Patterson Dr	Bethlehem, PA 18017-2733	19A-21-A8
33	1	X		1497723-1073193	GP-402-4	294	S. Lake Drive	David & Donna	Geppert	2692 Woodstream Dr	Hatfield, PA 19440	19A-21-A7
34	1	X		1497725-1073194	GP-402-5	293	S. Lake Drive	Mary	Kreamer	40 Sklyline Dr	Gilford NH 03249	19A-21-A37
35	1	X		1497726-1073195	GP-402-6	279	S. Lake Drive	Lake Associates	LLC	2160 Harts Lane	Conshohocken, PA 19428	19A-21-A39
36	1	X		1497728-1073196	GP-402-7	277	S. Lake Drive	Anthony	Giovannone	2113 Barren Hill Rd	Conshohocken, PA 19428	19A-21-A40
37	1	X		1497732-1073197	GP-402-8	275	S. Lake Drive	Michael	Pellerin	969 NW 8th St	Boca Raton, FL 33486	19A-21-A41
38	1	X		1497733-1073198	GPO/GP-402-	274	S. Lake Drive	Frank & Dorothy	Giovannone	2160 Harts Ln	Conshohocken, PA 19428	19A-21-A5
39	1	X		1497734-1073199	GP-402-10	272	S. Lake Drive	David A.	Geppert	2692 Woodstream Dr	Hatfield, PA 19440	19A-21-A4
40	1	X		1497736-1073200	GP-402-11	264	S. Lake Drive	Winifred W.	Kee	5 Dodds Ln	Rehoboth Beach, DE 19971	19A-21-A2
41	1	X		1497737-1073201	GP-402-12	262	S. Lake Drive	Richard & Ines	Cornella	207 Palisades Ave	Cliffside Park, NJ 07010	19A-21-A1
42	1	X		1497738-1073202	GP-402-12A	262	S. Lake Drive	Richard & Ines	Cornella	207 Palisades Ave	Cliffside Park, NJ 07010	19A-21-A1
43	1	X		1497739-1073203	GP-402-13	259	S. Lake Drive	Lake Associates	LLC	2160 Harts Ln	Conshohocken, PA 19420	19A-21-B28
44	1	X	F	1497741-1073204	GP-402-14	256	S. Lake Drive	LHE Property	Owners Assoc	PO Box 866	Moscow, PA 18444	19A-21-B26
45	1	X		1497742-1073205	GP-403-1	253	S. Lake Drive	Kenneth & Linda	Nace	PO Box 16	Lake Harmony, PA 18624	19A-21-B30
46	1	X		1497743-1073206	GP-403-2	251	S. Lake Drive	Elmer & Anna	Highland	1185 Centre Ave	Jim Thorpe, PA 18229	19A-21-B31
47	1	X		1497744-1073207	GP-403-3	249	S. Lake Drive	Elmer & Anna	Highland	1185 Centre Ave	Jim Thorpe, PA 18229	19A-21-B32
48	1	X		1497745-1073208	GP-403-4	250	S. Lake Drive	Barry L. & Olive E.	Haupt	220 Mahoning Dr W	Lehighton, PA 18235	19A-21-B24
49	1	X		1497746-1073209	GP-403-5	248	S. Lake Drive	Barry L. & Olive E.	Haupt	220 Mahoning Dr W	Lehighton, PA 18235	19A-21-B23

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
50	1	X		1497747-1073210	GP-403-6	246	S. Lake Drive	Timothy L. & Jo Deane	King	1265 Wildwood Ave	Bensalem, PA 19020	19A-21-B22
51	1	X	F	1497749-1073211	GP-403-9	245	S. Lake Drive	Van	Vinny	101 Clayton Ct	North Wales, PA 19454	19A-21-B33
52	1	X		1497750-1073212	GP-403-11	244	S. Lake Drive	Dennis J	Jenkins	301 S Chacelor St	Newtown PA 18940	19A-21-B21
53	1	X		1497751-1073213	GP-403-12	242	S. Lake Drive	Mary Blay & Nancy Gratz		18 Gwen Ln	Devon, PA 19333	19A-21-B20
54	1	X		1497752-1073214	GP-403-13	240	S. Lake Drive	Donald & Barbara	Kohler	30695 Foxchase Dr	Salisbury, MD 21804	19A-21-B19
55	2	X		1497753-1073215	GP-403-14	241	S. Lake Drive	Sal & Susan	Garofalo	PO Box 637	Lake Harmony PA 18624	19A-21-B34
56	1	X		1497754-1073216	GP-403-15	233	S. Lake Drive	Sharon E.	Pretti	PO Box 410	Lake Harmony PA 18624	19A-21-B35
57	1	X		1497755-1073217	PO/GP-403-1	230	S. Lake Drive	Barry & Donna	Macken	3012 Goezel Rd	Perkiomenville PA 18074	19A-21-B18
58	1	X		1497756-1073218	GP-403-17	228	S. Lake Drive	Hugh & Margaret	Dugan ETAL	Box 23 Z 23	White Haven PA 18661	19A-21-B17
59	1	X		1497757-1073219	GP-403-19	226	S. Lake Drive	Strauss Heirs	Robert Wieland	4100 Champagne Dr	Emmaus PA 18049-5267	19A-21-B16
60	1	X		1497758-1073220	GP-403-20	224	S. Lake Drive	Michael & Jewell	Hatton	418 Trolley Way	West Chester, PA 19382	19A-21-B15
61	1	X		1497759-1073221	GP-403-21	222	S. Lake Drive	David & Jacqueline	Faust	1624 Holly Hill Ln	Maple Glen, PA 19002	19A-21-B14
62	1	X		1497760-1073222	GP-403-22	220	S. Lake Drive	Robert D & Rhona Dee	Knight	543 Plainfield Ave	Berkley Heights NJ 07922	19A-21-B14.01
63	1	X		1497761-1073223	GP-403-23	210	S. Lake Drive	Dtncan F. & Laura	Swezey	608 Stoneham Ct	Ambler, PA 19002	19A-21-B13
64	1	X		1497762-1073224	GP-403-24	208	S. Lake Drive	Bonnie	Dalahan	132 Maple Ave	Bala Cynwyd, PA 19004	19A-21-B12
65	1	X		1497763-1073225	GP-403-25	207	S. Lake Drive	Douglas A.	Cope	627 Beechwood St	Emmaus, PA 18049	19A-21-B40
66	1	X		1497765-1073226	GP-403-26	205	S. Lake Drive	Kieran & Audrey	Loughran	PO Box 310	Lake Harmony, PA 18624	19A-21-B41
67	1	X		1497766-1073227	GP-403-27	204	S. Lake Drive	Roy C. & Annette M.	Adair, Jr.	6120 Wyndam Rd	Pennsauken, NJ 08109	19A-21-B11
68	1	X		1497767-1073228	GP-403-28	202	S. Lake Drive	Fran C. & Bruce	Northrup	317 Hathaway	Wynnewood, Pa 19096	19A-21-B10
69	1	X		1497768-1073229	GP-403-29	200	S. Lake Drive	Lawrence & Ann	Klein	PO Box 711	Lake Harmony, PA 18624	19A-21-B8,9
70	1	X		1497769-1073230	GP-403-31	201	S. Lake Drive	Christopher	Romeo ETAL	321 Randel Ct	Cherry Hill NJ 08034	19A-21-B43
71	1	X		1497770-1073231	GP-403-32	191	S. Lake Drive	David & Christine	Schultz	523 Nottingham Rd	Neward DE 19711	19A-21-B44
72	1	X		1497771-1073232	GP-403-33	190	S. Lake Drive	Frank P. & Pamela R.	Dick	200 Toll Dr	Southampton, PA 18966	19A-21-B7
73	1	X		1497772-1073233	GP-403-34	188	S. Lake Drive	Louis J. & Maude	Montanaro	PO Box 81	Lake Harmony, PA 18624	19A-21-B5
74	1	X		1497773-1073234	GP-403-35	189	S. Lake Drive	John D.	Devincent	1632 Holly Hill Ln	Maple Glen, PA 19002	19A-21-B46

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
75	1	X		1497774-1073235	GP-404-1	187	S. Lake Drive	(Thomas) c/o Brian	Maguire	402 Briarwood Rd	Massapequa, NY 11758	19A-21-B47
76	1	X		1497775-1073236	GP-404-2	185	S. Lake Drive	Vladislav J	Veli	1532 Indian Mtn Lakes	Albrightsville, PA 18210	19A-21-B48
77	1	X		1497777-1073237	GP-404-3	183	S. Lake Drive	Barbara A.	Bittner	PO Box 183	Lake Harmony, PA 18624	19A-21-B49
78	1	X		1497778-1073235	GP-404-4	184	S. Lake Drive	Timothy	Conte	41 Woodstone Dr	Voorhees NJ 08043	19A-21-B3
79	1	X		1497779-1073239	GP-404-5	182	S. Lake Drive	Paul	Yerk, Jr.	207 Country Club Dr	Telford PA 18969	19A-21-B2
80	1	X		1497782-1073241	GP-404-7	181	S. Lake Drive	Nancy M.	Putt	PO Box 534	Lake Harmony, PA 18624	19A-21-B50
81	1	X		1497783-1073242	GP-404-8	176	S. Lake Drive	Anthony	Ryba	PO Box 2323	Hazelton, PA 18201	19A-21-C29
82	1	X		1497784-1073243	GP-404-9	174	S. Lake Drive	John J. & Catherine C.	DeMatte	1153 Interchange Rd	Lehighton, PA 18235	19A-21-C28
83	1	X		1497785-1073244	GP-404-10	169	S. Lake Drive	Gary	Szukalski	5310 St. Mawe's Ct	Frederick, MD 21701-2809	19A-21-C31
84	1	X		1497786-1073245	GP-404-11	168	S. Lake Drive	Daniel	Zola	1096 N Church St	Hazle Twsp, PA 18202	19A-21-C27
85	1	X		1497787-1073246	GP-404-12	168	S. Lake Drive	Daniel	Zola	1096 N Church St	Hazle Twp, PA 18202	19A-21-C27
86	1	X		1497788-1073247	GP-404-13	167	S. Lake Drive	Thomas J. & Monica L.	Martino	30 W 6th St	Jim Thorpe, PA 18229	19A-21-C32
87	1	X		1497790-1073248	GP-404-14	164	S. Lake Drive	James P	Sykes	216 Lafayette Ave	Oreland, PA 19075	19A-21-C25A
88	1	X		1497791-1073249	GP-404-15	165	S. Lake Drive	James T.	Martino	PO Box 551	Lake Harmony, PA 18624	19A-21-C34
89	1	X		1497792-1073250	GP-404-16	162	S. Lake Drive	Carl & Mary A.	Pence	PO Box 116	Lake Harmony, PA 18624	19A-21-C24
90	1	X		1497793-1073251	GP-404-17	160	S. Lake Drive	Geoffrey T.	Traub	PO Box 448	Lake Harmony, PA 18624	19A-21-C23
91	2	X		1497795-1073252	GP-404-18	163	S. Lake Drive	Richard	Klumb Estate/Fisher	PO Box 396	Gouldsboro PA 18429	19A-21-C35
92	1	X		1497797-1073254	GP-404-20	161	S. Lake Drive	Edward C.	Weaver	PO Box 282	Glen Mills, PA 19342	19A-21-C36
93	1	X		1497798-1073255	GP-404-21	159	S. Lake Drive	George F.	Thorton Jr.	PO Box 248	Uwchland, PA 19480	19A-21-C56.01
94	1	X		1497799-1073256	GP-404-22	157	S. Lake Drive	Thomas R.& Jeffrey S.	Wainwright	298 Packer St	Weatherly PA 18255	19A-21-C38
95	1	X		1497800-1073257	GP-404-23	154	S. Lake Drive	Thomas E. & Delores	Wainwright	PO Box 95	Lake Harmony, PA 18624	19A-21-C22
96	1	X		1497801-1073258	GP-404-24	155	S. Lake Drive	David S.	Bevilacqua	PO Box 32	Lake Harmony, PA 18624	19A-21-C39
97	2	X		1497802-1073259	GP-404-25	152	S. Lake Drive	David	Thomas	112 Water Mill Lane	Media, PA 19063	19A-21-C21
98	1	X		1497803-1073260	GP-404-26	150	S. Lake Drive	Jennifer A.	Byrne	569 Gen Armstrong Rd	King of Prussia, PA 19406	19A-21-C20
99	1	X		1497804-1073261	GP-404-27	153	S. Lake Drive	Nicholas L.	Pantages	PO Box 273	Lake Harmony, PA 18624	19A-21-C40

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
100	1	X		1497805-1073262	GP-404-28	148	S. Lake Drive	Jane L.	Stettler ET AL	1627 N Main St	Allentown, PA 18104	19A-21-C19
101	1	X		1497806-1073263	GP-404-29	151	S. Lake Drive	Nicholas L.	Pantages	PO Box 273	Lake Harmony, PA 18624	19A-21-C41
102	1	X		1497807-1073264	GP-404-30	149	S. Lake Drive	Stanley P.	Warkala	1833 W Water St #41	Elmira, NY 14905-1803	19A-21-C42,56.05
103	1	X		1497808-1073265	GP-404-31	144	S. Lake Drive	Carol	Branda	PO Box 384	Lake Harmony, PA 18624	19A-21-C18
104	1	X		1497809-1073266	GP-404-32	142	S. Lake Drive	Gerald	Hager	4595 Gravel Oike	Perkiomenville PA 18074	19A-21-C17
105	1	X		1497810-1073267	GP-404-33	140	S. Lake Drive	Leonard J. & Donna L.	Orzechowski	367 Buck Hollow Rd	Birdsboro, PA 19508	19A-21-C16
106	1	X		1497811-1073268	GP-404-34	145	S. Lake Drive	Darlene C.	Turlington	PO Box 671	Lake Harmony, PA 18624	19A-21-C43
107	1	X		1497813-1073270	GP-404-36	132	S. Lake Drive	Ellen B. & George J.	Christoff	430 Tersher Dr	Doylestown, PA 18901	19A-21-C15
108	1	X		1497814-1073271	GP-404-37	129	S. Lake Drive	James F.	Donaghy, Jr.	718 Erlen Rd	Plymouth Meeting, PA 19462	19A-21-C46
109	1	X		1497816-1073272	GP-404-38	130	S. Lake Drive	Paul A.	McIntyre	1129 Wilson Ave	Glen Mills, PA 18342	19A-21-C14
110	1	X	F	1497817-1073273	GP-404-39	127	S. Lake Drive	Vincent & Alissa	Paternio	910 Ridgewood Dr	Northfield NJ 08225	19A-21-C47
111	1	X		1497818-1073274	GP-404-40	128	S. Lake Drive	Joy	Raja	28 Mildred Terrace	Flanders NJ 07836	19A-21-C13
112	1	X		1497819-1073275	GP-404-41	126	S. Lake Drive	Thomas P.	Wagner	1006 Childs Ave	Drexel Hill, PA 19026	19A-21-C12
113	1	X		1497820-1073276	GP-404-42	125	S. Lake Drive	Kevin P.	Callaghan	19 Venona Rd	Marlton, NJ 08053	19A-21-C48
114	1	X	F	1497822-1073277	GP-404-43	122	S. Lake Drive	Miguel Jr. & Cynthia A.	Pascual	23 John Beal Dr	Boothwyn, PA 19061	19A-21-C11
115	1	X		1497823-1073278	GP-404-44	123	S. Lake Drive	Richard	Jones	34 Weeks Dr	Boothwyn, PA 19061	19A-21-C49
116	1	X		1497824-1073279	GP-404-45	121	S. Lake Drive	Steven E. & Jody L.	Newcomer	390 Cloverleaf Rd	York, PA 17406	19A-21-C50
117	1	X		1497825-1073280	GP-405-1	120	S. Lake Drive	David J. & Gina	McEvoy	258 Yorktown Ct	Malvern, PA 19355	19A-21-C10
118	1	X		1497826-1073281	GP-405-2	116	S. Lake Drive	Lawrence	Gersten	38 Cora Ln	Chester, NJ 07930	19A-21-C9
119	1	X		1497827-1073282	GP-405-3	118	S. Lake Drive	Ronald B./Coyle	Rainey	3476 St Vincent St	Philadelphia, PA 19149	19A-21-C8
120	1	X	F	1497829-1073283	GP-405-4	117	S. Lake Drive	James P. & Susan H.	D'Ignazio	490 Kirk Ln	Media PA 19063	19A-21-C52
121	1	X		1497830-1073284	GP-405-5	115	S. Lake Drive	Spencer	Uniss	PO Box 1442	Boulder CO 80306	19A-21-C53
122	1	X		1497831-1073285	GP-405-6	114	S. Lake Drive	Mary Ann	Soriano	RR #2 Box 25	Whitehaven, PA 18661	19A-21-C7
123	1	X		1497832-1073286	GP-405-7	111	S. Lake Drive	Mark C	Roccograndi	PO Box 265	Nazareth PA 18064	19A-21-C55
124	1	X		1497835-1073287	GP-405-8	112	S. Lake Drive	Robert H	Mathers, JR	114 Forest Ave	Willow Grove, PA 19090	19A-21-C6.02

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
125	18	X		1497836-1073288	GP-405-9A	110	S Lake Drive	Lake House	Properties	PO Box 273	Lake Harmony, PA 18624	19A-21-C6
126		"		" "	GP-405-9B	110	S Lake Drive	Nick's Lake House				19A-21-C6
127	1	X		1497837-1073289	GP-406-1	4	Split Rock Road	Thomas P. & Jennifer A.	Myers	3012 Spring Mill Rd	Plymouth Meeting, PA 19462	33A-21-C40
128	1	X		1497838-1073290	GP-406-2	6	Split Rock Road	Gerald F. & Patricia A.	Knebels	816 Hartley Pl	Lansdale, PA 19446	33A-21-C39
129	1	X		1497939-1073291	GP-406-3	11	Split Rock Road	Thomas G.	Egan	408 Coronet Dr	Blandon, PA 19510	33A-21-C33
130	1	X		1497840-1073292	GP-406-3A	9	Split Rock Road	Jennifer & Lenore	Redinger	5811 NE 19th Ave	FT. Lauderdale, FL 33308	33A-21-C32
131	1	X		1497841-1073293	GP-406-4	13	Split Rock Road	Raymond	Helinly	320 Lake St	Ephrata, PA 17522	33A-21-C25
132	1	X		1497872-1073294	GP-406-5	12	Buttonwood Rd	Joyce A.	Speckmann	4312 Seascape Dr	Kitty Hawk NC 27949-6067	33A-21-C34
133	1	X		1497843-1073295	GP-406-6	10	Buttonwood Rd	Victor O. & Marie T.	Crow	206 Richard Rd	Aston, PA 19014	33A-21-C35
134	1	X		1497844-1073296	GP-406-7	7	Buttonwood Rd	Rita	Russo	22 Radnor Dr	Newtown Sq PA 19073	33A-21-C38
135	1	X		1497845-1073297	GP-406-8	8	Buttonwood Rd	John E.	Reinhard, III	1418 Upper State Rd	Doylestown, PA 18901	33A-21-C36
136	1	X		1497846-1073298	GP-407-1	4	Greenwood Rd	Anne	Strisofsky	407 First St	Whitehall, PA 18052	33A-21-C18
137	1	X		1497847-1073299	GP-407-2	3	Greenwood Rd	Robert W	Moore	PO Box 50	Lake Harmony, PA 18624	33A-21-C37
138	1	X		1497848-1073300	GP-407-3	2	Maplewood Rd	Marge	Daily	21 S Schank Ave	Pen Argyl PA 18072	33A-21-C1
139	1	X		1497849-1073301	GP-407-4	4	Maplewood Rd	Joseph F	Donia	47 Steepleview Dr	Glenmoore PA 19343	33A-21-C2
140	1	X		1497850-1073302	GP-407-5	6	Maplewood Rd	Thomas J	Schetelich	100 S Charles St	Baltimore, MD 21201	33A-21-C3
141	1	X		1497851-1073303	GP-408-1	311	S. Lake Drive	Kenneth F	Detweiler	PO Box 568	Lake Harmony, PA 18624	19A-21-A34.01
142	1	X		1497852-1073304	GP-408-2	313	S. Lake Drive	Patricia M.	Detweiler Estate	PO Box 568	Lake Harmony, PA 18624	19A-21-A34
143	1			1497854-1073305	GP-408-3	297	Spring Street	Lee	Brensinger	2500 Tirjan Ave	Quakertown, PA 18951	19A-21-A36.01
144	1	X		1610002-1073306	GP-408-4	105	Spring Street	JBDB Properties LLC		3701 Elizabethtown Rd	Manheim PA 17545	19A-21-A60.01
145	1	X		1497857-1073307	GP-409-1	1	New Birch	Anita	Khawaja	46 Selkirk St	Staten Island NY 10309	19B-21-AII1
146	1	X		1497858-1073308	GP-409-2	297	Lakeview Dr	John S. & Peggy A.	Lampman	PO Box 443	Lake Harmony, PA 18624	19A-21-A59.02
147	1	X		1497859-1073309	GP-409-3	3	New Birch	Ed & Charlotte	Blackwell	PO Box 134	Lake Harmony, PA 18624	19B-21-AII2
148	1	X		1497860-1073310	GP-409-4	285	Lakeview Dr	Bogdan & Janina	Lopong	PO Box 311	Lake Harmony PA 18624	19A-21-A58
149	1	X		1497861-1073311	GP-409-5	283	Lakeview Dr	Steven & Linda	Bever	135 Boylan Ln	Blue Point NY 11715	19A-21-A57

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
150	1	X		1497862-1073312	GP-409-6	5	New Birch	Gordon B.	Heal Sr. ETAL	4 East Oregon Ave	Philadelphia PA 19148	19B-21-A113
151	1	X		1497863-1073313	GP-409-7	7	New Birch	Adele M.	Caruso	323 Crum Creek Ln	Newton Square, PA 19073	19B-21-A114
152	1	X		1497864-1073314	GP-409-8	9	New Birch	John C & Gabriella	D'Ambrosio	23 Foxcroft Way	Mt Laurel NJ 08054	19B-21-A115
153	1	X		1497865-1073315	GP-409-9	267	Lakeview Drive	Vincent	Filipone	PO Box 466	Lake Harmony, PA 18624	19A-21-A49
154	1	X		1497866-1073316	GP-409-10	11	New Birch	Robert L.	Kerns, Jr.	PO Box 581	Lake Harmony, PA 18624	19B-21-A116
155	1	X		1497866-1073316	GP-410-1A	261	S. Lake Drive	Louis P.	Carbone	5032 Fairway Rd	Drexel Hill, PA 19026	19A-21-A45.03
156	1	X	F	1497869-1073318	GP-410-1B	263	S. Lake Drive	Victor & Susan	Beuhring	1166 Walnut St	Freeland PA 18224	19A-21-A45.01
157	1	X		1509488-1073319	GP-410-2	191	Wood Street	Jessica	Stull	1060 Pottstown Pike	West Chester PA 19380	19A-21-A45
158	1	X		1497872-1073320	GP-410-3	193	Wood Street	Susan	Eckert	HC1 Box 23-Z-26	White Haven PA 18661	19A-21-A45.02
159	2	X		1497873-1073321	GP-410-4	194	Wood Street	Michael A. & Donna	Lopergolo	74 E Arbor Ave	Vineland NJ 08360	19A-21-B75
160	1	X		1796792-1073322	GP-410-5	261	Lakeview Drive	Beth	Neumann	109 Tow Hill Rd	Port Matilda PA 16870	19A-21-A46
161	1	X		1497875-1073323	GP-410-6	263	Lakeview Drive	Andrew	Puschak	630 Lindley Rd	Glenside PA 19038	19A-21-A47
162	1	X		1497876-1073324	GP-410-7	265	Lakeview Drive	William	Echeverry	475 Cedar Ln	Paramus NJ 07652	19A-21-A48
163	1	X		1497878-1073325	GP-410-8	269	Lakeview Drive	Stanley Greg	Homiller	1212 Summit Ct	Warminster PA 18974-2246	19A-21-A50
164	1	X		1497879-1073326	GP-410-9	271	Lakeview Drive	William H.	Starnes III	1235 Brookdale Rd	Warminster PA 18974	19A-21-A51
165	1	X		1497880-1073327	GP-410-10	273	Lakeview Drive	Thomas	Ponento	1853 Exton Ave	Hamilton Twsp NJ 08610	19A-21-A52
166	1	X		1497881-1073328	GP-410-11	275	Lakeview Drive	Allen	Solomon	1004 Sharpless Rd	Melrose Park PA 19027	19A-21-A53
167	1	X		1497882-1073329	GP-410-12	277	Lakeview Drive	Ralph H. & Paulene D.	Orr	550 S Third St	Colwyn PA 19023	19A-21-A54
168	1	X		1497883-1073330	GP-410-13	279	Lakeview Drive	Richard F.	Price	209 S Fifth St	Souderton, PA 18964	19A-21-A55
169	1	X		1497884-1073331	GP-410-14	281	Lakeview Drive	Brian J. & Linda S.	Bennett	PO Box 143	Lake Harmony, PA 18624	19A-21-A56
170	1	X		1497885-1073332	GP-410-15	286	Lakeview Drive	Benjamin R.	Jones IV	PO Box 604	Lake Harmony, PA 18624	19A-21-A38
171	1	X		1497886-1073333	GP-411-1	257	Lakeview Drive	Robert J. & Joanne C.	Panchari	120 E Carroll St	Saint Clair, PA 17970	19A-21-B73
172	1	X	F	1497888-1073334	GP-411-2	255	Lakeview Drive	Roy R	Lamberson, Jr	47280 W National Rd	St. Clairsville, OH 43950	19A-21-B72
173	1	X		1497889-1073335	GP-411-3	253	Lakeview Drive	John & Dale	Noonan	360 S Great Neck Rd	Copiague, NY 11726	19A-21-B71
174	1	X		1497890-107336	GP-411-4	249	Lakeview Drive	Donald J.	Smith	515 Lehann Circle	Springfield, PA 19064	19A-21-B69.70

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175	1	X		1497891-1073337	GP-411-5	247	Lakeview Drive	Daryl	Hendricks	1149 N 14th St	Allentown PA 18102-1175	19A-21-B68
176	1	X		1497892-1073338	GP-411-6	245	Lakeview Drive	Nancy C	Keiser ETAL	30 Second Ave	Lehighton, PA 18235	19A-21-B67
177	1	X		1497895-1073339	GP-411-7	243	Lakeview Drive	Greg	Hilleary	368 Prospect Blvd	Frederick MD 21701	19A-21-B66
178	1	X		1559678-1073340	GP-411-8	241	Lakeview Drive	Richard & Channing	Bushnell	34 Llandillo Rd	Havertown PA 19083	19A-21-B65
179	1	X		1497897-1073341	GP-411-9	227	Lakeview Drive	Michael	Markowski	28 Fetters Mill Drive	Malvern PA 19355	19A-21-B63,64
180	1	X		1497898-1073342	GP-412-1	221	Chestnut	Dorothy J	Yannes	PO Box 416	Lake Harmony PA 18624	19A-21-B39
181	1	X		1497899-1073343	GP-412-2	221	Chestnut	Dorothy J	Yannes	PO Box 416	Lake Harmony PA 18624	19A-21-B39
182	1	X		1497900-1073344	GP-412-3	209	Lakeview Drive	Vanessa D.	Bullock	703 Redwood Ave	Yeadon, PA 19050	19A-21-B61
183	2	X		1497902-1073345	GP-412-4	223	Lakeview Drive	Maureen	Martino	PO Box 5	Lake Harmony, PA 18624	19A-21-B62
184	1	X		1497903-1073346	GP-412-5	209	Lakeview Drive	Vanessa D.	Bullock	703 Redwood Ave	Yeadon, PA 19050	19A-21-B61
185	1	X	F	1497904-1073347	GP-412-6	205	Lakeview Drive	Thomas	Fleming	1511 Harvey Rd	Wilmington DE 19810	19A-21-B59,60
186	1	X		1497905-1073348	GP-412-7	201	Lakeview Drive	Raymond A	Panchari	2 Tall Oaks Dr	Pottsville, PA 17901	19A-21-B57
187	1	X		1497906-1073349	GP-412-8	191	Lakeview Drive	Carol	Branda	PO Box 451	Lake Harmony, PA 18624	19A-21-B56
188	1	X		1497907-1073350.	GP-412-8B	192	Lakeview Drive	Phyllis R.	Mantione	5 Gail Dr	Wilkes Barre PA 18702-2701	19A-21-B45
189	1	X		1497909-1073351	GP-412-9	189	Lakeview Drive	Kimberley	Ziegenfus	99 Wargo Rd	Jim Thorpe PA 18229	19A-21-B55
190	1	X	F	1497911-1073352	GP-412-10	187	Lakeview Drive	David C	Leinhard	213 Rosewood Ave	Catonsville, MD 21228	19A-21-B54
191	1	X		1497912-1073353	GP-412-11	181	Lakeview Drive	Frank	Franklin	3618 Creamery Rd	Bensalem, PA 19020	19A-21-B51
192	1	X		1497913-1073354	GP-413-1	206	Birch Street	Richard R	Hubert	PO Box 459	Lake Harmony, PA 18624	19B-21-CI206
193	1	X		1497914-1073355	GP-413-2	205	Birch Street	Anna Mae	Derstine	457 N 4th St	Souderton, PA 18964	19B-21-CI205
194	1	X		1497915-1073356	GP-413-3	204	Birch Street	John & Delia	Gnall	PO Box 449	Lake Harmony PA 18624	19B-21-A204
195	1	X	F	1497917-1073357	GP-413-4	203	Estates Drive	Stephen	Benigni	160 Glenbrook Rd	Mt Laurel, NJ 08054	19B-21-A203
196	1	X		1497918-1073358	GP-413-5	202	Estates Drive	Edward	Hertensten	39-60 54th St	Woodside, NY 11377	19B-21-A202
197	1	X		1497919-1073359	GP-413-6	201	Estates Drive	Edward & Sally J.	Huff	118 Crescent Rd	Ocean City, NJ 08226	19B-21-A201
198	1	X		1497920-1073360	GP-414-1	301	Estates Drive	Raymond C	Santanna, Jr.	102 Thistledown Dr	Hummelstown, PA 17036	19B-21-A301
199	1	X		1497922-1073361	GP-414-2A	402	Estates Drive	Daniel	Maxwell	2165 Grove St	Merrick NY 11566	19B-21-A402

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200	1	X		1497923-1073362	GP-414-2B	401	Estates Drive	W. Wallace	Dyer, Jr.	PO Box 2214	Bala Cynwyd, PA 19004	19B-21-A401
201	1	X		1497924-1073363	GP-414-3	403	Estates Drive	Jerzy	Radecki	706 Winchester Rd	Broomall, PA 19008	19B-21-A403
202	1	X		1497925-1073364	GP-414-4	303	Estates Drive	Richard	Mancuso	446 Schindler Dr	Yardley, PA 19067	19B-21-A303
203	1	X		1497926-1073365	GP-414-5	404	Estates Drive	Nancy L.	Peterson	PO Box 306	Lake Harmony, PA 18624	19B-21-A404
204	1	X		1497927-1073366	GP-414-6	405	Estates Drive	James E	Knight	534 Cedar St	Lafayette Hill, PA 19444	19B-21-A405
205	1	X	F	1497929-1073367	GP-414-7	304	Estates Drive	Stephen W	Pauly	1022 Lamb Rd	Secane, PA 19018	19B-21-A304
206	1	X		1497930-1073368	GP-414-8	406	Estates Drive	Thomas	Oves	858 St. Charles Pl	Ocean City, NJ 08226	19B-21-A406
207	1	X		1497931-1073369	GP-414-9	407	Estates Drive	Suzanne M	Nagelberg	65 Country Ln	Hamilton, NJ 08690	19B-21-A407
208	1	X		1497933-1073370	GP-414-10	408	Estates Drive	Scott	Marshall	28 Whaland Rd	Quakertown, PA 18951	19B-21-A408
209	1	X		1497934-1073371	GP-414-11	306	Estates Drive	Francis	Kelly	1916 Lark Ln	Cherry Hill, NJ 08003	19B-21-A306
210	1	X		1497935-1073372	GP-414-12	410	Estates Drive	Frank	Pugliese	515 Ardross Ave	Ambler, PA 19002	19B-21-A410
211	1	X	F	1497937-1073373	GP-414-13	308	Estates Drive	Joseph	Swope	430 Parkview Ave	Langhorne PA 19047	19B-21-A308
212	1	X		1497938-1073374	GP-414-14	309	Estates Drive	Merrit W.	Brown, Jr.	3775 Newberg Rd	Easton, PA 18045	19B-21-A309
213	1	X		1497939-1073375	GP-414-15	310	Estates Drive	Peter C	Cisick	503 Reginald Ln	Collegeville, PA 19426	19B-21-A310
214	1	X		1497940-1073376	GP-414-16	412	Estates Drive	Stephen R.	Beaulieu	101 Conestoga Blvd	Lancaster, PA 17602	19B-21-A412
215	1	X		1497941-1073377	GP-414-17	413	Estates Drive	Michael A	Digiacomo	107 Anderson Farm Rd	Phoenixville, PA 18460	19B-21-A413
216	1	X		1556771-1073378	GP-414-18	414	Estates Drive	Albert	Falciani	1680 East Oak Rd	Vineland PA 08361-2504	19B-21-A414
217	1	X		1497944-1073379	GP-415-1	311	Estates Drive	Linda A	Payonk III	PO Box 513	Lake Harmony, PA 18624	19B-21-A311,312
218	1	X		1497945-1073380	GP-415-2	313	Estates Drive	Russell A.	Ferretti	6 Country Ln	Hamilton, NJ 08690	19B-21-A313
219	1	X		1497946-1073381	GP-415-3	416	Estates Drive	Michael	Cimorelli	4124 Portsmouth Ct	Bensalem, PA 19020	19B-21-A416
220	1	X	F	1497948-1073382	GP-415-3A	415	Estates Drive	Arthur J	Smith	712 Lexington Way	Perkasie, PA 18944	19B-21-A415
221	1	X		1497950-1073383	GP-415-4	314	Spring Street	Andrew	Lydon	321 Cricket Ave	North Hills, PA 19038	19B-21-A314
222	1	X		1497952-1073384	GP-415-5	501	Estates Drive	Lisa	Millspaugh	3 N Riding Dr	Cherry Hill NJ 08003	19B-21-A501
223	1	X		1497956-1073385	GP-415-6	601	Estates Drive	John	Panagos	14 Sportsman Terrace	Rotonda West FL 33947	19B-21-A601,602
224	1	X		1497957-1073386	GP-415-7	502	Estates Drive	Barbara	Bill	538 Elford Rd	Fairless Hills, PA 19030	19B-21-A502

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225	1	X		1497958-1073387	GP-415-8	603	Estates Drive	Albert James	Oliver III	448 S Gulph Rd	King of Prussia PA 19406	19B-21-A603
226	1	X		1497959-1073388	GP-415-9	503	Estates Drive	Lisa P	Gazdick	4 Lindenwold Ave	Ambler, PA 19002	19B-21-A503
227	1	X		1497960-1073389	GP-415-10	604	Estates Drive	Vincent	McGlynn ETAL	1684 Janney Terrace	Langhorne, PA 19047	19B-21-A604
228	1	X		1497961-1073390	GP-415-11	605	Estates Drive	James A	Sauers	PO Box 347	Lake Harmony, PA 18624	19B-21-A605
229	1	X		1497962-1073391	GP-415-12	606	Estates Drive	George	Bronisz	600 Emerson St	Philadelphia, PA 19111	19B-21-A606
230	1	X	F	1497964-1073392	GP-415-13	505	Estates Drive	Michael S.	Bordenick	50-05 43rd Ave Apt 5M	Woodside, NY 11377	19B-21-A505
231	1	X		1497965-1073393	GP-415-14	506	Estates Drive	Anthony	Casmirri	202 Daulton Ct	Langhorne PA 19047	19B-21-A506
232	1	X		1497966-1073394	GP-415-15	507	Estates Drive	Charles	Gregory	88 Karen Rd	Holland, PA 18966	19B-21-A507
233	1	X		1497967-1073395	GP-415-16	508	Estates Drive	David M.	Rosen & Assts	208 W 24th St	Dear Park NY 11729	19B-21-A508
234	1	X		1497968-1073396	GP-415-17	608	Estates Drive	Earl	Ruckdeschel III	2974 Fretz Valley Rd	Perkasie, PA 18944	19B-21-A608
235	1	X		1497969-1073397	GP-415-18	509	Estates Drive	Doris M.	Schweitzer	53 Semel Ave	Iselin, NJ 08830	19B-21-A509
236	1	X		1497970-1073398	GP-415-19	610	Estates Drive	Michael	Blank	964 Manor Ave	Meadowbrook, PA 19046	19B-21-A610
237	1	X		1497971-1073399	GP-416-1	611	Estates Drive	Nicholas	Lamonica	13 Tremont Ave	Staten Island NY 10314	19B-21-A611
238	1	X		1497973-1073400	GP-416-2	510	Estates Drive	Brian C	Baker	1022 Linden Ave	Chester Springs PA 19425	19B-21-A510
239	1	X	F	1497975-1073401	GP-416-3	612	Estates Drive	Robert & Lori	Lehman	203 Trowbridge Ln	Downington PA 19335	19B-21-A612
240	1	X		1497977-1073402	GP-416-4	511	Estates Drive	Andrew	Bristow	8009 Coventry Commons Ct	Waxhaw NC 28173	19B-21-A511
241	1	X		1497978-1073403	GP-416-5	613	Estates Drive		Fannie Mae	PO Box 650043	Dallas TX 75265	19B-21-A613
242	1	X		1497980-1073404	GP-416-6	512	Estates Drive	Kenneth	Cottrell	11 Bronx River Rd #1H	Yonkers, NY 10704	19B-21-A512
243	1	X		1497981-1073405	GP-416-7	614	Estates Drive	Robert	Haeseker	PO Box 453	Lake Harmony, PA 18624	19B-21-A614
244	1	X		1497982-1073406	GP-416-8	513	Estates Drive	Kathleen	Boylan	102 Idlewild Rd	Edison, NJ 08817	19B-21-A513
245	1	X		1497985-1073407	GP-416-9	615	Estates Drive	Adrian C.	Riddell	20202 Waterside Dr	Germantown, MD 20874-3739	19B-21-A615
246	1	X		1497986-1073408	GP-416-10	616	Estates Drive	T. Elaine	Dompieri	1543 Harvest Ln	Manasquan NJ 08736	19B-21-A616
247	1	X		1497987-1073409	GP-417-1	432	Pineknoll Drive	Diane C.	Henderson	PO Box 917	Bryn Mawr PA 19010-0917	19B-21-CI432
248	1	X		1497988-1073410	GP-417-2	702	Pineknoll Drive	Anthony	Costanzo, Jr.	263 Clover Circle	Media, PA 19063	19B-21-CI702
249	1	X		1497989-1073411	GP-417-3	431	Pineknoll Drive	Sam E.	Valtri	1722 Rt 47	Eldora NJ 08270	19B-21-CI431

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250	1	X	F	1497991-1073412	GP-417-4	703	Pineknoll Drive	Sharon B.	Sperber	2 Jamie Ct	Old Bridge, NJ 08857	19B-21-C1703
251	1	X		1497992-1073413	GP-417-5	430	Pineknoll Drive	Richard A.	Belles	1401 Walnut St	Berwick, PA 18603	19B-21-C1430
252	1	X		1497993-1073414	GP-417-6	704	Pineknoll Drive	Lori & David	Severino	150 Windemere Ln	Lincoln University PA 19352	19B-21-C1704
253	1	X	F	1497995-1073415	GP-417-7	429	Pineknoll Drive	Vivian	Petrakakos	51 Lexington Dr	Metuchen NJ 08840	19B-21-C1429
254	1	X		1551387-1073416	GP-417-8	706	Pineknoll Drive	Sandra	Caiazzo	306 Bishop Circle	Conshohocken PA 19428	19B-21-C1706
255	1	X		1497997-1073417	GP-417-9	707	Pineknoll Drive	Fred M	Schiavone	PO Box 416	Malaga, NJ 08328	19B-21-C1707
256	1	X		1497998-1073418	GP-417-10	708	Pineknoll Drive	Robert A.	Rush	600 W Broad St	Quakertown PA 18951	19B-21-C1708
257	1	X		1497999-1073419	GP-417-11	709	Pineknoll Drive	Joseph & James	Surmick	PO Box 2068	Hazleton PA 18201	19B-21-C1709
258	1	X		1498000-1073420	GP-417-12	423	Pineknoll Drive	Laurence	Genuardi	385 Harrow Ln	Blue Bell PA 19422	19B-21-C1423
259	1	X		1551387-1073421	GP-417-13	422	Pineknoll Drive	Sarah Nessler	Zachary Rimmele	730 Beechwood Dr	Havertown PA 19083	19B-21-C1422
260	1	X		1498004-1073422	GP-417-14	802	Pineknoll Drive	Colleen	Fidgeon / C&C Property Mgt.	5 McMichael Ct	Somerdale NJ 08083	19B-21-C1802
261	1	X		1556725-1073423	GP-417-15	803	Pineknoll Drive	Dawn	Little	2360 Old Hershey Rd	Elizabethtown, PA 17022	19B-21- C1803
262	1	X		1498007-1073424	GP-418-1	804	Pineknoll Drive	Thomas	Ryan	29 W Howard St	Clayton, NJ 08317	19B-21-C1804
263	1	X		1498008-1073425	GP-418-2	805	Pineknoll Drive	Greg	Petrillo	11 Duane Rd	Doylestown, PA 18901	19B-21-C1805
264	1	X		1498010-1073426	GP-418-3	806	Pineknoll Drive	John	Snyder	515 Wellfeet Rd	Cinnaminson, NJ 08077	19B-21-C1806
265	1	X		1498011-1073427	GP-418-4	418	Pineknoll Drive	Robert J.	Bonner	PO Box 447	Lake Harmony, PA 18624	19B-21-C1418
266	1	X		1498012-1073428	GP-418-4B	419	Pineknoll Drive	Frank & Barbara	Bartone	PO Box 115	Lake Harmony PA 18624	19B-21-C1419
267	1	X	F	1498013-1073429	GP-418-5	807	Pineknoll Drive	John	Franz	11 Tallowood Ct	Collegeville PA 19426-2888	19B-21-C1807
268	1	X		1498014-1073430	GP-418-6	417	Pineknoll Drive	Gary W	Reighard	1001 E Oregan Rd	Lititz, PA 17543	19B-21-C1417
269	1	X		1498015-1073431	GP-418-7	808	Pineknoll Drive	Ronald A	Leone	935 Stockes Ave	Collingswood, NJ 08108	19B-21-C1808
270	1	X		1498016-1073432	GP-418-9	640	Pineknoll Drive	Carol A	Howard	PO Box 550	Lake Harmony, PA 18624	19B-21-C1640
271	1	X		1498017-1073433	GP-418-10	901	Pineknoll Drive	Diane L.	LiPuma	PO Box 400	Lake Harmony, PA 18624	19B-21-C1901
272	1	X		1498018-1073434	GP-418-11	638	Pineknoll Drive	Lorraine D.	Katkocin	210 6th Ave Apt 1G	New York, NY 10014	19B-21-C1638

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
273	1	X	F	1498021-1073435	GP-418-12	903	Pineknoll Drive	Wieslaw K & Maria Szonert-Binienda	Binienda	669 Heatherleigh Dr	Akron, OH 44333	19B-21-CII903
274	1	X		1498022-1073436	GP-418-13	904	Pineknoll Drive	John B.	Sharkey	69 Spring St	McAdoo, PA 18237	19B-21-CII904
275	1	X		1498023-1073437	GP-418-13A	905	Pineknoll Drive	905 PineKnollDr LLC		325 Thornbrook Ave	Rosemont PA 19010	19B-21-CII905
276	1	X		1498024-1073438	GP-418-14	636	Pineknoll Drive	John P.	Kline	733 Cotswold Dr	Summerville NJ 08083	19B-21-CII636
277	1	X		1498025-1073439	GP-418-15	906	Pineknoll Drive	Bryan & Patricia	Cullen	PO Box 0428	Lake Harmony, PA 18624	19B-21-CII906
278	1	X		1498026-1073440	GP-418-16	635	Pineknoll Drive	Donald K.	Roseman, Jr.	6261 Jackson Dr	East Petersburg, PA 17520	19B-21-CII635
279	1	X		1498027-1073441	GP-418-17	907	Pineknoll Drive	Vladmimir	Golant	2524 Kirk Dr	Huntingdon Valley PA 19006	19B-21-CII907
280	1	X		1498028-1073442	GP-418-18	634	Pineknoll Drive	Glenn S.	Smith ETAL	220 Galleon Dr	Newark, DE 19702	19B-21-CII634
281	1	X		1498029-1073443	GP-418-19	908	Pineknoll Drive	Margaret E.	DeLuise	56 W Market St#13	Bethlehem, PA 18018	19B-21-CII908
282	1	X		1498030-1073444	GP-419-1	909	Pineknoll Drive	James C.	Petty	308 Bethlem Pike	Glenside, PA 19038	19B-21-CII909
283	1	X		1498031-1073445	GP-419-2	910	Pineknoll Drive	Robert E	Marron	905 Cherokee Ave	Huntingdon Valley PA 19006	19B-21-CII910
284	1	X		1498032-1073446	GP-419-3	631	Pineknoll Drive	Dominick P.	Pannunzio	131 Lincoln St	Dupont, PA 18641	19B-21-CII631
285	1	X		1498034-1073447	GP-419-4	911	Pineknoll Drive	Douglas	Ward	125 New Haven St	Mount Joy PA 17552	19B-21-CII911
286	1	X		1498035-1073448	GP-419-5	1001	Pineknoll Drive	Lewis	Newhard ETAL	400 Indiantrail Rd	Northampton,PA 18067	19B-21-CII1001
287	1	X		1498036-1073449	GP-419-6	1002	Pineknoll Drive	Nicholas	Vytell ET AL	168 Flanders Dr	Flanders NJ 07836	19B-21-CII1002
288	1	X	F	1682140-1073450	GP-419-7	628	Pineknoll Drive	Randolph	Maule JR	557 Russell Ave	Langhorne PA 19047	19B-21-CII628
289	1	X		1498039-1073451	GP-419-8	1003	Pineknoll Drive	Catherine A.	Hall	5659 Foxcross Pl	Stuart FL 34997	19B-21-CII1003
290	1	X		1535903-1073452	GP-419-9	1004	Pineknoll Drive	John	Buchanan	6 Tetler Circle	Deptford NJ 08096	19B-21-CII1004
291	1	X		1498041-1073453	GP-419-10	626	Pineknoll Drive	King	Timothy	6 Sandown Rd	Norristown PA 19403	19B-21-CII626
292	1	X		1498042-1073454	GP-419-11	1005	Pineknoll Drive	John F.	Bosi	PO Box 762	Lake Harmony, PA 18624	19B-21-CII1005
293	1	X		1498043-1073455	GP-419-12	1006	Pineknoll Drive	Michael L	McDonald	1 Wellesly Way	Melford, NJ 08055	19B-21-CII1006
294	1	X		1549860-1073456	GP-419-13	624	Pineknoll Drive	Dionisio V	Almeida	8970 Clausville Rd	Fogelsville PA 18051	19B-21-CII624
295	1	X		1498046-1073457	GP-419-14	623	Pineknoll Drive	Bryson J.	Sundberg, Jr	12 E. Gate Dr	Cloucester Twp. NJ 08081	19B-21-CII623
296	1	X	F	1498048-1073458.	GP-419-15	1008	Pineknoll Drive	Jeffrey	Sturgis	23 S Chancellor St	Newtown PA 18940	19B-21-CII1008

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297	1	X		1498051-1073459	GP-419-16	1009	Pineknoll Drive	Mauricio	Reginato	517 Valley View Rd	Merion Station PA 19066	19B-21-CII1009
298	1	X		1537027-1073460	GP-419-17	1010	Pineknoll Drive	George	Greatrex Jr	191 Hooton Rd	Mt Laurel NJ 08054	19B-21-CII1010
299	1	X		1498053-1073461	GP-419-18	1011	Pineknoll Drive	Stephen T	Maginnis	8 Emmons Dr	Millstone Twp. NJ 08510	19B-21-CII1011
300	1	X		1498054-1073462	GP-420-1	433	Birch Street	Barry E	Scholtz	751 Lochalsh Ave	Ambler, PA 19002	19B-21-CI433
301	1	X		1498056-1073463	GP-420-2	207	Birch Street	Reuven	Dulitzki	119 Cross Hill Rd	Wynnewood, Pa 19096	19B-21-CI207
302	1	X		1498057-1073464	GP-420-3	208	Birch Street	Candace	McCoy	711 Cedar Knoll Rd	Coatesville, PA 19320	19B-21-CI208
303	1	X		1498058-1073465	GP-420-5	210	Birch Street	Thomas	Oves	858 St Charles Pl	Ocean City, NJ 08226	19B-21-CI210
304	1	X		1800437-1073466	GP-420-6	701	Pineknoll Drive	George	Smiley	1060 Pottstown Pike	West Chester PA 19380	19B-21-CI701
305	1	X		1498060-1073467	GP-420-7	211	Birch Street	Vivian M	Miller	2191 S Kihei Rd #1103	Kihei HI 96753-8613	19B-21-CI211
306	1	X		1498061-1073468	GP-420-8	212	Birch Street	Norman	Pitts	PO Box 77	Prospect Park, PA 19076	19B-21-DI212
307	1	X		1498062-1073469	GP-420-9	213	Birch Street	Michael S	Foster	60 Woodland Ave	Mullica Hill, NJ 08062	19B-21-DI213
308	1	X		1489063-1073470	GP-421-1	1402	Birch Street	James F	Rollman	PO Box 325	Barnegat, NJ 08005	19B-21-DII402
309	1	X		1498064-1073471	GP-421-1B	1401	Birch Street	Leslie	Rice	20 Colonial Ridge Dr	Haddonfield, NJ 08033	19B-21-DII401
310	1	X		1498065-1073472	GP-421-2	1403	Birch Street	Kenneth E.	Wattman	1451 Fairville Rd	Chadds Ford, PA 19317	19B-21-DII403
311	1	X		1498066-1073473	GP-421-3	1335	Birch Street	Thomas W	Magness	1120 Wylie Rd	West Chester, PA 19382	19B-21-DII335
312	1	X		1498067-1073474	GP-421-4	1404	Birch Street	Robert H.	Sproat	3216 W Bruce Dr	Dresher, PA 19025	19B-21-DII404
313	1	X		1498068-1073475	GP-421-5	1405	Birch Street	William	Ludlam	2072 Route 9 N	Cape May Court House, NJ 08210	19B-21-DII405
314	1	X		1498069-1073476	GP-421-6	1406	Birch Street	Thomas J	Quinlan, Jr.	56 Kingston Blvd	West Creek, NJ 08008	19B-21-DII406
315	1	X		1498070-1073477	GP-421-7	1407	Birch Street	Robert	Piefka	1375 Jasper Dr	Ambler PA 19002	19B-21-DII407
316	1	X	F	1498071-1073478	GP-421-8	1338	Birch Street	Thomas W	Magness	1120 Wylie Rd	West Chester PA 19382	19B-21-DII1338
317	1	X	F	1498072-1073479	GP-422-1	719	Timberline Drive	Steven	Valtri	PO Box 437	Avalon NJ 08202	19B-21-DI719
318	1	X		1498073-1073480	GP-422-2	718	Timberline Drive	Roy	Rankin	PO Box 614	Lake Harmony PA 18624	19B-21-DI718
319	1	X		1498074-1073481	GP-422-3	717	Timberline Drive	Adam	Pearce	PO Box 68	South Seaville NJ 08246	19B-21-DI717
320	1	X		1498075-1073482	GP-422-4	1331	Timberline Drive	Andrew L	Gloninger	5 Roberts Rd	Newtown Square PA 19073	19B-21-DII331
321	1	X		1498076-1073483	GP-422-4B	1332	Timberline Drive	Hugh P	Campbell	4404 Pearson Ave 1st Floor	Philadelphia PA 19114	19B-21-DII332

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322	1	X	F	1498079-1073484	GP-422-5	716	Timberline Drive	Domenic	Marzano	117 Sylvan Terrace	Glassboro NJ 08028	19B-21-DI716
323	1	X		1498081-1073485	GP-422-6	1330	Timberline Drive	Joseph	Sheffer	415 Tasker St	Ridley Park PA 19078	19B-21-DI1330
324	1	X		1498082-1073486	GP-422-7	1329	Timberline Drive	Robin	Stough	530 S Second St	Philadelphia PA 19147	19B-21-DI1329
325	1	X		1498083-1073487	GP-422-8	714	Timberline Drive	Margretta	Keptner	902 Hertzler Rd	Mechanicsburg PA 17055	19B-21-DI714
326	1	X		1498085-1073488	GP-422-9	713	Timberline Drive	Frank M	Markley Jr	2501 Brookdale Ave	Roslyn PA 19001	19B-21-DI713
327	1	X		1498086-1073489	GP-422-10	712	Timberline Drive	Joseph	Napolitan	29 Hope Rd	Holland PA 18966	19B-21-DI712
328	1	X		1498087-1073490	GP-422-11	1321	Timberline Drive	Francis J	Preto	7 Ivy Ln	Wrightstown NJ 08562	19B-21-DI1321
329	1	X		1498088-1073491	GP-422-12	710	Timberline Drive	Thomas J	O'Rourke	PO Box 92	Lake Harmony PA 18624	19B-21-DI710
330	1	X		1498089-1073492	GP-422-13	816	Timberline Drive	Joseph	Oriti	604 Chestnut Ave	Woodbury Heights NJ 08097	19B-21-DI816
331	1	X		1498090-1073493	GP-422-14	1313	Timberline Drive	Thomas M	Kandle	472 Pritchard Ct	Harrisburg PA 17111	19B-21-DI1313
332	1	X		1498091-1073494	GP-423-1	815	Timberline Drive	Robert L	Dykstra	2594 Cousler Circle	York PA 17404	19B-21-DI815
333	1	X		1498092-1073495	GP-423-2	814	Timberline Drive	Jonathan	Pinelli	15 Hickory Ln	Topfield MA 01983	19B-21-DI814
334	1	X		1498093-1073496	GP-423-3	1312	Timberline Drive	Andrew	Gloninger	5 Roberts Rd	Newtown Square PA 19073	19B-21-DI1312
335	1	X		1498094-1073497	GP-423-4	813	Timberline Drive	Robert A	Pollard	PO Box 243	Lake Harmony PA 18624-0243	19B-21-DI813
336	1	X	F	1498096-1073498	GP-423-5	812	Timberline Drive	Paul D	Leinheiser	13 Midway Ave	Hulmeville PA 19047	19B-21-DI812
337	1	X		1498097-1073499	GP-423-6	1306	Timberline Drive	Eric	Long	PO Box 136	Lake Harmony PA 18624	19B-21-DI1306
338	1	X		1498099-1073500	GP-423-7	1305	Timberline Drive	Patricia L	Smith	76 Whig Lane Rd	Monroeville NJ 08343	19B-21-DI1305
339	1	X		1498100-1073501	GP-423-8	811	Timberline Drive	Duane	Craig	PO Box 603	Lake Harmony PA 18624	19B-21-DI811
340	1	X		1498101-1073502	GP-423-9	810	Timberline Drive	William B	Isaacs	556 Ford Ave	Kingston PA 18704	19B-21-DI810
341	1	X		1498102-1073503	GP-423-10	1304	Timberline Drive	Christopher	Lerario	324 Greenview Ln	Havertown PA 19083	19B-21-DI1304
342	1	X		1498103-1073504	GP-423-11	809	Timberline Drive	James A	McCrea	41 Ferguson Ave	Broomall PA 19008	19B-21-DI809
343	1	X		1498104-1073505	GP-423-12	1303	Spring Street	Margaret E	Ryan ETAL	419 Landis Rd	Harleysville PA 19438	19B-21-DI1303
344	1	X		1498105-1073506	GP-423-13	1302	Spring Street	Thomas J	Ciba	120 Sussex St	Jersey City NJ 07302	19B-21-DI1302
345	1	X		1498106-1073507	GP-423-14	1301	Spring Street	Gustave	Dileo, Jr	12 Cromwell Ln	Jackson NJ 08527	19B-21-DI1301
346	1	X		1498108-1073508	GP-424-1	1328	Arrowhead Court	Donna	Macturk	PO Box 171	Barrington NJ 08007	19B-21-DI1328

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347	1	X		1498109-1073509	GP-424-2	1322	Timberline Drive	Ed & Joan	Hurban	595 S Lincoln Ave	Vineland NJ 18361-6104	19B-21-D11322
348	1	X		1498110-1073510	GP-424-3	1323	Arrowhead Court	Roy A	Hildenbrand	039 Wentling Schoolhouse R	East Greenville PA 18041	19B-21-D11323
349	1	X	F	1498112-1073511	GP-424-4	1327	Arrowhead Court	Elizabeth J	Paoletti	1636 Third St	Bethlehem PA 18020	19B-21-D11327
350	1	X		1498113-1073512	GP-424-5	1326	Arrowhead Court	Lansdale	Warehouse Co	PO Box 892	Lansdale PA 19446	19B-21-D11326
351	1	X		1498114-1073513	GP-424-6	1325	Arrowhead Court	Frederick W	Leske	PO Box 188	Lake Harmony PA 18624	19B-21-D11325
352	1	X		1498115-1073514	GP-424-7	1319	Timberline Drive	Robert H	Grace	62 Paisley Rd	Richboro PA 18954	19B-21-D11319
353	1	X		1498117-1073515	GP-424-8	1314	Timberline Drive	Eric G	Hall	37 Deerfield Dr.	Malvern PA 19355	19B-21-D11314
354	1	X	F	1498120-1073516	GP-424-9	1315	Boulder Field Ct	Patrick	Sharp	393 Rainey Rd	Woolwich Twp, NJ 08085	19B-21-D11315
355	1	X		1498121-1073517	GP-424-9B	1316	Boulder Field Ct	Robert A	Marro	345 Lewis Rd	Springfield, PA 19064	19B-21-D11316
356	1	X		1498122-1073518	GP-424-10	1317	Boulder Field Ct	Christopher	Lazicki	627 Reed Rd	Jackson,NJ 08527	19B-21-D11317
357	1	X		1498123-1073519	GP-424-11	1311	Chalet Court	Robert W	Valcich	211 StoneHenge Dr	Phillipsburg, NJ 08865	19B-21-D11311
358	1	X		1498124-1073520	GP-424-12	1307	Chalet Court	Vitaly	Goncharuk ETAL	3 Falcon Dr # 305	Holland, PA 18966	19B-21-D11307
359	1	X		1498125-1073521	GP-424-13	1308	Chalet Court	John H	Barnitz	940 Craig-Y-Nos Ave	Dresher PA 19025	19B-21-D11308
360	1	X		1498126-1073522	GP-425-1	102	Park Lane	Kurt Graff	William Given	349 Buckhead Ln	Douglassville, PA 19518	19B-21-B1102
361	1	X	F	1498128-1073523	GP-425-2	103	Park Lane	Sebastian	Russell	PO Box 633	Lake Harmony PA 18624	19B-21-B1103
362	1	X		1498129-1073524	GP-425-3	101	Wood Street	R. Michael	Munro	PO Box 214	Lake Harmony PA 18624	19B-21-A101
363	1	X		1498131-1073525	GP-425-4	514	Wood Street	Robert	Breitigan	515 S 58 Terrace	Hollywood FL 33023	19B-21-A514
364	1	X		1498132-1073526	GP-425-5	201	Wood Street	McGinnis.	Steve & Ellyn	PO Box 225	Lake Harmony PA 18624	19B-21-B1201
365	1	X		1498133-1073527	GP-425-6	202	Wood Street	John & Kelli	Grutko	1536 Makefield Rd	Yardley PA 19067	19B-21-B1202
366	1	X		1498134-1073528	GP-425-7	617	Wood Street	Randall	Martin	11 Heritage Hills Ct	Kingsville MD 21087	19B-21-B1617
367	1	X		1498136-1073529	GP-425-8	204	Wood Street	Michael J	Yannes	PO Box 443	Lake Harmony PA 18624	19B-21-B1204
368	1	X		1498137-1073530	GP-425-9	619	Wood Street	Albin J	Pietraszko	4706 Broad St	Wall Township NJ 07753	19B-21-B1619
369	1	X	F	1498139-1073531	GP-425-10	620	Wood Street	John	Jennings	4 Tasley Ct	Marlton NJ 08053	19B-21-B1620
370	1	X		1498140-1073532	GP-425-11	205	Wood Street	Shawn C	Hanrahan	114 Hunters Way	Souderton PA 18964	19B-21-B1205
371	1	X		1498142-1073533	GP-425-12	621	Wood Street	John	Warren	2045 Bennett Rd	Philadelphia PA 19116	19B-21-B1621

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372	1	X		1498144-1073534	GP-426-1	206	Wood Street	Michael T	Romano	105 Savory Ln	North Wales PA 19454	19B-21-B1206
373	1	X		1498145-1073535	GP-426-2	622	Wood Street	Gregory A	Loerzel	19 Patterson Pl	Downingtown PA 19335	19B-21-B1622
374	1	X		1498146-1073536	GP-426-3	208	Wood Street	Frank	Giovannone	2160 Harts Ln	Conshohocken PA 19428	19B-21-B1208
375	1	X		1498147-1073537	GP-426-4	701	Wood Street	Carol	McDonald	1350 E Berks St	Philadelphia PA 19125	19B-21-B1701
376	1	X		498148-1073538	GP-426-5	209	Wood Street	Silvio P	Manucci, Jr.	557 Fairway Terrace	Philadelphia PA 19128	19B-21-B1209
377	1	X		1498149-1073539	GP-426-6	210	Wood Street	H. Jay	Zwally	1214 Tucker Ln	Aston MD 20861	19B-21-B1210
378	1	X		1498151-1073540	GP-426-7	703	Wood Street	Jeffrey B	Quay	267 Hidden Spring Ln	Langhorne PA 19047	19B-21-B1703
379	1	X		1498152-1073541	GP-427-1	414	Skye Drive	John	Pfleger	48 Riverside Ave	Oceanport NJ 07757	19B-21-B1414
380	1	X		1498154-1073542	GP-427-2	415	Skye Drive	Christopher	McManus	103 Savory Lane	North Wales PA 19454	19B-21-B415
381	1	X		1498155-1073543	GP-427-2A	416	Skye Drive	Timothy B	Cooper	497 Reginald Ln	Collegeville PA 19426	19B-21-B1416
382	1	X		1498156-1073544	GP-427-3	706	Skye Drive	Pavel A	Kroupnik	2021 Montrose Villahe Terra	Rockville MD 20852	19B-21-B1706
383	1	X		1498157-1073545	GP-427-4	707	Skye Drive	Ariel	Friedman	4215 43rd Ave # E4	Sunnyside NY 11104	19B-21-B1707
384	1	X	F	1498158-1073546	GP-427-5	708	Skye Drive	J Christopher	West	PO Box 239	Lake Harmony PA 18624	19B-21-B1708
385	1	X		1498159-1073547	GP-427-6	401	Skye Drive	Lance	Rowe	PO Box 102	Lake Harmony PA 18624	19B-21-B1401,402
386	1	X	F	1498162-1073548	GP-427-7	710	Skye Drive	Petty	Blore	308 Bethlem Pike	Glenside PA 19038	19B-21-B1710
387	1	X		1498163-1073549	GP-427-8	711	Skye Drive	Andrew	Fresco III	15 Glen Eagles Dr	Bridgewater NJ 08807	19B-21-B1711
388	1	X		1498164-1073550	GP-427-9A	512	Skye Drive	Albert	Blomer	578 Paoli Ave	Philadelphia PA 19128	19B-21-B11512
389	1	X		1515793-1082560	GP-427-9B	513	Skye Drive	Kathleen	Petrillo	PO Box 1351	Doylestown PA 18901	19B-21-B11513
390	1	X		1498168-1073552	GP-427-10	715	Skye Drive	Gerald B.	Halt, Jr.	2252 E. Deerfield Dr	Media PA 19063	19B-21-B11715
391	1	X		1498170-1073553	GP-427-11	716	Skye Drive	Thomas	Reavy	49 Cliveden Dr	Newtown PA 18940	19B-21-B11716
392	1	X	F	1498172-1073554	GP-427A-1	727	Lower Skye Dr.	Warren	Abraham	75 Old Mill Dr	Media PA 19063	19B-21-B11727
393	1	X	F	1498174-1073555	GP-427A-1B	728	Lower Skye Dr.	John J	O'Malley	725 Hemlock Rd	Media PA 19063	19B-21-B11728
394	1	X		1498175-1073556	GP-427A-2	729	Lower Skye Dr.	Barbara B	Bigelow	290 Millbrook Rd	Washington NJ 07882	19B-21-B11729
395	1	X		1498176-1073557	GP-428-1	717	Skye Drive	Gerard J	Klauder	5701 Hollywood Blvd #B	Hollywood, FL 33021	19B-21-B11717
396	1	X		1498177-1073558	GP-428-2	806	Skye Drive	Michael P	Turturro	4557 French Dr	Doylestown PA 18902	19B-21-B11806

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	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
397	1	X		1498178-1073559	GP-428-3	327	Skye Drive	Nancy G.	Miller	PO Box 61	Lake Harmony, PA 18624	19B-21-BI1327
398	1	X		1498179-1073560	GP-428-4	805	Skye Drive	Dennis	Connor	PO Box 109	Lake Harmony PA 18624	19B-21-BI1805
399	1	X		1498180-1073561	GP-428-5	326	Skye Drive	erendipity Properties LLC		PO Box 1528	Wall, NJ 07719	19B-21-BI1326
400	1	X		1498181-1073562	GP-428-6	325	Skye Drive	Dana	Panzarino	25 Fox Chase Dr	Watchung, NJ 07069	19B-21-BI1325
401	1	X		1498182-1073563	GP-428-7	804	Skye Drive	William M	Deriscavage	101 Bismark Way	King of Prussia, PA 19406	19B-21-BI1804
402	1	X		1498185-1073564	GP-428-8	324	Skye Drive	Larry J	Rendin Jr	508 N Swarthmore Ave	Swarth More PA 19081	19B-21-BI1324
403	1	X		1498186-1073565	GP-428-9	323	Skye Drive	Carol A	Moscony	#1 17 St South	Brigantine, NJ 08203	19B-21-BI1323
404	1	X	F	1498188-1073566	GP-428-10	803	Skye Drive	Richard	Doran	100 Mendam Rd	Gladstone, NJ 07934	19B-21-BI1803
405	1	X		1498189-1073567	GP-428-11	322	Skye Drive	Scott D.	Melba	811 Highfield Dr	Newark, DE 19713	19B-21-BI1322
406	1	X		1498190-1073568	GP-428-12	321	Skye Drive	Maritza I.	Rodriguez	PO Box 167	Lake Harmony, PA 18624	19B-21-BI1321
407	1	X		1498192-1073569	GP-428-13	320	Skye Drive	Dennis	Cramsie, Jr.	337 Golf Hills Rd	Havertown, PA 19083	19B-21-BI1320
408	1	X	F	1498194-1073570	GP-429-1	501	Crest Lane	Brian	Petruzzi	615 Pine View Dr	Galloway, NJ 08205	19B-21-B501
409	1	X		1498195-1073571	GP-429-2	502	Crest Lane	Felix W	Penzarella	618 S Front St	Philadelphia PA 19147	19B-21-BI502
410	1	X		1498196-1073572	GP-429-3	403	Crest Lane	Leona	Tobin-Jones	250 Sutheland Dr	Mountaintop PA 18707	19B-21-BI403
411	1	X		1498197-1073573	GP-429-4	404	Crest Lane	Lewis F Jr	Wright	1701 Hanover Ave	Egg Harbor City, NJ 08215	19B-21-BI404
412	1	X		1498198-1073574	GP-429-5	405	Crest Lane	Daniel A	Backich	355 Linden St	Churchville PA 18966	19B-21-BI405
413	1	X		1498200-1073575	GP-429-6	505	Crest Lane	Richard	Kennedy	PO Box 782	Lake Harmony PA 18624	19B-21-BI505
414	1	X		1498201-1073576	GP-429-7	807	Vista Lane	Vincent	Gervasio	8898 16th Ave	Brooklyn NY 11214	19B-21-BI1807
415	1	X		1498202-1073577	GP-429-8	511	Vista Lane	Elizabeth	Grant	752 Hull Ct	Marco Island FL 34145	19B-21-BI1511
416	1	X		1498203-1073578	GP-429-9	510	Vista Lane	Dennis	Heaton	422 Steven St	Norristown PA 19403	19B-21-BI1510
417	1	X		1498204-1073579	GP-429-10	808	Vista Lane	Lawrence	Gould	PO Box167	Lake Harmony PA 18624	19B-21-BI1808
418	1	X		1498205-1073580	GP-429-11	509	Vista Lane	Lee	Sunderland	235 East Rd	Doylestown PA 18901	19B-21-BI1509
419	1	X		1498207-1073581	GP-429-12	508	Vista Lane	James J	McCaffrey IV	945 Pulinski Rd	Ivyland PA 18974	19B-21-BI1508
420	1	X	F	1498208-1073582	GP-429-13	809	Vista Lane	James	Reynolds	505 Marsh Rd	Wilmington DE 19809	19B-21-BI1809
421	1	X		1498209-1073583	GP-430-1	413	Skye Drive	Michael R.	Barattucci, Jr.	12 Tattersall Dr	Burlington NJ 08016	19B-21-BI413

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422	1	X		1498210-1073584	GP-430-2	301	Skye Drive	Howard	Nixon-Moore	PO Box 746	Lake Harmony PA 18624	19B-21-BI301
423	1	X		1498211-1073585	GP-430-3	412	Skye Drive	Renato A	Rodriguez III	261 Sittler Valley Rd	Kutztown PA 19530	19B-21-BI412
424	1	X		1498213-1073586	GP-430-4	304	Skye Drive	Richard	Schultz	350 Clair Rd	Southampton, PA 18966	19B-21-BI304
425	1	X		1498214-1073587	GP-430-5	411	Skye Drive	John P	Davidovich	PO Box 2	Lake Harmony PA 18624	19B-21-BI411
426	1	X		1498216-1073588	GP-430-6	305	Skye Drive	William	DiBongrazio	2351 Brookshire Circle	West Melborne FL 32904	19B-21-BI305
427	1	X		1498217-1073589	GP-430-7	306	Skye Drive	John P	Davidovich	PO Box 2	Lake Harmony PA 18624	19B-21-BI306
428	1	X	F	1498218-1073590	GP-430-8	307	Skye Drive	Scott	Wanamaker	647 Buyers Rd	Collegeville PA 19426	19B-21-BI307
429	1	X		1498220-1073591	GP-430-9	410	Skye Drive	Ronald	Simone Sr	14 Brentwood Rd	Matawan NJ 07747	19B-21-BI410
430	1	X		1498221-1073592	GP-430-10	308	Skye Drive	Robert	Lauver	161 Huntingwood Dr	Lancaster PA 17602	19B-21-BI308
431	1	X	F	1498222-1073593	GP-430-11	309	Skye Drive	Michael	Accardi	1022 Lafayette Dr	Yardley PA 19067	19B-21-BI309
432	1	X		1498224-1073594	GP-430-12	310	Skye Drive	Michael	Leisner	128 Friendship Rd	Drexel Hill PA 19026	19B-21-BI310
433	1	X		1498225-1073595	GP-430-13	311	Skye Drive	Timothy P	Huber	5601 Oak Pl	Bethesda MD 20814	19B-21-BI311
434	1	X		1498226-1073596	GP-430-14	407	Skye Drive	John F	Barrett	8045 Summerbreeze Terr	Spring Hill, FL 34606	19B-21-BI407
435	1	X		1498227-1073597	GP-430-15	312	Skye Drive	Stephen G	Sharp	204 Second Ave	Piscataway NJ 08854	19B-21-BI312
436	1	X		1498228-1073598	GP-430-16	406	Skye Drive	Herr	Peter F	8 Wilson Ave	Oakhurst NJ 07755	19B-21-BI406
437	1	X		1498229-1073599	GP-431-1	314	Skye Drive	Joseph J	Rink	112 W Plumstead Ave	Lansdowne PA 19050	19B-21-BI314
438	1	X		1498230-1073600	GP-431-2	315	Skye Drive	Joseph A	Nolasco	85 Decker Ave	Staten Island NY 10302	19B-21-BI315
439	1	X		1498232-1073601	GP-431-3	316	Skye Drive	Joseph A	Nolasco	85 Decker Ave	Staten Island, NY 10302	19B-21-BI1316
440	1	X		1498233-1073602	GP-431-4	506	Skye Drive	Marianne	Taulane	510 Easy St	Philadelphia, PA 19111	9B-21-19B-21-BI15(
441	1	X	F	1498235-1073603	GP-431-5	317	Skye Drive	Joseph A	Nolasco	85 Decker Ave	Staten Island, NY 10302	19B-21-BI1317
442	1	X		1665241-1073604	GP-431-6	318	Skye Drive	Kenneth	Arch	2345 Abbey Lane	Harrisburg PA 17112	19B-21-BI1318
443	1	X		1498237-1073605	GP-433-1	5	Honeysuckle Lane	Willard	Canum	105 Mallard Dr W	North Wales PA 19454	33A-21-D12
444	1	X		1498238-1073606	GP-433-2	3	Mt. Ash Rd.	Martin	Kennedy	14 Park Rd	Ottsville PA 18942	33A-21-D5
445	1	X		1498239-1073607	GP-433-3	5	Mt. Ash Rd.	Thomas	Matcovich	1667 Ludwell Dr	Maple Glen PA 19002	33A-21-D4
446	1	X		1498241-1073608	GP-433-4	7	Mt. Ash Rd.	Dawn M	Atwood	16 Carriage Dr	Horsham, PA 19044	33A-21-D3

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447	1	X		1498242-1073609	GP-435-1	17	Split Rock Road	Michael	Mulroy	2015 Stony Creek Rd	Lansdale, PA 19446	33A-21-D26.01
448	1	X		1498243-1073610	GP-435-3	21	Split Rock Road	James F	McDermott	PO Box 18083	Philadelphia, PA 19147	33A-21-D25.01
449	1	X		1498244-1073611	GP-435-4	23	Split Rock Road	Frank L	Iaquinta	516 Snyder Rd	Lititz, PA 17543	33A-21-D24
450	1	X		1498245-1073612	GP-435-5	25	Split Rock Road	Thomas	Scheuerman	321 N Feathering Rd	Media PA 19063	33A-21-D23
451	1	X	F	1498247-1073613	GP-435-6	27	Split Rock Road	Timothy	Okonsky	43 Woodbridge Dr	Doylestown, PA 18901	33A-21-D22
452	1	X		1498248-1073614	GP-435-7	29	Split Rock Road	Lee Berke	Freedman	2350 Montevallo Rd	Birmingham, AL 35223	33A-21-D21
453	1	X	F	1498249-1073615	GP-435-8	31	Split Rock Road	Frank E	Bohinski	PO Box 444	Lake Harmony PA 18624	33A-21-D20
454	1	X		1498250-1073616	GP-435-9	33	Split Rock Road	Steven	Plavin	PO Box 119	Lake Harmony PA 18624	33A-21-D19
455	1	X		1498251-1073617	GP-435-10	37	Split Rock Road	Carol Heiges	Griswold	241 Danbury Circle S	Rochester, NY 14618	33A-21-D18
456	1	X		1498253-1073618	GP-438-1	32	Greenwood Road	Danial J	Renaldi	PO Box 505	Lake Harmony PA 18624	33A-21-E14
457	1	X		1498254-1073619	GP-438-2	34	Greenwood Road	Louis B	Casari	19 El Camino Rd	Hazelton, PA 18201	33A-21-E15
458	1	X		1498255-1073620	GP-439-1	36	Greenwood Road	Clare Marie	Carlin ETAL	274 Callowhill Rd	Chalfont, PA 18914-1519	33A-21-E16
459	1	X		1515806-1082563	GP-439-2	38	Greenwood Road	James	Fiore	PO Box 664	Lake Harmony PA 18624	33A-21-E17
460	1	X		1498259-1073622	GP-439-3	42	Greenwood Road	Joan A	Curry	PO Box 504	Lake Harmony, PA 18624	33A-21-E19
461	1	X		1498260-1073623	GP-439-4	44	Greenwood Road	Timothy	Boyes	2124 Mt Carmel Ave	Glenside, PA 19038	33A-21-E35
462	1	X		1498261-1073624	GP-439-5	46	Greenwood Road	George	Ahart	367 Valley High Ct	Walnutport, PA 18088	33A-21-E36
463	1	X		1498262-1073625	GP-439-6	50	Greenwood Road	Reese	Robinson	7 Woodbrook Circle	Wilmington, DE 19810-4119	33A-21-E38
464	1	X		1498263-1073626	GP-439-7	56	Greenwood Road	Grant T	Thomas	PO Box 300	Lake Harmony, PA 18624	33A-21-E39A
465	1	X		1498264-1073627	GP-440-1	3	Chestnut Road	Anthony J	Valusek	PO Box 179	Lake Harmony, PA 18624	33A-21-D40.02
466	1	X		1498265-1073628	GP-440-2	8	Chestnut Road	Stephen	Bogush	150 Clover Rd	Ivyland PA 18974	33A-21-D9SW
467	1	X	F	1498267-1073629	GP-441-1	22	Chestnut Road	Denise	Hector	669 Lindley Rd	Glenside, PA 19038-2045	33A-21-D13SW
468	1	X	F	1498269-1073630	GP-442-1	12	Split Rock Road	Hay Investment Prop	LLC	1414 Elkins Ave	Levittown, PA 19056	33A-21-C24
469	1	X		1498270-1073631	GP-442-2	31	Maplewood Road	Thomas	Bradley, Jr.	PO Box 426	Lake Harmony, PA 18624	33A-21-C23
470	1	X		1498271-1073632	GP-442-3	30	Maplewood Road	Raymond K	Hess	1375 Pershing Blvd	Reading, PA 19607	33A-21-D27.02
471	1	X		1498272-1073633	GP-442-4	29	Maplewood Road	Thomas M	Check	Box 275 Evand Rd	Gwynedd Valley, PA 19437	33A-21-C22

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472	1	X		1498273-1073634	GP-442-5	28	Maplewood Road	Edmund P	Nowotarski	113 Clubhouse Dr	Bernville, PA 19506	33A-21-D28
473	1	X		1498274-1073635	GP-442-6	24	Maplewood Road	Doris M	Pidcock	1011 Buckingham Dr	Allentown, PA 18103	33A-21-D55
474	1	X	F	1498275-1073636	GP-442-7	22	Maplewood Road	Phyllis Lynn	Heiser	20 Ballard Ave	Staten Island, NY 10312	33A-21-D56
475	1	X		1498277-1073637	GP-442-8	21	Maplewood Road	Benjamin J	Apfelbaum	219 Arch St	Sunbury, PA 17801	33A-21-C11
476	1	X		1498279-1073638	GP-442-9	20	Maplewood Road	Frank J	Nemshick III	14 Campitelli Ct	Reistertown, MD 21136	33A-21-D57
477	1	X		1498280-1073639	GP-442-10	17	Maplewood Road	John F	Campbell	297 Moreland Rd	Huntingdon Valley, PA 19006	33A-21-C9
478	1	X		1498281-1073640	GP-442-11	18	Maplewood Road	Lawrence J	Mellon	708 N Morton Ave	Morton, PA 19070	33A-21-D58
479	1	X		1498282-1073641	GP-442-12	16	Maplewood Road	Michael J	Mellon	6 Durham Dr	Pottsville, PA 17901	33A-21-D59
480	1	X		1498283-1073642	GP-442-13	15	Maplewood Road	Ernest	Mayer ETAL	10 Walnut Valley Rd	Chaddsford, PA 19317	33A-21-C8
481	1	X		1498285-1073643	GP-442-14	14	Maplewood Road	Lee	Walton	89 Beverly Dr	Kintnersville, PA 18930	33A-21-D60
482	1	X		1498286-1073644	GP-442-15	12	Maplewood Road	Charlotte S	Mitchell	2212 Fairfax Blvd	Wilmington, DE 19803	33A-21-D61
483	1	X		1498288-1073645	GP-442-16	10	Maplewood Road	Theresa H	Mitros	321 Tyson Ave	Glenside, PA 19038	33A-21-D62
484	1	X		1498289-1073646	GP-442-17	8	Maplewood Road	Antonia D	Perez	115 Woodlawn Ave	Colingswood NJ 08108	33A-21-C4
485	1	X		1498290-1073647	GP-442-18	10	Greenwood Road	Cynthia J	Shorten	16405 Henry Dr	Gaithersburg, MD 20877	33A-21-C12
486	1	X		1498291-1073648	GP-443-1	13	Maplewood Road	Robert J	Scamell	61 Simcoe St	Oyster Bay, NY 11771	33A-21-C7
487	1	X		1570769-1073649	GP-443-2	9	Maplewood Road	Barbara Boyer	Jeffrey Ware	231 Woodland Ave	Haddonfield NJ 08033	33A-21-C6
488	0	X		VC agreement	GP-443-3	5	Maplewood Road	Vacation Charters	Cove Cottage	PO Box 592	Lake Harmony, PA 18624	33A-21-C5
489	1	X	F	1734035-1073651	GP-443-4	9	Greenwood Road	Wayne	Aubrey	9 Paddock Dr	Glassboro NJ 08028	33A-21-C21
490	1	X		1498296-1073652	GP-443-5	8	Greenwood Road	Holly R	Boote	1990 Mocassin Dr	Auburn, PA 17922-9576	33A-21-C13
491	1	X	F	1498298-1073653	GP-443-6	7	Greenwood Road	O'Donnell	Joseph I & M P	5271 Rosewood Dr	Center Valley, PA 18034	33A-21-C20
492	1	X		1498299-1073654	GP-443-7	6	Greenwood Road	John K	McCreesh	312 Bryan St	Havertown, PA 19083	33A-21-C14
493	1	X		1498300-1073655	GP-443-8	5	Greenwood Road	Dolores A	Devece	105 Helm Way	Downingtown PA 19335	33A-21-C19
494	1	X		1498301-1073656	GP-444-1	19	Red Oak Road	Lois P	Pauley	PO Box 725	Lake Harmony, PA 18624	33A-21-D54
495	1	X		1498302-1073657	GP-444-2	17	Red Oak Road	Marvin J	Arrighy	15155 Milford St	Philadelphia, PA 19116	33A-21-D53
496	1	X		1498303-1073658	GP-444-3	18	Red Oak Road	Alan J	Cherry	312 Wismer Rd	Horshan, PA 19844	33A-21-D42

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497	1	X		1498304-1073659	GP-444-4	16	Red Oak Road	Frances M	Williams	923 Rose Ave	Morton, PA 19070	33A-21-D43
498	1	X		1732077-1073660	GP-444-5	14	Red Oak Road	Daniel	Prestayko	273 Spring Run Ln	Downingtown PA 19335	33A-21-D44
499	1	X		1498308-1073661	GP-444-6	11	Red Oak Road	Thomas L	Davis	1057 Primrose Ln	Coopersburg PA 18036	33A-21-D50
500	1	X		1498309-1073662	GP-444-7	10	Red Oak Road	Jane R	Payne	135 Old Forge Crossing	Devon PA 19333-1160	33A-21-D46
501	1	X		1498310-1073663	GP-444-8	9	Red Oak Road	C Lee	Wanner	122 N Lewis Rd	Royersford, PA 19468	33A-21-D49
502	1	X		1498311-1073664	GP-444-9	4	Beechwood Road	Paul J	Perpigilia	426 Barker Rd	Springfield PA 19064	33A-21-D65
503	1	X		1498312-1073665	GP-444-10	4	Red Oak Road	Ronald	Gansfuss	16 Hendrick Rd	Flemington, NJ 08822	33A-21-E55
504	1	X		1498313-1073666	GP-444-11	3	Red Oak Road	Lydia A	Heise	205 Saratoga Ct	Warminster PA 18974	33A-21-D64
505	1	X		1498314-1073667	GP-444-12	1	Red Oak Road	Elizabeth A	Griffiths	110 Edgeley Ave	Glenside PA 19038	33A-21-D63
506	1	X		1498315-1073668	GP-444-13	2	Red Oak Road	Steven R	Maclaskey	PO Box 201	Lake Harmony PA 18624	33A-21-E56
507	1	X	F	1498358-1073706	GP-445-1	2	Hickory Road	Richard	Forte	PO Box 836	Avondale PA 19311	33A-21-D1SW
508	1	X		1498317-1073670	GP-445-2	4	Hickory Road	Wade A	Brosius	29 Victory Way	Limerick PA 19468	33A-21-D2SW
509	1	X		1498318-1073671	GP-445-3	7	Hickory Road	Norman V	Perez	820 Colorado Dr	Newark DE 19713	33A-21-E57
510	1	X		1498319-1073672	GP-446-1	21	Beechwood Road	Francine	Weiner	1903 Second St	Langhorne PA 19047	33A-21-D72
511	1	X		1498320-1073673	GP-446-2	19	Beechwood Road	Genaro G	Toro	40 Bauer Terrace	Elizabeth NJ 07205	33A-21-D71
512	1	X		1498322-1073674	GP-446-3	17	Beechwood Road	Steven	Fleisher	1794 Morgan Ln	Collegeville PA 19426	33A-21-D70
513	1	X		1498323-1073675	GP-446-4	13	Beechwood Road	Nancy	Adamo/Santos	PO Box 124	Lake Harmony PA 18624	33A-21-D69
514	1	X	F	1498324-1073676	GP-446-5	14	Beechwood Road	Francis	Nevins, Jr.	PO Box 541	Lake Harmony PA 18624	33A-21-E51
515	1	X		1498325-1073677	GP-446-6	12	Beechwood Road	Richard F	Montalto	PO Box 281	Lake Harmony PA 18624-0281	33A-21-E52
516	1	X		1498326-1073678	GP-446-7	11	Beechwood Road	Stephen	Rucci	246 Green Hollow Rd	Glen Moore PA 19343	33A-21-D68
517	1	X		1498327-1073679	GP-446-8	10	Beechwood Road	Renee	Merz	PO Box 414	Lake Harmony PA 18624	33A-21-E53
518	1	X		1498329-1073680	GP-446-9	8	Beechwood Road	George L II	Decaux	28 Berkeley Ave	Westwood NJ 07625	33A-21-E54
519	1	X		1498330-1073681	GP-446-10	8	Red Oak Road	Daniel E	Diefenderfer	111 W 35th St	Reading, PA 19606	33A-21-D67
520	1	X		1498331-1073682	GP-447-1	18	Beechwood Road	Donald R	Houck, Jr.	301 Hillcrest Ave	Conshohocken, PA 19428	33A-21-E49
521	1	X	F	1498332-1073683	GP-447-2	16	Big Boulder Road	Robert	Ivy	4113 Manor View Ct	Jarrettsville, MD 21084	33A-21-E48

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Contract 4

	EDU	Easement	Filed	Aqua #	Grinder Pump ID No.	#	Street Name	First Name	Last Name	Mailing Address	City, State, & Zip	Tax Parcel
522	1	X		1498333-1073684	GP-447-3	18	Big Boulder Road	Leslie J	Burrage	463 Pebble Hill Rd	Doylestown, PA 18907	33A-21-E47
523	1	X		1498334-1073685	GP-447-4	25	Hickory Road	Deborah A	Shoenberger	3625 Oakwood Trail	Allentown, PA 18103	33A-21-E46
524	1	X		1498335-1073686	GP-447-5	23	Hickory Road	Willis	Collett	63 Fox Hill Rd	Doylestown, PA 18901-2012	33A-21-E65
525	1	X		1498336-1073687	GP-447-6	21	Big Boulder Road	Ralph W	Lamarra	13 Peter Gamble Ln	Glen Mills, PA 19342	33A-21-D7SW
526	1	X	F	1498337-1073688	GP-447-7	21	Hickory Road	Jean J	Onofrietti	3195 Windsor Ave	Toms River NJ 08753	33A-21-E64
527	1	GPO	NA	1498339-1073689	GP-447-8	19	Hickory Road	Bradley R	Nowotarski, Jr	116 Robby Dr	Leesport, PA 19533	33A-21-E63
528	1	X		1498342-1073690	GP-447-9	18	Hickory Road	Mary	Fawkes	1017 Maryland Ave	Croydon, PA 19021	33A-21-D6SW
529	1	X	F	1498343-1073691	GP-447-10	15	Hickory Road	Joseph A	Alfieri	28A Cedar Ave	Medford, NY 11763	33A-21-E61
530	1	X		1498344-1073692	GP-447-11	12	Hickory Road	David T	Derr	2034 Spring Valley Rd	Lansdale, PA 19446	33A-21-D5SW
531	1	X		1498345-1073693	GP-448-1	10	Hickory Road	David M	Milberg	211 Shoreline Dr	Berwyn, PA 19312	33A-21-D4SW
532	1	X		1498346-1073694	GP-448-2	11	Hickory Road	Ralph S	Thomas	PO Box 583	Lake Harmony, PA 18624	33A-21-E59
533	1	X		1498347-1073695	GP-448-3	8	Hickory Road	Tino	Lispi	PO Box 35	Lake Harmony, PA 18624	33A-21-D3SW
534	1	X		1498348-1073696	GP-448-4	9	Hickory Road	William M	Clark	113 Andrew Ln	Lansdale, PA 19446	33A-21-E58
	1555			535 residential	20 commercial							

Exhibit FL-3

Witness: William C. Packer
Renee T. Marquis
Christopher E. Manning
Date: 08/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

SCH USA, LLC

SET I INTERROGATORIES

SCH-I-1 Does Aqua bill any wastewater customer(s) in its service territory based on actual usage obtained from wastewater meters? If so, for each such customer, please identify:

a. The type of customer (residential, commercial, industrial, etc.);

b. The customer's rate zone as established in Aqua's wastewater tariff; and

c. Whether the wastewater meter(s) was/were installed at Aqua's expense, the customer's expense, or a combination thereof.

d. For any customer identified in parts (a)-(c) above, provide their average wastewater usage.

e. For any average usage provided in (d) above, is that average greater or less than an EDU proxy for flow figures for that customer as identified in 25 Pa. Code § 73.17?

RESPONSE

a. through c. The Company has two commercial customers, one in Rate Zone 2 and one in Rate Zone 11 that are billed based on metered wastewater flows. The wastewater meters and associated infrastructure necessary for reading wastewater flows and billing was installed and in operation prior to the acquisition of each of the systems by Aqua PA. These customers were grandfathered in upon acquisition of these systems and Aqua PA adopted the billing structure, in place at the time of acquisition, which included either a meter size or EDU charge in addition to a volumetric charge.

d. through e. The customer in Rate Zone 2 had an average monthly flow of approximately 1,059,700 gallons for the HTY ending December 31, 2023. The

customer in Rate Zone 11 had an average monthly flow of approximately 150,800 gallons for the HTY ending December 31, 2023. The EDU proxy for flow figures for customers as identified in 25 Pa. Code § 73.17 is for design purposes and as noted in the response above, the 2 customers identified are billed using both a base charge and a volumetric charge, not solely an EDU charge, therefore the analysis requested cannot be completed as requested.

Witness: William C. Packer
Renee T. Marquis
Christopher E. Manning
Date: 08/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

SCH USA, LLC

SET I INTERROGATORIES

SCH-I-2 Does Aqua bill any wastewater customer(s) in its service territory based on actual usage obtained from water meters, where water is provided by a well or by an entity other than a utility, municipality, or municipal authority? If so, for each such customer, please identify:

a. The type of customer (residential, commercial, industrial, etc.);
b. The customer's rate zone as established in Aqua's wastewater tariff; and
c. Whether the water meter(s) was/were installed at Aqua's expense, the customer's expense, the water provider's expense, or some combination thereof.

RESPONSE

a. The Company has limited wastewater customers who are billed based on water meter reads where the water is provided by a well. When the Company acquired the systems referenced below, the company adopted the existing rates structure and method in which these customers were billed.

b. and c. Rate Zone 7 (Limerick) – 53 Commercial accounts with customer installed meters.
Rate Zone 11 (New Garden) = 73 Residential accounts with customer installed meters at the time of acquisition, which were updated to read via radio frequency at Aqua's expense.
Rate Zone 11 (New Garden) = 24 Commercial accounts with customer installed meters at the time of acquisition, which were updated to read via radio frequency at Aqua's expense.
Rate Zone 4 – (Blakeslee) 66 Commercial accounts that at the time of acquisition, had meters that were installed by Tobyhanna Township, but have since been replaced by the Company.

Witness: William C. Packer
Christopher E. Manning
Date: 08/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

SCH USA, LLC

SET I INTERROGATORIES

SCH-I-3 Since 2012, has Aqua conducted any studies, investigations or other assessments on the use or feasibility of wastewater meters? If so, please provide copies of any such studies or related documentation.

RESPONSE

Aqua PA has not conducted any studies, investigations or other assessments on the use or feasibility of wastewater meters.

Witness: William C. Packer
Renee T. Marquis
Christopher E. Manning
Date: 08/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

SCH USA, LLC

SET I INTERROGATORIES

SCH-I-9 If the basis provided for No. 8 includes any document outside of Aqua's existing wastewater tariff, produce such documents.

RESPONSE

Please refer to the Company's compliance tariff, attached as SCH-I-9 Attachment 1, which was filed at Docket No. A-2012-2298067 as part of the Company's Kidder Township acquisition. The EDUs for the premises which SCH USA currently own are listed out on Page 6 of the attachment. SCH USA has replaced Vacation Charters as the owner of Willowbrook at Lake Harmony, The Galleria and the Water Park, and Remaining Uses (Lodge). SCH USA currently also owns a Laundromat, which is not specifically broken out in the compliance tariff and that is billed at 4 EDU's as mentioned in the Company's response to SCH-I-7.

The EDUs that are stipulated in the Company's Compliance tariff were taken from the Settlement Agreement entered into between the Township of Kidder and Vacation Charters Ltd., Split Rock Country Club, Inc., and Summit Management & Utilities, Inc. As reflected in the Compliance Tariff, Willowbrook at Lake Harmony would be billed 128 EDUs; the Galleria and the Water Park would be billed 145 EDUs; remaining uses (Lodge) would be billed 53 EDUs. SCH USA did not acquire all the assets previously owned by Vacation Charters Ltd., Split Rock Country Club, Inc., and Summit Management & Utilities, Inc. set forth in the settlement agreement. SCH only acquired the assets related to 330 EDUs. The remaining 110 EDUs that were transferred to Aqua PA are billed to another customer.

Please refer to SCH-I-9 Attachment 2 for a copy of this agreement.

Witness: Renee T. Marquis
Date: 7/23/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

OFFICE OF CONSUMER ADVOCATE

SET XVII INTERROGATORIES

OCA-XVII-10 Please identify Aqua's plans with respect to obtaining metered water usage data for currently unmetered wastewater customers, including customers in Rate Zone 4, Little Washington Service Territory, Honeycroft Village, Londonderry Township, Chester County.

RESPONSE

For wastewater customers, Aqua PA bills on actual meter readings for systems that have access to and utilize metered public water from a municipality or a private utility regulated by the PUC. The Company does not have plans at this time to install company-owned water meters on privately-owned water wells for systems that are currently unmetered.

Witness: Todd Duerr
Date: 8/12/2024

AQUA PENNSYLVANIA, INC. &
AQUA PENNSYLVANIA WASTEWATER, INC.

DOCKET NO. R-2024-3047822 & R-2024-3047824

JOHN DAY

SET IV INTERROGATORIES

DAY-IV-3 Referring to Duerr response to Day II-1, showing that Aqua uses RF technology to meter 100% of its wastewater customers in Rate Zone 4 where Aqua owns the water and wastewater system.
What research has the Company performed into utilities across the United States that use RF technology or advanced metering infrastructure (AMI) to meter homes with private wells?

RESPONSE

As clarification, Aqua uses RF technology to read water meters in Rate Zone 4 where they exist.

Aqua has not performed research into utilities across the United States that use RF technology or advanced metering infrastructure (AMI) to meter homes with private wells. Water meter reading technology for meters on private wells will be functionally similar to water meters on a public water system. That said, there are inherent complications with metering private wells as compared to standard residential water supply, for example, approved rate structure, ownership, initial installation responsibility and cost, access for repair and replacement, shut-off procedure for delinquency or non-compliance, etc.

VERIFICATION

I, Frank P. Lacey, hereby state that: (1) I am the founding principal of Electric Advisors Consulting, LLC; (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Frank Lacey

Digitally signed by Frank Lacey
Date: 2024.08.15 18:20:02 -04'00'

August 16, 2024
Dated

Frank P. Lacey
Principal
Electric Advisors Consulting, LLC

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2024-3047824
	:	
Aqua Pennsylvania Wastewater, Inc.	:	

SURREBUTTAL TESTIMONY

OF

RONALD CARRIER

On Behalf of

SCH USA, LLC

Topics Addressed:

Wastewater Measurement and Billing

September 26, 2024

I. INTRODUCTION AND BACKGROUND

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Ronald Carrier. My business address is 2316 Anchor Court, Holt, MI 48842.

Q. HAVE YOU PREVIOUSLY PROVIDED TESTIMONY IN THIS PROCEEDING?

A. Yes, I provided Direct Testimony on August 16, 2024 on behalf of SCH USA, LLC (SCH USA St. No. 2).

Q. WHAT TOPICS DID YOU ADDRESS IN YOUR DIRECT TESTIMONY?

A. In my Direct Testimony, I explained how Equivalent Dwelling Units ("EDUs") are used by Aqua Pennsylvania Wastewater, Inc. ("Aqua") to bill for wastewater services, and showed that there are more accurate means to measure actual wastewater flow for billing purposes.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. The purpose of my Surrebuttal Testimony is to respond to certain points made in the Rebuttal Testimony of Aqua witness Todd M. Duerr (Aqua St. No. 11-R).

Q. IN GENERAL, HAS ANYTHING IN AQUA'S REBUTTAL TESTIMONY CHANGED YOUR POSITION AS STATED IN YOUR DIRECT TESTIMONY?

A. No.

II. RESPONSE TO AQUA WITNESS DUERR

Q. AQUA WITNESS DUERR STATES IN HIS REBUTTAL TESTIMONY THAT TWO METERING TECHNOLOGIES, ULTRASONIC AND ELECTROMAGNETIC, ARE USED IN "FULL PIPE, PRESSURIZED FLOW"[1] APPLICATIONS. IS THIS STATEMENT TRUE?

A. Yes, both ultrasonic and electromagnetic flow meters can be used in full pipe, pressurized flow applications.

Q. WITNESS DUERR ALSO STATES THAT NEITHER OF THESE TECHNOLOGIES CAN BE USED IN SCH USA'S SYSTEM AS IT IS MAINLY A

[1] Aqua St. No. 11-R at 7.

GRAVITY SYSTEM AND NOT A FULL PIPE, PRESSURIZED FLOW SYSTEM. IS THIS STATEMENT ACCURATE?

A. No. There are several manufacturers that offer electromagnetic flow meters for use in non-pressurized, partially filled pipes for the use in measuring municipal wastewater.

Q. DO ULTRASONIC FLOW METERS REQUIRE THE PIPE TO BE FULL?

A. Yes.

Q. DOES THIS MEAN THAT AN ULTRASONIC FLOW METER CANNOT BE USED ON A GRAVITY FLOW SYSTEM?

A. Not necessarily. In some applications, it is possible to configure the sewer line to create a section of pipe that dips below the lowest part of the sewer line and then reconnect to the downstream section of the sewer line. This u-shaped section of pipe will remain full allowing the ultrasonic meter to measure the full pipe flow.

Q. AQUA WITNESS DUERR CONTENDS THAT CUSTOMER OWNED WATER METERS CANNOT BE UTILIZED AS AQUA CANNOT BE CONFIDENT THAT METERS WILL BE IN PLACE. DO YOU AGREE?

A. No. SCH USA would allow Aqua to verify installation of any water meters.

Q. MR. DUERR ALSO CONTENDS THAT METERS PLACED ON CUSTOMER-OWNED WATER FACILITIES MAY NOT BE MAINTAINED, IMPACTING THEIR ACCURACY. DO YOU AGREE WITH THIS ASSESSMENT?

A. No. It would be reasonable for the Commission to require that any customer-owned meter be tested for accuracy before installation. It would also be reasonable to require periodic re-testing of the meter to ensure that the meter is measuring accurately.

III. <u>CONCLUSION</u>

Q. DOES THIS COMPLETE YOUR SURREBUTTAL TESTIMONY?

A. Yes.

VERIFICATION

I, Ronald Carrier, hereby state that: (1) I am the founding principal of Big Lake Consulting Group, LLC; (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

September 26, 2024
Dated

Ronald Carrier
Principal
Big Lake Consulting Group, LLC

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2024-3047824
	:	
Aqua Pennsylvania Wastewater, Inc.	:	

SURREBUTTAL TESTIMONY

OF

FRANK LACEY

On Behalf of

SCH USA, LLC

Topics Addressed:

Reasonableness of Aqua's Wastewater Billing Method

September 26, 2024

I. INTRODUCTION AND BACKGROUND

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Frank Lacey. My business address is 3 Traylor Drive, West Chester, PA 19382.

Q. HAVE YOU PREVIOUSLY PROVIDED TESTIMONY IN THIS PROCEEDING?

A. Yes, I provided Direct Testimony on August 16, 2024 on behalf of SCH USA, LLC (SCH USA St. No. 3).

Q. WHAT TOPICS DID YOU ADDRESS IN YOUR DIRECT TESTIMONY?

A. In my Direct Testimony I provided testimony showing that Aqua's proposed wastewater tariff, including changes to the definition of Equivalent Dwelling Unit ("EDU"), will result in unjust and unreasonable rates as they apply to currently unmetered wastewater customers, such as SCH USA. I also discussed how Aqua's continued unwillingness to facilitate metering of either well water inflows or wastewater outflows results in the inefficient use of resources and inaccurate billing for SCH USA as an unmetered wastewater customer.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. The purpose of my Surrebuttal Testimony is to respond to certain points made in the Rebuttal Testimonies of Aqua witnesses Christopher Manning (Aqua St. No. 3-R), Gregory Herbert (Aqua St. No. 10-R), and Todd Duerr (Aqua St. No. 11-R).

Q. IN GENERAL, HAS ANYTHING IN AQUA'S REBUTTAL TESTIMONY CHANGES YOUR POSITION AS STATED IN YOUR DIRECT TESTIMONY?

A. No. The prevailing theme of Aqua's Rebuttal Testimony regarding flat rate billing for the currently unmetered wastewater service to SCH USA is "we've always done it that way." That is not a compelling argument on any level.

II. RESPONSE TO AQUA WITNESS MANNING

Q. HOW DOES AQUA WITNESS MANNING JUSTIFY BILLING SCH USA BASED ON EDUS DETERMINED IN A 2010 SETTLEMENT AGREEMENT, TO WHICH NEITHER AQUA NOR SCH USA WAS A PARTY?

A. Mr. Manning states that it "is commonplace with any acquisition, [that] the number of EDUs, or billing determinants, associated with a customer remain consistent with what the system's previous owner had been charging."[1]

Q. HOW DO YOU RESPOND TO MR. MANNING'S POSITION?

A. His statement is unpersuasive. First, we are beyond the period of time where Aqua is just "adopting" what the prior owner had done. Additionally, keeping the same cost structure implemented in 2010 implies that nothing has changed since then in the service territory – no new homes, no new businesses, no efficiencies, no incremental wastewater consumption, etc. In other words, the ratio of wastewater costs that was allocated to the owner of the Split Rock resort 14 years ago is the same ratio of wastewater costs that the resort is responsible for today.

Q. WHAT OTHER BASIS DOES MR. MANNING PROVIDE FOR MAINTAINING THE NUMBER OF EDUS BILLED TO SCH USA?

A. Mr. Manning argues that the Commission reviewed the number of EDUs billed to SCH USA in each of its last two rate proceedings. I have reviewed those proceedings and already commented on them. The Commission did not expressly approve an allocation of costs or EDUs to SCH USA in those proceedings.

[1] Aqua St. No. 3-R at

Q. HOW DOES MR. MANNING RESPOND TO SCH USA'S POSITION THAT THE CURRENT FLAT RATE DOES NOT REFLECT VARYING OCCUPANCY AT THE RESORT?

A. Mr. Manning argues that "Factoring in occupancy rate for an unmetered customer is impossible as the customers' usage is not tracked. SCH USA is an unmetered customer that only asserts that their occupancy rates impact the amount of wastewater they are producing. SCH USA provides no auditable, numerical data pertaining to its water and wastewater usage, but claims that their actual wastewater usage is much lower than what is being billed by Aqua. SCH USA has offered no substantiation or validation of this claim."[2] By their own logic, Aqua should not be able to bill SCH USA for any wastewater disposal because it is unmetered and Aqua has offered no substantiation or validation of the amounts it is charging.

Mr. Manning further argues "The Company is required to handle the maximum amount of flow that could come from this customer. EDUs are not a variable number and do not ebb and flow with each and every customer's usage at their premise."[3] In other words, Aqua is charging SCH USA for the maximum amount of flow that could come from the property and their rates have nothing to do with actual services rendered. This type of assessment is unfair to customers with variable wastewater needs. Worse yet, it creates tremendous disincentives to any type of water or wastewater conservation or efficiencies.

[2] Aqua St. No. 3-R at 20.
[3] Aqua St. No. 3-R at 20.

Q. ARE THE TESTIMONIES OF AQUA'S WITNESSES CONSISTENT ON WHETHER THE COMPANY IS CHARGING SCH USA ASSUMING FULL OCCUPANCY?

A. No, it appears not. In the context of Mr. Manning's statement that Aqua must handle the maximum amount of flow that could come from SCH USA, I am somewhat confused by the statement from Aqua Witness Herbert that Aqua does not charge SCH USA based on full occupancy. I am not sure how billing for the "maximum amount of flow" is different from billing based on full occupancy. Does Aqua expect maximum flow to occur at a time other than full occupancy? Would billing based on full occupancy result in a bill that is greater than the maximum amount of flow that could come from the facility? Aqua's positions are inconsistent and do not provide a basis for continuing to bill SCH USA based on an inaccurate flat rate.

Q. MR. MANNING CLAIMS THAT AQUA'S 2021 RATE CASE ALREADY ADDRESSED FLAT RATE BILLING FOR UNMETERED WASTEWATER CUSTOMERS. HOW DO YOU RESPOND?

A. Mr. Manning cites Administrative Law Judge Joel H. Cheskis from the 2021 rate proceeding addressing Mr. Day's complaint. SCH USA's situation is different from Mr. Day's in that case. SCH USA is not asking for relief because the wastewater consumption at the Split Rock resort is variable. Rather, SCH USA is asking to be charged volumetrically for its exact impact on the wastewater system. The solution to SCH USA's concerns could be a rate tied to occupancy. It could be a metered rate on either water consumption or wastewater flow. It is not SCH USA who is seeking special treatment. It is Aqua who refuses to provide a metered option to SCH USA when they provide that option to other customers.

III. RESPONSE TO AQUA WITNESSES HERBERT AND DUERR

Q. WHAT IS MR. HERBERT'S POSITION REGARDING AQUA'S ABILITY TO CHANGE THE LEVEL OF EDUS CHARGED TO SCH USA?

A. Mr. Herbert stated that Aqua cannot change the level of EDUs charged to a customer because the Commission "sets and approves the rates, rate structures and billing determinants charged to its customers."[4] This is true, but the Commission does not dictate the number of billing units charged to each of a utility's customers.

Q. HOW DO YOU RESPOND TO MR. HERBERT'S ARGUMENT REGARDING AQUA'S ABILITY TO BILL BASED ON METERED PRIVATE WELLS?

A. In response to my statements about Aqua's ability to meter private wells, Mr. Herbert argues that these customers were on metered service before Aqua acquired them and kept the same billing processes in place "similar to how Aqua has maintained the same number of predetermined EDUs to charge its unmetered customers a flat rate in the Township."[5] In other words, if the companies Aqua bought didn't invest in modern technologies and capabilities, then we are stuck in the technological dark ages. In the context of tectonic technological advancements since 2010, when the EDUs were determined and assessed to the Split Rock Resort, Aqua and its predecessor companies have been unable or unwilling to make any technological changes. This is a stunning admission and should be reason alone to reject Aqua's arguments about why they are unwilling to allow metering on the SCH USA wells.

Q. PLEASE RESPOND TO AQUA WITNESS DUERR'S REBUTTAL.

A. Mr. Duerr makes similar arguments. He admits that Aqua has customers who are billed based on meter reads where the water is provided by a private well, but states that "SCH

[4] Aqua St. No. 10-R at 5.
[5] Aqua St. No. 10-R at 8.

USA was not billed [with meters] at the time of acquisition" as support for why they are not able to be billed with meters today.[6] He states that Aqua cannot be confident that private meters, "if they exist, are maintained and accurate."[7] Meter testing for operations and accuracy is a common skillset within regulated utilities. I would presume that since Aqua has a lack of confidence in meters on private wells and has customers with meters on private wells, that it possesses the skills in-house to test the accuracy of those meters. I do not see any reason that they could not test meters on the SCH USA wells.

Q. PLEASE RESPOND TO MR. HERBERT'S ARGUMENTS REGARDING THE COSTS OF SCH USA'S PROPOSALS.

A. Mr. Herbert's statement that "any costs the Company would incur to make these recommended changes to measure usage will increase the revenue requirement, not reduce it, and ultimately increase the rates paid by SCH USA"[8] is unsupported and not credible. I understand that the implementation of technology solution comes at a cost. However, for Mr. Herbert's statement to be true, the technology would have to show that SCH USA is using more water than it is currently being billed for, which according to other statements, is based on the maximum amount of flow of wastewater from the property.

Mr. Herbert also suggests that "individual customer's rates cannot be considered in a vacuum, and if SCH USA's allocated number of EDUs were reduced, it would impact other customers rates in Rate Zone 4."[9] Ironically, that is only true if Aqua is operating in a vacuum. If nothing has changed in Zone 4 since 2021, that would be true.

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6 Aqua St. No. 11-R at 7.
7 Aqua St. No. 11-R at 7.
8 Aqua St. No. 10-R at 9.
9 Aqua St. No. 10-R at 10.

However, if customers moved in or out, if customers expanded or contracted, if families got bigger or smaller, or if the amount of families or businesses in Zone 4 grew, then a change in one place does not have to change the others. This would be especially true if customers were metered. If customers were metered, changes would be dynamic and customers would never be affected by other customers' changes.

Q. HOW DO YOU RESPOND TO AQUA'S POSITION THAT SCH USA'S EDUS ARE APPROPRIATELY BASED ON THE 2010 SETTLEMENT?

A. Aqua continues to rely on the Settlement to justify its position in this rate proceeding with respect to SCH USA and in the related complaint docket.[10] The reliance on the Settlement is not warranted.

The referenced settlement was adopted by the Kidder Board of Supervisors on November 18, 2010. On March 15, 2012, Little Washington Wastewater Company D/B/A Suburban Wastewater Company ("LWWC") entered into an Asset Purchase Agreement ("APA") with the Township of Kidder to purchase the wastewater system that is currently owned by Aqua. Under this APA, only two paragraphs from that Settlement were transferred from Kidder to LWWC. The APA states: "LWWC shall not assume any rights or obligations of Seller under any contract, agreement, commitment, lease, certificate, permit or other instrument, whether oral, written, express or implied, except with respect to: (i) those agreements, contracts, permits and other instruments listed on Schedule 1.4 attached hereto…."

Schedule 1.4 of the APA states "Seller shall assign to LWWC Seller's right to collect the payments still to be made by the Plaintiff to Kidder Township under paragraphs nine and ten of that certain Release and Settlement Agreement entered by and

[10] *See* Aqua St. No. 3-R at 16-18; Aqua St. No. 10-R at 3; Aqua St. No. 11-R at 4.

between Vacation Charters LTD as Plaintiff and Kidder Township pursuant to the civil action filed in the Court of Common Pleas of Carbon County, Pennsylvania at Docket No. CV-07-4079…." The payments outlined in paragraphs nine and ten of the Settlement were to resolve disputed charges from the wastewater system between 2002 and 2010. These payments and the related paragraphs in the Settlement have no bearing on the calculation of EDUs or the billing of future wastewater flows. The plain language of this APA shows that only the repayment terms of past due amounts were passed to LWWC when they purchased Kidder's wastewater system. The remaining terms of the Settlement are long expired. The EDU estimations from that Settlement have no weight or value. The terms of the Settlement were not conveyed to LWWC, so it is not possible that they were conveyed to Aqua.

III. CONCLUSION

Q. DOES THIS COMPLETE YOUR SURREBUTTAL TESTIMONY?

A. Yes.

VERIFICATION

I, Frank P. Lacey, hereby state that: (1) I am the founding principal of Electric Advisors Consulting, LLC; (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Frank Lacey

Digitally signed by Frank Lacey
Date: 2024.09.26 09:57:16 -04'00'

September 26, 2024
Dated

Frank P. Lacey
Principal
Electric Advisors Consulting, LLC